



Kaiser Partner Privatbank Successfully Continues Its Path of Natural Growth

Kaiser Partner Privatbank | 2021 Semiannual Financial Statement

The trajectory of growth that began in 2016 was briefly weakened due to the 2020 economic slump caused by the global coronavirus pandemic. Fortunately, the signs are clearly indicating growth again in 2021. This was not least because Kaiser Partner Privatbank consistently put its focus on protecting employees, clients, and their assets during the crisis. However, we did more than just damage control: we identified and seized opportunities for our employees and customers, consolidating our stakeholder relationships along the way.

This can also be seen in the form of increasing customer confidence in 2021: Despite volatile markets, assets under management rose from CHF 4.6 billion to CHF 5.4 billion, an increase of 18%. Clients entrusted us with net new assets of CHF 316 million. In asset management, we surpassed our direct competitors in terms of performance this year, and, as in the past year, we were able to hold our own in the top third of our peer group consisting of leading banks in Central Europe. This consistency underscores our competence in asset management even in difficult times.

Compared to the reporting year of 2020, the company was able to increase gross profit by CHF 1.1 million to CHF 14.6 million (a rise of 8%), and profit could be increased significantly to CHF 2.1 million

(a rise of 69%). Commission and service income contributed CHF 8.8 million to the positive operating income, an increase of 7%. Income from the financial business grew strongly, increasing by 42% to CHF 3.8 million. Under the pressure of the negative interest rate environment as well as interest rate cuts by the national banks, net interest income fell by 21% to CHF 1.9 million. Our systematic pursuit of a sustainable growth strategy resulted in unchanged costs of CHF 10.3 million. We at Kaiser Partner Privatbank see the fundamental upheaval that is emerging in the banking sector and are making investments in the far-reaching transformation of our business model. By signing the Principles for Responsible Banking, Kaiser Partner Privatbank has declared its commitment to sustainability, both as a company and in terms of its services.

With the same level of commitment, Kaiser Partner Privatbank is striving to use its services to foster the prosperity of its clients and business partners. The latest key performance indicators reflect ongoing solid earnings for Kaiser Partner Privatbank. They show that the conveyed corporate values and the holistic wealth management model hold a strong attraction. This can be seen in the waiving of retrocessions and the commitment to tax conformity, for example. The philosophy of the company has also been demonstrably effective in efforts related to the protection of privacy and in the area of responsible investing.

Balance Sheet as of 6/30/2021 (in CHF 1,000)

Assets	6/30/2021	12/31/2020
Cash and cash equivalents	67,687	84,604
Amounts due from banks	172,985	144,145
<i>due daily</i>	46,914	53,949
<i>other receivables</i>	126,071	90,195
Amounts due from clients	65,938	64,928
<i>Mortgage receivables</i>	3,800	3,800
Bonds and other fixed-interest securities	303,676	274,650
<i>Bonds</i>	303,676	274,650
<i>from public-sector issuers</i>	46,899	48,759
<i>from other issuers</i>	256,778	225,891
Equities and other non-fixed-interest securities	0	0
Shares in affiliated companies	0	0
Intangible assets	10,156	10,769
Property, plant, and equipment	26,829	27,245
Other assets	3,731	4,304
Accrued expenses and deferred income	10,506	9,294
Total assets	661,507	619,939
Liabilities	6/30/2021	12/31/2020
Amounts owed to banks	4,744	8,125
<i>due daily</i>	4,670	8,040
<i>other liabilities</i>	74	86
Amounts owed to clients	595,951	554,421
<i>other liabilities</i>	595,951	554,421
<i>due daily</i>	576,660	531,079
<i>with agreed maturities or termination periods</i>	19,291	23,342
Other liabilities	4,656	3,742
Accrued expenses and deferred income	1,543	1,322
Provisions	381	171
<i>tax provisions</i>	363	153
<i>other provisions</i>	18	18
Provisions for general banking risks	500	500
Subscribed capital	10,000	10,000
Retained earnings	41,657	39,641
<i>legal reserves</i>	2,000	2,000
<i>other reserves</i>	39,657	37,641
Profit	2,074	2,017
Total assets	661,507	619,939

Off-balance-sheet transactions as of 6/30/2021 (in CHF 1,000)

	6/30/2021	12/31/2020
Contingent liabilities	5,561	5,255
<i>liabilities from guarantees and indemnities as well as liability from the posting of collateral</i>	5,561	5,255
Derivative financial instruments		
<i>contract volumes</i>	269,059	298,018
<i>positive replacement values</i>	3,514	3,802
<i>negative replacement values</i>	2,188	2,049
Fiduciary transactions	24,721	24,628
<i>fiduciary deposits at third-party banks</i>	24,721	24,628

Income Statement from 1/1/2021 to 6/30/2021 (in CHF 1,000)

	6/30/2021	6/30/2020
Net interest income		
Interest income	3,041	3,325
Interest expense	-1,174	-956
Subtotal of net interest income	1,868	2,369
Current income from securities		
Equities and other non-fixed-interest securities	0	0
Shares in affiliated companies	0	0
Subtotal of income from securities	0	0
Profit from commission and service transactions		
Profit from commission and service transactions	9,670	8,991
<i>commission income from credit transactions</i>	20	17
<i>commission income from securities and investment business</i>	8,801	8,138
<i>commission income from other service transactions</i>	849	835
Commission expenses	-823	-744
Subtotal of profit from commission and service transactions	8,847	8,247
Profit from financial transactions	3,763	2,646
<i>of which from trading</i>	3,761	2,646
Subtotal of profit from financial transactions	3,763	2,646
Other ordinary income		
Other ordinary income	107	223
Subtotal of other ordinary income	107	223
Gross income	14,584	13,485
Operating expenses		
Personnel expenses	-5,480	-5,383
<i>wages and salaries</i>	-4,316	-4,072
<i>social security contributions and expenses for pensions and support</i>	-1,033	-1,066
<i>of which for pensions</i>	-798	-826
<i>other personnel expenses</i>	-130	-244
General and administrative expenses	-4,786	-4,965
Subtotal of operating expenses	-10,266	-10,348
Depreciation of property, plant, and equipment/amortization of intangible assets	-1,869	-1,624
Other ordinary expenses	-165	-163
Valuation allowances on receivables and allocations to provisions for contingent liabilities and credit risks	0	0
Earnings from normal business activity	2,285	1,350
Income tax	-211	-124
Semiannual profit	2,074	1,225

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