

**Media information**

Gland/Zurich, 17 March 2022

Results for the 2021 financial year

**Swissquote confirms record year and strong customer growth**

Swissquote's annual results confirmed that 2021 was a record year. Thanks to strong growth dynamics on the client side, the communicated medium-term profit targets set initially for 2024 were already reached by the end of 2021. Operating revenues increased by 49 percent year-on-year to CHF 479.6 million, while pre-tax profit reached a record high of CHF 223.3 million (target for 2024 was CHF 200 million), an increase of 111.4 percent. Profitability, with a pre-tax profit margin of 47.3 percent, increased strongly thanks to higher trading volumes and more customer accounts (+77,599). With organic net new money inflow hitting a record high of CHF 9.6 billion, client assets grew to CHF 55.9 billion. The Board of Directors will propose to the Annual General Meeting that the dividend be increased by 46.7 percent from CHF 1.50 to CHF 2.20 per share.

**Revenues set new records year after year**

At CHF 479.6 million (CHF 321.8 million), **operating revenues** were at their highest level to date, having risen by 49.0 percent year-on-year. Adjusted for negative interest of CHF 7.3 million and fair value adjustments of CHF 0.2 million, **net revenues** were up by 48.9 percent on the previous year to CHF 472.5 million (CHF 317.3 million). **Net fee and commission income** (excluding cryptocurrencies) rose by 10.4 percent to CHF 161.2 million (CHF 146.0 million), due to strong growth in trading accounts and increased trading activity. With a rise of 537.8 percent, **net crypto assets income** reached CHF 102.1 million (CHF 16.0 million) as this asset class continued to move towards broader acceptance among both private and institutional investors. **Net eForex income** climbed by 13.0 percent to CHF 121.3 million (CHF 107.3 million) thanks to a positive growth in eForex volumes. As expected, **net interest income** dropped by 9.9 percent to CHF 23.2 million (CHF 25.7 million) due to the persisting negative/low interest rate environment. **Net trading income** (currency trading excluding eForex, but including credit loss release/expense) rose by 168.2 percent to CHF 71.9 million (CHF 26.8 million).

**Operating expenses in line with growth ambitions**

At CHF 249.1 million (CHF 211.7 million), operating expenses were 17.7 percent higher than in the previous year, due mainly to the rise in payroll and related expenses (+CHF 19.7 million) as well as marketing expenses (+CHF 8.7 million). In 2021, Swissquote launched a set of ambitious initiatives to strengthen its brand awareness outside of Switzerland, such as the 3-year sponsorship of the UEFA

Europa League and UEFA Europa Conference League. At the end of 2021, Swissquote had a workforce of 952 employees (+18.3 percent).

### **Net profit exceeds expectations**

The combination of revenues and expenses brought a 111.4 percent increase in **pre-tax profit** to CHF 223.3 million (CHF 105.6 million) and resulted in a pre-tax profit margin of 47.3 percent (33.3 percent) for 2021. **Net profit** more than doubled year-on-year to CHF 193.1 million (CHF 91.0 million). This is the result of strong organic growth and a diversified and innovative product offering, which enabled Swissquote to capture the operational leverage provided by its technology.

### **Sound capital base and increased dividend per share**

Swissquote successfully combined top profitability and organic growth with a strong Basel III **capital ratio** of 26.2 percent. As of the end of 2021, Swissquote exhibits a solid and well-capitalised balance sheet of CHF 9,053.8 million. **Total equity** increased by 39.8 percent to CHF 615.5 million (CHF 440.2 million). The Board of Directors will propose to the Annual General Meeting of 6 May 2022 that the dividend be increased by 46.7 percent from CHF 1.50 to CHF 2.20 per share.

### **Record-high organic net money inflow and client assets**

The **net new money inflow** continued to increase to CHF 9.6 billion in 2021 (CHF 5.3 billion). This trend is attributable to Swissquote's international expansion (52% of the net new monies were related to customers resident abroad), as well as the unique positioning of Swissquote for mass affluent customers. **Client assets** rose by 40.5 percent to CHF 55.9 billion (CHF 39.8 billion) thanks to net new money inflow, but also to the positive market environment. Per customer, this equates to a healthy average deposit in excess of CHF 110,000. The **total number of accounts** reached 487,847 (+18.9 percent) by the end of 2021.

### **Benelux as second home market**

With the acquisition of Keytrade Bank Luxembourg, Swissquote has reinforced its positioning in the Benelux area as a market leader in online trading and investing. The transaction is expected to close in the first half of 2022 and will bring in somewhat more than 8,200 new customers and EUR 1.7 billion in client assets. With this move, Swissquote confirms its ambitious expansion strategy in Europe and more generally outside of Switzerland.

### Guidance for 2022 and medium-term outlook 2025

During the two first months of 2022, customer growth continued its strong trend with CHF 1.4 billion of net new monies. Swissquote's growth story will be able to offset the difficult market environment and, despite the current geopolitical uncertainty, Swissquote expects to replicate its very successful year 2021. In 2022, net revenues are expected at CHF 475 million (+0.7%) and pre-tax profit at CHF 225 million (+0.7%). The new medium-term targets put net revenues and pre-tax profit at CHF 750 million and CHF 350 million respectively in 2025.

### Changes in the organisation of Swissquote

Swissquote announces the following changes to its corporate organisation:

- **Paolo Buzzi** will be proposed as a new member of the Board of Directors at the next Annual General Meeting. Paolo Buzzi is one of the two founders of the company and has been key to its success. His engineering degree from the EPFL, his strong information technology culture and his affinity for innovation were instrumental in the launch of Swissquote as a digital bank and in countless projects. Paolo is stepping down as Deputy CEO on the Executive Management and, if he is elected, he will continue to actively contribute to the Swissquote success story as a Board member.
- **Demetra Kalogerou** will also be proposed to the Board of Directors as an additional member. Boasting a wide range of experiences, Demetra Kalogerou in particular used to be for 10 years the Executive Chairwoman of the Cyprus Securities and Exchange Commission (CySEC). If she is elected, she will bring to the Board a broader international dimension as well as a strong expertise in financial markets, regulation and risk management.
- **Martin Naville**, a long-standing member of the Board of Directors since 2007 and Vice Chairman of the Board of Directors of Swissquote Bank Ltd since 2019, will not be standing for re-election at this year's Annual General Meeting. With his wide experience, he has contributed significantly to the success and growth of Swissquote.

Markus Dennler, Chairman of the Board of Directors, says: "With the proposed candidates, we are significantly strengthening our Board of Directors and are pursuing Swissquote's growth story. In addition to this, we warmly thank Martin Naville for his significant contribution to the company over the last 15 years."

The complete **2021 Financial Report** is available at:

<https://en.swissquote.com/company/investors/reporting>

**Swissquote – The Swiss Leader in Online Banking**

Swissquote is Switzerland's market leader in online banking. Over three million financial products can be traded on its innovative platforms. Swissquote's core competencies include global stock market trading, trading and custody of crypto assets, Forex trading and the Robo-Advisor solution. In addition, Swissquote is active in the payment card, mortgage and leasing markets. As at the end of December 2021, Swissquote held over 55 billion Swiss francs in assets for more than 480,000 private and institutional clients. In addition to its headquarters in Gland, Switzerland, Swissquote has offices in Zurich, Luxembourg, London, Dubai, Hong Kong, Singapore and Malta. Swissquote holds banking licenses both in Switzerland (FINMA) and Luxembourg (CSSF). Its parent company, Swissquote Group Holding Ltd, is listed on the SIX Swiss Exchange (symbol: SQN). The Swissquote Group and PostFinance each own 50% of the fintech app Yuh AG.

**For further information**

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**Key dates in 2022**

06.05.2022

10.08.2022

**Corporate calendar**

Annual General Meeting

Presentation of results for the first half of 2022

**Agenda 2022**

31.03.2022

01.06.2022

23.09.2022

**Investor Relations events**

Kepler Cheuvreux 23rd Swiss Seminar (virtual)

Stifel Swiss Equities Conference (Interlaken)

4th Baader Small Cap Day (Munich)

|  | 12 months ended 31 December |                    |                  |               | Comparison with previous half year |                    |                   |               |
|--|-----------------------------|--------------------|------------------|---------------|------------------------------------|--------------------|-------------------|---------------|
|  | 2021                        | 2020               | Change           | Change in %   | H2-2021                            | H1-2021            | Change            | Change in %   |
| in CHF thousand, except where specified              |                             |                    |                  |               |                                    |                    |                   |               |
| Net fee & commission income (excl. crypto.)          | 161,150.2                   | 145,981.9          | 15,168.3         | 10.4%         | 74,032.8                           | 87,117.5           | (13,084.7)        | -15.0%        |
| Net crypto assets income                             | 102,084.3                   | 16,005.6           | 86,078.7         | 537.8%        | 38,845.9                           | 63,238.4           | (24,392.5)        | -38.6%        |
| Interest income, net <sup>1</sup>                    | 23,155.3                    | 25,690.1           | (2,534.8)        | -9.9%         | 12,701.1                           | 10,454.2           | 2,246.9           | 21.5%         |
| eForex income, net                                   | 121,305.4                   | 107,343.4          | 13,962.0         | 13.0%         | 58,304.1                           | 63,001.3           | (4,697.2)         | -7.5%         |
| Trading income, net <sup>2</sup>                     | 71,907.5                    | 26,812.4           | 45,095.1         | 168.2%        | 29,288.8                           | 42,618.7           | (13,329.9)        | -31.3%        |
| <b>Operating revenues</b>                            | <b>479,602.7</b>            | <b>321,833.4</b>   | <b>157,769.3</b> | <b>49.0%</b>  | <b>213,172.7</b>                   | <b>266,430.1</b>   | <b>(53,257.4)</b> | <b>-20.0%</b> |
| Unrealised fair value                                | 211.1                       | 207.7              | 3.4              | 1.6%          | (174.4)                            | 385.6              | (560.0)           | -145.2%       |
| Cost of negative interest rates (excluding FX swaps) | (7,343.5)                   | (4,731.7)          | 2,611.8          | 55.2%         | (4,937.6)                          | (2,405.9)          | 2,531.7           | 105.2%        |
| <b>Net revenues</b>                                  | <b>472,470.3</b>            | <b>317,309.4</b>   | <b>155,160.9</b> | <b>48.9%</b>  | <b>208,060.7</b>                   | <b>264,409.8</b>   | <b>(56,349.1)</b> | <b>-21.3%</b> |
| Payroll & related expenses                           | (124,592.0)                 | (104,913.9)        | 19,678.1         | 18.8%         | (54,334.6)                         | (70,257.5)         | (15,922.9)        | -22.7%        |
| Other operating expenses                             | (61,702.8)                  | (54,844.0)         | 6,858.8          | 12.5%         | (31,867.9)                         | (29,834.9)         | 2,033.0           | 6.8%          |
| Depreciation   | (31,295.8)                  | (29,082.2)         | 2,213.6          | 7.6%          | (16,321.1)                         | (14,974.7)         | 1,346.4           | 9.0%          |
| Marketing expenses <sup>3</sup>                      | (31,537.8)                  | (22,827.7)         | 8,710.1          | 38.2%         | (16,836.7)                         | (14,701.1)         | 2,135.6           | 14.5%         |
| <b>Expenses</b>                                      | <b>(249,128.4)</b>          | <b>(211,667.8)</b> | <b>37,460.6</b>  | <b>17.7%</b>  | <b>(119,360.3)</b>                 | <b>(129,768.2)</b> | <b>(10,407.9)</b> | <b>-8.0%</b>  |
| <b>Pre-tax profit</b>                                | <b>223,341.9</b>            | <b>105,641.6</b>   | <b>117,700.3</b> | <b>111.4%</b> | <b>88,700.4</b>                    | <b>134,641.6</b>   | <b>(45,941.2)</b> | <b>-34.1%</b> |
| Income taxes   | (30,228.8)                  | (14,620.8)         | 15,608.0         | 106.8%        | (11,938.2)                         | (18,290.5)         | (6,352.3)         | -34.7%        |
| <b>Net profit</b>                                    | <b>193,113.1</b>            | <b>91,020.8</b>    | <b>102,092.3</b> | <b>112.2%</b> | <b>76,762.2</b>                    | <b>116,351.1</b>   | <b>(39,588.9)</b> | <b>-34.0%</b> |
| Pre-tax profit margin                                | 47.3%                       | 33.3%              |                  |               | 42.6%                              | 50.9%              |                   |               |
| Net profit margin                                    | 40.9%                       | 28.7%              |                  |               | 36.9%                              | 44.0%              |                   |               |

<sup>1</sup> Net interest income as per consolidated financial statements 2021 of CHF 15.8 million should be read in conjunction with the cost of negative interest rates (excluding FX swaps) of -CHF 7.3 million that is presented here separately (CHF 23.1 million less CHF 7.3 million).

<sup>2</sup> Net trading income as per consolidated financial statements 2021 of CHF 192.8 million should be incremented by credit loss release of CHF 0.7 million (that is presented separately in the consolidated financial statements). The resulting balance is presented here in three separate items: eForex income, Trading income (including credit loss release / expense) and Unrealised fair value.

<sup>3</sup> Includes CHF 1.6 million of negative contribution of joint venture consolidated through equity accounting method (Yuh Ltd) presented separately in the consolidated financial statements 2021 under Net result from investment in joint venture.

|   | 31.12.2021      |                 |                 |               | 31.12.2020      |                 |                |              | 31.12.2021      |                 |                |              | 30.06.2021      |                 |                |              |
|---|-----------------|-----------------|-----------------|---------------|-----------------|-----------------|----------------|--------------|-----------------|-----------------|----------------|--------------|-----------------|-----------------|----------------|--------------|
|   |                 |                 | Change          | Change in %   |                 |                 | Change         | Change in %  |                 |                 | Change         | Change in %  |                 |                 | Change         | Change in %  |
| in CHF thousand, except where specified     |                 |                 |                 |               |                 |                 |                |              |                 |                 |                |              |                 |                 |                |              |
| Trading accounts                            | 418,668         | 338,330         | 80,338          | 23.7%         | 418,668         | 391,373         | 27,295         | 7.0%         | 418,668         | 391,373         | 27,295         | 7.0%         | 418,668         | 391,373         | 27,295         | 7.0%         |
| Saving accounts                             | 18,630          | 19,037          | (407)           | -2.1%         | 18,630          | 18,793          | (163)          | -0.9%        | 18,630          | 18,793          | (163)          | -0.9%        | 18,630          | 18,793          | (163)          | -0.9%        |
| eForex accounts                             | 44,890          | 48,341          | (3,451)         | -7.1%         | 44,890          | 44,191          | 699            | 1.6%         | 44,890          | 44,191          | 699            | 1.6%         | 44,890          | 44,191          | 699            | 1.6%         |
| Robo-Advisory accounts                      | 5,659           | 4,540           | 1,119           | 24.6%         | 5,659           | 5,443           | 216            | 4.0%         | 5,659           | 5,443           | 216            | 4.0%         | 5,659           | 5,443           | 216            | 4.0%         |
| <b>Total number of accounts (units)</b>     | <b>487,847</b>  | <b>410,248</b>  | <b>77,599</b>   | <b>18.9%</b>  | <b>487,847</b>  | <b>459,800</b>  | <b>28,047</b>  | <b>6.1%</b>  | <b>487,847</b>  | <b>459,800</b>  | <b>28,047</b>  | <b>6.1%</b>  | <b>487,847</b>  | <b>459,800</b>  | <b>28,047</b>  | <b>6.1%</b>  |
| Trading client assets                       | 54,696.0        | 38,747.7        | 15,948.3        | 41.2%         | 54,696.0        | 49,093.2        | 5,602.8        | 11.4%        | 54,696.0        | 49,093.2        | 5,602.8        | 11.4%        | 54,696.0        | 49,093.2        | 5,602.8        | 11.4%        |
| Saving client assets                        | 245.8           | 251.1           | (5.3)           | -2.1%         | 245.8           | 249.2           | (3.4)          | -1.4%        | 245.8           | 249.2           | (3.4)          | -1.4%        | 245.8           | 249.2           | (3.4)          | -1.4%        |
| eForex client assets                        | 436.9           | 439.7           | (2.8)           | -0.6%         | 436.9           | 456.9           | (20.0)         | -4.4%        | 436.9           | 456.9           | (20.0)         | -4.4%        | 436.9           | 456.9           | (20.0)         | -4.4%        |
| Robo-Advisory assets                        | 511.1           | 334.1           | 177.0           | 53.0%         | 511.1           | 440.6           | 70.5           | 16.0%        | 511.1           | 440.6           | 70.5           | 16.0%        | 511.1           | 440.6           | 70.5           | 16.0%        |
| <b>Total client assets (CHF m)</b>          | <b>55,889.8</b> | <b>39,772.6</b> | <b>16,117.2</b> | <b>40.5%</b>  | <b>55,889.8</b> | <b>50,239.9</b> | <b>5,649.9</b> | <b>11.2%</b> | <b>55,889.8</b> | <b>50,239.9</b> | <b>5,649.9</b> | <b>11.2%</b> | <b>55,889.8</b> | <b>50,239.9</b> | <b>5,649.9</b> | <b>11.2%</b> |
| Assets under custody (CHF m)                | 54,604.0        | 38,507.9        | 16,096.1        | 41.8%         | 54,604.0        | 48,917.0        | 5,687.0        | 11.6%        | 54,604.0        | 48,917.0        | 5,687.0        | 11.6%        | 54,604.0        | 48,917.0        | 5,687.0        | 11.6%        |
| Net new money (CHF m)                       | 9,600.3         | 5,274.6         | 4,325.7         | 82.0%         | 4,687.5         | 4,912.8         | (225.3)        | -4.6%        | 4,687.5         | 4,912.8         | (225.3)        | -4.6%        | 4,687.5         | 4,912.8         | (225.3)        | -4.6%        |
| eForex volume (USD bn)                      | 1,545.3         | 1,368.6         | 176.7           | 12.9%         | 728.9           | 816.4           | (87.5)         | -10.7%       | 728.9           | 816.4           | (87.5)         | -10.7%       | 728.9           | 816.4           | (87.5)         | -10.7%       |
| Total equity (CHF m)                        | 615.5           | 440.2           | 175.3           | 39.8%         | 615.5           | 544.0           | 71.5           | 13.1%        | 615.5           | 544.0           | 71.5           | 13.1%        | 615.5           | 544.0           | 71.5           | 13.1%        |
| Capital ratio (%) <sup>1</sup>              | 26.2%           | 23.0%           | 3.2%            | 13.9%         | 26.2%           | 24.3%           | 1.9%           | 7.8%         | 26.2%           | 24.3%           | 1.9%           | 7.8%         | 26.2%           | 24.3%           | 1.9%           | 7.8%         |
| Total headcounts / average headcounts (FTE) | 952 / 878       | 805 / 763       | 147 / 115       | 18.3% / 15.1% | 952 / 928       | 904 / 854       | 48 / 74        | 5.3% / 8.7%  | 952 / 928       | 904 / 854       | 48 / 74        | 5.3% / 8.7%  | 952 / 928       | 904 / 854       | 48 / 74        | 5.3% / 8.7%  |

<sup>1</sup> Since 2021, capital ratio is presented after future expected dividend