

Press release

27 April 2023

Baader Bank posts positive consolidated pre-tax result and continued growth for Q1 2023

- Baader Bank generates earnings before tax of EUR 1.8 million in Q1 of current financial year
- Total revenue of EUR 47.1 million for Q1; improved income from commission- and interest-driven business can partly compensate for lower result from trading business
- Number of accounts served by the Group up by almost 100,000 in first three months to 941,000
- Further growth in customer assets in Q1 of almost 20% to EUR 21.1 billion

Baader Bank posted consolidated earnings before tax of EUR 1.8 million for the first quarter of the current financial year (Q1 2022: EUR 10.3 million). Earnings from the interest business were up on the same quarter of the previous year, rising to a solid EUR 6.5 million (Q1 2022: EUR -0.5 million), driven in particular by deposit growth in addition to interest rate developments. Earnings from commission business also increased to EUR 23.3 million compared to the same quarter of the previous year (Q1 2022: EUR 20.8 million) due to further growth in B2B business volume. At EUR 13.7 million, the result from trading business shows a significant decline compared to the first quarter of the previous year (Q1 2022: EUR 33.1 million). While the result from trading activities was at a high level in the same quarter in 2022 due to special situations caused by inflation and global crises, there have been no significant market volatilities so far in 2023. Accordingly, total income amounted to EUR 47.1 million in the first quarter (Q1 2022: EUR 57.0 million), down 17% on the strong comparative quarter.

Total expenses in the first quarter of 2023 decreased slightly by 3 % to EUR 45.3 million (Q1 2022: EUR 46.7 million). At EUR 19.0 million, personnel expenses increased compared to the first quarter of the previous year (Q1 2022: EUR 17.6 million) due to the planned expansion of personnel capacities. Other operating expenses increased to EUR 21.8 million (Q1 2022: EUR 17.9 million). The increase results primarily from further investments to optimise the IT infrastructure and the expansion of platform functionalities as part of Baader Bank's high-performance banking strategy. In addition, inflation-related cost increases were recorded. The increase in administrative expenses was more than offset by the lower need for provision expenses of EUR 4.5 million (Q1 2022: EUR 11.2 million). This includes allocations to the fund for general banking risks of EUR 6.1 million (Q1 2022: EUR 9.7 million).

As at 31 March 2023, the Group had 518 employees (in full-time equivalents) (31 December 2022: 503).

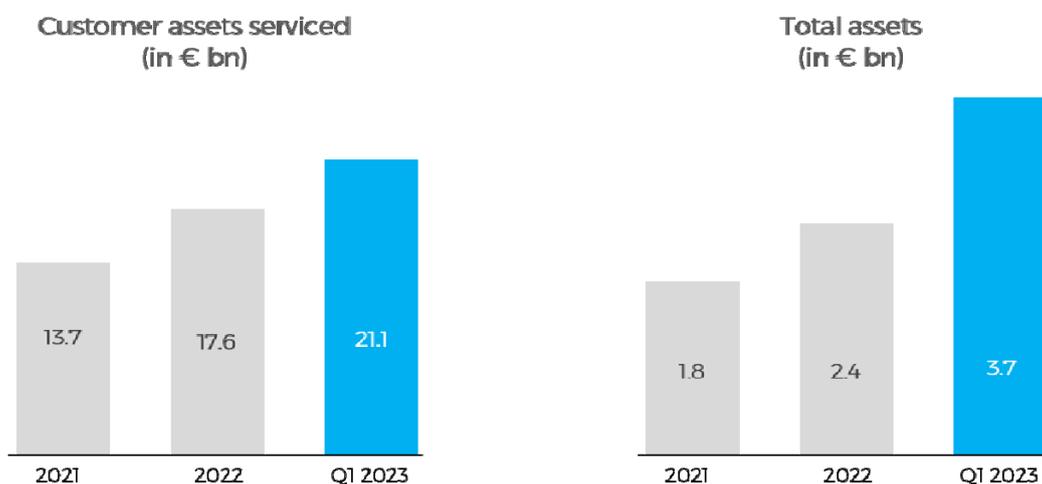
Further growth of European B2B platform business and renewed De-SPAC mandate

In terms of the number of securities accounts held within the Group, Baader Bank's account and securities account business grew by around a further 100,000 accounts to 941,000 accounts in the first quarter of 2023 (December 31, 2022: 843,000). Customer assets serviced, consisting of securities account volumes and customer deposits, have increased by almost 20 % since the beginning of 2023 to a total of EUR 21.1 billion.

On the capital market side, Baader Bank acted as listing agent for the De-SPAC of GFJ ESG Acquisition I SE in the first quarter. In this context, the company 'learn'd' was listed on the Regulated Market of the Frankfurt Stock Exchange as part of the business combination. Baader Bank already accompanied the De-SPAC of Lakestar SPAC I SE and thus the stock market debut of the company 'HomeToGo' in 2021. In the German-speaking region, three De-SPAC transactions have been completed in recent years, with Baader Bank now having accompanied two of the three transactions. This underlines Baader Bank's expertise in accompanying complex and innovative transaction structures.

Solid capitalisation forms basis for further growth and investment

As at March 31, 2023, Baader Bank's total assets had increased to EUR 3.7 billion (December 31, 2022: EUR 2.4 billion) compared with the end of the previous fiscal year due to rising deposit volumes. Baader Bank's equity capital remains at a stable at EUR 164.4 million (Dec. 31, 2022: EUR 164.9 million) and the total capital ratio as at the end of the quarter is a comfortable 24.3 %. With this basis, Baader Bank is solidly positioned for further growth and investments.



Note on the presentation of the income statement

In a departure from the structure used so far, following the German commercial code (*Handelsgesetzbuch*; HGB), the income statement will now be presented following the management account structure. As a result, earnings from the interest business will include interest-induced commission expenses in addition to interest income. Earnings from trading will include trading income, brokerage and transaction income and trade-induced commission expenses, incl. exchange and settlement fees. Current income is reported under other income. In addition to the general risk precaution, risk provision includes transfers to the fund for general banking risks in accordance with Section 340g HGB.

Overview of key figures Q1 2023

in € mn	1 st quarter (01/01/-31/03/)		
	Q1 2022	Q1 2023	Delta
Result from interest business	-0.5	6.5	7.0
Result from commission business	20.8	23.3	2.5
Result from trading activities	33.1	13.7	-19.4
Revenue	2.5	2.8	0.3
Other income	1.2	0.8	-0.4
Income	57.0	47.1	-9.9
Personnel expenses	17.6	19.0	1.4
Other operating expenses	17.9	21.8	3.9
Risk provision	11.2	4.5	-6.7
Expenses	46.7	45.3	-1.4
Earnings before tax (EBT)	10.3	1.8	-8.5
Taxes	5.1	2.0	-3.1
Minorities	0.1	0.1	0.0
Group results	5.2	-0.3	-5.4
Earnings per share in EUR	0.11	-0.01	-0.12
Return on equity after tax in %	12.5	-0.7	-13.2

in € mn	as of reporting date		
	31/12/2022	31/03/2023	Delta
Total assets	2,376	3,746	1,370
Equity capital	164.9	164.4	-0.5
Total capital ratio in %	24.3	24.3	0.0

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Further scheduled dates:

15/05/2023 Equity Forum - Spring Conference, Frankfurt
25/05/2023 Publication of the Annual Report 2022
06/07/2023 Annual General Meeting 2023

About Baader Bank AG:

Baader Bank is one of the leading European partners for investment and banking services. Trading and banking are combined using a single powerful platform that offers a unique setup and optimum access to the capital market using a secure, automated and scalable approach. As a family-run full-service bank with its headquarters in Unterschleissheim near Munich, Baader Bank AG employs around 550 staff members and operates in the business fields of Market Making, Capital Markets, Brokerage, Fund Services, Account Services and Research Services.