

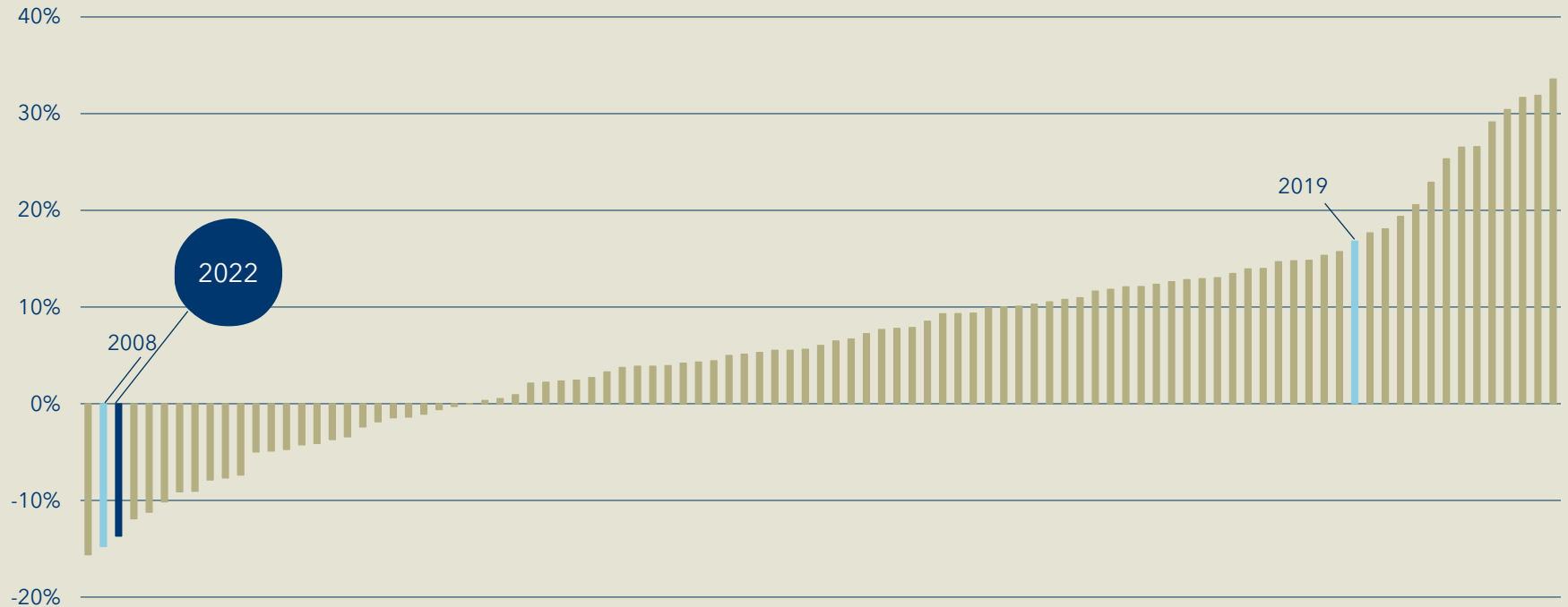
VP Bank Group · 7 March 2023

# Annual results 2022



# Portfolio view

Portfolio with 50% Swiss bonds and 50% Swiss equities, annual return since 1926





01

## Board of Director's view

Dr Thomas R. Meier, Chairman of the Board of Directors



02

## 2022 annual results

Roger Barmettler, Chief Financial Officer



03

## Strategy 2026: Review and outlook

Paul H. Arni, Chief Executive Officer



04

## Q&A



**01**

# Board of Director's view

Dr Thomas R. Meier, Chairman of the Board of Directors

# Financial targets 2026 - KPIs for dynamic growth



## Growth

Net new money  
(in % of AuM)

Income growth

**4% p.a.<sup>1)</sup>**

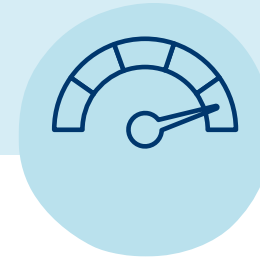
**4 - 6% p.a.<sup>1)</sup>**



## Profitability

Cost/  
income  
ratio<sup>2)</sup>

**<75%**



## Stability

Tier 1  
ratio

**>20%**

A decorative graphic consisting of a light blue square tilted at an angle, overlapping a thin blue circle. The square is positioned in the upper-left quadrant of the circle.

**02**

# 2022 annual results

Roger Barmettler, Chief Financial Officer

# VP Bank holding its own in a challenging environment



Operating  
income  
**CHF 336.4  
million**

CHF 329.9 million  
in 2021

Increase of 2% over  
previous year

Group net income  
**CHF 40.2 million**

CHF 50.6 million  
in 2021

Decrease of 21% over  
previous year

Positive interest  
rate environment  
compensates for  
lower  
commission  
income



Net new money  
inflow  
**CHF 1.1 billion**

2.0% net new money  
growth due to fund  
business and Asia  
region

Stable balance  
sheet ratios

Client assets  
under  
management  
**CHF 46.4 billion**

CHF 51.3 billion  
at the end of 2021

Market slowdown  
impacts client assets  
under management

Tier 1 ratio  
**21.7%**

22.4% at the end of  
2021

Strong equity base

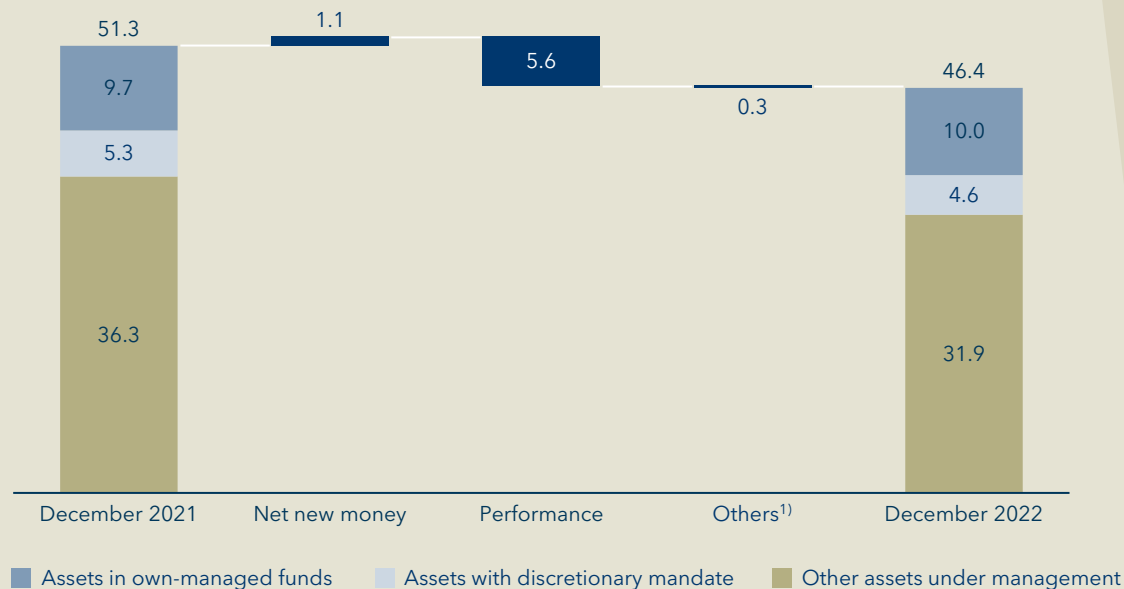
Stable dividend

**CHF 5.00 per  
registered share  
A\***

Dividend yield of 5.7%  
as of the end of 2022

# Positive net new money inflow

## Client assets under management (in CHF billion)



1) Includes assets of sanctioned Russian clients reclassified as custody assets.

Net new money of CHF 1.1 billion (+2.0%), mainly from Asia and the fund business, which increased again in the second half of the year.

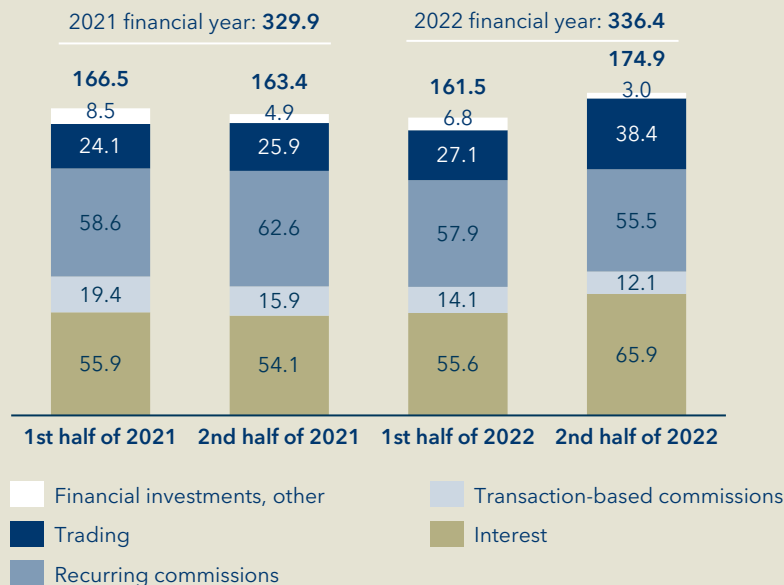
Net new money outflow with Russian connection of 0.5 billion.

Average client assets under management of CHF 48.0 billion 6.4% lower than in 2021.



# Operating income at highest level in the last 15 years - higher interest rates compensate for lower commission income

## Operating income (in CHF million)



Best operating income in the last 15 years at CHF 336.4 million thanks to strong second half of 2022.

Interest gains +10.5% to CHF 121.5 million

- Rising interest rates led to increased interest income in the fourth quarter.

Commission income -10.8% to CHF 139.6 million

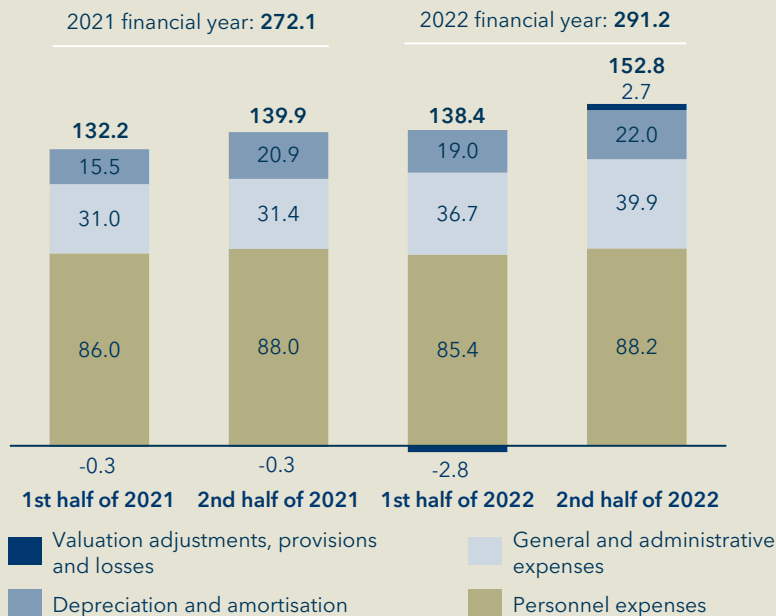
- Recurring income 7% lower in connection with lower average client assets under management.
- Transaction-based income continued to decline as low level of client activity persisted (-26%).

Trading activities +31.0% to CHF 65.5 million

- Positive impact from higher USD/CHF interest rate differentials.

# Investments in the 2026 strategy are reflected in in general and administrative expenses as well as depreciation and amortisation

## Operating expenses (in CHF million)



Personnel expenses stable at CHF 173.6 million.

General and administrative expenses +22.9% to CHF 76.6 million.

This includes:

- IT and digitisation expenses CHF 10 million
- Implementation of Russia sanctions CHF 3 million
- Maintenance of client documentation due to a revised risk evaluation model CHF 2.8 million

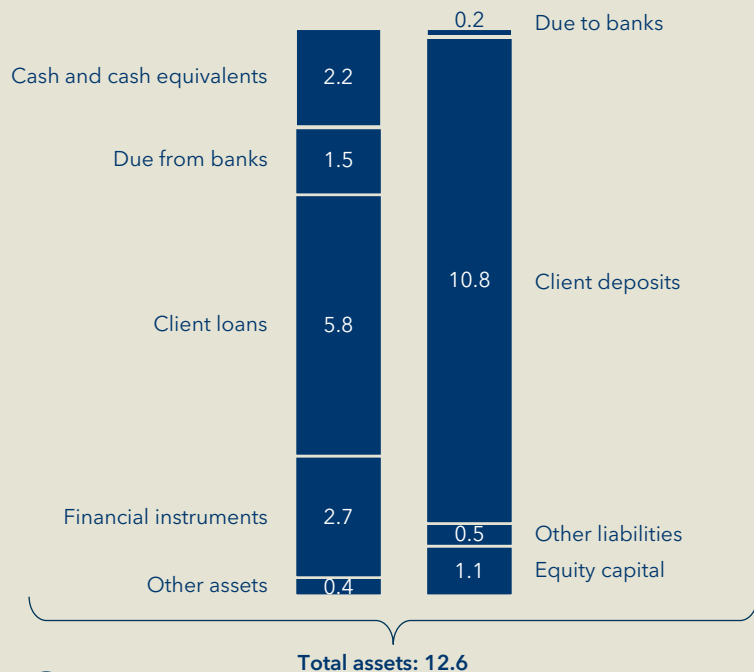
Depreciation and amortisation +12.6% to CHF 41.0 million

- Increased depreciation and amortisation on software of CHF 19.5 million (CHF 12.3 million in the 2021 financial year) due to investments made.
- Impairment allowance for Öhman client base of CHF 1.0 million

Cost/income ratio 86.6%, 4.1 percentage points up from 2021.

# Robust foundation

## Balance sheet as of 31 December 2022 (in CHF billion)



### Sound balance sheet

- High level of liquid assets.
- Lower total assets (-4.3%).

### Stable refinancing

- Proportion of client deposits corresponds to 86% of total assets.

### Loan-to-deposit ratio 53.0%

- After a decline in loans in the first half of the year, client deposits also fell in the second half of the year (Switch).

### Strong equity base

- Equity capital makes up 8.7% of total assets.
- Tier 1 ratio at 21.7%.

# Solid risk profile

## Regulatory requirements clearly exceeded

	31 December 2021	31 December 2022
Core capital (CET 1) in CHF million	1,014.5	1,046.2
Risk-weighted assets in CHF million	4,535.8	4,828.9
Tier 1 ratio (CET 1 ratio)	22.4%	21.7%
Liquidity coverage ratio (LCR)	160.2%	232.6%
Leverage ratio	7.6%	8.0%
Net stable funding ratio NSFR	n/a	158.4%
Non-performing loans	1.0%	1.1%
S&P rating	A/negative/A-1	A/negative/A-1

# Summary



Group net income in a challenging environment

CHF 40.2 million

Operating income at its highest level in the last 15 years

CHF 336.4 million

Net new money inflow

CHF 1.1 billion

Very good capital adequacy with a tier 1 ratio of

21.7%

Unchanged dividend per registered share A of

CHF 5.00

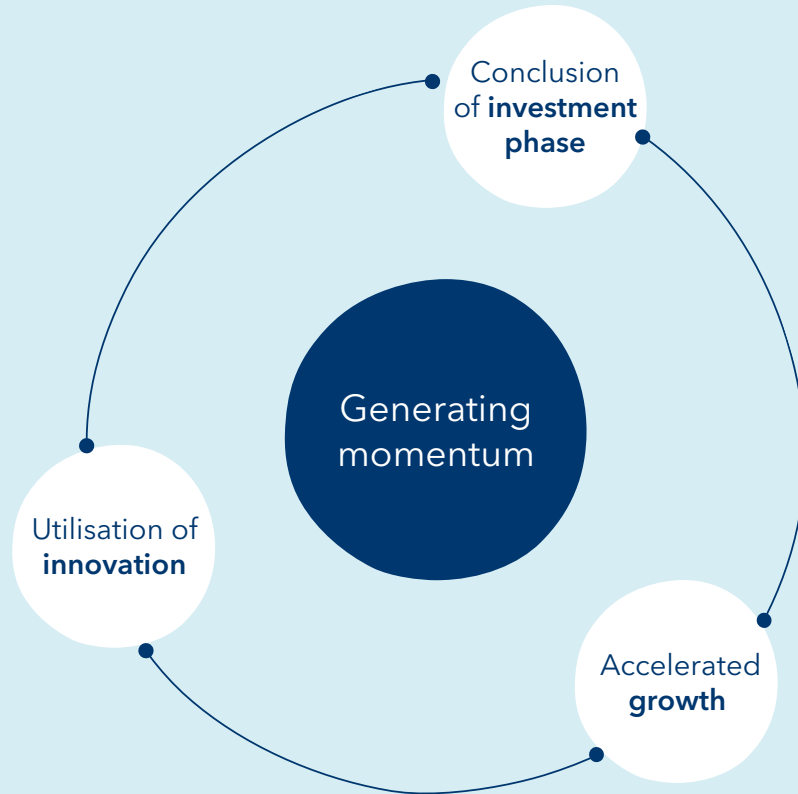


03

# Strategy 2026: review and outlook

Paul H. Arni, Chief Executive Officer

# Progress on the 2026 Strategy



Where are we in the **strategy cycle?**

# Conclusion of investment phase

## Why is this?

- Digitisation
- Sustainability
- A new generation

## What?

We are rethinking wealth management by combining traditional banking with the benefits of digital ecosystems to create a whole new world of service.

## How?



### Evolve

Driving the existing business forward



### Scale

Increasing effectiveness and efficiency



### Move

Exploiting new business opportunities



### Enable

Building the foundation for the future

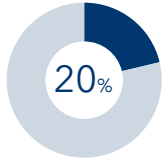




# Accelerating growth

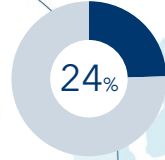
## Fund Solutions

- One-stop shop



## Europe

- Intermediaries in Germany
- Cross-selling funds, private banking, EAM
- Wealth Planning offer



### Luxembourg

LU DE SE DK NO

### Switzerland

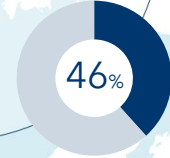
CH DE CE

### Liechtenstein

LI CH DE

## Liechtenstein

- Open Wealth offer
- Investment product for charitable foundations
- Wealth Planning offer
- Wealth management mandates



## Asia

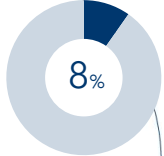
### Hong Kong

HK CN TH PH

### Singapore

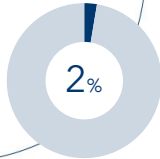
SG HK CN ID MY TH

- EAM activities in target markets
- Strategic collaboration with Hywin
- Diversification of client mix with focus on intermediaries



## British Virgin Islands

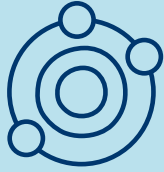
- Premium mortgage business



### British Virgin Islands

VG

# Utilising innovation



Services  
based on **Open  
Wealth**



Expanding the  
offer of  
**tokenisation**



**Private market  
offer** via platform  
partner



Our DNA and expertise

**Intermediaries  
business**

Our approach

**Open  
Wealth**

Our strengths

**Speed  
and agility**

The background is a light blue gradient. It features several abstract geometric shapes in various shades of blue. In the top-left corner, there is a solid blue trapezoid. In the top-right, there is a large, semi-transparent blue circle partially overlapping a solid blue trapezoid. In the bottom-left, there is a solid blue semi-circle partially overlapping a thin blue outline of a triangle. In the bottom-right, there is a large, thin blue outline of a triangle that overlaps a solid blue trapezoid.

**Thank you!**

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