



January–June 2024

# Interim report January–June 2024

## Second quarter of 2024 (compared to the second quarter of 2023)

- The loan portfolio amounted to SEK 47,410m (42,106)
- Total income amounted to SEK 947m (926)
- The C/I ratio amounted to 28.1% (24.9)
- The credit loss level amounted to 2.3% (2.5)
- Operating profit amounted to SEK 416m (432)
- Net profit amounted to SEK 326m (342) and earnings per share<sup>1)</sup> amounted to SEK 1.59 (1.60)
- Return on equity amounted to 15.8% (18.7)
- The CET1 ratio amounted to 15.8% (15.0) and the total capital ratio amounted to 16.4% (16.1)

## January–June 2024 (compared to January–June 2023)

- The loan portfolio amounted to SEK 47,410m (42,106)
- Total income amounted to SEK 1,880m (1,808)
- The C/I ratio amounted to 27.9% (25.4)
- The credit loss level amounted to 2.3% (2.5)
- Operating profit amounted to SEK 833m (818)
- Net profit amounted to SEK 655m (647) and earnings per share<sup>1)</sup> amounted to SEK 3.12 (3.02)
- Return on equity amounted to 15.8% (18.0)
- The CET1 ratio amounted to 15.8% (15.0) and the total capital ratio amounted to 16.4% (16.1)

## Significant events after the period

No significant events have occurred after the end of the period.

<sup>1)</sup> See pages 4–5

# Norion Bank Group

Highlights second quarter of 2024  
(compared to the second quarter of 2023)

47,410

Loan portfolio (SEKm)

+13%

947

Total income (SEKm)

+2%

28.1%

C/I ratio

+3.2

percentage points

326

Net profit (SEKm)

-5%

15.8%

Return on equity

-2.9

percentage points

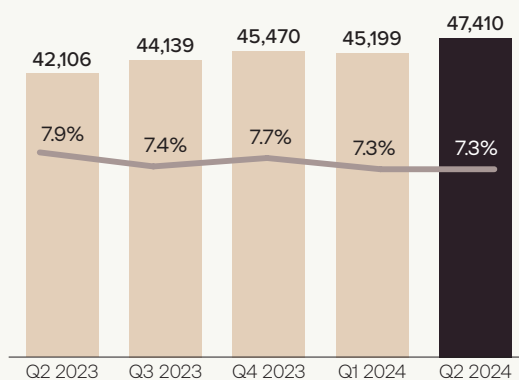
15.8%

CET1 ratio

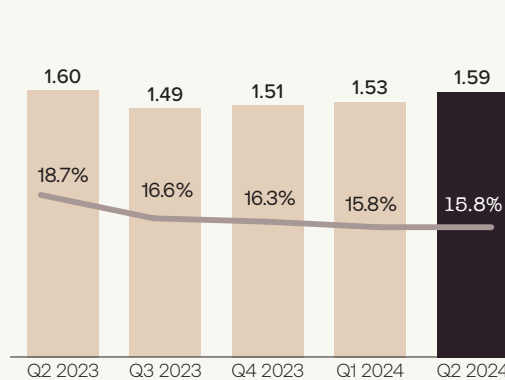
+0.8

percentage points

Loan portfolio (SEKm) and NIM (%)



EPS <sup>1)</sup> (SEK) and RoE (%)



<sup>1)</sup> Earnings per share before and after dilution

# This is Norion Bank

Norion Bank Group is a business-oriented Nordic financing bank. The Group's brands – Norion Bank, Walley and Collector – offer customized financing solutions that meet distinct needs in three customer segments: medium-sized corporates and real estate companies, merchants, and private individuals. As a specialist in financing solutions, Norion Bank Group is a leading complement to traditional large banks, with a vision of being the leading Nordic financing bank in its chosen segments.

Norion Bank offers corporate and real estate loans, as well as factoring for medium-sized corporates and real estate companies. The Walley brand offers flexible payment and checkout solutions to merchants and private individuals. The Collector brand offers personal loans and credit cards to private customers, as well as savings accounts to private individuals and companies. Norion Bank Group (formerly Collector Bank) was founded in 1999 and has offices in Gothenburg, Stockholm, Helsingborg, Oslo and Helsinki. Business is conducted through Norion Bank AB (public), which is listed on Nasdaq Stockholm.

## Key ratios Group

SEKm	Q2 2024	Q1 2024	Δ	Q2 2023	Δ
<b>Income statement</b>					
Net interest income	844	832	1%	826	2%
Total income	947	933	2%	926	2%
Net profit	326	329	-1%	342	-5%
Earnings per share before dilution, SEK	159	153	4%	160	-1%
Earnings per share after dilution, SEK	159	153	4%	160	-1%
<b>Balance sheet</b>					
Loans to the public	47,410	45,199	5%	42,106	13%
Deposits and borrowings from the public	45,879	45,234	1%	38,753	18%
Debt securities in issue	1,817	1,249	46%	2,754	-34%
Subordinated liabilities	299	-	-	-	-
Total equity (shareholders of Norion Bank AB)	8,443	8,116	4%	7,187	17%
<b>Key ratios<sup>1)</sup></b>					
Net interest margin (NIM) - Period <sup>2)</sup>	7.3%	7.3%		7.9%	
Net interest margin (NIM) - LTM <sup>2)</sup>	7.4%	7.6%		7.7%	
Credit loss level - Period <sup>2)</sup>	2.3%	2.3%		2.5%	
Credit loss level - LTM <sup>2)</sup>	2.4%	2.5%		2.5%	
C/I ratio - Period <sup>2)</sup>	28.1%	27.7%		24.9%	
C/I ratio - LTM <sup>2)</sup>	26.9%	26.0%		25.1%	
Return on equity (RoE) - Period <sup>2)</sup>	15.8%	15.8%		18.7%	
Return on equity (RoE) - LTM <sup>2)</sup>	16.1%	16.8%		18.9%	
CET1 ratio <sup>3)</sup>	15.8%	16.1%		15.0%	
Tier 1 ratio <sup>3)</sup>	15.8%	16.1%		16.1%	
Total capital ratio <sup>3)</sup>	16.4%	16.1%		16.1%	
Average number of shares outstanding before dilution	205,381,004	205,381,004	0%	205,381,004	0%
Average number of shares outstanding after dilution	205,381,004	205,381,004	0%	205,381,004	0%
Average number of full-time employees	379	366	3%	341	11%
<b>Adjusted key ratios<sup>1)</sup></b>					
Net interest margin (NIM) - Period <sup>2)</sup>	7.3%	7.3%		7.9%	
Net interest margin (NIM) - LTM <sup>2)</sup>	7.4%	7.6%		7.7%	
Credit loss level - Period <sup>2)</sup>	2.3%	2.3%		2.5%	
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C/I ratio - LTM <sup>2)</sup>	26.9%	26.0%		25.1%	
Return on equity (RoE) - Period <sup>2)</sup>	15.8%	15.8%		18.7%	
Return on equity (RoE) - LTM <sup>2)</sup>	16.1%	16.8%		18.8%	

<sup>1)</sup> See Definitions, pages 22-23, and [norionbank.se/en-se/investor-relations-en/financial-information/key-financials](https://www.norionbank.se/en-se/investor-relations-en/financial-information/key-financials) for more information about key ratios

<sup>2)</sup> Key ratios that have not been prepared in accordance with IFRS but are deemed to facilitate the analysis of Norion Bank's development. See Definitions, pages 22-23

<sup>3)</sup> Key ratios according to capital adequacy rules (CRR). See note 12, pages 45-47



Key ratios Group, cont.

SEKm	Jan-Jun 2024	Jan-Jun 2023	Δ	Full year 2023
<b>Income statement</b>				
Net interest income	1,676	1,634	3%	3,291
Total income	1,880	1,808	4%	3,648
Net profit	655	647	1%	1,294
Earnings per share before dilution, SEK	3.12	3.02	3%	6.02
Earnings per share after dilution, SEK	3.12	3.02	3%	6.02
<b>Balance sheet</b>				
Loans to the public	47,410	42,106	13%	45,470
Deposits and borrowings from the public	45,879	38,753	18%	42,663
Debt securities in issue	1,817	2,754	-34%	1,248
Subordinated liabilities	299	-	-	-
Total equity (shareholders of Norion Bank AB)	8,443	7,187	17%	7,803
<b>Key ratios<sup>1)</sup></b>				
Net interest margin (NIM) - Period <sup>2)</sup>	7.2%	7.8%		7.6%
Net interest margin (NIM) - LTM <sup>2)</sup>	7.4%	7.7%		7.6%
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C/I ratio - LTM <sup>2)</sup>	26.9%	25.1%		25.6%
Return on equity (RoE) - Period <sup>2)</sup>	15.8%	18.0%		17.2%
Return on equity (RoE) - LTM <sup>2)</sup>	16.1%	18.9%		17.2%
CET1 ratio <sup>3)</sup>	15.8%	15.0%		15.9%
Tier 1 ratio <sup>3)</sup>	15.8%	16.1%		17.0%
Total capital ratio <sup>3)</sup>	16.4%	16.1%		17.0%
Average number of shares outstanding before dilution	205,381,004	205,381,004	0%	205,381,004
Average number of shares outstanding after dilution	205,381,004	205,381,004	0%	205,381,004
Average number of full-time employees	373	335	11%	343
<b>Adjusted key ratios<sup>1)</sup></b>				
Net interest margin (NIM) - Period <sup>2)</sup>	7.2%	7.8%		7.6%
Net interest margin (NIM) - LTM <sup>2)</sup>	7.4%	7.7%		7.6%
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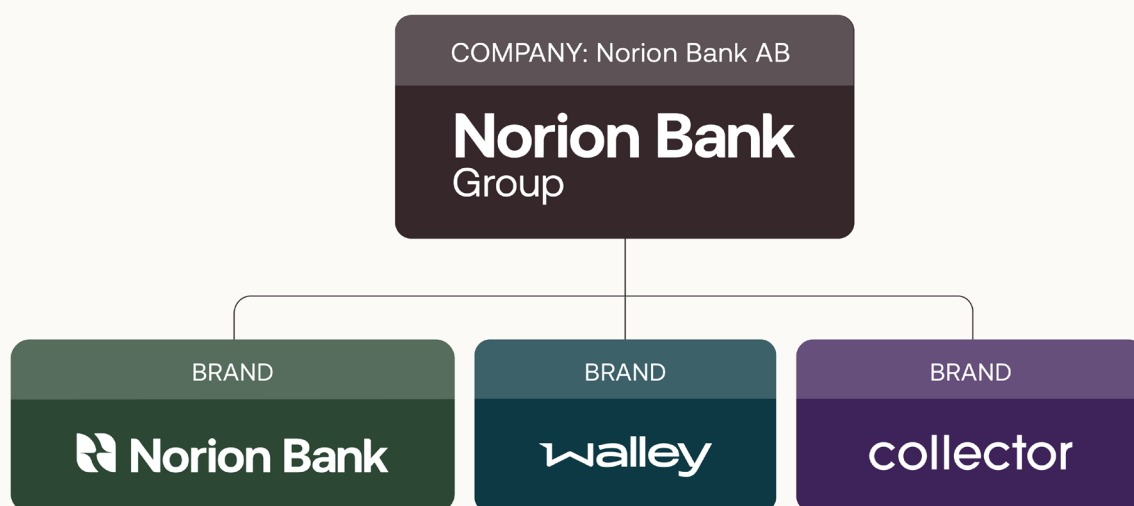
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# Norion Bank Group

Norion Bank Group is a business-oriented Nordic financing bank. The Group's brands – Norion Bank, Walley and Collector – offer customized financing solutions that meet distinct needs in three customer segments: medium-sized corporates and real estate companies, merchants, and private individuals. As a specialist in financing solutions, Norion Bank Group is a leading complement to traditional large banks, with a vision of being the leading Nordic financing bank in its chosen segments.



## Norion Bank

Corporate and real estate loans, as well as factoring solutions, for medium-sized corporates and real estate companies.

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## Walley

Payment and checkout solutions for merchants and private customers.

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## Collector

Personal loans and credit cards for private individuals as well as savings accounts for private individuals and corporates.

# A comment from our CEO

## Policy rate cuts

The Riksbank and ECB made the first policy rate cuts during the spring. Market rates have consequently declined from their former peaks, and expectations of a more stabilized interest rate path remain, with the Riksbank expected to lead the way with further cuts. Lower policy rates have also supported increased optimism on the market in general, and among our clients specifically.

## Increased optimism among clients

Interest from existing as well as potential clients has been solid during a longer period. The clarity current policy rate forecasts have created has supported further increased optimism among our corporate and real estate clients. The dialogues that have been held have hence turned into increased transaction volumes during the second quarter, with the Corporate segment showcasing a specifically strong development. We have an attractive position as a financing bank for medium-sized corporates, which remains as one of the bank's core focus areas. Demand remains good within both the Corporate and Real Estate segments. Net interest income has however been negatively affected by high volumes in stage 2 and stage 3, primarily related to the Real Estate segment. Our focus remains on close dialogues with our clients.

The Consumer segment keeps moving in the right direction. New sales show good profitability levels and we have had a strong volume increase during the quarter. Our expectations include somewhat lower quarterly growth going forward. Last, but not least, our private customers also welcome lower inflationary pressure and lower policy rates.

In summary, the bank delivers yet another stable quarterly result and the financial position remains good.

## Continued investments in Walley

In the middle of August we will be welcoming our new colleague David Lundqvist, new General Manager for our payments business Walley, and part of Norion Bank's executive management team. David has solid industry experience within payment solutions and e-commerce through Klarna, Qliro and Instabee, where he has held several commercial as well as product focused positions.

Our payments business has had a strong and profitable development over the last couple of years. As part of the rebranding to Walley, during the fall of 2021, we clarified our product offering and our positioning towards larger merchants. Through the recruitment of David, we show that we continue to invest in and strengthen Walley further.

We keep growing our partnerships with existing merchants and I am also happy to announce that the partnership with XXL was launched just after the end of the quarter. XXL is the Nordic region's leading retailer of sporting and outdoor goods, and Walley is now the payment solutions provider for all the retailer's Nordic markets both online and in-store.

## Issuance of hybrid bond

In the end of May, we issued a T2 bond of SEK 300 million under our MTN programme. It is currently the only hybrid bond we have outstanding to strengthen the capital position since the redemption of the AT1 bond of SEK 500 million in the end of the first quarter. Over time, Norion Bank aims to work with an efficient capital planning strategy, which includes issuance of both AT1 and T2 instruments.

## Green bond framework for a sustainable future


Norion Bank has published its first green bond framework. Through a green bond framework, a company can issue green bonds, with the purpose of financing green projects/activities. Concrete examples of green projects/activities that Norion Bank finances are upgrades of properties, for increased energy efficiency, and clean transportation. Through a green bond framework, the issuer undertakes to report how the financing from the green bond is used, to ensure that the green bonds are used for the right purpose.

It's important for the bank to act as a professional partner to our clients, and we value focus on active sustainability work and commitment. That's why the green bond framework is a step in the right direction for us as a company. The creation of the framework has also led to a tighter dialogue between different functions and has hence contributed positively to increased integration of sustainability within the bank.

Focusing on financing solutions for medium-sized corporates, we want to contribute to Nordic growth, with sustainability as an important piece of the puzzle. We hope that we will be able to issue bonds under our green bond framework during the second half of 2024.

**Martin Nossman**  
CEO





MARTIN NOSSMAN, CEO

“Increased market  
optimism amid  
policy rate cuts.”



# Financial targets

Norion Bank's strategy is to maintain good risk adjusted profitability. In line with this strategy, the Board of Norion Bank adopted the following financial targets on 6 February 2024:

## Profitability

Norion Bank aims to achieve a sustainable return on equity above 15% over time.

## Capital adequacy

Norion Bank's aim is that all capital ratios shall exceed the regulatory requirement by 200-400 basis points.

## Dividend policy

Norion Bank's policy is to distribute potential surplus capital in relation to the capital adequacy target, subject to the bank's future outlook and capital planning, to its shareholders.







# The Group's development

## Total income for the second quarter of 2024

Total income amounted to SEK 947 million (926) corresponding to an increase of 2% compared to last year. Net interest income increased by 2% compared to the previous year and amounted to SEK 844 million (826). Higher market rates have, during a longer period, had a positive impact on interest income. Funding costs have also increased following higher policy rates. Net interest income has been negatively affected by high volumes in Stage 2 and Stage 3, primarily within the Real Estate segment, and positively affected by seasonality primarily within the Consumer segment. The net interest margin amounted to 7.3% (7.9). Net commission income amounted to SEK 84 million (76) corresponding to an increase of 10%. Net gains and losses on financial items amounted to SEK 15 million (14). Other income amounted to SEK 5 million (11).

## Total income for the period January-June 2024

Total income amounted to SEK 1,880 million (1,808) during the period January-June 2024, corresponding to an increase of 4% compared to last year. Net interest income amounted to SEK 1,676 million (1,634) during the period January-June 2024, corresponding to an increase of 3%. The net interest margin amounted to 7.2% (7.8) during the period January-June 2024. Net commission income amounted to SEK 165 million (148) during the period January-June 2024, corresponding to an increase of 11% compared to last year. Net gains and losses on financial items amounted to SEK 19 million (5). Other income amounted to SEK 20 million (20).

## Total expenses

Total expenses amounted to SEK 524 million (459) during the period January-June 2024, of which SEK 266 million (231) pertain to the second quarter of 2024. The C/I ratio for the period January-June 2024 amounted to 27.9% (25.4) and to 28.1% (24.9) in the second quarter of 2024. Norion Bank hence continues to prove solid cost control.

## Loan portfolio

The total loan portfolio amounted to SEK 47,410 million (42,106) by the end of the second quarter of 2024, corresponding to an increase of 13% compared to last year and an increase of 5% compared to the previous quarter. The Corporate loan portfolio has increased by 4% compared to the previous year and increased by 14% compared to the previous quarter. The Real Estate loan portfolio has increased by 19% compared to the previous year and increased by 2% compared to the previous quarter. The Consumer loan portfolio has increased by 12% compared to the previous year and increased by 5% compared to the previous quarter. The Payments loan portfolio has increased by 6% compared to the previous year and increased by 1% compared to the previous quarter. Out of the total loan portfolio, Corporate amounted to 21% (23), Real Estate amounted to 47% (45), Consumer amounted to 25% (25), Payments amounted to 6% (6) and Other amounted to 1% (1) by the end of the quarter.

## Credit losses

The credit loss level for the period January-June 2024 amounted to 2.3% (2.5) and to 2.3% (2.5) in the second quarter of 2024.

## Operating profit, net profit, EPS and RoE

Operating profit amounted to SEK 833 million (818) during the period January-June 2024 and to SEK 416 million (432) in the second quarter of 2024. Net profit amounted to SEK 655 million (647) during the period January-June 2024 and to SEK 326 million (342) in the second quarter of 2024. Earnings per share amounted to SEK 3:12 (3:02) during the period January-June 2024 and to SEK 1:59 (1:60) in the second quarter of 2024. Return on equity amounted to 15.8% (18.0) during the period January-June 2024 and to 15.8% (18.7) in the second quarter of 2024.

## Non-recurring items

Non-recurring items are defined as income and expenses that are not expected to appear on a regular basis.

### 2024

There were no non-recurring items in the first or second quarter of 2024.

### 2023

There were no non-recurring items in the first, second, third or fourth quarter of 2023.

## Liquidity

Norion Bank's total liquidity amounted to SEK 9,811 million (7,830) as of 30 June 2024. Total liquidity consists of a liquidity portfolio (Bonds and other interest-bearing securities as well as Treasury bills and other bills eligible for refinancing with central banks, etc.) and other liquid assets (Loans to credit institutions). The liquidity portfolio consists of highly liquid assets, e.g. municipal bonds, covered bonds and government issued securities, and amounted to SEK 6,274 million (3,835) as of 30 June 2024. Other liquid assets mainly consist of deposit accounts with Nordic banks and amounted to SEK 3,537 million (3,995) as of 30 June 2024.

## Funding

Deposits and borrowings from the public amounted to approximately 78% (76) of Norion Bank's balance sheet, which by the end of the period amounted to SEK 45,879 million (38,753). This is the primary source of funding for the Group. Senior unsecured bonds issued amounted to SEK 1,649 million (2,705). Commercial papers issued amounted to SEK 168 million (49).

## Capital adequacy

Norion Bank has received permission from the Swedish Financial Supervisory Authority to include net profit for the period in own funds. A review of net profit for the period for Norion Bank AB has been performed by the bank's auditor, and Norion Bank has been allowed to include net profit in the Common Equity Tier 1 capital. On 28 March 2024, Norion Bank AB redeemed the AT1 bond of SEK 500 million that was issued in the first quarter of 2019. Norion Bank AB issued a T2 bond of SEK 300 million in the second quarter of 2024. Over time, Norion Bank aims to work with an efficient capital planning strategy, which includes issuance of both Additional Tier 1 and Tier 2 instruments. At the end of the period, the risk-weighted exposure amount was SEK 50,566 million (46,162). As of 30 June 2024, the CET1 ratio amounted to 15.8% (15.0), the Tier 1 ratio to 15.8% (16.1) and the total capital ratio to 16.4% (16.1).

## The macroeconomic environment

Central Banks all around the world carried out policy rate increases continuously during 2022 and 2023 to curb the high inflation. Macroeconomic forecasts were consequently revised down, but the market now seem to expect a more stabilized interest rate path as the Riksbank and ECB started cutting policy rates in the spring of 2024.



# Increased optimism and transaction activity

The loan portfolio of the Corporate segment amounted to SEK 9,992 million (9,608), corresponding to an increase of 4% over the previous year and an increase of 14% over the previous quarter. The Corporate segment accounted for 21% (23) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 188 million (191) during the quarter and to SEK 353 million (382) during the period January-June 2024. The net interest margin (NIM) amounted to 7.6% compared to 7.7% in the same quarter last year and 6.9% in the previous quarter. The NIM amounted to 6.8% (7.7) during the period January-June 2024. The total income margin amounted to 8.0% compared to 7.9% in the same quarter last year and 7.2% in the previous quarter. The total income margin amounted to 7.2% (7.6) during the period January-June 2024. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

Engagement levels among existing and potential clients have remained high during a longer period of time. Policy rate cuts, which in turn have yielded lower market rates, and expectations of a more stabilized interest rate path have contributed to increased optimism among clients. Solid client demand coupled with lower market rates have hence yielded higher transaction activity during the second quarter of 2024. Going into the third quarter, demand remains good. Norion Bank has an attractive position within the Corporate segment which is one of the company's focus areas going forward.

## Norion Bank

### Corporate

Norion Bank offers corporate loans and factoring solutions with particular focus on medium-sized companies in Sweden, Norway and Finland in a wide range of industries. Corporate loans are issued to companies against collateral. Factoring solutions primarily comprise purchasing of invoices both with and without right of recourse.

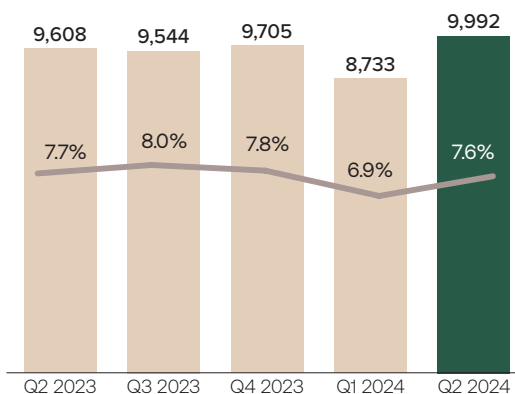


Loan portfolio

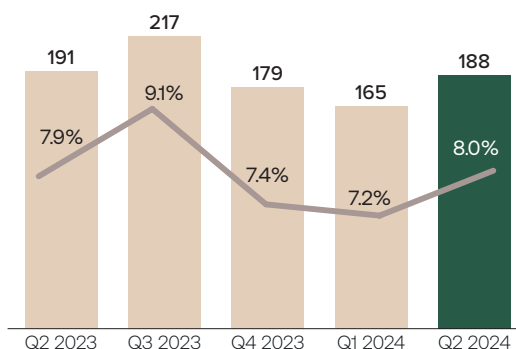
Photo: Anna Roström

# THE CORPORATE SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split <sup>1)</sup>



- Sweden, 36%
- Norway, 26%
- Finland, 20%
- Other, 18%

Industry split <sup>1)</sup>



- Business services, 21%
- Manufacturing, 20%
- Financial services & Investment companies, 19%
- Wholesale & Retail, 19%
- Information & Communication, 5%
- Other, 17%

**48** SEKm  
Average loan in the portfolio <sup>2)</sup>

**14**  
Average remaining maturity (months) <sup>2)</sup>

<sup>1)</sup> Based on the Corporate loan portfolio as of 30 June 2024  
<sup>2)</sup> Corporate lending

# Cautious development

The loan portfolio of the Real Estate segment amounted to SEK 22,453 million (18,891), corresponding to an increase of 19% over the previous year and an increase of 2% over the previous quarter. The Real Estate segment accounted for 47% (45) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 268 million (323) during the quarter and to SEK 610 million (650) during the period January-June 2024. Net interest income was negatively affected by high volumes in Stage 2 and Stage 3. The net interest margin (NIM) amounted to 4.7% compared to 6.6% in the same quarter last year and 6.2% in the previous quarter. The NIM amounted to 5.5% (7.0) during the period January-June 2024. The total income margin amounted to 4.8% compared to 6.9% in the same quarter last year and 6.3% in the previous quarter. The total income margin amounted to 5.6% (7.2) during the period January-June 2024. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

Engagement levels among existing and potential clients remain high, and policy rate cuts coupled with expectations of more stabilized market rates have continued to contribute to a more positive market sentiment. Norion Bank has continued to apply a more selective approach with regards to completed transaction. The majority of the Real Estate portfolio still constitutes of senior loans, which amounted to 58% (61) by the end of the quarter. Norion Bank has an attractive position within the Real Estate segment which is one of the company's focus areas going forward.

## Norion Bank

### Real Estate

Norion Bank offers real estate loans focusing on metropolitan areas and university cities in the Nordic region and Germany. Real estate loans are issued to companies against collateral. Norion Bank offers both junior and senior lending. Financing is provided mainly for residential properties but also for offices and industrial properties.



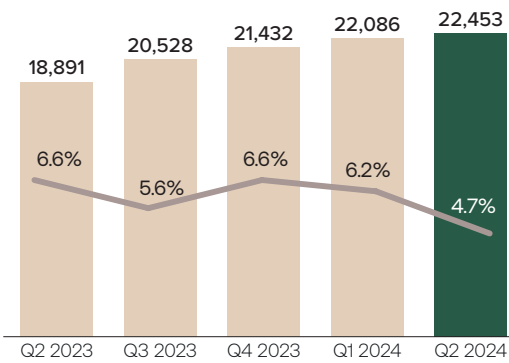
Loan portfolio



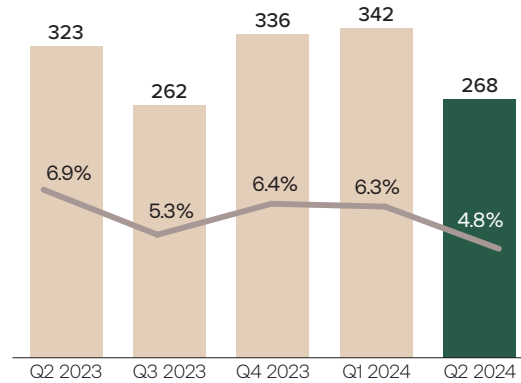
Photo: Anna Roström

# THE REAL ESTATE SEGMENT

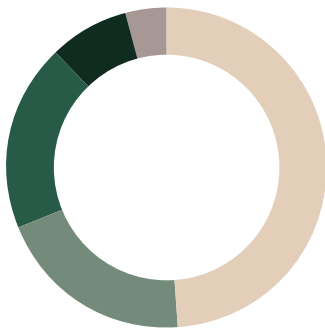
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split <sup>1)</sup>



- Sweden, 49%
- Finland, 20%
- Germany, 19%
- Denmark, 8%
- Other, 4%

Industry split <sup>1)</sup>



- Residential, 37%
- Office, 29%
- Retail, 12%
- Hotels, 8%
- Warehouse, 3%
- Other, 10%

**126** SEKm  
Average loan in the portfolio

**15**  
Average remaining maturity (months)

Share of senior loans	58%
Share of junior loans	42%
Average LTV – senior loans	57%
Average LTV – junior loans	73%

<sup>1)</sup> Based on the Real Estate loan portfolio as of 30 June 2024



# Strong development

The loan portfolio of the Consumer segment amounted to SEK 11,733 million (10,441), corresponding to an increase of 12% over the previous year and an increase of 5% over the previous quarter. The Consumer segment accounted for 25% (25) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 256 million (235) during the quarter and to SEK 465 million (442) during the period January-June 2024. The second quarter is a seasonally strong income quarter. The net interest margin (NIM) amounted to 8.4% compared to 8.5% in the same quarter last year and 7.1% in the previous quarter. The NIM amounted to 7.7% (8.0) during the period January-June 2024. The total income margin amounted to 9.0% compared to 9.1% in the same quarter last year and 7.5% in the previous quarter. The total income margin amounted to 8.2% (8.5) during the period January-June 2024.

Loan book volumes have been declining during the last few years given Norion Bank's focus on increasing risk adjusted profitability within the segment. However, volume growth increased during the second half of 2023 following an increase in new sales coupled with lower levels of early redemptions and this development has continued during the first half of 2024. The focus on improving credit quality in new sales and increasing sales through own channels have yielded results. Increased profitability and sound and sustainable lending remain prioritized areas for the segment.

## collector

### Consumer

Collector offers unsecured loans to private individuals of up to SEK 500,000 in Sweden and up to EUR 25,000 in Finland. Sales is conducted through own channels as well as loan intermediaries. Collector also offers credit cards, with a maximum credit limit of SEK 100,000, and savings accounts.

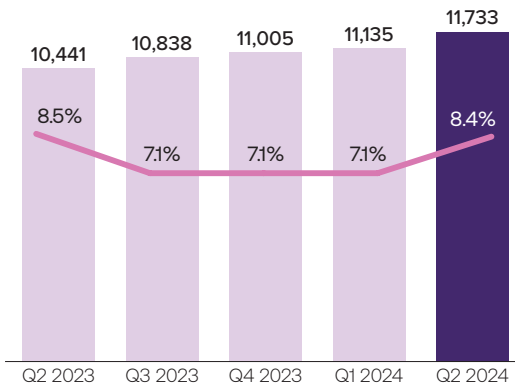


Loan portfolio

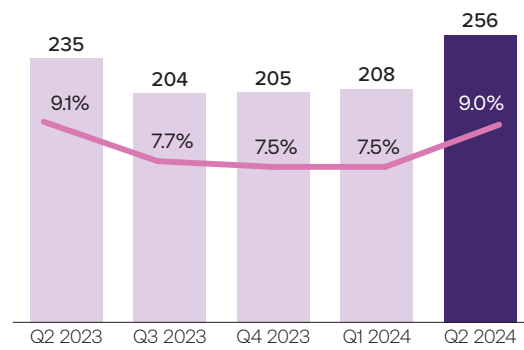


# THE CONSUMER SEGMENT

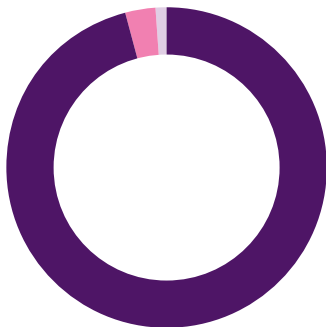
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split <sup>1)</sup>



■ Sweden, 96%  
■ Finland, 3%  
■ Norway, 1%

Average customer

Personal loans



Personal loans

**193,000**

Average loan new sales (SEK, LTM)

**170,000**

Average loan in the portfolio (SEK)

**~40%**

New sales through own channels

**53,000**

Customers

Credit cards

**23,000**

Cards outstanding

<sup>1)</sup> Based on the Consumer loan portfolio as of 30 June 2024

# Strong partnerships

The loan portfolio of the Payments segment amounted to SEK 2,712 million (2,552), corresponding to an increase of 6% over the previous year and an increase of 1% over the previous quarter. The Payments segment accounted for 6% (6) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 134 million (109) during the quarter and to SEK 261 million (222) during the period January-June 2024. The net interest margin (NIM) amounted to 9.0% compared to 7.9% in the same quarter last year and 7.4% in the previous quarter. The NIM amounted to 8.1% (7.7) during the period January-June 2024. The total income margin amounted to 19.8% compared to 17.8% in the same quarter last year and 18.7% in the previous quarter. The total income margin amounted to 19.1% (17.7) during the period January-June 2024.

Transaction volumes amounted to SEK 4,112 million (3,646) during the second quarter of 2024, which corresponds to an increase of 13% compared to the same quarter last year. Transaction volumes amounted to SEK 7,602 million (6,777) during the period January-June 2024, which corresponds to an increase of 12% compared to the same period last year. The partnerships with both new and existing merchants continue to develop well. An agreement was recently signed with Bohus, one of Norway's largest furniture chains, and existing partnerships with Verkkokauppa and Webhallen have been expanded and extended, respectively. After the end of the quarter, the cooperation with XXL, the Nordic region's leading retailer of sporting and outdoor goods, was launched. Profitable growth, in combination with satisfied merchants and end customers, remain as core focus for the Payments business.



walley

## Payments

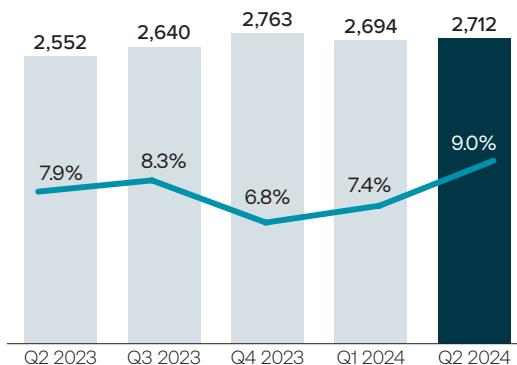
Walley offers payment and checkout solutions to e-commerce and retail chains, primarily in Sweden, Finland and Norway, as well as invoicing and payment by instalment services for private individuals. Walley offers specialized solutions focusing on the merchant's strategy and brand, primarily targeting larger merchants.



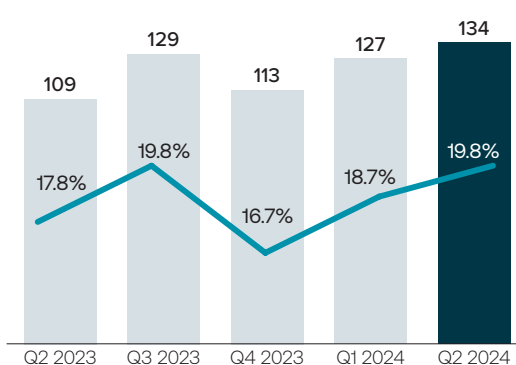
Loan portfolio

# THE PAYMENTS SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

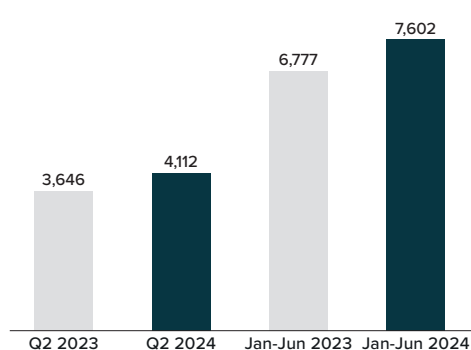


Geographic split <sup>1)</sup>



- Sweden, 50%
- Finland, 36%
- Norway, 13%
- Denmark, 1%

Transaction volumes (SEKm)



**Q2 2024**  
(Q2 2023) **+13%**  
% change

**Jan-Jun 2024**  
(Jan-Jun 2023) **+12%**  
% change

**4.9 M**  
Active customers  
(LTM)

**1,200**  
Average ticket size (SEK)

<sup>1)</sup> Based on the Payments loan portfolio as of 30 June 2024



# Other information

## Material risks and uncertainty factors

Through its operations, Norion Bank is exposed to several different risks: primarily credit risk, market risk (currency risk and interest rate risk), liquidity and financing risks as well as operational risk and other business risks. The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potentially unfavorable influences on the Group's financial results. Risk management is handled by the Group's management team according to policies established by the Board of Directors. The Board establishes written policies for overall risk management and for specific areas such as currency risk, interest rate risk, credit risk, operational risk and the use of derivatives and similar financial instruments. The Group's risk structure and its risk, liquidity and capital management are described in Norion Bank's annual report. There have been no significant changes since the publication of the annual report for the fiscal year 2023, except as reported in this interim report.

## A company regulated by the Swedish Financial Supervisory Authority

Norion Bank AB (publ) has a license to conduct banking operations. The Bank conducts business in Sweden and through branches in Norway and Finland. Norion Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

## Employees

During the quarter, the average number of full-time employees (FTE) amounted to 379, which corresponds to an increase of 11% compared to the corresponding quarter last year. The number of full-time employees includes employees on fixed-term contracts, but not employees on parental leave or a leave of absence.

## The Norion Bank share

Norion Bank's share ("NORION") is listed on Nasdaq Stockholm. As of 28 June 2024, the closing price for the Norion Bank share was SEK 43.65, corresponding to a market capitalization of SEK 9.0 billion. There were approximately 9,300 shareholders at the end of the period.

## Share capital

As of 30 June 2024, the share capital amounted to SEK 20,538,100, divided into 205,381,004 ordinary shares. The Company has a single share series. Each share entitles the shareholder to one vote at the General Meeting.

## Dividend

Norion Bank's policy is to distribute potential surplus capital in relation to the capital adequacy target, subject to the bank's future outlook and capital planning, to its shareholders.

<sup>1</sup> Privately and through wholly owned companies.

Shareholders at 30 June 2024	%
Fastighets AB Balder	44.1%
Erik Selin <sup>1</sup>	19.4%
Provobis Holding AB	6.9%
State Street Bank and Trust Company	4.7%
Helichrysum Gruppen AB	2.9%
JME Invest AB	2.0%
Nordnet Pensionsförsäkring	1.7%
Brunnudden Kapital AS	1.4%
Vante AB	1.4%
JP Morgan Chase Bank	1.2%
Other shareholders	14.3%
<b>Total</b>	<b>100.0%</b>

## Presentation for investors and analysts

A conference call will be held on 12 July 2024 at 09:30 a.m. (CET), during which CEO Martin Nossman and CFO Peter Olsson will present the report. The presentation will be held in Swedish and will be broadcasted live on <https://ir.financialhearings.com/norion-bank-q2-report-2024>. For those who wish to participate in the conference call, please register on the following link: <https://conference.financialhearings.com/teleconference/?id=50048565>. After registration, you will be provided a phone number and a conference ID to access the conference call. The presentation material will be in English and be available prior to the presentation on the website <https://www.norionbank.se/en-se/investor-relations-en/financial-information/reports-and-presentations>.

## Significant events after the period

No significant events have occurred after the end of the period.

# Definitions

Alternative performance measures (APMs) are financial measures of past or future earnings trends, financial position or cash flow that are not defined in the applicable accounting regulatory framework (IFRS), in the Capital Requirements Directive (CRD IV), or in the EU's Capital Requirement Regulation number 575/2013 (CRR). APMs are used by Norion Bank when relevant for monitoring and describing the bank's financial situation and enhance comparability between the periods. Norion Bank believes that these APMs provide valuable information and enhance the analysis of the Group's financial development. These are not necessarily comparable to similar APMs presented by other companies. See [norionbank.se/en-se/investor-relations-en/financial-information/key-financials](https://norionbank.se/en-se/investor-relations-en/financial-information/key-financials) for more information about key ratios.

## **Net interest margin (NIM)**

### **Net interest margin (NIM) - Period**

Net interest income for the period in relation to average loans to the public for the period.

### **Net interest margin (NIM) - LTM**

Net interest income for the last twelve months in relation to average loans to the public for the last twelve months.

### **Adjusted net interest margin (NIM) - Period**

Net interest income for the period, adjusted for non-recurring items, in relation to average loans to the public for the period.

### **Adjusted net interest margin (NIM) - LTM**

Net interest income for the last twelve months, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

## **C/I ratio**

### **C/I ratio - Period**

Total expenses for the period in relation to total income for the period.

### **C/I ratio - LTM**

Total expenses for the last twelve months in relation to total income for the last twelve months.

### **Adjusted C/I ratio - Period**

Total expenses for the period, adjusted for non-recurring items, in relation to total income for the period, adjusted for non-recurring items.

### **Adjusted C/I ratio - LTM**

Total expenses for the last twelve months, adjusted for non-recurring items, in relation to total income for the last twelve months, adjusted for non-recurring items.

## **Credit loss level**

### **Credit loss level - Period**

Credit losses, net for the period in relation to average loans to the public for the period.

### **Credit loss level - LTM**

Credit losses, net for the last twelve months in relation to average loans to the public for the last twelve months.

### **Adjusted credit losses, net - Period**

Credit losses, net, adjusted for non-recurring items, for the period in relation to average loans to the public for the period.

### **Adjusted credit losses, net - LTM**

Credit losses, net for the period, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

## **Earnings per share<sup>1)</sup>**

### **Earnings per share after dilution<sup>1)</sup>**

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average number of shares outstanding after dilution for the period.

### **Earnings per share before dilution<sup>1)</sup>**

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average number of shares outstanding before dilution for the period.

<sup>1)</sup> Not alternative performance measures.

# Definitions cont.

## Return on equity (RoE)

### **Return on equity (RoE) - Period**

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average equity attributable to the shareholders of Norion Bank AB for the period.

### **Return on equity (RoE) - LTM**

Net profit attributable to the shareholders of Norion Bank AB for the last twelve months in relation to average equity attributable to the shareholders of Norion Bank AB for the last twelve months.

### **Adjusted return on equity (RoE) - Period**

Net profit for the period attributable to the shareholders of Norion Bank AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Norion Bank AB for the period. For relevant periods prior to the intragroup merger between Norion Bank AB (previously Collector Bank AB) and Collector AB, the calculation includes net profit for the period attributable to the shareholders of Collector AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the period.

### **Adjusted return on equity (RoE) - LTM**

Net profit attributable to the shareholders of Norion Bank AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Norion Bank AB for the last twelve months. For relevant periods prior to the intra-group merger between Norion Bank AB (previously Collector Bank AB) and Collector AB, the calculation includes net profit attributable to the shareholders of Collector AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the last twelve months.

## Total income margin

### **Total income margin - Period**

Total income for the period in relation to average loans to the public for the period.

## Other

### **Adjusted net interest income**

Net interest income adjusted for non-recurring items.

### **Adjusted total income**

Total income adjusted for non-recurring items.

### **Adjusted total expenses**

Total expenses adjusted for non-recurring items.

### **Adjusted operating profit**

Operating profit adjusted for non-recurring items.

### **Adjusted net profit**

Net profit attributable to the shareholders of the parent company adjusted for non-recurring items.

### **Non-recurring items**

Income and expenses that are not expected to appear on a regular basis. See The Group's development, pages 11-12.

### **CET1 ratio (Common Equity Tier 1 ratio)<sup>2)</sup>**

Common Equity Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 45-47.

### **Tier 1 ratio<sup>2)</sup>**

Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 45-47.

### **Total capital ratio<sup>2)</sup>**

Total own funds in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 45-47.

### **Average number of full-time employees**

Including employees on fixed-term contracts, but not on parental leave or leave of absence.

<sup>2)</sup> Key ratios according to capital adequacy rules (CRR).







# Income statement

## Group

SEKm	Note	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Interest income <sup>1)</sup>		1 328	1 298	1 125	2 626	2 165	4 609
Interest expense <sup>2)</sup>		-484	-466	-299	-950	-531	-1 318
<b>Net interest income</b>	4	<b>844</b>	<b>832</b>	<b>826</b>	<b>1 676</b>	<b>1 634</b>	<b>3 291</b>
Commission income		95	93	87	188	170	339
Commission expense		-11	-12	-11	-24	-22	-44
<b>Net commission income</b>		<b>84</b>	<b>81</b>	<b>76</b>	<b>165</b>	<b>148</b>	<b>295</b>
Net gains and losses on financial items		15	4	14	19	5	24
Other income <sup>3)</sup>		5	15	11	20	20	38
<b>Total income</b>		<b>947</b>	<b>933</b>	<b>926</b>	<b>1 880</b>	<b>1 808</b>	<b>3 648</b>
Personnel expenses	5	-108	-104	-93	-212	-183	-357
Other expenses	6	-142	-138	-121	-279	-243	-509
Depreciation/amortization and impairment of tangible and intangible assets		-17	-16	-17	-33	-34	-67
<b>Total expenses</b>		<b>-266</b>	<b>-258</b>	<b>-231</b>	<b>-524</b>	<b>-459</b>	<b>-934</b>
<b>Profit before credit losses</b>		<b>681</b>	<b>675</b>	<b>696</b>	<b>1 355</b>	<b>1 348</b>	<b>2 714</b>
Credit losses, net	7	-265	-257	-263	-523	-531	-1 078
<b>Operating profit</b>		<b>416</b>	<b>417</b>	<b>432</b>	<b>833</b>	<b>818</b>	<b>1 636</b>
Tax expense		-89	-88	-90	-177	-170	-342
<b>Net profit for the period</b>		<b>326</b>	<b>329</b>	<b>342</b>	<b>655</b>	<b>647</b>	<b>1 294</b>
<b>Portion of net profit for the period attributable to:</b>							
shareholders of Norion Bank AB		326	314	328	641	620	1 236
additional Tier 1 capital holders		-	15	14	15	28	58
Earnings per share, before dilution, SEK		1,59	1,53	1,60	3,12	3,02	6,02
Earnings per share, after dilution, SEK		1,59	1,53	1,60	3,12	3,02	6,02

<sup>1)</sup> Consists mainly of interest income calculated according to the effective interest rate method.

<sup>2)</sup> Interest expenses for issued tier 1 capital instruments are reported in equity.

# Statement of comprehensive income

Group

SEKm	Note	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
<b>Net profit for the period reported via income statement</b>		326	329	342	655	647	1 294
<b>Items that have been or may be reclassified to the income statement</b>							
Exchange rate differences on translation of foreign currency		0	-1	0	-1	-2	-3
<b>Other comprehensive income for the period, net of tax</b>		<b>0</b>	<b>-1</b>	<b>0</b>	<b>-1</b>	<b>-2</b>	<b>-3</b>
<b>Total comprehensive income for the period</b>		<b>326</b>	<b>328</b>	<b>342</b>	<b>654</b>	<b>645</b>	<b>1 291</b>
<b>Portion of total comprehensive income for the period attributable to:</b>							
shareholders of Norion Bank AB		326	313	328	640	617	1 233
additional Tier 1 capital holders		-	15	14	15	28	58



# Balance sheet

Group

Group	Note	Jun 30 2024	Dec 31 2023	Jun 30 2023
SEKm				
<b>ASSETS</b>				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	1 078	346	506
Loans to credit institutions		3 537	3 203	3 995
Loans to the public	8, 9	47 410	45 470	42 106
Bonds and other interest-bearing securities	13	5 196	3 958	3 329
Shares and participating interests	13	673	664	640
Intangible assets		123	104	86
Tangible assets		88	109	125
Derivatives	13	-	47	-
Other assets		295	42	83
Prepaid expenses and accrued income		129	112	127
<b>Total assets</b>		<b>58 529</b>	<b>54 056</b>	<b>50 996</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits and borrowings from the public	10	45 879	42 663	38 753
Debt securities in issue	11	1 817	1 248	2 754
Derivatives	13	13	-	35
Other liabilities		727	799	835
Accrued expenses and prepaid income		1 352	1 042	931
Subordinated liabilities	11	299	-	-
<b>Total liabilities</b>		<b>50 087</b>	<b>45 753</b>	<b>43 308</b>
Equity attributable to additional Tier 1 capital holders		-	500	500
Equity attributable to the shareholders of Norion Bank AB		8 443	7 803	7 187
<b>Total equity</b>		<b>8 443</b>	<b>8 303</b>	<b>7 687</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>58 529</b>	<b>54 056</b>	<b>50 996</b>

# Statement of changes in equity

Group

Jan - Jun 2024	Equity attributable to the shareholders of Norion Bank AB						
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instruments holders <sup>1)</sup>	Total equity
SEKm							
<b>Opening balance 1 January 2024</b>	149	5	-5	7 654	7 803	500	8 303
Comprehensive income for the period							
Profit for the period				641	641	15	655
Other comprehensive income for the period			-1		-1		-1
<b>Total comprehensive income for the period</b>			<b>-1</b>	<b>641</b>	<b>640</b>	<b>15</b>	<b>654</b>
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-15	-15
Redemption Tier 1 instruments						-500	-500
<b>Total transactions reported directly in equity</b>						<b>-515</b>	<b>-515</b>
<b>Closing balance 30 June 2024</b>	<b>149</b>	<b>5</b>	<b>-6</b>	<b>8 295</b>	<b>8 443</b>	<b>-</b>	<b>8 443</b>

<sup>1)</sup> The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Group

Jan - Dec 2023	Equity attributable to the shareholders of Norion Bank AB						
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instruments holders <sup>1)</sup>	Total equity
SEKm							
<b>Opening balance 1 January 2023</b>	149	5	-2	6 418	6 570	500	7 070
Comprehensive income for the period							
Profit for the period				1 236	1 236	58	1 294
Other comprehensive income for the period			-3		-3		-3
<b>Total comprehensive income for the period</b>			<b>-3</b>	<b>1 236</b>	<b>1 233</b>	<b>58</b>	<b>1 291</b>
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-58	-58
<b>Total transactions reported directly in equity</b>						<b>-58</b>	<b>-58</b>
<b>Closing balance 31 December 2023</b>	<b>149</b>	<b>5</b>	<b>-5</b>	<b>7 654</b>	<b>7 803</b>	<b>500</b>	<b>8 303</b>

<sup>1)</sup> The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

# Statement of changes in equity, cont.

Group

Jan - Jun 2023	Equity attributable to the shareholders of Norion Bank AB				Total	Additional Tier 1 instruments holders <sup>1)</sup>	Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period			
SEKm							
<b>Opening balance 1 January 2023</b>	149	5	-2	6 418	6 570	500	7 070
<b>Comprehensive income for the period</b>							
Profit for the period				620	620	28	647
Other comprehensive income for the period			-2		-2		-2
<b>Total comprehensive income for the period</b>			<b>-2</b>	<b>620</b>	<b>617</b>	<b>28</b>	<b>645</b>
<b>Transactions reported directly in equity</b>							
Additional Tier 1 instruments redeemed						-28	-28
<b>Total transactions reported directly in equity</b>						<b>-28</b>	<b>-28</b>
<b>Closing balance 30 June 2023</b>	<b>149</b>	<b>5</b>	<b>-5</b>	<b>7 038</b>	<b>7 187</b>	<b>500</b>	<b>7 687</b>

<sup>1)</sup> The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

# Cash flow statement

Group

SEKm	Jan-Jun 2024	Full year 2023	Jan-Jun 2023
<b>Operating activities</b>			
Operating profit	833	1 636	818
Adjustments for non-cash items in operating activities	710	1 372	765
Income taxes paid	-240	-272	-71
Increase/decrease in assets and liabilities from operating activities	-1 319	-374	-23
<b>Cash flow from operating activities</b>	<b>-16</b>	<b>2 362</b>	<b>1 489</b>
<b>Investing activities</b>			
Acquisitions/disposals of tangible assets	-1	-1	0
Acquisitions/disposals of intangible assets	-37	-57	-23
<b>Cash flow from investing activities</b>	<b>-38</b>	<b>-58</b>	<b>-23</b>
<b>Financing activities</b>			
Decrease of liabilities	-15	-33	-15
Additional Tier 1 instruments	-515	-58	-28
Redemption of interest-bearing securities	-50	-2 297	-600
Issuance of interest-bearing securities	917	247	49
<b>Cash flow from financing activities</b>	<b>337</b>	<b>-2 141</b>	<b>-594</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>3 203</b>	<b>3 050</b>	<b>3 050</b>
Cash flow for the period	283	163	872
Exchange rate differences in cash and cash equivalents	51	-10	73
<b>Cash and cash equivalents at the end of the period</b>	<b>3 537</b>	<b>3 203</b>	<b>3 995</b>
<b>Paid and received interest of which is included in the cash flow from operating activities</b>			
Interest paid	735	1 134	380
Interest received	2 610	4 581	2 142



# Income statement

Norion Bank AB

SEKm	Note	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Interest income <sup>1)</sup>		1 328	1 298	1 125	2 626	2 165	4 609
Interest expense <sup>2)</sup>		-484	-466	-299	-950	-531	-1 318
<b>Net interest income</b>	4	<b>844</b>	<b>832</b>	<b>826</b>	<b>1 676</b>	<b>1 634</b>	<b>3 291</b>
Commission income		95	93	87	188	170	339
Commission expense		-11	-12	-11	-24	-22	-44
<b>Net commission income</b>		<b>84</b>	<b>81</b>	<b>76</b>	<b>165</b>	<b>148</b>	<b>295</b>
Net gains and losses on financial items		15	4	14	19	5	24
Other income		5	15	11	20	20	38
<b>Total income</b>		<b>947</b>	<b>933</b>	<b>926</b>	<b>1 880</b>	<b>1 808</b>	<b>3 648</b>
Personnel expenses	5	-108	-104	-93	-212	-183	-357
Other expenses	6	-142	-138	-120	-279	-243	-509
Depreciation/amortization and impairment of tangible and intangible assets		-17	-16	-17	-33	-34	-67
<b>Total expenses</b>		<b>-266</b>	<b>-258</b>	<b>-230</b>	<b>-524</b>	<b>-459</b>	<b>-934</b>
<b>Profit before credit losses</b>		<b>681</b>	<b>675</b>	<b>696</b>	<b>1 355</b>	<b>1 348</b>	<b>2 714</b>
Credit losses, net	7	-265	-257	-263	-523	-531	-1 078
<b>Operating profit</b>		<b>416</b>	<b>417</b>	<b>432</b>	<b>833</b>	<b>818</b>	<b>1 636</b>
Appropriations		-	-	0	-	0	-288
Tax expense		-89	-88	-90	-177	-170	-285
<b>Net profit for the period</b>		<b>326</b>	<b>329</b>	<b>342</b>	<b>655</b>	<b>647</b>	<b>1 063</b>
<b>Portion of net profit for the period attributable to:</b>							
shareholders of Norion Bank AB		326	314	328	641	619	1 005
additional Tier 1 capital holders		-	15	14	15	28	58

<sup>1)</sup> Consists mainly of interest income calculated according to the effective interest rate method.

<sup>2)</sup> Interest expenses for issued tier 1 capital instruments are reported in equity. Comparison periods are recalculated.

# Statement of comprehensive income

Norion Bank AB

SEKm	Note	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
<b>Net profit for the period reported via income statement</b>		326	329	342	655	647	1 063
<b>Items that have been or may be reclassified to the income statement</b>							
Exchange rate differences on translation of foreign currency		0	-1	0	-1	-2	-3
<b>Other comprehensive income for the period, net of tax</b>		<b>0</b>	<b>-1</b>	<b>0</b>	<b>-1</b>	<b>-2</b>	<b>-3</b>
<b>Total comprehensive income for the period</b>		<b>326</b>	<b>328</b>	<b>342</b>	<b>654</b>	<b>645</b>	<b>1 060</b>
<b>Portion of total comprehensive income for the period attributable to:</b>							
shareholders of Norion Bank AB		362	313	328	640	617	1 002
additional Tier 1 capital holders		-	15	14	15	28	58

# Balance sheet

Norion Bank AB

SEKm	Note	Jun 30 2024	Dec 31 2023	Jun 30 2023
<b>ASSETS</b>				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	1 078	346	506
Loans to credit institutions		3 537	3 203	3 995
Loans to the public	8,9	47 410	45 470	42 106
Bonds and other interest-bearing securities	13	5 196	3 958	3 329
Shares and participating interests	13	673	664	640
Shares and participating interests in group entities		0	0	0
Intangible assets		123	104	86
Tangible assets		88	109	125
Derivatives	13	-	47	-
Other assets		295	42	83
Prepaid expenses and accrued income		129	112	127
<b>Total assets</b>		<b>58 529</b>	<b>54 056</b>	<b>50 996</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits and borrowings from the public	10	45 879	42 663	38 753
Debt securities in issue	11	1 817	1 248	2 754
Derivatives	13	13	-	35
Other liabilities		452	524	617
Accrued expenses and prepaid income		1 352	1 042	931
Subordinated liabilities	11	299	-	-
<b>Total liabilities</b>		<b>49 812</b>	<b>45 478</b>	<b>43 091</b>
Tax allocation reserve		1 320	1 320	1 032
<b>Total liabilities</b>		<b>1 320</b>	<b>1 320</b>	<b>1 032</b>
Equity attributable to additional Tier 1 capital holders		-	500	500
Equity attributable to the shareholders of Norion Bank AB		7 397	6 757	6 373
<b>Total equity</b>		<b>7 397</b>	<b>7 257</b>	<b>6 873</b>
<b>Total liabilities and equity</b>		<b>58 529</b>	<b>54 056</b>	<b>50 996</b>

# Statement of changes in equity

Norion Bank AB

Jan - Jun 2024	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments <sup>1)</sup>	Retained earnings, incl. net profit for the period	
SEKm						
<b>Opening balance 1 January 2024</b>	<b>149</b>	<b>3</b>	<b>102</b>	<b>500</b>	<b>6 503</b>	<b>7 257</b>
Transfer of development expenses			16		-16	-
Redemption Tier 1 instruments				-500		-500
Cost additional Tier 1 instruments					-15	-15
Profit for the period					655	655
Other comprehensive income for the period		-1				-1
<b>Closing balance 30 June 2024</b>	<b>149</b>	<b>2</b>	<b>118</b>	<b>-</b>	<b>7 127</b>	<b>7 397</b>

<sup>1)</sup>The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

Norion Bank AB

Jan - Dec 2023	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments <sup>1)</sup>	Retained earnings, incl. net profit for the period	
SEKm						
<b>Opening balance 1 January 2023</b>	<b>149</b>	<b>6</b>	<b>79</b>	<b>500</b>	<b>5 521</b>	<b>6 256</b>
Transfer of development expenses			23		-23	-
Cost additional Tier 1 instruments					-58	-58
Profit for the period					1 063	1 063
Other comprehensive income for the period		-3				-3
<b>Closing balance 31 December 2023</b>	<b>149</b>	<b>3</b>	<b>102</b>	<b>500</b>	<b>6 503</b>	<b>7 257</b>

<sup>1)</sup>The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.



# Statement of changes in equity, cont.

Norion Bank AB

Jan - Jun 2023	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments <sup>1)</sup>	Retained earnings, incl. net profit for the period	
SEKm						
<b>Opening balance 1 January 2023</b>	<b>149</b>	<b>6</b>	<b>79</b>	<b>500</b>	<b>5 521</b>	<b>6 256</b>
Transfer of development expenses			5		-5	-
Cost additional Tier 1 instruments					-28	-28
Profit for the period					647	647
Other comprehensive income for the period		-2				-2
<b>Closing balance 30 June 2023</b>	<b>149</b>	<b>4</b>	<b>84</b>	<b>500</b>	<b>6 135</b>	<b>6 873</b>

<sup>1)</sup>The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

# Cash flow statement

Norion Bank AB

SEKm	Jan-Jun 2024	Full year 2023	Jan-Jun 2023
<b>Operating activities</b>			
Operating profit	833	1 636	818
Adjustments for non-cash items in operating activities	710	1 372	765
Income taxes paid	-240	-272	-71
Increase/decrease in assets and liabilities from operating activities	-1 319	-374	-23
<b>Cash flow from operating activities</b>	<b>-16</b>	<b>2 362</b>	<b>1 489</b>
<b>Investing activities</b>			
Acquisitions/disposals of tangible assets	-1	-1	0
Acquisitions/disposals of intangible assets	-37	-57	-23
<b>Cash flow from investing activities</b>	<b>-38</b>	<b>-58</b>	<b>-23</b>
<b>Financing activities</b>			
Decrease of liabilities	-15	-33	-15
Additional Tier 1 instruments	-515	-58	-28
Redemption of interest-bearing securities	-50	-2 297	-600
Issuance of interest-bearing securities	917	247	49
Group contributions paid/received	-	0	0
<b>Cash flow from financing activities</b>	<b>337</b>	<b>-2 141</b>	<b>-594</b>
<b>Cash and cash equivalents at the start of the period</b>	<b>3 203</b>	<b>3 050</b>	<b>3 050</b>
Cash flow for the period	283	163	872
Exchange rate differences in cash and cash equivalents	51	-10	73
<b>Cash and cash equivalents at the end of the period</b>	<b>3 537</b>	<b>3 203</b>	<b>3 995</b>
<b>Paid and received interest of which is included in the cash flow from operating activities</b>			
Interest paid	735	1 134	380
Interest received	2 610	4 581	2 142

# Notes

The stated amounts in the notes are in millions of SEK (SEKm) and at book value unless otherwise stated. The interim report on pages 2-20 constitute an integrated part of this financial report.

## Note 1. General information

Norion Bank AB (publ) company registration number 556597-0513, is a bank limited company with its registered office in Gothenburg. The company has a license to conduct banking operations and is listed on Nasdaq Stockholm. The Bank conducts business in Sweden and through branches in Norway and Finland.

The address of the headquarters is Lilla Bommens Torg 11, SE-411 09 Gothenburg, Sweden. Norion Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

## Note 2. Accounting policies

### Accounting policies

The interim report is prepared in accordance with IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on the Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2-3 and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7-8 ÅRKL).

The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

Accounting principles, methods of calculation and presentation are essentially unchanged compared with those applied in the 2023 Annual Report.

### Changes in IFRS

None of the changes in the accounting regulations issued for application 2024 are deemed to have a significant impact on Norion Bank and its financial reports, capital adequacy or large exposures.

## Note 3. Operating segments

Group and Norion Bank AB

SEKm	Q2 2024					
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	Group
Net interest income	177	264	242	60	101	844
Net commission income	2	-	15	67	0	84
Net gains and losses on financial items	9	4	0	0	1	15
Other income	0	0	0	6	-1	5
<b>Total income</b>	<b>188</b>	<b>268</b>	<b>256</b>	<b>134</b>	<b>100</b>	<b>947</b>
Net interest margin (NIM)	7,6%	4,7%	8,4%	9,0%	-	7,3%
Total income margin	8,0%	4,8%	9,0%	19,8%	-	8,2%
Loans to the public	9 992	22 453	11 733	2 712	519	47 410

<sup>1)</sup> Including eliminations.

## NOTES

Note 3. Operating segments, cont.

### Group and Norion Bank AB

SEKm	Q1 2024					Group
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	160	337	195	51	90	832
Net commission income	3	2	13	63	0	81
Net gains and losses on financial items	2	3	0	0	-1	4
Other income	0	0	0	14	1	15
<b>Total income</b>	<b>165</b>	<b>342</b>	<b>208</b>	<b>127</b>	<b>90</b>	<b>933</b>
Net interest margin (NIM)	6,9%	6,2%	7,1%	7,4%	-	7,3%
Total income margin	7,2%	6,3%	7,5%	18,7%	-	8,2%
Loans to the public	8 733	22 086	11 135	2 694	551	45 199

<sup>1)</sup> Including eliminations.

### Group and Norion Bank AB

SEKm	Q2 2023					Group
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	187	310	222	48	59	826
Net commission income	5	-	16	55	0	76
Net gains and losses on financial items	0	13	-2	-5	8	14
Other income	0	0	0	10	0	11
<b>Total income</b>	<b>191</b>	<b>323</b>	<b>235</b>	<b>109</b>	<b>68</b>	<b>926</b>
Net interest margin (NIM)	7,7%	6,6%	8,5%	7,9%	-	7,9%
Total income margin	7,9%	6,9%	9,1%	17,8%	-	8,8%
Loans to the public	9 608	18 891	10 441	2 552	614	42 106

<sup>1)</sup> Including eliminations.

### Group and Norion Bank AB

SEKm	Jan - Jun 2024					Group
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	336	600	437	111	191	1 676
Net commission income	5	2	28	130	0	165
Net gains and losses on financial items	12	7	0	0	0	19
Other income	0	0	0	20	-1	20
<b>Total income</b>	<b>353</b>	<b>610</b>	<b>465</b>	<b>261</b>	<b>190</b>	<b>1 880</b>
Net interest margin (NIM)	6,8%	5,5%	7,7%	8,1%	-	7,2%
Total income margin	7,2%	5,6%	8,2%	19,1%	-	8,1%
Loans to the public	9 992	22 453	11 733	2 712	519	47 410

<sup>1)</sup> Including eliminations.



## NOTES

Note 3. Operating segments, cont.

### Group and Norion Bank AB

SEKm	Jan - Jun 2023					Group
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	388	637	414	97	100	1 634
Net commission income	8	0	30	111	0	148
Net gains and losses on financial items	-14	13	-2	-4	12	5
Other income	1	0	0	19	0	20
<b>Total income</b>	<b>382</b>	<b>650</b>	<b>442</b>	<b>222</b>	<b>112</b>	<b>1 808</b>
Net interest margin (NIM)	7,7%	7,0%	8,0%	7,7%	-	7,8%
Total income margin	7,6%	7,2%	8,5%	17,7%	-	8,6%
Loans to the public	9 608	18 891	10 441	2 552	614	42 106

### Group and Norion Bank AB

SEKm	Full year 2023					Group
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	766	1 260	795	197	274	3 291
Net commission income	15	0	55	225	0	295
Net gains and losses on financial items	-5	-12	2	6	32	24
Other income	1	0	0	36	1	38
<b>Total income</b>	<b>777</b>	<b>1 248</b>	<b>852</b>	<b>464</b>	<b>307</b>	<b>3 648</b>
Net interest margin (NIM)	7,6%	6,5%	7,4%	7,5%	-	7,6%
Total income margin	7,7%	6,4%	8,0%	17,7%	-	8,4%
Loans to the public	9 705	21 432	11 005	2 763	566	45 470

## NOTES

### Note 4. Net interest income

Group and Norion Bank AB

SEKm	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Loans to the public <sup>1)</sup>	1 227	1 202	1 083	2 429	2 093	4 393
Interest-bearing securities	58	40	32	98	56	138
Loans to credit institutions	43	56	10	99	17	78
<b>Total interest income</b>	<b>1 328</b>	<b>1 298</b>	<b>1 125</b>	<b>2 626</b>	<b>2 165</b>	<b>4 609</b>
Deposits and borrowings from the public	-459	-446	-262	-906	-459	-1 188
Subordinated liabilities	-25	-19	-37	-43	-71	-129
Debt securities in issue	0	-1	0	-1	-1	-1
<b>Total interest expense</b>	<b>-484</b>	<b>-466</b>	<b>-299</b>	<b>-950</b>	<b>-531</b>	<b>-1 318</b>
<b>Net interest income</b>	<b>844</b>	<b>832</b>	<b>826</b>	<b>1 676</b>	<b>1 634</b>	<b>3 291</b>

<sup>1)</sup> Interest income calculated according to the effective interest rate method.

### Note 5. Personnel expenses

Group and Norion Bank AB

SEKm	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
Salaries and other remuneration	-74	-68	-64	-142	-126	-240
Pension costs	-24	-24	-20	-48	-40	-82
Social security costs	-8	-8	-7	-16	-15	-31
Other staff related costs	-2	-4	-1	-6	-2	-4
<b>Total personnel expenses</b>	<b>-108</b>	<b>-104</b>	<b>-93</b>	<b>-212</b>	<b>-183</b>	<b>-357</b>

## NOTES

### Note 6. Other expenses

Group and Norion Bank AB

SEKm	Q2 2024	Q1 2024	Q2 2023	Jan-jun 2024	Jan-Jun 2023	Full year 2023
Consultancy expenses	-42	-43	-44	-85	-91	-174
IT expenses	-27	-26	-21	-53	-40	-87
Other purchased services	-35	-33	-27	-68	-54	-125
Postage expenses	-7	-8	-10	-15	-18	-33
Other operating expenses	-31	-27	-20	-58	-40	-90
<b>Total other expenses</b>	<b>-142</b>	<b>-138</b>	<b>-121</b>	<b>-279</b>	<b>-243</b>	<b>-509</b>

### Note 7. Credit losses, net

Group and Norion Bank AB

SEKm	Q2 2024	Q1 2024	Q2 2023	Jan-Jun 2024	Jan-Jun 2023	Full year 2023
<b>Loans at amortized cost</b>						
Credit impairment provisions - Stage 1	-64	23	-46	-41	-62	-69
Credit impairment provisions - Stage 2	31	122	70	152	-71	-96
Credit impairment provisions - Stage 3	-9	-138	-214	-147	-292	-629
<b>Total expected credit losses on balance sheet items</b>	<b>-42</b>	<b>7</b>	<b>-190</b>	<b>-35</b>	<b>-424</b>	<b>-794</b>
Portfolio revaluation - POCI	-	-	-	-	-	-
<b>Total impairment gains and losses - POCI</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Actual credit losses for the period	-223	-266	-73	-490	-107	-284
<i>of which utilised share of previous provision</i>	<i>-194</i>	<i>-116</i>	<i>-66</i>	<i>-310</i>	<i>-91</i>	<i>-277</i>
<b>Total write-offs</b>	<b>-223</b>	<b>-266</b>	<b>-73</b>	<b>-490</b>	<b>-107</b>	<b>-284</b>
Recoveries	0	2	-	2	-	-
<b>Total recoveries</b>	<b>0</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>-</b>
<b>Total credit impairment</b>	<b>-265</b>	<b>-257</b>	<b>-263</b>	<b>-523</b>	<b>-531</b>	<b>-1 078</b>

## NOTES

### Note 8. Loans to the public

Group and Norion Bank AB

SEKm	Jun 30 2024	Dec 31 2023	Jun 30 2023
<b>PRIVATE CUSTOMERS <sup>3)</sup></b>			
<b>Total gross carrying amount</b>	<b>19 036</b>	<b>18 438</b>	<b>17 467</b>
of which Stage 1	11 263	10 617	9 846
of which Stage 2	656	743	599
of which Stage 3	6 626	6 549	6 451
of which Stage 3 - POCI <sup>1)</sup>	492	529	571
<b>Total credit impairment provisions</b>	<b>-4 097</b>	<b>-4 134</b>	<b>-3 891</b>
of which Stage 1	-289	-271	-233
of which Stage 2	-203	-235	-164
of which Stage 3	-3 605	-3 628	-3 495
of which Stage 3 - POCI <sup>1)</sup>	-	-	-
<b>Total carrying amount, private customers</b>	<b>14 939</b>	<b>14 303</b>	<b>13 576</b>
<b>Private customers</b>			
Provision ratio for loans Stage 1	2,6%	2,5%	2,4%
Provision ratio for loans Stage 2	31,0%	31,7%	27,3%
Provision ratio for loans Stage 3	54,4%	55,4%	54,2%
Provision ratio for loans Stage 3 - POCI <sup>1)</sup>	0,0 %	0,0 %	0,0 %
Total provision ratio, private customers <sup>2)</sup>	22,1%	23,1%	23,0%
<b>CORPORATE CUSTOMERS <sup>4)</sup></b>			
<b>Total gross carrying amount</b>	<b>33 686</b>	<b>32 282</b>	<b>29 598</b>
of which Stage 1	26 843	25 118	24 907
of which Stage 2	2 253	5 330	3 651
of which Stage 3	4 590	1 834	1 041
<b>Total credit impairment provisions</b>	<b>-1 215</b>	<b>-1 115</b>	<b>-1 068</b>
of which Stage 1	-177	-152	-189
of which Stage 2	-100	-219	-268
of which Stage 3	-938	-744	-612
<b>Total carrying amount, corporate customers</b>	<b>32 471</b>	<b>31 167</b>	<b>28 530</b>
<b>Corporate customers</b>			
Provision ratio for loans Stage 1	0,7%	0,6%	0,8%
Provision ratio for loans Stage 2	4,5%	4,1%	7,3%
Provision ratio for loans Stage 3	20,4%	40,6%	58,8%
Total provision ratio, corporate customers	3,6%	3,5%	3,6%



## NOTES

Note 12. Loan to the public, cont.

### Group and Norion Bank AB

SEKm	Jun 30 2024	Dec 31 2023	Jun 30 2023
<b>TOTAL</b>			
<b>Total gross carrying amount</b>	<b>52 722</b>	<b>50 720</b>	<b>47 065</b>
of which Stage 1	38 105	35 734	34 752
of which Stage 2	2 909	6 074	4 250
of which Stage 3	11 216	8 383	7 492
of which Stage 3 - POCI <sup>1)</sup>	492	529	571
<b>Total credit impairment provisions</b>	<b>-5 312</b>	<b>-5 249</b>	<b>-4 959</b>
of which Stage 1	-466	-423	-421
of which Stage 2	-304	-454	-431
of which Stage 3	-4 543	-4 372	-4 107
of which Stage 3 - POCI <sup>1)</sup>	-	-	-
<b>Total carrying amount, Total</b>	<b>47 410</b>	<b>45 470</b>	<b>42 106</b>
Stage 3 loans / Total loans, gross, % <sup>2)</sup>	21,5%	16,7%	16,1%
Stage 3 loans / Total loans, net, % <sup>2)</sup>	14,2%	8,9%	8,1%
<b>Total</b>			
Provision ratio for loans Stage 1	1,2%	1,2%	1,2%
Provision ratio for loans Stage 2	10,4%	7,5%	10,1%
Provision ratio for loans Stage 3	40,5%	52,2%	54,8%
Provision ratio for loans Stage 3 - POCI <sup>1)</sup>	0,0 %	0,0 %	0,0 %
Total provision ratio <sup>2)</sup>	10,2%	10,5%	10,7%

<sup>1)</sup> Purchased credit-impaired assets are subject to net accounting from the time of acquisition, consequently no explicit provisioning is shown for these receivables.

<sup>2)</sup> Excluding purchased credit-impaired assets.

<sup>3)</sup> Includes the segments Consumer, Payments and parts of Other.

<sup>4)</sup> Includes the segments Corporate and Real Estate and parts of Other.

## NOTES

### Note 9. Reconciliation of credit losses provisions for loans

The tables below show reconciliations of provisions for credit losses related to loans to the public measured at Amortized Cost.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance 1 January 2024</b>	<b>423</b>	<b>454</b>	<b>4 372</b>	<b>5 249</b>
New and derecognized financial assets, net	66	-116	-224	-274
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-25	-36	370	309
Other adjustments <sup>1)</sup>	2	2	24	28
<b>Closing balance 30 June 2024</b>	<b>466</b>	<b>304</b>	<b>4 543</b>	<b>5 312</b>

<sup>1)</sup> Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance 1 January 2023</b>	<b>355</b>	<b>362</b>	<b>3 775</b>	<b>4 492</b>
New and derecognized financial assets, net	41	-51	256	247
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	28	146	373	547
Other adjustments <sup>1)</sup>	-1	-4	-32	-37
<b>Closing balance 31 December 2023</b>	<b>423</b>	<b>454</b>	<b>4 372</b>	<b>5 249</b>

<sup>1)</sup> Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance 1 January 2023</b>	<b>355</b>	<b>362</b>	<b>3 775</b>	<b>4 492</b>
New and derecognized financial assets, net	-12	-81	77	-16
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	74	152	215	440
Other adjustments <sup>1)</sup>	4	-2	40	42
<b>Closing balance 30 June 2023</b>	<b>421</b>	<b>431</b>	<b>4 107</b>	<b>4 959</b>

<sup>1)</sup> Movements recognised outside Credit impairment line, foreign exchange effect, etc.

### Note 10. Deposits and borrowings from the public

Group and Norion Bank AB

SEKm	Jun 30 2024	Dec 31 2023	Jun 30 2023
EUR	21 068	16 707	17 238
SEK	24 507	25 659	21 134
NOK	304	297	380
<b>Total</b>	<b>45 879</b>	<b>42 663</b>	<b>38 753</b>

## NOTES

### Note 11. Debt securities in issue and subordinated liabilities

Group and Norion Bank AB

DEBT SECURITIES IN ISSUE SEKm	Jun 30 2024		Dec 31 2023		Jun 30 2023	
	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
ISIN						
SE0013360427	-	-	-	-	1 000	1 000
SE0015811112	750	750	750	750	750	750
SE0013105137	499	500	498	500	300	300
SE0013361557	400	400				
NO0011152449	-	-	-	-	656	644
Commercial papers	168	170	-	-	49	50
<b>Total</b>	<b>1 817</b>	<b>1 820</b>	<b>1 248</b>	<b>1 250</b>	<b>2 754</b>	<b>2 744</b>

SUBORDINATED LIABILITIES SEKm	Jun 30 2024		Dec 31 2023		Jun 30 2023	
	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
ISIN						
SE0013361664	299	300	-	-	-	-
<b>Total</b>	<b>299</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### Note 12. Capital adequacy

Norion Bank AB

SEKm	Jun 30 2024	
	Amount	Percentage of risk exposure amount
Common Equity Tier 1 capital requirement (Pillar 1)	2 275	4,5%
Other Common Equity Tier 1 capital requirement (Pillar 2)	383	0,8%
Buffer requirements	2 047	4,0%
<b>Total Common Equity Tier 1 (CET1) capital requirement</b>	<b>4 706</b>	<b>9,3%</b>
<b>Common Equity Tier 1 (CET1) capital</b>	<b>7 988</b>	<b>15,8%</b>
Tier 1 capital requirement (Pillar 1)	3 034	6,0%
Other tier 1 capital requirement (Pillar 2)	511	1,0%
Buffer requirements	2 047	4,0%
<b>Total Tier 1 capital requirement</b>	<b>5 592</b>	<b>11,1%</b>
<b>Tier 1 capital</b>	<b>7 988</b>	<b>15,8%</b>
Capital requirements (Pillar 1)	4 045	8,0%
Other capital requirement (Pillar 2)	681	1,3%
Buffer requirements	2 047	4,0%
<b>Total capital requirement</b>	<b>6 773</b>	<b>13,4%</b>
<b>Own funds</b>	<b>8 287</b>	<b>16,4%</b>

## NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Jun 30 2024	Dec 31 2023	Jun 30 2023
OWN FUNDS, SEKm			
Capital instruments and the related share premium accounts: Equity	149	149	149
Retained earnings	7 638	6 590	6 391
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	655	1 063	647
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>8 443</b>	<b>7 803</b>	<b>7 187</b>
Deduction:			
Additional value adjustments	-327	-241	-174
Intangible assets	-123	-104	-86
Deferred tax assets	-5	-4	-3
Application of the transitional rules IFRS9	-	-	-
<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>-455</b>	<b>-350</b>	<b>-263</b>
<b>Common Equity Tier 1 (CET1) capital</b>	<b>7 988</b>	<b>7 453</b>	<b>6 924</b>
Perpetual subordinated loan	-	500	500
<b>Additional Tier 1 instruments</b>	<b>-</b>	<b>500</b>	<b>500</b>
<b>Tier 1 capital</b>	<b>7 988</b>	<b>7 953</b>	<b>7 424</b>
Supplementary capital	299	-	-
<b>Tier 2 capital</b>	<b>299</b>	<b>-</b>	<b>-</b>
<b>Total own funds</b>	<b>8 287</b>	<b>7 953</b>	<b>7 424</b>

	Norion Bank AB		
	Jun 30 2024	Dec 31 2023	Jun 30 2023
RISK EXPOSURE AMOUNT, SEKm			
<b>Credit risks, using the standardized approach</b>			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	730	684	863
Funds units exposures	868	844	812
Corporate exposures	27 707	28 316	27 015
Retail exposures	9 050	8 780	8 009
Exposures with mortgage in residential property	10	13	15
Exposures in default	8 284	4 565	3 800
Items associated with particularly high risk	-	-	-
Exposures in the form of covered bonds	272	230	211
Other exposures	544	360	352
<b>Total</b>	<b>47 465</b>	<b>43 792</b>	<b>41 077</b>
Risk exposure amount credit valuation adjustment risk (CVA)	23	31	26
Risk exposure amount market risk	74	35	70
Risk exposure amount operational risk (Alternative Standardised Approach)	3 005	3 005	4 989
<b>Total risk exposure amount</b>	<b>50 566</b>	<b>46 862</b>	<b>46 162</b>

## NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Jun 30 2024	Dec 31 2023	Jun 30 2023
<b>CAPITAL REQUIREMENTS, SEKm</b>			
<b>Capital requirement for credit risk using the standardized approach</b>			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	58	55	69
Funds units exposures	69	67	65
Corporate exposures	2 217	2 265	2 161
Retail exposures	724	702	641
Exposures with mortgage in residential property	1	1	1
Exposures in default	663	365	304
Items associated with particularly high risk	-	-	-
Exposures in the form of covered bonds	22	18	17
Other exposures	44	29	28
<b>Total capital requirement for credit risk</b>	<b>3 797</b>	<b>3 503</b>	<b>3 286</b>
Risk exposure amount credit valuation adjustment risk (CVA)	2	2	2
Risk exposure amount market risk	6	3	6
Risk exposure amount operational risk (Alternative Standardised Approach)	240	240	399
<b>Total Pillar 1 capital requirement</b>	<b>4 045</b>	<b>3 749</b>	<b>3 693</b>
Concentration risk	337	306	287
Interest rate risk for the banking book	344	194	189
<b>Total Pillar 2 capital requirement</b>	<b>681</b>	<b>501</b>	<b>476</b>
Capital buffers			
Capital conservation buffer	1 264	1 172	1 154
Countercyclical capital buffer	783	742	720
<b>Total capital requirement - Capital buffers</b>	<b>2 047</b>	<b>1 913</b>	<b>1 874</b>
<b>Total capital requirement</b>	<b>6 773</b>	<b>6 163</b>	<b>6 043</b>

	Norion Bank AB		
	Jun 30 2024	Dec 31 2023	Jun 30 2023
<b>CAPITAL REQUIREMENT</b>			
<b>Capital ratios and capital buffers</b>			
CET1 ratio	15,8%	15,9%	15,0%
Tier 1 ratio	15,8%	17,0%	16,1%
Total capital ratio	16,4%	17,0%	16,1%
Institution specific buffert requirement	4,0%	4,1%	4,1%
of which capital conservation buffer	2,5%	2,5%	2,5%
of which countercyclical capital buffer	1,5%	1,6%	1,6%
CET1 available to meet buffers	7,4%	9,0%	8,1%

A review has been carried out of the earnings for January - June 2024, which allows net profit for the period to be included in own funds.



## NOTES

### Note 13. Financial instruments at fair value

The table below contains financial instruments measured at fair value by valuation level. To determine the fair value for financial instruments various methods are used, depending on the degree of observable market data in the valuation and activity in the market. The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

#### The methods are divided into three different levels:

##### Level 1: Quoted market values

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical asset- and liability instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

##### Level 2: Valuation techniques based on observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

##### Level 3 Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques.

#### Significant transfers and reclassifications between levels

Transfers between the different levels may take place where there are indications that market conditions have changed.

#### Group and Norion Bank AB

SEKm	Jun 30 2024			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	284	-	-	284
Bonds and other interest-bearing securities	3 947	-	-	3 947
Shares and participating interests	-	5	668	673
<b>Total financial assets</b>	<b>4 231</b>	<b>5</b>	<b>668</b>	<b>4 905</b>
<b>LIABILITIES</b>				
Derivative instruments	-	13	-	13
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>13</b>	<b>-</b>	<b>13</b>

SEKm	Dec 31 2023			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
Derivative instruments	-	47	-	47
Treasury bills and other bills eligible for refinancing with central banks, etc.	230	-	-	230
Bonds and other interest-bearing securities	3 210	-	-	3 210
Shares and participating interests	-	5	659	664
<b>Total financial assets</b>	<b>3 440</b>	<b>52</b>	<b>659</b>	<b>4 151</b>
<b>LIABILITIES</b>				
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## NOTES

Note 13. Financial instruments at fair value, cont.

SEKm	Jun 30 2023			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	269	-	-	269
Bonds and other interest-bearing securities	2 545	-	-	2 545
Shares and participating interests	-	5	635	640
<b>Total financial assets</b>	<b>2 814</b>	<b>5</b>	<b>635</b>	<b>3 454</b>
<b>LIABILITIES</b>				
Derivative instruments	-	35	-	35
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>35</b>

Group and Norion Bank AB

Changes in level 3	Jun 30 2024	Dec 31 2023	Jun 30 2023
	Assets Equity instruments	Assets Equity instruments	Assets Equity instruments
SEKm			
<b>Opening balance for the period</b>	<b>659</b>	<b>528</b>	<b>528</b>
Acquisition	-	157	100
Divestment	-	-	-
Changes in unrealised gains or losses for items held at closing day	10	-27	7
<b>Closing balance for the period</b>	<b>668</b>	<b>659</b>	<b>535</b>

Financial instruments in Level 3 refer to investments in funds. Norion Bank uses different measurement techniques depending on available data.

The investment portfolio is measured quarterly in accordance with IPEV guidelines and primarily following an external measurement where a transaction in the company has been made in the past 12 months with at least one external party. If such

measurement is not possible, or if there are objective reasons to do so, as a secondary option, an internal measurement is made based on assumed discounted cash flow.

Financial instruments are transferred to or from level 3 depending on whether the internal assumptions have changed in significance to the valuation. There were no transfers of financial instruments to or from level 3 during the period.

## NOTES

Note 13. Financial instruments at fair value, cont.

### Note 14. Financial assets and liabilities

Norion Bank has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual Report 2023.

Group and Norion Bank AB

	Jun 30 2024		Dec 31 2023		Jun 30 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Loans <sup>1)</sup>	50 947	50 947	48 673	48 673	46 101	46 101
Debt securities	6 274	6 278	4 304	4 304	3 835	3 834
Equity instruments	668	668	659	659	635	635
Derivatives	-	-	47	47	-	-
Other	129	129	5	5	127	127
<b>Financial assets</b>	<b>58 018</b>	<b>58 022</b>	<b>53 688</b>	<b>53 688</b>	<b>50 698</b>	<b>50 697</b>

Group and Norion Bank AB

	Jun 30 2024		Dec 31 2023		Jun 30 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Deposits	45 879	45 879	42 663	42 663	38 753	38 753
Debt securities issued	1 817	1 817	1 248	1 248	2 754	2 754
Derivatives	13	13	-	-	35	35
Subordinated liabilities	299	299				
Other	507	507	292	292	260	260
<b>Financial liabilities</b>	<b>48 515</b>	<b>48 515</b>	<b>44 203</b>	<b>44 203</b>	<b>41 802</b>	<b>41 802</b>

<sup>1)</sup> Loans includes Loans to credit institutions and Loans to the public.

### Note 15. Related parties

During the period normal business transactions were executed between companies in the Group and between other related parties.

## NOTES

### Note 16. Pledged assets, contingent liabilities and commitments

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#### PLEDGED ASSETS

Group and Norion Bank AB

	Jun 30 2024	Dec 31 2023	Jun 30 2023
SEKm			
For own liabilities and provisions	None	None	None
<b>Total</b>	<b>None</b>	<b>None</b>	<b>None</b>

#### CONTINGENT LIABILITIES

Group and Norion Bank AB

	Jun 30 2024	Dec 31 2023	Jun 30 2023
SEKm			
Contingent liabilities	None	None	None
<b>Total</b>	<b>None</b>	<b>None</b>	<b>None</b>

#### COMMITMENTS

Group and Norion Bank AB

	Jun 30 2024	Dec 31 2023	Jun 30 2023
SEKm			
Unutilized credit limits	5 797	4 685	5 789
Other commitments	162	158	168
<b>Total</b>	<b>5 958</b>	<b>4 843</b>	<b>5 957</b>

### Note 17. After the end of the period

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No significant events have occurred after the end of the period.

# Assurance by the Board of Directors and the CEO

The Board of Directors and the CEO hereby certify that the interim report provides a fair and accurate overview of the operations, position and results of the parent company and the Group and describes the significant risks and uncertainties faced by the parent company and the companies in the Group. This interim report has not been reviewed by the company's auditors.

Gothenburg, July 12, 2024

## Board of Directors & CEO

**Erik Selin**  
Chairman of the Board

**Charlotte Hybinette**  
Board member

**Marie Osberg**  
Board member

**Ulf Croona**  
Board member

**Arian Falck Raof**  
Board member

**Bengt Edholm**  
Board member

**Martin Nossman**  
CEO



# Forthcoming corporate events

Interim report January–September 2024 18 October 2024

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This is information that Norion Bank AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, on July 12, 2024 at 7.30 a.m. CET.