

EFG Bank von Ernst

Annual Report

2024

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Management report

Management report

Dear Stakeholders, dear Clients,

The year 2024 marked a period of transformation and realignment for our bank (“EFG BVE”), a milestone year characterized by strong financials including net new money inflows, net income increases, underpinned by significant personnel growth.

Supported by the EFG Group, we enhanced the efficiency of our processes and advanced digitalization efforts. This also allowed us to significantly expand our front office personnel while keeping general and administrative expenses low by leveraging various outsourcing options within the EFG Group.

For over 25 years, we have been successfully operating in Liechtenstein. This year, we strengthened our presence in the region significantly, notably through attracting new talent and our move to modern office premises in the prime center of Vaduz.

In our participation on the Finance Forum in May, alongside our Group CEO, Giorgio Pradelli, where we presented the group’s strategy and our ambitious goals for Liechtenstein. These developments highlight our commitment to be one of the banks of choice in the local market and our aspiration to become one of the most attractive employers in Liechtenstein’s banking sector.

Successful performance in 2024

Thanks to the efforts of our dedicated new and existing client advisors, we achieved the best result since inception this year. CHF 268 million in net new money was acquired, leading to a significant increase in total assets under management and custody, which reached CHF 1.54 billion by year-end – an increase of 32% compared to 2023.

Additionally, we saw revenue growth across all levels, resulting in a 39% increase in operating income. While costs rose by 33% due to the hiring of additional staff. The profit before tax amounted to CHF 20.1 million, a year-on-year increase of 41%.

In 2024, our activities in financial derivatives involving precious metals expanded, leading to a significant increase in trading income. The bank maintained its policy of fully hedging all market risks in this area. Moreover, commission

and service fee income rose by CHF 0.7 million, representing a 15% increase compared to the previous year.

Business development

The year 2024 was a period of growth, closely tied to the substantial growth in our personnel force and to the increase in of Assets under Management. By working closely with the EFG Group, we were able to exploit substantial synergies to optimize internal workflows, implement digitalization initiatives, and introduce innovations for our clients.

One major objective decided by the Board of Directors was securing prime location office in the heart of Vaduz. By the end of November, we closed our Schaan office and support services moved to the new premises. The second location at Egertastrasse 10 in Vaduz was vacated by January 2025, and operations transited fully to the new offices. This move enhances our visibility and attractiveness to clients and potential new employees.

Through sponsorships and media appearances, we further increased the bank’s brand recognition in Liechtenstein. In 2024, we successfully onboarded 14 new employees, doubling our workforce within 12 months. Achieving this in an environment often described as suffering from a skilled labor shortage demonstrated our growing appeal as an employer of choice in Liechtenstein.

An increased focus was placed on the legal & compliance function. We doubled the number of employees in this department to ensure that growth and increased operating performance is underpinned by applying best practice in line with regulatory rules and regulations.

This growth reflects our commitment to sustainable expansion in our target markets while proactively advancing our internal structures for the future. A key milestone was the transition in the Chief Operating Officer (COO) role. Our long-serving COO retired in 2024, and his successor, Adrian Oehri, joined us with valuable experience from a leading big audit firm. Since his appointment on September 1, 2024, Adrian has been driving forward our transformation strategy as a member of the executive management team alongside Daniel Taverna (Head of Private Banking) and Tobias Wehrli (CEO).

At the end of 2024, the bank reported a Common Equity Tier 1 (CET1) capital ratio of 44%, substantially exceeding the regulatory minimum of 10.5%. Additionally, the bank maintains a strong and liquid balance sheet, with a liquidity coverage ratio (LCR) of 255% and a leverage ratio of 8.7% as of year-end.

As a 100% subsidiary of EFG International AG, a well-capitalized publicly listed Swiss private banking group, EFG BvE benefits from robust implied financial and brand support. At the end of 2024, EFG Group reported regulatory capital of CHF 2.0 billion and a total capital ratio of 21.5%. EFG International enjoys excellent credit ratings from various agencies.

Globally, EFG International manages assets of CHF 165.5 billion and operates in over 40 locations.

Governance and Regional Leadership

The Board of Directors presided by the long-term Chair Rudy van den Steen and the executive management under the leadership of CEO Tobias Wehrli are pleased to note the significant increase in the bank's visibility in the local financial market in Liechtenstein. With the strong inflows of net new money and the successful hiring and onboarding of top talent, the bank has successfully started a new strategic chapter in its history in the local financial market.

EFG BvE distinguishes itself in Liechtenstein by offering client advisors the unique opportunity to participate directly in the bank's performance. This innovative approach fosters a high level of initiative among our advisors. At the same time, we place great emphasis on ensuring client well-being and maintaining strict compliance with all regulatory requirements. This outstanding model gives us confidence in our ability to attract additional qualified client advisors to EFG BvE. Our employees value working in an environment that encourages accountability while maintaining the highest standards in client service and regulatory compliance.

Strategy:

Our strategy for 2024 was rooted in principles established in 2023 and will remain relevant in 2025. These include:

– Focus on Core Segments:

We continue to prioritize serving external asset managers, trustees, and private clients. By offering tailored solutions and specialized services, we aim to grow in these key segments.

– Strengthening Local Market Position:

Our presence in Liechtenstein remains central to our strategy. Targeted marketing initiatives and local engagement help further enhance our brand's position.

– Optimization Through Group Resources:

Building on the progress made in 2024, we continue to leverage synergies within our group to improve service efficiency and scalability.

– Talent Development and Recruitment:

Recruiting and nurturing talent remains a key focus. Training programs and career pathways ensure our teams are well-prepared for future challenges.

– Sustainability and Compliance:

We are committed to sustainable and responsible business practices. Integrating ESG criteria into our processes and products is essential to ensuring long-term stability.

Outlook for 2025:

In the first quarter of 2025, the relocation to our new prime location offices in the heart of Vaduz was successfully achieved. These centrally located and modern facilities represent a significant milestone, enhancing our presence and symbolizing our commitment to innovation and client proximity in the region. We look forward to welcoming our clients to these new premises in 2025.

Another focus will be the continuation of our talent growth. We are confident that these measures will solidify our market position and sustain our longer term growth trajectory.

Management report

The Principality of Liechtenstein has proven to be one of the most stable and competitive economies. Membership in the European Economic Area not only provides access to European markets but also strengthens resilience to global challenges. In this favorable environment, EFG BvE sees not only the opportunities for further growth but also the obligation to continue to offer excellent services for our clients locally but as well internationally. We are convinced that our presence in Liechtenstein, in conjunction with the country's strong economic structure, provides a solid foundation for future success.

Thanks

We would like to express our sincere gratitude to our valued clients. Your trust and loyalty were essential in making this another very successful year for us. We understand the many options available to you and truly appreciate your decision to place your confidence with us. Your trust motivates us to continuously provide excellent services, keeping your financial goals and needs at the heart of everything we do. We deeply value the strong partnership we share and look forward to continuing our success together in 2025.

We would also like to extend our thanks to our dedicated employees. Their innovation, commitment, and hard work have been the foundation of our achievements this year. We are especially proud to welcome many new colleagues who have joined us and placed their trust in our organisation. Their fresh perspectives and enthusiasm have enriched our team and strengthened our ability to deliver outstanding results for our clients.

As we look ahead, we remain committed to exceeding your expectations and ensuring your satisfaction. Together, we look forward to further growth and shared success in the coming year.

EFG Bank von Ernst AG



Rudy van den Steen
Chair of the Board

Tobias Wehrli
Chief Executive Officer

Corporate governance

Corporate Governance

Shareholders, Board of Directors and Management

(As of 1 January 2025)

Shareholder	EFG International AG, Zürich (100 %)
Board of Directors	Rudy van den Steen Chairman Franco Polloni Deputy Chairman Lukas Galuba Maurizio Moranzoni
Executive Board	Tobias Wehrli Chairman Daniel Taverna Deputy Chairman Wolfgang Benedikt (until 31.05.2024) Adrian Oehri (from 01.09..2024)
Internal Audit	Grant Thornton AG, Schaan ASD EFG Bank SA, Genève
Statutory Auditor under company and banking law	PricewaterhouseCoopers AG, St. Gallen, Switzerland

Financial Statements

Balance sheet as at 31 December 2024

	Year under review CHF1,000	Preceding year CHF1,000	Change CHF1,000
Assets			
Cash	50,600	58,523	(7,923)
Due from banks	260,131	175,195	84,936
<i>of which: due daily</i>	225,965	130,319	95,646
<i>of which: other receivables</i>	34,166	44,876	(10,710)
Due from clients	103,076	37,469	65,607
<i>of which: mortgage receivables</i>	550	600	(50)
Fixed assets	834	-	834
Other assets	9,415	10,036	(621)
Accrued income and prepaid expenses	1,363	1,484	(121)
Total assets	425,419	282,708	142,711
Liabilities and Shareholder's equity			
Due to banks	-	26,402	(26,402)
<i>of which: due daily</i>	-	11,199	(11,199)
<i>of which: with agreed maturity or notice period</i>	-	15,203	(15,203)
Due to clients	354,596	193,050	161,546
<i>of which: other amounts payable</i>	354,596	193,050	161,546
<i>a) due daily</i>	313,619	184,289	129,330
<i>b) with agreed maturity or notice period</i>	40,977	8,761	32,216
Other liabilities	9,565	9,670	(105)
Accrued expenses and deferred income	4,041	2,157	1,884
Provisions	3,600	2,928	672
<i>of which: tax provisions</i>	3,368	2,278	1,090
<i>of which: other provisions</i>	232	650	(418)
Provisions for general banking risks	2,400	400	2,000
Subscribed capital	25,000	25,000	-
Income reserves	4,062	3,442	620
<i>of which: Legal reserves</i>	4,062	3,442	620
Retained earnings	7,039	7,522	(483)
Net income	15,116	12,137	2,979
Total liabilities and shareholders' equity	425,419	282,708	142,711
Off-Balance Sheet transactions			
Contingent liabilities			
- Liabilities from guarantees and indemnity agreements and			
Liability from the provision of collateral	1,083	1,213	(130)
Credit risks			
- Irrevocable commitments			
	115	115	-
Derivative financial instruments			
- Contract volume			
	703,267	834,002	(130,735)
- Positive replacement values			
	9,218	10,036	(818)
- Negative replacement values			
	9,427	9,670	(243)
Fiduciary transactions	70,603	127,938	(57,335)

Income statement as at 31 December 2024

Income Statement

	Year under review CHF 1,000	Preceding year CHF 1,000	Change CHF 1,000
Results from interest activities			
Interest and discount income	9,708	6,820	2,888
Interest expense	-2,692	-1,802	-890
Net interest income	7,016	5,018	1,998
Results from commission and service fee activities			
Commission income on lending	15	6	9
Commission income on securities and investment transactions	4,267	3,574	693
Commission income on other services	913	736	177
Commission expenses	-871	-651	-220
Subtotal result from commission and service fee activities	4,324	3,664	660
Results from financial transactions	17,221	11,920	5,301
<i>of which from trading transactions</i>	<i>17,221</i>	<i>11,920</i>	<i>5,301</i>
Other ordinary income			
a) From real estate	-	-	-
b) Other ordinary income	2	4	-2
Total operating income	28,563	20,607	7,956
Operating expenses			
a) Personnel expenses	-4,904	-3,053	-1,851
b) General and administrative expenses	-3,494	-3,284	-210
Subtotal operating expenses	-8,398	-6,337	-2,061
Depreciation and write-offs on intangible non-current assets and fixed assets	-19	-36	17
Other ordinary expenses			
Valuation allowances on receivables and increases in provisions for contingent liabilities and credit risks	-88	-	-88
Income from release of valuation allowances on receivables and from the release of provisions for contingent liabilities and credit risks			
Results from regular business activities	20,058	14,234	5,824
Income tax expense	-2,942	-1,697	-1,245
Allocation to the provision for general banking risks	-2,000	-400	-1,600
Net income	15,116	12,137	2,979
Allocation of retained earnings			
Net income	15,116	12,137	2,979
Retained earnings brought forward	7,039	7,522	-483
Retained earnings at end of period	22,155	19,659	2,496
Allocation of retained earnings			
Dividend on share capital	14,000	12,000	2,000
Allocation to legal reserves	938	620	318
Retained earnings brought forward	7,217	7,039	178

Statement of Cash Flows as at 31 December 2024

	Year under review	Year under review	Preceding year	Preceding year
	Source of funds	Application of funds	Source of funds	Application of funds
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Cash flows from operating results				
Pre-tax profit of the year	15,116	–	12,137	–
Depreciation and write-offs on non-current assets	19	–	36	–
Valuation adjustments and provisions	760	–	2,169	–
Provision for general banking risks	2,000	–	400	–
Accrued income and prepaid expenses	121	–	–	844
Accrued expenses and deferred income	1,884	–	1,215	–
Dividend of previous year	–	12,000	–	–
	19,900	12,000	15,957	844
Balance cash flows from operating results (internal sources)	7,900	–	15,113	–
Cash-flow from investment transactions				
Share capital	–	–	–	–
Premiums	–	–	–	–
	–	–	–	–
Balance cash flows from investment transactions		–	–	
Cash-flow from investment activities				
Participations in affiliated companies	–	–	–	–
Intangible non-current assets	–	–	–	–
Fixed assets	–	853	–	–
	–	853	–	–
Balance cash flows from investment transactions	–	853	–	
Cash flows from banking operations				
Medium- and long-term operations (more than one year)				
Due to banks	–	–	–	–
Savings deposits	–	–	–	–
Other liabilities	–	–	–	–
Due from banks	–	–	–	–
Due from clients	–	–	–	–
Due from clients (excl. mortgages)	–	4,522	–	–
Mortgages	600	–	530	–
Other assets	–	–	–	–
	600	4,522	530	–
Balance medium- and long-term operations (more than one year)	–	3,922	530	
Short-term operations				
Due to banks	–	26,401	24,148	–
Due to clients	161,546	–	–	3,917
Other liabilities	–	105	4,055	–
Due from banks	–	84,936	–	32,379
Due from clients (excl. mortgages)	–	61,223	–	1,828
Mortgages	–	550	–	–
Other assets	621	–	–	4,191
	162,167	173,215	28,203	42,315
Balance short-term operations	–	11,048	–	14,112
	–	–	–	–

	Year under review	Year under review	Preceding year	Preceding year
	Source of funds	Application of funds	Source of funds	Application of funds
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Balance cash flow from banking operations	-	11,048	14,112	-
Liquidity	7,900	15,823	15,643	14,112
Change in liquidity		7,923	1,531	

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Notes to the financial statements – EFG Bank von Ernst

1. Comments on Business Activities

Introduction

EFG Bank von Ernst AG operates in the fields of investment advice and wealth management. The individual lines of business can be described as follows:

Investment Advice and Asset Management

The principal activity of EFG Bank von Ernst AG is providing private and institutional clients with investment advice and asset management solutions. We offer our clients the guarantee that in recommending investments, we are representing solely their interests. As clients of EFG Bank von Ernst AG, our clients have access to the entire office network of the EFG International Group.

Trading

The Bank's trading activities are oriented exclusively towards client transactions. A conscious decision has been taken not to hold any of our own positions. As a consequence, the Bank did not have to make any value adjustments and/or write-downs on holdings. Trading and derivative business is executed with top-rated counterparties and preferably via our parent company, thus the resulting exposure is very low.

Lending

Lending is conducted solely in connection with regular clients on a covered basis. For the most part, the Bank grants Lombard loans. Our cautious credit policy, careful credit analysis and close credit monitoring meant that no losses were incurred.

Risk Management

Credit and market risk positions are subject to internal limits, and compliance with these limits is monitored continuously. We counter operational risk by applying defined processes, clearly described duties and responsibilities, and internal control systems. The Bank sets itself very strict benchmarks and has consciously opted for a low risk profile in order to concentrate its services fully on client business.

Credit and Counterparty Risks

Lending is conducted solely in connection with regular clients on a collateral basis. As a general rule, we exclusively accept readily realisable assets as collateral, taking into account appropriate safety margins.

Risk of Interest Rate Fluctuations

The risk of interest rate fluctuations is determined and monitored on a periodic basis. The lending and deposit businesses are broadly similar in maturity structure; therefore, the risk attached to interest rate fluctuations can be regarded as insignificant.

Other Market Risks

EFG Bank von Ernst AG holds only modest foreign exchange positions in order to satisfy its clients' requirements. Where possible, the Bank refrains from holding its own currency positions.

Liquidity Risks

Liquidity risks are subject to ongoing monitoring, assessment and control in accordance with internal provisions and with the provisions of banking legislation.

Operating and Legal Risks

Legal advisors – Group legal services and external lawyers – are consulted where necessary.

Disclosure Requirements

The parent company is subject to the disclosure requirements according to Regulation (EU) No. 575/2013. The respective, current information, at consolidated level, is available at www.efginternational.com.

Remuneration Policy

The remuneration policy of EFG Bank von Ernst AG is stipulated by the Remuneration Committee of EFG International. Salary adjustments and bonus payments require the prior approval of the Bank's Board of Directors. EFG International has an employee stock option programme. The Remuneration Committee decides if parts of variable remuneration are to be paid out in the form of temporarily blocked shares of EFG International.

2. Principles of accounting and valuation

Accounting, valuation and presentation are governed by the provisions of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht, PGR), the Liechtenstein Banking Act (Bankengesetz) and its related ordinance, and any guidelines on financial reporting requirements that are issued by the Financial Market Authority Liechtenstein (FMA).

Recording and Balance Sheet Entries

All business transactions are entered into the Bank's Accounts at the date on which they are concluded. From that point on, they are valued according to the principles set out below.

General Valuation Principles

The most important valuation principles can be summarised as follows:

• Liquid assets, liabilities

These are stated at their nominal value.

• Due from banks and clients, mortgages

Amounts due from banks and clients are recorded on the balance sheet at their nominal values less any applicable valuation adjustments. An amount due is considered to be value impaired when there is a probability that the total contractually owed amount is no longer recoverable.

A valuation adjustment for due from clients is recorded on the balance sheet as a downgrade of the carrying value of the amount due to its probable realisable value. In contrast, provisions for credit risks are created for off-balance sheet items. In addition to individual valuation adjustments, the Bank creates lump-sum individual valuation adjustments as well as lump-sum valuation adjustments to cover latent credit risks.

• Fixed assets

These are stated at their acquisition cost, less planned straight-line depreciation over a prudent estimate of the useful life of assets. The useful life of installations in fixed assets (third-party properties, furniture and equipment) is 10 years.

• Valuation adjustments and provisions

Valuation adjustments and provisions are established to reflect identifiable risks, as dictated by the principle of prudence. Individual and lump-sum valuation adjustments for receivables from banks and clients as well as mortgage receivables are deducted directly from the corresponding asset item. Provisions can be raised for receivables subject to a risk as dictated by the principle of prudence.

• Taxes

Taxes are calculated and recorded on the basis of the events of the year under review.

• Foreign currencies

Assets and liabilities in foreign currencies are converted at the exchange rates on the balance sheet date (EUR 0.94120 / USD 0.90596), (2023: EUR 0.93245 / USD 0.84535).

• Derivative financial instruments

Forward foreign exchange positions are stated at the prices which apply to their term to maturity. Trading positions in other derivatives which have a representative market are shown at market value. Where there is no representative market, positions are valued at the lower of acquisition cost or market value. As in the preceding year, no hedging transactions or netting agreements were entered into during the year under review.

Provisions for general banking risks

Provisions for general banking risks are prudently established reserves to cover latent risks arising from the normal course of business of the bank. As required by the prescriptions governing financial statement reporting, they are shown as a separate item on the balance sheet. Changes thereto are disclosed separately on the income statement.

Changes on accounting and valuation principles

On year under review, the Bank changed its accounting and valuation principle to value financial instruments and introduced the Group-wide used expected credit loss model which is described on "Due from banks and clients, mortgages" on page 18.

Notes to the financial statements – EFG Bank von Ernst

3. Overview of collateral in balances due from banks, lending and off-balance-sheet transactions

		Mortgage collateral CHF 1,000	Other collateral CHF 1,000	Without collateral CHF 1,000	Total CHF 1,000
Due from banks					
Due from banks*		–	259,956	175	260,131
	Year under review	–	259,956	175	260,131
	Preceding year	–	174,854	341	175,195
Loans					
Due from clients (excluding mortgages)**		–	99,972	2,554	102,526
Mortgages (residential properties)		550	–	–	550
	Year under review	550	99,972	2,554	103,076
	Preceding year	600	36,345	524	37,469
Off-Balance-sheet					
Contingent liabilities		–	1,083	–	1,083
Unconditional loan commitment		115	–	–	115
	Year under review	115	1,083	–	1,198
	Preceding year	115	1,213	–	1,328

*Receivables from affiliated companies of CHF 260,613k (bank receivables of CHF 259,954k plus accrued interest of CHF 659k) are collateralized by a widely diversified bond portfolio with a market value of CHF 255,654k. The deposited portfolio consists of safe to very safe investments with a minimum rating of A- or higher. For the classification of the rating classes, the bank relies on recognized rating agencies (Standard & Poor's Global Ratings).

**In the year under review, we have one value-impaired loan with gross debit amount of CHF 190k, an estimated liquidation value of collateral of CHF 23k and an individual valuation adjustment of CHF 75k. In the preceding year, we have no value-impaired loan.

4. Participations in affiliated companies

There are no investments in associated companies.

5. Schedule of non-current assets

	Initial value CHF 1,000	Accumulated depreciation/ write-offs CHF 1,000	Book value end of prior year CHF 1,000	Investments CHF1,000	Disposals CHF1,000	Depreciation/ write-offs CHF1,000	Book value end of year under review CHF 1,000
Intangible non-current assets	-	-	-	-	-	-	-
Total intangible non-current assets	-	-	-	-	-	-	-
Tangible assets	-	-	-	853	-	(19)	834
Total fixed assets	-	-	-	853	-	(19)	834
Fire insurance value of fixed assets							1,200
							Year under review
							Preceding year
							901

The Bank has additionally future obligation for operations leasing. The Future minimum commitments from operating leasing agreements for real estate is KCHF 878 for the year under review (Prior year: KCHF 176)

6. Pledged or assigned assets and assets subject to retention of title

	Year under review CHF 1,000	Preceding year CHF 1,000
Book value of assets pledged and ceded (assigned as collateral)	-	-
Actual liabilities	-	-
Commitments to own pension fund	-	-
Outstanding bond issue	-	-

Notes to the financial statements – EFG Bank von Ernst

7. Other assets and liabilities

	Year under review CHF 1,000	Preceding year CHF 1,000
Positive replacement values	9,218	10,024
VAT	175	-
Other items	22	12
Total other assets	9,415	10,036
Negative replacement values	9,427	9,606
Other items	138	64
Total other liabilities	9,565	9,670

8. Value adjustments and provisions

	Balance end of prior year CHF 1,000	Utilisation in conformity with purpose CHF 1,000	Recoveries, overdue interest, currency differences CHF 1,000	New creations charged to income statement CHF 1,000	Write-backs in favour of income statement CHF 1,000	Balance end of year under review CHF 1,000
Valuation adjustments for default risks						
- Individual valuation adjustments	-	-	-	75	-	75
- Individual valuation allowances made on lump- sum basis	-	-	-	13	-	13
- Lump-sum valuation allowances	-	-	-	-	-	-
Provisions for contingent liabilities and credit risks	-	-	-	-	-	-
Provisions for taxes and deferred taxes	2,278	(1,852)	-	2,942	-	3,368
Other provisions	650	(418)	-	-	-	232
Total valuation allowances and provisions	2,928	(2,270)	-	3,030	-	3,688
minus: valuation allowances	-	-	-	-	-	-
Total valuation allowances and provisions	2,928	(2,270)	-	3,030	-	3,688
Provision for general banking risks	400	-	-	2,000	-	2,400

9. Share capital

	Year under review			Preceding year		
	Total nominal value	Number of units	Dividend-bearing capital	Total nominal value	Number of units	Dividend-bearing capital
	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000	CHF 1,000
Share capital	25,000	250,000	25,000	25,000	250,000	25,000

Significant shareholders

Direct (with voting rights)	Nominal	Proportion	Nominal	Proportion
	CHF 1,000	in %	CHF 1,000	in %
EFG International AG (listed on SIX) CH-Zurich	25,000	100	25,000	100

10. Statement of changes in equity

	CHF1,000
Shareholder's equity at beginning of the year under review	
Subscribed and paid-up capital	25,000
Legal reserves	3,442
Provision for general banking risks	400
Retained earnings at end of period	19,659
Total shareholders' equity at beginning of the year under review	48,501
Change in provisions for general banking risks	2,000
Dividends	(12,000)
Net income/loss (-) for the financial year	15,116
Total shareholders' equity at end of the year under review (before profit distribution)	53,617
Of which	
Subscribed and paid-up capital	25,000
Legal reserves	4,062
Provisions for general banking risks	2,400
Retained earnings at end of period	22,155

Notes to the financial statements – EFG Bank von Ernst

11. Maturity structure of assets, liabilities and provisions

	At sight CHF 1,000	Redeemable by notice CHF 1,000	Maturity within 3 months CHF 1,000	Maturity within 3 to 12 months CHF 1,000	Maturity within 12 months to 5 years CHF 1,000	Maturity after 5 years CHF 1,000	Non- redeemable CHF 1,000	Total CHF 1,000
Assets								
Cash	50,600	–	–	–	–	–	–	50,600
Due from banks	101,122	124,843	34,166	–	–	–	–	260,131
Due from clients	–	24,229	71,837	7,010	–	–	–	103,076
Other assets	–	–	9,234	2,378	–	–	–	11,612
Total assets	151,722	149,072	115,237	9,388	–	–	–	425,419
Preceding year	188,842	5,524	72,568	15,774	–	–	–	282,708
Liabilities								
Due to banks	–	–	–	–	–	–	–	–
Due to clients	313,619	–	40,977	–	–	–	–	354,596
<i>of which:</i> <i>other</i> <i>amounts due</i> <i>to clients</i>	313,619	–	40,977	–	–	–	–	354,596
Provisions*	–	–	–	3,600	–	–	–	3,600
Other liabilities	–	–	2,581	11,025	–	–	–	13,606
Total liabilities and provisions	313,619	–	43,558	14,625	–	–	–	371,802
Preceding year	195,489	–	33,910	4,779	29	–	–	234,207

*excl. provision for general banking risks

12. Amounts due from and due to major shareholders and affiliated companies, as well as loans and exposures to the members of the Bank's governing bodies

	Year under review CHF 1,000	Preceding year CHF 1,000
Due from major shareholders and affiliated companies	259,956	181,637
Due to major shareholders and affiliated companies	-	30,767
Loan to members of the Bank's governing bodies	418	1,457

All amounts due from and due to major shareholders and affiliated companies as well as loans and exposures to the members of the Bank's governing bodies are subject to the preferential terms customary in the banking sector.

Transactions with significant shareholders are exercised in the context of existing Service Level Agreements.

13. Assets and liabilities in foreign currency

	EUR CHF 1,000	USD CHF 1,000	PLN CHF 1,000	Other currencies CHF 1,000	Total CHF 1,000
Assets	20,514	142,287	14,015	144,327	321,143
Liabilities	91,060	71,435	13,884	144,202	320,581
Net position year under review	(70,546)	70,852	131	125	562
Preceding year	115	(75)	10	88	138

14. Analysis of contingent liabilities

	Year under review CHF 1,000	Preceding year CHF 1,000
Credit guarantees and similar	1,083	1,213
Total contingent liabilities	1,083	1,213

Notes to the financial statements – EFG Bank von Ernst

15. Outstanding derivative instruments

	Positive replacement values CHF 1,000	Negative replacement values CHF 1,000	Contract volume CHF 1,000
Foreign exchange/precious metals			
Forward contracts	9,207	9,416	666,525
Options (OTC)	11	11	36,742
Total year under review	9,218	9,427	703,267
Preceding year	10,025	9,605	834,002

As in the preceding year, no hedging transactions or netting agreements were entered into during the year under review.

16. Analysis of fiduciary transactions

	Year under review CHF 1,000	Preceding year CHF 1,000
Fiduciary transactions		
- Fiduciary placements with third-party banks	-	-
- Fiduciary transactions with affiliated banks	70,603	127,938
Total Fiduciary transactions	70,603	127,938

17. Analysis of assets under management

	Year under review CHF 1,000	Preceding year CHF 1,000
Type of client assets		
Assets in funds managed in-house (investment companies)	-	-
Assets under as portfolio management agreement	27,415	31,599
Other client assets	1,242,805	1,046,210
Total client assets (incl. double-counts)	1,270,220	1,077,809
Of which double counts	-	-

The bond portfolio mentioned under “Overview of collateral for bank receivables, loans and off-balance-sheet transactions”, used to collateralize receivables from banks from affiliated companies in the amount of CHF 255.7 millions is not included in the customer assets shown here.

*The fund services assets amounting to CHF 169.9 million (2023: 137.9 million) is reclassified from assets under management (other client assets) to custody assets. Prior year figures are not adjusted. The total custody assets are CHF 268.2 million (2023: CHF 91.3 million).

18. Refinancing income under “Interest income”

The bank did not use this option in either the current or preceding year.

19. Analysis of results from trading transactions

	Year under review CHF 1,000	Preceding year CHF 1,000
Results from trading transactions		
- Clients revenue from currency and metal transactions	17,221	11,920
- Securities transactions	-	-
Total trading income	17,221	11,920

20. Analysis of personnel expenses

	Year under review CHF 1,000	Preceding year CHF 1,000
Personnel expenses		
- Wages and salaries	3,985	2,499
- Fringe benefits and expenditure on pensions and financial support	674	465
<i>of which: pensions</i>	275	191
- Other personnel expenses	245	89
Total personnel expenses	4,904	3,053

Pursuant to Article 1092(9)(d) of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht, PGR), the remuneration paid to the Executive Board is not

disclosed. The Board of Directors is appointed by EFG International AG.

Notes to the financial statements – EFG Bank von Ernst

21. Analysis of general and administrative expenses

	Year under review CHF 1,000	Preceding year CHF 1,000
General and administrative expenses		
- Cost of premises	247	550
- Expenses for IT, machinery, furniture, vehicles and other fixtures	1,500	1,275
- Other operating expenses	1,747	1,459
Total general and administrative expenses	3,494	3,284

In the preceding year, provisions amounting to CHF 550k were formed in view of the merger of the Bank's two locations in Vaduz and Schaan into a new, single location in Vaduz. The provisions amounting to CHF 550k were allocated

to the general and administrative expenses (cost of premises and other operating expenses). In the year under review, CHF 318k of that provision was utilized in accordance with its purpose.

22. Fee of the auditor

	Year under review CHF 1,000	Preceding year CHF 1,000
Audit of annual financial statements (annual audit)	48	33
Regulatory audits*	189	132
Total	237	165

* The 2024 supervisory audits include the following services

- Supervisory audit pursuant to Art. 37 et seq. of the Banking Act (incl. audit of the additional audit areas/risk types or audit fields)
- SNB audit: audit to obtain limited assurance on the minimum reserve reports to be submitted to the Swiss National Bank as well as the minimum reserve reports as well as statistical reports - report on compliance with the

information and of the minimum reserve requirements pursuant to Art. 22 National Bank Act (NBA) and Art. 40 National Bank Ordinance (NBA).

- Supervisory audits on the activities as a depositary in accordance with fund legislation and audit directive 2022/1 (Art. 51 IUA and Art. 110 AIFMG)
- Audit to obtain limited assurance on compliance with the shareholder protection requirements according to Art. 367b PGR to Art. 367f PGR

23. Analysis of the return on investment

	Year under review in %	Preceding year in %
Calculated as the quotient of the annual gain and the balance sheet total	3.60	4.30

Auditor's report

Report of the statutory auditor to the General Meeting of EFG Bank AG

Vaduz

Report of the statutory auditor on the financial statements

Opinion

We have audited the financial statements of EFG Bank von Ernst AG ('the Company'), which comprise the balance sheet as at 31 December 2024, the income statement and statement of cash flows for the year then ended and the notes to the financial statements, including a summary of significant accounting principles.

In our opinion, the financial statements (pages 12 to 28) give a true and fair view of the financial position of the Company as at 31 December 2024 and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for Opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We are independent of the Company in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall materiality: CHF 530'000



We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the entity, the accounting processes and controls, and the industry in which the entity operates.

We have no key audit matters to report.

Materiality

The scope of our audit was influenced by our application of materiality. Our audit opinion aims to provide reasonable assurance that the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

On the basis of our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Overall materiality	CHF 530'000
Benchmark used	Common Equity Tier 1 (CET1)
Rationale for the materiality benchmark applied	We chose CET1 (Equity incl. provision for general banking risks) as the benchmark for determining materiality because, in our view, it is the benchmark against which the solidity of EFG Bank von Ernst AG is most commonly measured. In addition, equity is a generally accepted benchmark for materiality considerations.

Audit Scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we considered where subjective judgements were made; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Reporting on Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have no key audit matters to report.

Other Information in the Annual Report

The Board of Directors is responsible for the other information in the annual report. The other information comprises that information included in the annual report, but does not include the financial statements, the management report and our auditor's reports thereon.

Our opinion on the financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit, we have the responsibility to read the other information and to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, on the basis of our work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Statutory auditor's report

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with the requirements of law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors intends either to liquidate the entity or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that a year-end audit conducted in accordance with Liechtenstein law and ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Other Regulatory Requirements

Other Disclosures according to Art. 10 of Regulation (EU) No. 537/2014

We were elected as statutory auditors by the General Meeting on 12 April 2024. We have been the statutory auditors of the Company without interruption since the financial year ending 31 December 2006.

We declare that the opinions contained in this report of the statutory auditors accord with the additional report to the Board of Directors in accordance with art. 11 of Regulation (EU) No 537/2014.

Further, we declare that no prohibited non-audit services pursuant to Article 5 in accordance with Article 10 para. 2 lit. f Regulation (EU) No. 537/2014 Article 5 para. 1 Regulation (EU) No. 537/2014 were provided.

Further Confirmations according to Art. 196 PGR

The accompanying management report (pages 6 to 8) has been prepared in accordance with the applicable legal requirements, is consistent with the financial statements and, in our opinion, based on the knowledge obtained in the audit of the financial statements and our understanding of the Company and its environment does not contain any material misstatement.

We further confirm that the financial statements and the proposed allocation of retained earnings comply with Liechtenstein law and the articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG



Claudio Tettamanti
Liechtenstein Certified Public Accountant
Auditor in charge



Flurin Capaul
Liechtenstein Certified Public Accountant

St. Gallen, 27 March 2025

Contact

EFG Bank Von Ernst AG

Äulestrasse 30

9490 Vaduz

Liechtenstein

Phone +423 265 53 53

www.efgbankvonernst.com

Legal Structure

Joint-stock company

Registered office

Vaduz

Public register entry number

1.548.708-4

