

Media Release

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Sanction proposal against The Native SA

SIX Exchange Regulation AG (SER) has submitted a request for a sanction to the Sanctions Commission of SIX Group against The Native SA concerning alleged violations of the applicable accounting standards Swiss GAAP FER in the 2017 annual and 2018 interim financial statements.

After completion of its investigation, SER has concluded that the 2017 annual and 2018 interim Swiss GAAP FER financial statements of The Native SA contain material misstatements.

The alleged deficiency in the 2017 annual financial statements refers to an incorrectly performed impairment test for a minority interest. As a consequence, this interest has been materially overstated in the balance sheet and a material impairment expense was missing in the income statement of the 2017 annual Swiss GAAP FER financial statements.

Furthermore, The Native SA has consolidated this minority investment starting on 1 January 2018, even though control allegedly did not exist. Therefore, the 2018 interim Swiss GAAP FER financial statements were materially misstated.

The Native SA has made retrospective adjustments (,restatements') for both matters in its 2018 annual Swiss GAAP FER financial statements and has disclosed them as corrections of errors.

No information will be provided while the sanction proceedings are ongoing. SER will inform the public about the outcome of the sanction proceedings.

If you have any questions, please contact Jürg Schneider, Head Media Relations.

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SIX Exchange Regulation AG is a legally independent company of SIX Group and one of the Regulatory Bodies of the SIX trading venues. It performs the functions assigned under Swiss federal law and enforces the rules laid down by the Regulatory Board, and monitors compliance with legal and regulatory requirements. As part of its diverse remit, SIX Exchange Regulation AG submits proposals for sanctions to the Sanctions Commission or can enact sanction notices. SIX Exchange Regulation AG consists of the divisions Listing & Enforcement, responsible for regulating issuers, and Surveillance & Enforcement, which monitors trading. www.ser-ag.com

Sanctions Commission

The Sanctions Commission can impose sanctions in the case of violations of the Rule Books, the Listing Rules and the Additional Rules of SIX Exchange Regulation AG. It is composed of between five and eleven members. The Chairman of the Sanctions Commission and half of its members are elected by the Regulatory Board, with the remaining members appointed by the Board of Directors of SIX.

SIX operates and develops infrastructure services in the Securities & Exchanges, Banking Services and Financial Information business units with the aim of raising efficiency, quality and innovative capacity across the entire value chain of the Swiss financial centre. The company is owned by its users (122 banks). With a workforce of some 2,600 employees and a presence in 20 countries, it generated operating income of CHF 1.13 billion and Group net profit of CHF 120.5 million in 2019. www.six-group.com