



VZ Group

2021

Results and outlook

Appendix: company overview

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Roundings

Numbers may differ slightly from the published income statements due to rounding differences. All financial information in this presentation ended 30 June is unaudited and is prepared under the same recognition and measurement principles applied for the audited annual financial statements.

Adjustments and Alternative Performance Measures (APMs)

The SIX Exchange Directive on the Use of Alternative Performance Measures does not apply on this investor presentation.

Agenda



1. Facts and figures

2. Financials

3. Outlook

4. Appendix

Summary 2021



Business development

- Growth in all business lines:
 - Positive new client inflow and sentiment
 - Strong demand for both consulting and platform services
 - Strong AuM-related revenues due to positive financial markets and stabilised AuM margin
- 8'100 consulting clients converted to platform services (+27.4%)
- Growth of front-end consulting capacity +9.3% to 188 FTEs (avg. 2021, 2022e: 204 FTE)
- NNM inflow per consulting FTE at CHF 25.6 million (target range 17-20 million)
- UK: acquisition and integration of “Lumin Group” (independent financial advisor based in St. Albans/London)
- Finanzportal: Successful migration of existing clients to upgraded version

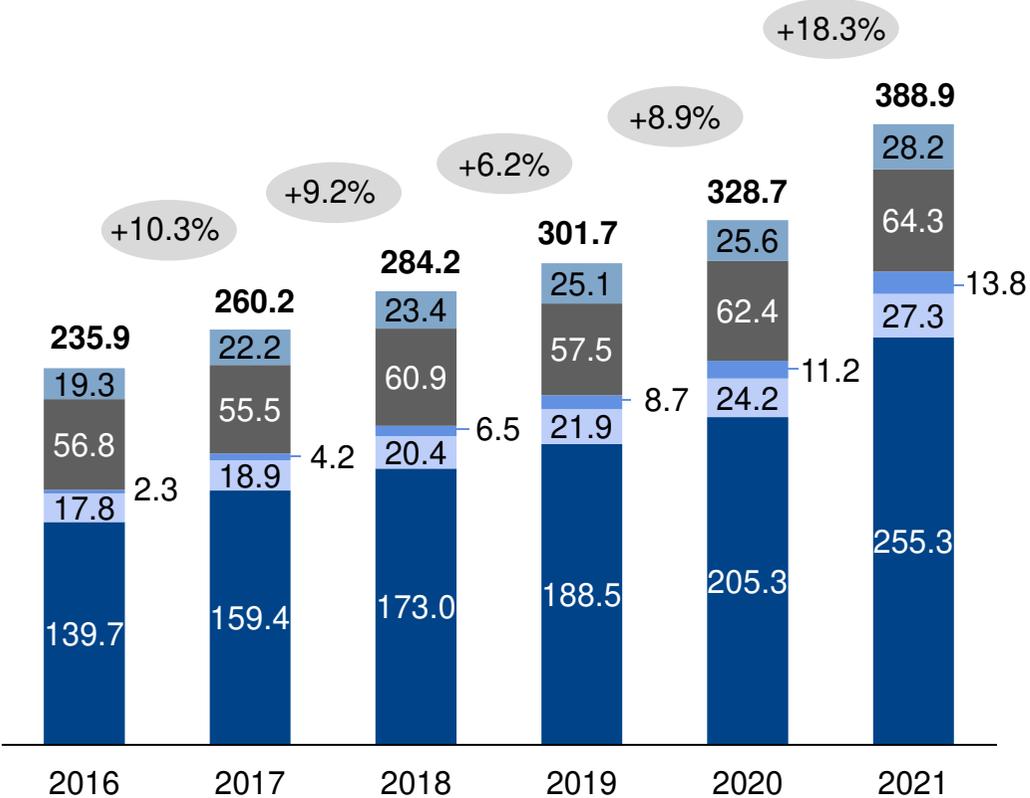
Financials

- Top line +18.3% yoy to CHF 388.9 million
- Operating expenses +15.8% to CHF 201.0 million
 - Personnel expenses +12.3% yoy
 - Other operating expenses +25.1% yoy
- EBIT margin: 43.1% (2020: 41.7%)
- Bottom line +21.9% yoy to CHF 143.2 million, net profit margin: 36.8% (2020: 35.7%)
- Solid balance sheet
 - Equity ratio: 12.1%
 - BIS CET 1: 25.2%
- NNM: CHF 4'804 million (2020: CHF 3'206 million)
- Assets under management: CHF 39.0 billion (31.12.2020: CHF 31.5 billion)



Revenues: +18.3% yoy

in CHF million



Total revenues +18.3% yoy

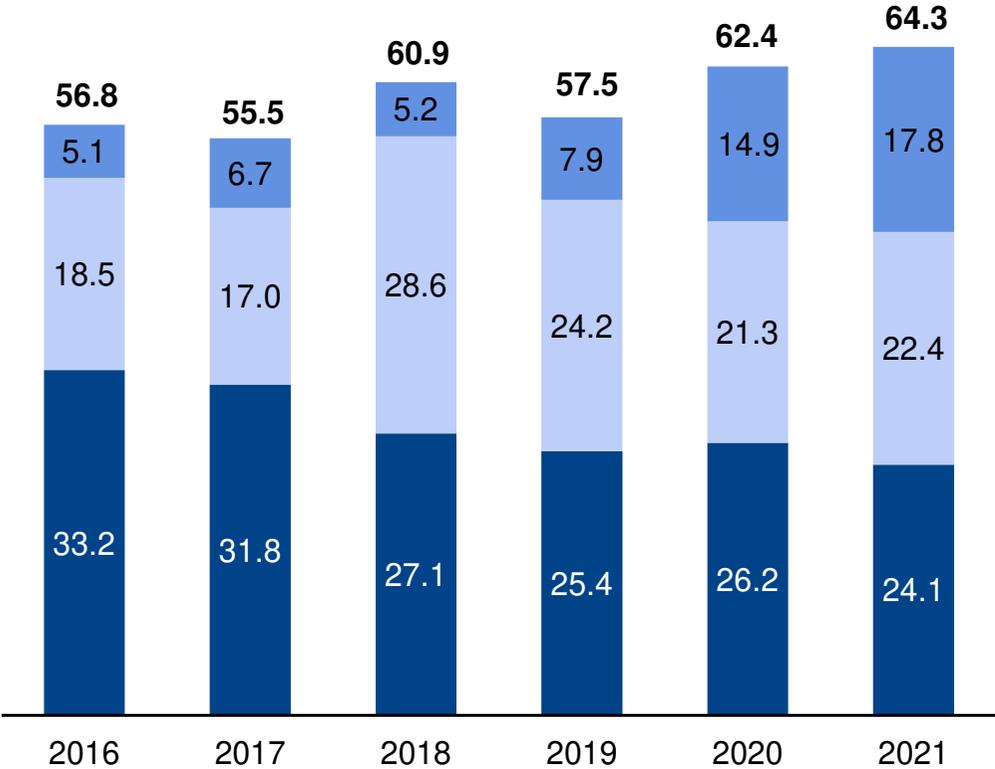
- Consulting fees¹ +10.2% yoy
- Banking income from interest business, commissions and trading activities +3.0% yoy
- Net earned premiums +23.2% yoy
- Other management fees +12.8% yoy
- Management fees on AuM +24.4% yoy

1 Incl. other revenues



Banking income: volatile and difficult to predict

in CHF million

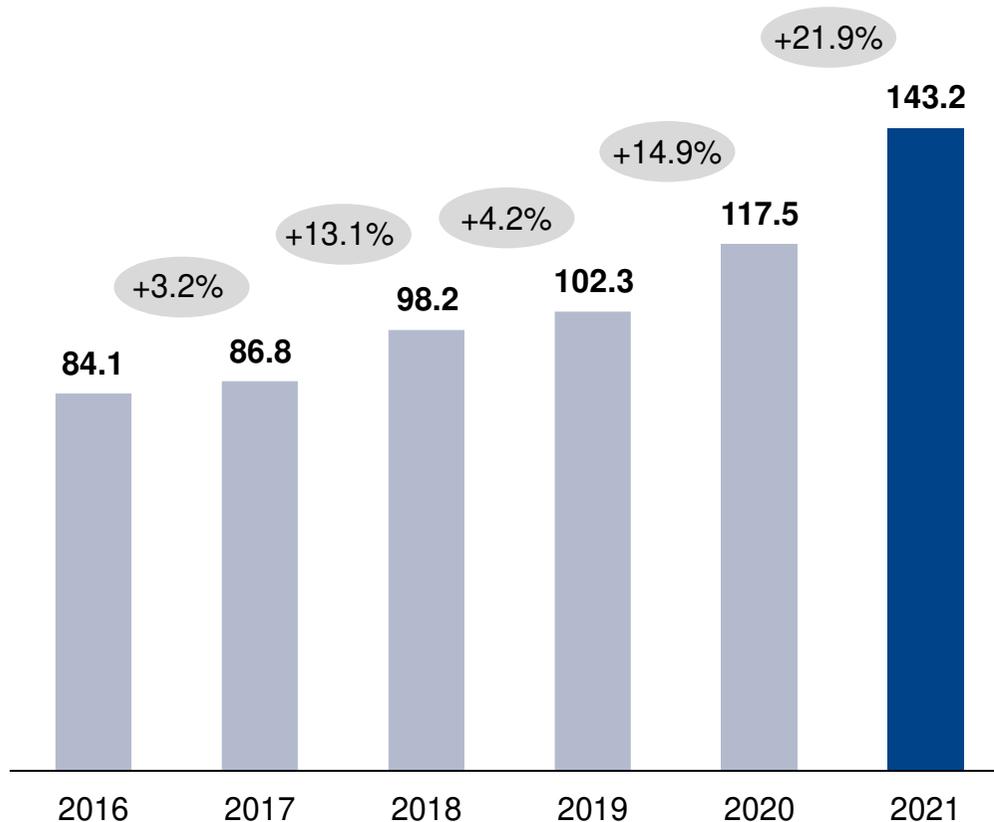


- Interest business:**
Increasing SNB exemption threshold leads to higher net interest result.
- Trading result:**
Random development driven by financial markets.
- Transaction fees:**
General ongoing decline due to strong demand for all-in fee models.



Net profit: +21.9% yoy

in CHF million



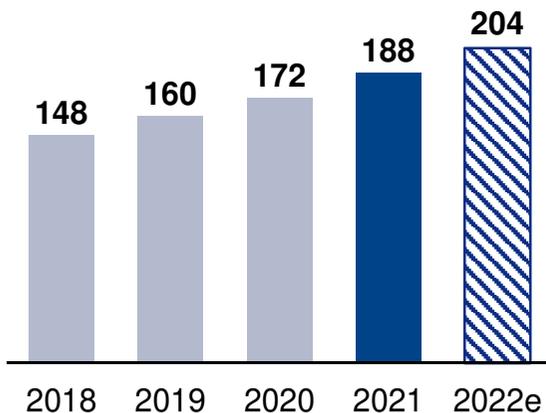
- Operating margin (EBIT) at 43.1% (2020: 41.7%, long-term target: 42%)
 - Revenues +18.3%
 - Operating expenses +15.8%
- Net profit margin 36.8% vs 35.7% in 2020 (long-term target: 36%)
- Disproportionate increase of net profit primarily driven by AuM-related revenues



Financial Consulting: NNM above target corridor

Capacity growth

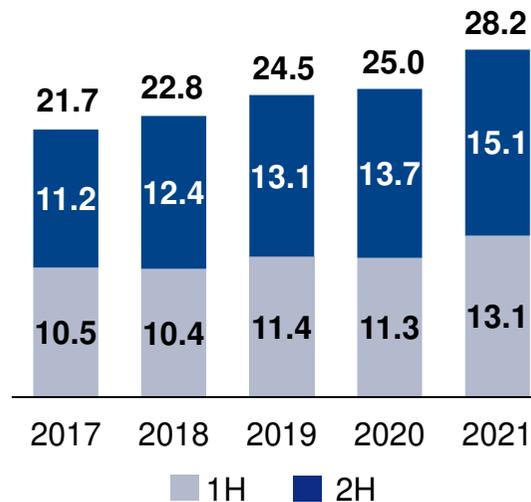
in FTE (average per calendar year)



- FC full-time equivalents (FTE) with client and budget responsibility
- PCC profile equals 50% FC profile
- Wealth managers and UK consultants not included
- Further capacity increase planned

Consulting revenues

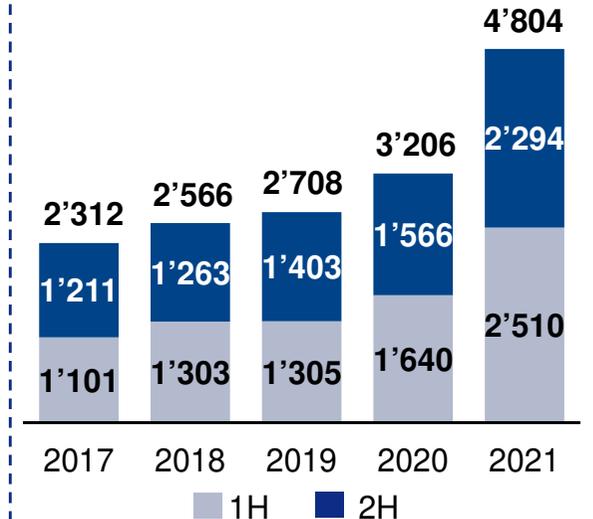
in CHF million



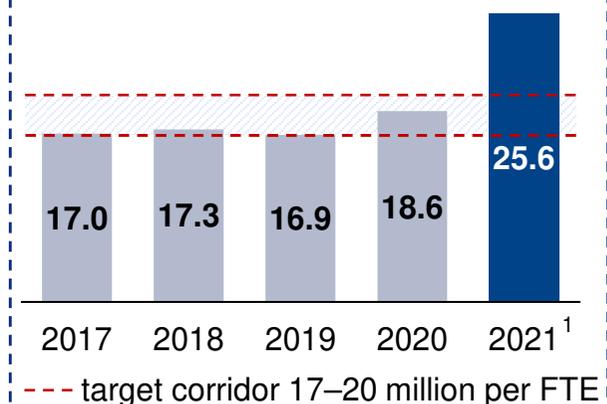
- Consulting projects enable introduction to wealth management services (“platforms”)

Net new money (NNM)

in CHF million



per FTE in CHF million



¹ 1H: CHF 26.7 million annualised; 2H: CHF 24.4 million annualised



Wealth Management: AuM +24.0%

in CHF million

	31.12.17	31.12.18	31.12.19	31.12.20	31.12.21	yoy
AuM total	21'775	23'056	27'627	31'459	39'002	+24.0%
• PM mandates <i>Share of total AuM</i>	13'136 60.3%	13'641 59.2%	16'715 60.5%	19'061 60.6%	24'818 ² 63.6%	+30.2%
• Others ¹ <i>Share of total AuM</i>	8'639 39.7%	9'415 40.8%	10'912 39.5%	12'398 39.4%	14'184 36.4%	+14.4%
NNM total	2'312	2'566	2'708	3'206	4'804	+49.8%
# WM clients ³	33'276	37'803	42'776	49'194	57'373	+16.6%
Δ WM clients	+3'800	+4'527	+4'973	+6'418	+8'179	+27.4%

1 Incl. mortgages under management and portfolios under client management

2 Incl. UK CHF 843 million

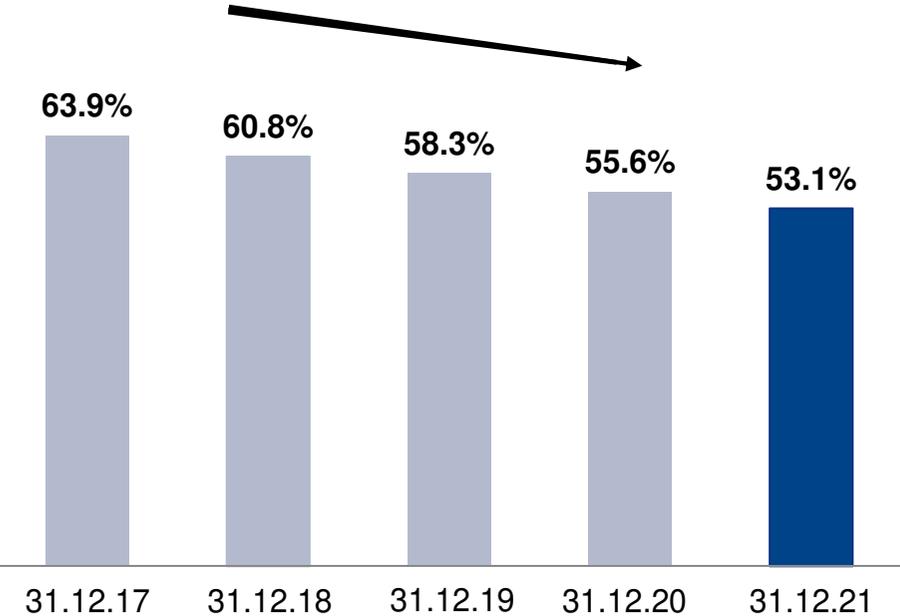
3 Excl. UK WM clients

Platform usage among WM clients

CH clients only

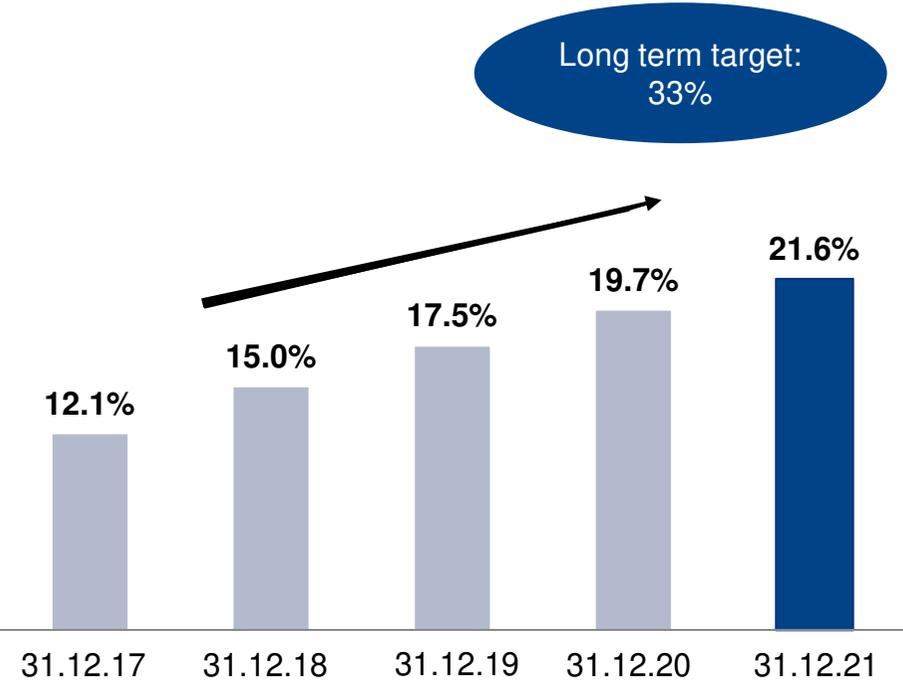
1 platform per client

Share of WM clients who use 1 platform only, in % of WM clients



3+ platforms per client

Share of WM clients who use 3+ platforms, in % of WM clients

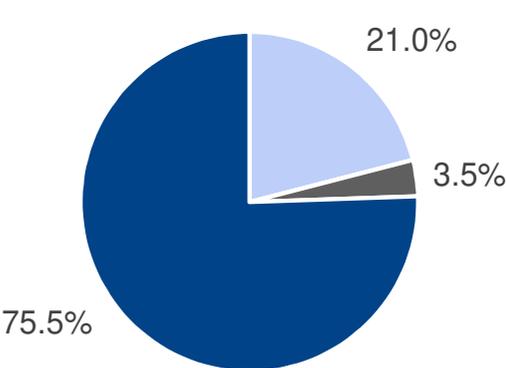




Client Satisfaction: Net Promoter Score (NPS¹)

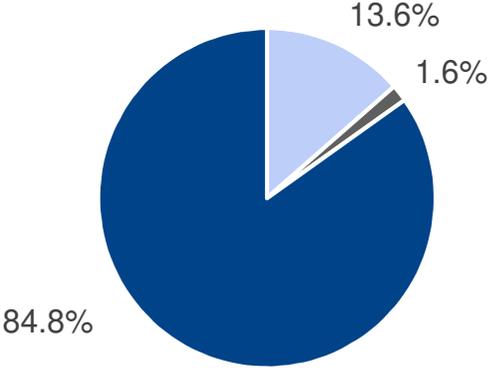
Consulting clients

NPS: 72.1



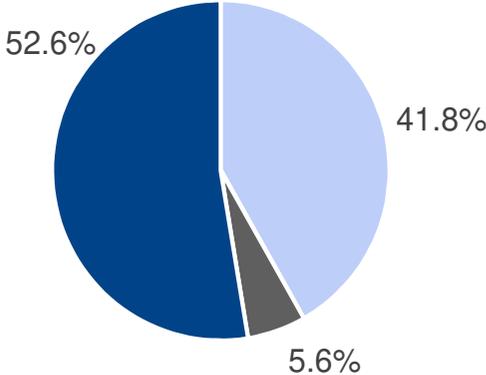
Portfolio management clients

NPS: 83.1



VZ Finanzportal

NPS: 46.9



- Promoters (9, 10)
- Passives (7, 8)
- Detractors (0-6)

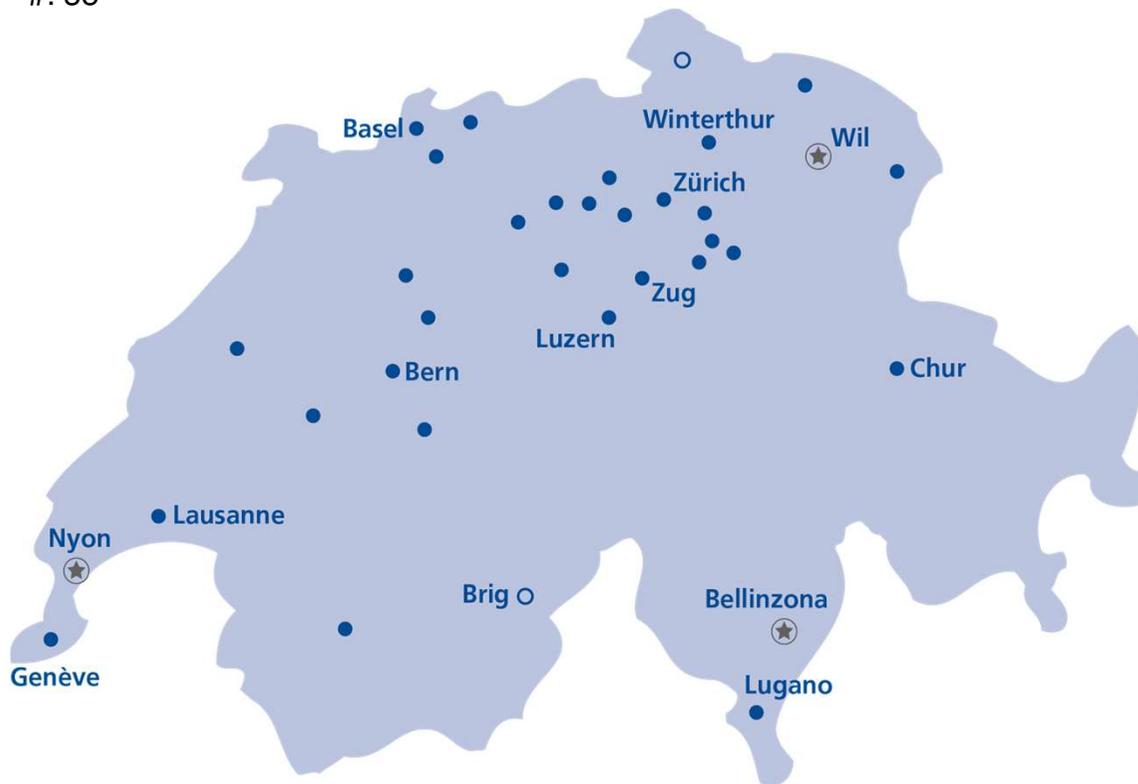
¹ Score based on a 0-10 scale answering the question 'how likely is it that you would recommend VZ?' (10 = extremely likely, 0 = not at all likely) VZ internal inquiries.

Branch offices



Switzerland

#: 35



- branch office
- satellite
- ★ new branch/satellite office planned

Germany

#: 5



United Kingdom

#: 2



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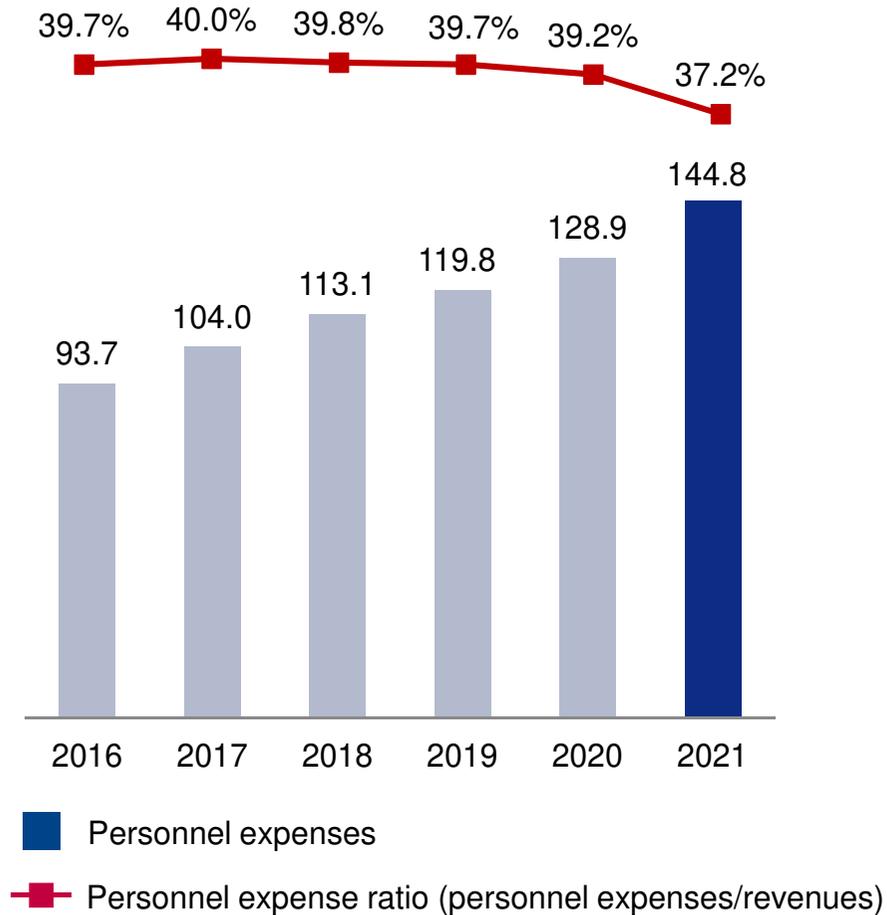
Income statements (2)

in CHF million

	2018	2019	2020	2021	yoy
EBITDA	127.2	142.4	155.1	187.9	+21.1%
Depreciation and amortisation	10.4	17.6	18.1	20.4	+12.7%
EBIT	116.8	124.8	137.0	167.5	+22.3%
Net finance income	-0.1	-0.5	-0.4	-0.6	n.m.
Profit before income tax	116.7	124.3	136.6	166.9	+22.2%
Income tax	18.5	22.0	19.1	23.7	+24.1%
Net profit	98.2	102.3	117.5	143.2	+21.9%

Personnel expenses

in CHF million



- Personnel expenses +12.3% yoy
- Improved personnel expense ratio due to tailwind of AuM-related revenues
- Personnel development

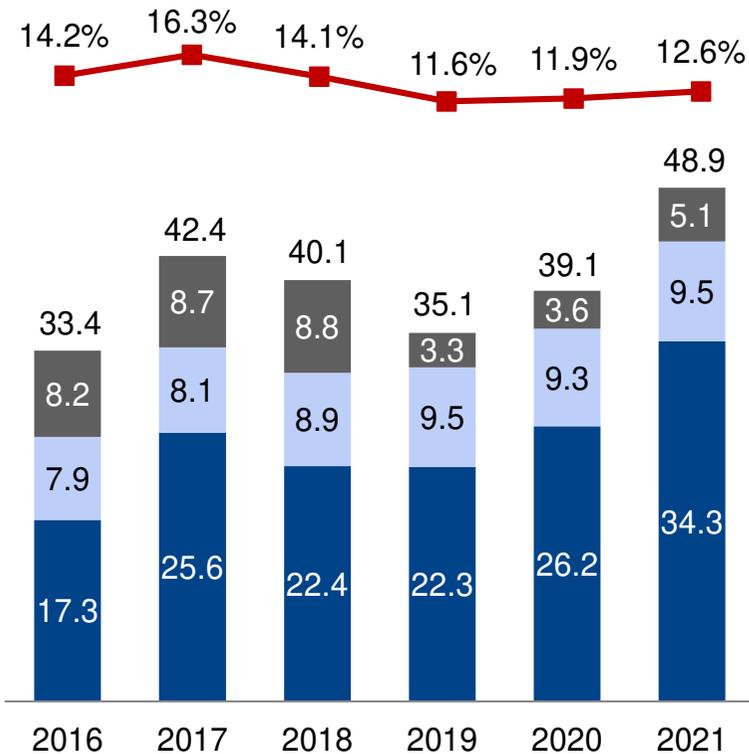
	31.12.19	31.12.20	31.12.21
FTE ¹	944.8	1'035.7	1'142.5

- 1H 2021: +53.5 FTE (whereof +36.2 Lumin FTE)
2H 2021: +53.3 FTE
- Long-term personnel expense ratio: 39%

¹ FTE/HC-ratio: 0.85

Other operating expenses

in CHF million

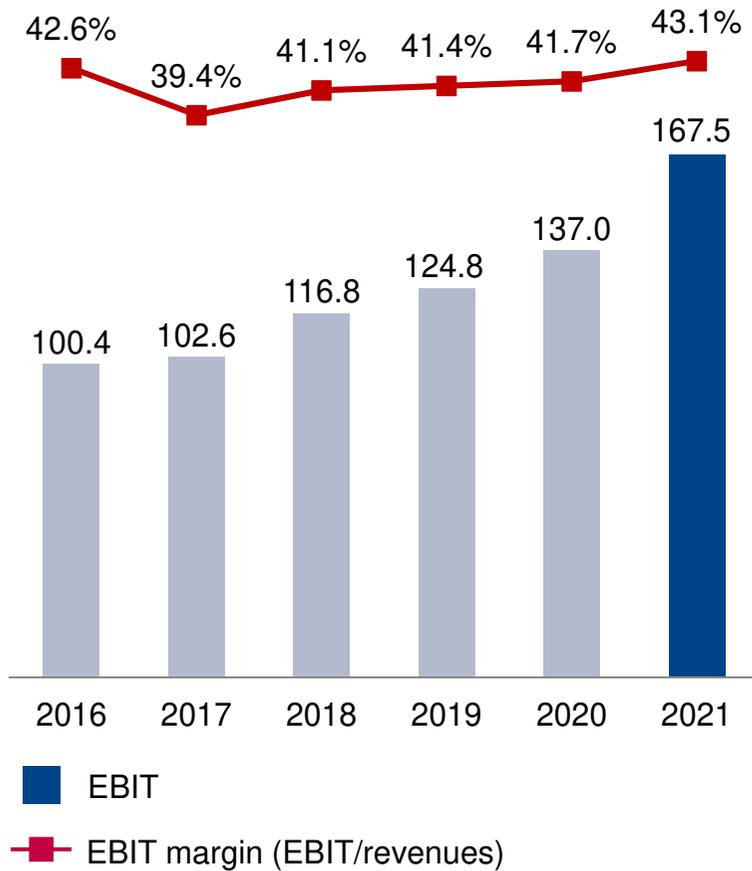


- Premises expenses
- Marketing expenses
- General and administrative expenses
- Other operating expense ratio (other operating expenses/revenues)

- Other operating expenses +25.1% yoy
 - Office space +41.7% yoy (adj. for IFRS 16: +19.0%)
 - Marketing expenses +2.2% yoy
 - General and administrative expenses +30.9% yoy mainly due to IT-related investments, UK-acquisition and upgraded financial portal
- Long-term other operating expense ratio: between 11% and 13%.

EBIT and margin

in CHF million



- EBIT +22.3% yoy
- EBIT long-term margin target: 42%
- No significant leverage expected going forward

Balance sheets

in CHF million

	31.12.20	31.12.21
Cash & cash equivalents	1'630.2	1'799.1
Short-term investments	116.4	89.3
Swiss prime residential mortgages	2'371.8	2'903.0
CHF bonds, marketable securities	600.5	703.6
Subtotal financial investments	4'718.9	5'495.0
Property, equipment and intangibles	146.7	167.7
Other assets	107.6	108.1
Total assets	4'973.2	5'770.8
Customer deposits	3'289.9	3'874.4
Long-term debts	409.5	410.4
Other liabilities	657.1	786.3
Total liabilities	4'356.5	5'071.1
Total equity	616.7	699.7

- Balance sheet total on the reporting date is somewhat coincidental; it does not fully reflect the underlying business development.
- High cash & cash equivalents due to balance sheet optimisation relating to SNB exemption threshold.
- Financial investments:
 - Low risk profile
 - Average time to maturity
2021: 1.8 years
(2020: 1.7 years)



Equity and payout ratios

Payout ratios	2019	2020	2021	Equity ratios	31.12.19	31.12.20	31.12.21
in CHF million							
Net profit	102.3	117.5	143.2	Total equity in CHF million	549.8	616.7	699.7
Retained earnings	62.2	69.2	81.4				
Dividend total	40.1	48.3	61.8 ^{1,2}	Equity ratio ³	13.6%	12.4%	12.1%
<i>Dividend per share</i>	<i>1.02</i>	<i>1.23</i>	<i>1.57¹</i>	BIS CET1	27.7%	26.6%	25.2%
Payout ratio	40%	42%	44%	BIS T1 & T2	27.7%	26.6%	25.2%

Treasury shares	31.12.19	31.12.20	31.12.21
Number (in '000)	608	732	621
Book value in CHF million	33.4	44.3	41.5

1 Subject to the General Assembly's approval (12 April 2022)

2 Subject to the number of treasury shares as per dividend payment date

3 Equity compared to balance sheets' total (leverage ratio)

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Business development

- Continuous work on increasing new client inflow, consulting capacity, client conversion and platform usage
- VZ Finanzportal: further develop digital cockpit with additional features, including professional e-trading desktop and crypto-currency trading
- Germany: further work on marketing to increase new client inflow
- UK: refine marketing approach to win new clients, start of internal advisor trainee program and further work on smaller IFA acquisitions.
- 2023: Matthias Reinhart assumes Chairman-position from Fred Kindle, Giulio Vitarelli takes over from Matthias Reinhart as Group-CEO.

Financials

- Top and bottom line growth figures expected to be in the range of the last years, provided stable development of financial markets
- Transaction based revenues continue to be unpredictable
- EBIT- and net profit margin back to target levels
- Dividend payout: gradual increase from 44% to 50% over the coming years

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What does VZ do?

Target clients...



- Homeowners
- Employees on management level
- Entrepreneurs

... seek expert advice...

- Retirement planning (employees)/ succession planning (entrepreneurs)
- Estate planning
- Investment advice
- Real estate financing and development
- Tax planning
- Insurance optimisation

... and solid implementation

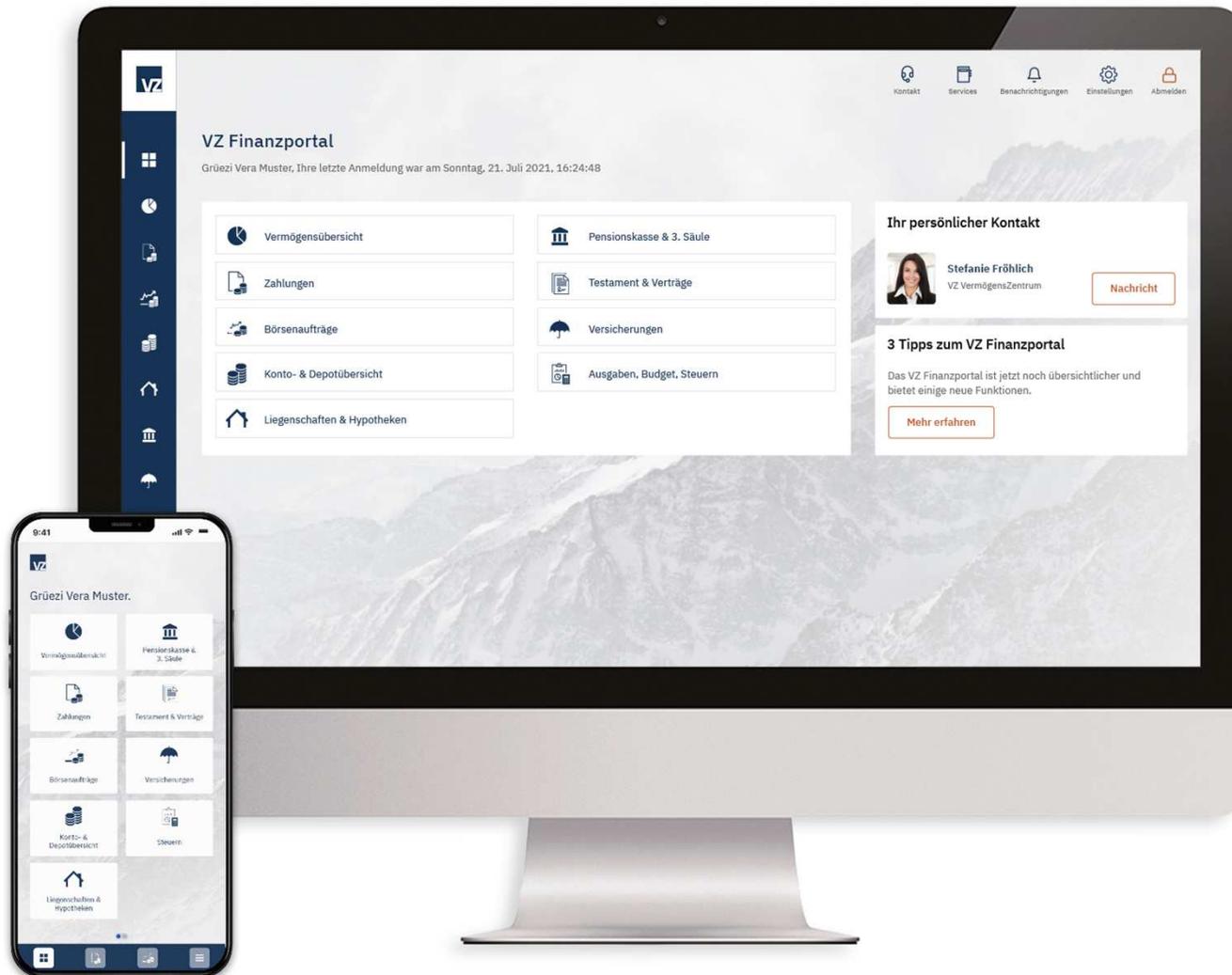
- ① Portfolio management
 - Discretionary mandates
 - Advisory mandates
 - ② Banking services
 - Custody, TX/FX
 - Payment services online / offline
 - ③ Mortgages
 - ④ Pension fund and 3rd pillar solutions, individualised tax deferred provision schemes
 - ⑤ Insurance coverage
- + Digital cockpit VZ Finanzportal

VZ advantage

**profound expertise,
no conflicts of interest**

**competitively priced, transparent,
comprehensive**

VZ Finanzportal



Strong brand recognition

Brand associated with expertise, quality and independence

Periodical



Books



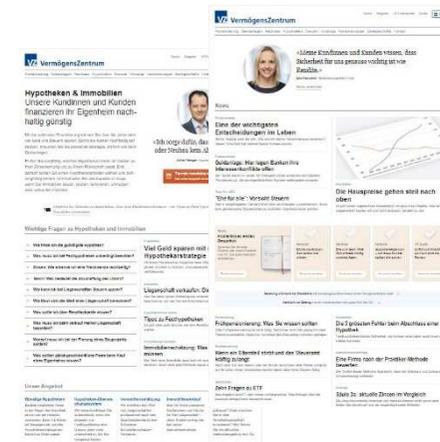
Seminars



Media coverage



Online/Newsletters

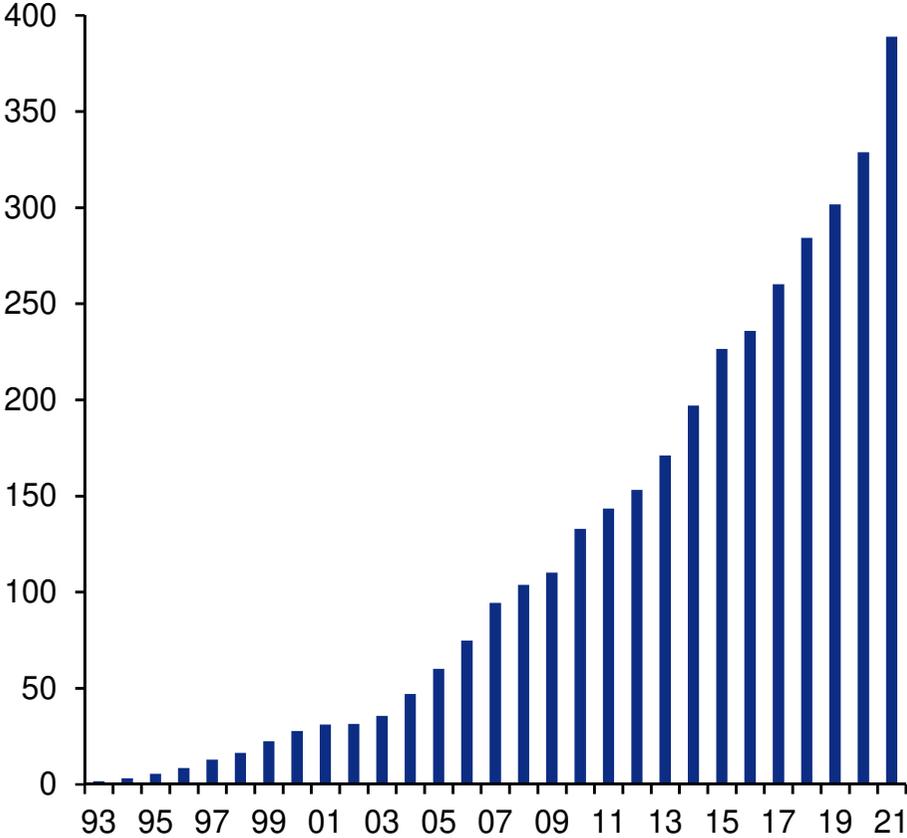




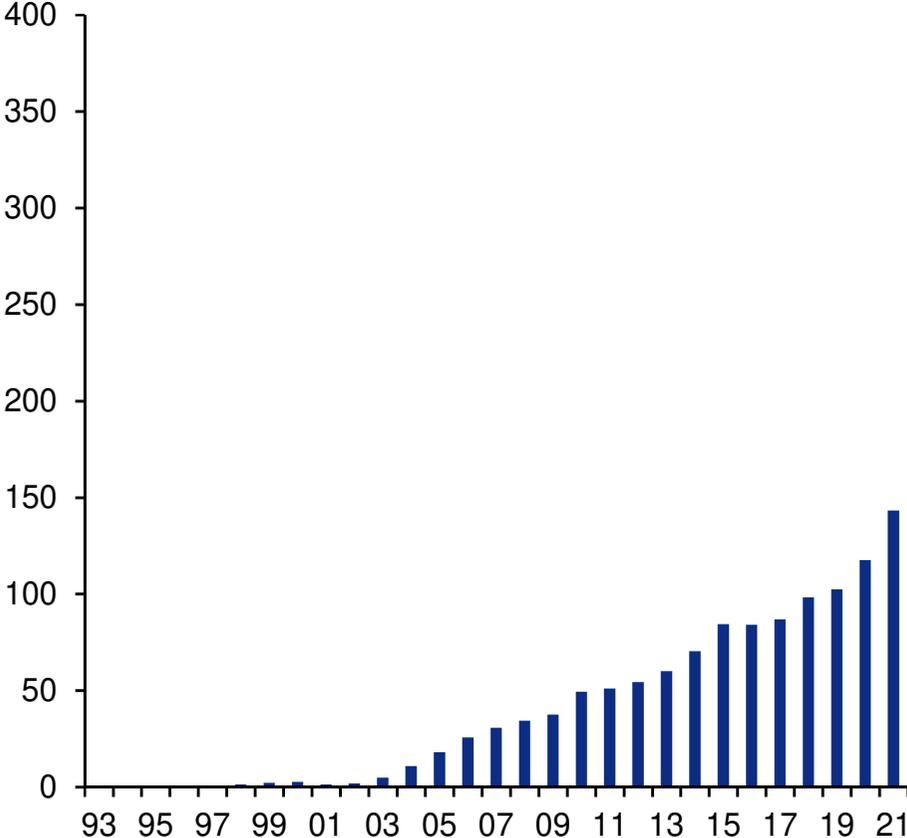
Long track record of organic growth and profitability

in CHF million

Operating revenues¹



Net profit¹



¹ 1993–2003 according to SWISS GAAP; 2004–2020 according to IFRS