



Avida is implementing cost-savings program corresponding to 200 MSEK and initiating negotiations concerning staff reduction by approximately 30 percent.

Avida aims to turn its loss into profit, and to succeed compared to its competitors, the company needs to review its costs and create a modern, efficient organization better adapted to its current operations.

"Our costs are too high, and our organization is too large given the current size of our business," says **Mikael Johansson**, CEO of Avida. "Additionally, we have been burdened by credit losses that have remained at an unsustainably high level for too long. We must take action to reverse our financial performance from loss to profit. We are therefore initiating a cost-savings program corresponding to 200 MSEK. As part of that we see the need to reduce the number of employees, including consultants, by approximately 30 percent. A reduction equivalent to around 65 full-time employees, including reductions already made since October 2024."

The efficiency measures will primarily impact impacting Business to Consumer, Business to Consumer Operations, Credit and IT organizations in Sweden and Norway.

" We are an oversized organization compared to our industry peers, " says Mikael Johansson. "Given that we have deliberately reduced our consumer lending over time, it is only reasonable that our organization adapts to these new conditions."

Avida's owners have strong confidence in the company's ability to reverse the trend. With a clear strategic plan, a focus on the recently acquired credit card and sales finance business, and the well-positioned corporate offering, the foundation is in place to resume growth after the transformation.

"Our corporate offering with factoring services, complemented by corporate loans, is a profitable business model that we want to continue expanding in our home markets; Sweden, Norway, and Finland," says Mikael Johansson. "The recently acquired credit card and sales finance business also provide us with a fantastic platform for future growth, once it has been fully integrated into Avida. This acquisition was strongly driven by our owners, who also contributed additional capital through the autumn's rights issue of approximately 866 million kronor to finance our transformation."

The proposed changes to Avida's organization are subject to standard union negotiations.

"Our ambition is to maintain a high pace in the transformation process and complete the proposed changes before mid-2025", concludes Mikael Johansson.

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About Avida

Avida is a specialist in consumer and SME financing, aiming to provide seamless customer experience, both digitally and personally.

We are on a transformative and exciting journey in Avida. September 18, 2024, we entered into an agreement to acquire the performing Swedish and Norwegian credit card business of Santander Consumer Bank AS, as well as the sales financing business that Santander Consumer Bank currently operates in partnership with Elkjøp in Norway and Elgiganten in Sweden. The acquired business adds from January 1, 2025, approximately 450 000 new private customers.

Avida has headquarters in Stockholm and offices in Oslo, Helsinki and Stavanger.

Avida is supervised by the Swedish Financial Supervisory Authority.