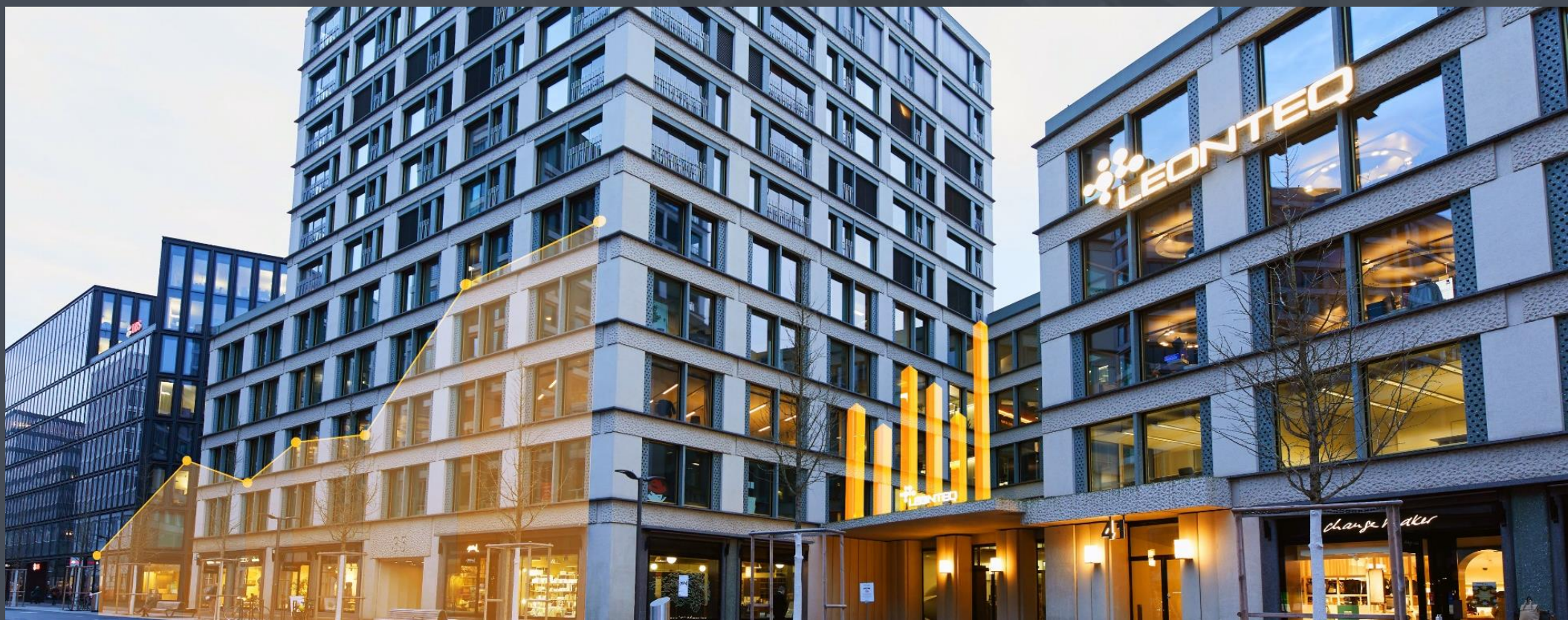




# DEUTSCHES EIGENKAPITALFORUM 2021

## LEONTEQ AG | PRESENTATION

23 NOVEMBER 2021





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# OUR COMPANY

## LEONTEQ AT A GLANCE



Leading fintech company from Switzerland



14 offices across EMEA and APAC



State-of-the-art technology platform developed and maintained in-house



Services delivered through API, front-end GUI and comprehensive white-label offerings



>500 expert staff from >50 nations



Headquarters in Zurich, Switzerland



Founded in 2007, IPO in 2012, listed at SIX

### Investment Solutions

- Highly automated marketplace for structured investment solutions (> 1,000 clients)
- B2B: 10 white-labelling partner banks
- B2B4C: White-labelled tools to service end-clients of financial intermediaries

### Insurance & Wealth Planning Solutions

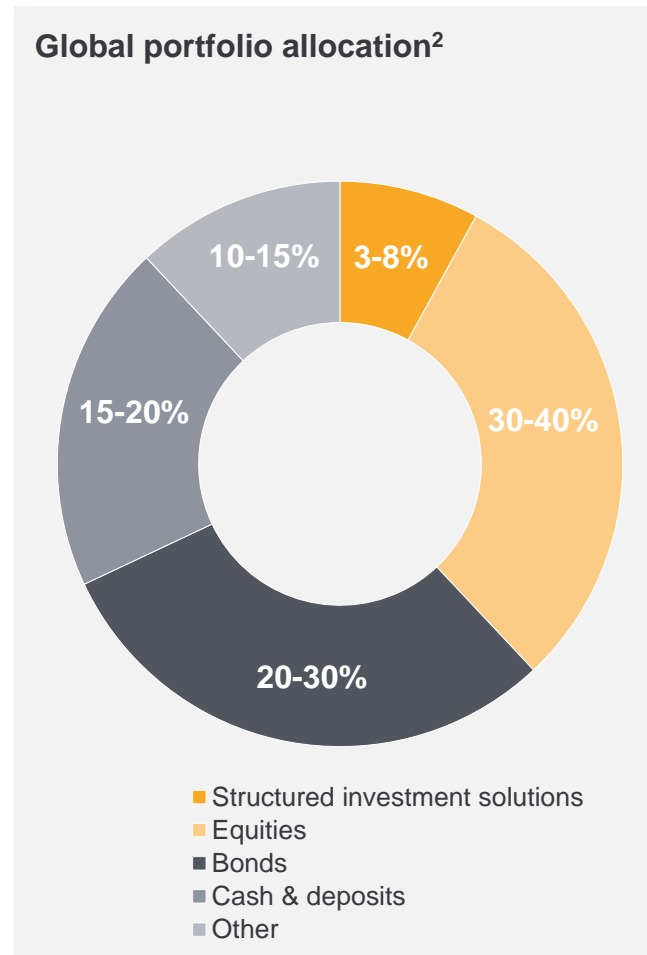
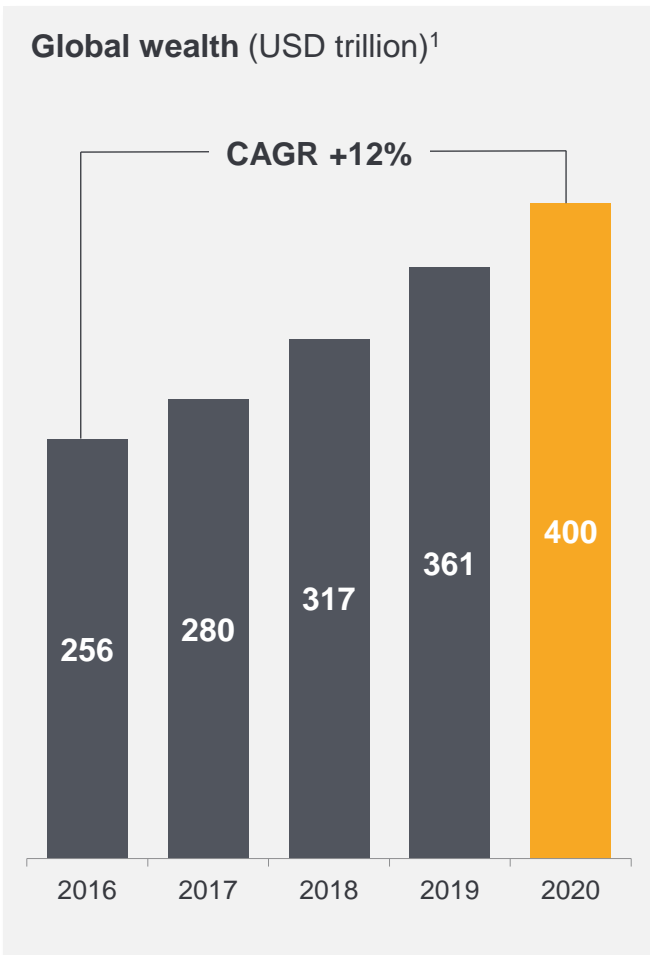
- B2B4C: Providing 2 insurance companies innovative savings and retirement solutions platform (> 50,000 clients)
- D2C: Digital private pension savings solution for one banking partner

## OUR KEY DIFFERENTIATING FACTORS



# OUR MARKET

# LOW INTEREST RATE ENVIRONMENT AND DIGITISATION DRIVE DEMAND FOR TAILORED INVESTMENT SOLUTIONS



**Key drivers for increase in demand for tailored investment solutions:**

## 1. Low interest rate environment

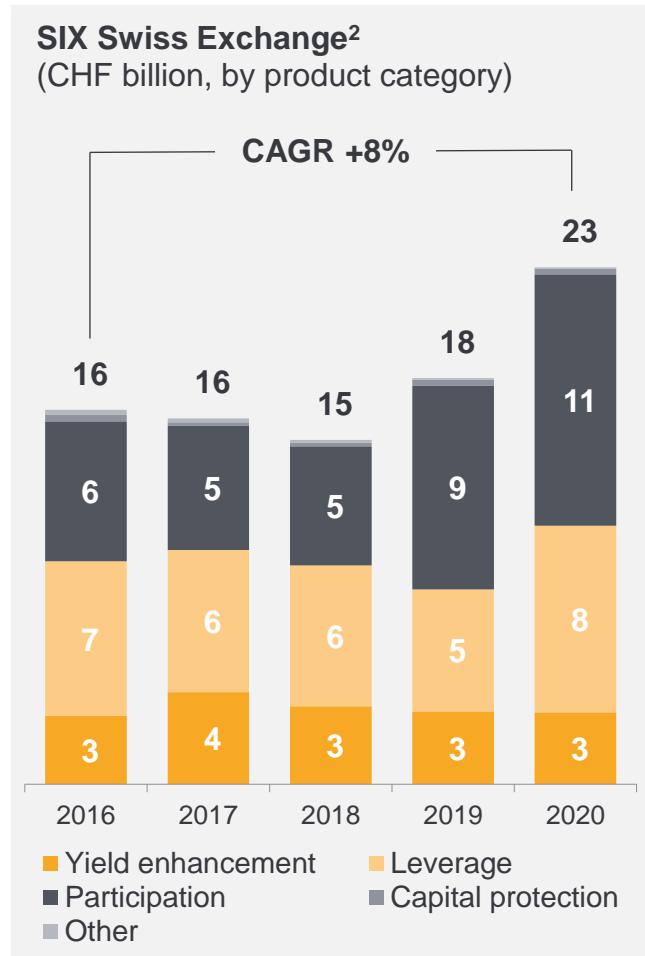
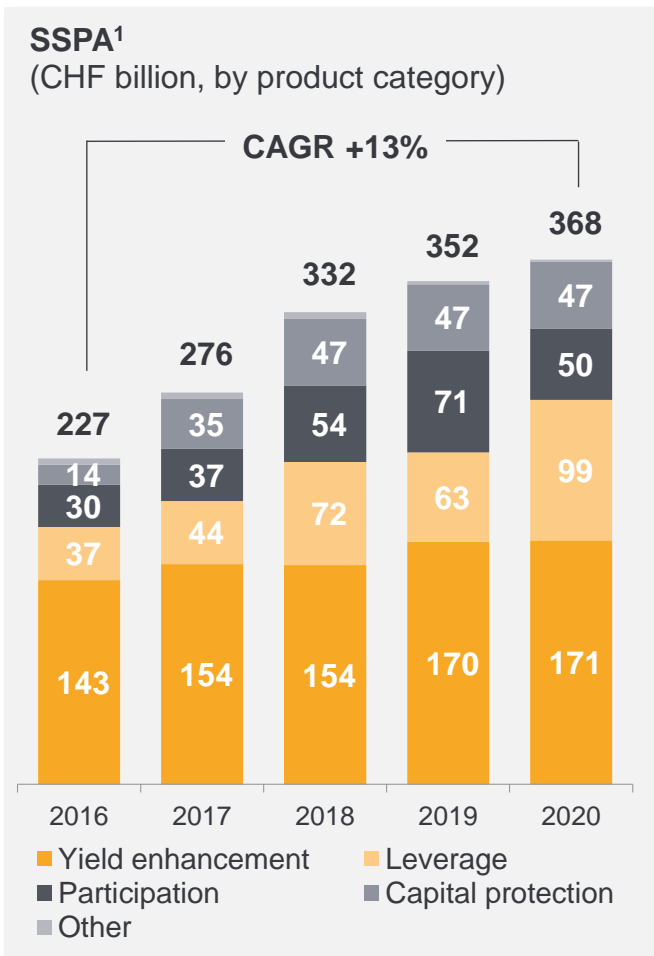
- With increasing wealth, need for adequate and diversified investment opportunities
- Low interest environment triggers need for additional investment opportunities besides traditional asset classes

## 2. Digitisation and mass customisation

- Digitisation and automation enable lower ticket sizes and reduce costs for investing which provides a new and broader range of investors access to tailor made solutions
- Online trading platforms have recorded significant volumes and record new account openings
- Covid-19 has been an accelerator of the digital transformation

Sources: 1) Credit Suisse, Global wealth report, 2020; 2) Management estimate

## OUR OPERATIONS IN SWITZERLAND: STRONG PRESENCE WITH TOTAL ADDRESSABLE MARKET OF CLOSE TO CHF 400 BILLION (TURNOVER)

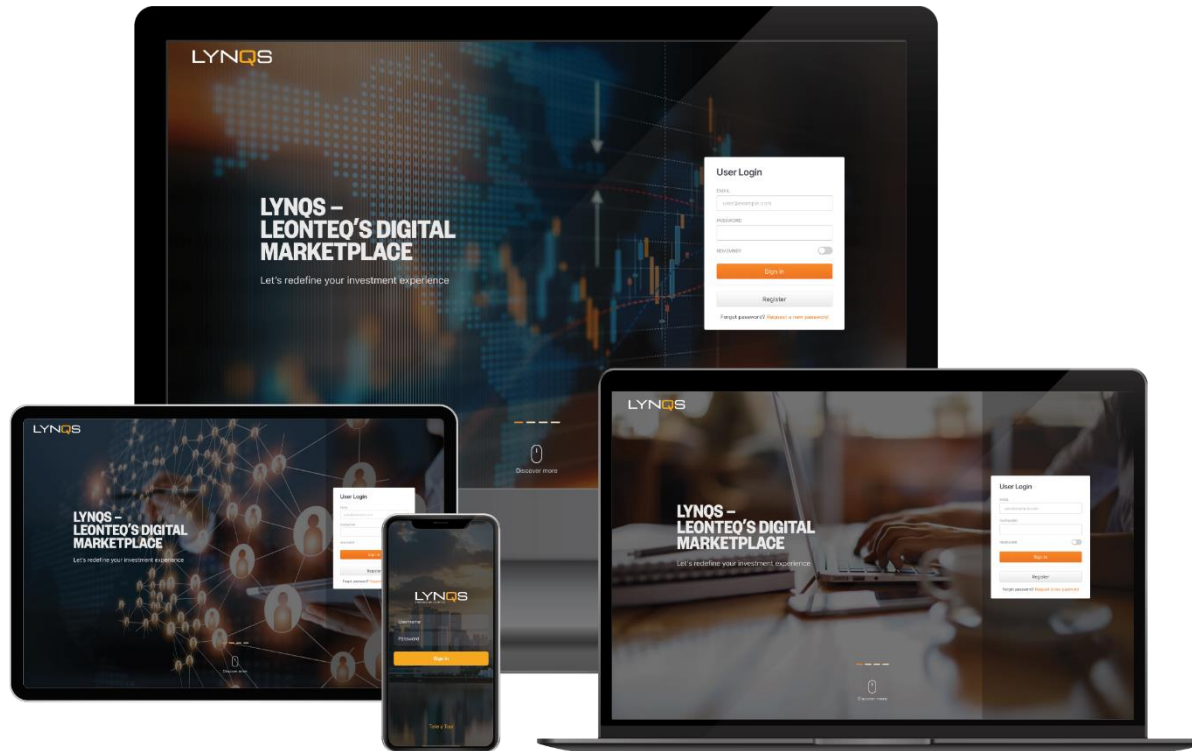


Sources: 1) Swiss Structured Products Association (SSPA), 2020; 2) SIX Swiss exchange, 2020



# OUR PLATFORM

# LYNQS: LEONTEQ'S ONE-STOP-SHOP PROVIDING CLIENTS DIGITAL ACCESS TO THE WORLD OF STRUCTURED PRODUCTS



## Investment ideas

Latest trends and daily updated investment ideas prepared by Leonteq's leading structuring team



## Quote

Click 'n' trade tailor-made investment products from more than 10 renowned issuers to fit any investment need



## Portfolio

Comprehensive overview of structured products portfolios and lifecycle management across all issuers



## AMC

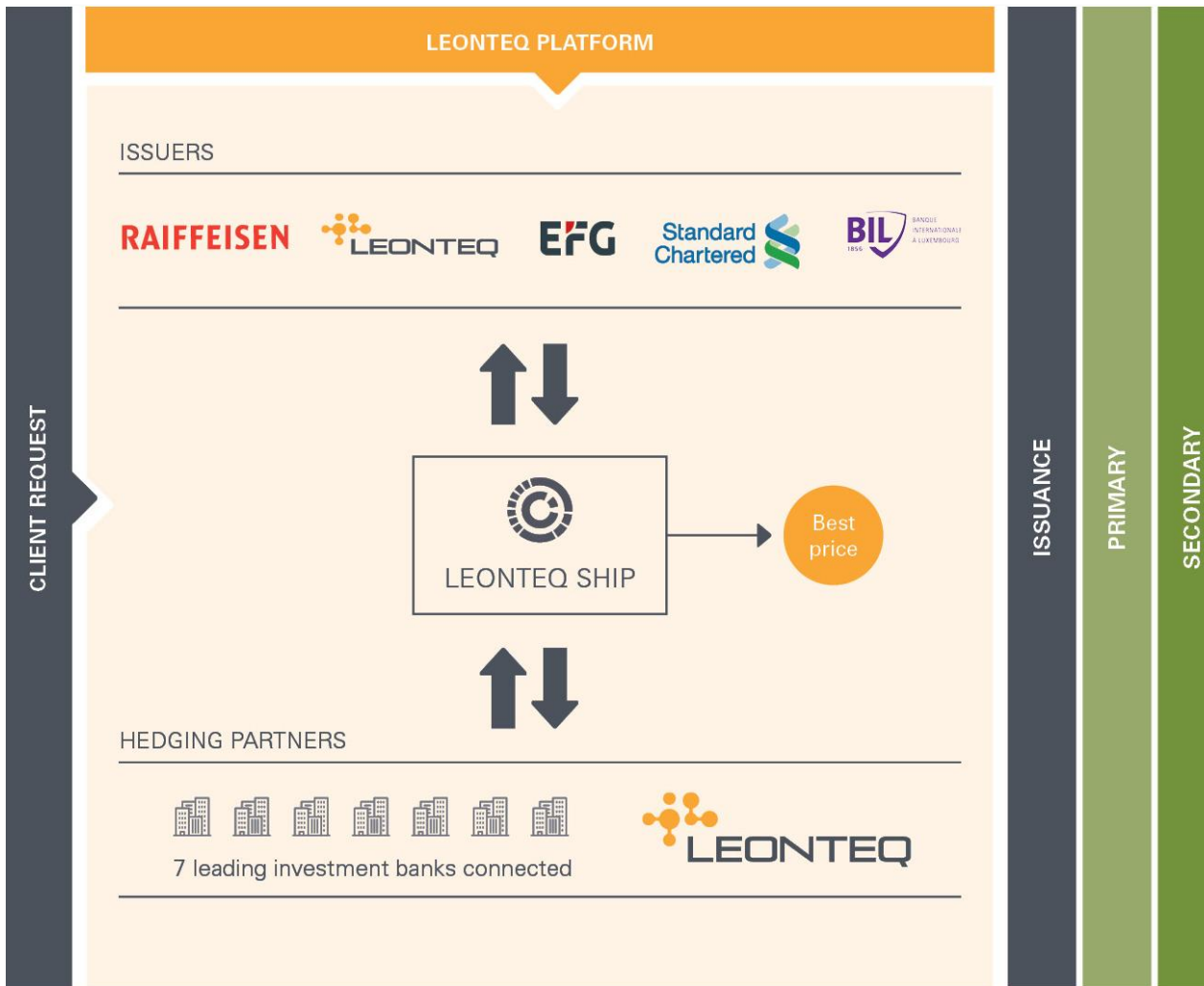
Single entry point to manage index strategies and easy access to instructions and reporting



## Mobile app

The power of LYNQS on a mobile app

# SMART HEDGING ISSUANCE PLATFORM (SHIP): ENABLES AUTOMATED PRICE SELECTION AND EXECUTION OF OPTION COMPONENT



## Benefits for the client

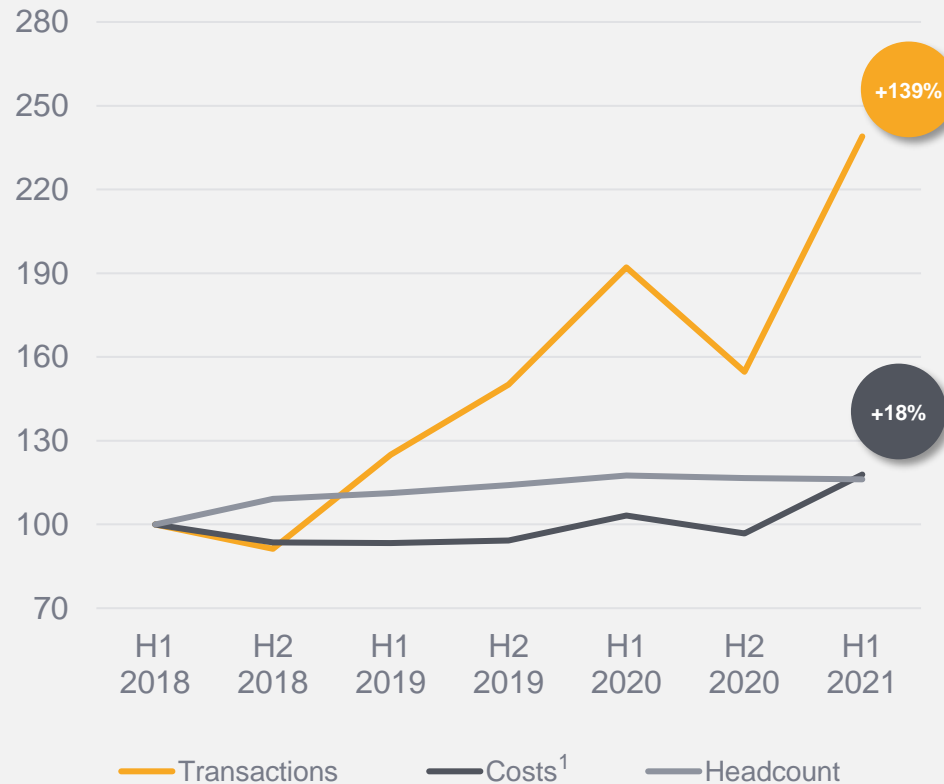
- Only platform which allows to decouple the choice of the desired credit risk from the provider of the option component
- Best option price out of seven leading investment banks including Leonteq
- Fully automated setup

## Benefits for Leonteq

- Reduces hedging exposure by outsourcing option component to external counterparties
- Transforms Leonteq's position from a balance sheet business to a platform business

## PLATFORM SCALABILITY DEMONSTRATED: # TRANSACTIONS INCREASED FROM 60K IN H1 2018 TO 140K IN H1 2021

### Operational leverage (Indexed: H1 2018 = 100)



\* Total operating expenses in Investment Solutions

### Drivers for improved scalability



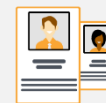
Automation of processes across the full value chain



Full straight-through-processing rate improved to 63% in the first half of 2021 compared to 50% in the first half of 2018

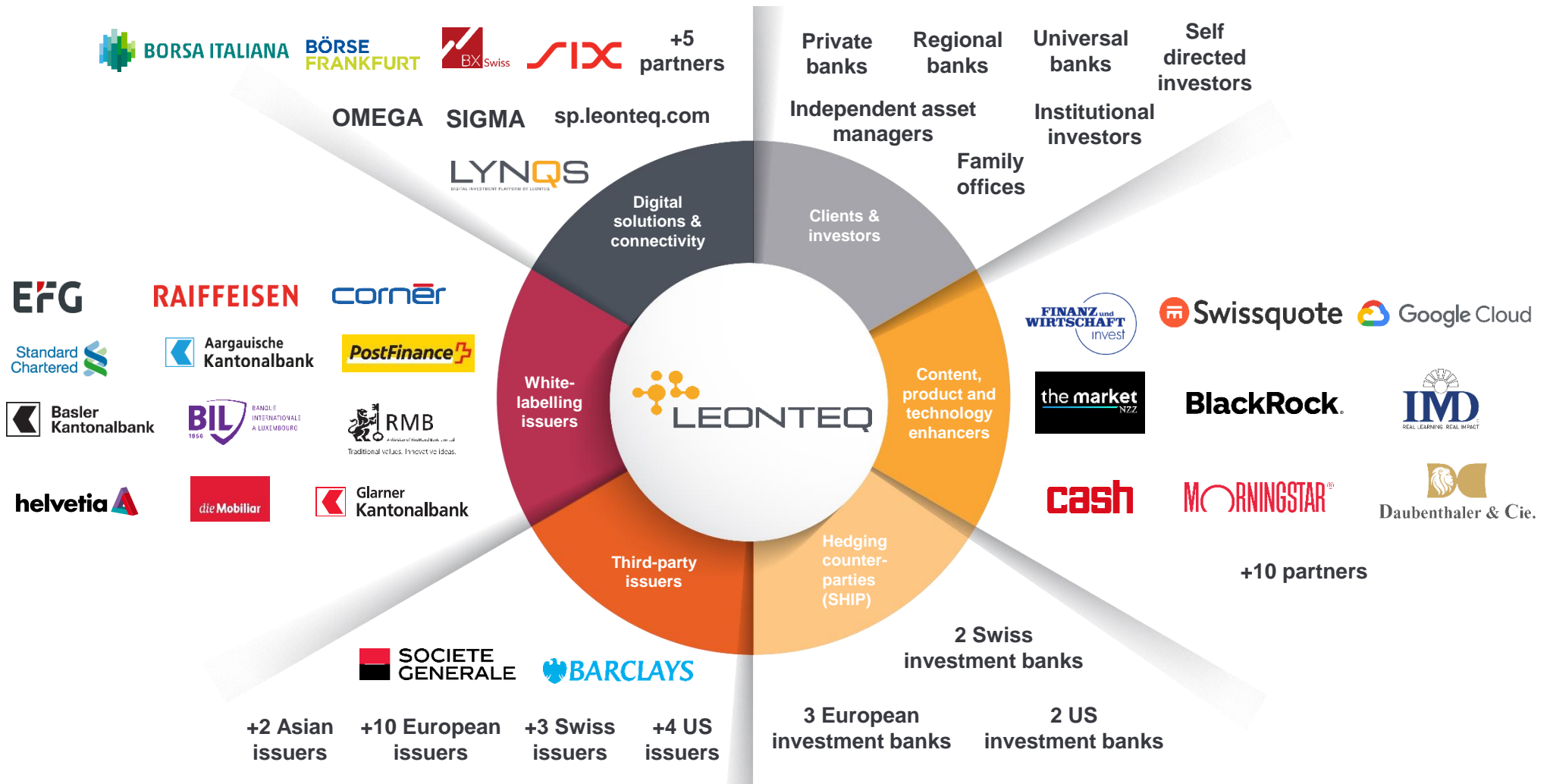


Access to cloud solutions improves flexibility of infrastructure capacity



Nearshoring initiative to generate savings and facilitate future growth in a more cost-efficient way as the business continues to expand

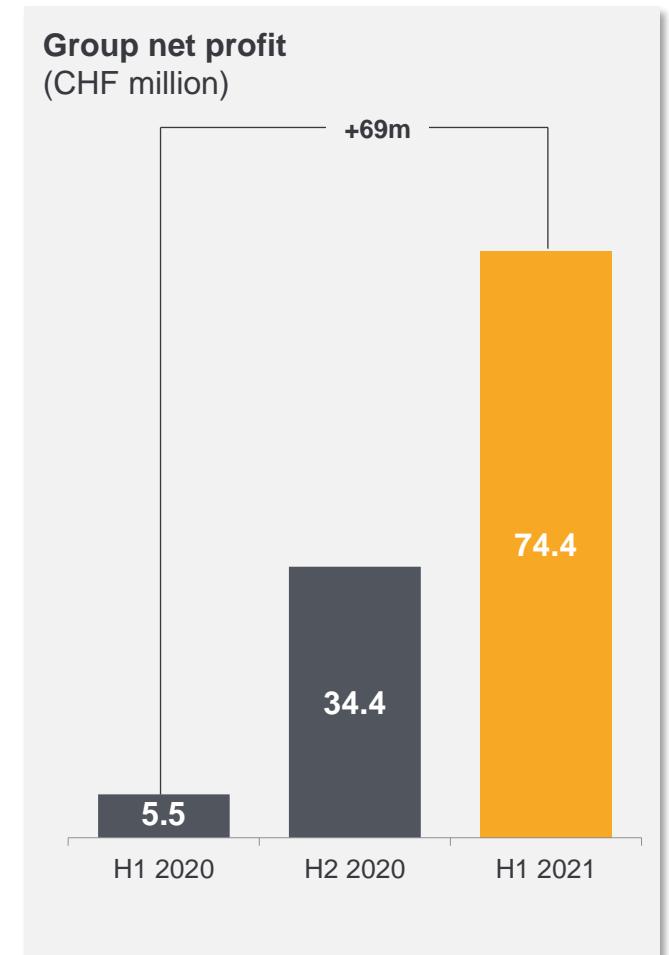
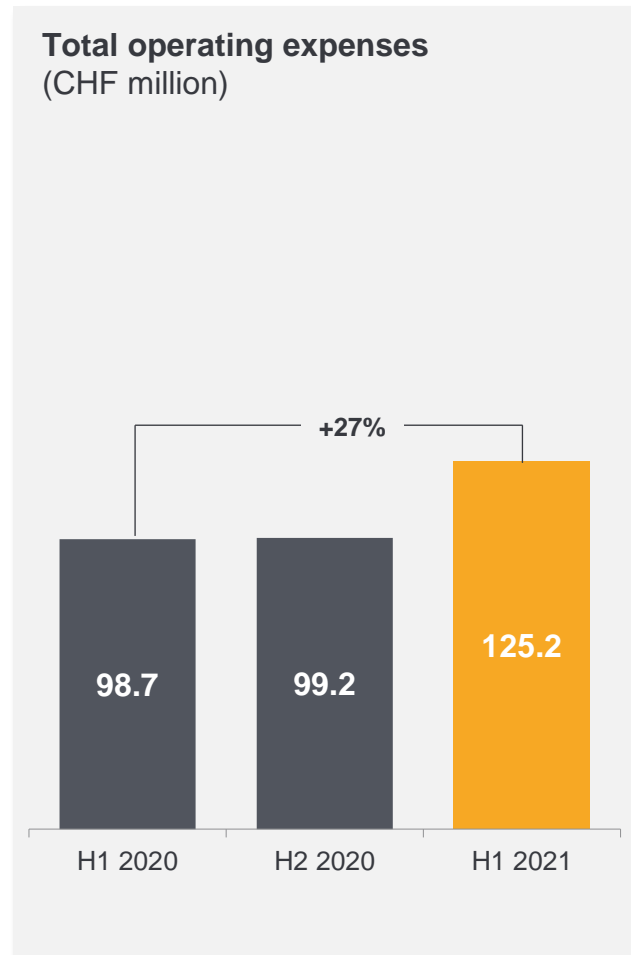
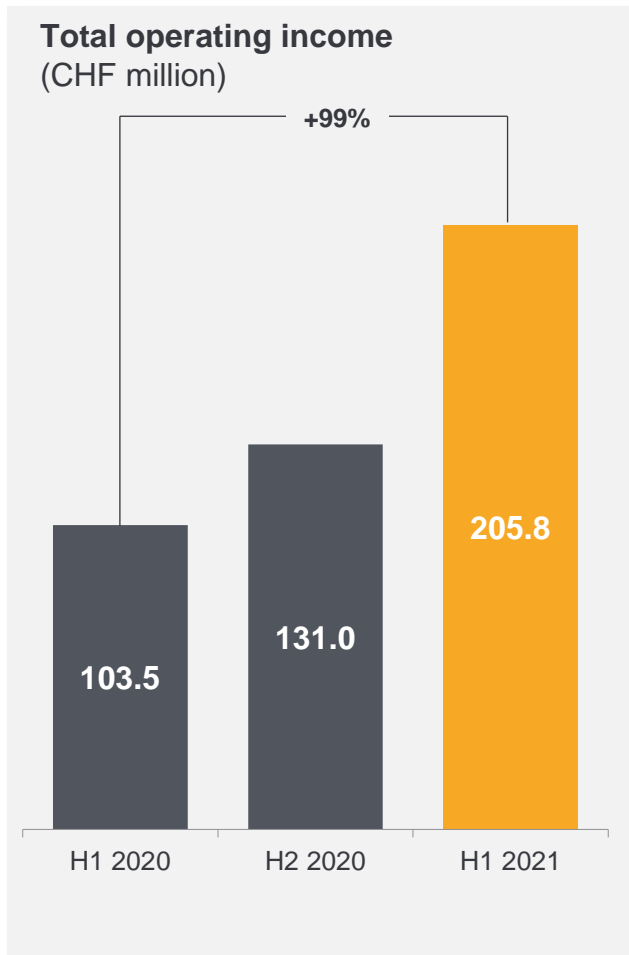
# OUR ECOSYSTEM FOR INVESTMENT SOLUTIONS



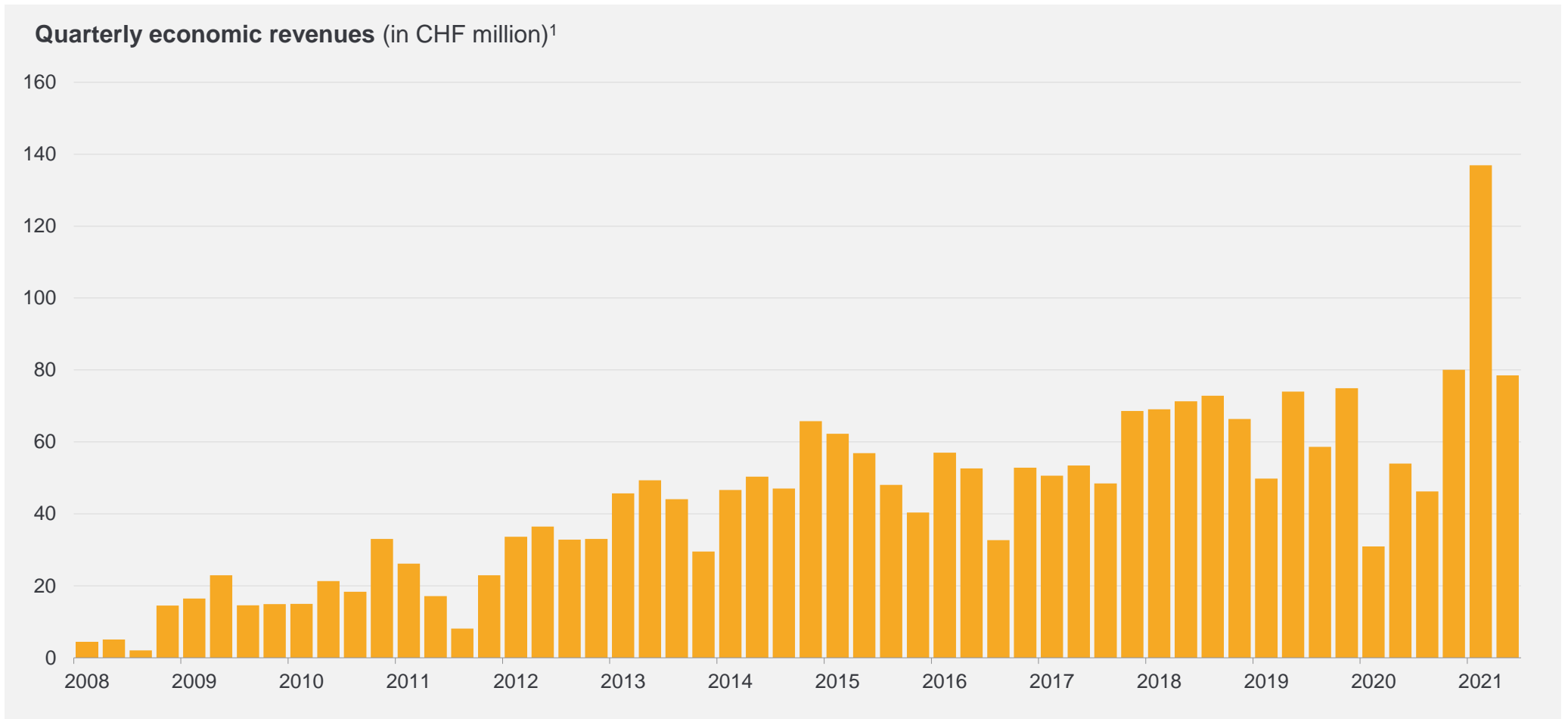


# OUR FINANCIALS

## STRONG CLIENT ACTIVITY AND DISCIPLINED RISK MANAGEMENT IN A FAVOURABLE MARKET ENVIRONMENT RESULT IN RECORD PERFORMANCE



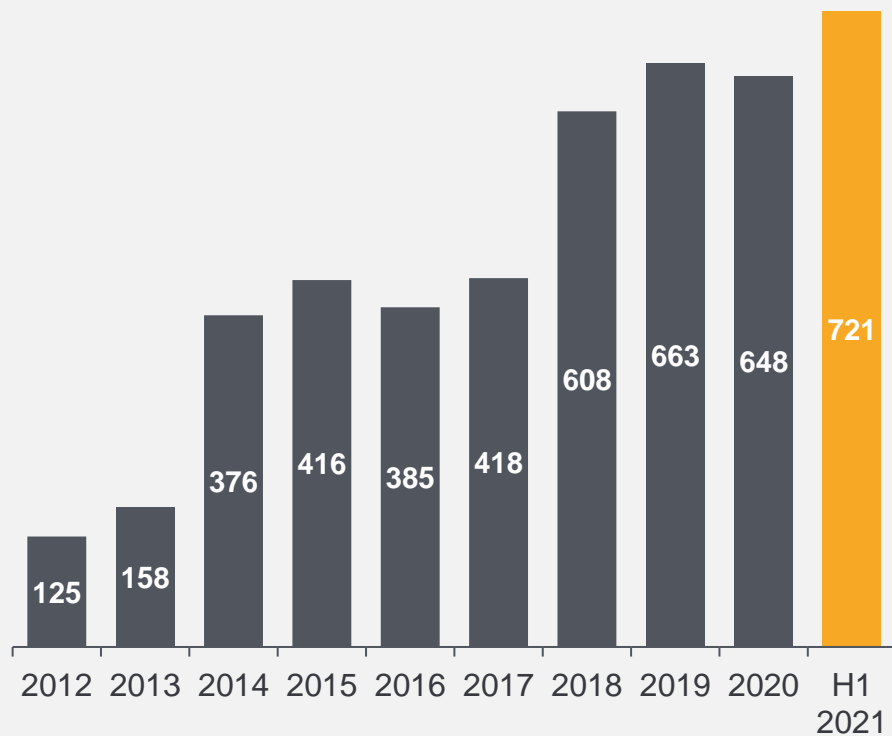
## OUR GROWTH PATH SINCE INCEPTION



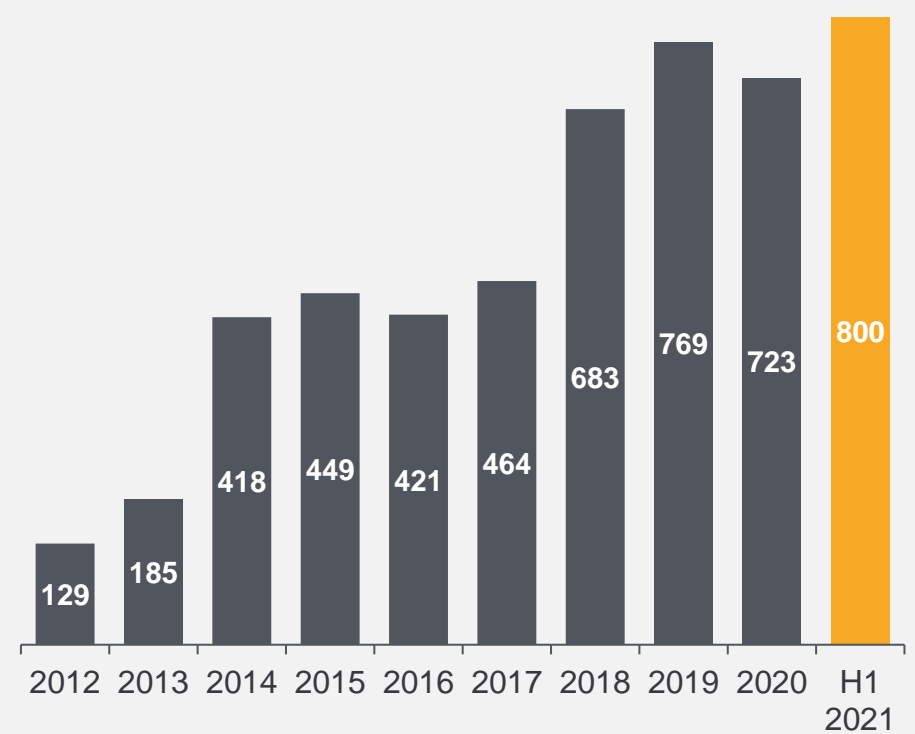
<sup>1</sup> Economic revenues are defined as sales and trading income earned and are considered as recognised at trade date without applying IFRS revenue recognition rules; economic revenues do not include certain other income components such as partner project cost reimbursements

## STRONG BUILD-UP OF CAPITAL BASE (EQUITY + DEFERRED FEE INCOME)

Shareholders' equity (CHF million)<sup>1</sup>



Capital base (CHF million)<sup>1,2</sup>



<sup>1</sup> at the end of the respective period

<sup>2</sup> defined as the aggregated amount of shareholders' equity and deferred fee income

## LEONTEQ'S CAPITAL POSITION AND DIVIDEND POLICY

	AGM 2018	AGM 2019	AGM 2020	AGM 2021	AGM 2022	AGM 2023 onwards
<b>Capital base<sup>1</sup></b>	CHF 464m (at end-2017)	CHF 683m (at end-2018)	CHF 769m (at end-2019)	CHF 723m (at end-2020)	Target to reach CHF 800m area <sup>2</sup> (at-end 2021)	Minimum CHF 800m area <sup>2</sup>
<b>Dividend policy</b>	No dividend for foreseeable future	No dividend for foreseeable future	Conservative dividend policy	Conservative dividend policy	Transition to progressive dividend policy	Progressive dividend policy
<b>DPS</b>	CHF 0.00 (for 2017)	CHF 0.00 (for 2018)	CHF 0.50 (for 2019)	CHF 0.75 (for 2020)	> CHF 0.75 (for 2021)	Payout >50% of net profits

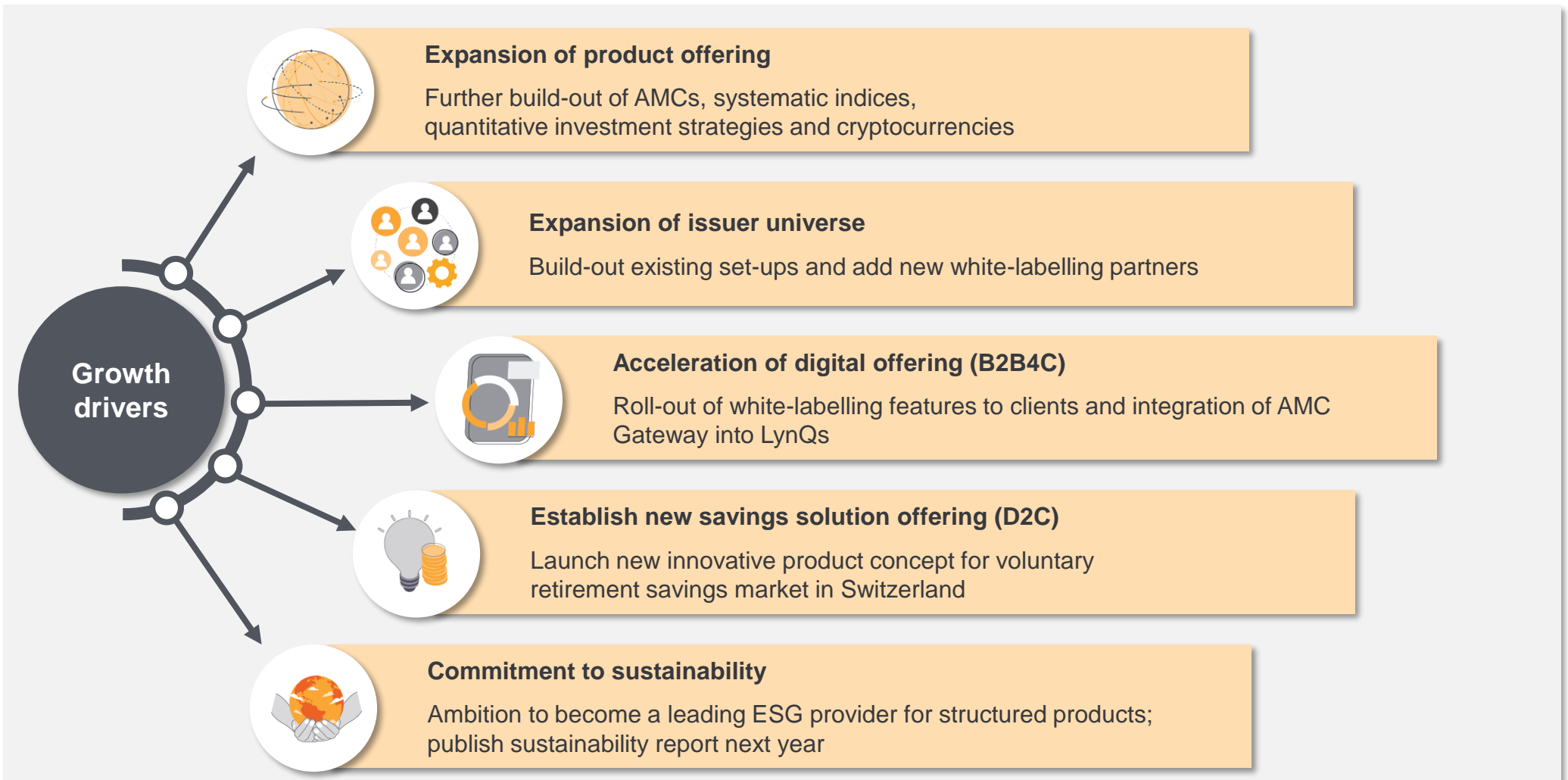
<sup>1</sup> Capital base is defined as the aggregated amount of shareholders' equity and deferred fee income

<sup>2</sup> Assuming Leonteq's risk profile does not materially change over time; area is defined as a range of +/- 3% of the target indicated



# SUMMARY

## LEONTEQ IS WELL POSITIONED FOR FUTURE GROWTH



## INVESTOR RELATIONS CONTACTS



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