Tradegate AG

2024

Annual Report

Tradegate AG

Annual Report of the Tradegate AG 2024

Facts & Figures

SHAREHOLDER STRUCTURE

as at 31 December 2024

in %	
56.57	Berliner Effektengesellschaft AG
19.62	BNP Paribas
19.99	Deutsche Börse
3.82	Free Float

MANAGEMENT BOARD/ SUPERVISORY BOARD

MANAGEMENT BOARD

Holger Timm (Chairman)

Thorsten Commichau

Karsten Haesen

Jörg Hartmann

Klaus-Gerd Kleversaat

Kerstin Timm

SUPERVISORY BOARD

Frank-Uwe Fricke (Chairman)

Prof. Dr. Jörg Franke (Deputy Chairman)

Anke Dassler

Dr. Sven Deglow (until 27 March 2024)

Stefan Gröning (from 14 June 2024)

Max Timm

Guido Wünschmann

THE TRADEGATE SHARE

WKN 521 690 ISIN DE0005216907 Ticker Symbol T2G

	as at 31 December 2024	as at 31 December 2023
Number of shares	24,402,768	24,402,768
Earnings per share	€1.457	€1.098
Dividend	€1.20	€0.90

CORPORATE DATA

	as at 31 December 2024	as at 31 December 2023
Market capitalisation	€2.16 bn	€2.66 bn
Accounting standard	HGB	HGB
Employees	160	160

FINANCIAL INDICATORS

	as at 31 December 2024	as at 31 December 2023
Total assets	€390.45 m	€323.57 m
Net interest income/Gross profit	4.02 %	4.34 %
Commission surplus/gross profit	2.23 %	1.77 %
Trading income/Gross profit	93.74 %	93.90 %
Cost/Income ratio	66.03 %	67.09 %
Equity ratio *	56.06 %	63.87 %

* incl. fund for general banking risks

DATES

Annual General Meeting in Berlin	13 June 2025 · 10 a.m.
Shareholders´ event in Berlin	5 December 2025 · 5 p.m.

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Tradegate AG

Foreword

Dear shareholders, business partners and friends of securities trading,

In last year's foreword, we expressed concern about geopolitical developments. Unfortunately, the situation did not improve in 2024, and now, at the beginning of 2025, the global climate continues to deteriorate.

Following the re-election of President Trump in the United States with an overwhelming majority, the ongoing conflicts in Ukraine and the Gaza Strip, Europe now faces the challenge of positioning itself not merely as a passive observer but of assuming an active role in the current restructuring of the world order – with clear plans, coordinated objectives, and robust structures.

Whether this can be achieved will depend to a large extent on the willingness to compromise and to endure hardships, particularly on the part of the EU Member States. Certainly, the EU would have much preferred to invest surpluses in vital and necessary areas such as environmental protection, the safeguarding of human rights, and the promotion of prosperity in third countries.

Yet Europe – Germany in particular – does not generate sufficient economic power to provide the resources required to support all these objectives. Regrettably, we must acknowledge that we were once further along in this respect.

It remains to be seen how successfully the European countries will manage to act, in the truest sense of the word, together. For even within individual countries, unity is far from assured – and sadly, Germany is no exception.

We must therefore continue to assume that problems will become larger and more numerous, and that economic growth of the required magnitude is unlikely to materialise in the near term.

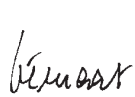
These developments are not without impact on the financial markets. Crises and uncertainties – accompanied last year by new record highs in gold and in the major stock market indices – have, from a historical perspective, always led to an increase in trading activity on international marketplaces.

Accordingly, in 2024 the number of transactions on Europe's largest retail investors' exchange, Tradegate Exchange, rose by a substantial thirty-five percent compared with the previous year.

This, of course, is primarily thanks to our long-standing and loyal partners, who continue to value the quality of Tradegate Exchange's services for themselves and their clients. Nor should we overlook the growing number of younger, international market participants, who seek to benefit from the outstanding liquidity and broad product range available upon entering the market.

Overall, we look back with satisfaction on the economic performance of our company in the past year and look forward to the challenges of the new year, which has already begun in turbulent fashion.




Thorsten Commichau | Karsten Haesen | Jörg Hartmann | Klaus-Gerd Kleversaat | Kerstin Timm | Holger Timm

Management Board Report

Dear shareholders, business partners and friends of securities trading,

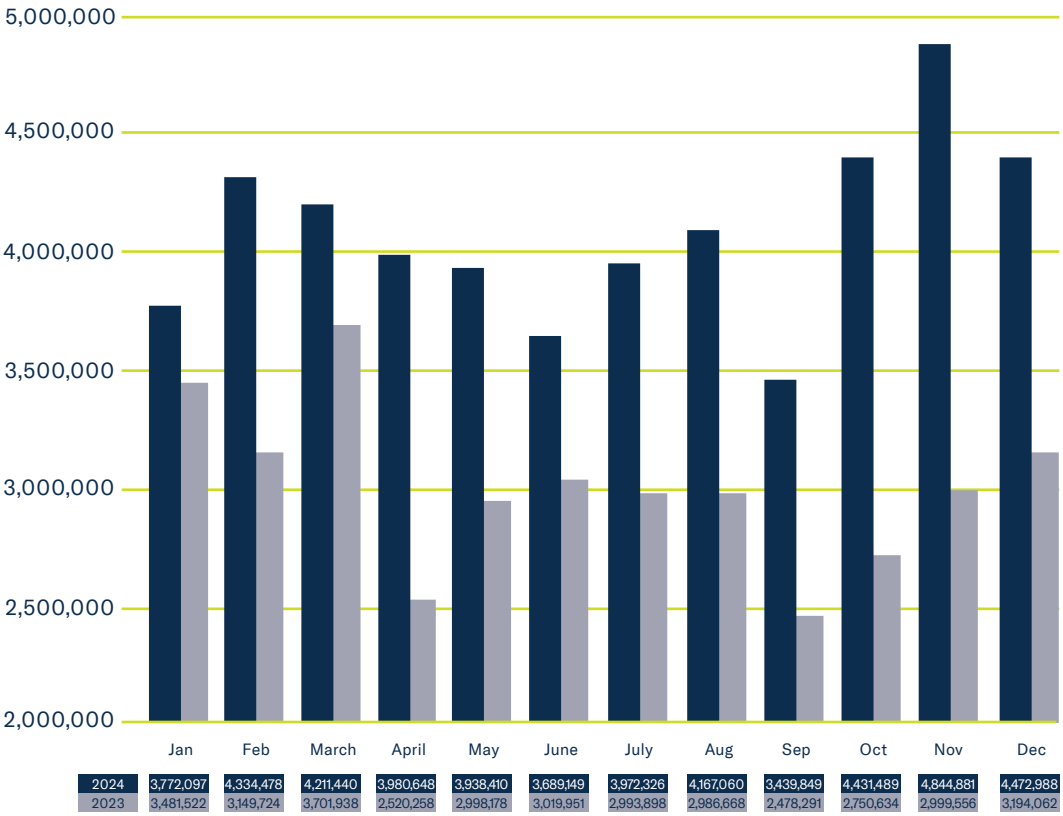
After two consecutive years of declining turnover, the otherwise steady increase in the number of securities transactions has returned with impressive force against a backdrop of stagnant interest rates. Despite economic challenges facing the industry and an uncertain political environment, turnover – particularly at our most important stock exchange, Tradegate Exchange – rose significantly again in 2024.

Encouragingly, new and increasingly international market participants continue to find their way to the Tradegate Exchange. In times when market makers are creating new exchanges where they set prices exclusively, when neo-banks are becoming neo-brokers, neo-brokers are founding exchanges, and the long-overdue consolidation of liquidity is being reversed, this cannot be taken for granted. This serves as further confirmation of the above-average quality of the Tradegate Exchange, which matches customer orders in the best possible way for its participants based on the order book, without giving greater weight to the interests of individual market players. Private investors thus benefit from a large number of limited orders, which further narrows the already tight spread of the various market specialists, resulting in the best execution for investors across Europe.

Against the backdrop of a disruptive market environment with neo-brokers, neo-banks and new technology providers supporting them, our company has invested heavily in establishing the new business segment launched under the tradegate.direct brand.

Securities Transactions

Tradegate AG in comparison
January to December 2023/2024 on Tradegate Exchange per month



In addition, we will also massively expand trading in structured products in the future so that we can offer our customers and investors all services from a single source across the entire value chain. The economies of scale that will inevitably result from this will make Tradegate AG even more resilient to market fluctuations and changes as well as tougher in competitive situations.

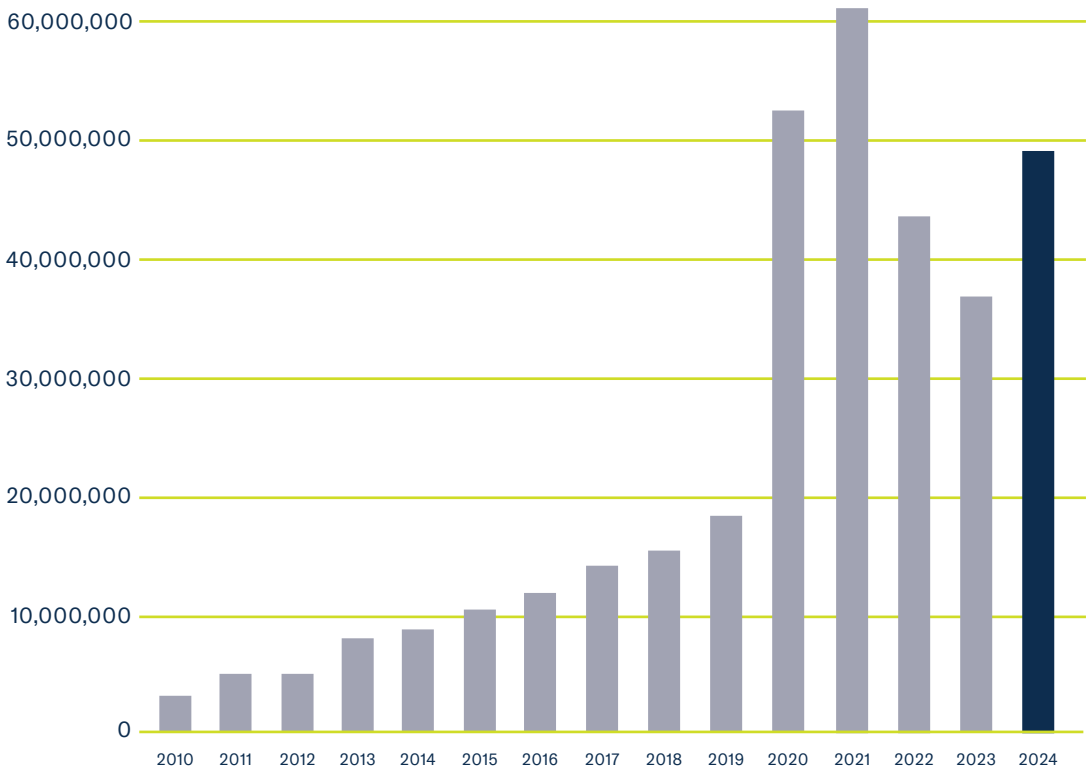
In summary, for the 2024 financial year we recorded a 35.78 percent increase in the number of transactions to 49.25 million. As a result, earnings from ordinary activities rose by a good 30 percent to just under €50 million .

This was made possible by a team of 160 employees, to whom we would like to express our sincere thanks.

We would also like to thank our business partners and shareholders for their active support and hope that they will continue to stand by us as we move forward on our path of development.

Securities Transactions

Equities and ETPs on Tradegate Exchange
Comparison 2010 to 2024



Milestones

1986

Predecessor firm is incorporated as Berliner Freiverkehr (Aktien) GmbH as a market specialist on the regional exchanges of Frankfurt and Berlin.

2000

Launch of the ECN TRADEGATE®; gradual extension of trading hours to align with the US market. This eventually becomes the German industry standard.

2009

The operator of TRADEGATE® is granted a licence to establish a full stock exchange by Berlin state authorities. Deutsche Börse AG acquires a strategic stake in Tradegate AG as well as the operating company of the newly formed Tradegate Exchange. Bonds and ETPs are first listed on the trading venue.

2010

Trading commences officially on Tradegate Exchange, marking the first establishment of a new exchange in Germany for over 150 years.

2021

Tradegate AG marks a new milestone as a market specialist on Tradegate Exchange: a new record trading volume of 4.22 billion Euros is achieved on a single day, with over 915,000 individual transactions.

2021

Tradegate AG first issues proprietary equity derivatives on liquid stocks, which are listed on Tradegate Exchange.

2006

The company rebrands as Tradegate AG Wertpapierhandelsbank. Our shares begin trading on several German stock exchanges.

2007

The German federal regulator BaFin awards Tradegate AG a full banking licence effective 1st of January 2008. Control of trading platform TRADEGATE® is transferred to an independent entity in order to be recognised as an MTF under MiFID.

2011

The market share of Tradegate Exchange among retail transactions exceeds the combined market share of all established German regional exchanges, including Frankfurt Stock Exchange.

2018

The European regulator ESMA formally recognises Tradegate Exchange as the most relevant market in terms of liquidity (MRMTL) for international large caps including Amazon, Apple and Tesla.

2024

Introducing tradegate.direct, a world first: Tradegate AG empowers private investors to trade directly on Europe's most liquid retail exchange, Tradegate Exchange.

2025

Further extension of trading hours to 07:30 - 22:00 CET.
A new record trading volume on a single day: 6.42 billion Euros - with zero system downtime.

Annual Financial Statements 2024

Balance Sheet as at 31 December 2024

BALANCE SHEET: ASSETS Tradegate AG as at 31 December 2024	2024 in €	2024 in €	2023 in €
1) Cash reserve			
a) Cash in hand	112,573.63		198,159.90
b) Balances with Deutsche Bundesbank	801,767.69	914,341.32	663,486.04
2) Receivables from credit institutions			
a) Payable on demand		317,433,080.09	266,919,924.56
3) Receivables from customers		2,349,192.63	1,511,845.16
4) Trading portfolio		27,804,629.37	15,652,557.36
5) Investments		12,530,001.00	12,530,001.00
6) Intangible assets			
a) Purchased concessions, industrial property rights and similar rights and values, as well as licences to such rights and values		17,739,524.38	12,964,309.97
7) Tangible assets		5,287,257.53	6,188,597.05
8) Other assets		5,483,461.37	6,232,454.91
9) Prepaid expenses		268,005.99	259,338.17
10) Deferred tax assets		639,516.52	452,269.40
Total assets		390,449,010.20	323,572,943.52

BALANCE SHEET: LIABILITIES AND EQUITY Tradegate AG as at 31 December 2024	2024 in €	2024 in €	2024 in €	2023 in €
1) Liabilities to credit institutions				
a) Payable on demand		22,651,327.78	22,651,327.78	8,734,371.81
2) Liabilities to customers				
a) Other liabilities				
aa) Payable on demand			81,602,345.45	67,742,235.64
3) Trading portfolio			21,188,438.03	9,379,531.63
4) Other liabilities			8,599,620.98	3,447,953.99
5) Prepaid expenses			8,988,571.42	9,397,142.85
6) Provisions				
a) Tax provisions		1,697,411.28		-
b) Other provisions		26,817,661.69	28,515,072.97	18,199,795.76
7) Fund for General Banking Risks			86,786,281.02	80,613,449.96
including: pursuant to § 340e (4) HGB €86,786,281.02 (prior year €0.00)				
8) Equity				
a) Subscribed capital	24,402,768.00			24,402,768.00
Treasury shares	- 26,430.00	24,376,338.00		- 13,557.00
b) Capital reserves		6,023,778.93		6,004,503.83
c) Revenue reserves				
ca) Legal reserve		1,516,343.22		1,516,343.22
cb) Reserve for shares in a controlling company		715,010.00		871,990.00
cc) Other revenue reserves		-		-
d) Net retained profit		99,485,882.40	132,117,352.55	93,276,413.83
Total liabilities			390,449,010.20	323,572,943.52
1. Contingent liabilities				
a) Liabilities from guarantees and indemnity agreements			59,972.64	54,212.64

Profit and Loss Statement
from 1 January 2024 to 31 December 2024

PROFIT AND LOSS STATEMENT Tradegate AG zum 31 December 2024	2024 in €	2024 in €	2024 in €	2023 in €
1. Interest income from				
a) Credit and money market transactions	8,624,830.99			6,064,059.91
less: negative interest from money market transactions	-	8,624,830,.99		- 2,952.90
2. Interest expenses		- 3,260,041.64	5,364,789.35	- 1,569,416.85
3. Commission income		3,529,298.58		2,272,604.65
4. Commission expenses		- 547,029.43	2,982,269.15	- 442,881.90
5. Net income from the trading portfolio			125,087,826.44	97,263,020.17
6. Other operating income			4,668,574.92	4,210,885.81
7. General administrative expenses				
a) Personnel expenses				
aa) Wages and salaries	- 29,821,676.96			- 27,338,020.52
ab) Social security contributions and expenses for pensions and other employee benefits	- 2,786,405.30	- 32,608,082.26		- 2,637,885.09
of which: for pensions €0.00 (prior year €0.00)				
b) Other administrative expenses		- 50,863,705.01	- 83,471,787.27	- 37,704,681.56
8. Depreciation and amortisation of intangible and tangible assets			- 4,629,016.92	- 1,812,789.51
9. Other operating expenses			- 9,419.09	- 65,591.89
10. Depreciation, amortisation, and write-downs of receivables and certain securities as well as additions to provisions in the lending business			- 4,187.99	-
11. Income from write-ups on receivables and certain securities as well as from the reversal of provisions in the lending business			-	397.85
12. Result from ordinary business activities			**49,989,048.59**	**38,236,748.17**
13. Allocations to the fund for general banking risks			- 6,172,831.06	- 3,336,479.52
14. Taxes on income and earnings of which: expense from deferred taxes €187,247.12 (prior year €149,438.65)			- 14,422,827.93	- 11,453,182.04
15. Net income for the year			**29,393,389.60**	**23,447,086.61**
16. Profit carried forward			71,332,726.40	68,560,448.13
17. Withdrawals from revenue reserves				
a) from the reserve for shares in a controlling company		156,980.00	156,980.00	1,006,314.20
18. Offset against the difference arising from the acquisition of treasury shares			- 1,397,213.60	262,564.89
19. Net retained profit			**99,485,882.40**	**93,276,413.83**

Cash Flow Statement
for the financial year 2024

CASH FLOW STATEMENT Tradegate AG, Berlin	2024 in '000€	2023 in '000€
Net income for the year	29,393	23,447
Depreciation, amortisation, impairments / write-ups on receivables and fixed assets	4,629	1,813
Increase / decrease in provisions	10,315	- 1,161
Other non-cash expenses / income	14,562	8,747
Gain / loss on disposal of fixed assets	6	10
Other adjustments (net)	- 3,137	- 31,260
Subtotal	**55,768**	**1,596**
Increase / decrease in receivables from customers	- 837	- 266
Increase / decrease in trading assets and trading liabilities	- 428	590
Increase / decrease in other assets from operating activities	374	27,202
Increase / decrease in liabilities to banks	- 6,991	- 5,825
Increase / decrease in liabilities to customers	13,860	- 7,907
Increase / decrease in other liabilities from operating activities	6,014	5,941
Interest expenses / interest income	- 5,365	- 4,492
Income tax expense / income	14,423	11,453
Interest and dividend payments received	8,916	5,887
Interest paid	- 2,907	-1,193
Income tax payments	-12,117	19,456
Cash flow from operating activities	**70,710**	**52,442**
Payments for investments in financial assets	0	0
Payments for investments in tangible assets	- 65	- 2,878
Payments for investments in intangible assets	- 8,318	- 2,831
Cash flow from investing activities	**- 8,383**	**- 5,709**
Proceeds from capital contributions by shareholders	2,637	3,238
Payments for capital reductions to shareholders	- 4,027	- 2,970
Dividends paid to shareholders	- 21,944	- 41,462
Cash flow from financing activities	**- 23,334**	**- 41,194**
Net change in cash funds	38,993	5,539
Cash funds at beginning of period	266,127	260,588
Cash and cash equivalents at the end of the period	**305,120**	**266,127**

Statement of Changes in Equitiy
for the financial year 2024

STATEMENT OF CHANGES IN EQUITIY Tradegate AG, Berlin	Subscribed Capital		
	Subscribed capital	Treasury shares	Total subscribed capital
	in €	in €	in €
Capital as at 31 December 2022	24,402,768.00	- 15,943.00	24,386,825.00
Issue of shares			-
Acquisition/sale of treasury shares		2,386.00	2,386.00
Cancellation of treasury shares			-
Allocation to/withdrawal from reserves			
Dividends paid			-
Change in the scope of consolidation			-
Other changes			-
Net profit for the year			-
Capital as at 31 December 2023	24,402,768.00	- 13,557.00	24,389,211.00
Issue of shares			-
Acquisition/sale of own shares		- 12,873.00	- 12,873.00
Redemption of own shares			-
Allocation to/withdrawal from reserves			
Dividends paid			-
Change in the scope of consolidation			-
Other changes			-
Net income for the year			-
Capital as at 31 December 2024	24,402,768.00	- 26,430.00	24,376,338.00

Capital reserve in €	Statutory reserve in €	Reserves for shares in a controlling company in €	Other reserves in €	Net retained profit in €	Total in €
6,001,025.22	1,516,343.22	1,878,304.20	-	110,022,720.35	143,805,217.99
					-
3,478.61				262,564.89	268,429.50
					-
		- 1,006,314.20		1,006,314.20	-
				- 41,462,272.22	- 41,462,272.22
					-
					-
				23,447,086.61	23,447,086.61
6,004,503.83	1,516,343.22	871,990.00	-	93,276,413.83	126,058,461.88
					-
19,275,.10				- 1,397,213.60	-1,390,811.50
					-
		- 156,980.00		156,980.00	-
				- 21,943,687.43	- 21,943,687.43
					-
					-
				29,393,389.60	29,393,389.60
6,023,778.93	1,516,343.22	715,010.00	-	99,485,882.40	132,117,352.55

A. General information on the structure of the annual financial statements and on accounting and valuation methods

Preparation of the annual financial statements
The annual financial statements of Tradegate AG, Berlin, as at 31 December 2024 were prepared in accordance with the provisions of the German Commercial Code (HGB), taking into account the regulations for credit institutions as well as the Regulation on the Accounting of Credit Institutions and Financial Services Institutions (RechKredV), last amended on 7 August 2021, and were voluntarily supplemented by a cash flow statement and a statement of changes in equity.

The structure of the annual financial statements follows the RechKredV; the profit and loss statement has been prepared in account form.

The company is registered under HRB 71506 in the commercial register of the Local Court (Amtsgericht) Berlin-Charlottenburg. It is included in the consolidated financial statements of Berliner Effektengesellschaft AG, Berlin, the parent company within the meaning of the HGB, through full consolidation. The consolidated financial statements are published in the German Federal Gazette (Bundesanzeiger).

Accounting and valuation methods
Cash reserve, receivables from credit institutions and customers are recognised at nominal value. Securities are distinguished into trading portfolio, liquidity reserve (securities that are neither treated as fixed assets nor part of the trading portfolio) and securities that are treated as fixed assets.

Securities that are treated as fixed assets and securities of the liquidity reserve are not included in the balance sheet.

The securities of the trading portfolio are reported in the balance sheet under the item “Trading portfolio” on both the assets and liabilities side.

Securities of the trading portfolio are measured at fair value less a risk discount. Fair value corresponds to the market price. The company has valued the securities of the trading portfolio on the basis of market prices. In some categories, no market prices from active markets are available. This generally results in a fair value at the balance sheet date of zero, so that these positions were fully written down. The risk discount is determined at the balance sheet date in accordance with the Value at Risk model, based on a history of 500 trading days, a confidence level of 99.9 percent, a normal distribution, and an assumed holding period of five days. The risk discount applied also takes into account existing market price risks from trading portfolio securities. No change in the criteria for assigning securities to the trading portfolio was made during the financial year.

Treasury shares held by the company are shown as a correction item in equity. The acquisition cost is deducted openly from subscribed capital at par value. The difference between par value and the acquisition cost of treasury shares is deducted from freely available reserves. The disposal proceeds are added to subscribed capital at par value. Any excess amount is added back to the free reserves up to the amount charged on acquisition. Any further disposal proceeds are allocated to capital reserves.

Identifiable risks are accounted for by means of value adjustments and provisions.

Investments are recognised at acquisition cost, less write-downs to the lower fair value where necessary.

Intangible assets, including advance payments on intangible assets, are recognised at acquisition cost and, if depreciable, are amortised on a straight-line basis in accordance with commercial law. For other intangible assets, a useful life of five years was generally assumed in accordance with § 253 paragraph 3 HGB.

Tangible assets are recognised at acquisition or production cost and, if depreciable, are depreciated on a straight-line basis. Tangible assets whose acquisition or production costs do not exceed €800, which are used independently and are subject to wear and tear (low-value assets), are fully depreciated and derecognised in the year of acquisition.

Deferred tax assets are calculated on the basis of different valuations of an asset or liability in the commercial balance sheet and in the tax balance sheet. This results in temporary differences that will likely lead to income tax relief or charges in the future. They were measured using the tax rates expected to apply in the period of realisation and valid at the balance sheet date. For Tradegate AG, this results in an average tax rate of 30.23 percent.

Liabilities are recognised at settlement amount where interest-bearing. Liabilities from short sales of securities are recognised at fair value and reported under “Trading portfolio”.

Provisions for taxes and uncertain liabilities are recognised at settlement amount based on prudent commercial judgment. For provisions with a remaining term of up to one year, the option not to discount was exercised. Provisions with a remaining term of more than one year are discounted at the average market interest rate of the past seven years corresponding to their remaining term.

Interest accrued at the balance sheet date is reported under the related receivables or liabilities.

For the loss-free valuation of interest-related banking book transactions we follow the opinion of the Banking Committee of the IDW (IDW RS BFA 3 revised). The method applied is the period-based income approach. The formation of a provision was not required.

Derivatives are accounted for using the “frozen method.”

Foreign currency translation
The valuation of assets and liabilities denominated in foreign currencies was carried out in accordance with § 340h in conjunction with § 256a HGB. An exception was made for shares that are listed on an exchange in Euros but whose nominal value or par value (e.g. no-par-value shares) is denominated in a foreign currency. This applies, for example, to shares of US corporations whose capital is denominated in US dollars. These securities were generally valued at the price of the home exchange, converted at the reference rate of the European Central Bank.

All other assets and liabilities denominated in foreign currencies were translated at the reference rates of the European Central Bank.

B. Explanatory notes to the balance sheet

Receivables from credit institutions (Assets 2)
The deposit facility with the Bundesbank, which was previously reported under “Cash reserve – balances with the Deutsche Bundesbank” (Assets 1b), is now reported under “Receivables from credit institutions – payable on demand” (Assets 2a). The prior-year figures were also adjusted. As at the balance sheet date, the deposit facility amounted to €136,207,000 (previous year €111,220,000).

Maturity structure
The breakdown by remaining maturity is as follows:

	2024 in €	2023 in €
Receivables from customers		
a) with indefinite terms	2,349,192.63	1,511,845.16
	2,349,192.63	1,511,845.16
Liabilities to customers		
a) due daily	81,602,345.45	67,742,235.64
	81,602,345.45	67,742,235.64

Receivables and liabilities with related parties
Classification by balance sheet item

	2024 in '000€	2023 in '000€
Receivables:		
Receivables from customers	14	26
Other assets	25	25
Total	39	51
Liabilities:		
Liabilities to customers	5,695	10,614
Other liabilities	18	16
Total	5,713	10,630

Total amount of assets and liabilities denominated in foreign currencies
The amounts represent the sums of the euro equivalents of various currencies. The differences do not allow any conclusion to be drawn about open foreign currency positions.

	2024 in '000€	2023 in '000€
Assets	23,980	14,073
Debts	31,311	10,862

Marketable securities

	2024 in '000€	2023 in '000€
Listed		
Trading portfolio	27,503	15,362

The securities held are marketable, with the exception of shares with a book value of €839,000 (previous year €1,000,000).

	Acquisition Costs				
Development of fixed assets	Balance as at 31.12.2023	Additions during the financial year	Disposals during the financial year	Transfers	Balance as at 31.12.2024
in €					
Financial assets					
Investments	12,530,001.00	-	-	-	12,530,001.00
Total financial assets	12,530,001.00	-	-	-	12,530,001.00
Intangible assets					
Software	4,117,488.79	3,903,861.18	-	16,401,528.69	24,422,878.66
Other intangible assets	1,500,000.00	-	-	-	1,500,000.00
Advance payments on intangible assets	12,169,872.97	4,414,291.10	-	- 16,401,528.69	182,635.38
Total intangible assets	17,787,361.76	8,318,152.28	-	-	26,105,514.04
Property, plant and equipment					
Operating and office equipment	12,461,908.28	187,722.48	797,932.50	110,904.85	11,962,603.11
Advance payments on assets and assets under construction	112,754.05	2,978.33	-	- 110,904.85	4,827.53
Total property, plant and equipment	12,574,662.33	190,700.81	797,932.50	-	11,967,430.64
Total fixed assets	42,892,025.09	8,508,853.09	797,932.50	-	50,602,945.68

Trading portfolio (Assets 4)

On the assets side of the balance sheet, the trading portfolio at the balance sheet date consisted exclusively of equities and other non-fixed-interest securities. A risk discount of €538,000 (previous year €710,000) was recognised and taken into account on the assets side.

Other assets

Other assets include items on the assets side which cannot be allocated to other balance sheet items. The significant items are shown in the following table:

	2024 in '000€	2023 in '000€
Invoices for goods and services	3,405	3,379
Receivables income taxes	1,985	2,781
Receivables from affiliated companies	25	25
Accruals for goods and services	17	20
Other	52	28
Total	5,484	6,233

Deferred tax assets

Deferred tax assets were recognised because leasehold improvements, intangible assets, and provisions for restoration obligations were or are depreciated more quickly under commercial law than is permissible under tax regulations. In addition, there is a deferred income item which, under tax law, is released earlier than under commercial law. These differences will reverse in the future, so that deferred tax assets exist.

The fund for general banking risks has the character of equity. Therefore, no deferred taxes are recognised for this item.

		Depreciation			
Balance as at 31.12.2023	Additions during the financial year	Disposals during the financial year	Balance as at 31.12.2024	Net book value 31.12.2024	Net book value previous year
-	-	-	-	12,530,001.00	12,530,001.00
-	-	-	-	12,530,001.00	12,530,001.00
3,623,051.79	3,392,937.87	-	7,015,989.66	17,406,889.00	494,437.00
1,200,000.00	150,000.00	-	1,350,000.00	150,000,00	300,000.00
-	-	-	-	182,635,38	12,169,872.97
4,823,051.79	3,542,937.87	-	8,365,989.66	17,739,524.38	12,964,309.97
6,386,065.28	1,086,079.05	791,971.22	6,680,173,11	5,282,430.00	6,075,843.00
-	-	-	-	4,827.53	112,754.05
6,386,065.28	1,086,079.05	791,971.22	6,680,173.11	5,287,257.53	6,188,597.05
11,209,117.07	4,629,016.92	791,971.22	15,046,162.77	35,556,782.91	31,682,908.02

Trading portfolio (Liabilities 3)
On the liabilities side of the balance sheet, the trading portfolio at the balance sheet date includes only liabilities from short sales of shares and other non-fixed-interest securities. Tradegate AG concluded the short sales in the course of its activities as Official Broker (Skontroführer) and Specialist. The risk surcharge for the trading portfolio is fully recognised on the assets side.

Other liabilities
Other liabilities include items on the liabilities side which cannot be allocated to other balance sheet items.

	2024 in '000€	2023 in '000€
Trade payables	7,807	2,662
Value added tax payable to the parent company	423	199
Wage tax, church tax	337	339
Other liabilities to affiliated companies	18	16
Other	16	232
Total	8,600	3,448

Provisions
Provisions were recognised for amounts attributable to the income statement of the financial year or earlier, the amount or maturity of which, however, has not yet been finally determined. Tax provisions include amounts for expected income taxes for the 2024 assessment period.

The breakdown of the other provisions is shown in the following statement:

Provision for	**2024** in '000€	2023 in '000€
Personnel expenses	14,128	12,191
Agency commission / marketing subsidy	9,194	1,799
Decommissioning measures	900	638
Securities settlement services	880	2,453
IT services	588	7
Costs of annual financial statements	357	336
Consulting and auditing services	320	362
Ancillary rental costs, electricity	163	123
Association fees	96	96
Other expenses	192	195
Total	26,818	18,200

Fund for general banking risks
Pursuant to § 340e paragraph 4 HGB, the company is obliged to allocate ten percent of the net income from the trading portfolio each year to the fund for general banking risks in accordance with § 340g HGB. This item may be released to offset net expenses from the trading portfolio, a net loss for the year, or a loss carried forward, or insofar as it exceeds fifty percent of the average net income from the trading portfolio of the last five years.

As at 31 December 2024, in accordance with this regulation, an allocation of €6,172,831.06 was made (previous year €3,336,479.52).

Subscribed capital
As at 31 December 2024, subscribed capital, before deduction of treasury shares, remained unchanged at €24,402,768.00. The share capital of the company is still divided into 24,402,768 no-par-value bearer shares. The largest shareholder and parent company within the meaning of § 290 HGB is Berliner Effektengesellschaft AG, Berlin, which is also the ultimate parent company of the group.

At the balance sheet date, Tradegate AG held 26,430 treasury shares (previous year 13,557) with a notional value of €26,430.00 (previous year €13,557.00).

Capital reserves
The proceeds from the sale of treasury shares exceeded their acquisition cost, resulting in allocations to the capital reserves amounting to €19,275.10 (previous year €3,478.61). At the balance sheet date, capital reserves amounted to €6,023,778.93.

Reserve for shares in a controlling or majority-owned company
A reserve for shares in a controlling or majority-owned company is to be recognised in the balance sheet in the amount of the book value of the shares in the parent company, Berliner Effektengesellschaft AG. At the balance sheet date, 11,260 shares in Berliner Effektengesellschaft AG were recognised under assets. The reserve for shares in a controlling company is reported in the amount of €715,010.00 (previous year €871,990.00).

Revenue reserves
The capital reserve and the legal reserve together exceed ten percent of subscribed capital in accordance with the requirement of § 150 paragraph 2 AktG. Therefore, no allocation to the legal reserve is required.

When the Management Board and the Supervisory Board adopt the annual financial statements, they may transfer a portion of the net income for the year exceeding one-half into other revenue reserves until one-half of the share capital has been reached.

Treasury shares
Pursuant to § 71 paragraph 1 no. 7 AktG, the company was authorised by resolutions of the Annual General Meetings of 13 June 2019 and 14 June 2024 to acquire its own shares for the purpose of trading in treasury shares.

The authorisation is limited to the acquisition of treasury shares representing up to five percent of the share capital in total and is valid until 14 June 2029. Trading may take place at prices not more than twenty percent above or below the opening price of the shares of Tradegate AG in over-the-counter trading on the Frankfurt Stock Exchange or on the Tradegate Exchange, Berlin, on the preceding trading day.

The trading portfolio of shares acquired for this purpose must not exceed five percent of the company's share capital at the end of any day. Together with any treasury shares acquired for other reasons which are held by the company or attributed to it in accordance with §§ 71a ff. AktG, the stock of treasury shares acquired for this purpose must not at any time exceed ten percent of the company's share capital. In 2024, the authorisations under § 71 paragraph 1 no. 7 AktG to purchase treasury shares for the purpose of trading were exercised. The purchases were made via the Tradegate Exchange. In 2024, Tradegate AG purchased 40,617 shares at a cost of €4,027,429.00. Sales amounted to 27,744 shares with proceeds of €2,636,617.50. Trading in treasury shares resulted in a reduction of net retained profit of €1,397,213.60 for the past financial year (previous year: increase of €262,564.89). The stock of treasury shares at the balance sheet date amounted to 26,430 shares compared with 13,557 shares at the balance sheet date of the previous year.

Net retained profit
Net retained profit includes profit carried forward of €71,332,726.40 (previous year €68,560,448.13).

In the amount of the deferred tax assets (€639,516.52), there is a restriction on distribution pursuant to § 268 paragraph 8 HGB.

Contingent liabilities
Contingent liabilities from guarantees and indemnity agreements are subject to the risk identification and risk management procedures applicable to all credit institutions, which ensure timely identification of risks. At the balance sheet date there are no acute risks of claims being made. The risks were assessed in the course of an individual review of the creditworthiness of these customers. The reported amounts do not reflect the actual future cash flows expected from these contracts, as in our opinion they will expire without being utilised.

C. Explanatory notes to the profit and loss statement

Interest income and expenses
Interest income includes negative interest from the investment of deposits with Deutsche Bundesbank and with credit institutions in the amount of €0.00 (previous year €3,000).

Commission income and expenses
Commission income and expenses include the income and expenses charged in the course of business operations for the use of financial services. The key items of commission income (net €2,982,000, previous year €1,830,000) are income from asset management and advisory services in the Private and Corporate Banking segment, the Specialist Service Fee, and brokerage income and expenses from exchange-based broker business.

Net income from the trading portfolio
Income and expenses from the trading portfolio consist of realised results, valuations, and interest, dividends, and commission expenses attributable to the trading portfolio. Realised results arise from the purchase and sale of financial instruments based on the margin between purchase and sale prices.

	2024 in '000€	2023 in '000€
Net result from securities trading	211,401	161,623
Income from trading portfolio	736	803
Net differences from assignments	31	24
Other net results	- 252	- 155
Commission expenses from securities trading	- 86,829	- 65,032
Total	125,087	97,263

Other operating income
Other operating income includes items not attributable to core business. The significant items of other operating income are shown in the following schedule:

	2024 in '000€	2023 in '000€
Allocations to other companies	2,830	2,077
Allocations to affiliated companies	571	495
Reversal of provisions	452	1,064
Proceeds from the transfer of rights	409	409
Reimbursement of contributions	244	0
Other foreign exchange gains	110	121
Damages	2	9
Other	52	36
Total	4,669	4,211

Other operating income includes income from the unwinding of provisions amounting to €5,000 (previous year €6,000) and income not relating to the period amounting to €692,000 (previous year €1,064,000).

Other administrative expenses
The significant items of other administrative expenses are shown in the following schedule:

	2024 in '000€	2023 in '000€
IT, infrastructure, data acquisition	32,437	22,365
Stock exchange fees, settlement expenses	9,929	8,394
Premises costs	3,115	2,669
Audit expenses, consulting and other services	1,431	841
Other	3,952	3,436
Total	50,864	37,705

Expenses not relating to the period
Other administrative expenses include €131,000 of expenses not relating to the period (previous year €115,000).

Other operating expenses
Other operating expenses include items not attributable to core business. The significant items of other operating expenses are shown in the following schedule:

	2024 in '000€	2023 in '000€
Other foreign exchange losses	1	10
Other	9	56
Total	10	66

Other operating expenses do not include any expenses not relating to the period (previous year €43,000).

Taxes
Taxes on income and earnings relate to expected income tax expense for the 2024 financial year (€15,463,000) and tax refunds for prior years (€853,000). This item also includes income from recognition of deferred tax assets amounting to €187,000.

D. Cash flow statement

The cash flow statement has been prepared using the indirect method. Due to the company's activities, the cash fund includes cash balances, balances with central banks, and daily payable current account balances with credit institutions. The cash fund includes €82,607,877.60 which is subject to restrictions on disposal (previous year €51,125,080.96).

E. Other information

Derivative transactions pursuant to § 36 RechKredV
Derivative transactions at the balance sheet date mainly concern options and futures. The options and futures result from contracts on behalf of customers, which are assigned to the banking book. The risk positions are closed out by identical counter-transactions with credit institutions. Since hedging is generally carried out at the micro level, the underlying and hedging transactions are combined into valuation units in accordance with § 254 HGB. In addition, mini futures were entered into in the form of issued securities. To hedge these, opposite positions were established in the underlying instruments.

	Remaining term up to and incl 1 year in '000€	Nominal in '000€	Positive market values in '000€	Negative market values in '000€
Share and other price risks	196	196	1	1
Total	196	196	1	1

The comparative data for the previous year are as follows:

	Remaining term up to and incl 1 year in '000€	Nominal in '000€	Positive market values in '000€	Negative market values in '000€
Share and other price risks	4,367	4,367	199	199
Total	4,367	4,367	199	199

The market values shown represent fair value based on prices at the balance sheet date, with transaction costs disregarded. No provisions were required for risks arising from negative market values. There are no indications that the contractually agreed cash flows of these derivatives are impaired in terms of amount, timing, or security.

Shareholdings
The following information relates to 31 December 2024 or to the 2024 financial year.

Tradegate Exchange GmbH, Berlin		
Share capital:		€875,268.00
Interest:	42.8 %	€375,001.00
Equity:		€26,102,263.51
Net income for the year:		€883,508.14

Other financial obligations
From existing rental, leasing, and maintenance agreements, there are obligations amounting to €12,987,000 (previous year €13,653,000). These mainly relate to rental agreements for office premises with terms between one and nine years, as well as contracts for service and system costs with terms until 31 December 2025.

Tradegate AG has taken out guarantee credit facilities with R+V Versicherung AG and Quirin Privatbank AG. The total amount is €2,297,000 (previous year €2,504,000). The guarantee facilities serve primarily as collateral under the Stock Exchange Act for risks arising from the settlement of designated transactions and from price differences, as well as for obligations under agreements on partial retirement.

Employees

The number of employees developed as follows:

Average of the year	Female	Male	Total	Total last year
Board members	1.0	5.0	6.0	6.0
Traders	6.0	62.5	68.5	69.8
Other employees	31.5	47.3	78.8	75.3
Maternity leave	0.3	0.3	0.6	-
Parental leave	-	1.5	1.5	1.3
Trainees	-	-	-	-
Student trainees	-	5.5	5.5	6.1
Interns	-	0.3	0.3	0.3
Total	38.8	122.4	161.2	158.8
of which part-time employees (headcount)	15.5	10.8	26.3	26.3
of which part-time employees (in terms of full-time positions)	11.5	6.1	17.6	16.9
As at 31 December 2024				
Board members	1	5	6	6
Traders	6	64	70	69
Other employees	30	49	79	77
Maternity leave	1	-	1	-
Parental leave	-	1	1	-
Trainees	-	-	-	-
Student trainees	-	3	3	7
Interns	-	-	-	1
Total	38	122	160	160
of which part-time employees (headcount)	16	9	25	26
of which part-time employees (in terms of full-time positions)	12.0	4.5	16.5	16.8

Governing bodies of Tradegate AG
In accordance with § 285 No. 10 HGB, the following were members of the Management Board and the Supervisory Board during the financial year.

Members of the Management Board

Thorsten Commichau
· responsible for IT, Schönwalde-Glien

Karsten Haesen
· responsible for the Middle Office, Berlin

Jörg Hartmann
· responsible for domestic securities trading, Berlin

Klaus-Gerd Kleversaat
· responsible for private banking business, Mittenwalde
· Member of the Supervisory Board of Quirin Privatbank AG

Holger Timm
· Chairman of the Management Board, Berlin
· Chairman of the Supervisory Board of Quirin Privatbank AG

Kerstin Timm
· responsible for foreign securities trading, Berlin

Members of the Supervisory Board

Anke Dassler
Berlin
· Chief Financial Officer, ista SE

Dr. Sven Deglow
Hamburg
(until 27 March 2024)
· Chairman of the Management Board of DKB Deutsche Kreditbank AG

Prof. Dr. Jörg Franke
Frankfurt am Main
(Deputy Chairman)
· Member of several Supervisory Boards

Frank-Uwe Fricke
Berlin
(Chairman)
· Member of the Management Board of Euro Change Wechselstuben AG

Stefan Gröning
Schwanstetten
(since 14 June 2024)
· Chief Operating Officer of BNP Paribas PI Germany

Max Timm
Berlin
· Managing Partner of H.T.B. Unternehmensbeteiligungen GmbH, Member of the Management Board of Berliner Effektengesellschaft AG

Guido Wünschmann
Berlin
· Head of the Berlin Representative Office of Deutsche Börse AG

Remuneration of the governing bodies
The members of the Management Board received remuneration from Tradegate AG amounting to €6,155,000. Of this, €6,000 related to benefits in kind from a group accident insurance policy. The members of the Supervisory Board received remuneration amounting to €65,000.

Loans to governing bodies
There are no loans outstanding to members of the Management Board (previous year €0.00).

Fees to VISUS GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft pursuant to § 285 No. 17 HGB
In the past financial year, Tradegate AG made the following payments to the auditor, VISUS GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Berlin, and recognised the following expenses before value added tax:

	Payments in '000€	Expenses in '000€
Audit services	248	266
Other assurance services	129	213
Other services	3	3
Total	380	482

The additional services provided by the auditor in addition to the audit of the annual financial statements included the audit pursuant to § 89 WpHG and the custody account audit, as well as the audit of compliance with the requirements of § 8a (3) BSIG.

Special disclosure obligations
Pursuant to Part 8 (Articles 435 to 455) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, also known as the Capital Requirements Regulation or CRR, certain information must be disclosed. Tradegate AG complies with the disclosure requirements by means of a separate disclosure report, which is published in the Federal Gazette and on the website www.tradegate.ag.

Disclosure in accordance with § 26a paragraph 1 sentence 2 of the German Banking Act takes place within the consolidated financial statements of the parent company.

The ratio pursuant to § 26a paragraph 1 sentence 4 of the German Banking Act of net profit to total assets amounts to 7.53 percent (previous year 7.25 percent).

Post-balance sheet events
No significant events have occurred after the balance sheet date.

Proposal for the appropriation of profits
The Management Board proposes to the Annual General Meeting that the net retained profit for 2024 be used to pay a dividend of €1.20 per share entitled to dividend on the date of the Annual General Meeting. The remaining part of the net retained profit shall be carried forward to new account.

Berlin, 5 March 2025

Tradegate AG

Thorsten Commichau · Karsten Haesen · Jörg Hartmann · Klaus-Gerd Kleversaat · Kerstin Timm · Holger Timm

Management Report 2024

Management Report of the Tradegate AG as at 31 December 2024

1. Basic principles

1.1 Preliminary note

The structure of this Management Report essentially follows the provisions adopted by the German Accounting Standards Committee e.V. and set out in German Accounting Standard (DRS) No. 20.

1.2 Organisation and business activities

The company holds a licence issued by the Federal Financial Supervisory Authority (BaFin) to conduct banking and financial services business. The full scope of the licence can be viewed on BaFin's website. From the company's perspective, the key licensed business activities are:

- Deposit business (§ 1 Abs. 1 Satz 2 Nr. 1 KWG),
- Lending business (§ 1 Abs. 1 Satz 2 Nr. 2 KWG),
- Financial commission business (§ 1 Abs. 1 Satz 2 Nr. 4 KWG),
- Portfolio management (§ 1 Abs. 1a Satz 2 Nr. 3 KWG)
- Custody business (§ 1 Abs. 1 Satz 2 Nr. 5 KWG),
- Underwriting business (§ 1 Abs. 1 Satz 2 Nr. 10 KWG),
- Investment brokerage (§1 Abs.1a Satz 2 Nr. 1 KWG),
- Contract brokerage (§1 Abs. 1a Satz 2 Nr. 2 KWG),
- Proprietary business (§ 32 Abs. 1a KWG),
- Proprietary trading (§1 Abs. 1a Satz 2 Nr. 4 KWG) and
- Guarantee business (§1 Abs.1 Satz 2 Nr. 8 KWG).

The lending business is restricted to the granting of Lombard loans.

The company's principal line of business is acting as a Specialist / Market Maker. In addition, it operates in the retail and corporate banking segments. To pursue its activities, the company acts as Market Specialist at Tradegate Exchange and the Frankfurt Stock Exchange, as Official Broker (Skontroführer) at the Berlin Stock Exchange, and as Market Maker at EuroTLX (Italy) and the Bulgarian Stock Exchange in Sofia. It also holds admissions in Munich, Stuttgart, Hamburg, Hanover, and Düsseldorf, and acts as a Designated Sponsor on XETRA. To a limited extent, the company also conducts off-exchange trading as a Systematic Internaliser. For many years, its trading activities have focused on supporting financial instruments (shares and Exchange Traded Products, "ETPs") as Market Specialist at Tradegate Exchange.

Since 2022, the company has been developing another business segment: the issuance of "mini-futures" certificates on liquid shares listed on Tradegate Exchange. This segment will be continuously expanded by issuing further certificates.

Across several exchanges, the company continuously quotes bid and ask prices in approximately 11,700 securities, primarily shares and ETPs. At the Berlin Stock Exchange, it earns a commission (brokerage fee) on turnover as Official Broker. At the Frankfurt Stock Exchange, it acts as Market Specialist and receives performance-based fee reimbursements. The company's main source of revenue is trading income, which results from the calculated spread between bid and ask. At electronic exchanges such as XETRA, Tradegate Exchange, and the Frankfurt Stock Exchange, no brokerage fee is payable; income there is derived solely from trading results on purchases and sales. Since trading income is volume-driven, the company aims to reach as many clients as possible with its trading services. Medium- or long-term risk positions from proprietary trading are not envisaged and are not part of the business model. Longer-term proprietary holdings are always exclusively part of liquidity management and therefore remain the responsibility of the Management Board.

Executive management, all administrative functions, and most operational functions are based at the company's headquarters in Berlin. In Frankfurt am Main, the company maintains a fully staffed and equipped branch office for its local Market Specialist activities at the Frankfurt Stock Exchange.

Given the critical importance of computer-based trading, the company places strong emphasis on its IT Operations and IT Development departments. The company is largely autonomous in these areas and places particular importance on developing proprietary systems for trading, settlement, risk control, and regulatory reporting.

The Management Board consists of six members: two are responsible for trading areas, including management of the Frankfurt branch; one oversees IT, sales, and client services; two manage banking operations, including the Middle Office; and the Chairman focuses on strategic planning and coordination, as well as administrative functions such as organisation, HR, compliance and legal, credit back office, internal audit and anti-money laundering, accounting, controlling, and regulatory reporting.

1.3 Competitive position

Since 2010, the trading platform Tradegate Exchange, developed in 2000, has been operated as a securities exchange in Germany and Europe. This places Tradegate Exchange in direct competition with all German and European stock exchanges, trading platforms, and off-exchange internalisation systems.

For the company, the success of Tradegate Exchange is crucial, as over 99 percent of trading income stems from its role as Specialist for shares and ETPs at this exchange. To secure this success and further growth sustainably, the operating company of the exchange, Tradegate Exchange GmbH, has since 2010 been run as a joint venture with Deutsche Börse AG and Verein Börsenplatz Berlin e.V. The company holds around 43 percent of Tradegate Exchange GmbH. In turn, Tradegate Exchange GmbH is the sole shareholder of Berliner Börse AG, which operates Börse Berlin and Equiduct.

After a decline in securities transactions in 2022 and 2023, the number of transactions rose significantly again in 2024 by around 35.8 percent, though still not reaching the exceptional years 2020 and 2021.

Tradegate Exchange's high market share in equities and ETF/ETP trading remained stable at around 87.5–90 percent compared to the seven traditional German competitor exchanges. However, two neobrokers in particular – who route their clients' orders almost exclusively to a single trading venue – gained substantial market share from traditional custodian banks and exchanges through strong new customer acquisition.

In 2024, new market participants joined Tradegate Exchange, while further interested parties started projects to establish a connection. Smaller, young fintechs and foreign institutional participants generally gain access via an already connected institutional participant. Revenue potential with existing clients was further optimised. Under the Best Execution Policy, Tradegate Exchange also ranked first again among most German custodian banks in 2024.

To provide retail investors whose brokers are not yet connected to Tradegate Exchange with access to commission-free trading on the most liquid retail exchange, the company developed the professional trading application tradegate.direct, which enables direct access exclusively to Tradegate Exchange.

A key competitive factor for all exchanges is off-exchange trading. Due to the sector's lack of transparency, market shares cannot be precisely quantified. However, it is assumed that significant revenue potential has migrated away from regulated exchanges in recent years. To prevent further losses of market share, the company also offers services as a Systematic Internaliser – at explicit client request – but generally advises retail investors to execute orders at a regulated venue such as Tradegate Exchange.

In the coming years, the company will continue to expand its business divisions and adapt them to the needs of a new generation of investors, while at the same time maintaining its long-term focus on its core competence of securities trading in shares and ETPs. This is essential to secure the transaction volumes required for profitable operations and to remain competitive against both established and new market participants.

1.4 Development of general conditions

The general conditions for securities trading firms in the retail investor business improved significantly in 2024 following declines in turnover in 2022 and 2023. International equity markets rose strongly, and after the rapid interest rate hikes of 2023, rates declined again, prompting more investors to allocate funds into equities and, in particular, ETFs for retirement provision. With the rapid growth of neobrokers and neobanks expanding their services and combining traditional banking with securities trading, a younger generation is being introduced to the capital markets. As a result, the shareholder base in Germany and Europe is expected to continue growing significantly in the coming years.

However, the positive outlook for securities trading has also intensified competitive pressure. Although rapidly growing neobrokers and neobanks have not yet generally proven sustainable profitability, new providers continue to enter the European market, initially well-capitalised. On the other hand, many fintechs are expected to fail in the coming years, which should slightly ease competitive pressure. Increasing European regulation poses a major challenge, especially for smaller and newer providers.

The successful business model of Tradegate Exchange and Tradegate AG as Market Specialist remains excellently positioned in this rapidly changing environment but must be continuously expanded and adapted to new circumstances.

2. Economic report

2.1 Business development

In 2024, the company's business performance was as follows: in all twelve months, turnover increased significantly compared with the previous year. The number of transactions rose by 35.78 percent for the year to 49.25 million individual trades. The corresponding trading volume grew by 37.33 percent to €326.35 billion. The average trading volume per transaction thus increased to €6,625, although numerous new customer trades from neobanks were under €1,000. The higher trading volume resulted from strong index gains, which increased the overall value of all securities portfolios.

The strongest month of the year was November, with turnover of €33.8 billion, a 68 percent increase compared with the previous year. In addition, turnover was spread surprisingly evenly across all months of 2024.

Gross and net trading margins declined again compared with the previous year. This was mainly due to two effects. First, an increasing number of institutional and professional market participants routed orders to Tradegate Exchange, improving liquidity and price quality but significantly reducing achievable trading margins for the Market Specialist. Although this is positive overall, it was not fully offset by volume growth in the past year. Second, among Market Makers at various venues, order flow continues to be remunerated by payment of commissions until the European ban on payment for order flow takes effect in Germany by mid-2026.

The company continuously reviews the product portfolio it manages as Market Specialist at Tradegate Exchange, Frankfurt, and Berlin. As part of this process, the company regularly applies for new, interesting and sought-after types of securities from around the world to be listed on these stock exchanges, while inactive or illiquid securities are delisted. As at 31 December 2024, the company managed 11,596 securities at Tradegate Exchange (+2,744 year-on-year), 428 at the Frankfurt Stock Exchange (-25 year-on-year), and 1,683 at the Berlin Stock Exchange (-340 year-on-year).

The Private Banking and Direct Brokerage segments were strategically expanded and now play an increasingly significant role in overall business. The Berliner Effektenbank brand serves clients who value personal and individual advice, with a focus on asset management.

The tradegate.direct brand provides retail investors with direct access to Tradegate Exchange. Following its launch on 3 June 2024, the trading app was primarily used in its first six months by investors whose primary bank does not provide low-cost access to Tradegate Exchange.

The company's headcount remained unchanged: 14 new hires offset 14 departures. At year-end, Tradegate AG employed 160 staff. The age structure changed only slightly, with an average age of 45 (previous year 43). Average length of service was 12.6 years, with more than half of employees having at least ten years of tenure. The company attaches great importance to retaining its well-trained and qualified staff even in weaker revenue periods. Flexible workforce adjustments, e.g. through temporary staff, are not feasible in this sector and are rejected by the company. Instead, flexible remuneration models ensure that in difficult times the company is not burdened with unsustainably high fixed salaries, while in successful years staff are appropriately rewarded. Employees and Management Board members receive fixed monthly pay and variable remuneration. The total volume of variable remuneration depends mainly on the company's statutory result. Allocation across employees and board members is based on various factors such as role, tenure, and especially individual performance evaluation. Of total remuneration of €27,523,000, €12,123,000 was paid as variable remuneration to all employees active during the reporting period.

During the financial year, new investments were made in tangible assets, particularly for additions or upgrades to existing IT systems. Software is generally developed and maintained in-house; the personnel costs included therein are not eligible for capitalisation. For new projects, external service contracts were also awarded. Capitalisation of intangible assets amounted to €8,318,000. For networks, databases, text processing, etc., the company uses standard software from leading providers.

Due to declining net margins, rising administrative expenses, and the start of depreciation on new investments, ordinary business income rose by around +30.7 percent to €49,989,000 – a somewhat smaller increase than turnover.

Overall, the company considers business performance under the circumstances to have been very satisfactory. The exceptionally strong years 2020 and 2021 should be regarded as extraordinary years that can only be matched again in the longer term.

2.1.1 Earnings position

For 2024, Tradegate AG reports net income of €29,393,000 (previous year €23,447,000). The earnings position is shaped by net income from the trading portfolio, which comprises the main earnings components of Specialist activities. The contribution of the Private and Corporate Banking segment developed satisfactorily.

The following table shows the development of the key items in the profit and loss account over the past three years.

	2022 in '000€	2023 in '000€	**2024** in '000€
Net interest income	1,384	4,492	5,365
Net commission income	1,659	1,830	2,982
Net trading income	140,713	97,263	125,088
General administrative expenses	- 68,859	- 67,681	- 83,472
Result from ordinary business activities	77,424	38,237	49,989
Allocations to the fund for general banking risks	- 8,102	- 3,336	- 6,173
Taxes on income and earnings	- 23,548	- 11,453	- 14,423
Net income for the year	45,773	23,447	29,393

Net interest income – the balance of interest income and expenses, including current income from investments – rose compared with the previous year. The ECB cut its deposit facility rates several times. With higher average liquid funds compared with the previous year, and placements with Deutsche Bundesbank and on current accounts with credit institutions, higher interest income was achieved.

Commission income improved. Key components include fees from brokerage and Specialist activities as well as commissions from Private Banking, the latter of which increased further and account for the majority of commission income.

Net income from the trading portfolio consists of realised results from Specialist activities and commission expenses for trade settlement. Net income rose from €161,623,000 to €211,402,000. Commission expenses increased from €65,032,000 to €86,829,000. The higher number of completed trades thus raised net trading income by around 20 percent.

The improved earnings position again allowed staff to participate in profits. Personnel expenses rose by over 9 percent, mainly due to higher salaries. Other administrative expenses increased by €13,159,000, largely reflecting business-driven operating expenses.

Allocations to the fund for general banking risks were made in accordance with § 340e (4) HGB, amounting to €6,173,000.

Taxes on income and earnings rose in line with the higher profit compared with the previous year.

From earnings development, the following key ratios can be derived:

- Revenue equivalent: sum of interest income, current income, commission income, net trading income, and other operating income.
- Cost-income ratio (CIR): general administrative expenses and depreciation relative to the sum of net interest, commission income, and net trading income.
- Return on equity (RoE): net income plus allocation to the fund for general banking risks relative to average equity.
- Earnings per share (EpS): net income plus allocation to the fund for general banking risks divided by the number of shares at the balance sheet date.

	2022	2023	**2024**
Turnover equivalent	€149,080,000	€109,808,000	€141,911,000
CIR	48.7 %	67.1 %	66.0 %
RoE	31.87 %	19.85 %	27.55 %
EpS	€2.208	€1.098	€1.457

As net trading income and administrative expenses rose almost in tandem, the cost-income ratio decreased only slightly to 66.0 percent.

Overall, the company's earnings position improved compared with the previous year.

2.1.2 Financial position

The company's liquidity situation is characterised by excellent equity capitalisation and placement of funds in daily callable bank accounts. Balances are held to settle extensive trading activities, with part of the funds serving as collateral for unsettled trades. Trading portfolios are turned over quickly in the course of business and are likewise to be regarded as liquid. The positive earnings generated an inflow of funds, while the main outflow was dividend payments.

In addition to equity, the company is financed via the fund for general banking risks. Owing to its activities and the resulting net trading portfolio income, the fund was endowed with €6,173,000 in 2024 (previous year €3,336,000), bringing the balance to €86,786,000.

In 2024, the company sold more of its own shares in the course of trading than it purchased. As a result, equity decreased by €1,397,000 from proprietary share trading (previous year +€268,000). Despite higher net income, equity was reported at a lower level than at the previous year-end due to the large distribution of prior-year profits. Liabilities to credit institutions and customers are payable on demand. No fixed interest terms were agreed for these demand deposits.

The cash fund, which according to the cash flow statement amounts to €305,120,000, included €137,098,000 at Deutsche Bundesbank. The remaining funds were deposited with various credit institutions, the largest share being with BNP Paribas S.A.

Deposits from private and corporate clients are invested with matching maturities, used in lending, or held as liquid funds.

The Liquidity Coverage Ratio (LCRDR) required by banking regulation decreased from 978.25 percent at the previous year-end to 787.40 percent, primarily influenced by Bundesbank balances relative to supervisory net outflows. The ratio remained at a high level throughout the year.

Investments in intangible assets and tangible assets amounted to €8,509,000. No debt financing was used.

The company's financial position is in order.

Solvency was assured at all times.

2.1.3 Net assets position

The balance sheet total of Tradegate AG increased by €66,876,000 compared with the previous year-end. On the asset side, balances with credit institutions and trading portfolio holdings increased, driven by inflows of client funds and strong trading activity.

Liabilities to customers recorded an inflow of €13,860,000. Provisions amounted to €28,515,000, up from €18,200,000 in the previous year, mainly due to higher provisions for securities settlement services. Notes on the fund for general banking risks are included in the Earnings Position section. Changes in equity essentially reflect improved net income. The equity ratio declined from 39.0 percent to 33.8 percent.

The company's net assets position is in order.

3. Forecast, opportunities, and risk report

3.1 Risk report

Risk reporting is based on the company's internal risk management. It draws on information regularly provided to the Management Board and Supervisory Board.

3.1.1 Organisation of risk management

Tradegate AG operates in an environment subject both to strong fluctuations in business volume and to structural changes in underlying conditions. In this setting, risk handling, monitoring, and control tools must be continually developed. The German Minimum Requirements for Risk Management (MaRisk), regularly updated by regulators, provide a strict legal framework for control and monitoring mechanisms and their documentation.

Risk is understood as the negative deviation of actual events from expected events. Damage occurs when a risk materialises with negative consequences. As a liquidity provider and Specialist, the company's strategy does not involve assuming long-term securities positions in anticipation of favourable price movements. Instead, its business model is designed to enable high turnover in securities transactions. During the day, the company temporarily assumes buyer or seller positions, aiming to close them out largely by the end of trading. Positions held overnight are minor relative to total trading volume and, where material, are part of liquidity investments.

Developments in the German and European stock market landscape are an important factor influencing business activities and the associated technical developments and framework conditions. These trends must be monitored at an early stage to assess their impact on the company's business areas and technical requirements. Misjudgements can lead to high costs, loss of earnings and delays.

The risk management system classifies risks as market price risks, operational risks, counterparty risks, and liquidity risks. It distinguishes between business units directly exposed to risks, risk management proper, and risk controlling. Risks are measured against risk coverage potential, considered both in regulatory and economic terms.

The highest level of risk management is the Management Board, which regularly discusses the general conditions and development of the company. The guidelines and risk strategy adopted by the Management Board give the operational divisions scope for action and decision-making. Risk controlling, which reports to the Chairman of the Management Board, monitors the risk situation and supports risk management, in particular by providing information on risks incurred. The Risk Controlling department is also largely responsible for the further development of the risk management system. The limit system is based on the expected result for the financial year, taking into account the current equity base and the current result for the financial year. At the beginning of the year, a new loss limit was set for 2024 as part of a regular process.

3.1.2 Regulatory / normative perspective

Tradegate AG is subject to supervision by the German Federal Financial Supervisory Authority and the German Central Bank due to its licence to provide banking and financial services. This requires, among other things, the submission of monthly interim reports and quarterly calculations of solvency, debt, liquidity and reports on large and million-pound loans. Separate notifications must also be submitted in the event of special circumstances. Due to its licence to conduct certain banking transactions, the company is required to maintain an internal audit function in accordance with the minimum requirements for risk management.

Certain information must be disclosed in accordance with Part 8 (Articles 435 to 455) of Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013, also known as the Capital Requirements Regulation or CRR. Tradegate AG complies with the disclosure requirements by publishing a separate disclosure report in the Federal Gazette and on its website at www.tradegate.ag.

The Berliner Effektengesellschaft AG financial holding group must comply with the CRR regulations at group level on consolidated monthly reporting and with the regulation on the submission of financial and risk-bearing capacity information in accordance with the German Banking Act. Tradegate AG is the parent company of the financial holding group in accordance with Section 10a (1) sentence 2 of the German Banking Act. The regulatory group basically comprises all companies that are also included in the consolidated financial statements under commercial law. Only the group companies attributable to other companies and the special funds are not to be included in the summary in accordance with the German Banking Act. Quirin Privatbank AG is included in the HGB consolidated financial statements at equity. For regulatory reporting purposes, it only represents an investment of Berliner Effektengesellschaft AG. Quirin Privatbank AG is an independently reportable institution. Tradegate Exchange GmbH, in which Tradegate AG holds a stake of just under 43 percent, is also included in the HGB consolidated financial statements at equity. For regulatory reporting purposes, it represents only an investment of Tradegate AG.

The CRR ratios at the institution level consistently met the minimum requirements without any problems. The total capital ratio under CRR ranged between 29.63 percent and 34.14 percent. For its business activities to date, the CRR is not the decisive factor for capital adequacy. The requirements of the securities markets carry greater weight here, resulting in a comfortable level of capital adequacy in relation to the risk-weighted assets to be covered. With regard to the lending business, part of the capital is reserved in accordance with the business plan. The institution uses the standardised approach for credit risk, the standardised approach for market risk positions and the basic indicator approach for operational risk in its institutional reporting. As at 31 December 2024, the risk positions and own funds are composed as follows:

Risk positions	Amount in '000€
Counterparty default risks	49,375
Market risk positions	171,267
Operational risk	311,617
Risk of a credit rating adjustment	12
Total	532,271

Designation	Amount in '000€
Paid-in capital	24,403
Capital reserves	6,024
Treasury shares	- 2,622
Retained earnings	74,920
Special provisions for general banking risks	80,613
Value adjustments	- 49
Intangible assets	- 17,624
Core capital	165,665

The Financial Holding Group's equity capital comprises the subscribed capital of Berliner Effektengesellschaft AG, its capital reserves and other reserves, insofar as these are not reduced in the course of equity consolidation. Own shares, asset differences from capital consolidation and intangible assets are deducted from this. Software and acquired assets are reported under intangible assets. The Group's own funds also include eligible own funds of Tradegate AG from minority shareholders. As at 31 December 2024, risk positions and own funds are composed as follows:

Risk positions	Amount in '000€
Counterparty default risks	70,784
Market risk positions	171,267
Operational risk	410,720
Risk of a credit rating adjustment	12
Total	652,783

Designation	Amount in '000€
Paid-in capital	13,059
Capital reserves	34,176
Treasury shares	- 3,497
Retained earnings	70,544
Special provisions for general banking risks	45,643
Shares held by third parties	21,520
Transitional provision for shares held by third parties	0
Goodwill	- 7,017
Intangible assets	- 17,750
Other adjustments	- 2,099
Hard core capital	154,579
Additional core capital	4,318
Core capital	158,897
Supplementary capital	5,772
Own funds	164,669

The report for the Berliner Effektengesellschaft AG financial holding group is prepared in accordance with CRR. The total capital ratio in accordance with CRR at group level ranged between 25.23 percent and 32.21 percent from January to December 2024.

3.1.3 Internal control / economic perspective

3.1.3.1 Risk coverage potential

The company's risk coverage potential consists of the balance sheet equity as of the last annual closing date and the fund for general banking risks. The planned distribution for the past financial year, the shares of Berliner Effektengesellschaft AG held by Tradegate AG and intangible assets from the acquisition of the private customer business segment are taken into account as deductions. €183,395,000 was available for 2024. This is the upper limit for the assumption of risks.

3.1.3.2 Risk strategy

As part of the risk strategy, the Management Board decides on the framework for the risks associated with the business that it is prepared to take. Controlling limits are assigned for individual significant risks and monitored on an ongoing basis. Depending on the risk, these limits are further subdivided according to internal criteria. In principle, the risk strategy always applies until a new one is adopted. The risk strategy is reviewed annually or in the event of special circumstances. The most recent risk strategy was adopted in March 2024 and discussed with the Supervisory Board.

As part of the risk strategy, limits totalling €94,517,000 were set for the following risks and increased to €96,386,000 during the course of the year:

- Counterparty risks Bundesbank and credit institutions
- Counterparty risks concentrations
- Counterparty risks
- Lombard loan risks
- Market price risks Share price risk
- Market price risks Exchange rate risk
- Operational risks

3.1.3.3 Counterparty risks

Counterparty risk is the risk that receivables will not be repaid on time, in full or at all. Tradegate AG has predominantly receivables from the Deutsche Bundesbank and credit institutions. The most important bank connections besides the Deutsche Bundesbank are Quirin Privatbank AG and the BNP Paribas S.A. Group. Due to its affiliation with the Group within the framework of the association, Quirin Privatbank AG is appropriately integrated into a monthly reporting system and there are personnel links – the Chairman of the Management Board is Chairman of the Supervisory Board of Quirin Privatbank AG – therefore, sufficient information on the economic situation is generally available in a timely manner. These counterparty risks are measured using an approach based on probabilities of default based on available ratings and supplementary own assessments. A limit of €13,947,000 was set for these risks and increased to €14,607,000 during the course of the year.

Concentration risks exist with regard to Deutsche Bundesbank, BNP Paribas S.A. and Quirin Privatbank AG. A limit of €13,196,000 has been set for these institutions. They are assessed on the basis of the change in default risk in the event of a change in credit rating.

The company has set a limit of €30,000,000 for the risks arising in the period between the conclusion of a transaction and its fulfilment through payment or delivery of the securities. This is based on the counterparty risk of the trading participant, which is measured as described above, and the possible price change of the security. As explained under market price risks, this is calculated using the value at risk based on the DAX over a settlement period of two days.

In the private and business customer segment, counterparty default risks generally arise from the granting of Lombard loans. As the loans are always fully secured by securities, these risks can be considered low. The risks are measured in accordance with the requirements of the CRR standardised approach, as their scope is currently insignificant and no defaults have been observed. Appropriate processes for monitoring limits and collateral values have been established. A limit of €1,101,000 has been set for these risks.

In addition to the above counterparty risks, there are receivables from the tax office and from other services, as well as in connection with the investment in Tradegate Exchange GmbH. These counterparty risks are not considered material and have not been separately limited.

3.1.3.4 Market price risks

Market price risks are understood to be negative deviations from expected market price developments. Market prices are interest rates, share prices and exchange rates. Changes in these prices result in changes in the value of financial instruments held in the portfolio, e.g. shares, bonds or bank balances in foreign currencies, which can lead to write-downs affecting net income. Since a major focus of the business activities is on trading and brokering securities transactions in shares of foreign companies, particularly US securities, there is also an indirect foreign currency risk. Changes in the exchange rate of the US dollar, for example, lead to corresponding changes in the share price in Euros in ideal markets. Limits have been set for share price risk and exchange rate risk as part of the risk strategy.

The limit for share price risk was set at €14,231,000. This controlling limit restricts the pending and potential losses from open positions. Pending losses are calculated based on the value of the open position and the current value using a reference price. This reference price is determined on an ongoing basis and entered into the monitoring system. Furthermore, potential losses are estimated at the end of the day using a statistical model. In 2024, there were very rare, short-term exceedances of the limits, which were mostly only slightly utilised, in the context of the reference price analysis. In almost all cases, the reason for the limit exceedances was an incorrect supply of reference prices to the monitoring system. When risk control is notified of a limit exceedance, the cause is determined and the controlling director is informed accordingly. The controlling director then consults with the relevant trading director on the measures to be taken and informs risk control of the outcome. In the event of realised losses exceeding certain thresholds, the relevant limit is automatically reduced. A subsequent comparison of the company‘s current results with the planned results will determine whether the limit adjustment should be retained or changed. There were no corresponding losses in 2024. In addition to considering the reference prices, a value at risk with a confidence level of 99.9 percent is determined for the daily closing price on the basis of the historical development of the DAX. This is compared with the assigned loss limit. In 2024, there was no adjustment to the controlling limits for the securities holdings of the trading division.

The limit for foreign exchange risk has been set at €4,142,000. This controlling limit restricts the potential losses from the company‘s open currency positions. Based on the historical development of the European Central Bank‘s reference prices for the Euro, a value at risk with a confidence level of 99.9 percent is determined for the daily closing price per currency. This is compared with the assigned loss limit. In 2024, there was no adjustment to the controlling limits for currency positions.

3.1.3.5 Operational risks

Operational risks are risks that result from inappropriate or faulty operational processes or are caused by employees, systems or external events, including legal risks.

As part of a risk inventory, the identified potential damage cases were reviewed, in particular with regard to their classification in terms of frequency and amount of damage. In addition, the company‘s risks were identified and assessed, and their materiality or immateriality was determined on the basis of appropriate criteria for the overall risk profile of the company. Adjustments were made where new empirical values were available. In order to obtain an overview of the damage incurred, employees were required to report damage cases exceeding a defined minor damage threshold to risk control. The damage incurred consisted primarily of increased workload and trading losses. These were taken into account appropriately and operational processes were adjusted. In the area of IT operations, a list of system changes, malfunctions and failures is maintained and regularly compared with the damage database. In the past year, there were no significant malfunctions that caused significant damage.

The management of operational risks is the responsibility of the respective department heads. They monitor work processes, intervene when necessary, or adjust them. For operational risks, a tiered procedure for measuring the limit was introduced as part of the risk strategy, and part of the risk coverage potential, initially amounting to €17,901,000, was reserved and adjusted to €19,109,000. The tiered procedure determines the loss limit on the basis of various measurement parameters that the company considers to be key drivers of operational risk.

3.1.3.6 Sustainability risks

Sustainability risks or ESG risks are understood to be events or conditions in the areas of environment, social affairs and corporate governance (ESG) whose occurrence could have an actual or potential negative impact on the net assets, financial position, earnings and reputation of Tradegate AG. Sustainability risks are drivers for the other risks mentioned and can affect their materiality. The company examines the extent to which sustainability risks influence the identified risks. There are two perspectives on sustainability risks. On the one hand, the risks have a direct impact on the company's values and can lead to impairments. On the other hand, the company itself contributes to sustainability risks, e.g. through its energy consumption. The perception of the public and customers regarding the company's handling of sustainability risks can in turn promote business risks, such as reputation risks or earnings risks.

Operational risks in particular will be affected by sustainability risks in the future. Expenses for adapting processes to climate change or unexpected increases in expenses, for example for electricity, are likely to play a role here. Market price risks are also influenced by sustainability risks. Climate change poses a risk that is more long-term in nature. Due to the company's activities and the associated short-term holding period for securities, its impact is limited.

3.1.3.7 Other risks

Other risks include liquidity risks and earnings risk.

Liquidity risk refers to the risk of not being able to meet payment obligations, not being able to meet them on time or in full, or not being able to sell assets at an expected price due to illiquid markets. Payment readiness is managed as part of planning incoming and outgoing payments for the following twelve months. The first quarter is reported on a monthly basis, and subsequent quarters on a quarterly basis. If certain limits are not met, reporting is carried out more frequently than the normal cycle. Last year, the limits set by the bank were not breached. Institutions must meet a liquidity coverage requirement (LCRDR) and ensure stable refinancing. As part of the liquidity coverage requirement, liquid assets must be held in an amount at least equal to the total value of the liquidity outflows defined in the Capital Requirements Regulation, less the liquidity inflows also defined therein under stress conditions. The ratio of liquid assets to net cash outflows ranged between 603 percent and 831 percent in the past financial year. The corresponding figure for the Group ranged between 662 percent and 947 percent. Stable refinancing ensures that long-term liabilities are adequately backed by stable refinancing. Due to the structure of the business and the available equity capital, long-term refinancing was guaranteed at all times during the financial year. Refinancing risks are not currently considered to be significant. Market liquidity risk is managed and monitored by selecting trading venues, taking the current market situation into account when concluding transactions and limiting open positions. In addition, the change in the number of transactions is considered as a measurement parameter.

The earnings risk refers to the possible negative deviation of the expected result from the original planning. This risk is considered through regular forecast calculations. The regular forecast calculations are carried out using normal expectations and particularly conservative assumptions.

3.1.4 Reporting

The full Management Board receives a daily risk report containing the realised results for the last trading day, the current month and the current year, as well as information on limit changes and special events, such as significant limit exceedances and unusual transactions in terms of counterparties, volumes or conditions. Information on the company's other significant risks is also included in the report. In particular, information on losses arising from operational risks, special events and measures taken is included in the report. This risk report supplements the monthly report on economic developments provided to the Management Board. In addition to the balance sheet and income statement, this report contains information on employee development, the development of securities transactions and a number of key figures. In addition, a summary report on all significant types of risk is prepared on a quarterly basis. In addition to limits, utilisation rates and any claims, this report also contains the results of stress tests and scenario analyses. These include analyses of earnings trends and regulatory key figures in the event of significant market movements or special events, such as a sharp economic downturn. No control measures based on the analyses had to be taken. The quarterly risk report is made available to the entire Management Board and the Supervisory Board. In order to increase the transparency of general administrative expenses, the Management Board and department heads are provided with evaluations of the costs allocated to their respective areas upon request. Questions are then clarified in discussions and measures are discussed if necessary. In addition to greater transparency, this is also intended to promote awareness among those responsible.

In 2024, slightly more than half of the risk coverage potential was allocated to the risks within the risk strategy. The agreed overall limit was adhered to during the financial year. No particular risks are apparent at the time of the annual financial statements.

3.2 Forecast and opportunities report

The previous year's management report contained the following key statements on developments for the 2024 financial year:

- It is not possible to provide a realistic overall forecast for the financial year, as the company is, as always, highly dependent on the capital market environment and, in particular, on the development of trading volumes and margins. These cannot be influenced or reliably predicted. In particular, the elections in Germany and Europe and the presidential election in the USA will have an impact on developments on the capital markets. Other factors include the course of the war in Ukraine and inflation and the associated interest rate developments. Overall, significantly more volatile stock markets are not unlikely, which, based on experience, would lead to a significant increase in sales by private investors.

- For the 2024 financial year, the company initially anticipates stable trading volumes at the level of the past 20 months and does not expect any further declines in revenue. Based on the trend in the fourth quarter of 2023 and the first two months of the current 2024 financial year, moderate sales growth is also not unlikely.

- General administrative expenses independent of trading activities, including personnel expenses, will continue to rise in line with the inflation rate, but this is expected to be offset by improved net inte rest income.

- Various investments, particularly those made in 2021 and 2022 for software developed by third-party providers, are now expected to be finally accepted in the second quarter of 2024 and then go into production. As a result, depreciation on capitalised intangible assets is expected to reduce operating profit by between €1,500,000 and €1,800,000 in the current year. On the other hand, there is the possibility of generating initial income from new business areas in the course of the year.

All significant estimates have been realised in the course of the financial year.

It is not possible to provide a realistic overall forecast for the 2025 financial year, as the company remains highly dependent on the capital market environment and, in particular, on the development of trading volumes and margins. These factors cannot be influenced or reliably predicted. In particular, transatlantic relations between the US and Europe, the elections in Germany and efforts to bring about a provisional end to the war in Ukraine, as well as inflation and the associated interest rate developments, will have an impact on developments on the capital markets.

For the 2025 financial year, the company initially anticipates a further increase in trading volume and does not expect any decline in revenue. In the first six weeks of the new financial year, revenue increased by up to 50 percent compared with the previous year. However, compared with the strong revenue performance in the last three months of the previous year, the increase was only 10 percent.

General administrative expenses, including personnel expenses, which are independent of trading activities, will continue to rise in line with the inflation rate. Net interest income will decline in line with the likely further decline in interest rates, but this may be partially offset by the investment of increasing customer deposits.

In 2025, significant investments will once again be made in existing and new business areas to ensure the company's future viability. It is expected that the income from these investments will not cover the ongoing operating costs for these business areas until 2026.

Overall, the company is initially aiming for a business result in 2025 that is on a par with the previous year, but will make all necessary investments even if sales decline, as these will open up new earnings potential for the company in the medium and long term.

4. Information pursuant to § 160 AktG
Regarding the disclosures required under § 160 (1) no. 2 AktG, please refer to the Notes.

5. Declaration pursuant to § 312 AktG
In accordance with § 312 AktG, the Management Board of Tradegate AG has submitted a report on relations with affiliated companies for the 2024 financial year. The concluding statement of this report reads:

“Beyond the legal transactions and measures listed above, no further legal transactions were carried out during the reporting period, nor are any measures known that would require reporting.

The Management Board of Tradegate AG, Berlin, declares pursuant to § 312 AktG that for each legal transaction with the controlling company and its affiliated companies, the company received adequate consideration. The assessment was based on the circumstances prevailing at the time the transaction was concluded.”

Berlin, 5 March 2025

Tradegate AG

Thorsten Commichau · Karsten Haesen · Jörg Hartmann · Klaus-Gerd Kleversaat · Kerstin Timm · Holger Timm

Auditors´ Report

In the German version of the annual report the auditors‘ report is printed here. This report confirms the unreserved validation by the

VISUS GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft (accounting firm), Berlin,

of the annual financial statements of Tradegate AG.

Supervisory Board Report

Dear shareholders,

in the 2024 financial year, the Supervisory Board duly performed the duties incumbent upon it by law and under the Articles of Association. It supported the Management Board in managing the company, provided advice, and monitored the conduct of business. Beyond the meetings, the Chairman of the Supervisory Board remained in regular contact with the Management Board. All matters requiring the Supervisory Board's approval were presented, thoroughly reviewed, and duly approved.

The Supervisory Board consists of six members and has formed from its ranks two committees, each comprising four members: the Audit Committee and the Risk Committee.

Work of the Supervisory Board and its committees / meetings
In the reporting year, four ordinary Supervisory Board meetings were held, in March, June, September, and December. Members of the Management Board also attended all meetings.

At its meetings, the Supervisory Board addressed revenue and earnings developments, current risk positions, as well as the organisational and strategic development of the company, including consideration of market share. The deliberations focused on the launch of the brokerage app tradegate.direct and the establishment of the associated business unit, as well as the rapidly changing competitive environment in retail brokerage and its impact on the company's trading venues and business performance. In addition, the Supervisory Board discussed requirements arising from new regulatory developments and the remuneration structure.

The Audit Committee met once in March and once in September, with members of the Management Board also attending. Its main areas of focus in 2024 were the audit of the 2023 annual financial statements, coordination of the audit plan for the financial statements as at 31 December 2024, and advisory support in developing sustainability reporting.

The Risk Committee met in December 2024, with members of the Management Board present. Discussions centred on the implementation status of the EU Digital Operational Resilience Act (DORA) and on identifying, assessing, and managing the cyber and IT risks to which the company is exposed.

Monitoring of the Management Board
According to the Supervisory Board's knowledge, the Management Board continues to take appropriate measures to identify, at an early stage, any developments that could endanger the company's continued existence (§ 91 (2) AktG). To this end, it maintains an effective electronic monitoring system.

The company has an effective controlling system in place and prepares meaningful monthly reports.

Risk monitoring has been further improved. The Management Board regularly informed the Supervisory Board of the results of internal audit reviews. In every meeting, the Supervisory Board received the quarterly internal audit report in accordance with § 25c KWG. No particular risks or objections arose. In the Supervisory Board's opinion, the existing risk monitoring system meets statutory requirements and is suitable for enabling timely oversight of the company.

At the meeting on 6 December 2024, the annual report of the Compliance Officer was discussed. No objections were raised.

Audits
VISUS GmbH, Wirtschaftsprüfungsgesellschaft, Berlin, carried out the audit pursuant to § 89 (1) of the German Securities Trading Act (WpHG) for the reporting year. The audit report was submitted to the members of the Supervisory Board.

In addition, the Management Board prepared, in accordance with § 312 AktG, a report on relationships with affiliated companies and submitted this together with the auditor's report to the Supervisory Board. The

auditor examined the report and issued the following unqualified opinion:

"The report on relationships with affiliated companies (dependency report) to be prepared pursuant to § 312 AktG was presented to us by the Management Board. We examined this report pursuant to § 313 (1) AktG. We issued a separate written report on the results of this examination.

As there were no objections to the report by the Management Board, we issued the following unqualified opinion on 5 March 2025 pursuant to § 313 (3) AktG:

Based on our due audit and assessment, we confirm that

1. *the factual statements contained in the report are correct, and*
2. *with respect to the legal transactions listed in the report, the company's performance was not unreasonably high, nor were disadvantages compensated for."*

The Supervisory Board raises no objections to this report following its own review and concurs with the auditors' findings.

The annual financial statements for the 2024 financial year, including the accounting records and the Management Report, were audited by VISUS GmbH, Wirtschaftsprüfungsgesellschaft, Berlin, which issued an unqualified audit opinion.

The audit report was made available to the members of the Supervisory Board in due time and was discussed in detail with the responsible auditors at the balance sheet meeting on 28 March 2025. The Supervisory Board examined the annual financial statements and the Management Report prepared by the Management Board. Following its own review, the Supervisory Board concurs with the auditors' findings and approves the annual financial statements, which are thereby adopted.

Appropriation of Profits

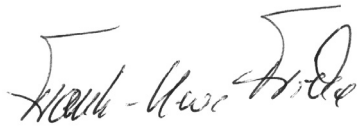
The Supervisory Board concurs with the Management Board's proposal to use the net retained profit of €99,485,882.40 as at 31 December 2024 to pay a dividend of €1.20 per outstanding share and to carry forward the remaining balance after distribution of the dividend.

Personnel Matters

The Supervisory Board member Dr. Sven Deglow, elected at the Annual General Meeting on 16 June 2023, resigned from his mandate at the end of March 2024. To restore the number of Supervisory Board members required by the Articles of Association, the Annual General Meeting on 14 June 2024 elected Mr. Stefan Gröning as a new member of the Supervisory Board. Mr. Gröning is also a member of the Risk Committee.

The Supervisory Board thanks the members of the Management Board and all employees of the Group for their dedication and constructive cooperation during the 2024 financial year.

Berlin, 28 March 2025



Frank-Uwe Fricke
Chairman of the Supervisory Board

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Impressum
Idea/text: Catherine Hughes
Production: hlm.berlin
Date of publication: May 2025