

Carrard Consulting SA

To the creditors of Banque Privée
Espírito Santo SA in liquidation

Lausanne, May 2026

The English version of this circular is published on the liquidator's website. In case of any discrepancy with the French version, the French version shall prevail.

Banque Privée Espírito Santo SA in liquidation (BPES): Circular no. 38 for the attention of BPES' creditors – status of liquidation operations at the end of 2025

Dear Sir/Madam,

The purpose of this circular is to summarise for BPES' creditors the progress of the liquidation operations at the end of 2025. It provides information to creditors on the significant steps taken by the liquidator as well as on the main ongoing and future liquidation operations. Its contents are not exhaustive but aim to provide creditors with the best possible information on the situation to date, in the interests of transparency. The liquidator makes no warranty as to the content of the information, the accuracy and veracity of which does not depend exclusively on the liquidator.

In accordance with the information in Circular No. 37, this Circular is only published on the website of the liquidator.

1 Conduct of liquidation and staff situation

The liquidation activities still take place at the premises of Carrard Consulting SA, in Switzerland (place St. François 7, P.O. Box, 1001 Lausanne). The bankruptcy estate has not paid any employees of the bank since 30 June 2016.

2 Banking activities continued

Staff employed by the liquidator continue to carry out securities transactions and verification of assets recorded at BPES and with custodians, including the cash assets of former customers. They also verify on a regular basis the cash assets available to the bankruptcy estate.

Both the cash assets of the bankruptcy estate of BPES and former clients are placed with Banque cantonale vaudoise (fixed short-term deposits).

3 Key figures of the liquidation

The key liquidation figures can be summarised as follows:

	At 31 December 2025		At 31 December 2024	
- Cash available to the bankruptcy estate ¹ :	CHF 37,491,061		CHF 37,648,633	
- Segregated cash (customer assets):	CHF 11.2 million		CHF 11.2 million	
- Number of securitisation positions held by customers with BPES ² :	90		91	
- Distribution of liquidation dividend to creditors:	Paid as at 31/12/25 (in CHF)	Still due as at 31/12/25 (in CHF)	Paid as at 31/12/24 (in CHF)	Still due as at 31/12/24 (in CHF)
• 1 st class creditors ³ :	840,522	-	840,522	-
• 2 nd class creditors (excluding privileged deposits):	512,994	-	512,994	-
• 2 nd class creditors (privileged deposits only):	17,806,279	1,777,624	17,806,279	1,777,624

¹ Excluding segregated cash (customer assets).

² Excluding securities issued by entities of the Espírito Santo group.

³ This item does not include social security contributions due to pension funds related to wage claims admitted to the schedule of claims or benefits paid under the social emergency plan.

• 3 rd class creditors (first interim distribution):	20,022,520	6,048,283 ⁴	19,956,944	6,113,858 ⁴
• 3 rd class creditors (second interim distribution):	16,019,829	4,812,195 ⁴	15,962,156	4,869,868 ⁴

Segregated cash amounting to approximately CHF 11.2 million consists of customer assets still deposited with BPES due to uncertainty as to their legal fate, criminal seizure, because they are the subject of a dispute between multiple announced holders or because they have not been claimed to date.

The first interim distribution of BPES' liquidation dividend of 2.8% meant it was possible to pay more than CHF 20 million to third-class creditors. The second interim distribution of 2.2% meant it was possible to pay approximately CHF 16 million to these same creditors. These amounts include payment of the 30% withholding for claims for damages in connection with investments in securities of the Espírito Santo group when the creditors concerned have waived their securities in the Espírito Santo group and/or assigned to the estate those of their claims resulting from fiduciary investments with group companies (for more information about the 30% withholding in connection with claims for damages, creditors are invited to read liquidator's Circular No. 14).

To date, the estate has been unable to distribute large amounts owed to creditors admitted to a schedule of claims since it has not received valid payment instructions. Creditors who have not yet sent the information and documents required for the payment are asked to do so as soon as possible. All information is available on the liquidator's website (see figure 11 below).

4 Filing of claims in Espírito Santo Group companies

The claims filed by the liquidator on behalf of BPES' former clients in the procedures of bankruptcy of Luxembourg companies ESFIL – Espírito Santo Financière SA and Espírito Santo Financial Group SA have not yet been processed by the curator in charge of these entities.

The curators of Espírito Santo International S.A. ("ESI") and Rio Forte Investments SA ("Rio Forte") challenged certain claims filed by individual creditors, which are based on the same debt securities as those invoked by the BPES bankruptcy estate in support of its claims filed on behalf of former customers.

⁴ This amount is before deduction of the 30% withholding on claims for damages; it does not take into account any claims of the estate arising after the bankruptcy that could be invoked as compensation. Last year's amounts have been revised.

The bankruptcy estate of BPES intervened in the proceedings regarding ESI and RFI and the courts have ruled in favor of production by the bankrupt estate of BPES, rather than production by individual creditors. Information can be found on the Luxembourg curators' website: <http://www.espiritosantoinsolvencies.lu/>.

Information on the status of each of these entities is available on the above-mentioned Luxembourg curators' website.

The curators of ESI and Rio Forte have not yet taken a position with regard to the claims filed by the BPES bankruptcy estate on its own behalf and on behalf of its former clients.

As indicated in the 2020 report, the Bankruptcy Office for the Vaud East District rejected the claims filed by the liquidator in the ancillary bankruptcies of ESI and Rio Forte initiated in Switzerland following the recognition of the bankruptcy judgements pronounced in Luxembourg against these entities. The liquidator challenged these decisions by filing actions which challenged the schedule of claims before the competent judicial authorities, due to the existence of a right of pledge (see also point 5(a) below). In 2021, the parties agreed to suspend the proceedings to hold settlement discussions given the reciprocal claims of the parties concerned.

5 Inventory of assets and realisation

a) General

The inventory of assets is available to creditors. The bankruptcy estate has initiated several steps, particularly judicial, for the purpose of realising assets, the fate of which is still unknown.

The estate also asserts a right of pledge over the assets deposited then by ESI, Rio Forte and Espírito Santo Control SA with BPES. The right of pledge must be used to guarantee the estate's nostro claims. The estate's right of pledge is disputed by the Luxembourg curators of the aforementioned companies; moreover, the assets concerned are seized by the Swiss criminal authorities, respectively by the Luxembourg criminal authorities on delegation from the Swiss criminal authorities when assets are located in Luxembourg. The estate has initiated numerous steps intended to claim the assets concerned, but these steps are complex due to the international nature of the dispute and the claims made on the assets by a number of opponents. Based on the information available to the liquidator, one of the companies concerned, Espírito Santo Health Care Investments SA, has paid a liquidation dividend, of which BPES claims the share allocated to Rio Forte. It is difficult to estimate the recovery value of these assets for the estate.

In addition, the bankruptcy assets requested and obtained authorisation to take legal actions against six debtors abroad (claims for recovery of claims). The liquidator is

currently filing the corresponding legal actions before the Swiss courts. As a reminder, other claims for recovery of claims were offered for assignment to creditors.

B) Assignment of liability claims against the corporate bodies

By way of reminder, by means of Circular No. 11, the liquidator offered for assignment to creditors the liability claims against the corporate bodies of BPES and the corporate bodies of the other companies of the Espírito Santo group, in particular the corporate bodies of ESI and Rio Forte, as well as the contractual claims based on multiple insurance policies.

Assignee creditors have taken action within the time limit set by the liquidator by initiating proceedings against certain corporate bodies and the proceedings are ongoing.

C) Custody fees

The invoicing of custody fees for 2025 for the securities of the Espírito Santo group and the non-transferable securities enabled the estate to collect a total amount of approximately CHF 150,000.

Custody fees are charged for the year 2026. The tariff is the same as in 2025.

6 Additional schedule of claims and distribution of liquidation dividends

By way of reminder, the Creditors' Committee (in its meeting on 11 November 2020 and by way of circulation) and FINMA (by correspondence of 1 February 2021) approved a second interim dividend distribution of 2.2%, bringing the total estimated dividend to 5%, for creditors admitted to the schedule of claims for April 2017. The liquidator required and obtained a similar authorisation for the claims admitted to the additional schedule of claims for October 2020. The 30% withholding in relation to claims for damages also applies to this second interim dividend distribution for the creditors concerned (see, however, figure 3 above).

At this stage, the amounts the liquidator would be able to distribute (taking into account the uncertainties related to the admission of certain claims and the recovery of certain assets) are too low to justify a third interim distribution of the dividend. The final dividend should be in the order of 5% to 6%.

7 Legal proceedings in progress

As of 31 December 2025, the following proceedings were pending before the Swiss courts:

- Two revocatory actions initiated by the bankruptcy estate;

- The defence of an action to contest the schedule of claims;
- 4 proceedings are suspended insofar as they concern either former BPES' corporate bodies or group companies;
- An action for payment of the amounts due by a company that owes the estate.

Proceedings have now also been opened in Luxembourg (see figure 5a) above)

In relation to the Madoff proceedings, the liquidator obtained confirmation from the US counsels of the estate that the proceedings against BPES had now been closed without the conviction of BPES, so that the clients concerned were informed that the withholding on their assets deposited with BPES had been lifted and that the guarantees provided to BPES by those same clients could be cancelled.

8 BPES Creditor's Committee

The BPES Creditors' Committee, established by a FINMA decision of 19 May 2016, met three times in 2025. In particular, the Creditors' Committee deliberated on the following subjects:

- Authorization to initiate legal proceedings against certain debtors of the estate and the outcome of certain claims for recovery against debtors domiciled abroad;
- The criminally seized assets over which the group asserts rights of pledge;
- The proceedings in Luxembourg relating to claims produced in duplicate;
- Approval of a settlement agreement with a debtor of the estate;
- The outcome of revocation claims against a former BPES customer;
- The electronic archiving of data for a period of 10 years from the end of 2026;
- Approval of the liquidator's fees (see section 9 below).

The Supervisory Committee is now composed of five members following the withdrawal of Me Alexander Troller and Me François Chaudet and the appointment of Me Florian Chaudet. Me Florian Chaudet is appointed as representative of 1st and 2nd class creditors.

9 Expenses of the bankruptcy assets

A detailed breakdown of the estate's expenses is submitted to FINMA on a quarterly basis. In accordance with Article 40 paragraph 2 Olns FINMA and Article 37e paragraph 1 LB, the final account is subject to FINMA approval.

The estate's expenses (less income collected) for 2025 break down as follows:

- Information/communication/technology:	CHF 569,000
- Carrard Consulting SA fees:	CHF 649,000
- External Agents:	CHF 425,000
- Creditors' Committee fees:	CHF 28,000
- General expenses:	CHF 39,000
- Custody fees paid by the estate:	CHF 188,000
- Custody fees charged to customers:	(CHF 150,000)
- Net interest in favour of the estate:	(CHF 39,000)
- Collection of VAT returns:	(CHF 1,290,000)
Total (rounded):	CHF 419,000

In 2025, VAT returns filed with the Federal tax Administration were collected. The estate continues to file quarterly statements.

The assets were invoiced for a few months by certain depositaries for negative interest. These negative interest were borne by the estate due to the discrepancy between the amount of these negative interest (several hundred francs per month) and the resources that would have been necessary for their allocation between each client and the creditor concerned.

The liquidator has reached an agreement with the IT service provider for the continuation of the electronic data archive for a further period of 10 years, at reduced costs, and allowing the liquidator to terminate this agreement early in the event that liquidation permits so. Negotiations are under way with another IT service provider in order to continue to be able to use a core banking solution in passive mode (read only).

Appendix 1 details the estate's costs and income from 19 September 2014.

The Creditors' Committee did not object to the liquidator's fees submitted to it.

10 Next steps in the liquidation

2026 will be devoted to defending the interests of the estate and customers/ former customers of BPES in the proceedings in Luxembourg and negotiating with the curators of the companies of the Espírito Santo group in order to process intra-group claims.

In addition, legal proceedings are being initiated in Switzerland against certain debtors (debt claims for recovery), who will take over the liquidator.

The liquidator also wishes to deal with a number of claims that have been suspended in order to reduce their number in the schedule of claims.

The pending legal proceedings will be continued throughout 2026, as will payment of the interim dividend to those creditors that have not yet received it.

As for the rest, the liquidator will continue to carry out the usual operations of winding up a banking institution via bankruptcy.

11 Invitation to visit the website

The liquidator publishes information on the BPES website, whose address is as follows: [Banque Privée Espírito Santo SA in liquidation](#). We invite you to visit it regularly to read this information.

The liquidator is at your disposal should you have any queries regarding this letter.

Yours sincerely,

The liquidator, Carrard Consulting SA

Appendix 1 – mass costs