

Letter to shareholders

1. Quarter of 2022



BEST ADVICE. BETTER TECHNOLOGY.



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Management Board letter to shareholders

DEAR SHAREHOLDERS, DEAR BUSINESS PARTNERS,

JDC Group AG achieved a further boost to growth and profits in the first quarter of 2022, confirming the Management Board's positive growth forecast.

In the first three months of 2022, consolidated revenues increased by 20.2 percent year on year to EUR 43.2 million. Both segments – Advisortech and Advisory – contributed to the growth in revenues.

In addition, further important cooperations were concluded and the platform was further developed.

Important steps during the first quarter of 2022

JDC achieved further milestones in the first quarter of 2022:

[JDC concludes 5-year contract with subsidiary of R+V Versicherung on pilotage of a bancassurance platform for cooperative banks and rural credit unions](#)

Jung, DMS & Cie. Pro GmbH, a JDC Group AG company, signed the contract with the subsidiary of the R+V insurance group, based in the German city of Wiesbaden. R+V, the second-largest insurance group in Germany, will use the JDC insurance platform as a white-label service along with the customer administration system iCRM and its own retail customer smartphone app for a hybrid intermediary model within the cooperative banking group, Genossenschaftliche FinanzGruppe. The collaboration offers great potential for JDC.

[JDC and Gothaer join forces to create a digital customer and contract platform for Gothaer agencies](#)

Furthermore an agreement was signed with Gothaer Insurance Group on an extensive and long-term collaboration to establish a 360-degree portfolio view for customers of the company's own agency business. JDC is providing the platform and the interfaces needed to offer customers of Gothaer an overview of their entire insurance portfolio. Policies from insurance companies outside the Gothaer group will be made visible with the aid of JDC's own portfolio and administration system, iCRM. The benefits for Gothaer cover the entire value chain, from contract administration and commission accounting to the service centre.

Results for the first quarter of 2022

Consolidated revenues rose, by 20.2 percent, to EUR 43.2 million in the first quarter of 2022 (first quarter of 2021: EUR 36.0 million).

EBITDA (earnings before interest, tax, depreciation and amortisation) increased substantially by around 32 percent in the first quarter of the current year and stood at kEUR 3,732 (first quarter of 2021: kEUR 2,837).

EBIT (earnings before interest and tax) was up by as much as roughly 35 percent year on year and stood at kEUR 2,277 (first quarter of 2021: kEUR 1,689).

Equity was EUR 40.7 million as at 31 March 2022. Thus the equity ratio grew to a healthy 34.6 percent (31 December 2021: EUR 38.8 million or 31.9 percent).

At a glance

	Q1/2022 kEUR	Q1/2021 kEUR	Changes compared to previous year in %
Revenues	43,224	35,967	20.2
thereof Advisortech	37,050	30,601	21.1
thereof Advisory	9,095	8,253	10.2
thereof Holding/Consolidation	-2,921	-2,887	-1.2
EBITDA	3,732	2,837	31.5
EBIT	2,277	1,689	34.8
EBT	1,907	1,320	44.5
Net profit	1,846	1,215	51.9

The performance of the individual segments was as follows:

ADVISORTECH

The revenues generated by the Advisortech segment grew by 21.1 percent in the first three months of 2022, to EUR 37.1 million (first quarter of 2021: EUR 30.6 million).

In the first three months of 2022, EBITDA (earnings before interest, tax, depreciation and amortisation) was up again on the same period of the previous year, at EUR 3.7 million compared with EUR 3.0 million, a year-on-year increase by 23.8 percent.

EBIT (earnings before interest and tax) came in at EUR 2.6 million in the first three months of the year, an increase in comparison with the prior-year period (first quarter of 2021: EUR 2.1 million).

ADVISORY

In the Advisory segment, first-quarter 2022 revenues grew significantly, by 10.2 percent year-on-year, to EUR 9.1 million (first quarter of 2021: EUR 8.3 million).

EBITDA (earnings before interest, tax, depreciation and amortisation) doubled to EUR 0.8 million in the first three months of 2022 (first quarter of 2021: EUR 0.4 million).

At EUR 0.5 million, first quarter 2022 EBIT (earnings before interest and tax) was more than twice the figure reported for the same period of the previous year (first quarter of 2021: EUR 0.2 million).

Outlook

For the rest of the year 2022 we confirm our positive assessment and the guidance published:

On the basis of collaborations already entered into, for 2022 the company expects higher revenues of between EUR 165 million and EUR 175 million and EBITDA of more than EUR 11 million.

Thanks to our employees and shareholders

Finally, we would like once again to thank in particular our staff and the distribution partners of JDC Group AG and of our subsidiaries, as it is on their commitment and motivation that our success is based.


Thanks are also due to our shareholders, who believe in our business model and provide reassuring support to the Management and Supervisory Boards.

We very much hope that we can enjoy your continued support.

Yours sincerely



Dr. Sebastian Grabmaier



Ralph Konrad



Stefan Bachmann



Consolidated income statement

	01/01– 31/03/2022 kEUR	01/01– 31/03/2021 kEUR
1. Revenues	43,224	35,967
2. Capitalised services	310	284
3. Other operating income	566	16
4. Commission expenses	–31,050	–26,386
5. Personnel expenses	–6,650	–4,803
6. Depreciation and amortisation of tangible and intangible assets	–1,455	–1,148
7. Other operating expenses	–2,668	–2,241
8. Other interest and similar income	0	0
9. Interest and similar expenses	–370	–369
10. Operating profit/loss	1,907	1,320
11. Income tax expenses	–51	–105
12. Other tax expenses	–10	0
13. Net profit	1,846	1,215
of which attributable to minorities	17	0
thereof attributable to parent company's shareholders	1,829	1,215
14. Earnings per share	0.13	0.10

Segment reporting

	Advisortech		Advisory	
	Q1/2022 kEUR	Q1/2021 kEUR	Q1/2022 kEUR	Q1/2021 kEUR
Segment income				
Revenues	37,050	30,601	9,095	8,253
of which with other segments	294	400	2,627	2,487
Total segment income	37,050	30,601	9,095	8,253
Capitalised services	310	284	0	0
Other income	574	14	-6	2
Segment expenses				
Commissions	-27,723	-23,003	-6,141	-6,078
Personnel expenses	-4,534	-3,244	-1,261	-920
Depreciation and amortisation	-1,081	-876	-299	-200
Other	-1,987	-1,671	-892	-890
Total segment expenses	-35,325	-28,794	-8,593	-8,088
EBIT	2,609	2,105	496	167
EBITDA	3,690	2,981	795	367
Income from investments	0	0	0	0
Other interest and similar income	126	122	1	0
Yield on other securities	0	0	0	0
Depreciation of financial assets	0	0	0	0
Other interest and similar expenses	-439	-423	-152	-142
Financial result	-313	-301	-151	-142
Segment earnings before tax (EBT)	2,296	1,804	345	25
Tax expenses	117	53	-178	-186
Segment's net profit (EAT)	2,413	1,857	167	-161
Minority interests	17	0	0	0
Segment net profit after minority interests	2,396	1,857	167	-161

	Holding		Total reportable segments		Transfer		Total	
	Q1/2022 kEUR	Q1/2021 kEUR	Q1/2022 kEUR	Q1/2021 kEUR	Q1/2022 kEUR	Q1/2021 kEUR	Q1/2022 kEUR	Q1/2021 kEUR
	590	546	46,735	39,400	-3,511	-3,433	43,224	35,967
	590	546	3,511	3,433	-3,511	-3,433	0	0
	590	546	46,735	39,400	-3,511	-3,433	43,224	35,967
	0	0	310	284	0	0	310	284
	3	0	571	16	-5	0	566	16
	0	0	-33,864	-29,081	2,814	2,695	-31,050	-26,386
	-855	-639	-6,650	-4,803	0	0	-6,650	-4,803
	-75	-72	-1,455	-1,148	0	0	-1,455	-1,148
	-491	-418	-3,370	-2,979	702	738	-2,668	-2,241
	-1,421	-1,129	-45,339	-38,011	3,516	3,433	-41,823	-34,578
	-828	-583	2,277	1,689	0	0	2,277	1,689
	-753	-511	3,732	2,837	0	0	3,732	2,837
	0	0	0	0	0	0	0	0
	246	226	373	348	-373	-348	0	0
	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0
	-152	-152	-743	-717	373	348	-370	-369
	94	74	-370	-369	0	0	-370	-369
	-734	-509	1,907	1,320	0	0	1,907	1,320
	0	28	-61	-105	0	0	-61	-105
	-734	-481	1,846	1,215	0	0	1,846	1,215
	0	0	17	0	0	0	17	0
	-734	-481	1,829	1,215	0	0	1,829	1,215

Consolidated Balance Sheet

Assets	31/03/2022 KEUR	31/12/2021 KEUR
Non-current assets		
Intangible assets	65,747	66,423
Fixed assets	5,194	5,584
Financial assets	511	417
	71,452	72,424
Deferred taxes	2,875	3,089
Long-term non-current assets		
Accounts receivable	1,128	1,122
Other assets	406	1,390
	1,534	2,512
Total non-current assets	75,861	78,025
Current assets		
Accounts receivable	16,749	19,205
Other assets	1,669	2,226
Cash and cash equivalents	22,197	21,906
Deferred charges	1,136	391
Total current assets	41,751	43,728
Total assets	117,612	121,753

Liabilities	31/03/2022	31/12/2021
	kEUR	kEUR
Equity		
Subscribed capital	13,668	13,668
Own shares	-505	-505
Capital reserves	29,213	29,153
Other retained earnings	425	425
Other equity components	-2,084	-3,924
Total equity	40,717	38,817
Non-current liabilities		
Deferred taxes	5,933	6,168
Bond	19,532	19,491
Liabilities due to banks	0	0
Accounts payable	12,070	11,513
Other liabilities	7,075	7,357
Accruals	1,333	1,494
Total non-current liabilities	45,943	46,023
Current liabilities		
Bonds	0	0
Accrued taxes	508	545
Liabilities due to banks	48	1,015
Accounts payable	16,389	23,796
Other liabilities	12,793	10,842
Deferred income	1,214	715
Total current liabilities	30,952	36,913
Total equity and liabilities	117,612	121,753

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The letter to shareholders of JDC Group AG is available in German and English. The German version is legally binding. The reports can be downloaded from the company's website: www.jdcgroup.de

We will provide you with additional information about JDC Group AG and its subsidiaries upon request.