

Media release

Ad hoc announcement pursuant to Art. 53 LR

VP Bank once again increases corporate earnings and remains on track in terms of strategy implementation

Vaduz, 17 August 2023

VP Bank Group has remained on track despite what continues to be a challenging environment. The Group increased its operating income by 17 per cent to CHF 188.3 million and posted a semi-annual profit of CHF 25.5 million, which corresponds to an increase of 19 per cent.

The key financial results for the first half of 2023 in overview

- VP Bank demonstrated a great deal of resilience in a market environment that is challenging for banks and posted a **semi-annual profit** of CHF 25.5 million. This represents an increase of 19 per cent compared to the previous-year period, and an increase of 35 per cent compared to the second half of 2022.
- **Operating income** increased by 17 per cent compared to the previous-year period to CHF 188.3 million.
- The positive market environment in the first half of the year resulted in a 2 per cent increase in **client assets under management** to CHF 47.2 billion.
- Continued positive new money inflows were impacted by forced outflows due to adjustments to client portfolios, including a new money outflow of CHF 0.3 billion from clients with a connection to Russia. **Net new money inflow** was CHF 0.1 billion.
- Compared to the previous-year period, **operating expenses** increased by 14 per cent to CHF 158.2 million. As announced, the reasons for this were depreciation and amortisation on investments made, credit provisions that were created against the backdrop of the current economic environment, and a general inflation-related increase in costs.
- The **cost / income ratio** improved from 85.7 per cent to 84.0 per cent.
- VP Bank has a very strong capitalisation and high liquidity. The **tier 1 ratio** was 23.4 per cent, and the **liquidity coverage ratio** was 202.2 per cent.
- VP Bank is on track in terms of the implementation of its Strategy 2026 and confirms the **financial targets** with an annual income growth of 4 to 6 per cent, annual net new money growth of at least 4 per cent, a tier 1 ratio of over 20 per cent, and a cost / income ratio of under 75 per cent, all of which will be achieved by 2026.

Paul H. Arni, Group CEO of VP Bank: "VP Bank has once again demonstrated that it can increase its profitability amidst a market environment that continues to be challenging. We have the necessary means, financial strength and anchor shareholders with a long-term focus, all of which allow us to plan and act with foresight. The technical transformation is complete. We now have a scalable, flexible foundation that will allow us to exploit the future opportunities that the market will offer us, in line with our strategic plans, and to create added value that is profitable over the long term for our clients and shareholders alike."

The detailed presentation of results will take place at 10.30 a.m. on 17 August 2023. The live stream can be viewed at: www.vpbank.com/en/media-and-analyst-conference-vp-bank-group.

For further information, please contact:

Daniela Jenni
Head of Corporate Communications
T +423 235 65 22
media@vpbank.com

Michèle Schnyder
Head of Investor Relations
T +423 235 60 80
investor.relations@vpbank.com

Corporate calendar:

Publication of annual results 2023	12 March 2024
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 30 June 2023, client assets under management of VP Bank Group amounted to CHF 47.2 billion. VP Bank is listed on the SIX Swiss Exchange and has an "A-" rating from Standard & Poor's.