



Compagnie Financière Tradition

Ad hoc announcement pursuant to Article 53 of the Six Exchange Regulation Listing Rules

**Growth in revenue (including share of joint ventures)
to CHF 1,053.9m, up 9.5%***

**Operating profit (including share of joint ventures) increase of
17.1%* to CHF 127.7m, for a margin of 12.1%**

Net profit Group share of CHF 94.4m, up 15.9%*

Basic earnings per share up 17.6%* to CHF 12.71

Cash dividend up close 10% to CHF 6.00 per share

* Variation in constant currencies

<i>In CHF m (except basic earnings per share)</i>	2023	2022	Variation in current currencies	Variation in constant currencies
Reported results (IFRS)				
Revenue	982.4	947.4	+3.7%	+10.6%
Operating profit	105.5	94.2	+11.9%	+19.7%
Operating margin	10.7%	9.9%		
Profit before tax	127.2	120.1	+5.9%	+16.1%
Net profit Group share	94.4	89.1	+6.0%	+15.9%
Basic earnings per share	12.71	11.83	+7.5%	+17.6%
Results including share of joint ventures¹⁾				
Revenue	1,053.9	1,028.6	+2.5%	+9.5%
Operating profit	127.7	117.4	+8.7%	+17.1%
Operating margin	12.1%	11.4%		

1) with proportionate consolidation method for joint ventures

Overview

The normalization of the monetary policy of central banks with the increase in interest rates during the year followed by an observation period in the search of the balance point that combine the control of inflation and a soft landing of the economy, all in an already complex geopolitical environment, were supportive to the Group's interdealer broking business activities. Tradition also benefited from favorable market conditions in the energy and commodity businesses as well as the development of its activity dedicated to market data commercialization (TraditionData). Furthermore, the Group's activity continues to be stimulated by its organic growth policy.

Against this backdrop, the Group's consolidated revenue, including the share of joint ventures, was up 9.5% at constant exchange rates to CHF 1,053.9m, compared with CHF 1,028.6m in 2022. Revenue from interdealer broking business (IDB) was up 9.6% at constant exchange rates to CHF 1,022.5m, while revenue from the online forex trading business for retail investors in Japan (Non-IDB), was ahead 5.5% to CHF 31.4m.

Operating profit, including the share of joint ventures, was CHF 127.7m against CHF 117.4m in 2022, up 17.1% at constant exchange rates, with an operating margin of 12.1% and 11.4% respectively.

Reported revenue and operating profit

Business activity grew during the year with reported consolidated revenue of CHF 982.4m compared with CHF 947.4m in 2022, an increase of 10.6% at constant exchange rates, or 3.7% at current exchange rates.

Reported operating profit for the year was CHF 105.5m against CHF 94.2m in 2022, an increase of 19.7% at constant exchange rates, with an operating margin of 10.7% against 9.9% in the previous year.

Net profit

In 2023, the Group recognised net financial expense of CHF 4.1m against CHF 3.7m in 2022. Higher interest rates positively impacted interest income from cash investments which was up by over CHF 9.4m on the year, generating income, net of interest expense on bank loans and bonds of CHF 3.0m, against a net expense of CHF 6.4m in the previous year. Net foreign exchange results due to currency fluctuations represented a loss of CHF 5.1m for the year, against a gain of CHF 5.0m in 2022.

The share in the results of associates and joint ventures was CHF 25.8m against CHF 29.6m in 2022, down 3.1% at constant exchange rates.

The Group's tax expense amounted to CHF 26.1m against CHF 22.7m in 2022, with an effective tax rate of 26% against 25% in the previous year.

Thus, consolidated net profit was CHF 101.1m compared with CHF 97.4m in 2022 with a Group share of CHF 94.4m against CHF 89.1m in 2022, an increase of 15.9% at constant exchange rates. Basic earnings per share rose by 17.6% at constant exchange rates to CHF 12.71 against CHF 11.83 in 2022.

Balance sheet

The Group maintained its focus on a sound balance sheet with a strong capital position while keeping a low level of intangible assets and a strong net cash position. Consolidated equity, before deduction of treasury shares in the amount of CHF 27.5m, was CHF 453.5m, with an increase in net cash, including the Group's share in the net cash position of joint ventures, to CHF 260.0m at 31 December 2023, compared with CHF 243.1m in the previous year. Gross cash was CHF 469.6m at 31 December 2023 against CHF 460.5m at 31 December 2022.

Consolidated equity stood at CHF 426.0m (31 December 2022: CHF 442.5m) of which CHF 405.1m was attributable to shareholders of the parent (31 December 2022: CHF 416.8m). Total cash, including financial assets at fair value, net of financial debts, increased to CHF 173.2m at 31 December 2023 against CHF 149.1m at 31 December 2022.

Dividend

At the Annual General Meeting to be held on 21 May 2024, the Board will be seeking shareholders' approval to pay a cash dividend of CHF 6.0 per share (yield of 4.6%¹⁾).

Outlook

The Group's level of activity since the beginning of 2024 is up on the same period last year at constant exchange rates. Compagnie Financière Tradition intends to pursue its growth strategy, primarily organic, as well as its investments in its hybrid broking capabilities throughout its operations and in its data and analytics activities with the support of its developed data science expertise. In addition, maintaining the quality of its balance sheet and its strong cost discipline remain key strategic priorities.

Appointments

At its meeting on March 20, the Board of Directors decided to propose the appointment of Mr. Christophe Hémon as a director at the Annual General Meeting to be held on 21 May. After holding senior management positions at Morgan Stanley Paris, Mr. Christophe Hémon was most recently an executive of LCH Group and Chief Executive Officer of LCH SA.

In addition, Compagnie Financière Tradition SA announced that Mr. Eric Solvet is taking an executive role within the Group, and is therefore stepping down as non-executive director.

Annual report

The 2023 annual report of Compagnie Financière Tradition SA will be available on 25 April 2024 on the Company's website at <http://tradition.com/financials/reports.aspx>

¹⁾ Indicative value based on 21 March 2024 closing share price of CHF 131.50 per share

ABOUT COMPAGNIE FINANCIERE TRADITION SA

Compagnie Financière Tradition SA is one of the world's largest interdealer brokers in over-the-counter financial and commodity related products. Represented in over 30 countries. Compagnie Financière Tradition SA employs more than 2,400 people globally and provides broking and data services for a complete range of financial products (money market products, bonds, interest rate, currency and credit derivatives, equities, equity derivatives, interest rate futures and index futures) and non-financial products (energy and environmental products, and precious metals). Compagnie Financière Tradition SA (CFT) is listed on the SIX Swiss Exchange.

For more information, please visit www.tradition.com.

MEDIA CONTACTS

Patrick Combes, Chairman
Compagnie Financière Tradition SA
+41 (0) 21 343 52 87
actionnaire@tradition.ch