ALL FIGURES BASED ON PRELIMINARY NUMBERS (UNAUDITED)

PRELIMINARY RESULTS 2023

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flatexDEGIRO

Executive Summary - Preliminary results for 2023

In a challenging market environment across the industry, flatexDEGIRO recorded the second-best financial year in its history. Both revenues and consolidated net income increased compared to the previous year, adjusted for effects from the building or release of provisions for long-term variable compensation. With overall reduced customer acquisition costs to less than EUR 100 per new customer, customer growth of 12.6% in 2023 was more than twice as high as that of listed peer companies.

In commission income, this customer growth and improved monetization of settled transactions compensated for a significant part of the industry-wide decline in trading activity by retail investors. flatexDEGIRO benefited from rising interest rates and net cash inflows of around EUR 4.5 billion in 2023. Interest income increased by 91 percent to over EUR 136 million. Over the individual quarters of the financial year, flatexDEGIRO recorded a continuous increase in both adjusted EBITDA and the adjusted EBITDA margin, which reached 49.3 percent in the final quarter.

For 2024, the Management Board expects a further improvement in all key financial figures and is aiming for a new record year in terms of revenues and consolidated net income.

At the end of the third quarter of 2023, the German Federal Financial Supervisory Authority (BaFin) confirmed the successful resolution of relevant findings and approved the re-application of credit risk mitigation techniques, which led to a significant reduction in risk-weighted assets with immediate effect. Taking into account the profits for 2023, the management expects a Common Equity Tier 1 ratio (CET1 ratio) of over 30%. On this basis, the Management Board and Supervisory Board of flatexDEGIRO AG have decided for the first time on the key points of a new capital allocation strategy, which provides for both the payment of a minimum dividend in accordance with Section 254 of the German Stock Corporation Act (AktG) and the intended authorization of the upcoming Annual General Meeting for a share buyback of up to 10 percent of the share capital.

Operational development

The increase in customer accounts (gross) in 2023 amounted to around 340,000 (2022: around 462,000). The customer base amounted to 2.70 million at the end of 2023, which corresponds to an increase of 12.6% compared to the end of 2022 (2.40 million). The customer retention rate in 2023 was 98.3% (2022: 97.8%). The average growth rate of customer accounts of peer companies[1] was 6.1 percent in 2023. flatexDEGIRO's growth rate was therefore 2.1 times higher than that of its closest listed peers, slightly exceeding the original target range of 1.5 to 2.0 times. This was achieved while at the same time marketing expenses were reduced during the year and overall customer acquisition costs fell to slightly below EUR 100 in 2023 (2022: around EUR 106).

In 2023, flatexDEGIRO settled 56.9 million transactions, a decrease of 15.2 percent compared to 2022 (67.0 million). Trading development thus followed the industry-wide trends and showed a certain stabilization since the beginning of the second quarter of 2023.

Net cash inflows on the flatexDEGIRO platforms amounted to EUR 4.5 billion in 2023. This continued the positive trend of 2022, in which net cash inflows of EUR 5.9 billion were recorded. In 2023, flatexDEGIRO customers invested EUR 4.1 billion in securities. Customers' cash deposits thus increased by EUR 0.4 billion in 2023.

Customer assets under custody increased by 31.1% to EUR 51.7 billion at the end of 2023 (December 2022: EUR 39.5 billion). This includes securities held in custody amounting to EUR 48.1 billion (+32.8% compared to EUR 36.2 billion as at December 2022) and cash deposits held in custody amounting to EUR 3.6 billion (+12.0% compared to EUR 3.2 billion as at December 2022).

flatexDEGIRO continues its conservative treasury strategy, with customer cash under custody invested in very short-duration assets. As at year-end 2023, this mainly comprised EUR 0.9 billion in fully

[1] Including Avanza, Fineco, Hargreaves Lansdown and Nordnet as well as annualization of the most recently published figures of Swissquote (H1 2023).

collateralized securities loans provided to flatexDEGIRO brokerage customers and around EUR 2.7 billion in customer cash under custody, the majority of which are held directly with the German Federal Bank (Deutsche Bundesbank) with daily availability.

In several interest rate steps, the European Central Bank (ECB) raised the deposit facility by 200 basis points from 2 percent at the beginning of the year to 4 percent in 2023. 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 increases in the form of rising interest income. In addition, flatexDEGIRO adjusted the interest rate for collateralized margin loans to the respective interest rate environment over the course of the year, which also had a positive effect on net interest income. At flatex, this was raised in two steps from 4.9 percent (end of 2022) to 7.5 percent (November 2023). At DEGIRO, the last increase to a range of 4.5 percent to 5.9 percent was made in July 2023. A further adjustment was made with effect from January 1, 2024, to 5.25 percent to 6.9 percent.

In November 2023, DEGIRO also extended its range of margin loans to all customers, to which only around 15 percent of DEGIRO customers had access to date.

Financial position and results of operations

Revenues in 2023 amounted to EUR 390.7 million, an increase of 6.0 percent compared to the adjusted[2] revenues of the previous period (2022: EUR 368.5 million). Commission income amounted to EUR 235.0 million in 2023, which corresponds to an average commission of EUR 4.13 per transaction. Commissions per transaction in 2022 amounted to EUR 4.06, resulting in commission income of EUR 272.2 million in 2022.

Interest income in 2023 amounted to EUR 136.3 million, an increase of 90.6% compared to 2022 (EUR 71.5 million). The increase is due to higher deposit interest rates at the ECB and higher interest rates for margin loans at flatex and DEGIRO.

Other operating income amounted to EUR 19.4 million in 2023. In the same period of the previous year, other operating income of EUR 63.2 million also included the release of provisions for variable, long-term compensation (stock appreciation rights, SARs) in the amount of EUR 38.4 million.

Raw materials and consumables amounted to EUR 69.5 million or 17.8 percent of revenues in 2023, compared to EUR 65.2 million and 17.7 percent (in relation to adjusted revenues) in 2022. The key figure generally benefited from a more favorable revenue mix with a significantly higher proportion of interest income, which was, however, slightly overcompensated by higher non-cash interest expenses.

Marketing expenses amounted to EUR 34.0 million in 2023, compared to EUR 48.9 million in 2022. Customer acquisition costs fell to slightly less than EUR 100 in 2023 (2022: EUR 106).

Excluding SARs provisions, adjusted EBITDA amounted to EUR 154.4 million in 2023, an increase of 6.5 percent compared to EUR 145.0 million in 2022. The adjusted EBITDA margin improved to 39.5 percent in 2023 (2022: 39.3 percent). Adjusted earnings before taxes (EBT) increased by 7.4 percent from EUR 109.0 million in 2022 to EUR 117.1 million in 2023. The adjusted EBT margin rose to 30.0 percent (2022: 29.6 percent). Margins in 2023 were significantly impacted by one-off effects, including the payment of an inflation adjustment to all employees, the BaFin fine published in February 2023 and the payment of a fine by the Italian competition authority following a complaint by a single local competitor. flatexDEGIRO is taking legal action against this fine and expects to win the legal dispute and at least achieve a significant reduction in the fine. In addition, the negative valuation of remaining real estate fund investments led to above-average, non-cash interest expenses. Without these special effects, the earnings margins would have been several percentage points higher and would have significantly exceeded the targets of over 40 percent (Adj. EBITDA margin) and over 30 percent (Adj. EBT margin) set by management at the beginning of the year.

[2] Adjusted for effects from the reversal of provisions for long-term variable remuneration (Stock Appreciation Rights Plan, SARs) in the amount of EUR 38.4 million in 2022. There was no such reversal of provisions in 2023.

In 2023, expenses for the building of SARs provisions in the amount of EUR 14.1 million were incurred in personnel expenses, driven by the positive share price performance (+76.8 percent) in this period. The reported EBITDA therefore amounted to EUR 140.4 million in 2023. In the same period of the previous year, SARs provisions of EUR 38.4 million were released instead (reported under other operating income). Reported EBITDA therefore amounted to EUR 183.3 million in 2022. More than 50 percent of the SARs granted were exercised in 2023, which will significantly reduce the impact of SARs-related adjustments in the future.

Consolidated net income amounted to EUR 71.9 million in 2023 (previous year: EUR 106.2 million). Excluding the building or release of SARs provisions, adjusted consolidated net income amounted to EUR 81.8 million in 2023, up 4.1 percent on the comparable prior-year figure (2022: EUR 78.6 million).

Redefinition of the Group's segments

The business structure of flatexDEGIRO AG was previously divided into the FIN (Financial Services) and TECH (Technologies) business segments. The FIN segment mainly comprised the multi-brand online brokerage business and the associated Credit & Treasury activities. The TECH segment included both intragroup IT services with its focus on the core product, the flatex Core Banking System, as well as external IT services in the B2B environment.

Following the merger of DeGiro B.V. into flatexDEGIRO Bank AG, there has been a strategic focus on the core business of online brokerage. As a result, the management of the flatexDEGIRO Group is increasingly concentrating on the "FIN" business segment. In future, activities in the "TECH" segment will focus on the provision of IT services within the Group; external business will only be continued in the portfolio.

This was taken as an opportunity to redefine the business segments. The reclassification of the operating segments provides for a subdivision of the segments into "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 conservative margin loan business of the DEGIRO brand, which is generally conducted on a fully collateralized basis. 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.

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. Among other things, reflects the deposit business and the conservative margin loan business of the flatex and ViTrade brands, which is generally conducted on a fully collateralized basis. 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 technically largely automated transaction processing (General Clearing Member, GCM) are of secondary importance.

Successful processing of most relevant findings from the special audit in accordance with section 44 German Banking Act (KWG)

In 2022, the German Federal Financial Supervisory Authority (BaFin) conducted a special audit of flatexDEGIRO Bank AG in accordance with Section 44 of the German Banking Act (KWG). Initial measures were already taken at the end of 2022 to remedy identified deficiencies. In a structured process, the Management Board's main focus is on the rapid, efficient and complete processing and implementation of all necessary changes. A particular focus in 2023 was on efforts to eliminate some material deficiencies in the short term, especially those relating to the applicability of credit risk mitigation techniques (CRMT) in connection with the margin loan business at DEGIRO. This was achieved by flatexDEGIRO within just ten months. At the end of September 2023, BaFin confirmed the reapplicability of these CRMTs in consultation with the special commissioner it had appointed for this purpose. The Management Board is endeavoring to successfully remedy all remaining relevant findings in 2024.

Dividend proposal and key points of a new capital allocation strategy

The re-application of the CRMT directly resulted in a decrease in the risk-weighted assets of the flatexDEGIRO Group of around EUR 470 million (based on the figures as of June 30, 2023) and thus a significant improvement in the regulatory capital surplus. flatexDEGIRO expects to achieve a Common Equity Tier 1 ratio (CET1 ratio) of over 30 percent, taking into account the profits of 2023, and to continue to generate regulatory capital surpluses in the coming years. On this basis, the Management Board and Supervisory Board of flatexDEGIRO AG adopted the key points of a new capital allocation strategy for the first time in December 2023. Subject to compliance with all regulatory key figures, the key points include:

- The Management Board and Supervisory Board intend to propose to the Annual General Meeting in 2024 that the company be authorized for a period of five years to buy back shares of up to 10 percent of the share capital of flatexDEGIRO AG (Section 71 (1) no. 8 of the German Stock Corporation Act).
- The Management Board and Supervisory Board intend to propose to the Annual General Meeting the payment of a regular annual dividend, which is to start at 4 cents per share, corresponding to the minimum dividend of 4 percent of the share capital in accordance with Section 254 of the German Stock Corporation Act.

The Annual General Meeting decides on the respective dividend. The buyback of shares is also subject to the approval of the German Federal Financial Supervisory Authority (BaFin).

Outlook - flatexDEGIRO aims for record revenues and consolidated net profit in 2024

While the Group has used adjusted key figures (e.g. Adj. revenues, Adj. EBITDA margin, Adj. EBT margin) in previous years, no adjustments will be made from 2024 in order to establish simpler and more transparent key figures. In future, revenues and consolidated net income will be used as financial performance indicators. For reasons of transparency, the former key performance indicators for 2024 will also continue to be shown for the time being.

flatexDEGIRO anticipates further customer growth in 2024 and expects annual gross customer growth to be at a comparable level to the previous year. The average trading activity of retail investors is also expected to remain at around the previous year's level.

With regard to net interest income, the Management Board's forecast for 2024 assumes a total volume of customer cash under custody of around EUR 3 billion on an annual average. Around EUR 1 billion of this is expected to be used for the fully collateralized margin loan business. The interest income generated on the remaining customer deposits held in custody depends largely on the level of the ECB deposit facility. Based on current market expectations, it can be assumed that the average interest rate for the ECB deposit facilities will also be around the same level as the annual average for 2023 due to reductions in the second half of 2024.

Based on these assumptions, the Management Board expects to be able to increase the Group's turnover by 5 percent to 15 percent in 2024 (2023: EUR 390.7 million).

The high scalability and the associated operating leverage of the business model, together with the elimination of significant one-off expenses and negative valuation effects, should lead to an even more significant increase in consolidated net income. The Management Board expects this to be in the range of 25 percent to 50 percent compared to the figure of EUR 71.9 million achieved in 2023.

flatexDEGIRO is therefore aiming for record figures in both sales and consolidated net income in 2024 - without relying on external tailwinds in the trading or interest business.

Key financial figures		2023	2022	Change in %	Q4 2023	Q4 2022	Change in %
Revenues	EUR m	390.7	407.0	-4.0	100.2	105.4	-4.9
Adj. Revenues	EUR m	390.7	368.5	+6.0	100.2	87.7	+14.3
Commission income	EUR m	235.0	272.2	-13.7	55.4	53.0	+4.5
Interest income	EUR m	136.3	71.5	+90.6	39.0	22.1	+76.9
Other operating income[3]	EUR m	19.4	63.2	-69.2	5.8	30.3	-81.0
Commission per transaction	EUR	4.13	4.06	+1.7	4.11	3.87	+6.1
EBITDA	EUR m	140.4	183.3	-23.4	51.9	56.6	-8.3
EBITDA margin	%	35.9	45.0	-20.3	51.8	53.7	-3.5
Adj. EBITDA	EUR m	154.4	145.0	+6.5	49.4	39.0	+26.6
Adj. EBITDA margin	%	39.5	39.3	+0.5	49.3	44.5	+10.8
EBT	EUR m	103.0	147.3	-30.1	40.0	48.7	-17.9
EBT margin	%	26.4	36.2	-27.2	39.9	46.2	-13.7
Adj. EBT	EUR m	117.1	109.0	+7.4	37.5	31.1	+20.4
Adj. EBT margin	%	30.0	29.6	+1.3	37.4	35.5	+5.4
Consolidated net income	EUR m	71.9	106.2	-32.3	31.3	32.3	-3.3
Adj. consolidated net income	EUR m	81.8	78.6	+4.1	29.0	25.4	+14.2
Earnings per share	EUR	0.65	0.97	-33.0	0.28	0.30	-6.4
Adj. earnings per share	EUR	0.74	0.72	+2.8	0.26	0.24	+8.3

The adjusted figures do not include the effects of the building/release of provisions for variable, long-term compensation (stock appreciation rights, SARs).

[3] Including the release of provisions for variable, long-term compensation (stock appreciation rights) in the amount of EUR 38.4 million in 2022 and EUR 17.7 million in Q4/2022

flatex DEGIRO

		2023	2022	Change in %	Q4 2023	Q4 2022	Change in %
Commercial KPIs							
Customer accounts at the end of the reporting period	m	2.70	2.40	+12.6	2.70	2.40	+12.6
New customer accounts (gross)	k	340.9	462.3	-26.3	77.4	86.0	-10.0
Transactions settled	m	56.9	67.0	-15.2	13.5	13.6	-1.5
		Dec 2023	Dec 2022	**Change in %**	**Dec 2023**	**Sep 2023**	**Change in %**
Customer assets under custody	EUR bn	51.7	39.5	+31.1	51.7	47.0	+10.1
- thereof: securities	EUR bn	48.1	36.2	+32.8	48.1	43.7	+10.0
- thereof: deposits	EUR bn	3.6	3.2	+12.0	3.6	3.3	+10.6

ALL FIGURES BASED ON PRELIMINARY NUMBERS (UNAUDITED)

Disclaimer

Preliminary, unverified 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 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.