

# Press release

31 October 2024

## Baader Bank increases Group's pre-tax profit in the first nine months

- Baader Bank generated Group earnings before tax of EUR 28.5 million over the nine-month period of the current financial year
- Total revenue rose to EUR 176.0 million in the nine-month period at Group level, with a significant increase in all key income components compared to the same period of the previous year
- Managed customer assets exceed EUR 40 billion for the first time.

In the first nine months of the current financial year, Baader Bank increased its Group earnings before tax to EUR 28.5 million (9M 2023: EUR 3.0 million). Accordingly, the Group's consolidated earnings in the reporting period grew by 42% to a total of EUR 176.0 million (9M 2023: EUR 123.8 million), with growth being recorded in all key income components.

Earnings from interest business increased to EUR 37.2 million compared to the same period of the previous year (9M 2023: EUR 25.2 million) and continues to be positively driven by the general interest rate environment in the period under review. Given the continued growth in B2B and B2B2C cooperation partner business, earnings from commission business recorded a significant increase to EUR 79.1 million (9M 2023: EUR 57.3 million) in the first nine months of the financial year.

Earnings from the trading business rose to EUR 47.0 million (9M 2023: EUR 29.8 million) in the same period. Baader Bank benefits from increased trading volumes compared to the same period of the previous year, especially on the electronic trading platform gettex. Furthermore, the branding initiative for Baader Bank's trading offering under the 'Baader Trading' slogan was accelerated further and showed its first positive effects in the reporting period.

The three subsidiaries of Baader Bank Group—the Swiss Baader Helvea Group, Baader & Heins Capital Management AG and the Selan Group also contributed positively to the nine-month result.

Total expenses in the first nine months of 2024 rose to EUR 147.5 million, representing an increase of 22% compared to the same period of the previous year (9M 2023: EUR 120.8 million). On the one hand, this is due to a year-on-year increase in personnel expenses to EUR 65.6 million (9M 2023: EUR 53.0 million). On the other hand, operating expenses rose to EUR 70.8 million (9M 2023: EUR 63.7 million) due to continued investments to optimise the IT infrastructure and the expansion of platform functionality. At the nine-month period of 2024, pension expenses swelled to EUR 11.1 million (9M 2023: EUR 4.0 million) and included allocations to the fund for general banking risks of EUR 10.0 million (9M 2023: EUR 6.8 million) as a result of the higher trading income.

As at 30 September 2024, the Group had 606 employees (in full-time equivalents) (31 December 2023: 560).

### Consolidation of B2B partnerships in account and securities transactions

In the past quarter, Baader Bank extended its cooperation agreements with Traders Place, sino AG, Smartbroker+ and finanzen.net ZERO. Collaborative relationships in account and trading business have been pre-emptively extended by several years in each case. By working with its existing B2B partners and acquiring new ones, Baader Bank is focusing on further collaborations.

The account and securities account business continued to grow in 2024 to date in terms of the number of securities accounts managed by Baader Bank, with more than 300,000 new securities accounts opened in the nine-month period (31 December 2023: 1,277,000 securities accounts). Managed customer assets, consisting of securities



account volumes and customer deposits, have increased above EUR 40 billion for the first time to a total of EUR 41.1 billion (31 December 2023: EUR 31.7 billion). In addition, new B2B partnerships are being developed in Baader Bank's cooperation business, reducing dependence on individual partners.

As a consequence of the growing B2B2C cooperation business, trading business with cryptocurrencies is also continuing to establish itself. Baader Bank acts as a financial trading agent for cryptoassets in the crypto trading sector, offering cryptoasset safekeeping for customers through an approved crypto depository. The focus is on the expansion of the bank's existing crypto trading setup, including incorporating new B2B2C partners and implementing the increased regulatory requirements in the crypto services segment.

### **Sound capital resources form basis for further growth**

As at 30 September 2024, Baader Bank's total assets had increased slightly compared to the end of the previous financial year, growing to EUR 4.1 billion (31 December 2023: EUR 3.9 billion). Baader Bank's equity had risen to EUR 180.9 million (31 December 2023: EUR 165.5 million) and its total capital ratio at the nine-month period of 2024 was 21.3% (31 December 2023: 23.0%). With this basis, Baader Bank believes it is fundamentally in a solid position in respect of its ongoing business activities, taking further development potential into account.

### **Earnings expectations revised**

On 19 September 2024, Baader Bank increased its previous forecast for the 2024 financial year.

In the context of the results trend, the Management Board expects the forecast (earnings before tax at a similar level as in 2023) for 2024 as a whole to be considerably exceeded. Accordingly, the Management Board anticipates that earnings before tax for 2024 as a whole between EUR 25 and 32 million will be significantly greater than the earnings before tax generated in the 2023 financial year (EUR 4.0 million).

It should be noted that the Management Board believes that given unforeseeable and external factors, reliable forecasts of business development can only be made subject to certain limitations.

The focus of business activities will be on medium- and long-term strategic goals for the remainder of the financial year. Baader Bank has positioned itself as one of the leading partners for securities and banking services in Europe. It is a professional partner and operator of a platform offering market-leading technology and processes.



## Overview of key figures 9M2024

in € mn	Nine month period (01/01/-30/09/)		
	2024	2023	Delta
Result from interest business	37.2	25.2	12.1
Result from commission business	79.1	57.3	21.8
Result from trading activities	47.0	29.8	17.2
Revenue	8.1	8.4	-0.3
Other income	4.5	3.1	1.4
<b>Income</b>	<b>176.0</b>	<b>123.8</b>	<b>52.1</b>
Personnel expenses	65.6	53.0	12.6
Other operating expenses	70.8	63.7	7.1
Risk provision	11.1	4.0	7.0
<b>Expenses</b>	<b>147.5</b>	<b>120.8</b>	<b>26.7</b>
<b>Earnings before tax (EBT)</b>	<b>28.5</b>	<b>3.0</b>	<b>25.4</b>
Taxes	13.0	3.4	9.6
Minorities	0.0	0.0	0.0
<b>Group results</b>	<b>15.4</b>	<b>-0.4</b>	<b>15.9</b>
Earnings per share in EUR	0.32	-0.01	0.33
Return on equity after tax in %	12.4	-0.4	12.8

	as of reporting date		
	30/09/2024	31/12/2023	Delta
Total assets in € mn	4,098	3,938	160
Equity capital in € mn	180.9	165.5	15.4
Total capital ratio in %	21.3	23.0	1.7



**For further information and media inquiries:**

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**Next dates:**

<b>02/11/2024</b>	Trading Day Hamburg (Börsentag)
<b>16/11/2024</b>	Trading Day Nuremberg (Börsentag)
<b>25/11/2024</b>	German Equity Forum 2024, Frankfurt

**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 Market Making, Capital Markets, Brokerage, Fund Services, Account Services and Research Services.

