

An aerial, black and white photograph of a city street. The street is filled with cars, and buildings line both sides. The image is partially obscured by a diagonal hatched pattern in the lower-left and bottom-center areas. The overall composition is modern and urban.

Vontobel

Vontobel Swiss Financial Advisers AG
Annual Report

2024

Imprint

Concept

MetaDesign AG

Layout & implementation

Vontobel and NeidhartSchön AG

Cover Picture

Manhattan, New York

Credit

Getty Images
thefotostudio.ch

LEGAL INFORMATION

This Annual Report is intended solely for information purposes. The information and views contained in it do not constitute a request, offer or recommendation to use a service, to buy or sell investment instruments or to conduct other transactions. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and risks exist that predictions, forecasts, projections and other outcomes described or implied in forward-looking statements will not be achieved.

Contents

Table of contents

4	General information
5	Annual review from the CEO Vontobel SFA
7	Report of the statutory auditor
10	Financial statements
14	Business operations
17	Accounting and valuation policies
19	Notes on the balance sheet
26	Notes on the off-balance sheet
27	Notes on the income statement
29	Proposed appropriation of retained earnings
30	Further relevant information & disclosures
32	Corporate governance

1 General information

Legal form

Stock corporation

Statutory seat

Zurich

Country of incorporation

Switzerland

Board of Directors (Board)

- Christian Gmünder
(Chairman, member since 01.08.2022)
- Jacqueline Hess
(Vice chairman, member since 03.04.2023)
- Maria-Antonelle Bino
(member since 01.01.2024)
- Nathalie Peter
(member since 03.04.2023)
- Christian Stambach
(member since 19.06.2019)

Registered office

Gotthardstrasse 43, 8022 Zurich, Switzerland

Auditors

Ernst & Young Ltd., Maagplatz 1, P.O. Box, 8010 Zurich,
Switzerland

2 Annual review from the CEO Vontobel SFA

Dear client,

After last year, 2024 has seen rather less of large geopolitical shocks but certainly not an end to them as the conflagrations in the Middle East and Ukraine continue(d). However, more like 2023, this year has once again been driven by inflation and interest rates. Perhaps better said, the moves have been driven by the markets' widely and rapidly shifting expectations of inflation rates and what the central banks' reactions would likely be.

Perhaps the word of the year to describe the (equity) markets, is "resilience". As after each setback, the markets rebounded setting very many all-time highs. These equity market highs were seen broadly across both developed and emerging markets. While the so-called Magnificent Seven (stocks in the US) got so much of the headlines, it is worth highlighting that in the second half of 2024, the S&P Equal Weight outperformed the S&P 500 itself (thus the 493 on average outperformed the 7). Given the actual level of performance (~30 percent), perhaps "resilience" understates the performance of gold, which has easily negotiated headwinds of, for example, a stronger dollar and taken support of tailwinds such as lower interest rates.

Stickiness in inflation coupled with delays and doubts about central banks action caused market participants to consider the likelihood of landings: soft-; hard-; or no-landings. As more evidence emerged that inflation was coming into central banks' target range, developed markets' monetary authorities started cutting rates with the US being among the last—tracking US employment data closely, in line with its dual mandate (to promote maximum employment and stable prices). Japan is essentially the sole developed economy with a rising rate bias.

The interest rate environment in the developing world has been more mixed.

China has recently introduced a raft of measures along with lower interest rates to boost its economy. These measures are being viewed positively by the markets but with a wait-and-see approach. Any expected improvements in the Chinese economy are seen as providing a filip to European exporters.

Looking ahead, while 2024 was the year of the many elections themselves, 2025 is going to be the year of the implications of those results, especially how the reelected US president starts his term and what measures are the first points of focus, and as we look further into the year, what tax, foreign policy and trade tariff steps are taken. This is likely to raise questions about the longerterm trajectory of inflation, economic growth and geopolitical stability. Amid the many imponderables, we are certain that a well-diversified portfolio with a sound investment strategy will continue to play a significant role in balancing risk and returns over time.

We thank you for placing your trust in us, and, as always, we look forward to continuing to serve as your financial partner. If you have any questions about the markets or any aspects of your relationship with Vontobel SFA, please contact your Relationship Manager.

Thanks so much for choosing us to help you achieve your goals.

Yours sincerely,

Peter Romanzina
CEO Vontobel Swiss Financial Advisers

3 Report of the statutory auditor



Ernst & Young Ltd
Aeschengraben 27
P.O. Box
CH-4002 Basle

Phone: +41 58 286 86 86
www.ey.com/en_ch

To the General Meeting of
Vontobel Swiss Financial Advisers AG, Zurich

Basle, 12 March 2025

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of Vontobel Swiss Financial Advisers AG (the Company), which comprise the balance sheet as at 31 December 2024, 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 10 to 28) 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, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



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.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework for banks, 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 at: <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 that an internal control system exists, which has been designed for the preparation of the financial statements according to the instructions of the Board of Directors.

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

Ernst & Young Ltd

4 Financial statements

4.1 Balance sheet

Assets

(IN CHF)	NOTE	31.12.2024	31.12.2023
Cash and balance at central bank		94,340,663	80,587,954
Due from banks		86,137,411	65,407,192
Due from customers	7.1	7,285,188	6,267,903
Accrued income and prepaid expenses		1,081,281	991,983
Fixed assets	6.5, 7.3	-	-
Intangible assets		2,678,007	3,308,126
Other assets	7.4	1,120,575	867,954
Total assets		192,643,125	157,431,112

Liabilities

Due to banks		8,326,502	13,844,296
Due to customers		144,323,894	97,505,992
Subordinated Loan BVT Holding		-	7,000,000
Accrued expenses and deferred income		9,731,043	9,638,102
Other liabilities	7.4	1,468,264	1,674,585
Provisions	6.8, 7.6	-	-
Total liabilities		163,849,703	129,662,976

Equity

Share capital		3,500,000	3,500,000
Capital reserve		6,557,087	6,557,087
Legal retained earnings		427,482	427,482
Profit available for distribution		18,308,852	17,283,567
<i>thereof profit carried forward</i>		<i>17,283,567</i>	<i>21,242,325</i>
<i>thereof net profit for the period</i>		<i>1,025,285</i>	<i>-3,958,758</i>
Total equity		28,793,422	27,768,137
Total liabilities and equity		192,643,125	157,431,112

4.2 Off-balance sheet

(IN CHF)	NOTE	31.12.2024	31.12.2023
Irrevocable commitments	7.1, 8.1	883,970	1,513,840
Fiduciary transactions	8.2	681,622,245	546,544,849

4.3 Income statement

(IN CHF)	NOTE	2024	2023
Interest and discount income		783,980	1,081,042
Interest expense		-91,948	-190,555
Net interest income	9.1	692,032	890,487
Fee and commission income from securities and investment business		60,038,952	57,824,925
Other fee and commission income		1,459,502	1,648,907
Fee and commission expense		-10,210,981	-10,848,034
Net fee and commission income		51,287,472	48,625,798
Net trading income	9.2	3,011,864	2,794,894
Other ordinary income		62,081	85,704
Other ordinary expenses		-122,068	-108,442
Other ordinary income (net)		-59,987	-22,738
Total operating income		54,931,381	52,288,441
Personnel expenses	9.3	-28,296,753	-28,641,322
General and administrative expenses	9.4	-24,888,518	-26,892,983
Total operating expenses		-53,185,271	-55,534,304
Depreciation of fixed assets	7.3	-630,120	-630,124
Change in provisions	6.8	-	-
Operating Result		1,115,991	-3,875,987
Extraordinary income	9.5	38,499	12,772
Extraordinary expenses	9.5	-104,801	-64,517
Tax expense	6.7, 9.7	-24,403	-31,027
Net profit for the period		1,025,285	-3,958,758

4.4 Statement of changes in equity

(IN CHF)	SHARE CAPITAL	CAPITAL RESERVE	LEGAL RETAINED EARNINGS	PROFIT CARRIED FORWARD	NET PROFIT FOR THE PERIOD	TOTAL EQUITY
Balance as of January 1, 2024	3,500,000	6,557,087	427,482	21,242,325	-3,958,758	27,768,136
Capital increase/-decrease	-	-	-	-3,958,758	3,958,758	-
Dividends	-	-	-	-	-	-
Other allocation to other reserves	-	-	-	-	-	-
Net profit for the period	-	-	-	-	1,025,285	1,025,285
Balance as of December 31, 2024	3,500,000	6,557,087	427,482	17,283,567	1,025,285	28,793,422
Balance as of January 1, 2023	3,500,000	6,300,040	427,482	20,193,711	1,048,614	31,469,847
Merger with Vontobel Swiss Wealth Advisors AG	-	257,047	-	-	-	257,047
Capital increase/-decrease	-	-	-	1,048,614	-1,048,614	-
Dividends	-	-	-	-	-	-
Other allocation to other reserves	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-3,958,758	-3,958,758
Balance as of December 31, 2023	3,500,000	6,557,087	427,482	21,242,325	-3,958,758	27,768,136

5 Business operations

5.1 General information

Vontobel SFA is a wholly-owned subsidiary of Vontobel Holding AG. With its only office in Zurich, Vontobel SFA is a Registered Investment Adviser (RIA) in the United States with the Securities and Exchange Commission (SEC) and has in Switzerland a license from the Swiss Financial Market Supervisory Authority (FINMA) as a securities firm.

Vontobel SFA provides investment advisory services. Vontobel SFA offers managed account programs where Vontobel SFA manages the assets in Client accounts on a fully discretionary basis. It also offers client-directed investment advisory programs where Vontobel SFA provides investment advisory services with respect to Client accounts and makes investment recommendations to the Client for the account, but does not make investment decisions for the Client. The programs can encompass investments in stocks, bonds, mutual funds, structured products, alternative investments, precious metals, and fixed term and call fiduciary deposits in US dollar or other currencies. Vontobel SFA also provides US tax reporting information as required under the Qualified Intermediary program with the Internal Revenue Service (IRS).

Vontobel SFA acts as qualified custodian for its investment advisory clients' investment instruments and as such provides related custodian services.

In limited cases, and for persons domiciled outside the US only, Vontobel SFA facilitates or carries out execution-only transactions under our license as a FINMA-supervised securities firm in Switzerland. Vontobel SFA neither provides investment advice, nor acts in its capacity as a US-registered investment adviser in connection with such execution-only services.

5.1.1 Events after balance sheet date

No major events have taken place since the balance sheet date which have an influence on the financial statements for the year ended 31 December 2024.

5.1.2 Estimates & assumptions

In preparing the Financial Statements according to underlying accounting rules, management is required to make estimates and assumptions that involve significant uncertainty at the time they are made. Changes in assumptions may have a significant impact on the Financial Statements in the periods where assumptions are changed. Vontobel SFA management believes that the assumptions made are appropriate, and that Vontobel SFA's Financial Statements therefore present our financial position and results fairly, in all material respects.

5.2 Investment advisory services

Vontobel SFA offers several investment advisory programs to clients, including discretionary account management and non-discretionary investment advisory programs. The majority of the operating income is generated from Vontobel SFA's Advisory Fees, which is a wrap fee based upon the market value (in CHF) of assets under management.

5.3 Risk management

5.3.1 Operational and reputational risk

In all functions, detailed control plans are in place. The control owner, performer, sampling, periodicity, and related processes are defined and documented.

5.3.2 Credit risk

Vontobel SFA does not grant any loans. Therefore, the default risk is limited to short-term client overdrafts ("Due from clients" and "Due from banks").

For short-term client overdrafts, daily checks and approval processes are in place to manage and monitor the risk.

5.3.3 Interest rate risk

Vontobel SFA does not conduct any interest margin business. Consequently, the interest rate risk is negligible.

5.3.4 Market risk

Vontobel SFA does not maintain a securities trading portfolio.

Vontobel SFA does maintain a trading account for FX transactions but has a low market risk in FX trading, as small foreign currency positions are pooled and not traded on a one-to-one basis.

5.3.5 Liquidity risk

Vontobel SFA's liquidity status is regularly monitored and internally reported on a monthly basis. The total amount disposable on Vontobel SFA's client accounts is kept on a separate account with Bank Vontobel AG, reduced by the amount of overdrafts. To carry out Vontobel SFA company-related transactions, Vontobel SFA has separate accounts.

5.3.6 Risk management and control

Vontobel SFA has implemented a comprehensive risk governance framework aligned with Vontobel group practice and operating along three lines of defense, and considering the following risk principles:

- Protection of financial strength;
- Protection of reputation;
- Business risk management accountability;
- Independent controls; and
- Risk disclosure.

The key roles and responsibilities for risk management and control are further outlined in Vontobel's Annual Report.

The first line of defense, business owning its risk exposures and is required to maintain effective processes and systems to manage its risks, including robust and comprehensive internal controls and documented procedures. Line Management of each business function has appropriate supervisory controls and review processes in place designed to identify control weaknesses and inadequate processes.

The second line of defense is formed by the control functions which are independent from the business and provide independent oversight of risks, including setting risk limits and protecting against non-compliance with applicable laws and regulations.

The third line of defense, internal/external audit, evaluates the overall effectiveness of governance, risk management and the control environment, including the assessment of how the first and second lines of defense meet their objectives.

Within Vontobel SFA, the Board delegates to the Management Committee the management of Vontobel SFA, unless otherwise provided by law, the Articles of Association or Vontobel SFA's Organizational Regulations. Overall management of Vontobel SFA as well as supervision and control of the Management Committee are the responsibility of the Board which ensures that the Management Committee provides safe, profit-oriented and competent management of Vontobel SFA that complies with applicable laws, regulations and internal rules.

Vontobel SFA management committee has overall responsibility for the development, implementation and enforcement of the risk principles defined by the Board. The role is supported by the risk control function of Vontobel SFA with independent oversight from Compliance & Operational Risk Control. In addition, management committee is responsible for transparent risk reporting in accordance with applicable Vontobel group guidelines, as well as regulatory requirements. Management committee identifies Vontobel SFA relevant risks and assesses these risks

applying a structured approach including the following steps:

- Review of strategy/targets as well as the environment of Vontobel SFA
- Identification and evaluation of key risks by risk taxonomy
- Definition of risk mitigating measures

Monitoring of the compliance and operational risk control framework, including Vontobel SFA's key risks is embedded in the ongoing "Risk Control Self-Assessment" process, including regular reporting to Vontobel SFA's Risk Committee, mostly through credit risk, market risk, liquidity risk, and the Operational Risk Framework. Risk assessment includes business as well as primary risks such as credit, market, liquidity, refinancing, and operational risks. Strategic risks of Vontobel SFA are also assessed.

5.3.7 Risk and capital management of Vontobel

Information to the risk and capital management of Vontobel is available in the Annual Report of Vontobel, part 'risk management and risk control'.

5.4 Outsourcing

IT operations and application management as well as back office processes in relation to banking products, such as cash transactions and securities transactions (stocks, bonds, precious metals, etc.) have been outsourced to Avaloq Sourcing (Switzerland & Liechtenstein) SA since July 1, 2012.

5.4.1 Operational services

Avaloq Sourcing (Switzerland & Liechtenstein) Ltd. in Bioggio-Lugano, Switzerland is our operational service provider. This includes Vontobel SFA Online. Avaloq Sourcing (Switzerland & Liechtenstein) Ltd. is a Swiss-based company specialized in providing comprehensive IT and business process outsourcing services to the financial industry belonging to the Avaloq Group.

5.4.2 US tax reporting services

SFA produces US annual and ad-hoc tax statements using an internal software solution. To enrich the US annual tax statements with detailed US tax-relevant data, SFA uses the services of WSC, a third-party data provider. Client data is not transmitted to this third-party but is transmitted to the Avaloq back-office team for production purposes.

US Forms 1099 are produced only for clients when required by US regulations. These 1099s are produced by Citibank and clients receiving a 1099 have their US assets custodied in segregated accounts at SIX-SIS for this purpose.

5.4.3 Tax reclaim services

Starting in 2021, Vontobel SFA began offering a new tax reclaim service together with Avaloq Sourcing and SIX-SIS. The service entails filing a tax reclaim form with Swiss and other countries' tax authorities in order to reclaim certain amounts of taxes paid that are refundable under the available dual taxation treaties in place between the US and the country of the respective investments.

5.4.4 Mailing services

For the preparation of certain paper mailings to clients, Vontobel SFA uses Avaloq Sourcing (Switzerland & Liechtenstein) Ltd. and Avaloq Outline AG in Winterthur, Switzerland, specialized in printing and packaging mail.

5.4.5 Settlement/security depository services

For the settlement and custody of Swiss securities, as well as securities from the rest of the world, Vontobel SFA uses SIX-SIS.

5.4.6 Corporate services

Since August 1, 2022, Vontobel provides corporate services to Vontobel SFA including select IT infrastructure and telephony, finance, legal, human resources, and risk control, among others.

5.5 Personnel

As at December 31, 2024, 97.5 individuals (full-time equivalents) were employed, 6 of them as members of the Management Committee (Head Vontobel SFA, Deputy Head SFA, Head Investment Management, Operating Head and SFA Integration Office). Additionally, Arturo Stoecklin (Head Latin America & South Africa) is member of the SFA MC.

6 Accounting and valuation policies

The provisions and rules relating to bookkeeping, balance sheet and valuations which have been followed are based on the Swiss Code of Obligation, the Swiss Banking Law and its applicable ordinances, statutory provisions as well as the guidelines on accounting standards of the Swiss Financial Market Supervisory Authority (FINMA).

These statutory financial statements present the security firm economic position in such a way that a third party can make a reliable assessment of the security firm's actual financial situation.

In accordance with the FINMA Circular 2020/1 "Accounting – banks", Vontobel SFA applies the principle of individual valuation.

The financial statements are prepared based on the assumption of going concern for the foreseeable future and balance sheet positions are carried at going concern basis. Assets are recognized if they can be disposed of by the security firm as a result of a past event, an inflow of funds is probable and the amount can be reliably estimated. If no reliable statement of the value of an asset can be made, it is considered to be a contingent asset. Liabilities are recognized when the security firm has a present obligation as a result of a past event, it is probable that an outflow of funds will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. If no reliable estimate of the obligation can be made, it is considered to be a contingent liability. In principle, offsetting and netting of assets and liabilities and income and expenses is not applied.

Balance sheet and Off-Balance sheet positions are valued at an arm's length principle.

6.1 Records of business transactions

Business transactions are recorded according to the trade date principle. Furthermore, Vontobel SFA applies the principles of accrual accounting.

6.2 Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling on the balance sheet date. Exchange rate differences are taken to the profit and loss account. The following table shows the rates of the

main currencies used to translate the financial information with a currency other than Swiss Franc.

CURRENCY	BALANCE SHEET FX RATES 31.12.2024	BALANCE SHEET FX RATES 31.12.2023
1 USD	0.908	0.842
1 EUR	0.940	0.930
1 GBP	1.136	1.073

6.3 Lending

Vontobel SFA does not conduct any interest margin business. Clients requesting a loan facility are referred to Bank Vontobel AG, who grants and reports loans independently from Vontobel SFA. As an exception, there might be short-term overdrafts on client accounts which are handled according to internal regulations. Vontobel SFA does not charge interest.

6.4 Financial investments and investments in associated companies

Vontobel SFA does not have any financial investments or equity participations.

6.5 Fixed assets

Vontobel SFA does not have any fixed assets anymore.

6.6 Intangible assets

Other intangible assets comprise client relationships acquired in the course of business combinations. They are depreciated on a straight-line basis over their useful life of ten years.

6.7 Tax expense

Current taxes are recurring payments, e.g. income tax and corporate capital tax.

Income taxes include all taxes which are based on taxable profits. Taxable profit (taxable loss) is the profit (loss) for a period, determined in accordance with the rules established by the Swiss tax authorities, upon which income taxes are payable.

Additionally, capital tax is computed based on the taxable capital.

Current income taxes and capital tax are accrued on a monthly basis by charging the account 'tax expense'. The tax expense is calculated in line with the development of the profit and capital.

6.8 Provisions

Value adjustments and provisions are made for all identifiable risks at the balance sheet date according to the principle of prudence. Allowances and provisions which are, from an operational perspective, not necessary anymore in the respective year, are released to the respective account in the Income Statement.

6.9 Accounting for pension funds

FINMA Circular 2020/1 "Accounting – banks" requires for pension plan and defined benefit plans the accounting standard on a plan-by-plan basis. Vontobel SFA has joined the pension fund of Bank Vontobel AG and recognizes the employer contributions to the pension fund as personnel expenses. The employer contributions to the Swiss pension fund are determined as a percentage of compensation.

The information to be disclosed by Vontobel SFA under FER 16 cannot be determined as the remaining positions were transferred to the pension fund of Bank Vontobel AG in November and Vontobel SFA employees are covered under the Swiss Pension Plan of Bank Vontobel AG.

The pension plan surplus is determined in accordance with FER 26 and consists of the reserve for the fluctuation in asset value. This information is disclosed in the Annual Report of Bank Vontobel AG.

The periodic assessment under FER 16 whether an economic benefit or obligation arises from the pension fund which, when conditions are met, is recorded on the balance sheet of Vontobel parent bank. The financial statements of the pension fund prepared in accordance with Swiss GAAP FER 26 ("FER 26") are used for the assessment. The information is available in the Annual Report of Vontobel.

7 Notes on the balance sheet

7.1 Due from customers and off-balance sheet transactions

(IN CHF)		SECURED BY MORTGAGES	OTHER COLLATERAL	UNSECURED	TOTAL
Due from customers					
Due from customers		-	7,285,188	-	7,285,188
Total due from customers	31.12.2024	-	7,285,188	-	7,285,188
Due from customers	31.12.2023	-	6,267,903	-	6,267,903
Off-balance sheet business					
Irrevocable commitments		-	-	883,970	883,970
Total off-balance sheet	31.12.2024	-	-	883,970	883,970
Total off-balance sheet	31.12.2023	-	-	1,513,840	1,513,840

Vontobel SFA does not conduct any interest margin business. Short-term overdrafts are handled according to internal regulations and controlled daily. Vontobel SFA does not have any claims at risk.

7.2 Breakdown of trading portfolios and other financial instruments at fair value

As Vontobel SFA is conducting its business as an agent, Vontobel SFA does not have any trading balances, with the exception of small foreign currency positions which are pooled and not traded on a “one-to-one” basis.

7.3 Presentation of fixed assets

(IN CHF)	ACQUISITION COST	ACCUMULATED DEPRECIATION AND AMORTISATION	BOOK VALUE 31.12.2023	RECLASSIFICATION	ADDITIONS	DISPOSALS	DEPRECIATION AND AMORTISATION	WRITE-UP	BOOK VALUE 31.12.2024
Fixed assets	-	-	-	-	-	-	-	-	-
Total fixed assets	-	-	-	-	-	-	-	-	-

Fire insurance amounts are not available as Vontobel SFA is insured in the context of Bank Vontobel AG's Global

Property Insurance Policy. Vontobel SFA has the following operational leasing liabilities.

(IN CHF)	DUE WITHIN 1 YEAR	DUE FROM 1 TO 5 YEARS	DUE MORE THAN 5 YEARS
Office building	1,543,248	1,929,060	0.0

7.4 Other assets and liabilities

(IN CHF)	31.12.2024 OTHER ASSETS	31.12.2024 OTHER LIABILITIES	31.12.2023 OTHER ASSETS	31.12.2023 OTHER LIABILITIES
Reclaim of withholding tax and value added tax	978,849	-	566,050	-
Other assets and liabilities	141,725	180,125	301,904	455,240
Value added tax payable	-	385,054	-	228,215
Transaction volume and stock exchange taxes payable	-	427,727	-	423,146
Social security contributions payable	-	475,358	-	567,984
Total other assets and liabilities	1,120,575	1,468,264	867,954	1,674,585

7.5 Assets pledged or assigned as security for own obligations, assets subject to reservation of title

Vontobel SFA does not have any assets pledged or assigned to secure its own obligations or assets subject to reservation of title.

7.6 Allowances, provisions and reserves for general bank risks

During 2024 Vontobel SFA did not recorded any provisions.

7.7 Disclosure of amounts due from/to related parties

(IN CHF)	ASSETS		LIABILITIES	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Group companies	85,396,981	58,163,497	484,015	7,004,783

7.8 Company capital and shareholders holding more than 5% of the total voting rights

(IN CHF)	31.12.2024			31.12.2023		
	TOTAL NOMINAL VALUE	QUANTITY	DIVIDEN- BEARING CAPITAL	TOTAL NOMINAL VALUE	QUANTITY	DIVIDEND- BEARING CAPITAL
Share capital						
- Registered shares	3,500,000	3,500	3,500,000	3,500,000	3,500	3,500,000
Total share capital	3,500,000	3,500	3,500,000	3,500,000	3,500	3,500,000
Total company capital	3,500,000	3,500	3,500,000	3,500,000	3,500	3,500,000

(IN CHF)	31.12.2024			31.12.2023		
	TOTAL NOMINAL VALUE	QUANTITY	SHARE IN %	TOTAL NOMINAL VALUE	QUANTITY	SHARE IN %
Significant shareholders (total voting rights > 5%)						
- Vontobel Holding AG	3,500,000	3,500	100	3,500,000	3,500	100

7.10 Assets and liabilities: Switzerland and other countries

	31.12.2024	31.12.2024	31.12.2024	31.12.2023	31.12.2023	31.12.2023
(IN CHF)	SWITZERLAND	OTHER COUNTRIES	TOTAL	SWITZERLAND	OTHER COUNTRIES	TOTAL
Assets						
Cash and cash balance at central bank	94,340,663	-	94,340,663	80,587,954	-	80,587,954
Due from banks	85,399,938	737,473	86,137,411	65,204,118	203,074	65,407,192
Due from customers	5,704,805	1,580,383	7,285,188	5,948,944	318,959	6,267,903
Accrued income and prepaid expenses	1,081,281	-	1,081,281	991,983	-	991,983
Fixed assets	-	-	-	-	-	-
Intangible assets	2,678,007	-	2,678,007	3,308,126	-	3,308,126
Other assets	1,105,637	14,938	1,120,575	852,681	15,273	867,954
Total assets	190,310,331	2,332,794	192,643,125	156,893,806	537,306	157,431,112
Liabilities and equity						
Due to banks	8,182,814	143,688	8,326,502	13,096,753	747,543	13,844,296
Due to customers	12,507,094	131,816,800	144,323,894	9,044,125	88,461,867	97,505,992
Loan from BVT Holding	-	-	0	7,000,000	-	7,000,000
Accrued expenses and deferred income	9,731,043	-	9,731,043	9,638,102	-	9,638,102
Other liabilities	1,468,264	-	1,468,264	1,674,585	-	1,674,585
Provisions	-	-	-	-	-	-
Share capital	3,500,000	-	3,500,000	3,500,000	-	3,500,000
Capital reserves	6,557,087	-	6,557,087	6,557,087	-	6,557,087
Legal retained earnings	427,482	-	427,482	427,482	-	427,482
Profit available for distribution						
- thereof profit carried forward	17,283,567	-	17,283,567	21,242,325	-	21,242,325
- thereof net profit for the period	1,025,285	-	1,025,285	-3,958,758	-	-3,958,758
Total liabilities and equity	60,682,637	131,960,488	192,643,125	68,221,702	89,209,410	157,431,112

7.11 Assets by country or group of countries

	31.12.2024 (IN CHF)	31.12.2024 (IN %)	31.12.2023 (IN CHF)	31.12.2023 (IN %)
Assets				
Switzerland	190,310,331	98.8	156,893,806	99.7
Europe	-	-	-	-
North America	2,332,794	1.2	537,306	0.3
Others	-	-	-	-
Total assets	192,643,125	100	157,431,112	100

7.12 Assets and liabilities by currencies December 31, 2024

(IN CHF)	CHF	EUR	USD	GBP	OTHERS	TOTAL
Assets						
Cash and cash balance at central bank	94,340,663	-	-	-	-	94,340,663
Due from banks	5,506,227	26,478,107	41,572,611	4,679,835	7,900,630	86,137,411
Due from customers	4,745,465	1,339,690	812,028	345,551	42,455	7,285,188
Accrued income and prepaid expenses	1,081,281	-	-	-	-	1,081,281
Fixed assets	-	-	-	-	-	-
Intangible assets	2,678,007	-	-	-	-	2,678,007
Other assets	1,105,637	-	14,938	-	-	1,120,575
Total on-balance sheet assets	109,457,280	27,817,797	42,399,577	5,025,386	7,943,085	192,643,125
Delivery claims from forward exchange and currency option contracts	-	-	-	-	-	-
Total assets	109,457,280	27,817,797	42,399,577	5,025,386	7,943,085	192,643,125
Liabilities						
Due to banks	2,520,399	1,340,709	4,136,637	54,865	273,892	8,326,502
Due to customers	67,255,724	26,476,773	38,041,485	4,964,435	7,585,477	144,323,894
Subordinated Loan BVT Holding	-	-	-	-	-	-
Accrued expenses and deferred income	10,409,288	-	-	-	-678,245	9,731,043
Other liabilities	1,468,264	-	-	-	-	1,468,264
Provisions	-	-	-	-	-	-
Share capital	3,500,000	-	-	-	-	3,500,000
General legal reserves	6,984,569	-	-	-	-	6,984,569
Profit available for distribution	-	-	-	-	-	-
- thereof profit carried forward	17,283,567	-	-	-	-	17,283,567
- thereof net profit for the period	1,025,285	-	-	-	-	1,025,285
Total on-balance sheet liabilities	110,447,097	27,817,482	42,178,122	5,019,300	7,181,124	192,643,125
Delivery claims from forward exchange and currency option contracts	-	-	-	-	-	-
Total liabilities	110,447,097	27,817,482	42,178,122	5,019,300	7,181,124	192,643,125
Net position per currency	-989,817	315	221,455	6,086	761,961	-0

8 Notes on the off-balance sheet

8.1 Contingent liabilities and irrevocable commitments

The irrevocable commitment for the deposit protection amounts to CHF 883,970 (2023: CHF 1,513,840).

Vontobel SFA does not have any further irrevocable commitments or contingent liabilities.

8.2 Fiduciary transactions

(IN CHF)	31.12.2024	31.12.2023
Fiduciary deposits - time deposits	223,209,278	296,794,349
Fiduciary deposits - 2 days notice	458,412,966	249,750,500
Total fiduciary transactions	681,622,245	546,544,849

8.3 Invested assets

(IN CHF '000)	31.12.2024	31.12.2023
Invested assets by type:		
Discretionary assets	4,182,000	3,934,000
Advisory assets	6,236,000	5,566,000
Other invested assets	13,000	15,000
Total invested assets (incl. double-counts)	10,431,000	9,515,000
<i>of which: double-counts</i>		
Net new money	-318,954	-387,286
Market- & FX-Performance	1,234,954	132,825

Invested assets

Invested assets include all client assets managed by or custodied with Vontobel SFA for investment purposes.

Discretionary assets are defined as client assets which Vontobel SFA decides how to invest. Other invested assets (non-discretionary assets) are those where the client ultimately decides on how the assets are invested.

Net new money

Net new money in a period is the net amount of invested assets that are entrusted to Vontobel SFA by new and existing clients less those assets withdrawn by existing clients and clients who terminated their relationship with Vontobel SFA.

Net new money is calculated using the direct method, by which inflows and outflows to/from invested assets are determined at the client level based on transactions. Interest and dividend income from invested assets is not counted as net new money inflow. Market and currency movements as well as fees and commissions are excluded from net new money. Interest expense on loans which are granted from Bank Vontobel AG to Vontobel SFA clients result in net new money outflows.

9 Notes on the income statement

9.1 Refinancing income included in the position “Interest and discount income”

Vontobel SFA has a license from the Swiss Financial Market Supervisory Authority as a securities firm. Therefore, Vontobel SFA is not allowed to conduct any interest margin business. The interest income is mainly generated out of the Vontobel SFA assets deposited at Vontobel SFA's bank accounts.

9.2 Net trading Income

(IN CHF)	2024	2023
Foreign exchange and precious metals	3,011,864	2,794,894
Total net trading income	3,011,864	2,794,894

9.3 Personnel expenses

(IN CHF)	2024	2023
Board of directors: Attendance fee and fixed compensation	139,374	117,711
Salaries	16,665,625	16,487,079
Variable compensation ¹	4,602,487	5,557,530
Social security	2,154,273	1,863,435
Pension	2,433,638	2,297,610
Other personnel expenses	2,301,356	2,317,958
Total personnel expenses	28,296,753	28,641,322

¹ Cash bonus and EOP incl. social security and pension fund

Employee participation plans only exist with Vontobel but not with Vontobel SFA. These participations are shown in detail in the Vontobel annual report.

9.4 General and administrative expenses

(IN CHF)	2024	2023
Expenses for premises	1,984,796	1,899,912
Expenses for information and communication technology	1,655,583	1,491,783
Outsourcing expenses	6,243,440	7,831,130
Fees to audit firms	358,282	404,551
<i>t/o External audit fees</i>	<i>339,982</i>	<i>393,394</i>
<i>t/o Audit-related services (incl. internal audit fees)</i>	<i>18,300</i>	<i>11,157</i>
Other professional fees	521,606	819,532
Travel and entertainment expenses	2,272,310	1,696,492
Other operating expenses	11,852,502	12,749,584
Total general and administrative expenses	24,888,518	26,892,983

9.5 Extraordinary income and expenses as well as material releases of undisclosed reserves, reserves for general banking risks, allowances and provisions

(IN CHF)	2024	2023
Extraordinary income	38,499	12,772
Total extraordinary income	38,499	12,772
Extraordinary expense	104,801	64,517
Total extraordinary expense	104,801	64,517

9.6 Appreciation of fixed assets according to Art. 960a and 960d of the Swiss Code of Obligation

No appreciation of fixed assets has been carried out.

9.7 Tax Expense

(IN CHF)	2024	2023
Income tax expense	-23,075	2,588
Capital tax expense	47,478	28,438
Total tax expenses	24,403	31,027

For the full year 2024 the weighted average tax rate, defined as the income tax expense divided by the sum of operating profit and extraordinary income minus extraordinary expenses and capital tax, was 19.7 % (2023: 19.7%)

10 Proposed appropriation of retained earnings

The Board of Directors proposes to the Annual General Meeting the following appropriation of earnings:

(IN CHF)

Profit carried forward	17,283,567
Profit for the financial year 2024	1,025,285
Profit available for distribution	18,308,852
Proposed dividends	0
Profit carried forward	18,308,852
Total appropriation	18,308,852

11 Further relevant information & disclosures

11.1 Cash flow statement

According to Art. 961d OR Vontobel SFA does not have to provide a cash flow statement.

11.2 Management report

Vontobel SFA did not prepare a separate management report in accordance with Art. 961 OR. Reference is made to the Vontobel Annual Report 2024.

11.3 Subsequent Event

No events have occurred since the balance sheet date that affect the relevance of the information provided in the year 2024 financial statements and would therefore need to be disclosed.

11.4 Further disclosure information

	31.12.2024	31.12.2023
Common Equity Tier 1 (CET 1) in TCHF	27,768	31,727
Tier 1 in TCHF	27,768	31,727
Total Capital in TCHF	27,768	31,727
Total risk-weighted assets (RWA) in TCHF	106,716	90,312
Minimal capital requirement	10,000	10,000

Risk-based capital ratios as a percentage of RWA

Common Equity Tier 1 ratio (%)	26.02%	35.13%
Tier 1 ratio (%)	26.02%	35.13%
Total capital ratio (%)	26.02%	35.13%

Additional CET1 buffer requirements as a percentage of RWA

Capital conservation buffer requirements (%)	2.50%	2.50%
Total of bank CET1 specific buffer requirements (%)	2.50%	2.50%
CET1 available after meeting the bank's minimum capital requirements (%)	18.02%	27.13%

Capital target ratio according to annex 8 of CAO (% of RWA)

Capital conservation buffer according to CAO Annex 8	2.50%	2.50%
CET1 capital target (%) according to CAO Annex 8 + countercyclical buffer according to CAO Art. 44 and 44a	7.00%	7.00%
T1 capital target according to CAO Annex 8 + countercyclical buffer according to CAO Art. 44 and 44a	8.50%	8.50%
Total capital target according to CAO Annex 8 + countercyclical buffer according to CAO Art. 44 and 44a	10.50%	10.50%

Basel III Leverage Ratio

Total Basel III leverage ratio exposure measure in TCHF	188,139	151,862
Basel III leverage ratio (%)	14.76%	20.89%

Liquidity coverage ratio in accordance with FINMA Circular 15/02

AVERAGE	31.12.2023	31.03.2024	30.06.2024	30.09.2024	31.12.2024
Total stock of high-quality liquid assets (HQLA) in CHF M	80.6	80.9	78.3	77.8	94.3
Total net cash outflows in CHF M	40.1	44.7	33.3	31.9	33.4
Liquidity coverage ratio LCR in %	235.9	180.9	235.2	243.5	282.1

Net Stable Funding Ratio in accordance with FINMA Circular 15/02

	31.12.2022	30.06.2023	31.12.2023	30.06.2024	31.12.2024
Available stable funding (ASF) in CHF M	237.1	158.4	111.2	129.8	150.3
Required stable funding (RSF) in CHF M	147.8	124.4	68.0	105.9	94.1
Net Stable Funding Ratio NSFR in %	160.4	127.3	163.4	122.6	159.8

12 Corporate governance

Board of Directors

Christian Gmünder

Education:

- Goizueta Business School at Emory University, Atlanta GA, USA
- Anwaltsprüfung Kanton AI
- Lic. Iur – Universität Freiburg, Freiburg i.Ue

Professional background:

- Since 2019 Bank Vontobel AG, Zürich Schweiz, COO Private Clients
- 2016–2019 Bank Vontobel AG, Zürich Schweiz, COO Wealth Management
- 2015–2016 Bank Julius Bär AG, Zürich Schweiz, Head Business Transformation
- 2014–2015 Bank Vontobel AG, Zürich Schweiz, Head Business Development
- 2013–2014 Bank J. Safra Sarasin AG, Basel/Zürich Schweiz, Member of the Group Executive Committees, COO
- 2008–2013 Bank Sarasin & Cie AG, Basel / Zürich Schweiz, COO Private Banking

Jacqueline Hess

Education:

- Certified Coach (2023) Jay Shetty Certification School
- Trust & Estates Practitioner, STEP (2020); Swiss Certified Tax Expert (2000); Bar Admissions, IL/ Washington D.C. (1992/1994)
- LL.M. (Master of Laws); KU Leuven, Belgium (1993)
- J.D. (Juris Doctor), Concentration in Taxation and Corporate Law; Cornell Law School, United States (1992)
- A.B. (Bachelor of Arts), Phi Beta Kappa, Major in Philosophy; University of Chicago, United States (1989)

Professional background:

- Extensive Board Experience & Training
- 2021–2022 CEO, Vontobel Swiss Wealth Advisors AG, Head
- 2005–2021 Partner Deloitte AG

Dr. Maria-Antonella Bino

Education

- PhD in Law, University of Geneva, Switzerland
- Bachelor and Master of Law, Geneva University

Professional background

- Since 2021 Group General Counsel at Vontobel Holding AG and Bank Vontobel AG
- 2020–2021 Group Executive Board Member at Group Sygnum Bank AG
- 2013–2020 General Counsel at BNP Paribas (Suisse) SA – Geneva
- 2011–2013 Deputy Attorney General at the Federal Office of the Attorney General Switzerland
- 2008–2010 Deputy Chief Federal Examining Magistrate at the Federal Examining Magistrates Office Switzerland

Natalie Peter

Education:

- University of Zurich (lic. iur., 1994; Dr. iur. 2001)
- Boston University (LLM 1995)
- Rechtsanwaltspatent (2001)

Professional background:

- Since 2018 Partner with Blum & Grob Rechtsanwälte, Zurich
- 2010–2017 Employee and Partner in various law firms
- Lecturer (Lehrbeauftragte) at the University of Zurich
- Lecturer at the University of Fürstentum Lichtenstein
- Lecturer at SIST (Schweizerisches Institut für Steuerlehre)

Christian Stambach

Education:

- Certificate Corporate Governance Program for Board Members, University of St. Gallen
- Admission to the Bar in Zurich
- Law Degree, University of St. Gallen (lic. iur. HSG)

Professional background:

- Since 2007 Board member of several companies
- Since 2004 Partner with Bratschi Ltd., Attorneys at Law
- 2004–2006 Head of Task Force Audit 2003 and Group General Counsel, Adecco SA
- 2002–2003 Chief Risk Officer and Chief Legal Counsel, Company Secretary, Member of the Executive Committee, Centpulse Ltd
- 2000–2002 Attorney at Bär & Karrer Attorneys at Law, Zurich
- 2001 Attorney at DJ Freeman Solicitors, London
- 1998 European Commission, DG IV, Brussels, Directorate General for Competition and EFTA Court, Luxembourg
- 1996–1997 Director of the University of St. Gallen postgraduate program in European and International Business Law

Management Committee

Martin Baumert

Education:

- Senior Leadership Training, IMD, Lausanne (and various Leadership courses since 1991)
- Banking Diploma, Frankfurt/M., Germany
- European Baccalaureate, European School Luxembourg

Professional background:

- Since 2022 Operating Head / Chief Operating Officer, Vontobel SFA
- 2017–2022 Operating Head / Chief Operating Officer, UBS-SFA
- 2016–2017 Head Operations-Fund Administration, UBS Luxembourg S.A
- 2012–2016 Head Operations Integrated Bank, UBS (Luxembourg) S.A. and UBS Fund Services S.A.
- 2011–2012 Head Operations and Executive Management Committee member, UBS Luxembourg S.A
- 2006–2010 Head Operations Wealth Management & Swiss Bank, UBS Luxembourg S.A.
- 2003–2006 Head Management Services & Deputy Head Operations, UBS (Deutschland) AG
- 2000–2003 Head Securities Operations, UBS Bahamas Ltd.
- 1991–2000 Various roles with Schweizerischer Bankverein (Deutschland) AG and Schroeder Muenchmeyer Hengst AG, Frankfurt
- 1986–1990 Frankfurter Volksbank e.G, Frankfurt

Peter Romanzina

Education:

- Financial Risk Manager, FRM - Global Association of Risk Professionals
- Chartered Financial Analyst, CFA - CFA Institute
- Financial analyst and portfolio manager CIIA - AZEK

Professional background:

- Since 2022 CEO Vontobel SFA, Zürich
- 2020–2022 Head of Swiss Equity Research, Bank Vontobel AG
- 2010–2020 Head of Brokerage and member of the Investment Banking management Board, Bank Vontobel AG
- 2003–2010 Head of Brokerage Switzerland and member of the Executive Board, Kepler Capital Markets
- 2001–2003 Head of Brokerage Switzerland and member of the European Management Board, Bank Julius Bär AG
- 1998–2000 Head of Swiss Equity Research and Strategy, CSFB, Zürich
- 1997–1998 Research Sales to UK institutional investors, CSFB, London

Dr. Pascal Koepfel

Education:

- Senior Leadership Program, IMD
- Executive Management Program, Harvard University
- CFA (Chartered Financial Analyst), CFA Institute
- PhD, ETH (Swiss Federal Institute of Technology), Zurich, Switzerland
- Masters in Engineering, ETH (Swiss Federal Institute of Technology), Zurich, Switzerland

Professional background:

- Since 2022 Chief Investment Officer and Head Investment Management, Vontobel SFA
- 2009–2022 Chief Investment Officer and Head Investment Management, UBS-SFA
- 2005–2009 Head Investment Management, UBS-SFA
- 2004–2005 Head Active Advisory, UBS, Zurich
- 2001–2004 Manager of Hedge Funds and Traditional Asset Management, Swiss Capital Alternative Investments
- 2000–2001 Analyst of Hedge Funds, Swiss Capital Alternative Investments

Roger Scherer

Education:

- Executive MBA, University of Berne, Switzerland
- MBA, University of Rochester, NY, USA
- Bachelor degree in Business Administration, European Business School Switzerland

Professional background:

- Since 2023 Swiss Financial Advisers AG (former Vontobel Swiss Wealth Advisors AG, VSWA, Chief Integration Officer
- 2013–2023 Vontobel Swiss Wealth Advisors AG, Chief Operating Officer and Deputy CEO
- 2011–2013 Falcon Private Bank AG (formerly AIG Private Bank AG)
- 2007–2011 AIG Private Bank, Chief Operating Officer of Institutional & Asset Management
- 2001–2006 AIG Private Bank, Head Corporate Actions & Securities Administration
- 1997–2000 Bank von Ernst & Cie. AG
- 1993–1996 Zürcher Kantonalbank

Arturo Stoecklin**Education:**

- Masters of Law, University of Kiel, Geneva and Munich, Germany/Switzerland from the University of Applied Sciences in Zurich
- Swiss Finance Institute: Senior Management Program in Banking

Professional background:

- Since 2024 Market Head Latin America Vontobel SFA
- Since 2016 Business Unit Head Private Clients Latin America and South Africa Vontobel
- 2009–2016 Head Wealth Management HNWI Caribbean, Andean and Southern Latin America UBS AG Switzerland

Juergen Wegner**Education:**

- Masters of Law, University of Kiel, Geneva and Munich, Germany/Switzerland
- Banking Diploma

Professional background:

- Since 2022 Head Vontobel SFA, Zürich
- 2016–2022 Head UBS-SFA, Zürich
- 2011–2016 Head Business Management UBS APAC, Zürich, Switzerland
- 2009–2011 Head UBS DIFC WM Office, Dubai
- 2006–2009 Desk Head WM Middle East UBS DIFC, Dubai
- 2004–2006 Representative Officer, UBS AG Representative Office, Dubai
- 2003–2004 Legal Adviser, Galadari & Associates Law Firm, Dubai
- 2001–2003 Junior Lawyer, Tandler, Riegger & Kollegen, Munich

Vontobel Swiss Financial Advisers AG
Gotthardstrasse 43
8022 Zürich

vontobelsfa.com



Comprehensive Report

of the statutory auditor for the
business year ended 31 December 2024

**Vontobel Swiss Financial Advisers AG,
Zurich**



Shape the future
with confidence

To the Board of Directors of
Vontobel Swiss Financial Advisers AG, Zürich

Basle, 12 March 2025

Comprehensive report

Ladies and Gentlemen,

In accordance with our engagement, we have audited the financial statements of Vontobel Swiss Financial Advisers AG (“the Company”) for the year ended 31 December 2024 and are pleased to present you the results of our audit.

This report addressed to the Board of Directors has been prepared in accordance with article 728b para. 1 of the Code of Obligations (CO), the provisions of the Federal Audit Oversight Authority (FAOA) as well as the supplementary instructions issued by the Swiss Financial Market Supervisory Authority (FINMA).

We thank you and your employees for the trust you have placed in us and for the pleasant working relationship.

Please do not hesitate to contact us should you have any questions.

Ernst & Young Ltd

Licensed audit expert
(Lead auditor)

Licensed audit expert

Copy sent to:

- ▶ Management
- ▶ Head of Internal Audit
- ▶ Swiss Financial Market Supervisory Authority (FINMA) (submission via FINMA application platform)





Contents

- 1 Executive summary
- 2 Notes and results of the audit

Appendices

- A Supplementary notes on the performance of the audit
- B Supplementary notes on the results of the audit
- C EY insights
- D Abbreviations

Legend















-  = no action required
-  = potential for improvement
-  = material finding
-  = for information only



1 Executive summary

Key aspects at a glance

Draft

Topic	Description	Details page	Assessment
 Report to the general meeting	<ul style="list-style-type: none"> ▶ We have issued an unmodified opinion in the statutory auditor's report to the general meeting on the financial statements in accordance with article 728b para. 2 CO. ▶ We issued our report in english. 	6	
 Breaches of the law, articles of association or organizational regulations	<ul style="list-style-type: none"> ▶ We did not identify any breaches of the law, the articles of association or the organizational regulations of relevance for the audit. 	n/a	
 Internal control system (ICS)	<ul style="list-style-type: none"> ▶ We confirm the existence of the internal control system in accordance with article 728a para. 1 item 3 CO. 	6	
 Audit differences	<ul style="list-style-type: none"> ▶ We identified no audit differences. 	n/a	
 Fraud	<ul style="list-style-type: none"> ▶ We did not identify any indications of fraud during our audit work. 	8	
 Notes on difficulties encountered during the audit	<ul style="list-style-type: none"> ▶ We did not encounter any particular difficulties during our audit work. ▶ The contacts were available. 	12	
 Proposal of the Board of Directors	<ul style="list-style-type: none"> ▶ We confirm that the proposal of the Board of Directors complies with Swiss law and the Company's articles of incorporation. 	n/a	

2

Notes and results of the audit



Draft

2 Notes and results of the audit

Overview of the audit approach

Draft

Basis for the audit

We conducted our audit in accordance with Swiss law and the following auditing standard. This standard requires that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Financial reporting standard	Swiss financial reporting provisions for banks (article 25 et seq. BO, FINMA Circular 2020/1 “Accounting – banks”)	Auditing standard	Swiss Standards on Auditing (SA-CH)
-------------------------------------	--	--------------------------	-------------------------------------

Assessment of the internal control system (ICS)

In making our risk assessment, we considered the ICS relevant to the entity’s preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s ICS. An overview of the process-related procedures is provided below:

Processes	Strategy	Rotation ¹	Result
Entity Level Controls	n/a	n/a	■
IT General Controls (manage change, access and IT operations)	●	2024	■
Financial Statement Closing Process	○	2024	■
Fee and Commission Income	●	2024	■
Trading Income	●	2024	■
Reconciliation	●	2024	■
Personnel expenses	○	2023	■
General & Administrative expenses	○	2023	■
Client transaction processing	●	2024	■

Legend:

- = In performing the audit, we rely on the control system and therefore tend to perform fewer substantive audit procedures.
- = In performing the audit, we do not rely on the control system and therefore tend to perform more substantive audit procedures.

¹ = In some cases, controls can be tested in a multi-year cycle. The controls were last tested in the year indicated.

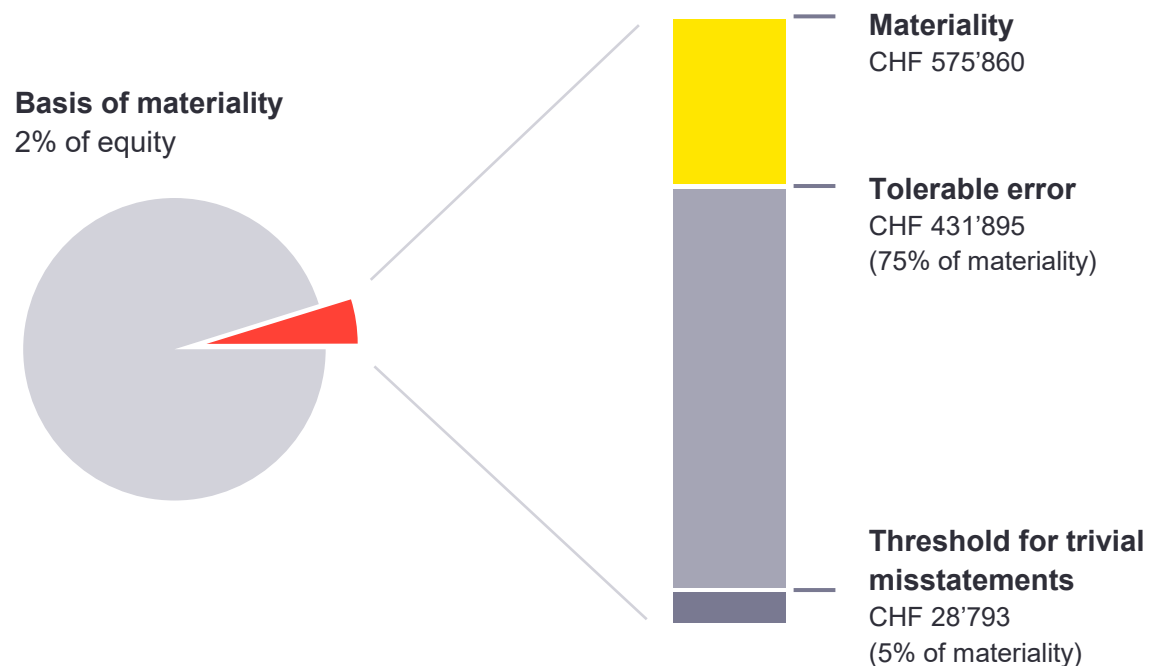
2 Notes and results of the audit

Materiality

Draft

The objective of the audit of the financial statements is to determine with reasonable assurance whether the financial statements as a whole are free from material misstatement, whether due to fraud or error. For this purpose we use the following thresholds:

Materiality	Tolerable error	Threshold for trivial misstatements
Misstatements or omissions are considered to be material if they, individually or in aggregate, could be reasonably expected to influence the economic decisions of users taken on the basis of the financial statements.	Tolerable error is understood to be the amount below which an error is immaterial and is applied to reduce the risk of undetected misstatements to an appropriately low level.	The threshold for trivial misstatements is the amount above which identified corrected and uncorrected misstatements are reported in the Summary of Audit Differences (SAD).





2 Notes and results of the audit

Audit focus areas

Draft

Material risks to the financial statements

The following overview summarizes selected risks which, based on their likelihood of occurrence, could materially affect the financial statements.

No.	Audit area	Audit approach	Results
1	<p>Management override of controls</p> <p>Management could override or overrule internal policies or controls given its special status. This could also give rise to misstatements in the financial statements.</p>	<ul style="list-style-type: none"> ▶ Analysis of the control environment ▶ Assessment of compliance with internal policies (assignment of authority, internal controls, etc.) ▶ Analysis of journal entries ▶ Testing of selected manual postings 	
2	<p>Inappropriate revenue recognition</p> <p>According to the Swiss Standards on Auditing, material misstatement often results from an overstatement of revenues (through, for example, premature revenue recognition or recording fictitious revenues) or from an understatement of revenues (through, for example, improperly shifting revenues to a later period).</p>	<ul style="list-style-type: none"> ▶ Obtaining an understanding of the revenue recognition process and the related controls ▶ Performance of data analyses ▶ Substantive testing of revenue ▶ Review of the correct recognition of revenue on an accrual basis 	



2 Notes and results of the audit

Special matters relating to financial reporting



Draft

In the tables below, we comment on special matters relating to financial reporting and provide an overview of significant judgmental matters in the financial reporting:

Special matters relating to financial reporting

	Explanations	
	<ul style="list-style-type: none">▶ Within the scope of the preparation and the audit of the financial statements 2024, no special matters relating to financial reporting occurred.	

Overview of significant judgmental matters

	Explanations	
	<ul style="list-style-type: none">▶ Within the scope of the preparation and the audit of the financial statements 2024, no significant judgmental matters relating to financial reporting were identified.	

Appendices

- A** Supplementary notes on the performance of the audit
- B** Supplementary notes on the results of the audit
- C** EY insights
- D** Abbreviations

Supplementary notes on the performance of the audit

Draft

A.1 Period in which the audit work was carried out

We performed the 2024 audit primarily during the following periods:



In connection with the audit, we were also in contact with the Company outside of the periods mentioned above (to exchange information, clarify individual cases, etc.).

A.2 Independence of the auditor

We confirm that we meet the legal requirements on independence and that there are no circumstances incompatible with our independence or any matters (including the level of fees paid) that could lead to a self-interest threat.

We performed the following audit-related and other services during the period covered by the financial statements:

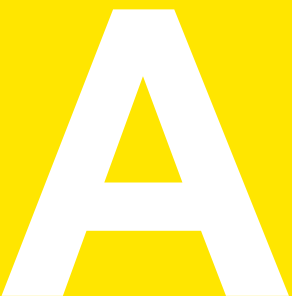
- ▶ Audit of the financial statements as of 31 December 2024
- ▶ Internal Control Report on Vontobel SFA's custody function for client's assets in accordance with ISAE 3402
- ▶ Surprise Examination in accordance with SEC requirements (Investment Advisor Custody rules; SEC rule 206(4)-2)
- ▶ Regulatory audit in accordance with FINMA Circular 2013/3

The table below provides an overview of the fees for services provided to the Company during the period covered by the financial statements :

Service	Fee amount ¹
Fees for the statutory and regulatory audit	CHF 339'982
Fees for audit-related services	CHF -
Fees for other services	CHF -

¹ Includes fees paid and payable for the current audit period

We have evaluated the level of audit fees paid and did not identify any potential threats related to our independence.



A Supplementary notes on the performance of the audit

Draft

A.3 Further details on the audit approach

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the financial statements.

We audited the existence of the internal control system pursuant to article 728a para. 1 no. 3 CO in accordance with PS-CH 890 "Auditing the Existence of the Internal Control System". This standard requires us to audit whether the internal control system over financial reporting designed by the Board of Directors exists. Existence includes the design and implementation but not the effectiveness of the internal control system.

The table below provides an overview of significant substantive audit procedures:

Significant substantive audit procedures

- ▶ Audit of substantial balance sheet-, off-balance- and income statement positions and additional disclosures in the financial statements using suitable documents (e.g. contracts, bank confirmations)
- ▶ IT audit (audit of access rights, change management processes and management of IT operations)
- ▶ Reconciliation of balances with third-party confirmations
- ▶ Analytical procedures (e.g. year-to-year comparison of balances, ratio of income statement items with the related balance sheet positions, comparison with budgets)

A.4 Working with third parties

In the course of our audit, we relied upon the work of third parties (other auditors, the audited entity's Internal Audit or external experts) in the following areas:

- ▶ Service Organization Control Report according to ISAE 3402, Type 2, Description of Avaloq Sourcing's IT and Banking Operations Activities

A.5 Delegating audit work

In the course of our audit, no tasks were delegated to foreign shared service centers.

A.6 Difficulties with management during the audit

We did not encounter any difficulties during our audit. The relevant contacts were appropriately available and we were provided with the necessary audit evidence within a reasonable deadline.

A Supplementary notes on the performance of the audit

Draft

A.7 Contact with the Audit Committee

The Company does not have an audit committee. The corresponding activities are carried out by the full Board of Directors. In the table below we therefore summarize the nature and frequency of contact with the Board of Directors:

Date	Topics
11 March 2025	▶ Financial statements' approval and issuance of our audit report
12 March 2025	▶ Financial statements' approval and issuance of our audit report

A.8 The auditor's responsibilities relating to fraud in an audit of financial statements

The primary responsibility for the prevention and detection of fraud rests with the Board of Directors and management. It is important that management place a strong emphasis on fraud prevention. The auditor is responsible for determining with reasonable assurance that the financial statements are free from material misstatement.

Owing to the inherent limitations of an audit, there is an unavoidable risk that some material misstatements of the financial statements may not be detected, even though the audit is properly planned and performed. The potential effects of inherent limitations are particularly significant in the case of misstatement resulting from fraud. Material misstatement resulting from fraud is even harder to detect when accompanied by collusion.

Furthermore, the risk of the auditor not detecting a material misstatement resulting from management fraud is greater than for employee fraud, because management is frequently in a position to directly or indirectly override control procedures.

Supplementary notes on the results of the audit

Draft

B.1 Opinion regarding the net assets, financial position and results of operations

The Company's net assets, financial position and results of operations are sound.

B.2 Subsequent events

Between the financial reporting date and the date we signed this report, no significant events occurred that would have warranted a correction or disclosure in the financial statements or a mention in this report.

B.3 Unusual or material transactions with related parties

There were no unusual or material transactions with related parties in the year under audit.

B.4 Use of special purpose vehicles

The Company does not have any special purpose vehicles.

B.5 Going concern

In the course of our audit, there were no indications of material uncertainty about the entity's ability and intention to continue as a going concern.

B.6 Findings on the internal control system over financial reporting

In accordance with the Code of Obligations, the Board of Directors is responsible for designing, implementing and maintaining a suitable and appropriate internal control system.

Pursuant to article 728a para. 1 no. 3 CO, the auditor is required to confirm the existence of the internal control system over financial reporting defined by the Board of Directors. Auditing the existence of the internal control system does not, however, involve testing the permanent and effective operation of the internal control system. We confirm that an internal control system exists which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

B

B Supplementary notes on the results of the audit

Draft

B.7 Analysis of the balance sheet

CHF	31.12.2024	31.12.2023	Change
Liquid assets	94'340'663	80'587'954	13'752'709
Amounts due from banks	86'137'411	65'407'192	20'730'219
Amounts due from securities financing transactions	-	-	-
Amounts due from customers	7'285'188	6'267'903	1'017'285
Mortgage loans	-	-	-
Trading portfolio assets	-	-	-
Positive replacement values of derivative financial instruments	-	-	-
Other financial instruments at fair value	-	-	-
Financial investments	-	-	-
Accrued income and prepaid expenses	1'081'281	991'983	89'298
Participations	-	-	-
Tangible fixed assets	-	-	-
Intangible assets	2'678'007	3'308'126	(630'119)
Other assets	1'120'575	867'954	252'621
Total assets	192'643'125	157'431'112	35'212'013
Amounts due to banks	8'326'502	13'844'296	(5'517'794)
Liabilities from securities financing transactions	-	-	-
Amounts due in respect of customer deposits	144'323'894	104'505'992	39'817'902
Trading portfolio liabilities	-	-	-
Negative replacement values of derivative financial instruments	-	-	-
Liabilities from other financial instruments at fair value	-	-	-
Cash bonds	-	-	-
Bond issues and central mortgage institution loans	-	-	-
Accrued expenses and deferred income	9'731'043	9'638'102	92'941
Other liabilities	1'468'264	1'674'585	(206'321)
Provisions	-	-	-
Reserves for general banking risks	6'984'569	6'984'569	-
Reported equity	21'808'853	20'783'568	1'025'285
Total liabilities and equity	192'643'125	157'431'112	35'212'013

Comments on significant changes

- ▶ Liquid assets consist mainly of deposits with the Swiss National Bank (SNB) to meet their liquidity ratio requirements. This position is highly linked to the Amounts due to banks and the Amounts due in respect of customer deposits, as these two positions are determining the minimum amount of liquidity VSFA has to hold. This deposit was increased to ensure to meet the liquidity requirement at any time.
- ▶ VSFA does not engage in the lending business. Amounts due from customers represent technical account overdrafts arising from trade date and settlement date differences of client transactions. The receivables due from customers increased by CHF 1.0m, representing a cut-off related increase.
- ▶ Amounts due in respect of customer deposits are to be seen in conjunction with the Asset under Management. The increase of CHF 39.8m is related to the client activity and the increasing AuM.
- ▶ Accrued expenses and deferred income represent mainly retrocession accruals towards UBS and the accrual for bonuses. It was relatively stable compared to last year's balance.

B Supplementary notes on the results of the audit

Draft

B.8 Analysis of off-balance-sheet items

CHF	31.12.2024	31.12.2023	Change
Contingent liabilities	-	-	-
Irrevocable commitments	883'970	1'513'840	(629'870)
Obligations to pay up shares and make further contributions	-	-	-
Derivative financial instruments:	-	-	-
> Positive replacement values	-	-	-
> Negative replacement values	-	-	-
> Contract volume	-	-	-
Fiduciary transactions	681'622'245	546'544'849	135'077'396

Comments on significant changes

- ▶ Irrevocable commitments consist of the payment obligation for privileged deposit protection, as indicated by FINMA. Therefore, the decrease of the balance is the result of FINMA's requirement communicated to VSFA .
- ▶ Fiduciary call and time/term deposits are money market and fiduciary deposit transactions, which are intended as a cash management tool. When clients instruct VSFA to place deposits with a particular counterparty bank, VSFA does so by paying the amount into a pooled client account held in the name of UBS Switzerland AG with an approved counterparty bank. Fiduciary deposits increased by CHF 135m compared to the prior year and reflect increases in customer deposits. These investments are executed at, and on behalf of, client request.

B Supplementary notes on the results of the audit

Draft

B.9 Analysis of the income statement

CHF	2024	2023	Change
Result from interest operations	692'032	890'487	(198'455)
Result from commission business and services	51'287'472	48'625'798	2'661'674
Result from trading activities and the fair value option	3'011'864	2'794'894	216'970
Other result from ordinary activities	(59'987)	(22'738)	(37'249)
Total operating income	54'931'381	52'288'441	2'642'940
Personnel expenses	(28'296'753)	(28'641'322)	344'569
General and administrative expenses	(24'888'518)	(26'892'983)	2'004'465
Total operating expenses	(53'185'271)	(55'534'305)	2'349'034
Gross profit	1'746'110	(3'245'864)	4'991'974
Value adjustments on participations, depreciation and amortization of tangible fixed assets and intangible assets	(630'120)	(630'124)	4
Changes to provisions and other value adjustments, and losses	-	-	-
Operating result	1'115'990	(3'875'988)	4'991'978
Extraordinary income	38'499	12'772	25'727
Extraordinary expenses	(104'801)	(64'517)	(40'284)
Taxes	(24'403)	(31'027)	6'624
Profit/loss	1'025'285	(3'958'760)	4'984'045
Changes in reserves for general banking risks	-	-	-
Reported profit/loss of the period	1'025'285	(3'958'760)	4'984'045

Comments on significant changes

- ▶ For business year 2024, the VSFA reported a profit of CHF 1m (prior year loss: CHF 4m)
- ▶ Result from commission business and services remains VSFA's main source of income, with a share of 93% of ordinary operating income (as last year). Main sources of commission income result from portfolio management and investment advisory fees as well as from commission income from providing tax services. VSFA has offered new products in 2024, which summed up to a total income from flat fees of CHF 4.1 million.
- ▶ General and administrative expenses have significantly decreased in 2024 compared to 2023. This is explained mainly by the additional project costs related to the integration of VSFA in the group Vontobel and the operational merger that VSFA had to undertake with ex-VSWA, which occurred in 2023.

B Supplementary notes on the results of the audit

Draft

B.10 Analysis of key performance indicators

The table below provides an overview of the development of selected key performance indicators:

	2024	2023	2022
KPIs for net assets and financial position			
Equity ratio as a %	18.04%	24.59%	11.89%
Regulatory capital ratio as a % (eligible adjusted tier capital ÷ risk-weighted exposures)	26.02%	35.13%	30.58%
Percentage of customer loans refinanced using customer deposits	n.a.	n.a.	n.a.
Value adjustments and provisions as a % of the total loan portfolio	n.a.	n.a.	n.a.
KPIs for the analysis of earnings and results of operations			
Profitability of assets under management	0.00053%	0.00055%	0.00062%
Gross interest margin as a %	0.45%	0.46%	0.00%
Income per employee in CHF k	557	525	371
Cost/income ratio as a %	-96.82%	-106.21%	-97.22%
KPIs for profitability			
Operating result as a % of average equity	3.88%	-13.96%	3.19%
Return on equity as a %	4.70%	-19.05%	4.24%
Internal KPIs			
Client assets in CHF m	10'315	9'514	5'890
Net new money inflows in CHF m	(-350)	(387)	(533)

Comments on significant changes

- ▶ As a securities firm, main KPI is return on AuM as opposed to gross interest margin for a retail bank.
- ▶ The operating result as a percentage of average equity reached 3.88% in 2024 (prior year: -13.96%). This positive result compared to last year is explained by the the cost that SFA had incurred in 2023 for its operational integration with VSWA, which significantly reduced in 2024.

B Supplementary notes on the results of the audit

Draft

B.11 Budget

MCHF	2024 (actual)	2024 (budget)	Difference compared to actual	2025 (budget)	Difference compared to actual
Result from interest operations	0.69	0.87	(0.18)	0.60	(0.09)
Result from commission business and services	51.29	51.12	0.17	55.12	3.83
Result from trading activities	3.01	2.93	0.08	2.71	(0.30)
Other result from ordinary activities	(0.06)	0.09	(0.15)	0.00	0.06
Total operating income	54.93	55.01	(0.08)	58.43	3.50
Personnel expenses	(28.30)	28.81	0.51	(28.51)	(0.22)
General and administrative expenses	(24.89)	26.51	1.62	(26.00)	(1.11)
Total operating expenses	(53.19)	55.32	2.14	(54.51)	(1.33)
Gross profit	1.75	(0.31)	2.06	3.92	2.17
Value adjustments on participations, depreciation and amortization of tangible fixed assets and intangible assets	(0.63)	-	(0.63)	-	0.63
Changes to provisions and other value adjustments, and losses	-	-	-	-	-
Operating result	1.12	(0.31)	1.43	3.92	2.80
Extraordinary income	0.04	-	0.04	-	(0.04)
Extraordinary expenses	(0.10)	-	(0.10)	-	0.10
Changes in reserves for general banking risks	-	-	-	-	-
Taxes	(0.02)	(0.38)	0.36	0.05	0.07
Profit/loss	1.03	(0.69)	1.72	3.97	2.94

Comments on budget differences 2024

- ▶ The actual 2024 figures are slightly better than the budgeted amounts. The main difference lies between the budgeted amount of the general and administrative expenses and the actual, where there is a CHF 1.62m discrepancy. As explained previously, these expenses have significantly decreased compared to year 2023, as the project costs for the integration of VSWA have reduced.

Comments on the budget 2025

The budget for the 2025 business year is based on the following key assumptions:

- ▶ Increasing fee and commission income due to net new money inflow
- ▶ Stable personnel expenses
- ▶ Stable general and administrative expenses



Core messages

The results of the current survey can be summarized with the following core messages:

- ▶ After the prior year’s record results, banks expect a profit reduction in the medium term and emphasize cost discipline
- ▶ Expected impairment losses for loans at a record low
- ▶ Banks consider transparency in enforcement proceedings as the most effective additional supervisory instrument for FINMA
- ▶ Artificial intelligence continues to gain momentum
- ▶ Reporting duties rather than customer demand are the focus point of ESG

After record results in previous years, Swiss banks are expecting a slight decline. This is primarily due to the falling interest margin. Balance sheets have become a limiting factor as a result of strong growth and the margin erosion can no longer be compensated for at will by increasing credit volumes. Banks will therefore have to master the balance between growth and cost discipline in the coming years - probably also with the increased use of artificial intelligence.

Further details in our publication:
[German](#) / [French](#) / [English](#)



Abbreviations

Draft

AG	Aktiengesellschaft
Art.	Article
AuM	Assets under Management
BoD	Board of Directors
CO	Code of Obligations
ESG	Environmental, social and governance
FAOA	Federal Audit Oversight Authority
FINMA	Swiss Financial Market Supervisory Authority
FINMA Circular	Circular of the Swiss Financial Market Supervisory Authority
ICS	Internal control system
ISAE	Internation Standard on Assurance Engagements
KPI	Key Performance Indicators
KCHF	Thousands of CHF
MCHF	Millions of CHF
no.	Number
para.	Paragraph
SA-CH	Swiss Standards on Auditing
SEC	Stock & Exchange Commission
SNB	Swiss National Bank
VSFA	Vontobel Swiss Financial Advisers
VSWA	Vontobel Swiss Wealth Advisers

D



Closing remarks

Draft

Notes



- ▶ This report contains data protected by legal provisions (professional secrecy, banking secrecy, etc.).
- ▶ All references to individuals and roles in this report apply to both genders equally.
- ▶ We refrain from repeating the responsibilities of the Board of Directors, management and the independent auditor. In this context, we refer to our engagement letter and the report to the general meeting.
- ▶ The figures in this report may be rounded.

Restriction on distribution



- ▶ This report was prepared for the recipients specified in the letter. It may not be made available to third parties without the written consent of EY.
- ▶ EY does not accept any liability to third parties related to this report.