

PRESS RELEASE

Significant growth momentum in the third quarter

- Accelerated growth in the third quarter of 2023
- Strong business performance across all business divisions
- Scaling of the finfire platform is progressing successfully

Hamburg, November 30, 2023 - Netfonds AG (ISIN: DE000A1MME74), a leading platform for administration, advisory and regulation for the financial industry, reports significantly increased momentum in the group's business development for the first three quarters of 2023.

With gross revenue of EUR 48.4 million (Q3 2022: EUR 39.9 million, +21.3%), the Netfonds Group significantly accelerated its growth in the third quarter of 2023. Net revenue of EUR 8.5 million (Q3 2022: EUR 7.2 million, +18.1%) underlines this development and has increased just as strongly.

Gross consolidated revenue totalled EUR 141.7 million in the first nine months of 2023 (9M 2022: EUR 131.7 million), while net consolidated revenue amounted to EUR 26.1 million (9M 2022: EUR 23.8 million). EBITDA totalled EUR 3.2 million after nine months (9M 2022: EUR 2.8 million) despite the continued high level of investment in the finfire platform and the associated costs.

Strong business performance across all divisions

Growth in the third quarter resulted from almost all relevant business divisions. The investment and wealth management segment reached again a very high level at the end of the quarter with combined assets totalling EUR 22.7 billion. This represents an increase of 12.4% compared to the previous year (9M 2022: EUR 20.2 billion). The continued cash inflows in the custody business via the finfire platform and in asset management form the basis for the dynamic growth.

Our wealth management platform continues to attract new clients and sales partners at record levels. The combined assets under management of wealth management and asset management of the Netfonds Group also reached a new all-time high of around EUR 3 billion. The growth here is driven purely organically.

The insurance division also developed positively in the third quarter and in the first nine months. The absence this year of special income from the initial business with company long-term care insurance (CareFlex) from the previous year was more than compensated for by double-digit growth in the traditional insurance business.

Scaling of the finfire platform gains momentum

"The focus on our core business centred around our scalable finfire platform is paying off more and more," says Martin Steinmeyer, CEO of Netfonds AG.

"We increased our important net revenue by 18.1% in the past quarter. With almost 20% growth compared to the previous year, we have continued our long-term dynamic growth path."

Outlook on the further development of the financial year

In light of the business performance in the first nine months of this year, the Management Board confirms the business forecast for 2023. Netfonds is currently forecasting gross revenue in the range of EUR 185 to 190 million. Net revenue is expected to be between EUR 35 and 37 million.

The key financial figures for the past quarter and the first nine months of 2023 are as follows:

Overview Q3 2023 / Q3 2022

in EUR million	Q3 2023	Q3 2022	Development
Gross consolidated revenue	48.4	39.9	+21.3%
Net consolidated revenue	8.5	7.2	+18.1%
EBITDA	1.3	0.0	>100%
EBITDA Margin / net revenue	15.3%	0.0%	
EBIT	0.5	-0.7	>100%
EBT	0.4	-0.6	>100%

Overview 9M 2023 / 9M 2022

in EUR million	9M 2023	9M 2022	Development
Gross consolidated revenue	141.7	131.7	+7.6%
Net consolidated revenue	26.1	23.8	+9.7%
EBITDA	3.2	2.8	+13.1%
EBITDA Margin / net revenue	12.1%	11.8%	
EBIT	1.0	0.4	+150%
EBT	1.0	0.4	+150%
Assets under Administration	22.7 bn	20.2 bn	+12.4%

Further information on the Netfonds Group and its affiliated subsidiaries can be found at www.netfonds.de.

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About the Netfonds Group

The Netfonds Group is a leading platform for administration, aand regulation in the German financial industry. Under the finfire brand, the company provides its customers and partners a cloud-based technology platform for the complete processing and administration of business processes. Netfonds' customers thus benefit from one of the most modern software solutions on the market, which significantly simplifies the advisory process, makes it secure and enables target group-specific advice. The shares of Netfonds AG are listed in the m:access segment of the Munich Stock Exchange and can be traded via XETRA.