

# SWISSQUOTE GROUP HOLDING

Internet banking/Fintech / Switzerland


**ALPHAVALUE**  
CORPORATE SERVICES

## Suited for all market seasons

### 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
- Swissquote is increasingly targeting less-wealthy retail clients, a segment in which it should face more competition

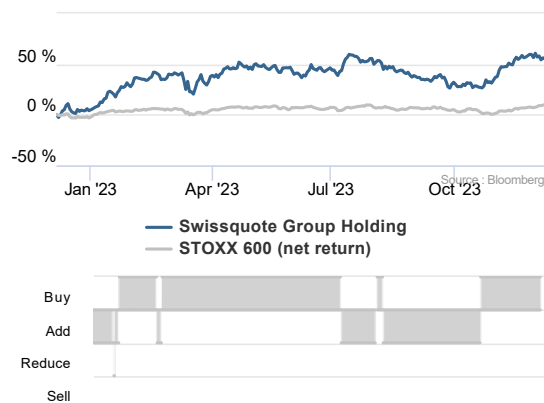
| Key Figures                    | 12/21A | 12/22A | 12/23E | 12/24E | 12/25E |
|--------------------------------|--------|--------|--------|--------|--------|
| Adjusted P/E (x)               | 11.5   | 12.5   | 13.0   | 10.4   | 9.78   |
| Dividend yield (%)             | 1.48   | 1.67   | 1.49   | 1.86   | 1.99   |
| EV/EBITDA(R) (x)               | 7.86   | 7.62   | 8.45   | 6.52   | 5.76   |
| Adjusted EPS (CHF)             | 13.0   | 10.6   | 15.2   | 18.9   | 20.2   |
| Growth in EPS (%)              | 112    | -18.5  | 43.5   | 24.6   | 6.73   |
| Dividend (CHF)                 | 2.20   | 2.20   | 2.95   | 3.67   | 3.92   |
| Sales (CHFM)                   | 472    | 408    | 546    | 653    | 697    |
| Pretax Results margin (%)      | 47.3   | 45.7   | 48.5   | 50.5   | 50.5   |
| Attributable net profit (CHFM) | 193    | 157    | 226    | 281    | 300    |
| ROE (after tax) (%)            | 36.6   | 23.2   | 24.3   | 26.7   | 26.6   |
| Gearing (%)                    | -25.0  | -30.7  | -26.1  | -40.9  | -44.2  |

## Buy

Upside : 32.7%

|                         |             |
|-------------------------|-------------|
| Price (CHF)             | 197         |
| Target Price (CHF)      | 262         |
| Momentum                | + +         |
| Market Cap (CHFM)       | 3,025       |
| Enterprise Value (CHFM) | 2,634       |
| Next Company Release    | 14 Mar 2024 |
| High/Low (12M)          | CHF 123/204 |
| BBG : SQN SW            | RIC : SQN.S |
| Credit Risk & outlook   | AA →        |
| Fundamental Strength    | 9 /10       |
| Sustainability score    | 6.9 /10     |

### Price relative to index & historical opinion



| Performances (%) | 1m    | 3m    | 12m   |
|------------------|-------|-------|-------|
| Absolute         | 5.68% | 15.4% | 55.5% |

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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  |