

Investor update

Q1 2025

northmill bank

Today's presenters



Julie Chatterjee | CEO



Emil Folkesson | CFO

Content

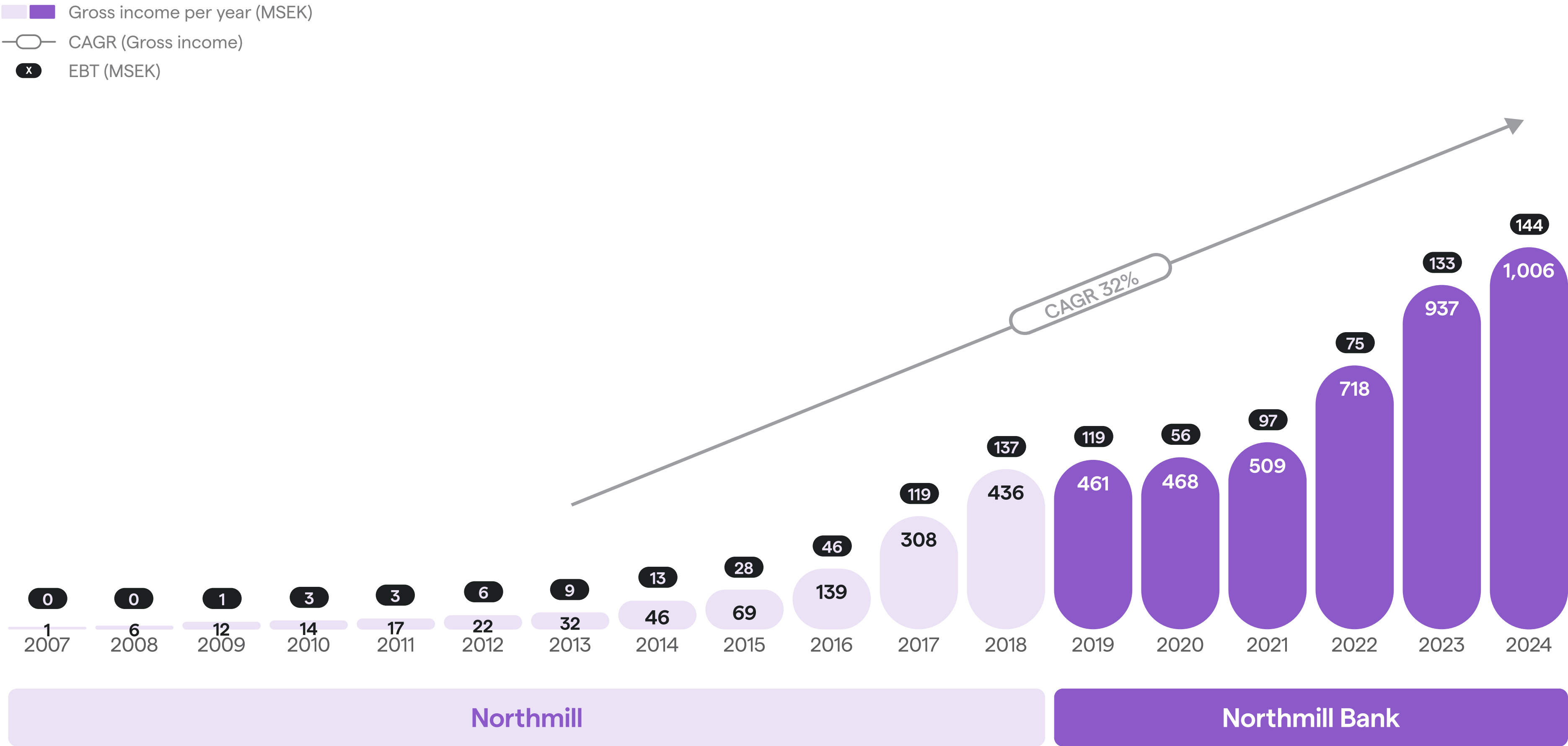
This is Northmill

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


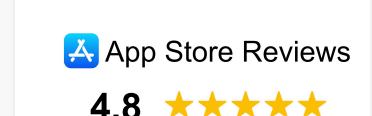
Banking licence since
2019

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

With an attractive product offering tailored to meet diverse financial needs

Across B2C & B2B

Payments



**RIX
INST**


Acquiring



Buy now, pay later

Point of sale

Cards & accounts

VISA



Savings account

Transaction account

Lending

Loans

Credit

Consolidation

Secured loans

Insurance

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:
- 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

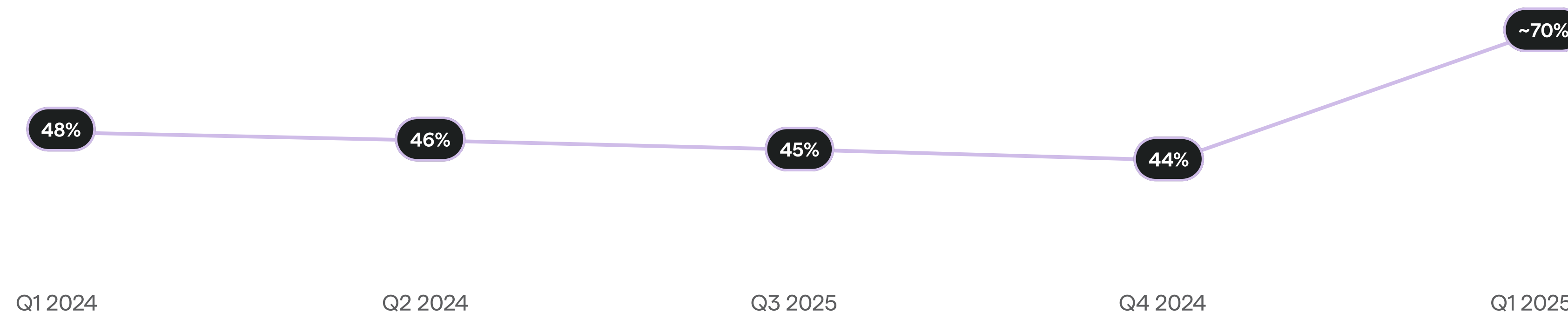
Events during Q1

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

Looking ahead

- Broadening our insurance offering.
- Scale business in Finland.
- Launch of collateral lending.

Insurance penetration rate of new customers



B2B

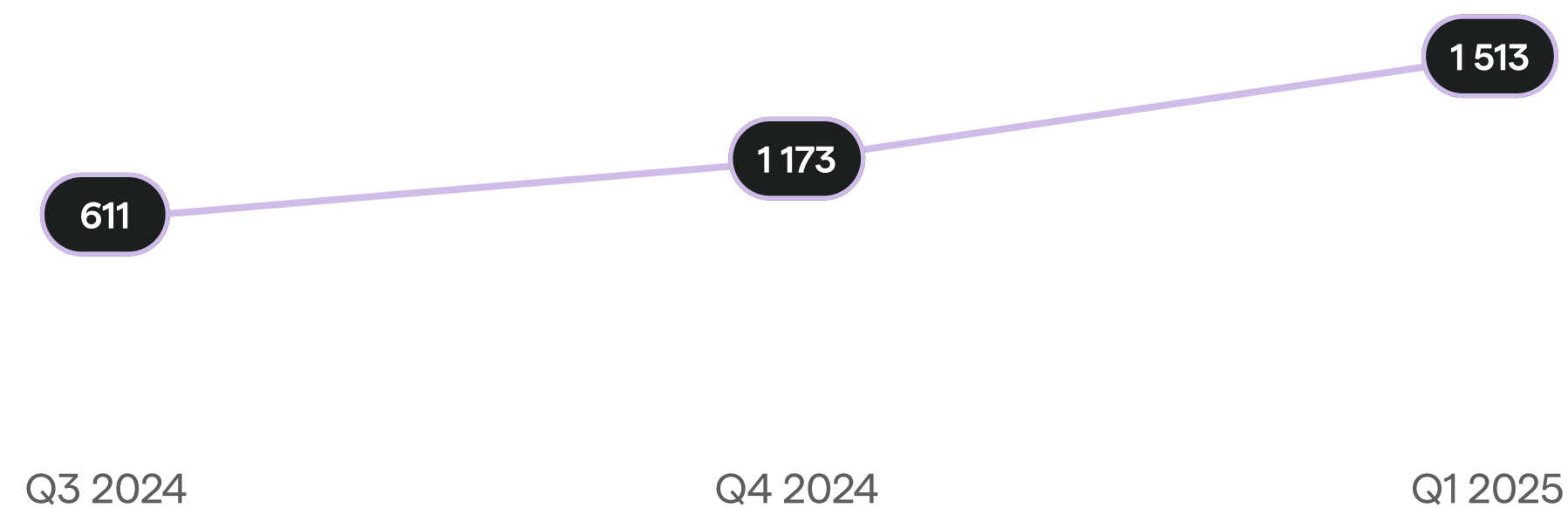
Events during Q1

- 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
- 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

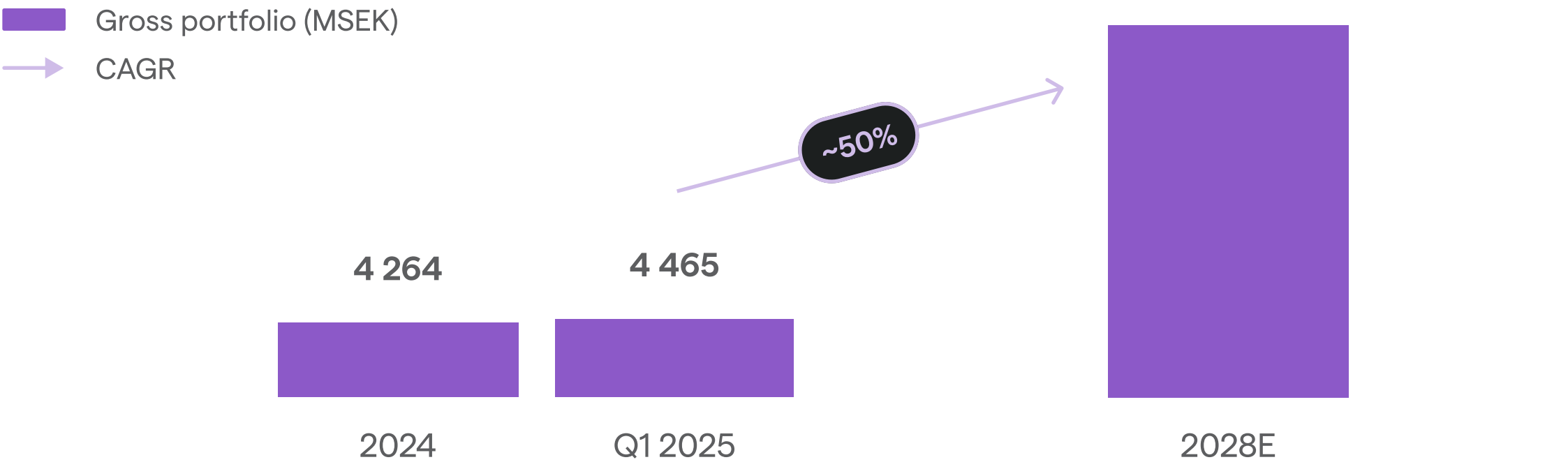
Improved Customer Experience
with fast & seamless flows

Competitive Edge

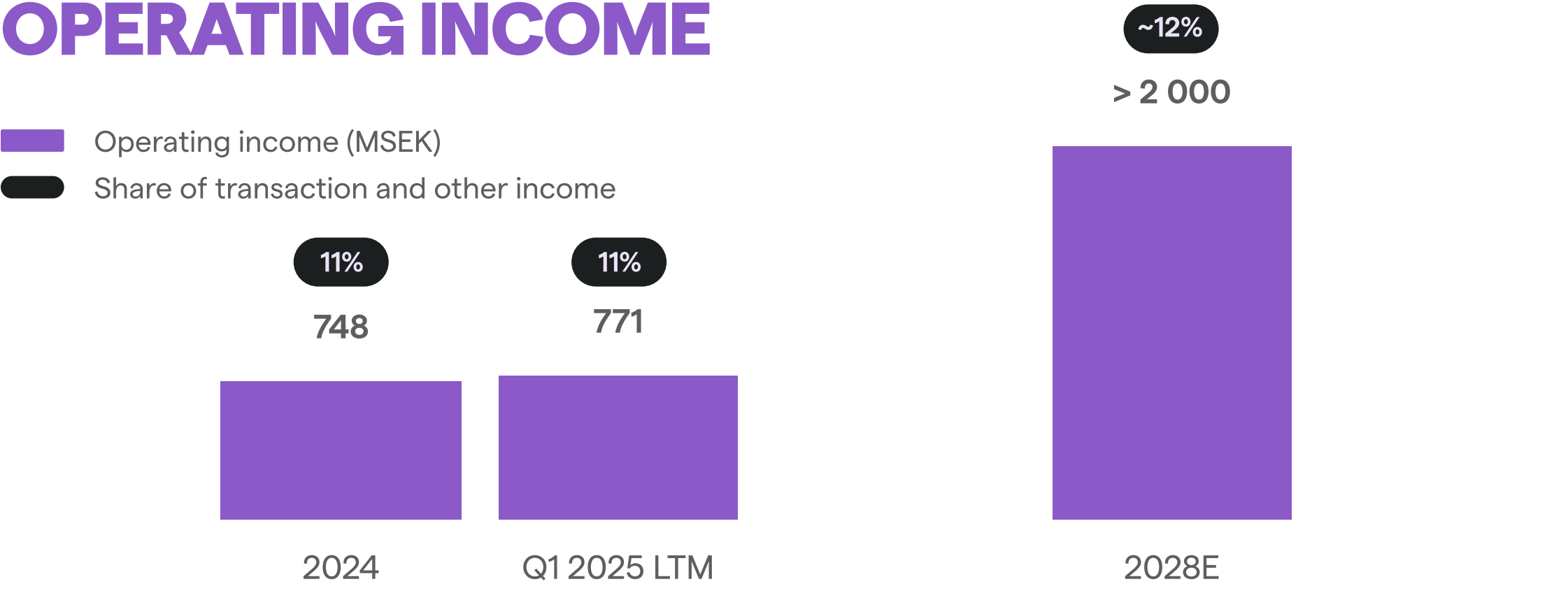
Only four banks provide payments
through RIX-INST

Main owners' directive impact on key P&L items

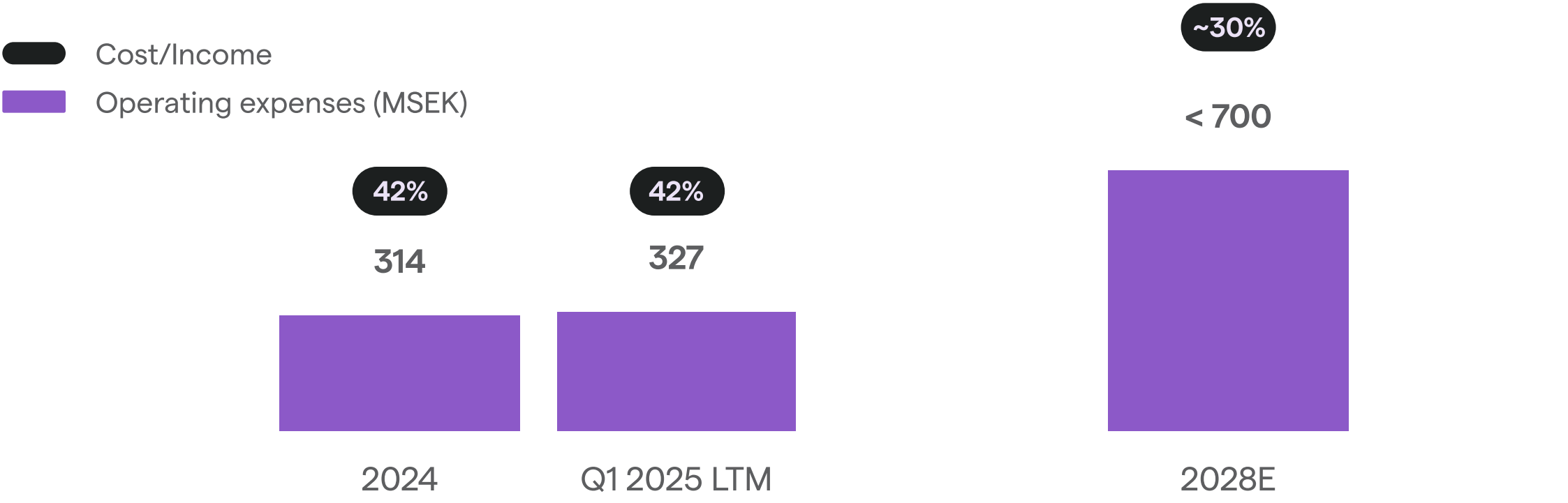
PORTFOLIO



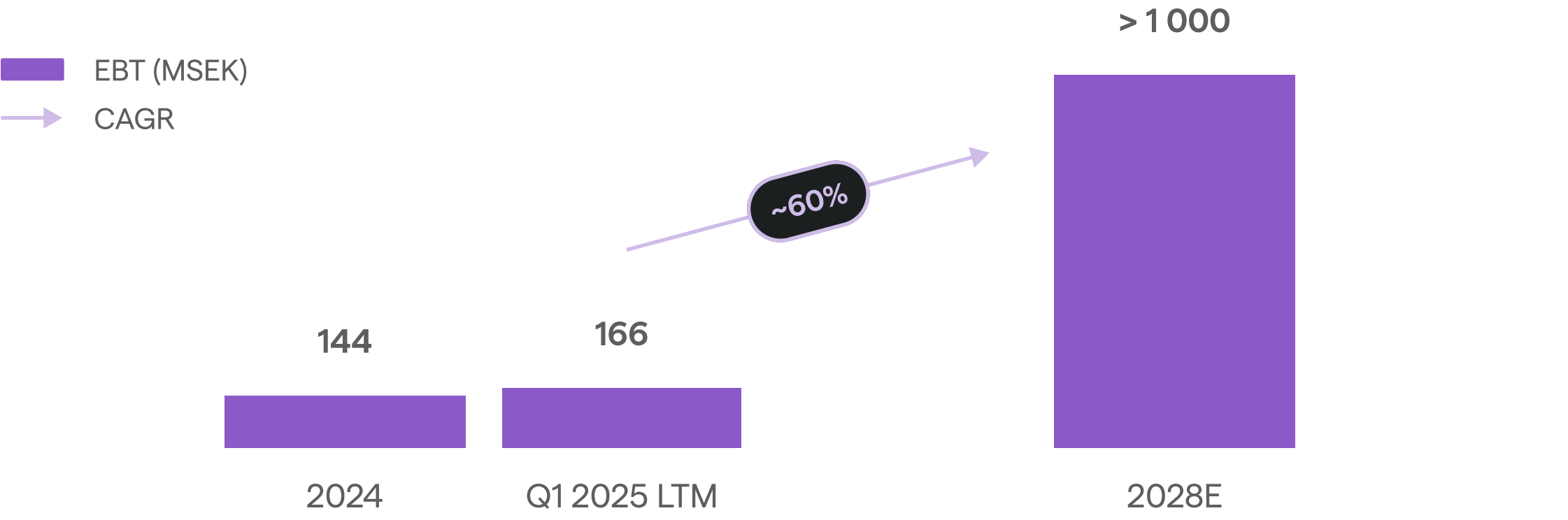
OPERATING INCOME



OPERATING EXPENSES



PROFITABILITY



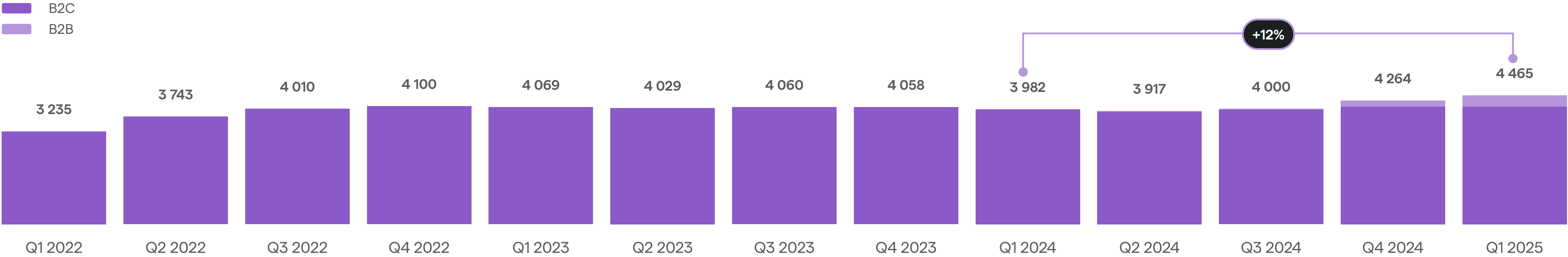
Financials

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

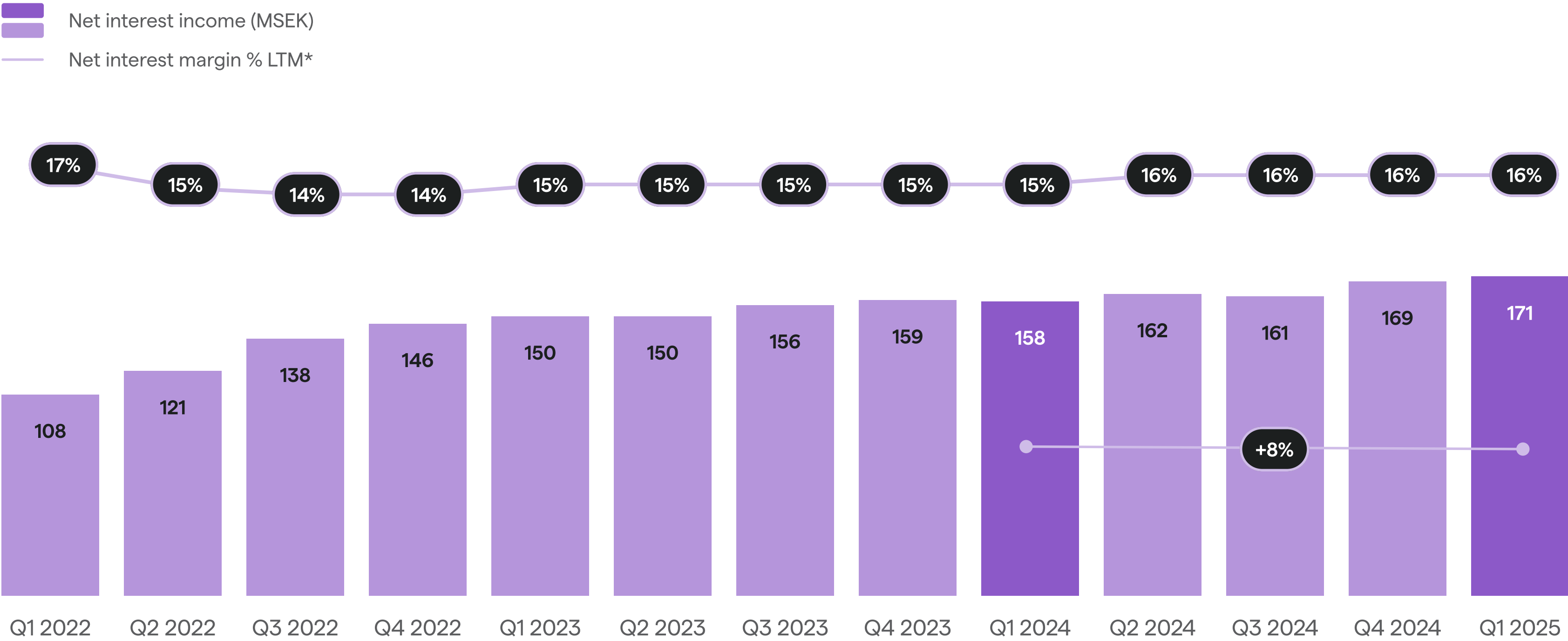
Portfolio development



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

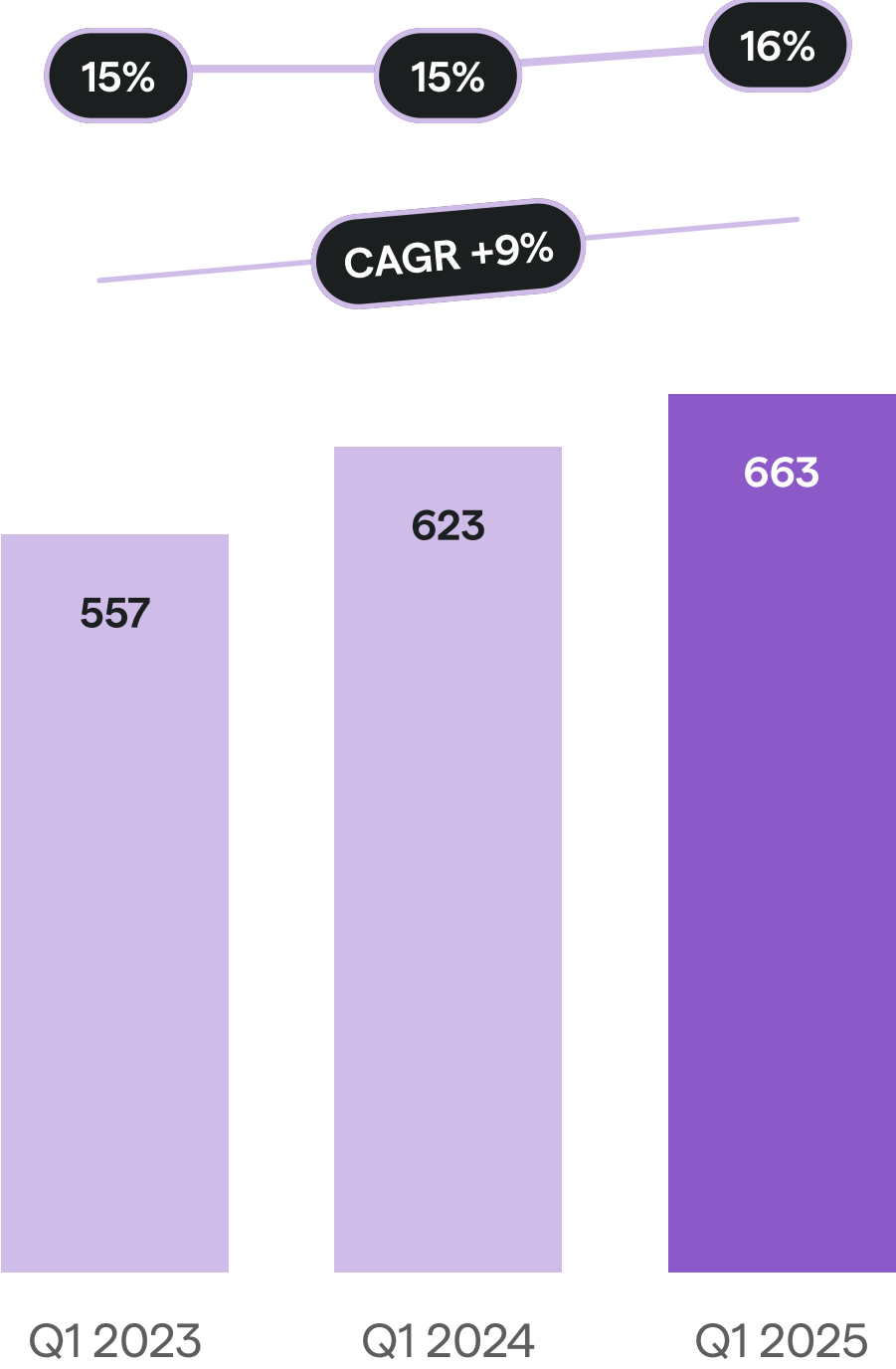
- Insurance penetration is up to above 70% in Q1 from 44% Q4 2024. Improving profitability and de-risking the portfolio.
- 14K new card customers during Q1. In total 70K customers of which 43% have applied for other loan products.
- Moderate growth of the portfolio, focusing on enhanced profitability.

Net interest income



*Net interest income/average gross portfolio LTM

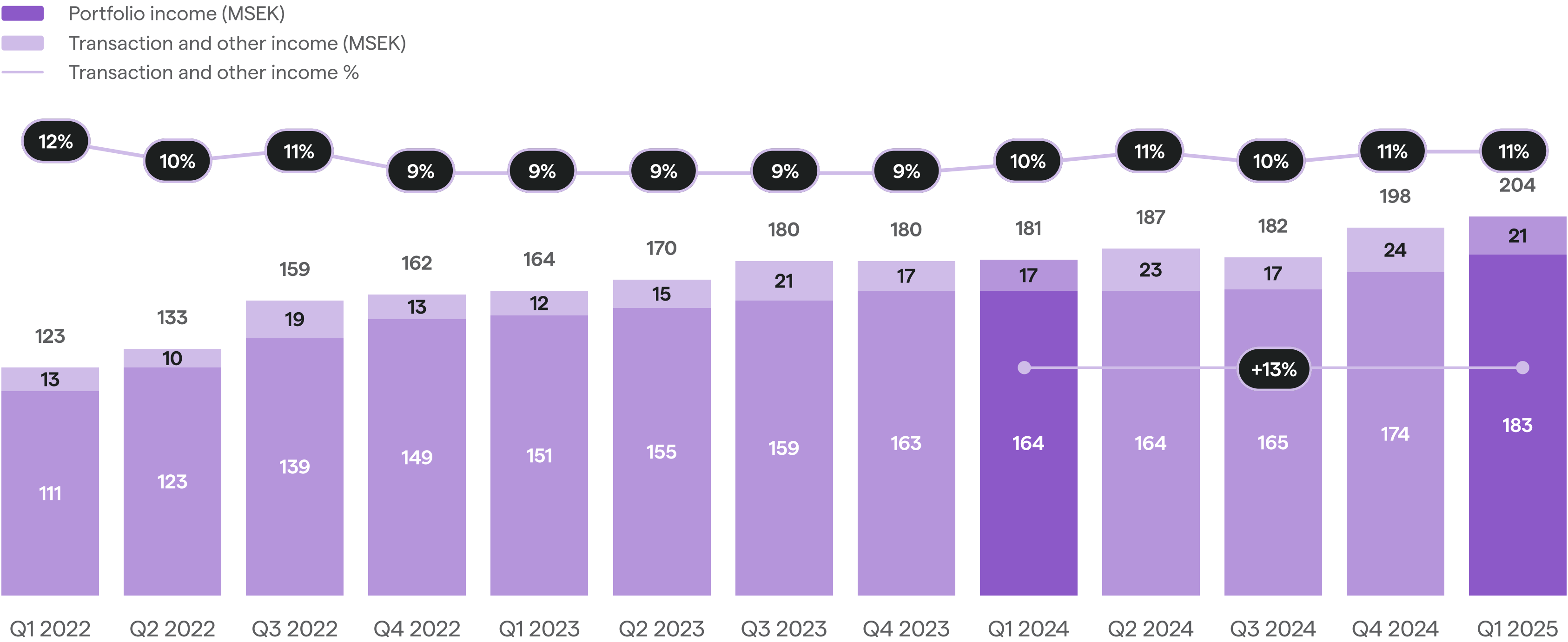
Net interest income, LTM (MSEK)



Operating income on a stable growth path

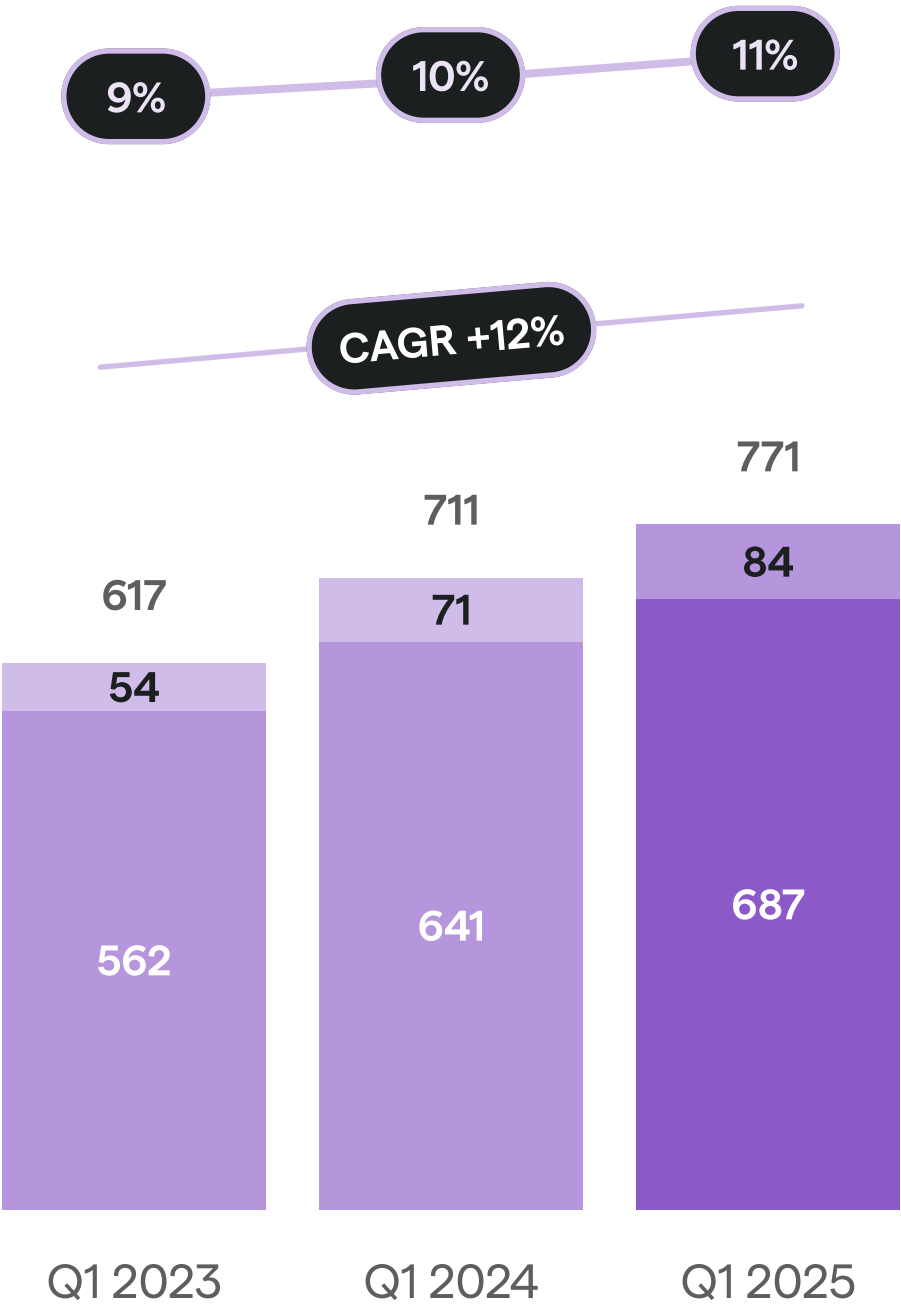
- Increased net interest income driven by larger portfolio and reduced interest cost.
- Transaction and other income up 19% compared to LTM Q1 2024, outpacing portfolio income growth of 7%.

Portfolio/transaction and other income



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

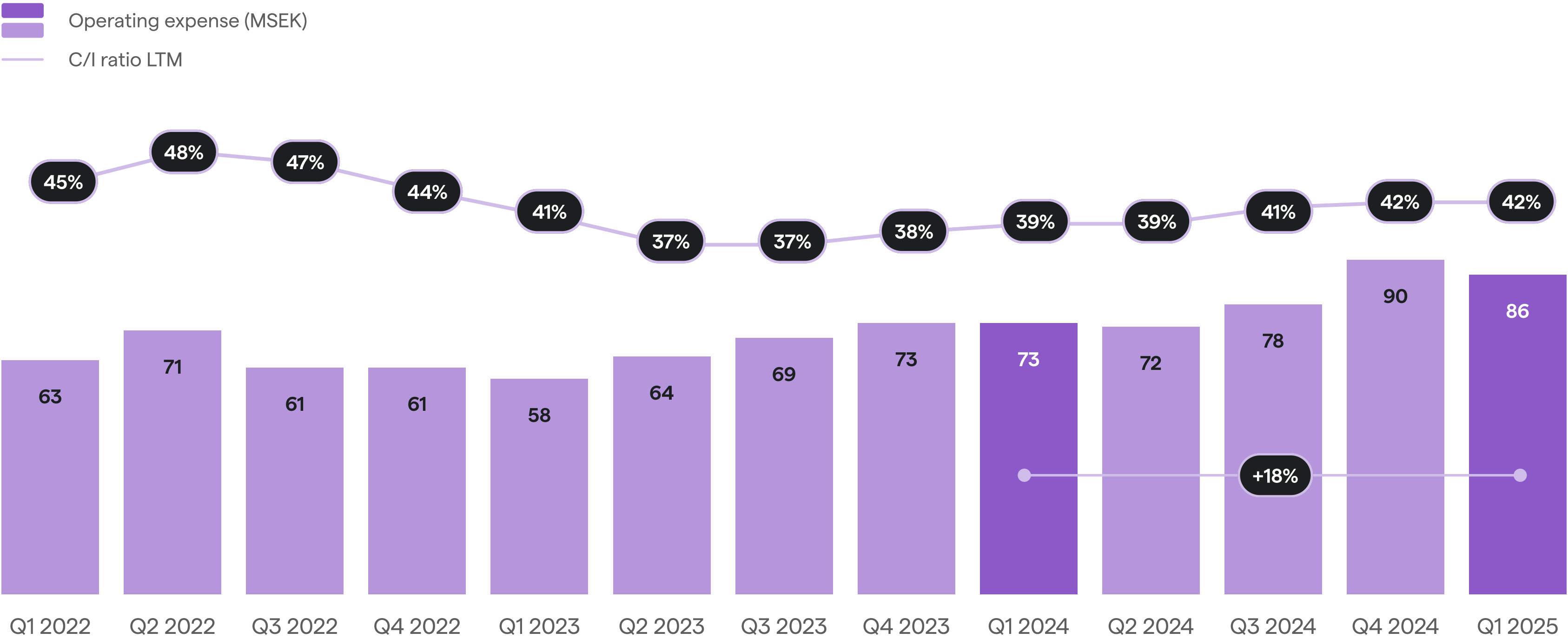
Operating income, LTM (MSEK)



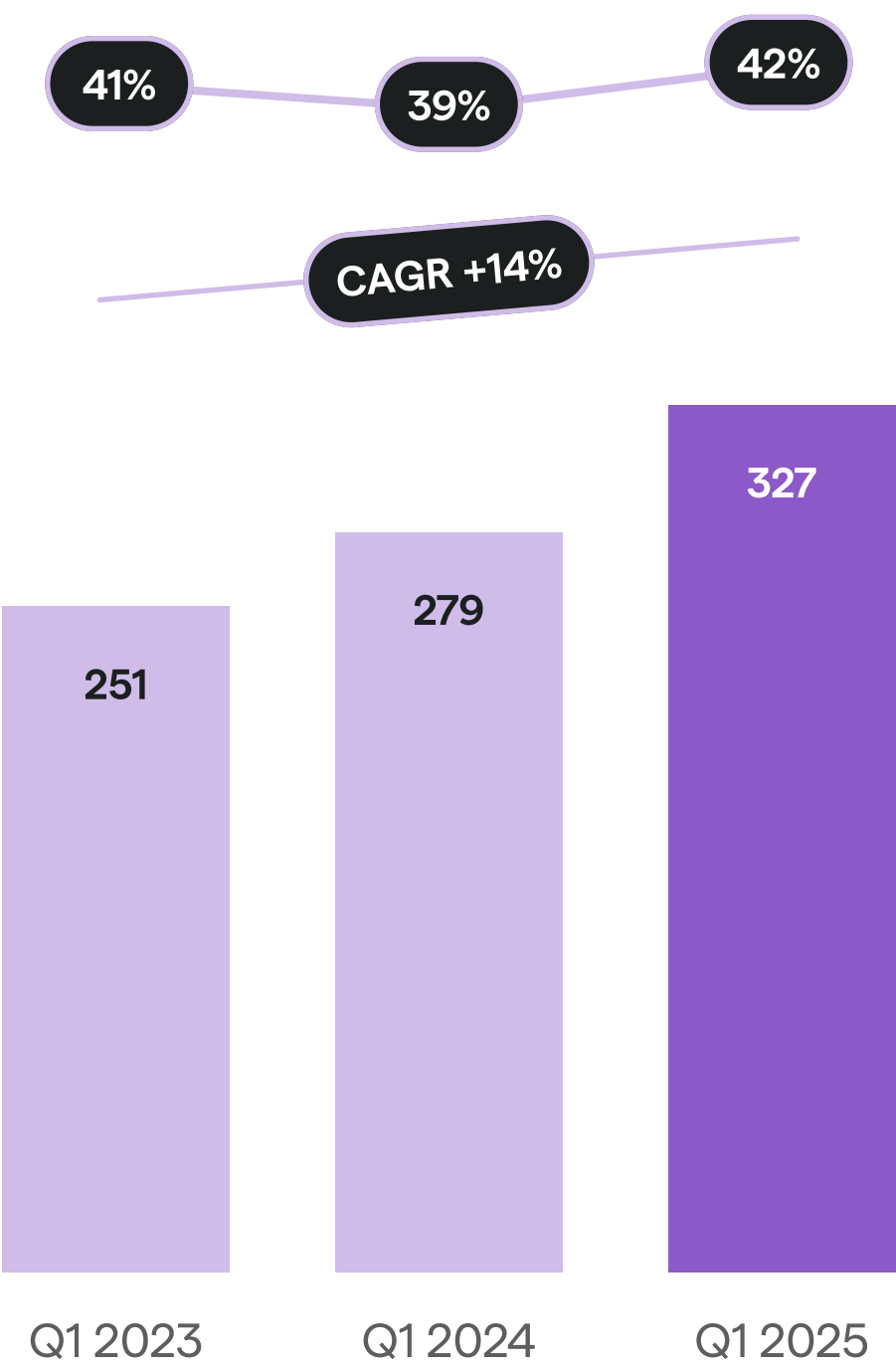
Investing in product development and growth

- 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



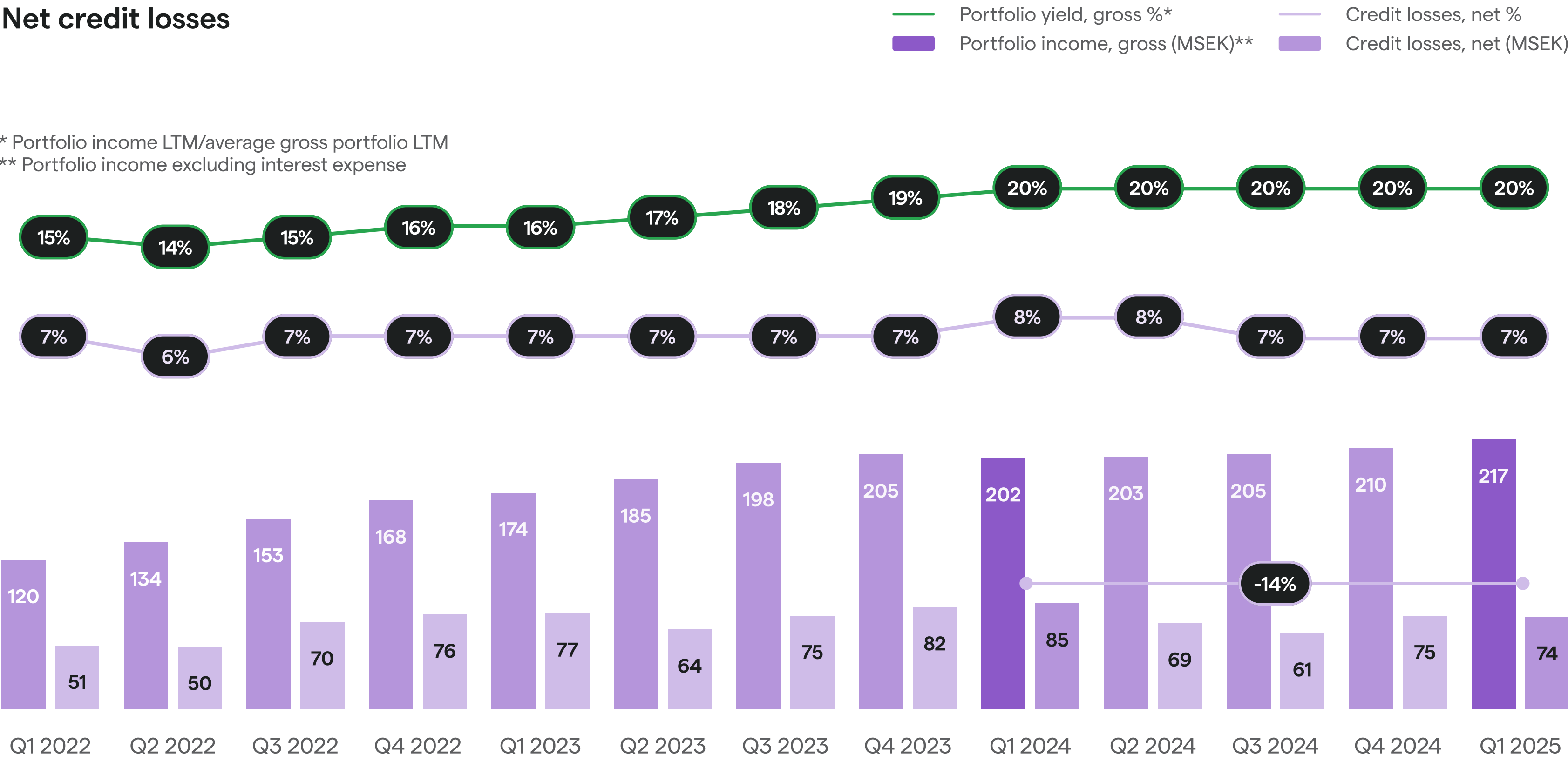
Operating expense, LTM (MSEK)



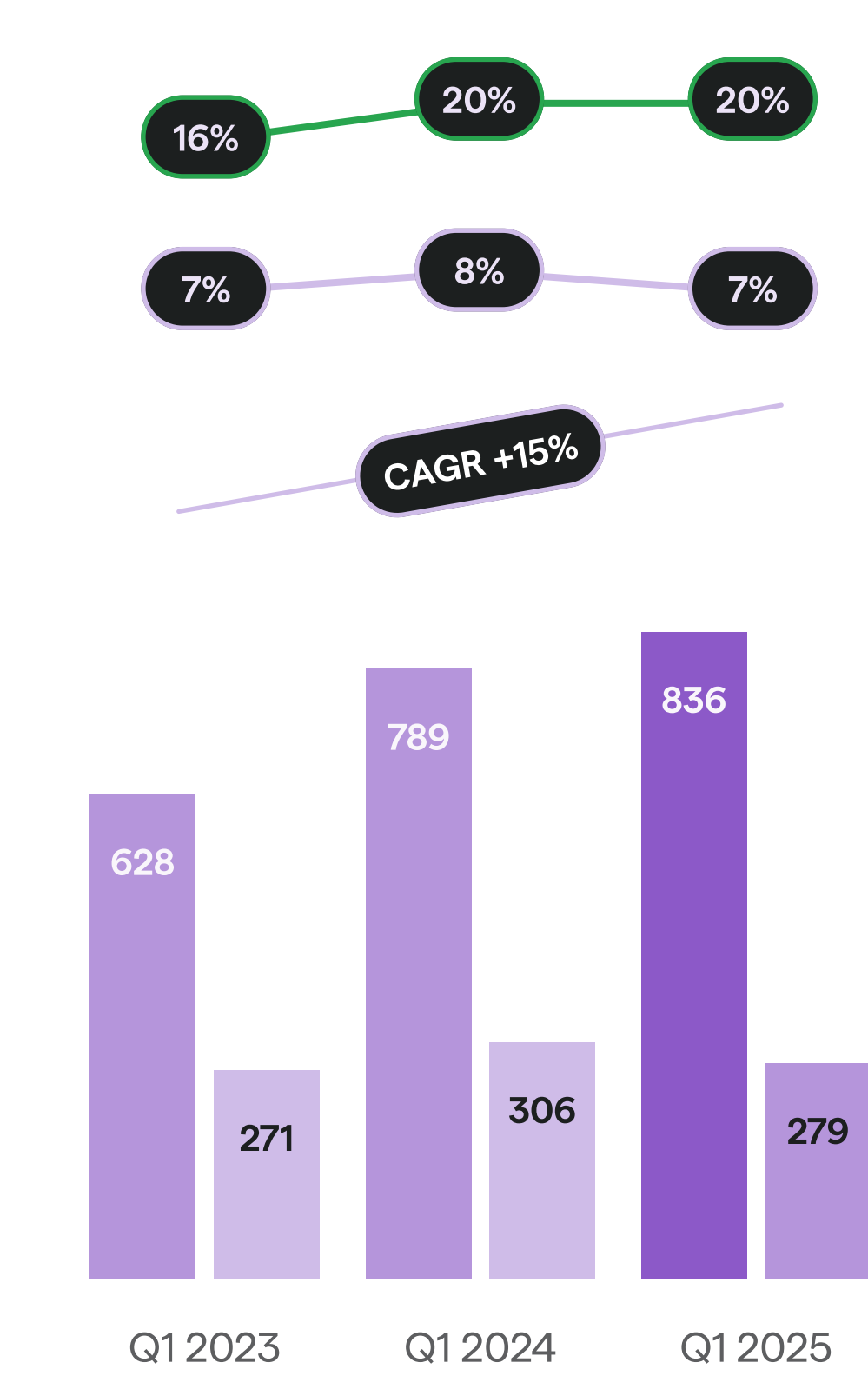
Positive trend in our credit losses

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

Net credit losses



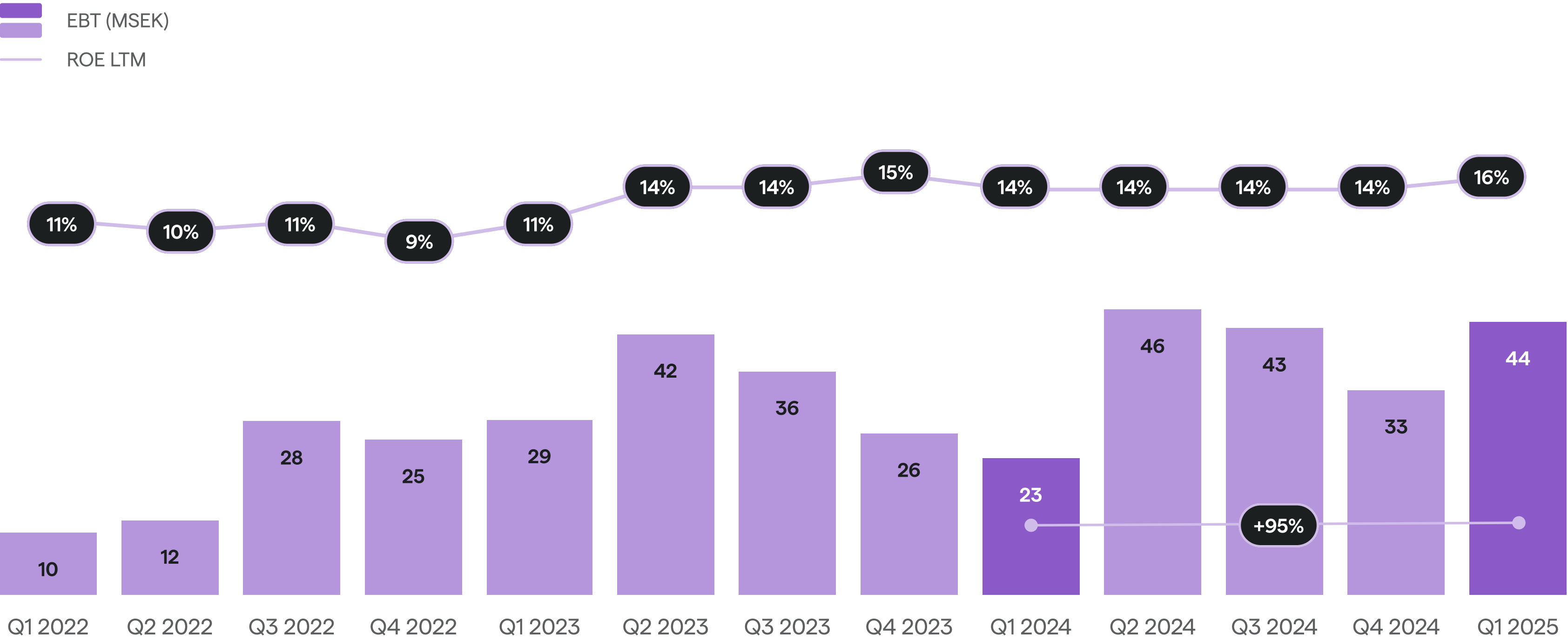
Net credit losses, LTM [MSEK]



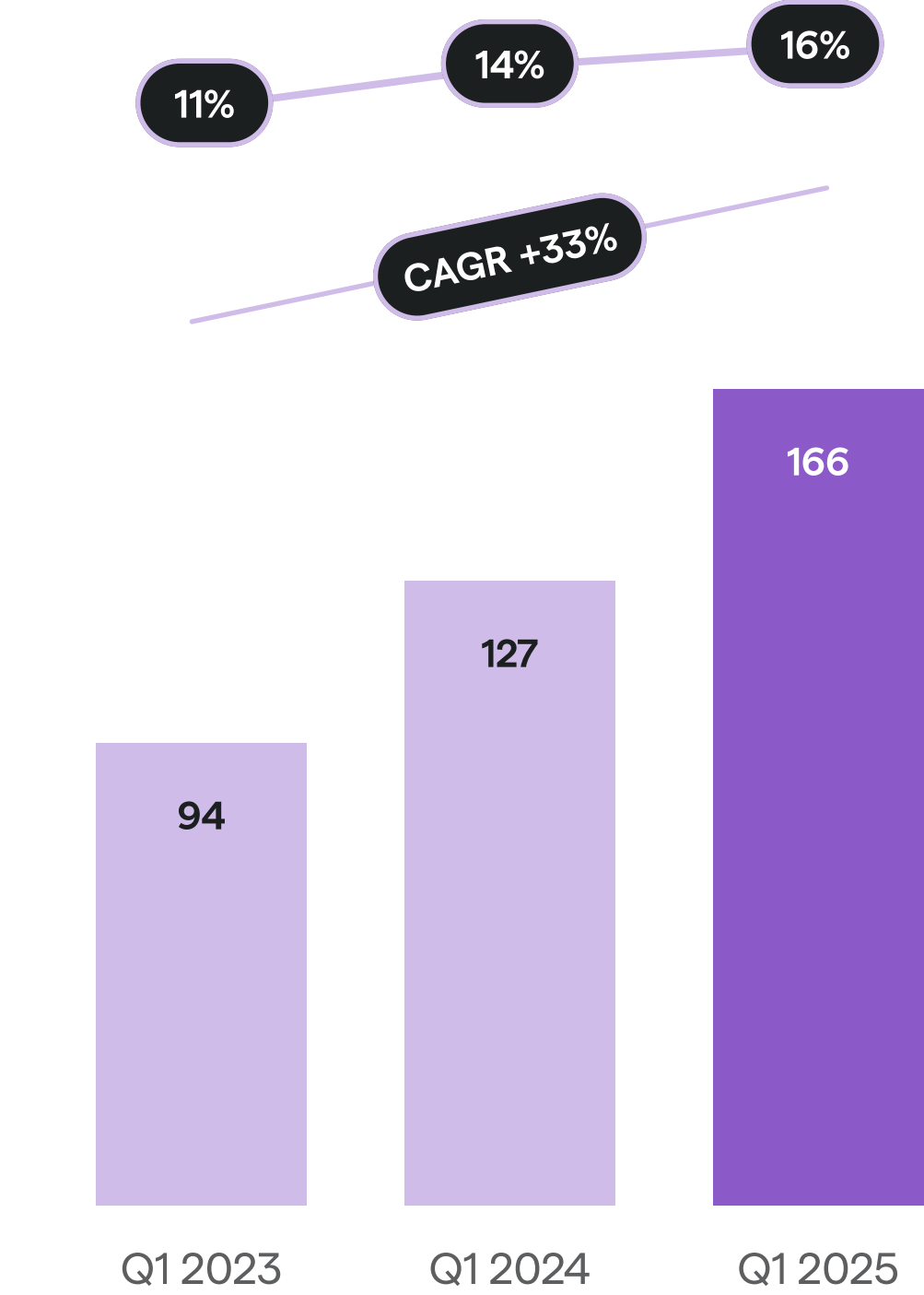
95% increase in EBT YoY

- 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



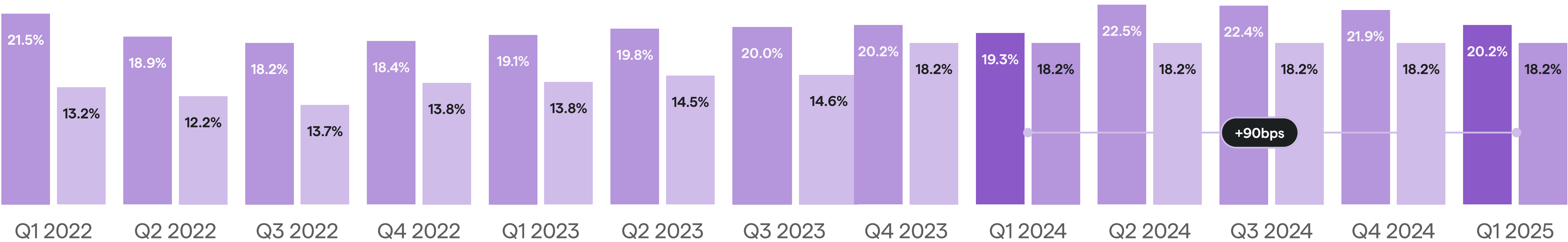
EBT, LTM (MSEK)



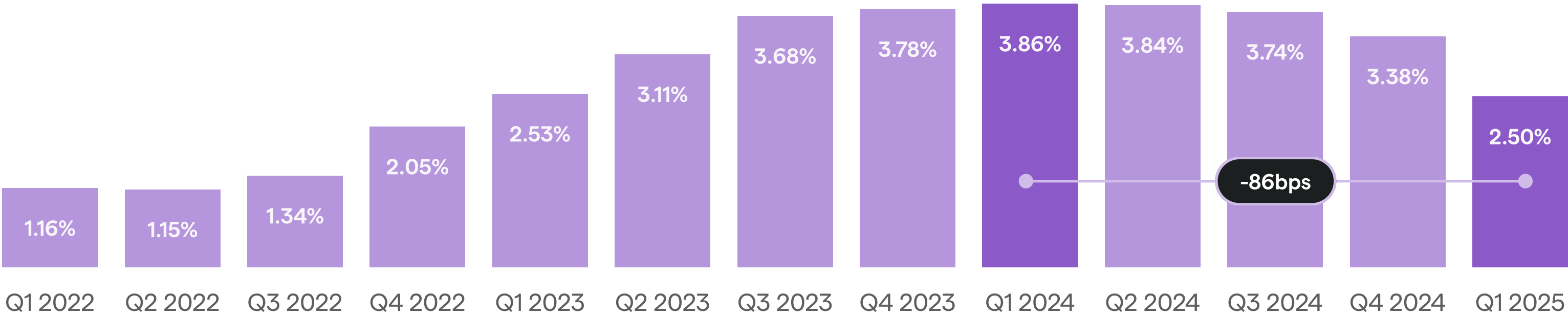
Well capitalized and reducing funding cost

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.

Thank you.