

Paul Arni · CEO · May 2021

VP Bank – **Seize opportunities**

The story behind the equity



Our clients benefit from wealth management opportunities in a changing world

VP Bank builds on many years of **experience** and strength in rendering services to **professional financial service providers**. On the basis of this specialised knowledge and VP Bank's excellent network, we develop **tailor-made financial solutions** for **intermediaries'** and **private clients'** needs.



VP Bank becomes an international open wealth service pioneer



VP Bank – Your experienced wealth management service partner

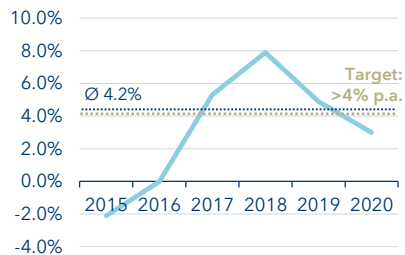


Our footprint

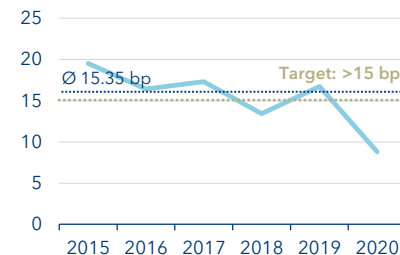
- Leading wealth management service partner in Liechtenstein
- Unique expertise and focus on intermediaries and private clients
- Highly responsive to client needs with direct access to management
- International presence – five locations in dynamic financial centres
- Fund competence centres in Liechtenstein and Luxembourg
- Proven track record as a basis for further profitable growth
- Strong balance sheet and capitalisation (Tier 1 ratio >20%)
- Excellent rating (S&P Rating A)
- Attractive and stable dividend
- Stable shareholder base ensuring continuity and independence

Historical comparison of our financial targets 2026

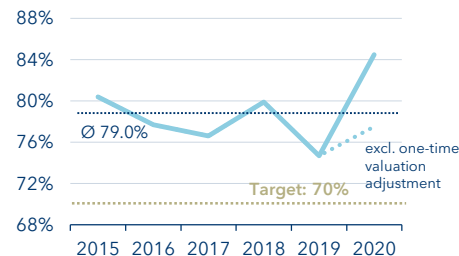
Net new money (in % of AuM)



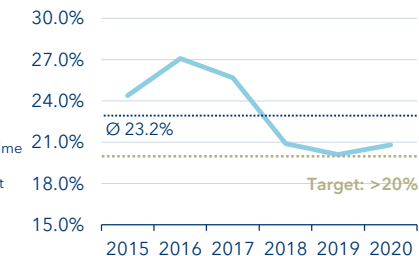
Profit margin (in bp of AuM)



Cost / income ratio¹⁾



Tier 1 ratio



1) total operating expenses / total operating income

Our heritage and experience provide a strong basis for adapting to and exploring emerging industry trends ...

We **evolve** and **scale** our business ...



Wealthy individuals, a **growing demographic** (+9% in 2019¹⁾), continue to seek a **trusted wealth management partner**



Wealthy individuals require **personalised advice**, supported by **seamless digital customer journey** (71% prefer multichannel interaction²⁾)



Increasing **regulatory requirements**



A sound balance sheet and solid **capitalisation** are vital to maintain confidence and develop qualitative, sustainable growth



Standard services being **commoditised** and dominated by players with **E2E digitised processes** (EU private banks -23 basis points [bps] since 2007³⁾)

... based on our **key expertise, network and strengths:**

Capital
Efficiency
Smart growth
Innovation

... and **seize** new **opportunities** ...

API-zation drives ecosystems and leads to greater **specialisation and disintegrated value chains** (fintech investments +22% p.a. since 2014⁴⁾)



Data analytics and AI offer better understanding of customer needs



Digitisation will allow us to offer even more **personalised client** services



Shifts into new asset classes makes tokenisation bankable (USD 3.1 bn in blockchain investments⁵⁾)



ESG purpose investing is top of the agenda (ESG AuM growth 2018 to 2019 +440%⁶⁾)



1) Source: Capgemini - Growth HNWIs with investable assets > USD 1 mn.

2) Source: McKinsey - 71% of private banking clients prefer multichannel interaction.

3) Source: McKinsey.

4) Source: KPMG.

5) Source: CB INSIGHTS - USD 3.1 bn of funding for companies in the blockchain space in 2019.

6) Source: KPMG.

... captured in the four main pillars of our Strategy 2026



Financial foundation – Good operating performance and solid capital based on 2020



Net income
before valuation
adjustments
CHF 61.0 million

CHF 66.8 million
in 2019

**Lower USD interest
rates, reduced costs**

Group net
income
CHF 41.6 million

CHF 73.5 million
in 2019

**Impacted by the
valuation adjustment of
one individual position
in the loan portfolio**

Cost / income
ratio
69.3%

67.6% in the previous
year



Net new money
inflow
CHF 1.4 billion

CHF 2.1 billion in 2019

**Continued good
inflow in a
challenging market
environment**



Stable
key balance
sheet figures

Tier 1 ratio
20.8%

20.1% in 2019

**Very good
equity base**

Rating:
Standard & Poor's
A/Negative/A-1

**Confirmed as of
17 July 2020, outlook
reduced to negative**

International open wealth service pioneer

Rooted in Liechtenstein, internationally oriented and leveraging access to networks

A wealth management service pioneer for intermediaries and wealthy private clients

Access to the private markets asset class and appropriate structuring solutions, both for own clients and non-clients

Financial advice and investment solutions that are independent and geared toward sustainability

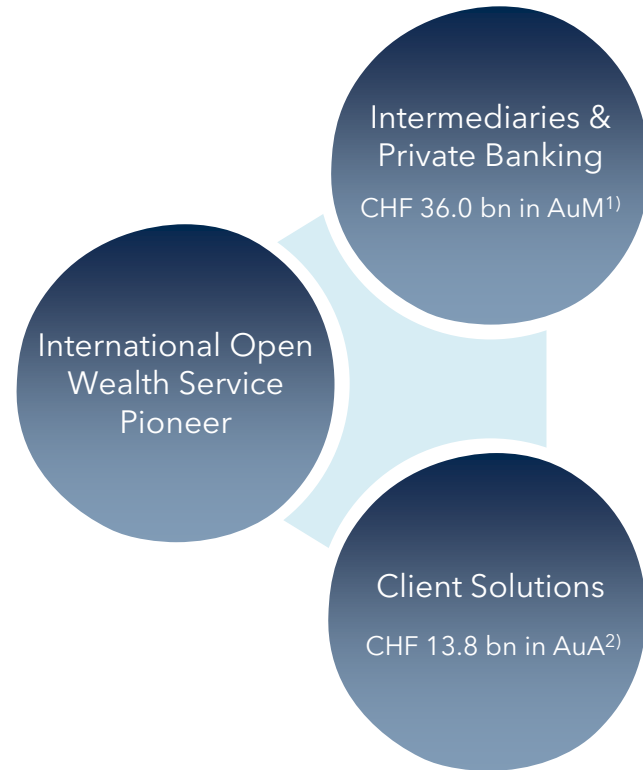
Hybrid advisory approach

Systematic focus on the client through ecosystems or networks with an open wealth management approach

Merging of own and third-party offerings into innovative, tailor-made financial solutions

A multiplier effect due to the focus on intermediaries

We build our future on comprehensive wealth management services for professional financial service providers and private clients ...



Intermediaries – fiduciaries, external asset managers and family offices

Tailored service platform and personalised relationship management

- Investment advisory trade services, asset management, tax and regulatory advisory services, comprehensive e-services, VP fund solutions
- Flexible and open interfaces for seamless system integration
- Personalised advice with access to third party providers

Private Banking – wealthy individuals

Complete service platform, digital solutions and personalised client advisory services

- Private wealth management and focused holistic wealth planning, investment advisory services, financing, securities trading, comprehensive e-services, retail and commercial in our home market
- Personalised advice with access to an open product platform

Client Solutions – curator for privat market access

Advanced service solutions, new asset classes and partner ecosystem

- Sourcing of investment opportunities, comprehensive fund solutions, access to global networks and specialists, structuring vehicles, white and private label funds
- Modular access and structuring platform
- Open banking access to collective and direct private market investments

1) Assets under management as of 31.12.2020. 2) Assets under advice as of 31.12.2020

... as an international open wealth service pioneer

Business segments

Intermediaries & Private Banking
Private clients, (U)HNWIs, corporates, fiduciaries, external asset managers and family offices

Client Solutions
Other multipliers via ORBIT ecosystem & platform

Platform



International Open Wealth Service Pioneer

External services & products

Third party product and service provider



Third party custodians



Partnerships



Internal services & products

Banking Products incl. Financing

Investment advisory & wealth mgmt.

Custody

Structured Products

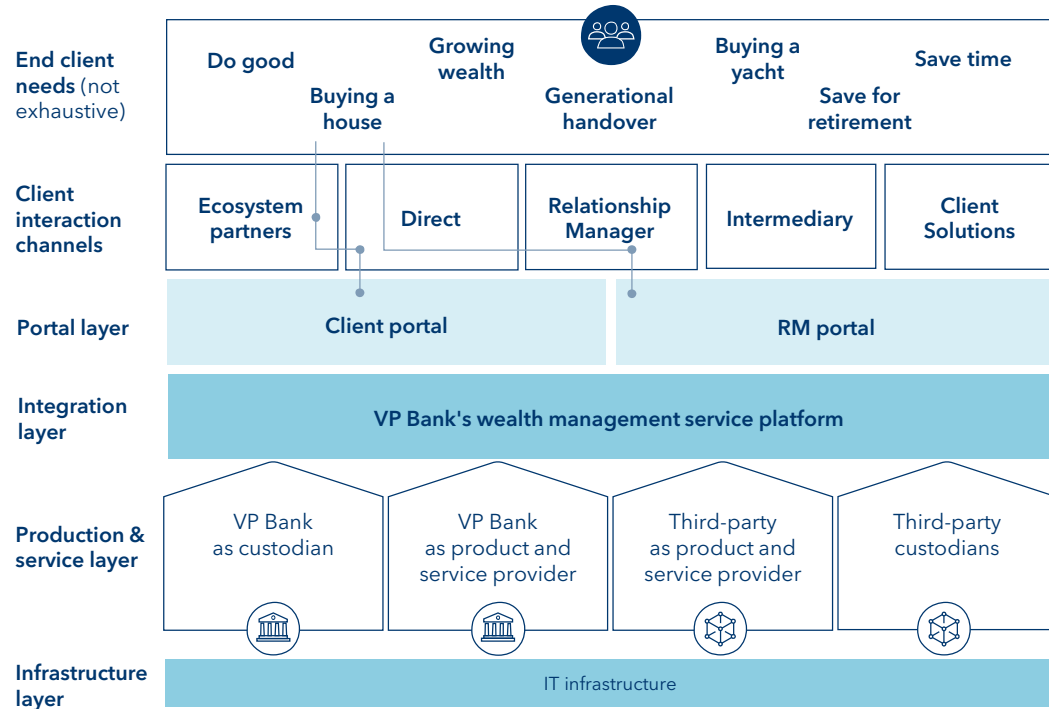
Fund Solutions

Private Markets

Digital Assets

VP Bank is transforming into an open platform enabling more efficient cooperation

Target enterprise architecture



Threefold Approach



I

Human centered approach to develop client centric and **network enabled value propositions / journeys...**




II

... enabled by an **open and modular IT architecture platform...**

III

... and supported by **outsourced & efficient IT infrastructure.**

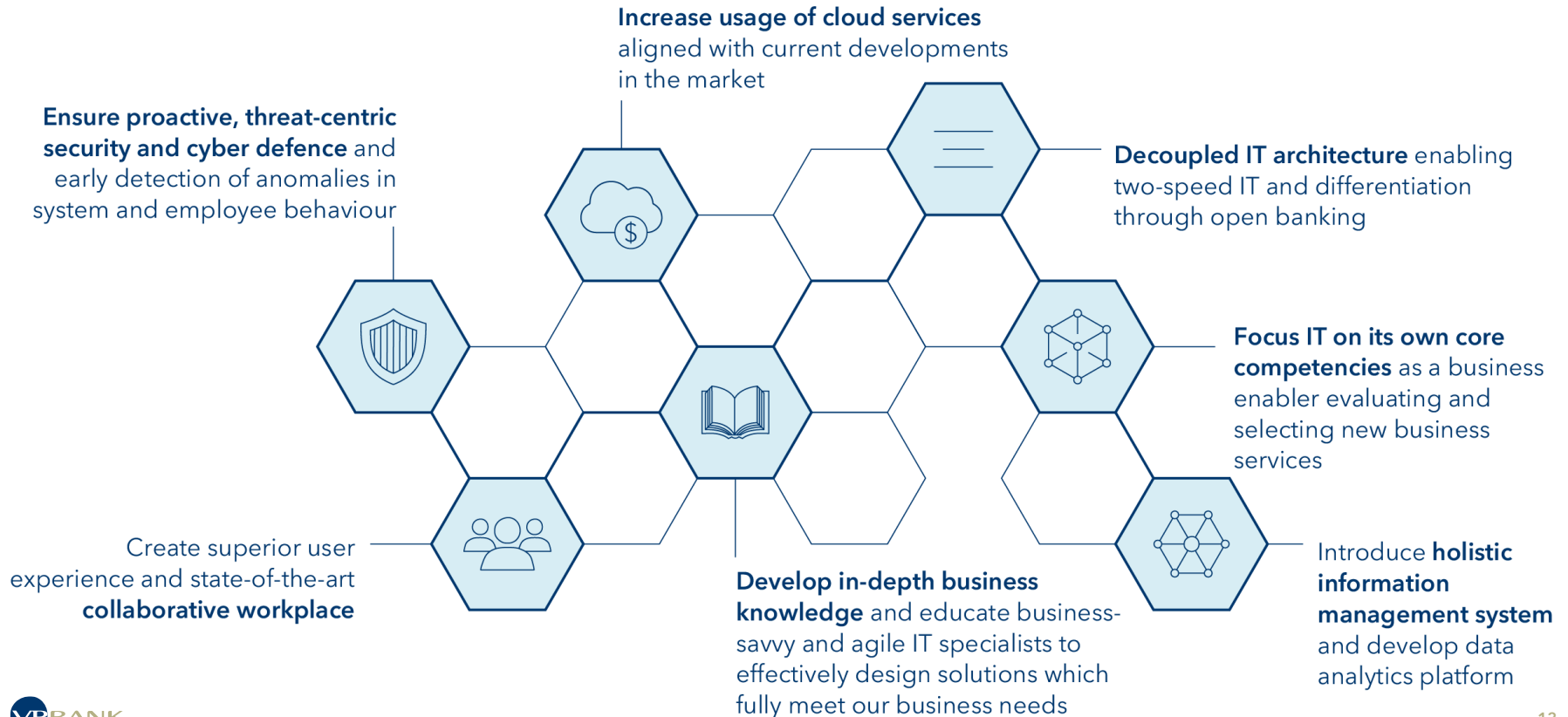
Execution of Strategy 2026 follows through clearly defined initiatives

	Target	Key measures
 <p>Evolve</p>	Strategic further development of the operational business at the existing locations	<ul style="list-style-type: none">• Building on regional strengths and market opportunities• Seizing opportunities in Asia through organic growth and partnerships• Empowering client advisors to increase focus on client relationships• Integrating sustainability in our offering
 <p>Scale</p>	Optimisation and scaling of Bank-wide processes and structures	<ul style="list-style-type: none">• Increasing efficiency through process optimisation and enhanced digital services• Scaling and sourcing of services• Increasing the bank's robustness and agility• Offering our talents new perspectives through entrepreneurial mind-set
 <p>Move</p>	Taking advantage of new business opportunities	<ul style="list-style-type: none">• Providing access to private market investments via ORBIT platform• Untapping new asset classes through digitization of assets (tokenization)• Leveraging data analysis to increase relevance of investment advice• Developing new business models powered through ecosystem partners

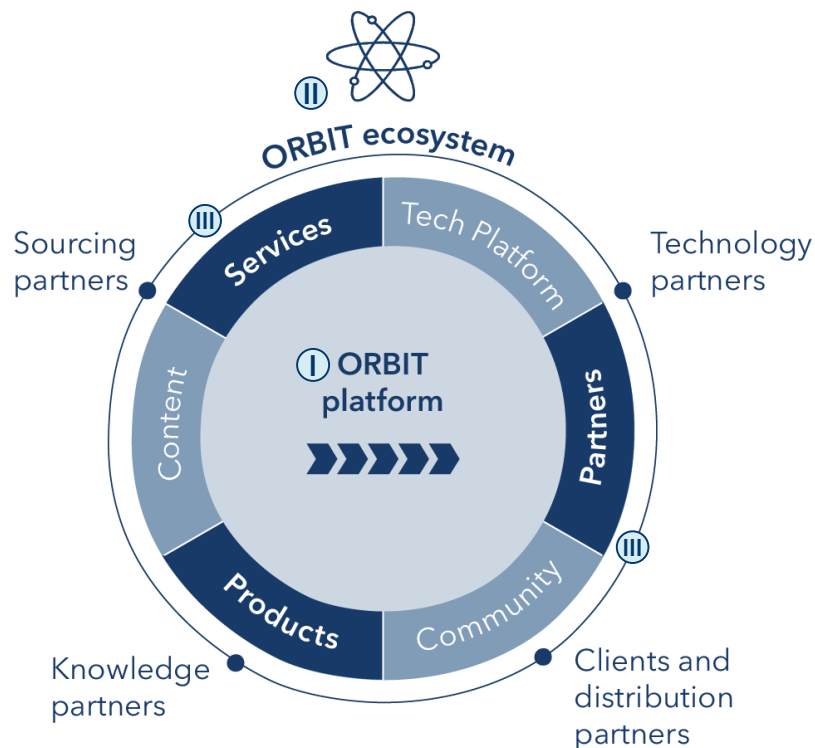
Deep Dive: Evolve - Develop and expand existing business locations building on regional strengths and market opportunities



Deep Dive: Scale – Build a digital platform that provides efficient, flexible and convenient wealth management services



Deep Dive: Client Solutions – Curator for private markets



Why private markets (PM)?

PM have been **characterised by strong demand**, e.g., through illiquidity premium; ultra low interest rate environment; pre-IPO upside potential

- ① Modular, open architecture **access and structuring platform (ORBIT)** for private market investment products
- ② The growing **ORBIT ecosystem** connects own investment and structuring solutions with innovative co-created partner offerings
- ③ Origination and distribution of **investment opportunities** through the ORBIT **ecosystem**

Goal: leverage **existing relationships** (increase add. market by **factor 10x**) and win **new target client** groups (B2B).

Client benefit includes **modular** product and service **offering**, **no entry barriers or obligation** to open a custody **account** with VP Bank.

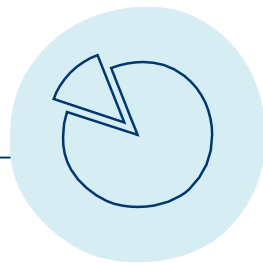
Financial targets 2026 - Increase in Group net income to CHF 100 million



Growth

Net new money
(in % of AuM)

> 4% p.a.¹



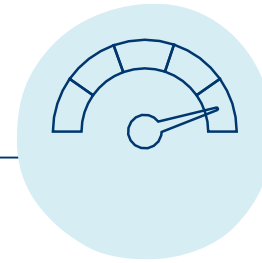
Profitability

Profit-
margin
(in bp of AuM)

> 15 bp

Cost /
income
ratio²

70%

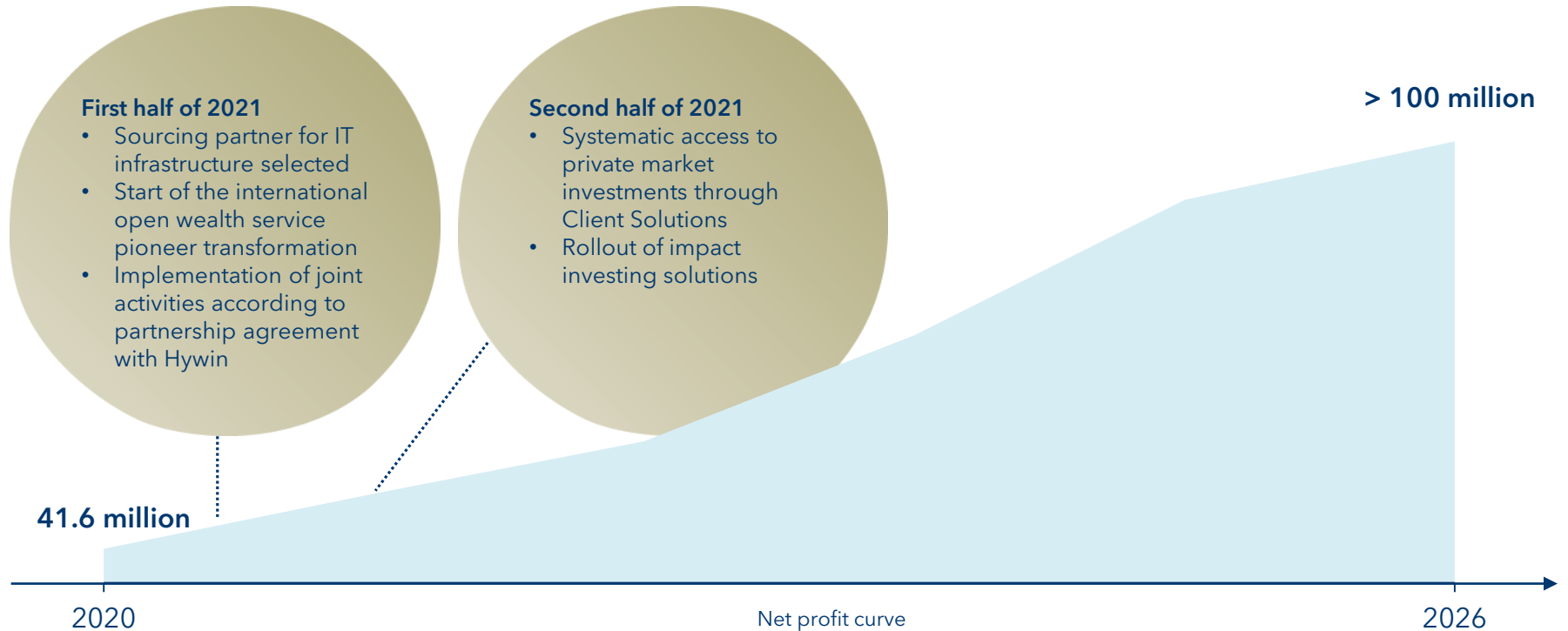


Stability

Tier 1
ratio

> 20%

Outlook for 2021 - Clear milestones despite challenges to predict



VP Bank is a strong proposition to investors



Attractive and well-defined growth Strategy 2026 to seize opportunities

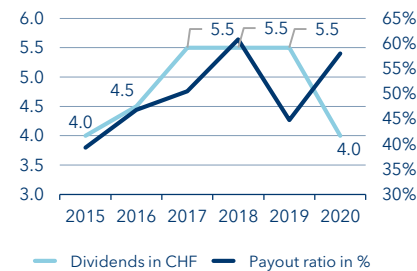
- Strong management team with clear growth ambitions
- Three pillars to structure a balanced portfolio
- Geographically diversified footprint in attractive financial centres
- Solid capital base above international standards: tier 1 ratio 20.1%
- Target profit CHF 100 mn by 2026 and clear financial targets
- Stable and long-term-oriented shareholder base and free float of approximately 45%
- Sustainable and crisis-resistant dividend with payout target range of 40% to 60%
- Highly collateralised credit portfolio (93% collateralised by mortgages or Lombard, respectively) and low risk profile
- Symbol SIX: VPBN | valor number: 31 548 726 | ISIN: LI0315487269 | Reuters ticker: VPBN.S | Bloomberg ticker: VPBN

VP Bank shares show great track record and attractive dividends

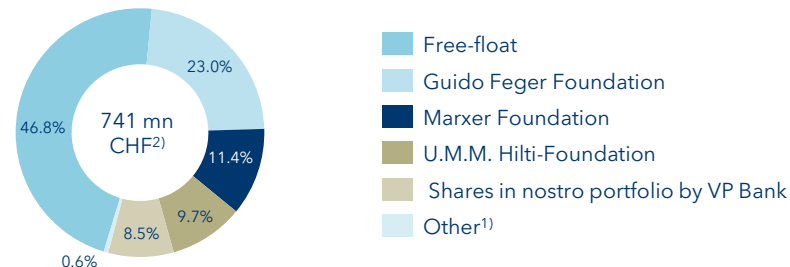
Share price compared to peers



Dividends



Capital structure as of 31.12.2020



1) Other: Group Executive Management: 0.1%; Board of Directors: 0.3%; pension funds: 0.2%. 2) Market capitalisation.

A management team with a combined financial services experience of well over a 100 years



- 1 **Paul Arni**, CEO, a leading wealth management expert with long-standing banking and management experience, both in the front office and the back-office field
- 2 **Tobias Wehrli**, Head Intermediaries & Private Banking, a senior executive with a strong track record and long-standing experience in the asset management business and the intermediaries field
- 3 **Thomas von Hohenhau**, Head Client Solutions, an innovative international banking and fintech leader with broad experience in open banking platforms, portfolio management and scaling of business models
- 4 **Patrick Bont**, CRO, former Head of Banking Division at FMA, with extensive risk management, legal and compliance, digitisation and financial market regulation track record
- 5 **Urs Monstein**, COO, internationally experienced expert in banking with in-depth expertise in the development and management of effective banking processes and digital solutions
- 6 **Roger Barmettler**, CFO, an experienced financial leader with international management experience in finance and risk in the finance industry

Contacts and agenda

Investor Relations

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Agenda

- Annual general meeting of shareholders 2021: 30 April 2021
- Ex-dividend date: 4 May 2021
- Record date: 5 May 2021
- Dividend payment: 6 May 2021
- Semi-annual results 2021: 17 August 2021

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