Quarterly report Q4 2024

Lea bank ASA

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Important information after date of reporting

Redomiciliation from Norway to Sweden

Throughout 2024, the bank worked on redomiciling the company from Norway to Sweden. On January 31, 2024, the bank submitted a banking license application to the Swedish Financial Supervisory Authority (Finansinspektionen) through a newly established Swedish subsidiary. This subsidiary was 100% owned by Lea bank ASA and later changed its company name to Lea Bank AB.

On June 11, 2024, Lea Bank AB was granted a Swedish banking license from the Swedish Financial Supervisory Authority, subject to the conditions that the license must be activated within 12 months and that the company must maintain a minimum equity of 5 million euros.

Merger between Lea bank ASA and Lea Bank AB

For Lea bank ASA to change its legal domicile to Sweden, it was necessary for operations to be conducted through a Swedish limited liability company with the required banking license in Sweden. To achieve this, a reverse cross-border merger was carried out between Lea bank ASA and Lea Bank AB, where the Swedish entity was the acquiring entity. The associated merger plan, dated August 21, 2024, was approved at an extraordinary general meeting on September 26, 2024.

The merger was formally completed on January 2, 2025. As a result, all assets and liabilities of Lea bank ASA were transferred to Lea Bank AB, and the Norwegian operations are now conducted through the Norwegian branch Lea Bank AB NUF. Lea bank ASA was dissolved upon the completion of the merger.

As of January 2, 2025, Lea Bank is a Swedish limited liability company and is regulated by the Swedish Financial Supervisory Authority. The company’s headquarters have been relocated to Polhemsplatsen 5, 411 11 Gothenburg, Sweden.

Transfer of stock exchange listing to Nasdaq Stockholm

As part of the company's relocation to Sweden, Lea Bank AB was listed on Nasdaq First North Premier Growth Market in Stockholm on January 9, 2025. Lea Bank has retained its ticker symbol: LEA.

The last trading day for Lea bank ASA on the Oslo Stock Exchange was December 30, 2024.

Please note that this report is based on the Norwegian company Lea bank ASA before the merger. All figures and descriptions refer to Lea bank ASA as of December 31, 2024, unless otherwise specified.

About Lea bank ASA – as of 31.12.2024

Lea Bank is a leading digital niche bank with an international distribution platform. The strategy is to deliver attractive terms to customers, leading technological solutions, cost-effective operations, prudent credit risk management, and optimized capital utilization.

Lea Bank offers unsecured loans and deposit products to the consumer market. The bank has lending operations in Sweden, Finland, Norway, and Spain, and offers deposit products in Sweden, Norway, Germany, Spain, Austria, and France.

Lea Bank has a scalable European operation model and leading cloud-based IT solutions with a focus on delivering superior customer experiences.

By using automated loan processing and user-friendly digital products, Lea Bank has gained a solid position among Nordic niche banks. The bank has developed a proprietary credit model and offers risk-based pricing to defined customer segments to optimize return on equity.

Lea Bank is an independent bank with approximately 900 shareholders. The company was listed on Euronext Growth Oslo until 30.12.2024.

Lea Bank was throughout 2024 a member of The Norwegian Banks' Guarantee Fund, Finance Norway (trade and employers' association for the financial industry in Norway), and The Association of Norwegian Finance Houses.

Income statement for Q4 2024 – Lea bank ASA

Profit before tax for Q4 2024 was NOK 29.7 million, compared to NOK 40.6 million in Q4 2023. Profit after tax was NOK 22.3 million, compared to NOK 30.7 million in Q4 2023.

Net interest income for the quarter was NOK 136.8 million, a decrease of NOK 1.0 million compared to Q4 2023, and an increase of NOK 1.3 million compared to the previous quarter.

Net other income for the quarter was NOK 20.4 million, an increase of NOK 0.4 million compared to Q4 2023, and a decrease of NOK 0.8 million compared to the previous quarter.

Total income was NOK 157.2 million, compared to NOK 157.8 million in the same quarter of 2023 and 156.8 in the previous quarter.

Total operating expenses were NOK 55.5 million compared to NOK 45.1 million in Q4 2023 and NOK 48.1 million in the previous quarter. Increase in operating expenses are mainly related to the following:

- Reallocation of headquarter to Gothenburg, including organizational changes, and other activities related to operate the bank under Swedish banking licence from 2025
- Change of listing venue from Oslo Stock Exchange to Nasdaq Stockholm from 2025

Losses on loans were NOK 72.1 million compared to NOK 72.1 million in Q4 2023 and a decrease of NOK 1.5 million compared to the previous quarter. Annualized loan losses for the quarter were 3,8%, a decrease of 0.2 percentage points compared to same quarter last year and a decrease of 0.5 percentage points compared to previous quarter.

Balance sheet as of 31.12.2024 – Lea bank ASA

Loan development has been positive throughout the quarter, as gross loans increased by NOK 304 million, adjusted for currency effects gross loans increased by NOK 309 million. Gross loans amounted to NOK 7,656 million as of 31.12.2024, compared to NOK 7,353 million in the previous quarter and NOK 6,913 million as of 31.12.2023.

Total assets amounted to NOK 9,434 million as of 31.12.2024, compared to NOK 7,854 million as of 31.12.2023.

Deposits to customers amounted to NOK 7,497 million as of 31.12.2024, compared to NOK 6,239 million as of 31.12.2023. The deposit growth in the quarter was NOK 440 million.

Total equity amounted to NOK 1,490 million, compared to NOK 1,456 million as of 31.12.2023. See note 4 for information on capital adequacy.

Deposits with other banks and liquid assets amounted to NOK 1,793 MNOK. Liquid assets were invested in the Central Bank of Norway, other Norwegian banks, certificates and government bonds, and funds invested in preferred stock bonds and liquidity funds.

The total capital adequacy ratio (tier 2) was 20.01%, the tier 1 capital adequacy ratio (tier 1) was 18.89%, and common equity capital adequacy ratio (CET 1) was 18.15% at the end of the quarter. The interim financial statement has not been audited.

The Liquidity Coverage Ratio (LCR) was 444% (850% in NOK, 140% in EUR and 140% in SEK) and the Net Stable Funding Ratio (NSFR) was 153% as of 31.12.2024.

The bank had a solid liquidity position at the end of the quarter, which is expected to continue.

Outlook

As of January 2025, Lea Bank is a Swedish bank listed on Nasdaq Stockholm. This enables a new strategic opportunity space for the bank – Lea Bank 2.0.

For 2025, the bank will focus on the following:

- Utilizing surplus capital for profitable growth in existing core business
- Balancing growth and dividend opportunities
- Exploring opportunities for strategic partnerships within existing and new products
- Navigating a volatile macroeconomic environment and closely monitoring customer behavior

In addition, the bank will continue its strategy of becoming a leading digital niche bank, offering consumer financing in attractive geographic markets. Lea Bank has lending operations in Sweden, Finland, Norway, and Spain, supported by a scalable international operating model.

The bank's goal is to deliver attractive returns for shareholders, operational efficiency, an exciting workplace for employees, and first-class customer experiences for both customers and partners.

Comprehensive income statement

(Amounts in NOK 1 000)	Note	Q4-24	Q4-23	2024	2023
Interest income		204,276	193,384	813,281	712,253
Interest expense		-67,479	-55,572	-266,459	-175,625
Net interest income		**136,797**	**137,813**	**546,822**	**536,628**
Commission and bank services income		11,774	9,501	43,276	33,791
Commission and bank services expenses		-1,473	-1,324	-5,009	-4,628
Net changes in value on securities and currency		6,528	11,168	37,618	29,302
Other income		3,596	660	6,362	796
Net other operating income		**20,425**	**20,005**	**82,247**	**59,261**
Total income		**157,222**	**157,817**	**629,069**	**595,889**
Personnel expenses		-22,469	-16,366	-78,582	-63,841
General administrative expenses		-25,133	-21,406	-91,536	-82,507
- hereof marketing expenses		*0*	*-2,336*	*-7,266*	*-6,866*
Depreciation and impairment		-4,583	-3,947	-16,698	-14,786
Other operating expenses		-3,290	-3,416	-11,367	-11,170
Total operating expenses		**-55,475**	**-45,135**	**-198,184**	**-172,303**
Profit before loan losses		**101,747**	**112,682**	**430,885**	**423,586**
Provision for loan losses	2	-72,072	-72,057	-311,025	-283,505
Profit before tax		**29,675**	**40,626**	**119,860**	**140,081**
Tax charge		-7,387	-9,957	-28,067	-33,835
Profit after tax		**22,288**	**30,669**	**91,792**	**106,245**
Earnings per share (NOK)		**0.23**	**0.32**	**0.96**	**1.12**
Diluted earnings per share (NOK)		**0.21**	**0.30**	**0.88**	**1.04**
Comprehensive income					
Profit after tax		22,288	30,669	91,792	106,245
Other comprehensive income		-	-	-	
Comprehensive income for the period		**22,288**	**30,669**	**91,792**	**106,245**

Balance sheet

(Amounts in NOK 1 000)	Note	31.12.2024	31.12.2023
Assets			
Cash and deposits with the central bank		54 008	51,931
Loans and deposits with credit institutions		839 509	350,786
Loans to customers	2	7 060 902	6,485,714
Certificates and bonds		899 868	839,681
Deferred tax asset		29 853	57,920
Other intangible assets		64 260	41,219
Fixed assets		10 352	5,133
Other assets		475 108	21,258
Total assets		**9 433 859**	**7,853,642**
Liabilities and equities			
Debt to the central bank		0	0
Deposits from customers		7 497 762	6,239,373
Other liabilities	6	364 140	128,307
Subordinated loans	3	82 423	82,084
Total liabilities		**7 944 325**	**6,449,764**
Share capital		191 035	190,438
Share premium		663 710	662,638
Tier 1 capital		54 529	54,321
Other paid-in equity		13 233	14,556
Other equity		567 027	481,925
Total equity	**4,5,7**	**1 489 534**	**1,403,878**
Total liabilities and equity		**9 433 859**	**7,853,642**

Statement of changes in equity

Amounts in NOK 1 000	Share capital	Share premium	Tier 1 capital	Other paid-in capital	Other equity	Total
Equity per 30.09.2024	**191,035**	**663,710**	**54,477**	**11,946**	**546,424**	**1,467,591**
Cost Tier 1 capital	-	-	-	-	-1,632	-1,632
Changes Tier 1 capital	-	-	52	-	-52	-
Share issue	-	-	-	-	-	-
Share options				1,287	-	1,287
Profit after tax	-	-	-	-	-	-
Dividend	-	-	-	-	22,288	22,288
Equity per 31.12.2024	**191,035**	**663,710**	**54,529**	**13,233**	**567,027**	**1,489,534**

Cashflow statement

In thousand NOK	2024	2023
Cash flow from operating activities		
Profit/(loss) before tax	119,860	140,081
Depreciation	16,698	14,786
Change in gross loans to customers	-578,120	-376,919
Effects of currency on loans to customers	-164,977	-249,413
Change in deposits from and debt to customers	1,034,833	164,848
Effects of currency on deposits from and debt to customers	223,556	283,192
Change in accruals and other adjustments	12,858	-5,684
Net cash flow from operating activities	**664,707**	**-29,110**
Net cash from investing activities		
Payments for investments in fixed assets	-451	-247
Payments for investments in intangible assets	-35,442	-21,546
Payments for subsidiary	-83,948	0
Payments certificates and bonds	-342,383	-562,041
Sale of certificates and bonds	303,180	731,602
Net cash flow from investing activities	**-159,044**	**147,767**
Cash flow from financing activities		
Lease payments	-4,304	-4,752
Intragroup loan	56,613	
Payment to AT2 capital investors	-8,291	-7,593
Payment to AT1 capital investors	-6,511	-6,016
Dividend payment	-52,371	-70,182
Net cash flow from financing activities	**-14,863**	**-88,543**
Effects of currency on loans and deposits with credit institutions in the period	490,800	30,115
Cash and cash equivalents at the start of the period	402,717	372,603
Cash and cash equivalents at the end of the period	**893,517**	**402,717**
Of which:		
Loans and deposits with credit institutions	*893,517*	*402,717*

Note 1 – General accounting principles

1.1 Company information

Lea bank ASA was as of 31.12.2024 a Norwegian public limited company with a business address at Holbergs gate 21, 0166 Oslo - Norway.

Lea Bank is a leading digital niche bank with an international distribution platform. The bank offers unsecured loans and deposit products to the consumer market and has lending activities in Sweden, Finland, Norway and Spain.

1.2 Basis for preparation of the financial statements

The financial statements for Lea Bank ASA have been prepared in accordance with IFRS® Accounting Standards as approved by the EU.
The condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

Unless otherwise stated, amounts in the notes are given in thousands of Norwegian kroner.

As of 31.12.24, the bank has wholly-owned subsidiaries, Lea Bank AB, Captum Group AB, as well as 3 other entities with insignificant effect. A consolidated financial statement has not been prepared to consolidate these. This is justified by IAS 8.8: "In IFRS, accounting principles are set that, according to the IASB, provide financial statements containing relevant and reliable information about the transactions and other events and conditions to which the standards apply. It is not necessary to apply these principles when their application has an insignificant effect.

1.3 Summary of the main accounting principles

1.3.1 Revenue recognition

Interest income is recognized using the effective interest method. This involves recognizing interest income on an ongoing basis, with the addition of amortization of establishment fees. The effective interest rate is determined by discounting contracted cash flows within expected maturity. Cash flows include establishment fees, as well as any residual value at the end of the expected maturity.

Revenue recognition of interest using the effective interest method is used for balance sheet items that are valued at amortized cost. For interest-bearing balance sheet items that are valued at fair value through profit or loss, the nominal interest is recognized on an ongoing basis, while other changes in value are presented as "Net change in value and gains/losses on currency and financial instruments." Interest income on engagements that are credit impaired is calculated using the effective interest rate on the written down value. Interest income on engagements that are not credit impaired is calculated using the gross effective interest rate (amortized cost before provision for expected losses).

The effective interest rate is the rate that makes the present value of future cash flows within the expected maturity of the loan equal to the book value of the loan at initial recognition.

Cash flows include establishment fees, as well as any residual value at the end of the expected maturity.

Fees and commissions are recognized as revenue as the service is provided. Fees for the establishment of loan agreements are included in cash flows when calculating amortized cost and recognized as revenue under net interest income using the effective interest method. Payment of fees to loan intermediaries for consumer loans is spread over the expected maturity.

Dividends from investments are recognized at the time the dividend is approved at the general meeting.

1.3.2 Financial Instruments

Recognition and derecognition of Financial Instruments Financial assets and liabilities are recognized on the balance sheet at the time the bank becomes a party to the contractual terms of the instrument. Common purchases and sales of investments are recorded t the time of agreement. Financial assets are removed from the balance sheet when the rights to receive cash flows from the investment cease or when these rights have been transferred and the bank has substantially transferred the risks and entire profit potential of ownership. Financial liabilities are derecognized when the rights to the contractual terms have been fulfilled, cancelled or expired.

Classification and Subsequent Measurement of Financial Instruments
Financial instruments are classified into one of the following measurement categories upon initial recognition.

Financial assets:
amortized cost (AC)
fair value through profit or loss (FVPL) or;

Financial assets are classified based on an assessment of the bank's business model for managing assets and the contractual cash flow characteristics of the instrument. Financial assets with contractual cash flows that are solely payments of principal and interest on specified dates and held in a business model whose objective is to collect contractual cash flows are measured at amortized cost. Other financial assets are measured at fair value through profit or loss. Based on this, "Cash and cash equivalents", "Loans and receivables from credit institutions and financing companies" and "Loans from customers" are measured at amortized cost, but the bank's holdings of "Interest-bearing securities" and "Shares, and other equity instruments" are measured at fair value through profit or loss.

Financial liabilities:
Amortized cost

This category consists of “Deposits from customers”.

Measurement at fair value
Financial assets and liabilities that are measured at fair value through profit or loss are recognized at fair value upon acquisition and transaction costs are recognized in profit or loss. The items are subsequently measured at fair value in subsequent periods.
The fair value of financial instruments traded in active markets is based on market prices on the balance sheet date.

The fair value of financial instruments not traded in an active market is determined using valuation techniques.

Measurement at amortized cost

All financial assets not measured at fair value are initially recognized at fair value with transaction costs added, and other liabilities recognized at amortized cost are initially recognized at fair value with transaction costs deducted.
Amortized cost is determined by discounting the contractual cash flows over the expected life. The cash flows include establishment fees and direct, marginal transaction costs not directly paid by the customer, as well as any residual value at the end of the expected life. Amortized cost is the present value of such cash flows, discounted at the effective interest rate, with an allowance for expected losses.

Impairment of financial assets

Under IFRS 9, impairment losses are recognized based on expected credit losses.
The measurement of the provision for expected losses in the general model depends on whether the credit risk has increased significantly since initial recognition. At initial recognition and when the credit risk has not increased significantly since initial recognition, the provisions are based on 12-month expected credit losses ("stage 1"). 12-month expected credit losses are the losses expected to occur over the life of the instrument but that can be attributed to events occurring in the first 12 months.
If the credit risk, assessed as the probability of default over the remaining life of an asset or group of assets, is considered to have increased significantly since initial recognition, a provision for expected losses equal to the present value, determined using the effective interest rate, of the expected loss over the entire expected life of the instrument must be made, and the asset must be reclassified to stage 2. If a credit event occurs, the instrument is moved to stage 3.
The bank has defined expected life as the expected time horizon associated with the first occurrence of default or full payment of interest and principal on the claim. The bank looks at changes in the risk of default since initial recognition to determine if an asset has experienced a significant increase in credit risk. The bank considers a commitment to be impaired/defaulted when the loan is more than 90 days past due, the customer has been transferred to a debt collection agency for recovery of the claim, there is a death, or cases where there is suspicion of fraud.
In the event of bankruptcy or a court judgment, the bank records commitments affected by such circumstances as incurred losses (write-offs). This also applies in cases where the bank has otherwise ceased recovery or waived parts of or the entire commitment.

Model Characteristics

The bank uses a loss model to calculate loss provisions. The model includes, among other things, the probability of default (PD), discount rate, exposure at default (EAD), and loss given default (LGD).

The bank uses various indicators to assess whether an asset has had a significant increase in the risk of default. This information is based on the actual behavior of customers, and the bank has established a range of rules that it has identified as triggers for a significant increase in credit risk.

The models provide an estimate of PD, which involves separate LGD loss models that run both before and after default. The bank uses models for exposures at the time of default. Triggers are used to classify accounts into three stages:

Stage 1: "12-month expected loss"
Stage 2: "Significant increase in credit risk compared to initial recognition"
Stage 3: "Credit-impaired"

All defaulted engagements are placed in stage 3 of the model. Engagements that have had a significant increase in credit risk since initial recognition are allocated to stage 2. The remaining engagements are included in stage 1.

Default is defined as engagements that are more than 90 days past due according to the agreed payment plan and the overdue amount is at least € 100 in the respective local currency. On December 31, 2022, the bank switched to a new definition of default, which is in line with the definition used by the EBA (Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013). The "last in, first out" (LIFO) principle is applied, where the most recent overdue invoice is covered first. This is different from the previous default definition where the oldest overdue invoice was covered first. This new principle means that a customer who consistently falls 30 days behind schedule will roll over into default.

To assess whether an engagement has had a significant increase in credit risk and should be transferred from stage 1 to stage 2 in the model, two main tests are conducted. The first test, the PD test, checks whether two criteria are met for an engagement to be considered to have had a significant increase in credit risk (SICR). The first criterion is a relative measurement of PD, which means that the observed PD on the reporting date must be at least three times higher than the expected PD calculated on the recognition date. The second criterion measures the absolute change in PD and requires it to be at least three percentage points higher, if the increase in credit risk is to be considered significant. Both criteria in the first test must be met for the engagement to be considered to have had a significant increase in credit risk. The second test serves as a backstop and involves moving the engagement to stage 2 if it is at least 30 days overdue, regardless of the result in the first test to stage 2.

In addition to the two tests, the bank also used information regarding approved payment relief (forbearance), as well as information regarding defaults on other products, to assess whether an engagement has had a significant increase in credit risk. Engagements with forbearance where the present value of future cash flows is reduced by more than 1% or there are multiple forbearance events are reported in stage 3. The volume of engagements with forbearance flag at the reporting date is specified in the loan note in the corresponding overview showing changes in gross loans.

A loan that has migrated to stage 2 can migrate back to stage 1, provided it no longer meets any of the criteria or conditions described in the paragraphs above. There is no explicit quarantine before a loan can migrate from stage 2 to stage 1. Loans in default (stage 3) will migrate to stage 1 or 2 when they are no longer classified as defaults, unless they are purchased defaulted loans or loans originally assessed as credit-impaired.

The bank has developed models for the expected lifetime of all unsecured loans per country, measured against repayment agreements and current repayment patterns. The chosen methodology for each model is based on the respective maturity of the portfolio as well as the availability of data in the respective markets. The models are continuously validated. This includes validation on out of time sample.

The PD, LGD, and EAD models use an adjustment factor based on macro assessments for each product and country. Through simulations, an expected, an upper, and a lower scenario for expected losses are established where the model weights in the management's assessment of the likely macro picture. Significant macro variables are defined as GDP, unemployment, and interest rates. For engagements with SME and mortgage customers, the portfolio is of insignificant size, and the bank has therefore not applied a quantitative model.

The bank segments the portfolio into groups of loans with common risk characteristics and calculates expected credit losses (ECL) for each segment. The expected credit loss (ECL) is calculated as a product of a defined set of parameters tailored to the characteristics of each segment. The formula used is: ECL = PD * EAD * LGD.

The bank's Swedish and Spanish portfolios currently lack sufficient historical data to develop PD, LGD or SICR factors. For these countries, the bank has opted to use application-based PD to estimate PD for all engagements in stage 1. For engagements in stage 2, PD values are distributed across days overdue, indicating the likelihood that the customer will transition to stage 3 within the next 12 months. The LGD rates for these two portfolios are based on observed rates in other countries where the bank operates, combined with prices obtained from the respective markets. In these markets, the bank does not operate with SICR factors, and only a back-stop mechanism leads to contract migration from stage 1 to stage 2.

Cash and deposits with the central bank

The bank's credit risk related to "Cash and balances with central banks" is exclusively towards Norges Bank. Norges Bank is rated Aaa by Moody's and AAA/A-1+ by S&P, and therefore has low credit risk. The bank assesses that the presumption of low credit risk is fulfilled and does not make any provisions for losses related to this balance item.

Loans and deposits with credit institutions

"Loans and deposits with credit institutions" are towards Norwegian financial institutions with good ratings and are thus considered to meet the presumption of low credit risk under the standard. The bank assesses that this, combined with LGD, will result in insignificant provisions for losses, and therefore has not made any provisions for losses related to this balance item.

1.3.3 Fixed assets and intangible assets

Fixed assets and intangible assets are recorded on the balance sheet at acquisition cost, less accumulated ordinary depreciation and any impairment losses.

Ordinary depreciation is based on acquisition cost and is linearly distributed over the estimated economic life of the asset. There have been no changes to the depreciation schedules.

If the fair value of a property, plant and equipment asset is significantly lower than the book value and the impairment is not expected to be temporary, the asset is written down to fair value.

The bank's lease agreement for office space falls under IFRS 16. At initial recognition, the lease liability and the right-of-use asset are measured at the present value of future lease payments and are amortized in the accounts.

1.3.4 Currency

Losses or gains due to foreign exchange rates that arise from payments made to foreign countries are recognized as income or expenses at the time of the transaction in NOK.

1.3.5 Taxes

Deferred tax and deferred tax assets are recognized in accordance with NRS (F) on income tax. The tax expense in the income statement includes both the current payable tax and the change in deferred tax. The change in deferred tax is related to the tax effect of temporary differences in results and changes in losses carried forward.

Deferred tax assets in the balance sheet can only be recognized as an asset in the balance sheet if it can be held to be more likely than not that the company will have a taxable income in a future accounting year that makes it possible to utilize the benefit.

1.3.6 Financial derivatives

The estimated value of options is expensed continuously in the income statement in line with the accrual, with the offset recorded in other contributed equity in the balance sheet.

Freestanding subscription rights are recognized as an intangible asset with the offset recorded in other contributed equity. The asset is depreciated on a straight-line basis over five years.

In cases where the bank has entered into forward flow agreements for defaulted loans, these agreements are defined as financial derivatives. The bank has concluded that the value of the financial derivatives is not material and therefore the agreement is not recognized in the balance sheet. This assessment is based on a comparison of the LGD rates that the bank realizes with the forward flow agreement compared to the LGD rates observed in the market for comparable banks with comparable products.

1.3.7 Pension

The bank is subject to the Mandatory Occupational Pension Act and has a deposit-based pension scheme that covers all employees. Contributions to the scheme are made continuously, and the bank has no obligations beyond the ongoing contributions to the scheme.

1.3.8 Assessments and estimates

In preparing the financial statements, management has made judgments, estimates, and assumptions that affect the application of the bank's accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed continuously. Changes in estimates are recognized as they arise.

Information about judgments made in the application of accounting policies that have the most significant effect on the amounts presented in the financial statements is included in the following notes:

Note 2: including establishing the criteria for when a significant increase in credit risk has occurred since initial recognition, determining the methodology for incorporating forward-looking information in the measurement of ECL (Expected Credit Loss), and choosing the models used to measure ECL.

1.3.9 New standards not yet adopted

Certain new accounting standards and amendments to accounting standards have been published that are not mandatory for reporting periods ending December 31, 2024, and have not been early adopted by Lea bank ASA. Lea bank's assessment of the impact of these new standards and amendments is described below:

(a) Amendments to IAS 21 – Effective for periods beginning on or after January 1, 2025
In August 2023, the IASB amended IAS 21 to assist entities in determining whether a currency is exchangeable into another currency and which spot exchange rate to use when it is not exchangeable. Lea bank does not expect these amendments to have a material impact on its operations or financial reporting.

(b) Amendments to the classification and measurement of financial instruments – Amendments to IFRS 9 and IFRS 7 (effective for periods beginning on or after January 1, 2026)
These amendments:

- Clarify the recognition and derecognition date of certain financial assets and liabilities, with a new exception for certain financial liabilities settled through an electronic cash transfer system;
- Clarify and provide further guidance on assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- Introduce new disclosure requirements for certain instruments with contractual terms that may modify cash flows (such as certain financial instruments with features linked to environmental, social, and governance (ESG) objectives); and
- Update disclosure requirements for equity instruments measured at fair value through other comprehensive income (FVOCI).

Lea bank does not expect these amendments to have a material impact on its operations or financial reporting.

(c) IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after January 1, 2027)
Issued in May 2024, IFRS 19 allows certain qualifying subsidiaries of parent companies reporting under IFRS accounting standards to apply reduced disclosure requirements. Lea bank does not expect this standard to have an impact on its operations or financial reporting.

(d) IFRS 18 Presentation and Disclosures in Financial Statements (effective for periods beginning on or after January 1, 2027)
IFRS 18 will replace IAS 1 Presentation of Financial Statements and introduces new requirements aimed at enhancing comparability, providing more relevant information, and improving transparency for users. While IFRS 18 will not affect the recognition or measurement of items in the financial statements, its impact on presentation and disclosures is expected to be significant, particularly concerning the income statement and management-defined performance measures within financial statements.

Management is currently assessing the detailed implications of applying the new standard to the bank's financial statements but has not yet reached any preliminary conclusions. The bank will apply the new standard from its mandatory effective date of January 1, 2027. Retrospective application is required, and therefore, comparative information for the financial year ending December 31, 2026, will be restated in accordance with IFRS 18.

Note 2 – Gross loans and loan loss provisions

2.1 Gross loans, undrawn credit lines, and expected credit losses

Gross loans, undrawn credit lines, and expected credit losses per product and country - 31.12.2024

	Gross loans	Of which agent-comm/fees	Off-balance	Gross loans Stage 1	Stage 2	Stage 3	Total	Loan loss provisions (ECL) Stage 1	Stage 2	Stage 3	Total	Net loans Stage 1	Stage 2	Stage 3	Total
Consumer loans															
Norway	2,897,353	82,289	56,844	2,391,068	162,612	343,674	2,897,353	30,572	19,056	122,634	172,261	2,360,496	143,557	221,040	2,725,092
Finland	3,035,246	27,634	98,293	2,292,111	217,409	525,725	3,035,246	38,599	31,859	159,256	229,714	2,253,512	185,550	366,469	2,805,532
Sweden	1,239,075	31,893	67,507	918,233	28,605	292,238	1,239,075	17,870	5,439	99,931	123,240	900,363	23,165	192,307	1,115,835
Spain	464,247	11,773	1,321	382,083	10,727	71,437	464,247	9,391	6,109	51,236	66,736	372,692	4,619	20,201	397,512
SME and mortgages				-	-	-	-	-	-	-	-	-	-	-	-
Norway	20,431	-	-	20,431	-	-	20,431	3,500	-	-	3,500	16,931	-	-	16,931
Total	**7,656,353**	**153,588**	**223,965**	**6,003,926**	**419,353**	**1,233,074**	**7,656,353**	**99,932**	**62,463**	**433,056**	**595,450**	**5,903,995**	**356,891**	**800,018**	**7,060,903**

2.2 Specification of credit losses on loans and guarantees *

Amounts in NOK 1000	**Q4 2024**
Loan loss provisions - 12 months expected credit loss (stage 1)	4,907
Loan loss provisions - lifetime expected credit loss (stage 2)	-11,768
Loan loss provisions - lifetime expected credit loss (stage 3)	71,869
Realized losses and NPL-interest in the period	7,063
Loans losses in the period	**72,072**

** The bank has no issued guarantees as of 31.12.2024*
*** Contractually regulated outstanding amounts for financial assets that were written off during the reporting period, and which are still subject to enforcement activities, are insignificant for the financial statements*

2.3 Gross loans, undrawn credit lines and maximum exposure per risk class - 31.12.2024

Risk class, amounts in NOK 1 000	Probability of default	Gross loans	Off-balance	Max exposure	Of which stage 1	Of which stage 2	Of which stage 3
A	0 - 10 %	5,300,829	223,965	5,524,794	5,492,768	32,026	-
B	10 - 20 %	591,435	-	591,435	552,832	38,603	-
C	20 - 30 %	199,769	-	199,769	110,862	88,907	-
D	30 - 40 %	104,322	-	104,322	36,337	67,985	-
E	40 - 50 %	83,362	-	83,362	18,494	64,867	-
F	50 - 60 %	59,217	-	59,217	9,554	49,663	-
G	60 - 70 %	39,617	-	39,617	4,037	35,580	-
H	70 - 80 %	13,345	-	13,345	1,169	12,176	-
I	80 - 90 %	21,869	-	21,869	-	21,869	-
J	90 - 100 %	9,515	-	9,515	-	9,515	-
Defaulted loans	100 %*	1,233,074	-	1,233,074	-	-	1,233,074
Total		**7,656,353**	**223,965**	**7,880,319**	**6,226,054**	**421,191**	**1,233,074**

Risk classes are grouped by probability of default (12-month PD) into groups from A to J, where group A is the group with the lowest risk and group J is the group with the highest risk. Defaulted loans are separated into their own group. *Parts of the volume in stage 3 have PD lower than 100%. This applies to loans that are in stage 3 due to the new definition of default and/or are in quarantine.

2.4 Changes in gross loans and loan loss provisions.

Total consumer loans - 01.10.2024 - 31.12.2024

Reconciliation of gross loans

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**5,780,872**	**508,267**	**1,063,556**	**7,352,695**
transfers				
- transfers from stage 1 to stage 2	-223,011	223,011	-	-
- transfers from stage 1 to stage 3	-49,589	-	49,589	-
- transfers from stage 2 to stage 3	-	-195,424	195,424	-
- transfers from stage 3 to stage 2	-	23,212	-23,212	-
- transfers from stage 2 to stage 1	116,783	-116,783	-	-
- transfers from stage 3 to stage 1	16,875	-	-16,875	-
New financial assets issued	943,232	3,220	-	946,452
Financial assets derecognized in the period	-378,839	-20,475	-19,353	-418,667
Partial repayments and other adjustments	-198,956	-5,940	-14,428	-219,324
Currency effects	-3,440	265	-1,628	-4,802
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**6,003,926**	**419,353**	**1,233,074**	**7,656,353**
- of which loans with payment concessions	-	424	39,982	40,405

Reconciliation of total expected credit losses

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**95,024**	**74,230**	**361,187**	**530,441**
transfers				
- transfers from stage 1 to stage 2	-6,593	6,593	-	-
- transfers from stage 1 to stage 3	-2,657	-	2,657	-
- transfers from stage 2 to stage 3	-	-35,073	35,073	-
- transfers from stage 3 to stage 2	-	3,427	-3,427	-
- transfers from stage 2 to stage 1	13,209	-13,209	-	-
- transfers from stage 3 to stage 1	2,508	-	-2,508	-
New financial assets issued	12,286	140	-	12,426
Financial assets derecognized in the period	-5,404	-2,837	-6,492	-14,733
Changes in measurements*	-8,361	29,155	47,043	67,837
Currency effects	-81	36	-477	-522
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**99,932**	**62,463**	**433,056**	**595,450**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*
PD (probability of default), LGD (loss given default), EAD (exposure at default)

Reconciliation of gross loans – consumer loans Norway

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**2,216,877**	**220,338**	**290,461**	**2,727,675**
transfers				
- transfers from stage 1 to stage 2	-69,196	69,196	-	-
- transfers from stage 1 to stage 3	-12,094	-	12,094	-
- transfers from stage 2 to stage 3	-	-61,936	61,936	-
- transfers from stage 3 to stage 2	-	4,419	-4,419	-
- transfers from stage 2 to stage 1	53,339	-53,339	-	-
- transfers from stage 3 to stage 1	3,620	-	-3,620	-
New financial assets issued	515,623	1,594	-	517,217
Financial assets derecognized in the period	-216,373	-13,714	-6,720	-236,807
Partial repayments and other adjustments	-100,728	-3,945	-6,058	-110,732
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**2,391,068**	**162,612**	**343,674**	**2,897,353**
- of which loans with payment concessions	-	270	15,680	15,949

Reconciliation of total expected credit losses – consumer loans in Norway

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**29,829**	**27,781**	**105,236**	**162,846**
transfers				
- transfers from stage 1 to stage 2	-1,879	1,879	-	-
- transfers from stage 1 to stage 3	-720	-	720	-
- transfers from stage 2 to stage 3	-	-8,933	8,933	-
- transfers from stage 3 to stage 2	-	552	-552	-
- transfers from stage 2 to stage 1	5,511	-5,511	-	-
- transfers from stage 3 to stage 1	598	-	-598	-
New financial assets issued	6,581	68	-	6,649
Financial assets derecognized in the period	-3,125	-1,731	-2,541	-7,397
Changes in measurements*	-6,223	4,951	11,436	10,163
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**30,572**	**19,056**	**122,634**	**172,261**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Finland

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**2,316,830**	**239,974**	**457,310**	**3,014,114**
transfers				
- transfers from stage 1 to stage 2	-118,056	118,056	-	-
- transfers from stage 1 to stage 3	-18,785	-	18,785	-
- transfers from stage 2 to stage 3	-	-94,349	94,349	-
- transfers from stage 3 to stage 2	-	18,182	-18,182	-
- transfers from stage 2 to stage 1	56,839	-56,839	-	-
- transfers from stage 3 to stage 1	10,701	-	-10,701	-
New financial assets issued	211,154	705	-	211,859
Financial assets derecognized in the period	-102,328	-6,212	-10,297	-118,837
Partial repayments and other adjustments	-70,141	-2,666	-6,856	-79,663
Currency effects	5,897	559	1,318	7,774
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**2,292,111**	**217,409**	**525,725**	**3,035,246**
- of which loans with payment concessions	-	34	21,493	21,527

Reconciliation of total expected credit losses – consumer loans in Finland

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**34,554**	**33,532**	**133,218**	**201,304**
transfers				
- transfers from stage 1 to stage 2	-3,795	3,795	-	-
- transfers from stage 1 to stage 3	-1,380	-	1,380	-
- transfers from stage 2 to stage 3	-	-15,281	15,281	-
- transfers from stage 3 to stage 2	-	2,725	-2,725	-
- transfers from stage 2 to stage 1	6,169	-6,169	-	-
- transfers from stage 3 to stage 1	1,261	-	-1,261	-
New financial assets issued	2,930	21	-	2,951
Financial assets derecognized in the period	-1,342	-1,023	-3,151	-5,516
Changes in measurements*	103	14,176	16,137	30,416
Currency effects	99	82	377	559
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**38,599**	**31,859**	**159,256**	**229,714**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Sweden

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**848,798**	**35,158**	**261,700**	**1,145,656**
transfers				
- transfers from stage 1 to stage 2	-25,785	25,785	-	-
- transfers from stage 1 to stage 3	-12,048	-	12,048	-
- transfers from stage 2 to stage 3	-	-27,639	27,639	-
- transfers from stage 3 to stage 2	-	523	-523	-
- transfers from stage 2 to stage 1	5,773	-5,773	-	-
- transfers from stage 3 to stage 1	2,113	-	-2,113	-
New financial assets issued	167,313	854	-	168,167
Financial assets derecognized in the period	-45,725	-496	-2,115	-48,336
Partial repayments and other adjustments	-11,883	513	-1,267	-12,638
Currency effects	-10,323	-322	-3,130	-13,774
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**918,233**	**28,605**	**292,238**	**1,239,075**
- of which loans with payment concessions	-	120	2,571	2,690

Reconciliation of total expected credit losses – consumer loans in Sweden

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**16,649**	**6,383**	**82,459**	**105,491**
transfers				
- transfers from stage 1 to stage 2	-559	559	-	-
- transfers from stage 1 to stage 3	-320	-	320	-
- transfers from stage 2 to stage 3	-	-4,950	4,950	-
- transfers from stage 3 to stage 2	-	89	-89	-
- transfers from stage 2 to stage 1	1,036	-1,036	-	-
- transfers from stage 3 to stage 1	347	-	-347	-
New financial assets issued	1,862	50	-	1,912
Financial assets derecognized in the period	-600	-48	-638	-1,286
Changes in measurements*	-343	4,455	14,264	18,376
Currency effects	-204	-62	-987	-1,253
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**17,870**	**5,439**	**99,931**	**123,240**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Spain

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**377,420**	**12,797**	**54,086**	**444,303**
transfers				
- transfers from stage 1 to stage 2	-9,974	9,974	-	-
- transfers from stage 1 to stage 3	-6,662	-	6,662	-
- transfers from stage 2 to stage 3	-	-11,500	11,500	-
- transfers from stage 3 to stage 2	-	88	-88	-
- transfers from stage 2 to stage 1	831	-831	-	-
- transfers from stage 3 to stage 1	441	-	-441	-
New financial assets issued	49,142	67	-	49,208
Financial assets derecognized in the period	-13,898	-53	-220	-14,171
Partial repayments and other adjustments	-16,203	158	-246	-16,292
Currency effects	986	28	184	1,198
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**382,083**	**10,727**	**71,437**	**464,247**
- of which loans with payment concessions	-	-	239	239

Reconciliation of total expected credit losses – consumer loans in Spain

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**10,492**	**6,534**	**40,274**	**57,301**
transfers				
- transfers from stage 1 to stage 2	-360	360	-	-
- transfers from stage 1 to stage 3	-237	-	237	-
- transfers from stage 2 to stage 3	-	-5,910	5,910	-
- transfers from stage 3 to stage 2	-	60	-60	-
- transfers from stage 2 to stage 1	492	-492	-	-
- transfers from stage 3 to stage 1	302	-	-302	-
New financial assets issued	913	1	-	915
Financial assets derecognized in the period	-336	-35	-162	-533
Changes in measurements*	-1,898	5,573	5,206	8,881
Currency effects	24	16	132	173
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**9,391**	**6,109**	**51,236**	**66,736**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – SME and mortgages

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2024	**20,947**	**-**	**-**	**20,947**
transfers				
- transfers from stage 1 to stage 2	-	-	-	-
- transfers from stage 1 to stage 3	-	-	-	-
- transfers from stage 2 to stage 3	-	-	-	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	-	-	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	-	-	-	-
Financial assets derecognized in the period	-516	-	-	-516
Partial repayments and other adjustments	-	-	-	-
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2024	**20,431**	**-**	**-**	**20,431**
- of which loans with payment concessions	-	-	-	-

Reconciliation of total expected credit losses – SME and mortgages

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2024	**3,500**	**-**	**-**	**3,500**
transfers				
- transfers from stage 1 to stage 2	-	-	-	-
- transfers from stage 1 to stage 3	-	-	-	-
- transfers from stage 2 to stage 3	-	-	-	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	-	-	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	-	-	-	-
Financial assets derecognized in the period	-	-	-	-
Changes in measurements*	-	-	-	-
Currency effects	-	-	-	-
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2024	**3,500**	**-**	**-**	**3,500**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

2.5 Macro scenario sensitivity on ECL - 31.12.2024

Amounts in NOK 1 000	ECL reported under IFRS 9	Base scenario (34-40 %)	Optimistic scenario (30-33 %)	Pessimistic scenario (30-33 %)
Total	**595,450**	**558,743**	**498,611**	**736,445**
Consumer loans	591,950	555,243	495,111	732,945
SME and mortgages	3,500	3,500	3,500	3,500
Norway	**175,761**	**164,776**	**146,636**	**219,533**
Consumer loans	172,261	161,276	143,136	216,033
SME and mortgages	3,500	3,500	3,500	3,500
Finland	**229,714**	**213,915**	**189,527**	**286,178**
Consumer loans	229,714	213,915	189,527	286,178
SME and mortgages	-	-	-	-
Sweden	**123,240**	**117,410**	**107,142**	**147,111**
Consumer loans	123,240	117,410	107,142	147,111
SME and mortgages	-	-	-	-
Spain	**66,736**	**62,642**	**55,306**	**83,623**
Consumer loans	66,736	62,642	55,306	83,623
SME and mortgages	-	-	-	-

Expected credit losses reported under IFRS 9 are macro-weighted. The following weights are used for the three scenarios:
Finland: base scenario (34%), optimistic scenario (33%), and pessimistic scenario (33%).
Norway, Sweden and Spain: base scenario (40%), optimistic scenario (30%), and pessimistic scenario (30%).

Note 3 – Subordinated loans

Subordinated loans as of 31.12.2024

ISIN	Nominal value	Currency	Interest	Reference-interest + margin	Due date	Book value
NO0010877863	15,000	NOK	Floating	NIBOR + 700bp	27.03.30	14,986
NO0011108276	50,000	NOK	Floating	NIBOR + 425bp	29.09.31	49,638
NO0012750803	18,000	NOK	Floating	NIBOR + 575bp	09.02.33	17,798
Total subordinated loans	**83,000**					**82,423**

Note 4 – Capital adequacy

Amounts in NOK 1 000	31.12.2024	31.12.2023
Share capital	191,035	190,438
Share premium	663,710	662,638
Other equity	580,261	496,481
Deferred tax assets and other intangible assets	-94,113	-89,829
Deduction for defaulted loans	-3,434	-101
Valuation adjustment	-1,190	-840
Common equity tier 1 (CET 1)	1,336,269	1,258,787
Additional tier 1 capital	54,529	54,321
Tier 1 capital (Tier 1)	1,390,798	1,313,108
Tier 2 capital	82,392	82,084
Total capital (Tier 2)	1,473,190	1,395,192
Risk weighted assets		
Loans and deposits with credit institutions	167,902	70,157
Institutions	2,474	8,170
Loans to customers	4,652,100	4,351,124
Mortgages	5,647	7,103
Defaulted loans	705,500	499,151
Certificates and bonds	59,255	50,961
Equity positions	289,970	2,539
Other assets	386,650	239,106
Total credit risk	**6,269,498**	**5,228,311**
Operational risk	1,092,457	1,003,974
CVA risk	2,025	7,014
Total calculation basis	**7,363,981**	**6,239,299**

Capital ratios	31.12.2024	31.12.2023
Common equity tier 1 in % (CET 1)	18.15 %	20.18 %
Tier 1 capital in % (Tier 1)	18.89 %	21.05 %
Total capital in % (Tier 2)	20.01 %	22.36 %
Leverage ratio in %	14.80 %	16.78 %

Note 5 – Key profitability and equity indicators

Amounts in NOK 1 000	
Equity per 31.12.2024*	1,435,005
Profit after tax Q4 2024	22,288
Profit before tax Q4 2024	29,675
Number of shares 31.12.24 (in thousands)	95,517
Book equity per share as of 31.12.24*	15.02
Earnings per share before tax Q4 2024	0.31
Earnings per share after tax Q4 2024	0.23
Earnings per share before tax 2024	1.25
Earnings per share after tax 2024	0.96
Annualized return on equity Q4 2024	6.3 %
Return on equity 2024	6.6 %

* excluding tier 1 capital

Note 6 – Contractual obligations

Amounts in NOK 1 000	Q4 2024	Q3 2024
Right to use:		
Opening balance	**10,601**	**11,587**
Implementation effect		
Assets		
Write-downs		
Adjustments	0	0
Depreciation	-986	-986
Disposals		
Closing balance	**9,616**	**10,601**
Lease obligation:		
Opening balance	**-10,896**	**-11,846**
Implementation effect		
Assets		
Effect of changes in exchange rates		
Adjustments	0	0
Lease payments	1,076	1,076
Interest	-116	-127
Settlement upon disposal		
Closing balance	**-9,937**	**-10,896**
Proportion of short-term debt	-3,660	-3,802
Proportion of long-term debt	-6,277	-7,095
Maturity analysis, undiscounted cash flow		
Up to 1 year	3,747	3,890
1-2 years	3,731	3,731
2-3 years	3,109	3,731
3-4 years		311
4-5 years		
More than 5 years		
Other key figures		
Costs related to agreements with exceptions for short-term duration	6	6
Weighted average discount rate on implementation date	0.045	0.045

Note 7 – Largest shareholders in Lea Bank ASA as of 31.12.2024

Rank	Name	Nbr of shares	Ownership %
1	Braganza AB	10,383,899	10.9 %
2	DNB BANK ASA*	9,790,351	10.2 %
3	CLEARSTREAM BANKING S.A*	9,560,732	10.0 %
4	HJELLEGJERDE INVEST AS	8,653,852	9.1 %
5	SKAGERRAK SPAREBANK	4,409,380	4.6 %
6	FONDSAVANSE AS	3,371,048	3.5 %
7	VERDIPAPIRFONDET ALFRED BERG NORGE	3,088,045	3.2 %
8	VERDIPAPIRFONDET ALFRED BERG AKTIV	2,719,589	2.8 %
9	JENSSEN & CO AS	1,845,879	1.9 %
10	VERDIPAPIRFONDET ALFRED BERG NORGE	1,700,000	1.8 %
11	MP PENSJON PK	1,637,767	1.7 %
12	STENA ADACTUM AB	1,500,000	1.6 %
13	VARDE NORGE AS	1,470,000	1.5 %
14	VIDA AS	1,247,317	1.3 %
15	SOBER KAPITAL AS	1,166,922	1.2 %
16	KROGSRUD INVEST AS	1,125,000	1.2 %
17	THON HOLDING AS	1,081,211	1.1 %
18	VERDIPAPIRFONDET STOREBRAND VEKST	1,050,000	1.1 %
19	NORDNET LIVSFORSIKRING AS	1,047,348	1.1 %
20	NETROM AS	843,463	0.9 %
	Top 20 shareholders	**67,691,803**	**70.9 %**
	Other shareholders	27,825,585	29.1 %
	Total shares	**95,517,388**	**100.0 %**

** Nominee account*

Quarterly historical figures - Lea bank ASA

Income statement (amounts in NOK 1 000)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Interest income	204,276	204,434	204,643	199,929	193,384	180,386	177,777
Interest expense	-67,479	-68,906	-65,982	-64,092	-55,572	-49,948	-40,912
Net interest income	**136,797**	**135,528**	**138,661**	**135,838**	**137,813**	**130,438**	**136,865**
Commission and bank services income	11,774	10,420	10,164	10,917	9,501	8,083	7,481
Commission and bank services expenses	-1,473	-1,029	-1,264	-1,243	-1,324	-1,079	-1,144
Net changes in value on securities and currency	6,528	11,694	10,764	8,633	11,168	12,841	6,056
Other income	3,596	177	426	2,163	660	51	72
Net other operating income	**20,425**	**21,262**	**20,090**	**20,470**	**20,005**	**19,897**	**12,466**
Total income	**157,222**	**156,790**	**158,751**	**156,308**	**157,817**	**150,335**	**149,331**
Personnel expenses	-22,469	-18,806	-19,049	-18,259	-16,366	-16,542	-15,999
General administrative expenses	-25,133	-22,473	-22,704	-21,226	-21,406	-22,180	-18,500
- of which marketing expenses	*-1,603*	*-1,382*	*-3,148*	*-2,736*	*-2,336*	*-2,708*	*-911*
Depreciation and impairment	-4,583	-4,178	-4,031	-3,907	-3,947	-3,822	-3,551
Other operating expenses	-3,290	-2,670	-2,846	-2,561	-3,416	-1,949	-2,673
Total operating expenses	**-55,475**	**-48,127**	**-48,630**	**-45,953**	**-45,135**	**-44,492**	**-40,724**
Profit before loan losses	**101,747**	**108,663**	**110,120**	**110,355**	**112,682**	**105,843**	**108,607**
Provision for loan losses	-72,072	-73,613	-86,392	-78,948	-72,057	-67,823	-83,552
Profit before tax	**29,675**	**35,049**	**23,728**	**31,407**	**40,626**	**38,019**	**25,055**
Tax charge	-7,387	-8,644	-4,533	-7,503	-9,957	-9,133	-5,927
Profit after tax	**22,288**	**26,405**	**19,195**	**23,904**	**30,669**	**28,886**	**19,128**

Balance sheet (Amounts in NOK 1 000)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023
Assets							
Cash and deposits with the central bank	54 008	53,481	52,947	52,426	51,931	51,448	51,021
Loans and deposits with credit institutions	839 509	500,636	608,366	643,211	350,786	302,452	437,415
Gross loans to customers	7 656 353	7,352,695	7,212,794	7,263,963	6,913,256	6,607,247	6,618,508
- Provision for loan losses	-595 450	-530,441	-491,159	-465,382	-427,542	-362,552	-342,225
Certificates and bonds	899 868	926,229	906,972	900,397	839,681	987,251	1,044,304
Deferred tax asset	29 853	37,240	45,884	50,417	57,920	67,877	77,010
Other intangible assets	64 260	49,676	46,055	45,323	41,219	34,647	30,206
Fixed assets	10 352	11,228	12,254	13,142	5,133	5,559	6,876
Other assets	475 108	271,221	217,931	57,604	21,258	25,462	33,498
Total assets	**9 433 859**	**8,671,965**	**8,612,042**	**8,561,100**	**7,853,642**	**7,719,392**	**7,956,614**
Liabilities and equities							
Debt to the central bank	0	0	0	0	0	0	0
Deposits from customers	7 497 762	7,057,856	7,014,392	6,903,540	6,239,373	6,141,604	6,393,293
Other liabilities	364 140	64,180	73,591	148,936	128,307	68,829	82,312
Subordinated loans	82 423	82,338	82,253	82,168	82,084	81,999	81,914
Total liabilities	**7 944 325**	**7,204,374**	**7,170,235**	**7,134,644**	**6,449,764**	**6,292,432**	**6,557,520**
Share capital	191 035	191,035	190,898	190,438	190,438	190,425	190,348
Share premium	663 710	663,710	663,327	662,638	662,638	662,599	662,360
Tier 1 capital	54 529	54,477	54,424	54,373	54,321	54,269	54,217
Other paid in equity	13 233	11,946	11,456	14,841	14,556	14,356	14,115
Other equity	567 027	546,424	521,701	504,167	481,925	505,311	478,053
Total equity	**1 489 534**	**1,467,591**	**1,441,808**	**1,426,456**	**1,403,878**	**1,426,960**	**1,399,094**
Total liabilities and equity	**9 433 859**	**8,671,965**	**8,612,042**	**8,561,100**	**7,853,642**	**7,719,392**	**7,956,614**

Polhemsplatsen 5
411 11 Gøteborg
Sverige

ir@leabank.se