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# Condensed consolidated interim statement of financial position

in CHF	Notes	30 June 2023	31 December 2022
<b>ASSETS</b>			
Cash and balances with central banks		4,740,852,204	4,492,342,779
Treasury bills and other eligible bills		929,258,422	1,165,904,963
Due from banks		1,498,601,414	1,627,923,294
Derivative financial instruments		146,764,413	109,201,988
Trading assets		2,454,413	2,684,024
Loans		791,145,032	814,331,758
Investment securities	12	2,094,033,557	1,722,032,893
Investment in joint venture		2,121,932	4,460,572
Deferred income tax assets		1,359,908	1,393,649
Intangible assets		55,562,936	55,784,621
Information technology systems	13	82,789,741	75,258,028
Property, plant and equipment	14	74,415,263	72,506,590
Other assets		154,545,474	74,570,589
<b>Total assets</b>		<b>10,573,904,709</b>	<b>10,218,395,748</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits from banks		410,268,788	366,399,780
Derivative financial instruments		64,816,902	57,835,148
Financial liabilities designated at fair value		152,008,750	71,313,623
Due to customers		9,023,990,161	8,860,519,759
Other liabilities		99,451,833	90,092,881
Current income tax liabilities		21,974,985	23,048,468
Deferred tax liabilities		1,775,083	1,582,439
Provisions		8,001,777	6,475,556
<b>Total liabilities</b>		<b>9,782,288,279</b>	<b>9,477,267,654</b>
<b>Equity</b>			
Ordinary shares		3,065,634	3,065,634
Share premium		57,140,362	57,833,801
Share option reserve		6,015,716	5,338,134
Other reserve		(10,650,797)	(9,828,340)
Treasury shares		(63,534,439)	(40,106,180)
Retained earnings		799,579,954	724,825,045
<b>Total equity</b>		<b>791,616,430</b>	<b>741,128,094</b>
<b>Total liabilities and equity</b>		<b>10,573,904,709</b>	<b>10,218,395,748</b>

# Condensed consolidated interim income statement

in CHF	Notes	6 months ended 30 June	
		2023	2022
Fee and commission income		91,696,832	111,869,528
Fee and commission expense		(10,477,147)	(11,110,471)
<b>Net fee and commission income</b>	6	<b>81,219,685</b>	<b>100,759,057</b>
Interest income		90,477,555	21,274,520
Interest expense		(10,223,578)	(17,150,211)
Other interest income		30,157,263	12,146,931
Other interest expense		(7,712,124)	(1,335,370)
<b>Net interest income</b>	7	<b>102,699,116</b>	<b>14,935,870</b>
<b>Net trading income</b>	8	<b>81,450,154</b>	<b>84,788,289</b>
<b>Operating income</b>		<b>265,368,955</b>	<b>200,483,216</b>
Credit loss release / (expense)	11	211,561	(471,540)
Operating expenses	9	(138,374,692)	(106,438,851)
Net result from investment in joint venture		(2,338,640)	(2,906,753)
<b>Operating profit</b>		<b>124,867,184</b>	<b>90,666,072</b>
Income tax expense		(18,338,985)	(13,561,465)
<b>Net profit</b>		<b>106,528,199</b>	<b>77,104,607</b>
<b>SHARE INFORMATION</b>			
Earnings per share	10	7.15	5.14
Diluted earnings per share	10	7.10	5.10

# Condensed consolidated interim statement of comprehensive income

in CHF	Notes	6 months ended 30 June	
		2023	2022
<b>NET PROFIT</b>		<b>106,528,199</b>	<b>77,104,607</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)		(783,161)	–
Income tax effect		107,293	–
Cash flow hedges		502,222	–
Currency translation differences		(1,321,287)	(3,178,406)
<b>Total other comprehensive income / (loss) that may be reclassified to the income statement</b>		<b>(1,494,933)</b>	<b>(3,178,406)</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 unrealised (losses)/gains		605,231	(2,153,916)
Income tax effect		(82,917)	284,317
Defined benefit obligation:			
Remeasurement	4	174,000	14,443,000
Income tax effect		(23,838)	(1,906,476)
<b>Total other comprehensive income that will not be reclassified to the income statement</b>		<b>672,476</b>	<b>10,666,925</b>
<b>Other comprehensive income for the period (net of tax)</b>		<b>(822,457)</b>	<b>7,488,519</b>
<b>Total comprehensive income for the period</b>		<b>105,705,742</b>	<b>84,593,126</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 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 & FVOCI equities		-	-	-	(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 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 2022</b>		3,065,634	56,422,625	3,154,374	(18,837,928)	(27,656,922)	599,311,550	615,459,333
Net profit of the period		-	-	-	-	-	77,104,607	77,104,607
Investment securities FVOCI & FVOCI equities		-	-	-	(2,153,916)	-	-	(2,153,916)
Remeasurement of defined benefit obligation	4	-	-	-	14,443,000	-	-	14,443,000
Income tax effect (aggregated)		-	-	-	(1,622,159)	-	-	(1,622,159)
Cash flow hedges		-	-	-	-	-	-	-
Currency translation differences		-	-	-	(3,178,406)	-	-	(3,178,406)
<b>Total comprehensive income for the period</b>		-	-	-	<b>7,488,519</b>	-	<b>77,104,607</b>	<b>84,593,126</b>
Dividend		-	-	-	-	-	(33,022,904)	(33,022,904)
<b>Employee stock option plan:</b>								
Amortisation of services		-	-	1,486,870	-	-	-	1,486,870
Stock options exercised, lapsed or forfeited		-	-	(435,716)	-	-	435,716	-
<b>Treasury shares:</b>								
Purchase		-	-	-	-	(8,510,968)	-	(8,510,968)
Sale/remittance		-	1,033,486	-	-	2,347,080	-	3,380,566
<b>Balance as at 30 June 2022</b>		<b>3,065,634</b>	<b>57,456,111</b>	<b>4,205,528</b>	<b>(11,349,409)</b>	<b>(33,820,810)</b>	<b>643,828,969</b>	<b>663,386,023</b>



# Condensed consolidated interim statement of cash flows

in CHF	Notes	6 months ended 30 June	
		2023	2022
<b>Cash flow from/(used in) operating activities:</b>			
Fee and commission received		87,364,975	106,952,453
Fee and commission paid		(10,205,069)	(9,684,560)
Interest received		98,512,288	23,606,435
Interest paid		(14,976,950)	(18,150,449)
Net trading income received		81,685,040	84,750,982
Income tax paid		(17,988,329)	(16,164,997)
Payments to employees		(73,456,234)	(69,542,550)
Payments to suppliers		(69,837,929)	(73,738,736)
<b>Cash flow from operating profit before changes in operating assets and liabilities</b>		<b>81,097,792</b>	<b>28,028,578</b>
<b>Net change in operating assets and liabilities:</b>			
Treasury bills and other eligible bills (above 3 months)		(217,133,669)	(153,087,585)
Due from banks (above 3 months)		233,502,291	(103,419,322)
Derivative financial instruments (assets)		(36,971,904)	(43,966,515)
Trading assets		(222,114)	2,325,731
Loans		23,007,314	(118,844,423)
Derivative financial instruments (liabilities)		6,981,754	44,870,471
Issuance of financial liabilities designated at fair value		148,430,004	13,183,919
Repayment of financial liabilities designated at fair value		(61,314,202)	–
Due to customers		153,713,391	770,266,512
<b>Net cash from operating activities</b>		<b>331,090,657</b>	<b>439,357,366</b>
<b>Cash flow from/(used in) investing activities:</b>			
Purchase of property, plant and equipment and information technology systems	13/14	(26,287,125)	(20,435,875)
Proceeds from sale and reimbursement of investment securities		152,015,053	84,105,351
Purchase of investment securities		(533,976,782)	(794,419,506)
Purchase of subsidiary, net of cash acquired		–	299,844,443
<b>Net cash used in investing activities</b>		<b>(408,248,854)</b>	<b>(430,905,587)</b>
<b>Cash flow from/(used in) financing activities:</b>			
Repayment of lease liabilities		(1,754,932)	(1,877,123)
Purchase of treasury shares		(30,248,917)	(8,510,968)
Sale of treasury shares		5,880,646	3,163,024
Dividend and reimbursement from reserves		(32,729,952)	(33,022,904)
<b>Net cash used in financing activities</b>		<b>(58,853,155)</b>	<b>(40,247,971)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>(136,011,352)</b>	<b>(31,796,192)</b>
Cash and cash equivalents as at 1 January		6,048,013,440	6,354,966,064
Exchange difference on cash and cash equivalents		(9,320,536)	1,340,637
<b>Cash and cash equivalents as at 30 June <sup>1</sup></b>		<b>5,902,681,552</b>	<b>6,324,510,509</b>
<b>Cash and cash equivalents:</b>			
Cash and balances with central banks		4,740,852,204	5,297,491,614
Treasury bills and other eligible bills (less than 3 months)		547,092,591	151,742,739
Due from banks (less than 3 months)		1,025,005,545	1,173,695,094
Deposits from banks		(410,268,788)	(298,418,938)
<b>Total as at 30 June <sup>1</sup></b>		<b>5,902,681,552</b>	<b>6,324,510,509</b>

<sup>1</sup> CHF 269.9 million and CHF 378.0 million of cash and cash equivalents were restricted as at 30 June 2023 and 30 June 2022, 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), and in Asia Pacific with offices in the Republic of China (Hong Kong) and Singapore.

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 10 May 2023, the shareholders resolved on the payment of dividend of CHF 2.20 per share (6 May 2022: 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 2022 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 2023

There are no IFRS or IFRIC interpretations, effective for the first time for the financial year beginning 1 January 2023, 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 2023.

## 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 2022 (Section V: Critical accounting judgement and sources of estimation uncertainty, pages 43-44).

As at 30 June 2023, 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 2022 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 2.20% to 1.95%. This change in actuarial assumptions impacted the defined benefit obligation up by CHF 2.6 million, which is in line with the sensitivity analysis performed as of 31 December 2022 (reference is made to Note 17d of 2022 consolidated financial statements). This increase was offsetted by the performance on the plan's assets, bringing the net pension plan liability from CHF 9.1 million up to CHF 9.4 million (out of which a negative CHF 0.2 million impacting other comprehensive income). The other actuarial assumptions remained unchanged compared to the analysis performed as of 31 December 2022.

# Notes to the condensed consolidated interim financial statements

## 5 Reportable segments

The analysis of reportable segments for the 6-month period ending 30 June 2023 and 2022 is as follows:

in CHF	6 months ended 30 June	
	2023	2022
<b>OPERATING INCOME BY GEOGRAPHY</b>		
<b>Securities trading</b>		
Switzerland	181,128,889	133,174,954
Europe	15,688,548	8,229,063
Middle East	10,203,446	4,021,370
Asia Pacific	3,417,761	708,625
<b>Subtotal securities trading</b>	<b>210,438,644</b>	<b>146,134,012</b>
<b>Leveraged forex</b>		
Switzerland	46,121,373	44,076,357
Europe	394,356	1,317,251
Middle East	5,856,979	5,117,628
Asia Pacific	2,557,603	3,837,968
<b>Subtotal leveraged forex</b>	<b>54,930,311</b>	<b>54,349,204</b>
<b>Total operating income</b>	<b>265,368,955</b>	<b>200,483,216</b>
Total unallocated expenses	(140,501,771)	(109,817,144)
<b>Operating profit</b>	<b>124,867,184</b>	<b>90,666,072</b>

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

in CHF	6 months ended 30 June	
	2023	2022
<b>OPERATING INCOME BY PRODUCT</b>		
<b>Securities trading</b>		
Cash and fixed income	109,977,434	17,014,176
Shares	29,516,916	31,135,695
Foreign exchange	26,322,158	33,842,587
Structured products and derivatives	11,354,021	12,754,016
Funds and similar vehicles	11,288,947	19,453,580
Crypto assets	7,484,938	12,305,719
Others	14,494,230	19,628,239
<b>Subtotal securities trading</b>	<b>210,438,644</b>	<b>146,134,012</b>
<b>Leveraged forex</b>		
Foreign exchange	31,320,253	31,189,510
Contracts-for-difference	12,705,705	13,739,148
Precious metals	10,904,353	9,420,546
<b>Subtotal leveraged forex</b>	<b>54,930,311</b>	<b>54,349,204</b>
<b>Total operating income</b>	<b>265,368,955</b>	<b>200,483,216</b>
Total unallocated expenses	(140,501,771)	(109,817,144)
<b>Operating profit</b>	<b>124,867,184</b>	<b>90,666,072</b>

The diversified sources of revenues and the higher share of non-transaction-based revenues led to an improved split by product since 31.12.2022. Comparative figures for 30.06.2022 were changed accordingly.

# Notes to the condensed consolidated interim financial statements

## 6 Net fee and commission income

in CHF	6 months ended 30 June	
	2023	2022
Brokerage and related income	55,362,517	76,273,481
Custody and other account services fees	20,115,441	14,822,314
Platform, technology and support services fees	7,956,728	11,980,158
Management fees and referral fees	5,303,344	6,394,777
Other commission income	2,958,802	2,398,798
<b>Total fee and commission income</b>	<b>91,696,832</b>	<b>111,869,528</b>
Fee and commission expense	(10,477,147)	(11,110,471)
<b>Total net fee and commission income</b>	<b>81,219,685</b>	<b>100,759,057</b>

The presentation of this note was improved to better reflect the types of fee and commission income. Comparative figures for 2022 were changed accordingly.

Platform, technology and support services fees may vary based on the level of services provided to third parties. Management fees and referral fees may depend on the volume of business introduced to other banks and fund management companies.

# 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	2023	2022
<b>Interest income</b>				
Cash and balances with central banks	16,315,565	–	16,315,565	–
Treasury bills and other eligible bills	5,031,443	–	5,031,443	63,628
Due from banks	37,393,094	–	37,393,094	2,210,193
Loans and due to customers	16,415,163	–	16,415,163	12,913,909
Investment securities	15,322,290	–	15,322,290	6,086,790
<b>Total interest income</b>	<b>90,477,555</b>	<b>–</b>	<b>90,477,555</b>	<b>21,274,520</b>
<b>Interest expense</b>				
Cash and balances with central banks, treasury bills and loans	–	–	–	(14,551,998)
Due to banks and due from banks	(1,888,089)	–	(1,888,089)	(1,844,971)
Investment securities	(324,620)	–	(324,620)	(682,978)
Due to customers and others	(8,010,869)	–	(8,010,869)	(70,264)
<b>Total interest expense</b>	<b>(10,223,578)</b>	<b>–</b>	<b>(10,223,578)</b>	<b>(17,150,211)</b>
<b>Other interest income</b>				
Derivative financial instruments	–	29,979,343	29,979,343	12,146,931
Loans	177,920	–	177,920	–
<b>Total other interest income</b>	<b>177,920</b>	<b>29,979,343</b>	<b>30,157,263</b>	<b>12,146,931</b>
<b>Other interest expense</b>				
Derivative financial instruments	(1,897,066)	(5,815,058)	(7,712,124)	(1,335,370)
<b>Total other interest expense</b>	<b>(1,897,066)</b>	<b>(5,815,058)</b>	<b>(7,712,124)</b>	<b>(1,335,370)</b>
<b>Total net interest income</b>	<b>78,534,831</b>	<b>24,164,285</b>	<b>102,699,116</b>	<b>14,935,870</b>

Net interest income benefitted from rises in market interest rates. In this context, negative interest impact is not material anymore and therefore not presented separately.

# Notes to the condensed consolidated interim financial statements

## 8 Net trading income

in CHF	6 months ended 30 June	
	2023	2022
<b>Foreign exchange revenues:</b>		
From leveraged forex	54,930,311	54,349,204
From other foreign exchange income	26,322,158	30,751,572
<b>Net gains/(losses):</b>		
From trading assets, investment securities and others	197,685	(312,487)
<b>Net trading income</b>	<b>81,450,154</b>	<b>84,788,289</b>

## 9 Operating expenses

in CHF	6 months ended 30 June	
	2023	2022
Payroll and related expenses	68,026,037	51,917,882
Other operating expenses	33,903,320	28,123,031
Marketing expenses	16,165,366	11,960,449
Depreciation and amortisation	18,513,701	15,622,913
Provisions	1,766,268	(1,185,424)
<b>Total</b>	<b>138,374,692</b>	<b>106,438,851</b>

Payroll and related expenses comprise an amount of CHF 9.7 million related to variable remuneration (2022: CHF 3.1 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	
	2023	2022
Net profit (CHF)	106,528,199	77,104,607
Weighted average number of ordinary shares in issue	14,908,540	14,986,430
<b>Earnings per share (CHF)</b>	<b>7.15</b>	<b>5.14</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	
	2023	2022
Net profit (CHF)	106,528,199	77,104,607
Weighted average number of ordinary shares	14,908,540	14,986,430
Adjustments for share options	92,951	130,865
Weighted average number of ordinary shares for diluted earnings per share options	15,001,491	15,117,295
<b>Diluted earnings per share (CHF)</b>	<b>7.10</b>	<b>5.10</b>

## 11 Impairment loss allowance (IFRS 9)

The impairment loss allowance as at 30 June 2023 amounts CHF 49.7 million (31 December 2022: CHF 51.7 million). During the period under review, the Group used existing stage-3 impairment loss allowance for CHF 1.1 million. At the same time, changes in IFRS 9 assumptions (mainly changes in probability of default of counterparties) impacted the impairment allowance for CHF 0.9 million. In that context, the credit loss release amounted to CHF 0.2 million (2022: credit loss expense of CHF 0.5 million).

# Notes to the condensed consolidated interim financial statements

## 12 Investment securities

in CHF

	30 June 2023	
	Carrying value	Fair value
Amortised cost bonds	1,786,087,112	1,711,116,342
FVOCI bonds	178,390,596	178,390,596
FVTPL bonds	110,539,841	110,539,841
FVOCI equities	19,016,008	19,016,008
<b>Total as at 30 June</b>	<b>2,094,033,557</b>	<b>2,019,062,787</b>

in CHF

	31 December 2022	
	Carrying value	Fair value
Amortised cost bonds	1,656,665,440	1,582,531,341
FVTPL bonds	46,540,664	46,540,664
FVOCI equities	18,826,789	18,826,789
<b>Total as at 31 December</b>	<b>1,722,032,893</b>	<b>1,647,898,794</b>

The difference between the carrying value and the fair value of the investment securities portfolio is mainly explained by the impact of the changes in interest rate environment.



# Notes to the condensed consolidated interim financial statements

## 13 Information technology systems

in CHF	Software third-party licences	Proprietary software	Hardware & telecom systems	Total
<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>
<b>6 MONTHS ENDED 30 JUNE 2022</b>				
Opening net book amount	4,008,605	48,421,112	4,335,213	56,764,930
Addition	54,636	17,467,473	2,005,224	19,527,333
Amortisation/depreciation	(623,281)	(9,883,532)	(1,453,313)	(11,960,126)
<b>Closing net book amount as at 30 June 2022</b>	<b>3,439,960</b>	<b>56,005,053</b>	<b>4,887,124</b>	<b>64,332,137</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 2023, additions to information technology systems include an amount of CHF 14.0 million (2022: CHF 11.7 million) representing own costs capitalised according to IAS 38.

## 14 Property, plant and equipment

in CHF	Land and building	Right-of-use assets	Leasehold improvements	Equipment	Total
<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>
<b>6 MONTHS ENDED 30 JUNE 2022</b>					
Opening net book amount	49,852,462	15,072,456	2,904,637	2,136,738	69,966,293
Addition	16,555	1,471,522	468,836	423,151	2,380,064
Amortisation/depreciation	(1,130,605)	(1,848,413)	(391,917)	(291,852)	(3,662,787)
<b>Closing net book amount as at 30 June 2022</b>	<b>48,738,412</b>	<b>14,695,565</b>	<b>2,981,556</b>	<b>2,268,037</b>	<b>68,683,570</b>

# Notes to the condensed consolidated interim financial statements

## 15 Fair value of financial assets and liabilities

in CHF	Level 1	Level 2	Level 3	Fair value	Carrying amount
<b>AS AT 30 JUNE 2023</b>					
<b>Assets measured at fair value</b>					
Derivative financial instruments	64,399,524	82,364,889	–	146,764,413	146,764,413
Trading assets	2,454,413	–	–	2,454,413	2,454,413
Investment securities	169,845,756	138,100,689	–	307,946,445	307,946,445
Other assets (precious metals)	61,225,927	–	–	61,225,927	61,225,927
<b>Total assets measured at fair value</b>	<b>297,925,620</b>	<b>220,465,578</b>	<b>–</b>	<b>518,391,198</b>	<b>518,391,198</b>
<b>Assets not measured at fair value</b>					
Cash and balances with central banks					4,740,852,204
Treasury bills and other eligible bills					929,258,422
Due from banks					1,498,601,414
Loans					791,145,032
Investments securities	898,107,865	813,008,477	–	1,711,116,342	1,786,087,112
Investment in joint venture					2,121,932
Deferred income tax assets					1,359,908
Intangible assets					55,562,936
Information technology systems					82,789,741
Property, plant and equipment					74,415,263
Other assets					93,319,547
<b>Total assets not measured at fair value</b>	<b>898,107,865</b>	<b>813,008,477</b>	<b>–</b>	<b>1,711,116,342</b>	<b>10,055,513,511</b>
<b>Total assets</b>	<b>1,196,033,485</b>	<b>1,033,474,055</b>	<b>–</b>	<b>2,229,507,540</b>	<b>10,573,904,709</b>
<b>Liabilities measured at fair value</b>					
Derivative financial instruments	10,869,152	53,947,750	–	64,816,902	64,816,902
Financial liabilities designated at fair value	–	152,008,750	–	152,008,750	152,008,750
<b>Total liabilities measured at fair value</b>	<b>10,869,152</b>	<b>205,956,500</b>	<b>–</b>	<b>216,825,652</b>	<b>216,825,652</b>
<b>Liabilities not measured at fair value</b>					
Deposits from banks					410,268,788
Due to customers					9,023,990,161
Other liabilities					99,451,833
Current income tax liabilities					21,974,985
Deferred tax liabilities					1,775,083
Provisions					8,001,777
<b>Total liabilities not measured at fair value</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9,565,462,627</b>
<b>Total liabilities</b>	<b>10,869,152</b>	<b>205,956,500</b>	<b>–</b>	<b>216,825,652</b>	<b>9,782,288,279</b>

# Notes to the condensed consolidated interim financial statements

## **15 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 2023: CHF 110.5 million of which CHF 47.0 million is classified as level 2) and financial assets at fair value through other comprehensive income (30 June 2023: CHF 197.4 million of which CHF 91.1 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

## 15 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 2022</b>					
<b>Assets measured at fair value</b>					
Derivative financial instruments	48,336,674	60,865,314	–	109,201,988	109,201,988
Trading assets	2,684,024	–	–	2,684,024	2,684,024
Investment securities	34,664,971	30,702,482	–	65,367,453	65,367,453
Other assets (precious metals)	30,555,542	–	–	30,555,542	30,555,542
<b>Total assets measured at fair value</b>	<b>116,241,211</b>	<b>91,567,796</b>	<b>–</b>	<b>207,809,007</b>	<b>207,809,007</b>
<b>Assets not measured at fair value</b>					
Cash and balances with central banks					4,492,342,779
Treasury bills and other eligible bills					1,165,904,963
Due from banks					1,627,923,294
Loans					814,331,758
Investments securities	563,240,550	1,093,424,890	–	1,582,531,341	1,656,665,440
Investment in joint venture					4,460,572
Deferred income tax assets					1,393,649
Intangible assets					55,784,621
Information technology systems					75,258,028
Property, plant and equipment					72,506,590
Other assets					44,015,047
<b>Total assets not measured at fair value</b>	<b>563,240,550</b>	<b>1,093,424,890</b>	<b>–</b>	<b>1,582,531,341</b>	<b>10,010,586,741</b>
<b>Total assets</b>	<b>679,481,761</b>	<b>1,184,992,686</b>	<b>–</b>	<b>1,790,340,348</b>	<b>10,218,395,748</b>
<b>Liabilities measured at fair value</b>					
Derivative financial instruments	6,880,174	50,954,974	–	57,835,148	57,835,148
Financial liabilities designated at fair value	–	71,313,623	–	71,313,623	71,313,623
<b>Total liabilities measured at fair value</b>	<b>6,880,174</b>	<b>122,268,597</b>	<b>–</b>	<b>129,148,771</b>	<b>129,148,771</b>
<b>Liabilities not measured at fair value</b>					
Deposits from banks					366,399,780
Due to customers					8,860,519,759
Other liabilities					90,092,881
Current income tax liabilities					23,048,468
Deferred tax liabilities					1,582,439
Provisions					6,475,556
<b>Total liabilities not measured at fair value</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>9,348,118,883</b>
<b>Total liabilities</b>	<b>6,880,174</b>	<b>122,268,597</b>	<b>–</b>	<b>129,148,771</b>	<b>9,477,267,654</b>

# Notes to the condensed consolidated interim financial statements

## **15 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 2022: CHF 46.6 million of which CHF 24.5 million is classified as level 2), financial assets at fair value through other comprehensive income equities (31 December 2022: CHF 18.8 million of which CHF 6.2 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 Regulatory ratios (unaudited)

### Eligible capital and capital ratios (unaudited)

in CHF	30 June 2023	31 December 2022
<b>ELIGIBLE CAPITAL</b>		
Ordinary shares	3,065,634	3,065,634
Share premium	57,140,362	57,833,801
Share option reserve	6,015,716	5,338,134
Other reserve	(10,650,797)	(9,828,340)
Treasury shares	(63,534,439)	(40,106,180)
Retained earnings	799,579,954	724,825,045
<b>Subtotal</b>	<b>791,616,430</b>	<b>741,128,094</b>
<b>Adjustments</b>		
Future expected dividend	(16,860,987)	(33,721,974)
Intangible assets	(55,562,936)	(55,784,621)
Others	(2,619,786)	(2,304,859)
<b>Total common equity tier 1 capital (CET1 capital)</b>	<b>716,572,721</b>	<b>649,316,640</b>
Total tier 2 capital (T2)	372,446	420,170
<b>Total eligible capital</b>	<b>716,945,167</b>	<b>649,736,810</b>

	Capital ratios		Minimum requirements		
	30 June 2023	31 December 2022	Basel III minimum requirement	Capital conservation buffer	Total minimum requirement
Common equity tier 1 ratio (CET1)	25.5%	24.8%	4.5%	2.9%	7.4%
+ Additional tier 1 capital ratio (AT1)	–	–	1.5%	0.1%	1.6%
+ Tier 2 capital ratio (T2)	–	–	2.0%	0.2%	2.2%
<b>Capital ratio (%)</b>	<b>25.5%</b>	<b>24.8%</b>	<b>8.0%</b>	<b>3.2%</b>	<b>11.2%</b>
CET1 available after meeting Basel III minimum requirement (8.0%)	17.5%	16.8%			
CET1 available after meeting total minimum requirement (11.2%)	14.3%	13.6%			

# Notes to the condensed consolidated interim financial statements

## Liquidity coverage ratio (unaudited)

in CHF thousand, except where indicated

	Q1 2023	Q2 2023	Q4 2022
Total high-quality liquid assets (HQLA)	5,291,352	5,679,964	5,542,174
Cash outflows	1,882,446	1,966,500	2,019,692
Cash inflows	(585,638)	(591,271)	(739,278)
Net cash outflows	1,296,808	1,375,229	1,280,414
<b>Liquidity Coverage Ratio (LCR in %)</b>	<b>408%</b>	<b>413%</b>	<b>433%</b>
Minimum requirement (%)	100%	100%	100%

The figures in the above table are shown on a quarterly basis, calculated on the three-month average of the LCR components. As at 30 June 2023, LCR amounted to 397% (31 December 2022: 496%).

## 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 19) of Swissquote Group Holding Ltd for the period from 1 January 2023 to 30 June 2023. 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 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



Jonathan Derungs

Lausanne, 8 August 2023

PricewaterhouseCoopers SA, avenue C.-F. Ramuz 45, case postale, CH-1001 Lausanne, Switzerland  
Téléphone: +41 58 792 81 00, Téléfax: +41 58 792 81 10, [www.pwc.ch](http://www.pwc.ch)

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