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NOBA BANK GROUP AB (PUBL)

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INTERIM REPORT  
JANUARY-JUNE 2024

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# YET ANOTHER STRONG QUARTER

## APRIL-JUNE 2024 (COMPARED WITH APRIL-JUNE 2023)

- The loan portfolio amounted to SEK 117,073 million (101,488)
- Operating income amounted to SEK 2,398 million (2,078)
- The C/I ratio was 29.2% (37.8), and the adjusted C/I ratio\* was 24.4% (31.3)
- The credit loss level was 3.2% (3.4)
- Operating profit amounted to SEK 765 million (454), and adjusted operating profit\*\* amounted to SEK 900 million (637)
- Net profit for the period amounted to SEK 578 million (334), and earnings per share was 7.1 SEK (4.2)
- Return on equity, excluding intangible assets and Tier 1 capital instruments, was 18.7% (12.2)
- The Common Equity Tier 1 capital ratio was 13.37% (14.02) and the total capital ratio was 17.19% (17.71)

## JANUARY-JUNE 2024 (COMPARED WITH JANUARY-JUNE 2023)

- The loan portfolio amounted to SEK 117,073 million (101,488)
- Operating income amounted to SEK 4,674 million (4,031)
- The C/I ratio was 28.9% (36.6), and the adjusted C/I ratio\* was 24.6% (31.1)
- The credit loss level was 3.6% (3.5)
- Operating profit amounted to SEK 1,300 million (893) and adjusted operating profit\*\* amounted to SEK 1,548 million (1,218)
- Net profit for the period amounted to SEK 983 million (690), and earnings per share was 12.2 SEK (8.6)
- Return on equity, excluding intangible assets and Tier 1 capital instruments, was 16.3% (12.9)
- The Common Equity Tier 1 capital ratio was 13.37% (14.02) and the total capital ratio was 17.19% (17.71)

“WE ARE PURPOSEFULLY STRIVING TO POSITION OURSELVES IN THE MARKET AMONG THE MAJOR EUROPEAN SPECIALIST BANKS.”

JACOB LUNDBLAD / CEO

### KEY TAKEAWAYS FROM Q2

- In April, NOBA received a credit rating from Nordic Credit Rating that confirmed its previous rating of BBB, stable outlook.
- In April, NOBA agreed to securitize a portfolio of non-performing loans in Sweden. The securitization was completed on July 2. The portfolio had a gross volume of approximately SEK 700 million and the transaction had a neutral impact on profit and own funds in the third quarter. This transaction creates additional tools and flexibility related to the management of non-performing loans and the associated impact on capital.

#### OPERATING INCOME (SEK MILLION)

April-June 2024

**2,398 (+15%)**

#### ADJUSTED C/I RATIO\* (%)

April-June 2024

**24.4%**

#### ADJUSTED OPERATING PROFIT\*\*

(SEK MILLION) April-June 2024

**900 (+41%)**

#### ROTE\*\*\* (%)

April-June 2024

**18.7%**

#### COMMON EQUITY TIER 1 CAPITAL RATIO (%)

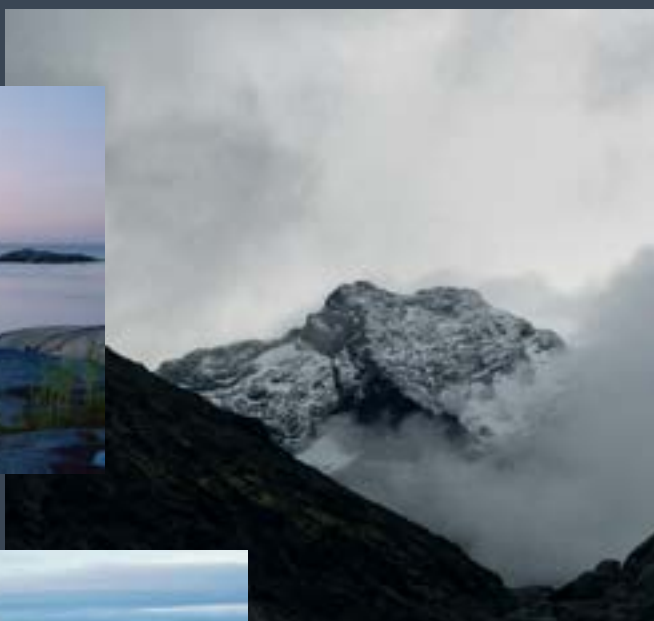
April-June 2024

**13.37%**

\*Reported operating costs adjusted for amortization and impairment of intangible transaction surplus values, transformational expenses and for Q2 2023 also adjusted for the impairment of intangible assets related to Lilienthal Finance Ltd.

\*\* Reported operating profit adjusted for the above and for operating loss related to the "Other" segment.

\*\*\* Return on equity excluding intangible assets and Tier 1 capital instruments.

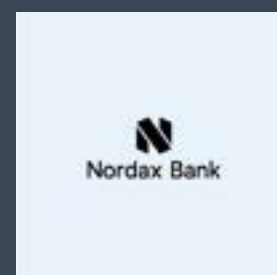


# THIS IS NOBA

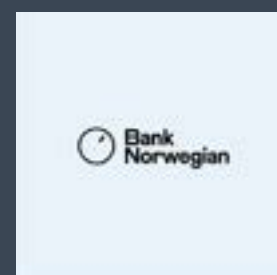
We focus clearly on developing financial services that correspond to needs that are not fully met by the major banks. We have become experts at understanding our customers, which allows us to help them think through financial choices properly, through responsible lending and high availability. Consequently, we act as a flexible complement to the major banks, and we are convinced that offerings customized to specific customer segments are here to stay – one size does not fit all.

With a diversified offering through our three brands – Nordax Bank, Bank Norwegian and Svensk Hypotekspension – and about two million customers, we have the size, knowledge and scalability required to enable financial health for more people. NOBA provides specialized, customer-centric financial offerings that are sustainable for the individual, the bank and society at large, today and in the future. NOBA Bank Group AB (publ) (“NOBA”) is owned by Nordic Capital Fund IX, Nordic Capital Fund VIII and Sampo. The NOBA group has approximately 640 employees and is active in eight markets.

As of June 30, 2024, lending to the public amounted to SEK 117,073 million, and deposits amounted to SEK 107,352 million.



THE BANK FOR THE NEW NORMAL



A DIGITAL FRONTRUNNER



THE LEADING PROVIDER OF  
EQUITY RELEASE (REVERSE  
MORTGAGES)

# CONSOLIDATED POSITION



## OUR STRONGEST QUARTER TO DATE

With our robust credit scoring capabilities as the foundation, our focus in the first half of 2024 was to keep growing. We are purposefully striving to position ourselves in the market among the major European specialist banks. Through our strong offering, we fulfill a need among customer groups that the market does not currently address, and an increasing number of customers are requesting and using our competitive products. In the second quarter, our operating income grew by 15 percent compared with the second quarter of 2023. Profit from underlying operations grew to SEK 900 million, compared with SEK 637 million in the second quarter of the previous year, representing a 41 percent increase. Our strong emphasis on achieving high efficiency is yielding positive results. This is evident in the decreasing cost-to-income ratio, which stood at 24.4 percent based on adjusted figures, similar to the first quarter. Our progress in recent years and the levels we have achieved so far would have been astonishing twenty years ago when we began our journey.

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**“WE ARE PURPOSEFULLY STRIVING TO POSITION OURSELVES IN THE MARKET AMONG THE MAJOR EUROPEAN SPECIALIST BANKS. WITH OUR ROBUST CREDIT SCORING CAPABILITIES AS THE FOUNDATION, OUR FOCUS IN THE FIRST SIX MONTHS WAS TO KEEP GROWING THROUGH A STRONG AND SOUGHT-AFTER OFFERING, WHICH WAS ALSO REFLECTED IN OUR PERFORMANCE.”**

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## FINANCIAL HEALTH FOR MORE PEOPLE

In parallel with increased financial growth, several initiatives were implemented during the quarter to strengthen and position NOBA by taking additional steps toward our mission of enabling financial health for more people. We also presented our 2024 Relationship Report, in which we proactively raised important issues related to people’s relationships with money, housing and each other. The report includes expert comments

from the Swedish Gender Equality Agency and forms part of a broader initiative related to our work on responsibility for financial health. Another example of our initiatives is our continued participation in the public debate on what measures will be relevant to individuals and society concerning over-indebtedness. Following our ethical lending guidelines, we do our best to ensure that no one is granted a credit they cannot repay.

We also continued our efforts to strengthen the visual identity of our Bank Norwegian brand during the quarter. We launched our new blue credit card, mainly in the Swedish, Norwegian, Finnish and Danish markets. In the near future, approximately 1.2 million new and old customers will be able to benefit from the card’s value-adding benefits in a new package.

## NOBA 20 YEARS – A TRANSFORMED COMPANY

Twenty years have now passed since I first had the honor of setting foot through the front doors at what was then called Nordax Finans. I was hired as employee number fifteen in a company that ended the year with a SEK 665 million credit portfolio. This should be compared with the current credit portfolio, which amounts to SEK 117 billion, and should be considered in the context that we operate in low-risk countries where customers have excellent repayment capacity. This incredible development was made possible due to the clear and growing need for our products and skills, both in the Nordic region and the rest of Europe.

It has been an exciting journey through financial crises and a pandemic, but also booming economies and happy days. NOBA has evolved from a small company with a single product to one of the market-leading specialist banks in Europe, with an extensive product range. This advancement was possible through hardwork and expertise in lending, effective distribution channels and a scalable digital platform.

We thank you – our customers, investors and owners – for your confidence in us. We promise to continue our best endeavors to meet and exceed your expectations. I am very proud of our collective accomplishments and look forward with confidence to the next twenty years.

**JACOB LUNDBLAD**  
CEO NOBA

# KEY FIGURES FOR THE GROUP

In addition to the financial measures defined by IFRS, NOBA presents certain alternative performance measures in this interim report that are not defined according to IFRS, but which provide investors and management with valuable supplementary information for evaluating NOBA's financial development and position. These measures, which are

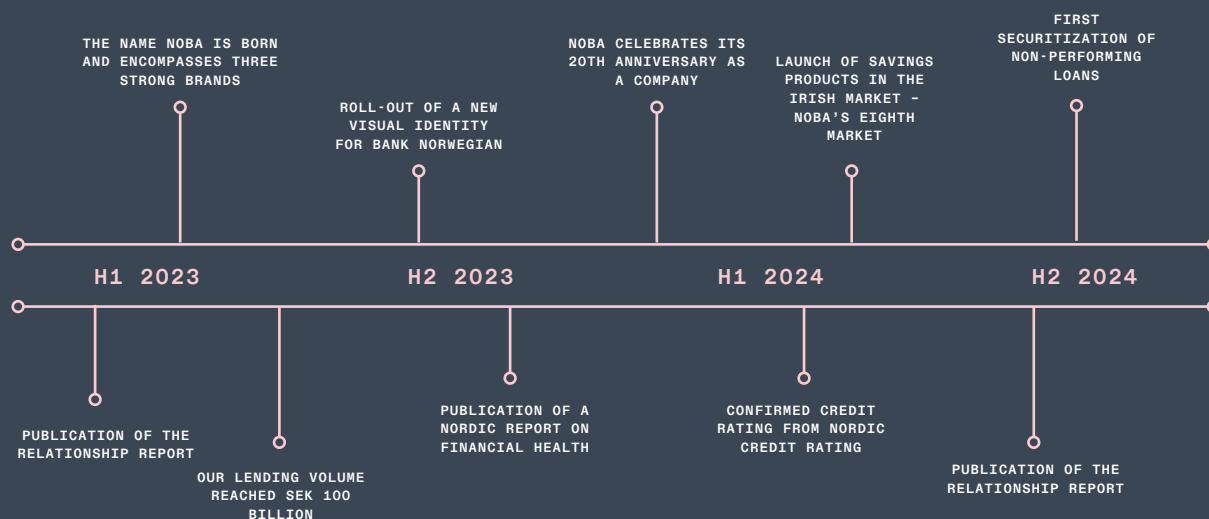
explained on pages 63 -64 of the interim report, are not necessarily comparable with performance measures with similar names used by other companies. They should also not be regarded as a substitute for the performance measures for financial reporting that are prepared according to IFRS.

KEY FIGURES FOR THE GROUP	Q2 2024	Q2 2023	Δ	JAN-JUNE 2024	JAN-JUNE 2023	Δ
<b>Income statement – SEK million</b>						
Operating income	2,398	2,078	15.4%	4,674	4,031	16.0%
Operating expenses	-701	-785	-10.7%	-1,351	-1,476	-8.5%
Credit losses	-932	-839	11.1%	-2,023	-1,662	21.7%
Operating profit	765	454	68.5%	1,300	893	45.6%
Adjusted operating profit*	900	637	41.4%	1,548	1,218	27.1%
<b>Statement of financial position – SEK million</b>						
Lending to the public	117,073	101,488	15.4%	117,073	101,488	15.4%
Deposits from the public	107,352	87,167	23.2%	107,352	87,167	23.2%
<b>Key figures</b>						
Common Equity Tier 1 capital ratio, %	13.37%	14.02%		13.37%	14.02%	
Total capital ratio, %	17.19%	17.71%		17.19%	17.71%	
Net interest margin	7.8%	8.0%		7.7%	8.0%	
C/I ratio	29.2	37.8		28.9	36.6	
Adjusted C/I ratio**	24.4	31.3		24.6	31.1	
Credit losses, %	3.2%	3.4%		3.6%	3.5%	
Return on equity excluding intangible assets and Tier 1 capital instruments, %	18.7%	12.2%		16.3%	12.9%	
Return on total assets, %	1.6%	1.1%		1.4%	1.1%	
Earnings per share, SEK	7.1	4.2		12.2	8.6	
Average number of full-time employees	628	579		619	580	

\* Reported operating profit adjusted for amortization and impairment of intangible transaction surplus values, transformational expenses and operating loss from the "Other" segment. For specific figures, see page 7.

\*\* Operating expenses excluding amortization and impairment of intangible transaction surplus values and transformational expenses. In the second quarter of 2023, the figure was also adjusted for the impairment of intangible assets related to Lilienthal Finance Ltd, relating to operating income. For specific figures, see page 7.

# HIGHLIGHTS IN 2023 AND 2024



## SIGNIFICANT EVENTS DURING THE SECOND QUARTER

On June 3, NOBA issued senior unsecured bonds of SEK 500 million to Swedish investors.

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

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

In early May, in cooperation with Raisin Bank AG, NOBA launched savings products in the Irish market and a supplementary offering in the Spanish market where we were already established. With the addition of Ireland, NOBA now has a presence in eight markets.

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

In April, NOBA agreed to securitize a non-performing loans portfolio in Sweden. The portfolio had a gross volume of approximately SEK 700 million, and the transaction had a neutral impact on profit and own funds in the third quarter.

In April, NOBA completed the sale of a portfolio of

non-performing loans in Denmark. The portfolio had a gross volume of approximately DKK 180 million, and the transaction had a neutral impact on profit and own funds.

During the period, the strategic review that was announced in Q3 2023 was expanded to also include a potential public listing of the company.

## SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

On July 2, the securitization of the non-performing loans portfolio was completed.

On July 1, an intra-group merger was completed, through which NOBA Holding AB (publ) and NOBA Group AB (publ) were merged into NOBA Bank Group AB (publ), resulting in the dissolution of NOBA Holding AB (publ) and NOBA Group AB (publ). The group's operations were not, and will not be, affected by the merger. After the merger, NOBA Bank Group AB (publ) became the issuer and assumed all obligations and liabilities related to the bonds originally issued by NOBA Holding AB (publ).

In July, through the subsidiary Svensk Hypotekspension 5 AB (publ), new bilateral secured funding was obtained from an international bank. The extension was for two years and included SEK 1,000 million. After the extension, the total funding amounts to SEK 6,000 million.

# THE GROUP'S DEVELOPMENT

## REVENUE AND PROFIT

### SECOND QUARTER

Operating income amounted to SEK 2,398 million (2,078), corresponding to an increase of 15 percent compared with the previous year. Net interest income increased by 15 percent compared with the previous year, to SEK 2,246 million (1,945), due to an increased portfolio volume. However, this was offset by a somewhat lower net interest margin. Net fee and commission income amounted to SEK 172 million (148); the increase was mainly due to increased card volumes. Operating profit amounted to SEK 765 million (454), corresponding to an increase of 69 percent compared with the previous year. The increase was primarily due to revenue growth as well as reduced costs.

As the bank's profit is highly affected at present by transformational expenses, operating loss related to the "Other" segment, in which no new sales are made, and amortization of intangible transaction surplus values mainly related to Bank Norwegian, management is also monitoring operations based on adjusted profit, which excludes the effect of these items. Adjusted operating profit amounted to SEK 900 million (637)<sup>1</sup>.

### JANUARY-JUNE

Operating income amounted to SEK 4,674 million (4,031), corresponding to an increase of 16 percent compared with the same period in the previous year. Net interest income increased by 16 percent compared with the previous year, to SEK 4,393 million (3,796), due to an increased portfolio volume. However, this was offset by a somewhat lower net interest margin. Net fee and commission income amounted to SEK 309 million (249); the increase was mainly due to increased card volumes. Operating profit amounted to SEK 1,300 million (893), corresponding to an increase of 46 percent compared with the same period in the previous year. The increase was primarily due to revenue growth as well as reduced costs.

Adjusted operating profit amounted to SEK 1,548 million (1,218)<sup>2</sup>.

## EXPENSES

### SECOND QUARTER

Total expenses amounted to SEK -701 million (-785) over the period. Excluding amortization of intangible transaction surplus values, expenses amounted to SEK -667 million (-752). Of these expenses, SEK -585 million (-651) were related to the underlying operations, and SEK -82 million (-101) were transformational expenses linked to the integration of Bank Norwegian, the strategic review of the company that was announced in the third quarter of 2023 and the ongoing change of NOBA's core banking system. The comparative period also included the impairment of intangible assets related to Lilienthal Finance Ltd of SEK -69 million. The underlying cost-to-income ratio improved to 24 percent (31).

Amortization of intangible transaction surplus values amounted to SEK -34 million (-33) as scheduled. The item is a pure accounting item that refers in all essentials to the allocation of surplus values from the acquisition of Bank Norwegian and does not affect cash flows or capital adequacy, as the asset has already been deducted from own funds.

### JANUARY-JUNE

Total expenses amounted to SEK -1,351 million (-1,476) over the period. Excluding amortization of intangible transaction surplus values, expenses amounted to SEK -1,284 million (-1,408). Of these expenses, SEK -1,149 million (-1,253) were related to the underlying operations, and SEK -135 million (-155) were transformational expenses linked to the integration of Bank Norwegian, the strategic review of the company that was announced in the third quarter of 2023 and the ongoing change of NOBA's core banking system. The comparative period also included the impairment of intangible assets related to Lilienthal Finance Ltd of SEK -69 million. The underlying cost-to-income ratio improved to 25 percent (31).

Amortization of intangible transaction surplus values amounted, according to plan, to SEK -67 million (-68), as scheduled.

<sup>1</sup> Reported operating profit of SEK 765 million (454) adjusted by transformational expenses of SEK -82 million (-31), operating loss from the "Other" segment of SEK 19 million (119) and scheduled amortization of intangible transaction surplus values of SEK -34 million (-33).

<sup>2</sup> Reported operating profit of SEK 1,300 million (893) adjusted by transformational expenses of SEK -135 million (-85), operating loss from the "Other" segment of SEK 46 million (172) and scheduled amortization of intangible transaction surplus values of SEK -67 million (-68).

## CREDIT PORTFOLIO JANUARY– JUNE 2024

Compared with the same period in 2023, lending displayed a good growth, where all portfolios in segments with active new sales grew. Total lending amounted to SEK 117,073 million (101,488) at the end of the second quarter.

## CREDIT LOSSES

### SECOND QUARTER

Credit losses amounted to SEK -932 million (-839), which corresponded to 3.2 percent (3.4) of average lending, where the increase in absolute figures was due to increased provisions for loans in Stage 3.

### JANUARY–JUNE

Credit losses amounted to SEK -2,023 million (-1,662), corresponding to 3.6 percent (3.5) of average lending where the increase was due to increased provisions for loans in Stage 3.

## LIQUIDITY AND FINANCIAL INVESTMENTS JANUARY–JUNE 2024

The liquidity reserve amounted to SEK 21,972 million (17,750) and primarily comprised secured bonds, treasury bills and investments in central and Nordic banks.

The liquidity coverage ratio (LCR) was 196.0 percent (185.6).

The net stable funding ratio (NSFR) was 124.4 percent (118.7).

## FUNDING JANUARY–JUNE 2024

NOBA has a diversified funding structure with various sources of capital distributed over banks, the capital market and deposits from the general public. Deposits from the general public are the largest source of funding at SEK 107,352 million (87,167).

## CAPITAL AND CAPITAL RATIOS JANUARY– JUNE 2024

As of June 30, 2024, the Common Equity Tier 1 capital ratio was 13.37 percent (14.02), the Tier 1 capital ratio was 15.46 percent (15.79), and the total capital ratio was 17.19 percent (17.71). At the same point in time, the capital requirements consisted of a Common Equity Tier 1 capital ratio of 10.24 percent (9.28), a Tier 1 capital ratio of 11.98 percent (11.03) and a total capital ratio of 14.30 percent (13.36).

The main reason for the reduction in capital ratios was that growth in Common Equity Tier 1 capital through profit recognized to date was lower than the increase in the risk exposure amount through increased lending. The Tier 1 capital ratio and the total capital ratio were affected positively by issues of Tier 2 instruments in June 2023 and January 2024 and the issue of Additional Tier 1 instruments in March 2024.

The main reason for the higher capital requirements is that NOBA became subject to the requirement for a systemic risk buffer of 4.5 percent for Norwegian risk exposures as of December 31, 2023. As of June 30, 2024, the requirement for the systemic risk buffer in Norway was 0.98 percent of the total risk exposure amount. Countercyclical buffer rates remained unchanged over the period in the countries where NOBA has exposures. NOBA's countercyclical buffer requirement is 1.53 percent (1.54).

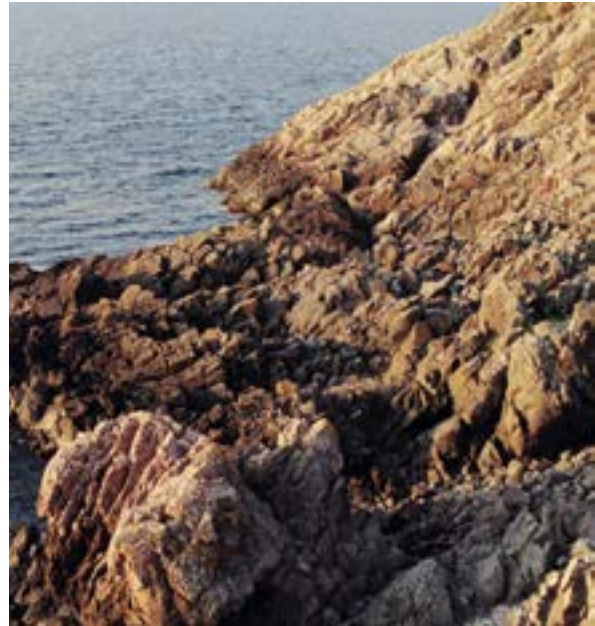
The Common Equity Tier 1 capital rose to SEK 12,456 million (11,328). The Common Equity Tier 1 capital was primarily strengthened due to the profit recognized over the period.

The leverage ratio was 9.78 percent (10.06).



# OUR SEGMENTS

In the first quarter of 2024, the operations' division into segments was reviewed, which led to a division into the following segments: Private loans, Credit cards, Secured and Other. The Nordax platform is represented in the Private loans and Secured segments. The Bank Norwegian platform is represented in the Private loans and Credit cards segments, while Svensk Hypotekspension and its equity release (reverse mortgage) products are included in the Secured segment. The Other segment includes private loan portfolios in Spain and Germany and a minor credit card portfolio in Spain, where no active new sales are performed.



## PRIVATE LOANS

A STABLE GROUP OF CUSTOMERS IN NEED OF FINANCING

69% → ~500K → ~45 → ~65% → ~SEK39K  
of the portfolio customers average age owns their home Average monthly income

- A significant share being refinancing to reduce monthly costs for customers
- A diversified offering across several markets
- A product with clear economies of scale

## CREDIT CARDS

A LARGE GROUP OF CUSTOMERS WITH A TEMPORARY NEED FOR CREDIT

15% → ~1.3M  
of the portfolio customers

- High customer value through attractive card benefits
- A stable balance with a low turnover rate
- Risk diversification through many small credits

## SECURED

A GROUP OF CUSTOMERS THAT IS UNDERSERVED BY MAJOR BANKS

15% → ~16,000  
of the portfolio customers

- High customer value, as they make it possible to buy a home or free up resources from an existing home
- An attractive and growing market
- Low credit losses

## PRODUCTS

### PRIVATE LOANS

- Loans up to NOK 800,000
- Loans up to SEK 600,000
- Loans up to EUR 60,000
- Loans up to DKK 400,000
- Refinancing
- Green loans

### CREDIT CARDS

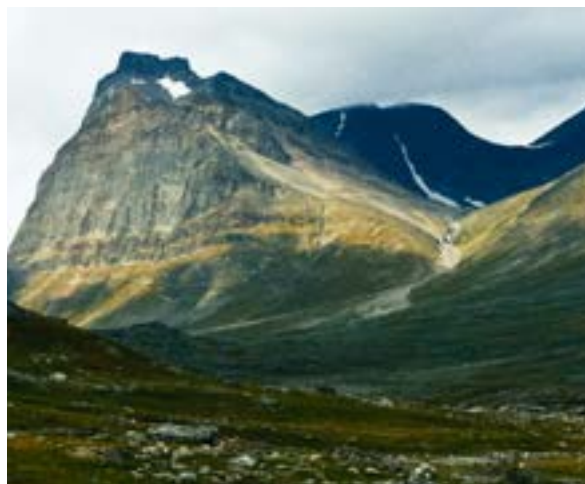
- Credit up to NOK 150,000\*
- Credit up to SEK 150,000 \*
- Credit up to EUR 15,000\*
- Credit up to DKK 100,000\*
- No annual fee
- Interest-free for up to 45 days
- Earn CashPoints or cashback

### SECURED

- Individual comprehensive assessment
- Residential mortgages without permanent employment
- Equity release (reverse mortgages) without regular interest payments or repayments

\* Applicable for new customers

# SEGMENT PERFORMANCE



## SEGMENT PERFORMANCE IN THE SECOND QUARTER OF 2024 COMPARED WITH THE SECOND QUARTER OF 2023

### PRIVATE LOANS

Compared with the second quarter of 2023, growth was strong in the private loan portfolio. The total volume of private loans amounted to SEK 80,977 million (70,470) at the end of the second quarter. There was growth in all markets. Operating profit amounted to SEK 496 million (375). Higher revenue from an increased loan portfolio contributed to the increase, while higher credit losses had a negative impact.

### CREDIT CARDS

Compared with the second quarter of 2023, the credit card portfolio grew strongly. The total credit card volume amounted to SEK 17,309 million (12,735) at the end of the second quarter. There was growth in all markets. Operating profit totaled SEK 182 million (105). The increase was mainly due to revenue from an increased loan portfolio, but higher transaction volumes also contributed.

### SECURED

Compared with the second quarter of 2023, the secured portfolio grew strongly. The total volume amounted to SEK 17,718 million (16,744) at the end of the second quarter. Growth was driven by all included areas, with Svensk Hypotekspension as the most substantial contributor. Operating profit amounted to SEK 105 million (93). Both increased revenue and reduced costs contributed to the improved profit.

### OTHER

This segment includes portfolios without active new sales and will, therefore, decline steadily over time. The total volume amounted to SEK 1,069 million (1,539) at the end of the second quarter. Operating loss amounted to SEK 19 million (119). Both lower credit losses and reduced costs contributed to the improvement.

## SEGMENT PERFORMANCE IN JANUARY-JUNE 2024 COMPARED WITH JANUARY-JUNE 2023

### PRIVATE LOANS

The private loan portfolio grew strongly compared with the first six months of 2023. The total volume of private loans amounted to SEK 80,977 million (70,470) at the end of the second quarter. There was growth in all markets. Operating profit amounted to SEK 798 million (690). Higher revenue from an increased loan portfolio contributed to the increase, while higher credit losses had a negative impact.

### CREDIT CARDS

Compared with the first six months of 2023, the credit card portfolio grew strongly. The total credit card volume amounted to SEK 17,309 million (12,735) at the end of the second quarter. There was growth in all markets. Operating profit totaled SEK 332 million (230). The increase was mainly due to revenue from an increased loan portfolio, but higher transaction volumes also contributed.

### SECURED

Compared with the first six months of 2023, the secured portfolio grew strongly. The total volume amounted to SEK 17,718 million (16,744) at the end of the second quarter. Growth was driven by all included areas, with Svensk Hypotekspension as the most substantial contributor. Operating profit amounted to SEK 216 million (145). Both increased revenue, reduced costs, and lower credit losses contributed to the improved profit.

### OTHER

This segment includes portfolios without active new sales and will, therefore, decline steadily over time. The total volume amounted to SEK 1,069 million (1,539) at the end of the second quarter. Operating loss amounted to SEK 46 million (172). Both lower credit losses and reduced costs contributed to the improvement.

# SUSTAINABILITY

## FINANCIAL HEALTH AND RESPONSIBLE LENDING

NOBA has identified two areas that are specific to our operations: Financial health and Responsible lending. Both of these relate to our focus on enabling financial health for more people. Financial health is at the core of NOBA's operations and applies to all areas of operation. Through our product portfolio, we offer specific and individually adapted solutions that solve important financial problems for private individuals. Responsible lending imbues all our operations and the entire journey for our customers. These principles are firmly rooted in our sustainability strategy. With the introduction of green loans, we also, to a larger extent, enable our customers to contribute to limiting climate change. This encompasses all our green lending offering, including equity release products (reverse mortgages), mortgages and private loans directed at investments for energy savings and electric vehicles.



## CLIMATE IMPACT AND TRACEABILITY

NOBA's efforts to measure and report its carbon footprint are part of our ambition to take responsibility for climate change and contribute to its mitigation in any way we can. We not only report our emissions in Scope 1 and 2; we also report our Scope 3 emissions pursuant to the Greenhouse Gas Protocol. This method strengthens NOBA's focus on our indirect climate impact and its traceability. In addition to our Sustainability Policy and Sustainability Reporting Instruction, our efforts to reduce the risks and leverage the opportunities that climate change may have on our operations are governed by a Climate Instruction. Opportunities related to Climate-change primarily include our loan offering, such as our green loans.

## GREEN LOANS FACILITATE POSITIVE IMPACT

We are well aware of the significant role that all companies may play in reducing emissions. Therefore, we have developed a product portfolio and a sustainability strategy consistent with regulations and matching the consumer demand for green products. By introducing green loans, we would like to increase our assistance to customers in their efforts to limit

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**“FOR US, IT’S ABOUT PRACTICING WHAT WE PREACH AND ACTING RESPONSIBLY TOWARDS OUR CUSTOMERS, OUR OWNERS, THE COMPANY AND SOCIETY. FOR IT TO BE SUCCESSFUL, SUSTAINABILITY MUST BE A NATURAL AND INTEGRAL PART OF THE OPERATIONS.”**

JACOB LUNDBLAD  
/ CEO AND CHAIRMAN OF THE ESG COMMITTEE

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climate change. They may apply for loans that allow them to invest in a climate-friendly home, render their existing home more energy-efficient with geothermal heating or solar panels or purchase an electric car or scooter. Equity release loans (reverse mortgages) make it possible for older individuals to borrow money against their homes to release capital for such green investments.

Our General Credit Policy, the credit instruction for mortgages in Sweden and the credit instruction for branches govern the framework for our green loans. These are aligned with the European Banking Authority's (EBA's) guidelines for ensuring that the use of the capital meets our energy efficiency and/or emission reduction requirements. Like the EBA, NOBA is convinced that financial institutions are an important source of sustainable finance. Our development of green loans is also attentive to customer needs regarding the product offering. In 2022, NOBA developed green loan products for electric vehicles and electric bikes, having conducted and evaluated a customer survey on how our products and services could become more sustainable. NOBA will develop these green loan products further in 2024.

To create customer incentives, NOBA offers these green loans with reduced interest rates. These may apply to residential mortgages if the mortgaged building has been classified as Energy Class A or B by Boverket, the Swedish National Board of Housing, Building and Planning.

### **HEALTHY INITIATIVES**

NOBA has launched several educational campaigns to improve financial health among the general public and increase the general knowledge of financial health. These campaigns have involved socio-economic issues and equality in personal finances. We also have educational initiatives aimed at those who do not generally have good access to the financial or banking sectors. We aim to be more inclusive. An example of such an educational initiative is the Healthonomics Report. According to this report, people's financial situations are strongly linked to their physical and mental health and well-being.

Our Relationship Report has been published three years in a row, most recently in 2024. It communicates insights from surveys into how people are affected by the housing market, including their concerns about finding a new home after a separation and how issues related to housing affect relationships.

In 2023, NOBA launched the campaign Hälsonomikollen, a personal finance health check, as part of a broader campaign to inform and educate customers and the general public on typical personal finance issues. The health check is developed in cooperation with psychologists to ensure its relevance. Questions included in the health check cover daily expenses and attitudes to money and personal finances.

### **SUSTAINABILITY GOVERNANCE**

NOBA has established a risk management framework that ensures a sound, comprehensive and effective management of risks and operational control. Sustainability risks, including environmental, social and governance-related risks, are considered integral to NOBA's risk management framework and permeate existing risks pursuant within NOBA's risk taxonomy. The management of sustainability risks relies on the same overarching processes as those used for other risks at NOBA.

To secure the internal governance of NOBA's sustainability efforts, the CEO has established and chairs an ESG Committee that acts as a decision-making body determining the direction and operational initiatives in the sustainability area. The Committee supports the CEO, the management and the Board of Directors by offering relevant information for review and approval of strategies, initiatives and policies. The Committee reports quarterly to the management team and at least annually to the Board of Directors.

# FINANCIAL OVERVIEW

## SIGNIFICANT RISKS AND UNCERTAINTY FACTORS

The bank's overall policies for governance, risk management and the risk appetite framework determine the group's strategy, appetite and limits for each risk and its associated strategy and assign roles and responsibilities for managing these risks.

The group is exposed to credit risks as well as 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 NOBA group has independent functions for 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. 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.

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

## BOARD OF DIRECTORS

The Board of Directors of NOBA Bank Group AB (publ) comprises Chairman Hans-Ole Jochumsen and Board members Christian Frick, Christopher Ekdaahl, Henrik Källén, Ricard Wennerklint, Ville Talasmäki, Ragnhild Wiborg and the employee representative Daniella Bertlin.

## MANAGEMENT TEAM

The management team of NOBA BANK GROUP AB (publ) comprises: CEO Jacob Lundblad, CFO Patrick MacArthur, COO Malin Jönsson, CMO Hanna Belander, CLO Kristina Tham Nordlind, CTO Adam Wiman, Director Credit Risk & Analytics Markus Kirsten, CRO Olof Mankert (co-opted), CCO (Chief Commercial Officer) Fredrik Mundal, Branch Manager and Branch CFO Mats Benserud and HR Director Malin Frick.

## EMPLOYEES

As of June 30, the group had 637 employees.

## OWNERSHIP STRUCTURE

NOBA Bank Group AB (publ) (corporate identity number 556647-7286), having its registered office in Stockholm and the address Box 23124, 104 35 Stockholm, Sweden, telephone number +46 8 508 808 00, [www.noba.bank](http://www.noba.bank), is indirectly owned and controlled by Nordic Capital Fund VIII at approximately 35 percent, Nordic Capital Fund IX at approximately 45 percent and Sampo Oyj at approximately 20 percent.

## ANNUAL REPORT

The 2023 Annual Report was published on April 26, 2024, and can be read on [noba.bank/investors](http://noba.bank/investors).

## CONTACT

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This information is information that NOBA Bank Group AB (publ) is obliged to make public pursuant to the Swedish Securities Markets Act. This information was submitted for publication through the contact persons set out above at 7.30 a.m. CEST on 28 August 2024.

NOBA Bank Group AB (publ)  
Gävlegatan 22  
113 30 Stockholm, Sweden

Corporate Identity No. 556647-7286  
Registered office: Stockholm

# CONSOLIDATED INCOME STATEMENT, GROUP

SEK million	NOTE	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
<b>Operating income</b>						
Interest income	9	3,485	3,352	2,722	6,837	5,179
<i>of which interest income according to the effective interest method</i>		3,351	3,210	2,589	6,561	4,942
Interest expense	9	-1,239	-1,205	-777	-2,444	-1,383
<b>Total net interest income</b>		<b>2,246</b>	<b>2,147</b>	<b>1,945</b>	<b>4,393</b>	<b>3,796</b>
<b>Operating expenses</b>						
Commission income	10	248	205	195	453	346
Commission expenses	10	-76	-68	-47	-144	-97
Net profit from financial transactions	11	-20	-8	-15	-28	-14
<b>Total operating income</b>		<b>2,398</b>	<b>2,276</b>	<b>2,078</b>	<b>4,674</b>	<b>4,031</b>
<b>Operating expenses</b>						
General administrative expenses		-430	-398	-377	-828	-744
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets		-16	-15	-89	-31	-112
Other operating expenses	12	-221	-204	-286	-425	-552
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>		<b>-667</b>	<b>-617</b>	<b>-752</b>	<b>-1,284</b>	<b>-1,408</b>
Amortization and impairment of transaction surplus values		-34	-33	-33	-67	-68
<b>Total operating expenses</b>		<b>-701</b>	<b>-650</b>	<b>-785</b>	<b>-1,351</b>	<b>-1,476</b>
<b>Profit before credit losses</b>		<b>1,696</b>	<b>1,626</b>	<b>1,293</b>	<b>3,322</b>	<b>2,555</b>
Net credit losses	13	-932	-1,091	-839	-2,023	-1,662
<b>Operating profit</b>	8	<b>765</b>	<b>535</b>	<b>454</b>	<b>1,300</b>	<b>893</b>
Tax on profit for the period		-187	-130	-120	-317	-203
<b>Net profit for the period</b>		<b>578</b>	<b>405</b>	<b>334</b>	<b>983</b>	<b>690</b>
<b>Attributable to:</b>						
The Parent Company's shareholders		520	370	302	890	630
Holders of Tier 1 capital		58	35	32	93	60

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, GROUP

SEK million	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
<b>Items to be reclassified in the income statement</b>					
Gains and losses on revaluation of cash flow hedges during the period	-2	20	2	18	-24
Tax on gains and losses on revaluation of cash flow hedges during the period	0	-4	0	-4	5
<b>Total cash flow hedges</b>	<b>-1</b>	<b>16</b>	<b>2</b>	<b>15</b>	<b>-19</b>
Debt instruments measured at fair value through other comprehensive income	-1	4	-1	3	-1
Tax on debt instruments measured at fair value through other comprehensive income	0	-1	0	-1	0
<b>Total debt instruments measured at fair value through other comprehensive income</b>	<b>-1</b>	<b>3</b>	<b>-1</b>	<b>2</b>	<b>-1</b>
Translation of foreign subsidiaries	177	-122	336	55	-909
Tax on translation differences	-16	18	-49	2	80
Hedge accounting of net investment before tax	-121	51	-214	-70	528
Tax on hedge accounting	26	-11	44	15	-109
<b>Total translation of foreign operations</b>	<b>64</b>	<b>-63</b>	<b>117</b>	<b>1</b>	<b>-410</b>
<b>Items not to be reclassified in the income statement</b>					
Equity instrument valued at fair value through other comprehensive income	-	-	-22	-	-22
<b>Total equity instrument valued at fair value through other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-22</b>	<b>-</b>	<b>-22</b>
Total other comprehensive income	62	-44	96	18	-452
<b>Comprehensive income</b>	<b>640</b>	<b>361</b>	<b>430</b>	<b>1,001</b>	<b>238</b>
<b>Attributable to:</b>					
The Parent Company's shareholders	582	326	398	908	178
Holders of Tier 1 capital	58	35	32	93	60

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION, GROUP

SEK million	NOTE	30 JUN 2024	31 DEC 2023
<b>Assets</b>			
Cash and balances with central banks	6,7	3,401	1,173
Treasury bills eligible for repayment etc.	6,7	1,999	1,200
Lending to credit institutions	6,7	2,149	3,165
Lending to the general public	4,6-7	117,073	110,121
Bonds and other fixed-income securities	6,7	15,256	13,172
Other shares	6,7	153	150
Derivatives	6,7	262	324
Intangible assets		8,178	8,208
Tangible assets		56	62
Current tax assets		4	4
Deferred tax assets		121	136
Other assets	6,7	273	285
Prepaid expenses and accrued income		101	65
<b>Total assets</b>		<b>149,026</b>	<b>138,065</b>
<b>LIABILITIES, PROVISIONS AND EQUITY</b>			
<b>Liabilities</b>			
Liabilities to credit institutions	6,7	13,712	10,995
Deposits from the general public	6,7	107,352	96,788
Issued securities	6,7	1,605	5,581
Derivatives	6,7	311	425
Current tax liabilities		91	190
Deferred tax liability		689	733
Other liabilities	6,7	1,187	1,240
Accrued expenses and deferred income		541	393
Subordinated liabilities	6,7	1,843	1,729
<b>Total liabilities</b>		<b>127,332</b>	<b>118,074</b>
<b>Equity</b>			
Share capital		73	73
Share premium fund		4,476	4,476
Other funds		-518	-537
Tier 1 capital instruments		2,154	1,354
Retained earnings		14,526	13,438
Profit for the year		983	1,187
<b>Total equity</b>		<b>21,693</b>	<b>19,991</b>
<b>Total liabilities, provisions and equity</b>		<b>149,026</b>	<b>138,065</b>



# STATEMENT OF CHANGES IN EQUITY, GROUP

SEK million	Share capital	Share premium fund	Translation of foreign operations, net	Fair value reserv	Cash flow hedges	Retained earning incl. profit for the period	Sum	Tier 1 capital instruments	TOTAL
<b>Opening balance 1 January 2023</b>	<b>73</b>	<b>4,476</b>	<b>-42</b>	<b>39</b>	<b>161</b>	<b>13,577</b>	<b>18,284</b>	<b>1,470</b>	<b>19,754</b>
<b>Comprehensive income</b>									
Net profit/loss for the year	-	-	-	-	-	1,064	1,064	123	1,187
Other comprehensive income	-	-	-542	-23	-130	-	-695	-3	-698
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-542</b>	<b>-23</b>	<b>-130</b>	<b>1,064</b>	<b>369</b>	<b>120</b>	<b>489</b>
Paid interest Tier 1 capital instruments	-	-	-	-	-	-	-	-121	-121
Repayment of Tier 1 capital instrument	-	-	-	-	-	-	-	-129	-129
Change in Tier 1 capital instruments	-	-	-	-	-	-14	-14	14	0
<b>Transactions with shareholders</b>									
Capital contributions	-	-	-	-	-	-3	-3	-	-3
Tax effect on capital contribution	-	-	-	-	-	1	1	-	1
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-2</b>	<b>-</b>	<b>-2</b>
<b>Closing balance 31 December 2023</b>	<b>73</b>	<b>4,476</b>	<b>-584</b>	<b>16</b>	<b>31</b>	<b>14,625</b>	<b>18,637</b>	<b>1,354</b>	<b>19,991</b>
<b>Opening balance 1 January 2024</b>	<b>73</b>	<b>4,476</b>	<b>-584</b>	<b>16</b>	<b>31</b>	<b>14,625</b>	<b>18,637</b>	<b>1,354</b>	<b>19,991</b>
<b>Comprehensive income</b>									
Net profit/loss for the period	-	-	-	-	-	890	890	93	983
Other comprehensive income	-	-	1	2	15	-	18	-	18
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>1</b>	<b>2</b>	<b>15</b>	<b>890</b>	<b>908</b>	<b>93</b>	<b>1,001</b>
Paid interest Tier 1 capital instruments	-	-	-	-	-	-	-	-90	-90
Change in Tier 1 capital instruments	-	-	-	-	-	-6	-6	6	0
Issued Tier 1 capital instrument	-	-	-	-	-	-	-	791	791
<b>Transactions with shareholders</b>									
Capital contributions	-	-	-	-	-	-	-	-	-
Tax effect on capital contribution	-	-	-	-	-	-	-	-	-
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Closing balance 30 June 2024</b>	<b>73</b>	<b>4,476</b>	<b>-582</b>	<b>18</b>	<b>46</b>	<b>15,509</b>	<b>19,540</b>	<b>2,154</b>	<b>21,693</b>

# STATEMENT OF CASH FLOWS, GROUP

SEK million	NOTE	JAN - JUN 2024	JAN - JUN 2023
<b>Operating activities</b>			
Operating profit		1,300	893
Adjustment for non-cash items	14	2,468	2,076
Paid income tax		-434	-392
<b>Cash flow from operating activities before change in operating assets and liabilities</b>		<b>3,334</b>	<b>2,577</b>
<b>Change in operating assets and liabilities</b>			
Decrease/Increase in lending to central banks		-800	-
Decrease/Increase in lending to the general public		-8,547	-19,480
Decrease/Increase in deposits from the general public		9,475	13,440
Decrease/increase in bonds and other interest-bearing securities		-1,922	-842
Decrease/increase in issued securities		-4,016	-914
Decrease/increase in liability to credit institutions		2,665	249
Change of derivatives, net		65	402
Decrease/increase in other assets		-89	-724
Decrease/Increase in other liabilities		132	1,339
<b>Cash flow from operating activities</b>		<b>-3,035</b>	<b>-6,530</b>
<b>Total cash flow for operating activities</b>		<b>299</b>	<b>-3,953</b>
<b>Investing activities</b>			
Acquisition in property, plant and equipment and intangible assets		-38	-24
<b>Cash flow from investing activities</b>		<b>-38</b>	<b>-24</b>
<b>Financing activities</b>			
Issued subordinated loans		459	760
Amortization of subordinated loans		-357	-
Issued Tier 1 capital instruments <sup>1</sup>		791	-
Paid interest Tier 1 capital instruments		-90	-52
<b>Cash flow from financing activities</b>		<b>803</b>	<b>708</b>
<b>Cash flow for the period</b>		<b>1,064</b>	<b>-3,269</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>4,338</b>	<b>7,055</b>
<b>Exchange rate differences and cash equivalents</b>		<b>148</b>	<b>101</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>5,550</b>	<b>3,887</b>

<sup>1</sup>Additional setup costs during Q2 2024 of SEK 8 million.

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 1-13 is an integrated part of this interim report.

## NOTE 1 GENERAL INFORMATION

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NOBA Bank Group AB (publ) (Corporate Identity Number 556647-7286), with its registered office in Stockholm, Sweden is a wholly owned subsidiary of NOBA Group AB (publ) (Corporate Identity Number 556993-2485), with its registered office in Stockholm. NOBA Group AB (publ) is owned by NOBA Holding AB (publ) (Corporate Identity Number 559097-5743), which is primarily owned indirectly by Nordic Capital Fund VIII, Nordic Capital Fund IX and Sampo Oyi.

The NOBA Bank Group includes the subsidiary Svensk Hypotekspension AB with their subsidiaries, as well as a number of direct subsidiaries of NOBA Bank Group AB (publ). The parent company includes the Norwegian branch Bank Norwegian, en filial av NOBA Bank Group AB (publ).

The Group's business is to conduct lending to the general public in the form of personal loans, mortgage loans, equity release mortgages and credit cards as well as receiving deposits in Sweden, Norway, Denmark, Finland, Germany, Spain, the Netherlands and Ireland. Some of the subsidiaries' operations involve the acquisition of loan portfolios originating from NOBA Bank Group AB (publ) and Svensk Hypotekspension AB for the purpose of raising loan or bond financing. Some of these companies are dormant and currently do not conduct any operations.

## NOTE 2 ACCOUNTING AND MEASUREMENT POLICIES

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The interim report has been prepared according to IAS 34, Interim Financial Reporting. The consolidated accounts for the NOBA Bank 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 years interim 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.

### FUTURE REGULATORY CHANGES

#### *IFRS 18 Presentation and Disclosure in Financial Statements*

The IASB published the new IFRS 18 Presentation and Disclosure in Financial Statements standard on 9 April 2024, which replaces IAS 1 Presentation of Financial Statements. Assuming that IFRS 18 is adopted by the EU, and the date of implementation proposed by the IASB is not changed, this standard is to be applied as of the 2027 financial year. IFRS 18 sets out new requirements for the presentation and disclosure of information in financial statements, with a particular focus on the income statement and enhanced transparency surrounding management-defined performance measures.

The standard is not expected to entail any financial effects for NOBA, as IFRS 18 focuses on presentation and disclosure in financial statements. The Bank plans to commence work on analysing the effects of the new standard.

#### *IFRS 9 Financial instruments och IFRS 7 Financial instrument: disclosure*

On 30 May 2024, the IASB published new amendments regarding IFRS 9 Financial instrument and IFRS 7 Financial instrument: disclosures that is to be applied as of the 2026 financial year, earlier application is permitted after adoption by the EU. The Bank plans to commence work on analysing the effects of the amendments of the standards.

#### *Other changes in IFRS*

None of the other forthcoming changes in the accounting regulations issued for application are assessed to have a material impact on NOBA's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

## NOTE 3 SIGNIFICANT ACCOUNTING ESTIMATES

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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

### MAXIMUM EXPOSURE TO CREDIT RISK

SEK million	2024-06-30	2023-12-31
<b>Credit risk exposures relate to the balance sheet as follows:</b>		
Cash and balances with central banks	3,401	1,173
Treasury bills eligible for repayment etc.	1,999	1,200
Lending to credit institutions	2,149	3,165
Lending to the general public	115,836	109,243
Bonds and other fixed-income securities	5,962	1,743
Other shares	127	127
<b>Total on-balance</b>	<b>129,474</b>	<b>116,651</b>
Unutilized loan commitments	53,751	58,193
<b>Total off-balance</b>	<b>53,751</b>	<b>58,193</b>

The table does not include financial instruments at fair value through profit and loss

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

SEK million

30 JUNE 2024	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Sweden	42,633	2,241	5,516	-779	-384	-2,652	46,575
Finland	26,881	2,192	6,406	-588	-421	-2,669	31,801
Norway	23,051	1,641	3,683	-218	-157	-1,289	26,711
Denmark	7,307	307	695	-142	-50	-341	7,776
Germany & Spain	2,848	95	563	-94	-22	-416	2,973
<b>Total on-balance</b>	<b>102,719</b>	<b>6,476</b>	<b>16,864</b>	<b>-1,821</b>	<b>-1,035</b>	<b>-7,367</b>	<b>115,836</b>
Unutilized loan commitments	53,689	46	81	-63	-2	0	53,751
<b>Total off-balance</b>	<b>53,689</b>	<b>46</b>	<b>81</b>	<b>-63</b>	<b>-2</b>	<b>0</b>	<b>53,751</b>

31 DECEMBER 2023

	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Sweden	41,662	2,068	4,334	-789	-364	-2,088	44,823
Finland	25,283	2,213	4,805	-524	-419	-1,952	29,406
Norway	21,864	1,552	3,289	-198	-141	-1,182	25,184
Denmark	6,634	312	722	-118	-47	-362	7,141
Germany & Spain	2,551	101	542	-84	-24	-397	2,689
<b>Total on-balance</b>	<b>97,994</b>	<b>6,246</b>	<b>13,692</b>	<b>-1,713</b>	<b>-995</b>	<b>-5,981</b>	<b>109,243</b>
Unutilized loan commitments	58,085	47	123	-60	-2	0	58,193
<b>Total off-balance</b>	<b>58,085</b>	<b>47</b>	<b>123</b>	<b>-60</b>	<b>-2</b>	<b>0</b>	<b>58,193</b>

## NOTE 4 FINANCIAL RISK MANAGEMENT, GROUP

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

SEK million

30 JUNE 2024	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Personal loans	71,174	5,152	14,889	-1,495	-921	-6,763	82,036
Secured	15,323	629	667	-97	-5	-35	16,482
Credit Cards	16,222	695	1,308	-228	-109	-569	17,319
<b>Total on-balance</b>	<b>102,719</b>	<b>6,476</b>	<b>16,864</b>	<b>-1,821</b>	<b>-1,035</b>	<b>-7,367</b>	<b>115,836</b>
Unutilized loan commitments	53,650	46	81	-63	-2	0	53,712
<b>Total off-balance</b>	<b>53,650</b>	<b>46</b>	<b>81</b>	<b>-63</b>	<b>-2</b>	<b>0</b>	<b>53,712</b>

31 DEC 2023	GROSS			PROVISIONS			NET
Lending to the general public	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
Personal loans	68,055	5,048	12,141	-1,431	-905	-5,494	77,414
Secured	15,671	568	485	-87	-4	-28	16,605
Credit Cards	14,268	630	1,066	-195	-86	-459	15,224
<b>Total on-balance</b>	<b>97,994</b>	<b>6,246</b>	<b>13,692</b>	<b>-1,713</b>	<b>-995</b>	<b>-5,981</b>	<b>109,243</b>
Unutilized loan commitments	58,085	47	123	-60	-2	0	58,193
<b>Total off-balance</b>	<b>58,085</b>	<b>47</b>	<b>123</b>	<b>-60</b>	<b>-2</b>	<b>0</b>	<b>58,193</b>

## 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 1 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 adjustment for qualified capital instruments, the additional Tier 1 capital of SEK 582 million and Tier 2 capital of SEK 976 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 increased to SEK 300 million (294).

### 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**

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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% 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 0.98% of the total risk exposure amount.

### **UPCOMING CHANGES IN CRR AND CRD**

On 19 June 2024 the 2024 amendments to CRR, and Capital Requirement Directive, CRD, was published in EU's official journal, this constitutes the last step of EU's implementation of Basel 3. The regulations will 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	30 JUNE 2024	31 DEC 2023
<b>Own funds</b>		
Common Equity Tier 1 (CET1) capital before deduction of regulatory adjustments	23,845	23,028
Total deduction of regulatory adjustment to CET1 capital	-11,389	-11,168
<b>Common Equity Tier 1 (CET1) capital after deduction of regulatory adjustments</b>	<b>12,456</b>	<b>11,860</b>
Additional Tier 1 capital	1,945	1,354
<b>Sum Tier 1 Capital</b>	<b>14,401</b>	<b>13,214</b>
Tier 2 Capital	1,612	1,239
<b>Total capital</b>	<b>16,013</b>	<b>14,453</b>
Risk exposure amount, credit risk	86,604	81,130
Risk exposure amount, market risk	-	-
Risk exposure amount, operational risk	6,436	6,436
Risk exposure amount, credit value adjustment (CVA)	105	77
<b>Total risk exposure amount (risk weighted assets)</b>	<b>93,145</b>	<b>87,643</b>
<b>Capital ratios and buffers</b>		
Common Equity Tier 1 capital ratio	13.37%	13.53%
Tier 1 capital ratio	15.46%	15.08%
Total capital ratio	17.19%	16.49%
Total Common Equity Tier 1 capital requirement including buffer requirement	9.51%	9.53%
- of which, capital conservation buffer requirement	2.50%	2.50%
- of which, countercyclical capital buffers	1.53%	1.54%
- of which systemic risk buffer	0.98%	0.98%
<b>SPECIFICATION OWN FUNDS</b>		
<b>Common Equity Tier 1 capital:</b>		
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	2,070	1,118
Accumulated other comprehensive income	-518	-536
Deferred tax liabilities attributable to other intangible assets	465	475
Minority interest	-	-
Independently audited interim results after deductions of foreseeable dividends	909	1,052
<b>Common Equity Tier 1 capital before regulatory adjusted</b>	<b>23,845</b>	<b>23,028</b>

## NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

### CAPITAL ADEQUACY - PART 2

### CONSOLIDATED SITUATION

SEK million	30 JUNE 2024	31 DEC 2023
<b>Regulatory adjustments:</b>		
(+) Other transition adj. of common equity Tier 1 capital <sup>1</sup>	300	542
(-) Intangible assets	-11,600	-11,647
Additional value adjustments	-89	-64
Total regulatory adjustment to Common Equity Tier 1 capital	<b>-11,389</b>	<b>-11,168</b>
<b>Common Equity Tier 1 capital</b>	<b>12,456</b>	<b>11,860</b>
<b>Tier 1 capital</b>		
- Additional Tier 1 capital	1,363	1,354
- Additional Tier 1 capital, contribution from minority	582	-
<b>Tier 1 capital, total</b>	<b>14,401</b>	<b>13,214</b>
<b>Tier 2 capital</b>		
- Tier 2	636	622
- Tier 2 capital, contribution from minority	976	617
<b>Total capital</b>	<b>16,013</b>	<b>14,452</b>
<b>Total risk exposure amount</b>	<b>93,145</b>	<b>87,643</b>
<b>Specification of risk exposure amount</b>		
Exposures to national governments and central banks	-	22
Exposures to regional governments and local authorities	195	242
Exposures to institutions	656	766
Exposures in the form of covered bonds	981	745
Retail exposures	68,040	64,298
Exposures secured by mortgages on immovable property	6,064	5,996
Equity exposures	153	150
Exposures in default	9,956	8,132
Exposures to corporates	-	-
Other items	559	779
<b>Total risk exposure amount for credit risk, Standardized Approach</b>	<b>86,604</b>	<b>81,130</b>
Foreign exchange risk	-	-
<b>Total risk exposure amount for foreign exchange risk</b>	<b>-</b>	<b>-</b>
Operational risk according to Alternative Standardized Approach	6,436	6,436
<b>Total risk exposure amount for operational risks</b>	<b>6,436</b>	<b>6,436</b>
Credit valuation adjustment risk (CVA)	105	77
<b>Total risk exposure amount for credit valuation adjustment risk</b>	<b>105</b>	<b>77</b>
<b>Total risk exposure amount</b>	<b>93,145</b>	<b>87,643</b>

<sup>1</sup> 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	30 JUNE 2023	31 DEC 2023
<b>SPECIFICATION OWN FUNDS REQUIREMENTS (8% OF REA)</b>		
<b>Credit risk</b>		
Exposures to national governments and central banks	-	2
Exposures to regional governments and local authorities	16	19
Exposures to institutions	53	61
Exposures in the form of covered bonds	79	60
Retail exposures	5,443	5,144
Exposures secured by mortgages on immovable property	485	480
Equity exposures	12	12
Exposures in default	796	651
Exposures to corporates	-	-
Other items	45	62
<b>Total capital requirement for credit risk</b>	<b>6,928</b>	<b>6,490</b>
<b>Market risk</b>		
Foreign exchange risk	-	-
<b>Total risk exposure amount for market risk</b>	<b>-</b>	<b>-</b>
<b>Operational risk</b>		
Operational risk according to Alternative standardized Approach	515	515
<b>Total risk exposure amount for operational risk</b>	<b>515</b>	<b>515</b>
<b>Credit valuation adjustment risk (CVA)</b>		
Credit valuation adjustment risk (CVA)	8	6
<b>Total capital requirement for CVA risk</b>	<b>8</b>	<b>6</b>
<b>Total Capital Requirement</b>	<b>7,451</b>	<b>7,011</b>
<b>Capital Requirement, percent of REA</b>		
Pillar 1	8.00%	8.00%
Pillar 2	1.29%	1.23%
Capital conservation buffer	2.50%	2.50%
Institution-specific countercyclical buffer	1.53%	1.54%
Systemic risk buffer - Norway	0.98%	0.98%
<b>Total Capital Requirement</b>	<b>14.30%</b>	<b>14.26%</b>
<b>Capital Requirement</b>		
Pillar 1	7,452	7,011
Pillar 2	1,197	1,078
Capital conservation buffer	2,329	2,191
Institution-specific countercyclical buffer	1,427	1,351
Systemic risk buffer - Norway	915	863
<b>Total Capital Requirement</b>	<b>13,319</b>	<b>12,494</b>
<b>LEVERAGE RATIO</b>		
<b>Total exposure measure for calculating leverage ratio</b>	<b>147,309</b>	<b>136,603</b>
<b>Tier 1 capital</b>	<b>14,401</b>	<b>13,214</b>
<b>Leverage ratio</b>	<b>9.78%</b>	<b>9.67%</b>
<b>Overall leverage ratio requirements</b>	<b>4,419</b>	<b>4,098</b>
<b>Overall leverage ratio requirements, percentage</b>	<b>3%</b>	<b>3%</b>

## NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

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

<b>CONSOLIDATED SITUATION PART 1</b>		<b>A</b>	<b>B</b>	<b>C</b>	<b>D</b>	<b>E</b>
SEK million		<b>20240630</b>	<b>20240331</b>	<b>20231231</b>	<b>20230930</b>	<b>20230630</b>
<b>Available own funds (amounts)</b>						
1	Common Equity Tier 1 (CET1) capital	12,456	11,955	11,860	11,699	11,328
2	Tier 1 capital	14,401	13,907	13,214	13,049	12,758
3	Total capital	16,013	15,515	14,453	14,249	14,313
<b>Risk-weighted exposure amounts</b>						
4	Total risk exposure amounts	93,145	91,174	87,643	85,086	80,815
<b>Capital ratios (as a percentage of risk-weighted exposure amount)</b>						
5	Common Equity Tier 1 ratio (%)	13.37%	13.11%	13.53%	13.75%	14.02%
6	Tier 1 ratio (%)	15.46%	15.25%	15.08%	15.34%	15.79%
7	Total capital ratio (%)	17.19%	17.02%	16.49%	16.75%	17.71%
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)</b>						
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	<i>of which: to be made up of CET1 capital (%)</i>	0.00%	0.00%	0.00%	0.00%	0.00%
EU 7c	<i>of which: to be made up of Tier 1 capital (%)</i>	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%
<b>Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)</b>						
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 (%)	1.53%	1.52%	1.54%	1.55%	1.54%
EU 9a	Systemic risk buffer (%)	0.98%	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 (%)	5.01%	4.99%	5.03%	4.05%	4.04%
EU 11a	Overall capital requirements (%) <sup>1</sup>	13.01%	12.99%	13.03%	12.05%	12.04%
12	CET1 available after meeting the total SREP own funds requirements (%)	8.87%	8.61%	8.49%	8.75%	9.52%
<b>Leverage ratio</b>						
13	Leverage ratio total exposure measure (amounts)	147,309	146,923	136,603	134,991	126,772
14	Leverage ratio (%)	9.78%	9.47%	9.67%	9.67%	10.06%

<sup>1</sup> 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

<b>CONSOLIDATED SITUATION PART 2</b>		A	B	C	D	E
SEK million		20240630	20240331	20231231	20230930	20230630
<b>Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)</b>						
EU 14a	"Additional own funds requirements to address the risk of excessive leverage (%)"	-	-	-	-	-
EU 14b	<i>of which: to be made up of CET1 capital (%)</i>	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)</b>						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%	3.00%	3.00%
<b>Liquidity Coverage Ratio<sup>1</sup></b>						
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	16,930	15,952	15,065	14,782	12,631
EU 16a	Cash outflows - Total weighted value	12,520	11,865	11,204	10,536	10,189
EU 16b	Cash inflows - Total weighted value	4,084	3,809	3,870	3,800	3,847
16	Total net cash outflows (adjusted value)	8,436	8,057	7,334	6,736	6,342
17	Liquidity coverage ratio (%)	200.69%	198.00%	205.42%	219.44%	199.17%
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding	137,684	135,797	124,090	123,760	118,626
19	Total required stable funding	110,657	109,724	105,074	105,018	99,926
20	NSFR ratio (%)	124.42%	123.76%	118.10%	117.85%	118.71%

<sup>1</sup> Expressed as simple averages of the observations at the end of the month during the twelve months before the end of the 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.

<b>TEMPLATE IFRS 9 - FL</b>		<b>T</b>	<b>T1</b>	<b>T2</b>	<b>T3</b>	<b>T4</b>
SEK million		<b>20240630</b>	<b>20240331</b>	<b>20231231</b>	<b>20230930</b>	<b>20230630</b>
<b>Capital</b>						
1	Common Equity Tier 1 (CET1) capital	12,456	11,955	11,860	11,699	11,328
2	Common Equity Tier 1 (CET1) capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	12,156	11,661	11,318	11,219	10,982
3	Tier 1 capital	14,401	13,907	13,214	13,049	12,758
4	Tier 1 capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	14,101	13,613	12,672	12,569	12,412
5	Total capital	16,013	15,515	14,453	14,249	14,313
6	Total capital as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15,713	15,221	13,910	13,769	13,967
<b>Risk-weighted assets (amounts)</b>						
7	Total risk-weighted assets	93,145	91,174	87,643	85,086	80,815
8	Total risk-weighted assets as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	92,845	90,880	87,101	84,606	80,469
<b>Capital ratios</b>						
9	Common Equity Tier 1 (as a percentage of risk exposure amount)	13.37%	13.11%	13.53%	13.75%	14.02%
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	13.09%	12.83%	12.99%	13.26%	13.65%
11	Tier 1 (as a percentage of risk exposure amount)	15.46%	15.25%	15.08%	15.34%	15.79%
12	Tier 1 (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	15.19%	14.98%	14.55%	14.86%	15.42%
13	Total capital (as a percentage of risk exposure amount)	17.19%	17.02%	16.49%	16.75%	17.71%
14	Total capital (as a percentage of risk exposure amount) as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	16.92%	16.75%	15.97%	16.27%	17.36%
<b>Leverage ratio</b>						
15	Leverage ratio total exposure measure	147,309	146,923	136,603	134,991	126,772
16	Leverage ratio	9.78%	9.47%	9.67%	9.67%	10.06%
17	Leverage ratio as if IFRS 9 or analogous ECLs transitional arrangements had not been applied	9.57%	9.27%	9.28%	9.31%	9.79%

## NOTE 5 CAPITAL ADEQUACY ANALYSIS, CONSOLIDATED SITUATION

THE COMPARATIVE FIGURES IN THE FOLLOWING SECTION REFER TO VALUES AS OF 31 MARCH 2024

### INTERNAL CAPITAL REQUIREMENT

As at 30 June 2024, the internally assessed capital requirement for Consolidated Situation amounted to SEK 1,197 million (1,104 million). 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 13,319 million (SEK 12,949 million). 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 30 June 2024, the Consolidated Situation's leverage ratio was 9.78% (9.47%), which is well in excess of the 3% requirement.

### INFORMATION ON LIQUIDITY RISK

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 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 30 June 2024, NOBA Consolidated Situation's Liquidity Coverage Ratio (LCR) was 196.0% (214.7%). The net stable funding ratio (NSFR) was 124.4% (123.8%), calculated in accordance with the definition in Regulation (EU) No. 575/2013.

The Consolidated Situation's liquidity reserves as of 30 June 2024 amounts to SEK 22.0 billion (SEK 23.7 billion). Of these investments, 44.7% (29.0%) are invested in covered bonds, 6.0% (11.2%) in Nordic credit institutions and 24.6% (27.2 %) 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 642 (418) days and has an interest duration of 0.15 (0.18).

As of 30 June 2024, NOBA Consolidation Situation's funding sources comprises of SEK 1,605 million (2,745) of corporate bonds, SEK 13,712 million (10,985) financing against pledges with international banks, and SEK 107,352 million (105,167) of retail deposits.

## NOTE 6 CLASSIFICATION OF FINANCIAL ASSETS AND LIABILITIES, GROUP

### VALUATION

SEK million

	Mandatory	Fair value option	Derivatives identified as hedge instruments	Fair value through other comprehensive income	Amortised cost	
30 JUNE 2024	FAIR VALUE THROUGH PROFIT OR LOSS					TOTAL
<b>Assets</b>						
Cash and balances with central banks	-	-	-	-	3,401	3,401
Treasury bills eligible for repayment etc.	-	-	-	-	1,999	1,999
Lending to credit institutions	-	-	-	-	2,149	2,149
Lending to the general public	1,236	-	-	-	115,836	117,073
Bonds and other fixed-income securities	9,294	-	-	5,962	-	15,256
Other shares	26	-	-	127	-	153
Derivatives	119	-	143	-	-	262
Other assets	-	-	-	-	131	131
<b>Total assets</b>	<b>10,675</b>	<b>-</b>	<b>143</b>	<b>6,089</b>	<b>123,516</b>	<b>140,424</b>
<b>Liabilities</b>						
Liabilities to credit institutions	-	-	-	-	13,712	13,712
Deposits from the general public	-	-	-	-	107,352	107,352
Issued securities	-	-	-	-	1,605	1,605
Derivatives	211	-	100	-	-	311
Other liabilities	-	-	-	-	227	227
Subordinated liabilities	-	-	-	-	1,843	1,843
<b>Total liabilities</b>	<b>211</b>	<b>-</b>	<b>100</b>	<b>-</b>	<b>124,739</b>	<b>125,050</b>
<b>31 DECEMBER 2023</b>						
<b>Assets</b>						
Cash and balances with central banks	-	-	-	-	1,173	1,173
Treasury bills eligible for repayment etc.	-	-	-	-	1,200	1,200
Lending to credit institutions	-	-	-	-	3,165	3,165
Lending to the general public	878	-	-	-	109,243	110,121
Bonds and other fixed-income securities	11,429	-	-	1,743	-	13,172
Other shares	23	-	-	127	-	150
Derivatives	41	-	283	-	-	324
Receivable to group companies	-	-	-	-	0	0
Other assets	-	-	-	-	135	135
<b>Total assets</b>	<b>12,371</b>	<b>-</b>	<b>283</b>	<b>1,870</b>	<b>114,916</b>	<b>129,440</b>
<b>Liabilities</b>						
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
Liabilities to group companies	-	-	-	-	0	0
Other liabilities	-	-	-	-	229	229
Subordinated liabilities	-	-	-	-	1,729	1,729
<b>Total liabilities</b>	<b>331</b>	<b>-</b>	<b>94</b>	<b>-</b>	<b>115,322</b>	<b>115,747</b>



## NOTE 7 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES, GROUP

### VALUE

SEK million	CARRYING	FAIR	
30 JUNE 2024	AMOUNT	VALUE	DELTA
<b>Assets</b>			
Cash and balances with central banks	3,401	3,401	
Treasury bills eligible for repayment etc. <sup>1</sup>	1,999	1,999	
Lending to credit institutions <sup>1</sup>	2,149	2,149	-
Lending to the general public <sup>2</sup>	117,073	131,587	14,514
Bonds and other fixed-income securities	15,256	15,256	-
Other shares	153	153	-
Derivatives	262	262	-
Other assets	131	131	
<b>Total assets</b>	<b>140,424</b>	<b>154,938</b>	<b>14,514</b>
<b>Liabilities</b>			
Liabilities to credit institutions <sup>3</sup>	13,712	13,712	-
Deposits from the general public <sup>1</sup>	107,352	107,352	-
Issued securities <sup>4</sup>	1,605	1,603	-2
Derivatives	311	311	-
Other liabilities	227	227	
Subordinated liabilities <sup>4</sup>	1,843	1,810	-33
<b>Total liabilities</b>	<b>125,050</b>	<b>125,015</b>	<b>-35</b>
<b>31 DECEMBER 2023</b>			
<b>Assets</b>			
Cash and balances with central banks	1,173	1,173	-
Treasury bills eligible for repayment etc. <sup>1</sup>	1,200	1,200	-
Lending to credit institutions <sup>1</sup>	3,165	3,165	-
Lending to the general public <sup>2</sup>	110,121	124,055	13,934
Bonds and other fixed-income securities	13,172	13,172	-
Other shares	150	150	-
Derivatives	324	324	-
Receivable to group companies	0	0	-
Other assets	135	135	-
<b>Total assets</b>	<b>129,440</b>	<b>143,374</b>	<b>13,934</b>
<b>Liabilities</b>			
Liabilities to credit institutions <sup>3</sup>	10,995	10,995	-
Deposits from the general public <sup>1</sup>	96,788	96,788	-
Issued securities <sup>4</sup>	5,581	5,551	-30
Derivatives	425	425	-
Liabilities to group companies	0	0	-
Other liabilities	229	229	-
Subordinated liabilities <sup>4</sup>	1,729	1,673	-56
<b>Total liabilities</b>	<b>115,747</b>	<b>115,661</b>	<b>-86</b>

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

<sup>2</sup> The measurement includes significant observable and non-observable inputs.

<sup>3</sup> Fair value is deemed to be the same as the carrying amount, as these are to variable rate.

<sup>4</sup> 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 30 June 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 2024-06-30 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 9 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 2 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 8 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
<b>Opening balance 1 January 2024</b>	<b>1,028</b>
Acquisitions	-
Lending to the general public	360
Currency change	0
Recognized in income statement	2
Sales	-
Losses (-) recognized in other comprehensive income	-
Profits (+) recognized in other comprehensive income	-
<b>Closing balance 30 June 2024</b>	<b>1,389</b>
<b>Opening balance 1 January 2023</b>	<b>168</b>
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	-
<b>Closing balance 31 December 2023</b>	<b>1,028</b>

### FINANCIAL INSTRUMENTS AT FAIR VALUE

SEK million	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
<b>30 JUNE 2024</b>				
<b>Assets</b>				
Lending to the general public	-	-	1,236	1,236
Bonds and other fixed income securities	12,019	3,237	-	15,256
Other shares	-	-	153	153
Derivatives	-	262	-	262
<b>Total assets</b>	<b>12,019</b>	<b>3,499</b>	<b>1,389</b>	<b>16,907</b>
<b>Liabilities</b>				
Derivatives	-	311	-	311
<b>Total liabilities</b>	<b>-</b>	<b>311</b>	<b>-</b>	<b>311</b>
<b>31 DECEMBER 2023</b>				
<b>Assets</b>				
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
<b>Total assets</b>	<b>10,390</b>	<b>3,106</b>	<b>1,028</b>	<b>14,524</b>
<b>Liabilities</b>				
Derivatives	-	425	-	425
<b>Total liabilities</b>	<b>-</b>	<b>425</b>	<b>-</b>	<b>425</b>

## 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. 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. 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.

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 and Ireland, 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.

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.

During the last quarter period, there have been a change to certain allocation principles in the 2023 comparable figures in the reported segment profit or loss. Only 2023 comparable figures have been changed. For this reason, the periods January-March 2023 and October-December 2023 are included in this report.

<b>APR - JUN 2024</b>	<b>PRIVATE</b>	<b>CREDIT</b>			
SEK million	<b>LOANS</b>	<b>CARDS</b>	<b>SECURED</b>	<b>OTHER</b>	<b>TOTAL</b>
<b>Income statement</b>					
Interest income	2,526	536	391	32	3,485
Interest expenses	-866	-140	-221	-13	-1,239
<b>Total net interest income</b>	<b>1,660</b>	<b>396</b>	<b>170</b>	<b>19</b>	<b>2,246</b>
Commission income	71	175	1	0	248
Commission expenses	-8	-69	-1	0	-76
Net profit from financial transactions	-16	-1	-2	0	-20
<b>Total operating income</b>	<b>1,707</b>	<b>501</b>	<b>169</b>	<b>20</b>	<b>2,398</b>
General administrative expenses	-318	-61	-41	-10	-430
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-13	-2	-1	0	-16
Other operating expenses	-105	-110	-6	0	-221
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-436</b>	<b>-173</b>	<b>-48</b>	<b>-10</b>	<b>-667</b>
Amortization and impairment of transaction surplus values	-15	-18	0	0	-34
<b>Total operating expenses</b>	<b>-451</b>	<b>-191</b>	<b>-48</b>	<b>-10</b>	<b>-701</b>
<b>Profit before credit losses</b>	<b>1,255</b>	<b>310</b>	<b>121</b>	<b>10</b>	<b>1,696</b>
Net credit losses	-759	-128	-16	-29	-932
<b>Operating profit</b>	<b>496</b>	<b>182</b>	<b>105</b>	<b>-19</b>	<b>765</b>
<b>Balance sheet</b>					
Lending to the general public	80,977	17,309	17,718	1,069	117,073

## NOT 8 OPERATING SEGMENTS

### JAN - MARS 2024

SEK million	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
<b>Income statement</b>					
Interest income	2,425	511	381	35	3,352
Interest expenses	-836	-134	-222	-13	-1,205
<b>Total net interest income</b>	<b>1,590</b>	<b>377</b>	<b>159</b>	<b>21</b>	<b>2,147</b>
Commission income	65	139	1	0	205
Commission expenses	-5	-61	0	-1	-68
Net profit from financial transactions	-6	-1	-1	0	-8
<b>Total operating income</b>	<b>1,644</b>	<b>454</b>	<b>159</b>	<b>20</b>	<b>2,276</b>
General administrative expenses	-286	-64	-37	-11	-398
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-11	-3	-1	0	-15
Other operating expenses	-115	-81	-8	0	-204
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-412</b>	<b>-149</b>	<b>-45</b>	<b>-11</b>	<b>-617</b>
Amortization and impairment of transaction surplus values	-15	-18	0	0	-33
<b>Total operating expenses</b>	<b>-427</b>	<b>-167</b>	<b>-45</b>	<b>-11</b>	<b>-650</b>
<b>Profit before credit losses</b>	<b>1,217</b>	<b>287</b>	<b>114</b>	<b>9</b>	<b>1,626</b>
Net credit losses	-915	-137	-2	-36	-1,091
<b>Operating profit</b>	<b>302</b>	<b>150</b>	<b>111</b>	<b>-27</b>	<b>535</b>
<b>Balance sheet</b>					
Lending to the general public	79,248	16,362	17,655	1,181	114,445

## NOT 8 OPERATING SEGMENTS

### APR - JUN 2023

SEK million	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
<b>Income statement</b>					
Interest income	1,960	398	321	43	2,722
Interest expenses	-530	-71	-163	-11	- 777
<b>Total net interest income</b>	<b>1,430</b>	<b>327</b>	<b>158</b>	<b>30</b>	<b>1,945</b>
Commission income	52	141	1	1	195
Commission expenses	0	-46	0	0	-47
Net profit from financial transactions	-11	-2	-1	0	-15
<b>Total operating income</b>	<b>1,471</b>	<b>419</b>	<b>157</b>	<b>31</b>	<b>2,078</b>
General administrative expenses	-255	-57	-39	-27	-377
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-9	-22	-1	-57	-89
Other operating expenses	-138	-127	-19	0	-286
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-402</b>	<b>-206</b>	<b>-59</b>	<b>-84</b>	<b>-752</b>
Amortization and impairment of transaction surplus values	-15	-18	0	0	-33
<b>Total operating expenses</b>	<b>-417</b>	<b>-224</b>	<b>-59</b>	<b>-84</b>	<b>-785</b>
<b>Profit before credit losses</b>	<b>1,054</b>	<b>195</b>	<b>98</b>	<b>-53</b>	<b>1,293</b>
Net credit losses	-679	-90	-5	-66	- 839
<b>Operating profit</b>	<b>375</b>	<b>105</b>	<b>93</b>	<b>-119</b>	<b>454</b>
<b>Balance sheet</b>					
Lending to the general public	70,470	12,735	16,744	1,539	101,488

## NOT 8 OPERATING SEGMENTS

### JAN - MAR 2023

SEK million	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
<b>Income statement</b>					
Interest income	1,745	385	284	42	2,457
Interest expenses	-407	-57	-133	-10	-606
<b>Total net interest income</b>	<b>1,339</b>	<b>329</b>	<b>151</b>	<b>32</b>	<b>1,851</b>
Commission income	48	101	1	1	151
Commission expenses	0	-49	0	-0	-50
Net profit from financial transactions	1	0	0	0	1
<b>Total operating income</b>	<b>1,388</b>	<b>380</b>	<b>152</b>	<b>33</b>	<b>1,953</b>
General administrative expenses	-265	-47	-43	-11	-367
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-10	-6	-1	-7	-24
Other operating expenses	-143	-102	-20	-2	-266
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-417</b>	<b>-155</b>	<b>-65</b>	<b>-20</b>	<b>-657</b>
Amortization and impairment of transaction surplus values	-15	-19	-0	-0	-35
<b>Total operating expenses</b>	<b>-432</b>	<b>-173</b>	<b>-65</b>	<b>-21</b>	<b>-692</b>
<b>Profit before credit losses</b>	<b>956</b>	<b>207</b>	<b>87</b>	<b>12</b>	<b>1,262</b>
Net credit losses	-640	-82	-35	-66	-823
<b>Operating profit</b>	<b>316</b>	<b>124</b>	<b>52</b>	<b>-54</b>	<b>439</b>
<b>Balance sheet</b>					
Lending to the general public	64,464	11,653	16,056	1,561	93,734

## NOT 8 OPERATING SEGMENTS

### OKT - DEC 2023

SEK million	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
<b>Income statement</b>					
Interest income	2,361	470	379	38	3,249
Interest expenses	-777	-113	-218	-13	-1,120
<b>Total net interest income</b>	<b>1,584</b>	<b>357</b>	<b>162</b>	<b>26</b>	<b>2,129</b>
Commission income	64	112	3	1	180
Commission expenses	-9	-59	-1	-1	-71
Net profit from financial transactions	12	2	1	0	17
<b>Total operating income</b>	<b>1,651</b>	<b>414</b>	<b>164</b>	<b>26</b>	<b>2,255</b>
General administrative expenses	-279	-55	-46	-10	-391
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-15	-6	-0	-1	-23
Other operating expenses	-222	-180	-13	-5	-420
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-516</b>	<b>-241</b>	<b>-59</b>	<b>-16</b>	<b>-834</b>
Amortization and impairment of transaction surplus values	-15	-18	-0	-0	-33
<b>Total operating expenses</b>	<b>-530</b>	<b>-259</b>	<b>-60</b>	<b>-16</b>	<b>-867</b>
<b>Profit before credit losses</b>	<b>1,120</b>	<b>155</b>	<b>105</b>	<b>10</b>	<b>1,388</b>
Net credit losses	-964	-132	-6	-37	-1,139
<b>Operating profit</b>	<b>156</b>	<b>23</b>	<b>99</b>	<b>-27</b>	<b>249</b>
<b>Balance sheet</b>					
Lending to the general public	76,193	15,198	17,483	1,247	110,121



## NOT 8 OPERATING SEGMENTS

<b>JAN - JUN 2024</b>	<b>PRIVATE</b>	<b>CREDIT</b>			
SEK million	<b>LOANS</b>	<b>CARDS</b>	<b>SECURED</b>	<b>OTHER</b>	<b>TOTAL</b>
<b>Income statement</b>					
Interest income	4,951	1,047	772	67	6,837
Interest expenses	-1,702	-274	-443	-26	-2,444
<b>Total net interest income</b>	<b>3,249</b>	<b>773</b>	<b>329</b>	<b>41</b>	<b>4,393</b>
Commission income	136	314	2	1	453
Commission expenses	-13	-130	-1	0	-144
Net profit from financial transactions	-22	-3	-2	0	-28
<b>Total operating income</b>	<b>3,350</b>	<b>955</b>	<b>328</b>	<b>40</b>	<b>4,674</b>
General administrative expenses	-604	-125	-78	-20	-828
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-24	-5	-1	0	-31
Other operating expenses	-220	-190	-14	0	-425
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-849</b>	<b>-321</b>	<b>-93</b>	<b>-21</b>	<b>-1 284</b>
Amortization and impairment of transaction surplus values	-30	-36	-1	0	-67
<b>Total operating expenses</b>	<b>-878</b>	<b>-358</b>	<b>-94</b>	<b>-21</b>	<b>-1,351</b>
<b>Profit before credit losses</b>	<b>2,472</b>	<b>597</b>	<b>234</b>	<b>19</b>	<b>3,322</b>
Net credit losses	-1,674	-266	-18	-65	-2,023
<b>Operating profit</b>	<b>798</b>	<b>332</b>	<b>216</b>	<b>-46</b>	<b>1,300</b>
<b>Balance sheet</b>					
Lending to the general public	80,977	17,309	17,718	1,069	117,073

## NOT 8 OPERATING SEGMENTS

### JAN - JUN 2023

SEK million	PRIVATE LOANS	CREDIT CARDS	SECURED	OTHER	TOTAL
<b>Income statement</b>					
Interest income	3,705	783	605	85	5,179
Interest expenses	-936	-128	-296	-22	-1,383
<b>Total net interest income</b>	<b>2,769</b>	<b>655</b>	<b>309</b>	<b>63</b>	<b>3,796</b>
Commission income	100	242	2	2	346
Commission expenses	0	-96	0	-1	-97
Net profit from financial transactions	-11	-2	-1	0	-14
<b>Total operating income</b>	<b>2,859</b>	<b>799</b>	<b>309</b>	<b>64</b>	<b>4,031</b>
General administrative expenses	-519	-104	-83	-38	-744
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-19	-28	-2	-64	-112
Other operating expenses	-281	-228	-40	-2	-552
<b>Total operating expenses excl. amortization and impairment of transaction surplus values</b>	<b>-819</b>	<b>-369</b>	<b>-123</b>	<b>-104</b>	<b>-1,408</b>
Amortization and impairment of transaction surplus values	-30	-37	-1	-1	-68
<b>Total operating expenses</b>	<b>-849</b>	<b>-397</b>	<b>-124</b>	<b>-105</b>	<b>-1,476</b>
<b>Profit before credit losses</b>	<b>2,010</b>	<b>402</b>	<b>185</b>	<b>-41</b>	<b>2,555</b>
Net credit losses	-1,319	-172	-40	-131	-1,662
<b>Operating profit</b>	<b>690</b>	<b>230</b>	<b>145</b>	<b>-172</b>	<b>893</b>
<b>Balance sheet</b>					
Lending to the general public	70,470	12,735	16,744	1,539	101,488

## NOTE 9 NET INTEREST INCOME, GROUP

	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
SEK million					
Interest income from credit institutions and central banks	43	37	25	80	47
Interest income from Treasury bills eligible for repayment etc.	40	28	-	68	-
Interest income from the general public	3,241	3,134	2,570	6,375	4,903
Interest income from bonds and fixed-income securities	159	153	127	312	229
Other	1	0	0	1	0
<b>Total interest income</b>	<b>3,485</b>	<b>3,352</b>	<b>2,722</b>	<b>6,837</b>	<b>5,179</b>
<i>of which interest income according to the effective interest method</i>	<i>3,351</i>	<i>3,210</i>	<i>2,589</i>	<i>6,561</i>	<i>4,942</i>
Interest expenses to the general public	-993	-952	-574	-1,945	-1,005
Interest expenses to credit institutions	-175	-171	-116	-346	-209
Interest expenses from issued securities	-24	-50	-79	-74	-155
Interest expenses from subordinated debts	-55	-53	-30	-108	-53
Interest expenses leasing	-1	0	-1	-1	-1
Other	9	21	23	30	40
<b>Total interest expenses</b>	<b>-1,239</b>	<b>-1,205</b>	<b>-777</b>	<b>-2,444</b>	<b>-1,383</b>
<i>of which interest income according to the effective interest method and interest on derivatives in hedge accounting</i>	<i>-1,239</i>	<i>-1,205</i>	<i>-777</i>	<i>-2,444</i>	<i>-1,383</i>
<b>Net interest income</b>	<b>2,246</b>	<b>2,147</b>	<b>1,945</b>	<b>4,393</b>	<b>3,796</b>

## NOTE 10 COMMISSION INCOME AND COMMISSION EXPENSES, GROUP

	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
SEK million					
<b>Income</b>					
Payments	196	163	175	359	286
Insurance mediation and other insurance	40	32	20	72	35
Other	12	10	0	22	25
<b>Total commission income</b>	<b>248</b>	<b>205</b>	<b>195</b>	<b>453</b>	<b>346</b>
<b>Expenses</b>					
Payments	-76	-68	-40	-144	-84
Other	0	0	-7	0	-13
<b>Total commission expenses</b>	<b>-76</b>	<b>-68</b>	<b>-47</b>	<b>-144</b>	<b>-97</b>
<b>Total commission income, net</b>	<b>172</b>	<b>137</b>	<b>148</b>	<b>309</b>	<b>249</b>

## NOTE 11 NET PROFIT FROM FINANCIAL TRANSACTIONS, GROUP

	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
SEK million					
Fx effect	-20	-20	-21	-40	-15
Financial assets valued at amortised cost	-	-	-	-	-
Financial assets through other comprehensive income	0	0	0	0	0
Hedge accounting	0	0	0	0	0
<i>of which cash flow hedge ineffectiveness</i>	0	0	0	0	0
<i>of which fair value hedge ineffectiveness</i>	0	0	0	0	0
Fair value through profit and loss	1	12	6	12	1
<i>of which derivatives</i>	0	0	0	0	0
<i>of which lending to the general public</i>	0	-1	-	-1	-
<i>of which interest bearing securities</i>	0	10	3	10	-4
<i>of which shares</i>	1	2	3	3	5
<b>Net profit from financial transactions</b>	<b>-20</b>	<b>-8</b>	<b>-15</b>	<b>-28</b>	<b>-14</b>

## NOTE 12 OTHER OPERATING EXPENSES, GROUP

	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
SEK million					
Marketing	-141	-131	-194	-272	-385
External costs related to credit cards/sales costs	-80	-72	-92	-152	-167
<b>Total other operating expenses</b>	<b>-221</b>	<b>-204</b>	<b>-286</b>	<b>-425</b>	<b>-552</b>

## NOTE 13 NET CREDIT LOSSES, GROUP

	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
SEK million					
<b>On-balance sheet items</b>					
Provision Stage 1	-66	-28	-196	-94	-374
Provision Stage 2	12	-41	-49	-29	-79
Provision Stage 3	-819	-952	-522	-1,771	-1,083
<b>Total on-balance</b>	<b>-873</b>	<b>-1,021</b>	<b>-767</b>	<b>-1,894</b>	<b>-1,536</b>
<b>Off-balance sheet items</b>					
Provision Stage 1	2	-5	-12	-3	-21
Provision Stage 2	0	0	0	0	0
Provision Stage 3	0	0	0	0	0
<b>Total off-balance</b>	<b>2</b>	<b>-5</b>	<b>-12</b>	<b>-3</b>	<b>-21</b>
Write-offs	-73	-70	-63	-143	-108
Recoveries	12	5	3	17	3
<b>Sum</b>	<b>-61</b>	<b>-65</b>	<b>-60</b>	<b>-126</b>	<b>-105</b>
<b>Total credit losses, net</b>	<b>-932</b>	<b>-1,091</b>	<b>-839</b>	<b>-2,023</b>	<b>-1,662</b>

## 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 June 30, 2024, NOBA had 312 (227 per December 31, 2023) mortgages with a total volume of SEK 639 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 281 million (264), whereof SEK 213 million (197) relates to loans on the Nordax platform and SEK 68 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 101 million (92), whereof SEK 34 million (32) relates to loans on the Nordax platform and SEK 67 million (60) relates to loans on the Bank Norwegian platform.

### SENSITIVITY ANALYSIS

SEK million	PROBABILITY- WEIGHTED	NEGATIVE SCENARIO	POSITIVE SCENARIO	NEGATIVE SCENARIO	POSITIVE SCENARIO
<b>30 JUNE 2024</b>	LOAN LOSS RESERVES			DIFFERENCE COMPARED WITH PROBABILITY-WEIGHTED %	
Group	10,223	281	-101	2.7%	-1.0%
<b>31 DECEMBER 2023</b>					
Group	8,689	264	-92	3.0%	-1.1%

## NOTE 13 NET CREDIT LOSSES, GROUP

SEK million

30 JUNE 2024	GROSS			PROVISIONS			NET
	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
<b>Closing balance 31 December 2023</b>	<b>97,994</b>	<b>6,246</b>	<b>13,692</b>	<b>-1,713</b>	<b>-995</b>	<b>-5,981</b>	<b>109,243</b>
<b>Stage transfers</b>							
Transfer to/from Stage 1	-3,674	-	-	147	-	-	-3,527
Transfer to/from Stage 2	-	52	-	-	24	-	76
Transfer to/from Stage 3	-	-	3,588	-	-	-1,333	2,255
Origination of new loans	13,220	507	52	-202	-76	-17	13,484
Derecognition	-5,842	-307	-583	78	33	265	-6,356
Changes in risk components	-	-	-	-119	-28	-243	-390
Fx effects etc.	1,022	-22	115	-12	7	-59	1,051
<b>Closing balance 30 June 2024</b>	<b>102,719</b>	<b>6,476</b>	<b>16,864</b>	<b>-1,821</b>	<b>-1,035</b>	<b>-7,367</b>	<b>115,836</b>

31 DECEMBER 2023	GROSS			PROVISIONS			NET
	STAGE 1	STAGE 2	STAGE 3	STAGE 1	STAGE 2	STAGE 3	
<b>Closing balance 31 December 2022</b>	<b>79,668</b>	<b>5,317</b>	<b>9,728</b>	<b>-932</b>	<b>-761</b>	<b>-4,264</b>	<b>88,756</b>
<b>Stage transfers</b>							
Transfer to/from Stage 1	-4,409	-	-	25	-	-	-4,384
Transfer to/from Stage 2	-	-32	-	-	22	-	-10
Transfer to/from Stage 3	-	-	4,721	-	-	-1,905	2,816
Origination of new loans	34,520	1,832	876	-573	-311	-297	36,048
Derecognition	-10,892	-580	-1,117	99	60	457	-11,973
Changes in risk components	-	-	-	-359	-34	-203	-596
Fx effects etc.	-893	-291	-516	27	29	230	-1,414
<b>Closing balance 31 December 2023</b>	<b>97,994</b>	<b>6,246</b>	<b>13,692</b>	<b>-1,713</b>	<b>-995</b>	<b>-5,981</b>	<b>109,243</b>

## NOTE 14 DISCLOSURES ON THE CASH FLOW STATEMENT, GROUP

SEK million	JAN - JUN 2024	JAN - JUN 2023
<b>Adjustment for non-cash items in profit:</b>		
FX effects	115	-145
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	31	112
Amortization and impairment of transaction surplus values	67	68
Periodization of financing costs	9	12
Reversal acquired surplus value lending to the public	98	100
Unrealized value changes on bonds and other interest-bearing securities	-10	-38
Change in value shares and participations	-3	-5
Unrealized value changes on derivatives	-169	47
Change in fair value lending to the general public	1	-
Net credit losses	2,329	1,925
<b>Total</b>	<b>2,468</b>	<b>2,076</b>

### Interest received and paid

SEK million	JAN - JUN 2024	JAN - JUN 2023
<b>The cash flow from current operations includes interest received and paid in the following amounts</b>		
Interest received	5,929	4,588
Interest paid	1,275	955

## NOTE 15 PLEDGED ASSETS AND OTHER COMMITMENTS, GROUP

### PLEDGED ASSETS FOR OWN LIABILITIES

SEK million	2024-06-30	2023-12-31
Lending to the general public	19,273	15,447
Lending to credit institutions	992	551
Cash collateral for derivatives	131	135
<b>Total</b>	<b>20,396</b>	<b>16,133</b>

### OTHER COMMITMENTS

SEK million (Nominal amounts)	2024-06-30	2023-12-31
Granted but unpaid loans	197	86
Granted but unutilized credit cards	53,554	58,107
<b>Total</b>	<b>53,751</b>	<b>58,193</b>
<i>of which subject to impairment test</i>	<i>53,751</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

In connection with Svensk Hypotekspension, through the subsidiary Svensk Hypotekspension Fond 4 AB (publ), repaid the bond proceeds to the investors in January 2024 the intra-group financing between NOBA Bank Group AB (as lender) and Svensk Hypotekspension AB (as borrower) increased with the corresponding amount.

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 expenses amounted to SEK 33 million (25).

At the time of the acquisition of Bank Norwegian ASA, NOBA Bank Group AB (publ) issued SEK 650 million in Tier 2 capital, which were subscribed by NOBA Group AB (publ).

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

SEK million	ASSETS		LIABILITIES		INCOME		EXPENSES	
	24-06-30	23-12-31	24-06-30	23-12-31	JAN - JUN 2024	JAN - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
NOBA Holding AB (publ)		5	-4	-19	-	-	-	-
NOBA Group AB (publ)		5	-648	-680	-	-	-28	-22
Svensk Hypotekspension AB	4,704	2,237	-	-47	147	65	0	-1
NOBA Sverige AB	7	63	-7	-63	0	0	-	-
Nordax Sverige 5 AB	7	0	-275	-256	34	20	-	-
Nordax Sweden Mortgage 1 AB (publ)	0	0	-45	-18	2	-	-	-2
NOBA Finland 1 AB (publ)	4	0	-	-	18	-	-	-
Lilienthal Finance Ltd	-	-	-20	-21	-	-	-	-17
Other related parties	-	-	0	-4*	-	-	-33	-25
<b>Total</b>	<b>4,722</b>	<b>2,318</b>	<b>-999</b>	<b>-1,109</b>	<b>202</b>	<b>85</b>	<b>-62</b>	<b>-67</b>

\*This figure has been adjusted with SEK -2 million in comparison with the interim report for q1 2024



## **NOTE 17 SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE**

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On July 2, the securitization of the non-performing loans portfolio was completed.

On July 1, an intra-group merger was completed, through which NOBA Holding AB (publ) and NOBA Group AB (publ) were merged into NOBA Bank Group AB (publ), resulting in the dissolution of NOBA Holding AB (publ) and NOBA Group AB (publ). The group's operations were not, and will not be, affected by the merger. After the merger, NOBA Bank Group AB (publ) became the issuer and assumed all obligations and liabilities related to the bonds originally issued by NOBA Holding AB (publ).

In July, through the subsidiary Svensk Hypotekspension 5 AB (publ), new bilateral secured funding was obtained from an international bank. The extension was for two years and included SEK 1,000 million. After the extension, the total funding amounts to SEK 6,000 million.

# INCOME STATEMENT, PARENT COMPANY

SEK million	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
<b>Operating income</b>					
Interest income	3,344	3,216	2,579	6,560	4,914
<i>of which interest income according to the effective interest method</i>	3,236	3,093	2,452	6,329	4,878
Interest expense	-1,174	-1,137	-711	-2,311	-1,261
<b>Total net interest income</b>	<b>2,170</b>	<b>2,079</b>	<b>1,868</b>	<b>4,249</b>	<b>3,653</b>
Commission income	224	184	183	408	326
Commission expenses	-76	-68	-46	-144	-98
Net profit from financial transactions	-20	-7	-15	-27	-14
Other operating income <sup>1</sup>	30	25	10	55	18
<b>Total operating income</b>	<b>2,328</b>	<b>2,213</b>	<b>2,000</b>	<b>4,541</b>	<b>3,885</b>
<b>Operating expenses</b>					
General administrative expenses	-419	-397	-380	-816	-753
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	-10	-9	-8	-19	-16
Amortization and impairment of transaction surplus values	-148	-148	-147	-296	-300
Other operating expenses	-215	-196	-275	-411	-531
<b>Total operating expenses</b>	<b>-792</b>	<b>-750</b>	<b>-810</b>	<b>-1,542</b>	<b>-1,600</b>
<b>Profit before credit losses</b>	<b>1,536</b>	<b>1,463</b>	<b>1,190</b>	<b>2,999</b>	<b>2,285</b>
Net credit losses <sup>2</sup>	-920	-1,093	-907	-2,013	-1,702
<b>Operating profit</b>	<b>616</b>	<b>370</b>	<b>283</b>	<b>986</b>	<b>583</b>
Tax on profit for the period	-177	-120	-109	-297	-187
<b>Net profit for the period</b>	<b>439</b>	<b>250</b>	<b>174</b>	<b>689</b>	<b>396</b>
<b>Attributable to:</b>					
The Parent Company's shareholders	381	215	142	596	336
Holders of Tier 1 capital	58	35	32	93	60

<sup>1</sup> Operating income includes income from securitized loans among other things.

<sup>2</sup> Including credit losses on Lilienthal Finance Ltd SEK 71 million Q2 2023.

# STATEMENT OF COMPREHENSIVE INCOME, PARENT COMPANY

SEK million	APR - JUN 2024	JAN - MAR 2024	APR - JUN 2023	JAN - JUN 2024	JAN - JUN 2023
<b>Items to be reclassified in the income statement</b>					
Gains and losses on revaluation of cash flow hedges during the period	-2	20	2	18	-24
Tax on gains and losses on revaluation of cash flow hedges during the period	0	-4	0	-4	5
<b>Total cash flow hedges</b>	<b>-1</b>	<b>16</b>	<b>2</b>	<b>15</b>	<b>-19</b>
Debt instruments measured at fair value through other comprehensive income	-1	4	-1	3	-1
Tax on debt instruments measured at fair value through other comprehensive income	0	-1	0	-1	0
<b>Total debt instruments measured at fair value through other comprehensive income</b>	<b>-1</b>	<b>3</b>	<b>-1</b>	<b>2</b>	<b>-1</b>
Translation of foreign subsidiaries	170	-117	327	53	-899
Tax on translation differences	-16	18	-49	2	80
Hedge accounting of net investment before tax	-121	51	-214	-70	528
Tax on hedge accounting	26	-11	44	15	-109
<b>Total translation of foreign operations</b>	<b>59</b>	<b>-58</b>	<b>108</b>	<b>-1</b>	<b>-400</b>
<b>Items not to be reclassified in the income statement</b>					
Equity instrument valued at fair value through other comprehensive income	-	-	-22	-	-22
<b>Total equity instrument valued at fair value through other comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-22</b>	<b>-</b>	<b>-22</b>
Total other comprehensive income	57	-39	87	15	-442
<b>Comprehensive income</b>	<b>496</b>	<b>211</b>	<b>261</b>	<b>704</b>	<b>-46</b>
<b>Attributable to:</b>					
The Parent Company's shareholders	403	176	229	611	-106
Holders of Tier 1 capital	93	35	32	93	60

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION, PARENT COMPANY

SEK million	30 JUN 2024	31 DEC 2023
<b>Assets</b>		
Cash and balances with central banks	3,401	1,173
Treasury bills eligible for repayment etc.	1,999	1,200
Lending to credit institutions	1,052	2,517
Lending to the general public	107,126	100,507
Bonds and other fixed-income securities	15,256	13,226
Other shares	153	150
Shares in subsidiaries	1,030	1,030
Derivatives	262	324
Intangible assets	6,280	6,542
Tangible assets	10	10
Current tax assets	4	4
Deferred tax assets	121	128
Other assets	4,995	2,593
Prepaid expenses and accrued income	92	59
<b>Total assets</b>	<b>141,781</b>	<b>129,463</b>
<b>LIABILITIES, PROVISIONS AND EQUITY</b>		
<b>Liabilities</b>		
Deposits from the general public	107,352	96,788
Issued securities	1,605	3,385
Liabilities to securitization firms <sup>1</sup>	7,586	5,383
Derivatives	311	425
Current tax liabilities	72	146
Deferred tax liability	686	717
Other liabilities	1,476	1,584
Accrued expenses and deferred income	467	328
Subordinated liabilities	1,843	1,729
<b>Total liabilities</b>	<b>121,397</b>	<b>110,485</b>
<b>Equity</b>		
Share capital	73	73
Share premium fund	4,476	4,476
Other funds	-490	-522
Tier 1 capital instruments	2,154	1,354
Retained earnings	13,482	12,962
Profit for the period	689	635
<b>Total equity</b>	<b>20,384</b>	<b>18,978</b>
<b>Total liabilities, provisions and equity</b>	<b>141,781</b>	<b>129,463</b>

<sup>1</sup> Liabilities to securitization firms refer in their entirety to liabilities to subsidiaries for the securitized loans, which are reported by NOBA Bank Group AB, since the derecognition rules according to IFRS 9 have not been met.

# STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY

SEK million	Share capital	Share premium fund	Development expenditure fund	Fair value reserv	Translation of foreign operations, net	Cash flow hedges	Retained earning, incl. profit for the period	Sum	Tier 1 capital instruments	TOTAL
	RESTRICTED EQUITY			NON-RESTRICTED EQUITY						
<b>Opening balance 1 January 2023</b>	<b>73</b>	<b>4,476</b>	<b>26</b>	<b>39</b>	<b>-108</b>	<b>161</b>	<b>13,136</b>	<b>17,803</b>	<b>1,470</b>	<b>19,273</b>
Comprehensive income										
Net profit/loss for the year	-	-	-	-	-	-	512	512	123	635
Other comprehensive income	-	-	-	-23	-522	-130	-	-675	-3	-678
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-23</b>	<b>-522</b>	<b>-130</b>	<b>512</b>	<b>-163</b>	<b>120</b>	<b>-43</b>
Paid interest Tier 1 capital instruments	-	-	-	-	-	-	-	-	-121	-121
Change in Tier 1 capital instruments	-	-	-	-	-	-	-14	-14	14	0
Repayment of Tier 1 capital instrument	-	-	-	-	-	-	-	-	-129	-129
<b>Development expenditure fund</b>										
Capitalisation	-	-	46	-	-	-	-46	0	-	0
Amortization	-	-	-9	-	-	-	9	0	-	0
Impairment	-	-	-2	-	-	-	2	0	-	0
<b>Total development expenditure fund</b>	<b>-</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-35</b>	<b>0</b>	<b>-</b>	<b>0</b>
<b>Transactions with shareholders</b>										
Capital contributions	-	-	-	-	-	-	-3	-3	-	-3
Tax effect on capital contribution	-	-	-	-	-	-	1	1	-	1
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-2</b>	<b>-2</b>	<b>-</b>	<b>-2</b>
<b>Closing balance 31 December 2023</b>	<b>73</b>	<b>4,476</b>	<b>61</b>	<b>16</b>	<b>-630</b>	<b>31</b>	<b>13,597</b>	<b>17,624</b>	<b>1,354</b>	<b>18,978</b>

# STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY

SEK million	Share capital		Share premium fund		Development expenditure fund		Fair value reserv		Translation of foreign operations, net		Cash flow hedges		Retained earning incl. profit for the period		Sum		Tier 1 capital instruments		TOTAL	
	RESTRICTED EQUITY				NON-RESTRICTED EQUITY															
<b>Opening balance 1 January 2024</b>	<b>73</b>	<b>4,476</b>	<b>61</b>	<b>16</b>	<b>-630</b>	<b>31</b>	<b>13,597</b>	<b>17,624</b>	<b>1,354</b>	<b>18,978</b>										
Comprehensive income																				
Net profit/loss for the period	-	-	-	-	-	-	596	596	93	689										
Other comprehensive income	-	-	-	2	-1	15	-	16	-	15										
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2</b>	<b>-1</b>	<b>15</b>	<b>596</b>	<b>612</b>	<b>93</b>	<b>704</b>										
Paid interest in Tier 1 capital instruments	-	-	-	-	-	-	-	-	-90	-90										
Change in Tier 1 capital instruments	-	-	-	-	-	-	-6	-6	-6	0										
Issued Tier 1 capital instrument	-	-	-	-	-	-	-	-	791	791										
<b>Other reserves</b>																				
Capitalisation	-	-	24	-	-	-	-24	0	-	0										
Amortization	-	-	-8	-	-	-	8	0	-	0										
<b>Total other reserves</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-16</b>	<b>0</b>	<b>-</b>	<b>0</b>										
<b>Transactions with shareholders</b>																				
Capital contributions	-	-	-	-	-	-	-	-	-	-										
Tax effect on capital contribution	-	-	-	-	-	-	-	-	-	-										
<b>Total transactions with shareholders</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>										
<b>Closing balance 30 June 2024</b>	<b>73</b>	<b>4,476</b>	<b>76</b>	<b>18</b>	<b>-630</b>	<b>46</b>	<b>14,171</b>	<b>18,230</b>	<b>2,154</b>	<b>20,384</b>										

Share capital amounts to 72,676,783 shares of the same type with quota value of SEK 1.

# STATEMENT OF CASH FLOWS, PARENT COMPANY

SEK million	NOTE	JAN - JUN 2024	JAN - JUN 2023
<b>Operating activities</b>			
Operating profit		986	583
Adjustment for non-cash items	PC 3	2,671	2,250
Paid income tax		-386	-381
<b>Cash flow from operating activities before change in operating assets and liabilities</b>		<b>3,271</b>	<b>2,452</b>
<b>Change in operating assets and liabilities</b>			
Decrease/Increase in lending to central banks		-800	-
Decrease/Increase in lending to the general public		-8,201	-19,136
Decrease/Increase in deposits from the general public		9,475	13,440
Decrease/increase in bonds and other interest-bearing securities		-1,868	-895
Decrease/increase in issued securities		-1,820	-861
Decrease/increase in liabilities to securitisation firms		2,211	9
Change of derivatives, net		65	402
Decrease/increase in other assets		-2,556	-455
Decrease/Increase in other liabilities		69	1,464
<b>Cash flow from operating activities</b>		<b>-3,424</b>	<b>-6,032</b>
<b>Total cash flow for operating activities</b>		<b>153</b>	<b>-3,580</b>
<b>Investing activities</b>			
Acquisition in property, plant and equipment and intangible assets		-37	-24
<b>Cash flow from investing activities</b>		<b>-37</b>	<b>-24</b>
<b>Financing activities</b>			
Issued subordinated loans		459	760
Amortization of subordinated loans		-357	-
Issued Tier 1 capital instruments		791	-
Paid interest Tier 1 capital instruments		-90	-52
<b>Cash flow from financing activities</b>		<b>803</b>	<b>708</b>
<b>Cash flow for the period</b>		<b>613</b>	<b>-2,896</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>3,690</b>	<b>6,373</b>
<b>Exchange rate differences and cash equivalents</b>		<b>148</b>	<b>101</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>4,452</b>	<b>3,578</b>

Cash and cash equivalents is defined as cash and balances with central banks and lending to credit institutions.

## **PARENT COMPANY NOTE 1 ACCOUNTING AND MEASUREMENT POLICIES**

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The parent company's interim report were prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), the Swedish Corporate Reporting Board's recommendation RFR 2 – Accounting for legal entities and the Swedish Financial Supervisory Authority's Regulations (FFFS 2008:25).

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.



PARENT COMPANY NOTE 2 CAPITAL ADEQUACY ANALYSIS

CAPITAL ADEQUACY - PART 1

SEK million	NOBA BANK GROUP AB	
	30 JUN 2024	31 DEC 2023
<b>Own funds</b>		
Common Equity Tier 1 (CET1) capital before deduction of regulatory adjustments	18,575	17,985
Total deduction of regulatory adjustment to CET1 capital	-6,088	-6,099
<b>Common Equity Tier 1 (CET1) capital after deduction of regulatory adjustments</b>	<b>12,487</b>	<b>11,886</b>
Additional Tier 1 capital	2,154	1,354
<b>Sum Tier 1 Capital</b>	<b>14,641</b>	<b>13,239</b>
Tier 2 Capital	1,843	1,378
<b>Total capital</b>	<b>16,484</b>	<b>14,617</b>
Risk exposure amount, credit risk	83,780	78,540
Risk exposure amount, market risk	0	426
Risk exposure amount, operational risk	5,873	5,873
Risk exposure amount, credit value adjustment (CVA)	105	77
<b>Total risk exposure amount (risk weighted assets)</b>	<b>89,757</b>	<b>84,916</b>
<b>Capital ratios and buffers</b>		
Common Equity Tier 1 capital ratio	13.91%	14.00%
Tier 1 capital ratio	16.31%	15.59%
Total capital ratio	18.36%	17.21%
Total Common Equity Tier 1 capital requirement including buffer requirement	9.53%	9.54%
- of which, capital conservation buffer requirement	2.50%	2.50%
- of which, countercyclical capital buffers	1.52%	1.53%
- of which systemic risk buffer	1.01%	1.01%
<b>SPECIFICATION OWN FUNDS</b>		
<b>Common Equity Tier 1 capital:</b>		
Capital instruments and related share premium	4,625	4,609
- of which share capital	73	73
- of which other contributed capital	4,476	4,476
- of which other funds	76	61
Retained earnings	13,482	12,962
Accumulated other comprehensive income	-566	-581
Deferred tax liabilities attributable to other intangible assets	345	361
Minority interest	-	-
Independently audited interim results after deductions of foreseeable dividends	689	634
<b>Common Equity Tier 1 capital before regulatory adjusted</b>	<b>18,575</b>	<b>17,985</b>

## PARENT COMPANY NOTE 2 CAPITAL ADEQUACY ANALYSIS

### CAPITAL ADEQUACY - PART 2

	NOBA BANK GROUP AB	
	30 JUN 2024	31 DEC 2023
SEK million		
<b>Regulatory adjustments:</b>		
(+) Other transition adj. of common equity Tier 1 capital <sup>1</sup>	280	506
(-) Intangible assets	-6,281	-6,542
Additional value adjustments	-87	-63
Total regulatory adjustment to Common Equity Tier 1 capital	<b>-6,088</b>	<b>-6,099</b>
<b>Common Equity Tier 1 capital</b>	<b>12,487</b>	<b>11,886</b>
<b>Tier 1 capital</b>		
- Additional Tier 1 capital	2,154	1,354
- Additional Tier 1 capital, contribution from minority	-	-
<b>Tier 1 capital, total</b>	<b>14,641</b>	<b>13,240</b>
<b>Tier 2 capital</b>		
- Tier 2	1,843	1,378
- Tier 2 capital, contribution from minority	-	-
<b>Total capital</b>	<b>16,484</b>	<b>14,618</b>
<b>Total risk exposure amount</b>	<b>89,757</b>	<b>84,916</b>
<b>Specification of risk exposure amount</b>		
Exposures to national governments and central banks	303	319
Exposures to regional governments and local authorities	195	242
Exposures to institutions	406	610
Exposures in the form of covered bonds	981	745
Retail exposures	67,746	63,967
Exposures secured by mortgages on immovable property	2,558	2,630
Equity exposures	1,183	1,180
Exposures in default	9,908	8,079
Exposures to corporates	-	-
Other items	499	768
<b>Total risk exposure amount for credit risk, Standardized Approach</b>	<b>83,780</b>	<b>78,540</b>
Foreign exchange risk	-	426
<b>Total risk exposure amount for foreign exchange risk</b>	<b>-</b>	<b>426</b>
Operational risk according to Alternative Standardized Approach	5,873	5,873
<b>Total risk exposure amount for operational risks</b>	<b>5,873</b>	<b>5,873</b>
Credit valuation adjustment risk (CVA)	105	77
<b>Total risk exposure amount for credit valuation adjustment risk</b>	<b>105</b>	<b>77</b>
<b>Total risk exposure amount</b>	<b>89,757</b>	<b>84,916</b>

<sup>1</sup> 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.

PARENT COMPANY NOTE 2 CAPITAL ADEQUACY ANALYSIS

CAPITAL ADEQUACY - PART 3

	NOBA BANK GROUP AB	
	30 JUN 2024	31 DEC 2023
SEK million		
<b>SPECIFICATION OWN FUNDS REQUIREMENTS (8% OF REA)</b>		
<b>Credit risk</b>		
Exposures to national governments and central banks	24	26
Exposures to regional governments and local authorities	16	19
Exposures to institutions	33	49
Exposures in the form of covered bonds	79	60
Retail exposures	5,420	5,117
Exposures secured by mortgages on immovable property	205	210
Equity exposures	95	94
Exposures in default	793	646
Exposures to corporates	-	-
Other items	40	61
<b>Total capital requirement for credit risk</b>	<b>6,702</b>	<b>6,283</b>
<b>Market risk</b>		
Foreign exchange risk	-	34
<b>Total risk exposure amount for market risk</b>	<b>-</b>	<b>34</b>
<b>Operational risk</b>		
Operational risk according to Alternative standardized Approach	470	470
<b>Total risk exposure amount for operational risk</b>	<b>470</b>	<b>470</b>
<b>Credit valuation adjustment risk (CVA)</b>		
Credit valuation adjustment risk (CVA)	8	6
<b>Total capital requirement for CVA risk</b>	<b>8</b>	<b>6</b>
<b>Total Capital Requirement</b>	<b>7,181</b>	<b>6,763</b>
<b>Capital Requirement, percent of REA</b>		
Pillar 1	8.00%	8.00%
Pillar 2	1.28%	1.23%
Capital conservation buffer	2.50%	2.50%
Institution-specific countercyclical buffer	1.52%	1.53%
Systemic risk buffer - Norway	1.01%	1.01%
<b>Total Capital Requirement</b>	<b>14.32%</b>	<b>14.27%</b>
<b>Capital Requirement</b>		
Pillar 1	7,181	6,793
Pillar 2	1,153	1,048
Capital conservation buffer	2,244	2,123
Institution-specific countercyclical buffer	1,363	1,298
Systemic risk buffer - Norway	909	855
<b>Total Capital Requirement</b>	<b>12,849</b>	<b>12,118</b>
<b>LEVERAGE RATIO</b>		
<b>Total exposure measure for calculating leverage ratio</b>	<b>136,692</b>	<b>126,849</b>
<b>Tier 1 capital</b>	<b>14,641</b>	<b>13,240</b>
<b>Leverage ratio</b>	<b>10.71%</b>	<b>10.44%</b>
<b>Overall leverage ratio requirements</b>	<b>4,101</b>	<b>3,805</b>
<b>Overall leverage ratio requirements, percentage</b>	<b>3%</b>	<b>3%</b>

**PARENT COMPANY NOTE 3 DISCLOSURES ON THE CASH FLOW STATEMENT**

SEK million	JAN - JUN 2024	JAN - JUN 2023
<b>Adjustment for non-cash items in profit:</b>		
FX effects	115	-145
Depreciation/amortization and impairment of property, plant and equipment and other intangible assets	19	16
Amortization and impairment of transaction surplus values	296	300
Periodization of financing costs	9	12
Reversal acquired surplus value lending to the public	96	98
Unrealized value changes on bonds and other interest-bearing securities	-10	-38
Change in value shares and participations	-3	-5
Unrealized value changes on derivatives	-169	47
Net credit losses	2,319	1,965
<b>Total</b>	<b>2,671</b>	<b>2,250</b>

**Interest received and paid**

SEK million	JAN - JUN 2024	JAN - JUN 2023
<b>The cash flow from current operations includes interest received and paid in the following amounts</b>		
Interest received	6,000	4,582
Interest paid	1,126	817

# BOARD OF DIRECTORS' AFFIRMATION

The Board of Directors declares that this financial report for the period 1 January 2024 through 30 June 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 August 27 2024

**HANS-OLE JOCHUMSEN**  
CHAIRMAN

**VILLE TALASMÄKI**  
BOARD MEMBER

**CHRISTOPHER EKDAHL**  
BOARD MEMBER

**RICARD WENNERKLINT**  
BOARD MEMBER

**CHRISTIAN FRICK**  
BOARD MEMBER

**JACOB LUNDBLAD**  
CHIEF EXECUTIVE OFFICER

**HENRIK KÄLLÉN**  
BOARD MEMBER

**DANIELLA BERTLIN**  
BOARD MEMBER, EMPLOYEE REPRESENTATIVE

**RAGNHILD WIBORG**  
BOARD MEMBER

# 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 amortization/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 amortization/impairment of intangible transaction surplus values, transformational costs and operating profit from portfolios included in operating segment "Other".

## **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 full-time employees**

The average amount of hours worked during the period re-calculated as full-time equivalents. Excludes persons on long-term sick-leave or parental leave.

## **Cost to income ratio**

Total operating expenses in relation to total operating income.

## **Common Equity Tier 1 capital<sup>1</sup>**

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 ratio<sup>1</sup>**

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 ratio<sup>1</sup>**

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)<sup>1</sup>**

Liquidity Coverage Ratio (LCR)<sup>1</sup> 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 capital<sup>1</sup>**

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 funds<sup>1</sup>**

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.

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

# DEFINITIONS

**Risk exposure amount<sup>1</sup>**

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.

**ROTE**

See "Return on equity excl. intangible assets and Tier 1 capital".

**Tier 1 capital<sup>1</sup>**

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

**Tier 1 capital ratio<sup>1</sup>**

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

**Tier 2 capital<sup>1</sup>**

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

**Total capital ratio<sup>1</sup>**

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

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