

**QUARTERLY FINANCIAL  
REPORT  
Q4 2025**

 **ADVANZIA  
BANK**





**Installation view of the exhibition “Frida Hansen. International Art Nouveau in Stavanger” at Stavanger Kunstmuseum, 2025. The artwork is recently acquired for, and on a long-term loan from, Christen Sveaas’ Art Foundation: Frida Hansen, “Sørover”, 1903.**

**Photo: Erik Sæter Jørgensen**

# **FINANCIAL REPORT FOURTH QUARTER 2025**

Avanzia Bank S.A.

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## **Avanzia Bank S.A.**

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**Highlights for the fourth quarter 2025**

<b>KPI</b>	<b>Q4-25</b>	<b>QoQ %</b>	<b>YoY %</b>
Net credit card loan balance (MEUR)	3 451	-0.2%	+8.4%
Total income (MEUR)	166.8	+1.1%	+18.8%
Card acquisition cost (MEUR)	15.1	-8.3%	+40.4%
Loan loss rate (provisions and write offs)	6.2%	+0.1% - points	+0.3% - points
Profit after tax (MEUR)	47.6	-13.1%	+17.0%
Return on shareholders' equity	41.8%	-8.0% - points	+3.3% - points

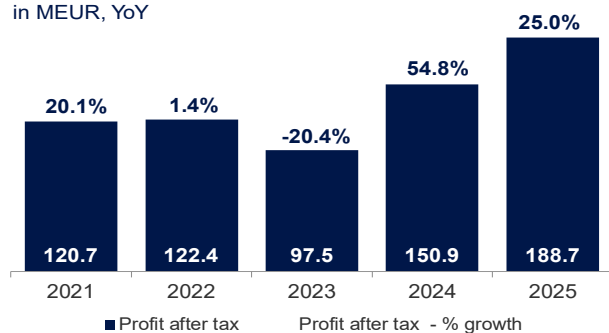
During the fourth quarter, Advanzia's net credit card loan balance declined by 0.2%, ending the quarter at MEUR 3 451. The decline was primarily attributable to a reduction in loan balance in France as the Bank progressed with its market exit, combined with a pause in origination activities in Spain. For the full year, the net credit card loan balance increased by 8.4%, driven by continued growth in the Bank's core markets Germany and Austria.

Total income reached MEUR 166.8, an increase of 1.1% QoQ and 18.8% YoY. The increase was driven by a combination of declining funding costs, increasing yield and continued growth in the net credit card loan balance throughout the year. This was partly offset by lower net commission income. Card acquisition costs amounted to MEUR 15.1, a decrease of 8.3% QoQ driven by lower sales volumes primarily in Germany and Austria. Loan losses totalled MEUR 62.3, a QoQ and YoY increase of 6.3% and 19.5%, respectively.

Profit after tax for the quarter amounted to MEUR 47.6, corresponding to a YoY increase of 17.0%. For the full year, profit after tax amounted to MEUR 188.7, a 25.0% increase compared to 2024.

**Profit after tax**

in MEUR, YoY

**Figure 1: Profit development.**

## Credit cards

### Credit card net loan balance

in MEUR, QoQ

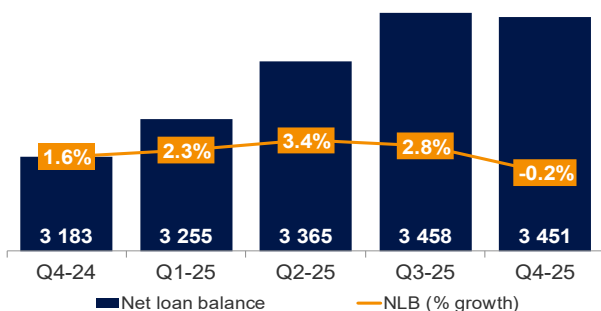


Figure 2: Credit card statistics.

During the fourth quarter, the net credit card loan balance declined by 0.2%. In Spain, the net credit card loan balance decreased by 9% following a pause in new sales activities. In France, the ongoing contract termination process resulted in a churn of 4% of the gross loan balance during the quarter. In addition, the combined German and Austrian net credit card loan balance grew less than the previous quarters.

## Professional Card Services (PCS)

### Number of serviced cards

in 000's, QoQ

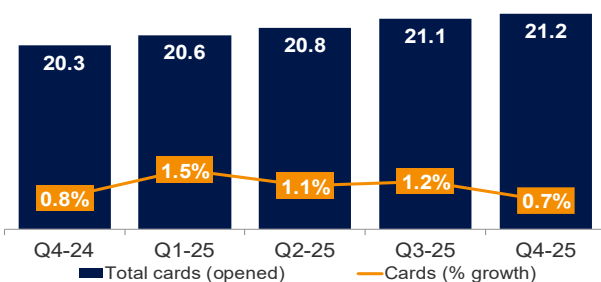


Figure 3: PCS statistics.

At the end of the quarter, the number of serviced cards exceeded 21 200 cards. The 0.7% QoQ increase was mainly driven by higher volumes from recently onboarded partner banks.

## Deposit account

### Deposit balance

in MEUR, QoQ

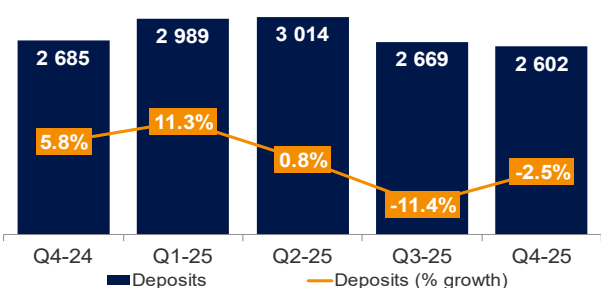


Figure 4: Deposit statistics.

During the quarter, Advanzia recorded a net deposit outflow as expected. Deposit balances at quarter-end remained in line with the Bank's funding strategy and liquidity profile.

## Board, management and staff

As of 31 December 2025, Advanzia employed 237 full-time equivalent employees compared to 231 at the end of the previous quarter.

## Shareholders

Kistefos AS, a Norwegian investment company owned by Mr. Christen Sveaas, is the largest shareholder with 61.3% ownership. Other shareholders each hold below 10%.

## Financial statements

The unaudited accounts of Advanzia incl. subsidiaries as of the end of the fourth quarter of 2025 are shown below. Advanzia prepares its financial statements in accordance with IFRS and present a fair reflection of Advanzia's business activities and operations.

<b>Assets (MEUR)</b>	<b>Q4-25</b>	<b>Q3-25</b>	<b>QoQ %</b>	<b>Q4-24</b>	<b>YoY %</b>	<b>YTD-25</b>	<b>YTD-24</b>	<b>YoY %</b>
Cash, balances with central banks	870.6	872.0	-0.2%	1 040.7	-16.3%	870.6	1 040.7	-16.3%
Loans and advances to credit institutions	80.7	158.2	-49.0%	102.1	-21.0%	80.7	102.1	-21.0%
Net loans and advances to PCS partner banks	83.7	77.0	8.7%	79.4	5.4%	83.7	79.4	5.4%
Net loans and advances to credit card clients	3 451.1	3 458.5	-0.2%	3 182.6	8.4%	3 451.1	3 182.6	8.4%
Tangible and intangible assets	35.2	34.5	1.9%	34.8	1.2%	35.2	34.8	1.2%
Other assets	46.9	40.0	17.2%	34.3	36.5%	46.9	34.3	36.5%
<b>Total assets</b>	<b>4 568.1</b>	<b>4 640.2</b>	<b>-1.6%</b>	<b>4 473.8</b>	<b>2.1%</b>	<b>4 568.1</b>	<b>4 473.8</b>	<b>2.1%</b>
<b>Liabilities and equity (MEUR)</b>	<b>Q4-25</b>	<b>Q3-25</b>	<b>QoQ %</b>	<b>Q4-24</b>	<b>YoY %</b>	<b>YTD-25</b>	<b>YTD-24</b>	<b>YoY %</b>
Amounts owed to credit institutions	23.6	28.2	-16.6%	40.8	-42.3%	23.6	40.8	-42.3%
Amounts owed to customers	2 611.9	2 681.0	-2.6%	2 684.5	-2.7%	2 611.9	2 684.5	-2.7%
Amounts owed to financial corporates	1 061.2	1 110.8	-4.5%	1 090.2	-2.7%	1 061.2	1 090.2	-2.7%
Other liabilities, accruals, provisions	78.6	70.2	11.9%	63.2	24.3%	78.6	63.2	24.3%
Subordinated loan (T2)	130.0	130.0	0.0%	85.0	52.9%	130.0	85.0	52.9%
<b>Sum liabilities</b>	<b>3 905.3</b>	<b>4 020.3</b>	<b>-2.9%</b>	<b>3 963.7</b>	<b>-1.5%</b>	<b>3 905.3</b>	<b>3 963.7</b>	<b>-1.5%</b>
<b>Sum equity</b>	<b>662.8</b>	<b>619.9</b>	<b>6.9%</b>	<b>510.1</b>	<b>29.9%</b>	<b>662.8</b>	<b>510.1</b>	<b>29.9%</b>
<b>Total liabilities and equity</b>	<b>4 568.1</b>	<b>4 640.2</b>	<b>-1.6%</b>	<b>4 473.8</b>	<b>2.1%</b>	<b>4 568.1</b>	<b>4 473.8</b>	<b>2.1%</b>
<b>Income statement (MEUR)</b>	<b>Q4-25</b>	<b>Q3-25</b>	<b>QoQ %</b>	<b>Q4-24</b>	<b>YoY %</b>	<b>YTD-25</b>	<b>YTD-24</b>	<b>YoY %</b>
Interest receivable, credit cards	170.7	167.0	2.2%	154.9	10.2%	652.3	578.3	12.8%
Interest receivable (payable), others	-21.2	-20.8	1.7%	-27.4	-22.7%	-90.3	-100.5	-10.1%
<b>Net interest income</b>	<b>149.5</b>	<b>146.2</b>	<b>2.2%</b>	<b>127.6</b>	<b>17.2%</b>	<b>562.0</b>	<b>477.9</b>	<b>17.6%</b>
Net commissions and other operating result	17.3	18.8	-8.1%	12.9	34.2%	71.0	49.7	42.8%
<b>Total income</b>	<b>166.8</b>	<b>165.0</b>	<b>1.1%</b>	<b>140.4</b>	<b>18.8%</b>	<b>633.0</b>	<b>527.6</b>	<b>20.0%</b>
Card acquisition costs	-15.1	-16.4	-8.3%	-10.7	40.4%	-59.6	-46.9	27.0%
Other admin. expenses and depreciation	-29.6	-27.7	6.7%	-28.1	5.0%	-114.8	-109.1	5.2%
<b>Total operating expenses</b>	<b>-44.6</b>	<b>-44.2</b>	<b>1.1%</b>	<b>-38.9</b>	<b>14.8%</b>	<b>-174.4</b>	<b>-156.1</b>	<b>11.7%</b>
<b>Total loan losses</b>	<b>-62.3</b>	<b>-58.6</b>	<b>6.3%</b>	<b>-52.1</b>	<b>19.5%</b>	<b>-232.1</b>	<b>-193.1</b>	<b>20.2%</b>
<b>Profit (loss) before taxes</b>	<b>59.9</b>	<b>62.3</b>	<b>-3.9%</b>	<b>49.4</b>	<b>21.1%</b>	<b>226.4</b>	<b>178.5</b>	<b>26.9%</b>
Income Tax and net worth tax	-12.3	-7.6	62.5%	-8.8	40.0%	-37.7	-27.6	36.9%
<b>Profit (loss) for the period</b>	<b>47.6</b>	<b>54.7</b>	<b>-13.1%</b>	<b>40.7</b>	<b>17.0%</b>	<b>188.7</b>	<b>150.9</b>	<b>25.1%</b>

**Table 1: Unaudited accounts as of 31 December 2025.**

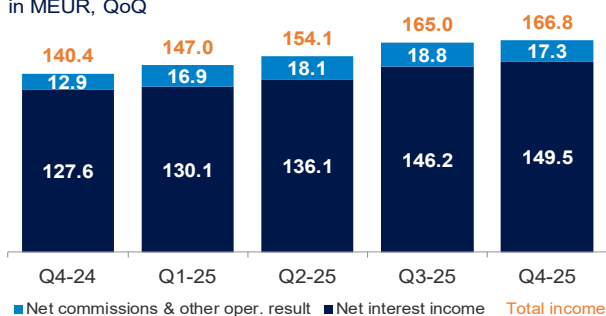
### Comments on the accounts

During the quarter, total income increased by MEUR 1.8, corresponding to an increase of 1.1% QoQ. The increase was driven by a combination of declining funding costs, increasing yield and continued growth in the net credit card loan balance throughout the year, partly offset by lower net commission income. Operating expenses increased by MEUR 0.5 compared to the previous quarter, as lower acquisition costs were offset by higher card operating and IT-related expenses. Total loan losses amounted to MEUR 62.3, an increase of MEUR 3.7 compared to last quarter, largely driven by increased provisions due to macroeconomic uncertainty and the underlying higher default rates as experienced the last quarters.

Profit after tax for the quarter amounted to MEUR 47.6. This corresponds to a YoY increase of 17.0% and decline of 13.0% QoQ.

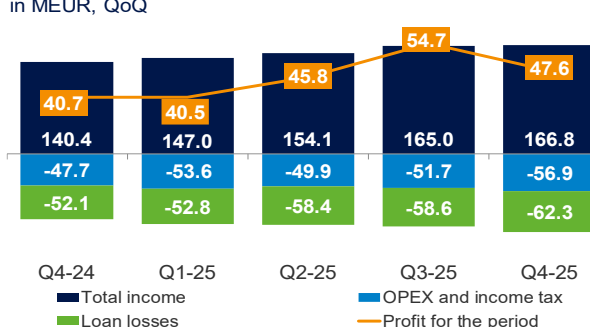
#### Income split and development

in MEUR, QoQ



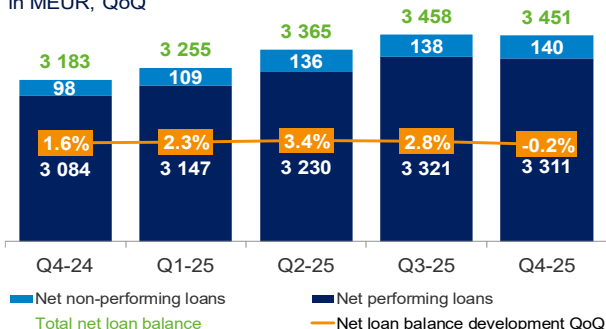
#### Profit development

in MEUR, QoQ



#### Credit card net loan balance split

in MEUR, QoQ



#### Risk-weighted assets

in MEUR, QoQ

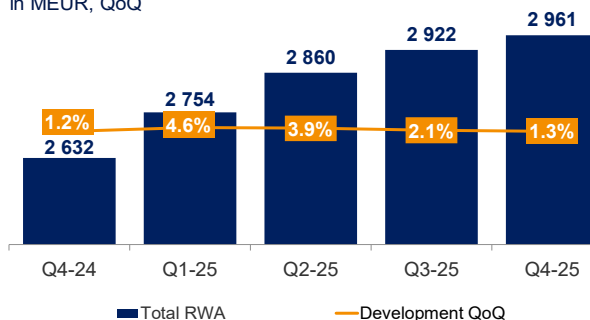


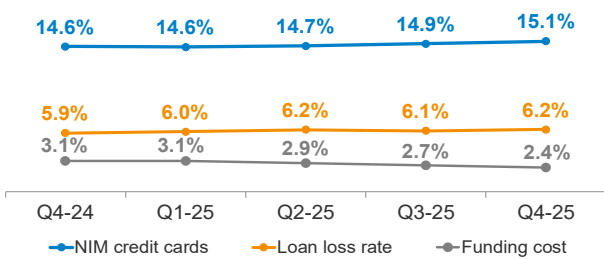
Figure 5: Financials.

### Key performance indicators (KPIs)

The net interest margin on credit cards increased to 15.1% during the quarter, mainly due to increased credit card yields and lower funding costs. In the same period, the loan loss ratio increased 0.1 percentage points QoQ to 6.2%. The cost/income ratio was 26.8%, stable compared to previous quarter. Advanzia maintains solid liquidity and capital buffers, with an LCR of 149% and capital adequacy ratio of 20.5% (25.9% including interim profits). Return on shareholders' equity amounted to 41.8%.

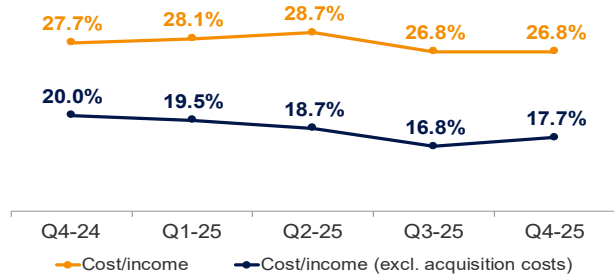
#### Key ratios

in %



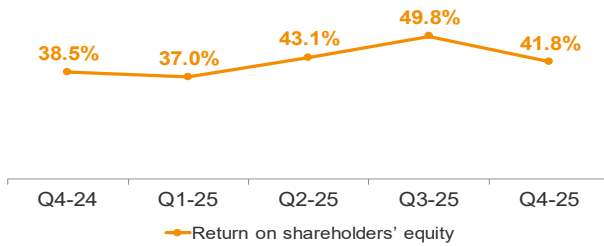
#### Cost/income ratio

in %



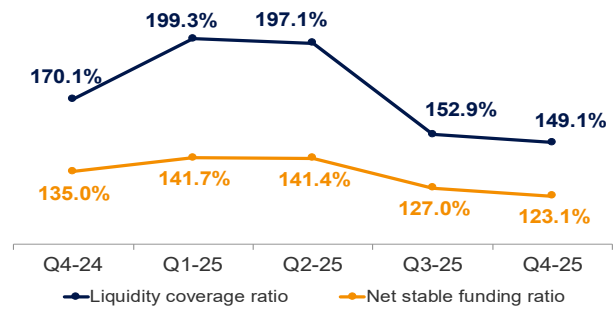
#### Return on shareholders' equity

in %, annualised



#### Funding and liquidity

in %



#### Solvency

in %

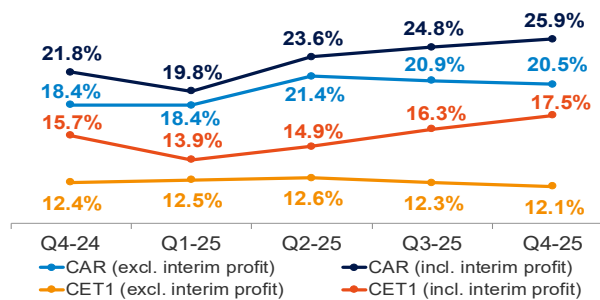


Figure 6: Key performance indicators<sup>1</sup>.

<sup>1</sup> Net interest margin credit cards, funding cost and loan loss rate: computed on a last 12-month basis (trailing).

CET1: Common Equity Tier 1, CAR: Capital Adequacy Ratio, consisting of CET1, Additional Tier 1 and Tier 2 capital.

## Outlook

As of 1 January 2026, Advanzia's SREP requirement was adjusted downwards to 2.5%, while the management buffer was set to 2.4%. Further to this, the Bank has transitioned its existing private securitisation facility to a new structure, which will increase flexibility and scalability as the Bank contemplates public notes issues in the future.

Official data show that German GDP grew by about 0.2% in 2025, marking a modest recovery following contractions in both 2023 and 2024. The growth was supported by higher household consumption and increased government spending, despite continued weakness in exports amid ongoing global trade frictions. Looking ahead, the Deutsche Bundesbank projections point to continued, albeit modest, growth in 2026, with real GDP expected to grow by around 0.6-0.8% as fiscal stimulus and higher investments gradually take effect. Inflation is easing toward levels consistent with the ECB's objective, with headline inflation forecasts near ~2.2% in 2026. Further to this, the German unemployment rate is expected to decline from its current level of 3.8% into 2026, as labour market conditions continue improving. Fiscal support through a BEUR 46 corporate tax-relief package and a BEUR 500 infrastructure and defence investment fund provides some cushioning, helping to stabilise domestic activity. Nonetheless, weak private demand and external uncertainty remain downside risks to the German economy.

In Austria, the European Commission forecasts modest growth of ~0.3% in 2025, increasing to approximately 0.9% in 2026, supported by stabilising private consumption and easing inflation. The unemployment rate increased to 5.8% at the end of 2025, with a slight improvement expected in 2026, as labour market conditions gradually improve.

In Italy, GDP is expected to grow by 0.4% in 2025 and accelerate to approximately 0.8% in 2026, driven by a combination of domestic demand and increased investments. The unemployment rate declined to 5.7% by the end of 2025, with only marginal further improvements expected in 2026 as weak external demand temper labour market gains.

Based on the macroeconomic climate, Advanzia continues to closely monitor developments across all markets, while maintaining a cautious growth strategy, supported by disciplined risk management and prudent risk criteria.

Munzbach, Luxembourg

13.02.2026

Patrick Thilges  
Chief Financial Officer

Nishant Fafalia  
Chief Executive Officer



Installation view of the exhibition "Through the Seasons" at Henie Onstad Kunstsenter, 2025. The artworks on the wall are from Christen Sveaas' Art Foundation: Left, Judith Eislser, "Car Door I (The 10<sup>th</sup> Victim)", 1999 and right, George Condo, "Nocturnal Figure Composition", 2004.

Photo: Øystein Thorvaldsen



**Advanzia Bank**

14, rue Gabriel Lippmann  
L-5365 Munsbach  
Luxembourg

**Tel:** +352 26 38 75 1

**E-Mail:** [info@advanzia.com](mailto:info@advanzia.com)

**Register of Commerce:**

B109476

