



# Interim report

## January–September 2024

### Third quarter of 2024 (compared to the third quarter of 2023)

- The loan portfolio amounted to SEK 48,460m (44,139)
- Total income amounted to SEK 895m (906)
- The C/I ratio amounted to 27.6% (24.5)
- The credit loss level amounted to 2.1% (2.6)
- Operating profit amounted to SEK 393m (405)
- Net profit amounted to SEK 309m (321) and earnings per share<sup>1)</sup> amounted to SEK 1.50 (1.49)
- Return on equity amounted to 14.4% (16.6)
- The CET1 ratio amounted to 16.1% (15.1) and the total capital ratio amounted to 16.7% (16.2)

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

- The loan portfolio amounted to SEK 48,460m (44,139)
- Total income amounted to SEK 2,774m (2,714)
- The C/I ratio amounted to 27.8% (25.1)
- The credit loss level amounted to 2.2% (2.5)
- Operating profit amounted to SEK 1,226m (1,223)
- Net profit amounted to SEK 964m (968) and earnings per share<sup>1)</sup> amounted to SEK 4.62 (4.50)
- Return on equity amounted to 15.3% (17.5)
- The CET1 ratio amounted to 16.1% (15.1) and the total capital ratio amounted to 16.7% (16.2)

### Significant events after the period

Norion Bank AB has entered into an agreement to acquire approximately 4 percent of the shares in Alektum Holding AB. The strategic investment is made in light of Alektum's agreement to acquire a majority stake in Rediem Capital AB, a credit market company focused on acquiring non-performing exposures.

<sup>1)</sup> See pages 4–5

# Norion Bank Group

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

48,460 +10%

Loan portfolio (SEKm)

895 -1%

Total income (SEKm)

27.6% +3.2

C/I ratio

percentage points

309 -4%

Net profit (SEKm)

14.4% -2.3

Return on equity

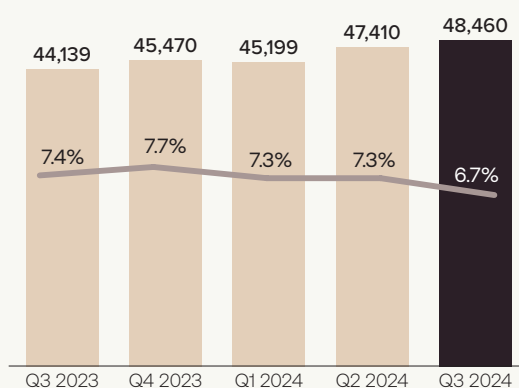
percentage points

16.1% +1.0

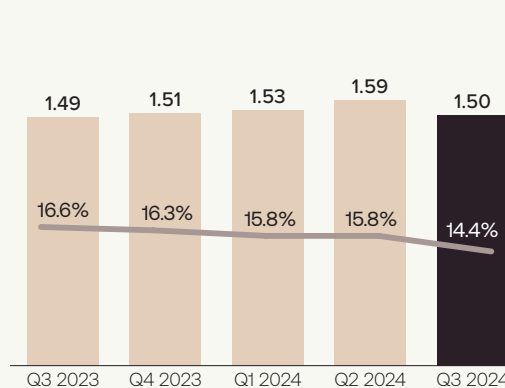
CET1 ratio

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	Q3 2024	Q2 2024	Δ	Q3 2023	Δ
<b>Income statement</b>					
Net interest income	805	844	-5%	792	2%
Total income	895	947	-6%	906	-1%
Net profit	309	326	-5%	321	-4%
Earnings per share before dilution, SEK	150	159	-5%	149	1%
Earnings per share after dilution, SEK	150	159	-5%	149	1%
<b>Balance sheet</b>					
Loans to the public	48,460	47,410	2%	44,139	10%
Deposits and borrowings from the public	45,753	45,879	0%	39,870	15%
Debt securities in issue	2,266	1,817	25%	1,865	22%
Subordinated liabilities	299	299	0%	-	-
Total equity (shareholders of Norion Bank AB)	8,751	8,443	4%	7,493	17%
<b>Key ratios<sup>1)</sup></b>					
Net interest margin (NIM) - Period <sup>2)</sup>	6.7%	7.3%		7.4%	
Net interest margin (NIM) - LTM <sup>2)</sup>	7.2%	7.4%		7.6%	
Credit loss level - Period <sup>2)</sup>	2.1%	2.3%		2.6%	
Credit loss level - LTM <sup>2)</sup>	2.3%	2.4%		2.5%	
C/I ratio - Period <sup>2)</sup>	276%	281%		245%	
C/I ratio - LTM <sup>2)</sup>	276%	26.9%		251%	
Return on equity (RoE) - Period <sup>2)</sup>	14.4%	15.8%		16.6%	
Return on equity (RoE) - LTM <sup>2)</sup>	15.5%	16.1%		18.3%	
CET1 ratio <sup>3)</sup>	16.1%	15.8%		15.1%	
Tier 1 ratio <sup>3)</sup>	16.1%	15.8%		16.2%	
Total capital ratio <sup>3)</sup>	16.7%	16.4%		16.2%	
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	389	379	3%	349	11%
<b>Adjusted key ratios<sup>1)</sup></b>					
Net interest margin (NIM) - Period <sup>2)</sup>	6.7%	7.3%		7.4%	
Net interest margin (NIM) - LTM <sup>2)</sup>	7.2%	7.4%		7.6%	
Credit loss level - Period <sup>2)</sup>	2.1%	2.3%		2.6%	
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<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-Sep 2024	Jan-Sep 2023	Δ	Full year 2023
<b>Income statement</b>				
Net interest income	2,481	2,427	2%	3,291
Total income	2,774	2,714	2%	3,648
Net profit	964	968	0%	1,294
Earnings per share before dilution, SEK	462	450	3%	6.02
Earnings per share after dilution, SEK	462	450	3%	6.02
<b>Balance sheet</b>				
Loans to the public	48,460	44,139	10%	45,470
Deposits and borrowings from the public	45,753	39,870	15%	42,663
Debt securities in issue	2,266	1,865	22%	1,248
Subordinated liabilities	299	-	-	-
Total equity (shareholders of Norion Bank AB)	8,751	7,493	17	7,803
<b>Key ratios<sup>1)</sup></b>				
Net interest margin (NIM) - Period <sup>2)</sup>	70%	76%		76%
Net interest margin (NIM) - LTM <sup>2)</sup>	72%	76%		76%
Credit loss level - Period <sup>2)</sup>	2.2%	2.5%		2.5%
Credit loss level - LTM <sup>2)</sup>	2.3%	2.5%		2.5%
C/I ratio - Period <sup>2)</sup>	27.8%	25.1%		25.6%
C/I ratio - LTM <sup>2)</sup>	27.6%	25.1%		25.6%
Return on equity (RoE) - Period <sup>2)</sup>	15.3%	17.5%		17.2%
Return on equity (RoE) - LTM <sup>2)</sup>	15.5%	18.3%		17.2%
CET1 ratio <sup>3)</sup>	16.1%	15.1%		15.9%
Tier 1 ratio <sup>3)</sup>	16.1%	16.2%		17.0%
Total capital ratio <sup>3)</sup>	16.7%	16.2%		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	377	339	11%	343
<b>Adjusted key ratios<sup>1)</sup></b>				
Net interest margin (NIM) - Period <sup>2)</sup>	70%	76%		76%
Net interest margin (NIM) - LTM <sup>2)</sup>	72%	76%		76%
Credit loss level - Period <sup>2)</sup>	2.2%	2.5%		2.5%
Credit loss level - LTM <sup>2)</sup>	2.3%	2.5%		2.5%
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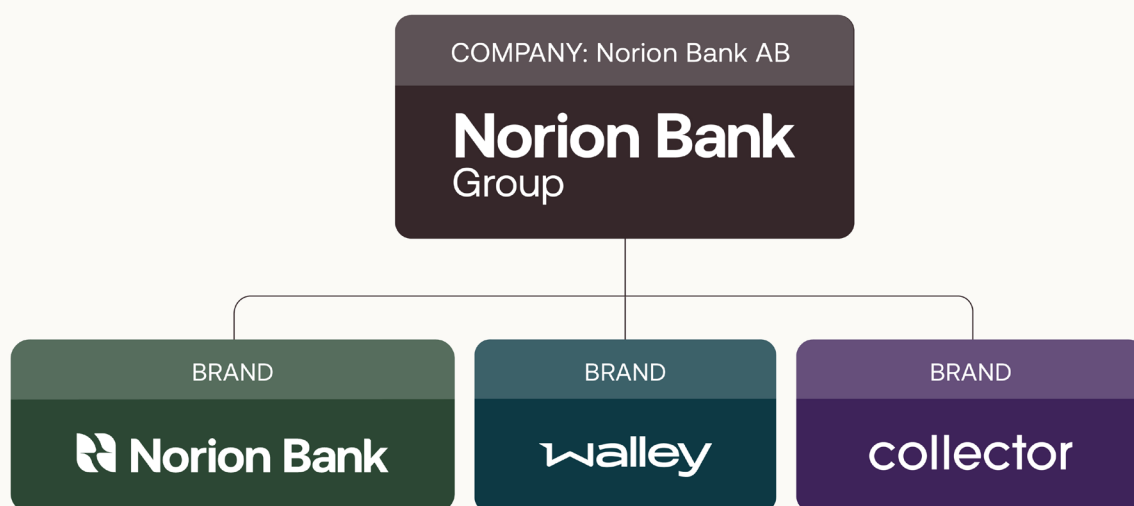
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# Norion Bank Group

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

## Continued interest rate cuts

Since spring, the Riksbank and the ECB have implemented several interest rate cuts. As a result, market interest rates have declined and if current inflation and economic outlooks persist, forecasts indicate further cuts this year. The reductions have provided more visibility and optimism, with the third quarter reflecting continued positive sentiment.

## Optimism among clients

We observe sustained, good interest and activity among both existing and new clients. The interest rate cuts have provided more clarity, which results in a more favorable climate for especially our Corporate and Real Estate clients. Despite the summer months being a seasonally quieter period, we note robust activity in both segments, especially during the last month of this quarter. However, net interest income continues to be negatively affected by high volumes in stage three, primarily related to the Real Estate segment. We maintain close dialogue with our clients and have a solid plan to help them catch up with their interest payments. Our positioning as a financing bank for medium-sized companies remains attractive and is one of the bank's core focus areas. We assess demand as strong in both the Corporate and Real Estate segments and the bank shows yet another stable result and continues to maintain a solid financial position.

The Consumer segment is also characterized by lower activity during the summer months but continues to develop in the right direction. Our private clients also benefit from a lower and more predictable interest rate environment. We continue to prioritize increased profitability over volume growth, although volume growth has been relatively strong the past year. The competitive landscape remains favorable, leading to more long-term commitments from our clients. We also note good growth despite a more conservative view on risk. Our payments business, Walley, has developed very well in terms of transaction volumes over the past year and during the third quarter. We keep developing partnerships with merchants and during the quarter we initiated a collaboration with XXL, the Nordic region's leading sports and outdoor retailer. We have also signed an agreement with Bokusgruppen, Sweden's leading bookstore chain.

## Strategic investment in Alektum


In the beginning of October, we announced that we have entered into an agreement to make a strategic investment in Alektum. The investment is made in light of Alektum's agreement to acquire a majority stake in Rediem Capital AB, a credit market company focused on acquiring NPL portfolios. The ambition for Rediem is to obtain the status of a so-called specialized debt restructurer by early 2025. The investment creates additional opportunities for collaborations regarding our NPL portfolios and can hopefully contribute to capital benefits in the future.

## Issuance of our first green bond

We are also pleased to successfully have issued our first green bond of SEK 700 million during the quarter. The purpose of the issuance is to finance green projects and activities, such as sustainable buildings with high energy efficiency, sustainable transportation and adaptation to a circular economy.

The issuance is a step in the right direction to continue strengthening the bank's competitiveness and acceleration towards further climate action. Focusing on financing solutions for medium-sized corporates, we aim to contribute to sustainable and long-term growth. Based on the above, Norion Bank is well-positioned to continue issuing green bonds and thereby also contribute to promote the UN's sustainable development goals.

**Martin Nossman**  
CEO



MARTIN NOSSMAN, CEO

“Sustained  
optimism driven  
by further 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 third quarter of 2024

Total income amounted to SEK 895 million (906) corresponding to a decrease of 1% compared to last year. Net interest income increased by 2% compared to the previous year and amounted to SEK 805 million (792). Net interest income has been negatively affected by high volumes in Stage 3, primarily within the Real Estate segment. The net interest margin amounted to 6.7% (7.4). Net commission income amounted to SEK 77 million (74) corresponding to an increase of 4%. Net gains and losses on financial items amounted to SEK 7 million (30). Other income amounted to SEK 5 million (10).

## Total income for the period January-September 2024

Total income amounted to SEK 2,774 million (2,714) during the period January-September 2024, corresponding to an increase of 2% compared to last year. Net interest income amounted to SEK 2,481 million (2,427) during the period January-September 2024, corresponding to an increase of 2%. Net interest income has been negatively affected by high volumes in Stage 3, primarily within the Real Estate segment. The net interest margin amounted to 7.0% (7.6) during the period January-September 2024. Net commission income amounted to SEK 242 million (222) during the period January-September 2024, corresponding to an increase of 9% compared to last year. Net gains and losses on financial items amounted to SEK 26 million (35). Other income amounted to SEK 25 million (30).

## Total expenses

Total expenses amounted to SEK 771 million (681) during the period January-September 2024, of which SEK 247 million (222) pertain to the third quarter of 2024. Total expenses are seasonally low during the third quarter. The C/I ratio for the period January-September 2024 amounted to 27.8% (25.1) and to 27.6% (24.5) in the third quarter of 2024. Norion Bank hence continues to prove solid cost control.

## Loan portfolio

The total loan portfolio amounted to SEK 48,460 million (44,139) by the end of the third quarter of 2024, corresponding to an increase of 10% compared to last year and an increase of 2% compared to the previous quarter. The Corporate loan portfolio has increased by 13% compared to the previous year and increased by 7% compared to the previous quarter. The Real Estate loan portfolio has increased by 10% compared to the previous year and is unchanged compared to the previous quarter. The Consumer loan portfolio has increased by 11% compared to the previous year and increased by 2% compared to the previous quarter. The Payments loan portfolio has increased by 4% compared to the previous year and increased by 1% compared to the previous quarter. Out of the total loan portfolio, Corporate amounted to 22% (22), Real Estate amounted to 46% (47), 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-September 2024 amounted to 2.2% (2.5) and to 2.1% (2.6) in the third quarter of 2024.

## Operating profit, net profit, EPS and RoE

Operating profit amounted to SEK 1,226 million (1,223) during the period January-September 2024 and to SEK 393 million (405) in the third quarter of 2024. Net profit amounted to SEK 964 million (968) during the period January-September 2024 and to SEK 309 million (321) in the third quarter of 2024. Earnings per share amounted to SEK 4.62 (4.50) during the period January-September 2024 and to SEK 1.50 (1.49) in the third quarter of 2024. Return on equity amounted to 15.3% (17.5) during the period January-September 2024 and to 14.4% (16.6) in the third 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, second or third 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 9,659 million (6,260) as of 30 September 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 6,062 million (4,067) as of 30 September 2024. Other liquid assets mainly consist of deposit accounts with Nordic banks and amounted to SEK 3,597 million (2,193) as of 30 September 2024.

As of 30 September 2024 Norion Bank's liquidity coverage ratio (LCR) amounted to 397% (409) and net stable funding ratio (NSFR) to 141% (135). On 30 September 2024 the Swedish Financial Supervisory Authority presented a legal position regarding handling of deposits through digital platforms. If the updated legal position had been applied, LCR would have amounted to 204% (250) and NSFR to 103% (99) as of 30 September 2024.

## Funding

Deposits and borrowings from the public amounted to approximately 77% (77) of Norion Bank's balance sheet, which by the end of the period amounted to SEK 45,753 million (39,870). This is the primary source of funding for the Group. Senior unsecured bonds issued amounted to SEK 2,247 million (1,816). Commercial papers issued amounted to SEK 20 million (49).

During the quarter, Norion Bank AB issued a green, senior unsecured bond of SEK 700 million. The bond has a maturity of 2 years and was the first bond under Norion Bank's green framework. As of September 30, the register of green assets amounted to SEK 5.4 billion.

## 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 51,374 million (47,478). As of 30 September 2024, the CET1 ratio amounted to 16.1% (15.1), the Tier 1 ratio to 16.1% (16.2) and the total capital ratio to 16.7% (16.2).

## The macroeconomic environment

Central banks around the world carried out policy rate increases continuously during 2022 and 2023 to curb high inflation and macroeconomic forecasts were consequently revised down. During 2024, the Riksbank and the ECB started to cut policy rates. As a result, market interest rates have declined and the market now seem to expect a more stabilized interest rate path. If the current inflation and economic outlooks persist, forecasts indicate further cuts this year.

# Continued good sentiment

The loan portfolio of the Corporate segment amounted to SEK 10,738 million (9,544), corresponding to an increase of 13% over the previous year and an increase of 7% over the previous quarter. The Corporate segment accounted for 22% (22) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 196 million (217) during the quarter and to SEK 550 million (599) during the period January-September 2024. The net interest margin (NIM) amounted to 7.3% compared to 8.0% in the same quarter last year and 7.6% in the previous quarter. The NIM amounted to 6.8% (7.7) during the period January-September 2024. The total income margin amounted to 7.6% compared to 9.1% in the same quarter last year and 8.0% in the previous quarter. The total income margin amounted to 7.2% (7.9) during the period January-September 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.

The engagement levels among existing and potential clients have been well maintained over a longer period of time and also during the third quarter. Lower market interest rates, due to policy rate cuts during the year, have contributed to expectations of more stabilized interest rates and to an increasingly positive sentiment among clients. Due to lower activity during the summer months, the third quarter is seasonally quieter. Continued good interest combined with lower market interest rates has nevertheless resulted in stronger activity towards the end of the quarter. The 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.



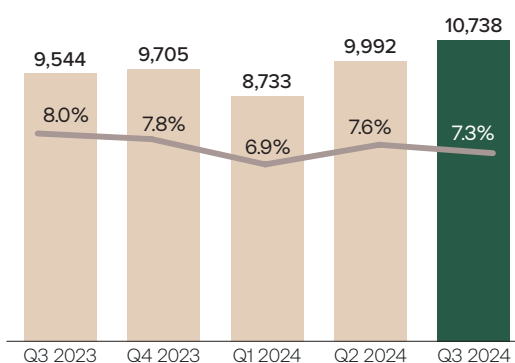
Loan portfolio



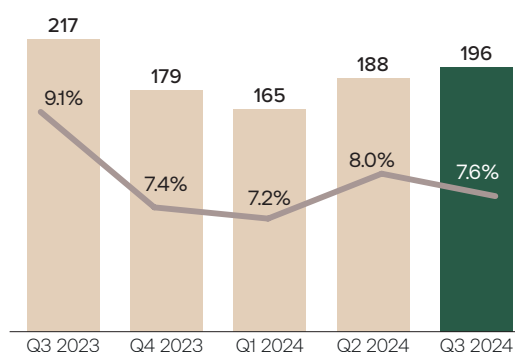
Photo: Anna Roström

# THE CORPORATE SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split <sup>1)</sup>



- Sweden, 41%
- Norway, 22%
- Finland, 19%
- Other, 19%

Industry split <sup>1)</sup>



- Wholesale & Retail, 21%
- Manufacturing, 20%
- Financial services & Investment companies, 18%
- Business services, 17%
- Construction, 6%
- Other, 19%

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

**15**  
Average remaining maturity (months) <sup>2)</sup>

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

# Lower market rates and increased stability

The loan portfolio of the Real Estate segment amounted to SEK 22,495 million (20,528), corresponding to an increase of 10% over the previous year and is unchanged over the previous quarter. The Real Estate segment accounted for 46% (47) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 263 million (262) during the quarter and to SEK 873 million (912) during the period January-September 2024. Net interest income was negatively affected by high volumes in Stage 3. The net interest margin (NIM) amounted to 4.7% compared to 5.6% in the same quarter last year and 4.7% in the previous quarter. The NIM amounted to 5.2% (6.4) during the period January-September 2024. The total income margin amounted to 4.7% compared to 5.3% in the same quarter last year and 4.8% in the previous quarter. The total income margin amounted to 5.3% (6.4) during the period January-September 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 been well maintained during the third quarter. Lower market interest rates, due to policy rate cuts during the year, have contributed to expectations of more stabilized interest rates and to an increasingly positive market sentiment among clients – especially within the Real Estate segment. The Real Estate segment is also characterized by a seasonally quieter quarter. However, there was better activity towards the end of the quarter. Norion Bank has continued to apply a more selective approach with regards to completed transactions. The majority of the Real Estate portfolio still constitutes of senior loans, which amounted to 61% (59) 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.



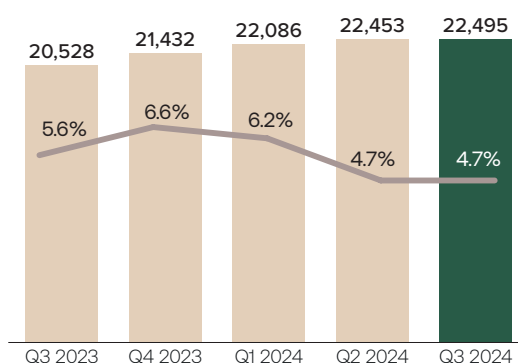
Loan portfolio



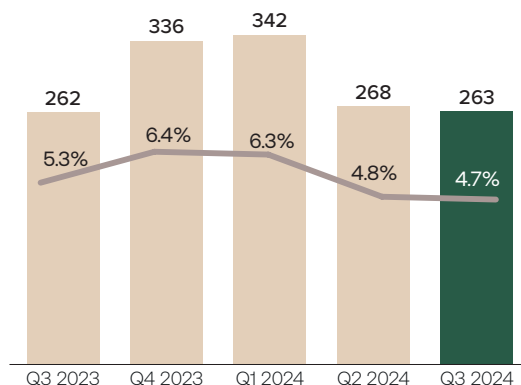
Photo: Anna Roström

## THE REAL ESTATE SEGMENT

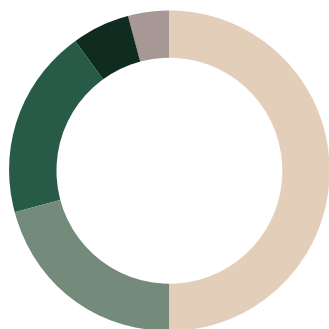
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

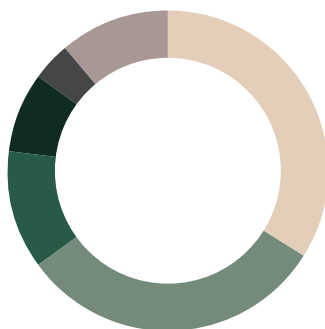


Geographic split <sup>1)</sup>



- Sweden, 50%
- Finland, 21%
- Germany, 19%
- Denmark, 6%
- Other, 4%

Industry split <sup>1)</sup>



- Residential, 34%
- Office, 31%
- Retail, 12%
- Hotels, 8%
- Warehouse, 4%
- Other, 11%

125 SEKm  
Average loan in the portfolio

15  
Average remaining maturity  
(months)

Share of senior loans ▶ 61%

Share of junior loans ▶ 39%

Average LTV – senior loans ▶ 57%

Average LTV – junior loans ▶ 75%

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



# Stable quarter in a favorable market

The loan portfolio of the Consumer segment amounted to SEK 11,996 million (10,838), corresponding to an increase of 11% over the previous year and an increase of 2% 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 226 million (204) during the quarter and to SEK 691 million (647) during the period January–September 2024. The net interest margin (NIM) amounted to 7.2% compared to 7.1% in the same quarter last year and 8.4% in the previous quarter. The NIM amounted to 7.5% (7.6) during the period January–September 2024. The total income margin amounted to 7.6% compared to 7.7% in the same quarter last year and 9.0% in the previous quarter. The total income margin amounted to 8.0% (8.1) during the period January–September 2024.

Loan book volumes have been declining in recent years given Norion Bank's focus on increasing risk adjusted profitability. However, volume growth has been stronger in the past year following an increase in new sales combined with a lower level of early redemptions. The Consumer segment is also characterized by a somewhat quieter market over the summer months. A continued less competitive market results in growth for the segment and clients tend to have a more long-term commitment. The business's focus on improving credit quality in new sales and increasing the share of new sales in its own channel continues to yield good results. Increased profitability and sound and sustainable lending remain prioritized areas.

## collector

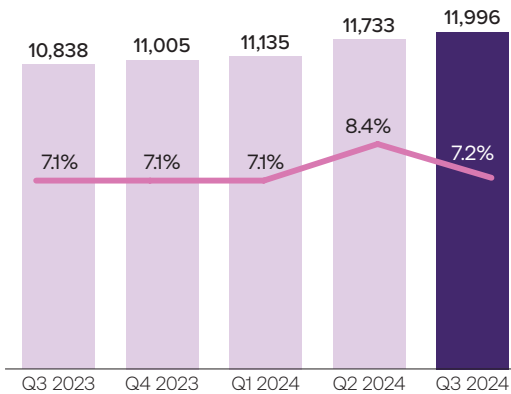
### Consumer

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.

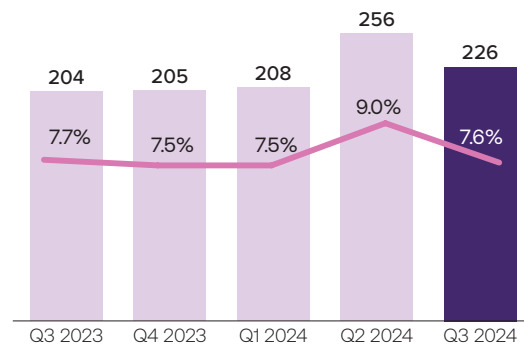


# THE CONSUMER SEGMENT

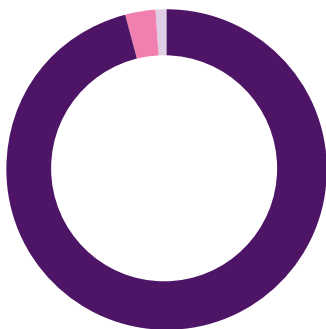
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split <sup>1)</sup>



- Sweden, 97%
- Finland, 3%
- Norway, 1%

Average customer

Personal loans



Personal loans

**181,000**

Average loan new sales  
(SEK, LTM)

**171,000**

Average loan in the portfolio (SEK)

**~45%**

Sales through own channels

**54,000**

Customers

Credit cards

**24,000**

Cards outstanding

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

# Increased transaction volumes and attractive partnerships

The loan portfolio of the Payments segment amounted to SEK 2,744 million (2,640), corresponding to an increase of 4% 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 121 million (129) during the quarter and to SEK 383 million (351) during the period January-September 2024. The net interest margin (NIM) amounted to 8.1% compared to 8.3% in the same quarter last year and 9.0% in the previous quarter. The NIM amounted to 8.0% (7.8) during the period January-September 2024. The total income margin amounted to 17.8% compared to 19.8% in the same quarter last year and 19.8% in the previous quarter. The total income margin amounted to 18.5% (18.3) during the period January-September 2024.

Transaction volumes amounted to SEK 4,408 million (3,514) during the third quarter of 2024, which corresponds to an increase of 25% compared to the same quarter last year. Transaction volumes amounted to SEK 12,010 million (10,291) during the period January-September 2024, which corresponds to an increase of 17% compared to the same period last year. The partnerships with both new and existing merchants continue to develop well. After the end of the previous quarter, a cooperation with XXL, the Nordic region's leading retailer of sporting and outdoor goods, was launched and has showed a good start. An agreement has also been signed with Bokusgruppen, Sweden's leading bookstore operator. Profitable growth, combined with satisfied merchants and customers, remain primary focus for the Payments business.

**walley**

## Payments

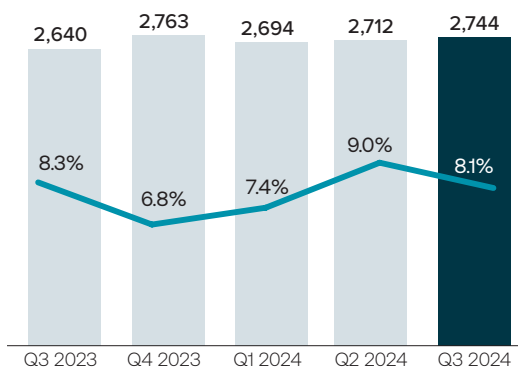
Walley offers payment and checkout solutions to e-commerce and retail chains, primarily in Sweden, Finland and Norway, as well as invoicing and payment by instalment services for private individuals. Walley offers specialized solutions focusing on the merchant's strategy and brand, primarily targeting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



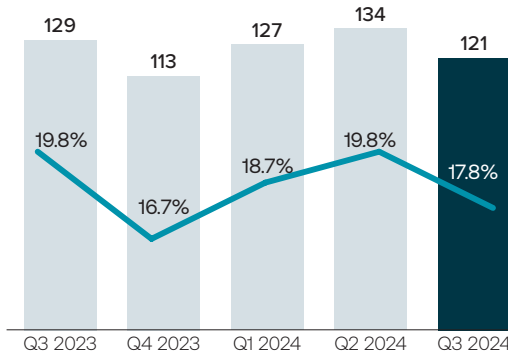
Loan portfolio

# THE PAYMENTS SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

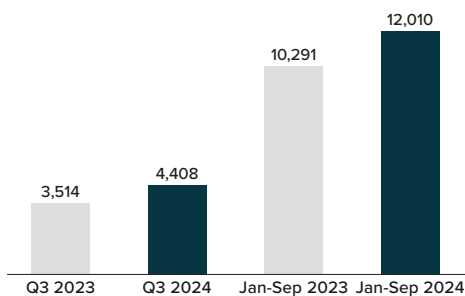


Geographic split <sup>1)</sup>



- Sweden, 50%
- Finland, 36%
- Norway, 14%
- Denmark, 1%

Transaction volumes (SEKm)



**Q3 2024**  
(Q3 2023) **+25%**  
% change

**Jan-Sep 2024**  
(Jan-Sep 2023) **+17%**  
% change

**5.1M**  
Active customers  
(LTM)

**1,100**  
Average ticket size (SEK)

<sup>1)</sup> Based on the Payments loan portfolio as of 30 September 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 389, 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 30 September 2024, the closing price for the Norion Bank share was SEK 41.45, corresponding to a market capitalization of SEK 8.5 billion. There were approximately 9,300 shareholders at the end of the period.

## Share capital

As of 30 September 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 September 2024	%
Fastighets AB Balder	44.1%
Erik Selin <sup>1</sup>	19.4%
Provobis Holding AB	6.9%
State Street Bank and Trust Company	5.2%
Helichrysum Gruppen AB	2.9%
JME Invest AB	2.0%
Nordnet Pensionsförsäkring	1.9%
Brunnudden Kapital AS	1.4%
Vante AB	1.4%
JP Morgan Chase Bank	1.2%
Other shareholders	13.6%
<b>Total</b>	<b>100.0%</b>

## Presentation for investors and analysts

A conference call will be held on 18 October 2024 at 09:00 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-q3-report-2024>. For those who wish to participate in the conference call, please register on the following link: <https://conference.financialhearings.com/teleconference/?id=50048566>. 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

Norion Bank AB has entered into an agreement to acquire approximately 4 percent of the shares in Alektum Holding AB. The strategic investment is made in the light of Alektum's agreement to acquire a majority stake in Rediem Capital AB, a credit market company focused on acquiring non-performing exposures.

# 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	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Interest income <sup>1)</sup>		1 304	1 328	1 162	3 930	3 327	4 609
Interest expense <sup>2)</sup>		-499	-484	-369	-1 448	-900	-1 318
<b>Net interest income</b>	4	<b>805</b>	<b>844</b>	<b>792</b>	<b>2 481</b>	<b>2 427</b>	<b>3 291</b>
Commission income		91	95	85	280	254	339
Commission expense		-14	-11	-11	-38	-32	-44
<b>Net commission income</b>		<b>77</b>	<b>84</b>	<b>74</b>	<b>242</b>	<b>222</b>	<b>295</b>
Net gains and losses on financial items		7	15	30	26	35	24
Other income <sup>3)</sup>		5	5	10	25	30	38
<b>Total income</b>		<b>895</b>	<b>947</b>	<b>906</b>	<b>2 774</b>	<b>2 714</b>	<b>3 648</b>
Personnel expenses	5	-94	-108	-79	-305	-262	-357
Other expenses	6	-137	-142	-126	-416	-369	-509
Depreciation/amortization and impairment of tangible and intangible assets		-16	-17	-17	-50	-50	-67
<b>Total expenses</b>		<b>-247</b>	<b>-266</b>	<b>-222</b>	<b>-771</b>	<b>-681</b>	<b>-934</b>
<b>Profit before credit losses</b>		<b>648</b>	<b>681</b>	<b>684</b>	<b>2 003</b>	<b>2 033</b>	<b>2 714</b>
Credit losses, net	7	-254	-265	-280	-777	-810	-1 078
<b>Operating profit</b>		<b>393</b>	<b>416</b>	<b>405</b>	<b>1 226</b>	<b>1 223</b>	<b>1 636</b>
Tax expense		-85	-89	-84	-262	-255	-342
<b>Net profit for the period</b>		<b>309</b>	<b>326</b>	<b>321</b>	<b>964</b>	<b>968</b>	<b>1 294</b>
<b>Portion of net profit for the period attributable to:</b>							
shareholders of Norion Bank AB		309	326	305	949	925	1 236
additional Tier 1 capital holders		-	-	15	15	43	58
Earnings per share, before dilution, SEK		1,50	1,59	1,49	4,62	4,50	6,02
Earnings per share, after dilution, SEK		1,50	1,59	1,49	4,62	4,50	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	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
<b>Net profit for the period reported via income statement</b>		309	326	321	964	968	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	0	0	-2	-2	-3
<b>Other comprehensive income for the period, net of tax</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-2</b>	<b>-3</b>
<b>Total comprehensive income for the period</b>		<b>308</b>	<b>326</b>	<b>321</b>	<b>962</b>	<b>965</b>	<b>1 291</b>
<b>Portion of total comprehensive income for the period attributable to:</b>							
shareholders of Norion Bank AB		308	326	305	948	923	1 233
additional Tier 1 capital holders		-	-	15	15	43	58

# Balance sheet

Group

Group	Note	Sep 30 2024	Dec 31 2023	Sep 30 2023
SEKm				
<b>ASSETS</b>				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	1 227	346	557
Loans to credit institutions		3 597	3 203	2 193
Loans to the public	8, 9	48 460	45 470	44 139
Bonds and other interest-bearing securities	13	4 834	3 958	3 510
Shares and participating interests	13	683	664	634
Intangible assets		132	104	89
Tangible assets		81	109	117
Derivatives	13	26	47	9
Other assets		80	42	52
Prepaid expenses and accrued income		133	112	253
<b>TOTAL ASSETS</b>		<b>59 253</b>	<b>54 056</b>	<b>51 553</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits and borrowings from the public	10	45 753	42 663	39 870
Debt securities in issue	11	2 266	1 248	1 865
Derivatives	13	-	-	-
Other liabilities		694	799	726
Accrued expenses and prepaid income		1 490	1 042	1 099
Subordinated liabilities	11	299	-	-
<b>Total liabilities</b>		<b>50 502</b>	<b>45 753</b>	<b>43 560</b>
Equity attributable to additional Tier 1 capital holders		-	500	500
Equity attributable to the shareholders of Norion Bank AB		8 751	7 803	7 493
<b>Total equity</b>		<b>8 751</b>	<b>8 303</b>	<b>7 993</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>59 253</b>	<b>54 056</b>	<b>51 553</b>

# Statement of changes in equity

Group

Jan - Sep 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				949	949	15	964
Other comprehensive income for the period			-2		-2		-2
<b>Total comprehensive income for the period</b>			<b>-2</b>	<b>949</b>	<b>948</b>	<b>15</b>	<b>962</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 September 2024</b>	<b>149</b>	<b>5</b>	<b>-7</b>	<b>8 603</b>	<b>8 751</b>	<b>-</b>	<b>8 751</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 - Sep 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				925	925	43	968
Other comprehensive income for the period			-2		-2		-2
<b>Total comprehensive income for the period</b>			<b>-2</b>	<b>925</b>	<b>923</b>	<b>43</b>	<b>965</b>
<b>Transactions reported directly in equity</b>							
Additional Tier 1 instruments redeemed						-43	-43
<b>Total transactions reported directly in equity</b>						<b>-43</b>	<b>-43</b>
<b>Closing balance 30 September 2023</b>	<b>149</b>	<b>5</b>	<b>-5</b>	<b>7 343</b>	<b>7 493</b>	<b>500</b>	<b>7 993</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-Sep 2024	Full year 2023	Jan-Sep 2023
<b>Operating activities</b>			
Operating profit	1 226	1 636	1 223
Adjustments for non-cash items in operating activities	1 057	1 372	1 070
Income taxes paid	-310	-272	-228
Increase/decrease in assets and liabilities from operating activities	-2 338	-374	-1 309
<b>Cash flow from operating activities</b>	<b>-365</b>	<b>2 362</b>	<b>756</b>
<b>Investing activities</b>			
Acquisitions/disposals of tangible assets	-1	-1	-1
Acquisitions/disposals of intangible assets	-55	-57	-33
<b>Cash flow from investing activities</b>	<b>-56</b>	<b>-58</b>	<b>-34</b>
<b>Financing activities</b>			
Decrease of liabilities	-22	-33	-24
Additional Tier 1 instruments	-515	-58	-43
Redemption of interest-bearing securities	-570	-2 297	-1 600
Issuance of interest-bearing securities	1 886	247	49
<b>Cash flow from financing activities</b>	<b>779</b>	<b>-2 141</b>	<b>-1 618</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	358	163	-896
Exchange rate differences in cash and cash equivalents	36	-10	39
<b>Cash and cash equivalents at the end of the period</b>	<b>3 597</b>	<b>3 203</b>	<b>2 193</b>
<b>Paid and received interest of which is included in the cash flow from operating activities</b>			
Interest paid	2 298	1 134	658
Interest received	3 913	4 581	3 284

# Income statement

Norion Bank AB

SEKm	Note	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Interest income <sup>1)</sup>		1 304	1 328	1 162	3 930	3 327	4 609
Interest expense <sup>2)</sup>		-499	-484	-369	-1 448	-900	-1 318
<b>Net interest income</b>	4	<b>805</b>	<b>844</b>	<b>792</b>	<b>2 481</b>	<b>2 427</b>	<b>3 291</b>
Commission income		91	95	85	280	254	339
Commission expense		-14	-11	-11	-38	-32	-44
<b>Net commission income</b>		<b>77</b>	<b>84</b>	<b>74</b>	<b>242</b>	<b>222</b>	<b>295</b>
Net gains and losses on financial items		7	15	30	26	35	24
Other income		5	5	10	25	30	38
<b>Total income</b>		<b>895</b>	<b>947</b>	<b>906</b>	<b>2 774</b>	<b>2 714</b>	<b>3 648</b>
Personnel expenses	5	-94	-108	-79	-305	-262	-357
Other expenses	6	-137	-142	-126	-416	-369	-509
Depreciation/amortization and impairment of tangible and intangible assets		-16	-17	-17	-50	-50	-67
<b>Total expenses</b>		<b>-247</b>	<b>-266</b>	<b>-222</b>	<b>-771</b>	<b>-681</b>	<b>-934</b>
<b>Profit before credit losses</b>		<b>648</b>	<b>681</b>	<b>684</b>	<b>2 003</b>	<b>2 033</b>	<b>2 714</b>
Credit losses, net	7	-254	-265	-280	-777	-810	-1 078
<b>Operating profit</b>		<b>393</b>	<b>416</b>	<b>405</b>	<b>1 226</b>	<b>1 223</b>	<b>1 636</b>
Appropriations		-	-	-	-	0	-288
Tax expense		-85	-89	-84	-262	-255	-285
<b>Net profit for the period</b>		<b>309</b>	<b>326</b>	<b>321</b>	<b>964</b>	<b>968</b>	<b>1 063</b>
<b>Portion of net profit for the period attributable to:</b>							
shareholders of Norion Bank AB		309	326	305	949	925	1 005
additional Tier 1 capital holders		-	-	15	15	43	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	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
<b>Net profit for the period reported via income statement</b>		309	326	321	964	968	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	0	0	-2	-2	-3
<b>Other comprehensive income for the period, net of tax</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>-2</b>	<b>-2</b>	<b>-3</b>
<b>Total comprehensive income for the period</b>		<b>308</b>	<b>326</b>	<b>321</b>	<b>962</b>	<b>965</b>	<b>1 060</b>
<b>Portion of total comprehensive income for the period attributable to:</b>							
shareholders of Norion Bank AB		308	362	305	948	923	1 002
additional Tier 1 capital holders		-	-	15	15	43	58



# Balance sheet

Norion Bank AB

SEKm	Note	Sep 30 2024	Dec 31 2023	Sep 30 2023
<b>ASSETS</b>				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	1 227	346	557
Loans to credit institutions		3 597	3 203	2 193
Loans to the public	8,9	48 460	45 470	44 139
Bonds and other interest-bearing securities	13	4 834	3 958	3 510
Shares and participating interests	13	683	664	634
Shares and participating interests in group entities		0	0	0
Intangible assets		132	104	89
Tangible assets		81	109	117
Derivatives	13	26	47	9
Other assets		80	42	52
Prepaid expenses and accrued income		133	112	253
<b>TOTAL ASSETS</b>		<b>59 253</b>	<b>54 056</b>	<b>51 553</b>
<b>LIABILITIES AND EQUITY</b>				
Deposits and borrowings from the public	10	45 753	42 663	39 870
Debt securities in issue	11	2 266	1 248	1 865
Derivatives	13	-	-	-
Other liabilities		419	524	508
Accrued expenses and prepaid income		1 490	1 042	1 099
Subordinated liabilities	11	299	-	-
<b>Total liabilities</b>		<b>50 228</b>	<b>45 478</b>	<b>43 343</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		7 705	6 757	6 678
<b>Total equity</b>		<b>7 705</b>	<b>7 257</b>	<b>7 178</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>59 253</b>	<b>54 056</b>	<b>51 553</b>

# Statement of changes in equity

Norion Bank AB

Jan - Sep 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			23		-23	-
Redemption Tier 1 instruments				-500		-500
Cost additional Tier 1 instruments					-15	-15
Profit for the period					964	964
Other comprehensive income for the period		-2				-2
<b>Closing balance 30 September 2024</b>	<b>149</b>	<b>2</b>	<b>125</b>	<b>-</b>	<b>7 429</b>	<b>7 705</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 - Sep 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			8		-8	-
Cost additional Tier 1 instruments					-43	-43
Profit for the period					968	968
Other comprehensive income for the period		-2				-2
<b>Closing balance 30 September 2023</b>	<b>149</b>	<b>4</b>	<b>86</b>	<b>500</b>	<b>6 438</b>	<b>7 178</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-Sep 2024	Full year 2023	Jan-Sep 2023
<b>Operating activities</b>			
Operating profit	1 226	1 636	1 223
Adjustments for non-cash items in operating activities	1 057	1 372	1 070
Income taxes paid	-310	-272	-228
Increase/decrease in assets and liabilities from operating activities	-2 338	-374	-1 309
<b>Cash flow from operating activities</b>	<b>-365</b>	<b>2 362</b>	<b>756</b>
<b>Investing activities</b>			
Acquisitions/disposals of tangible assets	-1	-1	-1
Acquisitions/disposals of intangible assets	-55	-57	-33
<b>Cash flow from investing activities</b>	<b>-56</b>	<b>-58</b>	<b>-34</b>
<b>Financing activities</b>			
Decrease of liabilities	-22	-33	-24
Additional Tier 1 instruments	-515	-58	-43
Redemption of interest-bearing securities	-570	-2 297	-1 600
Issuance of interest-bearing securities	1 886	247	49
Group contributions paid/received	-	0	0
<b>Cash flow from financing activities</b>	<b>779</b>	<b>-2 141</b>	<b>-1 618</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	358	163	-896
Exchange rate differences in cash and cash equivalents	36	-10	39
<b>Cash and cash equivalents at the end of the period</b>	<b>3 597</b>	<b>3 203</b>	<b>2 193</b>
<b>Paid and received interest of which is included in the cash flow from operating activities</b>			
Interest paid	2 298	1 134	658
Interest received	3 913	4 581	3 284

# 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 2-24 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	Q3 2024					
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	Total
Net interest income	188	263	214	55	85	805
Net commission income	2	-	13	63	0	77
Net gains and losses on financial items	6	0	0	-1	2	7
Other income	0	0	0	4	1	5
<b>Total income</b>	<b>196</b>	<b>263</b>	<b>226</b>	<b>121</b>	<b>87</b>	<b>895</b>
Credit losses, net	-32	-19	-174	-16	-12	-254
Net interest margin (NIM)	7,3%	4,7%	7,2%	8,1%	-	6,7%
Total income margin	7,6%	4,7%	7,6%	17,8%	-	7,5%
Loans to the public	10 738	22 495	11 996	2 744	488	48 460

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

## NOTES

Note 3. Operating segments, cont.

### Group and Norion Bank AB

SEKm	Q2 2024					Total
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
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>
Credit losses, net	-15	-141	-89	-20	0	-265
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.

### Group and Norion Bank AB

SEKm	Q3 2023					Total
	Corporate	Real estate	Consumer	Payments	Other <sup>1)</sup>	
Net interest income	191	278	188	54	82	792
Net commission income	5	-	13	56	0	74
Net gains and losses on financial items	21	-15	3	9	11	30
Other income	0	0	0	10	0	10
<b>Total income</b>	<b>217</b>	<b>262</b>	<b>204</b>	<b>129</b>	<b>94</b>	<b>906</b>
Credit losses, net	20	-69	-210	-20	-	-280
Net interest margin (NIM)	8,0%	5,6%	7,1%	8,3%	-	7,4%
Total income margin	9,1%	5,3%	7,7%	19,8%	-	8,4%
Loans to the public	9 544	20 528	10 838	2 640	590	44 139

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

## NOTES

Note 3. Operating segments, cont.

### Group and Norion Bank AB

SEKm	Jan - Sep 2024					
	Corporate	Real estate	Consumer	Payments	Other <sup>9)</sup>	Total
Net interest income	524	864	651	166	276	2 481
Net commission income	7	2	40	193	0	242
Net gains and losses on financial items	18	8	0	-1	2	26
Other income	0	0	0	24	0	25
<b>Total income</b>	<b>550</b>	<b>873</b>	<b>691</b>	<b>383</b>	<b>278</b>	<b>2 774</b>
Credit losses, net	-105	-210	-397	-51	-12	-777
Net interest margin (NIM)	6,8%	5,2%	7,5%	8,0%	-	7,0%
Total income margin	7,2%	5,3%	8,0%	18,5%	-	7,9%
Loans to the public	10 738	22 495	11 996	2 744	488	48 460

### Group and Norion Bank AB

SEKm	Jan - Sep 2023					
	Corporate	Real estate	Consumer	Payments	Other <sup>9)</sup>	Total
Net interest income	579	914	602	151	182	2 427
Net commission income	12	-	43	167	0	222
Net gains and losses on financial items	7	-2	2	5	23	35
Other income	1	0	0	29	0	30
<b>Total income</b>	<b>599</b>	<b>912</b>	<b>647</b>	<b>351</b>	<b>206</b>	<b>2 714</b>
Credit losses, net	-100	-143	-510	-56	0	-810
Net interest margin (NIM)	7,7%	6,4%	7,6%	7,8%	-	7,6%
Total income margin	7,9%	6,4%	8,1%	18,3%	-	8,5%
Loans to the public	9 544	20 528	10 838	2 640	590	44 139

## NOTES

Note 3. Operating segments, cont.

### Group and Norion Bank AB

SEKm	Full year 2023					Total
	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>
Credit losses, net	-55	-238	-722	-62	0	-1 078
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

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

## Note 4. Net interest income

### Group and Norion Bank AB

SEKm	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
Loans to the public <sup>1)</sup>	1 209	1 227	1 089	3 638	3 182	4 393
Interest-bearing securities	52	58	38	150	94	138
Loans to credit institutions	43	43	34	142	51	78
<b>Total interest income</b>	<b>1 304</b>	<b>1 328</b>	<b>1 162</b>	<b>3 930</b>	<b>3 327</b>	<b>4 609</b>
Deposits and borrowings from the public	-463	-459	-335	-1 369	-794	-1 188
Subordinated liabilities	-36	-25	-34	-79	-105	-129
Debt securities in issue	0	0	0	-1	-1	-1
<b>Total interest expense</b>	<b>-499</b>	<b>-484</b>	<b>-369</b>	<b>-1 448</b>	<b>-900</b>	<b>-1 318</b>
<b>Net interest income</b>	<b>805</b>	<b>844</b>	<b>792</b>	<b>2 481</b>	<b>2 427</b>	<b>3 291</b>

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



## NOTES

### Note 5. Personnel expenses

Group and Norion Bank AB

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
SEKm						
Salaries and other remuneration	-60	-74	-51	-202	-177	-240
Pension costs	-22	-24	-18	-70	-59	-82
Social security costs	-11	-8	-8	-27	-23	-31
Other staff related costs	-1	-2	-1	-7	-3	-4
<b>Total personnel expenses</b>	<b>-94</b>	<b>-108</b>	<b>-79</b>	<b>-305</b>	<b>-262</b>	<b>-357</b>

### Note 6. Other expenses

Group and Norion Bank AB

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
SEKm						
Consultancy expenses	-41	-42	-40	-126	-130	-174
IT expenses	-29	-27	-22	-82	-62	-87
Other purchased services	-35	-35	-33	-103	-87	-125
Postage expenses	-7	-7	-7	-22	-26	-33
Other operating expenses	-26	-31	-24	-84	-64	-90
<b>Total other expenses</b>	<b>-137</b>	<b>-142</b>	<b>-126</b>	<b>-416</b>	<b>-369</b>	<b>-509</b>

### Note 7. Credit losses, net

Group and Norion Bank AB

	Q3 2024	Q2 2024	Q3 2023	Jan-Sep 2024	Jan-Sep 2023	Full year 2023
SEKm						
<b>Loans at amortized cost</b>						
Credit impairment provisions - Stage 1	-4	-64	-30	-45	-92	-69
Credit impairment provisions - Stage 2	22	31	-38	175	-108	-96
Credit impairment provisions - Stage 3	-122	-9	-167	-269	-459	-629
<b>Total expected credit losses on balance sheet items</b>	<b>-104</b>	<b>-42</b>	<b>-236</b>	<b>-139</b>	<b>-660</b>	<b>-794</b>
Portfolio revaluation - POCI	-12	-	-	-12	-	-
<b>Total impairment gains and losses - POCI</b>	<b>-12</b>	<b>-</b>	<b>-</b>	<b>-12</b>	<b>-</b>	<b>-</b>
Actual credit losses for the period	-138	-223	-44	-627	-150	-284
<i>of which utilised share of previous provision</i>	<i>-117</i>	<i>-194</i>	<i>-39</i>	<i>-427</i>	<i>-142</i>	<i>-277</i>
<b>Total write-offs</b>	<b>-138</b>	<b>-223</b>	<b>-44</b>	<b>-627</b>	<b>-150</b>	<b>-284</b>
Recoveries	0	0	-	3	-	-
<b>Total recoveries</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>-</b>
<b>Total credit impairment</b>	<b>-254</b>	<b>-265</b>	<b>-280</b>	<b>-777</b>	<b>-810</b>	<b>-1 078</b>

## NOTES

### Note 8. Loans to the public

Group and Norion Bank AB

SEKm	Sep 30 2024	Dec 31 2023	Sep 30 2023
<b>PRIVATE CUSTOMERS <sup>3)</sup></b>			
<b>Total gross carrying amount</b>	<b>19 401</b>	<b>18 438</b>	<b>18 119</b>
of which Stage 1	11 586	10 617	10 351
of which Stage 2	679	743	655
of which Stage 3	6 672	6 549	6 562
of which Stage 3 - POCI <sup>1)</sup>	464	529	550
<b>Total credit impairment provisions</b>	<b>-4 197</b>	<b>-4 134</b>	<b>-4 084</b>
of which Stage 1	-296	-271	-264
of which Stage 2	-228	-235	-189
of which Stage 3	-3 674	-3 628	-3 631
of which Stage 3 - POCI <sup>1)</sup>	-	-	-
<b>Total carrying amount, private customers</b>	<b>15 203</b>	<b>14 303</b>	<b>14 035</b>
<b>Private customers</b>			
Provision ratio for loans Stage 1	2,6%	2,5%	2,6%
Provision ratio for loans Stage 2	33,5%	31,7%	28,8%
Provision ratio for loans Stage 3	55,1%	55,4%	55,3%
Provision ratio for loans Stage 3 - POCI <sup>1)</sup>	0,0 %	0,0 %	0,0 %
Total provision ratio, private customers <sup>2)</sup>	22,2%	23,1%	23,2%
<b>CORPORATE CUSTOMERS <sup>4)</sup></b>			
<b>Total gross carrying amount</b>	<b>34 450</b>	<b>32 282</b>	<b>31 196</b>
of which Stage 1	27 425	25 118	25 309
of which Stage 2	2 415	5 330	4 524
of which Stage 3	4 610	1 834	1 363
<b>Total credit impairment provisions</b>	<b>-1 193</b>	<b>-1 115</b>	<b>-1 092</b>
of which Stage 1	-172	-152	-185
of which Stage 2	-52	-219	-281
of which Stage 3	-969	-744	-626
<b>Total carrying amount, corporate customers</b>	<b>33 257</b>	<b>31 167</b>	<b>30 104</b>
<b>Corporate customers</b>			
Provision ratio for loans Stage 1	0,6%	0,6%	0,7%
Provision ratio for loans Stage 2	2,1%	4,1%	6,2%
Provision ratio for loans Stage 3	21,0%	40,6%	45,9%
Total provision ratio, corporate customers	3,5%	3,5%	3,5%

## NOTES

Note 8. Loan to the public, cont.

### Group and Norion Bank AB

SEKm	Sep 30 2024	Dec 31 2023	Sep 30 2023
<b>TOTAL</b>			
<b>Total gross carrying amount</b>	<b>53 851</b>	<b>50 720</b>	<b>49 315</b>
of which Stage 1	39 011	35 734	35 660
of which Stage 2	3 094	6 074	5 179
of which Stage 3	11 282	8 383	7 925
of which Stage 3 - POCI <sup>1)</sup>	464	529	550
<b>Total credit impairment provisions</b>	<b>-5 391</b>	<b>-5 249</b>	<b>-5 175</b>
of which Stage 1	-468	-423	-450
of which Stage 2	-280	-454	-470
of which Stage 3	-4 643	-4 372	-4 256
of which Stage 3 - POCI <sup>1)</sup>	-	-	-
<b>Total carrying amount, Total</b>	<b>48 460</b>	<b>45 470</b>	<b>44 139</b>
Stage 3 loans / Total loans, gross, % <sup>2)</sup>	21,1%	16,7%	16,3%
Stage 3 loans / Total loans, net, % <sup>2)</sup>	13,8%	8,9%	8,4%
<b>Total</b>			
Provision ratio for loans Stage 1	1,2%	1,2%	1,3%
Provision ratio for loans Stage 2	9,0%	7,5%	9,1%
Provision ratio for loans Stage 3	41,2%	52,2%	53,7%
Provision ratio for loans Stage 3 - POCI <sup>1)</sup>	0,0%	0,0%	0,0
Total provision ratio <sup>2)</sup>	10,1%	10,5%	10,6%

<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	73	-117	-192	-236
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-28	-58	461	376
Other adjustments <sup>1)</sup>	0	0	2	2
<b>Closing balance 30 September 2024</b>	<b>468</b>	<b>280</b>	<b>4 643</b>	<b>5 391</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	15	-91	218	142
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	77	199	242	517
Other adjustments <sup>1)</sup>	2	-1	22	23
<b>Closing balance 30 September 2023</b>	<b>450</b>	<b>470</b>	<b>4 256</b>	<b>5 175</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	Sep 30 2024	Dec 31 2023	Sep 30 2023
EUR	20 266	16 707	16 247
SEK	25 190	25 659	23 195
NOK	298	297	427
<b>Total</b>	<b>45 753</b>	<b>42 663</b>	<b>39 870</b>

## NOTES

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

Group and Norion Bank AB

DEBT SECURITIES IN ISSUE SEKm	Sep 30 2024		Dec 31 2023		Sep 30 2023	
	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
ISIN						
SE0013106317	699	700	-	-	-	-
SE0015811112	448	450	750	750	750	750
SE0013105137	499	500	498	500	399	400
SE0013361557	601	600	-	-	-	-
NO0011152449	-	-	-	-	666	666
Commercial papers	20	20	-	-	49	50
<b>Total</b>	<b>2 266</b>	<b>2 270</b>	<b>1 248</b>	<b>1 250</b>	<b>1 865</b>	<b>1 866</b>

SUBORDINATED LIABILITIES SEKm	Sep 30 2024		Dec 31 2023		Sep 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	Sep 30 2024	
	Amount	Percentage of risk exposure amount
Common Equity Tier 1 capital requirement (Pillar 1)	2 312	4,5%
Other Common Equity Tier 1 capital requirement (Pillar 2)	386	0,8%
Buffer requirements	2 069	4,0%
<b>Total Common Equity Tier 1 (CET1) capital requirement</b>	<b>4 767</b>	<b>9,3%</b>
<b>Common Equity Tier 1 (CET1) capital</b>	<b>8 265</b>	<b>16,1%</b>
Tier 1 capital requirement (Pillar 1)	3 082	6,0%
Other tier 1 capital requirement (Pillar 2)	515	1,0%
Buffer requirements	2 069	4,0%
<b>Total Tier 1 capital requirement</b>	<b>5 666</b>	<b>11,0%</b>
<b>Tier 1 capital</b>	<b>8 265</b>	<b>16,1%</b>
Capital requirements (Pillar 1)	4 110	8,0%
Other capital requirement (Pillar 2)	687	1,3%
Buffer requirements	2 069	4,0%
<b>Total capital requirement</b>	<b>6 866</b>	<b>13,4%</b>
<b>Own funds</b>	<b>8 564</b>	<b>16,7%</b>

## NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Sep 30 2024	Dec 31 2023	Sep 30 2023
OWN FUNDS, SEKm			
Capital instruments and the related share premium accounts: Equity	149	149	149
Retained earnings	7 637	6 590	6 376
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	964	1 063	968
<b>Common Equity Tier 1 capital before regulatory adjustments</b>	<b>8 751</b>	<b>7 803</b>	<b>7 493</b>
Deduction:			
Additional value adjustments	-350	-241	-231
Intangible assets	-132	-104	-89
Deferred tax assets	-5	-4	-4
Application of the transitional rules IFRS9	-	-	-
<b>Total regulatory adjustments to Common Equity Tier 1</b>	<b>-486</b>	<b>-350</b>	<b>-324</b>
<b>Common Equity Tier 1 (CET1) capital</b>	<b>8 265</b>	<b>7 453</b>	<b>7 169</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>8 265</b>	<b>7 953</b>	<b>7 669</b>
Supplementary capital	299	-	-
<b>Tier 2 capital</b>	<b>299</b>	<b>-</b>	<b>-</b>
<b>Total own funds</b>	<b>8 564</b>	<b>7 953</b>	<b>7 669</b>

	Norion Bank AB		
	Sep 30 2024	Dec 31 2023	Sep 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	748	684	491
Funds units exposures	880	844	804
Corporate exposures	28 368	28 316	27 794
Retail exposures	9 427	8 780	8 477
Exposures with mortgage in residential property	8	13	14
Exposures in default	8 202	4 565	4 120
Items associated with particularly high risk	-	-	-
Exposures in the form of covered bonds	291	230	244
Other exposures	357	360	465
<b>Total</b>	<b>48 281</b>	<b>43 792</b>	<b>42 408</b>
Risk exposure amount credit valuation adjustment risk (CVA)	24	31	25
Risk exposure amount market risk	65	35	56
Risk exposure amount operational risk (Alternative Standardised Approach)	3 005	3 005	4 989
<b>Total risk exposure amount</b>	<b>51 374</b>	<b>46 862</b>	<b>47 478</b>

## NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Sep 30 2024	Dec 31 2023	Sep 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	60	55	39
Funds units exposures	70	67	64
Corporate exposures	2 269	2 265	2 223
Retail exposures	754	702	678
Exposures with mortgage in residential property	1	1	1
Exposures in default	656	365	330
Items associated with particularly high risk	-	-	-
Exposures in the form of covered bonds	23	18	20
Other exposures	29	29	37
<b>Total capital requirement for credit risk</b>	<b>3 862</b>	<b>3 503</b>	<b>3 393</b>
Risk exposure amount credit valuation adjustment risk (CVA)	2	2	2
Risk exposure amount market risk	5	3	4
Risk exposure amount operational risk (Alternative Standardised Approach)	240	240	399
<b>Total Pillar 1 capital requirement</b>	<b>4 110</b>	<b>3 749</b>	<b>3 798</b>
Concentration risk	344	306	302
Interest rate risk for the banking book	343	194	169
<b>Total Pillar 2 capital requirement</b>	<b>687</b>	<b>501</b>	<b>470</b>
Capital buffers			
Capital conservation buffer	1 284	1 172	1 187
Countercyclical capital buffer	784	742	746
<b>Total capital requirement - Capital buffers</b>	<b>2 069</b>	<b>1 913</b>	<b>1 933</b>
<b>Total capital requirement</b>	<b>6 866</b>	<b>6 163</b>	<b>6 202</b>

	Norion Bank AB		
	Sep 30 2024	Dec 31 2023	Sep 30 2023
<b>CAPITAL REQUIREMENT</b>			
<b>Capital ratios and capital buffers</b>			
CET1 ratio	16,1%	15,9%	15,1%
Tier 1 ratio	16,1%	17,0%	16,2%
Total capital ratio	16,7%	17,0%	16,2%
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	7,7%	9,0%	8,2%

A review has been carried out of the earnings for January - September 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. It is not considered to be any individual assumptions that have a significant impact on the fair value of the assets or the bank's results and equity.

#### 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	Sep 30 2024			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
Derivative instruments	-	26	-	26
Treasury bills and other bills eligible for refinancing with central banks, etc.	404	-	-	404
Bonds and other interest-bearing securities	3 639	-	-	3 639
Shares and participating interests	-	5	678	683
<b>Total financial assets</b>	<b>4 043</b>	<b>31</b>	<b>678</b>	<b>4 752</b>
<b>LIABILITIES</b>				
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</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	Sep 30 2023			
	Level 1	Level 2	Level 3	Total
<b>ASSETS</b>				
Derivative instruments	-	9	-	<b>9</b>
Treasury bills and other bills eligible for refinancing with central banks, etc.	378	-	-	<b>378</b>
Bonds and other interest-bearing securities	2 719	-	-	<b>2 719</b>
Shares and participating interests	-	5	629	<b>634</b>
<b>Total financial assets</b>	<b>3 098</b>	<b>14</b>	<b>629</b>	<b>3 741</b>
<b>LIABILITIES</b>				
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Group and Norion Bank AB

SEKm	Sep 30 2024	Dec 31 2023	Sep 30 2023
	Assets	Assets	Assets
	Equity instruments	Equity instruments	Equity instruments
Changes in level 3			
<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	19	-27	1
<b>Closing balance for the period</b>	<b>678</b>	<b>659</b>	<b>629</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 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

	Sep 30 2024		Dec 31 2023		Sep 30 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Loans <sup>1)</sup>	52 057	52 057	48 673	48 673	46 332	46 332
Debt securities	6 062	6 069	4 304	4 304	4 067	4 067
Equity instruments	678	678	659	659	629	629
Derivatives	26	26	47	47	9	9
Other	98	98	5	5	50	50
<b>Financial assets</b>	<b>58 921</b>	<b>58 928</b>	<b>53 688</b>	<b>53 688</b>	<b>51 087</b>	<b>51 087</b>

Group and Norion Bank AB

	Sep 30 2024		Dec 31 2023		Sep 30 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Deposits	45 753	45 753	42 663	42 663	39 870	39 870
Debt securities issued	2 266	2 266	1 248	1 248	1 865	1 865
Derivatives	-	-	-	-	-	-
Subordinated liabilities	299	299	-	-	-	-
Other	560	560	292	292	350	350
<b>Financial liabilities</b>	<b>48 878</b>	<b>48 878</b>	<b>44 203</b>	<b>44 203</b>	<b>42 085</b>	<b>42 085</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

#### PLEDGED ASSETS

Group and Norion Bank AB

	Sep 30 2024	Dec 31 2023	Sep 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

	Sep 30 2024	Dec 31 2023	Sep 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

	Sep 30 2024	Dec 31 2023	Sep 30 2023
SEKm			
Unutilized credit limits	5 717	4 685	4 398
Other commitments	161	158	164
<b>Total</b>	<b>5 878</b>	<b>4 843</b>	<b>4 562</b>

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

After the end of the quarter, Norion Bank AB entered into an agreement to acquire approximately 4 percent of the shares in Alektum Holding AB. The strategic investment was made in light of Alektum's agreement to acquire a majority stake in Rediem Capital AB, a credit market company focused on acquiring non-performing exposures.

# 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.

Gothenburg, October 18, 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

## Review report

To the Board of Directors of Norion Bank AB, corporate identity number 556597-0513.

### Introduction

We have reviewed the condensed financial report Norion Bank AB (publ) as of September 30, 2024 and for the nine-month period ending as at this date, which can be found on page 11-52 in this document, containing income statement, statement of comprehensive income, balance sheet, statement of changes in equity, statement of cash flow, notes and other condensed information in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies. The Board of Directors, the President and the Chief Executive Officer are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review differs from and is substantially less in scope than an audit conducted in

accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed financial report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Group, and in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies regarding the Parent Company.

Stockholm, 18 October 2024

Ernst & Young AB

**Daniel Eriksson**  
Authorized Public Accountant

# Forthcoming corporate events

Year-end report 2024	5 February 2025
Annual report 2024	4 April 2025
Interim report January-March 2025	24 April 2025
Annual General Meeting 2025	6 May 2025
Interim report January-June 2025	14 July 2025
Interim report January-September 2025	17 October 2025

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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 October 18, 2024 at 7.30 a.m. CET.