

SPONSORED RESEARCH / COMPANY SNAPSHOT

08 December 2021

SWISSQUOTE GROUP HOLDING

Internet banking/Fintech / Switzerland

ALPHAVALUE
CORPORATE SERVICESExporting high quality financial
technology

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
- As a Fintech, the company has managed to remain up to date, enabling to trade ever more assets (cryptocurrencies of late) and offering new financial solutions (i.e. multi-currency credit cards)
- 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

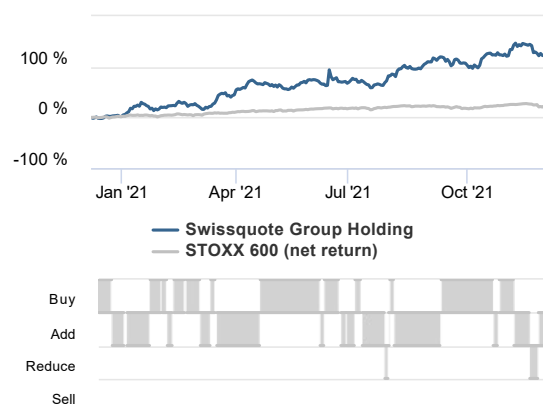
Key Figures	12/19A	12/20A	12/21E	12/22E	12/23E
Adjusted P/E (x)	15.1	11.6	15.4	14.6	13.9
Dividend yield (%)	2.29	2.12	1.95	2.05	2.16
EV/EBITDA(R) (x)	7.02	7.02	10.7	9.76	8.88
Adjusted EPS (CHF)	2.89	6.13	12.0	12.6	13.3
Growth in EPS (%)	-5.72	112	95.4	5.28	5.57
Dividend (CHF)	1.00	1.50	3.59	3.78	3.99
Sales (CHFM)	232	317	465	489	514
Pretax Results margin (%)	22.4	33.4	28.2	30.7	33.4
Attributable net profit (CHFM)	43.0	91.2	178	188	198
ROE (after tax) (%)	11.8	22.4	39.5	36.5	32.1
Gearing (%)	-34.0	-25.1	-30.8	-38.3	-46.8

Add

Upside : 10.9%

Price (CHF)	185
Target Price (CHF)	205
Momentum	+
Market Cap (CHFM)	2,830
Enterprise Value (CHFM)	2,587
High/Low (12M)	CHF 81.7/206
BBG : SQN SW	RIC : SQN.S
Credit Risk & outlook	AA →
Fundamental Strength	9 /10
Sustainability score	5.0 /10

Price relative to index & historical opinion



Performances (%)	1m	3m	12m
Absolute	-5.53%	2.44%	121%

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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