

wallstreet:online

Unique Operating Model To Digitise Europe's
Largest Retail Brokerage Market

May 2021

Meet the newly expanded team



Matthias Hach
CEO

- Joined March 2021
- 25+ years digital banking and brokerage experience
- Most recently CMO of comdirect Bank AG and Divisional Board Member at Commerzbank



Roland Nicklaus
CFO

- Assumed role in April 2021
- Joined as non-executive in 2008
- 23 years banking & finance experience
- Most recently non-executive director & board adviser to a telco and a digital infrastructure provider



Oliver Haug
CTO



Stefan Zmojda
Chief Revenue Officer



Michael Bulgrin
Chief Content Officer



Thomas Soltau
Co-CEO w/o capital

Overview of Our Business: Social & Media meets Brokerage & Transaction

wallstreet:online Group

Social & Media
Launched 1998

55%
of 2021E revenues

60+ %
Q1 2021 YoY organic revenue growth

36 %
2021E EBITDA margin

wallstreet:online

ARIVA.DE
Financial Services

börsenNEWS.de

FN FinanzNachrichten.de

Smartbroker
Launched Dec 2019

32%
of 2021E revenues

100+ %
Q1 2021 YoY organic revenue growth

neg.
EBITDA margin

Smartbroker

Classic Transaction

13%
of 2021E revenues

~10 %
Q1 2021 YoY organic revenue growth

14 %
2021E EBITDA margin

FondsDISCOUNT.de

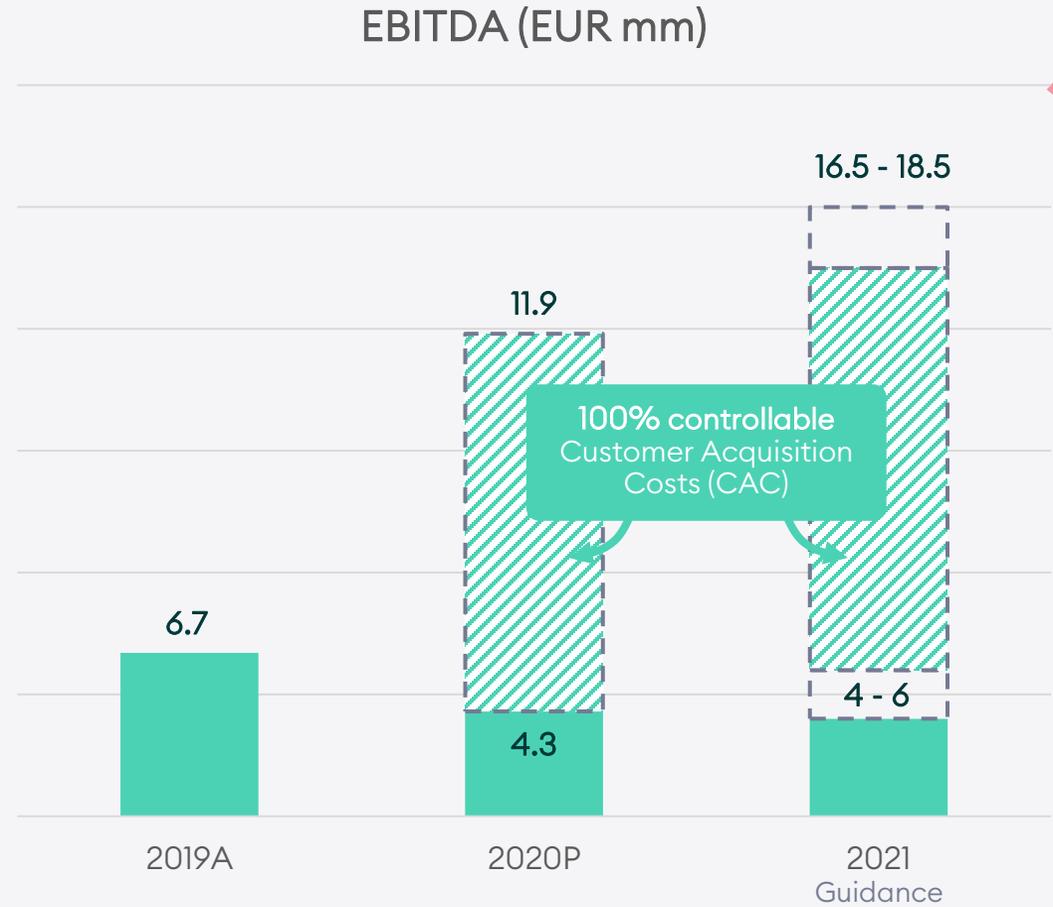
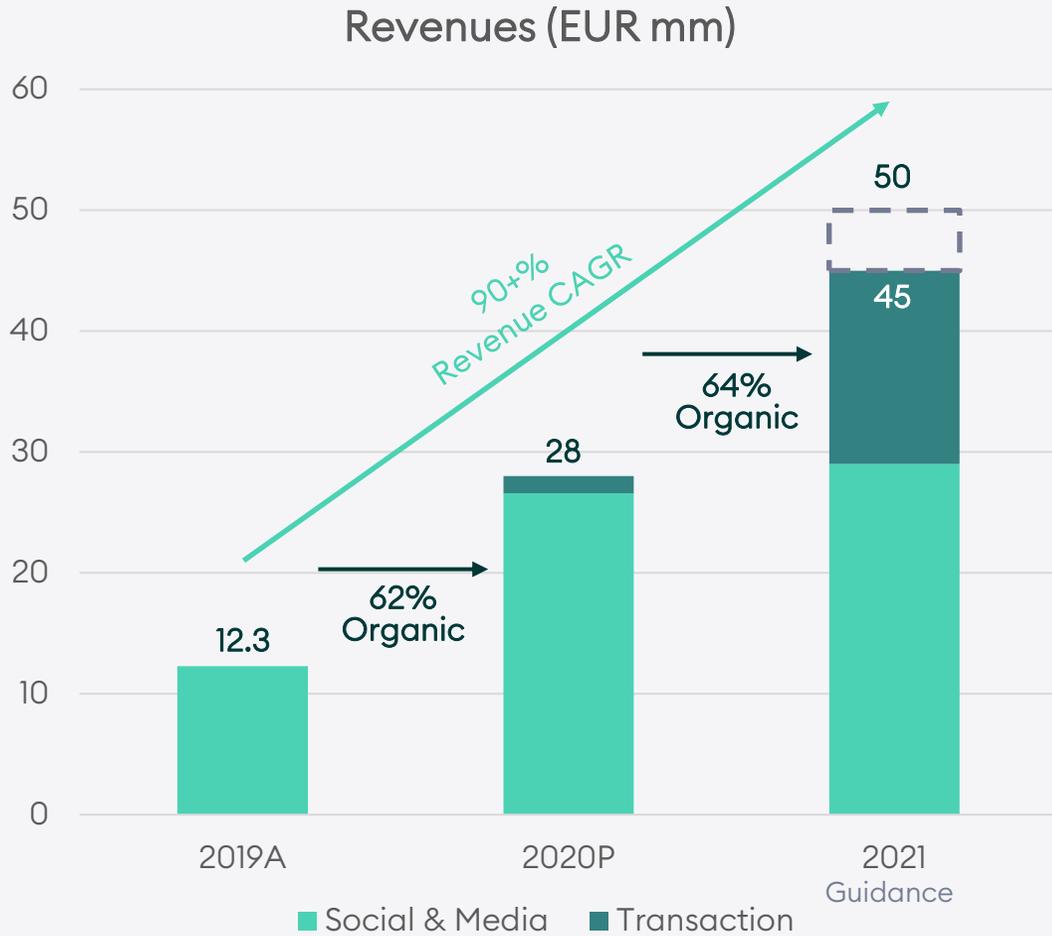
Investment Thesis

- 1 Unique Target Operating Model
- 2 Strong Operational and Financial Momentum
- 3 A EUR 7 Trillion (7×10^{12}) Market¹ Growing at 6% p.a.
- 4 Best Positioned for Material Market Share Gain
- 5 Well-defined Product Roadmap to Monetise Opportunities
- 6 State-of-the-Art Technology Roll-Out
- 7 Ample long-term Growth Avenues

(1) Deutsche Bundesbank

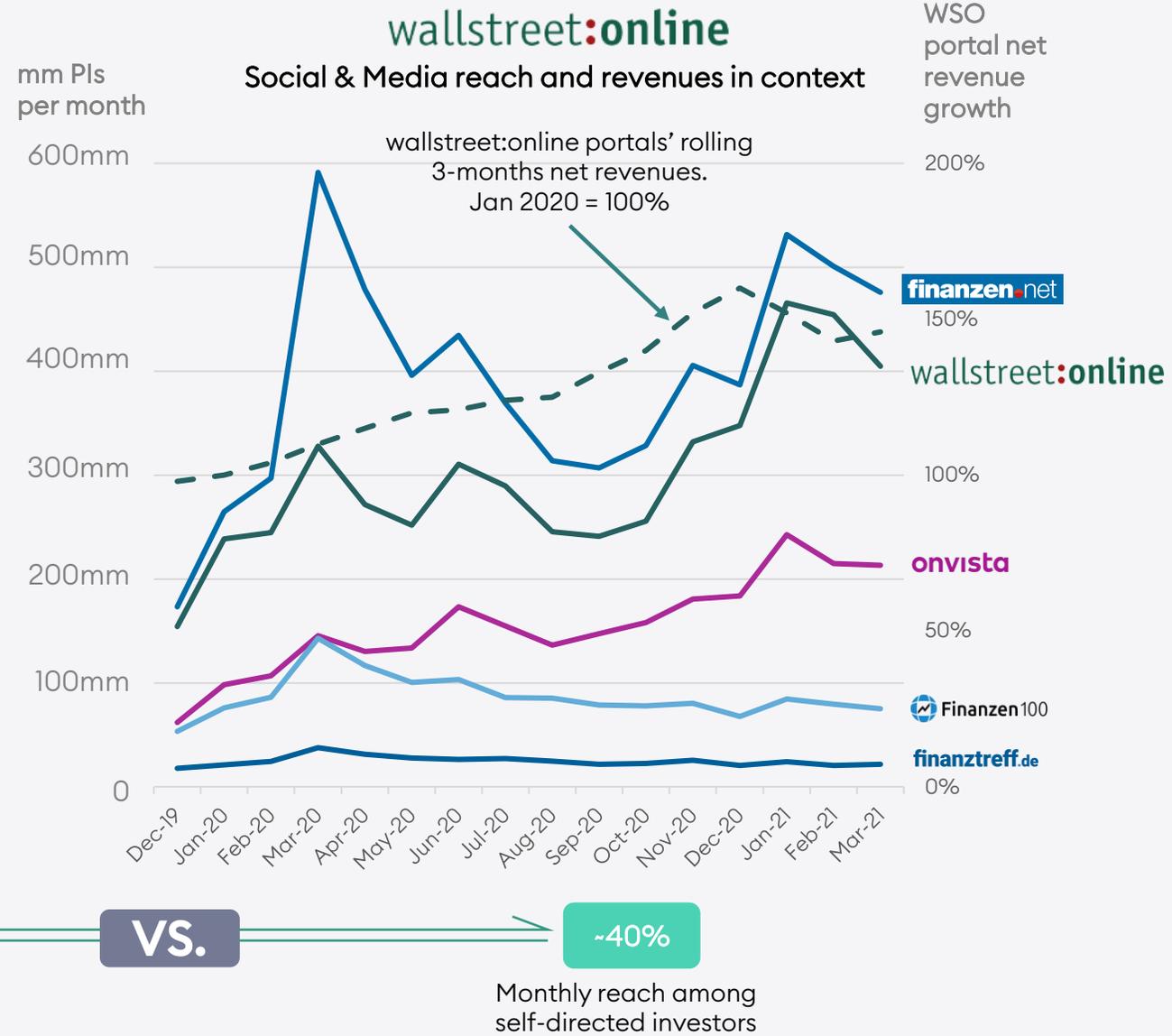
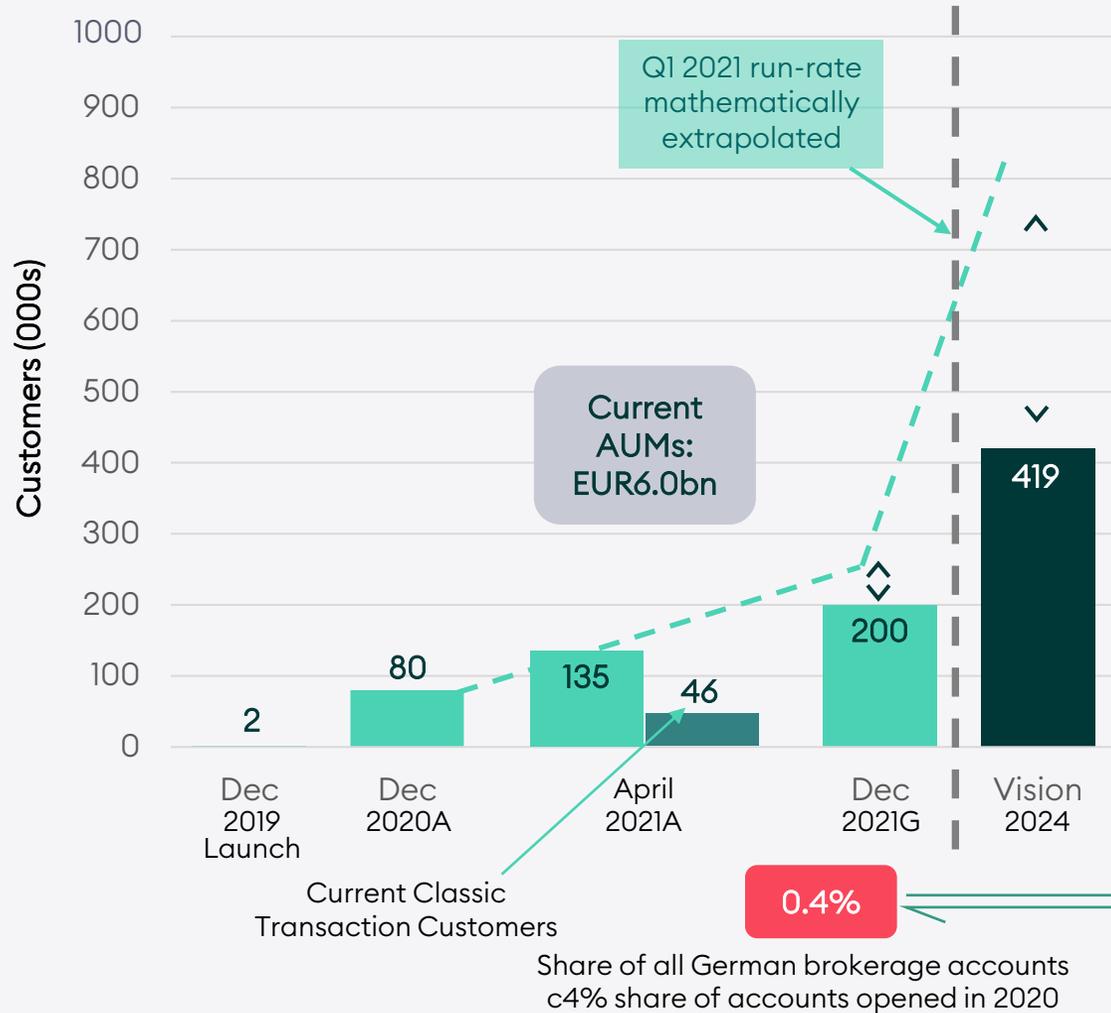


Driving Superior Financial Returns



Note: EBITDA refers to Operational EBITDA before extra-ordinary income/ (expenses) of EUR(0.8)m in 2019 and EUR2.7m in 2020

Strong Operational Momentum



... and Enabling Strategic Flexibility

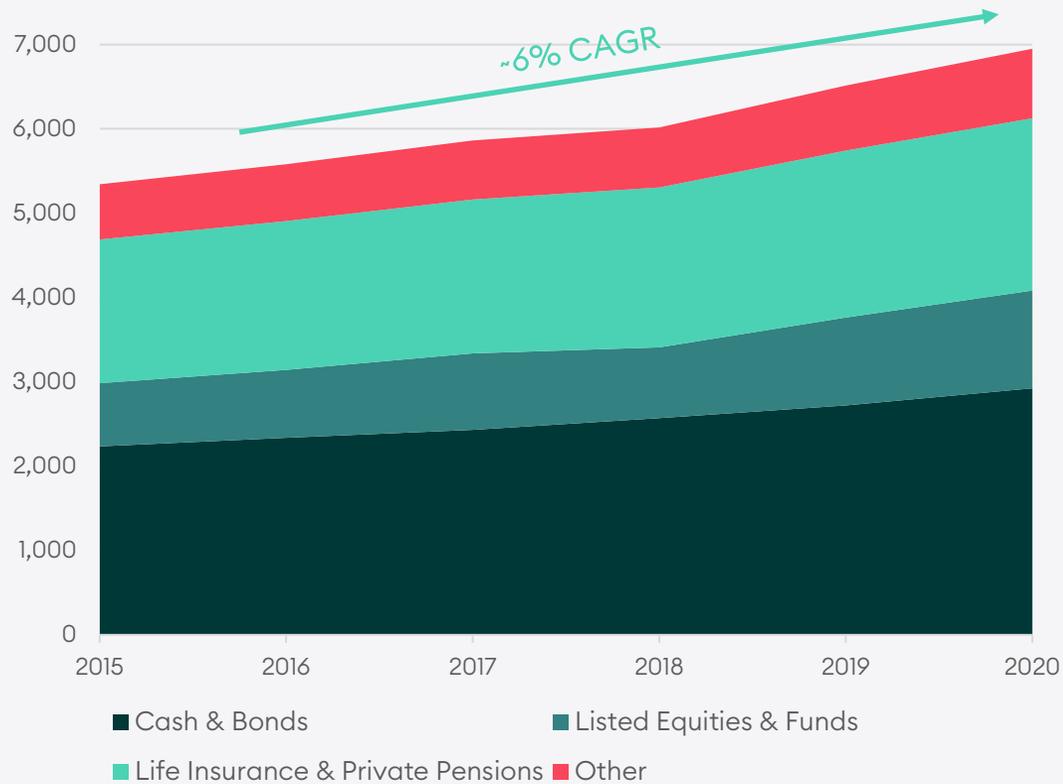


- 1  **Buy-Out** of wallstreet:online capital AG minorities
- 2  **Upskilling** and Organisational Growth
- 3  Internalisation of Outsourced Functions
- 4  Building a Strong and Recognisable **Consumer Brand**
- 5  Investing in our **Exciting Product Development Pipeline**

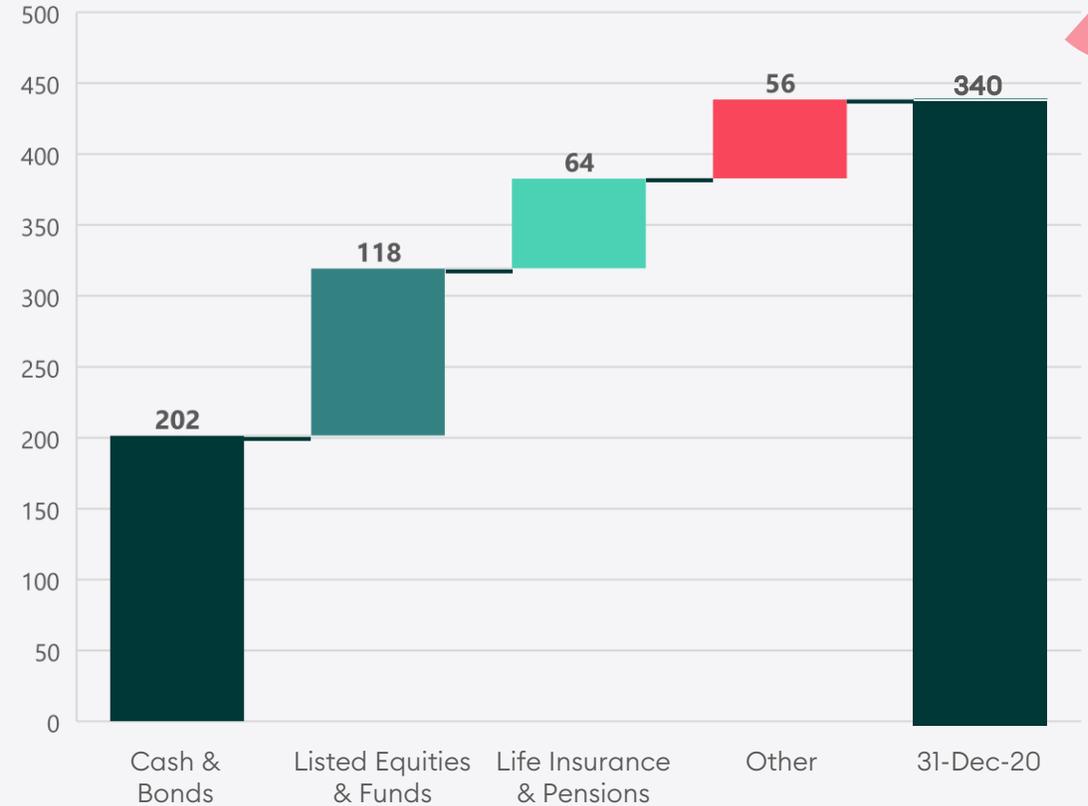
Unique Target Operating Model for a Highly Attractive Market

German Households Financial Assets: A EUR 7 Trillion Market Growth at 6% p.a.

Evolution of German Households' Financial Assets (EUR bn)



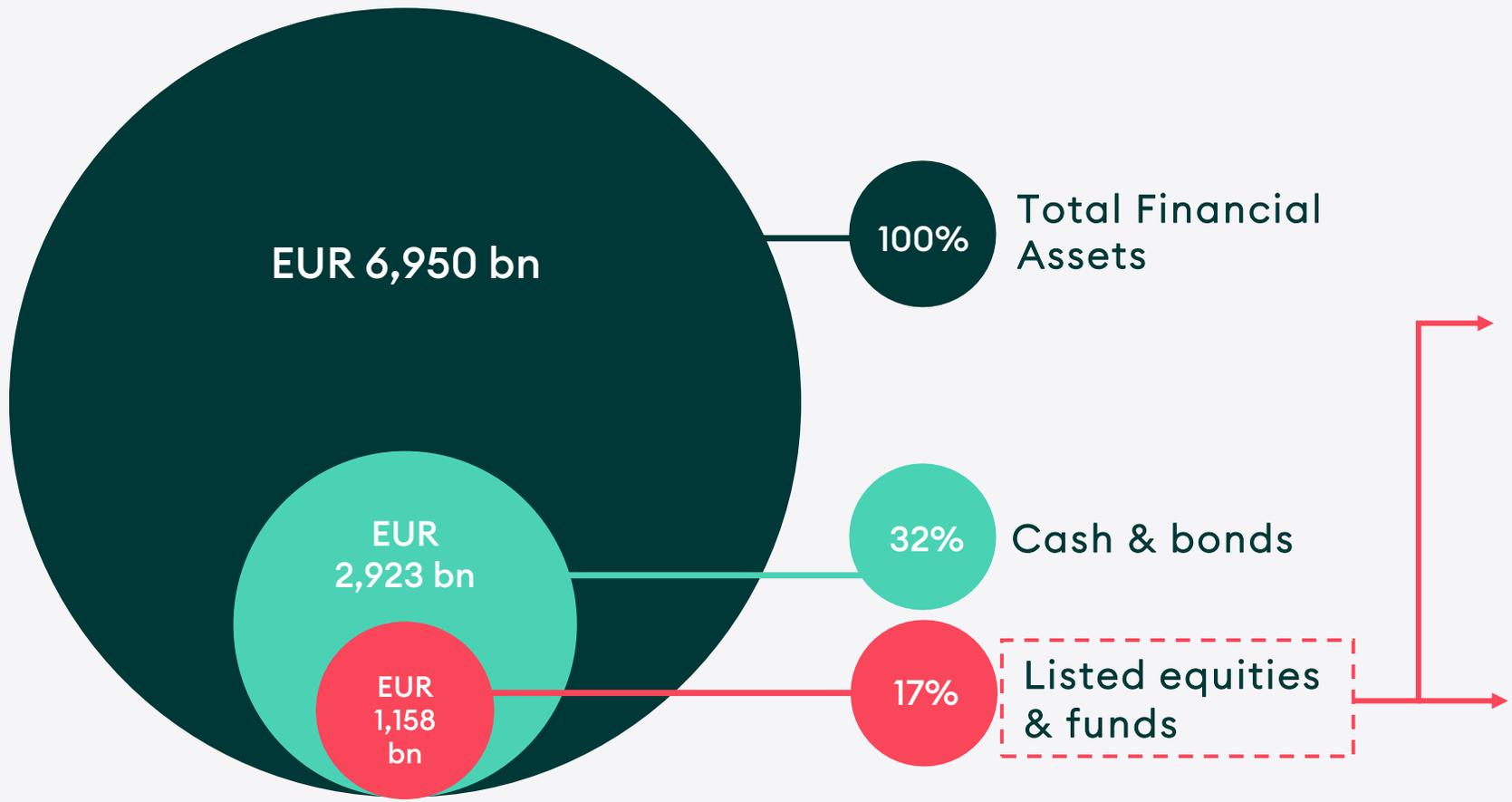
2020 Savings Flows (EUR bn)



Source: Deutsche Bundesbank

German Households are Underweight Equities

Only 17% of total financial assets are invested in listed equities & funds



Share by Provider (by AUM)
60-65% Traditional Banks
~35% 1st Gen Brokers
<1% Neobrokers
0.5%  Smartbroker

International comparison

	17%
	22%
	27%
	46%
	48%
	45%

Source: OECD, wallstreet:online estimates

Source: Deutsche Bundesbank

The Execution Only ("XO") brokerage market represents a Tiny Fraction of the German Retail Finance Sector

of account holders (in mm)



Source: Oliver Wyman, wallstreet:online

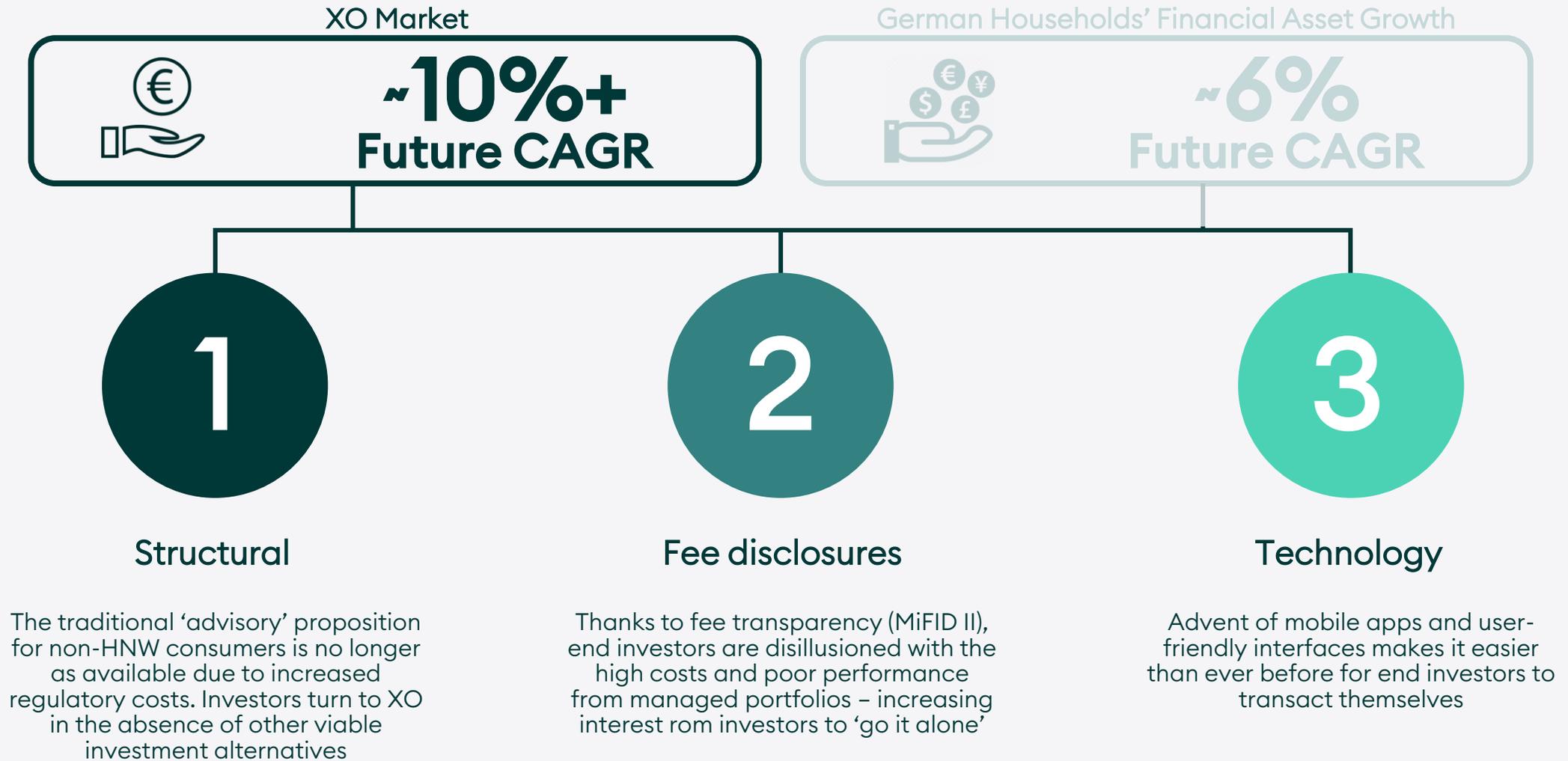
EUR 1bn p.a.

Total Revenues of Execution Only Brokers

EUR 10bn p.a.

Total Revenues from securities assets of German households, i.e. transaction fees, management charges, offer premiums, commissions etc.

XO Market Growth Drivers

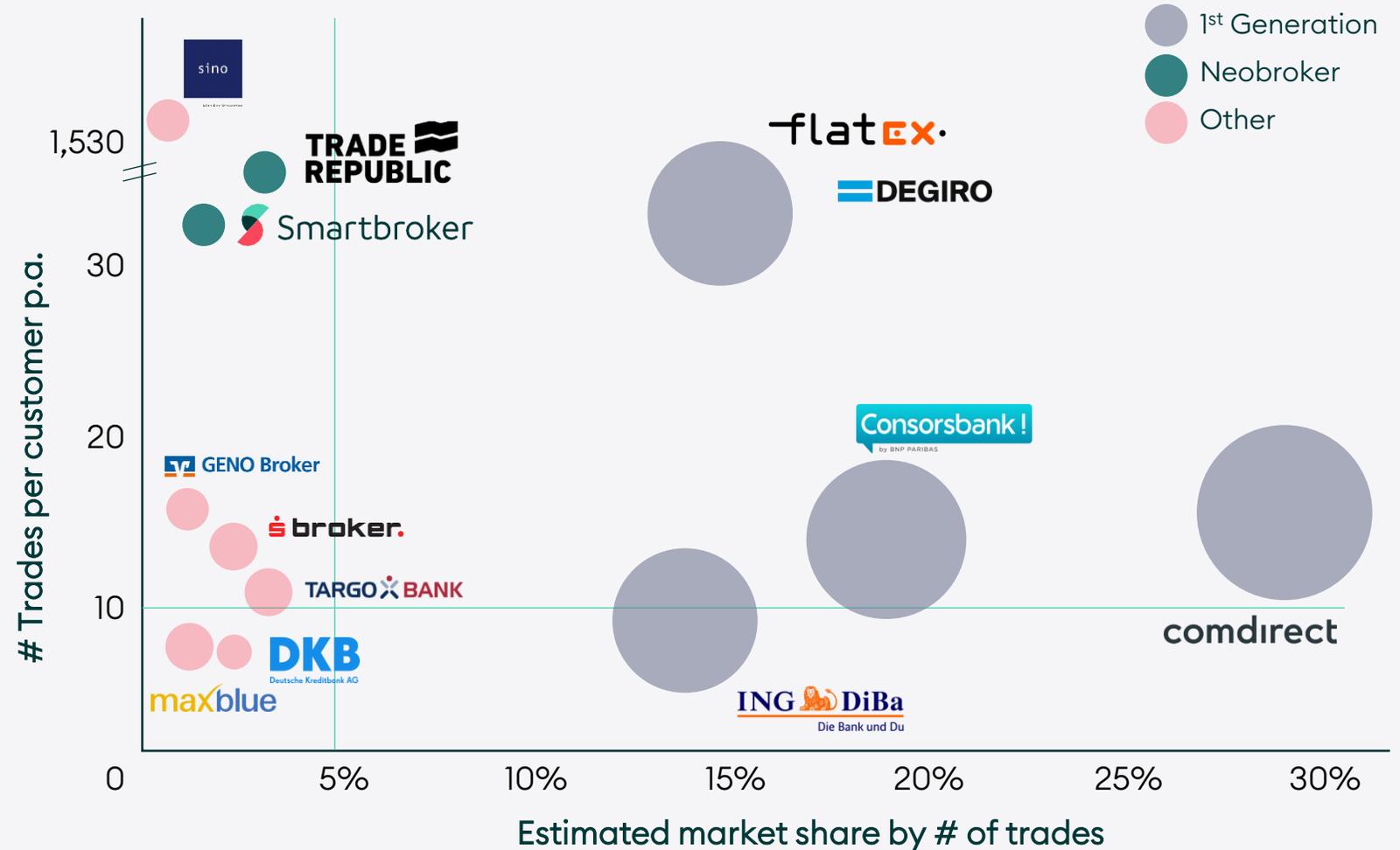


Source: Blackrock

German Execution Only Brokerage Market

The four 1st Generation Brokers Command c75% share of the German market (by # of trades)

2nd Generation Neo Brokers Smartbroker and Trade Republic with strongest momentum



Source: Oliver Wyman, wallstreet:online.

Diameter of circle indicates annual brokerage revenue share relative to competition

Market moving towards zero-fee commissions

Approximate trading costs of select German brokers (EUR)

Approximate % of overall XO market



Commissions as % of total revenues

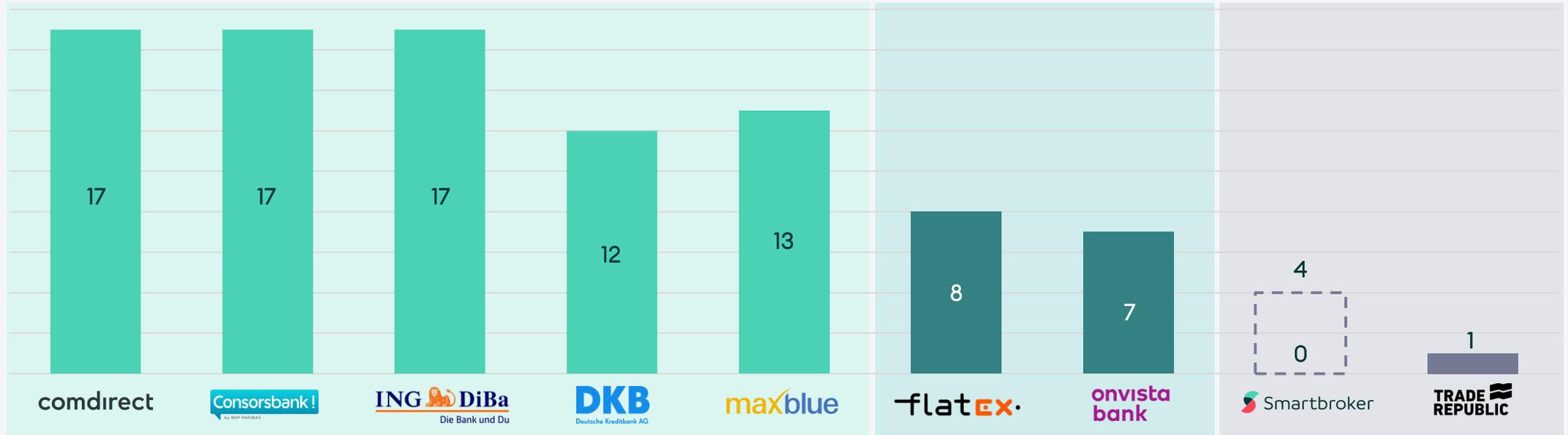
~65%



~75-85%



~10%



Broad Banks

Maintain high commissions as long as possible

XO-Focused

Wait and see what happens to customer base before lowering fees

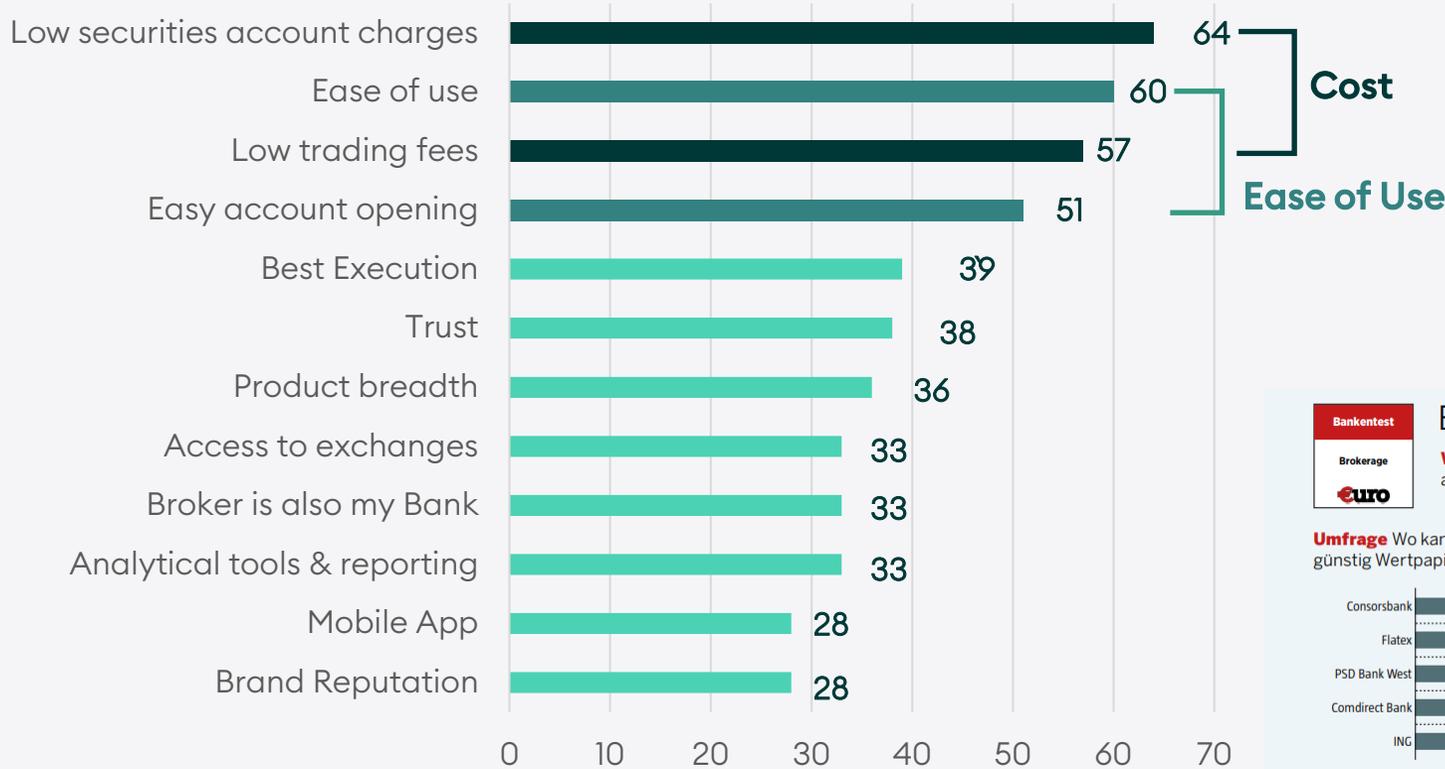
Start-Ups

Disrupt market by changing low (zero) commissions, and earning revenue from other sources

Why will we gain market share?

Cost is THE key customer selection criteria

Key customer criteria in % of responses



Source: Oliver Wyman (n-1,504)

How do we compare ?

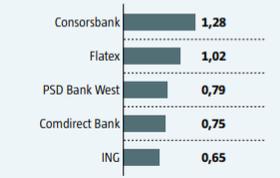
Smartbroker & wallstreet:online

- Zero securities account fee
- Zero to 4 Euro per transaction
- Zero downtime
- **Maximum access: 36 venues incl ALL German exchanges**
- **Trade 100% of securities licensed in Germany**



Wertpapierhandel wird als Alternative zu Nullzinsen noch attraktiver. Smartbroker schaffte es vor Flatex auf den ersten Platz und verdrängte etablierte Häuser wie die Consorsbank und Comdirect

Umfrage: Wo kann man gut und günstig Wertpapiere handeln?

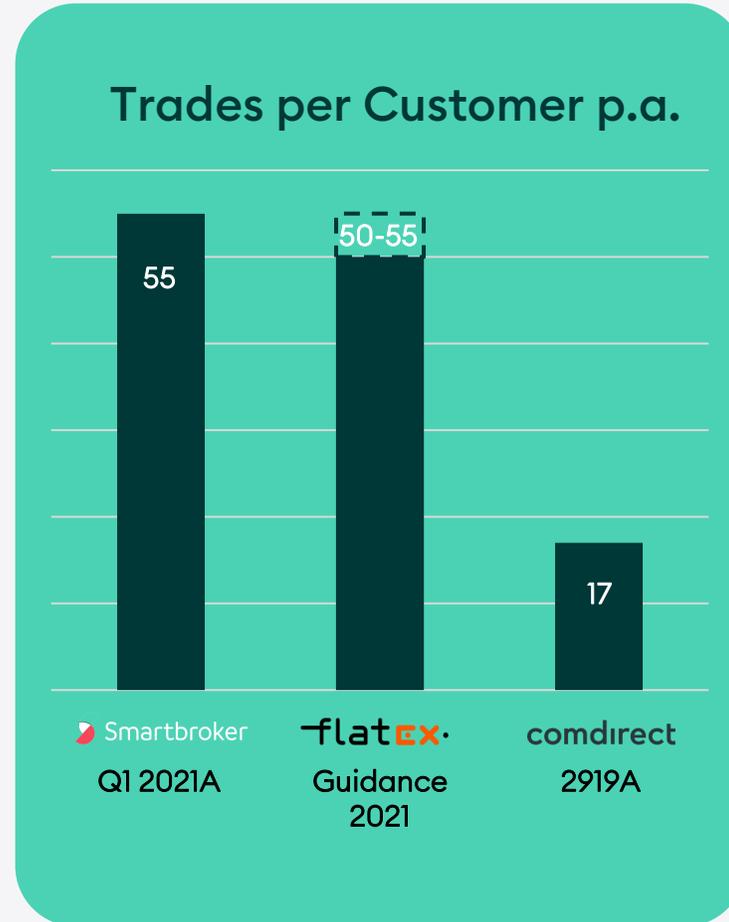
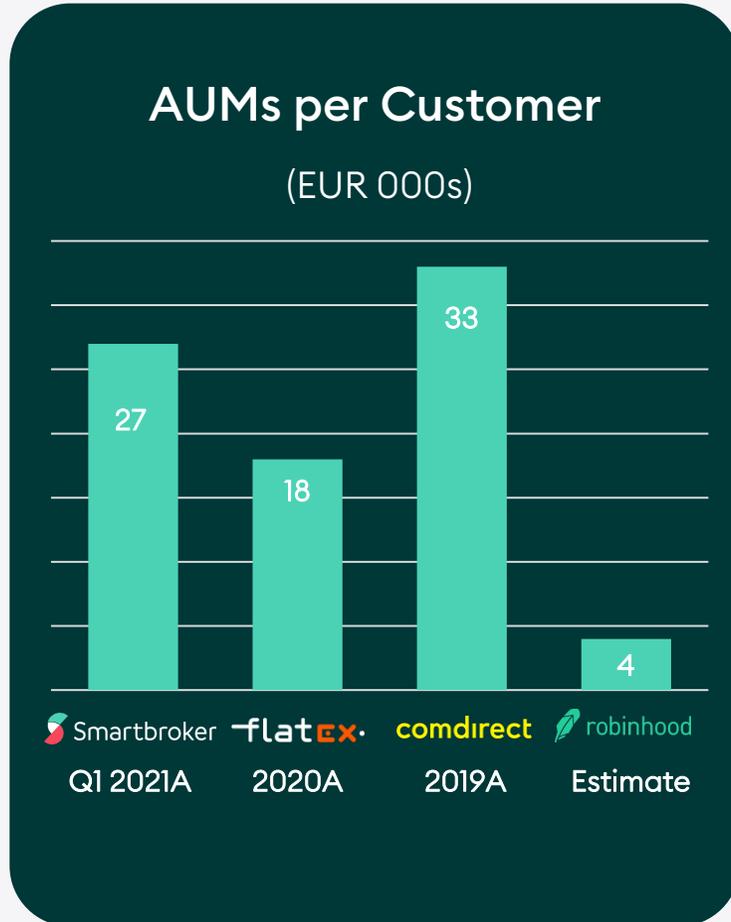


Brokerage im Test: Hier zählten die niedrigsten Kosten und das größte Anlageangebot

Rang	Bank	Kosten tel. 1000	Kosten tel. 3000	Kosten tel. 10000	Kosten Aktienorder per PC in € ¹ 1000	Kosten Aktienorder per PC in € ¹ 3000	Kosten Aktienorder per PC in € ¹ 10000	Punkte Orderkosten ²	Punkte Sonstige Kriterien ³	Punkte Service ⁴	Punkte Online ⁵	Gesamtpunkte ⁶
1	Smartbroker	4,60	4,60	4,60	4,60	4,60	4,60	40,0	26,3	4,3	6,3	76,9
2	Flatex	24,17	24,17	24,17	8,27	8,27	31,4	32,4	5,4	7,5	69,9	
3	Consorsbank	26,40	28,90	46,40	11,45	13,95	31,45	21,4	32,4	5,5	8,7	67,9
4	Comdirect	27,30	29,80	47,30	12,40	14,90	32,40	20,2	28,3	7,6	9,2	65,4
5	OnVista Bank	27,75	27,75	27,75	7,75	7,75	7,75	31,2	18,1	5,2	8,2	62,7

Stichtag: 01.03.2021; ¹Kosten pro Aktienorder für den jeweiligen Betrag auf der Handelsplattform Xetra; ²Gewichtung der Szenarien: telefonisch %, online % (maximale Punktzahl: 40); ³Sonstige Kriterien: Xetra-Gebühr, Limit setzen/ändern/löschen, Depotgebühren, Optionsscheine, festverzinsliche Wertpapiere, Fondssanzahl, Anzahl rabattierter Fonds/Fondssparpläne/Fonds ohne Ausgabeaufschlag, Anzahl sparplanfähiger Fonds, minimale Fondssparrate, Anzahl Zertifikatesparpläne, minimale Zertifikatesparrate, Aktiensparen, VL-Sparen (maximale Punktzahl: 40); ⁴Service: Reaktion auf Anfragen per Telefon/E-Mail (maximale Punktzahl: 10); ⁵Online (maximale Punktzahl: 10); ⁶Gesamtpunktzahl: Summe der insgesamt erzielten Punkte aus den Teilbereichen Orderkosten, Sonstige Kriterien, Service sowie Online (maximal erzielbare Gesamtpunktzahl: 100), Rundungsfehler möglich; Quelle: Euro

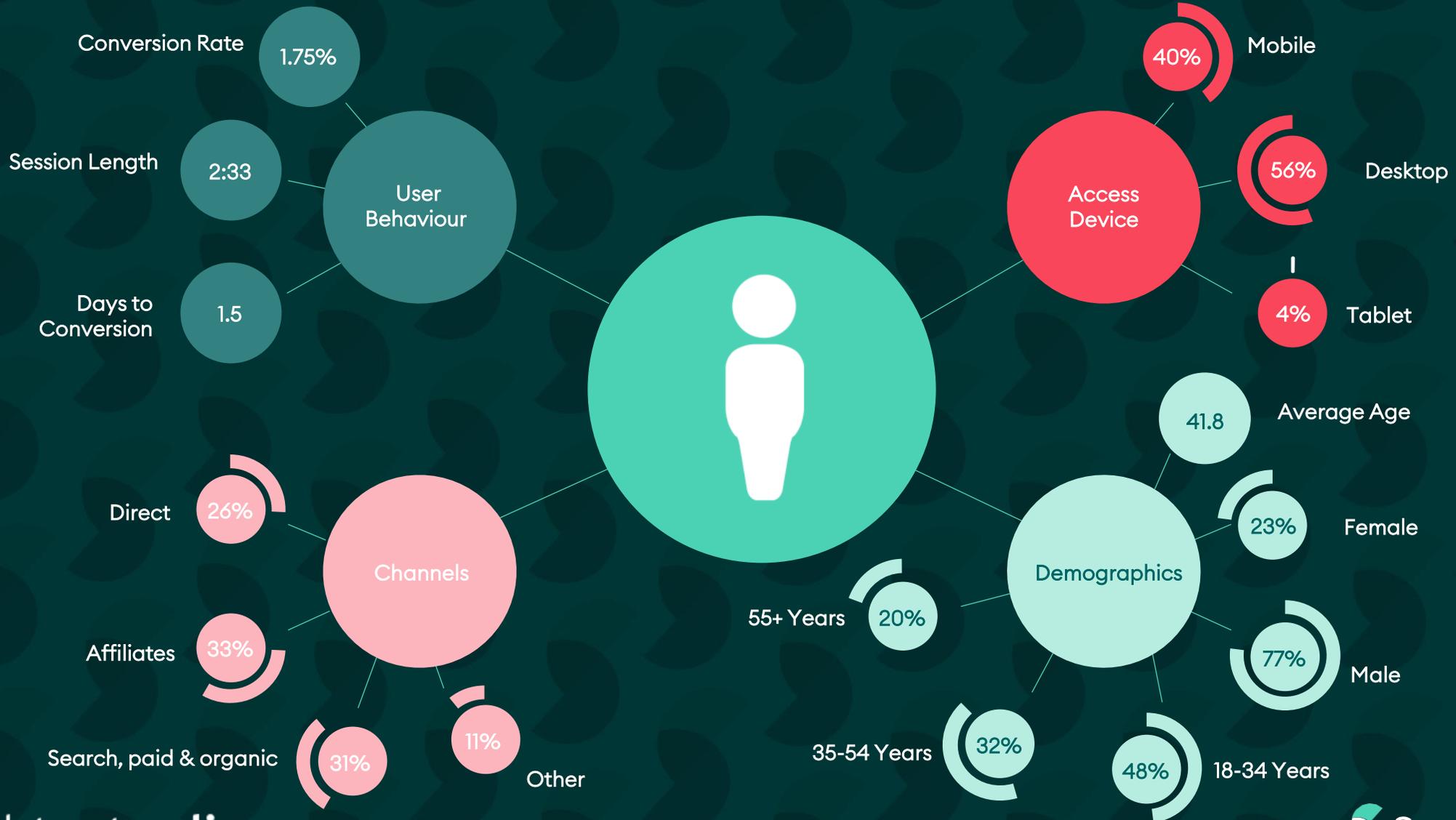
We Gain Germany's Most Valuable Customers



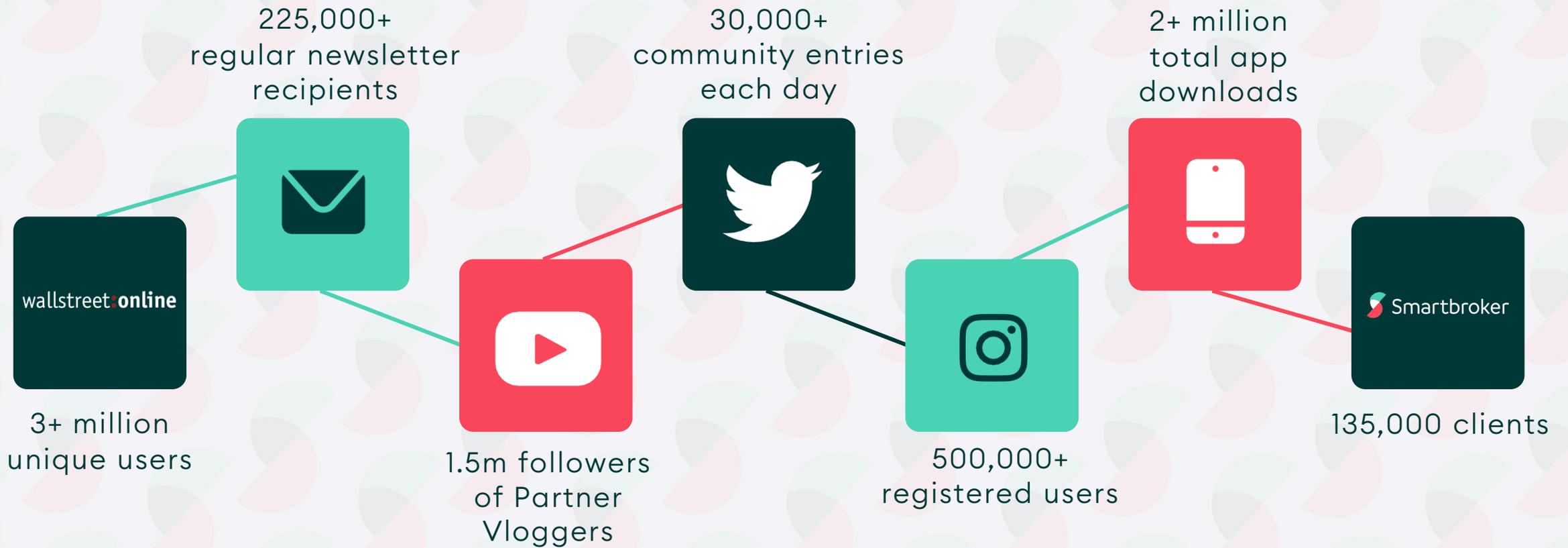
- ### Key Take-Aways
- Extremely Favourable Customer Life-Time Value Drivers
 - Positive Unit Economics from Year 1
 - Customer acquisition costs on average returned within 12-14 months

Source: wallstreet:online, flatex (B2C customers) and comdirect financial accounts

We know our customers - Smartbroker

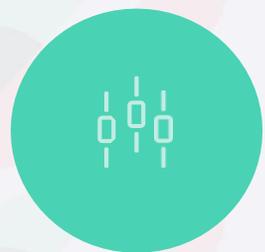


Germany's only Broker and Finance Community Provider



Well-Defined Product Development Roadmap

- App Relaunch WSO
- Mailbot Smartbroker
- Live Chat Function Smartbroker
- Relaunch Public Pages Smartbroker
- Optimised Website and new application process for Classic Transactions



H1 2021



H2 2021



H1 2022

- Web Site Relaunch Smartbroker
 - Web Trading Smartbroker
 - New App Smartbroker
 - Crypto Trading Smartbroker
 - Community Direct Trading
 - Website Relaunch Ariva
-
- App Relaunch Ariva
 - Community Relaunch WSO
 - App expansion (data) finanznachrichten.de
 - smartrade.de
 - BaFin Licence Expansion

State-of-the-Art Technology Roll-Out

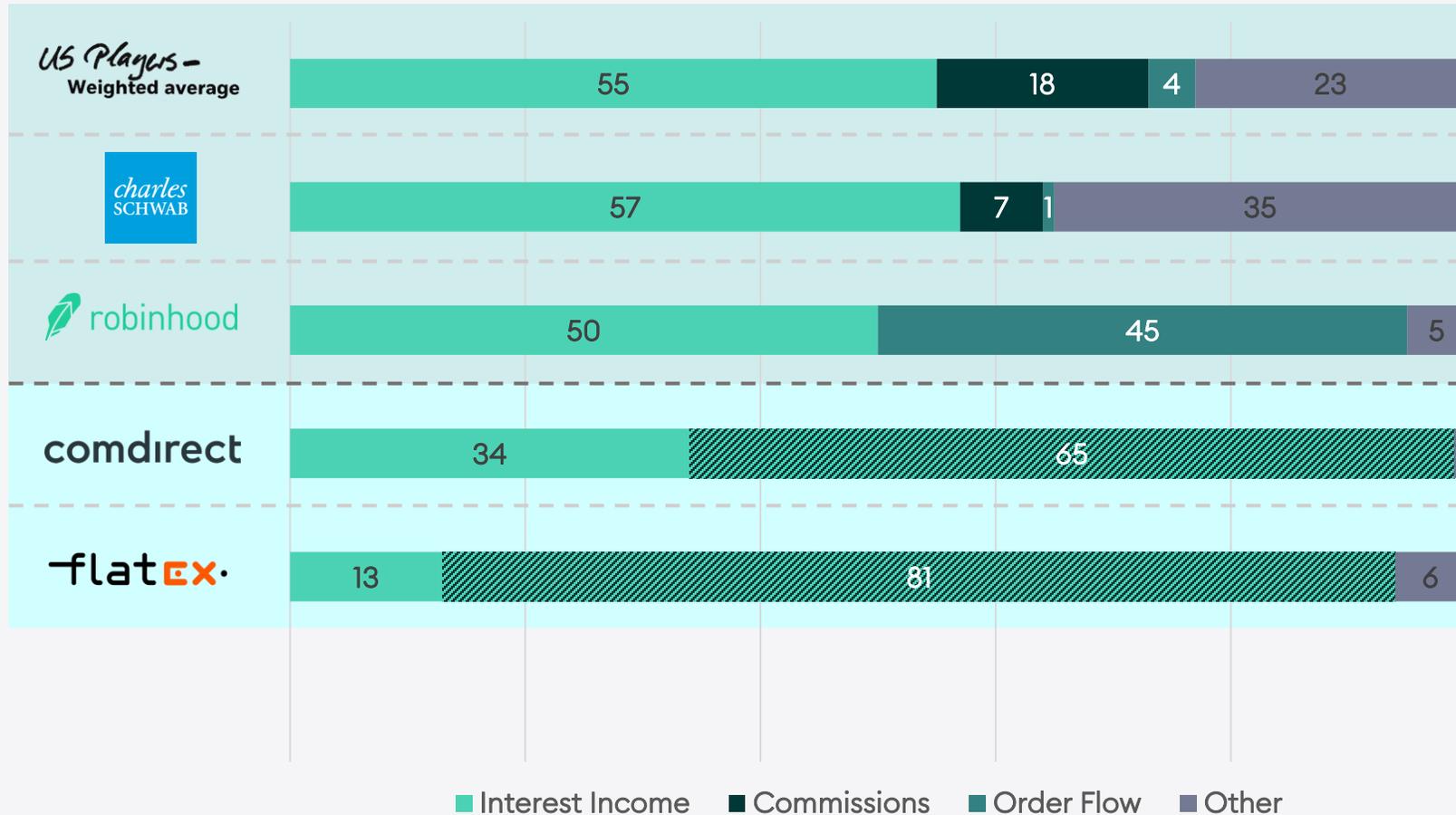
Driving Down Costs and Increasing Agility

- Solid competence operating large data bases - over 15 years' experience
- Millions of datapoints processed each second
- Two dedicated quote servers just for WSO and Ariva
- We supply Frankfurt Stock Exchange with their own certificate data
- From the view to the click, the conversation to the trade, we know everything about our customer
- Connected to a **large, dedicated finance affiliate network**. Campaigns are data-based and data-driven
- We use our technology to quickly and dynamically carry out CVR optimization



Ample Long-Term Growth Avenues

Provider **Revenue composition** (FY 2018 for US players, 2019 comdirect, 2020 flatex)



Source: wallstreet:online, Blackrock, flatex and comdirect financial accounts

Key Take-Aways

- In contrast to their US peers, German 1st generation brokers rely heavily on retail commissions
- This would make a potential move to a zero commissions model very costly
- All brokers generate revenues from selling order flow
- Interest income is a material revenue contributor, but less pronounced than in the US
- Smartbroker therefore has ample room to grow existing and new revenue streams

Wallstreet:online AG – share details

Key data

ISIN DE000A2GS609

Reuters WSO1k.DE

Number of shares 14.38m

Market Cap (30/4/21) cEUR320m

Research Alster Research (30€)
GBC Research (29€)
Hauck & Aufhäuser (30€)
Warburg Research(25€)

Shareholders A Kolbinger 60.7%
Free float 37.3%
Management 2.0%

wallstreet:online AG - share price evolution



Thank You for Your Attention

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