

CORPORATE NEWS

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JDC grows 12 percent in first nine months of 2022 despite inflation-driven spending restraint

- **Revenues increase by 12 percent to EUR 115.8 million in the first nine months of 2022; despite the environment, revenues in the third quarter are slightly above the previous year's level. Advisortech business remains strong.**

- **EBITDA increases by around 16 percent to EUR 6.2 million in the first nine months of 2022; EBITDA in the third quarter decreases slightly to EUR 0.8 million.**

- **Short-term guidance for 2022 is adjusted, medium-term targets are confirmed**

- **JDC extends contract with largest customer Albatros Insurance Services for another five years**

JDC Group AG (ISIN DE000A0B9N37) continues to show a significant increase in revenues and EBITDA with the figures for the first nine months of 2022 published today. However, revenues in the third quarter were only slightly above the previous year's level due to the insecurity of consumers to spend as a result of inflation, the energy crisis and the Ukraine war. The historically poor consumer mood in Germany and Austria was particularly noticeable in the Advisory segment, whereas the Advisortech unit continued to show good growth rates even in the difficult environment.

Revenue increased by 12 percent to EUR 115.8 million in the first nine months of 2022 (9M 2021: EUR 103.1 million). In the third quarter, sales increased by 1 percent to EUR 34.8 million.

Revenues of the Advisortech segment increased by 16 percent to EUR 98.0 million in the first nine months of 2022 and thus - despite the difficult market environment - also by around 9 percent to EUR 30.5 million in the third quarter.

The Advisory segment increased its revenues by around 1 percent to EUR 26.5 million in the first nine months of 2022. However, revenues fell by 6 percent to EUR 8.3 million in the third quarter of 2022.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased by around 16 percent to EUR 6.2 million in the first nine months of 2022 (9M 2021: EUR 5.3 million). In the third quarter, EBITDA fell to EUR 0.8 million (Q3 2021: EUR 1.0 million).

Earnings before interest and taxes (EBIT) for the first nine months of 2022 improved by 13 percent

to EUR 1.7 million (9M 2021: EUR 1.5 million). Consolidated net income in the first nine months improved to EUR 0.5 million, compared to EUR 0.2 million in the same period of the previous year.

Operationally, the Group continues to develop positively: the joint venture established with Bain Capital Insurance and Great West LifeCo, which now operates under the name "Summitas Group", has meanwhile got off to a successful start and was able to engage the former head of brokerage at Allianz, Mr. Michael Schliephake, as CEO and to win the former CEO of Zurich Group Germany, Mr. Markus Nagel, as Chairman of the Advisory Board. In a consolidation model for the German broker market, several hundred million euros are to be invested and one of the largest commercial brokers in Germany is to be created, which will conduct its business via the JDC platform. In the medium term, the JDC Group expects this to generate revenue growth in the mid double-digit million range and a correspondingly significant contribution to profits.

Furthermore, JDC Group AG was able to report in the third quarter that the Ecclesia Group, the largest German insurance broker for companies and institutions, is beginning to process its private customer business via the JDC platform and that the Gothaer Insurance Group is using the JDC platform at its nearly 1,000 insurance agencies.

The successful extension of the cooperation agreement with JDC's largest customer, Albatros Versicherungsdienste GmbH, a member of the Lufthansa Group, for a further 5 years is also particularly noteworthy. JDC has prevailed against all competitors in a new tender and can expect a total commission turnover of between EUR 75 and 100 million in the next 5 years.

In addition, JDC Group also successfully continued its share buyback program in the third quarter.

"The development of the first 9 months and especially the third quarter of 2022 show the great stability of JDC's business model. With the high share of recurring revenues, which have developed positively even in the current challenging market environment, we are able to compensate for the current purchasing restraint of end customers in the Advisory segment, even if we adjust our forecast for the full year 2022 due to further uncertainties in the market environment." commented Ralph Konrad, CFO/COO of JDC Group on the nine-month figures and added: "also during the COVID Lockdowns we had a temporary decline in new business activity in the Advisory segment, which subsequently led to catch-up effects and thus to a particularly good production."

"Due to the continued positive development of our operating business, we see no reason to deviate from our medium-term targets: While we are currently only feeling the effects of costs in the banking business, business with savings banks and Volksbanks will make a noticeable contribution to sales and earnings development for the first time from 2023 onwards. Further growth will come from the newly established Summitas Group and the cooperations with Ecclesia and Gothaer. However, due to the current uncertainty in the investment and insurance markets relevant for us,

we cannot assume such a strong year-end business as last year and have therefore adjusted our growth forecast for the full year 2022," explains Dr. Sebastian Grabmaier, CEO of JDC Group AG.

The key figures for the third quarter and the first nine months are as follows:

At a glance

	Q3 - 2022	Q3- 2021	Change y-o-y in %	YTD - 09 2022	YTD - 09 2021	Change y-o-y in %
	kEUR	kEUR		kEUR	kEUR	
Revenues	34,835	34,440	1.1%	115,828	103,051	12.4%
- thereof Advisortech	30,518	27,881	9.5%	97,977	84,329	16.2%
- thereof Advisory	8,326	8,885	-6.3%	26,467	26,176	1.1%
- thereof Holding/Cons.	-4,009	-2,325	-72.4%	-8,616	-7,454	-15.6%
EBITDA	814	1,006	-19.1%	6,206	5,349	16.0%
EBIT	-656	-371	-77.0%	1,743	1,543	13.0%
EBT	-1,088	-747	-45.6%	566	425	33.0%
Net profit	-1,127	-790	-42.6%	456	188	>100%

Due to the current insecurity of consumers in Germany and Austria in connection with the Ukraine war, inflation and the energy crisis, it is currently not clear how strong the year-end business typical for the sale of financial products will actually be in 2022. Therefore, with further increasing recurring revenues, the JDC Management Board expects reduced new business, especially in the Advisory segment. At the same time, the Company is already prepared for the dynamic growth expected in the medium term and the cost base is increased accordingly. Therefore, the Executive Board adjusts the guidance for the Group for fiscal year 2022 as follows:

We now expect revenues of EUR 155 to 165 million for the full year 2022 (instead of previously EUR 165 to 175 million) and EBITDA of between EUR 7.5 and 9.5 million (instead of previously more than EUR 11 million). At the same time, we confirm our medium-term forecast and continue to plan revenues of at least EUR 250 million and EBITDA of more than EUR 20 million in 2025.

The letter to shareholders for Q3 2022 and further information on JDC Group AG can be found at www.jdcgroup.de.

Interested investors can register and participate in JDC Group's earnings call today at 2:00 p.m. at the following link: [Montega CONNECT: JDC Group Aktiengesellschaft - Earnings Call Q3 2022](#)

About JDC Group AG

JDC Group AG (ISIN: DE000A0B9N37) offers a digital platform for insurance, investment funds and all other financial products and services under the brands Jung, DMS & Cie., allesmeins and Geld.de. By offering and processing all product providers of the financial market with a complete product range and complete data and document supply, it creates the perfect workplace for financial intermediaries of all kinds (brokers, representatives, affiliated intermediaries, banks, exclusivity organizations, FinTechs) and the first real financial home for financial services customers via its vision systems and interfaces. Via smartphone app, tablet or PC, customers and intermediaries receive a complete overview of the individual insurance and fund portfolio, simple closing routes and transfer options and also a complete market comparison, so that customers and advisors can easily optimize their insurance portfolio and commissions in an ideal performance-cost ratio. More than 300 well-trained consultants under the FINUM brand complement the platform offering for demanding and upscale private customers. With more than 16,000 connected platform users, around 1.5 million customers, annual sales of around two billion euros, a fund portfolio of over five billion euros and annual insurance premiums of 850 million euros, we are one of the market leaders in the German-speaking world. JDC is committed to sustainability and is committed to ESG criteria: As a digitization service provider, JDC helps to save many tons of paper and make everyday life easier for financial intermediaries and customers.

Disclaimer:

The Members of the Management Board of JDC Group AG, Dr. Sebastian Grabmaier and Ralph Konrad, are holding a stake in JDC Group AG and have an own interest in the nature and content of the information provided in this announcement.