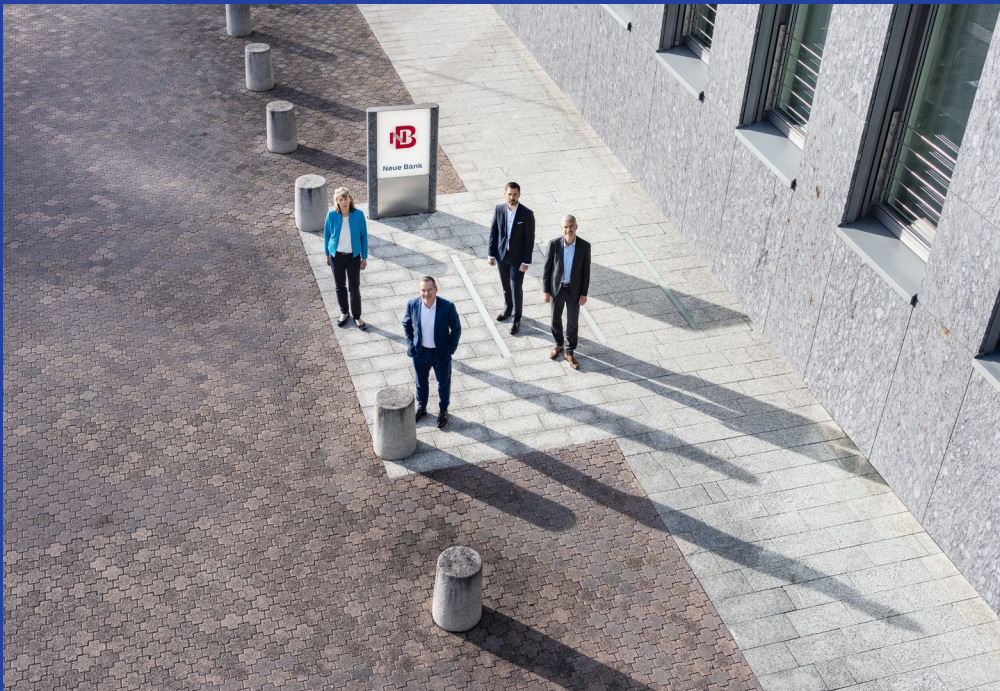


Visions

Review of Business Activities 2022



Neue
Bank



Board of Directors

Mag. Damian Wille, Member

Lic. iur. Marc Sola, Member

Prof. Dr. Manuel Ammann, Chairman

Willy Bürzle, Member

Dr. Ernst Walch, Vice Chairman

Executive Committee

Lic. oec. Claudia Jehle-Ospelt

Marcel Lüchinger, CEO

Thomas Hemmerle

Dr. Reinhard Malin

from left

Governing Bodies and Auditors

Board of Directors

Prof. Dr. Manuel Ammann, Niederteufen *Chairman*

Dr. iur. Ernst Walch, Planken *Vice Chairman*

Willy Bürzle, Balzers *Member*

Lic. iur. Marc-André Sola, Dubai *Member*

Mag. rer. soc. oec. Damian Wille, Vaduz *Member*

Honorary Chairman of the Board of Directors Lic. oec. Karlheinz Ospelt, Vaduz

Honorary Chairman of the Board of Directors Georg Vogt, Balzers

Honorary Member of the Board of Directors Jost Pilgrim, Schaan

Executive Committee

Marcel Lüchinger (CEO) *Products / Operations*

Thomas Hemmerle *Wealth Management*

Lic. oec. Claudia Jehle-Ospelt *Finance / Services*

Dr. iur. Mag. rer. soc. oec. Reinhard Malin *Legal / Tax*

Auditors KPMG (Liechtenstein) AG, Vaduz

Report of the Board of Directors and the Executive Committee

Dear Shareholders
Dear Madam, dear Sir

From the very beginning, Neue Bank wanted more. More openness, more vision, more value. Our history is motivated by the desire to progress continuously. To remain open to new things. In 1992, Neue Bank's founders pursued a vision, breaking new, more personal ground in client advisory services and wealth development. Today, this boutique character still distinguishes us. It is very important to us to ensure the highest quality and to put our closeness to clients into practice. We implement client-focused solutions quickly and sustainably. With this approach, we have firmly established ourselves as an integral part of the Liechtenstein financial centre and far beyond.

We combine our closeness to clients with state-of-the-art financial services, while maintaining a close and durable connection to our Liechtenstein location. Because Neue Bank means personal service. Respectful, customised, and forward-looking. Our vision is to continue to consistently pursue this boutique approach. Once again in 2022, we were able to successfully implement it. Despite the difficult environment, we succeeded in achieving a very gratifying business result.

Excellent result

We faced major operational challenges last year: 2022 was overshadowed by the war in Ukraine, combined with the economic challenge of rising interest rates for the first time in a long time, putting both bond and equity prices under pressure. At the same time, this normalisation of interest rates had a positive impact on our interest margin, so that – despite the adverse circumstances – we were able to increase our profit to an impressive CHF 8.8 million. We also benefited from a further inflow of net new funds in the amount of CHF 166.9 million. Neue Bank's result is accordingly 15% above the level of the previous year, and also above our budgeted target. Due to the falling prices on the markets, assets under management fell slightly below the CHF 6 billion mark, reaching CHF 5.8 billion at the end of December – CHF 679 million lower than the previous year.

Thanks to the positive result, the Board of Directors proposes to the General Meeting to adopt a dividend of 17% on share capital and an allocation of CHF 1.9 million to other reserves. Subject to approval by the General Meeting, the equity capital of Neue Bank will reach CHF 143.3 million. The bank's Tier 1 ratio of 29.5% represents a capital base far above the regulatory requirements, guaranteeing a high level of security and stability.

Change in the Executive Committee

In December 2022, Reinhard Malin decided to pursue new challenges in his career. He will be leaving the bank effective 30 June 2023, but will continue to serve us as an advisor. Reinhard Malin has worked for Neue Bank since 2008, and since 2016 as a Member of the Executive Committee, playing a key role in advancing the development of Compliance and Legal. We would like to thank Reinhard Malin for his great dedication to the company and wish him all the best for the future.

Stefan Tschopp will succeed Reinhard Malin on the Executive Committee effective 1 April 2023, responsible for Legal/Tax. Stefan Tschopp began his career in risk and compliance at major Swiss banks and has worked for many years as head of risk and compliance for several Liechtenstein banks. Most recently, he served in the Executive Management of Neue Privat Bank AG as Head of Legal & Compliance. Neue Bank is pleased to welcome Stefan Tschopp, a proven expert in legal, risk, and compliance with many years of management experience.

Focus on personal client relationships

Technological progress is advancing rapidly, requiring Neue Bank to combine the digital and analogue worlds in a sensible way and to design a hybrid business model. Digitalisation and the pandemic demonstrated the importance of this hybrid approach to business models, but also to client relationships. Client interactions in particular took place almost entirely digitally in recent years. Clients switched to digital channels with hardly any problems. Nevertheless, personal contact with advisors remains crucial for our clients, because portfolio management is a matter of trust. So while our advisors take advantage of the full range of digital opportunities, they do not neglect direct contact. The needs of our clients are always the focus of our attention at Neue Bank.



“We combine our closeness to clients with state-of-the-art financial services, while maintaining a close and durable connection to our Liechtenstein location.”

Attractive employer

Neue Bank strives to further enhance its attractiveness as an employer. Working from home and flexible work solutions are important approaches to changing our everyday working lives, requiring intelligent adjustments to our office concept. Expertise in new technologies must be established, and a networked, cross-departmental vision of work must be promoted. We are approaching these transformations with a clear focus, and we believe it is important to involve our employees and to give them leeway in shaping these changes themselves. To do justice to the rapidly changing environment, we provide our employees with targeted support so that they can flourish at Neue Bank in the best possible way and continue to contribute to Neue Bank's successful further development.

Outlook

The market environment is still challenging. Factors such as the geopolitical uncertainty – especially due to the war in Ukraine – and the associated volatility on the financial markets, high inflation, and rising interest rates are creating challenges on the markets and will have an impact on economic development in the coming months. Nevertheless, we are confident about the future. We can build on a solid foundation and pursue a clear, future-oriented strategy focused on our core competencies: customised investment advice and portfolio management for private clients and high-quality custodian bank services for financial intermediaries.

Thanks to clients, shareholders, and employees

So that we can continue to pursue our vision, we build on the loyalty of our clients and the trust of our shareholders. We would like to express our sincere gratitude for your strong commitment to Neue Bank. Special thanks go to our employees, without whose tireless efforts our gratifying result in 2022 would not have been possible. Together, we can look back on a year that fills us with joy and pride – and at the same time, we can look to the future with optimism and motivation.

Vaduz, February 2023



Prof. Dr. Manuel Ammann
President of the Board of Directors



Marcel Lüchinger
CEO



“We can build on a solid foundation and pursue a clear, future-oriented strategy.”

Statement of Assets and Liabilities as at December 31, 2022

Assets

in thousands CHF	31.12.22	31.12.21	Change absolute	Change in %
Liquid Funds	188'494	440'552	-252'058	-57.2
Due from Banks	404'338	249'889	154'449	61.8
a) on demand	187'008	41'027	145'981	355.8
b) other claims	217'330	208'862	8'468	4.1
Due from clients	357'732	368'207	-10'475	-2.8
of which mortgages	257'839	248'358	9'481	3.8
Bonds and other fixed interest securities	211'350	142'105	69'245	48.7
a) money market instruments	31'062	36'564	-5'502	-15.0
aa) of public authority issuers	31'062	36'564	-5'502	-15.0
b) bonds	180'288	105'541	74'747	70.8
aa) of public authority issuers	17'591	9'516	8'075	84.9
bb) of other issuers	162'697	96'025	66'672	69.4
Shares and other non-fixed interest securities	4'313	5'324	-1'011	-19.0
Intangible assets	0	5	-5	-100.0
Fixed assets	20'268	20'137	131	0.7
Other assets	8'322	8'960	-638	-7.1
Accrued and deferred items	3'549	1'883	1'666	88.5
Total assets	1'198'366	1'237'062	-38'696	-3.1

Liabilities

in thousands CHF	31.12.22	31.12.21	Change absolute	Change in %
Due to banks	47'010	27'528	19'482	70.8
a) on demand	44'277	21'502	22'775	105.9
b) with agreed maturity or period of notice	2'733	6'026	-3'293	-54.6
Due to clients	984'833	1'043'560	-58'727	-5.6
a) other liabilities	984'833	1'043'560	-58'727	-5.6
aa) on demand	647'148	1'036'773	-389'625	-37.6
bb) with agreed maturity or period of notice	337'685	6'787	330'898	n.a.
Certified liabilities	1'400	175	1'225	n.a.
of which medium term notes	1'400	175	1'225	n.a.
Other liabilities	10'051	13'832	-3'781	-27.3
Accrued and deferred items	2'530	2'123	407	19.2
Provisions	2'417	2'088	329	15.8
a) tax provisions	2'317	2'028	289	14.3
b) other provisions	100	60	40	66.7
Provisions for general banking risks	15'980	15'980	0	0.0
Capital subscribed	40'000	40'000	0	0.0
Capital surplus	85'254	84'054	1'200	1.4
a) legal reserves	8'000	8'000	0	0.0
b) other reserves	77'254	76'054	1'200	1.6
Surplus carried forward	122	98	24	24.5
Net income	8'769	7'624	1'145	15.0
Total liabilities	1'198'366	1'237'062	-38'696	-3.1

Off balance sheet transactions

in thousands CHF	31.12.22	31.12.21	Change absolute	Change in %
Contingent liabilities	10'860	10'283	577	5.6
of which liabilities arising from guarantees and performance contracts as well as liabilities arising from collateralizations	10'860	10'283	577	5.6
Credit risks	1'980	750	1'230	164.0
of which irrevocable commitments	1'980	750	1'230	164.0
Derivative financial instruments				
- volume of contracts	1'170'022	1'555'402	-385'380	-24.8
- positive replacement values	7'560	8'857	-1'297	-14.6
- negative replacement values	8'814	11'860	-3'046	-25.7
Fiduciary transactions	403'502	279'679	123'823	44.3

Income statement from 2022

in thousands CHF	2022	2021	Change absolute	Change in %
Interest income				
Interest earned	10'222	3'703	6'519	176.0
of which from fixed interest securities	2'110	1'041	1'069	102.7
Interest paid	-1'811	729	-2'540	-348.4
Net interest income	8'411	4'432	3'979	89.8
Income from securities	37	31	6	19.4
a) shares and other non-fixed interest securities	37	31	6	19.4
of which from trading activities	16	21	-5	-23.8
Commission and fee income				
Commission and fee income	18'707	21'274	-2'567	-12.1
a) loan related commission income	97	84	13	15.5
b) securities and investment related income	17'071	19'675	-2'604	-13.2
c) other commission and fee income	1'539	1'515	24	1.6
Commission paid	-2'193	-2'578	385	-14.9
Net commission and fee income	16'514	18'696	-2'182	-11.7
Income from financial transactions	5'375	5'700	-325	-5.7
of which from trading activities	5'680	5'529	151	2.7
Other ordinary income	2'359	150	2'209	n.a.
a) income from real estate	59	59	0	0.0
b) other ordinary income	2'300	91	2'209	n.a.
Business expenses	-20'954	-19'058	-1'896	9.9
a) personnel expenses	-13'268	-12'682	-586	4.6
of which:				
aa) salaries	-10'968	-10'580	-388	3.7
bb) social levies and pension contribution	-2'084	-1'906	-178	9.3
of which for pension contributions	-1'179	-1'151	-28	2.4
b) administrative expenses	-7'686	-6'376	-1'310	20.5
Gross operating profit	11'742	9'951	1'791	18.0
Amortisation of intangible assets and depreciation of fixed assets	-804	-698	-106	15.2
Other ordinary expenses	-241	-801	560	-69.9
Allowance for impaired receivables and additions to provisions for contingent liabilities and credit risks	-904	-97	-807	n.a.
Result of ordinary operations	9'793	8'355	1'438	17.2
Income taxes	-1'024	-731	-293	40.1
Net profit	8'769	7'624	1'145	15.0

Distribution of available earnings 2022

Proposal of the Board of Directors to the ordinary General Meeting of Shareholders on April 28, 2023

2022

The Board of Directors proposes to the General Meeting to appropriate available earnings for fiscal 2022 consisting of:

Net profit	CHF 8'768'718.75
Carry-forward	CHF 122'662.13
Total	CHF 8'891'380.88

as follows:

Distribution of a dividend of 17%	CHF 6'800'000.00
Allocation to other reserves	CHF 1'900'000.00
Carry-forward to the new fiscal year	CHF 191'380.88

Significant shareholders and groups of shareholders linked by voting rights

in thousands CHF	31.12.22		31.12.21	
	nominal	voting share in %	nominal	voting share in %
with voting right				
Hermann Wille Family Foundation	12'421	33.8	12'421	33.8
Julia Pilgrim	1'879	9.3	2'179	10.3
Elmar Bürzle	1'700	8.2	1'700	8.2
Fanama Foundation	1'670	8.2	1'670	8.2
Dylai Foundation	3'228	6.2	3'228	6.2

The statutory auditors issued an unqualified audit opinion on the Annual Report 2022, established in accordance with Liechtenstein Banking Law and Regulations. The complete German language Annual Report 2022 will be filed in the Office of Justice of Liechtenstein (Number FL-1.502.960).

**“Vision without
action is a daydream.
Action without vision
is a nightmare.”**

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