

Investor update

Q1 2025

northmill bank

A word from the CEO

We had a strong start to 2025, reporting an EBT of 44 MSEK, an increase of 95% compared to the first quarter of 2024. This growth was driven by increased transaction income, continued loan-book growth, an improved net interest margin and lower net credit losses.

Our B2B segment continued to accelerate during the quarter and the portfolio reached close to 400 MSEK in March. In addition, transactional banking, including Swish, has grown through several new strategic partnerships and we expect it to gain further momentum throughout the year.

For our B2C segment, we are rapidly growing our customer base with our attractive card offering and also achieving strong cross-sales with other products: to date 43% of our 70K card customers have applied for a loan product. Furthermore, the new insurance offering has increased the penetration rate to above 70% (44% Q4 2024), improving profitability and de-risking the portfolio.

As a technology-driven challenger bank, we are proud that Northmill Bank is one of only four banks able to offer real-time account-to-account payments (RIX-INST) to our B2B segment. We have commercialised the RIX-INST infrastructure, offering our customers a new and relevant product, simplifying their financial life. Being truly scalable we now have the technology to move cross-border with instant payments across the Eurozone.

Together with our customers and partners, we're shaping the future of financial services—simpler, faster, and more accessible than ever.

Julie Chatterjee
CEO

Content

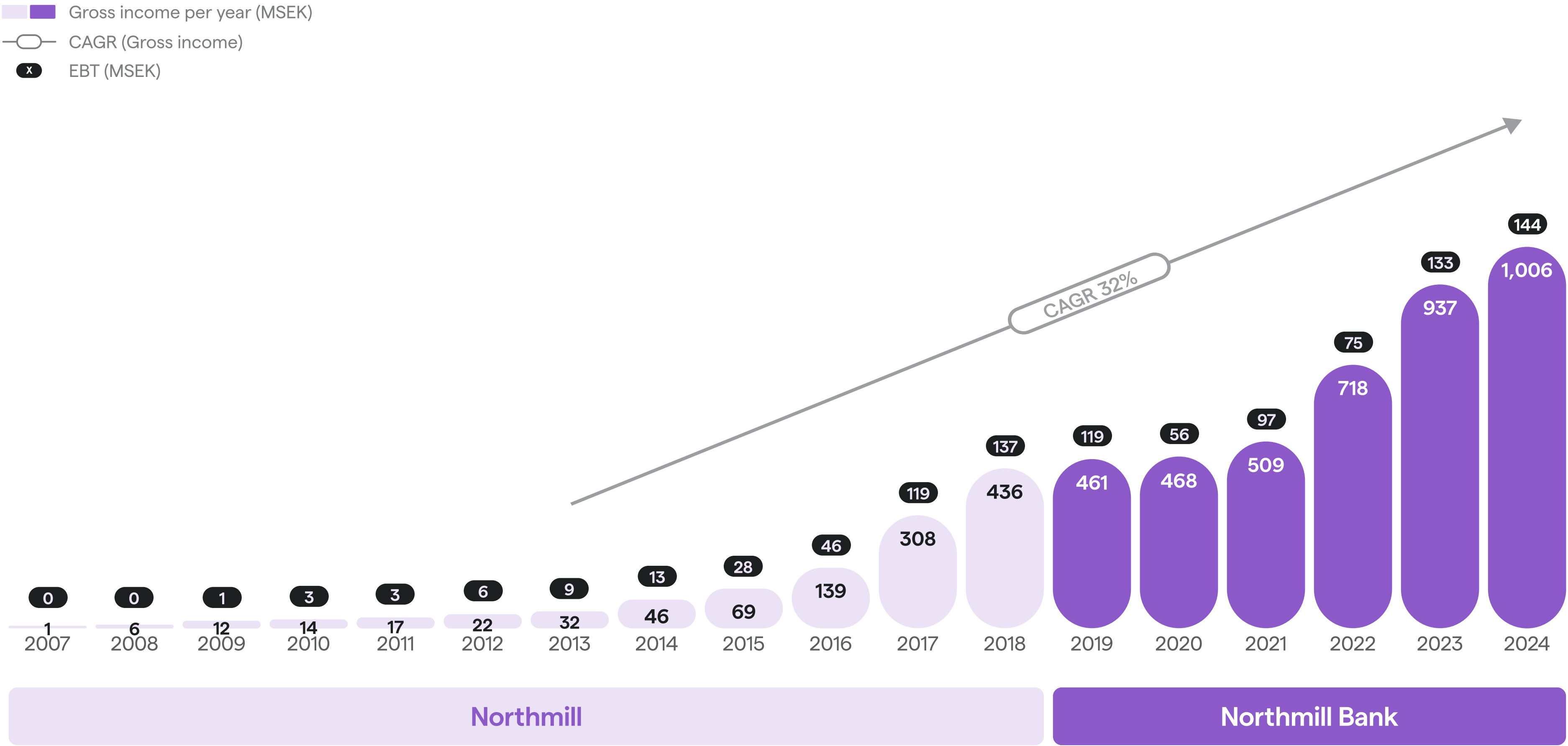
This is Northmill

Highlights Q1 2025

Financials

This is Northmill

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



Total customers

167 000

Total businesses

3 250

Banking licence since

2019

Number of employees

~180

Countries

4

Years profitable

18/18

★ Trustpilot 4.6
★★★★★

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

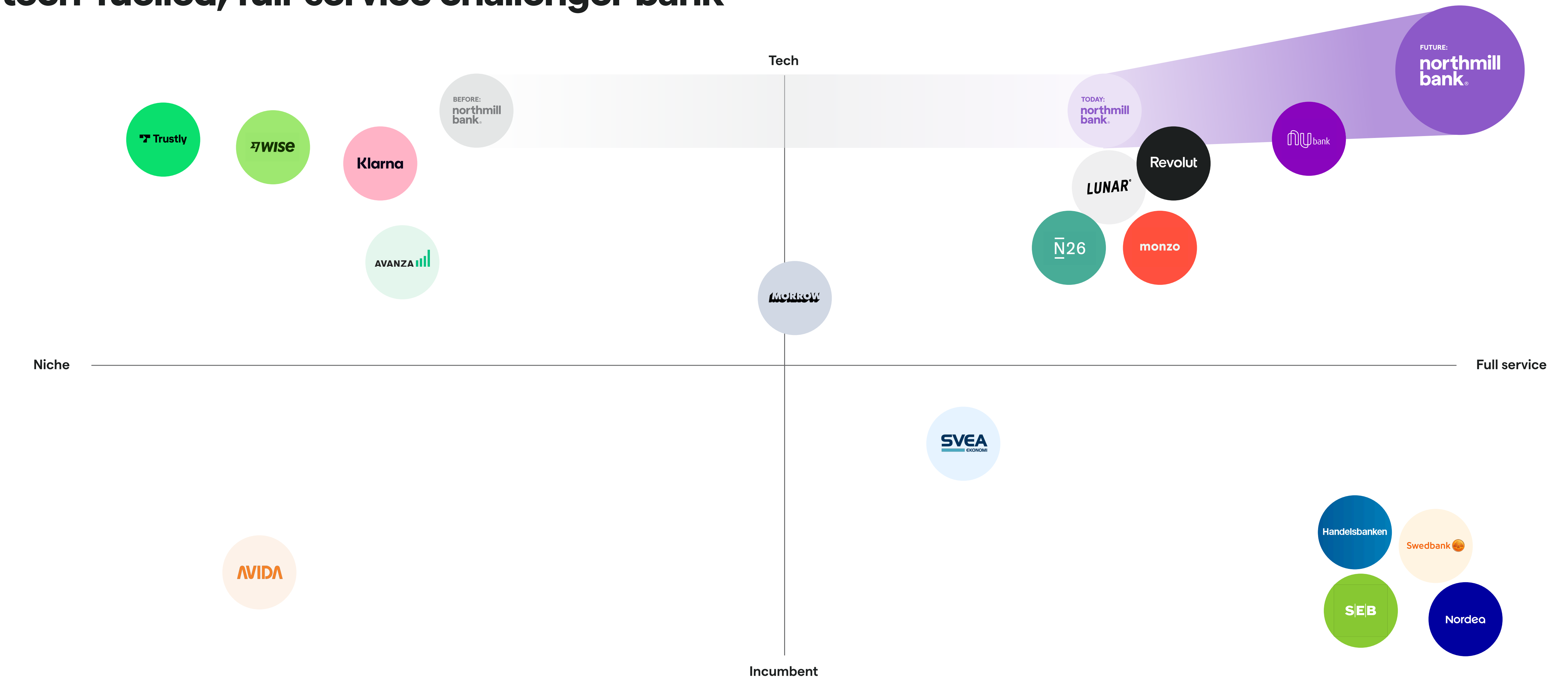
To who

LIFE

CONSUMERS

BUSINESSES

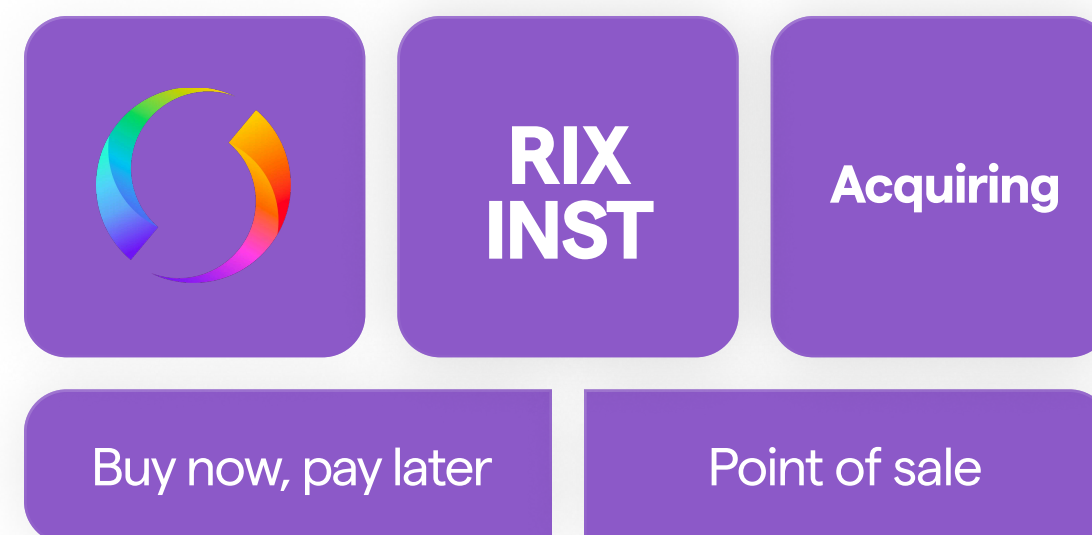
Moving from a high-tech niche player to tech-fuelled, full-service challenger bank



With an attractive product offering tailored to meet diverse financial needs

Across B2C & B2B

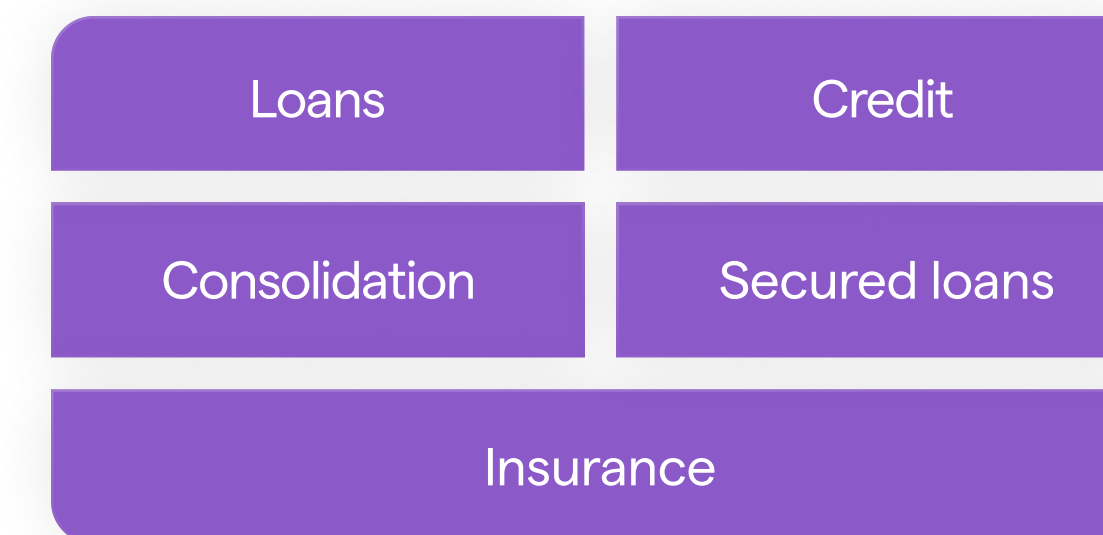
Payments



Cards & accounts



Lending



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



Highlights Q1 2025

Key takeaways

- EBT up 95% YoY, driven by reduced credit losses and revenue growth.
- Growth of loan book, mainly from our B2B portfolio, close to 400 MSEK in Q1.
- Strong momentum developing and scaling the B2B Bank profitability, offering a full suite of services.
- Commercial strategy delivering results through successful strategic initiatives:
 - B2C “Card First” strategy gaining traction.
 - B2B transactional banking growing through strategic partnerships.
 - Transactional and other income accelerating up 19% from Q1 2024.
- Launch of new website.

204 MSEK

Operating income (181 MSEK Q1 2024)

4 465 MSEK

Gross portfolio (3 982 MSEK Q1 2024)

6.8%

Credit losses, net % (7.6% Q1 2024)

70.1K

Card customers (32.8k Q1 2024)

44 MSEK

EBT (23 MSEK Q1 2024)

4.6 out of 5

TrustPilot rating (1.5K reviews)

+95%

EBT YoY

4.8 out of 5

Apple App Store rating (5.1K reviews)

B2C

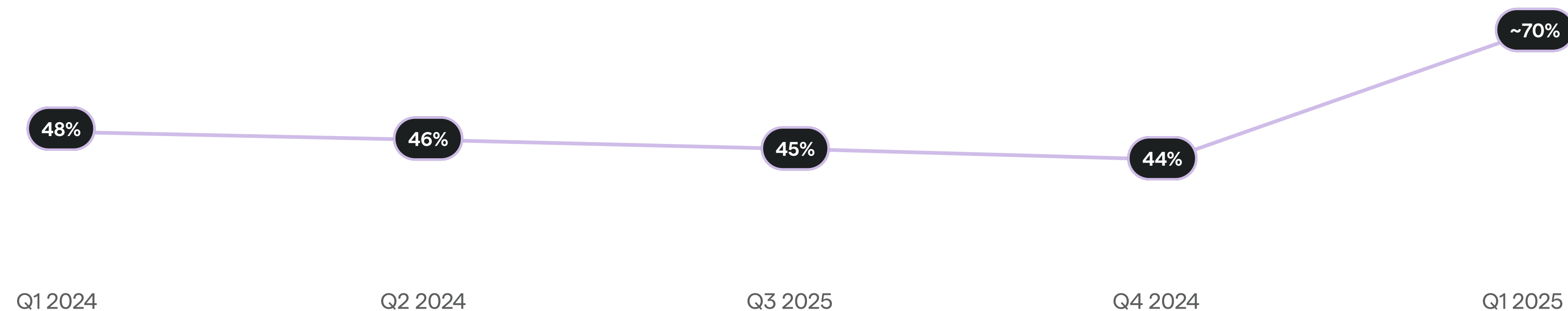
Events during Q1

- New insurance offering, increased penetration rate to above 70% (44% Q4 2024).
- Successful card campaign with Foodora, 2 600 new customers.
- New legislation implemented by 1st of March.

Looking ahead

- Broadening our insurance offering.
- Scale business in Finland.
- Card campaign going live this summer.
- Launch of collateral lending.

Insurance penetration rate of new customers



B2B

Events during Q1

- Swish business- major international PSP signed and partnerships will continue to accelerate the sales.
- Lending portfolio close to 400 MSEK by end of Q1.
- New partnerships enables us to reach business clients at scale
 - Additional shelf company reseller signed during Q1.
 - Foodora for Swish, Corporate loans and POS.
 - Fortnox for start-ups. Exclusive agreement for customers in the automatic flow until December 2026.
- New product offering live- real time account to account payments (RIX-INST).

Looking ahead

- EIF-guarantee, facilitating small ticket lending.
- Launch of B2B Card and international payments.
- Broadening our lending offering with construction credits.
- Launch of ESCROW- accounts.

Swish transactions (K)



Real time account to account payments offering RIX-INST: **Instant** and secure payments

Real time payments

24/7 365

First in Sweden

Infrastructure

Trusted Infrastructure
at central bank level

Future-Proof

Future-Proof & Scalable
for Nordic and EU expansion

New Reach

Ability to offer instant, cross-
border payments in all Eurozone

Speed

Instant Payments for
customers, any time

Customer experience

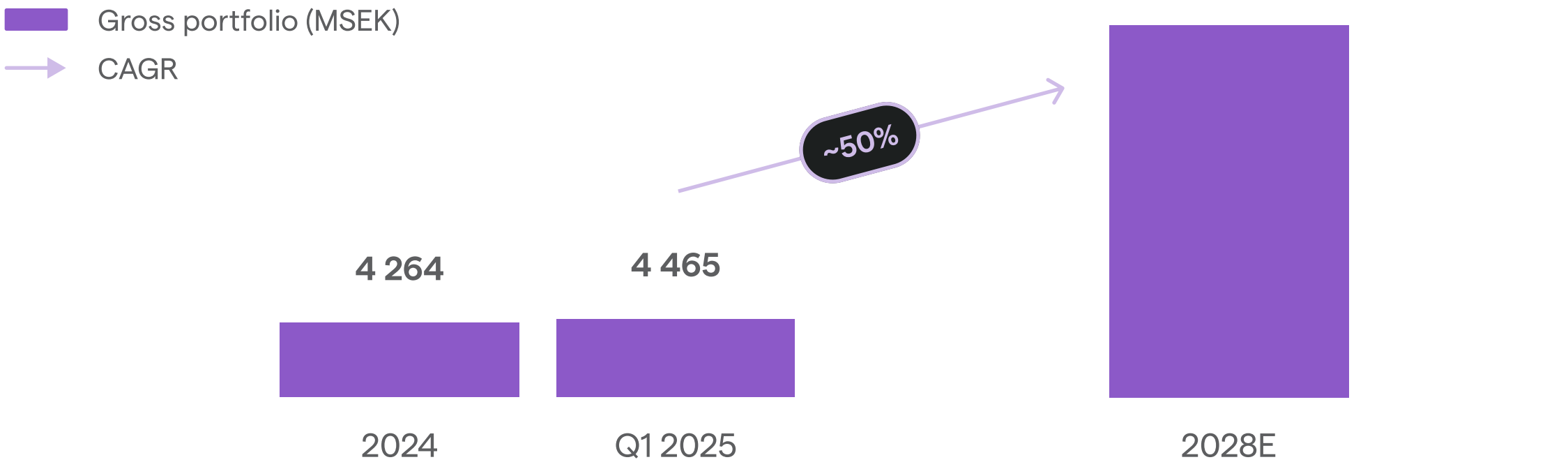
Improved Customer Experience
with fast & seamless flows

Competitive Edge

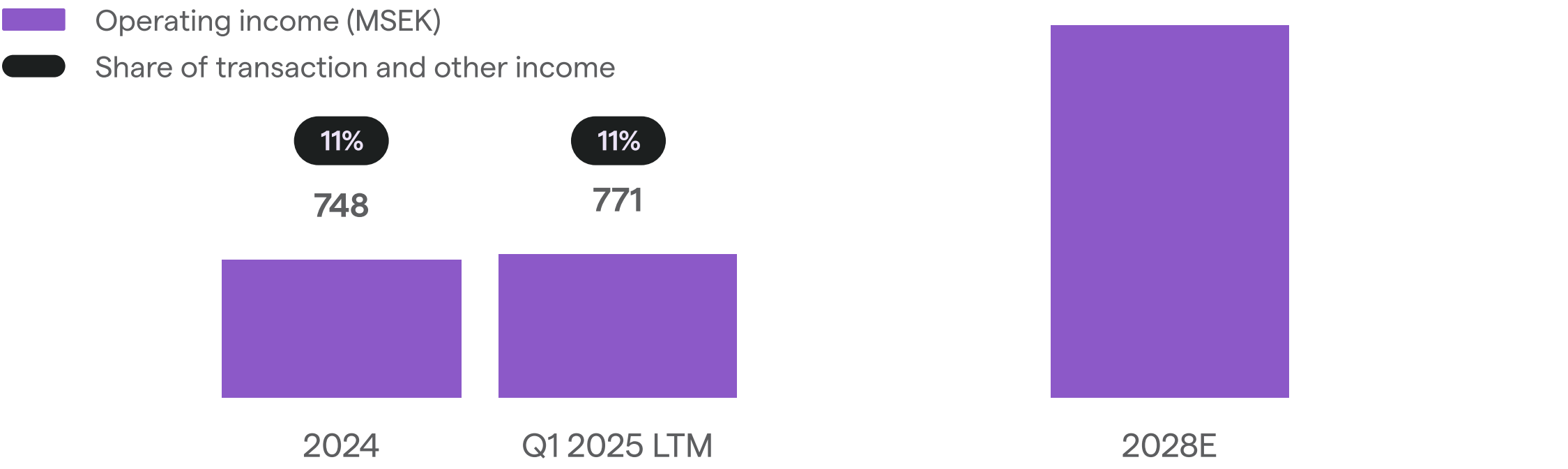
Only four banks provide payments
through RIX-INST

Main owners' directive impact on key P&L items

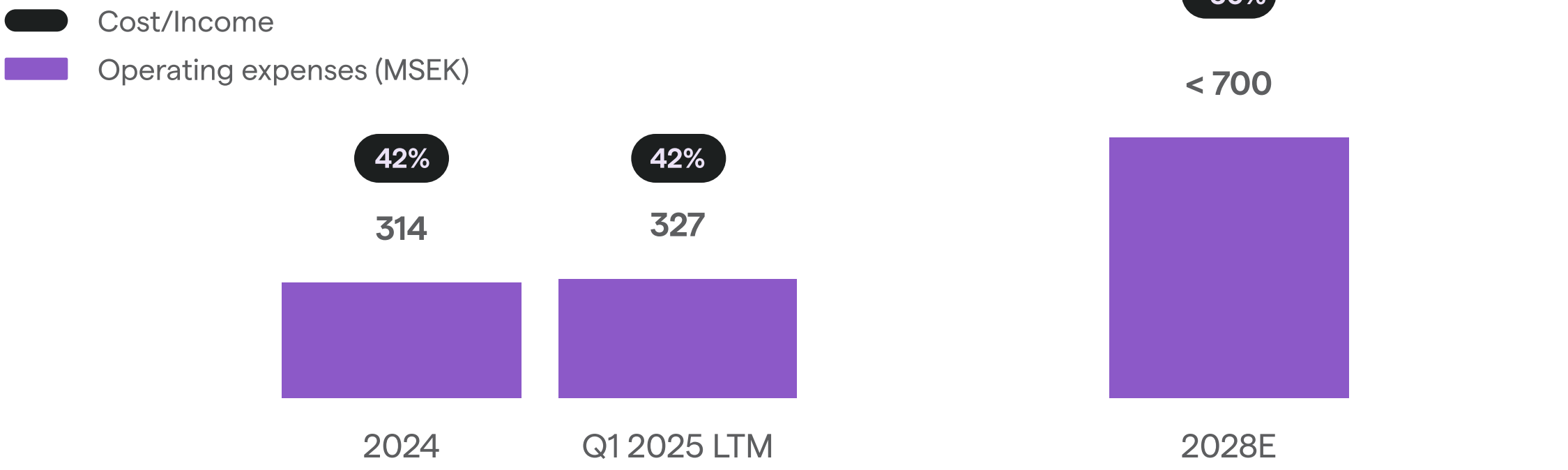
PORTFOLIO



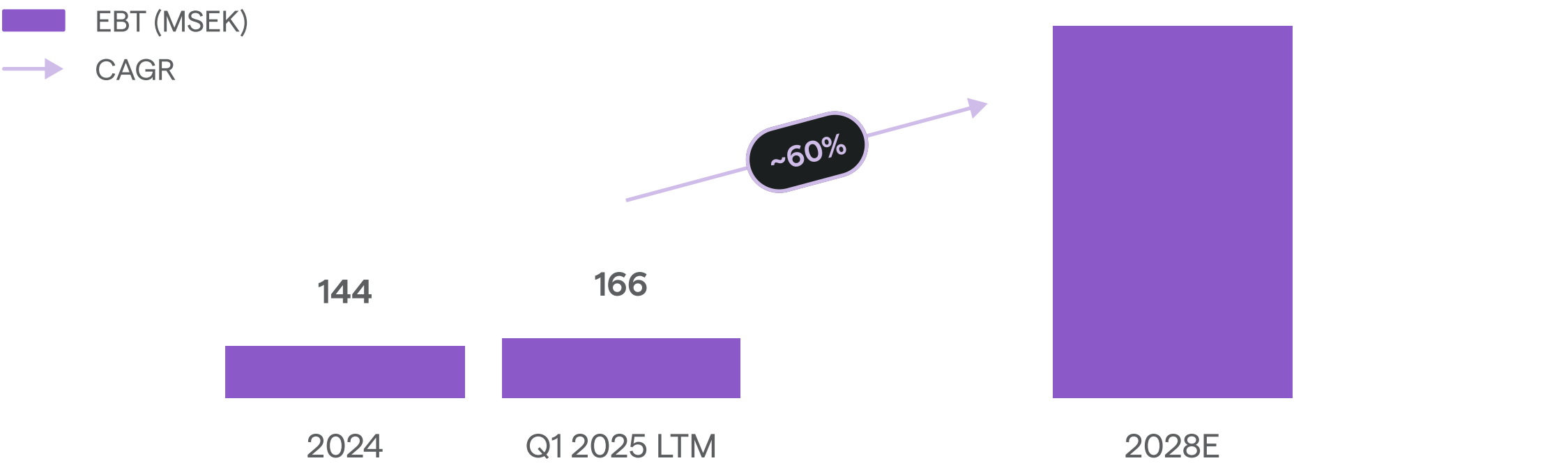
OPERATING INCOME



OPERATING EXPENSES



PROFITABILITY



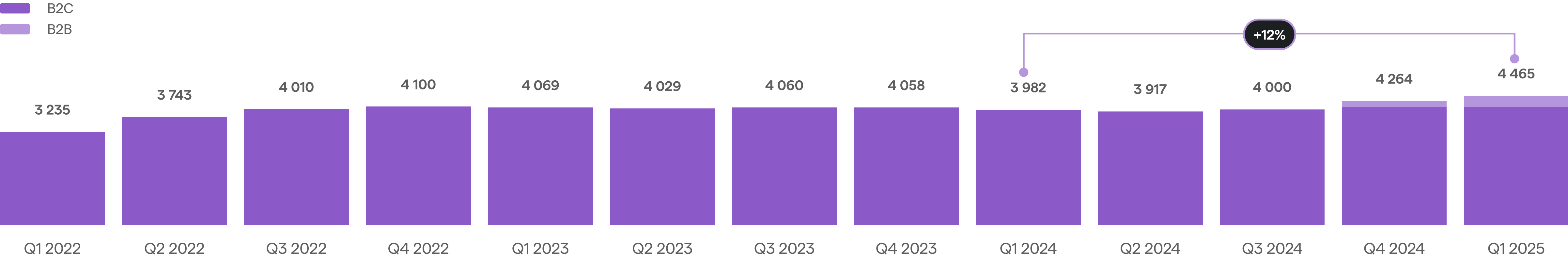
Financials

Key takeaways

- Portfolio grew 12% YoY primarily driven by the B2B business.
- Operating income 204 MSEK. Up 13% YoY driven by improved net interest margin, portfolio growth and increased income from transaction & other income.
- Operating expenses in line with expectation of our growing platform.
- Strong start of 2025 with EBT of 44 MSEK, up 95% and ROE LTM of 16%.
- Improvement across all P&L items.

	Q1 2025	Q1 2024	Change %
Operating income	204	181	13%
Operating expenses	86	73	18%
C/I ratio LTM	42%	39%	+3pp
Credit losses	74	85	-14%
Net credit losses LTM %	6.8%	7.6%	-0.8pp
EBT	44	23	95%
ROE LTM	16%	14%	+2pp

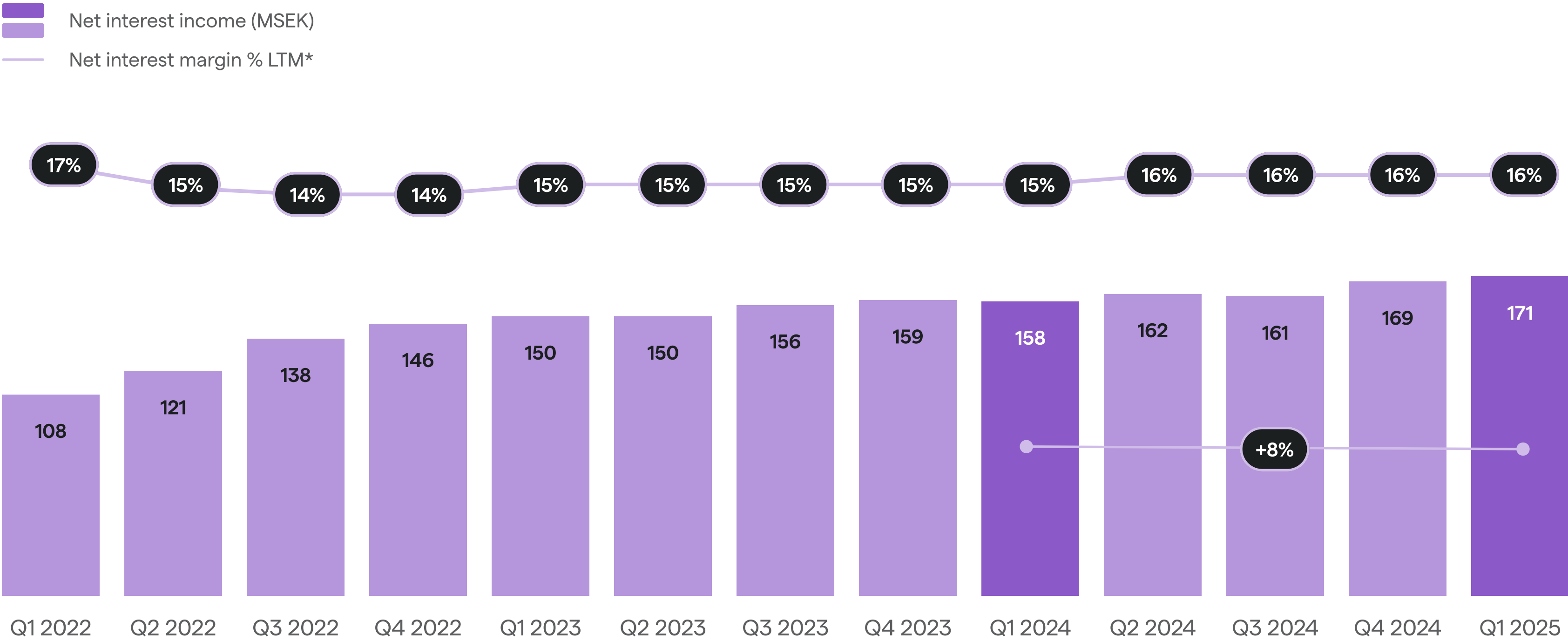
Portfolio development



B2C: Net interest margin - increasing trajectory and 14K new card customers

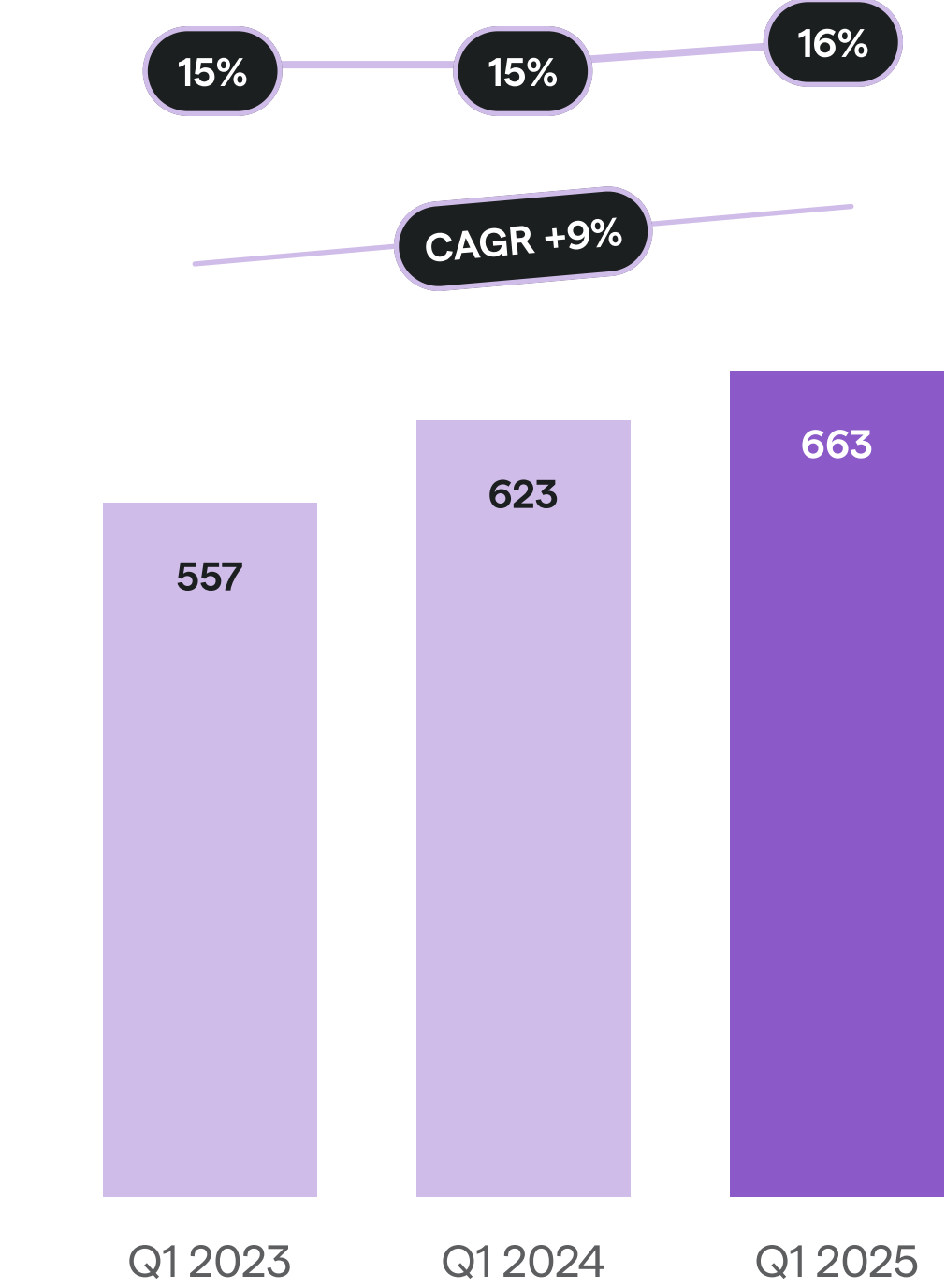
- Insurance penetration is up to above 70% in Q1 from 44% Q4 2024. Improving profitability and de-risking the portfolio.
- 14K new card customers during Q1. In total 70K customers of which 43% have applied for other loan products.
- Moderate growth of the portfolio, focusing on enhanced profitability.

Net interest income



*Net interest income/average gross portfolio LTM

Net interest income, LTM (MSEK)



B2B: Portfolio growth complemented with growing transactional income

- Portfolio growth driven by big ticket loans.
- Signing of several new partnerships, including a major international PSP, enables exponential growth of transaction & other income going forward.
- Scale up of our business accounts enables further cross sales opportunities.
- Real time account to account payments (RIX-INST) now live.

Loan book

Client base
↑100% CAGR

Portfolio
392 MSEK
+86% from Dec-2024

Average weighted interest rate
11.0%

Swish

↑~30%
from Q4 2024

Aiming at
~8%
Swish market share (2025)

1.5M+
made Swish transactions (Jan-Mar)

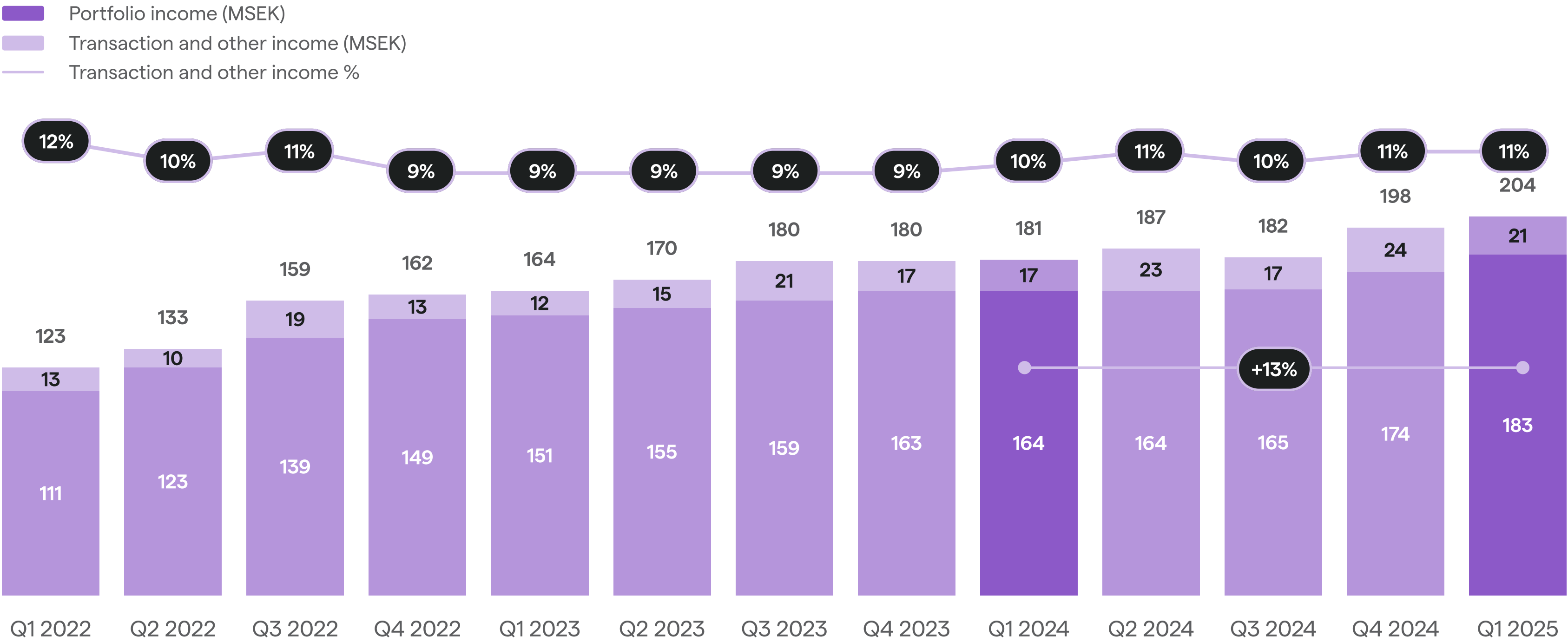
Business accounts

520
Business Accounts onboarded
Whereof 370 Q1 2025

Operating income on a stable growth path

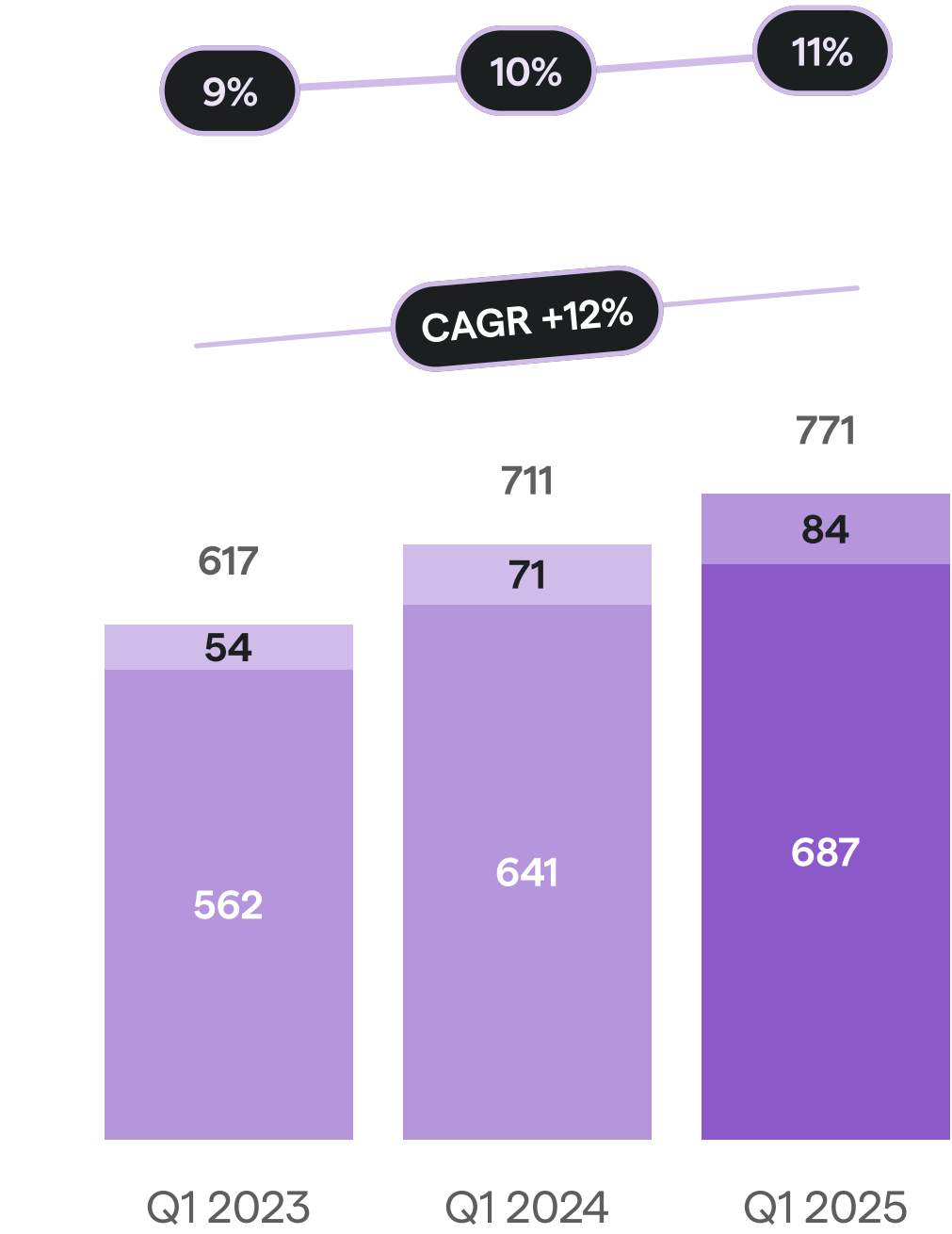
- Increased net interest income driven by larger portfolio and reduced interest cost.
- Transaction and other income up 19% compared to LTM Q1 2024, outpacing portfolio income growth of 7%.

Portfolio/transaction and other income



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

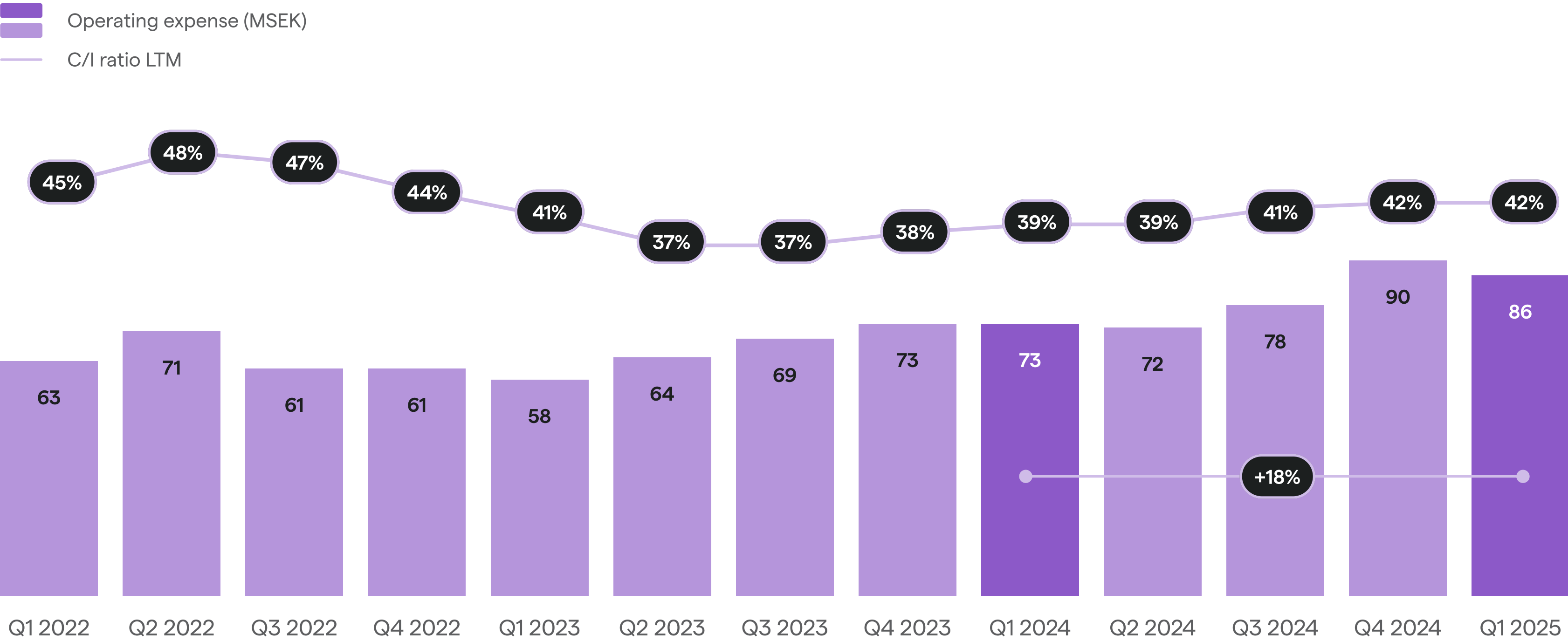
Operating income, LTM (MSEK)



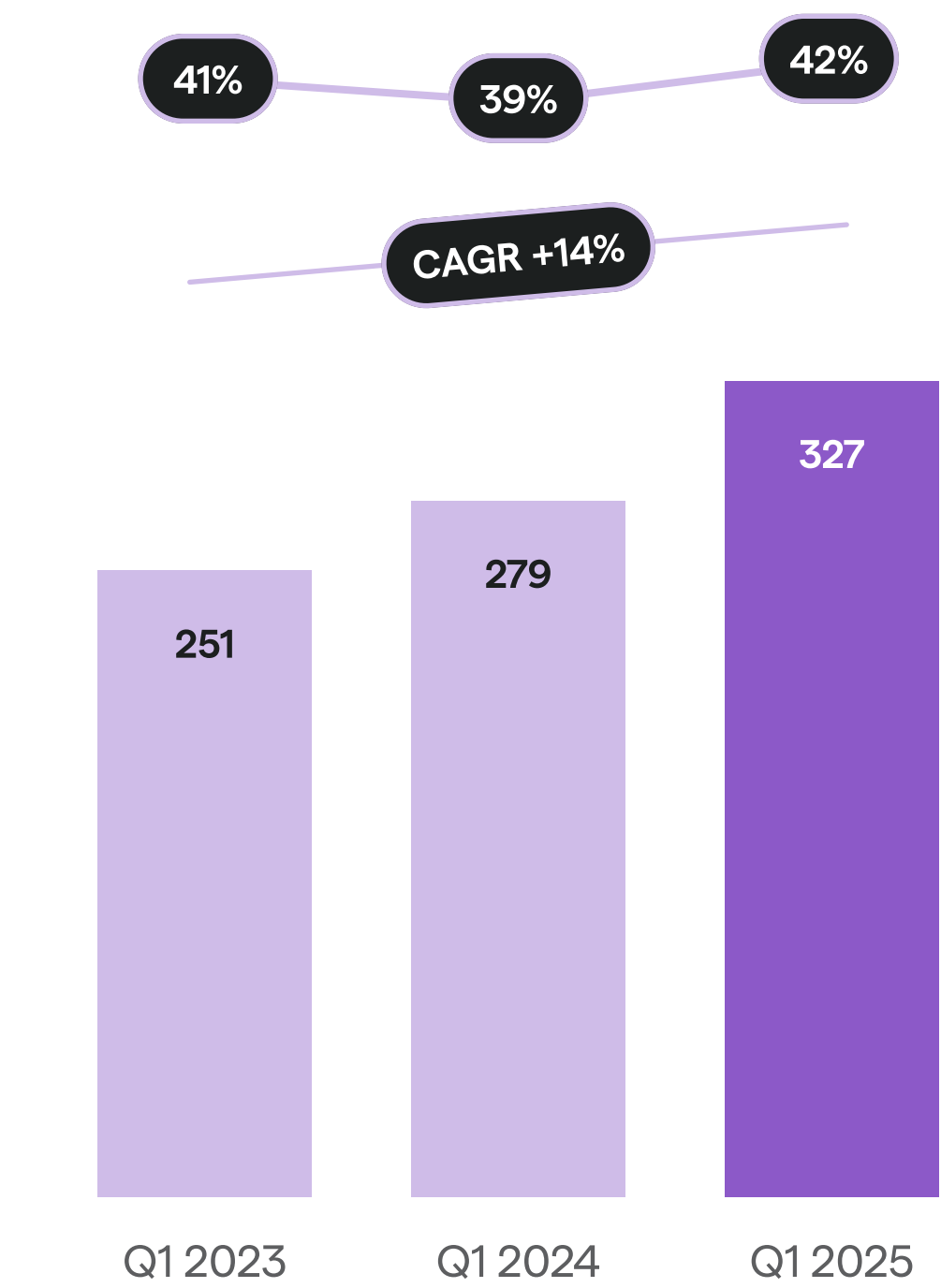
Investing in product development and growth

- Controlled increase of costs which reflects strategic investments in the growth of our platform.
- Underlying costs flat compared to last year, increase from personnel expenses.
- C/I ratio remains stable.

C/I Ratio



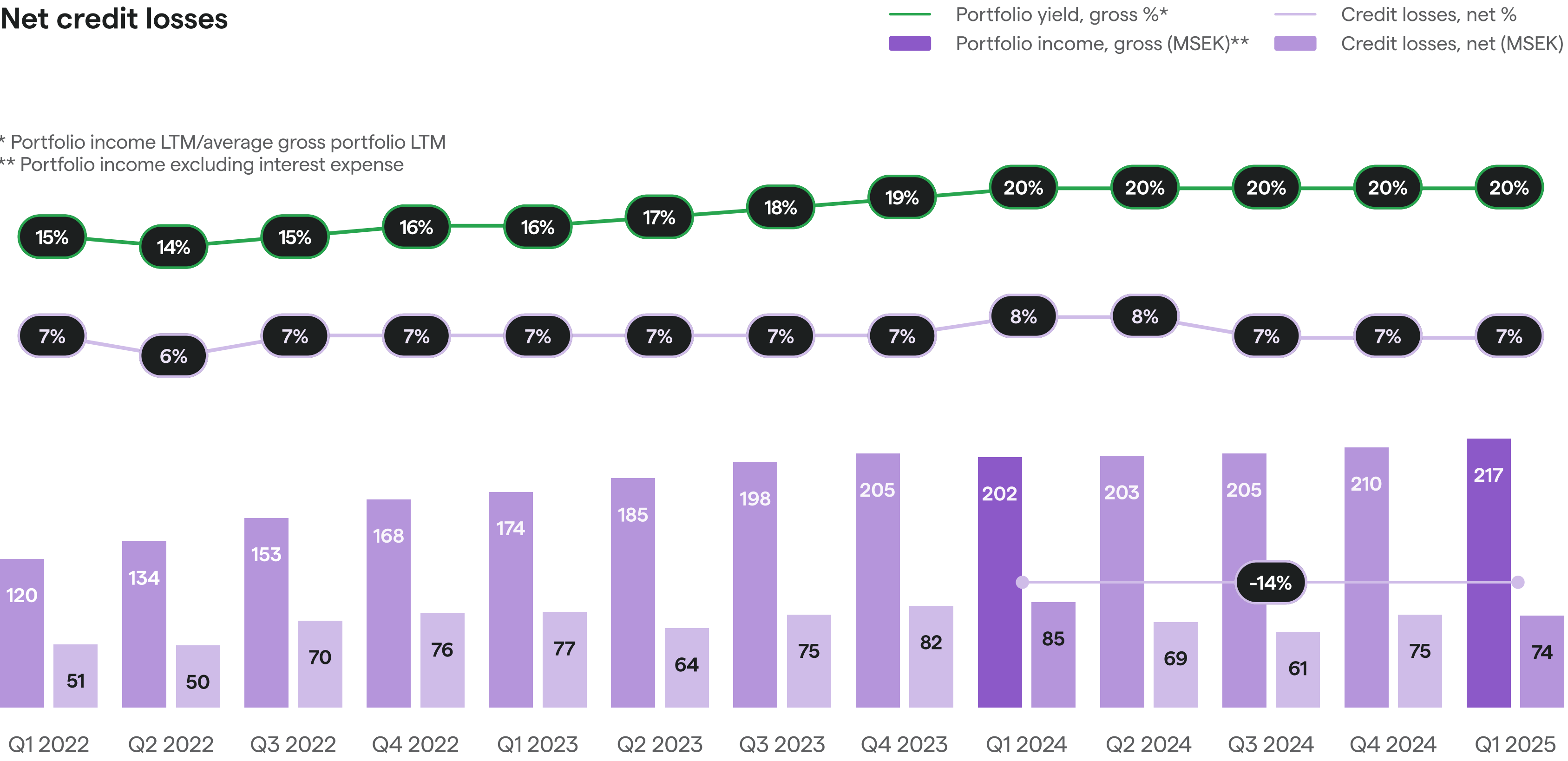
Operating expense, LTM (MSEK)



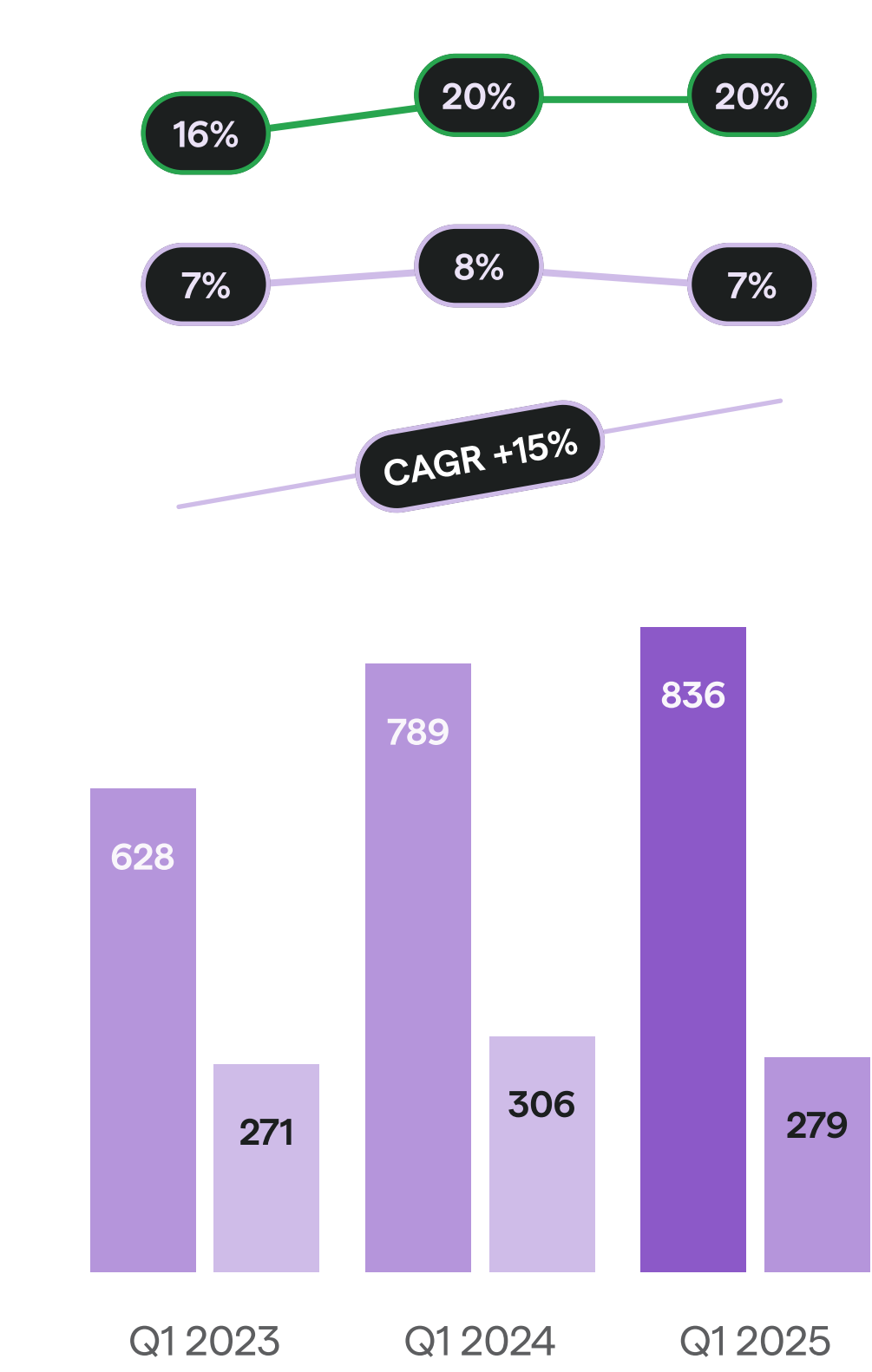
Positive trend in our credit losses

- Lower credit losses of 12 MSEK YoY.
- Stable risk adjusted margin of 14%.

Net credit losses



Net credit losses, LTM [MSEK]

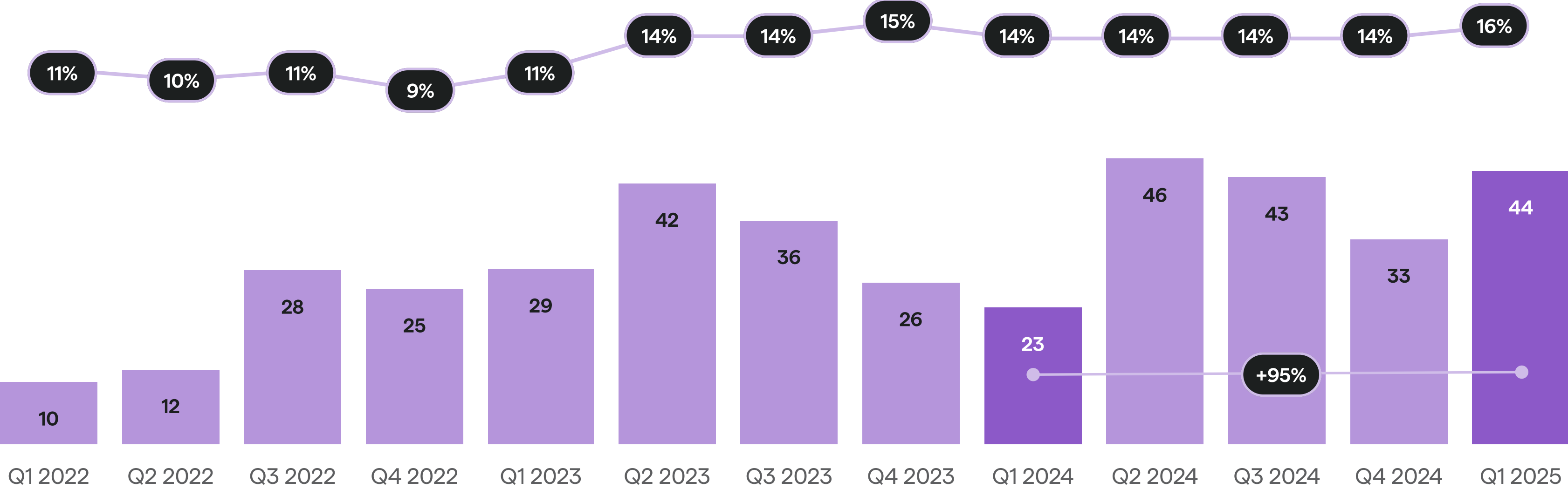


95% increase in EBT YoY

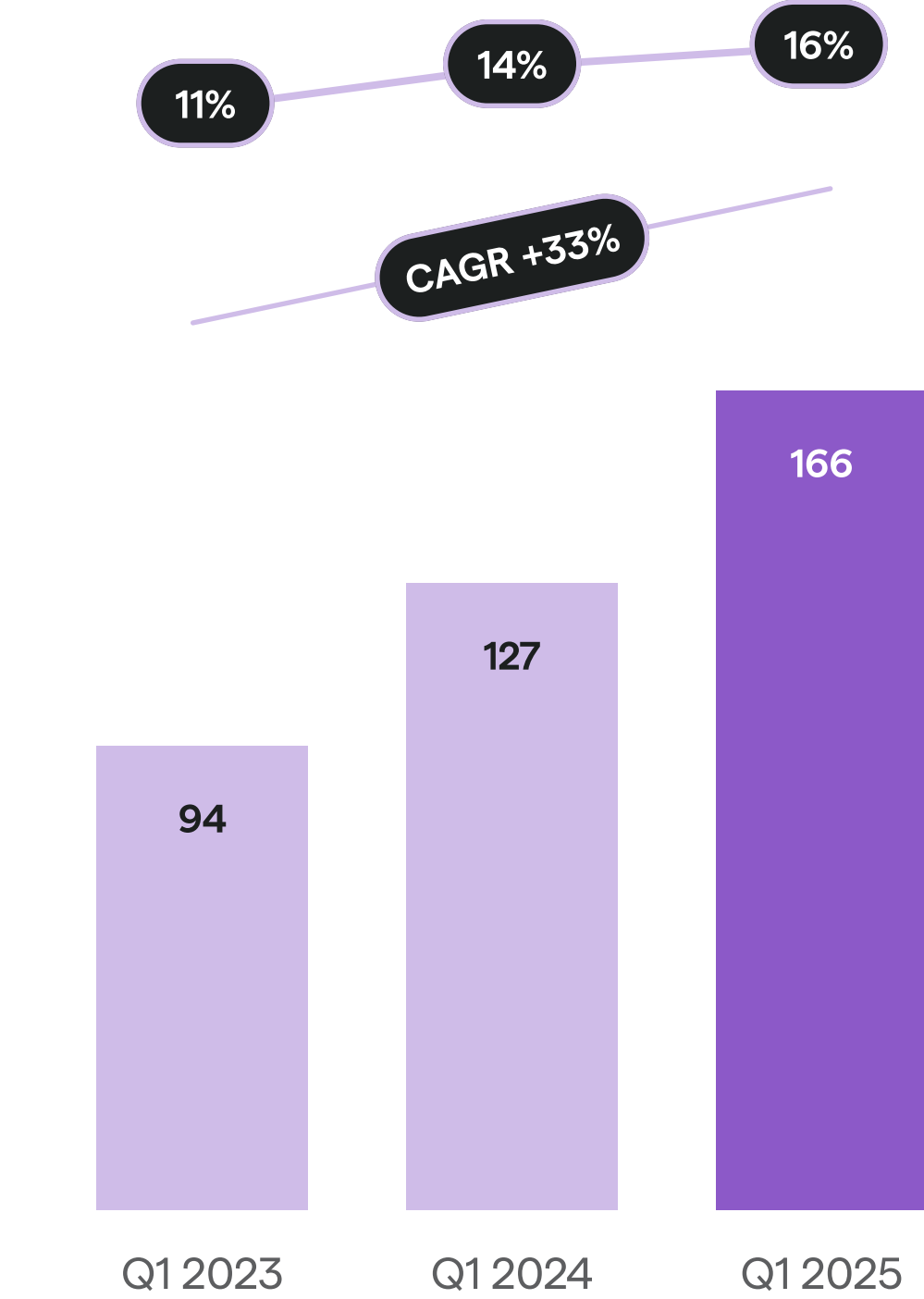
- ROE LTM continue to trend upwards, reaching 16% Q1 2025.
- The increase YoY is driven by portfolio growth, higher net interest margin and lower credit losses.
- EBT LTM reached 166 MSEK, an increase from 144 MSEK in Q4 2024 and 31% from Q1 2024.

Return on Equity

EBT (MSEK)
ROE LTM



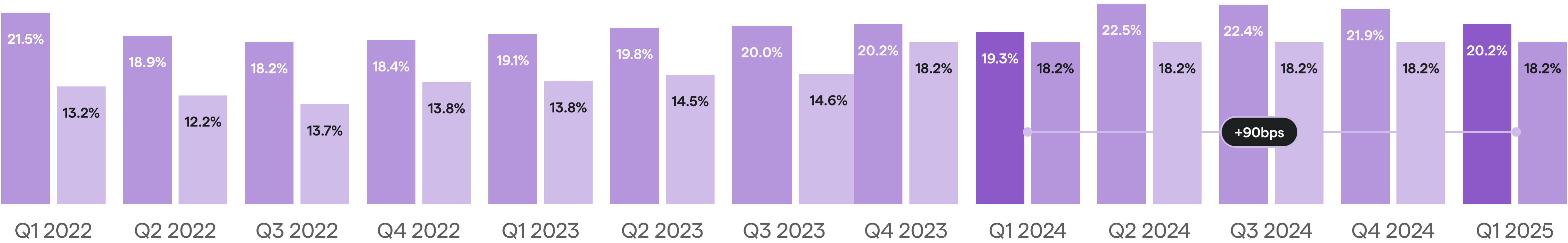
EBT, LTM (MSEK)



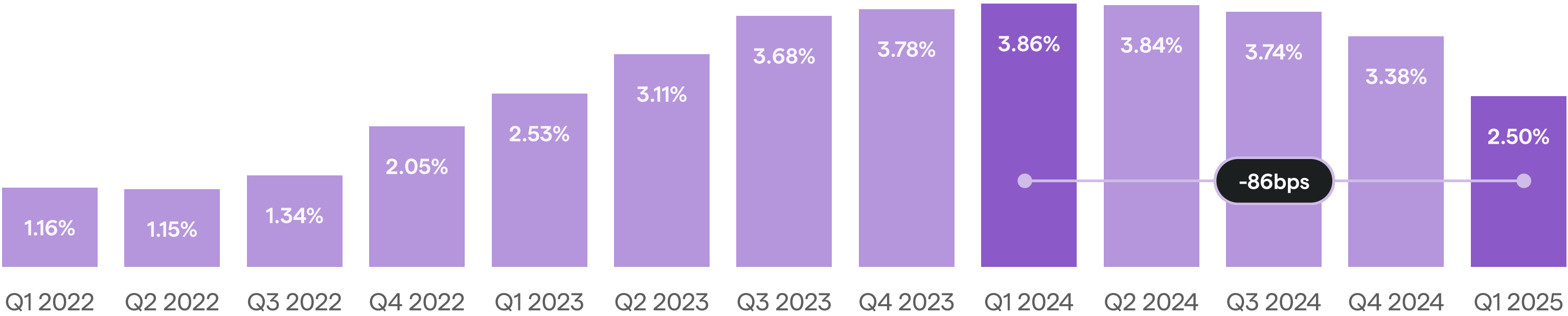
Well capitalized and reducing funding cost

Capital

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



Cost of funding



- Funding cost continued to decrease in Q1 due to decreased market rates.
- Both LCR and NSFR within good margin to the requirements.

Appendix

Financial overview:

Income statement (MSEK)

	Q1 2025	Q1 2024	FY 2024
Interest income	210 717	196 729	807 891
Interest expense	33 795	38 513	153 285
Net interest income	176 922	158 216	654 606
Fee and commission income	32 508	23 573	98 668
Fee and commission expense	12 576	6 503	36 444
Net fee and commission income	19 932	17 070	62 224
Net result from financial transactions	875	188	5 165
Other operating income	6 412	5 611	26 034
Total operating income	204 141	181 085	748 029
General administrative expenses	101 852	63 864	265 817
Depreciation, amortisation and impairment of tangible and intangible assets	9 895	9 260	47 841
Total operating expenses	86 389	73 123	313 659
Profit before credit losses	117 753	107 961	434 370
Credit losses, net	73 830	85 438	290 180
Profit before taxes (EBT)	43 923	22 534	144 190
Income tax	7 991	4 107	27 330
Profit for the period	35 933	18 417	116 861
Statement of comprehensive income			
Gains and losses on consolidation	-183	13 254	-269
Total comprehensive income for the period, net of tax	35 750	18 430	116 592

Balance sheet (MSEK)

Assets

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

Liabilities to credit institutions
Deposits from the public
Other liabilities
Accrued expenses and prepaid income

Total liabilities

Equity

Share capital
Share premium reserve
Reserves
Retained earnings
Profit for the period

Total equity

Total liabilities and equity

31 Mar 2025	31 Mar 2024	31 Dec 2024
586 549	209 383	378 240
829 933	384 654	425 762
4 154 738	3 779 248	3 984 355
151 862	299 988	250 911
17 776	36 317	20 989
23 261	45 872	29 439
30 661	33 829	35 731
20 467	20 953	19 274
5 815 247	4 810 244	5 144 770
-	-	-
4 713 058	3 876 212	4 069 596
158 195	129 084	170 383
28 887	19 837	23 438
4 900 140	4 025 132	4 263 417
541	541	541
187 685	187 685	187 685
4 092	3 322	4 353
686 674	575 147	571 844
36 115	18 417	116 861
915 107	785 112	881 283
5 815 247	4 810 244	5 144 770