



SWISSQUOTE GROUP HOLDING

Internet banking/Fintech / Switzerland

Licensed to conquer Europe

Pros

- Swissquote is well positioned to leverage its high quality multi asset class trading platform at an international level and remain a market leader in its domestic market
- Swissquote is progressively diversifying its revenue source not only through product offering (cryptos, staking, white-label partnerships) but also structurally (asset-based) which will benefit from the increasing rates environment
- Swissquote's strong balance sheet (a high CET1 ratio and no debt) gives it appreciated flexibility in terms of acquisition or organic growth (R&D remains key to the company's DNA)

Cons

- Swissquote's top-line remains strongly correlated to the health of the financial markets (low level of recurring revenues)
- Competition has pressured trading fees in recent years at a time when central banks' low/negative rates have put pressure on net interest income

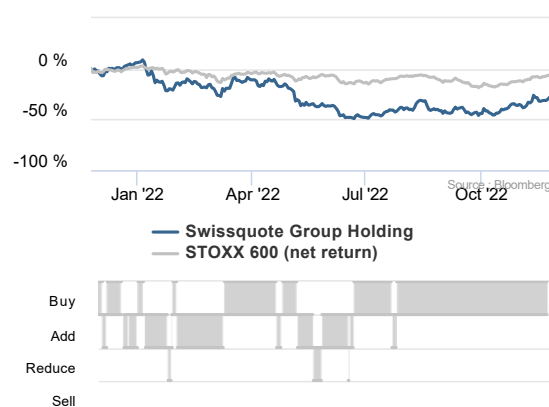
Key Figures	12/20A	12/21A	12/22E	12/23E	12/24E
Adjusted P/E (x)	11.6	11.5	12.6	10.3	8.47
Dividend yield (%)	2.12	1.48	1.63	1.89	2.29
EV/EBITDA(R) (x)	7.17	7.85	7.66	5.89	4.46
Adjusted EPS (CHF)	6.12	13.0	10.7	13.1	15.9
Growth in EPS (%)	119	112	-17.9	23.0	21.2
Dividend (CHF)	1.50	2.20	2.20	2.55	3.09
Sales (CHFM)	317	472	400	476	556
Pretax Results margin (%)	33.4	47.3	46.5	48.1	49.9
Attributable net profit (CHFM)	91.0	193	159	195	237
ROE (after tax) (%)	22.3	36.6	23.7	25.2	24.8
Gearing (%)	-22.9	-25.1	-39.3	-49.1	-48.9

Buy

Upside : 48.1%

Price (CHF)	135
Target Price (CHF)	199
Momentum	+ +
Market Cap (CHFM)	2,065
Enterprise Value (CHFM)	1,682
High/Low (12M)	CHF 94.4/202
BBG : SQN SW	RIC : SQN.S
Credit Risk & outlook	AA →
Fundamental Strength	9 /10
Sustainability score	6.6 /10

Price relative to index & historical opinion



Performances (%)	1m	3m	12m
Absolute	10.8%	19.5%	-27.6%

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Conflicts of interest

Corporate broking	No
Trading in corporate shares	No
Analyst ownership	No
Advice to corporate	No
Research paid for by corporate	Yes
Corporate access	No
Brokerage activity at AlphaValue	No
Client of AlphaValue Research	No