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Lausanne, July 15th, 2024
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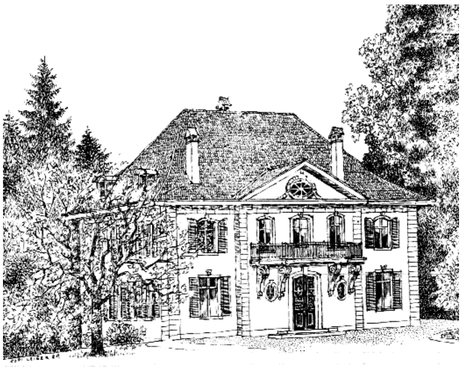

PRESS RELEASE (No 143)

(Free translation)

Bondpartners SA, (BPL) Lausanne: First-half results moderately down on the same period last year. Shareholders' equity continued to account for almost half of the balance sheet, whose total has increased significantly. Intermediation in structured products persisted in dominating. Transaction volumes expended, while margins narrowed. Valuation of the "nostro" portfolio posted a less positive six-months performance.

BPL recorded a net book profit of CHF +2.2 million (-15%) for the first 6 months of the year under review. Distributable profits reached CHF 5.1 million (+13%). Net trading income fell by 39% to CHF 2.8 million, with volumes up by 18% and margins down by 31%. Valuation income from securities held for own account rose by CHF 1.2 million, compared with a previous increase of almost 2 million. Result from currencies and forex was positive at CHF +0.15 million, compared with a loss of CHF -1.1 million for the same period last year. Operating expenses remained unchanged at CHF 3.1 million. Operating income thus came to CHF 2.3 million (vs. CHF 3.9mio).

Shareholders' equity, after distribution, increased by 0.75% to CHF 83.2 million (i.e. a CET1 solvency ratio of 43.7%), representing 47.5% of the balance sheet total. The latter came to CHF 174.8 million (+16%) and current assets accounted for 94.5% of total assets. Finally, reserves for general banking risks stood at CHF 39 million (+0.2%), while other reserves remained unchanged at CHF 37.75 million.

Accompanied by a reasonably healthy macroeconomic background, some stock market indices hovered around record highs (particularly those mirroring the performance of technology sectors), while geopolitical risks managed to increase further, with the political situation in France and Biden's mental acuity heightened by Trump's attempted murder, recently causing some stir in a context of Sino-American rivalry and renewed escalating violence in Ukraine and the Middle East, among others.

In the first half of 2024, market fears of recession turned to measured optimism in the face of stronger-than-expected economic expansion. Indeed, global growth remained resilient and inflation continued to fall in the major economies, boosting risk appetite against a backdrop of possible monetary policy easing. With the exception of Japan, some central banks in developed markets have cut their key rates (led by the SNB) - or are preparing to do so, as in the United States and the United Kingdom.

Investment-grade bonds remained a source of income and portfolio stability, although their trend remained to a point sideways and even slightly bearish in some market segments, ahead of the gradual process of normalizing interest rates.

In terms of yield, the US dollar continued to benefit from an advantage over the other G10 currencies and from relatively weaker growth outside the US; the yen continued to fall and our domestic currency, for once, did not tend to appreciate.

On the commodities front, gold gained 15% and Brent 10%.

The second half of the year is likely to be more complex, with the investment paradigm likely to remain guided by disinflation and the trajectory of interest rates, while also incorporating political risks, notably the US elections and strategic competition between economic blocs, not forgetting the recurring subject of public budgets and debt. On the markets, the prospect of such changes is likely to result in episodes of volatility that will be accentuated by economic and assuredly geopolitical uncertainties. Last but not least, worldwide extreme weather conditions continue unabated, and the arrival of the “La Niña” phenomenon is unlikely to help matters.

For Bondpartners, the first half of the year was certainly less favorable than the same period in 2023, which was particularly rewarding in terms of trading and margins. It is clear that bonds, the Company's core business, have not yet regained their expected appeal with professional clients, despite the outlook for corporate credit remaining solid, in an environment of stable or even lower interest rates and positive capital flows.

On the other hand, BPL's balance sheet structure changed little, with current assets and shareholders' equity showing significant proportions, similar to previous periods. Solvency ratios remained at a high level, as in the past, even though the balance sheet total increased significantly, reflecting the growth in turnover. Reserves and provisions have remained virtually unchanged, the purpose of the latter, as already stated, being to ensure the Company's long-term viability in the face of the risks it may encounter, and to preserve its ability to deal, finance and compensate its transactions, the amounts of which can be substantial, even if circumstances were to deteriorate sharply.

(NB. comparative figures June 2024/June 2023)
For the first half of 2024, Bondpartners posted a net book gain of CHF +2.2 million (vs. CHF +2.6mio for the same period of 2023).

Also in comparison with the first six months of 2023, the statutory balance sheet total rose by 16% to CHF 174.8 million, mainly due to the increase in pending/overlapping transactions at the end of June.

94.5% of the balance sheet is made up of current assets (a figure which has remained stable compared with previous periods), i.e. cash and sight deposits (CHF 28.4mio +3%), receivables from banks arising from trading operations (CHF 56.5mio +43.5%), receivables from customers and non-banks (CHF 25.6mio +2%) and securities portfolios excluding Company's treasury shares, financial investments and precious metals (CHF 54mio +11%). Total liabilities amounted to CHF 91.6 million (+34%). Total commitments, irrespective of maturity, are almost twice covered by current assets (CHF 165.1 million), a ratio that is also very constant compared with previous periods.

Individual shareholders' equity totaled CHF 83.2 million (+1%), representing 47.5% of the balance sheet after deduction of the reserve for own shares, which appears as a negative amount (CHF -4.2 million). Reserves for general banking risks reached CHF 39 million (+0.2%), while other reserves were unchanged at CHF 37.75 million. Apparent shareholders' equity per share (calculated on the basis of total social capital) thus amounted to CHF 1,512.- (+0.75%). The last price paid on BEKB's OTC-X electronic platform was CHF 835.-.

The individual capital adequacy ratio (solvency ratio/CET1) stood at 43.65%, down from 49.9% on the same period last year as a result of the notable increase in the balance sheet. Required shareholders' equity was covered almost 5.5 times by Tier 1 capital, a multiple comparable in magnitude to the surplus seen in previous half-year periods.

In the income statement, net interest income totaled CHF 1.1 million (+8.5%), while net services and commission income was CHF 0.14mio (-32%). Net trading income (CHF +2.86 million) fell noticeably by 39% on the back of higher volumes but lower margins. Valuation income from the securities portfolio rose less sharply (CHF +1.2 million vs. CHF +2mio), while foreign exchange income was positive at CHF +0.15mio (vs. CHF -1.1mio). Operating expenses remained unchanged at CHF 3.1 million. Operating income thus came to CHF 2.3mio (vs. +3.9mio), before dissolution of reserves for CHF 0.25mio. Taking into account balance carried forward, distributable profit, at this stage, stands at CHF 5.1 million (vs. CHF 4.5mio).

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 and intermediation, 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 30.06.24/31.12.23/30.06.23
(Comparative and non-audited accounts according to rules BAG/FINMA)

Statutory income statement

	30.06.2024 CHF	30.06.2023 CHF
Net income from trading operations	2.777.770,-	4.616.659,-
Results from own portfolio evaluation	1.200.692,-	2.060.654,-
Results from currencies and forex	148.689,-	-1.084.887,-
Net result from commission business and services	142.673,-	209.678,-
Net interest income	1.142.067,-	1.052.627,-
Total operating expenses	-3.125.567,-	-3.102.662,-
Operating result	2.312.503,-	3.888.281,-
Changes in reserves for general banking risks	245.000,-	-775.000,-
Extraordinary results	0,-	0,-
Net result of the period	2.228.246,-	2.634.385,-

Statutory balance sheet

	30.06.2024 CHF	31.12.2023 CHF
ASSETS		
Cash and amounts due from banks	84.898.858,-	78.476.334,-
Amounts due from customers and non-banks	25.633.595,-	27.025.632,-
Trading portfolios assets	54.019.204,-	49.977.922,-
Financial investments and precious metals	560.000,-	472.450,-
Participations	1.100.000,-	1.100.000,-
Tangible fixed assets	7.900.000,-	7.900.000,-
LIABILITIES		
Amounts due to banks (trading operations)	59.164.017,-	27.818.725,-
Amounts due in respect to customer deposits and due to non-banks (trading)	31.111.541,-	53.013.768,-
Accrued expenses and deferred income	1.212.000,-	1.100.500,-
Reserves for general banking risks	38.970.000,-	39.195.000,-
Share capital	5.500.000,-	5.500.000,-
Own shares	-4.202.503,-	-4.163.632,-
Statutory capital reserve and voluntary retained earnings reserve	37.750.000,-	37.750.000,-
Total balance-sheet	174.801.122,-	165.440.681,-
Total current assets	165.111.657,-	155.952.338,-
Total shareholders' equity	83.169.432,-	83.207.217,-
Total liabilities	91.631.690,-	82.233.464,-
Total eligible capital (CET1)	75.841.000,-	75.092.000,-
Total required capital	13.900.000,-	13.151.000,-

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