MEDIA RELEASE
Julius Baer Group Ltd.

Ad hoc announcement pursuant to Art. 53 LR

Interim Management Statement for the first ten months of 2021

Sustained improvement in gross margin contribution from recurring fee income – Seasonal slowdown in client activity – Solid net inflows – Capital position remains strong – Return on capital continues to be among highest in sector

Zurich, 22 November 2021 – Julius Baer’s profitability rose significantly in the first ten months of 2021 on the back of strong growth in client assets and substantial improvements in cost efficiency, complemented by a near absence of credit losses. While the execution of the share buy-back programme continued without interruption, Julius Baer’s capital position remained robust. At the same time, the return on CET1 capital is well ahead of target and continues to be among the highest in the sector. Based on these results, Julius Baer is in an excellent position to deliver on the medium-term financial targets set at the beginning of 2020.

Strong growth in assets under management
Assets under management (AuM) rose to CHF 484 billion at the end of October 2021, a year-to-date increase of 12%. The increase was driven by continued net new money inflows (4.4% annualised) as well as positive stock market performance and currency movements. The year-to-date strengthening of a number of key currencies, particularly the US dollar, against the Swiss franc was only partly offset by a weaker euro.

Solid gross margin development
The gross margin for the first ten months of 2021 was slightly above 82 basis points (bp). The decline from the 88 bp reported for the full year 2020 reflects a softening in client activity from the exceptionally high levels witnessed last year. While the gross margin contribution from net interest income was slightly lower compared to full year 2020, the contribution from recurring fee income improved.

The slowdown in client activity relative to the strong first quarter of 2021 continued from the second to the third quarter and well into October. Initial results for November, however, indicate a potential recovery for the final two months of the year. As a result, in the July to October period, the gross margin contribution from brokerage commissions and from net income from financial instruments decreased compared to the level seen in the first half of 2021. The recurring fee income contribution to the gross margin was stable between these two periods, as was the contribution from net interest income. Credit quality remained high and there were no net credit

1 Based on unaudited management accounts. This media release contains certain financial measures that are not defined or specified by IFRS, the definitions of which are provided in the Alternative Performance Measures document available at www.juliusbaer.com/APM.
impairment losses in the July-October 2021 period (after the CHF 1 million recorded for the first six months of 2021).

**Further improvement in cost efficiency**
The year-to-date expense development benefitted from the effects of the measures taken under the CHF 200 million gross cost-reduction programme announced in February 2020. Consequently, the adjusted cost/income ratio for the first ten months of 2021 improved to just over 63% (66% in full year 2020) and the adjusted pre-tax margin to 29 bp (27 bp in full year 2020).

**Strong capital position**
On 2 March 2021, Julius Baer launched a new 12-month programme to buy back up to CHF 450 million purchase value of Julius Baer Group Ltd. shares. By the end of October, a total of 4,832,000 shares had been repurchased at an aggregate cost of CHF 294 million, representing a significant increase from the CHF 77 million repurchased in 2020.

Despite the substantially increased share buy-backs and the higher dividend accrual to reflect the significant growth in profitability, the Group’s BIS CET1 capital ratio rose to 16.7% at the end of October 2021 (end 2020: 14.9%). At the same time, and partially on the back of the successful issuance in September 2021 of a new USD 320 million AT1 bond (at a record-low coupon for a European USD AT1 issuer), the BIS total capital ratio went up to 24.1% (end 2020: 21.0%). At these levels, the BIS CET1 ratio and the BIS total capital ratio remained well above the Group’s own floors of 11% and 15% respectively, and significantly in excess of the regulatory requirements of 7.9% and 12.1% respectively.

Even with these high levels of capitalisation, the adjusted return on CET1 capital remained significantly ahead of the 2022 target of >30% and among the highest in the sector.

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**Important dates**
2 February 2022: Publication and presentation of 2021 full-year results, Zurich
21 March 2022: Publication of Corporate Sustainability Report 2021
12 April 2022: Annual General Meeting, Zurich

**About Julius Baer**
Julius Baer is the leading Swiss wealth management group and a premium brand in this global sector, with a focus on servicing and advising sophisticated private clients. In all we do, we are inspired by our purpose: creating value beyond wealth. At the end of October 2021, assets under management amounted to CHF 484 billion. Bank Julius Baer & Co. Ltd., the renowned Swiss private bank with origins dating back to 1890, is the principal operating company of Julius Baer Group Ltd., whose shares are listed on the SIX Swiss Exchange (ticker symbol: BAER) and are included in the Swiss Leader Index (SLI), comprising the 30 largest and most liquid Swiss stocks.

Julius Baer is present in over 25 countries and more than 60 locations. Headquartered in Zurich, we have offices in key locations including Dubai, Frankfurt, Geneva, Hong Kong, London, Luxembourg, Mexico City, Milan, Monaco, Montevideo, Moscow, Mumbai, São Paulo, Singapore and Tokyo. Our client-centric approach, our objective advice based on the Julius Baer open product platform, our solid financial base and our entrepreneurial management culture make us the international reference in wealth management.

For more information, visit our website at www.juliusbaer.com
Cautionary statement regarding forward-looking statements

This media release by Julius Baer Group Ltd. (‘the Company’) includes forward-looking statements that reflect the Company’s intentions, beliefs or current expectations and projections about the Company’s future results of operations, financial condition, liquidity, performance, prospects, strategies, opportunities and the industries in which it operates. Forward-looking statements involve all matters that are not historical facts. The Company has tried to identify those forward-looking statements by using the words ‘may’, ‘will’, ‘would’, ‘should’, ‘expect’, ‘intend’, ‘estimate’, ‘anticipate’, ‘project’, ‘believe’, ‘seek’, ‘plan’, ‘predict’, ‘continue’ and similar expressions. Such statements are made on the basis of assumptions and expectations which, although the Company believes them to be reasonable at this time, may prove to be erroneous.

These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the Company’s actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Important factors that could cause those differences include, but are not limited to: changing business or other market conditions, legislative, fiscal and regulatory developments, general economic conditions in Switzerland, the European Union and elsewhere, and the Company’s ability to respond to trends in the financial services industry. Additional factors could cause actual results, performance or achievements to differ materially. In view of these uncertainties, readers are cautioned not to place undue reliance on these forward-looking statements. The Company and its subsidiaries, and their directors, officers, employees and advisors expressly disclaim any obligation or undertaking to release any update of or revisions to any forward-looking statements in this media release and any change in the Company’s expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable law or regulation.