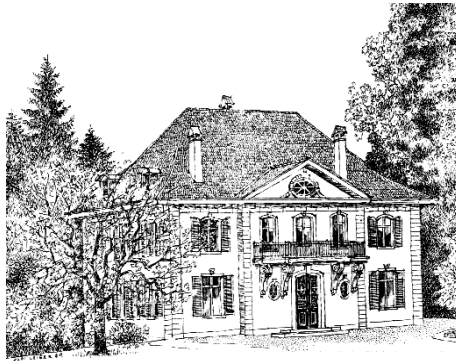




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**PRESS RELEASE (No 134)**

*(Free translation)*

**Bondpartners SA, Lausanne: The first half-year 2021 registered a net profit which has risen significantly at CHF 2.3m (vs -0.32m).**

***Unlike the first six months of the previous year, dealing in bonds decreased in reduced volumes, to the benefit of structured products intermediation, as exchange results suffered less from the appreciation of the Swiss franc and while equity positions held for own account have clearly shown progress in line with the performance of stock markets. Operating costs remained generally contained and operational result reached CHF 3.4m (vs -1m). Total balance sheet amounted nearly to CHF 182.5m (+31.5%) and shareholders' equity, after distribution, increased to CHF 85.6m (+5.5%). The CET1 capital adequacy ratio stood at 43%.***

The transition of a world at standstill, as a result of the pandemic, toward one marked by an economic resurgence and vaccination acceleration, has led to a nice performance of stock markets which continued to expand during the first half and pursued the recovery which had begun end of March 2020. However, all this did not unfold without hitches and skepticism when considering: increasing prices and inflation fears (as a temporary or lasting issue), doubts about the persistence of a strong support by central banks, mutations of the virus and real advances in the immunization process, or the slowdown in the momentum of global economic upturn with a return to volatility. Development of interest rates and more particularly changes in bond yields will probably give some indications, in the coming months, regarding the central banks' shift of rhetoric and cyclical pace catching-up which will follow the gradual standardization of the recovery. The second half of the year and subsequent periods might prove more complex, thus making any forecast still difficult.



As for Bondpartners (and more especially in terms of revenues generated), we have witnessed an inverse business dichotomy as the one that took place last half year, this in the end with a significant improvement of the result.

As a matter of fact, trading which is the Company's core activity, weakened with regard to bond dealing, - the aggressive monetary policy actions taken by central banks and then, on the contrary, the questioning about the maintaining of their unfailing support, low yields with extremely modest returns, in addition with difficult market liquidity conditions -, did not encourage exchanges of debentures in a more reassured environment which has continued to foster risk appetite for shares. In contrast, with regard to structured instruments intermediation, turnover remained at a satisfactory level and even increased, nevertheless with more moderate margins.

For their part, equity positions held for own account performed well after the dramatic upturn in stock market indices, whereas assets held in foreign currencies reported a slightly higher result despite upward pressures on the Swiss franc. From this, it thus emerged that the operational result and the net profit have made substantial progress compared to June 2020.

The balance sheet structure varied little, notwithstanding the larger size of assets and liabilities, just as the share of current assets remained steady. Shareholders' equity have increased and solvency ratios stayed firmly in surplus.

**(NB. Comparative figures June 2021/June 2020)**

Bondpartners posted, for the first half of 2021, a net accounting profit of CHF 2.28m (vs a net loss of CHF -0.32m for the first 6 months of 2020).

Still comparing to the first half of 2020, the statutory balance sheet total increased by about 31.5% to CHF 182.67m, primarily due to the rise in pending/overlapping transactions at the end of June and to a lesser extent, as a result of the increase in value of the trading portfolios assets.

The balance sheet was composed by 94.5% of current assets (a regularly stable figure compared with previous periods), namely cash and bank receivables (CHF 91.17m +48%), customer and non-bank receivables (CHF 26.45m +31.5%) and investment/trading portfolios excluding own shares and precious metals (CHF 54.8m +17.5%). Total liabilities, for their part, reached 97.1m (+68%) in relation to increased deposits/commitments with correspondents. Total liabilities, irrespective of their maturity, are covered nearly two times by current assets (CHF 172.9m), a ratio also very stable in comparison to prior periods.

Turning to shareholders' equity on a stand-alone basis, its total amounted to CHF 85.6m (+5.5%) and represents 47% of the balance sheet total after deduction of reserve for own shares (CHF -4m). In this regard, reserves for general banking risks reached CHF 41.7m (+4%), whereas other reserves amounted to CHF 37.75m (unchanged). Open capital and reserves per share (calculated on the entire capital) amounted therefore to CHF 1'556,-. It should be noted that the latest price paid on BEKB's OTC-X electronic platform was CHF 870,-, an amount corresponding to almost the half of the share book value.

The Company's individual capital adequacy (simplified leverage ratio/CET1) reached 43% (minimum required 8%). The global total requirement is covered nearly 5 times by eligible capital, a figure which continue to show the strength of the entity that was admitted by the FINMA to the small banks' regime, for particularly liquid and well capitalized banks and securities firms.



Concerning profit and loss accounts, net income from interest differential business amounted to nearly CHF 1m (-2.5%) and net income from commission business and services came to CHF 0.36m (+56.5%). The global net income on trading activities and investments (CHF +4.87m) progressed 713%, mainly attributable to the appreciation of own equity portfolio (CHF +2.21m vs -2.78m), as well as with the return to equilibrium of currency results (CHF +0.12m vs -1.13m), whereas results exclusively from trading operations were weaker (CHF +2.54m vs +4.51m), the period under review being less favorable for bond dealing which, as a reminder, experienced large fluctuations during the first quarter of 2020.

Finally, operating expenses slightly rose at CHF 3m (+5%), following the allocation of new provisions. Therefore the operating result recorded a gain of CHF 3.3m (vs a loss of -1m), before taxes and reconstitution of reserves amounting to CHF 0.6m.

**About Bondpartners:** BPL is a Swiss financial company founded in 1972 in Lausanne, whose business hinges on three main axes: the inter-professional dealing of securities, the market making and market keeping, and the execution/intermediation of orders issued by institutional and independent managers. It is authorized and supervised by the Swiss Financial Market Supervisory Authority (FINMA) as a securities firm. Its ordinary registered shares are quoted on BEKB's OTC-X electronic platform.



**Statutory half-year end yearly accounts as at 30.06.21/31.12.20/30.06.20**  
(Comparative and non-audited accounts according to rules BAG/FINMA)

<b><u>Statutory income statement</u></b>	<b><u>30.06.2021</u></b>	<b><u>30.06.2020</u></b>
	CHF	CHF
Net income from trading operations	2.540.530,-	4.514.078,-
Results from own portfolio evaluation	2.213.632,-	-2.780.227,-
Results from currencies and forex	115.088,-	-1.134.999,-
Net result from commission business and services	357.743,-	228.605,-
Net interest income	999.532,-	1.025.922,-
Total operating expenses	-2.974.670,-	-2.830.208,-
Operating result	3.277.297,-	-985.136,-
Changes in reserves for general banking risks	-585.000,-	650.000,-
Extraordinary results	0,-	24.000,-
Net result of the period	2.281.598,-	-322.288,-
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<b><u>Statutory balance sheet</u></b>	<b><u>30.06.2021</u></b>	<b><u>31.12.2020</u></b>
	CHF	CHF
<b><u>ASSETS</u></b>		
Cash and amounts due from banks	91.092.136,-	54.855.458,-
Amounts due from customers and non-banks	26.453.726,-	8.074.142,-
Trading portfolios assets	54.817.883,-	50.627.666,-
Financial investments and precious metals	472.450,-	472.450,-
Participations	1.152.500,-	1.152.500,-
Tangible fixed assets	7.900.000,-	7.900.000,-
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<b><u>LIABILITIES</u></b>		
Amounts due to banks (trading operations)	36.409.824,-	3.255.610,-
Amounts due in respect to customer deposits and due to non-banks (trading)	59.393.083,-	35.349.976,-
Accrued expenses and deferred income	1.144.500,-	1.044.900,-
Reserves for general banking risks	41.710.000,-	41.125.000,-
Share capital	5.500.000,-	5.500.000,-
Own shares	-3.997.698,-	-4.002.615,-
Statutory capital reserve and voluntary retained earnings reserve	37.750.000,-	37.750.000,-
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Total balance-sheet	182.675.148,-	123.717.574,-
Total current assets	172.912.698,-	114.029.716,-
Total shareholders' equity	85.591.711,-	83.970.871,-
Total liabilities	97.083.437,-	39.746.703,-
Total eligible capital (CET1)	77.858.000,-	77.003.000,-
Total required capital	14.525.000,-	9.808.000,-

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