Invitation to acquire shares in **Enity Holding AB (publ)**

Joint Global Coordinators and Joint Bookrunners

Joint Bookrunner

IMPORTANT INFORMATION

For certain definitions used in this prospectus, see "*Certain definitions*" on the next page.

This prospectus has been approved and registered by the Swedish Financial Supervisory Authority (the "**Swedish FSA**") as competent authority under Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the "**Prospectus Regulation**").

The prospectus is governed by Swedish law. Disputes arising in connection with this prospectus, and related legal matters shall be settled exclusively by Swedish courts.

Enity has not taken, and will not take any actions to allow a public offering in any jurisdiction other than Sweden and Finland. The Offering is not being made to persons resident in the United States, Australia, Canada, Japan or any other jurisdiction where participation would require additional prospectuses, registration or measures besides those required by Swedish law. Consequently, the prospectus may not be distributed in or into the mentioned countries or any other country or jurisdiction in which distribution or the Offering in accordance with this prospectus require such measures or otherwise would be in conflict with applicable regulations. Subscription of shares and other acquisitions of securities in violation of the restrictions described above may be void. Recipients of this prospectus are required to inform themselves about, and comply with, such restrictions. Any failure to comply with the restrictions described may result in a violation of applicable securities regulations. For further information, see "*Selling and transfer restrictions*".

Investing in shares is associated with risk (see "*Risk factors*"). When an investor makes an investment decision, he or she must rely on his or her own analysis of Enity, including applicable facts and risks. Investors may only rely on the information in this prospectus and any possible supplements to this prospectus. No person is authorised to provide any information or make any statements other than those made in this prospectus. Should such information or statement nevertheless be provided or be made, it should not be considered to have been approved by Enity, and Enity is not responsible for such information or statements. Neither the publication of this prospectus nor any transaction made in respect of it shall be deemed to imply that the information in this prospectus is accurate or applicable at any time other than on the date of the publication of this prospectus or that there have been no changes in Enity's business since this date. If significant new factors, material mistakes or material inaccuracies relating to the information included in this prospectus occur, such changes will be announced in accordance with the provisions on prospectus supplements under the Prospectus Regulation.

As a condition for acquisition of shares under the Offering in this prospectus, each person applying for acquisition of shares shall be deemed to have made or, in some cases, be required to make, certain representations and warranties that will be relied upon by Enity and its advisors (see "*Selling and transfer restrictions*"). Enity reserves the right to declare null and void any subscription of shares that Enity and its advisors believe may give rise to a breach or violation of any law, rule or regulation in any jurisdiction.

Information to investors in the United States
The shares in the Company have not been, and will not, be, registered under the United States Securities Act of 1933, as amended (the "**U.S. Securities Act**") or with any securities regulatory authority of any state or other jurisdiction of the United States for offer or sale as part of their distribution. The shares offered by this prospectus may not be offered, pledged, sold or otherwise transferred, directly or indirectly, within or to the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

Accordingly, the shares are being offered and sold: (i) in the United States only to qualified institutional buyers ("**QIBs**"), as defined in, and in reliance on, the exemption from the registration requirements of the U.S. Securities Act provided in Rule 144A under the U.S. Securities Act ("**Rule 144A**") or pursuant to another available exemption from the registration requirements of the U.S. Securities Act and (ii) outside the United States in compliance with Regulation S under the Securities Act ("**Regulation S**"). A public offering will not be made in the United States. Prospective investors receiving this prospectus are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the shares and are hereby notified that Enity may be relying on an exemption from the registration requirements of Section 5 of the U.S. Securities Act. For a description of these and certain further restrictions regarding the shares and the distribution of this prospectus, see "*Selling and transfer restrictions*".

The shares have not been approved or disapproved by the U.S. Securities and Exchange Commission (the "**SEC**"), any state regulatory authority in the United States or any other U.S. regulatory authority nor have any of the foregoing authorities passed upon or endorsed the merits of the Offering or the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense in the United States.

Until 40 days after the commencement of the Offering, an offer, sale or transfer of shares within the United States by a dealer (regardless of whether such securities broker participates in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer, sale or transfer is made otherwise than in accordance with Rule 144A or another exemption from, or a transaction not subject to, the registration requirements under the U.S. Securities Act.

In the United States, this prospectus is being furnished on a confidential basis solely for the purposes of enabling a prospective investor to consider purchasing the particular securities described herein. The information contained in this prospectus has been provided by Enity and other sources identified herein. Distribution of this prospectus to any person other than the offeree specified by the Joint Bookrunners or their representatives, and those persons, if any, retained to advise such offeree with respect thereto, is unauthorised and any disclosure of its contents, without prior written consent of the Company, is prohibited. Any reproduction or distribution of this prospectus in the United States, in whole or in part, and any disclosure of its contents to any other person is prohibited. This prospectus is personal to each offeree and does not constitute an offer to any other person or to the public generally to purchase shares or subscribe for or otherwise acquire any shares.

Information to investors in the EEA
Within the European Economic Area (the "**EEA**"), no public offering of shares is made in other member states than Sweden and Finland. In other member states of the European Union (the "**EU**"), such an offering may only be made in accordance with an exemption in the Prospectus Regulation. In other member states of the EEA, any offer may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. For additional information, see "*Selling and transfer restrictions*".

Information to investors in the United Kingdom
No public offer of the shares in the Offering may be made to the public in the United Kingdom, except that offers of the shares in the Offering may be made under exemptions in the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the "**UK Prospectus Regulation**").

This prospectus is for distribution only to persons who: (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the "**Financial Promotion Order**"), (ii) are persons falling within Article 49(2)(a)–(d) ("high net worth companies, unincorporated associations, etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (the "**FSMA**")) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as "**Relevant Persons**"). This prospectus is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this prospectus relates is available only to and will be engaged in only with Relevant Persons. For additional information, see "*Selling and transfer restrictions*".

Stabilisation
In connection with the Offering, the Joint Global Coordinators (with Nordea as stabilisation manager) may effect transactions aimed at supporting the market price of the shares at levels above those which might otherwise prevail in the open market. Such stabilisation transactions may be effected on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending no later than 30 calendar days thereafter. The Joint Global Coordinators (with Nordea as stabilisation manager) are, however, not required to undertake any stabilisation and there is no assurance that stabilisation will be undertaken.

Stabilisation, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the price in the Offering. No later than by the end of the seventh trading day after stabilisation transactions have been undertaken, the Joint Global Coordinators (with Nordea as stabilisation manager) shall disclose that stabilisation transactions have been undertaken in accordance with Article 5(4) of the Market Abuse Regulation (EU) 596/2014. Within one week of the end of the stabilisation period, the Joint Global Coordinators (with Nordea as stabilisation manager) will make public whether or not stabilisation was undertaken, the date at which stabilisation started, the date at which stabilisation last occurred and the price range within which stabilisation was carried out, for each of the dates during which stabilisation transactions were carried out.

Forward-looking statements
The prospectus contains certain forward-looking statements that reflect Enity's current view with respect to, among other things, the intentions, beliefs and current expectations of Enity concerning, amongst other things, the operations, the financial condition, prospects, growth, strategies and dividend policy of Enity and the industry in which it operates. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond Enity's control. These forward-looking statements and other statements contained in this prospectus regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing Enity. Please also refer to "*Presentation of financial and other information–Forward looking statements*".

Presentation of financial information
Certain figures in this prospectus, including financial data, have been rounded. Accordingly, figures shown in totals in certain tables may not be an exact arithmetic aggregation of the figures which precede them. Unless otherwise stated, no information in this prospectus has been audited or reviewed by an auditor.

Important information regarding sale of allotted shares
Note that notifications about allotment to the public in Sweden and Finland will be made through distribution of contract notes, expected to be distributed on 13 June 2025. Institutional investors are expected to receive notification of allotment on or about 13 June 2025, in particular order, whereupon contract notes are dispatched. After payments for the allocated shares have been processed by the Joint Bookrunners, the duly paid shares will be transferred to the securities depository account or the securities account specified by the acquirer. The time required to transfer payments and transfer duly paid shares to such acquirer means that the acquirer will not have shares available in the specified securities depository account or the securities account until on or around 17 June 2025. Trading in the Company's shares on Nasdaq Stockholm is expected to commence on or around 13 June 2025. Accordingly, if shares are not available in an acquirer's securities account or securities depository account until on or around 13 June 2025, the acquirer may not be able to sell these shares on Nasdaq Stockholm as from the first day of trading, but first when the shares are available in the securities account or the securities depository account.

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Summary of the Offering

Offering Price
SEK 57 per share.

Application period for the general public
9 June–12 June at 15:00 CEST 2025

Application period for institutional investors
9 June–12 June 2025

First day of trading in the Company's shares on Nasdaq Stockholm
13 June 2025

Settlement date
17 June 2025

Other information

Ticker:	ENITY
ISIN code:	SE0025011554
LEI code:	636700S7UMLTDQOBKU55

Financial calendar

Interim report January–June 2025:	27 August 2025
Interim report January–September 2025:	19 November 2025
Year-end report 2025:	19 February 2026

Certain definitions

The following definitions are used in this prospectus:
"**Enity**" means, depending on the context, Enity Holding AB (publ) (corporate ID No. 556668-9575) or the group in which Enity Holding AB (publ) is the parent company. The "**Company**" means Enity Holding AB (publ) (corporate ID No. 556668-9575). The "**Group**" means Enity Holding AB (publ) and its subsidiaries.
"**Enity Bank**" means the Company's wholly-owned subsidiary Enity Bank Group AB (publ) (corporate ID No. 556717-5129).
"**EQT VII**" or "**EQT**" means EQT VII (No.1) Limited Partnership and EQT VII (No.2) Limited Partnership, each managed by EQT Fund Management S.à r.l.
"**Euroclear Sweden**" means Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden.
The "**Joint Global Coordinators**" refers to Nordea Bank Abp, filial i Sverige ("**Nordea**") and Skandinaviska Enskilda Banken AB (publ) ("**SEB**").
The "**Joint Bookrunners**" refers to the Joint Global Coordinators and ABG Sundal Collier AB ("**ABG Sundal Collier**").
The "**Main Shareholder**" or "**Butterfly Holdco**" means Butterfly Holdco Pte Limited (Singapore), which is indirectly controlled by EQT VII.
"**Nasdaq Stockholm**" means, depending on the context, the regulated market Nasdaq Stockholm or Nasdaq Stockholm AB.
The "**Offering**" means the offer to the general public in Sweden and Finland as well as institutional investors to acquire existing shares in Enity Holding AB (publ) and the admission to trading of the shares on Nasdaq Stockholm in accordance with this prospectus.
See also "*Glossary*" for certain other terms used in this prospectus.

Summary

Introduction and warning

This summary should be read as an introduction to the prospectus. Any decision to invest in the securities should be based on consideration of the prospectus as a whole by the investor. An investor could lose all or part of the invested capital. Where a claim relating to the information contained in this prospectus is brought before a court, the plaintiff investor might, under the national law, have to bear the costs of translating the prospectus before the legal proceedings are initiated. Civil liability may only attach to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent when read together with the other parts of the prospectus, or where it does not provide, together with other parts of the prospectus, key information in order to aid investors when considering whether to invest in such securities.

Information about the issuer

Enity Holding AB (publ) (corporate ID No. 556668-9575) is a Swedish public limited liability company. The address of the Company's head offices is Sveavägen 163, SE-113 46 Stockholm, Sweden. The ISIN code of the shares is SE0025011554. Enity's LEI code is 636700S7UMLTDQ0BKU55.

Information about the offeror

The Main Shareholder (Butterfly Holdco Pte Limited, 88 Market Street, #48-04/05, Singapore, 048948, LEI code 2138006O6QSN8PVK3476) is offering up to 29,325,000 existing shares in the Offering, provided that the Overallotment Option (as defined below) is exercised in full.

Competent authority

This prospectus has been approved by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**Swedish FSA**"), which is the regulatory authority in Sweden responsible for approving the prospectus in accordance with the Prospectus Regulation.

Contact information for the Swedish FSA is P.O. Box 7821, SE-103 97 Stockholm, Sweden, telephone number +46 (0)8 408 980 00, and website www.fi.se.

The prospectus was approved by the Swedish FSA on 9 June 2025.

Key information on the issuer

Who is the issuer of the securities?

Enity Holding AB (publ) (corporate ID No. 556668-9575) is the issuer of the securities under this prospectus. The Board of Directors of Enity has its statutory seat (Sw. *säte*) in the municipality of Stockholm, Sweden. The Company is a public limited liability company (Sw. *publikt aktiebolag*) incorporated in Sweden on 1 October 2004. The Company conducts operations in accordance with the Swedish Companies Act (Sw. *aktiebolagslagen (2005:551)*) (the "**Swedish Companies Act**"). The Company's LEI code is 636700S7UMLTDQ0BKU55.

Principal activities

Enity is a specialist mortgages provider operating in the Nordic region, creating innovative and inclusive mortgage solutions for approximately 33,000 customers across Sweden, Norway and Finland. Serving its mission of responsible inclusion, Enity provides its core product offering of tailored mortgage loans in Sweden, Norway and Finland, second charge loans in Norway and equity release loans in Sweden to a customer base of borrowers who may be self-employed, hold modern employment, are in need of debt consolidation, have limited or no credit history, have remarks on their credit history despite an orderly financial situation or, in the case of equity release loans, are of retirement age with relatively low current earnings and high unutilised value in their property. Enity serves its customers through a differentiated product offering across three brands: Bluestep Bank in all its geographies, Bank2 in Norway and 60plusbanken in Sweden.

Ownership structure

The table below sets forth Enity's ownership structure prior to and directly after completion of the Offering, respectively, provided that the Offering is fully subscribed for and all allocated shares have settled as allocated, reflecting both the ownership structure if the Overallotment Option is not exercised and if the Overallotment Option is fully exercised. As of the date of this prospectus, the Company's sole shareholder is the Main Shareholder, holding all 50,000,000 shares in the Company.

Shareholder	Prior to the Offering: Number of shares	Prior to the Offering: Shares and votes, %	After the Offering (if the Offering is fully subcribed for and the Overallotment Option is not exercised): Number of shares	After the Offering (if the Offering is fully subcribed for and the Overallotment Option is not exercised): Shares and votes, %	After the Offering (if the Offering is fully subscribed for and the Overallotment Option is fully exercised): Number of shares	After the Offering (if the Offering is fully subscribed for and the Overallotment Option is fully exercised): Shares and votes, %
Butterfly Holdco[1, 2]	50,000,000	100.0	24,500,000	49.0	20,675,000	41.4
New shareholders	–	–	*25,500,000*	*51.0*	*29,325,000*	*58.7*
Total existing and new shareholders	**50,000,000**	**100.0**	**50,000,000**	**100.0**	**50,000,000**	**100.0**

1) Butterfly Holdco is, as of the date of this prospectus, indirectly controlled by EQT VII, which is managed by EQT Fund Management S.à r.l., which is in turn controlled by EQT AB. EQT AB is not controlled by any other person or entity.
2) The holdings after the Offering include the number of shares in the Company that will be transferred from the Main Shareholder to relevant participants in the existing equity participation programme immediately following completion of the Offering, as well as the number of shares in the Company that will be transferred to relevant participants in the equity participation programmes in January 2026. Based on an assumption of a 100 per cent share settlement election by the first-mentioned participants, the Main Shareholder will own 47.3 per cent or 39.6 per cent, respectively, of the shares and votes in the Company immediately following completion of the Offering.

The Main Shareholder will continue to have a significant influence over the outcome of matters submitted to the Company's shareholders for approval after the Offering. Such influence is, however, limited by the provisions of the Swedish Companies Act on minority protection.

Senior Management Team

The table below sets forth the members of Enity's the Senior Management Team, as of the date of this prospectus.

Name	Position
Björn Lander	Chief Executive Officer
Pontus Sardal	Chief Financial Officer
Christian Marker	Chief Legal Officer
Anna Fogelström	Chief Information Officer
Caroline Redare	Chief Human Resources Officer
Erik Walberg Olstad	Chief Commercial Officer
Christer Pettersson	Chief Customer Acquisition Officer
David Nilsson Nannini	Chief Data Officer
Anna Wahldén	Chief Risk Officer

Auditor

Ernst & Young AB, Hamngatan 26, SE-111 47 Stockholm, is Enity's auditor. Erik Benjaminsson Castlin is auditor-in-charge.

What is the key financial information regarding the issuer?

The selected historical financial information presented below as of and for the financial years ended 31 December 2024, 2023 and 2022 (other than alternative performance measures) has been derived from Enity's audited consolidated financial statements for each respective financial year, prepared in accordance with IFRS Accounting Standards as endorsed by the EU ("**IFRS Accounting Standards**") and the Swedish FSA's regulations and general guidelines regarding annual reports in credit institutions and securities companies (FFFS 2008:25) (Sw. *Föreskrifter och allmänna råd (FFFS 2008:25) om årsredovisning i kreditinstitut och värdepappersbolag*). The selected historical financial information presented below as of and for the three months ended 31 March 2025 and 2024, respectively (other than alternative performance measures) has been derived from Enity's unaudited interim consolidated financial statements as of and for the first three months ended 31 March 2025 (with comparative information as of and for the first three months ended 31 March 2024), prepared in accordance with IAS 34 *Interim Financial Reporting*.

Condensed consolidated income statement

	For the year ended 31 December			For the three months ended 31 March	
SEK million (unless otherwise stated)	**2024**	**2023**	**2022**	**2025**	**2024**
Net interest income	1,114.7	959.3	921.2	298.4	270.9
Net gains and losses from financial transactions	4.9	27.1	–23.5	–0.3	4.3
Total operating income	1,130.3	997.0	910.0	301.7	275.1
Credit losses, net	–41.0	–48.0	–28.1	–31.7	–12.7
Operating profit[1]	393.6	276.1	264.1	81.2	61.0
Profit for the period	255.6	200.8	209.8	49.0	46.1
Basic earnings per share (SEK)[2]	5.09	12.80	16.78	0.98	0.90

1) Alternative performance measure (non-IFRS measure).
2) Adjusted to reflect a share split carried out in May 2025.

Condensed consolidated balance sheet

	As of 31 December			As of 31 March	
SEK million	**2024**	**2023**	**2022**	**2025**	**2024**
Total assets	37,170.8	34,226.2	26,712.9	36,444.8	36,631.4
Debt securities in issue	7,933.5	7,583.0	8,158.9	7,920.1	9,326.5
Deposits from the public	23,202.9	20,513.1	13,239.1	22,377.3	21,210.9
Total equity	5,546.6	5,376.2	4,611.4	5,582.1	5,353.8
Stage 3 ratio (%)[1)]	5.6%	4.1%	1.9%	6.8%	4.5%
CET1 ratio (%)[2)]	16.7%	15.5%	17.0%	17.3%	16.4%
Total capital ratio (%)[2)]	18.7%	16.0%	17.0%	19.2%	16.7%
Leverage ratio (%)[2)]	7.1%	6.4%	6.8%	7.3%	6.5%

1) Alternative performance measure (non IFRS-measure).
2) Key metric in accordance with the Capital Requirements Regulation (EU) 575/2013 (CRR).

Key operating measures

	For the year ended 31 December			For the three months ended 31 March	
SEK million (unless otherwise stated)	**2024**	**2023**	**2022**	**2025**	**2024**
Adjusted C/I ratio[1, 2)]	51.5%	56.2%	57.3%	47.1%	55.4%
Credit loss ratio (%)[1, 3)]	0.16%	0.24%	0.15%	0.22%	0.23%
Adjusted operating profit[1, 4)]	507.4	388.4	360.4	127.8	109.9
Adjusted operating profit less tax[1, 5)]	402.9	308.4	286.2	101.5	87.3
Adjusted RoTE (%)[1, 6)]	16.6%	17.3%	16.6%	16.0%	15.0%
Lending to the public[1, 7)]	28,832.4	26,205.1	20,346.3	29,310.0	27,308.6

1) Alternative performance measure (non-IFRS measure).
2) Adjusted total operating expenses in relation to adjusted total operating income. Total operating expenses are adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs. Total operating income is adjusted for items affecting comparability.
3) Net credit losses last twelve months (“**LTM**”) in relation to average lending to the public at amortised cost LTM. Average lending to the public at amortised cost LTM is calculated as the average of the opening and closing balance each respective year/twelve month period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.
4) Operating profit adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs.
5) Operating profit adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs less tax (tax rate 20.6 per cent).
6) Adjusted operating profit less tax (tax rate 20.6 per cent) attributable to shareholders in relation to average tangible equity excluding additional tier 1 instruments (AT1 instruments). For quarters, the adjusted operating profit is annualised by multiplying the amount for the quarter by four. Tangible equity excluding AT1 instruments is calculated as total equity less goodwill and intangible assets relating to acquisitions and AT1 instruments. Average tangible equity is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.
7) Loans to individuals.

What are the key risks that are specific to the issuer?

Enity is exposed to risks relating to macroeconomic, geopolitical and market risks

Through Enity Bank, the Group operates a Nordic specialised mortgage bank with lending operations in Sweden, Norway and Finland, and also offers retail deposit products in Sweden, Norway and Germany. The Group’s business is subject to inherent risks arising from general and sector-specific economic conditions, predominantly in Sweden, Norway and Finland, as well as geopolitical factors and changes in the geopolitical landscape. A deterioration in macroeconomic conditions globally or a reduction in GDP in Sweden, Norway or Finland, would reduce the level of demand for the products and services of the Group. Due to the high level of consumer indebtedness, Enity would be affected by fluctuations in the housing market as well as in interest rates in Sweden, Norway and Finland. Should any of these risks materialise, the Group could face adverse effects on its interest income, a reduction in the volume of credit issued, increased credit losses, and decreased operating profit. Significant shifts in the geopolitical landscape, including any unforeseen events, may have a material adverse effect on Enity’s business. The exact nature of the risks faced by Enity in relation to the macroeconomic and geopolitical environments is difficult to predict and guard against, because of (i) difficulties in predicting the future macroeconomic situation, and (ii) the fact that many of the risks are completely, or in part, outside the control of the Group.

Enity is exposed to risks relating to property value fluctuations

Mortgages granted by Enity and other providers consist of loans which are secured by shares in housing companies, mortgage certificates in properties, pledges of tenant-owners’ rights and rights of occupancy in Sweden, Norway and Finland. Any deterioration in the economic condition of the areas where these properties and apartments are located, or in other areas that causes an adverse effect on the ability of the borrowers to repay the mortgages, would increase the risk of losses on the mortgages. If the residential real estate market in Sweden, Norway or Finland in general, or in any particular region in the Group’s portfolio, should experience a substantial overall decline in property values resulting in the outstanding balances of the mortgages becoming greater than the value of the relevant collateral granted in relation thereto, such a decline could result in the relevant collateral not being sufficient to avoid credit losses. Furthermore, there is a risk that declining property values reduce the demand for the Group's mortgage products in general, which would affect Enity's ability to meet its financial targets. As certain mortgages granted by Enity, through Enity Bank, in Sweden are equity release loans, significant falls in property values can materially impact customers' ability to make full repayment, which would result in increased credit impairments.

Enity is exposed to interest rate risks

Enity is affected by interest rate fluctuations. Changes in interest rate levels, yield curves and spreads could affect Enity's interest margin. Changes in the competitive environment could also affect spreads on the Group's lending and deposits. For example, two of Enity's funding sources, the medium-term notes ("**MTNs**") and medium-term covered notes ("**MTCNs**") issued by Enity Bank, are generally pegged to the floating reference rates STIBOR, NIBOR and EURIBOR. If Enity's funding costs were to increase significantly and rapidly due to a material increase in market interest rates, and the Group is unable to sufficiently increase the interest rates on its loan products in a timely manner, or at all, Enity's interest margin will be adversely affected, causing an adverse effect on the Group's net earnings. A high interest rate environment could reduce demand for the Group's loan products, as individuals may be less likely or less able to borrow when interest rates are higher. Higher interest rates would also lead to higher interest costs for existing borrowers, which could affect their ability to repay their borrowings and lead to an increased rate of defaults. Enity is to a significant extent exposed to variation in interest rates affecting its interest payments received and interest expenses paid, respectively, and interest rate risks thus present a significant risk to the Group's cost levels, financial position and results of operations.

Enity is exposed to risks relating to decline in the credit quality of its customers

The Group's credit policies, credit instructions and credit underwriting processes may not be sufficient to prevent Enity from incurring higher credit losses. Even though the Group's credit underwriting process may deem an applicant to be creditworthy at the time of application, the applicant's creditworthiness may deteriorate due to changes in personal circumstances or other factors. Should Enity not accurately assess the creditworthiness of loan applications, Enity could experience increased credit losses. Furthermore, high unemployment levels and high interest rates in the markets where Enity operates would reduce the number of customers who qualify for the Group's loan products and thereby adversely affect the Group's ability to maintain the size of its loan portfolio. Adverse changes to the credit quality of the Group's customers would cause an increase in the level of credit losses, and therefore represent a highly significant risk to Enity and could adversely affect its cost of risk, financial condition and results of operations.

Enity is exposed to liquidity and financing risks

Enity is subject to liquidity and financing risks. Liquidity risk is the risk that the Group will not be able to meet its payment obligations at maturity without significant cost increases, or at all. Financing risk is the risk that the Group will not get access to funding sources in time and on satisfactory economic terms, or at all. Financing risks can be exacerbated by enterprise-specific factors, such as over-reliance on a particular source of funding, or by market-wide phenomena, such as market dislocation or a major disaster. The Group's ability to access funding sources on satisfactory economic terms is subject to a variety of factors, a number of which are outside of Enity's control. If access to funding were to be constrained for a prolonged period of time, competition for retail deposits and the cost of accessing the capital markets could similarly increase. There is a risk that this will increase the Group's cost of funding or result in Enity not getting access to sufficient funding and, therefore, poses a highly significant risk to the Group's net interest margin and financial position.

Enity is exposed to risks relating to cybersecurity and IT failures

Enity's operations depend on secure IT-systems and networks for processing and storing customer information and other confidential information. IT systems, software, networks and payment systems could be vulnerable to, among other things, cyber-attacks and internal errors that could result in disruption to its business or the loss or theft of confidential information. There is a risk that any failure, interruption or breach in Enity's or its subcontractors' IT security results in, for example, reputational harm, inability to process loans or depositors not being able to access their funds. If any IT security or IT operational risks would materialise, it could result in a loss of customer business, loss of income, damaged reputation and possibly a large number of customers making withdrawals of deposits rapidly, thereby adversely affecting the Group's funding and liquidity situation. Furthermore, if the Group's proprietary or confidential customer information is intercepted, stolen, misused or mishandled while in the possession of a third party, there is a risk that it will result in, for example, reputational harm to Enity or possibly a large number of customers making withdrawals of deposits rapidly, which could expose Enity to possible financial liability, adversely affecting the Group's operations and financial situation.

Enity is exposed to risks relating to ineffective marketing and public relations activities

To maintain and grow its portfolio, Enity must attract new customers and/or further advance its offering to existing customers. To do so, Enity is dependent on the effectiveness of its marketing and public relations activities, especially to increase brand perception and generate customer leads. The Group utilises a multi-channel origination platform, comprising both direct and indirect channels to target customers. There is a risk that Enity's marketing and public relations activities could become less effective in the future, resulting, for example, in lower brand awareness and perception amongst the public, which in turn may result in reduced new customer origination. Moreover, if the Group's marketing capabilities would be restricted, for example, due to changes in data protection laws, marketing laws or other regulations, Enity could be required to focus on less effective or more costly marketing channels, and as a result see a decline in new loan volumes.

Enity is exposed to risks relating to competition

The specialist mortgage segment, which is Enity's primary market, is relatively small and undeveloped but is growing continuously. Enity faces the risk that competitors, for example high-street banks, which offer a broad range of products and services through widespread retail office networks and online, may start to focus on the specialist mortgage segment. There is also a risk that other players enter the market with new or improved technical solutions for the delivery of financial services. If there are more competitors in the specialist mortgage markets, there is a risk that Enity loses market shares and that demand for the Group's products decreases, or that Enity is required to reduce the interest rates that it charges on its loan products in order to maintain demand, which would have a material adverse effect on the Group's net interest margin. Furthermore, Enity uses brokers to source a portion of new loans. If brokers with whom Enity cooperates are unable to successfully compete with other brokers, it would have an adverse effect on the number of potential borrowers referred to Enity by brokers.

Enity is exposed to risks relating to capital adequacy and liquidity regulations

Enity Bank is subject to capital adequacy and liquidity regulations, which aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. Serious or systematic deviations by the Group from such regulations would most likely lead to the Swedish FSA determining that Enity Bank's business does not satisfy its obligations to maintain sufficient capital and liquidity, as well as the statutory soundness requirement for credit institutions and thus result in the Swedish FSA imposing sanctions on Enity Bank. Further, any increase in the capital and liquidity requirements could have a negative effect on Enity Bank's, and thus the Group's, liquidity (should its liquidity buffers and revenue streams not cover liquidity requirements, in addition to the fact that stricter requirements to hold liquidity reserves decrease the possibility to dispose the Group's funds freely on a short-term basis), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase).

Enity is exposed to risks relating to the banking licence issued by the Swedish FSA

The Swedish Banking and Financing Business Act (Sw. *lagen (2004:297) om bank- och finansieringsrörelse*) (the "**BFBA**") requires all Swedish banking companies (Sw. *bankaktiebolag*) to operate under a licence granted by the Swedish FSA. On 7 October 2016, Enity Bank was granted a banking licence by the Swedish FSA. Enity Bank also conducts operations in Norway and Finland through branches and thus passports its banking licence to Norway and Finland. Enity Bank has also passported its licence to take deposit and other repayable funds to Germany. If Enity Bank was subject to material remarks or warnings and/or fines, it would cause significant, and potentially irreparable, damage to the Group's reputation and, as a result, the Group's business, financial condition and results of operations could be materially adversely affected. The Group's operations are also contingent upon Enity Bank's banking licence. The loss or suspension of the banking licence will require Enity Bank to cease its banking operations, which would have a severely adverse effect on the Group's business, financial condition and results of operations.

Enity is exposed to risks relating to non-compliance with regulations

The Group's operations are subject to legislation, regulations, codes of conduct, legal statements and general recommendations in the jurisdictions in which it operates and in relation to the products it markets and sells. Many initiatives for regulatory changes have been taken in the past and the Group is unable to predict with certainty what regulatory changes may be imposed in the future as a result of regulatory initiatives in the EU, by the Swedish FSA and its Norwegian and Finnish FSA counterparts or by other authorities and agencies. Such changes may have a material adverse effect on, among other things, the Group's product range and activities, the sale and pricing of the Group's products, and the Group's profitability, solvency and capital adequacy, and may result in increased compliance costs. Furthermore, as the Group is a specialist mortgage loan provider, there is a risk that adverse changes in the regulatory environment could have a greater impact on the Group's business, financial condition and results of operations than, for example, high-street banks, which have a more diversified product offering.

Key information on the securities

What are the main features of the securities?

This prospectus relates to the Offering and listing of shares in Enity on Nasdaq Stockholm, with ISIN code SE0025011554. The shares have been issued in accordance with Swedish law, are fully paid and denominated in SEK.

As of the date of this prospectus, there are 50,000,000 shares in the Company (with a quota value of SEK 0.01 per share). The share capital amounts to SEK 500,000. The Offering will only comprise existing shares in the Company. Accordingly, the Company's share capital will not change as a result of the Offering.

Rights attached to the shares

Each share in the Company entitles the holder to one (1) vote at the General Meeting. To be entitled to participate in a General Meeting, the shareholder must be registered in the share register six banking days prior to the meeting (while voting registrations made by nominees not later than four banking days prior to the General Meeting will be taken into account), and notify the Company of the participation not later than on the day specified in the notice of the meeting. If the Company issues new shares, warrants or convertibles (Sw. *konvertibler*) in a cash issue or a set-off issue (Sw. *kvittningsemission*), shareholders shall, as a general rule, have preferential rights to subscribe for such securities proportionally to the number of shares held prior to the issue. All shares in the Company give equal rights to dividends and the Company's assets and possible surpluses in the event of liquidation. All shareholders that are registered in the share register maintained by Euroclear Sweden on the record date adopted by the General Meeting shall be entitled to receive dividends. The shares in the Company will be freely transferable in accordance with Swedish law at the time of the admission to trading on Nasdaq Stockholm.

Potential impact on the investment in the event of resolution under directive 2014/59/EU

Enity is subject to the Bank Recovery and Resolution Directive 2014/59/EU (the "**BRRD**") (as amended by Directive (EU) 2019/879 ("**BRRD II**")). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and is (including its subsequent amendments) implemented in Sweden through the Swedish Resolution Act (Sw. *lagen (2015:1016) om resolution*) (the "**Resolution Act**"). The BRRD and the Resolution Act contain a number of resolution tools and powers which may be applied by the relevant resolution authority if certain conditions for resolution are met, which can be categorised into preventive powers, early intervention powers and resolution powers. One of the key principles of the BRRD is that the shareholders of a failing institution must bear the first losses in case of a failure. Therefore, prior to taking any resolution action that would result in losses for the creditors of the failing institution, the authorities must impose losses on the shareholders by cancelling or severely diluting their shares. If resolution measures are taken, this could have a detrimental impact on the value of the shares, as such measures could include, *inter alia*, the cancellation of the shares, considerable dilution of the shares, or the transfer of all or part of the shares or the business to private investors or government controlled entities.

Dividend policy

The Company's dividend policy is to target a dividend of approximately 20–40 per cent of net profit for the year attributable to shareholders, and any potential excess capital (distributable funds) taking Enity's financial target in respect of the CET1 ratio into account.

Where will the securities be traded?

On 19 May 2025, the listing committee of Nasdaq Stockholm assessed that the Company meets Nasdaq Stockholm's listing requirements, provided that customary terms and conditions are satisfied, including that the distribution requirement for the Company's shares is met no later than the first day of trading in the Company's shares on Nasdaq Stockholm and that the Company applies for the admission to trading of its shares on Nasdaq Stockholm. The expected first day of trading on Nasdaq Stockholm is 13 June 2025. The shares will be traded under the ticker ENITY.

What are the key risks that are specific to the securities?

The Company's share price can be volatile, and the share price development is affected by several factors

Since an investment in the shares may increase or decrease in value, there is a risk that investors will not recover their invested capital. The performance of the Company's share depends on multiple factors, some of which are company specific, whereas others are related to the stock market in general. The Offering Price will not necessarily reflect the price at which investors in the market will be willing to buy and sell the shares following the Offering; for example, during the trading taking place after the listing, the price may differ from the Offering Price. Enity's shares have not previously been traded on a stock market. It is therefore difficult to predict the amount of trading or the interest that may be shown in the shares. Consequently, there is a risk that there will not always be an active and liquid market for trading in the Company's shares, which would affect investors' possibilities to recover their invested capital.

The Company's ability to pay future dividends depends on several factors

Payment of dividends may only take place if there are payable funds held by Enity and as long as the requirements of future dividends, and the size, scope and risks of any such dividends, are met. Such requirements depend on Enity's equity, need to strengthen its balance sheet, liquidity and financial position in general for a certain financial year. However, there is a risk that payable dividends will not be available in any financial year, which would reduce the return on an investor's invested capital. In addition, the Group is subject to capital adequacy and liquidity requirements under regulations applicable to financial institutions, including the capital conservation buffer and the counter-cyclical capital buffer. When in breach of a buffer requirement an institution may not pay out any dividends (unless such dividends are covered by the disposable amount (Sw. *förfogandebeloppet*)) and could face further injunctions.

Sales of shares by existing shareholders and future new share issues could cause the share price to decline and dilute existing shareholders

The market price of the Company's share could decline if there are substantial sales of the Company's shares, particularly sales by its Board of Directors, Senior Management Team, and significant shareholders, or otherwise when a large number of shares are sold. Any sales of substantial amounts of the Company's shares in the public market by shareholders subject to the lock-up undertakings or the Company's other shareholders, or the perception that such sales might occur, could cause the market price of the Company's share to decline, which entails a significant risk for investors. In addition, any new issues of shares or share-related instruments may cause the share price to decline and lead to a dilution of ownership for shareholders who do not participate in such an issue or choose not to subscribe for shares.

Key information on the offering of securities to the public and/or admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

The Offering comprises up to 25,500,000 shares in the Company, all of which are existing shares offered by the Main Shareholder. The Offering is divided into two parts:

- The offer to the general public in Sweden and Finland.[1)]
- The offer to institutional investors.[2)]

To cover any overallotments in the Offering, the Main Shareholder will grant the Joint Bookrunners an option to acquire up to an additional 3,825,000 shares, corresponding to maximum 15 per cent of the total number of shares in the Offering (the "**Overallotment Option**").

1) The offer to the general public in Sweden and Finland entails an offer of shares to acquire a maximum of 20,000 shares.
2) "Institutional investors" include private individuals and legal entities that apply to acquire more than 20,010 shares.

The price per share in the Offering has been set at SEK 57 per share (the "**Offering Price**"). The Offering Price has been determined by the Main Shareholder in consultation with the Joint Global Coordinators, based on a number of factors, including contacts with the Cornerstone Investors and certain institutional investors, prevailing market conditions and a comparison of the market price of comparable listed companies.

Decision on allotment of shares in the Offering will be made by the Main Shareholder in consultation with the Joint Global Coordinators, whereby the goal will be to achieve a strong institutional ownership base and a broad distribution of the shares among the general public, in order to facilitate a regular and liquid trading in the shares on Nasdaq Stockholm.

Below is a summarised timetable for the Offering set forth.

- Application period for the general public: 9 June–12 June at 15:00 CEST 2025
- Application period for institutional investors: 9 June–12 June 2025
- First day of trading in the Company's shares on Nasdaq Stockholm: 13 June 2025
- Settlement date: 17 June 2025

Transaction costs

The Company's costs related to the admission to trading in the Company's shares on Nasdaq Stockholm and the Offering, including payment to advisors and other estimated transaction costs, are estimated to amount to approximately SEK 95 million in total, of which SEK 33 million was included in Enity's accounts for the three months ended 31 March 2025.

Who is the offeror and/or the person asking for admission to trading?

The Main Shareholder is offering up to 29,325,000 existing shares in the Offering, provided that the Overallotment Option is exercised in full. The Main Shareholder is a private limited company (incorporated in Singapore) governed by the Singaporean Companies Act of 1967 (as amended). The Company is the applicant for the admission to trading of its shares on Nasdaq Stockholm.

Why is this prospectus being produced?

Background and reasons

Since EQT's acquisition of Enity in 2017, EQT, together with Enity's Senior Management Team, has implemented various initiatives designed to strengthen Enity's business. These initiatives include, among others, the transition to a fully secured mortgage provider, Nordic market expansion both organically and through the strategic acquisition of Bank2, streamlined organisational structure with a new experienced Senior Management Team, technology transformation to a modern, cloud-based operating platform and the diversification of the funding platform including the launch of a covered bond programme. EQT's investment strategy is to acquire and support the growth of attractive companies with development potential through operational improvements and transformative growth. EQT's investment strategy also entails a subsequent divestment of acquired companies within a certain period. The Board of Directors and the Senior Management Team of Enity, together with EQT, believe that the time is appropriate for a listing of Enity. EQT will retain board representation and ownership in the Company following the Offering and listing, and intends to continue to support Enity's development going forward. Enity has established a solid platform and has further potential for future growth and improved results during the coming years. Furthermore, Enity's Board of Directors and Senior Management Team are of the opinion that an initial public offering will benefit Enity by giving the Company access to the Swedish and international capital markets, which is expected to support Enity's continued growth and development. The Company also believes that the listing of the shares on Nasdaq Stockholm will strengthen the public profile of Enity through increased brand awareness. The Board of Directors and Senior Management Team, supported by the Main Shareholder, consider the Offering and the listing to be a logical and important next step in Enity's development.

Interests of advisors

The Joint Bookrunners provide financial advice to Enity in conjunction with the Offering and the listing on Nasdaq Stockholm. From time to time, the Joint Bookrunners (and their affiliates) have in the ordinary course of business provided, and may in the future provide, various banking, financial, investment, commercial and other services to Enity for which they have received, and may receive, compensation.

Sammanfattning

Inledning och varning

Denna sammanfattning bör betraktas som en introduktion till prospektet. Varje beslut om att investera i värdepapperen ska baseras på en bedömning av prospektet i dess helhet från investerarens sida. En investerare kan förlora hela eller delar av sitt investerade kapital. Om talan väcks i domstol angående informationen i prospektet kan den investerare som är kärande enligt nationell rätt bli tvungen att stå för kostnaderna för översättning av prospektet innan de rättsliga förfarandena inleds. Civilrättsligt ansvar kan endast åläggas de personer som har lagt fram sammanfattningen, inklusive översättningar av den, men endast om sammanfattningen är vilseledande, felaktig eller oförenlig med de andra delarna av prospektet eller om den inte, tillsammans med andra delar av prospektet, ger nyckelinformation för att hjälpa investerare när de överväger att investera i sådana värdepapper.

Information om emittenten

Enity Holding AB (publ) (organisationsnummer 556668-9575) är ett svenskt publikt aktiebolag. Adressen till Bolagets huvudkontor är Sveavägen 163, 113 46 Stockholm, Sverige. ISIN-koden för aktierna är SE0025011554. Enitys LEI-kod är 636700S7UMLTDQ0BKU55.

Information om erbjudaren

Huvudaktieägaren (Butterfly Holdco Pte Limited, 88 Market Street, #48-04/05, Singapore, 048948, LEI-kod 2138006O6QSN8PVK3476) erbjuder högst 29 325 000 befintliga aktier i Erbjudandet, förutsatt att Övertilldelningsoptionen (definierad nedan) utnyttjas till fullo.

Behörig myndighet

Detta prospekt har godkänts av Finansinspektionen som är behörig myndighet i Sverige för godkännande av prospekt enligt Prospektförordningen.

Kontaktinformationen till Finansinspektionen är Box 7821, 103 97 Stockholm, telefonnummer +46 (0)8 408 980 00 och hemsida www.fi.se.

Prospektet godkändes av Finansinspektionen den 9 juni 2025.

Nyckelinformation om emittenten

Vem är emittent av värdepapperen?

Enity Holding AB (publ) (organisationsnummer 556668-9575) är emittent av värdepapperen enligt detta prospekt. Enitys styrelse har sitt säte i Stockholms kommun. Bolaget bildades i Sverige den 1 oktober 2004 och är ett svenskt publikt aktiebolag som regleras av aktiebolagslagen (2005:551). Bolagets LEI-kod är 636700S7UMLTDQ0BKU55.

Huvudsaklig verksamhet

Enity är en specialiserad bolånebank med verksamhet i Norden som skapar innovativa och inkluderande bolånelösningar för cirka 33 000 kunder i Sverige, Norge och Finland. Enity arbetar för ansvarsfull inkludering och erbjuder sitt kärnproduktutbud av skräddarsydda bolån i Sverige, Norge och Finland, efterställda lån i Norge och kapitalfrigöringskrediter i Sverige till en kundbas av låntagare som kan vara egenföretagare, ha moderna anställningsformer, vara i behov av skuldkonsolidering, ha begränsad eller ingen kredithistorik, ha historiska betalningsanmärkningar trots en ordnad ekonomisk situation eller, när det gäller kapitalfrigöringskrediter, vara i pensionsåldern med relativt låga nuvarande inkomster och högt outnyttjat värde i sin bostad. Enity betjänar sina kunder genom ett differentierat produktutbud med tre varumärken: Bluestep Bank i alla sina geografiska områden, Bank2 i Norge och 60plusbanken i Sverige.

Ägarstruktur

Tabellen nedan beskriver Enitys ägarstruktur före respektive omedelbart efter Erbjudandets genomförande, under förutsättning att Erbjudandet fulltecknas och samtliga tilldelade aktier har levererats såsom de har allokerats, och återspeglar ägarstrukturen både för det fall Övertilldelningsoptionen inte utnyttjas samt om Övertilldelningsoptionen utnyttjas till fullo. Per dagen för detta prospekt är Bolagets enda aktieägare Huvudaktieägaren, som innehar samtliga aktier i Bolaget.

Aktieägare	Före Erbjudandet Antal aktier	Före Erbjudandet Aktier och röster, %	Efter Erbjudandet (om Erbjudandet fulltecknas och Övertilldelningsoptionen inte utnyttjas) Antal aktier	Efter Erbjudandet (om Erbjudandet fulltecknas och Övertilldelningsoptionen inte utnyttjas) Aktier och röster, %	Efter Erbjudandet (om Erbjudandet fulltecknas och Övertilldelningsoptionen utnyttjas till fullo) Antal aktier	Efter Erbjudandet (om Erbjudandet fulltecknas och Övertilldelningsoptionen utnyttjas till fullo) Aktier och röster, %
Butterfly Holdco[1, 2]	50 000 000	100,0	24 500 000	49,0	20 675 000	41,4
Nya aktieägare	–	–	*25 500 000*	*51,0*	*29 325 000*	*58,7*
Totalt befintlig och nya aktieägare	**50 000 000**	**100,0**	**50 000 000**	**100,0**	**50 000 000**	**100,0**

1) Butterfly Holdco är, per dagen för detta prospekt, indirekt kontrollerat av EQT VII, som förvaltas av EQT Fund Management S.à r.l., som i sin tur kontrolleras av EQT AB. EQT AB är inte kontrollerat av någon annan person eller enhet.
2) Innehaven efter Erbjudandet inkluderar det antal aktier i Bolaget som Huvudaktieägaren kommer att överlåta till berörda deltagare i befintligt program för aktieinnehav omedelbart efter Erbjudandets genomförande, samt det antal aktier i Bolaget som kommer att överlåtas till berörda deltagare i program för aktieinnehav i januari 2026. Baserat på ett antagande om att de förstnämnda deltagarna väljer att till 100 procent erhålla aktier, kommer Huvudaktieägaren att äga 47,3 procent respektive 39,6 procent av aktierna och rösterna i Bolaget omedelbart efter Erbjudandets genomförande.

Huvudaktieägaren kommer även efter Erbjudandet att ha ett betydande inflytande över utfallet av de ärenden som läggs fram för godkännande av Bolagets aktieägare. Sådant inflytande begränsas dock av aktiebolagslagens bestämmelser om minoritetsskydd.

Koncernledningen

Tabellen nedan visar medlemmarna i Enitys koncernledning per dagen för detta prospekt.

Namn	Befattning
Björn Lander	VD
Pontus Sardal	Chief Financial Officer
Christian Marker	Chief Legal Officer
Anna Fogelström	Chief Information Officer
Caroline Redare	Chief Human Resources Officer
Erik Walberg Olstad	Chief Commercial Officer
Christer Pettersson	Chief Customer Acquisition Officer
David Nilsson Nannini	Chief Data Officer
Anna Wahldén	Chief Risk Officer

Revisor

Ernst & Young AB, Hamngatan 26, 111 47 Stockholm, är Enitys revisor. Erik Benjaminsson Castlin är huvudansvarig revisor.

Finansiell nyckelinformation för emittenten

Den utvalda historiska finansiella informationen som presenteras nedan för räkenskapsåren 2024, 2023 respektive 2022 (utöver alternativa nyckeltal) har hämtats från Enitys reviderade konsoliderade finansiella rapporter för respektive räkenskapsår, upprättade i enlighet med IFRS redovisningsstandarder, så som de har antagits av EU (”**IFRS Redovisningsstandarder**”) och Finansinspektionens föreskrifter och allmänna råd (FFFS 2008:25) om årsredovisning i kreditinstitut och värdepappersbolag. Den utvalda finansiella informationen som presenteras nedan för januari–mars 2025 respektive 2024 (utöver alternativa nyckeltal) har hämtats från Enitys oreviderade konsoliderade finansiella rapporter för januari–mars 2025 (med jämförelsesiffror för januari–mars 2024), upprättade i enlighet med IAS 34 *Delårsrapportering*.

Koncernens resultaträkning i sammandrag

	Räkenskapsår			Januari–mars	
Miljoner SEK (om inget annat anges)	**2024**	**2023**	**2022**	**2025**	**2024**
Räntenetto	1 114,7	959,3	921,2	298,4	270,9
Nettoresultat av finansiella transaktioner	4,9	27,1	–23,5	–0,3	4,3
Summa rörelsens intäkter	1 130,3	997,0	910,0	301,7	275,1
Kreditförluster, netto	–41,0	–48,0	–28,1	–31,7	–12,7
Rörelseresultat[1)]	393,6	276,1	264,1	81,2	61,0
Periodens resultat	255,6	200,8	209,8	49,0	46,1
Resultat per aktie före utspädning (SEK)[2)]	5,09	12,80	16,78	0,98	0,90

1) Alternativt nyckeltal (ej IFRS-mått).
2) Justerat för att återspegla en uppdelning av aktier (s.k. split) som genomfördes i maj 2025.

Koncernens balansräkning i sammandrag

	31 december			31 mars	
Miljoner SEK	**2024**	**2023**	**2022**	**2025**	**2024**
Summa tillgångar	37 170,8	34 226,2	26 712,9	36 444,8	36 631,4
Emitterade skuldförbindelser	7 933,5	7 583,0	8 158,9	7 920,1	9 326,5
In- och upplåning från allmänheten	23 202,9	20 513,1	13 239,1	22 377,3	21 210,9
Summa eget kapital	5 546,6	5 376,2	4 611,4	5 582,1	5 353,8
Andel kreditförsämrade lån (%)[1]	5,6 %	4,1 %	1,9 %	6,8%	4,5%
Kärnprimärkapitalrelation (%)[2]	16,7 %	15,5 %	17,0 %	17,3%	16,4%
Total kapitalrelation (%)[2]	18,7 %	16,0 %	17,0 %	19,2%	16,7%
Bruttosoliditetsgrad (%)[2]	7,1 %	6,4 %	6,8 %	7,3%	6,5%

1) Alternativt nyckeltal (ej IFRS-mått).
2) Nyckeltal i enlighet med kapitalkravsförordningen (EU) 575/2013 (CRR).

Nyckeltal

	Räkenskapsår			Januari–mars	
Miljoner SEK (om inget annat anges)	**2024**	**2023**	**2022**	**2025**	**2024**
Justerad K/I-kvot[1, 2]	51,5 %	56,2 %	57,3 %	47,1 %	55,4 %
Kreditförlustkvot (%)[1, 3]	0,16 %	0,24 %	0,15 %	0,22 %	0,23 %
Justerat rörelseresultat[1, 4]	507,4	388,4	360,4	127,8	109,9
Justerat rörelseresultat efter skatt[1, 5]	402,9	308,4	286,2	101,5	87,3
Justerad RoTE (%)[1, 6]	16,6 %	17,3 %	16,6 %	16,0 %	15,0 %
Utlåning till allmänheten[1, 7]	28 832,4	26 205,1	20 346,3	29 310,0	27 308,6

1) Alternativt nyckeltal (ej IFRS-mått).
2) Justerade totala rörelsekostnader i förhållande till justerade totala rörelseintäkter. Totala rörelsekostnader justeras för jämförelsestörandeposter, avskrivningar av övervärden från förvärv, nedskrivningar inklusive nettoförlust vid utrangering av immateriella tillgångar samt omstruktureringskostnader. Totala rörelseintäkter är justerade för jämförelsestörande poster.
3) Kreditförlustkvot de senaste tolv månaderna ("**LTM**") i förhållande till genomsnittlig utlåning till allmänheten till upplupet anskaffningsvärde LTM. Genomsnittlig utlåning till allmänheten till upplupet anskaffningsvärde LTM beräknas som genomsnittet av ingående och utgående balans vid varje respektive års-/tolvmånadersperiods slut. Genomsnittet för 2023 har justerats för förvärvet av Bank2 den 31 oktober 2023 i Norge.
4) Rörelseresultat justerat för jämförelsestörande poster, avskrivningar av övervärden från förvärv, nedskrivningar inklusive nettoförlust vid utrangering av immateriella tillgångar samt omstruktureringskostnader.
5) Rörelseresultat justerat för jämförelsestörande poster, avskrivningar på övervärden från förvärv, nedskrivningar inklusive nettoförlust vid utrangering av immateriella tillgångar och omstruktureringskostnader efter skatt (skattesats 20,6 procent).
6) Justerat rörelseresultat efter skatt (skattesats 20,6 procent) hänförligt till aktieägare i förhållande till genomsnittligt materiellt eget kapital exklusive övriga primärkapitalinstrument (AT1-instrument). För kvartal beräknas det justerade rörelseresultatet på årsbasis genom att multiplicera beloppet för kvartalet med fyra. Materiellt eget kapital exklusive AT1-instrument beräknas som totalt eget kapital med avdrag för goodwill och immateriella tillgångar hänförliga till förvärv och AT1-instrument. Genomsnittligt materiellt eget kapital beräknas som genomsnittet av ingående och utgående balans vid respektive års-/periodslut. Genomsnittet för 2023 har justerats för förvärvet av Bank2 den 31 oktober 2023 i Norge.
7) Lån till privatpersoner.

Specifika nyckelrisker för emittenten

Enity är föremål för makroekonomiska, geopolitiska och marknadsrelaterade risker

Genom Enity Bank driver Koncernen en nordisk specialiserad bolånebank med utlåningsverksamhet i Sverige, Norge och Finland och erbjuder även inlåningsprodukter till privatpersoner i Sverige, Norge och Tyskland. Koncernens verksamhet är föremål för inneboende risker som härrör från allmänna och sektorspecifika ekonomiska förhållanden, främst i Sverige, Norge och Finland, samt geopolitiska faktorer och förändringar i det geopolitiska landskapet. En försämring av de makroekonomiska förhållandena globalt eller en minskning av BNP i Sverige, Norge eller Finland skulle minska efterfrågan på Koncernens produkter och tjänster. På grund av konsumenternas höga skuldsättningsgrad skulle Enity påverkas av fluktuationer på bostadsmarknaden och i räntenivåerna i Sverige, Norge och Finland. Om någon av dessa risker skulle materialiseras skulle det kunna få negativa inverkningar på Koncernens ränteintäkter, leda till en minskning av volymen utgivna krediter, ökade kreditförluster och ett minskat rörelseresultat. Betydande förändringar i det geopolitiska landskapet, inklusive oförutsedda händelser, kan ha en väsentlig negativ inverkan på Enitys verksamhet. De specifika risker som Enity står inför till följd av den makroekonomiska och geopolitiska miljön är svåra att förutse och skydda sig mot på grund av (i) svårigheter att förutse de framtida makroekonomiska förhållandena, och (ii) det faktum att många av riskerna helt eller delvis ligger utanför Koncernens kontroll.

Enity är föremål för risker relaterade till fluktuationer i fastighetsvärde

Bolån från Enity och andra kreditgivare består av lån som är säkerställda med aktier i bostadsföretag, pantbrev i fastigheter, pant i bostadsrätter och nyttjanderätter i Sverige, Norge och Finland. En försämring av det ekonomiska läget i de områden där dessa fastigheter och lägenheter är belägna, eller i andra områden som medför en negativ inverkan på låntagarnas förmåga att återbetala bolånen, skulle öka risken för förluster på bolånen. Om bostadsmarknaden i Sverige, Norge eller Finland i allmänhet, eller i någon särskild region i koncernens portfölj, skulle drabbas av en betydande generell nedgång i fastighetsvärden som resulterar i att de utestående saldona för bolånen blir större än värdet av de relevanta säkerheter som lämnats i förhållande till dessa, kan en sådan nedgång resultera i att de relevanta säkerheterna inte är tillräckliga för att undvika kreditförluster. Vidare finns det en risk att sjunkande fastighetsvärden minskar efterfrågan på Koncernens bolåneprodukter i allmänhet, vilket skulle påverka Enitys förmåga att uppfylla sina finansiella mål. Eftersom vissa bolån som beviljas av Enity, genom Enity Bank, i Sverige är kapitalfrigöringskrediter, kan betydande nedgångar i fastighetsvärden väsentligt påverka kundernas förmåga att fullt ut återbetala sina lån, vilket skulle resultera i ökade kreditförluster.

Enity är föremål för ränterisker

Enity påverkas av ränteförändringar. Förändringar i räntenivåer, räntekurvor och spreadar kan påverka Enitys räntemarginal. Förändringar i konkurrenssituationen kan också påverka spreadarna på Koncernens utlåning och inlåning. Exempelvis är två av Enitys finansieringskällor, medium-term notes (”**MTNs**”) och medium-term covered notes (”**MTCNs**”), som är utgivna av Enity Bank, i allmänhet kopplade till de rörliga referensräntorna STIBOR, NIBOR och EURIBOR. Om Enitys finansieringskostnader skulle öka kraftigt och snabbt till följd av en betydande höjning av marknadsräntorna och Koncernen inte kan höja räntorna på sina låneprodukter i tillräcklig utsträckning i rätt tid, eller inte kan höja dem överhuvudtaget, kommer Enitys räntemarginal att påverkas negativt, vilket får en negativ inverkan på Koncernens nettoresultat. Ett högt ränteläge kan minska efterfrågan på Koncernens låneprodukter, eftersom enskilda individer kan vara mindre benägna eller mindre kapabla att låna när räntorna är högre. Högre räntor skulle också leda till högre räntekostnader för befintliga låntagare, vilket skulle kunna påverka deras förmåga att återbetala sina lån och leda till en ökad andel fallissemang. Enity är i betydande utsträckning exponerat för variationer i räntesatser som påverkar dess erhållna räntebetalningar respektive betalda räntekostnader, och ränterisker utgör därmed en betydande risk för Koncernens kostnadsnivåer, finansiella ställning och resultat.

Enity är föremål för risker relaterade till försämrad kreditvärdighet hos sina kunder

Koncernens kreditpolicyer, kreditinstruktioner och kreditprövningsprocesser kanske inte är tillräckliga för att förhindra att Enity ådrar sig högre kreditförluster. Även om Koncernens kreditprövningsprocess visar att en sökande är kreditvärdig vid tidpunkten för ansökan, kan den sökandes kreditvärdighet försämras på grund av förändringar i personliga omständigheter eller andra faktorer. Om Enity inte skulle göra en korrekt bedömning av kreditvärdigheten i låneansökningar kan Enity dessutom drabbas av ökade kreditförluster. Vidare skulle höga arbetslöshetsnivåer och höga räntor på de marknader där Enity är verksamt minska antalet kunder som kvalificerar sig för Koncernens låneprodukter och därmed negativt påverka Koncernens förmåga att bibehålla storleken på sin låneportfölj. Negativa förändringar i kreditvärdigheten hos Koncernens kunder skulle orsaka en ökning av kreditförlustnivån och utgör därför en mycket betydande risk för Enity och skulle kunna ha en negativ inverkan på dess kostnader för risk (Eng. *cost of risk*), finansiella ställning och rörelseresultat.

Enity är föremål för likviditets- och finansieringsrisk

Enity är föremål för likviditets- och finansieringsrisk. Likviditetsrisk är risken att Koncernen inte kommer att kunna uppfylla sina betalningsåtaganden vid förfallotidpunkten utan betydande kostnadsökningar eller inte kan uppfylla dem överhuvudtaget. Finansieringsrisk är risken att Koncernen inte får tillgång till finansieringskällor i tid och på tillfredsställande ekonomiska villkor eller inte får tillgång till dem överhuvudtaget. Finansieringsrisker kan förvärras av företagsspecifika faktorer, såsom ett alltför stort beroende av en viss finansieringskälla, eller av marknadsomfattande företeelser, såsom marknadsstörningar eller en allvarlig katastrof. Koncernens förmåga att få tillgång till finansieringskällor på tillfredsställande ekonomiska villkor är beroende av en rad olika faktorer, varav flera ligger utanför Enitys kontroll. Om tillgången till finansiering skulle begränsas under en längre tidsperiod skulle konkurrensen om inlåning från allmänheten och kostnaden för att få tillgång till kapitalmarknaderna kunna öka på ett motsvarande sätt. Det finns en risk för att detta kommer att öka Koncernens finansieringskostnader eller resultera i att Enity inte får tillgång till tillräcklig finansiering och utgör därför en mycket betydande risk för Koncernens räntenettomarginal och finansiella ställning.

Enity är föremål för risker relaterade till cybersäkerhet och IT-fel

Enitys verksamhet är beroende av säkra IT-system och nätverk för att behandla och lagra kundinformation och annan konfidentiell information. IT-system, programvara, nätverk och betalningssystem kan vara sårbara för bland annat cyberattacker och interna fel som kan leda till avbrott i verksamheten eller förlust eller stöld av konfidentiell information. Det finns en risk att fel, avbrott eller intrång i Enitys eller dess underleverantörers IT-säkerhet leder till exempelvis renomméskada, oförmåga att hantera lån eller att insättare inte kan få tillgång till sina medel. Om några IT-säkerhets- eller IT-driftsrisker skulle realiseras kan det leda till förlust av kundaffärer, inkomstbortfall, skadat anseende och eventuellt ett stort antal kunder som tar ut insättningar snabbt, vilket skulle kunna påverka Koncernens finansierings- och likviditetssituation negativt. Vidare, om Koncernens proprietära eller konfidentiella kundinformation fångas upp, stjäls, missbrukas eller hanteras felaktigt medan den innehas av en tredje part, finns det en risk att det exempelvis leder till renomméskada för Enity eller att ett stort antal kunder tar ut insättningar snabbt, vilket skulle kunna exponera Enity för ett ekonomiskt ansvar och ha en negativ inverkan på Koncernens verksamhet och finansiella situation.

Enity är föremål för risker relaterade till ineffektiva marknadsförings- och PR-aktiviteter

För att behålla och utöka sin portfölj måste Enity attrahera nya kunder och/eller ytterligare förbättra sitt erbjudande till befintliga kunder. För att göra detta är Enity beroende av effektiviteten i sin marknadsföring och sina PR-aktiviteter, särskilt för att öka varumärkesuppfattningen och generera kundkontakter. Koncernen använder sig av en plattform med flera kanaler som omfattar både direkta och indirekta kanaler för att nå ut till kunderna. Det finns en risk att Enitys marknadsförings- och PR-aktiviteter kan bli mindre effektiva i framtiden, vilket till exempel kan leda till lägre varumärkeskännedom och varumärkesuppfattning bland allmänheten, vilket i sin tur kan leda till minskad generering av nya kunder. Om Koncernens marknadsföringskapacitet skulle begränsas, till exempel på grund av ändrade dataskyddslagar, marknadsföringslagar eller andra regleringar, kan Enity dessutom tvingas fokusera på mindre effektiva eller mer kostsamma marknadsföringskanaler, och som ett resultat av detta erfara en minskning av nya lånevolymer.

Enity är föremål för risker relaterade till konkurrens
Segmentet för specialiserade bolån, som är Enitys primära marknad, är relativt litet och outvecklat men växer kontinuerligt. Enity står inför risken att konkurrenter, till exempel traditionella storbanker, som erbjuder ett brett utbud av produkter och tjänster online och genom omfattande kontorsnätverk, kan börja inrikta sig på det specialiserade bolånesegmentet. Det finns också en risk att andra aktörer kommer in på marknaden med nya eller förbättrade tekniska lösningar för att tillhandahålla finansiella tjänster. Om det finns fler konkurrenter på marknaderna för specialiserade bolån finns det en risk att Enity förlorar marknadsandelar och att efterfrågan på Koncernens produkter minskar, eller att Enity måste sänka räntorna på sina låneprodukter för att upprätthålla efterfrågan, vilket skulle ha en väsentlig negativ inverkan på Koncernens räntenettomarginal. Vidare använder Enity mäklare för att generera en del av dess nya lån. Om mäklare som Enity samarbetar med inte framgångsrikt kan konkurrera med andra mäklare skulle det ha en negativ inverkan på antalet potentiella låntagare som mäklare hänvisar till Enity.

Enity är föremål för risker relaterade till kapitaltäcknings- och likviditetsregler
Enity Bank omfattas av kapitaltäcknings- och likviditetsregler som syftar till att införa ett heltäckande och riskkänsligt regelverk för att säkerställa en förbättrad riskhantering bland finansiella institutioner. Allvarliga eller systematiska avvikelser från sådana regelverk från Koncernens sida skulle sannolikt leda till att Finansinspektionen bedömer att Enity Banks verksamhet inte uppfyller dess skyldigheter att upprätthålla tillräckligt kapital och likviditet samt det lagstadgade sundhetskravet för kreditinstitut och därmed leda till att Finansinspektionen ålägger Enity Bank sanktioner. Vidare skulle en ökning av kapital- och likviditetskraven kunna ha en negativ inverkan på Enity Banks, och därmed Koncernens, likviditet (om dess likviditetsbuffertar och intäktsströmmar inte täcker likviditetskraven, utöver det faktum att striktare krav på att hålla likviditetsreserver minskar möjligheten att fritt förfoga över Koncernens medel på kort sikt), finansiering (om den inte kan anskaffa finansiering på attraktiva villkor eller inte kan anskaffa det överhuvudtaget), finansiella ställning (om likviditet och finansiering påverkas negativt) och resultat (om dess kostnader ökar).

Enity är föremål för risker relaterade till det banktillstånd som utfärdats av Finansinspektionen
Lagen (2004:297) om bank- och finansieringsrörelse (”**BFBA**”) kräver att alla svenska bankaktiebolag bedriver sin verksamhet med stöd av ett tillstånd som beviljas av Finansinspektionen. Den 7 oktober 2016 beviljades Enity Bank banktillstånd av Finansinspektionen. Enity Bank bedriver även verksamhet i Norge och Finland genom filialer och passporterar därmed sitt banktillstånd till Norge och Finland. Enity Bank har även passporterat sitt tillstånd att ta emot insättningar och andra återbetalbara medel till Tyskland. Om Enity Bank skulle bli föremål för betydande anmärkningar eller varningar och/eller böter skulle det orsaka stor, och potentiellt irreparabel, skada på Koncernens anseende och som en följd därav skulle det kunna ha en väsentlig negativ inverkan på Koncernens verksamhet, finansiella ställning och resultat. Koncernens verksamhet är också beroende av Enity Banks banktillstånd. Förlust eller indragning av banktillståndet medför att Enity Bank måste upphöra med sin bankverksamhet, vilket skulle ha en ytterst negativ inverkan på Koncernens verksamhet, finansiella ställning och resultat.

Enity är föremål för risker relaterade till bristande regelefterlevnad
Koncernens verksamhet är föremål för lagstiftning, förordningar, uppförandekoder, rättsliga uttalanden och allmänna rekommendationer i de jurisdiktioner där Koncernen bedriver verksamhet och i förhållande till de produkter som Koncernen marknadsför och säljer. Det har tidigare tagits många initiativ till regeländringar och Koncernen kan inte med säkerhet förutse vilka regeländringar som kan komma att införas i framtiden till följd av regelinitiativ inom EU, av svenska Finansinspektionen och dess motsvarigheter i Norge och Finland eller av andra myndigheter och organ. Sådana förändringar kan ha en väsentlig negativ inverkan på bland annat Koncernens produktutbud och verksamhet, försäljningen och prissättningen av Koncernens produkter samt Koncernens lönsamhet, solvens och kapitaltäckning, och kan leda till ökade kostnader för regelefterlevnad. Eftersom Koncernen är en specialiserad bolånebank finns det dessutom en risk för att negativa förändringar i den regulatoriska miljön kan ha en större inverkan på Koncernens verksamhet, finansiella ställning och resultat än till exempel traditionella storbanker, som har ett mer diversifierat produktutbud.

Nyckelinformation om värdepapperen

Värdepapperens viktigaste egenskaper
Detta prospekt avser Erbjudandet och notering av aktier i Enity på Nasdaq Stockholm, med ISIN-kod SE0025011554. Aktierna har emitterats i enlighet med svensk rätt, är fullt betalda och denominerade i SEK.

Per dagen för detta prospekt finns det 50 000 000 aktier i Bolaget (med ett kvotvärde om 0,01 SEK per aktie). Aktiekapitalet uppgår till 500 000 SEK. Erbjudandet kommer endast att omfatta befintliga aktier i Bolaget. Följaktligen kommer inte Erbjudandets fullbordande medföra någon ökning av Bolagets aktiekapital.

Rättigheter som sammanhänger med värdepapperen
Varje aktie i Bolaget berättigar innehavaren till en (1) röst på bolagsstämman. För att ha rätt att delta på bolagsstämman ska aktieägaren vara registrerad i aktieboken sex bankdagar före stämman (varvid rösträttsregistreringar som gjorts av förvaltare senast fyra bankdagar före stämman kommer att beaktas) samt anmäla sitt deltagande till Bolaget senast den dag som anges i kallelsen till bolagsstämman. Om Bolaget beslutar om kontantemission eller kvittningsemission av nya aktier, teckningsoptioner eller konvertibler har aktieägarna, som huvudregel, företrädesrätt till teckning i förhållande till det antal aktier de äger före emissionen. Alla aktier har lika rätt till andel av Bolagets utdelning och Bolagets tillgångar samt eventuellt överskott vid likvidation. Rätt till utdelning tillkommer den som på den av bolagsstämman fastställda avstämningsdagen är registrerad aktieägare i den av Euroclear Sweden förda aktieboken. Bolagets aktier kommer att vara fritt överlåtbara i enlighet med svensk rätt vid tidpunkten för upptagande till handel på Nasdaq Stockholm.

Potentiell påverkan på investeringen i händelse av resolution enligt direktiv 2014/59/EU

Enity omfattas av direktivet om återhämtning och resolution av banker 2014/59/EU (”**BRRD**”) (som ändrades genom direktivet (EU) 2019/789 (”**BRRD II**”)). Lagstiftningspaketet BRRD fastställer ett ramverk för återhämtning och resolution av kreditinstitut och är (inklusive dess senare ändringar) implementerat i Sverige genom lagen (2015:1016) om resolution (”**Resolutionslagen**”). BRRD och Resolutionslagen innehåller ett antal resolutionsverktyg och resolutionsbefogenheter som kan tillämpas av den relevanta resolutionsmyndigheten om vissa villkor för resolution är uppfyllda, vilka kan kategoriseras i förebyggande befogenheter, befogenheter för tidigt ingripande och resolutionsbefogenheter. En av huvudprinciperna i BRRD är att aktieägarna i ett institut på obestånd ska bära de första förlusterna i händelse av fallissemang. Innan myndigheterna vidtar någon resolutionsåtgärd som skulle leda till förluster för det fallerande institutets borgenärer måste de därför se till att aktieägarna bär förlusterna genom att dra in eller kraftigt späda ut deras aktier. Om resolutionsåtgärder vidtas skulle det kunna ha en negativ inverkan på aktiernas värde, eftersom sådana åtgärder bland annat skulle kunna innebära indragning av aktierna, kraftig utspädning av aktierna eller överlåtelse av samtliga eller delar av aktierna eller verksamheten till privata investerare eller statligt kontrollerade enheter.

Utdelningspolicy

Bolagets utdelningspolicy är att sträva efter utdelning om cirka 20–40 procent av årets resultat hänförligt till aktieägarna och eventuellt överskottskapital (ytterligare utdelningsbara medel) med beaktande av Enitys finansiella mål avseende kärnprimärkapitalrelationen.

Var kommer värdepapperen att handlas?

Nasdaq Stockholms bolagskommitté har den 19 maj 2025 bedömt att Bolaget uppfyller Nasdaq Stockholms noteringskrav under förutsättning att sedvanliga villkor uppfylls, däribland att spridningskravet för Bolagets aktier uppfylls senast den första dagen för handel i Bolagets aktier och att Bolaget ansöker om upptagande av Bolagets aktier till handel på Nasdaq Stockholm. Första dag för handel på Nasdaq Stockholm beräknas vara den 13 juni 2025. Aktierna kommer att handlas under kortnamnet (ticker) ENITY.

Vilka nyckelrisker är specifika för värdepapperen?

Bolagets aktiekurs kan vara volatil och kursutvecklingen är beroende av en rad faktorer

Eftersom en investering i aktierna kan öka eller minska i värde finns det en risk att investerare inte får tillbaka sitt investerade kapital. Utvecklingen för Bolagets aktie är beroende av ett flertal faktorer, varav vissa är bolagsspecifika medan andra är relaterade till aktiemarknaden i allmänhet. Erbjudandepriset kommer inte nödvändigtvis att återspegla den kurs till vilken investerare på marknaden kommer att vara villiga att köpa och sälja aktierna efter Erbjudandet; till exempel kan aktiekursen under den handel som äger rum efter noteringen skilja sig från Erbjudandepriset. Enitys aktier har inte tidigare varit föremål för handel på en aktiebörs. Det är därför svårt att förutsäga handelsvolymerna i, eller intresset för, aktierna. Följaktligen finns det en risk att det inte alltid kommer att finnas en aktiv och likvid marknad för handel i Bolagets aktier, vilket skulle kunna påverka investerares möjligheter att återfå sitt investerade kapital.

Bolagets förmåga att i framtiden lämna eventuell utdelning är beroende av flera faktorer

Utdelning får endast ske om det finns utdelningsbara medel hos Enity och med sådant belopp att det framstår som försvarligt med hänsyn till de krav som verksamhetens art, omfattning och risker ställer på storleken av eget kapital och Enitys behov av att stärka sin balansräkning, likviditet och finansiella ställning i övrigt under ett visst räkenskapsår. Det finns dock en risk att medel inte finns tillgängliga för utdelning under något enskilt räkenskapsår, vilket skulle minska avkastningen på en investerares investerade kapital. Därutöver omfattas Koncernen av kapitaltäcknings- och likviditetskrav enligt regelverk som gäller för finansiella institut, däribland kapitalkonserveringsbufferten och den kontracykliska kapitalbufferten. När ett institut bryter mot ett buffertkrav får det inte betala ut någon utdelning (såvida inte sådan utdelning täcks av förfogandebeloppet) och kan drabbas av ytterligare förelägganden.

Befintliga aktieägares försäljning av aktier och framtida nyemissioner av aktier kan leda till att aktiekursen sjunker och späda ut befintliga aktieägare

Marknadspriset på Bolagets aktie kan sjunka om det sker omfattande försäljningar av Bolagets aktier, i synnerhet försäljningar som genomförs av Bolagets styrelseledamöter, ledning och större aktieägare eller om det annars säljs en stor mängd aktier. Framtida avyttringar av större aktieposter i Bolaget på aktiemarknaden av de aktieägare som omfattas av lock-up-åtaganden eller Bolagets övriga nuvarande aktieägare, eller uppfattningen att sådana försäljningar kan förekomma, kan leda till att aktiekursen sjunker, vilket utgör en betydande risk för enskilda investerare. Därutöver kan eventuella nyemissioner av aktier eller aktierelaterade instrument leda till att aktiekursen sjunker och en utspädning av ägandet för aktieägare som inte deltar i en sådan emission eller väljer att inte teckna aktier.

Nyckelinformation om erbjudandet av värdepapper till allmänheten och/eller upptagandet till handel på en reglerad marknad

På vilka villkor och enligt vilken tidplan kan jag investera i detta värdepapper?

Erbjudandet omfattar högst 25 500 000 aktier i Bolaget, varav samtliga är befintliga aktier som erbjuds av Huvudaktieägaren. Erbjudandet är uppdelat i två delar:

- Erbjudandet till allmänheten i Sverige och Finland.[1)]
- Erbjudandet till institutionella investerare.[2)]

För att täcka eventuell övertilldelning i Erbjudandet kommer Huvudaktieägaren att ställa ut en option till Joint Bookrunners att förvärva ytterligare högst 3 825 000 aktier, motsvarande högst 15 procent av det totala antalet aktier i Erbjudandet (”**Övertilldelningsoptionen**”).

Priset per aktie i Erbjudandet har fastställts till 57 SEK per aktie (”**Erbjudandepriset**”). Erbjudandepriset har fastställts av Huvudaktieägaren i samråd med Joint Global Coordinators baserat på ett antal faktorer, inklusive kontakter med Cornerstone Investors och vissa institutionella investerare, rådande marknadsförhållanden samt en jämförelse med marknadspriset för jämförbara noterade bolag.

Beslut om tilldelning av aktier inom ramen för Erbjudandet kommer att fattas av Huvudaktieägaren i samråd med Joint Global Coordinators, där målet kommer vara att uppnå en stark institutionell ägarbas och en bred spridning av aktierna bland allmänheten för att möjliggöra en regelbunden och likvid handel med aktierna på Nasdaq Stockholm.

Nedan följer en sammanfattning av tidplanen för Erbjudandet:

- Anmälningsperiod för allmänheten: 9 juni–12 juni kl. 15:00 2025
- Anmälningsperiod för institutionella investerare: 9 juni–12 juni 2025
- Första dag för handel i Bolagets aktier på Nasdaq Stockholm: 13 juni 2025
- Likviddag: 17 juni 2025

Transaktionskostnader

Bolagets kostnader hänförliga till upptagandet till handel av Bolagets aktier på Nasdaq Stockholm och Erbjudandet, inklusive arvode till rådgivare och andra uppskattade transaktionskostnader, beräknas sammanlagt att uppgå till högst cirka 95 miljoner SEK, varav 33 miljoner SEK var inkluderat i Enitys räkenskaper för januari–mars 2025.

Vem är erbjudaren och/eller den person som ansöker om upptagande till handel?

Huvudaktieägaren erbjuder högst 29 325 000 befintliga aktier i Erbjudandet, förutsatt att Övertilldelningsoptionen utnyttjas fullt ut. Huvudaktieägaren är ett privat aktiebolag (registrerat i Singapore) som regleras av den singaporianska aktiebolagslagen från 1967 (Eng. *Singaporean Companies Act of 1967 as amended*). Bolaget ansöker om upptagande till handel av sina aktier på Nasdaq Stockholm.

Varför upprättas detta prospekt?

Bakgrund och motiv

Sedan EQT:s förvärv av Enity 2017 har EQT, tillsammans med Enitys koncernledning, genomfört olika initiativ för att stärka Enitys verksamhet. Dessa initiativ inkluderar bland annat övergången till att enbart erbjuda fullt säkerställda bolån, expansion på den nordiska marknaden såväl organiskt som genom det strategiska förvärvet av Bank2, en effektivare organisationsstruktur med en ny erfaren koncernledning, teknologisk övergång till en modern, molnbaserad operativ plattform och diversifiering av finansieringsplattformen inklusive lanseringen av ett program för säkerställda obligationer. EQT:s investeringsstrategi är att förvärva och stödja tillväxten i attraktiva bolag med utvecklingspotential genom operativa förbättringar och transformativ tillväxt. EQT:s investeringsstrategi innebär också en efterföljande avyttring av förvärvade bolag inom en viss period. Styrelsen och koncernledningen för Enity anser, tillsammans med EQT, att tiden är inne för en notering av Enity. EQT kommer ha ett fortsatt ägande i Bolaget och aktivt delta i styrelsens arbete även efter Erbjudandet och noteringen samt avser att fortsätta stötta Enitys utveckling framöver. Enity har etablerat en solid plattform och har ytterligare potential för framtida tillväxt och förbättrade resultat under de kommande åren. Vidare anser Enitys styrelse och koncernledningen att en börsintroduktion kommer att gynna Enity genom att Bolaget får tillgång till den svenska och internationella kapitalmarknaden, vilket förväntas främja Enitys fortsatta tillväxt och utveckling. Bolaget anser också att noteringen av aktierna på Nasdaq Stockholm kommer att stärka Enitys publika profil genom ökad varumärkeskännedom. Styrelsen och koncernledningen, med stöd av Huvudaktieägaren, anser att Erbjudandet och noteringen är ett logiskt och viktigt nästa steg i Enitys utveckling.

Rådgivares intressen

Joint Bookrunners agerar som Enitys finansiella rådgivare i samband med Erbjudandet och noteringen på Nasdaq Stockholm. Joint Bookrunners (samt till dem närstående företag) har från tid till annan inom ramen för den löpande verksamheten tillhandahållit, och kan i framtiden komma att tillhandahålla, olika bank-, finansiella-, investerings-, kommersiella och andra tjänster åt Enity för vilka de erhållit, respektive kan komma att erhålla, ersättning.

1) Erbjudandet till allmänheten i Sverige och Finland innebär ett erbjudande om att förvärva högst 20 000 aktier.
2) ”Institutionella investerare” omfattar privatpersoner och juridiska personer som ansöker om att förvärva fler än 20 010 aktier.

Risk factors

An investment in securities is associated with risk. Prior to any investment decision, it is important to carefully analyse the risk factors considered to be of importance in relation to Enity and the future performance of the shares, for example risks related to Enity's operations and industry, legal risks, financial risks, and risks related to the Offering and the admission to trading on Nasdaq Stockholm. The risk factors currently deemed material to Enity and the shares are described below. The risk factors' materiality has been assessed based on the probability of their occurrence and the expected magnitude of their negative outcome. In each subsection, the most material risk factors are presented first according to the assessment undertaken by Enity, but otherwise the risk factors are not ranked in any specific order of importance. The description of the risk factors below is based on information available, and estimates made, on the date of this prospectus.

Risks related to the Group

Economic and market risks

Enity is exposed to risks relating to macroeconomic, geopolitical and market risks

Through Enity Bank, the Group operates a Nordic specialised mortgage bank with lending operations in Sweden, Norway and Finland, and also offers retail deposit products in Sweden, Norway and Germany. The Group's business is subject to inherent risks arising from general and sector-specific economic conditions, predominantly in Sweden, Norway and Finland, as well as geopolitical factors. A deterioration in macroeconomic conditions globally or a reduction in GDP in Sweden, Norway or Finland, which may be affected by factors such as consumer confidence, unemployment levels, household disposable income and level of debt, the state of the housing market, a general banking crisis, inflation or deflation, the overall cost of living, the availability and cost of credit, the liquidity of global financial markets and market interest rates, would reduce the level of demand for the products and services of the Group.

Due to the high level of consumer indebtedness, primarily related to mortgage loans in the Swedish, Norwegian and Finnish markets, Enity would be affected by fluctuations in the housing market as well as in interest rates in Sweden, Norway and Finland. Should any of these risks materialise, the Group could face adverse effects on its interest income, a reduction in the volume of credit issued, increased credit losses, and decreased operating profit. In addition, during a period of economic slowdown or recession, there is a risk that Enity experiences an increase in defaults, an increase in credit extension requests, reduced values of collateral or a higher frequency or severity of credit losses, which could have a material adverse effect on Enity's financial position. Conversely, if the economic and market conditions improve, leading to improved financial circumstances of individuals to whom Enity, through Enity Bank, provides loans, there is a risk that borrowers refinance their loans through other mortgage providers to a greater extent than expected, causing Enity's loan book to become smaller than anticipated, which in turn would have an adverse effect on the results of operations.

As one of Enity's core target groups of customers are persons who have modern forms of employment (often with a more irregular income compared to those with traditional employment), such as independent contractors and consultants, gig-economy workers and project employees, negative economic developments, including increases in consumer energy prices and other forms of inflation, pose significant risks that Enity's customers are unable to fulfil their obligations under the mortgage loans, having a negative effect on the business of the Group. For example, unemployment in Sweden increased during 2024 to around 8.4 per cent in December 2024.[1] In Norway and Finland, unemployment rose in 2024 to 4.0 per cent and 8.4 per cent, respectively.[2]

Enity is also subject to events and adverse changes affecting the geopolitical landscape, and, in particular, events affecting Sweden, Norway and Finland. Significant shifts in the geopolitical landscape, including any unforeseen events, new or changed alliances or sudden legislative or policy changes, may have a material adverse effect on Enity's business. Russia's ongoing war against Ukraine has resulted in escalating geopolitical turbulence in Europe, and tensions between Russia, the EU, the United States and other countries have continued to increase. Russia's invasion of Ukraine in February 2022 also caused, among other things, a material surge in energy prices, which generated inflationary pressures and adversely affected general economic conditions.

1) The National Institute of Economic Research (Sw. *Konjunkturinstitutet*), Swedish Economy Report March 2025 (26 March 2025).
2) International Monetary Fund, World Economic Outlook database, April 2025.

Moreover, increasing political polarisation may drive more differentiation between regions and foster protectionism. For example, the announcement and implementation of a series of unilateral tariffs on imported products from certain countries by the United States during 2025 has triggered countermeasures from certain foreign governments and may trigger countermeasures by other foreign governments, potentially resulting in a trade war. This swift escalation of trade tensions and extremely high levels of policy uncertainty are expected to have a significant impact on global economic activity, where broader financial instability may ensue, including damage to the international monetary system.[1] Continuing or escalating geopolitical tensions affecting the Nordic region could have a material adverse effect on Enity's business, financial condition and Enity's results of operations. Furthermore, Sweden and Finland becoming members of NATO has been deemed by authorities to entail a risk of Russian counter-reactions, including an increased risk of provocations and cyberattacks on Swedish and Finnish interests (see also "*Enity is exposed to risks relating to cybersecurity and IT failures*" below).

Since Enity is subject to risks related to the global economy, the Group may be affected by the occurrence of force majeure or other unpredictable events, such as public health epidemics and other external events, that negatively affect the global economy. For example, in the beginning of the COVID-19 pandemic, Enity Bank increased its liquidity buffer and implemented stricter credit criteria in response to the then prevailing uncertainty, which resulted in increased liquidity costs and decreased lending volumes during such time (see also "*The Company's ability to pay future dividends depends on several factors*" below).

The exact nature of the risks faced by Enity in relation to the macroeconomic and geopolitical environments is difficult to predict and guard against, because of (i) difficulties in predicting the future macroeconomic situation, and (ii) the fact that many of the risks are completely, or in part, outside the control of the Group. This presents a highly significant risk to the size of Enity's total loan book and Enity's ability to attract and retain customers in order to generate revenue and profit.

Enity is exposed to risks relating to property value fluctuations

Mortgages granted by Enity and other providers consist of loans which are secured by pledges of shares in housing companies in Finland, mortgage certificates (Sw. *pantbrev*) in properties located in Sweden, Norway and Finland or pledges of tenant-owners' rights (Sw. *bostadsrätt*) in Sweden and Norway and rights of occupancy (Sw. *bostadsrätt, Fi. asumisoikeus*)[2] in Finland. Any deterioration in the economic condition of the areas in which the properties and apartments are located, or any deterioration in the economic condition of other areas that causes an adverse effect on the ability of the borrowers to repay the mortgages, would increase the risk of losses on the mortgages. If the residential real estate market in Sweden, Norway or Finland in general, or in any particular region in the Group's portfolio, should experience a substantial overall decline in property values resulting in the outstanding balances of the mortgages becoming greater than the value of the relevant collateral granted in relation thereto, such a decline could result in the relevant collateral not being sufficient to avoid credit losses. Furthermore, there is a risk that declining property values reduce the general activity level in the housing market, affecting transaction volumes and, therefore, the demand for the Group's mortgage products in general, which would affect Enity's ability to meet its financial targets.

Certain mortgages granted by Enity, through Enity Bank, in Sweden are equity release loans (Sw. *kapitalfrigöringskrediter*). When obtaining an equity release loan, the borrower is granted a no-negative equity guarantee which means that, as long as the borrower is not in breach of the terms and conditions of the equity release loan, neither the borrower nor his or her estate is liable for any debt that exceeds the sale proceeds from the property pledged for the equity release loan. A significant fall in property values can therefore materially impact customers' ability to make full repayment, which would result in increased credit impairments.

Furthermore, variations in the life expectancy of Enity's equity release loan customers also present risks to the Group. Extended life expectancy results in greater interest accumulation over the life of a loan, which may cause the aggregated loan amount to surpass the value of the pledged property, particularly if property values do not simultaneously rise. This can lead to a shortfall and credit losses upon loan repayment. Conversely, if the life expectancy of customers decreases, the duration over which interest is accrued is reduced, resulting in lower overall interest income than anticipated for Enity and thereby negatively impacting the profitability of the Group's equity release loans.

Enity is exposed to interest rate risks

Enity is affected by interest rate fluctuations. For example, Enity is exposed to changes in the difference between the interest rates payable by the Group on its funding and the interest rates that the Group charges on loans to its customers, as well as the interest rates that are applicable to its other assets; this difference is also known as the interest margin. Changes in interest rate levels, yield curves and spreads could affect the interest margin. A part of both the interest rates payable by the Group on deposits and other funding and the interest rates charged by the Group on its loans to customers is variable. There is a risk that Enity's use of hedging instruments for the mismatch in the different terms in funding and investing interest rates does not

1) International Monetary Fund, World Economic Outlook, April 2025.
2) Note that the concept of tenant-owner's rights is not recognised in Finland as such, although the Swedish translation of the Finnish concept is the same as the Swedish concept of tenant-owner's rights.

perfectly offset the impact of interest rate changes. There is also a risk that Enity will not be able to re-price its variable rate assets and liabilities at the same time, resulting in a temporary reduction of the interest margin. Such delays in re-pricing loans extended to its customers may, *inter alia*, occur due to Enity having an obligation to notify customers in advance of increases in interest rates. For example, the notice period in Norway in connection with interest rate changes on loans was increased from six weeks to two months from 1 July 2023, and notice periods apply for reductions in deposit rates in Sweden and Norway. In Finland, it is required that the interest payable by the consumer can only be unilaterally changed during the term of the loan due to a corresponding change in the reference rate agreed in the consumer credit agreement, and the notice shall as the main rule be given to the consumer before the change enters into force.

Further, pursuant to the Norwegian Financial Contracts Act (No. *Lov 18. desember 2020 nr. 146 om finansavtaler*) (the "**NFCA**"), banks are not able to unilaterally amend interest rates, and customers may in principle object to changes to the interest rate, which affect the banks' ability to manage their interest rate risk. In addition, two rulings were issued by the EFTA Court on 24 May 2024, regarding the legality of floating interest rate clauses in consumer loan agreements pursuant to, *inter alia*, Directive 2008/48/EC (the "**Consumer Credit Directive**"), that may impact the legality of current standard floating rate clauses common in Norwegian consumer loan agreement (see more on this issue in the section "*Enity is exposed to risks relating to non-compliance with consumer protection and marketing laws*" below).

Changes in the competitive environment could also affect spreads on the Group's lending and deposits. For example, two of Enity's funding sources, the MTNs and the MTCNs issued by Enity Bank, are generally pegged to the floating reference rates STIBOR, NIBOR and EURIBOR. If Enity's funding costs were to increase significantly and rapidly due to a material increase in market interest rates, as occurred when rates began rising in 2022, or for other reasons, and the Group is unable to sufficiently increase the interest rates on its loan products in a timely manner, or at all, Enity's interest margin will be adversely affected, causing an adverse effect on the Group's net earnings.

Interest rates are sensitive to several factors that are outside of Enity's control, including fiscal and monetary policies of governments and central banks, inflation as well as domestic and international political conditions. The interest rate levels in Sweden, Norway and the Eurozone (including Finland) have been at historically low levels for many years. In response to increasing inflation during 2022 and 2023, central banks across the world increased interest rates rapidly. In Sweden, the policy interest rate set by the Swedish central bank (Sw. *Riksbanken*) (the "**Swedish Central Bank**"), reached its highest level since October 2008 during late 2023 and early 2024, but decreased between May 2024 and January 2025. The Swedish Central Bank announced in May 2025 that its policy rate will remain at 2.25 per cent and expressed that while the uncertainty is significant, circumstances could suggest a slight easing of monetary policy going forward.[1] The Norwegian central bank (No. *Norges Bank*) (the "**Norwegian Central Bank**"), announced in May 2025 that it would maintain its policy rate at 4.5 per cent and indicated that the policy rate will most likely be reduced in the course of 2025, but that the uncertainty surrounding the outlook is greater than normal. The Norwegian Central Bank also highlighted that the uncertainty surrounding the outlook is greater than normal, with the future trajectory of the policy rate contingent upon economic developments, such as the implementation of more extensive trade restrictions or sustained wage and price inflation.[2] In June 2025, the European Central Bank announced a reduction of its three key interest rates by 25 basis points and noted that in current conditions of exceptional uncertainty, it will follow a data-dependent and meeting-by-meeting approach to determine the appropriate monetary policy stance going forward.[3] A high interest rate environment could reduce demand for the Group's loan products, as individuals may be less likely or less able to borrow when interest rates are higher. Higher interest rates would also lead to higher interest costs for existing borrowers, which could affect their ability to repay their borrowings and lead to an increased rate of defaults (see also "*Enity is exposed to risks relating to decline in the credit quality of its customers*" below).

A material increase in the interest rate levels in Sweden could also, due to the no-negative equity guarantee given to borrowers granted an equity release loan, result in a higher severity of credit losses. This is because the interest rate that accrues on the loan could increase more than anticipated when the loan was granted, resulting in the total debt, at the time of sale of the property, exceeding the market value of the property pledged for the loan.

In 2024, the Group's interest income calculated using the effective interest totalled SEK 2,294.6 million and its interest expenses totalled SEK 1,353.8 million. Accordingly, Enity is to a significant extent exposed to variation in interest rates affecting its interest payments received and interest expenses paid, respectively, and interest rate risks thus present a significant risk to the Group's cost levels, financial position and results of operations.

Enity is exposed to concentration risks

In Sweden, Norway and Finland, an increasing population, urbanisation, historically low real interest rates and a shortage of residential properties in growth regions, have led to rising house prices. Furthermore, strong increases in disposable household income in certain demographic

1) Riksbanken, Policy Rate Decision, 8 May 2025.
2) Norges Bank, Policy Rate Decision, 8 May 2025.
3) European Central Bank, Monetary Policy Decisions, 5 June 2025.

groups have led to continued strong growth in demand for household- and other loans, especially in the residential mortgage market for many years. Between 2022 2024, high inflation and interest rate increases markedly subdued or reversed the trends of rising house prices and increases in disposable household income. Specific geographic regions will also from time-to-time experience weaker regional economic conditions and housing markets than other regions.

A deterioration in the development of the housing and residential mortgage markets in Sweden, Norway and Finland in general, and in the Stockholm, Oslo and Helsinki regions in particular, would result in the Group experiencing higher rates of loss and delinquency on mortgages generally. Should such a deterioration occur, it would present a highly significant risk to the Group's operations and profits.

Further, the Swedish, Norwegian and Finnish residential mortgage markets are dominated by a few institutions, consisting of high-street banks and bank-owned mortgage companies with a relatively wide product offering to a large group of customers. Enity's core target group of customers, however, consists of people who cannot obtain a mortgage from these institutions, to whom the Group offers specialised mortgages. This concentration in terms of both size of the customer group and number of products offered, makes Enity especially susceptible to any adverse effect on its target customers or offered products.

There is a risk that Enity's efforts to manage the concentration risks prove unsuccessful, causing a reduced demand for the Group's offered products, which would in turn have an adverse effect on its business, the growth of Enity's loan portfolio and interest income.

Risks relating to Enity's business and industry

Enity is exposed to risks relating to decline in the credit quality of its customers

The Group's credit policies, credit instructions and credit underwriting processes may not be sufficient to prevent Enity from incurring higher credit losses due to, for example, internal failure of risk management procedures, insufficient adjustments thereof or external changes beyond its control, including declines in general macroeconomic and geopolitical conditions. Even though the Group's credit underwriting process may deem an applicant to be creditworthy at the time of application, the applicant's creditworthiness may deteriorate due to changes in personal circumstances or other factors, where unemployment poses one of the most severe risks, as well as increased consumer interest rates and increased consumer prices, including with respect to utility costs and other forms of inflation. This could be exacerbated during periods of economic slowdown or recession and the Group could experience higher frequency of defaults and an increase in the severity of credit losses in its existing loan portfolio as its borrowers' ability to amortise and pay interest on their loans could be adversely affected. In addition, should Enity not accurately assess the creditworthiness of loan applications, Enity could experience increased credit losses. If Enity's credit policies and underwriting models prove ineffective or otherwise inadequate, or should information provided by applying customers be incorrectly processed or inaccurate, Enity could be subject to regulatory sanctions and incur significant credit losses, which could have a material adverse effect on Enity's cost of risk, financial condition and results of operations.

Furthermore, high unemployment levels and high interest rates in the markets where Enity operates would reduce the number of customers who qualify for the Group's loan products and thereby adversely affect the Group's ability to maintain the size of its loan portfolio. Adverse changes to the credit quality of the Group's customers would cause an increase in the level of credit losses, and therefore represent a highly significant risk to Enity and could adversely affect its cost of risk, financial condition and results of operations.

Enity is exposed to liquidity and financing risks

Enity is subject to liquidity and financing risks. Liquidity risk is the risk that the Group will not be able to meet its payment obligations at maturity without significant cost increases, or at all. Financing risk is the risk that the Group will not get access to funding sources in time and on satisfactory economic terms, or at all. Enity's funding policy is to maintain a diverse funding base for its lending operations through a combination of retail deposits in Sweden, Norway and Germany, credit facilities and the issuance of unsecured bonds (Sw. *icke säkerställda obligationer*) and covered bonds (Sw. *säkerställda obligationer*). Financing risks can be exacerbated by enterprise-specific factors, such as overreliance on a particular source of funding, or by market-wide phenomena, such as market dislocation or a major disaster. The Group's ability to access funding sources on satisfactory economic terms is subject to a variety of factors, a number of which are outside of Enity's control. If access to funding were to be constrained for a prolonged period of time, competition for retail deposits and the cost of accessing the capital markets could similarly increase. There is a risk that this will increase the Group's cost of funding or result in Enity not getting access to sufficient funding and, therefore, poses a highly significant risk to the Group's net interest margin and financial position.

Retail deposits are the most significant source of funding for Enity. As of 31 March 2025, the Group's total liabilities and provisions amounted to SEK 30.9 billion out of which deposits from the public comprised the largest part, totalling SEK 22.4 billion, corresponding to 72.5 per cent of the Group's total liabilities and provisions. Should Enity experience an unusually high and/or unforeseen level of withdrawals from on-demand deposits, this would adversely affect the Group's liquidity since it will be required to repay a significant amount on demand. Further, it will require increased funding from other sources in the future, which might not be available on acceptable terms or at all, which could have a material adverse effect on Enity's financial position and results.

The availability of funding through credit facilities depends on a variety of factors, including the credit quality of Enity's assets, market conditions, the general availability of credit, and the Group's ability to raise funding through other sources. There is a risk that these and other factors limit the Group's ability to obtain funding through credit facilities, which, in turn, adversely affect the Group's ability to maintain or grow its loan portfolio as well as its net interest margin.

Enity's ability to issue bonds (senior unsecured, subordinated and covered bonds), depends on a variety of factors, including the credit quality of the Group and its assets, market conditions, the general availability of credit and rating agencies' assessment of the Group. There is a risk that these and other factors limit Enity's ability to issue bonds, which could adversely affect the Group's ability to maintain or grow its loan portfolio as well as its net interest margin.

Enity is exposed to risks relating to cybersecurity and IT failures

Enity's operations depend on the secure processing, storage and transmission of customer information and other confidential information in its IT systems and networks as well as those of subcontractors and other partners. The Group's, as well as external integrated partners', IT systems, software, networks and payment systems such as SWIFT, the Swedish Central Bank's RIX-system and the Swedish clearing system provided by Bankgirocentralen BGC AB, could be vulnerable to, among other things, internal errors, breaches, unauthorised access, misuse, sabotage, DDoS (Distributed Denial-of-Service) attacks, cyber-related fraud, computer viruses or other malicious code that could result in disruption to its business or the loss or theft of confidential information, including customer information subject to bank secrecy laws (see also "*Enity is exposed to risks relating to non-compliance with data protection laws and regulations*" below). The cyber security risk is constantly increasing and since the Group operates a bank, the Group is likely to be a direct and indirect target of cyber-attacks. Outages and disruptions may also result from, for example, configuration errors during upgrades or maintenance as well as human errors. There is a risk that any failure, interruption or breach in Enity's IT security, including any failure of its back-up systems or failure to maintain adequate security surrounding customer information, results in reputational harm, disruption in the management of the Group's customer relationships, the inability to originate, process and service loans or depositors not being able to access their funds. These risks may stem not only from external impact but also from internal factors, including inadvertent errors or misconduct. In relation to deposits in particular, the risk of IT related problems or failures constitutes one of the most severe operational risks, which may result in Enity being unable to service its depositors for a short or long period of time. If any IT security or IT operational risks would materialise, it could result in a loss of customer business, loss of income, damaged reputation and possibly a large number of customers making withdrawals of deposits rapidly, thereby adversely affecting the Group's funding and liquidity situation. Regulators may also impose penalties or require remedial action if they identify weaknesses in Enity's security systems and the Group could be required to incur significant costs to increase its IT security to address any vulnerabilities that may be discovered or to remediate the harm caused by any security breaches. Consequently, IT failures presents a highly significant risk to Enity's operations and financial situation.

As part of its business, and pursuant to applicable law, Enity will share confidential customer information and proprietary information on an aggregated basis with referral partners, brokers, service- and business process partners and other outsourcing parties. The information systems of these third parties may be vulnerable to security breaches, and there is a risk that Enity's methods and procedures for overseeing how outsourcing partners and other third parties operate their businesses may be inadequate or that Enity may not be able to ensure that these third parties have appropriate security controls in place to protect the information that the Group shares with them. Furthermore, such third parties may misuse data provided by Enity. If the Group's proprietary or confidential customer information is intercepted, stolen, misused or mishandled while in the possession of a third party, there is a risk that it will result in reputational harm to Enity, loss of customer business, loss of income, and possibly a large number of customers making withdrawals of deposits rapidly, thereby adversely affecting the Group's funding situation, and additional regulatory scrutiny, which could expose Enity to possible financial liability, adversely affecting the Group's operations and financial situation.

Enity is exposed to risks relating to ineffective marketing and public relations activities

Enity's primary source of revenue is interest income from its mortgage loan portfolio. To maintain and grow its portfolio, Enity must attract new customers and/or further advance its offering to existing customers. To do so, Enity is dependent on the effectiveness of its marketing and public relations activities, especially to increase brand perception and generate customer leads. The Group utilises a multi-channel origination platform, comprising both direct and indirect channels to target customers. Direct channels include direct origination through advertisement via traditional media, digital ads and direct mail, customer relations-based additional sales to existing customers, public relations activities and referrals through partners such as real estate agents and debt collectors. Indirect channels include loan and mortgage brokers (see also "*Enity is exposed to risks relating to external parties such as referral partners and brokers*" below).

There is a risk that Enity's marketing and public relations activities could become less effective in the future, resulting, for example, in lower brand awareness and perception amongst the public, which in turn may result in reduced new customer origination. Even if Enity would increase its marketing expenses in order to maintain or increase its marketing effectiveness, there is a risk that such increased marketing costs do not generate new lending. Reduced marketing effectiveness presents a risk to the Group's ability to grow its loan portfolio and to attract and retain customers in order to generate revenue and profit.

Moreover, if the Group's marketing capabilities would be restricted, for example, due to changes in data protection laws, marketing laws or other regulations (see "*Legal and regulatory risks*" below), Enity could be required to focus on less effective or more costly marketing channels, and as a result see a decline in new loan volumes. As the cost and effectiveness of marketing channels differ, any significant changes in Enity's multi-channel origination platform also presents a significant risk to, and could adversely affect, the growth of the Group's loan portfolio and the Group's ability to attract and retain customers in order to generate interest revenue and profit.

Enity is exposed to risks relating to competition

The mortgage market in the Nordic region is in general dominated by a small group of high-street banks with limited risk appetite, which are focused on individuals with standard credit profiles. The specialist mortgage segment, which is Enity's primary market, is relatively small and undeveloped but is growing continuously, largely due to the Group's achievements to date. Enity faces the risk that competitors, for example high-street banks, which offer a broad range of products and services through widespread retail office networks and online, may start to focus on the specialist mortgage segment. Almost all of the Group's customers have a relationship with at least one of the high-street banks through current accounts or other banking products and services. Accordingly, if the high-street banks expand to Enity's markets, they could have competitive advantages over Enity, such as a lower cost of funds and customer acquisition cost. Increased competition, including through price-led strategies by incumbent or new market participants, may lead to pricing pressure in the specialist mortgage markets. There is also a risk that other players enter the market with new or improved technical solutions for the delivery of financial services. If there are more competitors in the specialist mortgage markets, there is a risk that Enity loses market shares and that demand for the Group's products decreases, or that Enity is required to reduce the interest rates that it charges on its loan products in order to maintain demand, which would have a material adverse effect on the Group's net interest margin.

Furthermore, Enity uses brokers to source a portion of new loans and is hence exposed to broker-related risks. For a description of risks associated with Enity's current relationships with brokers, see "*Enity is exposed to risks relating to external parties such as referral partners and brokers*" below. Brokers benchmark competing loan products against each other. Therefore, Enity could experience an increase in competition by other lenders should an increased percentage of potential borrowers use brokers to seek out loans. Also, if the brokers with whom Enity cooperates are unable to successfully compete with other brokers, it would have an adverse effect on the number of potential borrowers referred to Enity by brokers. This will in turn have an adverse effect on the Group's ability to attract customers in order to generate interest revenue and on the Group's total loan book.

Enity is exposed to risks relating to foreign exchange rates

Changes in foreign exchange rates between SEK (Enity's reporting currency and the currency in which its capital base is denominated), NOK and EUR affect the Group's results of operations. The Group's loan portfolio is denominated in SEK, NOK and EUR. Enity's funding, which consists of retail deposits, covered bonds, MTNs and, at times, credit facilities, is denominated in SEK, NOK and EUR. The most significant effect of changes in foreign exchange rates arises in the translation of assets and liabilities denominated in a foreign currency into SEK. There is a risk that Enity is not able to fully match assets and liabilities in the same currency and the derivative instruments that Enity uses not fully mitigate the exposure or otherwise do not have the intended effect. As of 31 December 2024, Enity's exchange rate exposure amounted to SEK 1,053.3 million. A 10 per cent fluctuation between SEK and the currencies listed below, respectively, would have had the following effect on the Group's consolidated earnings before tax for the financial year ended 31 December 2024:

- −10 per cent change of NOK in relation to SEK: 124.5 SEK million.
- +10 per cent change of EUR in relation to SEK: 19.2 SEK million.

Fluctuations in currencies, particularly the NOK/SEK exchange rate, thus have a significant impact on the Group's translation differences of foreign operations and comprehensive income.

Enity is also exposed to the risk that the book values of the Group's portfolios translated into SEK will change due to changes in foreign exchange rates. Even if the book values of portfolios in local currencies remain unchanged, there is a risk that an increase in book value when translated into SEK impacts Enity's capital adequacy position in a negative way. The Group strives to keep the common equity tier 1 ("**CET1**") ratio well-insulated from exchange rate-movements, but from a capital adequacy perspective, there is risk that a sustained and/or significant weakening of the SEK, while other relevant currencies remain unchanged, negatively impacts Enity's capital adequacy position and leads to a requirement for a capital increase.

Enity is exposed to risks relating to the implementation of its long-term growth strategy

Part of Enity's long-term growth strategy is to strengthen and expand its position in the Swedish, Norwegian and Finnish markets for specialised mortgages, complemented by its equity release mortgage offerings. Moreover, the strategy includes exploring acquisition and market expansion opportunities. A key factor to ensure the Group's long-term growth strategy will be to grow Enity's reach in relevant customer segments through building stronger brand awareness and perception, personalised communication and product acceptance. Enity also aims to continue to invest in scalable IT infrastructure to be able to further optimise its operations. Furthermore, the Group sees strategic value in diversifying its funding sources to support and enhance growth. Finally, the continued development of Enity's staff, culture and leadership also provides a key aspect of Enity's strategy going forward.

Reaching the growth targets may require significant time and efforts, and involve significant costs. There is a risk that Enity is not successful in executing its growth strategy or certain elements thereof due to lack of market acceptance, higher than forecasted costs, misallocated investments or a variety of other factors, many of which are outside of Enity's control, which results in the Group not receiving returns on its investments. Further, in order to pursue its long-term growth objectives, the Group must remain flexible and be adaptive to changes in its current and prospective markets, and continuously be prepared to adjust its strategic plans. Risks associated to the Group not being sufficiently adaptive to meet such changing conditions and a growth strategy proven to be insufficient could have a material adverse effect on Enity's forecasted net income.

Furthermore, Enity's ability to accurately assess the creditworthiness of loan applicants is partly dependent on the availability of historical credit performance data. Credit performance information can vary by market and in respect of marketing channel, product and product feature. Therefore, for example, a potential targeting of additional unserved customer groups and an introduction of new markets, marketing channels, products and product features could entail a higher risk of credit losses until sufficient credit performance data is available to tailor the credit assessment. If the Group's potential investments in developing new customer groups, new markets, new products or new product features are not profitable, or if the credit quality of the Group's loan portfolio decreases, Enity would experience increased costs and higher credit losses due to such strategic initiatives, which would in turn have a significant adverse effect on the Group's financial condition and results of operations.

Enity is exposed to risks relating to outsourcing

Enity outsources some of its business-related activities, and therefore relies on certain service- and business process partners and other third parties. For example, the Group has outsourcing agreements with third parties regarding certain IT operations (see "*Enity is exposed to risks relating to cybersecurity and IT failures*" above). There is a risk that it will be difficult for the Group to replace or extend these relationships on commercially reasonable or similar terms, or at all. Seeking alternate relationships also risks being time consuming and result in interruptions to Enity's business. The Group's use of business outsourcing partners also exposes Enity to reputational risks (see also "*Enity is exposed to reputational risks*" below).

Further, Enity is exposed to the risk that its outsourcing or other partners commit fraud with respect to the services that the Group has outsourced to them, that they fail to comply with applicable laws and regulations, such as data protection requirements, or fail to otherwise provide their agreed services to Enity. If these third parties, to a significant extent, violate laws, other regulatory requirements or important contractual obligations to Enity, or otherwise act inappropriately in the conduct of their business, the Group's business and reputation would be negatively affected. In such cases, Enity also faces the risk of penalties being imposed by regulators and other authorities. Further, some of Enity's agreements with third parties contain provisions that limit the liability of such third parties, and the Group may in such cases not be able to recover the full amount of a loss even if it is the result of the third party breaching an agreement. There is also a risk that Enity's methods and procedures for overseeing how outsourcing and other partners operate their businesses do not detect the occurrence of any violations for a substantial period of time, exacerbating the effect of such violations. The degree to which any negative consequences related to third-party providers may affect the Group is uncertain and present a significant risk to Enity's reputation and business.

Enity is exposed to risks relating to external parties such as referral partners and brokers

Mortgage loan intermediaries, such as online brokers, are less common in the mortgage market than in the unsecured loan market, however, Enity works with several mortgage brokers in Sweden, Norway and Finland respectively. Brokers for mortgage distribution is more common in Norway than in Sweden and Finland, the reason being that there are local, physical brokers in Norway in addition to online brokers. The physical brokers in Norway are able to handle the manual steps that are required for specialist mortgages, which is not the case for unsecured consumer loans. External parties such as referral partners and brokers are important marketing and origination channels for a loan provider such as Enity. As a consequence, Enity is exposed to certain specific risks associated with its relationship with referral partners and brokers. Overall, there is a risk that the Group's methods and procedures for overseeing how its different referral partners (such as real estate agents and debt collectors) and brokers interact with prospective customers are inadequate. The Group does, to some extent, use external referral partners as intermediaries who refer loan applicants to Enity. There is a risk that the incentives of the Group's referral partners do not always align with those of Enity, adversely affecting the volume and type of loan applicants that are referred to Enity from these partners. The Group's agreements with referral partners and brokers do not require them to offer the Group's loan products or refer loan applicants to Enity, and the referral partners and brokers could promote or offer the loan products of Enity's competitors.

On the Swedish, Norwegian and Finnish market, Enity's mortgage brokers must comply with applicable regulations from the Swedish FSA, the Norwegian Financial Supervisory Authority (No. *Finanstilsynet*) (the "**Norwegian FSA**") and the Finnish Financial Supervisory Authority (Sw. *Finansinspektionen*) (the "**Finnish FSA**") respectively, including obtaining and maintaining an authorisation. Swedish mortgage brokers must be authorised as mortgage institutions under the Swedish Mortgage Business Act (Sw. *lagen (2016:1024) om verksamhet med bostadskrediter*) (the "**Swedish Mortgage Business Act**") unless, for example, they are authorised in accordance with the BFBA. Norwegian mortgage brokers have historically typically qualified for an exemption as registered brokers. However, a new act regarding loan broking was adopted by the Norwegian Parliament on 6 December 2022 and entered into force on 1 July 2023 (No. *Lov 16. desember 2022 nr. 91 om låneformidling*) (the "**Norwegian Loan Broking Act**"), which introduced authorisation requirements and stricter conduct of business requirements for loan brokers applicable from 1 July 2024. If one or more of Enity's brokers is unable to maintain its authorisation by the applicable authority to mediate mortgage loans, there is a risk that Enity would be required to seek a replacement for such broker, which in turn would affect Enity's ability to maintain or grow its loan portfolio. Finnish mortgage brokers shall register as intermediaries of consumer credits relating to residential property in accordance with the Finnish Act on Intermediaries of Consumer Credits Relating to Residential Property (852/2016) (Sw. *lagen om förmedlare av konsumentkrediter som har samband med bostadsegendom*) (as amended). In addition, the Government Decree on the Professional Requirements regarding Creditors and Credit Brokers of Consumer Credits relating to Residential Property (1031/2016) (Sw. *statsrådets förordning om krav på yrkesmässiga kvalifikationer för kreditgivare och kreditförmedlare i fråga om konsumentkrediter som har samband med bostadsegendom*) sets out professional requirements for Finnish mortgage brokers.

Furthermore, the Group's ability to cooperate with brokers may be adversely affected by changes in the regulatory framework relating to credit mediation, including the Swedish Mortgage Business Act, the Finnish Act on Intermediaries of Consumer Credits Relating to Residential Property and the Norwegian Loan Broking Act as well as the Norwegian Financial Undertakings Act (No. *Lov 10. april 2015 nr. 17 om finansforetak og finanskonsern (Finansforetaksloven)*) (the "**FUA**"), as well as other related regulations, which set forth the requirements for operating as a credit intermediary in Sweden, Finland and Norway, respectively. For instance, on 21 May 2025, the Swedish parliament adopted stricter consumer credit regulations, requiring instant loan lenders/firms to obtain a banking or finance licence. Exceptions include mortgage loans, which remain unaffected. While mortgage loans remain unaffected, instant loan lenders/firms may rely on brokering consumer credits in addition to mortgage loans, meaning that the instant loan lenders/firms may face financial difficulties due to lost income or need to obtain a specific licence. Although the Company will not be directly affected by the legislative changes, there is a risk that if one or more of Enity's brokers are unable to obtain the necessary licence as a result of the legislative changes entering into force, Enity would be required to seek a replacement for such broker, which in turn would affect Enity's ability to maintain or grow its loan portfolio. Further, the Norwegian Loan Broking Act includes a provision that employees who provide advice on loans shall not receive remuneration that is dependent on sales volume or volume of intermediated loans, which may reduce the incentives of the relevant employees and thus impact the volume of new intermediated loans.

Furthermore, the Swedish FSA published a legal statement on 30 September 2024 clarifying that companies providing digital deposit platforms should be regarded as deposit intermediaries (Sw. *inlåningsförmedlare*) to provide some clarity on how banks and other credit institutions should determine how to apply regulations when calculating the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**"). If Enity does not adequately recognise the risks, including when calculating the liquidity buffer required for the deposits provided through third party deposit intermediaries, Enity could face regulatory challenges from the Swedish FSA.

Should any of the above risks materialise, there is a risk that it will have an adverse effect on Enity's ability to maintain or grow its loan portfolio, which will in turn have an adverse effect on Enity's interest revenue.

Enity is exposed to reputational risks

Enity's reputation is important for maintaining and developing relationships with its existing and potential customers, owners, employees, authorities and other third parties with whom it does business. The Group's employees or service- and business process outsourcing partners could engage in misconduct that adversely affects Enity's business. Even allegations of misconduct by the Group's employees, or actual or alleged misconduct by other financial services companies, could adversely affect Enity's reputation. There is a risk that employee or third-party misconduct prompt regulators to allege or to determine, based upon such misconduct, that Enity has not established adequate supervisory systems and procedures to inform employees of applicable rules or to detect and deter violations of such rules, resulting in monetary fines and other sanctions. There is also a risk that precautions taken by Enity to detect and prevent misconduct prove to be inadequate.

Furthermore, threatened or actual legal proceedings, regulatory sanctions, actual or alleged misconduct, operational failures, negative publicity and press speculation, whether valid or not, risk harming Enity's reputation and create disproportionate negative media coverage of Enity or some or all of its employees, directors or external cooperation partners. There is also a risk that Enity's reputation will be adversely affected by the conduct of third parties over whom it has no control, including customers, referral partners and brokers. Negative publicity could also result from failure in the Group's or third-party partners' information technology systems, loss or theft of customer data or confidential information, failure in its risk management or internal control procedures, legal proceedings, failure or alleged failure in the Group's obligations, or fraud or misconduct committed by customers or one or more of the Group's employees, directors or external cooperation partners.

Reputational risk can be substantially damaging to Enity's operations since Enity is a well-established brand, and if such risk materialises to such an extent that existing and potential customers choose competitors over Enity, it would materially adversely affect the Group's ability to generate new sales and growth, which in turn would adversely affect its results of operations and financial condition. There is further a risk that damage to Enity's reputation will impair its ability to attract and retain relevant competence and skills, maintain relationships with third parties, maintain trust from regulators and other authorities and obtain funding and, therefore, will have an adverse effect on the Group's business, financial condition and results of operations. The degree to which reputational risks may affect Enity is uncertain and present a significant risk to the Group's business and results of operations.

Enity is subject to risks relating to its financial services counterparties and the financial services industry generally

Enity has, and may in the future, enter into transactions with various counterparties in the financial services industry. For example, Enity Bank regularly enters into derivative transactions with other financial institutions for the purpose of reducing interest rate- and/or foreign exchange risks. Furthermore, Enity Bank regularly places liquidity holdings with other financial institutions. Enity Bank also uses the same financial institutions for transactions related to borrowers and depositors. Given the high degree of interdependence in the financial institutions industry, Enity is subject to the risk of deterioration, or perceived deterioration, of the commercial and financial soundness of other financial services institutions. Within the financial services industry, the default of one institution could lead to defaults by other institutions. Concerns about, or a potential default of, one institution could therefore cause significant liquidity constraints in the industry and lead to other institutions suffering losses or defaulting as a result of many institutions being closely interconnected by means of credit, trading, clearing or other relationships. While the Group had no exposure in these particular instances, significant pressures in 2022 and 2023 led to the collapse of several U.S. regional banks and the merger of Credit Suisse into UBS in June 2023, demonstrating the potential global impact of interdependent risk in the banking sector. Even a perceived lack of a financial institution's creditworthiness could trigger market-wide liquidity issues, including a "bank run", which could result in significant deposit withdrawals, increased funding costs and potential losses or defaults across multiple institutions, including the Group. Any of the above factors could have a material adverse effect on the Group's business, financial condition and results of operations.

Enity is dependent on the ability to retain and recruit qualified employees

Enity operates in a rapidly changing technological environment and therefore its success is dependent on its ability to attract, motivate and retain highly qualified and skilled board members, management and employees. The Group relies on certain members of its management in order to sustain, develop and grow its business, and there is a risk that these persons will not remain with the Group. Enity has no deputy CEO nor any deputy to the other members of the Senior Management Team. Should one of these persons leave the Group, there is a risk that it would take time to find and recruit a suitable replacement. Furthermore, a number of the Group's functions are staffed by employees with significant industry experience who could prove difficult and costly to replace. For example, the competition for employees within the financial sector is tough, particularly for specialists such as Compliance Officers and Risk Officers. The same applies for the competition within tech, where it is difficult to recruit experienced system developers. The loss of key members of management, or of a substantial number of key employees, as well as the inability to attract, retain and motivate employees with the desired qualities and skills required to continue and expand the Group's activities, could have a material adverse effect on the Group's business, financial condition and results of operations.

Enity is exposed to possible disputes and claims

Enity is from time to time involved in disputes and is exposed to risks associated with the potential for customers, suppliers, partners or other parties to take legal actions against Enity. The vast majority of such disputes and actions are related to the ordinary course of business, primarily the enforcement of defaulted loans. Disputes regarding the registration of a trademark similar to Enity have also occurred. Major and complicated disputes can be costly, time- and resource-consuming and may disrupt normal business operations. There is further a risk that the results of any investigation, proceeding, litigation or arbitration brought by private parties, regulatory authorities or governments are difficult for Enity to predict. In addition, the degree to which an unfavourable decision against Enity, significant fines, damages and/or negative publicity may affect the Group is uncertain and presents a significant risk to Enity. The outcome of any future potential proceedings, claims and disputes may vary and is uncertain, and presents a significant risk to Enity's costs and reputation.

Enity is exposed to risks relating to incurrence of losses not covered by insurance

The Group's insurance coverage is designed to protect it from material losses associated with certain events such as, for example, data processing system failures, internal or external fraud, and losses resulting from any associated business interruption. However, there is a risk that the actual losses suffered by the Group could exceed Enity's insurance coverage and be material. Specifically, the mortgage loan portfolios in Sweden and Finland are reliant upon the borrowers having comprehensive household insurance (Sw. *heltäckande hemförsäkring*) in place in accordance with the terms and conditions of the loan, and Enity has no block policy to cover any loss as a result of breaches of this obligation or failure of a major household insurance provider. There is a risk that realisation of one or more damaging events for which Enity has no, or insufficient, insurance coverage will have an adverse effect on the Group's financial condition.

Enity is subject to risks relating to acquisitions and the integration thereof

As part of its growth strategy, Enity may evaluate opportunities for acquiring complementary assets and businesses that may supplement Enity's organic growth. For example, in April 2024, Enity Bank completed a cross-border merger with Bank2, following the acquisition of Bank2 in October 2023. Such acquisitions are always exposed to a number of risks and considerable uncertainty with respect to ownership, other rights, assets, liabilities, licences and permits, claims, legal proceedings, restrictions imposed by competition law, financial resources, environmental considerations and other aspects. In addition, integration of acquired businesses involves risks, including, for example, managing geographically separated organisations, systems, and facilities, management of risk, client onboarding processes, integrating personnel with diverse business backgrounds and organisational cultures, complying with foreign regulatory requirements, fluctuations in currency exchange rates, enforcement of intellectual property rights in some foreign countries, difficulty entering new foreign markets due to, among other things, customer acceptance and business knowledge of those new markets, and general economic and political conditions. In connection with potential future acquisitions, Enity may incur considerable transaction, restructuring and administrative costs, as well as other integration-related costs and losses. Furthermore, even if Enity is in a position to integrate an acquired business, it may be unable to do so successfully. If Enity fails to integrate any acquisition successfully and efficiently, it could be subject to increased financial costs, additional burdens on management's time or degradation in the quality of Enity's products and services, particularly with respect to the products and services offered by the acquired entity. Moreover, there is a risk that Enity may be restricted from making acquisitions in the future due to capital adequacy requirements. Any difficulties integrating future acquisitions, including unexpected or additional costs, or inability to make preferred acquisitions may have a material adverse effect on the Group's business, financial condition and results of operations.

Enity is exposed to risks relating to credit rating downgrades

On 4 June 2025, the credit rating agency Moody's Investors Service (Nordics AB) ("**Moody's Nordics**"), which is established in the EU and registered under Regulation (EC) No. 1060/2009, assigned Enity Bank long-term deposit and issuer ratings of Baa1, stable outlook (from A3, negative outlook). A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the credit rating agency at any time. Enity Bank's credit rating is and will continue in part to be based on certain factors which are outside of Enity's control, such as the economic conditions affecting the countries in which Enity operates. A further downgrade of Enity Bank's credit rating would entail a significant risk of increasing Enity's borrowing costs, limiting its access to the debt capital markets, undermining the competitive position of Enity and/or reducing the range of counterparties willing to enter into transactions with Enity. A further rating downgrade could also adversely affect Enity's liquidity position and undermine confidence in Enity.

Legal and regulatory risks

Enity is exposed to risks relating to capital adequacy and liquidity regulations

Enity Bank is subject to capital adequacy and liquidity regulations, which aim to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. Regulations which have impacted Enity Bank and are expected to continue to impact Enity Bank include, among others, the Basel III framework (including the finalised reforms known as Basel IV), the EU Capital Requirements Directive 2013/36/EU ("**CRD IV**"), as amended by Directive (EU) 2019/878 ("**CRD V**") and Directive (EU) 2024/1619 ("**CRD VI**") introducing, *inter alia*, enhanced requirements for institutions regarding the management of environmental, social and governance risks, and the EU Capital Requirements Regulation (EU) 575/2013 ("**CRR**"), as amended by, for example, Regulation (EU) 2019/876 ("**CRR II**") and by Regulation (EU) 2024/1623 ("**CRR III**"), which introduces, for example, an output floor and enhanced disclosure requirements. Furthermore, the CRR III introduces new risk-weighting requirements for mortgages relating to residential property as well as a new model for valuation of property to reduce the impact of cyclical effects (for example, limitations on upward adjustments above the property value). Different risk-weighting requirements will apply depending on, for example, the loan-to-value ratio ("**LTV ratio**") and as a main rule 55 per cent of the property value can be recognised as security and thus eligible for a lower risk-weight (20 per cent). In line with the current rules, CRR III (Article 124(9)) introduces the possibility for competent authorities to increase risk weights if the authority deems that the default risk weights do not adequately reflect the actual risks. The Swedish FSA has expressed that the new rules do not reflect the risks and that, unless there is a significant change in the risk profile, the Swedish FSA will initiate the process to extend the current risk weight floor for mortgage exposures (25 per cent), subject to approval by the European Commission. The CRR and CRD IV are supported by a set of binding technical standards developed by the European Banking Authority ("**EBA**"). The CRR is directly applicable and binding in Sweden and the CRD IV is implemented through national laws and regulations. The CRR III is mainly applicable from 1 January 2025, but for several years transitional rules will apply. The CRD VI will be transposed into national law by the member states of the EU (the "**Member States**"), by 10 January 2026 at the latest. Enity Bank is also subject to liquidity requirements in its capacity as a credit institution supervised by the Swedish FSA, including a statutory requirement to maintain sufficient liquidity to enable it to discharge its obligations as they fall due. The Swedish FSA has issued regulations on liquidity, such as the Swedish FSA's regulations regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7) (Sw. *Finansinspektionens föreskrifter (FFFS 2010:7) om hantering och offentliggörande av likviditetsrisker för kredit-institut och värdepappersbolag*), which Enity Bank needs to comply with.

The capital adequacy framework includes, *inter alia*, minimum capital requirements for the components in the capital base with the highest quality, CET1 capital, additional Tier 1 capital and Tier 2 capital. The CRR II also introduced a binding leverage ratio requirement (*i.e.* a capital requirement independent from the risk of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to the CRR. In addition to the minimum capital requirements, CRD IV provides for further capital buffer requirements that are required to be satisfied with CET1 capital. Certain buffers may be applicable to Enity Bank as determined by the Swedish FSA. A breach of the combined buffer requirements is likely to result in restrictions on certain discretionary capital distributions by Enity, for example, dividend and coupon payments on CET1 and Tier 1 capital instruments. However, Enity Bank is currently not considered a systemically important institution and is thus not subject to the buffer requirement for systemically important institutions, nor subject to the systemic risk buffer requirements. There can, however, be no assurance that Enity Bank will not be designated a systemically important institution or subject to systemic risk buffer requirements in the future. By way of example, on 8 December 2020 the Norwegian government adopted an increase in the Norwegian systemic risk buffer requirement from 3 per cent to 4.5 per cent applicable to Norwegian banks (not directly applicable to Enity Bank) from year-end 2020. Smaller Norwegian banks (those using the Standardised Approach or the Foundation Internal Ratings-Based Approach) were previously subject to a three-year transitional rule, where the previous systemic risk buffer requirement at 3 per cent for all exposures continued to apply. This transitional rule was revoked on 1 January 2024, meaning that the systemic risk buffer requirement at 4.5 per cent is currently applicable to all Norwegian banks (including those using the Standardised Approach, such as Enity Bank, or the Foundation Internal Ratings-Based Approach).

On 2 February 2021, the Norwegian government requested the European Systemic Risk Board ("**ESRB**") to issue a recommendation to other EEA states to reciprocate the Norwegian systemic risk buffer requirement with respect to exposures in Norway for institutions above certain materiality thresholds. The request also included reciprocity of certain average risk weight floors for credit institutions authorised to use an internal ratings-based approach. For the systemic risk buffer rate, the materiality threshold is set at a risk-weighted exposure amount of NOK 32 billion. The ESRB issued its recommendation on 30 April 2021. The Swedish FSA passed a decision to reciprocate the average risk weight floors 21 June 2021 and passed a decision on 28 October 2022 to reciprocate the Norwegian systemic risk buffer as of 30 October 2022 with respect to Swedish credit institutions with risk exposure amounts in excess of NOK 32 billion. In December 2022 the Norwegian Government issued a new request to the ESRB, requesting that the ESRB issued a recommendation to lower the materiality threshold to a risk-weighted exposure amount of NOK 5 billion. The ESRB issued its recommendation 6 March 2023. The Swedish FSA published its decision to reciprocate the systemic risk buffer with the new materiality threshold of NOK 5 billion in risk-weighted exposure amount on 5 June 2023. As of 31 December 2023, such decision applies for those banks using the Standardised Approach, such as Enity Bank. In August 2024, the Norwegian Government announced its intention to maintain the above described requirements for credit institutions with respect to exposures in Norway. On 3 December 2024, the ESRB also issued additional recommendations that the materiality threshold shall be applicable at a consolidated, sub-group and individual level. The Swedish FSA published a decision to reciprocate the Norwegian decision on 11 March 2025. As of 30 June 2025, the requirements for credit institutions with respect to exposures in Norway will apply at a consolidated, sub-group and individual level.

Enity Bank is subject to countercyclical capital buffers. In Sweden, the countercyclical buffer rate is currently 2 per cent. With respect to exposures in Norway, the countercyclical capital buffer is currently 2.5 per cent.

The conditions of the Group's business and external conditions are constantly changing, and the full set of capital adequacy rules applicable to Swedish financial institutions continues to evolve. For the foregoing reasons, Enity Bank and/or its consolidated situation can be required to raise regulatory capital in the future. Such capital, whether in the form of debt financing, hybrid capital or additional equity, is not always available on attractive terms, or at all.

Serious or systematic deviations by the Group from the above regulations would most likely lead to the Swedish FSA determining that Enity Bank's business does not satisfy its obligations to maintain sufficient capital and liquidity, as well as the statutory soundness requirement for credit institutions and thus result in the Swedish FSA imposing sanctions on Enity Bank. Further, any increase in the capital and liquidity requirements could have a negative effect on Enity Bank's, and thus the Group's, liquidity (should its liquidity buffers and revenue streams not cover liquidity requirements, in addition to the fact that stricter requirements to hold liquidity reserves decrease the possibility to dispose the Group's funds freely on a short-term basis), funding (should it not be able to raise funding on attractive terms, or at all), financial condition (should liquidity and funding be negatively affected) and results of operations (should its costs increase). The degree to which regulatory capital and liquidity requirements risks may affect the Group is uncertain and presents a highly significant risk to the Group's capital, funding and liquidity position (see also "*Enity is exposed to liquidity and financing risks*" above).

Enity is exposed to risks relating to the banking licence issued by the Swedish FSA

The BFBA requires all Swedish banking companies to operate under a licence granted by the Swedish FSA. Swedish banks are subject to supervision by the Swedish FSA and a banking licence granted by the Swedish FSA may, following a notification procedure, be passported for operations conducted within other EEA states, by way of secondary establishment or of cross-border operations. On 7 October 2016, Enity Bank was granted a banking licence by the Swedish FSA. Enity Bank also conducts operations in Norway and Finland through branches and thus passports its banking licence to Norway and Finland. Enity Bank has also passported its licence to take deposit and other repayable funds to Germany, whereby Enity Bank is permitted to operate a cross-border activity in Germany in relation to taking deposits in EUR through a collaboration with Raisin GmbH ("**Raisin**"), which provides a savings platform for German customers. The banking licence has indefinite duration but could be revoked by the Swedish FSA. Further, the authorities could intervene by, for example, issuing an injunction (Sw. *förbud*) against executing resolutions, a remark (Sw. *anmärkning*), a warning (each of the two latter can be combined with a fine), or an order (Sw. *föreläggande*) to limit or reduce the risks of the operations, restrict or prohibit payment of dividends or interest, or take any other measure in order to rectify a breach of applicable obligations, or appoint a special representative to run all or parts of Enity Bank's business.

Moreover, Enity Bank is operating in multiple jurisdictions and is subject to the supervision of several regulators (including regulators overseeing other areas of law than banking regulations, see "*Enity is exposed to risks relating to non-compliance with regulations*" below). Consequently, the Group could experience difficulties and complexities if there are conflicts between laws and regulations or the different regulators' interpretations of a law or regulation. If Enity Bank was subject to material remarks or warnings and/or fines, it would cause significant, and potentially irreparable, damage to the Group's reputation and, as a result, the Group's business, financial condition and results of operations could be materially adversely affected. The Group's operations are also contingent upon Enity Bank's banking licence. The loss or suspension of the banking licence will require Enity Bank to cease its banking operations, which would have a severely adverse effect on the Group's business, financial condition and results of operations.

Enity is exposed to risks relating to non-compliance with regulations

The Group's operations are subject to legislation, regulations, codes of conduct, legal statements and general recommendations in the jurisdictions in which it operates and in relation to the products it markets and sells. As a Swedish bank, Enity Bank is subject to supervision by the Swedish FSA with regard to, among other things, capital adequacy and liquidity as well as rules on internal governance, and control and rules on risk management for information and communication technology (including the digital operational resilience act, EU Regulation 2022/2554 ("**DORA**")). Further, the Norwegian FSA and the Finnish FSA supervise conduct and certain operations of the branches in Norway and Finland, respectively. In addition, the Swedish Consumer Agency (Sw. *Konsumentverket*) safeguards the interests of consumers in Sweden and monitors consumer interests within the EU, with the Norwegian Consumer Council (No. *Forbrukerrådet*) and the Norwegian Consumer Authority (No. *Forbrukertilsynet*) as well as the Finnish Consumer Ombudsman (Sw. *Konsumentombudsman*) and the Finnish Competition and Consumer Authority (Sw. *Konkurrens- och konsumentverket*) safeguarding the interests of customers in Norway and Finland, respectively, and the Swedish Authority for Privacy Protection (Sw. *Integritetsskyddsmyndigheten*) works to protect individuals' privacy.

As a result of the Group conducting operations through Enity Bank's branches in Norway and Finland, Norwegian and Finnish regulators, data protection agencies, consumer agencies and councils have or will have jurisdiction over certain aspects of the Group's business, including marketing and selling practices, advertising, transfer pricing aspects, general terms of business and legal debt collection operations. Further, in relation to equity release mortgages, Enity Bank is a tied insurance intermediary (Sw. *anknuten försäkringsförmedlare*) for a supplementary insurance in addition to the high-street homeowner's insurance required for all borrowers. Such insurance mediation subjects the Group to insurance-related laws and regulations, such as the Swedish Insurance Distribution Act (Sw. *lagen (2018:1219) om försäkringsdistribution*). As a result of Enity Bank conducting operations on a cross-border basis also in Germany, certain aspects of its business fall under the jurisdiction of German authorities. While Enity Bank is subject to the supervision by the Swedish FSA, the German authorities retain a certain residual control. The German Federal Financial Supervisory Authority (Ge. *Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*) (the "**German FSA**") supervises Enity Bank in certain matters specified in the German Banking Act (Ge. *Kreditwesengesetz*) (the "**KWG**").

Moreover, regulators are increasingly focused on Environmental, Social and Governance ("**ESG**") and sustainability-related practices. For instance, in November 2022, the European Council formally adopted the Corporate Sustainability Reporting Directive (EU) 2022/2464 (the "**CSRD**"). The CSRD requires Enity to provide more specific disclosure on environmental and climate issues and matters concerning social responsibility, treatment of employees, respect for human rights, and anti-corruption and bribery. Companies subject to the sustainability reporting requirements, such as Enity, must also provide additional disclosures in their sustainability reports under the Taxonomy Regulation (EU) 2020/852.

Many initiatives for regulatory changes have been taken in the past and the Group is unable to predict with certainty what regulatory changes may be imposed in the future as a result of regulatory initiatives in the EU, by the Swedish FSA, the Norwegian FSA, the Finnish FSA or by other authorities and agencies. Such changes may have a material adverse effect on, among other things, the Group's product range and activities, the sale and pricing of the Group's products, and the Group's profitability, solvency and capital adequacy, and may result in increased compliance costs.

There is a risk that the measures taken by the Group to ensure compliance with new laws and regulations are not adequate. In addition, the Group could misinterpret or misapply new or amended laws and regulations, particularly due to the increasing volume and complexity of the legislation, which could have adverse consequences for the Group. Furthermore, as the Group is a specialist mortgage loan provider, there is a risk that adverse changes in the regulatory environment could have a greater impact on the Group's business, financial condition and results of operations than, for example, high-street banks, which have a more diversified product offering. The Group has incurred, and expects to continue to incur, significant costs and expenditures to comply with the increasingly complex regulatory environment. Such costs may adversely affect the Group's revenues and profit.

Enity is exposed to risks relating to the Swedish legislation implementing the EU Covered Bond Directive 2019/2162

Enity has been authorised by the Swedish FSA to issue covered bonds. As at 31 March 2025, the outstanding volume of Enity's covered bonds amounted to SEK 5,259 million. On 18 December 2019, Directive (EU) 2019/2162 on the issue of covered bonds and covered bond public supervision and amending Directives 2009/65/EC and 2014/59/EU (the "**Covered Bond Directive**") was published in the Official Journal of the European Union. Member States were required to adopt and publish, by 8 July 2021, the laws, regulations and administrative provisions necessary to comply with the Covered Bond Directive and the last day for applying the measures was 8 July 2022. On 8 July 2022, the amendments to the Swedish Act on Issuance of Covered Bonds (Sw. *lagen (2003:1223) om utgivning av säkerställda obligationer*) (the "**Covered Bonds Act**") entered into force. As of the date of this prospectus, legal practice from the Swedish FSA relating to the new rules created by the amendments remains limited and it is therefore unclear which implications they have on Enity's operations.

In addition to the Covered Bonds Act, the Swedish FSA has issued regulations and recommendations under the authority conferred on it by the Covered Bonds Act, *i.e.* the Swedish FSA's regulations and general guidelines regarding covered bonds (FFFS 2013:1) (Sw. *Finansinspektionens föreskrifter och allmänna råd (FFFS 2013:1) om säkerställda obligationer*).

Any failure by Enity to comply with the Swedish legislation governing covered bonds or any Swedish FSA regulation relating thereto may have a material adverse effect on Enity.

Enity is exposed to risks relating to the implementation of the Bank Recovery and Resolution Directive

Enity is subject to the BRRD (which was amended by BRRD II). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires EU credit institutions (such as Enity) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition. The BRRD and subsequent amendments, including but not limited to BRRD II, are implemented in Sweden through the Resolution Act.

The BRRD and the Resolution Act contain a number of resolution tools and powers that may be used by resolution authorities (in Sweden, the Swedish National Debt Office (Sw. *Riksgäldskontoret*) is the resolution authority) if certain conditions for resolution are met. These tools and powers (used alone or in combination) include, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including senior notes and subordinated notes into other securities, which securities may also be subject to any further application of the general bail-in tool. This means that most of the debt of such a failing institution could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the general bail-in tool, the BRRD and the Resolution Act provide for the competent authorities to have the power to permanently write-down or convert into equity relevant capital instruments at the point of non-viability, before any other resolution action is taken. Ultimately, the authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder or other approval.

It is not possible to predict exactly how the powers and tools of the Swedish National Debt Office described in the BRRD and the Resolution Act will affect Enity Bank and the Group.

The powers and tools given to the Swedish National Debt Office are numerous and may, if they are used, have a material adverse effect on the Group. Accordingly, the extent to which amendments to the BRRD or the application of the BRRD may affect the Group is uncertain and presents a significant risk to the Group's funding and compliance costs.

Enity is exposed to risks relating to non-compliance with data protection laws and regulations

As a bank aimed primarily at consumers, Enity Bank processes large quantities of personal data on its customers. The Group's processing of personal data is subject to extensive regulation, such as Regulation (EU) 2016/679 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("the **GDPR**") and additional national laws that complement the GDPR. The requirements include, for example, that personal data may only be collected for specified, explicit and legitimate purposes, and may only be processed in a manner consistent with these purposes. Further, the collected personal data must be adequate, relevant and not excessive in relation to the purposes for which it is collected and/or processed, and it must not be kept for a longer period of time than necessary for the purposes of the collection. The Group's security controls over personal data and other data protection practices may not prevent the improper disclosure or processing of personal data in breach of applicable laws and contracts. For example, inadequate routines for data retention may lead to excessive processing of personal data and lack of separation routines for personal data may result in the Group, as a data processor, processing personal data in violation of data processor agreements.

The Group's compliance with applicable data protection laws and regulations is primarily subject to supervision by the Swedish Authority for Privacy Protection, the Norwegian Data Protection Authority (No. *Datatilsynet*) and the Finnish Office of the Data Protection Ombudsman (Sw. *Dataombudsmannens byrå*). These authorities may, from time to time, review or audit the Group's data protection practices and require the Group to change its prevailing practices, which may result in additional costs and administration for the Group. In general, Enity Bank's lead supervisory authority, the Swedish Authority for Privacy Protection, will serve as sole point of contract for Enity Bank also in relation to German data protection matters, but in exceptional circumstances one of 17 German data protection authorities may be the competent authority and issue legally binding orders to Enity Bank.

The GDPR puts great emphasis on the obligation for personal data controllers to demonstrate compliance with the regulation, which may result in demands for increased documentation. Although the Group has made efforts in transitioning to GDPR compliance, projects of such size, importance and technical complexity, including continuous changes and any court decisions that may affect the interpretation of the GDPR, entail risks of adverse implications and there is a risk that the Group is not fully compliant with the GDPR. There is also a risk that the impact of GDPR, as well as any other changes in data protection legislation in any of the markets in which the Group operates, especially if resulting in restrictions on use of personal data, could have an adverse effect on the Group's business. Any administrative and monetary sanctions (including administrative fines of up to the greater of EUR 20 million or 4 per cent of the Group's total global annual turnover), criminal charges and breaches of contractual arrangements and/or reputational damage due to incorrect implementation or breach of the GDPR would also adversely impact the Group's financial condition. The degree to which non-compliance with applicable requirements could affect the Group is uncertain and presents a highly significant risk to the Group's operations and reputation.

Enity is exposed to risks relating to changes in the national deposit guarantee schemes

The Group, through Enity Bank, is able to offer retail deposits to the general public in Sweden, Norway and Germany that are covered by the Swedish and (in respect of deposits in Norway, above the Swedish guarantee amount only) Norwegian deposit guarantee schemes, which currently amounts to SEK 1,050,000 and NOK 2,000,000 respectively, per person and per financial institution. As such, the Group is required to establish internal processes to handle operational risk related to the deposits, including managing and securing the data systems utilised to host the deposits. Any failure by the Group to comply with these requirements could result in intervention by regulators or the imposition of sanctions, including a decision that the Group's deposits shall no longer be covered by the deposit guarantee scheme. There is a risk that the loss of coverage by the deposit guarantee scheme could result in the Group discontinuing its offering of deposit savings accounts to the general public, which could adversely affect the Group's liquidity position and impair the Group's ability to fund its business and potentially also impair or terminate the Group's ability to continue its business as currently conducted.

Furthermore, with respect to deposits in Norway, the implementation of Directive 2014/49/EU on deposit guarantee schemes (the "**Deposit Guarantee Scheme Directive**") into the EEA Agreement, may result in a total harmonisation of the maximum coverage under deposit guarantee schemes within the EEA. There is therefore a risk that the current Norwegian guarantee amount of NOK 2,000,000 is reduced to a sum in NOK equivalent to EUR 100,000. Such a reduction might cause deposit outflows from the Group, as customers in Norway may choose to move funds exceeding the guarantee limit to high-street banks, which could be perceived as more stable.

In recent years, the relevant regulatory authorities in Sweden and Europe have proposed (and in some cases have commenced the implementation of) changes to many aspects of the banking sector, including, deposit guarantee schemes. While the impact of these regulatory developments remains uncertain, there is a risk that the evolution of these and future initiatives will impact the Group's business, including by imposing greater administrative and financial burdens on the Group. Increased costs could result from, for example, increases in fee contributions to the schemes by covered financial institutions, which would have an adverse effect on the Group's business, results of operations or financial condition. There is a risk that regulatory changes which decrease the maximum compensation amount or change the deposit guarantee schemes are implemented, which would have a negative effect on the amount of customer deposit savings currently held with the Group. This is likely to have a negative effect on the Group's business and liquidity, funding and financial condition and results of operations. The degree to which changes to the deposit guarantee schemes may affect the Group is uncertain and presents a significant risk to the Group's business and liquidity.

Enity is exposed to risks relating to changes in laws regarding debt collection, debt restructuring and personal bankruptcy

According to the Group's collection strategy, delinquent loans are handled by applying to the national enforcement authorities or courts in Sweden, Norway and Finland for collection. The national enforcement authorities or courts issue verdicts (Sw. *utslag*), demand payment and enforce recovery of the loan. In Finland, verdicts are issued by the court and not by the national enforcement authority, National Enforcement Authority Finland (Sw. *Utsökningsverket*). As a last resort, the national enforcement authorities will enforce the loan by a foreclosure of assets, income and, for mortgages, by selling the property. In Sweden, the Group has chosen to sell any remaining shortfall, *i.e.* the amount outstanding after receipt of the proceeds from the foreclosure, to third party debt collection agencies. In Norway, the debt remains on the books of the Group. In Finland, the recovering of any outstanding debt (including any shortfall) is either handled by the National Enforcement Authority Finland or third-party debt collection agencies, meaning that the debt remains on the books of the Group.

The Group's recoveries on overdue and written-down loans depend primarily on the effectiveness of legal debt collection systems, including laws regarding debt collection, debt restructuring and personal bankruptcy, in Sweden, Norway and Finland. There is a risk that the Group's ability to collect on overdue loans will be adversely affected by changes in debt collection laws or bankruptcy laws if, for example, the enforcement process gets more complicated or other creditors are granted priority over the Group in restructurings or bankruptcies. The degree to which the aforementioned legislation changes may affect the Group is uncertain and presents a highly significant risk to the Group's cost levels and results of operations. For example, in Norway and Finland, debt collection fees were significantly reduced in 2020 which has affected debt collectors and may in turn impact the value and the profitability of collecting the Group's defaulted debt. In 2022, Finnish Debt Collection Act (513/1999) (Sw. *lagen om indrivning av fordringar*) (as amended) set euro-denominated upper limits on collection fees for debtors who are not private individuals in a consumer position. Further, an expert group proposed a new Norwegian debt collection act in 2020. The Norwegian government is still considering the proposal and is preparing a draft bill.

Finland has also adopted multiple significant legislative amendments which aim to reduce Finnish households' over-indebtedness and related problems. The Act on the Positive Credit Register (739/2022) (Sw. *lagen om ett positivt kreditupplysningsregister*) (as amended) entered into force in August 2022 together with certain other related legislation concerning the establishment of a positive credit register which contains information on debts and income of Finnish individuals. The positive credit register came into operation in stages, with lenders starting to report information in February 2024 and being able to retrieve information from April 2024. In addition, following the adoption of the provisions shortening the retention period of payment default entries, as of December 2022, a payment default entry must be deleted within one month after the credit information registrar has received information on the payment of the claim due to the neglect of which the payment default entry has arisen. Furthermore, amendments to the legislation concerning adjustment of the debts of a private individual and restructuring of enterprises concerning, among other things, facilitating the access of debtors (including debtors placed into bankruptcy) to debt adjustment, relieving the conditions for a debt adjustment and shortening the duration of payment schedule in certain cases as well as introducing an early restructuring procedure for enterprises in case of imminent insolvency, entered into force in July 2022. Furthermore, as regards debt enforcement concerning private individuals, amendments to the Finnish Debt Enforcement Code (705/2007) (Sw. *utsökningsbalken*) (as amended), which entered into force on 1 May 2023, increased the amount of private individual debtor's payment-free months and require distraining lower amounts from the debtor in case of a substantial deterioration of the ability to pay due to expenses of the production of income becoming greater than normally. In addition, a temporary amendment to the Finnish Debt Enforcement Code increased consumer's protected income in debt enforcement proceedings at least to the level of the guaranteed pension for the year 2023 and this amendment was continued beginning from 1 January 2024. The Finnish government recently increased the income level for the year 2025 and established a working group to propose reforms to the Finnish Debt Enforcement Code, focusing on simplifying the garnishment of income as well as social security benefits. The term of the working group lasted from 12 January 2024 to 31 January 2025. As regards restructuring of enterprises, a legislative amendment concerning simplifying the enterprise restructuring procedure and facilitating the possibility for a rapid approval of a restructuring programme entered into force on 1 June 2023.

The Group's business could also be adversely affected by changes in laws regarding statutes of limitations on debt collection. In Sweden, the statute of limitation for debt collection is ten years and it can be renewed through acknowledgement of the debt by the customer (usually through payment), the creditor making a claim in writing or otherwise notifying the debtor in writing, or through legal action. In Norway, the statute of limitation for debt collection of promissory notes is ten years and it can be renewed through acknowledgement of the debt by the customer (usually through payment) or through legal action. In Finland, the statute of limitation for debt collection is three years unless interrupted or, if the creditor seeks judgment on enforcement, five years, with a possibility for renewal. There is a risk that the statute of limitations on debt collection may be shortened, or the ability to extend the statute of limitations can be restricted or abolished, in Sweden, Norway or Finland, which would adversely affect the Group's ability to collect from defaulting customers.

Enity is exposed to risks relating to non-compliance with consumer protection and marketing laws

The Group is subject to a number of consumer protection and marketing laws and regulations in Sweden, Norway, Finland and Germany, concerning, for example, sound credit assessments, advertising and other marketing practices, fair contract terms and information requirements. Consumer protection and marketing laws and regulations include, for example, obligations to provide specific information, requirements regarding marketing materials, specific rights for consumers, such as rights of withdrawal (Sw. *ångerrätt*), and various restrictions on how consumer lending activities may be conducted. Violations of consumer protection laws and regulations could lead to fines or other sanctions by regulatory agencies and authorities, as well as damage to the Group's reputation. Failure to comply with such laws may also lead to financial losses due to the preclusion of the right to charge interest and other credit costs.

In recent years, the Swedish government together with the Swedish FSA and the Swedish Consumer Agency, the Norwegian government together with the Norwegian FSA and the Norwegian Consumer Authority and the Finnish government together with the Finnish FSA and the Finnish Consumer Ombudsman, have shown increased focus on the monitoring and enforcement of consumer laws and regulation for the benefit of consumers and new stricter regulations are under discussion in Sweden, Norway and Finland.

For example, on 1 January 2023 the NFCA entered into force in Norway. The NFCA is applicable when financial institutions, such as Enity Bank, furnishes credit to Norwegian consumers and is a completely revised financial contracts act that includes several new provisions intended to increase consumer protection, such as statutory liability for losses incurred by the consumer in case of misuse of the consumer's electronic signature. In addition, the EFTA Court issued two rulings in May 2024 regarding the legality of floating interest rate clauses in consumer loan agreements, which may impact the legality of current standard floating interest rate clauses in Norwegian consumer loan agreements. In the rulings, the EFTA Court stated that interest rate clauses in Icelandic consumer loan agreements, that have similarities to standard interest rate clauses in Norwegian consumer loan agreements, may be unreasonable pursuant to Directive 93/13/EEC on unfair terms in consumer contracts, the Consumer Credit Directive and/or Directive 2014/17/EU (the "**Mortgage Credit Directive**"). The impact the two rulings will have on Norwegian consumer loan agreements are currently not clear-cut and the issue has not yet been tested in Norwegian courts of law.

In Finland, amendments to the Consumer Protection Act (38/1978) (Sw. *konsumentskyddslagen*) (the "**Consumer Protection Act**") with the aim to reduce Finnish households' over-indebtedness entered into force in October 2023. The amendments entailed provisions on, among other things, specifying the types of marketing of consumer credits (including mortgage loans) which are considered contrary to good lending practice, including, for instance, directing marketing towards consumers who have payment default entries or who can otherwise be assumed to have difficulties in properly fulfilling their obligations under the credit agreement. Furthermore, credit agreement terms differing from the provisions of the Consumer Protection Act to the detriment of the consumer are null and void.

In Sweden, the government has recently proposed some amendments to the Swedish Consumer Credit Act concerning interest rate differential (Sw. *ränteskillnadsersättning*) in relation to mortgage loans, *i.e.* the compensation that a borrower may have to pay to a lender if the borrower decides to terminate a fixed-term mortgage loan before the agreed maturity date (Sw. *En ny regel om ränteskillnadsersättning – minskade hinder mot förtidsbetalning av bostadslån (Prop. 2024/25:97)*). The amendments are intended to, among other things, to increase competition in the mortgage market, and reduce barriers for consumers who need to fix their interest rates, and are proposed to enter into force on 1 July 2025. As a result of the amendments, the Swedish FSA has proposed new general guidelines on consumer credits, which are currently in circulation (and which would replace the Swedish FSA's current general guidelines on consumer credits (FFFS 2023:20) (Sw. *Allmänna råd (FFFS 2023:20) om krediter i konsumentförhållanden)*). The proposal also includes, for example, a new requirement that creditors should notify customers in writing at least one month before the end of an interest rate reduction period.

Failure to comply with consumer protection legislation and marketing laws could harm the Group's reputation and result in substantial fines and other administrative sanctions, which will have an adverse effect on the Group's financial position and results of operation. Furthermore, changes in such laws and regulations could require the Group to change its business practices and involve significant additional costs.

Enity is exposed to risks relating to changes in laws and regulations regarding interest tax deduction and mortgage amortisation

In Sweden and Norway, individuals are entitled to deduct a portion of their net capital expenses, such as interest paid on mortgage loans, from their income taxes. The Swedish Parliament has adopted rules limiting the right to deduct interest costs with respect to certain unsecured loans in the capital income category. In tax year 2025, the right to interest deductions with respect to such loans is reduced to 50 per cent and from tax year 2026 interest costs with respect to such loans may not be deducted at all. This may increase the costs for Enity's customers and affect their ability to repay their borrowings, which could lead to an increased rate of defaults and thereby adversely affect the Group's financial position and results of operations.

Correspondingly, under current Norwegian tax rules, rental income derived from (long-term) renting out part of a residential property is tax exempt, provided that at least 50 per cent of the value of the property is used and occupied by the owner, which gives a positive effect on the affordability calculation for customers who are eligible for this. If tax relief would be reduced or eliminated, it would reduce the net rental income for these customers and could have an adverse effect on their affordability calculation. This could lead to a lower demand for the Group's offered products, which may in turn have an adverse effect on its business, the growth of Enity's loan portfolio and interest income.

In Finland, as of 2023, interest paid on mortgage loans is not deductible for individuals. However, under current Finnish tax rules, the interest expenses related to loans relating to residential-property investment can be deducted in full as it is considered as a loan for the production of income. The Finnish government abolished first-time homebuyers' transfer tax exemption as of 2024 and lowered transfer tax on, amongst others, housing company shares from 2 per cent to 1.5 per cent and transfer tax on real estate from 4 per cent to 3 per cent. The lower transfer tax rates apply retroactively to acquisitions as of 12 October 2023. The changes in taxation might impact the Finnish housing market and property prices and consequently the demand for Enity's loan products could decrease in the future, which could have a material adverse effect on Enity's business, financial condition and results of operations.

In 2016, the Swedish FSA introduced rules in Sweden making it mandatory for new borrowers to amortise on the principal of their mortgages, and similar rules have applied in Norway since 2015. Under the Swedish rules, homeowners are required to amortise 2 per cent of the principal per year on new mortgages until the loan is 70 per cent of the property value, and thereafter amortise 1 per cent per year until the loan is 50 per cent of the property value. In March 2018, stricter amortisation rules were implemented in Sweden, whereby individuals that have mortgage loans of which the total debt is in excess of 4.5 times the individual's relevant gross income per year must amortise an additional 1 percentage point per year. In late 2024, the Swedish government published a report proposing amendments to existing mortgage regulations. The report includes proposals to increase the maximum LTV ratio cap for residential mortgages from 85 per cent to 90 per cent, abolishing the enhanced amortisation requirement for loans in excess of 4.5 times the individual's relevant gross income per year, and introducing a general amortisation requirement of 1 per cent per year for loans with an LTV ratio over 50 per cent. Additionally, in the report it is also proposed to introduce a debt-to-income cap of 5.5 times the individual's relevant gross income per year, with banks allowed a flexibility ratio of 10 per cent of the value of new loans (*i.e.* 10 per cent of the value of a bank's new lending).

In Norway, from 1 January 2017, a new temporary mortgage loan regulation entered into force which, for example, sets forth a loan-to-income-cap entailing that an individual shall not be granted a residential mortgage if the individual's total debt, if the mortgage is issued, would be in excess of 5 times the individual's gross income per year. The previously temporary, as of 2025 permanent, mortgage loan regulation has been continued via regulation on lending practices via an administrative regulation relating to loans secured in immovable residential property (No. *forskrift 9. desember 2020 nr. 2628 om finansforetakenes utlånspraksis (Utlånsforskriften)*) (the "**Lending Regulation**").

In Finland, the current own-capital ratio is generally 10 per cent, and 5 per cent for loans taken for first homes. The Finnish FSA has repeatedly encouraged credit institutions under its supervision to refrain from granting particularly large loans with a long maturity. In addition, according to the Finnish FSA's recommendation, which entered into force on 1 January 2023, a mortgage loan applicant's total debt-servicing costs, which are calculated based on a maximum repayment period of 25 years and a minimum interest rate of 6 per cent (except for debt with long-term interest rate hedges and fixed-rate loans), should, as a main rule, be no higher than 60 per cent of the applicant's net income. Further, the maximum loan period of a mortgage loan was set to 30 years beginning from July 2023. Moreover, there is a separate LTV ratio for loans granted to housing companies and other housing communities for new building projects, which is 60 per cent of the debt-free price of the shares in the housing company or other housing community. Such loans are also subject to a maximum loan period of 30 years. The Finnish consumer protection legislation does not prescribe how the amortisation should be done. It is, however, stated that in case the consumer has several loans from the same creditor, the consumer has the right to determine the loan to which amortisation is being directed.

There is a risk that additional interest and amortisation related requirements may be implemented, which could increase households' debt servicing costs and, as a result, may strain consumers' ability to make timely payments on other debts and may adversely affect consumers' willingness to take up further debt. As a result, this might impact the housing market and property prices and consequently the demand for Enity's loan products could decrease in the future, which could have a material adverse effect on Enity's business, financial condition and results of operations.

Enity is exposed to risks relating to the occurrence of anti-money laundering, financing of terrorism and trade sanctions

The Group is subject to laws and regulations regarding anti-money laundering, know your customer, countering the financing of terrorism and trade sanctions in all countries which the Group operates in. Counteracting money laundering and terrorist financing is also a highly prioritised area within the EU and the regulatory framework is continuously updated to prevent the financial system from being used for money laundering and terrorist financing. For example, the United States, the EU and the United Kingdom, and other jurisdictions, have implemented a broad suite of sanctions against primarily Russian and Belarusian persons, imposing restrictions in dealing with such persons, including providing financial services, and may impose increasingly stringent and complex sanctions going forward. There is a risk that the Group's policies or procedures are not sufficient or adequate to ensure that the Group complies with the regulatory framework regarding anti-money laundering, know your customer-information, countering the financing of terrorism and trade sanctions. This may be due to, for example, inadequate procedures, internal control frameworks or guidelines, or errors made by employees, suppliers or counterparties, which risk resulting in a failure to comply with the regulatory framework.

The risk of exposure to money laundering or financing of terrorism or violating trade sanctions has increased worldwide. For example, significant money laundering concerns have been uncovered in several Nordic banks during the last decade. If a regulator would view the Group's policies and compliance procedures as being insufficient to comply with local rules and standards in any single jurisdiction, sanctions in the form of a reprimand or warning, fines or revocation of licences are at risk for the Group. This would cause significant, and potentially irreparable, damage to the Group's business relationships and reputation. The Group's operations are contingent upon Enity Bank's banking licence, thus making a revocation a significant risk for the Group. The degree to which non-compliance with laws and regulations regarding anti-money laundering, know your customer, countering the financing of terrorism and trade sanctions may affect the Group is uncertain and presents a highly significant risk to the Group's reputation, financial condition and results of operations.

Enity is exposed to risks relating to changes to accounting rules

From time to time, the International Accounting Standards Board ("**IASB**") and/or the EU amend IFRS Accounting Standards, which govern the preparation of the Group's financial statements. These changes can be difficult to predict and materially affect how the Group records and reports its financial condition and results of operations. In some cases, the Group could be required to apply a new or revised standard retrospectively, resulting in restating prior periods' financial statements.

For example, in July 2014, the IASB issued a new accounting standard, International Financial Reporting Standard 9 (Financial Instruments) ("**IFRS 9**"), which became effective from 1 January 2018 and replaced IAS 39. IFRS 9 provides principles for classification of financial instruments, and provisioning for expected credit losses which are mandatory, and was therefore fully implemented by Enity Bank as of 1 January 2018. Furthermore, IFRS 9 provides a new general hedge accounting model which is not yet mandatory, and it is currently not possible to determine the extent of the impact that the implementation of the hedge accounting model will have on CET1 capital as the new rules for the transition, and its impact on capital ratios, are not yet final. As a consequence of the new general hedge accounting model under IFRS 9, and the uncertainty regarding its implementation, the Group may need to obtain additional capital in the future and may not be able to obtain new equity capital or debt financing qualifying as regulatory capital on attractive terms, or at all. Any such difficulties to obtain additional capital would have an adverse effect on the Group's results of operations and financial position.

The IASB may make other changes to the financial accounting and reporting standards that govern the preparation of the Group's financial statements, which the Group may adopt prior to the date on which such changes become mandatory if determined to be appropriate, or which the Group may be required to adopt. There is a risk that any such change in the Group's accounting policies or accounting standards will have an adverse effect on the Group's results of operations and financial position. This may, in turn, reduce Enity's ability to pay dividends (see also "*The Company's ability to pay future dividends depends on several factors*" below).

Enity is exposed to risks relating to changes to tax rules and the tax authorities' interpretations of applicable rules

The Group's business and transactions are conducted in accordance with the Group's interpretations of applicable laws, tax treaties, regulations and requirements of the tax authorities. There is a risk that the Group's interpretation of applicable rules and administrative practice is incorrect. In addition, the rules and practice may change, possibly with retroactive effect. For example, new rules regarding risk tax (Sw. *riskskatt*) for credit institutions with debt exceeding certain thresholds entered into force on 1 January 2022. For financial years commencing in 2022, the threshold was set to SEK 150 billion. Thereafter, the threshold is indexed on a yearly basis, and has been set to SEK 192 billion for financial years commencing in 2025. The risk tax rate currently amounts to 0.06 per cent of a credit institution's debt tax base. The Group's debt is below the threshold for qualifying for the risk tax as of the date of this Prospectus.

The Swedish Government has proposed that from 1 January 2026, the threshold should be complemented by a basic deduction equal to the threshold amount, resulting in credit institutions paying the risk tax only on excess debt. Additionally, it is proposed that the tax rate for the risk tax is increased from 0.06 per cent to 0.07 per cent. If Enity maintains a debt level below the current threshold, it will receive an exemption and will not be affected by this change.

In 2024, the Group's total tax expense was SEK 138.1 million and its effective tax rate was 35.1 per cent. The Group's tax situation for previous, current and future years may change as a result of legislative changes such as the one mentioned, decisions made by the tax authorities or as a result of changed tax treaties, regulations, case law or requirements of the tax authorities. Such decisions or changes could have a material adverse effect on the Group's tax position, financial condition and results of operations.

Enity is exposed to risks relating to internal governing documents, procedures, processes and evaluation methods used by Enity

The internal governing documents, procedures, processes and evaluation methods used by Enity to assess and manage risks may not be fully effective in managing, or at all identifying, all types of risks. Examples of such risks include misconduct caused by remuneration policies that encourage risk taking or a lack of adequate internal governance or control with regards to Enity's products and funding. Furthermore, Enity faces the risk that its operations may not be in compliance with internal governing documents or that it may not correctly quantify identified risks. If Enity is unable to successfully implement and adhere to effective internal governing documents, procedures, processes and evaluation methods to assess and manage risk, this could have a material adverse effect on Enity's business, financial condition and results of operations.

Effective internal governance and control is necessary for Enity to provide reliable financial reports and to ensure compliance with internal and external rules and other reporting requirements, as well as to prevent fraud. While Enity has implemented policies and controls regarding its financial reporting, such policies and controls may be inadequate. In addition, Enity's controls at the operational level may be inadequate, leading to non-compliance with Enity's internal governing documents and, as a result, this may cause Enity to incur increased compliance costs and suffer reputational damage. Inadequate internal governance and control could also cause investors and other third parties to lose confidence in Enity's reported financial information. If Enity does not implement reliable financial reports or maintain an effective internal governance and control framework, it could have a material adverse effect on Enity's reputation, business, financial condition and results of operations.

Risks related to the Company's shares and the Offering

The Company's share price can be volatile, and the share price development is affected by several factors

Since an investment in the shares may increase or decrease in value, there is a risk that investors will not recover their invested capital. The performance of the Company's shares depends on multiple factors, some of which are company specific, whereas others are related to the stock market in general. The Offering Price has been determined by the Main Shareholder in consultation with the Joint Global Coordinators, based on a number of factors, including contacts with the Cornerstone Investors and certain institutional investors, prevailing market conditions and a comparison of the market price of comparable listed companies. The Offering Price will not necessarily reflect the price at which investors in the market will be willing to buy and sell the shares following the Offering; for example, during the trading taking place after the listing, the price may differ from the Offering Price.

Furthermore, the share price may, for example, be affected by supply and demand, fluctuations in actual or projected results, changes in earnings forecasts, events related to affiliates as well as competitors, failure to meet stock analysts' earnings expectations, failure to achieve financial and operational targets, changes in general economic and geopolitical conditions, changes in regulatory conditions and other factors such as sales of significant holdings by owners. Such fluctuations could in turn affect the share price and lead to volatility in the share price. In addition, there is a risk that the price for the Enity share may decline significantly in value after the listing on Nasdaq Stockholm as a consequence of external factors such as geopolitical instability (including Russia's war against Ukraine), increased polarisations in the global economy (including potential trade wars) and/or rising interest rates driven by global consumer price inflation, as the global stock markets at times have been subject to extraordinary volatility in recent years as a consequence thereof (see also "*Enity is exposed to risks relating to macroeconomic, geopolitical and market risks*" above). Enity's shares have not previously been traded on a stock market. It is therefore difficult to predict the amount of trading or the interest that may be shown in the shares. Consequently, there is a risk that there will not always be an active and liquid market for trading in the Company's shares, which would affect investors' possibilities to recover their invested capital. This presents a significant risk for a single investor. Since it is impossible for a single company to control all factors which may affect the share price, every investment decision should be preceded by careful analysis.

The Company's ability to pay future dividends depends on several factors

Payment of dividends may only take place if there are payable funds held by Enity and as long as the requirements of future dividends, and the size, scope and risks of any such dividends, are met. Such requirements depend on Enity's equity, need to strengthen its balance sheet, liquidity and financial position in general for a certain financial year. Furthermore, future dividends, and the size of any such dividends, depend on Enity's future results, financial position, cash flows, capital requirements and other factors. The Company's dividend policy is to target a dividend of approximately 20–40 per cent of net profit for the year attributable to shareholders, and any potential excess capital (distributable funds) taking Enity's financial target in respect of the CET1 ratio into account. However, there is a risk that payable dividends will not be available in any financial year, which would reduce the return on an investor's invested capital.

In addition, the Group is subject to capital adequacy and liquidity requirements under regulations applicable to financial institutions, including the capital conservation buffer and the counter-cyclical capital buffer. The size of the buffers, other than the capital conservation buffer, differs depending on the existence of cyclical and structural systemic risks in each country that Enity operates in, and may thus also vary over time and between institutions. When in breach of a buffer requirement an institution may not pay out any dividends (unless such dividends are covered by the disposable amount (Sw. *förfogandebeloppet*)) and could face further injunctions. Additional restrictions may from time to time be imposed by regulators. For example, a planned recommendation by the Board of Directors of Enity Bank to distribute a dividend for the financial year 2020 was withdrawn due to dividend limitations imposed on all banks by the Swedish FSA, stemming from the exceptional circumstances during the COVID-19 pandemic.

Participants in the Offering will be entitled to dividends decided upon following completion of the Offering. The holder must be registered as a holder of shares on the record date for receipt of such dividend as decided by the General Meeting of shareholders. The size of future dividends that the Company will pay, if any, will depend upon a number of factors, such as future earnings, financial condition, cash flows, net capital requirements, capital expenditures and other factors. There is a risk that the Company will resolve to reinvest any future profit in the business and there can be no assurance that the Company's shareholders will resolve to pay dividends in the future, or that the Company will have sufficient funds to pay any dividends.

Sales of shares by existing shareholders and future new share issues could cause the share price to decline and dilute existing shareholders

The market price of the Company's share could decline if there are substantial sales of the Company's shares, particularly sales by its Board of Directors, Senior Management Team, and significant shareholders, or otherwise when a large number of shares are sold. The Main Shareholder, Board members and members of Senior Management Team will commit, subject to certain exceptions, not to sell shares for a certain period after trading of the Company's shares on Nasdaq Stockholm has commenced (so-called lock-up period). However, the Joint Global Coordinators could decide to grant exceptions from the limitations on the sale of shares during the lock-up period. After the expiry of the relevant lock-up period, shareholders subject to lock-up will be free to sell their shares in the Company. Any sales of substantial amounts of the Company's shares in the public market by shareholders subject to the lock-up undertakings or the Company's other shareholders, or the perception that such sales might occur, could cause the market price of the Company's share to decline, which entails a significant risk for investors. In addition, any new issues of shares or share-related instruments may cause the share price to decline and lead to a dilution of ownership for shareholders who do not participate in such an issue or choose not to subscribe for shares. The same applies to any issues addressed to anyone other than the Company's shareholders.

The Main Shareholder can exert considerable control over the Group

After completion of the Offering, assuming that the Offering is fully subscribed for and the Overallotment Option is not exercised, the Main Shareholder will own 49 per cent of the shares and votes of Enity.[1)] Assuming that the Offering is fully subscribed for and the Overallotment Option is exercised in full, the Main Shareholder will own 41 per cent of the shares and votes.[2)] Accordingly, the Main Shareholder will continue to have a significant influence over the outcome of matters that are subject to approval by the Company's shareholders, including the election of the Company's Board of Directors, amendments to the Company's Articles of Association, issuances of shares, the payment of dividends, and other company law measures. This concentration of ownership may be to the disadvantage of shareholders who have interests other than those of the Main Shareholder and can pose a significant risk to individual investors.

Undertakings by Cornerstone Investors are not secured

The Cornerstone Investors have, on the same terms as the other investors, undertaken to acquire shares in the Offering corresponding to a total of SEK 625 million, equalling in the aggregate approximately 37 per cent of the total number of shares in the Offering and 22 per cent of the total number of shares in the Company after the Offering (assuming that the Offering is fully subscribed for and the Overallotment

1) See "*Shares and share capital–Ownership structure*".
2) See "*Shares and share capital–Ownership structure*".

Option is exercised in full). However, the Cornerstone Investors' undertakings are not secured by bank guarantees, blocked funds, pledges of collateral or similar arrangements. Consequently, there is a risk that one or several of the Cornerstone Investors will not be able to fulfil their commitments. The Cornerstone Investors' undertakings are also subject to certain customary conditions. If any of these conditions is not satisfied, there is a risk that the Cornerstone Investors will not fulfil their undertakings, which could have a negative impact on the completion of the Offering.

Shareholders in the United States and other jurisdictions are subject to specific share-related risks and foreign exchange risks when investing in the shares

The Offering under this prospectus is made to the general public in Sweden and Finland as well as to institutional investors in both Sweden and abroad. The Company's shares will only be traded in SEK, and any dividends will be paid in SEK. This means that shareholders outside of Sweden may experience a negative impact on the value of their holdings and dividends at conversion to other currencies if SEK declines in value against the relevant currency. Furthermore, tax legislation in both Sweden and the shareholder's home country may affect the income from any dividend.

In certain jurisdictions, such as the United States, there may be restrictions in national securities laws that mean that shareholders in such jurisdictions do not have the possibility to participate in new share issues and other offerings if securities are offered to the general public. If the Company issues new shares with preferential rights for the Company's shareholders in the future, shareholders in some jurisdictions, for example, the United States, may be subject to restrictions, which could mean that they may be unable to participate in such new share issues or that their participation is otherwise prevented or limited. Shareholders in the United States will be unable to exercise any such rights to subscribe for new shares unless an exemption from the registration requirements under the U.S. Securities Act is available. Such limitations present a significant risk to shareholders located in the United States and in jurisdictions where such limitations apply.

Moreover, the shares will be quoted in SEK and any cash dividends will be paid by Enity in SEK. As a result, shareholders outside of Sweden may experience adverse effects on the value of their shareholdings and their dividends, when converted into other currencies if SEK depreciates against the relevant currency.

Presentation of financial and other information

Information about the prospectus

This prospectus has been approved by the Swedish FSA (Sw. *Finansinspektionen*) as competent authority under the Prospectus Regulation (EU) 2017/1129. The Swedish FSA has only approved the prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation (EU) 2017/1129. Such approval should not be considered as an endorsement of the issuer or of the quality of the securities that are the subject of this prospectus. Investors should make their own assessment as to the suitability of investing in the securities. The prospectus was approved by the Swedish FSA on 9 June 2025.

The prospectus is valid for a maximum of twelve months after the date of the approval of the prospectus provided that it is complemented by any supplement required pursuant to Article 23 of the Prospectus Regulation. Any supplements will be published on Enity's website www.enity.com. Investors who in such case have already applied for participation in the Offering could under certain circumstances have a right to withdraw the application. The obligation to supplement the prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply once the subscription period has ended and once the shares in Enity have been admitted to trading on Nasdaq Stockholm.

Certain terms used

For a glossary of certain terms used in this prospectus, see "*Glossary*".

Financial information

This prospectus contains:

- Enity's audited consolidated financial statements as of and for the financial years ended 31 December 2024, 2023 and 2022, which have been prepared in accordance with IFRS Accounting Standards and the Swedish FSA's regulations and general guidelines regarding annual reports in credit institutions and securities companies (FFFS 2008:25), and audited by Ernst & Young AB, as set forth in its audit report included in "*Historical financial information*"; and
- Enity's unaudited interim consolidated financial statements as of and for the first three months 2025, which have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and reviewed (Sw. *översiktligt granskats*) by Ernst & Young AB, as set forth in its review report included in "*Historical financial information*", with comparative information as of and for the first three months 2024.

With the exception of the historical financial information on pages F-19–F-77 in this prospectus, no other information herein has been audited or reviewed by the Company's auditor.

Where financial information as of and for the financial years ended 31 December 2024, 2023 and 2022 is presented herein as "audited", such financial information has been derived from Enity's audited consolidated financial statements as of and for the years ended 31 December 2024, 2023 and 2022, respectively. Where financial information as of and for the first three months 2025 and 2024, respectively, is presented herein as "unaudited", such financial information has been derived from Enity's unaudited interim consolidated financial statements as of and for the first three months 2025.

Enity presents its financial statements in SEK. Amounts included in Enity's financial statements referred to above that were not originally denominated in SEK have been translated into SEK using the average exchange rate for the financial period with respect to the income statement and the period-end exchange rate with respect to statement of financial position items.

Alternative performance measures (non-IFRS measures)

In this prospectus, Enity presents certain key operating metrics, including certain key operating metrics and ratios that are not measures of financial performance or financial position under IFRS Accounting Standards (alternative performance measures ("**APMs**")). The APMs presented herein are not recognised measures of financial performance under IFRS Accounting Standards, but are measures used by Enity's management to monitor the underlying performance of Enity's business and operations. In particular, APMs should not be viewed as substitutes for income statement, balance sheet or cash flow items computed in accordance with IFRS Accounting Standards.

Enity uses these key operating metrics for many purposes in managing and directing Enity and has presented these metrics because it deems that these metrics, together with reported IFRS measures, provide helpful supplementary information for investors in order to review Enity's financial performance, as well as facilitate comparison with its peers. Since not all companies compute these or other APMs in the same way, the manner in which Enity has chosen to compute the APMs presented herein may not be compatible with similarly defined terms used by other companies.

Bank and statistical data

Bank and statistical data presented in this prospectus, including key metrics in accordance with the CRR, as of and for the financial years ended 31 December 2024, 2023 and 2022 has been derived from Enity's audited consolidated financial statements and Enity's regularly maintained accounting systems and customer management systems. Such data as of and for the three months ended 31 March 2025 and 2024, respectively, has been derived from Enity's unaudited interim consolidated financial statements as of and for the first three months 2025 and Enity's regularly maintained accounting systems and customer management.

Adjustments

Certain numerical information and other amounts and percentages presented in this prospectus may not sum due to rounding. In addition, certain figures in this document have been rounded to the nearest whole number.

Currency

In this prospectus, all references to: (i) "**SEK**" are to Swedish kronor, the lawful currency of Sweden; (ii) "**NOK**" are to Norwegian kroner, the lawful currency of Norway; and (iii) "**EUR**" are to euro, the single currency of Member States participating in the European Monetary Union having adopted the euro as its lawful currency.

Trademarks

Enity owns or has rights to certain trademarks, trade names or service marks that it uses in connection with the operation of its business. Enity asserts, to the fullest extent under applicable law, its rights to its trademarks, trade names and service marks.

Each trademark, trade name or service mark of any other company appearing in this prospectus belongs to its holder. Solely for convenience, the trademarks, trade names and copyrights referred to in this prospectus are listed without the ™, ® and © symbols.

Industry and market data

This prospectus contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to Enity's business and markets. Unless otherwise indicated, such information is based on Enity's analysis of multiple sources, including information from the European Commission, Statistics Sweden (Sw. *Statistiska centralbyrån (SCB)*), Statistics Norway (No. *Statistisk sentralbyrå (SSB)*), Statistics Finland (Fi. *Tilastokeskus*), the World Bank, and a market study commissioned by Enity from McKinsey & Company (prepared in March 2025). Such information has been accurately reproduced and, as far as Enity is aware and able to ascertain, no facts have been omitted which would render the reproduced information provided inaccurate or misleading. However, Enity has not independently verified and cannot give any assurances as to the accuracy of market data as presented in this prospectus that was extracted or derived from these external sources. Statements made by Enity in this prospectus regarding its competitive position are based on Enity's loan book size within the tailored mortgage and equity release markets in Sweden, Norway and Finland 2024 and Enity's assessment of market data as per above and publicly available information (including annual reports).

McKinsey & Company's market study is based on primary interviews conducted with industry experts and participants, secondary market research, publicly available sources, including, for example, the European Commission, Statistics Sweden, Statistics Norway, Statistics Finland, the World Bank, OECD, the Swedish, Norwegian and European central banks, the Swedish Enforcement Authority (Sw. *Kronofogden*), pension authorities and company financial reports, and internal financial and operational information supplied by, or on behalf of, Enity.

This prospectus also contains estimates of market data and information derived therefrom that cannot be gathered from publications by market research institutions or any other independent sources. Such information is prepared by Enity based on third-party sources (including those mentioned above) and its internal estimates. In many cases, there is no publicly available information on such market data, for example from industry associations, public authorities or other organisations and institutions. Enity believes that its estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which it operates as well as its position within the industry. Although Enity believes that its internal market observations are reliable, its estimates are not reviewed or verified by any external sources. While Enity is not aware of any misstatements regarding the industry or similar data presented herein, such data involves risks and uncertainties and is subject to change based on various factors, including those discussed herein and under "*Risk factors*". Please also refer to "*Forward-looking statements*" below.

Forward-looking statements

The prospectus contains certain forward-looking statements that reflect Enity's current view with respect to, among other things, the intentions, beliefs and current expectations of Enity concerning, amongst other things, the operations, the financial condition, prospects, growth, strategies and dividend policy of Enity and the industry in which it operates. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond Enity's control. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "intend", "assess", "expect", "may", "will", "could", "should", "shall", "risk", "aim", "predict", "continue", "assume", "position", "anticipate", "plan", "believe", or "estimate" or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements and other statements contained in this prospectus regarding matters that are not historical facts involve predictions. No assurance can be given that such future results will be achieved; actual events or results may differ materially as a result of risks and uncertainties facing Enity. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements.

Important factors that may cause Enity's future results and development to differ from the forward-looking statements include, but are not limited to, those described in *"Risk factors"* (including, for example, economic and markets risks, risks relating to Enity's business and industry, and legal and regulatory risks), which should be read in conjunction with other information that is included in this prospectus. The forward-looking statements contained in this prospectus apply only as at the date of this prospectus. Enity expressly disclaims any obligation or undertaking to update or change the forward-looking statements contained in this prospectus as a result of new information, future events or similar circumstances, other than as required by applicable laws and regulations.

Enforcement of civil liabilities

The ability of shareholders in certain countries other than Sweden, in particular in the United States, to bring an action against Enity may be limited under law. The Company is a public limited liability company incorporated in Sweden and has its statutory seat in the municipality of Stockholm, Sweden.

Certain members of the Board of Directors, the Senior Management Team and other officers of the Group named herein are residents of countries other than the United States, and all or a substantial proportion of the assets of these individuals are located outside the United States. Virtually all of Enity's assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon such persons or Enity or to enforce against them in U.S. courts a judgment obtained in such courts.

The United States and Sweden do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Accordingly, a judgment rendered by a court in the United States will not be recognised and enforced by Swedish courts. However, if a person has obtained a final and conclusive judgment for the payment of money rendered by a court in the United States which is enforceable in the United States and files his or her claim with the competent Swedish court, the Swedish court will generally give binding effect to such foreign judgment insofar as it finds that the jurisdiction of the court in the United States has been based on grounds which are internationally acceptable and that proper legal procedures have been observed and except to the extent that the foreign judgment contravenes Swedish public policy.

Invitation to acquire shares in Enity Holding AB (publ)

In order to strengthen Enity's access to capital markets as well as to diversify its shareholder base to Swedish and international investors, which would strengthen Enity's growth prospects going forward, the Board of Directors of the Company and the Main Shareholder have decided to offer institutional investors and the public in Sweden and Finland the opportunity to acquire shares in the Company. On 19 May 2025, the listing committee of Nasdaq Stockholm assessed that Enity meets Nasdaq Stockholm's listing requirements, provided that customary terms and conditions are satisfied, including that the distribution requirement for the Company's shares is met no later than the first day of trading in the Company's shares on Nasdaq Stockholm and that the Company applies for the admission to trading of its shares on Nasdaq Stockholm. The expected first day of trading on Nasdaq Stockholm is 13 June 2025.

In accordance with the terms and conditions of this prospectus, investors are hereby invited to acquire up to 29,325,000 shares in the Company, all of which are offered by the Main Shareholder.

The price per share in the Offering has been set at SEK 57 per share (the "**Offering Price**"). The Offering Price has been determined by the Main Shareholder in consultation with the Joint Global Coordinators, based on a number of factors, including contacts with the Cornerstone Investors and certain institutional investors, prevailing market conditions and a comparison of the market price of comparable listed companies.

To cover any overallotment in the Offering, the Main Shareholder will grant the Joint Bookrunners an option to acquire up to an additional 3,825,000 shares, corresponding to a maximum of 15 per cent of the total number of shares in the Offering (the "**Overallotment Option**"). The Overallotment Option may be exercised, in full or in part, during a period of 30 days from the first day of trading in the Company's shares on Nasdaq Stockholm. Assuming that the Overallotment Option is fully exercised, the Offering will comprise up to 29,325,000 shares, corresponding to approximately 59 per cent of the shares and votes in the Company after completion of the Offering.

The Cornerstone Investors have, on the same terms as the other investors, undertaken to acquire shares in the Offering corresponding to a total of SEK 625 million, equalling in the aggregate approximately 37 per cent of the total number of shares in the Offering and 22 per cent of the total number of shares in the Company after the Offering (assuming that the Offering is fully subscribed for and the Overallotment Option is exercised in full). The Cornerstone Investors will be prioritised in the allotment of shares in the Offering and receive full allocation in accordance with their respective commitments. The commitments do not entitle any compensation.

The total value of the Offering amounts to approximately SEK 1,454 million, and approximately SEK 1,672 million if the Overallotment Option is exercised in full. Enity will not receive any proceeds from the sale of existing shares by the Main Shareholder in the Offering.

In other respects, reference should be made to the full particulars of the prospectus, which has been prepared by the Board of Directors of the Company in connection with the application for listing of the Company's shares on Nasdaq Stockholm and the Offering made in connection with the listing.

Stockholm, 9 June 2025

Enity Holding AB (publ)	**The Main Shareholder**
The Board of Directors	

Background and reasons

Enity is a leading[1] provider of specialist mortgages in Sweden, Norway and Finland with a mission to drive financial inclusion and empowerment by making mortgages accessible to more people and enabling its customers to take control of their personal finances. Since its foundation in 2004, Enity has brought financial inclusion and empowerment to approximately 33,000 mortgage and equity release customers in the Nordic region.

Enity's target customers comprise a large and fast-growing market of underserved borrowers who typically have difficulties meeting the stringent requirements of high-street banks. Among others, customers in this segment include retirees, individuals with modern employment forms, individuals with elevated household indebtedness, as well as individuals with payment remarks or limited credit history. Enity seeks to serve these customers by providing them with responsible, sustainable and fair mortgages for home purchases or mortgage refinancing. Serving its mission of financial inclusion and empowerment, Enity provides its core product offering of tailored mortgages in Sweden, Norway and Finland and equity release loans in Sweden. Enity's proven and robust highly digitised credit underwriting model, which has been refined over the past 20 years, provides the customer with a seamless end-to-end digital experience, while preserving the personal interactions where they matter the most. This allows Enity to serve a growing share of underserved mortgage customers whilst ensuring quality and expertise required for complex underwriting decisions. Enity uses this tailored credit underwriting model to ensure that it offers loans only to customers that Enity believes have the ability to repay their obligations as evidenced by its low and stable credit losses over time.

Since EQT's acquisition of Enity in 2017, EQT, together with Enity's Senior Management Team, has implemented various initiatives designed to strengthen Enity's business. These initiatives include, among others, the transition to a fully secured mortgage provider, Nordic market expansion both organically and through the strategic acquisition of Bank2, streamlined organisational structure with a new experienced Senior Management Team, technology transformation to a modern, cloud-based operating platform and the diversification of the funding platform including the launch of a covered bond programme.

EQT's investment strategy is to acquire and support the growth of attractive companies with development potential through operational improvements and transformative growth. EQT's investment strategy also entails a subsequent divestment of acquired companies within a certain period. The Board of Directors and the Senior Management Team of Enity, together with EQT, believe that the time is appropriate for a listing of Enity. EQT will retain board representation and ownership in the Company following the Offering and listing, and intends to continue to support Enity's development going forward. Enity has established a solid platform and has further potential for future growth and improved results during the coming years.

Furthermore, Enity's Board of Directors and Senior Management Team are of the opinion that an initial public offering will benefit Enity by giving the Company access to the Swedish and international capital markets, which is expected to support Enity's continued growth and development. The Company also believes that the listing of the shares on Nasdaq Stockholm will strengthen the public profile of Enity through increased brand awareness. The Board of Directors and Senior Management Team, supported by the Main Shareholder, consider the Offering and the listing to be a logical and important next step in Enity's development.

The Board of Directors of the Company is responsible for the content of this prospectus. To the best of the Board of Directors' knowledge, the information contained in the prospectus is in accordance with the facts and the prospectus makes no omission likely to affect its import.

Stockholm, 9 June 2025

Enity Holding AB (publ)

The Board of Directors

The Board of Directors of the Company alone is responsible for the content of the prospectus. However, the Main Shareholder confirms its commitment to the terms and conditions of the Offering in accordance with what is set out in "Terms and conditions".

Stockholm, 9 June 2025

The Main Shareholder

1) Enity's assessment based on its position as the largest specialist mortgage provider by loan book outstanding in Sweden, Norway, and Finland.

Terms and conditions

The Offering

The Offering comprises up to 25,500,000 shares in the Company, all of which are existing shares offered by the Main Shareholder. The Offering is divided into two parts:

i. An offering to the general public in Sweden and Finland.[1)]

ii. An offering to institutional investors in Sweden and abroad.[2)]

The ISIN code for the Company's shares is SE0025011554.

The outcome of the Offering is expected to be announced through a press release, which will be available on Enity's website (www.enity.com), on or about 13 June 2025.

Overallotment Option

To cover any overallotment in the Offering, the Main Shareholder will grant the Joint Bookrunners an option to acquire up to an additional 3,825,000 shares, corresponding to a maximum of 15 per cent of the total number of shares in the Offering. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the Company's shares on Nasdaq Stockholm.

Allotment of shares

The allotment of shares between each part of the Offering will be based on demand. The allotment will be determined by the Main Shareholder in consultation with the Joint Global Coordinators.

Book-building procedure

Institutional investors will be given the opportunity to participate in the Offering in a form of a book-building procedure, by submitting expression of interest. The book-building procedure commences on 9 June and continues until 12 June 2025.[3)]

Offering Price

The Offering Price has been set at SEK 57 per share. The Offering Price has been determined by the Main Shareholder in consultation with the Joint Global Coordinators, based on a number of factors, including contacts with the Cornerstone Investors and certain institutional investors, prevailing market conditions and a comparison of the market price of comparable listed companies. No commission will be charged.

Application

The Offering to the general public in Sweden and Finland

Applications from the general public for acquisition of shares should be made during the period 9 June 2025 up to and including 15:00 CEST on 12 June 2025[4)] and relate to a minimum of 100 shares and a maximum of 20,000 shares[5)], in even slots of 10 shares each. Only one application per person may be made. If more than one application is made, the right to consider only the first application is reserved (applications will not be aggregated). The application is binding. Late application, as well as incomplete or incorrectly completed applications, may be disregarded.

Applications from the general public in Sweden should be made via Nordea, SEB, Avanza or Nordnet. Applications from the general public in Finland should be made via Nordnet.

Applications via Nordea

Customers of Nordea's netbank can apply for shares between 9 June 2025 and 12 June 2025 at 15:00 CEST. Applicants applying for shares through Nordea must, when submitting the application, hold a securities depository account (Sw. *värdepappersdepå*) or an investment savings account ("**ISK**") (Sw. *investeringssparkonto*) with a Securities Depository Service (Sw. *Värdepapperstjänst Depå*) at Nordea. Customers who do not hold a securities depository account or ISK with Securities Depository Service must open such account prior to submitting the application.

Nordea customers must have sufficient funds available on their account between 15:01 CEST on 12 June 2025 and 23:59 CEST on 17 June 2025, corresponding to at least the amount to which the application relates. Thus, the customer undertakes to keep the amount available on the specified securities depository account or ISK during the aforementioned period, and the customer is aware that no allocation of shares can be made if the amount is insufficient during this period. Please note that the amount cannot be disposed of during the specified period. As soon as possible after allocation has taken place, the funds will be freely available

1) The general public includes private individuals and legal entities in Sweden and Finland who register for the acquisition of a maximum of 20,000 shares.
2) Institutional investors include private individuals and legal entities who register for the acquisition of a minimum of 20,010 shares.
3) The book-building process for institutional investors may be terminated prior to or be extended after the date indicated in this prospectus. Announcement of such potential early termination or extension will be made through a press release. Should the application period be shortened or extended, the announcement of the outcome of the Offering, the first day of trading as well as the date for allotment and payment may be adjusted accordingly.
4) The application period may be terminated prior to or be extended after the date indicated in this prospectus. Announcement of such potential early termination or extension will be made through a press release. Should the application period be shortened or extended, the announcement of the outcome of the Offering, the first day of trading as well as the date for allotment and payment may be adjusted accordingly.
5) Anyone who wishes to acquire more than 20,010 shares should contact the Joint Bookrunners in accordance with what is described under "*The Offering to institutional investors*" below.

to those who do not receive any allocation. Funds that are not available on the account specified in the application during the specified period will entitle Nordea to interest in accordance with the terms of the relevant account.

For customers with an ISK with Securities Depository Service at Nordea, Nordea will, if the application results in allocation, acquire the corresponding number of shares in the Offering for resale to the customer at the Offering Price. The customer will acquire the shares from Nordea with funds in the ISK with the Securities Depository Service.

Further instructions on application can be found on Nordea's website (www.nordea.se).

Applications via SEB

Persons applying to acquire shares through SEB must hold a securities depository account or an ISK at SEB. Persons who do not hold a securities depository account or an ISK at SEB must open such account prior to applying to acquire shares. Please note that it may take some time to open a securities depository account or an ISK. When acquiring shares to be registered in an ISK, payment must always be made with funds available in the ISK.

SEB customers must have sufficient funds available in their securities depository account or the ISK with SEB for the period beginning 15:01 CEST on 12 June 2025 up to and including 23:59 CEST on 17 June 2025, corresponding to at least the amount to which the application relates. Thus, the account holder undertakes to keep the amount available on the specified securities depository account or ISK during the above period, and that the holder is aware that no allotment of shares can be made if the amount is insufficient during this period. Please note that the amount cannot be disposed of during the specified period. As soon as possible after the allotment has taken place, the funds will be freely available to those who do not receive allotment. Funds that are not available will be entitled to interest during the specified period in accordance with the terms and conditions of the securities depository account or an ISK specified in the application.

For participants in the Offering via SEB, the application for acquisition shall be made via SEB's internet bank using Digipass, BankID or Mobile BankID (further instructions are available on SEB's website, www.seb.se). Application through SEB's internet bank shall be received by SEB no later than 15:00 CEST on 12 June 2025. Customers in SEB Private Banking shall subscribe through their stockbroker or private banker.

Applications via Avanza

Persons applying to acquire shares through Avanza must have an account with Avanza. Persons who do not hold an account at Avanza must open such account prior to submission of the application to acquire shares. Opening a securities depositary account or ISK with Avanza is free of charge and takes approximately three minutes.

Customers at Avanza can apply to acquire shares via Avanza's internet service. Applications via Avanza can be submitted from 9 June 2025 up to and including 15:00 CEST on 12 June 2025. In order not to lose the right to any allotment, depositary account customers at Avanza must have sufficient funds available in the specified account from 15:01 CEST on 12 June 2025 until the settlement date, which is expected to be 17 June 2025. For customers with an ISK with Avanza, should an application result in allotment, Avanza will acquire the equivalent number of shares in the Offering and resell the shares to the customer at the Offering Price. Full details of the application procedure via Avanza are available on Avanza's website (www.avanza.se).

Applications via Nordnet

Individuals who are depository account customers at Nordnet can apply through Nordnet's website. Application to acquire shares is made via Nordnet's webservice and can be submitted from 9 June 2025 up to and including 15:00 CEST on 12 June 2025. In order not to lose the right to any allotment, Nordnet's customers must have sufficient funds available in the account from 15:01 CEST on 12 June 2025 until the settlement date, which is expected to be 17 June 2025. Full details of how to become a Nordnet customer and the application procedure via Nordnet is available on Nordnet's websites (www.nordnet.se and www.nordnet.fi). For customers that have an ISK with Nordnet, should an application result in allotment, Nordnet will acquire the equivalent number of shares in the Offering and resell the shares to the customer at the Offering Price.

The Offering to institutional investors

Institutional investors in Sweden and from abroad are invited to participate in the book-building process during the period 9 12 June 2025. Applications from institutional investors in Sweden and from abroad shall be submitted to the Joint Bookrunners (in accordance with special instructions).

The Offering to Enity employees

Enity employees in Sweden, Norway and Finland who wish to acquire common shares in the Offering shall follow specific instructions from the Group.

Important information regarding LEI and NPID

According to the Directive 2014/65/EU on markets in financial instruments ("**MiFID II**") all investors need a global identification code to be able to carry out securities transactions from 3 January 2018. These requirements call for all legal entities to apply for registration of a LEI-code (Legal Entity Identifier), and all physical persons to learn their NPID-number (National Personal ID or National Client Identifier), in order to be able to acquire shares in the Offering. Note that it is the investor's legal status that determines whether a LEI-code or NPID-number is required, and that the Joint Bookrunners may not be able to execute the transaction for the person in question if a LEI-code or NPID-number (as applicable) is not presented. Legal entities needing to acquire a LEI-code can turn to any of the suppliers available on the market. Instructions regarding the global LEI-system can be found on www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations. For physical persons with a Swedish citizenship only, the NPID-number is "SE" followed by the personal identity number. If the person in question has multiple citizenships or another citizenship than Swedish, the NPID-number can be any other type of number.

Those intending to apply to acquire shares in the Offering are encouraged to apply for registration of a LEI-code (legal entities) or learn their NPID-number (physical persons) as early as possible as this information needs to be stated in the application.

Allotment

Decision on allotment of shares in the Offering will be made by the Main Shareholder in consultation with the Joint Global Coordinators, whereby the goal will be to achieve a strong institutional ownership base and a broad distribution of the shares among the general public, in order to facilitate a regular and liquid trading in the shares on Nasdaq Stockholm The allotment does not depend on when the application is submitted during the application period. Only one application per person will be considered.

Allotment to the general public in Sweden and Finland

In the event of oversubscription, allotment may not occur or take place with a lower number of shares than the application concerns, whereupon allotment wholly or partly may take place by random selection. Allotment to persons who receive shares in the Offering will primarily be made so that a certain number of shares are allotted per application. In addition, certain related parties to Enity and the Main Shareholder, including Board members and employees[1)] of Enity, and certain persons connected to them, as well as customers of the Joint Bookrunners, may be given special consideration for allotment.. Allotment of shares may also be made to employees of the Joint Bookrunners, however, without them being prioritised. In such a case, the allotment will take place in accordance with the Swedish Securities Market Association's (Sw. *Föreningen Svensk Värdepappersmarknad*) rules and the Swedish FSA's regulations.

Allotment to institutional investors

Decisions on allotment of shares within the framework of the Offering to institutional investors in Sweden and abroad will, as mentioned above, be made with the aim of achieving a good and strong institutional ownership base. Allotment to institutions that submit an expression of interest will take place on a fully discretionary basis. Any offers and sales outside Sweden will be made in accordance with public offering exemptions in all relevant jurisdictions. In particular, offers and sales to persons in the United States will be made pursuant to an exemption from the registration requirements under the U.S. Securities Act (see "*Selling and transfer restrictions*").

However, the Cornerstone Investors, who have undertaken to acquire shares in the Offering, will be given preferential treatment in relation to other investors up to the total number of shares in the Offering that they have undertaken to acquire.

Allotment to Enity employees

Enity employees in Sweden, Norway and Finland may be considered separately during allotment. Any priority for allotment for Enity employees in Sweden, Norway and Finland will, if made, concern shares with a value of up to SEK 30,000 per employee.

Information regarding allotment and payment

The Offering to the general public in Sweden and Finland

Allotment is expected to take place on or about 13 June 2025. As soon as possible thereafter, contract notes will be sent to those who have received allotment in the Offering. Those who have not been allotted shares will not be notified.

Applications received by Nordea

Those who applied through Nordea are expected to be able to receive information of allocation via Nordea's online services from around 09:00 CEST on 13 June 2025. To be notified of the allocation, the following must be specified: name, personal ID number or corporate registration number, securities depository account number or the ISK number.

The settlement amount is expected to be deducted from the securities depository account or ISK specified in the application around 17 June 2025. For Nordea's customers, cash funds are required to be available on the specified securities depository account or ISK with Securities Service Custody account between 15:01 CEST on 12 June 2025 and 23:59 CEST on 17 June 2025.

Applications received by SEB

Notice of allotment is expected to be available around 09:00 CEST on 13 June 2025 via the respective securities depository account or ISK.

The settlement amount for allotted shares is expected to be deducted from the securities depository account or ISK on 17 June 2025. If sufficient funds are not available on the specified securities depository account or ISK on the settlement date, 17 June 2025, or if full payment is not made in due time, allotted shares may be transferred and sold to someone else. Should the sales price at such transfer be lower than the Offering Price, the person who initially received allotment of shares in the Offering may have to pay the difference.

1) See "*Allotment to Enity employees*" below.

Applications received by Avanza
Customers who applied through Avanza's internet service will receive information on allotment by the allotted number of shares being booked against payment of funds in the specified account, which is expected to take place on or about 09:00 CEST on 13 June 2025. For Avanza customers, payment for allotted shares will be deducted no later than on the settlement date of 17 June 2025. Note that funds for the payment of allotted shares are to be available from 15:01 CEST on 12 June 2025 until 17 June 2025.

Applications received by Nordnet
Those who applied through Nordnet's webservice will receive information about allotment by the allotted number of shares being booked against payment of funds in the specific account, which is expected on or about 09:00 CEST on 13 June 2025. Note that funds for payment of allotted shares are to be available from 15:01 CEST on 12 June 2025 up to and including the settlement date which is estimated to be 17 June 2025.

The Offering to institutional investors
Institutional investors are expected to receive information regarding allotment on or about 13 June 2025 in a particular order, whereupon contract notes will be distributed. Full payment for allotted shares shall be made in cash not later than 17 June 2025 in accordance with instructions set out in the contract note. Note that if full payment is not made in due time, allotted shares may be transferred to another party. Should the price in the event of such transfer be less than the Offering Price, the person who originally received allotment of shares in the Offering may have to bear the difference.

Registration and recognition of allotted and paid shares
Registration of allotted and paid shares with Euroclear Sweden is, for both institutional investors and the general public in Sweden and Finland, expected to be effected on or about 17 June 2025, after which Euroclear Sweden will distribute a notice stating the number of shares that have been registered in the recipient's account. Shareholders whose holdings are nominee-registered will be notified in accordance with the procedures of the respective nominee.

Admission to trading on Nasdaq Stockholm
The Board of Directors of Enity has applied for listing of the Company's shares on Nasdaq Stockholm. Nasdaq Stockholm's listing committee has on 19 May 2025 resolved that the Company meets the applicable listing requirements on Nasdaq Stockholm. Nasdaq Stockholm will approve an application for admission to trading of the Company's shares on Nasdaq Stockholm provided that customary conditions are met, including that the Company submits such an application and that the distribution requirement for the Company's shares is met no later than the first day of trading on Nasdaq Stockholm. Trading is expected to commence on 13 June 2025. The shares (with ISIN code SE0025011554) will be traded under the ticker ENITY.

Stabilisation
In connection with the Offering, the Joint Global Coordinators (with Nordea as stabilisation manager) may, to the extent permitted in accordance with Swedish law, carry out transactions aimed to stabilise, maintain, or in other ways support the market price of the Company's shares, for a period of up to 30 days from the commencement of trading in the Company's shares on Nasdaq Stockholm. For further information on stabilisation, see "*Legal considerations and supplementary information–Stabilisation*".

Announcement of the outcome of the Offering
The final outcome of the Offering will be announced through a press release that will be available on the Company's website www.enity.com on or about 13 June 2025.

Right to dividend
The shares included in the Offering carry a right to dividend for the first time on the record date for dividend that occurs following listing of the shares. Decisions regarding the distribution of dividend are proposed by the Board of Directors and resolved by the General Meeting. Dividend payments are administered by Euroclear Sweden or, for nominee-registered shareholdings, in accordance with the procedures of the individual nominee.

Terms and conditions for completion of the Offering
The Offering is conditional on the Company, the Main Shareholder and the Joint Bookrunners signing a placing agreement regarding the placing of shares in the Company (the "**Placing Agreement**"), which is expected to take place on or about 12 June 2025. The Offering is conditional on the Placing Agreement being executed, certain terms and conditions in the Placing Agreement being fulfilled, and the Placing Agreement not being terminated. The Placing Agreement stipulates that the Joint Bookrunners' undertaking to procure purchasers for or, failing which, to themselves acquire, shares in the Offering is conditional on, *inter alia*, the Company's representations and warranties being correct and no events occurring that have such a material negative impact on the Company that it would be impracticable or inadvisable to carry out the Offering. If any material negative events occur or if any of the other conditions stipulated by the Placing Agreement are not fulfilled, the Joint Global Coordinators are entitled to terminate the Placing Agreement up to and including the settlement date on 17 June 2025. If the above conditions are not fulfilled and if the Joint Global Coordinators terminate the Placing Agreement, the Offering may be terminated. In such a case, neither delivery nor payment will be carried out under the Offering. This means that the trading in the Company's shares will be

conditional from the first day of trading (expected to be 13 June 2025) until 17 June 2025.[1] In accordance with the Placing Agreement, the Company and the Main Shareholder will undertake to reimburse the Joint Bookrunners for certain claims under certain conditions. For more information regarding the conditions governing the completion of the Offering and the Placing Agreement, see "*Legal considerations and supplementary information–Placing Agreement*".

Important information regarding the potential sale of allotted shares

Notification regarding allotment to shareholders whose holdings are nominee-registered is made in accordance with the routines of the respective nominee. Notification regarding allotment to the general public in Sweden who has subscribed for shares via a registration form will be made via a contract note, which is expected to take place around 13 June 2025. Once payment for the allotted shares has been received by the Joint Bookrunners, Avanza and Nordnet, duly paid shares will be transferred to the securities account, service account or securities depository account designated by the investor. The time required to send contract notes, transfer payments, and transfer acquired shares to investors means that the acquired shares will not be available on the investor's securities account, service account or securities depository account until 17 June 2025, or a few days later. Customers of Avanza and Nordnet will be able to view and trade in allotted shares from 17 June 2025.

Trading in the Company's shares on Nasdaq Stockholm is expected to commence around 13 June 2025. The fact that the shares will not be available on the investor's securities account, service account or securities depository account until 17 June 2025 at the earliest, may imply that the investor will not be able to sell the shares on Nasdaq Stockholm starting the first day of trading in the shares, but only once the shares are available on the securities account, service account, or securities depository account. Starting 13 June 2025, the investor may be notified of allotment. See also "*Information regarding allotment and payment–The Offering to the general public in Sweden and Finland*" above.

Information regarding the processing of personal data

Nordea

Investors in the Offering will submit personal data to Nordea. Personal data submitted to Nordea will be processed in data systems to the extent required to provide services and administer customers' affairs in Nordea. Personal data obtained from sources other than the customer to whom the data refers may also be processed. Personal data may also be processed in the data systems of companies or organisations with which Nordea cooperates. As personal data controller, Nordea processes personal data in order to deliver the products and services agreed by the parties and for other purposes, including compliance with laws and other rules. For detailed information on the processing of personal data, refer also to Nordea's data protection policy available on Nordea's website (https://www.nordea.com/en/privacy-policy) or contact Nordea. The data protection policy contains information the rights of the registered individual in connection with the processing of personal data, such as the right to information, correction, data portability, etc.

SEB

Those who acquire shares in the Offering through SEB will provide personal data to SEB. Personal data provided to SEB will be processed in computer systems to the extent necessary to provide services and administer customer arrangements. Personal data obtained from sources other than the customer may be processed. Personal data may also be processed in computer systems of companies or organisations with which SEB cooperates. Information regarding the processing of personal data is provided by SEB's offices, which also receive requests for rectification of personal data. Address information may be obtained by SEB through an automated process provided by Euroclear Sweden.

Avanza

Parties who acquire shares in the Offering will submit information to Avanza. The personal data submitted to Avanza will be processed in computer systems to the extent necessary to provide services and administer customer engagement. Personal data collected from other sources than the customer may also be processed. The personal data may also be processed in data systems of companies or organisations that Avanza cooperates with. Information regarding the processing of personal data is provided by Avanza, which also accepts requests for correction of personal data. For further information about Avanza's processing of personal data, see https://www.avanza.se/sakerhet-villkor/behandling-av-personuppgifter.html (in Swedish). Address information may be obtained by Avanza through an automated process carried out by Euroclear.

Nordnet

In connection with acquiring shares in the Offering through Nordnet's webservice personal data may be submitted to Nordnet. Personal data submitted to Nordnet will be processed and stored in data systems to the extent required to provide services and administer customer arrangements. Personal data obtained from other than the customer in question may also be processed. The personal data may also be processed in the data systems of companies or organisations with which Nordnet cooperates. All relevant personal data will be deleted when the customer relationship ends, in

1) Should the Offering be terminated, this will be announced through a press release no later than 17 June 2025.

accordance with applicable law. Information on processing of personal data is provided by Nordnet, which also accepts requests for correction of personal data. For further information on how Nordnet processes and stores personal data, please contact Nordnet's customer service, email: info@nordnet.se.

Other information

Information to investors

The fact that Nordea and SEB are Joint Global Coordinators, does not necessarily mean that any of them considers applicants for the Offering (the "**Acquirer**") to be customers of the respective bank. The Acquirer is considered a customer only if the bank has provided advisory services regarding the investment to the Acquirer or has otherwise contacted the Acquirer about the investment or if the Acquirer has registered for the investment via the bank's office or internet bank. Since the banks do not consider the Acquirer to be a customer for the investment, the investment will not be subject to the rules on investor protection stipulated in the Swedish Securities Market Act (Sw. *lagen (2007:528) om värdepappersmarknaden*). This means, *inter alia*, that neither a so-called customer categorisation nor an appropriateness assessment will be applied to the investment. Accordingly, the Acquirers themselves are responsible for ensuring that they have sufficient experience and knowledge to understand the risks associated with the investment.

Information to distributors

In consideration of the product governance requirements in: (a) MiFID II, (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II, and (c) Chapter 5 of the Swedish FSA's regulations regarding investment services and activities (FFFS 2017:2) (Sw. *Finansinspektionens föreskrifter (FFFS 2017:2) om värdepappersrörelse*) (jointly referred to below as "**MiFID II's product governance requirements**"), and with no liability to pay damages for claims that may rest with a "manufacturer" (in accordance with MiFID II's product governance requirements) that may otherwise be relevant, the Company's shares have been subject to a product approval process whereby the target market for the Company's shares comprises (i) retail clients, and (ii) investors who meet the requirements for non-retail clients and equivalent counterparties, each in accordance with MiFID II (the target market). Notwithstanding the assessment of the target market, distributors are to note the following: the value of the Company's shares may decline and it is not certain that investors will recover all or portions of the amount invested; the Company's shares offer no guaranteed income and no protection of capital; and an investment in the Company's shares is suitable only for investors who do not require a guaranteed income or protection of capital, who (either themselves or together with an appropriate financial advisor or other type of advisor) are capable of evaluating the benefits and risks of such an investment and who have sufficient funds with which to sustain such losses as may arise from the investment. The assessment of the target market does not impact the requirements in the contractual, statutory, regulatory or sales restrictions in relation to the Offering.

The assessment of the target market is not to be considered to be: (a) an assessment of suitability and appropriateness under MiFID II, or (b) a recommendation to any investors or group of investors to invest in, procure or take any other action regarding shares in the Company.

Each distributor is responsible for performing their own assessment of the target market regarding the Company's shares and for deciding on suitable channels of distribution.

No public offering outside Sweden and Finland

No action has been or will be taken in any jurisdiction other than Sweden and Finland that would permit a public offering of shares, or the possession, circulation or distribution of this prospectus or any other material relating to Enity or the shares in any jurisdiction where action for that purpose is required. Accordingly, the shares may not be offered or sold, directly or indirectly, and neither this prospectus nor any other offering material or advertisements in connection with the Offering may be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction.

The offer to institutional investors in Sweden and abroad includes a private placement in the United States to persons who are reasonably believed to be QIBs as defined in, and in reliance on, Rule 144A or pursuant to another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. All offers and sales outside the United States will be made in compliance with Regulation S under the U.S. Securities Act.

Please also refer to "*Selling and transfer restrictions*".

Market overview

This market overview contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to Enity's business and markets. Unless otherwise indicated, such information is based on Enity's analysis of multiple sources, including information from the European Commission, Statistics Sweden (Sw. Statistiska centralbyrån (SCB)), Statistics Norway (No. Statistisk sentralbyrå (SSB)), Statistics Finland (Fi. Tilastokeskus), the World Bank, and a market study commissioned by Enity from McKinsey & Company (prepared in March 2025). For additional information, please refer to "Presentation of financial and other information–Industry and market data". This section includes market projections and other forward-looking statements. Forward-looking statements do not constitute any guarantee regarding future development, and the actual outcome may differ significantly from that which is expressed in forward-looking statements (see "Presentation of financial and other information–Forward-looking statements").

Introduction

Enity operates in the Nordic mortgage market, and more specifically in the Swedish, Norwegian, and Finnish specialist mortgage markets. The specialist mortgage market includes all secured mortgage products offered by lenders other than the high-street banks (defined as banks primarily targeting prime grade customers), so called "specialist lenders". These mortgage products include first and second charge mortgages ("tailored mortgages" when offered to specialist mortgage customers as described below) and equity release loans.[1] The customers served are those who are willing and able to afford a mortgage but for various reasons do not obtain a mortgage from a high-street bank. Such reasons may include that they do not qualify for a loan from a high-street bank despite having orderly personal finances.

Customer segments that tailored mortgages are offered to include:

- *Individuals with modern forms of employment*: Individuals with irregular income, for example, independent contractors and consultants, and gig-economy workers.
- *Individuals with a high level of unsecured debt*: Individuals in need of debt consolidation, seeking to lower their interest payments by consolidating several loans into one mortgage.
- *Individuals with orderly personal finances but with credit remarks*: Individuals with a generally orderly and sound personal finance profile but who have one or more credit remarks.
- *Individuals with limited credit history*: Individuals with limited or no credit history, for example, students, recent graduates, and people who are new residents in a country.

Equity release products are offered to:

- *Retirees*: Individuals who are 60 years old or older, whose main income is their pension, and who are seeking to unlock the value of their home with an equity release mortgage.

For purposes of this section, the term *specialist mortgages* is used to describe the aggregate of tailored mortgages and equity release products.

Mortgage market overview, trends and drivers

Macroeconomic and country-specific factors

The macroeconomic environment in Sweden, Norway and Finland is strong, with annual real GDP growth between -0.2–2.1 per cent, household savings rates between 7.2–12.2 per cent, and unemployment rates between 4.0–9.4 per cent, in 2024. The same metrics are expected to be -0.3–2.3 per cent, 6.9–12.0 per cent, and 3.5–8.5 per cent, respectively, in 2025–2027.[2]

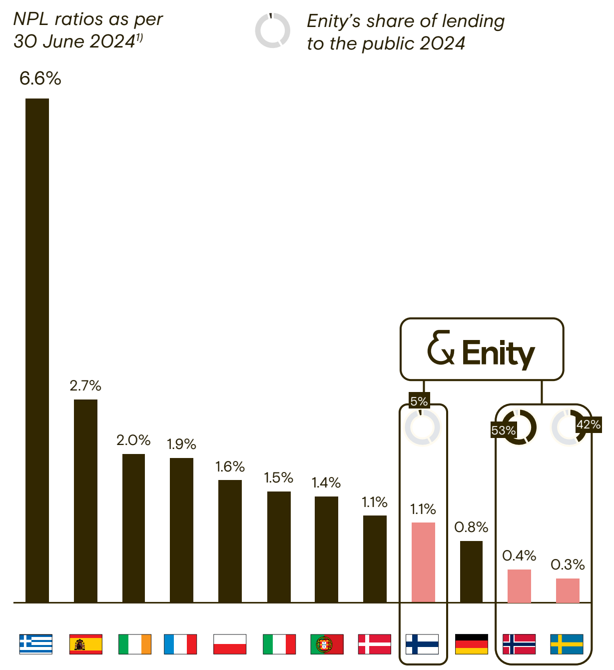
The markets in Sweden, Norway and Finland are further characterised by strong payment morale, well-developed social security systems, strong enforcement authorities on mortgage default, strong digital adoption, and widely available and highly accurate credit data. For example, virtually all Swedish citizens in the age span of 18 to 67 had electronic ID in 2024[3], and the legal collection framework across the

1) Second charge mortgages enables homeowners to receive a mortgage loan while retaining their original mortgage loan with another bank (allowing borrowers to increase their mortgage loan rather than taking up a more expensive unsecured consumer loan). Equity release loans allow homeowners to access the value of their property without selling or relocating.
2) Source: Oxford Economics.
3) Source: BankID.

Nordics has close to 100 per cent ultimate expected recoveries, based on the average non-performing loan (NPL) ratio in the Nordics.[1]

Factors that Enity believes drive the property markets in Sweden, Norway and Finland are, among others, increased urbanisation, supply-demand mismatch, property ownership having historically been a large wealth creator, and a strong ownership culture. In 2023, 65 per cent, 79 per cent, and 69 per cent, respectively, of the Swedish, Norwegian, and Finnish populations were living in households owning their home.[2]

Enity believes that these characteristics make Sweden, Norway and Finland attractive markets for lending in general and mortgages in particular. The figure below sets out the ratio of non-performing loans in the European banking sector as a percentage of the total stock of loans, and illustrates that Sweden, Norway and Finland are among the lowest-risk banking markets in Europe.



1) Non-performing loans (NPL) as share of total gross loans, H1 2024 reported numbers. Source: EBA.

Market trends and drivers

In Enity's view, the total mortgage market in Sweden, Norway and Finland is affected by several trends, including:

- ***Limited supply in the housing market***: Supply in the Swedish and Norwegian housing market is expected to continue to be limited as the pace of construction is estimated not to be in line with housing demand in heavily populated areas, mainly as a consequence of land being a scarce resource, limited by regulations, urbanisation, and long processes for planning and building.[3]
- ***Increased demand for mortgage products***: Demand for mortgages is expected to increase due to: (i) expected future growth in the underlying population, with populations in, for example, Sweden and Norway, continuing to grow by 0.5–1 per cent per year 2025–2027[4], and (ii) expected increase in the average disposable income and ability to pay[5], due to a perceived decreased risk of increased interest rates.

In addition to the trends and drivers of the total mortgage market, Enity expects that the specialist mortgage market will benefit from the following key factors:

- ***Increased household indebtedness***: the stock of unsecured cash loans in Sweden, Norway and Finland increased from SEK 139 billion in 2011 SEK to 325 billion in 2023.[6] This corresponds to compound annual growth rates ("**CAGR**") of 10 per cent, 13 per cent and 2 per cent, respectively. As a result customers are expected, where possible, to consolidate their loans and convert typically high-cost unsecured loans, into typically lower-cost mortgages.
- ***Greater degree of modern forms of employment and persons with limited credit history***: The number of gig-economy workers in Sweden increased from 66,000 in 2016 to 158,000 in 2024.[7] This corresponds to a CAGR of 11.5 per cent. During the period 2016–2024, the number of labour immigrants grew/declined by 1 per cent, -2 per cent and 15 per cent and the number of registered graduates grew by 1 per cent, 3 per cent and 3 per cent, in Sweden, Norway and Finland, respectively.[8]
- ***Ageing population***: The number of retirees in Sweden, Norway and Finland has increased from, 2,170,000, 850,000 and 1,250,000, respectively, in 2016 to 2,310,000, 1,100,000 and 1,400,000, respectively, in 2024, corresponding to CAGR of 0.5 per cent, 2 per cent and 1 per cent, respectively.[9] Around 70 per cent of retirees in Sweden are estimated to own their home.[10]

1) Source: EBA.
2) Source: Eurostat.
3) Source: Eiendom Norge, Statistics Norway, and Statistics Sweden.
4) Source: Statistics Norway and Statistics Sweden.
5) Source: World Bank, OECD and Eurostat.
6) Source: Statistics Norway, Statistics Sweden and the Swedish Bankers' Association, Statistics Finland.
7) Source: Statistics Sweden.
8) Source: Statistics Norway, Statistics Sweden and Statistics Finland.
9) Source: Statistics Norway, Statistics Sweden, Finnish Centre for Pensions, Norwegian Labour Welfare Administration and the Swedish FSA.
10) Source: Länsförsäkringar and expert interviews.

- ***Increased standardisation by the high-street banks***: Many high-street banks are seeking to reduce costs by standardising their mortgage processes. This is driving: (i) an increasing focus on digitalisation and closure of local branches, (ii) a standardisation of product offerings, and (iii) reduced manual processing and tailored individual assessments. As a result, more complex customers are likely to find it harder to get a mortgage with a high-street bank, driving the demand for specialist mortgage providers such as Enity that apply a more tailored underwriting process.[1]

Regulatory trends

Several past, current and expected regulatory changes are expected to impact the specialist mortgage market going forward.

The CRR III entered into force on 1 January 2025. Among other things, CRR III increases the capital requirements for mortgages with high LTV ratios and decreases the capital requirements for mortgages with low LTV ratios. Enity expects CRR III to have a limited effect on the overall mortgage market in Sweden and Finland, but to have a slightly negative impact on volumes and pricing in the mortgage market in Norway due to the prevalence of top-up and second-charge mortgages, which typically have higher LTV.

In Sweden, the Swedish FSA implemented measures in 2023 aimed to increase consumer protection against risky lending, including interest rate caps, total cost caps and limited ability to pay variable sales commissions related to unsecured consumer loans. These measures are expected to have a negative effect on the market for unsecured consumer loans, and Enity expects that some consumers may choose specialist mortgage loans instead of unsecured consumer loans, and thus expects these measures to have a positive effect on the specialist mortgage market in Sweden.

In addition, in 2024, a Swedish government committee proposed amendments to Swedish regulations that would (i) increase the maximum LTV on mortgages from 85 per cent to 90 per cent, (ii) reduce the maximum amortisation requirement and (iii) implement a maximum debt-to-income ratio. Enity expects these proposed amendments, if implemented, to have a net positive effect on the demand for specialist mortgages in Sweden.

Furthermore, in 2024, the Swedish Parliament passed legislation eliminating tax deductibility for interest paid on unsecured consumer loans. Enity expects this legislation to have a negative impact on the demand for unsecured consumer loans, which could have a positive impact on the demand for specialist mortgages.

In Norway, the Norwegian FSA implemented regulations in 2024 that increased the maximum LTV on mortgages from 85 per cent to 90 per cent. Enity expects this to have a positive effect on the demand for specialist mortgages in Norway.

In Finland, the Parliament introduced legislation in 2022 that implemented: (i) a positive credit register that introduced a centralised debt register allowing lenders to see the aggregate amount of debt that an individual has with other banks, and (ii) measures to remove credit remarks within one month of debt being repaid. Enity expects these measures to give all banks an improved overview over the customers outstanding debt, leading to an increased number of customers getting declined by high-street banks due to a too high level of debt. In addition, it is Enity's view that the removal of credit remarks gives the customer a stronger incentive to tidy up their economy as payment remarks impact not only accessibility of loans but also, for example, mobile subscriptions and other similar services.

Market size and growth[2]

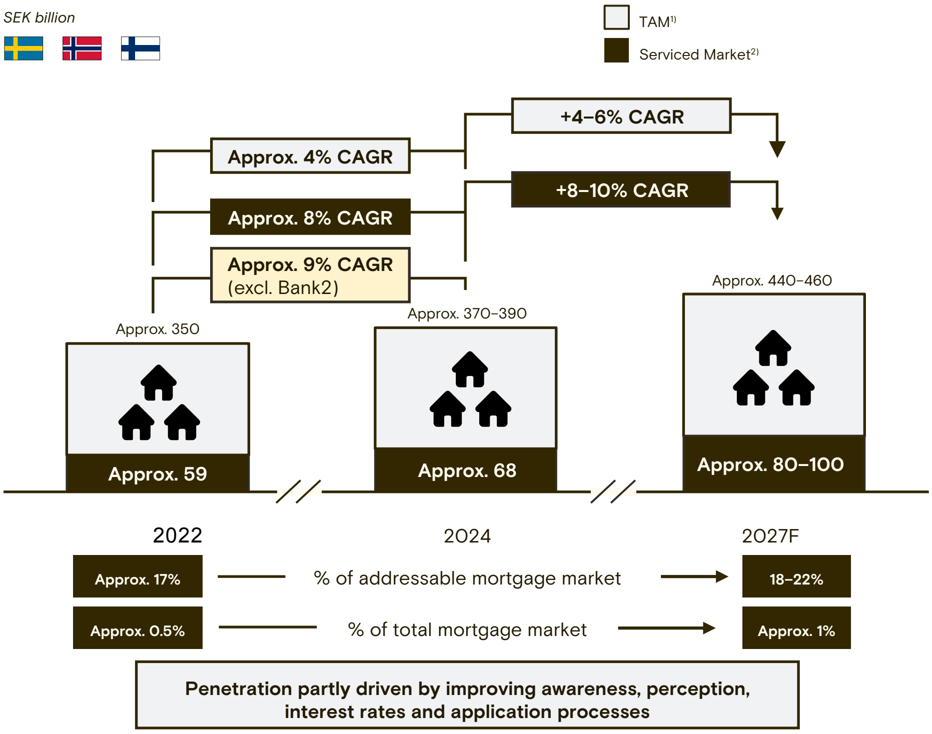
Market estimates indicate that the aggregate loan volume in the mortgage markets in Sweden, Norway and Finland, including both prime and specialist mortgage products, was SEK 9,100 billion on 31 December 2024 and the total revenue of the mortgage industry was SEK 91 billion in 2024. The aggregate loan volume in Sweden, Norway and Finland is expected to grow by an estimated 2–4 per cent per year between 2024–2027.

The specialist mortgage market constitutes a small but growing portion of the total mortgage market. Market estimates indicate that the currently serviced specialist mortgage market (the "**Serviced Market**") loan volume was SEK 68 billion in 2024, representing less than 1 per cent of the total mortgage market.

The total addressable specialist mortgage market ("**TAM**") loan volume in Sweden, Norway and Finland was estimated at SEK 370–390 billion in 2024. This measure illustrates the potential size (mortgage volume) of the market if all specialist mortgage customers who are willing and able to get a specialist mortgage also obtained one.

By 2027, market estimates indicate the TAM in Sweden, Norway and Finland to have increased to SEK 440–460 billion, corresponding to a CAGR of 4–6 per cent, and Enity estimates the Serviced Market share to have increased to approximately SEK 80–100 billion, corresponding to a CAGR of 8–10 per cent. The chart below illustrate Enity's estimates for the historical and expected development in loan volumes for the TAM and Serviced Market in Sweden, Norway and Finland.

1) Source: Statistics Sweden, Statistics Norway, Riksbanken and expert interviews.
2) Source: Annual reports, Statistics Sweden, Statistics Norway, Statistics Finland, the Swedish Central Bank, customer surveys, expert interviews and McKinsey Global Banking Pools.



1) Total addressable potential value of customers with high unsecured debt, modern forms of employment, credit remarks, limited income history, and retirees adjusted for willingness and ability to take mortgage or equity release. The total addressable tailored mortgage and equity release market is defined as the theoretical value of all customers willing and able to take loans.
2) Total tailored mortgage and equity release market currently served by niche players.

Source: Customer surveys and expert interviews.

Overview of the specialist mortgage market in Sweden, Norway and Finland 2024
The table below displays the estimated TAM and Serviced Market, as well as market penetration of the Serviced Market as a percentage of TAM, in Sweden, Norway and Finland, divided by customer segment as per 2024.

	Customer segment					
SEK billion (unless otherwise stated)	Modern forms of employment	High unsecured debt	Credit remarks	Limited credit history	Equity release	Total
TAM	~ 35	~ 35	~ 65	~ 20	220–230	370–390
Serviced Market	~ 10	~ 10	~ 20	~ 5	~ 23	~ 68
Market penetration	30–35%	30–35%	25–30%	20–25%	8–12%	15–20%

Source: Customer surveys and expert interviews.

Trends and drivers affecting the TAM for specialist mortgage products
Enity expects that the following trends and drivers will contribute to expected growth in the TAM:

- Expected increase in the number of gig-economy workers.
- Increased appetite for loan consolidation, due to changed regulation in Sweden eliminating the tax deductibility for interest paid on unsecured consumer loans.
- Increased average loan amounts driven by expected increased house prices.
- An increase in the number of customers being able to take out mortgages due to changed regulation in Norway 2024 and proposed changed regulations in Sweden, if implemented (increased LTV threshold and decreased maximum amortisation).
- An increase in the number of people being able to afford new housing as a result of lower interest rates.

Trends and drivers specific to the equity release product are expected to include:

- Increased average equity release value driven by increased house prices.
- Growth in the number of retirees.
- Continued increased acceptance of loans by retirees.

Trends and drivers affecting the Serviced Market

Enity expects that the growth of the Serviced Market is driven by the underlying growth in the mortgage market, and the increasing market penetration of the Serviced Market as a percentage of TAM.

Based on the assessment of customer surveys and expert interviews, Enity believes that market penetration is currently low as a result of, among others:

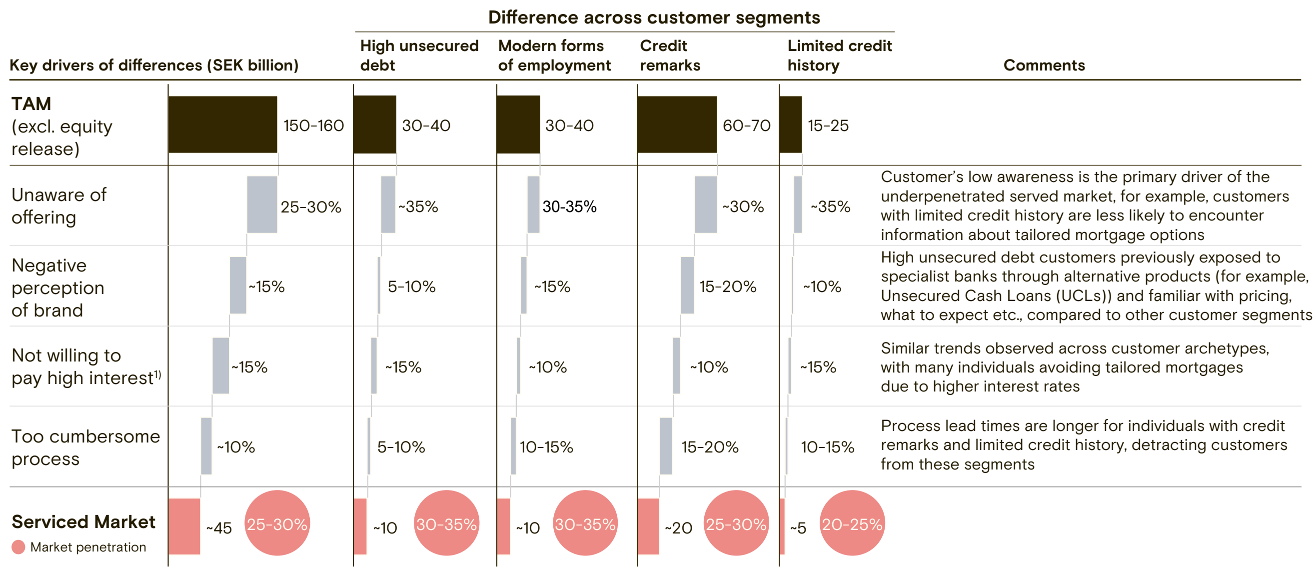
- Potential customers are unaware of the product offering.
- There is a misperception of the products offered by specialist mortgage providers.
- Potential customers are not willing or able to pay higher interest rates than those offered by high-street banks and will therefore seek to rent instead.
- The process of getting a specialist mortgage is perceived to be too cumbersome.

With a relatively low penetration rate, Enity together with other specialist mortgage providers have the opportunity to grow the Serviced Market by taking action to increase market penetration. Such actions may include, among others:

- Enhancing customer awareness by continuous investments in marketing and from new specialist mortgage providers entering the market.
- Clarifying the value proposition of the product offering by communicating core values and focus on financial inclusion.
- Increase customers' willingness to pay interest rates which are higher than high-street banks' through demonstrating and communicating the aggregate net benefits of owning vs. renting your home.
- Making processes less cumbersome by decreasing process lead times through efficiency improvements.

The figure below illustrates the relative importance of the four reasons for why the market penetration is less than 100 per cent.

Key drivers for increased penetration in the specialist mortgage market in 2024



1) Customers able to get a tailored mortgage (for example, sufficient income in ratio to debt and living expenses), but not willing to pay the additional interest required to get a tailored mortgage.

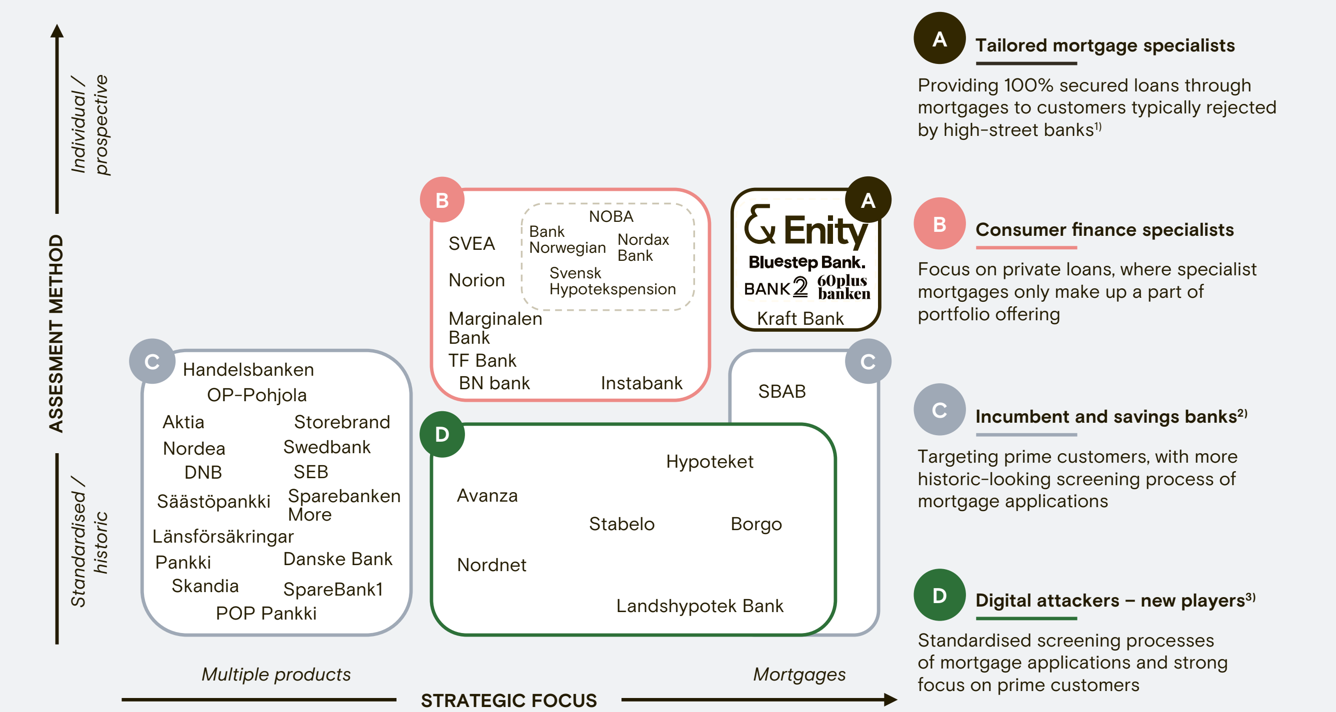
Source: Customer surveys and expert interviews.

Competitive landscape

Overview of the competitive landscape

The figure below illustrates an overview of the competitive landscape in the total mortgage market in Sweden, Norway and Finland. The figure illustrates a selection of the market participants, divided into four groups based on customer assessment method (standardised vs. individually assessed) and strategic focus (multiple products vs. mortgages only). As illustrated, the *tailored mortgage specialists* and the *consumer finance specialists* operate in the specialist mortgage market, whereas *incumbent and savings banks* and the *digital attackers* do not.

Overview of the competitive landscape in the total mortgage market in Sweden, Norway and Finland

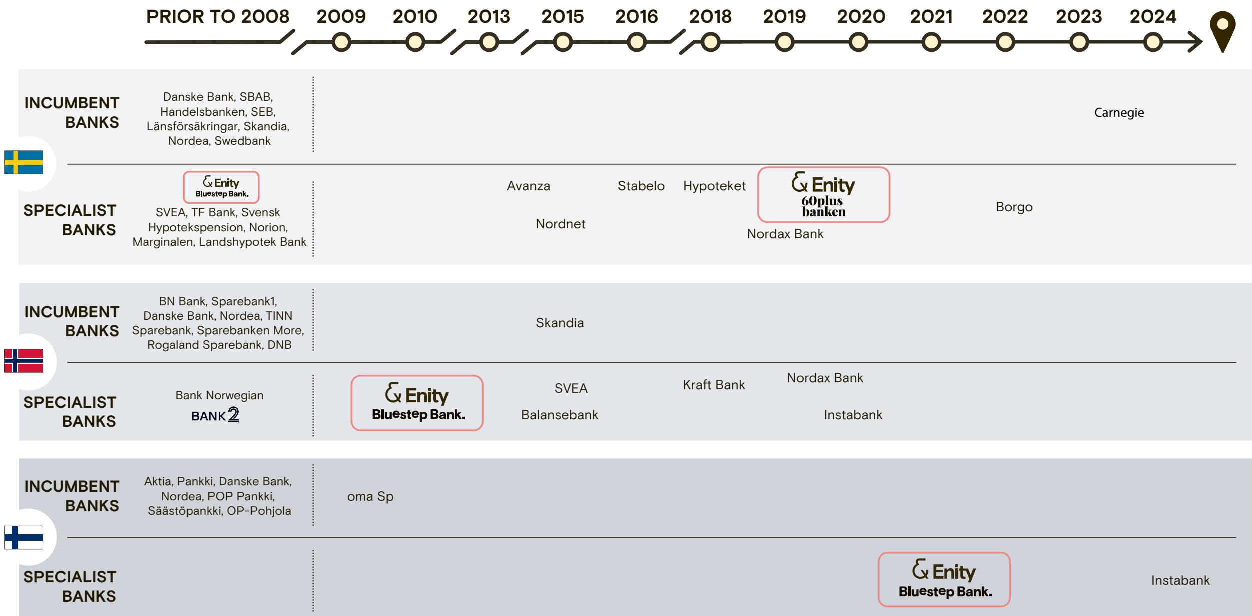


1) Kraft Bank has recently moved into tailored mortgages, but only offers loan refinancing.
2) High-street and savings banks include DNB, Handelsbanken, Nordea and Swedbank.
3) Digital attackers – new players include Borgo and Stabelo.

Source: The Company's analysis of multiple sources, including market participants' company websites

The figure below illustrates the entries of participants to the total mortgage market in Sweden, Norway and Finland over the past 15 years. Over time, several new participants have entered the mortgage market, but no new specialists have entered the market in the past 3 years.

Overview of the entries of participants to the total mortgage market in Sweden, Norway and Finland



Source: The Company's analysis of multiple sources, including market participants' company websites.

Enity's market position

Despite more entries to the specialist mortgage market over time, Enity believes that it enjoys a strong market position as the largest specialist mortgage provider by specialist mortgage loan book outstanding in each of Sweden, Norway and Finland, and with a focused specialist mortgage product offering.[1] The figure below illustrates an overview of the mortgage offerings of the participants in the specialist mortgage market. The figure illustrates whether the participants offer mortgages to any of the five specialist mortgage customer segments as well as to prime customers (non-specialist mortgage customers), and/or small and medium enterprises. As illustrated, Enity is the only participant with an offering focused on and dedicated to specialist mortgage customers, offering mortgages to all specialist mortgage customer segments and only to them.

1) Source: The Company's analysis of multiple sources, including market participants' company websites.

Overview of the mortgage offerings of the participants in the specialist mortgage market in Sweden, Norway and Finland

Banking players	Tailored mortgages: Limited credit history	Tailored mortgages: Modern forms of employment	Tailored mortgages: Credit remarks	Tailored mortgages: Loan consolidation	Equity release	Small and medium-sized enterprises (SMEs)
Enity Bluestep Bank. BANK2 60plus banken	✅	✅	✅	✅	✅	❌
Kraft Bank	❌	❌	❌	✅	❌	❌
Nordax Bank (Part of NOBA Group)	✅	✅	✅	✓	✅	❌
Instabank	❌	❌	❌	✅	❌	❌
SVEA	✓	✅	✅	✓	❌	✅
Marginalen Bank	✓	✅	✅	✓	❌	✅
MyBank	❌	❌	❌	❌	❌	❌
TF Bank	❌	❌	❌	❌	❌	✅
Norion Bank Group	❌	❌	❌	❌	❌	✅
Nordea	❌	❌	❌	❌	✓	✅
Handelsbanken	❌	❌	❌	❌	❌	✅
Swedbank	❌	❌	❌	❌	❌	✅
DNB	❌	❌	❌	❌	❌	✅
Borgo	❌	❌	❌	❌	❌	❌
Stabelo	❌	❌	❌	❌	❌	❌

Shifted to prime mortgages (LTV <55%) through Heder Bank in 2024

A. Tailored mortgage specialists B. Consumer finance specialists C. High-street and savings banks D. Digital attackers

Segment prioritisation as of March 2025

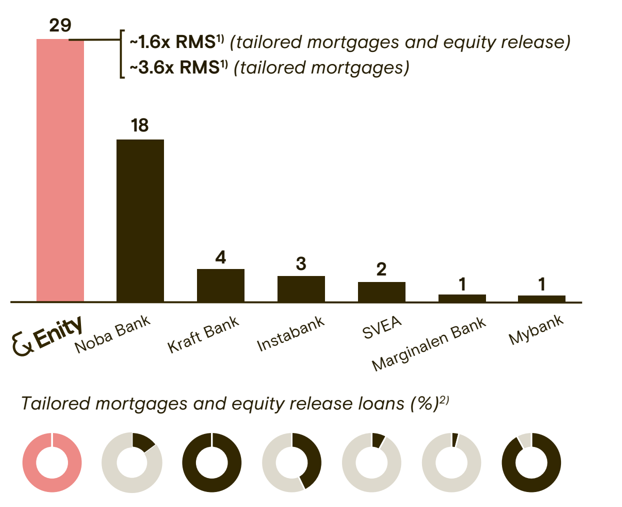
✅ Segment-clear focus of positioning ✓ Segment also serviced ❌ Segment not serviced

Source: The Company's analysis of multiple sources, including market participants' company websites.

The figure below illustrates the specialist mortgage loan books outstanding 2024 for the participants in the specialist mortgage market and an estimate of the participant's mortgage focus. As illustrated, Enity is the largest specialist mortgage provider in Sweden, Norway and Finland.

Overview of the participants in the specialist mortgage market in Sweden, Norway and Finland

Tailored mortgage and equity release stock 2024, SEK billion



1) Relative market share (RMS), calculated as Enity's loan book divided by the loan book of Noba Bank.
2) Tailored mortgages and equity release loans as a percentage of total loan book 2024.

Source: Annual reports and company websites.

Enity believes that the prospects for maintaining its current position on the specialist mortgage market are favourable and that Enity can benefit from several competitive advantages, such as scale, well-diversified funding, and operational sophistication. The table below describes certain market competitive advantages and how Enity is positioned to benefit from them. For more information, see "*Business description–Enity's strengths*".

Competitive advantages on the specialist mortgage market

Factors impacting competitive landscape	Description	Enity Position
Power of scale	Size, increased brand awareness, more customer data, underwriting capabilities and improved pricing model, etc. are all important features	A large specialist mortgage provider in the Nordics. Brand awareness and size coupled with extensive data, under-writing capabilities and operating leverage enables Enity to capture growth opportunities at higher return than sub-scale players
Bespoke underwriting process	Leveraging internal and external data to accurately price risk is key	Usage of extensive, high-quality set of customer data coupled with a disciplined underwriting process, developed under ~20 years, allow Enity to capture and appropriately price risk
Extensive customer data	Extensive customer data is beneficial for risk modelling	Data and learnings from tens of thousands of customers since 2005
Cost efficiency	High requirements on, for example, risk, compliance and legal functions, making organisational efficiency desirable	Highly scalable operating platform with one Nordic core banking platform, onboarding system and centralised back-office
Cost of funding	Competitive funding such as covered bonds is favoured by large scale and low risk	The only Nordic tailored mortgage bank with a MTCN-programme for covered bonds
Brand equity	Awareness and perception is key across both broker and direct channel, requiring marketing investments and brand building	Notable brand awareness[1] and effectively building brand authority by being an industry spokesperson

1) Enity remains top-of-mind for tailored mortgage customers, generating >2x of Google searches related to mortgages compared to peers such as Nordax (NOBA), SVEA and Marginalen Bank.

Source: The Company's analysis of multiple sources, including customer surveys and expert interviews.

Business description

Overview

Enity is a specialist mortgages provider operating in the Nordic region, creating innovative and inclusive mortgage solutions for approximately 33,000 customers across Sweden, Norway and Finland. Enity commenced operations in 2005, with a mission to provide sustainable access to the housing market for the underpenetrated, high-growth segment of borrowers not always well-served by high-street banks, despite low risk and strong potential. Enity has since then grown its fully secured mortgage portfolio across Sweden and Norway, expanded its footprint to Finland, expanded its mortgage-focused portfolio with an equity release product and included savings accounts as a part of its product offering, consummated M&A through the Bank2 acquisition, and launched a covered bond programme. Enity has made significant investments to develop a modern, scalable, cloud-based operating model to become a truly digital specialist mortgage bank, whilst maintaining its low-risk assets and underwriting skills and forging a path of stable and profitable growth. Today Enity is a profitable market leader[1] based on the size of its mortgage loan portfolio, with lending to the public of SEK 28.8 billion as at 31 December 2024, in a steadily growing market with a low-risk portfolio primarily comprised of fully secured mortgages. Enity believes it is well-positioned, both through its advanced technology platform and operational capabilities, to drive continued growth within existing markets whilst improving cost-efficiency.

Serving its mission of responsible inclusion, Enity provides its core product offering of tailored mortgage loans in Sweden, Norway and Finland, second charge loans in Norway and equity release loans in Sweden to a customer base of borrowers who may be self-employed, hold modern employment, are in need of debt consolidation, have limited or no credit history, have remarks on their credit history despite an orderly financial situation or, in the case of equity release loans, are of retirement age with relatively low current earnings and high unutilised value in their property. Enity's products provide customers with the financial empowerment of home ownership, decreased monthly interest costs, debt consolidation and an increase in monthly income for retirees.

Enity serves its customers through a differentiated product offering across three brands: Bluestep Bank in all its geographies, Bank2 in Norway and 60plusbanken in Sweden. Using a multi-channel origination strategy leveraging partnerships with brokers as well as direct distribution channels, Enity aims to generate and optimise the mix of paid, owned and earned customer traffic for each brand and geography. Enity's well-invested, modern technology stack lets Enity serve its customers as a digital specialist mortgage bank, maximising Enity's ability to provide tailored solutions at scale.

The financial empowerment and inclusion provided by Enity's products are driven by an underwriting model that combines efficient, digitised processes with sophisticated manual input that has been refined over the past 20 years and has shown resilience through economic cycles, with risk-based pricing having ensured high risk-adjusted returns. In addition, Enity's nearly 100 per cent[2] secured mortgage model, with a current weighted average LTV ratio of approximately 67 per cent, drives Enity's cost of risk level and credit loss volatility in line with those of large Nordic high-street banks. This risk profile is significantly different to that of the unsecured consumer banks that engage in higher risk profile business like consumer loans and credit cards. Enity is operating in an attractive niche, not forgoing the high growth opportunity of the growing and underpenetrated Nordic specialist mortgage market whilst aiming to identify, understand and correctly price risk. Enity's success in this respect is evidenced by its low and stable credit losses over time, with a credit loss ratio[3] for the year ending 31 December 2024 amounting to 0.16 per cent, and credit loss volatility over the last five years amounting to 0.07 per cent[4], as compared to an average of 0.42 per cent for Nordic consumer banks[5].

Enity believes it benefits from a diverse and flexible funding structure with the ability to support significant loan book growth, and a funding advantage resulting from it being the only Nordic specialist mortgage bank with an MTCN programme for covered bonds.

1) See "*Presentation of financial and other information–Industry and market data*" and "*Market overview*".
2) Rounded from 99.6 per cent. Enity also offers certain loan products associated with property acquisitions, including short-term unsecured bridge loans (Sw. *överbryggningslån*), unsecured down-payment loans (Sw. *handpenningslån*) and unsecured homeowner's loans (Sw. *lån till kontantinsats*).
3) See "*Selected historical financial Information–Key operating measures*".
4) Population standard deviation for credit losses during the time period.
5) Selected Nordic consumer banks consist of NOBA, TF Bank and Norion Bank.

Enity has since 2019 invested significant resources in developing a modern and scalable operating model. Highly digitised customer journey and back-office workflows have enabled increased efficiency, resulting in both improved scalability and a lower adjusted C/I ratio[1].

Enity's results have demonstrated its differentiated position. For the year ended 31 December 2024, Enity generated adjusted total operating income of SEK 1,130.6 million and total operating income of SEK 1,130.3 million, adjusted operating profit of SEK 507 million and total operating profit of SEK 393.6 million, and adjusted operating profit less tax of SEK 403 million and total net profit of SEK 255.6 million.[2]

Enity's strengths

Enity believes its business is characterised by the following key strengths:

Enity is the largest provider of secured specialist mortgages in the Nordic region, operating in an under-penetrated, high growth segment

Enity is the largest specialist mortgage provider by specialist mortgage loan book outstanding in each of Sweden, Norway and Finland.[3] The mortgage market in the Nordic region is expected to grow from approximately SEK 9,100 billion to approximately SEK 9,900 billion, representing a CAGR of 2–4 per cent, from 2024 to 2027.[4] The total addressable market in the countries where Enity currently operates is also expected to increase from approximately SEK 370–390 billion to approximately SEK 440–460 billion, representing a CAGR of 4–6 per cent, from 2024 to 2027.[5] In Enity's current geographies, the growth of the total addressable market is driven by strong secular trends including, among others, an aging population, increasing share of modern forms of employment, increasing and fragmented household indebtedness and limited alternatives to affordable housing. Growing awareness of specialist mortgage options through customer education, increased digitisation of the specialist loan processes and rejection rates at high-street banks have also driven Enity's addressable market. The specialist mortgage market that Enity serves in Sweden, Norway and Finland is expected to experience even more rapid growth during the same period, from approximately SEK 68 billion to approximately SEK 80–100 billion, representing a CAGR of 8–10 per cent.[6]

By leveraging its market position, differentiated modern technology platform and strong brand awareness, Enity believes it is well-positioned to capitalise on the growth driven by the secular trends and the supportive macro-economic, legal and regulatory framework in the Nordic mortgage market, and continue to drive future growth in its small but rapidly growing serviced market.

	TAILORED MORTGAGES					
Difficulties due to	MODERN EMPLOYMENT	HIGH UNSECURED DEBT	LIMITED CREDIT HISTORY	CREDIT REMARKS	EQUITY RELEASE (LOW CURRENT EARNINGS)	&
Total addressable market 2024[1] (CAGR '24–'27E)	SEK ~35bn	SEK ~35bn	SEK ~20bn	SEK ~65bn	SEK 220–230bn	SEK 370–390bn
	5–7%				4–6%	
Serviced Market[2] (CAGR '24–'27E)	SEK ~10bn	SEK ~10bn	SEK ~5bn	SEK ~20bn	SEK ~23bn	SEK ~68bn
	8–10%				8–10%	

& Enity

Welcomes customers as they are

1) Total addressable potential value of customers with high unsecured debt, modern forms of employment, credit remarks, limited income history, and retirees adjusted for willingness and ability to take mortgage or equity release. The total addressable tailored mortgage and equity release market is defined as the theoretical value of all customers willing and able to take loans.
2) Served value of focus customers illustrates the current size of the market, *i.e.*, the current tailored mortgage and equity release stock outstanding with all lenders in the tailored mortgage and equity release market.

Source: Enity's analysis of multiple sources, including the European Commission, Statistics Norway, and Statistics Sweden.

1) See "*Selected historical financial Information–Key operating measures*".
2) See "*Selected historical financial Information–Key operating measures*".
3) See "*Presentation of financial and other information–Industry and market data*" and "*Market overview*".
4) Source: Enity's analysis of multiple sources, including the European Commission, Statistics Sweden, Statistics Norway, and Statistics Finland.
5) Source: Enity's analysis of multiple sources, including the European Commission, Statistics Sweden, Statistics Norway, and Statistics Finland.
6) Source: Enity's analysis of multiple sources, including the European Commission, Statistics Sweden, Statistics Norway, and Statistics Finland.

Sustainable and responsible financial inclusion and empowerment proposition

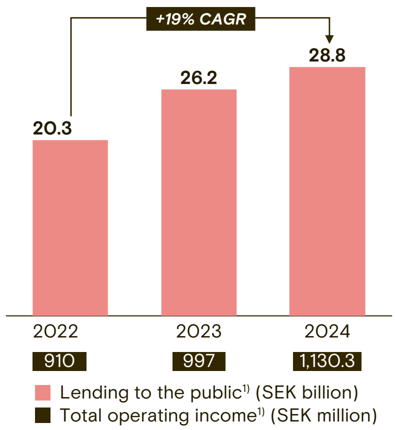
By combining its tailored credit underwriting model and targeted product offering with its modern technology stack, Enity believes it serves as a key enabler of financial empowerment and inclusion in Nordic society. Financial inclusion is particularly important to Enity as it recognises that home ownership is central to building long-term wealth, financial well-being and a reduction to social inequality. Enity provides an opportunity for home ownership to non-standard customers willing to get a mortgage but not always well-served by high-street banks, such as those holding modern employment, the elderly (in the case of equity release loans), expatriates and individuals with limited credit history, and those with credit remarks or existing indebtedness. Home ownership lowers the monthly cost of housing for these customers and creates, subject to certain assumptions, a projected average value for customers of approximately SEK 365 thousand in 3 years as compared to renting based on the market conditions in Sweden in 2024[1].

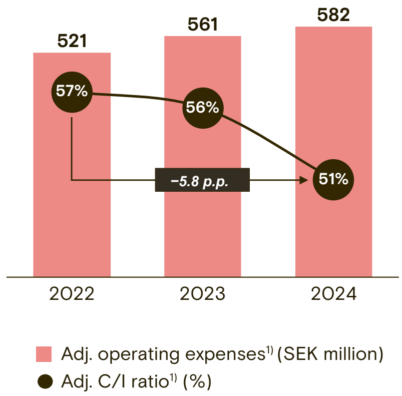
Enity promotes greater inclusion in the housing market by catering to underserved market segments, resting on its ability to correctly price credit risk in these segments. In doing so, Enity utilises extensive proprietary data and machine learning to score applications, while still providing manual input and tailored solutions to its complex customer base. The use of this partially automated credit underwriting model is intended to further ensure that Enity can efficiently identify the customers with the ability to repay their obligations and provide them with the best customer experience to ensure a high level of repayment. The customers' repayment ability and Enity's accuracy in identifying them, is evidenced by Enity's low and stable credit losses over time. In addition to ensuring its mortgage application process is fair and inclusive, as a steward of financial inclusion, Enity seeks to offer mortgages which enable home purchases, mortgage refinancing or debt consolidation at lower monthly costs for the customers compared to other options available to them in the market. In addition to granting more people access to the Nordic housing market, Enity seeks to empower customers by helping them achieve financial well-being through the provision of equity release loans and debt consolidation. Equity release loans on average provides pensioners with more than SEK 3 thousand per month, or 15 per cent of the average Swedish pension, and debt consolidation saves customers on average SEK 15 thousand in yearly interest payments.[2]

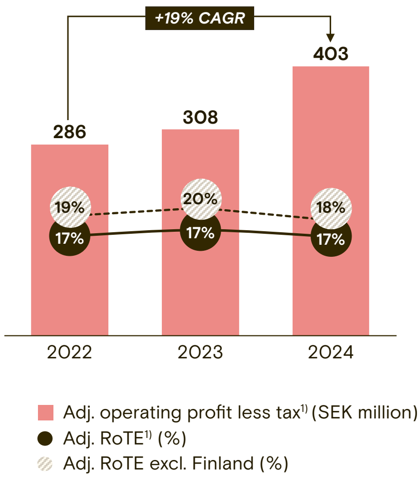
Attractive financial profile with strong return on tangible equity enabling a combination of growth and dividend capacity

Enity has an attractive and robust financial profile demonstrated by solid loan book growth, scalable and sustainable operating leverage and a high return on tangible equity (RoTE). From 2022 to 2024, Enity has enjoyed solid income growth despite a sharp rise in interest rates in 2022 and 2023. For example, Enity's adjusted total operating income increased from SEK 910.0 million in 2022 to SEK 1,130.6 million in 2024, a CAGR of 12 per cent, with an increase from SEK 910.0 million to SEK 1,130.3 million in total operating income. Underpinning this income growth is the growth in Enity's loan portfolio (lending to the public) from SEK 20.3 billion as of 31 December 2022 to SEK 28.8 billion as of 31 December 2024, or a CAGR of 19 per cent, including the successful integration of Bank2. Enity's improved operating platform is also highly scalable following its technological investments and cost efficiency focus, with its adjusted C/I ratio decreasing from 57.3 per cent in 2022 to 51.5 per cent in 2024, with Enity estimating significant further reductions in the near term. From 2022 to 2024, Enity also achieved strong growth in profit and stable, high returns. Enity's adjusted operating profit less tax increased from SEK 286 million in 2022 to SEK 403 million in 2024, or a CAGR of 19 per cent. In addition, Enity showed resilience in 2023 when a higher interest rate environment, tightened lending criteria, loss provisions and other macroeconomic uncertainties impacted adjusted operating profit less tax, and mounted a strong recovery in 2024, growing adjusted operating profit less tax by 31 per cent. Similarly, Enity's adjusted RoTE[3] has been high and stable from 2022 through 2024, at 17 per cent, further reflecting Enity's strong financial profile over the cycle, and Enity aims to achieve its financial target of an adjusted RoTE of approximately 20 per cent in the medium term.[4] Enity believes its strong financial profile demonstrates its success as a secured specialist mortgage lender and its ability to sustain the continued profitable growth of its business.

1) Source: Enity data, Statistics Sweden, the Swedish Pension Agency (Sw. *Pensionsmyndigheten*) and Mäklarstatistik.
2) Source: Enity data, Statistics Sweden, the Swedish Pension Agency (Sw. *Pensionsmyndigheten*) and Mäklarstatistik.
3) See "*Selected historical financial Information–Key operating measures*".
4) In this prospectus, references to the "medium term" denote a period of approximately three years.







1) See "*Selected historical financial Information–Key operating measures*".

Low and predictable credit losses driven by a sophisticated and partially automated underwriting model

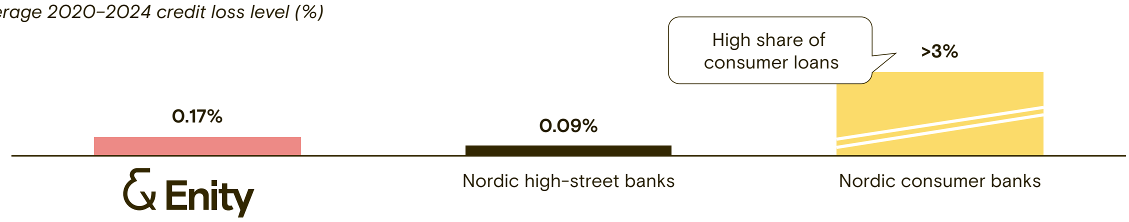
Enity believes that its underwriting process is differentiated from that of its competitors on the basis of Enity's ability to leverage both automation and in-house expertise built over 20 years to adequately assess each customer's situation and corresponding credit risk.

Over the course of more than 20 years, Enity has established and refined its bespoke underwriting and on-boarding process. Enity's loan pricing matrix considers multiple factors including loan type, source of customer income, customer risk grade, LTV of the property, property type, interest rate type, the customer's need for further advances (if any) and the customer's total additional outstanding debts. The collection of information required to make a credit decision is largely automated, resulting in significantly higher productivity from initial contact to pay-out as compared to a manual process. For instance, Enity's underwriting model provides automated collection of customer data, calculation of risk grade, price group, and affordability, with the ability to manually map a customer's credit need at any stage in the approval process. This degree of automation enables better quality loan origination, lower risk, higher efficiency and more granular data for future artificial intelligence (AI) driven and advanced automation-assisted onboarding, but it also promotes higher customer satisfaction with a harmonised customer journey thanks to less manual data collection.

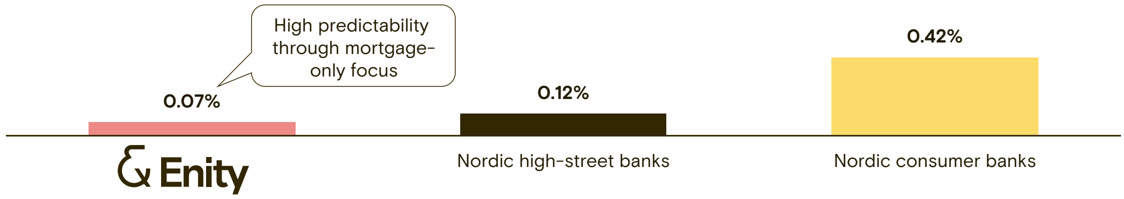
Enity's ability to appropriately price risk is further supported by its access to an extensive, high-quality set of customer data acquired through its operations since 2005. Inputs from its proprietary data sets in combination with inputs received from the personalised and tailored on-boarding process form part of the pricing matrix that Enity uses to price each loan individually. Enity believes that its bespoke underwriting process allows its origination and underwriting decisions to be data-driven and to be appropriately priced for risk, as evidenced by its high asset quality in terms of low credit losses. From 2020 to 2024, the credit loss ratio[1] decreased from 0.25 per cent to 0.16 per cent. For the period from 2020 to 2024, Enity's average credit loss ratio was approximately 0.17 per cent, as compared to selected Nordic high-street banks[2] with an average credit loss level of approximately 0.09 per cent and selected Nordic consumer banks offering unsecured loans[3] with an average credit loss level of above 3.0 per cent. As a result of Enity's accuracy in its underwriting process, its credit loss volatility for the period from 2020 to 2024 was 0.07 per cent, as compared to 0.12 per cent and 0.42 per cent for selected Nordic high-street banks[4] and selected Nordic consumer banks offering unsecured loans[5], respectively.

1) See "*Selected historical financial Information–Key operating measures*".
2) Average of Danske Bank, DNB, Handelsbanken, Nordea, SEB and Swedbank, based on their respective annual reports.
3) Average of Norion Bank and TF Bank, based on their respective annual reports.
4) Average of Danske Bank, DNB, Handelsbanken, Nordea, SEB and Swedbank, based on their respective annual reports.
5) Average of Norion Bank and TF Bank, based on their respective annual reports.

Average 2020–2024 credit loss level (%)



Credit loss volatility[1] (%) 2020-2024



1) Population standard deviation for credit losses during the time period.

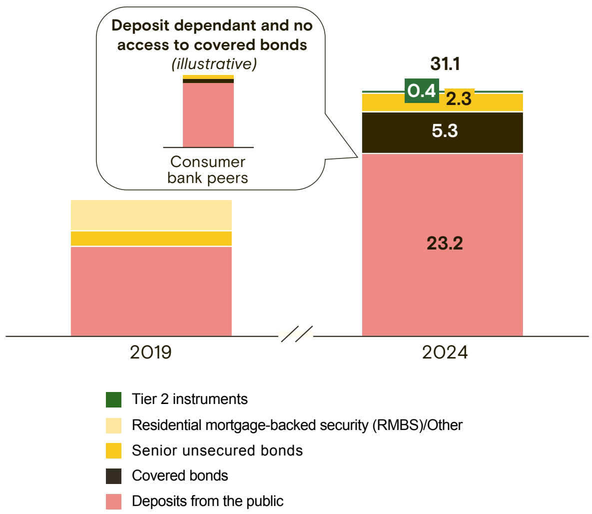
As of 31 December 2024, Enity's weighted average LTV ratio was 67 per cent with a stable mix of LTV ratios ranging from below 50 per cent to greater than 85 per cent. Enity believes its LTV ratio provides significant support in the event of adverse economic conditions and resilience through cycles, as evidenced by the low credit loss volatility over the last few years.

Enity has established a diversified, cost-effective and scalable funding model with a rated covered bond programme

Enity's lending operations are supported by its diverse funding platform which includes a mix of deposits, MTNs, MTCNs, Tier 1 and 2 capital instruments and, from time to time, credit facilities. Enity has used retail deposits as a funding source since 2008 in Sweden, 2010 in Norway and 2023 in Germany. Retail deposits are a flexible source of funding as Enity is able to manage inflows and outflows as well as the maturity profile of the deposit book by adjusting rates offered on deposits. Daily changes in deposit flows have historically been very limited when compared to the total deposit portfolio. The deposit products Enity offers range from instant access to longer term savings products. Further, Enity has issued MTNs and subordinated notes (Tier 2 instruments) under its MTN programme since 2018 (the "**MTN Programme**") in addition to Tier 1 instruments (see "*AT1 Notes*" below for additional information). While the MTN Programme itself is not rated, Enity Bank has a long-term deposit and issuer rating (Baa1 by Moody's Nordics). In addition, Enity's funding mix includes Enity Bank's covered bond programme, which Enity Bank launched in 2020 (the "**MTCN Programme**"), that is rated Aa1 by Moody's Investors Service España S.A. ("**Moody's España**"). Moody's España is a credit rating agency established in the EU and registered under Regulation (EC) No. 1060/2009. In total, Enity has issued over 23 bonds since 2020 under its bond programmes (including 12 tap issues), with 11 of these issues being under the MTCN Programme (including 7 tap issues).

To the best of Enity's knowledge, it is the only Nordic specialist mortgage bank with a covered bond programme. The programme provides Enity with additional flexibility to access capital at attractive pricing to support its lending activities. In addition, Enity's covered bond programme reduces its reliance on retail deposits as a funding source. Enity benefits from blended funding costs over time which are relatively low, ranging from 1.6 per cent to 4.6 per cent (during the period from 2022 to 2024). Enity believes its diversified funding mix positions Enity well to continue to support and grow the business in a cost-effective way while limiting its reliance on a single funding source, increasing the resilience of its funding base and limiting liquidity risks.

Funding base SEK billion



Digital mortgage bank: modern technology stack enables scalability and drives down operational costs

Since 2019, Enity has made substantial investments in its modern, cloud-based and scalable operating platform to realise significant efficiency gains. Enity has modernised its technology stack and partially-automated its onboarding procedures, allowing for more efficient product roll-outs and expansion in new markets. For instance, Enity's core banking system manages the full lifecycle of deposit and mortgage portfolios and was, for example, successfully rolled out in Finland within a short period from launch. Bank2's mortgage portfolio in Norway was also smoothly migrated with minimal modifications to the core banking system's features, capacity or integration. Given the platform's proven scalability, Enity believes that its technology platform can be further scaled to manage up to 10 times the current loan book size. The expansion potential is supported by the back-office system serving all three countries on the same platform, which allows for future geographies or products to be integrated through a single system.

Additionally, in 2023, Enity completed the implementation of its in-house developed customer onboarding system across all three markets for all products. The collection and screening of personal information, property information and credit information and the digital management of documents through the platform has decreased lead time from loan application to loan payout by approximately 20 per cent across all markets in 2024 compared to 2022, with a further decrease of approximately 75 per cent expected by Enity after the automation of repetitive, manual processes has been implemented, and reduced the number of customers rejecting offers due to loss of interest. As a result of the increased automation, the annual new loan volume per employee working with mortgage and credit underwriting per year was SEK 141 million in 2024, compared to SEK 89 million in 2022, representing an increase of SEK 52 million or 58 per cent. Investments in the operating platform have also led to a decrease in Enity's adjusted C/I ratio from 57.3 per cent in 2022 to 51.5 per cent in 2024.

These new systems aim to provide the customer with a seamless end-to-end digital experience, while preserving the personal interactions where they matter most. By automating high-frequency tasks, Enity can enhance efficiency without compromising the quality and expertise required for complex underwriting decisions. Additional efficiency opportunities also include increased quality in loan origination leading to more sophisticated pricing of risk and greater efficiency and the ability to use granular data that is collected for automated decision-making (ADM) and AI.

Experienced leadership team supported by industry experts

During the last 5 years, Enity has successfully optimised its organisational structure with a highly experienced, collaborative Senior Management Team and a diverse employee base. In 2019, Björn Lander was appointed as Chief Executive Officer (CEO) having previously gained experience as Global Head of OCP (Online Comparison Platforms) at Bauer Media Group and CEO of Zmarta Group. In 2021, Pontus Sardal was appointed as Chief Financial Officer (CFO) having previously gained experience as CFO at Ikano Bank and Hoist Finance and from various positions at SEB. In addition, the extended management team has diverse experiences ranging from innovative technology companies to high-street banks. Under the leadership of this management team, Enity has achieved several transformative strategic and operational milestones. Examples of such milestones include (i) the transition to a specialist mortgage lender focusing solely on secured mortgages, (ii) launch of the mortgage offering in Finland, (iii) launch of the equity release product, (iv) the acquisition of Bank2 to expand Enity's operations in Norway, (v) the successful launch of a covered bond programme (MTCN programme), Enity being, to the best of its knowledge, the only Nordic specialist mortgage bank with such an MTCN programme, (vi) completion of the transition to a fully cloud-based IT platform with one core banking platform and onboarding system, and (vii) the recent launch of the Enity brand.

Enity's strategies

Grow the core business – Strengthen Enity's position further in Sweden and Norway

Enity intends to grow its core business by continuing to leverage its technical capabilities, brands, scale and market position to continue to win business in its core geographies in Sweden and Norway. In customer surveys, Enity's offering has continuously been ranked either number one or two across customers' key buying factors, including loan amount, understanding of clients' specific situation and brand trust[1]. Combined with its extensive database of customers and quicker-than-peers loan application responses, Enity intends to use these advantages to continue its growth in Sweden and Norway. Enity believes that its track record of healthy growth evidences its ability to accelerate further expansion in the coming years. Enity also expects to continue this growth by benefitting from near-term trends and secular market drivers, including the regulatory tailwinds, that are expected to drive addressable market growth of a CAGR of 4–6 per cent from 2024 to 2027. At the same time, Enity plans to capture increased penetration of its growing serviced markets by continuing to drive operational excellence and exceeding growth in those markets. Enity believes that the total serviced market is expected to grow with a CAGR of 8–10 per cent from 2024 to 2027, and, as the largest of the few players in its serviced markets, Enity intends to exceed that growth as awareness of Enity's offering continues to increase.[2] The long-term growth of Enity's core business is, however, reliant on Enity's ability to adapt to changing secular market drivers, market competition, regulatory compliance complexities, and risk management requirements.

Organic growth – Accelerate expansion efforts

Enity intends to build on its successful launch in Finland and its successful introduction of its equity release product to grow its business organically. In Finland, Enity believes it has a so-called "first-mover" advantage as the first international specialist mortgage provider to enter the market. Whilst Enity's move into Finland has proved initially successful and shows strong progress, mirroring the earlier launch in Norway, Enity sees significant room for growth and increased penetration of the market in Finland, where based on surveys in 2024, approximately 40–45 per cent of the customers in the total addressable market in Finland was unaware of the tailored mortgage offering[3]. Additionally, in the equity release loan market in Sweden, Enity also sees significant growth potential as awareness of the product grows and the market matures, and as demographic changes continue to drive increases in the addressable equity release market and the serviced equity release market as the population ages. The total addressable equity release market in Sweden is expected to grow with a CAGR of 4–6 per cent between 2024 2027 and the total serviced equity release market is expected to grow with a CAGR of 8–10 per cent during the same period, implying an estimated increase in market penetration.[4] To maintain and capture market shares, Enity strives to improve marketing efforts to drive product awareness, increase its number of distribution partners as well as introduce new product variations, including fixed rate and flexible lending (*i.e.*, revolving loan facilities). Enity's marketing efforts will have to be continuously reevaluated to account for societal and demographic changes that may impact the effectiveness of its marketing strategy and may be impacted by further challenges including increasing competition and the need to maintain a high level of customer experience while managing rising customer acquisition costs and investing in technology and infrastructure.

Additional growth opportunities – M&A and greenfield approach

Enity sees significant opportunities for paths to additional growth in or adjacent to its markets as it continues its consolidation and growth efforts in its core markets. For example, such other opportunities could include leveraging existing market and product knowledge to offer equity release loan products in Norway and Finland, where the

1) Source: Expert interviews, management interviews and customer survey (2021).
2) See "*Presentation of financial and other information–Industry and market data*" and "*Market overview*".
3) Source: Customer survey and expert interviews (2024).
4) See "*Presentation of financial and other information–Industry and market data*" and "*Market overview*".

demographic tailwinds mirror those in Sweden and where the market is relatively underserved, providing opportunities for early market entry and growth. In addition, Enity sees further opportunities to leverage its market position to consolidate core segments through M&A, with potential to leverage recent acquisition and integration experience from the Bank2 process. Further, Enity may also have opportunities to expand its core business by diversifying its loan portfolio and revenue streams across markets and increasing cross-selling, retention and duration within Enity's existing customer base. Such new products could include insurance (for example, home insurance or payment protection) or pension and savings solutions. Enity may also have opportunities to enter new attractive geographies and get exposure to markets with relatively limited competition in Enity's niche. This could be achieved either through a greenfield build-out in one or more Northern European jurisdictions with favourable dynamics, or through an acquisition of an existing business in such a jurisdiction. The success of Enity's additional growth strategies is contingent on the continued existence of suitable market opportunities and synergies for Enity to identify and may be impacted by challenges including integration complexities, cultural differences, and regulatory hurdles associated with M&A.

Capitalise on existing scalable platform

Enity has an ambition to be the leading digital specialist mortgage provider with the highest efficiency in Northern Europe. Since 2019, Enity has made significant investments to overhaul its technology platform, including a cloud-based and scalable platform shared across all markets, an efficient onboarding system with a high degree of automation and a central cloud-based data warehouse with integrated automatic data collection. The move to a modern technology stack enables Enity to undertake cost-effective and rapid product development, with a well-invested tech platform potentially enabling an absorption capacity of approximately a 10 times increase in loan book volume. In addition, the technological improvements have enabled a reduction in Full Time Equivalents ("**FTEs**") from 299 in 2022 to 258 in 2024, further supporting Enity's ability to rapidly and efficiently scale the business with new products, new geographies, and increased volumes on a cost-efficient basis. Since 2022, Enity's adjusted C/I ratio has fallen by 5.8 per cent to 51.5 per cent in 2024, with potential for significant further reductions. In the specialist mortgage market where static, standardised solutions are often insufficient, Enity believes that its ability to develop tailored financial solutions with efficiency is a competitive advantage that will lead to the long-term growth of its market share. Capitalising on the existing technology platform will depend on Enity's ability to make any operational changes necessary to customise the existing platform to meet the future needs of its business and to seamlessly integrate the platform across its operations.

Enity believes there is opportunity to further significantly increase cost efficiency. For example, Enity intends to leverage its proprietary customer data assets and advanced analytics capabilities to further increase the size of its loan portfolio. Based on extensive proprietary data and machine learning, the loan applications received by Enity can be scored and automatically declined if appropriate, resulting in decreased lead time from application to approval and fewer applications requiring manual processing. On the back of these operational efficiencies, Enity can increase the scale of its new lending without significantly increasing costs or sacrificing the quality of manual inputs where those remain needed. Enity also believes the improvements to processing speed and evaluation transparency will improve conversion rates among customers at a range of risk levels, improving Enity's ability to face the potential future challenge of increased competition for its current customer base.

Benefit from diversified and flexible funding model enabling a runway for further growth that is accretive to returns

Enity's lending operations are currently supported by a diverse funding platform that taps into a deep pool of capital featuring a mix of deposits, MTNs, MTCNs, Tier 1 and Tier 2 capital instruments. Through regular assessment of the capital markets and its liquidity profile, Enity intends to continue the strategic diversification and optimisation of its funding platform in order to support and grow the business. Specifically, Enity is considering further diversification through NOK covered bonds and further optimisation through its covered bond programme, the development of hybrid funding, the possibility of ESG-focused bonds and further development of EUR funding including through its existing partnership with the digital deposit platform provider Raisin in Germany. Enity also intends to increase the share of funding from bond financing, which can prolong funding duration to match underlying customer behaviour, providing further support for significant loan book growth. Enity believes that further development of its diversified funding model can increase Enity's already differentiating resiliency in times of turbulent credit markets by maintaining low costs and attractive risk-based prices. The diversified funding model provides a stable base for future growth, in the face of market volatility. To maintain its diverse and flexible funding model, Enity will have to navigate complexity in managing multiple funding sources (including the costs and regulatory compliance requirements associated thereto) as well as market volatility (for example, that of the bond market with respect to its covered bond programme).

Financial targets and dividend policy

Financial targets

The Board of Directors of Enity has adopted the following financial targets:

Loan book

- An annual organic lending growth of approximately 8–10 per cent over a business cycle.

Adjusted RoTE

- An adjusted return on tangible equity (RoTE) of approximately 20 per cent.[1)]

CET1

- A CET1 ratio that exceeds the regulatory requirement by 200–300 basis points.[2)]

For definitions, see "*Selected historical financial information–Key operating measures*".

Dividend policy

The Board has adopted a dividend policy which targets a dividend of approximately 20–40 per cent of net profit for the year attributable to shareholders, and any potential excess capital (distributable funds) taking the CET1 target into account.

The financial targets and dividend policy constitute forward-looking statements and there is a risk that Enity's actual results of operations or financial condition could differ materially from those expressed or implied by these forward-looking statements as a result of many factors (see "Presentation of financial and other information–Forward-looking statements"). These financial targets are based upon a number of assumptions, which are inherently subject to significant business, operational, economic and other risks, many of which are outside of Enity's control. In preparing the financial targets, the Board of Directors has in general assumed that there will be no currently unannounced changes in the existing political, legal, fiscal, market, trade or economic conditions (including, but not limited to, applicable government treasury rates) or in applicable legislation, regulations or rules (including, but not limited to, accounting policies, accounting treatments, tax policies), which, individually or in the aggregate, would be material to the Group's results of operations or its ability to operate its business. These assumptions may not continue to reflect the commercial, regulatory and economic environment in which Enity operates. Accordingly, these assumptions may change or may not materialise at all. In addition, unanticipated events may adversely affect Enity's actual results of operations and financial condition in future periods, whether or not Enity's assumptions otherwise prove to be correct. As a result, the Group's business, financial condition and results of operations may vary significantly from these financial targets, and investors should not place undue reliance on them.

History

Enity was founded in Sweden in 2004 and began mortgage operations in 2005, with the purpose of providing specialist mortgage solutions to Swedish borrowers typically not served by high-street banks. The Swedish FSA granted Enity Bank a financial business licence in 2007, and Enity began offering deposit solutions to the public in Sweden in 2008. Following the successful launch in Sweden, Enity entered the Norwegian market with the launch of both mortgage products and deposit solutions in 2010. The Swedish FSA granted Enity Bank a banking licence in 2016.

Enity was acquired by the private equity fund EQT VII in 2017 and following the acquisition, Enity has undergone a strategic transformation of its activities and grown significantly. For example, the Group launched its MTN Programme in 2018 and an equity release product in Sweden (subsequently branded as 60plusbanken) in 2019. Following the launch of the MTN Programme, Enity Bank received a licence to issue covered bonds and obtained an investment grade rating in 2019, allowing Enity to further diversify its flexible funding base as, to its knowledge, the only specialist mortgage provider in Europe to launch a covered bond programme. Enity also launched mortgage offerings in Finland in 2020.

In 2021, the personal loans business was divested to facilitate Enity's full focus on specialised mortgage solutions. Enity also streamlined its organisational structure in the Nordics, centralising back-office functions and other administrative activities for the Swedish, Norwegian and Finnish mortgage and deposit activities in its Stockholm hub. In October 2023, the Group further expanded its market reach through the acquisition of Bank2, a Norwegian specialist mortgage bank and refinancing service, with a subsequent merger into Enity Bank in the following year. The Group brought its consumer brands Bluestep Bank, Bank2 and 60plusbanken together under a new shared group identity, Enity, in 2024.

Enity's operating segments

Mortgages Sweden

Enity launched its mortgage offering in Sweden in 2005. Sweden is Enity's largest total addressable market and its joint largest total served market, alongside Norway. As of 31 December 2024, Enity had 13,265 mortgage customers in Sweden, representing a portfolio value of SEK 10.3 billion, or 35.9 per cent of Enity's loan book.

The average loan size as of 31 December 2024 was approximately SEK 0.8 million, excluding further advances. Variable interest rate loans made up 32 per cent of the portfolio, with 68 per cent being fixed interest rate loans. The weighted average LTV ratio, calculated at property values at origination of the loan, was 67 per cent as of 31 December 2024, with all individual loans below the Swedish regulated LTV ratio cap of 85 per cent at origination. In 2021, Enity added

1) See also "*Attractive financial profile with strong return on tangible equity enabling a combination of growth and dividend capacity*" above.
2) According to applicable regulations, Enity is required to satisfy a minimum CET1 ratio of 12.1 per cent.

green mortgages to its product offering in Sweden. The green mortgages are intended to incentivise customers to purchase energy-efficient homes or to renovate their homes to make them more energy-efficient through an interest deduction.

Under the 60plusbanken brand in Sweden, Enity provides equity release loans specifically tailored for customers aged 60 and over who wish to release equity enabled by home ownership. As of 31 December 2024, Enity had approximately 1,600 equity release customers, representing a portfolio value of SEK 1.7 billion, or 5.8 per cent of Enity's loan book. The equity release loan enables these individuals to remain in their homes as interest and principal payments on the loan are not paid monthly but instead are added to the accrued loan basis. Enity's average equity release loan size in Sweden in 2024 was SEK 1.2 million, with a weighted average LTV ratio of 43 per cent.

Enity's Swedish customers are typically potential borrowers from underserved customer segments who have been excluded by the high-street banks as well as individuals aged 60 and over who utilise Enity's equity release products. 99 per cent of loans in Sweden are amortising while less than 1 per cent of loans (excluding equity release loans) are interest only. 40 per cent of the customers use their loans for purchasing new property, while 60 per cent are remortgages used for debt consolidation and renovation.

The management of the Swedish loan portfolio is handled internally by Operational Services. Enity's Swedish business activities are primarily funded through covered bonds, senior unsecured bonds and deposits.

Enity offers mortgages to customers in Sweden on the basis of the same rules and regulations as local high-street banks, including amortisation requirements, the requirement to perform affordability calculations, maximum LTV ratio and transparency around weighted average interest rates on new lending. Enity categorises its Swedish mortgages into the following risk grades based on the assessed risk profile of the customer: A (including near prime and regular A), and C–F.

Mortgages Norway

Enity launched its first charge mortgage offering in Norway in 2010 and has continued to grow its presence in this market. In 2023, Enity acquired Bank2, the second largest specialist mortgage provider in Norway, adding 20 per cent to Enity's loan portfolio. With the acquisition of Bank2, Norway constitutes the largest part of Enity's loan portfolio by value. As of 31 December 2024, the Company had 9,397 mortgage customers in Norway, representing a loan portfolio value of SEK 15.4 billion, or 53.4 per cent of the Enity's total mortgages outstanding.

The average loan size as of 31 December 2024 was approximately SEK 1.6 million, excluding further advances. Variable interest rate loans made up 61 per cent of the portfolio, with 39 per cent being fixed interest rate loans. The weighted average LTV ratio, calculated at house values at origination of the loan, was 66 per cent in 2024, with all individual loans below the Norwegian regulated LTV ratio cap of 90 per cent at origination.

In Norway, Enity has offered second charge loans since 2018. Enity typically offers second charge loans to customers with a relatively small amount of unsecured debt and/or few credit remarks not related to their mortgage loan. These loans comprise a specialised mortgage product coupled with a secondary pledge, enabling customers to obtain a mortgage from Enity while also retaining their original mortgage with another bank. Enity's average second charge loan size in Norway in 2024 was SEK 0.8 million, with an interest rate of approximately 9 per cent.

Enity's Norwegian customers are typically potential borrowers from underserved customer segments, who have been excluded by the high-street banks. In addition, second charge loans provide a wide range of customers with an alternative to unsecured loans. By using the property as collateral, the customers can get a lower interest rate or a longer loan duration, often both. A large share of Enity's Norwegian customers use loans for debt consolidation and renovation purposes. For instance, 26 per cent of customers use their loans for purchasing new property, while 74 per cent are remortgages used for debt consolidation and renovation.

The management of the mortgage portfolio and the administration of deposit and savings accounts for Norway is handled internally by Operational Services. Enity's Norwegian business activities are primarily funded through deposits from the public in Norway and own company funds in the form of intra-group funding.

Mortgages in Norway are categorised into risk grades running from A (including near prime and regular A) (lowest risk) to E (highest risk). Enity operates according to the same laws and regulations on the Norwegian market as foreign branches of high-street banks.

Mortgages Finland

Enity launched its mortgage offering in Finland in 2020. As of 31 December 2024, the Company had 1,613 mortgage customers in Finland, representing a loan portfolio value of SEK 1.3 billion, or 4.5 per cent of Enity's total mortgages outstanding.

The average loan size as of 31 December 2024 was approximately SEK 0.8 million, excluding further advances. The weighted average LTV ratio, calculated at house values at origination of the loan, was 73 per cent, with all individual loans below the Finnish regulated LTV ratio cap of 90 per cent at origination (95 per cent for first-time home buyers).

As of 31 December 2024, 11 per cent of customers use their loans for purchasing new property, while 89 per cent are remortgages used for debt consolidation or for renovation.

The management of the loan portfolio for Finland is handled internally by Operational Services and Enity's Finnish business activities are primarily funded through deposits from the public.

Mortgages in Finland are categorised into risk grades running from A (lowest risk) to E (highest risk).

Enity's customers

Enity's customer base comprises borrowers who are typically underserved by high-street banks due to failure to meet the banks' strict requirements. Examples of such borrowers include those who: (i) are self-employed or have modern forms of employment, (ii) are in need of debt consolidation, with high levels of unsecured debt, (iii) have limited credit or income history, (iv) have remarks on their credit history despite an orderly financial situation, and (v) are of retirement age with low current earnings. In general, these mortgage customers are predominantly based in and around larger city areas. In 2024, the metropolitan areas of Stockholm, Gothenburg, and Malmö accounted for 46 per cent of the Swedish loan portfolio, Oslo accounted for 34 per cent of the Norwegian loan portfolio, and Helsinki accounted for 30 per cent of the Finnish loan portfolio.

These customer segments are served through Enity's consumer brands, Bluestep Bank and 60plusbanken in Sweden, Bluestep Bank and Bank2 in Norway and Bluestep Bank in Finland.

Brand strategy

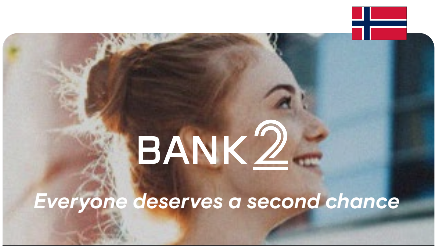
The Enity brand strategy and purpose, shared by all consumer brands in the portfolio, is to responsibly increase financial inclusion in society and enable financial empowerment for more people. Enity's mission is to be a modern mortgage bank group that recognises its customers' potential and serves as a responsible lender. Every group brand places emphasis on highlighting Enity's core values in its marketing and communication strategy.

Over the last two decades, Enity has grown from a niche bank, Bluestep Bank, in Sweden to a large corporate group stretching across three countries comprising of both organically developed brands, such as 60plusbanken, and externally acquired brands, such as Bank2. To unify its diverse brands and branches, Enity re-named and re-branded the bank group to Enity Bank Group in December 2024. Constructed from the words "entity" and "unity", it represents the synergy of Enity's diverse brands and the collective strength it shares with its customers.

Brand promise
To be a modern mortgage bank recognising the customers' potential

Target groups
- *Modern forms of employment*
- *First-time buyers*
- *People with payment remarks*
- *People with adverse or short credit history*

Products
- *Specialist mortgages*
- *Second charge loans*



Brand promise
To view the customers' situation from a wider perspective and help them get back on track

Target groups
- *People with financial difficulties due to high debt levels or payment defaults*

Products
- *Specialist mortgages*
- *Second charge loans*

Brand promise
To help seniors achieve better everyday finances by releasing equity from their home

Target groups
- *Property owners, age 60+*

Products
- *Equity release (as lump-sum, monthly payout or combo)*

Customer acquisition & marketing strategy

Enity's customer acquisition and marketing strategy aims to optimise in a cost-efficient way the balance between generating quality-leads and increasing brand awareness through a combination of paid and unpaid channels. The execution of the strategy is based on three pillars: (i) scaling the use of brokers and partners, (ii) leveraging unpaid marketing channels, and (iii) optimising the use of paid advertising.

The use of brokers is a central part of Enity's distribution platform, with loan pay-out volumes to customers originating from this channel increasing year over year, see *"Multi-channel distribution platform"* below. Enity works to increase the quality of the leads generated from this channel, as well as increasing the conversion rate from loan application to loan pay-out. This is done by building strong and efficient partnerships with brokers and identifying the business value for each broker.

The use of unpaid marketing channels is a relatively cost-efficient way of generating customer traffic and brand awareness. Unpaid channels comprise both direct channels such as search engine optimisation (SEO) and public relations activities (and PR) as well as distribution through partners, for example, non-paid referrals from real estate agents. Through greater focus on SEO and PR and communication around financial inclusion and well-being, Enity has increased the unpaid traffic inflow from search engines by 23 per cent and increased the loan application volume from unpaid traffic by 16 per cent between 2023 and 2024.

To maximise the yield on advertising spend, Enity works to expand advertising into new channels to reach a larger audience as well as to apply data analytics and tracking to optimise the budget allocation of marketing expenditures. For example, Enity uses fully data-driven keyword research to identify gaps and improvement areas for product pages to enhance conversion and for content pages to drive relevant traffic and establish topical authority within its segment.

Multi-channel distribution platform

Enity leverages its multi-channel origination platform, which has been refined over a period of more than twenty years, to find and attract target customer segments as well as to build brand awareness and positive perception of Enity's product offerings and services. In its direct distribution efforts, Enity uses a combination of different channels to ensure its brand is visible to all potential customers. In addition, Enity places an increased focus on direct distribution as it believes direct channels, including content marketing, email marketing, PR activities and SEO, build loyalty and help increase visibility and brand recognition. Furthermore, Enity leverages its relationships with brokers, particularly in the broker-dominated Norwegian market.

Direct distribution

In 2024, 36 per cent of Enity's sales originated through direct distribution channels. Marketing efforts carried out through Enity's direct channels include TV, radio, print, direct marketing (DM) and digital marketing. Digital marketing includes paid search, SEO, online video, social media, display advertising, native advertising and affiliate marketing in order to drive relevant traffic to the consumer brand's websites for each of its Swedish, Norwegian and Finnish operations. Origination through direct channels also includes new loans distributed through further advances to existing customers applying for a new mortgage and referrals.

The path to customer conversion consists of many touchpoints, as Enity's customers often hear and read about Enity in several different contexts before applying for a mortgage product. Some channels will contribute to customer conversion on a short-term basis and some on a long-term basis. For instance, marketing investments for 60plusbanken are in part directed towards offline channels, as the customer group for equity release tend to have greater access to those channels. In Finland, marketing is primarily focused on online channels, but Enity has also added offline channels such as TV and radio to the strategy.

Brokers and referrals

Enity uses select brokers, accounting for 64 per cent of new lending volume in 2024, in addition to its direct distribution activities.

There are significant differences between the geographic markets in terms of how mature and present mortgage brokers are, ranging from approximately 1 per cent of new lending volume for 60plusbanken to 49 per cent for Bluestep in Sweden and 78 per cent in the broker-dominated Norwegian market.

Enity believes that the use of brokers can enhance brand awareness for Enity Bank and support customer acquisition by reaching out to potential customers not aware of Enity's product offering. Specialist mortgage brokers, in particular, generate high-quality leads, as customers are pre-screened and well-prepared by these partners, making the broker channel highly efficient. Enity intends to continue expanding the broker channel to attract more customers, with a focus on those who are hard to reach through other channels.

To ensure strong market presence and effective customer distribution, Enity acquired the remaining 51 per cent of the shares in Eiendomsfinans AS, a major mortgage broker in Norway, not already held by Enity Bank in May 2025, and has a strategic stake in a complementary mortgage broker, Uno Finans AS (which operates in Norway and Finland).

Additionally, real estate agents and debt collection agencies also serve as sources of customer acquisition by referring potential customers to Enity, even in cases where no formal partnership exists between the agent, agency, and Enity.

Underwriting process

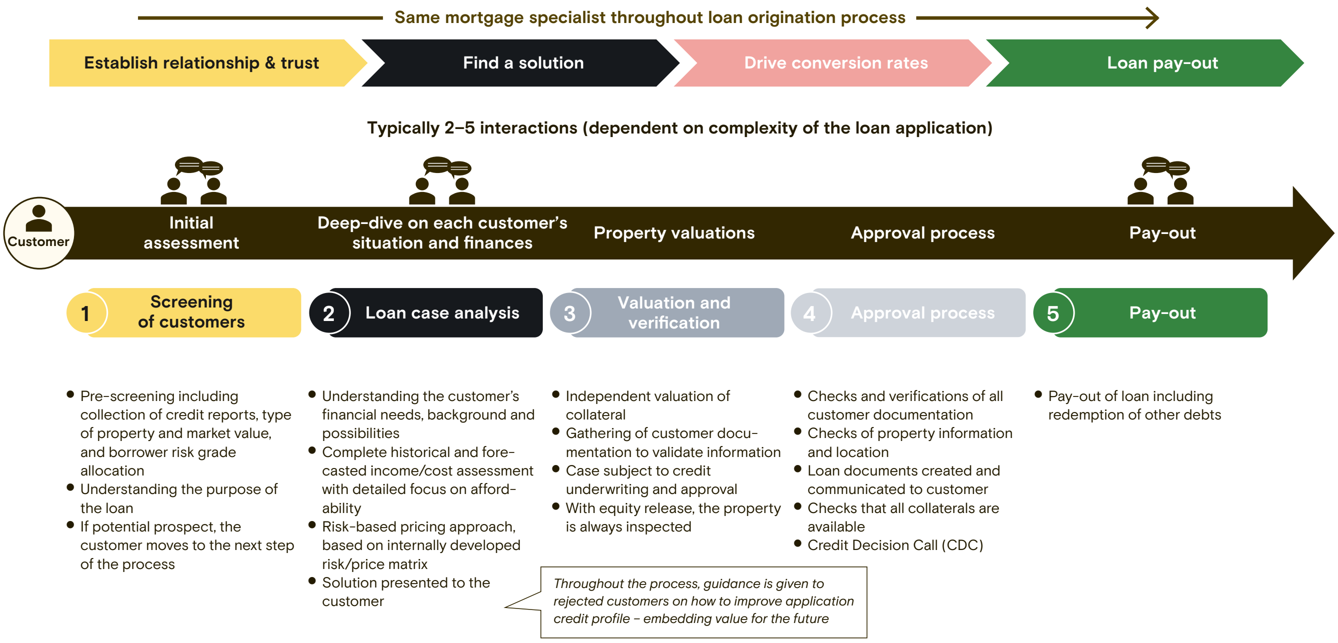
Over the course of more than 20 years, Enity has established and refined its bespoke underwriting and on-boarding process. Enity's loan pricing matrix considers multiple factors including loan type, source of customer income, customer risk grade, LTV of the property, property type, interest rate type, the customer's need for further advances (if any) and the customer's total additional outstanding debts. The collection of information required to make a credit decision is largely automated, resulting in higher productivity from initial contact to pay-out. For instance, Enity's underwriting model provides automated collection of customer data, calculation of risk grade, price group, and affordability, with the ability to manually map a customer's credit need at any stage in the approval process. This degree of automation results in better quality loan origination, lower risk, higher efficiency and more granular data for future AI and automated decision-making, but it also results in higher customer satisfaction with a harmonised customer journey thanks to less manual data collection.

Enity combines its automation with manual input from experienced specialists, allowing Enity to efficiently and accurately detect customer risk level and provide the appropriate level of follow-up. Enity cases involve a mortgage specialist, often in addition to a credit specialist. As of 31 December 2024, Enity employed 53 full time mortgage specialists. Mortgage specialists hold credit decision mandates based on experience, proven competence level and authorisation. Such mandates encompass loan size, LTV ratios, property type, location and income type. Applications that fall outside the mandate of a mortgage specialist are escalated to a more senior credit specialist. Enity's credit department plays an important role in the underwriting process.

As of 31 December 2024, Enity employed 10 full time credit specialists. The credit specialist team operates separately from the customer-facing mortgage specialist team, ensuring objective control of credit decisions. Applications that fall outside the mandate of a credit specialist are escalated to the Head of Credit and ultimately to the Credit Committee. In certain circumstances, dual approval by both departments is required.

For applicants whose underwriting applications are rejected, Enity provides guidance on how to improve their credit profile in order to be eligible for credit at a future point in time.

An overview of the individual steps comprising Enity's underwriting process is provided below:



Screening of customers

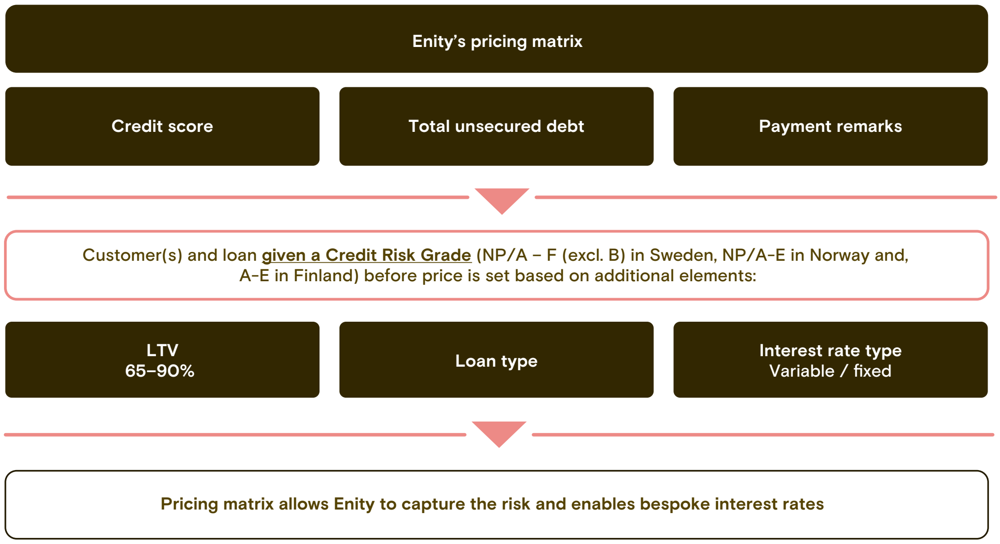
Following initial contact by a customer, Enity conducts a preliminary review to ensure that certain minimum criteria are met. The elements Enity considers as part of this preliminary review include the purpose of the loan request, loan size, location of the property, estimated value of the property, required deposit or equity contribution and whether the applicant has attempted to obtain a loan from a high-street bank. Applicants are either rejected, encouraged to restructure the request to meet the required criteria or progressed to the credit grade assessment. In Sweden, Enity has piloted an automated loan promise through which eligible customers can get their loan promise within minutes. Approximately 9 per cent of Enity customers in Sweden are first-time buyers.

With each loan application, Enity initiates a credit grade assessment, which is generated by an internally developed model using information from the applicant's credit report and information from the property register. The credit report, including credit history information, is provided by an external credit bureau. In Sweden, the credit rating, verification of income and other information is provided by UC. In Norway, similar information is obtained from Dun & Bradstreet and the tax authority, Skatteetaten, for income information and the debt information register, Gjeldsregisteret, for debt information while in Finland, such information is obtained from Asiakastieto and the Finnish Tax Administration, Verohallinto.

Risk grading and risk-based pricing

Enity uses a pre-screening analysis based on automatically generated data with a focus on the characteristics of the underlying asset and, if relevant, the customer's ability to make a 15 per cent down payment (assuming an 85 per cent LTV ratio cap). Any outstanding debt is resolved at the competent enforcement authority level, often through the use of additional collateral such as cabins or summer houses. Customers satisfying pre-screening are assigned a risk grade from A to E in Norway and Finland. Customers in Sweden who satisfy pre-screening are assigned a risk grade from A, C to F. In Sweden and Norway, the risk grade A is sub-divided into (i) near prime (which is deemed lower risk than an A-grade loan) and (ii) regular-A.

This exercise is integral to Enity's formulation of risk-based pricing which is based on, among other aspects, the applicant's credit grade, type of income, property type and LTV ratio. Enity believes that the applied credit model and the division into risk grades enables Enity to efficiently manage risk.



Proprietary income assessment and household budget

In order to determine the future payment capacity of the applicant, Enity creates an income and expense budget using information from the credit report, supported by other documents that substantiate the customer's income, level of tax and costs associated with other debts (if relevant). Enity also assesses the general maintenance cost for the property, other appropriate expenses in relation to the property (communal fees, electricity/heating, fees to tenant owners' rights associations, etc.), costs associated with other properties (if relevant) and general living costs.

To further assess the applicant's payment capacity, Enity performs a stress test on all loans the customer has outstanding, *i.e.* both the offered loan as well as existing commitments that are not intended to be redeemed by the new loan. The stress test contains the nominal interest rate on the loan plus a stress margin. Applying stress margins on all loans enables Enity to understand each customer's affordability given adverse circumstances affecting interest rates. In Sweden, Enity adds a stress margin, currently at least 2 percentage points. In Norway, the mandatory stress level is by regulation set to 2 percentage points. In Finland, the minimum requirement is 2 percentage points. When all net incomes, household expenses and costs related to the loan being applied for and other financing commitments are combined in the assessed household budget, Enity's lending rules specify the minimum income surplus acceptable for any household. The required minimum income surplus is based on the number of adults and the number of children in the household.

Property valuations

Each individual credit assessment includes a valuation assessment of the mortgaged property, often by Enity's inhouse valuers. On-site valuation assessments by independent valuers or real estate agents may be needed in cases where market values based on statistical data is deemed insufficient or when the internal valuer for other reasons requires an on-site valuation to determine the market value. The reliance on a purchase price is only accepted if the purchase is an open market transaction which is handled by a real estate agent. The valuer must compose a detailed description of the property in question, including photos, and a comparison must be made to comparable properties that have been for sale in the area.

Final credit decision

The final credit decision is conducted manually by Enity's mortgage or credit specialists. During this process, the responsible mortgage specialist will assess all the information provided throughout the application process. Each loan is assessed thoroughly to ensure that Enity understands each customer's financial situation in detail as well as the value of the property. For instance, all credit remarks exceeding a set limit are carefully investigated by the mortgage or credit officer to ensure that there are appropriate explanations to assess the risks sufficiently in the final credit decision.

The credit decision focuses on assessing the underlying value of the property and the creditworthiness of the applicant, meaning the ability of the applicant to meet loan payment obligations. Loan approvals, in principle, are made by the case handler or the credit department within predefined limits for loan size and LTV ratio.

Applications that fall outside the mandate of a mortgage specialist are escalated to a more senior credit specialist. Applications that fall outside the mandate of a credit specialist are escalated to the Head of Credit and ultimately to the Credit Committee.

Secure pledge on property

In the final step of the underwriting process, Enity secures the pledge on the underlying collateral, facilitates the pay-out of the approved loan to the customer and provides assistance with the financing or repayment of any other potential debt. Enity makes a mandatory phone call to each borrower of a loan as part of the credit decision process and to make sure that all customers understand all terms and conditions and Enity finalises the KYC (Know Your Customer) process.

With respect to the mortgage security, Enity's policy is to secure a first-ranking pledge in Sweden. In Norway, Enity typically offers first-charge loans but may in respect of certain customers also accept a second charge pledge, for example over a property where a first-ranking pledge has been obtained by another mortgage provider or as additional collateral to the property in which Enity has obtained a first-ranking pledge. In Finland, Enity primarily offers first-charge loans but can, in certain circumstances, accept a second charge pledge as additional collateral on the property over which Enity has obtained a first-ranking pledge.

Collection process

Overview

Enity has set up a structured process intended to help customers avoid repayment difficulties. For instance, all borrowers are encouraged to call Enity if a payment cannot be made on time. In addition and in order to facilitate timely payments, Enity invoices each borrower approximately 15 days prior to each payment due date. Loan and interest payments are scheduled monthly, predominantly through direct debit (except in Finland where e-invoices are used) and any unsuccessful direct debit collections are re-attempted up to three times. These practices are complemented with a customer service-oriented collection process intended to offer mutually beneficial arrangements to resolve payment arrears. The exact collection process varies by country, but is generally divided into three stages: (i) pre-collection, (ii) collection and (iii) post-collection. The collection process involves: (i) the offering of solutions to help overcome payment difficulties, (ii) identification of workable solutions including, among others, temporary interest rate or amortisation reductions, respite of payment for loans that are in arrears or in certain cases, for current loans, the establishment of a payment plan, (iii) discussion of possible arrangements to resolve arrears positions, (iv) the potential voluntary sale of property, and (v) a potential foreclosure process.

Mortgage servicing process (Sweden)

Pre-collection (Day 3–60)

The pre-collection process in Sweden is handled in-house by a collection team beginning on day 3 of a delinquent payment. The objective for the contact with the borrower is to reduce arrears by identifying the reason for the late payment and to agree on a sustainable solution with the borrower, such as a payment plan or forbearance measures. Re-aging loans, however, is not available.

Enforcement procedures (Day 60–90)

During the enforcement phase, the collections team continues to attempt contact with the borrower in an effort to avoid a foreclosure process, to the extent possible. In Sweden, the statutory enforcement process is administrated by the Swedish Enforcement Authority from valuation to property sale.

Legal collection and post-collection (NPL) (over 90 days)

Legal collection is done in-house. During the post-collection phase, Enity's focus is on optimising its recovery ratio through effective enforcement processes and monitoring. Any shortfall (the outstanding amount after proceeds from sale of the collateral) is sold to third party debt collection agencies to facilitate stable recovery ratios and ensure cash flow. The collections team handles debt surveillance of residual debt not included in the forward flow agreement.

Mortgage servicing process (Norway)

Pre-collection (Day 3–60)

The early collection process in Norway is handled in-house by a collection team beginning on day 3 of a delinquent payment. The objective for the contact with the borrower is to reduce arrears by identifying the reason for the late payment and to agree on a sustainable solution with the borrower, such as a payment plan or forbearance measures. Re-aging loans, however, is not available.

Enforcement procedures (Day 60–90)
During the enforcement phase, the collections team continues to attempt contact with the customer to get the customer back on track and avoid enforcement procedures, if possible, by agreeing on a potential payment plan.

Legal collection and post-collection (NPL) (over 90 days)
Late collection is managed by an external collection agency, followed by a potential enforcement process depending on whether the court delivers a ruling after a petition for forced sale. A real estate agent or lawyer handles the sale of the property. During the post-collection phase, Enity's focus is to ensure debt settlement or payment agreements where possible. Any post-enforcement collection is handled by the Enity collections team together with an external collection agency.

Mortgage servicing process (Finland)
Pre-collection (Day 3–60)
The early collection process in Finland is handled in-house by a collection team beginning on day 3 of a delinquent payment. The objective for the contact with the borrower is to reduce arrears by identifying the reason for the late payment and to agree on a sustainable solution with the borrower, such as a payment plan or forbearance measures. Re-aging loans, however, is not available.

Enforcement procedures (Day 60–180)
During the enforcement phase, the collections team continues to attempt contact with the customer to get the customer back on track and avoid enforcement procedures, if possible, by agreeing on a potential payment plan.

Legal collection and post-collection (NPL) (over 180 days)
Late collection is managed by an external collection agency. During the post-collection phase, Enity's focus is to ensure debt settlement where possible and that losses are kept low. Any post-enforcement collection is handled by the enforcement authorities.

ESG and sustainability

Overview

ESG and sustainability are cornerstones of Enity's culture and operations and as a modern mortgage bank, Enity strives to create a more inclusive, fair and sustainable society. Enity Bank is a signatory under the UN Global Compact, a voluntary UN initiative to implement universal sustainability principles and to take steps to support UN goals. Enity has subsequently implemented a comprehensive environmental, social and governance plan. As part of this plan, Enity has established clear goals to contribute to sustainable development, whereby the environment, social values and responsible internal governance are safeguarded and highly valued. Enity places great emphasis on maintaining responsible banking practices.

Environment and sustainability

Enity has the goal of reducing its carbon footprint and reports its carbon footprint annually. Enity measures its carbon footprint in accordance with the requirements of the Greenhouse Gas Protocol, a global standardised framework to measure and manage greenhouse gas emissions from private and public sector operations, value chains and mitigation actions.

To address this goal, Enity has identified and implemented several resource- and energy-saving initiatives that Enity believes will contribute to reduced impact. Chief among these initiatives is the accelerated move towards digitalisation. For example, the application submission process is scheduled to be fully digital and automated from the second half of 2025. Also, in 2020, Enity became one of the first mortgage providers in Sweden to allow for digital signing of mortgage agreements using Mobile Bank ID, minimising the use of paper agreements.

Enity's direct real estate footprint is limited and Enity's head office in Stockholm holds the LEED[1)] gold environmental certification. Enity has also implemented several initiatives to limit energy consumption with regard to heating, electricity and air conditioning. The average amount of carbon dioxide emissions per Enity employee was 0.81 tonnes in 2024 as compared to 1.26 in 2023.

To ensure that Enity assesses all climate risks based on their potential impact, Enity has integrated these risks into its framework for risk management. Moreover, since 2021, Enity has formally supported the TCFD (Task Force on Climate-Related Financial Disclosures) climate-related financial disclosure recommendations and aims for gradual implementation. This means that, in addition to analysing the climate impact of Enity's operations, Enity can expand its understanding of how climate change affects its operations.

Enity's ESG goals

Environment	Social	Governance
Enity works to identify concrete initiatives that helps Enity reach ambitious emission reduction targets. At the same time, Enity launches products that create incentives for its customers to make sustainable decisions	**The social aspect of sustainability includes Enity's work to increase social values for Enity's employees and customers. Enity strives to ensure that Enity is a sustainable workplace, and a company that contributes to financial inclusion**	**Governance is one of Enity's most important areas. As a respected and a transparent company, Enity complies with external and internal regulations and standards that apply to all aspects of Enity's business**

1) LEED (Leadership in Energy and Environmental Design) is a widely used green building rating system.

Social engagement
At the core of Enity's mission is financial inclusion, as evidenced by Enity providing mortgages to a customer base that could otherwise be excluded and lowering their interest costs. As part of Enity's mission to be a key enabler of a more inclusive financial environment and to promote financial well-being and sustainability, Enity strives to also be an inclusive bank with a strong sense of social engagement.

For instance, during 2015–2023, Enity worked with Mentor Sverige, a non-profit organisation that helps people find a path to a promising future, and participated in Mentor Sverige's mentorship programme in which employees from Enity visited a secondary school (Sw. *högstadieskola*) in Stockholm approximately once a year to discuss personal finance and professional aspirations with the students.

Beginning in 2024, Enity has engaged in a partnership with Riksförbundet Hjärnkoll, a mental health advocacy organisation in Sweden, to help raise awareness about the connection between financial and mental well-being. Enity also has a similar program in Norway and is expanding the reach in Finland, collaborating with local organisations to build resilience and stability. Enity aims to simplify and improve its customers' experience by offering digital tools that support the customer throughout the entire customer journey, and by measuring which solutions provide the best results for the customer. To this end, one of Enity's objectives is to standardise the material used in the development of Enity's customer understanding, and to minimise the number of documents involved in the application process.

Enity's customers' financial literacy is another important aspect of Enity's work to ensure greater financial inclusion. In order to promote financial literacy, Enity places great emphasis on making loan documents and other materials easier to understand. In addition, Enity believes its provision of services, such as budgeting tools and digital financial tips also contribute to realising this goal.

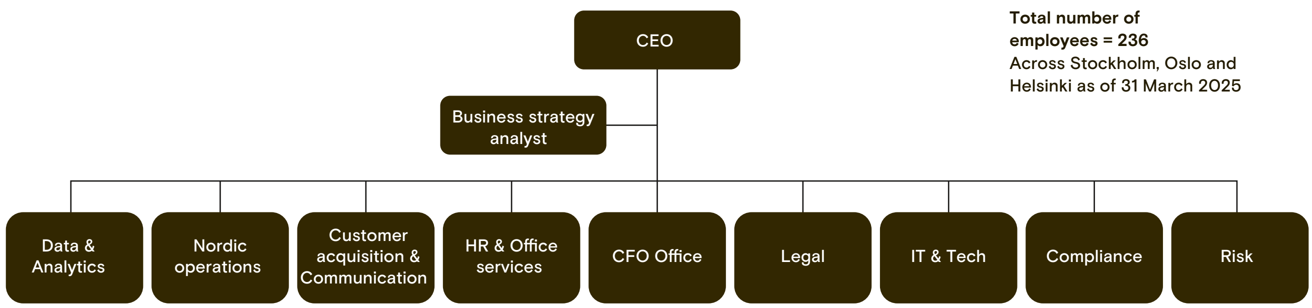
Enity devotes considerable time and effort to creating, developing and maintaining a purpose-driven, diverse and inclusive corporate culture in which its employees can thrive. As a result, Enity seeks to embody the core tenets of inclusivity, passion, innovation and responsibility in everything that Enity does. Enity believes the knowledge, experience and culture its employees bring to customer interactions constitute a competitive advantage in respect of its onboarding and underwriting processes. Enity places great emphasis on creating a workplace where everyone feels welcome and can succeed. To motivate employees and create a friendly culture, Enity organises team activities, theme weeks (such as Wellness and Kindness) and offers wellness allowance. In addition, Enity is focused on creating a flexible workplace environment, offering employees the possibility to work from home. To align the organisation and facilitate transparency and clarity, Enity uses its intranet as well as one-on-one, employee, team and management meetings regularly (monthly or quarterly). Employee meetings are conducted both digitally (monthly) and physically (quarterly).

Organisation and employees

Organisational overview
Enity's headquarters are located in Stockholm, Sweden and Enity operates two additional offices located in Oslo, Norway and Helsinki, Finland. Enity leases each of its offices, and does not own any real estate asset which it considers to be material.

The Group's operations are divided into three segments: Mortgages Sweden, Mortgages Norway and Mortgages Finland. Mortgages Norway and Mortgages Finland are operated through local branches of Enity Bank. The segments are supported by Group-wide functions, including Data & Analytics, Customer acquisition and Communication, HR & Office services, IT & Tech, Compliance and Risk.

The below chart illustrates the Group's organisational structure:



Employees

Enity believes its employees are fundamental contributors to its success. During 2024, Enity had an average of 258 FTEs. The FTEs include 53 mortgage specialists and 10 credit specialists.

The following table presents a breakdown of Enity's average number of employees by country for the three months ended 31 March 2025 and 2024, and the years ended 31 December 2024, 2023 and 2022.

	Three months ended 31 March		Year ended 31 December		
Average number of employees	**2025**	**2024**	**2024**	**2023**	**2022**
Sweden	163	177	166	175	182
Norway	68	82	71	94	61
Finland	20	24	21	22	22
Total	**252**	**284**	**258**	**291**	**265**

Diversity

Enity values diversity among its employee base as Enity understands that diverse employee backgrounds is a key strength which also influences the success of customer relationships. For instance, Enity's employees speak over 20 languages and, if needed, an interpreter is hired to make sure the customer and the bank officer understand each other, which means that Enity can serve a large number of customers in the language they speak and understand. Enity works in accordance with several initiatives led by its Senior Management Team to strengthen diversity, fairness and opportunities within Enity. Such initiatives include, among others, diversity and equality measures implemented in relation to Enity's recruitment processes. In Enity at large, there is an approximate 56/44 split between men and women among the employees. To ensure equal opportunities, Enity conducts pay equity analysis on a yearly basis, aiming for full compliance with the Pay Transparency Directive (EU) 2023/970 by 2026. Enity is also a member of the Diversity Charter Sweden, a non-profit organisation working to promote diversity in the workplace.

To evaluate Enity's culture and business leaders, Enity issues an employee survey on a quarterly basis (Engagement Radar). The survey focuses on leadership, development, alignment and well-being, among others, which are areas Enity considers integral to employee engagement. The Engagement Radar for Enity has historically been above the benchmark, currently 78, and was 79 (out of 100) in the latest quarterly survey. Enity's aim is to always be at, or above, 80.

Information technology

Enity believes that a key determination of its future success as a bank will be its ability to transform and utilise IT infrastructure. This infrastructure must be capable of deploying systems which are tailored to its specific operations, while maintaining bespoke customer experience features. For this reason, since 2019, Enity has made significant investments in IT to transition from monolithic systems and project-based workflows to a modern and product-driven operating model. Enity now has a cloud-native microservices architecture that ensures scalability, innovation and seamless operation across markets. The primary objectives of the digitisation process were the implementation of streamlined and adaptable processes as well as the harmonisation of data across the geographies in which Enity operates. Enity's decision to transition to a cloud-based platform was also driven by the need to meet the technological demands of its customers, to ensure Enity is best placed to proactively react to an ever evolving regulatory landscape and security threats, to ensure stability and security and to better facilitate bank and broker partnerships. In addition, Enity's decision was based on the belief that a cloud-based platform reduces costs, increases scalability, streamlines customer interaction and improves efficiency through reusable components.

Enity's operations are supported by a purpose-built and comprehensive IT platform, which houses its extensive data warehouse, a natural asset which Enity leverages in its data-driven approach to marketing, risk management assessments, funding, valuation and origination. Moreover, the IT infrastructure provides one centralised system and universal support for Enity's three offices and operating segments. Enity launched the cloud-based technology platform in Norway in the fourth quarter of 2021, Finland in the first quarter of 2022 and Sweden in the fourth quarter of 2022.

The current IT platform consists of several core systems, as well as a number of supporting systems. All critical services are hosted in Microsoft Azure. The move to Azure gives Enity the benefit of a pay-as-you-go model, built-in infrastructure, security, and maintenance updates, scale resources, high-availability infrastructure and cloud-native tools. At the core of Enity's infrastructure, the core banking system, with 8 of 14 key components built in-house, manages the full lifecycle of deposit and mortgage portfolios, from account origination to servicing, renewal and closure. The cloud-based platform also allows for integration of new functionality as demand for new services grows, as Enity enters new markets and develops new products.

The overhaul of the IT platform has resulted in higher productivity from initial contact to pay-out and as a result has increased the productivity of staff as they are able to access a more automated process and platform with a 360-degree client view. Average number of loans paid out per FTE per month has increased from 9 in 2022 to 10 in 2024, and Enity estimates that it will increase to over 20 in 2026. Enity also has the ability to handle several products and securities in one application, harmonising the customer journey with increased customer focus due to less manual data collection, which Enity expects will result in an increase in conversion rate from application start to loan payout from approximately 7 per cent in 2024 to 8–10 per cent. Additional efficiencies include improved quality in loan origination leading to lower risk and higher efficiency and access to granular data collected by automated processes as basis for automated decisions and artificial intelligence. Lead time has decreased by approximately 20 per cent across all markets since 2022, with a further decrease of over 75 per cent expected by Enity.

In the near term, Enity is focused on further improving its digital offerings, such as through the recent roll-out of an automated loan promise and the implementation of a new credit score card in Sweden.

Enity is a high-performing tech organisation with a strong culture of innovation. In its IT department which includes 45 FTEs, Enity's current FTE to consultant ratio is approximately 3 to 1. In 2025, Enity aims to continue the shift from consultants to FTEs. While Enity's organisation is mainly Stockholm based, the majority of its external consultants are developers that sit with a partner in the Czech Republic or Romania.

Intellectual property

Trademarks and design rights

Enity is the owner of a number of trademarks and logos in various classes and countries. Enity's business depends on the word and figurative marks for "Enity", "Bluestep", "Bank2" and "60plusbanken".

Domain names

Enity owns a number of internet domain names, including www.enity.com, www.bluestep.se, www.60plusbanken.se, www.bluestep.no, www.bank2.no and www.bluestep.fi, for the various countries in which Enity operates. These domain names are used for general corporate purposes and for the operation of Enity's lending and deposit platform.

Selected historical financial information

The selected historical financial information presented below as of and for the financial years ended 31 December 2024, 2023 and 2022 (other than alternative performance measures) has been derived from Enity's audited consolidated financial statements as of and for each respective financial year included in "Historical financial information", which have been audited by Ernst & Young AB (see "Independent auditor's report" on page F-78 in "Historical financial information"). The historical consolidated financial information presented below as of and for the three months ended 31 March 2025 and 2024, respectively, (other than alternative performance measures) has been derived from the Company's unaudited interim consolidated financial statements as of and for the first three months 2025 (with comparative information as of and for the first three months 2024) and have been reviewed by Ernst & Young AB (see "Auditor's review report" on page F-18 in "Historical financial information"). Enity's consolidated financial statements as of and for the financial years 2024, 2023 and 2022 have been prepared in accordance with IFRS Accounting Standards as endorsed by the EU and the Swedish FSA's regulations and general guidelines regarding annual reports in credit institutions and securities companies (FFFS 2008:25). Enity's unaudited interim consolidated financial statements as of and for the first three months 2025 (with comparative information as of and for the first three months 2024) have been prepared in accordance with IAS 34 Interim Financial Reporting. For additional information, please refer to "Presentation of financial and other information–Financial information".

Consolidated income statement

	For the three months ended 31 March		For the year ended 31 December		
SEK million	**2025**	**2024**	**2024**	**2023**	**2022**
Operating income					
Interest income calculated using the effective interest method	564.9	555.8	2,294.6	1,687.3	1,199.6
Other interest income	62.4	47.1	173.9	121.3	50.5
Interest expenses	–328.9	–332.0	–1,353.8	–849.3	–328.9
Net interest income	**298.4**	**270.9**	**1,114.7**	**959.3**	**921.2**
Commission income	–	0.2	3.9	0.3	–
Commission expenses	–	–0.6	–1.0	–0.9	–
Net gains and losses from financial transactions	–0.3	4.3	4.9	27.1	–23.5
Result from shares in associates and joint ventures	0.9	–1.9	–1.6	2.2	3.7
Other operating income	2.7	2.3	9.3	9.0	8.6
Total operating income	**301.7**	**275.1**	**1,130.3**	**997.0**	**910.0**
Operating expenses					
General administration expenses	–165.0	–177.1	–597.8	–588.0	–551.0
Depreciation, amortisation and impairment of tangible and intangible assets	–23.8	–24.3	–97.8	–84.9	–66.8
Total operating expenses	**–188.9**	**–201.4**	**–695.6**	**–672.9**	**–617.8**
Profit before credit losses	**112.8**	**73.7**	**434.7**	**324.1**	**292.1**
Credit losses, net	–31.7	–12.7	–41.0	–48.0	–28.1
Operating profit	**81.2**	**61.0**	**393.6**	**276.1**	**264.1**
Tax	–32.1	–14.9	–138.1	–75.3	–54.2
PROFIT FOR THE PERIOD	**49.0**	**46.1**	**255.6**	**200.8**	**209.8**
Attributable to:					
Shareholders of the parent company	49.0	44.9	254.4	200.0	209.8
Non-controlling interest	–	1.2	1.2	0.8	–
Earnings per share (SEK)					
Basic earnings per share	0.98	0.90	5.09	12.80	16.78
Diluted earnings per share	0.98	0.90	5.09	12.80	16.78

Consolidated balance sheet

	As of 31 March		As of 31 December		
SEK million	**2025**	**2024**	**2024**	**2023**	**2022**
Assets					
Cash and balances at central banks	772.5	2,224.1	604.7	1,044.7	501.7
Debt securities eligible for refinancing with central banks	567.2	566.9	668.8	1,003.4	422.7
Lending to credit institutions	1,480.2	1,716.0	2,568.4	1,513.8	1,701.9
Lending to the public	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
Value change of interest-hedged items in portfolio hedging	–17.3	–126.6	–4.4	–82.6	–334.9
Derivatives	120.2	174.6	102.0	186.4	337.8
Bonds and other interest-bearing securities	712.3	1,041.0	680.0	701.5	419.6
Shares and participations	1.1	19.3	1.1	59.3	–
Shares and participations in associates	143.1	145.9	144.6	148.2	14.2
Goodwill	2,667.4	2,669.1	2,668.7	2,670.5	2,593.1
Other intangible assets	483.9	509.8	493.4	508.7	470.2
Tangible assets	63.6	62.6	69.1	46.4	42.3
Other assets	18.9	62.1	166.1	24.5	49.2
Prepaid expenses and accrued income	83.7	124.2	79.5	73.4	54.1
Current tax assets	36.8	99.8	92.2	89.0	94.5
Deferred tax assets	1.1	33.8	4.4	33.8	–
TOTAL ASSETS	**36,444.8**	**36,631.4**	**37,170.8**	**34,226.2**	**26,712.9**
Liabilities and provisions					
Deposits from the public	22,377.3	21,210.9	23,202.9	20,513.1	13,239.1
Debt securities in issue	7,920.1	9,326.5	7,933.5	7,583.0	8,158.9
Derivatives	68.8	41.8	77.0	83.6	44.6
Other liabilities	228.5	456.9	149.5	444.5	455.4
Accrued expenses and prepaid income	120.1	111.1	88.1	79.6	70.3
Provisions	23.2	16.7	32.3	7.6	–
Current tax liabilities	55.8	35.5	65.6	59.8	56.9
Deferred tax liabilities	68.9	78.1	75.5	79.0	76.4
Total liabilities and provisions	**30,862.6**	**31,277.5**	**31,624.3**	**28,850.1**	**22,101.5**
Equity					
Share capital	0.4	0.4	0.4	0.4	0.1
Share premium reserve	190.7	190.7	190.7	190.7	–
Statutory reserve	26.0	26.0	26.0	26.0	26.0
Translation reserve	–68.5	–38.2	–54.9	–30.1	–6.8
Other contributed capital	1,074.0	1,074.0	1,074.0	1,074.0	677.6
Retained earnings	4,310.4	4,054.8	4,054.8	3,854.0	3,704.5
Profit for the period	49.0	46.1	255.6	200.8	209.8
Equity attributable to owners of the parent company	**5,582.1**	**5,353.8**	**5,546.6**	**5,315.8**	**4,611.4**
Non controlling interest	–	–	–	60.4	–
Total equity	**5,582.1**	**5,353.8**	**5,546.6**	**5,376.2**	**4,611.4**
TOTAL EQUITY AND LIABILITIES	**36,444.8**	**36,631.4**	**37,170.8**	**34,226.2**	**26,712.9**

Consolidated cash flow statement

	For the three months ended 31 March		For the year ended 31 December		
SEK million	**2025**	**2024**	**2024**	**2023**	**2022**
Operating activities					
Operating profit	81.2	61.0	393.6	276.1	264.1
Adjustments for non-cash items in operating activities					
Depreciation and amortisation	23.8	24.2	97.9	84.9	66.8
Unrealised changes in value	47.2	–11.4	9.5	51.3	–70.7
Credit losses excluding recoveries	33.6	15.8	51.6	53.1	37.0
Accrued interest	89.1	112.5	0.6	47.2	31.6
Other	–1.6	–22.9	–60.8	56.0	13.0
Total non-cash items	**192.2**	**118.0**	**98.9**	**292.6**	**77.7**
Tax paid	23.3	–50.9	–94.0	–75.3	–71.9
Cash flow from current operations before changes to operating assets and liabilities	**296.7**	**128.2**	**398.6**	**493.4**	**269.9**
Cash flow from changes to operating assets and liabilities					
Increase (–)/decrease (+) of lending to the public	–841.1	–1,000.2	–2,917.9	–1,408.4	–1,783.9
Increase (–)/decrease (+) of short-term receivables	138.7	–30.8	–45.3	127.5	–202.6
Increase (–)/decrease (+) in bonds and other interest-bearing securities	–46.7	95.6	–21.0	638.2	–31.6
Increase (–)/decrease (+) in debt securities eligible for refinancing with central banks	95.9	3.3	375.0	–715.2	12.2
Increase (+)/decrease (–) of deposits from the public	–515.2	518.1	2,813.5	2,471.0	2,826.6
Increase (+)/decrease (–) of short-term liabilities	78.8	–3.7	–328.9	–64.6	354.2
Cash flow from operating activities	**–792.9**	**–289.4**	**273.9**	**1,541.9**	**1,444.8**
Investing activities					
Acquisition of shares in associates	–	–	–	–37.9	–
Acquisition of business, after deduction for cash and cash equivalents	–	–	–	–355.6	–
Investments in other intangible assets	–8.1	–18.4	–53.5	–71.4	–53.7
Investments in tangible assets	–0.1	–1.2	–3.6	–7.0	–17.6
Sale of subsidiary	–	38.5	53.4	–	–
Cash flow from investing activities	**–8.2**	**19.0**	**–3.7**	**–471.8**	**–71.3**
Financing activities					
Dividend paid to shareholders	–	–	–	–	–300.0
Dividend received	–	–	–	–	2.3
Share issue	–	–	–	191.0	–
Issue of debt securities	–12.4	1,744.8	410.1	–	–
Repayment of debt securities	–	–	–	–822.8	–384.0
Repayment of AT1 capital	–	–58.4	–59.9	–	–
Amortisation of lease liability	–6.3	–8.0	–26.7	–	–
Cash flow from financing activities	**–18.8**	**1,678.3**	**323.5**	**–691.8**	**–681.7**
NET CASH FLOW FOR THE PERIOD	**–819.8**	**1,407.9**	**593.8**	**378.3**	**691.7**

	For the three months ended 31 March		For the year ended 31 December		
SEK million	**2025**	**2024**	**2024**	**2023**	**2022**
Liquid funds at beginning of the period	**3,173.0**	**2,558.5**	**2,558.5**	**2,203.6**	**1,520.5**
Currency difference in liquidity	**–100.5**	**–26.2**	**20.7**	**–23.4**	**–8.6**
LIQUID FUNDS END OF THE PERIOD	**2,252.7**	**3,940.2**	**3,173.0**	**2,558.5**	**2,203.6**
of which cash and balances at central banks	*772.5*	*2,224.1*	*604.7*	*1,044.7*	*501.7*
of which lending to credit institutions	*1,480.2*	*1,716.0*	*2,568.4*	*1,513.8*	*1,701.9*
Cash flow includes interest receipts of	**564.8**	**555.8**	**2,716.8**	**1,979.9**	**1,312.9**
Cash flow includes interest payments of	**–328.9**	**–329.8**	**–1,277.2**	**–809.5**	**–315.4**

Key operating measures

Below, Enity presents certain key operating measures, including certain key operating metrics and ratios that are not measures of financial performance or financial position under IFRS Accounting Standards (alternative performance measures, APMs). Please refer to *"Presentation of financial and other information–Alternative Performance Measures (non-IFRS measures)"* for additional information. The alternative performance measures have not been audited.

	As of and for the three months ended 31 March		As of and for the year ended 31 December		
SEK million (unless otherwise stated)	**2025**	**2024**	**2024**	**2023**	**2022**
RoTE (%)[1]	7.7%	7.9%	10.5%	11.2%	12.2%
Adjusted RoTE (%)[1]	16.0%	15.0%	16.6%	17.3%	16.6%
Adjusted RoRC (%)	17.3%	16.5%	18.2%	18.9%	19.8%
Lending to the public[1]	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
Lending to the public at amortised cost[1]	27,552.0	25,888.5	27,170.6	24,892.3	19,334.9
Lending to the public at amortised cost, gross[1]	27,725.0	26,048.5	27,331.4	24,995.9	19,394.9
Organic lending growth (%)[1]	7.3%	11.3%	10.0%	4.4%	11.0%
Loans-to-deposits ratio (%)[1]	131.0%	128.7%	124.3%	127.7%	153.7%
Net interest margin (%)[1]	4.1%	4.0%	4.1%	4.5%	4.8%
Net credit losses[1]	–31.7	–12.7	–41.0	–48.0	–28.1
Credit loss ratio (%)[1]	0.22%	0.23%	0.16%	0.24%	0.15%
Realised losses/average lending to the public at amortised cost (%)[1]	0.25%	0.20%	0.14%	0.10%	0.04%
Stage 3 ratio (%)[1]	6.8%	4.5%	5.6%	4.1%	1.9%
Cost of funding (%)[1]	4.3%	4.5%	4.6%	3.8%	1.6%
CET1[2]	2,503.2	2,236.6	2,472.7	2,002.8	1,624.0
CET1 ratio (%)[2]	17.3%	16.4%	16.7%	15.5%	17.0%
Total capital ratio[2]	19.2%	16.7%	18.7%	16.0%	17.0%
Leverage ratio[2]	7.3%	6.5%	7.1%	6.4%	6.8%
C/I ratio (%)[1]	62.6%	73.2%	61.5%	67.5%	67.9%
Adjusted C/I ratio (%)[1]	47.1%	55.4%	51.5%	56.2%	57.3%
Risk adjusted C/I ratio (%)[1]	57.6%	60.0%	55.1%	61.0%	60.4%
Total operating income[1]	301.7	275.1	1,130.3	997.0	910.0
Adjusted total operating expenses[1]	142.2	152.5	582.1	560.6	521.5
Adjusted profit before credit losses[1]	159.5	122.6	548.5	436.4	388.5
Adjusted operating profit[1]	127.8	109.9	507.4	388.4	360.4
Adjusted operating profit less tax[1]	101.5	87.3	402.9	308.4	286.2
Basic earnings per share (SEK)[3]	0.98	0.90	5.09	12.80	16.78

1) Alternative performance measure (non IFRS-measure).
2) Key metric in accordance with the Capital Requirements Regulation (EU) 575/2013 (CRR).
3) Adjusted to reflect a share split carried out in May 2025.

Definitions of key operating metrics and reconciliation of alternative performance measures

Definitions

Measure	Definition	Reason for use
Adjusted C/I ratio (%)	Adjusted total operating expenses in relation to adjusted total operating income. Total operating expenses are adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs. Total operating income is adjusted for items affecting comparability.	Used by management to assess the operational efficiency, after amortisations of surplus values from acquisitions (incl. goodwill) and after adjustments for items affecting comparability between periods.
Adjusted operating profit	Operating profit adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs.	Used by management to assess the financial performance, after amortisations of surplus values from acquisitions (incl. goodwill) and after adjusting for items affecting comparability between periods.
Adjusted operating profit less tax	Operating profit adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs less tax (tax rate 20.6 per cent).	Used by management to assess the financial performance, after amortisations of surplus values from acquisitions (incl. goodwill) and after adjusting for items affecting comparability between periods adjusted for tax.
Adjusted profit before credit losses	Profit before credit losses adjusted for items affecting comparability, amortisation of surplus values from acquisitions, impairment, including net loss from scrapping of intangible assets, and restructuring costs.	Used by management to assess the financial performance, after amortisations of surplus values from acquisitions (incl. goodwill) and after adjusting for items affecting comparability between periods.
Adjusted RoRC (%)	Adjusted operating profit less tax (tax rate 20.6 per cent) in relation to average required capital. For quarters, the adjusted net profit is annualised by multiplying the amount for the quarter by four. Average required capital is calculated as average risk weighted exposure amount times a given capital level of 16 per cent. Average risk weighted exposure amount is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to assess the profit generation in relation to the average required capital consumed by the actual average risk weighted exposures.
Adjusted RoTE (%)	Adjusted operating profit less tax (tax rate 20.6 per cent) attributable to shareholders in relation to average tangible equity excluding additional tier 1 instruments (AT1 instruments). For quarters, the adjusted operating profit is annualised by multiplying the amount for the quarter by four. Tangible equity excluding AT1 instruments is calculated as total equity less goodwill and intangible assets relating to acquisitions and AT1 instruments. Average tangible equity is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to assess the return generated in relation to the net assets excluding acquisition related surplus values such as goodwill and intangible assets relating to acquisitions.
Adjusted total operating expenses	Total operating expenses adjusted for items affecting comparability, amortisation of surplus values from acquisitions and impairment, including net loss from scrapping of intangible assets, and restructuring costs.	Used by management to assess the total operating expenses between periods adjusted for items affecting comparability.
C/I ratio (%)	Total operating expenses in relation to total operating income.	Used by management to follow the cost to income ratio in order to assess operational efficiency.
CET1	Common Equity Tier 1 capital comprises share capital, paid-in capital, retained earnings and other reserves of the companies included in the consolidated situation.	Regulatory required and used by management to measure capital availability and financial strength.
CET1 ratio (%)	CET1 in relation to total risk-weighted amount.	Regulatory required and used by management to measure the financial strength by comparing capital availability with risk-weighted amounts.

Measure	Definition	Reason for use
Cost of funding (%)	Interest expenses in relation to average funding base. For quarters, the interest expenses are annualised by multiplying the amount for the quarter by four. Funding base consists of deposits from the public and issued bonds and the average is calculated as the average of the opening and closing balances for the year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to measure the effectiveness of the funding operations and the development in cost of funding.
Credit loss ratio (%)	Net credit losses last twelve months ("**LTM**") in relation to average lending to the public at amortised cost LTM. Average lending to the public at amortised cost LTM is calculated as the average of the opening and closing balance each respective year/twelve month period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to measure the effectiveness of the credit assessment process and the credit risk development.
Items affecting comparability	Items that are reported separately due to their nature and amount.	Items affecting comparability are used by management to explain variations in historical profitability. Separate reporting and specification of items affecting comparability enables the users of the financial information to understand and evaluate the adjustments made by management.
Lending to the public	Loans to individuals.	Used by management to compare the performance of the lending operations in comparison with comparative periods.
Lending to the public at amortised cost	Lending to the public excluding lending to the public held at fair value.	Used by management to compare the performance of the lending operations in comparison with comparative periods.
Lending to the public at amortised cost, gross	Lending to the public before provisions excluding lending to the public held at fair value.	Used by management to compare the performance of the lending operations before provisions in comparison with comparative periods.
Leverage ratio	Tier 1 capital divided by exposure amount (as calculated according to the Capital Requirements Regulation (EU) 575/2013 (CRR)).	Regulatory measure used by management to ensure the company's compliance to requirements.
Loans-to-deposits ratio (%)	Lending to the public in relation to deposits from the public.	Used by management to measure the share of deposits to fund the lending operations.
Net credit losses	Credit impairments (net) and write-off losses, change in provisions and recoveries. Presented as Credit losses net in the consolidated income statement.	Used by management to measure the effectiveness of the credit assessment process and the credit risk development.
Net interest margin (%)	Net interest income in relation to average lending to the public. For quarters, the net interest income is annualised by multiplying the amount for the quarter by four. Average lending to the public is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management as a performance measure to analyse the margin in the lending to the public.
Organic lending growth (%)	Growth in lending to the public excluding acquisitions and divestments during the last twelve months, compared to lending to the public the same period last year.	Used by management to measure the organic growth in the loan portfolio, excluding effects from acquisitions and divestments.
Realised losses/ average lending to the public at amortised cost (%)	Actual credit losses less recoveries of previous losses in relation to average lending to the public at amortised cost. For quarters, the actual credit losses less recoveries are annualised by multiplying the amount for the quarter by four. Average lending to the public at amortised cost is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to measure the effectiveness of the credit assessment process and the credit risk development.

Measure	Definition	Reason for use
Risk adjusted C/I ratio (%)	Adjusted total operating expenses plus net credit losses in relation to adjusted total operating income.	Used by management to follow the C/I ratio between periods adjusted for items affecting comparability in order to assess operational and credit underwriting efficiency.
RoTE (%)	Operating profit less tax attributable to shareholders in relation to average tangible equity excluding additional tier 1 instruments (AT1 instruments). For quarters, the operating profit less tax is annualised by multiplying the amount for the quarter by four. Tangible equity excluding AT1 instruments is calculated as total equity less goodwill and intangible assets relating to acquisitions and AT1 instruments. Average tangible equity is calculated as the average of the opening and closing balance each respective year/period end. 2023 average has been adjusted for the acquisition of Bank2 in Norway on 31 October 2023.	Used by management to assess the return generated in relation to the net assets excluding acquisition related surplus values such as goodwill and intangible assets relating to acquisitions.
Stage 3 ratio (%)	Loans classified as stage 3 in relation to lending to the public before provisions, less equity release loans.	Used by management to assess the credit risk development and to assess the adequacy of the credit assessment process.
Total capital ratio	Total eligible own funds divided by risk exposure amount (as calculated according to the to the Capital Requirements Regulation (EU) 575/2013 (CRR)).	Regulatory required and used by management to measure capital availability and financial stability.
Total operating income	The net income generated by the operations. Includes net interest income, net commission income, net gains and losses from financial transactions, the result from shares in associated companies and joint ventures and other operating income.	Used by management to assess the financial performance before operating expense, credit losses and tax.

Reconciliation of alternative performance measures

SEK million (unless otherwise stated)	For the three months ended 31 March		For the year ended 31 December		
RoTE (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Operating profit	81.2	61.0	393.6	276.1	264.1
(–) Tax	–32.1	–14.9	–138.1	–75.3	–54.2
Profit for the period	**49.0**	**46.1**	**255.6**	**200.8**	**209.8**
Annualised profit for the period	**196.2**	**184.3**			
Average tangible equity	**2,544.4**	**2,330.2**	**2,431.6**	**1,785.5**	**1,719.7**
RoTE (%)	**7.7%**	**7.9%**	**10.5%**	**11.2%**	**12.2%**

	As of 31 March		As of 31 December			
Tangible Equity	**2025**	**2024**	**2024**	**2023**	**2022**	**2021**
Total equity	5,582.1	5,353.8	5,546.6	5,376.2	4,611.4	4,710.1
(–) Goodwill	–2,667.4	–2,669.1	–2,668.7	–2,670.5	–2,593.1	–2,593.1
(–) Intangible assets from acquisitions	–350.1	–363.1	–353.6	–366.8	–343.5	–352.3
Tangible Equity	**2,564.6**	**2,321.6**	**2,524.3**	**2,338.9**	**1,674.8**	**1,764.7**

	As of 31 March		As of 31 December		
Average tangible equity	**2025**	**2024**	**2024**	**2023**	**2022**
Tangible equity – Opening balance	2,524.3	2,338.9	2,338.9	1,674.8	1,764.7
Tangible equity – Closing balance	2,564.6	2,321.6	2,524.3	2,338.9	1,674.8
Average tangible equity	**2,544.4**	**2,330.2**	**2,431.6**	**1,785.5*)**	**1,719.7**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average tangible equity from the acquisition is a decrease of SEK 221.4 million.

	For the three months ended 31 March		For the year ended 31 December		
Adjusted RoTE (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Operating profit	81.2	61.0	393.6	276.1	264.1
(+) Items affecting comparability	38.4	8.5	49.3	82.9	78.0
Acquisition, integration and divestment	6.4	8.5	47.4	81.3	1.4
Strategic overview	32.0	–	1.9	1.6	76.7
(+) Amortisation of surplus values from acquisitions	3.0	2.2	11.4	8.8	8.8
(+) Impairment and loss from scrapping	–	–	–	6.6	3.6
(+) Restructuring	5.2	38.2	53.1	13.9	6.0
(–) Tax	–26.3	–22.6	–104.5	–80.0	–74.3
Adjusted operating profit less tax	**101.5**	**87.3**	**402.9**	**308.4**	**286.2**
Annualised adjusted operating profit less tax	**405.9**	**349.2**			
(÷) Average tangible equity	**2,544.4**	**2,330.2**	**2,431.6**	**1,785.5**	**1,719.7**
Adjusted RoTE (%)	**16.0%**	**15.0%**	**16.6%**	**17.3%**	**16.6%**

	As of 31 March		As of 31 December		
Loans to deposits ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Lending to the public	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
(÷) Deposits from the public	22,377.3	21,210.9	23,202.9	20,513.1	13,239.1
Loans to deposits ratio (%)	**131.0%**	**128.7%**	**124.3%**	**127.7%**	**153.7%**

Net interest margin (%)	For the three months ended 31 March 2025	For the three months ended 31 March 2024	For the year ended 31 December 2024	For the year ended 31 December 2023	For the year ended 31 December 2022
Net interest income	298.4	270.9	1,114.7	959.3	921.2
Annualised net interest income	1,193.5	1,083.6			
(÷) Average lending to the public	29,071.2	26,756.9	27,518.7	21,518.8	19,339.7
Net interest margin (%)	**4.1%**	**4.0%**	**4.1%**	**4.5%**	**4.8%**

Average lending to the public	As of 31 March 2025	As of 31 March 2024	As of 31 December 2024	As of 31 December 2023	As of 31 December 2022
Lending to the public – Opening balance	28,832.4	26,205.1	26,205.1	20,346.3	18,333.1
Lending to the public – Closing balance	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
Average lending to the public	**29,071.2**	**26,756.9**	**27,518.7**	**21,518.8*)**	**19,339.7**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public from the acquisition is a decrease of SEK 1,756.9 million.

Lending to the public at amortised cost	As of 31 March 2025	As of 31 March 2024	As of 31 December 2024	As of 31 December 2023	As of 31 December 2022	As of 31 December 2021
Lending to the public	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3	18,333.1
(–) Lending to the public at fair value	–1,758.0	–1,420.1	–1,661.8	–1,312.8	–1,011.4	–542.3
Lending to the public at amortised cost	**27,552.0**	**25,888.5**	**27,170.6**	**24,892.3**	**19,334.9**	**17,790.8**

Average lending to the public at amortised cost	As of 31 March 2025	As of 31 March 2024	As of 31 December 2024	As of 31 December 2023	As of 31 December 2022
Lending to the public at amortised cost – Opening balance	27,170.6	24,892.3	24,892.3	19,334.9	17,790.8
Lending to the public at amortised cost – Closing balance	27,552.0	25,888.5	27,170.6	24,892.3	19,334.9
Average lending to the public at amortised cost	**27,361.3**	**25,390.4**	**26,031.5**	**20,356.7*)**	**18,562.9**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public at amortised cost from the acquisition is a decrease of SEK 1,756.9 million.

Lending to the public at amortised cost, gross	For the three months ended 31 March 2025	For the three months ended 31 March 2024	For the year ended 31 December 2024	For the year ended 31 December 2023	For the year ended 31 December 2022
Lending to the public	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
(+) ECL provisions	173.0	160.0	160.8	103.6	60.0
(–) Lending to the public at fair value	–1,758.0	–1,420.1	–1,661.8	–1,312.8	–1,011.4
Lending to the public at amortised cost, gross	**27,725.0**	**26,048.5**	**27,331.4**	**24,995.9**	**19,394.9**

	For the three months ended 31 March		For the year ended 31 December		
Credit loss ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Credit losses, net (LTM)	**60.0**	**49.5**	41.0	48.0	28.1
Lending to the public at amortised cost – 31 March 2023		18,845.2			
Lending to the public at amortised cost – 31 March 2024	25,888.5	25,888.5			
Lending to the public at amortised cost – 31 March 2025	27,552.0				
(÷) Average lending to the public at amortised cost (LTM)	26,720.3	21,838.5*)	26,031.5	20,356.7*)	18,562.9
Credit loss ratio (%)	**0.22%**	**0.23%**	**0.16%**	**0.24%**	**0.15%**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public at amortised cost (LTM) from the acquisition is a decrease of SEK 1,756.9 million for 2023 and a decrease of SEK 528.4 million per 31 March 2024.

	For the three months ended 31 March		For the year ended 31 December		
Realised losses net of recoveries/average lending to the public at amortised cost (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Actual credit losses	19.3	15.4	47.9	25.3	15.9
(–) Recoveries on previous losses	–2.0	–2.8	–10.6	–5.2	–8.9
Realised losses net of recoveries	**17.3**	**12.6**	**37.3**	**20.1**	**6.9**
Annualised realised losses net of recoveries	69.3	50.5			
(÷) Average lending to the public at amortised cost	27,361.3	25,390.4	26,031.5	20,356.7	18,562.9
Realised losses/average lending to the public at amortised cost (%)	**0.25%**	**0.20%**	**0.14%**	**0.10%**	**0.04%**

	As of 31 March		As of 31 December		
Stage 3 ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Stage 3 loans	1,873.0	1,173.5	1,517.7	1,019.7	372.8
(÷) Lending to the public at amortised cost, gross	27,725.0	26,048.5	27,331.4	24,995.9	19,394.9
Stage 3 ratio (%)	**6.8%**	**4.5%**	**5.6%**	**4.1%**	**1.9%**

	For the three months ended 31 March		For the year ended 31 December		
Cost of funding (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Interest expense	328.9	332.0	1,353.8	849.3	328.9
Annualised interest expense	1,315.8	1,327.9			
(÷) Average funding base	30,716.9	29,316.7	29,616.2	22,514.3	20,172.5
Cost of funding (%)	**4.3%**	**4.5%**	**4.6%**	**3.8%**	**1.6%**

	As of 31 March		As of 31 December			
Funding base	**2025**	**2024**	**2024**	**2023**	**2022**	**2021**
Deposits from the public	22,377.3	21,210.9	23,202.9	20,513.1	13,239.1	10,426.0
(+) Debt securities in issue	7,920.1	9,326.5	7,933.5	7,583.0	8,158.9	8,521.1
Funding base	**30,297.4**	**30,537.4**	**31,136.3**	**28,096.0**	**21,398.0**	**18,947.1**

	As of 31 March		As of 31 December		
Average funding base	**2025**	**2024**	**2024**	**2023**	**2022**
Funding base – Opening balance	31,136.3	28,096.0	28,096.0	21,398.0	18,947.1
Funding base – Closing balance	30,297.4	30,537.4	31,136.3	28,096.0	21,398.0
Average funding base	**30,716.9**	**29,316.7**	**29,616.2**	**22,514.3*)**	**20,172.5**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average funding base from the acquisition is a decrease of SEK 2,232.7 million.

	For the three months ended 31 March		For the year ended 31 December		
C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total operating expenses	188.9	201.4	695.6	672.9	617.8
Total operating income	301.7	275.1	1,130.3	997.0	910.0
C/I Ratio (%)	**62.6%**	**73.2%**	**61.5%**	**67.5%**	**67.9%**

	For the three months ended 31 March		For the year ended 31 December		
Adjusted C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total operating expenses	188.9	201.4	695.6	672.9	617.8
(–) Items affecting comparability	–38.4	–8.5	–49.0	–82.9	–78.0
Acquisition, integration and divestment	–6.4	–8.5	–47.1	–81.3	–1.4
Strategic overview	–32.0	–	–1.9	–1.6	–76.7
(–) Amortisation of surplus values from acquisitions	–3.0	–2.2	–11.4	–8.8	–8.8
(–) Impairment and loss from scrapping	–	–	–	–6.6	–3.6
(–) Restructuring	–5.2	–38.2	–53.1	–13.9	–6.0
Adjusted total operating expenses	**142.2**	**152.5**	**582.1**	**560.6**	**521.5**
Total operating income	301.7	275.1	1,130.3	997.0	910.0
(+) Items affecting comparability	–	–	0.3	0.1	–
Acquisition, integration and divestment	–	–	0.3	0.1	–
Strategic overview	–	–	–	–	–
(÷) Adjusted total operating income	**301.7**	**275.1**	**1,130.6**	**997.0**	**910.0**
Adjusted C/I ratio (%)	**47.1%**	**55.4%**	**51.5%**	**56.2%**	**57.3%**

	For the three months ended 31 March		For the year ended 31 December		
Risk adjusted C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Adjusted total operating expenses	142.2	152.5	582.1	560.6	521.5
(+) Net credit losses	31.7	12.7	41.0	48.0	28.1
Risk adjusted operating expense	**173.9**	**165.2**	**623.2**	**608.6**	**549.5**
(÷) Adjusted total operating income	301.7	275.1	1,130.6	997.0	910.0
Risk adjusted C/I ratio (%)	**57.6%**	**60.0%**	**55.1%**	**61.0%**	**60.4%**

	For the three months ended 31 March		For the year ended 31 December		
Adjusted profit before credit losses	**2025**	**2024**	**2024**	**2023**	**2022**
Profit before credit losses	112.8	73.7	434.7	324.1	292.1
(+) Items affecting comparability	38.4	8.5	49.3	82.9	78.0
Acquisition, integration and divestment	6.4	8.5	47.4	81.3	1.4
Strategic overview	32.0	–	1.9	1.6	76.7
(+) Amortisation of surplus values from acquisitions	3.0	2.2	11.4	8.8	8.8
(+) Impairment and loss from scrapping	–	–	–	6.6	3.6
(+) Restructuring	5.2	38.2	53.1	13.9	6.0
Adjusted profit before credit losses	**159.5**	**122.6**	**548.5**	**436.4**	**388.5**

	For the three months ended 31 March		For the year ended 31 December		
Adjusted operating profit	**2025**	**2024**	**2024**	**2023**	**2022**
Operating profit	81.2	61.0	393.6	276.1	264.1
(+) Items affecting comparability	38.4	8.5	49.3	82.9	78.0
Acquisition, integration and divestment	6.4	8.5	47.4	81.3	1.4
Strategic overview	32.0	–	1.9	1.6	76.7
(+) Amortisation of surplus values from acquisitions	3.0	2.2	11.4	8.8	8.8
(+) Impairment and loss from scrapping	–	–	–	6.6	3.6
(+) Restructuring	5.2	38.2	53.1	13.9	6.0
Adjusted operating profit	**127.8**	**109.9**	**507.4**	**388.4**	**360.4**

	For the three months ended 31 March		For the year ended 31 December		
Adjusted operating profit less tax	**2025**	**2024**	**2024**	**2023**	**2022**
Operating profit	81.2	61.0	393.6	276.1	264.1
(+) Items affecting comparability	38.4	8.5	49.3	82.9	78.0
Acquisition, integration and divestment	6.4	8.5	47.4	81.3	1.4
Strategic overview	32.0	–	1.9	1.6	76.7
(+) Amortisation of surplus values from acquisitions	3.0	2.2	11.4	8.8	8.8
(+) Impairment and loss from scrapping	–	–	–	6.6	3.6
(+) Restructuring	5.2	38.2	53.1	13.9	6.0
Adjusted operating profit	**127.8**	**109.9**	**507.4**	**388.4**	**360.4**
(–) Tax	–26.3	–22.6	–104.5	–80.0	–74.3
Adjusted operating profit less tax	**101.5**	**87.3**	**402.9**	**308.4**	**286.2**

	For the three months ended 31 March		For the year ended 31 December		
Adjusted RoRC (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Adjusted operating profit less tax	101.5	87.3	402.9	308.4	286.2
Annualised adjusted operating profit less tax	405.9	349.2			
Average risk weighted exposure amount	14,660.4	13,252.0	13,859.7	10,214.0*)	9,020.6
(x) Required capital level	16.0%	16.0%	16.0%	16.0%	16.0%
(÷) Average required capital	**2,345.7**	**2,120.3**	**2,217.6**	**1,634.2**	**1,443.3**
Adjusted RoRC (%)	**17.3%**	**16.5%**	**18.2%**	**18.9%**	**19.8%**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023.

Organic lending growth (%)	As of 31 March 2025	As of 31 March 2024	As of 31 December 2024	As of 31 December 2023	As of 31 December 2022
Lending to the public	29,310.0	27,308.6	28,832.4	26,205.1	20,346.3
(−) Acquisitions during the last twelve months	–	−5,130.0	–	−4,954.9	–
Total lending to the public excluding acquisitions	**29,310.0**	**22,178.6**	**28,832.4**	**21,250.2**	**20,346.3**
(−) Lending to the public previous year	−27,308.6	−19,935.5	−26,205.1	−20,346.3	−18,333.1
Change in lending to the public excluding acquisitions	**2,001.4**	**2,243.1**	**2,627.2**	**903.9**	**2,013.2**
(÷) Lending to the public previous year	27,308.6	19,935.5	26,205.1	20,346.3	18,333.1
Organic lending growth (%)	**7.3%**	**11.3%**	**10.0%**	**4.4%**	**11.0%**

Segment data

	For the three months ended 31 March		For the year ended 31 December		
SEK million (unless otherwise stated)	**2025**	**2024**	**2024**	**2023**	**2022**
Net interest margin (%)					
Sweden	4.5%	4.1%	4.3%	4.7%	4.3%
Norway	3.7%	4.0%	3.8%	4.2%	5.4%
Finland	4.6%	4.4%	4.6%	4.1%	5.1%
Credit loss ratio (%)					
Sweden	0.11%	0.36%	0.19%	0.34%	0.18%
Norway	0.24%	0.05%	0.09%	0.12%	0.13%
Finland	0.33%	0.62%	0.34%	0.48%	0.45%
Adjusted C/I ratio (%)					
Sweden	44.4%	43.4%	48.1%	49.1%	54.8%
Norway	41.8%	54.0%	47.7%	54.3%	46.0%
Finland	115.0%	197.6%	141.0%	253.5%	323.8%
Adjusted RoRC					
Sweden	27.2%	21.6%	22.3%	23.3%	19.3%
Norway	17.2%	19.9%	19.3%	19.3%	29.8%
Finland	neg.	neg.	neg.	neg.	neg.

SEK million (unless otherwise stated)	For the three months ended 31 March		For the year ended 31 December			
Lending to the public	**2025**	**2024**	**2024**	**2023**	**2022**	**2021**
Sweden	12,162.4	11,808,6	12,005.9	11,479.5	11,118.7	10,483.8
Norway	15,676.5	14,424.9	15,396.6	13,802.9	8,716.5	7,629.8
Finland	1,360.0	883.4	1,309.6	738.3	511.1	219.4
Other operations and eliminations	111.1	191.7	120.2	184.4	0.0	0.1
Total lending to the public	**29,310.0**	**27,308.6**	**28,832.4**	**26,205.1**	**20,346.3**	**18,333.1**

	For the three months ended 31 March		For the year ended 31 December			
Lending to the public at amortised cost	**2025**	**2024**	**2024**	**2023**	**2022**	**2021**
Sweden	10,404.4	10,388.5	10,344.2	10,166.7	10,107.3	9,941.5
Norway	15,676.5	14,425.0	15,396.6	13,802.9	8,716.5	7,629.8
Finland	1,360.0	883.4	1,309.6	738.3	511.1	219.4
Other operations and eliminations	111.1	191.7	120.2	184.4	0.0	0.1
Total lending to the public at amortised cost	**27,552.0**	**25,888.5**	**27,170.6**	**24,892.3**	**19,334.9**	**17,790.8**

Average lending to the public	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Sweden	12,084.1	11,644.1	11,742.7	11,299.1	10,801.3
Norway	15,536.6	14,113.9	14,599.8	9,564.2*)	8,173.2
Finland	1,334.8	810.8	1,023.9	624.7	365.2
Other operations and eliminations	115.6	188.1	152.3	30.7*)	0.1
Total	**29,071.2**	**26,756.9**	**27,518.7**	**21,518.8**	**19,339.7**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public from the acquisition is a decrease of SEK 1,695.5 million in Norway and SEK 61.5 million from other operations.

Average lending to the public at amortised cost	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Sweden	10,374.3	10,277.6	10,255.4	10,137.0	10,024.4
Norway	15,536.6	14,113.9	14,599.8	9,564.2*)	8,173.2
Finland	1,334.8	810.8	1,023.9	624.7	365.3
Other operations and eliminations	115.6	188.1	152.3	30.7*)	0.1
Total	**27,361.3**	**25,390.4**	**26,031.5**	**20,356.7**	**18,562.9**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public at amortised cost from the acquisition is a decrease of SEK 1,695.5 million in Norway and SEK 61.5 million from other operations.

Sweden Net interest margin (%)	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Net interest income	136.2	118.3	505.9	527.0	464.5
Annualised net interest income	544.8	473.2			
(÷) Average lending to the public	12,084.1	11,644.1	11,742.7	11,299.1	10,801.3
Net interest margin (%)	**4.5%**	**4.1%**	**4.3%**	**4.7%**	**4.3%**

Norway Net interest margin (%)	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Net interest income	144.2	140.1	550.3	405.3	438.0
Annualised net interest income	576.9	560.4			
(÷) Average lending to the public	15,536.6	14,116.9	14,599.8	9,564.2	8,173.2
Net interest margin (%)	**3.7%**	**4.0%**	**3.8%**	**4.2%**	**5.4%**

Finland Net interest margin (%)	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Net interest income	15.5	9.0	47.4	25.8	18.8
Annualised net interest income	61.9	36.0			
(÷) Average lending to the public	1,334.8	810.8	1,023.9	624.7	365.3
Net interest margin (%)	**4.6%**	**4.4%**	**4.6%**	**4.1%**	**5.1%**

Sweden	For the three months ended 31 March		For the year ended 31 December		
Credit loss ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Credit losses, net LTM	11.2	36.8	19.4	34.1	17.7
Lending to the public at amortised cost – 31 March 2023		9,997.0			
Lending to the public at amortised cost – 31 March 2024	10,388.5	10,388.5			
Lending to the public at amortised cost – 31 March 2025	10,404.4				
(÷) Average lending to the public at amortised cost LTM	10,396.4	10,192.7	10,255.4	10,137.0	10,024.4
Credit loss ratio (%)	**0.11%**	**0.36%**	**0.19%**	**0.34%**	**0.18%**

Norway	For the three months ended 31 March		For the year ended 31 December		
Credit loss ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Credit losses, net LTM	36.3	5.9	13.4	11.8	10.8
Lending to the public at amortised cost – 31 March 2023		8,268.5			
Lending to the public at amortised cost – 31 March 2024	14,424.9	14,424.9			
Lending to the public at amortised cost – 31 March 2025	15,676,5				
(÷) Average lending to the public at amortised cost LTM	15,050.7	10,833.6*)	14,599.8	9,564.2*)	8,173.2
Credit loss ratio (%)	**0.24%**	**0.05%**	**0.09%**	**0.12%**	**0.13%**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023. The impact on the average lending to the public at amortised cost (LTM) from the acquisition is a decrease of SEK 513.0 million in Norway per 31 March 2024.

Finland	For the three months ended 31 March		For the year ended 31 December		
Credit loss ratio	**2025**	**2024**	**2024**	**2023**	**2022**
Credit losses, net LTM	3.7	4.5	3.4	3.0	1.6
Lending to the public at amortised cost – 31 March 2023		581.0			
Lending to the public at amortised cost – 31 March 2024	883.4	883.4			
Lending to the public at amortised cost – 31 March 2025	1,360.0				
(÷) Average lending to the public at amortised cost LTM	1,121.7	732.2	1,023.9	624.7	365.2
Credit loss ratio (%)	**0.33%**	**0.62%**	**0.34%**	**0.48%**	**0.45%**

Sweden	For the three months ended 31 March		For the year ended 31 December		
Adjusted C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total operating expenses	67.6	82.0	303.5	296.1	288.2
(–) Adjustments	–3.6	–26.9	–52.6	–23.5	–28.1
Adjusted total operating expenses	**64.0**	**55.1**	**250.8**	**272.7**	**260.1**
Total operating income	144.0	127.1	521.1	556.8	475.0
(–) Adjustments	–	–	–	–1.6	–
(÷) Adjusted total operating income	**144.0**	**127.1**	**521.1**	**555.2**	**475.0**
Adjusted C/I ratio (%)	**44.4%**	**43.4%**	**48.1%**	**49.1%**	**54.8%**

Norway	For the three months ended 31 March		For the year ended 31 December		
Adjusted C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total operating expenses	78.9	93.7	348.1	226.2	210.8
(–) Adjustments	–18.0	–18.0	–83.8	–3.6	–8.3
Adjusted total operating expenses	**60.9**	**75.7**	**264.4**	**222.6**	**202.5**
Total operating income	145.6	140.3	554.0	409.7	440.1
(–) Adjustments	–	–	0.3	–	–
(÷) Adjusted total operating income	**145.6**	**140.3**	**554.3**	**409.7**	**440.1**
Adjusted C/I ratio (%)	**41.8%**	**54.0%**	**47.7%**	**54.3%**	**46.0%**

Finland	For the three months ended 31 March		For the year ended 31 December		
Adjusted C/I ratio (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total operating expenses	18.3	19.8	68.0	71.9	62.3
(–) Adjustments	–	–1.9	0.3	–1.3	–1.2
Adjusted total operating expenses	**18.3**	**17.9**	**68.3**	**70.7**	**61.2**
Total operating income	15.9	9.0	48.5	27.9	18.9
(–) Adjustments	–	–	–	–	–
(÷) Adjusted total operating income	**15.9**	**9.0**	**48.5**	**27.9**	**18.9**
Adjusted C/I ratio (%)	**115.0%**	**197.6%**	**141.0%**	**253.5%**	**323.8%**

	For the three months ended 31 March		For the year ended 31 December		
Average risk weighted exposure amount	**2025**	**2024**	**2024**	**2023**	**2022**
Sweden	5,546.5	5,487.8	5,578.7	5,295.8	5,063.4
Norway	7,626.6	6,883.1	7,097.9	4,507.4*)	3,775.3
Finland	982.7	462.8	811.7	329.2	168.5
Other operations and eliminations	504.6	418.2	371.5	81.5*)	13.3
Total	**14,660.4**	**13,252.0**	**13,859.7**	**10,214.0**	**9,020.6**

*) The impact from the acquisition of Bank2 is weighted for the period from the date of acquisition of Bank2 on 31 October 2023.

Sweden	For the three months ended 31 March		For the year ended 31 December		
Adjusted RoRC (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total Operating profit	72.4	32.9	198.3	226.6	169.1
(–) Items affecting comparability	3.6	4.6	21.3	5.6	19.1
Acquisition, integration and divestment	2.0	4.6	19.4	4.0	1.4
Strategic overview	1.6	–	1.9	1.6	17.7
(–) Restructuring	–	22.3	31.3	10.6	1.3
(–) Impairment and loss from scrapping	–	–	–	5.7	1.5
(–) Amortisation of surplus values from acquisitions	–	–	–	–	6.3
(–) Less tax	–15.7	–12.3	–51.7	–51.2	–40.6
Adjusted operating profit less tax	**60.3**	**47.5**	**199.2**	**197.3**	**156.6**
Annualised adjusted operating profit less tax	**241.3**	**189.8**			
Average risk weighted exposure amount	5,546.5	5,487.8	5,578.7	5,295.8	5,063.4
(x) Required capital level	16.0%	16.0%	16.0%	16.0%	16.0%
(÷) Average required capital	**887.4**	**878.0**	**892.6**	**847.3**	**810.1**
Adjusted RoRC (%)	**27.2%**	**21.6%**	**22.3%**	**23.3%**	**19.3%**

Norway	For the three months ended 31 March		For the year ended 31 December		
Adjusted RoRC (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total Operating profit	48.2	51.0	192.5	171.7	218.4
(−) Items affecting comparability	4.5	4.0	28.0	0.4	–
Acquisition, integration and divestment	4.4	4.0	27.9	0.4	–
Strategic overview	0.1	–	0.0	–	–
(−) Restructuring	5.2	14.0	22.1	3.0	4.1
(−) Impairment and loss from scrapping	–	–	–	0.3	1.7
(−) Amortisation of surplus values from acquisitions	8.3	–	34.0	–	2.5
(−) Less tax	−13.6	−14.2	−57.0	−36.1	−46.7
Adjusted operating profit less tax	**52.6**	**54.7**	**219.6**	**139.2**	**180.1**
Annualised adjusted operating profit less tax	**210.3**	**219.0**			
Average risk weighted exposure amount	7,626.6	6,883.1	7,097.9	4,507.4	3,775.3
(x) Required capital level	16.0%	16.0%	16.0%	16.0%	16.0%
(÷) Average required capital	**1,220.3**	**1,101.3**	**1,135.7**	**721.2**	**604.0**
Adjusted RoRC (%)	**17.2%**	**19.9%**	**19.3%**	**19.3%**	**29.8%**

Finland	For the three months ended 31 March		For the year ended 31 December		
Adjusted RoRC (%)	**2025**	**2024**	**2024**	**2023**	**2022**
Total Operating profit	−4.3	−12.4	−23.0	−47.1	−45.1
(−) Items affecting comparability	–	–	0.0	0.0	0.0
Acquisition, integration and divestment	–	–	0.0	0.0	–
Strategic overview	–	–	0.0	–	0.0
(−) Restructuring	–	1.9	−0.3	0.5	0.8
(−) Impairment and loss from scrapping	–	–	–	0.7	0.3
(−) Amortisation of surplus values from acquisitions	–	–	–	–	–
(−) Less tax	0.9	2.2	4.8	9.4	9.0
Adjusted operating profit less tax	**−3.4**	**−8.3**	**−18.5**	**−36.4**	**−34.9**
Annualised adjusted operating profit less tax	**−13.7**	**−33.3**			
Average risk weighted exposure amount	982.7	462.8	811.7	329.2	168.5
(x) Required capital level	16.0%	16.0%	16.0%	16.0%	16.0%
(÷) Average required capital	**157.2**	**74.0**	**129.9**	**52.7**	**27.0**
Adjusted RoRC (%)	**neg.**	**neg.**	**neg.**	**neg.**	**neg.**


Operating and financial review

This operating and financial review should be read together with "Selected historical financial information," "Capitalisation, indebtedness and other financial information," Enity's audited consolidated financial statements as of and for the years ended 31 December 2024, 2023 and 2022, which were audited by Ernst & Young AB, as set forth in its audit report included in "Historical financial information", and Enity's unaudited consolidated financial statements as of and for the three months ended 31 March 2025, which have been reviewed by Ernst & Young AB, as set forth in its review report included in "Historical financial information". Enity's consolidated financial statements have each been prepared in accordance with IFRS Accounting Standards, the Swedish FSA's regulations and general guidelines regarding annual reports in credit institutions and securities companies (FFFS 2008:25) and IAS 34 Interim Financial Reporting, as the case may be.

The following discussion of Enity's results of operations and financial conditions contains forward-looking statements that reflect the current view of Enity and involve inherent risks and uncertainties. Enity's actual results may differ materially from those discussed in such forward-looking statements below and elsewhere in this prospectus, which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. For a discussion of some of those risks and uncertainties, see "Risk factors" and "Presentation of financial and other information –Forward-looking statements". In addition, certain industry issues also affect Enity's results of operations and are described in "Market overview".

Introduction

Enity is a specialist mortgages provider operating in the Nordic region, creating innovative and inclusive mortgage solutions for approximately 33,000 customers across Sweden, Norway and Finland. Serving its mission of responsible inclusion, Enity provides its core product offering of tailored mortgage loans in Sweden, Norway and Finland, second charge loans in Norway and equity release loans in Sweden to a customer base of borrowers who may be self-employed, hold modern employment, in need of debt consolidation, have limited or no credit history, have remarks on their credit history despite an orderly financial situation or, in the case of equity release loans, are of retirement age with relatively low current earnings and high unutilised value in their property. Enity serves its customers through a differentiated product offering across three brands: Bluestep Bank in all its geographies, Bank2 in Norway and 60plusbanken in Sweden.

Significant factors affecting the Group's results of operations and financial performance

Enity's results of operations, financial position and liquidity have been affected in the years under review, and are expected to continue to be affected, by the following significant factors relating to its business.

Loan portfolio development

As a specialist mortgage provider, Enity's primary source of revenue is interest income from its mortgage loan portfolio. Enity has significantly increased its loan portfolio, or lending to the public, which has grown from SEK 20.3 billion as at 31 December 2022, to SEK 28.8 billion as at 31 December 2024. Growth in the loan portfolio has a direct impact on total operating income, which increased over the same period from SEK 910.0 million to SEK 1,130.3 million. The growth in Enity's loan portfolio is primarily dependent on the volume and quality of new loan applications and Enity's ability to successfully leverage its branding strategy and distribution channels to convert new and retain existing customers. During the last three years, Enity has driven the growth of its loan book by optimising its distribution system, including by acquiring strategic stakes in Eiendomsfinans AS and Uno Finans AS in Norway, increasing brand awareness and identifying market potential in lower risk areas, such as with near prime risk level customers. In addition, Enity acquired Bank2, a major specialist mortgage provider in Norway, in 2023, adding 23.0 per cent to Enity's loan portfolio.

The growth and future growth potential of Enity's loan portfolio also help Enity to streamline operations and enhance scalability. As of 2024, Enity has a cloud-based and scalable banking platform and an onboarding system with a high degree of automation across the organisation. By leveraging this transformed platform, Enity can realise operational efficiencies which improve Enity's scalability, loan portfolio capacity and operational efficiency. For example, Enity's increased use of automation and centralised analytics in its onboarding process has contributed to a reduction in the lead time from application to approval from approximately 25 days in 2022 to less than 20 days in 2024, with Enity estimating a further decrease to 5 days in the medium term. Employees can also provide coverage to an increased number of customers by handling accounts on a single, integrated administrative platform, with the average number of employees reducing from 291 in 2023 to 258 in 2024, while the loan portfolio increased from SEK 26.2 billion to SEK 28.8 billion. Enity also estimates that the number of paid out loans per FTE per month will increase from 10 in 2024 to over 20 in the medium term. The applications that will not result in a payout can also be declined at an earlier stage than what has previously been possible, which in turn reduces the amount of resources spent on non-viable applications. This provides more of an opportunity to continue to scale the platform.

Product diversification also drives Enity's loan portfolio. Enity launched second charge loans in Norway in 2018, equity release loans in Sweden in 2019, and first and second charge mortgages in Finland in 2020. In order to focus its strategic direction entirely on mortgage products, Enity divested the personal loan portfolio in January 2021. In 2023, Enity acquired Bank2, the second largest specialist mortgage provider in Norway. Combined, these new products and singular focus on specialist mortgage loans have contributed to the increase in Enity's loan book over the last five years of SEK 12.7 billion.

Macroeconomic environment in the Nordic region

The global macroeconomic environment in general, and specifically the environment in the Nordic region, directly affects the demand for Enity's products, the development of Enity's loan portfolio, the availability of funding for Enity's operations, interest expenses incurred and the net interest margin earned. The Swedish, Norwegian and Finnish markets have long benefited from strong macroeconomic fundamentals. For the mortgage market, the economics of owning a home remain attractive due to a structural shortage of rental apartment supply in the Nordic region, the growth in demand for housing relative to new houses built, the current downward trajectory of interest rates, public spending measures assisting homeowners such as tax deductibility of mortgage interest, and historically strong wealth creation through homeownership (approximately 5 per cent growth per annum in property prices from 2016–2024)[1]. In addition, online banking penetration in the Nordics is high relative to other European countries[2], reflecting a technology driven financial landscape and a high level of trust in digital banking tools such as Enity's modern, technology-based platform. As a lender, Enity also benefits from strong enforcement authority for mortgage defaults and strong payment records among borrowers in the Nordic region.

The resilience of Enity in light of difficult macroeconomic conditions was exemplified during the period of persistent macroeconomic uncertainty from 2022 to 2024. Unusually large inflationary spikes in 2022 and 2023 in several EU member states (including Sweden and Finland), Norway, the United States and the United Kingdom, affected the global and Nordic macroeconomic environment by prompting rapid shifts in established monetary policies. The Swedish Central Bank raised its policy rate by 4.00 per cent in total, in large part to counteract the potential entrenchment of a high inflationary environment. Similar measures were also undertaken by the Norwegian Central Bank and the European Central Bank. The inflationary spikes directly impacted the financial circumstances of Enity's customers, and thereby the demand for Enity's loan products, by driving an increase in household costs and thereby potentially reducing the portion of income available for savings allocated to purchase new properties. Higher interest rates also led to higher interest costs for existing borrowers, which increased the risk of defaults. Despite these challenging market conditions, Enity's operations showed robust growth with a 10 per cent growth in its loan portfolio in 2024 compared to 2023. Enity limits macroeconomic exposure by, for example, hedging its interest rate risks and maintaining a liquidity reserve placed with stable parties with good credit ratings, and has continuously exhibited a CET1-ratio well above regulatory requirements.

Interest rates and funding

Enity generates interest income from its specialised mortgage products and the margins generated on its lending activities. Enity's margins are driven by the interest rates that it charges on its specialised mortgage products relative to its interest expenses, which include the cost of maintaining a liquidity reserve. Enity's margins are also affected by certain arrangement fees and commissions paid to brokers and dealer banks, that are reported under interest income and interest expenses, respectively.

Enity offers both fixed and variable interest rates to customers. Enity can adjust the available offering in response to a variety of factors, including market conditions and the Group's funding-related interest expenses, but its ability to change these rates is impacted significantly by competitive pressures, market interest rates and local regulations. Enity generally strives to optimise changes and adjustments to interest rates charged to customers resulting from changes in its interest expenses. As of 31 December 2024, approximately 65 per cent of Enity's mortgage products had variable interest rates.

The interest rates payable by Enity on retail deposits and other funding sources are also a combination of fixed and variable. With respect to interest rates on its retail deposits, Enity compares these rates to applicable reference rates and rates offered by competitors, and can adjust these rates

1) Enity's analysis of multiple sources, including Statistics Sweden, Statistics Norway and Statistics Finland.
2) International Monetary Fund and Eurostat.

in response to a variety of factors, including its liquidity and funding needs, funding diversification targets and changes in market interest rates. The interest rates on Enity's other funding sources, including MTNs and medium term covered notes issued by Enity Bank, are generally pegged to the floating reference rates, STIBOR, NIBOR, and EURIBOR, and thus have an increased exposure to changes in market interest rates. Moreover, market interest rates can affect Enity's interest rates on retail deposits, which can impact Enity's interest expenses, profitability and total operating income. While market interest rates are driven by factors outside of Enity's control, Enity has hedging strategies in place to minimise the impact of market volatility.

In addition, the availability and diversity of Enity's funding base, which includes a mix of retail deposits, covered and senior unsecured bonds, and Tier 2 instruments, directly affects Enity's interest expenses as well as its ability to develop and increase its loan portfolio. Enity is not exposed to one single source of funding and has the flexibility between currencies, capital markets, and deposits depending on need or spreads. For example, depending on market conditions, Enity can increase its use of retail deposits, MTNs and covered bonds to diversify its funding base.

Retail deposits are a flexible source of funding for Enity, as Enity is able to manage inflows and outflows and the maturity profile of the deposit book by adjusting rates offered on deposits. Daily changes in deposit flows have historically been very limited when compared to the total deposit portfolio. The deposit products Enity offers range from instant access to longer term savings products. In adjusting the interest rates on its retail deposits, Enity evaluates the competitive pressures for deposits and anticipates outflows of retail deposits following any reductions in interest rates offered on its retail deposits. In addition, Enity analyses the impact that any resulting reduction of retail deposits will have on its overall interest expenses and its liquidity.

The cost of Enity's funding is presented in the table below.

%	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Cost of funding[1)]	4.3	4.5	4.6	3.8	1.6
Illustrative STIBOR reference rate[2)]	2.36	4.03	2.54	4.05	2.70
Illustrative NIBOR reference rate[2)]	4.57	4.73	4.68	4.73	3.26
Illustrative EURIBOR reference rate[2)]	2.34	3.89	2.71	3.91	2.13

1) Cost of funding is calculated as a percentage of the average of the closing balance and the opening balance of the mortgage portfolio. Cost of funding consists of: liabilities to credit institutions, deposits from the public, derivatives, and issued bonds (including Tier 2 instruments).
2) 3-month STIBOR, NIBOR and EURIBOR average rates as of such date, solely for comparative purposes.

Credit risk management

Enity seeks to mitigate the impact of credit losses on its financial performance by employing a robust underwriting process that combines both personal and automated processes to assess the quality of its customers, including their future payment ability. For example, Enity has recently transformed its operating platform such that all customer data is consolidated and analytics can be more efficiently utilised in customer assessments and risk scoring. In addition, a thorough and independent valuation of the property is conducted so that Enity has a clear view of the collateral securing the mortgage. Development of Enity's underwriting criteria and risk management procedures can also directly impact the quality of Enity's loan portfolio, which is a primary driver of Enity's credit losses.

Enity further seeks to manage credit losses during the collection phase. If a loan becomes delinquent, Enity typically seeks an amicable solution with the customer. If such a solution is not successful, enforcement procedures are initiated. While Enity's credit losses are still affected by factors outside of its control such as macroeconomic conditions, environmental changes, customer behaviour and regulations governing the collections process, its approach to credit risk management procedures helps Enity identify risks early and thereby limiting credit losses.

From 2022 to 2024, the credit loss ratio remained stable at 0.15 per cent in 2022 to 0.16 per cent in 2024, with an average of 0.18 per cent during the period. Enity's net credit losses amounted to SEK 28.1 million, SEK 48.0 million and SEK 41.0 million for the years ended 31 December 2022, 2023 and 2024, respectively. Enity expects the credit loss ratio to remain around current levels for the medium term. In addition, for the years ended 31 December 2022, 2023 and 2024, Enity's net interest margin was approximately 4.76 per cent, 4.46 per cent and 4.05 per cent, respectively, with an expectation that the net interest margin will be in the range of 3.5–4.0 per cent within the medium term.

The level of credit losses experienced by Enity is affected by various other factors, including, but not limited to:

- the mix of loan risk grades of Enity's loan portfolio;
- the policies and routines for managing credit risks;
- the development of collateral values;
- the effectiveness and efficiency of Enity's management of debt collection;
- factors outside Enity's control, including macroeconomic conditions; and
- the accounting principles used, including Enity's methods for impairment and, write-off policies.

The table below sets forth a breakdown of Enity's net credit losses and credit loss ratio by operating segment for the years ended 31 December 2024, 2023, and 2022, and the three months ended 31 March 2025 and 31 March 2024:

Net credit losses (SEK million)	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Sweden	–4.0	–12.2	–19.4	–34.1	–17.7
%[1]	0.11	0.36	0.19	0.34	0.18
Norway	–18.5	4.4	–13.4	–11.8	–10.8
%[1]	0.24	0.05	0.09	0.12	0.13
Finland	–1.9	–1.6	–3.4	–3.0	–1.6
%[1]	0.33	0.62	0.34	0.48	0.45
Other operations	–7.2	–1.0	–4.8	0.9	2.1
Eliminations	0.0	–2.2	–	–	–
Total	**–31.7**	**–12.7**	**–41.0**	**–48.0**	**–28.1**
Credit loss ratio (%)	**0.22**	**0.23**	**0.16**	**0.24**	**0.15**

1) Credit loss ratio.

Cost effectiveness and operating expenses

Enity seeks to implement a centralised business model to the greatest extent possible across the markets in which it operates, providing economies of scale and increased efficiency of operations. Enity operates primarily from a centralised hub located at its headquarters in Stockholm, Sweden, with front-end staff in Norway and Finland operating to cater to local regulations and market practice. Enity's primary investments since 2019 have been in its IT development, product and geographic expansion, and mergers and acquisitions. For example, Enity has invested in a fully cloud-based IT platform that allows for swift integration and implementation across brands and countries.

As a result of Enity's efforts to improve its cost effectiveness while expanding total operating income, its adjusted C/I ratio[1] has decreased from 57.3 per cent in 2022 to 51.5 per cent in 2024. Enity expects that the adjusted C/I ratio will further decrease as a result of scalability and growth, to a level of 40–42 per cent in the medium term.

Enity's key operating expenses include general administrative expenses, which include scalable costs relating to personnel, marketing, and its IT platform and infrastructure, and other variable operating expenses. Enity strives to proactively control recurring costs, which include marketing expenses and costs relating to the administration of the loan portfolio. Adjusting for items affecting comparability, Enity's adjusted total operating expenses increased from SEK 521.5 million in 2022 to SEK 582.1 million in 2024.

Including items affecting comparability, Enity's total operating expenses have increased from SEK 617.8 million in 2022 to SEK 695.6 million in 2024. In 2022, the items affecting comparability primarily consisted of SEK 76.7 million in connection with a strategic review to explore strategic alternatives for Enity. In 2023, Enity completed the acquisition of Bank2, which resulted in transaction costs of SEK 46.3 million and integration costs of SEK 20.1 million. In 2024, Bank2 was legally, operationally and technically integrated with Enity, which resulted in SEK 42.0 million in associated costs. Enity have reduced FTEs by 73 during 2024, for which severance costs of SEK 53.1 million have been incurred as part of an internal restructuring.

Competition and regulatory considerations

The mortgage market in the Nordic region is in general dominated by mainly high-street banks and a few prime mortgage lenders with limited risk appetite and which are focused on individuals with standard credit profiles. The specialist mortgage segment, which is Enity's primary market, is relatively underpenetrated and exhibits a growth trajectory.[2] Enity's results of operations depend, for example, on how well it differentiates itself from its competitors. In order to set its offerings and services apart from those of other players in the specialist mortgage segment, Enity primarily focuses on refining its branding and marketing strategy as well as its efficient personalised, bespoke underwriting process. Generally, Enity's products face pricing competition, which can have an adverse effect on margins and the growth of Enity's loan portfolio. Enity seeks to maintain its market position by increasing brand awareness and market penetration through a combination of brokers and direct channel marketing.

In addition, Enity's results of operations are affected by a number of laws and regulations in the jurisdictions in which it operates. Enity is subject to regulatory and compliance requirements relating to labour, licence requirements, consumer credit and protection, debt collection, default interest calculations, statutes of limitation, data protection, anti-corruption, anti-money laundering, tax and VAT, antitrust and administrative actions and other regulatory regimes. See also "*Regulatory overview*".

The industry in which Enity operates is subject to regulatory change and, as a regulated financial institution, Enity's internal control, risk management, compliance and governance functions are subject to oversight by the Swedish FSA.

1) See "*Selected historical financial Information–Key operating measures*".
2) See "*Presentation of financial and other information–Industry and market data*" and "*Market overview*".

Enity's Senior Management Team believes that Enity may have to make, from time to time, investments in order to remain in compliance with anticipated regulatory changes, and as such Enity takes steps to prepare for anticipated changes in law and applicable regulations.

Foreign currency effects

Changes in foreign exchange rates between SEK (the Company's reporting currency and the currency in which its capital base is denominated) and NOK and EUR affect the Company's results of operations. The Company's loan portfolio is comprised of loans that are denominated in SEK, NOK and EUR, and its funding base is also denominated in SEK, NOK and EUR. The foreign exchange rates impact the translation of assets and liabilities into SEK. Enity strives to limit currency exposures via natural hedges and derivative instruments are also used to the extent needed to achieve the desired currency matching. To limit fluctuations in capital ratios due to currency movements, Enity keeps an open foreign exchange position. The exchange rates between NOK, EUR and SEK have fluctuated significantly and may fluctuate significantly in the future. For example, for the year ended 31 December 2024, portfolio development was reduced by SEK 257.3 million from the weakening of the NOK.

For the year ended 31 December 2024, 46.1 per cent of Enity's total operating income was generated in SEK, 49.0 per cent in NOK and 4.3 per cent in EUR.[1] If the currencies to which Enity had exposure as of 31 December 2024, respectively, would have weakened or strengthened by 10 per cent on average against the SEK, everything else being equal, Enity's consolidated earnings before tax for the year ended 31 December 2024 would have increased or decreased by SEK 105.3 million. In addition, for the year ended 31 December 2024, Enity recorded translation differences of foreign operations affecting its other comprehensive income in the amount of SEK –35.5 million, as compared to SEK –55.7 million for the year ended 31 December 2023.

Consolidated statement of comprehensive income line items

The following section presents the Group's statement of comprehensive income line items derived from the Group's financial statements and interim financial statements.

Description of principal statement of comprehensive income items

Descriptions of certain principal statement of comprehensive income items are set forth below. These descriptions must be read in conjunction with the significant accounting policies in this section and in the notes to the Group's financial statements and interim financial statements.

Interest income calculated using the effective interest method

Interest income calculated using the effective interest method refers to the interest income generated from Enity's mortgage portfolio, as well as interest generated from lending to credit institutions and investments in interest-bearing securities. Interest income (including interest income on impaired assets) is accounted for using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts over the expected term of the financial instrument, or where appropriate, a shorter period, to the financial asset or financial liability's net worth.

Other interest income

Other interest income refers to interest income mainly generated from equity release loans, government bonds, and covered bonds.

Interest expenses

Interest expenses refer to the expenses related to funding, such as interest paid for deposits from the general public, as well as costs of financing activities of the Group, such as debt to credit institutions, issued debt securities and subordinated liabilities. It includes interest expenses calculated using the effective interest method which reflects, where appropriate, accrued amounts of fees received, that are included in the effective rate, transaction costs and any discounts, premiums and other differences between the original value of the receivable/liability and the amount settled on maturity.

Commission income/expenses

Commission income/expenses consist of transaction-based fees which are recognised when the transaction is executed. Accruals are made to the period to which the income or expense relates.

Net gains and losses from financial transactions

Financial transactions include the realised and unrealised changes in value arising on account of financial transactions, instruments included in fair value hedges, any ineffectiveness in hedging relationships, as well as any foreign currency gains and losses on financial assets and financial liabilities.

Result from shares in associates and joint ventures

Result from shares in associates and joint ventures refers to the net profit from shares held in associates and joint ventures.

Other operating income

Other operating income consists of income generated from notification fees and valuation fees from lending to the general public and other operating income, unidentified deposits from customers as well as non-recurring income that is not part of the normal operating activities.

1) These percentages have been calculated as each region's share of total operating income in the financial year 2024.

General administration expenses
General administration expenses refer to staff related costs, such as salaries and remuneration, as well as other administration expenses related to the Group's operations.

Depreciation, amortisation and impairment of tangible and intangible assets
Depreciation is recognised in profit or loss on a linear basis over the useful life of tangible assets. The expected useful life is estimated to five years. Amortisation of intangible assets is recognised in profit or loss on a linear basis over the estimated useful life of the asset. Intangible assets with a determinable useful life are amortised from the date they are available for use. The expected useful life is estimated to 5 years. Impairment testing is performed at least once a year, or if there is an indication of a permanent decline in value.

Credit losses, net
Credit losses, net, consists of actual losses from foreclosed or voluntary disposals, change in provisions for expected credit losses and recoveries from remaining debt after the property has been sold.

Tax
Tax includes current tax and deferred tax. Income taxes are recorded in the income statement unless the underlying transaction is recognised in other comprehensive results or equity.

Recent developments and trends

Following Enity's recent expansion in the Nordic market, both organically and through the strategic acquisition of Bank2, lending to the public has continued to steadily increase in line with Enity's expectations, with an increase of 1.7 per cent (or 3.0 per cent when adjusted for currency effects) from SEK 28,832 million as of 31 December 2024 to SEK 29,310 million as of 31 March 2025. Lending volume growth has persisted across all markets and the underlying markets have exhibited overall growth.

Enity has continued its transition to a cloud-based operating platform and a simplified organisation structure, which is reflected in the adjusted C/I ratio decreasing by 15.0 per cent during the three months ended 31 March 2025, as compared to the same period in 2024, from 55.4 per cent to 47.1 per cent. The decrease in Enity's C/I ratio has also contributed to the continued strengthening of adjusted operating profit less tax to SEK 101.5 million for the three months ended 31 March 2025, an increase of 16.3 per cent compared to the same period in 2024.

Enity's recent growth has been resilient in spite of continued geopolitical and economic uncertainty across the markets in which it operates. In Sweden, the inflation rate has demonstrated a trend of fluctuation, but the housing market has shown signs of recovery with increased sales and rising prices. In Norway, the Norwegian Central Bank has maintained the interest rate unchanged at the 4.5 per cent level, but housing prices have risen and the housing market is exhibiting general optimism. In Finland, the number of housing transactions remain below the long-term average, but there has been a gradual easing of the recession and declining interest rates.

Significant changes since 31 March 2025

On 5 May 2025, the Company issued additional tier 1 notes in an amount of SEK 250 million by way of a private placement with settlement on 12 May 2025 (the "**AT1 Notes**"). The AT1 Notes have a perpetual tenor with a first call option after five years, and carry a coupon of 3-month STIBOR + 7 per cent. See "*AT1 Notes*" below for additional information.

On 5 May 2025, an Extraordinary General Meeting of Enity resolved on an extraordinary dividend of SEK 250 million, with a payment date of 12 May 2025. The purpose of Enity's issuance of the AT1 Notes and the extraordinary dividend was to optimise the Group's capital structure ahead of the listing of the shares in the Company on Nasdaq Stockholm. See also "*Shares and share capital–Dividend history*".

On 6 May 2025, Enity Bank acquired the remaining 51 per cent of the shares in Eiendomsfinans AS not already held by Enity Bank, from the Main Shareholder at a purchase price of SEK 83.1 million, corresponding to market value pursuant to a third party valuation. See "*Acquisitions*" below for further information.

On 4 June 2025, Moody's Nordics (a credit rating agency established in the EU and registered under Regulation (EC) No. 1060/2009) downgraded Enity Bank's long-term deposit and issuer ratings to Baa1 from A3, while the outlook was changed to stable from negative.

Except as described above, no significant changes in the financial position or financial performance of Enity have occurred since 31 March 2025.

Operating segments

The business is divided into three segments: Mortgages Sweden, Mortgages Norway and Mortgages Finland. Mortgages Norway and Mortgages Finland are operated through each branch. The operations of Bank2 are included in the Norwegian segment. Included in other operations are products in run-off that were acquired through the acquisition of Bank2.

Comparison of results of the Group for the three months ended 31 March 2025 compared to the three months ended 31 March 2024

The following table presents selected comparative results of operations from the financial statements for the three months ended 31 March 2025 (with comparative information for the three months ended 31 March 2024):

	Three months ended 31 March	
SEK million	**2025**	**2024**
Operating income		
Interest income calculated using the effective interest method	564.9	555.8
Other interest income	62.4	47.1
Interest expenses	–328.9	–332.0
Net interest income	**298.4**	**270.9**
Commission income	–	0.2
Commission expenses	–	–0.6
Net gains/losses on financial transactions	–0.3	4.3
Result from shares in associated companies and joint ventures	0.9	–1.9
Other operating income	2.7	2.3
Total operating income	**301.7**	**275.1**
Operating expenses		
General administration expenses	–165.0	–177.1
Depreciation, amortisation and impairments of tangible and intangible assets	–23.8	–24.3
Total operating expenses	**–188.9**	**–201.4**
Profit before credit losses	**112.8**	**73.7**
Credit losses, net	–31.7	–12.7
Operating profit	**81.2**	**61.0**
Submitted group contributions	–	–
Tax	–32.1	–14.9
Profit for the period	**49.0**	**46.1**

Interest income calculated using the effective interest method

Interest income calculated using the effective interest method increased by SEK 9.1 million, or 1.6 per cent, from SEK 555.8 million for the three months ended 31 March 2024 to SEK 564.9 million for the three months ended 31 March 2025. This increase was primarily attributable to a growth in lending, where Enity's loan portfolio increased over the same period by 7.3 per cent. This increase was primarily driven by Norway, where lending increased by SEK 1,251.6 million, or 8.7 per cent, from SEK 14,424.9 million for the three months ended 31 March 2024 to SEK 15,676.5 million for the three months ended 31 March 2025. The increase in Norway was due to increased activity in the Norwegian lending market as a result of anticipated lower interest rates in 2025 as well as an increase in the mortgage ceiling from 85 per cent to 90 per cent.

Other interest income

Other interest income increased by SEK 15.3 million, or 32.6 per cent, from SEK 47.1 million for the three months ended 31 March 2024 to SEK 62.4 million for the three months ended 31 March 2025. This increase was primarily attributable to higher interest income related to hedging of interest rate risk.

Total interest income

Total interest income by operating segment is set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	277.9	273.7
Norway	358.2	316.3
Finland	43.8	25.3
Other operations	2.8	3.8
Eliminations	−55.3	−16.2
Total	**627.3**	**602.9**

Sweden – Interest income increased by SEK 4.2 million, or 1.5 per cent, from SEK 273.7 million for the three months ended 31 March 2024 to SEK 277.9 million for the three months ended 31 March 2025. This increase was attributable to an increase in volumes, where Enity's loan portfolio in Sweden increased over the same period by SEK 352.7 million or 3.0 per cent. This increase was primarily attributable to 60plusbanken, equivalent to SEK 337.9 million.

Norway – Interest income increased by SEK 41.9 million, or 13.2 per cent, from SEK 316.3 million for the three months ended 31 March 2024 to SEK 358.2 million for the three months ended 31 March 2025. This increase was primarily attributable to a growth in lending, where Enity's loan portfolio in Norway increased over the same period by 8.7 per cent. This increase was primarily attributable to increased activity in the Norwegian lending market as a result of anticipated lower interest rates in 2025 as well as an increase in the mortgage ceiling from 85 per cent to 90 per cent.

Finland – Interest income increased by SEK 18.5 million, or 73.2 per cent, from SEK 25.3 million for the three months ended 31 March 2024 to SEK 43.8 million for the three months ended 31 March 2025. This increase was primarily attributable to a continued lending growth as a result of stable demand for consolidation of debt and inflow of loan applications, where Enity's loan portfolio in Finland increased over the same period by 54.0 per cent.

Other operations – Interest income decreased by SEK 1.0 million, or 26.9 per cent, from SEK 3.8 million for the three months ended 31 March 2024 to SEK 2.8 million for the three months ended 31 March 2025.

Interest expenses

Interest expenses decreased by SEK 3.0 million, or 0.9 per cent, from SEK 332.0 million (of which SEK 330.3 million was interest expenses from financial items calculated using the effective interest method) for the three months ended 31 March 2024 to SEK 328.9 million (of which SEK 317.4 million was interest expenses from financial items calculated using the effective interest method) for the three months ended 31 March 2025. This decrease was primarily due to increased funding of the growth in lending in Norway and lower interest cost level in Sweden. Interest expenses by operating segment is set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	−141.7	−155.4
Norway	−214.0	−176.2
Finland	−28.4	−16.3
Other operations	−0.3	−0.3
Eliminations	55.3	16.2
Total	**−328.9**	**−332.0**

Sweden – Interest expenses decreased by SEK 13.7 million, or 8.8 per cent, from SEK 155.4 million for the three months ended 31 March 2024 to SEK 141.7 million for the three months ended 31 March 2025. This decrease was primarily attributable to a lower interest cost level in relation to funding.

Norway – Interest expenses increased by SEK 37.8 million, or 21.4 per cent, from SEK 176.2 million for the three months ended 31 March 2024 to SEK 214.0 million for the three months ended 31 March 2025. This increase was primarily attributable to an increase in funding for the increase in mortgage lending.

Finland – Interest expenses increased by SEK 12.1 million, or 73.9 per cent, from SEK 16.3 million for the three months ended 31 March 2024 to SEK 28.4 million for the three months ended 31 March 2025. This increase was primarily attributable to an increase in German deposits to fund the continued growth in lending.

Other operations – Interest expenses increased by SEK 0.0 million, or 4.6 per cent, from SEK 0.3 million for the three months ended 31 March 2024 to SEK 0.3 million for the three months ended 31 March 2025.

Net gains/losses on financial transactions

Net gains and losses on financial transactions decreased by SEK 4.6 million, or 106.6 per cent, from a gain of SEK 4.3 million for the three months ended 31 March 2024 to a loss of SEK 0.3 million for the three months ended 31 March 2025.

Other operating income

Other operating income increased by SEK 0.3 million, or 14.9 per cent, from SEK 2.3 million for the three months ended 31 March 2024 to SEK 2.7 million for the three months ended 31 March 2025.

Total operating income

Total operating income increased by SEK 26.6 million, or 9.7 per cent, from SEK 275.1 million for the three months ended 31 March 2024 to SEK 301.7 million for the three months ended 31 March 2025. This increase was primarily attributable to continued growth in the Norwegian mortgage lending and a lower interest cost level in Sweden. Total operating income by operating segment is set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	144.0	127.1
Norway	145.6	140.3
Finland	15.9	9.0
Other operations	3.4	5.6
Eliminations	−7.3	−6.9
Total	**301.7**	**275.1**

Sweden – Total operating income increased by SEK 16.9 million, or 13.3 per cent, from SEK 127.1 million for the three months ended 31 March 2024 to SEK 144.0 million for the three months ended 31 March 2025. This decrease was primarily attributable to an increase in 60plusbanken and mortgage lending and a lower interest cost level.

Norway – Total operating income increased by SEK 5.3 million, or 3.8 per cent, from SEK 140.3 million for the three months ended 31 March 2024 to SEK 145.6 million for the three months ended 31 March 2025. This increase was primarily attributable to a growth in lending volumes.

Finland – Total operating income increased by SEK 6.9 million, or 76.4 per cent, from SEK 9.0 million for the three months ended 31 March 2024 to SEK 15.9 million for the three months ended 31 March 2025. This increase was primarily attributable to an increase in lending volumes.

Other operations – Total operating income decreased by SEK 2.2 million, or 39.4 per cent, from SEK 5.6 million for the three months ended 31 March 2024 to SEK 3.4 million for the three months ended 31 March 2025. This decrease was primarily attributable to a decrease in lending in run-off (mainly in the corporate loan portfolio relating to the acquisition of Bank2). The run-off lending decreased by SEK 80.6 million, or 42 per cent, from SEK 191.7 million as at 31 March 2024 to SEK 111.1 million as at 31 March 2025.

General administration expenses

General administration expenses decreased by SEK 12.1 million, or 6.8 per cent, from SEK 177.1 million for the three months ended 31 March 2024 to SEK 165 million for the three months ended 31 March 2025. This decrease was primarily attributable to Enity's ongoing efforts to consolidate and increase automation in operations and the realised synergies from the acquisition of Bank2, both in actual cost and in the number of employees.

Depreciation, amortisation and impairment of tangible and intangible assets

Depreciation, amortisation and impairment of tangible and intangible assets decreased by SEK 0.5 million, or 1.9 per cent, from SEK 24.3 million for the three months ended 31 March 2024 to SEK 23.8 million for the three months ended 31 March 2025.

Total operating expenses

Total operating expenses decreased by SEK 12.6 million, or 6.2 per cent, from SEK 201.4 million for the three months ended 31 March 2024 to SEK 188.9 million for the three months ended 31 March 2025.

Profit before credit losses

Profit before credit losses increased by SEK 39.1 million, or 53.1 per cent, from SEK 73.7 million for the three months ended 31 March 2024 to SEK 112.8 million for the three months ended 31 March 2025. This increase was primarily attributable to growth in Norwegian mortgage lending together with overall lower cost related to an increase in automation and the synergies from the Bank2 acquisition. Profit before credit losses by operating segment is set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	76.4	45.1
Norway	66.7	46.6
Finland	–2.4	–10.7
Other operations	–26.0	1.2
Eliminations	–1.9	–8.5
Total	**112.8**	**73.7**

Sweden – Profit before credit losses increased by SEK 31.3 million, or 69.4 per cent from SEK 45.1 million for the three months ended 31 March 2024 to SEK 76.4 million for the three months ended 31 March 2025. This decrease was primarily attributable to increased lending in 60plusbanken and mortgage lending, a lower interest cost level, and a decrease in general administration cost as a result of further automation of processes.

Norway – Profit before credit losses increased by SEK 20.1 million, or 43.1 per cent from SEK 46.6 million for the three months ended 31 March 2024 to SEK 66.7 million for the three months ended 31 March 2025. This increase was primarily attributable to continued growth in mortgage lending and realised synergies from the Bank2 acquisition.

Finland – Profit before credit losses increased by SEK 8.3 million, or 77.7 per cent from a loss of SEK 10.7 million for the three months ended 31 March 2024 to a loss of SEK 2.4 million for the three months ended 31 March 2025. This increase was primarily attributable to strong lending growth at stable margins and an unchanged cost level.

Other Operations – Profit before credit losses decreased by 27.2 million, or 2,264.8 per cent from a profit of SEK 1.2 million for the three months ended 31 March 2024 to a loss of SEK 26.0 million for the three months ended 31 March 2025. This decrease was due to costs incurred in the first quarter of 2025 in relation to the listing on Nasdaq Stockholm.

Credit losses, net

Credit losses, net, increased by SEK 19.0 million, or 149.6 per cent, from SEK 12.7 million for the three months ended 31 March 2024 to SEK 31.7 million for the three months ended 31 March 2025. This increase was primarily due to increased provisions for Enity's run-off portfolio (SEK 7.0 million) and actual losses related to a data quality issue identified during the migration of Bank2's loan portfolio (SEK 5.0 million), both in the three months ended 31 March 2025. For Mortgages Sweden, a management assessed adjustment of SEK 5.0 million reflecting the stable performance of the portfolio and balancing the model's somewhat conservative assumptions, decreased the loan loss provision and thus the overall credit losses. Credit losses by operating segment are set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	–4.0	–12.2
Norway	–18.5	4.4
Finland	–1.9	–1.6
Other operations	–7.2	–1.0
Eliminations	–	–2.2
Total	**–31.7**	**–12.7**

Sweden – Credit losses decreased by SEK 8.2 million, or 66.9 per cent, from SEK 12.2 million for the three months ended 31 March 2024 to SEK 4.0 million for the three months ended 31 March 2025. This decrease was primarily attributable to a management assessed adjustment of SEK 5.0 million, reflecting the stable performance of the portfolio and balancing the model's somewhat conservative assumptions.

Norway – Credit losses, net, increased by SEK 22.9 million, or 519.7 per cent, from a gain of SEK 4.4 million for the three months ended 31 March 2024 to a loss of SEK 18.5 million for the three months ended 31 March 2025. This increase was primarily attributable to a management assessed provision of SEK 7.6 million related to an observed negative trend in stage 3 loans and a data quality issue identified during the migration of Bank2's loan portfolio (SEK 5.0 million).

Finland – Credit losses increased by SEK 0.3 million, or 16.2 per cent, from SEK 1.6 million for the three months ended 31 March 2024 to SEK 1.9 million for the three months ended 31 March 2025. The increase in credit losses was mainly a function of an increase in lending.

Other operations – Credit losses increased by SEK 6.2 million, or 629.7 per cent, from SEK 1.0 million for the three months ended 31 March 2024 to SEK 7.2 million for the three months ended 31 March 2025. This increase was primarily attributable to an increased need for loan loss provision in Enity's run-off portfolio.

Operating profit

Operating profit increased by SEK 20.1 million, or 33.0 per cent, from a profit of SEK 61.0 million for the three months ended 31 March 2024 to SEK 81.2 million for the three months ended 31 March 2025. This increase was attributable to the explanations provided under profit before credit losses and an increase in credit losses. Operating profit by operating segment is set forth in the table below:

	Three months ended 31 March	
SEK million	**2025**	**2024**
Sweden	72.4	32.9
Norway	48.2	51.0
Finland	−4.3	−12.4
Other operations	−33.3	0.2
Eliminations	−1.9	−10.7
Total	**81.2**	**61.0**

Sweden – Operating profit increased by SEK 39.5 million, or 120.2 per cent from a profit of SEK 32.9 million for the three months ended 31 March 2024 to SEK 72.4. million for the three months ended 31 March 2025. This increase was primarily attributable to increased lending in 60plusbanken and mortgage lending, a lower interest cost level and a decrease in general administration expenses.

Norway – Operating profit decreased by SEK 2.8 million, or 5.5% per cent from a profit of SEK 51.0 million for the three months ended 31 March 2024 to SEK 48.2 million for the three months ended 31 March 2025. This decrease was primarily attributable to the explanations provided under profit before credit losses and higher credit losses as described above.

Finland – Operating profit increased by SEK 8.1 million, or 65.2 per cent from a loss of SEK 12.4 million for the three months ended 31 March 2024 to a loss of SEK 4.3 million for the three months ended 31 March 2025. This increase was primarily attributable to strong lending growth at stable margins and unchanged cost/credit losses.

Other operations – Operating loss decreased by SEK 33.5 million, or 15,759.8 per cent from a profit of SEK 0.2 million for the three months ended 31 March 2024 to a loss of SEK 33.3 million for the three months ended 31 March 2025. This decrease was due to costs incurred in the first quarter of 2025 in relation to the listing on Nasdaq Stockholm.

Tax

Tax increased by SEK 17.2 million, or 115.1 per cent, from SEK 14.9 million for the three months ended 31 March 2024 to SEK 32.1 million for the three months ended 31 March 2025. This increase was primarily attributable to increased operating profit together with a higher share of earnings being generated in Norway where the tax rate for banks is higher compared to Sweden and Finland.

Profit for the period

Profit for the period increased by SEK 3.0 million, or 6.4 per cent, from SEK 46.1 million for the three months ended 31 March 2024 to SEK 49.0 million for the three months ended 31 March 2025, as a result of the factors described above.

Comparison of results of the Group for the year ended 31 December 2024 compared to the year ended 31 December 2023

The following table presents selected comparative results of operations from the interim financial statements for the years ended 31 December 2024 and 2023:

	Year ended 31 December	
SEK million	**2024**	**2023**
Operating income		
Interest income calculated using the effective interest method	2,294.6	1,687.3
Other interest income	173.9	121.3
Interest expenses	–1,353.8	–849.3
Net interest income	**1,114.7**	**959.3**
Commission income	3.9	0.3
Commission expenses	–1.0	–0.9
Net gains and losses on financial transactions	4.9	27.1
Result from shares in associates and joint ventures	–1.6	2.2
Other operating income	9.3	9.0
Total operating income	**1,130.3**	**997.0**
Operating expenses		
General administration expenses	–597.8	–588.0
Depreciation, amortisation and impairment of tangible and intangible assets	–97.8	–84.9
Total operating expenses	**–695.6**	**–672.9**
Profit before credit losses	**434.7**	**324.1**
Credit losses, net	–41.0	–48.0
Operating profit	**393.6**	**276.1**
Submitted group contributions	–	–
Tax	–138.1	–75.3
Profit for the period	**255.6**	**200.8**

Interest income calculated using the effective interest method

Interest income calculated using the effective interest method increased by SEK 607.3 million, or 36.0 per cent, from SEK 1,687.3 million for the year ended 31 December 2023 to SEK 2,294.6 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2, which was fully consolidated on 31 October 2023. Therefore, the full-year effect of the acquisition was reflected in the income statement first in 2024. The value of Enity's loan portfolio increased over the same period by 10.0 per cent. This increase was primarily due to increased STIBOR and the continued growth of the loan portfolio. The loan portfolio in Sweden increased by SEK 526.4 million, or 4.6 per cent, from SEK 11,479.5 million as at 31 December 2023 to SEK 12,005.9 million as at 31 December 2024. The loan portfolio in Norway increased by SEK 1,593.7 million, or 11.5 per cent, from SEK 13,802.9 million as at 31 December 2023 to SEK 15,396.6 million as at 31 December 2024. The loan portfolio in Finland increased by SEK 571.3 million, or 77.4 per cent, from SEK 738.3 million as at 31 December 2023 to SEK 1,309.6 million as at 31 December 2024.

Other interest income

Other interest income increased by SEK 52.6 million, or 43.3 per cent, from SEK 121.3 million for the year ended 31 December 2023 to SEK 173.9 million for the year ended 31 December 2024. This increase was primarily attributable to higher interest income from equity release loans of SEK 27.1 million, driven by a growth of the equity release loan portfolio and interest from bonds of SEK 25.8 million.

Total interest income

Total interest income by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	1,158.4	1,028.8
Norway	1,319.4	785.6
Finland	121.3	69.3
Other operations	12.2	3.0
Eliminations	–142.8	–78.1
Total	**2,468.5**	**1,808.6**

Sweden – Interest income increased by SEK 129.5 million, or 12.6 per cent, from SEK 1,028.8 million for the year ended 31 December 2023 to SEK 1,158.4 million for the year ended 31 December 2024. This increase was attributable to an increase in loan volume and interest rate. The value of Enity's loan portfolio in Sweden increased over the same period by 4.6 per cent. This increase was primarily attributable to the increase in STIBOR in combination with a smaller increase in the underlying volume of loans.

Norway – Interest income increased by SEK 533.7 million, or 67.9 per cent, from SEK 785.6 million for the year ended 31 December 2023 to SEK 1,319.4 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2, which was fully consolidated on 31 October 2023. Therefore, the full-year effect of the acquisition was reflected in the income statement first in 2024. The value of Enity's loan portfolio increased over the same period by 11.5 per cent. This increase was primarily attributable to the acquisition of Bank2 and the acquired loan portfolio (SEK 4,837.7 million in lending to the public acquired as at 31 October 2023).

Finland – Interest income increased by SEK 52.1 million, or 75.2 per cent, from SEK 69.3 million for the year ended 31 December 2023 to SEK 121.3 million for the year ended 31 December 2024. This increase was primarily attributable to an increase in the volume of loans, as Enity continues to grow its presence in the market with a loan portfolio increase over the same period by 77.4 per cent.

Other operations – Interest income increased by SEK 9.2 million from SEK 3.0 million for the year ended 31 December 2023 to SEK 12.2 million for the year ended 31 December 2024.

Interest expenses

Interest expenses increased by SEK 504.5 million, or 59.4 per cent, from SEK 849.3 million (of which SEK 832.0 million was interest expenses from financial items calculated using the effective interest method) for the year ended 31 December 2023 to SEK 1,353.8 million (of which SEK 1340.5 million was interest expenses from financial items calculated using the effective interest method) for the year ended 31 December 2024. This increase was primarily due to increased cost of funding due to higher market interest rates. Interest expenses by operating segment are set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	–652.4	–501.8
Norway	–769.1	–380.4
Finland	–73.9	–43.5
Other operations	–1.2	–1.7
Eliminations	142.8	78.1
Total	**–1,353.8**	**–849.3**

Sweden – Interest expense increased by SEK 150.6 million, or 30.0 per cent, from SEK 501.8 million for the year ended 31 December 2023 to SEK 652.4 million for the year ended 31 December 2024. This increase was primarily attributable to increased funding costs due to increased interest rates (equivalent to an increase of SEK 127.1 million).

Norway – Interest expense increased by SEK 388.7 million, or 102.2 per cent, from SEK 380.4 million for the year ended 31 December 2023 to SEK 769.1 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 reflected on a full-year basis in 2024. The effect from an increase in funding (partly attributable to the acquisition of Bank2) was SEK 204.1 million and the effect from increased interest rates was SEK 184.6 million.

Finland – Interest expense increased by SEK 30.4 million, or 70.0 per cent, from SEK 43.5 million for the year ended 31 December 2023 to SEK 73.9 million for the year ended 31 December 2024. This increase was primarily attributable to the increase in the volume of the loan portfolio as the operations in Finland continued to grow.

Other operations – Interest expenses decreased by SEK 0.5 million from SEK 1.7 million for the year ended 31 December 2023 to SEK 1.2 million for the year ended 31 December 2024.

Net gains and losses on financial transactions

Net gains and losses on financial transactions decreased by SEK 22.2 million from SEK 27.1 million for the year ended 31 December 2023 to SEK 4.9 million for the year ended 31 December 2024. This decrease was primarily attributable to lower volatility in the Group's foreign exchange rate exposure.

Other operating income

Other operating income increased by SEK 0.4 million from SEK 9.0 million for the year ended 31 December 2023 to SEK 9.3 million for the year ended 31 December 2024. This increase was primarily attributable to an increase in billing fees attributable to loan portfolio growth.

Total operating income

Total operating income increased by SEK 133.3 million, or 13.4 per cent from SEK 997.0 million for the year ended 31 December 2023 to SEK 1,130.3 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2. During the year, the C/I ratio for Enity decreased from 67.5 per cent for the year ended 31 December 2023 to 61.5 per cent for the year ended 31 December 2024. Total operating income by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	521.1	556.8
Norway	554.0	409.7
Finland	48.5	27.9
Other operations	14.7	5.9
Eliminations	–8.0	–3.2
Total	**1,130.3**	**997.0**

Sweden – Total operating income decreased by SEK 35.7 million, or 6.4 per cent from SEK 556.8 million for the year ended 31 December 2023 to SEK 521.1 million for the year ended 31 December 2024. This decrease was primarily attributable to a decrease in the interest rate spread, as the interest rates for funding increased with a steeper curve compared to the increase in STIBOR (which is the reference rate for the interest income calculated using the effective interest method). The net interest margin decreased from 4.5 per cent for the year ended 31 December 2023 to 4.1 per cent for the year ended 31 December 2024.

Norway – Total operating income increased by SEK 144.4 million, or 35.2 per cent from SEK 409.7 million for the year ended 31 December 2023 to SEK 554.0 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2, as well as the overall increase in lending (excluding Bank2 lending).

Finland – Total operating income increased by SEK 20.6 million, or 73.8 per cent from SEK 27.9 million for the year ended 31 December 2023 to SEK 48.5 million for the year ended 31 December 2024. This increase was primarily attributable to an increase in the volume of the loan portfolio.

Other operations – Total operating income increased by SEK 8.8 million from SEK 5.9 million for the year ended 31 December 2023 to SEK 14.7 million for the year ended 31 December 2024.

General administration expenses

General administration expenses increased by SEK 9.8 million, or 1.7 per cent from SEK 588.0 million for the year ended 31 December 2023 to SEK 597.8 million for the year ended 31 December 2024. This increase was primarily attributable to restructuring provisions made related to the integration of Bank2 offset by lower costs due to implemented synergies.

Depreciation, amortisation and impairment of tangible and intangible assets

Depreciation of tangible assets and amortisations and impairment of intangible assets increased by SEK 13.0 million, or 15.3 per cent, from SEK 84.9 million (including impairment expenses of SEK 6.6 million) for the year ended 31 December 2023 to SEK 97.8 million for the year ended 31 December 2024 (with no impairment expenses). The increase in depreciation and amortisation was primarily attributable to the acquisition of Bank2.

Total operating expenses

Total operating expenses increased by SEK 22.7 million, or 3.4 per cent from SEK 672.9 million for the year ended 31 December 2023 to SEK 695.6 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 and related restructuring provisions.

Profit before credit losses

Profit before credit losses increased by SEK 110.6 million, or 34.1 per cent from SEK 324.1 million for the year ended 31 December 2023 to SEK 434.7 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 and, for Finland and Norway, an underlying increase in the volume of the loan portfolio. Profit before credit losses by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	217.6	260.7
Norway	205.9	183.4
Finland	−19.6	−44.1
Other operations	−2.0	−69.5
Eliminations	32.8	−6.5
Total	**434.7**	**324.1**

Sweden – Profit before credit losses decreased by SEK 43.1 million, or 16.5 per cent from SEK 260.7 million for the year ended 31 December 2023 to SEK 217.6 million for the year ended 31 December 2024. This decrease was primarily attributable to the decrease in the interest rate spread.

Norway – Profit before credit losses increased by SEK 22.5 million, or 12.2 per cent from SEK 183.4 million for the year ended 31 December 2023 to SEK 205.9 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 and an increase in the volume of the loan portfolio.

Finland – Profit before credit losses increased by SEK 24.5 million, or 55.6 per cent from a loss of SEK 44.1 million for the year ended 31 December 2023 to a loss of SEK 19.6 million for the year ended 31 December 2024. This increase was primarily attributable to an increase in the volume of the loan portfolio.

Other Operations – Profit before credit losses increased by SEK 67.4 million from SEK 69.5 million for the year ended 31 December 2023 to SEK 2.0 million for the year ended 31 December 2024.

Credit losses, net

Credit losses, net, decreased by SEK 6.9 million, or 14.4 per cent, from SEK 48.0 million for the year ended 31 December 2023 to SEK 41.0 million for the year ended 31 December 2024. This decrease was primarily due to the acquisition of Bank2, and the growth of the underlying loan portfolio in Norway and Finland. Credit losses by operating segment are set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	−19.4	−34.1
Norway	−13.4	−11.8
Finland	−3.4	−3.0
Other operations	−4.8	0.9
Eliminations	–	–
Total	**−41.0**	**−48.0**

Sweden – Credit losses decreased by SEK 14.7 million, or 43.2 per cent, from SEK 34.1 million for the year ended 31 December 2023 to SEK 19.4 million for the year ended 31 December 2024. This decrease was primarily attributable to an overlay adjustment of SEK 10 million, as a result of a careful analysis of actual credit losses in relation to model forecasts and forward-looking information.

Norway – Credit losses increased by SEK 1.7 million, or 14.1 per cent, from SEK 11.8 million for the year ended 31 December 2023 to SEK 13.4 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2.

Finland – Credit losses increased by SEK 0.4 million, or 14.8 per cent, from SEK 3.0 million for the year ended 31 December 2023 to SEK 3.4 million for the year ended 31 December 2024. This increase was primarily attributable to the growth of the underlying loan portfolio.

Other operations – Credit losses increased by SEK 5.7 million from a gain of SEK 0.9 million for the year ended 31 December 2023 to a loss of SEK 4.8 million for the year ended 31 December 2024.

Operating profit

Operating profit increased by SEK 117.5 million, or 42.6 per cent from a profit of SEK 276.1 million for the year ended 31 December 2023 to SEK 393.6 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2, an overall increase in lending in Norway by 11.5 per cent, and the continued growth of the operations in Finland. Operating profit by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2024**	**2023**
Sweden	198.3	226.6
Norway	192.5	171.7
Finland	−23.0	−47.1
Other operations	−6.9	−68.6
Eliminations	32.8	−6.5
Total	**393.6**	**276.1**

Sweden – Operating profit decreased by SEK 28.3 million, or 12.5 per cent from a profit of SEK 226.6 million for the year ended 31 December 2023 to SEK 198.3 million for the year ended 31 December 2024. This decrease was primarily attributable to the decrease of the interest rate spread in the Swedish market.

Norway – Operating profit increased by SEK 20.8 million, or 12.1 per cent from a profit of SEK 171.7 million for the year ended 31 December 2023 to SEK 192.5 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 and an overall increase in lending of 11.5 per cent.

Finland – Operating loss decreased by SEK 24.1 million, or 51.1 per cent from a loss of SEK 47.1 million for the year ended 31 December 2023 to SEK 23.0 million for the year ended 31 December 2024. This decrease was primarily attributable to economies of scale as a result of an increase in the underlying volume of the loan portfolio.

Other operations – Operating loss decreased by SEK 61.8 million from a loss of SEK 68.6 million for the year ended 31 December 2023 to SEK 6.9 million for the year ended 31 December 2024.

Tax

Tax expense increased by SEK 62.8 million, or 83.4 per cent, from SEK 75.3 million for the year ended 31 December 2023 to SEK 138.1 million for the year ended 31 December 2024. This increase was primarily attributable to the full-year effect of the acquisition of Bank2 and an increase in profit after tax.

Profit for the period

Profit for the period increased by SEK 54.7 million, or 27.2 per cent, from SEK 200.8 million for the year ended 31 December 2023 to SEK 255.6 million for the year ended 31 December 2024, as a result of the factors described above.

Comparison of results of the Group for the year ended 31 December 2023 compared to the year ended 31 December 2022

The following table presents selected comparative results of operations from the financial statements for the years ended 31 December 2023 and 2022:

	Year ended 31 December	
SEK million	**2023**	**2022**
Operating income		
Interest income calculated using the effective interest method	1,687.3	1,199.6
Other interest income	121.3	50.5
Interest expenses	–849.3	–328.9
Net interest income	**959.3**	**921.2**
Commission income	0.3	–
Commission expenses	–0.9	–
Net gains and losses on financial transactions	27.1	–23.5
Result from shares in associates and joint ventures	2.2	3.7
Other operating income	9.0	8.6
Total operating income	**997.0**	**910.0**
Operating expenses		
General administration expenses	–588.0	–551.0
Depreciation, amortisation and impairment of tangible and intangible assets	–84.9	–66.8
Total operating expenses	**–672.9**	**–617.8**
Profit before credit losses	**324.1**	**292.1**
Credit losses, net	–48.0	–28.1
Operating profit	**276.1**	**264.1**
Submitted group contributions	–	–
Tax	–75.3	–54.2
Profit for the period	**200.8**	**209.8**

Interest income calculated using the effective interest method

Interest income calculated using the effective interest method increased by SEK 487.7 million, or 40.7 per cent, from SEK 1,199.6 million for the year ended 31 December 2022 to SEK 1,687.3 million for the year ended 31 December 2023. This increase was primarily attributable to an increase in the interest rate (equivalent to SEK 339.7 million) and a two-month effect from the acquisition of Bank2, which was fully consolidated on 31 October 2023. Enity's loan portfolio increased over the same period by 28.8 per cent. The loan portfolio in Sweden increased by SEK 360.8 million, or 3.2 per cent, from SEK 11,118.7 million as at 31 December 2022 to SEK 11,479.7 million as at 31 December 2023. The loan portfolio in Norway increased by SEK 5,086.4 million, or 58.4 per cent, from SEK 8,716.5 million as at 31 December 2022 to SEK 13,802.9 million as at 31 December 2023, mainly due to the acquisition of Bank2 (lending to the public of SEK 4,954.9 million acquired). Excluding the acquisition of Bank2, the loan portfolio in Norway increased by SEK 315.9 million, or 3.6 per cent, from SEK 8,716.5 million as at 31 December 2022 to SEK 9,032.4 million as at 31 December 2023. The loan portfolio in Finland increased by SEK 227.2 million, or 44.5 per cent, from SEK 511.1 million as at 31 December 2022 to SEK 738.3 million as at 31 December 2023.

Other interest income

Other interest income increased by SEK 70.8 million, or 140.1 per cent, from SEK 50.5 million for the year ended 31 December 2022 to SEK 121.3 million for the year ended 31 December 2023. This increase was primarily attributable to growth in equity release loans, which increased other interest income by SEK 48.1 million, as well as an increase in interest rates.

Total interest income

Total interest income by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	1,028.8	658.7
Norway	785.6	599.6
Finland	69.3	23.5
Other operations	3.0	–
Eliminations	–78.1	–31.8
Total	**1,808.6**	**1,250.1**

Sweden – Interest income increased by SEK 370.1 million, or 56.2 per cent, from SEK 658.7 million for the year ended 31 December 2022 to SEK 1,028.8 million for the year ended 31 December 2023. This increase was primarily attributable to an increase in STIBOR (equivalent to SEK 339.7 million). The Company's loan portfolio increased over the same period by 3.2 per cent. This increase was primarily attributable to stable growth in loan book volume.

Norway – Interest income increased by SEK 186 million, or 31.0 per cent, from SEK 599.6 million for the year ended 31 December 2022 to SEK 785.6 million for the year ended 31 December 2023. This increase was primarily attributable to the acquisition of Bank2, which was fully consolidated on 31 October 2023, as well as increased interest rates (equivalent to SEK 83.9 million). The loan portfolio increased over the same period by 58.4 per cent. Excluding the acquisition of Bank2, the loan portfolio increased over the same period by 1.5 per cent.

Finland – Interest income increased by SEK 45.8 million, or 194.6 per cent, from SEK 23.5 million for the year ended 31 December 2022 to SEK 69.3 million for the year ended 31 December 2023. This increase was primarily attributable to an increase in the loan portfolio and higher interest rates, where the Company's loan portfolio increased over the same period by 44.5 per cent. This increase was primarily attributable to growth in market presence.

Other operations – Interest income increased by SEK 3.0 million, from 0.0 million for the year ended 31 December 2022 to SEK 3.0 million for the year ended 31 December 2023.

Interest expenses

Interest expense increased by SEK 520.4 million, or 158.2 per cent, from SEK 328.9 million (of which SEK 287.8 million was interest expense from financial items calculated using the effective interest method) for the year ended 31 December 2022 to SEK 849.3 million (of which SEK 832.0 million was interest expense from financial items calculated using the effective interest method) for the year ended 31 December 2023. This increase was primarily due to increased interest rates impacting cost of funding negatively. Interest expense by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	–501.8	–194.2
Norway	–380.4	–161.7
Finland	–43.5	–4.8
Other operations	–1.7	–
Eliminations	78.1	31.8
Total	**–849.3**	**–328.9**

Sweden – Interest expense increased by SEK 307.6 million, or 158.4 per cent, from SEK 194.2 million for the year ended 31 December 2022 to SEK 501.8 million for the year ended 31 December 2023. This increase was primarily attributable to increased funding costs due to increased interest rates (equivalent to SEK 292.6 million).

Norway – Interest expense increased by SEK 218.7 million, or 135.3 per cent, from SEK 161.7 million for the year ended 31 December 2022 to SEK 380.4 million for the year ended 31 December 2023. This increase was primarily attributable to increased funding costs due to increased interest rates (equivalent to SEK 191.2 million) and a two month effect from the acquisition of Bank2.

Finland – Interest expense increased by SEK 38.7 million, or 814.1 per cent, from SEK 4.8 million for the year ended 31 December 2022 to SEK 43.5 million for the year ended 31 December 2023. This increase was primarily attributable to increased funding to fund the increase in lending.

Other operations – Interest expenses increased by SEK 1.7 million, from SEK 0.0 million for the year ended 31 December 2022 to SEK 1.7 million for the year ended 31 December 2023.

Net gains on financial transactions

Net gains and losses on financial transactions increased by SEK 50.6 million, or 215.1 per cent from a loss of SEK 23.5 million for the year ended 31 December 2022 to a gain of SEK 27.1 million for the year ended 31 December 2023. This increase was primarily attributable to currency fluctuations.

Other operating income

Other operating income increased by SEK 0.4 million, or 4.1 per cent from SEK 8.6 million for the year ended 31 December 2022 to SEK 9.0 million for the year ended 31 December 2023. This increase was primarily attributable to an increase in an increase in billing fees attributable to loan portfolio growth.

Total operating income

Total operating income increased by 87.0 SEK million, or 9.6 per cent from SEK 910.0 million for the year ended 31 December 2022 to SEK 997.0 million for the year ended 31 December 2023. This increase was primarily due to an increased spread between interest income and interest expense and a two months effect from the acquisition of Bank2. During the year, the C/I ratio[1] for Enity decreased to 67.5 per cent from 67.9 per cent for the year ended 31 December 2023. Total operating income by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	556.8	475.0
Norway	409.7	440.1
Finland	27.9	18.9
Other operations	5.9	–21.5
Eliminations	–3.2	–2.4
Total	**997.0**	**910.0**

Sweden – Total operating income increased by SEK 81.8 million, or 17.2 per cent, from SEK 475.0 million for the year ended 31 December 2022 to SEK 556.8 million for the year ended 31 December 2023. This increase was primarily attributable to an increase in interest rate spread. The relative increase in interest income was higher than interest expense during the year, as STIBOR increased faster than cost of funding.

Norway – Total operating income decreased by SEK 30.4 million, or 6.9 per cent, from SEK 440.1 million for the year ended 31 December 2022 to SEK 409.7 million for the year ended 31 December 2023. This decrease was primarily attributable to a decrease in interest spread where cost of funding increased faster than the NIBOR and, consequently, interest income.

Finland – Total operating income increased by SEK 9.0 million, or 47.6 per cent, from SEK 18.9 million for the year ended 31 December 2022 to SEK 27.9 million for the year ended 31 December 2023. This increase was primarily attributable to an interest rate spread with relatively higher interest income compared to cost of funding.

Other operations – Total operating income increased by SEK 27.4 million from a loss of SEK 21.5 million for the year ended 31 December 2022 to a gain of SEK 5.9 million for the year ended 31 December 2023.

General administration expenses

General administration expenses increased by SEK 37 million, or 6.7 per cent from SEK 551.0 million for the year ended 31 December 2022 to SEK 588.0 million for the year ended 31 December 2023. This increase was primarily attributable to increased salary costs, transaction costs related to Bank2 and restructuring provisions.

Depreciation, amortisation and impairment of tangible and intangible assets

Depreciation of tangible assets and amortisations and impairment of intangible assets increased by SEK 18.0 million or 27.0 per cent, from SEK 66.8 million (including impairment expenses of SEK 3.6 million) for the year ended 31 December 2022 to SEK 84.9 million (including impairment expenses of SEK 6.6 million) for the year ended 31 December 2023. This increase was primarily attributable to increase in capitalised intangible assets and intangible assets from Bank2 acquisition.

Total operating expenses

Total operating expenses increased by SEK 55.1 million, or 8.9 per cent, from SEK 617.8 million for the year ended 31 December 2022 to SEK 672.9 million for the year ended 31 December 2023. This increase was primarily attributable to the factors described above.

1) See "*Selected historical financial Information–Key operating measures*".

Profit before credit losses

Profit before credit losses increased by 32.0 million, or 10.9 per cent, from SEK 292.1 million for the year ended 31 December 2022 to SEK 324.1 million for the year ended 31 December 2023. This increase was primarily attributable to the increased interest rate spread. Profit before credit losses by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	260.7	186.7
Norway	183.4	229.3
Finland	–44.1	–43.5
Other operations	–69.5	–80.4
Eliminations	–6.5	0.0
Total	**324.1**	**292.1**

Sweden – Profit before credit losses increased by SEK 73.9 million, or 39.6 per cent, from SEK 186.7 million for the year ended 31 December 2022 to SEK 260.7 million for the year ended 31 December 2023. This increase was primarily attributable to a positive interest rate spread.

Norway – Profit before credit losses decreased by SEK 45.9 million, or 20.0 per cent, from SEK 229.3 million for the year ended 31 December 2022 to SEK 183.4 million for the year ended 31 December 2023. This decrease was primarily attributable to a negative credit spread and restructuring provisions following the acquisition of Bank2.

Finland – Profit before credit losses decreased by SEK 0.6 million, or 1.4 per cent, from a loss of SEK 43.5 million for the year ended 31 December 2022 to a loss of SEK 44.1 million for the year ended 31 December 2023. This decrease was primarily explained by a more cost efficient operation and increased loan portfolio.

Other operations – Profit before credit losses increased by SEK 10.9 million from a loss of SEK 80.4 million for the year ended 31 December 2022 to a loss of SEK 69.5 million for the year ended 31 December 2023.

Credit losses, net

Credit losses, net, increased by SEK 19.9 million, or 71.0 per cent, from SEK 28.1 million for the year ended 31 December 2022 to SEK 48.0 million for the year ended 31 December 2023. This decrease was primarily due to an increase in provision for credit losses with higher interest rate. Credit losses by operating segment are set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	–34.1	–17.7
Norway	–11.8	–10.8
Finland	–3.0	–1.6
Other operations	0.9	2.1
Eliminations	–	–
Total	**–48.0**	**–28.1**

Sweden – Credit losses increased by SEK 16.4 million, or 92.9 per cent, from SEK 17.7 million for the year ended 31 December 2022 to SEK 34.1 million for the year ended 31 December 2023. This increase was primarily attributable to an increased risk for the lenders, based on higher interest rates increasing the provision for credit losses.

Norway – Credit losses increased by SEK 0.9 million, or 8.5 per cent, from SEK 10.8 million for the year ended 31 December 2022 to SEK 11.8 million for the year ended 31 December 2023. This increase was primarily attributable to a growth in the underlying loan portfolio after the acquisition of Bank2.

Finland – Credit losses increased by SEK 1.4 million, or 82.5 per cent, from SEK 1.6 million for the year ended 31 December 2022 to SEK 3.0 million for the year ended 31 December 2023. This increase was primarily attributable to growth in the underlying loan portfolio.

Other operations – Credit losses increased by SEK 1.2 million from a gain of SEK 2.1 million for the year ended 31 December 2022 to a gain of SEK 0.9 million for the year ended 31 December 2023.

Operating profit

Operating profit increased by SEK 12.0 million, or 4.6 per cent, from SEK 264.1 million for the year ended 31 December 2022 to SEK 276.1 million for the year ended 31 December 2023. This increase was primarily due to efficiency improvements during the year. Operating profit by operating segment is set forth in the table below:

	Year ended 31 December	
SEK million	**2023**	**2022**
Sweden	226.6	169.1
Norway	171.7	218.4
Finland	–47.1	–45.1
Other operations	–68.6	–78.3
Eliminations	–6.5	–
Total	**276.1**	**264.1**

Sweden – Operating profit increased by SEK 57.5 million, or 34.0 per cent, from SEK 169.1 million for the year ended 31 December 2022 to SEK 226.6 million for the year ended 31 December 2023. This increase was primarily attributable to a positive interest spread and improved efficiency in the operations.

Norway – Operating profit decreased by SEK 46.8 million, or 21.4 per cent, from SEK 218.4 million for the year ended 31 December 2022 to SEK 171.7 million for the year ended 31 December 2023. This decrease was primarily attributable to a decrease in credit spread and restructuring provisions following the acquisition of Bank2.

Finland – Operating loss increased by SEK 2.0 million, or 4.4 per cent, from SEK 45.1 million for the year ended 31 December 2022 to SEK 47.1 million for the year ended 31 December 2023.

Other operations – Operating loss decreased by SEK 9.7 million from SEK 78.3 million for the year ended 31 December 2022 to SEK 68.6 million for the year ended 31 December 2023.

Tax

Tax increased by SEK 21.0 million, or 38.8 per cent, from SEK 54.2 million for the year ended 31 December 2022 to SEK 75.3 million for the year ended 31 December 2023. This increase was primarily attributable to the differing tax treatment between the Norwegian and Swedish branches, that has resulted in a higher effective tax rate for the Group. There was also an impact from the Norwegian tax rate exceeding the Swedish tax rate, as the Norwegian operations have grown to represent a larger share of the overall business due to the acquisition of Bank2 and the overall increase in lending in Norway.

Profit for the period

Profit for the period decreased by SEK 9.0 million, or 4.3 per cent, from SEK 209.8 million for the year ended 31 December 2022 to SEK 200.8 million for the year ended 31 December 2023, as a result of the factors described above.

Funding, liquidity and capital resources

Funding

Enity has a diversified funding platform that consists of retail deposits, MTNs, MTCNs, and Tier 2 instruments. The table below sets forth information about Enity's funding mix as of the dates indicated:

SEK million	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Retail deposits	22,377.3	21,210.9	23,202.9	20,513.1	13,239.1
MTN	2,302.8	4,176.3	2,308.6	2,417.9	2,146.1
MTCN	5,259.1	5,090.7	5,265.3	5,105.5	6,012.8
Tier 2 instruments	358.2	59.5	359.6	59.6	–
Total	**30,297.4**	**30,537.4**	**31,136.3**	**28,096.0**	**21,398.0**

Enity funds its operations with sources that seek diversification in terms of currencies and maturities. Enity also seeks funding sources that carry low liquidity risk and offer a high probability of refinancing at maturity through price stability, regularity of issuance and broad investor base. In addition, Enity seeks scalable funding sources that can provide access to relatively large volumes to meet the funding requirements for its growing balance sheet. Enity matches currencies and interest rate periods of the loans being granted with such funding where possible and hedges the remainder using derivatives.

Retail deposits

Since 2008 in Sweden, 2010 in Norway and 2023 in Germany, Enity has raised funds from the general public in Sweden, Norway and Germany through its deposits products. As of 31 December 2024, Enity's retail deposits amounted to a total of SEK 23,202.9 million, consisting of SEK 7,559.4 million, NOK 11,977.7 million, and EUR 3,665.7 million. Retail deposits constitute a flexible source of funding, as Enity is able to adjust inflows and outflows and the maturity profile of its deposit book by adjusting rates and other terms offered on deposits. Enity aims to fund each currency's lending with the same currency's deposits and tries, to the extent possible, to match the interest profile of its deposits with that of the loan portfolio. For example, deposits from Germany are raised through the digital platform provider Raisin and used primarily for Finnish operations. As of 31 December 2024, 64 per cent of funds are at fixed terms with fixed interest rates. Daily changes in deposit flows have historically been very limited when put in relation to the total deposit portfolio. Enity offers deposit products ranging from instant access to longer term savings products. All products are competitively priced, providing customers with a competitive return on their short and longer-term savings. As of 31 December 2024, Enity allows new deposits up to SEK 1.05 million in Sweden, NOK 2.0 million in Norway and EUR 100 thousand in Germany per individual at terms of up to 5 years fixed interest periods. In addition, all deposit products are covered by national schemes of deposit insurance. The Swedish Deposit Insurance Act (Sw. *lagen (1995:1571) om insättningsgaranti*) covers the deposits in Sweden, Norway, and Germany up to SEK 1.05 million per person and financial institution. In Norway, the Norwegian guaranteed limit currently covers additional amounts up to NOK 2 million per person and financial institution.

MTN and MTCN programmes

In order to strengthen its diverse funding mix, Enity has issued covered bonds under its MTCN Programme and senior unsecured bonds under its MTN Programme.

In 2018, Enity announced the establishment of its SEK 5 billion MTN Programme. In 2020, Enity announced the establishment of its SEK 15 billion MTCN Programme. In 2024, Enity issued senior unsecured notes of SEK 2,000 million under the MTN Programme maturing in 2026 and 2027. In 2022, 2023 and 2024, Enity issued covered notes of SEK 600 million, SEK 1000 million, and SEK 200 million, respectively, under the MTCN Programme, maturing in 2025 and 2026, 2027, and 2027, respectively. The proceeds of the senior unsecured bonds and covered bonds are being used to finance the operations of the Group.

AT1 Notes

On 5 May 2025, the Company issued the AT1 Notes in an amount of SEK 250 million by way of a private placement with settlement on 12 May 2025. The AT1 Notes have a perpetual tenor with a first call option after five years, and carry a coupon of 3-month STIBOR + 7 per cent. Coupon payments are fully discretionary and may only be made to the extent that distributable items are available and applicable capital adequacy requirements permit. A missed coupon payment does not result in any payment obligation and does not constitute a default. The terms also include a loss absorption mechanism through a write-down of the nominal amount upon the occurrence of a "Trigger Event", which occurs if the Group's CET1 ratio falls below 7.00 per cent. The written-down amount may subsequently be reinstated under certain conditions and in accordance with applicable regulations. The AT1 Notes are intended to be listed on Nasdaq Stockholm within four months of the issue date.

Capital management

Enity Bank is subject to substantial regulation relating to capital adequacy requirements as a licenced bank regulated and supervised by the Swedish FSA. These include the Basel IV Framework (implemented through CRR), the Swedish Supervision of Credit Institutions and Investment Firms Act (Sw. *lagen (2014:968) om särskild tillsyn över kreditinstitut och värdepappersbolag*), the Swedish Act on Capital Buffers (Sw. *lagen (2014:966) om kapitalbuffertar*) (which implements CRD IV in Sweden), as well as the Swedish FSA's regulations and general guidelines regarding prudential requirements and capital buffers (FFFS 2014:12) (Sw. *Finansinspektionens föreskrifter (FFFS 2014:12) och allmänna råd om tillsynskrav och kapitalbuffertar*). According to the CRR, Enity is required, among other things, to fulfil adequate capital ratios at any point in time. This means that Enity is required to keep an adequate amount of capital for unexpected losses as a result of its business. Under the Basel capital adequacy framework, Pillar I capital requirements stipulate the minimum capital requirements for Enity's credit, market, operational and other risks, which are calculated using a standardised approach stated under the relevant rules. Under Pillar II capital requirements, Enity evaluates if the standardised calculations fully reflect the risks Enity is exposed to.

The combined buffer requirement absorbs losses in periods of financial stress, and consist of capital conservation buffer of 2.5 per cent, countercyclical buffer, and for credit risk exposures in Norway a systemic risk buffer of 4.5 per cent. The applicable countercyclical capital buffer rates as of the reporting date are 2.0 per cent in Sweden, 2.5 per cent in Norway, and 0.0 per cent in Finland. The combined buffer requirement shall bet met by CET1 capital. See also "*Regulatory overview*".

The below table sets forth Enity's capital adequacy on a consolidated basis as of the dates indicated.

Capital Adequacy	**31 March 2025**	**31 March 2024**	**31 December 2024**	**31 December 2023**	**31 December 2022**
Own funds					
Common Equity Tier 1 (CET1) capital	**2,503.2**	**2,236.6**	**2,472.7**	**2,002.8**	**1,624.0**
Capital instruments and the related share premium accounts	191.1	191.1	191.1	0.1	4,451.4
Retained earnings	5,387.8	5,128.8	5,128.8	4,927.9	–69.0
Accumulated other comprehensive income	–46.0	–12.1	–28.5	–4.2	19.0
Independently reviewed interim profits net of any foreseeable charge	49.0	46.1	255.0	200.8	209.8
Additional value adjustments	–3.3	–3.4	–3.2	–3.4	–2.3
Intangible assets (net of related tax liability)	–3,066.5	–3,077.8	–3,070.5	–3,082.1	–2,985.1
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability)	–	–29.5	–	–29.5	–
Other regulatory adjustments	–8.9	–6.6	–	–6.8	–
Additional Tier 1 capital	**–**	**–**	**–**	**30.3**	**–**
Tier 2 Capital	**278.8**	**32.9**	**294.2**	**34.5**	**–**
Risk Exposure Amount	**14,492.4**	**13,612.9**	**14,828.3**	**12,891.1**	**9,570.5**
Risk exposure amount credit risk	12,249.9	11,449.9	12,401.1	10,889.4	7,863.2
Risk exposure amount counterparty credit risk (CCR)	232.4	255.7	229.0	242.4	117.9
Risk exposure amount market risk	707.6	390.8	595.6	304.1	701.9
Risk exposure amount operational risk	1,302.9	1,516.5	1,602.7	1,455.3	887.8
Common Equity Tier 1 capital ratio, %	**17.3**	**16.4**	**16.7**	**15.5**	**17.0**
Tier 1 capital ratio, %	**17.3**	**16.4**	**16.7**	**15.8**	**17.0**
Total capital ratio, %	**19.2**	**16.7**	**18.7**	**16.0**	**17.0**

According to applicable regulations, Enity is required to satisfy the following capital requirements: (i) a minimum CET1 ratio of 12.1 per cent; (ii) a minimum T1 capital ratio of 17.3 per cent; (iii) a minimum total capital ratio of 19.2 per cent; and (iv) institution-specific buffer requirements.

In addition, as of the date of this prospectus, Enity is subject to the Norwegian systemic risk buffer of 4.5 per cent, an additional conservation capital buffer of 2.5 per cent (composed of CET1 only) and a countercyclical capital buffer (composed of CET1 only) of 2.2 per cent.

The below table contains information of Enity's capital coverage and leverage ratios as of the dates indicated.

Capital Buffer Requirements %	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Institution specific buffer requirement	6.9	6.8	6.6	6.8	3.9
of which capital conservation buffer	2.5	2.5	2.5	2.5	2.5
of which countercyclical capital buffer	2.2	2.2	2.2	2.2	1.4
of which systemic risk buffer	2.2	2.1	2.0	2.1	–
of which: G-SII or O-SII buffer	–	–	–	–	–
CET1 capital available to meet buffer requirement	10.1	7.5	9.5	6.8	7.8

Liquidity

Enity maintains a liquidity reserve in order to have access to unutilised liquidity in the event of irregular or unexpected liquidity flows. Enity's long-term strategy is to achieve a diversified funding base that consists of retail deposits, MTNs, MTCNs, and Tier 2 instruments. As of 31 December 2024, 36 per cent of deposits and 65 per cent of mortgages bear interest at variable rates. Enity's liquidity reserve consists mainly of securities issued by sovereigns, multinational banks and municipalities, covered bonds, deposits and cash balances with central banks and other credit institutions in the Nordics. The following table sets forth certain information regarding Enity's liquidity reserve as of the dates indicated:

SEK million	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Liquidity					
Cash and balances with central banks	772.5	2,224.1	604.7	1,044.7	501.7
Deposits in other banks	1,480.2	1,716.0	2,568.4	1,513.8	1,701.9
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	1,088.4	1,041.0	1,154.1	1,048.3	634.9
Covered bonds issued by other institutions	191.2	566.9	194.7	655.6	207.4
Total liquidity	**3,532.3**	**5,548.1**	**4,521.8**	**4,263.4**	**3,045.9**

Pursuant to CRD IV, Enity is required to maintain an LCR of 100 per cent, which measures the extent to which Enity has sufficient high-quality liquid assets to cover its need for liquidity in stressed situations over the coming 30 days. While complying with the applicable LCR requirement on a consolidated basis, Enity also strives to achieve a balance of its currency composition in the liquidity reserve, particularly in relation to potential net outflows in SEK, NOK and EUR.

In addition, Enity complies with the applicable requirements for an NSFR of 100 per cent. The NSFR ensures that long-term assets are funded with a minimum level of stable long-term funding.

The below table sets forth Enity's liquidity ratios as of the dates indicated:

Liquidity risk (SEK million)	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Liquidity Coverage Ratio (LCR) %[1)]	496.7	514.8	579.2	696.9	472.4
Net Stable Funding Ratio (NSFR) %[2)]	126.4	141.3	135.3	133.0	132.0

1) Liquidity measurement defined by the CRR that measures a financial institution's ability to deal with a stressed net outflow of liquidity for 30 days. An LCR of 100% means that a financial institution's liquidity reserve is adequate to manage an unexpected liquidity outflow for 30 days.
2) Available stable funding as a percentage of required stable funding.

In addition to the LCR and NSFR, Enity uses internal measurements and limits to ensure that liquidity risk is managed in accordance with Enity's risk tolerance policy. The internal measurements and limits are primarily attributable to the size and composition of Enity's liquidity reserve. The liquidity reserve is set in relation to the size and duration of deposits from the public and in relation to Enity's total interest-bearing liabilities. In addition, there are internal targets to ensure that Enity can continue to operate without liquidity injections over a longer period.

Consolidated cash flow

The table below sets forth Enity's consolidated cash flow for the years ended 31 December 2024, 2023, and 2022 and the three months ended 31 March 2025 and 31 March 2024.

SEK million	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Cash flow from operating activities	–792.9	–289.4	273.9	1,541.9	1,444.8
Cash flow from investing activities	–8.2	19.0	–3.7	–471.8	–71.3
Cash flow from financing activities	–18.8	1,678.3	323.5	–691.8	–681.7
Net cash flow for the period	–819.8	1,407.9	593.8	378.3	691.8
Cash and cash equivalents at the end of the period	2,252.7	3,940.2	3,173.0	2,558.5	2,203.6

Cash flow from operating activities

Cash flow from operating activities for the three months ended 31 March 2025 decreased by SEK 503.5 million from an outflow of SEK 289.4 million for the three months ended 31 March 2024 to an outflow of SEK 792.9 million for the three months ended 31 March 2025. This decrease was primarily attributable to an outflow of deposits from the public.

Cash inflow from operating activities for the year ended 31 December 2024 decreased by SEK 1,268.0 million from an inflow of SEK 1,541.9 million for the year ended 31 December 2023 to an inflow of SEK 273.9 million for the year ended 31 December 2024. This decrease was primarily attributable to increased lending to the public, partly offset by increased deposits from the public.

Cash flow from operating activities for the year ended 31 December 2023 increased by SEK 97.1 million from an inflow of SEK 1,444.8 million for the year ended 31 December 2022 to an inflow of SEK 1,541.9 million for the year ended 31 December 2023. This increase was primarily attributable lower outflow of lending to the public offset by a decrease in deposits from the public.

Cash flow from investing activities

Cash flow from investing activities for the three months ended 31 March 2025 decreased by SEK 27.2 million from an inflow of SEK 19.0 million for the three months ended 31 March 2024 to an outflow of SEK 8.2 million for the three months ended 31 March 2025. This decrease was primarily attributable to sale of a subsidiary in 2024, generating a cash inflow of SEK 38.5 million.

Cash flow from investing activities for the year ended 31 December 2024 increased by SEK 468.2 million from an outflow of SEK 471.8 million for the year ended 31 December 2023 to an outflow of SEK 3.7 million for the year ended 31 December 2024. This increase was primarily attributable to the acquisition of Bank2 in 2024, with no acquisitions in 2024.

Cash flow from investing activities for the year ended 31 December 2023 decreased by SEK 400.5 million from an outflow of SEK 71.3 million for the year ended 31 December 2022 to an outflow of SEK 471.8 million for the year ended 31 December 2023. This decrease was primarily attributable to expenses related to the acquisition of Bank2 in 2023.

Cash flow from financing activities

Cash flow from financing activities for the three months ended 31 March 2025 decreased by SEK 1,697.0 million from an inflow of SEK 1,678.3 million for the three months ended 31 March 2024 to an outflow of SEK 18.8 million for the three months ended 31 March 2025. This decrease was primarily attributable to the issue of debt securities in the first quarter of 2024 contributing with a cash inflow of SEK 1,746.2 million.

Cash flow from financing activities for the year ended 31 December 2024 increased by SEK 1,015.3 million from an outflow of SEK 691.8 million for the year ended 31 December 2023 to an inflow of SEK 323.5 million for the year ended 31 December 2024. This increase was primarily attributable to issue of debt securities.

Cash flow from financing activities for the year ended 31 December 2023 decreased by SEK 10.1 million from an outflow of SEK 681.7 million for the year ended 31 December 2022 to an outflow of SEK 691.8 million for the year ended 31 December 2023. This increase was primarily attributable to repayment of issued debt instruments offset by a share issue in 2023, while outflow 2022 related to repayment of debt securities and dividend paid to shareholders.

Working capital statement

Enity is of the opinion that its working capital is sufficient for its present requirements for the twelve months following the date of this prospectus. In this context, working capital refers to Enity's ability to access cash and other available liquid resources to meet its liabilities as they fall due.

Capital expenditure

The table below sets out an overview of the capital expenditures made by Enity during the years ended 31 December 2022, 2023, and 2024 and the three months ended 31 March 2025 and 31 March 2024. The capital expenditures principally comprise investments in IT and digitalisation systems as well as technological equipment for employees.

SEK million	31 March 2025	31 March 2024	31 December 2024	31 December 2023	31 December 2022
Tangible assets	0.1	1.2	3.6	7.0	17.6
Intangible assets	8.1	18.4	53.5	71.4	53.7
Total	**8.2**	**19.6**	**57.1**	**78.3**	**71.3**

As of the date of this prospectus, there are no material capital expenditures in progress or material future capital expenditures for which firm commitments have already been made.

Acquisitions

Enity acquired 95 per cent of the shares in Bank2 as of 31st October 2023. During November 2023, the remaining minority shares were acquired, and Enity owns 100 per cent of the shares as of 31 December 2023. The financial performance and financial position of Enity is impacted by the acquisition, which was fully consolidated from the 31st October 2023. In 2023, Enity's loan portfolio grew by SEK 4,954.9 million through the acquisition and costs related to the acquisition amounted to SEK 45 million. For additional information, please refer to *"Note 34 – Acquisition of Bank2"* on page F-76 in *"Historical financial information"*. When Bank2 was acquired in October 2023, its activities included corporate loans and deposits, factoring, certain unsecured loans and card services. These activities have been discontinued as of 2023 and are no longer offered by Enity.

Subsequent to the acquisition of Bank2, Enity executed the merger of Bank2 with Enity Bank's Norwegian branch on 2 April 2024, with Enity Bank as the surviving company and Bank2 as the transferring company. Bank2's comprehensive income, assets and liabilities are included in Enity's comprehensive income as of the date of the cross-border legal merger. The Bank2 loan portfolio has since the acquisition been subjected to Enity's model for the calculation of the expected credit loss provision for the Group and the adjustment for the purchase price allocation. No changes to the Enity calculation model for the calculation of the expected credit loss provision have been made in the Group due to the merger.

On 6 May 2025, Enity Bank acquired the remaining 51 per cent of the shares in Eiendomsfinans AS not already held by Enity Bank, from the Main Shareholder at a purchase price of SEK 83.1 million corresponding to market value pursuant to a third party valuation. Following the transaction, Enity Bank holds 100 per cent of the shares in Eiendomsfinans AS. Eiendomsfinans AS was established in 1993 and acts, through its wholly-owned subsidiary Eiendomsfinans Drift AS, as a financial intermediary, comparing offers from different banks and financial institutions to help customers find the loan options that best suit their needs.

Contingent liabilities and commitments

See "*Capitalisation, indebtedness and other financial information–Contingent liabilities and indirect indebtedness*".

Off-balance sheet arrangements

In the course of ordinary business, Enity is subject to limited off balance sheet exposures comprising pledges over assets and comparable securities for own liabilities that may result in a negative impact on Enity. The exposure mainly relates to pledges over loans to the public, being registered for the benefit of Enity's MTCNs. In the event of an insolvency, MTCNs holders have priority rights over such pledged assets. From 2022 to 2024, Enity had no other contingent liabilities or other off balance sheet arrangements.

Summary of significant accounting policies

The preparation of Enity's consolidated annual accounts and related disclosures requires management to make estimates, judgements and assumptions that affect the amounts reported in the Group's financial statements. Management must assess and develop estimates for the carrying values of assets and liabilities which are not easily obtainable from other sources. These estimates and associated assumptions are based on historical experience and other factors considered relevant. Actual results could differ from those estimates.

Enity's management periodically reviews these estimates and underlying assumptions. Enity recognises the impacts of revisions to accounting estimates in the period in which estimates are revised, if the revision affects only that period, or in later periods if the revision affects both current and future periods. The significant estimates, accounting judgements and related assumptions are detailed in the notes to the financial statements included elsewhere in this prospectus.

For a full description of the key accounting policies, see "*Note 1 – Significant accounting policies*" on page F-25 in "*Historical financial information*".

Capitalisation, indebtedness and other financial information

Capitalisation and indebtedness

Capitalisation

The tables below set forth the Group's capitalisation and interest-bearing net financial indebtedness as of 31 March 2025 on an (i) actual basis and (ii) on an adjusted basis to reflect:

1. the acquisition of the remaining shares in Eiendomsfinans AS on 6 May 2025 (see "*Operating and financial review–Acquisitions*" and "*Legal consideration and supplementary financial information–Acquisition of additional shares in Eiendomsfinans AS*" for additional information); and
2. the issuance of SEK 250 million additional Tier 1 notes (the AT1 Notes) on 5 May 2025 and the extraordinary dividend of SEK 250 million on 12 May 2025 (see "*Operating and financial review–AT1 Notes*" and "*Shares and share capital–Dividend history*" for additional information).

Please also refer to "*Presentation of financial and other information–Financial information*".

SEK million	31 March 2025 Actual	Adjustments attributable to the acquisition of the remaining shares in Eiendomsfinans AS[A)]	Adjustments attributable to the issuance of AT1 Notes and extraordinary dividend[B)]	31 March 2025 Adjusted
Total current debt (including current portion of non-current debt)	**25,311.8**			**25,311.8**
Guaranteed	21,729.6[1)]			21,791.5[1)]
Secured	2,022.7[2)]			2,022.7[2)]
Unguaranteed/unsecured	1,559.5[3)]			1,498.6[3)]
Total non-current debt (excluding current portion of non-current debt)	**5,087.9**			**5,087.9**
Guaranteed	164.2[4)]			164.2[4)]
Secured	3,236.4[5)]			3,236.4[5)]
Unguaranteed/unsecured	1,687.3[6)]			1,687.3[6)]
Shareholder equity	**5,582.0**	**–14.6**	**–10.0**	**5,557.4**
Share capital	0.4			0.4
Legal reserves	26.0			26.0
Other reserves	1,196.2			1,196.2
Primary capital instruments	–		240.0	240.0
Retained earnings (including profit for the period)	4,359.4	–14.6	–250.0	4,094.8
Total	**35,981.8**	**–14.6**	**–10.0**	**35,957.2**

1) Guaranteed by government deposit guarantees.
2) Secured by collateral registered for the benefit of holders of covered bonds issued by Enity Bank. The collateral comprises loans granted against mortgages in single-family homes, second homes and tenant-owners' rights with a LTV ratio within 80 per cent of the market value.
3) Includes current lease liabilities according to IFRS 16 *Leases* ("**IFRS 16**") of SEK 21.2 million.
4) Guaranteed by government deposit guarantees.
5) Secured by collateral registered for the benefit of holders of covered bonds issued by Enity Bank. The collateral comprise loans granted against mortgages in single-family homes, second homes and tenant-owners' rights with a LTV ratio within 80 per cent of the market value.
6) Includes non-current lease liabilities according to IFRS 16 of SEK 27.6 million.
A) The acquisition of the remaining shares in Eiendomsfinans AS has resulted in derecognition of shares in associates and consolidation of Eiendomsfinans AS as a subsidiary. Derecognition of Eiendomsfinans has resulted in a loss of SEK 14.6 million with a decrease in profit for the period.
B) The issuance of the AT1 Notes increased primary capital instrument in equity with the issuance amount of SEK 250 million reduced with the transaction cost of SEK 10 million. The extraordinary dividend of SEK 250 million decreased retained earnings in equity with the dividend amount.

Adjusted for the acquisition of the remaining shares in Eiendomsfinans AS and the issuance of the AT1 Notes and the extraordinary dividend (and a change in the portion of Enity Bank's Tier 2 instruments eligible for inclusion in total capital), Enity's CET1 ratio, Tier 1 capital ratio and total capital ratio as of 31 March 2025 would have amounted to 15.0 per cent, 16.7 per cent and 18.6 per cent, respectively (compared to actual ratios of 17.3 per cent, 17.3 per cent and 19.2 per cent, respectively).

Net financial indebtedness

Set forth below is Enity's net financial indebtedness as of 31 March 2025.

SEK million	31 March 2025 Actual	Adjustments attributable to the acquisition of the remaining shares in Eiendomsfinans AS[A)]	Adjustments attributable to issuance of AT1 Notes and extraordinary dividend[B)]	31 March 2025 Adjusted
(A) Cash	772.5	–83.1	–10.0	679.4
(B) Cash equivalents	1,480.2[1)]			1,480.2[1)]
(C) Other current financial assets	1,259.6			1,259.6
(D) Liquidity (A)+(B)+(C)	**3,512.3**	**–83.1**	**–10.0**	**3,419.2**
(E) Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	25,311.8[2)]			25,311.8[2)]
(F) Current portion of non-current financial debt	–			–
(G) Current financial indebtedness (E)+(F)	**25,311.8**			**25,311.8**
(H) Net current financial indebtedness (G)–(D)	**21,779.6**	**83.1**	**10.0**	**21,892.7**
(I) Non-current financial debt (excluding current portion and debt instruments)	191.8[3)]			191.8[3)]
(J) Debt instruments	4,896.1			4,896.1
(K) Non-current trade and other payables	–			–
(L) Non-current financial indebtedness (I)+(J)+(K)	**5,087.9**			**5,087.9**
(M) Total financial indebtedness (H)+(L)	**26,887.5**	**83.1**	**10.0**	**26,980.6**

1) Consists of lending to credit institutions. According to the Central Bank of Finland, a required cash amount needs to be reserved and for Enity that amount was SEK 33.4 million as of 31 March 2025.
2) Includes current lease liabilities according to IFRS 16 of SEK 21.2 million.
3) Includes non-current lease liabilities according to IFRS 16 of SEK 27.6 million.
A) The acquisition of the remaining shares in Eiendomsfinans AS has resulted in a decrease of cash with an amount equivalent to the purchase price of SEK 83.1 million.
B) The issuance of the AT1 Notes increased cash with the issuance amount of SEK 250 million reduced with the transaction cost of SEK 10 million. The extraordinary dividend of SEK 250 million decreased cash with the dividend amount, resulting in a net decrease in cash of SEK 10 million.

Contingent liabilities and indirect indebtedness

Enity has entered into a binding commitment to acquire the remaining shares in Uno Finans AS, in which Enity currently holds a 49 per cent stake. The acquisition is to be completed during the first quarter of 2026, in accordance with the shareholders' agreement. The estimated minimum amount for the acquisition corresponds to approximately 51 per cent of the agreed value under the shareholders' agreement of NOK 135 million, corresponding to a purchase price of approximately NOK 69.2 million (see "*Legal considerations and supplementary information–Right and obligation to acquire additional shares in Uno Finans AS*"). See also "*Note 33 – Pledged assets, contingent liabilities and commitments*" on page F-75 in "*Historical financial information*".

Selected bank and statistical data

The following bank and statistical data presented below as of and for the financial years ended 31 December 2024, 2023 and 2022 has been derived from Enity's audited consolidated financial statements and Enity's regularly maintained accounting systems and customer management systems. The historical consolidated financial information presented below as of and for the three months ended 31 March 2025 and 2024, respectively, has been derived from Enity's unaudited interim consolidated financial statements as of and for the first three months 2025 and Enity's regularly maintained accounting systems and customer management systems. The information in this section should be read in conjunction with "Presentation of financial and other information", "Operational and financial review" and "Historical financial information".

Average balances and interest rates

The following tables set forth Enity's average lending to the public and deposits from the public on segment level as well as average debt securities in issue. Interest income or expense and the average interest rate for the periods indicated are also included. Average balance is calculated as the average of the opening and closing balance each respective year end. The average interest rate is calculated as interest income or expense in relation to the average balance.

	For the three months ended 31 March					
	2025			2024		
(SEK million)	**Average balance**	**Interest income**	**Average rate %**	**Average balance**	**Interest income**	**Average rate %**
Lending to the public	29,071.2	569.7	2.0%	26,756.9	557.1	2.1%
Sweden	12,084.1	207.3	1.7%	11,644.1	238.5	2.0%
Norway	15,536.6	330.3	2.1%	14,113.9	294.6	2.1%
Finland	1,334.8	29.4	2.2%	810.8	20.2	2.5%
Other operations	115.6	2.8	2.4%	188.1	3.8	2.0%

	For the year ended 31 December								
	2024			2023			2022		
(SEK million)	**Average balance**	**Interest income**	**Average rate %**	**Average balance**	**Interest income**	**Average rate %**	**Average balance**	**Interest income**	**Average rate %**
Lending to the public	**27,518.7**	**2,316.6**	**8.4%**	**21,518.8**	**1,712.7**	**8.0%**	**19,339.7**	**1,232.1**	**6.4%**
Sweden	11,742.7	941.0	8.0%	11,299.1	898.6	8.0%	10,801.3	619.4	5.7%
Norway	14,599.8	1,263.9	8.7%	9,564.2*)	750.4	7.8%	8,173.2	589.2	7.2%
Finland	1,023.9	99.6	9.7%	624.7	60.8	9.7%	365.2	23.5	6.4%
Other operations	152.3	12.2	8.0%	30.7*)	3.0	9.7%	0.1	–	–

*) Average adjusted to address the effect from the acquisition of Bank2 on 31 October 2023.

(SEK million)	For the three months ended 31 March 2025 Average balance	Interest expense	Average rate %	2024 Average balance	Interest expense	Average rate %
Deposits from the public	22,790.1	248.7	1.1%	20,862.0	235.6	1.1%
Sweden	7,433.0	67.1	0.9%	6,680,6	67.5	1.0%
Norway	12,191.9	151.7	1.2%	12,960.2	156.2	1.2%
Finland	3,165.2	29.9	0.9%	1,221.2	12.0	1.0%
Debt securities in issue	7,926.8	69.2	0.9%	8,454.7	92.7	1.1%
Covered bonds	5,262.2	41.0	0.8%	5,098.1	57.8	1.1%
Other senior funding	2,305.7	21.5	0.9%	3,297.1	34.9	1.1%
Subordinated debt	358.9	6.8	1.9%	59.6	–	–

(SEK million)	For the year ended 31 December 2024 Average balance	Interest expense	Average rate %	2023 Average balance	Interest expense	Average rate %	2022 Average balance	Interest expense	Average rate %
Deposits from the public	**21,858.0**	**971.1**	**4.4%**	**14,827.2**	**535.1**	**3.6%**	**11,832.6**	**176.5**	**1.5%**
Sweden	7,065.7	296.4	4.2%	6,570.0	217.4	3.3%	5,329.7	66.5	1.2%
Norway	12,397.7	606.8	4.9%	7,695.5*)	303.7	3.9%	6,502.9	110.0	1.7%
Finland	2,394.6	67.9	2.8%	561.8	14.0	2.5%	–	–	–
Debt securities in issue	**7,758.2**	**363.9**	**4.7%**	**7,870.9**	**283.0**	**3.6%**	**8,340.0**	**107.7**	**1.3%**
Covered bonds	5,185.4	218.5	4.2%	5,559.1	186.3	3.4%	5,712.2	67.0	1.2%
Other senior funding	2,363.2	133.6	5.7%	2,282.0	96.7	4.2%	2,381.2	40.7	1.7%
Subordinated debt	209.6	11.8	5.6%	29.8	–	–	246.6	–	–

*) Average adjusted to address the effect from the acquisition of Bank2 on 31 October 2023.

Maturities of loans

The following table sets forth information on Enity's remaining duration for lending to credit institutions and lending to the public as of 31 December 2024.

(SEK million)	As of 31 December 2024 Payable on demand	Less than 3 months	3 months–1 year	1–5 years	5+ years	Without duration	Total
Lending to credit institutions	**2,568.4**	**–**	**–**	**–**	**–**	**–**	**2,568.4**
Lending to the public	**–**	**265.7**	**774.2**	**3,998.0**	**22,132.7**	**1,661.8**	**28,832.4**
Sweden	–	101.1	294.8	1,522.1	8,426.2	1,661.8	12,005.9
Norway	–	150.6	438.7	2,265.5	12,541.9	–	15,396.6
Finland	–	12.8	37.3	192.7	1,066.8	–	1,309.6
Other operations	–	1.2	3.4	17.7	97.8	–	120.2

Analysis of the allowance for loan losses

The following table sets forth information regarding Enity's allowance for loan losses as of the dates indicated.

(SEK million)	For the three months ended 31 March 2025	2024	For the year ended 31 December 2024	2023	2022
Balance at the beginning of the period	–160.8	–103.6	–103.6	–60.0	– 38.3
Changes in provisions for anticipated credit losses	–21.1	–13.0	–27.2	–30.2	–20.8
Changes in acquisition of subsidiaries and other financial assets	8.8	–43.2	–29.6	–13.3	–0.7
Balance at the end of the period	**–173.0**	**–160.0**	**–160.8**	**–103.6**	**–60.0**

Maturities of deposits and other funding

The following table sets forth information of Enity's remaining duration for deposits from the public and debt securities in issue as of 31 December 2024.

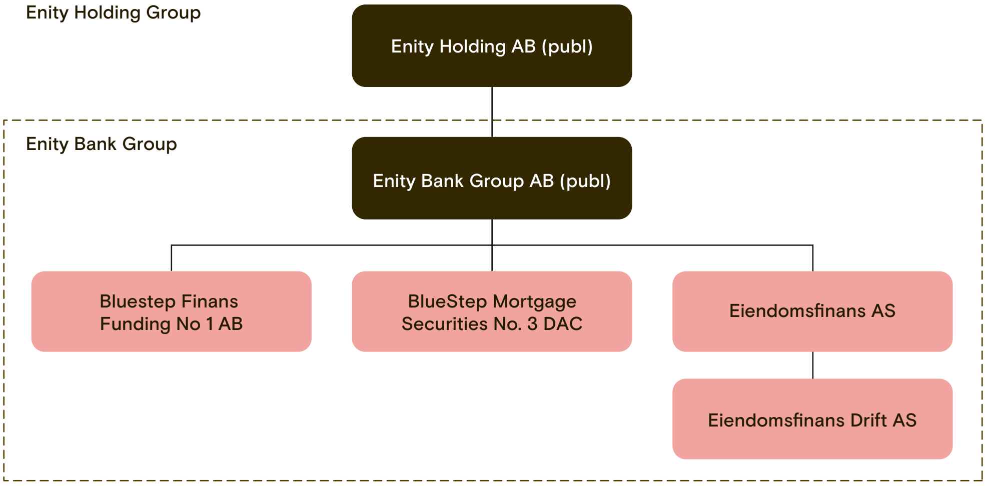
	As of 31 December 2024						
(SEK million)	**Payable on demand**	**Less than 3 months**	**3 months–1 year**	**1–5 years**	**5+ years**	**Without duration**	**Total**
Deposits from the public	**6,958.8**	**9,297.7**	**6,815.2**	**131.2**	**–**	**–**	**23,202.9**
Sweden	2,498.6	3.824.1	1,133.8	102.9	–	–	7,559.4
Norway	4,451.5	3,733.1	3,764.8	28.3	–	–	11,977.7
Finland	8.7	1,740.5	1,916.5	–	–	–	3,665.7
Debt securities in issue	**–**	**–**	**2,028.0**	**5,905.4**	**–**	**–**	**7,933.5**
Covered bonds	–	–	2,028.0	3,246.5	–	–	5,274.6
Other senior funding	–	–	–	2,598.3	–	–	2,598.3
Subordinated debt	–	–	–	60.6	–	–	60.6

Risk management and capital adequacy

Risk governance

The Group's risk governance is performed based on a legal, organisational, and three lines of defence structure.

Legal structure

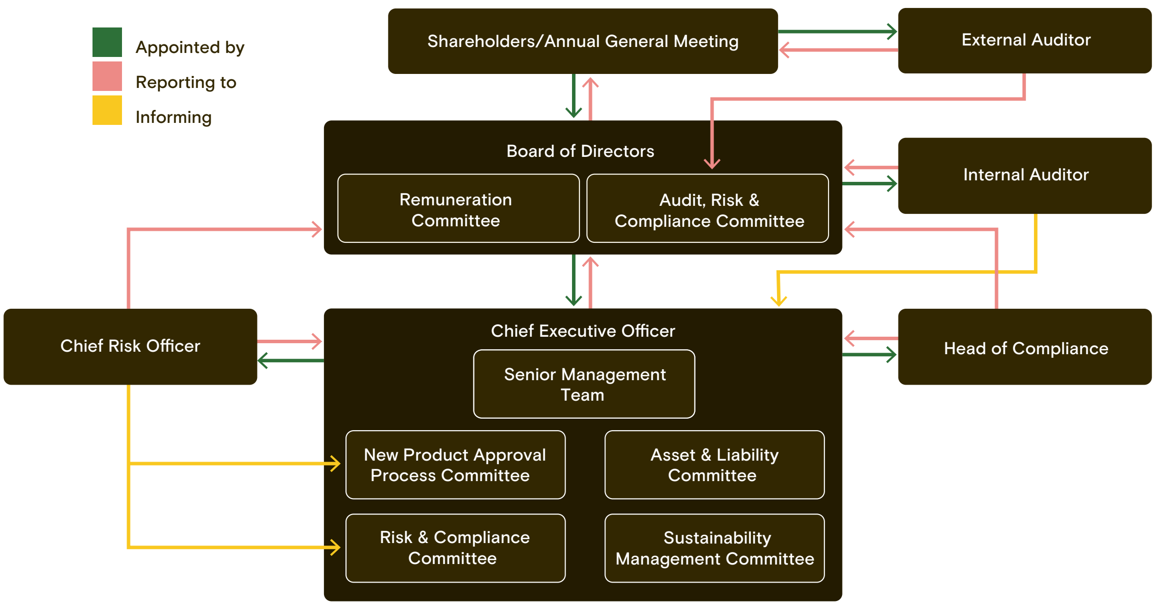


See "*Legal considerations and supplementary information–Group structure and subsidiaries*" for further information on the legal structure of the Group.

Organisational structure

The organisational structure consists of the Board of Directors, the CEO, the Senior Management Team, business and support functions, and control functions.[1)]

Organisational structure overview



1) The Board of Directors and Senior Management Team (including the CEO) of the Company and Enity Bank are composed of the same individuals.

The Board of Directors

The Board of Directors is appointed by the shareholders at the Annual General Meeting, and establishes financial and business goals and strategies, ensures that there are effective operating structures and systems in place, and ensures compliance with laws, regulations and internal policies. The Board of Directors has the ultimate responsibility for risk management, capital management, compliance, and internal control. The responsibility includes deciding on Enity's risk management strategies and risk appetite, ensuring that the risk, capital and liquidity situation is within the set framework, and that the risk management, compliance and internal control is effective and appropriate. The members of the Board of Directors are selected on the basis of skills and experience relevant to an organisation of Enity's size, complexity and business activities. Attention is paid to the need to ensure a diverse composition of members of the Board of Directors in order to ensure that the Board of Directors is capable of making objective judgements and providing effective challenge regarding the running of the business.

The Board of Directors has established the following committees:

- The Audit, Risk and Compliance Committee (the "**ARCCO**") which assists the Board of Directors in reviewing financial reporting, risk management, compliance, internal control, and auditing.
- The Remuneration Committee which assists the Board of Directors in preparing proposals for remuneration.

See "*Corporate governance–Board committees*" for additional information.

CEO

The CEO is appointed by the Board of Directors, and is responsible for the management of Enity's operations, to ensure that the organisation and working methods are appropriate, and to ensure that business functions comply with external and internal rules.

The CEO has established the following committees[1)] and forums:

- Senior Management Team which supports the CEO in the day-to-day management of Enity. The Senior Management Team is chaired by the CEO.
- The Risk and Compliance Committee (the "**RiCO**") which supports the operations in operational risk management, compliance, and audit issues. The RiCO is chaired by the CRO (Chief Risk Officer).
- The New Product Approval Process (the "**NPAP**") Committee which supports the operations in considerations of new or changed products, processes, services, systems, and material organisational changes. The NPAP Committee is chaired by the Head of Compliance.
- The Asset and Liability Management Committee (the "**ALCO**") which supports the operations in management of balance sheet-related issues and risks. The ALCO is chaired by the CFO.
- The Sustainability Management Committee which establishes and oversees sustainability policies, frameworks and strategy as well as operational oversight of implementation of sustainability activities.

CRO and the Risk Management function

The Board of Directors has appointed a CRO directly subordinated to the CEO. The CRO leads the Risk Management function, which is responsible for supporting, monitoring and independently controlling the risk management within Enity, thereby ensuring that the risks are identified, assessed, managed, monitored and reported correctly.

Head of Compliance and the Compliance function

The Board of Directors has appointed a Head of Compliance directly subordinated to the CEO. The Head of Compliance leads the Compliance function, which is responsible for ensuring regulatory compliance in the operations through providing training, advice, supervision and monitoring of compliance areas.

Internal Audit function

The internal audit function is described in "–*Three lines of defence structure*" below.

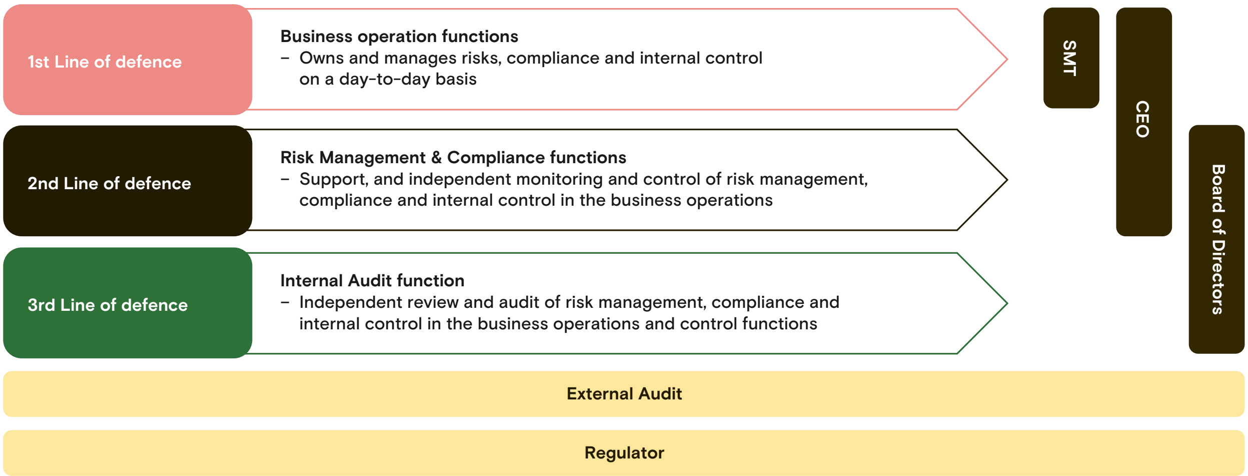
Three lines of defence structure

The structure with three lines of defence consists of the following areas of responsibility for risk management, compliance, and internal control:

- *First line of defence* – The business functions, where managers own their risks and are responsible for the day-to-day risk management, compliance and internal control. The managers of business functions report to the Senior Management Team and the CEO.
- *Second line of defence* – The Risk Management function and the Compliance function are responsible for the risk management, compliance and internal control frameworks. These functions provide support and perform independent monitoring and control of these areas. The CRO and the Head of Compliance report directly to the CEO and to the Board of Directors.
- *Third line of defence* – The Internal Audit Function is responsible for independent audit of risk management, compliance and internal control in the business and control functions. The Internal Audit function reports directly to the Board of Directors. Enity has outsourced the internal audit to Deloitte AB.

1) Established on Enity Bank level.

Three lines of defence structure overview



Risk management framework

Risk management framework in general

Enity's 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. Enity defines risk as the possibility that an event may occur and adversely affects the achievement of strategy and business objectives. The risk management process, covering identification, assessment, management, monitoring, control, and reporting of risks, enables taking and managing risks while achieving set strategic, business, and operational objectives. The risk management covers backward-looking, actual, and forward-looking risks, on and off the balance sheet, that Enity is, or might be, exposed to.

The risk management framework is integrated into the overall governance and internal control frameworks, and is linked to the strategic planning and capital management. The risk management framework covers principles, risk culture, risk management strategies, risk appetite and risk tolerance, risk profile, risk management process, risk control, approval process for new products, sensitivity analysis/stress tests/scenario analysis, internal capital and liquidity assessment process ("**ICLAAP**"), risk reporting, and risk-related policies and instructions. The risk management framework is governed by the Risk Management Policy and Instruction approved by the Board of Directors.

Risk related policies and instructions

In addition to the Risk Management Policy and Instruction, there are specific policies approved by the Board of Directors for the different risk categories; such as the Operational Risk Management Policy and Instruction, Credit Risk Management Policy, Liquidity and Financing Risk Management Policy, Foreign Exchange Rate Risk Management Policy, Interest Rate Risk Management Policy, Capital Management Policy, and ICLAAP Policy.

Risk management process

The risk management process – which encompasses the identification, assessment, management, monitoring, control and reporting of risks – enables risks to be taken and managed while at the same providing the opportunity to achieve set strategic, business, and operating objectives.

The logic of the risk management process is described below in logical order.

Risk universe

The risks Enity is, or might be, exposed to are grouped into risk categories which together constitute the risk universe. Each risk category has a dedicated risk owner, pre-defined risk assessment methods, and is governed and managed by relevant risk-related polices and instructions.

Risk management strategy

The risk management strategy is approved by the Board of Directors and sets the framework for the risks that the Board of Directors is willing to take, and ensures that an appropriate balance is maintained between goal achievement and risk exposures with the aim of ensuring that Enity remains a strong creditor to the customers, a strong partner to third parties, as well as a strong partner to the shareholders. The risk management strategy covers the risk appetite, risk tolerance and risk limits for material risks of carrying out the operations and in achieving goals in accordance with the strategic, business and operational plans. Risk appetite is the amount of risk that Enity is willing to take in the pursuit to achieve its vision, mission and goals over a strategic time horizon. Risk tolerance is a specification of the risk appetite in order to achieve set goals over a tactical time horizon, and is normally expressed in quantitative terms that could be tolerated to achieve set goals.

Risk assessment and management
Enity is exposed to a number of risks, such as strategic risk, business risk, operational risk (covering information security risk), credit risk, credit-related concentration risk, market risks, liquidity risk, financing risk, environmental, social and governance-related risk, regulatory risk, and reputational risk. Identified risks are assessed qualitatively based on probability and impact of economic loss, negative change in earnings or material change in risk profile, and quantitatively by calculating capital requirements where relevant.

The risks are mitigated and limited through established risk appetite and risk tolerances, 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 Enity.

The risk management framework is integrated into the overall governance and internal control frameworks, and is linked to the strategic planning and capital management. The risk management framework covers principles, risk culture, risk management strategies, risk appetite and risk tolerance, risk profile, risk management process, risk control, approval process for new products, sensitivity analysis, stress tests, scenario analysis, ICLAAP, risk reporting, and risk-related policies and instructions.

The risk management framework is operationalised through the risk management strategy, via approved policies and instructions, performed in day-to-day processes, procedures and routines, and followed-up and controlled by the risk owners and the control functions, as well as by the CEO, the Board of Directors, and various committees.

The risk governance is performed from an organisational perspective as well as from a perspective with three lines of defence. The risk management framework is governed by the Risk Management Policy and Instruction, approved by the Board of Directors.

Risk profile
Based on the aggregated risk outcomes, the risk profile refers to the aggregated risk exposure inherent in the operations activities and balance sheet at a specific point in time. The risk profile is to be kept within set risk appetite and risk tolerance levels.

The established risk management framework and arrangements are deemed sufficient in relation to the risk profile and strategy.

Monitoring and control of risk
Identified risks are continuously monitored to ensure that the management and controls of risks are effective and efficient, and that the risks and the risk profile is within set risk appetite, risk tolerance and risk limits.

Risk owners are responsible for monitoring and controlling risks within their respective areas of responsibility. Control functions are responsible for carrying out independent monitoring and control of risks within their respective functional responsibilities.

Potential breaches of set risk appetite, risk tolerance and risk limits are managed in accordance with established escalation order.

Risk reporting
There are procedures and routines in place for independent risk reporting, including reporting tools and IT systems. This ensures that the risk information is up-to-date, complete and relevant, and that external reporting is reported on time. The risk information is collected and compiled for material and measurable risks, as well as compiled to identify and report risk exposures, risk concentrations and changes in risk profile. The IT systems support the compilation, and are flexible to meet different analysis needs.

The main internal risk reporting are the risk and control reports from the Risk Management function to the Board, the ARCCO, the CEO, the Senior Management Team, the RiCO, the ALCO, the Credit Committees (central and local), and the Sustainability Management Committee.

Specific risk management information

Specific risk management information for risk categories is disclosed below. For certain additional information, see "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*".

Credit risk

Credit risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to failure of a counterparty to fulfil its obligations in accordance with agreed terms.

Given the nature of the business with lending to the public, credit risk is material for Enity. Credit losses could arise partly due to inability or unwillingness of a customer or a counterparty to fulfil its obligations in relation to lending (probability of default), and partly due to recoveries from the collateralised assets being insufficient to cover the principal amounts, accrued interest and other costs (loss given default). In addition, credit risk can be reflected as losses via provisions resulting from reduction in portfolio values arising from actual or perceived deterioration in credit quality.

The main credit risk exposures are mortgages, and liquidity reserve investments such as government bonds and covered bonds, and exposures to other institutions. The risk appetite for credit risk in mortgage loans is medium, and low for credit risk in liquidity reserve investments.

The credit portfolio is well diversified and consists of a large number of customers, with somewhat increased risk compared to traditional mortgage banks. The credit strategy is based on the borrowers' expected ability to repay their debts, their credit history and the underlying securities. To assess the probability of default, the borrowers are divided into different risk grades.

Credit risk is primarily managed through credit policy and credit instructions, as well as established risk management strategy with set risk appetite and risk tolerance. Active credit risk management is achieved through prudent customer selection in the credit operations, to ensure careful and well-balanced customer selection. The credit operations are responsible for the credit decision processes, and to ensure compliance with policies and instructions for credit risk management.

The risk classification system is a central part of the credit process, encompassing work and decision-making processes for granting and monitoring credit, and quantification of credit risk. The credit granting presupposes that the borrower can fulfil their commitment to Enity on good grounds. A sound, long-term robust and risk-balanced lending presupposes that the credit transaction is set in relation to influencing external factors. This means that knowledge of expected local, regional and global change and development, of significance to the business and its risk, are taken into account. Systematic analysis of the individual credit exposures takes place through ongoing follow-up of individual commitments.

Active credit risk management is also achieved by the collection operations responsible for non-performing loans, *i.e.* when customers have ceased to service their debt obligations, and thereby breached their contractual terms and attempt to implore customers to return to orderly payments or take other actions to mitigate the risk of loss.

In order to maintain a well-diversified credit portfolio, with a balanced risk profile and good balance between risk and return, Enity continuously strives to understand the borrowers and their individual conditions.

The performance of the loan books is continuously monitored, and risk drivers analysed, allowing for a better understanding of the underlying credit risk.

For more information regarding measurement of credit risk by using probability of default, exposure at default and loss given default for calculating expected credit losses under IFRS 9, see "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*".

Credit-related concentration risk

Credit-related concentration risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to individual counterparty exposures, or groups of counterparty exposures whose credit risk represents a material degree of co-variation.

The risk appetite for credit-related concentration risk in non-financial as well as financial counterparties is low. Exposures to concentration risk are inherent in the business model, why the concentration risk is one of the core focus areas in customer and financial counterparty credit assessment. Concentration risk might arise due to lack of diversification and lending too heavily in one industry, market, or geographic area.

Credit quality, geographical exposure and the maximum exposure for credit risk are further disclosed in "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*".

Since Enity offers loans in Sweden, Norway and Finland, and the outstanding loan portfolio mainly consists of secured loans, a certain level of exposure to concentration risk is inherent in the business model. The concentration risk is one of the core focus areas in the borrowers' credit assessment and is continuously monitored. The Risk Management function is independently assessing the concentration risk to ensure that the risk profile is in line with established risk management strategy, and managed appropriately, and reports the concentration risk to the Board of Directors and the CEO on a monthly basis.

For concentration risk, Pillar II capital requirements are calculated under three different categories: individual concentration, industry concentration and geographical concentration. The total capital requirement for concentration risk is the sum of the capital requirements for the three different categories of concentration risk.

Credit valuation adjustment risk

Credit valuation adjustment ("**CVA**") risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to changes in counterparty credit spreads and market risk factors that drive market prices of derivative transactions and securities financing transactions.

CVA risk arise if a counterparty in a transaction fail before the final settlement of the transaction is performed. More precisely, an adjustment is made to the mid-market valuation of a portfolio of transactions with given counterparties to reflect the current market value of the credit risk of the counterparty but excludes the current market value of the credit risk of the counterparty.

The risk appetite for CVA risk is low. Enity uses over-the-counter derivatives for its hedging strategies, and the CVA risk is very sensitive to mark-to-market valuations and the terms of the transaction. Enity does not have any rating triggers in its derivative contracts, *i.e.*, the provision of collateral by Enity under derivative agreements would not be affected by a change in Enity's credit rating.

CVA exposures are continuously assessed and reported. As CVA risk is a consequence of the hedging activities, and the average term of these activities is generally shorter than three years, no specific further risk mitigating actions are taken.

Market risk

Market risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to fluctuations in the level or volatility of the market prices of assets, liabilities, and financial instruments.

Foreign exchange rate risk

Foreign exchange rate risk is a sub-risk category to market risk, and is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to currency fluctuations in foreign exchange rates and changes in the relative value of the involved currencies.

Enity's risk appetite for foreign exchange rate risk is low. Given Enity's operations in Norway, Finland and Germany, Enity is exposed to market risk related to changes in foreign exchange rates. The Treasury function hedges the exchange rate risk by derivatives and currency-matching of liabilities and assets. There are established policies, instructions, processes and routines for managing exposure to market risk. See "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*" for additional information.

Interest rate risk in the banking book

Interest rate risk in the banking book is a sub-risk category to market risk, and is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to adverse changes in market interest rates affecting assets, liabilities and off-balance sheet items, including gap risk, basis risk and option risk.

The interest rate risk derives from income and market value of a loan portfolio as a result of uncertain future interest rates. In particular, Enity may suffer losses or reduced income as interest rates fluctuate over time, as both the asset and liability bases are a mix of fixed and variable interest-bearing items with different maturities and interest periods. Enity is thus exposed to the risk of losses arising from negative movements in market interest rates and from the lending and deposits offered by Enity.

The risk appetite for interest rate risk is low. Enity uses derivative instruments to achieve desired mitigation of interest rate risk. Interest rate risk is primarily attributable to fixed rates applied to lending, whereas financing to a larger extent is conducted at variable rates. Enity actively manages the interest rate risk by matching fixed and floating interest rates and durations of assets and liabilities when possible, or by mitigating the risk with hedging instruments.

In accordance with the Swedish FSA's methodology for assessing individual types of risks, exposures to interest rate risk arising as a consequence of interest rate fluctuations are part of the Pillar II capital requirements. By using numerous stress scenarios, the interest rate risk exposure is calculated under unfavourable conditions. For more information, see "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*". If the exposures should exceed set limits, or are close to doing so, Enity will enter into new hedging instruments to reduce the interest rate exposure to a level within set limits.

The Treasury function performs monthly monitoring and reporting of interest rate risk to the management, and the Risk Management function performs independent follow-up and reporting.

Liquidity risk

Liquidity risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to not being able to fulfil payment obligations on any given due date without the cost of obtaining the funds increasing considerably.

The risk appetite for liquidity risk is low, and Enity shall retain enough excess liquidity in a liquidity reserve to meet unforeseen cash outflows. The liquidity reserve is mainly composed of highly rated liquid securities (government bonds and covered bonds) and bank account balances according to the Liquidity and Financing Risk Management Policy. The Board of Directors has set limits for the minimum liquidity reserve and liquidity buffer that Enity shall maintain at any time. Enity uses key risk indicators ("**KRIs**"), in order to detect deviations from the expected liquidity development at an early stage.

Contingency plans have also been established to enable rapid responses to mitigate risks related to the size of the liquidity reserve.

The extent of the liquidity risk exposure depends on Enity's, and its established branch offices' and subsidiaries' ability to raise the necessary funding to meet its obligations, hence funding risk is interconnected to the liquidity risk.

Enity is mainly exposed to liquidity risk related to retail deposits and refinancing of issued securities (senior unsecured bonds and covered bonds) and credit facilities. Diversification of funding and maturity concentration limits reduces the liquidity risk. Continuous interest payments are well matched with corresponding flows attributable to the underlying mortgage assets, which also reduces the liquidity risk. As Enity diversifies its funding sources, liquidity risk is reduced. Deposit product features and pricing are designed to maximise their cost/risk efficiency. Enity offers retail deposit products to the public in Sweden, Norway and Germany. Deposit products in Sweden and Germany are covered by the Swedish deposit guarantee scheme. In Norway, the deposit products of Enity Bank's Norwegian branch are covered by the Swedish deposit guarantee (up to SEK 1,050,000) and the Norwegian deposit guarantee (up to NOK 2,000,000), respectively. Enity offers different deposit products depending on the needs of Enity and market prices, incorporating this risk into its decision making.

The LCR and the NSFR are monitored on a monthly basis (see also "*Note 2 – Risk management*" on page F-28 in "*Historical financial information*") and reported on a monthly-/quarterly basis, respectively. The Treasury function manages the operational handling of liquidity risks, and reports the liquidity situation on a daily and monthly basis. Additional liquidity monitoring metrics are also reported to the supervisory authorities on a quarterly basis.

ESG risk

ESG risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to external and internal contribution to climate change, biodiversity, energy consumption, pollution and waste management (Environmental), deficiencies in human capital, labour standards, equality, diversity, and inclusion, and workplace health and safety (Social), and deficiencies in corporate governance and corporate behaviour (Governance).

Enity maintains a robust sustainability structure within its operations with a dedicated Head of Sustainability, and overseen by a Sustainability Management Committee. The Sustainability Policy is approved by the Board of Directors, and the sustainability strategy is integrated with the business strategy and risk management framework. The risk appetite is set as low, with defined KRIs and limits in place, aligned with the sustainability strategy.

ESG risks are assessed using methodologies and procedures akin employed for other operating-related risks. The risk assessment gauge the likelihood and potential impact on Enity's business model viability, sustainability, and long-term resilience. The aim is to ensure alignment with the broader risk management framework and safeguard Enity's stability. ESG risks are regularly qualitatively assessed based on likelihood and impact as part of the double materiality assessment, the regular risk assessment and integrated into the ICLAAP. ESG risks are categorised into physical and transitional environmental risks, social risks, and governance risks, for precise identification and assessment. ESG risks are proportionately integrated as factors and risk drivers, and the potential impact of ESG factors may materialise through various other risks, such as business risk, credit risk, financial risk, operational risk, or reputational risk. ESG risks are effectively managed and limited within defined risk appetite and risk tolerance levels, enabling informed risk-taking decisions and fostering a comprehensive understanding of risk management through-out Enity's operations.

The sustainability efforts, including ESG risks, are reported by the Head of Sustainability to the Sustainability Management Committee and the Board of Directors, and by the Risk Management function as part of the risk reporting.

Operational risk

Operational risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to inadequate or failed internal processes, people and systems or from external events, including legal risk, model risk, and information and communication technology risk.

The risk appetite for operational risk is medium, and Enity has a range of measures and tools in place for identifying, assessing, managing, monitoring, controlling, documenting, and reporting, operational risks. These are governed by policies, instructions, processes, procedures, and routines, to ensure that the operational risks in the business operations are at an acceptable level, and that processes and IT systems work accordingly. Additionally, Enity conducts regular training and education of staff, such as mandatory training in operational risk management, incident management, anti-money laundering and terrorism financing, GDPR, bank secrecy, conflicts of interest, code of conduct, and information security. Enity also has a formal whistle-blowing process to be able to report irregularities.

As part of the risk management framework, all business and control functions perform self-risk assessments within the operations twice a year, in order to identify and assess risks that could otherwise have been overlooked. Identified operational risks are assessed based on likelihood of occurrence and impact potential events. Material risks are mitigated by ensuring processes, routines and/or controls, and also increase knowledge and awareness of the staff and contributes to spreading a consensus of operational risk management within Enity.

Enity regularly performs follow-up and controls of outsourced operations to third-party suppliers in order to maintain governance and continuity of the operations.

Through incident management, the staff reports incidents for further analysis and follow-up. The Risk Management function continuously monitors reported incidents, and follows up with incident owner and incident responsible staff to ensure that proper actions are taken and to prevent incidents from reoccurring. The Risk Management function reports material incidents to the CEO, the Senior Management Team, the RiCO, and the Board of Directors.

IT related risks are in particular mitigated through the development and maintenance of reliable IT systems with built-in controls, reconciliation, backup procedures, and business continuity through contingency plans, continuity plans and disaster recovery plans in the event of a material disruption. Continuous testing of business continuity management plans is carried out, and structured work is carried out to protect information. To strengthen the work even further, continuous review of processes and working methodologies is performed to improve and supplement Enity's information security. Enity has a security function established that ensures and maintains a high level of information security in the operations, and the function proactively works to increase security awareness in the organisation as well as with partners and to continuously improve the security of the IT environment.

NPAP is an established process for analysing and evaluating risks as a basis for approving new or changed products, services, systems, and material organisational changes.

Furthermore, proactive work is performed to prevent and strengthen the ability to manage serious events that may affect the conduct of business operations or IT systems. Business continuity plans exist that describe how Enity will operate in the event of serious disruptions, and the plans are tested annually to ensure that they are well adapted to the operations and system environments.

Other risks

In addition to the risks mentioned above, risk assessments are also performed for other risks to which Enity is, or might be, exposed to, such as strategic risk, business risk, other market risks (settlement risk and credit spread risk), financing risk, asset liability management risk, regulatory risk, and reputational risk.

The risks are assessed qualitatively, and material risks are additionally assessed quantitatively as part of the Pillar II capital requirement and in the Group's ICLAAP to allocate capital to ensure continued financial stability over the strategic business horizon.

Capital management and capital adequacy

The Group's capital management framework and the capital adequacy is disclosed below. For certain additional information, please refer to *"Note 31 – Capital adequacy analysis"* on page F-70 in *"Historical financial information"*.

Capital management framework in general

The capital management is integrated in the strategic planning, risk management framework, and performance of the ICLAAP. The capital management is based on internal conditions, organisational structure, business model, and the risk, capital and liquidity situation. 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 Enity's brand and reputation. Enity's capital management framework is governed by the Capital Management Policy, approved by the Board of Directors, and covers roles and responsibilities, principles, capital requirements and capital adequacy, capital planning and capital reporting.

The ICLAAP is conducted on an annual basis, and more often when necessary, and monitoring and reporting on KRIs occur on a monthly basis. As an integral part of the ICLAAP process, an analysis is conducted to evaluate the adequacy of the capital and liquidity reserves in terms of size and composition against estimated contingency needs addressing shortfalls in situations of financial stress.

Risk-based capital requirements

The risk-based capital requirements are calculated in accordance with the CRR, the Swedish Supervision of Credit Institutions and Investment Firms Act, the Swedish Act on Capital Buffers and the Swedish FSA's regulations and general guidelines. The risk-based capital requirements consist of the Pillar I minimum capital requirements, the Pillar II capital requirements, the combined buffer requirements, and the Pillar II guidance.

Pillar I minimum capital requirement

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

Pillar II requirement

The Pillar II requirement is based on qualitatively and quantitatively 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. The Pillar II capital requirement for material risks is assessed using internal methodologies, as well as methods from the Swedish FSA for concentration risk, interest rate risk, and credit spread risk. The Swedish FSA performs a supervisory review and evaluation process ("**SREP**") and formally decides on Pillar 2 requirement. The risk-based Pillar II requirement is, in accordance with the latest SREP decision by the Swedish FSA, 1.20 per cent of the RWAs for the consolidated situation. In accordance with the latest SREP decision by the Swedish FSA, Pillar II requirement is 1.10 per cent of the RWAs for Enity.

Combined buffer requirement

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

Pillar II guidance

The Pillar II guidance level is notified by the Swedish FSA as part of the SREP in addition to other main components to cover risks and manage future financial stresses. The Pillar II guidance applies if the Swedish FSA considers the capital conservation buffer to be insufficient for covering risks Enity might be exposed to. The Swedish FSA has decided not to notify any Pillar II guidance for the consolidated situation.

In addition, Enity maintains an extra capital buffer to prevent violating external regulatory requirements or internally set capital limits in situations of financial stress and significant negative impact on the financial system. The Board of Directors has established a long-term target of CET1 capital ratio of 16 per cent.

For an overview of risk weighted exposure amounts and total risk-based capital requirements, see *"Note 31 – Capital adequacy analysis"* on page F-70 in *"Historical financial information"*.

Leverage ratio requirement
The risk-based capital requirements are calculated in accordance with the CRR, the Swedish Supervision of Credit Institutions and Investment Firms Act, the Swedish Act on Capital Buffers and the Swedish FSA's regulations and general guidelines. The leverage ratio is a non-risk-based measure to limit build-up of leverage on the balance sheet, and is calculated as the ratio between Tier 1 capital and the leverage ratio exposure amount, comprising of on- and off-balance sheet exposures.

The minimum capital requirement for the leverage ratio is 3 per cent of the leverage exposure amount, and additional 0.15 per cent should be met for the consolidated situation as Pillar II guidance in accordance with the latest SREP decision by the Swedish FSA. See "*Note 31 – Capital adequacy analysis*" on page F-70 in "*Historical financial information*" for additional details.

The minimum and Pillar II leverage ratio requirements shall be met with Tier 1 capital, while Pillar II guidance shall be met with CET1 capital.

Composition of regulatory own funds and key metrics
Please refer to "*Note 31 – Capital adequacy analysis*" on page F-70 in "*Historical financial information*" for information on the composition of regulatory own funds and key metrics.

Capital planning
The capital planning is forward-looking in alignment with the strategic planning horizon, and ensures that own funds at all times are, and remain, sufficient in terms of size and quality (loss absorbing capacity) to bear the risks that result from the business performance and the strategic planning. Enity performs capital planning for the size of the own funds based on:

- identified and assessed risks;
- risk profile;
- sensitivity analysis, stress tests and scenario analysis;
- expected expansion of lending and financing opportunities; and
- new or changed legislation, business and competitive situation, and other external conditions.

The measures are selected and prioritised so that the result is maximised, and risk diversification is maintained in accordance with the strategic planning, risk management strategy and internal rules. Sources for raising capital could be from new share issues, shareholder's contributions, the market in the form of capital instruments, or increased own funds due to retained earnings. Further capital raising actions are set out in the recovery plan approved by the Board of Directors.

Liquidity contingency planning enables rapid responses to mitigate the risks related to the size of the liquidity reserves, and addresses the range from low-impact to high-impact events as well as outlining Enity's responses to unforeseen liquidity shortfalls.

Recovery planning establishes measures that might be taken for restoration of the financial position and viability in situations of financial stress.

The capital plan, liquidity plan, and recovery plan are reviewed at least annually.

Monitoring and reporting
The Risk Management function monitors the capital requirement and capital adequacy outcomes against established risk tolerance limits on a monthly basis, and reports this to the Board of Directors and the CEO.

The ICLAAP, covering capital management, is performed at least annually, or when necessary, and monitoring of outcomes and reporting is performed on a quarterly basis.

Liquidity risk management

Liquidity risk management framework in general
The liquidity management is integrated into the strategic planning, risk management framework, capital management, and the performance of the ICLAAP, to ensure sufficient and appropriate composition of liquidity. The liquidity management framework covers roles and responsibilities, principles, risk management strategy, risk management process, risk control and reporting related to liquidity. The framework is governed by the Liquidity and Financing Risk Management Policy, approved by the Board of Directors.

Liquidity risk management strategy
The liquidity risk management aims to ensure sufficient available liquidity and a strong funding base. The liquidity risk management strategy thereby ensures sufficient liquidity reserves at all times specifying how liquidity risks should not exceed the set risk appetite, risk tolerance and risk limits. The fundamental objective of the liquidity risk management strategy is to ensure that surplus funds should be invested securely in highly liquid instruments.

The objective of the LCR is to promote the short-term resilience of the liquidity risk profile, by ensuring an adequate stock of unencumbered high quality liquid assets ("**HQLA**") that could be converted easily and immediately in markets into cash to meet the liquidity needs for a 30-calendar day liquidity stress scenario. The LCR thus in general terms aims to improve the banking sector's ability to absorb shocks arising from financial and economic stress, whatever the source, thus reducing the risk of spill over from the financial sector to the real economy. Enity complies with the LCR requirement on a consolidated basis. Furthermore, a good balance of the currency composition in the liquidity reserve is also sought in relation to potential net outflows for each relevant currency, namely SEK, NOK and EUR. Enity also complies with the requirements for the NSFR, which ensures that the long-term assets are funded with a minimum level of stable long-term funding. In addition to the LCR and NSFR, Enity also uses internal measurements and limits to ensure that liquidity risk is managed in accordance with set risk tolerance. The internal measurements and limits are primarily attributable to the size and composition of the liquidity reserve. The liquidity reserve is set primarily in relation to total liabilities as well as to the size and duration of deposits from the public. In addition, there are internal limits to ensure that Enity can continue to operate without liquidity injections over a longer period.

The liquidity risk management strategy is closely linked to the funding and financing risk management strategy. If needed, in the short-term, the level of funding (based on the deposit activity from the general public) could be adjusted by increasing or decreasing the deposit interest rate payable to depositors, which affects both the actual liquidity reserve level and the liquidity reserve level that should be maintained.

Liquidity risk management process

The Treasury function is responsible for the day-to-day management of liquidity risk, and to identify, assess, manage, monitor, control and report liquidity risks for relevant counterparties, investments and funding sources.

Despite the fact that Enity operates in several countries, the liquidity decisions are cost-based, and the costs are calculated for liquidity and taken into account in the internal pricing and performance measures. The costs for liquidity reflect the cost of refinancing upcoming maturities and the cost Enity incurs to maintain a liquidity reserve.

Assets and liabilities are placed into different time-horizons, from one (1) day up to over 18 months. When calculating the efficiency of the liquidity reserve, all net cash outflows are calculated and the cumulative calculated net cash flow value over time determine the maximum time horizon the liquidity buffer could cover such outflows (*i.e.*, survival horizon).

For management of liquidity risk, no pledged collateral is included in the liquidity reserve. The minimum liquidity reserve is partly calibrated depending on the term-structure and the size of the retail deposit book, and a sizeable buffer is retained above the calibrated minimum level. In the event that there is a material and unplanned outflow of deposits, liquidity stress tests and actions are performed. The liquidity levels are then re-built to ensure alignment with the risk appetite, risk tolerance and risk limits. For mitigating counterparty risk, there are limits for placing excess liquidity.

Liquidity risks are continuously monitored to ensure that the management and controls of risks are effective, and that the risks and the risk profile are within set risk appetite, risk tolerance and risk limits. There are regularly performed sensitivity analyses, stress tests and scenario analyses to manage liquidity under stressed conditions. The monitoring is mainly performed via KRIs (for example, various liquidity reserve ratios, LCR scenarios, and deposit in- and outflows) in the Treasury function's internal models and planning tools and the treasury system. If any of the liquidity ratios falls to a stressed level, the Contingency Funding Team, consisting of the CEO, the CFO and the Head of Treasury, will be notified, the underlying reason for the stressed level identified and appropriate responses implemented as needed.

Control of liquidity risk ensures a sound liquidity risk management. The Treasury function performs risk controls where the segregation of duties is central (for example, purchase/registration of HQLA and reconciliation/control related to the transaction). The Risk Management function performs independent controls of liquidity risk including the liquidity risk level and validation of models for liquidity risk.

Liquidity planning

The liquidity contingency planning enables rapid responses to mitigate the risks related to the size of the liquidity reserve, and addresses the range from low-impact to high-impact events as well as outlining the response to unforeseen liquidity shortfalls. The aim is to be able to take advantage of the most economical funding sources as appropriate to manage its interest rate risk, foreign exchange rate risk, and funding costs.

Available funding sources that could be used are, for example, share capital/shareholder contributions, Tier 1 and Tier 2 instruments, retail deposits, issuing covered bonds or senior preferred bonds, contracted credit facilities in secured or unsecured form, placing senior notes (for example, residential mortgage-backed security, RMBS) to investors, excess liquidity reserve, and when necessary selling alternative assets that the Bank owns.

The liquidity plan is reviewed at least once a year.

Monitoring and reporting

Outcome of the liquidity situation is monitored and reported internally to the Board of Directors, the ARCCO, the CEO, the Senior Management Team, and the ALCO, in daily liquidity reports, monthly CFO reports, monthly risk reports, and meeting materials for ALCO.

Regulatory overview

The following is a brief overview of certain regulations affecting Enity as of the date of this prospectus. The overview is not, and does not purport to be, a complete description of all aspects of the Swedish, Norwegian, Finnish, and German legislative and regulatory framework for banks. In addition to the overview below, please see "Risk Factors–Legal and regulatory risks".

Sweden

Legal framework

As a Swedish company, Enity is generally regulated by the Swedish Companies Act. However, the banking operations of Enity are mainly regulated by the BFBA. The BFBA requires all Swedish banking companies to operate under a licence granted by the Swedish FSA. Swedish banks are subject to supervision by the Swedish FSA and a licence granted by the Swedish FSA may, following a notification procedure, be passported for operations conducted within other EEA states, by way of secondary establishment or of cross-border operations. Enity Bank conducts operations via branches in Norway and Finland, and thus has passported its licence to Norway and Finland. Enity Bank has also passported its licence to take deposit and other repayable funds to Germany, and is since January 2023 operating on a cross-border basis in Germany with respect to taking deposits in EUR. This is made through a collaboration with Raisin, who provides a savings platform for German customers. Other notable laws and regulations regulating Enity's business are the CRR and the CRD, the latter implemented into Swedish law through the Swedish Supervision of Credit Institutions and Investment Firms Act and the Swedish Act on Capital Buffers. Further obligations apply to Enity under the BRRD and the Resolution Act. Enity is also subject to DORA, which includes obligations to ensure the digital resilience of its operations.

Furthermore, Enity is subject to a substantial amount of binding regulations and general guidelines issued by the Swedish FSA and EBA, such as the Swedish FSA regulations regarding management of liquidity risks in credit institutions and investment firms, the Swedish FSA regulations and general guidelines regarding governance, risk management and control of credit institutions (FFFS 2014:1) (Sw. *Finansinspektionens föreskrifter och allmänna råd (FFFS 2014:1) om styrning, riskhantering och kontroll i kreditinstitut*), the Swedish FSA regulations and general guidelines regarding management of operational risks (FFFS 2014:4) (Sw. *Finansinspektionens föreskrifter och allmänna råd (FFFS 2014:4) om hantering av operativa risker*), the Swedish FSA regulations and general guidelines regarding deposit systems (FFFS 2024:21) (Sw. *Finansinspektionens föreskrifter och allmänna råd (FFFS 2024:21) om insättningssystem*), and the Swedish FSA regulations and general guidelines regarding prudential requirements and capital buffers (FFFS 2014:12).

Enity has been authorised by the Swedish FSA to issue covered bonds and is thus subject to the Covered Bonds Act and the regulations and recommendations issued by the Swedish FSA under the authority conferred on it by the Covered Bonds Act, including the Swedish FSA's regulations and general guidelines regarding covered bonds (FFFS 2013:1). The Covered Bonds Act enables Swedish banks and credit market companies, which have been granted a specific licence by the Swedish FSA, to issue full-recourse debt instrument secured by a pool of mortgage credits and/or public sector credits.

The Swedish FSA monitors that a bank complies with the Covered Bonds Act and other provisions of the legislative and regulatory framework which regulates the business of the bank. In addition, the Swedish FSA appoints an independent monitor (Sw. *oberoende granskare*) for each bank that issues covered bonds. The Swedish FSA has the power to, among other things, revoke a bank's authorisation for the issuance of covered bonds in the case of material non-compliance with the Covered Bonds Act. As a complement to the provisions on administrative sanctions for banks and other credit institutions, additional provisions on sanctions against natural persons are included in the BFBA, in relation to breaches of certain provisions in the Covered Bonds Act.

In addition, Enity is subject to substantial regulations in other areas, including but not limited to, consumer protection, anti-money laundering and data protection. Even though certain functions may be managed by other companies within the group or outsourced externally, the responsibilities for compliance versus regulatory authorities, such as the Swedish FSA, still lie with Enity in all respects as regards both outsourcing activities and requirements that apply on a Group level.

The Swedish Financial Supervisory Authority

The Swedish FSA is the supervisory authority for Swedish credit institutions. The Swedish FSA's supervisory responsibility also encompasses other types of financial institutions, foreign branches and cross-border operations of Swedish credit institutions as well as to a limited extent Swedish branches of foreign credit institutions. The supervision over Enity, including its cross-border operations, is thus primarily exercised by the Swedish FSA.

The Swedish FSA's supervision is conducted through analysis of reports regarding, among other things, capital adequacy, solvency, large exposures and financial statements, and through on-site inspections to ensure that each banking undertaking's operations comply with Swedish laws and regulations. In addition to its supervisory function, the Swedish FSA issues regulations and general guidelines for credit institutions operating in Sweden. The Swedish FSA's regulations are binding whereas the Swedish FSA's general guidelines are not binding per se but may be regarded as soft law indicating how a business appropriately should act in a given situation (*i.e.* good practice), but allows the undertaking to choose adequate alternative means of achieving the same objective (guidelines are often referred to as "comply or explain"). If the operations of a credit institution in Sweden are not sound or the company is otherwise breaching applicable laws or regulations, the Swedish FSA is obliged to interfere and may thus impose administrative sanctions such as, *inter alia*, remarks, warnings, fines and revocations of licence and/or registration to operate.

Sweden does not participate in the single supervisory mechanism regarding supervision of banking operations within the EU. Accordingly, no supervisory powers related to banking operations have been transferred from the Swedish FSA to the European Central Bank. However, the Swedish FSA has announced that certain guidelines issued by the EBA and the European Securities and Markets Authority (the "**ESMA**") should be regarded as equivalent to general guidelines issued by the Swedish FSA, once such guidelines have been translated into Swedish and the Swedish FSA has decided to comply with the guidelines. In addition, domestic authorities should with all available means seek to comply with guidelines issued by such European supervisory authorities.

Regulations relating to banking operations

Banking licence and other permits

The BFBA requires entities conducting banking or financing business to operate under a licence granted by the Swedish FSA. On 24 October 2007, Enity Bank was granted its credit market company licence, and on 7 October 2016, Enity Bank was granted its banking licence. The Swedish FSA has also granted Enity Bank a permit to conduct banking operations, primarily lending and receiving deposits from the public, through its branches in Norway and Finland. Furthermore, Enity Bank has a permit to operate cross-border activities in Germany in respect of taking deposits in EUR from the public. The licence and permits have indefinite durations, but are subject to withdrawal by the Swedish FSA if Enity Bank fails to comply with the applicable requirements.

Ownership, ownership management and management assessment

The provisions on ownership, ownership management and management assessment in the BFBA are particularly important to prospective shareholders in Enity. Such provisions include, among other things, that an ownership assessment (Sw. *ägarprövning*) and an owner-management assessment (Sw. *ägarledningsprövning*) must be conducted and approved by the Swedish FSA prior to a shareholder acquiring shares that would bring such shareholder's direct or indirect holding of Enity Bank to or in excess of certain thresholds (10 per cent, 20 per cent, 30 per cent or 50 per cent of Enity Bank's capital or votes or result in Enity Bank becoming a subsidiary of the acquirer) or such shareholder otherwise obtaining a significant influence over the management of Enity. Furthermore, the appointment of members and deputy members of the Board of Directors and the CEO of both Enity Bank and Enity must be approved by the Swedish FSA pursuant to the Swedish rules regarding management assessment (Sw. *ledningsprövning*).

Regulatory capital and liquidity requirements

Following the global financial crisis in 2007–2010, a number of initiatives were taken to put in place a comprehensive and risk-sensitive legal framework to ensure enhanced risk management among financial institutions. Such regulations include, among others, the Basel III framework (including the finalised reforms known as Basel IV), CRD IV, as amended by CRD V, and CRD VI and the CRR, as amended by CRR II and CRR III. CRR and CRD IV are supported by a set of binding technical standards developed by EBA. The CRR is directly applicable and binding in Sweden and the CRD IV is implemented through national laws and regulations. CRR III is mainly to be applied from 1 January 2025, but for several years transitional rules will apply. The CRD VI will be transposed into national law by Member States, by 10 January 2026 at the latest. Enity Bank is also subject to liquidity requirements in its capacity as a credit institution supervised by the Swedish FSA, including a statutory requirement to maintain sufficient liquidity to enable it to discharge its obligations as they fall due. The Swedish FSA has issued regulations on liquidity, such as the Swedish FSA's regulations regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7), which Enity Bank needs to comply with. In addition to the capital and liquidity requirements, CRR and CRD IV also contain various other rules governing, among other things, corporate governance, remuneration and sanctions.

The CRR imposes stringent requirements on both the quality of the capital that can be included in the capital base and the amount of capital that must be kept in reserve by a bank. Such requirements includes, *inter alia*, minimum capital requirements for the components in the capital base with the highest quality, CET1 capital (Sw. *kärnprimärkapital*), additional Tier 1 capital (Sw. *primärkapital*) and additional Tier 2 capital (Sw. *övrigt primärkapital och primärkapitaltillskott*). Tier 1 capital is the highest quality capital and shall primarily consist of CET1 capital, *i.e.* equity reduced by proposed dividends, deferred tax assets and intangible assets (for example, goodwill). The CRR defines CET1 capital in Article 26 and the capital instruments that form part of CET1 capital based on a number of criteria set out in Article 28 of the CRR. Tier 1 capital may also include certain types of debentures, referred to as additional Tier 1 capital. The CRR defines the capital instruments that constitute additional Tier 1 capital based on a number of criteria set out in Article 52 of the CRR. The issuance of additional Tier 1 capital provides a possibility for banks, as an alternative to the issuance of new shares or otherwise increasing its equity, to increase its Tier 1 capital. Tier 2 capital constitutes a smaller part of the capital base and may be of lower quality than Tier 1 capital. Tier 2 capital is designated as supplementary capital and primarily includes subordinated term debt. The CRR defines the capital instruments that constitute Tier 2 capital based on a number of criteria set out in Article 63 of the CRR. The capital base requirement constitutes a minimum requirement for how much capital of different kinds a bank must hold at any time in order to cover various risks (mainly credit, market and operational risks) associated with its operations. The capital base requirements are expressed as percentages of the bank's total risk-weighted exposure amounts. Hence, every asset (and certain liabilities) that a bank holds provides a risk weight. Low risk assets (for example, cash and government bonds with a high credit rating) are given a low risk weight and high-risk assets (for example, loans to consumers with a low credit rating and unsecured loans) are given a high risk weight. The size of the capital base that a bank is required to hold is determined by multiplying the bank's risk-weighted assets with the capital adequacy ratios provided in the CRR.

The CRR provides, as a base requirement, that a bank shall have (i) CET1 capital amounting to at least 4.5 per cent of the bank's total risk-weighted exposure amount (the CET1 capital ratio), (ii) Tier 1 capital amounting to at least 6 per cent of the bank's total risk-weighted exposure amount (the Tier 1 capital ratio), and (iii) a total capital ratio of at least 8 per cent of the bank's total risk-weighted exposure amount. The total capital requirements are, however, in practice significantly higher due to, for example, CRD IV and legislation implementing CRD IV and different capital buffer requirements. For information on Enity's capital and liquidity, see "*Risk management and capital adequacy*".

CRR II introduced a binding leverage ratio requirement (*i.e.* a capital requirement independent from the riskiness of the exposures, as a backstop to risk-weighted capital requirements) for all institutions subject to CRR. Further, CRR and CRD IV also introduced the following capital buffers: the capital conservation buffer, the countercyclical capital buffer, the systemic risk buffer and the buffers for systemically important institutions. The size of the buffers, other than the capital conservation buffer, differs depending on the existence of cyclical and structural systemic risks and may thus also vary over time and between institutions. When in breach of a buffer requirement, an institution could face injunction with restrictions on, among other things, payment of dividends. The countercyclical buffer rate is a capital requirement which varies over time and is to be used to support credit supply in adverse market conditions. In Sweden, the countercyclical buffer rate is currently 2 per cent. As at the date of this Prospectus, Enity is not designated a systemically important institution and is thus not subject to the buffer requirement for systemically important institutions, nor subject to the systemic risk buffer requirements.

Further, CRR and CRD IV introduced the LCR and the NSFR. The LCR aims to ensure that a bank maintains an adequate level of unencumbered, high-quality assets that can be converted into cash to meet the bank's liquidity needs for a 30-days' period under an acute liquidity stress scenario. The NSFR establishes a minimum acceptable amount of stable funding, based on the liquidity characteristics of an institution's assets and activities over a medium to long period of time.

In November 2020, the Swedish FSA introduced changes to its application of Swedish banks' and financial institutions' capital requirements in order to adapt them to the EU's so-called "banking package". The changes pertain primarily to changes in the application of the Pillar II capital requirements as well as the Swedish FSA's position relating to the implementation of Pillar II guidance and the application of the capital buffers. In May 2021, the Swedish FSA published guidelines on the application of the Pillar II guidance to which banks and financial institutions are subject (the guidelines were further updated in May 2023). Through the Pillar II guidance, the Swedish FSA informs a bank which capital level it expects the bank to hold over and above the Pillar I minimum capital requirement, the Pillar II capital requirements and the combined buffer requirement, to cover risks and manage future financial stresses. The Pillar II guidance is a non-binding supervisory recommendation. If the Pillar II guidance is breached, the Swedish FSA has the possibility to intensify its supervision or decide on a Pillar II capital requirement.

The Bank Recovery and Resolution Directive

Enity is subject to the BRRD (which was amended by BRRD II). The BRRD legislative package establishes a framework for the recovery and resolution of credit institutions and, *inter alia*, requires credit institutions in the EU (such as Enity) to produce and maintain recovery plans setting out the arrangements that are to be taken to restore the long-term viability of the institution in the event of a material deterioration of its financial condition. The BRRD and subsequent amendments, including but not limited to BRRD II, are implemented in Sweden through the Resolution Act.

Credit institutions are also required under the BRRD to meet a minimum requirement for own funds and eligible liabilities (the "**MREL requirement**") determined by the relevant resolution authority (in Sweden, the Swedish National Debt Office) in accordance with what is set out in the Resolution Act. The MREL requirement must be met with own funds, capital instruments and certain types of debt instruments.

The BRRD and the Resolution Act contain a number of resolution tools and powers which may be applied by the relevant resolution authority if certain conditions for resolution are met, which can be categorised into preventive powers, early intervention powers and resolution powers. These tools and powers grant, *inter alia*, a general power to write-down all or a portion of the principal amount of, or interest on, certain eligible liabilities, whether subordinated or unsubordinated, of the institution in resolution and/or to convert certain unsecured debt claims including senior notes and subordinated notes into other securities, which securities may also be subject to any further application of the general bail-in tool. This means that most of the debt of such a failing institution could be subject to bail-in, except for certain classes of debt, such as certain deposits and secured liabilities. In addition to the general bail-in tool, the BRRD and the Resolution Act provide for the competent authorities the power to permanently write-down or convert relevant capital instruments into equity at the point of non-viability before any other resolution action is taken. Ultimately, the resolution authority has the power to take control of a failing institution and, for example, transfer the institution to a private purchaser or to a publicly controlled entity pending a private sector arrangement. All these actions can be taken without any prior shareholder or other approval.

The primary objective of the BRRD is to maintain financial stability. Accordingly, the provisions are primarily targeted at systemically important firms. However, all credit institutions, including Enity, are covered by the regime and may thus potentially be subject to resolution actions. A prerequisite for initiating resolution actions is, however, that it is deemed necessary and proportionate in order to achieve the resolution objectives, such as systemic stability concerns. The BRRD also provides that shares and other Tier 1 and Tier 2 capital instruments may be written-down/converted independently of resolution and, consequently, these actions may be taken even if the criteria for initiating resolution action are not satisfied.

One of the key principles in the BRRD is that the shareholders of a failing institution must bear the first losses in case of a failure. Therefore, prior to taking any resolution action that would result in losses for the creditors of the failing institution, the authorities must impose losses on the shareholders by cancelling or severely diluting their shares. The authorities are also granted the power to write-down and/or convert outstanding debt into equity in the institution (bail-in). Most of such failing institution's debt could be subject to bail-in, except for certain specific exceptions such as deposits and secured liabilities. These actions may be taken against the shareholders and creditors either together with other resolution actions or, in respect of shares and other Tier 1 and Tier 2 capital instruments, before, and independently of, any resolution actions (provided that the firm is deemed to be non-viable).

Enity is not currently considered a systemically important institution and is therefore eligible for simplified obligations under the BRRD and the Resolution Act with more limited recovery planning obligations and an MREL requirement which is lower than Enity's prevailing capital requirements.

The Swedish Deposit Insurance Act

All Enity's accounts are covered by the Swedish deposit guarantee scheme, a state-provided insurance of deposits in accounts at banks, investment firms and certain other institutions regulated under the Swedish Deposit Insurance Act. In order for an institution's account(s) to be covered by the Swedish deposit guarantee scheme, the relevant institution must be authorised by the Swedish FSA to accept customer funds in its account(s). Institutions that fall within the scope of the Swedish Deposit Insurance Act (such as Enity Bank) are obliged to apply to the Swedish National Debt Office for their accounts to be covered by the deposit guarantee scheme (this also includes an obligation for the relevant institution to apply to the Swedish National Debt Office if any terms of an account are to be changed). Before an institution starts marketing any account(s), it must inform the consumers, *inter alia*, whether the relevant account(s) will be covered by the Swedish deposit guarantee scheme and the maximum amount insured under the Swedish deposit guarantee scheme. The institutions covered by the scheme is required to pay annual fees in order to maintain the deposit insurance fund out of which any potential payments under the scheme will be made. If activated, the insurance guarantees each customer compensation amounting to the value of the total funds in their account(s) with Enity, including accrued interest, until the time of bankruptcy or the Swedish FSA's activation decision. The maximum insured amount under the Swedish deposit guarantee scheme is currently SEK 1,050,000 per person and financial institution. The deposit insurance applies to deposits from all depositors, excluding banks, credit market companies and investment firms with a permit to accept customers' funds in accounts as well as equivalent foreign entities.

Insurance mediation

In addition to the traditional homeowner's insurance that is required for all borrowers, borrowers obtaining an equity release loan secured by pledge of mortgage certificates in real property are required to have a supplementary insurance. Enity Bank is authorised in Sweden as a tied insurance intermediary to Anticimex Försäkringar AB under the Swedish Insurance Distribution Act and offers such supplementary insurances.

As a tied insurance intermediary, Enity Bank is under supervision by the Swedish FSA and must comply with all regulatory requirements. The authorisation has indefinite duration, but is subject to withdrawal by the Swedish FSA if Enity Bank seriously violates the applicable requirements.

Credit institution risk tax

Certain Swedish credit institutions are subject to risk tax under the Swedish Act on Risk Tax for Credit Institutions (Sw. *lagen (2021:1256) om riskskatt för kreditinstitut*). The tax liability arises if debt attributable to operations in Sweden and foreign branches at the beginning of a financial year amounts to, or exceeds, a threshold. The threshold is indexed on a yearly basis. For the financial year 2025, the threshold is SEK 192 billion. If a credit institution is part of a group consisting of several credit institutions, the total liabilities of the credit institutions are taken into account when calculating the threshold. However, the calculations exclude provisions, untaxed reserves and liabilities to other credit institutions within the same group. The amount of debt also constitutes the tax base of the risk tax and the current tax rate amounts to 0.06 per cent. Thus, a credit institution with debt of SEK 192 billion in a financial year beginning in 2025, will be subject to risk tax of approximately SEK 115 million.

The Swedish Government has proposed that from 1 January 2026, the threshold should be complemented by a basic deduction equal to the threshold amount, resulting in credit institutions paying the risk tax only on excess debt. Additionally, it is proposed that the tax rate for the risk tax is increased from 0.06 per cent to 0.07 per cent.

As a credit institution, Enity Bank is subject to the risk tax legislation. However, if Enity maintains a debt level below the current threshold, it should not be subject to any risk tax.[1)]

Consumer lending and mortgage lending related regulations

The predominant part of Enity's business comprises residential mortgage loans (*i.e.* loans secured by pledges over real property mortgage certificates or co-operative apartments). The primary Swedish legislation governing residential mortgage loans is the Swedish Consumer Credit Act (Sw. *konsumentkreditlagen (2010:1846)*) (the "**CCA**") which governs credits granted or offered to consumers by creditors in the course of their trade, business or profession. The CCA entered into force on 1 January 2011 and implements, *inter alia*, the Consumer Credit Directive (as amended) and, since January 2017, parts of the Mortgage Credit Directive. The Swedish FSA has codified its assessment of some of the provisions in the CCA in its general guidelines on consumer credits (FFFS 2023:20). CCA replaced the preceding Swedish consumer credit act of 1992, which is still generally applicable to consumer credits granted prior to 1 January 2011.

Under the CCA, consumers are given certain minimum rights, and Enity Bank is under a general obligation to conduct its business in accordance with sound lending practices in its dealings with consumers and thereupon safeguard the consumers' interests with appropriate care as well as provide any explanations the consumer may need in order to determine whether the contemplated credit agreement, for example, suits the consumer's needs and economic situation. The CCA, for example, includes requirements on (i) the marketing of residential mortgage loans (which shall, among other things, include some general information concerning the credit institution and the credit agreement), (ii) information that the consumer must be provided with prior to entering into the agreement, using the special standardised EU form under the Mortgage Credit Directive, and (iii) information that the consumer must be provided with regarding the calculation of the interest rate, including restrictions on adjustments to the interest rate. The CCA also includes provisions that aims to support a sound amortisation culture by the lenders. A contract term which, when compared to the provisions of the CCA, is to the disadvantage of the consumer, is unenforceable against the consumer unless otherwise provided in the CCA.

Parts of the Mortgage Credit Directive was in January 2017 implemented in Sweden through amendments to the Swedish Mortgage Business Act. The Swedish Mortgage Business Act only applies to credit institutions, such as Enity Bank, in certain aspects, *inter alia*, regulations regarding (i) remuneration systems (for example, a prohibition to appear to act as an independent adviser while accepting remuneration from other parties than the consumer), (ii) the level of knowledge and competence staff and management should have, and (iii) standards for valuation of residential immovable property offered as security for a loan. Under the Swedish Mortgage Business Act, credit institutions shall adopt internal rules and guidelines for the purpose of its lending business to be revaluated and updated on a yearly basis. The Swedish FSA is authorised to issue further binding regulations and general guidelines under the Swedish Mortgage Business Act and has issued regulations and general guidelines regarding mortgage business loans (FFFS 2016:29) (Sw. *Finansinspektionens föreskrifter och allmänna råd (FFFS 2016:29) om verksamhet med bostadskrediter*), as most recently amended through FFFS 2023:17.

Business conducted under the CCA is supervised by the Swedish Consumer Agency except to the extent such business is under the supervision by the Swedish FSA, in which case the Swedish FSA's supervision shall supersede. Business conducted under the Swedish Mortgage Business Act is supervised by the Swedish FSA. The Swedish FSA has, *inter alia*, issued general guidelines regarding residential mortgage loans that limits the loan amount that credit institutions can lend to a consumer (FFFS 2016:33) (Sw. *Finansinspektionens allmänna råd (FFFS 2016:33) om begränsning av krediter mot säkerhet i form av pant i bostad*). The ratio between the loan amount offered compared to the underlying security, should not exceed 85 per cent of the market value of the security as per the time the residential mortgage loan is granted (see also "*Amortisation requirement for residential mortgage loans*" below). Recently, the Swedish FSA and the Swedish Consumer Agency have shown increased focus on the monitoring and enforcement of consumer laws and regulation for the benefit of consumers. Furthermore, new regulations are under discussion.

In addition to the CCA and the Swedish Mortgage Business Act, the Swedish Marketing Act (Sw. *marknadsföringslagen (2008:486)*) (the "**Swedish Marketing Act**") is applicable to any marketing conducted by a company aimed at the Swedish market, including marketing of residential mortgage

1) As at 31 December 2024 and 31 March 2025, Enity Bank's tax base under Swedish Act on Risk Tax for Credit Institutions was well below the threshold for the tax.

loans. The Swedish Marketing Act implements Directive 2005/29/EC concerning unfair business-to-consumer commercial practises. According to the Swedish Marketing Act, all marketing must be conducted in accordance with "good marketing practice". The Swedish Marketing Act also includes rules on misleading advertising, comparative advertising, special offers and sender identification. Further, as Enity also provides consumer loans via loan agents, Enity is also indirectly affected by laws and regulations in relation to loan mediation.

Amortisation requirement for residential mortgage loans

On 20 April 2016, the Swedish FSA published a consultation paper with a proposal for amortisation requirements. The amortisation requirement entered into force on 1 June 2016 through the Swedish FSA's regulations regarding amortisation of residential mortgage loans (FFFS 2016:16) (Sw. *Finansinspektionens föreskrifter (FFFS 2016:16) om amortering av krediter mot säkerhet i bostad*), as amended by FFFS 2017:23, FFFS 2018:24 and FFFS 2024:1. The regulations obliges households to amortise their residential mortgage loans down to an LTV ratio of 50 per cent, with the value component being equivalent to the market value of the underlying security at the relevant valuation date. The minimum amortisation rate is 2 per cent per annum until an LTV ratio of 70 per cent has been reached and thereafter 1 per cent per annum until an LTV ratio of 50 per cent has been reached. The market value of the underlying security may be revalued every fifth year or earlier if there has been a substantial value change of the underlying security that is not a result of the general price development on the housing market. The amortisation requirement only applies to new residential mortgage loans granted after 1 June 2016 (meaning new credits, credit increases or changes of underlying security). Through FFFS 2017:23, an additional amortisation requirement of 1 per cent was introduced for individuals who are granted a new residential mortgage loan of which the total debt exceeds 4.5 times of the household's gross income per year. The aforementioned thus means that the mandatory amortisation rate a borrower may be obligated to amortise on the principal of their mortgages can vary between 0 and 3 per cent. On 4 November 2024, the Swedish government published a report proposing amendments to existing mortgage regulations (Sw. *Reglering av hushållens skulder (SOU 2024:71)*). The report includes proposals to increase the maximum LTV ratio cap for residential mortgages from 85 per cent to 90 per cent, abolishing the enhanced amortisation requirement for loans in excess of 4.5 times the individual's relevant gross income per year, and introducing a general amortisation requirement of 1 per cent per year for loans with an LTV ratio over 50 per cent. Additionally, in the report it is also proposed to introduce a debt-to-income cap of 5.5 times the individual's relevant gross income per year, with banks allowed a flexibility ratio of 10 per cent of the value of new loans (*i.e.* 10 per cent of the value of a bank's new lending).

Debt collection, debt restructuring and personal bankruptcy

According to Enity's collection strategy, delinquent loans are handled by applying to the Swedish Enforcement Authority or the relevant Swedish court. The Swedish Enforcement Authority or courts issue verdicts, demands payment and enforces recovery of loans. As a last resort, the Swedish Enforcement Authority will enforce loans by a foreclosure of assets, income and, for mortgages, by selling the property. In Sweden, Enity has chosen to sell any remaining shortfall, *i.e.* the amount outstanding after receipt of the proceeds from the foreclosure, to third party debt collection agencies. Enity's recoveries on overdue and written-down loans depend primarily on the effectiveness of legal debt collection systems, including laws regarding debt collection, debt restructuring and personal bankruptcy.

In Sweden, the statute of limitation for debt collection is 10 years and it can be renewed through acknowledgement of the debt by the customer (usually through payment), the creditor making a claim in writing or otherwise notifying the debtor in writing, or through legal action.

Anti-money laundering and terrorist financing

As a banking company, Enity Bank is authorised by and subject to the supervision of the Swedish FSA. As such, Enity must comply with applicable rules and regulations designed to prevent money laundering and terrorist financing, primarily the Swedish Act on Measures against Money Laundering and Financing of Terrorism (Sw. *lagen (2017:630) om åtgärder mot penningtvätt och finansiering av terrorism*) (the "**AML Act**").

The AML Act requires Enity to, before starting a business relationship with a customer, take satisfactory measures to, among other things, identify the customer and assess the money laundering and terrorist financing risks associated with the customer to prevent such conduct. Enity must also continuously monitor its business relationships including the transactions carried out by its customers, in order to identify suspicious activities that could constitute money laundering or terrorist financing. Where suspicious activities are identified, Enity is obligated to report this to the Financial Intelligence Unit of the Swedish Police Authority (Sw. *Polismyndighetens finansunderrättelseenhet (Finanspolisen)*). Enity must refrain from conducting a transaction where it suspects or has reasonable grounds to suspect that the transaction may be part of money laundering or terrorist financing. Failure to comply with the AML Act may result in intervention by the Swedish FSA. Potential interventions include penalty fees or, in exceptionally severe cases, an order to cease operations. The penalty fee may be set at a maximum of the higher of twice the profit made by the company as a result of the infringement, if an amount can be determined, or an amount in SEK equivalent to EUR 1 million.

Further, Enity must comply with the Swedish Act on International Sanctions (Sw. *lagen (2025:327) om internationella sanktioner*), which means that Enity must control potential and existing customers against the UN and the EU sanctions framework.

Data protection

Enity processes personal data in the role of controller as a main part of its business operations. The personal data is primarily relating to potential customers (so-called leads), customers and website visitors, for the purposes of establishing customer relationships, to administer and fulfil agreements with the customers, to provide its services and to market such services. The personal data is primarily collected directly from the data subjects but in some cases from third party sources. The processing of personal data is subject to data protection legislation such as the GDPR and national data protection laws such as the Swedish Data Protection Act (Sw. *lagen (2018:218) med kompletterande bestämmelser till EU:s dataskyddsförordning*). Enity must be able to demonstrate its compliance with the obligations under the GDPR, for example, to have established legal basis and specific purposes for all processing activities, not to process more personal data than necessary, to take appropriate technical and organisational security measures and to adhere to the rights of data subjects, for example, by providing sufficient information regarding the processing activities. The maximum fine for breaches of the GDPR amounts to the higher of EUR 20 million and 4 per cent of the total worldwide annual turnover.

In addition to the requirements under the GDPR, Enity is also subject to Directive 2002/58/EC on the processing of personal data and the protection of privacy in the electronic communications sector (the "**ePrivacy Directive**") and the Swedish implementation, the Electronic Communications Act (Sw. *lagen (2022:482) om elektronisk kommunikation*), which applies to Enity's use of cookies and tracking technologies on its website. Data collected via cookies may also constitute personal data and therefore also be subject to the requirements under the GDPR.

Norway

Legal framework

The FUA section 2-1, 2-2 and 2-7 requires all entities providing banking services to be licenced as a bank by the Norwegian FSA or to hold a licence as a credit institution in another EU/EEA country authorised to provide services in Norway. The licence as a credit institution may be passported into Norway by way of (i) establishing a subsidiary, (ii) establishing a branch, or (iii) by providing services on a cross-border basis. Establishment of a branch or provision of services on a cross-border basis requires notification to the Norwegian FSA from the supervisory authorities of the entity's home state. Enity provides its services in Norway through a Norwegian branch of a Swedish credit institution, which has been notified and registered with the Norwegian FSA.

Branches of credit institutions established in other EU/EEA countries, are as a point of departure, governed by their home state regulation. Norwegian branches are, however, subject to some specific Norwegian regulatory requirements and Norwegian consumer protection regulation.

Pursuant to the FUA section 5-4, branches of EU/EEA credit institutions are subject to, *inter alia*, certain name requirements, independence and banking secrecy requirements, requirements to act in accordance with good business practice, requirements to hold sufficient liquid assets to cover its duties at maturity, penalty clauses, requirements in terms of customer relations and marketing and limitations for the management to undertake board positions and other positions in other financial institutions and/or entities with a professional relation to Enity.

Enity is subject to supervision by the Norwegian FSA only for the activities and services provided in Norway. The Norwegian FSA is entitled to perform on-site inspections and order entities to adapt their activities in compliance with Norwegian requirements. Norwegian branches of EU/EEA credit institutions (such as Enity) are also subject to certain Norwegian on-going reporting requirements to the Norwegian FSA. Enity is also subject to consumer protection and other customer-facing rules with respect to its business in Norway, for example the NFCA and the Lending Regulation.

All other regulatory requirements, such as licensing requirements, capital and liquidity requirements and ownership and management requirements are subject to home state regulation (*i.e.* Swedish law in this case).

Consumer loans

The Norwegian branch of Enity Bank conducts consumer lending business in terms of offering and granting credits to consumers. Consumer loans provided by Enity to Norwegian consumers are subject to the requirements set out in the NFCA Chapter 3 and Chapter 5, the Norwegian Financial Contracts Regulation (No. *forskrift 19. september 2022 Nr. 1612 (Finansavtaleforskriften)*) (the "**NFCR**") and the Lending Regulation.

The NFCA Chapter 3 provides consumers with certain minimum rights in all financial contracts, including pre-contractual information, certain information to be included in financial contracts, the customer's right of cancellation, adjustments of the financial contracts (including adjustments of interest rates), administrative fees *etc*. The NFCA Chapter 5 also imposes requirements specific to credit agreements, such as an obligation to thoroughly assess the customer's creditworthiness.

The NFCA entered into force on 1 January 2023 and applies to all financial contracts entered into before this date, with some exceptions. The purpose of the NFCA is partly to transpose the Payment Services Directive II (EU) 2015/2366, the Payment Account Directive 2014/92/EU and the Mortgage Credit Directive, but it also strengthens consumers' rights generally. While the key elements of the previous Norwegian Act on Credit Contracts (No. *Lov 25. juni 1999 nr.46 om finansavtaler og finansoppdrag*) are continued, the NFCA introduced several new provisions intended to increase consumer protection, such as statutory liability for losses incurred by the consumer as a result of a financial institution's non-compliance with the standard of good business practice, liability for losses incurred by the consumer in case of misuse of the consumer's electronic signature, a duty to reject certain customers, a prohibition on usury rates as well as new rules regarding co-debtors.

The NFCR provides more detailed rules on certain parts of the NFCA. For example, the NFCR explicitly prohibits door-to-door marketing of credit and imposes restrictions on the marketing of additional benefits (No. *tilgift*). Additionally, the NFCR sets out the specific information items that must be disclosed in credit agreements and in the marketing of credit, while also prohibiting emphasising certain aspects in promotional materials, for example, that credit can be provided quickly. Moreover, the NFCR sets out more detailed requirements for the credit assessment process mandated by the NFCA.

The Lending Regulation further includes certain requirements relating to a loan-to-income ratio, to have monthly instalment payments in an amount which entails that the loan is repaid within 5 years and a requirement for debt servicing capacity.

Further, the Norwegian Act on Debt Information (No. *Lov 16. juni 2017 nr. 47 om gjeldsinformasjon ved kredittvurdering av privatpersoner (Gjeldsinformasjonsloven)*) has facilitated the establishment of private debt registries (which provide information on consumers' unsecured debt). Several debt registries have been established, and credit assessment firms and financial institutions have been granted access to the information. Financial institutions, such as Enity, are required to report information on certain (unsecured) consumer loans to such debt registries. Enity currently does not offer loans within scope of the reporting requirement. On 3 April 2025, the Norwegian Ministry of Children and Families published a consultation where it is proposed that debt registries shall also include information on mortgages. The consultation deadline is 3 July 2025 and when and whether the proposed change will be implemented is therefore not confirmed.

Additionally, marketing of credit is subject to certain information and clarity requirements under the NFCR, including the total credit costs, the total credit amount and a duty to disclose the effective interest rate by way of a representative example. Additionally, the Norwegian Marketing Act (No. *Lov 9. januar nr. 2 om kontroll med markedsføring of avtalevilkår mv. (Markedsføringsloven)*) (the "**NMA**") applies to any marketing aimed at the Norwegian market, including marketing of consumer credits. According to the NMA, all marketing must be conducted in accordance with "*good marketing practice*". The NMA also includes more detailed rules on misleading advertising, comparative advertising, special offers, sender identification, *etc*.

The Norwegian Consumer Ombudsman is a public, independent supervisory authority which may impose sanctions on entities based on illegal or misleading marketing. One of their main areas is marketing of credit towards consumers.

Norwegian deposit guarantee fund

Credit institutions established and licenced in another EU/EEA state accepting deposits from the public through a Norwegian branch, may apply to become members of the Norwegian deposit guarantee fund (No. *Bankenes Sikringsfond*) in addition to their membership in the home state guarantee scheme. Such membership in the Norwegian deposit guarantee fund is only available if the home state deposit scheme does not provide the same level of coverage as the Norwegian deposit guarantee fund. The maximum insured amount under the Norwegian deposit guarantee fund is NOK 2,000,000 per depositor per member bank.

The Norwegian branch of Enity Bank has applied for and been granted membership in the Norwegian deposit guarantee fund. Consequently, all deposits with Enity Bank's Norwegian branch are covered by the Norwegian deposit guarantee fund for deposits exceeding the maximum amount covered by the Swedish deposit guarantee scheme (SEK 1,050,000) up to NOK 2,000,000. Enity is required to pay annual fees to the Norwegian deposit guarantee fund based on the total amount of deposits between SEK 1,050,000 and NOK 2,000,000. As a point of departure, the Norwegian deposit guarantee scheme applies to all credit balances on a deposit account in a credit institution and bank certificates of deposit for named persons, excluding deposits from other financial institutions.

It should be noted that Norway has not yet fully implemented the Deposit Guarantee Scheme Directive. It remains unclear whether Norway will uphold its guarantee level of NOK 2,000,000 when this directive has been fully implemented into Norwegian law.

Residential mortgage loans

Residential mortgage loans provided against security in property (*i.e.* in the form of pledges over real property mortgage certificates or co-operative apartments) are mainly governed by the same provisions as the regular consumer loans (see "*Norway–Consumer loans*" above).

Residential mortgage loans are subject to the same pre-contractual information requirements, certain information to be included in the credit agreements, the customer's right of cancellation and prepayment, adjustments of interest rates, administrative fees and other related issues as regular consumer loans. Additionally, the mortgage must be concluded in accordance with the Norwegian Pledge Act (No. *Lov 8. februar 1980 nr. 2 om pant (Panteloven)*) Chapter 2.

In addition, the Lending Regulation also applies to all providers of mortgage loans in Norway, including the Norwegian branch of Enity Bank. According to the Lending Regulation, an individual shall not be granted a residential mortgage if a certain loan-to-income ratio or a loan-to-asset ratio is not complied with and/or the debt servicing capacity is not sufficient. However, Enity Bank's Norwegian branch can grant loans constituting up to ten (10) per cent of the total amount of residential mortgages issued by the Norwegian branch per calendar quarter which do not meet the requirements relating to loan-to-income ratio, loan-to-asset ratio or debt servicing capacity (for mortgages secured on residential property in the municipality of Oslo, the limit is eight (8) per cent).

On 20 December 2024, the Norwegian FSA adopted new guidelines on responsible lending practices for consumer debt supplementing the Lending Regulation, which Norwegian credit institutions and branches of EU/EEA credit institutions are expected to adhere to when providing such credit in Norway.

Anti-money laundering

The Norwegian Anti-Money Laundering Act (No. *Lov 6. januar 2018 nr. 23 om tiltak mot hvitvasking og terrorfinansiering (Hvitvaskingsloven)*) (the "**NAML Act**") and the Norwegian Anti-Money Laundering Regulation (No. *forskrift 14. september 2018 nr. 1324 om tiltak hvitvasking og terrorfinansiering (Hvitvaskingsforskriften)*) (the "**NAML Regulation**") apply to Norwegian branches of foreign financial institutions. Accordingly, Enity is subject to Norwegian AML requirements. The NAML Act and the NAML Regulation implement the fifth Anti-Money Laundering Directive (EU) 2018/843 in Norwegian law.

According to the Norwegian AML legislation, Enity is, among other things, required to conduct customer due diligence when establishing customer relationships and prior to execution of certain transactions, perform ongoing supervision of customer relationship, keep records to help prevent money laundering and to report suspected violations of the regulations to the National Authority for Investigation and Prosecution of Economic and Environmental Crime in Norway (No. *Økokrim*).

Onsite inspections regarding compliance with the Norwegian AML legislation is performed by the Norwegian FSA.

Data protection

The Norwegian Personal Data Act (No. *Lov 15 juni 2018 Nr. 38 om behandling av personopplysninger (Personopplysningsloven)*) (the "**NPDA**") and the Norwegian Personal Data Regulation (No. *forskrift 15. juni 2018 Nr. 876 om behandling av personopplysninger (Personopplysningsforskriften)*) (the "**NPD Regulation**") apply to controllers established in Norway. A "controller" is the person/entity determining the purpose of the processing of personal data. As a branch of a credit institution with a physical presence in Norway, Norwegian customers and employees in Norway, Enity is a controller established in Norway, and accordingly subject to Norwegian data protection requirements.

The NPDA and the NPD Regulation implement the GDPR in Norwegian law and the GDPR consequently applies to Enity's processing of personal data in Norway.

The Norwegian branch of Enity Bank is subject to supervision by the Norwegian Data Protection Authority.

Finland

Legal framework

Enity Bank conducts operations via a branch in Finland, and has passported its licence to Finland. As a result, the Finnish regulator, data protection agency, consumer agency and councils have jurisdiction over certain aspects of the Group's business, including marketing and selling practices, advertising, transfer pricing aspects, general terms of business and legal debt collection operations.

The Finnish Financial Supervisory Authority

The Finnish FSA is responsible for the supervision of Finland's financial sector. The Finnish FSA supervises operations of Finnish branches of EEA credit institutions and is thus the supervisory authority for the Finnish branch of Enity Bank. The objectives and the duties of the Finnish FSA have been included in the Act on the Financial Supervisory Authority (878/2008) (Sw. *lagen om Finansinspektionen*). The Finnish FSA grants authorisations needed by many financial market participants, such as credit institutions. When carrying out its supervisory duties, the Finnish FSA has considerable authority to obtain information from the entities under its supervision, regardless of any rules on confidentiality. Furthermore, the entities supervised by the Finnish FSA are required to regularly file various reports to the Finnish FSA, which uses the reported data to monitor the supervised entities' economic standing and risks, and to analyse their profitability, capital adequacy, risks and business volumes.

The Finnish FSA may exercise various supervisory powers, such as imposing a temporary prohibition on a person holding a managerial position in a supervised entity or, in extreme circumstances, cancelling an authorisation granted to a supervised entity. Moreover, the Finnish FSA may impose administrative sanctions, including administrative fines, public warnings and penalty payments.

Even though the Finnish branch of Enity Bank is not a supervised entity, the Finnish FSA will supervise a branch of an EEA supervised entity in accordance with the Act on the Financial Supervisory Authority. The Act on the Financial Supervisory Authority contains specific provisions for the supervision of foreign supervised entities and their branches in Finland, and on cooperation with foreign supervisory authorities. In this respect, the Finnish FSA supervises the compliance of supervised entities, intermediaries of consumer credit relating to residential property, insurance distributors and virtual currency providers with the provisions on marketing and use of contractual terms applicable to them as well as the provisions governing conduct in customer relationships that is, from the consumer viewpoint, contrary to good practice or otherwise inappropriate. Moreover, the Finnish FSA shall submit to the foreign EEA supervisory authorities all information in its possession that is essential for supervision and that may facilitate supervision by the authorities.

Furthermore, the Swedish FSA may, within its competence, undertake an inspection, either itself or through a representative, of the business of a foreign EEA branch, *i.e.* the Finnish branch of Enity Bank to such extent it is necessary for the supervision, provided that it has informed the Finnish FSA thereof in advance. The Finnish FSA has the right to participate in such an inspection. The Finnish FSA may, upon request of the home supervisory authority, *i.e.* the Swedish FSA, undertake an inspection of the business of a foreign EEA branch. The Finnish FSA may obtain any information from a foreign EEA branch that is necessary for supervision and may conduct an inspection of the business of a foreign EEA branch upon request of the home supervisory authority, or on its own initiative after submitting advance notification thereof to the home supervisory authority, if this is justifiable in terms of financial stability or performance of the Finnish FSA's duties laid down elsewhere in law.

Moreover, where the Finnish FSA has justifiable cause to suspect that a foreign EEA branch fails to comply with the conditions in the interest of the public good referred to in the Act on the Financial Supervisory Authority or its obligations under Finnish financial market legislation, or any provisions or regulations issued thereunder, or any branch-specific business rules, the Finnish FSA may request the branch to redress the matter within a prescribed period of time. In the event of failure to comply with the request, the Finnish FSA shall inform the home supervisory authority, *i.e.* the Swedish FSA. Where the measures taken by the home supervisory authority prove insufficient and the branch is continuing to be in violation of the provisions or regulations referred to above, the Finnish FSA shall, after having so informed the home supervisory authority, issue the branch with a prohibition of execution or demand for correction, an administrative fine, a public warning or a penalty payment, or impose a conditional fine to prohibit the branch from continuing to be in violation of the provisions or regulations, or prohibit the branch from continuing the conduct of business in whole or in part. However, the Finnish FSA may immediately take such measures as referred to above where: (i) the branch fails to comply with the financial market provisions applicable to it or any regulations issued thereunder, or any branch-specific business rules, and such measures are necessary to safeguard the public good; or (ii) the branch fails to comply with such provisions applicable to it or regulations issued thereunder, or any branch-specific business rules that the Finnish FSA is entrusted to supervise under another act. The Finnish FSA shall inform the foreign EEA supervisory authority, and in the cases referred to in the EU statutes governing financial markets, the European Commission and the competent European supervisory authority, of the measures taken to bring an end to the practices in violation of the provisions, regulations, rules or conditions referred to above.

In addition to its supervisory function, the Finnish FSA issues regulations and general guidelines for companies conducting banking businesses in Finland. The Finnish FSA's regulations are binding whereas the Finnish FSA's general guidelines are not binding per se, but may be regarded as soft law, indicating how a business appropriately should act in a given situation (*i.e.* good practice), but allowing the company to choose adequate alternative means of achieving the same objective (guidelines are often referred to as "comply or explain").

Regulations relating to banking operations

Act on Credit Institutions

The primary law governing credit institutions in Finland is the Act on Credit Institutions (610/2014) (Sw. *kreditinstitutslagen*). The Act on Credit Institutions implements CRD IV and, to the extent necessary, the CRR into Finnish legislation. The Act on Credit Institutions regulates Finnish branches of EEA credit institutions such as Enity's Finnish branch, in certain aspects other than prudential rules, which, under CRD IV are determined by the Swedish regulations.

The Finnish Act on Credit Institutions applies, in some aspects, to the Finnish branch of Enity Bank, and comprises, *inter alia*, regulations regarding standards for valuation of residential immovable property offered as security for a loan. Under the Act on Credit Institutions, a credit institution shall adopt internal rules and guidelines for its lending business, which must be re-evaluated and updated on a yearly basis. A residential housing loan is subject to a LTV ratio cap of 90 per cent pursuant to the Act on Credit Institutions, calculated between the loan amount and the current value of the security for the loan at the time granting of the loan. If a first home is involved, a housing loan granted may not exceed 95 per cent of the current value of the security provided for the loan.

A foreign credit institution may not, in the course of its activities in Finland, incur a risk that endangers the interests of the depositors of the branch. A branch of a foreign credit institution must have adequate risk monitoring systems vis-à-vis its operations and its liquidity must be adequately safeguarded vis-à-vis its activities. The Finnish FSA monitors the liquidity and market risk of a branch of a foreign EEA credit institution in cooperation with the supervisory authorities of the home state of the institution. A branch shall have customer data systems that are adequate vis-à-vis its activities so that the branch can continuously provide its customers with the information on the customer relationship required by law and agreement. The Finnish branch of Enity Bank is subject to most of the provisions of Chapter 15 (procedures in customer business activities), including, for example the LTV ratio, as well as Chapters 16 (Establishment of a branch of a foreign EEA credit institution in Finland and provision of services) and 18 (special provisions on foreign credit institutions) of the Act on Credit Institutions. For example, the Finnish branch of Enity Bank is subject to provisions on preparedness for exceptional circumstances, marketing and contractual terms and other procedures, confidentiality, customer due diligence and the processing of personal data, the management of a branch of a foreign credit institution, and the liability for damages of the branch director of a foreign credit institution.

Regulatory capital and liquidity requirements

Home Member State prudential supervision is one of the main principles of the CRD IV. Pursuant to Article 49 of the CRD IV, the competent authorities of the home Member State shall be responsible for the prudential supervision of an institution, including the activities it carries out, without prejudice to those provisions of the Directive which give responsibility to the competent authorities of the host Member State.

Consumer lending and mortgage lending related regulations

Consumer loans

The Finnish branch of Enity Bank conducts consumer lending business in the sense that it offers and grants credits to consumers. The Finnish consumer protection and marketing framework concerns, for example, sound credit assessments, advertising and other marketing practices, fair contract terms and information requirements. Consumer protection and marketing laws and regulations, most notably the Consumer Protection Act (as amended), include, for example, requirements to provide specific information, requirements regarding marketing materials, specific rights for consumers, such as rights of withdrawal, and various restrictions on how consumer lending activities may be conducted. General provisions on the creditor's obligation to act in a responsible manner were enacted in 2013 and supplemented with additional provisions in 2016. The Finnish government adopted a few additional requirements concerning the granting of consumer credit that entered into force in 2019 and 2023, which concerned extensions of price regulation on consumer credit, including the maximum amount of credit costs, such as the interest rate, and the amount of credit included in this regulation.

In 2016, as a way of implementing the Mortgage Credit Directive, Chapter 7a of the Consumer Protection Act was adopted. This chapter pertains to loans secured by immovable residential property, encompassing both mortgages and secured consumer loans, and separate general provisions on consumer credit, setting forth requirements for loans secured by immovable residential property. The chapter includes, *inter alia*, requirements relating to the information to be provided when marketing a loan secured by immovable property and prior to the conclusion of a credit agreement, debt servicing capacity, the offer of a mortgage by phone, the creditor's obligation to act responsibly when granting a loan and assessing the consumer's creditworthiness, the assessment of the property to be accepted as security, the conclusion of a mortgage agreement and the payment of a mortgage prior to its maturity date. The amendments deriving from the implementation of the Mortgage Credit Directive entered into force on 1 January 2017. General provisions on the creditor's obligation to act in a responsible manner were enacted in 2013 and supplemented with additional provisions in 2016 and 2023.

The current government programme of Finland includes a goal to act efficiently to reduce over-indebtedness and problems connected to it, pursuant to which the Finnish government drafted some significant proposals in 2022, among which were measures to limit household indebtedness, the introduction of a positive credit register, and a shortening of the retention period for bad credit records. Effective from 1 February 2024, following the entry into force of the Act on the Positive Credit Register, financial institutions and other credit providers are required to report information on consumer loans to the positive credit register and to utilise the data from the positive credit register to assess creditworthiness. The government proposal to shorten the retention period of bad credit records was issued in June 2021. The legislation was enacted in May 2022, while becoming applicable partly in June 2022 and partly in December 2022. The change applicable from December 2022, included shortening the retention period for bad credit records to one month from repayment of the credit instead of two years. The government proposal for legislation to limit household indebtedness was issued in June 2022. The legislation was enacted in February 2023 and became applicable in July 2023. In the same respect, the government has taken steps to strengthen the authorities' prerequisites to intervene in debt collection activities that violate the law or good creditor practice. Moreover, the government has adopted adjustments to the regulation of private individuals' debts and debt enforcement, with the goal being, on one hand, improving the scope of procedures and, on the other, increasing the consumer's protected income in recovery proceedings to at least the level of the guaranteed pension.

Residential mortgage loans

Under the Consumer Protection Act, all residential housing loan agreements and other consumer credit agreements must be concluded in writing or if concluded electronically, in a manner whereby the consumer may record and reproduce the agreement unaltered. Before concluding the credit agreement, the creditor must assess the consumer's creditworthiness on the basis of sufficient information, taking into account the amount of credit and other circumstances. The creditor must ensure that the information is up to date if the parties agree to change the total amount of credit or increase the credit limit after the conclusion of the credit agreement and reassess the consumer's creditworthiness before any significant change in the total amount of credit or increase in the credit limit.

Pursuant to the Consumer Protection Act and the Governmental Decree on the information to be given to consumers in credit agreements (789/2010) (Sw. *statsrådets förordning om den information som ska lämnas till en konsument om ett kreditavtal)*, the consumer credit agreement must include, *inter alia*, the following information: (i) the type, amount or limit of the credit and conditions governing the drawdown; (ii) the interest rate, the basis for determining the interest rate and other conditions regarding the interest as well as other costs relating to the granting and use of the credit; (iii) the duration of the credit agreement or, if the credit is to be paid in instalments, the amount, number and frequency of the instalments; (iv) the aggregate amount payable by the consumer, the annual percentage rate calculated by dividing all costs, interest and charges payable on the credit during the credit period, taking into account scheduled repayment instalments, and all assumptions used in order to calculate the rate at the time of concluding the credit agreement; (v) the right of early repayment, and information concerning the creditor's possible right to compensation and the way in which that compensation will be determined, as well as guidance for the use of the right of early repayment; and (vi) the interest rate applicable in the event of late payment and the arrangements for its adjustment, and where applicable, any charges payable for default. The consumer must not be charged any payment, interest, fee or compensation that is not included in the terms and conditions of the consumer credit agreement.

Debt collection, debt restricting and personal bankruptcy

The National Enforcement Authority Finland is the Finnish governmental body responsible for carrying out enforcement orders over assets in Finland, including the collection of unpaid debts, whether secured or unsecured. This means that all enforced sales of pledged collateral in Finland are handled by the National Enforcement Authority Finland. Until an enforcement process is initiated, the collection activity is handled in-house. The collection processes are governed by Enity's collection instruction and the Finnish Debt Enforcement Code. In Finland, the statute of limitation for debt collection is three years, unless interrupted, or five years, if the creditor seeks judgment on enforcement.

Anti-money laundering and terrorist financing

As a branch of an EEA credit institution, the Finnish branch of Enity Bank is, in some aspects, subject to the supervision of the Finnish FSA. The Finnish Act on Preventing Money Laundering and Terrorist Financing (444/2017) (Sw. *lagen om förhindrande av penningtvätt och av finansiering av terrorism*) (the "**AMLA**"). The AMLA generally applies to entities that have a permanent establishment, such as a branch or an agent in Finland. As such, the Finnish branch of Enity Bank must comply with applicable rules and regulations designed to prevent money laundering and terrorist financing.

The AMLA requires the Finnish branch of Enity Bank to, before starting a business relationship with a customer, take satisfactory measures to, among other things, identify the customer and assess the money laundering and terrorist financing risks associated with the customer to prevent such conduct. The Finnish branch of Enity Bank must also continuously monitor its business relationships, including the transactions carried out by its customers, in order to identify suspicious activities that could constitute money laundering or terrorist financing. Where suspicious activities are identified, the Finnish branch of Enity Bank is obligated to report this to the Financial Intelligence Unit of Finland. The Finnish branch of Enity Bank must refrain from conducting a transaction where it suspects or has reasonable grounds to suspect that the transaction may be part of money laundering or terrorist financing. Failure to comply with the AMLA may result in intervention by the Finnish FSA. Potential interventions include penalty fees or, in exceptionally severe cases, an order to cease operations.

Finnish legal acts contain some requirements that go beyond the requirements laid down in the fifth Anti-Money Laundering Directive (EU) 2018/843. For example, the nationality of the ultimate beneficial owner (the "**UBO**") shall be registered if the UBO is not a Finnish citizen. Most of the requirements of Directive (EU) 2018/1673 (the "**Sixth AML Directive**") are related to criminal liability and criminal sanctions for AML related crimes. Since Finland has not yet implemented the Sixth AML Directive, it will be done via amendments to the Finnish Criminal Code 39/1889 (Sw. *strafflagen*).

Data protection

The compliance of the Finnish branch of Enity Bank with applicable data protection laws and regulations is primarily subject to supervision of the Finnish Office of the Data Protection Ombudsman. The Finnish branch of Enity Bank processes personal data in the role of controller as a main part of its business operations. The personal data is primarily relating to potential customers (so-called leads), customers and website visitors for the purposes of establishing customer relationships, administering and fulfilling agreements with the customers, providing services and marketing these services. The personal data is primarily collected directly from the data subjects, but in some cases from third party sources. The processing of personal data is subject to data protection legislation such as the GDPR and national data protection laws such as the Finnish Data Protection Act (1050/2018) (Sw. *dataskyddslagen*). According to the GDPR, Enity Bank's Finnish branch must be able to prove its compliance with the obligations under the GDPR, such as having a established legal basis and specific purposes for all processing activities, not processing more personal data than necessary, taking appropriate technical and organisational security measures, and to adhere the rights of data subjects, for example, by providing sufficient information regarding the processing activities. The maximum fine for breaches of the GDPR amounts to the higher of EUR 20 million and 4 per cent of the total worldwide annual turnover.

In addition to the requirements under the GDPR, the Finnish branch of Enity Bank is also subject to the Act on Electronic Communications Services (917/2014) (Sw. *lagen om tjänster inom elektronisk kommunikation*), the Finnish implementation of the ePrivacy Directive, which applies to direct marketing in electronic communications and the use of cookies and tracking technologies of the Finnish branch of Enity Bank on its website. Data collected via cookies may also constitute personal data and therefore also be subject to the requirements under the GDPR. The cookie rules set out in the Act on Electronic Communications Services are subject to supervision of the Transport and Communications Agency (Fi. *Traficom*).

Germany

Legal framework

Enity Bank is conducting cross-border deposit operations in Germany in collaboration with Raisin, who provides a savings platform for German customers. The KWG requires all entities providing deposit operations to be licenced as a bank by the German FSA or to hold a licence as a credit institution in another EU/EEA country authorised to provide services in Germany, sections 32 para. 1 s. 1, 1 para. 1 s. 2 no. 1, 53b para. 1 of the KWG. The licence as a credit institution may be passported into Germany for the purpose of providing services on a cross-border basis which requires notification to the German FSA from the supervisory authorities of the bank's home state. Such passporting does not require the German FSA's authorisation if the bank has been granted approval by the competent authorities of the home state, the business it conducts is covered by the approval granted, and the credit institution is supervised by the competent authorities in accordance with the directives issued by the EU. Enity Bank conducts its operations in Germany under a cross-border permit to provide services in Germany following the notification thereof to the Swedish FSA and the German FSA in 2022.

A passporting bank will generally be supervised by their home state financial supervisory authority. The German FSA will, however, exercise some limited residual control. The German FSA supervises Enity Bank in certain matters specified in the KWG, including, *inter alia*, prohibition of certain business operations and information obligations. According to sections 50 no. 1 lit. a) German Anti-Money Laundering Act (Ge. *Geldwäschegesetz*) (the "**GwG**"), section 1 para. 1 s. 2 no. 1, para. 3d of the KWG, the German FSA also supervises Enity Bank's compliance regarding its obligations on the prevention of money laundering and terror financing. All other regulatory requirements, such as licensing requirements, capital and liquidity requirements and ownership and management requirements are subject to Enity Bank's home state regulation (*i.e.* Swedish law).

Other than that, Enity Bank's contractual relationships with customers and business partners are subject to the provisions of the German Civil Code (Ge. *Bürgerliches Gesetzbuch*) (the "**BGB**") which includes requirements on, *inter alia*, consumer protection, contractual terms as well as general terms and conditions applicable to Enity Bank's business operations. Furthermore, Enity Bank's business in Germany is subject to the Act against Unfair Competition (Ge. *Gesetz gegen den unlauteren Wettbewerb*) which regulates, *inter alia*, the prohibition of unfair commercial practices and misleading advertising.

Regulations relating to deposit operations

Enity Bank offers different deposit products in Germany through a collaboration with Raisin which provides a savings platform for German customers. Enity can provide overnight deposit (Ge. *Tagesgeld*) accounts and fixed term deposit (Ge. *Festgeld*) accounts to its German customers. As of the date of this prospectus, only fixed term deposit accounts have been offered. Both overnight and fixed term deposits are regulated by the BGB. Generally, the law largely respects the freedom of contract of the parties. The contractual regulations, for example, regarding termination and formal requirements, take precedence of the statutory regulations as long as such contractual regulations are in compliance with mandatory statutory law, for example, requirements on general terms and conditions.

Under German law, agreements on overnight deposits are qualified as irregular custody agreements (Ge. *Unregelmäßiger Verwahrungsvertrag*) within the meaning of section 700 of the BGB and require that the customers are allowed to withdraw their money at any time, *i.e.* in the case of overnight deposit accounts the bank is obligated to make the customers' funds available to them immediately.

Fixed term deposit accounts are considered as loan agreements within the meaning of section 488 of the BGB. As the customers act as lender and the bank as borrower in this situation, the consumer protection regulations regarding loan agreements are not applicable for the fixed term deposit accounts.

Anti-money laundering and terrorist financing

As a credit institution within the meaning of Article 4 para. 1 no. 1 of the CRR, Enity Bank must comply with applicable rules and regulations designed to prevent money laundering and terrorist financing in Germany, primarily the GwG.

Enity Bank is considered as an obligated entity according to section 2 para. 1 no. 1 of the GwG and section 1 para. 1 s. 2 no. 1, para. 3d of the KWG. Therefore, before entering into a business relationship with a customer, Enity Bank is required to take satisfactory measures to, among other things, identify the customer and assess the money laundering and terrorist financing risks associated with the customer. Enity Bank must also continuously monitor its business relationships, including the transactions carried out by its customers, in order to identify suspicious activities that may constitute money laundering or terrorist financing. If suspicious activities are identified, Enity Bank is obligated to report this to the German Financial Intelligence Unit (Ge. *Zentralstelle für Finanztransaktionsuntersuchungen*).

In Germany, Enity Bank's anti-money laundering obligations to identify and verify the customer and/or the beneficial owner, and to obtain information on the purpose and intended nature of the business is performed by Raisin Bank AG in accordance with an agreement concluded between Enity Bank and Raisin Bank AG. According to section 17 para. 1 of the GwG, credit institutions may rely on trusted third parties to, in particular, identify customers. Credit institutions with a licence issued by an EU member state are generally regarded as trusted third parties for such purposes. As Raisin Bank AG is a German credit institution, it can be relied upon as a trusted third party. However, the overall responsibility of complying with such requirements remains with Enity Bank.

Failure to comply with the GwG may result in intervention by the German FSA, like fines or, in exceptionally severe cases, an order to cease operations.

Data protection

Enity Bank processes the personal data of German customers in the role of controller, as part of its main business operations in Germany. Enity Bank's processing of personal data is particularly subject to the GDPR. Enity Bank must be able to demonstrate compliance with its obligations under the GDPR, such as having established a legal basis and specific purposes for all processing activities, not processing more personal data than necessary, having appropriate technical and organisational security measures in place and respecting the rights of data subjects, for example, by providing sufficient information regarding the processing activities.

For Enity Banks operations in Germany, Raisin provides certain services regarding the savings platform for German customers. For the provision of such services, Raisin must process the personal data of Enity Bank's customers. For this purpose, Enity Bank and Raisin have concluded a data processing agreement in accordance with the requirements of Article 28 of the GDPR. Other than that, Enity Bank relies on Raisin Bank AG's know your customer check regarding anti-money laundering obligations. In relation to this data processing, Enity Bank and Raisin Bank AG are both independent controllers, *i.e.* Enity Bank itself must comply with the abovementioned obligations under the GDPR in relation to the processed customer data and a data processing agreement with Raisin Bank AG is not required.

In general, Enity Bank's lead supervisory authority, the Swedish Authority for Privacy Protection, will serve as sole point of contact for Enity Bank, even in relation to German data protection matters. Only under exceptional circumstances may one of the 17 German data protection authorities be the competent authority and issue legally binding orders to Enity Bank.

Board of Directors, Senior Management Team and auditor

Board of Directors

According to Enity's Articles of Association, adopted by the Extraordinary General Meeting held on 12 May 2025, the Board of Directors shall be comprised of not less than three and not more than nine members, with no deputies, elected by the shareholders at the General Meeting. In addition and by law, employee organisations are entitled to appoint employee representatives. The Board of Directors currently comprises five members elected by the Annual General Meeting 2025 for a term of office extending until the close of the Annual General Meeting 2026, with no employee representatives.

Name	Position	Board member since	Independent in relation to the Company and its executive management team	Independent in relation to the Company's major shareholders	Audit, Risk and Compliance Committee (ARCCO)	Remuneration Committee	Shareholding after the Offering[1)]
Jayne Almond	Chair	2022	Yes	Yes	Member	Chair	27,539
Christopher Rees	Member	2023	Yes	Yes	Chair	–	–
Julia Ehrhardt	Member	2021	Yes	Yes	Member	–	5,642
Vesa Koskinen	Member	2023	Yes	No	–	Member	–
Rolf Stub	Member	2020	Yes	Yes	–	–	457,077

1) Own (including indirect) holdings and holdings of related persons and affiliated companies. See further "*Shares and share capital–Existing equity participation programmes*". The holdings also include the direct and indirect investments in Butterfly Poolco AB and/or Butterfly Poolco 2 AB, each indirectly (via the Main Shareholder) holding shares in the Company, based on (as applicable) exchanges into shares in the Company at a volume-weighted average price of the share in the Company corresponding to the Offering Price. See further "*Shares and share capital–Existing equity participation programmes*".

Jayne Almond

Born 1957.

Chair and board member since 2022.
Chair of the Remuneration Committee.
Member of the ARCCO.

Education and professional experience: Master of Arts in Politics (Hons), Philosophy and Economics, St. Hilda's College, Oxford, United Kingdom. Previous experience includes External Member of Oxford University Council, Chair of Oxford University's Audit Committee, Managing Director of European Internet Banking at Lloyds TSB, Managing Director at Barclays Home Finance, Founder and CEO of Stonehaven Equity Release, and Chair and Non-Executive Director of Kensington Mortgage Co. Ltd.

Principal activities outside of Enity: Honorary Fellow of St. Hilda's College, United Kingdom.

Current Board assignments and similar: Non-Executive Director of Arbuthnot Banking Group PLC.

Previous Board assignments and similar (past five years): Chair of Butterfield Mortgages Ltd. Chair and Non-Executive director of Kensington Mortgage Co. Ltd.

Independent in relation to the Company and its executive management as well as the Company's major shareholders.

Christopher Rees

Born 1972.

Board member since 2023.
Chair of the ARCCO.

Education and professional experience: Bachelor of Science in Economics and Master of Science in Accounting and Finance, London School of Economics, United Kingdom. Previous experience includes Board member and Managing Director of Seerave Enterprises, Group CFO and Head of Finance and Treasury of Nordea Bank Abp, Board member of Greenergy International Ltd, Head of Finance & Treasury and Deputy Head of Wholesale Banking and Head of Markets of Barclays Bank PLC, Executive Director of Morgan Stanley Europe, and Executive Director & Head of European Liability Management and Restructuring within Strategic Solutions Group, Merrill Lynch International.

Principal activities outside of Enity: –

Current Board assignments and similar: Board member of Hoist Finance AB and Council Member of Seerave Foundation. Board member of Revel Capital AB. Deputy Board member of E.L.C. REES AB. Partner at Belvere Group AB.

Previous Board assignments and similar (past five years): Supervisory Board member and Deputy Chair of econnext AG.

Independent in relation to the Company and its executive management as well as the Company's major shareholders.

Julia Ehrhardt

Born 1980.

Board member since 2021.
Member of the ARCCO.

Education and professional experience: Bachelor of Science in Engineering Physics with a Major in Financial Mathematics, Royal Institute of Technology (KTH), Sweden. Previous experience includes CFO of Gilion AB, Chief Retail Banking and Business Development Officer at Hoist Finance AB, Partner at Advisense (former FCG) and Head of Debt Investor Relations and Rating at Skandinaviska Enskilda Banken.

Principal activities outside of Enity: –

Current Board assignments and similar: Chair of Panamond Group AB. Board member of Ework Group AB, Oto9 AB and H-A Ehrhardt & Co AB. Vice-Chair of the Board of Insamlingsstiftelsen DNA.

Previous Board assignments and similar (past five years): Board member of Investment AB Hammarbacken 8, Corpia Group AB, Eriksbergs Kapital AB and Uno Finans AS.

Independent in relation to the Company and its executive management as well as the Company's major shareholders.

Vesa Koskinen

Born 1979.

Board member since 2023.
Member of the Remuneration Committee.

Education and professional experience: Master of Science in Economics and Business Administration with a Major in Finance, Helsinki School of Economics, Finland. Partner and various positions at EQT Partners.

Principal activities outside of Enity: Partner at EQT Partners.

Current Board assignments and similar: Chair of Kirva Holding Oy. Board member of BioGaia AB, Oterra A/S, Desotec (SA) and Läpimurtosäätiö Foundation.

Previous Board assignments and similar (past five years): Board member of Karo Healthcare AB, BHG Group AB, Vitrolife AB, Igenomix, Kfzteile24 GmbH, ELEVATE, Touhula Päiväkodit and Musti Group.

Independent in relation to the Company and its executive management, but not the Company's major shareholders.

Rolf Stub

Born 1963.

Board member since 2020.

Education and professional experience: Bachelor of Business Administration, University of San Francisco, California, United States and Master in International Management, American Graduate School of International Management, Arizona, United States. Previous experience includes CEO and Head of Strategy & Business Development, Enity Bank Group AB, CEO of Aktiv Kapital ASA and CEO of Olympia Capital ASA.

Principal activities outside of Enity: –

Current Board assignments and similar: Chair of Oto9 AB, Butterfly Poolco AB and Butterfly Poolco 2 AB. Board member of Hypido AB.

Previous Board assignments and similar (past five years): Board member of Uno Finans AS.

Independent in relation to the Company and its executive management as well as the Company's major shareholders.

Senior Management Team

Name	Position	Employed since	Shareholding after the Offering[1]
Björn Lander	Chief Executive Officer	2019	11,355
Pontus Sardal	Chief Financial Officer	2021	10,701
Christian Marker	Chief Legal Officer	2005	24,514
Anna Fogelström	Chief Information Officer	2022	1,757
Caroline Redare	Chief Human Resources Officer	2022[2]	6,326
Erik Walberg Olstad	Chief Commercial Officer	2012	4,975
Christer Pettersson	Chief Customer Acquisition Officer	2022	1,406
David Nilsson Nannini	Chief Data Officer	2023	1,655
Anna Wahldén	Chief Risk Officer	2024	–

1) Own (including indirect) holdings and holdings of related persons and affiliated companies. The holdings also include the direct and indirect investments in Butterfly Poolco AB and/or Butterfly Poolco 2 AB, each indirectly (via the Main Shareholder) holding shares in the Company, based on (as applicable) exchanges into shares in the Company at a volume-weighted average price of the share in the Company corresponding to the Offering Price. See further "*Shares and share capital–Existing equity participation programmes*".
2) Hired as a consultant 2022, employed since 2023.

Björn Lander

Born 1975.

Chief Executive Officer since 2019.

Education and professional experience: Business Administration studies, Mid Sweden University, Sundsvall, Sweden. Previous experience includes President Business Area OCP at Bauer Media Group, CEO of Zmarta Group, CEO of Web Guide Partner Scandinavia AB, CFO of Highlight Media and Group Controller at Modern Times Group MTG AB.

Current Board assignments and similar: Board member of Froda AB[1], Butterfly Poolco AB, Butterfly Poolco 2 AB and Högås Invest AB.

Previous Board assignments and similar (past five years): Board member of Wayapp AB.

Pontus Sardal

Born 1967.

Chief Financial Officer since 2021.

Education and professional experience: Bachelor of Science in Business Administration and Economics, University of Karlstad, Sweden. Previous experience includes CFO and Deputy CEO of Hoist Finance AB, CFO of Ikano Bank AB and various positions at Skandinaviska Enskilda Banken AB.

Current Board assignments and similar: Board member of Collectius AG.

Previous Board assignments and similar (past five years): Board member of Borgo AB and IISÅ Holdco AB.

Christian Marker

Born 1979.

Chief Legal Officer since 2005.

Education and professional experience: Master in Commercial and Business Law, Linköping University, Sweden. Previous experience includes various roles within mortgage lending at SBAB Bank AB.

Current Board assignments and similar: Board member of Uno Finans AS, Butterfly Poolco AB and Butterfly Poolco 2 AB. Deputy Board member of Uno Finans OY and member of the Committee of Inkassonämnden.

Previous Board assignments and similar (past five years): –

1) Björn Lander will leave the board of Froda AB in conjunction with its Annual General Meeting on 17 June 2025.

Anna Fogelström

Born 1983.

Chief Information Officer since 2022.

Education and professional experience: Master of Science in Engineering with a Major in Bioinformatics and a Bachelor in Business Administration, Uppsala University, Sweden. Previous experience includes Head of CTO Office at Swedbank AB, Chief Product Owner at Swedbank AB and Management Consultant within Advisory Services at Ernst & Young in Stockholm and New York.

Current Board assignments and similar: –

Previous Board assignments and similar (past five years): –

Caroline Redare

Born 1968.

Chief Human Resource Officer since 2022.

Education and professional experience: Bachelor of Science in Business Administration, Stockholm University, Sweden. Previous experience include HR Manager Nordics at Olympus Sweden, Forsen AB, Inrego and Qbrick AB.

Current Board assignments and similar: Board member of Caroline Redare HR Konsult AB.

Previous Board assignments and similar (past five years): –

Erik Walberg Olstad

Born 1987.

Chief Commercial Officer since 2023.

Education and professional experience: Bachelor of Science in Innovation, Business Development and Economics, Oslo School of Management, Norway. Previous experience includes Head of Customer Support, Head of Customer Center, COO and Branch Manager Norway at Enity Bank Group AB and Customer Advisor at DNB Mortgages and Retail Banking.

Current Board assignments and similar: Chair of Staslin Kjøtt AS and Schønberg Kolonial AS.

Previous Board assignments and similar (past five years): Board member of Uno Finans AS.

Christer Pettersson

Born 1967.

Chief Customer Acquisition Officer since 2023.

Education and professional experience: Bachelor of Science in Business Administration and Economics, Stockholm University, Sweden. Previous experience includes Head of E-Commerce and Commercial Digitalization at Hultafors Group, Head of E-Commerce and Marketing at Arvato Financial Solutions and Nordic E-Commerce Manager at Apollo Travel Group.

Current Board assignments and similar: General Partner of ASTRATE KB and Limited Partner of MEDIAREPET KB.

Previous Board assignments and similar (past five years): Board member of Visionera AB, Nextphase AB, Infoo Online Group AB and Scandinavian Outdoor Group Ekonomisk Förening.

David Nilsson Nannini

Born 1981.

Chief Data Officer since 2023.

Education and professional experience: Master in General Management, Stockholm School of Economics, Sweden. Previous experience includes Head of Product at Sergel Group, and Group Head of Business Development and various positions in Business Development at Bisnode.

Current Board assignments and similar: –

Previous Board assignments and similar (past five years): –

Anna Wahldén

Born 1977.

Chief Risk Officer since 2024.

Education and professional experience: Master of International Business and Finance, Jönköping International Business School, Sweden. Previous experience includes several positions at SEB and Swedbank, including Director Strategic Finance Swedish Banking, Deputy Head of Special Task Force, CFO and Head of Operational Risk at the CEO Office and Head of Strategic Planning Large Corporates and Institutions.

Current Board assignments and similar: –

Previous Board assignments and similar (past five years): –

Other information concerning the Board of Directors and the Senior Management Team

All members of the Board of Directors and the Senior Management Team can be reached through the Company's address P.O. Box 23138, SE-104 35 Stockholm, Sweden.

There are no family relationships between any of the members of the Board of Directors and/or the Senior Management Team. No Board member or member of the Senior Management Team has been convicted in any case involving fraudulence during the past five years. None of them have been involved in any bankruptcy, receiverships or liquidation during the past five years in the capacity of a member of administrative, management or supervisory bodies or a senior executive. No official public incrimination and/or sanctions have been issued by statutory or regulatory authorities (including designated professional bodies) during the past five years against any of the members of the Board of Directors or members of the Senior Management Team. Nor, during the past five years, has any member of the Board of Directors or member of the Senior Management Team been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of a company or from acting in the management or conduct of the affairs of any issuer.

No member of the Board of Directors or member of the Senior Management Team has any private interests or other duties which might conflict with their duties carried out on behalf of Enity. However, as stated above, a number of the members of the Board of Directors and persons in the Senior Management Team have financial interests in Enity. See also "*Shares and share capital–Existing equity participation programmes*".

Auditor

Ernst & Young AB (Hamngatan 26, SE-111 47 Stockholm, Sweden) is Enity's auditor since 2018. Ernst & Young AB was re-elected at the Annual General Meeting 2025 for the period up to and including the Annual General Meeting 2026. Erik Benjaminsson Castlin, authorised public accountant and a member of FAR (the professional institute for authorised public accountants in Sweden), is auditor-in-charge.

Corporate governance

Corporate governance within Enity

The Company is a Swedish public limited liability company. Prior to the listing on Nasdaq Stockholm, the corporate governance in the Company has been based on Swedish law and internal rules and instructions. After the listing on Nasdaq Stockholm, Enity will also apply the Swedish Corporate Governance Code (the "**Code**").

The Code applies to all companies with shares admitted to trading on a regulated market in Sweden and is based on the "comply or explain" principle. This principle means that a company does not have to comply with every rule of the Code, but rather have the possibility of choosing alternate solutions that the company deems to be better suited based on its particular circumstances, provided that the company reports every deviation, describes the alternative solution and explains the reason for the deviation in the corporate governance report. As of the date of the prospectus, Enity does not expect to report any deviations from the Code following the listing on Nasdaq Stockholm.

Corporate governance structure

In addition to the above, the Group's corporate governance framework is based on general guidelines issued by the Swedish FSA. The framework aligns with the guidelines from the EBA, Nasdaq Stockholm's and Oslo Børs' rules applicable by virtue of the listing of bonds issued by Enity Bank and European standards and is further supported by the Articles of Association and internal policies and instructions. As from the listing of the shares in the Company on Nasdaq Stockholm, the framework will also encompass Nasdaq's Nordic Main Market Rulebook for Issuers of Shares. The Group has a traditional form of corporate governance, where the shareholders appoint the Board of Directors, who then oversee the Group's strategic direction, including the appointment of the CEO. The Group also maintains internal and external control functions to ensure compliance and efficient management. For information on the Group's risk governance, see "*Risk management and capital adequacy*".

General Meeting of shareholders

Enity is governed via General Meetings in accordance with the basic rules on the governance and organisation of a limited company. The General Meeting is Enity's highest decision-making body and forum which enables the shareholders to exercise their influence. The Annual General Meeting, which shall be held annually within six months of the expiry of each financial year, addresses matters including (i) adoption of consolidated financial statements; (ii) decision on dividends and other allocations of the consolidated profit; (iii) discharge from liability of the Board of Directors and CEO; and (iv) election of Board members, appointment of auditors and determination of remuneration to the Board of Directors and auditors. In addition to the Annual General Meeting, Extraordinary General Meetings may be convened when required.

Notice of the Annual General Meeting, as well as an Extraordinary General Meeting at which the matter of amendment to the Articles of Association is to be addressed, shall be issued not earlier than six weeks and not later than four weeks prior to the General Meeting. Notices of other Extraordinary General Meetings shall be issued not earlier than six weeks and not later than three weeks prior to the Extraordinary General Meeting. Notice of General Meetings shall be published in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and on the Company's website. Simultaneously, an announcement with information that the notice has been issued shall be published in Dagens Nyheter.

Right to attend General Meetings

All shareholders who are directly recorded in the Company's share register maintained by Euroclear Sweden six banking days prior to the General Meeting and who have notified the Company of their intention to participate in the General Meeting not later than the date indicated in the notice of the General Meeting, are entitled to attend the General Meeting and vote for the number of shares they hold.

In addition to notifying the Company, shareholders whose shares are nominee registered through a bank or other nominee must request that their shares are temporarily registered in their own names in the register of shareholders maintained by Euroclear Sweden, in order to be entitled to participate in the General Meeting. Shareholders should inform their nominees well in advance of the record date. Voting registrations made by nominees not later than four banking days prior to the General Meeting will be taken into account.

Shareholders may attend the Company's General Meetings in person or by proxy and may be accompanied by a maximum of two assistants. It will normally be possible for shareholders to register for the General Meeting in several different ways, as indicated in the notice of the meeting.

The Board of Directors may also decide before a General Meeting that the shareholders may exercise their voting right at the General Meeting by postal voting.

Shareholder initiatives

Any shareholder of the Company who wishes to have a matter dealt with at a General Meeting must submit a written request to the Board of Directors to that effect. The request must have been received by the Company not later than seven weeks prior to the General Meeting or after such date, but in due time for the matter to be included in the notice of the General Meeting.

Nomination Committee

Under the Code, a company listed on Nasdaq Stockholm shall have a Nomination Committee, the purpose of which is to make proposals to the General Meeting in respect of the Chair at General Meetings, elections of Board members and Chair of the Board of Directors, election of auditor, remuneration of each Board member (divided between the Chair of the Board of Directors and other Board members, and remuneration for committee work), remuneration to the auditor, and to the extent deemed necessary, proposals for amendments to the instruction for the Nomination Committee.

At the Annual General Meeting held on 5 May 2025, instructions for the Nomination Committee was adopted to apply until further notice, provided that the Company is listed on Nasdaq Stockholm.

Principles for the appointment of the Nomination Committee

The Nomination Committee shall be composed of the chairperson of the Board of Directors and representatives of the three largest shareholders in terms of voting rights, listed in the shareholders' register maintained by Euroclear Sweden AB as of the last banking day in August each year, or other reliable data provided to the Company at such time.[1] The chairperson of the Board of Directors shall as soon as practically possible following the last banking day in August each year convene the Nomination Committee to its first meeting and shall further, as part of the work of the Nomination Committee, inform the Nomination Committee about the work of the Board of Directors and the requirements for certain competence etc. that may be of importance for the work of the Nomination Committee.

The member representing the largest shareholder shall be appointed chairperson of the Nomination Committee, unless otherwise agreed by the Nomination Committee. The chairperson of the Nomination Committee shall have the casting vote in case of equal number of votes. The composition of the Nomination Committee for the Annual General Meeting shall be publicly announced in a press release no later than six months prior to each Annual General Meeting. Should any of the three largest shareholders decline to participate in the Nomination Committee, or otherwise be considered to have waived such a right, a representative from the largest shareholder (in terms of votes) next in line (based on the latest available shareholder statistics or other reliable data provided to the Company, as per the first paragraph above) shall be appointed.

If a shareholder who has appointed a member of the Nomination Committee ceases to be among the three largest shareholders earlier than three months prior to the Annual General Meeting, the member appointed by such shareholder shall resign and the shareholder who has become one of the three largest shareholders shall be entitled to appoint its representative. If there are only marginal changes in the number of votes held or if the change occurs later than three months prior to the Annual General Meeting, no changes shall be made in the composition of the Nomination Committee unless there are special reasons and the Nomination Committee so decides.

If a member resigns from the Nomination Committee before the work is completed and the Nomination Committee finds it suitable, a substitute shall be appointed. Such substitute shall be appointed by the same shareholder or, if that shareholder is no longer among the largest shareholders, by the shareholder who has become one of the largest shareholders. A shareholder who has appointed a member to the nomination committee shall have the right to dismiss such member and appoint a new member.

The term of office for the Nomination Committee runs until the composition of the next Nomination Committee has been announced. Remuneration shall not to be paid to the members of the Nomination Committee. Potential necessary expenses for the work of the Nomination Committee shall be paid by the Company.

Board of Directors

The Board of Directors, which is the highest decision-making body after the General Meeting, bears ultimate responsibility for the Company's organisation, management and control of the Company's financial conditions. The duties of the Board of Directors include, among other things, the appointment, evaluation and, if necessary, the removal of the CEO and ensuring that systems are in place for monitoring and controlling the business considering the risks the Company's business is exposed to. The Board of Directors shall further ensure that controls exist to guarantee that Enity complies with applicable laws and regulations and approve internal control documents that contribute to compliance. A number of policies that apply to governance are approved by the Board of Directors and annually brought to their attention for review. The work of the Board of Directors is governed by the Articles of Association, the Code and the Board of Directors' rules of procedure.

1) In determining the three largest shareholders in terms of voting rights, a group of shareholders shall be considered one shareholder if they (i) have been organised as a group in the Euroclear system or (ii) have made public and notified the Company that they have made a written agreement to take, through the coordinated exercise of voting rights, a common long- term view on the management of the Company. Should the share register include nominee registered shareholdings, such shareholdings shall only be considered if the nominee has reported the identity of the underlying shareholder to Euroclear Sweden AB or if the Company receives other reliable ownership information that evidences the identity of the underlying shareholder.

Composition and independence

Enity's Board of Directors is comprised of five members without deputies elected by the Annual General Meeting 2025.

The Annual General Meeting elects the Chair of the Board of Directors. Directly after the Annual General Meeting, the Board of Directors holds a meeting for formal constitution at which the members of the committees of the Board of Directors are elected, among other things. The Chair of the Board of Directors of Enity is Jayne Almond.

According to the Code, a majority of the Board members appointed by the General Meeting must be independent in relation to the Company and its executive management. This does not apply for any employee representatives. To determine whether a Board member is independent, all circumstances should be considered that may put into question the independence of a Board member in relation to the Company or the executive management, for instance if the Board member was recently employed by the Company or an affiliated company. No more than one Board member elected by the General Meeting may be a member of the executive management of the Company or a subsidiary. At least two of the Board members that are independent in relation to the Company and the executive management must also be independent in relation to the Company's major shareholders. To evaluate a Board member's independence, the extent of the Board member's direct or indirect relation to the larger shareholders should be taken into consideration. A major shareholder, according to the Code, is a shareholder that directly or indirectly controls 10 per cent or more of the shares or votes in the Company.

The Board of Directors is considered to be in compliance with relevant requirements for independence. Jayne Almond, Christopher Rees, Julia Ehrhardt and Rolf Stub have been considered independent in relation to the Company and its executive management as well as in relation to the Company's major shareholders. Vesa Koskinen has been considered independent in relation to the Company and its executive management, but not in relation to the Company's major shareholders.

Responsibility and work

The duties of the Board of Directors are set forth in the Swedish Companies Act, the Company's Articles of Association and the Code, the latter of which will be applicable for the Company as from the date of listing of the shares in the Company on Nasdaq Stockholm. In addition, the work of the Board of Directors is governed by rules of procedure for the Board of Directors. The rules of procedures for the Board of Directors govern, among other things, the division of work and responsibility between the Board of Directors, its Chair and the CEO, and specify financial and sustainability reporting procedures for the CEO. The Board of Directors also adopts instructions for the Board committees.

The Board of Directors is responsible for the organisation of Enity and the management of the Company's affairs. The Board of Directors' tasks include adopting strategies, targets, business plans, budgets, interim reports, year-end financial statements and policies. The Board of Directors is also required to monitor the Company's financial performance and ensure that the Company has good internal controls, including formalised routines to ensure that approved principles for financial and sustainability reporting and internal controls are applied and that financial and sustainability reporting is prepared in accordance with legislation, applicable accounting standards and other requirements for listed companies. Moreover, the Board of Directors is to ensure that there is a satisfactory process for monitoring Enity's compliance with laws and other regulations relevant to the business, as well as the application of internal guidelines, and to evaluate Enity's business on the basis of the objectives and policies set by the Board of Directors. The Board of Directors is also tasked with identifying how sustainability matters affect the Group's business opportunities and risks as well as identifying the Group's impact on sustainability matters and how such matters affect the Group's development, position and performance. In addition, the Board of Directors is responsible for regularly evaluating the work of the CEO. Furthermore, the Board of Directors decides on major investments and changes in the organisation of the Group. The Chair of the Board of Directors leads and organises the work of the Board of Directors, ensures that the Board of Directors fulfils its tasks and ensures that the Board of Directors' decisions are implemented. The Chair of the Board shall, together with the CEO, monitor the Company's performance, prepare and chair Board meetings. The Chair is also responsible for ensuring that the Board members evaluate their work each year and continuously receive the information necessary to effectively perform their tasks. The Chair represents the Company in relation to its shareholders.

Board committees

According to the Swedish Companies Act and the Code, the Board of Directors shall institute an Audit Committee and a Remuneration Committee. The Chair of the Board of Directors may chair the Remuneration Committee. The other members of the Remuneration Committee are to be independent in relation to the Company and its executive management. A majority of the Audit Committee's members are to be independent in relation to the Company and the executive management and at least one of the members who is independent in relation to the Company and the executive management is also to be independent in relation to the Company's major shareholders. At least one member of the Audit Committee must also have accounting or auditing proficiency.

The Company has established an Audit, Risk and Compliance Committee (ARCCO) as well as a Remuneration Committee. The major tasks of these committees are preparatory and advisory, but the Board of Directors may delegate decision-making powers on specific issues to the committees. The issues considered at committee meetings shall be recorded in minutes of the meetings and continuously reported to the Board of Directors. The members and Chairs of the committees are appointed at the statutory Board meeting following election of Board members.

Audit, Risk and Compliance Committee (ARCCO)

The primary tasks of the ARCCO are to monitor Enity's routines for risk management (see also "*Risk management and capital adequacy*"), governance and control as well as financial and sustainability reporting. The ARCCO shall also review and monitor the auditor's impartiality and independency and, in relation thereto, particularly call attention to if the auditor provides other services to the Company than audit and review of the sustainability reports and assist the Nomination Committee in the preparation of proposals for the General Meeting's decision on election of auditors. The ARCCO consists of the following three Board members: Christopher Rees (Chair), Jayne Almond and Julia Ehrhardt.

Remuneration Committee

The primary task of the Remuneration Committee is to prepare the Board of Directors' decisions on issues concerning principles for remuneration and other terms of employment for the Senior Management Team. The Remuneration Committee is also responsible for monitoring and evaluating any programmes for variable remuneration, both ongoing and those that have ended during the year, for the Senior Management Team and for monitoring and evaluating the application of the remuneration guidelines that the Annual General Meeting has adopted, as well as the current remuneration structures and levels in Enity. Further, the Remuneration Committee prepares the remuneration report to be presented at the Annual General Meeting for approval as well as any proposals for share or share-price related incentive programmes. The Committee consists of the following two Board members: Jayne Almond (Chair) and Vesa Koskinen.

Compensation to the Board of Directors

The Annual General Meeting determines the compensation to the Board of Directors for a period of one year until the next Annual General Meeting.[1] The compensation is distributed between the Chair, other members of the Board of Directors and remuneration for committee work.

At the Extraordinary General Meeting held on 6 June 2025, it was resolved, subject to the listing of the Company's shares on Nasdaq Stockholm, that the remuneration to each of the Board members elected by the General Meeting will amount to SEK 900,000 and SEK 1,800,000 for the Chair of the Board. In addition, the Chair of the Remuneration Committee will receive fees totalling SEK 125,000, and the Chair of the ARCCO will receive fees totalling SEK 300,000 and the fees to each of the other members of the ARCCO will amount to SEK 75,000. Vesa Koskinen will not receive any fees for his work in the Remuneration Committee.

The table below presents an overview of remuneration to the Board of Directors elected by the shareholders for the financial year 2024.

SEK million	Function	Ordinary compensation	Compensation for committee work	Total
Jayne Almond	Chair	0.9	0.3	1.2
Christopher Rees	Member	0.3	0.3	0.5
Julia Ehrhardt	Member	0.4	0.1	0.5
Vesa Koskinen	Member	–	–	–
Rolf Stub	Member	0.4	0.0	0.4
Christian Shin Høegh Andersen[*)]	Member	–	–	–
Total		**1.9**	**0.7**	**2.5**

*) Board member until March 2025.

1) Any remuneration to members of the Board of Directors in the Company other than fees resolved by the General Meeting must be in compliance with Enity's guidelines for remuneration to senior executives (see "*Remuneration guidelines*" below).

CEO and the Senior Management Team

The Senior Management Team currently includes the CEO and eight other members. Enity's CEO is appointed by the Board of Directors and is responsible for Enity's ongoing management and the Group's business in accordance with the Articles of Association, the Board of Directors' instructions and current law. The CEO and Senior Management Team are charged with the overall responsibility for day-to-day operations. The primary tool that is used by the CEO and Senior Management Team to measure execution of Enity's key strategic initiatives and evaluate progress towards its long-term goals is the financial framework with the business reviews in focus.

Remuneration guidelines

The following principle guidelines for remuneration to senior executives were adopted at the Annual General Meeting held on 5 May 2025, conditional upon the listing of the Company's shares on Nasdaq Stockholm.

Scope

The guidelines are applicable to remuneration and certain other employment conditions of the CEO and other members of the Senior Management Team of the Group. The guidelines also cover any remuneration to members of the Board of Directors in the Company, other than fees resolved by the General Meeting. The guidelines are forward-looking, meaning that they apply to remuneration and conditions agreed, and amendments to remuneration and conditions earlier agreed, after the guidelines were adopted by the Annual General Meeting on 5 May 2025 and subsequently have entered into force. The guidelines do not apply to any remuneration or other employment conditions decided or approved by the General Meeting. Remuneration and other employment conditions of a member of the Senior Management Team who is employed or resident outside Sweden or who is not a Swedish citizen may be duly adjusted to comply with mandatory rules or established local practice, taking into account, to the extent possible, the overall purpose of these guidelines.

The guidelines are intended to enable the Group to offer members of the Senior Management Team competitive remuneration and other employment conditions. At the same time, the Group's remuneration system shall be compatible with and promote sound and efficient risk management and counteract excessive risk taking. Remuneration (including variable cash remuneration) to members of the Senior Management Team shall further comply with and promote the Group's business strategy, objectives, values and long-term interests, including its sustainability; be formulated to avoid conflicts of interests between the Group, its employees and its customers; and be based on quantitative business objectives and qualitative criteria reflecting compliance, proper treatment of the Group's customers and quality of services rendered. The total variable remuneration shall not limit the Group's ability to maintain an adequate capital base and liquidity or, if needed, strengthen the capital base. Long-term share-related incentive plans, if any, are proposed by the Board of Directors and resolved by the General Meeting and are therefore not covered by the guidelines.

Remuneration (including variable remuneration) offered and paid to the Senior Management Team and the Board of Directors shall at all times comply with the remuneration policy of Enity Bank and the Swedish FSA's regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1) (Sw. *Föreskrifter (FFFS 2011:1) om ersättningssystem i kreditinstitut, värdepappersbolag och fondbolag med tillstånd för diskretionär portföljförvaltning*), both as amended from time to time.

Types of remuneration, etc.

Remuneration to the Senior Management Team shall be on market terms and may consist of the following components: fixed base salary, pension benefits, other benefits and, in extraordinary circumstances, variable cash remuneration. Additionally, the General Meeting may – irrespective of the guidelines – resolve on, among other things, share-related or share price-related remuneration.

As a general rule, the Group does not grant any variable cash remuneration in the form of cash bonuses, as fixed remuneration represents a sufficiently high proportion of remuneration. However, variable cash remuneration may be awarded in extraordinary circumstances, provided that such extraordinary arrangements are limited in time and only made on an individual basis, for the purpose of recruiting or retaining members of the Senior Management Team. This remuneration should be connected to appropriate pre-determined performance criteria, in addition to the determined financial and non-financial performance targets linked to individual, business unit and institutional results. Any such variable remuneration may not in total exceed an amount corresponding to 100 per cent of the fixed annual base salary for the relevant year, and may not be paid more than once each year per individual. Furthermore, variable remuneration in the form of severance pay, to the extent it is considered variable remuneration, may be granted under extraordinary circumstances. Any resolution on variable remuneration shall be made by the Board of Directors based on a proposal from the Remuneration Committee. The Board of Directors shall have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to reclaim, in whole or in part, variable remuneration paid on incorrect grounds (claw-back).

Members of the Senior Management Team shall be covered by defined contribution pension plans, for which pension premiums are based on each person's fixed annual base salary. The pension premiums shall amount to not more than 30 per cent of the fixed annual base salary. Further, variable cash remuneration shall qualify for pension benefits only to the extent required by mandatory collective agreement provisions.

Other benefits may include, for example, life insurance, health insurance (Sw: *sjukförsäkring*), medical insurance (Sw: *sjukvårdsförsäkring*) and allowance for physical exercise. Premiums and other costs relating to such benefits shall be based on market practice and may amount to not more than 10 per cent of the fixed annual base salary.

Remuneration to members of the Board of Directors

If a Board member performs services for the Group in addition to the Board assignment, a separate remuneration (consultancy fee) may be paid for this, provided that such services contribute to the implementation of the Group's business strategy and the safeguarding of the Group's long-term interests, including its sustainability. The consulting fee must be on market terms and be put in relation to the benefit it brings to the Group, and may never exceed the applicable Board remuneration for the relevant Board member (excluding remuneration for committee work). Such remuneration shall be resolved by the Board of Directors.

Termination of employment

Upon termination of employment, the notice period may not exceed 12 months for the CEO and 9 months for other members of the Senior Management Team, unless otherwise is provided by mandatory law or collective agreement (if applicable). Fixed base salary during the notice period and severance pay, if any, shall in total not exceed an amount equivalent to the fixed base salary for 24 months for the CEO and 18 months for other members of the Senior Management Team. When the employment is terminated by the Senior Management Team member, the notice period may not exceed 6 months, with no right to severance pay.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income and shall only be paid in so far as the previously employed Senior Management Team member is not entitled to severance pay. The remuneration shall amount to not more than 60 per cent of the monthly income (calculated as an average of fixed monthly salary and variable remuneration, if any, during the final year of employment) and be paid during the time the non-compete undertaking applies, however, not for more than 12 months for the CEO and 6 months for other members of the Senior Management Team following termination of employment, *i.e.* the end of the notice period.

The decision-making process to determine, review and implement the guidelines

The Board of Directors has established a Remuneration Committee (see "*Remuneration Committee*" above). The committee's tasks include preparing the Board of Directors' decision to propose guidelines for remuneration and other employment conditions for the Senior Management Team. The Board of Directors shall prepare a proposal for new guidelines at least every fourth year and submit it to the General Meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting. The Remuneration Committee shall also monitor and evaluate any programs for variable remuneration for the members of the Senior Management Team, the application of the renumeration guidelines as well as the current remuneration structures and compensation levels in the Group. The CEO and other members of the Senior Management Team do not participate in the Board of Directors' processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board of Directors may temporarily resolve to derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Group's long-term interests, including its sustainability, or to ensure the Group's financial viability.

Remuneration regulations applicable to credit institutions

Enity Bank is covered by CRD IV, CRD V, the Swedish FSA's regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management (FFFS 2011:1) (Sw. *Föreskrifter (FFFS 2011:1) om ersättningssystem i kreditinstitut, värdepappersbolag och fondbolag med tillstånd för diskretionär portföljförvaltning*) and the EBA Guidelines on sound remuneration policies under Directive 2013/36/EU (together the "**Remuneration Regulations**"). As a consequence, Enity on a consolidated basis must adhere to several rules in relation to remuneration to its employees and Board members. For example, Enity Bank must have a remuneration policy in place setting out all types of fixed and variable remuneration offered to its employees, for certain employees (including the Senior Management Team) whose professional activities have a material impact on Enity Bank's or the Group's risk profile. Further requirements must be met when granting and awarding variable remuneration, and variable remuneration must be risk adjusted and subject to so-called malus provisions.

Compensation to the Senior Management Team

The compensation to members of the Senior Management Team may comprise fixed base salary, pension benefits, other benefits and, in extraordinary circumstances, variable cash remuneration. The table below shows the compensation paid to the Senior Management Team in 2024.

SEK million	Fixed salary	Pension benefits[1]	Other benefits	Total
CEO	4.4	0.6	–	5.0
Other members of the Senior Management Team[*]	14.3	3.0	–	17.3
Total	**18.7**	**3.6**	**–**	**22.3**

*) Eight persons during 2024.
1) The Senior Management Team's pension plans are defined contribution plans. There are consequently no amounts set aside or accrued to provide pension, retirement or similar benefits to the current Senior Management Team.

Notice period and severance payment

The notice period for members of the Senior Management Team ranges between three (3) and six (6) months in the event of termination by the senior executive, without entitlement to severance pay. In the event of termination by Enity, the notice period ranges between three (3) and six (6) months, while the notice period in relation to the CEO is twelve (12) months, all without entitlement to severance pay.

Retention incentives

A group of employees that have been identified as key to the listing process, including the Senior Management Team, have been offered retention incentives by Enity to ensure continued successful business operations during and after a listing. The objective behind the retention incentives is that the employees shall remain in their current employment with Entity and is conditional on continuous employment for specific periods (3–9 months) after the listing as well as specific performance conditions (including individual, unit and Group wide performance targets). In line with the Remuneration Regulations, no retention incentives will be awarded should Entity Bank be subject to exceptional government intervention or should the award limit Entity Bank's ability to restore a sound capital base or lead to a situation where Entity Bank fails to meet the combined buffer requirement or the leverage ratio requirement (see "*Regulatory overview–Sweden–Regulatory capital and liquidity requirements*"). The table below shows the retention incentives offered to the members of the Senior Management Team.

Name	Retention incentive, SEK
Björn Lander, CEO	8,000,000[1]
Other members of the Senior Management Team[*]	1,000,000–3,650,000[2]

*) Eight persons.
1) Including vacation pay.
2) Including vacation pay (save for one person).

Share-based incentive programmes

See "*Shares and share capital–Equity participation and incentive programmes*".

External auditors

The Company's auditors are appointed by the Annual General Meeting. At the Annual General Meeting on 5 May 2025, Ernst & Young AB was re-elected as the Company's auditor, with Erik Benjaminsson Castlin as auditor in charge.

The auditor shall keep the Board of Directors informed about the planning and content of the annual audit and shall review the annual report to determine if it is correct, complete and consistent with generally accepted accounting principles and current accounting standards. The auditor shall also inform the Board of Directors of any services performed in addition to the normal audit information, compensation for such services and any other circumstances, which are relevant to the auditor's independence.

Internal control

According to the Swedish Companies Act, the Board of Directors is ultimately responsible for ensuring that an effective internal control system exists within Enity. Enity's procedures for internal control, risk assessment, control activities and monitoring of financial reporting are designed with the objective of ensuring reliable overall financial reporting and external financial reporting in accordance with IFRS Accounting Standards, applicable laws and regulations and other requirements applicable to companies with listed securities. The work involves the Board of Directors, the Senior Management Team and other personnel.

For more information about Enity's risk governance, see "*Risk management and capital adequacy*".

Control environment

The Board of Directors has adopted several governing documents that, together with external regulations, serve as the basis for Enity's control environment. It is the duty of all employees to comply with the adopted governing documents. The Board of Directors has adopted governing documents that govern the respective responsibilities of the CEO and the Board of Directors. Enity's risk governance is performed from a legal and organisational perspective as well as from a perspective with three lines of defence.

Governing documents

An important part of the Group's internal control is the establishment and maintenance of governing documents, which include policies, instructions, routines, and process descriptions. These documents cover essential areas of the business and provide a structured framework for the Group's activities. All the policies are approved by the Board of Directors (either in the Company, in Enity Bank or in both), while the instructions are approved by the CEO. Relevant governing documents are accessible to all staff on Enity's intranet. The governing policies are subject to ongoing evaluation, updated at least annually and also when required.

Risk assessment

The Group's risk management framework ensures that outcomes align with risk strategies and appetite, maintaining a balance between risk and return. The Group's risk governance and risk management framework, which is part of the broader governance and internal control framework, supports strategic planning and capital management.

Board oversight in risk management and evaluation

The Board of Directors is responsible for overseeing risk reporting and the ongoing evaluation of Enity's governance. Reports on material risks and shortcomings are submitted to the Board of Directors and CEO by the risk management and compliance functions on a quarterly basis, unless there are any deviations or so-called red flags. This process ensures that the Board of Directors is appropriately informed and can take necessary actions in a timely manner. Additionally, the Board of Directors regularly reviews reports from the internal audit function, and committees such as ARCCO, which in turn reviews reports from Enity Bank's RiCO, NPAP, and ALCO. These activities assist the Board of Directors in effectively managing Enity's risk levels and the performance of its risk management framework.

Shares and share capital

Share information

According to the Company's Articles of Association, the share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000, divided into not less than 40,000,000 shares and not more than 160,000,000 shares. As of the 31 March 2025, the Company's share capital was SEK 400,000, represented by 4,000 shares, each with a quota value of SEK 100.

An Extraordinary General Meeting held on 12 May 2025 resolved on a bonus issue to increase the Company's share capital by SEK 100,000, from SEK 400,000 to SEK 500,000, without issuing shares, to meet the statutory minimum share capital requirement for public limited liability companies. The Extraordinary General Meeting also resolved to split the shares in the Company, where one existing share was split into 50,000,000 shares (12,500:1), in order to achieve an appropriate number of shares in the Company ahead of the listing on Nasdaq Stockholm and thereby an appropriate price per share in the Offering (the "**Share Split**"). The bonus issue and the Share Split was registered with the Swedish Companies Registration Office on 20 May 2025.

As of the date of this prospectus, the Company's registered share capital is SEK 500,000, represented by 50,000,000 shares, each with a quota value of SEK 0.01.

The shares in the Company have been issued in accordance with Swedish law, are fully paid and denominated in SEK. The shares are not subject to any restrictions on transferability. The rights of the shareholders may only be changed pursuant to the procedures set out in the Swedish Companies Act or the Articles of Association.

Net asset value per share

As at 31 March 2025, the net asset value[1)] per share in the Company amounted to SEK 111.64 (adjusted for the Share Split). The Offering Price has been set at SEK 57 per share.

Certain rights attached to the shares

General meetings

Notice of General Meetings shall be published in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*) and on the Company's website. Simultaneously, an announcement with information that the notice has been issued shall be published in Dagens Nyheter. To be entitled to participate in a General Meeting, the shareholder must be registered in the share register six banking days prior to the meeting (while voting registrations made by nominees not later than four banking days prior to the General Meeting will be taken into account), and notify the Company of the participation not later than on the day specified in the notice of the meeting.

Voting rights

Each share carries one vote at a General Meeting. Each shareholder is entitled to vote for the total number of shares held without limitation of the voting powers. See "*Corporate governance–General Meeting of shareholders*" for further information about the General Meetings in Enity.

Preferential rights to new shares, etc.

Should the Company decide to issue shares, warrants or convertibles by way of a cash issue or a set-off issue, shareholders shall have preferential rights to subscribe in proportion to their existing shareholdings. There are, however, no provisions in the Company's Articles of Association that limit the Company's ability to decide to, in accordance with the rules set out in the Swedish Companies Act, issue new shares, warrants or convertibles with deviation from the shareholders' preferential rights.

Rights to dividends and surplus in the event of liquidation

Shares in the Company carry the same right to share in the Company's profit and any surplus in the event of liquidation.

Dividends are resolved upon by the General Meeting and the payment is administered by Euroclear Sweden. Dividends may only be paid if the Company, after such dividends, still has full coverage of its restricted equity and further to the extent that such dividends are justified taking into consideration (i) the demands with respect to size of shareholders' equity which are imposed by the nature, scope and risks associated with the operations; and (ii) the Company's and the Group's consolidation needs, liquidity and position in general (the so-called prudence rule). As a general rule, the shareholders may not decide upon larger dividends than those proposed or approved by the Board of Directors. Dividends are normally paid to shareholders in cash on a per share basis, but may also be paid in kind.

On the record date established by the General Meeting, holders recorded as owners of shares in the register of shareholders maintained by Euroclear Sweden will be entitled to receive dividends. If a shareholder cannot be paid through Euroclear Sweden, such shareholder still retains its claim to the dividend amount, and the claim remains against the Company subject to a statutory limitation of 10 years. Should the claim become barred by the statute of limitations, the dividend amount is forfeited to Enity. Neither the Swedish Companies Act nor Enity's

1) Calculated as equity (SEK 5,581.89 million) as of 31 March 2025 divided by the number of shares in the Company after the Share Split (50,000,000).

Articles of Association contain any restrictions regarding dividend rights of shareholders outside Sweden. Subject to any restrictions imposed by banks or clearing systems in the relevant jurisdiction, payments to such shareholders are made in the same manner as for shareholders resident in Sweden. However, shareholders who are not tax resident in Sweden are normally subject to Swedish withholding tax. See "*Tax considerations*" for additional information.

Information on taxation

The tax legislation in the investor's home country and in Sweden may affect any income received from shares in Enity.

The taxation of any dividend, as well as capital gains taxation and rules concerning capital losses in connection with disposal of securities, depends on the shareholder's particular circumstances. Special rules apply to certain categories of tax payers and certain types of investment forms. Each holder of shares should therefore consult a tax advisor for information on the specific implications that may arise in an individual case, including the applicability and effect of foreign tax rules and tax treaties.

Dividend history

	Year ended 31 December		
SEK	**2024**	**2023**	**2022**
Dividend per share	–	–	6.0[1)]

1) A dividend of SEK 300 million was paid in 2022. The dividend per share has been adjusted to reflect the share split carried out in May 2025 (see "*Share information*" above).

On 5 May 2025, an Extraordinary General Meeting resolved on an extraordinary dividend of SEK 250 million corresponding to SEK 5.0 per share (adjusted to reflect the Share Split (see "*–Share information*" above)), with a payment date of 12 May 2025. The purpose of the extraordinary dividend was to optimise the Group's capital structure ahead of the listing of the shares in the Company on Nasdaq Stockholm.

For information on Enity's dividend policy, please refer to "*Business description–Financial targets and dividend policy*".

Share capital development

The table below shows the development of the Company's share capital since the Company's incorporation in 2004.

Year	Event	Change in number of shares	Change in share capital, SEK	Total number of shares	Total share capital, SEK	Quota value, SEK
2004	Incorporation	1,000	100,000	1,000	100,000	100
2023	New share issue[1)]	3,000	300,000	4,000	400,000	100
2025	Bonus issue[2)]	–	100,000	4,000	500,000	125
2025	Share split (12,500:1)[3)]	49,996,000	–	50,000,000	500,000	0.01

1) New share issue in connection with the acquisition of Bank2 against a total subscription price of SEK 191,011,254.92 paid in cash.
2) Bonus issue to meet the statutory minimum share capital requirement for public limited liability companies (see "*Share information*" above).
3) Share split to achieve an appropriate number of shares in the Company ahead of the listing on Nasdaq Stockholm and thereby an appropriate price per share in the Offering (see "*Share information*" above).

Authorisations

An Extraordinary General Meeting held on 5 June 2025 resolved on an authorisation for the Board of Directors to, on one or several occasions, prior to the Annual General Meeting 2026, with or without deviation from the shareholders' preferential right, resolve on the issuance of shares and/or convertible bonds and/or warrants. The total number of shares that may be issued, the number of shares that convertible bonds may be converted into, and the number of shares that may be subscribed for by the exercise of warrants shall be within the limits of the Articles of Association and may not exceed 10 per cent of the total number of shares in the Company at the time of the Board of Directors' resolution to exercise the authorisation for the first time (counted after the authorisation has been fully exercised). The authorisation includes a right to resolve on new issues for cash consideration, by contribution in kind or payment by set-off. The issue price shall, in the case of deviation from the shareholders' preferential right, be determined in accordance with market practice. The Board of Directors shall be entitled to determine other terms of any issue.

The purpose of the authorisation, and the reason for any deviation from the shareholders' preferential right, is to increase the financial flexibility of Enity to enable the Company to finance the operations in a fast and efficient way, to enable or finance acquisitions of companies, businesses or parts thereof and/or to enable a broadening of the ownership of the Company.

Ownership structure

The table below sets forth Enity's ownership structure prior to and directly after completion of the Offering, respectively, provided that the Offering is fully subscribed for and all allocated shares have settled as allocated, reflecting both the ownership structure if the Overallotment Option is not exercised, and if the Overallotment Option is fully exercised. As of the date of this prospectus, the Main Shareholder is the Company's sole shareholder, holding all 50,000,000 issued shares.

	Prior to the Offering		After the Offering (if the Offering is fully subscribed for and the Overallotment Option is not exercised)		After the Offering (if the Offering is fully subscribed for and the Overallotment Option is fully exercised)	
Shareholder	**Number of shares**	**Shares and votes, %**	**Number of shares**	**Shares and votes, %**	**Number of shares**	**Shares and votes, %**
Butterfly Holdco[1, 2]	50,000,000	100.0	24,500,000	49.0	20,675,000	41.4
New shareholders	–	–	*25,500,000*	*51.0*	*29,325,000*	*58.7*
Total existing and new shareholders	**50,000,000**	**100.0**	**50,000,000**	**100.0**	**50,000,000**	**100.0**

1) Butterfly Holdco is, as of the date of this prospectus, indirectly controlled by EQT VII, which is managed by EQT Fund Management S.à r.l., which is in turn controlled by EQT AB. EQT AB is not controlled by any other person or entity.
2) The holdings after the Offering include the number of shares in the Company that will be transferred from the Main Shareholder to relevant participants in the existing equity participation programme immediately following completion of the Offering, as well as the number of shares in the Company that will be transferred to relevant participants in the equity participation programmes in January 2026. Based on an assumption of a 100 per cent share settlement election by the first-mentioned participants, the Main Shareholder will own 47.3 per cent or 39.6 per cent, respectively, of the shares and votes in the Company immediately following completion of the Offering. See further "*Shares and share capital–Existing equity participation programmes*".

In Sweden, the lowest limit for disclosure of holdings (Sw. *flaggning*) is five per cent of all shares or the voting rights of all shares.

The Main Shareholder will continue to have a significant influence over the outcome of matters submitted to the Company's shareholders for approval after the Offering (see "*Risk factors–The Main Shareholder can exert considerable control over the Group*"). Such influence is, however, limited by the provisions of the Swedish Companies Act on minority protection.

Information about the offeror

The Main Shareholder (Butterfly Holdco Pte Limited, 88 Market Street, #48-04/05, Singapore, 048948, LEI code 213800606QSN8PVK3476) is offering up to 29,325,000 existing shares in the Offering, provided that the Overallotment Option is exercised in full. The Main Shareholder is a private limited company (incorporated in Singapore) governed by the Singaporean Companies Act of 1967 (as amended).

The Main Shareholder is, as of the date of this prospectus, indirectly controlled by EQT VII, which is managed by EQT Fund Management S.à r.l., which is in turn controlled by EQT AB. EQT AB is not controlled by any other person or entity.

Lock-up arrangements

Under the Placing Agreement (see "*Legal considerations and supplementary information–Placing agreement*"), Enity will agree with the Joint Bookrunners that it will not, for a period of 180 days from the first day of trading of the Company's shares on Nasdaq Stockholm, without the prior written consent of the Joint Global Coordinators, for example, (i) offer, pledge, allot, issue, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any of the Company's shares or any securities convertible into or exercisable or exchangeable for such shares (the "**Securities**"), or (ii) publicly announce such an intention to effect any such transaction. However, the foregoing restrictions shall not prohibit the Company from (a) issuing, repurchasing or transferring any of the shares or Securities in the Company or the entry into of any swap or other arrangement that transfers to another, in whole or in part, the economic risk of ownership of any of the shares or Securities in the Company, in each case pursuant to employee incentive programmes, or (b) undertaking such measures as may reasonably be required to effect a listing of the issued additional tier 1 capital instrument as described in "*Operating and financial review–Funding, liquidity and capital resources–Funding–AT1 Notes*".

The Placing Agreement will also include a lock-up arrangement for the Main Shareholder, pursuant to which the Main Shareholder will agree with the Joint Bookrunners that, subject to certain exceptions, it will not, for a period of 180 days after the first day of trading of the Company's shares on Nasdaq Stockholm, without the prior written consent of the Joint Global Coordinators, for example, offer, pledge, allot, sell, contract to sell, sell any option or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any of the shares or Securities in the Company. Exceptions include, among other things, that the Main Shareholder shall not be prohibited from fulfilling its obligations as set out under "*–Existing equity participation programmes*" below.

In addition, the Company's Board of Directors and the Senior Management Team will agree with the Joint Bookrunners that, subject to certain exceptions, they will not, for a period of 360 days after the first day of trading of the Company's shares on Nasdaq Stockholm, without the prior written consent of the Joint Global Coordinators, for example, offer, pledge, allot, sell, contract to sell, sell any options or contract to purchase, purchase any option to sell, grant any option, right or warrant to purchase, or otherwise dispose of, directly or indirectly, any of the shares or Securities in the Company that they will receive in connection with the Offering or may acquire thereafter. Exceptions include, among other things, the right to transfer shares in the Company to cover any estimated or actual tax liabilities arising in connection with the investment in Butterfly Poolco AB and/or Butterfly Poolco 2 AB and/or the expiry of existing equity participation programmes, related to the divestment, receipt or holding of shares or other instruments in the Company. See further "– *Existing equity participation programmes*" below.

Written consent can be given by the Joint Global Coordinators on a case-by-case basis and should not be unreasonably withheld.

The Cornerstone Investors (see "*Legal considerations and supplementary information–Undertakings from Cornerstone Investors*") will not be subject to a lock-up arrangement in respect of their allocations.

Listing application

On 19 May 2025, the listing committee of Nasdaq Stockholm assessed that Enity meets Nasdaq Stockholm's listing requirements, provided that customary terms and conditions are satisfied, including that the distribution requirement for the Company's shares is met no later than the first day of trading in the Company's shares on Nasdaq Stockholm and that the Company applies for the admission to trading of its shares on Nasdaq Stockholm. The expected first day of trading on Nasdaq Stockholm is 13 June 2025. The shares will be traded under the ticker ENITY.

Shareholders' agreements, etc.

To the Board of Directors' knowledge, there are no shareholders' agreement or other agreements between shareholders in the Company intended to exercise joint control of the Company. Nor is the Board of Directors aware of any agreements which may result in a change to the control of the Company.

Equity participation and incentive programmes

Existing equity participation programmes

The Main Shareholder has established equity participation programmes, as further described below. These programmes will, except as set out below, be terminated and participants will receive shares in the Company in connection with the Offering.

To the extent terminated in connection with the Offering, the Offering Price has a significant impact on the outcome of the programmes. To create an increased incentive and a continued alignment between the shareholders, participating Board members, members of the Senior Management Team and certain other remaining key employees also following completion of the Offering, the programmes will for these participants not be terminated in connection with the Offering but instead expire in January 2026.

Management and Board equity participation programme

A number of current and former employees, including among others eight members of the Senior Management Team, and three Board members, have directly or indirectly invested in Butterfly Poolco AB and/or Butterfly Poolco 2 AB, each a Swedish limited liability company indirectly (via the Main Shareholder) holding shares in the Company. Participants hold preference and/or common shares in Butterfly Poolco AB and/or Butterfly Poolco 2 AB.

The participants include the following Board members and members of the Senior Management Team: Jayne Almond (Chair of the Board), Julia Ehrhardt (Board member), Rolf Stub (Board member), Björn Lander (Chief Executive Officer), Pontus Sardal (Chief Financial Officer), Christian Marker (Chief Legal Officer), Anna Fogelström (Chief Information Officer), Caroline Redare (Chief Human Resources Officer), Erik Walberg Olstad (Chief Commercial Officer), Christer Pettersson (Chief Customer Acquisition Officer) and David Nilsson Nannini (Chief Data Officer).

Except for these Board members (other than Rolf Stub), members of the Senior Management Team and certain other key employees, the participants' investments in Butterfly Poolco AB and Butterfly Poolco 2 AB will in connection with the Offering be exchanged into shares in the Company or cash (at the election of each participant) based on the Offering Price. Rolf Stub's investment in Butterfly Poolco AB and Butterfly Poolco 2 AB will, the same way as other non-executive investors, partly be exchanged into shares in the Company in connection with the Offering, based on the Offering Price. Following such exchange, Rolf Stub will retain the remainder of his investment in Butterfly Poolco 2 AB, until expiration of the programmes in January 2026. In total, no more than approximately 81 per cent of the total value of the equity participation programme will be exchanged into shares or cash in the Company in connection with the Offering. Assuming a 100 per cent share settlement election by the participants, in aggregate 746,099 shares in the Company will be transferred from the Main Shareholder to the relevant participants in connection with the Offering.

Investments in Butterfly Poolco AB and Butterfly Poolco 2 AB held by the mentioned Board members (other than Rolf Stub, as described above), members of the Senior Management Team and certain other key employees, representing no less than approximately 19 per cent of the total value of the equity participation programme, will not be exchanged into shares in the Company in connection with the Offering, but will instead be exchanged into shares in the Company based on the volume-weighted average price of the share in the Company on Nasdaq Stockholm during the ten day trading period ending 9 January 2026 and transferred from the Main Shareholder to the relevant participants shortly thereafter. Should the volume-weighted average price of the share in the Company on Nasdaq Stockholm during such period correspond to the Offering Price, in aggregate 166,674 shares in the Company will be transferred from the Main Shareholder to the relevant participants. The shares transferred will, as applicable, be subject to lock-up as described in "*Lock-up arrangements*" above.

See "*Board of Directors, Senior Management Team and Auditor–Board of Directors*" and "*Board of Directors, Senior Management Team and Auditor–Senior Management Team*" for information on the Board members' and the members' of the Senior Management Team direct and indirect shareholding in the Company.

Bank2 re-investment programme

A number of former Bank2 shareholders have directly or indirectly invested in ReinvestmentCo AS, a Norwegian limited liability company indirectly (including via the Main Shareholder) holding shares in the Company, in connection with the Company's acquisition of Bank2. Participants hold preference and/or common shares in ReinvestmentCo AS. The participants include no Board members or members of the Senior Management Team. The holding of preference shares in ReinvestmentCo AS will, no later than two months following the Offering, be exchanged into cash, payable by the Main Shareholder to the participants. The holding of common shares in ReinvestmentCo AS will, in connection with the Offering, be exchanged into shares in the Company or cash (at the election of each participant) based on the Offering Price.

Assuming a 100 per cent share settlement election by the participants, in aggregate 114,372 shares in the Company will be transferred from the Main Shareholder to the participants in connection with the Offering.

New incentive programme

An Extraordinary General Meeting of Enity held on 5 June 2025 resolved to implement a performance-based incentive programme ("**PSP 2025**") for the Senior Management Team and certain other key employees within Enity, in total up to 24 employees (the "**PSP Participants**").

The PSP Participants are divided into three categories. The first category comprises the CEO, the second category comprises the other eight members of the Senior Management Team and the third category comprises 15 other key employees within Enity.

Each PSP Participant will receive a performance share award ("**PSP Award**") free of charge entitling the PSP Participant to receive an allotment of a number of shares in the Company ("**Performance Shares**"), subject to the satisfaction of certain performance conditions during the period from and including 1 July 2025 up to and including 30 June 2026 (the "**Performance Period**"). Each Performance Share will be allotted free of charge (or against payment of the quota value of the share) after the expiration of a two-year period (the "**Vesting Period**").

The value of the underlying shares at the time of grant of each PSP Award will amount to (i) 40 per cent of the gross annual fixed salary in 2025 for the CEO, (ii) 30 per cent of the gross annual fixed salary in 2025 for each other Senior Management Team participant, and (iii) 20 per cent of the gross annual fixed salary in 2025 for each other key employee participant. The share price used to calculate the value of the underlying shares in respect of each PSP Award, and hence the number of shares to which each PSP Award entitles, will be the Offering Price.

Any allotment of Performance Shares will be subject to the satisfaction of risk adjusted financial performance conditions during the Performance Period in respect of (i) adjusted return on tangible equity (RoTE) and (ii) organic lending growth. Each of these two performance conditions will be weighted 50 per cent when any allotment of Performance Shares is to be determined. Further, each of the two performance conditions will have a range, consisting of a minimum level, at which 25 per cent allotment of Performance Shares will take place but below which no allotment of Performance Shares will take place, and a maximum level, at or above which maximum allotment of Performance Shares will take place, related to the relevant performance condition. Should the outcome be between the respective minimum level and maximum level, a linear allotment of Performance Shares in proportion to the outcome will take place related to the relevant performance condition.

In addition to the above financial performance conditions, in order for any allotment of Performance Shares to take place, certain risk adjusted qualitative and quantitative, business area, and individual performance conditions must also be satisfied during the Performance Period. Such performance conditions may for example relate to no material risk or compliance issues having been identified, total capital ratio, liquidity coverage ratio for all currencies, net stable funding ratio, adjusted C/I ratio for the Group or relevant business area, total net credit losses as percentage of the total or relevant business area loan portfolio and total cost of funds.

Allotment of any Performance Shares will also be conditional on that the PSP Participant (with certain specific exemptions) has been permanently employed with Enity for the duration of the whole Vesting Period.

The maximum number of Performance Shares that can be allotted under PSP 2025, assuming full satisfaction of the performance conditions, is 35,087 for the CEO and in the range 7,803 to 15,157 for the other PSP Participants of the Senior Management Team.

The total number of Performance Shares that may be allotted under PSP 2025 will comprise not more than 191,049 shares in the Company, corresponding to approximately 0.4 per cent of the total number of shares and votes in the Company as of the date of this prospectus.

The number of Performance Shares allotted to a PSP Participant may be reduced to ensure compliance with applicable rules regarding variable remuneration in credit institutions.

In order to secure the Company's obligations under PSP 2025, the Extraordinary General Meeting is also expected to resolve to issue not more than 191,049 warrants free of charge to a wholly-owned subsidiary of the Company and transfer such warrants to the PSP Participants or to a third party with whom the Company has entered into an agreement regarding exercising the warrants and delivery of shares in the Company to the PSP Participants.

The costs for the PSP 2025, which are charged in the profit and loss account, are calculated according to the accounting standard IFRS 2, and are estimated to amount to approximately SEK 10.9 million (excluding social security charges) over a two-year period, assuming that the maximum number of Performance Shares are allotted to the PSP Participants. The costs for social security charges are calculated to approximately SEK 4.0 million assuming an annual share price increase of 14 per cent during the two-year period.

Rule III.1.9 of the Rules on Remuneration of the Board and Executive Management and on Incentive Programmes by the Swedish Stock Market Self-Regulation Committee (the "**Remuneration Rules**") requires companies to specify and justify a vesting period of less than three years. The purpose of implementing an incentive programme in Enity with a two-year vesting period in connection with the IPO is to enable the Senior Management Team and other key employees to establish a meaningful shareholding relatively soon after the listing on Nasdaq Stockholm, thereby enhancing early alignment with shareholders and positioning the Company similar to many already listed companies which have rolling three-year programmes outstanding. Following the listing, the Company intends to implement incentive programmes on an annual basis with vesting periods of at least three years, subject to approval by the Company's shareholders. The Company's shareholders post the listing will accordingly be given the opportunity to impact the design and structure of such future programmes.

Information about public takeover bids and redemption of minority shares

Under the Swedish Stock Market (Takeover Bids) Act (Sw. *lagen (2006:451) om offentliga uppköpserbjudanden på aktiemarknaden*), any person who does not hold any shares, or hold shares representing less than 30 per cent of the voting rights in a Swedish limited liability company whose shares are admitted to trading on a regulated market, and who through the acquisition of shares in such a company, alone or together with a closely related party, holds shares representing 30 per cent or more of the voting rights, is obliged to immediately disclose the size of its holding in the company and, within four weeks thereafter, make an offer to acquire the remaining shares in the company (mandatory bid requirement).

A shareholder who directly, or through a subsidiary, holds more than 90 per cent of the shares in a Swedish limited liability company is entitled to redeem the remaining shares in the company. Holders of the remaining shares are, correspondingly, entitled to have their shares redeemed by the majority shareholder. The procedure for such redemption of minority shares is regulated in the Swedish Companies Act.

Central securities depository

The Company's shares are book-entry registered in a securities register in accordance with the Swedish Central Securities Depository and Financial Instruments Accounts Act (Sw. *lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument*). The register is operated by Euroclear Sweden (Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden). The shares are registered on person. No share certificates have been issued for the shares. The ISIN code for the shares is SE0025011554.

Articles of association

Adopted by the Extraordinary General Meeting on 12 May 2025.

§ 1.
The company's name is Enity Holding AB (publ). The company is a public company.

§ 2.
The company's registered office shall be situated in Stockholm.

§ 3.
The object of the company is to, directly or indirectly, own and manage subsidiaries within the banking business or other financial business, to provide services to its subsidiaries, to own and manage trademarks and other intellectual property rights and to conduct activities compatible therewith.

§ 4.
The share capital shall be not less than SEK 500,000 and not more than SEK 2,000,000.

§ 5.
The company shall have not less than 40,000,000 shares and not more than 160,000,000 shares.

§ 6.

The company's financial year shall be the calendar year.

§ 7.
The board of directors elected by the shareholders' meeting shall consist of not less than three (3) members and not more than nine (9) members. The board of directors shall be elected annually at the annual shareholders' meeting for a term until the close of the next annual shareholders' meeting.

§ 8.
Not less than one (1) and not more than two (2) auditors and not more than two (2) deputy auditors shall, when applicable, be elected at an annual shareholders' meeting for a term until the close of the next annual shareholders' meeting. As auditor and, when applicable, deputy auditor, an authorised public accountant or a registered public accounting firm shall be elected.

§ 9.
Notices of shareholders' meetings shall be made through announcement in the Swedish Official Gazette (Sw. *Post- och Inrikes Tidningar*), and on the company's website. It shall be announced in the Swedish national newspaper Dagens Nyheter that a notice of shareholders' meeting has been issued.

§ 10.
In order to participate at a shareholders' meeting, a shareholder must notify the company of the intention to attend no later than the day stated in the notice of the shareholders' meeting. Such day must not be Sunday, other public holiday, Saturday, Midsummer's Eve, Christmas Eve or New Year's Eve and shall not occur earlier than on the fifth weekday before the shareholders' meeting.

A shareholder may be accompanied by assistants at the shareholders' meeting only where the shareholder has given the company notice of the number of assistants (not more than two) as specified in the previous paragraph.

§ 11.
Shareholders' meetings may be held in the municipality of Stockholm.

§ 12.
The board of directors may resolve that persons not being shareholders of the company shall be entitled, on the conditions stipulated by the board of directors, to attend or in any other manner follow the discussions at a shareholders' meeting.

The board of directors may collect powers of attorney in accordance with the procedure described in Chapter 7, Section 4, second paragraph of the Swedish Companies Act (2005:551).

The board of directors has the right before a shareholders' meeting to decide that shareholders shall be able to exercise their right to vote by post before the shareholders' meeting pursuant to the procedure stated in Chapter 7, Section 4 a of the Swedish Companies Act.

§ 13.

The following business shall be addressed at annual shareholders' meetings:

1. election of a chairperson of the meeting;
2. preparation and approval of the voting list;
3. approval of the agenda;
4. election of one or two persons who shall approve the minutes of the meeting;
5. determination of whether the meeting was duly convened;
6. submission of the annual report and the auditors' report and, where applicable, the consolidated financial statements and the auditors' report for the group;
7. resolutions regarding the adoption of the income statement and the balance sheet and, when applicable, the consolidated income statement and the consolidated balance sheet;
8. resolutions regarding allocation of the company's profits or losses in accordance with the adopted balance sheet;
9. resolutions regarding discharge of the members of the board of directors and the managing director from liability;
10. determination of the number of members of the board of directors and the number of auditors and, where applicable, the number of deputy auditors;
11. determination of fees for members of the board of directors and auditors;
12. election of the members of the board of directors and auditors and, where applicable, deputy auditors;
13. other matters which are set out in the Swedish Companies Act or the company's articles of association.

§ 14.

The company's shares shall be registered in a Central Securities Depository register in accordance with the Swedish Central Securities Depository and Financial Instruments Act (1998:1479).

Legal considerations and supplementary information

General corporate and group information

The legal name of the Company (and its commercial name) is Enity Holding AB (publ). Enity's Swedish corporate ID No. is 556668-9575 and the registered office of the Board of Directors is situated in Stockholm, Sweden. The Company was incorporated in Sweden on 1 October 2004, and registered with the Swedish Companies Registration Office on 21 October 2004. The Company is a Swedish public limited liability company (Sw. *publikt aktiebolag*) governed by the Swedish Companies Act. The Company's LEI code is 636700S7UMLTDQ0BKU55. The address to Enity's website is www.enity.com. The information on the website is not a part of this prospectus.

Objects of the Company

The Company´s purpose, which is presented in § 3 of the Articles of Association, is to, directly or indirectly, own and manage subsidiaries within the banking business or other financial business, to provide services to its subsidiaries, to own and manage trademarks and other intellectual property rights and to conduct activities compatible therewith.

Group structure and subsidiaries

The Company is the ultimate parent company of the Group, which comprises six legal entities in three countries and two branch offices in two countries. The Group structure is presented below. Enity does not hold any stakes in associated companies that are likely to have a significant effect on the assessment of Enity's assets and liabilities, financial position or result. See also "*–Right and obligation to acquire additional shares in Uno Finans AS*" below.

Group company	Country	Shares and voting rights, %
Enity Bank Group AB (publ)[1)]	Sweden	100.00
Bluestep Finans Funding No 1 AB	Sweden	100.00
BlueStep Mortgage Securities No. 3 DAC[2)]	Ireland	100.00
Eiendomsfinans AS	Norway	100.00
Eiendomsfinans Drift AS	Norway	100.00

1) Enity Bank Group AB (publ) operates in Sweden, Norway and Finland, where the Norwegian and Finnish operations are conducted through branch offices in each country.
2) BlueStep Mortgage Securities No. 3 DAC is under liquidation.

Material agreements

Like all businesses, Enity is a party to various agreements executed in the ordinary course of business, including commercial, financial, and licensing contracts that confer essential rights, access, and capabilities necessary for its effective operation. Enity relies on certain key commercial agreements that underpin its banking operations, including those related to interbank communication networks, payment processing, and financial messaging services (such as SWIFT, the Swedish Central Bank's RIX system, and the Swedish clearing system provided by Bankgirocentralen BGC AB). These agreements are essential to ensuring the efficient and secure execution of transactions, regulatory compliance, and the overall business continuity.

Presented below is a summary of material agreements entered into by Enity during the past two years as well as other agreements entered into by Enity which contain any obligation or entitlement that is material to Enity (in both cases excluding agreements entered into in the ordinary course of business).

Acquisition of Bank2

In June 2023, Enity Bank entered into an agreement to acquire Bank2, a Norwegian specialist mortgage bank and refinancing services provider operating under a banking licence in Norway under the supervision of the Norwegian FSA. As at 31 December 2022, Bank2 had 32 employees and its lending to the public amounted to NOK 4.4 billion. The acquisition was finalised in October 2023 following customary regulatory approvals, at which time Enity Bank acquired 95 per cent of the shares in Bank2. By the end of 2023, Enity Bank held 100 per cent of the shares in Bank2. The purchase price amounted to NOK 1 billion. In December 2023, the Board of Directors of Enity Bank adopted a merger plan entailing a cross-border merger between Enity Bank's Norwegian branch and Bank2, with the former as the acquiring entity. Following approval by the Norwegian FSA and the Swedish FSA, the merger became effective in April 2024, at which time Bank2 was dissolved. For additional information, please refer to "*Note 34 – Acquisition of Bank2*" on page F-76 in "*Historical financial information*".

Acquisition of additional shares in Eiendomsfinans AS

On 6 May 2025, Enity Bank acquired the remaining 51 per cent of the shares in Eiendomsfinans AS not already held by Enity Bank, from the Main Shareholder at a purchase price of SEK 83.1 million, corresponding to market value pursuant to a third party valuation. Following the transaction, Enity Bank holds 100 per cent of the shares in Eiendomsfinans AS. Eiendomsfinans AS was established in 1993 and acts, through its wholly-owned subsidiary Eiendomsfinans Drift AS, as a financial intermediary, comparing offers from different banks and financial institutions to help customers find the loan options that best suit their needs.

Right and obligation to acquire additional shares in Uno Finans AS

As at the date of this prospectus, Enity owns approximately 49 per cent of the shares in Uno Finans AS, a Norwegian loan mediator. Enity and the other shareholders of Uno Finans AS have entered into a shareholders' agreement dated 14 February 2023 governing the shareholders' investment and shareholder rights in Uno Finans AS (the "**Uno Finans SHA**"). Pursuant to the Uno Finans SHA, Enity has an unconditional and irrevocable right and obligation to acquire all shares held by the minority shareholders on 21 February 2026.

The purchase price will be payable in cash and shall be calculated and determined as per 31 December 2025 in accordance with the following. Three independent valuers will be appointed to assess the enterprise value of Uno Finans AS on a cash and debt free basis (by application of recognised valuation principles). The enterprise value shall ultimately be the higher of (i) the average of the two closest third-party valuations and (ii) NOK 135 million. Based on the determined enterprise value, the equity value, which will equal the purchase price, shall be derived by application of a pre-agreed enterprise value to equity bridge. Interest in the amount of five per cent per annum will accrue on the purchase price from 31 December 2025 to the closing date, currently estimated to occur on 21 February 2026. The estimated minimum amount for the acquisition corresponds to a purchase price of NOK 69.2 million.

Placing agreement

The Main Shareholder, the Company and the Joint Bookrunners intend to enter into the Placing Agreement on or about 12 June 2025. Subject to certain terms and conditions set forth in the Placing Agreement, the Joint Bookrunners will agree, severally and not jointly, to procure purchasers for or, if the Joint Bookrunners fail to do so, purchase themselves, and the Main Shareholder will agree to sell to the Joint Bookrunners the percentage of the shares, taking into account the commitments of each Joint Bookrunner as set forth in the table below, at the Offering Price:

Joint Bookrunners	Commitment, %
Nordea	42.5
SEB	42.5
ABG Sundal Collier	15.0
Total	**100.0**

To cover any overallotments in the Offering, the Main Shareholder has further committed to sell, upon request by the Joint Global Coordinators, up to an additional 3,825,000 shares, corresponding to a maximum of 15 per cent of the total number of shares in the Offering. The Overallotment Option is exercisable, in whole or in part, for a period of 30 days from the first day of trading of the shares on Nasdaq Stockholm.

On 19 May 2025, the listing committee of Nasdaq Stockholm assessed that the Company meets Nasdaq Stockholm's listing requirements, provided that customary terms and conditions are satisfied, including that the distribution requirement for the Company's shares is met no later than the first day of trading in the Company's shares on Nasdaq Stockholm and that the Company applies for the admission to trading of its shares on Nasdaq Stockholm. Trading in the shares is expected to commence on or about 13 June 2025, subject to the condition subsequent that, if closing of the Offering does not take place on the settlement date (17 June 2025) or at all, the Offering will be withdrawn, all orders to purchase shares will be disregarded, any allotments made will be deemed not to have been made, any purchase payments made will be returned without interest or other compensation, and transactions on Nasdaq Stockholm will be annulled. All dealings in the shares prior to settlement and delivery are at the sole risk of the parties concerned.

The offering period for the general public in Sweden and Finland may be extended and, in such case, the extension would be publicly announced by the Company no later than 12 June 2025. The offering period for institutional investors may be shortened or extended and, in such case, the change would be publicly announced by the Company no later than 12 June 2025.

The Joint Bookrunners expect to deliver the allocated shares to investors' accounts on or about 17 June 2025. The shares will be accepted for delivery through the facilities of Euroclear Sweden against payment in immediately available funds.

The Joint Bookrunners will agree to restrictions on where and to whom they and any dealer purchasing from them may offer and sell shares as part of the distribution of the shares.

The Joint Bookrunners, through their respective selling agents, propose to sell shares in the United States to QIBs in reliance on Rule 144A and to investors outside the United States in reliance of the provisions of Regulation S under the Securities Act. Any offer or sale of shares in the United

States in reliance on Rule 144A will solely be made by one or more broker-dealers who are registered as such under the U.S. Exchange Act.

Until the expiration of 40 days after the commencement of the Offering, an offer or sale of shares within the United States by a dealer that is not participating in the Offering may violate the registration requirements of the U.S. Securities Act if the offer or sale is made otherwise than in accordance with Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

Any offer or sale of shares or other securities activities in the United States by Nordea Bank Abp will be intermediated by its U.S. registered broker-dealer affiliate, Nordea Securities LLC, and such activities will be effected only to the extent permitted by Rule 15a-6 under the Securities Exchange Act of 1934.

In the Placing Agreement, the Company and the Main Shareholder will make certain representations and warranties, primarily in relation to the information in the prospectus being correct, the prospectus and the Offering fulfilling relevant legal and regulatory requirements and that there are no legal, or other, hindrances for the Company or the Main Shareholder to enter into the agreement or for the completion of the Offering. Pursuant to the Placing Agreement, the Joint Bookrunners' commitment to procure purchasers or, if the Joint Bookrunners fail to do so, themselves purchase the shares comprised by the Offering, is conditional upon, *inter alia*, the representations and warranties provided by the Company being correct. Under the Placing Agreement, the Company will, subject to customary qualifications, undertake to indemnify the Joint Bookrunners against certain claims under certain conditions.

The Placing Agreement will provide that, upon the occurrence of certain events, such as the suspension of trading on Nasdaq Stockholm or a material adverse change in Enity's financial condition or business affairs or in the financial markets, and on certain other conditions, the Joint Bookrunners will have the right, collectively but not individually, to withdraw from the Offering before delivery of the shares. In this event, the Offering will be withdrawn, all orders to purchase shares will be disregarded, any allotments made will be deemed not to have been made, any purchase payments made will be returned without interest or other compensation and transactions on Nasdaq Stockholm will be annulled. All dealings in the shares prior to settlement and delivery are at the sole risk of the parties concerned.

Stabilisation

In connection with the Offering, Joint Global Coordinators (with Nordea as stabilisation manager) may effect transactions aimed at supporting the market price of the shares at levels above those which might otherwise prevail in the open market. Such stabilisation transactions may be effected on Nasdaq Stockholm, in the over-the-counter market or otherwise, at any time during the period starting on the date of commencement of trading in the shares on Nasdaq Stockholm and ending not later than 30 calendar days thereafter. Joint Global Coordinators (with Nordea as stabilisation manager) are, however, not required to undertake any stabilisation and there is no assurance that stabilisation will be undertaken.

Stabilisation, if undertaken, may be discontinued at any time without prior notice. In no event will transactions be effected at levels above the Offering Price. No later than by the end of the seventh trading day after stabilisation transactions have been undertaken, the Joint Global Coordinators (with Nordea as stabilisation manager) shall disclose that stabilisation transactions have been undertaken in accordance with article 5(4) in the Market Abuse Regulation (EU) 596/2014. Within one week of the end of the stabilisation period, the Joint Global Coordinators (with Nordea as stabilisation manager) will make public whether or not stabilisation was undertaken, the date at which stabilisation started, the date at which stabilisation last occurred and the price range within which stabilisation was carried out, for each of the dates during which stabilisation transactions were carried out.

Undertakings from Cornerstone Investors

The Cornerstone Investors have, on the same terms as the other investors, undertaken to acquire shares in the Offering corresponding to a total of SEK 625 million, equalling in the aggregate approximately 37 per cent of the total number of shares in the Offering and 22 per cent of the total number of shares in the Company after the Offering (assuming that the Offering is fully subscribed for and the Overallotment Option is exercised in full). The Cornerstone Investors will be prioritised in the allotment of shares in the Offering and receive full allocation in accordance with their respective undertaking. The undertakings do not entitle to any consideration or other compensation.

The commitments from Cornerstone Investors are not covered by any bank guarantee, blocked funds, pledging, or similar arrangement, and consequently there is a risk that Cornerstone Investors will not fulfil their commitments (see "*Risk factors–Undertakings by Cornerstone Investors are not secured*").

The table below contains a summary of name, address, size of the commitment and the commitment's share in the Company after completion of the Offering for each Cornerstone Investor, based on the abovementioned assumptions.

Name	Address	Commitment in the Offering, SEK million	Commitment in the Offering, number of shares	% of the shares and votes in the Company after completion of the Offering
Tredje AP-fonden	P.O. Box 1176, SE-111 91 Stockholm, Sweden	200	3,508,771	7.0
Harmar AB[1]	Brahegatan 10, SE-114 37 Stockholm, Sweden	150	2,631,578	5.3
Jofam AB	Brahegatan 10, SE-114 37 Stockholm, Sweden	150	2,631,578	5.3
Handelsbanken Fonder	Blasieholmstorg 12, SE-111 48 Stockholm, Sweden	125	2,192,982	4.4
Total		**625**	**10,964,909**	**21.9**

1) Harmar AB is wholly-owned by Harry Klagsbrun, who holds 2.1 per cent of the shares and votes in EQT AB (as per 30 April 2025).

Legal and arbitration proceedings

Enity is from time to time subject to disputes, claims and administrative proceedings in the ordinary course of business. Such proceedings are regularly monitored and provisions are made in accordance with the principle for making such (if and when it is determined that an adverse outcome is more likely than not and the amount of the loss can be reasonably estimated). In instances where these criteria are not met, a contingent liability is disclosed provided that the risk qualifies as such liability. See also "*Risk factors–Enity is exposed to possible disputes and claims*".

Enity has not been part to any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Enity is aware) which are deemed may have, or have had in the recent past, significant effects on the Group's financial position or profitability.

Related-party transactions

For information on related-party transactions during the financial years 2022–2024 and the three months ended 31 March 2025, please refer to "*Note 32 – Related parties*" and "*Note 9 – Related parties*" on page F-75 and F-16, respectively, in "*Historical financial information*".

On 6 May 2025, Enity Bank acquired the remaining 51 per cent of the shares in Eiendomsfinans AS not already held by Enity Bank from the Main Shareholder at a purchase price of SEK 83.1 million (see "*Acquisition of additional shares in Eiendomsfinans AS*" above). Save for said transaction, no related-party transactions have occurred after 31 March 2025, which, as a single transaction or in their entirety, are material to Enity.

Transactions with members of the Board of Directors and the Senior Management Team

For information on remuneration to the Board of Directors and the Senior Management Team, see "*Corporate Governance–Remuneration to the Board of Directors*" and "*Corporate Governance–Remuneration to the Senior Management Team*", respectively.

Advisors, etc.

Nordea and SEB are the Joint Global Coordinators in the Offering and provide financial advice and other services to Enity in connection with the Offering, for which they will receive customary remuneration. ABG Sundal Collier is Joint Bookrunner. The total compensation will be dependent on the success of the Offering.

The Joint Bookrunners and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. The Joint Bookrunners provide certain services to Enity and the Main Shareholder in connection with the Offering, for which they will receive customary remuneration from Enity and the Main Shareholder. The Joint Bookrunners have in the ordinary course of business, from time to time, provided, and may in the future provide, various banking, financial, investment, commercial and other services to Enity and the Main Shareholder or any of Enity's or the Main Shareholder's respective related parties. With respect to certain of these transactions and services, the sharing of information is generally restricted for reasons of confidentiality, internal procedures or applicable rules and regulations. The Joint Bookrunners have received and will receive customary fees and commissions for these transactions and services and may come to have interests that may not be aligned or could potentially conflict with potential investors' and Enity's and the Main Shareholder's interests. In the ordinary course of their various business activities, the Joint Bookrunners and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) for their own account and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of Enity. The Joint Bookrunners and their respective affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and short positions in such securities and instruments. Such investments and securities activities may involve Enity's securities and instruments.

Mannheimer Swartling Advokatbyrå is Enity's and the Main Shareholder's legal advisor as to Swedish law, and Paul, Weiss, Rifkind, Wharton & Garrison LLP is Enity's and the Main Shareholder's legal advisor as to U.S. law in relation to the Offering and the listing of the Company's shares on Nasdaq Stockholm. Gernandt & Danielsson Advokatbyrå KB is legal advisor to the Joint Bookrunners.

Costs relating to the Offering

The Company's costs related to the admission to trading in the Company's shares on Nasdaq Stockholm and the Offering, including payment to advisors and other estimated transaction costs, are estimated to amount to approximately SEK 95 million in total, of which SEK 33 million was included in Enity's accounts for the three months ended 31 March 2025.

Documents on display

Enity's Articles of Association, as well as a Certification of Registration, are available in electronic form on Enity's website (www.enity.com).

Tax considerations

The following is a general description of certain tax considerations relating to the Offering. It does not purport to be a complete analysis of all tax considerations, neither in Sweden, Finland, the United States, or elsewhere. The tax treatment of each individual shareholder depends on the shareholder's particular circumstances and the tax laws in the country where the shareholder is resident for tax purposes. Each shareholder should therefore consult its own tax adviser with regard to the specific tax consequences that may arise in the individual case. This summary is based upon the laws and regulations in effect as of the date of this prospectus and does not consider changes in laws or regulations effective, sometimes with retroactive effect, after such date.

Tax considerations in Sweden

The following is a summary of certain tax consequences that may arise from the Offering, applicable to individuals or limited liability companies (Sw. *aktiebolag*) tax resident in Sweden, unless otherwise stated. This summary does not purport to be a comprehensive description of all tax consequences that may be relevant in relation to the Offering. The summary does not cover, for example: (i) shares held as current assets in business operation (Sw. *lagertillgångar*); (ii) shares held by limited partnerships or partnerships; (iii) the specific rules on tax-exempt capital gains and dividends (including non-deductibility for capital losses) in the corporate sector, which may become applicable when shareholders hold securities that are considered to be held for business purposes (Sw. *näringsbetingade andelar*); (iv) the specific rules that could be applicable to holdings in companies that are or have previously been closely held companies or shares acquired on the basis of such holdings; (v) shares that are held in an ISK or endowment insurance (Sw. *kapitalförsäkring*) and that are subject to special rules on annual yield taxation; or, (vi) special rules that apply to certain categories of taxpayers, for example, investment companies and insurance companies.

Shareholders who are tax resident in Sweden

Individuals

Dividend taxation

For individuals, dividends on listed shares are taxed as income from capital at a tax rate of 30 per cent. A preliminary tax of 30 per cent is generally withheld on dividends paid to individuals who are tax resident in Sweden. The preliminary tax is normally withheld by Euroclear Sweden or, regarding nominee-registered shares, by the Swedish nominee.

Capital gains taxation

Upon the sale or other disposal of listed shares, a taxable capital gain or deductible capital loss may arise. Capital gains are taxed as income from capital at a tax rate of 30 per cent. The capital gain or loss is calculated as the difference between the sales proceeds, after deducting sales costs, and the tax basis. The tax basis for all shares of the same class and type is calculated together in accordance with the "average cost method" (Sw. *genomsnittsmetoden*). Alternatively, upon the sale of listed shares, the tax basis may be determined as 20 per cent of the sales proceeds, after deducting sales costs, under the "standard method" (Sw. *schablonmetoden*).

Capital losses on listed shares are fully deductible against taxable capital gains on listed and non-listed shares and against other listed equity-related securities realised during the same fiscal year, except for units in securities funds or special funds that consist solely of Swedish receivables (Sw. *räntefonder*). Capital losses on shares not absorbed by these set-off rules are deductible at 70 per cent in the capital income category. If there is a net loss in the capital income category, a tax reduction is allowed against municipal and national income tax, as well as against real estate tax and municipal real estate charges. This tax deduction is granted at 30 per cent on the portion of such net loss that does not exceed SEK 100,000 and at 21 per cent on any remaining loss. Such net loss cannot be carried forward to future fiscal years.

Limited liability companies

Dividend and capital gains taxation

For a Swedish limited liability company, all income, including taxable capital gains and dividends, is generally taxed as business income at a tax rate of 20.6 per cent. Capital gains and capital losses are calculated in the same manner as set forth above with respect to individuals.

Deductible capital losses on shares or other equity-related securities may only be deducted against taxable capital gains on such securities. Under certain circumstances, such capital losses may also be deducted against capital gains in another company in the same group, provided that the companies are entitled to tax consolidate by means of group contribution (Sw. *koncernbidragsrätt*). A capital loss that cannot be utilised during a given year may be carried forward and deducted against taxable capital gains on shares and other equity-related securities during subsequent fiscal years without any limitation in time.

Certain tax considerations for shareholders who are not tax resident in Sweden

Dividend taxation

Dividends paid on shares to shareholders who are not tax resident in Sweden are generally subject to a 30 per cent withholding tax. However, the tax rate is often reduced for shareholders who are resident in jurisdictions with which Sweden has entered into a tax treaty. The majority of Sweden's tax treaties enable an at-source reduction of the Swedish withholding tax to the tax rate stipulated in the treaty at the time of payments of dividends, provided that necessary information is made available to Euroclear Sweden in relation to the person entitled to such dividends.

If a 30 per cent withholding tax is withheld from a payment to a shareholder who is entitled to be taxed at a lower rate, or if too much withholding tax has otherwise been withheld, a refund can be claimed from the Swedish Tax Agency prior to the expiry of the fifth calendar year following the calendar year of the dividend distribution.

Capital gains taxation

Shareholders who are not tax resident in Sweden and whose shareholding is not attributable to a permanent establishment in Sweden are generally not liable for Swedish capital gains taxation upon the disposal of shares. Such shareholders may, however, be subject to taxation in their country of residence. Under a specific tax rule, individuals who are not tax resident in Sweden may also be subject to tax in Sweden upon the disposal of shares, if they have been resident or stayed permanently in Sweden at any time during the calendar year of such disposal or during any of the previous ten calendar years. The applicability of this rule may be limited by tax treaties between Sweden and other countries.

Tax considerations in Finland

The following is a summary of certain tax consequences that may arise from the Offering, applicable to individuals or limited liability companies (Fi. *osakeyhtiö*, Sw. *aktiebolag*) tax resident in Finland, unless otherwise stated. The following only applies to investors who are ultimate beneficial owners of income received based on shares in the Company. The summary is based on the tax laws of Finland, including relevant case law as well as decisions and guidance issued by the Finnish Tax Administration as in effect at the date of this prospectus. The summary is primarily based on the following acts:

- The Finnish Income Tax Act (1535/1992) (Sw. *inkomstskattelag*) (as amended);
- The Finnish Business Income Tax Act (360/1968) (Sw. *lag om beskattning av inkomst av näringsverksamhet*) (as amended);
- The Finnish Act on Assessment Procedure (1558/1995) (Sw. *lag om beskattningsförfarande*) (as amended); and
- The Finnish Act on the Elimination of International Double Taxation (1552/1995) (Sw. *lag om undanröjande av internationell dubbelbeskattning*) (as amended).

The summary is subject to changes in the tax laws of Finland and their interpretation, including changes that could have a retroactive effect. The summary is not exhaustive and does not take into account or discuss the tax laws of any other country than Finland.

Prospective investors are advised to consult professional tax advisors to obtain information on the tax consequences of the Offering, ownership and disposal of the shares taking into consideration their specific circumstances.

Shareholders who are tax resident in Finland

Individuals

Dividend taxation

For individuals, out of dividends paid by a listed company to an individual shareholder, 85 per cent is considered capital income of the recipient, while the remaining 15 per cent is tax-exempt.

Capital gains taxation

Capital gain or loss arising from the sale of shares is generally taxed as capital gain or deducted as capital loss of a Finnish resident individual. Capital gains are taxed at a rate of 30 per cent. However, should the total amount of capital income exceed EUR 30,000 during a calendar year, the tax rate for the exceeding amount is 34 per cent.

Any capital gain or loss is calculated by deducting the original purchase cost and expenses related to the sale from the sales price. Alternatively, individuals may, instead of deducting the actual acquisition costs, choose to apply a so-called deemed acquisition cost which is equal to 20 per cent of the sales price of the shares if the shares have been held for at least ten years, or 40 per cent of the sales price of the shares if the shares have been held for over ten years. If the deemed acquisition cost is used instead of the actual acquisition cost, any expenses related to the sale are deemed to be included therein and, therefore, may not be separately deducted from the sales price.

A capital loss arising from the sale of securities, such as the shares, is deductible primarily from the resident individual's capital gains and secondarily from other capital income arising in the same year and during the following five calendar years. Capital losses will not be taken into account when calculating the capital income deficit for the calendar year in question. Capital income deficit is the negative net amount of capital income and losses that can be deducted to certain extent from earned income (subject to specific rules). Thus, capital losses do not affect the amount of the deficit credit deductible from earned income.

Notwithstanding the above, capital gains arising from the sale of assets, such as shares, are exempt from tax, provided that proceeds of all assets sold by the resident individual during the calendar year do not, in the aggregate, exceed EUR 1,000 (excluding proceeds of assets the sale of which is tax-exempt pursuant to Finnish tax laws). Correspondingly, capital losses are not tax deductible if the acquisition cost of all assets sold during the calendar year do not, in the aggregate, exceed EUR 1,000, and proceeds of all assets sold by the resident individual during the same calendar year do not, in the aggregate, exceed EUR 1,000.

A profit gained on the disposal of the securities kept on a share savings account is not taxable income. Such profit on a share savings account is considered taxable capital income when the profit is withdrawn from the share savings account.

A loss resulting from the disposal of the securities kept on a share savings account is not deductible. Such losses on a share savings account are deductible from the taxable capital income only in the calendar year during which the share savings account is closed. The losses of a share savings account are deducted from the net capital income after the capital losses and before other deductions from the capital income. To the extent that the losses have not been deducted from the taxable capital income in the tax year, it will be taken into account when calculating the capital income loss. Losses of a share savings account are not taken into account when calculating the capital income deficit, and hence, no credit is granted. A capital income loss will be deducted from the capital income over the course of the subsequent 10 years as capital income is accumulated.

Limited liability companies

Dividend and capital gains taxation

Corporate entities established under the laws of Finland and foreign corporate entities whose place of effective management is in Finland are regarded as residents for Finnish tax purposes and are subject to corporate income tax in Finland on their worldwide income. The corporate income tax rate is 20 per cent.

Dividends received by a listed company from another listed company are generally tax-exempt. Dividends received by a resident non-listed company from a listed company are generally taxable income with respect to 100 per cent of the dividend. However, in cases where the non-listed company directly owns 10 per cent or more of the share capital of the listed company distributing the dividend, the dividend received on such shares is tax-exempt.

However, in case the shares are included in the investment assets of the shareholder (only financial, insurance, and pension institutes may have investment assets as referred to this context), 75 per cent of the dividend is taxable income, the remaining 25 per cent being tax-exempt. As an exception, in case the company distributing the dividend is a foreign company covered by Article 2 of Directive 2011/96/EU (the Parent Subsidiary Directive) and the recipient owns at least 10 per cent of the shares, then dividends received are tax exempt.

Generally, capital gain from shares is taxable income of a resident company. Securities held by a resident company that is taxed in accordance with the Finnish Act on the Taxation of Business Income may be qualified as fixed assets, current assets, investment assets (only financial, insurance, and pension institutes may have investment assets as referred to in this context), financial assets or other assets of the company. The taxation of a disposal and value increase of shares may vary according to the asset type for which the shares qualify.

Sales proceeds received from sale of securities are generally treated as business income of a resident company. Correspondingly, acquisition cost of the shares is deductible from business income upon disposal of the shares. However, capital gains from disposal of shares belonging to fixed assets in business income source can under certain strict conditions be tax-exempt (so-called participation exemption), provided that the corporation disposing the shares has continuously, for at least one year, owned at least 10 per cent of the share capital in the company, and provided that also the other requirements for the exemption are met. Capital losses from disposals of shares qualifying for tax exempt disposals are correspondingly non-deductible.

Tax deductible capital losses arising from sale of shares (other than shares sold under the participation exemption) that are part of fixed assets of the selling company can only be deducted from taxable capital gains arising from sale of shares that belong to fixed assets during the same tax year and five subsequent tax years. Capital losses arising from sale of shares that belong to current assets, investment assets or financial assets are tax deductible from taxable income in the same fiscal year and the subsequent ten years in accordance with the general rules concerning tax losses carried forward. Should the capital loss result from sale of shares belonging to other assets, the capital loss can be deducted from capital gains accruing from sale of assets belonging to other assets the same tax year and five subsequent tax years.

Refund of foreign withholding tax in Finland

According to Section 2 of the Finnish Act on the Elimination of International Double Taxation, double taxation is eliminated, unless otherwise provided elsewhere, by deducting the tax paid in a foreign country from the tax payable in Finland on the same income in accordance with Sections 3 to 5 of the said act (credit method). The foreign tax is considered paid when the final foreign tax has been paid or when a corresponding advance tax for the final foreign tax has been paid.

The amount of taxes paid in the foreign country on the income from the foreign country for the corresponding period is deducted from the taxes payable in Finland on such income (foreign tax credit). However, in the case of dividend income from a foreign country, the amount of taxes paid in the foreign country on the total amount of dividend income for the corresponding period is deducted from the taxes payable in Finland on the taxable amount of such dividend income (Section 3, Subsection 1 of the said act). Taxes paid in the foreign country are credited against the taxes payable in Finland on the same income in proportion to these (Section 3, Subsection 4 of the said act).

Before claiming a foreign tax credit, the article of the tax treaty related to the type of income must always be checked. The article in the tax treaty concerning dividends, interest, and royalties determines not only the right to tax of the contracting state, but also the amount of withholding tax to be levied. The credit can be up to the amount agreed upon in the tax treaty. According to tax treaties, withholding tax of 5–15 per cent can generally be levied in the source state on dividends, interest, and royalties, which is then credited in the state of residence when applying the credit method.

According to Section 4, Subsection 1 of the Finnish Act on the Elimination of International Double Taxation, the credit cannot exceed the amount of taxes payable in Finland on income received from the foreign country. When calculating the maximum amount of the credit, only the income received from the foreign country that is taxable in Finland and for which the tax paid in the foreign country can be credited according to the said act is taken into account. Accordingly, only the income that is taxable in Finland is included as the source of income (Section 4, Subsection 3 of the said act). If the tax paid abroad is less than the maximum credit, the entire amount of tax paid abroad will be deducted from Finland's taxes in proportion to the taxes. When the tax paid abroad exceeds the maximum credit, the creditable amount for the tax year cannot exceed the maximum credit. The excess amount can be carried forward to be deducted within the following five tax years. The foreign tax claimed for credit must have been assessed on the taxpayer who is claiming the credit.

If a taxpayer receives dividends to their equity savings account and applies for and receives a partial or full refund of the withholding tax levied by the source state on dividends after receiving the dividends, the amount of refunded withholding tax is considered as income withdrawn from the equity savings account. The refunded withholding tax amount is the taxpayer's income withdrawn from the equity savings account in the tax year in which the refund is paid. The taxpayer must report the amount of the refunded withholding tax to both the service provider and the Tax Administration. If the taxpayer fails to report the refunded withholding tax amount to the Tax Administration, a tax increase may be imposed according to Section 32 of the Finnish Act on Assessment Procedure.

The withholding tax levied on dividends received based on shares in foreign companies held in an equity savings account cannot be credited in the taxpayer's taxation under the Finnish Act on the Elimination of International Double Taxation (1552/1995) under any circumstances.

Tax considerations in the United States

The following discussion summarises the anticipated U.S. federal income tax considerations generally applicable to a U.S. Shareholder (as defined below) of the acquisition, ownership and disposition of shares. This discussion addresses only U.S. Shareholders that purchase shares pursuant to this Offering and hold such shares as "capital assets" (generally, assets held for investment purposes). This discussion is based on the Internal Revenue Code of 1986, as amended (the "**IRC**"), the U.S.-Swedish Bilateral Convention for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, signed on September 1, 1994, as amended (the "**U.S.-Sweden Tax Convention**"), U.S. Treasury regulations ("**Treasury regulations**") promulgated under the IRC and administrative and judicial interpretations thereof, all as in effect on the date hereof and all of which are subject to change (possibly with retroactive effect) so as to result in U.S. federal income tax consequences different from those discussed below.

This discussion does not address all of the U.S. federal income tax consequences that may be relevant to specific U.S. Shareholders in light of their particular circumstances or to U.S. Shareholders subject to special treatment under U.S. federal income tax law such as certain financial institutions, thrifts, insurance companies, broker-dealers and traders in securities or other persons that generally mark their securities to market for U.S. federal income tax purposes, tax-exempt entities, governmental organisations, qualified retirement plans, individual retirement accounts or other tax-deferred accounts, regulated investment companies, real estate investment trusts, certain former citizens or residents of the United States, U.S. Shareholders who hold shares as part of a "straddle", "hedge", "conversion transaction", "synthetic security" or integrated investment or other similar arrangements, U.S. Shareholders whose "functional currency" (as defined in the IRC) is not the U.S. dollar, U.S. Shareholders that own directly, indirectly or through attribution 10 per cent or more of the total combined voting power or value of all classes of the shares entitled to vote, corporations that accumulate earnings to avoid U.S. federal income tax, persons who acquired shares through the exercise or cancellation of employee stock options or otherwise as compensation for their services, partnerships and other pass-through entities (or arrangements treated as a partnership for U.S. federal income tax purposes), and investors in such pass-through entities.

This discussion does not address any U.S. state or local or non-U.S. tax consequences or any aspect of U.S. federal tax law other than income taxation (for example, alternative minimum tax, the requirements of Section 451 of the IRC with respect to conforming the timing of income accruals to financial statements, the 3.8 per cent Medicare tax on certain net investment income or estate or gift tax). The Company has not requested, and will not request, a ruling from the U.S. Internal Revenue Service (the "**IRS**") with respect to any of the U.S. federal income tax consequences described below, and as a result there can be no assurance that the IRS will not disagree with or challenge any of the conclusions described herein and that a court would not sustain such a challenge.

As used in this discussion, the term "**U.S. Shareholder**" means a beneficial owner of shares that is, (1) an individual who is a citizen or resident alien of the United States for U.S. federal income tax purposes, (2) a corporation (or entity treated as a corporation for U.S. federal income tax purposes) created or organised in or under the laws of the United States, any state thereof, or the District of Columbia, (3) an estate the income of which is subject to U.S. federal income tax regardless of its source or (4) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more United States persons have the authority to control all of its substantial decisions or (y) that has elected under applicable Treasury regulations to be treated as a domestic trust for U.S. federal income tax purposes.

If a partnership (or other entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of shares, the tax treatment of a partner in or owner of the partnership or other entity or arrangement generally will depend upon the status of the partner or owner and the activities of the entity. Prospective investors who are partners in partnerships (or other entities or arrangements treated as partnerships for U.S. federal income tax purposes) that are beneficial owners of the shares are urged to consult their own tax advisors regarding the tax consequences of the acquisition, ownership and disposition of the shares.

The following discussion is for general information only and is not intended to be, nor should it be construed to be, legal or tax advice to any holder or prospective holder of shares and no opinion or representation with respect to the U.S. federal income tax consequences to any such holder or prospective holder is made. Persons considering an investment in the shares are urged to consult their own tax advisors as to the particular tax consequences applicable to them relating to the acquisition, ownership and disposition of the shares, including the applicability of U.S. federal, state and local tax laws and non-U.S. tax laws.

Distributions

Subject to the discussion below under "*–Passive foreign investment company consequences*", a U.S. Shareholder that receives a distribution with respect to the shares generally will be required to include the gross amount of such distribution (including amounts withheld to pay non-U.S. withholding taxes) in gross income as ordinary income as a dividend when actually or constructively received to the extent paid out of the Company's current and/or accumulated earnings and profits, as determined under U.S. federal income tax principles. To the extent that a distribution exceeds the Company's current and accumulated earnings and profits, it will be treated first as a tax-free return of capital and reduce (but not below zero) the adjusted tax basis of the U.S. Shareholder's shares (thereby increasing the amount of gain, or decreasing the amount of loss, to be recognise by such U.S. Shareholder upon a subsequent disposition of the shares). To the extent the distribution exceeds the adjusted tax basis of the U.S. Shareholder's shares, the remainder will be taxed as capital gain recognised on a sale, exchange or other taxable disposition (as discussed below). Because the Company generally does not expect to account for its earnings and profits in accordance with U.S. federal income tax principles, U.S. Shareholders should expect all distributions to be reported to them as dividends. Distributions on shares that are treated as dividends generally will constitute income from sources outside the United States and generally will "constitute passive category income" for foreign tax credit purposes. Such dividends will not be eligible for the "dividends received" deduction generally allowed to corporate shareholders with respect to dividends received from U.S. corporations. The rules governing the foreign tax credit are complex. U.S. Shareholders are urged to consult their own tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Dividends paid by a "qualified foreign corporation" generally are eligible for taxation in the case of non-corporate U.S. Shareholders at a reduced long-term capital gains rate rather than the marginal tax rates generally applicable to ordinary income provided that certain requirements are met. A non-U.S. corporation (other than a corporation that is classified as a passive foreign investment company ("**PFIC**") for the taxable year in which the dividend is paid or the preceding taxable year) generally will be considered to be a qualified foreign corporation (a) if it is with the United States which the Secretary of Treasury of the United States determines is satisfactory for these purposes and which includes an exchange of information provision, or (b) with respect to any dividend it pays on shares that are readily tradable on an established U.S. securities market. Therefore, subject to the discussion below under "*passive foreign investment company consequences*", and provided that the Company is eligible for the benefits of the U.S.-Sweden Tax Convention and that certain conditions are met (including conditions relating to holding period and the absence of certain risk reduction transactions), dividends paid on shares will be treated as "qualified dividend income" in the hands of non-corporate U.S. Shareholders. However, there is no guarantee that the Company will qualify as a resident of Sweden under the U.S.-Sweden Tax Convention, and the Company does not expect that the shares will be readily tradable on an established U.S. securities market. Each non-corporate U.S. Shareholder is advised to consult its tax advisors regarding the availability of the reduced tax rate on dividends with regard to its particular circumstances.

The gross amount of any payment in a currency other than U.S. dollars will be included by each U.S. Shareholder in income in a U.S. dollar amount calculated by reference to the exchange rate in effect on the day such U.S. Shareholder actually or constructively receives the payment in accordance with its regular method of accounting for U.S. federal income tax purposes regardless of whether the payment is in fact converted into U.S. dollars at that time. If the non-U.S. currency is converted into U.S. dollars on the date of the payment, the U.S. Shareholder generally will not be required to recognise any foreign currency gain or loss with respect to the receipt of non-U.S. currency. If, instead, the foreign currency is converted at a later date, any currency gains or losses resulting from the conversion of the foreign currency will be treated as U.S. source ordinary income or loss for U.S. foreign tax credit purposes. U.S. Shareholders are urged to consult their own U.S. tax advisors regarding the U.S. federal income tax consequences of receiving, owning, and disposing of foreign currency.

Sale, exchange or other taxable disposition of the shares

Subject to the discussion below under "*–Passive foreign investment company consequences*", a U.S. Shareholder generally will recognise capital gain or loss for U.S. federal income tax purposes upon the sale, exchange or other taxable disposition of the shares in an amount equal to the difference, if any, between the amount realised (*i.e.*, the amount of cash plus the fair market value of any property received) on the sale, exchange or other disposition and such U.S. Shareholder's adjusted tax basis in the shares. If any foreign tax is imposed on the sale, exchange or other disposition of the shares, a U.S. Shareholder's amount realised will include the gross amount of the proceeds of the disposition before deduction of the tax. A U.S. Shareholder's initial tax basis in the shares generally will equal the cost of such shares. Such capital gain or loss generally will be long-term capital gain taxable at a reduced rate for non-corporate U.S. Shareholders or long-term capital loss if, on the date of sale, exchange or other disposition, the shares were held by the U.S. Shareholder for more than one year. For both corporate and non-corporate U.S. Shareholders, the deductibility of capital losses is subject to limitations. Any gain or loss recognised by a U.S. Shareholder from the sale or other disposition of the shares will generally be gain or loss from sources within the United States for U.S. foreign tax credit purposes.

Passive foreign investment company consequences

A non-U.S. corporation generally will be treated as a PFIC for any taxable year in which either (1) at least 75 per cent of its gross income is "passive income" under the PFIC rules or (2) on average at least 50 per cent of the value of its assets, determined on a quarterly basis, are assets that produce passive income or are held for the production of passive income. Passive income for this purpose generally includes, among other things, dividends, interest, royalties, rents (other than rents generated in the active conduct of a trade or business), and gains from the sale or exchange of property that gives rise to passive income. Assets that produce or are held for the production of passive income generally include cash, even if held as working capital or raised in a public offering, marketable securities, and other assets that may produce passive income. An exception to these rules applies for certain income derived in the active conduct of a banking business (the "**Active Banking Exception**"). Generally, in determining whether a non-U.S. corporation is a PFIC, a proportionate share of the income and assets of each corporation or partnership in which it owns, directly or indirectly, at least a 25 per cent interest (by value) is taken into account.

Based on certain estimates and in reliance on the Active Banking Exception, the Company does not believe it was a PFIC for the year ended December 31, 2024, and does not expect to be treated as a PFIC for the current taxable year or in the near future. However, because PFIC status is determined on an annual basis and generally cannot be determined until the end of the taxable year, there can be no assurance that the Company will not be a PFIC for the current taxable year. Although the Company considers itself to be actively engaged in an active business, certain of its income and related assets may be treated as passive income and passive assets, respectively, unless the Active Banking Exception applies. The Company believes that the Active Banking Exception, as interpreted by Treasury regulations, including the proposed Treasury regulations, should apply to treat such income and related assets as active, but such treatment is not certain. Moreover, while taxpayers may rely on the proposed Treasury Regulations, it is possible that the IRS will not follow the approach of the proposed Treasury regulations when issuing final Treasury regulations, in which the Company could be treated as a PFIC. Accordingly, there can be no assurance that the Company will not be treated as a PFIC for any taxable year.

If the Company were to be treated as a PFIC in any taxable year during a U.S. Shareholder's holding period or the immediately preceding year, in addition to certain filing requirements described below in *"–Information reporting and backup withholding"*, certain potentially adverse rules would affect the U.S. federal income tax consequences to a U.S. Shareholder resulting from the acquisition, ownership and disposition of shares. U.S. Shareholders of the shares generally would be subject to additional taxes (including taxation at ordinary income rates and an interest charge) under the PFIC excess distribution rule on any "excess distributions" received from the Company and on any gain realised from a sale or other disposition of such shares, regardless of whether the Company continues to be a PFIC in the year such distribution is received or gain is realised. A U.S. Shareholder would be treated as receiving an excess distribution in a taxable year to the extent that distributions on the shares during that year exceed 125 per cent of the average amount of distributions received during the three preceding taxable years (or, if shorter, the U.S. Shareholder's holding period in the shares). Gain on the disposition of the shares will be subject to taxation in the same manner as an excess distribution (including taxation at ordinary income rates), described immediately above. Generally, a U.S. Shareholder would be required to allocate any excess distribution or gain from the sale or other disposition of the shares ratably over its holding period for the shares. Such amounts would be taxed as ordinary income at the highest applicable rate in effect for each taxable year of the holding period, and amounts allocated to prior taxable years would be subject to an interest charge at a rate applicable to underpayments of tax.

If, contrary to current expectations, the Company was a PFIC, certain elections (such as a "mark-to-market" election or a "qualified electing fund" (a "**QEF**") election) may be available to U.S. Shareholders with respect to the shares that may mitigate some of the adverse tax consequences resulting from PFIC treatment. An election to treat the Company as a QEF will not be available, however, if the Company does not provide the information necessary to make such an election. The Company does not currently expect to provide U.S. Shareholders with the information necessary to make a QEF election, and thus, the QEF election will not be available with respect to the shares.

A "mark-to-market" election is only available if the shares are "marketable stock", which requires, among other things, that the shares are regularly traded on a "qualified exchange or market". There is currently no guidance as to whether any particular foreign exchange, including Nasdaq Stockholm, should be treated as a "qualified exchange or other market", so there can be no certainty as to whether shares that trade only on foreign exchanges like Nasdaq Stockholm should be treated as "marketable stock". In addition, the Company makes no representation as to whether shares will satisfy the applicable trading requirements.

The U.S. federal income tax rules relating to PFICs are complex. Prospective U.S. investors are strongly urged to consult their own tax advisors with respect to the impact of PFIC status on the acquisition, ownership and disposition of the shares, the consequences to them of an investment in a PFIC, any elections available with respect to the shares and the IRS information reporting obligations with respect to the acquisition, ownership and disposition of shares of a PFIC.

Information reporting and backup withholding

In general, payments made within the U.S. or by a U.S. payor or U.S. middleman, of dividends on, and proceeds arising from the sale, exchange or other disposition of, shares will be subject to U.S. information reporting rules, unless a U.S. Shareholder is a corporation or other exempt recipient and properly establishes such exemption. Backup withholding may apply to such payments if a U.S. Shareholder does not establish, in the manner provided by law, an exemption from backup withholding, or fails to provide a correct taxpayer identification number or make any other required certifications.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

Certain U.S. Shareholders are required to report information relating to an interest in the shares, subject to certain exceptions (including an exception for shares held in accounts maintained by certain financial institution), by attaching a completed IRS Form 8938 (*Statement of Specified Foreign Financial Assets*) with their tax return for each year in which they hold an interest in the shares. U.S. Shareholders are urged to consult their own tax advisors regarding information reporting requirements relating to their ownership of the shares. U.S. Shareholders should also be aware that if the Company is considered to be a PFIC, they would generally be required to file IRS Form 8621 (*Information Return by a Shareholder of a Passive Foreign Investments Company or Qualified Electing Fund*) during any taxable year in which such U.S. Shareholder recognises gain or receives an excess distribution or with respect to which the U.S. Shareholder has made certain elections. U.S. Shareholders are urged to consult their own tax advisors regarding the application of the information reporting rules to the shares and their particular situations.

EACH PROSPECTIVE INVESTOR IS URGED TO CONSULT ITS OWN TAX ADVISORS ABOUT THE TAX CONSEQUENCES TO IT OF AN INVESTMENT IN THE SHARES IN LIGHT OF THE INVESTOR'S OWN CIRCUMSTANCES.

Selling and transfer restrictions

General

As a consequence of the following restrictions, prospective investors are advised to consult legal counsel prior to making any offer, resale, pledge or other transfer of the shares offered hereby.

Other than in Sweden and Finland, the Company is not taking any action to permit a public offering of the shares in any jurisdiction. Receipt of this prospectus will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this prospectus is for information only and should not be copied or redistributed. Except as otherwise disclosed in this prospectus, if an investor receives a copy of this prospectus in any jurisdiction other than Sweden and Finland, the investor may not treat this prospectus as constituting an invitation or offer to it, nor should the investor in any event deal in the shares, unless, in the relevant jurisdiction, such an invitation or offer could lawfully be made to that investor, or the shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if an investor receives a copy of this prospectus, the investor should not distribute or send the same, or transfer shares, to any person or in or into any jurisdiction where to do so would or might contravene local securities laws or regulations.

Selling restrictions

United States

The shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States to QIBs in reliance on Rule 144A or pursuant to another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act; or (ii) outside the United States in offshore transactions in compliance with Regulation S under the U.S. Securities Act, and, in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Accordingly, each Joint Bookrunner has represented and agreed that it has not offered or sold, and will not offer or sell, any of the shares as part of its allocation at any time other than (i) within the United States to QIBs in accordance with Rule 144A or (ii) outside of the United States in compliance with Rule 903 of Regulation S. Transfer of the shares will be restricted and each purchaser of the shares in the United States will be required to make certain acknowledgements, representations and agreements, as described under *"–Transfer restrictions"* below.

Any offer or sale in the United States will be made solely by affiliates of the Joint Bookrunners who are broker-dealers registered under the U.S. Exchange Act. In addition, until 40 days after the commencement of the Offering, an offer or sale of shares within the United States by a dealer, whether or not participating in the Offering, may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another exemption from the registration requirements of the U.S. Securities Act and in connection with any applicable state securities laws.

European Economic Area (EEA)

In relation to each member state of the EEA, other than Sweden and Finland, (each a "**Relevant Member State**") no shares have been offered or will be offered to the public in that Relevant Member State, pursuant to the Offering, except that shares may be offered to the public in that Relevant Member State at any time in reliance on the following exemptions under the Prospectus Regulation:

(a) to persons who are "qualified investors" within the meaning of Article 2(e) of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation) per Relevant Member State, with the prior written consent of the Joint Bookrunners for any such offer; or

(c) in any other circumstances falling under the scope of Article 3(2) of the Prospectus Regulation;

provided that no such offer of shares shall require the Company, the Main Shareholder or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplementary prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purpose of this provision, the expression an "offer to the public" in relation to any shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the shares to be offered, so as to enable an investor to decide to acquire any shares.

These EEA selling restrictions are in addition to any other selling restrictions set out in this prospectus.

United Kingdom

No shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom, except that the shares may be offered in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or

(c) in any other circumstances falling within Section 86 of the FSMA.

provided that no such offer of the shares shall require the Company or any Joint Bookrunners to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

The Joint Bookrunners are acting exclusively for the Company and the Main Shareholder and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and the Main Shareholder for providing the protections afforded to their respective customers or for giving advice in relation to the Offering.

Additional jurisdictions

Australia

This document is not a prospectus, product disclosure statement or other disclosure document under Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth) (the "**Corporations Act**") and has not been and will not be lodged with the Australian Securities and Investments Commission (the "**ASIC**"). This document does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under Chapter 6D or Part 7.9 of the Corporations Act. The Offering is made only to persons to whom it is lawful to offer shares in Australia without disclosure to investors under Chapter 6D of the Corporations Act.

As no prospectus, product disclosure statement or other disclosure document will be lodged with ASIC, any offer in Australia of the shares may only be made to persons who are "sophisticated investors" within the meaning of section 708(8) of the Corporations Act) or "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the shares without disclosure to investors under Chapter 6D of the Corporations Act. If any recipient of the document is not a "sophisticated investor" or a "professional investor" and does not otherwise fall within one or more of the exemptions contained in section 708 of the Corporations Act, no offer of, or invitation to apply for, the shares shall be deemed to be made to such recipient and no applications for the shares will be accepted from such recipient. Any offer to a recipient in Australia, and any agreement arising from acceptance of such offer, is personal and may only be accepted by the recipient.

No offer of the shares has been made or will be made to any person with the purpose of such person selling or transferring the shares, or transferring the shares, or granting, issuing or transferring interests in, or options over, the shares in the Offering. In addition, the shares in the Offering must not be offered for sale or transfer, nor any interest in or option over them be granted, issued or transferred in Australia in the period of 12 months after the date of allotment under the Offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. An Investor (as defined below) acquiring shares must observe such Australian on-sale restrictions.

This prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this document is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

By applying for shares under the document, each person to whom shares are issued (an "**Investor**"):

- confirms that they are (a) a "sophisticated investor" (within the meaning of section 708(8) of the Corporations Act), a "professional investor" (within the meaning of section 708(11) of the Corporations Act) or otherwise permitted to invest in the shares in the Offering pursuant to one or more exemptions contained in section 708 of the Corporations Act, and (b) a "wholesale client" (within the meaning of section 761G of the Corporations Act);
- acknowledges that if any Investor on-sells shares within 12 months from the date of their issue, the Investor will be required to lodge a prospectus, product disclosure statement or other a disclosure document with ASIC unless either:

i. that sale is to another "sophisticated investor" or "professional investor" or is otherwise permitted pursuant to one or more exemptions contained in section 708 of the Corporations Act; or
ii. the sale offer is received outside Australia; and

- undertakes not to sell the shares in any circumstances other than those described in paragraphs (i) and (ii) above for 12 months after the date of issue of such shares, unless the Investor lodges a prospectus, product disclosure document or other disclosure document with ASIC.

This document is not, and under no circumstances is to be construed as, an advertisement or public offering of the shares in Australia.

No action has been taken to authorise or cause the issue or distribution in the Commonwealth of Australia, any of its states, territories or possessions or any political subdivision thereof, or to any resident of Australia, of this document or any other document inviting applications or offers to subscribe for or buy the shares. The document may only be distributed in Australia or to any resident of Australia to persons who are Investors as described above and any offer of shares may only be made to such Investors in Australia, in each case subject to the conditions set out above, on behalf of each Joint Bookrunner by its affiliate holding an Australian Financial Services Licence permitting such licence holder to distribute the document and to offer the shares to such Investors in Australia.

Canada

The shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the shares must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the Joint Bookrunners are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Japan

The shares have not been and will not be registered under the Financial Instruments and Exchange Law, as amended (the "**FIEL**"). The shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan (as defined below) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any Resident of Japan, except pursuant to an exemption from the registration requirements under the FIEL and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

In respect of the solicitation relating to the shares in Japan, no securities registration statement under Article 4, Paragraph 1 of the FIEL has been filed since this solicitation constitutes a solicitation targeting QIIs, as defined in Article 23-13, Paragraph 1 of the FIEL.

Any investor desiring to acquire the shares must be aware that the shares may not be Transferred (as defined below) to any other person unless such person is a QII (as defined below).

As used herein:

- "**QII**" means a qualified institutional investor as defined in the Cabinet Ordinance Concerning Definitions under Article 2 of the FIEL.
- "**Transfer**" means a sale, exchange, transfer, assignment, pledge, hypothecation, encumbrance or other disposition of all or any portion of shares, either directly or indirectly, to another person. When used as a verb, the terms "Transfer" and "Transferred" shall have correlative meanings.
- "**Resident of Japan**" means a natural person having his/her place of domicile or residence in Japan, or a legal person having its main office in Japan. A branch, agency or other office in Japan of a non-resident, irrespective of whether it is legally authorised to represent its principal or not, shall be deemed to be a resident of Japan even if its main office is in any other country than Japan.

Other jurisdictions

The shares may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into any jurisdiction in which it would not be permissible to offer the shares.

In jurisdictions outside Sweden and Finland where the Offering would be permissible, the shares will only be offered pursuant to applicable exceptions from prospectus and similar requirements in such jurisdictions.

Transfer restrictions

United States

The shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction in the United States, and may not be offered or sold except: (i) within the United States only to QIBs in reliance on Rule 144A or pursuant to another exemption from the registration requirements of the U.S. Securities Act; and (ii) outside the United States in compliance with Regulation S, and in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction. Terms defined in Rule 144A or Regulation S shall have the same meaning when used in this section.

Each purchaser of the shares outside the United States pursuant to Regulation S will be deemed to have acknowledged, represented and agreed that it has received a copy of this prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority or any state of the United States, and, subject to certain exceptions, may not be offered or sold within the United States.
- The purchaser is, and the person, if any, for whose account or benefit the purchaser is acquiring the shares, was located outside the United States at the time the buy order for the shares was originated and continues to be located outside the United States and has not purchased the shares for the account or benefit of any person in the United States or entered into any arrangement for the transfer of the shares or any economic interest therein to any person in the United States.
- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser is aware of the restrictions on the offer and sale of the shares pursuant to Regulation S described in this prospectus.
- The shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.
- The Company shall not recognise any offer, sale, pledge or other transfer of the shares made other than in compliance with the above restrictions.
- If the purchaser is acquiring any of the shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements in behalf of each such account.
- The purchaser acknowledges that the Company, the Main Shareholder, the Joint Bookrunners and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Each purchaser of the shares within the United States purchasing pursuant to Rule 144A or another available exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act will be deemed to have acknowledged, represented and agreed that it has received a copy of this prospectus and such other information as it deems necessary to make an informed investment decision and that:

- The purchaser is authorised to consummate the purchase of the shares in compliance with all applicable laws and regulations.
- The purchaser acknowledges that the shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to significant restrictions to transfer.
- The purchaser (i) is a QIB (as defined in Rule 144A), (ii) is aware that the sale to it is being made in reliance on Rule 144A and (iii) is acquiring such shares for its own account or for the account of a QIB, in each case for investment and not with a view to any resale or distribution to the shares, as the case may be.
- The purchaser is aware that the shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act.
- If, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such shares, or any economic interest therein, as the case may be, such shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) outside the United States in a transaction meeting the requirements of Regulation S, (iii) in accordance with Rule 144 (if available), (iv) pursuant to any other exemption from the registration requirements of the U.S. Securities Act, subject to the receipt by the Company of an opinion of counsel or such other evidence that the Company may reasonably require that such sale or transfer is in compliance with the U.S. Securities Act or

(v) pursuant to an effective registration statement under the U.S. Securities Act, in each case in accordance with any applicable securities laws of any state or territory of the United States or any other jurisdiction.

- The purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate, and is not in the business of buying and selling securities or, if it is in such business, it did not acquire the shares from the Company or an affiliate thereof in the initial distribution of such Shares.
- The purchaser will not deposit or cause to be deposited such shares into any depositary receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act.
- The purchaser acknowledges that the shares are "restricted securities" within the meaning of Rule 144(a) (3) and no representation is made as to the availability of the exemption provided by Rule 144 for resales of any shares, as the case may be.
- The purchaser acknowledges that the Company shall not recognise any offer, sale pledge or other transfer of the shares made other than in compliance with the above-stated restrictions.
- If the purchaser is requiring any of the shares as a fiduciary or agent for one or more accounts, the purchaser represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account.
- The purchaser acknowledges that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Main Shareholder, the Joint Bookrunners and their respective advisers will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

European Economic Area

Each person in a Relevant Member State (other than Sweden and Finland) who receives any communication in respect of, or who acquires any shares under, the offers contemplated in this prospectus will be deemed to have represented, warranted and agreed to and with each of the Company, the Main Shareholder and the Joint Bookrunners that:

(a) it is a qualified investor within the meaning of Article 2(e) of the Prospectus Regulation; and

(b) in the case of any shares acquired by it as a financial intermediary, as that term is used in Article 1 of the Prospectus Regulation, (i) the shares acquired by it in the offer have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Regulation, or in circumstances in which the prior consent of the Joint Bookrunners has been given to the offer or resale; or (ii) where shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Shares to it is not treated under the Prospectus Regulation as having been made to such persons.

For the purpose of this representation, the expression an "offer to the public" in relation to any shares in any Relevant Member State means a communication to persons in any form and by any means presenting sufficient information on the terms of the Offering and the shares to be offered, so as to enable an investor to decide to acquire any shares.

Glossary

CET1	Common equity tier 1
Cornerstone Investors	Tredje AP-fonden, Harmar AB, Jofam AB and Handelsbanken Fonder
CVA	Credit valuation adjustment
EBA	European Banking Authority
ESRB	European Systemic Risk Board
Finnish FSA	Finnish Financial Supervisory Authority (Sw. *Finansinspektionen*)
German FSA	German Federal Financial Supervisory Authority (Ge. *Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*)
High-street banks	Banks primarily targeting prime grade customers
HQLA	High quality liquid assets
IASB	International Accounting Standards Board
ICLAAP	Internal capital and liquidity assessment process
Incumbent banks	Large banks that have existed for a long time in the Nordic banking market, often with a traditional business model involving physical branches.
KRIs	Key risk indicators
LCR	Liquidity coverage ratio
LTV ratio	Loan-to-value ratio (loan amount in relation to the appraised value of the property)
MTCNs	Medium-term covered notes
MTCN Programme	Medium-term covered notes programme of Enity Bank, under which Enity Bank issues covered bonds
MTNs	Medium-term notes
MTN Programme	Medium-term notes programme of Enity Bank, under which Enity Bank issues senior unsecured bonds
Norwegian FSA	The Norwegian Financial Supervisory Authority (No. *Finanstilsynet*)
NPL	Non-performing loans.
NSFR	Net stable funding ratio
RWAs	Risk weighted assets
Specialist mortgage customers	Individuals with modern forms of employment, high level of unsecured debt, orderly personal finances but with credit remarks or limited credit history
SREP	Supervisory review and evaluation process
Swedish FSA	Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*)
Tailored mortgages	First and second charge mortgages offered to specialist mortgage customers
TAM	Total addressable specialist mortgage market

Historical financial information

Financial information as of and for the three months ended 31 March 2025

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Financial information as of and for the three months ended 31 March 2025

Condensed consolidated income statement

MSEK	Note	For the three months ended 31 March 2025	2024
Operating income			
Interest income calculated using the effective interest method	4	564.9	555.8
Other interest income		62.4	47.1
Interest expenses	4	−328.9	−332.0
Net interest income		**298.4**	**270.9**
Commission income		–	0.2
Commission expenses		–	−0.6
Net gains and losses from financial transactions		−0.3	4.3
Result from shares in associates and joint ventures results		0.9	−1.9
Other operating income		2.7	2.3
Total operating income		**301.7**	**275.1**
Operating expenses			
General administration expenses		−165.0	−177.1
Depreciation, amortisation and impairment of tangible and intangible assets		−23.8	−24.3
Total operating expenses		**−188.9**	**−201.4**
Profit before credit losses		**112.8**	**73.7**
Credit losses, net	5	−31.7	−12.7
Operating profit		**81.2**	**61.0**
Tax		−32.1	−14.9
PROFIT FOR THE PERIOD		**49.0**	**46.1**
Attributable to:			
Shareholders of the parent company		49.0	44.9
Non-controlling interest		–	1.2
Earnings per share (SEK)			
Basic earnings per share	11	0.98	0.90
Diluted earnings per share	11	0.98	0.90

Condensed consolidated statement of comprehensive income

MSEK	Note	For the three months ended 31 March 2025	2024
Profit for the period		**49.0**	**46.1**
Items that may be reclassified to the income statement			
Translation differences of foreign operations (before tax)		–17.9	–7.7
Tax due to translation differences of foreign operations		2.3	0.7
Net investment hedge (before tax)		–3.8	–
Tax due to net investment of foreign operations		13.5	–1.0
Total other comprehensive income for the period		**–5.9**	**–8.0**
Total comprehensive income for the period		**43.2**	**38.1**
Attributable to:			
Shareholders of the parent company		43.2	36.9
Non-controlling interest		–	1.2

Condensed consolidated balance sheet

MSEK	Note	31 March, 2025	31 March, 2024	31 December, 2024
Assets				
Cash and balances at central banks		772.5	2,224.1	604.7
Debt securities eligible for refinancing with central banks		567.2	566.9	668.8
Lending to credit institutions		1,480.2	1,716.0	2,568.4
Lending to the public	5, 6, 7	29,310.0	27,308.6	28,832.4
Value change of interest-hedged items in portfolio hedging		–17.3	–126.6	–4.4
Derivatives	7	120.2	174.6	102.0
Bonds and other interest-bearing securities	7	712.3	1,041.0	680.0
Shares and participations	7	1.1	19.3	1.1
Shares and participations in associates	7	143.1	145.9	144.6
Goodwill		2,667.4	2,669.1	2,668.7
Other intangible assets		483.9	509.8	493.4
Tangible assets		63.6	62.6	69.1
Other assets		18.9	62.1	166.1
Prepaid expenses and accrued income		83.7	124.2	79.5
Current tax assets		36.8	99.8	92.2
Deferred tax assets		1.1	33.8	4.4
TOTAL ASSETS		**36,444.8**	**36,631.4**	**37,170.8**
Liabilities and provisions				
Deposits from the public		22,377.3	21,210.9	23,202.9
Debt securities in issue		7,920.1	9,326.5	7,933.5
Derivatives		68.8	41.8	77.0
Other liabilities		228.5	456.9	149.5
Accrued expenses and prepaid income		120.1	111.1	88.1
Provisions		23.2	16.7	32.3
Current tax liabilities		55.8	35.5	65.6
Deferred tax liabilities		68.9	78.1	75.5
Total liabilities and provisions		**30,862.6**	**31,277.5**	**31,624.3**
Equity				
Share capital		0.4	0.4	0.4
Share premium reserve		190.7	190.7	190.7
Statutory reserve		26.0	26.0	26.0
Translation reserve		–68.5	–38.2	–54.9
Other contributed capital		1,074.0	1,074.0	1,074.0
Retained earnings		4,310.4	4,054.8	4,054.8
Profit for the period		49.0	46.1	255.6
Equity attributable to owners of the parent company		**5,582.1**	**5,353.8**	**5,546.6**
Non-controlling interest		–	–	–
Total equity		**5,582.1**	**5,353.8**	**5,546.6**
TOTAL EQUITY AND LIABILITIES		**36,444.8**	**36,631.4**	**37,170.8**

Condensed consolidated statement of changes in equity

MSEK	Share capital	Share premium reserve	Statutory reserve	Translation reserve	Other contributed capital	Retained earnings incl. profit for the period	Total	Attributable to non-controlling interest	Total equity
	Attributable to owners of the parent company								
Opening balance 1 January 2024	**0.4**	**190.7**	**26.0**	**–30.1**	**1,074.0**	**4,054.8**	**5,315.8**	**60.4**	**5,376.2**
Repayment primary capital instruments	–	–	–	–	–	–	**–**	–60.4	**–60.4**
Profit for the period*	–	–	–	–	–	46.1	**46.1**	–	**46.1**
Other comprehensive income for the year	–	–	–	–	–	–	**–**	–	**–**
Translation differences of foreign operations	–	–	–	–7.7	–	–	**–7.7**	–	**–7.7**
Tax due to translation differences of foreign operations	–	–	–	0.7	–	–	**0.7**	–	**0.7**
Net investments of foreign operations (before tax)	–	–	–	–	–	–	**–**	–	**–**
Tax due to net investment of foreign operations	–	–	–	–1.0	–	–	**–1.0**	–	**–1.0**
Closing balance 31 March 2024	**0.4**	**190.7**	**26.0**	**–38.2**	**1,074.0**	**4,100.9**	**5,353.8**	**–**	**5,353.8**
Opening balance 1 January 2025	**0.4**	**190.7**	**26.0**	**–54.9**	**1,074.0**	**4,310.4**	**5,546.6**	**–**	**5,546.6**
Profit for the period*	–	–	–	–	–	49.0	**49.0**	–	**49.0**
Other comprehensive income for the year									
Translation differences of foreign operations	–	–	–	–25.6	–	–	**–25.6**	–	**–25.6**
Tax due to translation differences of foreign operations	–	–	–	2.3	–	–	**2.3**	–	**2.3**
Net investments of foreign operations (before tax)	–	–	–	–3.8	–	–	**–3.8**	–	**–3.8**
Tax due to net investment of foreign operations	–	–	–	13.5	–	–	**13.5**	–	**13.5**
Closing balance 31 March 2025	**0.4**	**190.7**	**26.0**	**–68.5**	**1,074.0**	**4,359.4**	**5,582.1**	**–**	**5,582.1**

* Profit for the period attributable to non-controlling interest amounts to 0 (1.2).

Condensed consolidated cash flow statement

		For the three months ended 31 March	
MSEK	**Note**	**2025**	**2024**
Operating activities			
Operating profit		81.2	61.0
Adjustments for non-cash items in operating activities			
Depreciation and amortisation		23.8	24.2
Unrealised changes in value		47.2	–11.4
Credit losses excluding recoveries		33.6	15.8
Accrued interest		89.1	112.5
Other		–1.6	–22.9
Total non-cash items		**192.2**	**118.0**
Tax paid		23.3	–50.9
Cash flow from current operations before changes to operating assets and liabilities		**296.7**	**128.2**
Cash flow from changes to operating assets and liabilities			
Increase (–)/decrease (+) of lending to the public		–841.1	–1,000.2
Increase (–)/decrease (+) of short-term receivables		138.7	–30.8
Increase (–)/decrease (+) in bonds and other interest-bearing securities		–46.7	95.6
Increase (–)/decrease (+) in debt securities eligible for refinancing with central banks		95.9	3.3
Increase (+)/decrease (–) of deposits from the public		–515.2	518.1
Increase (+)/decrease (–) of short-term liabilities		78.8	–3.7
Cash flow from operating activities		**–792.9**	**–289.4**
Investing activities			
Investments in other intangible assets		–8.1	–18.4
Investments in tangible assets		–0.1	–1.2
Sale of subsidiary		–	38.5
Cash flow from investing activities		**–8.2**	**19.0**
Financing activities			
Net issue/repayment of debt securities		–12.4	1,744.8
Repayment of AT1 capital		–	–58.4
Amortisation of lease liability		–6.3	–8.0
Cash flow from financing activities		**–18.8**	**1,678.3**
NET CASH FLOW FOR THE PERIOD		**–819.8**	**1,407.9**
Liquid funds at beginning of the period		**3,173.0**	**2,558.5**
Currency difference in liquidity		**–100.5**	**–26.2**
LIQUID FUNDS END OF THE PERIOD		**2,252.7**	**3,940.2**
of which cash and balances at central banks		*772.5*	*2,224.1*
of which lending to credit institutions		*1,480.2*	*1,716.0*
Cash flow includes interest receipts of		**564.9**	**555.8**
Cash flow includes interest payments of		**–328.9**	**–332.0**

Notes to the financial statements

Note 1 – Significant Accounting Policies

General information

Enity Holding AB, previously Bluestep Holding AB, a limited liability company with corporate ID No. 556668-9575 (the "Company"), is a specialist mortgage provider operating in Sweden, Norway and Finland. The Company's head office is located at Sveavägen 163, SE-104 35 Stockholm, Sweden. The ultimate controlling party of Enity Holding AB is EQT VII (a private equity fund).

The Enity Holding Group consists of the parent company Enity Holding AB and its wholly owned subsidiary Enity Bank AB (publ), previously Bluestep Bank AB (publ), and indirectly owned subsidiaries. The Group's operations in Norway and Finland are operated through branches.

Basis of Accounting

This report has been prepared in accordance with the IFRS standard IAS 34, Interim Financial Reporting.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the regulations and general guidelines of the Swedish Financial Supervisory Authority (FFFS 2008:25). The Group also applies RFR 1, Supplementary Accounting Rules for Groups, including interpretations issued by the Swedish Financial Reporting Board, as well as the Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL).

Changes in accounting policies due to new or amended IFRS Accounting Standards

There are no changes to IFRS Accounting Standards or interpretations that are considered to have any material monetary impact on the Group's financial statements.

New and Amended Standards and Interpretations Not Yet Effective

Presentation and Disclosures in Financial Statements (IFRS 18)

IFRS 18 will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The new standard replaces IAS 1 and primarily introduces new requirements regarding the structure of the income statement and disclosures of certain performance measures. The Group does not currently intend to adopt the amendments before the effective date. The potential impact on the Group's financial statements is currently being assessed.

Amendments to Classification and Measurement of Financial Instruments (IFRS 9 and IFRS 7)

The International Accounting Standards Board (IASB) has published amendments to the Classification and Measurement of Financial Instruments, IFRS 9 and IFRS 7. The amendments provide guidance on how to assess the contractual cash flows of a financial asset that include contingent features and related disclosure requirements. Furthermore, the amendments address derecognition of financial liabilities when the settlement occurs through an electronic payment system. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The amendments have not yet been adopted by the EU. The impact of the amendments on the Group's financial statements is currently being assessed.

There are no other changes in IFRS Accounting Standards and interpretations that have not yet entered into force that are expected to have a material impact on the Group's financial statements.

Note 2 – Significant events and transactions during the period

On 1 January 2025, the updated capital adequacy regulations in the form of CRR3 have been implemented. The regulatory changes have no significant impact on the group.

The wholly owned subsidiary Bluestep Mortgage Securities No.4 DAC was liquidated on 3 March 2025.

Note 3 – Significant risks and uncertainties

The Group is exposed to a variety of risks, including material risks such as credit, financial, and operational risks, which can be managed and mitigated through robust internal controls, risk management frameworks, and strategic planning. However, there are also risk factors—such as external events and macroeconomic changes—that lie outside the Group's direct control. In particular, macroeconomic developments such as fluctuations in GDP, changes in inflation, shifts in unemployment, and adjustments to central bank policy rates can all impact the Group's profitability, lending activity, and overall risk exposure.

The Group's risks and uncertainties are described in more detail in the prospectus. The risk assessment has not changed in relation to what is presented there.

Note 4 – Operating segments

Segment reporting is based on the Group's accounting policies, organisational structure, and internal reporting. For cross-border services, invoicing and allocation are carried out in accordance with the OECD's transfer pricing guidelines.

The chief operating decision maker is the CEO. The Head of Operations in Sweden, Norway, and Finland, each reports to the Nordic Chief Commercial Officer, who in turn reports to the CEO. Each Head of Operations is responsible for their respective mortgage segments and manages their operations based on clearly defined targets regarding development of new lending, loan book, income and expenses, and their respective key performance indicators. In addition, operations are managed toward improved quality and cost efficiency through enhanced process effectiveness.

Operations in Norway and Finland are conducted through local branches. The operations of Bank2, which was a separate entity until the merger in April 2024, are included in the Norwegian segment. The "Other" segment includes products in run-off that were taken over as part of the Bank2 acquisition.

MSEK	**Mortgages**					
Balance sheet as of 31 March 2025	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	213.7	613.7	652.8	–	–	**1,480.2**
Lending to the public	12,162.4	15,676.5	1,360.0	111.1	–	**29,310.0**
Deposits from the public	7,306.5	12,406.1	2,664.7	–	–	**22,377.3**

MSEK	**Mortgages**					
Balance sheet as of 31 March 2024	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	393.5	889.2	433.3	–	–	**1,716.0**
Lending to the public	11,808.6	14,424.9	883.4	191.7	–	**27,308.6**
Deposits from the public	6,789.4	13,102.7	1,318.9	–	–	**21,210.9**

MSEK	**Mortgages**					
Balance sheet as of 31 December 2023	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	195.0	535.2	1,838.2	–	–	**2,568.4**
Lending to the public	12,005.9	15,396.6	1,309.6	120.2	–	**28,832.4**
Deposits from the public	7,559.4	11,977.7	3,665.7	–	–	**23,202.9**

MSEK	**Mortgages**					
Income statement for the three months ended 31 March 2025	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Interest income	277.9	358.2	43.8	2.8	−55.3	**627.3**
– of which interest income from lending to the public	*207.3*	*330.3*	*29.4*	*2.8*	–	***569.7***
– of which interest income within group	*55.3*	–	–	–	*−55.3*	**–**
Interest expense	−141.7	−214.0	−28.4	−0.3	55.3	**−328.9**
– of which interest expense from deposits from the public	*−67.1*	*−151.7*	*−29.9*	–	–	***−248.7***
– of which interest expense from debt securities in issue	*−61.3*	*−7.9*	–	–	–	***−69.2***
– of which interest expense within group	*−3.8*	*−53.0*	*1.5*	–	*55.3*	***−0.0***
Net interest income	**136.2**	**144.2**	**15.5**	**2.5**	**–**	**298.4**
Total operating income	**144.0**	**145.6**	**15.9**	**3.4**	**−7.3**	**301.7**
Total expenses	**−67.6**	**−78.9**	**−18.3**	**−29.4**	**5.4**	**−188.9**
Profit before credit losses	**76.4**	**66.7**	**−2.4**	**−26.0**	**−1.9**	**112.8**
Credit losses, net	−4.0	−18.5	−1.9	−7.2	–	**−31.7**
Operating profit/loss	**72.4**	**48.2**	**−4.3**	**−33.3**	**−1.9**	**81.2**
Items affecting comparability and adjustments	3.6	18.0	–	30.3	−5.3	−46.6
Adjusted operating profit/loss	**76.0**	**66.2**	**−4.3**	**−3.0**	**−7.2**	**127.8**

Note 4 – Operating segments, *cont.*

MSEK Income statement for the three months ended 31 March 2024	Mortgages Sweden	Norway	Finland	Other operations	Eliminations	Total
Interest income	273.7	316.3	25.3	3.8	–16.2	***602.9***
– of which interest income from lending to the public	*238.5*	*294.6*	*20.2*	*3.8*	*–*	***557.1***
– of which interest income within group	*16.2*	*–*	*–*	*–*	*–16.2*	***–***
Interest expense	–155.4	–176.2	–16.3	–0.3	16.2	***–332.0***
– of which interest expense from deposits from the public	*–67.5*	*–156.2*	*–12.0*	*–*	*–*	***–235.6***
– of which interest expense from debt securities in issue	*–84.1*	*–8.6*	*–*	*–*	*–*	***–92.7***
– of which interest expense within group	*–*	*–11.9*	*–4.3*	*–*	*16.2*	***–***
Net interest income	**118.3**	**140.1**	**9.0**	**3.5**	**–**	**270.9**
Total operating income	**127.1**	**140.3**	**9.0**	**5.6**	**–6.9**	**275.1**
Total expenses	**–82.0**	**–93.7**	**–19.8**	**–4.4**	**–1.5**	**–201.4**
Profit before credit losses	**45.1**	**46.6**	**–10.7**	**1.2**	**–8.5**	**73.7**
Credit losses, net	–12.2	4.4	–1.6	–1.0	–2.2	**–12.7**
Operating profit/loss	**32.9**	**51.0**	**–12.4**	**–0.2**	**–10.7**	**61.0**
Items affecting comparability and adjustments	26.9	18.0	–1.9	–	2.2	48.9
Adjusted operating profit/loss	**59.8**	**69.0**	**–14.3**	**–0.2**	**–8.5**	**109.9**

Note 5 – Credit losses

Provisions for expected credit losses are calculated using quantitative models based on inputs and assumptions made by management. The Group 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.

The underlying credit quality is assessed as remaining sound, with stable development in Sweden and Finland, and somewhat weaker performance in the Norwegian portfolio. Given the current external environment and uncertainty surrounding the economic recovery, the Group maintains a cautious approach to risk management, aligned with prevailing market conditions.

Credit losses amounted to SEK 32 million during the quarter. The increase was primarily attributable to specific, non-recurring events. These included adjustments to provisions in the Group's run-off portfolio amounting to SEK 7 million, as well as confirmed losses of approximately SEK 5 million related to a data quality issue identified during the migration of Bank2's loan portfolio to Enity's banking platform in the fourth quarter of 2024.

In addition to these items, management-assessed adjustments of SEK 7.6 million were made in Norway for specific cases where known upcoming losses were not fully reflected in the outcome of the Group's model. In the Swedish portfolio, a management-assessed adjustment of SEK 5 million was also made to better reflect the stable performance of the portfolio and to balance the model's slightly conservative assumptions.

The underlying credit quality is considered to remain solid. Loss levels and provisions in the Swedish and Finnish portfolios are in line with expected developments. The Norwegian portfolio is viewed as stable but is being closely monitored, and relevant risk mitigation measures have been implemented. In light of the current global situation and uncertainty regarding economic recovery, the Group continues to apply a cautious and disciplined credit risk strategy, adapted to prevailing market conditions. No systematic risks have been identified.

MSEK **Credit impairments**	For the three months ended 31 March **2025**	**2024**
Stage 1 – net impairment	0.1	–1.4
Stage 2 – net impairment	–8.4	–16.4
Stage 3 – impairment / recoveries for the year	–12.3	13.0
Write-offs		
Actual losses during the period	–19.3	–15.3
Reversal of allowances for write-offs in Stage 3	6.3	4.5
Recoveries from previous write-offs	2.0	2.8
Total write-offs	**–11.0**	**–8.0**
Credit losses, net	**–31.7**	**–12.7**

Note 6 – Lending to the public

MSEK	31 March 2025	31 March 2024	31 December 2024
Measured at amortised cost			
Mortgage loans – Sweden	10,404.4	10,388.5	10,344.2
Mortgage loans – Norway	15,676.6	14,424.9	15,396.7
Mortgage loans – Finland	1,360.0	883.4	1,309.6
Corporate loans, factoring and unsecure loans in run-off	111.0	191.7	120.1
Measured at fair value			
Equity release – Sweden	1,758.0	1,420.1	1,661.8
Total lending to the public	**29,310.0**	**27,308.6**	**28,832.4**

The tables below show the breakdown of loans measured at amortised cost and their provisions by stage, as well as movements during the period.

31 March 2025	Reported value gross				Provisions				Reported value net
MSEK	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Total
Mortgage loan – Sweden	8,736.1	1,245.3	481.4	**10,462.9**	–6.5	–14.8	–37.2	**–58.5**	**10,404.4**
Mortgage loan – Norway	12,532.6	1,954.3	1,254.3	**15,741.2**	–5.4	–24.6	–34.7	**–64.6**	**15,676.6**
Mortgage loan – Finland	1,168.5	84.8	116.0	**1,369.2**	–0.4	–2.5	–6.3	**–9.2**	**1,360.0**
Corporate loans (run-off)	–	128.1	15.4	**143.5**	–	–35.8	–1.0	**–36.8**	**106.8**
Unsecured loans (run-off)	0.7	1.6	5.9	**8.2**	–0.1	–0.1	–3.7	**–3.9**	**4.3**
Factoring (run-off)	–	–	–	**–**	–	–	–	**–**	**–**
Total	**22,438.0**	**3,414.1**	**1,873.0**	**27,725.0**	**–12.4**	**–77.8**	**–82.8**	**–173.0**	**27,552.0**

31 March 2024	Reported value gross				Provisions				Reported value net
MSEK	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Total
Mortgage loan – Sweden	8,870.9	1,285.8	296.3	10,453.0	–6.3	–27.9	–30.3	–64.5	10,385.5
Mortgage loan – Norway	11,414.3	2,249.4	818.9	14,482.5	–3.4	–27.1	–27.2	–57.6	14,424.9
Mortgage loan – Finland	748.2	97.8	43.7	889.7	–0.3	–2.0	–4.0	–6.3	883.4
Corporate loans (run-off)	–	205.6	–	205.6	–	–26.7	–0.4	–27.1	178.5
Unsecured loans (run-off)	0.2	2.9	14.6	17.7	–	–0.2	–4.2	–4.4	13.3
Factoring (run-off)	–	–	–	–	–	–	–		–
Total	**21,033.6**	**3,841.3**	**1,173,5**	**26,048.5**	**–9.9**	**–84.0**	**–66.0**	**–160.0**	**25,888.5**

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

Note 6 – Lending to the public, *cont.*

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2025	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**
Reported value gross 31 March 2025	**22,437.9**	**3,414.1**	**1,872.9**	**27,725.0**
Provisions 1 January 2025	**–12.6**	**–80.5**	**–67.6**	**–160.8**
New financial assets	–1.9	–0.1	–	**–2.0**
Change in PD/LGD/EAD	0.3	–10.5	1.5	**–8.7**
Change due to expert credit judgement	–	–5.0	4.7	**–0.3**
Transfers between stages	**0.7**	**3.7**	**–18.6**	**–14.2**
Transfer from stage 1 to 2	1.8	–18.2	–	**–16.3**
Transfer from stage 1 to 3	–	–	–0.2	**–0.2**
Transfer from stage 2 to 1	–1.1	7.2	–	**6.1**
Transfer from stage 2 to 3	–	15.4	–19.0	**–3.6**
Transfer from stage 3 to 1	–0.1	–	0.1	**0.0**
Transfer from stage 3 to 2	–	–0.7	0.5	**–0.2**
Changes in exchange rates	0.1	1.2	0.8	**2.1**
Removed financial assets	0.9	3.5	6.4	**10.8**
Provisions 31 March 2025	**–12.4**	**–77.8**	**–82.8**	**–173.0**
Reported value net 1 January 2025	**21,940.3**	**3,780.3**	**1,450.0**	**27,170.6**
Reported value net 31 March 2025	**22,425.6**	**3,326.3**	**1,800.1**	**27,552.0**

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2025	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Reported value gross 31 March 2025	**21,033.6**	**3,841.3**	**1,173.5**	**26,048.5**
Provisions 1 January 2024	**–8.0**	**–64.2**	**–31.8**	**–104.0**
New financial assets	–3.2	–23.3	–35.9	**–62.4**
Change in PD/LGD/EAD	–0.2	–2.0	–2.0	**–4.2**
Change due to expert credit judgement	–	3.0	–	**3.0**
Transfers between stages	**0.8**	**–3.2**	**–13.1**	**–15.4**
Transfer from stage 1 to 2	1.5	–16.3	–	**–14.8**
Transfer from stage 1 to 3	0.1	–	–1.9	**–1.8**
Transfer from stage 2 to 1	–0.5	5.6	–	**5.1**
Transfer from stage 2 to 3	–	10.6	–19.9	**–9.3**
Transfer from stage 3 to 1	–0.2	–	2.2	**1.9**
Transfer from stage 3 to 2	–	–3.1	6.6	**3.5**
Changes in exchange rates	–	2.0	1.6	**3.6**
Removed financial assets	0.5	3.6	15.1	**19.2**
Provisions 31 March 2024	**–9.9**	**–84.0**	**–66.0**	**–160.0**
Reported value net 1 January 2024	**20,415.0**	**3,489.0**	**987.9**	**24,891.9**
Reported value net 31 March 2024	**21,023.7**	**3,757.4**	**1,107.5**	**25,888.5**

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2024	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Reported value gross 31 December 2024	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**
Provisions 1 January 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	**9.0**	**–14.3**	**–31.7**	**–37.0**
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 December 2024	**–12.6**	**–80.5**	**–67.7**	**–160.8**
Reported value net 1 January 2024	**20,415.0**	**3,489.0**	**987.9**	**24,891.9**
Reported value net 31 December 2024	**21,940.4**	**3,780.3**	**1,450.0**	**27,170.6**

Note 7 – Fair value measurements

Financial instruments measured at fair value

The Group's financial assets and liabilities are measured either at fair value through profit or loss or at amortised cost.

All derivative contracts, whether classified as assets or liabilities measured at fair value, have been entered into to hedge interest rate or currency risks in the Group's operations. All interest-bearing securities are included in the Group's liquidity portfolio.

All financial assets and liabilities measured at fair value are classified within a fair value hierarchy. This hierarchy reflects the observability of the inputs used in the valuation techniques applied.

Level 1 uses quoted prices that are readily and regularly available from multiple sources and represent actual and frequent market transactions. This level includes government securities and other actively traded interest-bearing instruments.

Level 2 applies valuation models based on observable market data or instruments priced using quoted prices in markets that are considered less active. This level includes interest rate swaps and cross-currency swaps.

Level 3 comprises financial instruments not traded in an active market, where valuation models rely significantly on unobservable inputs. This level includes equity release loans, which are part of lending to the public.

No financial instruments were transferred between levels of the fair value hierarchy during the period.

Financial instruments measured at fair value through profit or loss by fair value level

	31 March 2025			
MSEK	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Lending to the public	–	–	1,758.0	**1,758.0**
Shares and participations	–	–	1.1	**1.1**
Investments in associates	–	–	143.1	**143.1**
Derivatives	–	120.2	–	**120.2**
Bonds / other interest-bearing securities	1,279.6	–	–	**1,279.6**
Total	**1,279.6**	**120.2**	**1,902.2**	**3,302.0**
Liabilities				
Derivatives	–	68.8	–	**68.8**
Total	**–**	**68.8**	**–**	**68.8**

	31 March 2024			
MSEK	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Lending to the public	–	–	1,420.1	**1,420.1**
Shares and participations	–	–	19.3	**19.3**
Investments in associates	–	–	145.9	**145.9**
Derivatives	–	172.8	–	**172.8**
Bonds / other interest-bearing securities	1,017.4	–	–	**1,017.4**
Total	**1,017.4**	**172.8**	**1,585.3**	**2,775.5**
Liabilities				
Derivatives	–	41.6	–	**41.6**
Total	**–**	**41.6**	**–**	**41.6**

	31 December 2024			
MSEK	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Lending to the public	–	–	1,661.8	**1,661.8**
Shares and participations	–	–	1.1	**1.1**
Investments in associates	–	–	89.9	**89.9**
Derivatives	–	96.7	–	**96.7**
Bonds / other interest-bearing securities	1,348.8	–	–	**1,348.8**
Total	**1,348.8**	**96.7**	**1,752.8**	**3,198.3**
Liabilities				
Derivatives	–	77.0	–	**77.0**
Total	**–**	**77.0**	**–**	**77.0**

Note 7 – Fair value measurements, *cont.*

Changes in lending to the public measured at fair value in Level 3

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 March 2025						
Lending to the public	1,661.8	128.9	–60.3	27.6	–	1,758.0

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 March 2024						
Lending to the public	1,312.8	105.9	–26.2	27.4	0.3	1,420.1

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 December 2024						
Lending to the public	1,312.8	380.6	–147.6	116.9	–0.8	1,661.8

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

The Group has conducted a sensitivity analysis of lending to the public measured at fair value by altering assumptions related to unobservable inputs in the valuation model. The sensitivity analysis was performed in two parts: a parallel shift of the interest rate curve by 1 percentage point, and a 10 percentage point change in the house price index.

A parallel upward shift of the interest rate curve by +1 percentage point would result in a negative change in fair value of MSEK 6 (31 December 2024: MSEK 5.0; 31 March 2024: MSEK 5.0), while a parallel downward shift of –1 percentage point would result in a positive change in fair value of MSEK 0.4 (31 December 2024: MSEK 0.5; 31 March 2024: MSEK 0.5). An immediate negative change in the house price index of 10 percentage points would result in a negative change in fair value of MSEK 0.4 (31 December 2024: MSEK 0.5; 31 March 2024: MSEK 0.5), whereas an immediate positive change of 10 percentage points would result in a positive change in fair value of MSEK 6 (31 December 2024: MSEK 6.0; 31 March 2024: MSEK 6.0 MSEK).

Disclosure of fair value

The carrying amount of lending to credit institutions is considered a reasonable approximation of fair value as the item is not subject to significant value fluctuations. Any changes in foreign exchange rates are recognised in the income statement on an ongoing basis.

The fair value of lending to the public has been calculated based on observable market data by discounting expected future cash flows of the assets to present value using a discount factor. The expected future cash flows are based on the portfolio size at the balance sheet date, considering historical cash flows, type and nominal amount of receivables, and experience with similar assets.

For all other financial instruments with short maturities, the carrying amount is considered a reasonable approximation of fair value, as discounted amounts do not result in any material effects.

Note 8 – Capital adequacy analysis

This capital adequacy information disclosures fulfil the publication requirements in accordance with the following regulations; the Annual Accounts Act (1995:1559) for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's (SFSA) regulations and general guidelines (FFFS 2008:25) on annual reporting for credit institutions and securities companies, the SFSA's regulations (FFFS 2014:12) on prudential requirements and capital buffers, the Regulation (EU) No 575/2013 (CRR) of the European Parliament and of the Council on prudential requirements for credit institutions and amending Regulation (EU) No 648/2012, and the Commission Implementing Regulation (EU) 2021/637, laying down implementing technical standards regarding public disclosure of information referred to in Part Eight, Titles II and III of Regulation (EU) No 575/2013.

This note provides information on the Consolidated Situation.

The Group has prior approval from the Swedish Financial Supervisory Authority to include interim profits in Common Equity Tier 1 capital in accordance with Article 26.2 of the CRR.

The Pillar III Risk and Capital Management Report is published on www.enity.com.

Changes in CRR and CRD

On 1 January 2025, the updated capital adequacy regulations under CRR3 came into effect. The Group's exposures primarily consist of loans secured by residential property, which are subject to adjusted risk weights based on loan-to-value (LTV) ratios. Given the Group's LTV profile, this is expected to have a positive impact on capital ratios. The Common Equity Tier 1 (CET1) ratio is estimated to increase by approximately 0.7 percentage points.

Risk-based capital requirement

The risk-based capital requirement is calculated in accordance with CRR, Swedish legislation, and the Swedish Financial Supervisory Authority's (SFSA) regulations and general guidelines. It comprises the minimum requirement under Pillar I, the Pillar II Requirement (P2R), and the combined buffer requirement. Below is an overview of the methods used to calculate the risk-based capital requirement.

Pillar I Capital Requirement: Pillar I covers credit risk (including counterparty risk), market risk, credit valuation adjustment (CVA) risk, and operational risk. Counterparty risk is calculated using the Original Exposure Method. Other credit risks are calculated using the Standardised Approach. CVA risk is measured using the Simplified Method. Market risk is measured using the Simplified Standardised Approach. The Pillar I capital requirement amounts to 8% of risk-weighted assets (RWAs), and at least 4.5% of RWAs must be covered by CET1 capital.

Pillar II Requirement (P2R): The P2R is based on both qualitative and quantitative assessments of material risks to determine whether additional capital is needed for risks that are not captured, or not sufficiently captured, under Pillar I.

Material risks under Pillar II are assessed using internal methodologies as well as methodologies from the SFSA, covering concentration risk, interest rate risk, and credit spread risk.

The total capital requirement for the Consolidated Situation is presented below.

Capital requirements and Pillar II Guidance

MSEK	31 March 2025	31 March 2024	31 December 2024
Pillar I capital requirement	1,159.4	1,089.0	1,186.3
Pillar II capital requirement	173.9	163.4	177.9
Combined capital buffer	1,007.2	925.8	985.8
Pillar II guidance	–	–	–
Total capital requirements	**2,340.5**	**2,178.2**	**2,350.0**

Capital requirements and Pillar II Guidance (% RWA)

% RWA	31 March 2025	31 March 2024	31 December 2024
Pillar I capital requirement	8.00%	8.00%	8.00%
Pillar II capital requirement	1.20%	1.20%	1.20%
Combined buffer requirements	6.95%	6.80%	6.65%
Pillar II guidance	–	–	–
Total capital requirements	**16.15%**	**16.00%**	**15.85%**

The capital base requirement is met for the Consolidated Situation.

Leverage ratio

The leverage ratio is calculated in accordance with the CRR, the Swedish legislation, and the Swedish Financial Supervisory Authority's regulations and general guidelines.

The minimum capital requirement and Pillar 2 Requirement (P2R) for the leverage ratio must be met with Tier 1 capital, while the Pillar 2 Guidance (P2G) for the leverage ratio must be met with Common Equity Tier 1 (CET1) capital. The leverage ratio is presented below.

Leverage ratio requirement and Pillar II guidance

MSEK	31 March 2025	31 March 2024	31 December 2024
Minimum capital requirement	1,029.0	1,027.4	1,045.0
Pillar II capital requirement	–	–	–
Pillar II guidance	51.5	51.4	52.2
Total leverage ratio requirement and Pillar II guidance	**1,080.5**	**1,078.8**	**1,097.2**

Leverage ratio requirement and Pillar II guidance

%	31 March 2025	31 March 2024	31 December 2024
Minimum capital requirement	3.00%	3.00%	3.00%
Pillar II capital requirement	–	–	–
Pillar II guidance	0.15%	0.15%	0.15%
Total leverage ratio requirement and Pillar II guidance	**3.15%**	**3.15%**	**3.15%**

The Consolidated Situation meets the requirement for the total leverage ratio.

Note 8 – Capital adequacy analysis, *cont.*

Key metrics

Key metrics (EU KM1) for the Consolidated situation are presented below.

MSEK		31 March 2025	31 March 2024	31 December 2024
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	2,503.2	2,236.6	2,472.7
2	Tier 1 capital	2,503.2	2,236.6	2,472.7
3	Total capital	2,782.0	2,269.5	2,766.9
Risk-weighted exposure amounts				
4	Total risk exposure amount	14,492.4	13,612.9	14,828.3
Capital ratios[1]				
5	Common Equity Tier 1 ratio (%)	17.27%	16.43%	16.70%
6	Tier 1 ratio (%)	17.27%	16.43%	16.70%
7	Total capital ratio (%)	19.20%	16.67%	18.70%
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 (%)	1.20%	1.20%	1.20%
EU 7b	*of which: to be made up of CET1 capital (percentage points)*	*0.68%*	*0.68%*	*0.68%*
EU 7c	*of which: to be made up of Tier 1 capital (percentage points)*	*0.90%*	*0.90%*	*0.90%*
EU 7d	Total SREP own funds requirements (%)	9.20%	9.20%	9.20%
Combined buffer and overall capital requirement[1]				
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%
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 (%)	2.21%	2.21%	2.2%
EU 9a	Systemic risk buffer (%)	2.24%	2.09%	2.0%
10	Global Systemically Important Institution buffer (%)	–	–	–
EU 10a	Other Systemically Important Institution buffer (%)	–	–	–
11	Combined buffer requirement (%)	6.95%	6.80%	6.6%
EU 11a	Overall capital requirements (%)	16.15%	16.00%	15.8%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.00%	7.47%	9.50%
Leverage ratio				
13	Total exposure measure	34,301.7	34,246.8	34,832.6
14	Leverage ratio (%)	7.30%	6.53%	7.10%
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 (%)	3.00%	3.00%	3.00%
Leverage ratio buffer and overall leverage ratio requirement[2]				
EU 14d	Leverage ratio buffer requirement (%)	–	–	–
EU 14e	Overall leverage ratio requirement (%)	3.00%	3.00%	3.00%
Liquidity Coverage Ratio				
15	Total high-quality liquid assets (HQLA) (Weighted value -average)	1,985.2	3,732.7	1,897.1
EU 16a	Cash outflows - Total weighted value	1,598.9	2,900.6	1,310.1
EU 16b	Cash inflows - Total weighted value	1,793.6	2,289.1	2,464.4
16	Total net cash outflows (adjusted value)	399.7	725.1	327.5
17	Liquidity coverage ratio (%)	496.7%	514.8%	579.2%
Net Stable Funding Ratio				
18	Total available stable funding	27,953.6	29,136.8	28,760.8
19	Total required stable funding	22,116.0	20,625.4	21,260.1
20	NSFR ratio (%)	126.4%	141.3%	135.3%

1) As a percentage of risk-weighted exposure amount.
2) As a percentage of total exposure measure.

Note 9 – Related parties

Related parties

Related parties include:

- EQT VII (private equity fund), registered in Edinburgh (ultimate owner of Enity Holding AB),
- Enity Bank Group AB (publ), reg. no. 556717-5129, registered in Stockholm,
- Bluestep Finans Funding No 1 AB, reg. no. 556791-6928, registered in Stockholm,
- Bluestep Mortgage Securities No 3 Designated Activity Company, reg. no. 550839, registered in Dublin,
- Bluestep Mortgage Securities No 4 Designated Activity Company*, reg. no. 596111, registered in Dublin,
- Uno Finans AS, reg. no 921320639, registered in Oslo (provides loan brokerage services and is an associate of Enity Holding Group AB),
- Uno Finans OY, reg. no. 33098331, registered in Helsinki (a wholly owned subsidiary of Uno Finans AS).
- Eiendomsfinans AS, reg. no. 967692301, registered in Drammen (provides loan brokerage services and is an associate of Enity Holding Group AB).

* The wholly owned subsidiary, Bluestep Mortgage Securities No 4 Designated Activity Company, was liquidated on 3 March 2025.

MSEK Assets and liabilities	31 March 2025	31 March 2024	31 December 2024
Intercompany receivables			
Associates	14.6	15.0	15.4
Total	**14.6**	**15.0**	**15.4**
Intercompany payables			
Associates	–	–	1.4
Total	**–**	**–**	**1.4**

MSEK	For the three months ended 31 March	
Income and costs	**2025**	**2024**
General administration expenses		
Associates	18.0	5.1
Total	**18.0**	**5.1**

Other assets

Other assets refer to a loan to the associate Eiendomsfinans AS issued on market terms.

General administration expenses

General administrative expenses consist of loan brokerage costs related to the associate companies Uno Finans and Eiendomsfinans AS.

Note 10 – Pledged assets, contingent liabilities and commitments

MSEK	31 March 2025	31 March 2024	31 December 2024
Pledged assets and comparable securities for own liabilities			
Lending to credit institutions	33.4	15.6	22.0
Lending to the public	5,772.0	5,550.0	5,772.0
Debt securities eligible for refinancing with central banks	20.0	20.0	20.0
Commitments			
Granted loans, not paid out	43.7	44.6	45.5
Future acquisitions	68.8	–	68.8

Lending to credit institutions

Reserved funds related to the Bank of Finland's reserve requirement.

Lending to the public

The collateral comprises loans secured by mortgages on single-family homes, second homes, and tenant-owned apartments, with loan-to-value (LTV) ratios within 80% of the market value. In the event of the Group's insolvency, holders of the covered bonds have preferential rights to the pledged assets.

Debt securities eligible for refinancing with central banks

These accounts are used for interbank clearing. If a payment obligation (i.e., a negative account balance) is not fulfilled, the Swedish Central Bank is entitled to claim the pledged collateral.

Commitments Related to Future Acquisitions

The Group has entered into a binding commitment to acquire the remaining shares in Uno Finans AS, in which the Group currently holds a 49% stake.

The acquisition is to be completed during the first quarter of 2026, in accordance with the shareholders' agreement.

The estimated minimum amount for the transaction corresponds to 51% of the agreed value under the shareholders' agreement, which amounts to approximately MNOK 68.8.

Note 11 – Earnings per share

	For the three months ended 31 March	
Earnings per share	**2025**	**2024**
Profit attributable to ordinary shareholders (MSEK)	61.7	46.1
Weighted-average number of ordinary shares (thousands of shares)	50,000	50,000
Earnings per share (SEK)	**0.98**	**0.90**

Profit attributable to ordinary shareholders	For the three months ended 31 March	
MSEK	**2025**	**2024**
Profit for the year	61.7	46.1
Share of profit attributable to non-controlling interest	–	–1.2
Profit attributable to ordinary shareholders	**61.7**	**44.9**

The weighted average number of ordinary shares included in the calculation of basic and diluted earnings per share is after retrospective adjustments that have occurred after the end of the reporting period. The Group currently does not have any instruments that could potentially dilute basic earnings per share in the future.

After the end of the reporting period and before the interim financial statements were published, Enity Holding AB proceeded, on 12 May 2025, to split the existing 4,000 shares in a share split 12,500:1, resulting in 50,000,000 shares after the split. As a result, the calculation of basic earnings per share for all periods presented was adjusted retrospectively.

Note 12 – Subsequent events

Capital structure – issue of AT1 bond and dividend payment

On 5 May 2025, Enity Holding issued AT1 bonds amounting to SEK 250 million. The bonds are perpetual, with the first possible redemption date after five years, and carry a coupon, which is treated and considered equivalent to a dividend, of 3-month STIBOR + 7 %. Since the coupon payments and the repayment of the nominal amount are controlled by the group, the instrument has been classified as Equity. The bonds are intended to be listed on Nasdaq Stockholm within four months of the issue date. The settlement date is 12 May 2025.

An extraordinary general meeting of Enity Holding on 5 May 2025 resolved on an extraordinary dividend of SEK 250 million to the shareholders of Enity Holding AB, with a payment date of 12 May 2025.

The purpose of Enity Holding's issuance of the AT1 bonds and the extraordinary dividend is to optimise the Group's capital structure.

Acquisition of remaining shares in Eiendomsfinans

Eiendomsfinans AS is a Norwegian mortgage broker in which Enity Bank owns approximately 49 percent of the shares and voting rights. On 5 May 2025, the Board of Directors of Enity Bank resolved to acquire the remaining approximately 51 percent of the shares and voting rights in Eiendomsfinans AS and its subsidiary Eiendomsfinans Drift AS from Enity Holding's parent company, Butterfly HoldCo Pte. Ltd, for a purchase price of SEK 83 million. The acquisition was completed on 6 May 2025, after which Eiendomsfinans AS became a wholly owned subsidiary of Enity Bank.

Bonus issue

On 12 May 2025, the extraordinary general meeting resolved on a bonus issue, increasing the share capital by transferring SEK 100,000 from the unrestricted equity pursuant to the most recently adopted balance sheet, without issuing any new shares.

Share split

On 12 May 2025, the extraordinary general meeting resolved to increase the number of shares in the company by dividing each existing share in 12,500 shares (share split 12,500:1). Through the share split, the total number of shares in the company increased from 4,000 to 50,000,000.

Enity Bank's long-term deposit and issuer ratings

On 4 June 2025, Moody's Investors Service (Nordics AB) (a credit rating agency established in the EU and registered under Regulation (EC) No. 1060/2009) downgraded Enity Bank's long-term deposit and issuer ratings to Baa1 from A3, while the outlook was changed to stable from negative.

Auditor's review report

To the Board of Directors of Enity Holding AB (publ), corporate identity number 556668-9575

Introduction

We have reviewed the condensed consolidated interim financial information on pages F-2–F-17 of Enity Holding AB (publ) as of 31 March 2025 and for the three-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and fair presentation of this condensed consolidated interim financial information in accordance with IAS 34. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated interim financial information is not prepared, in all material aspects, in accordance with IAS 34.

Stockholm, 9 June 2025
Ernst & Young AB

Erik Benjaminsson Castlin
Authorised Public Accountant

Financial information as of and for the financial years ended 31 December 2024, 2023 and 2022

Consolidated income statement

MSEK	Note	For the year ended 31 December 2024	2023	2022
Operating income				
Interest income calculated using the effective interest method		2,294.6	1,687.3	1,199.6
Other interest income		173.9	121.3	50.5
Interest expenses		–1,353.8	–849.3	–328.9
Net interest income	3, 4	**1,114.7**	**959.3**	**921.2**
Commission income		3.9	0.3	–
Commission expenses		–1.0	–0.9	–
Net gains and losses on financial transactions	5	4.9	27.1	–23.5
Result from shares in associates and joint ventures		–1.6	2.2	3.7
Other operating income	6	9.3	9.0	8.6
Total operating income		**1,130.3**	**997.0**	**910.0**
Operating expenses				
General administration expenses	7, 8, 9	–597.8	–588.0	–551.0
Depreciation, amortisation and impairment of tangible and intangible assets	20, 21	–97.8	–84.9	–66.8
Total operating expenses		**–695.6**	**–672.9**	**–617.8**
Profit before credit losses		**434.7**	**324.1**	**292.1**
Credit losses, net	3, 10	–41.0	–48.0	–28.1
Operating profit		**393.6**	**276.1**	**264.1**
Tax	11	–138.1	–75.3	–54.2
PROFIT FOR THE YEAR		**255.6**	**200.8**	**209.8**
Attributable to:				
Shareholders of the parent company		254.4	200.0	209.8
Non-controlling interest		1.2	0.8	–
Earnings per share (SEK)				
Basic earnings per share		5.09	12.80	16.78
Diluted earnings per share		5.09	12.80	16.78

Consolidated statement of comprehensive income

	For the year ended 31 December		
MSEK	**2024**	**2023**	**2022**
Profit for the year	**255.6**	**200.8**	**209.8**
Items that may be reclassified to the income statement			
Translation differences of foreign operations (before tax)	–35.5	–55.7	8.8
Tax due to translation differences of foreign operations	11.3	28.1	–17.4
Net investment hedge (before tax)	–6.7	4.2	–
Tax due to net investment of foreign operations	1.4	–	–
Total other comprehensive income for the year	**–29.6**	**–23.4**	**–8.6**
Total comprehensive income for the year	**226.0**	**177.5**	**201.3**
Attributable to:			
Shareholders of the parent company	224.8	176.6	201.3
Non-controlling interest	1.2	0.8	–

Consolidated balance sheet

		As of 31 December		
MSEK	**Note**	**2024**	**2023**	**2022**
Assets				
Cash and balances at central banks	13	604.7	1,044.7	501.7
Debt securities eligible for refinancing with central banks	14	668.8	1,003.4	422.7
Lending to credit institutions	15	2,568.4	1,513.8	1,701.9
Lending to the public	16	28,832.4	26,205.1	20,346.3
Value change of interest-hedged items in portfolio hedging	17	–4.4	–82.6	–334.9
Derivatives	17	102.0	186.4	337.8
Bonds and other interest-bearing securities	18	680.0	701.5	419.6
Shares and participations	19	1.1	59.3	–
Shares and participations in associates	19	144.6	148.2	14.2
Goodwill	20	2,668.7	2,670.5	2,593.1
Other intangible assets	20	493.4	508.7	470.2
Tangible assets	21	69.1	46.4	42.3
Other assets	22	166.1	24.5	49.2
Prepaid expenses and accrued income	23	79.5	73.4	54.1
Current tax assets	11	92.2	89.0	94.5
Deferred tax assets	11	4.4	33.8	–
TOTAL ASSETS		**37,170.8**	**34,226.2**	**26,712.9**
Liabilities and provisions				
Deposits from the public	26	23,202.9	20,513.1	13,239.1
Debt securities in issue	25	7,933.5	7,583.0	8,158.9
Derivatives	17	77.0	83.6	44.6
Other liabilities	27	149.5	444.5	455.4
Accrued expenses and prepaid income	28	88.1	79.6	70.3
Provisions	29	32.3	7.6	–
Current tax liabilities	11	65.6	59.8	56.9
Deferred tax liabilities	11	75.5	79.0	76.4
Total liabilities and provisions		**31,624.3**	**28,850.1**	**22,101.5**
Equity	24			
Share capital		0.4	0.4	0.1
Share premium reserve		190.7	190.7	–
Statutory reserve		26.0	26.0	26.0
Translation reserve		–54.9	–30.1	–6.8
Other contributed capital		1,074.0	1,074.0	677.6
Retained earnings		4,054.8	3,854.0	3,704.5
Profit for the year		255.6	200.8	209.8
Equity attributable to owners of the parent company		**5,546.6**	**5,315.8**	**4,611.4**
Non-controlling interest	34	–	60.4	–
Total equity		**5,546.6**	**5,376.2**	**4,611.4**
TOTAL EQUITY AND LIABILITIES		**37,170.8**	**34,226.2**	**26,712.9**

Consolidated statement of changes in equity

MSEK	Share capital	Share premium reserve	Statutory reserve	Translation reserve	Other contributed capital	Retained earnings incl. profit for the year	Total	Attributable to non-controlling interest	Total equity
	Attributable to owners of the parent company								
Opening balance 1 January 2022	**0.1**	**–**	**26.0**	**1.8**	**677.6**	**4,004.5**	**4,710.1**	**–**	**4,710.1**
Shareholders' contribution	–	–	–	–	–	–	**–**	–	**–**
Share issue	–	–	–	–	–	–	**–**	–	**–**
Dividend to shareholders	–	–	–	–	–	–300.0	**–300.0**	–	**–300.0**
Acquired primary capital instruments	–	–	–	–	–	–	**–**	–	**–**
Repayment primary capital instruments	–	–	–	–	–	–	**–**	–	**–**
Profit for the year*	–	–	–	–	–	209.8	**209.8**	–	**209.8**
Other comprehensive income for the year	–	–	–	–	–	–	**–**	–	**–**
Translation differences of foreign operations	–	–	–	8.8	–	–	**8.8**	–	**8.8**
Tax due to translation differences of foreign operations	–	–	–	–17.4	–	–	**–17.4**	–	**–17.4**
Net investments of foreign operations (before tax)	–	–	–	–	–	–	**–**	–	**–**
Tax due to net investment of foreign operations	–	–	–	–	–	–	**–**	–	**–**
Closing balance 31 December 2022	**0.1**	**–**	**26.0**	**–6.8**	**677.6**	**3,914.4**	**4,611.4**	**–**	**4,611.4**
Opening balance 1 January 2023	**0.1**	**–**	**26.0**	**–6.8**	**677.6**	**3,914.4**	**4,611.4**	**–**	**4,611.4**
Shareholders' contribution	–	–	–	–	396.4	–	**396.4**	–	**396.4**
Share issue	0.3	190.7	–	–	–	–	**191.0**	–	**191.0**
Dividend to shareholders	–	–	–	–	–	–	**–**	–	**–**
Acquired primary capital instruments	–	–	–	–	–	–60.4	**–60.4**	60.4	**–**
Repayment primary capital instruments	–	–	–	–	–	–	**–**	–	**–**
Profit for the year*	–	–	–	–	–	200.8	**200.8**	–	**200.8**
Other comprehensive income for the year	–	–	–	–	–	–	**–**	–	**–**
Translation differences of foreign operations	–	–	–	–55.7	–	–	**–55.7**	–	**–55.7**
Tax due to translation differences of foreign operations	–	–	–	28.1	–	–	**28.1**	–	**28.1**
Net investments of foreign operations (before tax)	–	–	–	4.2	–	–	**4.2**	–	**4.2**
Tax due to net investment of foreign operations	–	–	–	–	–	–	**–**	–	**–**
Closing balance 31 December 2023	**0.4**	**190.7**	**26.0**	**–30.1**	**1,074.0**	**4,054.8**	**5,315.8**	**60.4**	**5,376.2**

Consolidated statement of changes in equity, *cont.*

MSEK	Share capital	Share premium reserve	Statutory reserve	Translation reserve	Other contributed capital	Retained earnings incl. profit or the period	Total	Attributable to non-controlling interest	Total equity
	Attributable to owners of the parent company								
Opening balance 1 January 2024	**0.4**	**190.7**	**26.0**	**–30.1**	**1,074.0**	**4,054.8**	**5,315.8**	**60.4**	**5,376.2**
Shareholders' contribution	–	–	–	–	–	–	**–**	–	**–**
Share issue	–	–	–	–	–	–	**–**	–	**–**
Dividend to shareholders	–	–	–	–	–	–	**–**	–	**–**
Acquired primary capital instruments	–	–	–	–	–	–	**–**	–	**–**
Repayment primary capital instruments	–	–	–	–	–	–	**–**	–60.4	**–60.4**
Profit for the year*)	–	–	–	–	–	255.6	**255.6**	–	**255.6**
Other comprehensive income for the year	–	–	–	–	–	–	**–**	–	**–**
Translation differences of foreign operations	–	–	–	–30.8	–	–	**–30.8**	–	**–30.8**
Tax due to translation differences of foreign operations	–	–	–	11.3	–	–	**11.3**	–	**11.3**
Net investments of foreign operations (before tax)	–	–	–	–6.7	–	–	**–6.7**	–	**–6.7**
Tax due to net investment of foreign operations	–	–	–	1.4	–	–	**1.4**	–	**1.4**
Closing balance 31 December 2024	**0.4**	**190.7**	**26.0**	**–54.9**	**1,074.0**	**4,310.4**	**5,546,6**	**–**	**5,546.6**

*) Profit for the year attributable to non-controlling interest amounts to 1.2 (2023: 0.8, 2022: –)

Consolidated cash flow statement

		For the year ended 31 December		
MSEK	**Note**	**2024**	**2023**	**2022**
Operating activities				
Operating profit		393.6	276.1	264.1
Adjustments for non-cash items in operating activities				
Depreciation and amortisation	20, 21	97.9	84.9	66.8
Unrealised changes in value	5	9.5	51.3	−70.7
Credit losses excluding recoveries	10	51.6	53.1	37.0
Accrued interest		0.6	47.2	31.6
Other		−60.8	56.0	13.0
Total non-cash items		**98.9**	**292.6**	**77.7**
Tax paid		−94.0	−75.3	−71.9
Cash flow from current operations before changes to operating assets and liabilities		**398.6**	**493.4**	**269.9**
Cash flow from changes to operating assets and liabilities				
Increase (−)/decrease (+) of lending to the public		−2,917.9	−1,408.4	−1,783.9
Increase (−)/decrease (+) of short-term receivables		−45.3	127.5	−202.6
Increase (−)/decrease (+) in bonds and other interest-bearing securities		−21.0	638.2	−31.6
Increase (-)/decrease (+) in debt securities eligible for refinancing with central banks		375	−715.2	12.2
Increase (+)/decrease (-) of deposits from the public		2,813.5	2,471.0	2,826.6
Increase (+)/decrease (-) of short-term liabilities		−328.9	−64.6	354.2
Cash flow from operating activities		**273.9**	**1,541.9**	**1,444.8**
Investing activities				
Acquisition of shares in associates		–	−37.9	–
Acquisition of business, after deduction for cash and cash equivalents		–	−355.6	–
Investments in other intangible assets	20	−53.5	−71.4	−53.7
Investments in tangible assets	21	−3.6	−7.0	−17.6
Sale of subsidiary		53.4	–	–
Cash flow from investing activities		**−3.7**	**−471.8**	**−71.3**
Financing activities				
Dividend paid to shareholders		–	–	−300.0
Dividend received		–	–	2.3
Share issue		–	191.0	–
Issue of debt securities		410.1	–	–
Repayment of debt securities		–	−882.8	−384.0
Repayment of AT1 capital		−59.9	–	–
Amortisation of lease liability		−26.7	–	–
Cash flow from financing activities		**323.5**	**−691.8**	**−681.7**
NET CASH FLOW FOR THE PERIOD		**593.8**	**378.3**	**691.7**
Liquid funds at beginning of the period		**2,558.5**	**2,203.6**	**1,520.5**
Currency difference in liquidity		**20.7**	**−23.4**	**−8.6**
LIQUID FUNDS END OF THE PERIOD		**3,173.0**	**2,558.5**	**2,203.6**
of which cash and balances at central banks		*604.7*	*1,044.7*	*501.7*
of which lending to credit institutions		*2,568.4*	*1,513.8*	*1,701.9*
Cash flow includes interest receipts of		**2,716.8**	**1,979.9**	**1,312.9**
Cash flow includes interest payments of		**−1,277.2**	**−809.5**	**−315.4**

Notes to the financial statements

Note 1 – Significant Accounting Policies

General information

Enity Holding AB, previously Bluestep Holding AB, a limited liability company with corporate ID No. 556668-9575 (the "Company"), is a specialist mortgage provider operating in Sweden, Norway and Finland. The Company's head office is located at Sveavägen 163, SE-104 35 Stockholm, Sweden. The ultimate controlling party of Enity Holding AB is EQT VII (a private equity fund).

The Enity Holding Group consists of the parent company Enity Holding AB and its wholly owned subsidiary Enity Bank AB (publ), previously Bluestep Bank AB (publ), and indirectly owned subsidiaries. The Group's operations in Norway and Finland are operated through branches. For more information about group companies, see note 35.

Basis of accounting

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the EU and the Swedish FSA's Regulations and general guidelines, FFFS 2008:25. The Group also applies RFR 1, Additional Accounting Regulations for Groups and related interpretations issued by the Swedish Corporate Reporting Board, and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL 1995:1559).

Unless otherwise stated, the accounting policies below have been applied consistently to all periods presented in the financial statements.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Changes in accounting policies due to new or amended IFRS Accounting Standards

There are no changes in IFRS Accounting Standards and interpretations that are considered to have any material impact on the Group's financial statements.

New and revised standards and interpretations that have not yet come into force

IFRS 18 *Presentation and Disclosures in Financial Statements* will be effective for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The standard has not been yet endorsed by the EU. The Group does not currently intend to adopt the amendments before the effective date. The impact of the standard on the Group's financial statements is currently being assessed.

The International Accounting Standards Board (IASB) has published amendments to the Classification and Measurement of Financial Instruments, IFRS 9 and IFRS 7. The amendments provide guidance on how to assess the contractual cash flows of a financial asset that include contingent features and related disclosure requirements. Furthermore, the amendments address derecognition of financial liabilities when the settlement occurs through an electronic payment system. The amendments will be effective for annual reporting periods beginning on or after 1 January 2026, with earlier application permitted. The amendments have not yet been adopted by the EU. The impact of the amendments on the Group's financial statements is currently being assessed.

There are no other changes in IFRS Accounting Standards and interpretations that have not yet entered into force that are expected to have a material impact on the Group's financial statements.

Critical accounting judgements and estimates

When preparing the financial statements in accordance with IFRS Accounting Standards, management must rely on judgements and estimates that affect the reported amounts of assets, liabilities and disclosures of any assets and contingent liabilities at the reporting date, as well as reported income and expenses during the reporting period.

Management makes judgments and estimates to determine the value of certain financial assets and liabilities (lending to the public and asset-backed bonds). The judgments and estimates are based on historical experience and several other factors that are deemed reasonable under present circumstances.

The calculation of expected credit losses requires that the Group makes judgements and estimates for example when a significant increase in credit risk occurs and is calculated considering both internal and external information. The information consists of past events, current circumstances and reasonable verifiable forecasts of future economic conditions that can affect expected future cash flows. The expected credit losses take into account both asset-specific and macroeconomic factors and reflect the Group's expectations of these. At this time, no sustainability aspects are considered in the ECL calculations. For a more detailed description of the calculation of impairment, see Note 2 "Risk management".

Judgments

Depending on the degree of observability of market data and market activity, different methods are used to determine the fair value of financial instruments. Quoted prices in active markets are used primarily. If not available, the Group uses generally accepted valuation models instead. The Group determines when the markets are considered inactive and quoted prices no longer correspond to fair value and a valuation model should be used instead.

Fund shares that are classified as Tier 1 capital according to CRR were included in the acquisition of Bank2. The Group has made the assessment that the fund shares do not fulfil the criteria for the definition of a financial liability according to IAS 32. The cash flows (payments of principal and interest) are deemed to be under the Group's control and therefore the instrument is classified as equity.

Goodwill is impairment tested on a yearly basis. The value in use is calculated by the use of a DDM model (Dividend Discount Model). This means that the value of the shareholder equity for each cash-generating unit is determined by discounting that unit's expected cash flows from dividends.

The cash flow is discounted with an interest that reflects the return on equity requirements in order to mirror the relative risk of the investment and the time value of money.

Estimates

In the application of the Group's accounting policies, judgements and estimates are made to determine the carrying amounts of certain assets and liabilities. These are based on historical developments and other factors, including expectations of future events that are considered reasonable in the current circumstances. Significant estimates and assessments have been made in the areas below with reference to detailed information. Estimates for asset-backed bonds are based on expected lifetime and average return, which are in turn based on historical performance, expected cash flows and interest rates.

The Group also makes estimates regarding the expected life of tangible and intangible assets.

Consolidated financial statements
A subsidiary is recognised in the consolidated financial statements from the time the subsidiary is acquired up to and including the date on which control ceases. The Group is considered to have control over a company when it has over 50% of voting rights in the company and when it is exposed to or entitled to a variable return on its holding in the company. Intra-Group transactions between companies of the Group are eliminated in the consolidated financial statements.

Interest income and interest expense
Interest income and interest expenses are recognised using the effective interest method under net interest income. Interest income and interest expenses presented in the income statement consist of:

- Interest on financial assets and liabilities measured at amortised cost according to the effective interest method, and
- Interest from financial assets and liabilities measured at fair value through profit or loss.

Net gains/losses on financial transactions
Net gains/losses on financial transactions include the realised and unrealised changes in value arising from financial transactions classified as held for trading, instruments included in fair value hedges, potential ineffectiveness in hedging relationships, and currency gains and losses on financial assets and liabilities. Interest compensation from early redemptions of loans measured at amortised cost are also included in net gains/losses on financial transactions.

Assets and liabilities in foreign currency
The Group's monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate prevailing at the end of the reporting period. Exchange rate differences arising from translation are recognised in the income statement. Non-monetary assets and liabilities recognised at historical cost are translated to the exchange rate on the transaction date. Non-monetary assets and liabilities recognised at fair value are translated to the functional currency at the rate prevailing on the date of measurement at fair value. The income and expenses from the foreign operations are translated according to the average exchange rate per transaction month, which is considered an estimate of the exchange rate at each transaction day. The reporting currency for the Group is Swedish krona.

Financial instruments
The majority of the Group's balance sheet items are financial instruments. A financial instrument is any form of agreement that gives rise to a financial asset in a company and a financial liability or equity instrument in another company. The Group's financial assets include for example lending to the public and credit institutions, bonds and other interest-bearing securities and derivatives. The liability side includes deposits and borrowing from the public, debt securities in issue, derivatives, liabilities to credit institutions and accounts payable.

Financial assets are recognised in the balance sheet on the settlement date. Liabilities are recognised when the counterparty has performed, and a contractual obligation exists even though an invoice has not yet been received. A financial asset is derecognised from the balance sheet when the contractual rights to the asset are realised, expired or the Group loses control over them. A financial liability is derecognised from the balance sheet when the contractual obligation has been fulfilled or in some other manner closed.

Financial instruments are initially recognised at fair value, plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

Subsequent accounting depends on the categorisation of the financial instrument:

- Financial assets and liabilities at fair value through profit or loss, and
- Financial assets and liabilities recognised at amortised cost.

Financial assets measured at fair value through profit or loss

This category consists of financial assets held in a business model that does not involve collecting contractual cash flows or partially collecting contractual cash flows and partially collecting cash flows from sales. In addition to sales of financial assets, the Group also assesses the business model based on how the portfolio of financial assets is evaluated in terms of return and risk. Financial assets whose contractual cash flows do not consist solely of principal, interest and fees are also classified in this category. The Group's assets in this subgroup consist of: (i) derivative instruments with positive market value not included in an effective hedging relationship (see the section on hedge accounting); (ii) derivatives that constitute effective hedging instruments; (iii) bonds and other interest-bearing securities held for liquidity risk management; (iv) lending to the public at fair value through profit or loss, and v) fund shares.

Assets in this category are initially recognised at fair value, while attributable transaction costs are recognised immediately in profit or loss. Changes in fair value and realised profit/loss for these assets are recognised directly in profit or loss as Net gains/losses on financial transactions, while accrued interest and interest received are recognised as interest income. Fair value is the price at the measurement date that would be received by selling an asset or payable on the transfer of a liability through an orderly transaction between market participants.

The fair value of financial instruments measured at fair value and traded on an active market, such as Swedish covered bonds, is based on quoted prices. For financial instruments not traded in an active market, the fair value is determined based on generally accepted measurement techniques, which are based on observable market quotations to the greatest extent possible.

Level 1: Quoted prices (unadjusted) from active markets for identical assets or liabilities.

Level 2: Valuation model based on observable data for the asset or liability other than the prices included in Level 1, either direct (actual prices) or indirect (derived prices).

Level 3: Valuation models where essential data is based on non-observable data.

Derivatives

The Group's derivative instruments have been acquired to hedge the risks of interest rate and exchange rate exposures. The Group applies hedge accounting to hedging relationships that meet the requirements. Derivatives not included in a hedging relationship are recognised at fair value through profit or loss. Derivatives included in an effective hedging relationship are recognised as described below.

Hedge accounting (IAS 39)

Fair value hedge (portfolio hedges)

The Group uses derivatives to hedge interest rate risks in the business. The derivatives are measured at fair value in the balance sheet and otherwise managed according to each hedging relationship. At initial hedge accounting, the Group documents the economic correlation between the hedged item and the hedging instrument, that is, that there is a well-founded expectation that the hedging instrument is highly effective in counteracting the hedged risk's impact on the hedged item, and that it must be possible to measure and evaluate this effectiveness reliably. Ineffectiveness is recognised as profit or loss. If the conditions for hedge accounting are no longer fulfilled, the hedge accounting is discontinued.

Portfolio hedges are applied by the Group when the interest rate exposure in loan portfolios is hedged with derivatives. When hedge accounting is applied, the hedged risk in the hedged portfolio is also measured at fair value. The value of the hedged risk in the hedged portfolio is recognised on a separate line in the balance sheet (value change of the hedged items in portfolio hedges of interest rate risk).

Hedging of net investments in foreign operations

Hedging of net investments in foreign operations is applied to protect the Group from translation differences that arise from the translation of operations in a functional currency other than the presentation currency. The part of the exchange rate result from hedging instruments that are effective is recognised in other comprehensive income. Any ineffectiveness is recognised in the profit or loss within Net gains/losses on financial transactions. If a foreign operation is divested, the gain or loss from the hedging instrument is reclassified from other comprehensive income and recognised in the profit or loss.

Bonds and other interest-bearing securities

The Group has invested some of its excess liquidity in bonds and other interest-bearing securities. Capital gains and losses are recorded in the profit or loss as Net gains/losses on financial transactions.

Financial assets measured at amortised cost

This category consists of financial assets held in a business model to collect contractual cash flows. The contractual cash flows consist solely of principal, interest and fees. In the statement of financial position, these are presented in the balance sheet as Loans to credit institutions, Loans to the public and Other assets, depending on their nature. These assets are recognised at amortised cost. Loan receivables are initially recognised at acquisition cost, which consist of the loan amount paid less fees received and additional costs that form an integral part of the return. The interest rate that generates the loan's acquisition cost when calculating the present value of future payments is considered the effective interest rate. Receivables other than loan receivables, which are not interest-bearing, are expected to be short-term and are therefore recognised at a nominal amount without being discounted. Expected credit losses are reported separately outside of operating expenses.

Lending to the public

Lending to the public consists of loans to individuals secured with property as collateral. Impairment losses and recoveries of impairment losses are recognised as net credit losses. For further information regarding impairment, see the following paragraph.

Impairment of financial assets measured at amortised cost

Expected credit losses are recognised for financial assets measured at amortised cost in accordance with IFRS 9. In the model, expected credit losses are calculated based on the estimated risk at the time of the calculation, whether a significant increase in credit risk has occurred since initial recognition and assessed macroeconomic developments, even if no actual loss event has occurred. Expected credit losses are calculated based on both internal and external information. The information consists of past events, current circumstances and reasonable verifiable forecasts of future economic conditions that can affect expected future cash flows. The expected credit losses consider both asset-specific and macroeconomic factors and reflect the Group's expectations regarding these factors. For a more detailed description of the calculation of impairment, see Note 2 "Risk management".

Cash and cash equivalents

Cash and cash equivalents comprise liquid funds held at credit institutions, as well as short-term investments with a maturity of less than three months from the acquisition date and exposed to only an insignificant risk of value fluctuations. Cash and cash equivalents are recognised at nominal amounts.

Financial liabilities measured at fair value through profit or loss

The Group's liabilities in this category are derivative instruments with negative market values which are mandatorily measured at fair value through profit or loss. These can be part of an effective hedging relationship or a non-effective hedging relationship. For more information, see the section on hedge accounting. Liabilities in this category are initially recognised at fair value, while attributable transaction costs are recognised in profit or loss. Changes in fair value and realised profit/ loss are recognised directly in the income statement under Net gains/losses on financial transactions, while accrued interest and interest received are recognised in Net interest income.

Financial liabilities measured at amortised cost

Funding, deposits from the public and other financial liabilities such as accounts payable are included in this category. The liabilities are measured at amortised cost.

Subordinated loans

Subordinated loans are measured at amortised cost and are subordinated to other liabilities.

Intangible assets

Intangible assets are recognised at acquisition cost less accumulated amortisation and impairment. Amortisation is recognised in profit or loss on a linear basis over the estimated useful life of the asset. Intangible assets with a determinable useful life are amortised from the date they are available for use. The expected useful life is estimated to 5 years.

Intangible assets are recognised in the balance sheet only if the asset is identifiable, it is likely that the asset will generate future financial benefits and the Group has control over the asset.

The carrying amount of an intangible asset is derecognised from the balance sheet at disposal, sale or when no future economic benefits are expected from the use of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the selling price and the asset's carrying amount less direct selling expenses and are recognised as other operating income/expenses.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is calculated as the sum of the transferred consideration measured at fair value at the acquisition date and the amount of any non-controlling interests in the acquiree. For each acquisition, the Group determines whether all non-controlling interests in the acquired company should be recognised at fair value or at the non-controlling interest's proportionate share of the acquired subsidiary's net assets.

Goodwill represents the difference between the cost of business combinations and the fair value of acquired assets, liabilities assumed and contingent liabilities. Goodwill is measured at cost less any accumulated impairment. To test impairment, goodwill is allocated to reporting segments. A reporting segment is the lowest level at which goodwill is followed-up in the Group's internal governance.

Trademarks
Trademarks acquired in a business combination are initially recognised at fair value less any accumulated impairment. The Group's assessment is that trademarks useful life is indefinite. Any costs for internally developed trademarks are recognised in the profit or loss in the period in which they arise.

Customer relationships
Customer relationships acquired in a business combination are initially recognised at fair value less accumulated amortisation and impairment.

Amortisation and impairment
Amortisation is recognised in the profit or loss on a linear basis over the estimated useful lives of intangible assets unless the useful lives are indefinite. Amortisable intangible assets are amortised from the date on which they are available for use.

At each closing date, an assessment is made of whether there is any indication of a decrease in the value of the Group's assets. For goodwill, trademarks and banking licences that are not amortised on an ongoing basis, impairment tests are carried out at least annually and/or in the event of an indication of impairment of the asset.

If this is the case, an assessment of the recoverable amount of the asset is made. The recoverable amount is the higher of the asset's fair value, less costs to sell, and its value in use. Value in use refers to the present value of future cash flows attributable to the asset and the present value of net realisable value at the end of its useful life.

If the estimated recoverable amount is less than the carrying amount, an impairment loss is recognised. A previous impairment loss is reversed when there has been a change in the assumptions on the basis of which the recoverable amount of the asset was determined at the time of impairment and which means that the impairment loss is no longer deemed necessary. Reversals of previously made impairments are tested individually and reported in the profit or loss. Impairment of goodwill is not reversed in a subsequent period.

The estimated useful lives for customer relationships are 4–9 years and 5 years for of IT systems, internally developed systems and software development costs.

Impairment test
Goodwill and other intangible assets with an indefinite useful life (trademarks) are attributable to business combinations. These assets are not amortised but are tested for impairment annually and whenever there is an indication of impairment. An impairment is made by the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's value less selling costs and its value in use. If the recoverable amount is lower than the carrying amount, an impairment is recognised. A recognised impairment of goodwill is not reversed in subsequent periods.

Property, plant and equipment
Tangible assets
These assets are recognised at cost less accumulated depreciation based on an assessment of the assets' useful lifetime. The expected useful life is estimated to five years. Impairment testing is performed at least once a year, or if there is an indication of a permanent decline in value.

Leases
Leases are recognised as a right-of-use asset under assets and a lease liability under liabilities.

The interest expenses for the year attributable to leases is shown in Note 4 "Net interest income", changes in right of-use assets is shown in Note 21 "Tangible assets", and the lease liability per year-end and maturity analysis is shown in Note 27 "Other liabilities".

Provisions
A provision is recognised in the balance sheet when the Group has a legal or constructive obligation arising from past events and it is probable that an outflow of resources will be required to settle the obligation. Additionally, a reliable estimation of the amount must be made, and estimated outflows calculated at present value.

Provisions are recognised for restructurings. i.e. extensive organisational changes which may require the payment of employee severance for early termination or offices to be shut down. For a provision to be recognised, a restructuring plan must be in place and announced, so that it has created a valid expectation among those affected that the company will implement a restructuring.
A provision for restructuring includes only direct expenses related to the restructuring and not to future operations, such as of the cost of severance.

Equity
The translation reserve consists of unrealised exchange rate effects as a result of translation of foreign entities.

Cash flow statement
The cash flow statement is prepared using the indirect method in accordance with IAS 7. The reported cash flow includes only transactions that entail incoming or outgoing payments.

Note 2 – Risk management

Credit risk
Definition
Credit risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to failure of a counterparty to fulfil its obligations in accordance with agreed terms.

Risk mitigation
Given the nature of the business with lending to the public, credit risk is a material risk for the Group. Credit losses could arise due to inability or unwillingness of a customer or a counterparty to fulfil its obligations in relation to lending (probability of default), or due to recoveries from the collateralised assets being insufficient to cover the principal amounts, accrued interest and other costs (loss given default). In addition, credit risk can be reflected as losses through provisions resulting from reduction in portfolio values arising from actual or perceived deterioration in credit quality.

The main credit risk exposures are mortgages, investments such as government and covered bonds and exposures to other institutions.

The Group provides residential mortgages in Sweden, Norway and Finland. The credit portfolio is well diversified and consists of a large number of customers, primarily within client segments with somewhat increased risk compared to traditional mortgage banks. The credit strategy is based on the borrowers' expected ability to repay their debts and credit history, and to assess the probability of default, the borrowers are divided into different risk categories.

Credit risk is primarily managed through the credit policy and credit instructions, as well as a risk management strategy with set risk appetite and risk tolerance established by the board. Active credit risk management is achieved through the credit operation, which ensures careful and well-balanced customer selection.

The credit operation is responsible for the credit decision process and ensures compliance with the governing documents for credit risk management. The risk classification system is central for the credit process, encompassing work and decision-making processes for granting and monitoring credit, and quantification of credit risk. The granting of credit presupposes that the borrower on good grounds can be expected to fulfil their commitment to the Group. A sound, long-term robust and risk-balanced lending presupposes that the credit transaction is set in relation to influencing external factors. This means that knowledge of expected local, regional and global change and development, of significance to the business and its risk, are considered. Systematic analysis of the individual credit exposures takes place through ongoing follow-up of individual commitments.

Active credit risk management is also achieved by the collection operations responsible for non-performing loans, i.e. where customers have ceased to service their debt obligations and thereby breach their contractual terms and attempt to implore these customers to return to orderly payments or take other actions to mitigate the risk of loss.

In order to maintain a well-diversified credit portfolio, with a balanced risk profile and good balance between risk and return, the Group continuously strives to understand the borrowers and their individual conditions. The performance of the loan portfolios is continuously monitored, and risk factors analysed, allowing for a better understanding of the underlying credit risk.

Credit risk regarding customer and object

Estimating credit exposure for risk management purposes is complex and requires the use of models, since the exposure varies according to changes in market conditions, expected cash flows and the passage of time. The Group calculates credit risk by using probability of default ("PD"), exposure at default ("EAD") and loss given default ("LGD"). This method is used to calculate expected credit losses in accordance with IFRS 9.

After the date of the initial credit assessment, the borrower's payment behaviour is continuously monitored to create a behaviour score. All other information about the borrower that affects their ability to pay, such as previous payment patterns, are also incorporated into this behaviour score. This score is used to estimate the PD.

Loan to value ("LTV")

LTV describes the leverage a borrower has, and it is used by a lender to explain the relation between a loan and the value of the collateral. The higher percentage an LTV has, the higher risk for the lender. The main security for the Group's mortgages is in real estate mortgage deeds and pledged condominiums. The Group performs a valuation of the security used in the lending process. The Group's policy to value securities has not changed considerably during the period 2022–2024 and there have not occurred any specific changes of the total quality of the securities which is held by the Group during the same period.

Mortgages Sweden	As of 31 December					
	2024		2023		2022	
Allocation LTV, MSEK	Exposure, gross	Write-off	Exposure, gross	Write-off	Exposure, gross	Write-off
-50%	1,008.8	3.2	1,032.1	2.5	971.2	1.4
50–60%	779.7	2.5	736.3	2.3	757.4	1.4
60–70%	1,665.5	7.0	1,664.2	5.6	1,681.1	3.7
70–80%	3,439.6	10.3	3,120.7	20.0	2,755.3	12.8
80–90%	3,508.3	36.3	3,669.2	27.9	3,967.7	19.1
90–100	1.4	0.0	1.4	0.0	10.9	0.5
100% +	–	–	–	–	2.8	–
Total	**10,403.3**	**59.2**	**10,224.2**	**58.2**	**10,146.4**	**39.1**

Mortgages Norway	As of 31 December					
	2024		2023		2022	
Allocation LTV, MSEK	Exposure, gross	Write-off	Exposure, gross	Write-off	Exposure, gross	Write-off
-50%	2,121.8	7.6	3,484.6	12.9	1,711.8	3.0
50–60%	1,500.0	4.1	1,357.3	8.4	890.6	2.0
60–70%	2,439.9	8.8	1,903.0	6.7	1,329.7	3.2
70–80%	3,972.0	13.9	3,105.9	13.7	2,054.5	4.8
80–90%	5,310.9	21.1	4,015.3	20.8	2,748.8	5.8
90–100	77.9	2.0	–	–	–	–
100% +	33.7	1.9	–	–	–	–
Total	**15,456.3**	**59.5**	**13,866.1**	**62.4**	**8,735.3**	**18.8**

Mortgages Finland	As of 31 December					
	2024		2023		2022	
Allocation LTV, MSEK	Exposure, gross	Write-off	Exposure, gross	Write-off	Exposure, gross	Write-off
-50%	677.3	4.4	349.1	1.8	84.3	0.3
50–60%	207.2	1.2	107.4	0.5	57.0	0.3
60–70%	179.7	1.3	104.9	1.2	93.6	0.7
70–80%	165.8	0.8	117.0	1.0	166.9	0.4
80–90%	87.7	0.4	64.6	0.4	111.5	0.5
90–100	–	–	–	–	–	–
100% +	–	–	–	–	–	–
Total	**1,317.6**	**8.1**	**743.1**	**4.8**	**513.3**	**2.2**

Note 2 – Risk management, *cont.*

Sensitivity analysis

The main assumption affecting collateral and, consequently, provisions is the house price development index in each respective country, primarily due to its impact on the LGD. The adjustments in Expected Credit Losses (ECL) as of 31 December in each of the reporting periods as outlined below, reflect reasonable alterations in these parameters relative to the actual assumptions adopted by the Group. No sensitivity analysis has been conducted for the Finnish and legacy Bank2 mortgage portfolios, due to its comparatively recent inception and the absence of pertinent data.

As of 31 December 2024	**Sweden**					**Norway**				
Change in house price index	–20%	–10%	+/–0%	+10%	+20%	–20%	–10%	+/–0%	+10%	+20%
Change in ECL	0.2	0.1	0.0	–0.1	–0.3	–0.1	–0.1	0.0	–0.1	0.0

As of 31 December 2023	**Sweden**					**Norway**				
Change in house price index	–20%	–10%	+/–0%	+10%	+20%	–20%	–10%	+/–0%	+10%	+20%
Change in ECL	0.2	0.1	0	–0.1	–0.2	–0.4	–0,2	0	0.2	0.4

As of 31 December 2022	**Sweden**					**Norway**				
Change in house price index	–20%	–10%	+/–0%	+10%	+20%	–20%	–10%	+/–0%	+10%	+20%
Change in ECL	9.5	4.8	0	–3.8	–7.6	0.7	0.3	0	–0.4	–0.8

Calculation of credit loss provisions and expected credit losses

Expected credit losses are calculated using quantitative models based on inputs and assumptions. The following items may have a particularly significant impact on the level of provisions:

- determination of a significant increase in credit risk,
- consideration of prospective macroeconomic scenarios, and
- measurement of both ECL within the next 12 months and ECL during the residual expected maturity.

The most important inputs for measuring ECL are:

- probability of default (PD),
- loss given default (LGD),
- exposure at default (EAD), and
- expected maturity.

These calculations are derived from internally developed statistical models, that consider both historical data and probability-weighted prospective scenarios.

In addition, the Group has the possibility to perform a management overlay, if it deems that there are factors that the models do not take into consideration. The Group does not report any ECL for other short-term receivables as a result of the probability of default on these being assessed as low.

Components, assumptions and estimation methods

The ECL is calculated at either 12 months or lifetime duration, depending on whether there is a significant increase in credit risk since the first credit assessment, or if the loan is in default. The ECL is calculated by calculating the PD, EAD and LGD for every future month for each contract. The three components are multiplied and adjusted by the probability of survival, i.e. the likelihood that the contract has not gone into default or been terminated prematurely. Each monthly amount produced through these calculations is discounted back to the reporting date and totalled. The discount rate used in the calculation is the effective interest rate of the loan at origination.

12 months' PD and lifetime PD are equivalent to the probability of default in the next 12 months and the entire remaining term of the financial asset, respectively.

The lifetime PD is generated by looking at the maturity profile of each risk segment. This maturity profile assesses where in time a default presumably takes place, from the first assessment date throughout the entire contract term for each loan. The profile is based on historic data and is expected to be the same within each segment. To estimate the 12-month PD, a logistical regression model customised for the product is used.

Both values are based on the circumstances at the reporting date and future financial conditions that affect credit risk. The PD models are based on homogeneous sub-segments of the credit portfolio,

Note 2 – Risk management, *cont.*

such as country, business area or product group. They are then used to derive the 12-month PD. A deterioration in an economic outlook based on forecasted macroeconomic variables for each scenario or an increase in the probability that the worst-case scenario will occur results in a higher PD. This increases both the number of loans transferred from Stage 1 to Stage 2 and the estimated credit provisions.

The EAD represents estimated credit exposure on a future default date considering altered expectations in credit exposure on the reporting date. The Group's method for modelling EAD reflects current terms for the repayment of principal and interest, the maturity date and expected repayments beyond contractual payments. The remaining exposure is estimated based on these variables on a monthly basis until the loan is expected to be repaid.

The LGD corresponds to the estimated credit losses in case of default, taking into consideration the expected value of future recoveries, realisation of collateral, when the recoveries are expected to occur and the time value of the money. When calculating the LGD, the collateral type, borrower type and contract information are minimum requirements. The LGD calculations are based on historic information concerning loss data in homogeneous subsegments of the credit portfolio, such as country, security type and product. Prospective macroeconomic factors are reflected in the LGD calculations through their impact on the LTV. A deterioration in an economic outlook based on macroeconomic factors for each scenario, or an increase in the probability that the worst-case scenario will occur, results in a higher LGD as well as the estimated credit provisions and vice versa.

Remaining maturity

For contracts at Stage 2 or Stage 3, the Group estimates the ECL while considering the risk of default for the remaining maturity. The expected maturity is generally limited to the maximum contract period during which the Group is exposed to credit risk, even if a longer period corresponds to business praxis. All contract terms are considered when the expected maturity is determined, including repayment, extension and transfer alternatives that are binding for the Group. The Group applies the Enity Bank model and assumptions after the acquisition date throughout the Group.

Significant Increase in credit risk ("SICR")

The expected credit loss model is a three-stage model based on changes in credit risk since initial recognition. The implication of the three-stage model is that the assets are divided into three categories depending on how the credit risk has changed since the asset was first recognised on the balance sheet. Stage 1 includes assets that have not had a significant increase in credit risk. Stage 2 includes assets that have had a significant increase in credit risk. Stage 3 includes defaulted assets. The credit loss provisions for the assets are determined by their category. Provisions for ECL in the next 12 months are recorded in Stage 1, while provisions are recorded for ECL during the entire remaining maturity of the assets in Stages 2 and 3.

One consistent concept for assessing ECL is that prospective information must be used. To assess whether there is a significant increase in credit risk that necessitates a transfer to Stage 2, the Group uses the change in the loan's lifetime PD, i.e. the expected credit risk during the lifetime of the contract. For a significant increase in credit risk to occur, a relative percentage change of the lifetime PD exceeding a given threshold value is required. In addition to this criterion, the Group also uses an absolute change to the PD that means if the lifetime PD increases by a certain percentage point, which varies depending on the product category, it is referred to Stage 2.

Stage 1	Stage 2	Stage 3
First credit assessment session	Significant increase in credit risk since first credit assessment session	Uncertain claim
12 month expected credit losses	Expected credit losses during the contract period	Expected credit losses during the contract period

Note 2 – Risk management, *cont.*

The tables below present a breakdown of loans measured at amortised cost distributed according to PD interval and stage allocation.

PD interval Mortgages **As of 31 December 2024**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
<=0.4%	4,086.6	72.9	–	**4,159.4**
0.4%–0.8%	4,250.6	109.1	–	**4,359.7**
0.8%–3.2%	11,769.9	998.5	–	**12,768.5**
3.2%–6.4%	901.4	395.5	–	**1,296.9**
6.4%–12.8%	621.8	676.9	–	**1,298.7**
12.8%–	322.0	1,473.9	–	**1,795.9**
Loans in stage 3	–	–	1,498.1	**1,498.1**
Change due to expert credit judgement	–	–	–	**–**
Total	**21,952.2**	**3,726.9**	**1,498.1**	**27,177.2**
Reserve for ECL	–12.5	–51.3	–63.0	**–126.7**
Total lending to the public valued at amortised cost	**21,939.7**	**3,675.6**	**1,435.1**	**27,050.5**

PD interval Mortgages **As of 31 December 2023**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
<=0.4%	3,298.0	49.4	–	**3,347.4**
0.4%–0.8%	5,384.2	156.1	–	**5,540.3**
0.8%–3.2%	10,072.2	545.1	–	**10,617.3**
3.2%–6.4%	976.4	368.3	–	**1,344.8**
6.4%–12.8%	422.7	736.7	–	**1,159.4**
12.8%–	269.3	1,566.4	988.5	**2,824.2**
Loans in stage 3	–	–	–	**–**
Change due to expert credit judgement	–	–	–	**–**
Total	**20,422.8**	**3,422.0**	**988.5**	**24,833.4**
Reserve for ECL	–9.4	–53.2	–62.9	**–125.5**
Total lending to the public valued at amortised cost	**20,413.4**	**3,368.8**	**925.6**	**24,707.9**

PD interval Mortgages **As of 31 December 2022**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
<=0.4%	2,760.1	7.8	–	**2,767.9**
0.4%–0.8%	5,605.2	9.4	–	**5,614.5**
0.8%–3.2%	7,518.9	151.8	–	**7,670.7**
3.2%–6.4%	959.5	186.6	–	**1,146.1**
6.4%–12.8%	216.4	549.7	–	**766.0**
12.8%–	50.6	1,006.3	–	**1,056.9**
Loans in stage 3	–	–	372.8	**372.8**
Change due to expert credit judgement	–25.3	25.3	–	**–**
Total	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Reserve for ECL	–7.2	–31.7	–21.1	**–60.0**
Total lending to the public valued at amortised cost	**17,078.1**	**1,905.2**	**351.7**	**19,334.9**

Note 2 – Risk management, *cont.*

Determination of significant increase in credit risk ("SICR")

The Group deems that a significant increase the credit risk of a loan has occurred when one or more of the following qualitative and quantitative criteria have been met.

Qualitative and quantitative criteria

SICR has occurred if the remainder of the loan's lifetime PD has increased at the reporting date, compared to the corresponding part during initial recognition, to an extent that the increase exceeds the thresholds defined for the Group. These thresholds are decided separately for the Group's various portfolios by reviewing the trends of the lifetime PD before loans go into default. The lifetime PD trends for loans that do not go into default are also reviewed to discern "natural" PD movements that should thus not be considered as a SICR. The assessment of SICR contains prospective information and is performed at the portfolio level on a quarterly basis for all loan products provided by the Group. This assessment is performed continually and periodically at the counterparty and contract levels.

To assess if a loan is in the state of SICR and therefore should be deemed as Stage 2, the change in estimated lifetime PD since time of payout is measured. A significant increase in credit risk is defined as a relative increase (in percent) in estimated lifetime PD that exceeds a given threshold. In combination with the relative change an absolute increase is required as well, which means that if lifetime PD increase by a given percentage point the loan is deemed as Stage 2.

SICR for Swedish Mortgages is defined as a lifetime PD above 1.9% and a relative increase since payout by 500% or more. These criteria do not mean that loans with a lifetime below 1.9% are excluded from SICR, since the Backstop is still applied. SICR for Norwegian Mortgages is defined as a relative increase of lifetime PD since payout by 400% or more. Due to the short history of the Finnish portfolio, and the small number of observed defaults, the Stage 2 criteria is limited to the regulatory backstop.

Backstop

The Group also applies a backstop, which means that a loan that is 30 to 90 days in default is referred to Stage 2 even if there is no significant increase in PD.

The following tables show the sensitivity in the threshold the Group uses in classifying SICR.

Mortgages Sweden 31 December 2024
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Unchanged absolute LT PD (1.9%) and reduced limit for PD-impairment with 40%	Increase of absolute LT PD (1.9%) with 33% and increased limit for PD-impairment with 60%	As of 31 December 2024 Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	500.0%	–15.8%	–17.0%	0.3	2,924.5	28%
0.4%–0.8%	500.0%	–32.8%	–39.4%	1.2	2,574.7	25%
0.8%–3.2%	500.0%	41.8%	–20.7%	3.1	2,873.7	28%
3.2%–6.4%	500.0%	158.8%	6.3%	2.9	573.9	6%
6.4%–12.8%	500.0%	71.2%	16.8%	6.2	518.2	5%
12.8%–	500.0%	–0.9%	–3.5%	12.8	520.5	5%
Loans in stage 3		0.0%	0.0%	32.7	417.8	4%
Total		**14.0%**	**–1.1%**	**59.2**	**10,403.3**	**100%**

Mortgages Norway 31 December 2024
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Reduced limit for PD-impairment with 40%	Increased limit for PD-impairment with 50%	As of 31 December 2024 Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	400.0%	0.0%	0.0%	0.1	1,110.3	10%
0.4%–0.8%	400.0%	0.0%	0.0%	0.2	1,593.6	15%
0.8%–3.2%	400.0%	6.7%	0.0%	1.7	5,592.6	51%
3.2%–6.4%	400.0%	33.7%	–14.7%	0.9	599.4	5%
6.4%–12.8%	400.0%	16.3%	–25.3%	2.2	636.5	6%
12.8%–	400.0%	1.2%	–3.6%	14.9	952.7	9%
Loans in stage 3		0.0%	0.0%	7.9	319.3	3%
Total		**4.5%**	**–2.7%**	**27.9**	**10,804.5**	**100%**

Note 2 – Risk management, *cont.*

Mortgages Sweden 31 December 2023
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Unchanged absolute LT PD (1.9%) and reduced limit for PD-impairment with 40%	Increase of absolute LT PD (1.9%) with 33% and increased limit for PD-impairment with 60%	As of 31 December 2023		
				Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	500.0%	0.0%	0.0%	26.0	261.6	3.%
0.4%–0.8%	500.0%	0.0%	0.0%	0.2	2,151.4	21%
0.8%–3.2%	500.0%	10.2%	–1.6%	1.4	3,785.9	37%
3.2%–6.4%	500.0%	74.4%	–1.8%	3.1	2,663.9	26%
6.4%–12.8%	500.0%	2.9%	–14.7%	2.7	586.8	6%
12.8%–	500.0%	0.0%	–0.6%	4.2	282.6	3%
Loans in stage 3		0.0%	0.0%	20.6	492.0	5%
Total		**4.2%**	**–1.4%**	**58.2**	**10,224.2**	**100%**

Mortgages Norway 31 December 2023
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Reduced limit for PD-impairment with 40%	Increased limit for PD-impairment with 50%	As of 31 December 2023		
				Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	400.0%	0.0%	0.0%	0.0	976.9	11%
0.4%–0.8%	400.0%	0.0%	0.0%	0.1	1,402.7	15%
0.8%–3.2%	400.0%	6.7%	0.0%	1.2	4,627.1	51%
3.2%–6.4%	400.0%	33.7%	–14.7%	0.9	509.6	6%
6.4%–12.8%	400.0%	16.3%	–25.3%	2.6	547.2	6%
12.8%–	400.0%	1.2%	–3.6%	10.5	658.9	7%
Loans in stage 3		0.0%	0.0%	7.5	287.9	3%
Total		**4.1%**	**–5.1%**	**22.8**	**9,010.2**	**100%**

Mortgages Sweden 31 December 2022
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Reduced limit for PD-impairment with 40%	Increased limit for PD-impairment with 50%	As of December 2022		
				Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	500.0%	0.8%	0.8%	0.1	1,721.0	17%
0.4%–0.8%	500.0%	2.6%	2.0%	1.3	4,400.2	43%
0.8%–3.2%	500.0%	31.2%	–1.8%	2.2	2,529.4	25%
3.2%–6.4%	500.0%	109.5%	4.0%	2.2	588.4	6%
6.4%–12.8%	500.0%	9.9%	–8.9%	3.0	273.0	3%
12.8%–	500.0%	0.1%	–0.9%	16.1	481.7	5%
Loans in stage 3		0.0%	0.0%	14.1	152.7	2%
Total		**8.7%**	**–0.9%**	**39.1**	**10,146.4**	**100%**

Note 2 – Risk management, *cont.*

Mortgages Norway 31 December 2022
Credit loss provision impact

PD interval at first accounting date	Threshold value impairment of PD	Unchanged absolute LT PD (1.9%) and reduced limit for PD-impairment with 40%	Increase of absolute LT PD (1.9%) with 33% and increased limit for PD-impairment with 60%	As of December 2022		
				Credit loss reserve, MSEK	Gross amount, MSEK	Share of portfolio (%)
<=0.4%	400.0%	0.0%	0.0%	0.0	878.3	10%
0.4%–0.8%	400.0%	0.0%	0.0%	0.1	1,270.4	15%
0.8%–3.2%	400.0%	6.5%	–0.3%	1.1	4,717.8	54%
3.2%–6.4%	400.0%	86.8%	–24.4%	0.6	570.3	7%
6.4%–12.8%	400.0%	42.4%	–48.6%	1.9	492.6	6%
12.8%–	400.0%	3.0%	–7.2%	9.4	600.3	7%
Loans in stage 3		0.0%	0.0%	5.7	205.6	2%
Total		**9.1%**	**–9.3%**	**18.8**	**8,735.3**	**100%**

Definition of default

In accordance with the regulatory requirements under the Capital Requirements Regulation (CRR), the Group conducted a thorough review of its definition of default during 2024. Following this review, the Group implemented an updated definition of default to ensure compliance with current regulatory standards and best practices. The updated definition of default, outlined below, affects the classification of certain loans, specifically those categorised as Stage 3 under IFRS 9's impairment model. As a result of the revision, a larger proportion of loans were classified as defaulted (Stage 3) in 2024 compared to 2023 and 2022, approximately 0.8 percentage points. The updated definition had no material impact on the Group's financial position or risk profile.

For 2024, the Group defines a loan as defaulted or credit impaired, when it meets the following criteria:

- The borrower has loans that exceed the threshold for material amount (1%) that are overdue for payment by more than 90 days.
- There are indications that it is unlikely the borrower will fulfil their credit obligations, for example bankruptcy or forbearance measures which result in diminished financial obligations.

A loan is considered cured when it no longer meets the default criteria for at least three consecutive months. For defaulted loans subject to forbearance measures, extended probation period is required for the loan to be considered cured.

For 2023 and 2022, the Group defines a loan as defaulted or credit impaired, when it meets the following criteria:

- The borrower is more than 90 days overdue with a payment on one or more of the contractual payments.
- No qualitative criteria were identified in the claims process and were therefore not applied.

For the period 2022–2023, a loan is considered cured when it no longer meets the default criteria for a certain period of time. This period was determined by analysing the probability that a loan reverts to normal status after having been defined as in default.

Prospective information

Prospective information is used in both the determination of SICR and the calculation of ECL. Based on analyses of historical data, the Group has identified and considered macroeconomic factors that affect credit risk, PD dimension, and thereby credit losses for the various portfolios. These factors are based on country and product type. In general, the factors with the highest correlation with PD are GDP growth, unemployment and interest rates, where the Group has identified the strongest correlation between the Group's portfolio and the market rate (STIBOR 3-month). The Group continuously monitors the macroeconomic trends of each country. This includes defining prospective macroeconomic scenarios for various portfolio segments and translating them into macroeconomic forecasts. The outcome scenario (base scenario) is based on assumptions that correspond to the Group's planning scenario and is used to create alternative scenarios that consider both a more positive and a more negative outlook.

In general, a deterioration in an economic outlook based on forecast macroeconomic factors for each scenario, or an increase in the probability that the worst-case scenario might occur, result in an increase in both the number of loans moved from Stage 1 to Stage 2 and the estimated provisions. On the other hand, an improvement in outlook, based on forecast macroeconomic factors, or an increase in the probability that the best-case scenario might occur, has the opposite effect. It is not possible to reasonably isolate the effects of changes in the various macroeconomic factors for a scenario due to the relationship between the factors and the internal relationship between the level of pessimism inherent in a scenario and its likelihood of occurring.

In addition to the base scenario, the Group also generates other potential scenarios combined with the probability of each scenario. The number of scenarios generated is determined by ensuring that all non-linear relationships are covered.

The number of scenarios and their weights are evaluated at each reporting date. On 1 January 2024 and 31 December 2024, 1 January 2023 and 31 December 2023, and 1 January 2022 and 31 December 2022, the Group determined that three scenarios covered all non-linear relationships. The weights of each scenario are determined internally through statistical analysis and expert-based credit assessment.

SICR is determined by using the lifetime PD for each scenario and weighting them together with their respective probabilities, as well as qualitative indicators and a backstop. The combination of these components determines whether the contract should be assessed as Stage 1 or Stage 2, and whether 12-month or lifetime ECL should be used. After this evaluation, the Group calculates ECL as either a weighted 12-month amount (Stage 1) or a weighted lifetime amount (Stages 2 and 3). These probability-weighted scenarios are calculated by running each scenario through the established ECL model and multiplying it by the appropriate scenario weights.

Note 2 – Risk management, *cont.*

As with every economic forecast, these are expected values and the probabilities of each scenario are subject to a certain degree of inherent uncertainty, and therefore the actual outcome may differ significantly from the Group's forecasts. However, the Group considers these forecasts to be the best estimate based on potential outcomes, and the Group has analysed the non-linear relationships for each portfolio to determine that its chosen scenarios represent all possible scenarios.

The Group performs the calculation under a Base scenario, which corresponds to the expected macroeconomic development of the variables that affect the provisions. In combination with the Base scenario, an assumption is made of an optimistic, i.e. a more positive market trend, and a negative scenario, where the market does not develop in line with the assumptions in the models.

Other prospective factors that are not part of the above scenarios, such as regulatory, legal or political changes, have also been considered, but have not been deemed to have any material impact and therefore no adjustments were made based on these factors. This evaluation is performed continually at each reporting date.

The most significant assumptions used to calculate ECL as of each of the reporting dates are shown in the table below. The base, optimistic and negative scenarios are used for all portfolios.

Consideration of macroeconomic assumptions

As of 31 December 2024	Weight	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Mortgages Sweden Interest rate assumption - optimistic	0.25	1.77	0.38	–0.31	–0.01	0.30	0.66	0.97	1.31	1.59	1.92
Mortgages Sweden Interest rate assumption - base	0.50	2.94	2.00	1.66	1.74	1.83	1.98	2.06	2.18	2.24	2.36
Mortgages Sweden Interest rate assumption - negative	0.25	4.07	3.60	3.65	3.50	3.38	3.30	3.17	3.07	2.91	2.80
Mortgages Sweden House price index - optimistic	0.25	1.07	1.10	1.08	1.08	1.08	1.08	1.08	1.08	1.08	1.08
Mortgages Sweden House price index - base	0.50	1.02	1.05	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Mortgages Sweden House price index - negative	0.25	0.97	1.00	0.98	0.98	0.98	0.98	0.98	0.98	0.98	0.98
Mortgages Norway House price index - optimistic	0.25	1.03	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Mortgages Norway House price index - base	0.50	1.03	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04	1.04
Mortgages Norway House price index - negative	0.25	1.02	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03

As of 31 December 2023	Weight	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Mortgages Sweden Interest rate assumption - optimistic	0.25	3.36	2.85	1.74	1.54	1.65	1.80	1.96	2.23	2.36	2.52
Mortgages Sweden Interest rate assumption - base	0.50	3.94	3.65	2.72	2.42	2.41	2.46	2.51	2.67	2.69	2.74
Mortgages Sweden Interest rate assumption - negative	0.25	4.51	4.45	3.70	3.29	3.18	3.12	3.05	3.11	3.02	2.96
Mortgages Sweden House price index - optimistic	0.25	1.05	1.07	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Mortgages Sweden House price index - base	0.50	1.00	1.04	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Mortgages Sweden House price index - negative	0.25	0.95	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mortgages Norway House price index - optimistic	0.25	1.00	1.00	1.01	1.04	1.04	1.04	1.04	1.04	1.04	1.04
Mortgages Norway House price index - base	0.50	1.00	0.99	1.00	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Mortgages Norway House price index - negative	0.25	1.00	0.99	1.00	1.01	1.01	1.01	1.01	1.01	1.01	1.01

Note 2 – Risk management, *cont.*

As of 31 December 2022	Weight	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Mortgages Sweden Interest rate assumption – optimistic	0.25	2.01	2.72	2.71	2.43	2.36	2.42	2.48	2.51	2.50	2.61
Mortgages Sweden Interest rate assumption – base	0.50	2.43	3.31	3.44	3.08	2.92	2.90	2.88	2.83	2.74	2.77
Mortgages Sweden Interest rate assumption – negative	0.25	2.84	3.90	4.16	3.72	3.48	3.38	3.28	3.15	2.98	2.93
Mortgages Sweden House price index – optimistic	0.25	0.95	1.04	1.05	1.05	1.05	1.05	1.05	1.05	1.05	1.05
Mortgages Sweden House price index – base	0.50	0.90	1.01	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Mortgages Sweden House price index – negative	0.25	0.85	0.95	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Mortgages Norway House price index – optimistic	0.25	0.98	0.99	1.03	1.03	1.03	1.03	1.03	1.03	1.03	1.03
Mortgages Norway House price index – base	0.50	0.95	0.98	1.02	1.02	1.02	1.02	1.02	1.02	1.02	1.02
Mortgages Norway House price index – negative	0.25	0.93	0.98	1.01	1.01	1.01	1.01	1.01	1.01	1.01	1.01

The provisions shown below would have arisen as of 31 December 2024, 31 December 2023 and 31 December 2022, respectively, with a negative or positive scenario, where the probability that they might occur is considered reasonable, would be assigned probabilities of 100%.

As of 31 December 2024 Business area	Scenarios	Provisions attributable to the scenario (MSEK)	Change against reported allocation (%)
Mortgages	Optimistic	123.4	2.7%
	Negative	152.0	–20.0%
Sweden	Optimistic	66.7	–12.7%
	Negative	71.7	–21.2%
Norway	Optimistic	48.7	18.2%
	Negative	72.2	–21.4%
Finland	Optimistic	8.1	0.0%
	Negative	8.1	0.0%
Total	**Optimistic**	**123.4**	**2.7%**
	Negative	**152.0**	**–20.0%**

As of 31 December 2023 Business area	Scenarios	Provisions attributable to the scenario (MSEK)	Change against reported allocation (%)
Mortgages	Optimistic	123.7	1.4%
	Negative	127.0	–1.2%
Sweden	Optimistic	56.6	2.8%
	Negative	59.9	–2.8%
Norway	Optimistic	62.3	0.3%
	Negative	62.3	0.3%
Finland	Optimistic	4.8	0.0%
	Negative	4.8	0.0%
Total	**Optimistic**	**123.7**	**1.4%**
	Negative	**127.0**	**–1.2%**

Note 2 – Risk management, *cont.*

As of 31 December 2022 Business area	Scenarios	Provisions attributable to the scenario (MSEK)	Change against reported allocation (%)
Mortgages	Optimistic	58.8	2.0%
	Negative	61.3	–2.2%
Sweden	Optimistic	37.8	3.1%
	Negative	40.4	–3.4%
Norway	Optimistic	18.8	–0.1%
	Negative	18.8	0.1%
Finland	Optimistic	2.2	0.0%
	Negative	2.2	0.0%
Total	**Optimistic**	**58.8**	**2.0%**
	Negative	**61.3**	**–2.2%**

Credit risk in financial counterparties

The Group enters into derivative contracts, all under the International Swaps and Derivatives Association's (ISDA) master netting agreement, which means that when a counterparty cannot settle their obligations, the agreement is cancelled and all outstanding commitments between the parties shall be settled by a net amount. ISDA agreements do not meet the criteria for offsetting in the balance sheet since offsetting is only permitted due to a party's inability to settle, and also that no intention to reach a net settlement exists. Therefore, no financial instruments are offset in the balance sheet.

As of 31 December 2024
MSEK

Amounts that have not been offset in the balance sheet	Gross value	Netting in the Balance sheet	ISDA Agreement	Net amount
Derivative	102.0	–	–77.0	25.0
Sum financial assets	**102.0**	**–**	**–77.0**	**25.0**
Derivative	77.0	–	–77.0	0.0
Sum financial liabilities	**77.0**		**–77.0**	**0.0**

As of 31 December 2023
MSEK

Amounts that have not been offset in the balance sheet	Gross value	Netting in the Balance sheet	ISDA Agreement	Net amount
Derivative	186.4	–	–83.6	102.8
Sum financial assets	**186.4**		**–83.6**	**102.8**
Derivative	83.6	–	–83.6	0.0
Sum financial liabilities	**83.6**		**–83.6**	**0.0**

As of 31 December 2022
MSEK

Amounts that have not been offset in the balance sheet	Gross value	Netting in the Balance sheet	ISDA Agreement	Net amount
Derivative	337.8	–	–44.6	293.3
Sum financial assets	**337.8**		**–44.6**	**293.3**
Derivative	44.6	–	–44.6	0.0
Sum financial liabilities	**44.6**		**–44.6**	**0.0**

Note 2 – Risk management, *cont.*

Maximum credit risk exposure

The following table shows the Group's maximum credit risk exposure by geographical area.

MSEK	As of 31 December 2024				
Maximum Credit Risk Exposure	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Governments or central banks					
– Credit Quality Step 1	569.3	–	35.4	–	–
Total Governments or central banks	**569.3**	**–**	**35.4**	**–**	**–**
Lending to credit institutions					
– Credit Quality Step 1	777.8	526.2	1,264.4	–	–
– Credit Quality Step 2	–	–	–	–	–
– No rating	–	–	–	–	–
Total lending to credit institutions	**777.8**	**526.2**	**1,264.4**	**–**	**–**
Lending to the public					
– Unsecured loans	34.9	3.7	–	–	–
– Loans secured by real estate	11,971.0	15,397.4	1,309.6	–	–
– Loans secured by property, other	–	115.8	–	–	–
Total lending to the public	**12,005.9**	**15,516.9**	**1,309.6**	**–**	**–**
Bonds and other interest–bearing securities					
– Credit Quality Step 1	69.2	332.6	19.9	146.1	112.1
– Credit Quality Step 2	–	–	–	–	–
– No Rating	–	–	–	–	–
Total bonds and other interest–bearing securities	**69.2**	**332.6**	**19.9**	**146.1**	**112.1**
Debt securities eligible for refinancing with central banks					
– Credit Quality Step 1	612.5	–	–	–	56.3
Debt securities eligible for refinancing with central banks	**612.5**	**–**	**–**	**–**	**56.3**
Derivatives					
– Credit Quality Step 1	–	–	24.3	77.6	–
Total derivatives	**–**	**–**	**24.3**	**77.6**	**–**
Other assets					
– No rating	95.8	39.6	125.3	–	–
Total other assets	**95.8**	**39.6**	**125.3**	**–**	**–**
Sum	**14,130.5**	**16,415.3**	**2,778.9**	**223.7**	**168.4**
Total			**33,716.9**		

Note 2 – Risk management, *cont.*

MSEK	As of 31 December 2023				
Maximum Credit Risk Exposure	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Governments or central banks					
– Credit Quality Step 1	839.6	72.1	133.0	–	–
Total Governments or central banks	**839.6**	**72.1**	**133.0**	**–**	**–**
Lending to credit institutions					
– Credit Quality Step 1	470.3	662.8	380.6	–	–
Total lending to credit institutions	**470.3**	**662.8**	**380.6**	**–**	**–**
Lending to the public					
– Unsecured loans	37.8	8.0	–	–	–
– Loans secured by real estate	11,440.9	13,803.7	738.3	–	–
– Loans secured by property, other	–	176.5	–	–	–
Total lending to the public	**11,478.7**	**13,988.1**	**738.3**	**–**	**–**
Bonds and other interest–bearing securities					
– Credit Quality Step 1		167.2	–	148.6	–
– Credit Quality Step 2	100.5	–	–	–	–
– No Rating	–	248.2	–	–	–
Total bonds and other interest–bearing securities	**100.5**	**415.4**	**–**	**148.6**	**–**
Debt securities eligible for refinancing with central banks					
– Credit Quality Step 1	487.8	400.9	20.5	–	131.2
Total Debt securities eligible for refinancing with central banks	**487.8**	**400.9**	**20.5**	**–**	**131.2**
Derivatives					
– Credit Quality Step 1	–	–	48.0	138.5	–
Total derivatives	**–**	**–**	**48.0**	**138.5**	**–**
Other assets					
– No rating	75.2	16.2	1.7	–	–
Total other assets	**75.2**	**16.2**	**1.7**	**–**	**–**
Sum	**13,452.2**	**15,555.5**	**1,322.1**	**287.1**	**131.2**
Total			**30,748.1**		

Note 2 – Risk management, *cont.*

MSEK	As of 31 December 2022				
Maximum Credit Risk Exposure	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Governments or central banks					
– Credit Quality Step 1	343.9	130.8	27.1	–	–
Total Governments or central banks	**343.9**	**130.8**	**27.1**	**–**	**–**
Lending to credit institutions					
– Credit Quality Step 1	1,065.5	602.0	34.4	–	–
Total lending to credit institutions	**1,065.5**	**602.0**	**34.4**	**–**	**–**
Lending to the public					
– Unsecured loans	42.1	–	–	–	–
– Loans secured by real estate	11,076.7	8,716.5	511.1	–	–
– Loans secured by property, other	–	–	–	–	–
Total lending to the public	**11,118.8**	**8,716.5**	**511.1**	**–**	**–**
Bonds and other interest–bearing securities					
– Credit Quality Step 1	254.8	266.2	–	–	–
– Credit Quality Step 2	–	–	–	–	–
– No Rating	–	–	–	–	–
Total bonds and other interest–bearing securities	**254.8**	**266.2**	**–**	**–**	**–**
Debt securities eligible for refinancing with central banks					
– Credit Quality Step 1	422.7	–	–	–	–
Total Debt securities eligible for refinancing with central banks	**422.7**	**–**	**–**	**–**	**–**
Derivatives					
– Credit Quality Step 1	269.5	68.3	–	–	–
– Credit Quality Step 2	–	–	–	–	–
– No rating	–	–	–	–	–
Total derivatives	**269.5**	**68.3**	**–**	**–**	**–**
Other assets					
– No rating	71.7	17.4	1.6	–	–
Total other assets	**71.7**	**17.4**	**1.6**	**–**	**–**
Sum	**13,466.7**	**9,872.7**	**582.7**	**–**	**–**
Total			**23,499.4**		

Note 2 – Risk management, *cont.*

Credit risk
Receivables from private individuals

	As of 31 December								
	2024			2023			2022		
MSEK	**Sweden**	**Norway**	**Finland**	**Sweden**	**Norway**	**Finland**	**Sweden**	**Norway**	**Finland**
Performing	11,007.1	13,647.4	1206.5	9,414.0	12,073.2	660.5	10,469.5	8,024.0	511.1
Due 30–60 days	551.8	686.7	31.4	412.4	976.8	32.1	180.7	239.5	–
Due 60–90 days	230.0	504.9	28.0	136.2	320.0	22.2	57.9	102.1	–
Due over 90 days	217.0	677.9	43.7	261.6	729.8	28.3	149.3	277.4	–
Total	**12,005.9**	**15,516.9**	**1,309.6**	**10,224.2**	**14,099.8**	**743.1**	**10,857.4**	**8,643.0**	**511.1**
Provisions	**59.2**	**59.5**	**8.1**	**58.2**	**111.7**	**4.8**	**39.1**	**18.8**	**2.2**

Credit risk
Other financial assets

	As of 31 December 2024				
MSEK	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Performing	2,124.6	898.4	1,445.0	146.1	168.4
– Credit quality step 1	2,028.8	858.8	1,319.7	146.1	168.4
– Credit quality step 2	–	–	–	–	–
– No rating	95.8	39.6	125.3	–	–
Non-performing	–	–	–	–	–
Total	**2,124.6**	**898.4**	**1,445.0**	**146.1**	**168.4**
Provisions	**–**	**–**	**–**	**–**	**–**

Credit risk
Other financial assets

	As of 31 December 2023				
MSEK	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Performing	1,964,0	1,567.4	535.9	148.6	131.2
– Credit quality step 1	1,888.8	1,303.0	534.1	148,6	131.2
– Credit quality step 2	–	–	–	–	–
– No rating	75.2	264.4	1.7	–	–
Non-performing	–	–	–	–	–
Total	**1,964.0**	**1,567.4**	**535.9**	**148.6**	**131.2**
Provisions	**–**	**–**	**–**	**–**	**–**

Credit risk
Other financial assets

	As of 31 December 2022				
MSEK	**Sweden**	**Norway**	**Finland**	**Denmark**	**Germany**
Performing	2,387.2	1,122.9	102.4	–	–
– Credit quality step 1	2,315.4	1,105.5	100.7	–	–
– Credit quality step 2	–	–	–	–	–
– No rating	71.7	17.4	1.6	–	–
Non-performing	–	–	–	–	–
Total	**2,387.2**	**1,122.9**	**102.4**	**–**	**–**
Provisions	**–**	**–**	**–**	**–**	**–**

Note 2 – Risk management, *cont.*

Credit-related concentration risk

Definition
Credit-related concentration risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to individual counterparty exposures, or groups of counterparty exposures, whose credit risk represents a material degree of co-variation.

Risk mitigation
Exposure to concentration risk is inherent in the business model, why the concentration risk is one of the core focus areas in customer and financial counterparty credit assessment. Concentration risk may arise due to lack of diversification and lending too heavily in one industry, market, geographic area.

Credit quality, geographical exposure and the maximum exposure for credit risk, are further disclosed in the Section "Maximum credit risk exposure" above.

Since the Group only operates in Sweden, Norway and Finland, and the outstanding loan portfolio mainly consists of secured loans, a certain level of exposure to concentration risk is inherent in the business model. The concentration risk is one of the core focus areas in the credit assessment of customers and is continuously monitored. The Risk Management function conducts independent assessments of the concentration risk to ensure that the risk profile is in line with the established risk strategy and managed appropriately. The Risk Management function reports the concentration risk to the Board and the CEO on a monthly basis.

For concentration risk, Pillar II capital requirements are calculated under three different categories: individual concentration, industry concentration and geographical concentration. The total capital requirement for concentration risk is the sum of the capital requirements for the three different categories of concentration risk. Based on this, the Group maintains sufficient capital for the assessed concentration risk.

Credit valuation adjustment risk

Definition
Credit valuation adjustment ("CVA") risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to changes in counterparty credit spreads and market risk factors that drive market prices of derivative transactions and securities financing transactions.

Risk mitigation
CVA risk arise if a counterparty in a transaction fail before the final settlement of the transaction is performed. More precisely, an adjustment is made to the mid-market valuation of a portfolio of transactions with given counterparties to reflect the current market value of the credit risk of the counterparty but excludes the current market value of the institute's credit risk of the counterparty.

The Group uses OTC derivatives for its hedging strategies, and the CVA risk is very sensitive to mark-to-market valuations and the terms of the transaction. The Group does not have any rating triggers in its derivative contracts, i.e., the provision of collateral by the Group under derivative agreements would not be affected by a change in the Group's credit rating.

Credit valuation adjustment exposures are continuously assessed and reported. As CVA risk is a consequence of the hedging activities, and the average term of these activities in most cases is shorter than three years, no specific further risk mitigating actions are taken.

Market risk

Market risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to fluctuations in the level or volatility of the market prices of assets, liabilities, and financial instruments.

Currency risk

Definition
Currency risk is a sub-risk category to market risk, and is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to currency fluctuations in foreign exchange rates and changes in the relative value of the involved currencies.

Risk mitigation
Given operations in Norway and Finland, the Group is exposed to market risk related to changes in foreign exchange rates. The Treasury function hedges the exchange rate risk through derivatives and currency-matching of liabilities and assets. Furthermore, a part of the foreign exchange exposure in NOK is considered structural in its nature (consisting of retained earnings in NOK). Such exposure is held open to reduce adverse effects on the CET1-ratio stemming from movements in the NOK/SEK exchange rate over time. An open exposure can naturally give rise to losses (in case of a depreciation in the foreign currency).

The size, development and efficiency (in terms of hedging the CET1-ratio against currency movements) of the open structural position is monitored and subject to internal reporting on a monthly basis. There are established policies, instructions, processes, and routines, for managing exposure to market risk.

The table below shows that a change in relevant exchange rates in relation to SEK of −10% would at the balance sheet date 2024 result in an impact in other comprehensive income, prior deduction of tax, amounting to MSEK −105.3 (2023: MSEK −86.8, 2022: MSEK −52.6). The effect on equity would be MSEK −105.3 (2023: MSEK −86.8, 2022: MSEK −52.6).

MSEK	Total position 31 December 2024	Value change −10%	Value change +10%
EUR position	−191.9	19.2	−19.2
NOK position	1,245.2	−124.5	124.5
Impact on earnings	**1,053.3**	**−105.3**	**105.3**

MSEK	Total position 31 December 2023	Value change −10%	Value change +10%
EUR position	−170.1	17.0	−17.0
NOK position	1,038.1	−103.8	103.8
Impact on earnings	**867.9**	**−86.8**	**86.8**

MSEK	Total position 31 December 2022	Value change −10%	Value change +10%
EUR position	−116.8	11.6	−11.6
NOK position	642.9	−64.2	64.2
Impact on earnings	**526.0**	**−52.6**	**52.6**

Note 2 – Risk management, *cont.*

The tables below show the net position in foreign currencies from a capital adequacy-perspective as of the respective balance sheet date. The difference from the above tables consists of the exclusion of positions that are structural in nature in accordance with rulings from the Swedish FSA.

A change in relevant exchange rates in relation to SEK of –10% would at the balance sheet date 2024 result in an instantaneous net negative impact on earnings, prior deduction of tax, amounting to MSEK –40.4 (–20.7). The effect on equity would be MSEK –40.4 (–20.7).

The structural FX exemption was granted by the Swedish FSA in 2023, therefore no comparable numbers are presented for 2022.

MSEK	Total position 31 December 2024	Value change –10%	Value change +10%
EUR position	–191.9	19.2	–19.2
NOK position	595.6	–59.6	59.6
Impact on earnings	**403.7**	**–40.4**	**40.4**

MSEK	Total position 31 December 2023	Value change –10%	Value change +10%
EUR position	–170.1	17.0	–17.0
NOK position	377.6	–37.7	37.7
Impact on earnings	**207.5**	**–20.7**	**20.7**

Interest rate risk in the banking book

Definition

Interest rate risk in the banking book is a sub-risk category to market risk, and is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to adverse changes in market interest rates affecting assets, liabilities and off-balance sheet items, including gap risk, basis risk and option risk.

Risk mitigation

The interest rate risk derives from income and market value of a loan portfolio as a result of uncertain future interest rates. In particular, the Group may suffer losses or reduced income as interest rates fluctuate over time, as both the asset and liability bases are a mix of fixed and variable interest-bearing items with different maturities and interest periods.

The Group has no trading book. The Group is thus exposed to the risk of losses arising from negative movements in market interest rates through the lending and financing of the Group. The Group uses derivative instruments to achieve desired mitigation of interest rate risks. Interest rate risk is primarily attributable to lending with longer interest-rate periods, whereas financing to a larger extent is based on shorter interest rate-periods. The Group actively manages the interest rate risk by matching fixed and floating interest rates and durations of assets and liabilities when possible, or by mitigating the risk with hedging instruments.

In accordance with the Swedish FSA's methodology for assessing individual types of risks, exposures to interest rate risk arising as a consequence of interest rate fluctuations are part of the Pillar II capital requirements.

By using numerous stress scenarios, the interest rate risk exposure is calculated under unfavourable conditions. If the exposures should exceed set limits, or are close to doing so, the Group will enter into new hedging instruments to reduce the interest rate exposure to a level within set limits.

The Treasury function performs monthly monitoring and reporting of interest rate risk to the board and CEO, and the Risk Management function performs independent follow-up and reporting.

Sensitivity analysis in case of market interest rate change of 100 basis points (bps)

The Group calculates interest risk exposures in several ways, including those based on the Swedish FSA's guidance on methods to assess individual risk types under the Pillar II capital requirement. The tables below show the exposure at a positive/negative change in market interest rates of 100 bps at each balance sheet date.

As of 31 December 2024

MSEK	Change	Absolute risk	Risk, % of capital base
Increased interest rates	+100bp	–6.0	–0.22%
Decreased interest rates	–100bp	6.7	0.24%

As of 31 December 2023

MSEK	Change	Absolute risk	Risk, % of capital base
Increased interest rates	+100bp	–8.3	–0.34%
Decreased interest rates	–100bp	8.9	0.37%

As of 31 December 2022

MSEK	Change	Absolute risk	Risk, % of capital base
Increased interest rates	+100bp	–7.0	–0.42%
Decreased interest rates	–100bp	7.2	0.43%

Note 2 – Risk management, *cont.*

The assumption that the market interest rates increase/decrease by 100 bps is used in the calculation and states the instantaneous change in the economic value for the Group.

As of 31 December 2024

MSEK	Change	Absolute risk	Risk, % of net interest income
Increased interest rates	+100bp	26.0	2.33%
Decreased interest rates	–100bp	–26.0	–2.33%

As of 31 December 2023

MSEK	Change	Absolute risk	Risk, % of net interest income
Increased interest rates	+100bp	–7.0	–0.97%
Decreased interest rates	–100bp	7.2	0.99%

As of 31 December 2022

MSEK	Change	Absolute risk	Risk, % of net interest income
Increased interest rates	+100bp	–19.7	–2.47%
Decreased interest rates	–100bp	19.7	2.46%

The assumption that the market interest rates increase/decrease by 100 bps is used in the calculation and states the change in net interest income for the Group over the next 12 months.

Liquidity risk

Definition

Liquidity risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to not being able to fulfil payment obligations on any given due date without the cost of obtaining the funds increasing considerably.

Risk mitigation

The risk appetite for liquidity risk is low, and the Group shall retain enough excess liquidity in a liquidity reserve to meet unforeseen cash outflows. The liquidity reserve is mainly composed of highly rated liquid securities (government bonds and covered bonds) and bank account balances according to the Group's Liquidity and Financing Risk Management Policy. The Board has set limits for the minimum liquidity reserve and liquidity buffer that the Group shall maintain at any time.

The Group uses key risk indicators ("KRIs"), in order to detect deviations from the expected liquidity development at an early stage. Contingency plans have also been established to enable rapid responses to mitigate risks related to the size of the liquidity reserve.

The extent of the liquidity risk exposure depends on the Group's ability to raise the necessary funding to meet its obligations, hence funding risk is interconnected to the liquidity risk.

The Group is mainly exposed to liquidity risk related to retail deposits and refinancing of issued debt securities (mainly unsecured bonds and covered bonds) and credit facilities. Diversification of funding reduces the liquidity risk. Ongoing interest payments are well matched with corresponding flows attributable to the underlying mortgage assets, which also reduces the liquidity risk. As the Group diversifies its funding sources, deposit product features and pricing are designed to maximise their cost/risk efficiency. The Group offers retail deposit products to the public in Sweden, Norway and Germany, which further reduces the liquidity risk. The retail deposit products in Sweden and Germany are covered by the Swedish deposit guarantee. In Norway, the retail deposit products are covered by the Swedish deposit guarantee (up to SEK 1,050,000). Additionally, the Norwegian products are also covered by the Norwegian deposit guarantee (excess amounts up to NOK 2,000,000).

The Group offers different deposit products depending on the needs of the Group and market prices, incorporating this risk into its decision making.

Note 2 – Risk management, *cont.*

The undiscounted contractual cash flows related to the Group's assets and liabilities are outlined in the tables below.

MSEK As of 31 December 2024	Undiscounted contractual cash flows Payable on demand	< 3 mth	3 mth – 1 yr	1 – 5 yr	>5 yr	Without duration	Total
Assets							
Cash and balances at credit institutions	604.7	–	–	–	–	–	**604.7**
Debt securities eligible for refinancing with central banks	–	102.5	227.2	370.0	–	–	**699.7**
Lending to credit institutions	2,568.4	–	–	–	–	–	**2,568.4**
Lending to the public	–	564.0	1,643.5	8,487.0	46,983.6	1,779.8	**59,457.9**
Value change of interest-hedged items in portfolio hedging	–	–	–	–	–	−4.4	**−4.4**
Derivatives	–	38.5	39.4	20.1	–	5.3	**103.3**
Bonds and other interest-bearing securities	–	106.4	163.6	455.6	–	–	**725.6**
Other assets	–	166.1	–	–	–	–	**166.1**
Total	**3,173.1**	**977.5**	**2,073.7**	**9,332.7**	**46,983.6**	**1,780.7**	**64,321.3**
Liabilities							
Debt securities in issue	–	81.6	2,215.8	5,811.7	465.0	–	**8,574.1**
Deposits from the public	6,626.4	9,518.1	7,017.7	137.2	–	–	**23,299.4**
Derivatives	–	4.2	24.4	81.9	–	–	**110.5**
Other liabilities	–	78.6	38.3	32.8	–	–	**149.7**
– Of which lease liability	–	*5.8*	*17.4*	*32.8*	–	–	***56.0***
Total	**6,626.4**	**9,688.3**	**9,313.6**	**6,096.4**	**465.0**	**–**	**32,189.7**

MSEK As of 31 December 2023	Undiscounted contractual cash flows Payable on demand	< 3 mth	3 mth – 1 yr	1 – 5 yr	>5 yr	Without duration	Total
Assets							
Cash and balances at credit institutions	1,044.7	–	–	–	–	–	**1,044.7**
Debt securities eligible for refinancing with central banks	–	3.8	211.4	811.4	6.3	–	**1,032.9**
Lending to credit institutions	1,513.8	–	–	–	–	–	**1,513.8**
Lending to the public	6.3	556.1	1,785.5	7,902.1	44,001.4	1,312.8	**55,564.2**
Value change of interest-hedged items in portfolio hedging	–	–	–	–	–	−82.6	**−82.6**
Derivatives	–	52.9	106.2	32.4	–	–	**191.5**
Bonds and other interest-bearing securities	–	110.5	456.5	1,171.4	–	–	**1,738.4**
Other assets	–	52.3	139.0	–	–	–	**191.3**
Total	**2,564.8**	**775.6**	**2,698.6**	**9,917.3**	**44,007.7**	**1,230.2**	**61,194.2**
Liabilities							
Debt securities in issue	–	160.1	2,326.9	5,668.8	–	–	**8,155.8**
Deposits from the public	9,443.8	5,110.2	5,610.0	319.1	–	–	**20,483.1**
Derivatives	–	–	3.1	88.5	–	–	**91.6**
Other liabilities	–	451.9	114.4	–	–	–	**566.3**
– Of which lease liability	–	–	*11.1*	*10.7*	–	–	***21.8***
Total	**9,443.8**	**5,722.2**	**8,054.4**	**6,076.4**	**–**	**–**	**29,318.6**

Note 2 – Risk management, *cont.*

MSEK As of 31 December 2022	Undiscounted contractual cash flows Payable on demand	< 3 mth	3 mth – 1 yr	1 – 5 yr	>5 yr	Without duration	Total
Assets							
Cash and balances at credit institutions	501.8	–	–	–	–	–	**501.8**
Debt securities eligible for refinancing with central banks	–	2.3	111.1	338.0	–	–	**451.4**
Lending to credit institutions	1,701.9	–	–	–	–	–	**1,701.9**
Lending to the public	0.6	375.2	1,159.5	6,569.3	38,214.1	1,054.0	**47,372.7**
Value change of interest-hedged items in portfolio hedging	–	–	–	–	–	–334.9	**–334.9**
Derivatives	–	49.6	161.5	156.1	–	–	**367.1**
Bonds and other interest-bearing securities	–	6.1	111.6	331.8	–	–	**449.5**
Other assets	–	52.3	145.6	–	–	–	**197.8**
Total	**2,204.3**	**485.4**	**1,689.2**	**7,395.2**	**38,214.1**	**719.1**	**50,707.3**
Liabilities							
Debt securities in issue	–	56.6	2,119.0	6,628.1	–	79.0	**8,803.7**
Deposits from the public	7,698.5	1,922.5	3,079.8	644.2	–	–	**13,345.1**
Derivatives	–	0.6	11.1	35.6	–	–	**47.4**
Other liabilities	–	481.4	177.5	–	–	–	**658.9**
– Of which lease liability	–	–	*11.1*	*10.7*	–	–	***21.8***
Total	**7,698.5**	**2,461.2**	**5,387.4**	**7,307.9**	**–**	**–**	**22,855.1**

MSEK	As of 31 December 2024	2023	2022
Liquidity Reserve			
Cash and balance with central banks	604.7	1,044.7	501.7
Deposits in other banks	2,568.4	1,513.8	1,701.9
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	1,154.1	1,048.3	634.9
Covered bonds issued by other institutions	194.7	655.6	207.5
Total	**4,521.8**	**4,263.4**	**3,045.9**

The LCR and the NSFR are calculated and monitored on a monthly basis. The Treasury function manages the liquidity risks and reports the liquidity situation on a daily and monthly basis. Additional liquidity monitoring metrics ("ALMM") are also reported to the supervisory authorities on a quarterly basis.

The LCR and the NSFR for the Consolidated situation are shown in the table below.

	As of 31 December 2024	2023	2022
Liquidity Coverage Ratio (LCR), %	**579.2%**	**696.9%**	**472.4%**
Liquid Assets Level 1	1,897.1	2,339.7	1,210.7
Liquid Assets Level 2	–	214.4	86.2
High-Quality Liquid Assets, MSEK	**1,897.1**	**2,554.1**	**1,296.9**
Customer deposits	938.7	1073.8	814.8
Other outflows	371.4	392.2	283.2
Cash outflows, MSEK	**1,310.1**	**1,466.0**	**1,098.0**
Inflows from retail customers, lending activities	324.4	636.3	226.7
Other inflows	2,140.0	1,765.0	1,806.7
Cash inflows (max. 75% of Cash outflows)	**982.6**	**1,099.5**	**823.5**
Net Stable Funding Ratio (NSFR), %	**135.3%**	**133.0%**	**132.0%**
Available Stable Funding	28.8	26.2	19.7
Required Stable Funding	21.3	19.7	14.9

Note 2 – Risk management, *cont.*

ESG risk

Definition

ESG risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to external and internal contribution to climate change, biodiversity, energy consumption, pollution and waste management (Environmental), deficiencies in human capital, labour standards, equality, diversity, and inclusion, and workplace health and safety (Social), and deficiencies in corporate governance and corporate behaviour (Governance).

Risk mitigation

The Group maintains a robust sustainability structure within its operations with a dedicated Head of Sustainability and overseen by a Sustainability Management Committee. The Sustainability Policy is approved by the Board, and the sustainability strategy is integrated with the business strategy and risk management framework. The risk appetite is set as low, with defined key risk indicators and limits in place, aligned with the sustainability strategy.

ESG risks are assessed using methodologies and procedures akin employed for other operating-related risks. The risk assessment assesses the likelihood and potential impact on the Group's business model viability, sustainability, and long-term resilience. The aim is to ensure alignment with the broader risk management framework and safeguard the Group's stability.

ESG risks are regularly qualitative assessed, based on likelihood and impact, in the Group's ESG Material Assessment, regular risk assessment, and integrated within the Group's ICLAAP. ESG risks are categorised into physical and transitional environmental risks, social risks, and governance risks, for identification and assessment. ESG risks are proportionately integrated as factors and risk drivers, and the potential impact of ESG factors may materialise through various other risks, such as business risk, credit risk, financial risk, operational risk, or reputational risk. ESG risks are effectively managed and limited within defined risk appetite and risk tolerance levels, enabling informed risk-taking decisions and fostering a comprehensive understanding of risk management throughout the Group's operations.

The sustainability efforts, including ESG risks, are reported by the Head of Sustainability to the Sustainability Management Committee and the Board, and by the Risk Management function as part of the risk reporting.

Operational risk

Definition

Operational risk is defined as the risk of economic loss, negative change in earnings or material change in risk profile due to inadequate or failed internal processes, people, systems or from external events, including legal risk, model risk and ICT risk (information and communication technology risk).

Risk mitigation

The Group has a range of measures and tools in place for identifying, assessing, managing, monitoring, controlling, documenting and reporting operational risks. These are part of a solid set of policies, instructions, processes, procedures and routines to ensure that the operational risks in the business operations are at an acceptable level, and that processes and IT systems work accordingly. Additionally, the Group conducts regular training and education of staff, such as mandatory training in operational risk management, incident management, anti-money laundering and terrorism financing, GDPR, bank secrecy, conflicts of interest, code of conduct, and information security. The Group also has a formal whistle-blowing process.

As part of the risk management framework, all business functions perform risk self-assessments of their operations twice a year. Identified operational risks are assessed based on likelihood of occurrence and impact of potential events.

The Group also regularly performs follow-up and controls of outsourced operations to third-party suppliers in order to maintain governance and continuity of the operations.

IT related risks are mitigated through the development and maintenance of reliable IT systems with built-in controls, reconciliations, backup procedures and business continuity through contingency plans, continuity plans and disaster recovery plans in the event of a material disruption, and the Group has a structured way of working to protect information. Continuous testing of business continuity management plans is carried out. The Group has a security function that ensures and maintains a high level of information security in the operations. The function also works proactively to increase security awareness within the organisation as well as with partners and to continuously improve the security of the IT environment.

NPAP is an established process for analysing and evaluating risks as a basis for approving new or changed products, services, systems and materials organisational changes.

Note 3 – 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 chief operating 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 Operations is responsible for their respective 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 was acquired through the acquisition of Bank2.

MSEK	**Mortgages**					
Income statement 2024	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Interest income	1,158.4	1,319.4	121.3	12.2	−142.8	**2,468.5**
– of which interest income from lending to the public	*941.0*	*1,263.9*	*99.6*	*12.2*	–	***2,316.6***
– of which interest income within group	*142.8*	–	–	–	*−142.8*	**–**
Interest expense	−652.4	−769.1	−73.9	−1.2	142.8	**−1,353.8**
– of which interest expense from deposits from the public	*−296.4*	*−606.8*	*−67.9*	–	–	***−971.1***
– of which interest expense from debt securities in issue	*−338.8*	*−25.2*	–	–	–	***−363.9***
– of which interest expense within group	*−0.0*	*−136.7*	*−6.1*	–	*142.8*	**–**
Net interest income	**505.9**	**550.3**	**47.4**	**11.0**	**0.0**	**1,114.7**
Total operating income	**521.1**	**554.0**	**48.5**	**14.7**	**−8.0**	**1,130.3**
Total expenses	**−303.5**	**−348.1**	**−68.0**	**−16.7**	**40.8**	**−695.6**
Profit before credit losses	**217.6**	**205.9**	**−19.6**	**−2.0**	**32.8**	**434.7**
Credit losses, net	−19.4	−13.4	−3.4	−4.8	–	**−41.0**
Operating profit/loss	**198.3**	**192.5**	**−23.0**	**−6.9**	**32.8**	**393.6**
Items affecting comparability and adjustments	52.6	84.1	−0.3	–	−22.6	**113.8**
Adjusted operating profit/loss	**250.9**	**276.6**	**−23.3**	**−6.9**	**10.2**	**507.4**

MSEK	**Mortgages**					
Income statement 2023	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Interest income	1,028.8	785.6	69.3	3.0	−78.1	**1,808.6**
– of which interest income from lending to the public	*898.6*	*750.4*	*60.8*	*3.0*	–	***1,712.7***
– 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 from deposits from the public	*−217.4*	*−303.7*	*−14.0*	–	–	***−535.1***
– of which interest expense from debt securities in issue	*−256.3*	*−26.7*	–	–	–	***−283.0***
– of which interest expense within group	*0.0*	*−49.8*	*−28.3*	–	*78.1*	**–**
Net interest income	**527.0**	**405.3**	**25.8**	**1.3**	**−0.0**	**959.3**
Total operating income	**556.8**	**409.7**	**27.9**	**5.9**	**−3.2**	**997.0**
Total expenses	**−296.1**	**−226.2**	**−71.9**	**−75.4**	**−3.3**	**−672.9**
Profit before credit losses	**260.7**	**183.4**	**−44.1**	**−69.5**	**−6.5**	**324.1**
Credit losses, net	−34.1	−11.8	−3.0	0.9	–	**−48.0**
Operating profit/loss	**226.6**	**171.7**	**−47.1**	**−68.6**	**−6.5**	**276.1**
Items affecting comparability and adjustments	21.9	3.6	1.3	77.0	8.5	**112.3**
Adjusted operating profit/loss	**248.5**	**175.3**	**−45.8**	**8.4**	**2.0**	**388.4**

Note 3 – Operating segments, *cont.*

MSEK	Mortgages					
Income statement 2022	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Interest income	658.7	599.6	23.5	–	–31.8	**1,250.1**
– of which interest income from lending to the public	*619.4*	*589.2*	*23.5*	–	–	***1,232.1***
– of which interest income within group	*31.8*	–	–	–	*–31.8*	**–**
Interest expense	–194.2	–161.7	–4.8	–	31.8	**–328.9**
– of which interest expense from deposits from the public	*–66.5*	*–110.0*	–	–	–	***–176,5***
– of which interest expense from debt securities in issue	*–94.0*	*–13.7*	–	–	–	***–107.7***
– of which interest expense within group	–	*–27.6*	*–4.2*	–	*31.8*	**–**
Net interest income	**464.5**	**438.0**	**18.8**	**–**	**–0.0**	**921.2**
Total operating income	**475.0**	**440.1**	**18.9**	**–21.5**	**–2.4**	**910.0**
Total expenses	**–288.2**	**–210.8**	**–62.3**	**–58.9**	**2.4**	**–617.8**
Profit before credit losses	**186.7**	**229.3**	**–43.5**	**–80.4**	**–0.0**	**292.1**
Credit losses, net	–17.7	–10.8	–1.6	2.1	–	**–28.1**
Operating profit/loss	**169.1**	**218.4**	**–45.1**	**–78.3**	**–0.0**	**264.1**
Items affecting comparability and adjustments	28.1	8.3	1.2	58.9	–0.2	**96.4**
Adjusted operating profit/loss	**197.2**	**226.7**	**43.9**	**–19.4**	**–0.2**	**360.5**

MSEK	Mortgages					
Balance sheet as of 31 December 2024	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	195.0	535.2	1,838.2	–	–	2,568.4
Lending to the public	12,005.9	15,396.6	1,309.6	120.2	–	28,832.4
Deposits from the public	7,559.4	11,977.7	3,665.7	–	–	23,202.9

MSEK	Mortgages					
Balance sheet as of 31 December 2023	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	236.2	879.2	398.3	–	–	1,513.8
Lending to the public	11,479.5	13,802.9	738.3	184.4	–	26,205.1
Deposits from the public	6,571.9	12,817.7	1,123.5	–	–	20,513.1

MSEK	Mortgages					
Balance sheet as of 31 December 2022	**Sweden**	**Norway**	**Finland**	**Other operations**	**Eliminations**	**Total**
Lending to credit institutions	1,067.9	600.3	33.7	–	–	1,701.9
Lending to the public	11,118.7	8,716.5	511.1	–	–	20,346.3
Deposits from the public	6,568.0	6,671.1	–	–	–	13,239.1

Note 4 – Net interest income

MSEK	For the year ended 31 December 2024	2023	2022
Interest income			
Lending to credit institutions	95.3	64.7	9.9
Lending to the public	2,316.6	1,712.7	1,232.1
Covered bonds	56.2	30.8	8.1
Other	0.4	0.5	0.0
Total interest income	**2,468.5**	**1,808.6**	**1,250.1**
Of which interest income from financial items calculated using the effective interest method	*2,294.6*	*1,687.3*	*1,199.6*
Interest expense			
Lending to credit institutions	−4.2	−11.3	−2.3
Deposits from the public	−971.1	−535.1	−176.5
Of which deposit guarantee	*−31.0*	*−29.1*	*−21.4*
Derivates	−13.3	−17.3	−41.1
Bonds	−363.9	−283.0	−107.7
Other	−1.2	−2.6	−1.4
Of which interest expense for leasing	*−1.2*	*−1.6*	*−0.7*
Total interest expense	**−1,353.8**	**−849.3**	**−328.9**
Of which Interest expense from financial items calculated using the effective interest method	*−1,340.5*	*−832.0*	*−287.8*
Total net interest income	**1,114.7**	**959.3**	**921.2**

Note 5 – Net gains/losses on financial transactions

MSEK	For the year ended 31 December 2024	2023	2022
Bonds – unrealised changes	1.9	6.1	−8.0
Interest derivatives – unrealised changes	−0.7	−2.4	2.3
Currency derivatives – unrealised changes	−8.8	58.5	−74.2
– realised change in value	−7.9	19.5	−20.4
Exchange rate changes other receivables and liabilities – unrealised changes	14.0	−58.0	77.9
Hedge accounting – fair value hedged item*)	78.1	247.4	−287.5
Hedge accounting – fair value hedge instrument*)	−77.2	−244.5	286.0
Interest compensation early redemption	5.4	0.5	0.3
Total	**4.9**	**27.1**	**−23.5**

*) Refers to the outcome of hedge accounting of fair value for portfolio hedging of interest rate risk.

All of the Group's derivatives are entered to hedge interest or currency risks in the Group's operations and all issued bonds are part of the Group's liquidity portfolio.

Note 6 – Other operating income

MSEK	For the year ended 31 December 2024	2023	2022
Billing fees	9.3	9.0	8.5
Valuation fees	–	–	0.2
Other operating income	0.0	–	–
Total	**9.3**	**9.0**	**8.6**

Note 7 – General administration expenses

MSEK	For the year ended 31 December 2024	2023	2022
Personnel costs			
Salaries and remuneration	–258.5	–214.8	–158.9
Variable performance benefit	–2.1	0.1	–3.9
Social security charges	–57.9	–55.9	–52.9
Pension expenses	–27.4	–23.9	–22.3
Other personnel costs	–12.6	–23.1	–17.5
Capitalised salary costs	27.0	27.6	–
Total	**–331.6**	**–289.9**	**–255.6**
Other administration expenses			
Administration expenses deposits from the public	–	–1.7	–1.2
Administration expenses lending to the public	–10.4	–11.0	–11.1
Professional fees	–41.3	–91.8	–87.8
System and IT	–70.9	–56.4	–121.5
Marketing	–93.8	–82.3	–34.9
Other administration expenses	–49.7	–55.0	–39.1
Total	**–266.2**	**–298.1**	**–295.5**
Total General administration expenses	**–597.8**	**–588.0**	**–551.0**

Note 8 – Auditors remuneration and expenses

MSEK	For the year ended 31 December 2024	2023	2022
RSM			
Audit assignment	0.7	1.5	–
Ernst & Young AB			
Audit assignment	4.8	3.6	2.8
Audit activities in addition to audit assignment	0.1	1.2	0.1
Tax advice	0.6	0.5	–
Other assignments	–		–
Total	**6.2**	**6.8**	**2.9**

Audit assignments refer to the auditor's compensation for the statutory audit. The work includes the audit of the annual report and accounting, the administration of the board and the CEO and audit advice provided in connection with the audit assignment. Everything else is auditing in addition to the audit assignment, tax counselling or other assignments.

Note 9 – Salaries and remuneration

The Board

The Board's fees are determined by the Group's Annual General Meeting. At the end of the year the Board consisted of six members.

For participation in the Board's work, the Board's ARCCO Committee, as well as the Remuneration Committee, the Board has remunerated four of the members.

Senior Management

Compensation to the CEO and other individuals categorised as Identified Staff is proposed by the Group's Remuneration committee and decided by the Board. Compensation to other senior officials is decided by the CEO, and in some cases in consultation with members of the Board. Compensation to the CEO and senior officials consists of a base salary and pension contributions.

The period of notice for the CEO is twelve months. Agreements on severance pay with the CEO or any other senior management are determined by individual contracts. Information on compensation according to the Swedish FSA's regulations and general guidelines on compensation policies (FFFS 2011:1) is published on the Group's website.

Pension commitments

In the Swedish operations, a defined contribution plan is applied for all employees, according to which 4.5% of the employee's gross salary is set aside on a monthly basis and 30% on income over 7.5 income base amounts (in accordance with the BTP plan). In the Norwegian branch, 7% of gross salary is set aside on a monthly basis and 13% on income between 7.1–12 income base amounts, and in the Finnish branch, an average of 25.08% of the payroll is allocated, with the employer covering an average of 17.88% of the paid gross salary.

Salaries and remuneration – Members of the Board and CEO

MSEK – For the year ended 31 December	Salary	Pension	Total
2024			
Chairman of the Board – Jayne Almond	1.2	–	**1.2**
Board member – Christopher Rees	0.5	–	**0.5**
Board member – Rolf Stub*	0.4	–	**0.4**
Board member – Vesa Koskinen	–	–	**–**
Board member – Julia Erhardt	0.5	–	**0.5**
Board member – Christian Shin Høegh Andersen	–	–	**–**
CEO – Björn Lander	4.4	0.6	**5.0**
Senior management team excluding CEO – 8 people	14.3	3.0	**17.3**
Total salaries and remuneration 2024	**21.3**	**3.5**	**24.8**

MSEK – For the year ended 31 December	Salary	Pension	Total
2023			
Chairman of the board - Jayne Almond	0.6	–	**0.6**
Board member – Christopher Rees (appointed October 2023)	–	–	**–**
Board member – Rolf Stub*	0.8	–	**0.8**
Board member – Vesa Koskinen (appointed October 2023)	–	–	**–**
Board member – Julia Ehrhardt	0.3	–	**0.3**
Board member – Christian Shin Høegh Andersen (appointed October 2023)	–	–	**–**
Board member – Toby Franklin (resigned October 2023)	0.7	–	**0.7**
Board member – Simon Tillmo (resigned October 2023)	–	–	**–**
Board member – Albert Gustafsson (resigned October 2023)	–	–	**–**
CEO – Björn Lander	4.0	0.7	**4.7**
Senior management team excluding CEO – 7 people	11.5	1.7	**13.1**
Total salaries and remuneration 2023	**18.0**	**2.4**	**20.4**

MSEK – For the year ended 31 December	Salary	Pension	Total
2022			
Chairman of the Board – Per-Arne Blomquist	1.3	–	**1.3**
Chairman of the Board – Jayne Almond (assigned as Board member April 2022 and Chairman in December 2022)	–	–	**–**
Board member – Toby Franklin	0.5	–	**0.5**
Board member – Lars Wollung (resigned in April 2022)	0.3	–	**0.3**
Board member – Sofia Arhall Bergendorff (resigned in April 2022)	0.3	–	**0.3**
Board member – Rolf Stub*)	0.4	–	**0.4**
Board member – Simon Tillmo	–	–	**–**
Board member – Albert Gustafsson	–	–	**–**
Board member – Julia Ehrhardt	0.2	–	**0.2**
CEO – Björn Lander	5.0	0.5	**5.5**
Senior management team excluding CEO – 8 people	14.8	2.6	**17.4**
Total salaries and remuneration 2022	**22.8**	**3.1**	**25.9**

*) Rolf Stub has during 2023 performed consulting services for the Group, for which he has received compensation corresponding to MSEK 0.3. No services were performed for the company in 2022 or 2024.

Note 9 – Salaries and remuneration, *cont.*

Salaries and remuneration – Other employees

	Group For the year ended 31 December		
MSEK	**2024**	**2023**	**2022**
Salaries and remuneration	212.4	187.1	162.8
Pension costs	23.9	23.9	22.3
Social security fees	57.9	55.9	52.9
Other staff costs	12.6	23.1	17.5
Total salaries, remuneration, social security, and pensions	**306.7**	**289.9**	**255.6**

	Parent		
Distribution by gender in board and management	**2024**	**2023**	**2022**
The Board			
Women	2	2	2
Men	4	4	4
Total	**6**	**6**	**6**
Management team including CEO			
Women	3	2	2
Men	6	6	6
Total	**9**	**8**	**8**

	Group		
Average number of employees	**2024**	**2023**	**2022**
Sweden			
Women	82	88	96
Men	84	87	86
Total	**166**	**175**	**182**
Norway			
Women	29	47	31
Men	42	47	30
Total	**71**	**94**	**61**
Finland			
Women	12	11	9
Men	9	11	13
Total	**21**	**22**	**22**
Total average number of employees	**258**	**291**	**264**
Total number of employees as per 31 December	**251**	**299**	**267**

Note 10 – Credit losses

Provisions for expected credit losses are calculated using quantitative models based on inputs and assumptions made by management. The Group 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.

MSEK	For the year ended 31 December		
Credit impairments	**2024**	**2023**	**2022**
Stage 1 – net impairment	4.8	–0.7	–1.2
Stage 2 – net impairment	19.3	–12.9	–11.1
Stage 3 – impairment / recoveries for the year	–67.6	–23.6	–16.0
Write-offs			
Actual losses during the period	–47.9	–25.3	–15.9
Reversal of allowances for write-offs in Stage 3	39.8	9.3	7.2
Recoveries from previous write-offs	10.6	5.2	8.9
Total write-offs	**2.5**	**–10.8**	**0.3**
Credit losses, net	**–41.0**	**–48.0**	**–28.1**

Note 11 – Tax on net result

The 2024 tax rate in Sweden is 20.6% (2023 and 2022: 20.6%), in Norway 25.0% (2023 and 2022: 25.0%) and in Finland 20.0% (2023 and 2022: 20.0%).

	For the year ended 31 December		
MSEK	**2024**	**2023**	**2022**
Current tax on profit for the year	–110.5	–75.7	–53.7
Deferred tax expense	–0.2	0.5	–0.5
Tax attributable to previous year	–27.4	–	–
Total tax expense	**–138.1**	**–75.3**	**–54.2**

MSEK **Reconciliation effective tax**	**2024**	**2023**	**2022**
Profit for the year	255.6	200.8	209.8
Tax	138.1	75.3	54.2
Profit before tax	**393.6**	**276.1**	**264.1**
Tax attributable to			
Tax based on current tax rate 20.6% (20.6%)	–81.1	–56.9	–54.4
Tax effect foreign tax rates	–25.4	0.7	–15.1
Tax effect non-deductible items and non-taxable income	–6.2	–19.5	15.7
Deferred tax	2.0	0.5	–0.5
Tax attributable to previous year	–27.4	–	–
Total tax expense	**–138.1**	**–75.3**	**–54.2**
Tax effect attributable to translation reserve			
Tax effect, exchange differences, foreign operations	12.7	28.1	–17.4
Total tax effect	**12.7**	**28.1**	**–17.4**
Deferred tax on temporary differences			
Deferred tax asset	4.4	33.8	–
of which estimated foreign tax	*4.4*	*29.5*	–
Deferred tax liability	–75.5	–79.0	–76.4
Of which deferred tax liability on intangible assets (brand and customer relations)	*–75.5*	*–79.0*	*–76.4*
Total deferred tax	**–71.1**	**–45.1**	**–76.4**
Current tax accounted for in the balance sheet			
Current tax assets	92.2	89.0	94.5
Current tax liabilities	–65.6	59.8	56.9

Note 12 – Earnings per share

Earnings per share	2024	2023	2022
Profit attributable to ordinary shareholders (MSEK)	254.4	200.0	209.8
Weighted-average number of ordinary shares (thousands of shares)	50,000	15,625	12,500
Earnings per share (SEK)	**5.09**	**12.80**	**16.78**

Profit attributable to ordinary shareholders

MSEK	2024	2023	2022
Profit for the year	255.6	200.8	209.8
Share of profit attributable to non-controlling interest	–1.2	–0.8	–
Profit attributable to ordinary shareholders	**254.4**	**200.0**	**209.8**

The weighted average number of ordinary shares included in the calculation of basic and diluted earnings per share is after retrospective adjustments that have occurred after the end of the reporting period. The Group currently does not have any instruments that could potentially dilute basic earnings per share in the future.

After the end of the reporting period and before the financial statements were published, Enity Holding AB proceeded, on 12 May 2025, to split the existing 4,000 shares in a share split 12,500:1, resulting in 50,000,000 shares after the split. As a result, the calculation of basic earnings per share for all periods presented was adjusted retrospectively.

The change in ordinary shares is further described in Note 24 Equity.

Note 13 – Cash and balances at central banks

	As of 31 December		
MSEK	2024	2023	2022
Balances at central banks	604.7	1,044.7	501.7
Cash	–	–	0.0
Total	**604.7**	**1,044.7**	**501.7**

Note 14 – Debt securities eligible for refinancing with central banks

	As of 31 December					
	2024		2023		2022	
MSEK	Purchase value	Reported value	Purchase value	Reported value	Purchase value	Reported value
Debt securities eligible for refinancing with central banks						
Swedish issuers						
Bonds issued by the Swedish government or municipalities	527.8	612.5	420.0	416.9	329.8	321.3
Bonds issued by Swedish credit institutions	–	–	103.9	100.5	103.9	101.4
Foreign issuers						
Bonds issued by foreign governments or municipalities	55.8	56.3	148,7	147,7	–	–
Bonds issued by foreign credit institutions	–	–	337,9	338,3	–	–
Total debt securities eligible for refinancing with central banks	**583.7**	**668.8**	**1,010.6**	**1,003.4**	**433.7**	**422.7**

Note 15 – Lending to credit institutions

	As of 31 December		
MSEK	2024	2023	2022
Swedish banks	777.8	479.7	1,701.9
Foreign banks	1,790.5	1,034.0	–
Total	**2,568.4**	**1,513.8**	**1,701.9**

Note 16 – Lending to the public

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Measured at amortised cost			
Mortgage loans - Sweden	10,344.2	10,165.9	10,107.4
Mortgage loans - Norway	15,396.6	13,803.7	8,716.5
Mortgage loans - Finland	1,309.6	738.3	511.1
Corporate loans, factoring and unsecure loans in run-off	120.2	184.4	–
Measured at fair value			
Equity release - Sweden	1,661.8	1,312.8	1,011.4
Total lending to the public	**28,832.4**	**26,205.1**	**20,346.3**

As of 31 December 2024	**Reported value gross**				**Provisions**				**Reported value net**
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgage loan – Sweden	8,670.9	1,314.7	417.8	**10,403.3**	–6.6	–19.9	–32.7	**–59.2**	**10,344.2**
Mortgage loan – Norway	12,155.5	2,317.6	983.2	**15,456.3**	–5.5	–29.6	–24.5	**–59.5**	**15,396.6**
Mortgage loan – Finland	1,125.9	94.6	97.1	**1,317.6**	–0.4	–1.8	–5.8	**–8.1**	**1,309.6**
Corporate loans (run-off)	–	132.1	13.6	**145.7**	–	–29.0	–1.0	**–30.0**	**115.7**
Unsecured loans (run-off)	0.7	1.8	6.0	**8.4**	–0.1	–0.2	–3.7	**–4.0**	**4.4**
Factoring (run-off)	–	–	–	**–**	–	–	–	**–**	**–**
Total	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**	**–12.6**	**–80.5**	**–67.7**	**–160.8**	**27,170.6**

As of 31 December 2023	**Reported value gross**				**Provisions**				**Reported value net**
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgage loan – Sweden	8,764.3	1,198.3	261.6	**10,224.2**	–5.7	–26.5	–26.0	**–58.2**	**10,166.0**
Mortgage loan – Norway	11,020.5	2,100.9	706.8	**13,828.2**	–2.0	–38.4	7.7	**–32.7**	**13,795.5**
Mortgage loan – Finland	638.0	76.9	28.3	**743.2**	–0.3	–2.0	–2.6	**–4.9**	**738.3**
Corporate loans (run-off)	–	173.8	7.2	**181.0**	–	3.4	–	**3.4**	**184.4**
Unsecured loans (run-off)	0.2	3.3	15.2	**18.7**	–	–0.3	–11.0	**–11.3**	**7.4**
Factoring (run-off)	–	–	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**	**–103.3**	**24,892.3**

As of 31 December 2022	**Reported value gross**				**Provisions**				**Reported value net**
MSEK	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Total**
Mortgage loan – Sweden	9,059.8	933.9	152.7	**10,146.4**	–5.0	–19.9	–14.1	**–39.1**	**10,107.4**
Mortgage loan – Norway	7,553.0	976.7	205.6	**8,735.3**	–1.9	–11.2	–5.7	**–18.8**	**8,716.5**
Mortgage loan – Finland	472.4	26.3	14.5	**513.2**	–0.2	–0.6	–1.3	**–2.2**	**511.1**
Total	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**	**–7.2**	**–31.7**	**–21.1**	**–60.0**	**19,334.9**

Note 16 – Lending to the public, *cont.*

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2024	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Reported value gross 31 December 2024	**21,952.9**	**3,860.8**	**1,517.7**	**27,331.4**
Provisions 1 January 2024	**–8.0**	**–63.8**	**–31.8**	**–103.6**
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 December 2024	**–12.6**	**–80.5**	**–67.7**	**–160.8**
Reported value net 1 January 2024	**20,415.0**	**3,489.0**	**987.9**	**24,892.3**
Reported value net 31 December 2024	**21,940.4**	**3,780.3**	**1,450.0**	**27,170.6**

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2023	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Acquisition of portfolio (Bank2), net	**3,615.1**	**849.9**	**349.6**	**4,814.6**
Reported value gross 31 December 2023	**20,423.0**	**3,553.2**	**1,019.7**	**24,995.9**
Provisions 1 January 2023	**–7.2**	**–31.7**	**–21.1**	**–60.0**
New financial assets	–3.1	–7.6	–1.9	**–12.6**
Change in PD/LGD/EAD	–	–4.0	–2.1	**–6.1**
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	–	–18.1	–	**–18.1**
Provisions 31 December 2023	**–8.0**	**–63.8**	**–31.8**	**–103.6**
Reported value net 1 January 2023	**17,078.1**	**1,905.2**	**351.7**	**19,334.9**
Reported value net 31 December 2023	**20,415.0**	**3,489.0**	**987.9**	**24,892.3**

Note 16 – Lending to the public, *cont.*

MSEK	Stage 1	Stage 2	Stage 3	Total
Reported value gross 1 January 2022	**15,705.2**	**1,824.3**	**299.6**	**17,829.1**
Reported value gross 31 December 2022	**17,085.3**	**1,936.9**	**372.8**	**19,394.9**
Provisions 1 January 2022	**–6.0**	**–20.3**	**–12.0**	**–38.3**
New financial assets	–2.9	–8.6	–3.7	**–15.1**
Change in PD/LGD/EAD	0.4	–1.9	–0.5	**–1.9**
Change due to expert credit judgement	–0.2	–1.0	–	**–1.2**
Transfers between stages				
Transfer from stage 1 to 2	0.6	–12.4	–	**–11.8**
Transfer from stage 1 to 3	0.1	–	–5.3	**–5.2**
Transfer from stage 2 to 1	–0.4	4.3	–	**3.9**
Transfer from stage 2 to 3	–	3.1	–7.9	**–4.8**
Transfer from stage 3 to 1	0.0	–	0.2	**0.2**
Transfer from stage 3 to 2	–	–0.5	1.2	**0.7**
Changes in exchange rates	–0.1	–0.4	–0.3	**–0.7**
Removed financial assets	1.3	5.9	7.2	**14.4**
Provisions 31 December 2022	**–7.2**	**–31.7**	**–21.1**	**–60.0**
Reported value net 1 January 2022	**15,699.2**	**1,804.0**	**287.6**	**17,790.8**
Reported value net 31 December 2022	**17,078.1**	**1,905.2**	**351.7**	**19,334.9**

Note 17 – Hedge accounting and derivatives

The derivative instruments consist of hedging instruments covering lending to the public, bonds and other interest-bearing securities. A breakdown of the counterparties to the derivatives is specified below:

	As of 31 December								
MSEK	**2024**			**2023**			**2022**		
Assets	**Notional amount**	**Acquisition cost**	**Carrying amount**	**Notional amount**	**Acquisition cost**	**Carrying amount**	**Notional amount**	**Acquisition cost**	**Carrying amount**
Swedish financial institutes	–	–	–	–	–	–	7,637.2	–	248.7
Foreign financial institutes	9,803.1	–	102.0	7,953.9	–	186.4	3,001.5	–	89.1
Total	**9,803.1**	**–**	**102.0**	**7,953.9**	**–**	**186.4**	**10,638.7**	**–**	**337.8**

MSEK	**2024**			**2023**			**2022**		
Liabilities	**Notional amount**	**Acquisition cost**	**Carrying amount**	**Notional amount**	**Acquisition cost**	**Carrying amount**	**Notional amount**	**Acquisition cost**	**Carrying amount**
Swedish financial institutes	–	–	–	–	–	–	4,311.5	–	26.3
Foreign financial institutes	6,521.7	–	77.0	613.5	–	83.6	963.8	–	18.3
Total	**6,521.7**	**–**	**77.0**	**613.5**	**–**	**83.6**	**5,275.3**	**–**	**44.6**

The Group uses derivative instruments to achieve desired reduction of interest rate risks. Interest rate risks are in SEK and NOK and primarily attributable to differences in fixed interest rate periods between mortgage assets and liabilities. Fixed rates are to a larger extent being applied to lending, whereas financing is to a larger extent conducted at variable rates.

Fair value hedges (portfolio hedges)

The Group applies fair value hedging in accordance with the carve-out method in IAS 39. The hedged items consist of portfolios of borrowing, deposits and lending. The hedging instruments consist of interest rate swaps in SEK and NOK where Enity pays a fixed interest and receives a variable interest, usually with a maturity of up to three years.

The hedging ratio between hedging instruments and hedged items is 1:1. The efficiency of the hedging relationship is evaluated by comparing the change in the fair value of hedging instruments and the hedged item, respectively. Possible inefficiencies in the economic relationship are mainly attributable to differences in changes in value in interest rate swaps in relation to changes in value in the hedged item.

Change in fair value of hedged item amounted to MSEK 78.1 as of 31 December 2024 (2023: MSEK 247.4, 2022: MSEK –287.5) and corresponding change in fair value of hedge instrument amounted to MSEK –77.2 (2023: MSEK –244.5, 2022: MSEK 286.0). The hedge accounting is effective and thereby meets the conditions for when hedge accounting may be applied.

Hedging of net investments in foreign operations

Foreign currency translation differences arise from the translation of operations that do not have SEK as their functional currency. The foreign currency risk arises as a result of fluctuations in the spot rate of the functional currency of the foreign operation versus SEK, which causes the carrying amount of the net investment to vary. The Group hedges these exposures with currency derivatives. The foreign exchange effects for hedging instruments are reported in other comprehensive income instead of the income statement.

Note 17 – Hedge accounting and derivatives, *cont.*

The Group ensures that designated hedge relationships fulfil the effectiveness requirements. The economic relationship between the net investment in the foreign operation and currency derivatives is assessed using a qualitative analysis of the critical terms, which are matched. The carrying amounts are expected to move in opposite directions as a result of a change in the foreign currency rate. The hedge ratio is 1:1 as the carrying amount of hedging instrument match the portion of the net investment in the foreign operation that is designated as the hedged item.

The Group assesses hedge effectiveness by comparing the changes in value of the designated net investment, with the changes in the carrying amount of the hedging instruments, due to movements in the foreign currency rate. The following tables provide information relating to the hedged items and hedging instruments in qualifying hedges of net investments in foreign operations.

MSEK		Carrying amount			
Hedging instruments and hedge ineffectiveness	**Nominal amount**	**Assets**	**Liabilities**	**Change in fair value used for measuring hedge ineffectiveness**	**Ineffectiveness recognised in Profit or Loss**
Interest rate risk					
Interest rate swap 2024	12,881.8	70.3	–65.1	–77.2	0.9
Interest rate swap 2023	9,706.8	153.0	–70.5	–244.5	2.8
Interest rate swap 2022	10,268.7	331.9	–	286.0	–1.5

MSEK	Carrying amount		Accumulated adjustment on the hedged item		
Hedged items	**Assets**	**Liabilities**	**Assets**	**Liabilities**	**Change in value used for measuring hedge ineffectiveness**
Interest rate risk					
Lending to the public 2024	12,881.8	–	–	–4.4	78.1
Lending to the public 2023	9,706.8	–	–	–82.6	247.4
Lending to the public 2022	10,102.2	–	–	–334.9	–287.5

	31 December 2024			31 December 2023			31 December 2022		
MSEK	Remaining contractual maturity			Remaining contractual maturity			Remaining contractual maturity		
Maturity analysis and average price, hedging instruments	**<1 yr**	**1–5 yrs.**	**>5 yrs.**	**<1 yr**	**1–5 yrs.**	**>5 yrs.**	**<1 yr**	**1–5 yrs.**	**>5 yrs.**
Fair value hedges									
Nominal amount	2,871.0	10,010.8	–	1,945.5	7,761.3	–	3,495.7	6,772.9	–
Average fixed interest rate, %	1.84%	3.19%	–	0.51%	2.63%	–	0.24%	1.15%	–

	2024			
Hedging instruments and hedge ineffectiveness	**Carrying amount**	**Change in fair value used for measuring hedge ineffectiveness**	**Change in value of the hedging instrument recognised in OCI (before tax)**	**Hedging of net investment in foreign operations (after tax)**
Foreign currency risk				
FX derivatives	4.0	7.9	–6.7	–5.4
Total	**4.0**	**7.9**	**–6.7**	**–5.4**

Hedged items	**Change in value used for measuring hedge ineffectiveness**	**Foreign currency translation reserve**
NOK net investments	–30.8	–19.5
Total	**–30.8**	**–19.5**

Note 17 – Hedge accounting and derivatives, *cont.*

	2023			
Hedging instruments and hedge ineffectiveness	**Carrying amount**	**Change in fair value used for measuring hedge ineffectiveness**	**Change in value of the hedging instrument recognised in OCI (before tax)**	**Hedging of net investment in foreign operations (after tax)**
Foreign currency risk				
FX derivatives	–6.1	3.8	4.2	3.4
Total	**–6.1**	**3.8**	**4.2**	**3.4**

Hedged items	**Change in value used for measuring hedge ineffectiveness**	**Foreign currency translation reserve**
NOK net investments	–53.4	–24.4
Total	**–53.4**	**–24.4**

	2022			
Hedging instruments and hedge ineffectiveness	**Carrying amount**	**Change in fair value used for measuring hedge ineffectiveness**	**Change in value of the hedging instrument recognised in OCI (before tax)**	**Hedging of net investment in foreign operations (after tax)**
Foreign currency risk				
FX derivatives	–	–	–	–
Total	**–**	**–**	**–**	**–**

Hedged items	**Change in value used for measuring hedge ineffectiveness**	**Foreign currency translation reserve**
NOK net investments	–	–
Total	**–**	**–**

For maturity analysis, see note 2.

Note 18 – Bonds and other interest-bearing securities

	As of 31 December					
	2024		2023		2022	
MSEK	**Acquisition cost**	**Carrying amount**	**Acquisition cost**	**Carrying amount**	**Acquisition cost**	**Carrying amount**
Bonds and other interest-bearing securities						
Swedish issuers						
Bonds issued by the Swedish government or municipalities	70.8	69.2	–	–	–	–
Foreign issuers	–	–				
Bonds issued by foreign governments or municipalities	481.0	416.0	491.8	484.7	328.6	313.6
Bonds issues by foreign credit institutions	195.5	194.7	217.4	216.8	106.9	106.0
Total bonds and other interest-bearing securities	**747.4**	**680.0**	**709.3**	**701.5**	**435.5**	**419.6**

Note 19 – Shares and participations in associates

Uno Finans AS and Eiendomfinans AS are broker agencies which are associates of the Group.

MSEK			Carrying amount as of 31 December		
Company name	**Number of shares**	**Share %**	**2024**	**2023**	**2022**
Uno Finans AS	91,127	49.6%	54.7	52.0	14.2
Eiendomsfinans AS	44,759	49.0%	89.9	96.2	–
Total			**144.6**	**148.2**	**14.2**

Company name	Reg. No.	Domicile	Equity
Uno Finans AS	921320639	Oslo	51.9
Eiendomsfinans AS	967692301	Drammen	9.6

Note 20 – Intangible assets

Investments of intangible assets consist of a combination of IT systems and internally developed system and software development costs. Translation of foreign operations result in an exchange rate difference amounting to MSEK −0.3 (2023: MSEK −1.4, 2022: MSEK −0.1) as of the balance sheet date. The exchange rate difference is the difference between the year's amortisation on the balance sheet and amortisation in the income statement. Average remaining amortisation period is 31.0 months (2023: 30.8 months, 2022: 36.4 months).

Goodwill	For the year ended 31 December		
MSEK	**2024**	**2023**	**2022**
Acquisition cost at 1 January	**2,872.4**	**2,795.0**	**2,795.0**
Acquisition of subsidiary	–	77.4	–
Acquisition cost at 31 December	**2,872.4**	**2,872.4**	**2,795.0**
Impairment at 1 January	**−201.9**	**−201.9**	**−201.9**
Translation differences	− 1.8	–	–
Impairment at 31 December	**−203.7**	**−201.9**	**−201.9**
Carrying amount at 31 December	**2,668.7**	**2,670.5**	**2,593.1**

	For the year ended 31 December 2024				
MSEK	**Software**	**Customer relationships**	**Internally developed**	**Other*)**	**Total other intangible assets**
Acquisition cost at 1 January	**355.9**	**161.5**	**96.9**	**349.3**	**963.6**
Capitalised cost for internal development	–	–	27.0	–	**27.0**
Acquisition of subsidiary	–	–	–	–	**–**
Acquisitions	26.4	–	–	–	**26.4**
Translation differences	−0.3	–	–	–	**−0.3**
Disposals	–	.	–	–	**–**
Acquisition cost at 31 December	**382.0**	**161.5**	**124.0**	**349.3**	**1,016.7**
Amortisation at 1 January	**−268.6**	**−80.6**	**−42.3**	**−63.3**	**−454.8**
Amortisation for the year	−34.9	−13.3	−20.6	–	**−68.8**
Translation differences	0.3	–	–	–	**0.3**
Impairments	–	–	–	–	**–**
Disposals	–	–	–	–	**–**
Amortisation at 31 December	**−303.3**	**−93.9**	**−62.9**	**−63.3**	**−523.3**
Carrying amount at 31 December	**78.7**	**67.6**	**61.1**	**286.0**	**493.4**

*) Other refers to bank licence and brand.

Note 20 – Intangible assets, *cont.*

MSEK	Software	Customer relationships	Internally developed	Other*)	Total other intangible assets
	For the year ended 31 December 2023				
Acquisition cost at 1 January	**330.2**	**147.7**	**72.5**	**331.0**	**881.3**
Capitalised cost for internal development	–	–	24.5	–	**24.5**
Acquisition of subsidiary	–	13.8	–	18.3	**32.1**
Acquisitions	43.8	–	–	–	**43.8**
Translation differences	–1.4	–	–	–	**–1.4**
Disposals	–16.7	–	–	–	**–16.7**
Acquisition cost at 31 December	**355.9**	**161.5**	**96.9**	**349.3**	**963.6**
Amortisation at 1 January	**–247.3**	**–71.9**	**–28.7**	**–63.3**	**–411.2**
Amortisation for the year	–33.6	–8.8	–13.6	–	**–56.0**
Translation differences	1.3	–	–	–	**1.3**
Impairments	–5.9	–	–	–	**–5.9**
Disposals	16.7	–	–	–	**16.7**
Amortisation at 31 December	**–268.6**	**–80.6**	**–42.3**	**–63.3**	**–454.8**
Carrying amount at 31 December	**87.2**	**80.9**	**54.6**	**286.0**	**508.7**

*) Other refers to bank licence and brand.

MSEK	Software	Customer relationships	Internally developed	Other*)	Total other intangible assets
	For the year ended 31 December 2022				
Acquisition cost at 1 January	**298.2**	**147.7**	**50.2**	**331.0**	**827.0**
Capitalised cost for internal development	31.9	–	22.3	–	**54.2**
Acquisition of subsidiary	–	–	–	–	**–**
Translation differences	0.2	–	–	–	**0.2**
Disposals	–	–	–	–	**–**
Acquisition cost at 31 December	**330.2**	**147,7**	**72.5**	**331.0**	**881.4**
Amortisation at 1 January	**–217.3**	**–63.3**	**–18.4**	**–63.3**	**–362.3**
Amortisation for the year	–29.8	–8.8	–10.3	–	**–48.9**
Translation differences	–0.1	–	–	–	**–0.1**
Impairments	–0.0	–	–	–	**–0.0**
Disposals	–	–	–	–	**–**
Amortisation at 31 December	**–247.3**	**–71.9**	**–28.7**	**–63.3**	**–411.3**
Carrying amount at 31 December	**82.9**	**75.8**	**43.8**	**267.7**	**470.2**

*) Other refers to bank licence and brand.

Goodwill and other intangible assets with an indefinite useful life (trademarks) are attributable to business combinations. These assets are not amortised but are tested for impairment annually and whenever there is an indication of impairment. As the group's trademarks do not generate cash inflows that are largely independent of those from other assets, the trademarks are tested for impairment as part of the cash-generating units including goodwill. Impairment testing has been performed for the individual cash-generating units Sweden and Norway, as goodwill and trademarks are allocated to these cash-generating units solely. In the impairment test, these assets have been allocated according to the below table.

	As of 31 December		
Allocation of goodwill and trademarks	**2024**	**2023**	**2022**
Goodwill			
Sweden	1,177.7	1,177.7	1,177.7
Norway	1,491.0	1,492.8	1,415.4
Total	**2,668.7**	**2,670.5**	**2,593.1**
Trademarks			
Sweden	173.7	173.7	173.7
Norway	94,3	94.3	76.2
Total	**268.0**	**268.0**	**250.1**

Note 20 – Intangible assets, *cont.*

The impairment test is performed in the fourth quarter each year or whenever changes in conditions indicate that the assets' carrying value may not be recoverable. The group has performed impairment tests by measuring the value in use of the cash-generating units. This calculation is based on cash flow forecasts derived from budgets approved by management for the coming three years. Cash flows beyond the three-year period are extrapolated using a long-term growth rate. The growth rate used is consistent with industry forecasts.

The value in use has been determined using a model based on forecasts for cash flows and risk premiums for the expected future cash flow of the cash-generating unit. The cash flow is discounted using a discount rate that reflects the required return on equity, to mirror the relative risk of the investment and the time value of money.

The key assumptions during the forecast period are management's assessments of growth and capital requirements, including combined buffers, which are determined by the board. The assumptions are based on both historical experience and market data. After the forecast period, a long-term growth rate of 2% in Sweden and 2% in Norway is applied (similar to the previous year). In the calculation of the value in use, a capital base of 13.5% (2023: 11.0%, 2022: 11.1%) has been applied. The discount factor varies between 10.9%–11.8% (2023: 10.9%–12.3%, 2022: 12.5%–13.8%) before tax depending on the country and has been determined based on an assumed required return on equity of 11.43% (2023: 11.5%, 2022: 11.0%) in Sweden and 13.04% in Norway (2023: 11.8%, 2022: 17.7%).

Based on the impairment test performed, no need for impairment was identified. Management assesses that no reasonably possible changes in the key assumptions, individually or in combination, would lead to any impairment need.

Note 21 – Tangible assets

	For the year ended 31 December					
	2024		2023		2022	
MSEK	**Total**	***Of which right-of-use asset***	**Total**	***Of which right-of-use asset***	**Total**	***Of which right-of-use asset***
Acquisition cost at 1 January	**134.6**	***87.8***	**116.5**	***80.1***	**97.7**	***72.3***
Investments for the year	81.5	*77.9*	10.6	*0.5*	11.3	*0.5*
Translation difference	–1.9	*–1.5*	1.2	*1.0*	1.2	*1.0*
Disposals	–13.8	*–11.5*	–	–	–	–
Reclassification	–	–	–	–	–	–
Assessments and modifications	–	–	6.3	*6.3*	6.3	*6.3*
Acquisition cost at 31 December	**200.3**	***152.7***	**134.6**	***87.8***	**116.5**	***80.1***
Depreciation at 1 January	**–88.2**	***–52.5***	**–74.2**	***–52.5***	**–54.5**	***–35.9***
Depreciation for the year	–42.7	*–39.7*	–12.3	*–0.1*	–18.0	*–16.7*
Translation difference	–0.3	*–0.6*	–1.7	*–0.6*	–1.7	*–0.6*
Disposals	–	*0.7*	–	*0.7*	–	*0.7*
Depreciation at 31 December	**–131.3**	***–92.1***	**–88.2**	***–52.5***	**–74.2**	***–52.5***
Carrying amount at 31 December	**69.1**	***60.7***	**46.4**	***35.3***	**42.3**	***27.6***

Translation of foreign operations result in an exchange rate difference amounting to MSEK –0.3 (2023: MSEK –1.4, 2022: –1.7 MSEK) as at balance sheet date. The exchange rate difference is the difference between the year's depreciation on the balance sheet and depreciation in the income statement.

Note 22 – Other assets

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Accounts receivable	38.3	22.9	29.9
Securities financial instruments[1)]	–	–	18.2
Long term deposits	4.0	0.3	0.0
Other assets	123.9	1.3	1.1
Total	**166.1**	**24.5**	**49.2**

1) Liquid assets settled between the counterparties based on the change in value of the underlying financial instrument

Note 23 – Prepaid expenses and accrued income

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Accrued interest on bonds	58.2	55.4	36.7
Other prepaid expenses and accrued income	21.3	18.0	17.4
Total	**79.5**	**73.4**	**54.1**

Note 24 – Equity

Number of shares issued	As of 31 December		
thousands of shares	**2024**	**2023**	**2022**
At the beginning of the year	4,000	1,000	1,000
Issued during the year	–	3,000	–
Shares issued fully paid	**4,000**	**4,000**	**1,000**

Ordinary shares

The share capital consists of 4,000 common shares of the same type with a nominal value of SEK 100. All shares have equal voting rights. The number of shares and share capital remained unchanged during the period from 1 January 2024, to 31 December 2024. In 2023, a new issue of 3,000 shares was carried out, which increased the number of shares from 1,000 to 4,000 shares, and the share capital increased from MSEK 0.1 to MSEK 0.4.

After the end of the reporting period and before the financial statements were published, Enity Holding AB proceeded, on 12 May 2025, to split the existing 4,000 shares in a share split 12,500:1, resulting in 50,000,000 shares after the split.

Note 25 – Debt securities in issue

MSEK	As of 31 December		
Bonds secured by mortgage loans	**2024**	**2023**	**2022**
Covered bonds, issued in SEK	5,265.3	5,105.5	6,012.8
Total	**5,265.3**	**5,105.5**	**6,012.8**

MSEK	As of 31 December		
Unsecured bonds	**2024**	**2023**	**2022**
Senior unsecured bonds, issued in SEK	2,308.6	1,868.0	1,559.5
Senior unsecured bonds, issued in NOK	–	549.8	586.6
Subordinated loan capital, issued in NOK	59.0	59.6	–
Subordinated loan capital, issued in SEK	300.5	–	–
Total	**2,668.1**	**2,477.5**	**2,146.1**

Note 26 – Deposits from the public

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Deposits from the public	23,202.9	20,513.1	13,239.1
Total	**23,202.9**	**20,513.1**	**13,239.1**

MSEK	As of 31 December		
Breakdown by currency	**2024**	**2023**	**2022**
SEK	7,559.4	6,571.9	6,568.0
NOK	11,977.7	12,817.7	6,671.1
EUR	3,665.7	1,123.5	–
Total deposits from the public	**23,202.9**	**20,513.1**	**13,239.1**

See note 2 for a maturity analysis of deposits from the public.

Note 27 – Other liabilities

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Accounts payable	22.0	65.9	56.7
Social security fees	17.0	24.5	18.9
Lease liability	55.4	28.7	21.8
Other liabilities	55.0	325.5	357.9
Total	**149.5**	**444.5**	**455.4**

Note 28 – Accrued expenses and prepaid income

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Accrued salaries and remunerations	37.2	24.0	16.9
Accrued social security fees	4.1	4.3	4.1
Accrued interest	36.8	14.0	11.0
Other accrued expenses and prepaid income	10.0	37.3	38.2
Total	**88.1**	**79.6**	**70.3**

Note 29 – Provisions

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Employee related provisions	–	2.4	–
Bank2 integration	14.2	–	–
Facility provisions	1.1	5.1	–
Other	17.0	–	–
Total	**32.3**	**7.6**	**–**

Note 30 – Financial assets and liabilities

Financial instruments measured at fair value

The Group's financial assets and liabilities are valued at fair value through profit or loss or at amortised cost. All derivative contracts in assets and liabilities that are valued at fair value are entered into to hedge interest rate or currency risks in the Group's operations, and all interest-bearing securities are included in the Group's liquidity portfolio.

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

Level 1 uses valuation of quoted prices in an active market, i.e. easily accessible by different market participants and represent actual and frequent transactions. Bonds and other interest-bearing securities, which are actively traded are shown here.

Level 2 uses calculated values that are based on observable market prices for similar instruments, or instruments on a less active market. This level includes interest bearing instruments, interest rate swaps, and cross-currency swaps.

Level 3 refers to financial instruments that are not actively traded in a market and where valuation models are used where significant input data is based on unobservable data. At this level there is a certain proportion of lending to the public.

As of 31 December 2024	Measured at fair value through profit or loss[1]	*of which hedge accounting*	Amortised cost	Non-financial assets and liabilities	**Total carrying amount**
Assets					
Cash and balances at central banks	–	–	604.7	–	**604.7**
Lending to credit institutions	–	–	2,568.4	–	**2,568.4**
Lending to the public	1,661.8	–	27,170.6	–	**28,832.4**
Value change of interest-hedged items in portfolio hedges	–	–	–4.4	–	**–4.4**
Shares and participations	1.1	–	–	–	**1.1**
Investments in associates	144.6	–	–	–	**144.6**
Derivatives	96.7	*70.3*	5.3	–	**102.0**
Bonds and other interest-bearing securities	680.0	–	–	–	**680.0**
Debt securities eligible for refinancing with central banks	668.8	–	–	–	**668.8**
Goodwill	–	–	–	2,668.7	**2,668.7**
Other assets	–	–	166.1	–	**166.1**
Prepaid expenses and accrued income	–	–	58.2	21.3	**79.5**
Total non-financial liabilities	–	–	–	658.9	**658.9**
Total	**3,252.9**	***70.3***	**30,568.8**	**3,349.0**	**37,170.8**
Liabilities					
Deposits from the public	–	–	23,202.9	–	**23,202.9**
Debt securities in issue	–	–	7,933.5	–	**7,933.5**
Derivatives	77.0	*4.4*	–	–	**77.0**
Other liabilities	–	–	132.5	17.0	**149.5**
Accrued expenses and prepaid income	–	–	88.1	–	**88.1**
Provisions	–	–	–	32.3	**32.3**
Total non-financial liabilities	–	–	–	141.1	**141.1**
Total	**77.0**	***4.4***	**31,357.0**	**190.4**	**31,624.3**

1) Mandatorily measured at fair value through profit or loss

Note 30 – Financial assets and liabilities, *cont.*

As of 31 December 2023	Measured at fair value through profit or loss[1]	*of which hedge accounting*	Amortised cost	Non-financial assets and liabilities	**Total carrying amount**
Assets					
Cash and balances at central banks	–	–	1,044.7	–	**1,044.7**
Lending to credit institutions	–	–	1,513.8	–	**1,513.8**
Lending to the public	1,312.8	–	24,892.3	–	**26,205.1**
Value change of interest-hedged items in portfolio hedges	–	–	–82.6	–	**–82.6**
Shares and participations	59.3	–	–	–	**59.3**
Investments in associates	148.2	–	–	–	**148.2**
Derivatives	186.4	*153.0*	–	–	**186.4**
Bonds and other interest-bearing securities	701.5	–	–	–	**701.5**
Debt securities eligible for refinancing with central banks	1,003.4	–	–	–	**1,003.4**
Goodwill	–	–	–	2,670.5	**2,670.5**
Other assets	–	–	22.8	1.7	**24.5**
Prepaid expenses and accrued income	–	–	55.4	18.0	**73.4**
Total non-financial assets	–	–	–	677.9	**677.9**
Total assets	**3,411.6**	***153.0***	**27,446.4**	**3,368.1**	**34,226.2**
Liabilities					
Deposits from the public	–	–	20,513.1	–	**20,513.1**
Debt securities in issue	–	–	7,583.0	–	**7,583.0**
Derivatives	83.6	*70.5*	–	–	**83.6**
Other liabilities	–	–	420.0	24.5	**444.5**
Accrued expenses and prepaid income	–	–	79.6	–	**79.6**
Provisions	–	–	–	7.6	**7.6**
Total non-financial liabilities	–	–	–	138.8	**138.8**
Total liabilities	**83.6**	***70.5***	**28,595.6**	**170.9**	**28,850.1**

1) Mandatorily measured at fair value through profit or loss

As of 31 December 2022	Measured at fair value through profit or loss[1]	*of which hedge accounting*	Amortised cost	Non-financial assets and liabilities	**Total carrying amount**
Assets					
Cash and balances at central banks	–	–	501.7	–	**501.7**
Lending to credit institutions	–	–	1,701.9	–	**1,701.9**
Lending to the public	1,011.4	–	19,334.9	–	**20,346.3**
Value change of interest-hedged items in portfolio hedges		–	–334.9	–	**–334.9**
Derivatives	337.8	*331.9*	–	–	**337.8**
Bonds and other interest-bearing securities	419.6	–	–	–	**419.6**
Debt securities eligible for refinancing with central banks	422.7	–	–	–	**422.7**
Goodwill	–	–	–	2,593.1	**2,593.1**
Other assets	–	–	29.9	19.3	**49.2**
Prepaid expenses and accrued income	–	–	36.7	17.4	**54.1**
Total non-financial assets	–	–	–	621.2	**621.2**
Total assets	**2,191.5**	***331.9***	**21,270.3**	**3,251.1**	**26,712.9**
Liabilities					
Debt securities in issue	–	–	8,158.9	–	**8,158.9**
Deposits from the public	–	–	13,239.1	–	**13,239.1**
Derivatives	44.6	–	–	–	**44.6**
Other liabilities	–	–	436.7	18.9	**455.6**
Accrued expenses and prepaid income	–	–	70.3	–	**70.3**
Total non-financial liabilities	–	–	–	133.3	**133.3**
Total liabilities	**44.6**	**–**	**21,904.7**	**152.2**	**22,101.5**

1) Mandatorily measured at fair value through profit or loss

Note 30 – Financial assets and liabilities, *cont.*

Fair value

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

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.

The fair value of lending to the public measured at amortised cost amounts to MSEK 29,418 (2023: MSEK 26,768).

The value of lending to the public has been measured 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 take into account historical cash flows, type and nominal amount of receivables and experience with similar assets.

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

Financial instruments measured at fair value through profit or loss per fair value level

	As of 31 December 2024			
MSEK	**Level 1**	**Level 2**	**Level 3[1)]**	**Total**
Assets				
Lending to the public	–	–	1,661.8	**1,661.8**
Shares and participations	–	–	1.1	**1.1**
Investments in associates	–	–	89.9	**89.9**
Derivatives	–	96.7	–	**96.7**
Bonds / other interest-bearing securities	1,348.8	–	–	**1,348.8**
Total	**1,348.8**	**96.7**	**1,752.8**	**3,198.3**
Liabilities				
Derivatives	–	77.0	–	**77.0**
Total	**–**	**77.0**	**–**	**77.0**

1) Financial instruments with fair value measurements categorised within Level 3 consist of equity release loans, for which contractual cash flows do not consist solely of principal, interest and fees.

	As of 31 December 2023			
MSEK	**Level 1**	**Level 2**	**Level 3[1)]**	**Total**
Assets				
Lending to the public	–	–	1,312.8	**1,312.8**
Shares and participations	–	–	59.3	**59.3**
Investments in associates	–	–	96.2	**96.2**
Derivatives	–	186.4	–	**186.4**
Bonds / other interest-bearing securities	1,704.9	–	–	**1,704.9**
Total	**1,704.9**	**186.4**	**1,468.3**	**3,359.7**
Liabilities				
Derivatives	–	83.6	–	**83.6**
Total	**–**	**83.6**	**–**	**83.6**

1) Financial instruments with fair value measurements categorised within Level 3 consist of equity release loans, for which contractual cash flows do not consist solely of principal, interest and fees.

	As of 31 December 2022			
MSEK	**Level 1**	**Level 2**	**Level 3[1)]**	**Total**
Assets				
Lending to the public	–	–	1,011.4	**1,011.4**
Shares and participations	–	–	–	**–**
Investments in associates	–	–	–	**–**
Derivatives	–	337.8	–	**337.8**
Bonds / other interest-bearing securities	842.3	–	–	**842.3**
Total	**842.3**	**337.8**	**1,011.4**	**2,191.5**
Liabilities				
Derivatives	–	44.6	–	**44.6**
Total	**–**	**44.6**	**–**	**44.6**

1) Financial instruments with fair value measurements categorised within Level 3 consist of equity release loans, for which contractual cash flows do not consist solely of principal, interest and fees.

Note 30 – Financial assets and liabilities, *cont.*

Changes in lending to the public measured at fair value (level 3)

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 December 2024						
Lending to the public	1,312.8	380.6	–147.6	116.9	–0.8	**1,661.8**

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 December 2023						
Lending to the public	1,011.4	341.2	–129.2	89.1	0.3	**1,312.8**

MSEK	Opening balance	New loans	Settled loans	Interest income, unrealised	Gain/loss on revaluations	Total
Assets 31 December 2022						
Lending to the public	542.3	498.2	–68.8	40.8	–1.1	**1,011.4**

Sensitivity analysis for lending to the public in level 3

The Group has performed a sensitivity analysis of lending to the public measured at fair value altering assumptions of unobservable inputs in the valuation model. The sensitivity analysis is done in two parts, the first one being based on a parallel shift of the yield curve with 1% and the second is based on an instant movement in house prices of 10%. The movement is immaterial.

A parallel upward shift of the interest rate curve by +1 percentage point would result in a negative change in fair value of MSEK 5.0 (2023: MSEK 22.0), and a parallel downward shift of the interest rate curve by –1 percentage point would result in a positive change in fair value of MSEK 0.5 (2023: MSEK 3.0). An immediate negative change in the house price index by 10 percentage points would result in a negative change in fair value of MSEK 6.0 (2023: MSEK 15.0), and an immediate positive change by 10 percentage points would result in a positive change in fair value of MSEK 0.5 (2023: MSEK 3).

Note 31 – Capital adequacy analysis

This capital adequacy information complies with the disclosure requirements for credit institutions set out in the Act (1995:1559) regarding annual reports at credit institutions and securities companies, the Swedish FSA's regulations and general guidelines (FFFS 2008:25) regarding annual reports at credit institutions and securities companies, the Swedish FSA's 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 at the Consolidated situation.

In connection with the acquisition of Bank2 during the fourth quarter of 2023, Enity Bank AB issued capital instruments amounting to MSEK 191. Since these capital instruments were not formally approved by the Swedish FSA before 31 December 2023, they are not included in the CET1 capital of the Consolidated situation for the financial year 2023 in this report. However, the Swedish FSA did approve the instruments during the first quarter of 2024, which strengthened the capital base. If the instruments had been included as of year-end 2023, the CET1 ratio would have improved by 1.5 percentage points to 17.0%.

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

Upcoming changes in CRR and CRD

On 1 January 2025, the updated capital adequacy regulations in the form of CRR3 will come into effect. The Group's exposures mainly consist of loans secured by residential property, which will have changed risk weights in relation to the loan-to-value ratio. Considering the Group's loan-to-value ratios, this will have a certain positive impact on capital ratios. The core tier 1 capital ratio is estimated to strengthen by approximately 0.8 percentage points.

Risk-based capital requirement

The risk-based capital requirement is calculated in accordance with the CRR, the Swedish Acts, and the Swedish FSA Regulations and General Guidelines. The risk-based capital requirement consists of the Pillar I capital requirement, the Pillar II capital requirement, the combined buffer requirement, and the Pillar II guidance.

Overview of the methodologies used for calculating the risk-based capital requirement is shown below.

Risk based capital requirements		**Method**
Pillar I Capital Requirements		–
	Credit risk	Standardised Approach
	Counterparty credit risk	Original Exposure Method
Minimum Capital requirement	CVA risk	Standardised Approach
	Market risk	Standardised Approach
	Operational risk	Alternative Standardised Approach
Pillar II Capital Requirements		
Pillar II Requirement ("P2R")	For material risks, Swedish FSA SREP and internal methodologies have been applied. For the following risks, Swedish FSA methodologies have been applied; – Interest Rate risk – Credit Spread risk – Concentration risk	
Combined Buffer Requirement		
Countercyclical Capital Buffer ("CCyCB")	–	–
Capital Conservations Buffer ("CCB")	–	–
Pillar II Guidance		
Pillar II Guidance ("P2G")	–	–

Pillar I capital requirement: 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 for counterparty risk, and the alternative standardised approach for operational risk. The Pillar I capital requirement amounts to 8% of the risk weighted assets("RWAs"), and at least 4.5% shall be met by CET1 capital.

Pillar II requirement: The Pillar II requirement 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. The Pillar II capital requirement for material risks is assessed using internal methodologies, as well as methods from the Swedish FSA for concentration risk, interest rate risk, and credit spread risk. The Swedish FSA performs supervisory review and evaluation process ("SREP") and formally decides on Pillar II requirement. The risk-based Pillar II requirement is, in accordance with the latest Swedish FSA SREP decision, 1.20% of the RWAs for the Consolidated situation.

In accordance with the latest Swedish FSA SREP decision, Pillar II requirement is 1.10% of the RWAs for the Group.

Combined buffer requirement: The combined buffer requirement absorbs losses in periods of financial stress, and consist of the 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 2.0% in Sweden, 2.5% in Norway, and 0.0% in Finland. The combined buffer requirement shall bet met by CET1 capital.

Pillar II guidance: The Pillar II guidance level is notified by the Swedish FSA as part of the SREP in addition to other main components to cover risks and manage future financial stresses. The Pillar II guidance applies if the Swedish FSA considers the capital conservation buffer to be insufficient for covering risks the Group might be exposed to. The Swedish FSA has decided not to notify any Pillar II guidance for the Consolidated situation.

Note 31 – Capital adequacy analysis , *cont.*

Overview of risk weighted exposure amounts (EU OV1) is shown in the table below.

		Risk weighted exposure amounts (RWEAs)			Total own funds requirements
		As of 31 December			
MSEK		2024	2023	2022	31 December 2024
1	Credit risk (excluding CCR)	12,401.1	10,889.4	7,863.2	992.1
2	*Of which the standardised approach*	*12,401.1*	*10,889.4*	*7,863.2*	*992.1*
EU 4a	*Of which: equities under the simple risk weighted approach*	–	–	–	–
5	*Of which the Advanced IRB (A-IRB) approach*	–	–	–	–
6	Counterparty credit risk - CCR	229.0	242.4	117.9	18.3
7	*Of which the standardised approach*	–	–	–	–
8	*Of which internal model method (IMM)*	–	–	–	–
EU 8a	*Of which exposures to a CCP*	–	–	–	–
EU 8b	*Of which credit valuation adjustment - CVA*	*111.5*	*114.2*	*29.1*	*8.9*
9	*Of which other CCR*	*117.5*	*128.2*	*88.7*	*9.4*
15	Settlement risk	–	–	–	–
16	Securitisation exposures in the non-trading book (after the cap)	–	–	–	–
17	*Of which SEC-IRBA approach*	–	–	–	–
18	*Of which SEC-ERBA (including IAA)*	–	–	–	–
19	*Of which SEC-SA approach*	–	–	–	–
EU 19a	*Of which 1250%*	–	–	–	–
20	Position, foreign exchange and commodities risks (Market risk)	595.6	304.1	701.9	47.7
21	*Of which the standardised approach*	*595.6*	*304.1*	*701.9*	*47.7*
22	*Of which IMA*	–	–	–	–
EU 22a	Large exposures	–	–	–	–
23	Operational risk	1,602.7	1,455.3	887.8	128.2
EU 23a	*Of which basic indicator approach*	–	–	–	–
EU 23b	*Of which standardised approach*	*1,602.7*	*1,455.3*	*887.8*	*128.2*
EU 23c	*Of which advanced measurement approach*	–	–	–	–
24	Amounts below the thresholds for deduction (subject to 250% risk weight) (For information)	–	–	–	–
29	**Total**	**14,828.3**	**12,891.1**	**9,570.5**	**1,186.3**

The Consolidated situation's total risk-based capital requirements are shown below.

Capital requirements and Pillar II Guidance	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Pillar I capital requirement	1,186.3	1,031.3	765.6
Pillar II capital requirement	177.9	154.7	114.8
Combined capital buffer	985.8	881.3	373.8
Pillar II Guidance	–	–	–
Total capital requirements	**2,350.0**	**2,067.2**	**1,254.3**

Capital requirements and Pillar II Guidance (% RWA)	As of 31 December		
%	**2024**	**2023**	**2022**
Pillar I capital requirement	8.00%	8.00%	8.00%
Pillar II capital requirement	1.20%	1.20%	1.20%
Combined buffer requirements	6.65%	6.84%	3.91%
Pillar II Guidance	–	–	–
Total capital requirements	**15.85%**	**16.04%**	**13.11%**

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

Note 31 – Capital adequacy analysis , *cont.*

Leverage ratio requirement

The leverage ratio is calculated in accordance with the CRR, the Swedish Acts, and the Swedish FSA's Regulations and General Guidelines. The leverage ratio is a non-risk-based measure to limit build-up of leverage on the balance sheet and is calculated as the ratio between Tier 1 capital and the leverage ratio exposure amount, comprising of on- and off-balance sheet exposures.

The minimum capital requirement for the leverage ratio is 3% of the leverage exposure amount, and additional 0.15% should be met for the Consolidated situation as Pillar II guidance ('P2G') in accordance with the latest Swedish FSA SREP decision.

The minimum and Pillar II leverage ratio requirements shall be met with Tier 1 capital, while Pillar II guidance shall be met with CET1 capital.

The leverage ratio requirement is shown below.

Leverage ratio requirement and Pillar II Guidance	**As of 31 December**		
MSEK	**2024**	**2023**	**2022**
Minimum capital requirement	1,045.0	950.7	714.1
Pillar II capital requirement	–	–	–
Pillar II Guidance	52.2	47.5	35.7
Total leverage ratio requirement and Pillar II Guidance	**1,097.2**	**998.2**	**749.8**

Leverage ratio requirement and Pillar II Guidance	**As of 31 December**		
%	**2024**	**2023**	**2022**
Minimum capital requirement	3.00%	3.00%	3.00%
Pillar II capital requirement	–	–	–
Pillar II Guidance	0.15%	0.15%	0.15%
Total leverage ratio requirement and Pillar II Guidance	**3.15%**	**3.15%**	**3.15%**

The Tier 1 capital exceeds the total leverage ratio requirement for the Consolidated situation.

Note 31 – Capital adequacy analysis , *cont.*

Composition of regulatory own funds

The composition of regulatory own funds (EU CC1) is shown below.

		As of 31 December		
MSEK		**2024**	**2023**	**2022**
Common Equity Tier 1 (CET1) capital: instruments and reserves				
1	Capital instruments and the related share premium accounts	191.1	0.1	4,451.4
2	Retained earnings	5,128.8	4,927.9	–69.0
3	Accumulated other comprehensive income (and other reserves)	–28.5	–4.2	19.0
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	255.0	200.8	209.8
6	**Common Equity Tier 1 (CET1) capital before regulatory adjustments**	**5,546.5**	**5,124.7**	**4,611.4**
Common Equity Tier 1 (CET1) capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	–3.2	–3.4	–2.3
8	Intangible assets (net of related tax liability) (negative amount)	–3,070.5	–3,082.1	–2,985.1
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	–	–29.5	–
27a	Other regulatory adjustments	–	–6.8	–
28	**Total regulatory adjustments to Common Equity Tier 1 (CET1)**	**–3,073.7**	**–3,121.9**	**–2,987.4**
29	**Common Equity Tier 1 (CET1) capital**	**2,472.7**	**2,002.8**	**1,624.0**
Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	0.0	–	–
34	Qualifying Tier 1 capital included in consolidated AT 1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	–	30.3	–
36	**Additional Tier 1 (AT1) capital before regulatory adjustments**	**0.0**	**30.3**	**–**
Additional Tier 1 (AT1) capital: regulatory adjustments				
43	**Total regulatory adjustments to Additional Tier 1 (AT1) capital**	**–**	**–**	**–**
44	**Additional Tier 1 (AT1) capital**	**–**	**30.3**	**–**
45	**Tier 1 capital (T1 = CET1 +AT1)**	**2,472.7**	**2,033.1**	**1,624.0**
Tier 2 (T2) capital: instruments				
48	Qualifying own funds instruments included in consolidated T2 capital issued by subsidiaries and held by third parties	294.2	34.5	–
51	**Tier 2 (T2) capital before regulatory adjustments**	**294.2**	**34.5**	**–**
Tier 2 (T2) capital: regulatory requirements				
57	**Total regulatory adjustments to Tier 2 (T2) capital**	**–**	**–**	**–**
58	**Tier 2 (T2) capital**	**294.2**	**34.5**	**–**
59	**Total capital (TC = T1 + T2)**	**2,766.9**	**2,067.6**	**1,624.0**
60	**Total risk exposure amount**	**14,828.3**	**12,891.1**	**9,570.5**
Capital ratios and requirements including buffers				
61	Common Equity Tier 1	16.7%	15.5%	17.0%
62	Tier 1	16.7%	15.8%	17.0%
63	Total capital	18.7%	16.0%	17.0%
64	Institution CAT1 overall capital requirements	11.8%	12.0%	9.1%
65	*of which: capital conservation buffer requirement*	*2.5%*	*2.5%*	*2.5%*
66	*of which: countercyclical capital buffer requirement*	*2.2%*	*2.2%*	*1.4%*
67	*of which: systemic risk buffer requirement*	*2.0%*	*2.1%*	*0.0%*
EU-67a	*Of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer*	*0.0%*	*0.0%*	–
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	*0.7%*	*0.7%*	*0.7%*
68	**Common Equity Tier 1 capital (as percentage of risk exposure amount) available after meeting the minimum capital requirements**	**9.5%**	**6.8%**	**7.8%**
Amounts below the thresholds for deduction (before risk weighting)				
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have significant investment in those entities (amount below 10% threshold and net of eligible short positions)	–	12.8	–
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liability where the conditions in Article 38 (3) CRR are met)	4.4	4.3	–

Note 31 – Capital adequacy analysis , *cont.*

Key metrics

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

		As of 31 December		
MSEK		**2024**	**2023**	**2022**
Available own funds (amounts)				
1	Common Equity Tier 1 (CET1) capital	2,472.7	2,002.8	1,624.0
2	Tier 1 capital	2,472.7	2,033.1	1,624.0
3	Total capital	2,766.9	2,067.6	1,624.0
Risk-weighted exposure amounts				
4	Total risk exposure amount	14,828.3	12,891.1	9,570.5
Capital ratios[1)]				
5	Common Equity Tier 1 ratio (%)	16.7%	15.5%	17.0%
6	Tier 1 ratio (%)	16.7%	15.8%	17.0%
7	Total capital ratio (%)	18.7%	16.0%	17.0%
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%	1.4%
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 (%)	6.6%	6.8%	3.9%
EU 11a	Overall capital requirements (%)	15.8%	16.0%	13.1%
12	CET1 available after meeting the total SREP own funds requirements (%)	9.5%	6.8%	9.0%
Leverage ratio				
13	Total exposure measure	34,832.6	31,690.4	23,804.7
14	Leverage ratio (%)	7.1%	6.4%	6.8%
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	2,554.1	1,296.9
EU 16a	Cash outflows – Total weighted value	1,310.1	1,466.0	1,098.0
EU 16b	Cash inflows – Total weighted value	2,464.4	1,903.9	2,033.4
16	Total net cash outflows (adjusted value)	327.5	366.5	274.5
17	Liquidity coverage ratio (%)	579.2%	696.9%	472.4%
Net Stable Funding Ratio				
18	Total available stable funding	28,760.8	26,243.0	19,726.5
19	Total required stable funding	21,260.1	19,734.8	14,936.4
20	NSFR ratio (%)	135.3%	133.0%	132.1%

1) As a percentage of risk-weighted exposure amount.
2) As a percentage of total exposure measure.

Note 32 – Related parties

Related parties refer to:

- EQT VII (private equity fund), registered in Edinburgh (ultimate owner of Enity Holding AB),
- Enity Bank Group AB (publ), reg. no. 556717-5129, registered in Stockholm,
- Bluestep Finans Funding No 1 AB, reg. no. 556791-6928, registered in Stockholm,
- Bluestep Mortgage Securities No 3 Designated Activity Company, reg. no. 550839, registered in Dublin,
- Bluestep Mortgage Securities No 4 Designated Activity Company, reg. no. 596111, registered in Dublin,
- Uno Finans AS, reg. no. 921320639, registered in Oslo (broker agency which is an associate of Enity Holding AB),
- Uno Finans OY, reg. no. 33098331, registered in Helsinki (wholly owned subsidiary of Uno Finans AS).
- Eiendomsfinans AS, reg. no. 967692301, registered in Drammen (broker agency which is an associate of Enity Holding AB).

MSEK	As of 31 December		
Assets and liabilities	**2024**	**2023**	**2022**
Intercompany receivables			
Associates	15.4	14.8	–
Total	**15.4**	**14.8**	**–**
Intercompany payables			
Associates	1.4	0.1	1.8
Total	**1.4**	**0.1**	**1.8**

MSEK	As of 31 December		
Income and costs	**2024**	**2023**	**2022**
General administration expenses			
Associates	44.2	22.7	12.5
Total	**44.2**	**22.7**	**12.5**

Transactions with senior executives

For information on remunerations to senior executives, refer to Note 9

Note 33 – Pledged assets, contingent liabilities and commitments

	As of 31 December		
MSEK	**2024**	**2023**	**2022**
Pledged assets and comparable securities for own liabilities			
Lending to credit institutions	22.0	14.1	4.7
Lending to the public	5,772.0	5,550.0	6,608.0
Debt securities eligible for refinancing with central banks	20.0	19.9	19.9
Other assets	–	–	18.2
Commitments			
Granted loans, not paid out	45.5	54.5	49.3
Future acquisitions	68.8	–	–

Lending to credit institutions

Reserved funds related to RMBS-transactions and 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 comprises loans secured primarily by single-family homes, vacation homes and tenant-owners' rights with a LTV ratio within 75% of the market value. In the event of the Group's insolvency, the holders of the covered bonds have priority rights to the pledged assets. For prior periods, a smaller part also relates to mortgages pledged as collateral for the Group's remaining RMBS-transaction.

Debt securities eligible for refinancing with central banks

Relates to assets 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 fulfilled, the Swedish Central Bank has the option to claim the pledged assets.

Derivatives

Assets pledged as collateral for the Group's currency- and interest rate derivative transactions.

Commitments on future acquisitions

The Group has entered into a binding commitment to acquire the remaining shares in Uno Finans AS, where the Group currently holds 49%. The acquisition is to be completed in the first quarter of 2026, in accordance with the shareholders' agreement. The estimated minimum amount for the transaction amounts to 51% of the agreed value according to the shareholders' agreement, which corresponds to approximately MNOK 68.8.

Note 34 – Acquisition of Bank2

The Group acquired 95% of the shares in Bank2 as of 31 October 2023. The acquisition aimed to expand the Group's operations in Norway and thereby strengthening the Group's position as a specialist mortgage provider in the Nordics. During November 2023, the remaining minority shares were acquired, and the Group owns 100% of the shares as of 31 December 2023. The consolidated net result includes acquisition costs related to the acquisition amounting to approximately MSEK 45.

The Bank2 loan portfolio has been subjected to Bluestep Bank's model for the calculation of ECL for the Group and the adjustment for the purchase price allocated.

In aligning the collection process of the two banks and building a better understanding of the customer behaviour, an adjustment of MNOK 10 as of 31 December 2023 was included in the adjustment of the provision for the purposes of the purchase price allocation. These adjustments account for uncertainties in key assumptions and parameters, providing a more thorough understanding of the potential variability in the estimates for Bank2. If the acquisition had been closed on 1 January 2023, the pro forma figures for the Bluestep Bank Group's operating income and profit before tax for the period as of 31 December 2023 are estimated to MSEK 242.7 and MSEK 99.8 respectively. Goodwill is due to identified synergies.

Purchase price allocation

MSEK	31 October 2023
Assets	
Bank2 trade name	18.4
Bank2 customer relationships	13.9
Loans to and receivables from credit institutions	41.6
Loans to and receivables from customers	4,822.7
Cash and receivables from central banks	72.4
Interest bearing securities (bonds)	779.5
Shares and other equity instruments	57.7
Participations in associated companies	97.3
Other assets	17.6
Lease rights and rights of use	16.8
Liabilities	
Deposits and other customer borrowings	–4,868.0
Subordinated debt	–60.6
Deferred Tax	–5.0
Lease liabilities	–18.3
Other liabilities/debt	–53.2
Total net assets acquired	**932.8**
Total consideration	1,010.2
Goodwill	77.4
Deferred consideration (cash settlement on defined date)	138.5

Consideration transferred

MSEK	31 October 2023
Cash	475.4
Deferred payment	138.5
Total purchase consideration paid	**613.9**
Equity instruments issued by ReinvestmentCo AS	396.4
Total consideration	**1,010.2**

At the time of the purchase, Bank2 had an AT1 instrument outstanding with a value of 60 MNOK. The Group presents this instrument as non-controlling interest. The AT1 instrument was subsequently repaid in 2024.

The total consideration consists of a portion paid in cash (MSEK 613.9) and a portion paid by delivery of equity instruments in the form of ordinary shares in the parent company ReinvestmentCo AS (MSEK 396.4). The equity instruments have been measured at fair value and accounted for as a shareholder's contribution in Enity Holding. The equity instruments were issued for no consideration and give the holders the same rights as other shareholders.

Note 35 – Group companies

Group companies		Ownership share as of 31 December		
Name, company registration number	**Place of business**	**2024**	**2023**	**2022**
Enity Holding AB, corp. reg. no. 556668-9575	Stockholm, Sweden			
Direct holdings				
Enity Bank AB (publ), corp. reg. no. 556717-5129	Stockholm, Sweden	100%	100%	100%
Indirect holdings				
Bank2 ASA, corp. reg. no. 988 257 133[1)]	Oslo, Norway	–	100%	–
Bluestep Finans Funding No 1 AB, corp. reg. no. 556791-6928	Stockholm, Sweden	100%	100%	100%
Bluestep Mortgage Securities No.3 DAC, corp. reg. no. 550839	Dublin, Ireland	100%	100%	100%
Bluestep Mortgage Securities No.4 DAC, corp. reg. no. 596111	Dublin, Ireland	100%	100%	100%
Bluestep Mortgage Securities No.2 DAC, corp. reg. no. 522186[2)]	Dublin, Ireland	–	–	100%
Bluestep Servicing AB, corp. reg. no. 556955-3927[3)]	Stockholm, Sweden	–	–	100%

1) Bank2 ASA was merged with the Group's Norwegian branch through a cross-border merger in April 2024.
2) Bluestep Mortgage Securities No 2 DAC was liquidated during the fourth quarter 2023.
3) The Group divested the subsidiary Bluestep Servicing AB registered in Stockholm, as of June 30, 2023.

Note 36 – Subsequent events

Significant regulatory changes

On 1 January 2025, the updated capital adequacy regulations in the form of CRR3 have been implemented. The regulatory changes have no significant impact on the group.

Liquidation of Bluestep Mortgage Securities No.4 DAC

The wholly owned subsidiary Bluestep Mortgage Securities No.4 DAC was liquidated on 3 March 2025.

Capital structure – issue of AT1 bond and dividend payment

On 5 May 2025, Enity Holding issued AT1 bonds amounting to SEK 250 million. The bonds are perpetual, with the first possible redemption date after five years, and carry a coupon, which is treated and considered equivalent to a dividend, of 3-month STIBOR + 7 %. Since the coupon payments and the repayment of the nominal amount are controlled by the group, the instrument has been classified as Equity. The bonds are intended to be listed on Nasdaq Stockholm within four months of the issue date. The settlement date is 12 May 2025.

An extraordinary general meeting of Enity Holding on 5 May 2025 resolved on an extraordinary dividend of SEK 250 million to the shareholders of Enity Holding AB, with a payment date of 12 May 2025.

The purpose of Enity Holding's issuance of the AT1 bonds and the extraordinary dividend is to optimise the Group's capital structure.

Acquisition of remaining shares in Eiendomsfinans

Eiendomsfinans AS is a Norwegian mortgage broker in which Enity Bank owns approximately 49 percent of the shares and voting rights. On 5 May 2025, the Board of Directors of Enity Bank resolved to acquire the remaining approximately 51 percent of the shares and voting rights in Eiendomsfinans AS and its subsidiary Eiendomsfinans Drift AS from Enity Holding's parent company, Butterfly HoldCo Pte. Ltd, for a purchase price of SEK 83 million. The acquisition was completed on 6 May 2025, after which Eiendomsfinans AS became a wholly owned subsidiary of Enity Bank.

Bonus issue

On 12 May 2025, the extraordinary general meeting resolved on a bonus issue, increasing the share capital by transferring SEK 100,000 from the unrestricted equity pursuant to the most recently adopted balance sheet, without issuing any new shares.

Share split

On 12 May 2025, the extraordinary general meeting resolved to increase the number of shares in the company by dividing each existing share in 12,500 shares (share split 12,500:1). Through the share split, the total number of shares in the company increased from 4,000 to 50,000,000.

Enity Bank's long-term deposit and issuer ratings

On 4 June 2025, Moody's Investors Service (Nordics AB) (a credit rating agency established in the EU and registered under Regulation (EC) No. 1060/2009) downgraded Enity Bank's long-term deposit and issuer ratings to Baa1 from A3, while the outlook was changed to stable from negative.

Independent auditor's report

To the Board of Directors of Enity Holding AB (publ), corporate identity number 556668-9575

Report on the consolidated accounts

Opinions

We have audited the consolidated accounts of Enity Holding AB (publ) for the period of three years ended 31 December 2024. The consolidated accounts of the company are included on pages F-19–F-77 in this document.

In our opinion, the consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of the 31 December 2024, 31 December 2023 and 31 December 2022 and their financial performance and cash flow for each of the three financial years ending 31 December 2024 in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the group, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the consolidated accounts as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control.

- Obtain an understanding of the group's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and Managing Director's use of the going concern basis of accounting in preparing the consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated accounts, including the disclosures, and whether the consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated accounts. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Stockholm, 9 June 2025
Ernst & Young AB

Erik Benjaminsson Castlin
Authorised Public Accountant

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