



SOCIETÀ
BANCARIA
TICINESE



2 0 2 5

121ST FINANCIAL YEAR

LIMITED COMPANY FOUNDED IN 1903

2 0 2 5

1 2 2 ^{N^D} F I N A N C I A L Y E A R

PRIVATE BANK SINCE 1903

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The intersecting pages depict details
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About the Bank

Società Bancaria Ticinese is a private banking institution with headquarters and management in Bellinzona.

Our traditional independence from other structures allows us to be closer and more responsive to the needs of our customers.

Specializing in the provision of investment and financing services to private clients, it is able to provide the full range of banking services, including discretionary asset management mandates, as well as services such as the purchase, sale and custody of securities and other financial instruments. The bank also provides mortgage and Lombard financing and credit.

THE BANK
CORPORATE GOVERNANCE



Governing bodies

BOARD OF DIRECTORS

CHAIRMAN
Mario Molo, lawyer (*)

VICE CHAIRMAN
Giorgio Lavizzari (*)

BOARD SECRETARY
Loris Joppini (*)
Alexandre Ciocca

MANAGEMENT

CHIEF EXECUTIVE OFFICER
Stefano Resinelli

DIRECTORS
Dionigi Resinelli
Christian Guidotti

LEGAL ADVISERS
Cinzia Sartore
Sefora Resinelli
Corinne Antoine

STATUTORY AUDITORS

Deloitte SA, Zurich

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(*) They fulfil the independence requirements
set out in FINMA Circular 2017/1, margin no. 17.

BOARD OF DIRECTORS

MARIO MOLO, lawyer, **CHAIRMAN**

Mr Mario Molo is a Swiss citizen born in 1948. After graduating at the Bern Law School in 1974 he started his career at the legal department of the Swiss Federal Department of Finances in Bern. Back to Ticino, he obtained the public notary patent in 1977. Since then, he has dedicated himself to the practice as lawyer and public notary. He is member of the board of various small and medium-sized companies in the industrial and services sectors. Mr Mario Molo joined the Board of Directors of Società Bancaria Ticinese in 1992 and in 2006 he became its Chairman.

ALEXANDRE CIOCCA

Alexandre Ciocca, born in 1956, is a Swiss citizen. After graduating in political economics from the University of Lausanne, he began his career at UBS in Lugano in 1981, where he remained in office for ten years, covering the role of investment consultant. Between 1991 and 2022, he managed Studio A. Ciocca SA in Lugano, a consulting and asset management company, and since 2010 he has been Chairman of the Board of Directors of Alean Capital AG in Vaduz, a financial services company. He has taken part for an extended period in various bodies, for which he has currently had to renounce participation for age reasons: Vice President of the VSV-ASG Zurich association (Association of Swiss Asset Managers), Member of the Supervisory Board for Fiduciary Activities (elected by the State Council of the Canton of Ticino) and Member of the Executive Committee of the FTAF (the Ticino Federation for Fiduciary Activities).

LORIS JOPPINI

Mr Loris Joppini is a Swiss citizen born in 1944. Before joining the Board of Directors of Società Bancaria Ticinese in 2018, Mr Joppini has held several leading roles in the banking sector. His last executive position has been as “Head of Private Clients Switzerland” department at Credit Suisse in Ticino, and later sitting on the Board of Directors of other major banks. He is currently the owner of the Joppini Consulting GmbH, Pontresina.

GIORGIO LAVIZZARI

Mr Giorgio Lavizzari is a Swiss citizen born in 1947. After graduating in political economy at the University of Fribourg, he worked at the Taxation Office of the Cantonal Tax Administration, later becoming a trustee manager. He has more than thirty years of experience in finance, working for Banca Stato where he has been a member of the General Management for many years as “Head of Private Clients”. He joined the Board of Directors of Società Bancaria Ticinese in 2014.

The Board of Directors is composed of 4 members who do not exercise, in accordance with the banking practice, no function within the Institute. The Board of Directors has refrained from establishing separate committees by appointing an independent member as delegate to internal control.

MANAGEMENT

STEFANO RESINELLI

Mr Stefano Resinelli is a Swiss citizen born in 1976. He joined the Società Bancaria Ticinese in 2003 with responsibility for the Private Banking. He was appointed Chief Executive Office in 2014. Before joining the Bank, he worked for the Deutsche Bank in Frankfurt from 2000 to 2003 in the Securities and Investor Services department. He holds a university degree in economics from the Buckingham University in England.

DIONIGI RESINELLI

Mr Dionigi Resinelli is a Swiss citizen born in 1941. He joined the Società Bancaria Ticinese in 1972 and he was appointed Chief Executive Officer in 1976. Since 2014 he is a member of the Executive Board. Mr Resinelli holds a university degree in economics from the University of Fribourg which was followed by internships in London at the Swiss Banking Corporation and the J.M. Finn, and in New York at the Bankers Trust and the Dominick and Dominick.

CHRISTIAN GUIDOTTI

Mr Christian Guidotti, is a Swiss citizen born in 1966. He joined the Società Bancaria Ticinese in 2005 as Head of Administration and Compliance. In 2009 he was appointed Member of the Executive Board. Before joining the bank, he worked for the Justice Division in Bellinzona and the Guardian SA. He holds various business administration diplomas from the SSQEA and SUPSI as well as an MBA from the Centro Studi Bancari in Vezia.

REPORT OF THE BOARD OF DIRECTORS

MARIO MOLO, LAWYER

Chairman



Report of the 121st financial year

Dear Shareholders,

Over the past year, the global economic and financial environment, while gradually returning to normal, was still marred by elements of uncertainty. The global economy recorded estimated growth of around 3.3%, driven largely by a resilient US economy, whose GDP grew by roughly 2.1%. The euro zone showed more subdued growth, in the region of 1.3–1.5%, while Switzerland maintained a moderate expansion, with GDP growing by 1.4%.

Against this backdrop, the inflationary pressure that had built up since the pandemic gradually subsided. As a result, the major central banks were able to gradually start easing monetary policy, leading to a reduction in interest rates. The Swiss National Bank lowered its key interest rate to 0%, which helped maintain price stability and a favourable financial environment, although this also affected our bank's profitability as we are heavily involved in mortgage lending.

Financial markets performed well overall. US equity indexes posted strong results, with the S&P 500 rising by more than 16% and the Nasdaq by over 20%, driven in particular by the technology sector. European markets also performed well, with the STOXX Europe 600 up by around 16% and Germany's DAX by over 20%. The Swiss market saw growth of around 13%, reflecting its defensive nature.

The US president implemented a markedly protectionist policy in a series of executive orders, particularly regarding customs duties, which have become one of the main sources of market volatility and, due to their excessive rates and fluctuations, a commercial nightmare for those exporting to the USA. In the early months of this year, the situation became even more

complicated following the US Supreme Court's ruling that the blanket tariffs imposed by the Trump administration were unlawful, to which the administration immediately responded with new tariffs. These developments confirm that US tariffs will continue to remain a key concern in 2026. For both Europe and Switzerland, this means a context of greater uncertainty regarding trade, procurement costs and the prospects for the export industry.

Trade disputes have been followed by open conflict with Iran, which has caused severe tensions on the energy markets, with sharp rises in oil and gas prices and concerns over the security of supplies and shipping routes, particularly in the Strait of Hormuz. A prolonged speculative rise in energy prices could once again have repercussions on inflation and global growth, as well as further strengthening the Swiss franc as a safe-haven currency.

Against this complex geopolitical backdrop, Società Bancaria Ticinese achieved solid overall results in 2025. Profit stood at CHF 2.028 million, albeit down 11% on the previous year, mainly due to the narrower net interest margin. Assets under management reached CHF 445.2 million, an increase of 4%, supported by favourable market conditions. Net trading income showed significant growth of 66%, reaching CHF 1.177 million.

Net interest income fell by 30%, in line with the new monetary environment, whereas net fee and commission income experienced a slight drop of 3%. Operating costs rose moderately, resulting in a slight increase in the cost-to-income ratio to 66% (2024: 59%), which remains within the average efficiency range.

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Report of the 121st financial year

Our bank maintains a solid asset structure that reflects a prudent risk strategy, with total assets stable at CHF 210.4 million. Mortgage loans are our main asset item, accounting for approximately 39% of the total, upholding the focus on property financing. Customer deposits grew by 4%, to CHF 162.6 million. Our equity ratio stands at 15.31%, which is a further improvement.

Taking retained earnings into account, our total profit amounts to CHF 10,741,941. The board of directors proposes to distribute a dividend equal to 10% of the nominal share value, i.e. CHF 800,000, from a profit for the financial year in excess of CHF 2 million. The remainder will then be used to reinforce the bank's capital base and consolidate its financial foundation, support its growth potential, and fund investments in the IT sector, which is in need of restructuring and modernization.

Should these proposals be approved, the bank's equity would stand at CHF 32.2 million.

Finally, we would like to express our sincere thanks to all our staff for the dedication and professionalism they have shown throughout the year, as well as to our clients for the trust and support they continue to place in us.

For the board of directors



Chairman
Mario Molo, Lawyer





REPORT
BALANCE SHEET
OFF - BALANCE - SHEET BUSINESS



Balance sheet

in Swiss Francs		31.12.2025	31.12.2024
Assets			
Liquid assets		54'840'074	69'265'920
Amounts due from banks		44'078'763	26'132'249
Amounts due from customers	3.2	15'527'195	18'463'715
Mortgage loans	3.2	83'058'959	85'353'199
Trading activities	3.3	4'930'699	3'925'726
Positive replacement values of derivative financial instruments	3.4	28'179	40'268
Financial investments	3.5	2'649'030	1'238'488
Accrued income and prepaid expenses		124'951	151'604
Participations	3.6/7	3'402'800	3'369'467
Tangible fixed assets	3.8	1'659'059	1'688'237
Other assets	3.10	52'516	52'614
Total assets		210'352'225	209'681'487
Total subordinated loans		-	-
- with subordination and/or waiver obligation		-	-

Report of the 122nd financial year

in Swiss Francs		31.12.2025	31.12.2024
Liabilities			
Amounts due to banks		205'218	234'138
Amounts due in respect of customer deposits		162'614'926	155'876'088
Negative replacement values of derivative financial instruments	3.4	28'179	40'268
Cash bonds	3.15	1'975'000	4'674'000
Bond issues and central mortgage institution loans	3.15	10'800'000	14'700'000
Accrued expenses and deferred income		1'021'562	1'647'163
Other liabilities	3.10	140'759	229'390
Provisions	3.16	600'000	600'000
Reserves for general banking risks	3.16	6'600'000	6'600'000
Share capital	3.17	8'000'000	8'000'000
Legal capital reserve	3.21	40	40
Legal reserve from profits		8'846'540	8'696'320
Own capital shares	3.21	(1'221'940)	(1'229'440)
Profit carried forward		8'713'520	7'338'870
Profit for the year		2'028'421	2'274'650
Total liabilities		210'352'225	209'681'487
Total subordinated commitments		-	-
- with subordination and/or waiver obligation		-	-

Off-balance-sheet

in Swiss Francs		31.12.2025	31.12.2024
Contingent commitments	3.2/28	2'087'624	1'936'849
Irrevocable commitments		1'467'776	1'407'977
Obligations to pay up shares and make further contributions		243'040	243'040





REPORT

PROFIT AND LOSS ACCOUNT



Profit and loss account

in Swiss Francs	2025	2024
Income and expenses resulting from ordinary banking operations		
Income from interest transactions		
Interest and discount income	2'332'692	3'582'642
Interest and dividend income from trading activities	105'248	100'115
Interest and dividend income from financial investments	8'010	19'754
Interest expenses	(290'085)	(463'187)
Gross result from interest operations	2'155'865	3'239'324
Changes in value adjustments for default risks and losses from interest operations	142'702	42'628
Net result from interest operations	2'298'567	3'281'952
Result from commission on transactions and service fees		
Commission income from securities trading and investment activities	3'862'690	3'964'256
Commission income from lending activities	8'767	6'748
Commission income from other services	509'800	583'968
Commission expenses	(512'932)	(547'220)
Result from commission business and services	3'868'325	4'007'752
Result from trading activities and the fair value option	3.32	1'177'470
Result from the disposal of financial investments	-	-
Income from participations	19'809	18'823
Result from real estate	7'672	9'711
Other ordinary income	6'014	1'906
Other ordinary expenses	(29'031)	(81'587)
Other result from ordinary activities	4'464	(51'147)

Report of the 122nd financial year

in CHF		2025	2024
Personnel expenses	3.34	(3'131'618)	(3'054'290)
General and administrative expenses	3.35	(1'682'753)	(1'626'333)
Operating expenses		(4'814'371)	(4'680'623)
Value adjustments on participations and depreciation and amortisation of tangible fixed assets and intangible assets	3.8	(94'466)	(108'910)
Changes to provisions and other value adjustments, and losses		-	(100'525)
Operating result		2'439'989	3'059'240
Extraordinary income	3.36	33'333	-
Extraordinary expenses		-	-
Changes in reserves for general banking risks		-	-
Taxes	3.39	(444'901)	(784'590)
Profit for the year		2'028'421	2'274'650

Presentation of the statement of changes in equity

in thousand of Swiss Francs

	Share capital	Capital reserve	Retained earnings reserve	Reserves for general banking risks	Voluntary reserves from profit and loss carried forward	Own capital shares (negative entry)	Result of the period	Total
Equity capital at the start of the reporting period	8'000	-	8'696	6'600	7'338	(1'229)	2'275	31'680
Capital increase/decrease								-
Additional contributions/additional payments					2'275		(2'275)	-
Acquisition of own capital shares								-
Disposal of own capital shares						7		7
Dividends and other distributions			50		(800)			(750)
Other allocations to (transfer from) the reserves for general banking risks								-
Other allocations to (transfer from) the other reserves			100		(100)			-
Profit for the year							2'028	2'028
Equity capital at the end of the reporting period	8'000	-	8'846	6'600	8'713	(1'222)	2'028	32'965

REPORT

NOTES TO THE ANNUAL ACCOUNTS



Notes to the annual accounts

1. Sectors of activity and headcount

Società Bancaria Ticinese SA, a universal bank originally founded in Lugano on 24 November 1903 (charter dated 19 October 1903), is a private bank rich in tradition that provides investment advice, asset management, credit brokering and transferable securities brokerage. The bank is based in Bellinzona in its own prestigious building. Its clientèle mainly comprises local customers though it also has international clients. At the end of the financial year, the total number of employees was 19 (2024: 19 employees), with a full-time equivalent of 17 employees (2024: 17 employees).

Outsourcing

Since 1 January 2013, the Bank has had an IT platform outsourcing contract in place. Since 1 November 2022, the bank's securities administration service has also been outsourced. The Bank has also delegated certain activities related to payment traffic management.

2. Principles for preparing and valuing the financial statements

The bookkeeping, preparation and valuation follow the rules laid down in the guidelines of the Swiss Financial Market Supervisory Authority FINMA (FINMA Circular 2020/1 and FINMA Accounting Ordinance), the provisions of the Swiss Code of Obligations, the Swiss Banking Act and the articles of association. The close process is based on the 'single statutory closing with reliable presentation' method.

Accounting principles

Cash and cash equivalents, loans to banks and customers, mortgage loans, funds payable

These items are recorded at nominal value. There is a value adjustment for potential customer credit risks. Lending is an important sector. Credit facilities are based on mortgage guarantees on mainly domestic real estate. Loans are mainly refinanced with funds collected from customers through traditional products, such as current accounts, savings accounts and cash bonds. The bank also has other sources of refinancing, such as borrowing from the Schweizerische Pfandbriefbank.

Trading securities portfolio

The bank's own portfolio of securities held for trading is valued at list prices on the balance sheet date. The bank invests amounts commensurate with its resources, primarily in equities of leading companies and in currencies. Positions are usually held for short periods and in compliance with a regulation that allows for the mitigation of possible capital losses caused by price fluctuations.

Financial assets

The bank's financial assets mainly comprise Swiss franc bonds of primary debtors. They are managed according to the principle of investment soundness. They are valued using the accrual method, in which the difference between the purchase price and the redemption value is carried forward over the years between the purchase date and the maturity date. Adjustments are made to the value of financial assets in the event of lasting deterioration in the issuer's credit risk.

Report of the 122nd financial year

Holdings

Holdings of capital or voting shares in other companies are entered in the balance sheet at their purchase price minus economically necessary depreciation.

Tangible fixed assets

Fixed assets are depreciated at 20% of their purchase value. The bank avails itself of the option of accelerated depreciation in accordance with the provisions of local tax legislation. The investment in the development of the IT system is depreciated over its remaining useful life.

Accruals and deferrals

Interest income and expenses and other operating expenses are accrued on a time basis.

Taxes

The bank records a provision for municipal, cantonal and federal taxes determined on the basis of the operating result in accordance with the tax regulations in force. This provision is recorded under Accrued expenses and deferred income.

Commitments to banks and customers, cash obligations, mortgage loans

The valuation is made at nominal value.

Mortgages with covered bond issuers and loans

At 31 December 2025, the bank has eleven outstanding loans with the Schweizerische Pfandbriefbank Zurich totalling CHF 10'800'000 (2024: CHF 14'700'000), in order to adequately refinance balance sheet assets. The loans are structured in accordance

with the mortgage loan act and the regulations and guidelines of the Schweizerische Pfandbriefbank. In total, these medium- to long-term loans account for approximately 11.0% (2024: 14.2%) of all loans granted.

Value adjustments and provisions

Value adjustments and provisions for impaired loans are made on the principle of prudence for all risks identified at the balance sheet date. Recognized impaired loans, i.e. those for which it is likely that the debtor will not be able to meet its obligations, are valued individually. Presumed loss risks are covered by prudent individual value adjustments, the amount of which corresponds to the difference between the book value of the receivable and the amount the Bank believes it will be able to recover based on the debtor's solvency and the liquidation value of the collateral, i.e. estimated market value minus normal write-downs together with maintenance and liquidation costs. Credit files are monitored regularly. Badly performing loans are analysed to determine possible value adjustments. When the need for value adjustments is identified for the portion not covered by any collateral, these are recorded immediately. In the case of non-impaired loans, the Bank periodically uses the latent loss risk approach to check whether any loss risks are not covered by specific value adjustments and, if necessary, makes lump-sum value adjustments.

Reserves for general banking risks

The reserve is treated as an own fund within the meaning of Art. 21 of the Capital Adequacy Ordinance. There is a CHF 6.6 million reserve for general banking risks, CHF 1.6 million of which is taxed.

Own shares of capital

Own shares of capital are shown as a negative item in equity capital and are valued at the purchase price. The results from the sale of own shares are recorded in the statutory retained earnings reserve.

Derivatives, forwards

These instruments are traded primarily on behalf of customers. The positive and negative replacement values of derivatives open at account closing are entered at their market value – or if not they are valued at cost – and entered in the balance sheet under the appropriate item. The valuation is entered in the profit and loss account. The bank does not deal in derivatives on its own behalf. It enters into forward foreign exchange transactions on its own behalf, either to hedge the foreign exchange risk on equivalent foreign currency positions, or for extemporaneous trading. Likewise, it carries out forward transactions on behalf of customers or transactions to hedge against price risks on its trading portfolio.

Conversion of foreign currencies

The average exchange rates on the balance sheet date apply. The two main currencies, i.e. EUR and USD, were valued at 0.930 (EUR/CHF) and 0.792 (USD/CHF) (2024: 0.940 and 0.8904). Foreign currency transactions during the year are converted at the average exchange rate on the day of the transaction. The result of the valuation is recorded in the profit and loss account under Result of trading activities and fair value option. Forward contracts are converted using the residual prices on the balance sheet date. The valuation result is entered in the profit and loss account.

Hedging

The results of hedging transactions are recorded in the same item of the income statement as the results of the underlying transaction. In the case of macro hedges in connection with interest-bearing transactions, the balance may be recorded under Interest income and discounts or under Interest expenses. Accrued interest on hedging transactions in the profit and loss account using the accrual method is not recorded as accruals and deferrals, but entered in the clearing account (under Other assets or Other liabilities), in order to avoid double counting with the replacement values already recorded in the balance sheet. If the results of the hedging transactions are greater than those of the underlying transactions, the surplus of the derivative financial instrument is treated as a trading asset. The surplus is therefore recorded under item 3 Income from trading activities and fair value option, and not in the clearing account.

Changes to accounting principles

There have been no changes to our accounting principles.

Significant events after the balance sheet date

None.

Interest in jeopardy

Interest income, the collection of which is doubtful, is treated in accordance with the law, i.e. interest not collected within 90 days of its accrual is set aside and deducted from the individual receivable item.

Risk management

The board of directors conducted an analysis of the main risks to which the bank is exposed. In this analysis, the board of directors took into account the control system, the purpose of which is to manage and reduce risks. Risk management is constantly monitored by the managers responsible for this sector, without prejudice to the board of directors' overriding control of practices. The bank has its own risk management regulations, which set out the maximum credit limits per borrower or group of borrowers, the collateral required and the documentation to be submitted to obtain financing. The purpose of risk management is to preserve the bank's equity, foster profitability and increase the value of the company.

Credit risks

The bank grants mainly mortgage loans, Lombard loans (at the explicit request of customers) and to a lesser extent commercial loans: in the latter case, only debtors of proven solvency, who can present accounts with sufficient equity and constant profitability are taken into consideration. Prudent margins are set for secured loans. For Lombard loans, the margins are set according to the market value and the type of pledged assets, whereas for mortgage loans, the margin is set according to the value and quality of the property determined by means of an appropriate appraisal (internal or external) and/or the capitalized earnings value. The bank has had a specific regulation for this, in compliance with the principles established by the SBA. Non-performing loans are promptly identified and managed, establishing economically necessary value adjustments where necessary.

Market risks

The risks of impairment losses due to decreases in assets and/or increases in liabilities caused by fluctuations on the financial markets, such as interest rate, exchange rate and price risks, are constantly monitored.

Interest rate risks

Credit operations are financed by funds raised from customers. The bank has instruments at its disposal to bridge the time mismatch between the maturities of deposits and the maturities of the use of funds.

Exchange rate risks

The exposure is very limited, as operations are carried out in accordance with customers' needs. To ensure residual risks are minimized, prudent maximum exposure ceilings have been set and individually unbalanced positions are therefore balanced daily by the treasury.

Price risks

Positions taken within the trading portfolio are controlled by stop-loss orders.

Liquidity and refinancing risks

The level of liquidity is monitored in compliance with legal requirements. Risk management provides for alert thresholds set at a prudential level higher than the minimum thresholds required by supervisory regulations. The bank's refinancing comes from its own funds and from clients' assets deposited with the bank. The bank operates a high liquidity policy which, if surplus, is invested for short periods with primary banks on the interbank market.

Information on equity, liquidity and corporate governance, in compliance with FINMA circular 2016/1 'Disclosure – banks', is published separately on the bank's website.

Operational risks

Operational risks consist of the danger of incurring financial losses due to inadequate or ineffective internal procedures or systems, inadequate actions by individuals or errors committed by them, or as the result of external events. The board of directors approves the principles of operational risk management relevant to the Bank and monitors compliance with them. Exposure to non-compliance or internal procedure risks is minimized by management controls and by internal rules and procedures. Since 1.1.2013, the Bank has been using external software licensed from third parties. All essential components are redundant to guarantee against possible failures. In accordance with FINMA Circular 2023/1 on Operational Risks and Resilience, the Bank has a business continuity plan and control measures in place for outsourced service providers, which are themselves subject to review.

Legal risks

The bank has organized its activities in line with the legal and ethical standards in force in the banking sector, ensuring transparent contractual rules with its customers. The bank works with an external law firm.

Reputational and compliance risks

The bank's clientèle consists mainly of known customers or new customers introduced by persons of trust. The staff is trained and cognizant of the obligation of due diligence, confidentiality and money laundering prevention. In addition, investment advisers inform their clients about the risks inherent in investments. The bank monitors dormant assets in compliance with federal regulations.

Bank policy on the use of derivative financial instruments

These positions are taken exclusively on behalf of clients.

Principles for recording transactions

All completed transactions are recorded on the day of the transaction in accordance with the execution date principle, with the exception of forward transaction and financial contracts, which are accounted for at maturity.

Consolidation

In accordance with Art. 35 of the Swiss Banking Ordinance, the bank has no consolidation requirements.



Notes to the balance sheet

3.1 Breakdown of securities financing transactions (assets and liabilities)

Nothing to report.

3.2 Presentation of collateral for loans/receivables and off-balance-sheet transactions (assets and liabilities), as well as impaired loans/receivables

in thousand of Swiss Francs		Secured by mortgage	Other collateral	Unsecured	Total
Loans (before netting with value adjustments)					
32	Amounts due from customers	5'395	9'834	1'267	16'496
	Mortgage loans	-	-	-	84'038
	Residential property	60'429	-	-	
	Office and business premises	19'124	-	-	
	Commercial and industrial premises	1'195	-	-	
	Other	3'290	-	-	
Total loans (before netting with value adjustments)					
	2025	89'433	9'834	1'267	100'534
	2024	93'741	11'162	1'161	106'064
Total loans (after netting with value adjustments)					
	2025	88'309	9'699	578	98'586
	2024	92'216	11'039	562	103'817

Report of the 122nd financial year

Off-balance-sheet transactions

Contingent liabilities	-	424	1'663	2'087
Irrevocable commitments	-	-	1'468	1'468
Obligations to pay up shares and make further contributions	-	-	243	243
Total off-balance sheet transactions				
2025	-	424	3'374	3'798
2024	-	274	3'314	3'588

Impaired loans/receivables

	Gross debt amount	Estimated liquidation value of collateral	Net debt amount	Individual value adjustments
2025	4'386	2'976	1'410	1'447
2024	5'681	3'927	1'754	1'747

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Irrecoverable loans comprise 41 (2023:41)

3.3 Breakdown of trading portfolios and other financial instruments at fair value (assets and liabilities)

in thousand of Swiss Francs

Assets	2025	2024
Trading portfolio assets		
Equity securities	4'908	3'916
Precious metals and commodities	23	10
Other trading assets	-	-
Total assets	4'931	3'926
- determined using a valuation model	-	-
- trading assets eligible as collateral under liquidity regulations	-	-

Report of the 122nd financial year

3.4 Presentation of derivative financial instruments (assets and liabilities)

in thousand of Swiss Francs

	Trading instruments			Hedging instruments		
	Positive replacement value	Negative replacement value	Contract volume	Positive replacement value	Negative replacement value	Contract volume
Interest rate contracts						
Forward contracts incl. FRAs	-	-	-	-	-	-
Swap	-	-	-	-	-	-
Futures	-	-	-	-	-	-
Options (OTC)	-	-	-	-	-	-
Options (Exchange Traded)	-	-	-	-	-	-
Foreign exchange contracts / Precious metals						
Forwards	28	28	3'165	-	-	-
Combined interest rate/currency swaps	-	-	-	-	-	-
Futures	-	-	-	-	-	-
Options (OTC)	-	-	-	-	-	-
Options (Exchange Traded)	-	-	-	-	-	-
Equity/index contracts						
Forwards	-	-	-	-	-	-
Swap	-	-	-	-	-	-
Futures	-	-	-	-	-	-
Options (OTC)	-	-	-	-	-	-
Options (Exchange Traded)	-	-	-	-	-	-
Credit derivatives						
Credit default swap	-	-	-	-	-	-
Total return swap	-	-	-	-	-	-
First-to-default swap	-	-	-	-	-	-
Other credit derivatives	-	-	-	-	-	-
Other						
Forwards	-	-	-	-	-	-
Swap	-	-	-	-	-	-
Futures	-	-	-	-	-	-
Options (OTC)	-	-	-	-	-	-
Options (Exchange Traded)	-	-	-	-	-	-

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	Trading instruments		Contract volume
	Positive replacement value	Negative replacement value	
Total before netting agreements			
2025	28	28	3'165
- determined using a valuation model	-	-	-
2024	40	40	3'458
- determined using a valuation model	-	-	-

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Total after netting agreements	Positive replacement values (cumulative)	Negative replacement values (cumulative)
	2025	28
2024	40	40

Breakdown by counterparty:

	Central clearing houses	Banks and securities dealers	Other customers
Positive replacement values (after netting agreements)	-	28	-

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3.5 Breakdown of financial investments

in thousand of Swiss Francs	Book value		Fair Value	
	2025	2024	2025	2024
Debt securities				
- intended to be held to maturity	669	657	697	683
- not intended to be held to maturity (available for sale)	-	-	-	-
Equity securities	87	88	175	176
Precious metals	493	493	1 093	762
Real estate	1'400	-	1'400	-
Total	2'649	1'238	3'365	1'621
- securities eligible for repo transactions in accordance with liquidity requirements	-	-	-	-

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Breakdown of counterparties on the rating category of Moody's

	Aaa - Aa3		A1 - A3		Baa1 - Baa3		Ba1 - B3		Below B3		Unrated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
Debt securities												
Book values	225	225	-	-	200	215	-	-	195	189	49	28

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3.6 Presentation of participations

in thousand of Swiss Francs	Acquisition cost	Value adjust- ments and/or value ad- justments (equity method) accumu- lated to date	Book value at 31.12.2024	2025					Book value at 31.12.2025	Market value
				Transfers	Invest- ments	Divest- ments	Value adjust- ments	Equity value adjust- ments valued according to the equity method / Apprecia- tions		
Participations valued using the equity method										
- Listed companies	-	-	-	-	-	-	-	-	-	-
- Not listed companies	-	-	-	-	-	-	-	-	-	-
Other participations										
- Listed companies	-	-	-	-	-	-	-	-	-	-
- Not listed companies	3'369	-	3'369	-	-	-	-	34	3'403	N/A
Total participations	3'369	-	3'369	-	-	-	-	34	3'403	N/A

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3.7 Information on companies in which the bank directly or indirectly holds a significant and lasting share

Company name and registered office	Business activity	Share capital (thousands)	Share of capital (%)	Share of voting rights (%)	Direct ownership	Indirect ownership
Immobiliare Castelgrande SA, Bellinzona	Real estate	3'000	100	100	yes	-

In accordance with Art. 35 of the Swiss Banking Ordinance, there is no obligation to prepare group accounts at 31 December 2025 as this is an insignificant holding in terms of financial information and risk. There are no changes from the previous year.

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3.8 Presentation of tangible fixed assets

in thousand of Swiss Francs	Acqui- sition cost	Accumu- lated deprecia- tion	Book value at 31.12.2023	2025					Book value at 31.12.2024
				Transfers	Invest- ments	Divest- ments	Amortisa- tions	Apprai- sals	
Bank's buildings	4'382	(2'718)	1'664	-	-	-	(64)	-	1'600
Other real estate	-	-	-	-	-	-	-	-	-
Proprietary or separately acquired software	1'431	(1'413)	18	-	-	-	(7)	-	11
Other tangible fixed assets	3'416	(3'410)	6	-	65	-	(23)	-	48
Leased assets	-	-	-	-	-	-	-	-	-
Total fixed assets	9'229	(7'541)	1'688	-	65	-	(94)	-	1'659

There are no lease commitments not recognized in the balance sheet.

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3.9 Presentation of intangible assets

Nothing to report. There are no changes from the previous year.

3.10 Breakdown of other assets and other liabilities

in thousand of Swiss Francs	Other assets		Other liabilities	
	2025	2024	2025	2024
Indirect taxes and VAT	53	53	137	160
Uncollected dividends, cash bonds	-	-	4	3
Other	-	-	-	66
Total	53	53	141	229

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3.11 Disclosure of assets pledged or assigned to secure own commitments and assets under reservation of ownership

in thousand of Swiss Francs	Book values		Effective commitments	
	2025	2024	2025	2024
Pledged / assigned assets	734	704	734	704
Credit securities (financial assets) pledged as collateral	-	-	-	-
Mortgage securities pledged as collateral	19'370	19'721	10'800	14'700
Total	20'104	20'425	11'534	15'404

3.12 Commitments to own pension funds and the number and type of the bank's capital instruments held by those funds

The Bank has a pension fund to which all employees are affiliated and which is governed by the defined contribution system. All employees with an annual AHV/AVS salary that exceeds the maximum limit for a standard AHV/AVS retirement pension are insured. Annual retirement credits range from 9% to 20% of the insured salary and vary depending on the age group. The amount of the retirement pension is fixed as a percentage of the accrued pension capital on retirement. The pension fund also provides a lump-sum death benefit, disability pension, children's pension and spouse's pension. The conversion rate is a percentage of the last insured salary. The pension fund is financed at a rate of 60% by the employer and 40% by the employee. For the bank, there are no economic commitments or benefits. There are no changes from the previous year.

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3.13 a) Reserves for employer contributions

Nothing to report.

3.13 b) Economic benefit / economic commitment and pension liability

in thousand of Swiss Francs	Surplus / insufficient coverage at end of reporting year	Bank's actuarial surplus		Change from previous year in actuarial surplus (economic advantage and/ or economic commitment)	Contributions paid for the reporting period	Pension charge within personnel costs	
		2025	2024			2025	2024
Pension funds with surplus cover	110,10%	-	-		160	160	147

3.14 Presentation of issued structured products

The Bank does not issue its own structured products. There are no changes from the previous year.

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3.15 Presentation of bonds outstanding and mandatory convertible bonds

Mortgages with covered bond issuers

in thousand of Swiss Francs	Maturity							Total
	2026	2027	2028	2029	2030	2031	Beyond	
Interest rate								
0,300%	-	-	-	-	-	-	1'600	1'600
0,425%	1'400	500	-	-	-	-	-	1'900
0,550%	-	-	2'800	-	-	-	-	2'800
0,675%	-	-	-	-	-	-	1'500	1'500
1,050%	-	-	-	-	-	-	3'000	3'000
1,425%	-	-	-	-	-	-	-	-
Total	1'400	500	2'800	-	-	-	6'100	10'800

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No bonds were outstanding at the balance sheet date.

However, the following cash bonds were outstanding:

Interest rate	Maturity							Total
	2026	2027	2028	2029	2030	2031	Beyond	
0,50%	-	-	-	-	-	-	-	-
0,70%	20	-	-	-	-	-	-	20
0,75%	-	-	-	-	200	-	-	200
1,00%	300	100	-	-	-	-	-	400
1,10%	-	1'045	-	-	-	-	-	1'045
1,15%	-	-	-	25	-	-	-	25
1,25%	-	-	-	-	-	-	-	-
1,50%	105	-	160	-	-	-	-	265
1,55%	-	-	-	20	-	-	-	20
1,75%	-	-	-	-	-	-	-	-
Total	425	1'145	160	45	200	-	-	1'975

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3.16 Presentation of value adjustments and provisions, reserves for general banking risks, and changes therein during the current year

in thousand of Swiss Francs	Status at 31.12.2024	Use in confor- mity with desi- gnated purpose	Transfers	Currency diffe- rences	Part due interest, recove- ries	New creations charged to income	Releases to income	Balance at 31.12.2025
Provisions for deferred taxes	-	-	-	-	-	-	-	-
Provisions for pension liabilities	-	-	-	-	-	-	-	-
Provisions for default risks	-	-	-	-	-	-	-	-
Provisions for other operating risks	-	-	-	-	-	-	-	-
Provisions for restructuring	-	-	-	-	-	-	-	-
Other provisions	600	-	-	-	-	-	-	600
Total provisions	600	-	-	-	-	-	-	600
Reserves for general banking risks	6'600	-	-	-	-	-	-	6'600
Value adjustments for default and country risks	2'463	(1)	-	-	-	420	(456)	2'426
- value adjustments for default risks in respect of impaired loans/receivables	1'747	(1)	-	-	-	120	(419)	1'447
- value adjustments for latent risks	716	-	-	-	-	300	(37)	979

There is a CHF 6.6 million reserve for general banking risks, CHF 1.6 million of which is taxed.

3.17 Presentation of the bank's capital

	2025			2024		
	Total nominal value (in thousand of Swiss Francs)	Quantity	Capital with dividend entitlement (in thousand of Swiss Francs)	Total nominal value (in thousand of Swiss Francs)	Quantity	Capital with dividend entitlement (in thousand of Swiss Francs)
Share capital	8'000	80'000	8'000	8'000	80'000	8'000
- issued	8'000	80'000	8'000	8'000	80'000	8'000
Total share capital	8'000	80'000	8'000	8'000	80'000	8'000

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3.18 Number of value of equity securities or options on equity securities held by all executives and directors and by employees and disclosures on any employee participation schemes

in thousand of Swiss Francs	Number of participation rights		Value of participation rights		Number of options		Value of options	
	2025	2024	2025	2024	2025	2024	2025	2024
Members of the board of directors	1'064	1'064	106	106	-	-	-	-
Members of the management	41'788	41'788	4'179	4'179	-	-	-	-
Employees	54	54	5	5	-	-	-	-
Total	42'906	42'906	4'290	4'290	-	-	-	-

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There is no employee share plan.

3.19 Disclosure of amounts due from/to related parties

in thousand of Swiss Francs	Credits		Commitments	
	2025	2024	2025	2024
Holders of qualified participations	669	791	587	525
Group companies	-	-	-	-
Associated companies	1'370	1'405	183	158
Transactions by corporate bodies	2'872	2'863	623	807
Additional related parties	-	-	-	-

The Bank confirms that on-balance-sheet and off-balance-sheet transactions have been conducted under market conditions. The loans mentioned consist of mortgage loans and other secured loans.

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3.20 Disclosure of holders of significant participations

in thousand of Swiss Francs Significant shareholders and groups of shareholders linked to voting agreements	2025		2024	
	Nominal	Share in %	Nominal	Share in %
With voting rights:				
Dionigi Resinelli	4'084	51.1%	4'084	51.1%
Gionic Holding SA	800	10.0%	800	10.0%
Giuseppe Engelberger	462	5.8%	462	5.8%
Without voting rights:	-	-	-	-
None				
There are no other significant shareholders.	-	-	-	-

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3.21 Disclosure of own shares and composition of equity capital

At 31 December 2025, the Bank held a total of 4,692 (2024: 4,722) treasury shares with a total value of CHF 1,221,940 (2024: CHF 1,229,440), corresponding to 5.87% of the capital (2024: 5,9%). Of these, 40 bearer shares were taken back by the Bank as they had not been disclosed by the deadline of 1 November 2024. These were entered in the accounts at a price of CHF 1 each under 'Legal capital reserve'. The Bank has a contingent liability of CHF 9,800 on these shares, which expires in 2034. In addition, the Bank has a further contingent liability to redeem 6,236 shares for a total amount of CHF 1,652,540 applicable from 15 June 2029.

3.22 Disclosure in accordance with the Ordinance against Excessive Compensation with respect to Listed Stock Corporations and Article 663c para. 3 CO for banks whose equity securities are listed

Nothing to report.

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3.23 Presentation of the maturity structure of financial instruments

in thousand of Swiss Francs

	Maturity							Total	
	at sight	cancel- lable	within 3 months	within 3 to 12 months	within 12 months to 5 years	after 5 years	No maturity		
Assets / financial instruments									
Liquid assets	54'106	734	-	-	-	-	-	54'840	
Amounts due from banks	16'232	-	22'847	5'000	-	-	-	44'079	
Amounts due from customers	179	3'414	7'419	3'484	847	184	-	15'527	
Mortgage loans	-	9'420	5'159	21'129	38'331	9'020	-	83'059	
Trading activities	4'931	-	-	-	-	-	-	4'931	
Positive replacement values of derivative financial instruments	-	-	5	23	-	-	-	28	
Financial investments	580	-	-	-	-	669	1'400	2'649	
Total	2025	76'028	13'568	35'430	29'636	39'178	9'873	1'400	205'113
	2024	80'082	13'898	26'861	17'802	51'605	14'171	-	204'419
Debt capital / financial instruments									
Amounts due to banks	205	-	-	-	-	-	-	-	205
Amounts due in respect of customer deposits	72'312	89'553	750	-	-	-	-	-	162'615
Negative replacement values of derivative financial instruments	-	-	5	23	-	-	-	-	28
Cash bonds	-	-	100	325	1'550	-	-	-	1'975
Mortgages with covered bond issuers and loans	-	-	1'400	-	3'300	6'100	-	-	10'800
Total	2025	72'517	89'553	2'255	348	4'850	6'100	-	175'623
	2024	73'678	80'852	794	7'325	6'575	6'300	-	175'524

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3.24 Presentation of assets and liabilities by domestic and foreign origin in accordance with the domicile principle

in thousand of Swiss Francs

	2025		2024	
	Switzerland	Foreign	Switzerland	Foreign
Assets				
Liquid assets	54'840	-	69'266	-
Amounts due from banks	37'997	6'082	24'573	1'559
Amounts due from customers	8'831	6'696	11'443	7'021
Mortgage loans	83'059	-	85'353	-
Trading activities	3'801	1'130	2'770	1'156
Positive replacement value of derivative financial instruments	28	-	40	-
Financial investments	2'312	337	907	331
Accrued income and prepaid expenses	125	-	152	-
Participations	3'403	-	3'369	-
Tangible fixed assets	1'659	-	1'688	-
Other assets	52	-	53	-
Total assets	196'107	14'245	199'614	10'067
Liabilities				
Amounts due to banks	205	-	234	-
Amounts due in respect of customer deposits	140'661	21'954	130'684	25'192
Negative replacement values of derivative financial instruments	28	-	40	-
Cash bonds	1'975	-	4'674	-
Mortgages with covered bond issuers and loans	10'800	-	14'700	-
Accrued expenses and deferred income	1'022	-	1'647	-
Other liabilities	141	-	229	-
Provisions	600	-	600	-
Reserves for general banking risks	6'600	-	6'600	-
Share capital	8'000	-	8'000	-
Legal reserve from capital	0	-	0	-
Legal reserve from profits	8'847	-	8'696	-
Own shares of capital	(1'222)	-	(1'229)	-
Profit carried forward	8'713	-	7'339	-
Profit for the year	2'028	-	2'275	-
Total liabilities	188'398	21'954	184'489	25'192

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3.25 Breakdown of total assets by country or group of countries (domicile principle)

in thousand of Swiss Francs	2025		2024	
	Absolute	Share as %	Absolute	Share as %
Assets				
Europe				
Switzerland	196'107	93.23%	199'614	95.20%
Liechtenstein	3'588	1.71%	2'934	1.40%
Italy	1'405	0.67%	1'398	0.67%
Germany	1'087	0.52%	950	0.45%
Cyprus	294	0.14%	486	0.23%
France	444	0.21%	446	0.21%
United Kingdom	196	0.09%	199	0.09%
Luxembourg	5'004	2.38%	5	0.00%
North America				
United States	1'226	0.58%	1'696	0.81%
Asia				
United Arab Emirates	437	0.21%	1'442	0.69%
Other	564	0.27%	511	0.24%
Total assets	210'352	100.00%	209'681	100.00%

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3.26 Breakdown of total assets by credit rating of country groups (risk domicile view)

Moody's in thousand of Swiss Francs	Net foreign exposure 2025		Net foreign exposure 2024	
	in Swiss Francs	Share as %	in Swiss Francs	Share as %
Aaa - AA3	11'982	84.11%	7'672	76.20%
A1 - A3	294	2.06%	486	4.83%
Baa1 - Baa3	1'405	9.86%	1'398	13.89%
Ba1 - Ba2	-	-	-	-
Ba3	-	-	-	-
B1 - B3	-	-	-	-
Caa1 - C	-	-	-	-
without rating	564	3.96%	512	5.09%
Total	14'245	100.00%	10'068	100.00%

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3.27 Presentation of assets and liabilities broken down by the most significant currencies for the bank

in thousand of Swiss Francs

	Currency				Total
	CHF	EUR	USD	Altre	
Assets					
Liquid assets	54'644	177	12	7	54'840
Amounts due from banks	27'864	5'504	9'588	1'123	44'079
Amounts due from customers	13'750	1'628	149	-	15'527
Mortgage loans	83'059	-	-	-	83'059
Trading activities	3'609	637	662	23	4'931
Positive replacement value of derivative financial instruments	28	-	-	-	28
Financial investments	2'056	51	49	493	2'649
Accrued income and prepaid expenses	125	-	-	-	125
Participations	3'403	-	-	-	3'403
Tangible fixed assets	1'659	-	-	-	1'659
Intangible assets	-	-	-	-	-
Other assets	52	-	-	-	52
Total assets recorded on the balance sheet	190'249	7'997	10'460	1'646	210'352
Delivery rights on spot, forward and option foreign exchange transactions	1'494	354	950	367	3'165
Total assets 31.12.2025	191'743	8'351	11'410	2'013	-
Total assets 31.12.2024	188'887	11'843	10'493	1'916	213'139

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in thousand of Swiss Francs

	Currency				Total
	CHF	EUR	USD	Other	
Liabilities					
Amounts due to banks	-	-	205	-	205
Amounts due in respect of customer deposits	143'234	8'002	10'261	1'118	162'615
Negative replacement values of derivative financial instruments	28	-	-	-	28
Cash bonds	1'975	-	-	-	1'975
Mortgages with covered bond issuers and loans	10'800	-	-	-	10'800
Accrued expenses and deferred income	1'019	-	3	-	1'022
Other liabilities	141	-	-	-	141
Provisions	600	-	-	-	600
Reserves for general banking risks	6'600	-	-	-	6'600
Share capital	8'000	-	-	-	8'000
Legal reserve from capital	0	-	-	-	0
Legal reserve from profits	8'847	-	-	-	8'847
Own capital shares	(1'222)	-	-	-	(1'222)
Profit carried forward	8'713	-	-	-	8'713
Profit for the year	2'028	-	-	-	2'028
Total liabilities shown in the balance sheet	190'763	8'002	10'469	1'118	210'352
Delivery obligations on spot, forward and option foreign exchange transactions	1'494	354	950	367	3'165
Total liabilities at 31.12.2025	192'257	8'356	11'419	1'485	213'517
Total liabilities at 31.12.2024	190'142	11'654	9'949	1'394	213'139
Net position per currency at 31.12.2025	(514)	(5)	(9)	528	-
Net position per currency at 31.12.2024	(1'255)	(189)	544	522	-

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Notes to the off-balance-sheet

3.28 Breakdown of contingent assets and liabilities

in thousand of Swiss Francs

	2025	2024
Warranties to secure credits and similar	286	269
Warranties and similar instruments	139	6
Irrevocable commitments arising from documentary letters of credit	-	-
Other contingent commitments	1'662	1'662
Total contingent liabilities	2'087	1'937
Possible receivables for tax losses carried forward	-	-
Other possible receivables	-	-
Total possible receivables	-	-

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3.29 Breakdown of credit commitments

Nothing to report for 2025 and 2024.

3.30 Breakdown of fiduciary transactions

in thousand of Swiss Francs

	2025	2024
Fiduciary investments with third-party companies	10'966	13'542
Total	10'966	13'542

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3.31 a) Breakdown of managed asset

in thousand of Swiss Francs	2025	2024
Type of assets under management		
Assets placed in collective investment vehicles under proprietary management	-	-
Assets under asset management mandate	154'234	152'327
Other assets under management	290'971	276'431
Total assets under management (incl. double counting)	445'205	428'758
- double counts	-	-

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3.31 b) Changes to assets under management

in thousand of Swiss Francs	2025	2024
Total assets under management (incl. double counting) at the start	428'758	402'648
+/- Net inflow of new funds or net outflow	(2'884)	(5'639)
+/- Changes to stock exchange values, interest, dividends and exchange rate movements	19'331	31'749
+/- Other	-	-
Total assets under management (incl. double counting) at the end	445'205	428'758

Total assets under management include all assets with a management mandate, all customer deposits (for which the Bank also provides administrative services), term deposits, fiduciary investments, total customer securities deposits and cash bonds. The method used to calculate receipts and disbursements takes account of movements of cash, securities, metals and other valuables.

Notes to the profit and loss account

3.32 Breakdown of the result from trading activities and the fair value option

in thousand of Swiss Francs

Breakdown by underlying risk and based on the use of the fair value option

Result from trading activities from:	2025	2024
Interest rate instruments (including funds)	-	-
Equity securities (including funds)	699	130
Foreign currencies	473	574
Commodities/precious metals	5	7
Total result from trading activities	1'177	711
- fair value option on assets	-	-
- fair value option on commitments	-	-

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3.33 Disclosure of material refinancing income in the item interest and discount income as well as material negative interest

Nothing to report for 2025 and 2024.

3.34 Breakdown of personnel expenses

in thousand of Swiss Francs	2025	2024
Salaries	2'655	2'607
- expenses in relation to share-based remuneration and alternative forms of variable remuneration	354	433
Social benefits	414	384
Value adjustments related to economic benefits and commitments of pension institutions	-	-
Other personnel expenses	63	63
Total	3'132	3'054

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3.35 Breakdown of general and administrative expenses

in thousand of Swiss Francs	2025	2024
Office space expenses	104	78
Expenses for information and communication technology	831	787
Expenses for vehicles, equipment, furniture and other fixtures, as well as operating lease expenses	33	27
Fees of audit firm (art. 961a n.2 CO)	188	180
- for financial and regulatory audits	188	156
- for other services	-	24
Other operating expenses	527	554
- indemnity for a possible state guarantee	-	-
Total	1'683	1'626

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3.36 Explanations regarding material losses, extraordinary income and expenses, as well as material releases of hidden reserves, reserves for general risks, and value adjustments and provisions no longer required

Nothing to report. Insignificant amount.

3.37 Disclosure of and reasons for revaluations of participations and tangible fixed assets up to acquisition cost at maximum

Nothing to report.

3.38 Presentation of the operating result broken down according to domestic and foreign origin, according to the principle of permanent establishment

The Bank operates exclusively in Switzerland. There are no changes from the previous year.

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3.39 Presentation of current taxes, deferred taxes, and disclosure of tax rate*

in thousand of Swiss Francs	2025	2024
Current taxes		
Federal taxes	173	266
Cantonal taxes	144	271
Communal taxes	129	248
Deferred taxes	-	-
Total	446	785
Tax rate*	18,23%	25,65%

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* Weighted average rate on operating profit

3.40 Disclosures and explanation of the earnings per equity security in the case of listed banks

Not applicable.

Proposed allocation of profit

in CHF	2025	2024
Profit for the year	2'028'421	2'274'650
Profit carried forward	8'713'520	7'338'870
Balance sheet profit	10'741'941	9'613'520
Allocation to legal reserve	105'000	100'000
Balance sheet profit distribution	800'000	800'000
Carried forward	9'836'941	8'713'520

REPORT
OF THE STATUTORY AUDITORS

Deloitte SA, Zurich



Report of the Statutory Auditor

To the General Meeting of
Società Bancaria Ticinese SA, Bellinzona

Report on the Audit of the Annual accounts

Opinion

We have audited the annual accounts of Società Bancaria Ticinese SA (“the Bank”), which comprise the balance sheet as at 31 December 2025, the profit and loss account, the statement of changes in equity for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the annual accounts (pages 15 to 54) comply with Swiss law and the Bank’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 Annual accounts” section of our report. We are independent of the Bank in accordance with the provisions of Swiss law, and the requirements of the Swiss audit profession that are relevant to audits of the annual accounts of public interest entities. We have also 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.

Board of Directors’ Responsibilities for the Annual accounts

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

In preparing the annual accounts, the Board of Directors is responsible for assessing the Bank’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 Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 annual accounts.

A further description of our responsibilities for the audit of the annual accounts 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 annual accounts according to the instructions of the Board of Directors.

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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 Bank's articles of incorporation. We recommend that the annual accounts submitted to you be approved.

Deloitte SA



Pietro Di Fluri
Licensed Audit Expert
Auditor in Charge



Alexandre Buga
Licensed Audit Expert

Zurich, 30 March 2026
AB/PDF/dbo

This report has been translated from Italian. In case of inconsistencies,
the Italian version of our annual report shall prevail over the translated version.

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