

## tick Trading Software AG investment program burdens net income in fiscal year 2021/2022 - but creates prospects for the future

Düsseldorf, 16.11.2022 - tick Trading Software AG (WKN: A0LA30 / ISIN: DE000A0LA304), the specialist for platform solutions for global stock exchange trading, closed the fiscal year 2021/2022, which ended on 30.09.2022, with a net profit of EUR 1,699 thousand according to the preliminary annual financial statements. This corresponds to a decrease of 68.8% compared to the previous year's figure of EUR 5,450 thousand and a deviation from the adjusted forecast published on 07.07.2022 (EUR 1,800 thousand to 2,200 thousand) of EUR -101 thousand. "After the record year 2021/2022 with one-off revenues of more than EUR 5.0 million, we are nevertheless satisfied with the results of the past fiscal year, as the deviation from the forecast results almost exclusively from investments in future earnings that we made this year," explains Carsten Schölzki, CEO of the company.

tick Trading Software AG had launched its long-term product innovation program ("BOOSTER") in the 2nd half of fiscal year 2021/2022. Up to EUR 3 million are planned for this over a period of three years. However, as external and therefore more expensive resources had to be used to a greater extent for the investment program due to a lack of in-house developers, the costs turned out to be higher than planned.

In the course of the program, an additional technology of TBMX - front-end components will be introduced and a partial shift of functions from the front-end to the back-end will be carried out. This will enable us to offer new and existing customers additional attractive options for using our platform. Since the expenses for the software products created as part of the program are recognized directly in the income statement and are not capitalized as intangible assets, the higher-than-planned proportion of third-party services had a direct impact on the annual result. "We see the expenses as an investment in the future from two perspectives," explains Carsten Schölzki, CEO of tick Trading Software AG. "On the one hand, they serve the innovative strength of our solution and thus the consolidation of our reputation as a definitive player in this demanding market. On the other hand, we expect that they will not only pay for themselves in subsequent years, but will also lead to a significant increase in results."

He said he expects interest to increase sharply in the medium term and that tick Trading Software AG will be able to win new customers and generate additional project sales with existing customers as a result of the change. The first signs of this are already evident, he said. "Immediately after the program launch, a large existing customer has already expressed concrete interest in switching to the new system," Carsten Schölzki continues.

The company sees another reason for the lower-than-expected result in the general market situation. As less was traded in the past fiscal year, load-based remuneration was lower than originally planned.

For the current fiscal year 2022/2023, tick Trading Software AG expects net income to weaken to EUR 0.4 to 0.8 million due to the effects of the current political and economic situation and the continued high expenses for the product innovation program in the coming quarters. Here, the expenses for the investment program are again likely to have an impact, which are expected to add up to EUR 1.0 - 1.5 million in external and internal costs. Without these investments, the company would achieve net income in line with the forecast for fiscal 2021/2022, despite inflation and lower trade figures. "In subsequent years, we will also still have investment

expenses, but they will be significantly lower, so earnings should rise sharply again," said CEO Carsten Schölzki. However, he added that the company would not yet forecast exact figures due to the general uncertainties.

The published figures are preliminary with regard to possible findings by the auditor of the annual financial statements. The completion of the audit and the adoption of the annual financial statements by the Supervisory Board is expected by mid-December 2022.

### **About tick Trading Software AG**

With the TradeBase Multi Exchange Platform (TBMX), tick-TS AG has successfully provided its professional customers with one of the world's most advanced and reliable trading platforms for more than 20 years. The product portfolio includes direct connections to national and international marketplaces and brokers, market making tools for designated sponsoring, its own hosting and housing infrastructure, and the e-Trading Compliance Monitor (ECM) for compliance with ESMA regulations.

tick-TS AG has been listed on the primary market (open market) of the Düsseldorf Stock Exchange since 2017 (ISIN: DE000A0LA304, abbreviation: TBX) and is available on many other trading venues. A special feature is the payment of the entire distributable net profit as a dividend to investors, as stipulated in the company's Articles of Association.

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