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NOBA HOLDING AB (PUBL)
INTERIM REPORT JANUARY-MARCH 2024

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INTERIM REPORT

JANUARY - MARCH 2024

THE FIRST QUARTER 2024 (COMPARED TO THE FIRST QUARTER 2023)

- Continued growth with all active segments and markets contributing to the increased volume
- Total lending amounted to till SEK 114,916 million (94,321)
- The portfolio of private loans increased by 23% and amounted to SEK 79,718 million (65,051)
- The portfolio of credit cards increased by 40% and amounted to SEK 16,362 million (11,653)
- The portfolio of secured lending increased by 10% and amounted to SEK 17,655 million (16,056)
- The savings offering continued to grow and the total deposit volume amounted to SEK 105,167 million (80,054)
- Reported operating profit amounted to SEK 487 million (390) and the adjusted operating profit amounted to SEK 609 million (540)
- Earnings per share amounted to SEK 136.4 (120)

SIGNIFICANT EVENTS DURING THE PERIOD

During the first quarter 2024, a review led to that the business is from now on followed up based on the segments Private loans, Credit cards, Secured and Other.

During March, NOBA issued AT1 bonds of SEK 799.5 million. This issue attracted a strong investor demand and further strengthens NOBA's capital position.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

In April, NOBA received a confirmed credit rating of BBB, stable outlook, from Nordic Credit Rating.

During April, NOBA signed an agreement relating to the securitization of an NPL portfolio in Sweden with an expected close during H2 2024. The portfolio comprises a gross volume of approximately SEK 700 million and the transaction is expected to have a neutral effect on operating profit and capital base.

THIS IS NOBA

NOBA is a leading specialist bank owned by Nordic Capital and Sampo. The focus lies on challenging the established banks and NOBA is powered by the vision of contributing to an increased financial health for more people. Through responsible lending and high availability, NOBA supports its customers in making considerate choices for a life they can afford and thereby functions as a flexible complement to the major banks.

NOBA is active through the three brands Nordax Bank, Bank Norwegian and Svensk Hypotekspension (SHP) and thereby offers products to customers in the Sweden, Norway, Denmark, Finland, Germany, Spain and the Netherlands. Through Nordax Bank, private loans, mortgages and savings products are offered. Through Bank Norwegian, private loans, credit cards and savings products are offered. Through Svensk Hypotekspension, equity release products are offered.

KEY FIGURES FOR THE GROUP	Q1 2024	Q4 2023	Δ	Q1 2023	Δ
Income statement - SEK million					
Operating income	2,253	2,214	1.8%	1,916	17.6%
Operating expenses	-676	-874	-22.7%	-702	-3.7%
Net credit losses	-1,091	-1,138	-4.1%	-824	32.4%
Operating profit	487	202	141.1%	390	24.9%
Adjusted operating profit*	609	505	20.7%	540	13.0%
Statement of financial position - SEK million					
Lending to the general public	114,916	110,615	3.9%	94,321	21.8%
Deposits from the general public	105,167	96,788	8.7%	80,054	31.4%
Key figures					
Common Equity Tier 1 capital ratio, %	13.11%	13.53%		14.57%	
Total capital ratio, %	17.02%	16.49%		18.13%	
Net interest margin	7.5%	7.7%		7.9%	
C/I-ratio	30	39		37	
Adjusted C/I-ratio**	26	27		32	
Net credit losses, %	3.9%	4.2%		3.6%	
Return on equity excluding intangible assets and Tier 1 capital, %	11.8%	4.4%		11.4%	
Return on total assets, %	1.0%	0.4%		1.0%	
Earnings per share, SEK	136.4	49.3		120.0	
Average number of full-time employees	638	624		591	

* Reported operating profit adjusted for depreciation and impairment of transaction surplus values, transformational costs, operating profit from run-off portfolios in Continental Europe and for Q4 2023 also for the settlement with the airline NAS. For specific figures please see page 5 and 6.

** Operating expenses excluding depreciation and impairment of transaction surplus values and transformational costs in relation to operating income. For specific figures please see page 5 and 6.

A WORD FROM THE CEO

A SOLID START IN A CONTINUOUSLY UNCERTAIN ENVIRONMENT

Also in this quarter, the focus has predominantly been directed towards continued stable growth at sound risk levels, where we benefit from the deep organizational knowledge around analysis and data. 2024 started with somewhat of a macro-economic optimism given signs of slightly decreased inflation levels and thereby expectations on lower interest rates going forward, a much welcome sign for financially troubled households. Even though we see positive signs during the first quarter, with decreasing credit loss levels compared to the previous quarter, we are still in the part of the business cycle where credit losses are cyclically high. Customer satisfaction continues to score very high, and we are happy to see the Nordax Bank brand finishing 2023 as the number one in the bank category, with our other brands in close connection. This is important, not least in harsher times where customer interaction often matters the most.

AN EFFICIENT ORGANISATION CREATES GROWTH

During the quarter, we have continued to confidently grow our lending within all active segments. Not least the Credit Card segment has shown strong growth with a little over 50,000 new customers during the last quarter alone. Further, we are growing in an ever more efficient way, which is made clear by a decreasing cost-income ratio during the quarter. We simply deliver more and more on our scalable business model, much thanks to the synergies created by our larger common NOBA platform. Here we also see a continued development where the cost-income ratio is expected to fall below 20 per cent during the coming years, not least due to the fact that we still have a number of cross-functional efficiency initiatives ongoing. A solid growth that takes place in an efficient manner naturally has a positive impact on operating profit. Our total lending portfolio grew with 4 per cent compared to the previous quarter and the operating profit from the underlying business, as presented by the adjusted operating profit, amounted to SEK 609 million compared to previous quarter's SEK 505 million.

CONTINUED HIGH CONFIDENCE ON THE MARKET

Finally, it makes me proud to see how a responsible, profitable and stable NOBA continues to benefit from the trust of the financial market. This is illustrated by the vast investor interest in the AT1 bond encompassing SEK 799.5 million that NOBA issued during the quarter, as well as by the confirmed credit rating by Nordic Credit Rating with the rating BBB, stable outlook that NOBA received after the end of the first quarter. Both these events constitute quality assurance and create a strong foundation for profitable growth also in the coming quarters.



JACOB LUNDBLAD
CEO NOBA

GROUP DEVELOPMENT

THE GROUP RESULT FOR THE FIRST QUARTER 2024 COMPARED TO THE FIRST QUARTER 2023

Operating profit amounted to SEK 487 million (390). The increase is explained by increased lending with a correspondingly improved net interest income as well as lower costs.

Net interest income amounted to SEK 2,117 million (1,821). Net interest income was positively affected by increased interest income related to growing lending and higher lending interest rates, at the same time as interest expenses were negatively affected due to increased deposit rates and other funding costs.

Net commission amounted to SEK 137 million (101) where the increase during the year primarily was driven by growth within payment transactions related to credit cards.

Operating expenses excluding depreciation and impairment of transaction surplus values amounted to SEK -634 million (-659). Of the expenses, SEK -581 million (-605) were related to the underlying business and SEK -53 million (-54) were related to transformational costs mostly connected with the integration of Bank Norwegian and the ongoing change of the core banking system within NOBA. The decrease in the underlying costs was primarily driven by decreasing marketing costs.

Depreciation of transaction surplus values amounted to SEK -42 million (-43). These costs are purely accounting related, and in all material aspects related to the allocated surplus values from the acquisition of Bank Norwegian, and do not affect neither cash flows nor capital adequacy since the asset is already deducted from the capital base.

Credit losses amounted to SEK -1,091 million (-824), corresponding to 3.9 per cent (3.6) of average lending. The credit losses were negatively affected by credit losses relating to portfolios in run-off in Continental Europe and would excluding these have amounted to 3.8 per cent (3.4).

Since the Bank's operating profit currently, to a large extent, is affected by transformational costs, costs related to portfolios in run-off in Continental Europe and depreciation of intangible assets primarily related to the acquisition of Bank Norwegian, management also monitors the business based on an adjusted operating profit where the effects of these costs are excluded. The adjusted operating profit amounted to SEK 609 million (SEK 540)¹.

The tax on profit amounted to SEK -123 million (-73) during the period.

PORTFOLIO DEVELOPMENT FOR THE FIRST QUARTER 2024 COMPARED TO THE FIRST QUARTER 2023

Compared to the first quarter of 2023, lending showed good growth where all active portfolios increased. The total lending as per 31 March 2024 amounted to SEK 114,916 million (94,321).

¹ Reported operating profit of SEK 487 million (390) adjusted for transformational costs of SEK -53 million (-54), operating profit relating to portfolios in run-off in Continental Europe of SEK -27 million (-53) and depreciation of transaction related surplus values according to plan of SEK -42 million (-43).

THE GROUP RESULT FOR THE FIRST QUARTER 2024 COMPARED TO THE FOURTH QUARTER 2023

Operating profit amounted to SEK 487 million (202). The fourth quarter was negatively affected by a one-off cost related to the settlement with Norwegian Air Shuttle of SEK -171 million, which makes up the main reason for the increase.

Net interest income amounted to SEK 2,117 million (2,098). Net interest income increased due to growing lending paired with a somewhat lower net interest margin.

Net commission amounted to SEK 137 million (110) where the increase was driven by growth within payment transactions related to credit cards and commission related to insurance distribution.

Operating expenses excluding depreciation and impairment of transaction surplus values amounted to SEK -634 million (-833). Of the expenses, SEK -581 million (-597) were related to the underlying business and SEK -53 million (-236) were related to transformational costs mostly connected with the integration of Bank Norwegian and the ongoing change of the core banking system within NOBA, and for the fourth quarter also the above-mentioned settlement cost with the airline NAS of SEK -171 million.

Depreciation of transaction surplus values amounted to SEK -42 million (-41). These costs are purely accounting related, and in all material aspects related to the allocated surplus values from the acquisition of Bank Norwegian, and do not affect neither cash flows nor capital adequacy since the asset is already deducted from the capital base.

Credit losses amounted to SEK -1,091 million (-1,138), corresponding to 3.9 per cent (4.2) of average lending. The credit losses were negatively affected by credit losses relating to portfolios in run-off in Continental Europe and would excluding these have amounted to 3.8 per cent (4.1).

Since the Bank's operating profit currently, to a large extent, is affected by transformational costs, costs related to portfolios in run-off in Continental Europe and depreciation of intangible assets primarily related to the acquisition of Bank Norwegian, management also monitors the business based on an adjusted operating profit where the effects of these costs are excluded. The adjusted operating profit amounted to SEK 609 million (SEK 505)¹.

The tax on profit amounted to SEK -123 million (-52) during the period where the fourth quarter contained a positive effect related to a renewed assessment of the applied tax rate for deferred tax. The deferred tax relates to transaction surplus values relating to the acquisition of Bank Norwegian ASA.

PORTFOLIO DEVELOPMENT FOR THE FIRST QUARTER 2024 COMPARED TO THE FOURTH QUARTER 2023

Compared to the fourth quarter of 2023, lending showed good growth where all active portfolios increased. The total lending as per 31 March 2024 amounted to SEK 114,916 million (110,615).

¹ Reported operating profit of SEK 487 million (202) adjusted for transformational costs of SEK -53 million (-65), operating profit relating to portfolios in run-off in Continental Europe of SEK -27 million (-26), depreciation of transaction related surplus values according to plan of SEK -42 million (-41) and for the fourth quarter also adjusted for SEK -171 million relating to the settlement with the NAS.

DEVELOPMENT OF CAPITAL AND LIQUIDITY FOR THE FIRST QUARTER 2024 COMPARED TO THE FIRST QUARTER 2023

As of 31 March 2024, Common Equity Tier 1 Capital Ratio (CET1) amounted to 13.11% (14.57), the Tier 1 capital ratio amounted to 15.25% (16.47) and the total capital ratio was 17.02% (18.13). At the same time, the capital requirements amount to a CET1-capital ratio requirement of 10.18% (8.88), a Tier 1 capital ratio requirement of 11.90% (10.61) and a total capital ratio requirement of 14.20% (12.92).

The lower capital ratios were mainly due to that the increase in CET1 capital, as a result of earnings, was lower than the growth in risk exposure amount through increased lending. The Tier 1 capital ratio and the total capital ratio were positively affected by issuances of T2 instruments in June 2023 and January 2024 as well as an issuance of AT1 instruments in March 2024.

The higher capital requirements are primarily due to NOBA, as of 31 December 2023, being in scope for the requirement relating to the systemic risk buffer of 4.5% of the risk exposure amount relating to Norwegian exposures. The requirement for the Norwegian systemic risk buffer amounted as per 31 March 2024 to 0.97% of the total risk exposure amount. During the period, the counter-cyclical buffer in Sweden has also been raised from 1 to 2%, which has increased NOBA's counter-cyclical buffer requirement to 1.52% (1.17).

The CET1 capital has increased and amounted to SEK 11,955 million (10,861). The CET1 capital has primarily been strengthened by the net profit during the period.

The leverage ratio amounted to 9.47% (10.36).

The liquidity reserve amounted to SEK 23,655 million (17,621) and consists mainly of covered bonds, treasury bills and deposits with central banks and Nordic banks.

The liquidity coverage ratio (LCR) amounted to 214.7% (223.5).

The net stable funding ratio (NSFR) amounted to 123.8% (119.5).

NOBA has a diversified funding structure with different sources allocated between banks, the capital market and deposits from the public. Deposits from the public constitute the largest funding source and amounted as per 31 March 2024 to SEK 105,167 million (80,054).

DEVELOPMENT OF CAPITAL AND LIQUIDITY FOR THE FIRST QUARTER 2024 COMPARED TO THE FOURTH QUARTER 2023

As of 31 March 2024, Common Equity Tier 1 Capital Ratio (CET1) amounted to 13.11% (13.53), the Tier 1 capital ratio amounted to 15.25% (15.08) and the total capital ratio was 17.02% (16.49). At the same time, the capital requirements amount to a CET1-capital ratio requirement of 10.18% (10.22), a Tier 1 capital ratio requirement of 11.90% (11.95) and a total capital ratio requirement of 14.20% (14.26).

The lower CET1 ratio was mainly due to that the temporary reposessions of credit losses in stage 1 and 2 decreased and that the SEK weakened, which has increased the risk exposure amount related to lending in foreign currencies. The Tier 1 capital ratio and the total capital ratio have strengthened during the period due to that NOBA Bank Group AB in January issued a T2 bond of EUR 40 million and in March issued an AT1 bond of SEK 799.5 million. These issuances have, after deductions for minority interest, increased the primary capital with SEK 594 million and the total capital with SEK 969 million.

The CET1 capital has increased during the quarter and amounted to SEK 11,955 million (11,860). The CET1 capital has primarily been strengthened by the net profit during the period but has been negatively affected by the decreased reposessions relating to credit losses.

The leverage ratio amounted to 9.47% (9.67).

The liquidity reserve amounted to SEK 23,655 million (18,295) and consists mainly of covered bonds, treasury bills and deposits with central banks and Nordic banks.

The liquidity coverage ratio (LCR) amounted to 214.7% (139.0). The increase is partly due to the liquidity reserve has increased during the quarter and partly due to that the outflows in the LCR measurement were higher as per 31 December 2023 given early redemption of SHP Fund 4 in January 2024.

The net stable funding ratio (NSFR) amounted to 123.8% (118.1).

NOBA has a diversified funding structure with different sources allocated between banks, the capital market and deposits from the public. Deposits from the public constitute the largest funding source and amounted as per 31 March 2024 to SEK 105,167 million (96,788).

For additional information on capital and liquidity, see Note 5 Capital adequacy analysis.

SEGMENT DEVELOPMENT

During the first quarter 2024, a review has led to that the business is from now on followed up based on the segments Private loans, Credit cards, Secured and Other. The Nordax platform is represented within the segments Private loans and Secured. The Bank Norwegian platform is represented within the segments Private loans and Credit Cards while SHP and its equity release products is a part of the Secured segment. The segment Other contains portfolios in run-off in Continental Europe.

SEGMENT DEVELOPMENT FOR THE FIRST QUARTER 2024 COMPARED TO THE FIRST QUARTER 2023

PRIVATE LOANS

Compared to the first quarter 2023, the portfolio of private loans displayed solid growth. The total portfolio volume as per 31 March 2024, amounted to SEK 79,718 million (65,051). Growth was primarily driven by the Finnish and Swedish markets but with all markets showing growth. The operating result amounted to SEK 253 million (285), with increasing income from a larger lending portfolio affecting positively while increased credit losses contributed to the negative change.

CREDIT CARDS

Compared to the first quarter 2023, the portfolio of credit cards displayed solid growth. The total credit card volume, as per 31 March 2024, amounted to SEK 16,362 million (11,653). All markets displayed growth with the German market making a particularly strong contribution. Operating profit amounted to SEK 151 million (107), where both an increased lending portfolio as well as an increased number of payment transactions contributed to the increase.

SECURED

Compared to the first quarter 2023, the portfolio of secured loans displayed solid growth. The total portfolio volume as per 31 March 2024, amounted to SEK 17,655 million (16,056). Growth was driven by all parts of the portfolio. The operating result amounted to SEK 110 million (50) where decreasing costs and credit losses contributed to the improved result.

OTHER

This segment contains portfolios in run-off and will therefore steadily decrease over time. The total volume, as per 31 March 2024, amounted to SEK 1,181 million (1,561). The operating profit amounted to SEK -27 million (-53), where decreased credit losses primarily contributed to the improvement.

SEGMENT DEVELOPMENT FOR THE FIRST QUARTER 2024 COMPARED TO THE FOURTH QUARTER 2023

PRIVATE LOANS

Compared to the fourth quarter 2023, the portfolio of private loans displayed solid growth. The total portfolio volume as per 31 March 2024, amounted to SEK 79,718 million (76,687). Growth was primarily driven by the Finnish and Swedish markets but with all markets showing growth. The operating result amounted to SEK 253 million (142), where a decrease in costs and credit losses contributed to the improved result.

CREDIT CARDS

Compared to the fourth quarter 2023, the portfolio of credit cards displayed solid growth. The total credit card volume, as per 31 March 2024, amounted to SEK 16,362 million (15,198). All markets displayed growth. Operating profit amounted to SEK 151 million (-11), where an increased lending portfolio and lower costs contributed positively.

SECURED

Compared to the fourth quarter 2023, the portfolio of secured loans displayed modest growth. The total portfolio volume as per 31 March 2024, amounted to SEK 17,655 million (17,483). Growth was driven by the equity release products while the mortgage business was affected by the dampened housing market. The operating result amounted to SEK 110 million (97), where foremost decreasing costs contributed to the improvement.

OTHER

This segment contains portfolios in run-off and will therefore steadily decrease over time. The total volume, as per 31 March 2024, amounted to SEK 1,181 million (1,247). The operating profit amounted to SEK -27 million (-26).

SIGNIFICANT EVENTS

On 28 March, the board of directors of NOBA Bank, NOBA Group and NOBA Holding resolved to approve a joint merger plan for the implementation of an intra-group merger, with NOBA Bank as the surviving company and NOBA Group and NOBA Holding as the transferring companies. NOBA Bank, NOBA Group and NOBA Holding are part of the same corporate group, in which NOBA Bank is a wholly owned subsidiary of NOBA Group which in turn is a wholly owned subsidiary of NOBA Holding. The merger is expected to simplify the corporate group structure and is implemented to establish NOBA Bank as the new parent company of the group. All business operations of the group will remain unaffected by the merger, since all operational business activities of the group are carried out by NOBA Bank, including its Norwegian branch and NOBA Bank's wholly owned subsidiaries.

The implementation of the merger was subject to, and among other things conditional upon, necessary permits and approvals from the Swedish Financial Supervisory Authority being obtained. NOBA Bank, NOBA Group, and NOBA Holding jointly applied to the Swedish Financial Supervisory Authority for permission to implement the merger and the application was thereafter approved on 8 May. The merger is expected to be implemented during the third quarter of 2024.

On 11 March, NOBA issued AT1 bonds of SEK 799.5 million with 19 March 2024 as the settlement date. After deduction of minority interest SEK 594 million was included in the Tier 1 capital as per 31 March 2024.

On 14 February, NOBA called for early redemption of senior preferred bonds corresponding to a nominal amount of NOK 700 million and SEK 300 million.

On 31 January, Tore Andresen, previously COO of the branch Bank Norwegian, left NOBA and therefore also the Group management.

On 18 January, NOBA, through NOBA Finland 1 AB, obtained EUR 240 million over two years in bilateral financing from an international bank.

SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

On 6 May, NOBA called for early redemption of subordinated Tier 2 notes of SEK 350 million with redemption date 28 May.

On 3 May, NOBA repurchased senior preferred bonds corresponding to a nominal amount of NOK 1,800 million.

During the beginning of May, NOBA, through the cooperation with Raisin, launched savings products on the Irish and Spanish markets.

On 22 April, NOBA Bank received a confirmed credit rating of BBB, stable outlook, from Nordic Credit Rating.

During April, NOBA signed an agreement relating to the securitization of an NPL portfolio in Sweden with an expected close during H2 2024. The portfolio comprises a gross volume of approximately SEK 700 million and the transaction is expected to have a neutral effect on operating profit and capital base.

During April, NOBA finalized the sale of an NPL portfolio in Denmark. The portfolio comprises a gross volume of approximately DKK 180 million and the transaction had a neutral effect on operating profit and capital base.

OTHER INFORMATION

RISK MANAGEMENT

The Bank's overall policies for steering, risk management and risk appetite framework set the group strategy, appetite and limits for each respective risk and the relevant strategy, as well as roles and responsibilities, for managing these risks.

The Group is exposed to both credit risks and other financial risks, such as market risk and liquidity risk. The Group is also exposed to operational risks, such as IT risks, process risks and external risks, compliance risks, risks of exposure to financial crime and business risks.

The Group has independent functions covering risk control and compliance - Group Risk Control and Group Compliance – in accordance with the Swedish Financial Supervisory Authority's Regulations and General Guidelines regarding governance, risk management and control at credit institutions (FFFS 2014:1) as well as the European Banking Authority's Guidelines on internal governance. The Group Risk Control and Group Compliance are led and coordinated by the Board's appointed Chief Risk Officer (CRO) and Chief Compliance Officer (CCO) respectively.

All independent control functions report directly to the Board of Directors and the CEO. The internal audit is outsourced to EY.

INFORMATION ABOUT THE BUSINESS

NOBA Holding AB (publ) is owned and controlled, directly and indirectly, by Nordic Capital Fund VIII to about 35 per cent, Nordic Capital Fund IX to about 45 per cent and Sampo Oyj to about 20 per cent. The NOBA Group also consists of NOBA Group AB (publ), which in turn owns NOBA Bank Group AB (publ) (below referred to as NOBA) including its subsidiaries.

NOBA was authorized on 27 January 2004 as a credit market company to carry out finance activities. On 5 December 2014, NOBA received approval to carry out banking activities by the Swedish Financial Supervisory Authority according to the Banking and Finance Business Act.

Using a centralized business model and an organization based in Stockholm and Oslo, NOBA conducts cross border banking activities in Sweden, Norway, Denmark, Finland, Germany, the Netherlands and Spain in accordance with Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms.

EMPLOYEES

The average number of full-time employees within the group amounted to 638 as per 31 March 2024, an increase of 14 full-time employees since 31 December 2023. Compared to 31 March 2023, the number of full-time employees has increased with 47 persons. This increase aims at future proofing NOBA and in making the company more robust.

CONSOLIDATED INCOME STATEMENT, GROUP

SEK million	NOTE	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Operating income				
Interest income	9	3,322	3,219	2,427
<i>of which interest income according to the effective interest method</i>		3,180	3,066	2,322
Interest expense	9	-1,205	-1,121	-606
Total net interest income		2,117	2,098	1,821
Commission income	10	205	181	151
Commission expenses	10	-68	-71	-50
Net profit from financial transactions	11	-2	6	6
Total operating income		2,253	2,214	1,916
Operating expenses				
General administrative expenses		-415	-391	-369
Depreciation and impairment of property, plant and equipment and other intangible assets		-15	-23	-24
Depreciation and impairment of transaction surplus values		-42	-41	-43
Other operating expenses	12	-204	-419	-266
Total operating expenses		-676	-874	-702
Profit before credit losses		1,577	1,340	1,214
Net credit losses	13	-1,091	-1,138	-824
Operating profit	8	487	202	390
Tax on profit for the period		-123	-52	-73
Net profit for the period		363	150	317
Attributable to:				
The Parent Company's shareholders		328	118	289
Holders of Tier 1 capital		35	32	28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Items to be reclassified in the income statement			
Gains and losses on revaluation of cash flow hedges during the period	20	-132	-26
Tax on gains and losses on revaluation of cash flow hedges during the period	-4	28	5
Total cash flow hedges	16	-104	-21
Debt instruments measured at fair value through other comprehensive income	4	0	0
Tax on debt instruments measured at fair value through other comprehensive income	-1	0	0
Total debt instruments measured at fair value through other comprehensive income	3	0	0
Translation of foreign subsidiaries	-122	-546	-1,245
Tax on translation differences	18	78	129
Hedge accounting of net investment before tax	51	324	742
Tax on hedge accounting	-11	-67	-153
Total translation of foreign operations	-63	-211	-527
Items not to be reclassified in the income statement			
Equity instruments valued at fair value through other comprehensive income	-	-	-
Total equity instrument valued at fair value through other comprehensive income	-	-	-
Total other comprehensive income	-44	-315	-548
Comprehensive income	319	-165	-231
Attributable to:			
The Parent Company's shareholders	284	-197	-259
Holders of Tier 1 capital	35	32	28

STATEMENT OF FINANCIAL POSITION, GROUP

SEK million	NOTE	31 MAR 2024	31 DEC 2023
Assets			
Cash and balances with central banks	6,7	1,435	1,173
Treasury bills eligible for repayment etc.	6,7	4,998	1,200
Lending to credit institutions	6,7	3,533	3,302
Lending to the general public	4,6-7	114,916	110,615
Bonds and other fixed-income securities	6,7	14,577	13,172
Other shares	6,7	152	150
Derivatives	6,7	509	324
Intangible assets		11,565	11,647
Tangible assets		56	62
Current tax assets		13	5
Deferred tax assets		9	9
Other assets	6,7	211	288
Prepaid expenses and accrued income		70	67
Total assets		152,043	142,014
LIABILITIES, PROVISIONS AND EQUITY			
Liabilities			
Liabilities to credit institutions	6,7	13,756	10,995
Deposits from the general public	6,7	105,167	96,788
Issued securities	6,7	2,745	5,581
Derivatives	6,7	126	425
Current tax liabilities		115	182
Deferred tax liability		823	843
Other liabilities	6,7	1,642	1,179
Accrued expenses and deferred income		487	397
Subordinated liabilities	6,7	2,188	1,717
Total liabilities		127,049	118,107
Equity			
Share capital		2	2
Share premium funds		20,917	20,917
Other funds		-580	-536
Tier 1 capital instruments		2,157	1,354
Retained earnings		2,133	1,119
Profit for the year		363	1,051
Total equity		24,994	23,907
Total liabilities, provisions and equity		152,043	142,014

STATEMENT OF CHANGES IN EQUITY, GROUP

SEK million	Share capital	Share premium funds	Translation of foreign operations, net	Fair value reserv	Cash flow hedges	Retained earning incl. profit for the period	Sum	Tier 1 capital instruments	TOTAL
Opening balance 1 January 2023	2	20,917	-43	39	161	1,257	22,333	1,470	23,803
Comprehensive income									
Net profit/loss for the year	-	-	-	-	-	928	928	123	1,051
Other comprehensive income	-	-	-540	-23	-130	-	-693	-5	-698
Total comprehensive income	-	-	-540	-23	-130	928	235	118	353
Paid interest Tier 1 capital instruments	-	-	-	-	-	-	-	-120	-120
Repayment of Tier 1 capital instrument	-	-	-	-	-	-	-	-129	-129
Change in Tier 1 capital instruments	-	-	-	-	-	-15	-15	15	-
Closing balance 31 December 2023	2	20,917	-583	16	31	2,170	22,553	1,354	23,907
Opening balance 1 January 2024	2	20,917	-583	16	31	2,170	22,553	1,354	23,907
Comprehensive income									
Net profit/loss for the period	-	-	-	-	-	328	328	35	363
Other comprehensive income	-	-	-63	3	16	-	-44	-	-44
Total comprehensive income	-	-	-63	3	16	328	284	35	319
Paid interest Tier 1 capital instruments	-	-	-	-	-	-21	-21	-10	-31
Issued Tier 1 capital instrument	-	-	-	-	-	-	-	800	800
Change in Tier 1 capital instruments	-	-	-	-	-	21	21	-21	0
Closing balance 31 March 2024	2	20,917	-647	20	47	2,496	22,837	2,157	24,994

STATEMENT OF CASH FLOWS, GROUP

SEK million	NOTE	JAN - MAR 2024	JAN - MAR 2023
Operating activities			
Operating profit		487	390
Adjustment for non-cash items in profit	14	1,292	1,137
Paid income tax		-208	-201
Cash flow from operating activities before change in operating assets and liabilities		1,570	1,326
Change in operating assets and liabilities			
Decrease/increase in lending to the general public		-4,295	-11,776
Decrease/increase in treasury bills eligible for repayment etc.		-3,799	-
Decrease/increase in deposits from the general public		6,335	7,416
Decrease/increase in bonds and other interest-bearing securities		-1,232	-553
Decrease/increase in issued securities		-2,832	-234
Decrease/increase in liability to credit institutions		2,662	-1
Change in derivatives, net position		135	171
Decrease/increase in other assets		298	-1,135
Decrease/increase in other liabilities		316	2,020
Cash flow from operating assets and liabilities		-2,411	-4,092
Total cash flow from operating activities		-841	-2,766
Investing activities			
Investment in property, plant and equipment and intangible assets		-17	-17
Cash flow from investing activities		-17	-17
Financing activities			
Issued subordinated loans		459	55
Issued Tier 1 capital instruments		800	-
Paid interest Tier 1 capital instruments		-31	-27
Cash flow from financing activities		1,228	28
Cash flow for the period		369	-2,755
Cash and cash equivalents at the beginning of the period		4,475	7,099
Exchange rate differences and cash equivalents		124	-37
Cash and cash equivalents at the end of the period		4,968	4,307

Cash and cash equivalents is defined as cash and balances with central banks and lending to credit institutions. Pledged cash and cash equivalents under Note 15 are available to NOBA in connection with monthly settlement under financing agreements and are therefore defined as cash and cash equivalents due to being pledged for a maximum of 30 days and therefore short-term.

NOTES

The information on pages 1-10 is an integrated part of this interim report.

NOTE 1 GENERAL INFORMATION

NOBA Holding AB (publ) (Corporate Identity Number 559097-5743), with its registered office in Stockholm, Sweden is a parent company to the wholly owned subsidiary NOBA Group AB (Corporate Identity Number 556993-2485), with its registered office in Stockholm, which owns NOBA Bank Group AB (publ) (Corporate Identity Number 556647-7286), registered office in Stockholm.

The Group's operating subsidiaries are NOBA Bank Group AB (publ), which since 2014 has been licensed to conduct banking operations and Svensk Hypotekspension AB, which since 2018 has been licensed to conduct mortgage lending under the Mortgage Credit Act.

NOTE 2 ACCOUNTING AND MEASUREMENT POLICIES

The interim report has been prepared according to IAS 34, Interim Financial Reporting. The consolidated accounts for the NOBA Holding Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, together with the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the Swedish Financial Accounting Standards Council's recommendation RFR 1, Supplementary Accounting Regulations for Groups, and the Swedish Financial Supervisory Authority's regulations and guidelines FFFS 2008:25.

The report has been prepared in accordance with the same accounting principles and calculation methods that were applied in the annual report for 2023. Segment information is presented according to a new arrangement in note 8, compared to previous reports.

During 2024, no accounting standards were added, which have been published but not yet applied, with any significant effect.

The financial statements are presented in Swedish kronor and all figures are rounded to millions of kronor (SEK million) unless otherwise indicated. No adjustments for rounding are made, therefore summation differences may occur.

NOTE 3 SIGNIFICANT ACCOUNTING ESTIMATES

Presentation of consolidated financial statements in conformity with IFRS requires the executive management to make judgments and estimates that affect the recognized amounts of assets, liabilities and disclosures of contingent assets and liabilities as of the reporting date as well as the recognized income and expenses during the reporting period. The executive management continuously evaluates these judgments and estimates, including assessing control over investment funds, the fair value of financial instruments, provisions for credit impairment, impairment testing of goodwill and deferred taxes. Post-model expert credit adjustments to the credit impairment provisions continue to be necessary, given the geopolitical and economic uncertainties. Details of these are found in Note 13.

Beyond that, there have been no significant changes to the basis upon which the critical accounting judgments and estimates have been determined compared with 31 December 2023.

NOTE 4 FINANCIAL RISK MANAGEMENT, GROUP

SEK million	2024-03-31	2023-12-31
Credit risk exposures relate to the balance sheet as follows:		
Cash and balances with central banks	1,435	1,173
Treasury bills eligible for repayment etc.	4,998	1,200
Lending to credit institutions	3,533	3,302
Lending to the general public	113,872	109,737
Bonds and other fixed-income securities	4,004	1,743
Total	127,842	117,155
Unutilized loan commitments	61,015	58,193
Total off balance	61,015	58,193

LENDING TO THE GENERAL PUBLIC VALUED AT AMORTISED COST, PER COUNTRY

SEK million							
31 MARCH 2024	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Sweden	41,994	2,392	5,072	-763	-400	-2,422	45,873
Finland	27,091	2,272	5,747	-587	-436	-2,353	31,734
Norway	22,236	1,637	3,550	-213	-153	-1,212	25,845
Denmark	6,922	292	797	-122	-46	-404	7,439
Germany & Spain	2,849	98	580	-97	-24	-425	2,981
Total on-balance	101,092	6,691	15,746	-1,782	-1,059	-6,816	113,872
Unutilized loan commitments	60,951	50	81	-65	-2	0	61,015
Total off-balance	60,951	50	81	-65	-2	0	61,015

31 DECEMBER 2023							
	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Sweden	41,816	2,076	4,334	-795	-367	-2,072	44,992
Finland	25,450	2,223	4,805	-528	-420	-1,939	29,591
Norway	21,959	1,560	3,289	-199	-142	-1,159	25,308
Denmark	6,634	312	722	-118	-47	-362	7,141
Germany & Spain	2,565	102	542	-84	-24	-396	2,705
Total on-balance	98,424	6,273	13,692	-1,724	-1,000	-5,928	109,737
Unutilized loan commitments	58,085	47	123	-60	-2	0	58,193
Total off-balance	58,085	47	123	-60	-2	0	58,193

NOTE 4 FINANCIAL RISK MANAGEMENT, GROUP

LENDING TO THE GENERAL PUBLIC VALUED AT AMORTISED COST, PER PRODUCT

SEK million

31 MARCH 2024	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Personal loans	70,285	5,418	13,854	-1,479	-965	-6,242	80,871
Secured	15,456	617	659	-84	-5	-32	16,611
Credit Cards	15,351	656	1,233	-219	-89	-542	16,390
Total on-balance	101,092	6,691	15,746	-1,782	-1,059	-6,816	113,872
Unutilized loan commitments	60,951	50	81	-65	-2	0	61,015
Total off-balance	60,951	50	81	-65	-2	0	61,015

31 DECEMBER 2023	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Personal loans	68,485	5,075	12,141	-1,442	-910	-5,441	77,908
Secured	15,671	568	485	-87	-4	-28	16,605
Credit Cards	14,268	630	1,066	-195	-86	-459	15,224
Total on-balance	98,425	6,273	13,692	-1,724	-1,000	-5,928	109,737
Unutilized loan commitments	58,085	47	123	-60	-2	0	58,193
Total off-balance	58,085	47	123	-60	-2	0	58,193

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

The information in this note is disclosed in accordance with Chapter 8, Section 4 of the Swedish Financial Supervisory Authority's regulations and general guidelines regarding annual reports at credit institutions and securities companies (FFFS 2008:25), as well as Chapter 8, Section 1 of the Swedish Financial Supervisory Authority's regulations and general guidelines regarding prudential requirements and capital buffers (FFFS 2014:12). Information in Article 447 of Regulation (EU) No 575/2013 and Article 473a point 6 (transitional arrangement of IFRS9 for own funds) in accordance with (EBA/ GL/2018/01 and EBA/GL/2020/12) as well as the disclosure requirements of the same regulation). The liquidity and funding information is disclosed in accordance with Chapter 5, Section 2 of the Swedish Financial Supervisory Authority's regulations regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7).

INFORMATION ON THE CONSOLIDATED SITUATION

The top company in the Consolidated Situation is NOBA Holding AB (publ). The following companies are included in the Consolidated Situation when calculating capital requirements: NOBA Holding AB (publ), NOBA Group AB (publ), NOBA Bank Group AB (publ), NOBA Finland AB, NOBA Sverige AB, Nordax Sverige 5 AB (publ), Nordax Sweden Mortgages 1 AB (publ), Svensk Hypotekspension AB and affiliated subsidiaries Svensk Hypotekspension Fond 2 AB, Svensk Hypotekspension Fond 3 AB (publ), Svensk Hypotekspension Fond 4 AB (publ) and Svensk Hypotekspension 5 AB (publ), in addition to Lilienthal Finance Ltd.

MERGER WITH BANK NORWEGIAN

The merger between NOBA Bank Group AB (at the time of merger Nordax Bank AB) and Bank Norwegian ASA was completed on the 30 November 2022. The merger was implemented with NOBA Bank as the surviving company and Bank Norwegian as the transferring company, with the operations of Bank Norwegian being continued through NOBA's Norwegian branch, the legal name of which is Bank Norwegian, a branch of NOBA Bank Group AB (publ) (the "Branch").

The capital requirements for the consolidated situation did not change as result of merger. However, the capital requirement on solo level increased due to the replacement of shareholdings in Bank Norwegian by the assets of Bank Norwegian, as well as the surplus value of lending portfolio that arose in connection with the acquisition.

The acquisition of Bank Norwegian ASA was financed by NOBA Holding AB (publ) (at the time of merger Nordax Holding AB (publ)) via new share issue of SEK 9.7 billion, new issuance of SEK 1.4 billion in Additional Tier 1 capital and SEK 650 million Tier 2 capital, which was invested by external investors. NOBA Group AB (publ) (at the time of merger Nordax Group AB (publ)) issued corresponding instruments and amounts which

was invested by NOBA Holding AB (publ). NOBA Bank Group AB (publ) issued the corresponding amounts and instruments which was invested by NOBA Group AB (publ).

The acquisition has also been financed via non-cash issuance of Bank Norwegian shares with a value of SEK 4.4 billion, unconditional shareholder contribution of SEK 1 billion, conditional shareholder contribution of SEK 8.4 billion and a loan of SEK 200 million from NOBA Holding AB (publ). At the time of the legal merger, the conditional shareholder contribution was converted to unconditional shareholder contribution. In December 2022 the loan from NOBA Holding, including accrued interest, was also converted to unconditional shareholder contributions of SEK 203 million.

CAPITAL INSTRUMENTS

The aforementioned capital instruments are included in the consolidated situation's capital base as well as, after deductions for minority interests, the additional Tier 1 capital of SEK 594 million and Tier 2 capital of SEK 984 million issued by NOBA Bank Group AB.

EXEMPTION AS PER ARTICLE 352.2

On 18 March 2022, the Swedish FSA granted NOBA an exception according to article 352.2 in Regulation (EU) No 575/2013 to include goodwill and intangible assets denominated in NOK, resulting from the acquisition of Bank Norwegian, when calculating open FX positions for the Consolidated Situation. With this exception, the corresponding FX swap positions has been terminated, in line with the current risk management strategy.

On 30 December 2022, a similar exception has been granted for NOBA Bank Group AB regarding goodwill and intangible assets which, after the merger of Bank Norwegian, has become part of NOBA Bank Group's balance sheet. The Swedish FSA decision means a corresponding reduction in NOBA Bank Group's risk exposure amount for the market risk.

IFRS 9 TRANSITIONAL ARRANGEMENT

NOBA has notified the Swedish FSA that NOBA has decided to use the transitional arrangement for credit provisions for stages 1 and 2 that arose after December 31, 2019. In 2023, 50% of the negative effects of these credit provisions was added back to CET1 capital whereas 25% of this negative effect will be added back in 2024. From 1 January 2025, no add-back will be made. During the quarter, the add-back amount to CET1 capital decreased to SEK 294 million (542).

LIQUIDITY RESERVE AND OWN FUNDS

With the exception of Swedish central bank certificates all of NOBA's securities holdings in the liquidity reserve are accounted at fair value. Changes in fair value are reported either through profit and loss or through other comprehensive

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

income based on the assessed business model as per IFRS9. In either case the changes affect CET1. Thus, sales of holdings in the liquidity reserve have no impact on own funds.

COMBINED BUFFER REQUIREMENT

The combined buffer requirement for the Consolidated Situation consists of the capital conservation buffer requirement, the countercyclical capital buffer requirement and the systemic risk buffer requirement for Norwegian exposure. The capital conservation buffer requirement amounts to 2.5 percent of the risk-weighted exposure amount. The countercyclical capital buffer is weighted based on geographical requirements. For Finland and Spain the requirement amounted to 0%, for Germany the requirement amounted to 0.75%, for Norway and Denmark the requirement amounted to 2.5% while the requirement was 2% for Sweden.

Upon the request of the Norwegian Ministry of Finance, the European systemic risk board, ESRB, has lowered the threshold to NOK 5 billion as of 31 December 2023. The Swedish Financial Supervisory Authority has recognized and reciprocated the recommendation of the Norwegian Ministry of Finance. Therefore, the Norwegian systemic risk buffer requirement has become applicable to NOBA for the Norwegian exposure. The Systemic risk buffer requirement amounts to 4.5% of the risk exposure amount in Norway, which for NOBA corresponds to 0.97% of the total risk exposure amount.

UPCOMING CHANGES IN CRR AND CRD

In December 2023 the final version of the amendments to Regulation (EU) No 575/2013, CRR, and Capital Requirement Directive, CRD, was published. This constitutes the last step of EU's implementation of Basel 3. The regulations are expected to enter into force 1 January 2025, although several amendments have a later date of implementation or a transitional period.

Two important changes for NOBA will be implemented as early as 2025 relate to the standardised method for credit risk. On the one hand, the risk weights for exposures secured by real estate immovable property are changed, which is expected to lower the risk exposure amount for loans issued by SHP. And on the other hand, a lower risk weight is introduced for credit card exposures where the customer repays the outstanding balance in full at each scheduled repayment date, which lower the total risk exposure amount for the credit card.

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

CAPITAL ADEQUACY - PART 1

CONSOLIDATED SITUATION

SEK million	31 MAR 2024	31 DEC 2023
Own funds		
Common Equity Tier 1 (CET1) capital before deduction of regulatory adjustments	23,311	23,028
Total deduction of regulatory adjustment to CET1 capital	-11,356	-11,168
Common Equity Tier 1 (CET1) capital after deduction of regulatory adjustments	11,955	11,860
Additional Tier 1 capital ¹	1,952	1,354
Sum Tier 1 Capital	13,907	3,214
Tier 2 Capital	1,608	1,239
Total capital	15,515	14,453
Risk exposure amount, credit risk	84,605	81,130
Risk exposure amount, market risk	-	-
Risk exposure amount, operational risk	6,436	6,436
Risk exposure amount, credit value adjustment (CVA)	133	77
Total risk exposure amount (risk weighted assets)	91,174	87,643
Capital ratios and buffers		
Common Equity Tier 1 capital ratio	13.11%	13.53%
Tier 1 capital ratio	15.25%	15.08%
Total capital ratio	17.02%	16.49%
Total Common Equity Tier 1 capital requirement including buffer requirement	9.49%	9.53%
- of which, capital conservation buffer requirement	2.50%	2.50%
- of which, countercyclical capital buffers	1.52%	1.54%
- of which systemic risk buffer	0.97%	0.98%
SPECIFICATION OWN FUNDS		
Common Equity Tier 1 capital:		
Capital instruments and related share premium	20,920	20,920
- of which share capital	2	2
- of which other contributed capital	20,917	20,917
- of which other funds	-	-
Retained earnings	2,133	1,118
Accumulated other comprehensive income	-580	-536
Deferred tax liabilities attributable to other intangible assets	475	475
Minority interest	-	-
Independently audited interim results after deductions of foreseeable dividends	363	1,052
Common Equity Tier 1 capital before regulatory adjusted	23,311	23,028

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

CAPITAL ADEQUACY - PART 2

CONSOLIDATED SITUATION

SEK million	31 MAR 2024	31 DEC 2023
Regulatory adjustments:		
(+) Other transitional adjustments of Common Equity Tier 1 capital ¹	294	542
(-) Intangible assets	-11,565	-11,647
Additional value adjustments	-85	-64
Total regulatory adjustment to Common Equity Tier 1 capital	-11,356	-11,168
Common Equity Tier 1 capital	11,955	11,860
Tier 1 capital		
- Additional Tier 1 capital	1,358	1,354
- Additional Tier 1 capital, contribution from minority	594	-
Total Tier 1 capital	13,907	13,214
Tier 2 capital		
- Tier 2 capital	624	622
- Tier 2 capital, contribution from minority	984	617
Total capital	15,515	14,452
Total risk exposure amount	91,174	87,643
Specification of risk exposure amount		
Exposures to national governments and central banks	22	22
Exposures to regional governments and local authorities	192	242
Exposures to institutions	885	766
Exposures in the form of covered bonds	828	745
Retail exposures	66,629	64,298
Exposures secured by mortgages on immovable property	6,042	5,996
Equity exposures	152	150
Exposures in default	9,305	8,132
Exposures to corporates	-	-
Other items	550	779
Total risk exposure amount for credit risk, Standardized Approach	84,605	81,130
Foreign exchange risk	-	-
Total risk exposure amount for foreign exchange risk	-	-
Operational risk according to Alternative Standardized Approach	6,436	6,436
Total risk exposure amount for operational risks	6,436	6,436
Credit valuation adjustment risk (CVA)	133	77
Total risk exposure amount for credit valuation adjustment risk	133	77
Total risk exposure amount	91,174	87,643

¹ NOBA Bank Group AB and the Consolidated Situation applies the transitional arrangements in accordance with article 473a of Regulation (EU) no. 575/2013 with application of paragraphs 2 and 4. Template "Final report on the guidelines on uniform disclosure of IFRS 9 transitional arrangements", EBA/GL/2018/01 can be read at the end of this note.

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

CAPITAL ADEQUACY - DEL 3

CONSOLIDATED SITUATION

SEK million	31 MAR 2024	31 DEC 2023
SPECIFICATION OWN FUNDS REQUIREMENTS (8% OF REA)		
Credit risk		
Exposures to national governments and central banks	2	2
Exposures to regional governments and local authorities	15	19
Exposures to institutions	71	61
Exposures in the form of covered bonds	66	60
Retail exposures	5,330	5,144
Exposures secured by mortgages on immovable property	483	480
Equity exposures	12	12
Exposures in default	745	651
Exposures to corporates	-	-
Other items	44	62
Total capital requirement for credit risk	6,768	6,490
Market risk		
Foreign exchange risk	-	-
Total risk exposure amount for market risk	-	-
Operational risk		
Operational risk according to Alternative standardized Approach	515	515
Total risk exposure amount for operational risk	515	515
Credit valuation adjustment risk (CVA)		
Credit valuation adjustment risk (CVA)	11	6
Total capital requirement for CVA risk	11	6
Total Capital Requirement	7,294	7,011
Capital Requirement, percent of REA		
Pillar 1	8.00%	8.00%
Pillar 2	1.21%	1.23%
Capital conservation buffer	2.50%	2.50%
Institution-specific countercyclical buffer	1.52%	1.54%
Systemic risk buffer - Norway	0.97%	0.98%
Total Capital Requirement	14.20%	14.26%
Capital Requirement		
Pillar 1	7,294	7,011
Pillar 2	1,104	1,078
Capital conservation buffer	2,279	2,191
Institution-specific countercyclical buffer	1,385	1,351
Systemic risk buffer - Norway	887	863
Total Capital Requirement	12,949	12,494
LEVERAGE RATIO		
Total exposure measure for calculating leverage ratio	146,923	136,603
Tier 1 capital	13,907	13,214
Leverage ratio	9.47%	9.67%
Overall leverage ratio requirements	4,408	4,098
Overall leverage ratio requirements, percentage	3%	3%

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

Table "Template EU KM1 - Key metrics template in accordance with article 447 Regulation EU No 575/2013"

CONSOLIDATED SITUATION PART 1		A	B	C	D	E
SEK million		20240331	20231231	20230930	20230630	20230331
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	11,955	11,860	11,699	11,328	10,861
2	Tier 1 capital	13,907	13,214	13,049	12,758	12,279
3	Total capital	15,515	14,453	14,249	14,313	13,512
Risk-weighted exposure amounts						
4	Total risk exposure amounts	91,174	87,643	85,086	80,815	74,536
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	13.11%	13.53%	13.75%	14.02%	14.57%
6	Tier 1 ratio (%)	15.25%	15.08%	15.34%	15.79%	16.47%
7	Total capital ratio (%)	17.02%	16.49%	16.75%	17.71%	18.13%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 7b	of which: to be made up of CET1 capital (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 7c	of which: to be made up of Tier 1 capital (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 7d	Total SREP own funds requirements (%)	8.00%	8.00%	8.00%	8.00%	8.00%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9	Institution specific countercyclical capital buffer (%)	1.52%	1.54%	1.55%	1.54%	1.17%
EU 9a	Systemic risk buffer (%)	0.97%	0.98%	-	-	-
10	Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a	Other Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
11	Combined buffer requirement (%)	4.99%	5.03%	4.05%	4.04%	3.67%
EU 11a	Overall capital requirements (%) ¹	12.99%	13.03%	12.05%	12.04%	11.67%
12	CET1 available after meeting the total SREP own funds requirements (%)	8.61%	8.49%	8.75%	9.52%	10.07%
Leverage ratio						
13	Leverage ratio total exposure measure (amounts)	146,923	136,603	134,991	126,772	118,493
14	Leverage ratio (%)	9.47%	9.67%	9.67%	10.06%	10.36%

¹ The Swedish FSA has not performed a Supervisory Review and Evaluation Process (SREP) for NOBA, thus Pillar 2 capital requirement is not included in the overall capital requirement to be disclosed under EU 11a.

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

Template EU KM1 - Key metrics templat in accordance with
Regulation EU No 575/2013

CONSOLIDATED SITUATION PART 2		A	B	C	D	E
SEK million		20240331	20231231	20230930	20230630	20230331
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	"Additional own funds requirements to address the risk of excessive leverage (%)"	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (%)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
Liquidity Coverage Ratio¹						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	15,952	15,065	14,782	12,631	11,123
EU 16a	Cash outflows - Total weighted value	11,865	11,204	10,536	10,189	10,155
EU 16b	Cash inflows - Total weighted value	3,809	3,870	3,800	3,847	4,351
16	Total net cash outflows (adjusted value)	8,057	7,334	6,736	6,342	5,804
17	Liquidity coverage ratio (%)	198.00%	205.42%	219.44%	199.17%	191.63%
Net Stable Funding Ratio						
18	Total available stable funding	135,797	124,090	123,760	118,626	111,786
19	Total required stable funding	109,724	105,074	105,018	99,926	93,571
20	NSFR ratio (%)	123.76%	118.10%	117.85%	118.71%	119.47%

¹ Expressed as simple averages of the observations at the end of the month during the twelve months before the end of each quarter.

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

The table below presents information in accordance with Regulation EU No 575/2013 Article 473a paragraph 6 and the disclosure requirement in Part 8 of the same Regulation.

Template IFRS 9-FL: Comparison of own funds and capital and leverage ratios with and without the application of transitional arrangements for IFRS 9 or analogous ECLs.

MALL IFRS 9-FL		T	T1	T2	T3	T4
SEK million		20240331	20231231	20230930	20230630	20230331
Capital						
1	Common Equity Tier 1 (CET1) capital	11,955	11,860	11,699	11,328	10,861
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	11,661	11,318	11,219	10,982	10,629
3	Tier 1 capital	13,907	13,214	13,049	12,758	12,279
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	13,613	12,672	12,569	12,412	12,047
5	Total capital	15,515	14,453	14,249	14,313	13,512
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,221	13,910	13,769	13,967	13,280
Risk-weighted assets (amounts)						
7	Total risk-weighted assets	91,174	87,643	85,086	80,815	74,536
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	90,880	87,101	84,606	80,469	74,304
Capital ratios						
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	13.11%	13.53%	13.75%	14.02%	14.57%
10	Common Equity Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12.83%	12.99%	13.26%	13.65%	14.30%
11	Tier 1 (as a percentage of risk exposure amount)	15.25%	15.08%	15.34%	15.79%	16.47%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14.98%	14.55%	14.86%	15.42%	16.21%
13	Total capital (as a percentage of risk exposure amount)	17.02%	16.49%	16.75%	17.71%	18.13%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.75%	15.97%	16.27%	17.36%	17.87%
Leverage ratio						
15	Leverage ratio total exposure measure	146,923	136,603	134,991	126,772	118,493
16	Leverage ratio	9.47%	9.67%	9.67%	10.06%	10.36%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	9.27%	9.28%	9.31%	9.79%	10.17%

NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

INTERNAL CAPITAL REQUIREMENT

As at 31 March 2024, the internally assessed capital requirement for Consolidated Situation amounted to SEK 1,104 million (1,078). NOBA has not received a Pillar 2 guidance as the Swedish Financial Supervisory Authority has not yet conducted its Supervisory Review and Evaluation process.

TOTAL CAPITAL REQUIREMENT

The total capital requirement, including combined buffers, for the period amounts to SEK 12,949 million (12,495). The increase is mainly driven by increased lending.

LEVERAGE RATIO

Leverage ratio is a non-risk-based capital measure where Tier 1 capital is set in relation to the total assets with adjusted derivatives as well as off-balance sheet commitments recalculated with conversion factors. As of 31 March 2024, the Consolidated Situation's leverage ratio was 9.47% (9.67%), which is well in excess of the 3% requirement.

INFORMATION ON LIQUIDITY RISK

NOBA defines liquidity risk as the risk of failing to fulfill NOBA defines liquidity risk as the risk of failing to fulfil payment obligations at maturity with a significant increase in the cost of obtaining means of payment. NOBA uses asset-backed borrowing in which parts of the asset portfolios are pledged as collateral for the loans. The long-term strategy is to match lending assets with the maturities of liabilities. The strategy strives to achieve a diversified funding platform comprising equity, subordinated debt, securitizations ("ABS"), credit facilities provided by banks, deposits from the public and senior uncovered bonds.

The goal is to use funding sources that meet the following criteria:

- Provide a high degree of matching of currencies and interest periods as well as maturities between assets and liabilities.
- Offer diversification in terms of markets, investors, instruments, maturities, currencies, counterparties, and geography.
- Give a low liquidity risk and offer a strong possibility of refinancing at maturity, as evidenced by price stability, regularity of issuance and a broad investor base.
- Provide access to relatively large volumes, to meet the funding requirements of a growing balance sheet.

The Treasury function is responsible for managing liquidity risk, including daily measurement and reporting to the company's management. Cash flows expected to occur if all assets, liabilities, and off-balance sheet items are liquidated

are calculated, which, along with key figures from the balance sheet, provides values for risk indicators such as the Liquidity Coverage Ratio (LCR), Net Stable Funding Ratio (NSFR), survival horizon, and deposit usage. The risk indicators are limited and monitored over time to highlight changes in the financial structure and the group's liquidity risk.

The Risk Control function is responsible for the independent control of liquidity risk and reports risk indicators to the Board of Directors and the CEO on a monthly basis. The function analyses and reports the impact on the liquidity situation in various scenarios, such as changes in exchange rates, deposit and lending volumes, credit losses, and market values.

The contingency plan contains a clear division of responsibilities and instructions on how NOBA should respond in a liquidity crisis. The plan specifies appropriate actions to manage the consequences of various types of crises and contains definitions of events that trigger and escalate the contingency plan.

As of 31 March 2024, NOBA Consolidated Situation's Liquidity Coverage Ratio (LCR) was 214.7% (139.0%). The net stable funding ratio (NSFR) was 123.8% (118.1%), calculated in accordance with the definition in Regulation (EU) No. 575/2013.

The Consolidated Situation's liquidity reserves as of 31 March 2024 amounts to SEK 23.7 billion (18.3). Of these investments, 29.0% (37.5%) are invested in covered bonds, 11.2% (15.0%) in Nordic credit institutions and 27.2 % (6.6 %) invested with central banks.

The remaining balances are invested in interest bearing securities issued by central governments, municipalities, supra nationals and international development banks. The credit assessment of these investments is generally high and therefore have high credit rating, between AAA and AA, from leading credit rating agencies. Norwegian municipalities do not have a credit rating but are considered from risk management and risk measurement view as AA assets, in line with the Norwegian FSA recommendation, which corresponds to a credit rating one grade lower than the Norwegian government.

The average maturity of the liquidity reserve amounts to 418 (438) days and has an interest duration of 0.18 (0.18).

As of 31 March 2024, NOBA Consolidation Situation's funding sources comprises of SEK 2,771 million (2,196) financing via the asset backed securities market (securitization), SEK 2,745 million (3,385) in corporate bonds, SEK 10,985 million (10,995) financing against pledges with international banks, and SEK 105,167 million (96,788) of retail deposits.

NOTE 6 CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES, GROUP

VALUATION

SEK million

VALUATION						
SEK million	Mandatory	Fair value option	Derivatives identified as hedge instruments	Fair value through other comprehensive income	Amortised cost	
31 MARCH 2024	FAIR VALUE THROUGH PROFIT OR LOSS					TOTAL
Assets						
Cash and balances with central banks	-	-	-	-	1,435	1,435
Treasury bills eligible for repayment etc.	-	-	-	-	4,998	4,998
Lending to credit institutions	-	-	-	-	3,533	3,533
Lending to the general public	1,044	-	-	-	113,872	114,916
Bonds and other fixed-income securities	10,573	-	-	4,004	-	14,577
Other shares	25	-	-	127	-	152
Derivatives	302	-	207	-	-	509
Other assets	-	-	-	-	31	31
Total assets	11,944	-	207	4,131	123,869	140,151
Liabilities						
Liabilities to credit institutions	-	-	-	-	13,756	13,756
Deposits from the general public	-	-	-	-	105,167	105,167
Issued securities	-	-	-	-	2,745	2,745
Derivatives	61	-	65	-	-	126
Other liabilities	-	-	-	-	537	537
Subordinated liabilities	-	-	-	-	2,188	2,188
Total liabilities	61	-	65	-	124,393	124,519
31 DECEMBER 2023						
Assets						
Cash and balances with central banks	-	-	-	-	1,173	1,173
Treasury bills eligible for repayment etc.	-	-	-	-	1,200	1,200
Lending to credit institutions	-	-	-	-	3,302	3,302
Lending to the general public	878	-	-	-	109,737	110,615
Bonds and other fixed-income securities	11,429	-	-	1,743	-	13,172
Other shares	23	-	-	127	-	150
Derivatives	41	-	283	-	-	324
Other assets	-	-	-	-	135	135
Total assets	12,371	-	283	1,870	115,547	130,071
Liabilities						
Liabilities to credit institutions	-	-	-	-	10,995	10,995
Deposits from the general public	-	-	-	-	96,788	96,788
Issued securities	-	-	-	-	5,581	5,581
Derivatives	331	-	94	-	-	425
Other liabilities	-	-	-	-	230	230
Subordinated liabilities	-	-	-	-	1,717	1,717
Total liabilities	331	-	94	-	115,311	115,736

NOTE 7 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES, GROUP

VALUE

SEK million	CARRYING	FAIR	
31 MARCH 2024	AMOUNT	VALUE	DELTA
Assets			
Cash and balances with central banks	1,435	1,435	-
Treasury bills eligible for repayment etc. ¹	4,998	4,998	-
Lending to credit institutions ¹	3,533	3,533	-
Lending to the general public ²	114,916	128,821	13,905
Bonds and other fixed-income securities	14,577	14,577	-
Other shares	152	152	-
Derivatives	509	509	-
Other assets	31	31	-
Total assets	140,151	154,056	13,905
Liabilities			
Liabilities to credit institutions ¹	13,756	13,756	-
Deposits from the general public ¹	105,167	105,167	-
Issued securities ³	2,745	2,736	-9
Derivatives	126	126	-
Other liabilities	537	537	-
Subordinated liabilities ³	2,188	2,143	-45
Total liabilities	124,519	124,465	-54
31 DECEMBER 2023			
Assets			
Cash and balances with central banks	1,173	1,173	-
Treasury bills eligible for repayment etc. ¹	1,200	1,200	-
Lending to credit institutions ¹	3,302	3,302	-
Lending to the general public ²	110,615	124,055	13,440
Bonds and other fixed-income securities	13,172	13,172	-
Other shares	150	150	-
Derivatives	324	324	-
Other assets	135	135	-
Total assets	130,071	143,511	13,440
Liabilities			
Liabilities to credit institutions ¹	10,995	10,995	-
Deposits from the general public ¹	96,788	96,788	-
Issued securities ³	5,581	5,551	-30
Derivatives	425	425	-
Other liabilities	230	230	-
Subordinated liabilities ³	1,717	1,661	-56
Total liabilities	115,736	115,650	-86

¹ Fair value is deemed to be the same as the carrying amount, as these are of a short-term nature.

² The measurement includes significant observable and non-observable inputs.

³ Fair value data for issued securities and debenture loans are based directly or indirectly on quoted prices.

NOTE 7 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES, GROUP

CALCULATION OF FAIR VALUE

VALUATION TECHNIQUE FOR MEASURING FAIR VALUE - LEVEL 1

The fair value of financial instruments traded in an active market (e.g., financial assets held for trading and available-for-sale financial assets) is based on quoted market prices on the balance sheet date. A market is considered active if quoted prices from a stock exchange, broker, industry group, pricing service or monitoring authority are readily and regularly available and these prices represent real and regularly occurring arm's length market transactions. The quoted market price used for the Group's financial assets is the current purchase price.

VALUATION TECHNIQUE FOR MEASURING FAIR VALUE - LEVEL 2

Fair value for bonds is measured, as in level 1, from market prices, with the difference that the prices are not considered from an active market. The market price derived in this case from buy and sell position prices, but regular trading does not take place in the bond. If market prices are missing, the value is calculated by discounting expected cash flows. For discounting, the current market interest rate on securities issued by similar issuers.

The fair value of derivatives is measured as the present value of future cash flows based on observable market prices.

FAIR VALUE MEASUREMENT USING MATERIAL, UNOBSERVABLE INPUTS - LEVEL 3

In those cases, one or more essential inputs are not based on observable market information the instrument is classified as level 3. The table below shows the financial instruments valued at fair value, regarding how the classification has been constructed by the fair value hierarchy.

NOBA has a holding of 3 unlisted shares in Stabelo AB, Vipps AB and VN Norge AS that is valued at fair value based on unobservable inputs. As of 31 March 2024 no re-evaluation has been made. As of 30 June 2023, the value on shares in Stabelo AB has been re-evaluated to SEK 127.2 million which corresponds to an impairment of SEK 22.5 million (-15%). This is due to a macro-environment including rapid increasing interest rates. Vipps is calculated to fair value. Fair value on shares in VN Norge AS has as per 2024-03-31 been calculated based on the shares price for Visa Inc, foreign exchange USD/NOK, a liquidity discount as well as a conversion rate.

The value of lending to the general public has been measured based on observable market data by discounting the expected future cash flows of the assets to present value using a discount factor. The expected future cash flows have been based on the size of the portfolio at the end of the balance sheet date and an expected future cash flow on the maximum maturity of the portfolio.

TRANSFERS BETWEEN THE LEVELS

There have been no transfers of financial instruments between the different levels.

SENSITIVITY ANALYSIS FOR LENDING TO THE PUBLIC MEASURED AT FAIR VALUE WITHIN LEVEL 3

A sensitivity analysis of lending to the public measured at fair value within level 3 has been made by changing the assumptions of non-observable data in the valuation model. The sensitivity analysis is made in two parts, one parallel shift of the interest rate curve with 1 percentage point and a decrease in the housing price index of 10 percentage points.

An upwards parallel shift of the interest rate curve with +1 percentage point would result in a negative change in the fair value of SEK 7 million (-) and a downwards parallel shift of the interest rate curve with 1 percentage point would result in a positive change in the fair value of SEK 1 million (-). An immediate positive change in the housing price index of + 10 percentage points would result in a positive change in the fair value of SEK 2 million (-) and a negative change in the housing price index of - 10 percentage points would result in a negative change in the fair value of SEK 6 million (-).

The table below shows the changes that have occurred in relation to level 3 instruments:

NOTE 7 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES, GROUP

CHANGE IN FINANCIAL INSTRUMENTS IN LEVEL 3

SEK million	TOTAL
Opening balance 1 January 2024	1,028
Acquisitions	-
Lending to the general public	166
Currency change	1
Recognized in income statement	1
Sales	-
Losses (-) recognized in other comprehensive income	-
Profits (+) recognized in other comprehensive income	-
Closing balance 31 March 2024	1,196
Opening balance 1 January 2023	168
Acquisitions	-
Lending to the general public	878
Currency change	2
Recognized in income statement	2
Sales	-
Losses (-) recognized in other comprehensive income	-22
Profits (+) recognized in other comprehensive income	-
Closing balance 31 December 2023	1,028

FINANCIAL INSTRUMENTS AT FAIR VALUE

SEK million				
31 MARCH 2024	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
Assets				
Lending to the general public	-	-	1,044	1,044
Bonds and other fixed income securities	12,244	2,333	-	14,577
Other shares	-	-	152	152
Derivatives	-	509	-	509
Total assets	12,244	2,842	1,196	16,282
Liabilities				
Derivatives	-	126	-	126
Total liabilities	-	126	-	126
31 DECEMBER 2023				
Assets				
Lending to the general public	-	-	878	878
Bonds and other fixed income securities	10,390	2,782	-	13,172
Other shares	-	-	150	150
Derivatives	-	324	-	324
Total assets	10,390	3,106	1,028	14,524
Liabilities				
Derivatives	-	425	-	425
Total liabilities	-	425	-	425

NOT 8 OPERATING SEGMENTS

Segment information is presented based on the chief operating decision maker's (CODM) perspective, and the segments are identified based on the internal reporting to the CEO, who is identified as the chief operating decision maker. Several profit/loss measurements are included as they are presented to the chief operating maker to make decisions to allocate resources and assess segment performance, where operating profit is viewed as the main measurement. Profit/loss that cannot be attributed to a single segment is allocated using a distribution matrix according to internal principles that management believes to provide a fair allocation to the segments.

The business model is to offer the general public the products Private Loans, Credit Cards and Secured (which includes both Mortgages and Equity Release) conducted through cross-border banking activities in Sweden, Norway, Denmark, Finland, Germany, and Spain. In addition, deposit operations are also carried out in the same way in the corresponding

countries with addition for the Netherlands, which form part of the financing for the mentioned products. Private loans in Germany and Spain and Credit Cards in Spain are combined as a separate segment, named Other, to reflect the internal reporting as this is monitored as a separate segment of portfolios and the segment does not meet the quantitative thresholds.

Loans on the Nordax platform is included in both the Private Loan and Secured segments. Loans on the Bank Norwegian platform is included in both the Private Loan and Credit Cards segments. SHP are included in the Secured segment with their product equity release mortgages. The Netherlands is not included in the operating segments as NOBA only offers deposit accounts through Raisin in this country.

Segment information is presented according to a new arrangement compared to previous reports.

Q1 2024	PRIVATE	CREDIT			
MSEK	LOANS	CARDS	SECURED	OTHER	TOTAL
Income statement					
Interest income	2,396	511	381	35	3,322
Interest expenses	-836	-134	-222	-13	-1,205
Total net interest income	1,560	377	159	21	2,117
Commission income	65	139	1	0	205
Commission expenses	-5	-61	-0	-1	-68
Net profit from financial transactions	-1	-0	-0	-0	-2
Total operating income	1 619	455	159	20	2,253
General administrative expenses	-301	-64	-38	-11	-415
Depreciation and impairment of property, plant and equipment and other intangible assets	-11	-3	-1	-0	-15
Depreciation and impairment of transaction surplus values	-23	-18	-1	-0	-42
Other operating expenses	-115	-81	-8	-0	-204
Total operating expenses	-450	-167	-47	-12	-676
Profit before credit losses	1,168	288	112	9	1,577
Net credit losses	-915	-137	-2	-36	-1,091
Operating profit	253	151	110	-27	487
Balance sheet					
Lending to the general public	79,718	16,362	17,655	1,181	114,916

NOT 8 OPERATING SEGMENTS

Q4 2023					
MSEK	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
Income statement					
Interest income	2,323	479	380	38	3,219
Interest expenses	-738	-153	-218	-11	-1,121
Total net interest income	1,585	325	162	27	2,098
Commission income	64	112	3	1	181
Commission expenses	-9	-59	-2	-1	-71
Net profit from financial transactions	4	1	1	0	6
Total operating income	1,643	380	163	27	2,214
General administrative expenses	-279	-55	-46	-10	-391
Depreciation and impairment of property, plant and equipment and other intangible assets	-15	-6	-0	-1	-23
Depreciation and impairment of transaction surplus values	-22	-19	-1	-0	-41
Other operating expenses	-222	-180	-13	-5	-419
Total operating expenses	-538	-259	-60	-16	-874
Profit before credit losses	1,105	121	103	11	1,340
Net credit losses	-963	-131	-6	-37	-1,138
Operating profit	142	-11	97	-26	202
Balance sheet					
Lending to the general public	76,687	15,198	17,483	1,247	110,615

NOT 8 OPERATING SEGMENTS

Q1 2023					
MSEK	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
Income statement					
Interest income	1,713	387	284	42	2,427
Interest expenses	-388	-75	-134	-9	-,606
Total net interest income	1,325	313	150	33	1,821
Commission income	48	101	1	1	151
Commission expenses	0	-50	0	-0	-50
Net profit from financial transactions	-5	-1	-1	-0	-6
Total operating income	1,368	364	151	33	1,916
General administrative expenses	-266	-47	-44	-11	-369
Depreciation and impairment of property, plant and equipment and other intangible assets	-10	-6	-1	-7	-24
Depreciation and impairment of transaction surplus values	-23	-19	-1	-0	-43
Other operating expenses	-143	-102	-20	-2	-266
Total operating expenses	-442	-174	-66	-20	-702
Profit before credit losses	927	189	85	13	1,214
Net credit losses	-642	-82	-35	-66	-,824
Operating profit	285	107	50	-53	390
Balance sheet					
Lending to the general public	65,051	11,653	16,056	1,561	94,321

NOTE 9 NET INTEREST INCOME, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Interest income from credit institutions and central banks	37	36	22
Interest income from treasury bills eligible for repayment etc.	28	5	-
Interest income from the general public	3 104	3 023	2 302
Interest income from fixed-income securities	153	155	103
Other	0	0	0
Total interest income	3 322	3 219	2 427
<i>of which interest income according to the effective interest method</i>	<i>3 180</i>	<i>3 066</i>	<i>2 322</i>
Interest expenses to the general public	-952	-878	-531
Interest expenses to credit institutions	-171	-150	-2
Interest expenses from fixed income securities	-50	-71	-66
Interest expenses from subordinated debts	-53	-41	-26
Interest expenses leasing	0	0	0
Other	21	19	19
Total interest expenses	-1 205	-1 121	-606
<i>of which interest expenses according to the effective interest method and interest on derivatives in hedge accounting</i>	<i>-1 205</i>	<i>-1 121</i>	<i>-606</i>
Net interest income	2 117	2 098	1 821

NOTE 10 COMMISSION INCOME AND COMMISSION EXPENSES, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Income			
Payments	163	150	111
Insurance mediation and other insurance	32	18	15
Other	10	13	25
Total commission income	205	181	151
Expenses			
Payments	-68	-64	-44
Other	0	-7	-6
Total commission expenses	-68	-71	-50
Total commission income, net	137	110	101

NOTE 11 NET PROFIT FROM FINANCIAL TRANSACTIONS, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Fx effect	-13	5	-1
Financial assets valued at amortised cost	-	-2	-
Financial assets through other comprehensive income	0	0	-
Hedge accounting	0	0	0
-of which cash flow hedge ineffectiveness	0	0	0
Fair value through profit or loss	12	3	-5
-of which derivatives	0	0	-
-of which lending to the general public	-1	-3	-
-of which interest bearing securities	10	5	-7
-of which shares	2	1	2
Net profit from financial transactions	-2	6	-6

NOTE 12 OTHER OPERATING EXPENSES, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Marketing expenses	-131	-134	-191
External expenses related to credit cards/selling expenses	-72	-114	-75
Other services	-	-171	-
Total other operating expenses	-204	-419	-266

NOTE 13 NET CREDIT LOSSES, GROUP

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
On-balance sheet items			
Provision Stage 1	-28	-93	-179
Provision Stage 2	-41	-125	-31
Provision Stage 3	-1,000	-805	-560
Total on-balance	-1,069	-1,023	-770
Off-balance sheet items			
Provision Stage 1	-5	5	-9
Provision Stage 2	0	0	0
Provision Stage 3	0	0	0
Total off-balance	-5	5	-9
Write-offs	-22	-124	-45
Recoveries	5	4	0
Sum	-17	-120	-45
Total credit losses, net	-1,091	-1,138	-824

NOTE 13 NET CREDIT LOSSES, GROUP

COLLATERAL RECEIVED

Part of NOBA's loan portfolio includes mortgages and equity release mortgages (via the subsidiary SHP), and this lending is secured by mortgages on real property or rights in co-op apartments. The valuation of collateral is part of NOBA's credit origination process and collateral values are continuously monitored through updated valuations.

NOBA's policies for received collateral have not significantly changed during the period and there has been no significant change in the quality of collateral. As of March 31, 2024, NOBA had 296 (227 per December 31, 2023) mortgages with a total volume of SEK 635 million (461) and 1 (1) equity release mortgages with a total volume of SEK 0 million (0) that were classified as being in Stage 3.

SENSITIVITY ANALYSIS

As a general rule, deteriorating macroeconomic development in society leads to higher credit losses. Similarly, improvements in the development results in lower credit losses. In calculating the future need for credit loss reserves, an assessment is made of the probability of various future scenarios occurring. This probability-weighted outcome is the amount recognized as the credit loss reserve.

The sensitivity analysis is based on analysis of the combined sensitivity of the ECL models applied within the Group. For loans on the Nordax platform the Negative scenario entails increasing the likelihood of the Negative macro scenario from a base assumption of 5% to 30%. Currently 5% is applied (6% per December 31 2023). For loans on the Bank Norwegian platform the Negative scenario is based on applying 100% weighting of the pessimistic scenario. Currently weighting is 32.5% Base, 30% optimistic and 37.5% pessimistic which is the same as per 31 December 2023. For loans on the Nordax platform the Positive scenario entails reducing the likelihood of the Negative macro scenario to 1% and for Bank Norwegian applying 100% weighting of the optimistic scenario.

The Negative scenario entails a negative impact on the loan loss reserves of SEK 274 million (264), whereof SEK 210 million (197) relates to loans on the Nordax platform and SEK 64 million (67) relates to loans on the Bank Norwegian platform. While the Positive scenario entails a positive impact on the loan loss reserves of SEK 96 million (92), whereof SEK 34 million (32) relates to loans on the Nordax platform and SEK 62 million (60) relates to loans on the Bank Norwegian platform.

SENSITIVITY

ANALYSIS SEK million	PROBABILITY- WEIGHTED	NEGATIVE SCENARIO	POSITIVE SCENARIO	NEGATIVE SCENARIO	POSITIVE SCENARIO
31 MARCH 2024					
		LOAN LOSS RESERVES		DIFFERENCE COMPARED WITH PROBABILITY-WEIGHTED %	
Group	9,657	274	-96	2,8%	-1,0%
31 DECEMBER 2023					
Group	8,652	264	-92	3.1%	-1.1%

NOTE 13 NET CREDIT LOSSES, GROUP

SEK million

31 MARCH 2024	GROSS			PROVISIONS			NET
	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Closing balance 31 December 2023	98,424	6,273	13,692	-1,724	-1,000	-5,928	109,737
Stage transfers							
Transfer to/from Stage 1	-2 694	-	-	100	-	-	-2 594
Transfer to/from Stage 2	-	478	-	-	-77	-	402
Transfer to/from Stage 3	-	-	2 216	-	-	-643	1 573
Origination of new loans	6 849	147	3	-107	-21	-1	6 870
Derecognition	-2 650	-139	-167	36	13	63	-2 844
Changes in risk components	-	-	-	-95	11	-239	-323
Fx effects etc.	1 164	-68	2	9	14	-68	1 053
Closing balance 31 March 2024	101 092	6 691	15 746	-1 782	-1 059	-6 816	113 872

31 DECEMBER 2023	GROSS			PROVISIONS			NET
	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Closing balance 31 December 2022	80,205	5,352	9,728	-937	-768	-4,198	89,382
Stage transfers							
Transfer to/from Stage 1	-4,409	0	0	25	0	0	-4,384
Transfer to/from Stage 2	0	-32	0	0	22	0	-10
Transfer to/from Stage 3	0	0	4,721	0	0	-1,905	2,816
Origination of new loans	34,414	1,832	876	-573	-311	-296	35,942
Derecognition	-10,892	-580	-1,117	99	60	457	-11,973
Changes in risk components	0	0	0	-359	-34	-203	-596
Fx effects etc.	-894	-299	-516	21	31	217	-1,440
Closing balance 31 December 2023	98,424	6,273	13,692	-1,724	-1,000	-5,928	109,737

NOTE 14 DISCLOSURES ON THE CASH FLOW STATEMENT, GROUP

SEK million	JAN - MAR 2024	JAN - MAR 2023
Adjustment for non-cash items in profit:		
FX effects	488	-204
Depreciation and impairment of property, plant and equipment and other intangible assets	15	24
Depreciation and impairment of transaction surplus values	42	37
Periodization of financing costs	4	6
Reversal acquired surplus value lending to the public	79	80
Unrealized value changes on bonds and other interest-bearing securities	-10	-5
Change in value shares and participations	-2	0
Unrealised value changes on derivatives	-549	262
Change in fair value lending to the general public	1	-
Credit losses, net	1,224	937
Total	1,291	1,137

Interest received and paid

SEK million	JAN - MAR 2024	JAN - MAR 2023
The cash flow from current operations includes interest received and paid in the following amounts		
Interest received	2,744	2,353
Interest paid	571	461

NOTE 15 PLEDGED ASSETS AND COMMITMENTS, GROUP

PLEDGED ASSETS FOR OWN LIABILITIES

SEK million	2024-03-31	2023-12-31
Lending to the general public	17,611	15,447
Lending to credit institutions	888	551
Cash collateral for derivatives	31	135
Total	18,530	16,133

COMMITMENTS

SEK million (Nominal amounts)	2024-03-31	2023-12-31
Granted but unpaid loans	147	86
Granted but unutilized credit cards	60 868	58,107
Summa	61 015	58,193
<i>of which subject to impairment test</i>	<i>61,015</i>	<i>58,193</i>

All pledged assets are for the Group's asset related funding operations; securitization and funding with collateral with international banks and derivative contracts.

NOTE 16 TRANSACTIONS WITH RELATED PARTIES

Transactions between parent company and subsidiary are priced at market conditions and is reported in NOBA Bank Group's financial reports.

At the time of the acquisition of Bank Norwegian ASA, NOBA Holding AB (publ) issued SEK 650 million in Tier 2 capital, which were subscribed for by external investors. Thereafter, NOBA Group AB (at the time of the merger called Nordax Group AB) issued corresponding instruments and amounts, which were subscribed by NOBA Holding AB (publ).

Other related parties, from a group perspective, consist in addition of Nordic Capital Fund VIII and Nordic Capital IX and by them controlled entities. Related party transactions are made on market terms and is part of NOBAs ordinary course of business and for the period amounted to SEK 3 million (2).

The table below shows group transactions with related parties from NOBA Holding AB's (publ) perspective.

SEK million	ASSETS		LIABILITIES		INCOME		EXPENSES	
	24-03-31	23-12-31	24-03-31	23-12-31	JAN-MAR 2024	JAN-MAR 2023	JAN-MAR 2024	JAN-MAR 2023
NOBA Bank Group AB (publ)	19	19	-5	-5	-	-	-	-
NOBA Group AB	632	634	-2	-2	15	12	-	-
Other related parties	-	-	-2	-2	-	-	-3	-2
Sum	651	653	-9	-9	15	12	-3	-2

NOTE 17 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

On 6 May, NOBA called for early redemption of subordinated Tier 2 notes of SEK 350 million with redemption date 28 May.

On 3 May, NOBA repurchased senior preferred bonds corresponding to a nominal amount of NOK 1,800 million.

During the beginning of May, NOBA, through the cooperation with Raisin, launched savings products on the Irish and Spanish markets.

On 22 April, NOBA Bank received a confirmed credit rating of BBB, stable outlook, from Nordic Credit Rating.

During April, NOBA signed an agreement relating to the securitization of an NPL portfolio in Sweden with an expected close during H2 2024. The portfolio comprises a gross volume of approximately SEK 700 million and the transaction is expected to have a neutral effect on operating profit and capital base.

During April, NOBA finalized the sale of an NPL portfolio in Denmark. The portfolio comprises a gross volume of approximately DKK 180 million and the transaction had a neutral effect on operating profit and capital base.

INCOME STATEMENT, PARENT COMPANY

SEK million	JAN - MAR 2024	OCT - DEC 2023	JAN - MAR 2023
Net sales	12	18	12
Total net sales	12	18	12
Operating expenses			
Employee expenses	-12	-1	-2
Other external expenses	-7	-4	-1
Total operating expenses	-19	-5	-3
Operating profit	-7	13	9
Result from financial investments			
Interest expenses and similar expenses	-13	-13	-10
Received group contribution	-	4	-
Dividend received	31	30	24
Result from financial investments	18	21	14
Result after financial items	11	34	23
Tax on profit for the period	-	-	-
Net profit for the period	11	34	23

STATEMENT OF COMPREHENSIVE INCOME, PARENT COMPANY

Total profit corresponds to profit for the period.

STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

	31 MAR 2024	31 DEC 2023
SEK million		
Financial assets		
Shares in group companies	22,216	22,216
Total financial assets	22,216	22,216
Total fixed assets	22,216	22,216
Short-term assets		
Receivables group companies	651	653
Other assets	17	16
Prepaid expenses and accrued income	2	2
Total short-term assets	670	671
Cash and bank balances	112	122
Total current assets	782	793
Total assets	22,998	23,009
LIABILITIES, PROVISIONS AND EQUITY		
Equity		
Share capital	2	2
Share premium funds	20,917	20,917
Tier 1 capital instruments	1,358	1,354
Retained earnings	63	-10
Profit for the period	11	110
Total equity	22,352	22,373
Liabilities		
Current tax liabilities	0	0
Accrued expenses and prepaid income	11	4
Liabilities group companies	7	7
Other liabilities	4	3
Subordinated liabilities	624	622
Total current liabilities	646	636
Total liabilities	646	636
Total liabilities, provisions and equity	22,998	23,009

STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY

	Share capital	Share premium funds	Retained earnings	Total	Tier 1 capital instruments	
SEK million	RESTRICTED EQUITY	NON-RESTRICTED EQUITY				TOTAL
Opening balance 1 January 2023	2	20,917	117	21,036	1,338	22,374
Comprehensive income						
Net profit/loss for the year	-	-	-7	-7	117	110
Total comprehensive income	-	-	-7	-7	117	110
Paid interest in Tier 1 capital instruments	-	-	-	-	-111	-111
Change in Tier 1 capital instrument	-	-	-10	-10	10	-
Closing balance 31 December 2023	2	20,917	100	21,019	1,354	22,373
Opening balance 1 January 2024	2	20,917	100	21,019	1,354	22,373
Comprehensive income						
Net profit/loss for the period	-	-	-20	-20	31	11
Total comprehensive income	-	-	-20	-20	31	11
Paid interest in Tier 1 capital instruments	-	-	-21	-21	-10	-31
Change in Tier 1 capital instruments	-	-	17	17	-17	0
Closing balance 31 March 2024	2	20,917	74	20,995	1,358	22,352

The share capital comprises of 2,403,815 shares of the same class with a quotient value of SEK 1 per share.

STATEMENT OF CASH FLOWS, PARENT COMPANY

	JAN - MAR 2024	JAN - MAR 2023
SEK million		
Operating activities		
Operating profit	11	23
Cash flow from operating activities before change in operating assets and liabilities	11	23
Change in operating assets and liabilities		
Decrease/increase in other assets	-2	-19
Decrease/increase in other assets intercompany	2	98
Decrease/increase in other liabilities	8	-2
Cash flow from operating activities	19	100
Financing activities		
Decrease/increase in subordinated loans	2	11
Paid interest Tier 1 capital instruments	-31	-24
Cash flow from financing activities	-29	-13
Cash flow of the year	-10	87
Cash and cash equivalents at the beginning of the period	122	29
Cash and cash equivalents at the end of the period	112	116

PARENT COMPANY NOTE 1 ACCOUNTING AND MEASUREMENT POLICIES

The interim report for the parent company has been prepared in accordance with the Swedish Annual Accounts Act. The Swedish Financial Reporting Board's Recommendation RFR 2 Accounting for Legal Entities has also been applied.

The accounting policies have not been changed compared to the annual report 2023. During the period, no accounting standards were added, which have been published but not yet applied, with any significant effect.

SIGNATURE OF THE CHIEF EXECUTIVE OFFICER

The Chief Executive Officer declares that this financial report for the period 1 January 2024 through 31 March 2024 provides a fair overview of the parent company's and the group's operations, their financial position and results and describes material risks and uncertainties facing the parent company and the group.

Stockholm May 23 2024

JACOB LUNDBLAD
CHIEF EXECUTIVE OFFICER

DEFINITIONS

THE GROUP CONSIDERS THE KEY FIGURES TO BE RELEVANT TO USERS OF THE FINANCIAL REPORT AS A COMPLEMENT IN ASSESSING THE FINANCIAL PERFORMANCE OF THE GROUP

Adjusted cost to income ratio

Total operating expenses excluding depreciation/impairment of intangible assets related to surplus values from previous acquisitions and transformational costs in relation to total operating income.

Adjusted operating profit

Reported operating profit adjusted for depreciation/impairment of intangible assets related to surplus values from previous acquisitions, transformational costs and operating profit from portfolios in run-off in Continental Europe.

Average loan portfolio

The average of lending to the general public at the beginning of the period and the end of the period.

Average number of employees

The sum of the amount of worked hours divided by a normal full-time equivalent.

Cost to income ratio

Total operating expenses in relation to total operating income.

Common Equity Tier 1 capital¹

Shareholders' equity excluding proposed dividend, deferred tax assets, intangible assets and certain other regulatory adjustments defined in Regulation (EU) No 575/2013 (CRR2).

Common Equity Tier 1 capital ratio¹

Common Equity Tier 1 capital as a percentage of risk exposure amount.

Credit loss level, %

Net credit losses as a percentage of average lending to the public.

Earnings per share

Net profit for the period attributable to shareholders divided by the average number of outstanding shares.

Leverage ratio¹

Tier 1 capital as a percentage of total assets including off-balance-sheet items with conversion factors defined in Regulation (EU) No 575/2013 (CRR2).

Liquidity Coverage Ratio (LCR)¹

Liquidity Coverage Ratio (LCR)¹ High-quality liquid assets in relation to the estimated net cash outflows over the next 30 calendar days, as defined in Commission Delegated Regulation (EU) 2015/61 and Regulation (EU) No 575/2013.

Liquidity reserve

A separate reserve of high-quality liquid assets that can be used to secure the company's short-term ability to pay for losses or in the event of reduced access to commonly available funding sources.

Net interest margin, %

Net interest income in relation to average lending portfolio.

Net Stable Funding Ratio (NSFR)

Measures and monitors the relationship between available stable funding and required stable funding over a one-year period.

Other Tier 1 capital¹

Subordinated liabilities that are perpetual and meet certain conditions to be counted as Tier 1 capital when calculating the size of the capital base.

Own funds¹

The sum of Tier 1 and Tier 2 capital.

Return on assets, %

Net profit for the period in relation to total assets.

Return on equity excl. intangible assets and Tier 1 capital

Net profit for the period after deduction of profit attributable to holders of Tier 1 capital in relation to total equity after deduction of intangible assets and Tier 1 capital.

¹ These are reported with respect SFSA's regulations and general recommendations see Note 5, capital adequacy analysis.

DEFINITIONS

Risk exposure amount¹

Total assets and off-balance sheet items, weighted in accordance with capital adequacy regulation for credit and market risks. Operational risks are measured and added as risk exposure amount.

Tier 1 capital¹

Common Equity Tier 1 capital plus qualifying forms of subordinated loans.

Tier 1 capital ratio¹

Tier 1 capital as a percentage of the risk exposure amount.

Tier 2 capital¹

Mainly subordinated loans that do not qualify as Tier 1 capital.

Total capital ratio¹

Total own funds as a percentage of the risk exposure amount.