GBC Research Anno

Smartbroker Holding AG

SMARTBROKER HOLDING

IMPORTANT NOTICE:
Please review the disclaimer/risk notice and the disclosure of potential conflicts of interest pursuant to Section 85 of the German Securities Trading Act (WpHG) and Article 20 of the Market Abuse Regulation (MAR), starting on page 21.

Note pursuant to MiFID II regulations for research regarding “Minor Non-Monetary Benefits”: This research meets the requirements for classification as a “Minor Non-Monetary Benefit.” For more information, see the disclosure under “I. Research under MiFID II”

Smartbroker Holding AG *5a, 11

From the Investment Phase to the Scaling Phase – Smartbroker+ with Significant Margin Potential

Industry: Fintech / Internet Service Provider
Focus: Online brokerage, online advertising, financial community/financial news
Founded: 1998

Employees: 271 (average for 2025)
Headquarters: Berlin
Executive Board: André Kolbinger (CEO), Michael Bulgrin, Oliver Haugk, Stefan Zmojda

The Smartbroker Group operates Smartbroker+, a multi-award-winning online broker that combines the broad product range of traditional brokers with the competitive terms of modern neobrokers. With more than 259,000 clients and €14.7 billion in client assets, the Berlin-based company is one of the leading providers in the German neobroker segment. In addition to its brokerage business, the Group operates four high-reach financial portals, including their apps: wallstreet-online.de, boersenNews.de, FinanzNachrichten.de and ARIVA.de. In 2025, these portals generated around 2.9 billion page views. With an average of 4.7 million monthly users, the Smartbroker Group is the largest publisher-independent financial portal operator in the German-speaking region and maintains one of the largest financial communities.

	FY 2024	FY 2025	FY 2026e	FY 2027e	FY 2028e
Revenue	52.48	68.28	70.00	83.00	99.00
EBITDA	8.97	-0.33	0.50	11.50	22.00
EBIT	-1.70	-10.60	-8.20	4.50	15.80
Net income	-1.39	-10.56	-8.15	4.00	13.00
Earnings per share	-0.08	-0.63	-0.49	0.24	0.77
Dividend per share	0.00	0.00	0.00	0.00	0.00
EV/Revenue	2.56	1.97	1.92	1.62	1.36
EV/EBITDA	14.99	-409.81	268.84	11.69	6.11
EV/EBIT	-79.02	-12.68	-16.39	29.87	8.51
PE	-108.74	-14.34	-18.57	37.84	11.64
PB		3.90			

Investment Case

- **Hybrid business model:** The combination of a fast-growing brokerage business and a profitable media segment creates a stable revenue base and direct access to retail investors interested in finance.
- **Smartbroker+ as the key growth driver:** The significantly expanded customer base, rising portfolio volumes, and high trading activity form the foundation for increasing monetization of the platform.
- **Media as a Strong Earnings Anchor:** The Group's financial portals deliver high reach, stable revenue, and positive earnings contributions, which help finance growth investments in Smartbroker+.
- **Economies of scale expected starting in 2027:** Following the investment year of 2026, the existing technical and regulatory infrastructure should be utilized more efficiently, which is expected to lead to a significant improvement in margins.
- **Additional growth potential:** B2B trading API, offerings for heavy traders, new account and securities-account types, AI-powered features and the retirement savings account.
- **Solid financial foundation:** A high equity ratio and a positive net financial position enable the company to finance further investments from its own resources.

Rating: Buy
Price Target: €17.80
(previously: €17.60)

Stock and Key Data

Xetra Price 07/16/26 9:24	9.24 EUR
Ticker	SB1
ISIN	DE000A2GS609
WKN	A2GS60
Number of shares (in millions):	16.78
Market Cap (in millions of	151.36
Enterprise Value (in millions of €)	134.42
Market segment	Freiverkehr
Fiscal Year	December 31
Accounting	German Commer-

Shareholder Structure

Founder André Kolbinger / André & Jeannette Kolbinger family / AKD Private Equity	59%
Executive Board and Supervisory Board (excluding André Kolbinger)	5%
Free float	36%

Financial Dates

09.09.2026 Semiannual Financial Statements
10.09.2026 Annual Shareholders' Meeting

Analysts

Matthias Greiffenberger (greiffenberger@gbc-ag.de)
Cosmin Filker (filker@gbc-ag.de)

Latest GBC Research

Date: Publication / Price Target / Rating
17.03.2026: RS / 17.60 / BUY
08.01.2026: RS / 17.60 / BUY
10.11.2025: RS / 17.50 / BUY

** The research reports listed above can be accessed at www.gbc-ag.de**.

Completion: July 20, 2026 (6:00 p.m.)
First distribution: July 21, 2026 (10:00 a.m.)

Validity of the price target: through Dec. 31, 2027,

*List of potential conflicts of interest on page 22

EXECUTIVE SUMMARY

- Following a 2025 fiscal year marked by strong growth but investment-heavy earnings, Smartbroker Holding AG is now in a crucial scaling phase. Consolidated revenue rose significantly by 30.1% to €68.28 million in fiscal year 2025 (previous year: €52.48 million), thereby exceeding the original forecast by a noticeable margin. The main growth driver was the transaction business centered on Smartbroker+, whose revenue increased to €40.14 million (previous year: €27.23 million). The media business also performed well, with revenue of €28.14 million (previous year: €25.25 million), and continued to serve as the Group's stable earnings anchor. As a result, the revenue structure is increasingly shifting in favor of the faster-growing brokerage business, while the media segment continues to deliver reach, brand awareness, and potential lead generation.

- Operationally, Smartbroker benefited in fiscal year 2025 from a significantly expanded customer base, high trading activity, and a positive capital market environment. The number of clients increased to more than 259,000 (previous year: approximately 188,000), client assets rose to €14.7 billion (previous year: €10.0 billion), and the number of trades executed reached 6.7 million (previous year: 3.8 million). This development shows that, following the stabilization phase, Smartbroker+ is increasingly serving as a key growth driver for the Group. At the same time, part of the strong momentum in 2025 was likely driven by exceptionally high trading activity in a volatile market environment, which is why we are initially assuming a more cautious revenue trend for 2026.

- Earnings performance for the 2025 fiscal year was characterized by a deliberate increase in growth investments. EBITDA after customer acquisition costs amounted to -€0.33 million (previous year: €8.97 million). The main reason was the significant increase in customer acquisition costs to €9.81 million (previous year: €1.68 million). However, EBITDA before customer acquisition costs remained clearly positive at €9.5 million (previous year: €10.7 million), although the previous year benefited from a positive one-time effect of €4.2 million. Adjusted for this effect, the operating base before growth investments has thus improved. The Media segment generated EBITDA of €6.7 million (previous year: €4.8 million) and achieved an EBITDA margin of 23.8% (previous year: 19.0%). The transaction business was still operating at a loss after customer acquisition costs but already showed a positive operating basis before acquisition costs.

- For fiscal year 2026, we expect a moderate increase in revenue to €70.00 million (2025: €68.28 million). Our estimate thus falls within the revenue range of €66.00 million to €72.00 million communicated by management. We view 2026 as a transitional year in which the larger customer base will contribute to stabilizing revenue, but earnings growth will be limited by persistently high customer acquisition costs, product investments, the elimination of PFOF, and an increasingly competitive environment. For 2026, we forecast EBITDA of €0.50 million and a net loss of €8.15 million.

- Starting in 2027, the scaling of the business model should become more clearly visible. For 2027, we expect revenue of €83.00 million and EBITDA of €11.50 million. The main driver is likely to be the transaction business, which should benefit from a larger and more mature customer base, rising account balances, higher product usage, and additional revenue from trading activities, savings plans, interest, and cash components. At the same time, marketing intensity relative to revenue should gradually normalize. For 2027, we expect the company to return to profitability with a net income of €4.00 million. For 2028, we forecast a further increase in revenue to €99.00 million, EBITDA of €22.00 million, and net income of €13.00 million. This would mark Smartbroker Holding's gradual transition into a phase of profitability in which Smartbroker+ represents the Group's primary driver of value and earnings.

- The balance sheet continues to provide a solid foundation for the growth strategy. Despite the consolidated net loss for the year, the equity ratio as of December 31, 2025, stood at a high 73.4% (December 31, 2024: 77.5%). Cash and cash equivalents totaled €19.87 million (December 31, 2024: €22.01 million), while bank liabilities were significantly reduced to €2.93 million (December 31, 2024: €6.19 million). As a result, the company has sufficient financial flexibility to fund further product development and customer acquisition.

- **Based on our DCF model, the fair value per share is €17.80 (previously: €17.60). The valuation reflects the increasing scale of the brokerage business, the stable earnings base of the media segment, and the expected return to positive annual results starting in 2027. Additional potential from the B2B trading API, new account and portfolio types, AI-powered trading features, offerings for heavy traders, and the retirement savings portfolio is only partially factored into our forecasts. Against this backdrop, we assign a BUY rating to Smartbroker Holding AG shares with a price target of €17.80.**

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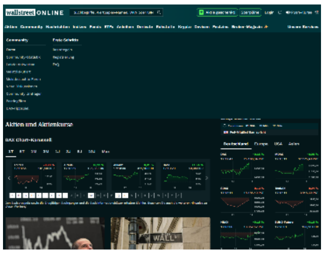
BUSINESS MODEL

Smartbroker Holding AG is a fintech and financial media company with a hybrid business model combining online brokerage and digital financial information services. The group thus combines two complementary business areas: On the one hand, it operates Smartbroker+, its own brokerage platform for retail investors; on the other hand, it operates high-reach financial portals—including apps—such as wallstreet-online.de, boersenNews.de, FinanzNachrichten.de, and ARIVA.de. This combination enables Smartbroker to capitalize on both the increasing digitization of the securities business and the high demand for financial information, market data, news, and community content.

The brokerage business forms the strategic growth core of the group. Smartbroker+ positions itself between traditional direct banks and modern neobrokers. While neobrokers often appeal with very simple user interfaces and low prices, and traditional brokers typically offer a broader range of products and trading venues, Smartbroker+ aims to combine both approaches. The platform offers competitive terms while also providing a broader range of products than many basic neobrokers. These include, among other things, trading across various exchanges, savings plans, a wide selection of securities, and, in the future, additional account, custody account, and order functions. In this way, Smartbroker+ caters not only to casual ETF savers but also to more active retail investors with higher expectations regarding product depth, trading options, and execution.

Revenues from the transaction business primarily stem from the use of the brokerage platform. These include order- and transaction-related revenues, revenues from trading activities, savings plan and product components, interest and cash-related revenues, as well as other brokerage-related compensation components. Key operational value drivers include the number of customers, client assets, trading activity per customer, the number of trades, and the monetization of additional products and features. In fiscal year 2025, the number of customers rose to more than 259,000, client assets reached €14.7 billion, and the number of trades executed reached 6.7 million. As a result, Smartbroker+ has significantly increased its importance within the Group and has now become the Group’s key growth driver.



The media business constitutes the second major business segment and serves as a stable anchor for revenue and earnings. Through the financial portals wallstreet-online.de, boersenNews.de, FinanzNachrichten.de, and ARIVA.de, the Group reaches a large number of users interested in finance in German-speaking countries. The portals offer news, stock price information, analyses, discussions, community features, and other capital market-related content. Revenue is generated primarily from online advertising, reach-based marketing, content- and data-related offerings, and other forms of digital marketing. In fiscal year 2025, the financial portals recorded approximately 2.9 billion page views and an average of 4.7 million monthly users. This gives the Group a strong market position in the German-speaking financial information market.

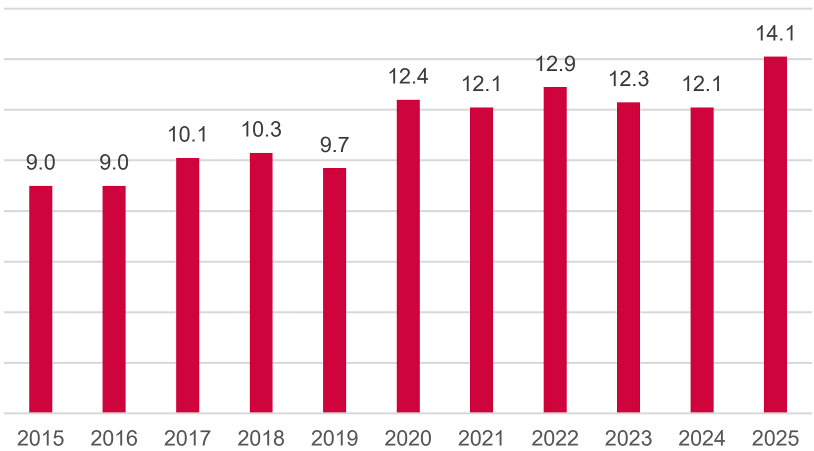
Strategically, the particular advantage of the business model lies in the integration of both areas. The media business provides reach, brand awareness, access to the target audience, and potentially cost-effective customer acquisition. The users of the financial portals belong precisely to the target group that is also relevant for a brokerage offering: retail investors with an interest in capital markets, traders, ETF savers, and users interested in securities. This enables Smartbroker to leverage its own media reach to raise awareness of Smartbroker+, attract new customers, and strengthen customer loyalty. At the same time, the brokerage business can benefit from the established communities and information offerings.

The economic leverage of the business model lies primarily in the scalability of the brokerage business. The technical, regulatory and personnel infrastructure has been built up over the past few years and initially entails high fixed costs and investment expenses. However, additional customers, rising client assets and higher trading activity should not lead to a proportional increase in costs. This creates significant medium-term margin potential, provided that Smartbroker+ can continue to expand its customer base and monetize existing customers more effectively. The media business contributes to stability, as it already generates positive earnings contributions and can partially finance investments in the brokerage business.

MARKET AND MARKET ENVIRONMENT

The German brokerage and financial information market continues to undergo structural change. After many years of a comparatively weak equity culture, private households' participation in the capital markets has recently increased significantly. According to the Deutsches Aktieninstitut, around 14.1 million people in Germany invested directly or indirectly in equities, equity funds or ETFs in 2025, reaching a new record level. Of particular relevance for digital brokers is the continued trend toward fund and ETF investments: in 2025, 12.1 million people held equity fund or ETF investments, while 4.9 million people invested directly in equities. As a result, the addressable market is expanding not only through active individual stock investors, but above all through the growing number of long-term-oriented securities savers.

People in Germany with stock investments



Source: Deutsches Aktieninstitut e.V.

At the same time, the long-term market potential remains significant. As of the end of 2025, private households in Germany held financial assets totaling approximately €9.5 trillion. Although the share of capital market-related investments has risen in recent years, a large portion of these assets remains tied up in low-yield or only moderately productive investment vehicles. This presents structural conversion potential for brokers, banks, and wealth management platforms. The more widely securities savings are accepted as a standard tool for wealth accumulation and retirement planning, the larger the market will become for securities account management, savings plans, trading services, financial information, and related digital services.

A key driver of this development is the increasing prevalence of low-cost ETFs and savings plan products. In Germany, ETFs have evolved from a product primarily used by institutional investors into a core instrument for private investment. Since 2025, the BVI has been compiling its own ETF statistics in collaboration with Clearstream to provide a detailed picture of German investors' holdings and the new business attributable to the German market. This underscores the growing relevance of the ETF market for financial service providers and points to the continued rise in importance of digital custody platforms offering a wide range of savings plans, low costs, and user-friendly navigation.

The retirement savings account is expected to provide additional momentum starting in 2027. The reform of tax-subsidized private retirement savings was approved in 2026, with implementation scheduled for January 1, 2027. The new retirement savings account is intended to offer higher returns, lower costs, and less red tape than the previous Riester system and will enable subsidized securities savings without traditional guarantee requirements. For online brokers and platforms with ETF, fund, and savings plan infrastructure, this could generate significant additional market momentum. However, it remains to be seen whether the effect will primarily manifest through higher account and savings plan volumes at brokers, through advertising budgets from ETF and fund providers, or through new product-related compensation models. For Smartbroker, this presents a potential structural upside.

Competition in the German brokerage market remains intense. In recent years, neobrokers have gained market share through very low order fees, mobile user interfaces, and simple savings plan offerings, thereby increasing price pressure on traditional direct banks and branch-based banks. While traditional providers such as Comdirect, Consorsbank, ING, and Flatex continue to have large customer bases and established brands, Trade Republic, Scalable Capital, Smartbroker+, and other digital providers have significantly changed customer expectations regarding price, user experience, and speed. The market is increasingly fragmenting into different target groups: casual ETF savers, price-conscious retail investors, active traders, heavy traders, and wealthier clients who need multiple trading platforms, sub-accounts, currency accounts, or advanced order functions.

Trade Republic's latest product push underscores this shift. Trade Republic has announced an expansion of its trading infrastructure, including access to 30 global trading venues, a best-price execution model, direct-quote orders, and a new web terminal for active investors. With this move, Trade Republic is making greater inroads into a segment that has traditionally been served by traditional direct banks, specialized brokers, and providers with a broader product range. For Smartbroker, this increases competitive pressure in the active investor segment in the short term. At the same time, however, this development also confirms the segment's strategic appeal: Active and wealthier clients are considered particularly economically significant, as they generate higher trading volumes, higher contribution margins, and place greater demands on product breadth and execution.

From a regulatory perspective, the elimination of payment-for-order-flow is the most significant short-term change. Under the new MiFIR rules, investment firms may not receive fees, commissions, or non-monetary benefits from third parties for routing client orders to specific execution venues. Germany was able to take advantage of a transitional arrangement, but the ban will apply in full starting in mid-2026. For neobrokers, this significantly alters the revenue model, as rebates have historically been a key component of very low-cost order models. Going forward, efficient processing costs, robust trading venue agreements, economies of scale, alternative revenue sources, and a compelling best-execution strategy will gain in importance. Providers that can compensate for the elimination of PFOF without significantly worsening client terms are likely to emerge from the transition strategically strengthened.

In addition to brokerage, the market for digital financial information remains relevant. Especially during volatile market phases, retail investors' demand for news, price data, analyses, discussions, and context increases. At the same time, the dynamics of internet traffic are shifting due to AI-generated search results, changing user behavior, and increasing dependence on platforms such as Google, Meta, or social media. Providers that rely primarily on generic advisory content and search engine traffic could come under pressure as a result. In contrast, up-to-date capital market information, community interaction, real-time coverage, and transaction-related content remain strategically valuable. Smartbroker holds a unique market position in this regard, as the group operates not only Smartbroker+ but also several high-reach financial portals, and in fiscal year 2025 recorded approximately 2.9 billion page views and an average of 4.7 million monthly users.

In our view, Smartbroker's market opportunity thus lies in the combination of two structurally attractive markets: the growing digital brokerage market and the financial information market, which continues to have a wide reach. The media business provides reach, brand recognition, access to target audiences, and a potentially cost-efficient customer acquisition channel. The brokerage business, on the other hand, offers greater leverage for scaling, as additional customers, higher account balances, and rising trading activity—combined with an already established technical and regulatory infrastructure—can lead to disproportionately large improvements in earnings. A key factor for the coming years will be whether Smartbroker+ can successfully expand its position between low-cost neobrokers and traditional full-service brokers. If it succeeds, the company should benefit from the long-term growth of the stock and ETF culture, retirement savings accounts, the increasing digitization of the securities business, and the rising demand from active investors for more powerful brokerage features.

BUSINESS PERFORMANCE FY 2025

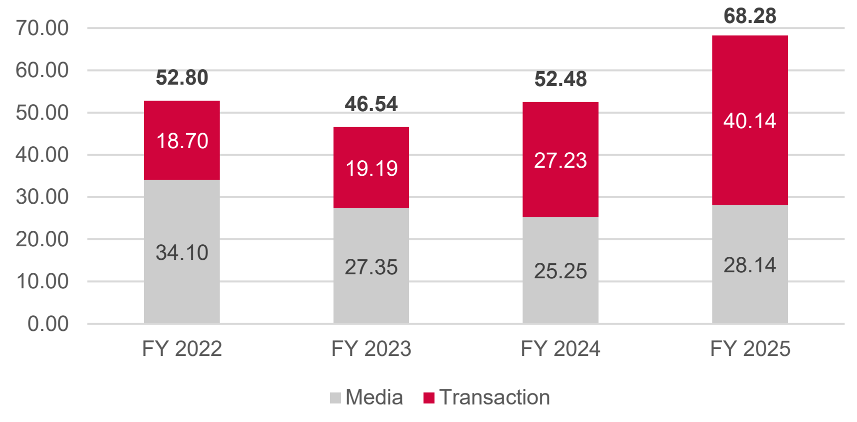
Income State-ment	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025
Revenue	48.20	52.79	46.54	52.48	68.28
EBITDA	3.56	8.77	1.35	8.97	-0.33
EBITDA margin	*7.4%*	*16.6%*	*2.9%*	*17.1%*	*-0.5%*
EBIT	0.35	-8.41	-5.22	-1.70	-10.60
EBIT margin	*0.7%*	*-15.9%*	*-11.2%*	*-3.2%*	*-15.5%*
Net income	-0.54	-10.07	-5.92	-1.39	-10.56
EPS in €	-0.04	-0.64	-0.38	-0.08	-0.63

Sources: Smartbroker Holding AG; GBC AG

Revenue Performance in FY 2025

Smartbroker Holding AG achieved very strong revenue growth in fiscal year 2025. Consolidated revenue rose by 30.1% to €68.28 million (previous year: €52.48 million), significantly exceeding the original forecast of €57.90 million. The increase in revenue was primarily attributable to the significantly expanded customer base, the high trading activity of Smartbroker+ customers, and the positive market environment characterized by increased volatility and a growing need for information among retail investors.

Revenue Development by Segment (in € million)



Sources: Smartbroker Holding AG; GBC AG

The main driver of growth was the transaction business. Revenue in this segment rose to €40.14 million (previous year: €27.23 million), representing an increase of approximately 47%. As a result, the transaction business's share of consolidated revenue increased to 58.8% (previous year: 51.9%). Operationally, the segment benefited from approximately 77,000 new gross customers, an increase in the total number of customers to more than 259,000 (previous year: approximately 188,000), client assets of €14.7 billion (previous year: €10.0 billion), and a significant increase in the number of trades to 6.7 million (previous year: 3.8 million trades).

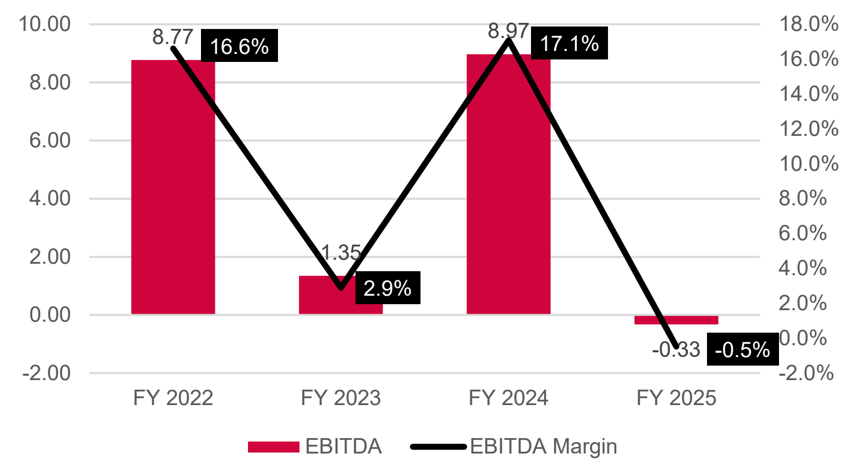
The media business also performed well, although at a significantly slower pace than the brokerage business. Media revenue rose to €28.14 million (previous year: €25.25 million), representing growth of approximately 11%. This development was supported by a reach increase of approximately 15%, the expansion of proprietary editorial content, and new editorial concepts. The financial portals recorded approximately 2.9 billion page views and an average of 4.7 million users per month in fiscal year 2025.

Overall, the revenue trend in 2025 shows a clear shift in the revenue structure toward the faster-growing transaction business. While the media business continues to serve as a stable anchor for revenue and earnings, Smartbroker+ has increasingly taken on the role of the central growth driver following the completion of its stabilization phase. The strong revenue momentum in the brokerage business thus confirms the strategic rationale behind the combination of high-reach financial portals and the company's own brokerage platform. At the same time, it should be noted that part of the revenue increase was driven by exceptionally high trading activity in a volatile market environment; consequently, the sustainability of the revenue base in the future will depend primarily on further customer monetization, the activity of new customer cohorts, and the development of trading frequency.

Earnings Performance in FY 2025

Despite the very dynamic revenue growth, Smartbroker Holding AG's earnings situation deteriorated significantly in fiscal year 2025. Consolidated EBITDA after customer acquisition costs fell to -€0.33 million (previous year: €8.97 million). The main reason for this was not operational weakness in the core business, but rather the deliberate expansion of growth investments in Smartbroker+. Customer acquisition costs rose to €9.81 million (previous year: €1.68 million) and weighed significantly on reported earnings. Before customer acquisition costs, operating EBITDA remained clearly positive at €9.5 million (previous year: €10.7 million), although the previous year's figure included a positive one-time effect of €4.2 million. Adjusted for this effect, it is evident that the operating earnings base before marketing investments was strengthened compared to the previous year.

Development of EBITDA (in € million) and the EBITDA margin (in %)



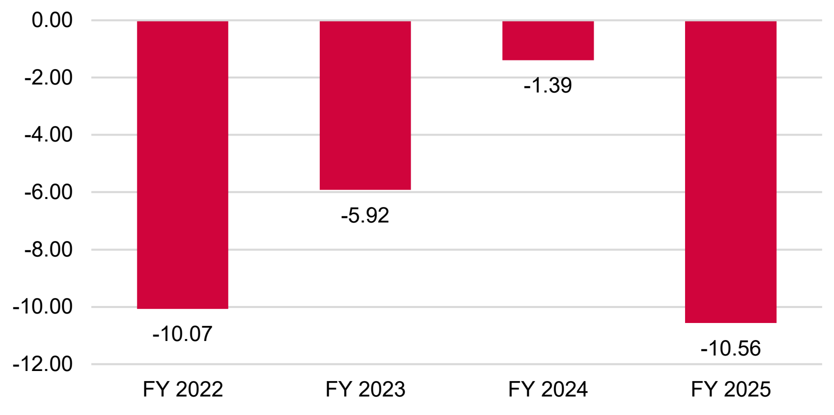
Sources: Smartbroker Holding AG; GBC AG

The significant increase in growth-related expenses is primarily reflected in cost of goods sold. This figure rose to €38.10 million (previous year: €20.93 million). In addition to the sharp rise in customer acquisition costs, this was driven by higher trading costs resulting from increased trading volume, as well as expenses for the further optimization of Smartbroker+. Personnel expenses, by contrast, rose only moderately by 7.0% to €22.29 million (previous year: €20.83 million), while other operating expenses increased to €9.04 million (previous year: €6.76 million).

At segment level, the picture was mixed. The Media business performed very strongly in terms of earnings, increasing EBITDA to €6.7 million (previous year: €4.8 million). The EBITDA margin improved to 23.8% (previous year: 19.0%). As a result, Media remained the Group's key earnings anchor. In the transaction business, earnings were weighed down by high marketing investments. EBITDA after customer acquisition costs amounted to -€7.0 million (previous year: €4.2 million). However, before customer acquisition costs, the transaction business also generated a positive operating result. The decline in earnings should therefore be interpreted primarily as a reflection of accelerated customer acquisition rather than as a structural deterioration in the brokerage business.

Below the EBITDA level, depreciation and amortization expenses remained high. Depreciation and amortization of intangible assets and property, plant, and equipment totaled €10.27 million (prior year: €10.67 million). Of this amount, €2.46 million (prior year: €2.79 million) was attributable to goodwill and hidden reserves from capital consolidation. In addition, €6.47 million was attributable to the amortization of the front-end and back-end components of Smartbroker+. The high amortization and depreciation expenses resulted in a significantly negative EBIT, despite EBITDA being only slightly negative. EBIT deteriorated to -€10.60 million (previous year: -€1.70 million).

Development of Net Income (in € million) and Net Margin (in %)



Sources: Smartbroker Holding AG; GBC AG

The financial result improved to €0.17 million (previous year: €0.02 million), but was only able to slightly offset the negative impact on operating earnings. Accordingly, the consolidated net loss for the year increased to -€10.56 million (previous year: -€1.39 million). Earnings per share amounted to -€0.63 (previous year: -€0.08). Overall, 2025 was thus a year deliberately driven by investment in terms of earnings. While the reported earnings metrics declined significantly, the positive EBITDA before customer acquisition costs, the strong media profitability, and the increasing scale of the transaction business indicate that the Group's operating foundation has improved compared to the previous year. A key factor for future earnings performance will be whether the customer cohorts acquired in 2025 generate sufficiently high recurring contribution margins to amortize the pre-financed marketing expenses over the coming years.

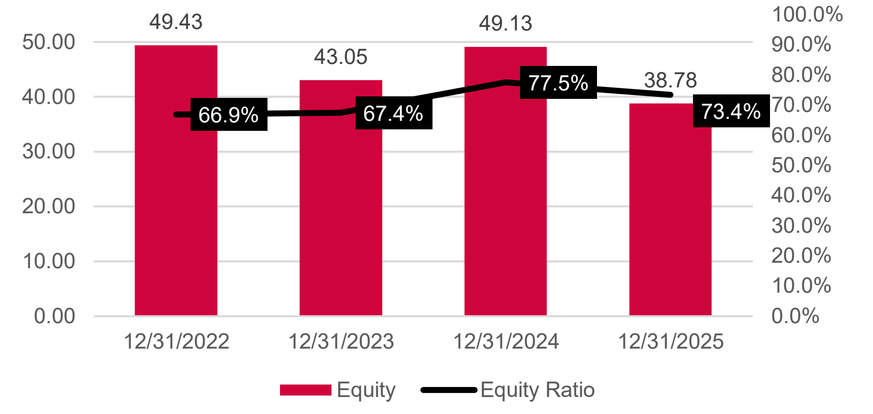
Presentation of the Balance Sheet and Financial Position

in millions of €	Dec. 31, 2022	Dec. 31, 23	Dec. 31, 24	Dec. 31, 25
Equity	49.43	43.05	49.13	38.78
Equity Ratio (in %)	66.9%	67.4%	77.5%	73.4%
Operating fixed assets	36.39	41.21	33.80	24.11
Working Capital	5.73	3.17	2.60	1.87
Net cash	12.51	1.82	15.82	16.95
Operating cash flow	5.04	0.19	9.99	1.47
Investing Cash Flow	-21.99	-11.01	-3.43	-0.30
Financing Cash Flow	18.67	-4.51	3.21	-3.35

Sources: Smartbroker Holding AG; GBC AG

As a result of the consolidated net loss for the year, equity decreased to €38.78 million as of December 31, 2025 (December 31, 2024: €49.13 million). Nevertheless, the equity ratio remained at a very high level of 73.4% (December 31, 2024: 77.5%). As a result, Smartbroker Holding AG continues to have a solid capital structure, even though the cumulative consolidated net loss increased to €23.46 million (December 31, 2024: €12.90 million).

Statement of Changes in Equity (in € million) and Equity Ratio (in %)



Sources: Smartbroker Holding AG; GBC AG

Non-current assets decreased significantly to €24.48 million (Dec. 31, 2024: €34.19 million), primarily due to scheduled depreciation and amortization of the brokerage platform, licenses, and goodwill. Intangible assets still amounted to €22.73 million (Dec. 31, 2024: €31.78 million) and continued to represent the majority of fixed assets. On a positive note, all fixed assets were fully covered by equity.

Cash and cash equivalents decreased to €19.87 million (Dec. 31, 2024: €22.01 million). At the same time, bank liabilities were significantly reduced to €2.93 million (Dec. 31, 2024: €6.19 million). As a result, net financial resources increased to €16.95 million (Dec. 31, 2024: €15.82 million), ensuring that there remains sufficient financial flexibility for marketing and product investments.

Operating cash flow of €1.47 million (previous year: €9.99 million) was partly supported by positive working capital effects. Overall, the balance sheet remains solid; however, a return to positive annual results is necessary in the medium term to sustainably strengthen equity.

FORECAST AND MODEL ASSUMPTIONS

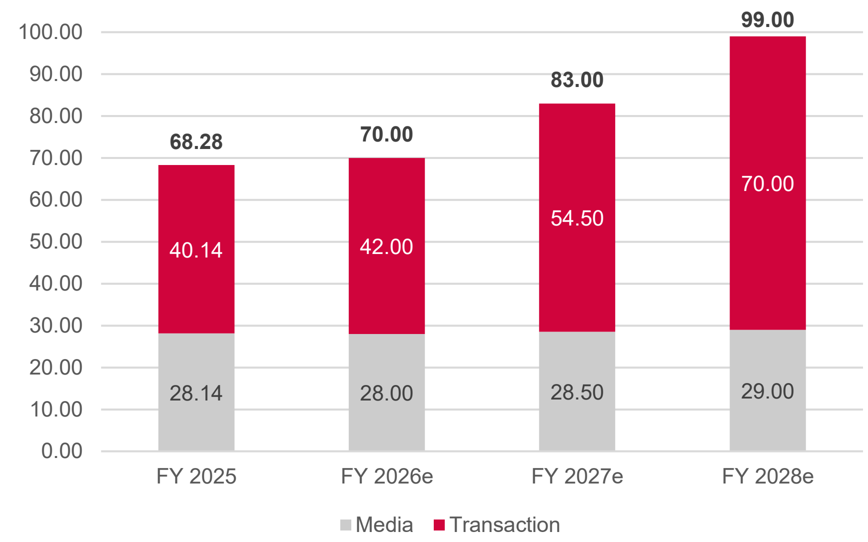
Income Statement (in millions of €)	FY 2025	FY 2026e	FY 2027e	FY 2028e
Revenue	68.28	70.00	83.00	99.00
EBITDA	-0.33	0.50	11.50	22.00
EBITDA Margin	*-0.5%*	*0.7%*	*13.9%*	*22.2%*
EBIT	-10.60	-8.20	4.50	15.80
EBIT Margin	*-15.5%*	*-11.7%*	*5.4%*	*16.0%*
Net income	-10.56	-8.15	4.00	13.00
EPS in €	-0.63	-0.49	0.24	0.77

Source: GBC AG

Revenue Forecast

For fiscal year 2026, we forecast a moderate increase in consolidated revenue to €70.00 million (2025: €68.28 million). Our estimate thus falls within the revenue range of €66.00 million to €72.00 million communicated by management. Despite the significantly expanded customer base, we initially expect only modest revenue growth for 2026. This is due to an expected normalization of the exceptionally high trading activity seen in fiscal year 2025, a more challenging environment for acquiring new customers, increased customer acquisition costs, and the transition of the revenue model resulting from the elimination of PFOF. At the same time, the larger customer base at Smartbroker+, continued high trading activity among existing customers, and the ongoing maturation of newly acquired customer cohorts should support stable revenue growth.

Revenue Forecast (in millions of €)



Source: GBC AG

At segment level, we expect revenue in the Media business to remain largely stable at €28.00 million in 2026 (2025: €28.14 million). The Group's financial portals continue to have broad reach and a strong position in the German-speaking financial information market. Nevertheless, we take a cautious approach and do not initially assume any structural acceleration in growth within the Media segment. Potential additional revenue from ETF providers, fund providers or additional advertising budgets related to the retirement savings account is only partially reflected in our forecast and therefore represents potential upside.

In the transaction business, we expect revenue to rise to €42.00 million in 2026 (2025: €40.14 million). Key growth drivers include, in particular, the significantly expanded customer base in fiscal year 2025, increased activity among existing customers, and the continued product expansion of Smartbroker+. On the other hand, the currently higher acquisition costs per new customer and slower growth in gross new customers compared to the original plan are having a dampening effect. In addition, we take into account that Trade Republic is intensifying competition in the active retail investor segment by expanding its offering to include additional trading venues, smart order routing, and a front end more geared toward active investors.

For fiscal year 2027, we forecast a significant increase in revenue to €83.00 million (2026e: €70.00 million). The main growth driver is expected to be the transaction business, which we estimate will grow to €54.50 million (2026e: €42.00 million). This assumption is based on the increasing monetization of customers acquired in 2025 and 2026, a higher proportion of active customers, rising account balances, and additional revenue from trading activities, savings plans, interest and cash components, as well as other brokerage functions. For the media business, we anticipate only a slight increase to €28.50 million (2026e: €28.00 million), as we continue to assume no significant structural acceleration in growth.

For 2028, we expect a further increase in consolidated revenue to €99.00 million (2027e: €83.00 million). The media business, at €29.00 million (2027e: €28.50 million), should continue to serve as a stable anchor for revenue and earnings. The trading business, on the other hand, is expected to rise to €70.00 million (2027e: €54.50 million), thereby clearly becoming the Group's dominant growth driver. Additional momentum could come from the B2B trading API, a stronger focus on active traders, new account and portfolio types, AI-powered trading features, and the retirement savings portfolio. However, our estimates only partially reflect this potential, so successful product implementation could unlock additional revenue opportunities.

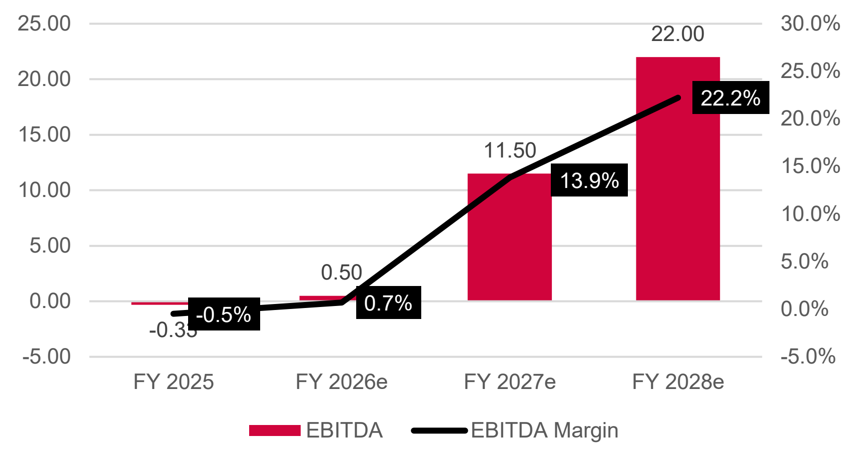
Overall, we view 2026 as a transitional year in which Smartbroker Holding AG will initially grow only moderately despite an expanding customer base. Starting in 2027, the scaling of the brokerage business should become more evident. The key assumption underlying our revenue forecast is that the media business will remain largely stable and that Smartbroker+ will increasingly benefit from a larger, more mature, and more monetizable customer base.

Earnings Forecast

For the 2026 fiscal year, we expect EBITDA of €0.50 million (2025: -€0.33 million). This places our estimate within the EBITDA range of -€1.50 million to +€1.50 million communicated by management. Earnings performance in 2026 is likely to continue to be weighed down by high customer acquisition costs, further product and technology investments, and the transition of the revenue model resulting from the discontinuation of PFOF. At the same time, the media business should continue to provide a stable earnings base, while the transaction business is expected to become increasingly profitable on an operating basis, excluding customer acquisition costs. We therefore expect the core operating business to remain clearly positive before marketing investments, although reported EBITDA growth will be limited by the deliberate continuation of growth financing.

At the EBIT level, we expect a loss of -8.20 million euros for 2026 (2025: -10.60 million euros). The improvement over the previous year results from slightly positive EBITDA and a decline in depreciation and amortization expenses, which remain high. For 2026, we assume depreciation and amortization expenses of €8.70 million (2025: €10.27 million). The decline reflects the ongoing amortization and depreciation of the Smartbroker+ platform, licenses and other intangible assets capitalized in previous years. At the same time, we do not expect the amortization expense to disappear abruptly, as goodwill, acquired licenses, capitalized software, and ongoing development investments must still be taken into account. We expect net income in 2026 to be -€8.15 million (2025: -€10.56 million).

EBITDA Forecast (in € million) and EBITDA Margin (in %)



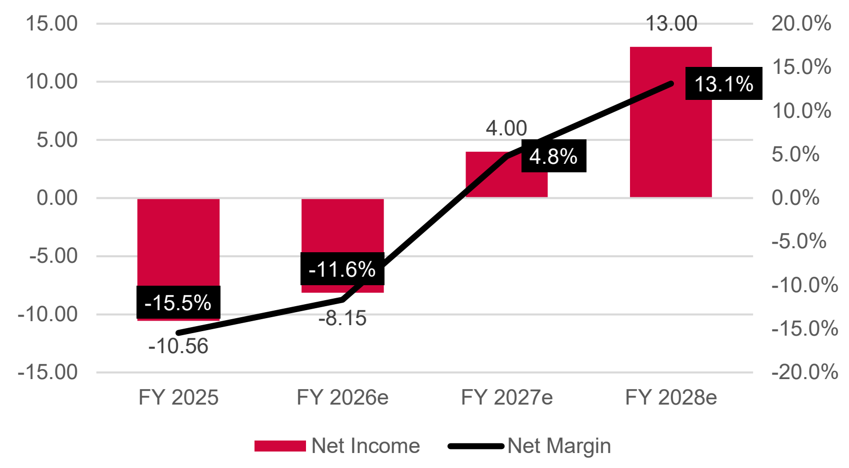
Source: GBC AG

For 2027, we forecast a significant improvement in EBITDA to €11.50 million (2026e: €0.50 million), corresponding to an EBITDA margin of 13.9% (2026e: 0.7%). The earnings leverage should result primarily from the scaling of the transaction business. Additional customers, higher portfolio volumes, and rising trading activity should not lead to a proportional increase in the fixed-cost base. Furthermore, we assume that customer acquisition costs will decline relative to Revenue and that marketing intensity will gradually normalize following the strong investment year of 2026. On this basis, we expect EBIT of €4.50 million for 2027 (2026e: -€8.20 million) and net income of €4.00 million (2026e: -€8.15 million). This would mark Smartbroker Holding's return to profitability for the first time.

For 2028, we anticipate a further significant improvement in earnings. EBITDA is expected to rise to €22.00 million (2027e: €11.50 million), corresponding to an EBITDA margin of 22.2% (2027e: 13.9%). In addition to further revenue growth in the brokerage business, improved utilization of the existing technical, regulatory, and personnel infrastructure is expected to contribute significantly to margin expansion. The media business should continue to deliver a stable contribution to earnings, while Smartbroker+ is increasingly becoming the Group's key earnings driver. After depreciation and amortization of €6.20 million (2027e: €7.00 million), we expect EBIT of €15.80 million (2027e: €4.50 million) and net income of €13.00 million (2027e: €4.00 million).

The equity story for the next three years therefore lies less in a short-term improvement in earnings and more in the transformation from an investment-driven media and brokerage group into a scalable brokerage platform with structurally increasing profitability. 2026 is expected to remain characterized by investments and transition effects. In 2027, the benefits of scaling should become visible in the income statement for the first time. By 2028, Smartbroker Holding should increasingly enter a phase of profitability, in which the media business forms a stable foundation and Smartbroker+ represents the key value driver for revenue and margin growth.

Net Income Forecast (in millions of €)



Source: GBC AG

VALUATION

Model Assumptions

We valued Smartbroker Holding AG using a three-stage DCF model. In the first phase, our planning is based on specific estimates for the years 2026 to 2028. For the period from 2029 to 2033, the second phase uses value-driver-based assumptions. We assume annual revenue growth of 16.0% and a target EBITDA margin of 25.0%. The significant margin improvement reflects the expected operating leverage of the business model, as additional customers, higher client assets and rising trading activity should lead to disproportionately strong earnings growth based on the existing technical, regulatory and personnel infrastructure. At the beginning of the second phase, we have applied a reduced tax rate, as existing tax loss carryforwards from previous years should initially limit the tax burden. In the third phase, a terminal value is calculated using the perpetuity method. For the terminal value, we assume a sustainable growth rate of 2.0%.

Determination of the Cost of Capital

The weighted average cost of capital (WACC) of Smartbroker Holding AG is calculated based on the cost of equity and the cost of debt. To determine the cost of equity, the fair market premium, the company-specific beta, and the risk-free interest rate must be calculated.

The risk-free interest rate is derived from current yield curves for risk-free bonds in accordance with the recommendations of the IDW's Expert Committee on Business Valuation and Business Administration (FAUB). This is based on the zero-coupon bond yields published by the Deutsche Bundesbank using the Svensson method.

The risk-free interest rate currently in use is 3.0%.

We use the historical market premium of 5.50% as a reasonable estimate of the market premium. This figure is supported by historical analyses of stock market returns. The market premium reflects the percentage by which the stock market is expected to outperform low-risk government bonds.

According to the GBC estimation method, the current beta is 1.34.

Based on the assumptions made, the cost of equity is calculated at 10.35% (beta multiplied by the risk premium plus the risk-free rate). Since we assume a constant weighting of 100% for the cost of equity, the weighted average cost of capital (WACC) is 10.35%.

Valuation Result

As part of our DCF valuation model, we are raising the price target to €17.80 (previously: €17.60).

DCF Model

Phase	estimate		Consistency						final
	FY 26e	FY 27e	FY 28e	FY 29e	FY 30e	FY 31e	FY 32e	FY 33e	
Revenue	70.00	83.00	99.00	114.84	133.21	154.53	179.25	207.93	
Revenue Growth	2.5%	18.6%	19.3%	16.0%	16.0%	16.0%	16.0%	16.0%	2.0%
EBITDA	0.50	11.50	22.00	28.71	33.30	38.63	44.81	51.98	
EBITDA margin	0.7%	13.9%	22.2%	25.0%	25.0%	25.0%	25.0%	25.0%	
EBITA	-8.20	4.50	15.80	25.31	29.36	34.06	39.51	45.83	
EBITA margin	-11.7%	5.4%	16.0%	22.0%	22.0%	22.0%	22.0%	22.0%	21.1%
NOPLAT	-8.30	3.83	14.22	20.25	20.55	23.84	27.65	32.08	
Working Capital (WC)	1.91	3.00	4.20	5.74	6.66	7.73	8.96	10.40	
Fixed Assets (OAV)	20.00	19.00	17.00	19.72	22.88	26.54	30.78	35.71	
Invested capital	21.91	22.00	21.20	25.46	29.54	34.26	39.74	46.10	
ROIC	-32.0%	17.5%	64.6%	95.5%	80.7%	80.7%	80.7%	80.7%	68.1%
EBITDA	0.50	11.50	22.00	28.71	33.30	38.63	44.81	51.98	
Taxes on EBITA	-0.10	-0.67	-1.58	-5.06	-8.81	-10.22	-11.85	-13.75	
Change in OAV	-4.60	-6.00	-4.20	-6.12	-7.10	-8.24	-9.55	-11.08	
Change in WC	-0.04	-1.09	-1.20	-1.54	-0.92	-1.07	-1.24	-1.43	
Investments in Goodwill	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Free cash flow	-4.23	3.74	15.02	15.99	16.48	19.11	22.17	25.72	364.99

Calculation of Cost of Capital	
Risk-free rate of return	3.00%
Market risk premium	5.50%
Beta	1.34
Cost of Equity	10.35%
Target weighting	100.00%
Cost of debt	3.00%
Target weighting	0.00%
Tax shield	28.66%
WACC	**10.35%**

Fair Value Calculation	FY 26e	FY 27e
Value of Operating Business	258.83	281.87
Present value of explicit FCFs	75.61	79.70
Present Value of Continuing Value	183.22	202.18
Net debt	-12.86	-16.80
Equity value	271.69	298.67
Minority interest	0.00	0.00
Value of share capital	271.69	298.67
Outstanding shares in millions	16.78	16.78
Fair value per share in EUR	16.19	**17.80**

Sensitivity Analysis

		WACC				
		9.7%	**10.0%**	**10.3%**	**10.6%**	**10.9%**
ROIC	**67.6%**	19.06	18.36	17.71	17.11	16.55
	67.8%	19.11	18.41	17.75	17.15	16.59
	68.1%	19.16	18.45	17.80	17.19	16.63
	68.3%	19.21	18.50	17.84	17.24	16.67
	68.6%	19.26	18.55	17.89	17.28	16.71

APPENDIX

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2. The research report is made available simultaneously to all interested securities service providers.

OR

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A specific update of the present analysis to a fixed date is not yet scheduled. GBC AG reserves the right to update the analysis without prior notice.

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BUY	The expected return, based on the determined target price, including dividends, within the corresponding time horizon is >= +10%.
HOLD	The expected return, based on the determined target price, including dividends, within the corresponding time horizon is > -10% and < +10%.
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§ 2 (III) Historical Recommendations:

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§ 2 (IV) Information Basis:

Publicly available information about the issuer(s), (where available, the last three published business and quarterly reports, ad-hoc announcements, press releases, securities prospectus, company presentations, etc.) was used to create this analysis, which GBC considers reliable. Additionally, conversations with the management of the relevant companies were conducted to gain further insights into the business developments.

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The analysts responsible for this analysis are:

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