



2024 semi-
annual report

Report of the Management Board

Bank Frick generated a substantial net profit of CHF 5.5 million in the first half of 2024. We are adhering to our growth strategy and accordingly increased our investments in staff and infrastructure once again. Despite the still uncertain economic environment, we expect an annual profit of nearly CHF 12 million.

We closed the first half of 2024 with a net profit of CHF 5.5 million, and we believe that we remain well on track. The decrease in net profit by CHF 1.7 million compared to the 2023 half-year result is primarily due to the sensitivity of our clients to changes in interest rates. This interest rate sensitivity caused interest expense to nearly double. In addition, we once again increased our investments in staff and infrastructure in the reporting period. For example, general administrative expenses once again increased by slightly more than CHF 3.0 million compared to the 2023 half-year result.

These investments are closely linked to our growth strategy. Over the past two years, we have reviewed and refined our strategy from a position of strength. The focus has been on continuous growth, development of new products and our passion for innovation. All the while, our clients are always our top priority. The rigorous implementation of our strategy serves as a compass for charting our future course, enabling us to successfully master the coming challenges.

Redesign of the brand identity

As part of our anniversary, we took the opportunity to further develop our brand identity, which we successfully launched with the claim “Reliably pushing forward”, emphasising our innovative strength and reliability. Our modern, dynamic brand reflects our quest for product leadership while remaining true to our values. In future we intend to become even more present and visible.

Our actions, marked by reliability and a personal touch, strengthen the trust of our clients and motivate us to continue along our innovative course.

“Net profit generated of CHF 5.5 million”

Bank Frick Innovative Finance Lab

Bank Frick and the University of Liechtenstein extend their successful partnership by five years. As part of this process, the Bank Frick Innovative Finance Lab is being established at the University of Liechtenstein, a centre for financial research and teaching. This enhanced cooperation highlights the importance of education, research and innovation in the financial sector. Both partners are convinced that this will benefit students, research and the entire region.

Balance sheet

Our balance sheet total amounted to CHF 2.5 billion as at the reporting date of 30 June 2024 and is very solid and liquid. Bank Frick has a very broad capital base.

Client assets under management

Our client assets under management amount to CHF 5.22 billion, an increase of CHF 1.13 billion (+27.57%) compared to the result of 31 December 2023 (CHF 4.1 billion). Most of this growth was achieved by clients of Fund and Capital Markets. The growth of 27.57% is attributable to net new money growth, positive developments in the crypto market and the market environment, which gives us reason to feel confident despite the challenging economic environment and higher inflation.

Sources of revenue

Fund and Capital Markets

In the area of Fund Services, we recorded stable, positive performance. As at 30 June 2024, the number of fund mandates managed by us amounted to 32 individual fund mandates, 30 umbrellas and 54 sub-funds. Fund assets under management domiciled in Liechtenstein amounted to approximately CHF 1.597 billion, a significant increase compared to CHF 1.346 billion as at 30 June 2023. This increase shows the trust of our clients and the successful implementation of new projects. Bank Frick remains a central and in-demand point of contact for fund initiators from Liechtenstein and neighbouring countries. We monitor positive business performance and optimise our service on a continual basis in order to meet the needs of our clients.

We recorded noteworthy growth in the area of Capital Market Services. The number of paying agent mandates rose to 165 as at 30 June 2024 (compared to 163 as at the end of 2023), and the number of issuers remained constant at 35. Total issue volume increased to CHF 3.563 billion (compared to CHF 2.653 billion at the end of 2023). This positive development is primarily due to the rise in crypto prices, which led to increased interest in crypto-linked financial instruments.

In addition, we have expanded our offering in the area of Capital Markets to include the provision of an issuance structure for actively managed certificates (AMCs). This expansion strengthens our position as the preferred point of contact for underwriting banking services and enables us to offer our clients a more comprehensive range of services.

“Client assets under management amount to CHF 5.25 billion – a gain of 27.57%.”

In summary, it can be said that Bank Frick had a solid first half of the year in both in the area of Fund Services and in the area of Capital Market Services. We remain committed and optimistic with respect to achieving our goals and providing our clients with the best possible support in a constantly changing market environment.

Classic Banking

The Classic Banking department focuses on business development in cooperation with financial intermediaries such as trust and insurance companies and asset management companies. In the first half of 2024, the department posted stable results, with only minor deviations in client assets under management (AUMs) and income compared to the previous year.

The year 2023 was successful, and at mid-year 2024, income is only slightly below the level of the previous year. However, although interest income remains strong, declines in service and commission income are apparent.

We remain true to our core markets, DACHLI and UK, and are striving for further cooperations with financial intermediaries. In the first half of 2024, we expanded our focus on Swiss financial intermediaries serving US clients and had initial successful discussions. In addition, we are now placing greater emphasis on strategic partnerships with clients and business partners in order to further increase our success.

In lending, where we pursue a very conservative approach, we were able to continue to grant good and solid loans in our core markets in the first few months of 2024. These conservative loans continuously increase our interest income.

Blockchain Banking

Cryptocurrency prices are on an upward trajectory and reached an all-time high in the first half of the year. We saw a strong increase in clients attracted by our network. With our xPULSE product launched last year, we offer a fast and affordable alternative to traditional payment methods. This product will be further expanded and optimised in the second half of the year.

We are seeing an increasing number of traditional companies involved with cryptocurrencies, particularly in the trading sector. In addition, the first Bitcoin ETFs were listed on the New York Stock Exchange in the first half of the year. An important trend is the rise of stablecoins. The MICAR creates the necessary framework conditions to enable institutional companies to utilise these business models.

Income from the trading business remains stable, while we are seeing rising transaction income. The current interest rate environment supports solid growth. We were able to increase income in the first half of 2024 and expect a further increase in the second half of the year through more clients and new products.

E-Commerce

The E-Commerce department showed steady growth in the first six months of the year. In the first quarter, we strengthened our team in a targeted manner in order to expand capacities in the areas of risk monitoring and risk processing. The prospects for the next six months are promising. We are well prepared to implement the coming system changes and the updating of compliance. Our sales targets continue to rise, while at the same time we ensure that we maintain a balance and adhere to strict compliance specifications.

We continue to work closely with our key business partners and third-party suppliers to ensure a fully compliant system that optimally supports both our current and future growth plans.

Outlook for the second half of 2024

We are satisfied with the generated net profit of CHF 5.5 million. This result shows that our investments in the future were correct. Our goal is to achieve the results of recent years again as we go forward.

The focus remains on realigning the company in order to be optimally prepared for the future, with our clients always having top priority.

We are constantly working on the implementation of our strategy in order to successfully meet the challenges ahead. Our half-year result confirms that we are on the right track and that we are pursuing our goals in a systematic fashion.

Bank Frick started out in the garage of a residential building. Today, we have 258 committed employees and are a permanent fixture in the Liechtenstein financial centre. Our entrepreneurial DNA has not changed. The willingness to try new things remains palpable and is valued by our clients.

Current economic developments remain challenging. Although inflation rates are gradually falling, central banks have been very hesitant to cut key interest rates. At the beginning of August, the equity markets drastically collapsed due to weak US economic data and associated fears of recession. Despite the difficult macroeconomic environment, we see opportunities for sustainable growth. We want to use these in a targeted manner by expanding our product leadership and create added value for our customers. We are confident that we will successfully master the challenges ahead and continue to achieve positive results.

Based on our starting position as we enter the second half of 2024, we expect a net profit of just under CHF 12 million in the current financial year.



Edi Wögerer
CEO

“We expect a net profit of just under CHF 12 million.”

Balance sheet

as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Assets

Liquid assets	175,697	224,673
Receivables owed by banks	1,456,052	1,095,844
• of which receivables due on demand	527,866	442,946
• of which other receivables	928,185	652,897
Receivables owed by clients	576,761	491,342
• of which mortgage claims	260,405	218,283
Bonds and other fixed-interest securities	124,585	149,904
• of which bonds issued by public bodies	81,210	109,946
• of which bonds issued by other borrowers	43,375	39,957
Shares and other non-fixed-interest securities	56,266	62,909
Holdings	-	-
Intangible assets	-	-
Property, plant and equipment	9,087	9,211
Own shares	-	-
Other assets	96,574	101,568
Accruals and deferrals	8,782	6,792
Total assets	2,503,803	2,142,241

Balance sheet as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Liabilities

Liabilities owed to banks	52,423	3,233
• of which liabilities due on demand	52,423	3,233
• of which with agreed term or notice period	-	-
Liabilities owed to clients	2,269,607	1,931,550
• of which savings deposits	-	-
• of which other liabilities due on demand	1,936,732	1,714,200
• of which other liabilities with agreed term or notice period	332,874	217,350
Securitised liabilities	23,983	38,098
• of which medium-term notes	-	5,581
• of which other securitised liabilities	23,983	32,517
Other liabilities	26,333	34,174
Accruals and deferrals	10,939	12,464
Tax provisions	3,413	2,626
Provisions for general banking risks	24,300	24,300
Subscribed capital	27,250	27,250
Capital reserves	6,118	6,118
Retained earnings	53,927	51,419
• of which legal reserves	6,000	6,000
• of which free reserves	47,927	45,419
Profit carried forward	-	-
Profit	5,508	13,509
Interim dividend	-	-2,500
Total liabilities	2,503,803	2,142,241

Income statement

from 1 January to 30 June 2024

in CHF 1,000

30.6.2024

30.6.2023

Items

Interest income	39,467	33,097
• of which from fixed-interest securities	1,846	3,342
Interest expense	-18,539	-9,334
Current income from securities	6	6
• of which shares and other non-fixed-interest securities	6	6
Income from commission and service transactions	17,857	21,759
• of which commission income from securities and investment transactions	7,976	12,531
• of which commission income from other service transactions	9,640	9,162
• of which commission income on loan transactions	241	66
Commission expense	-8,673	-6,806
Profit from financial operations	13,128	7,185
• of which from trading transactions	14,898	16,612
• of which from disposal of securities	165	7
• of which impairments to securities	-1,935	-9,433
Other ordinary income	3,030	653
General administrative expenses	-36,776	-33,687
• of which personnel expenditure	-23,874	-19,734
• of which operating expenditure	-7,803	-5,890
• of which IT expenses	-5,099	-8,063
Depreciation of intangible assets and property, plant and equipment	-124	-151
Other ordinary expenditure	-202	-672
Valuation allowances on claims and transfers to reserves for contingencies and credit risks	-2,879	-2,916
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	6,295	8,342
Extraordinary income	-	-
Extraordinary expenditure	-	-
Income tax	-787	-1,142
Other taxes	-	-
Allocations to provisions for general banking risks	-	-
Profit from 1 January to 30 June 2024	5,508	7,200

Off-balance sheet transactions as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Off-balance sheet items

Contingent liabilities

• of which credit guarantees and similar instruments	2,678	2,511
• of which guarantees for warranty obligations and similar instruments	-	-

Total contingent liabilities	2,678	2,511
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Credit risks

Irrevocable commitments	5,700	1,137
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Derivative financial instruments

Contract volume	1,324,139	1,246,620
Positive replacement values of forward foreign-exchange transactions	7,977	11,251
Negative replacement values of forward foreign-exchange transactions	-7,271	-13,268

Fiduciary transactions

Fiduciary transactions	117,591	56,488
Fiduciary loans	-	-

Total fiduciary transactions	117,591	56,488
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Consolidated balance sheet as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Assets

Liquid assets	175,697	224,673
Receivables owed by banks	1,456,052	1,095,844
• of which receivables due on demand	527,866	442,946
• of which other receivables	928,185	652,897
Receivables owed by clients	576,277	490,873
• of which mortgage claims	260,405	218,283
Bonds and other fixed-interest securities	124,585	149,904
• of which bonds issued by public bodies	81,210	109,946
• of which bonds issued by other borrowers	43,376	39,957
Shares and other non-fixed-interest securities	54,237	60,947
Non-consolidated holdings	-	-
Intangible assets	-172	-
Property, plant and equipment	9,087	9,211
Other assets	96,574	101,569
Accruals and deferrals	8,835	6,792
Total assets	2,501,170	2,139,812

Consolidated balance sheet as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Liabilities

Liabilities owed to banks	52,423	3,233
• of which liabilities due on demand	52,423	3,233
• of which with agreed term or notice period	-	-
Liabilities owed to clients	2,269,073	1,930,966
• of which savings deposits	-	-
• of which other liabilities due on demand	1,936,198	1,713,616
• of which other liabilities with agreed term or notice period	332,875	217,350
Securitised liabilities	23,983	38,098
• of which medium-term notes	-	5,581
• of which other securitised liabilities	23,983	32,517
Other liabilities	26,442	34,279
Accruals and deferrals	11,030	12,499
Tax provisions	3,446	2,642
Provisions for general banking risks	24,300	24,300
Subscribed capital	27,250	27,250
Capital reserves	6,118	6,118
Retained earnings	59,222	56,706
• of which legal reserves	6,000	6,000
• of which free reserves	53,222	50,706
Minority interests in equity	-	-
Profit carried forward	-7,761	-7,440
Profit for the year of the consolidated financial statements	5,643	13,661
• of which minority interests in profit for the year	-	-
Interim dividend	-	-2,500
Total liabilities	2,501,170	2,139,812

Consolidated income statement

from 1 January to 30 June 2024

in CHF 1,000	30.6.2024	30.6.2023
Items		
Interest income	39,467	33,086
• of which from fixed-interest securities	1,846	3,342
Interest expense	-18,539	-9,334
Current income from securities	6	6
• of which shares and other non-fixed-interest securities	6	6
Income from commission and service transactions	17,858	21,759
• of which commission income from securities and investment transactions	7,976	12,531
• of which commission income from other service transactions	9,641	9,162
• of which commission income on loan transactions	241	66
Commission expense	-8,670	-6,803
Profit from financial operations	13,128	7,185
• of which from trading transactions	14,898	16,612
• of which from disposal of securities	165	6
• of which impairments to securities	-1,935	-9,433
Other ordinary income	3,038	662
General administrative expenses	-36,806	-33,724
• of which personnel expenditure	-23,874	-19,734
• of which operating expenditure	-7,831	-5,928
• of which IT expenses	-5,102	-8,062
Depreciation of intangible assets and property, plant and equipment	-124	-151
Other ordinary expenditure	-129	-683
Valuation allowances on claims and transfers to reserves for contingencies and credit risks	-2,878	-2,916
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	100	-693
Income from write-ups of holdings, shares in affiliated companies and securities treated as non-current assets	-	-
Income from normal business activities	6,449	8,393
Extraordinary income	-	-
Extraordinary expenditure	-	-
Income tax	-806	-1,136
Other taxes	-	-
Allocations to provisions for general banking risks	-	-
Profit from 1 January to 30 June 2024	5,643	7,257
• of which minority interests in profit for the year	-	-

Consolidated off-balance sheet transactions

as of June 30, 2024

in CHF 1,000

30.6.2024

31.12.2023

Off-balance sheet items

Contingent liabilities

• of which credit guarantees and similar instruments	2,678	2,511
• of which guarantees for warranty obligations and similar instruments	-	-

Total contingent liabilities	2,678	2,511
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Credit risks

Irrevocable commitments	5,700	1,137
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Derivative financial instruments

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Fiduciary transactions

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Fiduciary loans	-	-

Total fiduciary transactions	117,591	56,488
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