

Ad hoc announcement pursuant to Art. 53 LR

## **Cembra reports 11% increase in net income in the first half of 2025**

- Continued successful strategy execution results in 11% increase in net income to CHF 87.2 million
- Performance driven by significant progress in efficiency programmes and favourable developments in loss performance and funding costs
- Net revenues and net financing receivables stable reflecting continued selective growth in softened macro environment and lower interest rates
- Cost/income ratio improved to 47.6% (H1 2024: 50.4%) and continued solid loss performance at 0.9% (H1 2024: 1.0%)
- Return on equity at 13.8%, with strong Tier 1 capital ratio of 17.7%
- Outlook for the financial year 2025 and 2026 financial targets confirmed, supported by increased growth momentum, further efficiency gains, and active capital management

Zurich, 24 July 2025 – In the first half of 2025, Cembra recorded an increase of net income of 11% to CHF 87.2 million, or CHF 2.97 per share, driven by the continued successful implementation of its strategy. Net financing receivables were stable at CHF 6.6 billion, reflecting deliberate selective growth and the focus on profitability. Net revenues remained flat, compensating the reduction of the maximum interest rates in consumer finance since January 2025. 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%.

CEO Holger Laubenthal commented: "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 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.<sup>1</sup>

All documents (investor presentation, interim report and this media release) are available at [www.cembra.ch/investors](http://www.cembra.ch/investors).

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

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### Audio webcast and telephone conference for investors and analysts (in English)

Date and time: 24 July 2025 at **8.30** a.m. CET  
Speakers: Holger Laubenthal (CEO), Pascal Perritaz (CFO) and Volker Gloe (CRO)  
Audio webcast: [www.cembra.ch/investors](http://www.cembra.ch/investors)  
Telephone: Europe: +41 (0) 58 310 50 00  
UK: +44 (0) 203 059 58 62  
US: +1 (1) 631 570 6313  
Q&A session: Following the presentation, participants will have the opportunity to ask questions

Please dial in before the start of the presentation and ask for “Cembra’s half-year results”.

### About Cembra

Cembra is a leading Swiss provider of innovative financing and payment solutions. Our product range includes personal loans and auto leases and loans, credit cards, the insurance made available in this context, invoice financing and savings products.

Across our business lines Lending and Payments, we serve over 2 million customers in Switzerland and employ more than 850 people from about 40 countries. We have our headquarters in Zurich and operate across Switzerland through our network of branches and our online distribution channels, as well as through our credit card partners, independent intermediaries and car dealers.

We have been listed as an independent Swiss bank on the SIX Swiss Exchange since 2013. Cembra is rated A- by Standard & Poor’s and is included in the MSCI ESG Leaders Index.

## Consolidated statements of income (unaudited)

| <i>For six months ended 30 June (CHF in millions)</i> | <b>H1 2025</b> | <b>H1 2024</b> | <b>Change as %</b> |
|---|----------------|----------------|--------------------|
| Interest income                                       | 231.4          | 236.6          | -2                 |
| Personal loans  | 88.9           | 89.7           | -1                 |
| Auto leases and loans                                 | 89.2           | 84.7           | 5                  |
| Credit cards  | 51.0           | 52.9           | -4                 |
| Other   | 2.3            | 9.3            | -75                |
| Interest expense                                      | -47.1          | -52.9          | -11                |
| <b>Net interest income</b>                            | <b>184.3</b>   | <b>183.6</b>   | <b>0</b>           |
| <b>Commission and fee income</b>                      | <b>83.0</b>    | <b>84.4</b>    | <b>-2</b>          |
| Insurance   | 11.6           | 12.1           | -4                 |
| Credit cards  | 44.1           | 45.6           | -3                 |
| Loans and leases                                      | 8.5            | 7.6            | 13                 |
| BNPL  | 19.4           | 19.1           | 2                  |
| Other   | -0.6           | 0.1            | <-100              |
| <b>Net revenues</b>                                   | <b>267.3</b>   | <b>268.0</b>   | <b>0</b>           |
| <b>Provision for losses on financing receivables</b>  | <b>-31.4</b>   | <b>-35.2</b>   | <b>-11</b>         |
| Compensation and benefits                             | -62.5          | -71.3          | -12                |
| General and administrative expenses                   | -64.8          | -63.9          | 1                  |
| Professional services                                 | -11.2          | -11.4          | -2                 |
| Marketing   | -4.7           | -6.3           | -26                |
| Collection fees                                       | -7.8           | -8.0           | -2                 |
| Postage and stationery                                | -5.7           | -5.3           | 6                  |
| Rental expense under operating leases                 | -3.0           | -2.9           | 2                  |
| Information technology                                | -27.7          | -25.4          | 9                  |
| Depreciation and amortisation                         | -10.2          | -13.6          | -25                |
| Other   | 5.4            | 9.0            | -41                |
| <b>Total operating expenses</b>                       | <b>-127.3</b>  | <b>-135.2</b>  | <b>-6</b>          |
| <b>Income before income taxes</b>                     | <b>108.6</b>   | <b>97.6</b>    | <b>11</b>          |
| Income tax expense                                    | -21.4          | -19.3          | 11                 |
| <b>Net income</b>                                     | <b>87.2</b>    | <b>78.3</b>    | <b>11</b>          |
| <i>For six months ended 30 June (CHF)</i>             | <b>H1 2025</b> | <b>H1 2024</b> |                    |
| <b>Earnings per share</b>                             |                |                |                    |
| Basic   | 2.97           | 2.67           |                    |
| Diluted   | 2.97           | 2.67           |                    |

## Balance sheet (unaudited)

| <i>(CHF in millions)</i>                             | <b>30 Jun<br/>2025</b> | <b>31 Dec<br/>2024</b> | <b>Change as<br/>%</b> |
|--|------------------------|------------------------|------------------------|
| <b>Assets</b>  |                        |                        |                        |
| Cash and cash equivalents                            | 743                    | 793                    | -6                     |
| Financing receivables, net                           | 6,623                  | 6,625                  | 0                      |
| Personal loans                                       | 2,198                  | 2,273                  | -3                     |
| Auto leases and loans                                | 3,258                  | 3,182                  | 2                      |
| Credit cards   | 1,036                  | 1,011                  | 2                      |
| BNPL   | 131                    | 159                    | -18                    |
| Investment securities                                | 212                    | 190                    | 12                     |
| Property, equipment and software, net                | 40                     | 47                     | -15                    |
| Intangible assets, net                               | 12                     | 15                     | -16                    |
| Goodwill   | 190                    | 190                    | 0                      |
| Other assets   | 100                    | 90                     | 11                     |
| <b>Total assets</b>                                  | <b>7,919</b>           | <b>7,949</b>           | <b>0</b>               |
| <b>Liabilities and equity</b>                        |                        |                        |                        |
| Deposits   | 3,748                  | 3,524                  | 6                      |
| Accrued expenses and other payables                  | 148                    | 211                    | -30                    |
| Short-term debt                                      | 650                    | 400                    | 62                     |
| Long-term debt                                       | 2,101                  | 2,500                  | -16                    |
| Other liabilities                                    | 20                     | 24                     | -18                    |
| Deferred tax liabilities, net                        | 6                      | 5                      | 15                     |
| <b>Total liabilities</b>                             | <b>6,673</b>           | <b>6,664</b>           | <b>0</b>               |
| Common shares  | 30                     | 30                     | 0                      |
| Additional paid in capital (APIC)                    | 260                    | 260                    | 0                      |
| Retained earnings                                    | 1,013                  | 1,051                  | -4                     |
| Treasury shares                                      | -43                    | -39                    | 10                     |
| Accumulated other comprehensive income (loss) (AOCI) | -14                    | -17                    | -15                    |
| <b>Total shareholders' equity</b>                    | <b>1,246</b>           | <b>1,285</b>           | <b>-3</b>              |
| <b>Total liabilities and shareholders' equity</b>    | <b>7,919</b>           | <b>7,949</b>           | <b>0</b>               |

## Operating segments statement of income (unaudited)

| <i>For six months ended 30 June 2025<br/>(CHF in millions)</i> | <b>Lending</b> | <b>Payments</b> | <b>Total Group</b> |
|--|----------------|-----------------|--------------------|
| Interest income  | 179.6          | 51.8            | 231.4              |
| Interest expense   | -38.8          | -8.3            | -47.1              |
| <b>Net interest income</b>                                     | <b>140.8</b>   | <b>43.5</b>     | <b>184.3</b>       |
| <b>Commission and fee income</b>                               | <b>19.1</b>    | <b>63.9</b>     | <b>83.0</b>        |
| <b>Net revenues</b>  | <b>159.9</b>   | <b>107.4</b>    | <b>267.3</b>       |
| <b>Provision for losses on financing receivables</b>           | <b>-19.8</b>   | <b>-11.6</b>    | <b>-31.4</b>       |
| Compensation and benefits                                      | -38.5          | -24.0           | -62.5              |
| General and administrative expenses                            | -30.7          | -34.2           | -64.8              |
| <b>Total operating expenses</b>                                | <b>-69.1</b>   | <b>-58.2</b>    | <b>-127.3</b>      |
| Income tax expense   | -14.0          | -7.4            | -21.4              |
| <b>Net income</b>  | <b>57.0</b>    | <b>30.2</b>     | <b>87.2</b>        |

## Key figures (unaudited)

*For six months ended 30 June*

|   | H1 2025    | H1 2024    |
|---|------------|------------|
| <b>Earnings per share</b>   |            |            |
| Net income attributable to shareholders (CHF in millions)                           | 87.2       | 78.3       |
| Weighted-average number of common shares outstanding for basic earnings per share   | 29,320,056 | 29,335,151 |
| Weighted-average number 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       |
| <b>Ratios</b>   |            |            |
| Return on equity (annualised, in %)   | 13.8       | 12.7       |
| Return on assets (annualised, in %)   | 2.2        | 1.9        |
| Cost / income ratio (in %)  | 47.6       | 50.4       |
| Net interest margin (annualised, in %)  | 5.4        | 5.3        |
| Loss rate (annualised, in %)  | 0.9        | 1.0        |

*As at 30 June*

|   | 30 Jun 2025 | 31 Dec 2024 |
|---|-------------|-------------|
| <b>Capital adequacy</b>                       |             |             |
| Risk-weighted assets (CHF in millions)        | 6,286       | 6,088       |
| Tier 1 capital <sup>1</sup> (CHF in millions) | 1,112       | 1,091       |
| Tier 1 capital ratio (in %)                   | 17.7%       | 17.9%       |
| <b>Share</b>                                  |             |             |
| Share price (in CHF)                          | 99.70       | 82.00       |
| Market capitalisation (CHF in millions)       | 2,991       | 2,460       |
| <b>Employees and credit rating</b>            |             |             |
| Employees (full-time equivalents)             | 805         | 812         |
| Credit rating (S&P)                           | A-          | A-          |

<sup>1</sup> Includes net income adjusted for expected dividend distribution

Figures are rounded and rounding differences may occur. For a glossary of financial indicators including alternative performance measures please see [www.cembra.ch/financialreports](http://www.cembra.ch/financialreports)



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