

Letter to Shareholders

Dear Shareholders

In 2025, Cembra delivered a strong performance with a 5% increase of net income to CHF 180 million, supported by focused strategy execution, a structurally lower cost base and prudent risk management. Return on equity rose to 13.7%, underlining continued progress toward the Group's financial targets.

Net interest margin at 5.5%

Net financing receivables amounted to CHF 6.584 billion, down 1% year-on-year. Auto leases and loans increased by 3% to CHF 3.281 billion driven by leveraging the updated platform and process automation, while personal loans declined by 6% to CHF 2.147 billion, driven by selective underwriting and disciplined pricing. Credit card financing receivables rose by 1% to CHF 1.026 billion and the BNPL portfolio decreased by 17% to CHF 131 million in line with the planned focus on core activities and on profitability.

Net revenues amounted to CHF 542.2 million, a decrease of 2%. Net interest income declined 2% to CHF 372.2 million. Lower interest expense partially offset lower interest income and resulted in a net interest margin of 5.5%. Commission and fee income remained unchanged at CHF 170.0 million. Credit cards contributed CHF 89.4 million (-2%) and BNPL CHF 40.1 million (+0%). The share of net revenues generated from commission and fee income remained stable at 31%.

Cost/income ratio significantly improved to 45.2%

Total operating expenses fell by CHF 19.3 million, or 7%, to CHF 245.2 million, reflecting the benefits of initiatives related to operational excellence and their impact on business efficiency. Personnel expenses declined by 10% to CHF 121.1 million. General and administrative expenses decreased by 4% to CHF 124.1 million, supported by lower spending on professional services and marketing expenses. Information technology costs increased by 4% to CHF 52.6 million, while depreciation and amortisation decreased by 31% to CHF 18.5 million, following the full write-off of intangible assets. As a result, the cost/income ratio improved significantly to 45.2% (2024: 48.1%).

Continued solid loss performance

Provisions for losses on financing receivables amounted to CHF 73.6 million, in line with the prior year. The loss rate remained unchanged at 1.1%, reflecting consistent underwriting and active portfolio management. Metrics relating to over 30 days past due balances and the non-performing loan ratio are shown as 3.5% and 1.9% respectively. Cembra continues to manage the portfolio with a disciplined balance between risk and return.

Further diversified funding portfolio

The Group's funding portfolio decreased by 1% to CHF 6.4 billion, following the trend in assets. The share of deposits continued to increase to 56% (2024: 55%) and the weighted average duration decreased to 2.2 years (2024: 2.5 years). The end-of-period funding cost decreased by 20 basis points to 1.33% (31 December 2024: 1.53%). In 2025, the introduction of the covered bond programme further enhanced funding diversification and supports funding flexibility and margin stability.

Strong capital base and increased dividend payout

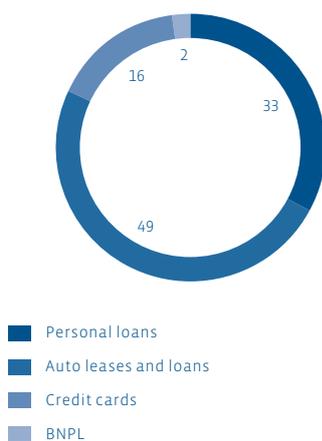
Cembra remains very well capitalised, with a strong Tier 1 capital ratio of 17.6% (31 December 2024: 17.9%). Shareholders' equity increased to CHF 1.345 billion, up 5%. Given Cembra's financial performance and as part of the Group's active capital management, the Board of Directors will recommend an ordinary dividend per share of CHF 4.60 (+8%) and a CHF 1.00 extraordinary dividend per share from excess capital at the General Meeting on 24 April 2026.

Strategic initiatives progressing as planned

During 2025, Cembra continued to implement strategic initiatives to further enhance customer value and productivity. The new leasing platform was successfully established and the transfer of all auto loans and leasing contracts was completed. In the credit cards business, Cembra launched additional features and insurance offerings available through the Cembra app and expanded its co-branded partnerships. Personal loan and leasing customers were also onboarded on the Cembra app, which increases access to this tool with comprehensive services and high security standards for more than 600k enrolled users. The technology and services hub in Riga, Latvia, was further scaled, and targeted investments in technology, automation and digital services supported efficiency gains.

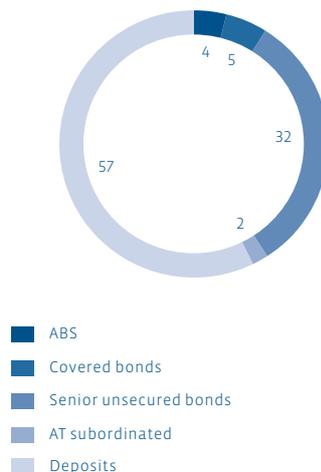
Net financing receivables

in %



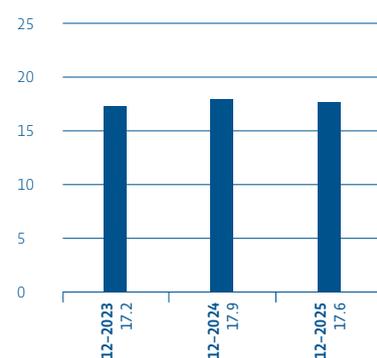
Funding structure

in %



Tier 1 capital ratio

in %



Christoph Glaser succeeds Pascal Perritaz as new Chief Financial Officer

Cembra announces the appointment of Christoph Glaser as Chief Financial Officer (CFO) and member of the Management Board, effective 1 March 2026. He succeeds Pascal Perritaz, who has decided to embark on a new professional chapter after eight successful years as CFO.

Christoph Glaser brings more than 20 years of experience in senior finance, risk management and operational leadership roles in international companies. Most recently, he served as Chief Financial and Operations Officer of PATRIZIA SE, a listed global real asset investment firm. Prior to that, he held the role of Chief Financial Officer at PPF's Home Credit Group and occupied various senior leadership positions at GE, primarily across its global consumer finance and banking operations. Christoph Glaser holds master degrees from both Humboldt University Berlin and Freie Universität Berlin and has completed multiple executive education programmes throughout his career.

During his tenure at Cembra, Pascal Perritaz was instrumental in shaping and executing the company's strategy, strengthening capital discipline and supporting sustainable performance and long-term value creation for shareholders. He will ensure a seamless transition during the handover period.

Holger Laubenthal, CEO, commented: "I am very pleased to welcome Christoph Glaser to Cembra. His deep expertise in finance, risk management and operations, combined with a strong understanding of consumer finance, will be highly valuable as we continue to execute our strategy and create long-term value. At the same time, I would like to sincerely thank Pascal Perritaz for his outstanding performance and significant contributions over the past eight years. He has made a lasting impact on Cembra. I wish him all the very best for the future."

Outlook

For the 2026 financial year, Cembra expects net revenue growth in line with Swiss GDP growth, a broadly unchanged loss performance and with cost reductions of CHF 15-20 million a further improvement in the cost/income ratio towards the 39% target. Based on these developments, Cembra expects an increase in net income and an improvement of the ROE to around 15% (previously $\geq 15\%$).

On behalf of the Board of Directors and Management, we would like to thank our customers, shareholders and business partners for the trust they have placed in us. We would also like to express our particular gratitude to our employees, who shape the success of our Group with their expertise, dedication and engagement.



Franco Morra
Chairman



Holger Laubenthal
CEO

Key figures

Key figures

At 31 December (in CHF millions)	2025	2024
Net interest income	372.2	380.5
Commission and fee income	170.0	170.0
Net revenues	542.2	550.5
Provision for losses	-73.6	-74.2
Total operating expenses	-245.2	-264.5
Net income	179.6	170.4
Total assets	7,943	7,949
Net financing receivables	6,584	6,625
Personal loans	2,147	2,273
Auto leases and loans	3,281	3,182
Credit cards	1,026	1,011
BNPL	131	159
Shareholders' equity	1,345	1,285
Return on shareholders' equity (ROE)	13.7%	13.4%
Net interest margin	5.5%	5.6%
Cost/income ratio	45.2%	48.1%
Tier 1 capital ratio	17.6%	17.9%
Employees (full-time equivalents)	773	812
Credit rating (S&P)	A-	A-
Basic earnings per share (in CHF)	6.13	5.81
Ordinary dividend per share (in CHF)	4.60	4.25
Extraordinary dividend per share (in CHF)	1.00	-
Book value per share (in CHF)	44.83	43.00
Share price (in CHF)	99.35	82.00
Market capitalisation	2,981	2,460

The Annual Report 2025 and Business Review 2025 are available at www.cembra.ch/investors. Subscribe to our news alert service: <https://www.cembra.ch/en/investor/news-media/alert-service/>

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