



# EARNINGS CALL FY 2020: Inflection point reached

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# JDC's Earnings Call presented by



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Finance, IT, Operations



JDC  
GROUP

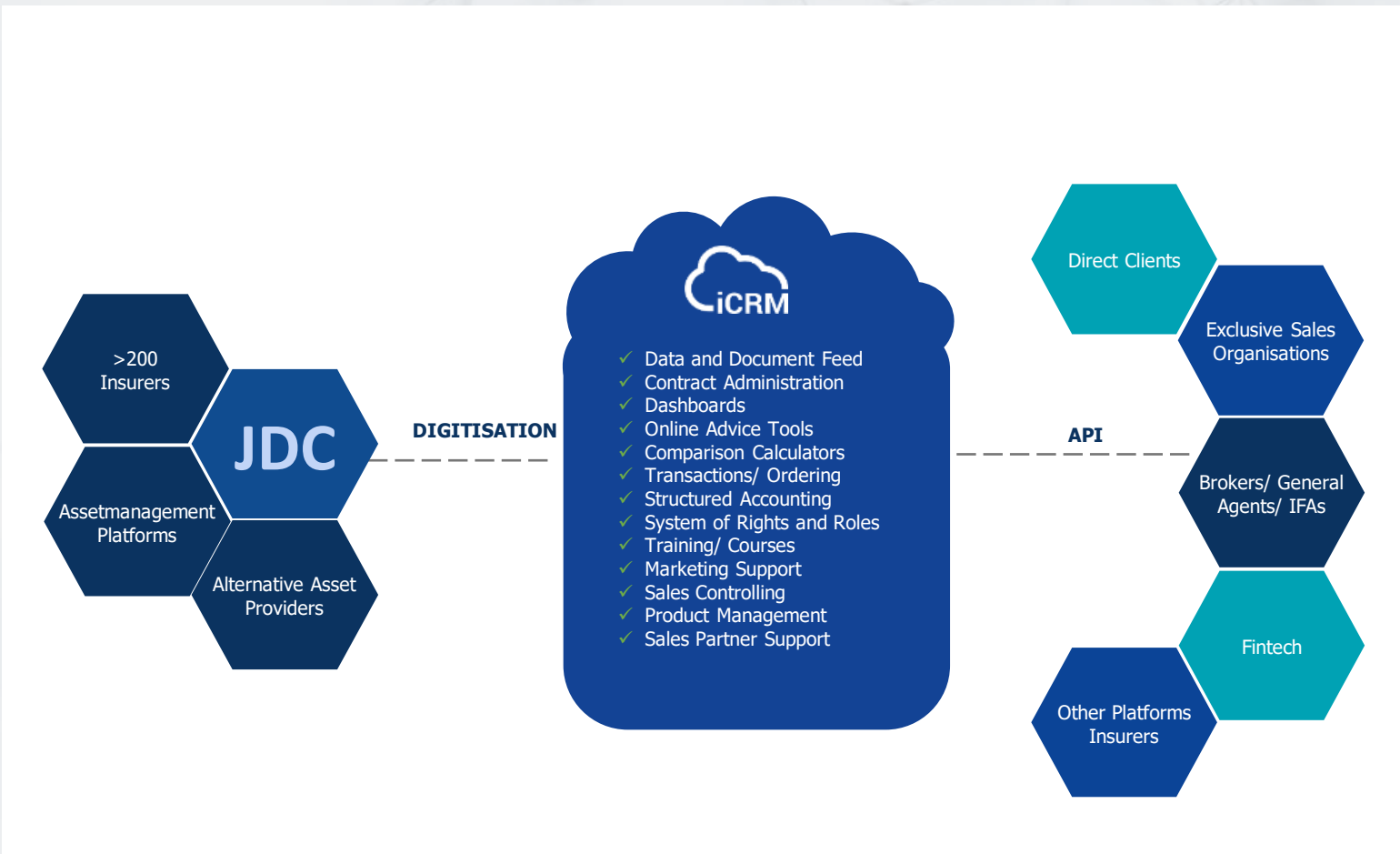
BEST ADVICE. BETTER TECHNOLOGY.



# About JDC

# Platform Technology

MAKING GERMAN INSURANCE DIGITAL



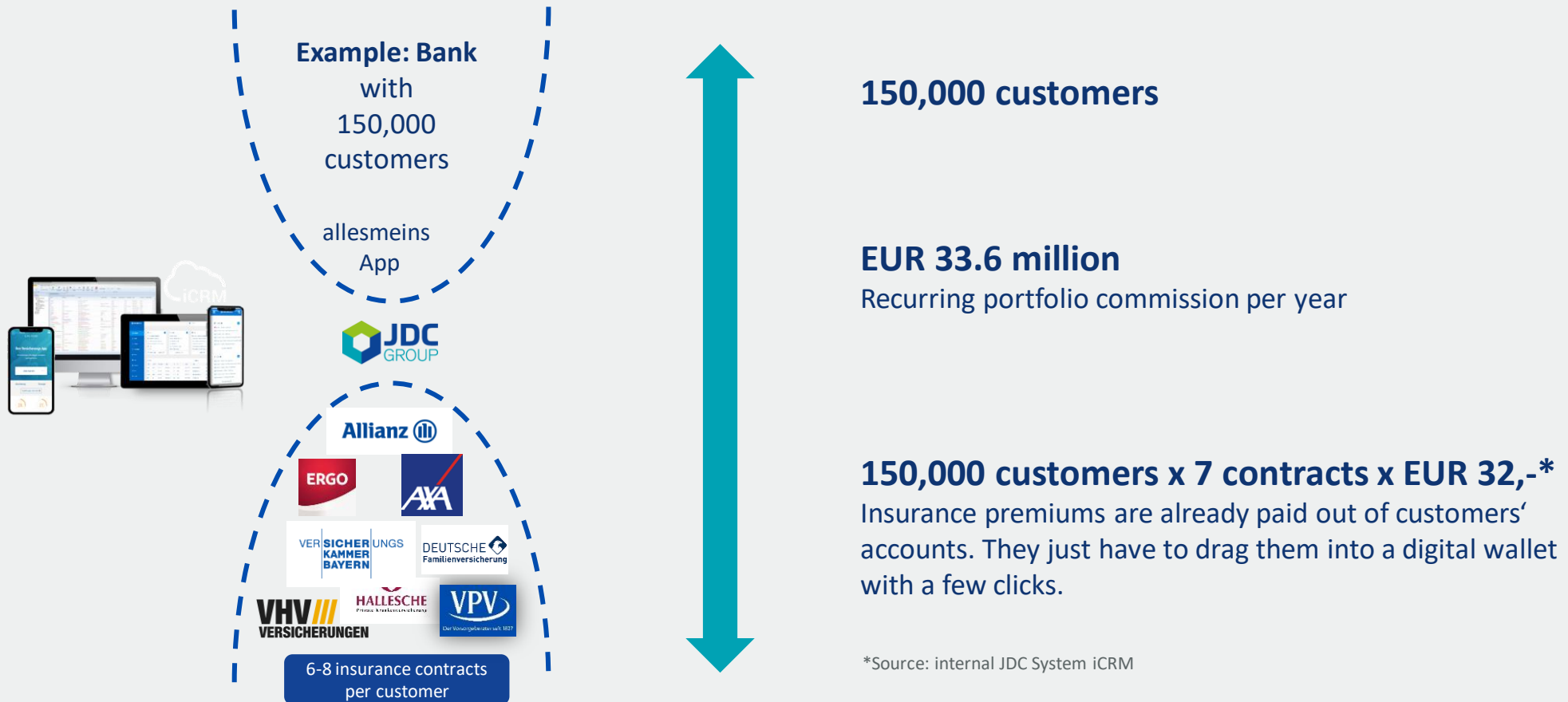
- JDC's platform is a market leading solution for the administration and processing of financial products and the #1 for insurance contracts.
- Currently there are 3.4m contracts on the platform.
- Next to increasing back office efficiency through digitisation, JDC's solutions and iCRM also actively support the sales process for financial intermediaries.
- The platform's value is driven by JDC's IT stack, established relationships to more than 200 insurance companies and the proven ability to connect into a wide range of verticals.
- JDC is trusted by clients from the banking and insurance industry as well as corporates and fintech companies.

## AS A PLATFORM, OUR BRANDS & SERVICES COVER THE ENTIRE VALUE CHAIN

Technical Platform	Customer and Broker Frontend	Direct Clients Online Platform	(Exclusive) Sales Organisation
<ul style="list-style-type: none"> <li>▪ B2B2C-Sales of financial products to private clients via independent financial advisors.</li> <li>▪ More than 16,000 intermediaries (independent financial advisors).</li> <li>▪ 1.4m clients.</li> <li>▪ EUR 103 million commission earnings.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Modular white-label offering of software, online tools and web applications for brokers, consultants, banks, insurance companies, distributors and customers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Comprehensive portal for product comparison and transactions of financial products.</li> <li>▪ Among the TOP-5 online platforms in Germany.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Independent, holistic advisory to demanding and wealthy customers.</li> <li>▪ &gt; 290 tied agents.</li> <li>▪ 82,000 clients.</li> <li>▪ EUR 31 million commission earnings.</li> </ul>
<p>Other market leaders across the value chain (Germany)</p>			

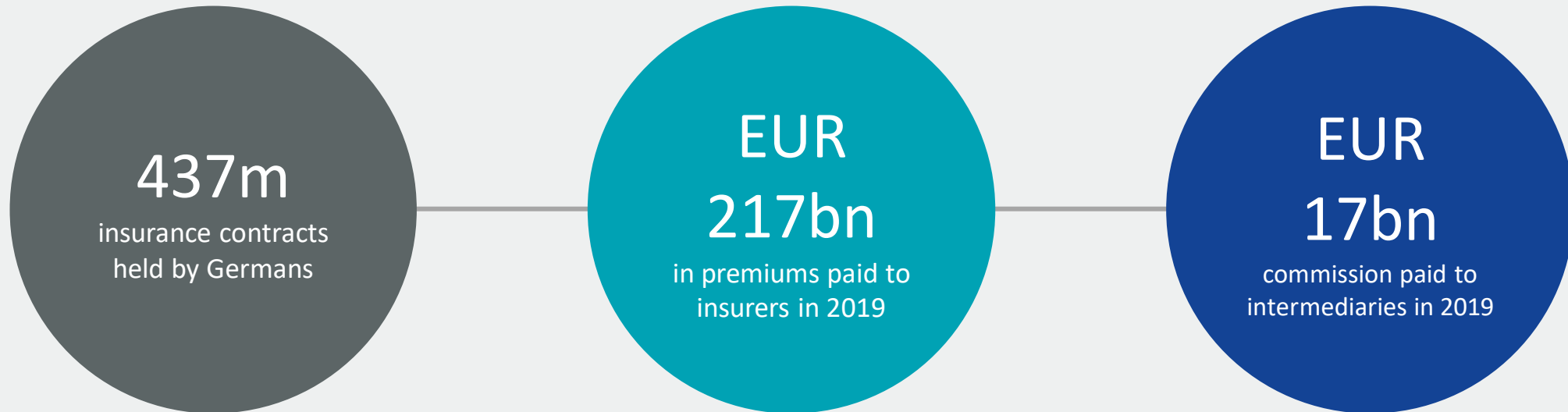
# Aggregation business model

## INSURANCE AS THE OPPORTUNITY



# Insurance Market Germany

HIGH INSURANCE DENSITY WITH 17BN IN COMMISSION FOR INTERMEDIARIES



- 41.5m German households with more than 10 contracts on average.
- Average household pays intermediaries more than EUR 350 annual commission.

- Still a very domestic and fragmented market with >500 insurance companies.
- Despite innovation in customer interfaces (apps, insurance wallets, comp. platforms,...), information gathering and processing remain very manual.

- Contracts on the JDC platform pay an average of EUR 32 commission p.a.
- Tied and independent financial agents are still dominate the market.
- However banks and direct channels are getting more important.

\* Source: Website GDV- Gesamtverband der Deutschen Versicherungswirtschaft (Association of the German Insurance Industry)



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Logout

Meine Daten

Schaden melden

Kontakt

News

41) Achtung! Meine Absicherung  
BEST ADVICE! BETTER TECHNOLOGY.

30% Achtung! Meine Absicherung  
ist nicht ausreichend.

folgende Versicherungen sind hinterlegt

#### KFZ-Versicherung



VHV Allgemeine  
Versicherung AG

26,00 €  
monatlich

Vertrag optimieren

Vertragsdetails und Dokumente anzeigen

#### Private Krankenversicherung



HanseMerkur  
Krankenversicherung AG

450,00 €  
monatlich

Vertrag optimieren

Vertragsdetails und Dokumente anzeigen

#### Tierhalterhaftpflicht



Konzept & Marketing

120,00 €  
jährlich

Vertrag optimieren

Vertragsdetails und Dokumente anzeigen

FY 2020



# FY 2020 HIGHLIGHTS

FY 2020 **within guidance**

**Turnover growth** despite corona impact + 10.2% to EUR 122.8m

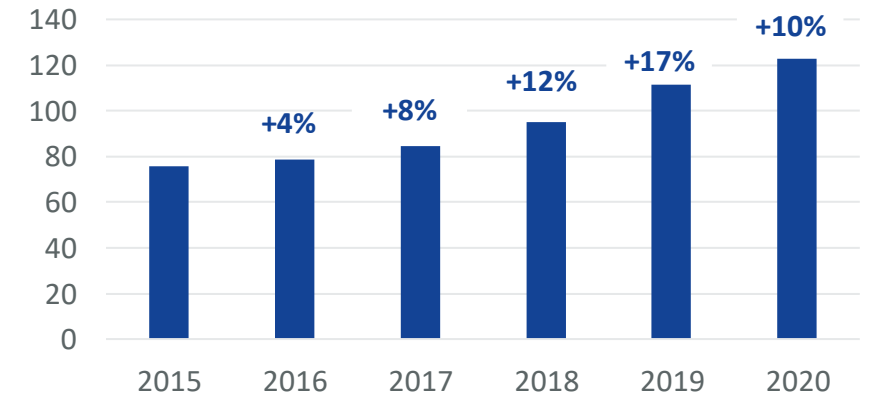
**EBITDA begins to scale** despite relevant one off costs 2020.

- Segment Advisortech: Relocation and Setup Home Office infrastructure EUR 250k EUR
- Segment Advisory: downsizing of management board/ severance payment EUR 450k

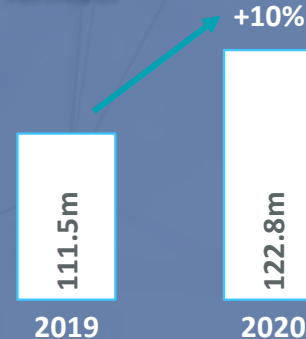
EBITDA grew in FY2020 from EUR 4.2 to EUR 5.1m (+22.5%), adjusted for one off costs it grew from EUR 4.2 to EUR 5.8m (+39.3%)

EBITDA for FY 2020 developed more strongly in the Advisortech segment (+25.3%)

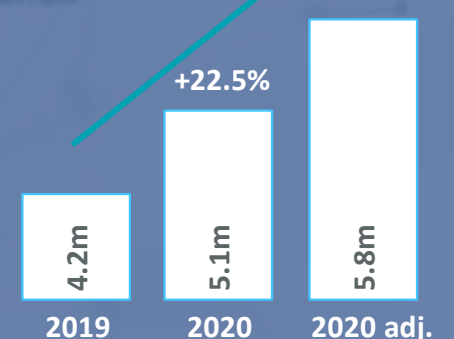
Historical development turnover in million EUR



Turnover

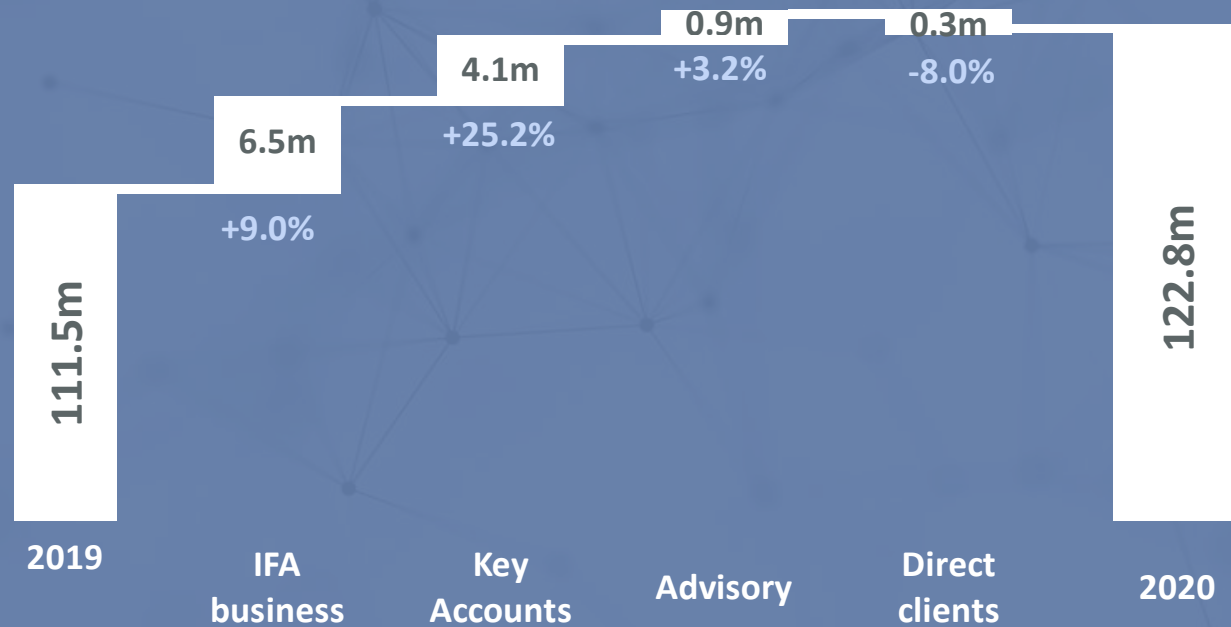


EBITDA

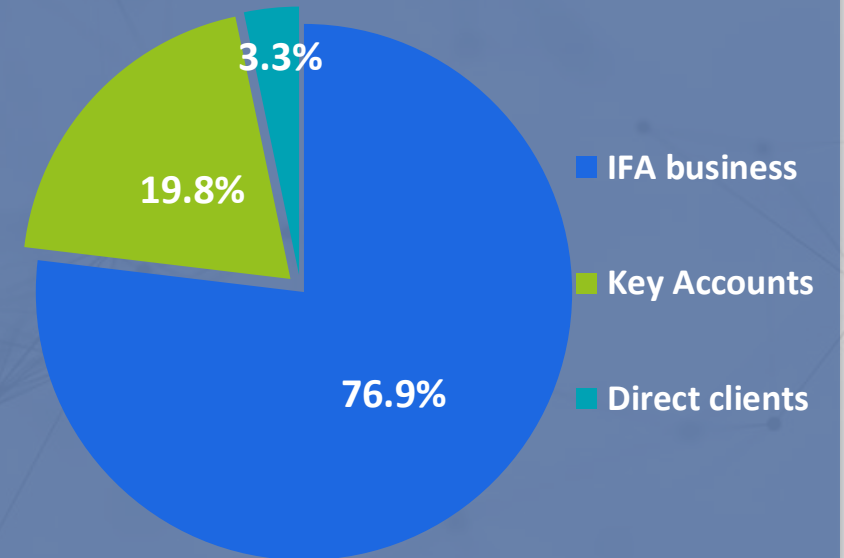


# Composition of turnover growth & turnover split

## Turnover development 2020



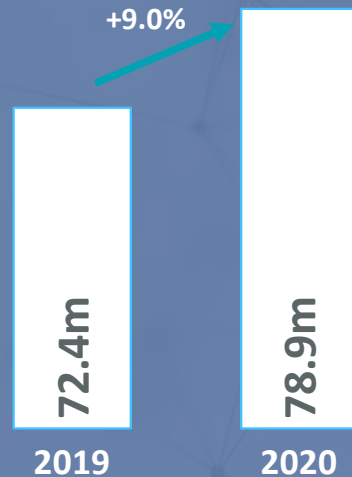
## Turnover split 2020



# Growth contribution in the **Advisortech** segment

## IFA business

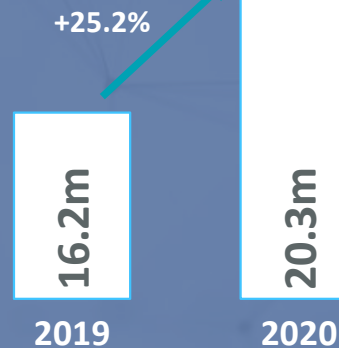
increase from EUR 72.4m to 78.9m



Solid growth of traditional IFA business despite corona restrictions. We see this being a result of JDC's digital platform.

## Key Accounts

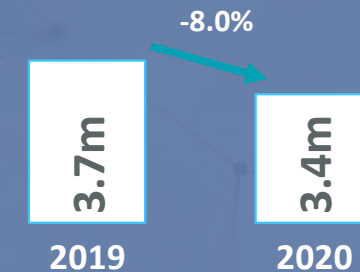
increase from EUR 16.2m to 20.3m



Key Accounts increase growth speed, but contribution is still at the beginning of the J-Curve

## Direct Clients

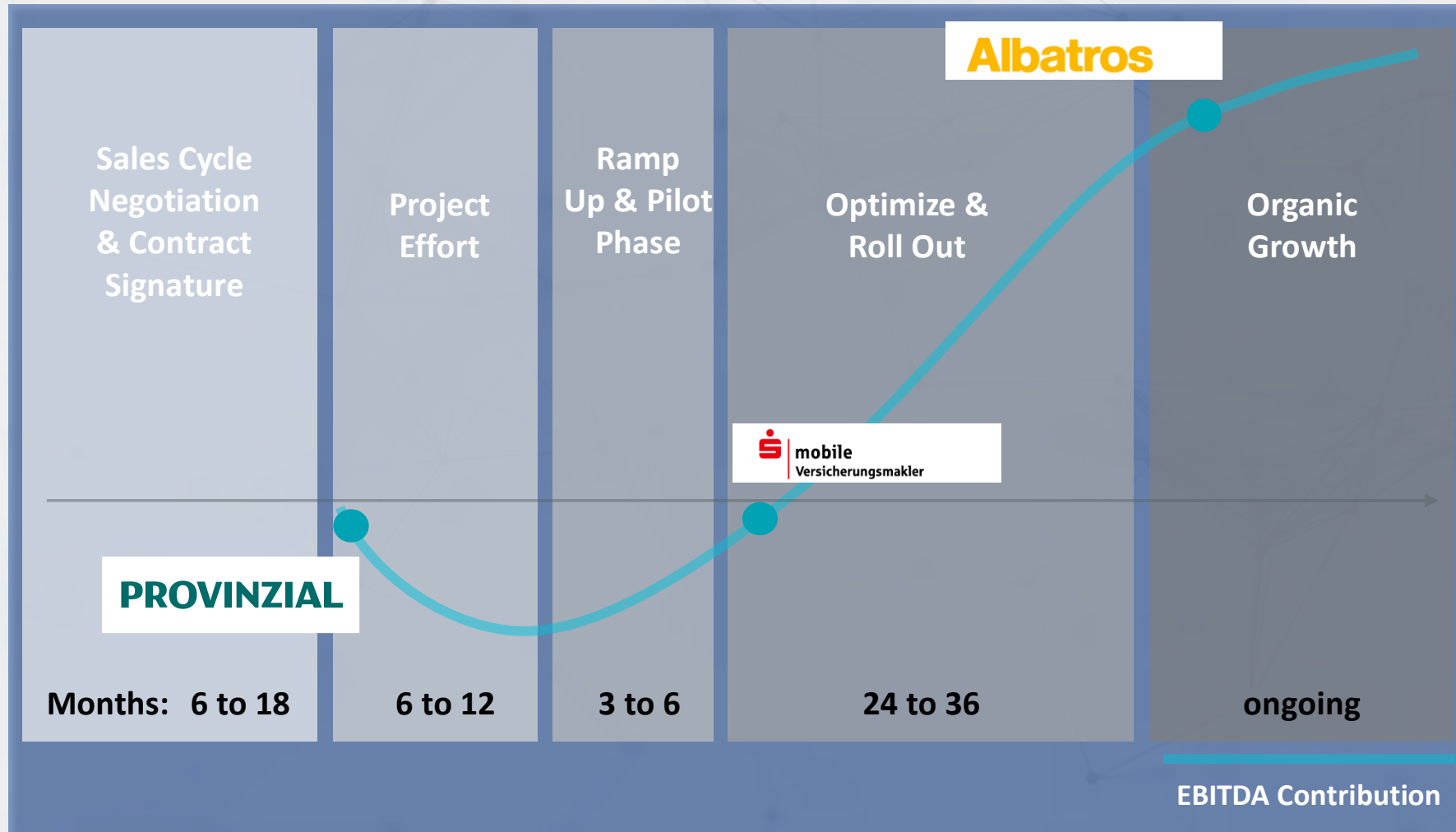
is churning according to amortization



Slight (and expected) churn in JDC's direct clients business

# Life Cycle of JDC's Key Accounts

## THREE EXAMPLES



- Majority of JDC's key accounts is still in the Ramp-Up or in the beginning of the Roll-Out phase
- Growth contribution of key accounts expected to increase in the future
- Major impact of the Provinzial cooperation from 2023 onwards

# FY 2020

## 2020 IN NUMBERS – GROUP – ACTUAL [AND ADJUSTED]



in million EUR	Q4 2020	Q4 2019	Q4 2020 vs. 2019	FY 2020	FY 2019	FY 2020 vs. 2019
Revenues	36.4	31.9	13.9%	122.8	111.5	10.2%
→ Advisortech	30.9	25.7	19.9%	102.6	92.3	11.2%
→ Advisory	9.6	10.6	-9.9%	30.9	29.9	3.2%
→ Holding/IC	-4.1	-4.4	8.0%	-10.6	-10.7	1.1%
Gross profit margin	9.4	8.3	13.2%	33.7	31.7	6.5%
EBITDA	1.4 [1.9]	0.6	>100% [>100%]	5.1 [5.8]	4.2	22.5% [39.3%]
EBITA	0.6 [1.1]	-0.1	>100% [>100%]	2.1 [2.8]	1.4	52.8% [>100%]
EBIT	0.2 [0.7]	-0.5	>100% [>100%]	0.5 [1.2]	-0.1	>100% [>100%]

- FY: 10% growth leads to 22.5% [39.3%] scale in EBITDA
- Strong Q4 with 13.9% increase in turnover. Growth in the advisortech segment almost 20% .
- EBITDA Q4 burdened by one off severance pay due to downsizing of management board in the advisory segment.

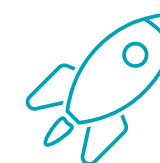
[Adjustments: one off costs EUR -250k relocation and home office infrastructure, EUR -450k severance pay]

# FY 2020

## 2020 IN NUMBERS - ADVISORTECH - ACTUAL [AND ADJUSTED]

ADVISORTECH	Q4 2020	Q4 2019	Q4 2020 vs. 2019	FY 2020	FY 2019	FY 2020 vs. 2019
Revenues	30.9	25.7	19.9%	102.6	92.3	11.2%
Gross profit margin	6.8	5.6	22.2%	25.7	23.9	7.5%
Depreciation and amortization	-0.9	-0.9	3.8%	-3.6	-3.5	-5.1%
Personell expenses	-3.5	-3.0	-13.9%	-12.5	-11.9	-2.7%
Other operating expenses	-1.9	-2.1	7.1%	-7.2	-7.2	0.6%
<b>EBITDA</b>	<b>1.4</b> [1.5]	<b>0.5</b>	<b>&gt;100%</b> [>100%]	<b>6.0</b> [6.3]	<b>4.8</b>	<b>25.3%</b> [30.5%]
<b>EBITA</b>	<b>0.8</b> [0.9]	<b>-0.1</b>	<b>&gt;100%</b> [>100%]	<b>3.7</b> [3.9]	<b>2.5</b>	<b>45.8%</b> [55.7%]
<b>EBIT</b>	<b>0.5</b> [0.6]	<b>-0.5</b>	<b>&gt;100%</b> [>100%]	<b>2.5</b> [2.7]	<b>1.3</b>	<b>83.5%</b> [>100%]

- FY: 11% growth leads to upscale in EBITDA of 25.3% [30.5%]
- Very strong Q4 with almost 20% increase of turnover and >100% growth in EBITDA
- No operational issues despite >80% of staff managing platform growth out of their home offices
- Inflection point of scalability reached



[Adjustments: one off costs EUR -250k relocation and home office infrastructure]

# FY 2020

## 2020 IN NUMBERS – ADVISORY - ACTUAL [AND ADJUSTED]



ADVISORY	Q4 2020	Q4 2019	Q4 2020 vs. 2019	FY 2020	FY 2019	FY 2020 vs. 2019
Revenues	9.6	10.6	-9.9%	30.9	29.9	3.2%
Gross profit margin	2.8	2.9	-1.6%	8.8	8.2	6.8%
Depreciation and amortization	-0.2	-0.2	-21.1%	-0.9	-0.8	-17.2%
Personell expenses	-1.1	-0.9	-25.5%	-4.0	-3.4	-10.3%
Other operating expenses	-1.3	-1.3	-4.1%	-3.7	-3.6	-5.1%
<b>EBITDA</b>	<b>0.4</b> [0.9]	<b>0.7</b>	<b>-43.9%</b> [18.1%]	<b>1.1</b> [1.5]	<b>1.3</b>	<b>-16.7%</b> [18.9%]
<b>EBITA</b>	<b>0.3</b> [0.7]	<b>0.6</b>	<b>-55.9%</b> [20.7%]	<b>0.5</b> [1.0]	<b>0.8</b>	<b>-29.6%</b> [28.4%]
<b>EBIT</b>	<b>0.2</b> [0.6]	<b>0.5</b>	<b>-69.5%</b> [16.8%]	<b>0.2</b> [0.6]	<b>0.5</b>	<b>-65.4%</b> [34.4%]

- Lockdown becomes visible in Advisory segment – Turnover declines in Q4, lack of year-end-business.
- Adjusted to deduction of one off costs, the segment grows by 3.2% and EBITDA increases yoy by 18.9%
- „Back on track“ in 2021

[Adjustments: one off costs EUR -450k severance pay ]



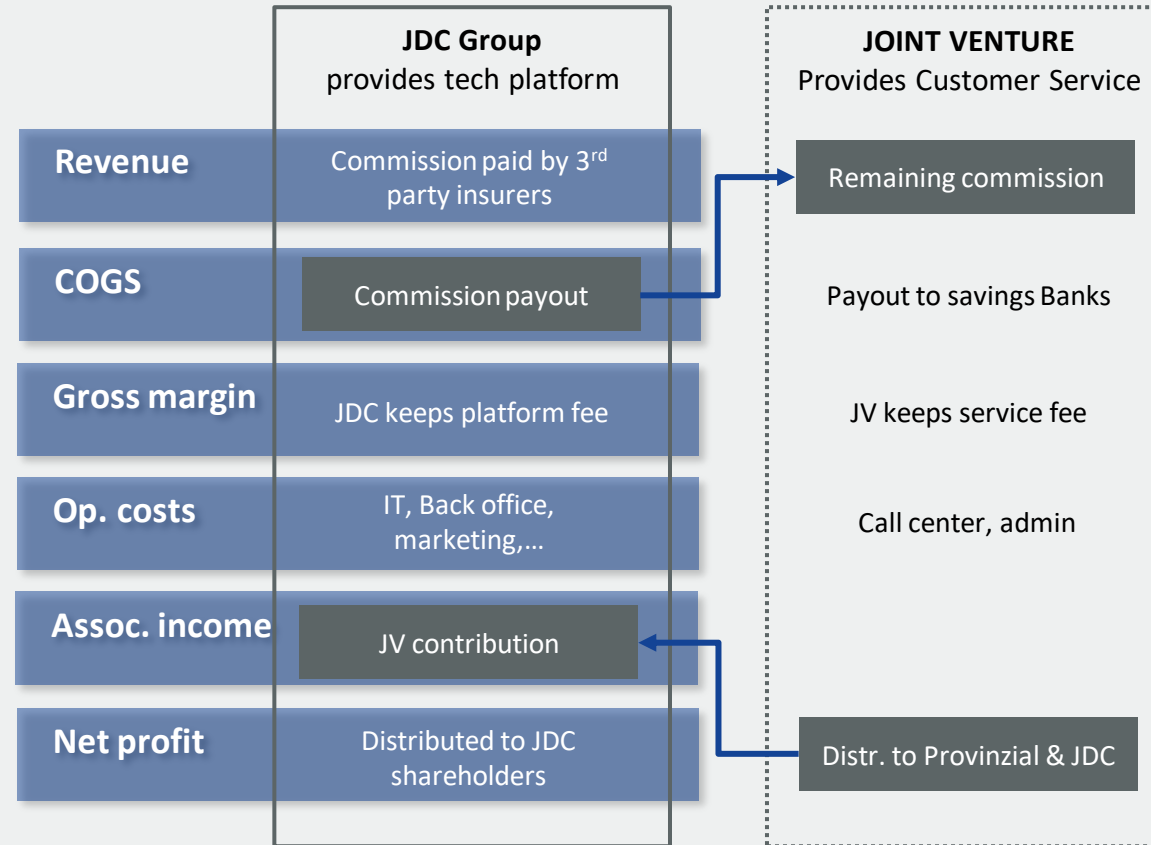
# Spotlight: Provinzial LOI signed

## DEAL WILL SCALE JDC'S PLATFORM MEANINGFULLY IN THE COMING YEARS



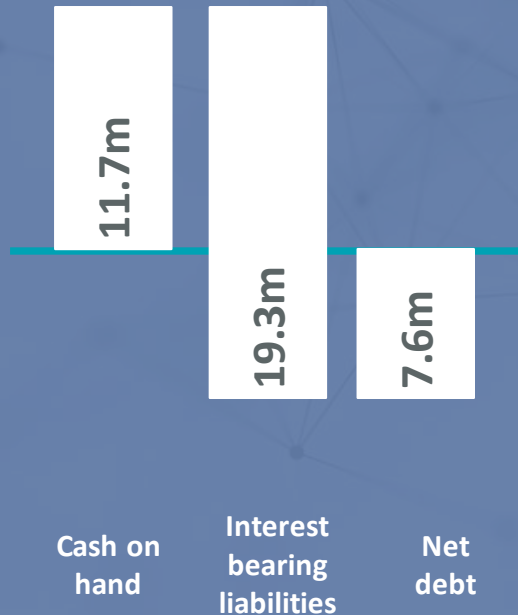
### Proposed Provinzial collaboration is a step-change for JDC's platform

- Provinzial is the insurance partner of approx. 120 savings banks in the West and North of Germany. Provinzial will consolidate its offering of 3rd party insurance products on the JDC platform – linking the S-Versicherungsmanager platform and app into JDC via API.
- Both companies plan to found a joint venture for the collaboration.
- Over the next five years, approx. 100 savings banks will process and settle their insurance business through JDC, with the target to add at least 1 million additional retail clients to the JDC platform.
- JDC will benefit in two ways:
  - (usual) operational platform fees
  - participation in the profits of the JV

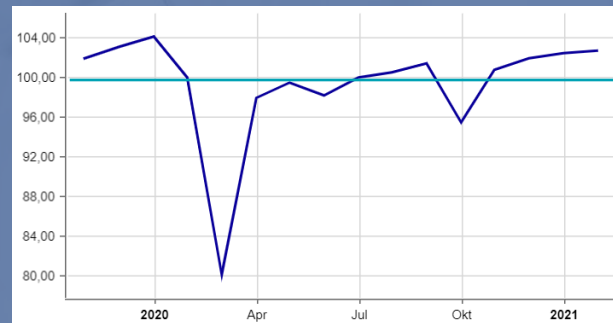




**Cash & Liabilities (EUR)**



**Bond 2019/2024**



Current quote: 103.00

Volume: 25m, 5m on own book

coupon: 5.5% p.a

ISIN: DE000A2YN1M1

**Share Buyback program 2020 (EUR)**



Current share price: 11.25 EUR

505,202 own shares

Purchase price av. EUR 6.10 per share

Hidden Reserves EUR 2.6m (03/2021)

# Guidance & Goals



# Guidance 2021 & Goals 2025

## Guidance 2021

Turnover  
EUR 135 to 142 million

EBITDA  
EUR > 7 million

- Successfully onboard Provinzial and the first savings banks
- Add further key accounts
- Roll out and leverage existing partnerships and scale business
- Meaningful success in the further technical development of the JDC platform (new features, further automation)

## Goals 2025

Double  
turnover  
2020

Multiply  
EBITDA  
2020

- JDC will be the leading insurance platform for professional IFAs, banks and other intermediaries
- The JDC platform is outstanding in features, performance, stability and sets the market standard for processing insurance products
- JDC develops data driven business models and helps the industry to build better products
- JDC will be highly profitable, generate cash und will pay relevant dividends to its shareholders



**Thank you for your attention!**

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