



ANNUAL REPORT 2025



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2025

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MANAGEMENT REPORT

Foreword BIL Suisse 2025 report

BIL Group stands at an important moment in its history. 2026 marks the 170th anniversary of the Bank's foundation in Luxembourg, an exceptional milestone that invites both reflection and renewed ambition. Since 1856, our Bank has played a central role in Luxembourg's social and economic development, supporting generations of families, entrepreneurs, and companies.

As the banking industry continues to face significant challenges in Luxembourg, Switzerland and across Europe, ranging from sustained regulatory pressure, margin pressure, digitisation at scale to intensified competition and evolving client expectations, our commitment to serving our clients is stronger than ever. These challenges demand discipline, adaptability and long-term vision. In this context, BIL has made deliberate choices to adapt and evolve sharpening its strategic focus, reinforcing its balance sheet, and accelerating the transformation of its operating model.

In 2025, we successfully launched our new strategic programme, *Building Tomorrow Together*. Our aim is to reinforce BIL Suisse commitment to providing integrated wealth management and global advisory services tailored to entrepreneurial clients and families. It responds comprehensively to both their professional and personal ambitions through solutions such as corporate finance advisory, lending, and a range of specialized wealth management services. This strategic step further anchors our dedication to delivering personalised, high-quality advice.

BIL Suisse's financial performance reflects a stable revenue base, with CHF 54.4 million in revenues, while a profitability of CHF 6.3 million underscores the bank's continued strong financial performance. Global Advisory recorded a robust 23% increase in revenues, supported by the expansion of our entrepreneur-focused solutions and several landmark transactions. Continued structural cost efficiencies, driven by disciplined cost management and focused transformation portfolio oversight, further contributed to improved profitability. Wealth Management remained central to our revenue base, underpinned by our strong Swiss expertise and supported by the wider European footprint of the BIL Group, particularly in Luxembourg.

Our investments in talent and commercial capabilities along with the development of our new office in Geneva reflect our ambition to deliver exceptional client value and position the bank for sustainable, long-term growth in an evolving financial landscape. Strengthened operational efficiency has underpinned improved profitability and reinforces our confidence in the road ahead.

2025 was also a year marked by the strengthening of our governance. We welcomed Stéphanie Hodara El Bez to BIL Suisse's Board of Directors, succeeding Alain Le Fort, who concluded his mandate after 22 years of outstanding service and contribution to the Bank's development. Within the Executive Committee, we were also pleased to appoint Nadia Bargetzi as Head of Wealth Management BIL Suisse.

As we look to the future, we remain committed to building on this momentum and continuing to earn the trust of our clients through excellence, innovation, and partnership.

Building Tomorrow Together.



Jeffrey Dentzer
Chairman of the Board
of Directors, BIL Suisse



Hans-Peter Borgh
Chief Executive Officer,
BIL Suisse

BIL Suisse Profile

Banque Internationale à Luxembourg (Suisse) SA is a wholly owned subsidiary of Banque Internationale à Luxembourg SA, the oldest private bank in the Grand Duchy of Luxembourg. Founded in 1985, BIL Suisse operates from offices in Switzerland's three main financial centres – Zurich, Geneva and Lugano – and benefits from a worldwide network, including a presence in Beijing.

BIL Suisse combines in-depth expertise in financial markets and investment products with a strong Swiss Wealth Management tradition. Clients benefit from the bank's solid European roots, the strength of the BIL balance sheet and credit offering, and proven expertise in serving clients in the Eastern hemisphere.

The bank offers a comprehensive range of Wealth Management and Global Advisory services tailored to the needs of wealthy families, entrepreneurs and independent financial advisers. For private clients, BIL Suisse provides integrated financial and non-financial solutions, including asset structuring, credit solutions, wealth planning and capital protection, all adapted to the client's personal situation and objectives—whether focused on capital creation or capital utilisation.

Professional clients also benefit from a broad suite of Global Advisory solutions, such as corporate financing, syndicated loans and advisory services. Additional offerings include administration, reporting and custody services, direct access to the trading floor, and a wide range of financial products, including open-architecture solutions and investment vehicles designed to best serve their clients.



Status Report from the Executive Committee prepared on 25th of March 2026

The Swiss private banking landscape underwent significant shifts in 2025 amid market volatility, geopolitical tensions and ongoing structural change. Switzerland's reputation as a wealth haven continued to attract high-net-worth individuals seeking asset protection and diversification. In this environment, the Swiss National Bank's pivot to a zero-interest-rate policy marked an important adjustment to counter low inflation, reinforcing the need for disciplined balance sheet management. Rapid technological progress has also accelerated investment in technology and cyber-security, supporting stronger client service and operational resilience across the sector.

Following 2024 - when profitability was constrained by client portfolio adjustments, increased credit provisions and significant investments in IT infrastructure - 2025 marked a strong year for the bank. While Assets under Management (AuM) declined modestly due to continued portfolio recalibration and adverse FX impacts, the bank slightly improved its commission margin by aligning product offerings more closely with client needs. At the same time, lower interest rates weighed on the interest margin. Importantly, net contributions to loan loss provisions improved significantly versus 2024, and the cost management initiatives implemented began to deliver tangible benefits. Structural cost reductions were achieved through the rationalisation of IT infrastructure and more efficient management of the transformation portfolio.

Our Wealth Management division remained a central pillar of revenue generation. While interest revenues reflected the evolving rate environment, non-interest income remained stable year-over-year, demonstrating the resilience of our franchise. In parallel, the bank expanded its entrepreneur-focused offering and scaled up its Global Advisory team, serving clients with structured lending and corporate finance advisory solutions. These efforts delivered 23% revenue growth from Global Advisory activities in 2025.

We take great pride in our ability to provide tailored financing solutions for entrepreneurs and their businesses, encompassing structured finance, corporate finance, and merger and acquisition (M&A) advisory services. This commitment

was exemplified by several landmark transactions in 2025, underscoring the added value these offerings bring as a complementary extension of our Wealth Management services. Looking ahead, we remain confident that the combination of our traditional Swiss wealth management expertise and the robust balance sheet capabilities rooted in our European presence, particularly in the Grand Duchy of Luxembourg, will continue to drive sustainable growth in the coming years.

Throughout 2025, we remained steadfast in our commitment to investing in our most valuable asset - our talent. Through a series of targeted new hires, we strengthened our ability to enhance and refine the services we provide to our clients. As the industry continues to evolve, we diligently monitor these developments and strategically adapt our workforce to meet the shifting needs of our clients and the market. In line with this strategy, we have bolstered our commercial capabilities in Geneva while also investing in new office premises, which are set to become operational in early 2026. These initiatives reflect our dedication to fostering growth and delivering exceptional value to our clients.

Overall, our resilient revenue base - combined with strong operational efficiency improvements and reduced credit provision contribution - resulted in a marked increase in profitability in 2025.

The bank's capital and liquidity position, as described, indicates a strong and stable financial foundation, even with a slight decline in the CET1 ratio from 41.6% in 2024 to 35.5% in 2025. A leverage ratio of 15.5% and a liquidity coverage ratio of 219% far exceed regulatory minimums, signalling robust risk management practices and a high capacity to absorb potential shocks. This reflects the bank's ability to maintain resilience despite market challenges or broader industry trends, such as the ongoing consolidation in the Swiss private banking sector.

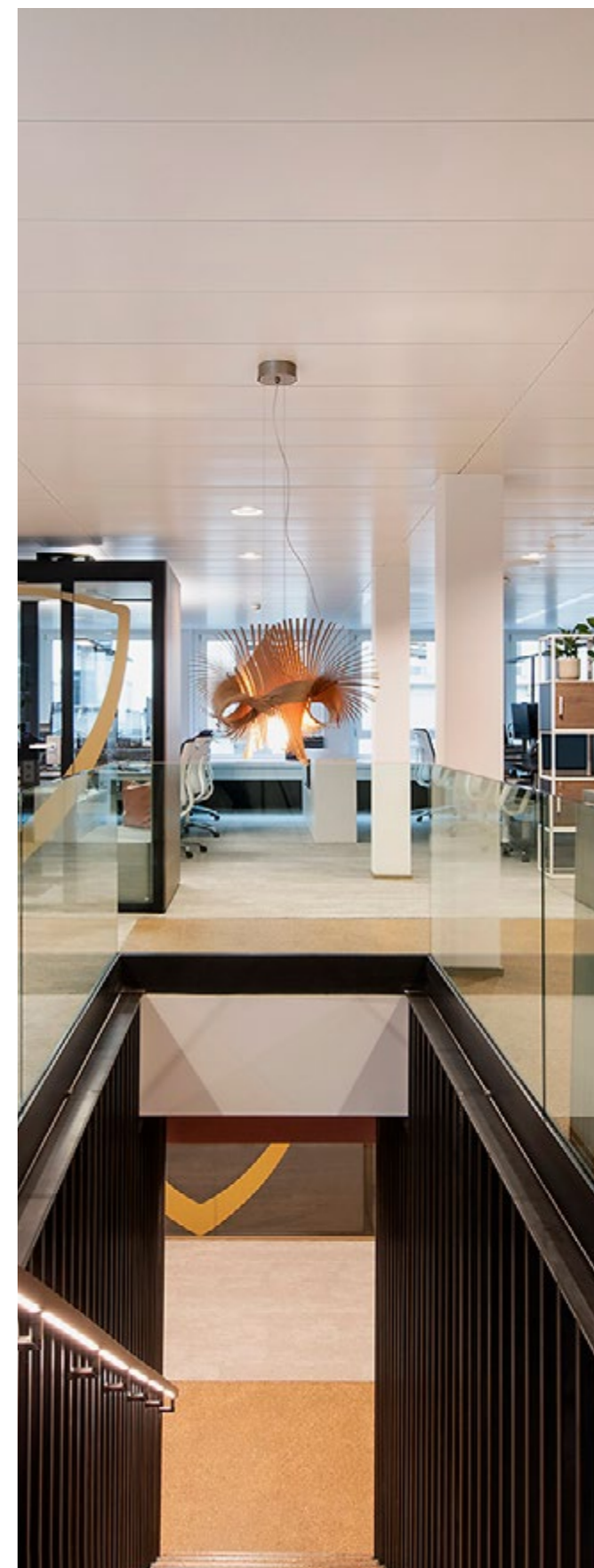
BIL Suisse delivered a stable revenue base, generating CHF 54.4 million in revenues (2024: change to 55.9 million). Profit reached CHF 6.3 million, demonstrating the bank's ability to remain profitable despite a decline in net interest income in

a lower rate environment. The growth in Global Advisory activity supported higher net fee and commission income, reflecting continued diversification and effective execution. The cost-to-income ratio came out at 85%.

Looking forward, the Executive Committee expects the bank to continue advancing its strategy as a boutique partner for entrepreneurs. Key opportunities include expanding Global Advisory and structured lending solutions, with a focus on achieving a more stable revenue base from this division. We will also continue to invest in our Wealth Management franchise, as evidenced by our relocation in Geneva and the hiring of new Relationship Managers. At the same time, the bank remains attentive to challenges such as ongoing market volatility, the interest-rate and FX environment, competitive pressure and sector consolidation, and increasing regulatory and compliance expectations.

Management will continue to prioritise prudent risk management, disciplined cost control and high service quality to support sustainable growth. Potential losses from our credit portfolio remain the bank's largest risk, and we continue to strengthen our governance in this area. The current market volatility as a result of geopolitical events may affect our clients' investments, exposing us to declining collateral values where these investments are used to secure loans. Overall, the bank has limited exposure to clients and collateral with links to the Middle East. The other key risks for the bank include cyber-security incidents and strategic and execution risk from the bank's transformation agenda, which could impact profitability and growth. We will remain focused on these areas while continuing to enhance our capabilities.

Based on our 2025 results, BIL Suisse is strongly positioned to advance its strategic positioning as a bank of choice for entrepreneurial clients. The recognition as an employer of choice underscores the dedication and passion of the team and supports a culture of excellence and client-centred service.



Corporate Governance

Board of Directors

Jeffrey Dentzer, 1978, Chairman

Education

Master in economics (2001)

Professional history

- Chairman of the Board of Directors of BIL Suisse as of June 2024
- Appointed Chief Executive Officer of Banque Internationale à Luxembourg SA as from 1st May 2024
- Previously responsible for the Corporate and Institutional Banking department and the development of Services for the Luxembourgish market across all business lines at Banque Internationale à Luxembourg SA

Alain Le Fort¹ 1953, Vice Chairman (until 19.06.2025)

Dieter C. Hauser², 1955, Vice Chairman

Education

Master of Law and Dr. iur., University of Zurich, Switzerland
Attorney at law, Canton of Zurich, Switzerland

Professional history

- Member of the Board of Directors of BIL Suisse as of October 2015 and Chairman of the BACRC of BIL Suisse as of January 2016
- Founder and Managing Partner of icomply Inc., a Compliance Consultancy firm in the financial industry, as of 2000
- Previously CEO and held Board Member positions in subsidiaries of and legal advisor to global Swiss banking group

Nico Picard, 1964, Member

Education

PhD in Mathematics, University of Nancy I, France

Professional history

- Member of the Board of Directors of BIL Suisse as of July 2020
- Appointed Chief Financial Officer and Member of the Management Board of Banque Internationale à Luxembourg SA in 2017
- Previously responsible for Finance and Asset and Liability Management at Banque Internationale à Luxembourg SA
- Over the past 32 years held various positions in a variety of functions in banks in France and Luxembourg

Chris Van Aeken, 1963, Member

Education

MBA, University of Chicago, U.S.

Applied Economics, Leuven University, Belgium

Professional history

- Member of the Board of Directors of Banque Internationale à Luxembourg SA as of July 2018
- Previously CEO of Morgan Stanley SA, Switzerland and held a variety of management and board positions in Morgan Stanley Group between 1996 and 2016

Stéphanie Hodara El Bez², 1974, Member (as of 20.06.2025)

Education

Master of Law., University of Geneva, Switzerland

LLM, Boston University, USA

Attorney at law, Canton of Geneva, Switzerland

Professional history

- Member of the Board of Directors of Banque Internationale à Luxembourg SA as of June 2025
- Partner at ALTENBURGER Ltd. Legal + Tax since May 2008
- Holds board positions in several financial institutions

¹ Independent Member

Mr. Le Fort has resigned as Vice Chairman of the Board of Directors of BIL Suisse in June 2025

² Independent Member

Executive Committee as per 31.12.2025

Hans-Peter Borgh, 1973, Chairman

Education	Professional history
MSc in Management and Organisation Major in Finance and Marketing, University of Groningen, The Netherlands	<ul style="list-style-type: none"> • CEO of BIL Suisse as of January 2020 • Member of the Executive Committee of Banque Internationale à Luxembourg SA as of November 2015 • Previously held various leadership positions in International Wealth Management in Luxembourg, Singapore, Hong Kong and other locations.

Tobias Kamber, 1974, General Counsel & COO

Education	Professional history
Lawyer qualified in Switzerland, Master of Law (lic.iur.) from the University of Zurich, Master in U.S. laws (LL.M) from the Santa Clara University School of Law, California	<ul style="list-style-type: none"> • COO & General Counsel of BIL Suisse as of September 2022 • Prior to his appointment as General Counsel & COO, he held the role of General Counsel of BIL Suisse since January 2021 • Broad experience in legal, risk and compliance affairs in Wealth Management while being based in Switzerland and Asia (Hong Kong) • Prior to BIL Suisse, held various management roles at Julius Baer, including Deputy General Counsel Private Banking, Deputy CRO Intermediaries and Head Legal & Compliance, Hong Kong

Rémy Savoya, 1980, Head of Global Advisory

Education	Professional history
Master in business administration, finance major, European Business School, France.	<ul style="list-style-type: none"> • Head of Global Advisory of BIL Suisse as of September 2020 • 25 years of experience in corporate finance, financing and capital markets globally, having worked in Switzerland, United Kingdom, USA and Singapore. • Prior to BIL Suisse, notably held roles as Managing Director at Kepler Cheuvreux, Vice President at Barclays Capital and Associate at Lehman Brothers.
Exchange student at National University of Singapore, Singapore.	

Nadia Bargetzi, 1976, Head Wealth Management

Education	Professional history
Federal Diploma in Commercial Business (EFZ)	<ul style="list-style-type: none"> • Head of Wealth Management of BIL Suisse as of July 2025 • Prior to her appointment as Head WM, she held the role of Deputy Head WM of BIL Suisse since February 2023 • 25+ years of experience in Private Banking, notably held roles as Head Zurich Branch & Head Wealth Coverage Southern Europe & LATAM at Decisive Capital Management SA, Head of Private Banking and EXCO member at Quilvest (Switzerland) Ltd. and Desk Head Argentina at Julius Baer & Co. Ltd.
Master Leadership and Management (ADP), London Business School	

Changes to the Executive Committee in 2025

Michiel Haasbroek, 1978, CFRO

CFRO of BIL Suisse as of September 2022 until 24.10.2025

Internal Audit

Xavier Barthes, 1974, General Auditor

Education	Professional history
Master's degree INSEEC Business School, Bordeaux, France	<ul style="list-style-type: none"> • Internal Auditor of BIL Suisse as of January 2019 • Commenced working for BIL Suisse in 2016 • Over 20 years' experience in Financial Services. • Prior to BIL Suisse, held roles as auditor, risk manager and compliance officer in both France and Switzerland in various financial institutions and with a reputable accountancy firm

External Audit

PricewaterhouseCoopers AG, Zurich



ANNUAL
ACCOUNTS

Balance sheet

as of 31 December 2025

ASSETS (in Swiss francs)	Notes	31/12/2025	31/12/2024
Liquid assets		82,073,955	108,206,261
Amounts due from banks		68,561,554	44,354,700
Amounts due from customers	3.2/3.13	501,144,035	501,722,466
Mortgage loans	3.2	51,977,005	48,442,582
Positive replacement values of derivatives financial instruments	3.3	8,797,391	3,315,588
Financial investments	3.4	109,389,709	133,399,009
Accrued income and prepaid expenses		4,145,941	5,478,675
Participations	3.5/3.6	-	-
Tangible fixed assets	3.7	2,585,687	3,120,274
Intangible assets	3.8	165,895	493,050
Other assets	3.9	3,187,655	346,241
TOTAL ASSETS		832,028,825	848,878,846
TOTAL SUBORDINATED ASSETS		-	-

LIABILITIES (in Swiss francs)	Notes	31/12/2025	31/12/2024
Amounts due to banks		304,791,068	322,578,189
Amounts due in respect on customer deposits		345,777,749	354,027,035
Negative replacement values of derivatives financial instruments	3.3	6,816,993	3,052,174
Accrued expenses and deferred income		19,307,066	21,482,154
Other liabilities	3.9	3,884,124	2,260,062
Provisions	3.13	1,153,684	1,519,480
Share capital	3.14/3.16	85,000,000	85,000,000
Legal capital reserve		52,000,000	52,000,000
of which tax-exempt capital contribution reserves		52,000,000	52,000,000
Statutory retained earnings reserves		-	-
Voluntary retained earnings reserves		-	-
Profit carried forward / loss carried forward		6,959,751	6,743,242
Profit / loss (result of the year)		6,338,389	216,510
TOTAL LIABILITIES		832,028,825	848,878,846

Off-balance sheet transactions

(in Swiss francs)	Notes	31/12/2025	31/12/2024
Contingent liabilities	3.2/4.1	10,402,531	17,366,131
Irrevocable commitments	3.2	3,436,559	3,518,578

Income statement

from January 1 to December 31, 2025

(in Swiss francs)	Notes	2025	2024
Result from interest operations:			
Interest and discount income	5.1	20,603,976	23,436,134
Interest and dividend income from trading portfolios		-	14
Interest and dividend income from financial investments		1,207,490	2,975,153
Interest expense		(6,292,401)	(8,786,494)
Gross result from interest operations		15,519,065	17,624,807
Changes in value adjustments for default risks and losses from interest operations	3.13	(407,760)	(5,316,245)
Subtotal net result from interest operations		15,111,305	12,308,562
Result from commission business and services:			
Commission income from securities trading and investment activities		30,862,634	30,480,619
Commission income from lending activities		665,785	1,032,788
Commission income from other services		7,434,949	6,173,961
Commission expense		(5,365,150)	(4,804,946)
Subtotal result from commission business and services		33,598,218	32,882,422
Result from trading activities	5.1	4,303,689	5,057,423
Other result from ordinary activities:			
Other ordinary income		952,403	383,201
Other ordinary expenses		-	-
Subtotal other result from ordinary activities		952,403	383,201
Operating expenses:			
Personnel expenses	5.2	(33,009,220)	(32,620,379)
General and administrative expenses	5.3	(12,677,188)	(16,761,042)
Subtotal operating expenses		(45,686,408)	(49,381,421)
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets"	3.7/3.8	(874,930)	(865,803)
Changes to provisions and other value adjustments and losses	3.13/5.4	(735,342)	234,125
Operating result		6,668,934	618,510
Extraordinary income	5.4	119,455	-
Extraordinary expenses	5.4	-	-
Taxes	5.5	(450,000)	(402,000)
Profit / loss (result of the year)		6,338,389	216,510

Presentation of the statement of changes in equity

(In CHF thousands)	Share capital	Statutory capital reserves	Statutory retained earnings reserves	Voluntary retained earnings reserves	Profit carried forward / loss carried forward	Profit / loss (result of the period)	TOTAL
Equity at start of current period	85,000	52,000	-	-	6,743	217	143,960
Capital increase / decrease	-	-	-	-	-	-	-
Other contributions / other capital paid in	-	-	-	-	-	-	-
Dividends and other distributions	-	-	-	-	-	-	-
Other allocations to (transfers from) the other reserves	-	-	-	-	217	(217)	-
Profit / loss (result of the period)	-	-	-	-	-	6,338	6,338
Equity at end of current period	85,000	52,000	-	-	6,960	6,338	150,298

Notes to the financial statements

1. Description of business activities and staff situation

General

Banque Internationale à Luxembourg (Suisse) SA (hereafter “the Bank”) is active in Wealth Management and Corporate and Institutional Banking in Zurich, Geneva and Lugano.

Business Profile

Asset Management for private clients is the main activity of the Bank. To complement its comprehensive entrepreneur offering, the bank further offers corporate finance advisory services and corporate lending.

Credit business

The Bank grants loans mainly in the form of Lombard loans, residential mortgages and a select number of corporate loans.

Personnel

The Bank employs 116 (2024: 116) persons (full-time equivalents).

Risk Assessment

In compliance with the legal requirements, the Board of Directors is presented with the risk appetite statement in the risk report. This allows the Board to examine the main risks to which the bank is exposed.

Outsourcing

Services in connection with the preparation of tax statements, payroll accounting, back-office operations as well as the operational, technical maintenance and backup aspects of the main banking tool are outsourced to service providers in Switzerland.

2. Accounting and valuation principles

2.1 Accounting Principles

General

The bookkeeping, accounting and valuation principles are based on the Swiss Code of Obligations, the Banking Act and the related ordinance and the guidelines (FINMA Circular 2020/1 as of 1st January 2020) as well as the accounting ordinance issued by the Swiss Financial Market Supervisory Authority (FINMA). The financial statements have been prepared on a going concern basis and are generally accounted for at going concern values. The Bank’s standalone financial statements are prepared in the form of reliable assessment.

Records of Business Transactions

All transactions concluded by the Bank are included in the balance sheet and/or income statement respectively on the transaction date.

2.2 Valuation Principles

Liquidity, short-term liabilities

These items are stated in the balance sheet at nominal value.

Amounts due from banks and clients

These elements are recognised in the balance sheet at their nominal value, except non-monetary transactions e. g. precious metal accounts, which are valued at market value. Known and foreseeable risks are reflected in value adjustments under changes in value adjustments for default risks and losses from interest operations.

Financial investments

Interest-bearing securities held-to-maturity are valued at their acquisition cost adjusted for the amortisation of premiums and discounts over their remaining maturity (accrual method). Equity securities are valued using the lower of cost or market price.

Participating interests

Participating interests are recorded in the balance sheet at their acquisition cost, less required value adjustments.

Tangible fixed assets

Fixed assets are recognised at their acquisition costs and are depreciated on a straight-line basis over their estimated useful life as follows:

- Proprietary or separately acquired software maximum 5 years
- Information technology and communication equipment maximum 5 years
- Other tangible fixed assets maximum 12 years

Upon subsequent revaluation, tangible fixed assets are carried in the balance sheet at their acquisition cost, less cumulative depreciation. The depreciation calculation is based on the asset’s entire estimated useful life. Depreciation is calculated from the time the item is ready for use. The accounting value is reviewed on each balance sheet date. If necessary, the impairment charges are accounted for in the current period.

Intangible assets

Intangible assets are amortised as follows:

- Goodwill maximum 5 years
- Other intangible assets maximum 5 years

Extraordinary depreciation is considered when the situation requires it.

Accrued income and expenses

All profit or loss transactions are accrued or deferred accordingly.

Liabilities to own pension funds

The Bank concluded an affiliation agreement with a collective fund to manage the employees’ pension plan. This agreement complies with local applicable legal conditions. The Bank bears more than 50% of the local mandatory pension funds’ costs in favour of employees and their successors. The Bank has concluded an insurance policy; the pension plan’s liabilities and the assets covering them are held by the insurance company. The organisation, management and financing of the pension plan comply with the legal and regulatory framework. The plan is a defined contribution plan.

Valuation adjustments and provisions

Valuation adjustments are performed to account for recognisable loss risks at closing date in compliance with an appropriate commercial management.

Doubtful debts, i. e. accounts whose debtors are unlikely to fulfil their future obligations, are estimated individually and the related impairment is accounted for by individual valuation adjustments. Off-balance transactions (such as fixed obligations, guaranteed and derivative financial instruments) are also included in the valuation process.

A receivable is considered to be impaired when there is strong evidence that future contractual payments linked to capital and/or interests are unlikely to be received, or each time a payment is 90 days late. Outstanding interests older than 90 days are said to be overdue. The Bank renounces to recognise overdue interests and impaired interests as income and records them directly in “Changes in value adjustments for default risks and losses from interest operations”. When interest payments are unlikely to be received, and when, as a result, the scheduling becomes redundant, the Bank renounces to record these interests.

The impairment is defined as the difference between receivable book value and the amount which is likely to be received. The latter is estimated taking into account the counterparty risk and the realisation of possible collaterals. If it is expected that the realisation of collateral will take more than one year, the related income is discounted at the closing date.

The Bank does not establish allowances for latent default risks for receivables that are not at risk.

Taxes

Direct taxes which are still due at the end of the financial year are recorded in the liabilities section of the balance sheet under the heading “Accrued expenses and deferred income”.

Contingent liabilities and irrevocable commitments

Off-balance sheet items are stated at their nominal value. A provision is made for identifiable risks and recorded under liabilities in the balance sheet.

Derivative financial instruments

The Bank’s derivative financial instruments held for trading are priced at fair value, which is derived from an efficient and liquid market.

Derivative financial instruments are also used for hedging purposes in Asset and Liability Management. Valuation and recording of the latter comply with hedged transactions' valuation and recording.

Positive and negative replacement values of outstanding derivative instruments at closing date are recorded as separate items in the balance sheet.

Derivative instruments' replacement values are also mentioned in the Notes.

Conversion of foreign currency items

In the Bank's financial statements all balance sheet positions held in foreign currencies are calculated at the balance sheet date. Realised and unrealised profits and losses are recognised in the income statement. Foreign currency transactions in the income statement are calculated using the exchange rate valid on the day of transaction.

The exchange rates against the Swiss franc used for converting foreign currency items are as follows:

	Closing rates	
	31/12/2025	31/12/2024
EUR	0.93	0.94
USD	0.79	0.91
GBP	1.07	1.14
JPY	0.51	0.58
PLN	22.07	22.02
XAU	3,428.10	2,360.77

2.3 Risk Management

Risk assessment and Risk policy

The Bank pursues a prudent risk policy, which is based on the Banque Internationale à Luxembourg Group principles and policies. It ensures a balanced and favourable risk/reward ratio. In its Risk Management Framework, the Bank defines the risk strategy and expresses this in its Risk Appetite Framework.

On a yearly basis, the Board of Directors (BoD) signs off on the institution-wide Risk Management Framework and Risk Appetite Framework. It is presented on a quarterly basis with a firm-wide Risk Report that details all important risk dimensions, including the Internal Control Framework. The BoD is responsible for:

- Assessing the institution's capital and liquidity planning;
- Assessing the institution-wide Risk Management Framework and ensuring that necessary changes are made;

- Monitoring whether the institution has adequate Risk Management with effective processes which are appropriate to the institution's particular risk situation;
- Monitoring the implementation of Risk Strategies, ensuring, in particular that they are in line with the defined Risk Limits defined in the institution-wide Risk Appetite Framework.

The Executive Committee (through the Audit, Risk and Compliance Committee (ARCC)) as well as the Board of Directors are informed on a regular basis concerning the following risks:

- Credit risk (including concentration risk / large exposure / country risk)
- Market risk
- Liquidity risk
- Operational risk (including the internal control framework)
- Reputational risk

Credit risk

Credit risk is the risk associated with a potential loss from clients and counterparties failing to fulfil their financial obligations. It covers:

- Default risk on loans: The risk is managed by an independent credit approval process, a clear Risk Appetite Framework defining the credit risk the bank is willing to take, appropriate loan-to-value rates, diversification rules and regular reviews. Credit risks are subject to specific approval and monitoring by the Credit Committee. The Credit Department is in charge of credit controls using the following methods:
 - **Daily:** Violation list, which shows all uncovered positions based on lending value and all limit excesses based on the exposure;
 - **Monthly:** Assessment of new or existing exception to policy (ETP) positions or default positions (any break of contractual obligation) in addition to independent risk manager's assessment;
 - **Yearly:** Stress test exercise (e. g. decrease of all security collateral market prices by 20%) with parameters defined by independent risk manager.

The market prices of securities and cash collaterals (for Lombard loans) are provided through a daily market data feed. The market prices of real estate collateral are determined every 3 years by an independent real estate valuator. The loan to value rates (LTVs) are (a) fed into the banking system through an automated daily feed of BIL Group LTVs and (b) monitored by the credit department.

Default risk on institutional counterparties (banks, brokers, custodians, and bonds positions in the asset and liability book): these credit risks are subject to regular monitoring by Risk Management. All counterparties and brokers (for securities and foreign exchange transactions) must be authorized by the Executive Committee, based on an assessment by Risk Management.

Any significant increase in credit risk for a borrower or counterparty is presented to the Credit and Default Committee, which decides about provisions.

Market risk

Market risk reflects the potential loss on the Bank's balance sheet positions, of which the value or cash flows depend on market fluctuations. The market risks of the Bank are mainly caused by foreign currency positions (foreign exchange risk) and positions with defined repricing maturity (interest rate change risk).

The procedures (Identification, Analysis, Measurement and Assessment) are delegated to the Risk Management department which works with the following methods and limits:

- Interest Rate Risk in the Banking Book (IRRBB): Measurement of exposure vs limits (e. g. maturity), of sensitivity (+/- 1% interest rate shift) vs limits daily for the treasury book and monthly for the asset and liability book. For the treasury book, a value-at-risk model vs limit ensures the daily determination of risk.
- Foreign exchange risk (FX): Measurement of exposure vs limits (e.g. foreign exchange gaps) daily for the banking book (treasury and asset and liability book).
- Financial derivatives are used for hedging of foreign exchange exposures as: (1) FX balance sheet gaps or (2) FX cash flow hedge. Financial derivatives (OTC FX / metals forwards and OTC FX / metals options) initiated by clients are in principle fully hedged with external counterparties.

Liquidity and refinancing risks

Liquidity risk is defined as the risk that the Bank does not have sufficient liquidity to meet its obligations when transactions are due, or the risk that the Bank would have to incur excessive costs to do so. The refinancing risk is defined as the risk that the Bank cannot refinance its current or planned liabilities at reasonable prices. The main refinancing sources are client deposits and the BIL Group.

Liquidity and refinancing risks are managed by the Treasury department and monitored by the Risk Management department using the following methods: (1) monthly calculation and assessment of the client's current accounts (exposure and average), (2) calculation and assessment of the liquidity coverage ratio (LCR) monthly for the basis stress scenario

and quarterly for the additional stress scenario, and (3) quarterly calculation of the Net Stable Funding Ratio. The actual exposure is measured against the limits in the Risk Appetite Framework.

Operational risk (including Internal Control Framework)

Operational risk is the term given to the risk of loss resulting from the inadequacy or failure of internal processes, people or systems, or from external events. This definition includes legal risks but excludes strategic and reputational risks.

Operational risks are managed through the application of controls, for which the yearly Risk and Control Self-Assessment (RCSA) measures the effectiveness and efficiency of these controls. The controls are captured in the Internal Control Framework and the execution of the controls is reported in the Risk Report that is regularly presented to the BoD. Regarding the processing and approval of transactions, system-embedded controls ensure the application of a four-eyes principle and segregation of duties.

Legal risks are generally managed by the Legal department, by either providing advice or the management of any litigation and complaints.

- Litigations are centrally managed by the Legal department, supported by external legal advisers.
- The Legal department provides support to other departments of the Bank regarding contractual arrangements, the application and interpretation of laws and other matters. If needed, the Legal department seeks support from external counsel.

Reputational risk

Through continuous training, all staff is made aware of potential reputational risks to the bank. The procedure for the establishment of a new client relationship or for acceptance of new credits ensures that any possible reputational risk is kept at a minimum. Complex or high-risk account openings are subject to approval by a specific committee chaired by the Head of Compliance. All transactions are monitored in order to identify elevated risks linked to incoming and outgoing assets, the country of the contractual parties, respectively of the beneficial owners or to identify persons under sanctions or subject to prosecution. BIL Group has issued an AML Risk Appetite Statement which highlights client profiles, activities and countries with heightened reputation risk subject to exit processes, which applies to the Bank. Finally, all new client on-boarding and reviews are subject to a specific reputation risk assessment based on a Compliance Risk Grid to provide more transparency on the related risks. All staff are obliged to adhere to the "Code of Ethics" of the BIL Group at all times.

2.4 Events after the balance sheet date

No events have occurred after the balance sheet date that would require adjustment to or disclosure in the financial statements for the year ended 31 December 2025.

3. Balance sheet related information

3.1 Assets pledged and financing transactions

3.1.1 Disclosure of assets pledged or assigned to secure own commitments and of assets under reservation of ownership

(In CHF thousands)			
Pledged/assigned assets	Book values	Effective commitments	
Liquid assets	666	1,332	
TOTAL PLEDGED / ASSIGNED ASSETS	666	1,332	
TOTAL ASSETS UNDER RESERVATION OF OWNERSHIP	-	-	

3.1.2 Breakdown of securities financing transactions (assets and liabilities)

(In CHF thousands)			
	31/12/2025	31/12/2024	
Book value of receivables from cash collateral delivered in connection with securities borrowing and reverse repurchase transactions ¹	-	-	
Book value of obligations from cash collateral received in connection with securities lending and repurchase transactions ¹	-	-	
Book value of securities lent in connection with securities lending or delivered as collateral in connection with securities borrowing as well as securities in own portfolio transferred in connection with repurchase agreements	-	-	
<i>with unrestricted right to resell or pledge</i>	-	-	
Fair value of securities received and serving as collateral in connection with securities lending or securities borrowed in connection with securities borrowing as well as securities received in connection with reverse repurchase agreements with an unrestricted right to resell or repledge	-	-	
<i>of which, repledged securities</i>	-	-	
<i>of which, resold securities</i>	-	-	

¹ Before netting agreements

3.2 Presentation of collateral for loans / receivables and off-balance sheet transactions, as well as impaired loans

3.2.1 Loans

(In CHF thousands)	Secured by mortgage	Other collateral	Unsecured	TOTAL
Loans (before netting with value adjustments)				
Amounts due from customers	854	481,719	21,839	504,412
Mortgage loans	52,270	-	-	52,270
- Residential property	40,670	-	-	40,670
- Office and business premises	-	-	-	-
- Commercial and industrial premises	11,600	-	-	11,600
- Other	-	-	-	-
Total loans (before netting with value adjustments)				
31/12/2025	53,124	481,719	21,839	556,682
31/12/2024	49,275	482,319	22,148	553,742
Total loans (after netting with value adjustments)				
31/12/2025	53,124	481,719	18,278	553,121
31/12/2024	49,275	482,319	18,571	550,165

3.2.2 Off-balance sheet

(In CHF thousands)	Secured by mortgage	Other collateral	Unsecured	TOTAL
Contingent liabilities	-	10,403	-	10,403
Irrevocable commitments	-	-	3,437	3,437
Total off-balance-sheet				
31/12/2025	-	10,403	3,437	13,840
31/12/2024	-	17,366	3,519	20,885

3.2.3 Impaired loans / receivables

(In CHF thousands)	Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
31/12/2025	21,436	18,173	3,263	3,561
31/12/2024	11,292	7,715	3,577	3,577

3.3 Presentation of derivative financial instruments (assets and liabilities)

(In CHF thousands)	TRADING INSTRUMENTS		
	Positive replacement values	Negative replacement values	Contract volume
Foreign exchange / precious metals			
Forward contracts	8,782	6,802	694,944
Options (OTC)	15	15	1,959
Total before netting agreements:			
31/12/2025	8,797	6,817	696,903
31/12/2024	3,316	3,052	358,384
Total after netting agreements:			
31/12/2025	8,797	6,817	696,903
31/12/2024	3,316	3,052	358,384

3.3.1 Breakdown by counterparty

	Central clearing houses	Banks and securities dealers	Other customers
Positive replacement values (after netting agreements)	-	4,379	4,418
Negative replacement values (after netting agreements)	-	5,215	1,602

3.4 Breakdown of financial investments

(In CHF thousands)	Book value		Fair value	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Debt securities	109,316	133,325	108,310	128,944
<i>of which, intended to be held to maturity</i>	109,316	133,325	108,310	128,944
<i>of which, not intended to be held to maturity (available for sale)</i>	-	-	-	-
Equity securities	74	74	138	134
<i>of which, qualified participations¹</i>	-	-	-	-
Precious metals	-	-	-	-
Real estate	-	-	-	-
TOTAL	109,390	133,399	108,448	129,078
<i>of which, securities eligible for repo transactions in accordance with liquidity requirements</i>	75,414	79,985	75,397	79,885

3.4.1 Breakdown of counterparties by rating

(In CHF thousands)	AA	AA-	A+	A	A-	n/a	TOTAL
Debt securities: book values	70,003	5,411	-	-	-	33,902	109,316

The allocation is based on the ratings categories of S&P.

¹ at least 10% of capital or votes

3.4.2 Value adjustments

(In CHF thousands)	Principal amount	Net book value	Fair Value	Individual value adjustments
31/12/2025	8,001	6,067	5,179	1,934
31/12/2024	8,085	6,131	3,104	1,954

A new individual value adjustment was implemented during 2024.

3.5 Presentation of participations

(In CHF thousands)	Acquisition cost	Accumulated value adjustments and changes in book value (valuation using the equity method)	Book value 31/12/2024
Participations valued using the equity method:			
with market value	-	-	-
without market value	-	-	-
Other participations:			
with market value	-	-	-
without market value	-	-	-
TOTAL PARTICIPATIONS	-	-	-

	2025					
	Reclassifications	Additions	Disposals	Value adjustments	Book value as at 31/12/2025	Market value
Participations valued using the equity method:						
with market value	-	-	-	-	-	-
without market value	-	-	-	-	-	-
Other participations:						
with market value	-	-	-	-	-	-
without market value	-	-	-	-	-	-
TOTAL PARTICIPATIONS	-	-	-	-	-	-

3.6 Disclosure of companies in which the bank holds a permanent direct or indirect significant participation

(In CHF thousands)	Company name and domicile	Business activity	Company capital (in 1,000s)	Share of capital (in %)	Share of votes (in %)	Held directly	Held indirectly
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The bank does not hold any participations.

3.7 Presentation of tangible fixed assets

(In CHF thousands)	Acquisition cost	Accumulated depreciation	Book value 31/12/2024
Bank buildings	-	-	-
Other real estate	-	-	-
Proprietary or separately acquired software	-	-	-
Other tangible fixed assets	6,776	(3,656)	3,120
Tangible assets acquired under finance leases:	-	-	-
<i>of which, bank buildings</i>	-	-	-
<i>of which, other real estate</i>	-	-	-
<i>of which, other tangible fixed assets</i>	-	-	-
TOTAL TANGIBLE FIXED ASSETS	6,776	(3,656)	3,120

(In CHF thousands)	2025					Book value as at 31/12/2025
	Reclassifications	Additions	Disposals	Depreciation	Reversals	
Bank buildings	-	-	-	-	-	-
Other real estate	-	-	-	-	-	-
Proprietary or separately acquired software	-	-	-	-	-	-
Other tangible fixed assets	-	14	-	(548)	-	2,586
Tangible assets acquired under finance leases:	-	-	-	-	-	-
<i>of which, bank buildings</i>	-	-	-	-	-	-
<i>of which, other real estate</i>	-	-	-	-	-	-
<i>of which, other tangible fixed assets</i>	-	-	-	-	-	-
TOTAL TANGIBLE FIXED ASSETS	-	14	-	(548)	-	2,586
Operating lease commitments as at 31/12/2025						0
<i>of which, with maturity within one year</i>						0

3.8 Presentation of intangible assets

(In CHF thousands)	Acquisition cost	Accumulated depreciation	Book value 31/12/2024
Goodwill	13,327	(13,327)	-
Patents	-	-	-
Licenses	-	-	-
Other intangible assets	9,517	(9,024)	493
TOTAL INTANGIBLE ASSETS	22,844	(22,351)	493

(In CHF thousands)	2025					Book value as at 31/12/2025
	Reclassifications	Additions	Disposals	Depreciation	Reversals	
Goodwill	-	-	-	-	-	-
Patents	-	-	-	-	-	-
Licenses	-	-	-	-	-	-
Other intangible assets	-	-	-	(327)	-	166
TOTAL INTANGIBLE ASSETS	-	-	-	(327)	-	166

3.9 Breakdown of other assets and other liabilities

(In CHF thousands)	Other assets		Other liabilities	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Compensation account	165	277	0	-
Deferred income taxes recognised as assets	0	-	0	-
Amount recognised as assets in respect of employer contribution reserves	0	-	0	-
Indirect taxes	17	17	677	679
Other assets and liabilities	3,006	52	3,207	1,581
TOTAL	3,188	346	3,884	2,260

3.10 Disclosures on the economic situation of own pension schemes

The Bank's pension plans are insured and managed by two different multi-employer pension funds providers (collective foundations), which are both approved and under supervision of Swiss Occupational Pension authorities.

The pension plans have both retirement and risk cover (disability and death benefits). The retirement cover is based on defined contributions per age range, the risk benefits are defined as percentage of the insured salary. The regular retirement age is 65 years for both men and women (as of 01 January 2024, considering the transitional regulation AHV21). Early retirement as from 58 and deferred retirement up to age 70 is possible, with corresponding decrease or increase of the retirement benefit. The basic pension plan, which complies with the statutory minimal occupational pension benefits, has been implemented by a provider offering semi-autonomous solutions with pooled assets. The supplementary pension plan has been implemented by a pension provider offering 1e plans solutions¹. Insured salaries and benefits of the two pension plans are coordinated with each other.

¹ Swiss 1e plans are a form of pension solution offering investment choice to employees.

3.11 Employer contribution reserves (ECR)

(In CHF thousands)						
ECR	Nominal value at 31/12/2025	Waiver of use at 31/12/2025	Net amount at 31/12/2025	Net amount at 31/12/2024	Influence of ECR on personnel expenses	
					2025	2024
Employer sponsored funds / employer sponsored pension schemes	-	-	-	-	-	-
Pension schemes	792	-	792	791	-	-

The ECR is not reported as an asset on the balance sheet.

3.12 Presentation of the economic benefit / obligation and the pension expenses

(In CHF thousands)							
	Overfunding / underfunding at 31/12/2025	Economic interest of the Bank		Change in economic interest (economic benefit/obligation) versus 21	Contributions paid for 2025		Pension expenses in personnel expenses
		31/12/2025	31/12/2024		2025	2024	
Pension plan with over-funding	-	(2)	23	(25)	2,769	2,745	2,696

3.13 Presentation of value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

(In CHF thousands)								
	Balance 31/12/2024	Use in conformity with designated purpose	Reclassifications	Currency differences	Past due interest, recoveries	New creations charged to income	Releases to income	Balance 31/12/2025
Provisions for restructuring	450	(450)	-	-	-	-	-	-
Other provisions	1,069	(361)	-	-	-	446	-	1,154
TOTAL PROVISIONS	1,519	(811)	-	-	-	446	-	1,154
Value adjustments for default and country risks	5,531	-	-	(443)	-	456	(48)	5,495
<i>of which, value adjustments for default risks in respect of impaired loans / receivables</i>	3,577	-	-	(423)	-	456	(48)	3,561
<i>of which, value adjustments for default risks in respect of financial investments</i>	1,954	-	-	(20)	-	-	-	1,934

3.14 Presentation of the bank's capital

(In CHF thousands)						
	31/12/2025			31/12/2024		
	Total par value	No. of shares	Capital eligible for dividend	Total par value	No. of shares	Capital eligible for dividend
Share capital	85,000	85,000	85,000	85,000	85,000	85,000
TOTAL SHARE CAPITAL	85,000	85,000	85,000	85,000	85,000	85,000

3.15 Disclosure of amounts due from / to related parties

(In CHF thousands)					
	Amounts due from		Amounts due to		
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	
Holders of qualified participations	39,044	25,157	276,919	319,528	
Group companies	-	-	-	-	
Linked companies	-	-	-	-	
Transactions with members of governing bodies	-	-	-	-	
Other related parties	-	-	-	-	

The services rendered to and from related parties are at arm's length.

3.16 Disclosure of holders of significant participations

(In CHF thousands)					
		31/12/2025		31/12/2024	
		Nominal	%	Nominal	%
Holders of significant participations and groups of holders of participations with pooled voting rights					
With voting rights	Banque Internationale à Luxembourg S.A., Luxembourg	85,000	100%	85,000	100%
Without voting rights	-	-	-	-	-

The parent company of Banque Internationale à Luxembourg (Suisse) SA ("BIL Suisse") is Banque Internationale à Luxembourg S.A., a Luxembourg public limited company governed by the laws of the Grand Duchy of Luxembourg. Its registered office is situated at 69, route d'Esch, L-1470 Luxembourg.

The main shareholders of Banque Internationale à Luxembourg are Beyond Leap Limited with a holding of 89.9804 % and the Luxembourg State with a holding of 9.9978 %. The remaining 0.0218 % is held by individual shareholders.

BIL Suisse is integrated in the consolidated financial statements of Legend Holdings Corporation, comprising the largest body of undertakings of which BIL Suisse forms part as a subsidiary. The registered office of Legend Holdings Corporation is located at 1701, B-17, Raycom Info Tech Park, No.2 Ke Xue Yuan South Road, Haidian District, Beijing 100190, the People's Republic of China. BIL Suisse is integrated in the consolidated financial statements of Banque Internationale à Luxembourg, comprising the smallest body of undertakings of which BIL Suisse forms part as a subsidiary.

3.17 Presentation of the maturity structure of financial instruments

(In CHF thousands)									
	At sight	Cancellable					Due	Total	
		within 3 months	within 3 to 12 months	within 12 months to 5 years	after 5 years	No maturity			
ASSETS / FINANCIAL INSTRUMENTS									
Liquid assets	82,074	-	-	-	-	-	-	82,074	
Amount due from banks	68,562	-	-	-	-	-	-	68,562	
Amount due from customers	99,742	-	279,403	24,935	97,064	-	-	501,144	
Mortgage loans	-	-	22,146	3,794	11,676	14,361	-	51,977	
Positive replacement values of derivatives	8,797	-	-	-	-	-	-	8,797	
Financial investments	-	-	68,069	33,246	8,001	-	74	109,390	
TOTAL	31/12/2025	259,175	-	369,618	61,975	116,741	14,361	74	821,944
TOTAL	31/12/2024	266,946	-	310,682	194,187	57,742	9,884	-	839,441
DEBT CAPITAL / FINANCIAL INSTRUMENTS									
Amount due to banks	52,941	-	167,652	18,628	65,570	-	-	304,791	
Amounts due in respect of customer deposits	338,015	-	7,763	-	-	-	-	345,778	
Negative replacement values of derivative financial instruments	6,817	-	-	-	-	-	-	6,817	
TOTAL	31/12/2025	397,773	-	175,415	18,628	65,570	-	-	657,386
TOTAL	31/12/2024	367,992	-	188,723	122,942	-	-	-	679,657

3.18 Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle

(In CHF thousands)				
	31/12/2025		31/12/2024	
	Domestic	Foreign	Domestic	Foreign
ASSETS				
Liquid assets	82,074	-	108,206	-
Amounts due from banks	14,635	53,927	18,424	25,931
Amounts due from customers	149,301	351,843	110,796	390,926
Mortgage loans	39,843	12,134	37,679	10,764
Positive replacement values of derivative financial instruments	4,181	4,616	2,174	1,142
Financial investments	70,077	39,313	69,932	63,467
Accrued income and prepaid expenses	2,990	1,156	3,202	2,277
Participations	-	-	-	-
Tangible fixed assets	2,586	-	3,120	-
Intangible assets	166	-	493	-
Other assets	3,188	-	346	0
TOTAL ASSETS	369,040	462,989	354,372	494,507
LIABILITIES				
Amounts due to banks	14,284	290,507	4,800	317,778
Amounts due in respect of customer deposits	55,310	290,468	62,510	291,517
Negative replacement values of derivative financial instruments	4,710	2,107	1,627	1,425
Accrued expenses and deferred income	18,111	1,197	19,079	2,403
Other liabilities	3,879	6	2,254	6
Provisions	1,154	-	1,519	-
Share capital	85,000	-	85,000	-
Statutory capital reserves	52,000	-	52,000	-
Statutory retained earnings reserves	-	-	-	-
Voluntary retained earnings reserves	-	-	-	-
Profit carried forward / loss carried forward	6,960	-	6,743	-
Profit / loss (result of the year)	6,338	-	217	-
TOTAL LIABILITIES	247,745	584,284	235,749	613,129

3.19 Breakdown of total assets by country or group of countries (domicile principle)

(In CHF thousands)	31/12/2025		31/12/2024	
	Absolute	Share as %	Absolute	Share as %
Assets				
Europe :				
- Switzerland	369,040	44,4%	354,372	42%
- Luxembourg	63,054	7,6%	43,741	5%
- Rest of Europe	211,887	25,5%	240,453	28%
North America	3,868	0,5%	8,657	1%
Caribbean	44,655	5,4%	54,073	6%
Latin America	901	0,1%	856	0%
Africa	384	0,0%	9,462	1%
Asia	131,677	15,8%	135,808	16%
Australia/Oceania	6,563	0,8%	1,457	0%
TOTAL ASSETS	832,029	100%	848,879	100%

3.20 Breakdown of total assets by credit rating of country groups (risk domicile view)

Rating	Net foreign exposure 31/12/2025		Net foreign exposure 31/12/2024	
	Absolute	Share as %	Absolute	Share as %
	AAA to AA-	240,059	52%	277,516
A+ to A-	144,217	31%	126,272	26%
BBB+ to BBB-	14,229	3%	14,671	3%
BB+ to BB-	3	-	4,125	1%
B+ to B-	375	-	381	-
CCC+ to C-	899	-	855	-
D	-	-	109	-
SD	37	-	-	-
No rating	63,170	14%	70,578	14%
TOTAL	462,989	100%	494,507	100%

The exposures have been classified as per sovereign ratings issued by S&P.

3.21 Presentation of assets and liabilities broken down by the most significant currencies for the Bank

(In CHF thousands)	CHF	EUR	USD	GBP	JPY	PLN	XAU	Others	Total
ASSETS									
Liquid assets	82,074	-	-	-	-	-	-	-	82,074
Amounts due from banks	7,537	1,928	37,482	8,209	4,030	3,758	826	4,792	68,562
Amounts due from customers	224,287	137,880	65,526	2	68,998	267	-	4,184	501,144
Mortgage loans	39,843	12,134	-	-	-	-	-	-	51,977
Positive replacement values of derivative financial instruments	8,781	5	-	-	-	-	11	-	8,797
Financial investments	75,488	33,902	-	-	-	-	-	-	109,390
Accrued income and prepaid expenses	565	3,210	332	3	23	8	-	5	4,146
Participations	-	-	-	-	-	-	-	-	-
Tangible fixed assets	2,586	-	-	-	-	-	-	-	2,586
Intangible assets	166	-	-	-	-	-	-	-	166
Other assets	3,188	-	-	-	-	-	-	-	3,188
TOTAL ASSETS SHOWN IN BALANCE SHEET	444,514	189,059	103,340	8,214	73,051	4,033	837	8,981	832,029
Delivery entitlements from spot exchange, forward forex and forex options transactions	10,864	259,086	254,245	225	109,912	7,139	37,709	16,698	695,878
TOTAL ASSETS	455,378	448,145	357,585	8,439	182,963	11,172	38,546	25,679	1,527,907
LIABILITIES									
Amounts due to banks	34,214	262,052	7,711	-	-	-	-	814	304,791
Amounts due in respect of customer deposits	40,588	117,279	110,683	8,189	650	9,440	38,534	20,415	345,778
Negative replacement values of derivative financial instruments	6,801	5	-	-	-	-	11	-	6,817
Accrued expenses and deferred income	18,366	928	-	-	-	-	-	13	19,307
Other liabilities	2,904	14	956	9	-	-	-	1	3,884
Provisions	1,154	-	-	-	-	-	-	-	1,154
Share capital	85,000	-	-	-	-	-	-	-	85,000
Statutory capital reserves	52,000	-	-	-	-	-	-	-	52,000
Statutory retained earnings reserves	-	-	-	-	-	-	-	-	-
Voluntary retained earnings reserves	-	-	-	-	-	-	-	-	-
Profit carried forward / loss carried forward	6,960	-	-	-	-	-	-	-	6,960
Profit / loss (result of the year)	6,338	-	-	-	-	-	-	-	6,338
TOTAL LIABILITIES SHOWN IN BALANCE SHEET	254,325	380,278	119,350	8,198	650	9,440	38,545	21,243	832,029
Delivery obligations from spot exchange, forward forex and forex options transactions	198,230	68,490	237,201	225	182,243	1,720	-	4,425	692,534
TOTAL LIABILITIES	452,555	448,768	356,551	8,423	182,893	11,160	38,545	25,668	1,524,563
NET POSITION PER CURRENCY	2,823	(623)	1,034	16	70	12	1	11	3,344

4. Off balance sheet related information

4.1 Breakdown of contingent liabilities and contingent assets

(In CHF thousands)	31/12/2025	31/12/2024
Guarantees given to secure credits and similar	10,403	17,366
Other contingent liabilities	-	-
TOTAL CONTINGENT LIABILITIES	10,403	17,366
Guarantees received to secure credits and similar	55,884	56,472
Other contingent assets	-	490
TOTAL CONTINGENT ASSETS	55,884	56,962

4.2 Breakdown of fiduciary transactions

(In CHF thousands)	31/12/2025	31/12/2024
Fiduciary investments with third-party companies	-	-
Fiduciary investments with group companies and linked companies	574,789	802,150
Other fiduciary transactions	-	-
TOTAL	574,789	802,150

4.3 Breakdown of managed assets and presentation of their development

4.3.1 Breakdown of managed assets

(In CHF million)	31/12/2025	31/12/2024
Assets in collective investment schemes managed by the Bank	-	-
Assets under discretionary asset management agreements	332	322
Other managed assets	3,641	4,016
TOTAL MANAGED ASSETS (INCLUDING DOUBLE COUNTING)	3,973	4,337
<i>of which, double counting</i>	-	-

4.3.2 Presentation of the development of managed assets

(CHF in millions)	2025	2024
TOTAL MANAGED ASSETS (INCLUDING DOUBLE COUNTING) AT BEGINNING	4,337	4,384
+/- net new money inflow or net new money outflow	(483)	(571)
+/- price gains / losses, interest, dividends and currency gains / losses	119	524
+/- other effects	-	-
TOTAL MANAGED ASSETS (INCLUDING DOUBLE COUNTING) AT END	3,973	4,337

Considered as client assets are all assets, held as investment, from institutional clients, company clients and private clients. Assets held for safekeeping only are not included. This concerns assets from institutionals like investment funds, where the Bank acts as custody and financial collector only.

Changes in rates, credits of interests and dividends, commissions, debit interests on Lombard loans, etc. are considered as performance-based changes in client assets.

5. Income statement related information

5.1 Result from trading activities and interest operations

5.1.1 Breakdown of the result from trading activities and the fair value option

(In CHF thousands)	2025	2024
Result from trading activities from:		
- Interest rate instruments (including funds)	-	-
- Equity securities (including funds)	-	-
- Foreign currencies	4,158	4,971
- Commodities / precious metals	146	86
TOTAL RESULT FROM TRADING ACTIVITIES	4,304	5,057
<i>of which, from fair value option</i>	-	-
<i>of which, from fair value option on assets</i>	-	-
<i>of which, from fair value option on liabilities</i>	-	-

5.1.2 Disclosure of material refinancing income in the item interest and discount income as well as material negative interest

(In CHF thousands)	2025	2024
Result from interest operations		
- Interest and discount income	20,604	23,436
<i>of which, from refinancing income</i>	-	-
<i>of which from negative interest</i>	-	-
- Interest and dividend income from financial investments	1,207	2,975
- Interest expense	(6,292)	(8,786)
<i>of which from negative interest</i>	-	-
TOTAL RESULT FROM INTEREST OPERATIONS	15,519	17,625

5.2 Breakdown of personnel expenses

(In CHF thousands)	2025	2024
Salaries (meeting attendance fees and fixed compensation to members of the bank's governing bodies, salaries and benefits)	27,688	27,701
<i>of which expenses relating to share-based compensation and alternative forms of variable compensation</i>	6,563	6,966
Social insurance benefits	4,454	4,295
Changes in book value for economic benefits and obligations arising from pension schemes	-	-
Other personnel expenses	867	624
TOTAL	33,009	32,620

5.3 Breakdown of general and administrative expenses

(In CHF thousands)	2025	2024
Office space expenses	2,355	2,523
Expenses for information and communications technology	5,821	6,713
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	57	68
Fees of audit firm(s) (Art. 961a no. 2 CO)	510	408
<i>of which, for financial and regulatory audits</i>	510	408
<i>of which, for other services</i>	-	-
Other operating expenses	3,934	7,049
TOTAL	12,677	16,761

5.4 Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general banking risks and value adjustments and provisions no longer required

The bank realized extraordinary income of CHF 0.119 Million in 2025 (CHF 0.0 Million in 2024).

5.5 Presentation of current taxes, deferred taxes, and disclosure of tax rate

(In CHF thousands)	2025	2024
Current taxes	450	402
Deferred taxes	-	-
Impact of changes arising from loss carry forwards on income taxes	-	-
Average income tax rate	-	-

The Company, as part of BIL Group included in Legend Holdings Group, is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Switzerland, the jurisdiction in which the company is incorporated, by an ordinance adopted by the Swiss Federal Council on 22 December 2023, introducing a domestic minimum top-up tax effective 1st January 2024.

Under the legislation, the Company is liable to pay a top-up tax for the difference between its Pillar Two effective tax rate per jurisdiction and the 15% minimum tax rate.

The Group performed an impact assessment of the OECD transitional safe harbour rules and the full Pillar Two rules. The Group concluded that it should not be subject to top-up tax in Switzerland for the current year.

The management of the Company recognizes based on the last filed tax return that the Company has CHF 29.8 million of carried forward tax losses available as at 31 December 2024 and estimates approximately CHF 23.5 million of carried forward tax losses available as at 31 December 2025, which could lead to a potential deferred tax asset of CHF 4.2 million at a tax rate of 18%.

The losses can be carried forward for a period of seven years following the tax year in which the losses arose.

Proposal to the Annual General Meeting

The Board of Directors proposes to the Ordinary Annual General Meeting that available earnings be appropriated as follows:

(Swiss Francs)	
Total shareholders' equity as at 31.12.2025 before appropriation of available earnings:	
Share capital	85,000,000
Statutory capital reserves	52,000,000
<i>of which tax-exempt capital contribution reserves</i>	52,000,000
Statutory retained earnings reserves	-
Voluntary retained earnings reserves	-
Profit carried forward / loss carried forward	6,959,751
Profit / loss (result of the period)	6,338,389
TOTAL	150,298,141
Profit / loss (result of the period)	6,338,389
+/- profit / loss carried forward	6,959,751
= distributable profit / accumulated loss	13,298,141
Appropriation of profit / coverage of losses:	
- Transfers from statutory retained earnings reserves	-
New amount carried forward	13,298,141
Total shareholders' equity as at 31.12.2025 after appropriation of available earnings:	
Share capital	85,000,000
Statutory capital reserves	52,000,000
<i>of which tax-exempt capital contribution reserves</i>	52,000,000
Statutory retained earnings reserves	-
Voluntary retained earnings reserves	-
Profit carried forward / loss carried forward	13,298,141
TOTAL	150,298,141



Report of the statutory auditor to the General Meeting of Banque Internationale à Luxembourg (Suisse) SA, Zürich

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Banque Internationale à Luxembourg (Suisse) SA ('the Company'), which comprise the balance sheet as at 31 December 2025, the income statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 18 to 41) comply with Swiss law and the Company's articles of incorporation.

Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). 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 Swiss law and the requirements of the Swiss audit profession that are relevant to audits of the financial statements of public interest entities. We have also 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.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report 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 of the financial statements, our responsibility is to read the other information and, in doing so, 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, based on the 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.

PricewaterhouseCoopers AG, Birchstrasse 160, 8050 Zürich
+41 58 792 44 00



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of financial statements in accordance with the provisions of Swiss 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 Company'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 either intends to liquidate the Company 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 an audit conducted in accordance with Swiss law and SA-CH 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.

A further description of our responsibilities for the audit of the financial statements is located on EXPERTsuisse's website: <https://www.expertsuisse.ch/en/audit-report>. This description forms an integral part of our report.

Report on other legal and regulatory requirements

In accordance with art. 728a para. 1 item 3 CO and PS-CH 890, we confirm the existence of an internal control system that has been designed, pursuant to the instructions of the Board of Directors, for the preparation of the financial statements.

Based on our audit according to art. 728a para. 1 item 2 CO, we confirm that the Board of Directors' proposal complies with Swiss law and the Company's articles of incorporation. We recommend that the financial statements submitted to you be approved.

PricewaterhouseCoopers AG

Roland Holl
Licensed audit expert
Auditor in charge

Dario Mazzucca
Licensed audit expert

Zürich, 10 April 2026

Disclosure according to DisO-FINMA (FINMA Ordinance on the Disclosure of Risks and Capital Requirements)

TABLE ID	TYPE	NAME AND DESCRIPTION	REMARKS
OVERVIEW DISCLOSURES			
CorpGov	QUALITATIVE	Corporate Governance	Qualitative disclosure covered by narrative included in the annual report.
KM1	QUANTITATIVE	Key metrics	See table KM1
OV1	QUANTITATIVE	Overview of risk weighted assets (RWA)	See table OV1
LIQA	MIXED	Liquidity risk management	<p>BIL Suisse is classified as Category 5 Bank by the FINMA and is therefore subject to a Liquidity Coverage Ratio (LCR) regulatory requirement of 100%.</p> <p>In addition to the regulatory requirement, BIL Suisse maintains a stricter internal requirement prescribed by the bank's Risk Appetite Framework (RAF).</p> <p>The internal requirement is implemented using a traffic light approach where three different thresholds define the RED, AMBER and GREEN areas as follows:</p> <ul style="list-style-type: none"> • GREEN: LCR > 150% • AMBER: 120% ≤ LCR ≤ 150% • RED: LCR < 120% <p>The ratio is monitored on a daily basis and reported to the ALM Committee members, as well as to BIL Group, along with projections and stress tests results.</p>

TABLE ID	TYPE	NAME AND DESCRIPTION	REMARKS
CREDIT AND COUNTERPARTY CREDIT RISK DISCLOSURE			
CR1	QUANTITATIVE	Credit risk: Credit quality of assets	See table CR1
CR2	QUANTITATIVE	Credit risk: Changes in stock of defaulted loans and debt securities	See table CR2
CRB	MIXED	Credit risk: Additional disclosure related to the credit quality of assets	<p>The BIL Suisse credit portfolio primarily comprises uncommitted Lombard loans and revolving credit facilities. Additionally, BIL Suisse offers long-term mortgage loans and term loans.</p> <p>Lombard loans are secured by liquid financial instruments with sufficient daily trading volumes to ensure rapid liquidation when necessary.</p> <p>Furthermore, BIL Suisse holds debt securities issued by European corporate and government entities, diversified across various sectors. The portfolio also includes Swiss sovereign bonds and short-term SNB Bills, which form part of the bank's High-Quality Liquid Assets (HQLA) pool.</p>
CR3	QUANTITATIVE	Credit risk: Credit risk mitigation techniques - overview	See table CR3
CR5	QUANTITATIVE	Credit risk: Standardised approach - exposures by asset classes and risk weights	See table CR5
CCR3	QUANTITATIVE	Counterparty credit risk: Standardised approach of CCR exposures by regulatory portfolio (position class) and risk weights	See table CCR3
CCR5	QUANTITATIVE	Counterparty credit risk: Composition of collateral for CCR exposure	See table CCR5

TABLE ID	TYPE	NAME AND DESCRIPTION	REMARKS
INTEREST RATE RISK IN THE BANKING BOOK DISCLOSURE			
IRRBBA	QUALITATIVE	Interest rate risk: risk management objectives and policies for the management of interest rate risk in the banking book	<p>BIL Suisse is part of BIL Group and complies with the Group's Interest Rate Risk in the Banking Book policy explained in the Group's Pillar III disclosures report available at https://www.bil.com/en/bil-group/documentation/Pages/financial-reports.aspx</p> <p>As part of its regulatory reporting duties, the bank reports the IRRBB metrics (Delta-EVE and Delta-NII) to the SNB on a quarterly basis.</p> <p>Furthermore, BIL Suisse's Risk Appetite Framework includes specific limits covering the interest rate sensitivity on Banking Book positions. For such positions, the sensitivity is measured using a parallel shift of 100 basis points on all underlying interest rate curves.</p> <p>The interest rate sensitivity is then recalculated using the six standard IRRBB regulatory scenarios and the respective results are provided for information.</p> <p>The limits are set using a traffic light approach as follows:</p> <p>ALM Interest Rate Sensitivity</p> <ul style="list-style-type: none"> • GREEN: IR Sensitivity < 6m CHF • AMBER: 6m CHF ≤ IR Sensitivity ≤ 7.5m CHF • RED: IR Sensitivity > 7.5m CHF <p>The Interest Rate Sensitivity is measured and reported on a daily basis and reported to the ALM Committee quarterly.</p>
IRRBBA1	QUANTITATIVE	Interest rate risk: quantitative information on position structure and interest rate repricing	See table IRRBBA1
IRRBB1	QUANTITATIVE	Interest rate risk: quantitative information on the net present value and interest income	See table IRRBB1

TABLE ID	TYPE	NAME AND DESCRIPTION	REMARKS
OPERATIONAL RISK DISCLOSURE			
ORA	QUALITATIVE	Operational risks: Qualitative disclosures	<p>Operational Risk is the term given to the risk of loss resulting from the inadequacy or failure of internal processes, people or systems, or from external events. This definition includes legal risks but excludes strategic and reputational risks. Operational risks are managed through the application of controls, for which the yearly Risk Control and Self-Assessment (RCSA) measures the effectiveness and efficiency of these controls. The controls are captured in the Internal Control Framework and the execution of the controls is reported in the Risk Report that is presented to the Audit, Risk and Compliance Committee (ARCC) on a monthly basis and to the Board of Directors on a quarterly basis. BIL Suisse operates a high number of process-embedded controls, system-embedded controls along with process-independent controls to ensure a minimal number of incidents. Furthermore, IT Risk Management works in close collaboration with Operational Risk Management to ensure operational resilience.</p> <p>BIL Suisse determines the capital requirement for Operational Risk using the Basic Indicator Approach (BIA). The latter computes the capital requirement as a three-years average of the positive Gross Income (GI) indicator, rescaled by 15%. The current material inherent risks to BIL Suisse have been identified as Internal and External Fraud along with the threat of Cyber-attack. BIL Suisse is however covered under the Group's Bankers Blanket Bond insurance for significant losses incurred through Operational Risk.</p> <p>Legal risks are generally managed by the Legal department, by either providing advice, or a management of any litigation and complaints. Litigations are centrally managed by the Legal department, supported by external legal advisers. The department gives legal support to the other departments of the Bank, when it comes to contractual arrangements, the application and interpretation of laws and other matters, either by itself, or supported by external counsel.</p>
OR2	QUANTITATIVE	Operational risks: Business indicator and subcomponents	See table OR2
OR3	QUANTITATIVE	Operational risks: Minimum own funds	See table OR3

Table KM1: Key metrics

(In CHF thousands)	31/12/2025	30/09/2025	30/06/2025	31/03/2025	31/12/2024
Available capital (amounts)					
Common Equity Tier 1 (CET1)	148.231				143.250
Tier 1	148.231				143.250
Total capital	148.231				143.250
Risk-weighted assets (amounts)					
Total risk-weighted assets (RWA)	417.292				344.658
Total risk-weighted assets (pre-floor)	417.292				344.658
Risk-based capital ratios as a percentage of RWA					
CET1 ratio (%)	35.5%				41.6%
CET1 ratio (%) (pre-floor ratio)	35.5%				41.6%
Tier 1 ratio (%)	35.5%				41.6%
Tier 1 ratio (%) (pre-floor ratio)	35.5%				41.6%
Total capital ratio (%)	35.5%				41.6%
Total capital ratio (%) (pre-floor ratio)	35.5%				41.6%
Additional CET1 buffer requirements as a percentage of RWA					
Capital conservation buffer requirement (2.5% from 2019) (%)	2.50%				2.50%
Countercyclical buffer requirement (%)	0%				0%
Bank G-SIB and/or D-SIB additional requirements (%)	0%				0%
Total of bank CET1 specific buffer requirements (%) (row 8 + row 9 + row 10)	2.50%				2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	27.5%				33.6%
Capital target ratios in accordance with Annex 8 ERV (% of RWA)					
Capital buffer in accordance with Annex 8 CAO (%)	2.50%				2.50%
Countercyclical buffer (Art. 44 and 44a CAO) (%)	0.07%				0.10%
CET1 target ratio (%) in accordance with Annex 8 CAO plus the countercyclical buffer in accordance with Articles 44 and 44a CAO	7.07%				7.10%
Tier 1 target ratio (%) in accordance with Annex 8 CAO plus the countercyclical buffer in accordance with Articles 44 and 44a CAO	8.57%				8.60%
Total capital target ratio (%) in accordance with Annex 8 CAO plus the countercyclical buffer in accordance with Articles 44 and 44a CAO	10.6%				10.6%

Leverage ratio according to the Basel minimum standard			
Total exposure (LRD) (CHF)	955,383		919,353
Leverage ratio expressed as Tier 1 as a percentage of LRD including the effect of a temporary exemption of central bank balances	15.5%		15.6%
Leverage ratio (%) excluding the effect of a temporary exemption of central bank balances	15.5%		15.6%
Minimum own funds (Art. 42 CAO) ¹	33,383		27,573

Liquidity Coverage Ratio					
Total HQLA	149,072	153,462	170,142	188,973	183,466
Total net cash outflow	68,172	53,784	88,428	107,824	47,322
LCR (%)	218.7%	285.3%	192.4%	175.3%	387.7%

Net Stable Funding Ratio (NSFR)		
Total available stable funding	468,073	456,814
Total required stable funding	386,284	355,769
NSFR (%)	121.2%	128.4%

¹ The greater of:
- the minimum own funds in accordance with Art. 42 par 1 let a and b CAO (3% LRD and 8% RWA respectively)
- the minimum capital of CHF 10 million (Art. 15 Banking Ordinance) for banks and CHF 1.5 million (Art. 69 para. 1 FinIO) for securities firms

Table OV1: Overview of risk weighted assets

(In CHF thousands)				
	RWA ¹	RWA	Minimum Capital Requirement ²	RWA change
	31/12/2025	31/12/2024	31/12/2025	in %
Credit risk ³	268,448	231,271	21,476	16.08%
Market risk	17,212	12,831	1,377	34.15%
Operational risk	131,632	100,556	10,531	30.90%
Amounts below threshold for deductions (with 250% to be risk weighted positions)				0.00%
TOTAL (1 + 20 + 24 + 25)	417,292	344,658	33,383	21.07%

Table CR1: Credit risk: Credit quality of assets

(In CHF thousands)						31/12/2025
	Gross carrying values of ^{4,8}		Allowances / impairments ⁵	Of which ECL valuation allowances / provisions for loan defaults from SA-BIS positions		Net values (a + b - c)
	Defaulted exposures	Non-defaulted exposures		Assigned to the category "Specific"	Assigned to the category "General"	
Loans (excluding debt securities) ⁶	21,349	603,807	3,561	3,561		621,596
Debt securities ⁶	8,001	103,249	1,934	1,934		109,316
Off-balance sheet exposures ⁷		198,184				198,184
TOTAL Reporting Period	29,350	905,240	5,495	5,495		929,095
TOTAL Prior Period	20,303	948,479	5,487	5,487		963,295

1 RWA: risk weighted positions in accordance with own funds requirement calculation regulation. If the regulation does not foresee the direct calculation of RWA, but the calculation of the minimum required own funds, then these values need to be multiplied with 12.5 to get the RWA equivalent. (e.g. for market risks or operational risks)

2 i.e. minimum required capital at cut-off date. This amount correlates to 8% of RWA in general. Exceptions possible.

3 Including the counterparty credit risk, of non counterparty-related risks, the risks relating to shares held in the banking book and the investments in collective managed assets as well as settlement risk. Banks, whose risks are material in one or more of above mentioned categories, are recommended to add „of which rows“ accordingly.

4 The information must correspond to the values of the balance sheet and off-balance sheet items that are exposed to credit risk within the meaning of the capital adequacy requirements, with the exception of counterparty credit risk.

5 The disclosure must correspond to the total of value adjustments and provisions, excluding partial write-offs and irrespective of whether the adjustments cover impaired items or non-impaired items.

6 The balance sheet items must include loans and debt instruments.

7 Off-balance sheet items must be measured using the following criteria:

1. Guarantees granted: maximum amount that the bank is obliged to pay if the guarantee is called in, as a gross value;
2. Irrevocable loan commitments: total amount that the bank has committed to lend, as a gross value.

8 The gross carrying amount must correspond to the value before the application of credit conversion factors and credit risk mitigation techniques, before taking into account any value adjustments and provisions, but after any partial derecognition.

Table CR2: Credit risk: Changes in stock of defaulted loans and debt securities

(In CHF thousands)	31/12/2025
Defaulted loans and debt securities at end of the previous reporting period ¹	19,334
Loans and debt securities that have defaulted since the last reporting period	12,375
Returned to non-defaulted status	0
Amounts written off	0
Other changes ²	-2,272
Defaulted loans and debt securities at end of the reporting period	29,437

Table CR3: Credit risk: Credit risk mitigation techniques

(In CHF thousands)	Exposures unsecured: carrying amount ³	Exposures secured by collateral, of which: secured amount ⁴	Exposures secured by financial guarantees or credit derivatives, of which: secured amount ⁵
Loans (including debt securities) ¹	341,746	389,166	43,419
Off-balance sheet	25,923	172,260	
TOTAL	367,669	561,426	43,419
<i>Of which defaulted</i>	<i>26,880</i>	<i>2,470</i>	<i>0</i>
Prior year	298,927	620,258	44,109

1 Loans and debt securities that have defaulted since the last reporting period: refers to any loan or debt securities that became marked as defaulted during the reporting period.

2 Other changes: balancing items that are necessary to enable total to reconcile.

3 Exposures unsecured- carrying amount: carrying amount of exposures (net of allowances/impairments) that do not benefit from a credit risk mitigation technique.

4 Exposures secured by collateral: carrying amount of exposures (net of allowances/ impairments) partly or totally secured by collateral, regardless of what portion of the original exposure is secured.

5 Exposures secured by collateral: carrying amount of exposures (net of allowances/ impairments) partly or totally secured by collateral, regardless of what portion of the original exposure is secured.

Table CR5: Credit risk: exposures by asset classes and risk weights under the standardised approach

(In CHF thousands)

Risk weight (%)	0, 10, 15	20, 25	30, 35	40, 45, 50, 55	60, 70, 75, 80, 85	90, 100, 110, 115	130, 150, 250	400	1250	Sum of exposures post-CCF and CRM
Asset class										
Central governments, central banks and supranational organisations	152,077									152,077
Public-sector entities				5,411						5,411
Multilateral development banks										
Banks		68,301	44,521							112,822
Swiss Pfandbriefe and foreign covered bonds										
Corporates		533				85,170				85,703
Equity and Subordinated Debt							74			74
Retail ¹				392	45,694					46,087
Exposures directly or indirectly secured by Real Estate ¹		17,609	21,046			6,734	4,875			50,263
<i>Of which: Self-used and residential properties²</i>		17,609	21,046							38,655
<i>Of which: Other commercial properties</i>						6,734	4,875			11,608
<i>Of which construction loans and land acquisition loans³</i>							4,875			4,875
Defaulted exposures						8,093	18,845			26,938
Other exposures ⁴	165					8,515				8,680
TOTAL	152,242	86,442	65,567	5,411	392	154,206	23,794			488,054

1 The positions before any increase in the risk weight according to Articles 66a paragraph 1 and 72c paragraph 6 CAO are to be entered

2 The line Owner-occupied residential properties (Art. 72 para. 3 CAO) must also include construction loans and loans for building land for owner-occupied residential properties according to Article 72e para. 2 CAO

3 The line Construction loans and loans for building land (Art. 72e para. 1 CAO) must include loans for properties not used by the owner in accordance with Article 72^a paras. 3 and 5 CAO

4 The remaining items according to Annex 3, paragraph 6 of the ERV must be taken into account.

Table CCR3: Counterparty credit risk: exposures by regulatory portfolio and risk weights under the standardised approach
Table for banks in categories 3-5

(In CHF thousands)

Position class / risk weighting (%)	0 10 15	20 25	30 35	40 45 50	60 75 80 85	90 100	130 150	Total positions with counterparty credit risk ¹	Total prior year
Central governments, central banks and supranational organisations									
Public-sector entities									
Multilateral development banks									
Banks		15,885	5,095					20,979	9,338
<i>Of which Securities dealers and financial companies that are not subject to the banking law, but have a comparable supervision</i>									
Corporates						296		296	116
<i>Of which securities firms not managing accounts and other financial institutions, unless included in the line 4</i>									
Retail positions						11,858		11,858	2,176
Other assets ²									
TOTAL		15,885	5,095			12,154		33,133	11,630
Prior year		3,020	6,318			2,292		11,630	

1 The total of the credit equivalents relevant for the calculation of the minimum own funds must be listed, after taking into account the credit risk mitigation.

2 Positions against CCP are to be excluded in these lines.

Table CCR5: Counterparty credit risk: Composition of collaterals for CCR exposure

(In CHF thousands)						
	Collateral used in derivative transactions		Collateral used in SFTs			
	Segregated ¹	Unsegregated	Segregated ¹	Unsegregated	Fair value of collateral received	Fair value of posted collateral
Cash – domestic currency (CHF)		933				
Cash – other currencies		16,833				
Domestic sovereign debt						
Other sovereign debt		15,071				
Government agency debt		312				
Corporate bonds		97,278				
Equity securities		53,356				
Other collateral		166,436				
TOTAL		350,219				
Prior year		275,222				

Table OR2: Operational risks: Business indicator and subcomponents

(In CHF thousands)			
Business indicator and subcomponents	31/12/2025	31/12/2024	31/12/2023
Interest, Leases and Dividend Component (ILDC)	70		
Interest and leasing income	23,436	24,743	14,866
Interest and leasing expenses	8,786	5,881	320
Interest-earning assets	2,975	4,600	1,746
Dividend income	0	0	0
Services component (SC)	81,607		
Fee and commission income	37,687	31,827	34,756
Fee and commission expenses	4,805	4,223	5,535
Other operating income	383	0	0
Other operating expenses	49,381	45,643	45,527
Financial component (FC)	6,077		
Net profit on the trading book	0	0	0
Net profit on the banking book (only where relevant to the calculation of operational risk capital requirements)	217	13,992	4,023
Business Indicator (BI)	87,754		
Business indicator component (BIC)	10,531		
Disclosure on the business indicator	31/12/2025		
BI gross of excluded discontinued activities	0		
Reduction in BI due to excluded discontinued activities	87,754		

¹ Segregated refers to collateral which is held in a bankruptcy-remote manner according to the description included in paragraphs 200-203 of the Capital requirements for bank exposures to central counterparties, April 2014.

Table OR3: Operational risks: Minimum own funds

(In CHF thousands)	31/12/2025
Business Indicator Component (BIC)	10,531
Internal Loss Multiplier (ILM)	1
Minimum required operational risk capital	10,531
Risk-weighted positions (RWA) for operational risks	131,632

Table IRRBBA1: Quantitative information on the exposure's structure and interest rate fixing date

	Amount in CHF millions			Average interest rate reset period (in years)			
	Total	Of which: CHF	Of which: other significant currencies that make up more than 10% of assets and liabilities	Total	Of which: CHF	Total	Of which: CHF
Defined interest rate reset date							
Amounts due from banks							
Amounts due from customers	408,303	171,510	163,300	0,92	0,88		
Money market mortgages	36,106	26,260	9,846	0,25	0,27		
Fixed-rate mortgages	18,569	15,010	3,559	7,06	5,92		
Financial investments	103,897	75,400	28,497	0,15	0,08		
Other receivables							
Receivables from interest-rate derivatives							
Amounts due to banks	257,512	19,485	238,027	0,90	3,50		
Amounts due in respect to customer deposits	7,784		839	0,03			
Cash bonds							
Bonds issues and central mortgage institution loans							
Other payables							
Payables to interest-rate derivatives							
Undefined interest rate reset date							
Amounts due from banks	67,137	7,537	39,410	0,08	0,08		
Amounts due from customers	99,904	54,492	45,379	0,08	0,09		
Fixed-rate mortgages	0	0					
Other receivables							
Payables from personal accounts and current accounts	289,544	40,587	227,125	1,43	0,08		
Other payables	52,941	15,214	36,913	0,08	0,08		
Payables arising from customers deposits, terminable but not transferable (savings accounts)	1,995			0,08			
TOTAL	1,343,692	425,495	792,893	11	11		

Table IRRBB1: Quantitative information on IRRBB

(In CHF thousands)				
Period	DELTA EVE		DELTA NII	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Parallel up	1,860	3,064	7,908	5,511
Parallel down	-2,152	-3,459	-7,783	-5,423
Steepner	219	496		
Flattener	166	89		
Short rate up	827	1,072		
Short rate down	-868	-1,141		
Maximum	2,152	3,459	7,783	5,423
Period	31/12/2025		31/12/2024	
Tier 1 capital	148,231		143,250	

The change in the economic value of equity (Delta-EVE) resulting from the application of the regulatory interest rate scenarios are below 15% of BIL Suisse Tier1 Capital. The scenario originating the highest Delta-EVE is the parallel down which assumes a parallel shift along the whole interest rate curve.

