TRADE X BANK

2025
Annual Report

Additional disclosures

Additional disclosures

of capital, liquidity and interest rate risk information
according to DisO-FINMA

Contents

Additional disclosures of capital, liquidity and interest rate risk information according to DisO-FINMA

Capital adequacy ratios are calculated in accordance with the revised Swiss Capital Adequacy Ordinance (CAO/ERV), incorporating the Basel III final standards. As a result of the regulatory changes effective from the current reporting period, year-over-year capital adequacy ratios and related risk-weighted asset figures are not directly comparable.

1. Basic regulatory key figures (table KM1 DisO-FINMA)

					a	e
Ciph	**Key metrics**				**31.12.2025**	**31.12.2024**
	Available capital (CHF 1'000)					
1	Common Equity Tier 1 (CET1)				470'056	483'401
2	Tier 1				470'056	483'401
3	Total capital				470'056	483'401
	Risk-weighted assets (CHF 1'000)					
4	Total risk-weighted assets (RWA)				522'213	452'375
	Risk-based capital (in % of RWA)					
5	CET1 ratio				90.01%	106.86%
6	Tier 1 ratio				90.01%	106.86%
7	Total capital ratio				90.01%	106.86%
	Additional CET1 buffer requirements (in % of RWA)					
8	Capital conservation buffer requirement				2.5%	2.5%
9	Countercyclical buffer requirement				0.0%	0.0%
10	Bank G-SIB and/or D-SIB additional requirements				0.0%	0.0%
11	Total of bank CET1 specific buffer requirements				2.5%	2.5%
12	CET1 available after meeting the bank's minimum capital requirements				82.01%	98.86%
	Capital target ratios in accordance with annex 8 CAO (in % of RWA)					
12a	Capital target ratios in accordance with annex 8 CAO				2.5%	2.5%
12b	Countercyclical buffer requirements according to art. 44 / 44a CAO				0.0%	0.0%
12c	CET1 target ratio according to annex 8 CAO including countercyclical capital buffer				7.0%	7.0%
12d	Tier 1 target ratio according to annex 8 CAO including countercyclical capital buffer				8.5%	8.5%
12e	Total capital target ratio according to annex 8 CAO including countercyclical capital buffer				10.5%	10.5%
	Leverage ratio according to the Basel minimum standard					
13	Total exposure (LRD) (CHF 1'000)				708'897	644'920
14	Leverage ratio (Tier 1 as % of LRD including the effect of a temporary exemption of central bank balances)				66.31%	74.96%
14b	Leverage ratio (Tier 1 as % of LRD excluding the effect of a temporary exemption of central bank balances)				66.31%	74.96%
14e	Minimum own funds (Art. 42 CAO) (1)				41'777	n/a
	Liquidity coverage ratio	Average **Q4 2025**	Average **Q3 2025**	Average **Q2 2025**	Average **Q1 2025**	Average **Q4 2024**
15	Total High-Quality Liquid Assets (HQLA) in CHF 1'000	157'792	197'054	227'910	146'836	170'757
16	Total Net Cash Outflow in CHF 1'000	22'168	22'045	24'061	21'025	20'643
17	Liquidity Coverage Ratio (LCR)	711.80%	893.87%	947.22%	698.39%	827.19%
	Net stable funding ratio (NSFR)					
18	Total available stable funding (CHF 1'000)				639'228	628'198
19	Total required stable funding (CHF 1'000)				365'352	294'966
20	Net stable funding ratio (NSFR) in %				175%	213%

(1) The greater of:
- the minimum own funds in accordance with Art. 42 par 1 let a and b CAO (3% LRD and 8% RWA respectively)
- the minimum capital of CHF 10 million (Art. 15 Banking Ordinance) for banks and CHF 1.5 million (Art. 69 para. 1 FinIO) for securities firms

2. Overview of risk weighted assets (table OV1 DisO-FINMA)

CHF 1'000			a	b	c
			Risk-weighted assets		**Minimum capital**
			31.12.2025	**31.12.2024**	**31.12.2025**
1	Credit risk	Standardized approach (SA-BIS)	469'315	377'585	37'545
20	Market risk	Simplified Standardized Approach	1'917	1'394	153
24	Operational risk	Single standardized approach (ILM = 1)	50'981	73'396	4'078
29	**Total**		**522'213**	**452'375**	**41'777**

3. Management of liquidity risk (table LIQA DisO-FINMA)

Liquidity risk is defined as the risk that the Bank may be unable to meet its financial obligations as they fall due, including under stressed conditions. The Bank maintains a liquidity risk management framework designed to ensure the availability of sufficient liquidity at all times in line with regulatory requirements.

The Bank has established a comprehensive liquidity risk management framework comprising functional risk measurement, monitoring and control systems to ensure that it is able to meet its obligations at all times and comply with applicable regulatory requirements. The framework defines strategies, processes and requirements for the management of liquidity risk, including under stress conditions.

Liquidity risk is governed by the Board of Directors, which defines the Bank's risk tolerance and overall risk appetite. The Asset and Liability Committee (ALCO) is responsible for the oversight of liquidity risk management, including liquidity positioning and adherence to internal limits. On a day-to-day basis, liquidity is monitored by Treasury, with independent oversight performed by the Risk function. Regular internal reporting ensures timely escalation to senior management where required.

The Bank's funding structure is currently based on existing balance sheet resources. During the financial year, the Bank did not attract any new external funding and relied primarily on its capital base and available liquidity reserves.

Liquidity risk is mitigated through the maintenance of adequate liquidity buffers, primarily in the form of central bank (Swiss National Bank) and nostro balances, as well as through prudent cash flow management and internal limits. The Bank has established contingency funding plans to address potential liquidity shortfalls under stressed scenarios.

Liquidity risk is assessed using a range of internal metrics and regulatory ratios. In addition, the Bank performs regular liquidity stress testing based on scenarios, tailored to liquidity risks arising from Bank's balance sheet structure.

Represented below is the liquidity gap in CHF million as of 31 December 2025:

Article	Call and up to 1M	1M to 6M	6M to 1Y	1Y - 3Y	More than 3Y	Non-maturing accounts	TOTAL
Assets							
Cash and equivalents	0	0	0	0	0	104	104
Securities portfolio	0	0	0	0	0	0	0
Accounts with other banks	37	17	8	0	0	65	127
Loans and advances to corporate customers	195	214	8	0	0	0	418
Fixed assets	2	0	0	0	0	0	2
Other assets	8	0	0	0	0	0	8
Total Assets	**243**	**231**	**16**	**0**	**0**	**169**	**660**
Liabilities							
Deposits from banks	0	0	0	0	0	1	1
Due to corporate customers	173	0	0	0	0	0	173
Securities Issued	0	0	0	0	0	0	0
Other liabilities	16	0	0	0	0	0	16
Capital	0	0	0	0	470	0	470
Total Liabilities	**189**	**0**	**0**	**0**	**470**	**1**	**660**
Liquidity gap	**54**	**231**	**16**	**0**	**-470**	**168**	**0**
Cumulative liquidity gap	**54**	**286**	**302**	**302**	**-168**	**0**	**0**

4. Credit risk: Credit quality of assets (table CR1 DisO-FINMA)

		a	b	c	d	e	g
					Of which ECL value adjustments / provisions for loan defaults		
CHF 1'000		Gross book value defaulted exposures 31.12.2025	Gross book value non-defaulted exposures 31.12.2025	Value adjustments / provisions 31.12.2025	Assigned to category «Specific» 31.12.2025	Assigned to category «General» 31.12.2025	Net exposures (a+b-c) 31.12.2025
1	Loans / Receivables (excluding debt securities)	46’912	546’906	54’256	51’894	2’362	539’561
2	Debt securities	0	0	0	0	0	0
3	Off-balance sheet exposures	0	5’580	4	0	4	5’575
4	**Total**	**46’912**	**552’486**	**54’261**	**51’894**	**2’367**	**545’136**

The default classification is applied by using of the following criteria:

- The customer is past due for more than 90 days on any material credit debt;
- A coupon or principal payment on the interest-bearing security is delinquent for at least 90 days;
- The customer is in breach of its granted overdraft facility limit for more than 90 days;
- The customer is declared insolvent by a court or through arbitration.

A decision to classify an exposure as defaulted can be exercised on an individual basis through the Credit Committee approval. Further details are provided in CRB section below.

5. Credit risk: Changes in portfolio of impaired loans / receivables and debt instruments (table CR2 DisO-FINMA)

CHF 1'000		a
		Gross debt amount 31.12.2025
1	Defaulted loans / receivables and debt securities at the end of previous reporting period	47’472
2	Loans / receivables and debt securities that have defaulted since the end of the previous reporting period	0
3	Exposures that have returned to non-defaulted status	0
4	Amounts written-off	0
5	Other changes	527
6	**Defaulted loans / receivables and debt securities at the end of reporting period**	**47’999**

6. Credit risk: Additional information of credit quality of the assets (table CRB DisO-FINMA)

Credit risk is the risk of a borrower not being able or not willing to honor its obligations vis-à-vis a creditor arising out of a contractual agreement. The Bank might be confronted with losses from outright default due to inability or unwillingness of a customer or counterparty to meet commitments in relation to lending, trading, settlement and other financial transactions. Losses or provisions may also result from revaluation of the loan portfolio due to its credit quality and risk factors. For the Bank, loans are the largest source of credit risk; however, credit risk could result from both on- and off-balance sheet items and trading products.

Credit risk is managed at both client and portfolio level to keep a balanced overall exposure and avoid concentration.

Minimum capital requirements for credit risk are calculated using the standardized approach (SA-BIS). For internal credit assessment, the Bank applies an industry-standard credit scorecard model calibrated to FINMA-recognized major rating agency criteria.

Definition of Impaired Exposures and Accounting Framework

The Bank classifies loans and receivables as impaired when there are indications that the debtor will not be able to meet future obligations, and in any event no later than when contractually due amortization, interest, or commission payments are overdue by 90 days or more.

Short-term, self-liquidating commodity trade finance deals are assessed individually and subject to strong collateral may remain unimpaired even if over 90 days past due, provided expected losses are adequately covered.

Methodology for Determining Provisions

The Bank applies an expected credit loss (ECL) approach based on a three-stage impairment model.

- Stage 1 covers financial instruments where credit risk has not significantly increased since initial recognition. Provisions are calculated on a collective basis using internal and external credit risk parameters.
- Where a significant increase in credit risk is identified, expected credit losses are assessed over the remaining life of the exposure and provisions are generally determined on an individual basis, taking into account expected recoveries, collateral values, and alternative scenarios (Stage 2).
- Stage 3 covers impaired or defaulted exposures. Provisions are determined individually based on an assessment of expected recoverable amounts. Interest income on defaulted exposures is recognized on the net carrying amount after deduction of impairment provisions.

Definition of Default and Restructured Exposures

Defaulted exposures are defined as those more than 90 days past due or where there is evidence of unlikeliness to pay, in line with internal policy. Default is applied at counterparty level: if one exposure triggers a default event, all exposures to that counterparty are classified as defaulted.

Default indicators include, inter alia, material past due obligations (>90 days), bankruptcy or insolvency proceedings, enforced recovery actions, borrower liquidation, distressed restructuring, write-offs, sale of exposures at a loss due to credit deterioration, and other unlikeliness-to-pay signals.

The default definition is aligned with the Bank's accounting impairment framework, ensuring no material differences between regulatory default and accounting classification.

The Bank does not maintain a separate definition for restructured exposures; such exposures are included within defaulted exposures for risk management and disclosure purposes.

Credit risk of assets: Distribution by geography

Loan business

CHF 1'000	Switzerland 31.12.2025	Europe 31.12.2025	North America 31.12.2025	Asia 31.12.2025	Other 31.12.2025	Total 31.12.2025
Balance sheet / amounts due:						
from banks	1'813	109'329	16'078	0	0	127'220
from customers	149'150	104'954	14'099	149'718	0	417'921
trading portfolio assets	0	0	0	0	0	0
positive replacement values	1'437	0	0	0	0	1'437
financial investments	0	7	0	0	0	7
accrued income and prepaid expenses / other assets	4'027	734	40	2'004	0	6'805
Total - current year	**156'428**	**215'024**	**30'217**	**151'721**	**0**	**553'390**
Total - previous year	230'547	113'901	30'409	68'570	0	443'429

Credit risk of assets: Distribution by contractor or industry

Loan business

CHF 1'000	Banks 31.12.2025	Public Bodies 31.12.2025	Enter-prises 31.12.2025	Equity 31.12.2025	Other Exposures 31.12.2025	Total 31.12.2025
Balance sheet / amounts due:						
from banks	127'220	0	0	0	0	127'220
from customers	0	0	417'921	0	0	417'921
trading portfolio assets	0	0	0	0	0	0
positive replacement values	1'437	0	0	0	0	1'437
financial investments	0	0	7	0	0	7
accrued income and prepaid expenses / other assets	85	0	3'700	0	3'020	6'805
Total - current year	**128'742**	**0**	**421'621**	**0**	**3'020**	**553'390**
Total - previous year	92'968	931	348'102	0	1'428	443'429

Credit risk of assets: Distribution by maturity

Loan business CHF 1'000	At sight	Cancel-lable	Due Within 3 months	within 3 to 12 months	Within 1 to 5 years	After 5 years	No Ma-turity	Total
Balance sheet / amounts due:								
from banks	64'725	0	54'144	8'350	0	0	0	127'220
from customers	127	0	410'020	7'774	0	0	0	417'921
trading portfolio assets	0	0	0	0	0	0	0	0
positive replacement values	1'437	0	0	0	0	0	0	1'437
financial investments	0	0	0	0	0	0	7	7
accrued income and prepaid expenses / other assets	3'020	17	3'744	24	0	0	0	6'805
Total - current year	**69'309**	**17**	**467'908**	**16'148**	**0**	**0**	**7**	**553'390**
Total - previous year	46'590	0	348'580	48'252	0	0	7	443'429

7. Credit risk: Overview of mitigation techniques (table CR3 DisO-FINMA)

	CHF 1'000	a Unsecured exposures 31.12.2025	c Secured exposures 31.12.2025	d+e Exposures secured with financial guarantees or credit derivatives 31.12.2025
1	Loans / Receivables inclusive debt securities	519'331	24'318	0
2	Off-balance sheet exposures	4'256	1'324	0
3	**Total**	**523'587**	**25'642**	**0**
4	Of which defaulted	47'999	0	0

The table represents the amount that has been used as credit risk mitigation for calculation of minimum capital requirements after risk mitigation but before risk weighting.

8. Credit risk: Credit risk exposure and effect of the Credit Risk Mitigation (CRM) (table CR4 DisO-FINMA)

CHF 1'000		a	b	c	d	e	f
		Exposures before CCF and CRM		**Exposures post-CCF and CRM**		**RWA**	**RWA density (in %)**
	Asset classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**		
1	Central governments and central banks	104'486	0	104'486	0	0	0%
4	Banks	125'813	0	125'813	0	33'860	26.91%
	Of which securities dealers and financial companies	*0*	*0*	*0*	*0*	*0*	*0*
6	Corporates	421'621	391'125	397'256	39'131	421'997	96.70%
	Of which securities firms not managing accounts and other financial institutions	*0*	*0*	*0*	*0*	*0*	*0*
	Of which specialised lending	*0*	*0*	*0*	*0*	*0*	*0*
7	Equity and subordinated debt	7	0	7	0	14	190%
11	Other assets	5'445	0	5'445	0	5'445	100%
12	**Total - current year**	**657'372**	**391'125**	**633'007**	**39'131**	**461'316**	**68.63%**
	Total - previous year	n/a					

9. Credit risk: Credit risk: exposures by asset classes and risk weights (table CR5 DisO-FINMA)

CHF 1'000		a	b	c	d	e	f	g	j
Risk weight (in %) **Asset class**		**0, 10, 15**	**20, 25**	**30, 35**	**40, 45, 50, 55**	**60, 70, 80, 85**	**90, 100, 110, 115**	**130, 150, 250**	**Sum of exposures post-CCF and CRM**
1	Central governments, central banks and supranational organisations	104'486	0	0	0	0	0	0	104'486
4	Banks	0	98'684	1'842	16'937	8'350	0	0	125'813
6	Corporates	0	23	0	0	0	436'364	0	436'387
7	Equity and Subordinated Debt	0	0	0	0	0	0	7	7
11	Other exposures	0	0	0	0	0	5'445	0	5'445
12	**Total**	**104'486**	**98'707**	**1'842**	**16'937**	**8'350**	**441'809**	**7**	**672'138**

10. Interest rate risk: Objectives and guidelines for the management of interest rate risk in the banking book (table IRRBBA DisO-FINMA)

Qualitative disclosure requirements for interest in the banking book:

a.		In regards to interest rate risk management, the bank focuses on both value and earnings-based metrics. In particular, it controls the following measures: a. Net Present Value sensitivity of the equity (NPV sensitivity) b. Net Interest Income (NII) sensitivity For this purpose the Bank includes banking book positions to derive above mentioned metrics.
b.		For interest rate risk management and mitigation purposes, NPV and NII sensitivities are reported on a monthly basis to the Asset & Liability Committee (ALCO). The ALCO sets targets and limits which are in line with the stipulated interest rate risk tolerance and risk-appetite limits that are approved on BoD level. In addition, several IRRBB scenarios are performed quarterly (for further details please refer to section d below). Treasury checks regularly that the worst case regulatory IRRBB stress test result is compliant with regulatory limitations.
c.		Two measures are calculated and presented to ALCO on a monthly basis: NPV sensitivity (NPV of equity change triggered by a parallel shift in accordance with FINMA regulatory scenario / NPV of equity) as well as NII sensitivity (NII change / regulatory capital base). Specific interest rate stress tests are performed and presented on a quarterly basis to ALCO and on an annual basis to Board of Directors (BoD).
d.		The bank calculates interest rate risks for several scenarios: parallel up / down, flattener, steepener, short term up / down based on regulatory interest rate shock scenarios.
e.		Currently the Bank is re-establishing its access to the financial markets and its ability to hedge IRR with derivative instruments. Still the Bank can use balance sheet instruments for IRR management, e.g. loan portfolio term structure.
f.		Key model assumptions and calculation parameters applied to derive tables IRRBBA1 and IRRBB1
	1.	Interest cash flows used for EVE change computation include client credit spreads.
	2.	Interest cash flows and repricing positions are included in the respective time bucket in accordance with the date of the interest payment or the repricing date, respectively. Hence, for EVE change computations the actual payment date or repricing date are applied.
	3.	For discounting purposes, the SARON/OIS, SOFR/OIS, Euribor/IRS rates in the respective currencies are used. Moreover, linear interpolation method is applied where generic yield figures are not available.
	4.	NII change is computed based on NII resulting from prevailing contractually agreed positions (assumption on run-off balance sheet) and future transactions, which fall into the defined 12 months horizon. As a result of the constant volume, lifetime and margin assumption, actual maturing deals are rolled-over or renewed and modelled as future transactions.
	5.	In case of non-maturing assets (NMA) and non-maturing liabilities (NML), the interest repricing date are determined based on internal replication keys. Longest assumed repricing frequency is 0.36 years.
	6.	The Bank has no material asset positions with embedded early termination optionalities. Hence, cashflows from loans are shown on the next repricing or maturity date.
	7.	Bank has immaterial amount of short-term deposits on its balance sheet as of reporting date, no behavioral assumptions were considered. Most of the client funding is concentrated on current accounts.
	8.	Loan prepayment options are not modelled for IRRBB purposes as they are immaterial in relation to balance sheet size.
	9.	The Bank does not make use of non-linear derivatives in the banking book.
	10.	The EVE change results by currency are simply added-up in line with regulatory requirements (FINMA circular 2019/2 "interest rate risk - banks"). As a result, this aggregation disregards correlation effects and thus, tends to overstate results.

11. Interest rate risk: Quantitative information on the exposure's structure and interest fixing date (table IRRBBA1 DisO-FINMA)

CHF 1'000	Amounts as per 31.12.2025			Average time to re-pricing of interest rates (in years)		Maximum time to re-pricing of interest rates (in years) for positions with modelled (non-deterministic) fixing of the repricing date	
	Total	- of which in CHF	- of which in other significant currencies (>10%)	**Total**	- of which in CHF	**Total**	- of which in CHF
Define repricing date of interest rates							
Due from banks	63'101	0	63'101	0.11	0		
Due from customers	427'376	103'490	323'886	0.10	0.04		
Fixed-term mortgages	0	0	0	0	0		
Financial investments	7	7	-	0	0		
Other assets	0	0	0	0	-		
Receivables on derivatives	356'502	340'635	15'867	0.12	0.12		
Due in respect of banks	0	0	0	0	0		
Due in respect of customers	1'193	0	1'193	0.05	0		
Other liabilities	0	0	0	0	0		
Payables on derivatives	356'502	15'867	340'635	0.12	0.15		
Non-defined repricing date of interest rates							
Due from banks	64'777	1'877	62'900	0.08	0.08	0.08	0.08
Due from customers	63	0	63	0.22	0	0.22	0
Variable-term mortgages	0	0	0	0	0	0	0
Other assets held at sight	0	0	0	0	0	0	0
Due in respect of customers held at sight	171'845	54'334	117'511	0.22	0.22	0.22	0.22
Other liabilities held at sight	1'146	400	746	0.08	0.08	0.08	0.08
Due in respect of customers (savings accounts)	0	0	0	0	0	0.36	0.36
Total	**1'442'513**	**516'611**	**925'902**	**0.04**	**0.02**	**0.36**	**0.36**

The reported volumes of interest rate derivatives are disclosed both under receivables and under payables in accordance with the reporting requirements. Consequently, the amounts shown represent a technical double presentation and should not be aggregated to determine the total derivative volume.

12. Interest rate risk: Quantitative information on the exposure's net present value and interest rate income (table IRRBB1 DisO-FINMA)

Quantitative information on the economic value of equity (EVE) and net interest income (NII):

CHF 1'000	EVE change 31.12.2025	EVE change 31.12.2024	NII change 31.12.2025	NII change 31.12.2024
Parallel up	(222)	(340)	7'229	6'852
Parallel down	217	340	(7'129)	(6'762)
Steepener	164	189		
Flattener	(191)	(239)		
Short rate up	(221)	(306)		
Short rate down	218	305		
Worst scenario	(222)	(340)	(7'129)	(6'762)
Tier I capital	470'056	483'401		

The Bank's interest rate risk in the banking book is limited due to its balance-sheet structure, which mainly consists of short-term loans funded by capital and current account balances.

Compared with the previous reporting period, there was a significant change in the composition of the loan portfolio, with an increased share of USD-denominated loans. These USD assets are predominantly funded through foreign exchange swaps, which are used to mitigate foreign exchange risk arising from currency mismatches.

Overall, no material change in the Bank's underlying IRRBB risk profile or modelling assumptions occurred during the reporting period.

13. Operational risk (ORA DisO-FINMA)

The Operational Risk Framework of the Bank is designed to identify, assess, mitigate, monitor and report on operational risk exposure arising from internal processes, people, systems, and external events, including cyber risk. It is implemented through policies, procedures and internal controls. Operational Risk Management is independent of the Bank's revenue-generating units and reports to the Chief Risk Officer.

Key tools are maintenance of Internal Control Inventory, Risk and Control Assessment, Risk Assessment, investigation of operational risk incidents and financial events, loss data collection, which constitute the base for regular management reporting.

Operational risk reporting is provided regularly to Executive Management and the Board of Directors and supports their assessment of the inherent risks with respect to the adequacy and effectiveness of the internal control environment.

The aim of Bank’s operational risk approach is not to eliminate every source of operational risk, but to provide a framework that supports the identification and assessment of all material Operational Risks and to ensure adequate mitigation measures are taken to reduce them in order to achieve an appropriate balance between risk and return.

The following inherent risks are monitored under the umbrella of operational risk management and are classified by the Bank as material: reputation risk, external fraud, Information security including cyber risk, data management risk. No material loss events occurred throughout the year.

For the calculation of minimum capital requirements for operational risk, the Bank applies the standardized approach in accordance with the applicable FINMA requirements. As a category 5 institution, the Bank applies an Internal Loss Multiplier (ILM) of 1; accordingly, the capital requirement is not adjusted for the Bank's historical loss experience.

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