



**nordiska.**

**1<sup>st</sup> Quarter 2024 Results Presentation**

## Continued stable underlying performance affected by one-off transaction costs.

### Nordiska acquires Umeå Release Finans AB

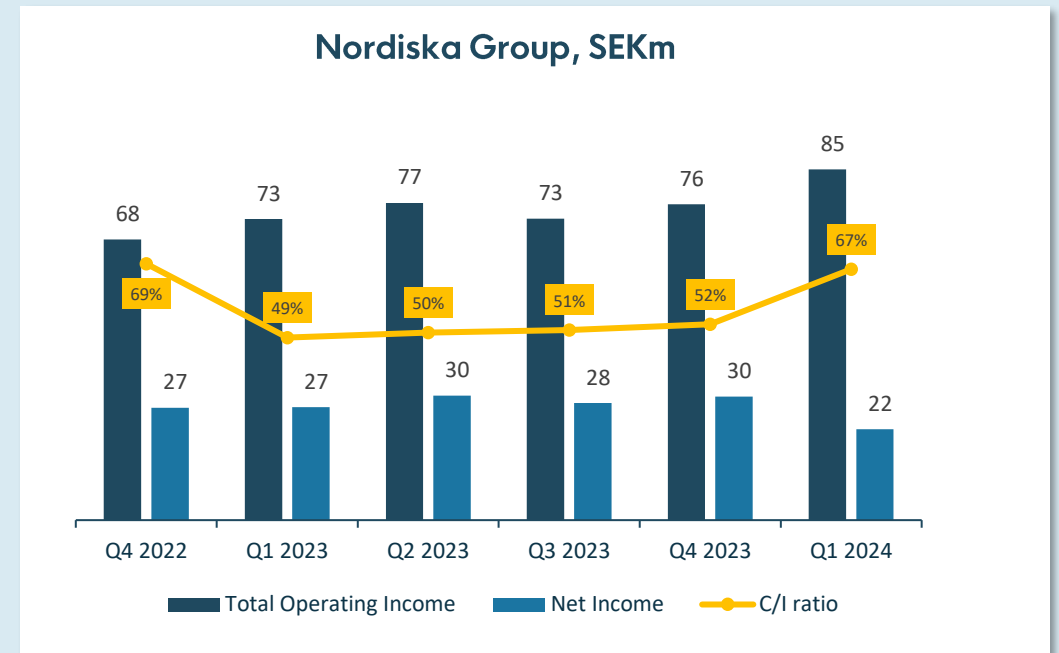
- ✓ The acquisition closed 5th of March 2024
- ✓ Small-ticket leasing company with a leasing portfolio of approx. SEK 1.6bn
- ✓ Leasing added as a new business segment within Nordiska Group
- ✓ In conjunction with the acquisition, Nordiska successfully issued an oversubscribed T2 bond of SEK 200m on Nasdaq Stockholm<sup>(1)</sup>
- ✓ Robust total capital headroom of 4.2% after T2 issuance

### Non-recurring transaction items affecting profitability in Q1

- ✓ Cost/Income ratio increase due to non-recurring items (NRI), adjusting for NRIs the in line with previous periods
- ✓ NRIs driven by the acquisition and include M&A costs, costs related to T2 issuance & transitory funding expenses

### Nordiska signs agreement to acquire fintech company Rocker AB

- ✓ The transaction is expected to close during Q2 subject to necessary regulatory approvals
- ✓ Rocker is a leading Nordic fintech company providing technology for payment solutions and mobile applications
- ✓ The acquisition will strengthen Nordiska's BaaS offering through Rocker's state-of-the-art payment, mobile app, and checkout solutions which can be offered white-label to Nordiska's partners



KPIs Q1 2024 (YoY comparison)		
Loan book <b>SEK ~9.2bn</b> +41.3%	Total operating income <b>SEK 85m</b> +16.6%	CET1 / Total cap ratio <b>12.2% / 17.8%</b> +0.2 p.p. / +2.9 p.p.

Note: (1) Of which Nordiska holds approx. 20m on its own books in order not to be overly capitalized



## Key financials – Nordiska Group.

<i>SEK thousands</i>	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	FY 2023
Net interest income	67 495	59 789	60 100	63 556	58 929	242 375
Total operating income	84 619	76 135	72 723	76 518	72 600	297 976
Earnings before taxes	28 601	34 398	36 202	38 200	35 110	143 909
Net income	21 926	29 827	28 244	30 001	27 231	115 304
Net interest margin	3.3%	3.4%	3.5%	3.8%	3.7%	3.6%
Loan loss ratio	0.0%	0.2%	0.0%	0.0%	0.1%	(-0.1%)
C/I ratio	67.3%	52.5%	51.0%	50.2%	48.9%	50.7%
Return on equity	11.3%	16.8%	16.5%	18.3%	17.1%	17.1%
CET1 capital ratio	12.2%	13.3%	13.9%	12.9%	12.0%	13.3%
Tier 1 capital ratio	13.9%	15.5%	16.3%	15.2%	14.1%	15.5%
Total capital ratio	17.8%	16.2%	17.1%	16.1%	14.9%	16.2%
LCR	576.2%	692.7%	544.1%	628.8%	421.6%	692.7%
NSFR	129.2%	139.5%	135.7%	139.3%	132.9%	139.5%

### Umeå Release Finans AB consolidated on 5th of March 2024, affecting comparability between Q4 and Q1

- ✓ Net Interest Margin decrease mainly attributed to higher deposit levels in preparation for the refinancing of Release' previous funding as well as transitory funding expenses from Release
- ✓ C/I ratio took a hit in Q1 2024 partly explained by one-off expenses related to M&A, the T2 issuance and transitory funding costs. Adjusting for NRIs operating expenses inline with previous quarters
- ✓ Return on equity also decreased due to the above NRIs as well as the share issue of app. SEK 89m in conjunction with the acquisition of Release
- ✓ CET1 and Tier 1 ratios decreased due to the REA contribution of Release as well as the deduction of app. 19m in goodwill
- ✓ Total capital ratio improved as a result of the T2 contribution of app. SEK 180m
- ✓ FTE increase explained by Release contributing 36 FTEs



## Table of contents

1. **Nordiska at a glance**
2. Acquisition of Release Finans
3. Q1 report
4. Appendix



# Nordiska group at a glance

## nordiska.

- ✓ Pioneer within Partner Banking – allowing FinTech partners to utilise Nordiska's balance sheet to lend to both SMEs and retail customers
- ✓ Originates from Sweden but today active in Finland, Norway, Denmark and the Netherlands
- ✓ In addition to partnerships, Nordiska operates a corporate loan segment with traditional business loans sourced and underwritten internally

## RELEASE FINANS

- ✓ Release is an alternative leasing platform focusing on small-ticket leasing items for SME clients
- ✓ Through a partner platform, Release provides leasing agreements and provide solutions to end-customers in collaboration with partners

## ROCKER <sup>(1)</sup>

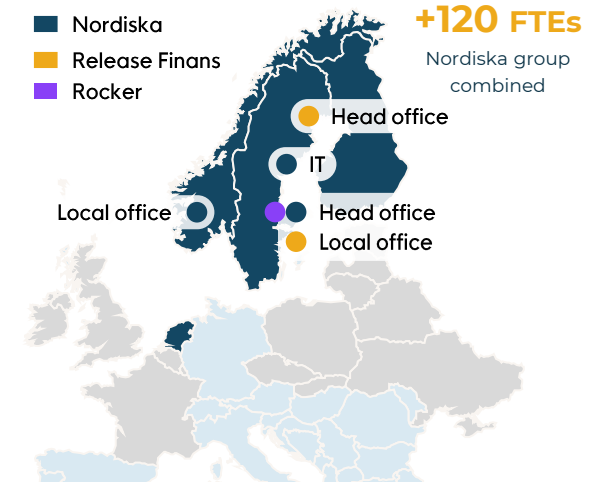
- ✓ Rocker is a Swedish Payment Institution providing technology for payment solutions and mobile applications

Note: (1) The acquisition of Rocker is expected to close during Q2 subject to regulatory approvals

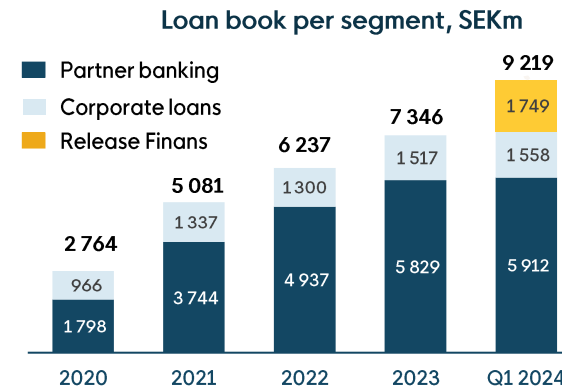
### Product offering per legal entity

	nordiska.	RELEASE FINANS	ROCKER <sup>(1)</sup>
Deposits	✓		
Lending	✓		✓
Leasing	✓	✓	
Payments			✓

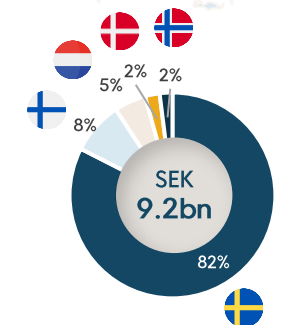
### Geographical presence



### Selected financials (pro forma)

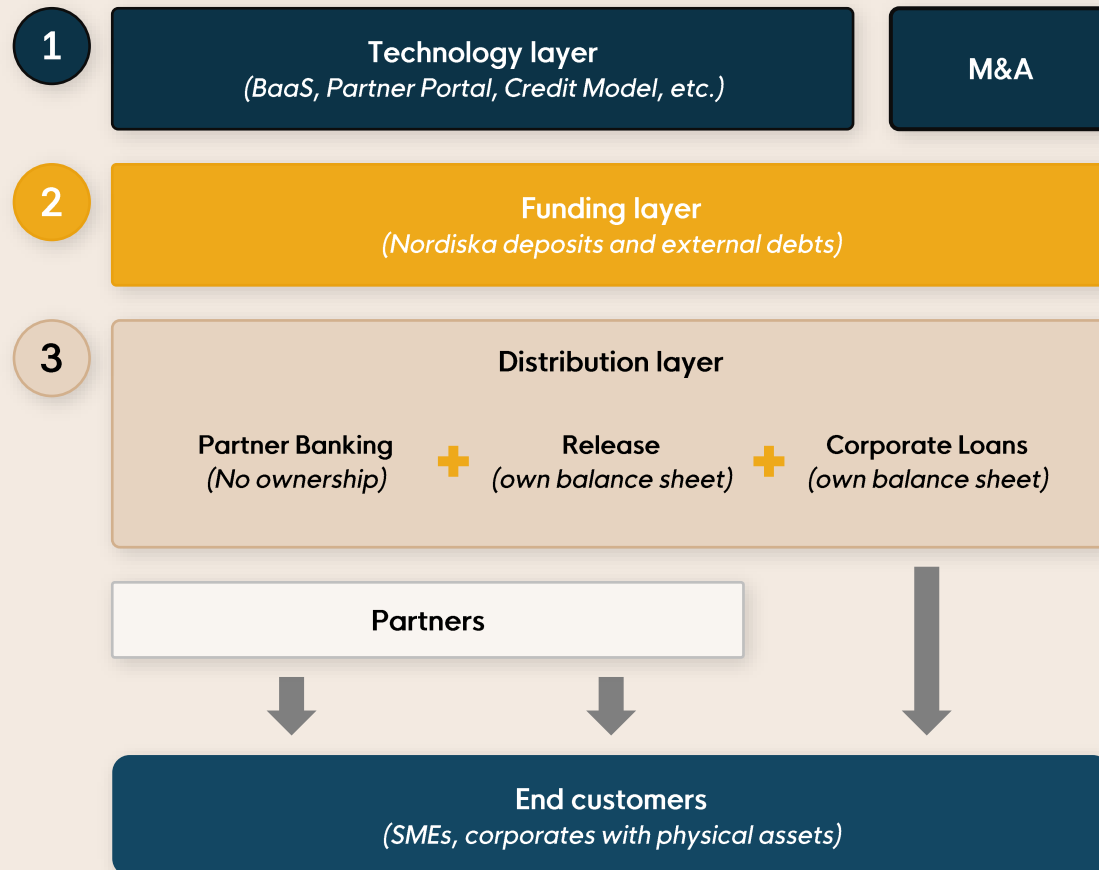


#### Loan book breakdown Q1 2024



# Nordiska's long-term strategy

Unique and refined business model designed for customer success



Clear long-term strategy and roadmap

Goal to create the leading SME financing house in the Nordics...

- ✓ Credit market license allowing for attractive cost of funding ("CoF")
- ✓ Continued partnership model entailing low credit risk and higher diversification of end-customers and channel partners
- ✓ Tech-driven and efficient organisation, operating a platform with high degree of automation and a broad span of digital end-market services
- ✓ Broad product offering with considerable cross-selling opportunities across products, channel partners and end-customers
- ✓ Improved commercial understanding and solving for SME funding needs
- ✓ Upside by tapping into the securitisation market to further improve RoE

... creating significant benefits for channel partners and end-customers

- ✓ Providing trust through financial strength and through regulated institution status
- ✓ Faster and more efficient processes and final decisions for end-customers; fast and reliable decisions deemed as more important than pricing
- ✓ Risk-adjusted pricing and broader product offering than most competitors
- ✓ "One-stop shop" concept for SME financing, allowing for end-customers to grow together with Nordiska and their respective channel partners



## Table of contents

1. Nordiska at a glance
- 2. Acquisition of Release Finans**
3. Q1 report
4. Appendix



# The acquisition of Release Finans.

Unique opportunity to provide a profitable leader within SME leasing with high strategic fit and under a low-risk setting

## Accretive combination

- Release has been on Nordiska's radar for a long time due to high strategic fit and complementary product offering
- Trade sale initiated in April 2023, with Nordiska chosen as winner of auction on the back of:
  - ✓ Strategic fit and room for Release to grow under new ownership
  - ✓ Similar partnership model
  - ✓ Long-term partnership where employees will remain
  - ✓ Release's product in line with Nordiska's ambition to grow outside of current verticals

## Tangible day-one synergies

-  Significant cost of funding reduction in Release of SEK ~38m in 2023
-  Immediate cross-selling of Nordiska lending products via Release
-  Harmonisation and automation of processes, procurement, etc.
-  Potential for product development with reduced equity requirements
-  Expand and diversify deposit base with new clients from Release
-  Additional upside through product expansion (not included in budget)

## Committed sellers & mgmt.

*Management of Release to become shareholders in Nordiska*

**nordiska.**

**RELEASE  
FINANS**

*Selling shareholder, Fort Knox, remains invested through subscription of T2 notes*

  
**FORT KNOX**  
UMEÅ · SWEDEN



Nordiska stands out as the perfect buyer of Release → immediate synergies entail low acquisition P/E of 3.6x



# Overview of Release Finans.

Seamless leasing services offered to Swedish SMEs

Strong growth and unique product offering...

Founded in 2014 by a seasoned team with remarkable market experience with the goal to provide a unique financing alternative of small-ticket B2B rental and leasing services

- ✓ Headquartered in Umeå, Sweden and operating a lean organisation with 39 employees (incl. presence in Stockholm and Kalmar, Sweden) covering a significant share of the SME leasing market
- ✓ Seen significantly increasing interest for product offering in local market, followed by considerable expansion of leasing portfolio with value of SEK 1.6bn in 2023, despite limited funding availability in relation to Nordiska
- ✓ Operated with access to large and diversified network of +700 partners and with potential to grow beyond current partner base
- ✓ Small "Sweet spot" tickets amount to approx. SEK 81k
- ✓ Previously operated on a no license-basis but will be integrated into the larger Nordiska platform and eco-system following the acquisition, entailing significantly better funding availability and pricing

**SEK ~81k**

Average lease agreement

**SEK ~1.6bn**

Total leasing portfolio

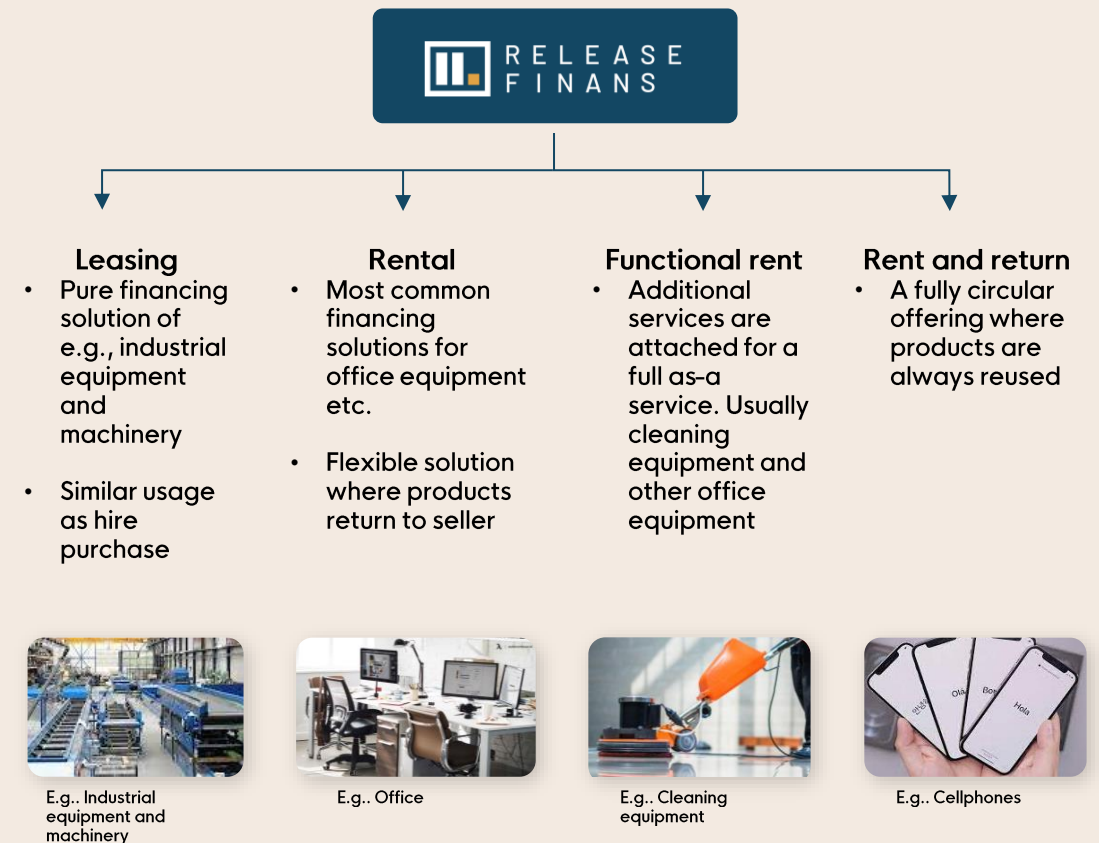
**~39**

Employees in Sweden

**+700**

Partners

... across four different verticals targeting the SME market





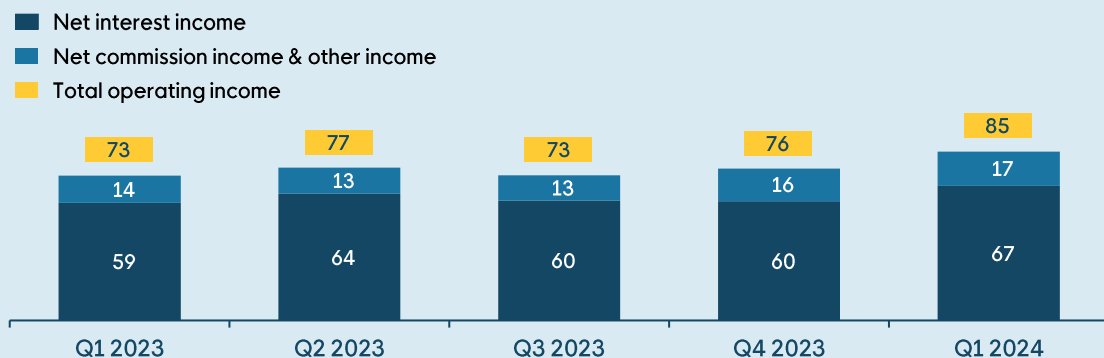
## Table of contents

1. Nordiska at a glance
2. Acquisition of Release Finans
- 3. Q1 report**
4. Appendix

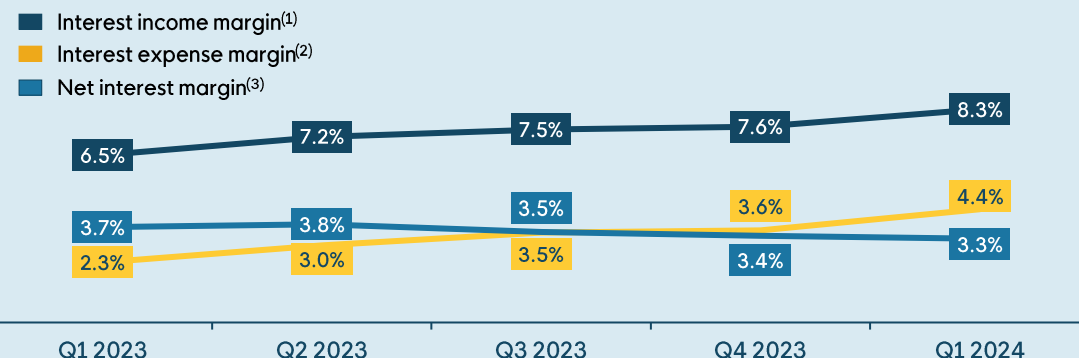


# Stable underlying performance affected by one-off transaction costs in Q1.

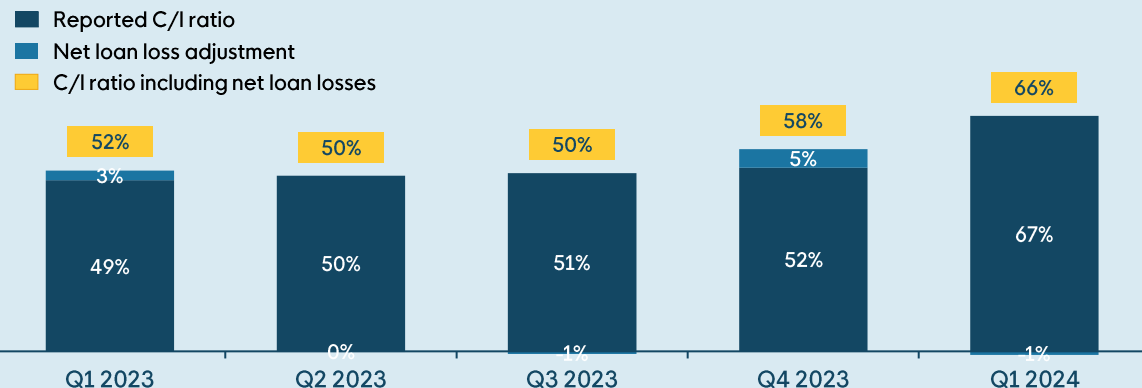
Total operating income (SEKm)



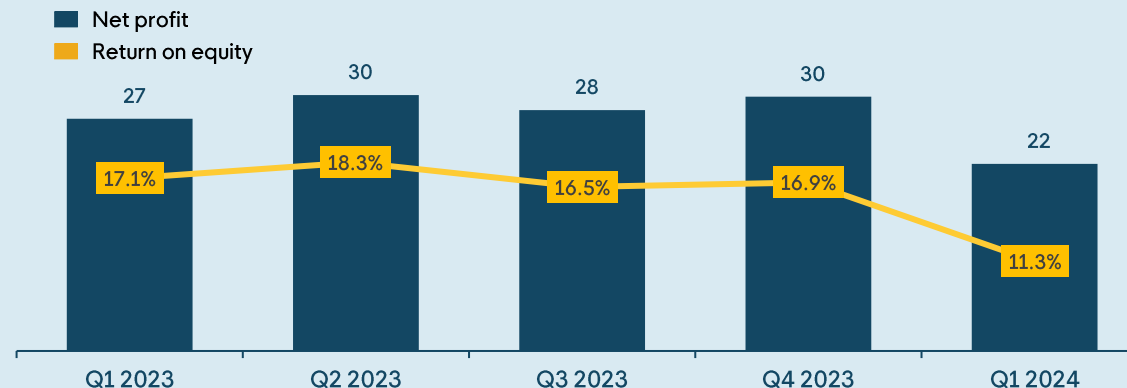
Interest margins (%)



Cost-to-income ratio (%)



Net profit (SEKm) & Return on equity (%)



Note: (1) Interest income / Average Loan book; (2) Interest expenses / Average Deposits; (3) Net interest income / Average Loan Book

# Diversified loan book across three verticals.

Acquired in Q1 2024

**nordiska. PARTNER BANKING**

- ✓ Allows FinTech partners to utilize Nordiska's balance sheet to lend to SMEs and retail customers
- ✓ Diversified customer base with focus on SMEs and consumers through a network of 21 current partners, with +10 additional partners in pipeline

<b>21</b> Active Partners	<b>SEK ~5.9bn</b> Total Partner portfolio	<b>0</b> Credit losses <sup>(1)</sup>
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**nordiska. CORPORATE LOANS**

- ✓ Secured lending sourced and underwritten internally
- ✓ Primarily real-estate lending
- ✓ Average LTV <50%

<b>10.6m</b> Avg loan volume <sup>(2)</sup>	<b>SEK ~1.5bn</b> Total Corporate portfolio	<b>&lt; 50%</b> Average LTV
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**RELEASE FINANS**

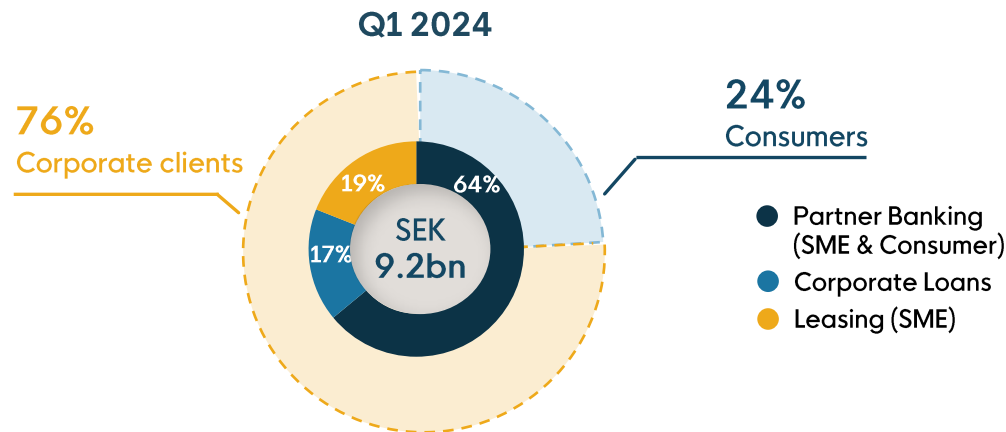
- ✓ Alternative leasing platform focused on small-ticket leasing items for SME clients in Sweden
- ✓ Through a partner platform, Release provides leasing agreements and solutions to end-customers in collaboration with its partners

<b>SEK ~81k</b> Average lease agreement	<b>SEK ~1.6bn</b> Total leasing portfolio	<b>+700</b> Partners
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Note: (1) Partners cover potential credit losses via forward-flow agreements and cash collateral; (2) As of Q4 2023

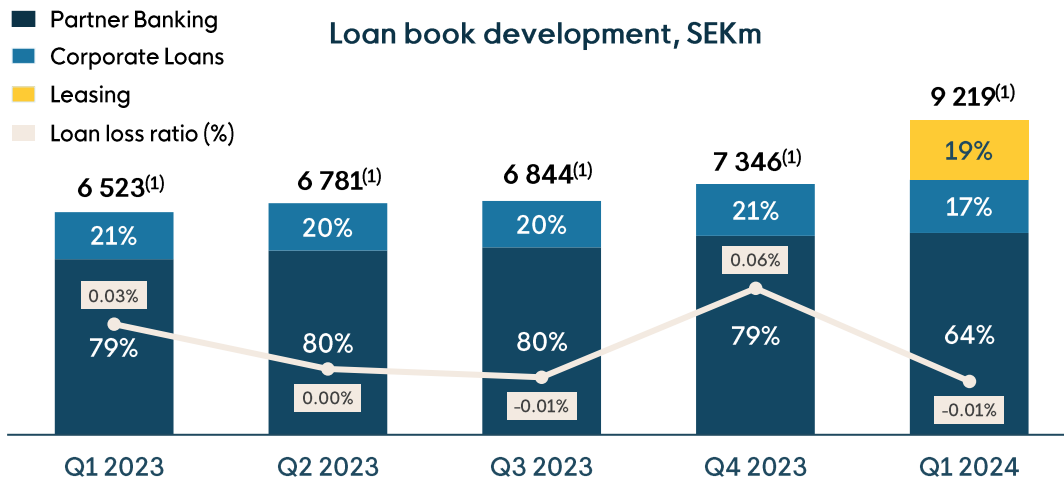


# Loan book breakdown.



## Loan book mix shifting towards Corporate customers

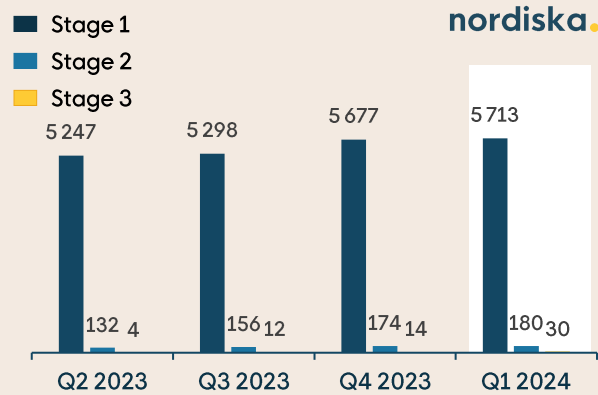
- ✓ Release adding substantial volume to the SME segment within Nordiska's loan book. Strengthening Nordiska's position as a leading SME lender in the Nordics
- ✓ Highly diversified portfolio with a large network of distribution channels
- ✓ Strong market headwinds for all three segments, with noticeable synergies between Release and the Corporate segment going forward
- ✓ Expect loan loss ratio to increase somewhat as product mix shifts from mostly Partner Banking with 0 credit losses historically to a more even distribution across segments



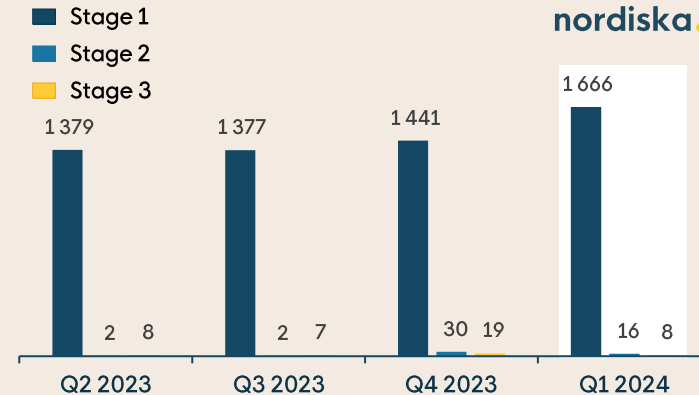
Note: (1) Lending to the public, SEKm

# Robust asset quality across all segments.

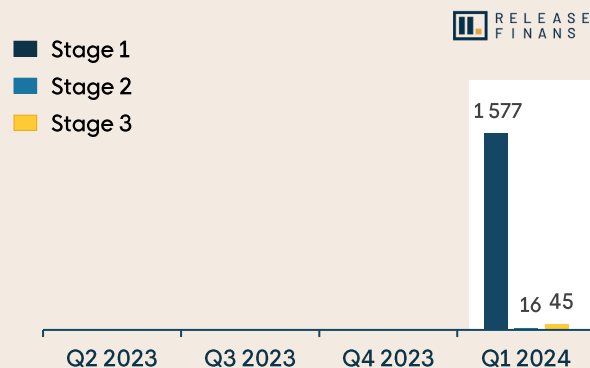
Partner Banking loan book (SEKm)



Corporate loan book (SEKm)



Release loan book (SEKm)<sup>(1)</sup>



## Three segments with demonstrated low credit risk:

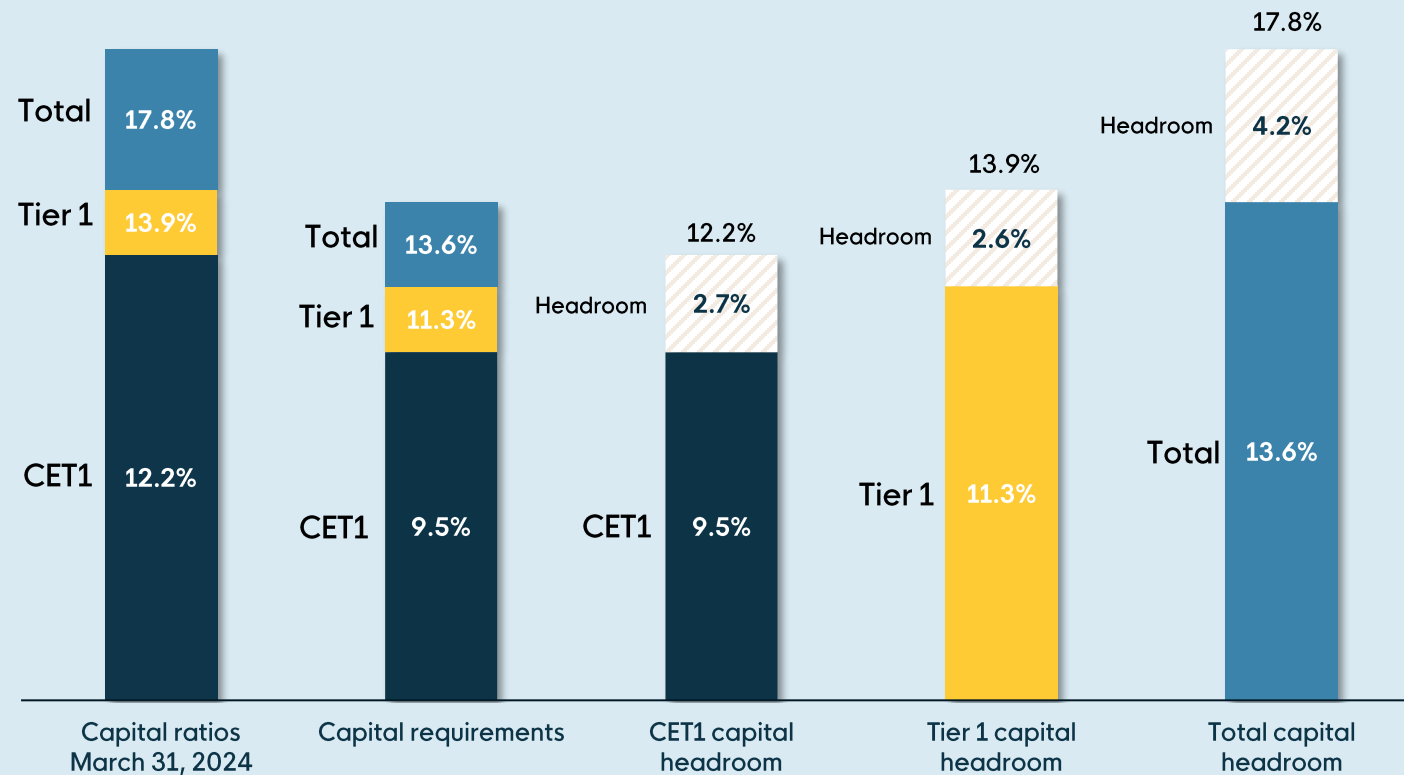
- i. **Partner Banking:**  
SME and consumer loans sourced via Partners who cover potential loan losses via cash collateral and forward flow agreements of defaulted loans
- ii. **Corporate loans:**  
Secured real estate loans sourced in-house with an average LTV <50%
- iii. **Release Finans:**  
Small-ticket leasing sourced via a network of 700+ partners

- ✓ Rapid historical growth without compromising credit quality, illustrated by a decrease in both stage 2 and 3 loans as % of total lending despite an overall weaker economy
- ✓ Highly diversified and uncorrelated loan book with risk-mitigating features across all segments

Note: (1) Acquired in Q1 2024, no IFRS9 reporting pre acquisition



# Solid capital headroom after T2 issuance in Q1.



## Highlights Q1:

### CET1 capital

Contribution in kind via newly issued shares to owners of Release increased CET1 capital by SEK 89m. Q1 profit of 22m and deduction of goodwill of 19m.

### REA credit risk

Significant increase driven by acquisition of leasing portfolio from Release of SEK ~1.6bn

### Total capital ratio

Approx. 4.2% regulatory headroom after oversubscribed T2 issuance of SEK 200m

### Pillar 2 Guidance ("P2G")

SFSA decided to give Nordiska a 0% P2G after finalization of SREP in Q1 2024

# Income Statement, Group.

SEK thousands						
Income Statement	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Full Year 2023
Interest income	171 831	135 166	127 937	120 193	103 378	486 674
Interest expenses	-104 336	-75 376	-67 836	-56 638	-44 449	-244 299
<b>Net interest income</b>	<b>67 495</b>	<b>59 789</b>	<b>60 100</b>	<b>63 556</b>	<b>58 929</b>	<b>242 375</b>
Commission income	8 941	4 013	4 269	3 317	4 761	16 359
Commission expenses	-2 507	-757	-746	-574	-860	-2 936
<b>Net commission income</b>	<b>6 434</b>	<b>3 256</b>	<b>3 523</b>	<b>2 743</b>	<b>3 901</b>	<b>13 423</b>
Net result from financial transactions	8 357	11 207	7 685	7 909	8 766	35 566
Other operating income	2 334	1 883	1 415	2 310	1 004	6 611
<b>Total operating income</b>	<b>84 619</b>	<b>76 135</b>	<b>72 723</b>	<b>76 518</b>	<b>72 600</b>	<b>297 976</b>
General administrative expenses	-52 717	-36 907	-33 273	-35 582	-32 827	-138 589
Depreciation & Amortization	-3 889	-3 050	-2 937	-2 440	-2 176	-10 603
Other operating expenses	-311	0	-849	-414	-514	-1 777
<b>Operating expenses</b>	<b>-56 917</b>	<b>-39 956</b>	<b>-37 059</b>	<b>-38 436</b>	<b>-35 517</b>	<b>-150 969</b>
<b>Profit before loan losses</b>	<b>27 702</b>	<b>36 179</b>	<b>35 664</b>	<b>38 081</b>	<b>37 083</b>	<b>147 006</b>
Net loan losses	899	-4 060	539	118	-1 973	-5 376
Share of result from associated companies		2 279				2 279
<b>Profit before taxes</b>	<b>28 601</b>	<b>34 398</b>	<b>36 202</b>	<b>38 200</b>	<b>35 110</b>	<b>143 909</b>
Income tax	-6 675	-4 570	-7 958	-8 199	-7 879	-28 605
<b>Net Income</b>	<b>21 926</b>	<b>29 827</b>	<b>28 244</b>	<b>30 001</b>	<b>27 231</b>	<b>115 304</b>



## Balance sheet, Group.

SEK thousands

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>ASSETS</b>					
Chargeable treasury bonds, etc	1 309 763	1 420 556	1 021 882	1 163 392	861 887
Lending to credit institutions	473 794	523 115	563 929	464 149	593 929
Lending to the public	9 218 044	7 346 038	6 884 342	6 781 034	6 522 750
Derivatives	3 022	4 109	7 048	364	969
Shares and participations	7 589	6 449	6 203	13 684	12 648
Shares and participations in joint ventures	10 679	10 679	8 167	8 167	8 486
Intangible assets	61 893	19 648	18 439	17 297	14 255
Right of use assets	36 168	24 032	26 841	24 969	6 007
Tangible assets	5 842	3 349	3 144	3 247	1 597
Other assets	632 155	794 226	516 109	329 003	478 578
Prepaid expenses and accrued income	33 676	19 819	18 251	16 969	19 225
<b>TOTAL ASSETS</b>	<b>11 792 625</b>	<b>10 172 021</b>	<b>9 034 356</b>	<b>8 822 274</b>	<b>8 520 331</b>
<b>LIABILITIES AND EQUITY</b>					
Liabilities to credit institutions	131 371				
Deposits from the public	9 966 471	8 972 076	7 870 142	7 642 206	7 477 433
Derivatives	1 595	1 658	6	2 351	1 480
Other liabilities	531 428	368 608	305 443	363 282	300 385
Leasing liabilities	34 839	23 329	25 724	23 627	5 936
Accrued expenses and deferred income	114 535	86 098	137 561	120 679	91 260
Subordinated debt	180 244				
<b>Total liabilities</b>	<b>10 960 483</b>	<b>9 451 769</b>	<b>8 338 875</b>	<b>8 152 145</b>	<b>7 876 494</b>
<b>Equity</b>					
Share capital	55 137	50 203	50 116	50 116	50 116
Other contributed equity	312 990	228 765	230 664	230 664	228 530
Additional Tier 1 capital	98 969	94 044	94 044	94 044	94 044
Retained earnings	343 121	231 936	235 181	238 073	243 916
Profit/loss for the year	21 926	115 304	85 476	57 232	27 231
<b>Total equity</b>	<b>832 142</b>	<b>720 252</b>	<b>695 481</b>	<b>670 129</b>	<b>643 837</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>11 792 625</b>	<b>10 172 021</b>	<b>9 034 356</b>	<b>8 822 274</b>	<b>8 520 331</b>



## Table of contents

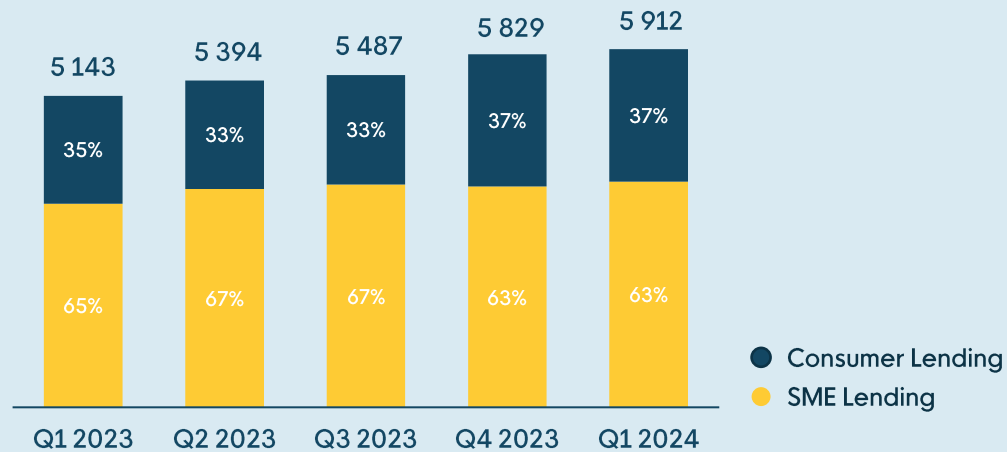
1. Nordiska at a glance
2. Acquisition of Release Finans
3. Summary of Q1 2024
- 4. Appendix**



## Partner Banking

- ✓ Allowing FinTech partners to utilize Nordiska's balance sheet to lend to both SMEs and retail customers
- ✓ Partner source customers through their platform and have ongoing communication with the customers
- ✓ Tailored financing solutions for partners to distribute in their own brand, facilitating all loans together with partners
- ✓ 21 active Partners
- ✓ Partners include SME lenders, Leasing companies, Consumer lenders, BNPL players
- ✓ No credit losses within the Partner segment since its inception<sup>(1)</sup>

### Partner Loan book (SEKm)



### Partner update Q1:

#### Three new partners

1. Consumer Leasing Partner in Sweden and the Netherlands
2. SME Secured Lending Partner in Sweden
3. Consumer BNPL Partner in Denmark

### Key loan book characteristics<sup>(2)</sup>

#### CONSUMER (PARTNER BANKING)

Avg. duration at issue:  
**5.8 yrs**

CoR%:  
**0.0%<sup>(1)</sup>**

Avg. volume:  
**SEK 29k**

#### SME (PARTNER BANKING)

Avg. duration at issue:  
**2.0 yrs**

CoR%:  
**0.0%<sup>(1)</sup>**

Avg. volume:  
**SEK 223k**

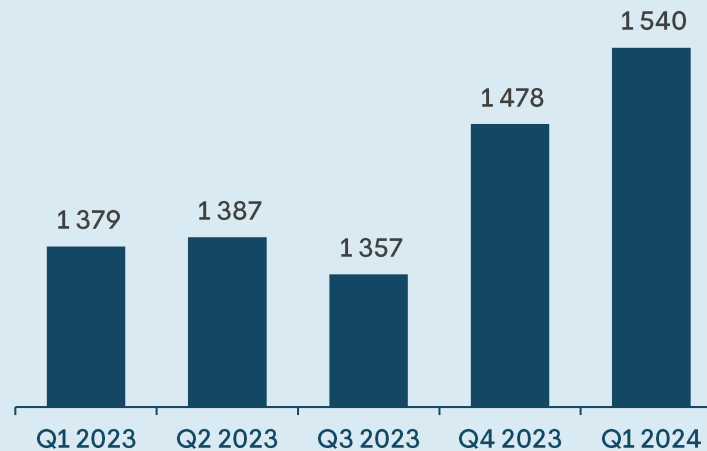
Note: (1) Partners cover potential credit losses via forward-flow agreements and cash collateral; (2) As of YE2023;



## Corporate Lending.

- ✓ Traditional loans that are sourced and distributed in-house without any collaboration from Nordiska's external partners
- ✓ Primarily secured real estate loans. Typical use of proceeds include refinancings, acquisition financings, co-op loans and projects, and working capital
- ✓ Always secured structures with property/ company mortgages and guarantors
- ✓ A small part of the portfolio is factoring, ~1%

### Corporate Loan book (SEKm)



### Key loan book characteristics<sup>(1)</sup>

CORPORATE LOANS			
Avg. duration at issue:	Max. LTV <sup>(2)</sup>	Avg. LTV	Avg. volume:
2.5 yrs	70-85%	<50%	SEK 10.6m

### Market update Q1:

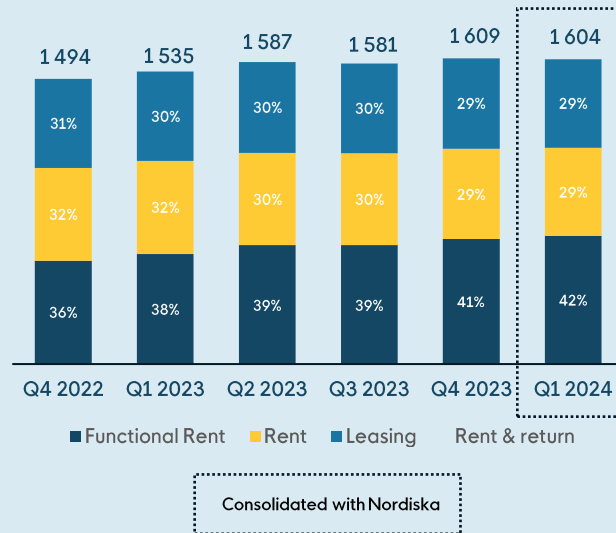
- ✓ Nordiska has been cautious in the real estate segment during the last few years, but see strong potential in this segment going forward
- ✓ More activity in late 2023 and Q1 2024
- ✓ Going forward, the Company sees strong synergy potential between the Corporate Loans segment and the product offering of Release

Note: (1) KPIs as of Q4 2023; (2) 85% for residential and 70% for commercial use. Average LTV is well-below max. level.



- ✓ New segment in Q1 after closing the acquisition of Umeå Release Finans AB
- ✓ Small-ticket leasing to SMEs in Sweden
- ✓ Distributed through a network of 700+ partners (B2B2B)
- ✓ Tangible day 1 funding synergies through Nordiska deposits

### Leasing Loan book (SEKm)

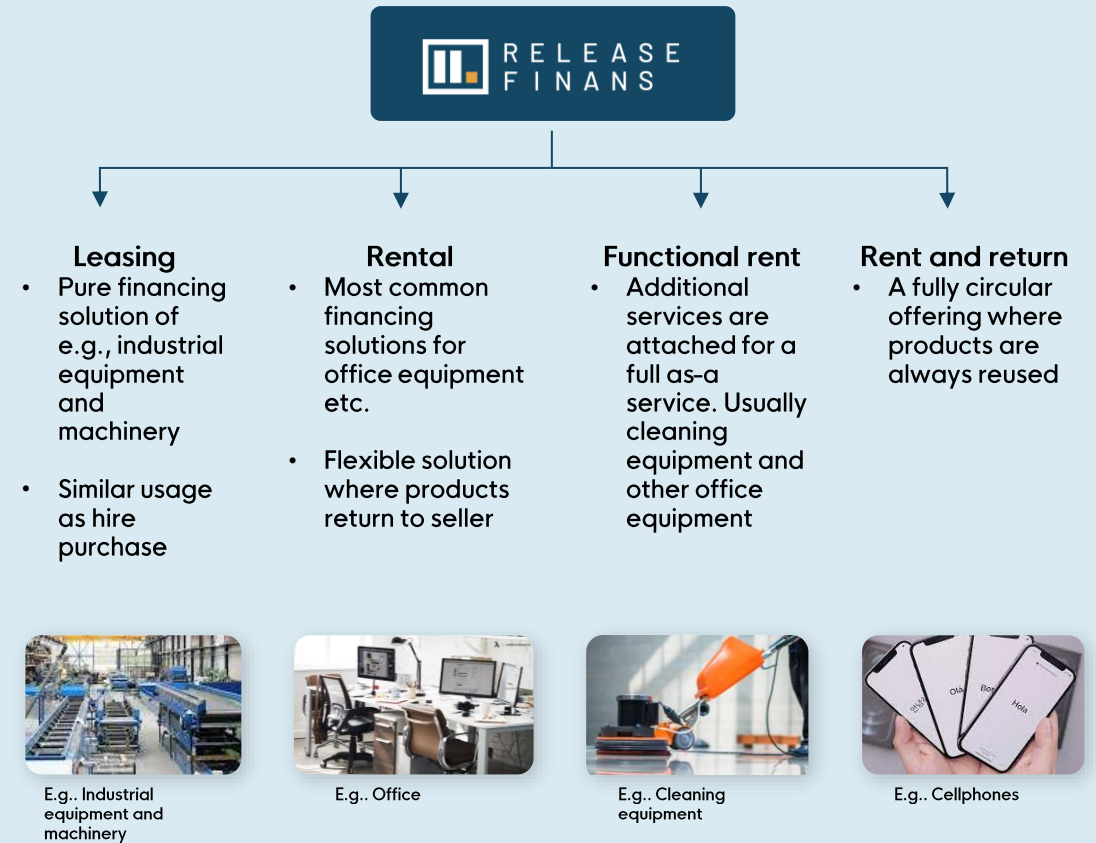


### Key loan book characteristics

LEASING

Avg. duration at issue: <b>3.8 yrs</b>	Avg. interest %: <b>10.0%</b>	Avg. volume: <b>SEK 80k</b>
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### Four different verticals targeting the SME market



# Terms and definitions.

Term	Definition
BaaS	Banking-as-a-Service
B2B	Business-to-Business
B2B2B	Business-to-Business-to-Business
B2C	Business-to-Consumer
BNPL	Buy-Now-Pay-Later
C/I ratio	Cost-to-Income ratio - Operating expenses in relation to total operating income
CET1 ratio	Common Equity Tier 1 ratio - Common equity Tier 1 in relation to total Risk Exposure Amount
CoF	Cost-of-Funds
CoR	Cost-of-Risk - net loan losses in relation to average lending to the public
DPD	Days-Past-Due
EAD	Exposure at Default - The estimated outstanding amount in case of default
ECL	Expected Credit Loss - The expected loss of a credit over time. Estimated by the formula $PD * EAD * LGD$
FTE	Full-time-equivalent
Interest expense margin	Interest expenses in relation to average deposits from the public, annualized
Interest income margin	Interest income in relation to average lending to the public, annualized
KPI	Key-Performance-Indicator
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default - The share of the credit that is lost if a borrower defaults.
Loan loss ratio	Net loan losses in relation to average lending to the public
LTV	Loan-To-Value
Net interest margin	Net interest income in relation to average lending to the public, annualized
NSFR	Net Stable Funding Ratio
PD	Probability of Default - Estimated likelihood of default within 12 months (stage 1) or during lifetime of the asset (stage 2,3)
REA	Risk Exposure Amount
Return on Equity	Net profit/loss attributable to shareholders in relation to average book value of equity
SME	Small and Medium-sized Enterprises
Stage 1	$\leq 30$ DPD
Stage 2	31-90 DPD
Stage 3	$> 90$ DPD
Tier 1 capital ratio	Tier 1 capital in relation to total Risk Exposure Amount
Total capital ratio	Total capital in relation to total Risk Exposure Amount



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