

FINANCIAL REPORT 2021

Condensed consolidated
interim financial statements
First half year 2021

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The Swiss leader in online banking
www.swissquote.com

Condensed consolidated interim statement of financial position

in CHF	Notes	30 June 2021	30 June 2020	31 December 2020
ASSETS				
Cash and balances with central banks		3,420,446,594	2,925,236,930	4,062,541,475
Treasury bills and other eligible bills		409,371,382	716,452,528	449,831,424
Due from banks		2,975,198,277	2,165,541,463	1,538,095,680
Derivative financial instruments		151,034,916	65,080,915	113,403,124
Trading assets		6,644,494	6,840,544	5,090,574
Loans		744,642,968	416,607,386	551,518,696
Investment securities		626,630,936	494,067,333	484,558,406
Investment in joint venture	11	11,921,088	–	–
Deferred income tax assets		2,353,503	2,987,175	3,008,440
Intangible assets		45,522,459	45,525,199	45,528,777
Information technology systems	12	56,760,422	59,728,413	60,792,650
Property, plant and equipment	13	68,785,511	70,590,833	70,970,244
Other assets		58,230,979	60,242,027	44,612,067
Total assets		8,577,543,529	7,028,900,746	7,429,951,557
LIABILITIES AND EQUITY				
Liabilities				
Deposits from banks		289,003,536	300,973,857	248,112,871
Derivative financial instruments		52,162,918	44,466,416	67,449,118
Due to customers		7,529,387,951	6,167,462,166	6,545,783,196
Other liabilities		135,129,083	90,435,896	111,948,859
Current income tax liabilities		15,470,310	5,726,561	7,192,166
Deferred tax liabilities		1,631,719	1,082,033	1,230,575
Provisions		10,714,993	7,342,192	8,053,334
Total liabilities		8,033,500,510	6,617,489,121	6,989,770,119
Equity				
Ordinary shares		3,065,634	3,065,634	3,065,634
Share premium		54,840,121	53,211,793	54,437,365
Share option reserve		2,832,679	2,302,629	2,557,489
Other reserve		(7,645,577)	(14,893,650)	(14,956,885)
Treasury shares		(30,499,636)	(17,848,498)	(31,718,631)
Retained earnings		521,449,798	385,573,717	426,796,466
Total equity		544,043,019	411,411,625	440,181,438
Total liabilities and equity		8,577,543,529	7,028,900,746	7,429,951,557

Condensed consolidated interim income statement

in CHF	Notes	6 months ended 30 June	
		2021	2020
Fee and commission income		164,519,139	92,135,195
Fee and commission expense		(14,163,291)	(8,755,777)
Net fee and commission income	6	150,355,848	83,379,418
Interest income		13,007,804	13,924,190
Interest expense (incl. negative interest on assets)		(13,997,177)	(11,112,510)
Other interest income		9,789,722	12,126,963
Other interest expense		(752,016)	(296,533)
Net interest income		8,048,333	14,642,110
Net trading income	7	105,135,667	86,487,489
Operating income		263,539,848	184,509,017
Credit loss release / (expense)	10	869,901	(23,787,486)
Operating expenses	8	(129,258,393)	(102,283,198)
Net result from investment in joint venture	11	(509,759)	–
Operating profit		134,641,597	58,438,333
Income tax expense		(18,290,546)	(8,051,773)
Net profit		116,351,051	50,386,560
SHARE INFORMATION			
Earnings per share	9	7.83	3.38
Diluted earnings per share	9	7.71	3.35
Weighted average number of shares	9	14,855,455	14,890,143

Condensed consolidated interim statement of comprehensive income

in CHF	Notes	6 months ended 30 June	
		2021	2020
NET PROFIT		116,351,051	50,386,560
Other comprehensive income:			
Gains/(losses) recognised directly in equity			
Items that may be reclassified to the income statement			
Investment securities measured at fair value through other comprehensive income (FVOCI):		–	–
Net unrealised gains/(losses)		–	(76,685)
Net realised gains/(losses) reclassified to the income statement from equity		(6,535)	(74,533)
Income tax effect		850	97,488
Currency translation differences		1,226,522	(1,515,305)
Total other comprehensive income / (loss) that may be reclassified to the income statement		1,220,837	(1,569,035)
Items that will not be reclassified to the income statement			
Investment securities measured at fair value through other comprehensive income (FVOCI equities):			
Net unrealised gains/(losses)		1,046,541	560,994
Income tax effect		(136,050)	(77,417)
Defined benefit obligation:			
Remeasurement	4	5,954,000	(162,000)
Income tax effect		(774,020)	22,356
Total other comprehensive income that will not be reclassified to the income statement		6,090,471	343,933
Other comprehensive income / (loss) for the period (net of tax)		7,311,308	(1,225,102)
Total comprehensive income for the period		123,662,359	49,161,458

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
BALANCE AS AT 1 JANUARY 2021		3,065,634	54,437,365	2,557,489	(14,956,885)	(31,718,631)	426,796,466	440,181,438
Net profit of the period		–	–	–	–	–	116,351,051	116,351,051
Investment securities FVOCI & FVOCI equities		–	–	–	1,040,006	–	–	1,040,006
Remeasurement of defined benefit obligation	4	–	–	–	5,954,000	–	–	5,954,000
Income tax effect (aggregated)		–	–	–	(909,220)	–	–	(909,220)
Currency translation differences		–	–	–	1,226,522	–	–	1,226,522
Total comprehensive income for the period		–	–	–	7,311,308	–	116,351,051	123,662,359
		–	–	–	–	–	–	–
Dividend		–	–	–	–	–	(22,327,073)	(22,327,073)
Employee stock option plan:		–	–	–	–	–	–	–
Amortisation of services		–	–	904,544	–	–	–	904,544
Stock options exercised, lapsed or forfeited		–	–	(629,354)	–	–	629,354	–
Treasury shares:		–	–	–	–	–	–	–
Purchase		–	–	–	–	(2,808,059)	–	(2,808,059)
Sale/remittance		–	402,756	–	–	4,027,054	–	4,429,810
Balance as at 30 June 2021		3,065,634	54,840,121	2,832,679	(7,645,577)	(30,499,636)	521,449,798	544,043,019

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
BALANCE AS AT 1 JANUARY 2020		3,065,634	52,399,616	2,134,630	(13,668,548)	(18,787,665)	349,613,723	374,757,390
Net profit of the period		–	–	–	–	–	50,386,560	50,386,560
Investment securities FVOCI & FVOCI equities		–	–	–	409,776	–	–	409,776
Remeasurement of defined benefit obligation		–	–	–	(162,000)	–	–	(162,000)
Income tax effect (aggregated)		–	–	–	42,427	–	–	42,427
Currency translation differences		–	–	–	(1,515,305)	–	–	(1,515,305)
Total comprehensive income for the period		–	–	–	(1,225,102)	–	50,386,560	49,161,458
		–	–	–	–	–	–	–
Dividend		–	–	–	–	–	(14,899,013)	(14,899,013)
Employee stock option plan:		–	–	–	–	–	–	–
Amortisation of services		–	–	640,446	–	–	–	640,446
Stock options exercised, lapsed or forfeited		–	–	(472,447)	–	–	472,447	–
Treasury shares:		–	–	–	–	–	–	–
Purchase		–	–	–	–	(1,481,006)	–	(1,481,006)
Sale/remittance		–	812,177	–	–	2,420,173	–	3,232,350
Balance as at 30 June 2020		3,065,634	53,211,793	2,302,629	(14,893,650)	(17,848,498)	385,573,717	411,411,625

Condensed consolidated interim statement of cash flows

in CHF	Notes	6 months ended 30 June	
		2021	2020
Cash flow from/(used in) operating activities:			
Fee and commission received		170,018,904	94,138,868
Fee and commission paid		(13,460,375)	(8,470,087)
Interest received		18,189,716	24,898,006
Interest paid		(17,086,672)	(11,807,117)
Net trading income received		106,738,917	84,815,386
Income tax paid		(9,871,875)	(4,776,421)
Payments to employees		(54,072,106)	(47,128,997)
Payments to suppliers		(34,974,600)	(40,641,107)
Cash flow from operating profit before changes in operating assets and liabilities		165,481,909	91,028,531
Net change in operating assets and liabilities:			
Treasury bills and other eligible bills (above 3 months)		(24,069,422)	(217,753,710)
Due from banks (above 3 months)		17,414,255	42,404,401
Derivative financial instruments (assets)		(37,631,792)	32,678,103
Trading assets		(179,050)	(1,069,059)
Loans		(193,246,080)	(101,300,643)
Derivative financial instruments (liabilities)		(15,286,200)	(14,474,408)
Due to customers		962,954,455	359,509,228
Net cash from operating activities		875,438,075	191,022,443
Cash flow from/(used in) investing activities:			
Purchase of property, plant and equipment and information technology systems	12/13	(15,362,700)	(16,844,868)
Proceeds from sale and reimbursement of investment securities		57,250,771	53,958,998
Purchase of investment securities		(193,453,446)	(217,933,670)
Purchase of joint venture	11	(5,500,000)	–
Net cash used in investing activities		(157,065,375)	(180,819,540)
Cash flow from/(used in) financing activities:			
Repayment of lease liabilities		(1,559,208)	(1,355,167)
Purchase of treasury shares		(2,808,059)	(1,481,006)
Sale of treasury shares		4,298,555	3,101,298
Dividend and reimbursement from reserves		(22,327,073)	(14,899,013)
Net cash used in financing activities		(22,395,785)	(14,633,888)
Net increase/(decrease) in cash and cash equivalents		695,976,915	(4,430,985)
Cash and cash equivalents as at 1 January		5,122,953,383	4,695,284,043
Exchange difference on cash and cash equivalents		10,711,095	(4,627,484)
Cash and cash equivalents as at 30 June ¹		5,829,641,393	4,686,225,574
Cash and cash equivalents:			
Cash and balances with central banks		3,420,446,594	2,925,236,930
Treasury bills and other eligible bills (less than 3 months)		115,499,557	281,079,614
Due from banks (less than 3 months)		2,582,698,778	1,780,882,887
Deposits from banks		(289,003,536)	(300,973,857)
Total as at 30 June ¹		5,829,641,393	4,686,225,574

¹ CHF 335.8 million and CHF 339.5 million of cash and cash equivalents were restricted as at 30 June 2021 and 30 June 2020, 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 and Malta), the Republic of China (Hong Kong) and Asia Pacific (Singapore).

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

Since April 2021, the Group shares 50% interest in a newly founded company designated as Yuh Ltd and headquartered in Gland (Switzerland). This company markets a digital banking mobile application under a separate brand in the Swiss market (www.yuh.com).

At the Annual General Meeting held on 6 May 2021, the shareholders resolved on the payment of dividend of CHF 1.50 per share (5 May 2020: dividend of CHF 1.00 per share).

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 2020 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.

Consolidation: Interests in entities where the Group has significant influence over the financial and operating policies of the entity but does not have control are classified as investments in associates/joint ventures and accounted for under the equity method of accounting. Typically, the Group has significant influence when it holds or has the ability to hold between 20% and 50% of a company's voting rights. Investments in associates/joint ventures are initially recognised at cost, and the carrying amount is increased or decreased after the date of acquisition to recognise the Group's share of the investee's comprehensive income and any impairment losses. The net investment in an associate/joint venture is impaired if there is objective

evidence of a loss event and the carrying amount of the investment in the associate/joint venture exceeds its recoverable amount.

3 Adoption of new and revised international financial reporting standards

3.1 Standards, amendments and interpretations effective on or after 1 January 2021

There are no IFRS or IFRIC interpretations, effective for the first time for the financial year beginning 1 January 2021, 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 2021.

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 2020 (Section V: Critical accounting judgement and sources of estimation uncertainty, pages 42-43).

As at 30 June 2021, 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 2020 consolidated financial statements):

Employee benefits: during the period under review, the discount rate used in the determination of the net defined benefit obligation increased from 0.25% to 0.50%. This change required the Group to decrease the pension plan liability by CHF 4.6 million down to a total amount of CHF 17.5 million.

Notes to the condensed consolidated interim financial statements

5 Reportable segments

The analysis of reportable segments for the 6-month period ending 30 June 2021 and 2020 is as follows:

in CHF	6 months ended 30 June	
	2021	2020
OPERATING INCOME BY GEOGRAPHY		
Securities trading		
Switzerland	184,006,839	112,709,010
Europe	8,903,912	8,460,581
Middle East	6,641,861	3,272,525
Asia Pacific	985,941	36,083
Subtotal securities trading	200,538,553	124,478,199
Leveraged forex		
Switzerland	53,104,928	49,714,049
Europe	1,202,765	1,648,533
Middle East	5,318,618	5,302,913
Asia Pacific	3,374,984	3,365,324
Subtotal leveraged forex	63,001,295	60,030,818
Total operating income	263,539,848	184,509,017
Total unallocated expenses	(128,898,251)	(126,070,684)
Operating profit	134,641,597	58,438,333

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

in CHF	6 months ended 30 June	
	2021	2020
OPERATING INCOME BY PRODUCT		
Securities trading		
Cash and foreign exchange	49,797,134	41,186,289
Shares	51,369,310	42,381,583
ETFs and investment funds	9,028,103	7,449,860
Structured products and derivatives	15,210,356	16,761,254
Crypto assets	63,238,421	4,845,177
Fixed income and others	11,895,229	11,854,036
Subtotal securities trading	200,538,553	124,478,199
Leveraged forex		
Foreign exchange	30,885,139	34,606,936
Contracts-for-difference	20,270,438	17,079,332
Precious metals	11,845,718	8,344,550
Subtotal leveraged forex	63,001,295	60,030,818
Total operating income	263,539,848	184,509,017
Total unallocated expenses	(128,898,251)	(126,070,684)
Operating profit	134,641,597	58,438,333

As at 30 June 2021: the Group does not have any client representing more than 10% of its operating income.

Notes to the condensed consolidated interim financial statements

6 Net fee and commission income

in CHF	6 months ended 30 June	
	2021	2020
Brokerage and related income	143,596,939	75,595,841
Custody and account fees	9,855,120	7,209,840
Other commission income	7,364,145	5,833,011
Advertising and subscription fees	3,702,935	3,496,503
Total fee and commission income	164,519,139	92,135,195
Fee and commission expenses	(14,163,291)	(8,755,777)
Total net fee and commission income	150,355,848	83,379,418

Disaggregation of revenues: the total balance of net fee and commission income is allocated to the reportable segment designated as "Securities trading".

Custody and account fees of CHF 9.9 million (2020: CHF 7.2 million) and advertising and subscription fees of CHF 3.7 million (2020: CHF 3.5 million) are primarily recognised over time. The remaining balance (brokerage and related income, other commission income) mainly consists of services rendered at a point in time.

Notes to the condensed consolidated interim financial statements

7 Net trading income

in CHF	6 months ended 30 June	
	2021	2020
Foreign exchange revenues:		
From leveraged forex	63,001,295	60,030,818
From other foreign exchange income	41,106,277	26,598,917
Unrealised fair value gains/(losses):		
From trading assets	394,498	(113,249)
From others	(8,927)	25,741
Realised gains/(losses):		
From trading assets and investment securities	642,524	(54,738)
Net trading income	105,135,667	86,487,489

Disaggregation of revenues: out of the total balance of net trading income of CHF 105.1 million, CHF 63.0 million was allocated to the reportable segment designated as

"Leveraged Forex" (remaining balance: Securities trading). Net trading income is by nature recognised at a point in time.

8 Operating expenses

in CHF	6 months ended 30 June	
	2021	2020
Payroll and related expenses	70,257,456	50,070,512
Other operating expenses	27,023,003	22,329,312
Marketing expenses	14,191,356	10,936,883
Depreciation and amortisation	14,974,726	14,210,019
Provisions	2,811,852	4,736,472
Total	129,258,393	102,283,198

Payroll and related expenses comprise of an amount of CHF 20.5 million related to variable remuneration (2020: CHF 9.5 million).

Notes to the condensed consolidated interim financial statements

9 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 average number of ordinary shares purchased and held as treasury shares.

	6 months ended 30 June	
	2021	2020
Weighted average number of ordinary shares in issue	14,855,455	14,890,143
Net profit (CHF)	116,351,051	50,386,560
Earnings per share (CHF)	7.83	3.38

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: 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.

	6 months ended 30 June	
	2021	2020
Weighted average number of ordinary shares	14,855,455	14,890,143
Adjustments for share options	233,848	136,804
Weighted average number of ordinary shares for diluted earnings per share options	15,089,303	15,026,947
Net profit (CHF)	116,351,051	50,386,560
Diluted earnings per share (CHF)	7.71	3.35

Notes to the condensed consolidated interim financial statements

10 Impairment loss allowance (IFRS 9)

The following tables explain the changes in the impairment loss allowance during the period:

in CHF	Stage 1	Stage 2	Stage 3	Total	6 months ended 30 June	
					2021	2020
MOVEMENTS, GROSS OF TAX, THAT DO REDUCE THE CARRYING AMOUNT OF FINANCIAL ASSETS:						
Impairment allowance under IFRS 9 as at 1 January 2021	1,217,607	614	55,129,731	56,347,952	–	–
Transfers from stage 1 to stage 3	–	–	13,584	13,584	(13,584)	(23,478,396)
Transfers from stage 1 to stage 2	–	49,223	–	49,223	(49,223)	(90,695)
Derecognitions and new purchases	122,770	–	–	122,770	(122,770)	(348,370)
Changes in assumptions (PD, EAD and LGD)	(305,077)	19,203	–	(285,874)	285,874	193,634
Write-offs	–	–	(6,069,249)	(6,069,249)	–	–
Other movements ¹	–	–	185,972	185,972	769,270	(63,748)
Impairment allowance under IFRS 9 as at 30 June 2021	1,035,300	69,040	49,260,038	50,364,378	–	–
MOVEMENTS, GROSS OF TAX, THAT DO NOT REDUCE THE CARRYING AMOUNT OF FINANCIAL ASSETS:						
Impairment allowance under IFRS as at 1 January 2021	334	–	–	334	–	–
Derecognitions	(334)	–	–	(334)	334	2,874
Changes in assumptions (PD, EAD and LGD)	–	–	–	–	–	(2,785)
Total as at 30 June 2021	1,035,300	69,040	49,260,038	50,364,378	–	–
Total as at 1 January 2021	1,217,941	614	55,129,731	56,348,286	–	–
Credit loss release / (expense)					869,901	(23,787,486)

¹ Other movements may comprise both amounts with and without impact to the credit loss expense line item (recoveries, foreign exchange impact, etc.).

11 Investment in joint venture

The Group co-founded in April 2021 a Swiss-based company designated as Yuh Ltd. The contribution was funded by the Group with a cash contribution (CHF 5.5 million) and a contribution of proprietary software (CHF 6.9 million). As at

30 June 2021, the Group holds 50% interests in the company. The mobile banking application itself was launched on 11 May 2021. The Group recorded a negative net result from investment in joint venture of CHF 0.5 million during the period under review.

Notes to the condensed consolidated interim financial statements

12 Information technology systems

in CHF	Software third-party licences	Proprietary software	Hardware & telecom systems	Total
6 MONTHS ENDED 30 JUNE 2021				
Opening net book amount	4,653,236	51,828,823	4,310,591	60,792,650
Addition	357,889	12,324,067	2,059,028	14,740,984
Disposal (note 11)	–	(6,930,847)	–	(6,930,847)
Amortisation/depreciation	(689,674)	(9,880,537)	(1,272,154)	(11,842,365)
Closing net book amount as at 30 June 2021	4,321,451	47,341,506	5,097,465	56,760,422
6 MONTHS ENDED 30 JUNE 2020				
Opening net book amount	4,322,484	48,122,835	3,245,605	55,690,924
Addition	398,917	12,336,847	2,328,688	15,064,452
Amortisation/depreciation	(631,281)	(9,311,230)	(1,084,452)	(11,026,963)
Closing net book amount as at 30 June 2020	4,090,120	51,148,452	4,489,841	59,728,413

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 2021, additions to information technology systems include an amount of CHF 7.4 million

(2020: CHF 7.0 million) representing own costs capitalised according to IAS 38.

13 Property, plant and equipment

in CHF	Land and building	Right-of-use assets	Leasehold improvements	Equipment	Total
6 MONTHS ENDED 30 JUNE 2021					
Opening net book amount	53,061,532	13,560,083	2,562,278	1,786,351	70,970,244
Addition	42,881	237,304	378,705	200,130	859,020
Amortisation/depreciation	(1,130,605)	(1,480,519)	(290,664)	(141,965)	(3,043,753)
Closing net book amount as at 30 June 2021	51,973,808	12,316,868	2,650,319	1,844,516	68,785,511
6 MONTHS ENDED 30 JUNE 2020					
Opening net book amount	54,563,119	12,608,213	1,722,545	1,562,121	70,455,998
Addition	1,289,639	1,448,864	350,204	140,573	3,229,280
Amortisation/depreciation	(1,130,605)	(1,601,525)	(238,982)	(123,333)	(3,094,445)
Closing net book amount as at 30 June 2020	54,722,153	12,455,552	1,833,767	1,579,361	70,590,833

Notes to the condensed consolidated interim financial statements

14 Fair value of financial assets and liabilities

in CHF	Level 1	Level 2	Level 3	Fair value	Carrying amount
AS AT 30 JUNE 2021					
Assets measured at fair value					
Derivative financial instruments	35,514,937	115,519,979	–	151,034,916	151,034,916
Trading assets	6,644,494	–	–	6,644,494	6,644,494
Investment securities	20,546,578	9,165,724	–	29,712,302	29,712,302
Other assets (precious metals)	26,416,556	–	–	26,416,556	26,416,556
Total assets measured at fair value	89,122,565	124,685,703	–	213,808,268	213,808,268
Assets not measured at fair value					
Cash and balances with central banks					3,420,446,594
Treasury bills and other eligible bills					409,371,382
Due from banks					2,975,198,277
Loans					744,642,968
Investments securities	287,350,703	320,617,333	–	607,968,036	596,918,634
Investment in joint venture					11,921,088
Deferred income tax assets					2,353,503
Intangible assets					45,522,459
Information technology systems					56,760,422
Property, plant and equipment					68,785,511
Other assets					31,814,423
Total assets not measured at fair value	287,350,703	320,617,333	–	607,968,036	8,363,735,261
Total assets	376,473,268	445,303,036	–	821,776,304	8,577,543,529
Liabilities measured at fair value					
Derivative financial instruments	6,358,409	45,804,509	–	52,162,918	52,162,918
Total liabilities measured at fair value	6,358,409	45,804,509	–	52,162,918	52,162,918
Liabilities not measured at fair value					
Deposits from banks					289,003,536
Due to customers					7,529,387,951
Other liabilities					135,129,083
Current income tax liabilities					15,470,310
Deferred tax liabilities					1,631,719
Provisions					10,714,993
Total liabilities not measured at fair value	–	–	–	–	7,981,337,592
Total liabilities	6,358,409	45,804,509	–	52,162,918	8,033,500,510

Notes to the condensed consolidated interim financial statements

14 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 (30 June 2021: CHF 10.6 million of which CHF 9.2 million is classified as level 2) and financial assets at fair value through other comprehensive income equities (30 June 2021: CHF 19.1 million of which none 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

14 Fair value of financial assets and liabilities (continued)

in CHF	Level 1	Level 2	Level 3	Fair value	Carrying amount
AS AT 31 DECEMBER 2020					
Assets measured at fair value					
Derivative financial instruments	46,536,961	66,866,163	–	113,403,124	113,403,124
Trading assets	5,090,574	–	–	5,090,574	5,090,574
Investment securities	13,674,851	11,459,150	–	25,134,001	25,134,001
Other assets (precious metals)	23,921,087	–	–	23,921,087	23,921,087
Total assets measured at fair value	89,223,473	78,325,313	–	167,548,786	167,548,786
Assets not measured at fair value					
Cash and balances with central banks					4,062,541,475
Treasury bills and other eligible bills					449,831,424
Due from banks					1,538,095,680
Loans					551,518,696
Investments securities	218,117,895	252,321,725	–	470,439,620	459,424,405
Deferred income tax assets					3,008,440
Intangible assets					45,528,777
Information technology systems					60,792,650
Property, plant and equipment					70,970,244
Other assets					20,690,980
Total assets not measured at fair value	218,117,895	252,321,725	–	470,439,620	7,262,402,771
Total assets	307,341,368	330,647,038	–	637,988,406	7,429,951,557
Liabilities measured at fair value					
Derivative financial instruments	7,588,923	59,860,195	–	67,449,118	67,449,118
Total liabilities measured at fair value	7,588,923	59,860,195	–	67,449,118	67,449,118
Liabilities not measured at fair value					
Deposits from banks					248,112,871
Due to customers					6,545,783,196
Other liabilities					111,948,859
Current income tax liabilities					7,192,166
Deferred tax liabilities					1,230,575
Provisions					8,053,334
Total liabilities not measured at fair value	–	–	–	–	6,922,321,001
Total liabilities	7,588,923	59,860,195	–	67,449,118	6,989,770,119

Notes to the condensed consolidated interim financial statements

14 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 2020: CHF 10.6 million of which CHF 9.0 million is classified as level 2), financial assets at fair value through other comprehensive income (31 december 2020: CHF 2.5 million of which CHF 2.5 million is classified as level 2) and financial assets at fair value through other comprehensive income equities (31 December 2020: CHF 12.1 million of which none 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 18) of Swissquote Group Holding Ltd for the period ended 30 June 2021. 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

A handwritten signature in blue ink, appearing to read 'C. Kratzer'.

Christophe Kratzer

A handwritten signature in blue ink, appearing to read 'L. Wütschert'.

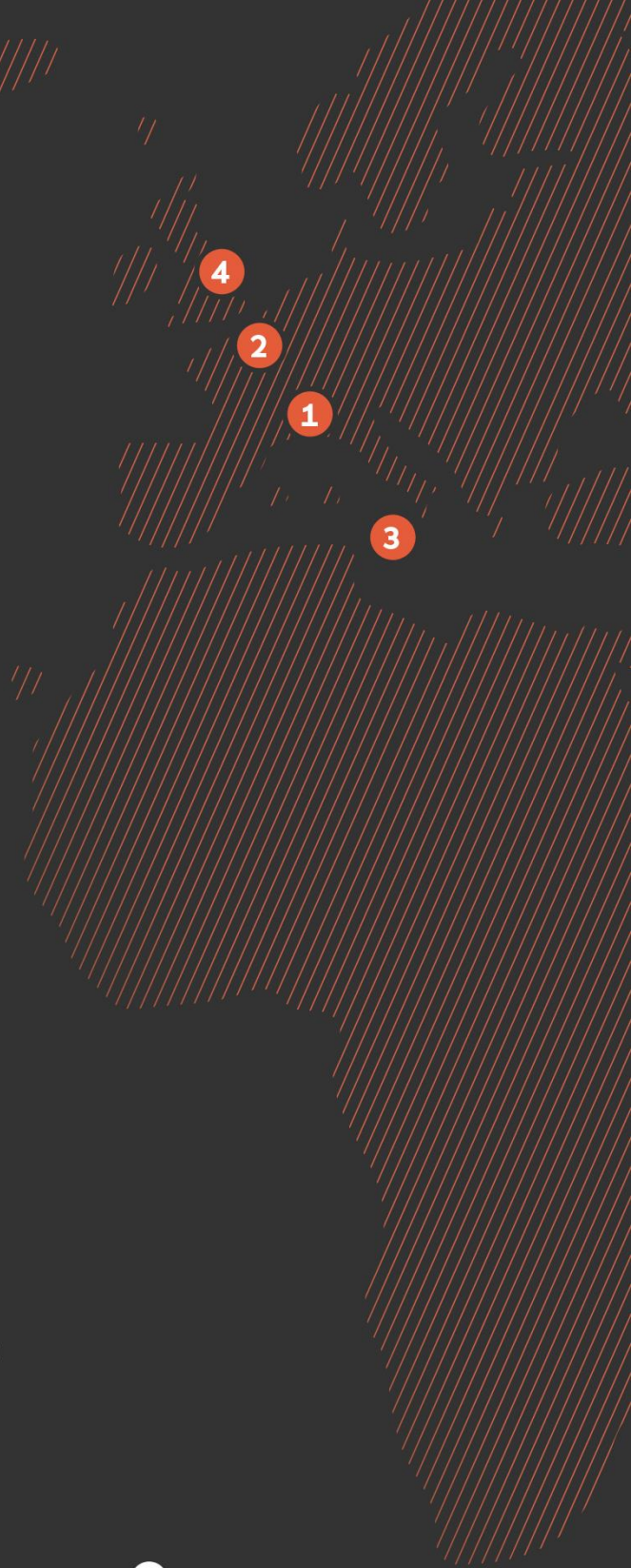
Leïla Wütschert

Lausanne, 5 August 2021

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Swissquote Bank Europe SA



3 **Malta**
Swissquote Financial Services (Malta) Ltd



4 **London**
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