



Your Swiss Bank

# Cembra

A leading player in financing solutions and services in Switzerland

Investor presentation September 2020

# Agenda

- 1. Cembra at a glance**
2. H1 2020 results
3. Strategy and outlook

Appendix

# Cembra at a glance

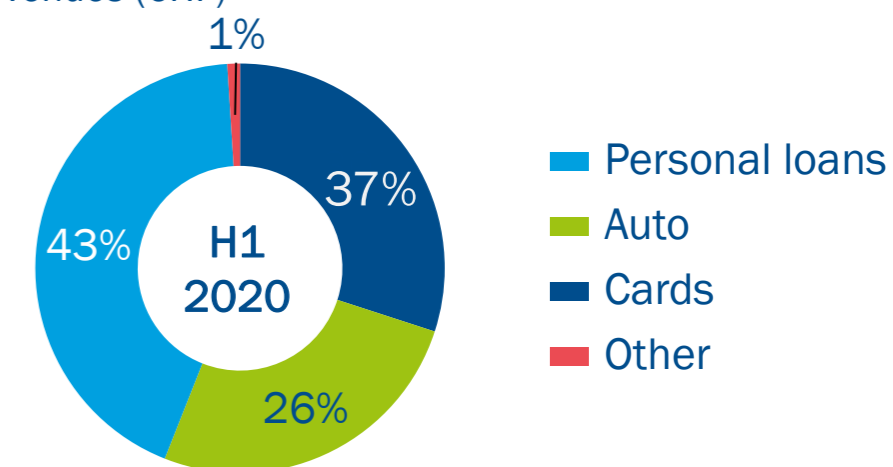
## A leading player in financing solutions and services in Switzerland

### Who we are

- Independent consumer finance specialist exclusively operating in Switzerland
- Serving more than 1 million customers through diversified distribution, personalised service and digitised solutions
- Strong market positions in personal loans (44% market share), auto loans & leases (22%) and credit cards (14%)
- Successful integration of two acquisitions: auto financing specialist EFL (2017) and consumer finance provider cashgate (H1 2020)
- Diverse workforce of more than 1,000 employees with 40 nationalities
- Sustainability and ESG with considerably improved recognition<sup>2</sup>
- Standard and Poor's credit rating A-/A-2, negative outlook
- IPO in 2013, listed on Swiss Stock Exchange under US GAAP

### Key figures H1 2020

Net revenues (CHF)



- Total assets CHF 7.3bn
- Competitive loss ratio (0.9%) and cost/income ratio (50.3%)<sup>1</sup>
- Return on equity 13.8%
- Tier 1 capital ratio 17.0%
- Market cap ~CHF 3.2bn (September 2020)

<sup>1</sup> 47.9% excluding cashgate in H1 2020 | <sup>2</sup> SXI Switzerland Sustainability index inclusion since September 2020

# Strong market positions

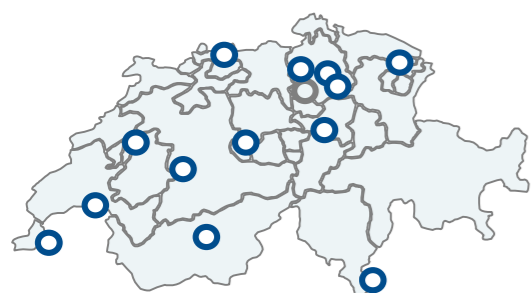
## Serving more than 1 million customers in Switzerland

### Personal loans: 44% market share

30 June 2020 personal loan receivables



### 13 branches all over Switzerland<sup>1</sup>

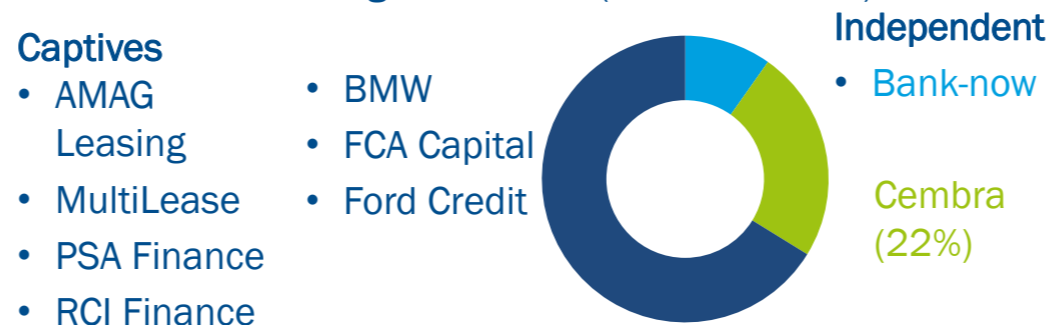


- Market leader in personal loans segment
- Diversified distribution channels, with branches, independent agents and an efficient internet channel
- Premium pricing supported by superior personalised service
- Strong brand, with second online presence through “cashgate”

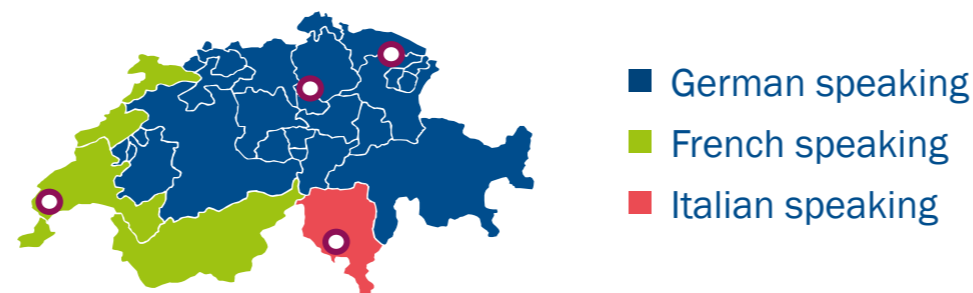
<sup>1</sup> Following the integration of cashgate branches

### Auto business: 22% market share

30 June 2020 leasing receivables (ZEK, estimates)



### Diversified distribution



- Strong independent player – no brand concentration
- Mix of new (~40%) and used cars (~60%)
- Offering products through about 4,000 dealers – dedicated field sales force combined with 4 service centres

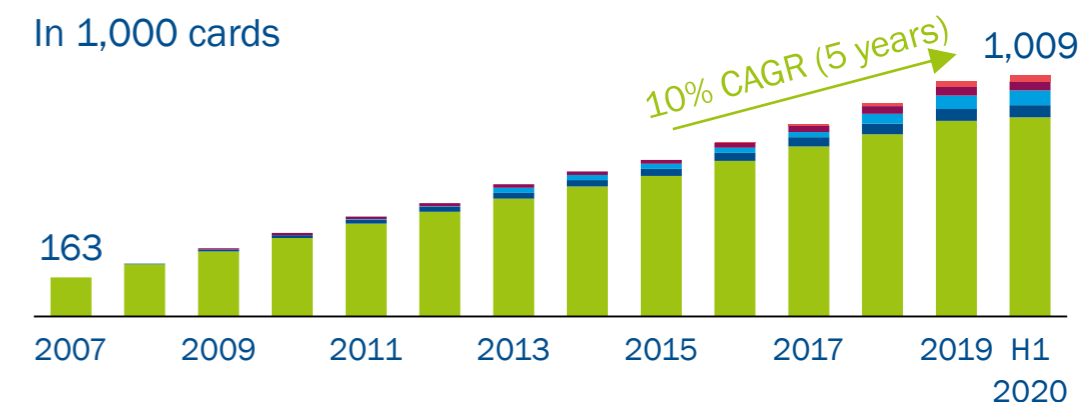
### Credit cards: 14% market share

30 June 2020 credit cards issued



### A fast growing portfolio

In 1,000 cards

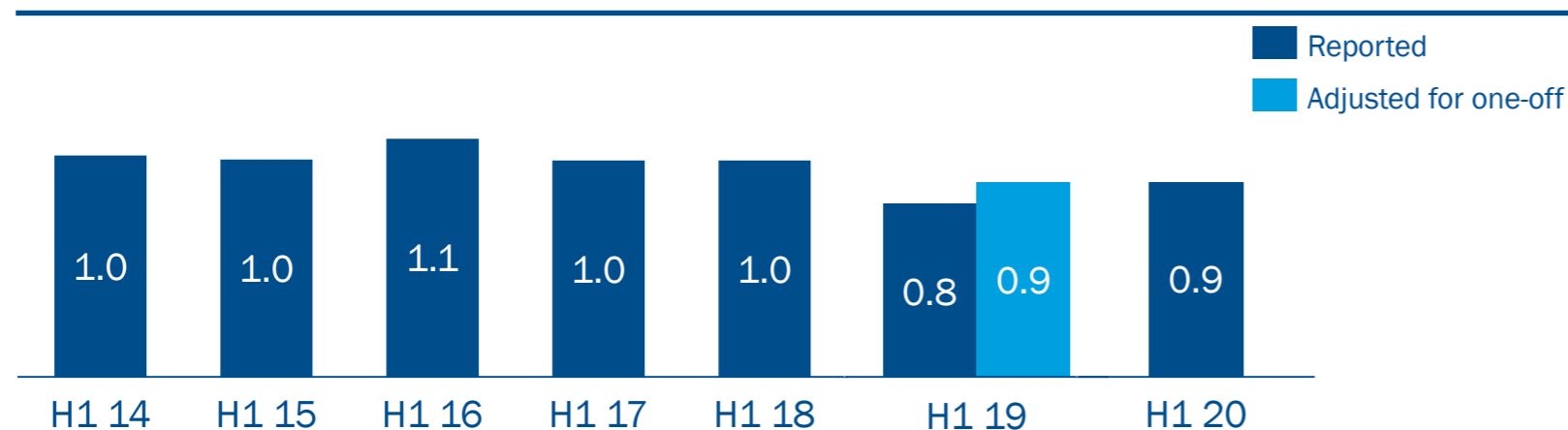


- Programme**
- Growing the portfolio to >1m cards issued
  - Solid innovation track record
  - 20% market share in contactless payments
  - Smart follower strategy for new technologies
  - Successful launch of new co-brand card with Lipo in June
  - Introduction of Apple Pay in March 2020

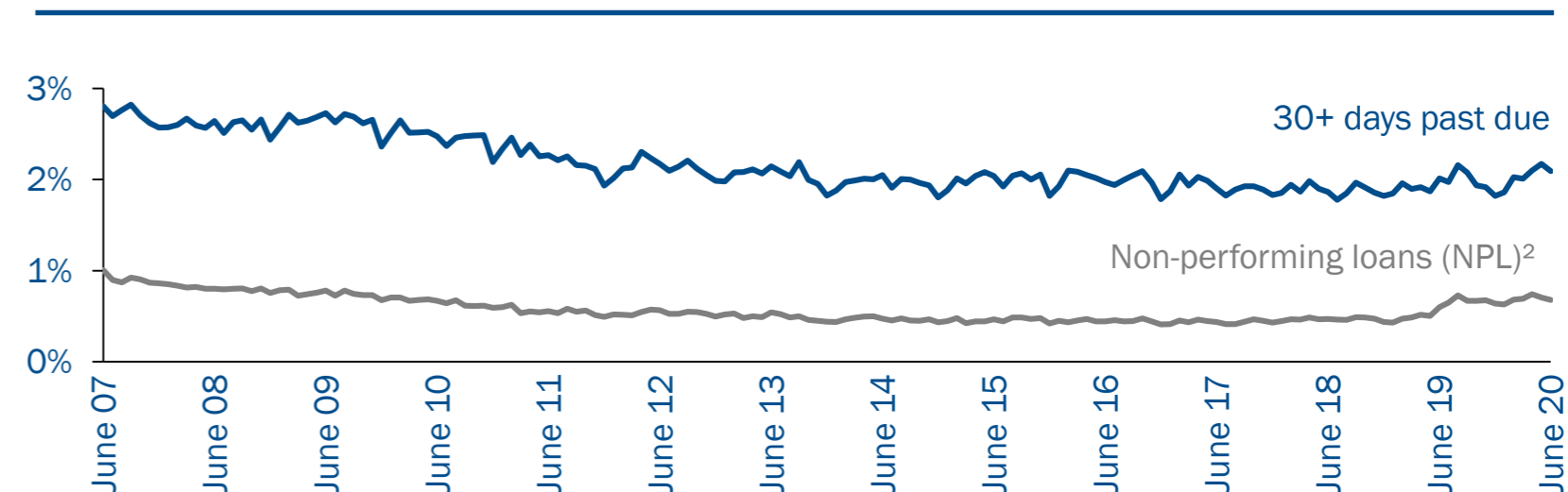
# Long-term risk performance

## High quality of assets – loss performance stable over the long term

### Loss rate



### NPL and delinquencies<sup>1</sup>

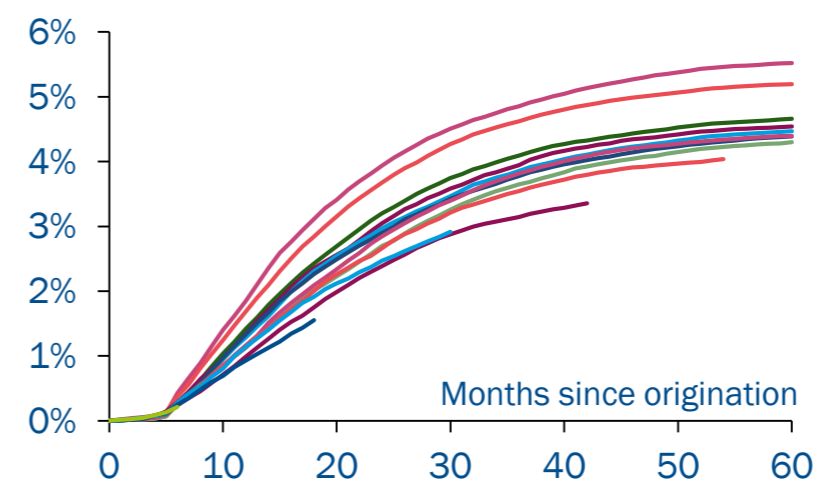


### Risk management characteristics

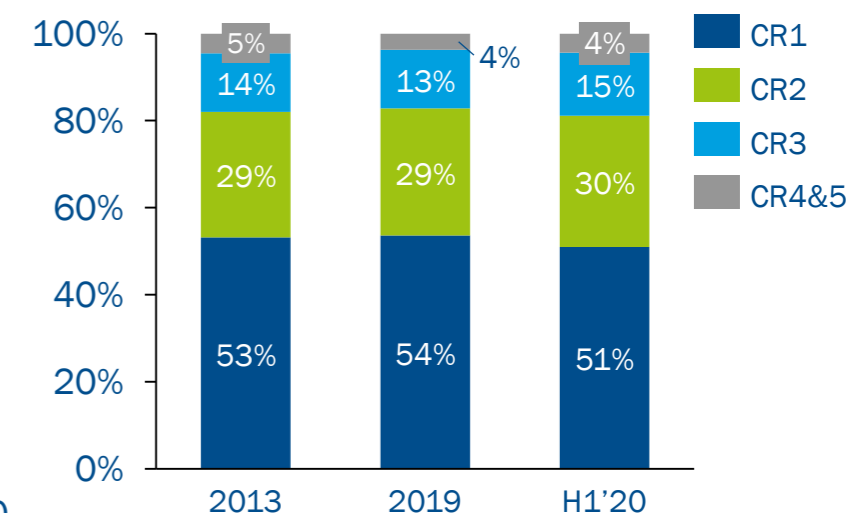
- Proven resilience of portfolios during financial crisis 2008/2009
- Consistent risk appetite and strategies over many years
- Well-diversified portfolios contributing to limited credit losses
- Expertise in underwriting and collections leading to effective loss mitigation
- Limited volatility in portfolio quality metrics through economic cycle

### Write-off performance

By year of origination<sup>3</sup> from 2007 to 2019



### Credit grades<sup>5</sup>



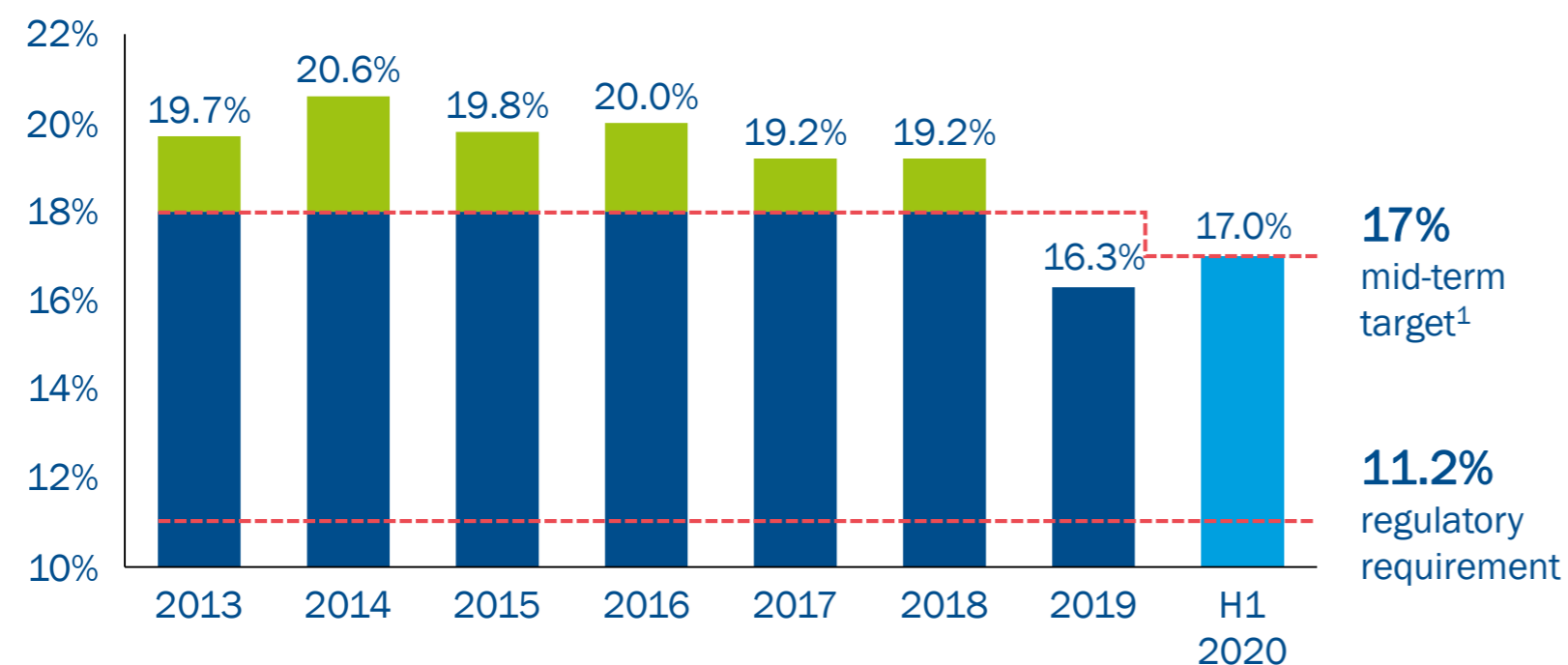
<sup>1</sup> June 2020 reported 30+% at 2.1% and NPL% at 0.7%, excluding the one-off impact, 30+% and NPL at 1.9% and 0.5% respectively, and hence in line with prior years' performance | <sup>2</sup> Non-performing loans (NPL) ratio is defined as the ratio of non-accrual financing receivables (at period-end) divided by financing receivables | <sup>3</sup> Based on personal loans and auto leases & loans originated by the Bank | <sup>5</sup> Consumer Ratings (CR) reflect associated probabilities of default for material Bank and cashgate portfolios

# Capital management

## Disciplined use of capital, and continuous flow of dividends

### Capital position

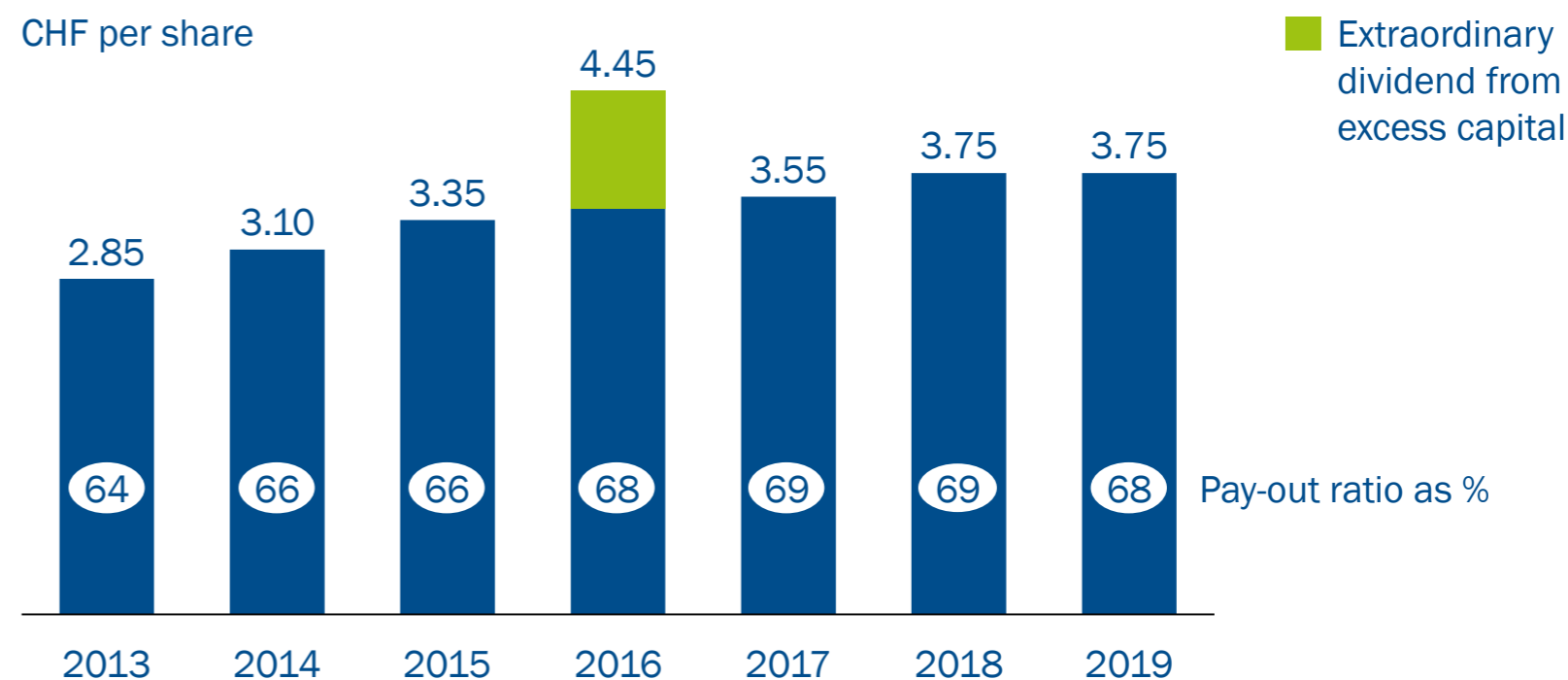
Tier 1 capital ratio as %



- Tier 1 capital ratio of 17.0% as per H1 2020
- Mid-term Tier 1 capital ratio of 17%
- CET 1 ratio 14.4% as per H1 2020 (31 Dec 2019: 13.7%)
- Cembra aims to return excess Tier 1 capital above circa 19% to shareholders<sup>2</sup>

### Dividends

CHF per share



- Dividend pay-out ratio target between 60 and 70%
- Continuous dividend payouts since the IPO

<sup>1</sup> Tier 1 capital ratio target 18% until June 2019 | <sup>2</sup> Cembra Money Bank aims at distributing 60-70% of net income to shareholders in the form of ordinary dividends. Furthermore, Cembra intends to return excess Tier 1 capital above circa 19% (previously 20%) to shareholders either via extraordinary dividends or share buybacks unless there is a more efficient allocation of capital



# Track record

## Delivered on targets since the IPO

IPO targets (Oct 2013)		2015	2016	2017	2018	2019	H1 2020
<b>Asset growth</b>	In line with Swiss GDP growth	-0.3%	0.9%	12.0% Organic: 4.0%	5.4%	37.0% Organic: 5.6%	n/a <sup>1</sup>
<b>Profitability</b>	ROE >15%	17.7%	17.4%	16.7%	16.9%	15.7%	<b>13.8%</b>
<b>Capitalisation</b>	Tier 1 capital at least 17% <sup>2</sup>	19.8%	20.0%	19.2%	19.2%	16.3% <sup>3</sup>	<b>17.0%</b>
<b>Dividend payout</b>	Payout ratio 60%–70%	66%	68%	69%	69%	68%	n/a
<b>Earnings per share (CHF)</b>		5.04	5.10	5.13	5.47	5.53	<b>2.52</b>
<b>Dividend per share (CHF)</b>		3.35	4.45 <sup>4</sup>	3.55	3.75	3.75	n/a

See appendix for key figures since 2010

<sup>1</sup> Asset growth taken out as target after completion of cashgate acquisition | <sup>2</sup> Tier 1 target of at least 18% until July 2019 | <sup>3</sup> Target range indicated for 2019 of 16 - 17% due to acquisition of cashgate

<sup>4</sup> Including extraordinary dividend of CHF 1.00 per share

# Agenda

1. Cembra at a glance
- 2. H1 2020 results**
3. Strategy and outlook

Appendix



# H1 2020 performance

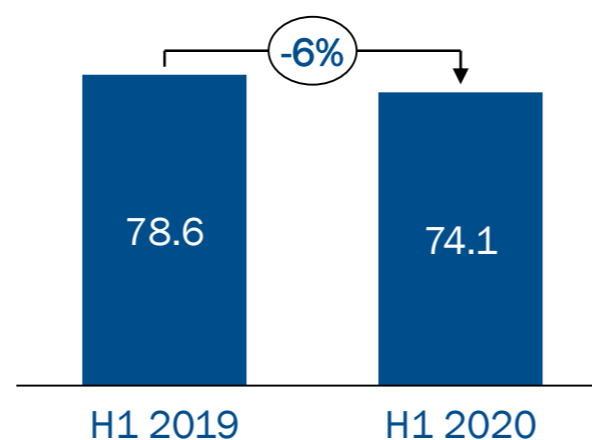
## Strong business performance during the covid-19 pandemic

### Highlights

- Net income of CHF 74.1 million (-6%)
- Resilient net financing receivables (-3%), with lower volumes and lower attrition
- 22% increase in net interest income driven by the acquisition of cashgate
- 11% decrease in commission and fee income due to lower cards spend as a result of the lockdown
- Stable loss performance (0.9%) during covid-19 pandemic
- cashgate integration successfully completed
- Return on equity at 13.8%, with Tier 1 capital ratio of 17.0%

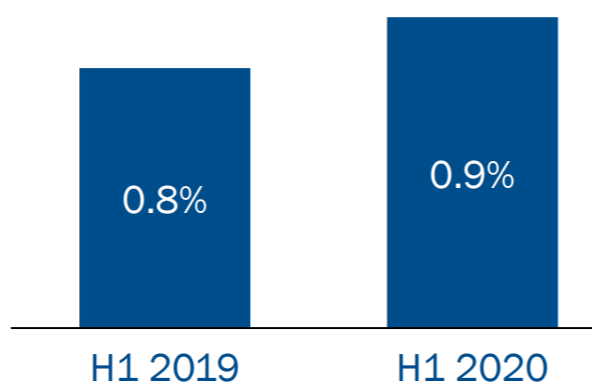
### Net income

in CHF m



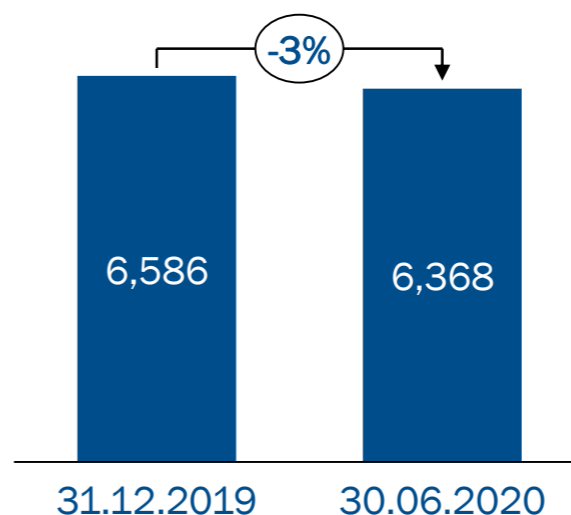
### Loss rate

as %



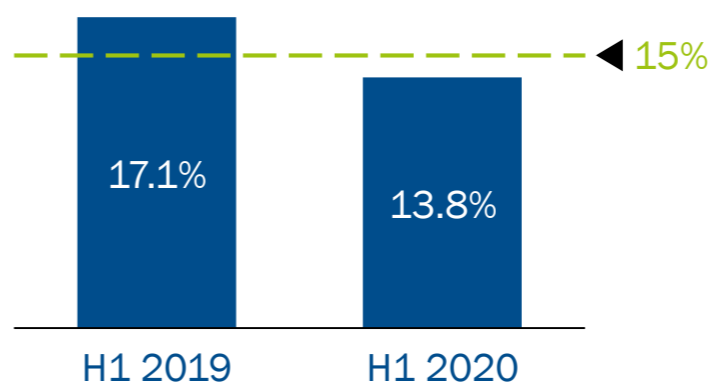
### Net financing receivables

in CHF m



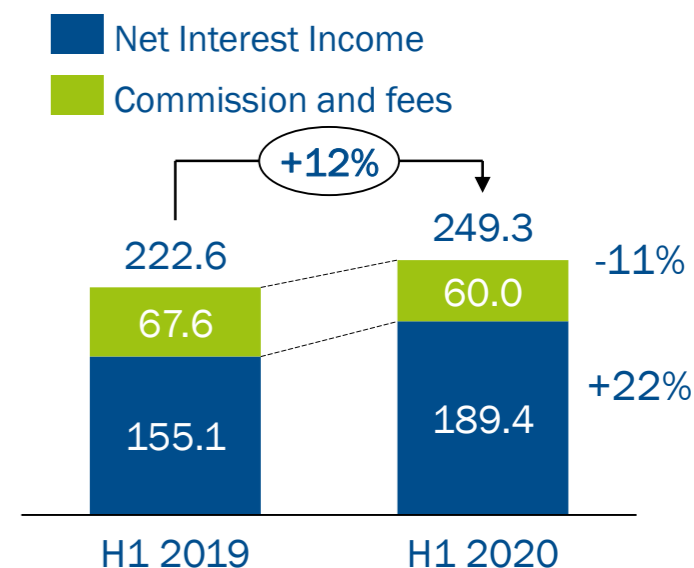
### Return on equity

Mid term target > 15%



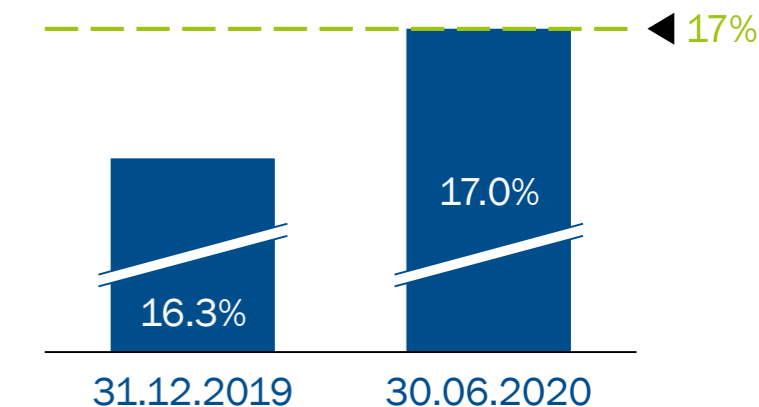
### Net revenues

in CHF m



### Tier 1 capital ratio

Mid term target of at least 17%



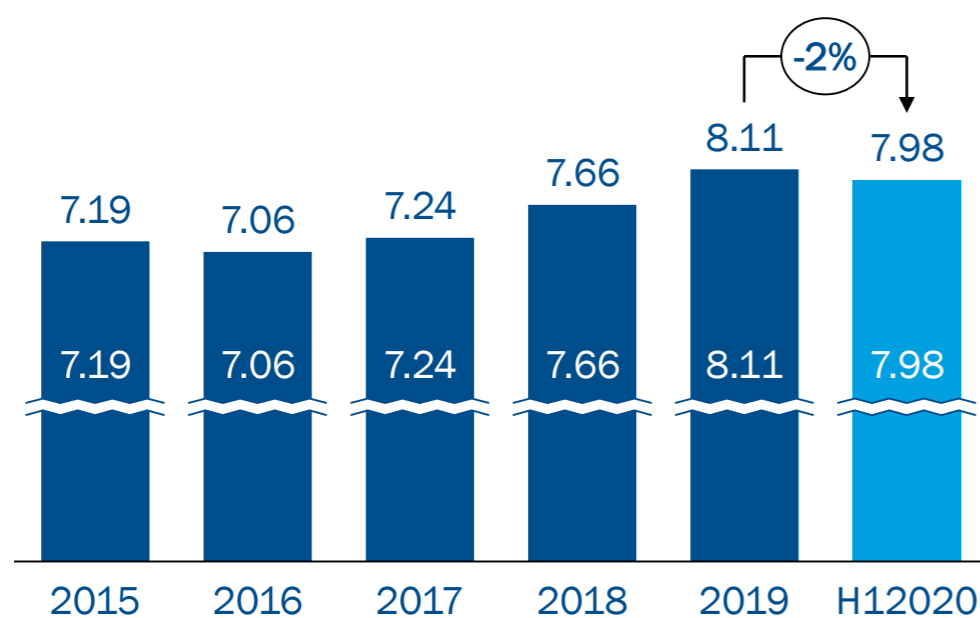
# H1 2020 products and markets

## Personal loans and auto business stable, cards affected by lower spending

Market environment

### Personal loans

Consumer loans market, in CHF bn

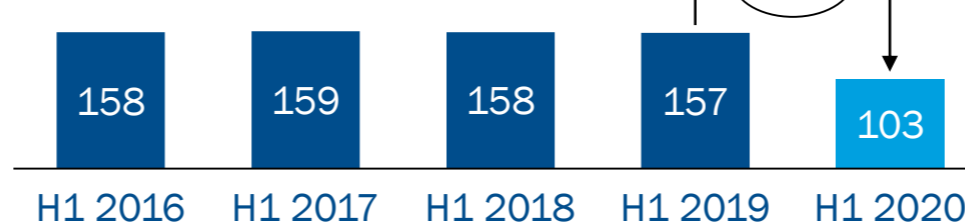


Source: ZEK

### Auto loans and leases

#### New cars

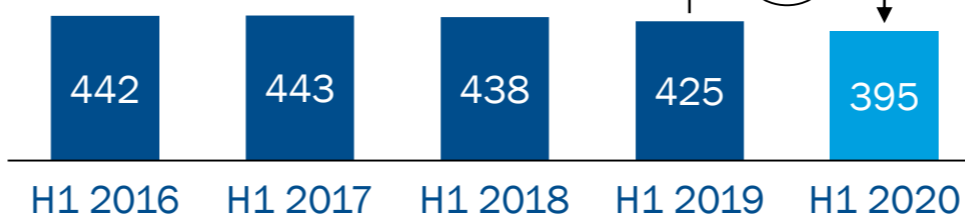
Number of registrations, in 1,000



Source: auto-Schweiz

#### Used cars

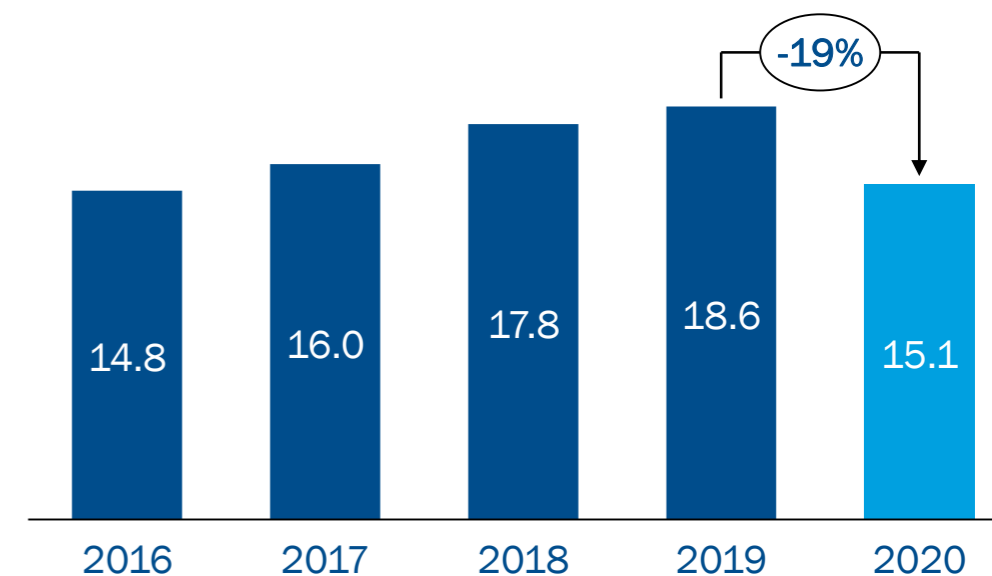
Change in ownership, in 1,000



Source: Eurotax

### Credit cards

Transaction volumes, in CHF bn, first five months



Source: SNB July 2020

Cembra H1 2020

- Net financing receivables down 4%, with lower volumes but also lower attrition
- Market share stable at 44%, with only limited dis-synergies from cashgate integration

- Net financing receivables down 3%
- Slightly lower leasing market share of 22% (Dec 19: 23%), with only limited dis-synergies from cashgate integration
- Increasing share of financing of used cars

- Cards issued up 7% year on year to 1,009,000
- By May 2020, Cembra outperformed transaction volume market (-9% vs. market -19%), with slightly increased market share at 14%
- Strong presence in NFC transaction volumes, with 20% market share as at May 2020

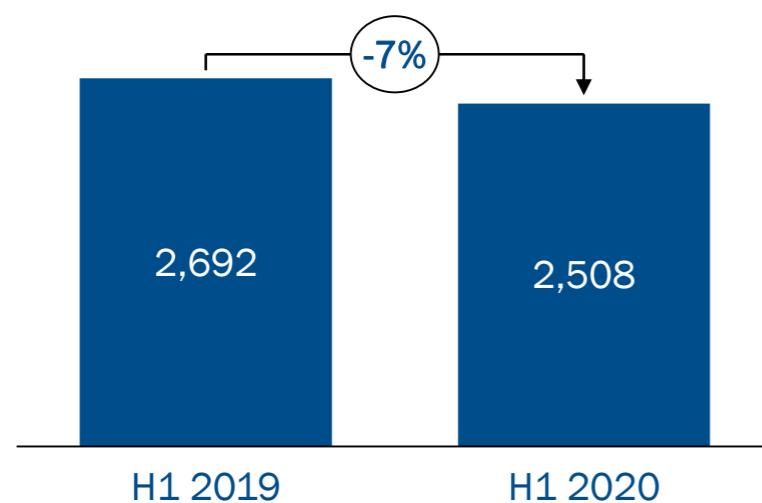
# Card transaction volumes and card revenues

## Strong volume recovery by the end of Q2

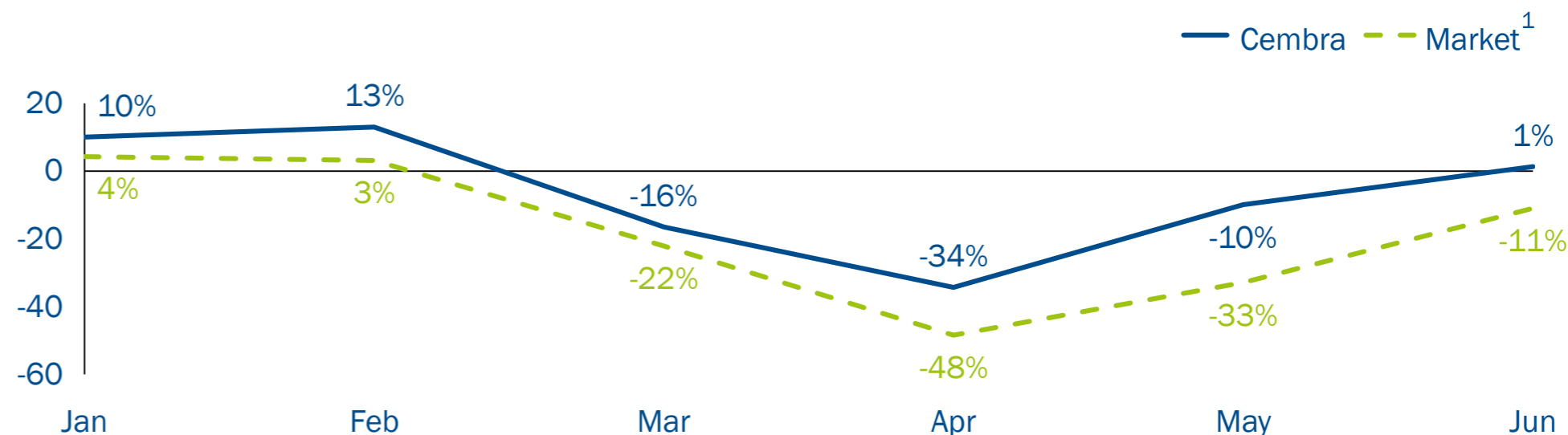
Transaction volumes

### H1 growth

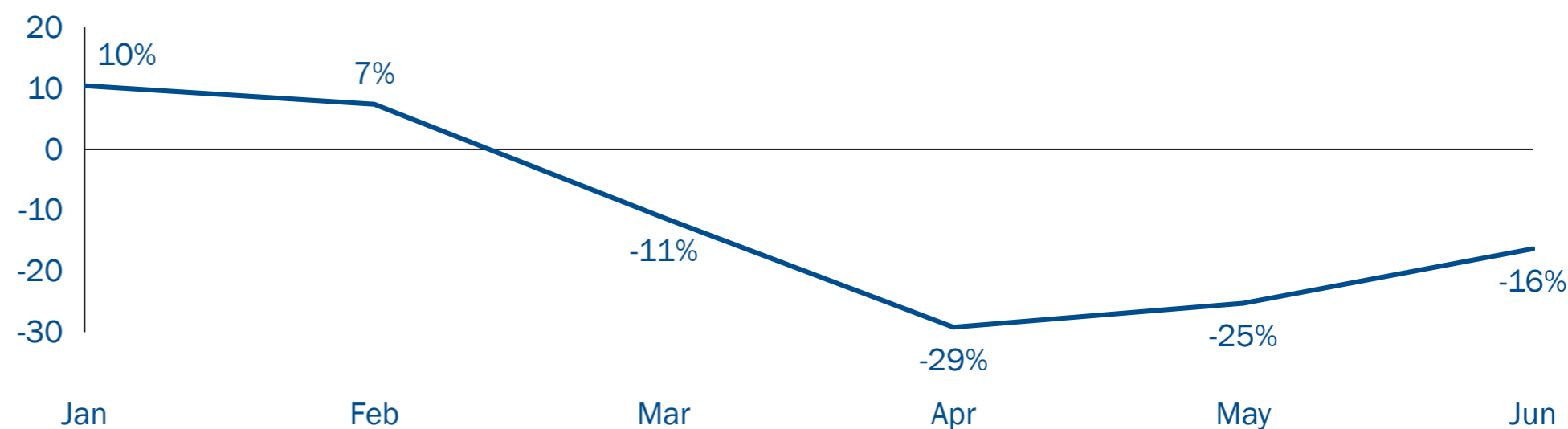
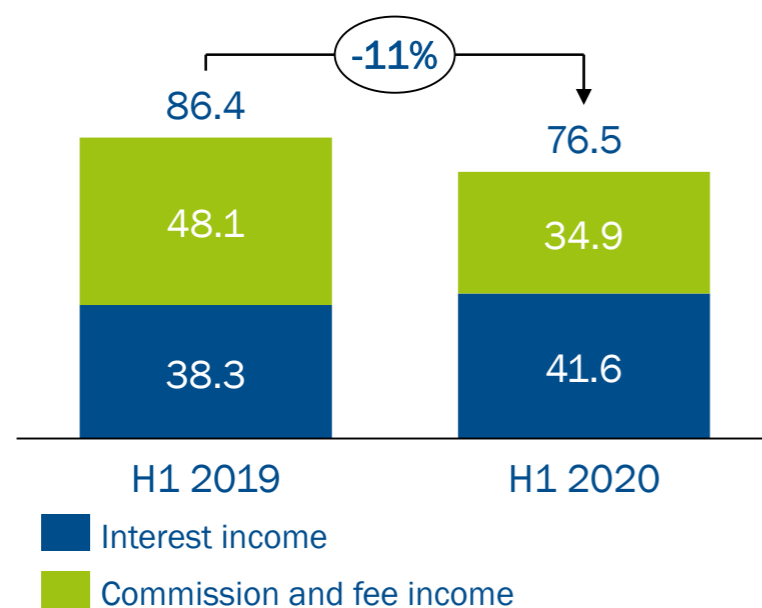
In CHF m



### Monthly growth (year on year)



Revenues



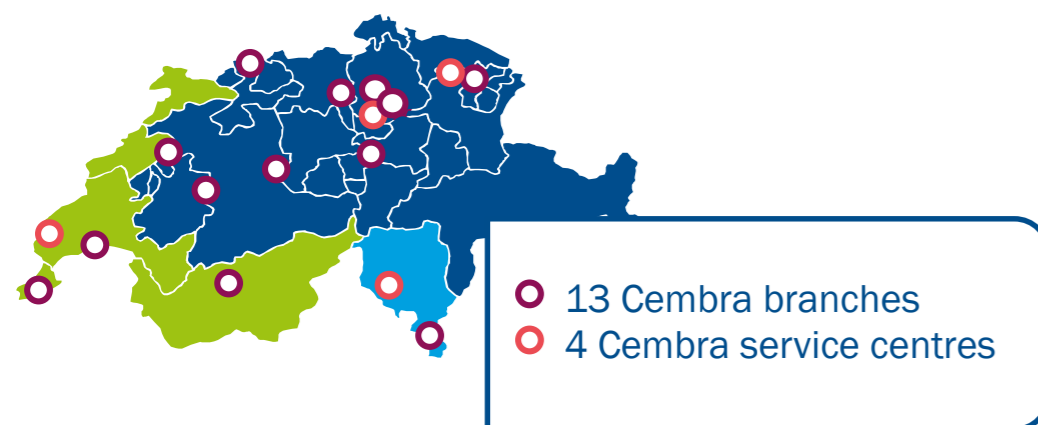
<sup>1</sup> Market excluding Cembra; source: SNB August 2020  
Cembra

# cashgate integration

## Successfully completed, with no surprises on costs or expected benefits

### Consolidation of branch network (completed)

From 1 August 2020 on

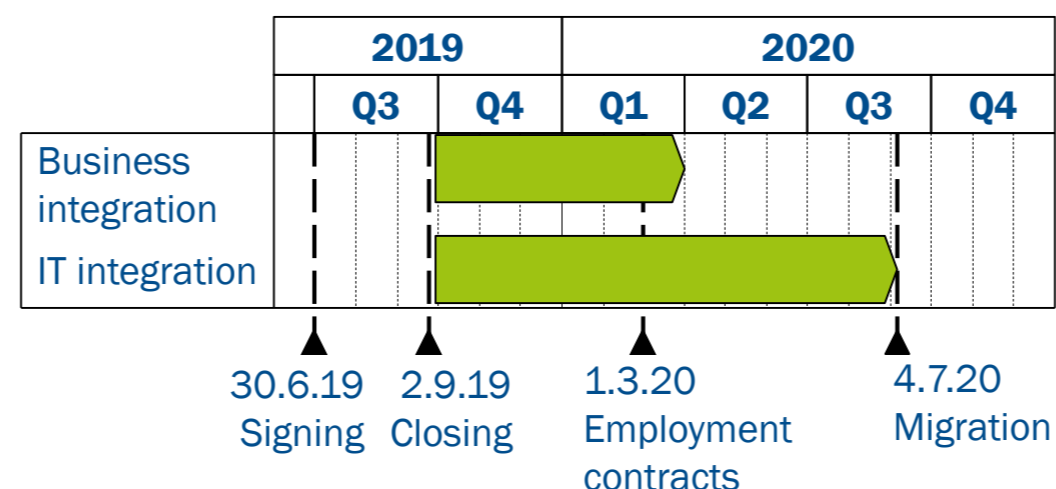


Completed	by
✓ Combined headquarters in Zurich	Dec 2019
✓ Combined service centres	Dec 2019
✓ Combined branches, and accelerated branch consolidation from 17 to 13, adapting to digital transformation	Jul 2020

#### Post-integration

■ Gradual realisation of synergies as planned until 2021

### Integrate businesses



Completed	by
✓ Transfer cashgate employees to Cembra	Dec 2019
✓ 95% of transitional services agreements terminated <sup>1</sup>	July 2020
✓ Migration of cashgate systems from Aduno to Cembra completed	July 2020

#### Post-integration

■ Legal merger of cashgate AG into Cembra 2021  
 ■ Further back-end consolidation 2022

### Commercial consolidation

B2B



B2C



Completed	by
✓ Combined cashgate and Cembra auto systems	1 Jan 2020
✓ All brokers originate through Cembra system	1 Jan 2020
✓ Maintain cashgate as online brand	1 Jan 2020

#### Post-integration

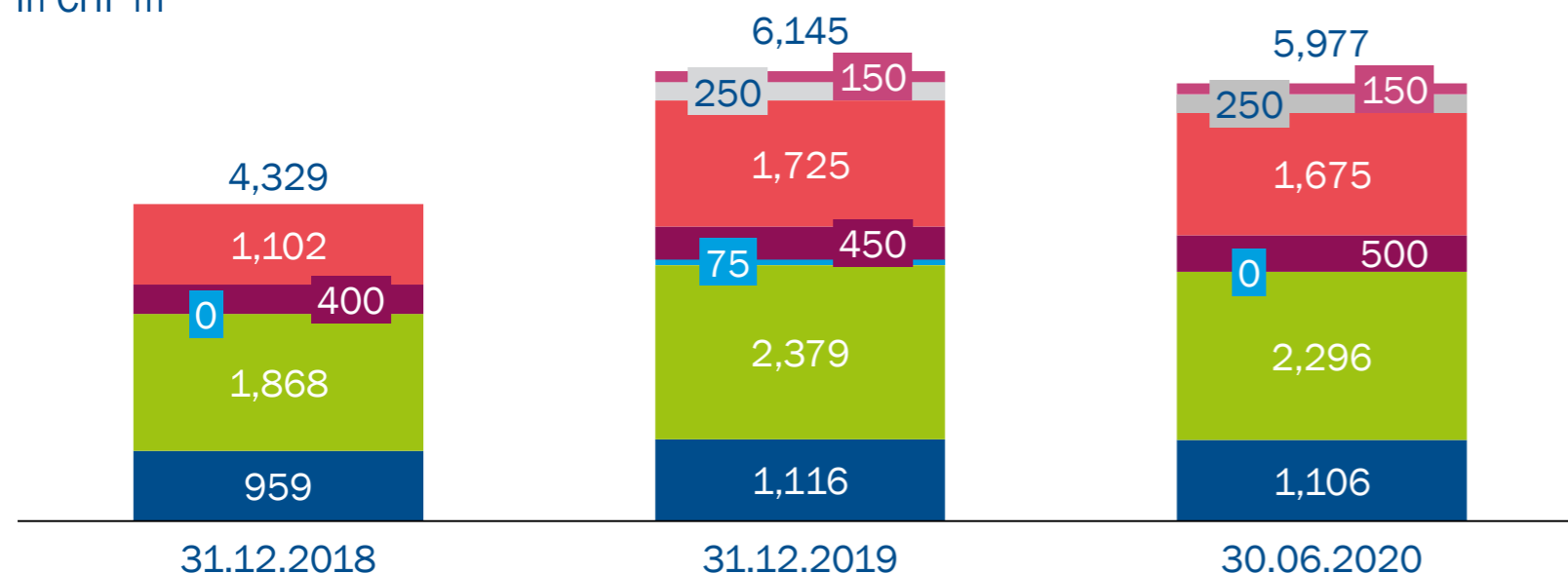
■ Accelerate digital transformation ongoing

<sup>1</sup> One remaining transitional service agreement with Aduno in place until 2021

# H1 2020: Funding

## Well-balanced and diversified funding profile

### Funding mix

In CHF m<sup>1</sup>

### ALM key figures

	31.12.18	31.12.19	30.06.20
End of period funding cost	0.49%	0.44%	0.43%
WA <sup>2</sup> remaining term (years)	2.7	2.9	2.8
LCR <sup>3</sup>	852%	554%	860%
NSFR	112%	112%	115%
Leverage ratio	14.7%	12.5%	13.9%
Undrawn revolving credit lines	350m	350m	350m

### Funding programmes

<b>Non-Deposits – 43%</b>	<b>AT1 subordinated</b>	One issuance, remaining term to first call of 4.4 yrs. at a rate of 2.50% <sup>4</sup>
	<b>Convertible bond</b>	One issuance, remaining term of 6.1 yrs. at a rate of 0% <sup>4</sup>
	<b>Senior unsecured</b>	Eleven issuances, WA <sup>2</sup> remaining term of 4.1 yrs. avg. rate of 0.33% <sup>4</sup>
	<b>ABS</b>	Two AAA-rated issuances, WA remaining term of 2.8 yrs., avg. rate of 0.08% <sup>4</sup>
	<b>Bank loans</b>	Syndicated term loan
<b>Deposits – 57%</b>	<b>Institutional term deposits</b>	<ul style="list-style-type: none"> <li>Diversified portfolio across sectors and maturities</li> <li>Book of 100+ investors</li> </ul>
	<b>Retail term deposits and saving accounts</b>	<ul style="list-style-type: none"> <li>Circa 20,000 depositors</li> <li>Fixed term offerings 2 – 8 years</li> <li>Saving accounts are on-demand deposits</li> </ul>
		WA remaining term of 1.9 yrs., avg. rate of 0.39%
<b>Off-BS</b>	<b>Committed revolving credit lines</b>	<ul style="list-style-type: none"> <li>Four facilities of between CHF 50m and CHF 100m each</li> <li>WA remaining term of 1.1 yrs., avg. rate of 0.24%<sup>4</sup></li> </ul>

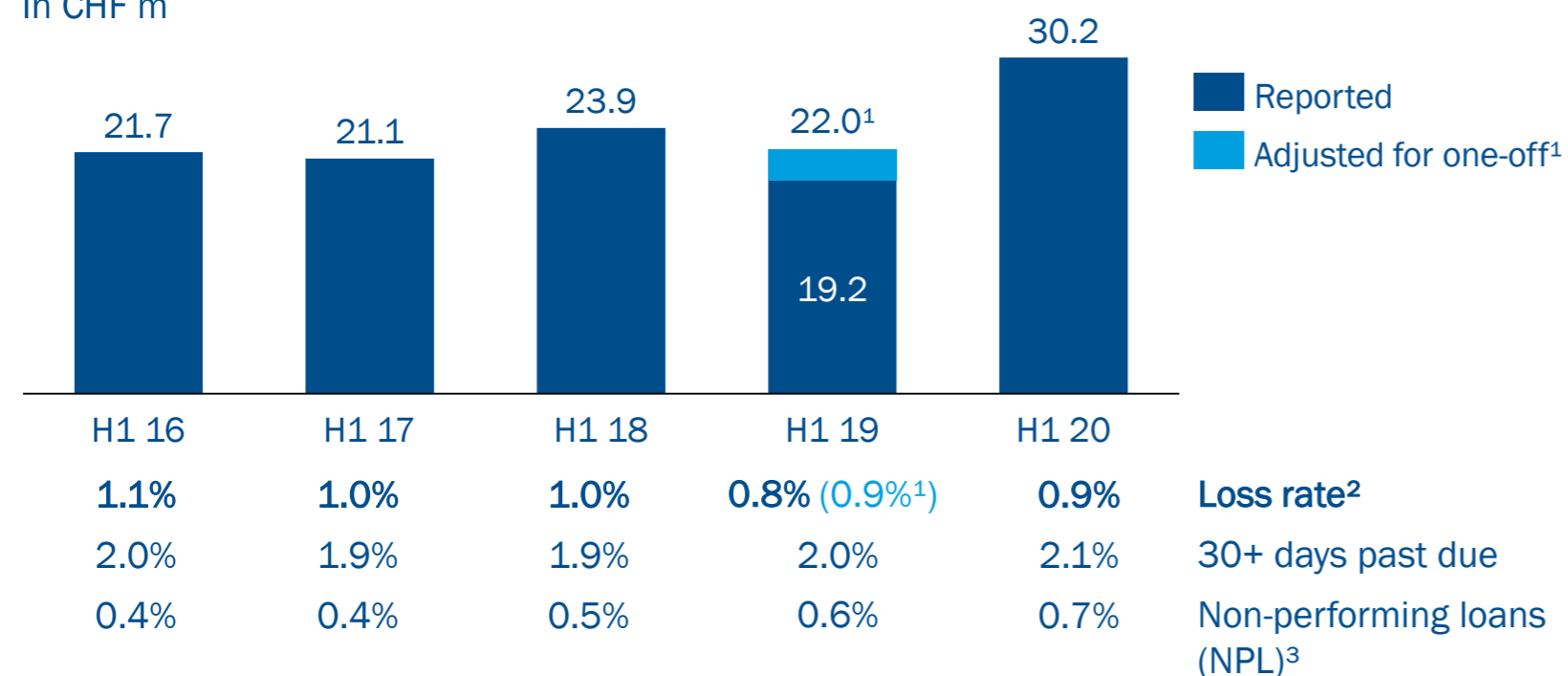
<sup>1</sup> Excluding deferred debt issuance costs (US GAAP) | <sup>2</sup> Weighted average | <sup>3</sup> Weighted average of last 3 months of reporting period | <sup>4</sup> Additional charges apply related to fees and debt issuance costs

# H1 2020: Provision for losses

## Stable loss performance

### Provision for losses

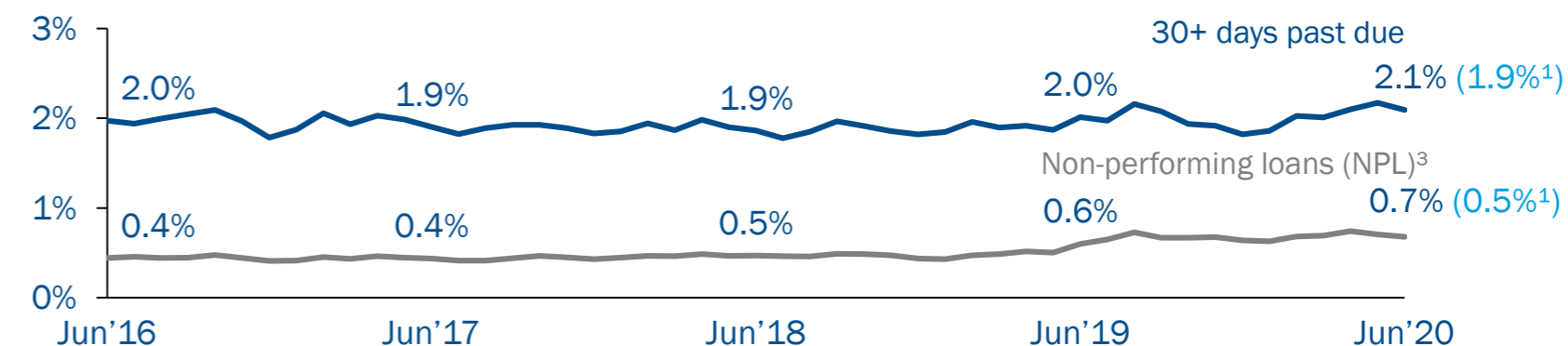
In CHF m



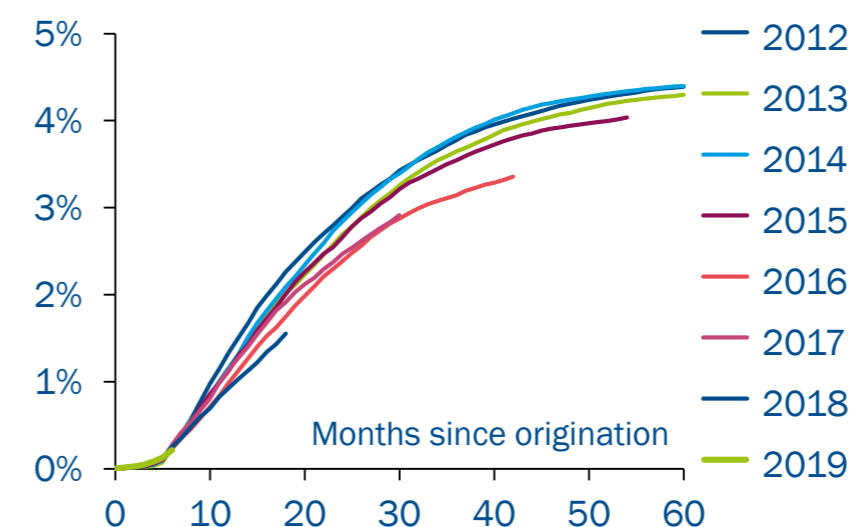
### Comments

- Portfolio once again showed resilience in H1 2020
- Expertise in underwriting and collections leading to effective loss mitigation
- Timely roll-out of countermeasures to prepare for economic downturn
- Solid loss performance expected for the full year 2020

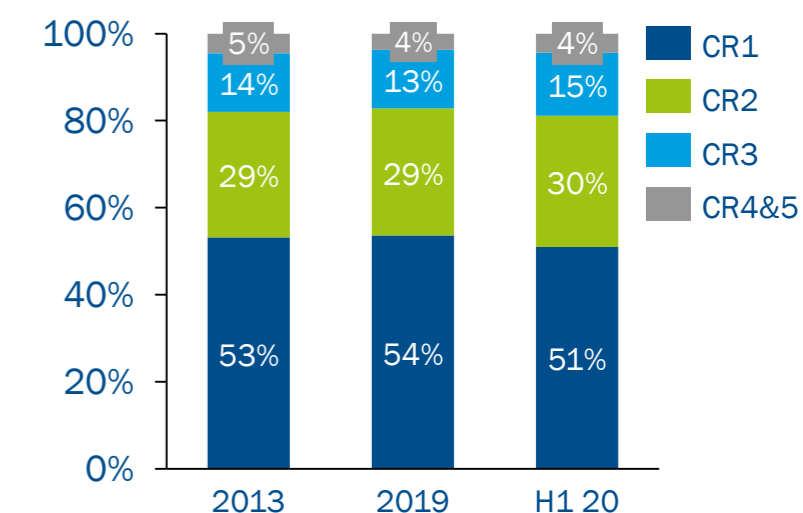
### 30+ days past due/NPL



### Write-off performance<sup>4</sup>



### Credit grades<sup>5</sup>



<sup>1</sup> Excluding the one-off impact related to synchronisation of write-off and collection procedures implemented in June 2019 | <sup>2</sup> Loss rate is defined as the ratio of provisions for losses on financing receivables to average financing receivables (net of deferred income and before allowance for losses) | <sup>3</sup> Non-performing loans (NPL) ratio is defined as the ratio of non-accrual financing receivables (at period-end) divided by financing receivables

<sup>4</sup> Based on personal loans and auto leases & loans originated by the Bank | <sup>5</sup> Consumer Ratings (CR) reflect associated probabilities of default for material Bank and cashgate portfolios

# Agenda

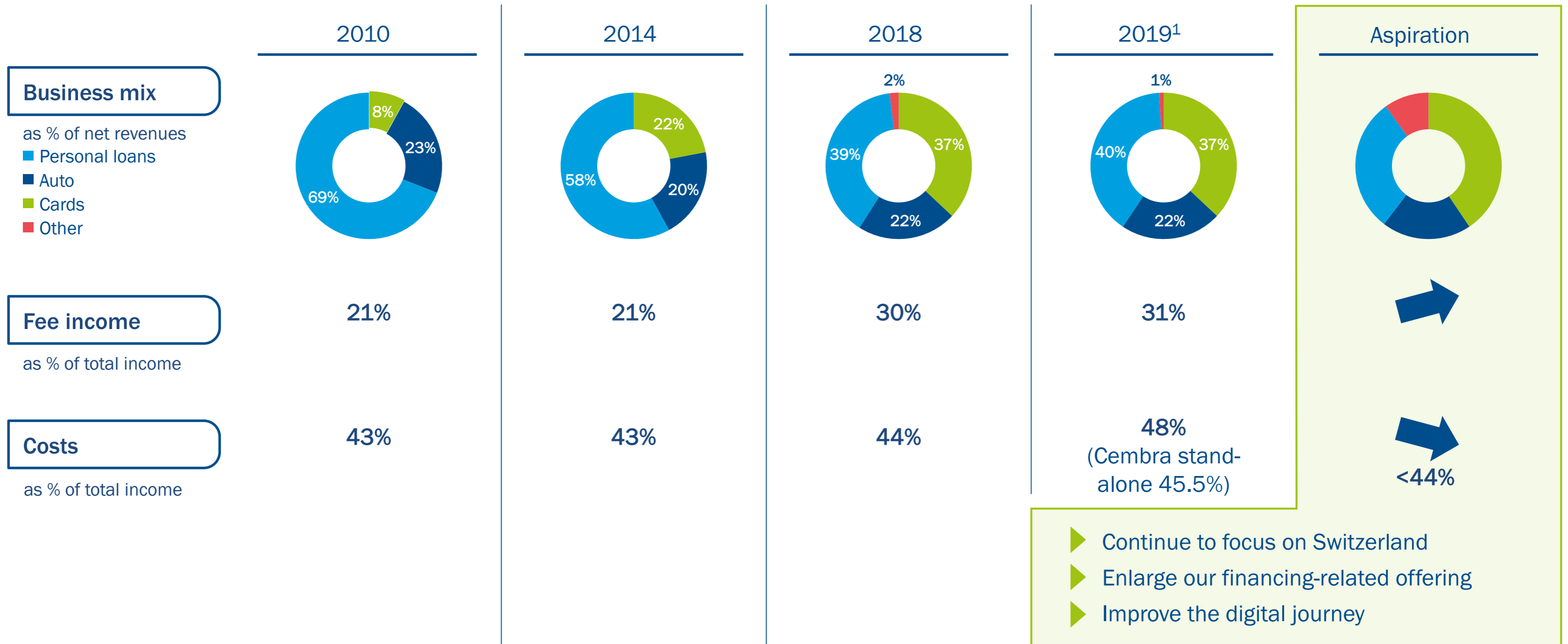
1. Cembra at a glance
2. H1 2020 results
- 3. Strategy and outlook**

Appendix



# Cembra is evolving

## Aspiration to further increase diversification



<sup>1</sup> Not adjusted (including cashgate revenues for 4 months)

# Digitisation at Cembra

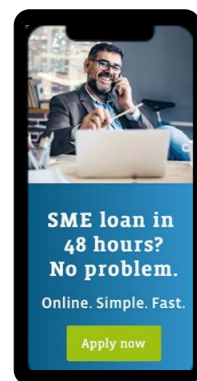
## CHF 40m investments in IT and product development 2019-2021 fully on track<sup>1</sup>

### Launched

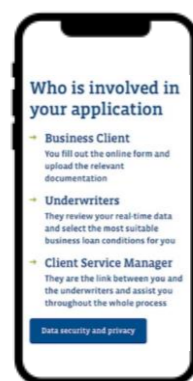
#### ▶ Digital solution for SME financing



100% online experience



Process integration



- Launched February 2020 (halted due to covid-19)
- Process integration

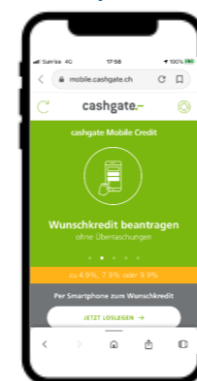
#### ▶ Online personal loan platform

cashgate.–

Online marketing



Automated acceptance



- 100% online brand
- Increasing automated acceptance and up-selling

### Under development

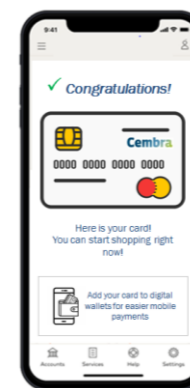
#### ▶ Enhancing digital customer journey



Customer journey&CRM



Self-services



- Ongoing investments in CRM and self-services
- Back-end integration

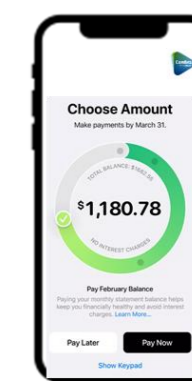
#### ▶ Turn cards into full digital experience



Mobile-first solutions



Enhanced services



- Continuously growing use of Cembra app since 2018
- Ongoing development of enhanced services

<sup>1</sup> CHF 40m investments 2019-21 as announced February 2019, thereof CHF 20m spent by June 2020

# H2 priorities

## Focus on execution and mitigating impact of covid-19

Priorities for H2 2020

---

### Continue to deliver despite covid-19

- Regain organic revenue growth in all businesses after the downturn
- Manage costs and align them with revenue development
- Accelerate the digital transformation

### Focus on risk performance

- Implemented tight underwriting rules and additional risk assessments
- Strengthened collection processes through staffing increases and training
- Deploy debt restructuring solutions for customers with financial difficulties

### Innovate the card business

- Invest in CRM and self-servicing cards
- Drive existing and new partnerships
- Card for Migros Bank will not be pursued

### Capitalise on new products

- Relaunch SME offering after economic recovery
- Continue to scale up Swissbilling
- Drive existing and new partnerships

### Further improve ESG performance

- Manage sustainability initiatives by management board committee
- Sustainability part of management board's remuneration from 2020 on

# Outlook

## Resilient business performance expected

### Well positioned to manage the future

---

#### Strong quality of assets

- 100% Swiss consumer finance
- Multi-year contracts
- Proven historic risk performance

#### Solid capital position

- Significantly above requirements
- Negligible exposure to market risk
- Large liquidity buffer

#### Secured long-term funding

- Balanced and diversified profile following successful pay-down of the cashgate bridge facility

### Outlook 2020

---

- Cembra currently expects to deliver a resilient business performance in 2020 with revenues being impacted mainly by overall lower volumes in credit cards
- Solid loss performance expected for the full year 2020

### Mid-term targets<sup>1</sup>

---

- ROE >15%
- Tier 1 capital ratio target of at least 17%
- 60 – 70% dividend payout ratio target (and return excess capital >19% capital<sup>2</sup>)
- Net income delivery on cashgate as planned<sup>3</sup>

<sup>1</sup> Assuming an economic recovery in Switzerland in 2021 | <sup>2</sup> Cembra Money Bank aims to distribute 60-70% of net income to shareholders in the form of ordinary dividends. Furthermore, Cembra intends to return excess Tier 1 capital above circa 19% to shareholders either via extraordinary dividends or share buybacks unless there is a more efficient allocation of capital | <sup>3</sup> Annual net incremental income run-rate of CHF 25-30m, with integration costs increasingly being offset by synergies

# Agenda

1. Cembra at a glance
2. H1 2020 results
3. Strategy and outlook

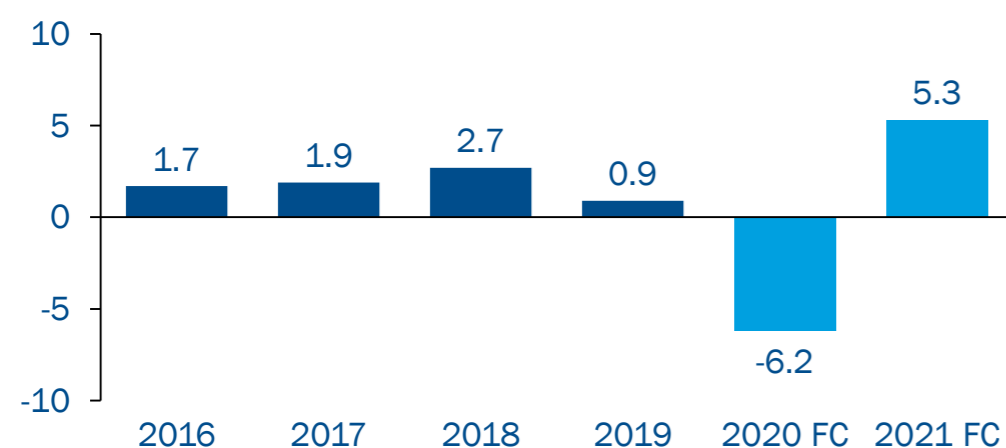
## Appendix

# Macroeconomic outlook

## Swiss economy expected to shrink by 6.2% in 2020<sup>1</sup>

### GDP in Switzerland

Change vs. previous period as %

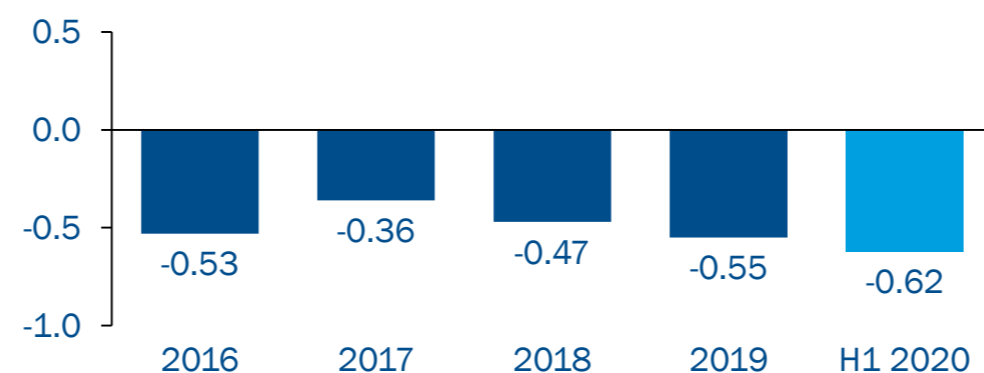


Source: SECO June 2020

- In Q2 2020, the Swiss economy declined by 8.2%, after -2.5% in Q1<sup>2</sup>
- Swiss economy expected to remain relatively resilient, with GDP -6.2% in 2020 and +5.3% in 2021<sup>1</sup>
- Consumer spending forecast to decline by 7.2% in 2020<sup>1</sup>

### CHF interest rates

End-of-period 3-year swap rates as %

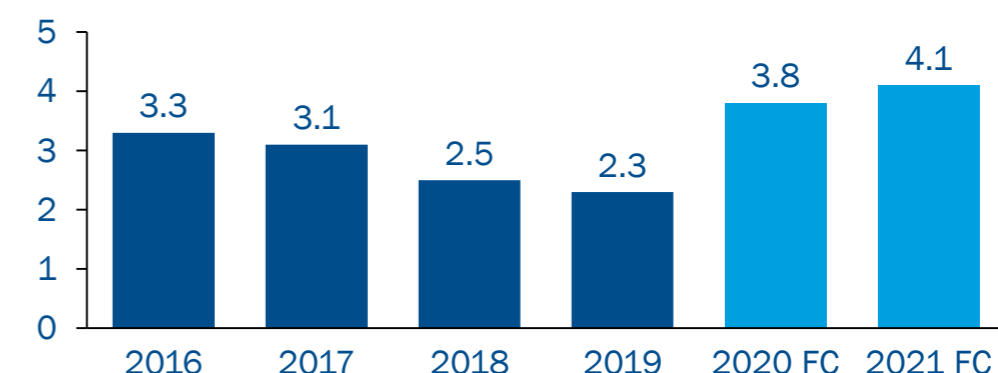


Source: Bloomberg

- CHF interest rates remain near their all-time lows
- Forward curve suggests CHF rates will remain negative in the long term
- Lower rates partly offset by increasing spreads for corporates

### Unemployment rate in Switzerland

As %, average per period



Source: SECO June 2020

- Unemployment rate at 3.2% (July 2020)
- Unemployment forecast to rise modestly to 3.8% in 2020 and to 4.1% in 2021<sup>1</sup>
- Several government measures related to covid-19 brought in to support businesses and employment, e.g. short-time working increased from 12 to 18 months

<sup>1</sup> Source: SECO (Swiss State secretariat for economic affairs) June 2020 forecast | <sup>2</sup> SECO update on Swiss GDP in Q2 (August 2020)

# H1 2020 P&L

In CHF m

		H1 2020	H1 2019	as %
Interest income		203.0	165.8	22
Interest expense		-13.7	-10.7	28
Net interest income	<b>1</b>	189.4	155.1	22
Insurance	<b>2</b>	12.1	9.9	23
Credit cards	<b>3</b>	34.9	48.1	-27
Loans and leases	<b>4</b>	8.2	6.5	26
Other		4.7	3.1	53
Commission and fee income		60.0	67.6	-11
<b>Net revenues</b>		<b>249.3</b>	<b>222.6</b>	<b>12</b>
Provision for losses	<b>5</b>	-30.2	-19.2	57
Operating expense		-125.3	-103.6	21
<b>Income before taxes</b>		<b>93.8</b>	<b>99.8</b>	<b>-6</b>
Taxes		-19.7	-21.3	-7
<b>Net income</b>		<b>74.1</b>	<b>78.6</b>	<b>-6</b>
<b>Basic earnings per share (EPS)</b>		<b>2.52</b>	<b>2.79</b>	<b>-10</b>

## Key ratios

NII/financing receivables		5.8%	6.2%
Cost/income ratio	<b>6</b>	50.3%	46.5%
Effective tax rate		21.0%	21.3%
Return on average equity (ROE)		13.8%	17.1%
Return on average assets (ROA)		2.0%	2.9%

## Comments

- 1** Higher interest income largely driven by cashgate acquisition in September 2019, and partially offset by lower volumes related to the impact of covid-19 in H1 2020.  
Higher interest expense due to higher funding base
- 2** Increase solely driven by cashgate acquisition
- 3** Decrease was primarily driven by significantly lower spending abroad due to covid-19 travel restrictions, resulting in lower markup fees and interchange income
- 4** Growth primarily due to cashgate acquisition
- 5** For details see slides on provisions and operating expenses
- 6** Adjusted cost/income ratio of 47.9%, for details see slide on operating expenses

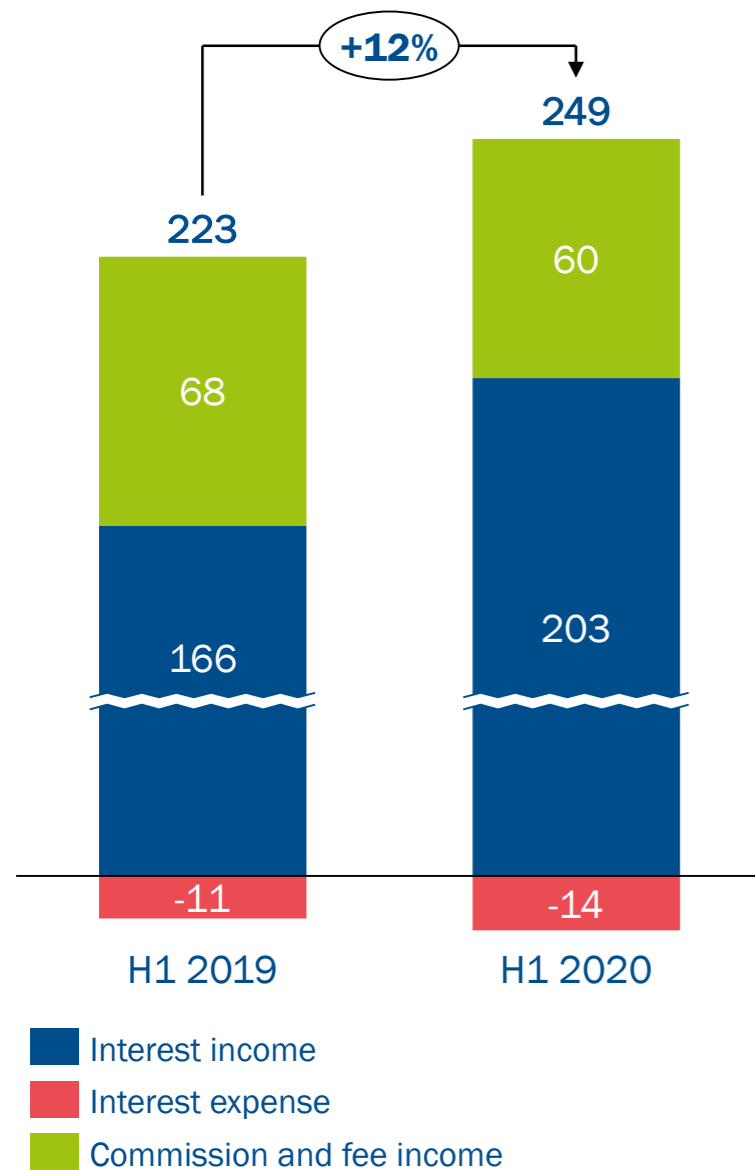


# H1 2020 Net revenues by source

## Interest income growing in all businesses

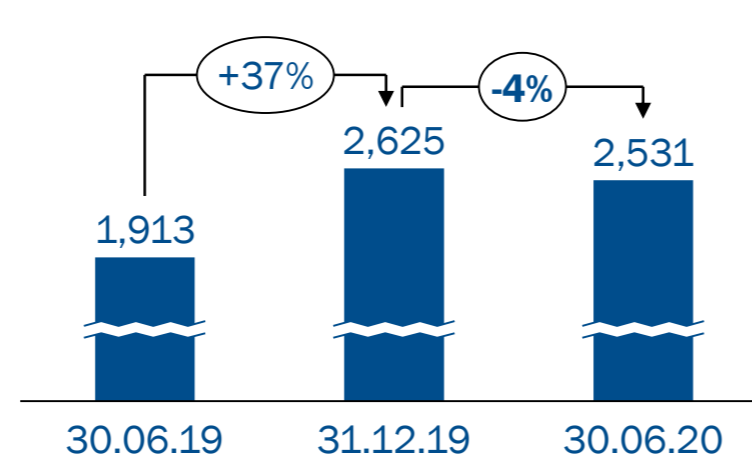
In CHF m

Revenues by source

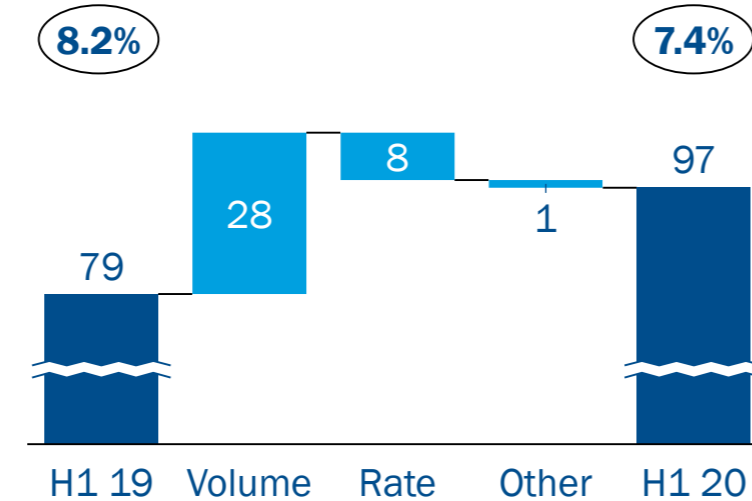


Personal loans

Net financing receivables

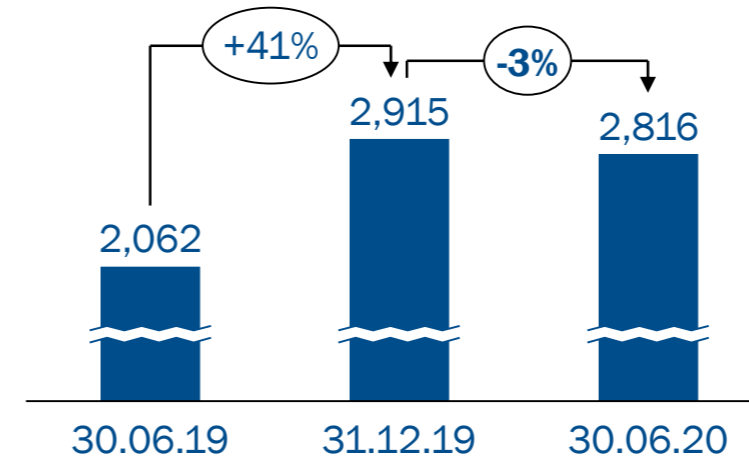


Yield (2pt avg) and interest income

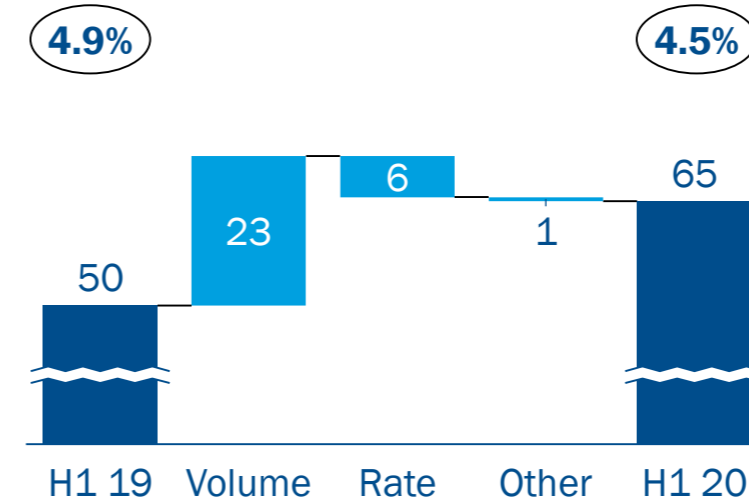


Auto leases and loans

Net financing receivables

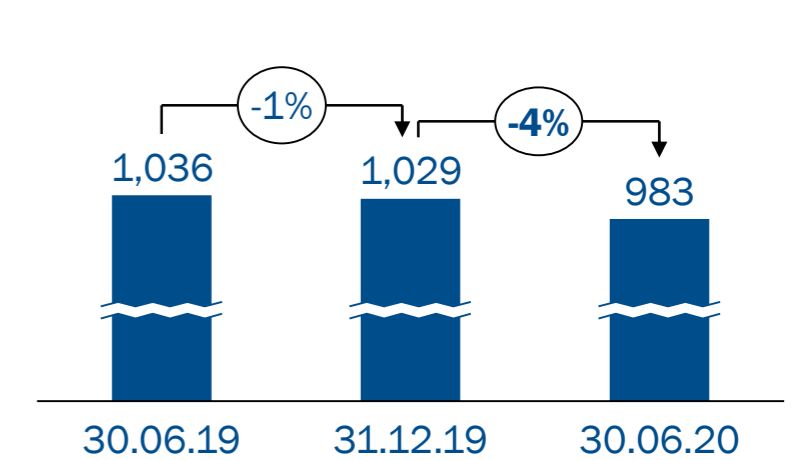


Yield (2pt avg) and interest income

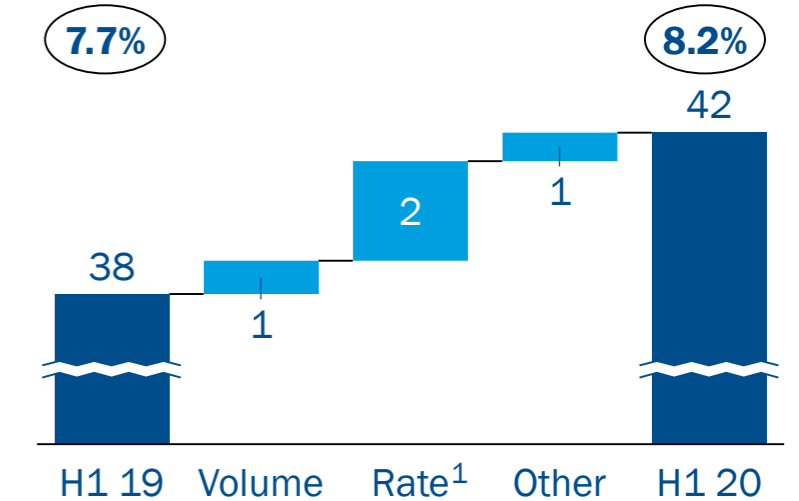


Credit cards

Net financing receivables



Yield (2pt avg) and interest income



<sup>1</sup> Effect solely driven by temporary decline of non-interest-bearing assets during lockdown

# H1 2020 Operating expenses

In CHF m

		H1 2020	H1 2019	as %
Compensation and benefits	<b>1</b>	65.8	56.9	15
Professional services	<b>2</b>	9.4	8.8	7
Marketing	<b>3</b>	6.6	4.7	40
Collection fees		5.5	5.2	5
Postage and stationary		5.0	4.9	3
Rental exp. (under operating leases)	<b>4</b>	4.5	3.2	41
Information technology	<b>5</b>	17.6	14.4	22
Depreciation and amortisation	<b>6</b>	13.4	6.8	98
Other	<b>7</b>	-2.5	-1.3	93
<b>Total operating expenses</b>		<b>125.3</b>	<b>103.6</b>	<b>21</b>
<b>Cost/income ratio (CIR)</b>		<b>50.3%</b>	<b>46.5%</b>	
CIR excl. integration & TSA costs	<b>8</b>	47.9%		
<b>Full-time equivalent employees</b>	<b>1</b>	<b>946</b>	<b>812</b>	<b>17</b>

## Comments

- 1** Increase is in line with the higher number of FTEs, mainly related to the acquisition and integration of cashgate
- 2** Driven by cashgate transitional service agreements and integration, partially offset by lower temporary FTEs on other projects
- 3** Higher expenses due to additional marketing costs related to the cashgate online brand and the launch of Cembra Business
- 4** Driven by costs related to the closing of branches as well as additional costs for cashgate
- 5** Mainly driven by cashgate expenses and strategic investments in the digital platform of Cembra Business
- 6** Increase was mainly driven by CHF 5.9m depreciation on intangible assets obtained through the cashgate acquisition, as well as a ramp-up in amortisation of core digital investments
- 7** Primarily driven by lower pension costs and cancellation of travel and events due to covid-19 restrictions
- 8** Adjusted cost/income ratio excluding costs of the one-off integration of cashgate, as well as costs for the transitional service agreements (TSA) with the seller

# H1 2020 Balance sheet

## Decrease in funding in line with decline in assets

In CHF m

Assets		30.06.20	31.12.19	as %
Cash and equivalents		573	543	6
Net financing receivables	<b>1</b>	6,368	6,586	-3
Personal loans		2,531	2,625	-4
Auto leases and loans		2,816	2,915	-3
Credit cards		983	1,029	-4
Other (Swissbilling)		38	17	>100
Other assets		334	357	-6
<b>Total assets</b>		<b>7,275</b>	<b>7,485</b>	<b>-3</b>
<b>Liabilities and equity</b>				
Funding	<b>2</b>	5,967	6,134	-3
Deposits		3,402	3,495	-3
Short- & long-term debt		2,564	2,639	-3
Other liabilities		254	260	-3
<b>Total liabilities</b>		<b>6,220</b>	<b>6,395</b>	<b>-3</b>
Shareholders' equity	<b>3</b>	1,055	1,091	-3
<b>Total liabilities and equity</b>		<b>7,275</b>	<b>7,485</b>	<b>-3</b>

### Comments

- 1** Decrease in net financing receivables was due to the impact of covid-19 in H1 2020, with lower originations impacting our three main business lines.  
Swissbilling growth was mainly driven by localsearch partnership.
- 2** Decrease in funding in line with decline in assets
- 3** Lower equity driven by CHF 110m dividend paid in April 2020, partially offset by current year net income

# Sustainability

## Cembra included in the SXI Switzerland Sustainability 25 Index®

### ESG performance

#### Governance

- Strong and consistent governance structure<sup>1</sup> since the IPO
- Independent and diverse board
- Operating exclusively under Swiss law and regulations
- Sustainability committee chaired by CEO and executive compensation linked to sustainability from 2020 on

#### Social

- Products based on one of the strictest consumer finance laws in Europe, with the aim of protecting consumers
- Stable credit risk profile, with loss ratio of ~1% since IPO
- Ranked among the Top 5 Great Places to Work® in 2019
- Diverse workforce with 40 nationalities

#### Environment

- Generally limited environmental footprint<sup>4</sup>
- Energy use of 100% carbon-neutral power (from renewable hydro sources) since 2016 and kWh/FTE reduced by 24% since 2014<sup>4</sup>
- Auto financing: growing share of electric vehicles

### External recognition



Included in the SXI Switzerland Sustainability 25 Index® by SIX Swiss Stock Exchange since September 2020



Upgraded to “Low ESG risk” in May 2020; ranked 1<sup>st</sup> (lowest ESG risk) among 112 consumer finance companies worldwide and Top 14%<sup>2</sup> in the Global universe of Sustainalytics®



Upgraded to A in April 2020, after upgrade to BBB in June 2019



Upgraded by two notches in 2019 (C-, Top 30%<sup>3</sup>)



Best Workplaces award in 2019 (Top 5 among companies with 250+ employees in Switzerland)



Bloomberg gender reporting framework



First-time rating in September 2019 (Score 33, Top 50%)

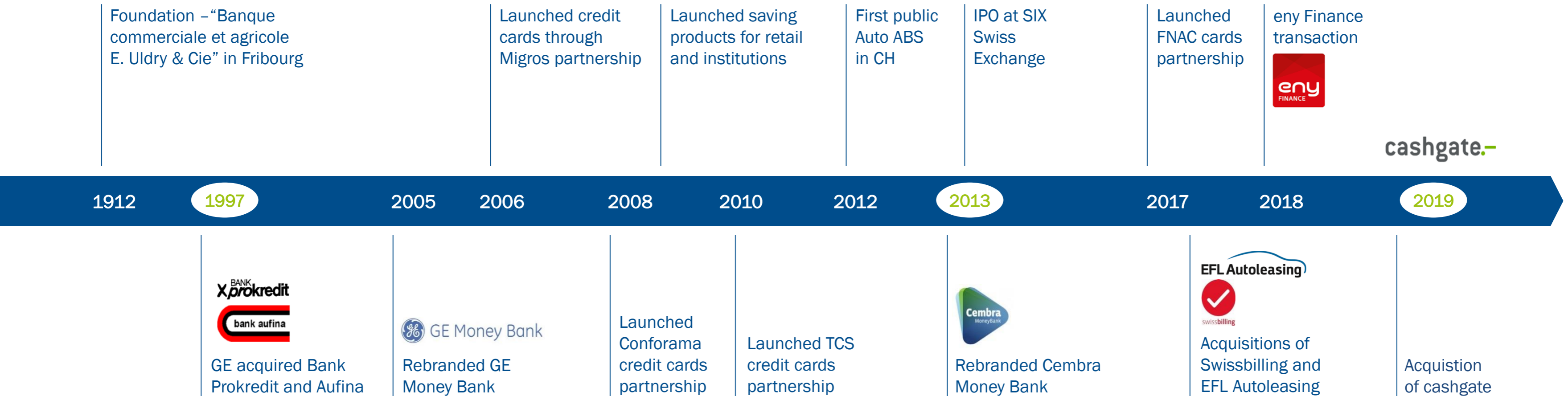


Quality of ESG disclosures rated Environment=3, Social=1, Governance=1 (scale 1 to 10) since September 2020

<sup>1</sup> Cembra's governance rated 1 on a scale from 1 to 10 by ISS Quality Score® | <sup>2</sup> Sustainalytics® ESG risk rating score 18.0 | <sup>3</sup> Among 277 peers in global financials/commercial banks and capital markets industry

<sup>4</sup> Cembra operates exclusively in consumer finance in Switzerland, Scope 1+2: 369 CO<sub>2</sub> tons in 2019 | <sup>5</sup> Scope: Cembra headquarters (~80% of employees) | Visit [www.cembra.ch/sustainability](http://www.cembra.ch/sustainability) for more information.

# History



# Key figures over 10 years

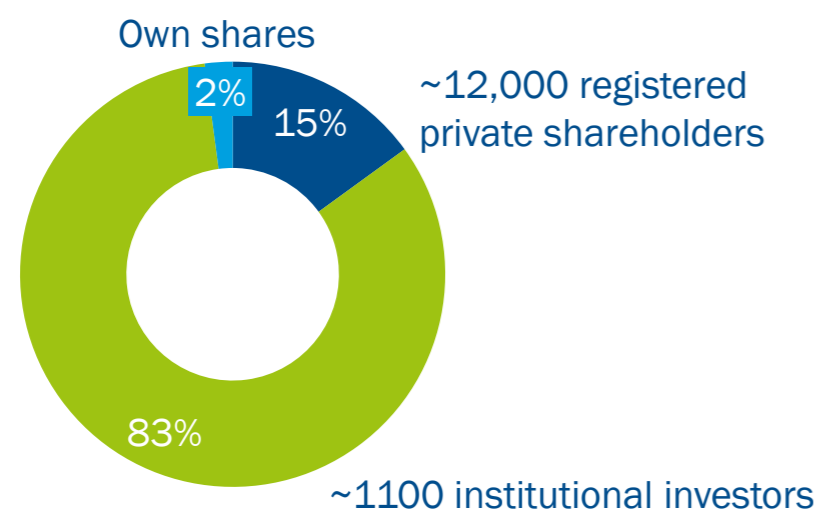
US GAAP	2011	2012	IPO 2013	2014	2015	2016	2017	2018	2019	H1 2020
Net revenues (CHF m)	338	356	355	379	389	394	396	439	480	249
Net income (CHF m)	131	133	133	140	145	144	145	154	159	74
Cost/income ratio (%)	46.3	46.2	50.5	42.5	41.5	42.5	42.4	44.0	48.3 <sup>3</sup>	50.3 <sup>3</sup>
Net fin receivables (bn)	4.0	4.0	4.0	4.1	4.1	4.1	4.6	4.8	6.6	6.4
Equity (CHF m)	952	1,081	799	842	799	848	885	933	1,091	1,055
Return on equity (%)	14.7	13.1	14.1	17.0	17.7	17.4	16.7	16.9	15.7	13.8
Tier 1 capital (%)	19.3	26.6	19.7	20.6	19.8	20.0	19.2	19.2	16.3	17.0
Employees (FTE)	700	710	700	702	715	705	735	783	963	946
Credit rating (S&P)			A-	A-	A-	A-	A-	A-	A-	A-
Earnings per share (CHF)			4.43	4.67	5.04	5.10	5.13	5.47	5.53	2.52
Dividend per share (CHF)			2.85	3.10	3.35	4.45 <sup>1</sup>	3.55	3.75	3.75	n/a
Share price (CHF, end of period)			58.55	55.00	64.40	74.20	90.85	77.85	106.00	92.55
Market cap (CHF bn) <sup>2</sup>			1.8	1.7	1.9	2.2	2.7	2.3	3.1	2.8

<sup>1</sup> Including extraordinary dividend CHF 1.00 | <sup>2</sup> Based on total shares | <sup>3</sup> Adjusted for cashgate acquisition 45.5% (2019) and 47.9% (H1 2020)








# The Cembra share

## Shareholder structure: 98% free float

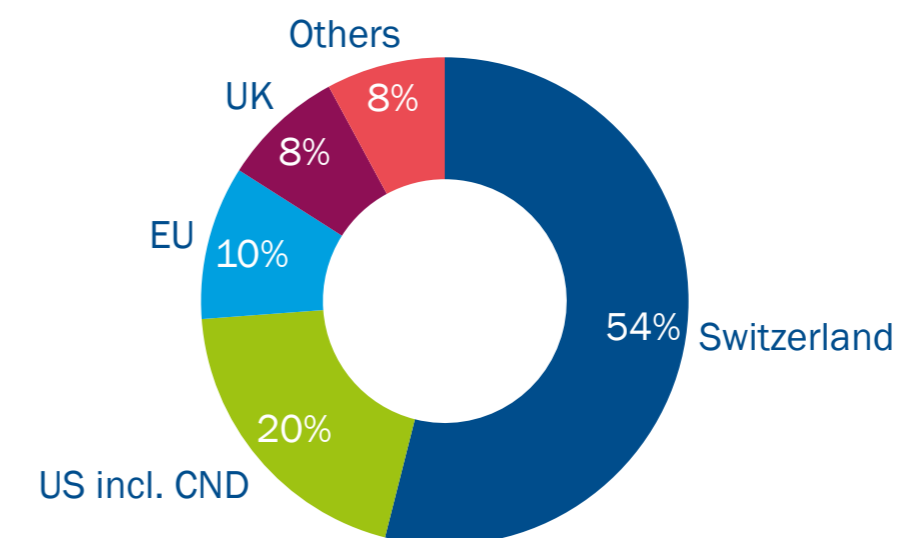
Based on nominal share capital of CHF 30m, as %



## Main investors and indices

<b>Holdings &gt;5% of share capital</b>	 UBS Fund Management (Switzerland)
	 BlackRock Inc.
<b>Holdings &gt;3% of share capital</b>	 Pictet Asset Management (Switzerland)
	 Credit Suisse Funds AG
<b>Selected indices:</b>	 SMIM <sup>®</sup> , Stoxx <sup>®</sup> Euro 600
	 SPI Select Dividend 20 <sup>®</sup>
	 SXI Switzerland Sustainability <sup>®</sup>

## Institutional owners by domicile<sup>1</sup>



## Share data

	H1 2020	FY 2019
Number of shares	30,000,000	30,000,000
Treasury shares	629,535	621,644
Treasury shares as %	2.1%	2.1%
Shares outstanding	29,370,465	29,378,356
Weighted-average number of shares outstanding	29,381,054	28,780,504

<sup>1</sup> Estimates



# Cautionary statement regarding forward-looking statements

This presentation by Cembra Money Bank AG (“the Group”) includes forward-looking statements that reflect the Group’s intentions, beliefs or current expectations and projections about the Group’s future results of operations, financial condition, liquidity, performance, prospects, strategies, opportunities and the industries in which it operates. Forward-looking statements involve matters that are not historical facts. The Group has tried to identify those forward-looking statements by using the words “may”, “will”, “would”, “should”, “expect”, “intend”, “estimate”, “anticipate”, “project”, “believe”, “seek”, “plan”, “predict”, “continue” and similar expressions. Such statements are made on the basis of assumptions and expectations which, although the Group believes them to be reasonable at this time, may prove to be erroneous.

These forward-looking statements are subject to risks, uncertainties and assumptions and other factors that could cause the Group’s actual results of operations, financial condition, liquidity, performance, prospects or opportunities, as well as those of the markets it serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Important factors that could cause those differences include, but are not limited to: changing business or other market conditions; legislative, fiscal and regulatory developments; general economic conditions in Switzerland, the European Union and elsewhere; and the Group’s ability to respond to trends in the financial services industry. Additional factors could cause actual results, performance or achievements to differ materially. In view of these uncertainties, readers are cautioned not to place undue reliance on these forward-looking statements. The Group, its directors, officers and employees expressly disclaim any obligation or undertaking to release any update of or revisions to any forward-looking statements in this presentation and these materials and any change in the Groups’ expectations or any change in events, conditions or circumstances on which these forward-looking statements are based, except as required by applicable laws or regulations.

This presentation contains unaudited financial information. While the published numbers are rounded, they have been calculated based on effective values. All figures are derived from US GAAP financial information unless otherwise stated. This information is presented for illustrative purposes only and, because of its nature, may not give a true picture of the financial position or results of operations of the Group. Furthermore, it is not indicative of the financial position or results of operations of the Group for any future date or period. By attending this presentation or by accepting any copy of the materials presented, you agree to be bound by the foregoing limitations.

# Calendar and further information

Visit us at [www.cembra.ch/investors](http://www.cembra.ch/investors)

## Corporate events

---

19 February 2021	FY 2020 results
18 March 2021	Publication of 2020 Annual Report
22 April 2021	Annual General Meeting

## Investor conferences / virtual roadshows

---

7 September 2020	Digital roadshow Frankfurt
10 September 2020	Digital roadshow London
17 September 2020	UBS virtual Best of Switzerland conference Zurich
21 September 2020	Baader Investment conference Munich
23 September 2020	BofA virtual Financials CEO conference London
4 November 2020	ZKB Swiss Equities conference Zurich
19 November 2020	Credit Suisse Swiss Equities conference Zurich
10 December 2020	Berenberg Swiss Seminar Zurich

## Further information

---

Visit our website

Key figures

Financial reports

Subscribe to our news



Contact us

Marcus Händel  
Head of Investor Relations and Sustainability  
+41 44 439 85 72  
[marcus.haendel@cembra.ch](mailto:marcus.haendel@cembra.ch)

[www.cembra.ch/investors](http://www.cembra.ch/investors)

