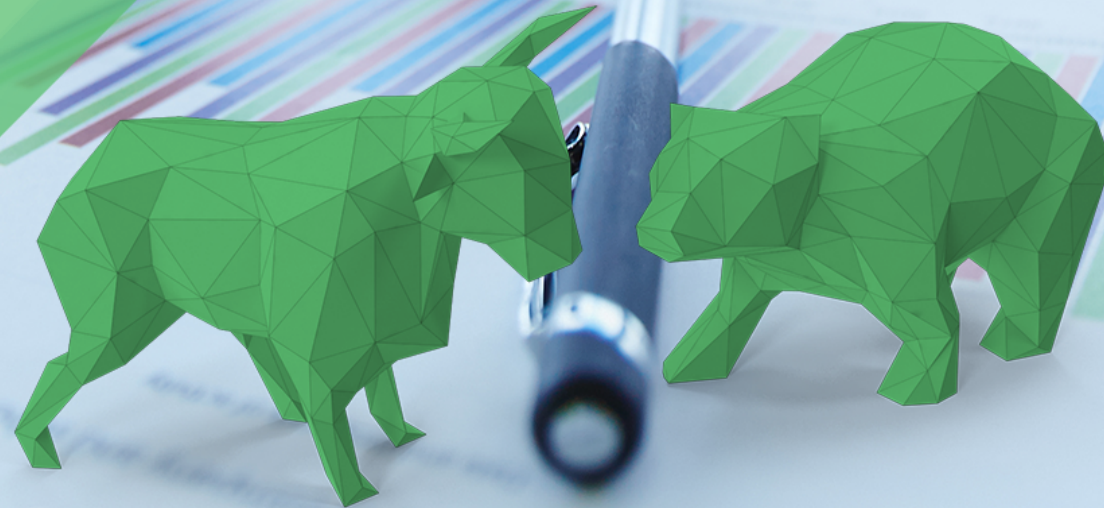




# Q3 2021 results presentation

9 November 2021





# RESULTS

## Q3.2021

## Agenda

01 Financial Data

02 Operational Data

03 Market Environment

04 Appendix



# Financial Data

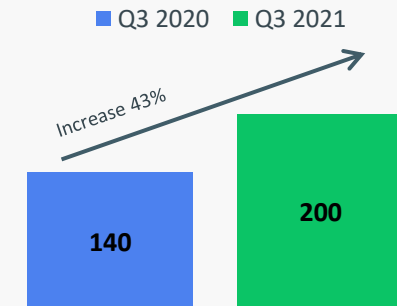


# Financial data

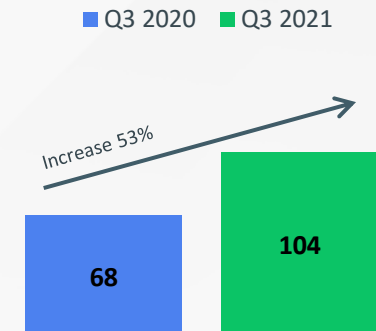
## Financial consolidated highlights

in PLN'000	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020	Change
Result of operations on financial instrument	198 731	138 648	437 904	654 046	(216 142)
Other income	1 298	982	4 124	3 742	382
<b>Total operating income</b>	<b>200 029</b>	<b>139 630</b>	<b>442 028</b>	<b>657 788</b>	<b>(215 760)</b>
Salaries and employee benefits	(36 613)	(25 385)	(95 858)	(91 071)	4 787
Marketing	(24 772)	(17 870)	(82 900)	(56 870)	26 030
Other external services	(8 762)	(7 045)	(27 134)	(20 277)	6 857
Commission expenses	(8 620)	(5 480)	(26 411)	(16 004)	10 407
Other costs	(6 004)	(4 358)	(15 754)	(14 166)	1 588
<b>Total operating expenses</b>	<b>(84 771)</b>	<b>(60 138)</b>	<b>(248 057)</b>	<b>(198 388)</b>	<b>49 669</b>
<b>Operating profit (EBIT)</b>	<b>115 258</b>	<b>79 492</b>	<b>193 971</b>	<b>459 400</b>	<b>(265 429)</b>
Finance income	13 064	754	13 724	3 819	9 905
Finance costs	(134)	(839)	(1 484)	(21 596)	(20 112)
<b>Profit before tax</b>	<b>128 188</b>	<b>79 407</b>	<b>206 211</b>	<b>441 623</b>	<b>(235 412)</b>
Income tax	(23 883)	(11 010)	(36 900)	(79 767)	(42 867)
<b>Net profit</b>	<b>104 305</b>	<b>68 397</b>	<b>169 311</b>	<b>361 856</b>	<b>(192 545)</b>

Total operating income (in MM PLN)



Net profit (in MM PLN)





# Financial data continued

## Quarterly consolidated financial and operational data

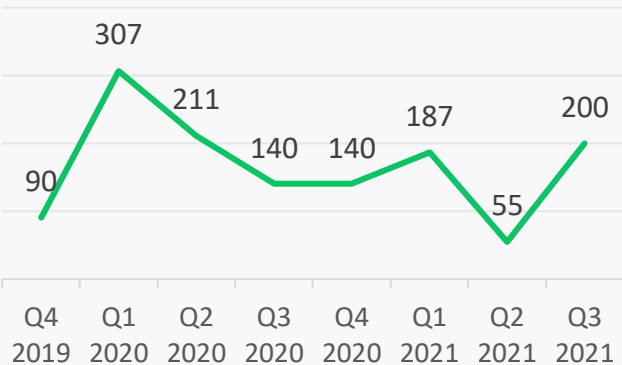
	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
Total operating income (in PLN'000)	200 029	55 302	186 697	139 962	139 630	211 494	306 664	89 571
Transaction volume in CFD instrument in lots <sup>1</sup>	1 044 329	871 300	1 115 389	800 935	760 373	829 017	784 840	394 146
Profitability per lot (in PLN) <sup>2</sup>	192	63	167	175	184	255	391	227
Transaction volume in CFD instruments in nominal value (in USD'000000)	502 650	366 257	386 347	292 000	275 144	206 037	248 655	132 376
Profitability for 1 million USD transaction volume in CFD instruments in nominal value (in USD) <sup>3</sup>	102	40	127	126	135	253	309	176

<sup>1</sup>) A lot is a unit of trading in financial instruments; in the case of foreign currency transactions, a lot corresponds to 100,000 units of the underlying currency; in the case of instruments other than CFDs based on currencies, the amount is specified in the instruments table and varies for various instruments. Presented value does not include CFD turnover on shares and ETFs, where 1 lot equals 1 share.

<sup>2</sup>) Total operating income divided by the transaction volume in CFDs in lots.

<sup>3</sup>) Total operating income converted into USD by the arithmetic average of exchange rates published by the National Bank of Poland on the last day of each month of the reporting period, divided by turnover of CFD in nominal value (in USD'000000).

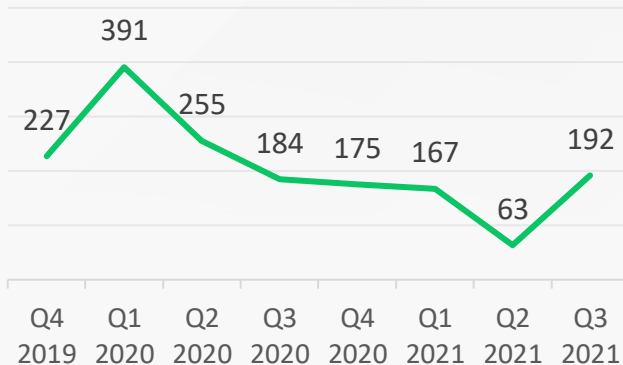
Total operating income  
(in MM PLN)



Transaction volume in CFD instrument in lots  
(in thousands)



Profitability per lot  
(in PLN)



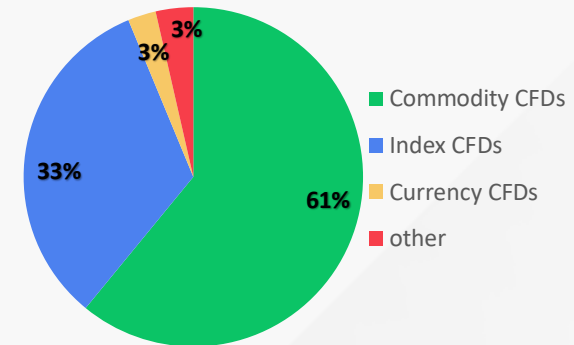


# Financial data continued

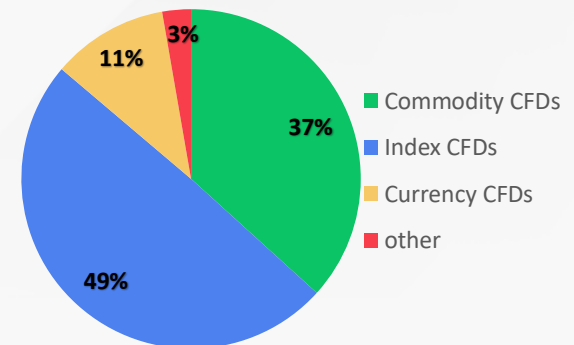
## Results of operations on financial instruments by classes

in PLN'000	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020	Change
Commodity CFDs	118 572	32 266	267 824	242 309	25 515
Index CFDs	45 783	73 164	147 405	325 982	(178 577)
Currency CFDs	31 986	28 307	12 653	73 050	(60 397)
Stock CFDs and ETFs	8 167	4 112	23 384	8 512	14 872
Bond CFDs	60	54	137	192	(55)
<b>Total CFDs</b>	<b>204 568</b>	<b>137 903</b>	<b>451 403</b>	<b>650 045</b>	<b>(198 642)</b>
Shares and ETFs	(796)	2 878	(2 263)	8 876	(11 139)
<b>Gross gain on transactions in financial instruments</b>	<b>203 772</b>	<b>140 781</b>	<b>449 140</b>	<b>658 921</b>	<b>(209 781)</b>
Bonuses and discounts paid to clients	(467)	(627)	(1 569)	(1 086)	483
Commission paid to cooperating brokers	(4 574)	(1 506)	(9 667)	(3 789)	5 878
<b>Net gain on transactions in financial instruments</b>	<b>198 731</b>	<b>138 648</b>	<b>437 904</b>	<b>654 046</b>	<b>(216 142)</b>

Revenue by class of instrument Q1-Q3 2021



Revenue by class of instrument Q1-Q3 2020





# Financial data continued

## Revenue by geographical area and segments

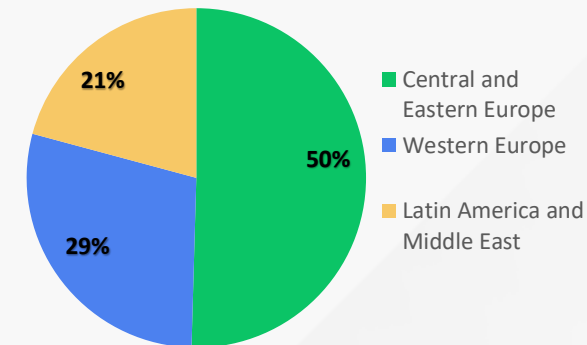
in PLN'000	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020	Change
Central and Eastern Europe	106 567	59 450	222 907	316 574	(93 667)
- including Poland	64 413	48 180	131 917	225 110	(93 193)
Western Europe	50 512	54 550	126 674	270 082	(143 408)
Latin America	42 460	25 630	91 987	71 132	20 855
Middle East	460	-	460	-	460
<b>Total operating income</b>	<b>200 029</b>	<b>139 630</b>	<b>442 028</b>	<b>657 788</b>	<b>(215 760)</b>

Diversification of revenues in geographical terms:

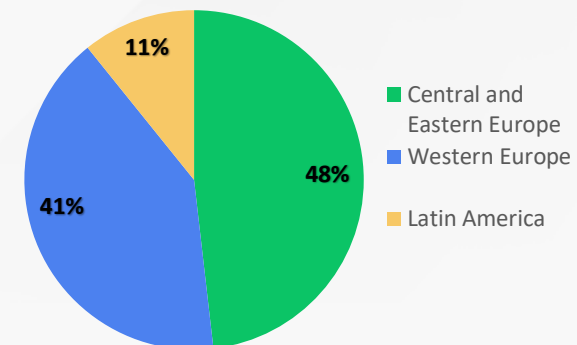
- o Poland: 32,1% (III kwartał 2020 r.: 34,5%).
- o The share of other countries does not exceed 15%.

in PLN'000	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020	Change
Retail segment	206 572	129 083	434 647	557 640	(122 993)
Institutional segment (X Open Hub)	(6 543)	10 547	7 381	100 148	(92 767)
<b>Total operating income</b>	<b>200 029</b>	<b>139 630</b>	<b>442 028</b>	<b>657 788</b>	<b>(215 760)</b>

Revenue by geographical area in Q1-Q3 2021



Revenue by geographical area in Q1-Q3 2020

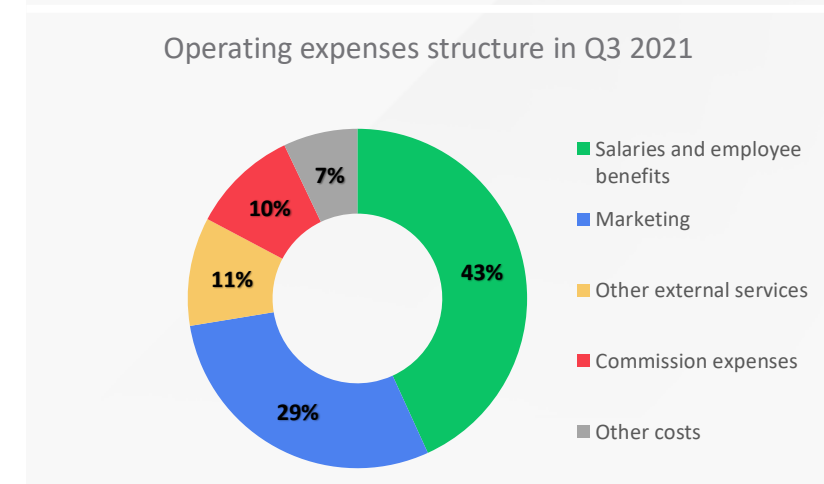
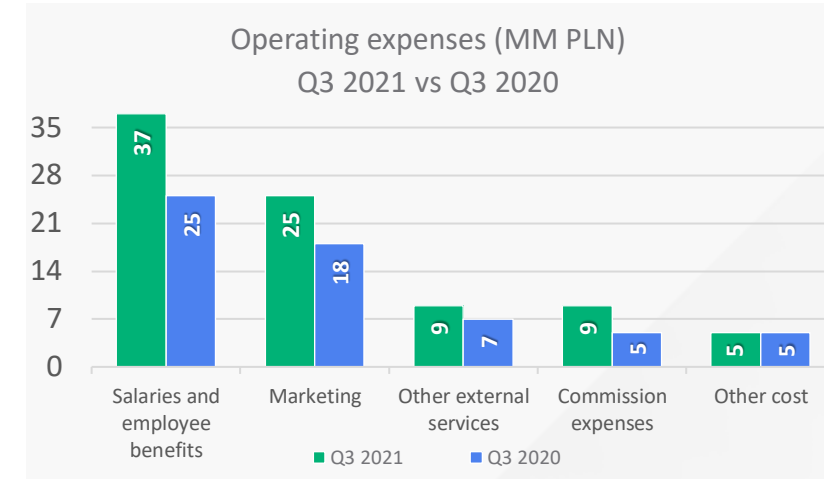




# Financial data continued

## Operating expenses by type

in PLN'000	Q3 2021	Q3 2020	Q1-Q3 2021	Q1-Q3 2020	Change
Salaries and employee benefits	36 613	25 385	95 858	91 071	4 787
Marketing	24 772	17 870	82 900	56 870	26 030
Other external services	8 762	7 045	27 134	20 277	6 857
Commission expenses	8 620	5 480	26 411	16 004	10 407
Amortisation and depreciation	2 284	1 832	6 597	5 647	950
Taxes and fees	1 595	1 026	4 058	2 418	1 640
Costs of maintenance and lease of buildings	1 081	1 043	2 970	2 944	26
Other costs	1 044	457	2 129	3 157	(1 028)
<b>Total operating expenses</b>	<b>84 771</b>	<b>60 138</b>	<b>248 057</b>	<b>198 388</b>	<b>49 669</b>



## Operating expenses structure in Q3 2021

The operating costs in the third quarter of 2021 amounted to PLN 84,8 million and were PLN 24,7 million higher compared to the comparable period (III quarter 2020: PLN 60,1 million). The most important y/y changes occurred in:

- costs of salaries and employee benefits, an increase by PLN 11,2 million, mainly related to new employment;
- marketing costs, an increase by PLN 6,9 million resulting mainly from higher expenditure on online marketing campaigns;
- commission costs, an increase of PLN 3,1 million resulting from higher amounts paid to payment service providers through which clients deposit their funds in transaction accounts;
- other external services, an increase by PLN 1,7 million as a result of mainly higher expenditure on: (i) IT systems and licenses (increase by PLN 1,2 million y/y); (ii) internet and telecommunications (increase by PLN 0,3 million y/y).



# Financial data continued

## Own cash

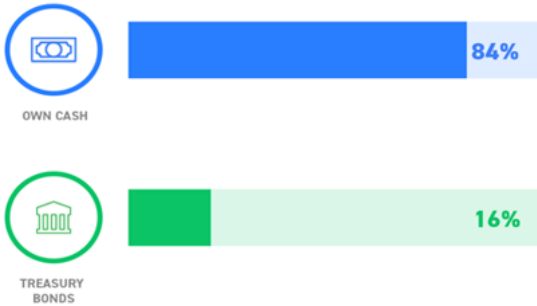
In an environment of low interest rates, which discourages the maintenance of high deposits in banks, XTB started to locate part of its cash in financial instruments with a risk weight of 0% (treasury bonds and bonds guaranteed by the State Treasury).

in PLN'000	30.09.2021	31.12.2020	Change
Own cash	754 553	542 205	212 348
Treasury bonds	144 357	398 616	(254 259)
<b>Own cash + treasury bonds</b>	<b>898 910</b>	<b>940 821</b>	<b>(41 911)</b>

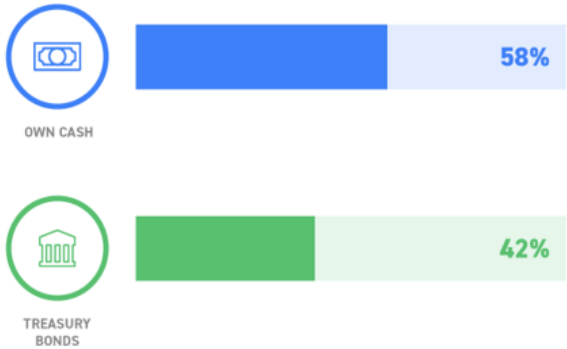


### OWN CASH AS AT

30.09.2021



31.12.2020





## Financial data continued

Geographic expansion

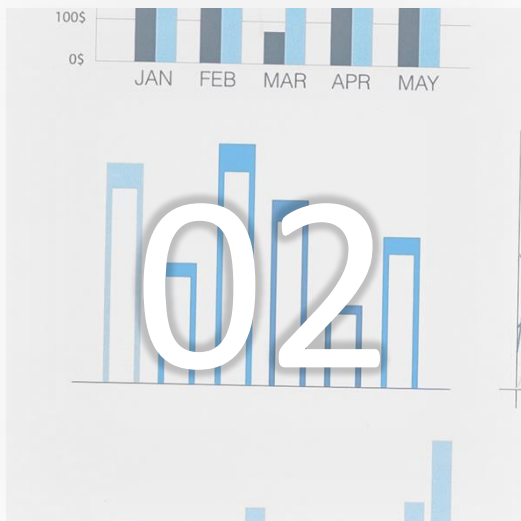


**XTB WITH  
A REGIONAL OFFICE  
IN DUBAI**



**XTB OBTAINS  
LICENSE IN  
THE REPUBLIC OF  
SOUTH AFRICA**





# Operational Data



# Operational data

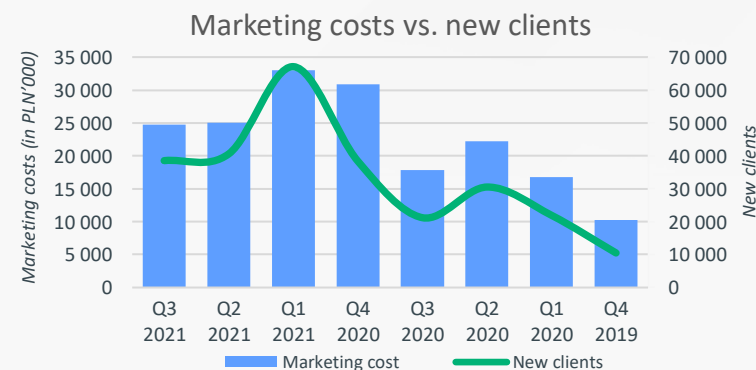
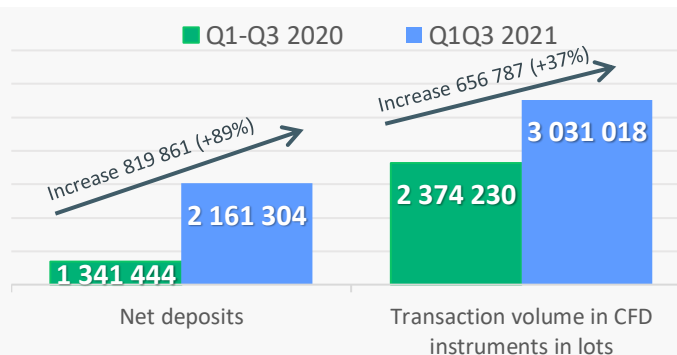
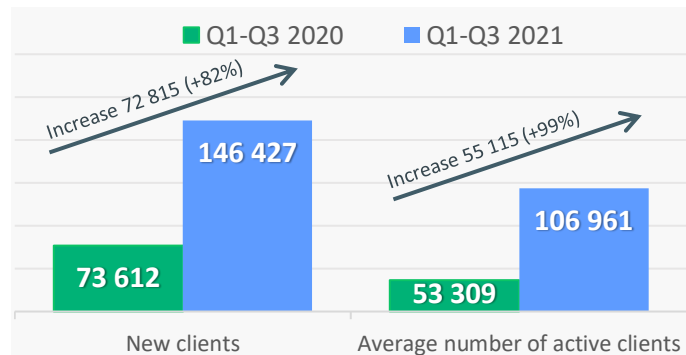
## KPIs and marketing costs vs. new clients

in PLN'000	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
New clients	38 573	40 623	67 231	38 413	21 178	30 523	21 911	10 424
Average number of active clients <sup>1</sup>	106 961	105 005	103 446	58 069	53 309	52 084	45 660	26 582
Clients in total	388 973	352 946	316 658	255 791	219 024	199 365	170 290	149 304
Net deposits (in PLN'000)	559 334	650 675	951 295	619 798	296 259	590 825	454 360	119 278
Average operating income per active client (in PLN'000) <sup>2</sup>	4,1	2,3	1,8	13,7	12,3	9,9	6,7	9,0
Transaction volume in CFD instruments in lots	1 044 329	871 300	1 115 389	800 935	760 373	829 017	784 840	394 146

1) Average operating income for the active clients respectively for 9, 6 and 3 months of 2021 and 12, 9, 6 and 3 months of 2020 and 12 months of 2019.

2) Average operating income for the active clients respectively for 9, 6 and 3 months of 2021 and 12, 9, 6 and 3 months of 2020 and 12 months of 2019.

in PLN'000	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019
<b>Total operating expenses, including (in PLN'000):</b>	<b>84 771</b>	<b>76 384</b>	<b>86 902</b>	<b>83 616</b>	<b>60 138</b>	<b>65 721</b>	<b>72 529</b>	<b>47 324</b>
- Marketing	24 772	25 078	33 050	30 861	17 870	22 260	16 740	10 222
New clients	38 573	40 623	67 231	38 413	21 178	30 523	21 911	10 424



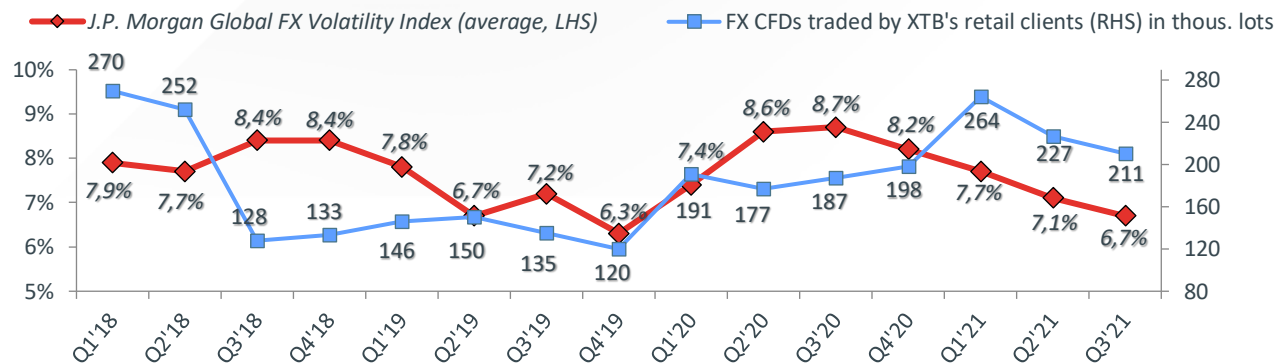


# Market Environment

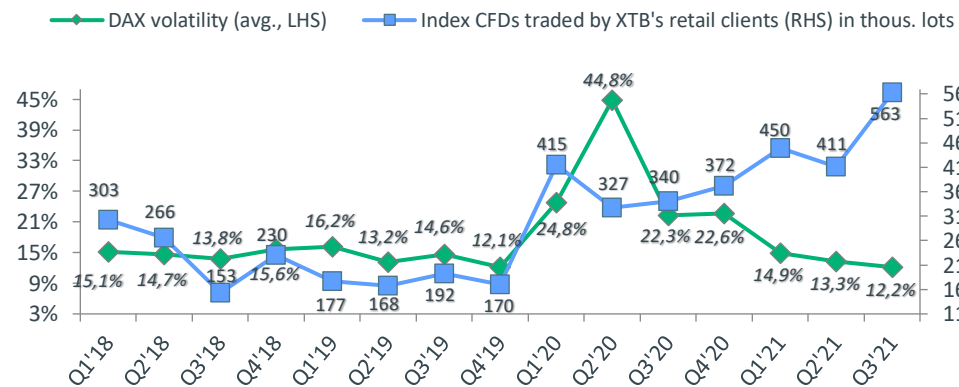


# Market environment

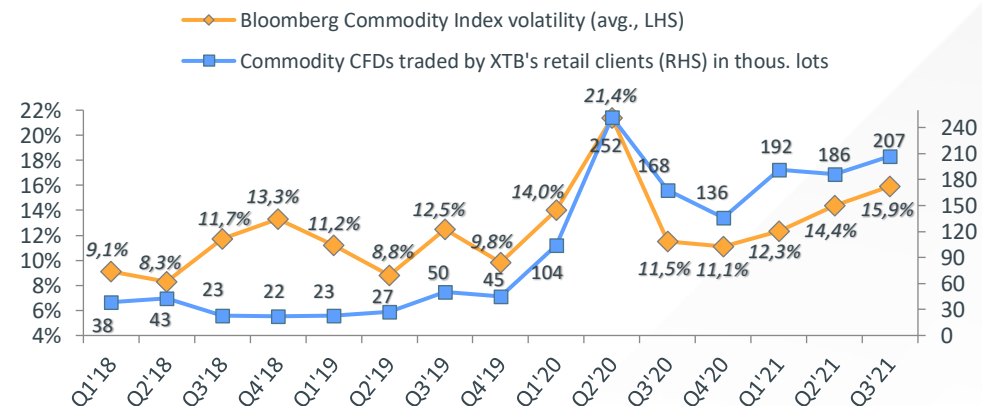
## FX volatility on the market



## Volatility of equity market<sup>1</sup>

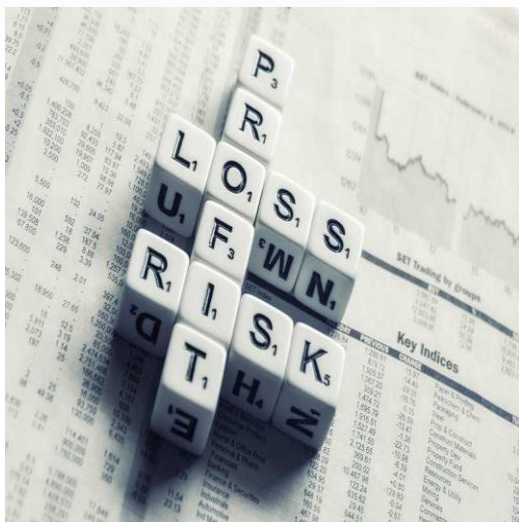


## Volatility of commodity market<sup>1</sup>



Source: Bloomberg, XTB

<sup>1</sup> Volatility of German blue chip index DAX 30 and Bloomberg Commodity Index is calculated as an annualized historical daily volatility based on 30-days period standard deviation.



# Appendix



# Appendix

## Consolidated statement of financial position

in PLN'000	June 30, 2021	December 31, 2020
Own cash	2 355 705	1 575 807
Financial assets at fair value through P&L	570 021	663 133
Financial assets at amortised cost	21 303	13 310
Intangible assets	638	639
Property, plant and equipment	13 121	13 260
Deferred income tax assets	9 130	9 387
Other assets	9 499	7 990
<b>Total assets</b>	<b>2 979 417</b>	<b>2 283 526</b>
Amounts due to clients	1 903 659	1 203 243
Financial liabilities held for trading	123 595	96 632
Liabilities due to lease	8 110	8 654
Deferred income tax provision	44 173	23 257
Other liabilities	52 646	63 435
<b>Total liabilities</b>	<b>2 132 183</b>	<b>1 395 221</b>
<b>Equity attributable to the owners of the Parent Company</b>	<b>847 234</b>	<b>888 305</b>
<b>Total equity and liabilities</b>	<b>2 979 417</b>	<b>2 283 526</b>



# Appendix continued

## Consolidated cash flow statement

w tys. PLN	Q1-Q3 2021	Q1-Q3 2020
Profit before tax	206 211	441 623
Amortization and depreciation	6 597	5 647
Foreign exchange (gains) losses from translation of own cash	(13 566)	(5 639)
Change in balance of financial assets at fair value through P&L and financial liabilities held for trading	(134 183)	(49 990)
Change in balance of restricted cash	(567 550)	(333 207)
Change in balance of amounts due to clients	700 416	390 175
Other adjustments and changes	(25 608)	34 560
<b>Cash from operating activities</b>	<b>172 317</b>	<b>483 169</b>
Income paid tax and interests	(9 212)	(75 399)
<b>Net cash from operating activities</b>	<b>163 105</b>	<b>407 770</b>
Expenses less proceeds from the sale of property, plant and equipment and intangible assets	(2 911)	(2 548)
Expenses less proceeds from bonds and interest received on bonds	253 120	(183 476)
<b>Net cash from investing activities</b>	<b>250 209</b>	<b>(186 024)</b>
Payments of liabilities and interest under lease	(4 415)	(3 540)
Dividend paid to owners	(210 117)	(28 172)
<b>Net cash from financing activities</b>	<b>(214 532)</b>	<b>(31 712)</b>
<b>Increase (Decrease) in net cash and cash equivalents</b>	<b>198 782</b>	<b>190 033</b>



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RESULTS  
Q3.2021



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attention**