2022

HALF-YEAR REPORT

MAIN SPONSOR
BORUSSIA MÖNCHENGLADBACH

flatex DEGIRO

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Group Key Performance Indicators

Key figures for the Group

		1st HY 2022	1st HY 2021	Change in %
Brokerage key figures				
Transactions executed	number	38,111,725	52,974,653	-28.1
Customer accounts as of 06/30	number	2,288,042	1,841,183	+24.3
Customer accounts on average	number	2,175,103	1,586,077	+37.1
Transactions per customer account/year	number	35	67	-47.7
Customers' assets under custody	mEUR	38,045	40,599	-6.3
thereof: custody volume	mEUR	34,870	37,818	-7.8
thereof: deposit volume	mEUR	3,175	2,781	+14.2
Employees (average)	number	1,162	1,085	+7.1
Financials				
Revenues	kEUR	209,649	226,113	-7.3
EBITDA	kEUR	89,099	53,190	+67.5
EBITDA margin	in %	42.5	23.5	+80.7
Adjusted EBITDA[1]	kEUR	81,770	107,677	-24.1
Adjusted EBITDA margin[1]	in %	40.4	47.6	-15.2
Adjusted EBITDA before marketing expenses[1]	kEUR	112,764	125,558	-10.2
Adjusted EBITDA margin before marketing expenses[1]	in %	55.7	55.5	+0.4
Adjusted cost-income-ratio	in %	51.4	44.9	+14.5
Balance sheet and cash flow statement				
Equity (06/30/2022 vs. 12/31/2021)	kEUR	550,306	499,385	+10.2
Total assets (06/30/2022 vs. 12/31/2021)	kEUR	3,871,724	3,690,589	+4.9
Equity ratio (06/30/2022 vs. 12/31/2021)	in %	14.2	13.5	+5.0
Operating cash flow	kEUR	70,459	83,400	-15.5
Segments				
	Revenues kEUR[2]	195,122	220,803	-11.6
Financial Services (FIN)	Adj. EBITDA kEUR	69,054	102,733	-32.8
	Revenues kEUR[2]	33,547	23,919	+40.3
Technologies (TECH)	Adj. EBITDA kEUR	12,716	4,943	+157.3
	Revenues kEUR[2]	-26,348	-18,609	-41.6
Consolidation	Adj. EBITDA kEUR	-	-	-

[1]The information concerning the adjusted EBITDA before marketing expenses / EBITDA before marketing expenses / EBITDA / cost-income ratio are shown reduced by personnel expenses for long-term variable remuneration, and expenses from business combinations in the personnel area. For better comparability of the key figures for the period, we refer to the Half-Year Group Management Report, Section 1.2 Earnings Position.

[2]The revenues have been adjusted by earnings from the release of provisions for long-term variable remuneration.

Half-Year Group Management Report

Basis of presentation

This half-year group management report for flatexDEGIRO AG (hereinafter referred as “flatexDEGIRO” or “Group” or “Group of companies”) was prepared in accordance with Sections 315 and 315a German Commercial Code (HGB) and the German Accounting Standards (DRS 16 Half-year financial reporting). All report content and details are based on the reporting date of 30 June 2022 or the half-year reporting period from 1 January 2022 to 30 June 2022.

The personal pronouns “we” or “us” used in this half-year group management report refer to flatexDEGIRO AG together with its subsidiaries.

Forward-looking statements

This half-year group management report may contain forward-looking statements and information, which may be identified by formulations using terms such as “expects”, “aims”, “anticipates”, “intends”, “plans”, “believes”, “seeks”, “estimates”, “shall” or similar terms. Such forward-looking statements are based on our current expectations and certain assumptions, which may be subject to a variety of risks and uncertainties. The results actually achieved by flatexDEGIRO AG may substantially differ from there forward-looking statements. flatexDEGIRO AG assumes no obligation to update these future-looking statements or to correct them in case of developments which differ from those expectations.

1 Economic Report

1.1 Macro-economic parameters

In the first half of 2022, the overall economic environment and development in capital markets was shaped to a significant extent by rising inflation, expected and in partially already-implemented changes in the interest environment, the war in Ukraine and associated economic impacts, and adverse effects arising from the COVID-19 pandemic, for example to global supply chains. The stock markets reacted to these factors with significant markdowns. Trading activity of retail investors decreased, particularly in the second quarter of 2022.

1.2 Earnings position

The main source of revenue for flatexDEGIRO AG are commission income, interest income and, to a lesser extent, other operating income such as IT services business.

Revenues in the first half of 2022 amounted to kEUR 209,649 (1st half of 2021: kEUR 226,113). After deducting raw materials and consumables of kEUR 34,186 (1st half of 2021: kEUR 40,633) the net revenue amounted to kEUR 175,463 (1st half of 2021: kEUR 185,480).

Commission income decreased by kEUR 33,337 to kEUR 157,825 (1st half of 2021: kEUR 191,162). After deducting commission expenses of kEUR 27,282 recognised in raw materials and consumables (1st half of 2021: kEUR 33,889), the net commission income amounted to kEUR 130,543 (1st half of 2021: kEUR 157,273). The lower average trading activity by customer was to a high degree compensated by strong customer growth as well as individual transactions being significantly better monetised, on average.

Interest income amounted to kEUR 34,934 (1st half of 2021: kEUR 27,759). Interest expenses in the reporting period amounted to kEUR 3,580 (1st half of 2021: kEUR 3,999). The net interest income has risen accordingly to kEUR 31,354 (1st half of 2021: kEUR 23,760). The growth resulted in particular from the year-on-year increase in utilisation of the loan book, which consists predominantly of fully collateralised loan products, especially margin loans of the flatex and DEGIRO brands.

Other operating income primarily comprised revenue from IT services. In addition, in the first six months of 2022, it included income in the amount of kEUR 7,329 from the release of provisions in the context of long-term variable remuneration components (Stock Appreciation Rights plan). In total, other operating income amounted to kEUR 16,890 (1st half of 2021: kEUR 7,192). Other operating expenses amounted to kEUR 3,323 (1st half of 2021: kEUR 2,746).

Personnel expenses amounted to kEUR 33,668 (1st half of 2021: kEUR 94,953). In the first half of 2021, additions to provisions for the Stock Appreciation Rights plan resulted in significantly increased personnel expenses. In the first half of 2022 these provisions were partially reversed (see above), due to flatexDEGIRO AG's share price development. Beyond this, there were no further one-off expenses in connection with the merger of DeGiro B.V., Amsterdam[1], as compared to kEUR 5,492 in the first half of 2021. The capitalised development expenses in accordance with IAS 38 increased to kEUR 11,868 (1st half of 2021: kEUR 4,757). The particular focus of development expenses was on the development of the core banking system FTX:CBS, DEGIRO trading systems, L.O.X., the development of "next" applications (DEGIRO next and next desktop app), and preparations for the planned integration of partners in the area of crypto trading and digital wealth management.

[1] Expenses from business combinations in the personnel area

The increased marketing and advertising expenses to kEUR 30,994 (1st half of 2021: kEUR 17,881) primarily reflect the strengthened focus on raising brand awareness of flatex in the German and Austrian markets and of DEGIRO in the international markets. The efficacy of the deployed marketing expenses is evident from significant customer growth as well as a significant increase in aided brand awareness for flatex and DEGIRO in the most important core and growth markets in the first half of 2022. In the Netherlands, Austria and Portugal, DEGIRO experienced double-digit percentage customer accounts growth.

Other administrative expenses increased to kEUR 21,702 in the reporting period (1st half of 2021: kEUR 19,456). This increase results primarily from the increased costs for short-term advisory and other services.

In the reporting period from 1 January 2022 to 30 June 2022, an EBITDA of kEUR 89,099 was generated (1st half of 2021: kEUR 53,190). The half-year net profit amounts to kEUR 51,974 (1st half of 2021: kEUR 28,054). Excluding provisions for long-term variable remuneration and one-off personnel expenses in connection with the merger of DeGiro B.V., adjusted EBITDA amounts to kEUR 81,770 (1st half of 2021: kEUR 125,558).

The financial performance indicators are summarised as follows:

In kEUR	1st HY 2022	1st HY 2021
EBITDA	89,099	53,190
+ Marketing and advertising expenses	30,994	17,881
+/- Adjustment from personnel expenses (+) / revenues (-) for long-term variable remuneration (recognition of provisions)	-7,329	48,995
+ Adjustment from expenses in the personnel area in connection with business combinations	-	5,492
= Adjusted EBITDA before marketing and advertising expenses	**112,764**	**125,558**
EBITDA	89,099	53,190
+/- Adjustment from personnel expenses (+) / revenues (-) for long-term variable remuneration (recognition of provisions)	-7,329	48,995
+ Adjustment from expenses in the personnel area in connection with business combinations	-	5,492
= Adjusted EBITDA	**81,770**	**107,677**
EBIT	71,960	37,475
+/- Adjustment from personnel expenses (+) / revenues (-) for long-term variable remuneration (recognition of provisions)	-7,329	48,995
+ Adjustment from expenses in the personnel area in connection with business combinations	-	5,492
= Adjusted EBIT	**64,631**	**91,962**
EBT	69,053	34,557

1.3 Liquidity

In the first half of 2022, operating cash flow reached kEUR 70,459 (1st half of 2021: kEUR 83,400). As such, even in an overall difficult economic environment, flatexDEGIRO was able to generate high cash inflows from the operational business.

In order to increase the informative value of the cash flow statement, the balance sheet changes for the banking business are shown below the free cash flow. These balance sheet changes relate to customer deposits and investment decisions derived from them.

In kEUR	1st HY 2022	1st HY 2021
Cash flow from operating activities	70,459	83,400
Cash flow from investments activities	-20,480	-8,876
Cash flow from financing activities	-14,382	1,573
Free cash flow before banking operations	35,597	76,097
Cash flow from banking operations	179,536	28,606
Non-cash movements in equity	-1,373	-1,574
Cash and cash equivalents at the beginning of the period	1,618,252	1,255,124
Cash and cash equivalents at the end of the period	**1,832,013**	**1,358,254**

flatexDEGIRO AG was able to meet its financial obligations at all times in the reporting period. Liquidity shortages did not occur in the first half-year 2022 and are not expected in the foreseeable future.

1.4 Financial Position

The following table shows the consolidated balance sheet in condensed form:

In kEUR	06/30/2022	12/31/2021
Assets	**3,871,724**	**3,690,589**
Non-current assets	546,663	531,023
Current assets	3,323,719	3,158,312
Non-current assets held for sale	1,341	1,255
Liabilities and shareholders' equity	**3,871,724**	**3,690,589**
Equity	550,306	499,385
Non-current liabilities	137,969	135,216
Current liabilities	3,183,448	3,055,988

The increase in total assets of kEUR 181,135 was mainly due to higher customer deposits in connection with strong customer growth and a higher deposit rate on average.

1.5 Asset Position

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The capital structure of the Group is as follows:

In %	06/30/2022	12/31/2021	Change in %-points
Equity ratio	14.2	13.5	0.7
Debt ratio	85.8	86.5	-0.7

LIABILITIES

flatexDEGIRO AG's total liabilities amounted to mEUR 3,321 as of 30 June 2022 (31 December 2021: mEUR 3,191). With a total mEUR 3,183, the vast majority of these liabilities are short-term (31 December 2021: mEUR 3,056) and consisted mainly of customer deposits with flatexDEGIRO Bank AG in the amount of mEUR 3,011 (31 December 2021: mEUR 2,811).

The liabilities are structured as follows:

In kEUR	06/30/2022	12/31/2021
Total liabilities	**3,321,417**	**3,191,204**
Current liabilities	**3,183,448**	**3,055,988**
thereof: Liabilities to customers	3,010,865	2,810,861
Non-current liabilities	**137,969**	**135,216**
Provisions for long-term variable remuneration components	67,259	74,588
Non-current liabilities to non-banks	34,815	29,151
thereof: Liabilities from leases	27,049	23,758
Deferred tax liabilities	24,608	19,947
Pension obligations	11,287	11,530
Contingent liabilities	**8,901**	**27,744**

Contingent liabilities amounted to kEUR 8,901 (31 December 2021: kEUR 27,744) and include irrevocable, unused credit commitments, which consist primarily of granted but not yet utilised credit lines in the area of receivables-based financing operations, and outstanding capital calls from fund companies. The refinancing of a potential utilisation of loan commitments is ensured at all times by the Group's liquidity. The decline in contingent liabilities is primarily the result of capital calls from funds in the amount of kEUR 14,900.

1.6 General Statement on Business Development and the Situation of the Group

In the first half of the 2022 business year, flatexDEGIRO AG continued its growth course and won over 280,000 new customer accounts, despite an overall difficult market environment. At the same time, the average monetisation of individual transactions improved further, and in the first half of 2022 reached a value of EUR 5.31[2] per transaction (1st half of 2021: EUR 4.27). However, due to reluctant trading activity of retail investors, the operating business developed less strongly than expected at the beginning of the year. At kEUR 209,649 (1st half of 2021: kEUR 226,113) Group revenues achieved a broadely comparable level compared to the previous period. In the current environment, which is challenging for many online brokers, flatexDEGIRO is particularly committed to leveraging its operational strength and financial power to gain further market share by implementing focussed marketing campaigns, and in doing so supporting long-term profitable growth.

[2] Extraordinary income from the reversal of provisions connected to the SARs plan have not been taken into account here.

Marketing expenses in the first half of 2022 have risen accordingly year-on-year, to kEUR 30,994 (1st half of 2021: kEUR 17,881). Despite the significant decrease in trading activity, the adjusted EBITDA margin before marketing expenses reached 55.7% and was thus even slightly above the previous year's value (1st half of 2021: 55.5%). The half-year net profit amounted to kEUR 51,974 (1st half of 2021: kEUR 28,054).

Overall, the Management Board of flatexDEGIRO AG considers the Company's business development to be very successful.

1.7 Report on events after the closing date

For events of particular significance that occurred after the end of the reporting period, please refer to our comments in Note 25 to the Half-Year Group Consolidated Financial Statement.

2 Forecast and opportunities report

The forecast period for the business performance refers to the second half of fiscal year 2022.

The expected development of activities in 2022 continues to be shaped by the COVID-19 pandemic, the war in Ukraine, strains on global supply chains, currently high inflation levels globally, and expected adjustments to the interest rate environment. The uncertainty in the capital markets has further increased over the reporting period. The volatility of the markets in the first half of 2022 was at times significantly above peak values for the previous year. At the same time, investors showed increased cautiousness in their trading activity. The view of the Management Board is that the second half of the year will be significantly influenced by the further course of the war in Ukraine, as well as possible measures implemented by central banks to effectively control inflation and the therefore expected interest rate hikes.

Since the acquisition of DeGiro B.V., Amsterdam in July 2020, the Group considers itself the largest online broker for retail investors in Europe, with a presence in a total of 18 markets. The particular focus is on the Core markets (Germany, Netherlands and Austria) in which flatexDEGIRO has a broad customer base and comparably high market shares, as well as on Growth markets (France, Spain, Portugal, Italy, Switzerland, Great Britain, and Ireland) where the management team has identified significant growth potential for the coming years. Following this focused growth strategy, the Management Board has decided to fully cease operational business in the fringe markets of Norway and Hungary by the end of the year. This will affect around 6,000 customer accounts (approximately 0.3 % of existing customer accounts as of 30 June 2022), generating around 37,000 transactions in the first half of 2022 (approximately 0.1 % of total flatexDEGIRO transactions in the first half of 2022). Due to their small size, the closure of these two markets will not have any notable effect on the Group’s net assets, financial position or results of operations.

Overall, the positive development of the previous fiscal years can be expected to continue. It shows that the adopted strategy of flatexDEGIRO AG with a primary focus on the online brokerage business and the credit business is successful. It is the explicit goal of the Management Board to continue pursuing the existing strategy and implementing it in a focused manner.

The forecast of performance indicators is generally subject to a certain degree of uncertainty on an annual basis.

Through the continuous expansion of its product and service offering, the Group intends to further extend its leading European position in the retail online brokerage business and to gain or expand market leader status in a large number of high-growth core markets. At the end of March 2022, flatexDEGIRO signed a Memorandum of Understanding (MoU) with its long-standing B2B partner Whitebox, one of the leading independent digital wealth managers for retail investors. flatexDEGIRO and Whitebox will jointly offer flatexDEGIRO customers a fully digital investment solution. The goal is that the product will be offered initially by flatex Germany in late summer 2022. This is the next logical step in the verticalization of the flatexDEGIRO European brokerage platform. In May 2022 flatexDEGIRO and Börse Stuttgart Group, Europe’s sixth largest stock exchange group, signed a Memorandum of Understanding (MoU) concerning a partnership in crypto trading. The goal is for this to enable flatexDEGIRO direct access to trading important crypto currencies.

These measures will be supported by an efficient marketing strategy that is geared towards increasing awareness of the Group brands in Europe. For the most important Group brands, flatex and DEGIRO, concepts have been developed with the intention to further drive forward the positioning of the respective brands amongst the target groups that are most important for them.

Following positive experiences for the flatex brand as the main sponsor of Borussia Mönchengladbach in Germany, flatexDEGIRO has extended sponsorship of the club ahead of schedule, to June 2027. flatex will appear on the “FohlenElf” football shirt as the main sponsor for at least the next two seasons, and co-sponsoring has been agreed as a minimum for the three subsequent years until 2027.

In addition, flatexDEGIRO AG is continuing the sports sponsorship strategy in order to further increase brand awareness on an international level. To this end, DEGIRO will be the global main partner to Spanish football club Sevilla FC for the 2022/2023 season. This partnership will see the DEGIRO brand appear on the front of the Sevilla FC football shirt in the Spanish league and in Champions League games, and the company will be the official online investment platform for the club. With almost 250,000 customer accounts, Spain has become DEGIRO's second-largest market within a few years.

Plan assumptions and forecasts for the key performance indicators

Despite normalised stock market trading volumes and trading activity at pre-COVID levels, the Management Board expects revenues of mEUR 400 to mEUR 440 in fiscal year 2022 (2021 fiscal year: mEUR 417.6). The average revenue per transaction is expected to be significantly above previous year's level at well over EUR 5 (2021 fiscal year: EUR 4.59). This results in an expectation of 75 million to 85 million executed transactions in fiscal year 2022 (2021 fiscal year: 91 million). Even in the currently challenging environment, flatexDEGIRO will continue to invest in brand awareness and new customer growth, and expects to win 600,000 to 700,000 gross new customer accounts in fiscal year 2022 (2021 fiscal year: 800,000 gross new customer accounts).

The Management Board assumes that an adjusted EBITDA margin at the previous year's level will be achieved in the full year 2022 (2021 fiscal year: 42.4 %). This results in an expected adjusted EBITDA in 2022 that will be approximately within 5 to 10 % of the previous year's level (2021 fiscal year: mEUR 177.1).

Opportunities and risks report

A significant opportunity for flatexDEGIRO Group lies in the advancing harmonisation of the technical platforms between DEGIRO and flatex, as well as in the focused expansion of the product and service offering across both brands. Following the completion of key synergetic measures – such as the successful implementation of cash accounts for DEGIRO customers by means of flatexDEGIRO Bank, and the start of the ETP partnerships at DEGIRO in Germany, the Netherlands and France – the Management Board sees further potential to increase the Group's value creation.

The opportunities and risks for the company are generally analysed at regular intervals and reported to the Management Board. Opportunity and risk management is an integral part of the Group-wide system of corporate governance at flatexDEGIRO. For a detailed presentation of our risk management system as well as the opportunities and risks situation, the reader is referred to the "Forecast and Opportunities Report" and "Risk Report" sections of the Group Management Report in the Annual Report 2021.

Changes to the opportunities situation

In order to be able to continue doing business in Great Britain long-term following the country's departure from the European Union, flatexDEGIRO founded the company flatexDEGIRO UK Ltd. in the first half of 2022, and applied to the Financial Conduct Authority (FCA) for a licence as an "introducing broker".

In the first half of 2022, flatexDEGIRO AG entered the above mentioned Memorandum of Understanding regarding a partnership with Börse Stuttgart Group in order to enable customers of flatexDEGIRO AG access to trading crypto currencies via its flatex and DEGIRO brands.

The strategic objective of the Cryptoport GmbH is to manage a crypto security register in accordance with the law on the introduction of electronic securities (eWpG). The Group's subsidiary Cryptoport GmbH therefore submitted a full application for the crypto register management licence in June 2022.

Additional opportunities for flatexDEGIRO emerge from a rising general interest-rate level in Europe, driven by expected increases of the base rate by the European Central Bank (ECB). The first step in this direction was taken on 21 July 2022, with an increase of the interest rate from minus 50 basis points to 0 basis points. A further rise as expected over the coming months, to a positive interest rate level, would permit flatexDEGIRO to invest customers' cash deposits at positive interest rates and as such to significantly increase the interest result without entering into additional investment risks. Given currently held cash deposits in the amount of around EUR 3 billion, the Management Board sees a significant earnings potential herein in the medium term.

Changes to the risk situation

Since the publication of the risk report within the Group Management Report of the Annual Report 2021, the trading activity of retail investors has further normalised. In the first half of 2022, the annualised average number of transactions per customer was 35 (previous year: 54). Due to this development and the expectation that at most, a slight recovery is to be expected in the coming months, the management team adjusted and further refined its forecast for the full year in June 2022.

Though a decrease in trading activity by retail investors and a decline in new customer acquisition in the second half of 2022 is currently not apparent from the management's perspective, both cannot be ruled out on the basis of external influential factors (such as geopolitical or economic developments as well as sector-related framework conditions).

In terms of risks from the war in Ukraine, we make reference to the "Risk report" within the Group Management Report for 2021, in section 2.13 "Forecast and Opportunities Report", page 65. The loan business of flatexDEGIRO Bank AG predominantly consists of diversified, securities-backed loan portfolios. Even with market changes in the reporting period as well as sanctions against Russian securities, the prevailing difficult overall environment resulted in no damage or losses of note within the Group. In the second half of the year, flatexDEGIRO AG does not expect any material changes in this regard.

From the company's perspective, there are no risks that could endanger the future of the company, and no such risks are currently foreseeable in the near future.

3 Collateralisation of the legal representatives (responsibility statement)

“We hereby affirm that, in accordance with the applicable reporting principles for interim financial reporting, the interim consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the interim management report of the Group includes a fair view of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group for the remaining months of the fiscal year.”

Frankfurt am Main, 29 July 2022

flatexDEGIRO AG

Frank Niehage	Muhamad Said Chahrour
CEO, Chairman of the Management Board	CFO, Member of the Management Board

Half-Year Consolidated Financial Statements

Half-Year IFRS Consolidated Balance Sheet

as at 30 June 2022

In kEUR	Note	06/30/2022	12/31/2021
Assets		**3,871,724**	**3,690,589**
Non-current assets		**546,663**	**531,023**
Intangible assets	6	391,555	386,557
Goodwill		181,087	181,087
Internally generated intangible assets		62,627	54,268
Customer relationships		110,646	114,710
Other intangible assets		37,194	36,491
Property, plant and equipment	6	40,744	34,110
Financial assets and other assets		1,771	1,668
Equity instruments measured at fair value through profit or loss (FVPL-EQ)	7	81,762	79,291
Financial assets measured at fair value through profit or loss (FVPL)	7	22,298	7,299
Non-current loans due to customers	7	8,532	22,098
Current assets		**3,323,719**	**3,158,311**
Inventories and work in progress		148	7
Trade receivables		26,277	26,176
Other receivables	8	12,659	6,774
Other current financial assets	7	1,452,623	1,507,103
Financial assets measured at fair value through other comprehensive income (FVOCI)	7	287,409	148,913
Cash loans to local authorities	7	315	333
Current loans due to customers	7	1,152,702	1,335,275
Other receivables due to banks	7	12,197	22,582
Cash and cash equivalents[1]	7	1,832,013	1,618,252
Balances with central banks	7	1,407,199	749,191
Cash assets	7	290,821	610,613
Receivables due to banks (on demand)	7	133,992	258,448
Non-current assets held for sale		**1,341**	**1,255**

[1]Compared to the previous year, the “Bank balances” line item has been integrated into the “Credit with central banks” and “Receivables due to banks (on demand))” line items.

In kEUR	Note	06/30/2022	12/31/2021
Liabilities and shareholders' equity		**3,871,724**	**3,690,589**
Equity		**550,306**	**499,385**
Subscribed capital		109,893	109,793
Additional paid-in-capital		230,543	230,323
Retained earnings		209,287	158,734
Shares of minority shareholders		584	536
Liabilities		**3,321,417**	**3,191,204**
Non-current liabilities		**137,969**	**135,216**
Non-current liabilities to non-banks	12	34,815	29,151
Pension obligations		11,287	11,530
Provisions for long-term variable remuneration components	17	67,259	74,588
Deferred tax liabilities	11	24,608	19,947
Current liabilities		**3,183,448**	**3,055,988**
Trade payables		8,005	3,389
Liabilities to customers	13	3,010,865	2,810,861
Liabilities to banks	14	77,294	151,851
Other financial liabilities	9	15,380	26,568
Tax provisions	11	45,371	32,559
Other provisions	10	26,533	30,761

Half-Year IFRS Consolidated Statement of Income

for the half-year from 1 January to 30 June 2022

In kEUR	Note	1st HY 2022	1st HY 2021
Revenues	15	**209,649**	**226,113**
thereof commission income	15	157,825	191,162
thereof interest income	15	34,934	27,759
thereof interest income from financial instruments (amortised cost)		32,041	24,660
thereof other operating income	15	16,890	7,192
Raw materials and consumables	16	34,186	40,633
Net revenue		**175,463**	**185,480**
Personnel expenses	17	33,668	94,953
Current personnel expenses	17	33,668	40,466
Expenses from business combinations in the personnel area	17	-	5,492
Personnel expenses for long-term variable remuneration components	17	-	48,995
Marketing and advertising expenses	18	30,994	17,881
Other administrative expenses	19	21,702	19,456
EBITDA[1]		**89,099**	**53,190**
Depreciation		17,139	15,714
thereof impairment losses		1,976	-
EBIT[1]		**71,960**	**37,475**
Financial result		-2,907	-2,919
EBT[1]		**69,053**	**34,557**
Income tax expenses		17,078	6,502
Half-Year consolidated net profit		**51,974**	**28,054**
thereof: Majority shareholders' share of income		**51,926**	**28,038**
thereof: Minority shareholders' share of income		**48**	**16**
Earnings per share (undiluted) in EUR	23	**0.47**	**0.26**
Earnings per share (diluted) in EUR	23	**0.47**	**0.26**

[1]For better comparability of the key figures for the period using the adjusted EBITDA / EBIT, we refer to the Half-Year Group Management Report 2022, Section 1.2 Earnings Position.

Half-Year IFRS Consolidated Statement of other Comprehensive Income

for the half-year from 1 January to 30 June 2022

In kEUR	Note	1st HY 2022	1st HY 2021
Half-Year consolidated net profit		**51,974**	**28,054**
Income and expense items recognised directly in equity, which are not reclassified into profit or loss			
Pensions		**-**	**-**
Actuarial gains/losses		-	-
Remeasurement of plan assets		-	-
Reimbursement rights		-	-
Income and expense items recognised directly in equity, which are reclassified into profit or loss			
Securities		**187**	**641**
Change in value reported in equity		187	641
Deferred taxes		**-71**	**-**
Pensions		-	-
Securities		-71	-
Total other income[1]		**116**	**641**
Comprehensive income		**52,090**	**28,695**

[1]Minority shareholders do not participate in other comprehensive income.

Half-Year IFRS Consolidated Cash Flow Statement

as at 30 June 2022

In kEUR	Note	1st HY 2022	1st HY 2021
Half-Year consolidated net profit		**51,974**	**28,054**
Depreciation and amortisation/appreciation on property, plant and equipment and intangible assets		14,511	14,100
Increase/decrease in inventories		-141	2
Increase/decrease in trade receivables		-101	-5,066
Increase/decrease in trade payables	7	4,616	-4,098
Increase/decrease in other receivables, financial investments, and other assets	8	-6,074	-3,672
Increase/decrease in provisions, pension obligations and deferred taxes	10, 11	13,003	5,158
Increase/decrease in provision for long-term variable remuneration components	17	-7,329	48,923
Cash flow from operations		**70,459**	**83,400**
Cash outflow/inflow for the investment/disposal in/from intangible assets	6	-13,667	-3,366
Cash outflow/inflow for investment/disposal in/from property, plant and equipment	6	-4,850	-2,740
Cash outflow/inflow for investments in rights of use[1]		-1,963	-2,770
Cash flow from investments[1]		**-20,480**	**-8,876**
Inflow from equity injections by shareholders of the parent company		320	1,573
Outflow for purchase price components of DeGiro B.V.[1]		-14,702	-
Cash flow from financing activities[1]		**-14,382**	**1,573**
Free cash flow prior to accounting changes to the banking business		**35,597**	**76,097**
Increase/decrease in long-term loans to customers	7	13,565	351
Increase/decrease in financial assets measured at FVOCI	7	-138,497	29,750
Increase/decrease in financial assets measured at FVPL	7	-17,470	-3,094
Increase/decrease in cash loans to local authorities	7	18	18
Increase/decrease in short-term loans to customers	7	182,573	-340,091
Increase/decrease in other receivables due from banks	7	10,385	-280
Increase/decrease in liabilities to customers	13	200,005	252,436
Increase/decrease in liabilities to banks	14	-74,557	84,831
Increase/decrease in other financial liabilities	9	3,514	4,042
Other non-cash movements		-	641
Cash flow from accounting changes to the banking business		**179,536**	**28,606**
Non-cash movements in equity		-1,373	-1,574
Change in cash and cash equivalents		**213,761**	**103,130**
Cash and cash equivalents at the beginning of the period		**1,618,252**	**1,255,124**
Cash and cash equivalents at the end of the period		**1,832,013**	**1,358,254**

[1]Compared to the previous year, the "Outgoing/incoming payments for investments in rights of use" line item has been newly inserted under the Cash flow from investments line item. Similarly, the "Outflow for purchase price components of DeGiro B.V." has been newly inserted under the Cash flow from financing activities line item and the "Increase/decrease in leases and non-current liabilities to non-banks" has been removed from the Cash flow from financing activities line item.

Half-Year IFRS Consolidated Statement of Changes in Equity

as at 30 June 2022

In kEUR	Subscribed capital	Additional paid-in capital	Retained earnings	Actuarial gains/losses	Unrealized gains/losses from financial instruments measured at fair value through other comprehensive income	Total	Minority interests	Total equity
As at 12/31/2020 and 01/01/2021	**27,273**	**310,916**	**112,707**	**-4,318**	**-1,273**	**445,305**	**528**	**445,834**
Issue of shares	153	1,348	-	-	-	1,501	-	1,501
Contributions to / withdrawals from reserves	-	72	-	-	-	72	-	72
Changes in the scope of consolidation not involving a change of control	-	-	-1,574	-	-	-1,574	-	-1,574
Dividend distribution	-	-	-	-	-	-	-	-
Other earnings/losses	-	-	-	-	641	641	-	641
Half-Year consolidated net profit	**-**	**-**	**28,038**	**-**	**-**	**28,038**	**16**	**28,054**
As at 06/30/2021	**27,426**	**312,336**	**139,171**	**-4,318**	**-632**	**473,983**	**544**	**474,528**
As at 12/31/2021 and 01/01/2022	**109,793**	**230,323**	**162,407**	**-2,614**	**-1,059**	**498,850**	**536**	**499,385**
Issue of shares	100	220	-	-	-	320	-	320
Contributions to / withdrawals from reserves	-	-	-	-	-	-	-	-
Changes in the scope of consolidation not involving a change of control	-	-	-1,490	-	-	-1,490	-	-1,490
Dividend distribution	-	-	-	-	-	-	-	-
Other earnings/losses	-	-	-	-	117	117	-	117
Half-Year consolidated net profit	**-**	**-**	**51,926**	**-**	**-**	**51,926**	**48**	**51,974**
As at 06/30/2022	**109,893**	**230,543**	**212,843**	**-2,614**	**-942**	**549,723**	**584**	**550,306**

Notes to the Half-Year Consolidated Financial Statement as at 30 June 2022

This interim report does not include all the disclosures in the notes that are usually included in the consolidated financial statements. Therefore, this report should be read in conjunction with the consolidated financial statements for the year ended 31 December 2021 and all public pronouncements made by the Group during the interim period.

NOTE 1 About the Group

The half-year consolidated financial statements presented here are those of flatexDEGIRO AG and its subsidiaries.

flatexDEGIRO AG is headquartered in Frankfurt am Main, Germany, and is registered in the trade register at Frankfurt am Main under the company number HRB 103516. The registered business address is: Omniturm, Große Gallusstraße 18, 60312 Frankfurt am Main.

The registered no-par value shares are traded in the SDAX index (prime standard, ISIN DE000FTG1111/WKN FTG111).

The Group's business activities include the provision of innovative technologies in the financial sector and on the online brokerage market, as well as the provision of financial services and IT services.

flatexDEGIRO AG is the group holding company and the parent company of the flatexDEGIRO Group.

These consolidated interim financial statements were authorised for publication by the Management Board on 29 July 2022.

NOTE 2 Basis of presentation

flatexDEGIRO AG is currently obliged to prepare consolidated interim financial statements because it is listed on an organised market (prime segment) and is therefore a capital-market-oriented parent company and must apply the rules set out in Section 115 of the German Securities Trading Act (WphG).

These consolidated interim financial statements are based on the International Financial Reporting Standards ("IFRS") as they are published by the International Accounting Standards Board ("IASB") and adopted into European law by the European Union ("EU"). The consolidated interim financial statements of flatexDEGIRO AG are based on the going concern assumption and in particular also take into account the requirements of IAS 34 for interim reporting. With the exception of the changes listed in Note 5, the same accounting policies and calculation methods were applied as in the consolidated financial statements of flatexDEGIRO AG as of 31 December 2021.

flatexDEGIRO AG presents information in thousands or millions of currency units. The information is generally expressed in thousands of units. As information presented in thousands and millions of units is commercially rounded up or down, slight differences may arise in calculations using rounded numbers.

The presentation currency is the Euro.

NOTE 3 Scope of consolidation

Changes to the scope of consolidation arose in the first half of 2022 as a result of the founding of the company flatexDEGIRO UK Ltd., London. The newly founded company was not consolidated due to its immaterial nature.

NOTE 4 Estimates and assumptions

The preparation of the half-year consolidated financial statements in compliance with IFRS implies the adoption of assumptions and the use of estimates which have an impact on the amounts and disclosures of the assets and liabilities and/or revenues and expenses. All available information has been taken into account in this regard. The estimates and assumptions relate mostly to the stipulation of useful lives in a consistent manner throughout the Group, the determination of the recoverable amounts for impairment testing of individual cash-generating units, and the recognition and measurement of provisions. The estimation uncertainties arising from the tense current interest situation on the financial markets are also of particular importance. These relate in particular to the amount of the pension provisions reported. The impact of the current global COVID-19 pandemic and the war in Ukraine are also of extraordinary significance. The resulting estimation uncertainties relate in particular to the valuation of credit commitments and the recognition of risk provisions. The actual values may therefore differ from the estimates. New information is taken into account as soon as it becomes available.

With the exception of the changes in accounting policies described in the following note, the preparation of the half-year consolidated financial statements is based on the same assumptions and estimates as the preceding consolidated financial statements.

NOTE 5 Significant changes in accounting and valuation methods

The following changes of standards became mandatory for flatexDEGIRO AG to apply for the first time in the financial year 2022. Compared to the financial statements for the last fiscal year, there were no changes for flatexDEGIRO AG.

Changes to IFRS 3 "Business combinations"

With the published change, the reference in IFRS 3 to the framework concept of IFRS is updated to refer to the framework concept updated in 2018. To ensure that there are no material changes purely from the adaptation of the reference, additional more minor adjustments to IFRS 3 have been made. IFRS 3 has had the specification added that in the identification of adopted obligations that fall within the scope of IAS 37 or IFRIC 21, a buyer must apply the regulations of IAS 37 or IFRIC 21 in place of the framework concept. Without this new exception, in the event of a business combination a company might have applied debts that cannot be balanced in accordance with IAS 37 or IFRIC 21, and therefore would need to be derecognised through profit or loss immediately after acquisition. Furthermore, an explicit ban on recognition of acquired contingent assets is added to IFRS 3.

Changes to IAS 16 "Property, plant and equipment"

IAS 16 demands that the procurement or production costs for a piece of property, plant and equipment include all directly attributable costs that are incurred to bring them to their location and make them ready for operation in the required condition as intended by management. The now-published change to IAS 16 prohibits a company from deducting from the procurement or production costs of a piece of property, plant and equipment any income achieved from the sale of objects produced during the time that the asset was brought to a location and made ready for operation. The income from the sale must in future be recognised through profit or loss together with costs for their production. This change demands that companies separately recognise income and costs in the context of produced objects that do not come from the company's usual business activity, and state the line items in the statement of comprehensive income in which they are recognised.

Changes to IAS 37 "Provisions, contingent liabilities and contingent assets"

IAS 37 defines an onerous contract as a contract in which the unavoidable costs of fulfilling contractual obligations are higher than the company's expected economic benefit from the contract. Unavoidable costs are the lower amount from the fulfilment costs and any compensation payments or fines resulting from non-fulfilment. The change clarifies the meaning of "Costs of contract fulfilment". The change clarifies that all costs directly attributable to the contract are part of the fulfilment costs. These are the costs additionally incurred for contract fulfilment (referred to as "incremental cost") and an allocation of other costs that are directly attributable to contract fulfilment. In addition, it gives clarification in accordance with which any priority depreciation extends to the assets used for contract fulfilment (previously: associated with the contract).

Annual improvements in IFRS 2018-2020 cycles

The annual improvements to IFRS (2018-2020 cycles) include the following changes:

- IFRS 9 – Clarification as to which fees are to be included in the 10 % test for the derecognition of financial liabilities.
- IFRS 16 – Change to the explanatory example No. 13 concerning IFRS 16, which contained statements on lessor payments to lessees to reimburse expenditure for tenant installations, which frequently resulted in misunderstandings.
- IFRS 1 – The specification in accordance with which subsidiaries that become a first-time user of IFRS later than their parent companies, have voting rights to value assets and liabilities with the book values previously applied in the Group financial statements of the parent company (without consolidation adjustments and adjustments due to the effects of the business combination) (exception: investment companies), is extended through addition of the subsidiary's accumulated currency conversion difference. This change also applies for associated companies and joint enterprises that make use of the corresponding IFRS 1 regulation.

NOTE 6 Intangible assets & property, plant and equipment

As of 30 June 2022, intangible assets came to kEUR 391,555 (31 December 2021: kEUR 386,557) and inincludes mainly goodwill, internally generated assets from development activities, and customer relationships and trademarks. The increase results primarily from the capitalisation of ongoing development costs in the amount of kEUR 11,868.

As of 30 June 2022, property, plant and equipment came to kEUR 40,744 (31 December 2021: kEUR 34,110). The increase is primarily due to the addition of rights of use for rental properties in the amount of kEUR 4,804 to kEUR 23,305 as well as IT hardware investments in the amount of kEUR 2,810 to kEUR 11,632.

NOTE 7 Financial instruments

The following table presents the carrying amounts and the fair values (see Note 6 Accounting Policies in the 2021 consolidated financial statements) of each financial assets and liabilities depending on the nature of the business model and measurement category:

In kEUR	06/30/2022	12/31/2021
Business model "hold until maturity"		
Amortised cost		
Non-current loans due to customers	8,532	22,098
Cash loans due to local authorities	315	333
Current loans due to customers	1,152,702	1,335,275
Other receivables due to banks	12,197	22,582
Cash and cash equivalents	1,832,013	1,618,252
Business model "hold to collect and sell"		
Financial assets measured at fair value through other comprehensive income (FVOCI)	287,409	148,913
Financial assets measured at fair value through profit or loss (FVPL)	22,298	7,299
Equity instruments without trading intent		
Equity instruments measured at fair value through profit or loss (FVPL-EQ)	81,762	79,291
Financial liabilities		
Financial liabilities measured at amortised cost (including trade payables)	3,146,359	3,021,820

The majority of the receivables and liabilities have a term of less than one year, so there is no material difference between the carrying amount and the fair value.

Significant changes in the area of financial instruments

Loans to customers reduced overall to kEUR 1,161,234 (31 December 2021: kEUR 1,357,373). The drop relates to securities-backed loans, receivables-based financing, and asset-based financing.

In particular, securities-backed loans reduced by kEUR 140,903 to kEUR 982,904 (31 December 2021: kEUR 1,123,807).

Due to the strategic focus in the loan segment, the share of receivables-based financing reduced by a total of kEUR 27,185 to kEUR 84,265 (31 December 2021: kEUR 111,450), of which primarily kEUR 59,900 (31 December 2021: kEUR 75,199) was attributable to football club financing and kEUR 24,365 (31 December 2021: kEUR 36,250) to other receivables financing.

Asset-backed financing also reduced by kEUR 33,428 to kEUR 56,018 (31 December 2021: kEUR 89,446), resulting from the decrease in other asset-based financing in the amount of kEUR 22,994 to kEUR 8,952 (31 December 2022: kEUR 31,946) as well as the decrease in real estate financing in the amount of kEUR 10,434 to kEUR 47,066 (31 December 2021: kEUR 57,500).

In addition, in the first half of 2022, the majority of the factoring portfolio was sold for a total of kEUR 9,611. Earnings of kEUR 340 were achieved through the sale.

Cash and cash equivalents increased by kEUR 213,761 to kEUR 1,832,013 (31 December 2021: kEUR 1,618,252). As of 30 June 2022, there are still no significant restrictions on the disposal of cash and cash equivalents.

Financial assets measured at fair value through other comprehensive income includes public-issuer bonds in the amount of kEUR 276,026 (31 December 2021: kEUR 114,930) and non-public-issuer bonds in the amount of kEUR 11,381 (31 December 2021: kEUR 33,976). The increase in the public-issuer bonds results primarily from the acquisition of a federal bond of kEUR 149,824 in the course of the first half of the year. The drop in loans of non-public-issuer bonds was attributable to the three terminable bonds of kEUR 27,000 in the first half of the year.

The equity instruments measured at fair value through profit or loss in the amount of kEUR 81,762 (31 December 2021: kEUR 79,291) relate to shares in residential investment and infrastructure funds in the corporate form of a SICAV. The change in the residential investment fund results from changes to the market value in the amount of kEUR 1,888. With the infrastructure fund, the change results from a capital call in the amount of kEUR 560 and from changes to market value of kEUR 23.

The financial assets measured at fair value through profit or loss in the amount of kEUR 22,298 (31 December 2021: kEUR 7,299) primarily relate to shares in a real estate fund in the amount of kEUR 17,008 (31 December 2021: kEUR 2,100) and a football fund in the amount of kEUR 5,101 (31 December 2021: kEUR 5,010). The change primarily results from promised capital calls for real estate funds in the amount of kEUR 14,900.

The following table summarises the financial instruments measured at amortised cost and at fair value in accordance with their measurement hierarchy levels:

	Level 1		Level 2		Level 3	
In kEUR	**06/30/2022**	**12/31/2021**	**06/30/2022**	**12/31/2021**	**06/30/2022**	**12/31/2021**
Business model "hold until maturity"						
Amortised cost						
Non-current loans due to customers	-	-	-	-	8,532	22,098
Cash loans to local authorities	-	-	-	-	315	333
Current loans due to customers	-	-	-	-	1,152,702	1,335,275
Other receivables due to banks	-	-	-	-	12,197	22,582
Cash and cash equivalents	1,832,013	1,618,252	-	-	-	-
Business model "hold to collect and sell"						
Financial assets measured at fair value through other comprehensive income (FVOCI)	287,409	148,913	-	-	-	-
Financial assets measured at fair value through profit or loss (FVPL)		-	-	-	22,298	7,299
Equity instruments without trading intent						
Equity instruments measured at fair value through profit or loss (FVPL-EQ)	-	-	-	-	81,762	79,291
Financial liabilities						
Financial liabilities measured at amortised cost (including trade payables)	-	-	-	-	3,146,359	3,021,820

Level 2 financial instruments did not exist as of the reporting date, since no investments were made either during the previous half year, nor in the first half of 2022.

Financial instruments that are recognised at fair value

Regular or recurring fair value measurement are carried out at flatexDEGIRO AG for selected financial instruments.

The fair values for financial instruments allocated to one of these categories is determined on the base of quoted prices in active markets that are accessible to the company at the end of the reporting period (level 1 valuation techniques for the valuation hierarchy according to IFRS 13). This includes fixed income securities, mutual funds, and shares.

The fair value of financial instruments listed in active markets accessible to the Group is determined on the basis of observable market price quotations, insofar as these represent prices used in regular and current transactions (level 2 of the fair value hierarchy) and is primarily to be recognised as a fair value on the valuation date (mark-to-market).

The fair value disclosed for these instruments is to be categorised as level 3 input within the fair value hierarchy. The input factors for the fair value measurement of loans and receivables as well as financial liabilities are the prices that were agreed between flatexDEGIRO AG and its contractual partners for individual transactions.

The shares of the SICAV companies as well as the football funds and the FG Wohnen Deutschland fund assessed at fair value through profit or loss are not traded in an active market. There are also no input factors that can be derived from market parameters and are relevant for the measurement. The measurement is based on input factors classified as level 3 under IFRS 13. Shares of SICAVs are valued using the net asset value approach. The net asset value is used to calculate the purchase or redemption prices.

Held collateral

flatexDEGIRO AG does not hold any financial or non-financial collateral according to IFRS 7.15.

Provided collateral

The Group has provided collateral with the clearing and depositary agents of flatexDEGIRO Bank AG for the processing of the bank's financial commission business. This collateral is largely provided in the form of cash and securities. As of 30 June 2022, the carrying amount of the collateral provided is kEUR 106,014 (31 December 2021: kEUR 106,164).

Development of risk provisions

The development of risk provisions in the first half of 2022 was as follows:

In kEUR	12-month ECL	Total ECL maturity - unimpaired financial instruments	Total ECL maturity - impaired financial instruments	Total
Risk provision at the beginning of the reporting period	**449**	**163**	**13,636**	**14,248**
Changes in the provision for losses of financial assets including newly issued or acquired financial assets	56	127	1,783	1,965
Changes due to disposals of financial instruments (including repayments, disposals)	-	-	-	-
Changes due to modifications without derecognition of assets	-	-	-	-
Reclassifications due to changes in credit quality				
at 12-month ECL	-	-	-	-
at total maturity ECL - non-impaired loans	-	-	-	-
at total maturity ECL - impaired loans	-42	-	42	-
Changes in impairment for irrevocable loan commitments	-10	-	-	-10
Risk provision at the end of the reporting period	**454**	**289**	**15,460**	**16,204**

The change to risk provisions in the first half of 2022 comes primarily from the completed placement in level 3 for three individual engagements.

NOTE 8 Other receivables

Other receivables as of 30 June 2022 amount to kEUR 12,659 (31 December 2021: kEUR 6,774). The change of kEUR 5,885 results primarily from receivables from the tax office, namely prepayments in the amount of kEUR 4,487, which comprises corporation tax in the amount of kEUR 2,900 and trade tax in the amount of kEUR 1,587.

In addition, there are receivables from non-banks in the amount of kEUR 5,335 (31 December 2021: kEUR 4,052).

NOTE 9 Other financial liabilities

Other financial liabilities break down as follows:

In kEUR	06/30/2022	12/31/2021
Tax liabilities	13,784	11,357
Accruals and deferrals	906	495
Other financial liabilities	689	14,716
Total	**15,380**	**26,568**

Other financial liabilities amount to kEUR 15,380 as of 30 June 2022 (31 December 2021: kEUR 26,568). Tax liabilities mainly include liabilities to the tax authorities arising from transaction taxes for customer transactions in the amount of kEUR 4,980 (31 December 2021: kEUR 9,375), capital gains tax of kEUR 6,377 (31 December 2021: kEUR 8.966) and employment taxes of kEUR 1,869 (31 December 2021: kEUR 1,594).

The decrease in other financial liabilities by kEUR 14,027 to kEUR 689 (31 December 2021: kEUR 14,716) mainly comprise of outstanding contractually agreed purchase price components payable to the former shareholders of DeGiro B.V., Amsterdam, in the amount of kEUR 13,000.

NOTE 10 Other provisions

Other provisions amount to kEUR 26,533 as of 30 June 2022 (31 December 2021: kEUR 30,761) and mainly comprise of contribution costs, audit and financial statement costs, outstanding invoices, and personnel expenses.

The decrease of kEUR 4,228 results primarily from the utilisation of personnel provisions of kEUR 7,193. On the other hand, there were increased transfers to provisions for financial statement and audit costs of kEUR 3,942.

NOTE 11 Tax provisions

Provisions for taxes mainly comprise of corporate income tax and trade tax. As of the reporting date, tax provisions increased by kEUR 12,812 to kEUR 45,371 (31 December 2021: kEUR 32,559). The increase results from the higher level of taxable income.

The corporation tax provision increased by kEUR 10,680 to kEUR 34,379 (31 December 2021: kEUR 23,699).

The trade tax provision increased by kEUR 1,700 to kEUR 9,253 (31 December 2021: kEUR 7,552).

In each reporting period, income taxes are recognised on the basis of the best estimate of the weighted average annual income tax rate that is expected for the overall year. This tax rate is applied to the pre-tax result for the half-year financial statements.

Deferred tax liabilities

Deferred tax liabilities rose by kEUR 4,661 to kEUR 24,608 (31 December 2021: kEUR 19,947). The increase is primarily due to the reversal of provisions for the Stock Appreciation Rights plan and the associated drop in deferred tax assets (see Note 17).

NOTE 12 Non-current liabilities to non-banks

Non-current financial liabilities to non-banks comprise as follows:

In kEUR	06/30/2022	12/31/2021
Non-current financial liabilities to non-banks		
Liabilities from leases	27,049	23,758
Liabilities from hire purchasing	7,311	5,393
Total	**34,815**	**29,151**

Long-term liabilities to non-banks include leases in accordance with IFRS 16:

In kEUR	06/30/2022	12/31/2021
Leasing liabilities	27,049	23,758
Total	**27,049**	**23,758**

There are no non-current financing liabilities to banks.

NOTE 13 Liabilities to customers

Financial liabilities to customers as of 30 June 2022 were kEUR 3,010,865 (31 December 2021: kEUR 2,810,861). The liabilities to customers are predominantly customer deposits with flatexDEGIRO Bank AG, which are essentially attributed to customer cash account balances held by the flatex, DEGIRO and ViTrade brands. The increase in customer deposits results primarily from strong customer growth and a higher average deposit ratio as well as the advancing migration of DEGIRO customers whose cash accounts are managed by flatexDEGIRO Bank AG.

NOTE 14 Current liabilities to banks

As of the end of the first half of 2022, short-term financial liabilities to banks were kEUR 77,294 (31 December 2021: kEUR 151,851) and included kEUR 74,801 (previous year: kEUR 129.983) of liabilities from securities settlement processing from customer transactions and foreign currency holdings from customer transactions in the amount of kEUR 2,493 (31 December 2021: kEUR 21,869).

NOTE 15 Revenues

Revenues for the first half of 2022 and the first half of 2021 are as follows:

In kEUR	1st HY 2022	1st HY 2021
Commission income	157,825	191,162
Interest income	34,934	27,759
Other operating income	16,890	7,192
thereof: Provision of IT services	5,662	5,862
Total	**209,649**	**226,113**
Timeline of revenues recognition		
at a specific point in time	209,649	226,113
over a period of time	-	-

Overall, revenues decreased by kEUR 16,464 to kEUR 209,649 in the reporting period (1st half of 2021: kEUR 226,113). Commission income was a material driver of the drop.

Commission income of kEUR 157,825 (1st half of 2021: kEUR 191,162) was generated in the reporting period, primarily from the processing of securities transactions under the flatex, DEGIRO and ViTrade brands as well as B2B services provided by flatexDEGIRO Bank AG. The decline results from extraordinarily strong trading activity in the previous year's period and a normalisation to this in the first half of 2022.

flatexDEGIRO AG fulfils its performance obligations as part of its online brokerage services by executing the respective orders. The corresponding payments are due at the time of fulfilment of the performance obligation.

Interest income in the amount of kEUR 34,934 (1st half of 2021: kEUR 27,759) increased, mainly due to the growth of the loan book in comparison to the average capacity utilisation in the 1st half of 2022, which was for the most part fully collateralised, in the area of security-backed flatex and DEGIRO loans.

Other operating income includes mainly income from the reversal of provisions in the amount of kEUR 9,719. (1st half of 2021: kEUR 762). The increase is mainly due to the reversal of provisions for the Stock Appreciation Rights (SARs) in the amount of kEUR 7.329 (1st half of 2021: kEUR 0). In addition, it includes income from the provision of IT services in the amount of kEUR 5,662 (1st half of 2021: kEUR 5,862). The major component here is IT services in connection with FTX:CBS, flanked by further IT services for customers in the Technologies segment.

Revenues from commission and interest income in banking business are attributable to the Financial Services segment. Revenues for the provision of IT services relate exclusively to the Technologies segment.

NOTE 16 Raw materials and consumables

Raw materials and consumables for the first half of 2022 and the first half of 2021 are as follows:

In kEUR	1st HY 2022	1st HY 2021
Commission expense	27,282	33,889
Interest expense	3,580	3,999
Other operating expense	3,323	2,746
thereof: IT business expenses	554	717
Total	**34,186**	**40,633**

The raw materials and consumables decreased by kEUR 6,447 in the reporting period total as of kEUR 34,186 (1st half of 2021: kEUR 40,633). The decline results in particular from lower commission expenses.

Commission expenses of kEUR 27,282 (1st half of 2021: kEUR 33,889) were recognised in the reporting period. They mainly consist of external costs incurred in connection with the settlement of securities transactions with counterparties (stock exchange fees, custody fees, etc.). Similarly to the commission income, the decline compared to the same period for the previous year, results primarily from the decreased processing fees in the context of securities trading.

The interest expenditure declined by kEUR 419 to kEUR 3,580 due to synergetic effects in the area of refinancing of customer loans (1st half of 2021: kEUR 3,999) compared to the previous year.

The other operating expenses in the amount of kEUR 3,323 (1st half of 2021: kEUR 2,746) consist primarily of expenses for the provision of IT services in the amount of kEUR 554 (1st half of 2021: kEUR 717).

NOTE 17 Personnel expenses

The personnel expenses incurred break down as follows:

In kEUR	1st HY 2022	1st HY 2021
Wages and salaries	28,186	35,751
Social security contributions and discretionary benefits	5,813	5,053
Income/expenses for pension obligations and employee benefits	-331	-338
Personnel expenses for long-term variable remuneration components	-	48,995
Expenses in the personnel area in connection with business combinations	-	5,492
Total	**33,668**	**94,953**
Activation of development services	11,868	4,757

Wages and salaries for the first half of 2022 amount to kEUR 28,186 (1st half of 2021: kEUR 35,751). The decrease results primarily from capitalised development costs for intangible assets in accordance with IAS 38, which increased to kEUR 11,868 (1st half of 2021: kEUR 4,757). The focus of the development was in particular on the further development of the FTX:CBS core banking system, DEGIRO trading systems and L.O.X., the development of “next” applications (DEGIRO next and next desktop app), and preparations for the planned connection of partners in the area of crypto trading and digital asset management.

No personnel expenses were incurred for long-term variable remuneration in the first half of 2022 (1st half of 2021: kEUR 48,995). This effect results primarily from the declining share price, which has affected the valuation of the Stock Appreciation Rights.

Expenses arising from the 2014 and 2015 stock option plans

In terms of the expenses from stock options programmes, there were no material changes in the first half of 2022 to amounts already transferred to the capital reserve. There were expenses of kEUR 72 in the first half of 2021.

In the reporting period, 100,000 stock options were exercised.

Development of Stock Appreciation Rights 2020 (SARs plan 2020)

In the first half of 2022, a total of 224,306 SARs were granted to employees of flatexDEGIRO Group. In the first half of 2022 no Stock Appreciation Rights (SARs) were granted to the members of the Management Board. As of 30 June 2022, due to the declining development of the share price, the provisions for long-term variable remuneration was adjusted to kEUR 67,259 (31 December 2021: kEUR 74,588) and corresponding income from the release of provisions was recognised in the amount of kEUR 7,329 (31 December 2021: kEUR 0).

The intrinsic value of SARs already-vested amounts to kEUR 10,964 as of 30 June 2022 (31 December 2021: kEUR 20,553).

For detailed information on the valuation of stock option plans and SARs, please refer to Note 35 in the consolidated financial statements 2021.

NOTE 18 Marketing and advertising expenses

Marketing and advertising expenses for the first half of 2022 and the first half of 2021 are as follows:

In kEUR	**1st HY 2022**	**1st HY 2021**
Marketing and advertising expenses	30,994	17,881
Total	**30,994**	**17,881**

The increase in marketing and advertising expenses by kEUR 13,113 primarily reflects the intensification of marketing activities to win new customers, with a greater focus on increasing brand awareness of flatex on the German and Austrian market and of DEGIRO on international markets.

NOTE 19 Other administrative expenses

Other administrative expenses for the reporting period are as follows:

In kEUR	1st HY 2022	1st HY 2021
IT expenses	5,444	4,683
Legal and consulting fees	5,250	3,808
Bank-specific contributions	5,190	5,289
Insurance, contributions and official fees	2,313	1,626
Rental expenses	1,504	1,356
Other expenses	702	1,887
Travel	457	109
Postage and office supplies	355	424
Vehicle expenses	254	211
Entertainment	233	63
Total	**21,702**	**19,456**

The increase of kEUR 761 by IT includes primarily expenses for maintenance, consultancy, and support services.

The increase of kEUR 1,442 by legal and consulting costs results primarily from increased expenses for various audit services and external consulting services.

The increase by kEUR 687 in expenses for insurance, contributions and official fees results in particular from the expansion of the Group and the resulting increase of the scope of insurance as well as higher assessment bases.

Following the previous year's increase in other expenses due to the need to form reserves, other expenses were further reduced in the reporting period, to an amount of kEUR 702.

The increase in travel costs by kEUR 348 is primarily attributable to increased travel activity compared to the same period of the previous year, which results from the general easing of COVID-19 restrictions.

NOTE 20 Additional disclosure in accordance with IAS 7

Income tax payments

In kEUR	1st HY 2022	1st HY 2021
Income tax payments	4,163	8,538
Total	**4,163**	**8,538**

The operating cash flow includes income tax payments of kEUR 4,163 (1st half of 2021: kEUR 8,538).

NOTE 21 Segment reporting in accordance with IFRS 8

As in the 2021 consolidated financial statements, flatexDEGIRO AG divides its activities into the two segments of FIN and TECH:

Segment report for continuing activities in the first half of 2022

In kEUR	FIN	TECH	Consolidation	Total
Revenues[1]	195,122	33,547	-26,348	202,320
Raw materials and consumables	44,660	1,401	-11,875	34,186
Personnel expenses	29,804	8,994	-5,130	33,668
Marketing and advertising expenses	31,743	4,799	-5,548	30,994
Other administration expenses	19,860	5,637	-3,795	21,702
EBITDA (adjusted)	**69,054**	**12,716**	**-**	**81,770**
Revenues for long-term variable remuneration compensation (release of provisions)				7,329
Personnel expenses for long-term variable remuneration components				-
Expenses from business combinations in the personnel area				-
EBITDA				**89,099**
Depreciation				17,139
EBIT				**71,960**
Financial result				-2,907
EBT				**69,053**
Income tax expense				17,078
Half-Year Consolidated net profit				**51,974**

*The revenues do not include any income from the release of provisions for long-term variable remuneration components.

Segment report for continuing activities in the first half of 2021

In kEUR	FIN	TECH	Consolidation	Total
Revenues	220,803	23,919	-18,609	226,113
Raw materials and consumables	41,928	1,281	-2,576	40,633
Personnel expenses	34,884	9,649	-4,067	40,466
Marketing and advertising expenses	17,722	4,153	-3,994	17,881
Other administration expenses	23,536	3,893	-7,973	19,456
EBITDA (adjusted)	**102,733**	**4,944**	**-**	**107,677**
Personnel expenses for long-term variable remuneration components				48,995
Expenses from business combinations in the personnel area				5,492
EBITDA				**53,190**
Depreciation				15,714
EBIT				**37,475**
Financial result				-2,919
EBT				**34,557**
Income tax expense				6,502
Half-Year Consolidated net profit				**28,054**

NOTE 22 Related party relationships and transactions

In accordance with IAS 24, the members of the governing boards of the parent company flatexDEGIRO AG and their families, as well as members of the Management Board and Supervisory Board of other essential subsidiaries, are considered to be related parties.

Legal transactions and other transactions with related parties

In the reporting period, Group companies of flatexDEGIRO AG conducted legal transactions with related parties or companies to a total volume of kEUR 68 (31 December 2021: kEUR 632), primarily concerning contractual services.

In addition, some related persons or companies maintain accounts and securities accounts with flatexDEGIRO Bank AG. All transactions (securities transactions and lending/deposits business) are conducted at standard market conditions for customers.

NOTE 23 Earnings per share

The earnings per share were EUR 0.47 (undiluted) and EUR 0.47 (diluted) during the first half of 2022.

During the reporting period, the average number of shares outstanding was 109,866,548 (undiluted) and 109,952,318 (diluted).

NOTE 24 Dividends

No dividends were paid to shareholders by flatexDEGIRO AG during the reporting period.

NOTE 25 Events after the balance sheet date

Consultation with the Federal Financial Supervisory Authority (BaFin)

In mid-July 2022, BaFin informed flatexDEGIRO Bank AG, Frankfurt am Main, that it intends to issue a penalty resulting from the incorrect calculation of own funds and reporting of regulatory capital instruments, and from addition of funds related to issued shares from option plan 2014 and 2015. flatexDEGIRO Bank AG was given the opportunity to respond.

After initial legal assessment of this topic, no material impact on financial, asset, and earnings position of the flatexDEGIRO Group are expected at the reporting time.

DEGIRO becomes the new global main partner of Sevilla FC

At the end of the expired half-year, flatexDEGIRO AG entered into a one-year contract with FC Sevilla with effect from 1 July 2022, becoming the new main partner to the La Liga football club.

Suspension of negative interest

Following the decision of the European Central Bank to increase the interest rate by 0.5 percentage points for the deposit facility, flatexDEGIRO AG will suspend the calculation of negative interest for all customers of the flatex, DEGIRO, and ViTrade Group brands effective 1 August. A concrete estimation of the financial effects this will have on the earnings position cannot be forecast at the current time. In principle, a positive earnings potential is to be expected in future.

Frankfurt am Main, 29 July 2022

flatexDEGIRO AG

Frank Niehage	Muhamad Said Chahrour
CEO, Chairman of the Management Board	CFO, Member of the Management Board

Review Report

To flatexDEGIRO AG

We have reviewed the condensed interim consolidated financial statements, comprising the balance sheet, the income statement, the statement of cash flows, the statement of comprehensive income, the statement of changes in equity and selected explanatory notes, together with the interim group management report of flatexDEGIRO AG, Frankfurt am Main, for the period from 1 January to 30 June 2022, that are part of the half-year financial report pursuant to Sec. 115 WpHG ("Wertpapierhandelsgesetz" German: Securities Trading Act). The preparation of the condensed interim consolidated financial statements in accordance with IFRSs on interim financial reporting as adopted by the EU and of the interim group management report in accordance with the requirements of the WpHG applicable to interim group management reports is in the responsibility of the management. Our responsibility is to issue a report on the condensed interim consolidated financial statements and the interim group management report based on our review.

We conducted our review of the condensed interim consolidated financial statements and of the interim group management report in compliance with German Generally Accepted Standards for the Review of Financial Statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the review to obtain a certain level of assurance in our critical appraisal to preclude that the condensed interim consolidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU and that the interim group management report is not prepared, in all material respects, in accordance with the requirements of the WpHG applicable to interim group management reports. A review is limited primarily to making inquiries of the Company's employees and analytical assessments and therefore does not provide the assurance obtainable from an audit of financial statements. Since, in accordance with our engagement, we have not performed an audit of financial statements, we cannot issue an auditor's report.

Based on our review, no matters have come to our attention that causes us to believe that the condensed interim conslidated financial statements are not prepared, in all material respects, in accordance with IFRSs on interim financial reporting as adopted by the EU or that the interim group management report in not prepared, in all material respects, in accordance with the provisions of the WpHG applicable to interim group management reports.

Frankfurt am Main, July 29, 2022

BDO AG

Wirtschaftsprüfungsgesellschaft

Rist	Gruchott
Wirtschaftsprüfer	Wirtschaftsprüfer
[German Public Auditor]	[German Public Auditor]