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BONDPARTNERS SA

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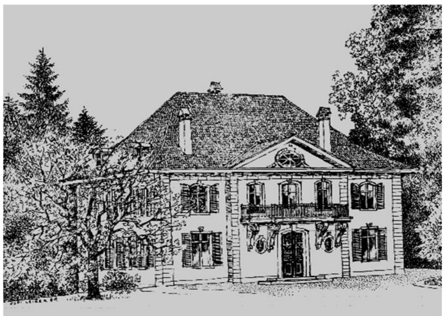

PRESS RELEASE (No 145) *(translation, French text prevails)*

Bondpartners SA: audited accounts as of 31.12.24

Confirmation of preliminary figures without substantial change: the final net profit amounted to CHF 2'202k (vs CHF 3'016k at 31.12.2023), a decline of 27% driven by the weaker results of trading operations and valuation of Company's own positions (total CHF +7 million vs +11mio for the previous year); the strengthening of the Swiss franc penalized to a lesser extent the currency result and consequently had a less negative impact on assets and revenues (CHF -0.9mio vs -2.25mio). Therefore, the operating profit amounted to CHF +2.1 million (vs +4.6mio).

The balance sheet total reached CHF 126.6 million, i.e. down by 23.5% (with current assets of CHF 116.9mio and shareholders' equity of CHF 82.9mio). The simplified leverage ratio (CET1) stood at nearly 60% (min. required 8%).

The year under review can be described as favourable, although earnings were down on the previous accounting exercise, which had been a good year for the major indices and for trading, against a backdrop that gradually became more geopolitical than economic. For their part, both shareholders' equity and available earnings were at levels comparable to those of 2023.

At the Annual General Meeting in May, the Board of Directors will propose a 40% dividend to shareholders, a percentage similar to that offered the previous year. Based on the stock's annual closing price (CHF 821.-), this brings the gross yield to 4.85%.

Background and activities in 2024

The general context was complex and, above all, contrasting according to the economic bloc concerned. The United States confirmed its dominant position in 2024, often eclipsing the performances of other major economies. While Europe sank into stagnation and China faced a structural crisis, the US economy showed insolent health. This strength was also reflected in the stock market, where the S&P500 and NASDAQ, boosted by tech and AI stocks, posted impressive gains, although this was not by far the case for all indices (our national SMI recording only a modest performance). Bitcoin and gold were also among the winning assets, while financial markets oscillated between all-time highs and sharp corrections. On the bond front, yields were gradually reduced, although there were still opportunities for capital gains with the onset of monetary easing.

While the major economic themes of growth, inflation and interest rates, as well as debt and savings, set the pace for the year, other major events shaped 2024, such as persistent geopolitical tensions, various crises and conflicts, elections and early dissolutions, not to mention the current climate situation.

On the development front, the company continued to perfect its IT and trading tools, as well as its project to deploy a generative AI function for settlement operations, without forgetting to monitor the renovation plan for premises in a building which, as a reminder, is listed. We have also stepped up our customer canvassing and execution programs on behalf of regulated counterparties.

BPL's ordinary registered share price, traded on the BEKB's OTC-X platform, declined by 6% (to CHF 821.-) in the year under review, albeit in subdued volumes. On the basis of published shareholders' equity, the share's book value (CHF 1,507.-) continues to be well above market value.

Financial statements as of 31.12.2024

BALANCE SHEET

The total balance sheet amounted to CHF 126.6 million, down by 23.5% compared to the previous financial year. Its general structure and composition remain largely unchanged, except for a notable reduction in assets and liabilities related to dealing transactions, observed at the close of the year.

Regarding assets, cash and sight deposits reached nearly CHF 25.5 million, a decrease of 10.5%. Simultaneously, receivables from trading activities, whether from banks, clients, or non-bank institutions, significantly fell 52.25% to CHF 36.8 million. The proprietary trading portfolio, *including currency effects*, increased by 8.25% to CHF 54.1 million, mainly due to the rise in certain securities and reinvestments in bonds. The financial fixed assets portfolio, encompassing precious metals and cryptocurrencies, slightly advanced to CHF 0.525 million (+11%). Current assets totaled CHF 116.9 million, a decrease of 25%, representing approximately 92.5% of the balance sheet, a relatively stable ratio compared to previous years. Fixed assets, largely consisting of two buildings owned by the Company (4,625 m² of land with a total fire insurance value of CHF 21 million), remained virtually unchanged at CHF 9.7 million (+2%).

As for liabilities, commitments to banks amounted to CHF 14.25 million, a decline of 49%. This total included a reduced balance of CHF 1.8 million (-28%) for the mortgage encumbering one of the two aforementioned properties, as well as CHF 12.5 million for trading activities with these same banks. Liabilities arising from securities transactions, alongside corresponding receivables, showed a positive net balance of CHF 0.27 million and amounted to CHF 29.7 million, a decrease of 56%. Liabilities to clients (current accounts for credit clients and trading with non-bank correspondents) totaled CHF 28.3 million, down by 47%. Accrued expenses and deferred income fell by 6% to CHF 1 million, correlated to a lower tax charge. As a result, total liabilities came to CHF 43.7 million (-47%), a figure covered nearly two and a half times by current assets, a proportion also relatively stable compared to previous years.

The reserves for general banking risks slightly dwindled by 1.25% to CHF 38.7 million, following a dissolution of provisions for CHF 0.5 million. Other reserves, including the legal capital reserve and voluntary retained earnings reserve, remained unchanged at CHF 37.75 million. The reserve for treasury shares, representing the portion of capital held by the Company, showed a negative balance of CHF -4.2 million (+1%), in line with accounting requirements. Total shareholders' equity (before distribution) amounted to CHF 82.9 million (-0.35%), representing 65.5% of the statutory balance sheet, a higher percentage than the previous year (50%), due to the aforementioned reduction in trading assets and liabilities at year-end. The Basel Committee's prudential requirements were thus comfortably met. The determining capital equity, on an individual basis, equaled CHF 75.6 million, against a regulatory requirement of CHF 10 million, representing a surplus of nearly CHF 65.5 million, which is 7.5 times the minimum required coverage. The simplified leverage ratio (CET1) stood at nearly 60%, well above the financial solidity ratio of 46% from the previous year, partly due to the reduction in assets and liabilities (as already stated, pending or overlapping transactions) at the close.

PROFIT AND LOSS ACCOUNT

The net result reported by the Company accounted to CHF +2.2 million, a decrease of 27% compared to the previous year (CHF 3 million in 2023, a more favorable year for financial markets). Total *gross* ordinary income reached CHF 10.35 million, a decrease of 7%, *excluding the result from foreign exchange*, which showed a loss of CHF -0,9 million, hedging costs included (compared to CHF -2.25 million last year), and *excluding the result from the securities portfolio valuation*, which increased more moderately to CHF 1.65 million, below the CHF 3.3 million rise recorded in 2023. The *net* result from dealing transactions (arbitrage and trading, commissions and fees included) reached CHF 5.7 million, a decline of 31%. Although volumes increased by 27%, average margins decreased by 26% due to the intermediation of structured products, which are less profitable. Even though relieved, investors remained cautious regarding bond assets after the crash of 2022, as the market continued to experience volatility and liquidity issues. The result before interest and dividend expenses improved by 8.5%, reaching CHF 2 million, in an environment marked by the evolution of interest rates and the anticipation of potential easing measures. Gross income from commission operations came to CHF 0.82 million, up by 9.5%, in a more mitigated atmosphere, particularly in Europe, for equity securities, while demand remained strong for technology stocks. Interest and commission expenses, as well as other costs (depreciation, banking and settlement fees), doubled to CHF 2.2 million, an increase attributed to the notable rise in turnover and retrocessions.

Total operating expenses rose by 4% to CHF 6.8 million, an amount covered nearly 12 times by shareholders' equity, a sustainable multiple compared to previous years. The combination of more intense trading activity, but less profitable in terms of margins, as well as a more modest reward in securities held in portfolios (even though the traditionally unwelcome impact of the strengthening of our national currency was less severe than in the previous year), reduced the operating result to CHF 2.1 million (compared to CHF 4.6 million in 2023). As for provision variations, reserves for general banking risks sustained a slight decrease of CHF 0.5 million, contrary to the reconstitution of CHF 1.1 million observed last year. Finally, the total expenses, *after taxes* (excluding fluctuations in foreign exchange, in proprietary portfolio assessment and excluding reserve changes), amounted to CHF 9.4 million, an increase of 17.5%, an amount covered nearly 12.5 times by current assets, compared to 20x in 2023. The expense-to-revenue ratio (again *excluding foreign exchange, valuation of positions and reserve variations*) stood at 91%, compared to 72% in the previous year

Outlook

So far, the current year has got off to an uncertain start, between inflation, recession and escalating protectionism, with economic, commercial and political issues that promise to redefine the global balance. -On the one hand, Trump's frantic return to the US presidency, which is monopolizing all the attention and jeopardizing the very foundations of the federal state and global multilateralism, all this taking place against a geopolitical and geo-economic context that remains tense, -and on the other, China's economic recovery, European rearmament, as well as the underperformance of technology stocks and, of course, monetary decisions of the major central banks, which are crucial factors, among many others, that have the potential to irrevocably upset attitudes and enhance volatility .

The Company's business being largely dependent on the behavior of the financial markets, as well as on the dynamism of its counterparties, the outlook for fiscal 2025 is currently difficult to establish at present. For the time being, however, a robust turnover continued in both bonds and structured products, while margins remained moderate in the absence of a genuine breach (and consequently widening spreads). At the current pace of events, it seems certain that the year will not be free of further shocks and corrections. Thus, the need for Bondpartners to have a substantial equity capital is all the more justified in this febrile context.

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 of orders issued by independent managers. It is authorized and supervised by the Swiss Financial Market Supervisory Authority (FINMA) as a securities house. Its bearer shares are quoted on BEKB's OTC-X electronic platform.

Statutory accounts as at 31.12.24/31.12.2023
(Audited Accounts according to rules BAG/FINMA)

Statutory income statement

	31.12.2024 CHF	31.12.2023 CHF
Net income from trading operations	7.053.483,-	10.955.976,-
Results from currencies and forex	-893.556,-	-2.246.572,-
Commission net income from securities trading and investment activities	381.165,-	334.430,-
Net result from interest operations	1.983.191,-	1.831.942,-
Total operating expenses	-6.771.271,-	-6.512.623,-
Operating result	2.109.137,-	4.605.009,-
Extraordinary income	4.830,-	4.249,-
Extraordinary expenses	-91.161,-	0,-
Result of the period	2.202.268,-	3.015.694,-

Statutory balance sheet

	31.12.2024 CHF	31.12.2023 CHF
ASSETS		
Cash and amounts due from banks	47.272.316,-	78.476.334,-
Amounts due from customers and non-banks	15.030.201,-	27.025.632,-
Trading portfolios assets	54.099.987,-	49.977.922,-
Financial investments and precious metals/cryptos	524.980,-	472.450,-
Participations	1.100.000,-	1.100.000,-
Tangible fixed assets	7.900.000,-	7.900.000,-
LIABILITIES		
Amounts due to banks	14.251.488,-	27.818.725,-
Amounts due in respect to customer deposits and due to non-banks	28.274.119,-	53.013.768,-
Accrued expenses and deferred income	1.033.400,-	1.100.500,-
Reserves for general banking risks	38.705.000,-	39.195.000,-
Own shares	-4.202.389,-	-4.163.632,-
Statutory capital reserve and voluntary retained earnings reserve	37.750.000,-	37.750.000,-
Total balance-sheet	126.590.425,-	165.440.681,-
Total current assets	116.402.505,-	155.952.338,-
Total shareholders' equity	82.878.568,-	83.207.217,-

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