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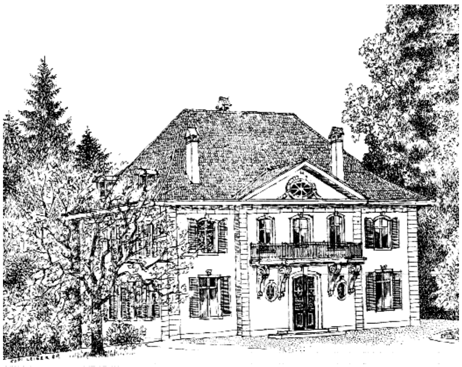

PRESS RELEASE (No 140)

(Free translation)

Bondpartners SA, (BPL) Lausanne: First-half results up significantly on the same period last year. Both trading operations and the valuation of the Company's own investment positions contributed to this marked improvement, while currency effects continued to suffer from the appreciation of our national currency. Bond dealing regenerated higher volumes and margins against a backdrop of rising rates and yields, which partially revitalized the appeal of this asset class, which had been shunned for many years. Shareholders' equity continues to account for more than half of the balance sheet, whose structure and solidity have changed little.

BPL recorded a book profit of CHF +2.6 million for the first 6 months of the year under review, compared with a net loss of -1.9 million at the end of June 2022. Trading income rose by 86% to CHF 4.6 million, with volumes and margins up by 30%. Valuation income from the proprietary securities portfolio rose by CHF 2 million, whereas it had previously fallen by almost CHF 6.2 million. Conversely, and despite hedging programs, the foreign exchange result remained negative at nearly CHF -1 million, in line with the uninterrupted rise in the value of the Swiss franc. Operating expenses remained contained, resulting in a substantial rise in operating income to almost CHF 3.9 million, compared with a sharp decline to CHF -5.7 million in the first half of last year.

Shareholders' equity, after dividend distribution, increased by 4.5% to CHF 82.5 million (i.e. a CET1 solvency ratio of 50%), representing 55% of the balance sheet total. Current assets accounted for 93.5% of the balance sheet total of CHF 151 million. Lastly, reserves for general banking risks were replenished by CHF 0.8 million, bringing the total to almost CHF 39m, while other reserves remained unchanged at CHF 37.75m.

The period under review, although still marred by many uncertainties on the geopolitical front (war in Ukraine and various points of conflict between China and the West) and the economic front (persistent inflation, sluggish growth and tightening interest rates), showed a degree of divergence, and even a surprisingly positive trend, although volatility remained very much present, in an environment and news that remain hardly reassuring. Indeed, technology stocks, once again at the head of the pack, benefited from developments in generative AI. More generally, most markets showed positive results for the time being, with a varied appetite for growth, cyclical and defensive stocks. Admittedly, performances were nevertheless uneven, and not all indices, like our national SMI, rivalled the NASDAQ or the Nikkei. On the bond front, while bonds are once again (and finally) an attractive investment option that favours the Company's core business, their liquidity and the future rate trends have yet to trigger any really major movement, confirming a fundamental paradigm shift after more than 12 years of monetary accommodation. Finally, it should be noted that the banking crisis of last March did not trigger the much-feared contagion effect during the half-year under review.

The reassuring behavior of the financial markets, together with the return to favourable credit investment conditions, had a positive impact on BPL's assets and transactional activities, boosting trading and operating income, while bringing net income back into a clear positive territory. The comparison with the same period in 2022 (which, as a reminder, was loss-making in accounting terms, due to historically deteriorated conditions) is obviously glaring, with overall trading income showing an accounting difference of almost CHF 10 million, including (negative) currency effects.

The balance sheet structure changed little, with current assets and shareholders' equity showing proportions similar to previous periods, whether advantageous or not. Solvency ratios have remained at a high level, as in the past, and reserves have been partially replenished, the purpose of the latter being to ensure the company's long-term viability in the face of the risks it encounters, and to preserve its ability to process, finance and liquidate its transactions, the amounts of which can be substantial, even if circumstances were to deteriorate sharply.

Tighter credit conditions in the wake of restrictive monetary policy and slowing economic growth are contributing to rising concerns, with some leading indicators even pointing to a recession. This will make the task of central banks increasingly difficult. A consolidation, or even a correction, does not seem out of the question. On the other hand, the geopolitical and climatic situation has not really improved, which continues to weigh on the mood. As for the glass half-full, we can also expect to see credit market yields competing with those of the equity markets, which should continue to give bonds some impetus and confirm their attractiveness. Any prediction as to the end of the year is therefore once again difficult, apart from the fact that at this stage, barring any adverse events, the full year should unfold in more gratifying conditions than last year.

(NB. comparative figures June 2023/June 2022)
For the first half of 2023, Bondpartners posted a net book gain of CHF +2.6m (vs. a loss of CHF -1.9m for the first 6 months of 2022).

Also in comparison with the first half of 2022, the statutory balance sheet total rose by 6% to CHF 150.9 million, mainly due to the increase in pending/overlapping transactions at the end of June.

Current assets account for 93.5% of the balance sheet (a figure that has remained stable compared with previous periods), i.e. cash and sight deposits (CHF 27.6 million -25%), receivables from banks arising from trading operations (CHF 39.4 million +38%), receivables from customers and non-banks (CHF 25.1 million +29.5%) and securities portfolios excluding treasury shares and precious metals (CHF 48.6 million +2.5%). Borrowed funds amounted to CHF 68.4m (+8%). Total liabilities, irrespective of maturity, are more than twice covered by current assets (CHF 141.2 million), a ratio that is also very constant compared with previous periods.
Individual shareholders' equity totaled CHF 82.55m (+4.5%), representing 54.7% of the balance sheet after deduction of the reserve for own shares (CHF -4.1m). Reserves for general banking risks amounted to CHF 38.9 million (+0.3%), while other reserves were unchanged at CHF 37.75 million. Apparent shareholders' equity per share (calculated on the basis of total capital) thus amounted to CHF 1,501.- (+4.5%). The last price paid on BEKB's OTC-X electronic platform was CHF 950.-.

Individual capital adequacy (solvency ratio/CET1) stood at 50%, a similar percentage to the same period last year. Required capital is covered almost 6.25 times by total eligible capital.

On the income statement, net interest income totaled CHF 1 million (+2%), while commission income was CHF 0.21 million (-23.5%). Net income from trading operations (CHF +4.6m) rose strongly by 86.5%, as did the valuation result on the securities portfolio, which also improved (CHF +2m vs. CHF -6.3m); the foreign exchange result, on the other hand, declined more sharply, to CHF -1.1m (vs. CHF -0.33m). Operating expenses remained contained at CHF 3.1 million (+4.5%). Operating income thus came to CHF 3.9m (vs. -5.7m), before reconstitution of reserves for CHF 0.8m.

About Bondpartners: BPL is a Swiss financial company founded in 1972 in Lausanne, whose activities are focused on three main areas: inter-professional securities trading, market maintenance and animation, and the execution of transactions on behalf of institutional investors and independent asset managers. As a securities firm, it is authorized and supervised by FINMA. Ordinary registered shares are traded on BEKB's OTC-X market.

Statutory half-year end yearly accounts as at 30.06.23/31.12.22/30.06.22
(Comparative and non-audited accounts according to rules BAG/FINMA)

Statutory income statement

	30.06.2023 CHF	30.06.2022 CHF
Net income from trading operations	4.616.659,-	2.476.525,-
Results from own portfolio evaluation	2.060.654,-	-6.260.736,-
Results from currencies and forex	-1.084.887,-	-328.590,-
Net result from commission business and services	209.678,-	274.734,-
Net interest income	1.052.627,-	1.033.530,-
Total operating expenses	-3.102.662,-	-2.965.009,--
Operating result	3.888.281,-	-5.732.476,-
Changes in reserves for general banking risks	-775.000,-	3.820.000,-
Extraordinary results	0,-	33.908,-
Net result of the period	2.634.385,-	-1.917.605,-

Statutory balance sheet

	30.06.2023 CHF	31.12.2022 CHF
ASSETS		
Cash and amounts due from banks	66.994.584,-	43.796.286,-
Amounts due from customers and non-banks	25.148.090,-	15.187.500,-
Trading portfolios assets	48.605.904,-	47.191.817,-
Financial investments and precious metals	472.450,-	472.450,-
Participations	1.100.000,-	1.152.500,-
Tangible fixed assets	7.900.000,-	7.900.000,-
LIABILITIES		
Amounts due to banks (trading operations)	23.383.430,-	7.394.614,-
Amounts due in respect to customer deposits and due to non-banks (trading)	43.444.199,-	27.743.735,-
Accrued expenses and deferred income	1.101.500,-	761.000,-
Reserves for general banking risks	38.775.000,-	42.595.000,-
Share capital	5.500.000,-	5.500.000,-
Own shares	-4.128.679,-	-4.013.236,-
Statutory capital reserve and voluntary retained earnings reserve	37.750.000,-	37.750.000,-
Total balance-sheet	150.917.308,-	116.241.175,-
Total current assets	141.221.028,-	106.648.053,-
Total shareholders' equity	82.548.861,-	80.255.999,-
Total liabilities	68.368.447,-	35.985.176,-
Total eligible capital (CET1)	74.814.000,-	75.057.000,-
Total required capital	11.989.000,-	9.210.000,-

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