PILLAR III GROUP REPORT

HALF-YEAR 2024

QUINTET
PRIVATE BANK

HALF-YEAR HIGHLIGHTS

Common Equity Tier 1 ratio (CET1)

20.0%

2023.12 : 19.6%

(see pages 5&6)

Risk weighted assets (RWA)

€3.0bn

2023.12 : €2.9bn

(see page 6)

Leverage ratio

6.1%

2023.12 : 5.7%

(see page 7)

Liquidity coverage ratio (LCR)

140.7%

2023.12 : 147.9%

(see page 8)

Net Stable Funding ratio (NSFR)

132.5%

2023.12 : 139.4%

(see page 9)

I. HALF-YEAR STATEMENT

Quintet Private Bank, founded in Luxembourg in 1949 and operating in some 30 cities across Europe and the UK, is extremely well positioned from a capital and liquidity perspective. A privately owned pure-play private bank with a stable base of high net worth private clients and conservative lending parameters, ensuring a high degree of collateralization, Quintet has proved its resilience even during periods of market volatility.

Quintet's Basel III common equity tier 1 ratio stood at 20.0% as of 30 June 2024, up from 19.6% at the end of 2023 and well above the regulatory threshold. This increase primarily reflects the allocation of Quintet's positive 2023 financial results to its reserves, partially offset by a coupon paid to investors in Quintet's additional tier 1 notes, which are listed on the Luxembourg Stock Exchange (Euro MTF).

Current sources of liquidity remain stable. Quintet's liquidity coverage ratio of 140.7% as of 30 June 2024, well above the regulatory threshold and compared to 147.9% at the end of 2023. Current sources of funding likewise remain stable. Quintet's net stable funding ratio stood at 133% as of 30 June 2024, significantly above the prudential limit. That is down from 139% at the end of last year, reflecting a high level of customer deposits in 2023 and then a gradual decrease in the first half of 2024 as clients increased exposure to robust financial markets.

As disclosed in March of this year, Quintet's 2023 full-year net profit stood at EUR 46.9 million, up from EUR 18.1 million in 2022. Over the same period, total group income rose to EUR 602.4 million, up 15% compared to EUR 524 million in 2022. Group expenses remained largely stable at EUR 522.1 million in 2023, compared to EUR 493.2 million the previous year. Total client assets stood at EUR 92 billion at the end of last year, up 6% from EUR 86.7 billion at the end of 2022.

Building upon that positive performance to invest in the future, we continue to strengthen the foundation of our firm to support sustained growth. Following the 2020 merger of our EU subsidiaries – as well as the successful liquidation of Quintet Switzerland, which was finalized in the second quarter of this year – we are focused on creating additional economies of scale, reducing organizational complexity and increasing collaboration in service to our clients. That includes through powerful new partnerships, including with BlackRock, the leading global asset manager.

Following the signing of a strategic cooperation agreement in 2023, we launched a series of multi-manager UCITS funds with BlackRock in the first half of this year. Reflecting Quintet's open-architecture approach and supported by BlackRock's scale and investment expertise, each of these actively managed, single asset class funds – available exclusively to Quintet clients – blends a selection of third-party managers into one fund that aims to support portfolio performance and enhance diversification. Those funds cover US equities, global high-yield bonds, Continental European equities and global investment-grade corporate bonds.

Last autumn, we also announced an investment partnership with Berlin-headquartered Moonfare, giving suitable clients access to an end-to-end digital investment platform offering top-tier private-market funds selected and approved by us. This platform provides our clients and client advisors with a wealth of tools and information, including product collaterals, client reporting and portfolio analytics.

The BlackRock and Moonfare partnerships support our ability to deliver robust client outcomes, superior client experience and ongoing investment innovation as a firm that earns the trust of its clients by placing their interests right where they belong: at the heart of our organization.

The consolidated figures presented in the Quintet Group's 2024 half-year Pillar 3 report have been prepared in accordance with Regulation (EU) 2019/876, amending Regulation (EU) No 575/2013 as from June 2021, known as "CRR II," as well as by Regulation (EU) 2021/637 laying down and implementing technical standards with regard to public disclosures.

II. PRUDENTIAL REQUIREMENTS

2.1. Own funds instruments

In 2020, Quintet has placed EUR 125 million nominal in additional tier-1 (AT1) notes, which are listed on the Luxembourg Stock Exchange (Euro MTF). The placement of these AT1 notes, which qualify as additional tier-1 capital, complements the significant equity capital commitments by Precision Capital, Quintet's shareholder. Quintet's AT1 notes, which are denominated in euros and are paid semi-annually, are perpetual instruments with a first call date in 2026.

The regulatory capital follows the Basel III rules as defined in the Regulation (EU) 575/2013. The positive evolution of the CET1 (EUR 607.0 million as of 30 June 2024 versus EUR 565.9 million as of 31 December 2023) is mainly the result of various effects:

- The allocation of 2023 positive result to the reserves (EUR 46.9 million)
- The AT1 coupon paid to investors (EUR -4.7 million)

Current sources of funding and liquidity remain stable. Quintet's shareholders are fully committed to supporting the bank's long-term growth strategy and unlocking its full potential. In that regard, it is worth noting that Quintet's shareholders have injected over EUR 300 million in additional capital since acquiring the firm in 2012. That is in line with our fully funded long-term growth strategy, supporting the significant investments we are making in the future.

Own Funds in EUR million	30/06/2024	31/12/2023	30/06/2023
Common Equity Tier 1 (CET1)	607.0	565.9	556.8
Additional Tier 1 (AT1)	123.5	123.5	123.5
Tier 1 Capital	**730.6**	**689.4**	**680.3**
Tier 2 (T2) Capital	0.1	0.1	0.1
Total Capital	**730.7**	**689.5**	**680.4**

2.2. Risk Weighted Asset

The RWA were stable versus the previous year. The overall RWA as at 30 June 2024 stood at EUR 3.0 billion (EUR 2.9 billion at year-end 2023).

This slight increase is mainly related to the continued growth of our lending to clients and the development of the bank's interbank exposures activity.

Risk Weighted Assets in EUR million	30/06/2024	31/12/2023	30/06/2023
Credit Risk	2,121.5	1,960.3	2,036.3
Credit Valuation Adjustment (CVA)	9.6	8.4	7.6
Market Risk	45.1	54.8	76.4
Operational Risk	864.8	864.8	770.6
Total Risk Weighted Assets	**3,041.0**	**2,888.3**	**2,890.9**

2.3. Capital Ratios

Quintet Group's half-year 2024 Total Capital and Tier 1 ratios remain significantly above regulatory limits. The increase in the last semester is largely due to the increase of the own funds (please refer to section 2.1. Own funds instruments).

Capital Ratios (%)	30/06/2024	31/12/2023	30/06/2023
Common Equity Tier I Ratio	20.0%	19.6%	19.3%
Tier I Ratio	24.0%	23.9%	23.5%
Total Capital Ratio	24.0%	23.9%	23.5%

2.4. Additional own funds requirement to address risks other than the risk of excessive leverage

Additional own funds requirement (%)	30/06/2024	31/12/2023	30/06/2023
Additional own funds requirements to address risks other than the risk of excessive leverage	3.00%	3.25%	3.25%
of which: to be made up of CET1 capital	*1.69%*	*1.83%*	*1.83%*
of which: to be made up of Tier 1 capital	*2.25%*	*2.44%*	*2.44%*
Total SREP own funds requirements	11.00%	11.25%	11.25%

2.5. Combined buffer and overall capital requirement

Quintet's group countercyclical capital buffer rate stands at 1.06% as of 30 June 2024 (2023.12: 0.79%).

The increase of the countercyclical capital buffer is mainly due to new requirement levels for the following countries: France +0.5% (from 0.5% to 1.0% in January 24), Belgium +0.5% (from 0.0% to 0.5% in April 24), The Netherlands +1.0% (from 1.0% to 2.0% in May 24).

Combined buffer and overall capital requirement	30/06/2024	31/12/2023	30/06/2023
Capital conservation buffer (%)	2.50%	2.50%	2.50%
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-
Institution specific countercyclical capital buffer (%)	1.06%	0.79%	0.60%
Systemic risk buffer (%)	-	-	-
Global Systemically Important Institution buffer (%)	-	-	-
Other Systemically Important Institution buffer (%)	-	-	-
Combined buffer requirement (%)	3.56%	3.29%	3.10%
Overall capital requirements (%)	14.56%	14.54%	14.35%
CET1 available after meeting the total SREP own funds requirements (%)	13.03%	12.62%	12.29%

2.6. Leverage Ratio

As of 30 June 2024, Quintet Group's Leverage Ratio stands at 6.1%, well above the 3% minimum Leverage Ratio of the Basel Committee on Banking Supervision (binding since CRR II introduction).

The evolution of this ratio (+37 bps) compared to 5.7% reported in December 2023 is explained by:

- Increase of Tier 1 capital (+34 bps): mainly due to the allocation to reserves of the 2023 profit, partially compensated by the yearly AT1 coupon paid to investors.
- Decrease of the total leverage exposure (+3 bps): mainly related to the decrease of the on-balance sheet exposure (+12 bps), increase of the off-balance sheet exposure (-4 bps) and an increase of securities financing transaction (-4 bps).

In EUR million	30/06/2024	31/12/2023	30/06/2023
Total exposure measure	11,967.9	12,027.5	13,159.5
Leverage ratio (%)	6.1%	5.7%	5.2%

2.7. Additional own funds requirement to address the risk of excessive leverage

Additional own funds requirement (%)	30/06/2024	31/12/2023	30/06/2023
Additional own funds requirements to address the risk of excessive leverage	-	-	-
of which: to be made up of CET1 capital	-	-	-
Total SREP leverage ratio requirements	3.0%	3.0%	3.0%

2.8. Leverage ratio buffer and overall leverage ratio requirement

Additional own funds requirement (%)	30/06/2024	31/12/2023	30/06/2023
Leverage ratio buffer requirement (%)	-	-	-
Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%

2.9. Liquidity Coverage Ratio

The Liquidity Coverage Ratio (LCR) remained relatively stable over the first semester of 2024, with a slight decrease attributable to lower volumes of deposits as clients have invested cash into securities markets. In turn, this decrease of deposits leads to less excess cash deposits at central banks.

The end of period LCR of Quintet Group remained significantly above the prudential limit and stood at 140.7% as at 30/06/2024 (31/12/2023 : 147.9%).

In addition to the end of period metric provided above, the below LCR computation provides 12-month rolling averages based on periods ranging from 07/22 to 06/2024.

In EUR million	30/06/2024	31/12/2023	30/06/2023
Total high-quality liquid assets (HQLA) (Weighted value - average)	4,378.8	4,671.5	5,616.0
Cash outflows - Total weighted value	3,813.7	4,111.4	4,900.3
Cash inflows - Total weighted value	654.0	862.7	1,015.0
Total net cash outflows (adjusted value)	3,159.7	3,248.7	3,885.3
Liquidity coverage ratio (%)	144.56%	144.13%	144.61%

2.10. Net Stable Funding Ratio

As of end of 2023, the NSFR was positively influenced by higher level of customer deposits. Over the first semester of 2024, client gradually increased their exposures on securities markets resulting in lower volumes of cash deposits. Quintet Group NSFR stood at 133% as at 30/06/2024, significantly above the prudential limit.

In EUR million	30/06/2024	31/12/2023	30/06/2023
Total available stable funding	6,394.2	6,793.9	6,853.0
Total required stable funding	4,824.2	4,874.3	5,049.3
NSFR ratio (%)	132.54%	139.38%	135.72%

III. FINAL REMARK

There is no additional significant information that would not be available in the Group's latest annual Pillar III Report and/or Financial Statements as at 31 December 2023 was identified in the first half of 2024 (https://www.quintet.com/en-gb/investor-relations#risk). These disclosures are in line with the evolution of the Group's risk profile and the necessary information to be disclosed to market participants in order to convey a fair picture of this risk profile.

ANNEX I – DECLARATION OF THE MANAGEMENT

The Management attests that the disclosures provided according to Part Eight of the CRR II (i.e. the present Pillar III Half Year 2024 document) have been prepared in accordance with the internal control processes it agrees on.

The Half-Year 2024 report was validated and approved for publication by the Authorised Management Committee on 28 August 2024.

The Management also ensures that the risk management arrangements of Group Quintet are adequate with regard to the Bank's profile and strategy, these arrangements already being implemented or forming part of an action plan with the aim of achieving this objective.

This declaration is based on the reliability of the risk-related information communicated to the Management through the dedicated channels foreseen by the governance. In particular, the Board Risk Committee - a sub-committee of the Board - is the forum where the risk exposures are compared to the Board's risk appetite, and where significant risk events and issues are reported and discussed.