Interim Report 2025

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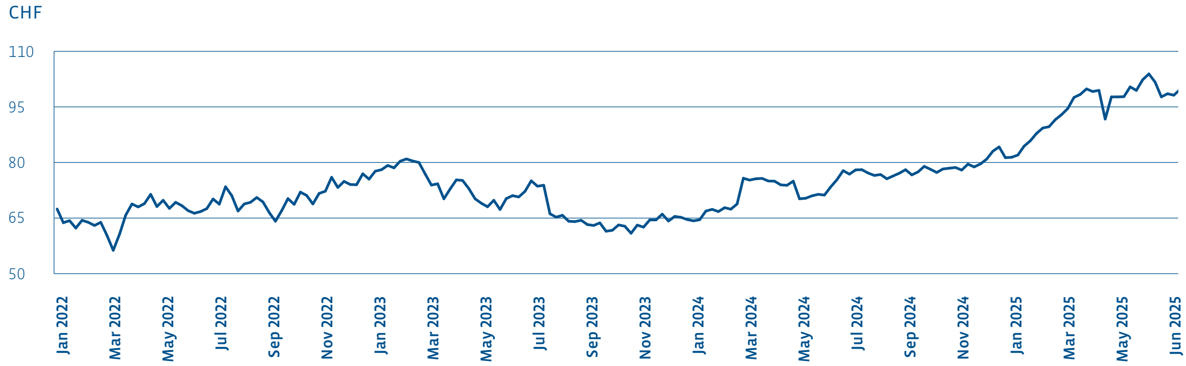
Key facts and figures

Key figures

CHF in millions	**H1 2025**	H2 2024	H1 2024	H2 2023	H1 2023
Net interest income	**184.3**	196.9	183.6	176.6	170.6
Commission and fee income	**83.0**	85.5	84.4	86.1	82.4
Net revenues	**267.3**	282.4	268.0	262.7	253.0
Provision for losses	**–31.4**	–38.9	–35.2	–31.8	–25.1
Total operating expenses	**–127.3**	–129.3	–135.2	–128.1	–134.5
Net income	**87.2**	92.1	78.3	83.0	75.1
Total assets	**7,919**	7,949	8,279	8,088	7,736
Net financing receivables	**6,623**	6,625	6,817	6,687	6,620
Personal loans	**2,198**	2,273	2,390	2,370	2,411
Auto leases and loans	**3,258**	3,182	3,209	3,147	3,068
Credit cards	**1,036**	1,011	1,060	1,028	1,014
BNPL	**131**	159	158	141	128
Shareholders' equity	**1,246**	1,285	1,210	1,250	1,179
Return on equity (in %, annualised)	**13.8**	14.8	12.7	13.7	12.2
Net interest margin (in %, annualised)	**5.4**	5.8	5.3	5.2	5.1
Cost / income ratio (in %)	**47.6**	45.8	50.4	48.8	53.2
Tier 1 capital ratio (in %)	**17.7**	17.9	17.1	17.2	17.6
Employees (full-time equivalents)	**805**	812	877	902	950
Credit rating (S&P)	**A–**	A–	A–	A–	A–
Basic earnings per share (in CHF)	**2.97**	3.14	2.67	2.83	2.56
Book value per share (in CHF)	**41.53**	43.00	40.33	41.67	39.30
Share price (in CHF)	**99.70**	82.00	76.70	65.60	74.20
Market capitalisation	**2,991**	2,460	2,301	1,961	2,226

For a glossary of key financial indicators including alternative performance measures please see
www.cembra.ch/financialreports

Share price Cembra

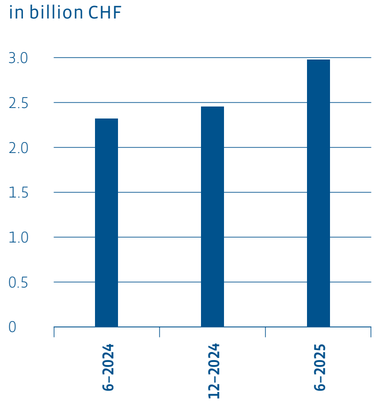


Facts

CHF

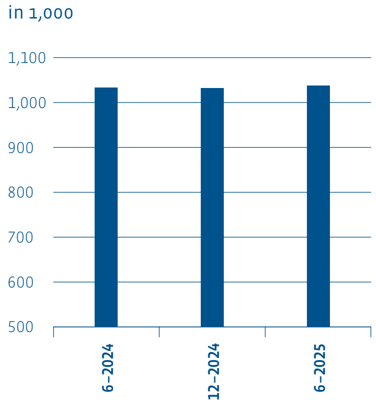
2,991,000,000

was the market capitalisation of Cembra by the end of June 2025



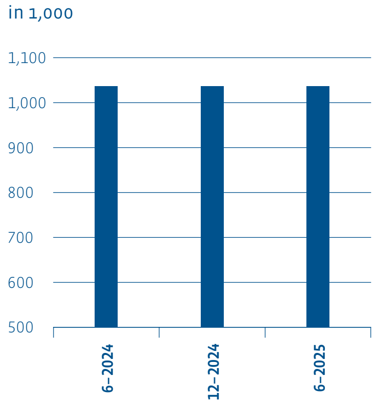
1,035,000

number of credit cards issued by Cembra



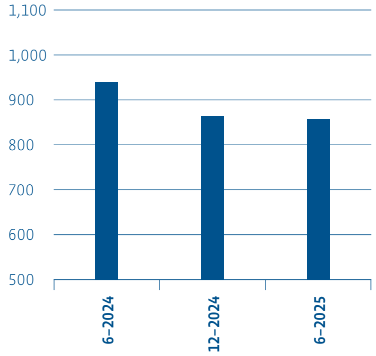
1,030,000

bank customers (excl. BNPL) trust Cembra as their preferred partner



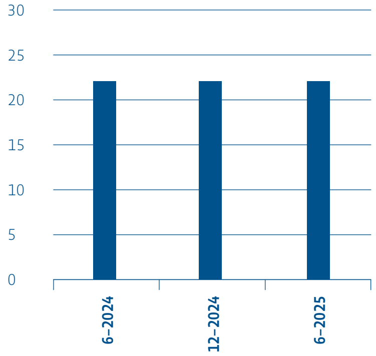
858

employees from about 40 different nations work for Cembra



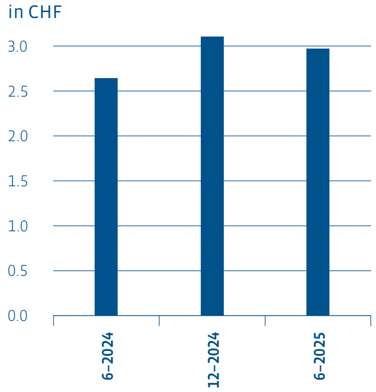
22

sales area managers serve about 3,200 car dealers



2.97

were the earnings per share (EPS) of Cembra in the first half of 2025



Dear Shareholders

In the first six months of 2025, Cembra's net income increased by 11% to CHF 87.2 million, or CHF 2.97 per share. Net financing receivables were stable at CHF 6.6 billion, reflecting deliberate selective growth and the focus on profitability. The progress made in the strategic transformation was particularly evident in a significant reduction in operating expenses by 6%, resulting in a decline of the cost/income ratio to 47.6%. The Group's loss performance continued to remain solid with a loss rate at 0.9%. As a result, return on equity came in at 13.8%, and the Tier 1 capital ratio stood at 17.7%.

In the first half of 2025, we delivered strong net income growth and continued to make significant progress with our strategic transformation, achieving further key milestones. We enhanced and simplified our products and services for customers, while maintaining a clear focus on profitability in a softened macro environment. The benefits of our strategic investments are clearly visible in the significant reduction in operating expenses. We are determined to sustain this momentum and deliver on our 2026 financial targets.

Net revenues stable and assets stable
In the first six months of 2025, Cembra's net financing receivables remained stable at CHF 6.6 billion. While net financing receivables in auto leases and loans increased by 2% to CHF 3.3 billion and in credit cards increased by 2% to CHF 1.0 billion, continued selective growth and focus on lower-risk segments led to a reduction of 3% to CHF 2.2 billion in personal loans. Net financing receivables in BNPL declined by 18% to CHF 0.1 billion in line with the planned exit of non-core partnerships.

Net revenues remained flat at CHF 267.3 million in the first half of 2025 with net interest income contributing CHF 184.3 million (0%). The decrease in interest income by 2% to CHF 231.4 million following the reduction of the maximum interest rates in consumer finance was compensated by the decrease of interest expense by 11% to CHF 47.1 million (H1 2024: CHF 52.9 million) following the continued rolling of the funding portfolio. The net interest margin came in at 5.4% (H1 2024: 5.3%).

Commission and fee income amounted to CHF 83.0 million, down 2% year-on-year. Slight decreases in the credit cards business (–3%), in insurance (–4%) were partially offset by the increases in loans and leases (+13%) and BNPL (+2%). The share of net revenues generated from commission and fee income amounted to 31% (H1 2024: 31%).

Improved cost/income ratio
Total operating expenses declined by 6% to CHF 127.3 million (H1 2024: CHF 135.2 million) reflecting efficiency gains as the strategic transformation progresses. Personnel expenses declined by 12% to CHF 62.5 million. General and administrative expenses increased by 1% to CHF 64.8 million. This resulted in a decrease of the cost/income ratio to 47.6% (H1 2024: 50.4%). As a result of the ongoing transformation and supported by recent increased growth momentum, Cembra continues to expect a cost/income ratio at or below 45% for the full year, and a further decline towards the 2026 target thereafter.

Continued solid loss performance
The provision for losses decreased by CHF 3.9 million to CHF 31.4 million. This resulted in a loss rate of 0.9% in the first six months of 2025 compared to 1.0% in the same period in 2024. The non-performing-loans (NPL) ratio amounted to 1.8% (H1 2024: 0.8%). The rate of over-30-days past due financing receivables stood at 3.8% (H1 2024: 2.4%). The main driver of these changes was the synchronisation of collection processes and write-off procedures initiated in the last quarter of 2024 as previously disclosed. Cembra continues to expect a loss rate of around 1% for the full year.

Further diversified funding portfolio
The Group's funding portfolio increased by 1% to CHF 6.5 billion at 30 June 2025. The share of deposits increased to 58% (31 December 2024: 55%), following the continued increase in savings accounts and term deposits. The weighted average duration decreased to 2.3 years at 30 June 2025 from 2.5 years at year-end. The end-of-period funding cost declined to 1.43% (31 December 2024: 1.53%). In June 2025, Cembra successfully issued an inaugural auto covered bond amounting to CHF 150 million, further diversifying the sources of funding.

Strong capital base
Cembra remains very well capitalised, with a strong Tier 1 capital ratio of 17.7% (31 December 2024: 17.9%). Shareholders' equity decreased by 3% to CHF 1.246 billion, mainly driven by the dividend payout of CHF 125 million in April 2025.

Continued progress in digital transformation
In the first half of the year, Cembra continued to successfully execute on its strategic roadmap. By March 2025, the bank had successfully transferred all auto loans and leasing contracts to its new platform. In the credit cards business, Cembra launched several insurance offerings available through the Cembra app, rolled out the invoice payment service Scan2Pay and selected customers are now benefiting from fast and easy credit card issuance. In the BNPL business, a new proprietary real-time credit decisioning tool was launched. The technology and services hub in Riga, Latvia, was further expanded.

Outlook
Supported by increased growth momentum, further efficiency gains, and active capital management, Cembra confirms its 2025 outlook with an increase in net income and a ROE of 14–15% for 2025, continues to expect to pay a dividend of at least CHF 4.25 for the current financial year and is committed to achieving its 2026 financial targets.[1]

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

[1] ROE ≥15% from 2026 on; dividend increasing from 2025 on based on earnings growth; Tier 1 capital ratio target >17%

Management Report

Significant developments

On 28 January 2025, Cembra announced changes to its Board of Directors. Board member Dr Monica Mächler will not be available for re-election in 2025 due to the statutory ten-year term limit, and that Wanda Eriksen be proposed for election as her successor at the Annual General Meeting on 24 April 2025.

Cembra held its Annual General Meeting in Zurich on 24 April 2025. The shareholders approved all proposals of the Board of Directors. All members of the Board of Directors who were proposed for re-election were confirmed for a further one-year term of office: Franco Morra (Chairman), Marc Berg, Thomas Buess, Sandra Hauser and Susanne Klöss-Braekler. Wanda Eriksen was elected as new member of the Board of Directors.

Macroeconomic environment

We operate predominantly in Switzerland and our financial position and revenues are strongly influenced by domestic macroeconomic factors, especially gross domestic product, the unemployment rate and interest rates. We have very limited exposure to foreign currencies.

Swiss gross domestic product

Growth in Switzerland's gross domestic product (GDP) is an important indicator for the Group. In the first quarter of 2025 Switzerland's GDP grew by 0.8%, continuing the moderate economic growth of the fourth quarter 2024 (+0.6%). Overall, Switzerland's GDP is expected to increase by around 1.3% in 2025.

Interest rates

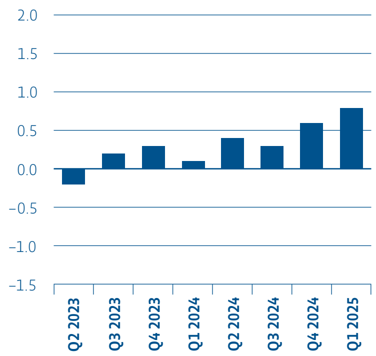
Interest rates determine the Group's funding costs. In 2025, the Swiss National Bank continued its cycle of interest rate cuts. In March and June, it lowered its policy rate by a total of 0.5 percentage points to 0.00%.

Unemployment rate

The unemployment rate serves as an important indicator for the credit risk profile of the Group's customers. The unemployment rate in Switzerland remained stable at 2.7% in June 2025 compared to December 2024 (2.8%).

Quarterly Swiss GDP

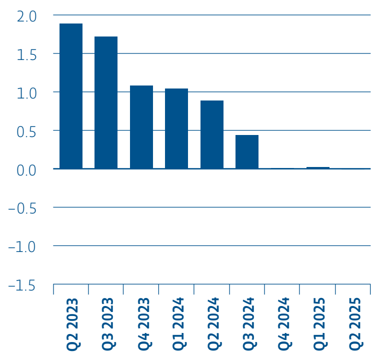
Change versus previous quarter (in %)



Source: SECO

CHF 3-year swap rate

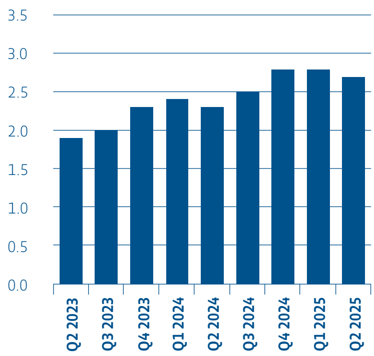
in %



Source: Bloomberg Finance L.P.

Unemployment rate in Switzerland

in %



Source: SECO

Product markets

Consumer loan market (segment Lending)

In the first six months of 2025, the Swiss consumer loan market declined slightly. According to the Swiss Central Office for Credit Information (ZEK), the Swiss consumer loan market decreased by 1%, from CHF 9.048 billion at 31 December 2024 to CHF 8.970 billion in outstanding assets at 30 June 2025. In a competitive environment, the Group had an estimated market share of approximately 35% of outstanding consumer loans.

Auto market (segment Lending)

The Swiss new car market decreased in the first half of 2025, and the used car market increased. According to "auto-schweiz" statistics (the association of official Swiss car importers), about 113,000 new cars were registered in the first six months of 2025, a decrease of 7% compared to the first half of 2024. Electric and plug-in hybrid car sales rose by 9% while combustion engine sales declined by 28%. A total of 351,000 used cars were sold in Switzerland according to auto-i-dat AG (an independent provider for automative market data); this represents a 7% increase compared with the first six months of 2024 (328,000). The Group estimated its auto leasing market share to be about 18% of total leasing assets outstanding as of June 2025.

Credit card market (segment Payments)

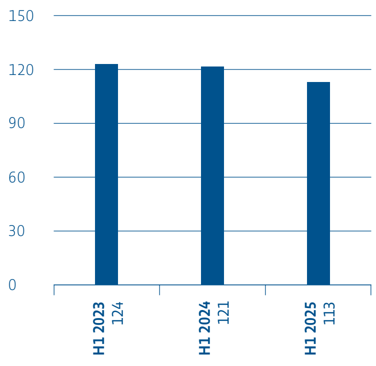
The credit cards market experienced moderate growth in 2025. Based on Swiss National Bank statistics from April 2025, the number of credit cards issued in Switzerland increased by 1% year-on-year to 8.5 million. The number of transactions increased by 2% year-on-year for the first four months of 2025. Overall, credit card transaction volumes remained flat year-on-year at CHF 18.6 billion in the first four months of 2025. The Group's number of credit cards issued remained flat since 31 December 2024, at about 1,035,000 at 30 June 2025. The market share, based on the number of credit cards issued, remained stable at 12%.

Buy now pay later market (segment Payments)

E-commerce sales in Switzerland grew to CHF 15.2 billion as estimated for the first half of 2025, with buy now pay later (BNPL) representing 8–11% of total e-commerce sales. Cembra has a market share of 30–40% of the BNPL market. E-commerce (online) volume increased by 3% in the first six months of 2025, as a result of the Twint expansion and development of other core partnerships. The billing volume decreased by 13% to CHF 353.9 million compared with the first six months of 2024 due to the termination of non-strategic partnerships.

New car registrations in Switzerland

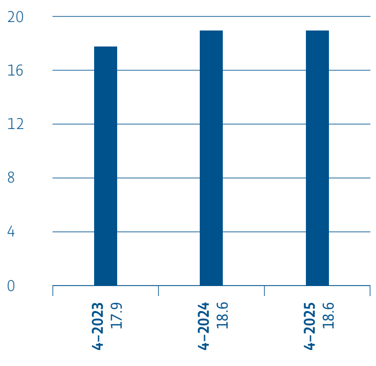
in 1,000



Source: auto-schweiz

Transaction volume Swiss credit cards

CHF in billions



Source: SNB

Balance sheet analysis

CHF in millions	30 June 2025	31 December 2024	Change	as %
Assets				
Cash and cash equivalents	**743**	793	– 50	– 6
Net financing receivables	**6,623**	6,625	– 2	0
Personal loans	**2,198**	2,273	– 75	– 3
Auto leases and loans	**3,258**	3,182	76	2
Credit cards	**1,036**	1,011	25	2
BNPL	**131**	159	– 28	– 18
Investment securities	**212**	190	22	12
All other assets	**341**	341	0	0
Total assets	**7,919**	**7,949**	**– 30**	**0**
Liabilities and equity				
Deposits and debt	**6,498**	6,424	75	1
Deposits	**3,748**	3,524	223	6
Debt	**2,751**	2,900	– 149	– 5
All other liabilities	**174**	240	– 65	– 27
Total liabilities	**6,673**	**6,664**	**9**	**0**
Shareholders' equity	**1,246**	1,285	– 39	– 3
Total liabilities and shareholders' equity	**7,919**	**7,949**	**– 30**	**0**

Net financing receivables remained stable at CHF 6,623 million compared with year-end 2024. The increase in the auto leasing business was offset by continued selective growth and underwriting in personal loans, and by repricing measures.

At the end of June 2025, the Group's personal loans accounted for 33% of net financing receivables (2024: 35%), auto leases and loans increased slightly to 49% (2024: 48%), the credit cards business remained largely stable at 16% (2024: 15%), and the BNPL business made up 2% (2024: 2%).

As at 30 June 2025, net financing receivables from personal loans amounted to CHF 2,198 million, 3% lower than at year-end 2024. Auto leases and loans increased by 2% to CHF 3,258 million compared with CHF 3,182 million at the end of 2024. Credit cards net financing receivables expanded by 2%, from CHF 1,011 million to CHF 1,036 million. BNPL net financing receivables decreased by 18% to CHF 131 million (2024: CHF 159 million) in line with a planned exit of non-core partnerships.

Funding

The Group maintained its diversified funding in the reporting period. The deposit base increased by 6% from CHF 3,524 million at 31 December 2024 to CHF 3,748 million at 30 June 2025. The Group's non-deposit debt decreased by 5% from CHF 2,900 million at 31 December 2024 to CHF 2,751 million at 30 June 2025. In June 2025, Cembra priced an inaugural auto covered bond with value date in July 2025.

Equity
Total shareholders' equity decreased by CHF 39 million, or 3%, from CHF 1,285 million to CHF 1,246 million at 30 June 2025. The decrease was mainly driven by the dividend of CHF 125 million, which was paid in April 2025 and was partly offset by net income of CHF 87.2 million for the first six months of 2025.

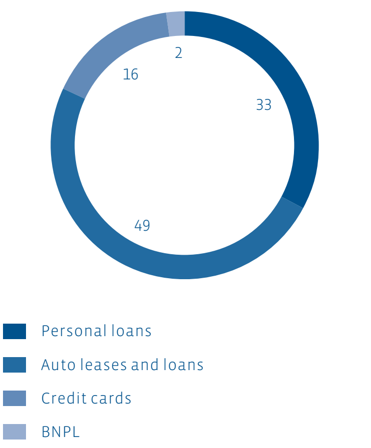
Capital position

CHF in millions	**30 June 2025**	31 December 2024	Change	as %
Risk-weighted assets	**6,286**	6,088	198	3
Tier 1 capital	**1,112**	1,091	21	2
Tier 1 ratio	**17.7%**	**17.9%**		

Risk-weighted assets increased by 3% to CHF 6,286 million at 30 June 2025, compared with CHF 6,088 million at 31 December 2024, due to the adoption of the FINMA's Basel III final standards which entered into force on 1 Jan 2025. Tier 1 capital increased by CHF 21 million to CHF 1,112 million, mainly due to the net income generated in the first half, offset by the dividend payment. The Tier 1 capital ratio amounted to 17.7% at 30 June 2025, which is significantly above the regulatory requirement of 11.2%.

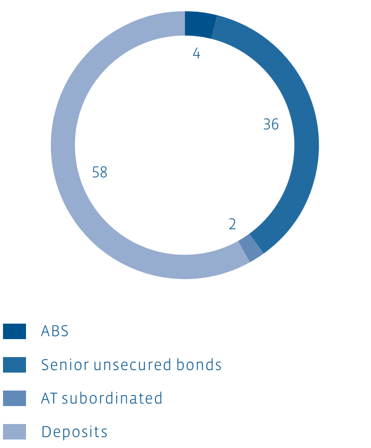
Net financing receivables

in %



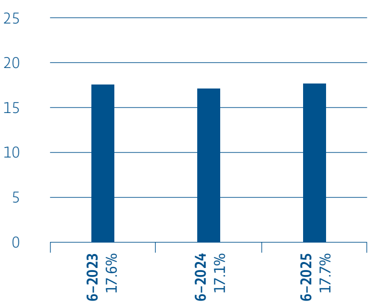
Funding structure

in %



Tier 1 capital ratio

in %

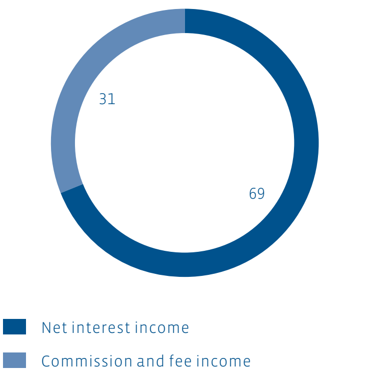


Profit and loss analysis

For the six months ended (CHF in millions)	**30 June 2025**	30 June 2024	Change	as %
Interest income	**231.4**	236.6	– 5.1	– 2
Interest expense	**– 47.1**	– 52.9	– 5.8	– 11
Net interest income	**184.3**	**183.6**	**0.7**	**0**
Commission and fee income	**83.0**	84.4	– 1.4	– 2
Net revenues	**267.3**	**268.0**	**– 0.7**	**0**
Provision for losses on financing receivables	**– 31.4**	**– 35.2**	**– 3.9**	**– 11**
Compensation and benefits	**– 62.5**	– 71.3	– 8.8	– 12
General and administrative expenses	**– 64.8**	– 63.9	0.9	1
Total operating expenses	**– 127.3**	**– 135.2**	**– 7.8**	**– 6**
Income before income taxes	**108.6**	**97.6**	**11.0**	**11**
Income tax expense	**– 21.4**	– 19.3	2.1	11
Net income	**87.2**	**78.3**	**8.9**	**11**

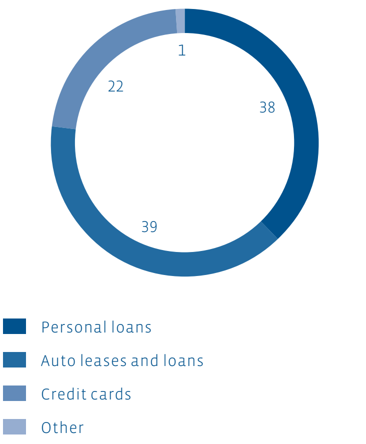
Net revenues

in %



Interest income

in %



Interest income

For the six months ended (CHF in millions)	**30 June 2025**	30 June 2024	Change	as %
Personal loans	**88.9**	89.7	– 0.9	– 1
Auto leases and loans	**89.2**	84.7	4.5	5
Credit cards	**51.0**	52.9	– 1.9	– 4
Other	**2.3**	9.3	– 6.9	– 75
Total	**231.4**	**236.6**	**– 5.1**	**– 2**

Overall, the contribution of personal loans to interest income remained stable at 38% in the first six months of 2025. The share of Auto leases and loans increased to 39% (H1 2024: 36%) and credit cards remained stable at 22%, compared to the year-earlier period. The contribution of other interest income from cash and investment securities decreased to 1% (H1 2024: 4%), mainly driven by the lower interest rates.

Total interest income decreased by 2%, or CHF 5.1 million, to CHF 231.4 million in the first half of 2025. Interest income from personal loans decreased by CHF 0.9 million, or 1%, to CHF 88.9 million following the reduction of the maximum interest rate since 1 January 2025 and continued selective growth. The yield in personal loans increased to 7.6% from 7.2% compared to the same reporting period in the previous year. Interest income from the auto leases and loans business increased by CHF 4.5 million, or 5%, to CHF 89.2 million in the first six months of 2025. The yield increased to 5.5% (H1 2024: 5.3%). Interest income from credit cards decreased by CHF 1.9 million, or 4%, to CHF 51.0 million in the reporting period, and the yield amounted to 9.8% (H1 2024: 9.9%). Other interest income of CHF 2.3 million included interest from cash and investment securities, as well as income from the BNPL business.

Cost of funds

For the six months ended (CHF in millions)	**30 June 2025**	30 June 2024	Change	as %
Interest expense on ABS	**3.7**	3.8	– 0.1	– 2
Interest expense on deposits	**22.3**	28.3	– 6.0	– 21
Interest expense on debt	**21.1**	20.9	0.3	1
Total	**47.1**	**52.9**	**– 5.8**	**– 11**

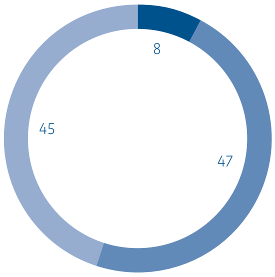
The overall cost of funds decreased to CHF 47.1 million in the first six months of 2025 (H1 2024: CHF 52.9 million) due to lower interest rates. Interest expense on auto lease asset backed securities remained stable. Interest expense on deposits decreased by CHF 6.0 million to CHF 22.3 million, compared with the first six months of 2024. Total interest expense on debt increased by CHF 0.3 million to CHF 21.1 million in the first half of 2025.

Commission and fee income

For the six months ended (CHF in millions)	**30 June 2025**	30 June 2024	Change	as %
Insurance	**11.6**	12.1	– 0.5	– 4
Credit cards	**44.1**	45.6	– 1.5	– 3
Loans and leases	**8.5**	7.6	1.0	13
BNPL	**19.4**	19.1	0.3	2
Other	**– 0.6**	0.1	– 0.7	n / a
Total	**83.0**	**84.4**	**– 1.4**	**– 2**

Cost of funds

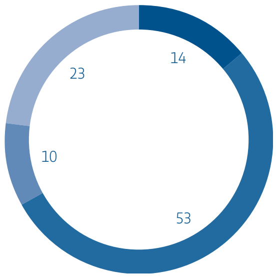
in %



- Asset-backed securities (ABS)
- Deposits
- Debt

Commission and fee income

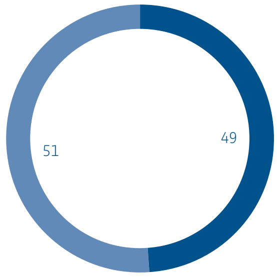
in %



- Insurance
- Credit cards
- Loans and leases
- BNPL
- Other

Operating expenses

in %



- Compensation and benefits
- General and administrative expenses

Commission and fee income decreased by CHF 1.4 million, or 2%, from CHF 84.4 million to CHF 83.0 million in the first six months of 2025. Insurance income decreased to CHF 11.6 million (H1 2024: CHF 12.1). Fee income on credit cards decreased by CHF 1.5 million, or 3%, to CHF 44.1 million, mainly due to lower reminder fees and the impact of the run-off portfolio. Fees from loans and leases increased by CHF 1.0 million to CHF 8.5 million because of the new leasing platform and other value-added services. Fee income in the BNPL business increased slightly by CHF 0.3 million, or 2%, from CHF 19.1 million to CHF 19.4 million in the first six months of 2025.

Provision for losses

For the six months ended (CHF in millions)	**30 June 2025**	30 June 2024	Change	as %
Provision for losses on personal loans	**9.0**	19.2	– 10.1	– 53
Provision for losses on auto leases and loans	**10.6**	12.2	– 1.6	– 13
Provision for losses on credit cards	**3.7**	– 0.4	4.1	n/a
Provision for losses on BNPL	**7.8**	4.2	3.6	85
Total	**31.4**	**35.2**	**– 3.9**	**– 11**

In the first six months of 2025, the Group's provision for losses on financing receivables decreased by CHF 3.9 million, or 11% to CHF 31.4 million compared to CHF 35.2 million in the same reporting period in 2024. The main driver of the decrease was the synchronisation of collection processes and write-off procedures, initiated in the last quarter of 2024, which has extended the write-off period for personal loans, credit cards and starting H1 2025 for auto leases and loans. The temporary positive effect of the write-off period change offsets the post-Covid growth maturing into a slightly more adverse macro environment with stretched cost-of-living in exposed customer segments. As a consequence, this change is visible in individual portfolios.

The provision for losses on personal loans decreased by CHF 10.1 million to CHF 9.0 million. On auto leases and loans, the provision for losses decreased by CHF 1.6 million to CHF 10.6 million. The provision for losses on credit cards increased by CHF 4.1 million to CHF 3.7 million. Provision for losses on BNPL increased by CHF 3.6 million to CHF 7.8 million as an impact of strategic shifts towards key partnerships.

The Group's loss rate amounted to 0.9% compared to 1.0% in the prior year reporting period.

Compensation and benefits

For the six months ended (CHF in millions)	30 June 2025	30 June 2024	Change	as %
Compensation and benefits	**62.5**	**71.3**	**– 8.8**	**– 12**

Compensation and benefit expenses decreased by CHF 8.8 million, or 12%, to CHF 62.5 million. The decrease was mainly attributable by lower FTE and related expenses. The Group's average number of employees (FTE) was 809 in the first half of 2025 compared with 890 in the corresponding prior-year period. At 30 June 2025, the number of employees (FTE) decreased from 812 to 805 compared with year-end 2024.

General and administrative expenses

For the six months ended (CHF in millions)	30 June 2025	30 June 2024	Change	as %
Professional services	**11.2**	11.4	– 0.2	– 2
Marketing	**4.7**	6.3	– 1.6	– 26
Collection fees	**7.8**	8.0	– 0.2	– 2
Postage and stationery	**5.7**	5.3	0.3	6
Rental expense under operating leases	**3.0**	2.9	0.1	2
Information technology	**27.7**	25.4	2.3	9
Depreciation and amortisation	**10.2**	13.6	– 3.5	– 25
Other	**– 5.4**	– 9.0	– 3.7	– 41
Total	**64.8**	**63.9**	**0.9**	**1**

General and administrative expenses increased by CHF 0.9 million, or 1%, from CHF 63.9 million to CHF 64.8 million in the first six months of 2025. Costs from professional services decreased slightly by 2% to CHF 11.2 million. Marketing expenses decreased by 26%, or CHF 1.6 million, to CHF 4.7 million mainly due to lower spend on cards retention activities. Collection fees decreased by 2% to CHF 7.8 million and costs for postage and stationery increased by 6% to CHF 5.7 million. Rental expenses increased by 2% to CHF 3.0 million. Information technology costs increased by 9% to CHF 27.7 million largely driven by the successful launch of leasing platform software. Depreciation and amortisation decreased by 25%, or CHF 3.5 million, to CHF 10.2 million as a consequence of the completion of amortisation for certain intangible assets. Other expenses decreased by CHF 3.7 million driven by lower capitalisation of implementation costs incurred developing new technologies.

As a result, the cost/income ratio declined to 47.6% from 50.4% in the first half of 2025.

Income tax expense

For the six months ended (CHF in millions)	30 June 2025	30 June 2024	Change	as %
Income tax expense	**21.4**	**19.3**	**2.1**	**11**

The Group's income tax expense increased by CHF 2.1 million, or 11%, to CHF 21.4 million in the first six months of 2025 in line with the higher income before taxes. The effective tax rate was 19.7%.

Result by segment

For the six months ended (CHF in millions)	Lending				Payments			
	30 June 2025	30 June 2024	Change	as %	**30 June 2025**	30 June 2024	Change	as %
Interest income	**179.6**	181.5	– 1.9	– 1	**51.8**	55.1	– 3.2	– 6
Interest expense	**– 38.8**	– 43.6	– 4.8	– 11	**– 8.3**	– 9.3	– 1.0	– 11
Net interest income	**140.8**	**137.9**	**2.9**	**2**	**43.5**	**45.8**	**– 2.2**	**– 5**
Commission and fee income	**19.1**	18.8	0.3	2	**63.9**	65.6	– 1.7	– 3
Net revenues	**159.9**	**156.7**	**3.2**	**2**	**107.4**	**111.3**	**– 4.0**	**– 4**
Provision for losses on financing receivables	**– 19.8**	**– 31.4**	**– 11.6**	**– 37**	**– 11.6**	**– 3.9**	**7.7**	**200**
Compensation and benefits	**– 38.5**	– 41.2	– 2.8	– 7	**– 24.0**	– 30.0	– 6.0	– 20
General and administrative expenses	**– 30.7**	– 31.5	– 0.8	– 3	**– 34.2**	– 32.4	1.7	5
Total operating expenses	**– 69.1**	**– 72.7**	**– 3.6**	**– 5**	**– 58.2**	**– 62.5**	**– 4.3**	**– 7**
Income before income taxes	**71.0**	**52.6**	**18.4**	**35**	**37.6**	**45.0**	**– 7.4**	**– 16**
Income tax expense	**– 14.0**	– 10.4	3.6	34	**– 7.4**	– 8.9	– 1.5	– 17
Net income	**57.0**	**42.2**	**14.8**	**35**	**30.2**	**36.1**	**– 5.9**	**– 16**

The segment Lending comprises the personal loans and the auto leasing and loans business. In Lending, the net income increased by 35% to CHF 57.0 million (H1 2024: CHF 42.2 million). Net revenues increased by 2% to CHF 159.9 million. Provision for losses decreased to CHF 19.8 million (H1 2024: 31.4 million). Total operating expenses decreased by 5% to CHF 69.1 million.

The segment Payments comprises credit cards and the buy now pay later business. In Payments, the net income decreased by 16% to CHF 30.2 million (H1 2024: CHF 36.1 million). Net revenues decreased by 4% to CHF 107.4 million. Provision for losses increased to CHF 11.6 million (H1 2024: 3.9 million). Total operating expenses increased by 7% to CHF 58.2 million.

The numbers published in the tables above are in Swiss francs and rounded; therefore rounding differences may occur.

Outlook

Supported by increased growth momentum, further efficiency gains, and active capital management, Cembra confirms its outlook with an increase in net income and a ROE of 14–15% for 2025, continues to expect to pay a dividend of at least CHF 4.25 for the current financial year and is committed to achieve its 2026 financial targets (ROE ≥15% from 2026 on; dividend increasing from 2025 on based on earnings growth; Tier 1 capital ratio target >17%).

Interim Financial Report 2025

Interim condensed consolidated financial statements (unaudited)

Interim condensed consolidated statements of income (unaudited)

For the six months ended (CHF in thousands)	Notes	30 June 2025	30 June 2024
Interest income	23	**231,416**	236,562
Interest expense	24	**– 47,111**	– 52,946
Net interest income		**184,305**	**183,616**
Commission and fee income	25	**82,994**	84,432
Net revenues		**267,298**	**268,048**
Provision for losses on financing receivables	**5**	**– 31,358**	**– 35,236**
Compensation and benefits		**– 62,515**	– 71,286
General and administrative expenses	26	**– 64,831**	– 63,901
Total operating expenses		**– 127,346**	**– 135,187**
Income before income taxes		**108,595**	**97,625**
Income tax expense	18	**– 21,374**	– 19,285
Net income		**87,221**	**78,340**
Earnings per share			
Basic	16	**2.97**	2.67
Diluted	16	**2.97**	2.67

See accompanying Notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of comprehensive income (unaudited)

For the six months ended (CHF in thousands)	Notes	30 June 2025	30 June 2024
Net income		**87,221**	78,340
Net prior service cost, net of tax	14	**– 109**	– 133
Actuarial gain / (loss), net of tax	14	**939**	– 278
Unrealised gains / (losses) on investment securities, net of tax	6	**174**	321
Gains / (losses) on cash flow hedges, net of tax	13	**1,600**	– 195
Foreign currency translation adjustments		**– 7**	18
Total other comprehensive gain / (loss), net of tax		**2,597**	– 266
Comprehensive income		**89,818**	**78,074**

See accompanying Notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of financial position (unaudited)

CHF in thousands	Notes	30 June 2025	31 December 2024
Assets			
Cash and cash equivalents		**743,413**	793,201
Financing receivables, net	5	**6,622,603**	6,624,776
Investment securities	6	**212,232**	189,856
Property, equipment and software, net	7	**39,564**	46,817
thereof operating lease - right-of-use (ROU) assets	7	**8,490**	10,679
Intangible assets, net	8	**12,285**	14,617
Goodwill	9	**189,521**	189,521
Other assets	10	**99,543**	89,944
Total assets [1]		**7,919,160**	**7,948,731**
Liabilities and equity			
Deposits	11	**3,747,787**	3,524,299
Accrued expenses and other payables		**148,376**	210,506
Short-term debt	12	**650,031**	400,058
Long-term debt	12	**2,100,675**	2,499,536
Other liabilities		**19,631**	23,807
thereof operating lease - lease liability	7	**8,490**	10,679
Deferred tax liabilities, net	18	**6,226**	5,410
Total liabilities [1]		**6,672,725**	**6,663,615**
Common shares		**30,000**	30,000
Additional paid in capital (APIC)		**259,815**	259,730
Retained earnings		**1,013,419**	1,050,890
Treasury shares		**– 42,568**	– 38,675
Accumulated other comprehensive income (loss) (AOCI)		**– 14,231**	– 16,828
Total shareholders' equity		**1,246,435**	**1,285,116**
Total liabilities and shareholders' equity		**7,919,160**	**7,948,731**

[1] The Group's consolidated assets as at 30 June 2025 and 31 December 2024 include total assets of TCHF 330,430 and TCHF 330,512, respectively, of consolidated variable interest entities (VIEs) that can only be used to settle the liabilities of the VIEs. The Group's consolidated liabilities as at 30 June 2025 and 31 December 2024 include liabilities of the VIEs of TCHF 283,984 and TCHF 281,551, respectively, for which the VIE creditors do not have recourse to Cembra Money Bank AG

See accompanying Notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of changes in shareholders' equity (unaudited)

CHF in thousands	Common shares	APIC	Retained earnings	Treasury shares	AOCI	Total equity
Balance at 1 January 2024	**30,000**	**258,666**	**997,887**	**– 37,380**	**565**	**1,249,738**
Net income	–	–	78,340	–	–	78,340
Dividends paid	–	–	– 117,394	–	–	– 117,394
Change due to share-based compensation	–	643	–	805	–	1,448
Treasury shares	–	–	–	– 2,117	–	– 2,117
Pension benefit plan obligation reclassifications from AOCI, net of deferred tax of TCHF 92 [1]	–	–	–	–	– 411	– 411
Available for sale debt securities unrealised gains / (losses), net of deferred tax of TCHF – 76	–	–	–	–	321	321
Derivatives gain / (loss), net of deferred tax of TCHF 46	–	–	–	–	78	78
Derivatives gain / (loss) reclassified from AOCI to interest expense [2]	–	–	–	–	– 273	– 273
Foreign currency translation adjustments	–	–	–	–	18	18
Balance at 30 June 2024	**30,000**	**259,309**	**958,832**	**– 38,692**	**298**	**1,209,747**
Balance at 1 January 2025	**30,000**	**259,730**	**1,050,890**	**– 38,675**	**– 16,828**	**1,285,116**
Net income	**–**	**–**	**87,221**	**–**	**–**	**87,221**
Dividends paid	**–**	**–**	**– 124,691**	**–**	**–**	**– 124,691**
Change due to share-based compensation	**–**	**85**	**–**	**2,141**	**–**	**2,226**
Treasury shares	**–**	**–**	**–**	**– 6,035**	**–**	**– 6,035**
Pension benefit plan obligation reclassifications from AOCI, net of deferred tax of TCHF – 197 [1]	**–**	**–**	**–**	**–**	**829**	**829**
Available for sale debt securities unrealised gains / (losses), net of deferred tax of TCHF – 41	**–**	**–**	**–**	**–**	**174**	**174**
Derivatives gain / (loss), net of deferred tax of TCHF – 380	**–**	**–**	**–**	**–**	**– 423**	**– 423**
Derivatives gain / (loss) reclassified from AOCI to interest expense [2]	**–**	**–**	**–**	**–**	**2,023**	**2,023**
Foreign currency translation adjustments	**–**	**–**	**–**	**–**	**– 7**	**– 7**
Balance at 30 June 2025	**30,000**	**259,815**	**1,013,419**	**– 42,568**	**– 14,231**	**1,246,434**

[1] Reclassifications from accumulated other comprehensive income (loss) related to the Group's pension benefit plan obligation are classified in the income statement under general and administrative expenses
[2] Reclassifications from accumulated other comprehensive income (loss) related to the interest expense on derivatives are classified in the income statement under interest expense

See accompanying Notes to the interim condensed consolidated financial statements

Interim condensed consolidated statements of cash flows (unaudited)

For the six months ended (CHF in thousands)	Notes	30 June 2025	30 June 2024
Cash flows from operating activities			
Net income		**87,221**	78,340
Adjustments to reconcile net income to cash provided from operating activities:			
Provision for losses on financing receivables		**31,190**	35,738
Deferred income taxes		**196**	– 212
Depreciation of property, equipment and software	7	**7,830**	7,290
Amortisation of intangible assets	8	**2,332**	6,326
(Decrease) / Increase in accrued expenses and other payables		**– 62,130**	45,279
Decrease / (Increase) in tax receivables		**– 2,391**	– 2,979
Decrease / (Increase)in other receivables		**3,586**	5,228
Decrease / (Increase) in deferred expenses		**– 1,004**	– 3,931
Decrease / (increase) in other assets		**– 5,629**	– 5,791
All other operating activities		**2,165**	– 1,183
Net cash provided by operating activities		**63,366**	**164,105**
Cash flows from investing activities			
Net (increase) / decrease in financing receivables		**– 29,017**	– 170,086
Proceeds from maturity of investment securities		**259,000**	30,000
Purchase of investment securities		**– 281,476**	– 50,297
Additions to property, equipment and software	7	**– 3,601**	– 5,898
All other investing activities		**–**	4,134
Net cash used for investing activities		**– 55,094**	**– 192,147**
Cash flows from financing activities			
Net change in deposits		**223,488**	388,108
Issuance of short-term and long-term debt		**–**	250,000
Repayments of short-term and long-term debt		**– 150,058**	– 450,016
Dividends paid		**– 124,691**	– 117,394
Purchase of treasury shares		**– 6,035**	– 2,117
All other financing activities		**3,395**	2,033
Net cash (used for) provided by financing activities		**– 53,900**	**70,613**
Net increase / (decrease) in cash and cash equivalents		**– 45,628**	**42,571**
Cash and cash equivalents, including restricted cash classified in "Other assets"			
Beginning of the period		**817,871**	958,422
thereof restricted cash		**24,670**	36,448
End of period		**772,244**	**1,000,995**
thereof restricted cash		**28,831**	20,464
Supplemental disclosure			
Interest paid		**– 48,692**	– 41,236
Income taxes paid		**– 30,600**	– 10,157

See accompanying Notes to the interim condensed consolidated financial statements

Notes to the interim condensed consolidated financial statements (unaudited)

1. Basis of presentation and summary of significant accounting policies

Cembra Money Bank, which is headquartered in Zurich, Switzerland, comprises of Cembra Money Bank AG ("the Bank" or the parent company) and its subsidiaries Swiss Auto Lease 2019-1 GmbH in Liquidation, Swiss Auto Lease 2020-1 GmbH in Liquidation, Swiss Auto Lease 2023-1 GmbH, Cembra Credit GmbH, Fastcap AG, CembraPay AG , Cembra Latvia SIA and Cembra Auto Finance AG (collectively "the Group"). The Group is a leading provider of financing solutions and services in Switzerland. The main products comprise consumer finance products such as personal loans, auto leases and loans, credit cards, invoice financing as well as saving products.

The accompanying unaudited Interim Condensed Consolidated Financial Statements reflect the Group's financial position, results of operations, shareholders' equity and cash flows and have been prepared in accordance with accounting principles generally accepted in the US (US GAAP) and are stated in Swiss francs (CHF).

Certain financial information, which is shown in the annual consolidated financial statements prepared according to US GAAP, is not required to be disclosed for interim reporting purposes. These statements include all adjustments (consisting of normal recurring accruals) that the Group considers necessary to present a fair statement of the Group's financial position, results of operations, shareholders' equity and cash flows. The results reported in these Interim Condensed Consolidated Financial Statements should not be regarded as indicative of results that may be expected for the entire year. They should be read in combination with the Consolidated Financial Statements and notes thereto included in the Consolidated Financial Statements as of and for the years ended 31 December 2024 and 2023.

Preparing financial statements in conformity with US GAAP requires the management to make estimates based on assumptions about future economic and market conditions that affect reported amounts and related disclosures in the financial statements. Although the Group's current estimates take into account current conditions and how management expects them to change in the future, as appropriate, it is reasonably possible that in the reporting period and beyond actual conditions could alter, which could materially affect the Group's results of operations and financial position.

The abbreviation TCHF within these financial statements refers to thousands of Swiss francs. The numbers published in the notes are rounded in thousands of Swiss francs, therefore rounding differences can occur.

2. Accounting changes

Recently issued accounting standards to be effective in future periods

On 4 November 2024, the FASB issued ASU No. 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40)", to improve the disclosures of expenses by requiring public business entities to provide further disaggregation of relevant expense captions (i.e., employee compensation, depreciation, intangible asset amortisation) in a separate note to the financial statements, a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, and the total amount of selling expenses and, in an annual reporting period, an entity's definition of selling expenses. The ASU is required to be adopted on a retrospective or prospective basis and will be effective in annual period ending 31 December, 2027 and interim periods for the interim period beginning 1 January, 2028. The Group is currently evaluating the impact on its disclosures.

Recently adopted accounting standards

On 14 December 2023, FASB has issued ASU No. 2023-09, Improvements to Income Tax Disclosures. This ASU is intended to enhance the transparency and decision usefulness of income tax disclosures, primarily through changes to the rate reconciliation and income taxes paid information. The amendments apply to public business entities for annual periods beginning after 15 December 2024. Entities should apply the amendments on a prospective basis, but retrospective application is allowed. The adoption of this guidance as of 1 January 2025 did not have an impact on the Group's financial statements.

Significant changes in write-off policies or estimates from prior periods accounting standards

Following the circumstances described as of 31 December 2024, effective starting with March 2025, the write-off period has been extended to 360 days past due for auto loans and leases, up from the previous write-off periods of 120 days for auto consumer leases and loans contracts and 180 days for commercial leases. For details, please refer to note 1. Basis of presentation and summary of significant accounting policies in the Consolidated Financial Statements as of 31 December 2024.

The 2025 synchronisation of write-off and collection processes for auto loans and leases is considered a change in accounting estimate as per ASC Topic 250, where changes are made prospectively. The change in estimate led to a decrease of write-off amounts of TCHF 8,067 and to an increase of allowances for losses of TCHF 2,973 compared with prior period. As a consequence of the decrease in written off amounts, the financing receivables 30 and 90 days past due have increased by the same amount as of 30 June 2025. The net impact on income before tax was TCHF 5,094.

3. Business developments

Please refer to Management Report, section "Significant developments" for a summary of business developments in the first half of 2025.

4. Operating segments

Cembra's operating reportable segments reflect how the CEO, who is the chief operating decision maker (CODM), manages the Group, allocates resources and measures performance.

Cembra organised its reporting into two reportable operating segments: Lending and Payments, with no other of the remaining operations or activities recorded separately.

The following is a description of each reportable operating segment, and the products these provide to their respective client bases.

Lending
Lending includes auto loans and leasing, which has auto loans and leasing financing solutions distributed via intermediaries and car dealers and personal loans, which are offered through our branches, intermediaries and online. Lending is operating in a relatively stable and predictable market, with financing duration ranging from 1 to 8 years and moderate capital needs.

Payments
Payments includes credit cards, which has proprietary card portfolios and co-branded credit cards through partner programmes and BNPL (buy now pay later), which has consumer invoice financing services and flexible payment options for both online and point-of-sale channels. Payments is operating in a more dynamic and innovative market, with frequent short-term transactions and lighter capital requirements.

Revenues and expenses directly associated with each respective segment are included in determining respective net income results. Other indirect revenues and expenses that are attributable to a particular segment are generally allocated based on respective net revenues, financing receivables, FTE (full time equivalents) or other relevant measures. The accounting policies of these reportable segments are the same as those disclosed in note 1. Basis of presentation and summary of significant accounting policies, in the Annual Report 2024.

Performance measurement is based on net income. These results are used by the CODM, both in evaluating the performance, and in allocating resources, predominantly in the annual budget and forecasting process. The CODM considers budget-to-actuals variances on a monthly basis for net income when making decisions about allocating capital and personnel to each segment and in the compensation of certain employees.

The following tables present information regarding Cembra's operations by reportable segment.

	Lending		Payments		Total Group	
For the six months ended (CHF in thousands)	**30 June 2025**	30 June 2024	**30 June 2025**	30 June 2024	**30 June 2025**	30 June 2024
Interest income	**179,568**	181,489	**51,848**	55,073	**231,416**	236,562
Interest expense	**– 38,788**	– 43,630	**– 8,323**	– 9,316	**– 47,111**	– 52,946
Net interest income	**140,780**	**137,859**	**43,525**	**45,757**	**184,305**	**183,616**
Commission and fee income	**19,142**	18,846	**63,851**	65,586	**82,994**	84,432
Net revenues	**159,922**	**156,705**	**107,376**	**111,343**	**267,298**	**268,048**
Provision for losses on financing receivables	**– 19,800**	**– 31,377**	**– 11,558**	**– 3,859**	**– 31,358**	**– 35,236**
Compensation and benefits	**– 38,478**	– 41,247	**– 24,036**	– 30,040	**– 62,515**	– 71,286
General and administrative expenses	**– 30,666**	– 31,471	**– 34,166**	– 32,430	**– 64,831**	– 63,901
Total operating expenses	**– 69,144**	**– 72,718**	**– 58,202**	**– 62,470**	**– 127,346**	**– 135,187**
Income tax expense	**– 13,970**	– 10,414	**– 7,404**	– 8,872	**– 21,374**	– 19,285
Net income	**57,009**	**42,197**	**30,211**	**36,143**	**87,221**	**78,340**

	Lending		Payments		Total Group	
CHF in thousands	**30 June 2025**	31 December 2024	**30 June 2025**	31 December 2024	**30 June 2025**	31 December 2024
Identifiable assets						
Financing receivables	**5,595,542**	5,588,013	**1,195,876**	1,195,217	**6,791,419**	6,783,230
Allowance for credit losses	**– 139,766**	– 133,053	**– 29,049**	– 25,402	**– 168,815**	– 158,454
Financing receivables, net	**5,455,776**	**5,454,960**	**1,166,827**	**1,169,815**	**6,622,603**	**6,624,776**

All revenue is generated within the country of Switzerland and substantially all of Cembra's fixed assets are located within Switzerland.

5. Financing receivables and allowance for losses

As at 30 June 2025, the Group's financing receivables included lending to private customers, vehicle lease financing, credit card financing and BNPL products as follows:

CHF in thousands	30 June 2025	31 December 2024
Loans	**3,550,426**	3,606,333
Deferred costs, net	**42,649**	46,028
Total loans, including deferred costs, net	**3,593,075**	**3,652,361**
Investment in financing leases, net of deferred income [2]	**3,061,190**	2,966,438
BNPL [1]	**137,154**	164,432
Financing receivables before allowance for losses	**6,791,419**	**6,783,230**
Less allowance for losses	**– 168,815**	– 158,454
Financing receivables, net	**6,622,603**	**6,624,776**

1 BNPL includes CembraPay AG
2 Only financing leases residual values are secured by collateral of TCHF 1,593,394 and TCHF 1,533,665 as at 30 June 2025 and 31 December 2024, respectively (guaranteed by dealers at the end of contract)

The majority of the investment in financing leases is related to auto leases. Components of the Group's net investment in financing leases, which are included in financing receivables above, are shown below:

CHF in thousands	30 June 2025	31 December 2024
Total minimum lease payments receivable	**3,392,857**	3,292,907
Deferred income [1]	**– 331,666**	– 326,469
Investment in direct financing leases	**3,061,190**	**2,966,438**
Less allowance for losses	**– 32,165**	– 26,822
Net investment in direct financing leases	**3,029,025**	**2,939,616**

1 Includes TCHF 25,907 and TCHF 25,661 of initial direct costs on direct financing leases as at 30 June 2025 and 31 December 2024, respectively

The subsidiaries held TCHF 309,080 and TCHF 311,494 of net financing receivables as at 30 June 2025 and 31 December 2024, respectively, as collateral to secure third-party debt in securitisations. See note 21. Variable interest entities for further details of securitisations.

The following table provides further information about financing receivables:

CHF in thousands	30 June 2025	31 December 2024
Personal loans	**2,302,774**	2,376,397
Auto leases and loans	**3,292,860**	3,211,616
Credit cards	**1,058,632**	1,030,784
BNPL [1]	**137,154**	164,432
Financing receivables, before allowance for losses	**6,791,419**	**6,783,230**
Allowance for losses	**– 168,815**	– 158,454
Financing receivables, net	**6,622,603**	**6,624,776**

[1] BNPL includes CembraPay AG

A summary of activity in the allowance for losses is shown below:

CHF in thousands	Balance at 1 January 2025	Provision [2] for losses	Amounts [2] written off	Recoveries	Other	Balance at 30 June 2025
Personal loans	**103,417**	**9,007**	**– 25,244**	**17,987**	**–**	**105,166**
Auto leases and loans	**29,663**	**10,619**	**– 16,522**	**10,866**	**–**	**34,626**
Credit cards	**19,468**	**3,717**	**– 6,558**	**5,819**	**–**	**22,447**
BNPL [1]	**5,906**	**7,847**	**– 9,990**	**2,812**	**–**	**6,576**
Total [2]	**158,454**	**31,190**	**– 58,313**	**37,484**	**–**	**168,815**
As a % of total financing receivables, net						**2.5 %**

[1] BNPL includes CembraPay AG
[2] The 2025 synchronisation of write-off and collection processes resulted in an overall increase in the allowance for losses of TCHF 2,973. For details see note 2

CHF in thousands	Balance at 1 January 2024	Provision for losses	Amounts written off	Recoveries	Other	Balance at 30 June 2024
Personal loans	104,401	19,527	– 42,880	22,008	–	103,056
Auto leases and loans	23,379	12,320	– 21,879	12,112	–	25,932
Credit cards	23,670	– 386	– 12,781	8,382	–	18,885
BNPL [1]	5,434	4,277	– 7,027	2,714	–	5,397
Total	**156,885**	**35,738**	**– 84,567**	**45,215**	**–**	**153,271**
As a % of total financing receivables, net						2.2 %

[1] BNPL includes CembraPay AG

Credit quality of financing receivables

The Group describes the characteristics of the financing receivables and provides information about payment performance, credit quality indicators and impairment. The Group manages its portfolios using delinquency and nonaccrual data as key performance indicators. The categories used within this section such as nonaccrual financing receivables are defined by the authoritative guidance, and the Group bases the categorisation on the related scope and definitions contained in the related standards. The category of delinquent customer accounts is defined by the Group and is used in the process of managing the financing receivables. Definitions of these categories are provided in note 1. Basis of presentation and summary of significant accounting policies of the Consolidated financial statements as of and for the years ended 31 December 2024 and 2023.

The Group employs a robust monitoring process for its financing receivables portfolio, utilising key metrics such as payment behaviour or consumer rating. These credit quality indicators provide valuable insights into the performance of the portfolio, enabling the Group to effectively assess and manage credit risk. By tracking these metrics over time, the bank can identify trends, assess credit quality at different vintages, and proactively manage potential credit issues. This monitoring approach enhances risk management practices, supports informed decision-making, and facilitates transparency for stakeholders.

The table below shows the Group's portfolio by key credit quality indicators as of 30 June 2025. In particular, an overview of the portfolio by delinquency status is provided.

Financing receivables [1]	Year of origination						
CHF in thousands	2025	2024	2023	2022	2021	Prior	Revolving (credit card)
Current	**1,185,205**	**1,666,466**	**1,218,614**	**704,732**	**268,027**	**113,413**	**1,010,664**
0-30 days	**75,453**	**93,251**	**58,464**	**30,958**	**13,299**	**6,509**	**19,378**
30-60 days	**10,408**	**25,695**	**22,411**	**13,235**	**6,194**	**3,000**	**7,089**
60-90 days	**4,385**	**12,999**	**14,554**	**8,612**	**3,654**	**2,928**	**3,679**
90+ days	**3,867**	**30,220**	**33,777**	**20,259**	**9,821**	**6,392**	**15,247**

1 Financing receivables for loans and credit cards are net of deferred costs and income

Past due financing receivables

The following table displays payment performance of the financing receivables as a percentage of loans and investment in direct financing leases:

	30 June 2025		31 December 2024	
	Over 30 days past due	**Over 90 days past due**	Over 30 days past due	Over 90 days past due
Personal loans	**6.1%**	**3.2%**	4.9%	2.4%
Auto leases and loans	**2.5%**	**0.8%**	1.1%	0.3%
Credit cards	**2.5%**	**1.4%**	1.7%	0.7%
BNPL [1]	**10.1%**	**4.5%**	7.7%	3.7%
Total [2]	**3.8%**	**1.8%**	**2.7%**	**1.2%**

1 BNPL includes CembraPay AG
2 The 2025 synchronisation of write-off and collection processes resulted in an overall increase in financing receivables over 30 and 90 days past due. For details see note 2

Nonaccrual financing receivables

The following table provides further information about financing receivables that are classified as nonaccrual:

CHF in thousands	30 June 2025	31 December 2024
Personal loans	**73,576**	56,191
Auto leases and loans	**24,521**	8,953
Credit cards	**15,247**	7,312
BNPL [1]	**6,242**	6,142
Total [2]	**119,586**	**78,597**
Non-performing loan coverage [3]	**141%**	202%

1 BNPL includes CembraPay AG
2 The 2025 synchronisation of write-off and collection processes resulted in an increase in nonaccrual financing receivables of TCHF 8,067. For details see note 2
3 Calculated as allowance for losses divided by nonaccrual financing receivables

Credit quality indicators

The Group employs internally developed scorecards for its credit processes, which analyse various financial and non-financial factors, such as credit history, socio-demographic data and business performance, among others. The Group utilises application scorecards during the loan application process to assess credit quality and support the underwriting process, while behavioural scorecards are employed to regularly evaluate the creditworthiness of financing receivables taking into account the most recent information on the customers' payment behaviour.

In addition to regular scorecard monitoring, the responsible functions run a parity test on a bi-annual basis to monitor at portfolio level whether the consumer ratings adequately reflect the credit quality. The parity test assesses the performance and predictive accuracy of internal scorecards, which involves comparing the actual outcomes of credit decisions with the predictive outcomes based on the scorecard.

The Group employs an internal master scale consisting of five consumer ratings (CR), each of which is assigned an implied probability of default. The default definition used in the scale is 90 days past due or write-off in 12 months. The five ratings and their associated probabilities of default are:

a. CR1 0.00% – 1.20%;
b. CR2 1.21% – 2.97%;
c. CR3 2.98% – 6.99%;
d. CR4 7.00% – 13.16%; and
e. CR5 13.17% and greater.

The table below shows the distribution of the Group's financing receivables, categorised based on consumer ratings.

	30 June 2025				
CHF in thousands	**CR1**	**CR2**	**CR3**	**CR4**	**CR5**
Personal loans	**977,195**	**667,623**	**405,879**	**185,687**	**66,390**
Auto leases and loans	**1,641,006**	**997,167**	**496,291**	**117,314**	**41,082**
Credit cards	**717,846**	**236,624**	**98,947**	**5,135**	**80**
Total [1]	**3,336,047**	**1,901,414**	**1,001,117**	**308,136**	**107,551**
As a % of total financing receivables before allowance for losses [1]	**50.1%**	**28.6%**	**15.0%**	**4.6%**	**1.6%**

[1] Does not include BNPL related to CembraPay AG. There is no material impact on the Group's consumer ratings

	31 December 2024				
CHF in thousands	CR1	CR2	CR3	CR4	CR5
Personal loans	970,691	732,392	425,700	171,224	67,346
Auto leases and loans	1,692,993	999,081	402,871	84,401	32,270
Credit cards	708,972	224,975	91,721	5,048	68
Total [1]	**3,372,656**	**1,956,448**	**920,292**	**260,673**	**99,684**
As a % of total financing receivables before allowance for losses [1]	51.0%	29.6%	13.9%	3.9%	1.5%

[1] Does not include eny Credit GmbH (renamed Cembra Credit GmbH in November 2024) and BNPL related to CembraPay AG. There is no material impact on the Group's consumer ratings

6. Investment securities

Investment securities are comprised of debt securities available for sale.

CHF in thousands	30 June 2025	31 December 2024
Debt securities available for sale	**212,232**	189,856
Total investment securities	**212,232**	**189,856**

All investment securities are Level 1 instruments in the fair value hierarchy. The following table summarises amortised cost, fair value and unrealised gains and losses of debt securities available for sale by category.

	30 June 2025				31 December 2024			
	Amortised cost	**Gross unrealised gains**	**Gross unrealised losses**	**Fair value**	Amortised cost	Gross unrealised gains	Gross unrealised losses	Fair value
Debt securities issued by Swiss cantons	**10,039**	**284**	**–**	**10,322**	10,046	306	–	10,353
Debt securities issued by Swiss funding institutions [1]	**121,415**	**1,271**	**–**	**122,686**	60,237	951	–	61,188
Debt securities issued by Swiss central government [2]	**70,000**	**2**	**– 8**	**69,994**	99,941	23	–	99,965
Debt securities issued by supranational organisations	**9,118**	**112**	**–**	**9,230**	18,189	162	–	18,351
Debt securities available for sale	**210,571**	**1,668**	**– 8**	**212,232**	**188,414**	**1,443**	**–**	**189,856**

1 Includes Swiss covered bonds, SNB eligible
2 Includes SNB bills

The maturity of debt securities available for sale is presented in the table below:

	Amortised cost	Fair value
CHF in thousands	**2025**	**2025**
Within 1 year	**29,080**	**29,355**
From 1 to 5 years	**181,491**	**182,877**
From 5 to 10 years	**–**	**–**
After 10 years	**–**	**–**
Total debt securities	**210,571**	**212,232**

Upon analysing the financial investment portfolio, the Group determined that no allowance for loss was required as these investments represent high quality liquid assets securities for which the risk of loss was deemed minimal.

Accrued interest receivable presented separately within other assets was TCHF 865 and TCHF 835, for the period ended 30 June 2025 and 31 December 2024, respectively.

7. Property, equipment and software

The following table provides further information about property, plant and equipment, excluding operating leases which are shown separately further below.

CHF in thousands	Estimated useful lives (years)	30 June 2025	31 December 2024
Original cost			
Buildings and improvements	(5-40)	**3,056**	3,196
Office equipment	(3-10)	**9,141**	8,958
Software	(1-5)	**56,094**	58,916
Total		**68,292**	**71,070**
Accumulated depreciation			
Buildings and improvements		**– 2,712**	– 2,708
Office equipment		**– 5,751**	– 4,628
Software		**– 28,754**	– 27,596
Total		**– 37,217**	**– 34,932**
Net carrying value			
Buildings and improvements		**344**	488
Office equipment		**3,390**	4,330
Software		**27,340**	31,320
Total		**31,075**	**36,138**

Depreciation expense was TCHF 7,830 and TCHF 7,290 or the periods ended 30 June 2025 and 2024, respectively. The Group did not recognise any impairment losses in both periods.

The Group holds operating leases primarily related to real estate and automobiles.

CHF in thousands	30 June 2025	31 December 2024
Components of the lease liability		
Operating lease - right-of-use (ROU) assets	**8,490**	10,679
Operating lease - lease liability	**8,490**	10,679
Short-term classification	**4,911**	5,289
Long-term classification	**3,579**	5,390
Supplemental information		
Right-of-use (ROU) assets obtained for new lease liabilities	**399**	1,189
Weighted average remaining lease term (in years)	**1.91**	2.21
Weighted average discount rate	**0.62 %**	0.66 %

For the six months ended (CHF in thousands)	**30 June 2025**	30 June 2024
Components of the lease expense		
Operating lease expense	**3,004**	2,920
Supplemental cash flow information		
Operating cash flows paid for operating leases	**3,075**	2,952
Operating cash flows paid for short-term	**238**	296

CHF in thousands	30 June 2025
Maturities of operating lease liabilities	
2025	**2,610**
2026	**4,398**
2027	**1,331**
2028	**180**
2029 and thereafter	**25**
Total lease payments	**8,544**
Less: imputed interest	**– 55**
Total	**8,490**

The Group has no impairment loss on operating leases under ASC Topic 842 for the periods ended 30 June 2025 and 2024, respectively.

8. Intangible assets

At 31 December (CHF in thousands)	Estimated useful lives (years)	30 June 2025	31 December 2024
Original cost			
Customer relationships	(5 - 5.5)	**53,462**	53,462
Total		**53,462**	**53,462**
Accumulated amortisation			
Customer relationships		**–41,178**	–38,846
Total		**–41,178**	**–38,846**
Net carrying value			
Customer relationships		**12,285**	14,617
Total		**12,285**	**14,617**

Amortisation expense related to intangible assets was TCHF 2,332 and TCHF 6,326 for the periods ended 30 June 2025 and 2024, respectively.

9. Goodwill

On 16 February 2017, the Group acquired 100% of the shares of Swissbilling SA, a Swiss consumer invoice financing company with operations mainly in the French-speaking region of Switzerland. On 30 November 2017, the Group acquired 100% of outstanding shares of EFL Autoleasing AG, a Swiss auto leasing company domiciled in Winterthur. On 2 September 2019, the Group acquired 100% of the shares of cashgate AG, a leading consumer finance provider in Switzerland, for total consideration of CHF 277 million. On 31 October 2022, the Group acquired 100% of shares of Byjuno AG (and its sister company Byjuno Finance AG which was subsequently merged), a major provider of invoice payment solutions in Switzerland, for total consideration of CHF 60 million. Goodwill related to these acquisitions is presented below.

The Group continually assesses whether or not there has been a triggering event requiring a review of goodwill, for which both a qualitative and quantitative assessment may be performed. For the quantitative assessment, the Group applied the income approach. This approach is based on a discount rate which reflects the relevant risks and projected cash flows determined from the Group's updated five-year strategic business plan that included significant management assumptions and estimates based on its view of current and future economic conditions.

Based on the goodwill impairment analysis, the Group concluded that there was no triggering event as of 30 June 2025. There are no deferred taxes booked related to goodwill.

CHF in thousands	Balance at 1 January 2025	Goodwill acquired during the period	Other	Balance at 30 June 2025
Gross amount of goodwill	**189,521**	–	–	**189,521**
Accumulated impairment	–	–	–	–
Net book value	**189,521**	–	–	**189,521**

10. Other assets

CHF in thousands	30 June 2025	31 December 2024
Restricted cash	**28,831**	24,670
Tax receivables, net	**2,472**	81
Other receivables	**8,523**	12,109
Deferred expenses	**30,994**	29,990
Other	**28,723**	23,094
Total other assets	**99,543**	**89,944**

Restricted cash is not available for use in the ordinary course of operations and is restricted in terms of withdrawal or usage. The Group had TCHF 28,831 and TCHF 24,670 of restricted cash related mainly to the consolidated VIEs (see note 21. Variable interest entities) as at 30 June 2025 and 31 December 2024, respectively. Furthermore, the Group pledged to esisuisse half of the required deposit insurance guarantee of TCHF 4,154 as at 30 June 2025 and 31 December 2024 (see note 19. Commitments and guarantees).

The tax receivables consist of income tax receivables and net input VAT (net reclaimable VAT). Input VAT input represents reclaimable VAT receivables related to purchases of goods and services and is recorded in other assets. Output VAT represents VAT payable related to goods sold and services supplied and is recorded in accrued expenses and other payables. The Group has elected to present the VAT on a net basis on the consolidated statements of financial position. On a gross basis, the Group had TCHF 37,113 and TCHF 30,794 input VAT (receivable) and TCHF 35,015 and TCHF 31,780 output VAT (payable) at 30 June 2025 and 31 December 2024, respectively.

Implementation costs associated with cloud computing arrangements recorded as deferred expenses were TCHF 25,808 and TCHF 23,371 as of 30 June 2025 and 31 December 2024, respectively. Implementation costs amortisation recorded for cloud computing arrangements were TCHF 2,575 and TCHF 1,065 for the period ended 30 June 2025 and 2024, respectively.

Other includes pension plan asset of TCHF 25,969 and TCHF 20,240 as of 30 June 2025 and 31 December 2024, respectively.

11. Deposits

The following table shows the maturities of the Group's customers' saving deposits, term deposits and prepaid cards as at 30 June 2025 and 31 December 2024, respectively:

CHF in thousands	30 June 2025	31 December 2024
On demand	**527,625**	383,689
Less than 3 months	**694,512**	612,371
3 to less than 6 months	**297,283**	119,572
6 to less than 12 months	**719,674**	545,400
12 months plus, thereof	**1,508,693**	1,863,268
due in 2026	**202,148**	637,152
due in 2027	**558,061**	526,070
due in 2028	**276,793**	262,784
due in 2029	**218,429**	206,670
due in 2030	**74,676**	57,761
due in 2031 and thereafter	**178,586**	172,831
Total	**3,747,787**	**3,524,299**

There is no term maturity for on-demand saving deposits. All deposits are denominated in CHF. The weighted average interest rate on all deposits was approximately 1.17% and 1.39% as at 30 June 2025 and 31 December 2024, respectively.

12. Short-term and long-term debt

Short-term and long-term debt is shown below:

CHF in thousands	Maturity	30 June 2025 Amount	30 June 2025 Contractual interest rate [3]	31 December 2024 Amount	31 December 2024 Contractual interest rate [4]
Short-term portion					
External debt (unsecured bond)	2025	–	–	150,058	0.38 %
External debt (unsecured bond)	2025	**250,000**	**1.18 %**	250,000	1.18 %
Non-recourse borrowings (Auto ABS) [1]	2026	**275,000**	**2.58 %**	–	–
External debt (unsecured bond)	2026	**125,031**	**0.88 %**	–	–
Long-term portion					
External debt (bond eligible for additional tier 1 capital)[2]	Perpetual	**150,000**	**2.96 %**	150,000	2.96 %
Non-recourse borrowings (Auto ABS) [1]	2026	–	–	275,000	2.58 %
External debt (unsecured bond)	2026	–	–	125,048	0.88 %
External debt (senior convertible bond)	2026	**249,707**	**0.00 %**	249,566	0.00 %
External debt (unsecured bond)	2026	**200,000**	**0.15 %**	200,000	0.15 %
External debt (unsecured bond)	2027	**220,000**	**3.11 %**	220,000	3.11 %
External debt (unsecured bond)	2027	**175,000**	**0.29 %**	175,000	0.29 %
External debt (unsecured bond)	2028	**200,000**	**0.42 %**	200,000	0.42 %
External debt (unsecured bond)	2029	**215,000**	**2.54 %**	215,000	2.54 %
External debt (unsecured bond)	2029	**235,000**	**2.41 %**	235,000	2.41 %
External debt (unsecured bond)	2030	**210,000**	**2.67 %**	210,000	2.67 %
External debt (unsecured bond)	2030	**250,000**	**2.22 %**	250,000	2.22 %
Debt issuance costs		**– 4,033**		– 5,077	
Total short-term and long-term debt		**2,750,706**		**2,899,594**	

[1] Related to consolidated VIEs, for further details refer to note 21. Variable interest entities. Floating interest rate hedged for fixed interest rate, see note 13. Derivatives and hedge instruments
[2] First call date November 2024 and annually thereafter
[3] Rounded to two decimal places

The contractual interest rate represents the interest due on the relevant debt at the reporting date, whereas the effective interest (all-in) rate reflects, in addition to the contractual interest rate, fees and debt issuance costs that are amortised over the expected life of the instrument. As per 30 June 2025, the Group primarily has fixed rate funding.

As at 30 June 2025 and 31 December 2024, the Group maintained TCHF 200,000 and TCHF 300,000 of undrawn committed facilities, respectively. The weighted average contractual commitment fee for all facilities was 0.23% and 0.21% at 30 June 2025 and at 31 December 2024, respectively. For details please refer to note 11 in the Consolidated Financial Statements in the Annual Report 2024.

13. Derivatives and hedge instruments

The Group has entered into an interest rate swap during the current period agreement to manage interest rate risk exposure. An interest rate swap agreement utilised by the Group effectively modifies the Group's exposure to interest rate risk by converting the floating-rate debt to a fixed-rate basis for the next three years, thus reducing the impact of interest-rate changes on future interest expense. This agreement involves the receipt of floating rate amounts in exchange for fixed rate interest payments over the life of the agreement without an exchange of the underlying principal amount.

The interest rate swap was entered into with a counterparty that met the Group's credit standards and the Group believes that the credit risk inherent in the derivative contract is not significant.

As of 30 June 2025, the total notional amount of the Group's receive floating/pay fixed interest rate swap was TCHF 275,000. During the next twelve months, the Group estimates that TCHF – 4,961 will be reclassified from AOCI to Interest expense.

	30 June 2025			31 December 2024		
CHF in thousands	**Other asset / (Other liability)**	**Gain / (loss) recognised in AOCI on derivatives**	**Gain / (loss) reclassified from AOCI to interest expense**	Other asset / (Other liability)	Gain / (loss) recognised in AOCI on derivatives	Gain / (loss) reclassified from AOCI to interest expense
Interest rate swap [1]	**– 4,935**	**1,981**	**2,023**	– 6,915	– 2,488	– 1,234
Total	**– 4,935**	**1,981**	**2,023**	**– 6,915**	**– 2,488**	**– 1,234**

[1] Interest rate swap on non-recourse borrowing (Swiss Auto Lease 2023-1 GmbH) has a notional amount of TCHF 275,000, pay fixed interest rate, receive SARON compounded floating interest rate over the three year term (May 2023 - 2026)

14. Pension plans

The cost of the pension plans is presented below:

For the six months ended (CHF in thousands)		30 June 2025	30 June 2024
Service cost for benefits earned	Compensation and benefits	**3,602**	3,964
Prior service credit amortisation	General and administrative expenses	**– 136**	– 164
Expected return on plan assets	General and administrative expenses	**– 6,050**	– 5,837
Interest cost on benefit obligations	General and administrative expenses	**1,400**	2,228
Net actuarial loss amortisation	General and administrative expenses	**1,162**	– 340
Net periodic benefit cost		**– 22**	**– 148**

15. Capital adequacy

The Group is subject to FINMA regulations, and it has implemented the Basel III final standards, which were incorporated into Swiss law and FINMA ordinances, among them also the revised Ordinance on the Capital Adequacy effective from 1 January 2025.

The Group is applying the Basel III final rules as applicable in Switzerland. Under Basel III final standards, a variety of approaches are available to banks for the calculation of capital adequacy requirements for credit, market and operational risks. The Group uses the standardised approach (“SA-BIS” approach) to calculate the minimum requirement for covering credit risk. It applies the current exposure method (“CEM”) to calculate the required capital for counterparty credit risk for derivative. The simplified approach with credit equivalent calculated with CEM is used to quantify the loss risk to credit value adjustment (“CVA”) of the derivative. It uses the simplified standardised approach to calculate the capital charge for market risk. The Group also applies the standardised approach to calculate the capital charge for operational risk management. Thus, it fulfils the qualitative and quantitative requirements of the Ordinance on Capital Adequacy (CAO, SR 952.03) and the FINMA Circular Risk Diversification for Banks (2019/01).

The total eligible regulatory capital of the Group comprises Tier 1, Common Equity Tier 1 (CET1), additional Tier 1 capital (AT1), Tier 2 (provisions for defaulted risks) and consists of shareholders’ equity including net income for the current year. Deductions from Tier 1 include, among other items, anticipated but non-declared dividends, own shares, goodwill and deferred tax assets. Risk-weighted assets include consolidated balance sheet assets, off-balance sheet arrangements converted into credit equivalents, non-counterparty risk, market risk, operational risk from processes, people, systems and external events.

As of 30 June 2025, the Group adheres to the applicable regulatory requirements for a category 4 bank set by FINMA. The Group aims to consistently operate with a capital base that is well above this mark. The Group was adequately capitalised under the regulatory provisions outlined by FINMA and the Bank for International Settlements. Further information on capital adequacy is contained in the separate document "Basel III Pillar 3 disclosures 2024" available at www.cembra.ch/financialreports.

CHF in thousands	30 June 2025	31 December 2024
Eligible regulatory capital		
Tier 1 capital	**1,111,974**	1,091,453
of which CET1 capital	**961,974**	941,453
of which additional Tier 1 capital	**150,000**	150,000
Tier 2 capital	**2,932**	2,938
Total eligible capital	**1,114,906**	**1,094,390**
Risk-weighted assets		
Credit risk	**5,422,295**	5,249,243
Non counterparty risk	**–**	46,817
Market risk	**216**	1,866
Operational risk	**863,036**	789,883
Total risk-weighted assets	**6,285,547**	**6,087,809**
Capital ratios		
CET1 ratio	**15.3 %**	15.5 %
Tier 1 ratio	**17.7 %**	17.9 %
Total capital ratio [1]	**17.7 %**	**18.0 %**

[1] 31 December 2024 amounts were reported under Basel III rules. Current period is reported under Basel III final standards effective 1 January 2025

16. Earnings per share and additional share information

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Net income attributable to shareholders for basic earnings per share (CHF in thousands)	**87,221**	78,340
Net income attributable to shareholders for diluted earnings per share (CHF in thousands)	**87,221**	78,340
Weighted-average number of common shares		
Weighted-average number of common shares issued	**30,000,000**	30,000,000
Less weighted-average number of treasury shares	**679,944**	664,849
Weighted-average numbers of common shares outstanding for basic earnings per share	**29,320,056**	**29,335,151**
Dilution effect number of shares	**85,443**	47,086
Weighted-average numbers of common shares outstanding for diluted earnings per share	**29,405,499**	**29,382,237**
Basic earnings per share (in CHF)	**2.97**	**2.67**
Diluted earnings per share (in CHF)	**2.97**	**2.67**

The amount of common shares outstanding has changed as follows:

	30 June 2025	31 December 2024
Common shares issued		
Balance at beginning of period	**30,000,000**	**30,000,000**
Issuance of common shares	**–**	–
Balance at end of period	**30,000,000**	**30,000,000**
Treasury shares		
Balance at beginning of period	**681,103**	**665,135**
Share-based compensation	**– 35,191**	– 14,032
Purchase	**60,000**	30,000
Balance at end of period	**705,912**	**681,103**
Common shares outstanding	**29,294,088**	**29,318,897**

17. Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer, and excludes any amounts collected on behalf of third parties. Taxes assessed by a governmental authority that are both imposed on and concurrent with a specific revenue-producing transaction, that are collected by the Group from a customer, are excluded from revenue. The Group recognises revenue when it satisfies a contractual performance obligation.

These performance obligations are typically satisfied as the services in the contract are rendered. The contract terms are generally such that they do not result in any contract assets. The contracts generally do not include a significant financing component or obligations for refunds or other similar obligations. The contracts generally do not include variable consideration, therefore there is no significant judgement required in this respect.

Nature of services
The Group provides finance solutions to its customers. The main revenue streams of the Group arise from personal loans, leases and credit cards as well as from insurance products. Certain credit card-related fees and insurance commissions are in the scope of ASC 606.

Commission and fee income related to credit cards include certain transaction-based and service fees. Those fees are recognised as the services are rendered, which is when the transaction happens and is processed. In case of credit cards, the Group additionally earns interchange fees calculated as a percentage of total credit card transaction volume. Those fees are recognised when the transactions are processed.

The Group also offers insurance products to its customers. Those products are complementary to the Group's lending products and the Group acts as an agent to insurance companies. For arranging between the customer and the insurer, the Group is entitled to keep a part of the insurance premium as its commission, which is recognised on a net basis as the services are rendered.

Disaggregation of revenues

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Insurance	**11,609**	12,109
Credit cards	**44,110**	45,588
Total	**55,719**	**57,697**

The table above differs from note 25. Commissions and fee income, as it includes only contracts with customers that are in scope of ASC Topic 606 – Revenue from Contracts with Customers.

18. Income tax expense

The provision for income taxes is summarised in the table below:

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Current tax expense	**21,178**	19,497
Deferred tax expense / (benefit) from temporary differences	**196**	– 212
Income tax expense	**21,374**	**19,285**

Deferred income tax balances reflect the net tax effects of temporary differences between the carrying amounts of the assets and liabilities for financial reporting purposes and the carrying amounts for income tax purposes.

Under Swiss law, a resident company is subject to income tax at the federal, cantonal and communal levels. The federal statutory tax rate is 8.5%. The cantonal and communal corporation tax rates vary. The Group's effective tax rates were approximately 20% for both periods ended 30 June 2025 and 2024, respectively.

Net deferred tax liabilities amounted to TCHF 6,226 and TCHF 5,410 as of 30 June 2025 and 31 December 2024, respectively.

Management believes that the realisation of the recognised deferred tax assets is more likely than not, based on expectations regarding future taxable income. In assessing the realisability of deferred tax assets, the management considers whether it is more likely than not that a portion or all of the deferred tax assets will not be realised. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Group will realise the benefits of these deductible differences. The amount of the deferred tax assets is considered realisable, however, it could be reduced in the near term if estimates of future taxable income during the carry-forward period are significantly reduced.

The Group has no unrecognised tax benefits. Management believes that there are no uncertain tax positions that would require a reserve.

19. Commitments and guarantees

The Group's guarantees are provided in the ordinary course of business and are underwritten by considering the economic, liquidity and credit risk of the counterparty.

Swiss banking law and the deposit insurance system require Swiss banks and securities dealers to jointly guarantee an amount of up to CHF 6 billion for privileged client deposits in the event that a Swiss bank or securities dealer becomes insolvent. Upon occurrence of a payout event triggered by a specified restriction of business imposed by FINMA or by the compulsory liquidation of another deposit-taking bank, the Group's contribution will be calculated based on its share of privileged deposits in proportion to total privileged deposits. Based on FINMA's estimate, the Group's share in the deposit insurance guarantee programme was TCHF 11,304 and TCHF 11,304 as at 30 June 2025 and 31 December 2024, respectively. The Group pledged in favour to esisuisse half of the required contribution obligation. The deposit insurance is a guarantee and exposes the Group to additional risk. As at 30 June 2025, the Group considers the probability of a material loss from this obligation to be remote.

CembraPay AG issues payment guarantees towards merchants for cases in which the customers will not meet their financial obligations towards them, through a variety of payment guarantee products. These payment guarantees cover the off-balance sheet exposure that represents the outstanding balance to the merchants prior to the guarantee execution timeline (on-balance sheet exposure). The commitment is irrevocable, the exposure as at 30 June 2025 amounts to TCHF 2,802 and management assesses that the probability of payout is remote.

Allowance for credit losses on the irrevocable off-balance sheet commitments and financial guarantees is provided through the credit loss provision, but recorded as a separate liability included in other liabilities.

For details on rental commitments under non-cancellable operating leases refer to note 7. Property, equipment and software.

20. Financial instruments

The following table provides information about the assets and liabilities not carried at fair value in the consolidated statement of financial position.

The table excludes finance leases and non-financial assets and liabilities and convertible bonds. For the most part, the assets and liabilities discussed below are considered to be Level 3 (for the definition see note 1 of the Consolidated Financial Statements in the Annual Report 2024).

	30 June 2025		31 December 2024	
CHF in thousands	**Carrying amount net**	**Estimated fair value**	Carrying amount net	Estimated fair value
Assets				
Loans	**3,463,001**	**3,601,437**	3,526,633	3,652,373
Liabilities				
Deposits	**– 3,747,787**	**– 3,737,865**	– 3,524,299	– 3,597,616
Borrowings	**– 2,500,999**	**– 2,573,775**	– 2,650,028	– 2,731,813

Fair values are estimated as follows:

Loans
Fair value calculation is based on a discounted future cash flows methodology, using current market interest rate data adjusted for inherent credit risk or quoted market prices and recent transactions, if available.

Deposits and borrowings
If no market quotes are available, the fair value calculation is based on a discounted future cash flows methodology, using current effective interest rate data or current market interest rate data that is available to the Group for similar financial instruments.

Assets and liabilities that are reflected in the accompanying financial statements at a carrying value deemed to represent fair value are not included in the above disclosures; such items include cash and equivalents, investment securities, other assets, accrued expenses and other liabilities.

21. Variable interest entities

The Group primarily uses variable interest entities (VIEs) to securitise auto lease financing receivables. The financing receivables are originated by the Bank in the ordinary course of business and transferred to the VIEs. The financing receivables in the VIEs have similar risks characteristics to the auto leases and loans pool not included in VIEs. Consequently, aligned to CECL standard, current expected credit losses are calculated at pool level without further segmentation based on the VIEs' inclusion.

In May 2023, the Group launched its seventh securitisation transaction (Swiss Auto Lease 2023-1 GmbH) and issued a floating rate senior loan of TCHF 275,000 with a coupon of 2.5825% per annum and an optional redemption date of three years from the date of issuance. For details, please refer to note 12. Short-term and long-term debt and to note 13. Derivatives and hedge instruments.

Third-party holders of the debt issued by the VIEs only have recourse to the financing receivables owned by the VIEs and not to the Bank's general financing receivables. Contractually, the cash flows from these financing receivables must first be used to pay third-party debt holders and other expenses of the VIEs. Excess cash flows are available to the Bank.

The Bank is the servicer of the VIEs and holds the subordinated interests issued by the VIEs. The Bank is considered primary beneficiary of the VIEs as it has both the power to direct the activities that most significantly impact the VIEs' economic performance and an obligation to absorb losses, or a right to receive benefits from the VIEs. Hence, the VIEs are being consolidated.

In July 2017, the Group signed an agreement to refinance a CHF 42 million personal loan portfolio from eny Finance AG, a Swiss online personal loan provider. The Group has also agreed to partially refinance future personal loan volume from this provider. The deal was structured through a VIE, eny Credit GmbH, that is fully owned, controlled and consolidated by the Group. The Bank was the co-servicer of the VIE and holds the subordinated interests issued by the VIE that were used to refinance the loan portfolio from eny Finance AG. The Bank was considered the primary beneficiary of the VIE as it had both the power to direct the activities that most significantly impact the VIE's economic performance and an obligation to absorb losses, or a right to receive benefits from the VIE. In April 2025, the parties agreed to terminate the agreement and the Group dissolved the related VIE structure.

The table below summarises the assets and liabilities of the consolidated VIEs described above:

CHF in thousands	30 June 2025	31 December 2024
Assets		
Financing receivables, net	**309,080**	311,494
Financing leases	**309,080**	308,498
Loans	**–**	2,996
Other assets	**21,349**	19,018
Total assets	**330,430**	**330,512**
Liabilities		
Accrued expenses and other liabilities	**9,135**	6,783
Non-recourse borrowings	**274,850**	274,767
Total liabilities	**283,984**	**281,551**

Revenues from the consolidated VIEs amounted to TCHF 10,292 and TCHF 11,680 for the periods ended 30 June 2025 and 2024, respectively. Related expenses consisted primarily of provisions for losses of TCHF 956 and TCHF 1,143 , general and administrative expenses related to portfolio service costs of TCHF 415 and TCHF 690 and interest expense of TCHF 3,653 and TCHF 3,737 for the periods ended 30 June 2025 and 2024, respectively. These amounts do not include intercompany revenues and costs, principally fees and interest between the Bank and the VIEs, which are eliminated for consolidation purposes.

22. Related-party transactions

The Group had no related-party transactions in the first half-year of 2025 outside the normal course of business.

23. Interest income

The details of interest income are shown below:

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Personal loans	**88,888**	89,744
Auto leases and loans	**89,222**	84,680
Credit cards	**50,990**	52,880
Other[1]	**2,315**	9,259
Total	**231,416**	**236,562**

1 Other includes interest income from cash, investment securities and BNPL

24. Interest expense

The details of interest expense are shown below:

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Interest expense on ABS	**3,702**	3,786
Interest expense on deposits	**22,262**	28,266
Interest expense on debt	**21,147**	20,894
Total	**47,111**	**52,946**

25. Commission and fee income

The details of commission and fee income are shown below:

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Insurance	**11,609**	12,109
Credit cards	**44,110**	45,588
Loans and leases	**8,512**	7,556
BNPL [1]	**19,388**	19,090
Other	**– 625**	88
Total	**82,994**	**84,432**

1 BNPL includes fee income related to CembraPay AG

26. General and administrative expenses

The details of general and administrative expenses are shown below:

For the six months ended (CHF in thousands)	30 June 2025	30 June 2024
Professional services	**11,195**	11,430
Marketing [1]	**4,669**	6,278
Collection fees	**7,785**	7,953
Postage and stationery	**5,675**	5,343
Rental expense under operating leases	**2,970**	2,920
Information technology	**27,743**	25,397
Depreciation and amortisation	**10,162**	13,616
Other	**– 5,368**	– 9,036
Total	**64,831**	**63,901**

1 Marketing includes advertising costs, which are expensed as incurred

27. Restructuring costs

In 2024 Cembra announced a restructuring plan with the objective of enhancing operational efficiency and optimising cost structure. This will be achieved through using internal capabilities and by outsourcing of certain services. The restructuring plan includes restructuring activities such as headcount reductions. The total programme costs were originally estimated to TCHF 3,000 to TCHF 5,000. As of 30 June 2025 the Group incurred TCHF 2,201 of the costs related to the restructuring programme.

The following table outlines the costs incurred and the cumulative costs incurred under the programme per operating segment:

	Employee severance costs by segment		Cumulative costs
For the six months ended (CHF in thousands)	30 June 2025	30 June 2024	incurred up to 30 June 2025
Lending	**– 616**	1,781	**1,371**
Payments	**– 353**	883	**830**
Total	**– 969**	**2,664**	**2,201**

Restructuring expenses recorded for this programme are included in the lines compensation and benefits and general and administrative expenses in the Consolidated Income Statements.

Liabilities associated with the restructuring programme are included in accrued expenses and other payables. The following table shows the activity from the beginning of the program to 30 June 2025:

CHF in thousands	Employee severance costs
Beginning balance at 1 January 2024	**–**
Restructuring charges	**3,169**
Cash payments / settlements	**– 2,172**
Ending balance at 31 December 2024	**997**
Restructuring charges	**–**
Cash payments / settlements	**–**
Change in estimate [1]	**– 969**
Ending balance at 30 June 2025	**29**

[1] Revisions primarily relate to lower-than-anticipated severance and other costs associated with contract terminations

28. Off-balance sheet arrangements

At 30 June 2025 and 31 December 2024 , the Group has the following maximum contractual exposure to credit risk resulting from off-balance sheet arrangements:

CHF in thousands	30 June 2025	31 December 2024
Ordinary course of business lending commitments	**238,911**	141,453
Unused revolving loan facilities	**37,866**	48,656
Unused credit card facilities	**3,388,769**	3,540,786

Commitments to extend credit lines are agreements to lend to a customer as long as there is no violation of condition established in the contract. Commitments generally have fixed expiration dates, or other termination clauses. Loan commitments are most often uncollateralised and may be drawn upon up to the total amounts to which the Group is committed. Total commitment amounts do not necessarily represent future cash requirements as the lines of credit may expire or be terminated without being fully drawn upon. No additional allowance for losses was deemed necessary for these unused commitments since the Group can terminate the lines of credit at any time unilaterally.

Allowance for credit losses on the irrevocable off-balance sheet credit exposures is provided through the credit loss provision, but recorded as a separate liability included in other liabilities.

29. Subsequent events

The Group has evaluated subsequent events from the financial position date through 23 July 2025, the date at which the financial statements were available to be issued. There were no subsequent events at that date.

Information for Shareholders

Cembra Money Bank AG registered shares

Stock exchange listing	SIX Swiss Exchange
ISIN	CH0225173167
Ticker symbol	CMBN.SW (Bloomberg)
Security number	22517316
Par value	CHF 1.00
Number of shares	30,000,000
Selected indices	SPI, EuroStoxx 600
Major shareholders	More than 10% and less than 15% of the shares: UBS Fund Management (Switzerland) More than 3% and less than 5% of the shares: BlackRock Inc. Swisscanto Fondsleitung AG

Credit ratings

Standard & Poor's	A– (long-term)
Standard & Poor's	A–2 (short-term)
Zürcher Kantonalbank	A–

Sustainability ratings

MSCI ESG®	AAA
Sustainalytics®	Low ESG risk

Financial calendar

Annual Report 2025	19 March 2026
Annual General Meeting 2026	24 April 2026

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This interim report is available in English only at www.cembra.ch/financialreports.