



2023 Annual Report

25 years of Bank Frick

Our fresh appearance is now an even better complement to the values and history of Bank Frick: rooted in tradition, family-run and, at the same time, innovative and attentive.

We create lively, imaginative imagery in which our employees are the focus of the brand – because they ultimately constitute the key to the long-term success of Bank Frick.

This imagery came about in connection with our anniversary film – get an exclusive look at our 25-year company history.

Here's how it works: Scan the QR code and let the film roll!
Happy watching.

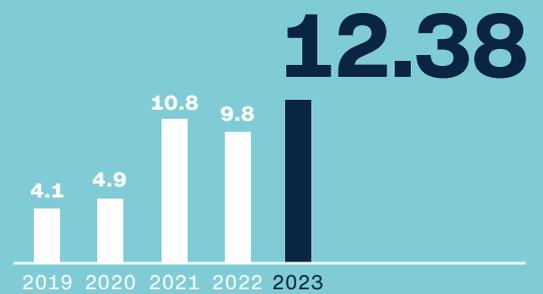


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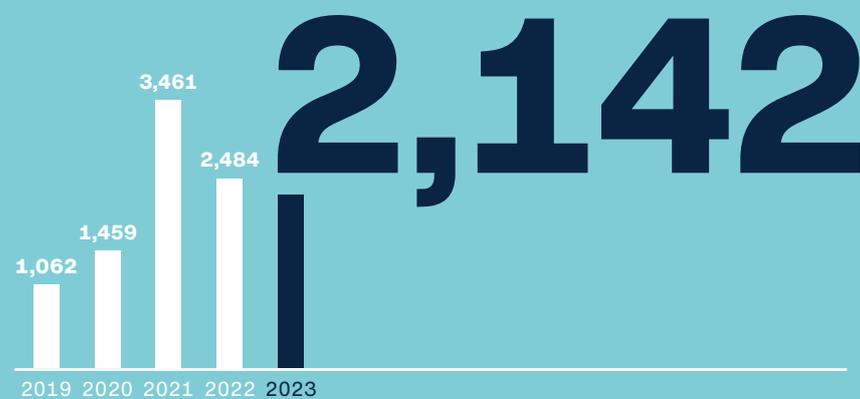
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Selected key figures 2023

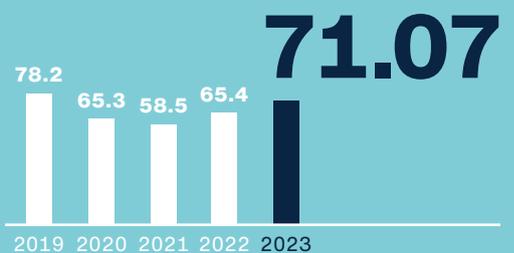
Return on equity in %



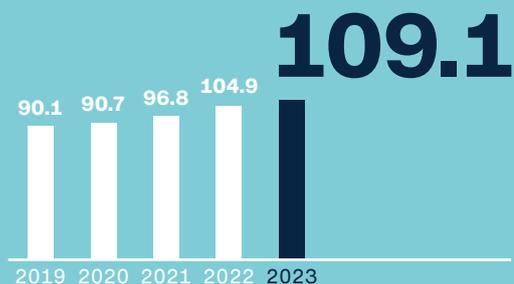
Balance sheet total in CHF million



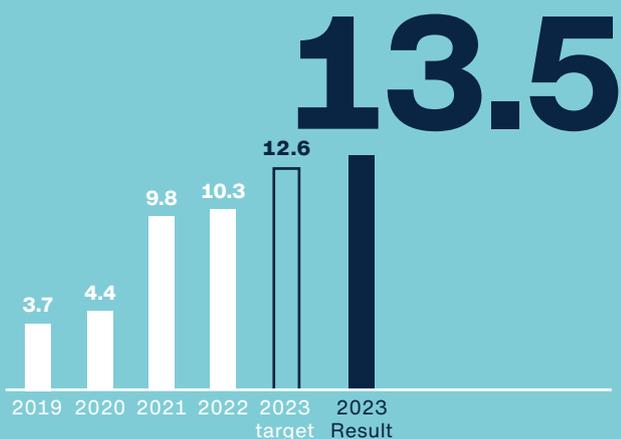
Cost/income ratio in %



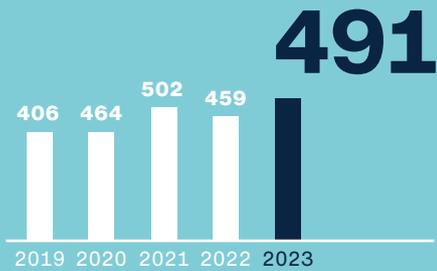
Equity capital in CHF million



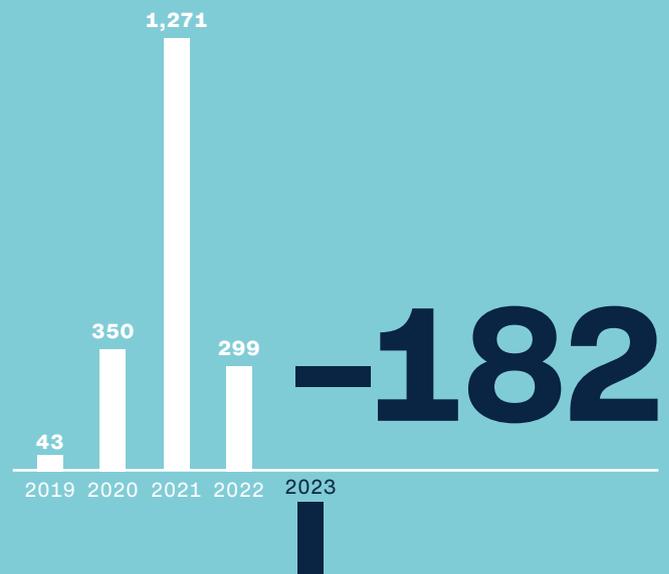
Net profit in CHF million



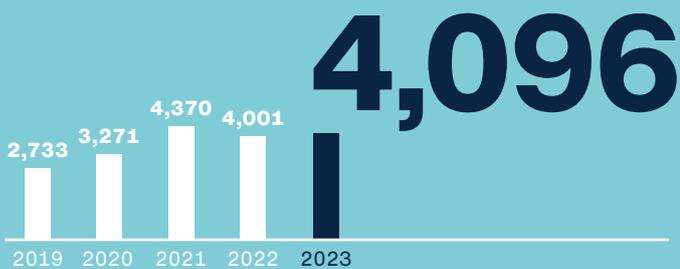
Receivables owed by clients in CHF million



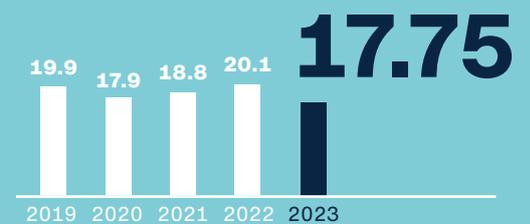
Net new money in CHF million



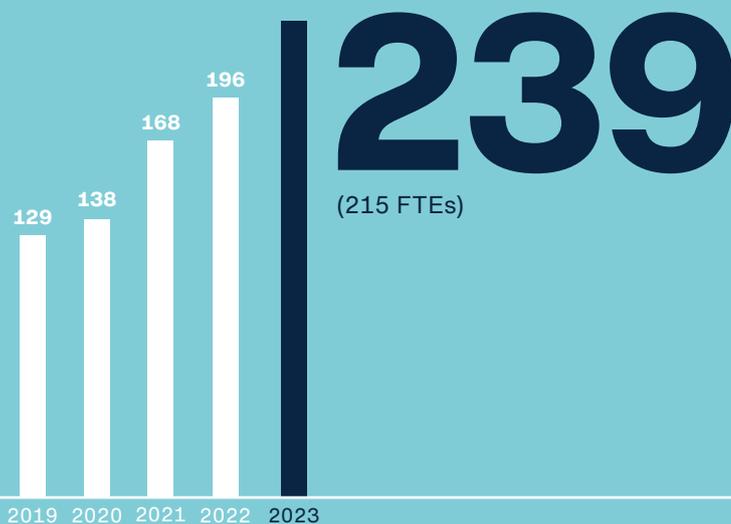
Assets under management in CHF million



CET1 ratio in %



Headcount



Governing bodies / organisation



Dr. Mario Frick
Chairman of the Board of Directors



Roland Frick
Vice-Chairman of the Board of Directors



Rolf Jermann
Member of the Board of Directors



Marianne Müller
Member of the Board of Directors



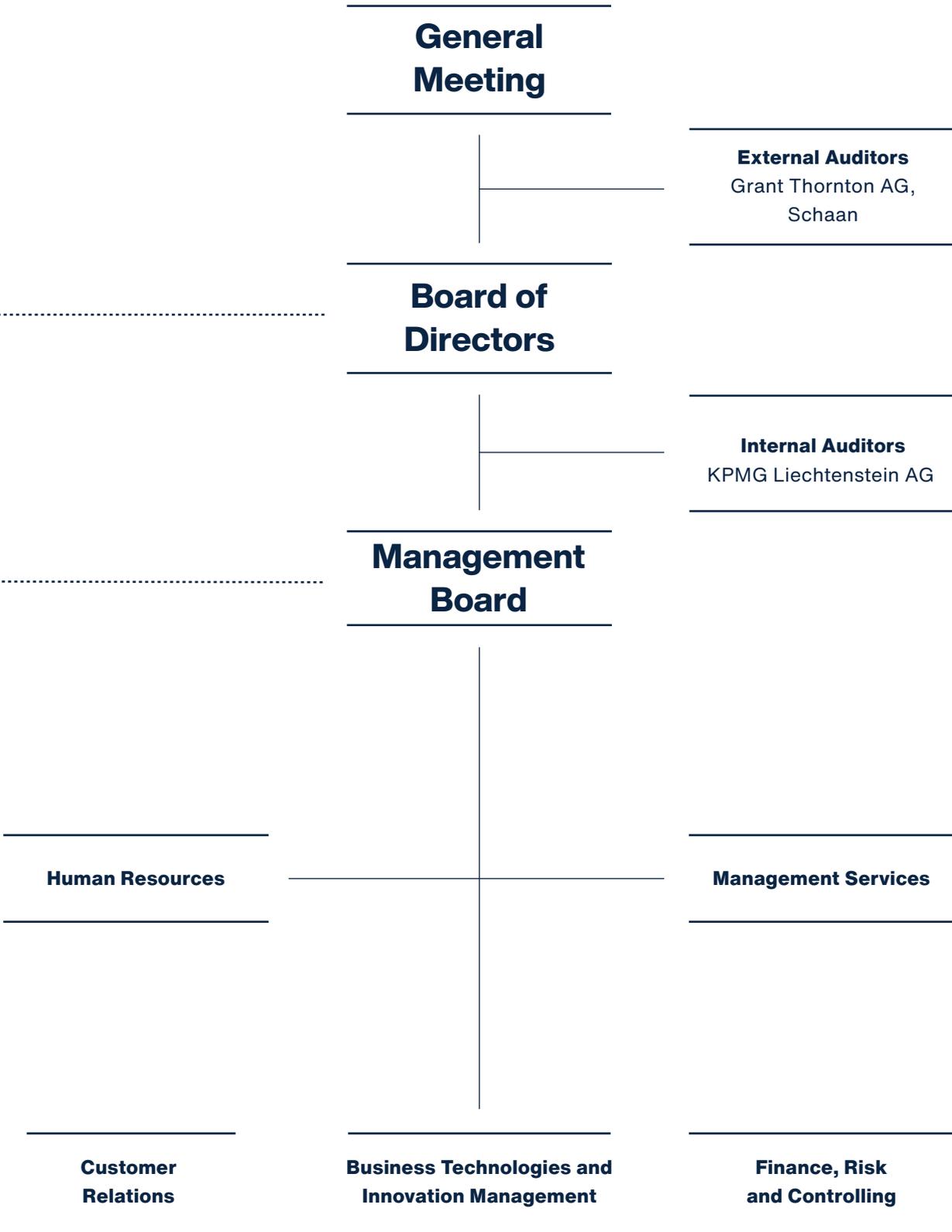
Edi Wögerer
CEO



Melanie Mündle
CFO



Michael Dolzer
COO



Report of the Board of Directors and the Management Board

Report of the Board of Directors and the Management Board

The year 2023 was characterised by growth and change. We succeeded in maintaining the results achieved in the first half of the year. Implementation of the strategy proceeded on schedule. The annual results for 2023 amounted to CHF 13.5 million, meaning Bank Frick continued to grow by building on the results from the first half of the year.

Bank Frick again enjoyed a very successful year in 2023. We were once again able to improve on our annual results compared with the previous year, closing out the reporting period with an annual profit of CHF 13.5 million, which was 6.9% higher than budgeted. Although net profit in 2022 was already at a record high of CHF 10.3 million, our outstanding results in the financial year exceeded it by 31.76%.

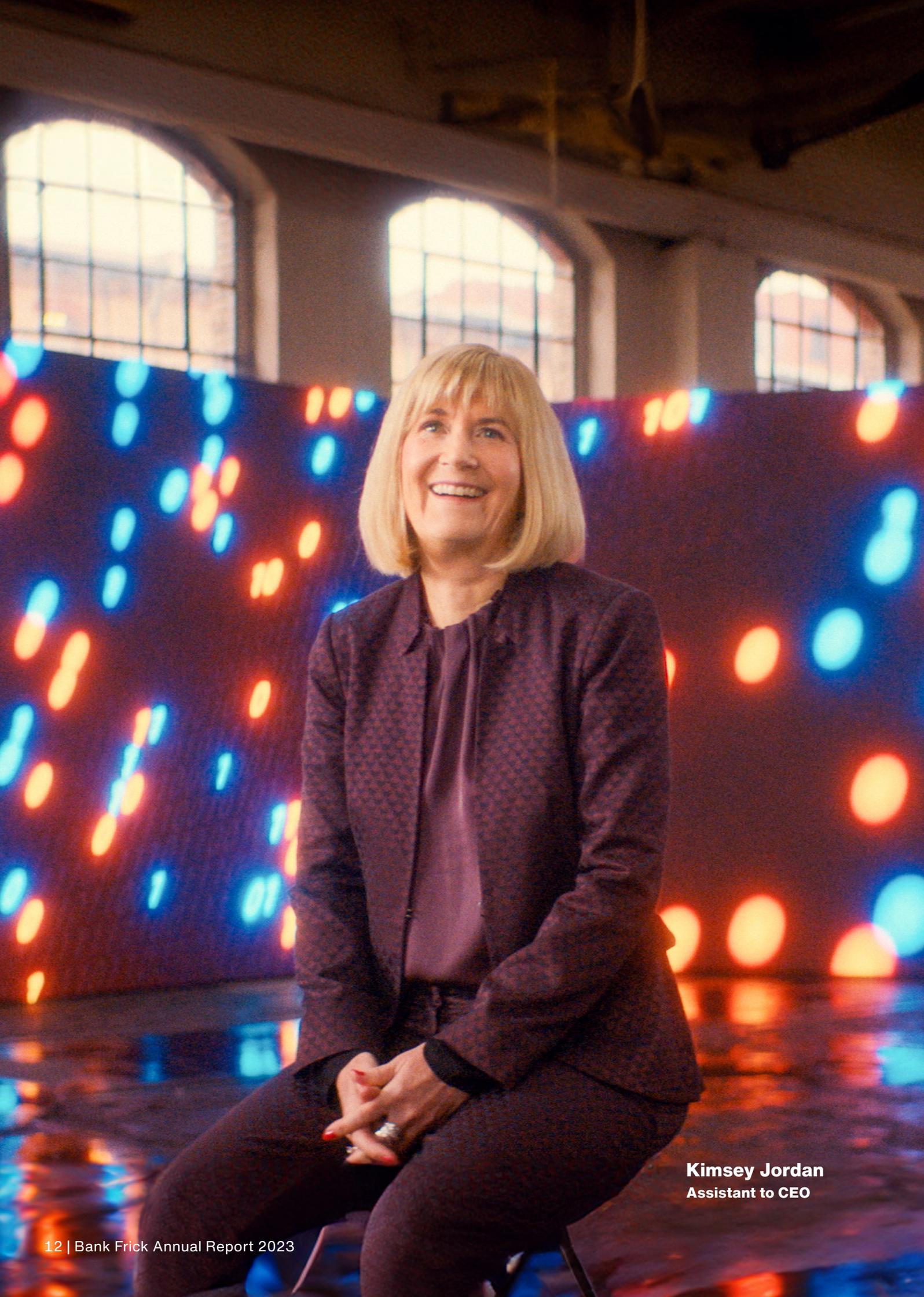
Despite a difficult market environment and another year rife with turbulence, including challenges posed by the ongoing war in Ukraine and persistent inflation, we were able to achieve excellent results. This shows us that our investments in implementing the growth strategy are paying off. These results would not have been possible without the dedication of our employees. We would like to take this opportunity to extend our thanks to them for their commitment to Bank Frick.

“Annual profit of CHF 13.5 Mio, thus 6.9% above the budgeted profit”



Dr. Mario Frick
Chairman of the
Board of Directors

Edi Wögerer
CEO



Kimsey Jordan
Assistant to CEO

Key figures in detail

Equity capital

In the reporting period, equity capital increased by CHF 4.2 million to CHF 109.1 million (2022: CHF 104.9 million).

In 2023, we carried out a capital increase of CHF 1.915 million and also increased retained earnings by CHF 2.252 million.

Balance sheet

Our balance sheet total amounted to CHF 2.15 billion as of 31 December 2023, a reduction of CHF 342 million (2022: CHF 2.5 billion).

This is a normal fluctuation that is within the expected range, without noteworthy deviations.

Cost-income ratio

The cost-income ratio (CIR) rose from 65.36% in 2022 to 71.07% in 2023. This change in the CIR in the past financial year was attributable to the continual growth of Bank Frick. In addition, our expenses rose in connection with the significant growth in headcount and the associated increase in personnel costs.

Client assets under management

Client assets under management amounted to CHF 4.1 billion as of 31 December 2023, equating to growth of 2.39% compared with the previous year (2022: CHF 4.0 billion).

Despite a challenging economic environment, client assets under management remained at the level of the previous year and even grew slightly.

Sources of revenue

The income situation is very satisfactory. Interest income rose substantially and exceeded our expectations considerably. In addition, our trading activities exceeded the budgeted income, which enabled us to offset the decline in commission income from securities in 2023.

Commission and service transactions

Net income and income from commission and service transactions fell to CHF 24.5 million (2022: CHF 32.4 million), which was about 18% lower than budgeted results.

Due to higher interest rates, we observed a shift from trading in securities toward fixed-income investments, which had an impact on trading volume and commission results. However, the decline in terms of commission results was able to be offset through interest results.

About 19,800 stock exchange and fund orders with a total value of CHF 3,801 million were executed in the reporting year, corresponding to a year-on-year decline of 26.67%. As a result of globally rising interest rates, money market transactions (fiduciary and nostro investments) rose sharply to CHF 7,607 million (+344.85% compared with the previous year).

Crypto trading trended weakly due to the fallout from the “crypto winter”, posting a decline in turnover of 45.30% to CHF 259.9 million.

Trading activities

The trend in trading activities was very positive. We were able to nearly double our results compared with the same period of the previous year, recording growth of CHF 14.8 million to CHF 30.5 million.

The profit of CHF 30.5 million from trading activities was 72.63% higher than budgeted, with roughly CHF 21 million of this coming from FX swaps (interest rate differentials).

Interest income

Net interest income totalled CHF 47.0 million and was thus around CHF 20 million (+74%) higher than in the same period of the previous year (CHF 27.0 million). Interest income thus came in 73% higher than budget.

The protracted environment of high interest rates coupled with our conservative budget assumptions, on the one hand, and multiple interest rate hikes, on the other, contributed to this anomaly in results. Due to the rise in

“Client assets under management amounted to CHF 4.1 billion, equating to growth of 2.39%”

interest rates, we achieved higher interest income from actively managed liquidity: reverse repo transactions, money market investments, client lending and bonds made a positive contribution to results.

Other significant events during the reporting year

Bank Frick launches new PULSE payment service

With PULSE, we launched a new payment service on the market. PULSE enables clients to settle fiat transactions within the same currency on the Bank Frick network within a very short period of time. Payments are made directly – regardless of cut-off and business hours – seven days a week.

Bank Frick now offers staking as a service for digital assets

In the spring of 2023, Bank Frick became the first Liechtenstein financial institution to begin offering staking as a service. Our portfolio of cryptocurrencies has since nearly doubled as of today. Our expanded offering enables our clients to generate passive income from now seven staking coins and thereby to realise appreciation in value.

Bank Frick has operated in the crypto sector for many years and uses state-of-the-art technology in order to offer optimal performance. As a fully regulated bank, we guarantee the highest level of security in connection with the staking process. Clients can rest assured that their investments at Bank Frick are optimally protected.

Bank Frick celebrates its 25th anniversary

We celebrated our 25th year of existence in the reporting year. Bank Frick was founded in the garage of a residential building in December 1998. Today, we have more than 230 employees and are a permanent fixture in the Liechtenstein financial centre. Our entrepreneurial DNA has remained unchanged, and our willingness to implement new approaches and bold innovations is still palpable. This is highly prized by our clients and constitutes a key part of our identity.

To celebrate our anniversary, we threw a party for our employees and guests in November 2023. It was a moment to say thank you from the bottom of our heart and to share our pride at what we have achieved together. We look back with great humility and thank all of those involved for their contribution to our shared history of Bank Frick.

In connection with our anniversary, we are proud to present a film about the history of Bank Frick. Immerse yourself in our eventful past and learn more about our purpose. You can find the anniversary film here: www.bankfrick.li/en/25-jahre-bank-frick. Discover Bank Frick as never before!

Events after the balance sheet date

Bank Frick introduces new cryptocurrencies and expands staking offer

We extended our range of offerings with the introduction of staking services and the additional expansion of our portfolio at the end of the year to include Solana (SOL) and Polygon (MATIC). In addition, we are now also offering our clients custody of the cryptocurrencies Avalanche (AVAX), Chainlink (LINK), NEAR Protocol (NEAR) and Cosmos (ATOM), with the latter also including staking.

“Bank Frick launches new PULSE payment service”



Stefan Rauti
Head of Classic Banking



Erwin Keller
Personal Adviser Fund
and Capital Markets

Outlook for 2024

On a solid foundation, we are sharpening our focus and expanding our product leadership

We are very satisfied with the net profit of CHF 13.5 million. This result confirms that the long-term investments we have made in personnel and infrastructure in recent years were correct. We will therefore continue to stick to this course going forward as well.

We remain true to our targets, and the positive annual results are confirmation to us that we are on a successful path. Key aspects here are continual growth in our four business segments, expansion of our product leadership and our passion for innovations. Our focus is on our clients, and it is our stated objective to acquire new ones. The rigorous implementation of our strategy serves as a compass for our future and enables us to successfully master the coming challenges.

Enhancing the strategy

In the past two years, we reviewed and refined our strategy from a position of strength. We began to implement the initial targets in the past financial year, and we will continue to focus on this. We are continuously guided by our strategy process, which reflects our development and highlights our sustained commitment to our progress. In the coming financial year as well, the rigorous implementation and orientation of our strategy will help us in the pursuit and achievement of our ambitious targets. We owe a special thanks at this juncture to all employees who are involved in this important implementation.

Redesign of the brand identity and strengthening of product leadership

In the past anniversary year, we dealt intensively with our brand and our identity as viewed both within the company and by the public. In 2024 we will present a new brand identity and for the first time communicate our claim “Reliably pushing forward”, which puts the focus on our innovative power whilst also prioritising our security and reliability, and highlights our positioning on the market. This makes it clear that our aim is to further expand the product leadership of Bank Frick.

Our credo – different, bold, dynamic, innovative – is also reflected in our brand. Our revised logo and our identity have therefore been given a fresh, modern and dynamic design. Our passion for discovering new things and in that way providing our clients with a market advantage has been our hallmark for more than 25 years, and this can now also be seen in our brand identity. In future we intend to be even more present, to be more strongly focused on our public perception and to become more visible.

Our new brand identity shows that we are attentive, dynamic and surprising. At the same time, we uphold time-tested values, like dependability and tradition. In addition, the aim is for our actions to be marked by our personality and reliability, which strengthens the trust of our clients and encourages us to continue along our innovative course.

Organisational adjustments

In the past financial year, we began to make initial organisational adjustments in order to support our growth. This is a long-term process, and we will also continue it in the coming year in order to further expand our position in the market and permanently secure our success.

Focusing on processes

In the coming financial year, we will put clear emphasis on the design of our processes, since they should increase our efficiency and productivity to an essential degree. By optimising our work processes, we will minimise mistakes and at the same time improve the quality of results. This leads directly to a key concern for us, namely increasing the satisfaction of our clients even further. Moreover, clear processes will help us to budget our resources more effectively and save costs. At the same time, our innovations will become more efficient and targeted because we will be able to identify and solve problems more quickly. That way, we will be able to expand our growth on a solid, well-structured foundation. In short, the focus on processes is intended to be the key to the long-term success of Bank Frick.

“Redesign of the brand identity and strengthening of product leadership”

Assessment of global economic development

The assessment of global economic development also remains difficult in 2024. Rising tensions in the Middle East, Russia's ongoing war of aggression in Ukraine and elections in Europe and the U.S. are engendering numerous uncertainties. Experts predict that the world economy will post below-average growth in 2024. Due to the forecast drop in inflation, central banks in Europe and the U.S. are expected to lower interest rates. This will likely boost consumer confidence and stimulate demand. The more widespread use of artificial intelligence (AI) could begin to have an impact on productivity.

For 2024, we expect that our net profit will come in at a level similar to that of the previous year. Our investments for personnel and infrastructure will remain at a high level. Moreover, we are keeping a close eye on the shrinking interest margins. Accordingly, we anticipate net profit of CHF 13.5 million.



Melanie Mündle
CFO

Edi Wögerer
CEO

Michael Dolzer
COO

Financial statement 2023

Balance sheet

in CHF 1,000	31.12.2023	31.12.2022
Assets		
Liquid assets	224,673	213,760
Receivables owed by banks	1,095,844	1,464,991
• of which receivables due on demand	442,946	93,286
• of which other receivables	652,897	1,371,705
Receivables owed by clients	491,342	458,563
• of which mortgage claims	218,283	193,105
Bonds and other fixed-interest securities	149,904	178,547
• of which bonds issued by public bodies	109,946	108,443
• of which bonds issued by other borrowers	39,957	70,104
Shares and other non-fixed-interest securities	62,909	56,685
Holdings	-	593
Intangible assets	-	-
Shares in affiliated companies	-	-
Property, plant and equipment	9,211	9,312
Own shares	-	-
Other assets	101,568	96,861
Accruals and deferrals	6,792	5,028
Total assets	2,142,241	2,484,339

Balance sheet

in CHF 1,000

31.12.2023

31.12.2022

Liabilities

Liabilities owed to banks	3,233	346,161
• of which liabilities due on demand	3,233	346,161
• of which with agreed term or notice period	-	-
Liabilities owed to clients	1,931,550	1,919,525
• of which savings deposits	-	-
• of which other liabilities due on demand	1,714,200	1,795,486
• of which other liabilities with agreed term or notice period	217,350	124,040
Securitised liabilities	38,098	42,174
• of which medium-term notes	5,581	5,914
• of which other securitised liabilities	32,517	36,260
Other liabilities	34,174	47,320
Accruals and deferrals	12,464	11,155
Provisions	26,926	27,133
• of which tax provisions	2,626	2,833
• of which provisions for general banking risks	24,300	24,300
Subscribed capital	27,250	25,810
Capital reserves	6,118	5,643
Retained earnings	51,419	49,166
• of which legal reserves	6,000	6,000
• of which free reserves	45,419	43,166
Profit carried forward	-	-
Profit	13,509	10,252
Interim dividend	-2,500	-
Total liabilities	2,142,241	2,484,339

Income statement

from 1 January to 31 December 2023

in CHF 1,000

	2023	2022
Items		
Interest income	70,931	23,931
• of which from fixed-interest securities	5,677	3,068
Interest expense	-23,883	3,159
Current income from securities	11	4,193
• of which shares and other non-fixed-interest securities	11	4,193
Income from commission and service transactions	38,441	47,541
• of which commission income from loan transactions	153	222
• of which commission income from securities and investment transactions	20,075	28,415
• of which commission income from other service transactions	18,213	18,904
Commission expense	-13,898	-15,117
Profit from financial operations	18,208	9,901
• of which from trading transactions	30,516	15,739
Other ordinary income	3,796	2,914
General administrative expenses	-65,501	-48,676
• of which personnel expenditure	-43,605	-32,056
• of which operating expenditure	-21,895	-16,621
Depreciation of intangible assets and property, plant and equipment	-262	-338
Other ordinary expenditure	-1,179	-1,708
Valuation allowances on claims and transfers to reserves for contingencies and credit risks	-10,318	-7,796
Income from the reversal of valuation allowances on claims and from the reversal of provisions for contingent liabilities and credit risks	-	-
Depreciation of holdings, shares in affiliated companies and securities treated as non-current assets	-793	-
Income from write-ups of holdings, shares in affiliated companies and securities treated as non-current assets	-	-
Income from normal business activities	15,553	18,003
Extraordinary income	-	-
Extraordinary expenditure	-	-
Income tax	-2,044	-2,250
Other taxes	-	-
Allocations to provisions for general banking risks	-	-5,500
Profit from 1 January to 31 December	13,509	10,252

Off-balance sheet transactions

in CHF 1,000

Financial year

Previous year

Off-balance sheet items

Contingent liabilities

Liabilities from guarantees and warranty agreements as well as liability from the provision of collateral

2,511 2,766

Total contingent liabilities **2,511** **2,766**

Credit risk

1,137 -

Irrevocable commitments

1,137 -

Derivative financial instruments

Contract volume 1,246,620 1,738,940

Positive replacement values 11,251 16,004

Negative replacement values -13,268 -20,538

Fiduciary transactions

Fiduciary transactions 56,488 75,576

Fiduciary loans - -

Total fiduciary transactions **56,488** **75,576**

Cash flow statement

in CHF 1,000	Financial year		Previous year	
	Source of funds	Use of funds	Source of funds	Use of funds
Cash flow from operating result (internal financing)				
Annual profit	13,509	-	10,252	-
Depreciation of securities held as current assets	3,390	-	6,965	-
Depreciation of securities held as non-current assets	22,048	500	1,247	2,931
Depreciation and write-ups of holdings	793	-	-	-
Depreciation of intangible assets and property, plant and equipment	262	-	203	-
Depreciation of real estate	-	1	135	-
Valuation allowances and provisions	10,058	19,586	7,905	620
Provisions for taxes	2,044	2,250	2,250	1,776
Provisions for general banking risks	-	-	5,500	-
Accrued income and prepaid expenses	-	1,764	-	2,129
Accrued expenses and deferred income	1,309	-	682	-
Distribution of previous year's dividend	-	8,000	-	7,500
Distribution of interim dividend	-	2,500	-	-
Balance	18,811	-	20,183	-
Cash flow from equity transactions				
Capital increase	1,440	-	98	-
Premium from capital increase	475	-	218	-
Free reserves	-	-	-	-
Balance	1,915	-	316	-
Cash flow from fixed-asset transactions				
Shares in affiliated companies	-	-	-	-
Holdings	-	200	-	493
Real estate	-	-	-	-
Other property, plant and equipment	-	160	-	498
Intangible assets	-	-	-	-
Securities and precious metals held as non-current assets	154,898	147,802	151,657	175,267
Balance	6,736	-	-	24,601

in CHF 1,000	Financial year		Previous year	
	Source of funds	Use of funds	Source of funds	Use of funds
Cash flow from banking business				
Medium- and long-term business (>1 year)				
Medium-term notes	-	333	-	5,289
Other securitised liabilities	-	3,743	-	-
Receivables owed by clients	-	-	-	-
Mortgage claims	-	712	-	14,035
Short-term business				
Liabilities owed to banks	-	342,928	329,429	-
Liabilities owed to clients (other liabilities)	12,025	-	-	1,322,454
Medium-term notes	-	-	-	-
Other securitised liabilities	-	-	-	7,166
Other liabilities	-	13,146	18,684	-
Receivables owed by banks	369,148	-	-	930,890
Receivables owed by clients	6,828	12,946	52,832	-
Mortgage claims	-	16,422	-	2,444
Shares and other non-fixed-interest securities	-	9,613	6,348	-
Other assets	-	4,707	-	11,849
Balance		16,549		1,886,835
Liquidity				
Liquid assets	10,913	-		1,890,937
Balance	10,913	-		1,890,937



Melanie Mündle
CFO

Notes on business activities and workforce

All areas were involved in the overall success.

Bank Frick excels as a dynamic and entrepreneurial bank for financial intermediaries and professional clients. Digitalisation forms the core of Bank Frick, complemented by close personal client contact.

Bank Frick has four strategic business segments: Classic Banking, Blockchain Banking, Funds and Capital Markets and E-Commerce. Our specialist expertise in the field of regulated blockchain banking, in the development of fund solutions, including the tokenisation of shares, in the setting up of capital market issues and in conventional banking is outstanding. In addition, we have comprehensive specialist knowledge in the field of credit card acquiring.

Bank Frick successfully closed the 2023 financial year with a profit of CHF 13.5 million. All four business segments contributed to these excellent annual results.

Classic Banking

The 2023 reporting year posed diverse challenges for Classic Banking.

Classic Banking is primarily responsible for servicing financial intermediaries, such as trustees, asset managers and insurance companies, but also attorneys and family offices.

Geopolitical uncertainty led to reluctance on the market. The rise in attractive yields on call money investments and time deposits triggered a shift away from equity markets toward secure, fixed-income investments. In this environment, interest arbitrage brought income in Classic Banking to a new record high in 2023. In strategic terms, we continued our work in the defined action areas and made good progress. We are continuously pushing ahead with the expansion of our product offering, in particular by developing new contacts with SEC-licensed asset managers and testing the Netherlands market. We are seeing growing interest in our cryptocurrency offering. Both classic financial intermediaries that service clients with digital assets and now are looking to diversify into traditional investments as well as clients with little experience in the area of digital assets are showing increasing interest in the dynamic growth market and seeking to participate in it.

Real estate loans

Lending constitutes the core business in Classic Banking. Bank Frick offers loans that are secured by real estate or securities, known as mortgage loans and Lombard loans.

In recent years, prices for real estate have risen sharply, particularly for high-quality properties. This rise was primarily attributable to the current environment of low interest rates and a shortage of attractive investment options. Despite a significant rise in interest rates, real estate continues to boom. Although the boom appears to have peaked, lending remains attractive for Bank Frick. The Bank can demand higher interest rates for loans than those that it has to pay for deposits, which results in a positive net interest margin.

As was the case during the real estate boom and the low-interest environment, Bank Frick takes a conservative approach with respect to collateral values. It implements its strategic financing framework in Liechtenstein, Germany, Austria, Switzerland and the UK. On the one hand, its activities include group financing for professional real estate companies in attractive European cities and, on the other, direct property financing in select niche markets. Clients typically possess a good track record, a solid

capital basis and local knowledge. In terms of project development, the focus is on calculable risks. The current economic situation, which is marked by inflation, rising prices and sharply higher interest rates, means that new business needs to be subjected to an even more thorough review. A strict selection of clients and a critical examination of collateral value and affordability are therefore more important than ever in our view. In the late phase of the real estate cycle, Bank Frick seeks to provide healthy support to companies that are solid and take more anticyclical market risks. That makes it possible for them to generate competitive advantages.

Blockchain-Banking

The Blockchain Banking department concerns itself with the current trends and innovations in the area of blockchain. As experts for blockchain technology, we act as the first point of contact for potential new clients and support partner projects with our specialist expertise.

In addition, blockchain banking initiates the process for developing innovative new products for our clients. In early 2023, the industry was rocked by the collapse of two major U.S. banks that focussed on blockchain business. This event created new opportunities for Bank Frick, and in the first half of the year, it led to an enormous rise in account enquiries in the blockchain area. This trend persisted through to the end of the second quarter of 2023. The search for a new bank, particularly by internationally operating, regulated companies and by trading companies, also persisted unabated until the end of the second quarter.

At the start of the third quarter, Bank Frick launched its latest product, PULSE. With this 23/7 payment service, we make payment transactions possible in the Bank Frick network seven days a week, which satisfies a long-desired client need. This also means that the world of classic banking is growing closer to the blockchain world. Following the announcement of PULSE, we again registered a high volume of enquiries from parties interested in using our payment service. Most of these enquiries came from regulated companies and those in the trading area. In the second half of the year, we acquired many new clients as a result of these effects. Owing to the many PULSE users and the achieved added value, the network is growing daily.

In the spring of 2023, we began offering staking as a service. As of today, our portfolio of cryptocurrencies has since nearly doubled. Our offering enables our clients to generate passive income from now seven



Elzbieta Sotbarn
Head of Finance



Stefanie Vogt
Assistant to Head
of Classic Banking

staking coins and thereby realise appreciation in value.

In the reporting year, the area of Blockchain Banking saw a significant increase in clients, which made a key contribution to the growth of Bank Frick. In addition, various positive side effects and favourable interest rates in 2023 resulted in a year-on-year increase in income by 70%. In 2023, several new products were initiated with the aim of further expanding the Bank's range of products in the coming year.

Fund and Capital Markets

Fund Services

In the area of Fund Services, we recorded a stable performance. As of the end of 2023, despite a constant number of fund mandates (managed by us as custodian), we registered a decline to a total of CHF 1.25 billion (from CHF 1.5 billion as of the end of 2022). This decline was primarily attributable to the liquidation of several large funds in connection with a restructuring. With its existing broad range comprising 31 individual fund mandates, 34 umbrellas and 53 sub-funds, Bank Frick remains an important and in-demand point of contact for fund initiators from Liechtenstein and neighbouring countries. We are confident that upcoming projects will enable us to reattain the previous level in the foreseeable future, and we remain committed to optimising our service on a continual basis in order to meet the needs of our clients.

Capital Markets

In the area of Capital Markets, we recorded a very positive performance. Business volume rose significantly by 58.2% to CHF 2.653 billion (compared with CHF 1.677 billion as of the end of 2022).

This was particularly attributable to managed issues increasing from 155 as of the end of 2022 to 163 as of the end of 2023. We also benefited from positive market trends, particularly in the area of Exchange Traded Notes on cryptocurrencies (crypto ETNs).

These increases underscore our sustained commitment and our willingness to assist our clients in a constantly changing market environment. Despite the challenges in the Fund Services area, we are confident that we will soon post new record highs, and we remain committed to continuing to offer top-quality services and innovative banking solutions.

“In the area of Capital Markets, business volume increased by 58.2% to CHF 2.653 billion”

E-Commerce

In the 2023 financial year, we focused on updating processes in accordance with legal provisions that were required to be implemented at the company level and in coordination with our most important business partners. This covered the updating of monitoring policies and procedures.

In the past two years, we have posted remarkable growth of over 100%. However, new regulatory requirements and the work associated with this in the 2023 reporting year, as well as adjustments to several fundamental rules, forced us to focus internally. Consequently, we had to part ways with two large clients. This caused the processed volume to drop slightly in the second half of the year. We therefore closed the year down 7% compared with 2022.

Since our business exclusively involves e-commerce, we decided to enter into a partnership with the British NGO Internet Watch Foundation, which is a leader in uncovering and eliminating content on the internet that depicts sexual abuse. As a member, Bank Frick has access to special tools that help us and our merchants to remove content from the internet that constitutes sexual abuse.

We are in the fortunate situation of having a good, strong core team. In 2023, we expanded this team in a targeted manner in order to be able to provide even better support to our merchants and partners and ensure a conforming, secure portfolio.

Headcount

As of 31 December 2023, the headcount was 239 employees (215 full-time equivalents, FTEs) (2022: 196 [175 FTEs]). The number of employed persons thus increased year-on-year by 21.94% in 2023. The rise in staff numbers is within the scope of the annual budget for 2023 and is the result of a systematically implemented growth strategy.

The rapid expansion entails numerous challenges for the organisation, particularly strategy implementation, price-setting and the integration of new employees. This was associated with the further expansion of the infrastructure. These challenges will also occupy us in future.

We plan to create around 40 new jobs in 2024, so some 280 employees will be working for Bank Frick by the end of the year.

Holdings

Bank Frick's active holdings are presented below. Information about the other holdings Tradico AG (in liquidation) (Ruggell), BF Receipts Limited (London), MZ-Holding AG (Balzers) and Priller Immo AG (Munich) can be found on page 50.

21.funds SICAV

We hold a 100% stake in 21.funds SICAV. The purpose of 21.funds SICAV is to invest in and manage eligible assets. Subject to the restrictions laid down in the Liechtenstein Alternative Investment Fund Managers Act (AIFMG), the investment company may take all measures and actions it deems appropriate to achieve its corporate purpose.

Cadeia GmbH

Bank Frick holds an 8.3% stake in the Munich-based B2B fintech company Cadeia GmbH. The company's goal is to offer structuring and securitisation of receivables on the blockchain. Since mid-2023, the focus has been on financing the transition to renewable energies. Cadeia is seeking to build a demand-based financing solution for energy providers and municipal utilities through its own platform in conjunction with a customised data transaction solution.

Seed X Liechtenstein AG

Bank Frick maintains a holding of 7.76% in the company Seed X Liechtenstein AG. Seed X is a venture capital firm focused on Europe that offers scaling support to start-ups with the aid of a powerful network of experienced companies and industry leaders, based on three pillars:

- Early-phase financing for pre-revenue as well as profit-making start-ups
- Focus on Europe as core market
- Financial sector (investment in fintech, insurtech, proptech and legaltech and creation of new markets within the sector)

A portrait of Christopher Köhldorfer, a man with short brown hair and a light beard, wearing a dark green V-neck sweater over a light blue collared shirt. He is standing in a large, industrial-style room with high ceilings and large, arched windows in the background. The background is softly blurred, showing a wall with a yellow and green pattern. The lighting is warm and natural, coming from the windows.

Christopher Köhldorfer
Head of Business Engineering



Gloria Frommelt-Brendle
Head of Processing

Risk management

The success and stability of the Bank fundamentally requires efficient risk management. An essential component of Bank Frick's business model is to take calculable and well-monitored risks. We do this by paying attention to risk diversification and a sufficient and sustainable risk calculation. The risk policy approved by the Board of Directors forms an integral part of the general business policy and overall bank management.

Bank Frick deliberately takes risks only when it can understand and calculate them in order to take advantage of opportunities and realise returns. Conservative handling of risks is of central importance here. The institution is increasingly focusing on low-risk business relationships in its core markets.

Capital base management

The Internal Capital Adequacy Assessment Process (ICAAP) implemented by Bank Frick ensures appropriate risk-bearing capacity and the associated capital base adequacy.

Bank Frick has a solid capital base. The CET1 ratio of 17.75 % on 31 December 2023 was well above the lower limit of roughly 10.5 % required by the Financial Market Authority (FMA) Liechtenstein.

The leverage ratio was 5.03 % as at the reporting date and therefore also significantly above the regulatory requirement of 3.0 %.

Liquidity risk

The Internal Liquidity Adequacy Assessment Process (ILAAP) implemented by Bank Frick ensures appropriate interplay between liquidity management and liquidity risk management and therefore the existence of sufficient liquidity. In this context, liquidity management ensures optimal liquidity control. In turn, liquidity risk management is responsible for setting limits and monitoring liquidity.

Bank Frick had very good liquidity coverage in the past financial year. This was due to a very high level of high-quality liquid assets and cash and cash equivalents. Bank Frick refinances itself primarily through client deposits, so the Bank is dependent neither on the money market nor on the capital market. The connection to the repo market enables additional flexibility for solvency and refinancing.

In terms of liquidity, the most significant risk is the fact that the refinancing mainly consists of liabilities owed to clients, mostly from the crypto industry, which are due on demand. This represents a cluster risk that is taken into account in the investment strategy. Bank Frick invests a sufficient volume in the money market on a short-term basis, allowing it to respond to short-term fluctuations in deposit levels.

The liquidity coverage ratio (LCR) amounted to 158 % as of 31 December 2023, which was well above the regulatory minimum of 100 %.

At the end of the year, the net stable funding ratio (NSFR) was roughly 187 % and therefore significantly over the applicable regulatory limit of 100 %.

Bank Frick has a stress-testing framework that simulates, among other things, the effects of various stress scenarios on the liquidity of the Bank. The goal is to ensure that the company remains resilient in times of crisis. In the course of the scenario analyses, alternative sources of financing were also defined to ensure sufficient liquidity in situations of extreme stress.

Credit risk

Bank Frick's credit portfolio follows the approach of diversification and therefore implements a risk-conscious credit policy. Loans are always granted in observance of national and international regulations and internal credit instructions. In order to adequately account for credit risks, appropriate provisions are created.

As of 31 December 2023, receivables owed by clients amounted to approximately CHF 491 million.

Collateral in Lombard and mortgage business is deposited with conservative, standard bank collateral values, and monitored on an ongoing basis. The main markets for mortgage-backed loans are Liechtenstein, Switzerland, the United Kingdom and Germany. In the United Kingdom, mortgage-backed loans mainly relate to real estate development financing.

Bank Frick uses the standard approach in accordance with Article 111 of the CRR to calculate own funds requirements for credit risks.

Market risk

Market risk includes interest rate and currency risks to which Bank Frick is exposed. These risks are broken down into the following four categories:

Trading and banking book

With regard to the derivatives business, Bank Frick's focus is on hedging the interest rate and exchange rate risks in the banking book that arise from client business. The trading book holdings are to be considered intangible as a whole.

Share price risk

The share price risk is limited since the Bank does not have its own trading book positions. The proportion of shares and other non-fixed-interest securities in relation to total securities is around 25%.

Interest rate risk

Thanks to its specific balance sheet structure, the institution only engages in maturity transformation to a limited extent. Client deposits due on demand are invested in the money market. Accordingly, the resultant interest rate risk is low, and the six regulatory interest rate shocks do not have any significant effects on profit and loss.

Exchange rate risk

Bank Frick's internal regulations stipulate that no open foreign-exchange positions of more than CHF 1 million or equivalent may be held overnight per currency. The total of all open foreign currency positions held overnight must not exceed CHF 3 million. This essentially helps to minimise the exchange rate risk. Bank Frick uses the standard approach in accordance with Article 325 et seqq. of the CRR to calculate own funds requirements for market risks.

Operational risk

Bank Frick mitigates its operational risks to a minimum by specifying clear powers and responsibilities, a comprehensive limit system, appropriate controls and the resulting precautions. Furthermore, the institution has integrated the continuously developing blockchain banking business segment, which entails new technological, operational and regulatory risks, into its existing risk models and stress tests. Operational risks are taken into account in both Pillar 1 and Pillar 2.

Bank Frick has its own Compliance department, and there are clear guidelines regarding due diligence.

In addition, business continuity management (BCM) ensures that critical business processes and functions can be maintained or restored as quickly as possible in the event of sudden internal or external events of strategic magnitude.

Bank Frick uses the basic indicator approach in accordance with Article 315 of the CRR to calculate own funds requirements for operational risks

Strategic risk

The identification and management of strategic risks are the responsibility of the Management Board. In order to minimise them, the goal of securing the Bank's existence in the long run is prioritised in its strategic orientation.

Regulatory framework conditions

The Basel III reform package issued by the BCBS defines requirements for financial institutions and standards for their supervisory bodies.

As an EEA member, Liechtenstein is subject to the Capital Requirements Regulation (CRR II) and the Capital Requirements Directive (CRD IV), which form the European legal framework for banks and financial services institutions.

Bank Frick operates on a variety of markets and relies on innovative technologies in the area of blockchain banking. As a result, it is exposed to additional regulatory risk. New regulatory and legal developments, as well as trends in the area of distributed ledger technology (DLT) and crypto assets, could therefore have a significant impact on the future of Bank Frick's blockchain banking.

Bank Frick was the first company in Liechtenstein to be registered by the FMA as a token issuer, token creator, TT identity service provider and TT token custodian pursuant to Article 12(1) and (2) of the Law on Tokens and TT Service Providers of 3 October 2019 (TTTL).

Regulatory disclosure

Detailed information can be found in the disclosure report as per EU Regulation 575/2013 (Capital Adequacy Regulation), Part 8, Articles 431 to 455, at www.bankfrick.li/de/downloads or www.bankfrick.li/en/downloads.



Jonas Gantenbein
Head of Digital Assets

Kimsey Jordan
Assistant to CEO

Raphael Haldner
Head of Fund and Capital Markets



Edi Wögerer
CEO

Corporate governance

Management principles of the Management Board

Three members of the Management Board are responsible for operations at Bank Frick: Edi Wögerer (CEO), Melanie Mündle (CFO) and Michael Dolzer (COO). In the event of departure at short notice (accident, illness, etc.), a corresponding business continuity management plan is in place, which ensures that operational management processes remain intact. The number of other mandates held by members of the Management Board is set such that their main duties at Bank Frick are not compromised and conflicts of interest are avoided.

The Management Board takes decisions on an equal footing in their weekly Board meetings. Management Board members and department heads draw up the agenda to ensure that the meeting is prepared and carried out in an orderly manner.

The functions of the Management Board and the Board of Directors are rigorously separated from each other. The Management Board is responsible for operational management and for preparing most of the business carried out by the Board of Directors. The Board of Directors is responsible for the Bank's long-term strategy and for monitoring business activities. Furthermore, certain business is assigned to the Board of Directors where such is required by law or business regulations.

Process of regular reviewing relevant regulations

The Compliance department acts as an independent control body to ensure the separation of responsibilities and the avoidance of conflicts of interest within Bank Frick. It is therefore required to carry out periodic factual checks of relevant regulations. When a regulation is drawn up or revised, it must be reviewed by the Compliance staff unit before approval.

All risk-related regulations are assessed at least once a year. Proposals for revisions are submitted to the Compliance staff unit, the Management Board and the Board of Directors in their function as approval bodies.

Members of the Board of Directors

All management bodies are staffed by people with the corresponding professional qualifications. The Board of Directors therefore took care to include Dr Mario Frick, a lawyer and expert in the fiduciary sector, Roland Frick, an expert in the accounting and bookkeeping sector, and Rolf Jermann, an expert from the credit and general banking sector. These three members of the Board of Directors work for the Bank on a full-time basis. In addition, Marianne Müller, Director at SWA Swiss Auditors AG, Zurich, joined the Board of Directors of Bank Frick in May 2022. Michael Kramer stepped down from the Board of Directors in April 2023.

The number of other mandates held by members of the Board of Directors is set such that their duties at Bank Frick are not compromised and conflicts of interest are avoided.

If they do not already have proven specialist knowledge, new members of the Board of Directors are given external training and inducted into their roles internally.

This is done by explaining the available directives and regulations using corresponding documentation with the laws and ordinances (Liechtenstein Banking Act, Liechtenstein Banking Ordinance, Due Diligence Act, excerpt from Liechtenstein Persons and Companies Act).

The Board of Directors holds ordinary Board meetings at least four times a year, as well as a budget and planning meeting. The Board of Directors Committee meets in months when there is no full Board of Directors meeting. Regulations and directives are prepared in their own department, and the Board of Directors is notified at regular intervals of any regulatory changes and new requirements. Because members of the Board of Directors have additional activities, information on these changes is also communicated via other channels. The Board of Directors brings together sufficient knowledge of accounting, financial controlling, lending, legal matters, international group structures and fintech companies to allow for adequate ongoing monitoring without intervening in ongoing business. The Board of Directors regularly commissions Internal Audit to examine specific areas of the Bank. The Chairman and Vice-Chairman of the Board of Directors are responsible for maintaining contact with the Management Board and – in consultation with the Management Board – the various departments, so that they can receive timely information on key developments. The minutes of the meetings of the

Management Board are distributed to the Chairman and Vice-Chairman of the Board of Directors.

The Management Board and the Finance department prepare the Annual Report. The Chairman and Vice-Chairman of the Board of Directors carry out the necessary preparations for the ordinary Board meeting.

Remuneration policy

Bank Frick considers it important to pay appropriate salaries in line with the market. The Bank employs qualified staff who are expected to work to the best of their abilities. The fixed component of the salary generally covers the work carried out for the Bank. No special payments are promised or guaranteed. If the targets set out in the annual budget are met, the Board of Directors determines an amount that can be used to make individual special payments. Variable remuneration components are contingent on Bank Frick's overall performance as well as on individual performance. The Management Board notifies the Chairman and Vice-Chairman of the Board of Directors in advance of the reasons for allocating any special payments.

At this notification meeting, the general remuneration policy and the development of profits are also analysed. Safeguarding the company's future, increasing the Bank's equity capital and hedging against future risks take priority over special payments and similar remuneration. A sustainable equity capital policy is the best safeguard for employees.



Edi Wögerer
CEO

Accounting and valuation principles for the financial statement

Basic principles

Accounting, reporting and valuation are conducted in accordance with the provisions of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht – PGR) and Liechtenstein Banking Act (Bankengesetz), together with the applicable Ordinance and any directives issued by the Liechtenstein Financial Market Authority (FMA) on accounting standards.

Recognition and accounting

All business transactions are recorded in the accounts of the Bank on the closing date and valued as of that point in time in accordance with the principles specified below.

General valuation principles

The most important valuation principles can be summarised as follows:

Foreign currencies

Receivables and liabilities denominated in foreign currencies are valued in accordance with the mean foreign-exchange rates valid on the balance sheet date.

Liquid assets, receivables, liabilities

These are entered in the balance sheet at nominal value. Valuation allowances are created for recognisable risks in accordance with the principle of prudence. If a debtor is in default on their interest payments by more than 90 days, the outstanding interest is allocated directly to valuation allowances and booked as income only after the interest has actually been paid.

Securities held as current assets

Securities held as current assets are valued in accordance with the lower of cost or market principle. Interest income is shown under the item “Interest income”, dividend income under the item “Current income from securities”. As a general rule, equity securities are shown under the balance sheet item “Securities held as current assets”.

Securities held as non-current assets

In the case of fixed-interest securities that are to be held until maturity, the accrual method is used for valuation. With this method, the premium or discount is accrued or deferred over the term held. Interest income is shown under the item “Interest income”. Non-fixed-interest securities are valued in accordance with the lower of cost or market principle. Dividend income is included under the item “Current income from securities”. As a rule, debt securities are included under the item “Securities held as non-current assets”.

Shares in affiliated companies and holdings

The subsidiary BF Receipts Ltd. (100 % stake), MZ-Holding AG (100 % stake), Priller Immo AG (94.12 % stake), 21.funds SICAV (100 % stake), Tradico AG (in liquidation) (100 % stake), Cadeia GmbH (8.30 %) and Seed X Liechtenstein AG (7.76 %) are valued in accordance with the principle of acquisition price less operationally necessary valuation allowances.

Property, plant and equipment

Property, plant and equipment is generally capitalised at cost of purchase and depreciated on a straight-line basis over the conservatively estimated useful life of the assets.

Accruals and deferrals

Interest expenses and income, personnel and non-personnel expenses as well as credit commission, custodian and asset management fees are accounted for on an accrual basis.

Valuation allowances and provisions

Individual valuation allowances and provisions are created for all risks that can be identified on the balance sheet date, in accordance with the principle of prudence. Valuation allowances are set off against the corresponding assets.

Taxes are calculated on the basis of results and shown under the item "Provisions for taxes".

Precious metal accounts

Precious metal accounts are entered in the balance sheet at the prices applicable on the balance sheet date.

Contingent liabilities

These are entered under off-balance-sheet transactions at nominal value.

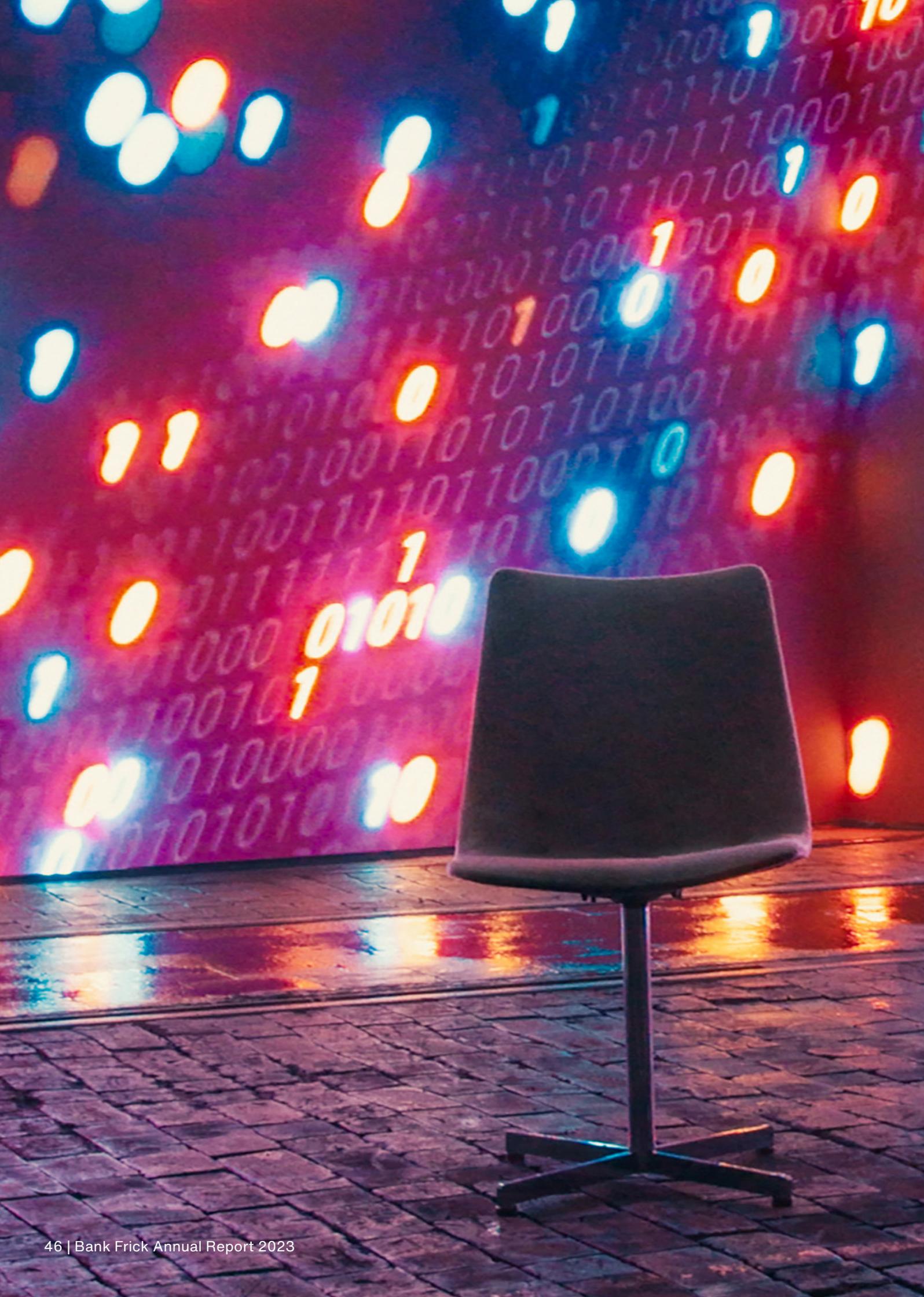
Derivative financial instruments

The positive and negative replacement values and the contract values of the derivative financial instruments open on the balance sheet date are shown under off-balance-sheet transactions.

Fully traded forward foreign-exchange transactions are valued at market prices on the balance sheet date. If there is no representative market, then valuation is performed using the lower of cost or market principle.

Remarks on the notes

All amounts in the notes are given in Swiss francs unless otherwise specified.



Information about the balance sheet

Selected foreign currency rates (average balance sheet rates) as of 31 December 2023

	Financial year	Previous		Financial year	Previous
EUR	0.9302	0.9857	JPY	0.5970	0.7006
USD	0.8418	0.9241	CAD	0.6379	0.6827
GBP	1.0719	1.1122	ZAR	0.0460	0.0545

Collateral overview

in CHF 1,000	Type of collateral			
	Mortgage	Other	Without	Total
Loans				
Receivables owed by clients (excluding mortgage claims)	48,900	137,340	86,819	273,059
Total loans	48,900	137,340	86,819	273,059
Mortgage claims				
Residential properties	158,646	44	-	158,690
Office and commercial buildings	19,715	-	-	19,715
Commercial and industrial	18,625	-	-	18,625
Other	21,253	-	-	21,253
Total mortgage claims	218,239	44	-	218,283
Total loans for the financial year	267,139	137,384	86,819	491,342
Previous year	208,747	159,854	89,962	458,563
Off-balance sheet				
Contingent liabilities	-	2,511	-	2,511
Irrevocable commitments	-	412	725	1,137
Call and additional funding obligations	-	-	-	-
Guarantee credits	-	-	-	-
Total off-balance sheet for the financial year	-	2,924	725	3,648
Previous year	-	1,978	789	2,766

in CHF 1,000	Gross debt	Estimated liquidation proceeds of the collateral	Net debt	Individual valuation allowances
Value-impaired receivables				
Financial year	17,060	-	-	17,060
Previous year	30,191	-	-	30,191

Securities and precious metals held as current assets (excluding trading portfolio)

in CHF 1,000	Carrying amount		Acquisition value		Market value	
	Financial year	Previous year	Financial year	Previous year	Financial year	Previous year
Debt securities	-	-	-	-	-	-
• of which own bonds and medium-term bonds	-	-	-	-	-	-
Equity securities*	62,909	56,685	85,206	70,402	85,402	67,576
• of which qualified holdings (with at least 10% of the capital or voting rights)	-	-	-	-	-	-
Precious metals	-	-	-	-	-	-
Total	62,909	56,685	85,206	70,402	85,402	67,576
Lent securities and precious metals held as current assets (excluding trading portfolios, receivables owed by banks and receivables owed by clients)	-	-	-	-	-	-

* Fund units, of which TCHF 24,393 (carrying amount) unlisted

Securities and precious metals held as non-current assets

in CHF 1,000	Carrying amount		Acquisition value		Market value	
	Financial year	Previous year	Financial year	Previous year	Financial year	Previous year
Debt securities in accordance with the accrual method	149,904	178,547	160,626	186,896	151,838	175,621
• of which own bonds and medium-term bonds	-	-	-	-	-	-
• of which valued in accordance with the accrual method	149,904	178,547	160,626	186,896	151,838	175,621
• of which valued in accordance with the lower of cost or market principle	-	-	-	-	-	-
Fund unit certificates	-	-	-	-	-	-
Equity securities	-	593	1,513	2,590	-	593
• of which qualified holdings (with at least 10% of the capital or voting rights)	-	100	383	1,105	-	100
Precious metals	-	-	-	-	-	-
Total	149,904	179,140	162,139	189,486	151,838	176,214
• of which eligible securities	35,491	29,488	40,659	32,351	34,399	27,477

Fixed asset schedule

in CHF 1,000	Acquisition value previous year	Depreciation accumulated to date	Carrying amount at end of previous year	Financial					
				Investments	Disinvestments	Transfers	Write-ups	Depreciation	Carrying amount at end of financial year
Total shares in affiliated companies	-	-	-	-	-	-	-	-	-
Holdings	1,305	712	593	200	-	-	-	793	-
Total securities and precious metals held as non-current assets	186,896	8,349	178,547	147,802	154,898	500	-	22,048	149,904
Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Real estate									
• Bank buildings	12,617	4,337	8,280	-	-	-	-	-	8,280
• Other properties	-	-	-	-	-	-	-	-	-
Other property, plant and equipment	5,402	4,369	1,033	160	-	-	-	262	931
Total property, plant and equipment	18,019	8,706	9,313	160	-	-	-	262	9,211
Fire insurance value of property, plant and equipment (buildings) for the reporting year									14,307
Fire insurance value of property, plant and equipment (buildings) for the previous year									14,307
Fire insurance value of other property, plant and equipment for the reporting year									5,300
Fire insurance value of other property, plant and equipment for the previous year									4,800

Depreciation took place on the basis of operating results.

Holdings and shares in affiliated companies

in 1,000	Equity capital		Ownership stake	
	Financial year	Previous year	Financial year	Previous year
BF RECEIPTS Limited*, London				
Share capital and reserves (in GBP)	10	8	100%	100%
Annual profit/loss* (in GBP)	1	1		
MZ-Holding AG*, Balzers				
Share capital and reserves (in EUR)	-1,663	-1,654	100%	100%
Annual profit/loss* (in EUR)	-10	-9		
PRILLER IMMO AG***, Munich				
Share capital and reserves (in EUR)	-147	-124	94.12%	94.12%
Annual profit/loss* (in EUR)	-28	-23		
21.finance AG *, Ruggell				
Share capital and reserves (in CHF)	-	-822	-	19.61%
Annual profit/loss* (in CHF)	-	-6,162		
21.Funds SICAV*, Ruggell				
Share capital and reserves (in CHF)	50	66	100%	100%
Annual profit/loss* (in CHF)	6	-16		
Tradico AG *, Ruggell				
Share capital and reserves (in CHF)	-526	-522	100%	100%
Annual profit/loss* (in CHF)	54	-4		
DisrupTech AG *, Vaduz				
Share capital and reserves (in CHF)	-	-	-	10%
Annual profit/loss* (in CHF)	-	-		
Cadeia GmbH*, Munich				
Share capital and reserves (in EUR)	-	1,096	8.3%	8.3%
Annual profit/loss** (in EUR)	-	-622		
Seed X Liechtenstein AG*, Vaduz				
Share capital and reserves (in CHF)	-	-	7.76%	-
Profit/loss carried forward (in CHF)	-	-		
Annual profit/loss** (in CHF)	-	-		

* Without market value.

** The 2023 annual financial statements were not yet available at the time the tables were prepared.

*** Inclusion in the consolidation was dispensed with on the basis of Article 1104(1)(3) of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht – PGR).

Disclosure of premiums and discounts on securities valued in accordance with the accrual method

in CHF 1,000	Financial year	Previous year	in CHF 1,000	Financial year	Previous year
Premiums	624	381	Discounts	1,767	721

Details regarding assets pledged or assigned to secure own liabilities and third-party liabilities (including contingent liabilities) as well as assets subject to reservation of title

in CHF 1,000	Financial year		Previous year	
	Carrying amount	of which used	Carrying amount	of which used
Securities (financial assets)*	94,031	-	106,345	-
Receivables owed by banks	36,438	-	51,931	-
Total	130,469	-	158,275	-

* Nominal values

Valuation allowances and provisions/ provisions for general banking risks

in CHF 1,000

	Status at end of previous year	Use for the intended purpose	Change of intended use (transfers)	Recoveries, value-impaired interest, currency differences	New provision charged to the income statement	Reversal in favour of the income statement	Status at end of financial year
Valuation allowances for default risks:							
• Individual valuation allowances	30,191	18,019	5,084	-1,567	1,371	-	17,060
• General individual valuation allowances	-	-	-	-	-	-	-
• General valuation allowances	7,275	-	-5,344	-	8,947	-	10,879
Only valuation allowances permitted by tax law	-	-	-	-	-	-	-
Provisions for contingent liabilities and credit risks	-	-	-	-	-	-	-
Provisions for other business risks	-	-	-	-	-	-	-
Provisions for taxes and deferred taxes	2,833	2,250	-	-	2,044	-	2,626
Other provisions	-	-	-	-	-	-	-
Total valuation allowances and provisions	40,299	20,269	-260	-1,567	12,362	-	30,566
Less valuation allowances directly offset against assets	37,467	18,019	-260	-1,567	10,318	-	27,939
Total provisions as shown on the balance sheet	2,833	2,250	-	-	2,044	-	2,626
Provisions for general banking risks	24,300	-	-	-	-	-	24,300



Marie Mosimann
Content Manager

Esther Goldener
Head of Marketing

Share capital

in CHF 1,000	Financial year			Previous year		
	Total nominal value	Number	Capital entitled to dividends	Total nominal value	Number	Capital entitled to dividends
Share capital	21,250	42,500	21,250	20,000	40,000	20,000
Participation capital	6,000	12,000	6,000	5,810	11,620	5,810
Total share capital	27,250	54,500	27,250	25,810	51,620	25,810

Significant shareholders and groups of shareholders with voting rights

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
With voting rights:				
Kuno Frick Family Foundation, Balzers	21,250	100	20,000	100
Total	21,250	100	20,000	100
Without voting rights:				
PC capital	6,000	100	5,810	100
Total	6,000	100	5,810	100

Appropriation of profit

in CHF 1,000	Financial year	Previous year
Annual profit	13,509	10,252
Profit carried forward	-	-
Net profit	13,509	10,252
Appropriation of profit		
Allocation to legal reserves	-	-
Allocation to free reserves	2,509	2,252
Interim distribution to share capital (anniversary dividend)	2,500	-
Distribution to share capital	8,500	8,000
Profit carried forward	-	-

Statement of shareholders' equity

in CHF 1,000

2023

Shareholders' equity at the start of the financial year

Subscribed capital	25,810
Subtotal of paid-in subscribed capital	25,810
Capital reserves	5,643
Legal reserves	6,000
Statutory reserves	-
Other reserves	43,166
Provisions for general banking risks	24,300
Net profit	10,252
Total shareholders' equity at the start of the financial year (before appropriation of profit)	115,172
+ Capital increase	1,440
+ Premiums	475
+ Allocation to provisions for general banking risks	-
+ Free reserves	-
- Dividends and other distributions from the previous year's profit	-8,000
- Interim dividend	-2,500
+ Profit for the financial year	13,509
Total shareholders' equity at the end of the financial year (before appropriation of profit)	120,096
• of which subscribed capital	27,250
• of which paid-in subscribed capital	27,250
• of which capital reserves	6,118
• of which legal reserves	6,000
• of which statutory reserves	-
• of which other reserves	45,419
• of which provisions for general banking risks	24,300
• of which net profit	13,509
• of which interim dividend	-2,500

Maturity structure of assets as well as liabilities and provisions

in CHF 1,000	At sight	Callable	Due within				immobilised	Total
			0–3 m.	3–12 m.	1–5 y.	5–∞ y.		
Assets								
Liquid assets	224,673	-	-	-	-	-	-	224,673
Receivables owed by banks	157,538	78,413	851,475	8,418	-	-	-	1,095,844
Receivables owed by clients	89,859	-	364,826	4,360	9,944	22,354	-	491,342
• of which mortgage claims	-	-	185,359	627	9,944	22,354	-	218,283
Securities and precious metals held as current assets (excluding trading portfolios)	62,909	-	-	-	-	-	-	62,909
Securities and precious metals held as non-current assets	930	-	66,163	13,056	54,480	15,274	-	149,904
Other assets	107,397	-	63	557	296	46	9,211	117,570
Total assets in the financial year	643,305	78,413	1,282,528	26,390	64,720	37,674	9,211	2,142,241
Previous year	534,878	167,255	1,631,689	34,013	66,421	40,771	9,312	2,484,339
Liabilities								
Liabilities owed to banks	3,233	-	-	-	-	-	-	3,233
Liabilities owed to clients								
a) Savings deposits	-	-	-	-	-	-	-	-
b) Other liabilities	1,714,200	102,910	101,058	13,382	-	-	-	1,931,550
Securitised liabilities								
a) Issued bonds	-	-	-	-	5,581	-	-	5,581
• of which medium-term notes	-	-	-	-	5,581	-	-	5,581
b) Other securitised liabilities	30,804	-	-	1,713	-	-	-	32,517
Provisions	2,626	-	-	-	-	-	-	2,626
Other liabilities	46,638	-	-	-	-	-	-	46,638
Total liabilities in the financial year	1,797,501	102,910	101,058	15,095	5,581	-	-	2,022,145
Previous year	2,237,325	69,733	41,523	12,792	7,795	-	-	2,369,167

Financial year Previous year

Selected balance sheet items maturing in the 2023 financial year

Total asset item No. 5 – Securities and precious metals held as non-current assets	-	-
Total liability item No. 3a – Debt securities issued	-	-



Breakdown of assets and liabilities by location

in CHF 1,000	Financial year		Previous year	
	Domestic	Foreign	Domestic	Foreign
Assets				
Liquid assets	158,104	66,569	126,820	86,940
Receivables owed by banks	958,689	137,154	1,315,518	149,473
• of which receivables due on demand	351,252	91,695	62,769	30,517
• of which other receivables	607,437	45,460	1,252,750	118,956
Receivables owed by clients	191,800	299,542	214,221	244,342
• of which mortgage claims	134,401	83,882	118,164	74,941
Bonds and other fixed-interest securities	23,364	126,540	40,084	138,463
• issued by public bodies	15,231	94,716	15,231	93,212
• issued by other borrowers	8,133	31,824	24,853	45,251
Shares and other non-fixed-interest securities	45,887	17,022	34,512	22,173
Holdings	-	-	100	493
Shares in affiliated companies	-	-	-	-
Intangible assets	-	-	-	-
Property, plant and equipment	9,211	-	9,312	-
Other assets	100,675	893	95,783	1,079
Accruals and deferrals	6,380	411	4,858	169
Total assets	1,494,110	648,131	1,841,207	643,132

Switzerland is considered domestic pursuant to Article 24e(1) of the Liechtenstein Banking Ordinance (Bankenverordnung – BankV)

in CHF 1,000	Domestic	Foreign	Domestic	Foreign
Liabilities				
Liabilities owed to banks	3,233	-	2,359	343,802
• of which liabilities due on demand	3,233	-	2,359	343,802
• of which with agreed term or notice period	-	-	-	-
Liabilities owed to clients	481,899	1,449,652	601,050	1,318,475
• of which savings deposits	-	-	-	-
• due on demand	317,642	1,396,558	514,618	1,280,859
• with agreed term or notice period	164,257	53,093	86,432	37,616
Securitised liabilities	38,098	-	42,174	-
• of which medium-term notes	5,581	-	5,914	-
• of which other securitised liabilities	32,517	-	36,260	-
Other liabilities	30,268	3,906	41,798	5,522
Accruals and deferrals	12,350	113	11,109	46
Provisions	2,626	-	2,833	-
• of which tax provisions	2,626	-	2,833	-
• of which other provisions	-	-	-	-
Provisions for general banking risks	24,300	-	24,300	-

Subscribed capital	27,250	-	25,810	-
Capital reserves	6,118	-	5,643	-
Retained earnings	51,419	-	49,166	-
• of which legal reserves	6,000	-	6,000	-
• of which other reserves	45,419	-	43,166	-
Profit carried forward	-2,500	-	-	-
Annual profit	13,509	-	10,252	-
Total liabilities	688,570	1,453,671	816,494	1,667,845

Assets and liabilities by country

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
Assets				
Switzerland	1,262,172	58.92	1,586,000	63.83
Europe	443,783	20.72	501,804	20.19
Liechtenstein	231,938	10.83	255,013	10.26
North America	177,500	8.29	92,044	3.70
Asia	16,144	0.75	14,156	0.56
Oceania	6,629	0.31	13,520	0.54
Africa	2,485	0.12	2,946	0.11
Caribbean	1,097	0.05	18,347	0.73
Latin America	494	0.02	510	0.02
Total	2,142,241	100	2,484,339	100

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
Liabilities				
Europe	830,627	38.77	1,020,142	41.06
Liechtenstein	561,852	26.23	670,031	26.97
Caribbean	525,612	24.54	244,436	9.83
Switzerland	126,718	5.92	146,463	5.89
North America	60,141	2.81	347,459	13.98
Asia	21,360	1.00	10,368	0.41
Latin America	6,671	0.31	6,125	0.24
Africa	5,271	0.25	27,143	1.09
Oceania	3,989	0.19	12,173	0.48
Total	2,142,241	100	2,484,339	100

Details regarding receivables and liabilities

owed by/to affiliated companies in which participating interests are held, as well as qualified shareholders; loans to members of governing bodies and transactions with related parties

in CHF 1,000	Financial year	Previous year
Receivables owed by qualified shareholders		
Receivables owed by clients	-	-
Receivables owed by affiliated companies		
Receivables owed by clients	173	634
Liabilities owed to qualified shareholders		
Liabilities owed to clients	719	1,190
Other liabilities	-	-
Liabilities owed to affiliated companies		
Receivables owed by clients	3,612	3,492
Receivables owed by related parties		
Receivables owed by clients	28,598	20,571
Receivables from loans to governing bodies		
• Board of Directors	1,401	1,400
• Management Board	1,978	2,441

No material transactions with related parties were booked in the reporting year. All transactions with related parties are concluded at arm's length.

Assets and liabilities denominated in foreign currencies converted to CHF

in CHF 1,000	Financial year	Previous year
Assets	1,310,504	1,281,666
• of which in EUR	617,636	754,888
• of which in EUR	539,707	367,181
• of which in CAD	4,898	8,507
• of which in GBP	128,240	128,450
• of which in CZK	193	4,265
Liabilities	1,740,592	2,098,987
• of which in EUR	648,872	1,176,386
• of which in EUR	930,411	736,814
• of which in CAD	4,827	21,328
• of which in GBP	117,598	128,390
• of which in CZK	19,187	18,160

All foreign currency positions greater than CHF 10 million are listed in the table.

Composition of the balance sheet items “Other assets” and “Other liabilities”

in CHF 1,000	31.12.2023	31.12.2022
Other assets	101,568	96,861
• Positive replacement values of forward foreign-exchange transactions	11,251	16,004
• Balance of settlement account of replacement values of forward foreign-exchange transactions	-	-
• Settlement accounts	90,317	80,857
Other liabilities	34,174	47,320
• Negative replacement values of forward foreign-exchange transactions	13,268	20,538
• Balance of settlement account of replacement values of forward foreign-exchange transactions	-2,017	-4,534
• Settlement accounts	22,923	31,315

Structure of client assets

in CHF 1,000	Geschäftsjahr	Vorjahr
Assets in self-managed funds (investment entities)	1,375,662	1,536,651
Assets with management mandate	-	-
Other client assets	2,720,747	2,464,289
Total client assets (including double-counted)	4,096,408	4,000,940
• of which double-counted	879,517	1,173,927
• Net new money inflow/outflow	-181,861	299,831

Information about off-balance sheet transactions

Contingent liabilities

in CHF 1,000	Financial year			Previous year		
	Total	Of which secured	Of which without collateral (unsecured)	Total	Of which secured	Of which without collateral (unsecured)
Credit guarantees and similar instruments	2,511	1,767	744	2,766	1,978	789
Guarantees for warranty obligations and similar instruments	-	-	-	-	-	-
Irrevocable liabilities	-	-	-	-	-	-
Other contingent liabilities	-	-	-	-	-	-

Credit risks

in CHF 1,000	Financial year	Previous year
Irrevocable commitments	1,137	-

Open derivative financial instruments

in CHF 1,000	Financial year			Previous year		
	Replacement values		Contract volume*	Replacement values		Contract volume*
Positive*	Negative*	Positive*		Negative*		
Forward foreign-exchange contracts	11,251	13,268	1,246,620	16,004	20,538	1,738,940

* From trading activities.
The replacement values correspond to the balance of the settlement account.

Fiduciary transactions

in CHF 1,000	Geschäftsjahr	Vorjahr
Fiduciary deposits at third-party banks	56,488	75,576
Fiduciary deposits at affiliated banks and finance companies	-	-
Fiduciary loans	-	-
Other fiduciary financial transactions	-	-

Information about the income statement

in CHF 1,000	Financial year	Previous year
Income from trading activities	30,516	15,739
• of which foreign-exchange transactions	30,562	16,851
• of which spot transactions	-45	-1,112
• of which securities trading	-	-
• of which precious metal transactions	-	-
Breakdown of personnel expenditure	43,605	32,056
• of which wages and salaries	26,208	21,247
• of which remuneration of the Management Board and the Board of Directors	9,698	5,166
• of which social security contributions and support	2,470	1,919
• of which expenditure for retirement provision	2,582	1,813
• of which other personnel expenditure	2,648	1,910
Breakdown of general expenditure	21,895	16,621
• of which occupancy expenditure	1,427	1,184
• of which IT expenditure	8,483	7,152
• of which furniture	363	78
• of which other equipment	-	-
• of which other operating expenditure	11,622	8,207
in CHF 1,000	Financial year	Previous year
Breakdown of the item "Other ordinary income"	3,796	2,914
• Income from real estate	543	525
• Other ordinary income	3,252	2,389

The return on capital as per Article 24e(1)(6) of the Liechtenstein Banking Ordinance (Bankenverordnung – BankV) amounts to 0.63%.

Audit fee and additional fees

in CHF 1,000	Financial year
Audit of the financial statement	115
Other audit and assurance services*	162
Tax advisory services	-
Other services	-

* Fees of statutory and regulatory audit mandates (supervisory audit, SNB audit in accordance with Article 367 of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht – PGR)

Audit report

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Bank Frick & Co. AG, which comprise the balance sheet as at December 31, 2023, the income statement for the year then ended, the cash flow statement and the notes to the financial statements.

In our opinion, the accompanying financial statements (pages 21 to 63) give a true and fair view of the financial position of the Bank Frick & Co. AG as at December 31, 2023 and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for Opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). 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 Bank Frick & Co. AG in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) 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.

Key Audit Matter

Key Audit Matters are those matters that, in the engagement team’s professional judgement, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor’s opinion thereon, and a separate opinion is not provided on these matters.

In the following we present what we consider to be the Key Audit Matter. The presentation is structured as follows:

1. The risk
2. Audit procedure and result
3. Reference to associated information

Key Audit Matter: Recoverability of loans

The risk

Bank Frick & Co. AG provides loans to private individuals and companies, primarily in European countries. As at 31 December 2023, the Bank reports loans of CHF 491 million (31 December 2022: CHF 459 million), representing the second largest asset of the Bank. Most of the receivables are covered by mortgages (54%) and securities (28%). The remaining share of 18% are loans that are not covered. Possible impairments are taken into account with individual value adjustments. There is discretionary scope in determining the amount of these individual value adjustments. The individual value adjustments have a direct impact on the result in the annual financial statements.

Audit procedure and result

We conducted our audit on a risk-oriented basis. In doing so, we verified the existence of the following key controls in connection with the valuation of receivables from customers:

- Credit processing and approval: Sample testing of the guidelines and processes in the bank’s internal directives and work instructions within the framework of loan processing. In addition, we reviewed the approval competencies.
- Credit monitoring (periodic resubmission): Sample-based testing of identified high-risk loans as well as the determination of any need for value adjustments.

Our substantive audit procedures included:

- Analytical audit procedures, including prior year comparison and assessment of the interest in-come in relation to the loans to customers.
- Sample testing of new business and risk positions of the overall loan portfolio (including positions with individual value adjustments or impairment indicators) to assess whether any additional value adjustments were necessary.
- Sample testing of the methodology used to determine value adjustments of the total loan portfolio for appropriateness and consistency with the internal directives and work instructions issued by the group management.

Overall, on the basis of our audit procedures, we consider the recoverability of loans to be reasonable.

Reference to associated information

We refer to page 44 (Accounting and valuation methods) and page 47 (Notes to the balance sheet).

Other information in the Annual Report

The Board of Directors is responsible for the other information in the Annual Report. The other information comprises that information included in the annual report, but does not include the financial statements, the management report and our auditor's reports 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, we have the responsibility to read the other information and to 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, on the basis of our 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.

Responsibilities of the Board of Directors for the Financial Statements

The Board of Directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with Liechtenstein law, 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 Liechtenstein law and ISAs 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.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements or, whether due to fraud design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of Regulation (EU) No 537/2014

We were elected as statutory auditor by the General Meeting on April 21, 2023. We have been the statutory auditor of the Company without interruption since the financial year ending December 31, 2002.

We declare that the audit opinions contained in this statutory auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of Regulation (EU) No 537/2014.

We have provided the following services, which were not disclosed in the financial statements or in the annual report, in addition to the statutory audit for the audited company or for the companies controlled by it:

- Regulatory audit according to Article 37ff Banking Act
- Regulatory audit of the depositary function according to IUG, UCITSG, AIFMG
- Anti-money laundering-Audit
- Audit on the requirements for the protection of shareholders according to Article 367ff PGR
- SNB-Audit

Further, we declare that no prohibited non-audit services pursuant to Article 5 in accordance with Article 10 para. 2 lit. f Regulation (EU) No. 537/2014 Article 5 para. 1 Regulation (EU) No. 537/2014 were provided.

Further Confirmations pursuant to Article 196 PGR

The accompanying management report (pages 10–18) has been prepared in accordance with the applicable legal requirements, is consistent with the financial statements and, in our opinion, based on the knowledge obtained in the audit of the financial statements and our understanding of the Company and its environment does not contain any material misstatements.

We further confirm that the financial statements and the proposed appropriation of retained earnings comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying financial statements submitted to you be approved.

Schaan, 22 April 2024
Grant Thornton AG



Egon Hutter
Certified Accountant
Auditor in charge



ppa Florian Koch
Certified Accountant





Aaron Giesinger
Senior Application Engineer

Consolidated financial statement 2023



Đorđe Žarković
Personal Advisor FCM

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Report of the Board of Directors and the Management Board on the consolidated financial statement

The report of the Board of Directors and the Management Board on the consolidated financial statement of Bank Frick AG can be found in the individual financial statement.

Consolidated balance sheet

in CHF 1,000	31.12.2023	31.12.2022
Assets		
Liquid assets	224,673	213,760
Receivables owed by banks	1,095,844	1,464,991
• of which receivables due on demand	442,946	93,286
• of which other receivables	652,897	1,371,705
Receivables owed by clients	490,873	457,234
• of which mortgage claims	218,283	193,105
Bonds and other fixed-interest securities	149,904	178,547
• of which bonds issued by public bodies	109,946	108,443
• of which bonds issued by other borrowers	39,957	70,104
Shares and other non-fixed-interest securities	60,947	54,606
Non-consolidated holdings	-	493
Intangible assets	-	-
Property, plant and equipment	9,211	9,312
Other assets	101,569	96,973
Accruals and deferrals	6,792	5,053
Total assets	2,139,812	2,480,969

Consolidated balance sheet

in CHF 1,000	31.12.2023	31.12.2022
Liabilities		
Liabilities owed to banks	3,233	346,166
• of which liabilities due on demand	3,233	346,166
• of which with agreed term or notice period	-	-
Liabilities owed to clients	1,930,966	1,918,887
• of which savings deposits	-	-
• of which other liabilities due on demand	1,713,616	1,794,847
• of which other liabilities with agreed term or notice period	217,350	124,040
Securitised liabilities	38,098	42,174
• of which medium-term notes	5,581	5,914
• of which other securitised liabilities	32,517	36,260
Other liabilities	34,279	47,537
Accruals and deferrals	12,499	11,204
Provisions	2,642	2,949
• of which tax provisions	2,642	2,949
• of which other provisions	-	-
Provisions for general banking risks	24,300	24,300
Subscribed capital	27,250	25,810
Capital reserves	6,118	5,643
Retained earnings	56,706	54,887
• of which legal reserves	6,000	6,000
• of which free reserves	50,706	48,887
Minority interests in equity	-	-
Profit carried forward	-7,440	-9,565
Profit for the year of the consolidated financial statements	13,661	10,976
• of which minority interests in profit for the year	-	6,000
Interim dividend	-2,500	-
Total liabilities	2,139,812	2,480,969

Consolidated income statement

from 1 January to 31 December 2023

in CHF 1,000	2023	2022
Items		
Interest income	70,919	23,890
• of which from fixed-interest securities	5,677	3,068
Interest expenses	-23,883	3,156
Current income from securities	11	4,193
• of which shares and other non-fixed-interest securities	11	4,193
Income from commission and service transactions	38,440	47,539
• of which commission income from securities and investment transactions	20,075	28,415
• of which commission income from other service transactions	18,211	18,902
• of which commission income from loan transactions	153	222
Commission expense	-13,893	-15,110
Profit from financial operations	18,208	9,901
• of which from trading transactions	30,516	15,739
Other ordinary income	3,825	3,843
General administrative expenses	-65,534	-48,747
• of which personnel expenditure	-43,605	-32,064
• of which operating expenditure	-21,929	-16,683
Depreciation of intangible assets and property, plant and equipment	-262	-416
Other ordinary expenditure	-1,104	-1,720
Valuation allowances on claims and transfers to reserves for contingencies and credit risks	-10,318	-8,672
Income from the reversal of valuation allowances on claims and from the reversal of provisions for contingent liabilities and credit risks	-	973
Depreciation of holdings, shares in affiliated companies and securities treated as non-current assets	-697	-
Income from write-ups of holdings, shares in affiliated companies and securities treated as non-current assets	-	-
Income from normal business activities	15,712	18,830
Extraordinary income	-	-
Extraordinary expenditure	-	-
Income tax	-2,051	-2,354
Other taxes	-	-
Allocations to provisions for general banking risks	-	-5,500
Profit from 1 January to 31 December	13,661	10,976
• of which minority interests in profit for the year	-	-

Consolidated off-balance sheet transactions

in CHF 1,000

Financial year

Previous year

Off-balance sheet items

Contingent liabilities

• of which credit guarantees and similar instruments	2,511	2,766
• of which guarantees for warranty obligations and similar instruments	-	-

Total contingent liabilities	2,511	2,766
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Credit risks

Irrevocable commitments	1,137	-
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Derivative financial instruments

<Contract volume	1,246,620	1,738,940
Positive replacement values of forward foreign-exchange transactions	11,251	16,004
Negative replacement values of forward foreign-exchange transactions	-13,268	-20,538

Fiduciary transactions

Fiduciary transactions	56,488	75,576
Fiduciary loans	-	-

Total fiduciary transactions	56,488	75,576
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Consolidated cash flow statement

in CHF 1,000	Financial year		Previous year	
	Source of funds	Use of funds	Source of funds	Use of funds
Cash flow from operating result (internal financing)				
Annual profit	13,661	-	10,976	-
Depreciation of securities held as current assets	3,390	-	6,964	-
Depreciation of securities held as non-current assets	22,048	500	1,247	2,931
Depreciation and write-ups of holdings	697	-	-	-
Depreciation of intangible assets and property, plant and equipment	262	-	281	-
Depreciation of real estate	-	1	134	-
Valuation allowances and provisions	10,059	19,539	8,762	1,571
Provisions for taxes	2,051	2,358	2,353	1,776
Provisions for general banking risks	-	-	5,500	-
Accrued income and prepaid expenses	-	1,739	-	2,152
Accrued expenses and deferred income	1,295	-	623	-
Distribution of previous year's dividend	-	8,000	-	7,500
Distribution of interim dividend	-	2,500	-	-
Balance	18,825	-	20,910	-
Cash flow from equity transactions				
Capital increase	1,440	-	98	-
Premium from capital increase	475	-	218	-
Balance	1,915	-	316	-
Cash flow from fixed-asset transactions				
Shares in affiliated companies	-	-	-	-
Holdings	-	200	-	-
Real estate	1	-	-	-
Other property, plant and equipment	-	151	-	498
Intangible assets	-	-	-	2,565
Securities and precious metals held as non-current assets	154,898	147,802	151,657	175,267
Balance	6,746	-	-	26,673

in CHF 1,000	Financial year		Previous year	
	Source of funds	Use of funds	Source of funds	Use of funds
Cash flow from banking business				
Medium- and long-term business (>1 year)				
Medium-term notes	-	333	-	5,289
Other securitised liabilities	-	3,743	-	-
Receivables owed by clients	-	-	-	-
Mortgage claims	-	712	-	14,035
Short-term business				
Liabilities owed to banks	-	342,933	329,434	-
Liabilities owed to clients (other liabilities)	11,441	-	-	1,321,492
Medium-term notes	-	-	-	-
Other securitised liabilities	-	-	-	7,166
Other liabilities	-	13,041	17,038	-
Receivables owed by banks	369,148	-	-	930,890
Receivables owed by clients	7,297	12,946	51,119	-
Mortgage claims	-	16,422	-	2,444
Shares and other non-fixed-interest securities	-	9,731	8,034	-
Other assets	-	4,596	-	9,813
Balance	-	16,573	-	1,885,504
Liquidity				
Liquid assets	10,913	-	-	1,890,951
Balance	10,913	-	-	1,890,951

Accounting and valuation principles for the financial statement

Basic principles

Accounting, reporting and valuation are conducted in accordance with the provisions of the Liechtenstein Persons and Companies Act (Personen- und Gesellschaftsrecht – PGR) and Liechtenstein Banking Act (Bankengesetz), together with the applicable Ordinance and any directives issued by the Liechtenstein Financial Market Authority (FMA) on accounting standards.

Recognition and accounting

All business transactions are recorded in the accounts of the Bank on the closing date and valued as of that point in time in accordance with the principles specified below.

General valuation principles

The most important valuation principles can be summarised as follows:

Foreign currencies

Receivables and liabilities denominated in foreign currencies are valued in accordance with the mean foreign-exchange rates valid on the balance sheet date.

Liquid assets, receivables, liabilities

These are entered in the balance sheet at nominal value. Valuation allowances are created for recognisable risks in accordance with the principle of prudence. If a debtor is in default on their interest payments by more than 90 days, the outstanding interest is allocated directly to valuation allowances and booked as income only after the interest has actually been paid.

Securities held as current assets

Securities held as current assets are valued in accordance with the lower of cost or market principle. Interest income is shown under the item “Interest income”, dividend income under the item “Current income from securities”. As a general rule, equity securities are shown under the balance sheet item “Securities held as current assets”.

Securities held as non-current assets

In the case of fixed-interest securities that are to be held until maturity, the accrual method is used for valuation. With this method, the premium or discount is accrued or

deferred over the term held. Interest-related realised profits or losses arising from premature sale or redemption are deferred over the residual term to maturity, that is, until the original maturity date. Interest income is shown under the item “Interest income”. Non-fixed-interest securities are valued in accordance with the lower of cost or market principle. Dividend income is included under the item “Current income from securities”. As a rule, debt securities are included under the item “Securities held as non-current assets”.

Consolidation principles

The consolidated financial statement includes the financial statements of Bank Frick, Balzers, financial statements of Bank Frick & Co. AG Vaduz and its subsidiaries, which are all presented as one economic unit. Subsidiaries controlled directly or indirectly by the Bank Frick Group are consolidated. Subsidiaries are consolidated from the point at which control is transferred and deconsolidated at the point at which control ends.

The subsidiaries of Bank Frick & Co AG, Balzers, are BF Receipts Ltd. (100 % stake), MZ-Holding AG (100 % stake), Priller Immo AG (94.12 % stake), 21.funds SICAV (100 % stake), Tradico AG (in liquidation) (100 % stake), Cadeia GmbH (8.30 %) and Seed X Liechtenstein AG (7.76 %).

A full consolidation is carried out for companies in which the Bank holds a stake of more than 50 %. For associated companies (20 % to 50 % stake), an equity consolidation is carried out. Subsidiaries in which the Bank holds a stake of less than 20 % are not consolidated but valued in accordance with the cost principle instead.

Property, plant and equipment

Property, plant and equipment is generally capitalised at cost of purchase and depreciated on a straight-line basis over the conservatively estimated useful life of the assets

Accruals and deferrals

Interest expenses and income, personnel and non-personnel expenses as well as credit commission, custodian

and asset management fees are accounted for on an accrual basis.

Valuation allowances and provisions

Individual valuation allowances and provisions are created for all risks that can be identified on the balance sheet date, in accordance with the principle of prudence. Valuation allowances are set off against the corresponding assets. Taxes are calculated on the basis of results and shown under the item "Provisions for taxes".

Precious metal accounts

Precious metal accounts are entered in the balance sheet at the prices applicable on the balance sheet date.

Contingent liabilities

These are entered under off-balance-sheet transactions at nominal value.

Derivative financial instruments

The positive and negative replacement values and the contract values of the derivative financial instruments open on the balance sheet date are shown under off-balance-sheet transactions.

Fully traded forward foreign-exchange transactions are valued at market prices on the balance sheet date. If there is no representative market, then valuation is performed using the lower of cost or market principle.

Remarks on the notes

All amounts in the notes are given in Swiss francs unless otherwise specified.

Information about the balance sheet

Selected foreign currency rates (average balance sheet rates) as of 31 December 2023

	Financial year	Previous year		Financial year	Previous year
EUR	0.9302	0.9857	JPY	0.5970	0.7006
USD	0.8418	0.9241	CAD	0.6379	0.6827
GBP	1.0719	1.1122	ZAR	0.0460	0.0545

Collateral overview

in CHF 1,000	Type of collateral			
	Mortgage	Other	Without	Total
Loans				
Receivables owed by clients (excluding mortgage claims)	48,900	137,275	86,415	272,590
Total loans	48,900	137,275	86,415	272,590
Mortgage claims				
Residential properties	158,646	44	-	158,690
Office and commercial buildings	19,715	-	-	19,715
Commercial and industrial	18,625	-	-	18,625
Other	21,253	-	-	21,253
Total mortgage claims	218,239	44	-	218,283
Total loans for the financial year	267,139	137,319	86,415	490,873
Previous year	208,747	159,854	88,633	457,234
Off-balance sheet				
Contingent liabilities	-	2,511	-	2,511
Irrevocable commitments	-	412	725	1,137
Call and additional funding obligations	-	-	-	-
Guarantee credits	-	-	-	-
Total off-balance sheet for the financial year	-	2,924	725	3,648
Previous year	-	1,978	789	2,766

in CHF 1,000	Gross debt	Estimated proceeds of the collateral	Net debt	Individual valuation allowances
Value-impaired receivables				
Financial year	17,060	-	-	17,060
Previous year	30,191	-	-	30,191



Securities and precious metals held as current assets (excluding trading portfolio)

in CHF 1,000	Carrying amount		Acquisition value		Market value	
	Financial year	Previous year	Financial year	Previous year	Financial year	Previous year
Debt securities in accordance with the accrual method	-	-	-	-	-	-
• of which own bonds and medium-term bonds	-	-	-	-	-	-
Equity securities*	60,947	54,606	83,244	70,402	83,440	65,497
• of which qualified holdings (with at least 10% of the capital or voting rights)	-	-	-	-	-	-
Precious metals	-	-	-	-	-	-
Total	60,947	54,606	83,244	70,402	83,440	65,497
Lent securities and precious metals held as current assets (excluding trading portfolios, receivables owed by banks and receivables owed by clients)	-	-	-	-	-	-

* Fund units, of which CHF 24,393,000 (carrying amount) unlisted

Securities and precious metals held as non-current assets

in CHF 1,000	Carrying amount		Acquisition value		Market value	
	Financial year	Previous year	Financial year	Previous year	Financial year	Previous year
Debt securities in accordance with the accrual method	149,904	178,547	160,626	186,896	151,838	175,621
• of which own bonds and medium-term bonds	-	-	-	-	-	-
• of which valued in accordance with the accrual method	149,904	178,547	160,626	186,896	151,838	175,621
• of which valued in accordance with the lower of cost or market principle	-	-	-	-	-	-
Fund unit certificates	-	-	-	-	-	-
Equity securities	-	593	1,513	2,590	-	593
• of which qualified holdings (with at least 10% of the capital or voting rights)	-	100	383	1,105	-	100
Precious metals	-	-	-	-	-	-
Total	149,904	179,140	162,139	189,486	151,838	176,214
• of which eligible securities	35,491	29,488	40,659	32,351	34,399	27,477

Fixed asset schedule

Financial year

in CHF 1,000	Acquisition value previous year	Depreciation accumulated to date	Carrying amount at end of previous year	Financial year					Carrying amount at end of financial year
				Investments	Disinvestments	Transfers	Write-ups	Depreciation	
Total shares in affiliated companies	-	-	-	-	-	-	-	-	-
Non-consolidated holdings	493	-	493	200	-	-	-	693	-
Total securities and precious metals held as non-current assets	186,896	8,349	178,547	147,802	154,898	500	-	22,048	149,904
Other intangible assets	-	-	-	-	-	-	-	-	-
Total intangible assets	-	-	-	-	-	-	-	-	-
Real estate									
• Bank buildings	12,617	4,337	8,280	-	-	-	-	-	8,280
• Other properties	-	-	-	-	-	-	-	-	-
Other property, plant and equipment	5,402	4,369	1,033	160	-	-	-	262	931
Total property, plant and equipment	18,019	8,706	9,313	160	-	-	-	262	9,211
Fire insurance value of property, plant and equipment (buildings) for the reporting year									14,307
Fire insurance value of property, plant and equipment (buildings) for the previous year									14,307
Fire insurance value of other property, plant and equipment for the reporting year									5,300
Fire insurance value of other property, plant and equipment for the previous year									4,800

Depreciation took place on the basis of operating results.

Holdings and shares in affiliated companies

in 1,000	Equity capital		Ownership stake	
	Financial year	Previous year	Financial year	Previous year
BF RECEIPTS Limited*, London				
Share capital and reserves (in GBP)	10	8	100%	100%
Annual profit/loss* (in GBP)	1	1		
MZ-Holding AG*, Balzers				
Share capital and reserves (in EUR)	-1,663	-1,654	100%	100%
Annual profit/loss* (in EUR)	-10	-9		
PRILLER IMMO AG***, Munich				
Share capital and reserves (in EUR)	-147	-124	94.12%	94.12%
Annual profit/loss* (in EUR)	-28	-23		
21.finance AG *, Ruggell				
Share capital and reserves (in CHF)	-	-822	-	19.61%
Annual profit/loss* (in CHF)	-	-6,162		
21.Funds SICAV*, Ruggell				
Share capital and reserves (in CHF)	50	66	100%	100%
Annual profit/loss* (in CHF)	6	-16		
Tradico AG *, Ruggell				
Share capital and reserves (in CHF)	-526	-522	100%	100%
Annual profit/loss* (in CHF)	54	-4		
DisrupTech AG *, Vaduz				
Share capital and reserves (in CHF)	-	-	-	10%
Annual profit/loss* (in CHF)	-	-		
Cadeia GmbH*, Munich				
Share capital and reserves (in EUR)	-	1,096	8.3%	8.3%
Annual profit/loss** (in EUR)	-	-622		
Seed X Liechtenstein AG*, Vaduz				
Share capital and reserves (in CHF)	-	-	7.76%	-
Annual profit/loss** (in CHF)	-	-		

* Without market value.

** The 2023 annual financial statements were not yet available at the time the tables were prepared.

*** Inclusion in the consolidation was dispensed with on the basis of Article 1104(1)(3) of the Liechtenstein Persons and Companies Act (*Personen- und Gesellschaftsrecht – PGR*).

Disclosure of premiums and discounts on securities valued in accordance with the accrual method

in CHF 1,000	Financial year	Previous year	in CHF 1,000	Financial year	Previous year
Agio	624	381	Discounts	1,767	721

Details regarding assets pledged or assigned to secure own liabilities and third-party liabilities (including contingent liabilities) as well as assets subject to reservation of title

in CHF 1,000	Financial year		Previous year	
	Carrying amount	of which used	Carrying amount	of which used
Securities (financial assets)*	94,031	-	106,345	-
Receivables owed by banks	36,438	-	51,931	-
Total	130,469	-	158,275	-

* Nominal values

Valuation allowances and provisions/ provisions for general banking risks

in CHF 1,000

	Status at end of previous year	Use for the intended purpose	Change of intended use (transfers)	Recoveries, value-impaired interest, currency differences	New provision charged to the income statement	Reversal in favour of the income statement	Status at end of financial year
Valuation allowances for default risks:							
• Individual valuation allowances	30,191	18,019	5,084	-1,520	1,371	-	17,108
• General individual valuation allowances	-	-	-	-	-	-	-
• General valuation allowance	7,275	-	-5,344	-	8,947	-	10,879
Only valuation allowances permitted by tax law	-	-	-	-	-	-	-
Provisions for contingent liabilities and credit risks	-	-	-	-	-	-	-
Provisions for other business risks	-	-	-	-	-	-	-
Provisions for taxes and deferred taxes	2,949	2,358	-	-	2,051	-	2,642
Other provisions	-	-	-	-	-	-	-
Total valuation allowances and provisions	40,416	20,377	-260	-1,520	12,369	-	30,629
Less valuation allowances directly offset against assets	37,467	18,019	-260	-1,520	10,318	-	27,987
Total provisions as shown on the balance sheet	2,949	2,358	-	-	2,051	-	2,642
Provisions for general banking risks	24,300	-	-	-	-	-	24,300

Significant shareholders and groups of shareholders with voting rights

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
With voting rights:				
Kuno Frick Family Foundation, Balzers	21,250	100	20,000	100
Total	21,250	100	20,000	100
Without voting rights:				
PC capital	6,000	100	5,810	100
Total	6,000	100	5,810	100

Statement of shareholders' equity

in CHF 1,000

2023

Shareholders' equity at the start of the financial year

Subscribed capital	25,810
Subtotal of paid-in subscribed capital	25,810
Capital reserves	5,643
Legal reserves	6,000
Statutory reserves	-
Other reserves	48,887
Provisions for general banking risk	24,300
Minority shareholdings in capital base	-
Profit/loss carried forward	-9,565
Available earnings	10,976

Total shareholders' equity at the start of the financial year (before appropriation of profit)

112,052

+ Capital increase	1,440
+ Premiums	475
+ Allocation to provisions for general banking risks	967
+ Free reserves	-
- Dividends and other distributions from the previous year's profit	-8,000
- Interim dividend	-2,500
+ Profit for the financial year	13,661

Total shareholders' equity at the end of the financial year (before appropriation of profit)

118,094

• of which subscribed capital	27,250
• of which capital reserves	6,118
• of which legal reserves	6,000
• of which statutory reserves	-
• of which other reserves	50,706
• of which provisions for general banking risks	24,300
• of which minority interests in equity	-
• of which loss carried forward	-7,440
• of which net profit	13,661
• of which Interim dividend	-2,500

Maturity structure of assets as well as liabilities and provisions

in CHF 1,000	At sight	Callable	Due within				Immobi- lised	Total
			0-3 m.	3-12 m.	1-5 y.	5-∞ y.		
Assets								
Liquid assets	224,673	-	-	-	-	-	-	224,673
Receivables owed by banks	157,538	78,413	851,475	8,418	-	-	-	1,095,844
Receivables owed by clients	89,390	-	364,826	4,360	9,944	22,354	-	490,873
• of which mortgage claims	-	-	185,359	627	9,944	22,354	-	218,283
Securities and precious metals held as current assets (excluding trading portfolios)	60,947	-	-	-	-	-	-	60,947
Securities and precious metals held as non-current assets	930	-	66,163	13,056	54,480	15,274	-	149,904
Other assets	107,398	-	63	557	296	46	9,211	117,572
Total assets in the financial year	640,876	78,413	1,282,528	26,390	64,720	37,674	9,211	2,139,812
Previous year	531,506	167,255	1,631,689	34,013	66,421	40,771	9,312	2,480,969
Liabilities								
Liabilities owed to banks	3,233	-	-	-	-	-	-	3,233
Liabilities owed to clients								
a) Savings deposits	-	-	-	-	-	-	-	-
b) Other liabilities	1,713,616	102,910	101,058	13,382	-	-	-	1,930,966
Securitised liabilities								
a) Issued bonds	-	-	-	-	5,581	-	-	5,581
• of which medium-term notes	-	-	-	-	5,581	-	-	5,581
b) Other securitised liabilities	30,804	-	-	1,713	-	-	-	32,517
Provisions	2,642	-	-	-	-	-	-	2,642
Other liabilities	46,778	-	-	-	-	-	-	46,778
Total liabilities in the financial year	1,797,073	102,910	101,058	15,095	5,581	-	-	2,021,717
Previous year	2,237,075	69,733	41,523	12,792	7,795	-	-	2,368,917

Financial year Previous year

Selected balance sheet items maturing in the 2023 financial year

Total asset item No. 5 – Securities and precious metals held as non-current assets	-	-
Total liability item No. 3a – Debt securities issued	-	-

Breakdown of assets and liabilities by location

in CHF 1,000	Financial year		Previous year	
	Domestic	Foreign	Domestic	Foreign
Liabilities				
Liquid assets	158,104	66,569	126,820	86,940
Receivables owed by banks	958,689	137,154	1,315,518	149,473
• of which receivables due on demand	351,252	91,695	62,769	30,517
• of which other receivables	607,437	45,460	1,252,750	118,956
Receivables owed by clients	191,331	299,542	213,731	243,502
• of which mortgage claims	134,401	83,882	118,164	74,941
Bonds and other fixed-interest securities	23,364	126,540	40,084	138,463
• issued by public bodies	15,231	94,716	15,231	93,212
• issued by other borrowers	8,133	31,824	24,853	45,251
Shares and other non-fixed-interest securities	43,925	17,022	32,433	22,173
Holdings	-	-	-	493
Shares in affiliated companies	-	-	-	-
Intangible assets	-	-	-	-
Property, plant and equipment	9,211	-	9,312	-
Other assets	100,675	893	95,825	1,148
Accruals and deferrals	6,380	411	4,858	195
Total assets	1,491,680	648,131	1,838,582	642,387

Switzerland is considered domestic pursuant to Article 24e(1) of the Liechtenstein Banking Ordinance (Bankenverordnung – BankV)

in CHF 1,000	Domestic	Foreign	Domestic	Foreign
Liabilities				
Liabilities owed to banks	3,233	-	2,359	343,807
• of which liabilities due on demand	3,233	-	2,359	343,807
• of which with agreed term or notice period	-	-	-	-
Liabilities owed to clients	481,625	1,449,340	600,905	1,317,982
• of which savings deposits	-	-	-	-
• of which other liabilities	-	-	-	-
• due on demand	317,369	1,396,247	514,473	1,280,375
• with agreed term or notice period	164,257	53,093	86,432	37,607
Securitised liabilities	38,098	-	42,174	-
• of which medium-term notes	5,581	-	5,914	-
• of which other securitised liabilities	32,517	-	36,260	-
Other liabilities	30,370	3,909	42,004	5,532
Accruals and deferrals	12,376	123	11,140	64
Provisions	2,642	-	2,949	-
• of which tax provisions	2,642	-	2,949	-
• of which other provisions	-	-	-	-

Provisions for general banking risks	24,300	-	24,300	-
Subscribed capital	27,250	-	25,810	-
Capital reserves	6,118	-	5,643	-
Retained earnings	56,706	-	54,887	-
• of which legal reserves	6,000	-	6,000	-
• of which other reserves	50,706	-	48,887	-
Profit carried forward	-5,484	-1,956	-6,720	-2,845
Jahresgewinn	13,667	-7	11,079	-102
Annual profit	-2,500	-	-	-
Total liabilities	688,402	1,451,409	816,531	1,664,438

Assets and liabilities by country

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
Assets				
Switzerland	1,262,172	58.99	1,586,000	63.83
Europe	443,784	20.74	499,729	20.14
Liechtenstein	229,507	10.73	253,717	10.23
North America	177,500	8.30	92,044	3.71
Asia	16,144	0.75	14,156	0.57
Oceania	6,629	0.31	13,520	0.54
Africa	2,485	0.12	2,946	0.12
Caribbean	1,097	0,05	18,347	0.74
Latin America	494	0,02	510	0.02
Total	2,139,812	100	2,480,969	100

in CHF 1,000	Financial year		Previous year	
	Nominal	Share in %	Nominal	Share in %
Liabilities				
Switzerland	126,718	5.92	146,463	5.89
Europe	826,635	38.63	1,011,744	40.78
Liechtenstein	563,415	26.33	675,058	27.21
North America	60,141	2.81	347,459	13.98
Asia	21,360	1.00	10,368	0.41
Oceania	3,989	0.19	12,173	0.48
Africa	5,271	0.25	27,143	1.09
Caribbean	525,612	24.56	244,436	9.83
Latin America	6,671	0.31	6,125	0.24
Total	2,139,812	100	2,480,969	100

Details regarding receivables and liabilities

owed by/to affiliated companies in which participating interests are held, as well as qualified shareholders; loans to members of governing bodies and transactions with related parties

in CHF 1,000	Financial year	Previous year
Receivables owed by qualified shareholders		
Receivables owed by clients	-	-
Receivables owed by affiliated companies		
Receivables owed by clients	173	634
Liabilities owed to qualified shareholders		
Liabilities owed to clients	719	1,190
Other liabilities	-	-
Liabilities owed to affiliated companies		
Liabilities owed to legal entities	3,612	3,492
Receivables owed by related parties		
Receivables owed by clients	28,598	20,571
Receivables from loans to governing bodies		
• Board of Directors	1,401	1,400
• Management Board	1,978	2,441

No material transactions with related parties were booked in the reporting year. All transactions with related parties are concluded at arm's length.

Assets and liabilities denominated in foreign currencies converted to CHF

in CHF 1,000	Financial year	Previous year
Assets	1,303,148	1,281,666
• of which in EUR	610,233	751,684
• of which in USD	539,707	367,181
• of which in CAD	4,898	8,507
• of which in GBP	128,240	128,450
• of which in CZK	193	4,265
Liabilities	1,732,836	2,098,987
• of which in EUR	641,141	1,167,432
• of which in USD	930,411	736,814
• of which in CAD	4,827	21,328
• of which in GBP	117,596	128,376
• of which in CZK	19,187	18,160

All foreign currency positions greater than CHF 10 million are listed in the table.

Composition of the balance sheet items “Other assets” and “Other liabilities”

in CHF 1,000	31.12.2023	31.12.2022
Other assets	101,569	96,973
• Positive replacement values of forward foreign-exchange transactions	11,251	16,004
• Balance of settlement account of replacement values of forward foreign-exchange transactions	-	-
• Settlement accounts	90,318	80,969
Other liabilities	34,279	47,537
• Negative replacement values of forward foreign-exchange transactions	13,268	20,538
• Balance of settlement account of replacement values of forward foreign-exchange transactions	-2,017	-4,534
• Settlement accounts	23,028	31,533

Structure of client assets

in CHF 1,000	Financial year	Previous year
Type of client assets		
Assets in self-managed funds (investment entities)	1,375,662	1,536,651
Assets with management mandate	-	-
Other client assets	2,720,747	2,464,289
Total client assets (including double-counted)	4,096,408	4,000,940
• of which double-counted	879,517	1,173,927
• Net new money inflow/outflow	-181,861	299,831

Information about off-balance sheet transactions

Contingent liabilities

in CHF 1,000	Financial year			Previous year		
	Total	Of which secured	Of which without collateral (unsecured)	Total	Of which Lombard-secured	Of which without collateral (unsecured)
Credit guarantees and similar instruments	2'511	1'767	744	2'766	1'978	789
Guarantees for warranty obligations and similar instruments	-	-	-	-	-	-
Irrevocable liabilities	-	-	-	-	-	-
Other contingent liabilities	-	-	-	-	-	-

Credit risks

in CHF 1,000	Financial year	Previous year
Irrevocable commitments	1,137	-

Open derivative financial instruments

in CHF 1,000	Financial year			Previous year		
	Replacement values		Contract volume*	Replacement values		Contract volume*
	Positive*	Negative*		Positive*	Negative*	
Forward foreign-exchange contracts	11,251	13,268	1,246,620	16,004	20,538	1,738,940

* From trading activities.
The replacement values correspond to the balance of the settlement account.

Fiduciary transactions

in CHF 1,000	Financial year	Previous year
Fiduciary deposits at third-party banks	56,488	75,576
Fiduciary deposits at affiliated banks and finance companies	-	-
Fiduciary loans	-	-
Other fiduciary financial transactions	-	-

Information about the consolidated income statement

in CHF 1,000	Financial year	Previous year
Income from trading activities	30,516	15,739
• of which foreign-exchange transactions	30,562	16,851
• of which spot transactions	-45	-1,112
• of which securities trading	-	-
• of which precious metal transactions	-	-
Breakdown of personnel expenditure	43,605	32,064
• of which wages and salaries	26,208	21,252
• of which remuneration of the Management Board and the Board of Directors	9,698	5,166
• of which social security contributions and support	2,470	1,920
• of which expenditure for retirement provision	2,582	1,813
• of which other personnel expenditure	2,648	1,913
Breakdown of general expenditure	21,929	16,682
• of which occupancy expenditure	1,427	1,190
• of which IT expenditure	8,485	7,157
• of which furniture	363	78
• of which other equipment	-	-
• of which other operating expenditure	11,653	8,257

in CHF 1,000	Financial year	Previous year
Breakdown of the item "Other ordinary income"	3,825	3,843
• Income from real estate	543	525
• Other ordinary income	3,282	3,318

Audit report

Report on the Audit of the consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Bank Frick & Co. AG and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2023, the consolidated income statement for the year then ended, the consolidated cash flow statement and the notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements (pages 70 to 97) give a true and fair view of the consolidated financial position of the Group as at December 31, 2023, and its financial performance for the year then ended in accordance with Liechtenstein law.

Basis for Opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the “Auditor’s Responsibilities for the Audit of the consolidated Financial Statements” section of our report.

We are independent of the Group in accordance with the provisions of Liechtenstein law and the requirements of the audit profession, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) 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.

Key Audit Matter

Key Audit Matters are those matters that, in the engagement team’s professional judgement, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming the auditor’s opinion thereon, and a separate opinion is not provided on these matters.

In the following we present what we consider to be the Key Audit Matter. The presentation is structured as follows:

1. The risk
2. Audit procedure and result
3. Reference to associated information

Key Audit Matter: Recoverability of loans

The risk

The Group provides loans to private individuals and companies, primarily in European countries. As at 31 December 2023, the Group reports loans of CHF 491 million (31 December 2022: CHF 457 million), representing the second largest asset of the Group. Most of the receivables are covered by mortgages (54%) and securities (28%). The remaining share of 18% are loans that are not covered. Possible impairments are taken into account with individual value adjustments. There is discretionary scope in determining the amount of these individual value adjustments. The individual value adjustments have a direct impact on the result in the annual financial statements.

Audit procedure and result

We conducted our audit on a risk-oriented basis. In doing so, we verified the existence of the following key controls in connection with the valuation of receivables from customers:

- Credit processing and approval: Sample testing of the guidelines and processes in the group’s internal directives and work instructions within the framework of loan processing. In addition, we reviewed the approval competencies.
- Credit monitoring (periodic resubmission): Sample-based testing of identified high-risk loans as well as the determination of any need for value adjustments.

Our substantive audit procedures included:

- Analytical audit procedures, including prior year comparison and assessment of the interest in-come in relation to the loans to customers.
- Sample testing of new business and risk positions of the overall loan portfolio (including positions with individual value adjustments or impairment indicators) to assess whether any additional value adjustments were necessary.
- Sample testing of the methodology used to determine value adjustments of the total loan portfolio for appropriateness and consistency with the internal directives and work instructions issued by the group management.

Overall, on the basis of our audit procedures, we consider the recoverability of loans to be reasonable.

Reference to associated information

We refer to page 80 (Accounting and valuation methods) and page 82 (Notes to the balance sheet).

Other information in the Annual Report

The Board of Directors is responsible for the other information in the Annual Report. The other information comprises that information included in the annual report, but does not include the consolidated financial statements, the consolidated management report and our auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information, and we do not express any form of assurance conclusion thereon.

In connection with our audit, we have the responsibility to read the other information and to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, on the basis of our 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.

Responsibilities of the Board of Directors for the consolidated Financial Statements

The Board of Directors is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with Liechtenstein law, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 Liechtenstein law and ISAs 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 consolidated financial statements.

As part of an audit in accordance with Liechtenstein law and ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements or, whether due to fraud design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Further Information pursuant to Article 10 of Regulation (EU) No 537/2014

We were elected as statutory auditor by the General Meeting on April 21, 2023. We have been the statutory auditor of the Group without interruption since the financial year ending December 31, 2019.

We declare that the audit opinions contained in this statutory auditor's report are consistent with the additional report to the Audit Committee pursuant to Article 11 of Regulation (EU) No 537/2014.

We have provided the following services, which were not disclosed in the consolidated financial statements or in the consolidated management report, in addition to the statutory audit for the audited group or for the companies controlled by it:

- Regulatory audit according to Article 37ff Banking Act
- Regulatory audit of the depositary function according to IUG, UCITSG, AIFMG
- Anti-money laundering-Audit
- Audit on the requirements for the protection of shareholders according to Article 367ff PGR
- SNB-Audit

Further, we declare that no prohibited non-audit services pursuant to Article 5 in accordance with Article 10 para. 2 lit. f Regulation (EU) No. 537/2014 Article 5 para. 1 Regulation (EU) No. 537/2014 were provided.

Further Confirmations pursuant to Article 196 PGR

The accompanying consolidated management report (page 74) has been prepared in accordance with the applicable legal requirements, is consistent with the consolidated financial statements and, in our opinion, based on the knowledge obtained in the audit of the consolidated financial statements and our understanding of the Group and its environment does not contain any material misstatements.

We further confirm that the consolidated financial statements comply with Liechtenstein law and the articles of incorporation. We recommend that the accompanying consolidated financial statements submitted to you be approved.

Schaan, 22 April 2024
Grant Thornton AG



Egon Hutter
Certified Accountant
Auditor in charge



ppa Florian Koch
Certified Accountant

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[LinkedIn.com/company/bank-frick](https://www.linkedin.com/company/bank-frick)

Publisher Bank Frick AG, Balzers, Liechtenstein

Design Corporate Communications and Marketing
Bank Frick

Editor Annabelle Steinbauer

Photos Ospelt Visuals Est., Vaduz and Boutiq AG, Zurich

Design and typesetting Vitamin 2 AG, St. Gallen

The photos come from the anniversary film that was made to celebrate 25 years of the company's existence.

The Bank Frick Annual Report is published in German and English. The German version is authoritative.



