



January–March 2024

Interim report

January–March 2024

First quarter of 2024 (compared to the first quarter of 2023)

- The loan portfolio amounted to SEK 45,199m (41,699)
- Total income amounted to SEK 933m (882)
- The C/I ratio amounted to 27.7% (26.0)
- The credit loss level amounted to 2.3% (2.6)
- Operating profit amounted to SEK 417m (385)
- Net profit amounted to SEK 329m (305) and earnings per share¹⁾ amounted to SEK 1.53 (1.42)
- Return on equity amounted to 15.8% (17.4)
- The CET1 ratio amounted to 16.1% (14.6) and the total capital ratio amounted to 16.1% (15.7)

Significant events during the period

On 28 March 2024, Norion Bank AB redeemed the AT1 bond of SEK 500 million that was issued in the first quarter of 2019. The Tier 1 ratio and total capital ratio have consequently decreased. The bank maintains good buffers in relation to the regulatory requirements after the redemption.

Significant events after the period

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

¹⁾ See pages 4–5

Norion Bank Group

Highlights first quarter of 2024
(compared to the first quarter of 2023)

45,199 +8%

Loan portfolio (SEKm)

933 +6%

Total income (SEKm)

27.7% +1.7

C/I ratio

percentage points

329 +8%

Net profit (SEKm)

15.8% -1.6

Return on equity

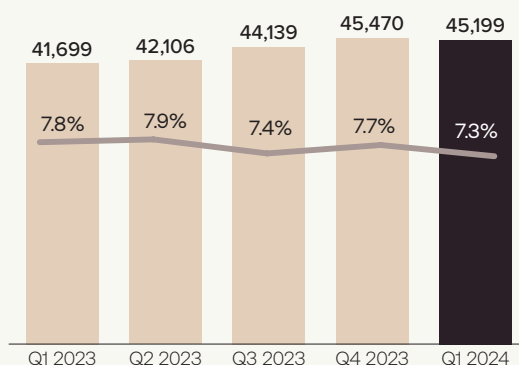
percentage points

16.1% +1.4

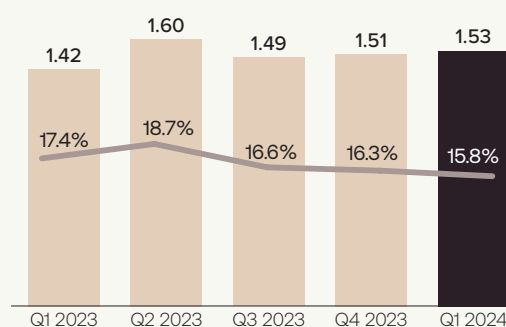
CET1 ratio

percentage points

Loan portfolio (SEKm) and NIM (%)



EPS ¹⁾ (SEK) and adjusted RoE (%)



¹⁾ Earnings per share before and after dilution

This is Norion Bank

Norion Bank Group is a business-oriented Nordic financing bank. The Group's brands – Norion Bank, Walley and Collector – offer customized financing solutions that meet distinct needs in three customer segments: medium-sized corporates and real estate companies, merchants, and private individuals. As a specialist in financing solutions, Norion Bank Group is a leading complement to traditional large banks, with a vision of being the leading Nordic financing bank in its chosen segments.

Norion Bank offers corporate and real estate loans, as well as factoring for medium-sized corporates and real estate companies. The Walley brand offers flexible payment and checkout solutions to merchants and private individuals. The Collector brand offers personal loans and credit cards to private customers, as well as savings accounts to private individuals and companies. Norion Bank Group (formerly Collector Bank) was founded in 1999 and has offices in Gothenburg, Stockholm, Helsingborg, Oslo and Helsinki. Business is conducted through Norion Bank AB (public), which is listed on Nasdaq Stockholm.

Key ratios Group

SEKm	Q1 2024	Q4 2023	Δ	Q1 2023	Δ
Income statement					
Net interest income	832	864	-4%	809	3%
Total income	933	934	0%	882	6%
Net profit	329	326	1%	305	8%
Earnings per share before dilution, SEK	153	151	1%	142	8%
Earnings per share after dilution, SEK	153	151	1%	142	8%
Balance sheet					
Loans to the public	45,199	45,470	-1%	41,699	8%
Deposits and borrowings from the public	45,234	42,663	6%	36,442	24%
Debt securities in issue	1,249	1,248	0%	3,243	-62%
Subordinated liabilities	-	-	-	-	-
Total equity (shareholders of Norion Bank AB)	8,116	7,803	4%	6,860	18%
Key ratios¹⁾					
Net interest margin (NIM) - Period ²⁾	73%	77%		78%	
Net interest margin (NIM) - LTM ²⁾	76%	76%		76%	
Credit loss level - Period ²⁾	23%	24%		26%	
Credit loss level - LTM ²⁾	25%	25%		25%	
C/I ratio - Period ²⁾	277%	271%		260%	
C/I ratio - LTM ²⁾	260%	256%		257%	
Return on equity (RoE) - Period ²⁾	15.8%	16.3%		17.4%	
Return on equity (RoE) - LTM ²⁾	16.8%	17.2%		18.2%	
CET1 ratio ³⁾	16.1%	15.9%		14.6%	
Tier 1 ratio ³⁾	16.1%	17.0%		15.7%	
Total capital ratio ³⁾	16.1%	17.0%		15.7%	
Average number of full-time employees	366	357	3%	328	12%
Adjusted key ratios¹⁾					
Net interest margin (NIM) - Period ²⁾	73%	77%		78%	
Net interest margin (NIM) - LTM ²⁾	76%	76%		76%	
Credit loss level - Period ²⁾	23%	24%		26%	
Credit loss level - LTM ²⁾	25%	25%		25%	
C/I ratio - Period ²⁾	277%	271%		260%	
C/I ratio - LTM ²⁾	260%	256%		257%	
Return on equity (RoE) - Period ²⁾	15.8%	16.3%		17.4%	
Return on equity (RoE) - LTM ²⁾	16.8%	17.2%		18.1%	

¹⁾ See Definitions, pages 22-23, and norianbank.se/en-se/investor-relations-en/financial-information/key-financials for more information about key ratios

²⁾ Key ratios that have not been prepared in accordance with IFRS but are deemed to facilitate the analysis of Norion Bank's development. See Definitions, pages 22-23

³⁾ Key ratios according to capital adequacy rules (CRR). See note 12, pages 44-46

Key ratios Group, cont.

SEKm	Full year 2023
Income statement	
Net interest income	3,291
Total income	3,648
Net profit	1,294
Earnings per share before dilution, SEK	6.02
Earnings per share after dilution, SEK	6.02
Balance sheet	
Loans to the public	45,470
Deposits and borrowings from the public	42,663
Debt securities in issue	1,248
Subordinated liabilities	-
Total equity (shareholders of Norion Bank AB)	7,803
Key ratios¹⁾	
Net interest margin (NIM) - Period ²⁾	76%
Net interest margin (NIM) - LTM ²⁾	76%
Credit loss level - Period ²⁾	25%
Credit loss level - LTM ²⁾	25%
C/I ratio - Period ²⁾	256%
C/I ratio - LTM ²⁾	256%
Return on equity (RoE) - Period ²⁾	17.2%
Return on equity (RoE) - LTM ²⁾	17.2%
CET1 ratio ³⁾	15.9%
Tier 1 ratio ³⁾	17.0%
Total capital ratio ³⁾	17.0%
Average number of full-time employees	343
Adjusted key ratios¹⁾	
Net interest margin (NIM) - Period ²⁾	76%
Net interest margin (NIM) - LTM ²⁾	76%
Credit loss level - Period ²⁾	25%
Credit loss level - LTM ²⁾	25%
C/I ratio - Period ²⁾	256%
C/I ratio - LTM ²⁾	256%
Return on equity (RoE) - Period ²⁾	17.2%
Return on equity (RoE) - LTM ²⁾	17.2%

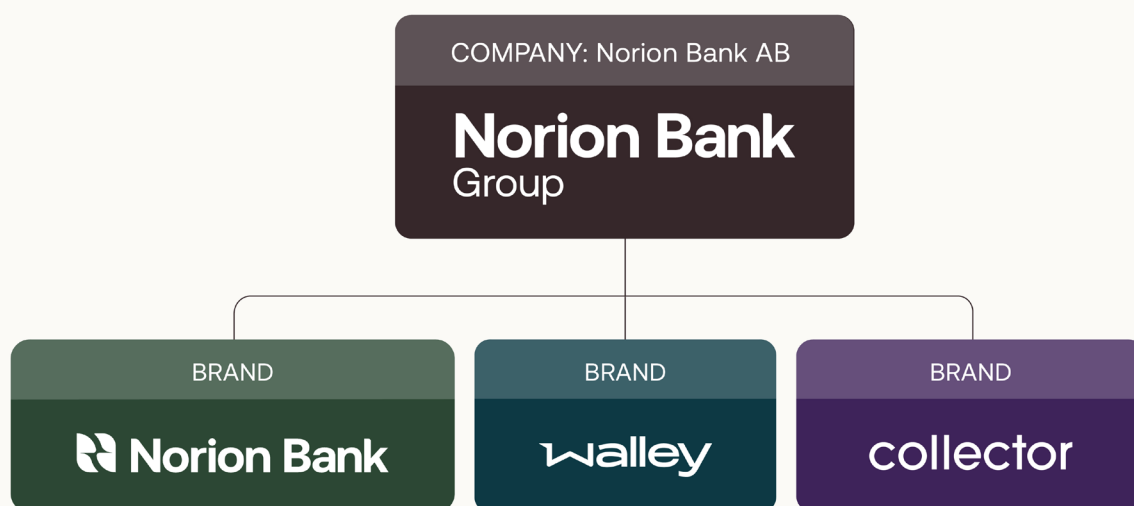
¹⁾ See Definitions, pages 22-23, and norianbank.se/en-se/investor-relations-en/financial-information/key-financials for more information about key ratios

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Norion Bank Group

Norion Bank Group is a business-oriented Nordic financing bank. The Group's brands – Norion Bank, Walley and Collector – offer customized financing solutions that meet distinct needs in three customer segments: medium-sized corporates and real estate companies, merchants, and private individuals. As a specialist in financing solutions, Norion Bank Group is a leading complement to traditional large banks, with a vision of being the leading Nordic financing bank in its chosen segments.



Norion Bank

Corporate and real estate loans, as well as factoring solutions, for medium-sized corporates and real estate companies.

Walley

Payment and checkout solutions for merchants and private customers.

Collector

Personal loans and credit cards for private individuals as well as savings accounts for private individuals and corporates.

A comment from our CEO

By the end of 2023, we started seeing improved market optimism driven by expectations of more stabilized interest rates. The positivity has remained during the first quarter of 2024 and the inflationary pressure has continued to ease. Market expectations now include rate cuts earlier than the initial forecasts, which will hopefully provide some ease for both our corporate and private clients.

Despite market optimism, we are still surrounded by geopolitical uncertainty. The war in Ukraine and the conflict in the Middle East are humanitarian crises that affect the macroeconomic environment at large, and we suffer with those affected.

Operating development

Stabilized market rates have contributed to a more optimistic market sentiment among our corporate clients, which we have also experienced during the first quarter. Engagement levels among existing and potential clients remain high. Our real estate business has hence shown a stable development with regards to new lending volumes. Despite solid interest and a relatively high client interaction frequency, transaction activity for corporate lending continued to be muted. The increased optimism has not yet resulted in increased new lending volumes given the cautious market sentiment.

The Consumer segment moves in the right direction during yet another quarter. The loan book increased by SEK 130 million during the first quarter of 2024, which is in line with our expectations. Our focus on improving credit quality in new sales and increasing sales through own distribution channels continues to yield results. We continue prioritizing increased profitability above volume growth.


The Payments segment also continues to show stable performance. Loan book and transaction volume growth amounted to 15% and 11%, respectively, during the first quarter of 2024 compared to the same period last year. We continue to perform well relative to the e-commerce market at large.

Compared to almost two years ago, when we lived in a zero-interest environment, interest rate levels are significantly higher today. Our clients consequently face more challenges today, which can be seen in the stage migrations. On the other hand, we have also, during a longer period of time, made provisions for potential credit losses on a higher level to reflect the uncertain macroeconomic environment. The market has a more positive view on future developments, and rate cuts will have a positive effect on all our clients. We are humble towards future developments, but we also have good hopes for a more positive development later in the year.

Looking at the financial development, our loan book increased by 8% compared to the first quarter in 2023, and it decreased by 1% compared to last quarter. The decline compared to last quarter adheres to the Corporate segment, primarily driven by seasonality in our factoring business. The total income development shows stability and despite cost inflation and investments in the organization, the C/I ratio remains strong at 27.7% during the quarter. Return on equity amounted to 15.8% during the quarter and to 16.8% during the last twelve months.

By the end of the first quarter, we redeemed the AT1 bond of SEK 500 million that was issued in the first quarter of 2019. The Tier 1 ratio and total capital ratio have consequently decreased. However, the bank maintains good buffers in relation to the regulatory requirements after the redemption. Over time, we aim to work with an efficient capital planning strategy, which includes issuance of both Additional Tier 1 and Tier 2 instruments.

Martin Nossman
CEO



MARTIN NOSSMAN, CEO

“Market sentiment
continues to
improve.”

Financial targets

Norion Bank's strategy is to maintain good risk adjusted profitability. In line with this strategy, the Board of Norion Bank adopted the following financial targets on 6 February 2024:

Profitability

Norion Bank aims to achieve a sustainable return on equity above 15% over time.

Capital adequacy

Norion Bank's aim is that all capital ratios shall exceed the regulatory requirement by 200-400 basis points.

Dividend policy

Norion Bank's policy is to distribute potential surplus capital in relation to the capital adequacy target, subject to the bank's future outlook and capital planning, to its shareholders.



The Group's development

Total income for the first quarter of 2024

Total income amounted to SEK 933 million (882) corresponding to an increase of 6% compared to last year. Net interest income increased by 3% compared to the previous year and amounted to SEK 832 million (809). Higher market rates have, during a longer period, had a positive impact on interest income. Funding costs have also increased following higher policy rates. The net interest margin amounted to 7.3% (7.8). Net commission income amounted to SEK 81 million (72) corresponding to an increase of 12%. Net gains and losses on financial items amounted to SEK 4 million (-9). Other income amounted to SEK 15 million (9).

Total expenses

Total expenses amounted to SEK 258 million (229) during the first quarter of 2024. The C/I ratio for the period amounted to 27.7% (26.0). Norion Bank hence continues to demonstrate solid cost control.

Loan portfolio

The total loan portfolio amounted to SEK 45,199 million (41,699) by the end of the first quarter of 2024, corresponding to an increase of 8% compared to last year and a decrease of 1% compared to the previous quarter. The Corporate loan portfolio has decreased by 11% compared to the previous year and decreased by 10% compared to the previous quarter. The Real Estate loan portfolio has increased by 19% compared to the previous year and increased by 3% compared to the previous quarter. The Consumer loan portfolio has increased by 8% compared to the previous year and increased by 1% compared to the previous quarter. The Payments loan portfolio has increased by 15% compared to the previous year and decreased by 2% compared to the previous quarter. Out of the total loan portfolio, Corporate amounted to 19% (24), Real Estate amounted to 49% (45), Consumer amounted to 25% (25), Payments amounted to 6% (6) and Other amounted to 1% (2) by the end of the quarter.

Credit losses

The credit loss level amounted to 2.3% (2.6) in the first quarter of 2024.

Operating profit, net profit, EPS and RoE

Operating profit amounted to SEK 417 million (385) during the first quarter of 2024. Net profit amounted to SEK 329 million (305) in the first quarter of 2024. Earnings per share amounted to SEK 1.53 (1.42) during the same period. Return on equity amounted to 15.8% (17.4) during the period.

Non-recurring items

Non-recurring items are defined as income and expenses that are not expected to appear on a regular basis.

2024

There were no non-recurring items in the first quarter of 2024.

2023

There were no non-recurring items in the first, second, third or fourth quarter of 2023.

Liquidity

Norion Bank's total liquidity amounted to SEK 10,240 million (6,137) as of 31 March 2024. Total liquidity consists of a liquidity portfolio (Bonds and other interest-bearing securities as well as Treasury bills and other bills eligible for refinancing with central banks, etc.) and other liquid assets (Loans to credit institutions). The liquidity portfolio consists of highly liquid assets, e.g. municipal bonds, covered bonds and government issued securities, and amounted to SEK 6,555 million (3,641) as of 31 March 2024. Other liquid assets mainly consist of deposit accounts with Nordic banks and amounted to SEK 3,685 million (2,496) as of 31 March 2024.

Funding

Deposits and borrowings from the public amounted to approximately 80% (75) of Norion Bank's balance sheet, which by the end of the period amounted to SEK 45,234 million (36,442). This is the primary source of funding for the Group. Senior unsecured bonds issued amounted to SEK 1,249 million (3,243). Commercial papers issued amounted to SEK 0 million (0).

Capital adequacy

Norion Bank has received permission from the Swedish Financial Supervisory Authority to include net profit for the period in own funds. A review of net profit for the period for Norion Bank AB has been performed by the bank's auditor, and Norion Bank has been allowed to include net profit in the Common Equity Tier 1 capital. On 28 March 2024, Norion Bank AB redeemed the AT1 bond of SEK 500 million that was issued in the first quarter of 2019. The Tier 1 ratio and total capital ratio have consequently decreased. The bank maintains good buffers in relation to the regulatory capital requirements after the redemption. Over time, Norion Bank aims to work with an efficient capital planning strategy, which includes issuance of both Additional Tier 1 and Tier 2 instruments. At the end of the period, the risk-weighted exposure amount was SEK 47,965 million (45,494). As of 31 March 2024, the CET1 ratio amounted to 16.1% (14.6), the Tier 1 ratio to 16.1% (15.7) and the total capital ratio to 16.1% (15.7).

The macroeconomic environment

Central Banks all around the world have carried out policy rate increases continuously during 2022 and 2023. The policy rate increases have started to yield results even though inflation remains at a slightly elevated level. Macroeconomic forecasts have been revised down during the last year, but the market now seem to expect a more stabilized interest rate path in the near term.

Cautious market but optimism remains

The loan portfolio of the Corporate segment amounted to SEK 8,733 million (9,808), corresponding to a decrease of 11% over the previous year and a decrease of 10% over the previous quarter. The Corporate segment accounted for 19% (24) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 165 million (191) during the quarter. The net interest margin (NIM) amounted to 6.9% compared to 7.9% in the same quarter last year and 7.8% in the previous quarter. The total income margin amounted to 7.2% compared to 7.5% in the same quarter last year and 7.4% in the previous quarter. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

Engagement levels among existing and potential clients remain high. Client interaction frequency has been relatively high, whereas transaction activity continued to be muted following a cautious market sentiment. Stabilized market rates have however

continued to contribute to a somewhat more positive market sentiment as seen already during the fourth quarter of 2024. The increased optimism has not yet resulted in increased lending volumes given the cautious market sentiment. On the back of the uncertain macroeconomic backdrop, Norion Bank has also applied a more selective approach with regards to completed transactions. Norion Bank has an attractive position within the Corporate segment which is one of the company's focus areas going forward.

Norion Bank

Corporate

Norion Bank offers corporate loans and factoring solutions with particular focus on medium-sized companies in Sweden, Norway and Finland in a wide range of industries. Corporate loans are issued to companies against collateral. Factoring solutions primarily comprise purchasing of invoices both with and without right of recourse.

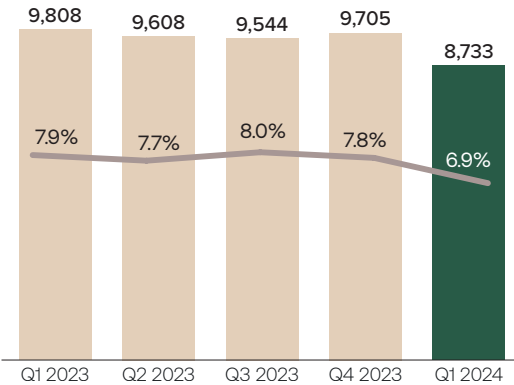


Loan portfolio

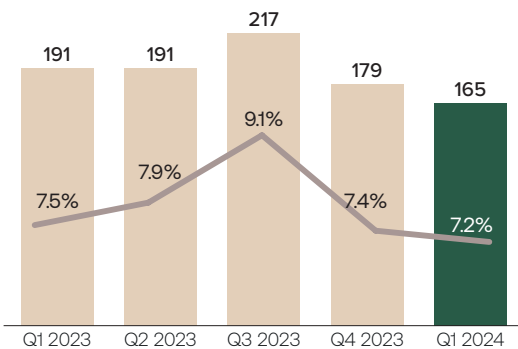
Photo: Anna Roström

DEVELOPMENT IN THE CORPORATE SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split ¹⁾



Sweden, 33%
Norway, 30%
Finland, 22%
Other, 14%

Industry split ¹⁾



Wholesale & Retail, 21%
Business services, 20%
Manufacturing, 20%
Financial services & Investment companies, 20%
Information & Communication, 4%
Other, 15%

45 SEKm
Average loan in the portfolio ²⁾

13
Average remaining maturity (months) ²⁾

¹⁾ Based on the Corporate loan portfolio as of 31 March 2024
²⁾ Corporate lending

Stable development and continued enhanced market sentiment

The loan portfolio of the Real Estate segment amounted to SEK 22,086 million (18,594), corresponding to an increase of 19% over the previous year and an increase of 3% over the previous quarter. The Real Estate segment accounted for 49% (45) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 342 million (327) during the quarter. The net interest margin (NIM) amounted to 6.2% compared to 7.3% in the same quarter last year and 6.6% in the previous quarter. The total income margin amounted to 6.3% compared to 7.3% in the same quarter last year and 6.4% in the previous quarter. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

Despite muted market activity, demand for bank financing remains driven by i.a. lower activity on the bond market. Engagement levels among existing and potential clients remain high, and stabilized market rates have continued to contribute to a somewhat more positive market sentiment. On the back of the macroeconomic developments, Norion Bank has applied a more selective approach with regards to completed transaction. The majority of the Real Estate portfolio still constitutes of senior loans, which amounted to 56% (62) by the end of the quarter. Norion Bank has an attractive position within the Real Estate segment which is one of the company's focus areas going forward.

Norion Bank

Real Estate

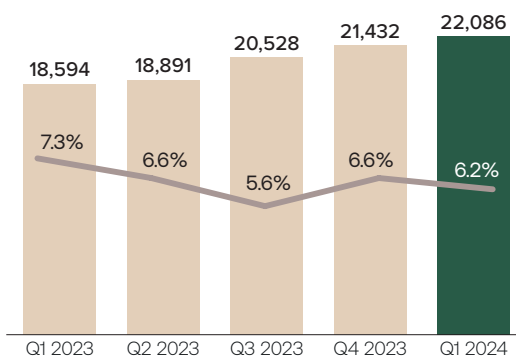
Norion Bank offers real estate loans focusing on metropolitan areas and university cities in the Nordic region and Germany. Real estate loans are issued to companies against collateral. Norion Bank offers both junior and senior lending. Financing is provided mainly for residential properties but also for offices and industrial properties.



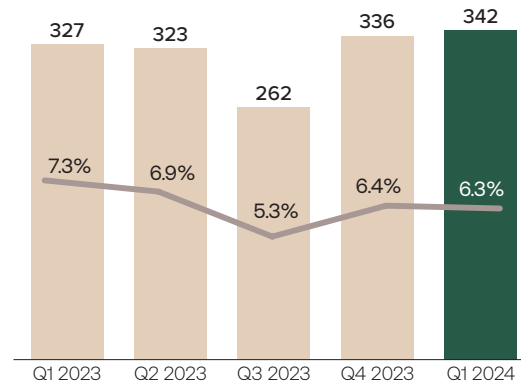
Photo: Anna Roström

DEVELOPMENT IN THE REAL ESTATE SEGMENT

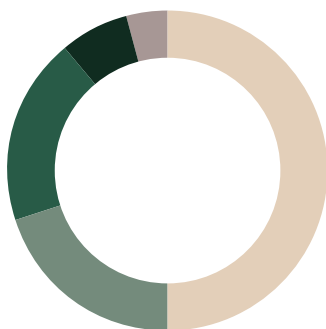
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

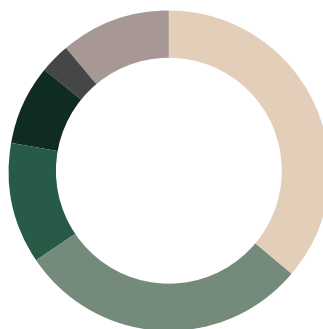


Geographic split ¹⁾



Sweden, 50%
Germany, 20%
Finland, 19%
Denmark, 7%
Other, 4%

Industry split ¹⁾



Residential, 36%
Office, 29%
Retail, 12%
Hotels, 8%
Warehouse, 3%
Other, 11%

121 SEKm
Average loan in the portfolio

15
Average remaining maturity
(months)

Share of senior loans ▶ **56%**

Share of junior loans ▶ **44%**

Average LTV – senior loans ▶ **59%**

Average LTV – junior loans ▶ **71%**

¹⁾ Based on the Real Estate loan portfolio as of 31 March 2024

Another quarter in the right direction

The loan portfolio of the Consumer segment amounted to SEK 11,135 million (10,320), corresponding to an increase of 8% over the previous year and an increase of 1% over the previous quarter. The Consumer segment accounted for 25% (25) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 208 million (207) during the quarter. The net interest margin (NIM) amounted to 71% compared to 74% in the same quarter last year and 71% in the previous quarter. The total income margin amounted to 75% compared to 80% in the same quarter last year and 75% in the previous quarter.

Loan book volumes have been declining during the last few years given Norion Bank's focus on increasing risk adjusted profitability within the segment. However, volume growth increased during the second half of 2023 following an increase in new sales coupled with lower levels of early redemptions and this development has continued during the first quarter of 2024. The focus on improving credit quality in new sales and increasing sales through own channels have yielded results. Increased profitability and sound and sustainable lending remain prioritized areas for the segment.

collector

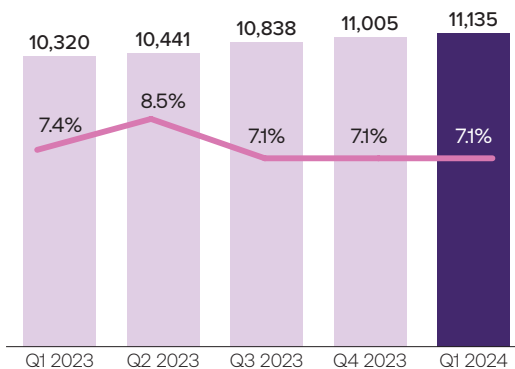
Consumer

Collector offers unsecured loans to private individuals of up to SEK 500,000 in Sweden and up to EUR 25,000 in Finland. Sales is conducted through own channels as well as loan intermediaries. Collector also offers credit cards, with a maximum credit limit of SEK 100,000, and savings accounts.

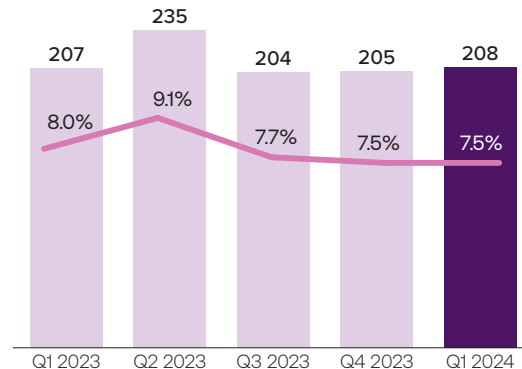


DEVELOPMENT IN THE CONSUMER SEGMENT

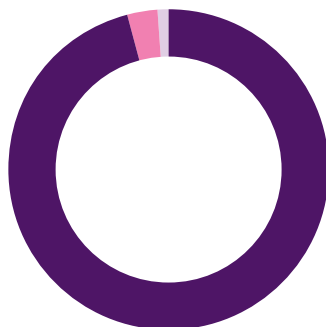
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split ¹⁾



Sweden, 96%
Finland, 3%
Norway, 1%

Average customer

Personal loans



Personal loans

199,000

Average loan new sales
(SEK, LTM)

167,000

Average loan in the portfolio (SEK)

~40%

New sales through own channels

51,000

Customers

Credit cards

23,000

Cards outstanding

¹⁾ Based on the Consumer loan portfolio as of 31 March 2024

Continued stable development

The loan portfolio of the Payments segment amounted to SEK 2,694 million (2,336), corresponding to an increase of 15% over the previous year and a decrease of 2% over the previous quarter. The Payments segment accounted for 6% (6) of Norion Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 127 million (113) during the quarter. The net interest margin (NIM) amounted to 7.4% compared to 8.1% in the same quarter last year and 6.8% in the previous quarter. The total income margin amounted to 18.7% compared to 18.9% in the same quarter last year and 16.7% in the previous quarter.

Transaction volumes amounted to SEK 3,490 million (3,132) during the first quarter of 2024, which corresponds to an increase of 11% compared to the same quarter last year. Transaction volumes have increased despite slightly challenging conditions for the e-commerce market. Profitable growth, in combination with satisfied merchants and end customers, remain as core focus for the Payments business.

Walley

Payments

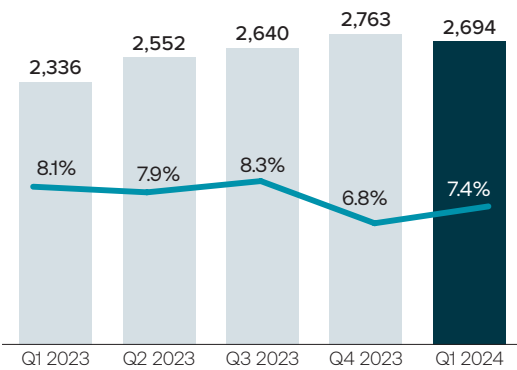
Walley offers payment and checkout solutions to e-commerce and retail chains, primarily in Sweden, Finland and Norway, as well as invoicing and payment by instalment services for private individuals. Walley offers specialized solutions focusing on the merchant's strategy and brand, primarily targeting larger merchants.



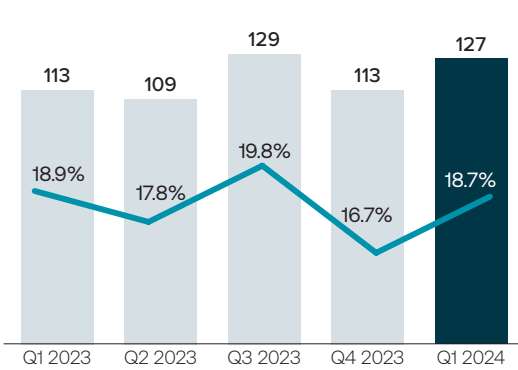
Loan portfolio

DEVELOPMENT IN THE PAYMENTS SEGMENT

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

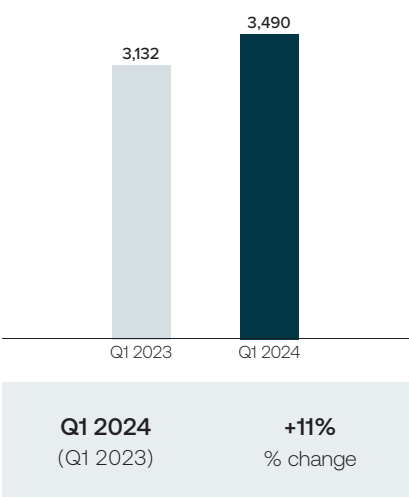


Geographic split ¹⁾



- Sweden, 48%
- Finland, 39%
- Norway, 12%
- Denmark, 1%

Transaction volumes (SEKm)



4.8 M
Active customers
(LTM)

1,000
Average ticket size (SEK)

¹⁾ Based on the Payments loan portfolio as of 31 March 2024

Other information

Material risks and uncertainty factors

Through its operations, Norion Bank is exposed to several different risks: primarily credit risk, market risk (currency risk and interest rate risk), liquidity and financing risks as well as operational risk and other business risks. The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potentially unfavorable influences on the Group's financial results. Risk management is handled by the Group's management team according to policies established by the Board of Directors. The Board establishes written policies for overall risk management and for specific areas such as currency risk, interest rate risk, credit risk, operational risk and the use of derivatives and similar financial instruments. The Group's risk structure and its risk, liquidity and capital management are described in Norion Bank's annual report. There have been no significant changes since the publication of the annual report for the fiscal year 2023, except as reported in this interim report.

A company regulated by the Swedish Financial Supervisory Authority

Norion Bank AB (publ) has a license to conduct banking operations. The Bank conducts business in Sweden and through branches in Norway and Finland. Norion Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

Employees

During the quarter, the average number of full-time employees (FTE) amounted to 366, which corresponds to an increase of 12% compared to the corresponding quarter last year. The number of full-time employees includes employees on fixed-term contracts, but not employees on parental leave or a leave of absence.

The Norion Bank share

Norion Bank's share ("NORION") is listed on Nasdaq Stockholm. As of 28 March 2024, the closing price for the Norion Bank share was SEK 46.70, corresponding to a market capitalization of SEK 9.6 billion. There were approximately 9,500 shareholders at the end of the period.

Share capital

As of 31 March 2024, the share capital amounted to SEK 20,538,100, divided into 205,381,004 ordinary shares. The Company has a single share series. Each share entitles the shareholder to one vote at the General Meeting.

Dividend

Norion Bank's policy is to distribute potential surplus capital in relation to the capital adequacy target, subject to the bank's future outlook and capital planning, to its shareholders.

¹⁾ Privately and through wholly owned companies.

Shareholders at 31 March 2024	%
Fastighets AB Balder	44.1%
Erik Selin ¹⁾	18.4%
Provobis Holding AB	6.9%
State Street Bank and Trust Company	4.7%
Helichrysum Gruppen AB	2.9%
Nordnet Pensionsförsäkring	2.7%
JME Invest AB	2.0%
Brunnudden Kapital AS	1.4%
Vante AB	1.4%
JP Morgan Chase Bank	1.1%
Other shareholders	14.5%
Total	100.0%

Presentation for investors and analysts

A conference call will be held on 23 April 2024 at 09:00 a.m. (CET), during which CEO Martin Nossman and CFO Peter Olsson will present the report. The presentation will be held in Swedish and will be broadcasted live on <https://ir.financialhearings.com/norion-bank-q1-report-2024>. For those who wish to participate in the conference call, please register on the following link: <https://conference.financialhearings.com/teleconference/?id=50048564>. After registration, you will be provided a phone number and a conference ID to access the conference call. The presentation material will be in English and be available prior to the presentation on the website <https://www.norionbank.se/en-se/investor-relations-en/financial-information/reports-and-presentations>.

Significant events after the period

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

Definitions

Alternative performance measures (APMs) are financial measures of past or future earnings trends, financial position or cash flow that are not defined in the applicable accounting regulatory framework (IFRS), in the Capital Requirements Directive (CRD IV), or in the EU's Capital Requirement Regulation number 575/2013 (CRR). APMs are used by Norion Bank when relevant for monitoring and describing the bank's financial situation and enhance comparability between the periods. Norion Bank believes that these APMs provide valuable information and enhance the analysis of the Group's financial development. These are not necessarily comparable to similar APMs presented by other companies. See norionbank.se/en-se/investor-relations-en/financial-information/key-financials for more information about key ratios.

Net interest margin (NIM)

Net interest margin (NIM) - Period

Net interest income for the period in relation to average loans to the public for the period.

Net interest margin (NIM) - LTM

Net interest income for the last twelve months in relation to average loans to the public for the last twelve months.

Adjusted net interest margin (NIM) - Period

Net interest income for the period, adjusted for non-recurring items, in relation to average loans to the public for the period.

Adjusted net interest margin (NIM) - LTM

Net interest income for the last twelve months, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

C/I ratio

C/I ratio - Period

Total expenses for the period in relation to total income for the period.

C/I ratio - LTM

Total expenses for the last twelve months in relation to total income for the last twelve months.

Adjusted C/I ratio - Period

Total expenses for the period, adjusted for non-recurring items, in relation to total income for the period, adjusted for non-recurring items.

Adjusted C/I ratio - LTM

Total expenses for the last twelve months, adjusted for non-recurring items, in relation to total income for the last twelve months, adjusted for non-recurring items.

Credit loss level

Credit loss level - Period

Credit losses, net for the period in relation to average loans to the public for the period.

Credit loss level - LTM

Credit losses, net for the last twelve months in relation to average loans to the public for the last twelve months.

Adjusted credit losses, net - Period

Credit losses, net, adjusted for non-recurring items, for the period in relation to average loans to the public for the period.

Adjusted credit losses, net - LTM

Credit losses, net for the period, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

Earnings per share¹⁾

Earnings per share after dilution¹⁾

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average number of shares outstanding after dilution for the period.

Earnings per share before dilution¹⁾

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average number of shares outstanding before dilution for the period.

¹⁾ Not alternative performance measures.

Definitions cont.

Return on equity (RoE)

Return on equity (RoE) - Period

Net profit for the period attributable to the shareholders of Norion Bank AB in relation to average equity attributable to the shareholders of Norion Bank AB for the period.

Return on equity (RoE) - LTM

Net profit attributable to the shareholders of Norion Bank AB for the last twelve months in relation to average equity attributable to the shareholders of Norion Bank AB for the last twelve months.

Adjusted return on equity (RoE) - Period

Net profit for the period attributable to the shareholders of Norion Bank AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Norion Bank AB for the period. For relevant periods prior to the intragroup merger between Norion Bank AB (previously Collector Bank AB) and Collector AB, the calculation includes net profit for the period attributable to the shareholders of Collector AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the period.

Adjusted return on equity (RoE) - LTM

Net profit attributable to the shareholders of Norion Bank AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Norion Bank AB for the last twelve months. For relevant periods prior to the intra-group merger between Norion Bank AB (previously Collector Bank AB) and Collector AB, the calculation includes net profit attributable to the shareholders of Collector AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the last twelve months.

Total income margin

Total income margin - Period

Total income for the period in relation to average loans to the public for the period.

Other

Adjusted net interest income

Net interest income adjusted for non-recurring items.

Adjusted total income

Total income adjusted for non-recurring items.

Adjusted total expenses

Total expenses adjusted for non-recurring items.

Adjusted operating profit

Operating profit adjusted for non-recurring items.

Adjusted net profit

Net profit attributable to the shareholders of the parent company adjusted for non-recurring items.

Non-recurring items

Income and expenses that are not expected to appear on a regular basis. See The Group's development, pages 11-12.

CET1 ratio (Common Equity Tier 1 ratio)²⁾

Common Equity Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 44-46.

Tier 1 ratio²⁾

Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 44-46.

Total capital ratio²⁾

Total own funds in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 44-46.

Average number of full-time employees

Including employees on fixed-term contracts, but not on parental leave or leave of absence.

²⁾ Key ratios according to capital adequacy rules (CRR).



Income statement

Group

		Q1	Q4	Q1	Full year
SEKm	Note	2024	2023	2023	2023
Interest income ¹⁾		1 298	1 282	1 040	4 609
Interest expense ²⁾		-466	-418	-232	-1 318
Net interest income	4	832	864	809	3 291
Commission income		93	85	83	339
Commission expense		-12	-12	-11	-44
Net commission income		81	73	72	295
Net gains and losses on financial items		4	-11	-9	24
Other income ³⁾		15	8	9	38
Total income		933	934	882	3 648
Personnel expenses	5	-104	-96	-90	-357
Other expenses	6	-138	-140	-122	-509
Depreciation/amortization and impairment of tangible and intangible assets		-16	-17	-17	-67
Total expenses		-258	-253	-229	-934
Profit before credit losses		675	681	653	2 714
Credit losses, net	7	-257	-268	-268	-1 078
Operating profit		417	414	385	1 636
Tax expense		-88	-87	-80	-342
Net profit for the period		329	326	305	1 294
Portion of net profit for the period attributable to:					
shareholders of Norion Bank AB		314	311	291	1 236
additional Tier 1 capital holders		15	16	13	58
Earnings per share, before dilution, SEK ³⁾		1,53	1,51	1,42	6,02
Earnings per share, after dilution, SEK ³⁾		1,53	1,51	1,42	6,02

¹⁾ Consists mainly of interest income calculated according to the effective interest rate method.

²⁾ Interest expenses for issued tier 1 capital instruments are reported in equity.

³⁾ On May 4, 2022, a reverse share split and a split were carried out before the merger of Collector AB to achieve the 1:1 exchange ratio. After the share split, the total number of shares in Norion Bank AB amount to 205 381 004. Historical data for the total number of shares in this report have been adjusted in accordance with IAS 33.

Statement of comprehensive income

Group

SEKm	Note	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Net profit for the period reported via income statement		329	326	305	1 294
Items that have been or may be reclassified to the income statement					
Exchange rate differences on translation of foreign currency		-1	-1	-2	-3
Other comprehensive income for the period, net of tax		-1	-1	-2	-3
Total comprehensive income for the period		328	326	303	1 291
Portion of total comprehensive income for the period attributable to:					
shareholders of Norion Bank AB		313	311	290	1 233
additional Tier 1 capital holders		15	16	13	58

Balance sheet

Group

		Mar 31 2024	Dec 31 2023	Mar 31 2023
SEKm	Note			
ASSETS				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	832	346	286
Loans to credit institutions		3 685	3 203	2 496
Loans to the public	8, 9	45 199	45 470	41 699
Bonds and other interest-bearing securities	13	5 722	3 958	3 355
Shares and participating interests	13	666	664	523
Intangible assets		115	104	83
Tangible assets		91	109	129
Derivatives	13	-	47	36
Other assets		105	42	38
Prepaid expenses and accrued income		126	112	89
Total assets		56 542	54 056	48 734
LIABILITIES AND EQUITY				
Deposits and borrowings from the public	10	45 234	42 663	36 442
Debt securities in issue	11	1 249	1 248	3 243
Derivatives	13	3	-	-
Other liabilities		808	799	711
Accrued expenses and prepaid income		1 131	1 042	979
Total liabilities		48 426	45 753	41 375
Equity attributable to additional Tier 1 capital holders		-	500	500
Equity attributable to the shareholders of Norion Bank AB		8 116	7 803	6 860
Total equity		8 116	8 303	7 360
TOTAL LIABILITIES AND EQUITY		56 542	54 056	48 734

Statement of changes in equity

Group

Jan - Mar 2024	Equity attributable to the shareholders of Norion Bank AB				Total	Additional Tier 1 instruments holders ¹⁾	Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period			
SEKm							
Opening balance 1 January 2024	149	5	-5	7 654	7 803	500	8 303
Comprehensive income for the period							
Profit for the period				314	314	15	329
Other comprehensive income for the period			-1		-1		-1
Total comprehensive income for the period			-6	314	313	15	328
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-15	-15
Redemption Tier 1 instruments						-500	-500
Total transactions reported directly in equity						-515	-515
Closing balance 31 March 2024	149	5	-6	7 968	8 116	-	8 116

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Group

Jan - Dec 2023	Equity attributable to the shareholders of Norion Bank AB				Total	Additional Tier 1 instruments holders ¹⁾	Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period			
SEKm							
Opening balance 1 January 2023	149	5	-2	6 418	6 570	500	7 070
Comprehensive income for the period							
Profit for the period				1 236	1 236	58	1 294
Other comprehensive income for the period			-3		-3		-3
Total comprehensive income for the period			-3	1 236	1 233	58	1 291
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-58	-58
Total transactions reported directly in equity						-58	-58
Closing balance 31 December 2023	149	5	-5	7 654	7 803	500	8 303

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Statement of changes in equity, cont.

Group

Jan - Mar 2023

SEKm	Equity attributable to the shareholders of Norion Bank AB				Total	Additional Tier 1 instruments holders ¹⁾	Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period			
Opening balance 1 January 2023	149	5	-2	6 418	6 570	500	7 070
Comprehensive income for the period							
Profit for the period				291	291	13	305
Other comprehensive income for the period			-2		-2		-2
Total comprehensive income for the period			-4	6 710	6 860	13	303
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-13	-13
Total transactions reported directly in equity						-13	-13
Closing balance 31 March 2023	149	5	-4	6 710	6 860	500	7 360

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Cash flow statement

Group

	Jan-Mar 2024	Full year 2023	Jan-Mar 2023
SEKm			
Operating activities			
Operating profit	417	1 636	385
Adjustments for non-cash items in operating activities	356	1 372	423
Income taxes paid	-65	-272	-36
Increase/decrease in assets and liabilities from operating activities	246	-374	-1 249
Cash flow from operating activities	954	2 362	-477
Investing activities			
Acquisitions/disposals of tangible assets	-1	-1	0
Acquisitions/disposals of intangible assets	-19	-57	-12
Cash flow from investing activities	-20	-58	-12
Financing activities			
Decrease of liabilities	-7	-33	-8
Additional Tier 1 instruments	-515	-58	-13
Redemption of interest-bearing securities	-	-2 297	-50
Issuance of interest-bearing securities	-	247	-
Cash flow from financing activities	-522	-2 141	-71
Cash and cash equivalents at the start of the period	3 203	3 050	3 050
Cash flow for the period	412	163	-560
Exchange rate differences in cash and cash equivalents	70	-10	6
Cash and cash equivalents at the end of the period	3 685	3 203	2 496
Paid and received interest of which is included in the cash flow from operating activities			
Interest paid	338	1 134	164
Interest received	1 289	4 581	1 033

Income statement

Norion Bank AB

SEKm	Note	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Interest income ¹⁾		1 298	1 282	1 040	4 609
Interest expense ²⁾		-466	-418	-232	-1 318
Net interest income	4	832	864	809	3 291
Commission income		93	85	83	339
Commission expense		-12	-12	-11	-44
Net commission income		81	73	72	295
Net gains and losses on financial items		4	-11	-9	24
Other income		15	8	9	38
Total income		933	934	882	3 648
Personnel expenses	5	-104	-96	-90	-357
Other expenses	6	-138	-140	-122	-509
Depreciation/amortization and impairment of tangible and intangible assets		-16	-17	-17	-67
Total expenses		-258	-253	-229	-934
Profit before credit losses		675	681	653	2 714
Credit losses, net	7	-257	-268	-268	-1 078
Operating profit		417	414	385	1 636
Appropriations		-	-288	-	-288
Tax expense		-88	-30	-80	-285
Net profit for the period		329	95	305	1 063
Portion of net profit for the period attributable to:					
shareholders of Norion Bank AB		314	80	291	1 005
additional Tier 1 capital holders		15	16	13	58

¹⁾ Consists mainly of interest income calculated according to the effective interest rate method.

²⁾ Interest expenses for issued tier 1 capital instruments are reported in equity. Comparison periods are recalculated.

Statement of comprehensive income

Norion Bank AB

SEKm	Note	Q1 2024	Q4 2023	Q1 2023	Full year 2023
Net profit for the period reported via income statement		329	95	305	1 063
Items that have been or may be reclassified to the income statement					
Exchange rate differences on translation of foreign currency		-1	-1	-2	-3
Other comprehensive income for the period, net of tax		-1	-1	-2	-3
Total comprehensive income for the period		328	95	303	1 060
Portion of total comprehensive income for the period attributable to:					
shareholders of Norion Bank AB		313	79	290	1 002
additional Tier 1 capital holders		15	16	13	58

Balance sheet

Norion Bank AB

SEKm	Note	Mar 31 2024	Dec 31 2023	Mar 31 2023
ASSETS				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	832	346	286
Loans to credit institutions		3 685	3 203	2 496
Loans to the public	8,9	45 199	45 470	41 699
Bonds and other interest-bearing securities	13	5 722	3 958	3 355
Shares and participating interests	13	666	664	523
Shares and participating interests in group entities		0	0	0
Intangible assets		115	104	83
Tangible assets		91	109	129
Derivatives	13	-	47	36
Other assets		105	42	38
Prepaid expenses and accrued income		126	112	89
Total assets		56 542	54 056	48 734
LIABILITIES AND EQUITY				
Deposits and borrowings from the public	10	45 234	42 663	36 442
Debt securities in issue	11	1 249	1 248	3 243
Derivatives	13	3	-	-
Other liabilities		534	524	494
Accrued expenses and prepaid income		1 131	1 042	979
Total liabilities		48 152	45 478	41 158
Tax allocation reserve		1 320	1 320	1 032
Total liabilities		1 320	1 320	1 032
Equity attributable to additional Tier 1 capital holders		-	500	500
Equity attributable to the shareholders of Norion Bank AB		7 070	6 757	6 045
Total equity		7 070	7 257	6 545
Total liabilities and equity		56 542	54 056	48 734

Statement of changes in equity

Norion Bank AB

Jan - Mar 2024	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2024	149	3	102	500	6 503	7 257
Transfer of development expenses			9		-9	-
Redemption Tier 1 instruments				-500		-500
Cost additional Tier 1 instruments					-15	-15
Profit for the period					329	329
Other comprehensive income for the period		-1				-1
Closing balance 31 March 2024	149	2	111	-	6 808	7 070

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

Norion Bank AB

Jan - Dec 2023	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2023	149	6	79	500	5 521	6 256
Transfer of development expenses			23		-23	-
Cost additional Tier 1 instruments					-58	-58
Profit for the period					1 063	1 063
Other comprehensive income for the period		-3				-3
Closing balance 31 December 2023	149	3	102	500	6 503	7 257

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

Statement of changes in equity, cont.

Norion Bank AB

Jan - Mar 2023	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2023	149	6	79	500	5 521	6 256
Transfer of development expenses			3		-3	-
Cost additional Tier 1 instruments					-13	-13
Profit for the period					305	305
Other comprehensive income for the period		-2				-2
Closing balance 31 March 2023	149	5	82	500	5 809	6 545

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

Cash flow statement

Norion Bank AB

SEKm	Jan-Mar 2024	Full year 2023	Jan-Mar 2023
Operating activities			
Operating profit	417	1 636	385
Adjustments for non-cash items in operating activities	356	1 372	423
Income taxes paid	-65	-272	-36
Increase/decrease in assets and liabilities from operating activities	246	-374	-1 249
Cash flow from operating activities	954	2 362	-477
Investing activities			
Acquisitions/disposals of tangible assets	-1	-1	0
Acquisitions/disposals of intangible assets	-19	-57	-12
Cash flow from investing activities	-20	-58	-12
Financing activities			
Decrease of liabilities	-7	-33	-8
Additional Tier 1 instruments	-515	-58	-13
Redemption of interest-bearing securities	-	-2 297	-50
Issuance of interest-bearing securities	-	247	-
Group contributions paid/received	-	0	-
Cash flow from financing activities	-522	-2 141	-71
Cash and cash equivalents at the start of the period	3 203	3 050	3 050
Cash flow for the period	412	163	-560
Exchange rate differences in cash and cash equivalents	70	-10	6
Cash and cash equivalents at the end of the period	3 685	3 203	2 496
Paid and received interest of which is included in the cash flow from operating activities			
Interest paid	338	1 134	164
Interest received	1 289	4 581	1 033

Notes

The stated amounts in the notes are in millions of SEK (SEKm) and at book value unless otherwise stated. The interim report on pages 2-20 constitute an integrated part of this financial report.

Note 1. General information

Norion Bank AB (publ) company registration number 556597-0513, is a bank limited company with its registered office in Gothenburg. The company has a license to conduct banking operations and is listed on Nasdaq Stockholm. The Bank conducts business in Sweden and through branches in Norway and Finland.

The address of the headquarters is Lilla Bommens Torg 11, SE-411 09 Gothenburg, Sweden. Norion Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

Note 2. Accounting policies

Accounting policies

The interim report is prepared in accordance with IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on the Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2-3 and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7-8 ÅRKL).

The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

Accounting principles, methods of calculation and presentation are essentially unchanged compared with those applied in the 2023 Annual Report.

Changes in IFRS

None of the changes in the accounting regulations issued for application 2024 are deemed to have a significant impact on Norion Bank and its financial reports, capital adequacy or large exposures.

Note 3. Operating segments

Group

	Q1 2024					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
SEKm						
Net interest income	160	337	195	51	90	832
Net commission income	3	2	13	63	0	81
Net gains and losses on financial items	2	3	0	0	-1	4
Other income	0	0	0	14	1	15
Total income	165	342	208	127	90	933
Net interest margin (NIM)	6,9%	6,2%	7,1%	7,4%	-	7,3%
Total income margin	7,2%	6,3%	7,5%	18,7%	-	8,2%
Loans to the public	8 733	22 086	11 135	2 694	551	45 199

¹⁾ Including eliminations.

NOTES

Note 3. Operating segments, cont.

Group

SEKm	Q4 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	188	345	193	46	91	864
Net commission income	2	0	11	59	0	73
Net gains and losses on financial items	-12	-10	0	1	9	-11
Other income	0	0	0	7	1	8
Total income	179	336	205	113	101	934
Net interest margin (NIM)	7,8%	6,6%	7,1%	6,8%	-	7,7%
Total income margin	7,4%	6,4%	7,5%	16,7%	-	8,3%

Loans to the public	9 705	21 432	11 005	2 763	566	45 470
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¹⁾ Including eliminations.

Group

SEKm	Q1 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	201	326	192	49	41	809
Net commission income	3	-	14	55	0	72
Net gains and losses on financial items	-14	0	0	1	3	-9
Other income	0	0	0	9	0	9
Total income	191	327	207	113	44	882
Net interest margin (NIM)	7,9%	7,3%	7,4%	8,1%	-	7,8%
Total income margin	7,5%	7,3%	8,0%	18,9%	-	8,5%

Loans to the public	9 808	18 594	10 320	2 336	641	41 699
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¹⁾ Including eliminations.

Group

SEKm	Full year 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	766	1 260	795	197	274	3 291
Net commission income	15	0	55	225	0	295
Net gains and losses on financial items	-5	-12	2	6	32	24
Other income	1	0	0	36	1	38
Total income	777	1 248	852	464	307	3 648
Net interest margin (NIM)	7,6%	6,5%	7,4%	7,5%	-	7,6%
Total income margin	7,7%	6,4%	8,0%	17,7%	-	8,4%

Loans to the public	9 705	21 432	11 005	2 763	566	45 470
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¹⁾ Including eliminations.

NOTES

Note 4. Net interest income

Group and Norion Bank AB

	Q1 2024	Q4 2023	Q1 2023	Full year 2022
SEKm				
Loans to the public ¹⁾	1 202	1 211	1 010	4 393
Interest-bearing securities	40	44	24	138
Loans to credit institutions	56	27	7	78
Total interest income	1 298	1 282	1 040	4 609
Deposits and borrowings from the public	-446	-394	-197	-1 188
Subordinated liabilities	-19	-24	-34	-129
Debt securities in issue	-1	0	-1	-1
Total interest expense	-466	-418	-232	-1 318
Net interest income	832	864	809	3 291

¹⁾ Interest income calculated according to the effective interest rate method.

Note 5. Personnel expenses

Group and Norion Bank AB

	Q1 2024	Q4 2023	Q1 2022	Full year 2023
SEKm				
Salaries and other remuneration	-68	-63	-62	-240
Pension costs	-24	-23	-20	-82
Social security costs	-8	-8	-7	-31
Other staff related costs	-4	-2	-1	-4
Total personnel expenses	-104	-96	-90	-357

NOTES

Note 6. Other expenses

Group and Norion Bank AB

	Q1 2024	Q4 2023	Q1 2022	Full year 2023
SEKm				
Consultancy expenses	-43	-43	-47	-174
IT expenses	-26	-25	-19	-87
Other purchased services	-33	-38	-28	-125
Postage expenses	-8	-7	-9	-33
Other operating expenses	-27	-26	-20	-90
Total other expenses	-138	-140	-122	-509

Note 7. Credit losses, net

Group and Norion Bank AB

	Q1 2024	Q4 2023	Q1 2023	Full year 2023
SEKm				
Loans at amortized cost				
Credit impairment provisions - Stage 1	23	23	-16	-69
Credit impairment provisions - Stage 2	122	13	-140	-96
Credit impairment provisions - Stage 3	-138	-170	-78	-629
Total	7	-134	-234	-794
Portfolio revaluation - POCI	-	-	-	-
Impairment gains and losses - POCI	-	-	-	-
Write-offs	-266	-133	-33	-284
Recoveries	2	-	-	-
Total	-264	-133	-33	-284
Total credit impairment	-257	-268	-268	-1 078

NOTES

Note 8. Loans to the public

Group and Norion Bank AB

SEKm	Mar 31 2024	Dec 31 2023	Mar 31 2023
PRIVATE CUSTOMERS ³⁾			
Total gross carrying amount	18 418	18 438	17 016
of which Stage 1	10 655	10 617	9 648
of which Stage 2	687	743	504
of which Stage 3	6 560	6 549	6 268
of which Stage 3 - POCI ¹⁾	516	529	596
Total credit impairment provisions	-4 075	-4 134	-3 745
of which Stage 1	-273	-271	-234
of which Stage 2	-214	-235	-144
of which Stage 3	-3 588	-3 628	-3 366
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, private customers	14 343	14 303	13 271
Private customers			
Provision ratio for loans Stage 1	2,6%	2,5%	2,4%
Provision ratio for loans Stage 2	31,2%	31,7%	28,5%
Provision ratio for loans Stage 3	54,7%	55,4%	53,7%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0 %	0,0 %	0,0 %
Total provision ratio, private customers ²⁾	22,8%	23,1%	22,8%
CORPORATE CUSTOMERS ⁴⁾			
Total gross carrying amount	32 063	32 282	29 393
of which Stage 1	24 004	25 118	24 442
of which Stage 2	4 063	5 330	4 026
of which Stage 3	3 997	1 834	926
Total credit impairment provisions	-1 207	-1 115	-965
of which Stage 1	-130	-152	-136
of which Stage 2	-120	-219	-351
of which Stage 3	-957	-744	-478
Total carrying amount, corporate customers	30 856	31 167	28 428

NOTES

Note 12. Loan to the public, cont.

Group and Norion Bank AB

SEKm	Mar 31 2024	Dec 31 2023	Mar 31 2023
Corporate customers			
Provision ratio for loans Stage 1	0,5%	0,6%	0,6%
Provision ratio for loans Stage 2	3,0%	4,1%	8,7%
Provision ratio for loans Stage 3	23,9%	40,6%	51,6%
Total provision ratio, corporate customers	3,8%	3,5%	3,3%
TOTAL			
Total gross carrying amount	50 481	50 720	46 409
of which Stage 1	34 659	35 734	34 090
of which Stage 2	4 750	6 074	4 530
of which Stage 3	10 556	8 383	7 194
of which Stage 3 - POCI ¹⁾	516	529	596
Total credit impairment provisions	-5 282	-5 249	-4 710
of which Stage 1	-403	-423	-370
of which Stage 2	-335	-454	-495
of which Stage 3	-4 545	-4 372	-3 845
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, Total	45 199	45 470	41 699
Stage 3 loans / Total loans, gross, % ²⁾	21,1%	16,7%	15,7%
Stage 3 loans / Total loans, net, % ²⁾	13,5%	8,9%	8,1%
Total			
Provision ratio for loans Stage 1	1,2%	1,2%	1,1%
Provision ratio for loans Stage 2	7,0%	7,5%	10,9%
Provision ratio for loans Stage 3	43,1%	52,2%	53,4%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0 %	0,0 %	0,0 %
Total provision ratio ²⁾	10,6%	10,5%	10,3%

¹⁾ Purchased credit-impaired assets are subject to net accounting from the time of acquisition, consequently no explicit provisioning is shown for these receivables.

²⁾ Excluding purchased credit-impaired assets.

³⁾ Includes the segments Consumer, Payments and parts of Other.

⁴⁾ Includes the segments Corporate and Real Estate and parts of Other.

Note 9. Reconciliation of credit losses provisions for loans

The tables below show reconciliations of provisions for credit losses related to loans to the public measured at Amortized Cost.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2024	423	454	4 372	5 249
New and derecognized financial assets, net	28	-101	-135	-207
Changes due to changed credit judgement	0	0	0	0
Changes due to change in credit risk	-52	-21	272	200
Other adjustments ¹⁾	3	2	35	40
Closing balance 31 March 2024	403	335	4 545	5 282

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2023	355	362	3 775	4 492
New and derecognized financial assets, net	41	-51	256	247
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	28	146	373	547
Other adjustments ¹⁾	-1	-4	-32	-37
Closing balance 31 December 2023	423	454	4 372	5 249

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group and Norion Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2023	355	362	3 775	4 492
New and derecognized financial assets, net	-15	-49	82	19
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	31	189	-4	216
Other adjustments ¹⁾	-1	-7	-9	-17
Closing balance 31 March 2023	370	495	3 845	4 710

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Note 10. Deposits and borrowings from the public

Group and Norion Bank AB

	Mar 31 2024	Dec 31 2023	Mar31 2023
SEKm			
EUR	20 306	16 707	15 770
SEK	24 634	25 659	20 340
NOK	294	297	331
Total	45 234	42 663	36 442

NOTES

Note 11. Debt securities in issue and subordinated liabilities

DEBT SECURITIES IN ISSUE

Group and Norion Bank AB

SEKm	Mar 31 2024		Dec 31 2023		Mar 31 2023	
	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
ISIN						
SE0013104577	-	-	-	-	550	550
SE0013360427	-	-	-	-	1 000	1 000
SE0015811112	750	750	750	750	750	750
SE0013105137	499	500	498	500	300	300
NO0011152449	-	-	-	-	643	644
Commercial papers	-	-	-	-	-	-
Total	1 249	1 250	1 248	1 250	3 243	3 244

Note 12. Capital adequacy

Norion Bank AB

SEKm	Mar 31 2024	
	Amount	Percentage of risk exposure amount
Common Equity Tier 1 capital requirement (Pillar 1)	2 158	4,5%
Other Common Equity Tier 1 capital requirement (Pillar 2)	356	0,7%
Buffer requirements	1 939	4,0%
Total Common Equity Tier 1 (CET1) capital requirement	4 454	9,3%
Common Equity Tier 1 (CET1) capital	7 708	16,1%
Tier 1 capital requirement (Pillar 1)	2 878	6,0%
Other tier 1 capital requirement (Pillar 2)	475	1,0%
Buffer requirements	1 939	4,0%
Total Tier 1 capital requirement	5 292	11,0%
Tier 1 capital	7 708	16,1%
Capital requirements (Pillar 1)	3 837	8,0%
Other capital requirement (Pillar 2)	633	1,3%
Buffer requirements	1 939	4,0%
Total capital requirement	6 409	13,4%
Own funds	7 708	16,1%

NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Mar 31 2024	Dec 31 2023	Mar 31 2023
OWN FUNDS, SEKm			
Capital instruments and the related share premium accounts: Equity	149	149	149
Retained earnings	7 638	6 590	6 406
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	329	1 063	305
Common Equity Tier 1 capital before regulatory adjustments	8 116	7 803	6 860
Deduction:			
Additional value adjustments	-288	-241	-121
Intangible assets	-115	-104	-83
Deferred tax assets	-4	-4	-3
Application of the transitional rules IFRS9	-	-	-
Total regulatory adjustments to Common Equity Tier 1	-408	-350	-208
Common Equity Tier 1 (CET1) capital	7 708	7 453	6 652
Perpetual subordinated loan	-	500	500
Additional Tier 1 instruments	-	500	500
Tier 1 capital	7 708	7 953	7 152
Supplementary capital	-	-	-
Tier 2 capital	-	-	-
Total own funds	7 708	7 953	7 152

	Norion Bank AB		
	Mar 31 2024	Dec 31 2023	Mar 31 2023
RISK EXPOSURE AMOUNT, SEKm			
Credit risks, using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	814	684	581
Funds units exposures	856	844	684
Corporate exposures	26 524	28 316	26 256
Retail exposures	8 653	8 780	7 851
Exposures with mortgage in residential property	12	13	16
Exposures in default	7 385	4 565	3 954
Items associated with particularly high risk	-	-	562
Exposures in the form of covered bonds	285	230	217
Other exposures	358	360	323
Total	44 886	43 792	40 443
Risk exposure amount credit valuation adjustment risk (CVA)	26	31	28
Risk exposure amount market risk	48	35	34
Risk exposure amount operational risk (Alternative Standardised Approach)	3 005	3 005	4 989
Total risk exposure amount	47 965	46 862	45 494

NOTES

Note 12. Capital adequacy, cont.

	Norion Bank AB		
	Mar 31 2024	Dec 31 2023	Mar 31 2023
CAPITAL REQUIREMENTS, SEKm			
Capital requirement for credit risk using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	65	55	46
Funds units exposures	68	67	55
Corporate exposures	2 122	2 265	2 100
Retail exposures	692	702	628
Exposures with mortgage in residential property	1	1	1
Exposures in default	591	365	316
Items associated with particularly high risk	-	-	45
Exposures in the form of covered bonds	23	18	17
Other exposures	29	29	26
Total capital requirement for credit risk	3 591	3 503	3 235
Risk exposure amount credit valuation adjustment risk (CVA)	2	2	2
Risk exposure amount market risk	4	3	3
Risk exposure amount operational risk (Alternative Standardised Approach)	240	240	399
Total Pillar 1 capital requirement	3 837	3 749	3 640
Concentration risk	323	306	284
Interest rate risk for the banking book	310	194	191
Total Pillar 2 capital requirement	633	501	475
Capital buffers			
Capital conservation buffer	1 199	1 172	1 137
Countercyclical capital buffer	740	742	466
Total capital requirement - Capital buffers	1 939	1 913	1 603
Total capital requirement	6 409	6 163	5 718

	Norion Bank AB		
	Mar 31 2024	Dec 31 2023	Dec 31 2023
CAPITAL REQUIREMENT			
Capital ratios and capital buffers			
CET1 ratio	16,1%	15,9%	14,6%
Tier 1 ratio	16,1%	17,0%	15,7%
Total capital ratio	16,1%	17,0%	15,7%
Institution specific buffert requirement	4,0%	4,1%	3,5%
of which capital conservation buffer	2,5%	2,5%	2,5%
of which countercyclical capital buffer	1,5%	1,6%	1,0%
CET1 available to meet buffers	7,1%	9,0%	7,7%

A review has been carried out of the earnings for January - March 2024, which allows net profit for the period to be included in own funds.

Note 13. Financial instruments at fair value

The table below contains financial instruments measured at fair value by valuation level. To determine the fair value for financial instruments various methods are used, depending on the degree of observable market data in the valuation and activity in the market. The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

The methods are divided into three different levels:

Level 1: Quoted market values

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical asset- and liability instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: Valuation techniques based on observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

Level 3: Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques.

Significant transfers and reclassifications between levels

Transfers between the different levels may take place where there are indications that market conditions have changed.

Group and Norion Bank AB

SEKm	Mar 31 2024			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	426	-	-	426
Bonds and other interest-bearing securities	3 786	-	-	3 786
Shares and participating interests	-	5	661	666
Total financial assets	4 212	5	661	4 878
LIABILITIES				
Derivative instruments	-	3	-	3
Other financial liabilities	-	-	-	-
Total financial liabilities	-	3	-	3

SEKm	Dec 31 2023			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	47	-	47
Treasury bills and other bills eligible for refinancing with central banks, etc.	230	-	-	230
Bonds and other interest-bearing securities	3 210	-	-	3 210
Shares and participating interests	-	5	659	664
Total financial assets	3 440	52	659	4 151
LIABILITIES				
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

NOTES

Note 13. Financial instruments at fair value, cont.

SEKm	Mar 31 2023			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	36	-	36
Treasury bills and other bills eligible for refinancing with central banks, etc.	57	-	-	57
Bonds and other interest-bearing securities	2 599	-	-	2 599
Shares and participating interests	-	5	518	523
Total financial assets	2 656	41	518	3 215
LIABILITIES				
Derivative instruments	-	-	-	-
Other financial liabilities	-	-	-	-
Total financial liabilities	-	-	-	-

Group and Norion Bank AB

Changes in level 3	Mar 31 2024	Dec 31 2023	Mar31 2023
	Assets	Assets	Assets
	Equity instruments	Equity instruments	Equity instruments
SEKm			
Opening balance for the period	659	528	528
Acquisition	-	157	-
Divestment	-	-	-
Changes in unrealised gains or losses for items held at closing day	3	-27	-10
Closing balance for the period	661	659	518

Financial instruments in Level 3 refer to investments in funds. Norion Bank uses different measurement techniques depending on available data.

The investment portfolio is measured quarterly in accordance with IPEV guidelines and primarily following an external measurement where a transaction in the company has been made in the past 12 months with at least one external party. If such

measurement is not possible, or if there are objective reasons to do so, as a secondary option, an internal measurement is made based on assumed discounted cash flow.

Financial instruments are transferred to or from level 3 depending on whether the internal assumptions have changed in significance to the valuation. There were no transfers of financial instruments to or from level 3 during the period.

NOTES

Note 13. Financial instruments at fair value, cont.

Note 14. Financial assets and liabilities

Norion Bank has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual Report 2023.

Group and Norion Bank AB

	Mar 31 2024		Dec 31 2023		Mar 31 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Loans ¹⁾	48 884	48 884	48 673	48 673	44 195	44 195
Debt securities	6 555	6 555	4 304	4 304	3 641	3 631
Equity instruments	661	661	659	659	518	518
Derivatives	-	-	47	47	36	36
Other	120	120	5	5	33	33
Financial assets	56 220	56 220	53 688	53 688	48 423	48 413

Group and Norion Bank AB

	Mar 31 2024		Dec 31 2023		Mar 31 2023	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
SEKm						
Deposits	45 234	45 234	42 663	42 663	36 442	36 442
Debt securities issued	1 249	1 249	1 248	1 248	3 243	3 243
Derivatives	3	3	-	-	-	-
Other	420	420	292	292	176	176
Financial liabilities	46 906	46 906	44 203	44 203	39 861	39 861

¹⁾ Loans includes Loans to credit institutions and Loans to the public.

Note 15. Related parties

During the period normal business transactions were executed between companies in the Group and between other related parties.

NOTES

Note 16. Pledged assets, contingent liabilities and commitments

PLEDGED ASSETS

Group and Norion Bank AB

	Mar 31 2024	Dec 31 2023	Mar 31 2023
SEKm			
For own liabilities and provisions	None	None	None
Total	None	None	None

CONTINGENT LIABILITIES

Group and Norion Bank AB

	Mar 31 2024	Dec 31 2023	Mar 31 2023
SEKm			
Contingent liabilities	None	None	None
Total	None	None	None

COMMITMENTS

Group and Norion Bank AB

	Mar 31 2024	Dec 31 2023	Mar 31 2023
SEKm			
Unutilized credit limits	5 582	4 685	4 921
Other commitments	164	158	161
Total	5 746	4 843	5 081

Note 17. After the end of the period

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

Assurance by the Board of Directors and the CEO

The Board of Directors and the CEO hereby certify that the interim report provides a fair and accurate overview of the operations, position and results of the parent company and the Group and describes the significant risks and uncertainties faced by the parent company and the companies in the Group. This interim report has not been reviewed by the company's auditors.

Gothenburg, April 23, 2024

Board of Directors & CEO

Erik Selin
Chairman of the Board

Christoffer Lundström
Board member

Charlotte Hybinette
Board member

Ulf Croona
Board member

Marie Osberg
Board member

Bengt Edholm
Board member

Martin Nossman
CEO

Forthcoming corporate events

Annual General Meeting 2024	7 May 2024
Interim report January-June 2024	12 July 2024
Interim report January-September 2024	18 October 2024

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This is information that Norion Bank AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, on April 23, 2024 at 7.30 a.m. CET.