



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

**Adjusted revenue of CHF 950.8m
down 2.5% at constant exchange rates**

**Adjusted operating profit before exceptional items
of CHF 99.9m**

Net profit Group share of CHF 65.3m

**Cash dividend of CHF 5.0 per share; distribution of treasury shares
(1:100 partially paid from capital contribution reserve)**

CHF m	2021	2020	Variation at current exchange rates	Variation at constant exchange rates
Reported (IFRS)				
Revenue	873.6	903.0	-3.3%	-2.9%
Operating profit	73.2	84.1	-13.0%	-10.6%
Operating margin	8.4%	9.3%		
Profit before tax	85.0	86.9	-2.2%	+0.4%
Net profit Group share	65.3	70.9	-8.0%	-5.5%
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Adjusted*				
Revenue	950.8	981.2	-3.1%	-2.5%
Operating profit before exceptional items	99.9	111.0	-10.0%	-8.0%
Operating margin before exceptional items	10.5%	11.3%		

* with proportionate consolidation method for joint ventures ("Adjusted")

Overview

The year 2021 is marked by a period of normalization of activity in two stages. Indeed, after a decrease in the first half of 2021, to be put into perspective with the exceptional volume of activity in the first half of 2020 resulting from the gradual health crisis and the very high volatility in the financial markets, the Group's activities progressed in the second half of 2021.

For the full year 2021, the Group's consolidated adjusted revenue was CHF 950.8m compared with CHF 981.2m in 2020, a decrease of 2.5% at constant exchange rates. The adjusted revenue from interdealer broking business (IDB) was down 2.8% at constant exchange rates to CHF 917.0m while the forex trading business for retail investors in Japan (Non-IDB) presented an increase of 3.8% to CHF 33.8m.

Adjusted operating profit before exceptional items was CHF 99.9m against CHF 111.0m in 2020, down 8.0% at constant exchange rates for an operating margin of 10.5% and 11.3% respectively. Net exceptional costs represented CHF 5.8m down from CHF 10.5m in the previous year.

Reported revenue and operating profit

The Group reported consolidated revenue (IFRS) of CHF 873.6m against CHF 903.0m in 2020, down 2.9% at constant exchange rates.

Reported operating profit was CHF 73.2m compared with CHF 84.1m in 2020, down 10.6% at constant exchange rates for an operating margin of 8.4% against 9.3% in the previous year.

Net profit

Net financial expense was down to CHF 10.8m in 2021 compared with CHF 14.4m in 2020. Net foreign exchange results due to exchange rate fluctuations negatively impacted the Group's financial result and represented a loss of CHF 1.7m for the year against CHF 3.8m in 2020. Interest expense on bank borrowings and bonds, net of interest income from short-term cash investments, totalled CHF 6.5m from CHF 7.6m in the previous year.

The share in the results of associates and joint ventures was CHF 22.6m against CHF 17.2m in 2020, up 33.8% at constant exchange rates.

Profit before tax was CHF 85.0m compared with CHF 86.9m in 2020. The Group's tax expense amounted to CHF 13.5m against CHF 12.3m in 2020 for an effective tax rate of 22% against 18% in the previous year.

Consolidated net profit was CHF 71.5m compared with CHF 74.6m in 2020 with a Group share of CHF 65.3m against CHF 70.9m in 2020, down 5.5% at constant exchange rates.

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. Before deduction of treasury shares of CHF 12.5m, consolidated equity amounted to CHF 442.3m at 31 December 2021 with adjusted cash of CHF 203.4m, including Group share of net cash held by joint ventures against CHF 194.7m at 31 December 2020.

At 31 December 2021, consolidated equity stood at CHF 429.7m (31 December 2020: CHF 407.7m) of which CHF 407.5m was attributable to shareholders of the parent (31 December 2020: CHF 389.3m). Total adjusted cash, including financial assets at fair value, net of financial debt, was CHF 105.7m at 31 December 2021 against CHF 99.4m at 31 December 2020.

Dividend

At the Annual General Meeting to be held on 24 May 2022, the Board will be seeking shareholders' approval to pay a cash dividend of CHF 5.0 per share (yield of 4.7%¹⁾). In addition, a distribution of treasury shares will also be proposed with one share distributed for each 100 shares held partially paid from capital contribution reserve (yield of 1.0% or CHF 1.1¹⁾).

Outlook

The average level of activity for the months of January and February shows a slight increase at constant exchange rates compared to the same period last year.

Moreover, sanctions taken by certain countries against Russia and certain Russian entities and individuals, as well as counter-sanctions and other measures taken by Russia, have led to an increased volatility in the financial markets. The accumulation of these measures leads to delays in the settlement and delivery of securities denominated in ruble. In addition, products, activities and counterparties related to the current crisis in Ukraine represent a very limited part of the Group's activities.

Changes in the monetary policy of the central banks both in relation to quantitative easing and the rise in interest rates should lead to a steepening of the interest rate curves with a favorable effect on the Group's activities. Against this backdrop, the Group will remain attentive to recruitment opportunities to further enhance its product portfolio across its geographic footprint

Annual report

The 2021 annual report of Compagnie Financière Tradition SA will be available on 29 April 2022 on the Company's website at <http://tradition.com/financials/reports.aspx>

¹⁾ Indicative value based on 17 March 2022 closing share price of CHF 105.5 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 2,300 people globally and provides broking 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.

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