



# **Interim Condensed Consolidated Financial Statements 2021**

30 June



# SIX Key Figures

CHF million	For the six months ended 30 June		Change in %
	2021	2020	
<b>Income statement</b>			
Total operating income	745.8	624.1	19.5%
Total operating expenses	-519.7	-472.5	10.0%
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>226.1</b>	<b>151.6</b>	<b>49.2%</b>
Depreciation, amortization and impairment	-86.9	-47.3	83.7%
Net financial result	3.5	103.0	-96.6%
Share of profit or loss of associates and joint ventures	11.0	8.8	25.9%
<b>Earnings before interest and tax (EBIT)</b>	<b>153.8</b>	<b>216.1</b>	<b>-28.8%</b>
Net interest and tax expenses	-45.6	-31.9	43.0%
<b>Group net profit</b>	<b>108.2</b>	<b>184.2</b>	<b>-41.3%</b>
<b>Cash flow statement</b>			
Cash flow from operating activities	134.5	469.2	-71.3%
Cash flow from investing activities	-58.3	1,888.5	n/a
Cash flow from financing activities	-98.3	1,102.9	n/a

CHF million	30/06/2021	31/12/2020	Change in %
<b>Balance sheet</b>			
Total assets	18,885.8	18,402.3	2.6%
Total liabilities	13,478.2	13,144.4	2.5%
Total equity	5,407.6	5,258.0	2.8%
Equity ratio (in %, average) <sup>1</sup>	71.2%	76.0%	-4.8 pp
Return on equity (in %, average) <sup>2</sup>	7.0%	8.9%	-1.9 pp

		30/06/2021	30/06/2020	Change in %
<b>Shareholders' key figures</b>				
Earnings per share	CHF	5.73	9.74	-41.2%
Ordinary dividend paid per share	CHF	4.30	3.90	10.3%
<b>Operating key figures</b>				
Workforce (full-time equivalents)	number	3,579.7	3,407.3	5.1%
Workforce (headcount)	number	3,718	3,534	5.2%
Swiss stock exchange trading turnover	CHF billion	694.2	1,020.4	-32.0%
Spanish stock exchange trading turnover (Equities only)	EUR billion	188.2	239.5	-21.4%
Market share of trading in SLI stocks (average)		81.6%	99.9%	-18.3%
Swiss deposit volume (average)	CHF billion	3,955.5	3,435.7	15.1%
Spanish deposit volume (average)	EUR billion	2,467.7	2,271.5	8.6%
Number of SIC transactions	1,000	425,110	339,444	25.2%
Number of delivered financial instruments (business unit Financial Information)	million	850	774	9.8%

<sup>1</sup> Equity ratio = average equity previous 12 months / (average adjusted liabilities previous 12 months + average equity previous 12 months).  
The adjustments of the liabilities include the positions "payables from clearing & settlement" and "forwards from clearing & settlement".

<sup>2</sup> Return on equity = profit previous 12 months / average equity previous 12 months.

# Table of contents

<b>4</b>	<b>Mid-year Report of SIX as at 30 June 2021</b>
<b>7</b>	<b>Interim Consolidated Income Statement</b>
<b>8</b>	<b>Interim Consolidated Statement of Comprehensive Income</b>
<b>9</b>	<b>Interim Consolidated Balance Sheet</b>
<b>10</b>	<b>Interim Consolidated Statement of Changes in Equity</b>
<b>12</b>	<b>Interim Consolidated Statement of Cash Flows</b>
<b>13</b>	<b>Notes to the Interim Condensed Consolidated Financial Statements</b>
<b>13</b>	1. General Information
<b>13</b>	2. Basis of Preparation and Changes to the Group's Accounting Policies
<b>14</b>	3. Significant Accounting Judgments, Estimates and Assumptions
<b>15</b>	4. Changes in the Composition of the Group
<b>16</b>	5. Segment Information
<b>20</b>	6. Operating Income
<b>22</b>	7. Financial Income and Expenses
<b>22</b>	8. Income Taxes
<b>23</b>	9. Cash and Cash Equivalents
<b>23</b>	10. Trade and Other Receivables
<b>24</b>	11. Receivables and Payables from Clearing & Settlement
<b>25</b>	12. Financial Instruments
<b>31</b>	13. Property, Plant and Equipment
<b>31</b>	14. Intangible Assets
<b>32</b>	15. Investments in Associates and Joint Ventures
<b>32</b>	16. Dividends Proposed and Paid
<b>33</b>	17. Related Parties
<b>35</b>	18. Events after the Balance Sheet Date

# Mid-year Report of SIX as at 30 June 2021

## SIX reports solid set of results for first half of 2021

- In the first six months of the year, SIX generated operating income of CHF 745.8 million (+19.5%), and earnings before interest, tax, depreciation and amortization (EBITDA) amounting to CHF 226.1 million (+49.2%)
- Earnings before interest and tax (EBIT) came to CHF 153.8 million
- Group net profit amounted to CHF 108.2 million
- The contribution from BME in 2021 is reflected in full in the income statement

## Highlights of the financial performance indicators

In a global situation that remains challenging, and is still impacted by the COVID-19 pandemic, SIX generated operating income of CHF 745.8 million in the first half of 2021. This is a year-on-year increase of 19.5%, which can mainly be attributed to the fact that, following the takeover of BME by SIX, BME's contribution was incorporated in the income statement only as of June 2020. This year, BME's contribution is reflected in full. The adjusted pro forma figures present a slight reduction of 2.4%<sup>1</sup>. This is mainly due to the normalization of market volatility compared with the record figures seen in the previous year, as well as a decline in the market share of trading in Swiss equities. Thanks to the mutual recognition of the equivalence of market regulation between Switzerland and the UK, some of the trading activities in Swiss equities moved to trading platforms in the UK from February. Before then, the SIX market share was almost 100%.

Due to the diversified business model of SIX and increased operating efficiency, the much lower volumes traded in securities in comparison to the previous year (SIX: -32%, BME: -21%) were almost entirely offset by the results achieved by the other business units. Debit card transactions recovered rapidly from the negative effects of the pandemic, while ATM transactions did not return to the level seen before the pandemic. Ultimately, earnings before interest, tax, depreciation and amortization (EBITDA) rose sharply (+49.2%) year-on-year, and this can mainly be attributed to the fact that BME's contribution was only included for the

month of June in the previous year. The adjusted pro forma figures indicate a slight decline (-2.9%<sup>1</sup>).

Despite a solid operating result, group net profit fell year-on-year. This was above all due to the substantial contribution from investments such as Worldline in the previous year. No such effects have been observed this year.

## Results of the business units

As of 1 January 2021, SIX bundled its securities business on a cross-regional basis in its two domestic markets of Switzerland and Spain. The Listing and Trading divisions are now part of the Markets business unit, and the post-trade business has been assigned to the Securities Services business unit.

The **Markets** business unit contributed CHF 84.2 million to business unit profit. Two companies in each of the domestic markets celebrated their IPOs. These were Polypeptide Group and Montana Aerospace in Switzerland, and Ecoener and Línea Directa Aseguradora in Spain. The BME Growth segment in Spain also added four new clients.

In the first half of the year, 40 exchange-traded products (ETPs) with cryptocurrencies as underlyings were launched on the Swiss stock exchange, including the world's first ETPs to be based on the cryptocurrencies Cardano, Stellar, Polkadot and Solana. Cryptoproducts with a total value of around CHF 4.8 billion have already been traded since the start of the year. This represents an increase of more than 300% compared to the whole of the previous year.

The **Securities Services** business unit contributed CHF 70.6 million to business unit profit. Total income in the Custody and Settlement divisions increased on account of higher index levels (including a record high for the SMI) and an increased volume of transactions. BME's Iberclear benefited from more substantial volumes of equities, which compensated for declines in the custody of government and private bonds. In June, the Greek Central Securities Depository (ATHEXCSD) appointed SIX as its global custody solutions provider, and transferred all of its internationally held assets to SIX.

<sup>1</sup> Pro forma figures are including pro forma BME figures for the entire half-year 2020. See page 3 of the media presentation.

The **Banking Services** business unit contributed CHF 2.5 million to business unit profit. The trend for transactions using debit cards indicated a recovery from the effects of the pandemic, and in the first half of the year was above the level seen during the same period in 2019. At the end of March, Swisscom and SIX joined forces to ease the introduction of Open Finance in Switzerland, and eBill (the leading eBilling product offered by SIX) broke through the two-million-user mark in February.

The **Financial Information** business unit contributed CHF 26.8 million to business unit profit. The main factor here was the business with reference, exchange rate and compliance data. In the past six-month period, SIX significantly enhanced the range of ESG data it offers, and in February it introduced the first ESG indices for the general Swiss stocks and bonds market, as well as a Gender Equality Index and new ESG strategy indices. These are already seeing strong demand among customers of index funds and ETFs. With the acquisition of a majority share in Orenda Software Solutions via growth investment in March, SIX can now offer unique ESG performance data.

### **Balance sheet as at 30 June 2021**

As at 30 June 2021, total assets stood at CHF 18,885.8 million, which constitutes an increase of CHF 483.5 million compared to 31 December 2020. Liabilities amounted to CHF 13,478.2 million in total as at the balance sheet date, which constitutes an increase of CHF 333.8 million.

The movements in current assets (CHF +276.6 million) were mainly due to the ordinary movements in cash at central banks (CHF -82.4 million) included in the

position cash and cash equivalents, in receivables from clearing & settlement (CHF +133.1 million) and in the fair value of derivatives (CHF +137.9 million) and of units in investment funds (CHF +92.3 million) included in the position financial assets. The movements in non-current assets (CHF +207.0 million) are mainly related to the increase in investments in associates and joint ventures (CHF +95.4 million), in debt instruments at amortized cost (CHF +64.1 million) included in non-current financial assets and in assets from pension fund benefits (CHF +76.7 million) included in other non-current assets. The increase in investments in associates and joint ventures is mainly related to the valuation of the investment in Worldline SA and to the increase of the BME's investments in associates and joint ventures related to the finalization of the purchase price allocation for the acquisition of Bolsas y Mercados Españoles, Spain (BME).

The movements in current liabilities (CHF +306.2 million) relate to the ordinary movements in bank overdrafts (CHF -152.1 million), in payables from clearing & settlement (CHF +272.6 million) and in the fair value of derivatives (CHF +135.1 million). The movements in non-current liabilities (CHF +27.7 million) are mainly due to the increase in financial liabilities (CHF +31.4 million), which is mainly linked to the increase of the liabilities to pass-on the funds received for sanctioned persons.

Equity increased by CHF 149.7 million to CHF 5,407.6 million during the reporting period. This increase was mainly driven by the dividends paid (CHF -81.4 million) and by the total comprehensive income for the first half of 2021 (CHF +235.6 million).



# Interim Consolidated Income Statement

CHF million	Notes <sup>*</sup>	For the six months ended 30 June	
		2021	2020
Transaction revenues		365.4	313.7
Service revenues		349.8	278.2
Net interest income from interest margin business		22.8	25.2
Other operating income		7.8	7.0
<b>Total operating income</b>	<b>6</b>	<b>745.8</b>	<b>624.1</b>
Employee benefit expenses		-298.5	-249.2
Other operating expenses		-221.3	-223.3
<b>Total operating expenses</b>		<b>-519.7</b>	<b>-472.5</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>		<b>226.1</b>	<b>151.6</b>
Depreciation, amortization and impairment		-86.9	-47.3
<b>Operating profit</b>		<b>139.2</b>	<b>104.3</b>
Financial income	7	24.5	190.7
Financial expenses	7	-21.0	-87.6
Share of profit or loss of associates and joint ventures	15	11.0	8.8
<b>Earnings before interest and tax (EBIT)</b>		<b>153.8</b>	<b>216.1</b>
Interest income		0.5	1.6
Interest expenses		-6.3	-6.8
<b>Earnings before tax (EBT)</b>		<b>147.9</b>	<b>210.9</b>
Income tax expenses	8	-39.7	-26.7
<b>Group net profit</b>		<b>108.2</b>	<b>184.2</b>
<i>of which attributable to shareholders of SIX Group Ltd</i>		<i>108.4</i>	<i>184.2</i>
<i>of which attributable to non-controlling interests</i>		<i>-0.2</i>	<i>-0.0</i>
<b>Earnings per share (CHF)</b>			
Basic profit for the period attributable to shareholders of SIX Group Ltd		5.73	9.74
Diluted profit for the period attributable to shareholders of SIX Group Ltd		5.73	9.74

<sup>\*</sup> The accompanying notes are an integral part of the interim condensed consolidated financial statements.

# Interim Consolidated Statement of Comprehensive Income

CHF million	For the six months ended 30 June	
	2021	2020
<b>Group net profit</b>	<b>108.2</b>	<b>184.2</b>
Change in actuarial gains/(losses) on defined benefit plans recognized in the reporting period	94.5	-47.0
Income taxes on changes in actuarial gains/(losses) on defined benefit plans	-18.9	9.4
Share of other comprehensive income of associates and joint ventures	-	-2.7
<b>Total items that will not be reclassified to income statement</b>	<b>75.6</b>	<b>-40.2</b>
Translation adjustment of foreign operations recognized in the reporting period	38.7	-23.2
Changes in fair value of cash flow hedges recognized in the reporting period	-	42.1
Fair value of cash flow hedges reclassified to balance sheet	-	-42.1
Changes in fair value of financial instruments measured at FVtOCI	-0.7	-0.1
Income taxes on changes in fair value of financial instruments measured at FVtOCI	0.1	-0.0
Gains/(losses) on net investment hedge	-8.2	4.1
Income taxes on gains/(losses) on net investment hedge	2.1	-
Translation adjustment of associates and joint ventures recognized in the reporting period	19.8	-32.3
Accumulated translation adjustments of associates and joint ventures reclassified to income statement	0.0	35.2
Share of other comprehensive income of associates and joint ventures	-	1.3
Accumulated share of other comprehensive income of associates and joint ventures reclassified to income statement	-0.0	-4.2
<b>Total items that are or may subsequently be reclassified to income statement</b>	<b>51.8</b>	<b>-19.2</b>
<b>Total other comprehensive income, net of tax</b>	<b>127.4</b>	<b>-59.4</b>
<b>Total comprehensive income for the period</b>	<b>235.6</b>	<b>124.8</b>
<i>of which attributable to shareholders of SIX Group Ltd</i>	<i>235.6</i>	<i>124.8</i>
<i>of which attributable to non-controlling interests</i>	<i>-0.1</i>	<i>-0.1</i>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.



# Interim Consolidated Balance Sheet

CHF million	Notes*	30/06/2021	31/12/2020
<b>Assets</b>			
Cash and cash equivalents	9	6,311.1	6,449.5
Trade and other receivables	10	195.3	173.5
Receivables from clearing & settlement	11	3,019.3	2,886.2
Financial assets	12	1,660.1	1,441.1
Current income tax receivables		85.4	63.8
Other current assets		89.4	70.0
<b>Current assets</b>		<b>11,360.7</b>	<b>11,084.1</b>
Property, plant and equipment	13	425.5	438.7
Intangible assets	14	2,978.7	3,013.8
Investments in associates and joint ventures	15	1,786.9	1,691.5
Financial assets	12	2,218.9	2,133.3
Other non-current assets		97.4	20.9
Deferred tax assets		17.8	20.0
<b>Non-current assets</b>		<b>7,525.2</b>	<b>7,318.2</b>
<b>Total assets</b>		<b>18,885.8</b>	<b>18,402.3</b>
<b>Liabilities</b>			
Bank overdrafts		–	152.1
Trade and other payables		19.7	13.0
Payables from clearing & settlement	11	10,113.7	9,841.1
Financial liabilities	12	1,628.7	1,489.6
Provisions		1.3	4.3
Contract liabilities		94.8	22.8
Current income tax payables		71.2	61.3
Other current liabilities		157.9	197.0
<b>Current liabilities</b>		<b>12,087.3</b>	<b>11,781.2</b>
Financial liabilities	12	976.3	945.0
Provisions		16.1	16.3
Contract liabilities		33.8	37.5
Other non-current liabilities		46.7	55.4
Deferred tax liabilities		317.9	308.9
<b>Non-current liabilities</b>		<b>1,390.9</b>	<b>1,363.2</b>
<b>Total liabilities</b>		<b>13,478.2</b>	<b>13,144.4</b>
<b>Equity</b>			
Share capital		19.5	19.5
Capital reserves		234.1	234.1
Other reserves		–10.0	–62.2
Retained earnings		5,162.4	5,065.2
<b>Shareholders' equity</b>		<b>5,406.0</b>	<b>5,256.6</b>
Non-controlling interests		1.6	1.4
<b>Total equity</b>		<b>5,407.6</b>	<b>5,258.0</b>
<b>Total liabilities and equity</b>		<b>18,885.8</b>	<b>18,402.3</b>

\* The accompanying notes are an integral part of the interim condensed consolidated financial statements.

# Interim Consolidated Statement of Changes in Equity

CHF million	Share capital	Capital reserves	Other reserves
<b>Balance at 1 January 2021</b>	<b>19.5</b>	<b>234.1</b>	<b>-62.2</b>
Group net profit			
Total other comprehensive income			52.2
<b>Total comprehensive income for the year</b>			<b>52.2</b>
Dividends paid			
Capital contribution			
Non-controlling interest arising on business combination			
Acquisition of non-controlling interests			
<b>Balance at 30 June 2021</b>	<b>19.5</b>	<b>234.1</b>	<b>-10.0</b>

CHF million	Share capital	Capital reserves	Other reserves
<b>Balance at 1 January 2020</b>	<b>19.5</b>	<b>234.1</b>	<b>-130.5</b>
Group net profit			
Total other comprehensive income			-16.2
<b>Total comprehensive income for the year</b>			<b>-16.2</b>
Dividends paid			
Share of other changes in equity of associates			
Non-controlling interest arising on business combination			
Acquisition of non-controlling interests			
<b>Balance at 30 June 2020</b>	<b>19.5</b>	<b>234.1</b>	<b>-146.7</b>

The accompanying notes are an integral part of the interim condensed consolidated financial statements.

Other reserves		Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
Treasury shares	Translation reserves				
<b>-23.3</b>	<b>-38.9</b>	<b>5,065.2</b>	<b>5,256.6</b>	<b>1.4</b>	<b>5,258.0</b>
		108.4	108.4	-0.2	108.2
	52.2	75.1	127.2	0.2	127.4
	<b>52.2</b>	<b>183.5</b>	<b>235.6</b>	<b>-0.1</b>	<b>235.6</b>
		-81.3	-81.3	-0.1	-81.4
			-	0.4	0.4
			-	1.4	1.4
		-4.8	-4.8	-1.3	-6.2
<b>-23.3</b>	<b>13.3</b>	<b>5,162.4</b>	<b>5,406.0</b>	<b>1.6</b>	<b>5,407.6</b>

Other reserves		Retained earnings	Shareholders' equity	Non-controlling interests	Total equity
Treasury shares	Translation reserves				
<b>-23.3</b>	<b>-107.2</b>	<b>4,707.3</b>	<b>4,830.4</b>	<b>1.0</b>	<b>4,831.4</b>
		184.2	184.2	-0.0	184.2
	-16.2	-43.2	-59.4	-0.0	-59.4
	<b>-16.2</b>	<b>141.0</b>	<b>124.8</b>	<b>-0.1</b>	<b>124.8</b>
		-73.8	-73.8	-0.1	-73.9
		1.7	1.7		1.7
				2.5	2.5
		-1.5	-1.5	-1.6	-3.2
<b>-23.3</b>	<b>-123.3</b>	<b>4,774.7</b>	<b>4,881.6</b>	<b>1.7</b>	<b>4,883.3</b>

# Interim Consolidated Statement of Cash Flows

CHF million	Notes*	For the six months ended 30 June	
		2021	2020
Group net profit (incl. non-controlling interests)		108.2	184.2
Adjustments for:			
Depreciation, amortization and impairment		86.9	47.3
Increase/(decrease) in provisions		-2.8	-0.8
Increase/(decrease) in pension fund assets and liabilities		8.7	7.3
Share of profit or loss of associates and joint ventures		-11.0	-8.8
Net financial result		-0.4	-50.6
(Gain)/loss on sale of property, plant, equipment and intangible assets		0.1	0.0
Income tax expense		39.7	26.7
Changes in:			
Trade and other receivables		-19.3	-23.4
Trade and other payables		6.2	5.2
Receivables from clearing & settlement		-131.9	-478.0
Payables from clearing & settlement		225.3	668.4
Financial assets		-117.2	126.4
Financial liabilities		6.2	-17.5
Other assets		-18.7	49.9
Other liabilities		-46.4	-69.1
Contract liabilities		67.1	55.3
Interest paid		-6.1	-6.2
Interest received		0.5	1.6
Income tax (paid)/received		-60.6	-48.8
<b>Net cash flow from/(used in) operating activities</b>		<b>134.5</b>	<b>469.2</b>
Investments in subsidiaries (net of cash acquired)		1.2	878.1
Investments in associates and joint ventures		-21.3	-10.2
Disposal of subsidiaries and associates (net of cash disposed)		-	643.8
Purchase of property, plant, equipment and intangible assets		-42.1	-42.8
Sale proceeds from property, plant, equipment and intangible assets		7.6	-
Investments in financial assets		-5.3	-228.6
Divestments of financial assets		0.9	643.9
Dividends received and other financial income		0.8	4.3
<b>Net cash flow from/(used in) investing activities</b>		<b>-58.3</b>	<b>1,888.5</b>
Proceeds from financial liabilities		0.0	2,749.4
Payment of financial liabilities		-9.9	-1,562.5
Payment of lease liabilities		-7.0	-10.1
Net change in other liabilities		-0.0	-0.0
Dividends paid to shareholders of the parent company	16	-81.3	-73.8
Dividends paid to non-controlling interests		-0.1	-0.1
<b>Net cash flow from/(used in) financing activities</b>		<b>-98.3</b>	<b>1,102.9</b>
Net impact of foreign exchange rate differences on cash		35.9	-4.7
<b>Net change in cash and cash equivalents</b>		<b>13.7</b>	<b>3,456.0</b>
<b>Balances of cash and cash equivalents</b>			
Cash and cash equivalents at 1 January	9	6,297.4	3,804.5
Cash and cash equivalents at 30 June	9	6,311.1	7,260.5

\* The accompanying notes are an integral part of the interim condensed consolidated financial statements.

# Notes to the Interim Condensed Consolidated Financial Statements

## 1. General Information

SIX provides a comprehensive range of services in the areas of securities trading and post-trading, financial information processing and cashless payment transactions.

SIX Group Ltd is an unlisted public limited company domiciled in Switzerland with its registered office in Zurich, at Hardturmstrasse 201. The company is owned by 121 national and international financial institutions.

The interim condensed consolidated financial statements of SIX as at and for the six months ended 30 June 2021 relate to SIX Group Ltd (referred to as "Company"), which is the parent company, its subsidiaries and its interests in associates (together referred to as "Group" or "SIX").

## 2. Basis of Preparation and Changes to the Group's Accounting Policies

### Basis of preparation

The unaudited interim consolidated financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and do not include all the information required for full annual consolidated financial statements. Accordingly, these interim financial statements of the Group are regarded as condensed and should therefore be read in conjunction with the consolidated annual financial statements as at 31 December 2020. Selected explanatory notes are included to explain events and transactions significant to understanding the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 December 2020.

### Foreign currency translation

The main exchange rates at the closing dates were the following:

Currency	30/06/2021	31/12/2020
EUR	1.0969	1.0842
GBP	1.2765	1.2019
USD	0.9218	0.8819

The main average exchange rates were the following:

Currency	For the six months ended 30 June	
	2021	2020
EUR	1.0941	1.0643
GBP	1.2600	1.2185
USD	0.9074	0.9661

### Group accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2020, except for the following amendments:

### New standards, interpretations and amendments adopted by the Group

The adoption of the following amendments has had no significant impact on the interim condensed consolidated financial statements of the Group as at 30 June 2021.

- Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)
- Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)

### New IFRS standards and amendments that have been issued but not yet applied

The following new and/or revised standards and interpretations have been issued but are not yet effective. They have not been applied early in these interim condensed consolidated financial statements.

Standard/interpretation	Effective date	Date planned for adoption by SIX
Annual Improvements to IFRS Standards 2018 – 2020	1 January 2022	1 January 2022 <sup>1</sup>
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022	1 January 2022 <sup>1</sup>
Onerous contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022	1 January 2022 <sup>1</sup>
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022	1 January 2022 <sup>1</sup>
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)	1 January 2023	1 January 2022 <sup>1</sup>
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023	1 January 2023 <sup>1</sup>
Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)	1 January 2023	1 January 2023 <sup>1</sup>
Definition of Accounting Estimates (Amendments to IAS 8)	1 January 2023	1 January 2023 <sup>1</sup>
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	To be determined by the IASB	To be determined by SIX <sup>2</sup>

<sup>1</sup> The adoption of the amendment is not expected to have any significant impact on the interim condensed consolidated financial statements of SIX.

<sup>2</sup> The impact on the interim condensed consolidated financial statements of SIX has not yet been fully assessed.

## 3. Significant Accounting Judgments, Estimates and Assumptions

The application of some accounting policies requires the use of assumptions, estimates and judgments that may affect the reported assets and liabilities, income and expenses, and also the disclosure of contingent assets and liabilities in the reporting period. The assumptions and estimates are continually reviewed and based upon historical experience and other factors, including anticipated developments arising from probable future

events. Actual results may differ from these assumptions and estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements as at and for the year ended 31 December 2020.

## 4. Changes in the Composition of the Group

### Changes in the composition of the Group during 2021

#### ***Orenda Software Solutions Inc.***

In March 2021, SIX acquired 62.6% of Orenda Software Solutions Inc. (Orenda), a Canadian-based AI platform specializing in ESG and alternative data sets. This acquisition is part of the strategy of SIX to help its customers drive more insights with data, providing consumption-ready data and analytics for faster and more informed decisions. At closing, SIX transferred a cash consideration of CHF 3.7 million.

Both SIX and the minority shareholders have options to either buy or sell the remaining stake in Orenda. The options are exercisable three and five years after the closing. The exercise price of the options depends on the revenues at the time of exercise. The call options have been measured by using probability weighted forecasts. The fair value of the call options is currently immaterial. As of the closing, the estimated probability weighted exercise price of the put options totaled CHF 6.2 million. SIX firstly recognized the non-controlling interests of CHF 1.3 million by applying the partial goodwill method. Secondly, the non-controlling interests have been derecognized by recognizing a financial liability of CHF 6.2 million and by reducing retained earnings by CHF 4.8 million. As of 30 June, the liability totaled CHF 6.3 million. Changes in the liability are recognized as financial income or expenses. If the options expire unexercised, the financial liability will be derecognized and the non-controlling interests will be reinstated.

From the date of acquisition, the business negatively impacted Group earnings before tax by CHF 0.6 million. Assuming that the acquisition had taken place on 1 January 2021, the management estimates that Group earnings before tax would have been CHF 0.1 million lower.

#### *Net assets acquired*

The net assets acquired amounted to CHF 3.6 million. The assets included in particular cash and identified intangible assets of CHF 3.7 million and 1.2 million, respectively. The liabilities comprised in particular payables and financial liabilities of CHF 1.0 million.

#### *Goodwill*

SIX decided to apply the partial goodwill method. The recognized goodwill of CHF 1.5 million comprises the value of expected synergies arising from the acquisition. The goodwill is allocated entirely to the financial information business area. None of the goodwill recognized is expected to be deductible for income tax purposes.

#### ***Custodigit Ltd***

In January 2021, SIX acquired 42.9% of the shares in Custodigit Ltd. The business of Custodigit involves the development, operation and commercialization of information technology platforms and services for handling and storage of digital assets. The participation in Custodigit is classified as investment in associates and accounted for using the equity method. The total purchase price was CHF 15.0 million.

### Changes in the composition of the Group during 2020

#### ***Bolsas y Mercados Españoles***

In June 2020, SIX acquired Bolsas y Mercados Españoles (BME). In the first half year of 2021, SIX finalized the purchase price allocation for the acquisition. The fair value of BME's investments in associates and joint ventures was measured on a provisional basis as the final valuation had not yet been completed at the time of the consolidated financial statements 2020. Based on the final valuation, the fair value of BME's investments in associates and joint ventures increased from CHF 10.8 million to CHF 55.0 million. The increase in fair value of CHF 44.2 million was recognized against goodwill. Therefore, the carrying amount of the goodwill as of the acquisition date decreased to CHF 1,634.9 million.

## 5. Segment Information

As part of the integration of BME, SIX has changed its organization with effect from 1 January 2021. Going forward, BME is included in the different reportable segments based on the services provided. In addition, the trading and post-trading activities are reported separately as the reportable segments Markets and Securities Services, respectively. For the purpose of the segment reporting, SIX is now broken down into five reportable segments (four business units and IT) and Corporate & Others. The latter includes SIX

Exchange Regulation and corporate activities that support the Group as a whole, i.e. Risk, Legal & Compliance, Finance & Services, Human Resources and Marketing & Communications. Thus, Corporate & Others does not qualify as a reportable operating segment under IFRS 8.

The reportable segments and Corporate & Others offer the following products and services:

Service	Service description
<b>Markets</b>	
Trading	With its Swiss and Spanish exchanges, Markets generates transaction revenues by providing a cash market for trading in shares, private and public debt, warrants, funds, financial and electricity derivatives and exchange-traded products (ETPs) as well as a securitized derivatives market for structured products and warrants. Transaction revenues are invoiced on a monthly basis. The trading business also generates service revenues for access, admission of securities to trading and ongoing listing.
Data	Markets distributes raw market data and index products, which generates service revenues. Depending on the market, the service fees are invoiced on a monthly, quarterly or on an annual basis.
<b>Securities Services</b>	
Custody business	Operating as the central securities depository (CSD) for Switzerland and Spain as well as an international custodian across various markets worldwide, Securities Services delivers comprehensive custody services for Swiss, Spanish and other international securities. Securities Services generates service revenues with issuer services, asset servicing, cash management, queries and reporting, and tax services. Transaction revenues are generated with settlement services, repos and fund processing. The custody business also generates interest income from interest margin business. Revenues from the custody business are generally billed on a monthly basis.
CCP clearing	Securities Services acts as central counterparty (CCP) and provides multi-asset clearing services and acts as a highly diversified central counterparty with access to multiple trading venues and matching platforms across Europe. Transaction revenues are generated through clearing of trades. Further revenues are recognized from transfers and the management of pledges on securities and access charges for infrastructures and other facilities. Transaction revenues from clearing are billed monthly and/or quarterly. Interest income from interest margin business is generated from repo transactions.
Securities financing	Securities Services provides securities finance services, including repo trading, securities lending & borrowing and collateral management. The securities finance business mainly generates transaction revenues which are invoiced on a monthly basis, but also service revenues through membership fees and services related to the Securities Financing Transactions Regulation (SFTR) which are invoiced on an annual basis.



Service	Service description
<b>Banking Services</b>	
Billing and payments	Banking Services offers payment transaction processing services between financial institutions through the legal entity SIX Interbank Clearing Ltd (SIC). SIC processes retail and wholesale payments in Swiss Francs on behalf of the Swiss National Bank and additionally provides a gateway for Euro payments for the Swiss financial community (euroSIC). Banking Services is an infrastructure provider for digital billing in Switzerland with solutions such as eBill and direct debits. The revenues are mainly generated through transaction fees. Service revenues are generated by base fees and consultancy services.
ATM processing and services	Banking Services provides ATM transaction processing and infrastructure services in Switzerland. Banking Services mainly generates transaction revenues through processed transactions and service fees based on the number of ATMs. The location fee received in the ATM business is presented net in transaction income, as SIX has not obtained control over the service. The service fees are generally invoiced on an annual basis.
Debit processing and services	Banking Services provides issuing processing services for debit card issuers. The processed transactions generate transaction revenues and issuing service fees. Besides that, Banking Services also generates service revenues by providing operational support to card issuers (e.g. hotline services or fraud management). The service fees are generally invoiced on a monthly basis.
<b>Financial Information</b>	
Reference data & pricing	Financial Information offers procurement, processing and distribution of reference data and pricing information. The business generates service revenues. The subscription fees are generally invoiced on an annual basis.
Market data & display	Financial Information offers procurement, processing and distribution of (realtime) market data and offers display products. The business generates service revenues. The subscription fees are generally invoiced on an annual basis. The royalties for financial data paid to stock exchanges are presented net in service income, as SIX has not obtained control over the service.
Tax & regulatory services	Financial Information provides complete reference data required for local and cross-border regulatory and tax compliance. The business generates service revenues. The subscription fees are generally invoiced on an annual basis.
Indices	Financial Information provides index services by calculating indices and offering licenses for SIX indices. The business generates service revenues. The subscription fees for the index services are generally invoiced quarterly for variable and annually for fixed fees.
<b>IT</b>	
Corporate IT	IT provides corporate services (e.g. Digital Workplace) and runs the IT infrastructure and applications (e.g. trading platforms) for the business units. Service revenues are mainly generated by providing services to associated companies.
<b>Corporate &amp; Others</b>	
Corporate services	Corporate activities include Risk, Legal & Compliance, Finance & Services, Human Resources and Marketing & Communications. Corporate & Others also includes SIX Exchange Regulation.

With effect from 1 April 2021, performance of the business units is measured based on business unit profit (BU profit) as included in the internal management reports, which are reviewed regularly by the CODM. IT and Corporate & Others continue to be measured

based on the operating expenses. Compared to the old performance measure being profit contribution, BU profit also includes management fees. Previously, these fees were not included in the performance measure.



CHF million	For the six months ended 30 June 2020 <sup>1</sup>								Total SIX
	Markets	Securities Services	Banking Services	Financial Information	Total business units	IT	Corporate & Others	Elimination	
Revenues from external customers	140.7	182.8	82.7	181.7	587.9	23.4	12.8	–	624.1
Income from other business units, IT and Corporate & Others	3.7	0.8	3.3	2.2	10.0	118.8	35.4	–164.2	–
<b>Total operating income</b>	<b>144.5</b>	<b>183.5</b>	<b>86.0</b>	<b>183.9</b>	<b>597.9</b>	<b>142.2</b>	<b>48.2</b>	<b>–164.2</b>	<b>624.1</b>
<b>Total operating expenses</b>	<b>–75.8</b>	<b>–135.1</b>	<b>–79.3</b>	<b>–153.7</b>	<b>–443.9</b>	<b>–125.2</b>	<b>–67.6</b>	<b>164.2</b>	<b>–472.5</b>
<b>Earnings before interest, tax, depreciation and amortization (EBITDA)</b>	<b>68.6</b>	<b>48.5</b>	<b>6.7</b>	<b>30.2</b>	<b>154.0</b>	<b>17.0</b>	<b>–19.4</b>	<b>–</b>	<b>151.6</b>
Depreciation, amortization and impairment	–2.2	–3.5	–7.2	–4.2	–17.0	–12.1	–18.2	–	–47.3
<b>Business unit profit</b>	<b>66.4</b>	<b>45.0</b>	<b>–0.5</b>	<b>26.0</b>	<b>137.0</b>	<b>4.9</b>	<b>–37.6</b>	<b>–</b>	<b>104.3</b>
Financial income									190.7
Financial expenses									–87.6
Share of profit or loss of associates and joint ventures									8.8
<b>Earnings before interest and tax (EBIT)</b>									<b>216.1</b>
Interest income									1.6
Interest expenses									–6.8
<b>Earnings before tax (EBT)</b>									<b>210.9</b>
Income tax expenses									–26.7
<b>Profit for the period</b>									<b>184.2</b>

<sup>1</sup> Figures were restated due to organizational changes.

## 6. Operating Income

For the six months ended 30 June 2021					
CHF million	Transaction revenues	Service revenues	Net interest income from interest margin business	Other operating income	Total
<b>Markets</b>					
Trading	131.4	22.5	–	0.1	153.9
Data	–	41.8	–	–	41.8
Other services	–	0.0	–	0.1	0.1
<b>Total Markets</b>	<b>131.4</b>	<b>64.3</b>	<b>–</b>	<b>0.2</b>	<b>195.8</b>
<b>Securities Services</b>					
Custody business	125.3	29.8	7.9	–	163.0
CCP Clearing	19.1	6.9	8.5	0.0	34.4
Securities financing	10.5	0.4	–	0.1	11.0
Other services	9.9	11.6	–	0.6	22.2
<b>Total Securities Services</b>	<b>164.9</b>	<b>48.7</b>	<b>16.4</b>	<b>0.7</b>	<b>230.7</b>
<b>Banking Services</b>					
Billing and payments	28.8	4.3	6.4	0.0	39.4
ATM processing and services	13.3	2.9	–	0.1	16.2
Debit processing and services	24.9	7.1	–	–	32.0
Other services	–	1.2	–	–	1.2
<b>Total Banking Services</b>	<b>67.0</b>	<b>15.4</b>	<b>6.4</b>	<b>0.1</b>	<b>88.9</b>
<b>Financial Information</b>					
Reference data & pricing	–	115.1	–	0.0	115.1
Market data & display	–	35.6	–	–	35.6
Tax & regulatory services	–	19.5	–	–	19.5
Indices	–	10.2	–	–	10.2
Other services	2.2	12.4	–	0.1	14.7
<b>Total Financial Information</b>	<b>2.2</b>	<b>192.9</b>	<b>–</b>	<b>0.1</b>	<b>195.2</b>
<b>IT</b>					
Corporate IT	–	21.3	–	0.0	21.3
<b>Total IT</b>	<b>–</b>	<b>21.3</b>	<b>–</b>	<b>0.0</b>	<b>21.3</b>
<b>Corporate &amp; Others</b>					
Corporate services	–	7.3	–	6.7	14.0
<b>Total Corporate &amp; Others</b>	<b>–</b>	<b>7.3</b>	<b>–</b>	<b>6.7</b>	<b>14.0</b>
<b>Total operating income</b>	<b>365.4</b>	<b>349.8</b>	<b>22.8</b>	<b>7.8</b>	<b>745.8</b>

	For the six months ended 30 June 2020 <sup>1</sup>				
CHF million	Transaction revenues	Service revenues	Net interest income from interest mar- gin business	Other operating income	Total
<b>Markets</b>					
Trading	111.5	6.7	–	0.0	118.3
Data	–	22.4	–	–	22.4
Other services	–	0.0	–	0.0	0.1
<b>Total Markets</b>	<b>111.5</b>	<b>29.2</b>	<b>–</b>	<b>0.1</b>	<b>140.7</b>
<b>Securities Services</b>					
Custody business	111.3	9.6	12.6	–	133.4
Clearing	14.4	4.1	6.3	0.0	24.9
Securities financing	7.7	0.4	–	0.1	8.2
Other services	6.6	9.0	–	0.6	16.2
<b>Total Securities Services</b>	<b>140.1</b>	<b>23.1</b>	<b>18.9</b>	<b>0.7</b>	<b>182.8</b>
<b>Banking Services</b>					
Billing and payments	26.2	3.9	6.3	0.0	36.4
ATM processing and services	14.6	3.1	–	0.2	17.8
Debit processing and services	21.0	5.7	–	–	26.7
Other services	0.0	1.8	–	–	1.8
<b>Total Banking Services</b>	<b>61.7</b>	<b>14.4</b>	<b>6.3</b>	<b>0.2</b>	<b>82.7</b>
<b>Financial Information</b>					
Reference data & pricing	–	109.9	–	–	109.9
Market data & display	–	36.8	–	–	36.8
Tax & regulatory services	–	17.3	–	–	17.3
Indices	–	9.9	–	–	9.9
Other services	0.3	7.5	–	0.0	7.8
<b>Total Financial Information</b>	<b>0.3</b>	<b>181.3</b>	<b>–</b>	<b>0.0</b>	<b>181.7</b>
<b>IT</b>					
Corporate IT	–	23.4	–	–	23.4
<b>Total IT</b>	<b>–</b>	<b>23.4</b>	<b>–</b>	<b>–</b>	<b>23.4</b>
<b>Corporate &amp; Others</b>					
Other services	0.0	6.8	–	6.0	12.8
<b>Total Corporate &amp; Others</b>	<b>0.0</b>	<b>6.8</b>	<b>–</b>	<b>6.0</b>	<b>12.8</b>
<b>Total operating income</b>	<b>313.7</b>	<b>278.2</b>	<b>25.2</b>	<b>7.0</b>	<b>624.1</b>

<sup>1</sup> Figures were restated due to organizational changes. For further information, see note 5.

## 7. Financial Income and Expenses

CHF million	For the six months ended 30 June	
	2021	2020
Income from financial instruments at fair value	1.5	40.6
Foreign exchange rate gains	15.4	7.9
Other financial income	7.7	142.1
<b>Total financial income</b>	<b>24.5</b>	<b>190.7</b>
Expenses from financial instruments at fair value	-1.7	-47.0
Expenses from financial instruments at amortized cost	-0.0	-0.4
Foreign exchange rate losses	-15.2	-21.1
Other financial expenses	-4.2	-19.1
<b>Total financial expenses</b>	<b>-21.0</b>	<b>-87.6</b>

In the first half of 2021, other financial income mainly included the gain from the sale of the e-invoicing business of SIX Paynet Ltd to PostFinance Ltd.

In the previous period, the net expenses from financial instruments at fair value and the net foreign exchange rate losses mainly included the net gain resulting from the sale of the Worldline collar shares amounting to

CHF 16.5 million and the net loss from the termination of the equity collar amounting to CHF 32.4 million. Other financial income included in particular the net gain from the disposal of the additional stake in Worldline SA of CHF 141.7 million. Other financial expenses included in particular banking fees for hedging and financing transactions.

## 8. Income Taxes

As at 30 June 2021, the total income tax expenses were CHF 39.7 million, which resulted in an effective tax rate of 26.8%, compared to the income tax expenses of CHF 26.7 million and an effective tax rate of 12.7% in the previous year.

The increase in the effective tax rate was mainly due to deferred tax not recognized on tax losses of the current period and to the tax-exempt gain from the sale of shares in Worldline SA in the previous period.

## 9. Cash and Cash Equivalents

CHF million	30/06/2021	31/12/2020
Cash at central banks	5,712.3	5,794.7
Cash at other banks and on hand	573.0	629.4
Short-term bank deposits	25.8	25.4
<b>Cash and cash equivalents</b>	<b>6,311.1</b>	<b>6,449.5</b>

Cash and cash equivalents include the following items for the purposes of the statement of cash flows:

CHF million	30/06/2021	31/12/2020
Cash and cash equivalents	6,311.1	6,449.5
Bank overdrafts	-	-152.1
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>6,311.1</b>	<b>6,297.4</b>

## 10. Trade and Other Receivables

CHF million	30/06/2021	31/12/2020
Trade receivables	150.5	140.1
Unbilled receivables	33.0	31.6
Other receivables	19.2	9.0
<b>Trade and other receivables, gross</b>	<b>202.7</b>	<b>180.7</b>
Lifetime expected credit losses	-7.4	-7.1
<b>Total trade and other receivables, net</b>	<b>195.3</b>	<b>173.5</b>

## 11. Receivables and Payables from Clearing & Settlement

CHF million	30/06/2021	31/12/2020
Receivables from clearing & settlement	572.6	972.8
Receivables from reverse repurchase transactions	2,252.1	1,714.0
<b>Total receivables from clearing &amp; settlement – Securities Services</b>	<b>2,824.8</b>	<b>2,686.8</b>
Receivables from ATM and debit processing	194.0	198.5
Receivables from euro clearing business	0.6	0.9
<b>Total receivables from clearing &amp; settlement – Banking Services</b>	<b>194.6</b>	<b>199.4</b>
<b>Total receivables from clearing &amp; settlement</b>	<b>3,019.3</b>	<b>2,886.2</b>
Payables from clearing & settlement	1,664.5	1,556.0
Cash collateral received	6,568.9	6,598.8
Payables from settled suspense	234.1	209.8
<b>Total payables from clearing &amp; settlement – Securities Services</b>	<b>8,467.4</b>	<b>8,364.6</b>
Payables from ATM and debit processing	175.1	225.2
Payables from euro clearing business	1,471.2	1,251.3
<b>Total payables from clearing &amp; settlement – Banking Services</b>	<b>1,646.3</b>	<b>1,476.5</b>
<b>Total payables from clearing &amp; settlement</b>	<b>10,113.7</b>	<b>9,841.1</b>

### Receivables and payables from clearing & settlement – Securities Services

Receivables and payables from clearing & settlement in the post-trading area derive from SIX acting as a central counterparty (CCP) or central securities depository (CSD) for securities trading. The CCP steps into contracts as intermediary and represents the buyer to each seller and the seller to each buyer. To fulfill the contract, SIX must settle cash and securities from one trading party to another.

### Receivables and payables from clearing & settlement – Banking Services

Receivables from clearing & settlement include receivables due from issuers of debit cards and receivables from the euro clearing business. Payables from clearing & settlement include payables due to ATM providers, card schemes and acquirers. In the euro clearing business, where SIX acts as a correspondent bank through its subsidiary SECB, payables from clearing & settlement mainly relate to deposits received by participants of the euro clearing system. The funds received from the participants are held at Deutsche Bundesbank or invested in bonds.



## 12. Financial Instruments

The following table shows the financial assets and liabilities per class:

CHF million	30/06/2021	31/12/2020
<b>Current and non-current financial assets</b>		
Bonds at amortized cost	2,093.8	2,063.0
Bonds at FVtOCI	216.5	220.6
Other debt instruments	108.7	84.1
Equity instruments at FVtPL	28.8	27.4
Units in investment funds at FVtPL	94.4	2.0
Financial instruments from settlement business	37.3	15.4
Derivative financial assets	1,299.7	1,161.7
<b>Total</b>	<b>3,879.0</b>	<b>3,574.4</b>
<i>of which current</i>	<i>1,660.1</i>	<i>1,441.1</i>
<i>of which non-current</i>	<i>2,218.9</i>	<i>2,133.3</i>
<b>Current and non-current financial liabilities</b>		
Lease liabilities	171.9	173.7
Borrowings	1,026.4	1,017.8
Derivative financial liabilities	1,297.0	1,161.8
Other financial liabilities	109.9	81.2
<b>Total</b>	<b>2,605.1</b>	<b>2,434.6</b>
<i>of which current</i>	<i>1,628.7</i>	<i>1,489.6</i>
<i>of which non-current</i>	<i>976.3</i>	<i>945.0</i>
<b>Carrying amount of financial assets not derecognized</b>		
Securities lending agreements	49.0	69.5

### Bonds at amortized cost

During the six months ended 30 June 2021, additions totaled CHF 135.6 million (2020: CHF 121.2 million) and bonds matured or disposed amounted to CHF 128.4 million (2020: CHF 154.5 million). Bonds increased by CHF 27.3 million due to favorable currency translation effects (2020: adverse translation effects of CHF 28.0 million).

### Bonds at FVtOCI

Bonds at FVtOCI include a portfolio of government bonds which is held to fulfill the interoperability collateral requirements of SIX x-clear Ltd against other central counterparties. The objective of the business model is achieved both by collecting contractual cash flows and selling bonds.

### Other debt instruments

Other debt instruments include loans, fixed deposits and funds received for sanctioned persons. During the interim period 2021, funds received for sanctioned persons increased by CHF 21.8 million while other debt instruments remained relatively stable.

### Equity instruments at FVtPL

Equity instruments at FVtPL comprise listed and unlisted shares held by SIX.

### Units in investment funds at FVtPL

The increase in units in investment funds during the interim period 2021 results from investments made in money market funds.

**Financial instruments from settlement business**

These financial instruments represent quoted financial instruments that SIX acquires in its role as a CCP. Usually, this occurs when the securities of a trade are only partially delivered on the intended settlement date. In such cases, the delivered securities are acquired by SIX. Upon the delivery of the remaining securities, the trade is completely settled and the securities are derecognized.

**Derivatives (financial assets and liabilities)**

Besides forward contracts from the clearing and settlement business of Securities Services, this category includes foreign currency forwards and swaps. SIX recognizes forward contracts from clearing and settlement activities in its capacity as a CCP in the course of fulfilling its task of matching buy and sell orders. As such, SIX recognizes positive and negative fair values of outstanding forward contracts.

During the interim period 2021, derivatives increased by CHF 137.9 million mainly due to higher forwards from clearing & settlement.

**Borrowings**

Borrowings include in particular the EUR senior bond and the BME bridge facility. The senior bond of EUR 650 million was designated as hedging instrument to hedge the foreign exchange risk on the equivalent amount of the investment in BME. The bridge facility will expire in November 2021. As of 30 June 2021, its outstanding amount totaled CHF 312.0 million (31 December 2020: CHF 308.4 million). In 2020, the bridge facility was partially designated as a hedging instrument. During the interim period 2021, losses net of tax in the amount of CHF 6.1 million were recognized in OCI as net investment hedge reserve (30 June 2020: gains of CHF 4.1 million).

**Other financial liabilities**

Other financial liabilities include the liabilities to pass-on the funds received for sanctioned persons (see "Other debt instruments" above) and liabilities due to the minority shareholders of Orenda and 12H Ltd (NCI liabilities).

### Fair value of financial instruments

The table below shows the estimated fair values of financial instruments, including those accounted for at amortized cost. The fair values are based on the valuation methods and assumptions explained below.

30/06/2021

CHF million	Notes	At fair value				At amortized cost	Total
		Level 1	Level 2	Level 3	Total		
<b>Assets</b>							
Cash and cash equivalents	9				–	6,311.1	6,311.1
Trade and other receivables	10				–	195.3	195.3
Receivables from clearing & settlement	11				–	3,019.3	3,019.3
Current and non-current financial assets		270.7	1,391.9	21.4	1,684.0	2,195.0	3,879.0
<i>Bonds</i>		216.5	–	–	216.5	2,093.8	2,310.3
<i>Other debt instruments</i>		–	–	7.5	7.5	101.2	108.7
<i>Equity instruments</i>		14.8	–	14.0	28.8	–	28.8
<i>Units in investment funds</i>		2.1	92.3	–	94.4	–	94.4
<i>Financial instruments from settlement business</i>		37.3	–	–	37.3	–	37.3
<i>Derivative financial assets</i>		–	1,299.7	–	1,299.7	–	1,299.7
<b>Total carrying amounts</b>		<b>270.7</b>	<b>1,391.9</b>	<b>21.4</b>	<b>1,684.0</b>	<b>11,720.8</b>	<b>13,404.8</b>
Bonds		2,009.5	106.4	–	2,115.9		
<b>Fair values for financial assets measured at amortized cost</b>		<b>2,009.5</b>	<b>106.4</b>	<b>–</b>	<b>2,115.9</b>		
<b>Liabilities</b>							
Bank overdrafts	9				–	–	–
Trade and other payables					–	19.7	19.7
Payables from clearing & settlement	11				–	10,113.7	10,113.7
Current and non-current financial liabilities		–	1,297.0	8.5	1,305.4	1,299.6	2,605.1
<i>Lease liabilities</i>					–	171.9	171.9
<i>Borrowings</i>					–	1,026.4	1,026.4
<i>Derivative financial liabilities</i>		–	1,297.0	–	1,297.0	–	1,297.0
<i>Other financial liabilities</i>		–	–	8.5	8.5	101.4	109.9
<b>Total carrying amounts</b>		<b>–</b>	<b>1,297.0</b>	<b>8.5</b>	<b>1,305.4</b>	<b>11,433.0</b>	<b>12,738.4</b>
Borrowings		712.3	314.7	–	1,027.0		
<b>Fair values for financial liabilities measured at amortized cost</b>		<b>712.3</b>	<b>314.7</b>	<b>–</b>	<b>1,027.0</b>		

31/12/2020

CHF million	Notes	At fair value				Total	At amortized cost	Total
		Level 1	Level 2	Level 3				
<b>Assets</b>								
Cash and cash equivalents	9					–	6,449.5	6,449.5
Trade and other receivables	10					–	173.5	173.5
Receivables from clearing & settlement	11					–	2,886.2	2,886.2
Current and non-current financial assets		252.9	1,161.7	17.6	1,432.2		2,142.2	3,574.4
<i>Bonds</i>		220.6	–	–	220.6		2,063.0	2,283.7
<i>Other debt instruments</i>		–	–	5.0	5.0		79.2	84.1
<i>Equity instruments</i>		14.8	–	12.6	27.4		–	27.4
<i>Units in investment funds</i>		2.0	–	–	2.0		–	2.0
<i>Financial instruments from settlement business</i>		15.4	–	–	15.4		–	15.4
<i>Derivative financial assets</i>		–	1,161.7	–	1,161.7		–	1,161.7
<b>Total carrying amounts</b>		<b>252.9</b>	<b>1,161.7</b>	<b>17.6</b>	<b>1,432.2</b>		<b>11,651.4</b>	<b>13,083.6</b>
Bonds		1,987.3	104.6	–	2,092.0			
<b>Fair values for financial assets measured at amortized cost</b>		<b>1,987.3</b>	<b>104.6</b>	<b>–</b>	<b>2,092.0</b>			
<b>Liabilities</b>								
Bank overdrafts	9					–	152.1	152.1
Trade and other payables						–	13.0	13.0
Payables from clearing & settlement	11					–	9,841.1	9,841.1
Current and non-current financial liabilities		–	1,161.8	2.2	1,164.0		1,270.6	2,434.6
<i>Lease liabilities</i>						–	173.7	173.7
<i>Borrowings</i>						–	1,017.8	1,017.8
<i>Derivative financial liabilities</i>		–	1,161.8	–	1,161.8		–	1,161.8
<i>Other financial liabilities</i>		–	–	2.2	2.2		79.1	81.2
<b>Total carrying amounts</b>		<b>–</b>	<b>1,161.8</b>	<b>2.2</b>	<b>1,164.0</b>		<b>11,276.7</b>	<b>12,440.7</b>
Borrowings		711.6	308.4	–	1,020.0			
<b>Fair values for financial liabilities measured at amortized cost</b>		<b>711.6</b>	<b>308.4</b>	<b>–</b>	<b>1,020.0</b>			

It is assumed that the carrying amount corresponds to their fair value for all financial assets and liabilities measured at amortized cost except for bonds and borrowings.

### Valuation methods for financial assets and liabilities

Recurring fair value measurements for financial assets and liabilities are described below. The fair value measurements are assigned to the different levels of the fair value hierarchy. These levels are defined as follows:

- Level 1: The fair value of listed financial instruments with a price established in an active market is determined based on current quoted market prices.
- Level 2: Valuation methods are used to determine the fair value of financial instruments if no direct market prices are available. The underlying assumptions are based on observable market data, either directly or indirectly, as at the reporting date.
- Level 3: If neither current market prices nor valuation methods based on observable market data can be drawn on for the purpose of determining fair value, then valuation methods are based on

unobservable market data. Those inputs reflect the assumptions that market participants would use when pricing the asset or liability, including assumptions about risk.

The following methods and assumptions were used to estimate the fair values:

#### *Level 1 instruments*

- The fair value of listed equity instruments, units in investment funds and bonds is determined by reference to published price quotations at the reporting date. The valuation of financial instruments from settlement business is performed with reference to quoted prices from the markets to which they relate. Such financial assets thus fall under level 1 of the fair value hierarchy.

#### *Level 2 instruments*

- The fair value of unlisted bonds such as promissory notes is determined by discounting the expected future payments at a risk and maturity-adjusted discount rate. As the input factors are readily available in the market, these instruments are assigned to level 2 of the fair value hierarchy.
- Unlisted units of investment funds and listed investment funds with lower frequency of price quotations are not considered to be traded on an active market. Fair values are determined based on the fund prices provided by the fund manager. The inputs into the calculation are generally available in the market, which is why these instruments are assigned to level 2 of the fair value hierarchy.
- The fair value of loans and credit facilities is determined by discounting the expected future payments at a maturity-adjusted discount rate. For borrowings with a variable interest rate, it is generally assumed that the fair value approximates the carrying amount. As the input factors are readily available in the market, these borrowings are assigned to level 2 of the fair value hierarchy.
- Foreign exchange swaps and forwards are not traded publicly. The inputs into the calculation include foreign exchange spot rates and interest rates. In general, these inputs are readily observable in the markets or provided by consensus data providers. Thus, foreign exchange swaps, forwards and other foreign exchange derivatives are categorized as level 2 instruments of derivatives.

- For forward contracts from the clearing and settlement business as a CCP, the fair value is determined as the difference between the fair value of the underlying instrument at the trade date and its fair value at the reporting date. Except for forward contracts from the clearing and settlement of options that consider historical volatility for the fair value determination, all other forward contracts from clearing and settlement are categorized as level 2 instruments of derivatives, as the inputs used are readily available in the market. For forwards from the clearing and settlement of futures and European options, the fair value is determined based on the Black-Scholes model. For forwards from the clearing and settlement of American options, the fair value is determined based on the Binomial Option Pricing model. The inputs into the calculation of both models include share price, implied volatility, strike price, risk-free interest rate and expected dividends.

#### *Level 3 instruments*

- The fair value of unlisted shares – which may be classified as equity instruments at FVtPL or debt instruments at FVtPL depending on the rights attached to the instrument – is derived from the proportionate net asset value of the entity. Such investments are categorized within level 3 of the fair value hierarchy. If the net asset value were to increase, the price per share would increase proportionately.
- For other debt instruments at FVtPL such as convertible loans, the fair value is determined by discounting the expected future payments at a risk-adjusted discount rate. As the input factors are not readily available in the market, these instruments are assigned to level 3 of the fair value hierarchy. An increase or decrease of 10% in the estimated cash flows would lead to an increase or decrease of approximately 10% in the fair value. The estimated fair value would increase if the risk-adjusted discount rate were lower.
- Forward contracts from clearing and settlement of options (derivatives at FVtPL) that consider historical volatility for the fair value determination based on the Black-Scholes model are assigned to level 3 of the fair value hierarchy. Historical volatility represents a level 3 input, as it does not reflect market participants' expectations. In addition to historical

volatility, the inputs into the calculation include share price, strike price and risk-free interest rate. With the exception of historical volatility, the inputs are readily observable in the market. Positive fair values of forward contracts from clearing and settlement of options equal negative fair values, as SIX is acting as a CCP. Accordingly, changes in the fair value of level 3 forward contracts from the clearing and settlement of options impact neither profit or loss nor total comprehensive income.

- For NCI liabilities with the exercise price determined as a revenue multiple (e.g. Orenda), the fair value is measured by using probability weighted forecasts.

The inputs into the calculation include in particular revenue forecast scenarios and the probability of each scenario. The forecast scenarios are reviewed at least bi-annually and based on the business plans prepared by the management.

### Transfers between levels

SIX recognizes transfers between the levels of the fair value hierarchy at the date of the event or change in circumstances that caused the transfer. During the six-month period ended 30 June 2021 and 2020, there were no transfers between level 1 and level 2 or between level 2 and level 3.

### Movements in level 3 financial assets and liabilities

The following table shows the movements in level 3 instruments.

CHF million	30/06/2021		30/06/2020	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities
<b>Carrying amount at the beginning of the year</b>	<b>17.6</b>	<b>-2.2</b>	<b>18.4</b>	<b>-106.5</b>
Additions	5.2	-	3.5	-4.3
Disposals	-0.6	-	-	130.9
Reclassification to associates	-	-	-2.2	-
Business combinations	-	-6.2	4.2	-
Change in forward contracts from clearing & settlement	-	-	10.0	-10.0
Losses recognized in the income statement	-0.9	-	-1.5	-35.0
Gains recognized in the income statement	0.4	-	0.3	-
Translation adjustments	-0.2	-0.1	-0.1	2.6
<b>Carrying amount at closing</b>	<b>21.4</b>	<b>-8.5</b>	<b>32.6</b>	<b>-22.2</b>
<b>Income/expenses on holdings at closing</b>				
Unrealized losses recognized in the income statement	-0.8	-0.1	-1.4	-
Unrealized gains recognized in the income statement	0.4	-	0.3	-

The additions in financial assets relate primarily to strategic and financial investments made in fintech companies.

In the fourth quarter of 2020, the level 3 forward contracts from clearing and settlement decreased to zero, as SIX does not provide clearing and settlement

services for such options anymore. During the six months ended 30 June 2020, the positive and negative forward contracts from clearing and settlement increased by CHF 10.0 million. The movements in financial liabilities mainly related to the Worldline equity collar which was terminated in 2020. The losses recognized in the income statement amounted to CHF 32.4 million.

## 13. Property, Plant and Equipment

During the six months ended 30 June 2021, additions to property, plant and equipment totaled CHF 15.7 million (30 June 2020: CHF 13.3 million). Investments in

property, plant and equipment primarily related to buildings under lease, midrange and mainframe servers and the expansion of technical installations.

## 14. Intangible Assets

### Goodwill

In the first half year of 2021, goodwill dropped from CHF 1,716.4 million to CHF 1,692.9 million. It decreased due to the final PPA adjustments in connection with the BME acquisition by CHF 44.2 million and increased due to the acquisition of Orenda by CHF 1.5 million (see note 4) and due to translation adjustments of CHF 19.2 million.

Goodwill is subject to an annual impairment test, which is conducted in the fourth quarter of each year or whenever events or a change of circumstances indicate a possible impairment. During the six months ended 30 June 2021, there was no indication requiring an assessment of the recoverable amount of goodwill.

### Software and other intangible assets

As in the previous year, expenses for certain development activities have been capitalized, as they satisfy the recognition criteria for internally generated intangible assets. Capitalized expenditure on development projects as intangible assets in the first six months of 2021 was CHF 28.7 million (30 June 2020: CHF 30.1 million).

Investments in intangible assets consisted of the development of technical platforms and adjustments for new functionalities or increased capacity.

## 15. Investments in Associates and Joint Ventures

During the reporting period, SIX recognized a share of profit amounting to CHF 11.0 million (30 June 2020: CHF 8.8 million) and translation adjustments recognized in other comprehensive income amounting to CHF 19.8 million (30 June 2020: CHF -32.3 million). Those items mainly relate to the investment in Worldline SA.

## 16. Dividends Proposed and Paid

On 26 April 2021, the Annual General Meeting approved the distribution of an ordinary dividend of CHF 4.30 (2020: ordinary dividend CHF 3.90) per registered share. The total amount distributed to holders of outstanding shares was CHF 81.3 million (2020: CHF 73.8 million), which has been recorded against retained earnings, as in the prior year.



## 17. Related Parties

121 banks hold shares in SIX, but no bank holds more than 20% of the Group's shares issued. The shares are widely distributed, i.e. no bank category has an absolute majority. All shareholders are bound by a shareholders' agreement.

Transactions with related parties and companies are made at terms equivalent to those that prevail in arm's length transactions. The price schedules for transactions with third parties also apply to transactions with related parties.

Receivables from clearing & settlement due from related parties of CHF 50.5 million are collateralized (31 December 2020: CHF 40.9 million). No provisions for doubtful debts (i.e. lifetime expected credit losses according to stage 3 of the impairment model) relating to amounts owed by related parties were recorded as at 30 June 2021 or 31 December 2020.

Transactions and outstanding balances with related parties are summarized in the tables below.

CHF million	For the six months ended 30 June 2021			
	Qualifying shareholders	Associates and joint ventures	Post-employment benefit plans	Total
<b>Income statement</b>				
Operating income	151.1	24.3	–	175.4
Other operating expenses	–0.4	–18.3	–	–18.7
Net interest income	–0.5	–	–	–0.5
Contributions	–	–	–23.3	–23.3

CHF million	30/06/2021			
	Qualifying shareholders	Associates and joint ventures	Post-employment benefit plans	Total
<b>Balance sheet</b>				
Cash and cash equivalents	125.2	–	–	125.2
Trade and other receivables	27.3	7.7	–	35.0
Receivables from clearing & settlement	53.4	–	–	53.4
Financial assets	72.2	–	–	72.2
Trade and other payables	–	2.3	0.1	2.4
Payables from clearing & settlement	1,111.3	121.7	–	1,233.0
Financial liabilities current	337.0	–	–	337.0
Other liabilities	20.2	15.1	–	35.3

CHF million	For the six months ended 30 June 2020			Total
	Qualifying shareholders	Associates and joint ventures	Post-employment benefit plans	
<b>Income statement</b>				
Operating income	161.6	27.6	–	189.2
Other operating expenses	–0.4	–18.1	–	–18.5
Net interest income	–0.9	–	–	–0.9
Contributions	–	–	–21.7	–21.7

CHF million	31/12/2020			Total
	Qualifying shareholders	Associates and joint ventures	Post-employment benefit plans	
<b>Balance sheet</b>				
Cash and cash equivalents	261.1	–	–	261.1
Trade and other receivables	24.4	11.8	–	36.3
Receivables from clearing & settlement	60.3	–	–	60.3
Financial assets	71.0	0.5	–	71.5
Trade and other payables	0.1	0.4	0.1	0.7
Payables from clearing & settlement	1,505.0	136.1	–	1,641.1
Financial liabilities current	381.6	–	–	381.6
Other liabilities	1.0	3.1	–	4.0

## 18. Events after the Balance Sheet Date

On 12 July 2021, SIX acquired 94.5% of Ultumus Ltd, an international London-based index and ETF data specialist. The acquired business will be allocated to the financial information business area. At the date of approval for issue of these interim condensed consolidated financial statements, the closing accounts were not yet available and the initial accounting for the business combination has not been completed. Therefore, certain disclosures in respect of the acquisition cannot be made, including: the total consideration transferred, the fair value and major classes of identifiable assets acquired and liabilities assumed and the goodwill arising on the business combination.

As at 22 July 2021, the date of approval for issue of the interim condensed consolidated financial statements, the Group had undergone no other subsequent events warranting a modification of the value of the assets and liabilities or an additional disclosure.

Hardturmstrasse 201  
P.O. Box  
8005 Zurich  
[www.six-group.com](http://www.six-group.com)