



BANKING CIRCLE (LIECHTENSTEIN) AG

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2025**

Table of Contents

General Information.....	4
Directors' Report	5
Balance Sheet	7
Profit and Loss Account	9
Appropriation of Profit	10
Note 1 – Corporate information.....	11
Note 2 – Basis of preparation.....	12
Note 3 – Material accounting policies.....	12
Note 4 – Cash and cash equivalents.....	15
Note 5 – Due from Banks	15
Note 6 – Bonds or other fixed interest-bearing Securities.....	15
Note 7 – Shares in affiliated companies.....	15
Note 8 – Own shares or Holdings	16
Note 9 – Tangible Assets	16
Note 10 – Other Assets.....	16
Note 11 – Prepayments and accrued income	17
Note 12 – Due to Banks.....	17
Note 13 – Amounts owed to clients.....	17
Note 14 – Amounts owed to Pension Funds	17
Note 15 – Other liabilities	17
Note 16 – Accrued expenses	18
Note 17 – Provisions.....	18
Note 18 – Provision for general banking risks.....	18
Note 19 – Subscribed capital.....	18
Note 20 – Shareholders' Equity.....	19
Note 21 – Assets and liabilities denominated in foreign currencies.....	19
Note 22 – Related party disclosures.....	19
Note 23 – Maturity Structure of assets, liabilities and provisions	21
Note 24 – Off-balance sheet Transactions	21
Note 25 – Geographical analysis of income	22
Note 26 – Interest income and expense	22
Note 27 – Fee and commission income and expense	22
Note 28 – Income from Financial Transactions.....	23
Note 29 – Staff.....	23

Note 30 – General and administrative expenses	23
Note 31 – Current Income Tax	23
Note 32 – Risk Management	24
Note 33 – Overview of Collateral	26
Note 34 – Trading Positions comprising securities and precious metals	26
Note 35 – Securities and precious metals held as current assets (excluding Trading Positions).....	26
Note 36 – Securities and precious metals held as non-current assets	26
Note 37 – Securities negotiable on the Stock exchange	26
Note 38 – Information on own shares or holdings in non-current assets	26
Note 39 – Participations and shares in affiliated companies	26
Note 40 – Return on assets	26
Auditors Report.....	27

General Information

Board of Directors

Michael Hansen (Chairman of the Board)	Luxembourg
Laust Bertelsen (Member)	Luxembourg
Morten Juhl Lilleøre (Member)	Luxembourg
Giuseppina Epicoco (Independent member from 18 Dec 2025)	Liechtenstein
Matthias Niedermüller (Independent member until 18 Dec 2025)	Liechtenstein

Executive Board

Lise Damkjaer (Chairman) - Chief Executive Officer
Shyamala Moorthy-Scharfenberg (Member) - Chief Financial Officer
Marcel Wyss (Member) - Chief Risk Officer

Registered Office

Industriering 40
LI-9491 Ruggell

Auditors

Ernst & Young Ltd
Maagplatz 1
Postfach
CH-8010 Zürich

Directors' Report

For the year ended 31 December 2025

In accordance with statutory and legal requirements, the Board of Directors of Banking Circle (Liechtenstein) AG (the "Banking Circle") has the pleasure of presenting their report on the financial statements covering the year from 1 January 2025 to 31 December 2025.

The Board of Directors fulfilled the tasks assigned to them by law and the articles of association in full. The bank, represented by its Management Board, reported to the Board of Directors regularly and promptly on circumstances and business development at the Bank. Four joint ordinary meetings of the Board of Directors were held in 2025 at which the Management Board reported in detail on ongoing business activities, the company's position, issues of business and risk policy, and other key events. Various circular resolutions were also passed.

The Board of Directors ruled on the transactions presented to it for approval. The Management Board complied with its obligation to report to the Board of Directors in accordance with the requirements governing risk management and the Compliance function as well as the applicable laws and ordinances.

Between meetings, the CEO briefed the Board of Directors on significant developments and decisions by the Management Board on an ongoing basis. Matters concerning the internal control system and accounting were also discussed.

The report by the Board of Directors, the annual financial statements and management report for the 2025 financial year were audited by EY, which deemed them compliant with the statutory requirements.

Overview of activities

Banking Circle (Liechtenstein) AG, a subsidiary of Banking Circle S.A. a European credit institution incorporated in the Grand Duchy of Luxembourg, is a Financial Institution under the supervision of the Finanzmarktaufsicht (the "FMA"), Liechtenstein's financial supervisory authority.

The Banking Circle Group has branches in Germany, Denmark, Norway, Sweden, Poland, Czech Republic and the UK, and in addition to Liechtenstein, subsidiaries in Australia and Singapore and a 'sister' banking entity in the US.

Banking Circle provides European banking services to three groups of global clients:

- Payment Companies (acquirers, payment service providers, alternative payments method providers and other entities delivering financial services in the digital space such as non-bank foreign exchange companies);
- Banks; and
- Large corporates of strategic interest.

Services provided to these groups consist of payment services and deposit accounts in Swiss Franc.

Banking Circle S.A. has built a single global payments platform with interoperability at its core. An industry gamechanger, it combines pioneering technology and the established central bank clearing system to provide ultra high-speed access to global, multi-currency instant payment schemes.

Directors' Report (Continued)

For the year ended 31 December 2025

Banking Circle S.A.'s technology stack was built with this single purpose and focus, exemplified by a single API, that enables customers to accelerate their payments systems dramatically once they bank with one or multiple of the Banking Circle entities.

Financial development in 2025

Banking Circle initiated its business in 2025 after being granted a Banking License in 2024. The Bank showed from the beginning great stability and scalability and processed more than 500,000 payments with a value of ~ 4 billion Swiss Francs in 2025.

Expected future developments

Banking Circle is expected to continue having very strong growth during the coming years, within the existing markets, client segments and products.

Research and development

The Bank was not involved in any research activity in 2025.

Own shares

During 2025 the Bank did not acquire any of its own shares.

Allocation of the result for the year

The Bank is closing the financial year ended 31 December 2025 with a profit of CHF 193,052. We propose to allocate 5% of the profit including Profit 2024 (CHF 90,341) i.e. CHF 12,037 to the legal reserve until this reserve equals 10% of the subscribed capital (i.e. CHF 1,005,000). This reserve may not be distributed. We propose to allocate the remaining amount to retained earnings.

Events after the reporting date

There were no other significant subsequent events which have significantly affected or may significantly affect the Bank.

Liechtenstein, 27 March 2026

On behalf of the Board of Directors



Michael Hansen
Chairman of the Board



Laust Bertelsen
Member of the Board

Balance Sheet As at 31 December 2025

Assets	Notes	2025 CHF	2024 CHF
Cash and cash equivalents	<u>4</u>	25,002,818	-
Due from Banks	<u>5</u>	485,128	10,345,767
a) due on a daily basis		166,860	10,345,767
- of which from affiliated Undertakings		99,949	307,050
b) other claims		318,268	-
- of which from affiliated Undertakings		318,268	-
Intangible assets		-	-
Tangible assets	<u>9</u>	11,092	11,792
Other assets	<u>10</u>	3,921	6,623
Prepayments and accrued income	<u>11</u>	319,579	98,833
Total Assets		25,822,538	10,463,015

Balance Sheet (Continued)

As at 31 December 2025

Liabilities	Notes	2025	2024
		CHF	CHF
Due to Banks	<u>12</u>	15,072,910	-
a) due on a daily basis		15,072,910	-
- of which due to affiliated companies		15,072,910	-
Amounts owed to clients	<u>13</u>	2,250	-
a) due on a daily basis		2,250	
Other liabilities	<u>15</u>	120,758	184,629
Accrued expenses	<u>16</u>	316,872	178,889
Provisions	<u>17</u>	19,000	1,800
Provision for general banking risks	<u>18</u>	-	-
Total Liabilities		15,531,790	365,318
Equity			
Subscribed capital	<u>19, 20</u>	10,050,000	10,050,000
Capital reserves		-	-
Revenue Reserves		-	-
Results brought forward	<u>20</u>	47,696	(42,645)
Profit for the financial year		193,052	90,341
Total Liabilities and Equity		25,822,538	10,463,015

The accompanying notes form an integral part of these financial statements
BANKING CIRCLE (LIECHTENSTEIN) AG | FINANCIAL STATEMENTS 2025

Profit and Loss Account

For the year ended 31 December 2025

	Notes	2025 CHF	2024 CHF
Interest receivable and similar income	<u>26</u>	125,372	39,106
Interest payable and similar charges	<u>26</u>	(124,271)	-
Fee and commission income	<u>27</u>	1,215,001	-
Fee and commission expense	<u>27</u>	(171,514)	(543)
Income from financial transactions	<u>28</u>	1,743	(1,318)
Other net operating income	<u>22</u>	1,048,592	995,554
Gross operating income		2,094,923	1,032,799
General administrative expenses			
a) Personnel expenses	<u>29</u>	(840,761)	(433,677)
<u>of which:</u>			
- <i>wages and salaries</i>		(727,839)	(375,929)
- <i>social security contributions</i>		(112,922)	(57,748)
<u>of which:</u>			
- <i>social security contribution relating to pension</i>		(41,144)	(22,612)
b) General and administrative expenses	<u>30</u>	(1,039,355)	(505,480)
Value adjustments in respect of intangible and tangible assets	<u>9</u>	(2,755)	(1,501)
Carried forward:		212,052	92,141

The accompanying notes form an integral part of these financial statements
BANKING CIRCLE (LIECHTENSTEIN) AG | FINANCIAL STATEMENTS 2025

Profit and Loss Account (Continued) For the year ended 31 December 2025

	Notes	2025 CHF	2024 CHF
Brought forward:		212,052	92,141
Profit on ordinary activities before tax		212,052	92,141
Tax charges on profit on ordinary activities	<u>31</u>	(19,000)	(1,800)
Profit on ordinary activities after tax		193,052	90,341
Profit for the financial year		193,052	90,341

Appropriation of Profit

CHF	2025	2024
Net Income for the Year	193,052	90,341
Retained earnings brought forward	47,696	(42,645)
Retained earnings	240,748	47,696
Appropriation of Profit		
Allocation to legal Reserve	(12,037)	-
Retained earnings to be carried forward	228,711	47,696

The Board of Directors propose to allocate CHF 12,037 to legal reserve and the allocation of the rest of the profit to retained earnings.

Notes to the Financial Statements

Note 1 – Corporate information

Banking Circle (Liechtenstein) AG (the "Bank" or "Banking Circle") is an incorporated joint-stock company listed in the commercial register of the Principality of Liechtenstein under FL-0002.680.447-8 and is headquartered in Industriering 40, Ruggell.

The financial year of the Bank starts on 1 January and ends on 31 December each year.

Banking Circle provides banking services in Swiss Francs to three groups of global clients:

- Payment Companies (acquirers, payment service providers, alternative payments method providers and other entities delivering financial services in the digital space such as non-bank foreign exchange companies);
- Banks; and
- Large corporates of strategic interest.

Services provided to these groups consist of payment services and deposit accounts. Banking Circle does not provide services to consumers or retail clients.

As at 31 December 2025, the Bank is a fully owned subsidiary of Banking Circle S.A. with its headquarters in Luxembourg.

Notes to the Financial Statements (*Continued*)

Note 2 – Basis of preparation

2.1 General principles

Bookkeeping, accounting and valuation are carried out in accordance with the provisions of Liechtenstein Persons and Company Law, the Liechtenstein Banking Act and the associated Ordinances. The annual accounts provide a true and fair view of the net assets, financial position and earnings situation of Banking Circle (Liechtenstein) AG. The accounting and valuation methods given below are applied to assets and liabilities. The financial statements are prepared on a "going concern basis" and presented in Swiss Francs. All values are rounded to the nearest Swiss Franc, except when otherwise indicated. The balance sheet date is 31 December 2025. The income statement covers the period from 1 January 2025 to 31 December 2025.

The main accounting principles used in the preparation of the financial statements are described below.

2.2 Critical accounting estimates and judgements

The preparation of the financial statements and the application of the accounting policies and methods described below, require critical accounting estimates that involve judgements and the use of assumptions. By their nature, the assessments necessary for drawing up the financial statements require the formulation of hypotheses and carry risks and uncertainties as to their occurrence in the future.

Although the Board of Directors believes that it has taken all available information into account in determining these judgements and estimates, the actual future profits and losses from the operations concerned could differ from these estimates and therefore have a material impact on the financial statements.

Estimates are principally made in the following areas:

- Determination of the useful life and the residual value of tangible fixed assets;
- Estimation of current taxable profit for the recognition and measurement of current taxes and provisions for taxation;

Note 3 – Material accounting policies

3.1 Foreign currency transactions

The Bank maintains its accounting records in Swiss Francs (CHF), and the financial statements are expressed in this currency.

Transactions in foreign currencies are translated into CHF at the exchange rates prevailing at the date of the transactions.

Monetary assets and liabilities in foreign currencies are revalued at the exchange rate prevailing at the balance sheet date. Exchange gains and losses are recorded in the profit and loss account.

Notes to the Financial Statements (*Continued*)

Note 3 – Material accounting policies(continued)

3.1 Foreign currency transactions (continued)

Income and expenses in foreign currencies are translated into CHF at the exchange rates applicable at the date of transaction.

The main exchange rates used at the balance sheet date are as follows:

<u>31 December 2025</u>	<u>31 December 2024</u>
1 EUR = 0.93015 CHF	1 EUR = 0.94058 CHF

3.2 Cash in hand, balances with central banks and post office banks

Cash in hand, balances with central banks and post office banks consist of balances with Central Banks including the mandatory minimum reserve with the Swiss National Bank.

The funds for the minimum reserves are not available for financing the current operations of the Bank. The reserve base, calculated monthly, is based on balance sheet items in accordance with accounting principles. The baseline calculation that determines the reserve requirement is performed by the Central Bank.

3.3 Tangible assets

Tangible assets are carried at purchase price including the expenses incidental thereto, or at production costs, less accumulated depreciation. Depreciation is recognized on a straight-line basis over the estimated remaining useful life of the assets, as follows:

- Movable Fixed Assets – 5 years
- Technical equipment associated with Building - 13 years

Where the Bank considers that tangible assets have suffered a durable decline in value in excess of the accumulated depreciation recognized, an additional write-down is recorded to reflect this impairment. These value adjustments are reversed if the reasons for which the value adjustments were made have ceased to apply.

3.4 Prepayments and Accruals

Expenses incurred before the balance sheet date but attributable to a subsequent financial year and revenue earned but not yet received are shown under the assets item “Prepayments and accrued Income” and Expenses incurred for the FY are shown under the liabilities item “Accrued Expenses” respectively.

Notes to the Financial Statements (*Continued*)

Note 3 – Material accounting policies(continued)

3.5 Taxes

Current tax

The Bank is a fully taxable company and tax resident of Liechtenstein. As such, the Bank is liable for all taxes applicable to Liechtenstein banks. Taxes are accounted for on an accrual basis in the year to which they relate and not in the year in which payment occurs. Accordingly, provisions for taxation have been recorded for the financial years for which no final assessments have been made by the tax authorities.

Tax provisions are disclosed under “Provisions for taxation”

3.6 Provisions

Provisions are intended to cover losses or debts, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created to cover charges which have their origin in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the balance sheet date are either likely to be incurred, or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

3.7 Interest income and charges

All interest income or charges are recorded using the Effective Interest Rate. The calculation takes into account all the contractual terms. The interest received on deposits with credit institutions and interest charged to clients is interest income and the negative interest charged by SNB is interest expense.

3.8 Fee and commission income and charges

The Bank earns fee and commission income from a diverse range of services it provides to its clients. Fees and commissions are earned from providing payment and related services and are fully recognized in the profit and loss account at the time that the service is carried out.

Fee and commission charges are incurred as a result of the provision of payment and related services and are recognized to match the relevant fee and commission income.

Notes to the Financial Statements *(Continued)*

Note 4 – Cash and cash equivalents

As per 31 December 2025 and 2024, the balance with SNB was as follows:

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Swiss National Bank	25,002,818	-
	<u>25,002,818</u>	<u>-</u>

Note 5 – Due from Banks

The Bank has a current account with Citibank NA, London and with Banking Circle S.A. Luxembourg. Additionally, there are outstanding fees due from banking services.

As at 31 December 2025 and 2024, the balances with banks and dues from affiliated undertakings are as follows:

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Citibank NA, London	66,911	10,038,717
Banking Circle S.A. Luxembourg	418,217	307,050
	<u>485,128</u>	<u>10,345,767</u>

Note 6 – Bonds or other fixed interest-bearing Securities

Banking Circle does not hold bonds or other fixed interest-bearing Securities.

Note 7 – Shares in affiliated companies

Banking Circle does not hold shares in affiliated companies.

Notes to the Financial Statements *(Continued)*

Note 8 – Own shares or Holdings

Banking Circle does not hold own shares or Holdings.

Note 9 – Tangible Assets

The movement in the Bank's tangible assets over the course of the financial year is as follows:

CHF	Land and buildings	Other fixtures and fittings, tools, and equipment	Total
Gross values as at 31st December 2024		13,293	13,293
Additions		2,055	2,055
Disposals			
Translation adjustments			
Gross values as at 31 December 2025		15,348	15,348
Cumulative value adjustments as at 31st December 2024		(1,501)*	(1,501)
Value adjustments		(2,755)	(2,755)
Reversal of value adjustments			
Translation adjustments			
Cumulative value adjustments as at 31 December 2025		(4,256)	(4,256)
Net carrying value as at 31 December 2025		11,092	11,092

*Net Book value as at 31st December 2024: CHF 11,792

Note 10 – Other Assets

	2025	2024
	CHF	CHF
Paid Deposits	3,921	3,921
VAT to recover	-	2,702
	3,921	6,623

Notes to the Financial Statements *(Continued)*

Note 11 – Prepayments and accrued income

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Accrued income	300,392	79,018
Prepaid expenses	19,187	19,814
	<u>319,579</u>	<u>98,833</u>

Note 12 – Due to Banks

As at 31 December 2025, all amounts owed to credit institutions amounting to CHF 15,072,910 were repayable on demand.

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	15,072,910	-
	<u>15,072,910</u>	<u>-</u>

Note 13 – Amounts owed to clients

As at 31 December 2025, all amounts owed to clients consisted of balances outstanding in clients' payment accounts which are repayable on demand and amounted to CHF 2,250 (2024: CHF 0).

Note 14 – Amounts owed to Pension Funds

As at 31 December 2025, no amounts were due to Pension Funds.

Note 15 – Other liabilities

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Administrative Exp. payable to Banking Circle S.A.	96,949	184,629
Transactions awaiting settlement	23,809	-
	<u>120,758</u>	<u>184,629</u>

Notes to the Financial Statements *(Continued)*

Note 16 – Accrued expenses

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Accrued expenses	289,887	178,889
Accrued interest	26,985	-
	<u>316,872</u>	<u>178,889</u>

Note 17 – Provisions

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Provision for Corporate Income Tax (CIT)	19,000	1,800
	<u>19,000</u>	<u>1,800</u>

Note 18 – Provision for general banking risks

As at 31st December 2025 there were no provisions for general banking risks.

Note 19 – Subscribed capital

At incorporation, the subscribed and fully paid capital amounted to CHF 50,000, represented by 100,000 shares with a nominal value of CHF 0.50 each.

The subscribed and fully paid capital of CHF 10,050,000 (2024: CHF 10,050,000) is represented by 20,100,000 (2024: 20,100,000) shares with a nominal value of CHF 0.50 each.

Banking Circle S.A. holds 100% of the capital and voting rights, listed in the commercial register of Luxembourg under B222.310 and is headquartered in 2 boulevard de la Foire, L-1528 Luxembourg

Notes to the Financial Statements *(Continued)*

Note 20 – Shareholders' Equity

The movements in shareholders' equity can be analyzed as follows:

CHF	Subscribed capital	Share premium account	Reserves	Results brought forward	Profit for the financial year	Total
Balance as at 1 January 2025	10,050,000			(42,645)	90,341	10,097,696
Appropriation of profit from previous financial year				90,341	(90,341)	-
Profit for the financial year					193,052	193,052
Balance as at 31 December 2025	10,050,000			47,696	193,052	10,290,748

Note 21 – Assets and liabilities denominated in foreign currencies

As per 31 December 2025, the aggregate amount of the Bank's assets in foreign currencies was nil and the Bank's liabilities denominated in foreign currencies, translated into CHF, amounted to CHF 96,949 (2024: CHF 184,629).

Note 22 – Related party disclosures

During 2025 and 2024, the related party transactions took place mainly in the context of the Bank being the correspondent Bank for its parent company and for providing and receiving administrative support in relation to its parent Company. All related party transactions are conducted on an arm's length basis.

The following tables provide the total value of transactions that have been entered into with related parties for the relevant financial year and outstanding balances at the end of each year:

Due from Banks – of which from affiliated undertakings

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	418,217	307,050
	<u>418,217</u>	<u>307,050</u>

Prepayments and accrued income – of which from affiliated undertakings

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	300,392	79,018
	<u>300,392</u>	<u>79,018</u>

Notes to the Financial Statements *(Continued)*

Due to Banks - of which to affiliated undertakings

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	15,072,910	-
	<u>15,072,910</u>	<u>-</u>

Other liabilities - of which to affiliated undertakings

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	96,949	184,629
	<u>96,949</u>	<u>184,629</u>

Interest receivable and similar income

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	124,271	-
	<u>124,271</u>	<u>-</u>

Fee and Commission income

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	1,215,000	-
	<u>1,215,000</u>	<u>-</u>

Other net operating income

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	1,048,592	995,554
	<u>1,048,592</u>	<u>995,554</u>

Notes to the Financial Statements *(Continued)*

General and administrative expenses

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Banking Circle S.A. (Luxembourg)	177,600	-
	<u>177,600</u>	<u>-</u>

Note 23 – Maturity Structure of assets, liabilities and provisions

In CHF	On demand	Redeemable	within 3 months	Between 3-12 months	Between 12 months to 5 years	Non-maturing	Total
Assets							
Cash and Cash equivalents	25,002,818	-	-	-	-	-	25,002,818
Due from Banks	166,860	-	318,268	-	-	-	485,128
Misc. Assets	-	-	319,579	-	3,921	11,092	334,592
Total assets							
Financial Year	25,169,678	-	637,847	-	3,921	11,092	25,822,538
Previous Year	10,345,767	-	101,535	-	3,921	11,792	10,463,015
Liabilities							
Due to Banks	15,072,910	-	-	-	-	-	15,072,910
Due to Clients	2,250	-	-	-	-	-	2,250
Provisions	-	-	-	19,000	-	-	19,000
Accrued Expenses	-	-	136,872	180,000	-	-	316,872
Other Liabilities	-	-	120,758	-	-	-	120,758
Total liabilities							
Financial Year	15,075,160	-	257,630	199,000	-	-	15,531,790
Previous Year	184,629	-	178,889	1,800	-	-	365,318

Note 24 – Off-balance sheet Transactions

Banking Circle has not had any off-balance sheet Transactions.

Notes to the Financial Statements *(Continued)*

Note 25 – Geographical analysis of income

Revenue is primarily derived from operations with clients in OECD countries.

Revenue can be further analyzed as follows:

	<u>2025</u>	<u>2024</u>
	%	%
European Union	100%	96%
United Kingdom	-	4%
	<u>100%</u>	<u>100%</u>

Note 26 – Interest income and expense

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Interest receivable and similar income		
Interest on balances with credit institutions	125,372	39,106
	<u>125,372</u>	<u>39,106</u>
Interest payable and similar expense		
Interest on balances with central banks	124,271	-
Other interest expense	-	-
	<u>124,271</u>	<u>-</u>

Note 27 – Fee and commission income and expense

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Fee and commission income		
fees and commission income	1,215,001	-
	<u>1,215,001</u>	<u>-</u>
Fee and commission expense		
fees and commission expense	(171,514)	(543)
	<u>(171,514)</u>	<u>(543)</u>

Notes to the Financial Statements *(Continued)*

Note 28 – Income from Financial Transactions

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Foreign exchange	1,743	(1,318)
	<u>1,743</u>	<u>(1,318)</u>

Note 29 – Staff

The number of staff employed on average (full-time equivalent) during the year is as follows:

	<u>2025</u>	<u>2024</u>
Management	3	3
Other employees	1	
	<u>4</u>	<u>3</u>

As at 31 December 2025, the number of people employed by the Bank was 4 (2024: 3).

Note 30 – General and administrative expenses

	<u>2025</u>	<u>2024</u>
	CHF	CHF
Public charges and supervision fees	360,120	183,554
Professional fees	328,761	230,576
Expense from affiliated undertakings	177,600	-
Premises and office costs	67,331	46,187
Travel and similar expenses	49,568	4,286
Employee related costs	42,746	5,980
Telecommunication expenses	3,745	959
Other administrative costs	9,484	33,938
	<u>1,039,355</u>	<u>505,480</u>

Note 31 – Current Income Tax

The Corporate Income Tax is charged at 12.5% of the Net Income. Estimation of current taxable profit for the recognition and measurement of current taxes and provisions for taxation are based on accounting assumptions of tax allowances.

Notes to the Financial Statements (*Continued*)

Note 32 – Risk Management

Risk appetite framework and statements

The Risk Appetite Framework (RAF) defines and sets the borders for the maximum risk taking deemed appropriate to fulfil Banking Circle's business strategy. The overall framework consists of risk policies, processes and controls, and systems through which the risk appetite is established, communicated, and monitored.

The Risk Appetite Policy forms an integral part of the RAF, and includes both the qualitative statements, as well as quantitative measures limiting the risk taking and ensuring a risk profile in line with the desired risk appetite. The risk exposures assumed by Banking Circle are driven by the activities conducted to meet clients' needs within the business strategy.

The Risk Appetite measures are aligned with the stress testing conducted as part of the ICAAP and ILAAP.

Credit risk and counterparty credit risk

Banking Circle's assets mainly consists of balances with the Swiss National Bank.

For interbank transactions, which are only conducted with a few first-class counterparties, strict limits are set and compliance is monitored by the risk management function.

Interest rate risk

In order to actively manage the interest rate risk, on-balance sheet business is generally structured with matching maturities. As a result, there is no significant impact from interest rate shocks associated with regulatory policy.

Risks in trading and in the use of derivatives

Banking Circle does not engage in trading activities and does not use derivative financial instruments.

Other market risk

The currency risks arising from the bank's open foreign exchange positions are insignificant. All business activities are generally conducted in Swiss francs.

Liquidity risk

Banking Circle is primarily exposed to liquidity risk in relation to its payment operations with the exposure stemming from on-balance sheet obligations.

Banking Circle maintains a very conservative liquidity and funding risk profile – ensuring resilience to both short (LCR horizon) and long-term (the Net Stable Funding Ratio or the "NSFR") external stress – by holding all due to clients/banks with the Swiss National Bank.

Notes to the Financial Statements (*Continued*)

Operational risk

The management of operational risk is an integral part of Banking Circle's handling of its risks with key processes in place to support the organization in proactively identifying, assessing, monitoring and managing/mitigating operational risks to the largest extent possible.

The internal control framework (ICF) aims to ensure adequate internal control mechanisms are in place to ensure risks are continuously controlled and monitored. The ICF include all areas of operation, and combines day-to-day controls carried-out by the operating staff, ongoing critical controls carried-out by the staff in charge of the administrative processing of transactions, controls carried-out by member of the Executive Board on the activities or functions which fall under their direct responsibility, as well as the controls carried out by the control functions.

Corporate governance and remuneration

The Executive Board is separate from the Board of Directors and comprises three members who are entitled to represent the bank jointly. The Executive Board possesses the knowledge, experience and skills required to understand the bank's activities and risks and devotes sufficient time to performing its duties. The same is true of the Board of Directors, which is responsible for the overall management, oversight, and monitoring of the bank. The articles of association stipulate which duties it may not assign to another body. The Board of Directors holds ordinary meetings at least four times a year. The Annual Report as at 31 December 2025, which had been prepared by the Executive Board on behalf of the Board of Directors, was finalized, adopted and approved by the Board of Directors.

The aptitude of the Board of Directors, the Executive Board, the heads of internal control functions and other holders of key positions is assessed as stipulated by the relevant legal requirements. Employees are provided with adequate time and financial resources for training purposes.

The Executive Board and the employees are paid fixed annual salaries agreed in employment contracts plus a bonus. Variable remuneration to staff will be primarily made in the form of options with cash bonus being an instrument supplementing the primary bonus vehicle. Banking Circle's bonus program is designed in accordance with the relevant regulatory requirements.

Disclosure Report

The disclosure report of Banking Circle can be found on the bank's website at www.bankingcircle.li.

Notes to the Financial Statements *(Continued)*

Note 33 – Overview of Collateral

Banking Circle has not held any Collateral.

Note 34 – Trading Positions comprising securities and precious metals

Banking Circle has not held any trading Positions comprising securities and precious metals.

Note 35 – Securities and precious metals held as current assets (excluding Trading Positions)

Banking Circle has not held any securities and precious metals as current assets.

Note 36 – Securities and precious metals held as non-current assets

Banking Circle has not held any securities and precious metals as non-current assets.

Note 37 – Securities negotiable on the Stock exchange

Banking Circle has not held any securities negotiable on the Stock exchange.

Note 38 – Information on own shares or holdings in non-current assets

Banking Circle has not held any own shares or holdings in non-current assets till now.

Note 39 – Participations and shares in affiliated companies

Banking Circle has not held any Participations and shares in affiliated companies till now.

Note 40 – Return on assets

The return on assets of the Bank for the year ended 31 December 2025 was 0.75% (2024: 0.86%)

To the General Meeting of
Banking Circle (Liechtenstein) AG, Ruggell

Zurich, 27 March 2026

Report of the statutory auditor

Report of the statutory auditor on the financial statements



Opinion

We have audited the financial statements of Banking Circle (Liechtenstein) AG (the “Company”), which comprise the balance sheet as at 31 December 2025, the income statement for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements (pages 7 to 26) give a true and fair view of the financial position of the Company as at 31 December 2025 and its financial performance for the year then ended in accordance with Liechtenstein law.



Basis for opinion

We conducted our audit in accordance with Liechtenstein law and International Standards on Auditing (ISAs). Our responsibilities under those provisions and standards are further described in the Auditor’s responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the provisions of Liechtenstein law and the requirements of the audit profession that are relevant to audits of the financial statements of public interest entities, as well as the International Code of Ethics for Professional Accountants (including International Independence Standards) of the International Ethics Standards Board for Accountants (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. The matter was addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on the matter. For the matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor’s responsibility* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of

the financial statements. The results of our audit procedures, including the procedures performed to address the matter below, provide the basis for our audit opinion on the financial statements.

Recognition of fee and commission income from transactional revenue

Risk	<p>The Company's primary stream of revenue includes fee and commission income amounting to CHF 1.22 million which correspond mostly to transaction fees charged to clients through the Company's payments platform that depend on complex IT systems. The Company's revenue recognition relies on group-level processes and highly automated IT processes and controls, which should ensure that transactions are processed and recorded appropriately.</p> <p>In this regard, we identified the risk that transactional revenue could be misstated due to data processing errors. In particular, we considered the risk that a relevant system may not be configured properly, in such a way that fees and the related revenue are calculated incorrectly, the risk of data loss in transferring the output from the operational systems to the financial information systems, and the risk that unauthorized changes may be made to the relevant systems, which may result in a misstatement of revenues. Therefore, we considered this risk to be a key audit matter.</p> <p>The corresponding accounting and valuation principles are described on pages 12 to 14 of the annual report. We refer to note 25 in the notes to the financial statements.</p>
-------------	---

Our audit response	<p>The audit procedures on group level included:</p> <ul style="list-style-type: none"> ▪ Gaining an understanding of the end-to-end processes of recording revenues throughout the IT-system; ▪ Evaluating the Bank's revenue recognition accounting policies; ▪ Testing relevant IT controls related to the access to relevant applications and data, and changes and developments in relevant programs and systems, in order to mitigate the risk of unauthorized changes, with the involvement of IT specialists; ▪ Assessing the operating effectiveness of key controls applicable to revenue recognition including, but not limited to, testing the controls over onboarding of clients and the monthly reconciliation between the operational systems and the financial information system; ▪ Performing substantive analytical procedures over commission and other fees; and ▪ Performing tests of details on a sample of clients by tracing the commission fee rates, implementation fees, and minimum fees applied to the signed agreements with clients.
---------------------------	---

We reviewed the group auditor's documentation to the performed procedure and, where necessary, discussed specific matters with them.



Shape the future
with confidence

Other matter

The comparative information as of 31 December 2024 was reviewed by us in accordance with the requirements of Liechtenstein law. A review provides substantially less assurance than an audit, as a review consists primarily of inquiries of the Bank's personnel and analytical procedures applied to the data used to prepare the financial statements. Accordingly, we do not express an audit opinion on the comparative information.



Other information in the annual report

The Board of Directors is responsible for the other information in the annual report. The other information comprises that information included in the annual report, but does not include the financial statements 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, we have the responsibility to read the other information and to consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

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



Responsibilities of the Board of Directors for the financial statements

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

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



Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those



Shape the future
with confidence

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

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



Shape the future
with confidence

Report on other legal and regulatory requirements



Further information pursuant to article 10 of Regulation (EU) No 537/2014

We were elected as statutory auditor by the General Meeting on 9 April 2025. We have been auditing the statutory financial statements of the Company without interruption since the financial year ending 31 December 2025.

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

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

- Regulatory audit according to article 123 et seq. Banking Act
- Regulatory audit to specific instructions by the Financial Market Authority Liechtenstein in the context of the issuance of the banking license to the Company

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

Further confirmations pursuant to article 196 PGR

The management report (pages 5 and 6) has been prepared in accordance with the applicable legal requirements, is consistent with the financial statements and, in our opinion, based on the knowledge obtained in the audit of the financial statements and our understanding of the Company and its environment does not contain any material misstatements.

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

Ernst & Young Ltd

Liechtenstein Certified Accountant
(Auditor in charge)

Liechtenstein Certified Accountant