Interim report Q2

Northmill Group AB (publ)

northmill bank®

2026

Message from the CEO

Strong growth and increased profitability during the second quarter of 2026

The second quarter of 2026 was characterised by exceptionally strong performance, as we continued to strengthen our position as a leading Nordic digital challenger bank. With record profit and continued high growth across both the consumer and corporate segments, we continue to deliver on our long-term strategy. During the quarter, earnings before tax reached SEK 86 million, representing an increase of 54% compared to the corresponding period last year. At the end of the quarter, our gross portfolio amounted to SEK 7,765 million, an increase of 64% compared to June 2025.

The C/I ratio improved to 40% for the quarter (42%), confirming the scalability of our platform and our cost discipline despite strong growth. Furthermore, our credit losses continued to decrease in line with expectations, as the portfolio diversifies into adjacent segments with structurally lower risk. Credit losses amounted to 4.6% during the quarter, compared to 5.6% in the same period last year. Overall, we strengthened our adjusted return on equity during the quarter to 23.9%, an increase of 4.1 percentage points from the second quarter of 2025.

The B2C segment

Our consumer offering continued to show very strong demand. Sales reached new record levels during the quarter, driven by strong performance in our consumer portfolio, which grew by 27% compared to Q2 2025.

The strong growth is driven by the bank's vision to improve people's financial lives with products that are simpler, smarter and faster. With Northmill's tailored solutions, customers can utilise our products, such as mortgages, in multiple ways by consolidating high-interest debt into secured loans, thereby significantly lowering monthly costs. Our strong position as a user-friendly bank is demonstrated by our consistently high user ratings: 4.8 out of 5 on the Apple App Store and 4.8 out of 5 on Trustpilot.

The B2B segment

Growth within our business offering accelerated during the quarter, and in June our corporate portfolio reached a historic milestone by passing SEK 2 billion, ending the quarter at nearly SEK 2.5 billion, up 80% from SEK 1.4 billion in March. Northmill is not only growing in absolute terms; we have rapidly established ourselves as a sought-after financing partner for small and medium-sized enterprises (SMEs), a business segment that is structurally overlooked by the major banks. The combination of our innovative products, fast digital processes, and an experienced team focused on a personal touch enables us to rapidly gain market share from incumbent competitors. At the same time, we continue to grow in a disciplined manner, with a strong focus on diversification and credit risk management.

A strengthened balance sheet heading into H2 for continued growth

At the beginning of the second quarter, we further strengthened our capital base through the issuance of an Additional Tier 1 (AT1) capital instrument of SEK 275 million. At the end of June, the total capital ratio stood at 21.82%, providing us with a comfortable buffer above our capital requirement. Our strong business model was also recognised during the quarter when the business magazine Affärsvärlden published its annual mapping of Sweden's most profitable banks, based on data compiled by the research firm Westnova for the full year 2025. Northmill was ranked as the sixth most profitable bank in Sweden, well above the industry average. With a steadily growing customer base, high customer satisfaction, and a strong financial position, Northmill is exceptionally well-positioned for continued profitable growth in the second half of the year.

Julie Chatterjee, CEO

Financial highlights

Earnings before tax (EBT) for the second quarter of 2026 increased by 54% to SEK 86 million (56). The gross portfolio grew by 64% compared to the corresponding period last year and amounted to SEK 7,765 million (4,725) at the end of the quarter. Total operating income for the quarter rose to SEK 281 million (205), an increase of 37%, while the credit loss ratio improved to 4.6% (5.6%).

Significant events during the period

During the quarter, the Group issued an Additional Tier 1 (AT1) capital instrument of SEK 275 million.
The instrument was issued to optimise the Group's capital structure and strengthen the capital base to enable continued growth in line with the Group's strategy.

Significant events after the end of the reporting period

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

Significant risks and uncertainties

A comprehensive description of the Group's risk management, including risk strategy, organisation, processes, and significant risks to which the business is exposed, can be found in the latest annual report. Therefore, this interim report does not contain an exhaustive analysis, but refers to the annual report as the primary source of information regarding the Group's risk management and risk profile.

Operating income and earnings

Operating income for the second quarter rose to SEK 281 million, an increase of 37% compared to the corresponding period last year (SEK 205 million).
The growth was mainly driven by a significantly expanded loan portfolio in both B2C and B2B, as well as strong transaction income. Earnings before tax (EBT) for the second quarter amounted to SEK 86 million, representing an increase of 54% compared to the same period last year (SEK 56 million). The improvement in earnings is primarily explained by strong volume growth in lending, higher net interest income, and solid cost control with a C/I ratio of 40% in the quarter (42%), as well as lower credit loss levels, which amounted to 4.6% (5.6%).

Lending to the public

The gross portfolio grew by 64% compared to the corresponding period last year and stood at SEK 7,765 million (SEK 4,725 million) at the end of the second quarter. The positive development was driven by strong demand across both segments.

Credit losses

During the second quarter, the Group's credit loss ratio decreased significantly, amounting to 4.6% for the quarter compared to 5.6% in the corresponding period last year. The positive trend was driven by continued strong credit quality in the underlying loan portfolio, as well as the bank's effective risk management and credit underwriting as volumes grow.

Capital base and capital adequacy

At the end of the period, the Common Equity Tier 1 (CET1) ratio was 16.33%, the Tier 1 capital ratio was 20.38%, and the total capital ratio was 21.82%. For more information on capital adequacy, see Note 11 in this interim report and the published Pillar 3 report, which is available at www.northmill.com

Related party transactions

Northmill Group AB (publ) is a related party in relation to the subsidiary Northmill Bank AB and the associated company Pointiva AB.

Key figures

SEKm 86

Operating profit
(Q2 2025: SEKm 56)

SEKm 47

Commission income
(Q2 2025: SEKm 35)

SEKm 281

Operating income
(Q2 2025: SEKm 205)

SEKm 7,765

Gross portfolio
(Q2 2025: SEKm 4,725)

40%

C/I ratio
(Q2 2025: 42%)

4.6%

Credit loss ratio
(Q2 2025: 5.6%)

23.9%

Adjusted return on equity
(Q2 2025: 19.8%)

21.82%

Total capital ratio
(Q2 2025: 22.02%)

Trustpilot rating

4.8 out of 5 based on 3,000 reviews

Apple App-store rating

4.8 out of 5 based on 12,000 reviews

Income Statement, Consolidated

SEK thousand	Note	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Interest income, effective interest method		295,033	213,815	559,189	425,375	900,455
Interest expense		-46,388	-27,645	-85,118	-61,439	-121,542
Net interest income		**248,645**	**186,170**	**474,071**	**363,936**	**778,913**
Fee and commission income		46,640	34,565	89,302	65,088	140,906
Fee and commission expense		-22,454	-15,778	-41,268	-28,323	-67,308
Net fee and commission income		**24,186**	**18,788**	**48,034**	**36,766**	**73,597**
Net results from financial transactions		7,920	196	10,053	1,154	1,394
Other operating income		121	151	274	281	521
Total operating income		**280,872**	**205,305**	**532,432**	**402,137**	**854,425**
General administrative expenses		-87,812	-66,454	-164,972	-129,118	-272,493
Depreciation, amortisation and impairment of tangible and intangible assets		-4,959	-7,950	-9,851	-16,051	-28,265
Other operating expenses		-20,345	-10,798	-42,288	-18,997	-62,045
Total operating expenses		**-113,116**	**-85,202**	**-217,111**	**-164,166**	**-362,803**
Profit before credit losses		**167,756**	**120,103**	**315,321**	**237,971**	**491,622**
Credit losses, net	2	-81,447	-63,998	-155,142	-137,828	-269,623
Operating profit from continuing operations		**86,309**	**56,105**	**160,179**	**100,143**	**221,999**
Income tax for the period		-17,328	-9,755	-32,635	-17,063	-46,939
Profit for the period from continuing operations		**68,981**	**46,350**	**127,545**	**83,080**	**175,060**
Profit for the period from discontinued operations		**-**	**-917**	**19,574**	**-1,714**	**2,144**
Profit for the period including discontinued operations		**68,981**	**45,433**	**147,119**	**81,366**	**177,204**

Statement of Other Comprehensive Income, Consolidated

SEK thousand	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Profit for the period	68,981	45,433	147,119	81,366	177,204
Exchange differences on translation of foreign operations	138	93	299	-90	-447
Total comprehensive income	**69,119**	**45,526**	**147,418**	**81,276**	**176,757**

Balance Sheet, Consolidated

SEK thousand	Note	30 Jun 2026	31 Dec 2025
ASSETS	2, 5, 7		
Cash and balances with central banks		443,788	770,158
Treasury bills eligible for refinancing, etc.		919,667	-
Lending to credit institutions		267,981	812,743
Lending to the public	4	7,407,742	5,223,352
Bonds and other interest-bearing securities		344,860	207,589
Shares and participations in associated companies		7,000	-
Intangible assets		5,773	10,070
Tangible assets		21,398	33,281
Other assets		122,740	203,810
Prepaid expenses and accrued income		35,368	23,171
Total assets		**9,576,317**	**7,284,174**
LIABILITIES			
Deposits from the public	6	7,742,508	5,856,326
Other liabilities		228,984	243,534
Accrued expenses and prepaid income		47,602	37,875
Subordinated debt		97,552	97,271
Total liabilities		**8,116,647**	**6,235,006**
EQUITY			
Share capital		541	541
Share premium reserve		181,269	187,685
Other reserves		-48	-793
Retained profit		855,789	684,531
Profit for the period		147,119	177,204
Total equity attributable to the shareholders of the Parent Company		**1,184,670**	**1,049,168**
Tier 1 capital instrument		275,000	-
Total equity attributable to the owners of the Parent Company		**1,459,670**	**1,049,168**
Total liabilities and equity		**9,576,317**	**7,284,174**

Statement of Changes in Equity, Consolidated

Jan-Jun 2026

SEK thousand	Share capital	Share premium reserve	Other reserves	Tier 1 capital instrument	Retained profit	Profit for the period	Total equity
Equity as at 1 Jan 2026	**541**	**187,685**	**-793**	**-**	**684,531**	**177,204**	**1,049,168**
Transfer of previous year's profit	-	-	-	-	177,204	-177,204	-
Profit for the period	-	-	-	-	-	147,119	147,119
Exchange rate effects	-	-	446	-	1,003	-	1,449
Other comprehensive income	-	-	299	-	-	-	299
TRANSACTIONS WITH OWNERS OF THE PARENT COMPANY							
Issue of Tier 1 capital instrument	-	-6,416	-	275,000	-	-	268,584
Warrants	-	-	-	-	26	-	26
Dividend to shareholders	-	-	-	-	-6,975	-	-6,975
Equity as at 30 Jun 2026	**541**	**181,269**	**-48**	**275,000**	**855,789**	**147,119**	**1,459,670**

Jan-Dec 2025

SEK thousand	Share capital	Share premium reserve	Other reserves	Retained profit	Profit for the period	Total equity
Equity as at 1 Jan 2025	**541**	**187,685**	**4,353**	**571,844**	**116,861**	**881,283**
Transfer of previous year's profit	-	-	-	116,861	-116,861	-
Profit for the period	-	-	-	-	177,204	177,204
Exchange rate effects	-	-	-4,699	2,492	-	-2,207
Other comprehensive income	-	-	-447	-	-	-447
TRANSACTIONS WITH OWNERS OF THE PARENT COMPANY						
Warrants	-	-	-	-52	-	-52
Dividend to shareholders	-	-	-	-6,614	-	-6,614
Equity as at 31 Dec 2025	**541**	**187,685**	**-793**	**684,531**	**177,204**	**1,049,168**

Cash Flow Statement, Consolidated

SEK thousand	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
OPERATING ACTIVITIES			
Operating profit including discontinued operations	**180,837**	**99,810**	**221,999**
Adjustments for non-cash items	197,515	164,404	310,343
Income taxes paid	-28,942	-13,656	-31,994
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	**349,410**	**250,558**	**500,348**
Decrease(+)/increase(-) in lending to the public	-2,341,322	-536,051	-1,510,883
Decrease(-)/increase(+) in deposits from the public	1,851,340	146,266	1,788,382
Decrease(+)/increase(-) in other current assets	67,426	-12,876	-173,033
Decrease(-)/increase(+) in other current liabilities	-2,707	20,654	164,662
Cash flow from operating activities	**-75,853**	**-131,449**	**769,476**
INVESTING ACTIVITIES			
Investments in intangible assets	-	-	-280
Investments in tangible assets	-	-	-175
Investments in financial assets	-1,051,661	228,005	41,712
Sale of non-current assets	396	504	1,028
Cash flow from investing activities	**-1,051,265**	**228,509**	**42,285**
FINANCING ACTIVITIES			
Issue of Tier 1 capital instrument	268,584	-	-
Warrants	26	-	-52
Dividend to shareholders	-6,975	-6,614	-6,614
Repayment of lease liabilities	-3,472	-7,930	-21,167
Cash flow from financing activities	**258,163**	**-14,544**	**-27,833**
Cash flow for the period	-868,955	82,516	783,928
Cash and cash equivalents at the beginning of the period	1,582,901	804,002	804,002
Exchange rate differences in cash and cash equivalents	-2,178	1,984	-5,029
Cash and cash equivalents at the end of the period[1]	**711,769**	**888,502**	**1,582,901**
CASH FLOW FROM OPERATING ACTIVITIES INCLUDES INTEREST PAID AND INTEREST RECEIVED			
Interest received	570,941	429,727	904,332
Interest paid	-84,841	-61,234	-121,060

[1]Cash and cash equivalents consist of loans to credit institutions and balances with central banks

Adjustments for non-cash items include:

SEK thousand	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Credit losses	155,142	137,828	269,623
Depreciation, amortisation and impairment	9,545	15,277	34,817
Other non-cash items	32,828	11,299	5,903
Total	**197,515**	**164,404**	**310,343**

Parent Company Income Statement

SEK thousand	Note	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Interest income, effective interest method		584	8	592	24	30
Interest expense		-2,286	-	-4,542	-	-1,023
Net interest income		**-1,702**	**8**	**-3,950**	**24**	**-993**
Fee and commission expense		-146	-20	-169	-35	-62
Net fee and commission expense		**-146**	**-20**	**-169**	**-35**	**-62**
Result from shares in group companies		-1	-	12,953	-	-
Total operating income		**-1,849**	**-12**	**8,833**	**-11**	**-1,055**
General administrative expenses		-470	-9	-626	-16	-41
Other operating expenses		-	-9	-	-9	-9
Total operating expenses		**-470**	**-18**	**-626**	**-25**	**-50**
Operating profit		**-2,319**	**-30**	**8,207**	**-36**	**-1,105**
Appropriations		-	-	-	-	6,804
Profit before tax		**-2,319**	**-30**	**8,207**	**-36**	**5,699**
Income tax for the period		-	-	-	-	-1,385
Profit for the period		**-2,319**	**-30**	**8,207**	**-36**	**4,315**

Parent Company Balance Sheet

SEK thousand	Note	30 Jun 2026	31 Dec 2025
ASSETS			
Lending to credit institutions		4,057	1,967
Shares and participations in associated companies		7,000	-
Shares and participations in group companies		475,100	218,780
Other assets		17,469	7,054
Prepaid expenses and accrued income		8,113	38
Total assets		**511,739**	**227,839**
LIABILITIES			
Other liabilities		15,718	1,947
Accrued expenses and prepaid income		944	938
Subordinated debt		97,552	97,271
Total liabilities		**114,214**	**100,156**
Untaxed reserves		2,000	2,000
EQUITY			
Share capital		541	541
Share premium reserve		181,269	187,685
Total restricted equity		**181,810**	**188,226**
Non-restricted equity			
Tier 1 capital instrument		275,000	-
Retained profit		-69,492	-66,858
Profit for the period		8,207	4,315
Total non-restricted equity		**213,715**	**-62,543**
Total equity		**395,525**	**125,683**
Total liabilities and equity		**511,739**	**227,839**

Parent Company Statement of Changes in Equity

Jan-Jun 2026

SEK thousand	Restricted equity		Non-restricted equity			
	Share capital	Share premium reserve	Tier 1 capital instrument	Retained profit	Profit for the period	Total equity
Equity as at 1 Jan 2026	**541**	**187,685**	**-**	**-66,858**	**4,315**	**125,683**
Transfer of previous year's profit	-	-	-	4,315	-4,315	-
Profit for the period	-	-	-	-	8,207	8,207
Total comprehensive income for the period	**541**	**187,685**	**-**	**-62,543**	**8,207**	**133,890**
TRANSACTIONS WITH OWNERS OF THE PARENT COMPANY						
Issue of Tier 1 capital instrument	-	-6,416	275,000	-	-	268,584
Warrants	-	-	-	26	-	26
Dividend to shareholders	-	-	-	-6,975	-	-6,975
Equity as at 30 Jun 2026	**541**	**181,269**	**275,000**	**-69,492**	**8,207**	**395,525**

Jan-Dec 2025

SEK thousand	Restricted equity		Non-restricted equity		
	Share capital	Share premium reserve	Retained profit	Profit for the period	Total equity
Equity as at 1 Jan 2025	**541**	**187,685**	**-50,191**	**-10,000**	**128,035**
Transfer of previous year's profit	-	-	-10,000	10,000	-
Profit for the period	-	-	-	4,315	4,315
Total comprehensive income for the period	**541**	**187,685**	**-60,191**	**4,315**	**132,350**
TRANSACTIONS WITH OWNERS OF THE PARENT COMPANY					
Warrants	-	-	-52	-	-52
Dividend to shareholders	-	-	-6,614	-	-6,614
Equity as at 31 Dec 2025	**541**	**187,685**	**-66,858**	**4,315**	**125,683**

Parent Company Cash Flow Statement

SEK thousand	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
OPERATING ACTIVITIES			
Operating profit	**8,207**	**-36**	**-1,105**
Adjustments for non-cash items	-4	477	938
CASH FLOW FROM OPERATING ACTIVITIES BEFORE CHANGES IN WORKING CAPITAL	**8,203**	**441**	**-167**
Decrease(+)/increase(-) in other current assets	-6,810	476	2,689
Decrease(-)/increase(+) in other current liabilities	14,052	-1,008	96,823
Cash flow from operating activities	**15,445**	**-91**	**99,345**
INVESTING ACTIVITIES			
Shareholders' contributions paid	-275,000	-	-100,000
Cash flow from investing activities	**-275,000**	**-**	**-100,000**
FINANCING ACTIVITIES			
Issue of Tier 1 capital instrument	268,584	-	-
Warrants	26	-	-52
Dividend to shareholders	-6,975	-6,614	-6,614
Cash flow from financing activities	**261,635**	**-6,614**	**-6,666**
Cash flow for the period	2,080	-6,705	-7,322
Cash and cash equivalents at the beginning of the period	1,967	9,289	9,289
Cash and cash equivalents at the end of the period[1]	**4,047**	**2,584**	**1,967**
CASH FLOW FROM OPERATING ACTIVITIES INCLUDES INTEREST PAID AND INTEREST RECEIVED			
Interest received	10	24	30
Interest paid	-	-	-

Notes

Unless otherwise stated, all amounts in the notes are given in SEK thousand and refer to the Group.

Note 1 – General information

Operations

Northmill Group AB (publ), corporate identity number 556786–5257, conducts banking operations through its subsidiary Northmill Bank AB. Northmill Group AB (publ) is a public limited liability company registered in Stockholm, Sweden. The address of the head office is Regeringsgatan 20, SE-111 53 Stockholm, Sweden.

The parent company, Northmill Group AB (publ), is part of a financial group with its subsidiary Northmill Bank AB. The financial group is supervised by the Swedish Financial Supervisory Authority (Finansinspektionen) and is subject to its rules regarding capital adequacy and large exposures.

Ownership structure

Northmill Group AB (publ) owns 100% of the subsidiary Northmill Bank AB.

Northmill Bank AB (the "Bank") operates in Sweden and Norway, as well as through registered branches in Finland (corp. ID no. 3166457-1) and Poland (NIP 2050004840 / employer NIP 2050004886 and KRS 0000592983). A significant portion of the Bank's IT resources is located in the Polish branch.

Accounting policies

This interim report has been prepared for the Group in accordance with IAS 34 Interim Financial Reporting, as well as the applicable provisions of the Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) and the Swedish Financial Supervisory Authority's regulations and general guidelines FFFS 2008:25.

The Parent Company Northmill Group AB (publ) applies RFR 2 Accounting for Legal Entities. This means that in the annual report for the legal entity, the Parent Company applies all EU-approved IFRS standards and statements as far as possible within the framework of the Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL), the Pension Obligations Vesting Act, and with regard to the relationship between accounting and taxation.

Operating segments

Operating segments are presented in a manner consistent with the internal reporting provided to the chief operating decision maker, who is responsible for allocating resources and assessing the performance of the operating segments. Within the Group, the executive management team has been identified as the chief operating decision maker.

The Group has identified B2C and B2B as operating segments.

Functional currency and presentation currency

Items included in the financial statements of the Group's entities and branches are measured using the local currency of each unit, which constitutes its functional currency. The Group's financial statements are presented in Swedish Kronor (SEK), which is the Group's functional and presentation currency.

New standards, amendments, and interpretations applied by the Group

A full account of the Group's application of new standards, amendments, and interpretations of accounting policies, including judgments and estimates affecting the financial statements, can be found in the latest annual report. This interim report does not, therefore, contain an exhaustive analysis, but refers to the annual report as the primary source of information on accounting policies and their application.

The material accounting policies applied in the preparation of the Group's interim report are consistent with those presented in the annual report for the financial year ended 31 December 2025. In addition, the Group has applied the accounting policies for discontinued operations, which is new compared to the annual report. During the first quarter of 2026, Northmill Group AB (publ) completed the sale of the shares in the subsidiary Northmill Flo AB. The result from these operations, including the gain on disposal arising from the divestment, is reported separately under discontinued operations in the financial statements. For further information, see Note 10.

Critical accounting estimates and assumptions

The Group continuously monitors the loan portfolio and market developments, as well as how these are impacted by external factors.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Developments in and disclosures regarding the Group's critical accounting policies and estimates, as well as the application of these policies and estimates, are reviewed by the Group's Risk and Audit Committee.

Significant accounting judgments and estimates

The carrying amount of the deferred consideration from the divestment of Northmill Flo AB has been determined through a present value calculation of future cash flows in accordance with IFRS 13 Fair Value Measurement. The valuation requires significant management judgments regarding:

- Timing and amount of future payments: As the consideration is paid in installments over a multi-year period, the valuation is based on an estimate of when these payments will occur.
- Discount rate: An applied rate that reflects current market interest rates and the Group's assessment of the counterparty's credit risk.

Changes in these assumptions, particularly concerning the discount rate or credit risk assessment, would directly impact the carrying amount in the Group's financial statements and future earnings. Furthermore, ongoing assessments are performed under IFRS 9 regarding potential impairment needs for the claim. This assessment is subjective, and management continuously evaluates whether the provision for expected credit losses is adequate relative to the claim's carrying amount.

Note 2 – Credit risk

Credit risk is defined as the risk of financial loss resulting from a counterparty's failure to meet its contractual obligations. The risk arises primarily from lending to consumers and corporate customers, as well as exposure within the liquidity portfolio. Credit granting is based on the counterparty's financial position and repayment capacity, ensuring a reasonable expectation that obligations will be fulfilled. Credit risk represents the Group's most significant risk exposure and is closely monitored by relevant operational functions and the Board of Directors, which retains ultimate responsibility for credit risk management.

Credit risk policy and organisation

The Board of Directors has issued a credit policy outlining, among other things, the overall approach, organisation, responsibilities, and the decision-making process for credit approval. The Group's Credit Committee continuously monitors credit risk trends in the loan portfolios. The Committee is responsible for approving and implementing changes to the Group's lending activities within the parameters of the established credit policy. Additionally, the Committee proposes policy amendments to the Board. A report on credit risk developments and actions taken is submitted at each Board meeting.

Credit risk exposure

SEK thousand	30 Jun 2026	31 Dec 2025
Cash and balances with central banks	443,788	770,158
Lending to credit institutions	267,981	812,743
Lending to the public	7,407,742	5,223,352
Bonds and other interest-bearing securities	344,860	207,589
Treasury bills eligible for refinancing, etc.	919,667	-
Other assets	95,196	178,712
Total	**9,479,234**	**7,192,554**

Credit quality of financial assets

The credit quality of financial assets by Standard & Poor's short-term rating is presented below:

SEK thousand	30 Jun 2026	31 Dec 2025
CASH AND BALANCES WITH CENTRAL BANKS		
AAA	443,788	770,158
Total cash and balances with central banks	**443,788**	**770,158**
LENDING TO CREDIT INSTITUTIONS		
AA-	190,591	-
A+	77,390	-
A-1+	-	812,743
Total lending to credit institutions	**267,981**	**812,743**
OTHER ASSETS		
AAA	375,836	185,619
AA+	64,670	21,970
A-1+	824,021	-
No rating	95,196	178,712
Total other assets	**1,359,723**	**386,301**
Total	**2,071,492**	**1,969,202**

Other assets includes positive value derivatives, bonds, and eligible government securities.

Credit risk exposure

SEK thousand	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
NET CREDIT LOSSES UNDER IFRS 9			
Change in loss provision for expected credit losses, Stage 1	-22,598	-3,355	-18,789
Change in loss provision for expected credit losses, Stage 2	-4,856	11,711	9,066
Change in loss provision for expected credit losses, Stage 3	6,324	-66,139	-55,075
Total change in loss provision for expected credit losses	**-21,129**	**-57,783**	**-64,799**
Realised credit losses	-337,530	-254,656	-610,811
Recoveries of credit losses	203,517	174,612	405,987
Credit losses, net	**-155,142**	**-137,828**	**-269,623**
Coverage ratio, Stage 1	2 %	2 %	2 %
Coverage ratio, Stage 2	17 %	16 %	17 %
Coverage ratio, Stage 3	51 %	49 %	53 %

Note 3 – Operating segments

As of the first quarter of 2026, the Group applies a new segment structure. Operations are now reported in two primary segments, B2C and B2B, reflecting the Group's governance and decision-making structure. The Group segment mainly includes group-wide income and expenses that are not directly attributable to other segments, such as costs for central support functions.

To enable comparability between periods, historical amounts for prior periods have been restated in accordance with the new segment structure. The change only affects the allocation between segments and has no impact on the Group's total earnings, financial position, or cash flows.

Apr-Jun 2026

SEK thousand	B2C	B2B	Group	Total
Interest income, effective interest method	248,948	39,562	6,523	295,033
Interest expense	-29,227	-8,781	-8,380	-46,388
Net interest income	**219,721**	**30,781**	**-1,857**	**248,645**
Fee and commission income	31,848	14,793	-1	46,640
Fee and commission expense	-12,722	-6,126	-3,606	-22,454
Net fee and commission income	**19,126**	**8,667**	**-3,607**	**24,186**
Net results from financial transactions	-58	-19	7,997	7,920
Other operating income	87	35	-1	121
Total operating income	**238,876**	**39,464**	**2,532**	**280,872**
General administrative expenses	-47,320	-15,930	-24,562	-87,812
Depreciation, amortisation and impairment of tangible and intangible assets	-400	-487	-4,072	-4,959
Other operating expenses	-17,665	-2,680	-	-20,345
Total operating expenses	**-65,385**	**-19,097**	**-28,634**	**-113,116**
Profit before credit losses	**173,491**	**20,367**	**-26,102**	**167,756**
Credit losses, net	-75,275	-6,171	-1	-81,447
Operating profit from continuing operations	**98,216**	**14,197**	**-26,103**	**86,309**

Apr-Jun 2025

SEK thousand	B2C	B2B	Group	Total
Interest income, effective interest method	196,747	11,705	5,363	213,815
Interest expense	-26,060	-2,245	660	-27,644
Net interest income	**170,688**	**9,460**	**6,022**	**186,170**
Fee and commission income	23,378	11,188	-	34,565
Fee and commission expense	-7,279	-5,790	-2,708	-15,778
Net fee and commission income	**16,099**	**5,397**	**-2,709**	**18,788**
Net results from financial transactions	13	-5	188	196
Other operating income	93	58	-	151
Total operating income	**186,892**	**14,911**	**3,502**	**205,305**
General administrative expenses	-30,527	-16,688	-19,239	-66,454
Depreciation, amortisation and impairment of tangible and intangible assets	-1,930	-473	-5,547	-7,950
Other operating expenses	-9,467	-1,298	-32	-10,798
Total operating expenses	**-41,924**	**-18,460**	**-24,818**	**-85,202**
Profit before credit losses	**144,969**	**-3,549**	**-21,317**	**120,103**
Credit losses, net	-62,363	-1,635	-	-63,998
Operating profit from continuing operations	**82,605**	**-5,184**	**-21,317**	**56,105**

Key figures below relate to continuing operations	Apr-Jun 2026	Apr-Jun 2025
B2C KEY FIGURES		
Gross portfolio	5,281,972	4,174,690
Operating income	238,876	186,892
Operating profit	98,216	82,605
Net interest margin	17.1%	16.6%
Credit loss ratio	5.9%	6.0%
C/I ratio	27.4%	22.4%
B2B KEY FIGURES		
Gross portfolio	2,483,145	550,729
Operating income	39,464	14,911
Operating profit	14,197	-5,184
Net interest margin	6.4%	8.0%
Credit loss ratio	1.3%	1.4%
C/I ratio	48.4%	123.8%
GROUP KEY FIGURES		
Operating income	2,532	3,502
Operating profit	-26,103	-21,317

Note 4 – Lending to the public

SEK thousand	30 Jun 2026	31 Dec 2025
LENDING TO THE PUBLIC, GROSS		
Stage 1, gross	6,986,615	4,812,702
Stage 2, gross	450,244	418,547
Stage 3, gross	353,269	352,551
Total lending to the public, gross	**7,790,128**	**5,583,800**
PROVISION FOR EXPECTED CREDIT LOSSES		
Stage 1, gross	-125,893	-103,029
Stage 2, gross	-74,698	-69,684
Stage 3, gross	-181,795	-187,735
Total provision for expected credit losses	**-382,387**	**-360,448**
LENDING TO THE PUBLIC		
Stage 1, net	6,860,722	4,709,673
Stage 2, net	375,546	348,863
Stage 3, net	171,474	164,816
Total lending to the public, net	**7,407,742**	**5,223,352**

	30 Jun 2026	31 Dec 2025
Stage 3 non-performing loans ratio, gross	5%	6%
Stage 3 non-performing loans ratio, net	2%	3%
Total coverage ratio	**5%**	**6%**

Changes in provisions for credit losses:

SEK thousand	30 Jun 2026	31 Dec 2025
OPENING BALANCE	-360,448	-298,621
Change in provisions for expected credit losses in Stage 1	-22,598	-18,789
Change in provisions for expected credit losses in Stage 2	-4,856	9,066
Change in provisions for expected credit losses in Stage 3	6,324	-55,075
Foreign exchange effect	-810	2,970
Closing balance	**-382,387**	**-360,448**

Note 5 - Financial assets and liabilities

Classification of financial assets and liabilities by measurement category

30 Jun 2026

	Amortised cost	At fair value through profit or loss	Non-financial assets and liabilities	Total carrying amount
ASSETS				
Shares and participations in associated companies	-	-	7,000	7,000
Cash and balances with central banks	443,788	-	-	443,788
Lending to credit institutions	267,981	-	-	267,981
Lending to the public	7,407,742	-	-	7,407,742
Bonds and other interest-bearing securities	-	344,860	-	344,860
Treasury bills eligible for refinancing, etc.	-	919,667	-	919,667
Intangible assets	-	-	5,773	5,773
Tangible assets	-	-	21,398	21,398
Other assets	95,196	61	27,483	122,740
Prepaid expenses and accrued income	-	-	35,368	35,368
Total assets	**8,214,707**	**1,264,588**	**97,022**	**9,576,317**
LIABILITIES				
Deposits from the public	7,742,508	-	-	7,742,508
Other liabilities	-	307	228,677	228,984
Subordinated debt	97,552	-	-	97,552
Accrued expenses and prepaid income	-	-	47,602	47,602
Total liabilities	**7,840,060**	**307**	**276,279**	**8,116,647**

31 Dec 2025

	Amortised cost	At fair value through profit or loss	Non-financial assets and liabilities	Total carrying amount
TILLGÅNGAR				
Cash and balances with central banks	770,158	-	-	770,158
Lending to credit institutions	812,743	-	-	812,743
Lending to the public	5,223,352	-	-	5,223,352
Bonds and other interest-bearing securities	-	207,589	-	207,589
Intangible assets	-	-	10,070	10,070
Tangible assets	-	-	33,281	33,281
Other assets	194,512	111	9,187	203,810
Prepaid expenses and accrued income	-	-	23,171	23,171
Total assets	**7,000,765**	**207,700**	**75,709**	**7,284,174**
LIABILITIES				
Deposits from the public	5,856,326	-	-	5,856,326
Other liabilities	-	-	243,534	243,534
Subordinated debt	97,271	-	-	97,271
Accrued expenses and prepaid income	-	-	37,875	37,875
Total liabilities	**5,953,597**	**-**	**281,409**	**6,235,006**

Fair value of financial assets and liabilities

For financial instruments measured at fair value in the balance sheet, disclosures are required regarding fair value measurement by level in the fair value hierarchy below:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable inputs) (Level 3).

30 Jun 2026

SEK thousand	Level 1	Level 2	Level 3	Total
ASSETS				
Bonds and other interest-bearing securities	344,860	-	-	344,860
Treasury bills eligible for refinancing, etc.	919,667	-	-	919,667
Other assets	-	61	-	61
Total assets	**1,264,527**	**61**	**-**	**1,264,588**
LIABILITIES				
Other liabilities	-	307	-	307
Total liabilities	**-**	**307**	**-**	**307**

31 Dec 2025

SEK thousand	Level 1	Level 2	Level 3	Total
ASSETS				
Bonds and other interest-bearing securities	207,589	-	-	207,589
Other assets	-	111	-	111
Total assets	**207,589**	**111**	**-**	**207,700**
LIABILITIES				
Other liabilities	-	68	-	68
Total liabilities	**-**	**68**	**-**	**68**

Note 6 - Deposits from the public

SEK thousand	30 Jun 2026	31 Dec 2025
Deposits from the public, household sector	7,282,274	5,597,649
Deposits from the public, corporate sector	460,234	258,678
Total deposits from the public	**7,742,508**	**5,856,326**

Note 7 - Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2026	31 Dec 2025
Unutilised credit limits	2,229,031	1,678,966
Other pledged assets	6,343	5,877
Total pledged assets, contingent liabilities and commitments	**2,235,374**	**1,684,843**

Note 8 - Related party transactions

The Parent Company

SEK thousand	30 Jun 2026	31 Dec 2025
NORTHMILL BANK AB		
Intragroup receivable	-	477
Intragroup liability	12,950	-
Group contribution received	-	477
Shareholder contribution provided	275,000	-

Note 9 - Events after the reporting period

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

Note 10 - Discontinued operations

At the end of March 2026, Northmill Group AB (publ) completed the sale of the shares in its subsidiary Northmill Flo AB. However, the Group remains an indirect minority shareholder with a 19.9% stake in a company that, in turn, owns Northmill Flo AB. The total nominal purchase price amounted to SEK 30.5 million, payable in instalments over a multi-year period. The sale generated a recognised capital gain of SEK 22.1 million and was reported in the profit/loss from discontinued operations in the first quarter.

The financial performance of the now divested operation is reported as discontinued operations and is presented in the table below. The capital gain mentioned above is included in the line item 'Other operating income' below.

SEK thousand	Apr-Jun 2026	Apr-Jun 2025	Jan-Jun 2026	Jan-Jun 2025	Jan-Dec 2025
Interest income, effective interest method	-	7	1	19	25
Interest expense	-	-23	-	-23	-23
Net interest income	-	-16	**1**	**-4**	**2**
Fee and commission income	-	1,340	879	2,475	5,030
Fee and commission expense	-	-12	-23	-47	-235
Net fee and commission income	**-**	**1,327**	**856**	**2,427**	**4,795**
Net results from financial transactions	-	-18	1	-10	-75
Other operating income	-	5,384	27,327	11,666	22,290
Total operating income	**-**	**6,677**	**28,185**	**14,079**	**27,012**
General administrative expenses	-	-5,243	-6,071	-10,887	-17,967
Depreciation, amortisation and impairment of tangible and intangible assets	-	-1,653	-1,456	-3,448	-6,552
Other operating expenses	-	-	-	-77	-77
Total operating expenses	**-**	-6,896	**-7,527**	**-14,412**	**-24,596**
Operating profit from discontinued operations	**-**	**-219**	**20,658**	**-333**	**2,417**
Income tax for the period	-	-698	-1,084	-1,381	-273
Profit for the period from discontinued operations	**-**	**-917**	**19,574**	**-1,714**	**2,144**

Note 11 - Capital adequacy

Background

The consolidated situation is under the supervision of the Swedish Financial Supervisory Authority (Finansinspektionen), and Northmill Bank AB is the designated responsible institution for the group. Northmill Bank AB and the consolidated situation are therefore subject to the regulations governing credit institutions in Sweden. The figures reported below refer to the consolidated situation.

Information on own funds and capital requirements

For the determination of the statutory capital requirement, the Act (2014:968) on Special Supervision of Credit Institutions and Investment Firms, Regulation (EU) No 575/2013, the Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2014:12) regarding prudential requirements and capital buffers apply.

The own funds consist of the sum of Common Equity Tier 1 capital, Tier 1 capital, and Tier 2 capital. As of June 30, 2026, the total own funds amounted to SEK 1,480 million, of which SEK 1,107 million consisted of Common Equity Tier 1 capital, SEK 275 million consisted of Additional Tier 1 capital, and SEK 98 million consisted of Tier 2 capital. As of June 30, 2026, the Common Equity Tier 1 capital ratio was 16.33%, the Tier 1 capital ratio was 20.38%, and the total capital ratio was 21.82%.

The Pillar 1 capital requirement includes the Group's minimum capital requirement for credit risk, market risk, and operational risk. The requirements amount to 4.5% in Common Equity Tier 1 capital, 6.0% in Tier 1 capital, and 8.0% in total capital requirement, which as of June 30, 2026, corresponds to Common Equity Tier 1 capital of SEK 305 million, Tier 1 capital of SEK 407 million, and a total capital requirement of SEK 543 million.

The Pillar 2 requirement is determined by Finansinspektionen as part of the Supervisory Review and Evaluation Process (SREP). As of June 30, 2026, the Group has a Pillar 2 requirement of 2.34%, which corresponds to SEK 159 million.

As of June 30, 2026, the combined buffer requirement amounted to 4.4%, corresponding to SEK 298 million, consisting of a capital conservation buffer of 2.5% and a countercyclical capital buffer of 1.9%.

In addition to the capital requirements mentioned above, Finansinspektionen has conducted an assessment of additional capital requirements in the form of risk-based Pillar 2 guidance. The Group has received an additional capital requirement in the form of P2G of 3.5%, which corresponds to SEK 237 million.

Capital planning

The Group's risk management and methods for evaluating and maintaining own funds requirements comply with Regulation (EU) No 575/2013. The purpose of the risk management is to identify and analyse the risks to which the Group is exposed in its operations and to set appropriate limits for these (board-approved risk appetites and CEO limits) to ensure adequate controls. Risks are monitored and controls are performed on an ongoing basis to ensure that board-approved risk appetites and CEO limits are not exceeded. To assess whether the internal capital is sufficient for current and future operations and to ensure that the own funds have the appropriate size and composition, the Group has an Internal Capital and Liquidity Assessment Process (ICAAP/ILAAP).

The process is a tool that ensures the Group clearly and correctly identifies, measures, and manages all risks to which the Group is exposed, and assesses the Group's internal capital requirements in relation to this. An assessment for each risk category has been performed to analyse whether additional capital is required to cover the specific risk category. The ICAAP/ILAAP process is forward-looking based on the Group's three-year business plan and ensures that capital and liquidity levels can be maintained even under stressed market conditions. The ICAAP/ILAAP process is conducted at least annually.

Table EU KM1
Disclosed in accordance with the Capital Requirements Regulation and Commission Implementing Regulation (EU) 2021/637.

		30 Jun 2026	31 Dec 2025
	AVAILABLE OWN FUNDS (SEK MILLION)		
1	Common Equity Tier 1 (CET1) capital	1,107	1,030
2	Tier 1 capital	1,382	1,030
3	Total capital	1,480	1,127
	RISK-WEIGHTED EXPOSURE AMOUNTS (SEK MILLION)		
4	Total risk exposure amount	6,783	4,935
	CAPITAL RATIOS (AS A PERCENTAGE OF RISK-WEIGHTED EXPOSURE AMOUNT)		
5	Common Equity Tier 1 capital ratio	16.33	20.87
6	Tier 1 capital ratio	20.38	20.87
7	Total capital ratio	21.82	22.84
	ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS RISKS OTHER THAN THE RISK OF EXCESSIVE LEVERAGE (AS A PERCENTAGE OF RISK-WEIGHTED EXPOSURE AMOUNT)		
EU7a	Additional own funds requirements to address risks other than the risk of excessive leverage	2.34	2.34
EU7b	Of which: to be made up of CET1 capital	1.32	1.32
EU7c	Of which: to be made up of Tier 1 capital	1.76	1.76
EU7d	Total Supervisory Review and Evaluation Process (SREP) capital requirements	10.34	10.34
	COMBINED BUFFER REQUIREMENT AND OVERALL CAPITAL REQUIREMENT (AS A PERCENTAGE OF RISK-WEIGHTED EXPOSURE AMOUNT)		
8	Capital conservation buffer	2.50	2.50
EU8a	Conservation buffer due to macroprudential or systemic risk identified at the level of a Member State	0.00	0.00
9	Institution-specific countercyclical capital buffer	1.89	1.90
EU9a	Systemic risk buffer	0.00	0.00
10	Global Systemically Important Institution buffer	0.00	0.00
EU10a	Other Systemically Important Institutions buffer	0.00	0.00
11	Combined buffer requirement	4.39	4.40
EU11a	Overall capital requirement	14.73	14.74
12	CET1 available to meet buffer requirements (as a percentage of risk-weighted exposure amount)	1.60	6.12
	LEVERAGE RATIO (SEK MILLION)		
13	Total exposure measure	9,580	7,414
14	Leverage ratio (%)	14.43	13.89
	ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS THE RISK OF EXCESSIVE LEVERAGE (AS A PERCENTAGE OF TOTAL EXPOSURE MEASURE)		
EU14a	Additional own funds requirements to address the risk of excessive leverage	0.00	0.00
EU14b	Of which: to be made up of CET1 capital	0.00	0.00
EU14c	Total SREP leverage ratio requirements	3.00	3.00
	LEVERAGE RATIO BUFFER REQUIREMENT AND OVERALL LEVERAGE RATIO REQUIREMENT (AS A PERCENTAGE OF TOTAL EXPOSURE MEASURE)		
EU14d	Leverage ratio buffer requirement	0.00	0.00
EU14e	Overall leverage ratio requirement	3.00	3.00
	LIQUIDITY COVERAGE RATIO (SEK MILLION)		
15	Total high-quality liquid assets (weighted value - average)	1,284	648
EU16a	Cash outflows - total weighted value	764	646
EU16b	Total cash inflows - weighted value	634	757
16	Total net cash outflows (adjusted value)	191	162
17	Liquidity coverage ratio (%)	672.56	401.37
	NET STABLE FUNDING RATIO (SEK MILLION)		
18	Total available stable funding	7,880	5,997
19	Total required stable funding	6,171	4,873
20	Net stable funding ratio (%)	127.69	123.07

The table below is presented in accordance with FFFS 2014:12

Consolidated situation	30 Jun 2026
RISK-BASED CAPITAL REQUIREMENTS (SEK MILLION)	
Risk-weighted exposure amount	6,783
Pillar 1 requirement (%)	8.00
Pillar 1 requirement	543
Pillar 2 requirement attributable to the SREP process (%)	2.34
Pillar 2 requirement attributable to the SREP process	159
Combined buffer requirement (%)	4.39
Combined buffer requirement	298
Pillar 2 guidance (%)	3.50
Pillar 2 guidance	237
Total target own funds (%)	18.23
Total target own funds	1,237
OWN FUNDS (SEK MILLION)	
Common Equity Tier 1 ratio (%)	16.33
Common Equity Tier 1	1,107
Additional Tier 1 ratio (%)	4.05
Additional Tier 1	275
Tier 2 ratio (%)	1.44
Tier 2	98
Total capital ratio (%)	21.82
Total own funds	1,480
LEVERAGE RATIO REQUIREMENT (SEK MILLION)	
Leverage ratio total exposure measure	9,580
Pillar 1 requirement (%)	3.00
Pillar 1 requirement	287
Pillar 2 requirement attributable to the SREP process (%)	0.00
Pillar 2 requirement attributable to the SREP process	0
Pillar 2 guidance (%)	3.00
Pillar 2 guidance	287
Total leverage ratio requirement (%)	6.00
Total leverage ratio requirement	575
LEVERAGE RATIO	
Tier 1 capital	1,382
Leverage ratio (%)	14.43

			Capital buffers			
	Minimum capital requirement	Pillar 2 requirement	CCoB	CCyB	Combined buffer requirement	Total
%						
Common Equity Tier 1 capital	4.5	1.32	2.5	1.9	4.4	10.22
Tier 1 capital	6	1.76	2.5	1.9	4.4	12.16
Own funds	8	2.34	2.5	1.9	4.4	14.74
SEK MILLION						
Common Equity Tier 1 capital	305	90	170	129	298	693
Tier 1 capital	407	119	170	129	298	825
Own funds	543	159	170	129	298	1,000

Board of Directors' and CEO's affirmation

The Board of Directors and the CEO assure that the interim report gives a true and fair view of the Group's operations, position and earnings, and describes material risks and uncertainties facing the Group. This interim report has not been audited by the Group's auditor.

Tomas Åberg
Chairman of the Board

Fredrik Wedin
Member of the Board

Simon Lindfors
Member of the Board

Hikmet Ego
Member of the Board

Margareta Lindahl Gelin
Member of the Board

Louise Bagewitz
Member of the Board

Julie Chatterjee
CEO

Definitions

To enhance the understanding of the Group's financial performance and position, certain alternative performance measures (APMs) not defined under IFRS are used. Their definitions are provided below:

Adjusted return on equity

Profit for the period from continuing operations, annualised, divided by average equity excluding Additional Tier 1 capital instruments.

Capital ratio

The own funds divided by the risk exposure amount.

C/I ratio

Operating expenses for the period divided by operating income for the period.

Credit loss ratio

Credit losses for the period, annualised, divided by the average gross portfolio.

Common Equity Tier 1 ratio

Common Equity Tier 1 capital divided by the risk exposure amount.

Tier 1 capital ratio

Tier 1 capital divided by the risk exposure amount.

Net interest margin

Net interest income for the period, annualised, divided by the average gross portfolio.

Gross portfolio

Loans to the public before deductions for expected credit losses and loan brokerage expenses.

northmill bank®

2026