

northmill bank[®]

Group

Investor update

Q2 2025

Today's presenters



Julie Chatterjee | CEO



Emil Folkesson | CFO

Content

This is Northmill

Highlights Q2 2025

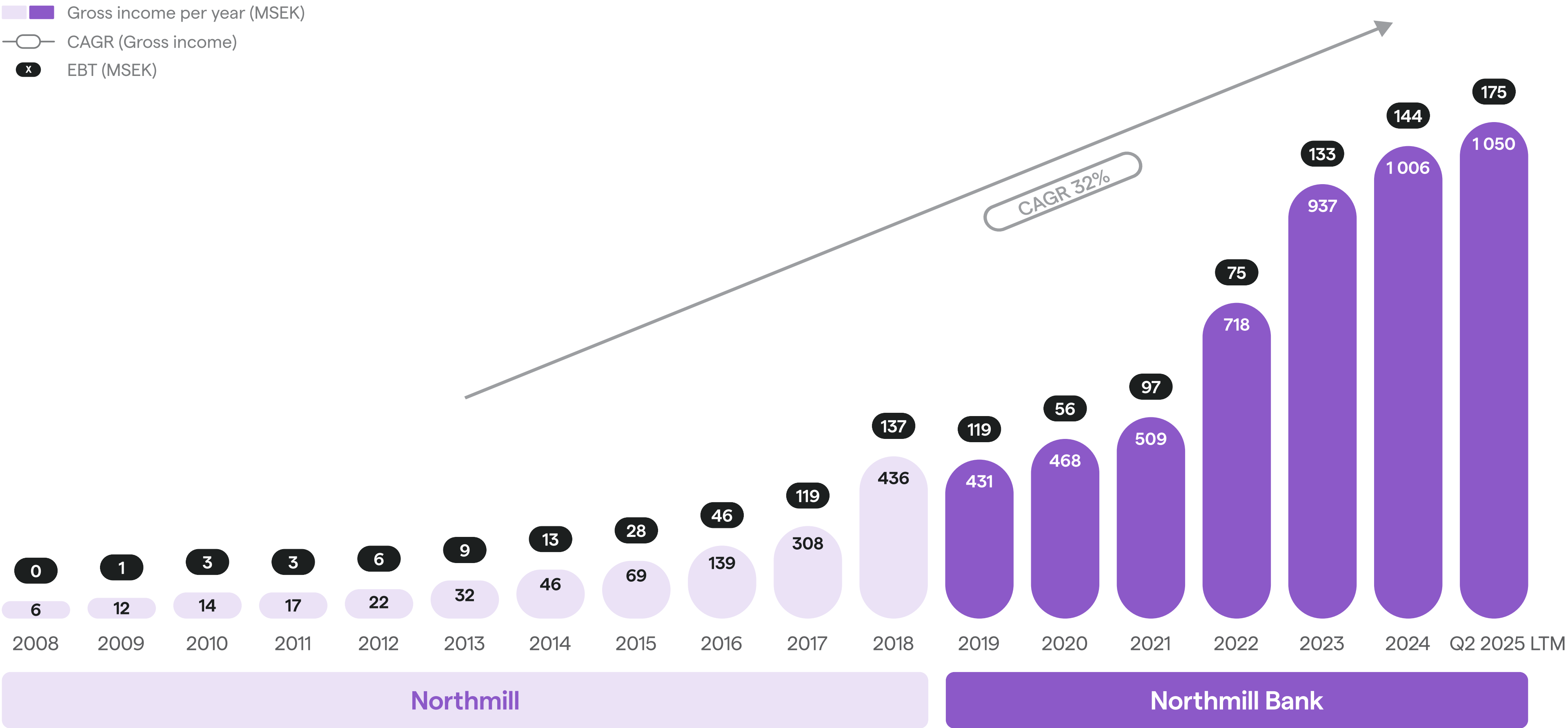
Financials

Summary

Q&A

This is Northmill

Proven track record with scalable infrastructure in place to enable exponential growth



Total customers
175 000
per Q2 2025

Total businesses
4 000

Banking licence since
2019

Number of employees
~190

Countries
4

Years profitable
18/18

★ Trustpilot 4.6 per 20250826
★★★★★

App Store Reviews
4.8 ★★★★★

Our vision is to **Improve Financial Life**

How we differentiate

IMPROVE

ACCESSIBLE

SIMPLER

SMARTER

FASTER

CHEAPER

What we offer

FINANCIAL

PAYMENTS

**CARDS &
ACCOUNTS**

LENDING

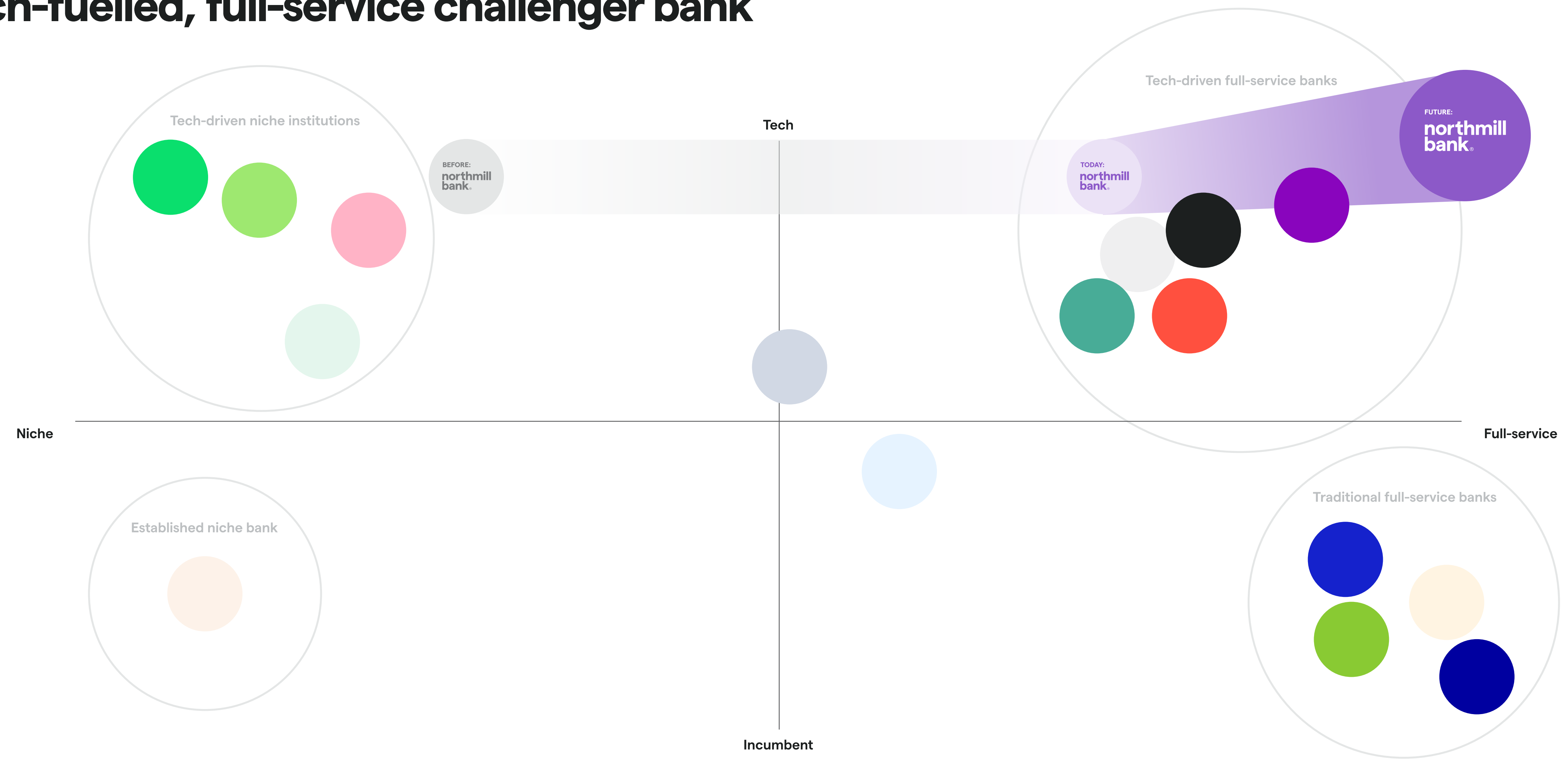
To who

LIFE

CONSUMERS

BUSINESSES

Moving from a high-tech niche player to tech-fuelled, full-service challenger bank



For consumers and businesses in the Nordic market

Nordic market (GDP)

12th Largest in the world

Sweden, Norway, Denmark, Finland - measured by GDP

Population

28M

Average age approximately 42 y/o

Businesses

2.7M

99% of businesses are SMEs

B2C

Consumer

Individuals seeking seamless, digital-first banking solutions designed to optimise their personal finances and simplify their day-to-day banking experience.

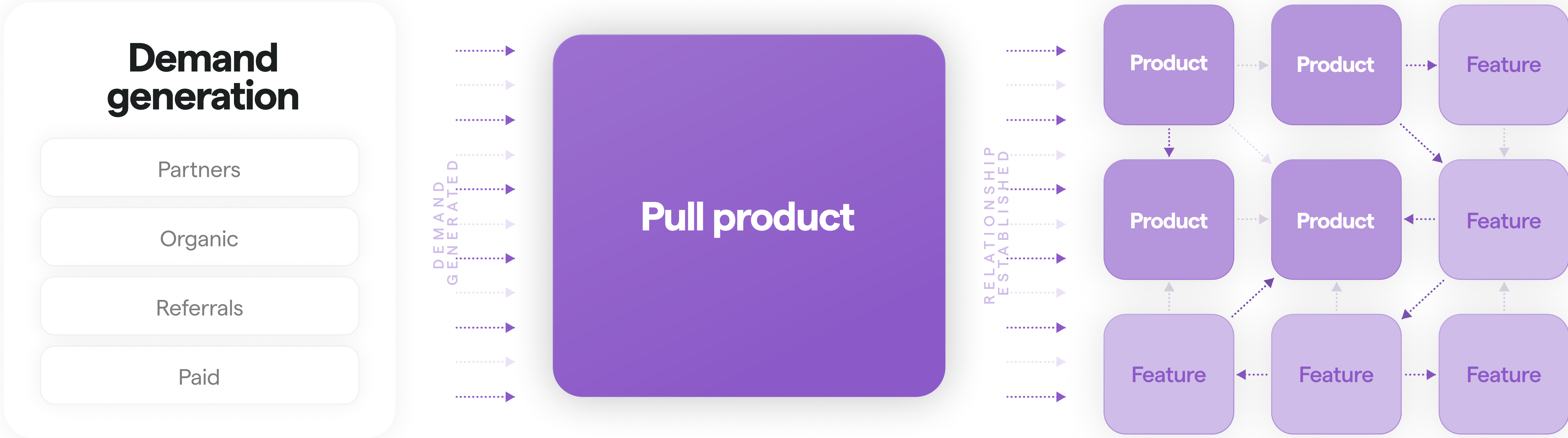
B2B

Business

Serving as a one-stop-shop for SMEs, while also having the capability to serve a diverse range of businesses of various sizes with individual products.

We fuel growth with accessible pull products and integrated cross-selling

AI-augmented CRM tooling / Automated onboarding and journeys with built in cross-selling / Bespoke sales outreach



Best-in-class customer service for maintenance, onboarding and upsell

Highlights Q2 2025

Key takeaways

Sustained momentum with strong top-line & profitability growth H1:

- Operating income up +13%
(416MSEK, +48MSEK vs H1 2024)
- Profitability accelerating: EBT surged +46%
(100MSEK +31MSEK vs H1 2024)

Commercial strategy delivering during Q2:

- Card customer base grew by 136% YoY, reaching 92.000 by the end of the quarter.
- Record high transaction income of 26 MSEK in the quarter

Loan portfolio growth continuing across segments:

- B2B portfolio now exceeding 0.5 billion BSEK
- All-time-high B2C sales during the quarter of 626 MSEK

Execution on roadmap:

- Continued delivery of new products and features, reinforcing our position as a tech-driven challenger bank

212 MSEK

Operating income (187 MSEK Q2 2024)

6.4%

Net credit losses % (7.7% Q2 2024)

56 MSEK

EBT (46 MSEK Q2 2024)

+22%

EBT YoY

4 725 MSEK

Gross portfolio (3 917 MSEK Q2 2024)

92K

Card customers (39K Q2 2024)

4.6 out of 5

TrustPilot rating (2K reviews)

4.8 out of 5

Apple App Store rating (6K reviews)

B2C

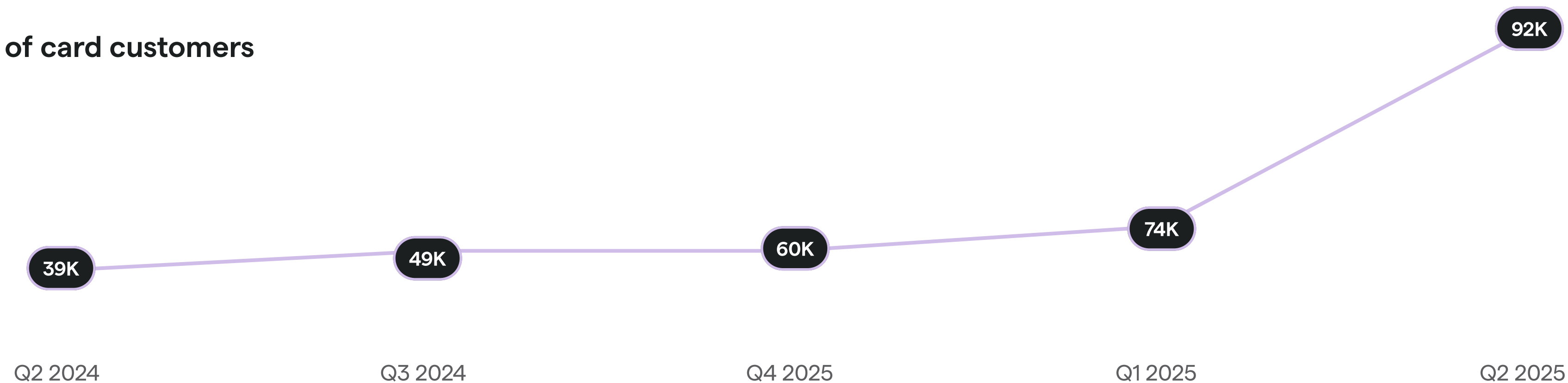
Events during Q2

- Launched a successful card campaign, resulting in a strong inflow of new customers.
- All-time-high B2C sales during the quarter of 626MSEK
- Credit losses continue to fall.

Looking ahead

- Secured lending product in Sweden.
- Secured car loans in Finland.
- Develop our card offering.

Number of card customers



SUMMER CAMPAIGN: 16.06.25 - 24.08.25

Card base surpasses 140K – over 60% growth from summer campaign

Incentive:

101 kr

Sign-up bonus for all customers

Offering:

Totally free
No FX surcharge
Travel insurance
2-minute sign-up

360° channel mix:

Digital
Out-of-home
Podcasts
Refer-a-friend



App store

#1

Became most downloaded financial app in Sweden

Cross-sell

>40%

Summer campaign card users applying for another product.

Customer acquisition cost reduced by

>56%

Measured against baseline media CAC. With stable CAC after incentives.

B2B

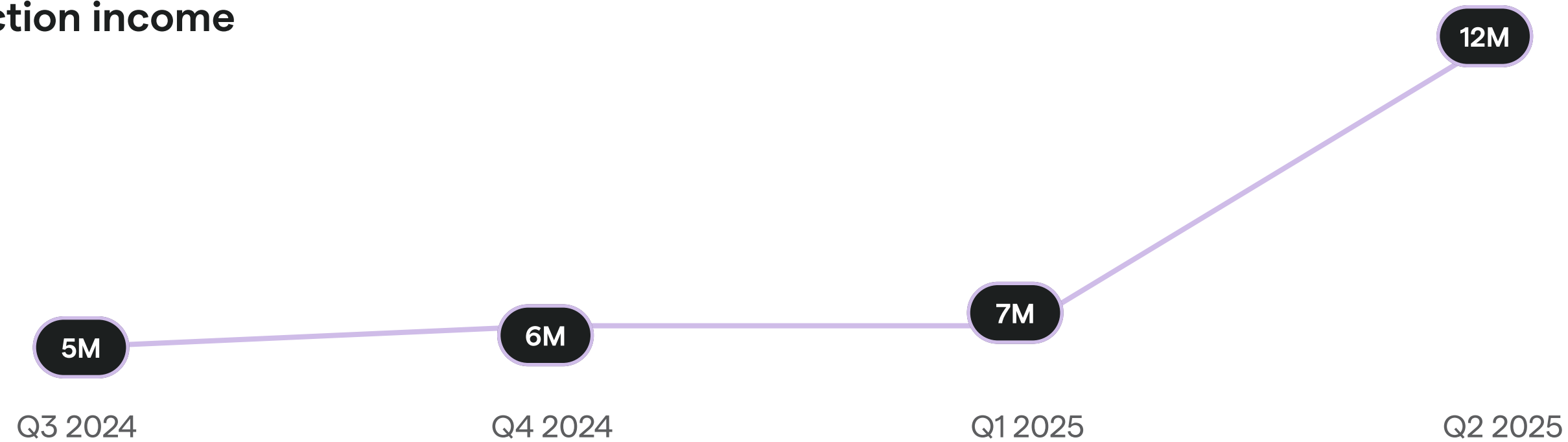
Events during Q2

- Lending portfolio exceeds 550 MSEK.
- Record quarter for transaction income.
- Two new products launched this quarter: Escrow Account and Bank Certificate.

Looking ahead

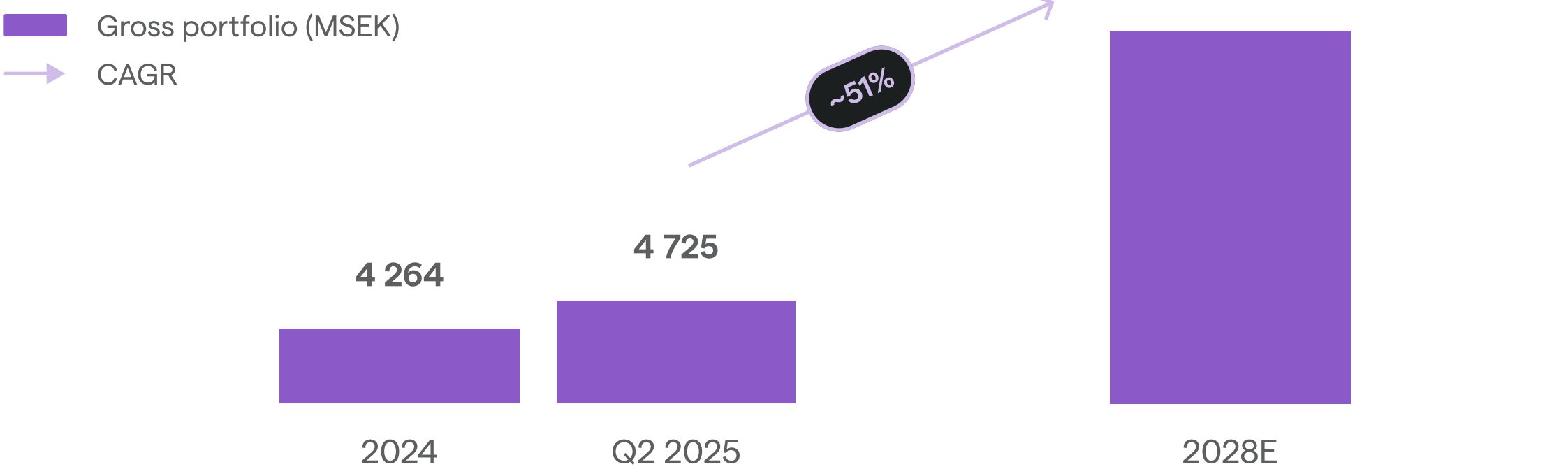
- Correspondent bank for large PSP
- Robust pipeline driving future B2B lending growth.
- Expanding transaction income through greater activity.

Transaction income

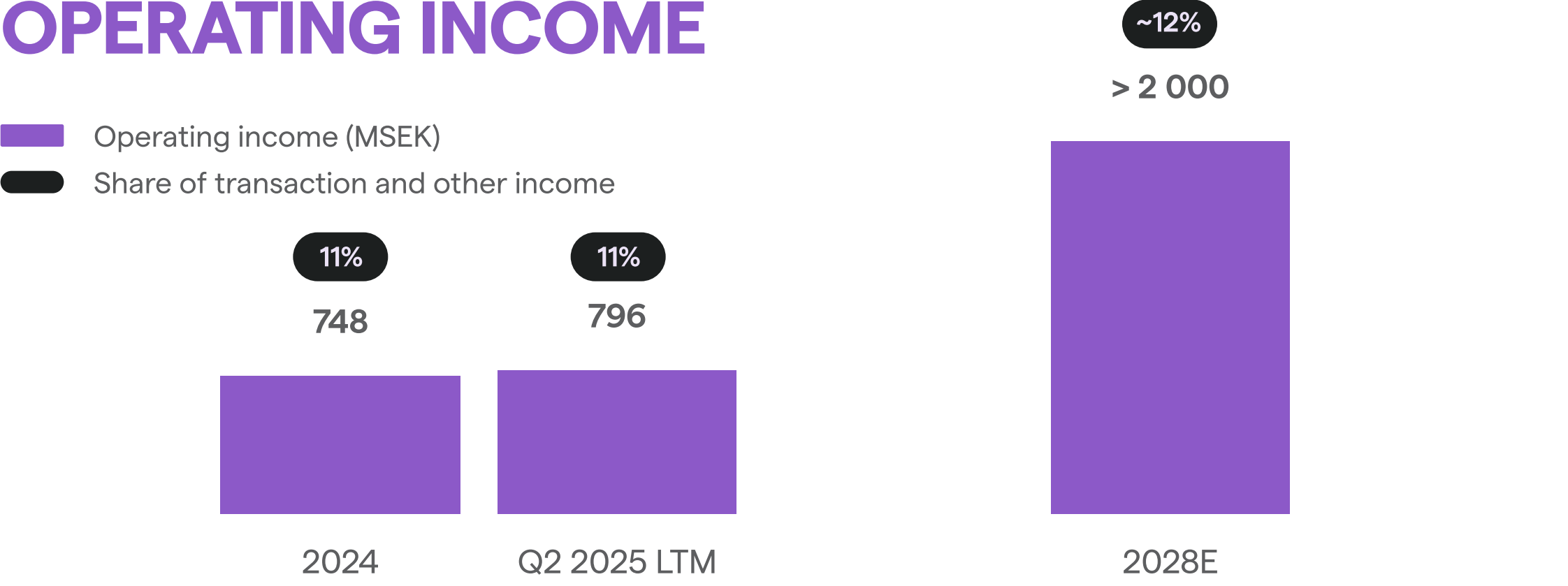


On track to deliver on the main owners' directive

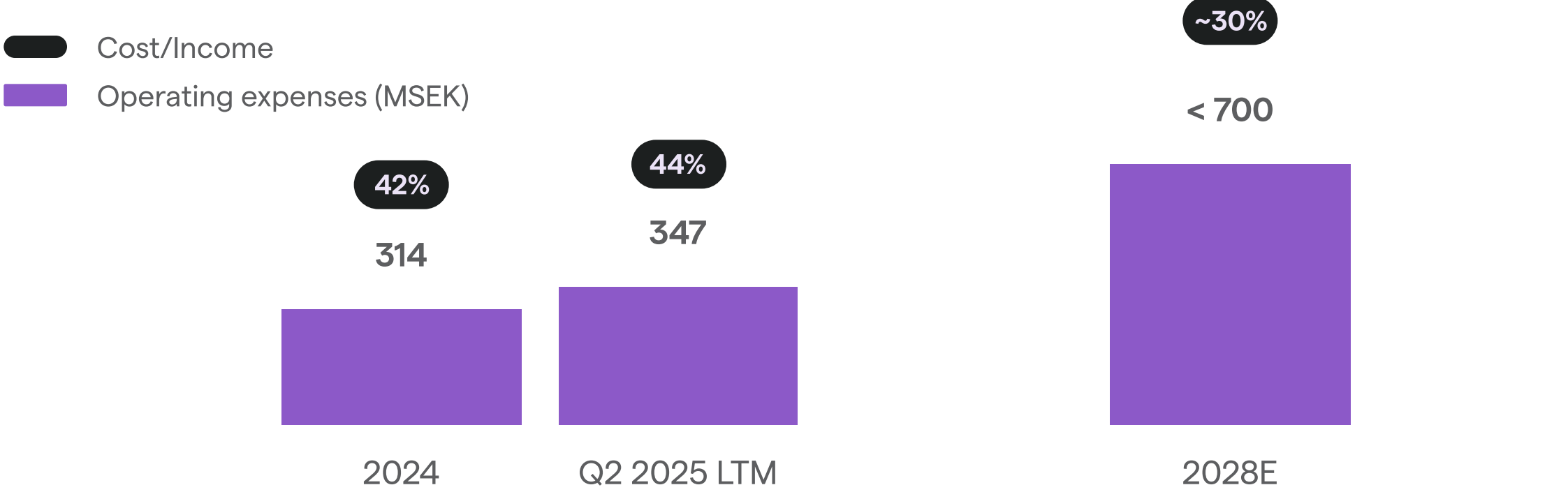
PORTFOLIO



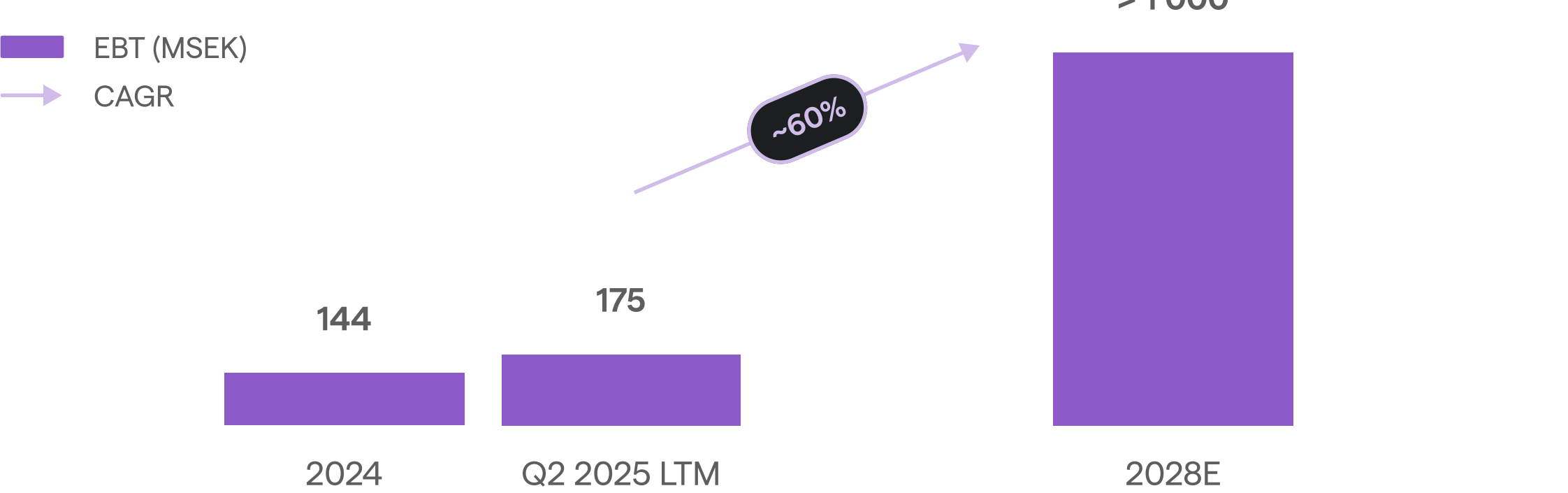
OPERATING INCOME



OPERATING EXPENSES



PROFITABILITY



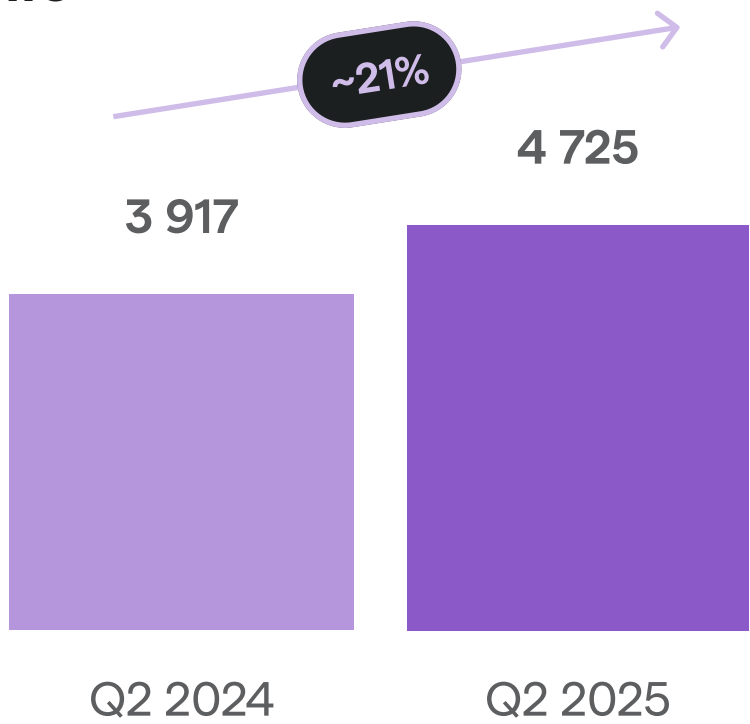
Financials

Key takeaways

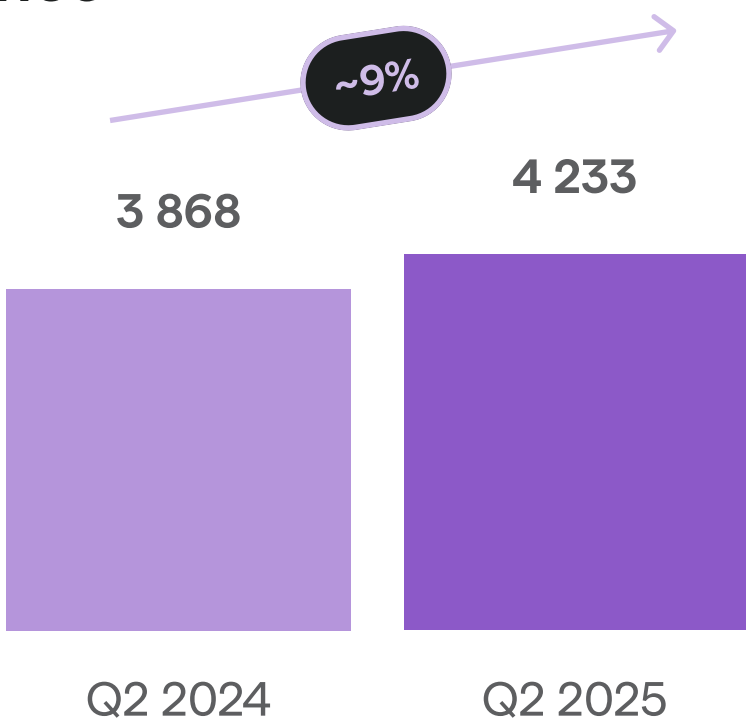
- Gross portfolio up 21% YoY, led by strong B2B lending growth.
- Operating income up 13% YoY, driven by lower funding costs and increased income from transaction & other income.
- Operating expenses aligned with growth of our business.
- Solid development of EBT, 56 MSEK in Q2 2025, up 22 % YoY and 45 % YTD.

	Q2 2025	Q2 2024	Change %
Operating income	212	187	13%
Operating expenses	92	72	28%
C/I ratio LTM	44%	39%	+5pp
Credit losses	64	69	-7%
Net credit losses LTM %	6.4%	7.7%	-1.3pp
EBT	56	46	22%
ROE LTM	16%	14%	+2pp

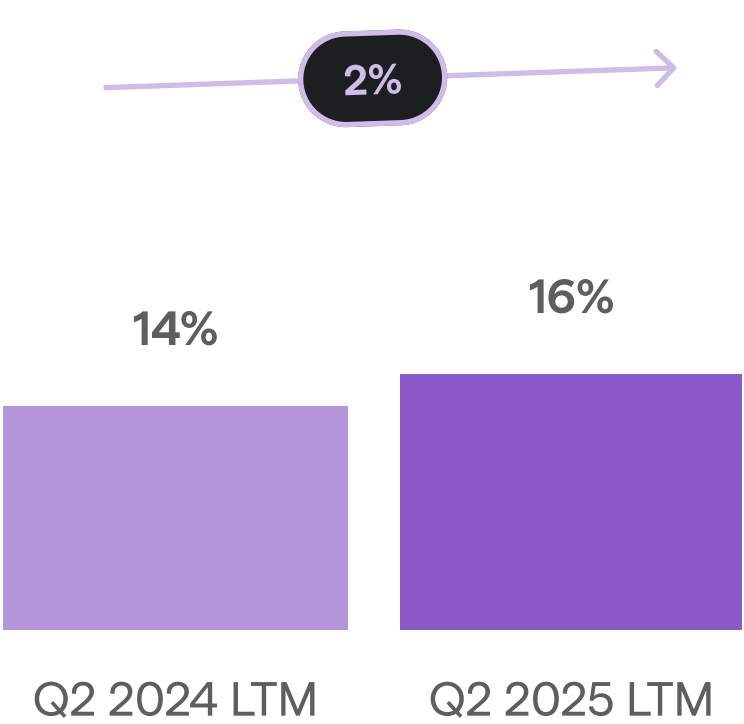
Gross portfolio



Deposit balance



ROE



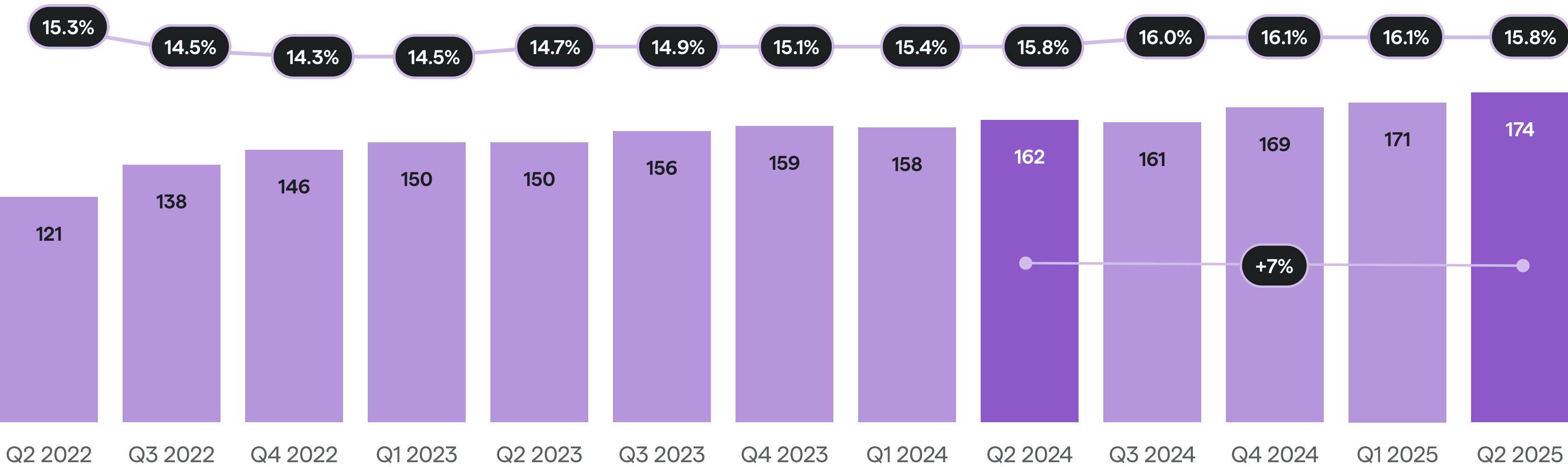
B2C: Record customer growth and strong financial performance

- The number of card customers grew by 136% YoY, reaching 92K.
- Record new lending while successfully reducing credit losses by 7% YoY.
- Future plans include driving growth with a new mortgage offering and secured car loans.
- Average revenue per customer amounted to 13 KSEK during the quarter.

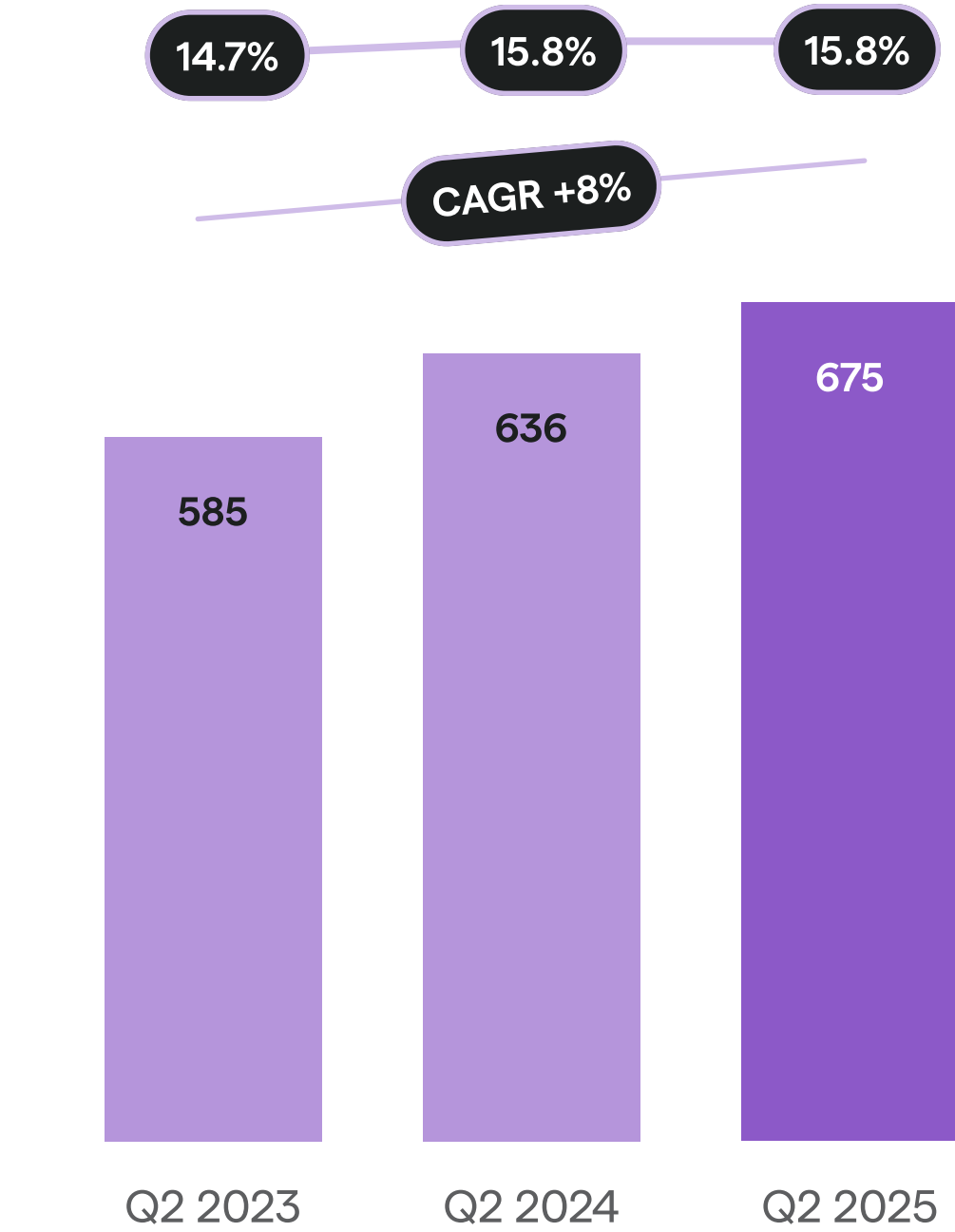
Net interest income

Net interest income (MSEK)
Net interest margin % LTM*

*Net interest income/average gross portfolio LTM



Net interest income, LTM (MSEK)



B2B: Substantial growth and expands product offering

- The lending portfolio grew significantly, surpassed 550 MSEK.
- Transaction income showed explosive growth, reaching more than 12 MSEK during the second quarter.
- We successfully expanded our offering by launching two new products and continue to maintain a robust pipeline for future lending.

Loan book

Client base

↑107% CAGR
from Dec-2024

Portfolio

550 MSEK
+162% from Dec-2024

Utilisation

80%

Transaction income

↑250%

increase in revenue, from Q4 2024

36 MSEK

Transaction income Q2 2025 LTM

Business accounts

+37%

Business Accounts
during Q2 2025

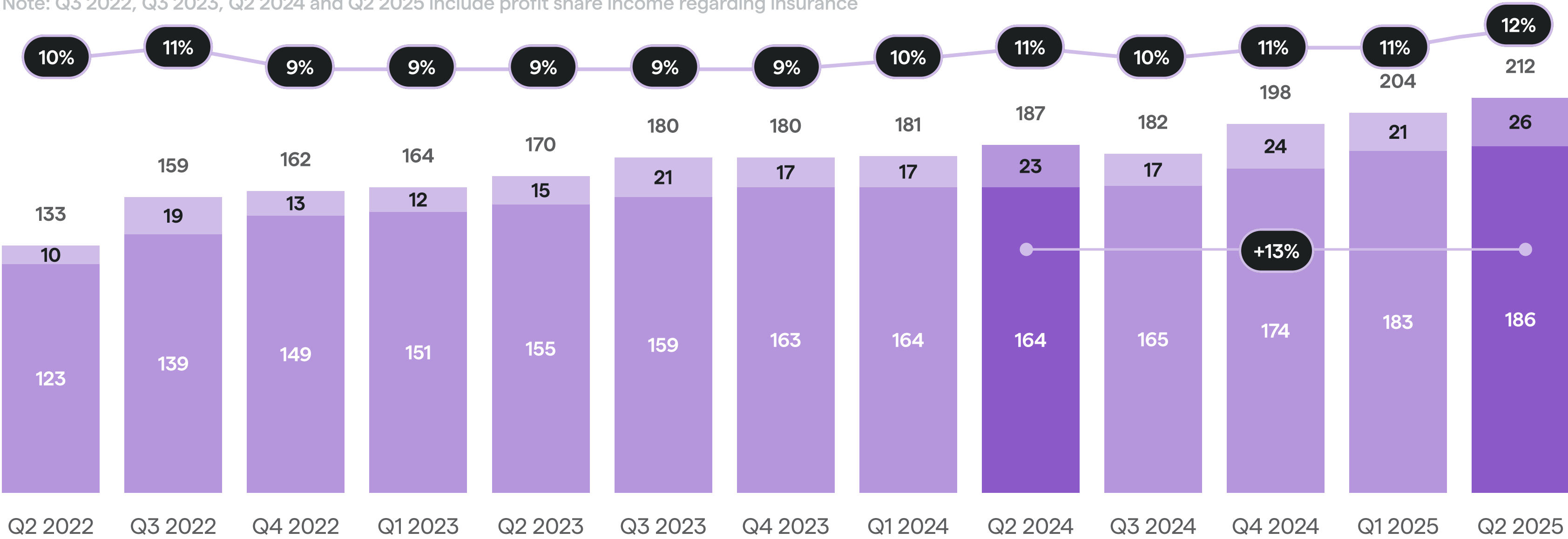
Operating income maintaining steady momentum

- Net interest income rises on the back of portfolio growth and cost-efficient funding.
- In Q2 2025, transaction and other income constitutes 12% of the total income compared to 11% in Q2 2024.

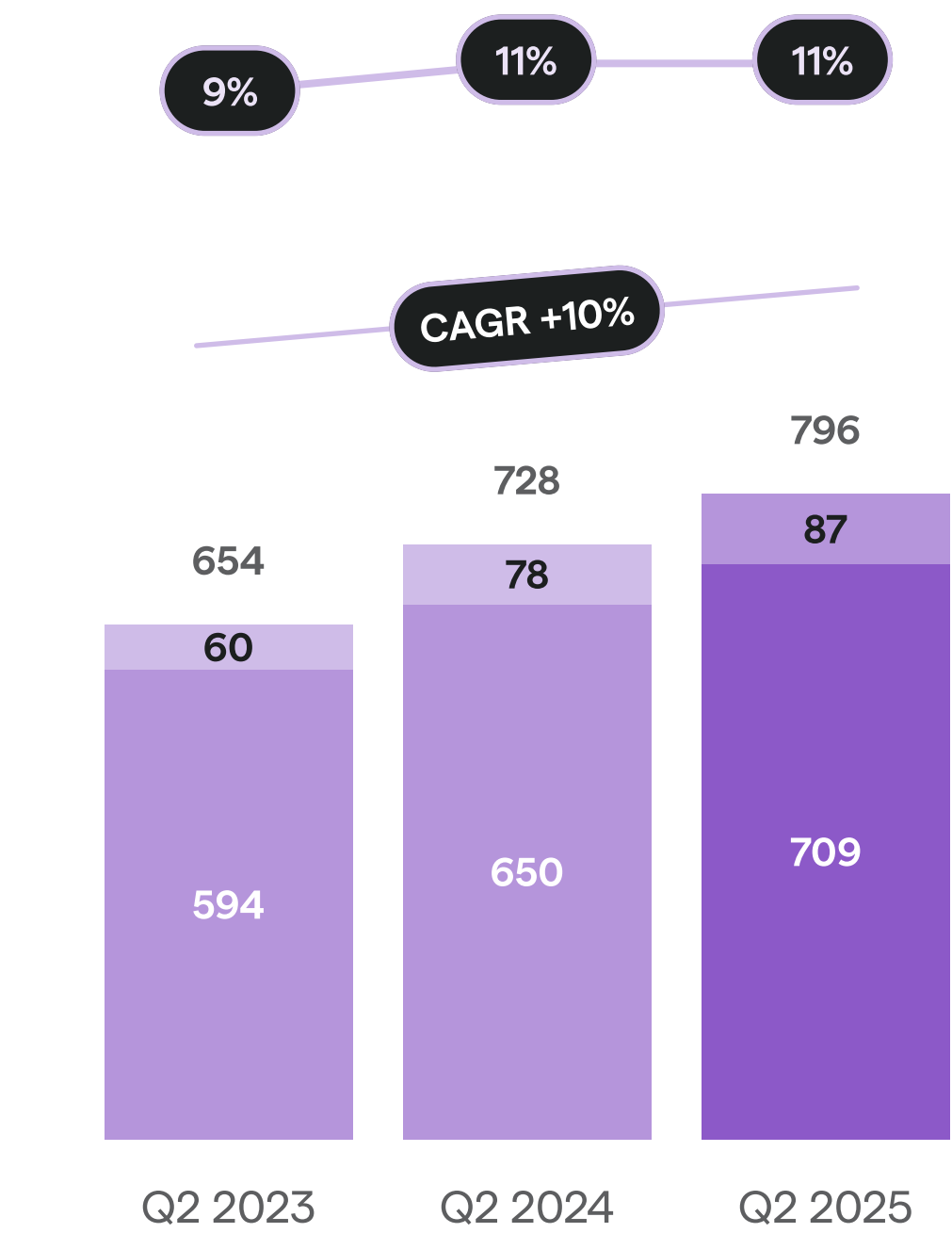
Portfolio/transaction and other income

- Portfolio income (MSEK)
- Transaction and other income (MSEK)
- Transaction and other income %

Note: Q3 2022, Q3 2023, Q2 2024 and Q2 2025 include profit share income regarding insurance



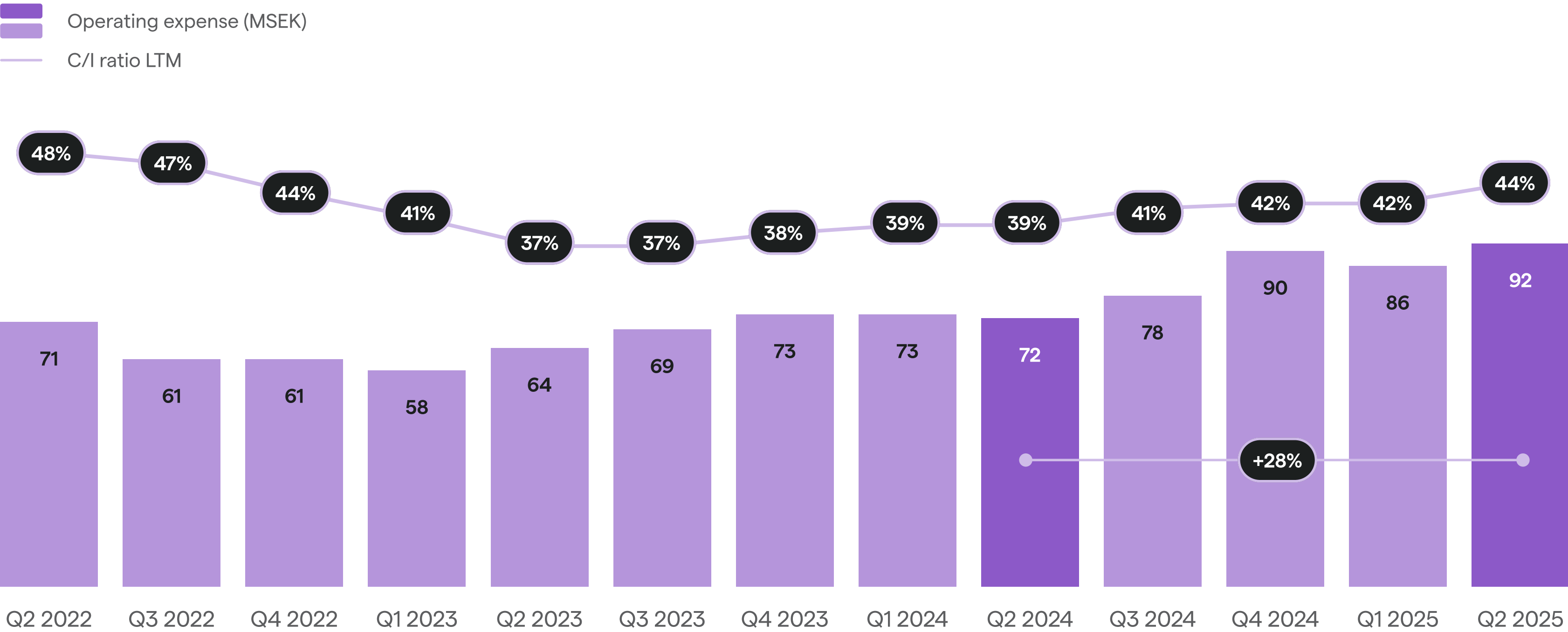
Operating income, LTM (MSEK)



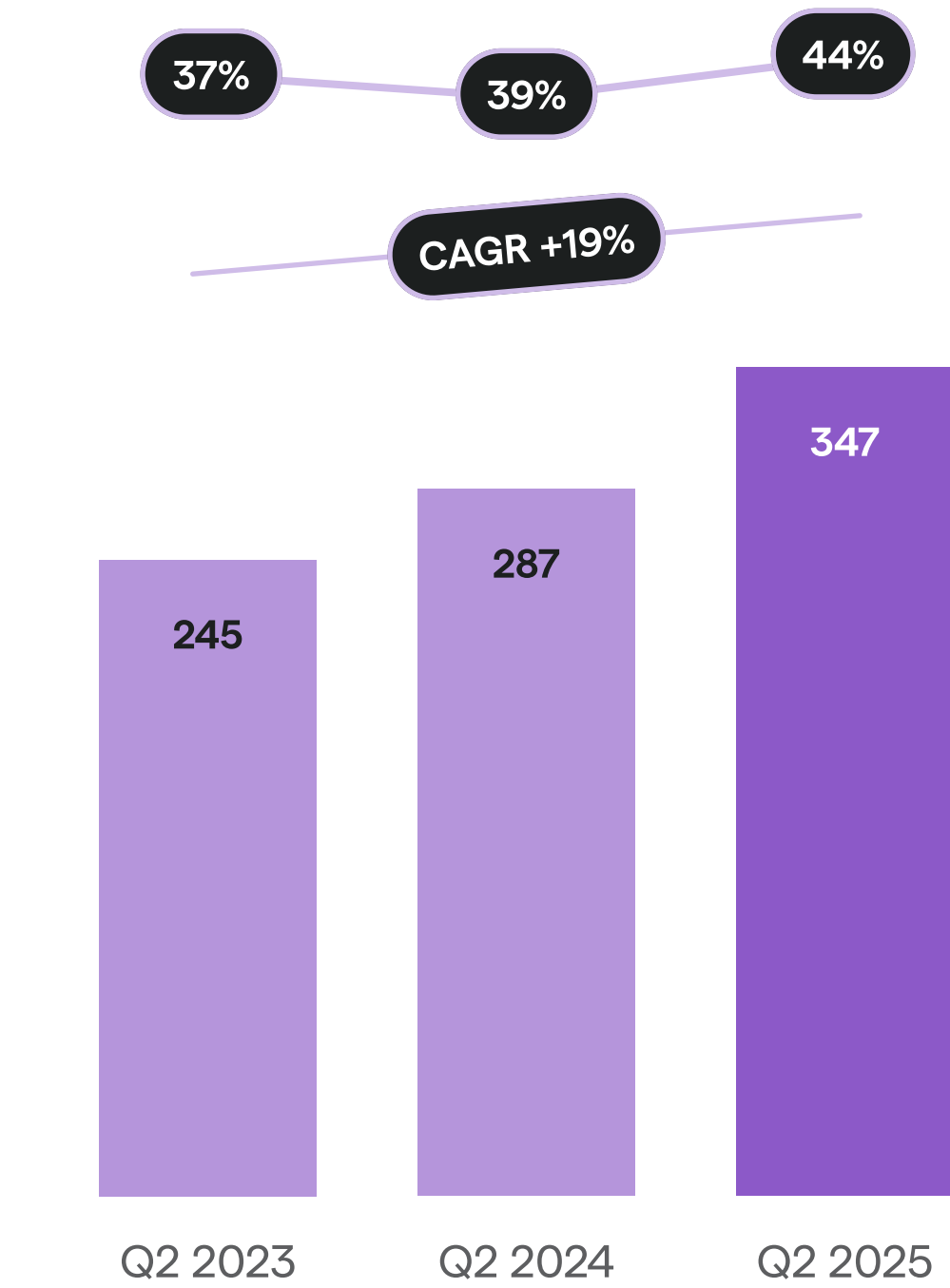
Investing for growth and scaling the business

- Cost increase to fuel platform expansion and long-term growth.
- Stable underlying costs, with personnel expenses contributing to the increase.
- C/I ratio up 5 pp YoY.

C/I Ratio



Operating expense, LTM (MSEK)

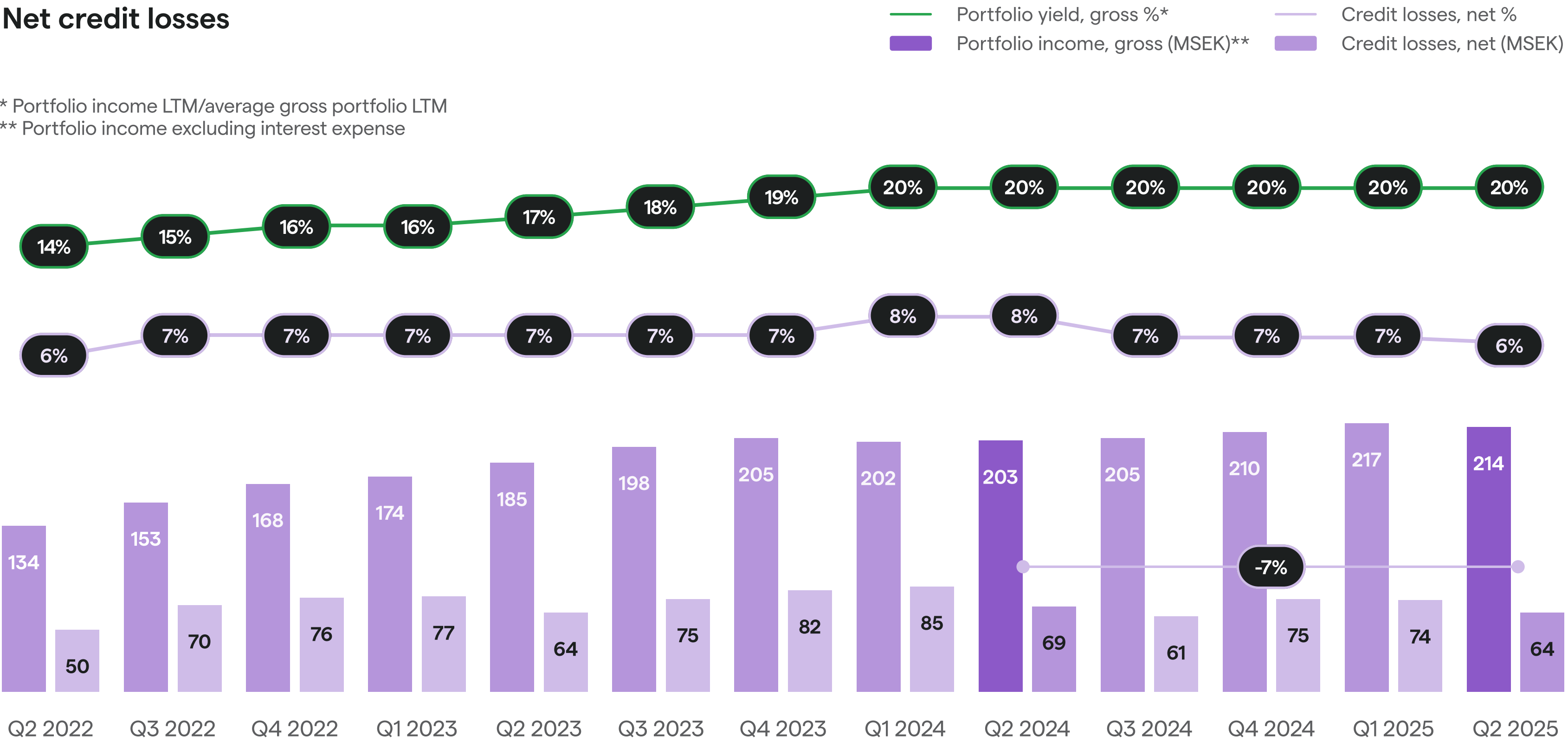


Continued positive trend in credit losses

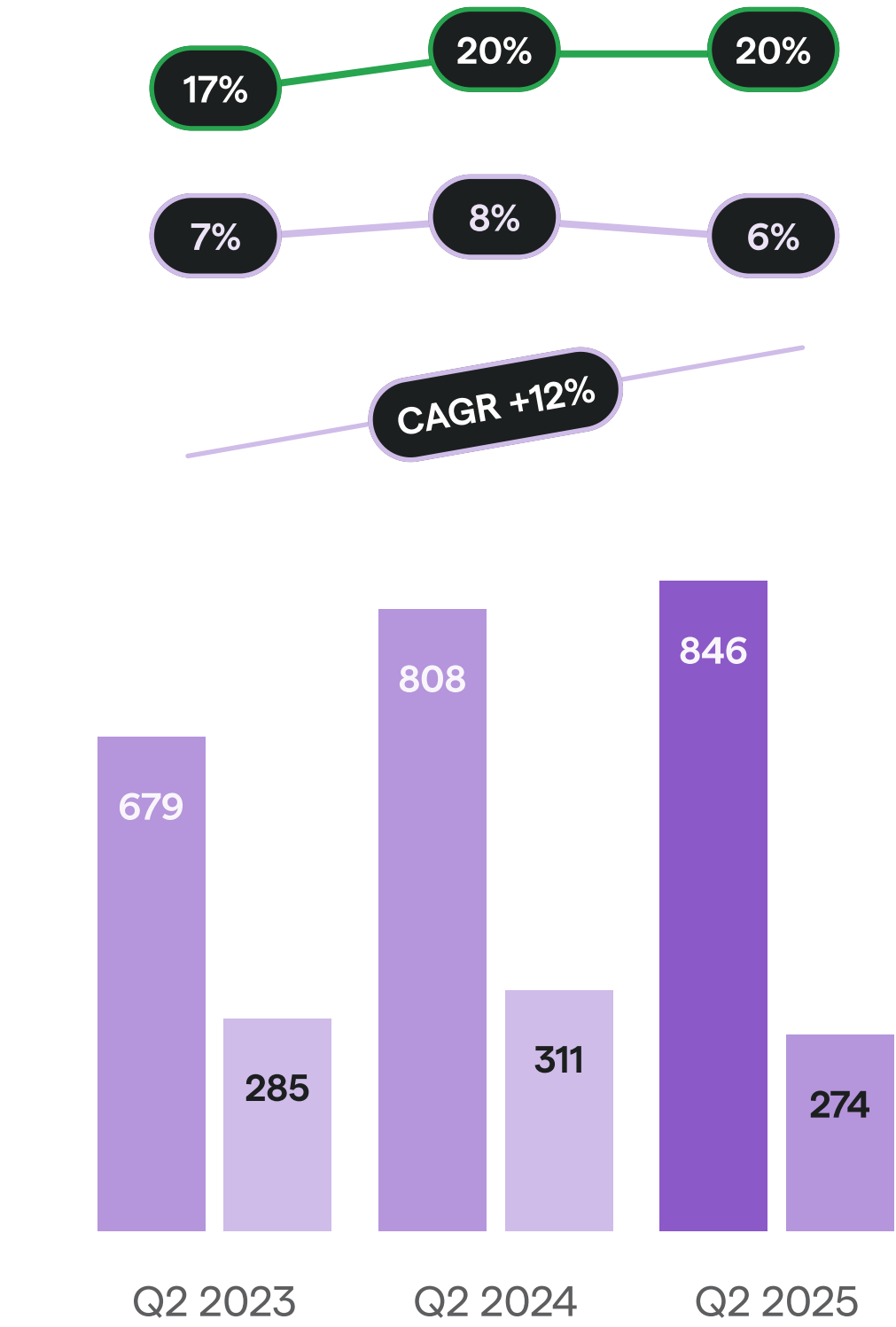
- A reduction in credit losses of 5 MSEK YoY.
- Loan loss rate of 6 %.

Net credit losses

* Portfolio income LTM/average gross portfolio LTM
** Portfolio income excluding interest expense



Net credit losses, LTM (MSEK)

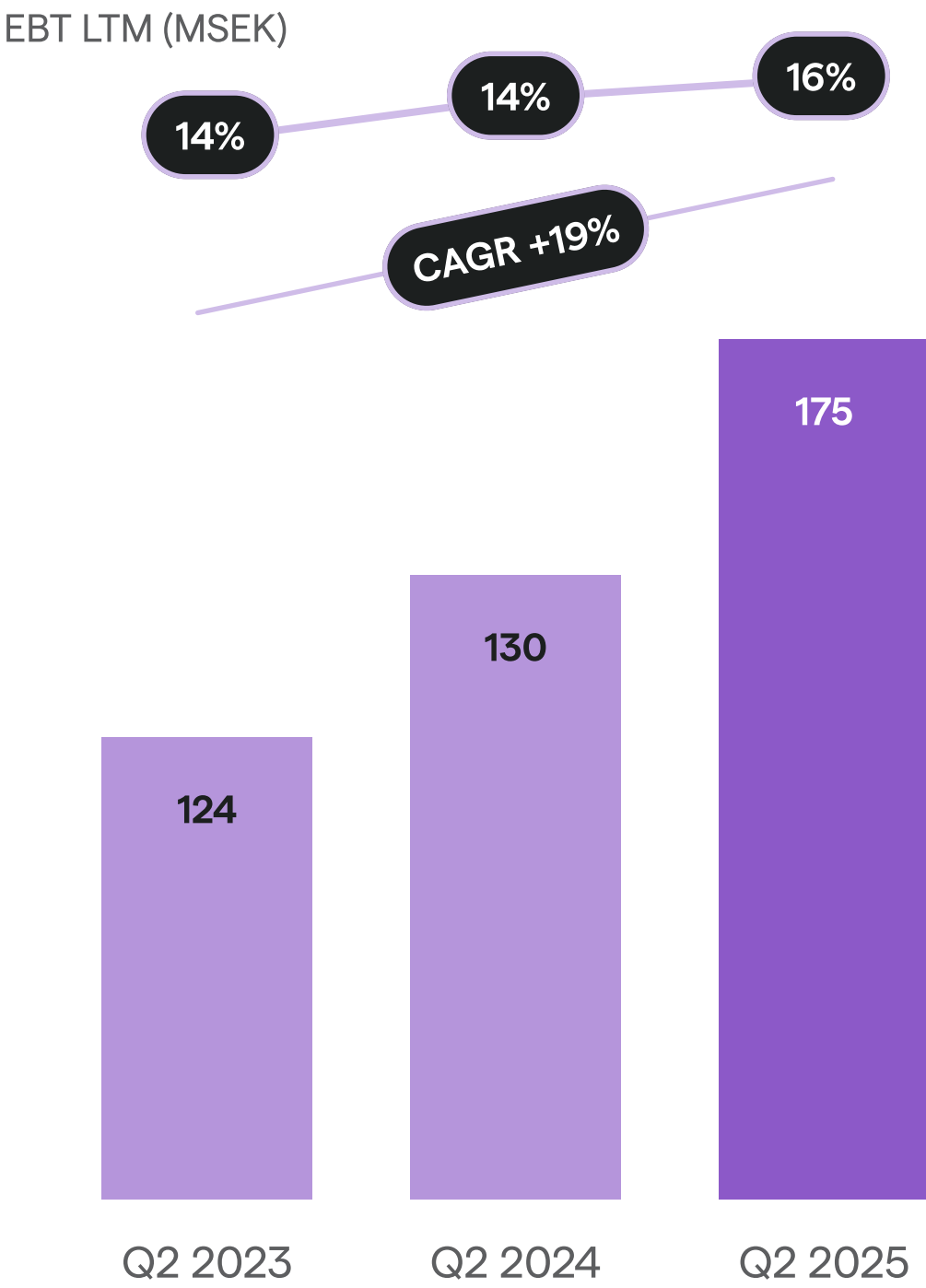
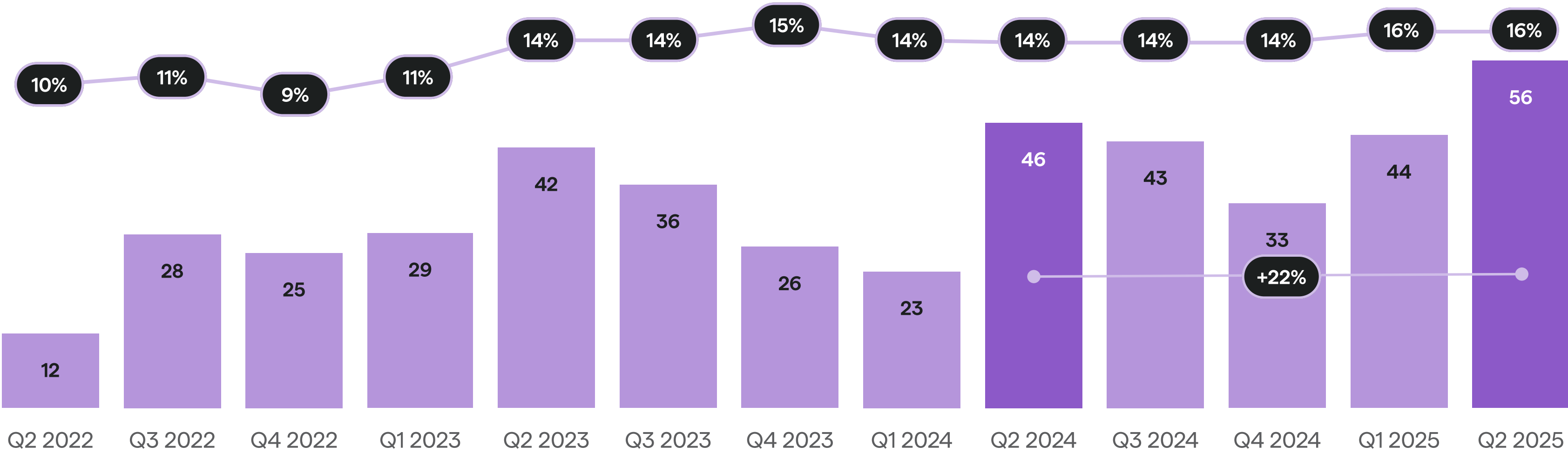


All time high quarterly EBT of 56 MSEK

- ROE LTM holds at 16%.
- The increase YoY is driven by larger portfolio, lower funding costs, and higher transaction income.
- EBT LTM reached 175 MSEK, up from 130 MSEK in Q2 2024, representing a 35% increase.

Return on Equity

EBT (MSEK)
ROE LTM



EBT growth driven by net interest income

- EBT grew 22% primarily from net improved interest net
- Transaction income growth outpacing net interest income growth
- Investing in the platform increase costs compared to last year

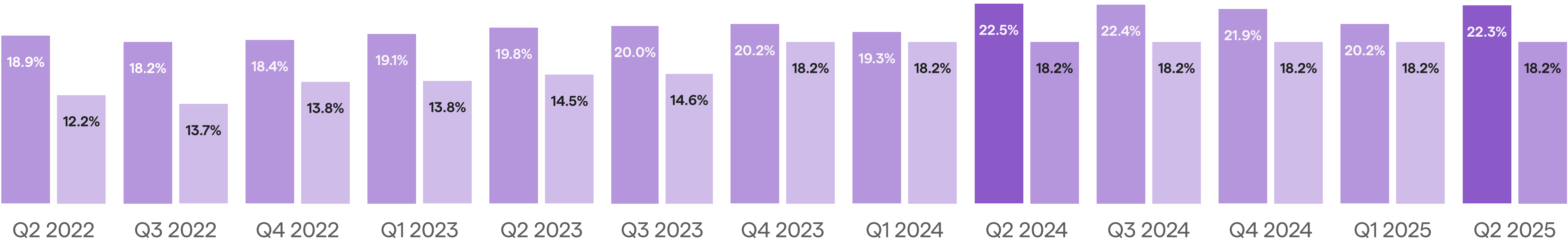
Earnings Before Tax



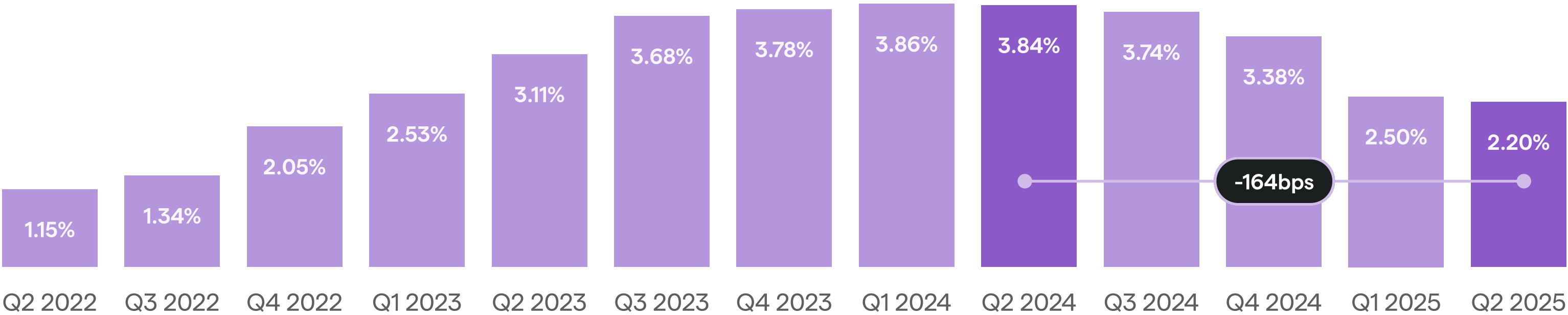
Well capitalised to facilitate growth and continued favourable funding environment

Capital

CET1 capital (% of REA)
Total capital requirement (% of REA)



Cost of funding



- Funding costs fell in Q2, benefiting from lower market rates.
- Both LCR and NSFR remain comfortably above regulatory requirements.

Summary

Key takeaways

Sustained momentum with strong top-line & profitability growth H1:

- Operating income up +13%
(416MSEK, +48MSEK vs H1 2024)
- Profitability accelerating: EBT surged +46%
(100MSEK +31MSEK vs H1 2024)

Commercial strategy delivering during Q2:

- Card customer base grew by 136% YoY, reaching 92.000 by the end of the quarter
- Record high transaction income of 26 MSEK in the quarter

Loan portfolio growth continuing across segments:

- B2B portfolio now exceeding 0.5 billion BSEK
- All-time-high B2C sales during the quarter of 626 MSEK

Execution on roadmap:

- Continued delivery of new products and features, reinforcing our position as a tech-driven challenger bank

Looking ahead

B2C

- Secured lending product in Sweden
- Secured car loans in Finland.
- Develop our card offering

B2B

- Correspondent bank for large PSP
- Robust pipeline driving future B2B lending growth.
- Expanding transaction income through greater activity.

Q&A

Definitions

Year-on-Year (YoY)

Change in a financial metric compared with the same period in the previous year.

Return on Equity (ROE)

Net profit attributable to shareholders in relation to average shareholder's equity during the period.

Cost-to-Income Ratio (C/I ratio)

Total operating expenses divided by total operating income.

Net Interest Margin (NIM)

Net interest income in relation to average interest-bearing assets.

Compound Annual Growth Rate (CAGR)

Average yearly growth over a period.

Last twelve months (LTM)

The total of a financial metric over the most recent 12 months.

Financial overview:

Income statement (KSEK)

	Q2 2025	Q2 2024	H1 2025	H1 2024	FY 2024
Interest income	210 704	201 882	421 419	398 611	740 237
Interest expense	27 668	38 955	61 462	77 467	133 048
Net interest income	183 037	162 927	359 957	321 143	607 189
Fee and commission income	37 784	25 203	70 292	48 776	121 248
Fee and commission expense	14 550	7 964	27 125	14 467	58 047
Net fee and commission income	23 233	17 239	43 167	34 309	63 201
Net result from financial transactions	148	1 408	1 144	1 596	3 768
Other operating income	5 535	5 480	11 947	11 092	19 737
Total operating income	211 953	187 055	16 215	368 140	693 895
General administrative expenses	82 465	62 825	159 079	126 689	225 580
Depreciation, amortisation and impairment of tangible and intangible assets	9 603	9 616	19 499	18 876	38 362
Total operating expenses	92 068	72 441	178 578	145 565	263 941
Profit before credit losses	119 885	114 614	237 638	222 575	429 954
Credit losses, net	63 998	68 595	137 828	154 032	68 595
Profit before taxes (EBT)	55 886	46 019	99 810	68 543	133 157
Income tax	10 453	8 852	18 444	12 959	27 430
Profit for the period	45 433	37 167	81 366	55 584	105 727
Statement of comprehensive income					
Gains and losses on consolidation	-92	13	-93	-151	- 78
Total comprehensive income for the period, net of tax	45 341	37 180	81 273	55 433	105 649

Financial overview:

Balance sheet

(KSEK)

Assets

Treasury bills eligible for repayment
Cash and balances with central banks
Lending to credit institutions
Lending to the public
Bonds and other interest-bearing securities
Intangible assets
Tangible assets
Other assets
Prepaid expenses and accrued income

Total assets

Liabilities

Deposits from the public
Other liabilities
Accrued expenses and prepaid income

Total liabilities

Equity

Share capital
Share premium reserve
Other reserves
Retained profit
Profit for the year

Total equity

Total liabilities and equity

Q2 2025

20 290
384 054
504 424
4 389 243
587
14 585
17 173
42 623
21 344

5 394 323

Q2 2024

198 033
214 110
533 987
3 705 498
101 276
36 096
40 581
32 685
20 525

4 882 792

FY 2024

149 659
378 240
425 762
3 984 542
101 252
20 989
29 439
35 544
19 274

5 144 700

4 233 367
170 984
35 146

4 439 498

3 905 003
134 700
27 285

4 066 988

4 069 596
170 383
23 438

4 263 417

541

541

541

187 685

187 685

187 685

-437

2 767

4 353

685 670

569 227

571 844

81 366

55 584

116 861

954 825

815 804

881 283

5 394 323

4 882 792

5 144 700

Thank you.