



Annual
Report
2024

Banque Audi Suisse

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MESSAGE FROM THE CHAIRMAN AND THE CEO

The year 2024 marked a significant transformation for Banque Audi Suisse SA. Operating in a world marked by economic volatility and geopolitical uncertainty, the Bank maintained its focus on stability, transparency, and sustainable creation of long-term value. We concluded the year with a stronger foundation and an enhanced adaptability, driven by the disciplined execution of our strategy, the reinforcement of governance structures, and the sustained focus on delivering exceptional client service.

The global environment remained uncertain, marked by shifting monetary policies and persistent regional risks. Lebanon, home to our parent institution, continued to face significant political and financial challenges, further compounded by the repercussions of the Gaza conflict on the broader MENA region. Despite this challenging backdrop, the Bank recorded solid financial results, with growth in both profitability and assets under management. Most notably, the Bank was recognized as “Best Capitalized Swiss Private Bank 2024” in a study conducted by the Zurich University of Applied Sciences.

We take pride in our nearly five-decade presence in Switzerland, operating within one of the world’s most stringent regulatory environments. This legacy of prudence has enabled us to embark on a renewed strategic direction. In recent years, we recognized the need to raise our standards and enhance our institutional resilience. Accordingly, we implemented a series of decisive governance reforms, reinforcing the Board of Directors and Executive Management, rebuilding our Compliance and Risk Control functions, and fostering a culture of accountability throughout the Bank.

These efforts were not solely corrective but also forward-looking. The Bank has drawn on lessons from the past to build a more robust and transparent organization. We made significant investments in human capital, attracting top talent from within the Swiss banking sector, and expanded our front-office capabilities by onboarding seasoned relationship managers to better serve our strategic markets. In parallel, we advanced the development of our digital infrastructure and operational frameworks. These investments are not solely aimed at improving efficiency; they are designed to provide a more seamless, secure, and responsive client experience. Our objective is to remain at the forefront of private banking by merging tradition with innovation.

As a Swiss-regulated institution with deep regional roots, Banque Audi Suisse SA is uniquely positioned to bridge the precision of Swiss banking with a nuanced understanding of emerging market dynamics. Looking ahead, our strategy focuses on deepening client relationships, expanding our services to new generations of wealth, and selectively pursuing growth opportunities that align with our values and risk appetite.

To our clients, your trust is our most valued asset. We are deeply grateful for your continued confidence and remain committed to upholding it through integrity, personalized service, and enhanced performance.

To our shareholder, your solid support has been instrumental in this chapter of renewal and growth.

To our dedicated team, thank you for your resilience, dedication to excellence, and belief in our shared vision.

With confidence and commitment, we look forward to the journey ahead.

Respectfully,

Marc J. Audi
Chairman

Youssef Nizam
CEO



01

Management

02 REPORT OF THE BOARD OF DIRECTORS FOR THE YEAR ENDED 31 DECEMBER 2024

SUMMARY

In 2024, Bank Audi (Suisse) SA (the “Bank”) faced several important challenges. Firstly, from a regulatory point of view, the Bank needed to diversify its custodian banks to ensure operational resilience. Secondly, the year was also marked by the Israeli-Lebanese conflict, which aggravated the economic and monetary crisis that Lebanon has been experiencing since the end of 2019. Despite these difficult circumstances, the Bank managed to maintain its operations and recorded a net profit of CHF 17.6 million, compared to CHF 11.8 million in 2023. Operating income amounted to CHF 67 million, a slight increase compared to CHF 66.3 million in 2023. Furthermore, operating expenses decreased by CHF 2.7 million, reaching CHF 42.6 million, due to the exceptional costs recorded during the previous financial year. As a result, the cost-income ratio improved from 68.4% in 2023 to 63.6% in 2024.

The total assets on the Bank’s balance sheet increased to CHF 1.13 billion, compared to CHF 0.924 billion in 2023.

BALANCE SHEET

The increase in total Balance Sheet assets of the Bank to CHF 1.13 billion is due to a number of factors. Firstly, the 8% appreciation of the USD against the CHF in 2024 partly explains this increase given that a third of the balance sheet is denominated in US dollars. In addition, from a source of funding perspective, customer deposits increased by CHF 110 million, despite negative net new money (“NNM”) for the year, due to the non-reinvestment of certain matured client securities during the year.

The reduction in interest rates during the second half of the year, combined with the appreciation of the USD/CHF exchange rate, had a favorable effect on the Lombard credit portfolio which increased by CHF 76 million to CHF 364 million at the end of 2024. In addition, the Bank continued the renewal of part of its proprietary bonds maturing in the year, by reinvesting in high-grade sovereign bonds, which from a short-term liquidity perspective are considered as High Quality Liquid Assets (“HQLA”). As a result of this partial reinvestment policy, the financial investment portfolio decreased by CHF 33 million to CHF 238 million at the end of 2024. Furthermore, CHF 84 million of precious metals, previously included in financial assets in 2023, were reclassified by the Bank as amounts due from banks, as a result of its project to diversify / change custodian banks. The combination of these factors resulted in a stronger liquidity position, permitting the Bank to increase its deposits with the Swiss National Bank (also considered as HQLA), by CHF 121 million to CHF 158 million at the end of 2024. As a result of this continued prudent management of the Bank’s short-term liquidity, the Liquidity Coverage Ratio significantly increased year-on-year to 922%.

From an Assets under Management (“AUM”) perspective, the Bank posted total AUMs of CHF 4.7 billion in 2024, compared to CHF 4.4

billion in 2023, despite negative NNM of CHF 309 million for the year 2024. To be noted that the Bank also benefited in 2024 from the appreciation of the financial markets combined with the positive impact of the USD/CHF exchange rate.

INCOME STATEMENT

Results from interest operations remained stable compared to the previous year, at CHF 29.7 million, compared to CHF 30.3 million in 2023. Interest income on loans decreased significantly during the year, principally due to the decrease in interest rates in the second half of 2024, and globally due to a decrease in the average size of the Lombard loan portfolio during the year. However, this negative impact was partly offset by a significant increase in interest income earned from bank placements, as the Bank benefited from its long US dollar treasury position to place such excess liquidity in the interbank market. During 2024, the Bank also reinvested at maturity part of its bank and corporate bond portfolio in high quality sovereign bonds at more advantageous rates.

Commission business and services income increased to CHF 29.2 million from CHF 28.2 million in 2023, principally due to client transactional activity. Results from trading activities decreased by CHF 0.4 million to CHF 8.2 million. This trading income is primarily driven by customer foreign exchange activity, as no proprietary foreign exchange trading, outside of hedging foreign exchange risk inherent in the Bank’s operations, is being undertaken by the Bank.

Operating expenses decreased year-on-year by CHF 2.7 million to CHF 42.6 million, principally due to the significant decrease in the level of US legal fees compared to 2023. To note that in 2024, the Bank’s US lawyers continued to provide assistance with regards to the implementation of revised sanctions policies and procedures. The Bank has also invested in strengthening key risk management and control functions, particularly Compliance, which resulted in a significant increase external consulting fees. Furthermore, the Bank also continued to invest in its IT infrastructure and related IT security controls.

ALLOCATION OF RETAINED EARNINGS

It is proposed to allocate the 2024 net profit of CHF 17.6 million to retained earnings.

At year-end 2024, after the allocation to retained earnings, shareholders equity amounts to CHF 217 million (Net Tier I capital), with a Tier I capital ratio of 70.9%. As at 31 December 2024, the Bank continues to be well-capitalized with a combined Tier I and Tier II capital of CHF 224.9 million and ratio of 73.5%.

03 BOARD OF DIRECTORS



MARC AUDI

CHAIRMAN OF THE BOARD

Mr. Audi has over 40 years of banking experience within the Bank Audi Group of banks. He held an executive role in the California based bank of the Group until 1993. Later he was instrumental in the rebuilding of Bank Audi sal's Lebanon business at the end of the civil war in Lebanon, leading to him becoming Deputy General Manager. In 2000 he became CEO of Banque Audi (Suisse) SA.

In 2005, upon his return to Lebanon, he became General Manager of Bank Audi sal, and played a significant role in the bank's IPO. As Lebanon Country Manager, he ran the domestic operation of the bank in its retail and commercial fields until 2019.

Mr. Audi is currently a non-executive board member of Bank Audi sal and BAPB Holding Ltd, the Cyprus-based holding company of Banque Audi (Suisse) SA. He is a member of the founding family of Bank Audi and holds a Master's degree in Business Administration from University Paris IX Dauphine.



SIMONA TERRANOVA

VICE-CHAIRMAN OF THE BOARD (INDEPENDENT*)

Chairman of the Audit & Risk Committee. Mrs. Terranova has over 25 years of financial services audit and advisory experience at "Big 4" audit firms in Geneva, Milan and Luxembourg, including 4 years as partner. She is a qualified CPA, and holds a Swiss External Audit Practicing Certificate since 2010. In 2006, she was authorised by FINMA to conduct audits according to the Federal Law on Collective Capital Investments.

Mrs. Terranova is currently a partner and founder of the financial services consulting firm, MT Finance (Switzerland) SA and an independent director at several Swiss financial institutions.



KHALIL EL DEBS

BOARD MEMBER

Mr. El Debs is the Chief Executive Officer of Bank Audi sal since May 2024, following a 30-year tenure at the Bank. With a deep expertise in corporate and investment banking, risk management and strategic restructuring, he played a critical role in shaping the Bank's growth.

Throughout his tenure at Bank Audi sal, he built the corporate and commercial banking divisions, overseeing major client relationships while navigating complex financial environments and optimizing the core business operations. Previously, he served as Deputy Group CEO of Bank Audi sal, managing a broad portfolio that spanned Corporate and Commercial Banking, Energy and Infrastructure Financing, Private Banking, Private Equity, and the International Division, leading strategic initiatives to reinforce the bank's financial position and operational efficiency.

Mr. El Debs serves on the Board of other subsidiaries of the Group, namely Bank Audi France, Bank Audi (Qatar), Audi Capital (KSA) and BAPB Holding Ltd. He has an MBA from the Lebanese American University and is a Chartered Financial Analyst.

03 BOARD OF DIRECTORS



CHRISTOPH DE WECK

BOARD MEMBER (INDEPENDENT*)

Mr. de Weck is an Attorney at Law. He holds a Doctorate in Law from the University of Fribourg, and is admitted to the Zurich Bar and the New York Bar. He is currently a senior consultant at Aviolo Compliance Solutions GmbH, Zurich, a company specializing in compliance matters for independent asset managers. He has over 40 years of legal and compliance experience, where he has held senior executive positions in various companies.

At the beginning of his career he worked as a lawyer in commercial law firms in New York and Zurich. He then moved to the fiduciary department of the audit firm STG-Coopers & Lybrand, where he managed the trust and fiduciary units as a partner at the Zurich office. This was followed by positions in the legal and compliance departments of bank-owned trust companies in Zurich and Geneva and the functional management of the financial planning units of the six private banks of UBS Group. He also worked as a member of the management team of Swiss Life (Liechtenstein) AG, where he was responsible for legal cases, compliance and data protection.



JEAN-PIERRE JACQUEMOUD

BOARD MEMBER (INDEPENDENT*)

Attorney at Law at the Geneva Bar. Mr. Jacquemoud holds a "Diplôme d'Etudes Juridiques Supérieures" from the University of Geneva, a Master's degree in Comparative Jurisprudence from the University of Texas in Austin and is admitted to the New York Bar. He has extensive financial services experience and is currently the senior partner at the law firm, Jacquemoud Stanislas in Geneva.

Mr. Jacquemoud also serves on the Board of Directors of various other companies in Switzerland, both within and outside of the financial services sector.



FRANÇOIS TOBLER

BOARD MEMBER (INDEPENDENT*)

After obtaining a law degree from the University of Geneva and banking training at Crédit Suisse, Mr. Tobler devoted the first part of his career to public affairs as Deputy Secretary General of the Department of the Interior of the State of Geneva and more specifically as Political Secretary and Chief of Staff to the Minister in charge of the said department.

He subsequently returned to the Swiss banking sector, more specifically to Compagnie de Banque et d'Investissements (CBI), a private bank that later became Union Bancaire Privée (UBP), where he served as Secretary General, before joining Banque Heritage, where he was also a member of the Executive Board. He thus benefits from extensive experience in private banking and finance.

In addition, Mr. Tobler is currently Chairman of the Board of Directors of the asset management company Bastions Partners Office SA, a position he has held since its inception.

03 BOARD OF DIRECTORS



ERIC HESS

BOARD MEMBER (INDEPENDENT*)

Mr. Hess is an Attorney at Law. He obtained a law degree from the University of Geneva in 1986 and was admitted to the Geneva Bar in 1988, following which he worked as an associate in several Geneva law firms, then as a partner, practicing independently since 1999. In 2014, he founded his own law firm, Saint-Léger Avocats. His practice focuses primarily on private and criminal law, as well as commercial, wealth and inheritance law. Mr. Hess specializes in economic criminal law and international legal assistance, as well as in banking law and compliance management.

In addition to his work as an attorney, Mr. Hess has also been an assistant to the Criminal Law Department of the University of Geneva, as well as a deputy judge on the Supervisory Board of the Bankruptcy and Insolvency Offices (Commission de Surveillance des Offices des Poursuites et des Faillites).

Since 2011, he has also been a deputy judge at the Criminal Court of Geneva, active in the Police Court and the Correctional Court. He also serves on several other Boards of Directors, including several Geneva foundations.



FARID LAHOUD

BOARD MEMBER

Mr. Lahoud currently serves as the Chief Compliance Officer and Corporate Secretary of Bank Audi sal. He is also a non-executive board member of BAPB Holding Ltd.

He joined Bank Audi sal in November 1991, moving from Gerrard and National, a leading London-based discount house. Prior to his current appointments, he played a senior role in the origination and structuring of various financial instruments, including debt programs, bank capital instruments, hybrid equity issuance, and asset-backed securities programs. In addition to his corporate roles, Mr. Lahoud is a former Member of the Oversight Advisory Committee of UNESCO. He also served as Chair of the Oversight Advisory Committee of the UN World Health Organization from 2014 to 2016.

Mr. Lahoud holds a Doctorate in Business Administration from ESA Business School in partnership with Paris I Panthéon-Sorbonne. He also holds a Master's degree in Business Administration from the City University of London and a Bachelor's degree in Engineering from the American University of Beirut.

AUDIT & RISK COMMITTEE

Simona Terranova (Chairman)

Christoph De Weck

Eric Hess

REMUNERATION COMMITTEE

Khalil El Debs (Chairman)

Marc J. Audi

Jean-Pierre Jacquemoud

04 EXECUTIVE COMMITTEE



YOUSSEF NIZAM

CHIEF EXECUTIVE OFFICER

Mr. Nizam holds a Bachelor degree in Computer and Communications Engineering and a Master's degree in Engineering Management (Financial Engineering) from the American University of Beirut. He is also a Chartered Financial Analyst and a certified Financial Risk Manager.

He was the Global Head of Private Banking of the Bank from May 2021 until December 2023, following over 12 years of Wealth Management experience in Bank Audi Group in Saudi Arabia and Lebanon. Mr. Nizam started his career in 1996 at the Central Bank of Lebanon.

Mr. Nizam became the Chief Executive Officer (CEO) and Chairman of the Executive Committee of the Bank in January 2024. He is responsible for the day-to-day management of the Bank, and the development of business strategies and plans, ensuring full alignment with short-term and long-term business objectives.



GREG SATNARINE

CFO / COO, DEPUTY CEO

Mr. Satnarine holds a Bachelor's degree in Economics, Accounting & Finance from the London School of Economics & Political Science and is a qualified Chartered Accountant (ACA) from the United Kingdom (ICAEW).

In 1989, Mr. Satnarine started his career as an auditor at Grant Thornton (formerly RSM Robson Rhodes) within the Financial Services team. In 1996 he took the role of EMEA Head of Private Client Internal Audit at Merrill Lynch & Co., following which he acted in a number of senior regional management internal audit roles (for both private and institutional clients) before accepting the role of Chief Financial Officer for Merrill Lynch Banque Suisse SA, Geneva, in 2003. He was subsequently promoted to Chief Administrative Officer and Deputy CEO. From 2008 to 2014 he served as the Chief Financial Officer and Chief Operating Officer of a small Swiss private bank based in Geneva.

Mr. Satnarine has been Chief Financial Officer & Chief Operating Officer and a member of the Bank's Executive Committee since November 2014. He is responsible for Finance, Credit, Operations, IT, Human Resources and General Services, and is also the Responsible Officer for FATCA/CRS and Qualified Intermediary matters. He was appointed Deputy CEO of the Bank in January 2024.



RANIA ABOU EL OULA

HEAD OF LEGAL, CENTRAL FILE AND SECRETARY GENERAL

Mrs. Abou El Oula holds a Bachelor's and a Master's degree in Law from Saint Joseph University in Beirut and began her career as a lawyer at one of the most prestigious law firms in Beirut where she developed a strong foundation in banking and corporate law.

She joined the Bank Audi Group in 2003 as Legal Counsel for its private banking subsidiary in Lebanon.

Over the years, she assumed increasingly senior executive roles with Bank Audi Group, serving as Head of Legal and Compliance and Head of Governance of its private banking subsidiary in Lebanon and, ultimately as Chief Executive Officer of a regulated financial institution within the Group.

Through these roles, Mrs. Abou El Oula acquired experience in banking practices, regulatory requirements and corporate governance. Mrs. Abou El Oula has been the Bank's Corporate Secretary since 2022 and was appointed as Head of Legal, Central File and Corporate Secretary and as a member of the Executive Committee in September 2023. She is responsible for advising the Bank on legal and regulatory matters, for supporting the Executive Committee, the Board and its committees, managing governance processes and ensuring alignment with regulatory standards and internal policies related to the Bank's corporate records and client's documentation.

04 EXECUTIVE COMMITTEE



MAHER MENIF

HEAD OF COMPLIANCE AND RISK

Mr. Menif is a Canadian Chartered Accountant (CPA-CA), a qualified Financial Crime Specialist and has an International Certificate in Banking Risk and Regulation from GARP.

Prior to joining the Bank, he was the Chief Risk & Compliance Officer at an authorized Swiss manager of collective assets and before that, the Group Head of Regulatory & Advisory Compliance at EFG Bank SA, where he specialized in the strategic management of risk on an enterprise-wide basis. He began his career at Deloitte Montréal, Canada in 2003 within the Financial Institution audit team before joining PricewaterhouseCoopers Geneva, Switzerland in 2007 as part of the Banking Audit and Advisory teams.

Mr. Menif has been the Chief Risk & Compliance Officer and a member of the Bank's Executive Committee since October 2023. He is responsible for overseeing the Bank's governance and strategy for global risk management and compliance, including relationships with key regulators. His team provides independent oversight and guidance for managing risk and ensuring compliance, including the development and implementation of risk management measures across the Bank.

Mr. Menif also participates in several organizations that focus on risk, compliance, governance and policy, including the Romandie Chapter of the Swiss Risk Association as one of its founding members.



WALID MOUKARZEL

HEAD OF PRIVATE BANKING

Mr. Moukarzel holds a Bachelor's degree in Physics from Imperial College London University and is a member with distinction of the Society of Technical Analysts.

He started his career at Mercury Asset Management in 1986 and has since amassed 30 years of asset management experience initially in the United Kingdom working for private capital and consulting for hedge funds before moving to Geneva, Switzerland and working in Wealth Management, which included a 10-year tenure at Banque Audi (Suisse) SA as Head of Asset Management and Head of Advisory.

Mr. Moukarzel has been the Head of Private Banking and a member of the Bank's Executive Committee since May 2024. He is responsible for all Front Office functions as well as Business Risk Management. His responsibilities include strategic leadership, client relationships, revenue growth and profitability, as well as regulatory compliance and risk management.

INTERNAL AUDIT

MARIO MAJZOUB



02 Financial Highlights

05 FINANCIAL HIGHLIGHTS

TOTAL ASSETS
UNDER
MANAGEMENT
CHF 4.7 billion

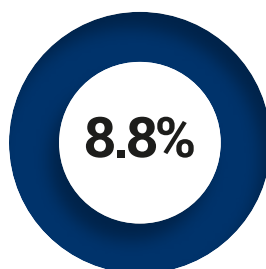
TOTAL
OPERATING
INCOME
CHF 66.9 million

NET PROFITS
CHF 17.6 million

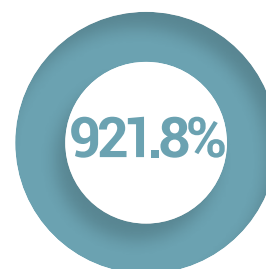
OPERATING
COST / INCOME
RATIO
63.6%

BALANCE SHEET
TOTAL
CHF 1.13 billion

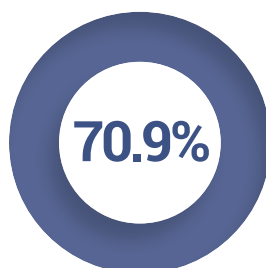
TOTAL
SHAREHOLDERS'
EQUITY (CET1)*
CHF 217 million



RETURN ON
SHAREHOLDERS'
EQUITY



LIQUIDITY
COVERAGE RATIO



CORE EQUITY TIER 1
RATIO (CET1)



NUMBER OF
EMPLOYEES (FTE)

* Including net profit for the year and reserves for general banking risk.



03 Financial Statements

06 REPORT OF THE STATUTORY AUDITOR ON THE FINANCIAL STATEMENTS



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To the General Meeting of
BANQUE AUDI (SUISSE) SA, Geneva

Geneva, March 12th 2025

Report of the statutory auditor

Report on the audit of the financial statements



Opinion

We have audited the financial statements of BANQUE AUDI (SUISSE) SA (the Company), which comprise the balance sheet as at December 31, 2024, the income statement and the changes of equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 17 to 34) comply with Swiss law and the Company's articles of incorporation.



Basis for opinion

We conducted our audit in accordance with Swiss law and Swiss Standards on Auditing (SA-CH). Our responsibilities under those provisions and standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the provisions of Swiss law and the requirements of the Swiss audit profession, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Other information

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

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Board of Directors' responsibilities for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the Company's articles of incorporation, and for such internal control as the Board of Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Swiss law and SA-CH will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Report on other legal and regulatory requirements



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

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

Ernst & Young Ltd

Stéphane Muller
Licensed audit expert
(Auditor in charge)

Charlotte Simond
Licensed audit expert

Enclosures

- ▶ Financial statements (balance sheet, income statement, changes of equity and notes)
- ▶ Proposal of the Board of Directors

07 BALANCE SHEET AS AT 31 DECEMBER 2024

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Notes	31/12/2024	31/12/2023
ASSETS			
Liquid assets	5.9	158,356	37,422
Amounts due from banks	5.9	304,052	165,625
Amounts due from customers	5.1	363,599	287,954
Mortgage loans	5.1	19,400	19,826
Trading portfolio assets	5.2	198	138
Positive replacement values of derivative financial instruments	5.3	11,428	25,190
Financial Investments	5.4, 5.9	238,294	355,026
Accrued income and prepaid expenses		5,307	4,232
Participations	5.5, 5.6	241	223
Tangible fixed assets	5.7	27,900	28,436
Other assets	5.8	194	278
Total assets		1,128,969	924,350
Total subordinated claims		-	-
Liabilities			
Amounts due to banks		115,124	31,283
Amounts due in respect of customer deposits		755,518	645,688
Negative replacement values of derivative financial instruments	5.3	11,212	17,438
Accrued expenses and deferred income		17,971	15,776
Other liabilities	5.8	1,761	1,659
Provisions	5.11	10,304	12,982
Reserves for general banking risks	5.11	2,100	2,100
Share capital	5.12	25,000	25,000
Statutory retained earnings reserve		17,000	17,000
Voluntary retained earnings reserve		19,300	19,300
Profits carried forward		136,124	124,312
Profit for the period		17,555	11,812
Total liabilities		1,128,969	924,350
Total subordinated liabilities		-	-

	Notes	31/12/2024	31/12/2023
OFF-BALANCE SHEET			
Contingent liabilities	5.1, 6.1	18,920	16,366
Irrevocable commitments	5.1	2,046	2,616

08 INCOME STATEMENT FROM 1 JANUARY TO 31 DECEMBER 2024

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Notes	2024	2023
RESULTS FROM INTEREST OPERATIONS			
Interest and discount income	7.2	24,459	25,739
Interest and dividend income from trading portfolio		-	-
Interest and dividend income from financial investments		5,385	4,968
Interest expenses		(114)	(434)
Gross results from interest operations		29,730	30,273
Changes in value adjustment for default risks and losses from interest operations		(25)	(78)
Subtotal net results from interest operations		29,705	30,195
RESULTS FROM COMMISSION BUSINESS AND SERVICES			
Commission income from securities trading and investment activities		34,285	33,134
Commission income from lending activities		284	298
Commission income from other services		1,454	1,628
Commission expense		(6,970)	(6,858)
Subtotal results from commission business and services		29,053	28,202
RESULTS FROM TRADING ACTIVITIES	7.1	8,152	8,585
OTHER RESULTS FROM ORDINARY ACTIVITIES			
Result from the disposal of financial investments		12	(651)
Income from non-consolidated participations		-	-
Other ordinary income		-	-
Other ordinary expenses		-	-
Subtotal other results from ordinary activities		12	(651)
OPERATING EXPENSES			
Personnel expenses	7.3	(31,451)	(31,580)
General and administrative expenses	7.4	(11,079)	(13,760)
Subtotal operating expenses		(42,530)	(45,340)
Value adjustments on participations and depreciation of tangible fixed assets and intangible assets	5.5, 5.7	(1,587)	(1,416)
Changes to provisions and other value adjustments, and losses	5.11, 7.5	(1,639)	(5,628)
OPERATING RESULT		21,166	13,947
Extraordinary income	7.5	77	-
Extraordinary expenses	7.5	(19)	(8)
Changes in reserves for general banking risks	5.11, 7.5	-	-
Taxes	7.6	(3,669)	(2,127)
PROFIT FOR THE PERIOD		17,555	11,812

09 STATEMENT OF CHANGES IN EQUITY

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Share capital	Statutory retained earnings reserve	Voluntary retained earnings reserve	Reserves for general banking risks	Profit carried forward	Profit for the period	TOTAL
Equity as at 1 January 2024	25,000	17,000	19,300	2,100	124,312	11,812	199,524
Other allocations to other reserves	-	-	-	-	11,812	(11,812)	-
Dividend and other distributions	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	17,555	17,555
Equity as at 31 December 2024	25,000	17,000	19,300	2,100	136,124	17,555	217,079

10 ALLOCATION OF NET INCOME PROPOSED BY THE BOARD OF DIRECTORS AND APPROVED BY THE SHAREHOLDERS' MEETING

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	2024	2023
RETAINED EARNINGS		
Profit for the period	17,555	11,812
Profit brought forward	136,124	124,312
Ordinary dividend	-	-
Retained earnings at the end of the year	153,679	136,124
ALLOCATION OF THE RETAINED EARNINGS		
Ordinary dividend	-	-
Profit carried forward	153,679	136,124
Total	153,679	136,124

11 NOTES TO THE FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

1. GENERAL INFORMATION

Banque Audi (Suisse) SA is a Bank incorporated in Switzerland, headquartered in Geneva and 100% held indirectly by Bank Audi sal, Lebanon, through BAPB Holding Limited, Cyprus. The Bank has a representative office in Beirut for the purpose of developing the market of the Middle Eastern region.

1.1 Nature of the Bank's business and staffing levels

The Bank's primary activities are wealth management and administration in the form of investment management, placing of deposits on a fiduciary basis and secured lending for private customers.

The Bank's staff at 31 December 2024 comprised 110 employees, of which 4 are located in the representation office in Beirut (at 31 December 2023: 102 of which 5 located in the representation office in Beirut).

1.2 Outsourcing

The Bank outsources services as defined by circular FINMA 2018/3. These services relate to the hosting and operation of its interbank messaging platform.

1.3 Capital Adequacy

The Bank's capital adequacy and liquidity regulatory report is available on its website www.bankaudipb.com in compliance with FINMA Circular 2016/01.

2. ACCOUNTING PRINCIPLES AND EVALUATION

2.1 Basis of Preparation

The annual financial statements are prepared in compliance with the requirements of the Swiss Civil Code, the Swiss law on banks and related ordinance and the directives of the Swiss Financial Markets Supervisory Authority (FINMA), as defined by circular FINMA 2020/1 (PCB).

2.2 Accounting Recognition of Transactions

All transactions made until the balance sheet date are booked the day they are executed. Non-executed spot transactions are included in the balance sheet on transaction date.

2.3 Foreign Currency and Precious Metal Balances

The financial statements are presented in Swiss francs. Foreign currency and precious metal balances are translated into their Swiss franc equivalents at the closing rate of exchange. Income and expense amounts denominated in foreign currencies are converted to Swiss francs. The rates applied at 31 December 2024 for the conversion of the main currencies into Swiss francs are the following:

USD 0.9037 (2023: 0.8370)

EUR 0.9409 (2023: 0.9270)

2.4 Forward Foreign Exchange Transactions and Derivative Financial Instruments

2.4.1 Trading Transactions

Outstanding forward foreign exchange transactions and derivative financial instruments, comprising currency and securities options, are expressed at prevailing market rates in the financial statements. The variation in positive and negative replacement values resulting from this treatment are included in results from trading activities in the income statement.

The contract volumes as presented correspond to the values of the underlying currencies and securities from which the instruments are derived.

2.4.2 Hedging Transactions

Hedging transactions are reported using the same valuation principles as the transactions that they are serving to hedge and are included under the same accounting captions. The continuing validity of the accounting treatment of hedging transaction is reviewed periodically. Transactions that can no longer be considered as valid hedges are treated as trading transactions.

2.5 Liquid Assets and Amounts Due from and to Banks and Customers

Liquid assets and amounts due from and to banks and customers are reported in the balance sheet at their nominal value.

Impaired customer loans are subject to individual provisions which are recorded as a deduction from the amount due.

2.6 Securities Trading Portfolios

Securities held as trading items and securities held as available for sale are valued at their prevailing market rates at the balance sheet date. The financing cost of the securities portfolio is not included in the same income statement caption.

2.7 Financial Investments

Interest bearing financial investments that are intended to be held to maturity are included in the balance sheet at cost adjusted on pro-rata basis to accrue to their value at maturity. In the event of the risk of non-repayment at maturity a specific provision is made and deducted from the reported value.

2.8 Tangible Fixed Assets

Tangible fixed assets are reported in the balance sheet at cost and are depreciated over their estimated useful economic lives on a straight line basis.

Owned operating premises are reported in the balance sheet at a maximum of their acquisition cost, less depreciation deemed to be economically necessary, on a straight line basis.

The useful lives of the different categories used for depreciation purposes are:

- Information technology hardware and purchased software: 3 years
- Office furniture and equipment: 5 years
- Installations, works of art and other tangible assets: 5 years
- Motor vehicles: 5 years
- Owned premises: 50 years

2.9 Provision

Obligations, legal or factual, are assessed at regular intervals. A provision is made if an outflow of funds appears probable and can be reliably assessed. Existing provisions are revalued at each balance sheet date. They are increased, maintained or taken over on the basis of these new assessments.

Provisions that are no longer economically necessary and not immediately reused for other needs of the same nature are included in the income statement.

2.10 Value adjustment

The impaired loans are valued individually and the impairment is covered by individual value adjustments. Impairment is the difference between the carrying amount of the receivable and its likely realisable value.

The monitoring of risky loan positions is carried out by the Credit department, which defines the necessary value adjustments for impaired and overdue loans identified. Impaired loans are recorded at nominal value on the balance sheet as soon as the principal and interest due are settled again in accordance with contractual provisions and solvency criteria.

A value adjustment is made for each impaired loan and corresponds to the difference between the nominal value of the claim and the estimated value of the collateral received. A value adjustment is constituted or released in the income statement under the item "Changes in value adjustments for default risk and losses from interest operations.". Interest due for more than three months is provisioned.

2.11 Reserves for general banking risks

Reserves for general banking risks are pre-emptive reserves to cover the risks arising from the Bank's activities.

Reserves for general banking risks are constituted and dissolved by the item "Changes in reserves for general banking risks" in the income statement. Reserves for general banking risks are not taxed.

2.12 Taxes

Income and capital taxes are provided for on all taxable items, including those in respect of which payment is deferred. The provisions are included in accrued expenses.

3. RISK MANAGEMENT

3.1 Risk Management Framework and Internal Controls

Risk is an integral part of the activities of a financial institution and the Bank considers risk as an inseparable element of its development and the diversification of its activities. It applies sound risk management in line with its business strategy. The objective of adequate and effective risk management is to provide reasonable assurance that the risks incurred do not exceed the acceptable thresholds and the approved risk tolerance in order to ensure that all risks are controlled and contribute to the creation of value for shareholders.

Risks are managed rigorously. They are identified, measured and controlled in order to achieve a fair balance between the return obtained and the risks assumed. Therefore, decision-making processes are guided by risk assessment and management in line with the Bank's risk appetite and prudent levels of capital and liquidity.

3.2 Risk Tolerance

Risk tolerance represents the level of risk the Bank is willing to assume in order to achieve its strategic business objectives, taking into consideration its capital and liquidity planning.

The Bank defines its risk tolerance through tolerance thresholds, both quantitative and qualitative, regarding the main risks, through alignment with its strategic business objectives and through the integration of risk management into its corporate culture. Risk tolerance is integrated into decision-making processes as well as strategic and financial planning and capital management.

3.3 Integration of Risk Management into Business Conduct

Corporate governance, risk management and internal controls are an integral part of decisions, which requires in particular:

- A solid equity and liquidity position;
- Rigorous risk management framework including information security, regulatory compliance and business conduct practices;
- A fair balance between risk and return; and
- A stable risk profile.

The Bank improves its conceptual framework for risk management and its internal control system on an ongoing basis. This transformation and streamlining of processes is achieved without compromising rigorous risk management, which is reflected in:

- Low tolerance for regulatory, operational and reputational non-compliance risks.
- The stability of operations and IT systems in normal times as well as in times of crisis.

Furthermore, to ensure the effectiveness of the risk management framework in place, the Bank has clearly defined roles and responsibilities by reinforcing the concept of three lines of defence in each of its policies and procedures.

3.4 Independent Control Bodies

Independent control bodies monitor risks as well as compliance with legal, regulatory and internal requirements.

The independent control bodies are structured within the Risk Management department according to the following three functions:

- Compliance function
- Risk Control function
- Information Systems Security function

The Risk Management function is responsible for identifying, measuring and supervising, independently and using an integrated approach, the various risks to which the Bank is exposed. The Risk Management team supports management and the Board of Directors in understanding and monitoring key risks. In addition, this function develops, maintains and communicates the risk tolerance framework while ensuring the integrity and reliability of risk measures.

3.4.1 Compliance function

Compliance is responsible for establishing a framework for managing the risk of non-compliance with regulations across the Bank. It also carries out independent monitoring and assessment of the Bank's compliance with regulations.

3.4.2 Risk Control function

The Risk Control function monitors the Bank's risk profile, particularly in terms of risk tolerance and risk limits defined by the risk policy and the Bank-wide risk management principles.

In addition, the Risk Control function is integrally involved in the development or expansion of new types of products, services, business areas or market sectors as well as in large or complex transactions.

3.4.3 Information Systems Security function

The Information Systems Security function has been in place since December 2024 and is responsible for establishing and maintaining the information systems security vision, strategy and program to ensure adequate protection of information assets and technologies.

3.5 Risks of non-compliance with regulations

Regulatory non-compliance risk relates to the risk arising from the possibility that the Bank, one of its employees or one of its business partners does not comply with the regulatory requirements in force where it carries out its activities, both in Switzerland and internationally. This risk is found in all the daily activities of each sector of the Bank. A situation of non-compliance with regulatory requirements may have a negative impact on the reputation of the Bank and result in penalties, sanctions and increased monitoring by regulatory authorities.

3.6 Regulatory Compliance Management Framework

The Bank operates in a highly regulated industry. It makes every effort to ensure rigorous management of regulatory compliance by favoring a proactive approach and emphasizing the integration of regulatory requirements into its day-to-day activities.

This proactive management thus provides reasonable assurance that the Bank complies, in all material respects, with the regulatory requirements that apply where it carries out its activities, both in Switzerland and internationally.

The establishment of a regulatory compliance management framework across the Bank is the responsibility of Compliance, which has the following mandate:

- Ensure the implementation of policies and standards to comply with current regulatory requirements, including those relating to the fight against money laundering and terrorist financing, international sanctions as well as rules of behavior ("Business Conduct");
- Develop compliance training programs for employees and members of management;
- Exercise independent supervision and monitoring of programs, policies and procedures implemented by the Bank's management to ensure that control mechanisms are sufficient, respected and effective;
- Report to the Bank's Board of Directors on relevant issues relating to compliance and the fight against money laundering and the financing of terrorism, international sanctions as well as rules of behavior and indicate any significant changes to the effectiveness of the risk management framework.

3.7 Principle and Emerging Risks

Risk management requires a good understanding of all types of risks present across the Bank, as these could have an adverse impact on the Bank's activities, operating results, financial condition and reputation.

3.8 Reputational risk

Reputational risk represents the possibility that an activity or practice of the Bank or the group to which the Bank belongs will be judged negatively by the public – whether this judgment is founded or not – and that it may affect perception, the Bank's image, which could result in litigation or loss of revenue.

Reputational risk is usually the result of a failure to manage another risk. This includes incidents of non-compliance with laws and regulations or process failures. All risks must therefore be managed effectively to protect the reputation of the Bank.

3.9 Strategic Risk

Strategic risk arises from the possibility of suffering financial loss or reputational damage as a result of inappropriate strategic direction, poor execution or ineffective adaptation to economic, financial or regulatory changes. The Bank's strategic plan is developed by management and approved by the Board of Directors, taking into account the Bank's overall risk appetite. The initiatives of the strategic plan, once approved, are subject to regular monitoring to verify their progress.

3.10 Market Risk

Market risk is the risk of losses linked to variations in market prices. Market risk arises from a number of factors, including changes in market variables such as interest rates, credit spreads, exchange rates and stock prices.

The Bank is exposed to market risk through its balance sheet matching management, as well as in its investment portfolios.

3.11 Credit Risk

Credit risk represents the possibility of suffering a financial loss if a debtor does not fully honor its contractual commitments to the Bank. This debtor can be a borrower, an issuer, a counter-party or a guarantor. Despite the fact that the majority of loans are granted in the form of Lombard credits, credit risk represents the most significant financial risk that the Bank must face in the normal course of its activities. The Bank is exposed not only through its direct lending activities and operations, but also through credit commitments, letters of guarantee, transactions on derivative financial instruments traded over-the-counter, debt securities, deposits with financial institutions, its brokerage activities, and operations involving a settlement risk for the Bank.

A framework policy centrally governs activities generating credit risk for the Bank and is supplemented by a series of internal procedures and standards subordinate to it. These policies and procedures deal with specific aspects of advance rates, management such as concentration limits by group of borrowers and sectors of activity, credit latitudes, security requirements or quantification of risks.

3.12 Liquidity and Financing Risk

Liquidity and funding risk represents the risk that the Bank will not be able to meet its daily financial and treasury obligations without having to resort to costly or untimely measures. This risk arises when sources of funds become insufficient to meet the payments planned under the Bank's commitments. Liquidity risk arises from the asymmetry of cash flows relating to assets and liabilities, as well as the characteristics of certain products such as credit commitments and deposits without fixed maturity.

The Bank's primary objective, as a financial intermediary, is to manage liquidity in such a way as to support its commercial

strategy and enable it to honor its commitments when they become due, even in extreme conditions. This is achieved in particular by the implementation of a framework policy approved by the Board of Directors which sets a risk appetite, monitoring structures under the control of the Audit and Risk Committee and the Asset & Liability Management Committee, risk indicators, reporting procedures, delegation of responsibilities and separation of functions. In addition, the Bank prepares an annual liquidity plan taking into consideration the anticipated growth of assets and liabilities.

4. SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

No event likely to have a significant impact on the assets, financial situation, as well as the results of the Bank occurred after 31 December 2024.

5. INFORMATION ON BALANCE SHEET TRANSACTIONS

5.1. PRESENTATION OF COLLATERAL FOR LOANS/RECEIVABLES, OFF-BALANCE SHEET TRANSACTIONS, AS WELL AS IMPAIRED LOANS/RECEIVABLES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Presentation of collateral for loans/receivables, off-balance sheet transactions		Type of Collateral			Total
		Secured by mortgage	Other collateral	Unsecured	
LOANS (BEFORE NETTING WITH VALUE ADJUSTMENTS)					
Amounts due from customers		-	363,315	652	363,967
Mortgage loans					
- Office and business premises		19,400	-	-	19,400
Total Loans (before netting with value adjustments)	31/12/2024	19,400	363,315	652	383,367
	31/12/2023	19,826	287,796	486	308,108
Total Loans (after netting with value adjustments)	31/12/2024	19,400	363,315	284	382,999
	31/12/2023	19,826	287,796	158	307,780
OFF-BALANCE SHEET					
Contingent liabilities		-	18,485	435	18,920
Irrevocable commitments		-	-	2,046	2,046
Total off-balance sheet	31/12/2024	-	18,485	2,481	20,966
	31/12/2023	-	16,125	2,857	18,982
Impaired loans/receivables					
		Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjust- ments
Total impaired loans/receivables	31/12/2024	423	52	371	368
	31/12/2023	370	42	328	328

5.2 BREAKDOWN OF TRADING PORTFOLIO

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024	31/12/2023
TRADING PORTFOLIO ASSETS		
Debt securities, money market securities / transactions	198	138
- of which, listed	198	138
Total trading portfolio assets	198	138
- of which, determined using a valuation model	-	-
- of which, securities eligible for repo transactions in accordance with liquidity requirements	-	-

5.3 PRESENTATION OF DERIVATIVE FINANCIAL INSTRUMENTS (ASSETS AND LIABILITIES)

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Trading Instruments			Hedging Instruments		
	Replacement values		Contract volume	Replacement values		Contract volume
	Positive	Negative		Positive	Negative	
FOREIGN EXCHANGE						
Forward contracts	873	431	112,689	-	-	-
Swaps	234	460	84,686	-	-	-
Options (OTC)	1,322	1,322	41,642	-	-	-
PRECIOUS METALS						
Forward contracts	-	-	-	-	-	-
Swaps	-	-	-	-	-	-
Options (OTC)	1,625	1,625	64,735	-	-	-
EQUITY SECURITIES / INDICES						
Options (OTC)	7,374	7,374	8,876	-	-	-
Total 31/12/2024	11,428	11,212	312,628	-	-	-
Total 31/12/2023	25,190	17,438	873,834	-	-	-

The Bank does not apply any netting contracts on positive and negative replacement values.

BREAKDOWN BY COUNTERPARTY	Central clearing house	Bank & securities dealers	Other customers
Positive replacement values	-	48	11,380

5.4 BREAKDOWN OF FINANCIAL INVESTMENTS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Book Value		Fair Value	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
PRESENTATION OF FINANCIAL INVESTMENTS				
Debt securities	238,292	270,903	238,210	267,603
- of which intended to be held to maturity	238,292	270,903	238,210	267,603
Equities securities	2	2	6	6
Precious metals	-	84,121	-	84,121
Total financial investments	238,294	355,026	238,216	351,726
- of which, securities eligible for repo transactions in accordance with liquidity requirements	-	-	-	-

BREAKDOWN OF COUNTERPARTIES BY RATING	From AAA to AA-	From A+ to A-	From BBB+ to BBB-
Book value of debt securities	228,001	10,291	-

The Bank's ratings are based on Standard & Poor's rating categories.

5.5 PRESENTATION OF PARTICIPATIONS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Acquisition cost	Accumulated value adjustments and changes in book value	Book value 31.12.2023	Additions	Disposals (including exchange difference)	Value adjustments	Book value 31.12.2024
Other participations							
- without market value	1,004	(781)	223	-	18	-	241
Total participations	1,004	(781)	223	-	18	-	241

5.6 DISCLOSURE OF COMPANIES IN WHICH THE BANK HOLDS A PERMANENT DIRECT OR INDIRECT SIGNIFICANT PARTICIPATION

COMPANY NAME AND DOMICILE	Business activity	Currency	Company capital (in 1'000s)	Share of capital and votes (in %) 31.12.2024	Share of capital and votes (in %) 31.12.2023	Held directly/indirectly
Audi Capital (KSA), Riyadh	Financial services	SAR	100,000	1.00%	1.00%	Directly

5.7 PRESENTATION OF TANGIBLE FIXED ASSETS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Acquisition cost	Accumulated depreciation	Book value 31.12.2023	Additions	Disposals	Depreciation	Book value 31.12.2024
Bank buildings	37,749	(11,682)	26,067	-	-	(755)	25,312
Other tangible fixed assets	19,240	(17,834)	1,406	345	-	(246)	1,505
Acquired software	7,356	(6,393)	963	706	-	(586)	1,083
Total tangible fixed assets	64,345	(35,909)	28,436	1,051	-	(1,587)	27,900

5.8 OTHER ASSETS AND OTHER LIABILITIES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Other Assets		Other Liabilities	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Transit accounts	117	163	968	842
Indirect taxes	77	115	787	817
Compensation account	-	-	6	-
Total	194	278	1,761	1,659

5.9 DISCLOSURE OF ASSETS PLEDGED OR ASSIGNED TO SECURE OWN COMMITMENTS AND ASSETS UNDER RESERVATION OF OWNERSHIP

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024		31/12/2023	
	Book value	Effective commitments	Book value	Effective commitments
PLEDGED/ASSIGNED ASSETS:				
- Liquid assets	1,023	1,023	1,308	1,308
- Amounts due from banks	33,677	33,677	38,706	38,706
- Financial investments	47,105	47,105	95,429	95,429
Total pledged assets	81,805	81,805	135,443	135,443

5.10 DISCLOSURES ON THE ECONOMIC SITUATION OF OWN PENSION SCHEMES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Employer contribution reserve (ECR)

No reserve for future contributions has been set up by the Bank.

PRESENTATION OF THE ECONOMIC BENEFIT/OBLIGATION AND THE PENSION EXPENSES

	Over-funding/ underfunding	Economic interest of the Bank		Change in economic interest	Contributions paid	Pension expenses in personnel expenses	
	2024	2024	2023	2024	2024	2024	2023
Pension plans with over-funding	-	-	-	-	1,771	1,771	1,599
Total	-	-	-	-	1,771	1,771	1,599

The Bank has signed a contract of affiliation to the collective foundation AXA in Lausanne, an independent provident institution applying the legal dispositions governing employee pension plans in Switzerland and offering a defined contribution plan. Its objective is to insure employees against the economic impact resulting from retirement, disability and death. In addition to the basic plan, executives and members of management are eligible for a supplemental defined contribution plan. These plans are financed by both the employer and the employees in accordance with the regulations of the plans.

On 1 January 2019, AXA transferred the 100% insured pension fund to a new partially insured plan with additional coverage. At 31 December 2024, the unaudited coverage rate was 107.5%, which means that there was no underfunding at this date.

Liabilities relating to own pension schemes

The Bank has no liabilities relating to its own pension schemes as at 31 December 2024 (2023: none).

5.11 PRESENTATION OF VALUE ADJUSTMENTS AND PROVISIONS, RESERVES FOR GENERAL BANKING RISKS AND CHANGES THEREIN DURING THE CURRENT YEAR

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Balance as at 31/12/2023	Used in conformity with designated purpose	Reclass- ifications	Currency differences	New creations charged to income	Release to income	Balance at 31/12/2024
Provisions for deferred taxes	-	-	-	-	-	-	-
Provisions for pension benefit obligations	-	-	-	-	-	-	-
Provisions for default risks	-	-	-	-	-	-	-
Provisions for other business risks	4	-	-	-	-	-	4
Provisions for restructuring	-	-	-	-	-	-	-
Other provisions	12,978	(4,596)	-	398	1,561	(41)	10,300
Total provisions	12,982	(4,596)	-	398	1,561	(41)	10,304
Reserves for general banking risks	2,100	-	-	-	-	-	2,100
Value adjustments for default and country risks	328	-	-	15	25	-	368
<i>- of which, value adjustments for default risks in respect of impaired loans/receivables</i>	328	-	-	15	25	-	368

The "Other provisions" line contains provisions for legal costs related to the Voluntary Self-Disclosure process with OFAC for CHF 6.4 million (2023: CHF 6 million).

5.12 PRESENTATION OF SHARE CAPITAL

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024			31/12/2023		
	Total nominal value	Number of shares	Capital eligible for dividend	Total nominal value	Number of shares	Capital eligible for dividend
Share capital	25,000	25,000	25,000	25,000	25,000	25,000
Total	25,000	25,000	25,000	25,000	25,000	25,000

5.13 DISCLOSURE OF AMOUNTS DUE FROM/TO RELATED PARTIES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	Amounts due from		Amounts due to	
	31/12/2024	31/12/2023	31/12/2024	31/12/2023
Holders of qualified participations	45	75	11,373	21,717
Group companies	-	1	3,441	2,367
Transactions with members of governing bodies	-	-	363	170
Other related companies	888	304	1,857	2,334
Total	933	380	17,034	26,588

The Bank confirms that the conditions applicable to amounts due from and to related parties are at arm's length.

5.14 DISCLOSURE OF HOLDERS OF SIGNIFICANT PARTICIPATIONS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

The holders of participations below directly hold participations exceeding 5% of all voting rights:

	31/12/2024		31/12/2023	
	Nominal	Share as %	Nominal	Part en %
BAPB Holding Limited, Cyprus	25,000	100%	25,000	100%

At 31 December 2024, the share capital of Bank Audi (Suisse) SA, Geneva, is 100% held indirectly by Bank Audi sal, Lebanon, through BAPB Holding Limited, Cyprus, which directly holds all of the share capital and voting rights of the Bank.

5.15 PRESENTATION OF MATURITY STRUCTURE OF FINANCIAL INSTRUMENTS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	At sight	Cancellable	Due			Total
			Within 3 months	Within 3 to 12 months	Within 12 months to 5 years	
ASSETS / FINANCIAL INSTRUMENTS						
Liquid assets	157,333	1,023	-	-	-	158,356
Amounts due from banks	270,375	33,677	-	-	-	304,052
Amounts due from customers	-	187,498	133,223	42,878	-	363,599
Mortgage loans	-	-	19,400	-	-	19,400
Trading portfolio assets	198	-	-	-	-	198
Positive replacement values of derivative financial instruments	11,428	-	-	-	-	11,428
Financial investments	-	2	50,283	138,542	49,467	238,294
Total 31/12/2024	439,334	222,200	202,906	181,420	49,467	1,095,327
Total 31/12/2023	162,482	86,117	512,695	62,649	67,238	891,181
DEBT CAPITAL / FINANCIAL INSTRUMENTS						
Amounts due to banks	115,124	-	-	-	-	115,124
Amounts due in respect of customer deposits	755,518	-	-	-	-	755,518
Negative replacement values of derivative financial instruments	11,212	-	-	-	-	11,212
Total 31/12/2024	881,854	-	-	-	-	881,854
Total 31/12/2023	694,409	-	-	-	-	694,409

5.16 PRESENTATION OF ASSETS AND LIABILITIES BY DOMESTIC AND FOREIGN ORIGIN (CLIENT'S DOMICILE)

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024		31/12/2023	
	Switzerland	Foreign	Switzerland	Foreign
ASSETS				
Liquid assets	158,356	-	37,422	-
Amounts due from banks	260,588	43,464	138,247	27,378
Amounts due from customers	30,368	333,231	29,316	258,638
Mortgage loans	19,400	-	19,826	-
Trading portfolio assets	-	198	-	138
Positive replacement values of derivative financial instruments	10,379	1,049	24,637	553
Financial investments	-	238,294	90,954	264,072
Accrued income and prepaid expenses	4,786	521	3,525	707
Participations	-	241	-	223
Tangible fixed assets	27,900	-	28,436	-
Other assets	194	-	278	-
Total assets	511,971	616,998	372,641	551,709
LIABILITIES				
Amounts due to banks	103,781	11,343	7,825	23,458
Amounts due in respect of customer deposits	38,983	716,535	27,139	618,549
Negative replacement values of derivative financial instruments	10,811	401	16,474	964
Accrued expenses and deferred income	17,965	6	15,771	5
Other liabilities	810	951	1,622	37
Provisions	10,304	-	12,982	-
Reserves for general banking risks	2,100	-	2,100	-
Share capital	25,000	-	25,000	-
Statutory retained earnings reserve	17,000	-	17,000	-
Voluntary retained earnings reserve	19,300	-	19,300	-
Profit carried forward	136,124	-	124,312	-
Profit for the period	17,555	-	11,812	-
Total liabilities	399,733	729,236	281,337	643,013

5.17 BREAKDOWN OF TOTAL ASSETS BY COUNTRY OR GROUP OF COUNTRIES (CLIENT'S DOMICILE)

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024		31/12/2023	
	Absolute	Share as %	Absolute	Share as %
Switzerland	511,971	45.3%	372,641	40.4%
Europe	250,599	22.2%	158,690	17.2%
North America	83,305	7.4%	162,027	17.5%
South America	1,318	0.1%	6,737	0.7%
Middle East	133,231	11.8%	118,636	12.8%
Other countries	148,545	13.2%	105,619	11.4%
Total assets	1,128,969	100.0%	924,350	100.0%

5.18 BREAKDOWN OF TOTAL ASSETS ABROAD BY CREDIT RATING OF COUNTRY GROUPS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

NET FOREIGN EXPOSURE					
Internal rating	Standard & Poor's	31/12/2024		31/12/2023	
		Absolute	Share as %	Absolute	Share as %
1	AAA / AA-	465,155	91.5%	397,991	85.5%
2	A+ / A-	-	-	-	0.0%
3	BBB+ / BBB-	7,231	1.4%	30,940	6.6%
4	BB+ / BB	1	0.0%	255	0.1%
5	BB-	35,375	7.0%	34,754	7.5%
6	B+ / B-	66	0.0%	1,137	0.2%
7	CCC+ / D	752	0.1%	468	0.1%
0	No rating	5	0.0%	15	0.0%
	Total	508,585	100.0%	465,560	100.0%

The Bank uses its own internal sovereign risk rating system which corresponds to the Standard & Poor's ratings published above.

5.19 PRESENTATION OF ASSETS AND LIABILITIES BY THE MOST SIGNIFICANT CURRENCIES FOR THE BANK

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	CHF	USD	EUR	Other	Precious metals	Total
ASSETS						
Liquid assets	157,870	142	299	45	-	158,356
Amounts due from banks	12,603	114,071	25,204	46,720	105,454	304,052
Amounts due from customers	133,129	188,152	40,139	1,003	1,176	363,599
Mortgage loans	19,400	-	-	-	-	19,400
Trading portfolio assets	-	198	-	-	-	198
Positive replacement values of derivative financial instruments	1,394	874	4,610	2,643	1,907	11,428
Financial Investments	-	68,933	169,361	-	-	238,294
Accrued income and prepaid expenses	4,185	759	324	39	-	5,307
Participations	-	-	-	241	-	241
Tangible fixed assets	27,900	-	-	-	-	27,900
Other assets	135	7	-	52	-	194
Total assets shown in balance sheet	356,616	373,136	239,937	50,743	108,537	1,128,969
Delivery obligations from spot, forward and option foreign exchange transactions	14,602	105,134	24,428	103,729	64,735	312,628
Total assets	371,218	478,270	264,365	154,472	173,272	1,441,597
LIABILITIES						
Amounts due to banks	103,049	1,931	1,046	239	8,859	115,124
Amounts due in respect of customer deposits	22,245	399,554	181,053	65,041	87,625	755,518
Negative replacement values of derivative financial instruments	1,345	1,585	4,318	2,338	1,626	11,212
Accrued expenses and deferred income	17,768	152	22	29	-	17,971
Other liabilities	869	24	774	94	-	1,761
Provisions	4,904	5,400	-	-	-	10,304
Reserves for general banking risks	2,100	-	-	-	-	2,100
Share capital	25,000	-	-	-	-	25,000
Statutory retained earnings reserve	17,000	-	-	-	-	17,000
Voluntary retained earnings reserve	19,300	-	-	-	-	19,300
Profit carried forward	136,124	-	-	-	-	136,124
Profit for the period	17,555	-	-	-	-	17,555
Total liabilities shown in the balance sheet	367,259	408,646	187,213	67,741	98,110	1,128,969
Delivery obligations from spot, forward and option foreign exchange transactions	4,827	70,390	76,508	85,759	74,881	312,365
Total liabilities	372,086	479,036	263,721	153,500	172,991	1,441,334
Net position per currency	(868)	(766)	644	972	281	263

6. INFORMATION ON OFF-BALANCE SHEET TRANSACTIONS

6.1 BREAKDOWN OF CONTINGENT LIABILITIES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024	31/12/2023
Other contingent liabilities	18,920	16,366
Total contingent liabilities	18,920	16,366

6.2 BREAKDOWN OF FIDUCIARY TRANSACTIONS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024	31/12/2023
Fiduciary Deposits with third-party companies	732,910	687,683
Fiduciary Deposits with group companies	269,320	252,758
Total fiduciary transactions	1,002,230	940,441

6.3 BREAKDOWN OF ASSETS UNDER MANAGEMENT OR CUSTODY AND PRESENTATION OF THEIR DEVELOPMENT

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	31/12/2024	31/12/2023
BREAKDOWN OF ASSETS UNDER MANAGEMENT OR CUSTODY		
Assets under discretionary asset management agreements	373,828	406,946
Other assets under management or custody	4,277,685	3,966,942
Total assets under management or custody (including double counting)	4,651,513	4,373,888
- of which, double counting	-	-
CHANGE IN ASSETS UNDER MANAGEMENT OR CUSTODY		
	2024	2023
Total assets under management or custody (including double counting) at beginning of year	4,373,888	4,710,962
+/- Net new money inflows/(outflows)	(308,470)	(119,437)
+/- Price gains/(losses), interest, dividends and currency gains/(losses)	510,450	(100,598)
+/- Other effects	75,645	(117,039)
Total assets under management or custody (including double counting) at end of year	4,651,513	4,373,888

Managed assets include all client asset classes under management or custody at market value. Included within managed assets as at 31 December 2024 are CHF 269.3 million of Fiduciary Deposits held with Bank Audi sal recorded at nominal value. These Fiduciary Deposits have all matured by 31 December 2023. In accordance with the requirements of the Central Bank of Lebanon, these funds are not transferable outside of the country.

Assets under discretionary asset management agreements are those for which clients have signed a discretionary asset management agreement.

Net new money comprises a combination of several factors. Firstly, inflow of funds resulting from the acquisition of new clients as well as fresh funds from existing clients. Secondly, outflows, subtracted from total inflows, comprising partial or total withdrawals of existing clients' assets. Changes in the value of assets caused by market effects (particularly price movements or interest / dividend payments) or interest charges, fees or expenses debited from clients are not included in the calculation of net new money inflows / outflows.

Other changes include the variation in assets under management or custody generated from financing provided by the Bank.

7. INFORMATION ON INCOME STATEMENT

7.1 BREAKDOWN OF THE RESULT FROM TRADING ACTIVITIES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	2024	2023
BREAKDOWN BY BUSINESS ACTIVITY		
Trading activities for the account of the client	6,318	7,695
Trading activities for own account	1,834	890
Total result from trading activities	8,152	8,585

	2024	2023
BREAKDOWN BY BUSINESS TYPE		
Result from trading activities from:		
- Equity securities (including funds)	3,077	4,175
- Foreign currencies	5,075	4,410
Total result from trading activities	8,152	8,585

7.2 DISCLOSURE OF MATERIAL REFINANCING INCOME IN THE ITEM INTEREST AND DISCOUNT INCOME AS WELL AS MATERIAL NEGATIVE INTEREST

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

As at 31 December 2024, the Bank has neither material refinancing income, nor material negative interest (2023: none) in the item "Interest and discount income".

7.3 BREAKDOWN OF PERSONNEL EXPENSES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	2024	2023
Salaries	(26,192)	(26,170)
Social security benefits	(1,897)	(1,689)
Pension fund expenses	(1,771)	(1,599)
Other personnel expenses	(1,591)	(2,122)
Total personnel expenses	(31,451)	(31,580)

7.4 BREAKDOWN OF GENERAL AND ADMINISTRATIVE EXPENSES

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	2024	2023
Office space expenses	(678)	(675)
Expenses for information and communications technology	(3,266)	(2,877)
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	(19)	(24)
Fees of audit firm	(460)	(444)
- of which, for financial and regulatory audit	(460)	(444)
Other operating expenses	(6,656)	(9,740)
Total general and administrative expenses	(11,079)	(13,760)

7.5 COMMENTS ON SIGNIFICANT LOSSES, EXTRAORDINARY INCOME AND EXPENSES AS WELL AS MATERIAL RELEASES OF HIDDEN RESERVES, RESERVES FOR GENERAL BANKING RISKS AND VALUE ADJUSTMENT AND RELEASED PROVISIONS

Significant losses

The Bank did not record any significant losses in the year under review.

Extraordinary income

The Bank did not record any significant extraordinary income in the year under review.

Extraordinary expenses

The Bank did not record any significant extraordinary expenses in the year under review.

Hidden reserves

There was no dissolution of hidden reserves during the year under review.

Reserves for general banking risks

There was no creation or release of reserves for general banking risks during the year under review.

Value adjustment and released provisions

Changes in provisions and other significant value adjustments are shown in the table detailing corrections of values and provisions (Note 5.11).

7.6 PRESENTATION OF CURRENT TAXES, DEFERRED TAXES AND DISCLOSURE OF TAX RATE

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	2024	2023
Current taxes	(3,669)	(2,127)
Total taxes	(3,669)	(2,127)
Weighted average tax rate based on the operating result	17%	15%



12 ADDITIONAL INFORMATION ACCORDING TO FINMA CIRCULAR 2016/1

Table KM1: General regulatory key figures (KM1) (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Total Eligible Capital		31/12/24	31/12/23			
1	Eligible common equity (CET1)	217,079	199,525			
2	Common equity (T1)	217,079	199,525			
3	Total eligible equity	224,887	206,745			
Risk Weighted Assets (RWA)		31/12/24	31/12/23			
4	RWA	306,117	303,016			
4a	Minimum capital requirements	24,489	24,241			
Capital Ratios Based on RWA (in % of RWA)		31/12/24	31/12/23			
5	Core equity Tier 1 ratio (CET1)	70.91%	65.85%			
6	Core equity ratio	70.91%	65.85%			
7	Total global equity ratio	73.46%	68.23%			
Conservation required CET1 buffer (in % of RWA)		31/12/24	31/12/23			
8	Minimum conservation buffer requirement as per Basel (2.5% since 2019)	2.50%	2.50%			
9	Minimum countercyclical buffer requirement as per Basel	0.00%	0.00%			
10	Additional supplementary buffer for national and international systemic risk	0.00%	0.00%			
11	CET1 Capital target and countercyclical buffer	2.50%	2.50%			
12	Available CET1 capital to meet CET+ target and countercyclical buffer	64.91%	59.85%			
Capital Targets According To CAO Annex 8 (in % of RWA)		31/12/24	31/12/23			
12a	Capital conservation buffer according to CAO Annex 8	2.50%	3.20%			
12b	Countercyclical buffer requirement according to CAO Art. 44 et 44a	0.00%	0.00%			
12c	CET1 capital target, including counterparty buffer according to CAO Art. 44 et 44a	7.00%	7.40%			
12d	T1 capital target, including countercyclical buffer according to CAO Art. 44 et 44a	8.50%	9.00%			
12e	Total capital target, including countercyclical buffer according to CAO Art. 44 et 44a	10.50%	11.20%			
Leverage Ratio		31/12/24	31/12/23			
13	Leverage ratio exposure	1,140,814	937,397			
14	Basel III leverage ratio (in % of leverage ratio exposure)	19.03%	21.28%			
Liquidity Coverage Ratio (LCR)		31/12/24	30/09/24	30/06/24	31/03/24	31/12/23
15	LCR numerator: total high-quality liquid assets (HQLA)	332,219	410,305	298,255	192,889	153,016
16	LCR denominator: total net cash outflows	36,042	51,873	37,632	42,634	36,195
17	Liquidity Coverage Ratio, LCR (in %)	921.76%	790.99%	792.56%	452.43%	422.76%
Net Stable Funding Ratio (NSFR)		31/12/24	31/12/23			
18	Available stable funding	850,566	749,292			
19	Required stable funding	280,448	357,733			
20	Net stable funding ratio, NSFR (in %)	303.29%	209.46%			

Table OV1: Overview of Risk Weighted Assets (RWA) (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Risk weighted positions	Approach	RWA		Minimum capital requirements
		31/12/24	31/12/23	31/12/24
1 Credit risk	Standard	162,276	169,062	12,982
20 Market risk	De minimis	27,681	24,669	2,215
24 Operational risk	Basic indicator	115,559	108,727	9,245
25 Amounts below the thresholds for deduction (subject to 250% risk weight)		601	558	48
27 Total		306,117	303,016	24,489

TABLE LIQA: LIQUIDITY - LIQUIDITY RISK MANAGEMENT

Liquidity Risk Management information is available under the note 3.12 to the financial statements.

The Bank's liquidity requirements, which includes the Bank's credit and bond portfolios, are financed by client deposits and the Bank's existing equity. Such client deposits are well-diversified and are spread over the Bank's entire client base. Therefore, the Bank does not use or require external funding to support its banking activity. To extent that refinancing might be required, the Bank would adopt a centralized strategy with its correspondent banks.

The Bank monitors and manages its risk appetite through liquidity limits, ratios, and stress tests. The Bank's liquidity risk appetite is based on the following three principles:

- ensure the Bank has a sufficient amount of unencumbered liquid assets to cover its financial requirements, in both normal and stressed conditions;
- ensure the Bank keeps a liquidity buffer above the minimum regulatory requirement;
- ensure the Bank maintains diversified and stable sources of funding.

In terms of liquidity contingency planning, stress tests and projections are performed on a regular basis and form part of the annual budgeting and liquidity & capital planning exercise. In addition, the Bank has formulated a Liquidity Emergency Plan which defines tolerance/alert levels which are monitored daily. The Bank's tolerance to liquidity risk is defined as low to medium, hence the requirement to have detailed daily controls and monitoring.

Treasury positions are monitored on a daily basis in order to ensure proper and adequate funding of all Bank operations, within defined counterparty limits approved by the Board of Directors. Moreover, a detailed overview of all liquidity positions by maturity, currency and counterparty is monitored regularly by the Bank's Asset & Liability Management Committee, and summarized and reported quarterly to the Audit & Risk Committee and Board of Directors.

TABLE CR1: CREDIT RISK* - CREDIT QUALITY OF ASSETS (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Credit quality of assets	Gross carrying values of			Value adjustments/ impairments	Net values
	Defaulted exposures	Non-defaulted exposures			
1 Loans (excluding debt securities)	652	862,052		369	862,335
2 Debt securities	-	238,492		-	238,492
3 Off-balance sheet exposures	-	22,941		-	22,941
4 Total	652	1,123,485		369	1,123,768

*Information regarding credit risk management is available under the note 3.11 to the financial statements

TABLE CR2: CREDIT RISK - CHANGES IN STOCK OF DEFAULTED LOANS AND DEBT

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Changes in stock of defaulted loans and debt		2024
1	Defaulted loans and debt securities at beginning of period	486
2	Loans and debt securities that have defaulted since the last period	239
3	Returned to non-defaulted status	(73)
4	Amounts written off	-
5	Other changes	-
6	Defaulted loans and debt securities at end of period	652

TABLE CRB: CREDIT RISK - ADDITIONAL DISCLOSURE RELATED TO THE CREDIT QUALITY OF ASSETS

(EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Breakdown of exposures by geographical area	Non-defaulted exposures	Defaulted exposures	Total exposures	Value adjustments/ impairments
Switzerland	466,512	40	466,552	-
Rest of Europe	246,486	19	246,505	-
Americas	255,744	233	255,977	204
Rest of the World	154,743	360	155,103	165
Total	1,123,485	652	1,124,137	369

Breakdown of exposures by industry	Non-defaulted exposures	Defaulted exposures	Total exposures	Value adjustments/ impairments
Sovereigns	378,328	-	378,328	-
Banks and securities dealers	321,929	-	321,929	-
Other institutions	-	-	-	-
Corporates	125,564	222	125,786	174
Retail	296,897	430	297,327	195
Equity	2	-	2	-
Other exposures	765	-	765	-
Total	1,123,485	652	1,124,137	369

Breakdown of exposures by residual maturity	Less than 1 year	Between 1 and 5 years	Over 5 years	Total exposures
Sovereigns	328,781	49,547	-	378,328
Banks and securities dealers	321,813	116	-	321,929
Other institutions	-	-	-	-
Corporates	125,786	-	-	125,786
Retail	297,327	-	-	297,327
Equity	2	-	-	2
Other exposures	765	-	-	765
Total	1,074,474	49,663	-	1,124,137

TABLE CR3: CREDIT RISK - OVERVIEW OF MITIGATION TECHNIQUES (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Overview of mitigation techniques	Exposures without coverage/ carrying amount	Exposures secured by collateral, of which secured amount	Exposures secured by financial guarantees or credit derivatives, of which secured amount
Receivables (incl. debt instruments)	779,099	321,728	-
Off balance-sheet	1,263	21,678	-
Total	780,362	343,406	-
- of which, in default	-	283	-

TABLE CR5: CREDIT RISK - POSITIONS PER CATEGORY AND RISK-WEIGHTED POSITIONS AS PER STANDARD APPROACH (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Categories/risk weighting factors	0%	20%	35%	50%	75%	100%	150%	Total positions exposed to credit risk
1 Sovereigns	378,130	-	-	-	-	-	198	378,328
2 Banks and securities dealers	-	317,026	-	3,203	-	-	43	320,272
3 Other institutions	-	-	-	-	-	-	-	-
4 Corporates	197	10,117	-	7,360	-	70	-	17,744
5 Retail	-	-	-	-	1,012	62,294	-	63,306
6 Equity	-	-	-	-	-	2	-	2
7 Other exposures	710	-	-	-	-	-	-	710
8 Total	379,037	327,143	-	10,563	1,012	62,366	241	780,362

TABLE CCR3: COUNTERPARTY CREDIT RISK - POSITIONS PER CATEGORY AND RISK-WEIGHTED POSITIONS AS PER STANDARD APPROACH (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Categories/risk weighting factors	0%	20%	35%	50%	75%	100%	150%	Total positions exposed to credit risk
1 Sovereigns	-	-	-	-	-	-	297	297
2 Banks and securities dealers	-	27,096	-	1,602	-	-	65	28,763
3 Other institutions	-	36,309	-	-	-	-	-	36,309
4 Corporates	-	2,023	-	3,680	-	70	-	5,773
5 Retail	-	-	-	-	759	62,294	-	63,053
6 Equity	-	-	-	-	-	2	-	2
7 Other exposures	-	-	-	-	-	-	-	-
8 Total	-	65,428	-	5,282	759	62,366	362	134,197

TABLE CCR5: COUNTERPARTY CREDIT RISK - BREAKDOWN OF COLLATERAL USED TO COVER POSITIONS SUBJECT TO COUNTERPARTY CREDIT RISK IN RELATION TO DERIVATIVES OR SFT TRANSACTIONS

The Bank did not have such exposure as at 31 December 2024 and 31 December 2023.

TABLE IRRBBA: INTEREST RATE RISK - OBJECTIVES AND GUIDELINES FOR THE MANAGEMENT OF INTEREST RATE RISK IN THE BANKING BOOK

Interest rate risk on the Bank's portfolio (IRRBB) refers to the current or future risk to which the Bank's equity and net income from interest operations are exposed due to fluctuations in interest rates. The Bank defines the risk-taking strategy for interest rate risks in the banking portfolio by setting limits approved by the Board of Directors based on available capital, liquidity and current income.

The Bank has chosen the following assumptions and parameters for regulatory calculations:

- A statistical approach has been chosen for the replication keys and payment flows for "category II to IV" balance sheet items.
- Cash flows are discounted based on average rates, and intermediate rates are calculated by linear interpolation.
- The income effect is calculated based on the scenario where the balance sheet is considered "constant," and the size and structure of the balance sheet are maintained; this assumes a like-for-like replacement of maturing assets and liabilities.

The limits are expressed as:

- sensitivity limits of the economic value of equity (EVE)
- sensitivity limits of the net interest margin over a rolling year (NII)

The Bank has implemented the FINMA scenarios on the interest rate risk in the banking portfolio published in the circular 2019/2. These scenarios cover EVE changes as well as the impact on NII of interest rate shock scenarios.

TABLE IRRBBA1: INTEREST RATE RISK - QUANTITATIVE INFORMATION ON THE EXPOSURE'S STRUCTURE AND INTEREST RATE REPRICING DATE (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

Defined interest rate repricing date	Volume in million of CHF			Average interest rate repricing date (in years)		Maximum interest rate repricing period (in years) for exposures with modeled (non-predetermined) interest rate repricing dates	
	Total	Of which in CHF	Of which other currencies*	Total	Of which in CHF	Total	Of which in CHF
Amounts due from customers	177,549	87,822	89,105	0.23	0.30		
Fixed-rate mortgages	19,506	19,506	-	0.25	0.25		
Financial investments	238,291	-	238,291	0.82	-		
Receivables from interest-rate derivatives	197,376	13,373	108,386	0.10	0.09		
Payables from interest-rate derivatives	(186,965)	(3,598)	(125,720)	0.10	0.12		
Undefined interest rate repricing date	Total	Of which in CHF	Of which other currencies*	Total	Of which in CHF	Total	Of which in CHF
Amounts due from banks	198,598	12,603	139,275	0.08	0.08		
Amounts due from customers	189,254	46,193	142,669	0.22	0.22		
Amounts due to customers	(667,893)	(22,245)	(580,607)	0.22	0.22		
Other payables	(106,265)	(103,049)	(2,977)	0.08	0.08		
Total	59,451	50,605	8,422	2.12	1.38		

*Significant currencies that make up more than 10% of assets or liabilities

TABLE IRRBB1: INTEREST RATE RISK - QUANTITATIVE INFORMATION ON THE EXPOSURE'S NET PRESENT VALUE AND INTEREST RATE INCOME (EXPRESSED IN THOUSANDS OF SWISS FRANCS)

	EVE (changes in the net present value)		NII (changes in the discounted earnings value)	
	31/12/24	31/12/23	31/12/24	31/12/23
Parallel upward shift	(2,497)	(976)	(783)	(1,023)
Parallel downward shift	2,562	1,000	765	1,002
Steeper curve shock	1,070	480		
Flatter curve shock	(1,516)	(670)		
Upward short-term interest rate shock	(2,206)	(964)		
Downward short-term interest rate shock	2,259	987		
Maximum	2,497	976	783	1,023
			31/12/24	31/12/23
Tier 1 capital			217,079	199,525

TABLE ORA: OPERATIONAL RISKS

Operational risk is the risk of financial losses attributable to personnel, to an inadequacy or to a failure of processes, systems, or external events. Theft, fraud, cyberattacks, unauthorized transactions, system errors, human error, misinterpretation of laws and regulations, litigation or disputes with clients, inappropriate business practice conduct, or property damage are just a few examples of events likely to cause financial loss, harm the Bank's reputation, or lead to regulatory penalties or sanctions. Although operational risk cannot be eliminated entirely, it can be managed in a thorough and consistent manner to keep it at an acceptable level. The Bank's operational risk management framework is built on the concept of three lines of defence and provides a clear allocation of responsibilities for all such levels.

The operational risk management framework is described in the Risk Management Policy. The operational risk management framework is aligned with the Bank's risk appetite and is made up of policies, standards, and/or procedures specific to each operational risk, which fall under the responsibility of specialized departments. Effective management of operational risk contributes to the operational resilience of the Bank, which ensures the implementation of an efficient approach in this respect.

The Bank has implemented and adapted its internal policies and procedures to comply with the requirements of FINMA Circular 2023/1, in particular with regards to the management of critical data and cyber risk, as well as ensuring operational resilience globally.



05 Addresses

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