

Media release

Ad hoc announcement pursuant to Art. 53 LR

VP Bank is on track with the implementation of its strategy, generating 10 per cent more profit than in the previous year.

Vaduz, 12 March 2024

VP Bank Group has remained on track despite what continues to be a challenging environment. The Group increased its operating income by 8.3 per cent to CHF 364.4 million and posted a Group net income of CHF 44.2 million, which corresponds to an increase of 10.1 per cent.

The key financial results

- **Net income for the year** increased by 10.1 per cent to CHF 44.2 million.
- **Operating income** increased by 8.3 per cent to CHF 364.4 million. This was driven by interest income and trading activities; commission and service-related business remained stable.
- **Client assets under management** remained stable at CHF 46.4 billion.
- Net new money inflows were positively impacted by initiated outflows due to adjustments to the client portfolio, including those client relationships with Russian connections. The Group's **net new money inflow** at the end of 2023 was CHF 27 million.
- **Operating expenses** increased by 7.7 per cent to CHF 313.5 million. As previously announced, this includes write-downs on investments made and exceptional compliance costs related to adjustments to the client portfolio.
- The **cost/income ratio** improved from 86.6 per cent to 86.0 per cent.
- VP Bank has a very strong capitalisation and high liquidity. The **tier 1 ratio** was 24.9 per cent, and the **liquidity coverage ratio** was 305.8 per cent.
- The **significant appreciation of the Swiss franc** affected the results: VP Bank makes less than 30 per cent of its corporate earnings in Swiss francs, whereas almost 80 per cent of its costs are in this currency. If exchange rates had remained constant, net income for the year would have grown by around 30 per cent.
- VP Bank confirms the **financial goals**, namely an annual revenue growth of between 4 and 6 per cent, annual net new money growth of at least 4 per cent, a tier 1 ratio of more than 20 per cent and a cost/income ratio of less than 75 per cent by 2026.

Proposed dividend

- The Board of Directors proposes that the annual general meeting of 26 April 2024 approve an **unchanged dividend pay-out** of CHF 5.00 per registered share A and CHF 0.50 per registered share B.

Changes on the Board of Directors

- The Board of Directors proposes that the annual general meeting elect **Dr Dirk Klee** as a member of the Board of Directors for a term of office of three years and re-elect **Philipp Elkuch** for a term of office of three years.
- The Board of Directors also intends to elect **Stephan Zimmermann** as its new chairman at an extraordinary meeting following the annual general meeting.

Paul H. Arni, Group CEO of VP Bank: "In a challenging geopolitical and interest rate environment, VP Bank once again succeeded in increasing its earning power while at the same time normalising cost growth. We are therefore well positioned for the second half of the strategy, where we will accelerate profitable growth based on an Open Wealth-capable IT platform, a regional target organisation and further improved risk management."

The detailed presentation of results will take place at 9.30 a.m. on 12 March 2024. 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	26 April 2024
Dividend payment	3 May 2024
Publication of 2024 semi-annual results	20 August 2024

Facts & Figures 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, Hong Kong and Road Town (British Virgin Islands). Its core competencies include the development of customised financial solutions for intermediaries and private persons. In addition, the Group has an international fund competence centre. As of 31 December 2023, client assets under management of VP Bank Group amounted to CHF 46.4 billion. VP Bank is listed on the SIX Swiss Exchange and has an "A-" rating from Standard & Poor's.