

# HALF-YEAR REPORT



# 2024

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# Condensed consolidated interim statement of financial position

in CHF	Notes	30 June 2024	31 December 2023
<b>ASSETS</b>			
Cash and balances with central banks		4,823,706,675	4,548,150,659
Treasury bills and other eligible bills		372,722,022	474,606,436
Due from banks		1,831,460,022	1,504,026,695
Derivative financial instruments		179,498,744	147,986,246
Trading assets		6,244,274	873,726
Loans		1,000,663,310	805,573,888
Investment securities	12	2,588,266,322	2,098,624,421
Investment in joint venture		13,849,732	8,979,084
Deferred income tax assets		1,078,329	1,489,711
Intangible assets	13	62,009,401	54,749,408
Information technology systems	14	96,492,384	92,299,204
Property, plant and equipment	15	73,356,590	73,760,573
Other assets		234,265,177	148,668,642
<b>Total assets</b>		<b>11,283,612,982</b>	<b>9,959,788,693</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits from banks		307,428,734	307,486,046
Derivative financial instruments		85,208,213	78,439,731
Financial liabilities designated at fair value		267,450,478	215,908,273
Due to customers		9,453,480,867	8,307,692,780
Other liabilities		131,857,748	110,831,608
Current income tax liabilities		34,721,413	31,642,163
Deferred tax liabilities		2,893,070	2,345,870
Provisions		5,696,255	6,887,228
<b>Total liabilities</b>		<b>10,288,736,778</b>	<b>9,061,233,699</b>
<b>Equity</b>			
Ordinary shares		3,065,634	3,065,634
Share premium		59,426,200	57,575,297
Share option reserve		7,178,596	7,054,044
Other reserve		(8,316,598)	(14,569,176)
Treasury shares		(60,965,950)	(66,939,521)
Retained earnings		994,488,322	912,368,716
<b>Total equity</b>		<b>994,876,204</b>	<b>898,554,994</b>
<b>Total liabilities and equity</b>		<b>11,283,612,982</b>	<b>9,959,788,693</b>

# Condensed consolidated interim income statement

in CHF	Notes	6 months ended 30 June	
		2024	2023
Fee and commission income		132,797,987	91,696,832
Fee and commission expense		(13,454,471)	(10,477,147)
<b>Net fee and commission income</b>	6	<b>119,343,516</b>	<b>81,219,685</b>
Interest income		112,542,725	90,477,555
Interest expense		(19,601,770)	(10,223,578)
Other interest income		21,337,704	30,157,263
Other interest expense		(4,513,008)	(7,712,124)
<b>Net interest income</b>	7	<b>109,765,651</b>	<b>102,699,116</b>
<b>Net trading income</b>	8	<b>87,642,609</b>	<b>81,450,154</b>
<b>Operating income</b>		<b>316,751,776</b>	<b>265,368,955</b>
Credit loss release / (expense)	11	159,836	211,561
Operating expenses	9	(147,124,414)	(138,374,692)
Net result from investment in joint venture		(129,352)	(2,338,640)
<b>Operating profit</b>		<b>169,657,846</b>	<b>124,867,184</b>
Income tax expense		(25,095,319)	(18,338,985)
<b>Net profit</b>		<b>144,562,527</b>	<b>106,528,199</b>
<b>SHARE INFORMATION</b>			
Earnings per share	10	9.69	7.15
Diluted earnings per share	10	9.61	7.10

# Condensed consolidated interim statement of comprehensive income

in CHF	Notes	6 months ended 30 June	
		2024	2023
<b>NET PROFIT</b>		<b>144,562,527</b>	<b>106,528,199</b>
<b>Other comprehensive income:</b>			
<b>Gains/(losses) recognised directly in equity</b>			
<b>Items that may be reclassified to the income statement</b>			
Investment securities measured at fair value through other comprehensive income (FVOCI):			
Net unrealised gains/(losses)		(591,307)	(783,161)
Net realised gains/(losses) reclassified to the income statement from equity		19,351	–
Income tax effect		78,358	107,293
Cash flow hedges		–	502,222
Currency translation differences		3,829,920	(1,321,287)
<b>Total other comprehensive income / (loss) that may be reclassified to the income statement</b>		<b>3,336,322</b>	<b>(1,494,933)</b>
<b>Items that will not be reclassified to the income statement</b>			
Investment securities measured at fair value through other comprehensive income (FVOCI equities):			
Net realised/unrealised gains/(losses)		630,207	605,231
Income tax effect		(86,338)	(82,917)
Defined benefit obligation:			
Remeasurement	4	2,749,000	174,000
Income tax effect		(376,613)	(23,838)
<b>Total other comprehensive income that will not be reclassified to the income statement</b>		<b>2,916,256</b>	<b>672,476</b>
<b>Other comprehensive income for the period (net of tax)</b>		<b>6,252,578</b>	<b>(822,457)</b>
<b>Total comprehensive income for the period</b>		<b>150,815,105</b>	<b>105,705,742</b>

## Condensed consolidated interim statement of changes in equity

in CHF	Notes	Ordinary shares	Share premium	Share option reserve	Other reserve	Treasury shares	Retained earnings	Total
<b>BALANCE AS AT 1 JANUARY 2024</b>		3,065,634	57,575,297	7,054,044	(14,569,176)	(66,939,521)	912,368,716	898,554,994
Net profit of the period		–	–	–	–	–	144,562,527	144,562,527
Investment securities FVOCI		–	–	–	58,251	–	–	58,251
Remeasurement of defined benefit obligation	4	–	–	–	2,749,000	–	–	2,749,000
Income tax effect (aggregated)		–	–	–	(384,593)	–	–	(384,593)
Currency translation differences		–	–	–	3,829,920	–	–	3,829,920
<b>Total comprehensive income for the period</b>		–	–	–	<b>6,252,578</b>	–	<b>144,562,527</b>	<b>150,815,105</b>
Dividend		–	–	–	–	–	(64,268,432)	(64,268,432)
<b>Employee stock option plan:</b>								
Amortisation of services		–	–	1,950,063	–	–	–	1,950,063
Stock options exercised, lapsed or forfeited		–	–	(1,825,511)	–	–	1,825,511	–
<b>Treasury shares:</b>								
Purchase		–	–	–	–	(8,227,483)	–	(8,227,483)
Sale/remittance		–	1,850,903	–	–	14,201,054	–	16,051,957
<b>Balance as at 30 June 2024</b>		<b>3,065,634</b>	<b>59,426,200</b>	<b>7,178,596</b>	<b>(8,316,598)</b>	<b>(60,965,950)</b>	<b>994,488,322</b>	<b>994,876,204</b>

## Condensed consolidated interim statement of changes in equity (continued)

in CHF	Notes	Ordinary shares	Share premium	Share option reserve	Other reserve	Treasury shares	Retained earnings	Total
<b>BALANCE AS AT 1 JANUARY 2023</b>		3,065,634	57,833,801	5,338,134	(9,828,340)	(40,106,180)	724,825,045	741,128,094
Net profit of the period		-	-	-	-	-	106,528,199	106,528,199
Investment securities FVOCI		-	-	-	(177,930)	-	149,598	(28,332)
Remeasurement of defined benefit obligation	4	-	-	-	174,000	-	-	174,000
Income tax effect (aggregated)		-	-	-	538	-	(20,495)	(19,957)
Cash flow hedges		-	-	-	502,222	-	-	502,222
Currency translation differences		-	-	-	(1,321,287)	-	-	(1,321,287)
<b>Total comprehensive income for the period</b>		-	-	-	<b>(822,457)</b>	-	<b>106,657,302</b>	<b>105,834,845</b>
Dividend		-	-	-	-	-	(32,729,952)	(32,729,952)
<b>Employee stock option plan:</b>								
Amortisation of services		-	-	1,505,141	-	-	-	1,505,141
Stock options exercised, lapsed or forfeited		-	-	(827,559)	-	-	827,559	-
<b>Treasury shares:</b>								
Purchase		-	-	-	-	(30,248,918)	-	(30,248,918)
Sale/remittance		-	(693,439)	-	-	6,820,659	-	6,127,220
<b>Balance as at 30 June 2023</b>		<b>3,065,634</b>	<b>57,140,362</b>	<b>6,015,716</b>	<b>(10,650,797)</b>	<b>(63,534,439)</b>	<b>799,579,954</b>	<b>791,616,430</b>

# Condensed consolidated interim statement of cash flows

in CHF	Notes	6 months ended 30 June	
		2024	2023
<b>Cash flow from/(used in) operating activities:</b>			
Fee and commission received		131,819,960	87,364,975
Fee and commission paid		(12,002,570)	(10,205,069)
Interest received		119,019,602	98,512,288
Interest paid		(15,404,136)	(14,976,950)
Net trading income received		90,747,066	81,685,040
Income tax paid		(20,936,892)	(17,988,329)
Payments to employees		(77,959,786)	(73,456,234)
Payments to suppliers		(68,307,171)	(69,837,929)
<b>Cash flow from operating profit before changes in operating assets and liabilities</b>		<b>146,976,073</b>	<b>81,097,792</b>
<b>Net change in operating assets and liabilities:</b>			
Treasury bills and other eligible bills (above 3 months)		(31,708,500)	(217,133,669)
Due from banks (above 3 months)		(199,318,401)	233,502,291
Derivative financial instruments (assets)		(31,512,498)	(36,971,904)
Trading assets		(5,361,464)	(222,114)
Loans		(180,118,450)	23,007,314
Derivative financial instruments (liabilities)		6,768,482	6,981,754
Issuance of financial liabilities designated at fair value		221,728,557	148,430,004
Repayment of financial liabilities designated at fair value		(182,422,070)	(61,314,202)
Due to customers		987,771,668	153,713,391
<b>Net cash from operating activities</b>		<b>732,803,397</b>	<b>331,090,657</b>
<b>Cash flow from/(used in) investing activities:</b>			
Purchase of property, plant and equipment and information technology systems	13/14	(23,822,587)	(26,287,125)
Proceeds from sale and reimbursement of investment securities		225,584,394	152,015,053
Purchase of investment securities		(652,461,998)	(533,976,782)
Purchase of subsidiary, net of cash acquired		(4,280,881)	–
Increased investment in joint ventures		(5,000,000)	–
<b>Net cash used in investing activities</b>		<b>(459,981,072)</b>	<b>(408,248,854)</b>
<b>Cash flow from/(used in) financing activities:</b>			
Repayment of lease liabilities		(1,579,244)	(1,754,932)
Purchase of treasury shares		(8,227,483)	(30,248,917)
Sale/remittance of treasury shares		15,408,677	5,880,646
Dividend and reimbursement from reserves		(64,268,432)	(32,729,952)
<b>Net cash used in financing activities</b>		<b>(58,666,482)</b>	<b>(58,853,155)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>214,155,843</b>	<b>(136,011,352)</b>
Cash and cash equivalents as at 1 January		5,732,316,476	6,048,013,440
Exchange difference on cash and cash equivalents		38,844,446	(9,320,536)
<b>Cash and cash equivalents as at 30 June <sup>1</sup></b>		<b>5,985,316,765</b>	<b>5,902,681,552</b>
<b>Cash and cash equivalents:</b>			
Cash and balances with central banks		4,823,706,675	4,740,852,204
Treasury bills and other eligible bills (less than 3 months)		133,202,217	547,092,591
Due from banks (less than 3 months)		1,335,836,608	1,025,005,545
Deposits from banks		(307,428,734)	(410,268,788)
<b>Total as at 30 June <sup>1</sup></b>		<b>5,985,316,766</b>	<b>5,902,681,552</b>

<sup>1</sup> CHF 246.8 million and CHF 269.9 million of cash and cash equivalents were restricted as at 30 June 2024 and 30 June 2023, respectively.



# Notes to the condensed consolidated interim financial statements

## 1 Scope of operations and general information

Swissquote Group Holding Ltd (the "Company") and its subsidiaries (together the "Group") provide a comprehensive suite of online financial services to a broad spectrum of customers, ranging from retail investors, affluent investors to professional and institutional customers. The Group operates in Switzerland through Swissquote Bank Ltd (the "Bank") and globally under the Swissquote brand with offices located in the United Arab Emirates (Dubai), Europe (United Kingdom, Luxembourg, Malta, Romania and Cyprus), Asia Pacific with offices in the Republic of China (Hong Kong) and Singapore and in South Africa.

The Group also shares 50% interest in Yuh Ltd (Gland, Switzerland). This venture markets a digital banking mobile application under a separate brand in the Swiss market ([www.yuh.com](http://www.yuh.com)).

The Group's headquarters are located in Gland (Canton of Vaud), Switzerland.

At the Annual General Meeting held on 8 May 2024, the shareholders resolved on the payment of dividend of CHF 4.30 per share (10 May 2023: dividend of CHF 2.20 per share). No distribution is allocated to the treasury shares.

## 2 Accounting policies and presentation matters

The condensed consolidated interim financial statements are prepared in accordance with IAS 34 "Interim Financial Reporting". The condensed consolidated interim financial statements should be read in conjunction with the 2023 consolidated financial statements. The accounting policies used in the preparation of the Interim Financial Statements are consistent with those used in the Annual Financial Statements.

## 3 Adoption of new and revised international financial reporting standards

### 3.1 Standards, amendments and interpretations effective on or after 1 January 2024

There are no IFRS or IFRIC interpretations, effective for the first time for the financial year beginning 1 January 2024, with a material impact on the Group.

### 3.2 Standards and interpretations issued but not yet effective

The Group did not early adopt new or amended standards in 2024.

## 4 Critical accounting judgements and key sources of estimation uncertainty

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023 (Section V: Critical accounting judgement and key sources of estimation uncertainty, pages 43-44).

As at 30 June 2024, the Group believes the assumptions that have been made are appropriate under the circumstances and that these interim financial statements are fairly presented in all aspects.

Key assumptions are described below (to be read in conjunction with the Section V of the 2023 consolidated financial statements):

**Employee benefits:** during the period under review, the discount rate and the interest rate credited on savings accounts used in the determination of the net defined benefit obligation decreased from 1.50% to 1.40%. This impact was more than offset by the performance on the plan's assets, bringing the net pension plan liability from CHF 10.6 million down to a total amount of 7.5 million.

**Measurement of the expected credit loss and impairment allowance:** during the period under review, fully-provisioned stage 3 cases were written off for an amount of CHF 24.4 million. Reference is made to Note 11.

# Notes to the condensed consolidated interim financial statements

## 5 Reportable segments

The analysis of reportable segments for the 6-month period ending 30 June 2024 and 2023 is as follows:

in CHF	6 months ended 30 June	
	2024	2023
<b>OPERATING INCOME BY GEOGRAPHY</b>		
<b>Securities trading</b>		
Switzerland	228,401,761	181,128,889
Europe	20,273,767	15,688,548
Middle East and Africa	17,005,374	10,203,446
Asia Pacific	3,955,635	3,417,761
<b>Subtotal securities trading</b>	<b>269,636,537</b>	<b>210,438,644</b>
<b>Leveraged forex</b>		
Switzerland	37,882,876	46,121,373
Europe	287,488	394,356
Middle East and Africa	5,853,556	5,856,979
Asia Pacific	3,091,319	2,557,603
<b>Subtotal leveraged forex</b>	<b>47,115,239</b>	<b>54,930,311</b>
<b>Total operating income</b>	<b>316,751,776</b>	<b>265,368,955</b>
Total unallocated items	(147,093,930)	(140,501,771)
<b>Operating profit</b>	<b>169,657,846</b>	<b>124,867,184</b>

The geographical split reflects the location of the office that manages the client relationship.

in CHF	6 months ended 30 June	
	2024	2023
<b>OPERATING INCOME BY PRODUCT</b>		
<b>Securities trading</b>		
Cash and fixed income	118,337,813	109,977,434
Shares	38,085,479	29,516,916
Foreign exchange	36,733,992	26,322,158
Crypto assets	35,107,664	7,484,938
Structured products and derivatives	15,163,395	11,354,021
Funds and similar vehicles	14,906,280	11,288,947
Others	11,301,914	14,494,230
<b>Subtotal securities trading</b>	<b>269,636,537</b>	<b>210,438,644</b>
<b>Leveraged forex</b>		
Foreign exchange	25,354,340	31,320,253
Contracts-for-differences	10,977,912	12,705,705
Precious metals	10,782,987	10,904,353
<b>Subtotal leveraged forex</b>	<b>47,115,239</b>	<b>54,930,311</b>
<b>Total operating income</b>	<b>316,751,776</b>	<b>265,368,955</b>
Total unallocated items	(147,093,930)	(140,501,771)
<b>Operating profit</b>	<b>169,657,846</b>	<b>124,867,184</b>

# Notes to the condensed consolidated interim financial statements

## 6 Net fee and commission income

in CHF	6 months ended 30 June	
	2024	2023
Brokerage and related income	89,824,654	55,362,517
Custody and other account services fees	21,432,407	20,115,441
Platform, technology and support services fees	9,511,274	7,956,728
Management fees, referral fees and fiduciary commissions	7,959,588	5,303,344
Other commission income	4,070,064	2,958,802
<b>Total fee and commission income</b>	<b>132,797,987</b>	<b>91,696,832</b>
Fee and commission expense	(13,454,471)	(10,477,147)
<b>Total net fee and commission income</b>	<b>119,343,516</b>	<b>81,219,685</b>

Brokerage and related income represents revenues that are based on number of transactions or volume of transactions and recognised at a point in time.

Custody and other account services fees, Management fees, referral fees and fiduciary commissions, as well as Platform, technology and support services fees mainly consist of non-transaction-based income (typically a

percentage of assets deposited or a fixed amount) and are provided over time.

Other commission income is a mix of transaction-based and non-transaction-based revenues and includes amongst others payment fees recognised at a point in time.

Net fee and commission income include CHF 32.4 million related to trading of crypto assets (2023: CHF 7.5 million).

# Notes to the condensed consolidated interim financial statements

## 7 Net interest income

in CHF	6 months ended 30 June			
	Activities excluding FX swaps	FX swaps	2024	2023
<b>Interest income</b>				
Cash and balances with central banks	21,623,246	–	21,623,246	16,315,565
Treasury bills and other eligible bills	5,933,157	–	5,933,157	5,031,443
Due from banks	40,788,699	–	40,788,699	37,393,094
Loans and due to customers	20,402,384	–	20,402,384	16,415,163
Investment securities	23,795,239	–	23,795,239	15,322,290
<b>Total interest income</b>	<b>112,542,725</b>	<b>–</b>	<b>112,542,725</b>	<b>90,477,555</b>
<b>Interest expense</b>				
Due to banks and due from banks	(3,191,257)	–	(3,191,257)	(1,888,089)
Investment securities	(260,513)	–	(260,513)	(324,620)
Due to customers and others	(16,150,000)	–	(16,150,000)	(8,010,869)
<b>Total interest expense</b>	<b>(19,601,770)</b>	<b>–</b>	<b>(19,601,770)</b>	<b>(10,223,578)</b>
<b>Other interest income</b>				
Derivative financial instruments	–	20,460,639	20,460,639	29,979,343
Loans	877,065	–	877,065	177,920
<b>Total other interest income</b>	<b>877,065</b>	<b>20,460,639</b>	<b>21,337,704</b>	<b>30,157,263</b>
<b>Other interest expense</b>				
Derivative financial instruments	(3,046,809)	(1,466,199)	(4,513,008)	(7,712,124)
<b>Total other interest expense</b>	<b>(3,046,809)</b>	<b>(1,466,199)</b>	<b>(4,513,008)</b>	<b>(7,712,124)</b>
<b>Total net interest income</b>	<b>90,771,211</b>	<b>18,994,440</b>	<b>109,765,651</b>	<b>102,699,116</b>

# Notes to the condensed consolidated interim financial statements

## 8 Net trading income

in CHF	6 months ended 30 June	
	2024	2023
<b>Foreign exchange revenues:</b>		
From leveraged forex	47,115,239	54,930,311
From other foreign exchange income	36,733,992	26,322,158
<b>Net gains/(losses):</b>		
From trading assets, investment securities and others	3,793,378	197,685
<b>Net trading income</b>	<b>87,642,609</b>	<b>81,450,154</b>

Net gains from trading assets, investment securities and others include gains of CHF 2.7 million related to the operation of the crypto exchange SQX, by continuously offering buy and sell orders to clients and to other market participants (2023: 0).

## 9 Operating expenses

in CHF	6 months ended 30 June	
	2024	2023
Payroll and related expenses	74,539,198	68,026,037
Other operating expenses	34,716,219	33,903,320
Depreciation and amortisation	21,303,407	18,513,701
Marketing expenses	15,830,123	16,165,366
Provisions	735,467	1,766,268
<b>Total</b>	<b>147,124,414</b>	<b>138,374,692</b>

Payroll and related expenses comprise an accrued amount of CHF 10.4 million related to variable remuneration (2023: CHF 9.7 million).

# Notes to the condensed consolidated interim financial statements

## 10 Earnings per share

### Basic

Basic earnings per share are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year, excluding

the weighted average number of ordinary shares purchased and held as treasury shares.

	6 months ended 30 June	
	2024	2023
Net profit (CHF)	144,562,527	106,528,199
Weighted average number of ordinary shares in issue	14,919,225	14,908,540
<b>Earnings per share (CHF)</b>	<b>9.69</b>	<b>7.15</b>

### Diluted

Diluted earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. Share options are the only type of dilutive potential ordinary shares and they have a dilutive effect only when the average market price of ordinary shares during the year exceeds the exercise price of the options (i.e. they are 'in the money'): a calculation is performed to determine the number of shares that could have been acquired at fair value (determined at the

average annual market share price of the Group's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. The difference between the two represents the number of dilutive potential shares to be added to the weighted average number of ordinary shares.

	6 months ended 30 June	
	2024	2023
Net profit (CHF)	144,562,527	106,528,199
Weighted average number of ordinary shares	14,919,225	14,908,540
Adjustments for share options	116,961	92,951
Weighted average number of ordinary shares for diluted earnings per share options	15,036,186	15,001,491
<b>Diluted earnings per share (CHF)</b>	<b>9.61</b>	<b>7.10</b>

# Notes to the condensed consolidated interim financial statements

## 11 Impairment loss allowance (IFRS 9)

in CHF					6 months ended 30 June	
	Stage 1	Stage 2	Stage 3	Total	2024	2023
<b>MOVEMENTS, GROSS OF TAX, THAT DO REDUCE THE CARRYING AMOUNT OF FINANCIAL ASSETS:</b>						
<b>Impairment allowance under IFRS 9 as at 1 January 2024</b>	<b>1,301,839</b>	<b>34,260</b>	<b>48,518,899</b>	<b>49,854,998</b>	–	–
Derecognitions and new purchases	33,943	–	–	33,943	(33,943)	129,096
Changes in assumptions (PD, EAD and LGD)	(338,916)	(34,249)	–	(373,165)	373,165	933,685
Write-offs	–	–	(24,424,917)	(24,424,917)	–	–
Other movements	13,592	–	1,364,065	1,377,657	(149,327)	(758,781)
<b>Impairment allowance under IFRS 9 as at 30 June 2024</b>	<b>1,010,458</b>	<b>11</b>	<b>25,458,047</b>	<b>26,468,516</b>	–	–
<b>MOVEMENTS, GROSS OF TAX, THAT DO NOT REDUCE THE CARRYING AMOUNT OF FINANCIAL ASSETS:</b>						
<b>Impairment allowance under IFRS as at 1 January 2024</b>	<b>203,316</b>	–	–	<b>203,316</b>	–	–
Derecognitions and new purchases	88,473	–	–	88,473	(88,473)	(92,439)
Changes in assumptions (PD, EAD and LGD)	(58,414)	–	–	(58,414)	58,414	–
<b>Total as at 30 June 2024</b>	<b>1,243,833</b>	<b>11</b>	<b>25,458,047</b>	<b>26,701,891</b>	–	–
Total as at 1 January 2024	1,505,155	34,260	48,518,899	50,058,314	–	–
<b>Credit loss release / (expense)</b>					<b>159,836</b>	<b>211,561</b>

During the period under review, changes in IFRS 9 assumptions (mainly changes in probability of default of counterparties) impacted the impairment allowance for CHF 0.2 million. In that context, the credit loss release amounted to CHF 0.2 million (2023: CHF 0.2 million). At the same time, the Group wrote off fully-provisioned cases (stage 3) for which there were no reasonable expectation of recovery due to passage of time for CHF 24.4 million.

# Notes to the condensed consolidated interim financial statements

## 12 Investment securities

in CHF

	30 June 2024	
	Carrying value	Fair value
Amortised cost bonds	1,942,994,951	1,912,383,731
FVOCI bonds	456,667,036	456,667,036
FVTPL bonds	171,281,317	171,281,317
FVOCI equities	17,323,018	17,323,018
<b>Total as at 30 June</b>	<b>2,588,266,322</b>	<b>2,557,655,102</b>

in CHF

	31 December 2023	
	Carrying value	Fair value
Amortised cost bonds	1,703,770,634	1,669,134,655
FVOCI bonds	228,196,023	228,196,023
FVTPL bonds	150,076,403	150,076,403
FVOCI equities	16,581,361	16,581,361
<b>Total as at 31 December</b>	<b>2,098,624,421</b>	<b>2,063,988,442</b>

The increase in investment securities was mainly driven by purchases of high-quality liquid assets in our amortised cost portfolio as well as purchases of investment grade bonds in the FVOCI portfolio, bringing the average duration of the investment securities portfolio to approximately 2.5 years. The difference between the carrying value and the fair value is mainly explained by the impact of the changes in interest rate environment.

## 13 Intangible assets and business combination

in CHF

	Goodwill	Reacquired right	Total
<b>6 MONTHS ENDED 30 JUNE 2024</b>			
Opening net book amount	54,749,408	–	54,749,408
Addition	4,603,023	2,802,554	7,405,577
Amortisation/depreciation	–	(722,240)	(722,240)
Currency translation differences	576,656	–	576,656
<b>Closing net book amount as at 30 June 2024</b>	<b>59,929,087</b>	<b>2,080,314</b>	<b>62,009,401</b>
<b>6 MONTHS ENDED 30 JUNE 2023</b>			
Opening net book amount	55,784,621	–	55,784,621
Addition	–	–	–
Amortisation/depreciation	–	–	–
Currency translation differences	(221,685)	–	(221,685)
<b>Closing net book amount as at 30 June 2023</b>	<b>55,562,936</b>	<b>–</b>	<b>55,562,936</b>

The additions in 2024 are linked to the acquisition of Optimatrade Investment Partners (Pty) Ltd (see next page).



# Notes to the condensed consolidated interim financial statements

## 13 Intangible assets and business combination (continued)

### Acquisition of Optimatrade Investment Partners (Pty) Ltd

On 1 March 2024, the Group completed the acquisition of 100% of the share capital of Optimatrade Investment Partners (Pty) Ltd (Optimatrade). The company has been renamed Swissquote South Africa (Pty) Ltd and is a fully owned subsidiary of Swissquote Group Holding Ltd. Since 2013, Optimatrade was acting as an introducer for Swissquote Bank Ltd. The transaction will enable natural synergies, in particular thanks to the rebranding of Optimatrade, and will strengthen the local presence. Since the beginning of the relationship, Optimatrade already introduced to Swissquote more than 6,000 customers, who hold client assets of CHF 1.3 billion as at the acquisition date.

The sale and purchase agreement provides the seller with an upfront payment of CHF 4.4 million, as well as a contingent consideration that requires the Group to pay the seller a maximum of CHF 4.0 million depending on the reaching of defined thresholds of revenue generated by the customers introduced by Optimatrade in the coming years. The fair value of the contingent consideration of CHF 2.6 million is included in other liabilities and was measured as the best estimate of achievement of the revenue targets within the timeframe. The result of the acquisition is detailed as follows:

in CHF	Fair value
Due from banks	134,317
Intangible assets (reacquired right)	2,802,554
Other assets	281,039
Other liabilities	(158)
Deferred tax liabilities	(756,690)
<b>Net assets acquired</b>	<b>2,461,062</b>
Goodwill (intangible assets)	4,603,023
<b>Total consideration</b>	<b>7,064,085</b>
of which satisfied by cash	4,415,198
of which contingent consideration	2,648,887
Purchase consideration settled in cash	4,415,198
Cash and cash equivalents in subsidiary acquired	134,317
<b>Cash outflow on acquisition</b>	<b>(4,280,881)</b>

The Group measured separately the recognisable identified assets acquired and the liabilities assumed as of the acquisition date in accordance with the requirement of IFRS 3. The total identifiable net assets of Optimatrade were measured at CHF 2.5 million and the goodwill was valued at CHF 4.6 million. None of the goodwill recognised is expected to be deductible for income tax purposes.

For the purpose of impairment testing, the goodwill related to Optimatrade business combination was allocated to a new cash-generating unit and will be tested for impairment annually and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

Acquisition-related costs were deemed immaterial and were recognised in operating expenses.

# Notes to the condensed consolidated interim financial statements

## 14 Information technology systems

in CHF	Software third-party licences	Proprietary software	Hardware & telecom systems	Total
<b>6 MONTHS ENDED 30 JUNE 2024</b>				
Opening net book amount	4,666,734	82,687,558	4,944,912	92,299,204
Addition	130,942	20,209,821	501,771	20,842,534
Amortisation/depreciation	(745,156)	(14,372,045)	(1,532,153)	(16,649,354)
<b>Closing net book amount as at 30 June 2024</b>	<b>4,052,520</b>	<b>88,525,334</b>	<b>3,914,530</b>	<b>96,492,384</b>
<b>6 MONTHS ENDED 30 JUNE 2023</b>				
Opening net book amount	4,906,839	65,252,434	5,098,755	75,258,028
Addition	207,707	20,353,006	1,543,957	22,104,670
Amortisation/depreciation	(760,313)	(12,148,142)	(1,664,502)	(14,572,957)
<b>Closing net book amount as at 30 June 2023</b>	<b>4,354,233</b>	<b>73,457,298</b>	<b>4,978,210</b>	<b>82,789,741</b>

Proprietary software comprises software development costs and purchased software in connection with the design and improvements of the products, services and systems of the Group. As at 30 June 2024, additions to information technology systems include an amount of CHF 13.6 million (2023: CHF 14.0 million) representing own costs capitalised according to IAS 38.

# Notes to the condensed consolidated interim financial statements

## 15 Property, plant and equipment

in CHF	Land and buildings	Right-of-use assets	Leasehold improvements	Equipment	Total
<b>6 MONTHS ENDED 30 JUNE 2024</b>					
Opening net book amount	52,545,304	12,673,525	5,113,724	3,428,020	73,760,573
Addition	2,254,882	547,842	424,329	300,777	3,527,830
Amortisation/depreciation	(904,616)	(1,822,204)	(688,313)	(516,680)	(3,931,813)
<b>Closing net book amount as at 30 June 2024</b>	<b>53,895,570</b>	<b>11,399,163</b>	<b>4,849,740</b>	<b>3,212,117</b>	<b>73,356,590</b>
<b>6 MONTHS ENDED 30 JUNE 2023</b>					
Opening net book amount	51,275,547	13,328,185	5,062,936	2,839,922	72,506,590
Addition	2,962,420	1,666,962	635,849	584,186	5,849,417
Amortisation/depreciation	(909,582)	(1,959,403)	(646,326)	(425,433)	(3,940,744)
<b>Closing net book amount as at 30 June 2023</b>	<b>53,328,385</b>	<b>13,035,744</b>	<b>5,052,459</b>	<b>2,998,675</b>	<b>74,415,263</b>

Land and buildings is further analysed as follows:

in CHF	Land	Buildings in operation	Building under construction	Total Land and buildings
<b>6 MONTHS ENDED 30 JUNE 2024</b>				
Opening net book amount	7,550,578	38,384,967	6,609,759	52,545,304
Addition	–	–	2,254,882	2,254,882
Amortisation/depreciation	–	(904,616)	–	(904,616)
<b>Closing net book amount as at 30 June 2024</b>	<b>7,550,578</b>	<b>37,480,351</b>	<b>8,864,641</b>	<b>53,895,570</b>
<b>6 MONTHS ENDED 30 JUNE 2023</b>				
Opening net book amount	7,550,578	40,201,186	3,523,783	51,275,547
Addition	–	–	2,962,420	2,962,420
Amortisation/depreciation	–	(909,582)	–	(909,582)
<b>Closing net book amount as at 30 June 2023</b>	<b>7,550,578</b>	<b>39,291,604</b>	<b>6,486,203</b>	<b>53,328,385</b>

On 1 November 2022, Swissquote Bank Ltd entered into a contract with a construction company, the purpose of which is the realisation of the extension of the Group's headquarters in Gland, Switzerland.

The building construction started in 2024 and should last at least three years. The depreciation is expected to start once the construction is delivered.

# Notes to the condensed consolidated interim financial statements

## 16 Fair value of financial assets and liabilities

in CHF	Level 1	Level 2	Level 3	Fair value	Carrying amount
<b>AS AT 30 JUNE 2024</b>					
<b>Assets measured at fair value</b>					
Derivative financial instruments	68,473,910	111,024,834	–	179,498,744	179,498,744
Trading assets	6,244,274	–	–	6,244,274	6,244,274
Investment securities	306,775,199	338,496,172	–	645,271,371	645,271,371
Other assets (measured at fair value) <sup>1</sup>	133,147,882	–	–	133,147,882	133,147,882
<b>Total assets measured at fair value</b>	<b>514,641,265</b>	<b>449,521,006</b>	<b>–</b>	<b>964,162,271</b>	<b>964,162,271</b>
<b>Assets not measured at fair value</b>					
Cash and balances with central banks					4,823,706,675
Treasury bills and other eligible bills					372,722,022
Due from banks					1,831,460,022
Loans					1,000,663,310
Investments securities	874,155,681	1,038,228,050	–	1,912,383,731	1,942,994,951
Investment in joint venture					13,849,732
Deferred income tax assets					1,078,329
Intangible assets					62,009,401
Information technology systems					96,492,384
Property, plant and equipment					73,356,590
Other assets (not measured at fair value)					101,117,295
<b>Total assets not measured at fair value</b>	<b>874,155,681</b>	<b>1,038,228,050</b>	<b>–</b>	<b>1,912,383,731</b>	<b>10,319,450,711</b>
<b>Total assets</b>	<b>1,388,796,946</b>	<b>1,487,749,056</b>	<b>–</b>	<b>2,876,546,002</b>	<b>11,283,612,982</b>
<b>Liabilities measured at fair value</b>					
Derivative financial instruments	16,287,610	68,920,603	–	85,208,213	85,208,213
Financial liabilities designated at fair value	–	267,450,478	–	267,450,478	267,450,478
<b>Total liabilities measured at fair value</b>	<b>16,287,610</b>	<b>336,371,081</b>	<b>–</b>	<b>352,658,691</b>	<b>352,658,691</b>
<b>Liabilities not measured at fair value</b>					
Deposits from banks					307,428,734
Due to customers					9,453,480,867
Other liabilities					131,857,748
Current income tax liabilities					34,721,413
Deferred tax liabilities					2,893,070
Provisions					5,696,255
<b>Total liabilities not measured at fair value</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9,936,078,087</b>
<b>Total liabilities</b>	<b>16,287,610</b>	<b>336,371,081</b>	<b>–</b>	<b>352,658,691</b>	<b>10,288,736,778</b>

<sup>1</sup> mainly comprise precious metals

# Notes to the condensed consolidated interim financial statements

## **16 Fair value of financial assets and liabilities (continued)**

Level 2 investment securities comprise mainly foreign currency bonds that are traded through over-the-counter market and therefore do not qualify as level 1.

### **Assets measured at fair value**

Investment securities measured at fair value comprise financial assets at fair value through profit or loss (30 June 2024: CHF 171.3 million of which CHF 101.6 million is classified as level 2) and financial assets at fair value through other comprehensive income (30 June 2024: CHF 474.0 million of which CHF 236.9 million is classified as level 2).

### **Assets and liabilities not measured at fair value**

Investment securities not measured at fair value comprise investment securities classified as amortised cost. For all other assets and liabilities not measured at fair value, the carrying amount is assessed to be a reasonable approximation of fair value.

# Notes to the condensed consolidated interim financial statements

## 16 Fair value of financial assets and liabilities (continued)

in CHF	Level 1	Level 2	Level 3	Fair value	Carrying amount
<b>AS AT 31 DECEMBER 2023</b>					
<b>Assets measured at fair value</b>					
Derivative financial instruments	59,373,251	88,612,995	–	147,986,246	147,986,246
Trading assets	873,726	–	–	873,726	873,726
Investment securities	204,929,681	189,924,106	–	394,853,787	394,853,787
Other assets (measured at fair value) <sup>1</sup>	91,728,953	–	–	91,728,953	91,728,953
<b>Total assets measured at fair value</b>	<b>356,905,611</b>	<b>278,537,101</b>	<b>–</b>	<b>635,442,712</b>	<b>635,442,712</b>
<b>Assets not measured at fair value</b>					
Cash and balances with central banks					4,548,150,659
Treasury bills and other eligible bills					474,606,436
Due from banks					1,504,026,695
Loans					805,573,888
Investments securities	892,345,723	776,788,932	–	1,669,134,655	1,703,770,634
Investment in joint venture					8,979,084
Deferred income tax assets					1,489,711
Intangible assets					54,749,408
Information technology systems					92,299,204
Property, plant and equipment					73,760,573
Other assets (not measured at fair value)					56,939,689
<b>Total assets not measured at fair value</b>	<b>892,345,723</b>	<b>776,788,932</b>	<b>–</b>	<b>1,669,134,655</b>	<b>9,324,345,981</b>
<b>Total assets</b>	<b>1,249,251,334</b>	<b>1,055,326,033</b>	<b>–</b>	<b>2,304,577,367</b>	<b>9,959,788,693</b>
<b>Liabilities measured at fair value</b>					
Derivative financial instruments	7,682,230	70,757,501	–	78,439,731	78,439,731
Financial liabilities designated at fair value	–	215,908,273	–	215,908,273	215,908,273
<b>Total liabilities measured at fair value</b>	<b>7,682,230</b>	<b>286,665,774</b>	<b>–</b>	<b>294,348,004</b>	<b>294,348,004</b>
<b>Liabilities not measured at fair value</b>					
Deposits from banks					307,486,046
Due to customers					8,307,692,780
Other liabilities					110,831,608
Current income tax liabilities					31,642,163
Deferred tax liabilities					2,345,870
Provisions					6,887,228
<b>Total liabilities not measured at fair value</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>8,766,885,695</b>
<b>Total liabilities</b>	<b>7,682,230</b>	<b>286,665,774</b>	<b>–</b>	<b>294,348,004</b>	<b>9,061,233,699</b>

<sup>1</sup> mainly comprise precious metals

# Notes to the condensed consolidated interim financial statements

## **16 Fair value of financial assets and liabilities (continued)**

### **Assets measured at fair value**

Investment securities measured at fair value comprise financial assets at fair value through profit or loss (31 December 2023: CHF 150.1 million of which CHF 70.9 million is classified as level 2), financial assets at fair value through other comprehensive income equities (31 December 2023: CHF 244.8 million of which CHF 119.0 million is classified as level 2).

### **Assets and liabilities not measured at fair value**

Investment securities not measured at fair value comprise investment securities classified as amortised cost. For all other assets and liabilities not measured at fair value, the carrying amount is assessed to be a reasonable approximation of fair value.

## Report on the Review of condensed consolidated interim financial statements to the Board of Directors of Swissquote Group Holding Ltd, Gland

### Introduction

We have reviewed the condensed consolidated interim financial statements (statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes) (pages 2 to 22) of Swissquote Group Holding Ltd for the period from 1 January 2024 to 30 June 2024. The Board of Directors is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

### Scope of Review

We conducted our review in accordance with Swiss Auditing Standard 910 and International Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Swiss Auditing Standards and International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements have not been prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers SA



Christophe Kratzer

Licensed audit expert  
Auditor in charge



Jonathan Derungs

Licensed audit expert

Lausanne, 12 August 2024

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