2024

Year-end report
January – December

Enity

Content

The year **in brief**

The period extends from 1 January - 31 December 2024 (comparative figures for the corresponding period last year).

Strategic development and significant events

The year was marked by persistent macroeconomic uncertainty, with central banks across Sweden, Finland and Norway initially taking a cautious stance to rate cuts while closely monitoring inflationary pressures and geopolitical risks. Inflation decreased, prompting the Swedish Central bank and the ECB to begin interest rate cuts and to communicate a lower interest rate curve.

In Sweden, declining inflation and the anticipation of gradual interest rate cuts led to increased activity in the housing market throughout the year. House prices stabilised, and transaction volumes rose, which contributed to improved new mortgage lending. Despite continued high interest rates and lower wages, net credit losses remained at low levels.

In Norway, the housing market showed resilience, and the refinancing activity was supported despite Norges Bank's hesitancy to proceed with interest rate cuts. Both brands in Norway, Bluestep and Bank2, experienced steady growth, and Enity has strengthened its position as the leading bank in specialist mortgages.

The housing market in Finland remained subdued as a result of continued restrictive monetary policy and weak economic performance. Despite this, the Bank's Finnish operations showed robust growth, with new lending volumes stabilising at a higher level compared to the previous year. By the end of the fourth quarter, the Finnish loan portfolio surpassed MEUR 100, reflecting a 94% growth from 31 December 2023, despite the challenging market conditions.

On the 2nd of December, Bluestep Bank AB (publ) changed name to Enity Bank Group AB (publ) after approval by the SFSA and registration with the Swedish Companies Registration Office. All three existing brands – Bluestep Bank, Bank2 and 60plusbanken – are thereby gathered under the group name Enity Bank Group. The brands will continue to act separately, like before, and customers are not affected by the change of names. The branches of the Bank also changes names and the new names are presented in the group structure in the administration report.

After the cross-border merger of Bank2 where the operations of Bank2 continues through the Norwegian branch of Enity Bank, the data migration of the Bank2 banking book was completed during October 2024. This led to Enity Bank strengthening its position as a specialist mortgage provider in the Nordic region. During the year, one-off costs relating to the merger and the integration amounted to approximately MSEK 32.

The continued work with automating processes, improving the customer experience and building a Nordic organisation, enabled the Bank to carry out two internal restructuring processes during the year. This resulted in one-off costs of MSEK 55 for severance pay.

Performance and financial position

The financial performance and financial position are impacted by the acquisition of Bank2, which was fully consolidated on 31 October 2023. Since the merger on 2 April 2024, the results of Bank2 are included in the Norwegian branch.

MSEK	H2 2024	H2 2023	FY 2024	FY 2023
Lending to the public	28,832	26,205	28,832	26,205
Deposits from the public	23,203	20,513	23,203	20,513
Net interest income	569	498	1,114	959
Operating expenses	329	374	686	649
Operating profit	218	99	400	298
Cost/Income, % [1,2]	58%	74%	61%	65%
Credit losses, %[1,2,3]	0.16%	0.21%	0.14%	0.18%
Return on equity, %[1,2,3]	13.4%	12.4%	12.5%	11.2%
CET1 ratio, %[1]	16.7%	16.9%	16.7%	15.5%

[1] The change is stated in percentage points.
[2] See page 42 for definitions of alternative performance measures.
[3] Key figures related to H2 are annualised to full-year values.

Refer to Note 9 where further disclosures regarding the acquisition and the merger are available.

- Lending to the public increased by 10% to MSEK 28,832 (MSEK 26,205).
- New lending amounted to MSEK 11,073 (MSEK 7,009).
- Net interest income increased to MSEK 1,114 (MSEK 959), an increase of 16%.
- Operating profit amounted to MSEK 400 (MSEK 298), an increase of 34%.
- Net credit losses amounted to MSEK 41 (MSEK 48), equivalent to a credit loss level of 0.14% (0.18%).
- The return on equity was 12.5% (11.2%).
- The Common Equity Tier 1 ('CET1') ratio was 16.7% (15.5%).
- The total capital ratio amounted to 18.7% (16.0%).

Financing and funding

The Group's strategy is to have a well-diversified funding structure, mainly comprising of retail deposits from the public and the issuance of covered and senior unsecured bonds. During 2024, a tap issue of MSEK 200 of a covered bond with maturity in November 2027 was completed. At the end of the period MSEK 5,200 of covered bonds were outstanding under the Bank's MTCN-programme.

During the year, senior unsecured bonds amounting to MSEK 2,000 were issued. During the same period senior unsecured bonds amounting to MSEK 1,550 and MNOK 550 were repaid. At the end of the period, the Bank had an outstanding volume of MSEK 2,300 of senior unsecured bonds under the Bank's MTN-programme.

The Bank issued Tier 2-instruments (T2) amounting to MSEK 300 under the MTN-programme during the year.

Deposits from the public amounted to MSEK 23,203 (MSEK 20,513) at the end of the period.

A Unified Vision for a **Modern Mortgage Bank**

In 2024, we took a transformative step by bringing our brands together under a shared new identity: Enity Bank Group. This rebranding reinforces our position as a leading provider of modern, accessible mortgage solutions in the Nordics and provides a new platform for our growing number of consumer facing brands: Bluestep Bank and Bank2 in Norway, Bluestep Bank and 60plusbanken in Sweden, and Bluestep Bank in Finland.

”Looking Ahead to a **Promising Future”**

Strength Through Adaptability and Strategic Integration

We reached several significant milestones in the continuous adaptation of our operations during the year. We integrated Bank2 and completed a cross-border legal merger. We streamlined processes to enhance efficiency and service and now operate under a unified One Bank model across the Nordic region. Our digital transformation continued with the vision to build a future-ready mortgage bank founded on automation, scalability, and customer trust.

Fortifying Our Financial Foundation

Our strong balance sheet ensures that Enity Bank can offer flexible, competitive solutions tailored to our customers' mortgage needs. Amid economic macroeconomic volatility, our diversified funding strategy has strengthened our foundation in 2024. We have issued Tier 2 SEK notes and benefit from of the incorporation of Euro deposits from the previous year. This robust financial framework reinforces our long-term stability and resilience, enabling us to support sustainable growth in mortgage lending, even in uncertain economic conditions.

Empowering Our People and Living Our Values

Our people and values remain central to our progress as a modern mortgage bank. This year, we renewed our core values to emphasize inclusivity, innovation, responsibility, and passion – principles that guide our work and strengthen our mission to deliver accessible mortgage solutions across our communities. By fostering a collaborative, value-driven culture, we create an environment where our people can grow, engage meaningfully, and share a sense of purpose in supporting our customers' goals.

Supporting Societal Well-Being through Partnership and Knowledge

At Enity, we remain committed to making a positive impact, contributing to the health and stability of the communities we serve. The link between financial stability and mental well-being is well established. During the fourth quarter, we conducted a survey across our markets to gauge the key financial concerns of Nordic households. This research shows that young adults and families with children are especially challenged in the current economic climate. Financial exclusion of these groups is therefore a threat to the mental well-being of many. In 2024, we partnered with 'Riksförbundet Hjärnkoll', a leading mental health advocacy organization. Inspired by successful initiatives from Bank2 in Norway, this partnership aims to further raise awareness of the importance of financial stability for mental well-being.

Looking Ahead to a Promising Future

As we move into 2025, we carry forward the momentum built over the past year. Our unified identity as Enity, our resilient financial foundation, and our values-centered culture set a strong basis for continued growth and societal contribution as a leading mortgage bank. With economic stability on the horizon and interest rates moving favourably, we see promising opportunities to expand our support for customers on their home-ownership journeys.

Björn Lander,
Chief Executive Officer

This is the **Enity Bank Group**

Enity Bank Group, formerly Bluestep Bank, is a challenger in the Nordic mortgage market, choosing to see potential in each individual customer. Since 2005, we have led the way towards increased financial inclusion in society by offering mortgage solutions to more people. With inclusive, yet sustainable and responsible lending, we play an important role for those who have been excluded by traditional banks.

Our business

Enity is a group of specialist mortgage lenders in Sweden, Norway and Finland, with the joint mission to increase financial inclusion, entrance to the housing market and enable financial empowerment of more people. Through our consumer brands, Bluestep Bank, 60plusbanken and Bank2, we focus on helping those who for various reasons are excluded from the traditional banking sector, due to employment type, complex credit history or age. Instead of solely relying on narrow assessment criteria, we evaluate everyone's potential and ability to repay. We choose to see possibilities instead of obstacles.

Enity was established as a challenger in the Swedish market in 2005, and are today the leading specialist mortgage bank group in the Nordics. In Sweden, Enity also offers an equity release product through 60plusbanken, for those over 60 years of age who own their home, enabling pensioner to maintain a desired living standard without having to move.

In April 2024 Enity Bank Group, then Bluestep Bank, completed a cross-border merger with Bank2 ASA, following the acquisition in October 2023.

Our role in society

In today's financial market, Enity's brand portfolio is more relevant than perhaps ever before. All our customers have different needs and preconditions, what unites them is the exclusion they experience from traditional banks. A lot of things in society are different today compared to only a few decade ago. Forms of employment have evolved, and permanent employment is neither a possibility nor a desire for many. Freelancing, the growth of the gig economy and the shortage of housing in combination with the higher interest rates are all contributing to a generation facing difficulties in starting their adult lives in the most basic way – through leaving the parent's nest.

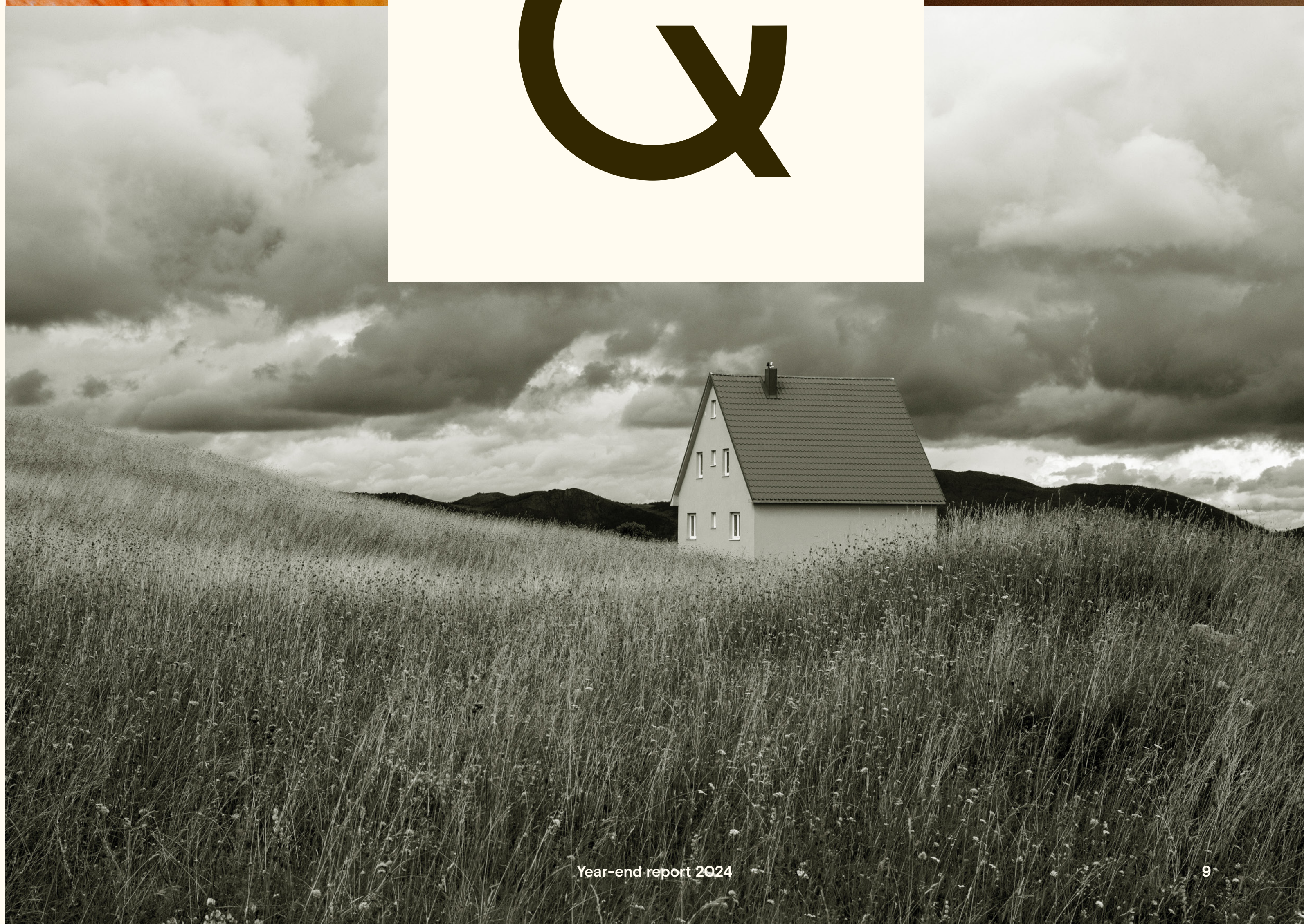
The modern financial market has also introduced new types of credits and unsecured loans, making it easier to end up with expensive credits and thereby risking late payments and payment remarks. Previous financial decisions can threaten financial security as well as the opportunity to purchase a home. We want to offer the possibility for people in difficult circumstances to use their home as a security for consolidating expensive credits and to thereby lower their monthly cost, improve their financial situation and regain control of their finances. With the recent shrinking financial margins for many households, we see increased demand for our refinancing offering – demonstrating the need for Enity in more difficult market conditions.

Our customers

Our customers are always at the core of everything we do. Our customer base consists of people wanting to purchase a home but lack permanent employment, have historic payment remarks, or have a limited credit history. Many also consolidate their debts into their mortgage, making it possible to significantly lower their monthly interest payments and amortisations.

Enity Bank Group is subject to the same rules and regulations as traditional banks, and although we have the objective to support as many people as we can, we carry out a thorough, fair, and individual assessment of each applicant. We will always be in the forefront of responsible and fair lending and take pride in our extensive and personalized application process. When welcoming a customer, we want to safeguard that each individual gets the opportunity to experience an improved financial situation in both the short-term and the long-term. That is our customer value proposition.

Enity Bank Group
About Enity Bank Group



Year-end report 2024

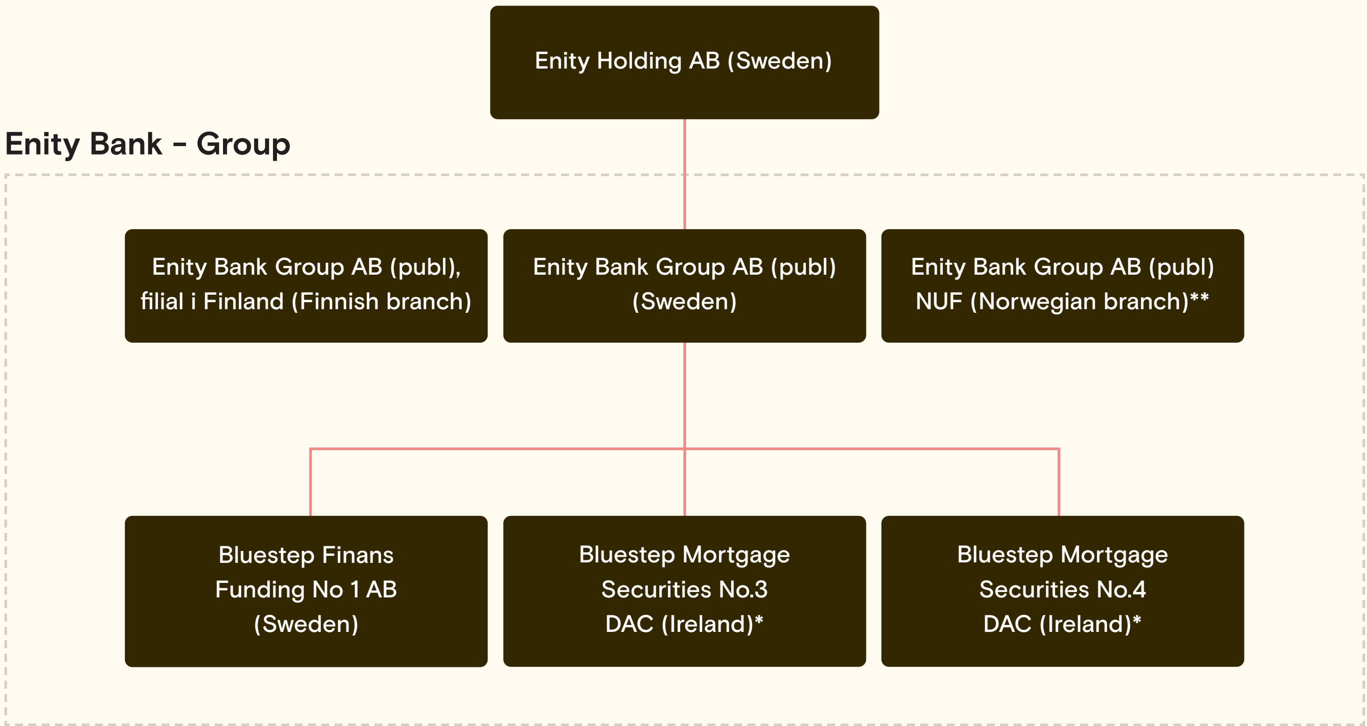
Administration report

Enity Bank Group AB (publ) (the 'Bank', also referred to as the 'Parent'), org no 556717-5129 is a public limited liability bank company under the supervision of the Swedish Financial Supervisory Authority ('SFSA') and categorised as a small and non-complex institution in accordance with point 145 of Article 4(1) of the CRR. The Bank is placed in category four by the SFSA under its categorisation of Swedish credit institutions.

The Bank's head office is located at 163 Sveavägen, SE-104 35, Stockholm, Sweden. The Group comprises the Bank and the wholly-owned subsidiaries, as depicted in the figure below. The Group is the Nordics' largest specialist residential mortgage lender in its niche and the core business is to engage in mortgage lending activities which are mainly funded by equity, deposits from the public and issuance of covered bonds and senior unsecured bonds. The Group operates in Sweden, Norway and Finland, of which the latter two are operated through branches in the respective countries.

All financial information is provided for the Group if not otherwise stated, while the regulatory information refers to the legal entity Enity Bank Group AB (publ) or the Consolidated situation which the Bank reports to the SFSA. The Consolidated situation includes all the entities as depicted in the figure below. Enity Holding AB is owned by EQT VII.

The Bank hereby presents the financial reports and group accounts for the financial year 1 January to 31 December 2024.



*These subsidiaries are currently under liquidation.
** Bank2 was merged with Enity Bank Group AB (publ) NUF in April 2024.

All entities are included in the Consolidated situation.
Additional information regarding the companies in the Group is available in Note 7.

The Group's performance

The year refers to 1 January 2024 - 31 December 2024 and the period to 1 July – 31 of December (compared to same period the previous year). The Group includes Bank2 from 31 October 2023 and on 2 April 2024, Bank2 was merged into the Norwegian branch. Refer to Note 9 for further disclosures regarding the acquisition and merger.

Financial performance

Net interest income

The Bank's net interest income for the period increased by 14% to MSEK 569 (MSEK 498). The net interest income for the year amounted to MSEK 1,114 (MSEK 958). During the year, the Bank achieved solid growth in net interest income, primarily driven by favourable conditions within the Nordic mortgage loan market. Stable lending margins, supported by a balanced interest rate environment and a steady demand for home financing, contributed positively to income growth. The Bank's tailored pricing strategies, adjusted in line with market conditions, enhanced the value of the mortgage loan portfolio while maintaining competitiveness and effectively meeting customer needs.

In Sweden and Norway, proactive adjustments to deposit rates helped manage funding costs efficiently, ensuring attractive offerings for customers while supporting income objectives. Stable activity in the housing market, along with a well-diversified portfolio of mortgage products, further contributed to this strong performance in net interest income.

Operating expenses

The Bank's operating expenses for the year amounted to MSEK 329 (MSEK 374) and for the year to MSEK 686 MSEK (MSEK 649). The decrease in H2 is primarily attributable to savings from the internal restructuring and the synergies gained from the merger, as well as the subsequent data migration of the Bank2 portfolio.

The cost-to-income ratio before credit losses amounted to 58% (74%). The ratio for the year was 61% (63%) and adjusted for one-off costs, to 52% for the year.

Employees

The average number of employees during the year were 258 (299). Through the acquisition of Bank2, 33 employees joined the Group, while a total of 76 employees are leaving in the restructuring process mentioned above (51 of them during 2024). This affected the Group's average number of employees throughout 2024 and will affect 2025 as well.

Credit losses

The Bank's credit loss level remained unchanged and on a low level. The net credit losses for the year decreased to MSEK 41 (MSEK 48). The overall credit loss ratio increased to 0.14% (0.18%). An overlay adjustment of MSEK 10 reduces the provision for credit losses for the Swedish portfolio, and the previous overlay of MNOK 5 on the Norwegian portfolio has been released during the period.

For further information refer to Note 3 'Credit losses'.

Operating profit

The Bank's operating profit for the year amounted to MSEK 400 (MSEK 298) and for the period MSEK 218 (MSEK 99).

Tax

Tax expenses amounted to MSEK 143 (MSEK 74) for the year. The effective tax rate amounts to 35.9% (27.7%).

Net profit

Net profit for the year amounted to MSEK 256 (MSEK 192) and for the period to MSEK 113 (MSEK 72).

Financial position

Per 31 December 2024 (compared to same date the previous year).

Lending

The Bank's total lending to the public increased by 10% and amounted in total to MSEK 28,832 (MSEK 26,205).

The Norwegian mortgage portfolio accounts for 53% (53%) of the total lending to the public, the Swedish mortgages for 42% (43%) and the Finnish mortgages for 5% (4%).

Liquidity reserve

At the end of the year, the Bank's liquidity reserve amounted to MSEK 4,513 (MSEK 4,254), distributed as follows:

- Central banks MSEK 605 (MSEK 1,045).
- Credit institutions MSEK 2,560 (MSEK 1,504).
- Swedish, Norwegian and German bonds and government debt securities MSEK 1,349 (MSEK 1,705).

The liquidity coverage ratio ("LCR") in the consolidated situation amounted to 582% (697%) at the end of the period. The Net Stable Funding Ratio ("NSFR") was 135% (133%). Both the LCR and NSFR exceed regulatory as well as internally stipulated limits.

On September 30, 2024, the SFSA published a legal position regarding deposits via digital platforms. The Bank's deposit taking in EUR related to the Finnish operations take place through digital platforms. The Bank has taken the legal position into consideration as of September 30, 2024. The effect was marginal for the Bank.

Financing, funding and deposits

The Bank's strategy is a well-diversified funding structure, focused on deposits from the public, covered and senior unsecured bonds.

At the end of the period, the Bank's sources of financing consisted of equity, deposits from the public in Sweden, Norway and Germany, covered bonds, senior unsecured bonds and tier 2-instruments ("T2").

During the year, bond maturities have been refinanced. The Bank's outstanding volume of senior unsecured bonds amounted to MSEK 2,300 (MSEK 1,850 and MNOK 550 respectively). The outstanding volume of covered bonds amounted to MSEK 5,200 (MSEK 5,000).

Deposits from the public amounted to MSEK 23,203 (MSEK 20,513) at the end of the period. Deposit funding in NOK amounted to MSEK 11,978 (MSEK 12,817) and deposit funding in EUR amounted to 3,666 MSEK (MSEK 1,124).

The deposit products are covered by the Swedish government deposit guarantee, which amounts to SEK 1,050,000. In Norway, the deposit products are also covered by the Norwegian deposit guarantee, which amounts to NOK 2,000,000 via the Norwegian Banks' Guarantee Fund.

Capital adequacy

For the Consolidated situation, the Common Equity Tier 1 capital ("CET1") ratio was 16.7% (15.5%) and the total capital ratio 18.7% (16.0%).

For the Bank, the CET1 ratio was 16.8% (22.2%) and the total capital ratio 19.2% (22.2%).

For the Consolidated situation, the CET1 capital has increased to MSEK 2,473 (MSEK 2,003) during the year which is mainly explained by increased profit and as a result of the approval by SFSA to include in own funds the capital instrument issued by Bluestep Holding in Q4 2023 in connection with the acquisition of Bank2. For the Bank the CET1 capital amounted to MSEK 2,470 (MSEK 2,428. To optimize the composition of own funds and enable growth, the Bank has redeemed an AT1-capital instrument of MNOK 60 and issued a T2-capital instrument of MSEK 300 during the year. The Pillar 1 capital requirement has primarily increased due to increased lending and, in the Bank, because of increased volumes after the merger with Bank2.

As of 1 January 2025, CRR3, the updated capital regulation, will enter into force. The Bank's exposures mainly consist of loans secured by residential property, which will have changed risk weights in relation to the loan-to-value ratio. Taking into account the Bank's loan-to-value ratios, CRR 3 will have a certain positive impact on the capital ratios.

The leverage ratio for the Consolidated situation was 7.1% (6.4%), and for the Bank 7.1% (9.2%). The reduced ratio in the Bank is a result of the merger with Bank2.

For further information on capital adequacy, see Note 6 "Capital adequacy analysis".

Return on equity

Return on equity amounted to 13.4% (12.5%) for the period and 12.5% (11.2%) for the full year. Adjusted for one-off costs, return on equity amounts to approximately 15.2%.

Credit rating

The Bank's credit rating (long-term issuer rating from Moody´s) is A3 with negative outlook since October 2024. The Bank's covered bonds have a credit rating of Aa1 from Moody's.

Key figures

Group	H2 2024	H1 2024	H2 2023	H1 2023	H2 2022
Operating profit, MSEK	218.4	181.2	99.4	198.4	179.6
Gross revenue / Lending portfolio, %[1,2]	8.0%	9.5%	9.0%	8.0%	6.8%
Net interest income / Lending portfolio, %[1,2]	4.0%	4.5%	4.9%	4.8 %	4.9%
Credit losses, %[1,2]	0.16%	0.13%	0.21%	0.15%	0.28%
CET1, MSEK	2,472.7	2,351.9	2,193.8	1,730,8	1,642.1
CET1 ratio, %	16.7%	17.0%	15.5%	17.7%	17.2%
Return on Equity, %[1,2]	13.4%	11.5%	12.4%	17.8%	17.0%
Return on Assets, %[2]	1.3%	1.3%	1.1%	1.8%	1.5%
Liquidity reserve, MSEK	4,513.2	4,088.5	4,254.0	1,797.4	3,041.0
Deposits from the public, MSEK	23,202.9	21,315.5	20,513.1	14,081.8	13,239.1
External funding, MSEK	7 935,0	8,468.6	7,583.0	6,233.1	8,158.9
Lending portfolio, MSEK	28,832.4	27,964.4	26,205.1	20,457.7	20,346.3
Leverage ratio, %	7.1%	7.0%	7.0%	7.6%	6.9%
Average number of employees	258	299	299	268	269

[1] See page 42 for definitions of alternative performance measures
[2] Key figures are annualised to full-year values

Risk and capital management

Risk management

The risk management aims to ensure that risk-taking is aligned with established risk management strategies and risk appetite, as well as achieving an appropriate balance between risk and return. Identified risks are assessed qualitatively based on probability and impact of economic loss, negative changes in earnings or material changes in risk profile, and quantitatively by stress testing and calculating capital- and/-or liquidity requirements where relevant.

The risks are mitigated and limited through established risk appetite, approved policies and instructions, implemented procedures and routines, as well as mitigating measures, which makes it possible to make well-informed decisions for risk-taking and to ensure awareness and understanding of risk management within the Bank. The risk governance is performed from an organisational perspective as well as from a perspective with three lines of defence.

The Bank has no trading book, hedges its interest rate risks, and has a liquidity reserve placed with stable counterparties with good credit ratings. Furthermore, cyber security remains an area of increased risk from a global perspective.

The risk management framework is governed by the Risk Management Policy, approved by the Board of Directors.

Capital management

The capital management is integrated in the strategic planning and performance of the Internal Capital and Liquidity Adequacy Assessment Process ("ICLAAP"). Through the capital management, sufficient capitalisation, appropriate composition of own funds from a loss absorption and cost perspective, efficient use of capital, and efficient capital planning, is ensured. This provides support for achieving set goals, target results, maintaining financial strength and continuity, maintaining sufficient liquidity to meet commitments, and to protect the Bank's brands and reputation.

The Bank's capital management framework is governed by the Capital Management Policy, approved by the Board of Directors.

The Bank's own funds shall at all times exceed the risk-based capital requirement and the leverage ratio capital requirements. The Risk Management function monitors the capital requirement and capital adequacy outcomes against set risk tolerance limits on a monthly basis and reports this to the Board of Directors and the CEO. The Bank has a CET1 capital target of 16%.

For further information on risk and capital management, see Note 6 "Capital adequacy analysis" in this report, the 2023 Annual Report and the periodic information on risk management, capital adequacy and liquidity published on www.enity.com.

Significant events

Significant events during H2 2024

Change of name

On the 2nd of December, Bluestep Bank AB (publ) changed name to Enity Bank Group AB (publ) after approval by the SFSA and registration with the Swedish Companies Registration Office. All three existing brands – Bluestep Bank Bank2 and 60plusbanken – are thereby gathered under the group name Enity Bank Group. The brands will continue to act separately, like before, and the Bank's customers are not affected by the change of names.

Review and update of the definition of default

In accordance with the regulatory requirements under the Capital Requirements Regulation (CRR), the Bank has conducted a thorough review of its definition of default. Following this review, the Bank has implemented an updated definition of default to ensure alignment with current regulatory standards and best practices.

This updated definition of default impacts the classification of certain loans, specifically those categorized as stage 3 under the IFRS 9 impairment model. As a result of this revision, a larger portion of loans are classified as defaulted (Stage 3), approximately 0.8 percentage points. However, the updated definition does not materially affect the Bank's financial position or risk profile.

Significant events and other information after the end of the period

The indirect majority shareholder in the Bank (EQT VII) has decided to initiate a review of strategic options for the Group. This includes, but is not limited to, a potential public listing. Further updates will be provided if and when appropriate.

No other significant events have occurred after the 31st of December 2024 that would impact the financial result or financial performance of the Group.

Income statement

Group

MSEK	Note	Jul-Dec 2024	Jul-Dec 2023	FY 2024	FY 2023
Operating income					
Interest income calculated using the effective interest method		1,163.9	921.2	2,294.3	1,686.9
Other interest income		83.9	72.0	173.9	121.3
Interest expense		-678.4	-495.6	-1,353.8	-849.3
Net interest income		**569.4**	**497.6**	**1,114.4**	**958.9**
Commission income		3.4	0.3	3.9	0.3
Commission expense		-0.2	-0.9	-1.0	-0.9
Net gains/losses on financial transactions		-4.5	4.8	4.9	27.4
Share of associate and joint ventures results		-2.8	-0.1	-5.1	-0.1
Other operating income		4.6	4.4	9.3	9.0
Total operating income		**569.9**	**506.0**	**1,126.5**	**994.7**
Operating expense					
General administration expenses		-284.7	-333.0	-596.7	-572.8
Depreciation of tangible and intangible assets		-44.3	-41.1	-89.1	-76.1
Total operating expenses		**-329.1**	**-374.2**	**-685.8**	**-648.9**
Profit before credit losses		**240.8**	**131.9**	**440.6**	**345.7**
Credit losses. net	3	-22.4	-32.5	-41.0	-48.0
Operating profit		**218.4**	**99.4**	**399.6**	**297.7**
Paid group contributions		-	-	-	-32.0
Tax expense		-105.5	-27,8	-143.4	-73.7
NET PROFIT FOR THE PERIOD		**113.0**	**71.5**	**256.2**	**192.0**
Net profit for the period attributable to shareholders		113.0	71.5	256.2	192.0

Statement of comprehensive income

Group

MSEK	Jul-Dec 2024	Jul-Dec 2023	FY 2024	FY 2023
Net profit for the period	**113.0**	**71.5**	**256.2**	**192.0**
Items that may be reclassified to the income statement. net after tax				
Translation differences of foreign operations	**-24.0**	**-7.3**	**-34.7**	-53.4
Tax due to translation differences of foreign operations	**9.6**	**19.5**	**11.3**	29.0
Net investment hedge (before tax)	**-18.9**	**-4.7**	**-6.7**	4.2
Tax due to net investment hedge	**3.9**	**1.0**	**1.4**	-0.9
COMPREHENSIVE PROFIT FOR THE PERIOD	**83.5**	**80.0**	**227.4**	**170.9**
Comprehensive profit for the period attributable to shareholders	83.5	80.0	227.4	170.9

Balance sheet

Group

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets			
Cash and balances at central banks		604.7	1,044.7
Government debt securities		612.5	487.8
Lending to credit institutions		2,559.8	1,504.3
Lending to the public	4	28,832.4	26,205.1
Value change of interest-hedged items in portfolio hedging		-4.4	-82.6
Derivatives		96.7	186.4
Bonds and other interest-bearing securities		736.3	1,217.1
Shares and participations		1.1	59.3
Investments in associates		89.9	96.2
Goodwill		75.6	77.4
Intangible assets		167.4	173.9
Tangible assets		69.1	46.4
Other assets		166.1	24.5
Prepaid expenses and accrued income		79.4	73.3
Tax assets		91.8	88.7
Deferred tax assets		4.4	33.8
TOTAL ASSETS		**34,182.6**	**31,236.5**
Liabilities and provisions			
Issued bonds		7,935,0	7,583.0
Deposits from the public		23,202.9	20,513.1
Derivatives		75.4	83.6
Other liabilities		149.5	444.5
Accrued expenses and prepaid income		99.5	79.6
Provisions		20.9	7.6
Tax liabilities		65.6	56.4
Deferred tax		4.2	5.8
Total liabilities and provisions		**31,553.0**	**28,773.4**
Equity			
Share capital		100.0	100.0
Translation reserve		-57.1	-27.9
Shareholders' contribution		1,151.1	1,151.1
Other primary capital		-	60.4
Retained earnings		1,179.5	987.5
Profit for the year		256.2	192.0
Total equity		**2,629.6**	**2,463.1**
TOTAL EQUITY AND LIABILITIES		**34,182.6**	**31,236.5**

Changes in equity

Group

MSEK	Share capital	Translation reserve	Primary capital instrument	Shareholders' contribution	Retained earnings incl. profit for the year	Total equity
Opening balance 1 Jan 2023	**100.0**	**-6,8**	**-**	**563.7**	**1,084.9**	**1,741.8**
Shareholder contributions				587.4		**587.4**
Dividend to shareholders					-37.0	**-37.0**
Profit for the year					192.0	**192.0**
Other primary capital instruments			60.4		-60.4	**-**
Other comprehensive income						
Translation differences of foreign operations		-49.2				**-49.2**
Tax due to translation differences of foreign operations		28.1				**28.1**
Closing balance 31 Dec 2023	**100.0**	**-27.9**	**60.4**	**1,151.1**	**1,179.5**	**2,463.1**
Opening balance 1 Jan 2024	**100.0**	**-27.9**	**60.4**	**1,151.1**	**1,179.5**	**2,463.1**
Profit for the year					256.2	**256.2**
Repayment other primary capital instruments			-60.4			**-60.4**
Other comprehensive income						
Translation differences of foreign operations		-35.2				**-35.2**
Tax due to translation differences of foreign operations		11.3				**11.3**
Net investment of foreign operations (before tax)		-6.7				**-6.7**
Tax due to net investment of foreign operations		1.4				**1.4**
Closing balance 31 Dec 2024	**100.0**	**-57.1**	**-**	**1,151.1**	**1,435.7**	**2,629.6**

Cash flow statement

Group

MSEK	Note	FY 2024	FY 2023
Operating activities			
Operating profit		399.6	297.7
Adjustments for items not included in cash flow		66.8	292.3
Tax paid		-94.0	-70.5
Cash flow from current operations before changes to operating capital		**372.4**	**519.5**
Cash flow from changes to operating capital			
Increase (-)/decrease (+) of lending to the public		-2,917.9	-1,408.4
Increase (-)/decrease (+) of short term receivables		-47.7	130.0
Increase (-)/decrease (+) in bonds and other interest-bearing securities		468.2	638.2
Increase (-)/decrease (+) government debt securities		-114.1	-715.2
Increase (+)/decrease (-) of deposits from the public		2,813.5	2,471.0
Increase (+)/decrease (-) of short term liabilities		-333.2	-64.7
Cash flow from operating activities		**241.2**	**1,570.3**
New cash flow from investing and financing activities		**353.5**	**-1,194.7**
NET CASH FLOW FOR THE YEAR		**594.7**	**375.6**
Liquid funds beginning of year		**2,549**	**2,198.7**
Currency difference in liquidity		**20.7**	**-25.3**
LIQUID FUNDS END OF YEAR		**3,164**	**2,549.0**
of which cash and balances at central banks		*604.7*	*1,044.7*
of which lending to credit institutions		*2,559.8*	*1,504.3*
Cash flow includes interest receipts of		**2,468.2**	**1,979.5**
Cash flow includes interest payments of		**-1,353.8**	**-809.5**

Income statement

Parent

MSEK	Note	Jul-Dec 2024	Jul-Dec 2023	FY 2024	FY 2023
Operating income					
Interest income calculated using the effective interest method		1,163.9	853.6	2,294.2	1,619.2
Other interest income		83.9	65.8	173.9	115.1
Interest expense		-677.7	-458.1	-1,352.6	-811.5
Net interest income		**570.0**	**461.3**	**1,115.5**	**922.9**
Received group contributions		-	0.3	-	20.2
Commission income		3.4	-	3.9	-
Commission expense		-0.2	-	-1.0	-
Net gains/losses on financial transactions		-4.5	1.2	4.9	25.5
Other operating income		4.6	4.4	9.3	9.0
Total operating income		**573.4**	**467.2**	**1,132.7**	**977.5**
Operating expense					
General administration expenses		-301.1	-259.0	-624.6	-504.7
Depreciation of tangible and intangible assets (except goodwill)		-34.1	-34,1	-67.6	-61,0
Depreciation of goodwill		-13.3	-	-26.9	-
Total operating expenses		**-348.5**	**-293,1**	**-719.1**	**-565,8**
Profit before credit losses		**224.9**	**174.2**	**413.6**	**411.7**
Credit losses, net	3	-22.4	-32.0	-41.0	-47.5
Operating profit		**202.5**	**142.1**	**372.6**	**364.2**
Paid group contributions		-	-	-	-32.0
Tax expense		-104.5	-31.1	-142.2	-77.2
NET PROFIT FOR THE PERIOD		**98.0**	**111.1**	**230.4**	**255.0**

Statement of comprehensive income

Parent

MSEK	Jul-Dec 2024	Jul-Dec 2023	FY 2024	FY 2023
Net profit for the period	**98.0**	**111.1**	**230.4**	**255.0**
Items that may be reclassified to the income statement, net after tax				
Translation differences of foreign operations	**-21.5**	2.1	**-18.8**	**-44.0**
Tax due to translation differences of foreign operations	**9.6**	19.5	**11.3**	**29.0**
Net investment hedge (before tax)	**-18.9**	-4.7	**-6.7**	**4.2**
Tax due to net investment hedge	**3.9**	1.0	**1.4**	**-0.9**
COMPREHENSIVE PROFIT FOR THE PERIOD	**71.0**	**128.9**	**217.5**	**243.3**

Balance sheet

Parent

MSEK	Note	31 Dec 2024	31 Dec 2023
Assets			
Cash and balances at central banks		604.7	972.6
Government debt securities		612.5	416.9
Lending to credit institutions		2,557.1	1,366.4
Lending to the public	4	28,832.4	21,204.4
Value change of interest-hedged items in portfolio hedging		-4.4	-82.6
Value change of currency hedged shares in foreign subsidiaries		5.3	-4.7
Derivatives		96.7	186.4
Bonds and other interest-bearing securities		736.3	620.0
Shares and participations in associated companies		0.1	1,054.7
Shares and participations		1.1	-
Investments in associates		81.3	-
Goodwill		102.0	-
Intangible assets		163.2	141.9
Tangible assets		12.7	15.3
Other assets		166.1	25.0
Prepaid expenses and accrued income		79.4	65.9
Tax assets		91.8	88.6
Deferred tax		4.4	29.5
TOTAL ASSETS		**34,142.4**	**26,100.5**
Liabilities			
Issued bonds		7,935.0	7,523.3
Deposits from the public		23,202.9	15,504.3
Derivatives		75.4	78.9
Other liabilities		94.2	386.3
Accrued expenses and prepaid income		99.2	57.1
Provisions		20.9	7.6
Tax liabilities		65.6	37.7
Deferred tax		2.8	-
Total liabilities		**31,496.1**	**23,595.2**
Equity			
Share capital		100.0	100.0
Fund for development expenses		61.1	54.6
Translation reserve		-29.6	-16.8
Retained earnings		2,284.6	2,112.5
Profit for the year		230.4	255.0
Total equity		**2,646.4**	**2,505.3**
TOTAL EQUITY AND LIABILITIES		**34,142.4**	**26,100.5**

Changes in equity

Parent

	Restricted equity		Non-restricted equity		
MSEK	Share capital	Fund for development expenses	Translation reserve	Retained earnings incl. profit for the year	Total equity
Opening balance 1 Jan 2023	**100.0**	**39.8**	**-5.1**	**1,576.9**	**1,711.6**
Shareholder contributions				587.4	**587.4**
Dividend to shareholders				-37.0	**-37.0**
Profit for the period				255.0	**255.0**
Other comprehensive income					**-**
Translation differences of foreign operations			-39.8		**-39.8**
Tax due to translation differences of foreign operations			28.1		**28.1**
The period's own accumulated intangible assets		14.8		-14.8	**-**
Closing balance 31 Dec 2023	**100.0**	**54.6**	**-16.8**	**2,367.5**	**2,505.3**
Opening balance 1 Jan 2024	**100.0**	**54.6**	**-16.8**	**2,367.5**	**2,505.3**
Profit for the period				230.4	**230.4**
Repayment primary capital instrument				-59.4	**-59.4**
Merger difference				-17.0	**-17.0**
Other comprehensive income					
Translation differences of foreign operations			-18.8		**-18.8**
Tax due to translation differences of foreign operations			11.3		**11.3**
Net investment hedge (before tax)			-6.7		**-6.7**
Tax due to net investment hedge			1.4		**1.4**
The period's own accumulated intangible assets		6.4		-6.4	**-**
Closing balance 31 Dec 2024	**100.0**	**61.1**	**-29.6**	**2,514.9**	**2,646.4**

The share capital consists of two common stock of the same kind with quotient value of MSEK 50.0.
All shares have equal voting power.

Cash flow statement

Parent

MSEK	Note	FY 2024	FY 2023
Operating activities			
Operating profit		372.6	364.2
Adjustments for items not included in cash flow		67.0	256.8
Tax paid		-94.0	-105.3
Cash flow from current operations before changes to operating capital		**345.7**	**515.6**
Cash flow from changes to operating capital			
Increase (–)/decrease (+) of lending to the public		-2,917.9	-1,194.5
Increase (–)/decrease (+) of short term receivables		-47.5	107.7
Increase (–)/decrease (+) in bonds and other interest-bearing securities		468.2	323.8
Increase (–)/decrease (+) government debt securities		-114.1	-512.2
Increase (+)/decrease (–) of deposits from the public		2,813.5	2,304.7
Increase (+)/decrease (–) in issued bonds			-
Increase (+)/decrease (–) of short term liabilities		-333.2	-15.8
Cash flow from operating activities		**214.7**	**1,529.5**
Net cash flow from investing and financing activities		**587.2**	**-1360.6**
NET CASH FLOW FOR THE YEAR		**801.9**	**168.9**
Liquid funds beginning of period		**2,339.1**	**2,186.1**
Currency difference in liquidity		**20.7**	**-15.9**
LIQUID FUNDS END OF YEAR		**3,161.7**	**2,339.1**
of which cash and balances at central banks		*604.7*	*501.7*
of which lending to credit institutions		*2,557.1*	*1,684.4*
Cash flow includes interest receipts of		**2,166.8**	**1,856.3**
Cash flow includes interest payments of		**-1,352.6**	**-771.9**

Notes to the financial statements

All amounts in the notes are in millions of Swedish kronor (MSEK) and represent carrying amounts unless indicated otherwise. Figures in parentheses refer to the same period for the prior year.

Note 1. Accounting policies

This year-end report is prepared according to IAS 34, Interim Financial Reporting. The accounting principles and calculation methods described in the Annual report for 2023, Note 1, are applied. This year-end report has not been subject to review by the Bank's auditor.

The financial reports and the consolidated financial statements are prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the EU and interpretations of them and the regulations and general advice issued by the SFSA, FFFS 2008:25. The consolidated financial statements also apply recommendation RFR 1 Complementary Accounting Rules for Groups, issued by the Swedish Financial Reporting Board, the pronouncements of the Swedish Financial Reporting Board, and the Annual Accounts Act for Credit Institutions and Securities Companies ("ÅRKL").

The Parent company applies so-called statutory IFRS and complies with IFRS and the accounting principles applied in the consolidated financial statements as a general rule. In addition, the Parent company needs to consider and prepare the annual report in accordance with ÅRKL, the SFSA's regulations and general guidelines FFFS 2008:25 and recommendation RFR 2, Accounting for Legal Entities, which is published by the Financial Reporting Council.

Changes in accounting policies due to new or amended IFRS

There are no changes in IFRS standards and interpretations that are considered to have any material monetary impact on the Group's financial statements. during the period.

New accounting policies in the Parent company due to the merger of Bank2

Legal merger of foreign subsidiary

The Swedish Accounting Standard Board's (BFN) general advice and guidelines BFN 2020:5 Accounting by legal merger has been applied. The transferred entity's comprehensive income is included in the period's comprehensive income as of the date of the cross-border legal merger. The value of the transferred entity's assets and liabilities as per the legal merger date is included in the balance sheet. The difference between the transferred entity's value of assets and liabilities on the legal merger date is accounted for as a legal merger difference within equity.

Goodwill and other intangible assets

Goodwill, brand and customer relations arose as an effect of the legal merger and are attributable to the acquisition of Bank2 in October 2023. Goodwill, brand and customer relations were taken over when the legal merger was executed, and are amortised respectively over 5, 5, and 4 years. Goodwill is monitored and tested for impairment annually.

Note 2. Operating segments

The operating segment report is based on the Group's accounting principles, organisation and management accounts. OECD transfer pricing guidelines are applied for invoicing and allocation of cross-border services.

The executive decision maker in the organisation is the Chief Executive Officer. The Head of Operations in Sweden, Norway and Finland all report to the Nordic Chief Commercial Officer, who reports to Chief Executive Officer.

Each Head of Operation is responsible for their respective mortgage segment and govern their operations based on clearly stated objectives regarding development of new lending, loan portfolio, income and expenses, and their respective KPIs. Furthermore, the operations strive towards improved quality and cost-effectiveness by increasing process efficiency.

The business is divided into three segments: Sweden, Norway and Finland. Norway and Finland are operated through each branch. The operations of Bank2, which was a separate legal entity until the merger in April 2024, are included in the Norwegian segment. Included in other operations are products in run-off that were acquired in the acquisition of Bank2.

Balance sheet 31 Dec 2024	**Group**					
MSEK	**Mortgages Sweden**	**Mortgages Norway**	**Mortgages Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	**186.4**	**535.2**	**1,838.2**	**-**	**-**	**2,559.8**
Lending to the public	**11,885.7**	**15,396.6**	**1,429.8**	**120.2**	**-**	**28,832.4**
Deposits from the public	**7,559.4**	**11,977.7**	**3,665.7**	**-**	**-**	**23,202.9**

Balance sheet 31 Dec 2023	**Group**					
MSEK	**Mortgages Sweden**	**Mortgages Norway**	**Mortgages Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	228.4	879.2	398.3	-	-1.6	**1,504.3**
Lending to the public	11,478.7	13,987.3	738.3	-	0.8	**26,205.1**
Deposits from the public	6,571.9	12,817.7	1,123.5	-	-	**20,513.1**

Income statement H2 2024	**Group**					
MSEK	**Mortgages Sweden**	**Mortgages Norway**	**Mortgages Finland**	**Other operations**	**Eliminations**	**Total**
Interest income	**587.6**	**677.3**	**69.2**	**5.3**	**-91.5**	**1,247.8**
of which interest income within group	*91.5*	*-*	*-*	*-*	**-91.5**	**-**
Interest expense	**-340.7**	**387.1**	**-41.3**	**-0.8**	**91.5**	**-678.4**
of which interest expense within group	*0.0*	*-91.5*	*0.0*	*-*	**91.5**	-
Net interest income	**246.9**	**290.1**	**27.8**	**4.5**	**0.0**	**569.4**
Total operating income	**242.3**	**293.4**	**26.7**	**10.6**	**-3.1**	**569.9**
Total operating expenses	**-89.4**	**-162.8**	**-24.3**	**-55.6**	**3.1**	**-329.1**
Profit before credit losses	**152.9**	**130.6**	**2.4**	**-45.1**	**0.0**	**240.8**
Credit losses, net	**-2.6**	**-11.0**	**-0.7**	**-8.2**	**-**	**-22.4**
OPERATING PROFIT	**150.3**	**119.6**	**1.8**	**-53.2**	**0.0**	**218.4**

Income statement H2 2023

MSEK	Group: Mortgages Sweden	Mortgages Norway	Mortgages Finland	Other operations	Eliminations	Total
Interest income	534.1	451.6	42.5	3.0	-38.0	993.2
of which interest income within group	*38.0*	-	-	-	-38.0	-
Interest expense	-271.4	-231.8	-28.8	-1.7	38.0	-495.6
of which interest expense within group	*0.0*	*-23.5*	*-14.5*	-	-118.1	-
Net interest income	262.7	219.8	13.7	1.3	-0.0	497.6
Total operating income	312.7	223.7	-4.1	-40.6	14.4	506.0
Total operating expenses	-144.8	-125.7	-33.7	-55.5	-14.4	-374.2
Profit before credit losses	-167.9	97.9	-37.8	-96.1	0.0	131.9
Credit losses, net	-22.8	-9.1	-1.5	0.9	-	-32.5
OPERATING PROFIT	145.1	88.8	-39.3	-95.2	0.0	99.4

Income statement FY 2024

MSEK	Group: Mortgages Sweden	Mortgages Norway	Mortgages Finland	Other operations	Eliminations	Total
Interest income	1,158.1	1,319.4	121.3	12.2	-142.8	2,468.2
of which interest income within group	*142.8*	-	-	-	-142.8	-
Interest expense	-664.8	-757.3	-73.9	-1.2	142.8	1,353.8
of which interest expense within group	*0.0*	*-136.7*	*-6.1*	-	142.8	-
Net interest income	493.8	562.1	47.4	-11.0	0.0	1,114.4
Total operating income	505.4	565.9	48.5	14.7	-8.0	1,126.5
Total operating expenses	-246.0	-330.3	-61.8	-55.7	8.0	-685.8
Profit before credit losses	259.5	235.6	-13.4	-41.0	0.0	440.7
Credit losses, net	-19.4	-13.4	-3.4	-4.8	-	-41.0
OPERATING PROFIT	240.1	222.2	-16.8	-45.8	0.0	399.6

Income statement FY 2023

MSEK	Group: Mortgages Sweden	Mortgages Norway	Mortgages Finland	Other operations	Eliminations	Total
Interest income	1,028.4	785.6	69.3	3.0	-78.1	1,808.2
of which interest income within group	*78.1*	-	-	-	*-78.1*	
Interest expense	-501.8	-380.4	-43.5	-1.7	78.1	-849.3
of which interest expense within group	*0.0*	*-49.8*	*-28.3*	-	*78.1*	
Net interest income	526.5	405.3	25.8	1.3	0.0	958.9
Total operating income	583.9	409.1	27.9	-20.8	-5.5	994.6
Total operating expenses	-280.9	-226.2	-71.9	-75.4	5.5	-648.9
Profit before credit losses	303.0	182.9	-44.1	-96.1	0.0	345.7
Credit losses, net	-34.1	-11.8	-3.0	0.9	-	-48.0
OPERATING PROFIT	268.9	171.1	-47.1	-95.2	0.0	297.7

Note 3. Credit losses

Provisions for expected credit losses are calculated using quantitative models based on inputs and assumptions made by management. The Bank does not calculate provisions for off balance items, i.e. loan commitments, as it is deemed that there is no irrevocable commitment in these contracts and therefore, they are not affected by the impairment requirements.

Changed migration patterns between the stages are driven by a combination of updated credit scores and macroeconomic factors such as rental trends and purchasing power. As part of an ongoing calibration, the MNOK 5 overlay for the Norwegian Bank2 portfolio has been resolved based on the actual outcome compared to previous assumptions. After a careful analysis of actual credit losses in relation to model forecasts and forward-looking information, an overlay adjustment of MSEK 10 was carried out on the Swedish portfolio. These measures reflect proactive and data-driven risk management that ensures reserves are well-founded and aligned with the prevailing market environment.

Credit impairments	Group		Parent	
MSEK	H2 2024	H2 2023	H2 2024	H2 2023
Stage 1 – net impairment	-5.4	-1.3	-5.4	-1.3
Stage 2 – net impairment	9.6	-10.0	9.6	-10.0
Stage 3 – impairment / recoveries for the year	-19.6	-13.8	-19.6	-13.3
Write-offs				
Actual losses during the year	-19.3	-13.3	-19.3	-13.3
Release of allowances in Stage 3	7.7	3.4	7.7	3.4
Recoveries from previous write-offs	4.7	2.5	4.7	2.5
Total write-offs	-6.9	-7.4	-6.9	-7.4
Total credit losses, net	-22.4	-32.5	-22.4	-32.0

Credit impairments	Group		Parent	
MSEK	FY 2024	FY 2023	FY 2024	FY 2023
Stage 1 – net impairment	4.8	-0.7	4.8	-0.4
Stage 2 – net impairment	19.3	-12.9	19.3	-11.5
Stage 3 – impairment / recoveries for the year	-67.6	-23.6	-67.6	-24.9
Write-offs				
Actual losses during the year	-47.9	-25.3	-47.9	-25.3
Release of allowances in Stage 3	39.8	9.3	39.8	9.6
Recoveries from previous write-offs	10.6	5.2	10.6	5.0
Total write-offs	2.5	-10.8	2.5	-10.7
Total credit losses, net	-41.0	-47.9	-41.0	-47.5

Note 4. Lending to the public

	Group		Parent	
MSEK	**31 Dec 2024**	**31 Dec 2023**	**31 Dec 2024**	**31 Dec 2023**
Measured at amortised cost				
Mortgages Sweden	10,344.2	10,166.0	10,344.2	10,165.9
Mortgages Norway	15,396.7	13,795.5	15,396.7	8,987.4
Mortgages Finland	1,309.6	738.3	1,309.6	738.3
Corporate/ factoring/ unsecured loans	120.1	192.5	120,1	-
Measured at fair value				
Mortgages Sweden	1,661.8	1,312.8	1,661.8	1,312.8
Total lending to the public	**28,832.3**	**26,205.1**	**28,832.3**	**21,204.4**

The tables below provide a breakdown of lending to the public at amortised cost, provisions per stage and movements during the period:

31 Dec 2024	Group								
	Reported value gross				Provisions				Reported value net
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgages Sweden	8,670.9	1,314.7	417.8	**10,403.3**	-6.6	-19.9	-32.7	**-59.2**	**10,344.2**
Mortgages Norway	12,155.5	2,317.6	983.2	**15,456.3**	-5.5	-29.6	-24.5	**-59.5**	**15,396.7**
Mortgages Finland	1,125.9	94.6	97.1	**1,317.6**	-0.4	-1.8	-5.8	**-8.1**	**1,309.6**
Corporate loans	–	132.1	13.6	**145.7**	–	-29.0	-1.0	**-30.0**	**115.7**
Unsecured loans	0.7	1.8	6.0	**8.4**	-0.1	-0.2	-3.7	**-4.0**	**4.4**
Factoring	–	–	–	**–**	–	–	–	**–**	**–**
Total	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**	**-12.6**	**-80.5**	**-67.7**	**-160.8**	**27,170.6**

31 Dec 2024	Parent								
	Reported value gross				Provisions				Reported value net
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgages Sweden	8,670.9	1,314.7	417.8	**10,403.3**	-6.6	-19.9	-32.7	**-59.2**	**10,344.2**
Mortgages Norway	12,155.5	2,317.6	983.2	**15,456.3**	-5.5	-29.6	-24.5	**-59.5**	**15,396.7**
Mortgages Finland	1,125.9	94.6	97.1	**1,317.6**	-0.4	-1.8	-5.8	**-8.1**	**1,309.6**
Corporate loans	–	132.1	13.6	**145.7**	–	-29.0	-1.0	**-30.0**	**115.7**
Unsecured loans	0.7	1.8	6.0	**8.4**	-0.1	-0.2	-3.7	**-4.0**	**4.4**
Factoring	–	–	–	**–**	–	–	–	**–**	**–**
Total	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**	**-12.6**	**-80.5**	**-67.7**	**-160.8**	**27,170.6**

31 Dec 2023	Group								
	Reported value gross				Provisions				Reported value net
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgages Sweden	8,764.3	1,198.3	261.6	**10,224.2**	-5.7	-26.5	-26.0	**-58.2**	**10,166.0**
Mortgages Norway	11,020.5	2,100.9	706.8	**13,828.2**	-2.0	-38.4	7.7	**-32.7**	**13,795.5**
Mortgages Finland	638.0	76.9	28.3	**743.2**	-0.3	-2.0	-2.6	**-4.9**	**738.3**
Corporate loans	–	173.8	7.2	**181.0**	–	3.4	–	**3.4**	**184.4**
Unsecured loans	0.2	3.3	15.2	**18.7**	–	-0.3	-11.0	**-11.3**	**7.4**
Factoring	–	–	0.6	**0.6**	–	–	0.1	**0.1**	**0.7**
Total	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**	**-8.0**	**-63.8**	**-31.8**	**-103.6**	**24,892.3**

31 Dec 2023	Parent								
	Reported value gross				Provisions				Reported value net
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgages Sweden	8,764.3	1,198.3	261.6	**10,224.2**	-5.7	-26.5	-26.1	**-58.2**	**10,165.9**
Mortgages Norway	7,195.3	1,527.1	287.9	**9,010.2**	-1.5	-13.8	-7.5	**-22.8**	**8,987.4**
Mortgages Finland	638.0	76.7	28.3	**743.1**	-0.3	-2.0	-2.6	**-4.8**	**738.3**
Corporate loans	–	–	–	–	–	–	–	–	–
Unsecured loans	–	–	–	–	–	–	–	–	–
Factoring	–	–	–	–	–	–	–	–	–
Total	**16,597.6**	**2,802.1**	**577.8**	**19,977.5**	**-7.5**	**-42.2**	**-36.1**	**-85.9**	**19,891.6**

	Group			
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Reported value gross 1 Jan 2024	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Reported value gross 31 Dec 2024	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**
Provisions 1 Jan 2024	**-8.0**	**-64.2**	**-31.8**	**-104.0**
New financial assets	-15.4	-31.8	-45.2	**-92.4**
Change in PD/LGD/EAD	-0.3	-4.2	1.2	**-3.3**
Change due to expert credit judgement	–	10.0	–	**10.0**
Transfers between stages				
-Transfer from stage 1 to 2	8.9	-31.6	–	**-22.7**
-Transfer from stage 1 to 3	0.6	–	-15.9	**-15.3**
-Transfer from stage 2 to 1	-0.5	6.8	–	**6.3**
-Transfer from stage 2 to 3	–	13.2	-23.1	**-9.9**
-Transfer from stage 3 to 1	-0.1	–	1.5	**1.4**
-Transfer from stage 3 to 2	–	-2.8	5.7	**2.9**
Changes in exchange rates	0.2	2.9	0.3	**3.4**
Removed financial assets	2.0	21.1	39.8	**62.8**
Provisions 31 Dec 2023	**-12.6**	**-80.5**	**-67.7**	**-160.8**
Opening balance 1 Jan 2023	**20,415.0**	**3,489.0**	**987.9**	**24,891.9**
Closing balance 31 Dec 2023	**21,940.4**	**3,780.3**	**1,450.0**	**27,170.7**

MSEK	Parent			
	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 Jan 2024	**16,597.6**	**2,802.1**	**577.8**	**19,977.5**
Reported value gross 31 Dec 2024	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**
Provisions 1 Jan 2024	**–7.5**	**–42.1**	**–36.1**	**–85.7**
New financial assets	–15.9	–54.0	–40.9	**–110.8**
Change in PD/LGD/EAD	–0.3	–4.2	1.2	**–3.3**
Change due to expert credit judgement	–	10.0	–	**10.0**
Transfers between stages				
–Transfer from stage 1 to 2	8.9	–31.6	–	**–22.7**
–Transfer from stage 1 to 3	0.6	–	–15.9	**–15.3**
–Transfer from stage 2 to 1	–0.5	6.8	–	**6.3**
–Transfer from stage 2 to 3	–	13.2	–23.1	**–9.9**
–Transfer from stage 3 to 1	–0.1	–	1.5	**1.4**
–Transfer from stage 3 to 2	–	–2.8	5.7	**2.9**
Changes in exchange rates	0.2	2.9	0.3	**3.4**
Removed financial assets	2.0	21.1	39.8	**62.9**
Provisions 31 Dec 2024	**–12.6**	**–80.5**	**–67.7**	**–160.8**
Opening balance 1 Jan 2024	**16,590.1**	**2,760.0**	**541.7**	**19,891.8**
Closing balance 31 Dec 2024	**21,940.4**	**3,780.3**	**1,450.0**	**27,170.7**

MSEK	Group			
	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 Jan 2023	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Acquisition of portfolio (Bank 2), net	**3,615.1**	**849.9**	**349.6**	**4,814.6**
Reported value gross 31 Dec 2023	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Provisions 1 Jan 2023	**–7.2**	**–31.7**	**–21.1**	**–60.0**
New financial assets	–3.1	–7.6	–1.9	**–12.7**
Change in PD/LGD/EAD	–	–4.0	–2.1	**–6.0**
Change due to expert credit judgement	–	–	–	**–**
Transfers between stages				
–Transfer from stage 1 to 2	1.2	–18.7	–	**–17.5**
–Transfer from stage 1 to 3	0.3	–	–5.9	**–5.6**
–Transfer from stage 2 to 1	–0.4	6.3	–	**5.9**
–Transfer from stage 2 to 3	–	5.9	–14.8	**–8.9**
–Transfer from stage 3 to 1	–	–	0.8	**0.8**
–Transfer from stage 3 to 2	–	–1.3	5.1	**3.8**
Changes in exchange rates	–0.1	–1.5	–1.1	**–2.7**
Removed financial assets	1.3	6.9	9.3	**17.5**
Changes in acquired portfolio (Bank2)	**–**	**–18.1**	**–**	**–18.1**
Provisions 31 Dec 2023	**–8.0**	**–63.8**	**–31.8**	**–103.6**
Opening balance 1 Jan 2023	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Closing balance 31 Dec 2023	**20,415.0**	**3,489.4**	**987.9**	**24,892.3**

MSEK	Parent			
	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 Jan 2024	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Reported value gross 31 Dec 2024	**16,597.6**	**2,802.1**	**577.8**	**19,977.5**
Provisions 1 Jan 2024	**–7.2**	**–31.7**	**–21.1**	**–60.0**
New financial assets	–3.1	–7.6	–1.9	**–12.7**
Change in PD/LGD/EAD	–0.2	0.2	0.3	**0.3**
Change due to expert credit judgement	–	–	–	**–**
Transfers between stages				
–Transfer from stage 1 to 2	1.2	–20.8	–	**–19.6**
–Transfer from stage 1 to 3	0.2	–	–12.6	**–12.3**
–Transfer from stage 2 to 1	–0.3	5.4	–	**5.1**
–Transfer from stage 2 to 3	–	6.3	–14.8	**–8.5**
–Transfer from stage 3 to 1	0.0	–	0.8	**0.8**
–Transfer from stage 3 to 2	–	–1.3	3.6	**2.3**
Changes in exchange rates	–0.1	–1.0	–0.5	**–1.6**
Removed financial assets	1.3	6.9	9.6	**17.9**
Provisions 31 Dec 2024	**–7.5**	**–42.2**	**–36.1**	**–85.8**
Opening balance 1 Jan 2024	**17,078.1**	**1,905.2**	**351.7**	**19,334.9**
Closing balance 31 Dec 2024	**16,590.1**	**2,760.0**	**541.7**	**19,891.8**

Note 5. Fair value measurements

Financial assets at fair value

The Bank's financial assets and liabilities are measured at fair value through profit or loss or at amortised cost. All derivative contracts measured at fair value are entered into for the purpose to hedge interest rate and currency risks that arise in the normal course of business and all interest-bearing securities are included in the liquidity portfolio.

The methods for determining the value of all financial assets and liabilities within the Bank adhere to a hierarchy. This hierarchy reflects observable prices or other information used in the valuation methods.

Level 1 uses valuation of quoted prices in an active market, i.e. easily accessible by different market makers and represent actual and frequent transactions. Level 2 uses calculated values that are based on observable market quotations for similar instruments, or instruments on a less active market. This level includes interest rate swaps and cross-currency swaps. Level 3 refers to financial instruments that are not traded in an active market and where valuation models are used where significant input data is based on unobservable data. At this level the equity release product is included, which is a part of lending to the public.

Measured at fair value through profit or loss per level

	Group							
	31 Dec 2024				31 Dec 2023			
MSEK	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Lending to the public	–	–	1,661.8	**1,661.8**	–	–	1,312.8	**1,312.8**
Derivatives	–	96.7	–	**96.7**	–	186.4	–	**186.4**
Bonds / other interest-bearing securities	1,348.8	–	–	**1,348.8**	1,704.9	–	–	**1,704.9**
Total assets	**1,348.8**	**96.7**	**1,661.8**	**3,107.2**	**1,704.9**	**186.4**	**1,312.8**	**3,204.2**
Liabilities								
Derivatives	–	**75.4**	–	**75.4**	–	83.6	–	**83.6**
Total liabilities	–	75.4	–	**75.4**	–	**83.6**	–	**83.6**

	Parent							
	31 Dec 2024				31 Dec 2023			
MSEK	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Lending to the public	–	–	1,661.8	**1,661.8**	–	–	1,312.8	**1,312.8**
Derivatives	–	96.7	–	**96.7**	–	186.4	–	**186.4**
Bonds / other interest-bearing securities	1,348.8	–	–	**1,348.8**	1,036.9	–	–	**1,036.9**
Total assets	**1,348.8**	**96.7**	**1,661.8**	**3,107.2**	**1,036.9**	**186.4**	**1,312.8**	**2,536.1**
Liabilities								
Derivatives	–	75.4	–	**75.4**	–	78.9	–	**78.9**
Total liabilities	–	**75.4**	–	**75.4**	–	**78.9**	–	**78.9**

Changes in lending to the public valued at fair value in level 3

FY 2024	Group & Parent					
MSEK	Carrying balance	New loans	Redeemed loans	Unrealised interest income	Gains/ losses on revaluation	Total
Lending to the public	1,312.8	380.6	-147.6	116.9	-0.8	**1,661.8**

FY 2023	Group & Parent					
MSEK	Carrying balance	New loans	Redeemed loans	Unrealised interest income	Gains/ losses on revaluation	Total
Lending to the public	1,011.4	341.2	-129.2	90.2	-0.7	**1,312.8**

Sensitivity analysis of lending to the public measured at fair value in level 3

The Bank has performed a sensitivity analysis of the lending to the public measured at fair value by altering assumptions of unobservable inputs in the valuation model. The sensitivity analysis is done in two parts: a parallel shift of the yield curve with 1% and an instant movement in house prices of 10%.

An upward parallel shift of the yield curve with 1% would result in a negative change in fair value of MSEK 5 (MSEK 22) and a downward parallel shift with 1% would result in a positive change in fair value of MSEK 0.5 (MSEK 3). An instant decline in house prices of 10% would result in a negative change in fair value of MSEK 6 (MSEK 15) and an instant increase of 10% would result in a positive change in fair value of MSEK 0.5 (MSEK 3).

Fair value

The carrying amount for lending to credit institutions is a reasonable approximation of fair value since the item is not subject to significant value changes. Currency changes are recorded in the income statement.

Fair value for the lending to the public amounts to MSEK 29,418 (MSEK 26,768).

The value of lending to the public has been calculated 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 consider historical cash flows, type and nominal amount of receivables and experience with similar assets.

For all other financial assets and liabilities with a short tenor the carrying amount is a reasonable approximation of the fair value since the discounted amount does not result in any material effects.

Note 6. Capital adequacy analysis – Parent company and Consolidated situation

The capital adequacy information complies with the disclosure requirements for credit institutions set out in the SFSA Regulations and General Guidelines (FFFS 2008:25) regarding annual reports at credit institutions and securities companies, the SFSA Regulations (FFFS 2014:12) regarding prudential requirements and capital buffers, the Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012 ("CRR"), and the Commission Implementing Regulation (EU) 2021/637 laying down implementing technical standards with regard to public disclosures by institutions of the information referred to in Titles II and III of Part Eight of Regulation (EU) No 575/2013.

In this note, information is disclosed regarding the Bank and the Consolidated situation. For further information regarding the ownership structure, see the section "Administration report".

The Bank and the Consolidated situation have prior permission from the SFSA to include interim profits in CET1 capital in accordance with Article 26(2) of the CRR.

Reports on risk management and capital adequacy in accordance with the Pillar III disclosure requirements are published on www.enity.com.

Risk-based capital requirement

The risk-based capital requirement is calculated in accordance with the CRR, Swedish Acts, and SFSA Regulations and General Guidelines. The risk-based capital requirement includes Pillar I capital requirement, Pillar 2 requirement (P2R), combined buffer requirement, and Pillar 2 guidance (P2G).

The Pillar I capital requirement is calculated based on the standardised approach for credit risk, credit valuation adjustment risk, and market risk, the original exposure method is used for counterparty risk, and the alternative standardised approach is used for operational risk. The Pillar I capital requirement amounts to 8% of the risk weighted assets ("RWAs"), of which at least 4.5% shall be met by CET1 capital.

The P2R is based on qualitative and quantitative assessment of material risks to determine whether additional capital is needed for risks not covered, or not sufficiently covered, by the Pillar I capital requirement. P2R for material risks is assessed using internal methodologies, as well as methods from the SFSA for concentration risk, interest rate risk, and credit spread risk. The SFSA performs supervisory review and evaluation process ("SREP") and formally decides the P2R. The risk-based P2R is, in accordance with the latest SFSA SREP decision, 1.20% of the RWAs for the Consolidated situation and 1.10% for the Bank.

The combined buffer requirement absorbs losses in periods of financial stress, and consist of capital conservation buffer of 2.5%, contracyclical buffer, and for credit risk exposures in Norway a systemic risk buffer of 4.5%. The applicable countercyclical capital buffer rates as of the reporting date are 2% in Sweden, 2.5% in Norway, and 0% in Finland. The combined buffer requirement shall bet met by CET1 capital.

P2G is notified by the SFSA as part of the SREP in addition to other main capital components to cover risks and manage future financial stresses. P2G applies if the SFSA considers the capital conservation buffer to be insufficient for covering risks the Bank might be exposed to. The SFSA has decided not to notify P2G for the Consolidated situation or the Bank.

The Consolidated situation and the Bank's total capital requirement is shown below.

Capital requirements and Pillar II guidance	Consolidated situation		Parent	
MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Pillar I capital requirement	1,186.3	1,031.3	1,179.6	873.2
Pillar II capital requirement	177.9	154.7	162.2	120.1
Combined buffer	985.8	881.3	981.7	504.8
Pillar II guidance	–	–	–	–
Total capital requirements	**2,350.0**	**2,067.2**	**2,323.4**	**1,498.0**

Capital requirements and Pillar II guidance	Consolidated situation		Parent	
% RWA	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Pillar I capital requirement	8.0%	8.0%	8.0%	8.0%
Pillar II capital requirement	1.2%	1.2%	1.1%	1.1%
Combined buffer	6.6%	6.8%	6.7%	4.6%
Pillar II guidance	–	–	–	–
Total capital requirements	**15.8%**	**16.0%**	**15.8%**	**13.7%**

The own funds exceed the total capital requirements for the Consolidated situation and the Bank.

Leverage ratio requirement

The leverage ratio requirement is calculated in accordance with CRR, Swedish Acts, and SFSA's Regulations and General Guidelines. Minimum requirement and leverage ratio P2R shall be met with Tier 1 capital, while leverage ratio P2G shall be met with CET1 capital.

The leverage ratio requirement is shown below.

Leverage ratio and Pillar II guidance	Consolidated situation		Parent	
MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Minimum capital requirement	1,045.0	950.7	1,041.0	795.9
Pillar II capital requirement	–	–	–	–
Pillar II guidance	52.2	47.5	–	–
Total leverage ratio and Pillar II guidance	**1,097.2**	**998.2**	**1,041.0**	**795.9**

Leverage ratio and Pillar II guidance	Consolidated situation		Parent	
%	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Minimum capital requirement	3.00%	3.00%	3.00%	3.00%
Pillar II capital requirement	–	–	–	–
Pillar II guidance	0.15%	0.15%	–	–
Total leverage ratio and Pillar II Guidance	**3.15%**	**3.15%**	**3.00%**	**3.00%**

The Tier 1 capital meets the total leverage ratio requirement of 3.15% for the Consolidated situation and the Bank.

Key metrics

Key metrics (EU KM1) for the Consolidated situation are shown below:

Key metrics (EU KM1)		Consolidated situation		
MSEK		31 Dec 2024	30 Jun 2024	31 Dec 2023
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	2,472.7	2,351.9	2,002.8
2	Tier 1 capital	2,472.7	2,351.9	2,033.1
3	Total capital	2,766.9	2,640.5	2,067.6
Risk-weighted exposure amounts				
4	Total risk exposure amount	14,828.3	13,798.6	12,891.1
Capital ratios[1]				
5	Common Equity Tier 1 ratio	16.7%	17.0%	15.5%
6	Tier 1 ratio	16.7%	17.0%	15.8%
7	Total capital ratio	18.7%	19.1%	16.0%
Additional own funds requirements to address risks other than the risk of excessive leverage[1]				
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage	1.2%	1.2%	1.2%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.7%	0.7%	0.7%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0.9%	0.9%	0.9%
EU 7d	Total SREP own funds requirements	9.2%	9.2%	9.2%
Combined buffer and overall capital requirement[1]				
8	Capital conservation buffer	2.5%	2.5%	2.5%
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	2.2%	2.2%	2.2%
EU 9a	Systemic risk buffer	2.0%	2.1%	2.1%
10	Global Systemically Important Institution buffer			
EU 10a	Other Systemically Important Institution buffer			
11	Combined buffer requirement	6.6%	6.8%	6.8%
EU 11a	Overall capital requirements	15.8%	16.0%	16.0%
12	CET1 available after meeting the total SREP own funds requirements	9.5%	9.9%	6.8%
Leverage ratio				
13	Total exposure measure	34,832.6	33,391.5	31,690.4
14	Leverage ratio	7.1%	7.0%	6.4%
Additional own funds requirements to address the risk of excessive leverage[2]				
EU 14a	Additional own funds requirements to address the risk of excessive leverage			
EU 14b	of which: to be made up of CET1 capital (percentage points)			
EU 14c	Total SREP leverage ratio requirements	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement[2]				
EU 14d	Leverage ratio buffer requirement			
EU 14e	Overall leverage ratio requirement	3.0%	3.0%	3.0%
Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	1,897.1	2,920.3	2,554.1
EU 16a	Cash outflows - Total weighted value	1,310.1	1,292.0	1,466.0
EU 16b	Cash inflows - Total weighted value	2,464.4	1,386.2	1,903.9
16	Total net cash outflows (adjusted value)	327.5	323.0	366.5
17	Liquidity coverage ratio	579.2%	904.1%	696.9%
Net Stable Funding Ratio				
18	Total available stable funding	28,762.5	29,304.3	26,243.0
19	Total required stable funding	21,260.1	20,454.0	19,734.8
20	NSFR ratio	135.3%	143.3%	133.0%

[1] as a percentage of risk-weighted exposure amount
[2] as a percentage of total exposure measure

Key metrics

Key metrics (EU KM1) for the Bank are shown below:

Key metrics (EU KM1)		Parent		
MSEK		31 Dec 2024	30 Jun 2024	31 Dec 2023
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	2,469.6	2,350.5	2,428.3
2	Tier 1 capital	2,469.6	2,350.5	2,428.3
3	Total capital	2,827.9	2,710.2	2,428.3
Risk-weighted exposure amounts				
4	Total risk exposure amount	14,744.4	13,706.6	10,914.6
Capital ratios[1]				
5	Common Equity Tier 1 ratio	16.7%	17.2%	22.2%
6	Tier 1 ratio	16.7%	17.2%	22.2%
7	Total capital ratio	19.2%	19.8%	22.2%
Additional own funds requirements to address risks other than the risk of excessive leverage[1]				
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage	1.1%	1.1%	1.1%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.6%	0.6%	0.6%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0.8%	0.8%	0.8%
EU 7d	Total SREP own funds requirements	9.1%	9.1%	9.1%
Combined buffer and overall capital requirement[1]				
8	Capital conservation buffer	2.5%	2.5%	2.5%
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	2.2%	2.2%	2.1%
EU 9a	Systemic risk buffer	2.0%	2.1%	-
10	Global Systemically Important Institution buffer			
EU 10a	Other Systemically Important Institution buffer			
11	Combined buffer requirement	6.7%	6.8%	4.6%
EU 11a	Overall capital requirements	15.8%	13.8%	13.7%
12	CET1 available after meeting the total SREP own funds requirements	9.9%	10.3%	13.1%
Leverage ratio				
13	Total exposure measure	34,701.1	33,265.9	26,531.3
14	Leverage ratio	7.1%	7.1%	9.2%
Additional own funds requirements to address the risk of excessive leverage[2]				
EU 14a	Additional own funds requirements to address the risk of excessive leverage			
EU 14b	of which: to be made up of CET1 capital (percentage points)			
EU 14c	Total SREP leverage ratio requirements	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement[2]				
EU 14d	Leverage ratio buffer requirement			
EU 14e	Overall leverage ratio requirement	3.0%	3.0%	3.0%
Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	1,897.1	2,920.3	1,953.6
EU 16a	Cash outflows - Total weighted value	1,310.1	1,292.0	1,157.2
EU 16b	Cash inflows - Total weighted value	2,460.2	1,381.8	1,674.0
16	Total net cash outflows (adjusted value)	327.5	323.0	289.3
17	Liquidity coverage ratio	579.2%	904.1%	675.3%
Net Stable Funding Ratio				
18	Total available stable funding	28,759.4	29,374.0	21,916.8
19	Total required stable funding	21,254.5	20,447.9	16,051.4
20	NSFR ratio	135.3%	143.7%	136.5%

[1] as a percentage of risk-weighted exposure amount
[2] as a percentage of total exposure measure

Note 7. Related parties

Related parties

Related parties refer to:

- EQT VII (private equity fund), registered in Edinburgh (ultimate owner of Enity Holding AB).
- Enity Holding AB, org no 556668-9575, registered in Stockholm.
- Bluestep Finans Funding No 1 AB, org no 556791- 6928, registered in Stockholm.
- Bluestep Mortgage Securities No 3 Designated Activity Company, org no 550839, registered in Dublin.
- Bluestep Mortgage Securities No 4 Designated Activity Company, org no 596111, registered in Dublin.
- Uno Finans AS, org no 921320639 registered in Oslo (broker agency which is an associated company to Enity Holding AB).
- Uno Finans Oy, org no 33098331, registered in Helsinki, a wholly-owned subsidiary of Uno Finans AS.
- Eiendomsfinans AS, org no 967692301, registered in Drammen (broker agency which is an associated company to Enity Bank Group AB).

Assets and liabilities	Group		Parent	
MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Other assets				
Parent	–	–	–	–
Subsidiaries	–	–	–	–
Associates	**15.4**	14.8	**15.4**	–
Total	**15.4**	**14.8**	**15.4**	**–**
Other liabilities				
Parent	–	–	–	–
Subsidiaries	–	–	–	0.1
Associates	1.4	0.1	1.4	0.1
Total	**1.4**	**0.1**	**1.4**	**0.2**

Income and expenses	Group		Parent	
MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Interest income calculated using the effective interest method				
Parent	–	–	–	–
Subsidiaries	–	–	–	–
General administration expenses				
Parent	–	–	–	–
Subsidiaries	–	–	–	–
Associates	44.2	11.2	44.2	11.2
Total	**44.2**	**11.2**	**44.2**	**11.2**

Other assets

Other assets consist of a loan to the associated company Eiendomsfinans AS.

General administration expenses

General administration expenses consist of brokerage costs for loans to the associated companies Uno Finans and Eiendomsfinans.

Note 8. Pledged assets, contingent liabilities and commitments

	Group		Parent	
MSEK	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Pledged assets and comparable securities for own liabilities				
Lending to credit institutions	22.0	14.1	22.0	14.1
Lending to the public	5,772.0	5,550.0	5,772.0	5,550.0
Government debt securities	20.0	19.9	20.0	19.9
Commitments				
Granted loans but not paid out	45.5	54.5	45.5	54.5

Lending to credit institutions

Reserved funds related to the Bank of Finland reserve requirement.

Lending to the public

Collateral registered for the benefit of holders of covered bonds issued by the Group. The collateral comprise loans granted against mortgages in single-family homes, second homes and tenant-owners' rights with a loan-to-value ratio within 75 per cent of the market value. In the event of the Group's insolvency, the holders of the covered bonds have prior rights to the pledged assets.

Government debt securities

Relates to collateral pledged in case of negative balances on accounts held with the Swedish Central Bank. Accounts with the Swedish Central Bank are used for clearing between banks. If a payment obligation (negative account balance) is not met, the Swedish Central Bank has a possibility to claim the pledged collateral.

Note 9. Acquisition of Bank2

As of the 31st of December 2023, Bank2 was a wholly owned subsidiary of the Bank. The acquisition of Bank2 was an important milestone in the Group's history. This strategic move aimed to tap into the identified synergies by expanding the current operations in Norway and thereby strengthening the Group's position as a specialist mortgage provider in the Nordics. By combining Bank2's deep market understanding and distribution capabilities in the Norwegian market with the Bank's Nordic platform and diversified funding, the combination will create a bank that is well positioned to capture the full potential of the demand for specialist mortgages in the Nordics and be able to offer even more customers housing financing.

Subsequent to the acquisition of Bank2, the board of Enity Bank approved the merger plan for the merger of Bank2 with the Bank's Norwegian branch. The merger was approved during the first quarter of 2024 by the Norwegian FSA and SFSA and was executed on the 2nd of April 2024 with the Bank as the surviving company and Bank2 as the transferring company.

In connection to the merger, the consolidated values attributable to Bank2 were transferred to the Bank. These values have, when needed, been adjusted to ensure alignment with the accounting principles of the Bank.

As disclosed in Note 1 Accounting Policies, Bank2's comprehensive income is included in the period's comprehensive income as of the date of the cross-border legal merger. The value of Bank2's assets and liabilities as per the legal merger date is included in the balance sheet of the Bank. The difference between Bank2's value of assets and liabilities on the legal merger date is accounted for as a legal merger difference within equity.

When Bank2 was merged with the Bank, shares and participations associated with Bank2 were eliminated and the related transaction costs, that were previously part of the purchase price in the Bank, were reclassified as Goodwill. Brand and customer relations also arose in the Bank as an effect of the legal merger. All these assets were accounted for on group level as part of the purchase price adjustment for accounting purposes prior to the merger. As the accounting principles in the Parent do not permit indefinite life of intangible assets, these assets are linearly amortised as of the acquisition date. Goodwill, brand and customer relationships are amortised over 5, 5, and 4 years respectively. Goodwill is not amortised on Group level.

Transaction costs amounting to MSEK 44 were included in the profit and loss statement in the Group in 2023 but are part of shares and participations in the Parent company. This results in a higher amount of goodwill in the Parent company compared to the Group. Furthermore, excess values of MSEK 14 related to the associated company Eiendomsfinans AS have since the acquisition in 2023 been allocated to the items Investments in associates. In connection with the merger, this excess value was transferred to goodwill in the Parent company, due to different accounting principles.

The Bank2 loan portfolio has since the acquisition been subjected to the Bank's model for the calculation of the expected credit loss provision for the Group and the adjustment for the purchase price allocation.

No changes have been made in the Group due to the merger.

Signature of the Chief Executive Officer

The Chief Executive Officer certifies that the Year-End report for January to December 2024 provides a true and fair view of the Parent's and the Group's operations, their financial positions and earnings as well as describing significant risks and uncertainties facing the Parent and the Group.

Stockholm February 19, 2025

Björn Lander
Chief Executive Officer

Definitions of alternative performance measures

C/I ratio

Costs before credit losses in relation to operating income.

MSEK	H2 2024	FY 2024
Costs before credit losses	329.1	685.8
Operating income	569.9	1,126.5
C/I ratio	**58%**	**61%**

Credit losses (%)

Net credit losses in relation to the closing balance of lending to the public.

MSEK	H2 2024	FY 2024
Credit losses	22.4	41.0
Credit losses annualised, incl Bank2	44.8	41.0
Lending to the public	28,832.4	28,832.4
Credit losses (%)	**0.16%**	**0.14%**

Return on equity

Operating profit after tax in relation to average equity. The tax rate for 2024 in Sweden is 20.6% (20.6%).

MSEK	H2 2024	FY 2024
Operating profit	218.4	399.6
Operating profit annualised	436.9	399.6
Operating profit less tax	**346.9**	**317.3**
Total equity 2023-12-31		2,463.1
Total equity 2024-06-30	2,551.4	
Total equity 2024-12-31	2,629.6	2,629.6
Average equity	**2,590.5**	**2,546.4**
Return on equity	**13.4%**	**12.5%**

Gross revenue / Lending to the public

Interest income excluding interest income from bond holdings and interest income from credit institutions in relation to average lending to the public.

MSEK	H2 2024	FY 2024
Total Interest Income	1,247.8	2,468.2
Interest income bonds	-23.6	-56.2
Interest income credit institutions	-95.0	-95.0
Gross revenue	1,129.2	2,317.0
Gross revenue annualised, incl Bank2	**2,258.5**	**2,317.0**
Lending to the public 2023-12-31		26,205.1
Lending to the public 2024-06-30	27,964.4	
Lending to the public 2024-12-31	28,832.4	28,832.4
Average lending to the public	**28,398.4**	**27,518.7**
Gross Revenue / Lending to the public	**8.0%**	**8.4%**

Net interest income / Lending to the public

Net interest income in relation to average lending to the public.

MSEK	H2 2024	FY 2024
Net interest income	569.4	1,114.4
Net interest income annualised, incl Bank2	**1,138.8**	**1,114.4**
Lending to the public 2023-12-31		26,205.1
Lending to the public 2024-06-30	27,964.4	
Lending to the public 2024-12-31	28,832.4	28,832.4
Average lending to the public	**28,398.4**	**27,518.7**
Net interest income / Lending to the public	**4.0%**	**4.0%**

Financial Calendar

Annual report 2024

week 18, 2025

Interim report 2025

week 35, 2025

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