

Ad hoc announcement pursuant to Art. 53 LR

LLB Group with further increase in profit

Vaduz, 26 August 2024. In the first half year of 2024, the LLB Group's business volume attained the CHF 110-billion mark for the first time in the company's history. The bank group again increased its profit. Even in the context of strategic investments, the Group's profitability continues to be robust.

- ♦ The business volume attained the 110-billion francs level for the first time.
- ♦ Group net profit again increased to CHF 90.2 million (+1.7 %).
- ♦ Positive new money inflows and higher loans to clients were recorded.
- ♦ At 65.2 per cent, the Cost Income Ratio remained at the target level of 65 per cent.
- ♦ The stage has been set for further growth.
- ♦ The Tier 1 ratio stood at 19.7 per cent.

Business volume attains new record level

In the first half year of 2024, the business volume reached CHF 110 billion for the first time in the 160-year history of LLB. Higher net new money inflows and loans to clients as well as the positive performance on the financial markets were the main contributors to this growth.

Loans to clients, particularly in mortgage lending business, rose to CHF 15.6 billion; an increase of 4 per cent compared with 31 December 2023. Mortgage loans therefore exceeded CHF 14 billion. The LLB Group pursues a risk-conscious lending policy and maintains a broadly diversified loan portfolio. In addition, gratifying new money inflows amounting to CHF 792 million (annualised 1.8 %) were generated, especially at LLB Österreich, at our new business locations in Germany and through the use of our "wiLLBe" digital product.

Continuing growth together with the positive market and currency development also contributed to the increase in client assets under management, which climbed to CHF 94.3 billion – an all-time record. Group net profit was again higher, at CHF 90.2 million it exceeded the result in the equivalent period of the previous year (first half of 2023: CHF 88.7 million) by 1.7 per cent. "Thanks to our forward-looking

strategy, diversified business model and consistent observance of our values, we are a bank that can achieve success even in a challenging business environment”, Georg Wohlwend, Chairman of the Board of Directors, commented on the excellent result.

LLB Group increases operating income

In the first half year of 2024, operating income increased by 5.9 per cent to CHF 283.0 million (first half of 2023: CHF 267.2 million). This illustrates the strength of the bank group’s diversified business model.

The development of net fee and commission income was particularly pleasing. On account of the larger business volume, this exceeded the result in the previous year by nearly CHF 5 million. The effects of the changed interest rates showed opposing trends in interest income and in trading business. In total this resulted in a reduction of CHF 5 million in these two positions.

Risk provisions for credit losses were reduced. Several long-standing legal cases were settled and brought to a successful conclusion.

High cost efficiency in spite of investments

In line with the Group’s strategy operating expenses rose by around 8 per cent to CHF 177.2 million. This was largely attributable to the increase in personnel expenses to CHF 113.7 million (first half of 2023: CHF 101.7 million). In the past twelve months the LLB Group created around one hundred new jobs, mainly in its new business locations in Germany and Switzerland. In addition, further personnel were recruited in the area of digitalisation. On account of the strategic investments in digitalisation and higher marketing expenses in connection with the rebranding of the LLB Group, general and administrative expenses climbed to CHF 46.1 million (+8.5 %).

Despite the investments made for the future, the Cost Income Ratio stood at 65.2 per cent (first half of 2023: 61.0 %) and therefore remained at the self-specified target level of 65 per cent. The Tier 1 ratio stood at 19.7 per cent. For Group CFO Christoph Reich this underlines the financial strength of the LLB Group: “The balance sheet figures illustrate the robust financial stability and security of the LLB Group. Moody’s deposits rating of Aa2 provides further confirmation of this status.”

Key figures at a glance

	First half 2024	First half 2023	+/- %
Operating income (in CHF millions)	283.0	267.2	+5.9
Operating expenses (in CHF millions)	-177.2	-164.3	+7.9
Group net profit (in CHF millions)	90.2	88.7	+1.7

Net new money (in CHF millions)	792	806	-1.6
Net new loans (in CHF millions)	217	455	-52.2
RoE (in %)	8.4	8.7	
Earnings per share (in CHF)	2.95	2.89	+2.0
Cost Income Ratio (in %)	65.2	61.0	
	30.06.2024	31.12.2023	+/- %
Tier 1 ratio (in %)	19.7	19.8	
Business volume (in CHF billions)	109.9	102.2	+7.5
Client assets under management (in CHF billions)	94.3	86.9	+8.4
Loans to clients (in CHF billions)	15.6	15.3	+2.1
Total assets (in CHF billions)	25.5	25.7	-0.8

Successful implementation of ACT-26 strategy

The implementation of the ACT-26 strategy is progressing according to plan. At the halfway stage of the current strategy period, the LLB Group is on course to accomplish its strategic goals in the areas of growth, efficiency and sustainability. "ACT-26 provides us with a clear strategy, which has proven its worth and which we are passionate about implementing. Only in regard to new money inflow are we currently below our ambitious target. By establishing the new business locations in Germany and Switzerland, as well as with the acquisition of ZKB Österreich, we have created the prerequisites for additional, sustainable growth", Group CEO Gabriel Brenna is convinced.

Outlook

In the coming months the LLB Group will continue to push ahead with the implementation of its strategy. "I'm expecting us to achieve further business growth in the coming months, even if the markets remain challenging. Our success in previous years demonstrates our excellent competitiveness", states Group CEO Gabriel Brenna. Accordingly, the LLB Group expects to achieve a solid result for the full 2024 business year.

Detailed information on the 2024 interim result

The documents on the 2024 interim financial reporting of the LLB Group will be available from 7.00 a.m. on 26 August 2024 on our website. An interactive online version of the 2024 interim financial reporting will also be available at hb2024.llb.li (German version) and at hr2024.llb.li (English version).

Webconference

The 2024 interim business result of the LLB Group will be presented as a webconference on 26 August 2024, at 10.30 a.m. in German. Please use the following link in order to register for the webconference: <https://www.c-meeting.com/web3/meetingRegistration/-xyHKuTKQqjRZHEVePZfDQ/XUXUPKQNJBAENJ>

Important dates

- Monday, 24 February 2025, presentation of the 2024 business result
- Wednesday, 16 April 2025, 33rd ordinary General Meeting of Shareholders

Disclaimer

To measure our performance, we employ alternative key financial figures, which are not defined in International Financial Reporting Standards (IFRS). Details can be found at llb.li/investors-apm.

Brief portrait

Liechtensteinische Landesbank AG (LLB) is the longest established financial institute in the Principality of Liechtenstein. The majority of the company's share capital is held by the Principality of Liechtenstein. LLB's shares are listed on the SIX Swiss Exchange (symbol: LLBN). The LLB Group offers its clients comprehensive wealth management services as a universal bank, in private banking, asset management and fund services. With 1'261 employees (full-time equivalent positions), LLB is represented in Liechtenstein, Switzerland, Austria, Germany and the United Arab Emirates. As at 30 June 2024, the business volume of the LLB Group stood at CHF 109.9 billion.

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