

Media release

Ad hoc announcement pursuant to Art. 53 LR

VP Bank records a group net income of CHF 18.5 million and is on track with its package of measures to increase efficiency.

Vaduz, 13 March 2025

VP Bank Group generated a net profit of CHF 18.5 million in 2024. Client assets under management rose by 9.5 per cent, while the new money inflow was 3.6 per cent.

The key financial results

- Adjusted for forced outflows and write-offs in the amount of CHF 1.2 billion, VP Bank recorded a **net new money inflow** of CHF 1.7 billion, which corresponds to growth of 3.6 per cent.
- **Client assets under management** increased by 9.5 per cent to CHF 50.7 billion.
- The **loan volume** increased by 8.7 per cent from CHF 5.5 billion at the end of 2023 to CHF 5.9 billion.
- **Operating income** fell by 9.3 per cent to CHF 330.5 million due to 23.5 per cent lower net interest income, although this effect slowed down in the second half of the year. Net interest income fell by 27.1 per cent in the first half of the year compared to the previous year, while the decline in the second half of the year was only 19.2 per cent compared to the previous year. Commission and service transactions remained at the level of the previous year, while trading activities fell by 4.6 per cent.
- **Operating expenses** fell by 1.7 per cent to CHF 308.3 million. This includes restructuring costs announced in the semi-annual report in the amount of CHF 7.3 million and one-off expenses for the pension fund of CHF 3.9 million. Leaving aside these one-off expenses, costs decreased by 5.2 per cent.
- The **group net income** was CHF 18.5 million, which corresponds to a reduction of 58.2 per cent compared to the previous year. Excluding the restructuring costs and one-off costs of CHF 11.2 million, the result was 37.3 per cent lower than in the previous year.
- VP Bank has a strong capitalisation and good liquidity. The **tier 1 ratio** was 25.9 per cent, and the **liquidity coverage ratio** was 165.3 per cent.
- VP Bank is on track with **its package of measures to increase efficiency and accelerate growth**. The efficiency target was set at a minimum of CHF 20 million, and the bank intends to achieve this target by the end of 2026. This should lead to a sustained improvement in the **cost/income ratio**, which stood at 93.3 per cent at the end of 2024.

Package of measures to increase efficiency

In 2024, the bank stepped up its efforts to systematically align processes with clients. Redundancies in the organisation were resolved and the existing product and price landscape was simplified. The bank also decided to withdraw from Hong Kong for economic reasons. These changes saw headcount fall by 6.1 per cent to 945 full-time positions by the end of the year. In 2025, the focus will be on the income side, while maintaining a high level of cost discipline. Targeted growth initiatives, complemented by the recruitment of client advisors, were also launched in the reporting period.

Urs Monstein, Group CEO of VP Bank: "The measures to improve earnings and costs are beginning to take hold. In a challenging environment, however, we still have a lot to do to exploit our potential. VP Bank has a diversified business model in markets with good growth prospects. With broad-based earnings, we aim to generate sustainable added value and grow profitably. VP Bank relies on personal service with client-oriented solutions, a very good investment performance, robust risk processes and above-average capitalisation."

Proposed dividend

The Board of Directors proposes that the annual general meeting of 25 April 2025 approve a dividend payout of CHF 4.00 per registered share A and CHF 0.40 per registered share B.

Changes on the Board of Directors

- Re-election: the Board of Directors proposes the re-election of Mauro Pedrazzini as a Member of the Board of Directors for a further term of office of three years.
- Exits: Ursula Lang has resigned after serving a term of office of nine years and will not seek to renew her mandate. Beat Graf is stepping down from his role after a term of office of eleven years. Both resignations from the Board of Directors are effective as of 25 April 2025.
- Election of new Members: subject to the approval of the Financial Market Authority (FMA) Liechtenstein, the Board of Directors proposes Dr Stephan Ochsner as successor of Beat Graf and representative of the "Stiftung Fürstl. Kommerzienrat Guido Feger" foundation and Barbara Ofner as successor of Ursula Lang for election to the Board of Directors.

The detailed presentation of results will take place at 9.30 a.m. on 13 March 2025. The live stream can be viewed at: <https://www.vpbank.com/en/media-and-analyst-conference>.

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Corporate calendar:

Annual general meeting	25 April 2025
Publication of 2025 semi-annual results	26 August 2025

Facts and figures of VP Bank Group

VP Bank Ltd was established in 1956 and, with around 1,000 employees, is one of the largest banks in Liechtenstein. VP Bank has an international presence, with locations in Vaduz, Zurich, Luxembourg, Singapore and Road Town. Its core competencies include the development of customised financial solutions for intermediaries and private individuals. In addition, the Group has an international fund competence centre. As of 31 December 2024, client assets under management of VP Bank Group amounted to CHF 50.7 billion. VP Bank is listed on SIX Swiss Exchange and has an "A-" rating from Standard & Poor's.