

**Business Review 2023**



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This Business Review is published in English and German.  
The Online Report and the Annual Report 2023 are available at:  
[reports.cembra.ch](https://reports.cembra.ch)

Cembra Money Bank AG, Bändliweg 20, 8048 Zurich, Switzerland  
[cembra.ch](https://cembra.ch)



# Key facts & figures

CHF in millions	2023	2022	2021	2020
Net revenues	515.7	508.9	487.0	497.2
Provision for losses on financing receivables	-56.9	-40.9	-40.3	-56.4
Total operating expenses	-262.6	-257.5	-246.3	-247.4
Net income	158.0	169.3	161.5	152.9
Total assets	8,088	7,624	7,095	7,244
Net financing receivables	6,687	6,520	6,207	6,293
Personal loans	2,370	2,387	2,292	2,408
Auto leases and loans	3,147	2,975	2,820	2,853
Credit cards	1,028	1,045	1,030	970
BNPL	141	114	65	62
Shareholders' equity	1,250	1,274	1,200	1,127
Cost/income ratio (in %)	50.9	50.6	50.6	49.8
Return on equity (ROE in %)	12.5	13.7	13.9	13.8
Tier 1 capital ratio (in %)	17.2	17.8	18.9	17.7
Employees (full-time equivalent)	902	929	916	928
Credit rating (S&P)	A-	A-	A-	A-
Basic earnings per share (in CHF)	5.39	5.77	5.50	5.21
Dividend per share (in CHF)	4.00	3.95	3.85	3.75
Share price (in CHF)	65.60	76.90	66.45	107.20
Market capitalisation	1,961	2,307	1,993	3,216

CHF

# 1,960,800,000

was the market capitalisation of Cembra at the end of 2023

## 1,027,000

number of credit cards issued by Cembra

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## >900

employees from more than 40 different countries work for Cembra

## 3,700

car dealers across Switzerland are served by our 26 sales area managers

## >2,000,000

customers across our business lines Lending and Payments

## 4.00

is the dividend per share proposed to the Annual General Meeting

# Cembra is a leading Swiss provider of financing solutions and services

## Products

We offer a broad range of financing solutions in Switzerland:

**Personal loans:** Cembra is a leading provider in the highly competitive personal loans market. We are offering a personalised premium service and our products are available through our branches across Switzerland, through independent intermediaries and online.

**Auto loans and leasing:** Cembra is a large brand-independent auto loans and leasing provider in Switzerland. Our products are sold via a distribution network of around 3,700 car dealers, who act as intermediaries. A dedicated sales force of 26 field agents, together with the employees at our four service centres, provide a personalised, flexible and efficient service.

**Credit cards:** We are one of the leading credit card providers in Switzerland, with about 1 million cards issued. We offer a range of credit cards through partner programmes with Conforama, FNAC, IKEA, LIPO, SPAR, TCS, as well as our own credit cards. The cards offer a range of attractive features, such as loyalty points, cash back, personalised designs and no annual fees.

**Buy now pay later:** Through CembraPay we offer invoice financing services and flexible payment options for both online and point-of-sale channels.

**Insurance products:** We provide access to various insurance products. Alongside our personal loans and auto loans and leasing, insurance provides financial protection in case of involuntary unemployment, accident, illness or disability. We also intermediate travel and card protection insurance for our credit card customers as well as car insurance.

**Savings and deposits:** We provide savings and deposit products at competitive interest rates for both retail customers and institutional clients.

## History

The roots of Cembra date back to 1912, when Banque commerciale et agricole E. Uldry & Cie. was founded in Fribourg. This bank later became Bank Prokredit. In 1999, GE Capital merged Bank Prokredit with Bank Aufina, which it had acquired in 1997. In October 2013, the Bank separated from its parent company GE, went public and was rebranded as Cembra Money Bank AG. In 2020, we changed our brand name to Cembra. We strengthened our market position by several acquisitions, including the purchase of the consumer finance provider cashgate in 2019.

The Bank is named after the Swiss cembra pine (Pinus cembra), a sturdy and resilient tree with strong roots. It symbolises our Bank's strength and our origin.



# 2013

Cembra has been listed as an independent Swiss bank on the SIX Swiss Exchange since 2013.



**“Our new structure will help us to serve our customers and partners even more effectively.”**

Holger Laubenthal, CEO

# CEO insights

CEO Holger Laubenthal talks about Cembra’s 10th anniversary, the highlights of the past year, our strategic transformation, customer focus and opportunities going forward.

## Anniversary year

In 2023, we celebrated a major milestone: ten years of Cembra as an independent bank, but with roots going back over a century. Our decades-long experience and the trust our customers place in us attest to the quality of our products and services. At the same time, it obliges us to constantly improve how we serve our customers.

Our anniversary was an opportunity for us to refresh our brand so that it better reflects our strategic transformation. Our new brand positioning is fresher, lighter and in line with our commitment to being approachable, easily accessible and transparent.

## Transformation

We’re making good progress in our strategic transformation. We want to be where our customers need us – whether that’s online or offline, for example in a Cembra branch or when they are in the middle of an online purchase. As part of our efforts to get closer to our customers, we’re expanding our product

offering and continuously improving the customer journey and overall experience.

## Achievements

We’re pleased with our solid results for 2023, which reflect our continued profitable growth. This past year, we launched CembraPay to create a leading Swiss provider of invoice payment solutions. We are excited about our collaboration with TWINT and that we grew our portfolio of co-branding cards. The launch of our new IT platform for our leasing business was successful and represented a key milestone in our ongoing transformation. I’m very happy with the dedicated work of our teams.

Equally noteworthy – and something that’s very important to me – was the renewed recognition from the Great Place to Work organisation. That kind of honour makes us proud, as we want to be an attractive workplace, where people can give their best and enjoy spending time with their colleagues.

### Opportunities

As per January 2024, we simplified our organisational structure. We bundled our core products into two business lines: Lending, which covers auto and consumer loans, and Payments, which combines our credit cards and buy now pay later businesses. This new lean and efficient structure will help us to serve our customers and partners even more efficiently.

In Payments, we now concentrate on growth, following the successful migration to our new in-house credit card portfolio Certo!. The credit cards and buy now pay later businesses complement each other effectively. We've doubled our customer base thanks to the buy now pay later business, and we now aim to serve consumers more comprehensively with our product range.

In our auto business, we will migrate all our partners onto the new leasing platform over the course of the year. We're excited about the simplification and service improvements this new platform will bring for our partners.

### Customers

Our customers are the centre of our business. Their needs are constantly evolving, and we will continue to develop our portfolio and services accordingly. We know we don't always get everything right, but what's important to me is that we listen to our customers, engage with them, respond promptly, and continuously strive for improvement.

### Challenges

We operate in a volatile environment. Fortunately, the Swiss market offers a certain amount of stability compared to other regions. One major challenge we faced last year was the rapid rise in interest rates, but we navigated that successfully by introducing appropriate pricing measures. Our business environment is very dynamic and competitive and consumer needs are always changing. But we see the positive side: it keeps us on our toes.

### Goals

We have a clear strategy for the period from 2022 to 2026 and are focused on its execution. Our goal is to expand our market presence and leverage our wide range of unique prod-

ucts to serve customers comprehensively and right where their needs are. We also remain focused on sustainability and are proud of the recognition we've received from leading ESG rating agencies.

We will be a reliable bank for our partners and customers, an attractive employer, and an advantageous investment for our shareholders.



**“We are pleased with our solid results for 2023, which reflect our continued profitable growth.”**

Holger Laubenthal, CEO

# Ten years as Cembra

In 2023, we celebrated our 10th anniversary as Cembra. We took that as an opportunity to refresh our brand, as reflected in this Business Review.

On 30 October 2013, the former GE Money Bank successfully went public under the new name Cembra. However, our history goes back much further than that. In its more than 100-year journey, our bank has reinvented itself several times, particularly over the last few years with our current strategic and cultural transformation. This strength and resilience is reflected in our name, which comes from the Latin for the Swiss stone pine *Pinus cembra*, a robust and resilient tree. It symbolises our Bank and its origins.

Today, ten years after our repositioning as Cembra, we are proud to be one of the leading Swiss providers of financial solutions and services. We owe this to our customers, shareholders, partners and employees, who have come with us on this exciting journey and who show their trust and commitment every day.

**Our employees are the cornerstone of our bank and the key to our success. Meet some of our colleagues as they share their thoughts on the following pages.**



## 100+

years of experience as a financial services provider in Switzerland



## 10

years as Cembra



## >900

employees



## >2

million customers

# What makes Cembra special?



1



2



3



4



5



6



1

**Thomas Uhlmann**  
Governance Specialist  
with Cembra since 2020

“By exchanging ideas with colleagues from different countries, we can learn from each other, gain valuable experience and develop ourselves continuously.”



3

**Christophe Busson**  
Business Service Manager  
with Cembra since 2008

“As employees, we have the opportunity to learn flexibly and independently and to reinvent ourselves every day as part of our work. For me, that is one of Cembra’s great strengths.”



2

**Meera Kaneswaran**  
Team Manager Operations Transformation  
with Cembra since 2008

“I appreciate the opportunities that Cembra offers me. The bank supports me in the continuous development of my skills and my personal growth.”



6

**Dagmar Winkler Basler**  
Governance and Internal Regulations Manager  
with Cembra since 1996

“People are what make the difference here at Cembra. I’ve already had the opportunity to take on a wide range of tasks in various departments in Switzerland and abroad and have always worked with really great teams.”



4

**Dr. Aleksandra Bašič**  
Team Manager Financial Regulations & Analytics  
with Cembra since 2018

“Cembra develops unique employees. And they are the cornerstone of Cembra. We are a strong team and we inspire and drive each other in our work.”



5

**Mike Strahm**  
Head of Growth & Distribution Payments  
with Cembra since 2022

“‘Just do it’ is not just a motto – it’s what I do on a daily basis. The flexibility and support Cembra offers enable me to continuously surpass myself.”

# Part of the conversation

**Nathalie R  th**  
Trainer People &  
Culture with  
Cembra since 1998



## Moreno, what was your most exciting project in 2023?

I was involved in the switch to a new IT platform. We started the change-over in our auto business, where we used to work with several systems at the same time, and many processes were still manual. With the new solution, all our products and services are on a single platform and completely automated.

## Why was the switch necessary?

The market has changed drastically in recent years. With the new platform, we have a lean, efficient and digitalised car leasing business. For our partners, that means faster service, simpler processes and enhanced products and services.

## What are you proud of when you look back on the past year, Nathalie?

The new platform was a highlight for me too, as I got to develop a blended learning approach for the employee training. That meant that 60% of the learning was independent learning and 40% supported by us, the trainers. As part of our strategy, we want to establish a self-driven learning culture at Cembra. Blended learning is ideal for that.

## Have you already noticed that employees are taking on this cultural change towards a learning-driven organisation?

We're on the right track. The shift from supported training to self-driven learning was introduced as part of the switch to the new leasing platform. It's a new learning culture here at Cembra.

## What is your personal takeaway from this project?

I think it's great that we were able to combine different strategic approaches. The system change was viewed holistically: in addition to a new leasing platform, we modernised the training concept.

That's true. It means we'll be more efficient when using the new system and when training employees.

**Moreno Rovito**  
Head Product Auto  
with Cembra since 2015



## Our progress in the area of sustainability

Ensuring sustainability remains an important part of our strategy. In 2023, we continued to foster sustainability and responsible behaviour throughout the organisation. Our five main sustainability goals are: customer orientation, responsible financing, employees and their development, environmental stewardship and business integrity.



### Environmental stewardship

We use resources sustainably and constantly seek to minimise our negative impact on the environment and on the climate. In 2023, we significantly reduced consumption of electricity (-32%) and increased the share of electric vehicles to 58% of our fleet (2022: 22%).



### Business integrity

As a responsible provider of financial solutions, we ensure the high quality and integrity of our products and services. We not only act in accordance with applicable strict regulatory requirements, but also take additional preventive measures.

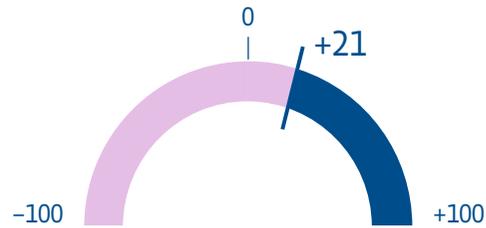


## Gender equality

We are one of only eleven Swiss-based companies to join the Bloomberg Gender-Equality Index in 2023. The assessment includes gender-related criteria such as female leadership, equal pay, inclusive culture and disclosure transparency.

## Strong ESG ratings

Cembra actively participates in several ESG ratings by leading ESG rating agencies both in order to demonstrate the company's sustainability performance and to learn about relevant areas of improvement. In May 2023, MSCI confirmed the ESG rating on Cembra of AAA, and our "Low ESG Risk" rating by Sustainalytics was reaffirmed.



## Customer satisfaction

The net promoter score (NPS) is one of the most important indicators of customer satisfaction. In 2023, Cembra's new NPS as measured on a continued basis came to +21 on a scale of -100 to +100. Reasons for the decline of the NPS include the effects of interest rate and fee increases. We aim to again achieve a NPS of at least +30 in the mid term, through ongoing and planned initiatives.



## Electromobility

Cembra is financing electromobility in Switzerland. Electric vehicle leasing is expected to generate an increasing share of Cembra's total revenues, with the supply of used vehicles expected to further rise.



## Community engagement

In 2023, we continued our long-term-oriented community engagement activities. The company-wide initiative Cembra Volunteers provides all employees with the opportunity to do volunteer work.

## Great Place to Work

We measure the satisfaction and engagement of our employees every two years. The Great Place to Work organisation named us as one of the "Best Workplaces Switzerland" and as one of "Best Workplaces in Europe" in 2023.



## Diversity

Cembra employs people from more than 40 different countries. We value our international workforce and our employees' different cultural backgrounds and also promote diversity in terms of gender and age.

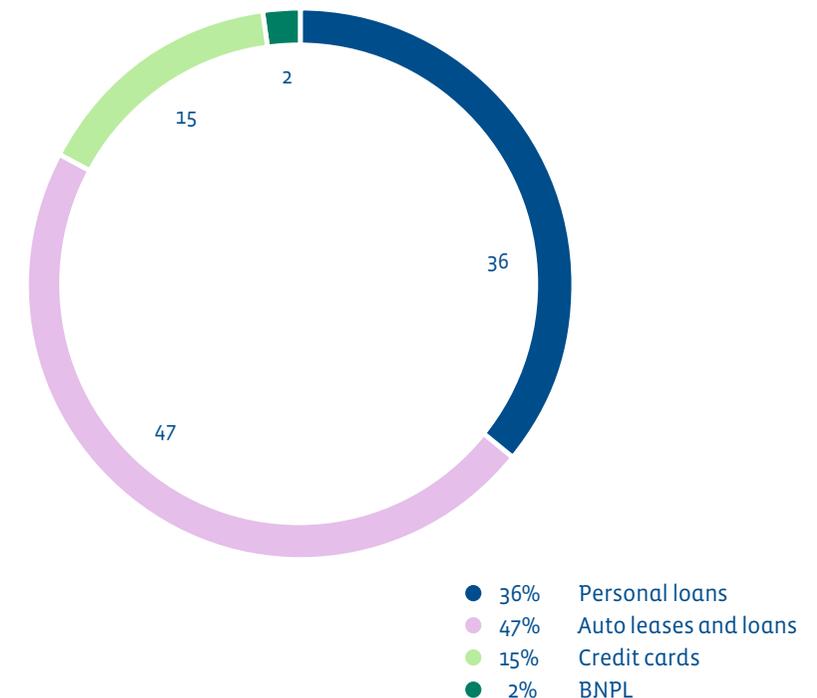
## Responsible financing

The Group not only acts in accordance with strict legal requirements, but also takes additional preventive measures in the interest of both customers and the Bank.

# Continued focus on profitable growth

The solid results for 2023 reflect our continued focus on profitable growth. We responded decisively to the increased funding cost by adopting appropriate pricing measures. This had a positive impact on the net interest margin in the second half of the year. We continued to grow our net financing receivables, reflecting our strong market position. With our ongoing investments in the strategic transformation and our cost discipline, we are on track to deliver on our mid-term targets.

Net financing receivables in %



### Market share of our products

In a competitive environment, the Group had an estimated market share of approximately 38% of outstanding consumer loans.

The Group estimated its auto leasing market share to be about 20% of total leasing assets outstanding as of December 2023.

Our market share, based on the number of credit cards in circulation, remained stable at 12% in 2023, and the share of transactions conducted via near-field communications (NFC) amounted to 17%.

Cembra has a market share of 30–40% of the BNPL market via its subsidiaries CembraPay and Swissbilling.

### Developments

On 19 April 2023, Cembra launched the new business area CembraPay, bundling its subsidiaries Swissbilling and Byjuno. The launch of the new brand was a further step in the expansion of our activities in the growing buy now pay later (BNPL) market.

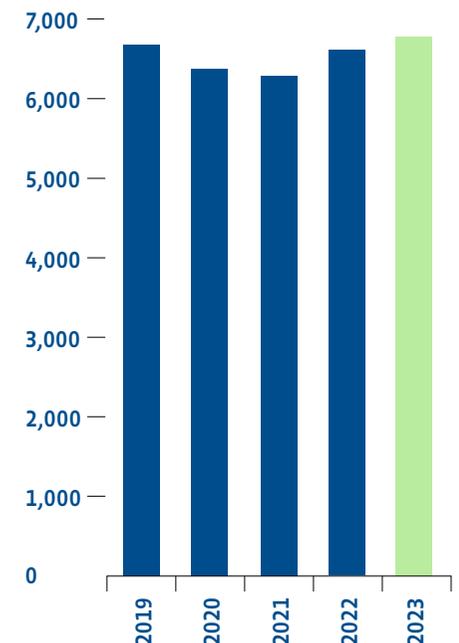
On 21 April 2023, Cembra held its Annual General Meeting in Zurich. The shareholders approved all proposals of the Board of Directors. Franco Morra was elected as Chairman of the Board of Directors. He succeeded Felix Weber who, after ten years in office, decided not to stand for re-election. All other members of the Board of Directors were re-elected for a further one-year term of office.

On 17 August 2023, Cembra launched a new app function which provides greater protection for credit card customers. Cembra is the first Swiss bank to introduce a solution for the integrated digital processing of chargebacks directly in its credit card app. This allows the Bank to offer its customers a simple and fast service which contributes to consumer protection in online payments.

On 25 August 2023, Cembra announced that in collaboration with Swissbilling (part of CembraPay), the Swiss payment provider TWINT is gradually rolling out a new “pay later” feature. It is set to make payments even more flexible. Users shopping with specific merchants can choose whether they want to pay immediately or in 30 days. In this way, TWINT and Cembra reimagined the traditional invoice payment method.

On 30 October 2023, Cembra took its 10-year anniversary as an opportunity to refresh its branding. As part of its strategic transformation into a more digital business model with an expanded offering, the Bank's positioning was refined, and the brand further developed.

**Net financing receivables in CHF millions**





## Senior Leadership Team

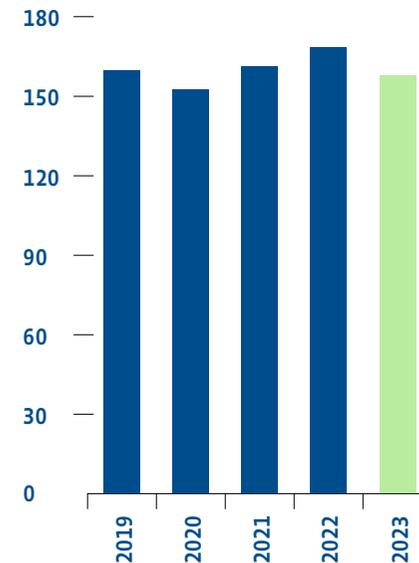
From left: Christian Stolz (Business Unit Leader Payments), Peter Schnellmann\* (Business Unit Leader Lending), Annekathrin Krügel-Falkenberg (Head People and Culture), Pascal Perritaz\* (Chief Financial Officer), Holger Laubenthal\* (Chief Executive Officer), Volker Gloe\* (Chief Risk Officer), Christian Schmitt\* (Chief Technology Officer), Eric Anliker\* (General Counsel), Alona Eiduka\* (Chief Operating Officer).

\* Member of the Management Board

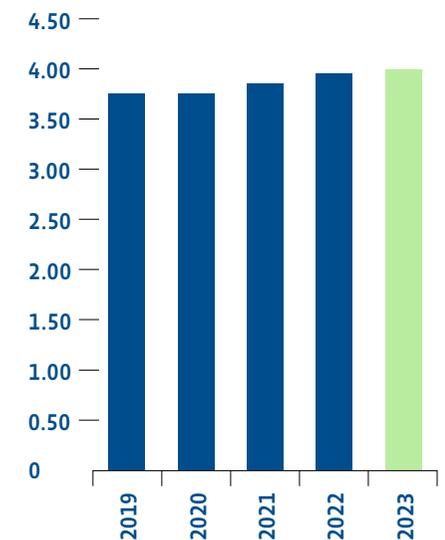
# In 2023, Cembra reported solid results

Net income amounted to CHF 158.0 million, or CHF 5.39 per share, a decrease of 7% compared to the record results of 2022. Net revenues increased by 1%, with commission and fee income offsetting lower net interest income. The loss performance remained robust at 0.8%. As a result, return on equity came in at 12.5%, and the Tier 1 capital ratio stood at 17.2%. An increased dividend per share of CHF 4.00 will be proposed to the Annual General Meeting.

Net income in CHF millions



Dividend per share in CHF



### Solid business performance

In 2023, Cembra continued to grow its business selectively and to implement price adaptations in response to the changing interest rate environment. The Group's total net financing receivables at 31 December 2023 amounted to CHF 6.7 billion, an increase of 3% compared with 31 December 2022.

In the personal loans business, net financing receivables decreased by 1% to CHF 2.4 billion in 2023 and interest income rose by 5% to CHF 171.5 million, with a yield of 7.0%.

Net financing receivables in auto leases and loans increased by 6% to CHF 3.1 billion in the reporting period. Interest income increased by 13% to CHF 150.8 million, with a yield of 4.9%.

In the credit cards business, net financing receivables declined by 2% to CHF 1.0 billion at 31 December 2023. Interest income in the cards business declined by 1% to CHF 87.9 million, with a yield of 8.4%. The number of cards issued amounted to 1,027,000 at 31 December 2023, a decline of 2%.

In the buy now pay later (BNPL) business, billing volumes increased by 88% to CHF 898 million in 2023, driven both by the consolidation of CembraPay (formerly Byjuno) and by organic growth. As a result, commission and fee income from BNPL more than doubled to CHF 39.4 million.

### Net revenues driven by fee income

Net revenues increased by 1% to CHF 515.7 million in 2023, with commission and fee income more than offsetting lower net interest income. Net interest income declined by 3% to CHF 347.2 million as interest expense increased to CHF 74.9 million, reflecting the increase in funding costs.

### Continued robust loss performance

The provision for losses increased to CHF 56.9 million, reflecting the expected normalisation of loss levels. This resulted in a loss rate of 0.8% in 2023.

### Dividend increase proposed

Cembra remains very well capitalised, with a strong Tier 1 capital ratio of 17.2%. Given Cembra's solid financial performance, the

Board of Directors will propose an increased dividend of CHF 4.00 per share at the next General Meeting.

### Progress in strategy implementation

As a further step in its transformation, Cembra simplifies its organisational structure and now serves its customers through two business lines: Lending and Payments. In addition, Cembra further leverages the technology and services expertise of its highly qualified team in Riga, Latvia. The team will be expanded to provide services within the Group. Furthermore, Cembra is looking into outsourcing certain customer service processes. With these measures, the company plans to reduce its workforce to around 830 full-time equivalents by the end of 2024.



+3%

Net financing receivables

# Income statement & Balance sheet

CHF in millions	2023	2022	Change in %
Interest income	422.1	385.6	9
Interest expense	-74.9	-29.4	>100
<b>Net interest income</b>	<b>347.2</b>	<b>356.2</b>	-3
Commission and fee income	168.5	152.7	10
<b>Net revenues</b>	<b>515.7</b>	<b>508.9</b>	1
<b>Provision for losses on financing receivables</b>	<b>-56.9</b>	<b>-40.9</b>	39
Compensation and benefits	-137.0	-135.5	1
General and administrative expenses	-125.6	-122.0	3
<b>Total operating expenses</b>	<b>-262.6</b>	<b>-257.5</b>	2
<b>Income before income taxes</b>	<b>196.2</b>	<b>210.5</b>	-7
Income tax expense	-38.1	-41.2	-7
<b>Net income</b>	<b>158.1</b>	<b>169.3</b>	-7
<b>Basic earnings per share (in CHF)</b>	<b>5.39</b>	<b>5.77</b>	

At 31 December, CHF in millions	2023	2022	Change in %
<b>Assets</b>			
Cash and cash equivalents	922	633	46
Financing receivables, net	6,687	6,520	3
All other assets	479	471	2
<b>Total assets</b>	<b>8,088</b>	<b>7,624</b>	6
<b>Liabilities and equity</b>			
Deposits	3,497	3,513	0
Short-term & long-term debt	3,098	2,613	19
All other liabilities	244	223	9
<b>Total liabilities</b>	<b>6,838</b>	<b>6,349</b>	8
Common shares	30	30	0
Additional paid-in capital (APIC)	259	258	0
Treasury shares	-37	-37	0
Retained earnings	998	1,010	-1
Accumulated other comprehensive income (loss) (AOCI)	1	13	-96
<b>Total shareholders' equity</b>	<b>1,250</b>	<b>1,274</b>	-2
<b>Total liabilities and shareholders' equity</b>	<b>8,088</b>	<b>7,624</b>	6