

QUARTERLY FINANCIAL REPORT Q1 2026





Albert Oehlen, “Die Badenden”, 1999 from the exhibition “When I’m In My Painting” at Kistefos Museum May 9, 2026 – October 11, 2026. The artwork is on loan from Christen Sveaas’ Art Foundation.

FINANCIAL REPORT FIRST QUARTER 2026

Avanzia Bank S.A.

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Summary of the first quarter 2026

KPI	Q1-26	QoQ %	YoY %
Net credit card loan balance (MEUR)	3 495	+1.3%	+7.4%
Total income (MEUR)	170.4	+2.2%	+15.9%
Card acquisition cost (MEUR)	13.2	-12.3%	+4.7%
Loan loss rate (provisions and write offs)	6.2%	-0.1%-points	+0.1%-points
Profit after tax (MEUR)	57.8	+21.6%	+42.7%
Return on shareholders' equity	42.7%	+6.3%-points	+5.7%-points

In the first quarter of 2026, Advanzia's net credit card loan balance increased by 1.3%, closing the period at MEUR 3 495. The increase was mainly driven by continued expansion in Advanzia's core markets, where more than 80 000 new activations were generated in the quarter. The French and Spanish portfolios continued to evolve in line with the Bank's strategic priorities for these markets.

Total income reached MEUR 170.4, an increase of 2.2% QoQ and 15.9% YoY. Card acquisition costs amounted to MEUR 13.2, a decrease of 12.3% QoQ. Loan losses were MEUR 54.3, down 12.9% QoQ and up 2.7% YoY.

Profit after tax for the quarter amounted to MEUR 57.8, corresponding to a QoQ increase of 21.6%.

Profit development

in MEUR, QoQ

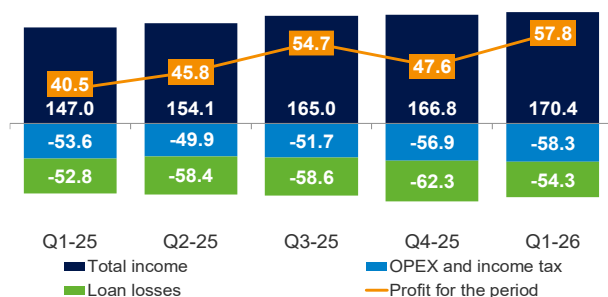
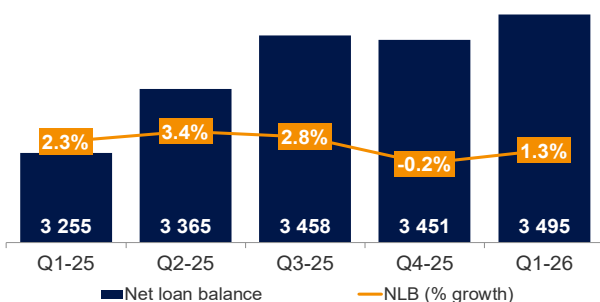


Figure 1: Profit development.

Credit cards

Credit card net loan balance

in MEUR, QoQ



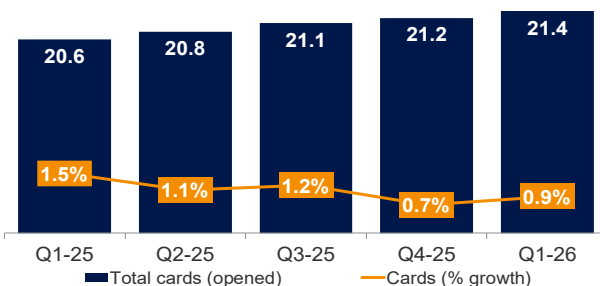
During the first quarter of 2026, the net credit card loan balance increased by 1.3%, supported by sustained growth in Germany and Austria. This was partially offset by a 5.0% QoQ decline in Spain, as the Bank continues to hold sales activities at a pause, and a 12.7% decline in France as the Bank continues exiting the market.

Figure 2: Credit card statistics.

Professional Card Services (PCS)

Number of serviced cards

in 000's, QoQ



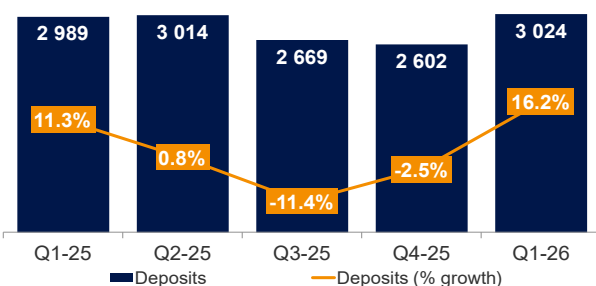
At the end of the quarter, the number of serviced cards exceeded 21 400. The 0.9% QoQ increase was mainly driven by lower churn.

Figure 3: PCS statistics.

Deposit account

Deposit balance

in MEUR, QoQ



Avanzia recorded a net deposit inflow of 16.2% in Q1 2026, driven by attractive interest rates offered to new customers.

Figure 4: Deposit statistics.

Board, management and staff

As of 31 March 2026, Avanzia employed 237 full-time equivalent employees, unchanged from 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 first quarter of 2026 are shown below. Advanzia prepares its financial statements in accordance with IFRS and the figures present a fair reflection of Advanzia's business activities and operations.

Assets (MEUR)	Q1-26	Q4-25	QoQ %	Q1-25	YoY %	YTD-26	YTD-25	YoY %
Cash, balances with central banks	1 127.5	870.6	29.5%	1 339.6	-15.8%	1 127.5	1 339.6	-15.8%
Loans and advances to credit institutions	128.0	80.7	58.7%	106.2	20.6%	128.0	106.2	20.6%
Net loans and advances to PCS partner banks	74.6	83.7	-10.8%	67.7	10.3%	74.6	67.7	10.3%
Net loans and advances to credit card clients	3 494.6	3 451.1	1.3%	3 255.1	7.4%	3 494.6	3 255.1	7.4%
Tangible and intangible assets	34.6	35.2	-1.7%	34.5	0.3%	34.6	34.5	0.3%
Other assets	48.6	46.9	3.6%	39.4	23.3%	48.6	39.4	23.3%
Total assets	4 907.9	4 568.1	7.4%	4 842.4	1.4%	4 907.9	4 842.4	1.4%
Liabilities and equity (MEUR)	Q1-26	Q4-25	QoQ %	Q1-25	YoY %	YTD-26	YTD-25	YoY %
Amounts owed to credit institutions	19.4	23.6	-17.8%	52.1	-62.8%	19.4	52.1	-62.8%
Amounts owed to customers	3 037.2	2 611.9	16.3%	2 993.4	1.5%	3 037.2	2 993.4	1.5%
Amounts owed to financial corporates	1 096.9	1 061.2	3.4%	1 093.8	0.3%	1 096.9	1 093.8	0.3%
Other liabilities, accruals, provisions	86.1	78.6	9.5%	135.1	-36.3%	86.1	135.1	-36.3%
Subordinated loan (T2)	100.0	130.0	-23.1%	85.0	17.6%	100.0	85.0	17.6%
Sum liabilities	4 339.6	3 905.3	11.1%	4 359.4	-0.5%	4 339.6	4 359.4	-0.5%
Sum equity	568.3	662.8	-14.3%	483.0	17.7%	568.3	483.0	17.7%
Total liabilities and equity	4 907.9	4 568.1	7.4%	4 842.4	1.4%	4 907.9	4 842.4	1.4%
Income statement (MEUR)	Q1-26	Q4-25	QoQ %	Q1-25	YoY %	YTD-26	YTD-25	YoY %
Interest receivable, credit cards	167.5	170.7	-1.9%	154.8	8.2%	167.5	154.8	8.2%
Interest receivable (payable), others	-21.3	-21.2	0.9%	-24.7	-13.5%	-21.3	-24.7	-13.5%
Net interest income	146.1	149.5	-2.3%	130.1	12.3%	146.1	130.1	12.3%
Net commissions and other operating result	24.3	17.3	40.6%	16.9	43.8%	24.3	16.9	43.8%
Total income	170.4	166.8	2.2%	147.0	15.9%	170.4	147.0	15.9%
Card acquisition costs	-13.2	-15.1	-12.3%	-12.6	4.7%	-13.2	-12.6	4.7%
Other admin. expenses and depreciation	-28.9	-29.6	-2.1%	-28.7	0.8%	-28.9	-28.7	0.8%
Total operating expenses	-42.1	-44.6	-5.6%	-41.3	2.0%	-42.1	-41.3	2.0%
Total loan losses	-54.3	-62.3	-12.9%	-52.8	2.7%	-54.3	-52.8	2.7%
Profit (loss) before taxes	74.0	59.9	23.6%	52.8	40.0%	74.0	52.8	40.0%
Income Tax and net worth tax	-16.2	-12.3	31.4%	-12.3	31.3%	-16.2	-12.3	31.3%
Profit (loss) for the period	57.8	47.6	21.6%	40.5	42.7%	57.8	40.5	42.7%

Table 1: Unaudited accounts as of 31 March 2026.

Comments on the accounts

Total income increased by MEUR 3.6 (+2.2% QoQ), primarily driven by higher net commissions and other operating result. Operating expenses decreased by MEUR 2.5 compared to the previous quarter, with both lower card acquisition costs and lower administrative expenses. Total loan losses amounted to MEUR 54.3, a decrease of MEUR 8.0 compared to last quarter.

Profit after tax for the quarter amounted to MEUR 57.8. This corresponds to a QoQ increase of 21.6%.

The Bank exercised its call options on an AT1 bond and a Tier bond 2 in March, as planned, following a public announcement on the 6th of February. In connection with the Bank’s AGM in March 2026, it was decided to distribute MEUR 115 to its shareholders, while profit carried forward and reserves increased by MEUR 56.

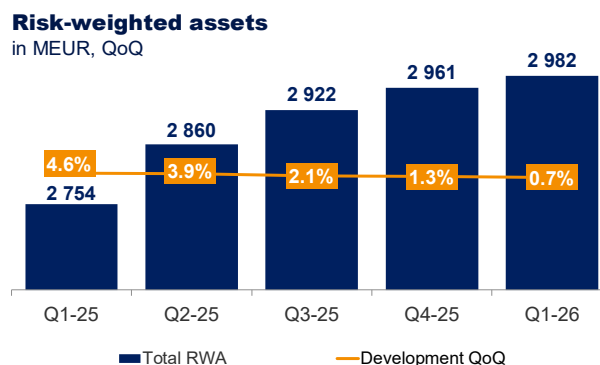
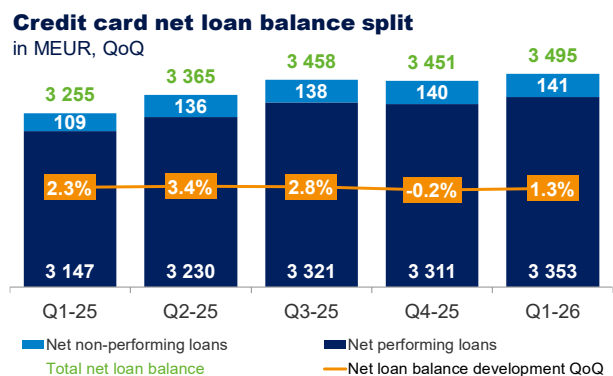
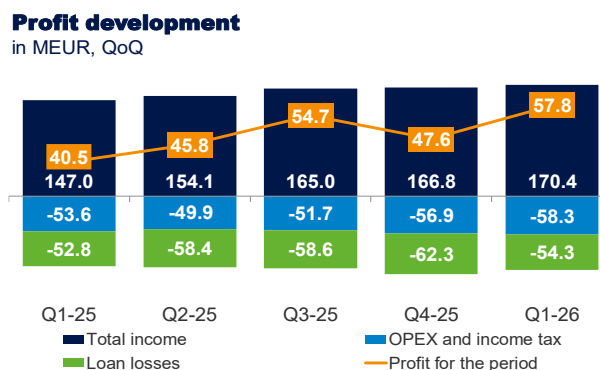
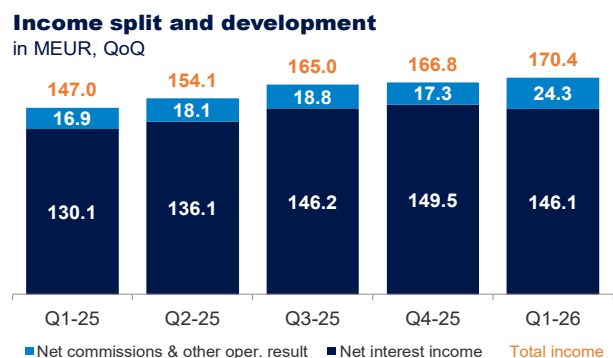
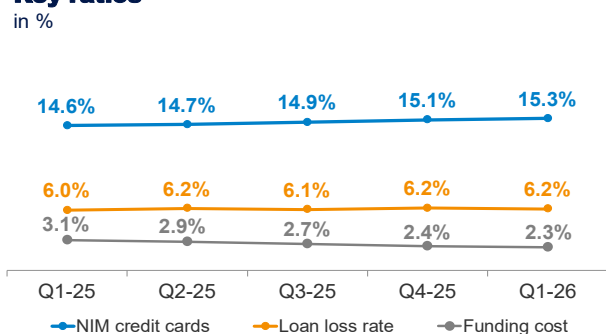


Figure 5: Financials.

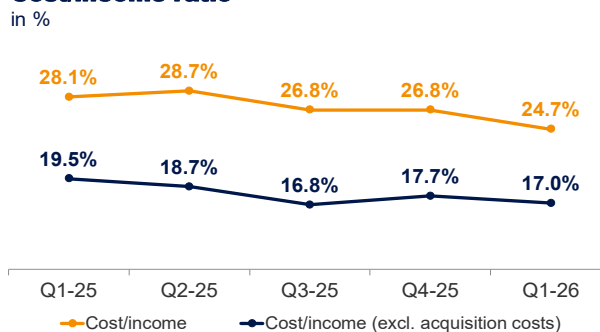
Key performance indicators (KPIs)

The net interest margin on credit cards increased to 15.3% during the quarter while the loan loss ratio remained stable at 6.2%. The cost/income ratio was 24.7%, 2.1%-points below the previous quarter, driven by a combination of higher total income and lower operating expenses. Advanzia maintains solid liquidity and capital buffers, with an LCR of 158.2% and a capital adequacy ratio of 19.7% (21.5% including interim profits). Annualized return on shareholders' equity amounted to 42.7%.

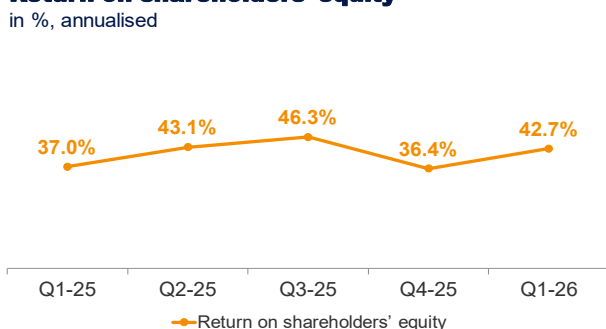
Key ratios



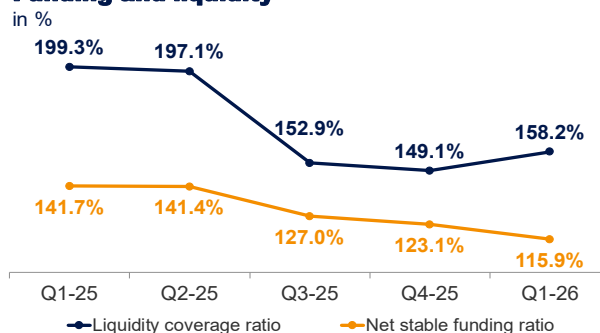
Cost/Income ratio



Return on shareholders' equity¹



Funding and liquidity



Solvency

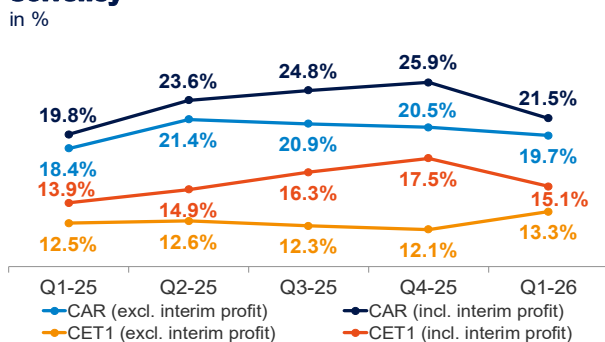


Figure 6: Key performance indicator².

¹ Return on shareholder's equity has been restated for Q3 2025 and Q4 2025.

² 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

In Germany, economic momentum remained weak during Q1 2026, following the modest expansion observed in Q4 2025 (GDP +0.3% QoQ). Subdued external demand and persistent structural challenges in the manufacturing sector continued to weigh on economic output. The escalation of geopolitical tensions in the Middle East has further clouded the outlook, primarily through higher energy prices. As a result, inflation, which had been easing through 2025, is expected to move back above 2% in the near term. Simultaneously, labour market conditions softened gradually, with the seasonally adjusted unemployment rate rising to around 4.0 % in early 2026, reflecting subdued hiring intentions and ongoing weakness in cyclical sectors.

Fiscal policy remains supportive, notably through the BEUR 46 corporate tax-relief package and increased public investment of BEUR 500 in infrastructure and defence. The impact of these measures, however, is expected to materialise over time. Overall, while real GDP growth is still projected for 2026, the balance of risks has shifted to the downside, driven mainly by demand uncertainty and the delayed transmission of fiscal stimulus into the real economy.

In Austria, economic conditions remain subdued and have weakened relative to earlier expectations. The Austrian National Bank projects GDP growth for 2026 at around 0.5%, reflecting negative revisions due to higher energy prices and geopolitical tensions. Inflation is expected to remain at around 2.7% in 2026, partly driven by energy costs. Labour market conditions remain broadly stable. Recent data confirm a soft economic environment, with a flat GDP development in Q4 2025, coupled by weak consumer confidence and a stable unemployment rate of approximately 5.8%.

In Italy, economic growth remains moderate, with GDP increasing by 0.3% quarter-on-quarter in Q4 2025, supported mainly by domestic demand. While the official 2026 growth outlook remains at around 0.8%, recent assessments by the Bank of Italy point to a deterioration in business sentiment in early 2026. The sentiment reflects weaker demand expectations and rising production costs linked to higher energy prices. The labour market continues to show gradual improvement, with the unemployment rate declining to around 5.3%.

Despite the challenging and increasingly uncertain macroeconomic environment across its core markets, Advanzia continues to demonstrate resilience. Loan balances and active customer numbers remain on a steady growth trajectory, supported by disciplined risk management and enhanced credit assessment processes.

In April, the Bank launched the marketing of its inaugural public ABS issuance. The transaction attracted strong investor demand and was significantly oversubscribed. Settlement of EUR 350 million in senior funding is scheduled for 18 May 2026. The Bank maintains its cautious growth strategy with focus on profitability and continues to closely monitor macroeconomic developments across all markets.

Munzbach, Luxembourg

15.05.2026

Patrick Thilges
Chief Financial Officer

Nishant Fafalia
Chief Executive Officer



Installation view of the exhibition “Marina Abramović” at Gallery F15, 2025. The artwork is on loan from Christen Sveaas’ Art Foundation: Marina Abramović, “Holding the Lamb”, 2010. Photo: Vegard Kleven.



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