



Your Swiss Bank

# Business Review



**Cembra is a leading Swiss provider of financing solutions and services. Our product range includes consumer credit products such as personal loans and auto leases and loans, credit cards, the insurance sold in this context, invoice financing, and deposits and savings products.**



Online Report



Annual Report (pdf)



Business Review



cembra.ch

The Online Report and the Annual Report 2022 are available under: [reports.cembra.ch](https://reports.cembra.ch)

The Business Review is published in English and German.

## Key facts

**CHF 2,307,000,000**

was the market capitalisation of Cembra at the end of 2022

**96,976,463**

credit card transactions were processed by Cembra in 2022

**1,054,000**

customers have chosen Cembra as their preferred partner

**1,010**

employees from 42 different countries work for Cembra

**24**

sales area managers serve around 3,700 car dealers across Switzerland

**CHF 3.95**

is the dividend per share proposed to the Annual General Meeting

## Key figures

<i>(CHF in millions)</i>	<b>2022</b>	2021	2020	2019
Net revenues	<b>508.9</b>	487.0	497.2	479.7
Provision for losses	<b>-40.9</b>	-40.3	-56.4	-45.1
Total operating expenses	<b>-257.5</b>	-246.3	-247.4	-231.8
Net income	<b>169.3</b>	161.5	152.9	159.2
Total assets	<b>7,653</b>	7,095	7,244	7,485
Net financing receivables	<b>6,520</b>	6,207	6,293	6,586
Personal loans	<b>2,387</b>	2,292	2,408	2,625
Auto leases and loans	<b>2,975</b>	2,820	2,853	2,915
Credit cards	<b>1,045</b>	1,030	970	1,029
BNPL	<b>114</b>	65	62	17
Shareholders' equity	<b>1,274</b>	1,200	1,127	1,091
Cost/income ratio (in %)	<b>50.6</b>	50.6	49.8	48.3
Return on equity (ROE in %)	<b>13.7</b>	13.9	13.8	15.7
Tier 1 capital ratio (in %)	<b>17.8</b>	18.9	17.7	16.3
Employees (full-time equivalent)	<b>929</b>	916	928	963
Credit rating (S&P)	<b>A-</b>	A-	A-	A-
Basic earnings per share (in CHF)	<b>5.77</b>	5.50	5.21	5.53
Dividend per share (in CHF)	<b>3.95</b>	3.85	3.75	3.75
Share price (in CHF)	<b>76.90</b>	66.45	107.20	106.00
Market capitalisation	<b>2,307</b>	1,993	3,216	3,180

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“Cembra had a very good year and we delivered on our promises.”

Holger Laubenthal, CEO

**We talked to our CEO Holger Laubenthal about the highlights and achievements of the past business year, about the Bank’s new strategy and about delivering on promises.**

**Holger, what were the main achievements and highlights of the past year?**

At the end of 2021, we announced our new strategy, and it was important to me that we deliver on our promises in 2022. Cembra had a very good year: we rolled out our new strategy, and I am pleased with our success to date. Among the highlights were of course the launches of the Certo! credit card range and the new Cembra app. Expectations inside and outside the company were very high on both counts, and it is great to see the progress made, and how well we delivered as a team. In addition, we entered into new partnerships and strengthened existing ones. This is important because these partnerships are part of the basis for our company’s success. Last autumn, the successful acquisition of the Byjuno company added to our footprint, positioning us as one of the leading players in the buy now pay later business in Switzerland. We also received external recognition in the area of ESG, thanks to our progress on sustainability, and we pressed ahead with our cultural transformation.

**Could you give us an overview of the 2022 results?**

In a nutshell, 2022 was a successful year for Cembra, as we grew profitably in all business areas in a challenging environment. This underlines that our financing solutions are attractive and well appreciated by customers. Our net income and net revenues increased, commission and fee income increased as well, and our loss performance remained very strong.

**Can you tell us more about the goals of the Bank's strategy and the progress made?**

We had some ambitious projects for the past year, and we made good progress in a number of key areas. Within our strategic programme operational excellence, we relocated our data centre, started consolidating our IT systems and laid the foundations for our cloud-based infrastructure. In business acceleration, we recorded organic growth in all our business lines thanks to a fantastic joint effort from our sales teams. We also achieved the first milestone in the development of our new leasing services platform, which is due to go live in 2023. In new growth, we delivered a strong performance in buy now pay later and embedded finance and are thrilled to welcome the Byjuno team into our family. As part of our cultural transformation, we significantly strengthened our teams' customer-first mindset, and we made changes so that we can better collaborate across functions.

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**“We want our teams to enjoy what they do and to deliver the best output for our customers.”**

**What are the goals of the cultural transformation and what makes Cembra an attractive workplace?**

We are working to become a more learning-based and collaborative organisation that is truly focused on a customer-first mindset. We have made good progress in the past year, but a transformation needs time and there is more work ahead of us. We are engaging with all our teams to make our new values come to life. Our focus on change and learning, trust and team are helping us to give everyone in the company a voice and to drive accountability and empowerment. This is also reflected in our results in the “Great Place to Work” survey. We are proud that we have been certified again in 2023. Being an attractive employer is important to us. We want our teams to enjoy what they do and to deliver the best output for our customers. This will be a continued focus in our work going forward.

**What is your outlook for 2023 and beyond?**

The market environment continues to be dynamic and challenging, and it is all the more important that we remain focused on delivering on our strategy. We made good progress in 2022 and that makes me confident that we will do the same in 2023 and beyond. Our objectives are clear, and we will continue to focus on delivering on these for the benefit of our customers and all our other stakeholders.

In 2023, we will drive the integration of Swissbilling and Byjuno to become a single operating business for invoice payment solutions, which will allow us to serve our customers even better and significantly strengthen our position in Switzerland. We will launch our cooperation with TWINT. As part of our roadmap, we will also begin the next phase of our digitalisation efforts to advance our cloud-based solutions and new core banking set-up, and we will work to further improve our products and services as well. Lastly, we will continue to transform our corporate culture so that we live up to our commitments and remain an engaging and fun place to work.

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**“We had a strong performance in buy now pay later and are thrilled to welcome the Byjuno team into our family.”**

**Cembra is a leading Swiss provider of financing solutions and services. We have our head-quarters in Zurich and employ about 1,000 people from 42 different countries. We have been listed as an independent Swiss bank on the SIX Swiss Exchange since October 2013.**

# 1 million

customers

Attractive financial products and a customer-oriented service have enabled us to extend our client base year after year. As of 31 December 2022, 1,054,000 customers had placed their trust in Cembra.

## 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 24 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 1.1 million cards in circulation. 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.

**Insurance products:** We provide insurance products as an intermediary. Alongside our personal loans and auto leasing and loans, we offer financial protection in case of involuntary unemployment, accident, illness or disability. We also offer travel and flight accident insurance and card protection insurance for our credit card customers.

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

**Buy now pay later/Invoice financing:** We offer invoice financing services through our subsidiaries Swissbilling and Byjuno.

## 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 2019, we strengthened our market position by acquiring the consumer finance provider cashgate. At the start of 2020, we changed our brand name to "Cembra".

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

**In 2021, we realigned our strategy to keep pace with digitalisation trends and our customers' evolving needs and expectations. Our journey to reimagine Cembra together is well under way. 2022 was all about implementing our strategy. We are proud of our roots as a successful credit factory and excited about the**

**changes we initiated or completed last year. Our four strategic programmes – Operational Excellence, Business Acceleration, New Growth Opportunities and Cultural Transformation – are paving the way for a successful future. In this review, we will look at how we delivered on our promises in 2022.**



**We are  
improving  
the customer  
experience.**

## Our uncompromising focus on customer needs.

The Cembra app, launched in April 2022, was the first project on which we implemented our new customer-focused mindset. We're taking an agile approach to the app's development so that we can respond flexibly to customer needs.

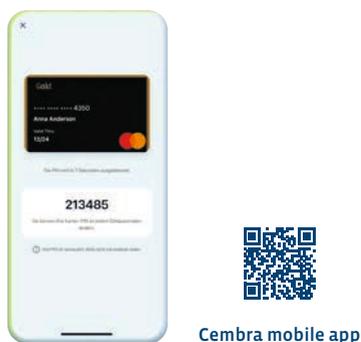
As end-to-end digitalisation gains pace, the demands on mobile apps have increased enormously. When developing the new Cembra app, one thing was clear: it had to be dynamic, intuitive and customisable, and consistently focus on the needs of our customers. Our customers, for instance, want to be able to carry out tasks directly in that app and for them to be processed immediately. This simplifies the customer experience and means they don't need to go through customer service. This saves time and increases efficiency on both sides.

### Innovative functions

One of the most important innovations of the Cembra app is a new login process with authentication and a range of dynamic functions. Our customers can easily access their transactions, view card details, block and unblock cards and request their PIN.

### Continuous development

The Cembra app is the first step in the expansion of our digital solutions. In this process, we're guided by customer needs and the latest market trends. Customer feedback is continuously evaluated and actively taken on board when prioritising and developing future functions.



Cembra mobile app

**“For us, customer obsession means maintaining an uncompromising focus on our customers’ needs.”**

Angela Pascarella,  
Senior Digital Product Lead

### An agile and flexible response to change

To ensure we can respond quickly to trends and changing customer needs, we've taken an agile approach to developing the app. Our cross-functional teams work on several small packages in parallel so that we can develop the app rapidly and in a trend-oriented manner. New offers and functions are discussed and prioritised by our teams.

The cultural component of this method is equally important: both the teams as a whole and their individual members are empowered to make decisions independently. This promotes personal responsibility and increases motivation.

### A future-oriented way of working

This agile way of working is new at Cembra and is now being used in other areas. The positive experiences from the app development process have shown that this kind of approach can support and accelerate cultural change. Our agile working model focuses on the customer, promotes cross-disciplinary teamwork, empowers employees and ensures that even complex solutions are implemented effectively.



**Three questions for Angela Pascarella, Senior Digital Product Lead at Cembra**

### What does customer obsession mean to you?

Our guiding principle is to maintain an uncompromising focus on our customers' needs. For me, that means we have to know our customers and their exact needs and align our products and services with them.

### How is the Cembra app a good example of this?

The app gives customers full control over their spending, something that's very important to them. It also offers a personalised customer experience by providing targeted notifications, information, settings and self-service functions. In other words, exactly what customers expect today.

### The app was developed using an agile method. What are its benefits?

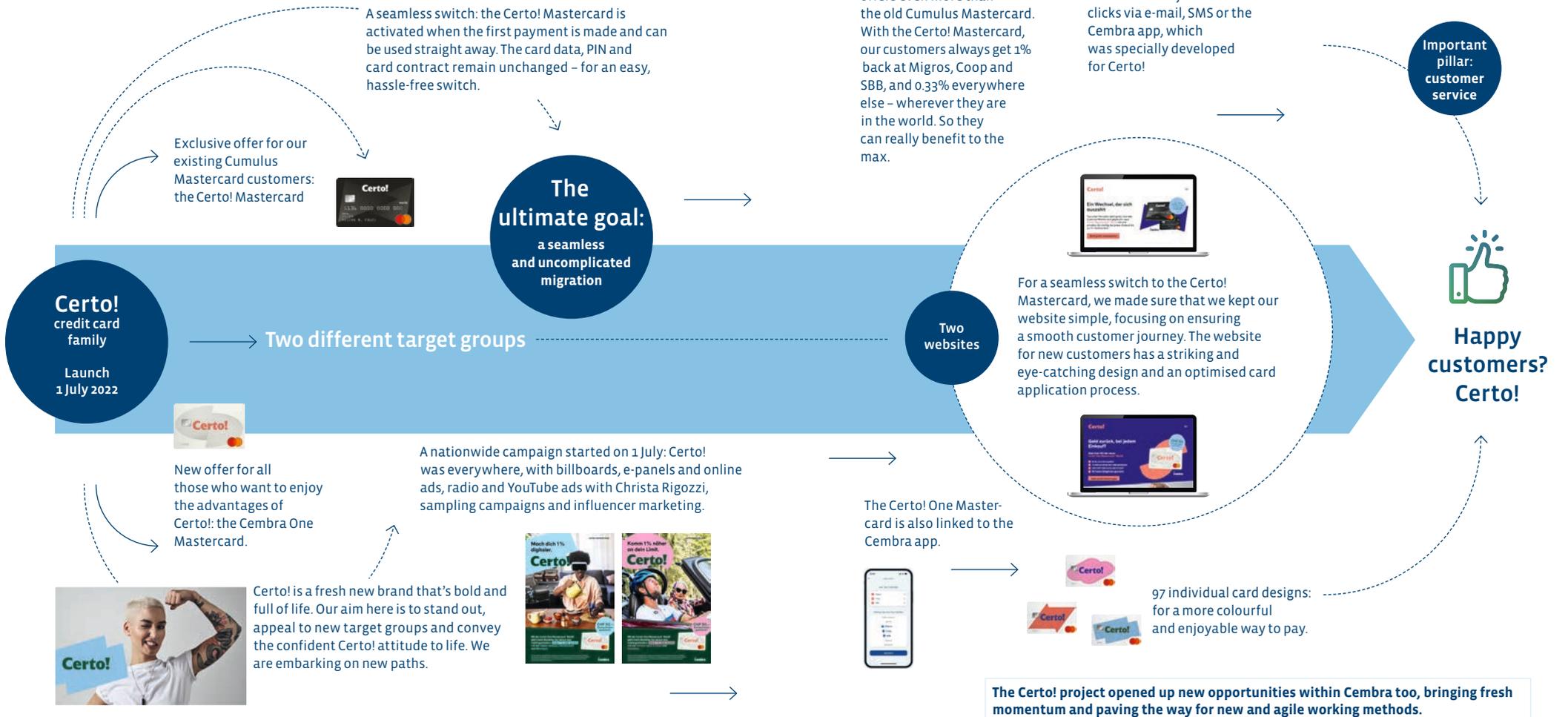
This allows us to develop our digital solutions in a more flexible and customer-oriented way. Cross-departmental teamwork has been massively improved, enabling us to bring innovations to market faster. This means we can offer our customers new functions in a timely manner.



**We are  
embarking on  
new paths.**

# Certo! Our new credit card family. Can we make a good credit card even better? Certo! – Definitely! On 1 July 2022, we launched two new credit cards for our customers – and anyone who would like to become one.

The market launch of our new credit card family was prepared through intensive, focused and cross-disciplinary teamwork. The project team lived and breathed the project's guiding principle: "Certo! – Of course it's possible!". Challenges were taken on creatively, and decisions were made quickly, efficiently and in an agile way. Cembra employees at different levels worked together to ensure we were ready for our customers.





**We  
continue  
to grow.**

**“Byjuno, Swissbilling and Cembra complement each other perfectly”. One of Cembra’s strategic goals is to drive integrated financing solutions. In the interview below, Chief Sales and Distribution Officer Peter Schnellmann explains how the acquisition of Byjuno makes us one of the leading providers in the buy now pay later (BNPL) business.**



Peter Schnellmann,  
Chief Sales and Distribution Officer

**Why are the embedded finance and buy now pay later business segments so relevant for Cembra?**

As a market leader in the consumer finance business, we clearly see that the market trend is moving away from traditional financing towards more flexible payment and financing solutions. This trend is well under way in the Anglo-Saxon world, and Switzerland has also recorded strong growth in this area. So for us, one thing is clear: these business segments will be strategically very important if we are to continue to offer our customers the best financing solutions and to embed them seamlessly into the customer journey.

**What progress was made in this business area in 2022?**

With Swissbilling, we have already achieved robust growth in recent years and established ourselves as a leading provider on the Swiss market. The acquisition of Byjuno, a major provider of invoice payment solutions in Switzerland, has enabled us to broaden our offering and market reach not only nominally, but in complementary way. As a

result, we expanded our BNPL business significantly in 2022.

**What is Cembra’s goal in this business area?**

The integration of Byjuno will enable us to become a leading platform for invoice payment solutions in Switzerland. By 2026, we expect these solutions will contribute CHF 10–20 million to our earnings.

**What are the benefits of merging Swissbilling and Byjuno?**

Swissbilling and Byjuno are a perfect match. They have a very complementary product range: Byjuno, for example, has a wallet solution, offers a monthly billing option and has a stronger online approach, while Swissbilling has more physical points of sale and is stronger in “billing as a service”, i.e. outsourcing all aspects of managing the billing process. Thanks to the merger, we can now offer our customers an even more comprehensive and optimised service. The two companies are also an ideal regional fit. Swissbilling was stronger in French-speaking Switzerland and Byjuno in



**“In recent years, BNPL has developed strongly in Switzerland. Vendors and customers can enjoy easy, fast and secure access to flexible payment solutions, which we will continue to develop in the coming years in line with changing customer needs.”**

Christian Stolz,  
CEO Byjuno/Swissbilling

German-speaking Switzerland. With Christian Stolz as CEO and Jean-Christophe Calmes as Deputy CEO, we also have a strong management duo with complementary skills. Together, we will be able to offer our partners a broader range of products and services, and our end customers will benefit from even simpler and more flexible payment options. Two companies that in the past approached the market as competitors now form an exceptionally strong duo in this business. Alongside our established credit factory, Swissbilling and Byjuno are an ideal fit.

**We are  
changing  
together.**



**Cultural change is already having a tangible impact. We are striving to become a more agile and learning organisation where everyone collaborates without boundaries. Cultural change takes time, but we are moving forward with success. In 2022, we saw a lot of progress on our collective journey to transform our culture.**

There are many of us and we're all very different – more than 1,000 employees from 42 different countries work for Cembra. Changing our corporate culture is not something that can happen overnight. But if each and every one of us is prepared to contribute, we will be able to implement over 1,000 changes and improvements. We are taking this cultural journey step by step. Our goal is to achieve a common understanding of our values that is built on curiosity, a positive error culture, constant learning and close, cross-team collaboration.

**Customer focus makes all the difference**

Our focus is always on our customers. Katja Alder, Head of Organisational and People Development, knows that Cembra has to change and focus even more on its customers. “Against this backdrop, we have defined our vision for Cembra for the coming years. It brings together our strategic work, ambitions and efforts. Our vision forms the foundation for achieving our shared company goals.” And 2022 was an important step in developing our uncompromising customer focus.

**Strengthening the culture of trust**

“In 2022, we focused on building a culture and attitude of trust within the company”, explains Katja Alder. “Our ‘Trust and Team’ initiative has been further deepened. It serves as a foundation on which we can build a learning, more collaborative and more agile organisation. Above all, it’s about how we interact with each other, how we work together and how we approach our customers.” This is a crucial point, because a strong corporate culture is reflected all the way through to the customer experience.

**Driven by Change Agents**

35 Change Agents, who are employees from various parts of the company, are multipliers of the changes across Cembra. It is their job to support and foster cultural change. With them, we introduced various measures to strengthen cooperation. Our approach: to try out new processes and ways of working, and to learn from them. Evidence-based pulse surveys were used to check whether the company was on the right track. Based on the findings, further measures were then identified during workshops.



**“Learning from mistakes is our human nature. This is how we can make progress. The way we address mistakes at Cembra helps us to improve our internal processes and deliver better services and products to our customers every day.”**

Karel Vanicek, Head of Risk Control



**“I am proud to be a Change Agent. Through various initiatives, we have managed to get people to talk about our culture and bring about change through targeted culture hacks. But cultural change is hard work and takes time.”**

Samareh Janami,  
Internal Regulation Advisory Officer



**“We’ve broken new ground and been efficient and agile when we recruited and onboarded employees for the Certo! service hotline. The mutual trust and commitment of all teams has been remarkable. When everyone pulls together, we can be even more successful.”**

Luca Di Maso, Head of Customer Service



**“Customer service is not a department, it is an attitude. Our customer obsession mindset does just that: it focuses on the customers. If we know exactly what their expectations and preferences are, we can meet their needs, and even exceed their expectations.”**

Monika Normand-Schwab,  
Team Leader Swissbilling



**“For the company to change, employees have to change. Entire teams are now adopting agile structures and methods, and Change Agents are driving cultural change from within. We are bringing about deep-seated change that will have a lasting impact and drive our success.”**

Jan Uetz,  
Head of Digital Solutions



**“Thanks to the cultural transformation, people within Cembra are more aware of the importance of technology. There is more mutual understanding between IT and business, and needs are better understood and implemented in a targeted manner, especially through increased cross-team collaboration.”**

Dipti Rao Kissling,  
Business Process Engineer

### **New ways of working**

One of these measures is our “Speedboats”, which serve as pilots for new working methods. With these, new project ideas can be implemented rapidly. Implementation is hierarchy-free and cross-departmental, and projects can be rolled out in a lean and customer-oriented way within a few weeks. For example, we adjusted the processes in one “speedboat” so that clients receive feedback on a loan application more quickly and easily. Quick, “out-of-the-box” solutions like these are a good example of how creative problem-solving can be implemented.

### **Something small with a huge impact**

Another popular measure was our culture hacks. The idea here is to make small improvements in our everyday work that will have a big impact. All employees were able to contribute to this process, and so far around 80 culture hacks have already been implemented. These include the Coffee Lottery, where employees are randomly assigned to exchange ideas over a coffee. Those who sign up have the opportunity to make new contacts and find out what colleagues from other departments are working on. Another culture hack is the Thank You Cards. They can be used, for example, to thank colleagues for

their cooperation on a project or to pass on positive feedback in general.

### **It’s all a question of attitude**

As Katja Alder puts it: “We can be proud of what we have already achieved in 2022. We have seen that special situations, such as the launch of the Cembra app or the Certo! Mastercard, require special commitment. We know that we can successfully tackle many things together. Our new attitude is: we take it in, we solve it, we learn from it.”

We will start to see more positive impacts from these measures in 2023. Here, six employees tell us about the impact the cultural transformation is already having on our working methods and processes (see quotes).

A photograph of three business professionals in a modern office setting. A man with dark curly hair and a beard, wearing a light blue button-down shirt and dark blue trousers, is leaning over a laptop. A woman with long blonde hair, wearing a light blue button-down shirt and olive green trousers, is sitting on a wooden bench and looking at the laptop. Another woman with dark curly hair, wearing a white button-down shirt and olive green trousers, is sitting on the same bench and looking at the laptop. The background shows a modern office interior with a concrete ceiling and a white wall with a dark door.

We are  
constantly  
improving.

## Our progress in the area of sustainability.

Sustainability is an important part of our strategy.

In 2022, we made further overall progress on our five main sustainability goals: customer orientation, responsible lending, employees and their development, environmental stewardship, and business integrity.



## Further improved ESG ratings

In recognition of our progress on sustainability, Cembra received further improved ratings from leading ESG rating agencies. MSCI ESG gave Cembra the highest possible rating of AAA and Sustainalytics reaffirmed their “Low ESG Risk” rating for Cembra in 2022.

## Diversity

Cembra employs people from 42 countries. We value our international workforce and our employees’ different cultural backgrounds and also promote diversity in terms of gender, age and nationality.



## Gender equality

For the third consecutive year, Cembra was included in the Bloomberg Gender Equality Index 2023 – as one of only eleven companies in Switzerland. The assessment includes gender-related criteria such as women in executive positions, equal pay, inclusive culture and policies against sexual harassment and transparency.



**“We have set ourselves clear goals to continue to improve in the areas that matter most to our stakeholders.”**

Marcus Händel, Head Investor Relations and Sustainability



## Great Place to Work

We measure the satisfaction and engagement of our employees every two years. The survey, completed by 73% of our employees, resulted in a trust index of 71% (as in 2020). Cembra is therefore certified as a Great Place to Work again in 2023.

## Electromobility



Cembra is one of the leaders in financing electromobility in Switzerland. We offer loans and leasing for electric vehicles on highly favourable terms.

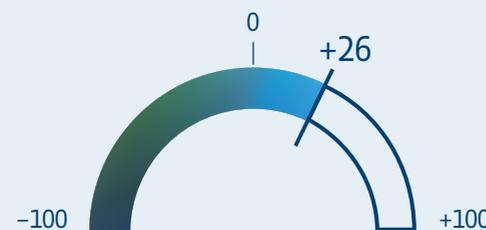
## Community engagement

After the pandemic-related break, we again supported several charitable projects in 2022, both through financial contributions and volunteering by our employees.

## Environmental stewardship



We use resources sustainably and constantly seek to minimise our negative impact on the environment and on the climate. In 2022, we were able to reduce our Scope 1 and 2 carbon emissions intensity by 42% compared to 2021.



## Customer satisfaction

The net promoter score (NPS) is one of the most important indicators of customer satisfaction. In 2022, Cembra’s overall NPS score was +26 on a scale of -100 to +100. The NPS was temporarily lower than in 2021 due to transformational projects.

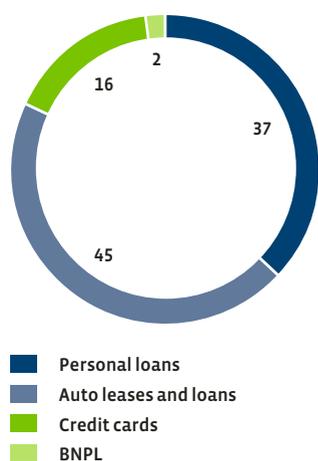
## Business integrity



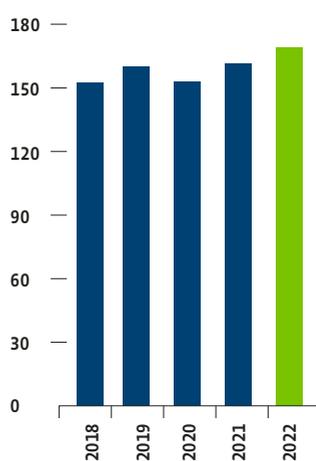
As a responsible provider of financial solutions, we ensure the high quality and integrity of our products and services. We not only act in accordance with applicable strict legal requirements, but also take additional preventive measures.

**2022 was a successful year for Cembra, as we grew profitably in all business areas in a challenging environment. This underlines that our financing solutions are attractive and well appreciated by customers. We are also making good progress in implementing our strategy. The launch of our own credit card family Certo! is a success, and by deepening and broadening our partnerships we are laying the foundations for further growth. With the acquisition of Byjuno, we have also significantly strengthened our leading position in the rapidly growing BNPL business.**

Net financing receivables in %



Net income in CHF millions



**Market share of our products**

In a competitive environment, the Group had an estimated market share of approximately 39% of outstanding consumer loans. The Group estimated its auto leasing market share to be about 20% of total leasing assets outstanding as of December 2022. The Group's number of cards decreased by 2%, to about 1,051,000 compared with year-end 2021. The Group's market share was 12% in 2022. Cembra has a market share of 30–40% of the BNPL market via its subsidiaries Swiss-billing and Byjuno.

**Business development**

In 2022, two members of the Management Board, Emanuel Hofacker (General Counsel) and Niklaus Mannhart (Chief Operating Officer), left the Bank. Three new members were appointed to the Management Board: Alona Eiduka (Chief Operating Officer), Eric Anliker (General Counsel) and Christian Schmitt (Chief Technology Officer).

On 21 April 2022, Cembra held its ninth Annual General Meeting as a SIX-listed company. The following members of the Board of Directors were re-elected for a further one-year term of office: Felix Weber (Chairman), Thomas Buess, Susanne Klöss-Braekler and Monica Mächler. Jörg Behrens, Marc Berg and Alex Finn were newly elected to the Board of Directors.

On 19 May 2022, we announced the extension of our credit card partnerships with Conforama and FNAC. Additionally, Cembra announced to issue a new credit card in collaboration with the retail chain SPAR as of summer 2022.

On 30 May 2022, we announced that in recognition of the Bank's recent progress in the area of sustainability, MSCI had upgraded Cembra's ESG rating to AAA, while Sustainalytics reaffirmed Cembra's "Low ESG Risk" rating.

On 1 June 2022, Cembra and Zurich Insurance Company AG entered into a cooperation. The two companies have simplified the vehicle insurance process, offering a new service package for car and van financing customers.

On 1 July 2022, Cembra launched Certo! – a new range of credit cards offering money back rewards and other services.

On 23 September 2022, we announced that TWINT and Cembra's subsidiary Swissbilling agreed on a partnership. The launch of the joint digitally integrated payment solution is planned for summer 2023.

On 30 September 2022, Cembra reported that it had entered into an agreement with Intrum AG to acquire 100% of the shares of Byjuno AG and its sister company Intrum Finance Services AG. Cembra will combine Byjuno with its subsidiary Swissbilling to create a leading provider of invoice payment solutions. The acquisition was completed on 1 November 2023.

On 8 December 2022, Cembra announced that Felix Weber, Chairman of the Board of Directors since 2013, decided not to stand for re-election. The Board of Directors proposed Franco Morra as the new Chairman, subject to approval by the Annual General Meeting.

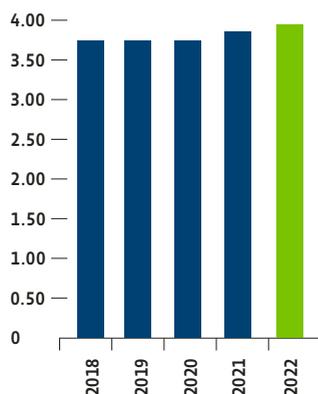


Senior Leadership Team (from left):  
Eric Anliker\* (General Counsel), Peter Schnellmann\* (Chief Sales and Distribution Officer), Alona Eiduka\* (Chief Operating Officer), Pascal Perritaz\* (Chief Financial Officer), Holger Laubenthal\* (Chief Executive Officer), Volker Gloe\* (Chief Risk Officer), Christian Schmitt\* (Chief Technology Officer), Esther Pfaff (Head Product and Innovation), Annekathrin Krügel-Falkenberg (Head People and Culture), Christian Stolz (CEO Byjuno/Swissbilling)

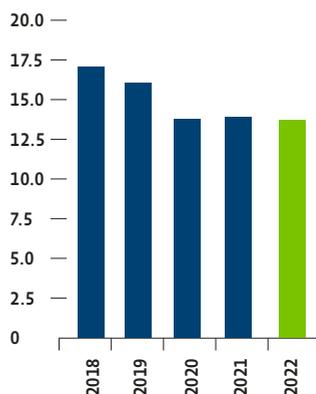
\*Member of the Management Board

**In 2022, Cembra reported strong results. Net income increased by 5% to CHF 169.3 million, or CHF 5.77 per share. Net revenues increased by 4%, with commission and fee income increasing by 17%. The loss performance remained very strong at 0.6%. As a result, return on equity came in at 13.7%, and the Tier 1 capital ratio stood at 17.8%. An increased dividend per share of CHF 3.95 will be proposed to the Annual General Meeting.**

Dividend per share in CHF



Return on equity (ROE) in %



### Strong business performance

The Group's total net financing receivables at 31 December 2022 amounted to CHF 6.5 billion, an increase of 5% compared with 31 December 2021.

In the personal loans business, the growth continued in the second half and receivables increased by 4% to CHF 2.4 billion by 31 December 2022. As a result of the lower opening balance of net financing receivables compared to 2021 and the continued competitive environment, interest income in the personal loans business decreased by 4% to CHF 163.1 million, with a yield of 6.8%.

Net financing receivables in auto leases and loans increased by 6% to CHF 3.0 billion in the reporting period. Interest income edged up by 2% to CHF 133.1 million, with a yield of 4.6%.

In the credit cards business, net financing receivables rose by 1% to CHF 1.0 billion. Interest income in the cards business rose by 5% to CHF 89.1 million, with a yield of 8.5%. Transaction volumes increased by 5% year on year. The number of cards issued amounted to 1,051,000 at 31 December 2022, a decline of 2%.

In the buy now pay later (BNPL) business, Cembra recorded an increase of billing volumes by 51% to CHF 477.4 million in 2022. The "BNPL and other" fee income amounted to CHF 19.5 million (+58%). The acquisition of Byjuno was completed on 1 November 2022

and the business has been consolidated from that date.

### Fee business drives up revenues

Total net revenues increased by 4% to CHF 508.9 million in 2022, and net interest income remained stable at CHF 356.2 million. Interest expense increased by 13% to CHF 29.4 million, reflecting the changed interest rate environment in the second half of the reporting period.

### Continued very strong loss performance

The provision for losses increased by 2% to CHF 40.9 million, reflecting a continued very strong underlying loss performance. This resulted in a stable loss rate of 0.6%.

### Strong capital and increased dividend

Cembra remains very well capitalised, with a strong Tier 1 capital ratio of 17.8%. Given Cembra's robust financial performance, the Board of Directors will propose an increased dividend of CHF 3.95 per share at the next General Meeting.

### Outlook

Cembra currently expects to deliver a resilient business performance in 2023, with net revenues to develop at least in line with Swiss GDP and a continued solid loss performance. Cembra is reiterating its ROE target of 13–14% for 2023 and confirms its mid-term targets.

## Income statement

<i>(CHF in millions)</i>	<b>2022</b>	2021	in %
Interest income	385.6	382.7	1
Interest expense	-29.4	-26.0	13
<b>Net interest income</b>	<b>356.2</b>	<b>356.7</b>	<b>-0</b>
Commission and fee income	152.7	130.3	<b>17</b>
<b>Net revenues</b>	<b>508.9</b>	<b>487.0</b>	<b>4</b>
<b>Provision for losses</b>	<b>-40.9</b>	<b>-40.3</b>	<b>2</b>
Compensation and benefits	-135.5	-132.2	2
General and administrative expenses	-122.0	-114.0	7
<b>Total operating expenses</b>	<b>-257.5</b>	<b>-246.3</b>	<b>5</b>
<b>Income before income taxes</b>	<b>210.5</b>	<b>200.5</b>	<b>5</b>
Income tax expense	-41.2	-39.0	<b>6</b>
<b>Net income</b>	<b>169.3</b>	<b>161.5</b>	<b>5</b>
<b>Basic earnings per share (in CHF)</b>	<b>5.77</b>	<b>5.50</b>	<b>5</b>

## Balance sheet

<i>(At 31 December, CHF in millions)</i>	<b>2022</b>	2021	in %
<b>Assets</b>			
Cash and cash equivalents	<b>633</b>	545	16
Net financing receivables	<b>6,520</b>	6,207	5
Other assets	<b>501</b>	344	46
<b>Total assets</b>	<b>7,653</b>	<b>7,095</b>	<b>8</b>
<b>Liabilities and equity</b>			
Deposits	<b>3,513</b>	3,199	10
Short-term & long-term debt	<b>2,613</b>	2,492	5
Other liabilities	<b>253</b>	204	24
<b>Total liabilities</b>	<b>6,379</b>	<b>5,895</b>	<b>8</b>
Common shares	<b>30</b>	30	0
Additional paid-in capital (APIC)	<b>258</b>	258	0
Treasury shares	-37	-35	7
Retained earnings	<b>1,010</b>	954	6
Accumulated other comprehensive income loss (AOCI)	13	-7	n/a
<b>Total shareholders' equity</b>	<b>1,274</b>	<b>1,200</b>	<b>6</b>
<b>Total liabilities and shareholders' equity</b>	<b>7,653</b>	<b>7,095</b>	<b>8</b>

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