Landshypotek Bank AB Interim report Q1 2025

January – March 2025

Johan Ericson, CEO of Landshypotek Bank comments on the first quarter of 2025:

We ended last year on a strong note, with 2025 off to a positive start. Growth continued in all of our areas in the lending market and, despite pressure on margins in the market, revenue was up on last year. Landshypotek remains stable in a dramatic and turbulent operating environment. We continue to take the lead in lending for agriculture, and experienced record-high interest in our mortgages. This creates a solid foundation for the remainder of the year.

January – March 2025

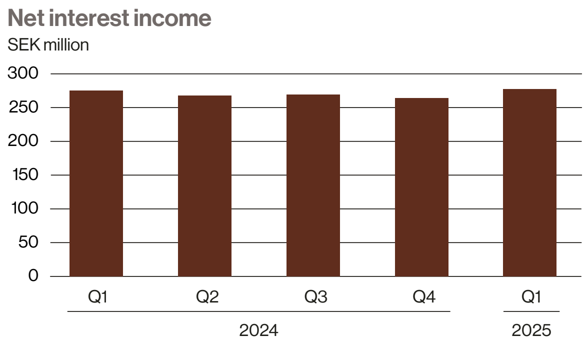
compared with January – March 2024

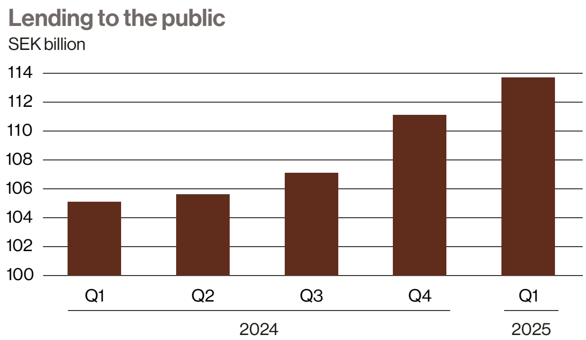
- Operating profit amounted to SEK 124 million (131).
- Net interest income amounted to SEK 277 million (275).
- Costs totalled SEK 154 million (153).
- Net credit losses impacted earnings with SEK 7 million (0).
- Loans to the public amounted to SEK 113.7 billion (105.1).
- Deposits from the public amounted to SEK 26.6 billion (28.5).

January – March 2025

compared with October – December 2024

- Operating profit amounted to SEK 124 million (97).
- Net interest income amounted to SEK 277 million (266).
- Costs totalled SEK 154 million (167).
- Net credit losses impacted earnings with SEK 7 million (loss: 8).
- Loans to the public amounted to SEK 113.7 billion (111.1).
- Deposits from the public amounted to SEK 26.6 billion (27.1).





CEO's Statement

Strong start to the year in a turbulent operating environment

Last year ended on a strong note and we are off to a positive start to 2025. Our growth in lending continued and, despite pressure on margins in the market, revenue was up on last year. Landshypotek remains stable in a dramatic and turbulent operating environment.

Operating profit for the quarter was SEK 124 million, down slightly year-on-year (SEK 131 million) but up on the previous quarter (SEK 97 million). Unlike 2024, we started the year with growth in every segment.

Net interest income amounted to SEK 277 million, compared with SEK 275 million for the first quarter of 2024. Costs were also in line with Q1 2024, SEK 154 million compared with SEK 153 million.

We continue to grow in lending both to larger farmers as well as to residents on agricultural properties.

We experienced record high interest in our mortgages. At the end of 2024, we launched lending to owners of tenant-owner apartments and the number of applications grew beyond expectations thanks to our competitive offerings. Occasionally our response times have been longer than would be ideal, but through intense work we have reduced queue times and welcomed many new customers to the bank.

During the quarter, our lending grew a total of SEK 2.6 billion. Accordingly, we have continued to perform well and over the past year grew our lending by over SEK 8.5 billion.

Our services for secure savings accounts continue to attract new customers. However, many customers are experiencing a growing need to use their buffer savings, which led to lower average volumes for the quarter. At SEK 26.6 billion, the total deposit volume is therefore somewhat lower quarter-on-quarter (SEK 27.1 billion). Considering the shaky stock markets and the need for secure savings, opportunities exist for attracting new deposit volumes in the second quarter.

Stable in turbulent times

The global economy is currently in turmoil, with dramatic changes from day to day. Despite this, the direct impact on Landshypotek is limited and we still have good access to the capital market.

Of late, we have experienced turbulent macro-economic developments. The year began with the US economy slowing, though also with hopes for a recovery in Europe. Announcements regarding major public fiscal initiatives, primarily within defence in Germany, led to hopes for a stimulus to the European economy. However, after initial policy rate cuts, central banks remained concerned about inflation and the US central bank (the Fed) put further cuts on hold. Following cuts to the policy rate, the interest-rate path set by the Riksbank, Sweden's central bank, remains unchanged until 2027.

At the same time, Sweden's economy has performed weakly and inflationary pressure moved unexpectedly upwards, while the more forward-looking indicators have turned downward. Short-term three-month interest rates for customers declined initially and then stabilised. Fixed interest rates also posted an initial decline before rising slightly by the end of the quarter. A growing number of customers are also choosing short fixed-rate periods.

Conditions have been even more chaotic of late, with possible trade wars and the growing risk of stagflation. The difficulty in predicting developments in US policy and their effects on the global economy means considerable uncertainty about the future.

However, even in this turbulent operating environment, Landshypotek remains stable. We are well capitalised, with very good liquidity. Our funding, with deposits from the public, is stable and the most recent issue of our covered bonds experienced very good demand. Our small size, with short decision-making paths, is a significant advantage when in a rapidly changing operating environment.

While the turbulence in the economy obviously affects our customers, we have not noted any signs of credit difficulties. Even allowing for slightly higher credit losses (SEK 7 million compared with SEK 0 million one year ago), they remain marginal and pertain to a few individual commitments with no obvious connection to macroeconomic developments.

Customers optimistic about the future

Our agricultural customers are optimistic about the future and public interest in food produced in Sweden is substantial. The discussion surrounding sustainability raises hope for farmers and foresters to increase their contribution to society's green transition as well as for increased demand for products from farming and forestry. In our Lantbrukspanel, held with 100 of the country's major farmers, the share of optimistic participants was on a level with previous peaks in the seven years that the panel has shared their views on the current status.

When summarising developments, our farming and forestry experts note that there are positive indicators in many industries.

Continued good profitability in forestry: For a long period, forest owners enjoyed good profitability with good stumpage prices that even applied to thinning. Demand in the short and long term has been high. A combination of reduced harvesting and low inventory levels led to this positive price trend. We have also seen higher timber prices in 2025.

At the same time, political uncertainty remains surrounding the long-term conditions for forestry and forest ownership. It is difficult for politicians to meet society's conflicting interests when it comes to forests. There are also questions about the effects that US tariffs will have on the Swedish forest industry.

Arable farmers ready for spring: A new growing season is now taking shape. Overall, 2024 outcomes suggest that many were able to strengthen their financial positions after a few difficult years with increased production costs. Stocks are relatively full compared with previous years, which is also reflected in statistics from Jordbruksverket (the Swedish Board of Agriculture). Reports about autumn-sown crops suggest they look relatively good for this time of year. The mild winter also led to record-high spring tillage in the southern parts of the country, which could also lead to a larger harvest. At the same time, there is a risk of crop damage if temperatures drop after sowing. Another concern is the low levels of precipitation during the winter, which can also affect the quality and volume of crops.

Five important events during the quarter:

- The association announced a proposed dividend to the bank's owners. The dividend of SEK 207 million is the second-highest in the history of the bank and corresponds to 10 percent on member contributions.
- There has been considerable interest in Landshypotek recently, particularly for mortgages. We recently passed another milestone with SEK 30 billion in lending.
- In March, we met with over 1,300 agricultural customers at the association's regional meetings.
- In February, we assembled all of the bank's employees to discuss current issues, work in 2025 and future development. This is an important part of employeeship at the bank.
- The new capital adequacy rules that were implemented by the authorities on 1 January 2025 confirm the bank's low risk and strengthens regulatory capital at the bank. This is because the bank is based on lending against collateral in immovable property at low loan-to-value ratios.

However, the factors most likely to mitigate positive sentiment are more linked to the market developments that farmers need to relate and adapt to. The price of cereal and oilseed declined in the first quarter as a result of the US tariff announcement and its impact on international trade. The strengthening of the dollar also meant that goods from Europe become less competitive. Volatility in the market makes it more difficult to plan when and how to sell goods for the best return.

Healthy demand for milk, meat and eggs: The mood varies among livestock farmers. Dairy farmers are operating in the strongest sector. They have been strengthening their finances and investing for several years. Demand for dairy products is good and consumption is rising in Sweden, especially for fattier products such as cheese and cream. Dairies are advocating for increased milk production in the country, which further bolsters confidence in the future.

Growth in production is not as strong as the increase in consumption for beef and pigmeat producers, leading to higher prices for slaughter animals and livestock. Combined with lower to stable operating costs, this has led to improved profitability. However, the stronger Swedish krona means that competition from imports increased in recent months. This particularly impacts the market balance for pigs, where the market in Europe is under more pressure.

Meanwhile, egg and broiler producers are not experiencing an equally positive trend, in part because of increased competition from imports. Fortunately, the spread of avian influenza was lower than in previous seasons, otherwise, contagion could have a major impact on individual companies as well as the entire industry.

Increased investments needed in agriculture

While there are certainly positive sentiments and indications, more is still needed for farmers to feel they can make the necessary investments in Swedish agriculture. Several recent reports, including those from the Swedish Board of Agriculture and the Swedish Climate Policy Council, indicate that the investments planned do not meet long-term needs. The government's new National Food Strategy also indicates the major investments required to increase production, leverage technological development, and strengthen resilience and sustainability.

Farmers have yet to be able to meet the increased need for investment. Many are working to streamline and otherwise develop their farms, but not enough to take the next step. The primary obstacles identified by the Lantbrukspanel are uncertainty stemming from political regulations, lack of profitability and economic uncertainty. We do what we can at Landshypotek to boost investment power, but more political solutions are required to set long-term rules that make farmers secure in making the necessary investments.

More people need to see the opportunities to challenge their traditional mortgage bank

Hopefully, we will continue to generate strong interest and challenge the mortgage market. More people in the market are seeing the advantages to our transparency regarding customer interest rates, ease of contact and our core values, and are realising that they do not necessarily need to do all of their banking with one institution. A new survey indicates that six out of ten people have thought about moving their mortgage to another bank – though few follow through. Slightly more than one third have actually changed bank, and only 16 percent have done so in the last five years (Landshypotek Novus 2024). The market needs Landshypotek.

The strength of cooperative ownership

When I took over as CEO at the beginning of the year, I said that I had already gotten to know the bank as the CFO and that I would now do so as the CEO. In the first quarter, I not only had the opportunity to meet all of our employees at a major staff gathering – I've also met many of our more committed agricultural customers at regional meetings of the cooperative association. These meetings represent a fantastic opportunity for us to host dialogues about current conditions and developments at the bank that they own. Few banks have the chance to meet over 1,300 customers in one week.

This is one of the advantages enabled by our cooperative ownership. The UN declared 2025 the International Year of Cooperatives, so we have every reason to revisit the benefits of cooperative business models.

The proposed membership dividend was also presented at this year's regional meetings. A total of SEK 207 million will be distributed to our agricultural customers, a superb dividend and a strong contribution to farms around the country.

Continued growth

While we are stable and growing amidst current economic uncertainty, we hope that the wheels will begin to turn and that we can contribute to continued growth in all of Sweden.

We continue to evolve for our customers and, in the near future, we will replace our entire telephone and digital customer service system, with the goal of improving contact with our current and future customers. We are also looking forward to the redesign of our online bank, which we expect to have a further impact.

There is more to come!

Johan Ericson
CEO of Landshypotek Bank

Summary

SEK million	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Net interest income	277	275	266	1,078
Operating profit	124	131	97	489
Profit after tax	97	103	75	381
Loans to the public	113,720	105,076	111,110	111,110
Change in loans to the public, %	2.3	0.3	3.8	6.1
Interest margin, LTM, %	1.00	1.16	1.01	1.01
Deposits from the public	26,645	28,533	27,090	27,090
Change in deposits from the public, %	-1.6	-1.9	-3.2	-6.8
C/I ratio including financial transactions	0.54	0.54	0.61	0.55
C/I ratio excluding financial transactions	0.54	0.55	0.61	0.55
Credit loss level, % 1)	0.03	–	0.03	0.00
Total capital ratio, %	22.6	18.6	19.6	19.6
Rating, long-term				
Standard & Poor's, Covered bonds	AAA	AAA	AAA	AAA
Standard & Poor's	A	A	A	A
Fitch	A	A	A	A
Average number of employees, LTM	240	225	236	236

1) *An outcome is only presented in the case of a negative earnings impact.*

Our financial performance

Landshypotek Bank posted an operating profit for the quarter that exceeded the previous quarter's operating profit by SEK 27 million. Quarter-on-quarter, net interest income increased SEK 11 million concurrent with costs decreasing SEK 13 million. Lending volumes increased SEK 2.6 billion, while deposit volumes decreased slightly. During the quarter, provisions of some SEK 7 million were made for probable credit losses. The bank continued to post extremely good credit quality.

Q1 2025 compared with Q1 2024

The bank's operating profit amounted to SEK 124 million (131), mainly attributable to a marginal increase in expected credit losses in Q1 2025 compared with Q1 2024.

Net interest income

Net interest income amounted to SEK 277 million (275). Interest income totalled SEK 1,071 million (1,311), and interest expenses totalled SEK 795 million (1,036). Interest income and interest expenses both decreased as a result of lower interest rates.

Net result of financial transactions

The net result of financial transactions amounted to SEK 0 million (gain: 5.4).

Costs

Costs amounted to SEK 154 million (153). Accordingly, costs are in line with last year despite inflation.

Credit losses and credit loss allowance

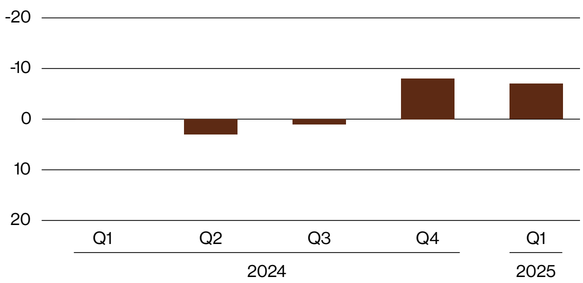
Overall the credit losses generated a negative net earnings impact of SEK 7 million (positive: 0.5) for the quarter, of which net credit losses for non-credit-impaired assets had a negative earnings impact of SEK 1 million (positive: 0.7) and credit-impaired assets had a negative earnings impact of SEK 6 million (negative: 0.2).

Gross non-credit-impaired assets amounted to SEK 112,847 million (104,189) and the credit loss allowance to SEK 12 million (9). Gross credit-impaired assets amounted to SEK 901 million (904) and the credit loss allowance to SEK 10 million (8). The provisions for credit-impaired assets pertained to individual commitments within varying types of farming and geographic locations.

The bank continued to post extremely good credit quality. For more information, refer to Note 3 and Note 4.

Credit losses

SEK million



Operating profit

SEK million	Q1 2025	Q1 2024	Full-year 2024
Net interest income	277	275	1,078
Net commission income	7	3	19
Other operating income	1	7	-2
Of which net result of financial transactions	0	5	-7
Costs	-154	-153	-603
C/I ratio including financial transactions	0.55	0.54	0.56
C/I ratio excluding financial transactions	0.55	0.55	0.56
Net recognised credit losses	-7	0	-4
Credit loss level, %[1]	0	–	0
Operating profit	124	131	489
Operating profit excluding the net result of financial transactions	124	126	496

[1] *An outcome is only presented in the case of a negative earnings impact.*

Balance Sheet

Assets, SEK million	31 Dec 2025
Eligible treasury bills	3,456
Loans to credit institutions	297
Loans to the public	113,720
Bonds and other interest-bearing securities	9,246
Derivatives	1,303
Tangible and intangible assets	70
Other assets	173
Total assets	**128,265**

Liabilities and equity, SEK million	31 Dec 2025
Liabilities to credit institutions	1,017
Deposits from the public	26,645
Debt securities issued, etc.	90,533
Derivatives	1,208
Subordinated liabilities	602
Other liabilities	570
Equity	7,690
Total liabilities and equity	**128,265**

Other comprehensive income

Other comprehensive income amounted to SEK 17 million (10), where financial assets at fair value had a positive effect of SEK 13 million (15) as a result of falling credit spreads at the same time as rising cross-currency basis spreads had an impact of SEK 4 million (negative: 5).

Assets

The largest asset item in the balance sheet is loans to the public, which amounted to SEK 113.7 billion (105.1). The geographic distribution of lending remains stable over time.

Landshypotek Bank's liquidity portfolio totalled SEK 12.7 billion (12.8). The portfolio comprises Swedish covered bonds with the highest credit rating and bonds issued by Swedish municipalities and regions. The holding of interest-bearing securities functions as a liquidity reserve. The liquidity portfolio was 2.3 times (1.4) larger than refinancing requirements for the next six months. The ratio is affected by the allocation of maturing debt for longer than six months and can, therefore, change between measurement periods.

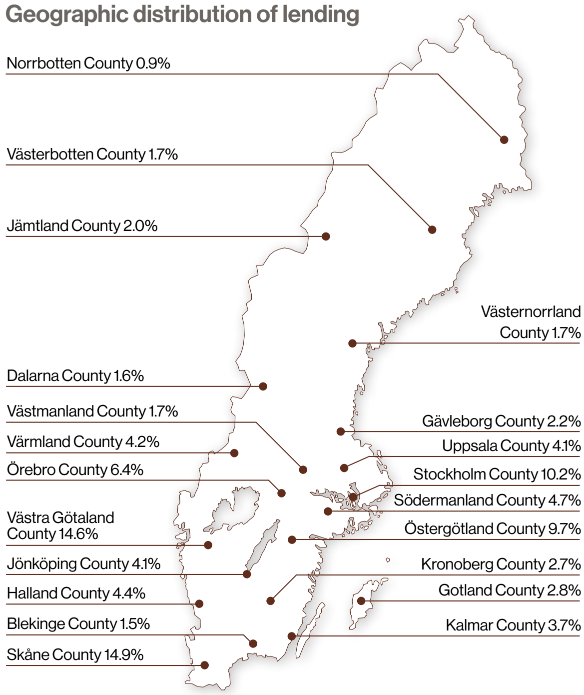
Liabilities

Funding

Landshypotek Bank actively raises funds via the capital markets. Landshypotek Bank as far as possible always strives to meet investors' wishes regarding tenors and interest-rate structures. Investor relations are of major importance as part of ensuring that investors' levels of awareness and interest are maintained in Landshypotek Bank.

The bank's primary source of funding comprises covered bonds, but the bank also issues senior bonds, senior non-preferred and capital instruments. The bank's market funding has an average tenor of 2.9 years.

Geographic distribution of lending



Funding

SEK million	In issue 31 Dec 2025	Limit	In issue 31 Dec 2024
Swedish commercial paper	–	10,000	–
MTN programme [1]	2,460	60,000[1]	3,160
NMTN programme [2]	85,708	108,594	80,456
Registered covered bonds	2,712		2,863
Subordinated loans	900		900

[1] *Medium Term Note Programme. No longer an active program for issuing new transactions.*
[2] *Nordic Medium Term Note and Covered Bond Programme. The limit is EUR 10,000 million.*

During the quarter, covered bonds to a nominal value of SEK 9.8 billion were issued. At the same time, covered bonds matured to a nominal value of SEK 4.7 billion. Covered bonds were repurchased to a nominal value of SEK 0.5 billion. No senior bonds were issued or matured during the quarter.

During the quarter, the bank's derivative portfolio increased in value by SEK 80.0 million, however as all derivatives are encompassed by hedge accounting the earnings impact of the change in value was minimal.

Deposits from the public

Deposits from the public totalled SEK 26.6 billion (28.5).

Financing and liquidity

The bank continues to have good conditions for funding operations with a net stable funding ratio of 121.9 percent. Moreover, the bank's short-term liquidity is healthy with a liquidity coverage ratio of 310 percent.

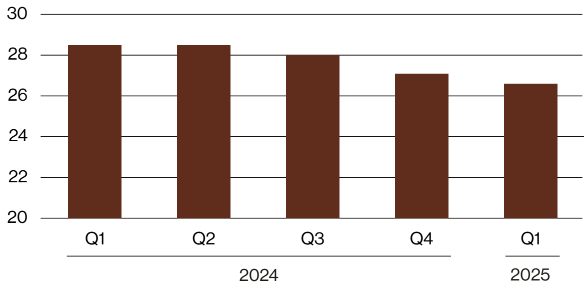
Risk and capital adequacy

The portions of the Basel IV framework that entered force on 1 January 2025 were implemented in the bank's capital adequacy as of 31 March 2025. Applying the Basel IV framework led to a reduction in total risk exposure amount (REA), resulting in improved capital ratios. For the bank, the most significant effect is the reduction in risk weight for corporate exposures where the foundation IRB approach is applied. The decrease in risk weight is mainly due to a reduction in the applicable regulatory LGD values.

The total capital ratio for the consolidated situation amounted to 22.6 percent compared with 18.6 percent on 31 March 2024 and the CET1 capital ratio was 19.8 percent (16.5). At Landshypotek Bank AB, the total capital ratio amounted to 23.9 percent (18.8) and the CET1 capital ratio was 19.4 percent (16.2).

Lending from the public

SEK billion



Q1 2025 compared with Q4 2024

Operating profit amounted to SEK 124 million (97) for the quarter. The higher operating profit was due to higher net interest income and lower costs.

Rating

Landshypotek Bank has credit ratings from two different rating agencies, Standard & Poor's and Fitch. During the first quarter, Fitch confirmed the bank's rating with a stable outlook.

Rating	Long	Short
S&P covered bonds	AAA	
S&P	A	A-1
Fitch	A	F1

Group structure

All farming and forestry borrowers of Landshypotek Bank are also members of Landshypotek Ekonomisk Förening. Landshypotek Ekonomisk Förening owns 100 percent of the shares in Landshypotek Bank. All operations are conducted exclusively in Landshypotek Bank.

Events after the end of the period

No other significant events have occurred since the balance sheet date.

Stockholm, 7 May 2025

Johan Ericson
Chief Executive Officer

Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting policies, calculation methods and risk management are unchanged compared with the last annual report, refer to Note 1 in the Annual Report for 2024 (www.landshypotek.se/en/about-landshypotek/investor-relations/financial-reports/).

This interim report has not been reviewed by the company's auditors.

Income Statement

SEK million	Note	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Interest income		1,071	1,311	1,163	5,019
Interest expenses		-795	-1,036	-897	-3,941
Net interest income	2	**277**	**275**	**266**	**1,078**
Commission income		7	3	7	19
Commission expense		0	0	0	0
Net commission income		**7**	**3**	**7**	**19**
Net result of financial transactions		0	5	-3	-7
Other operating income		1	1	1	5
Total operating income		**285**	**284**	**272**	**1,096**
General administrative expenses		-144	-142	-155	-559
Depreciation, amortisation and impairment of tangible and intangible assets		-10	-11	-11	-43
Other operating expenses		–	–	-1	-1
Total expenses before credit losses		**-154**	**-153**	**-167**	**-603**
Profit before credit losses		**131**	**131**	**105**	**492**
Net credit losses	3	-7	0	-8	-4
Operating profit		**124**	**131**	**97**	**489**
Tax expense for the period		-27	-29	-22	-108
Net profit for the period		**97**	**103**	**75**	**381**

Statement of Comprehensive Income

SEK million	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Net profit for the period	**97**	**103**	**75**	**381**
Other comprehensive income				
Items to be reclassified to income statement				
Financial assets at FVTOCI	16	21	-22	14
Cross-currency basis spreads in fair value hedges	-4	-7	-1	-10
Income tax related to other comprehensive income	4	-4	4	-1
Total items that will be reclassified	**17**	**10**	**-18**	**3**
Total other comprehensive income	**17**	**10**	**-18**	**3**
Comprehensive income for the period	**114**	**113**	**57**	**384**

Balance Sheet

SEK million	Note	31 Dec 2025	31 Mar 2024	31 Dec 2024
Assets				
Cash and balances with central banks		125	270	–
Eligible treasury bills		3,456	3,884	3,298
Loans to credit institutions		297	161	297
Loans to the public	4	113,720	105,076	111,110
Value change of interest-hedged items in portfolio hedges		-96	-405	-73
Bonds and other interest-bearing securities		9,246	8,933	7,950
Derivatives		1,303	1,893	1,532
Intangible assets		39	45	42
Tangible assets		31	49	34
Other assets		0	8	11
Current tax assets		99	14	76
Prepaid expenses and accrued income		44	44	45
Total assets	5, 6	**128,265**	**119,971**	**124,322**
Liabilities and equity				
Liabilities to credit institutions		1,017	1,681	754
Deposits from the public		26,645	28,533	27,090
Debt securities issued, etc.		90,533	79,728	86,194
Derivatives		1,208	1,808	1,290
Other liabilities		421	492	687
Tax liabilities		88	35	74
Accrued expenses and prepaid income		60	60	42
Provisions		1	–	–
Subordinated liabilities		602	602	602
Total liabilities		**120,575**	**112,940**	**116,732**
Total equity		**7,690**	**7,031**	**7,590**
Total liabilities and equity	5, 6	**128,265**	**119,971**	**124,322**

Statement of cash flow

SEK million	Q1 2025	Q1 2024	Full-year 2024
Operating activities			
Profit before tax	124	131	489
Adjustments for non-cash items	-3	-11	-216
Recovery of previous years' confirmed losses	0	0	1
Income tax paid	-13	-21	-36
Increase/decrease in assets	-3,800	-1,235	-3,432
Increase/decrease in liabilities	3,827	1,352	2,777
Cash flow from operating activities	**134**	**216**	**-418**
Investment activities			
Acquisitions of intangible assets	3	2	15
Acquisitions of tangible assets	–	1	2
Cash flow from investment activities	**3**	**4**	**17**
Financing activities			
Shareholders' contributions received	–	–	31
Change in Tier 1 capital instruments	–	–	500
Interest expense classified as Tier 1 capital dividend (AT1)	-13	-7	-51
Cash flow from financing activities	**-13**	**-7**	**480**
Cash flow for the period	**124**	**213**	**79**
Change in cash and cash equivalents	**124**	**213**	**79**
Opening cash and cash equivalents	297	218	218
Closing cash and cash equivalents	422	431	297

Statement of changes in equity

January – March 2025 SEK million	Restricted equity Share capital	Tier 1 capital	Statutory reserve	Unrestricted equity Fair value reserve	Cross-currency basis spreads in fair value hedges	Retained earnings	Total
Opening balance	2,253	900	1,017	4	-23	3,439	7,590
Comprehensive income for the period				13	3	97	113
Total change before transactions with owners and holders of Tier 1 capital instruments	–	–	–	13	3	97	113
Tier 1 capital							0
Dividend on Tier 1 capital instruments						-13	-13
Shareholders' contributions							0
Group contributions paid							0
Tax on Group contributions paid							0
Closing balance	2,253	900	1,017	16	-20	3,524	7,690

January – December 2024 SEK million	Restricted equity Share capital	Tier 1 capital	Statutory reserve	Unrestricted equity Fair value reserve	Cross-currency basis spreads in fair value hedges	Retained earnings	Total
Opening balance	2,253	400	1,017	-8	-15	3,278	6,925
Comprehensive income for the period				11	-8	381	384
Total change before transactions with owners and holders of Tier 1 capital instruments	–	–	–	11	-8	381	384
Tier 1 capital		500					500
Dividend on Tier 1 capital instruments						-51	-51
Shareholders' contributions						31	31
Group contributions paid						-251	-251
Tax on Group contributions paid						52	52
Closing balance	2,253	900	1,017	4	-23	3,439	7,590

Notes

Note 1 Risk and capital adequacy

The bank and its consolidated situation belong to supervisory category 3 according to the Swedish FSA's annual supervisory review and are categorised as other institutions under the CRR. The information in this note refers to the information that must be disclosed pursuant to the capital adequacy disclosure requirements in the Capital Requirements Regulation, part eight and the Swedish FSA regulations FFFS 2014:12 and FFFS 2008:25.

Amendments in Banking Package

The bank's capital adequacy is based on the Capital Requirements Regulation and the Capital Requirements Directive, which have been adapted to the Banking Package adopted on 7 June 2019. On 19 June 2024, amendments to the Capital Requirements Regulation and the Capital Requirements Directive were published in the Official Journal of the European Union, finalising the last parts of the Basel III framework (the so-called Basel IV framework). The amendments aim to improve the comparability of risk-based capital metrics between banks within the EU. The measures include changes to the standardised approach and the internal ratings-based (IRB) approach used to calculate capital requirements for credit risk. For calculating capital requirements with the IRB approach, a capital requirement floor is introduced where the risk exposure amount (REA) shall not be less than 72.5 percent of the output using the standardised approach. The capital requirement floor is implemented during the transitional period from 2025 to 2030. While many of the regulatory changes apply from 1 January 2025, which has entailed their application in the bank's capital adequacy as per 31 March 2025, the majority have a later implementation date or extended transitional periods.

Capital adequacy

The portions of the Basel IV framework that entered force on 1 January 2025 were implemented in the bank's capital adequacy as of 31 March 2025. Applying the Basel IV framework led to a reduction in total risk exposure amount (REA), resulting in improved capital ratios. For the bank, the most significant effect is the reduction in risk weight for corporate exposures where the foundation IRB approach is applied. The decrease in risk weight is mainly due to a reduction in the applicable regulatory LGD values. The capital requirement floor on 31 March 2025 was 50 percent of the results of the standardised approach and was lower than REA according to the IRB approach. Therefore, it was not negatively impacted by the bank's capital adequacy.

The total capital ratio for the consolidated situation amounted to 22.6 percent compared with 18.6 percent on 31 March 2024 and the CET1 capital ratio was 19.8 percent (16.5). At Landshypotek Bank AB, the total capital ratio amounted to 23.9 percent (18.8) and the CET1 capital ratio was 19.4 percent (16.2).

The minimum capital requirement amounted to 8 percent of the total risk-weighted exposure amount. The combined buffer requirement amounts to 4.5 percent and breaks down as 2.5 percent in the form of the capital conservation buffer and 2.0 percent in the form of the countercyclical capital buffer. The combined buffer requirement must be covered by CET1 capital. In October 2024, the bank received its supervisory review and evaluation process (SREP) decision. At Group level, Landshypotek Bank AB has to meet a Pillar 2 requirement (P2R) of 1.9 percent of the Group's total risk-weighted exposure amount. Moreover, at Group level, the bank should hold additional capital in the form of Pillar 2 guidance (P2G) of 0.5 percent. Accordingly, the capital requirement as assessed by Finansinspektionen for the consolidated situation, including P2G, was 14.9 percent and should be compared with own funds of 22.6 percent.

The leverage ratio for the consolidated situation amounted to 5.5 percent of the total exposure measure (5.5). The minimum capital requirement for the leverage ratio was 3.0 percent, while Sweden's financial supervisory authority has also assigned a P2G of 0.5 percent to the consolidated situation.

The internally assessed capital requirement for the consolidated situation was SEK 4.8 billion (5.6) and should be compared with own funds of SEK 7.5 billion.

The bank is developing an LGD model for retail exposures. Until further notice, and pursuant to Article 3, extra capital is being maintained corresponding to an REA of SEK 1,149 million.

continued Note 1 EU CC1 – Composition of regulatory own funds

		Consolidated situation	
	SEK million	31 Dec 2025	31 Dec 2024
1	Capital instruments and the related share premium accounts	2,074	2,071
	of which: member contributions	2,074	2,071
	of which: share capital		
2	Retained earnings [1]	4,944	4,567
3	Accumulated other comprehensive income (and other reserves)	-23	-39
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-121	211
	CET1 capital before regulatory adjustments	**6,874**	**6,811**
7	Additional value adjustments	-13	-11
8	Intangible assets (net of related tax liability) (negative amount)	-39	-42
12	Negative amounts resulting from the calculation of expected loss amounts	-256	-393
27a	Other regulatory adjustments	-2	-2
28	**Total regulatory adjustments to CET1 capital**	**-310**	**-448**
29	**CET1 capital**	**6,564**	**6,363**
30	Capital instruments and the related share premium accounts	–	–
31	of which: classified as equity under applicable accounting standards	–	–
34	Qualifying Tier I capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	502	608
44	**Additional Tier 1 (AT1) capital**	**502**	**608**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,066**	**6,971**
46	Capital instruments and the related share premium accounts		
48	Qualifying own funds instruments included in consolidated Tier 2 capital issued by subsidiaries and held by third parties	423	508
58	**Tier 2 (T2) capital**	**423**	**508**
59	**Total capital (TC = T1 + T2)**	**7,489**	**7,479**
60	**Total risk-weighted exposure amount**	**33,150**	**39,466**
61	CET1 capital ratio (%)	19.8	16.1
62	Tier 1 capital ratio (%)	21.3	17.7
63	Total capital (%)	22.6	19.0
64	Institution CET1 overall capital requirements (%)	10.1	10.1
65	of which: capital conservation buffer requirement (%)	2.5	2.5
66	of which: countercyclical capital buffer requirement (%)	2.0	2.0
EU-67b	of which: additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.1	1.1
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements [2]	12.7	9.0

1) *Item includes other contributed equity*

2) *The calculation includes both Pillar I and Pillar II in the minimum capital requirement. Other communication from the bank only encompasses Pillar I.*

continued Note 1 Capital requirements

	Consolidated situation	
SEK million	**31 Dec 2025**	**31 Dec 2024**
Internally assessed capital requirement [1)]		
Pillar I capital requirement	2,652	3,157
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	623	693
Percentage of total risk-weighted exposure amount	1.9	1.8
Combined buffer requirement	1,492	1,776
Percentage of total risk-weighted exposure amount	4.5	4.5
Total capital requirement (incl. Pillar II guidance)	**4,767**	**5,627**
Percentage of total risk-weighted exposure amount	**14.4**	**14.3**
Own funds (Tier 1 capital + Tier 2 capital)	**7,489**	**7,479**
Percentage of total risk-weighted exposure amount	**22.6**	**18.9**
Capital requirement as assessed by Finansinspektionen [2)]		
Pillar I capital requirement	2,652	3,157
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	630	750
Percentage of total risk-weighted exposure amount	1.9	1.9
Combined buffer requirement	1,492	1,776
Percentage of total risk-weighted exposure amount	4.5	4.5
Capital requirement, Pillar II guidance	166	197
Percentage of total risk-weighted exposure amount	0.5	0.5
Total capital requirement (incl. Pillar II guidance)	**4,939**	**5,881**
Percentage of total risk-weighted exposure amount	**14.9**	**14.9**
Own funds (Tier 1 capital + Tier 2 capital)	**7,489**	**7,479**
Percentage of total risk-weighted exposure amount	**22.6**	**18.9**
Leverage ratio requirement [3)]		
Leverage ratio requirement	3,858	3,708
Percentage of total exposure amount for the leverage ratio	3.0	3.0
Pillar II capital requirement	–	–
Percentage of total exposure measure for the leverage ratio	–	–
Capital requirement, Pillar II guidance	643	618
Percentage of total exposure measure for the leverage ratio	0.5	0.5
Total capital requirement (incl. Pillar II guidance)	**4,502**	**4,326**
Percentage of total exposure measure for the leverage ratio	**3.5**	**3.5**
Tier 1 capital	**7,066**	**6,971**
Percentage of total exposure amount for the leverage ratio	**5.5**	**5.6**

1) *Pertains to Pillar I capital requirements pursuant to the Capital Requirements Regulation (EU) No 575/2013, Pillar II capital requirements according to the bank's assessment and the combined buffer requirement pursuant to the Capital Buffers Act (2014:966).*

2) *Pertains to Pillar I capital requirements pursuant to the Capital Requirements Regulation (EU) No 575/2013, Pillar II capital requirements according to Finansinspektionen's (SREP 2024) and the combined buffer requirement pursuant to the Capital Buffers Act (2014:966).*

3) *Pertains to the leverage ratio requirement pursuant to the Capital Requirements Regulation (EU) No 575/2013 and Pillar II capital requirements according to Finansinspektionen's (SREP 2024).*

continued Note 1 Own funds requirement by risk, approach and exposure class

	Consolidated situation			
31 Dec 2025 SEK million	**Exposure value[1]**	**Risk-weighted exposure amount[2]**	**Own funds requirement[3]**	**Average risk weight[4]**
Credit risk – IRB approach	**112,718**	**15,198**	**1,216**	**13%**
Retail – real estate collateral	66,936	4,435	355	7%
Corporates	45,711	10,691	855	23%
Other non-credit-obligation assets	71	71	6	100%
Credit risk – Standardised approach	**16,281**	**1,543**	**123**	**9%**
Central governments or central banks	237			0%
Regional governments or local authorities	6,134			0%
Institutions	1,088	264	21	24%
Corporates	5	5	0	100%
Retail	28	20	2	69%
Secured by mortgage liens on immovable property	2,218	595	48	27%
Exposures in default	1	2	0	126%
Covered bonds	6,569	657	53	10%
Operational risk		**1,726**	**138**	
Credit valuation adjustment risk	**792**	**1,177**	**94**	**149%**
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		**12,358**	**989**	
Additional stricter prudential requirements based on Article 3 CRR		**1,149**	**92**	
Total	**129,790**	**33,150**	**2,652**	

	Consolidated situation			
31 Dec 2024 SEK million	**Exposure value[1]**	**Risk-weighted exposure amount[2]**	**Own funds requirement[3]**	**Average risk weight[4]**
Credit risk – IRB approach	**111,002**	**23,109**	**1,849**	**21%**
Retail – real estate collateral	66,175	5,482	439	8%
Corporates	44,718	17,519	1,401	39%
Other non-credit-obligation assets	109	109	9	100%
Credit risk – Standardised approach	**13,653**	**1,419**	**114**	**10%**
Central governments or central banks	89	0	0	0%
Regional governments or local authorities	5,184	0	0	0%
Institutions	1,302	419	34	32%
Corporates	9	9	1	100%
Retail	31	21	2	68%
Secured by mortgage liens on immovable property	972	361	29	37%
Exposures in default	1	2	0	135%
Covered bonds	6,064	606	49	10%
Operational risk		**2,102**	**168**	
Credit valuation adjustment risk	**1,004**	**627**	**50**	**62%**
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		**11,062**	**885**	
Additional stricter prudential requirements based on Article 3 CRR		**1,149**	**92**	
Total	**125,659**	**39,468**	**3,157**	

[1] *Exposure value calculated in accordance with the CRR.*
[2] *After application of the relevant risk weights. Risk weights for the IRB approach are based on internal risk classification and internal historical data while risk weights as prescribed in the CRR are applied for the standardised approach.*
[3] *Calculated by multiplying the risk-weighted exposure amount by 8 percent. Does not include any buffer requirements.*
[4] *Calculated by dividing the risk-weighted exposure amounts by exposure value for the respective risk/exposure class.*

continued Note 1 EU KM1 – Key metrics template

	SEK million	Consolidated situation 31 Dec 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	6,564	6,363	6,342	6,281	6,313
2	Tier 1 capital	7,066	6,971	6,937	6,872	6,598
3	Total capital	7,489	7,479	7,437	7,370	7,094
	Risk-weighted exposure amounts					
4	Total risk exposure amount	33,150	39,466	38,191	37,952	38,171
4a	Total risk exposure (pre-floor)	33,150				
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	19.8	16.1	16.6	16.5	16.5
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	19.8				
6	Tier 1 ratio (%)	21.3	17.7	18.2	18.1	17.3
6b	Tier 1 ratio considering unfloored TREA (%)	21.3				
7	Total capital ratio (%)	22.6	19.0	19.5	19.4	18.6
7b	Total capital ratio considering unfloored TREA (%)	22.6				
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.9	1.9	2.0	2.0	2.0
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.1	1.1	1.1	1.1	1.1
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.4	1.4	1.5	1.5	1.5
EU 7g	Total SREP own funds requirements (%)	9.9	9.9	10.0	10.0	10.0
	Combined buffer and overall capital requirements (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
9	Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
11	Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
EU 11a	Overall capital requirements (%)	14.4	14.4	14.5	14.5	14.5
12	CET1 available after meeting the total SREP own funds requirements (%)	12.7	9.0	9.4	9.4	8.6
	Leverage ratio					
13	Total exposure measure	128,615	123,594	121,348	119,599	119,005
14	Leverage ratio (%)	5.5	5.6	5.7	5.8	5.5
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	–	–	–	–	–
EU 14b	of which: to be made up of CET1 capital (percentage points)	–	–	–	–	–
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	–	–	–	–	–
EU 14e	Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
	Liquidity coverage ratio					
15	Total high-quality liquid assets (HQLA) (weighted value – average)	10,747	9,637	9,530	9,700	10,592
EU 16a	Cash outflows – total weighted value	4,040	3,906	4,373	3,740	3,655
EU 16b	Cash inflows – total weighted value	579	405	424	215	446
16	Total net cash outflows (adjusted value)	3,461	3,501	3,949	3,525	3,209
17	Liquidity coverage ratio (%)	310.5	275.2	241.3	275.2	330.1
	Net stable funding ratio					
18	Total available stable funding	113,561	109,167	104,907	105,113	100,900
19	Total required stable funding	92,887	90,552	87,424	86,102	85,319
20	Net stable funding ratio (%)	122.2	120.6	120.0	122.1	118.3

continued Note 1 EU CC1 – Composition of regulatory own funds

		Landshypotek Bank AB	
	SEK million	31 Dec 2025	31 Dec 2024
1	Capital instruments and the related share premium accounts	2,253	2,253
	of which: member contributions		
	of which: share capital	2,253	2,253
2	Retained earnings [1]	4,443	4,075
3	Accumulated other comprehensive income (and other reserves)	-4	-19
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	51	381
6	**CET1 capital before regulatory adjustments**	**6,744**	**6,690**
7	Additional value adjustments	-13	-11
8	Intangible assets (net of related tax liability) (negative amount)	-39	-42
12	Negative amounts resulting from the calculation of expected loss amounts	-256	-393
27a	Other regulatory adjustments	-2	-2
28	**Total regulatory adjustments to CET1 capital**	**-310**	**-448**
29	**CET1 capital**	**6,434**	**6,242**
30	Capital instruments and the related share premium accounts	900	900
31	of which: classified as equity under applicable accounting standards	900	900
34	Qualifying Tier I capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	–	–
44	**Additional Tier 1 (AT1) capital**	**900**	**900**
45	**Tier 1 capital (T1 = CET1 + AT1)**	**7,334**	**7,142**
46	Capital instruments and the related share premium accounts	600	600
48	Qualifying own funds instruments included in consolidated Tier 2 capital issued by subsidiaries and held by third parties	–	
58	**Tier 2 (T2) capital**	**600**	**600**
59	**Total capital (TC = T1 + T2)**	**7,934**	**7,742**
60	**Total risk-weighted exposure amount**	**33,155**	**39,438**
61	CET1 capital ratio (%)	19.4	15.8
62	Tier 1 capital ratio (%)	22.1	18.1
63	Total capital (%)	23.9	19.6
64	Institution CET1 overall capital requirements (%)	10.1	10.1
65	of which: capital conservation buffer requirement (%)	2.5	2.5
66	of which: countercyclical capital buffer requirement (%)	2.0	2.0
EU-67b	of which: additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.1	1.1
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements [2]	13.8	9.3

1) *Item includes other contributed equity*

2) *The calculation includes both Pillar I and Pillar II in the minimum capital requirement. Other communication from the bank only encompasses Pillar I.*

continued Note 1 Capital requirements

SEK million	Landshypotek Bank AB 31 Dec 2025	Landshypotek Bank AB 31 Dec 2024
Internally assessed capital requirement [1]		
Pillar I capital requirement	2,652	3,155
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	623	693
Percentage of total risk-weighted exposure amount	1.9	1.8
Combined buffer requirement	1,492	1,775
Percentage of total risk-weighted exposure amount	4.5	4.5
Total capital requirement (incl. Pillar II guidance)	**4,768**	**5,623**
Percentage of total risk-weighted exposure amount	**14.4**	**14.3**
Own funds (Tier 1 capital + Tier 2 capital)	**7,934**	**7,742**
Percentage of total risk-weighted exposure amount	**23.9**	**19.6**
Capital requirement as assessed by Finansinspektionen [2]		
Pillar I capital requirement	2,652	3,155
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	630	749
Percentage of total risk-weighted exposure amount	1.9	1.9
Combined buffer requirement	1,492	1,775
Percentage of total risk-weighted exposure amount	4.5	4.5
Capital requirement, Pillar II guidance	0.0	0.0
Percentage of total risk-weighted exposure amount	0.0	0.0
Total capital requirement (incl. Pillar II guidance)	**4,774**	**5,679**
Percentage of total risk-weighted exposure amount	**14.4**	**14.4**
Own funds (Tier 1 capital + Tier 2 capital)	**7,934**	**7,742**
Percentage of total risk-weighted exposure amount	**23.9**	**19.6**
Leverage ratio requirement [3]		
Leverage ratio requirement	3,859	3,707
Percentage of total exposure amount for the leverage ratio	3.0	3.0
Pillar II capital requirement	–	–
Percentage of total exposure measure for the leverage ratio	–	–
Capital requirement, Pillar II guidance	–	–
Percentage of total exposure measure for the leverage ratio	–	–
Total capital requirement (incl. Pillar II guidance)	**3,859**	**3,707**
Percentage of total risk-weighted exposure amount	**3.0**	**3.0**
Tier 1 capital	**7,334**	**7,142**
Percentage of total exposure amount for the leverage ratio	**5.7**	**5.8**

1) *Pertains to Pillar I capital requirements pursuant to the Capital Requirements Regulation (EU) No 575/2013, Pillar II capital requirements according to the bank's assessment and the combined buffer requirement pursuant to the Capital Buffers Act (2014:966).*

2) *Pertains to Pillar I capital requirements pursuant to the Capital Requirements Regulation (EU) No 575/2013, Pillar II capital requirements according to Finansinspektionen's (SREP 2024) and the combined buffer requirement pursuant to the Capital Buffers Act (2014:966).*

3) *Pertains to the leverage ratio requirement pursuant to the Capital Requirements Regulation (EU) No 575/2013 and Pillar II capital requirements according to Finansinspektionen's (SREP 2024).*

continued Note 1 Own funds requirement by risk, approach and exposure class

31 Dec 2025 SEK million	Landshypotek Bank AB Exposure value[1]	Risk-weighted exposure amount[2]	Own funds requirement[3]	Average risk weight[4]
Credit risk – IRB approach	**112,722**	**15,202**	**1,216**	**13%**
Retail – real estate collateral	66,936	4,435	355	7%
Corporates	45,711	10,691	855	23%
Other non-credit-obligation assets	76	76	6	100%
Credit risk – Standardised approach	**16,281**	**1,543**	**123**	**9%**
Central governments or central banks	237	–	–	0%
Regional governments or local authorities	6,134	–	–	0%
Institutions	1,088	264	21	24%
Corporates	5	5	0	100%
Retail	28	20	2	69%
Secured by mortgage liens on immovable property	2,218	595	48	27%
Exposures in default	1	2	0	126%
Covered bonds	6,569	657	53	10%
Operational risk		**1,726**	**138**	
Credit valuation adjustment risk	**792**	**1,177**	**94**	**149%**
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		**12,358**	**989**	
Additional stricter prudential requirements based on Article 3 CRR		**1,149**	**92**	
Total	**129,795**	**33,155**	**2,652**	

31 Dec 2024 SEK million	Landshypotek Bank AB Exposure value[1]	Risk-weighted exposure amount[2]	Own funds requirement[3]	Average risk weight[4]
Credit risk – IRB approach	**110,973**	**23,080**	**1,846**	**21%**
Retail – real estate collateral	66,175	5,482	439	8%
Corporates	44,718	17,519	1,401	39%
Other non-credit-obligation assets	80	80	6	100%
Credit risk – Standardised approach	**13,653**	**1,419**	**114**	**10%**
Central governments or central banks	89	–	–	0%
Regional governments or local authorities	5,184	–	–	0%
Institutions	1,302	419	34	32%
Corporates	9	9	1	100%
Retail	31	21	2	68%
Secured by mortgage liens on immovable property	972	361	29	37%
Exposures in default	1	2	0	135%
Covered bonds	6,064	606	49	10%
Operational risk		**2,102**	**168**	
Credit valuation adjustment risk	**1,004**	**627**	**50**	**62%**
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		**11,062**	**885**	
Additional stricter prudential requirements based on Article 3 CRR		**1,149**	**92**	
Total	**125,630**	**39,439**	**3,155**	

1) *Exposure value calculated in accordance with the CRR.*
2) *After application of the relevant risk weights. Risk weights for the IRB approach are based on internal risk classification and internal historical data while risk weights as prescribed in the CRR are applied for the standardised approach.*
3) *Calculated by multiplying the risk-weighted exposure amount by 8 percent. Does not include any buffer requirements.*
4) *Calculated by dividing the risk-weighted exposure amounts by exposure value for the respective risk/exposure class.*

continued Note 1 EU KM1 – Key metrics template

		Landshypotek Bank AB				
	SEK million	31 Dec 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	6,434	6,242	6,276	6,229	6,181
2	Tier 1 capital	7,334	7,142	7,176	7,129	6,581
3	Total capital	7,934	7,742	7,776	7,729	7,181
	Risk-weighted exposure amounts					
4	Total risk exposure amount	33,155	39,438	38,193	37,952	38,171
4a	Total risk exposure (pre-floor)	33,155				
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	19.4	15.8	16.4	16.4	16.2
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	19.4				
7	Tier 1 ratio (%)	22.1	18.1	18.8	18.8	17.2
6b	Tier 1 ratio considering unfloored TREA (%)	22.1				
7	Total capital ratio (%)	23.9	19.6	20.4	20.4	18.8
7b	Total capital ratio considering unfloored TREA (%)	23.9				
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1.9	1.9	2.0	2.0	2.0
EU 7e	of which: to be made up of CET1 capital (percentage points)	1.1	1.1	1.1	1.1	1.1
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	1.4	1.4	1.5	1.5	1.5
EU 7g	Total SREP own funds requirements (%)	9.9	9.9	10.0	10.0	10.0
	Combined buffer and overall capital requirements (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
9	Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
11	Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
EU 11a	Overall capital requirements (%)	14.4	14.4	14.5	14.5	14.5
12	CET1 available after meeting the total SREP own funds requirements (%)	13.8	9.3	9.8	9.0	8.8
	Leverage ratio					
13	Total exposure measure	128,620	123,566	121,350	119,599	119,005
14	Leverage ratio (%)	5.7	5.8	5.9	6.0	5.5
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	–	–	–	–	–
EU 14b	of which: to be made up of CET1 capital (percentage points)	–	–	–	–	–
EU 14c	Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	–	–	–	–	–
EU 14e	Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
	Liquidity coverage ratio					
15	Total high-quality liquid assets (HQLA) (weighted value – average)	10,747	9,637	9,530	9,700	10,592
EU 16a	Cash outflows – total weighted value	4,040	3,906	4,373	3,740	3,655
EU 16b	Cash inflows – total weighted value	579	405	424	215	446
16	Total net cash outflows (adjusted value)	3,461	3,501	3,949	3,525	3,209
17	Liquidity coverage ratio (%)	310.5	275.2	241.3	275.2	330.1
	Net stable funding ratio					
18	Total available stable funding	113,264	108,868	104,873	100,079	100,571
19	Total required stable funding	92,887	90,552	87,424	86,102	85,320
20	Net stable funding ratio (%)	121.9	120.2	120.0	122.0	117.9

Note 2 Net interest income

SEK million	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Interest income				
Interest income on loans to credit institutions	1	2	4	8
Interest income on loans to the public	986	1,198	1,063	4,595
Interest income on interest-bearing securities	84	109	96	413
Other interest income	0	1	0	3
Total interest income	**1,071**	**1,311**	**1,163**	**5,019**
Interest expenses				
Interest expenses for liabilities to credit institutions	-9	-13	-19	-63
Interest expenses for deposits from the public	-146	-272	-189	-963
Interest expenses for interest-bearing securities	-536	-640	-583	-2,489
Interest expenses for subordinated liabilities	-5	-8	-6	-29
Interest expenses for derivative instruments	-81	-87	-79	-324
Other interest expenses	-17	-16	-20	-73
Total interest expenses	**-795**	**-1,036**	**-897**	**-3,942**
Total net interest income	**277**	**275**	**266**	**1,078**

All interest income is attributable to the Swedish market.

Note 3 Net credit losses

SEK million	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Change in credit loss allowance, Stage 1	-1	0	-1	0
Change in credit loss allowance, Stage 2	0	1	-2	-2
Net credit losses, non-credit-impaired lending	**-1**	**1**	**-3**	**-2**
Change in credit loss allowance, Stage 3	-6	-1	-5	-2
Write-off for the period for confirmed losses	0	0	0	0
Recoveries of previously confirmed losses	0	0	0	1
Net credit losses, credit-impaired lending	**-6**	**0**	**-5**	**-2**
Total net credit losses	**-7**	**0**	**-8**	**-4**

No properties were taken over in foreclosure to protect claims.

Recognition of loss allowance

The bank recognises expected credit losses for financial assets and off-balance-sheet exposures in the credit portfolio, and for the parts of the liquidity portfolio that are classified as financial assets at FVTOCI.

Each asset is categorised to one of three stages:

- Stage 1 comprises performing assets with no significant increase in credit risk compared with initial recognition;
- Stage 2 comprises performing assets with significant increase in credit risk compared with initial recognition; and
- Stage 3 comprises defaulted loans.

Establishing significant increase in credit risk

To establish whether a loan asset has a significantly increased credit risk compared with the credit risk on initial recognition, among other actions, the bank measures how the asset's PD risk class has deteriorated since the asset arose. If the risk classification exceeds the bank's limits for increased credit risk, the asset is classified as Stage 2.

The bank's definition of default corresponds with that set out in external capital adequacy rules.

Individually assessed stage 3 credits

ECLs for Stage 3 assets are estimated mainly through individual and manual valuation of expected losses based on three scenarios. The assessment is based on current information that takes into consideration macro-economic and borrower-specific factors that could impact future cash flows, such as current and expected economic conditions, time until recovery and the value of pledged collateral.

Measurement

For Stage 1 assets, the loss allowance is calculated at an amount corresponding to 12-months' expected credit losses. For assets in stages 2 and 3, the loss allowance corresponds to the expected credit losses (ECLs) for the assets' remaining term.

The bank's expected credit losses are subject to continual assessment at both individual and collective levels. The estimates are based on internally developed statistical models that take into consideration historical data and probability weighted forward-looking macro-economic scenarios.

The most important input data used to measure ECLs is:

- Probability of Default (PD) – estimates the probability of an agreement entering into default;
- Loss Given Default (LGD) – the assessment of how much of the exposure value that Landshypotek Bank stands to lose in the event of default;
- Exposure At Default (EAD) – an estimated credit exposure at a future default date after taking into account expected changes in credit exposure in the form of, inter alia, limit utilisation, extra capital repayments, early redemption and expected risk of default; and
- The expected maturity matches the term of the agreement, limited to not longer than 30 years.

In the majority of the credit portfolio agreements, PD and LGD are based on internal historical data and utilise the bank's capital adequacy IRB models (see description in Landshypotek Bank's Information regarding capital adequacy and risk management 2024). The estimates have been recalibrated to capture the current financial position. For agreements in the bank's liquidity portfolio, ECLs are estimated based on, inter alia, the default rates in the rating matrices from an international rating agency.

In estimating the future risk, PD and LGD are affected by forecasts for future economic development through macro-economic scenarios.

Probability weighted macro-economic scenarios

The calculation model weighs together the ECL outcomes based on three macro-economic scenarios (base, improved and deteriorated) for annual expected credit losses over the assets' lifetimes.

In the case of the credit portfolio, one of the bank's scenarios includes the macro parameters for interest, GDP and the property price index. The macro parameters are based on forecasts from reputable, external sources and the assessments of internal experts. Parameter projections are made for the first five years and, thereafter, the scenario returns to a long-term expected trend of up till 30 years for the macro parameters. The bank's three scenarios for future economic developments (base, improved and deteriorated) are weighed together using the likelihood of 60 percent for the base scenario, and 20 percent each for the deteriorated and improved scenarios.

In general, a deterioration in the future economic trend will lead to increased credit loss allowances based either on the projected macro parameters or on an increase in the likelihood of the deteriorated scenario taking place. In the same way, improvements in the future economic development will lead to lower credit loss allowances.

An example follows of what the bank's credit loss allowance would look like if the respective improved or the deteriorated scenarios were assigned a probability of 100 percent, which would impact the mechanically calculated credit loss allowances (individually assessed stage 3 credits have not been included). For more information, refer to Note 4.

Scenario	Expected credit loss
Current loss allowance (including credit reserves for loan commitments are included in the balance-sheet item Provisions)	SEK 29.0 million
Improved scenario	SEK 28.0 million
Deteriorated scenario	SEK 29.9 million

Note 4 Loans to the public

SEK million	31 Dec 2025	31 Mar 2024	31 Dec 2024
Loan receivables, stage 1	109,974	101,528	106,918
Loan receivables, stage 2	2,874	2,661	3,227
Loan receivables, stage 3	901	904	987
Gross loan receivables	**113,749**	**105,093**	**111,132**
Less credit loss allowance	-29	-17	-22
Net loan receivables	**113,720**	**105,076**	**111,110**
Disclosures on past due loan receivables, gross			
Loan receivables past due, 5–90 days	17	15	45
Loan receivables past due, more than 90 days	279	319	218
Total past due loan receivables, gross	**296**	**334**	**263**

Gross loan receivables January – March 2025 SEK million	Non-credit-impaired lending		Credit-impaired lending	
	Stage 1	Stage 2	Stage 3	Total
Opening balance	**106,918**	**3,227**	**987**	**111,132**
Increases in loan receivables due to origination and acquisition	4,461	12	1	4,474
Decreases in loan receivables due to derecognition	-1,646	-151	-60	-1,857
Decrease in loan receivables due to confirmed losses			0	0
Migration between stages				
from 1 to 2	-265	265		–
from 1 to 3	-3		3	–
from 2 to 1	507	-507		–
from 2 to 3		-7	7	–
from 3 to 2		36	-36	–
from 3 to 1	1		-1	–
Closing balance	**109,974**	**2,874**	**901**	**113,749**

Gross loan receivables January – December 2024 SEK million	Non-credit-impaired lending		Credit-impaired lending	
	Stage 1	Stage 2	Stage 3	Total
Opening balance	**101,118**	**2,694**	**958**	**104,769**
Increases in loan receivables due to origination and acquisition	16,825	309	52	17,185
Decreases in loan receivables due to derecognition	-10,099	-447	-232	-10,778
Decrease in loan receivables due to confirmed losses			-44	-44
Migration between stages				
from 1 to 2	-1,577	1,577		–
from 1 to 3	-233		233	–
from 2 to 1	826	-826		–
from 2 to 3		-111	111	–
from 3 to 2		32	-32	–
from 3 to 1	59		-59	–
Closing balance	**106,918**	**3,227**	**987**	**111,132**

continued Loans to the public

Credit loss allowance January – March 2025 SEK million	Non-credit-impaired lending		Credit-impaired lending	Total credit loss allowance lending	Of which credit loss allowance for balance-sheet assets	Of which provisions for off-balance-sheet exposures
	Stage 1	Stage 2	Stage 3			
Opening balance	**-4**	**-8**	**-10**	**-22**	**-22**	**0**
Increases due to origination and acquisition	-1	0	0	-1	-1	-1
Decreases due to derecognition	0	0	0	1	1	0
Decrease in allowance due to write-offs	–	–	0	0	0	–
Changes due to change in credit risk	0	0	-6	-6	-6	0
Changes due to update in the methodology for estimation	0	0	0	0	0	–
Migration between stages						
from 1 to 2	0	-1	0	-1	-1	0
from 1 to 3	0	0	0	0	0	0
from 2 to 1	0	0	0	0	0	0
from 2 to 3	0	0	0	0	0	0
from 3 to 2	0	0	0	0	0	0
from 3 to 1	0	0	0	0	0	0
Closing balance	**-5**	**-8**	**-16**	**-29**	**-28**	**-1**

Credit loss allowance January – December 2024 SEK million	Non-credit-impaired lending		Credit-impaired lending	Total credit loss allowance lending	Of which credit loss allowance for balance-sheet assets	Of which provisions for off-balance-sheet exposures
	Stage 1	Stage 2	Stage 3			
Opening balance	**-4**	**-6**	**-8**	**-18**	**-18**	**0**
Increases due to origination and acquisition	-2	-2	-1	-4	-4	0
Decreases due to derecognition	1	1	2	4	4	0
Decrease in allowance due to write-offs	–	–	0	0	0	–
Changes due to change in credit risk	1	0	2	3	3	0
Changes due to update in the methodology for estimation	0	0	0	1	1	–
Migration between stages						
from 1 to 2	0	-4	0	-4	-4	0
from 1 to 3	0	0	-5	-5	-5	0
from 2 to 1	0	1	0	1	1	0
from 2 to 3	0	0	0	0	0	0
from 3 to 2	0	0	1	0	0	0
from 3 to 1	0	0	1	1	1	0
Closing balance	**-4**	**-8**	**-10**	**-22**	**-22**	**0**

Collateral exists in the form of immovable property for lending. For more information about the recognition of credit loss allowances, and estimates and critical assessments, refer to Note 3.

Note 5 Fair-value hierarchy for financial instruments

	31 Dec 2025				31 Dec 2024			
SEK million	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at FVTOCI								
Eligible treasury bills, etc.	3,456	–	–	3,456	3,298	–	–	3,298
Bonds and other interest-bearing securities	9,246	–	–	9,246	7,950	–	–	7,950
Derivatives identified as hedging instruments								
Interest-rate swaps	–	933	–	933	–	1,010	–	1,010
Cross-currency interest-rate swaps	–	369	–	369	–	523	–	523
Total assets measured at fair value	**12,702**	**1,303**	**–**	**14,005**	**11,249**	**1,532**	**–**	**12,781**
Derivatives identified as hedging instruments								
Interest-rate swaps	–	1,193	–	1,193	–	1,273	–	1,273
Cross-currency interest-rate swaps	–	15	–	15	–	17	–	17
Total liabilities measured at fair value	**–**	**1,208**	**–**	**1,208**	**–**	**1,290**	**–**	**1,290**

Various measurement methods are used to determine the fair value of financial instruments measured at fair value. Bonds and interest-bearing securities as well as eligible treasury bills are measured on the basis of market quotes. All of these assets are traded in an active market with quoted market prices. Derivatives are measured at the present value of the cash flows associated with the financial instrument. The yield curves used for discounting cash flows are based on observable market data. No changes in the bank's measurement methods or assumptions took place during the year.

No transfers were made between the levels. Level 1 only comprises listed mortgage bonds and bonds issued by municipalities and regions. Level 2 comprises derivative instruments and financial liabilities for which there are well-established measuring models based on market data.

Level 1
The fair value of financial instruments traded on an active market is based on the bid price of quoted market prices.

Level 2
The fair values of financial instruments and derivative instruments not traded on an active market are calculated using the valuation technique of discounting future cash flows. Quoted market rates for the tenor in question are used for discounting. In all cases, listed swap curves are utilised as the basis for measurement. Listed credit spreads relative to the interest-rate swap curve were utilised for measuring the value of bond assets. The interest-rate and cross-currency basis swap curves are used for measurement of interest-rate and cross-currency interest-rate swaps, respectively. Accrued interest is not included in the calculation of fair value.

Level 3
Input for assets/liabilities that are not based on observable market data.

Note 6 Fair Value Disclosures

	31 Dec 2025				
SEK million	**Level 1**	**Level 2**	**Level 3**	**Fair value**	**Carrying amount**
Assets					
Cash and balances with central banks	–	125	–	125	125
Eligible treasury bills	3,456	–	–	3,456	3,456
Loans to credit institutions	–	297	–	297	297
Loans to the public	–	115,249	–	115,249	113,720
Value change of interest-hedged items in portfolio hedges		-96		-96	-96
Bonds and other interest-bearing securities	9,246	–	–	9,246	9,246
Derivatives	–	1,303	–	1,303	1,303
Total assets	**12,702**	**116,877**	**–**	**129,580**	**128,051**
Liabilities					
Liabilities to credit institutions	–	1,017	–	1,017	1,017
Deposits from the public	–	26,645	–	26,645	26,645
Debt securities issued, etc.	–	90,145	–	90,145	90,533
Derivatives	–	1,208	–	1,208	1,208
Subordinated liabilities	601	–	–	601	602
Other liabilities	–	421	–	421	421
Total liabilities	**601**	**119,436**	**–**	**120,037**	**120,426**

	31 Dec 2024				
SEK million	**Level 1**	**Level 2**	**Level 3**	**Fair value**	**Carrying amount**
Assets					
Cash and balances with central banks	–	–	–	–	–
Eligible treasury bills	3,298	–	–	3,298	3,298
Loans to credit institutions	–	297	–	297	297
Loans to the public	–	112,603	–	112,603	111,110
Value change of interest-hedged items in portfolio hedges		-73		-73	-73
Bonds and other interest-bearing securities	7,950	–	–	7,950	7,950
Derivatives	–	1,532	–	1,532	1,532
Total assets	**11,249**	**114,360**	**–**	**125,608**	**124,116**
Liabilities					
Liabilities to credit institutions	–	754	–	754	754
Deposits from the public	–	27,090	–	27,090	27,090
Debt securities issued, etc.	–	85,694	–	85,694	86,194
Derivatives	–	1,290	–	1,290	1,290
Subordinated liabilities	601	–	–	601	602
Other liabilities	–	687	–	687	687
Total liabilities	**601**	**115,514**	**–**	**116,114**	**116,616**

Alternative performance measures

Alternative performance measures (APMs) are financial metrics of historical or future performance, financial position or cash flows that are not defined in the applicable rules for financial reporting (for example, IFRS or the Swedish Annual Accounts Act for Credit Institutions and Securities Companies) nor in the capital adequacy rules. The bank uses APMs when these are relevant for the presentation and follow-up of the bank's financial performance over time and when these metrics are deemed by the bank to provide additional valuable information to readers of the financial reports.

APMs can be calculated with various approaches and, accordingly, the bank's metrics are not directly comparable with similar metrics presented by other companies. The definitions of the APMs are set out below.

Key financial ratios	Definition
Change in loans to the public, %	The percentage increase in loans to the public during the period. The APM is relevant for monitoring lending growth, which affects the company's financial performance.
Interest margin, LTM, %	Net interest income over the last 12 months in relation to average lending during the period. The APM aims to showcase the interest margin trend in the credit portfolio.
Change in deposits from the public, %	The percentage increase in deposits from the public during the period. The APM is relevant for monitoring deposits growth, which affects the company's financial performance.
C/I ratio including financial transactions	Costs in relation to income including the net result of financial transactions. The APM aims to showcase the company's cost efficiency.
C/I ratio excluding financial transactions	Costs in relation to income excluding the net result of financial transactions. The APM aims to showcase the company's cost efficiency.
Credit loss level, %	Net credit losses for the period restated on an annualised basis in relation to average lending during the period. The APM aims to showcase the credit quality and credit risk level in the credit portfolio.
Net credit-impaired assets after allowances as a percentage of total loans outstanding, %	Net credit-impaired assets in relation to loans to the public. The APM aims to showcase the credit quality in the credit portfolio and the risk of future credit losses.
Return on equity, %	Net profit for the year divided by average equity after adjustment for Tier 1 capital debt. The APM aims to provide further information regarding the company's profitability in relation to equity.
Earnings per share, SEK	Net profit for the year in relation to the number of shares. The APM is relevant for measuring how much profit the bank generates for its owners.

continued Alternative performance measures

SEK million	Q1 2025	Q1 2024	Q4 2024	Full-year 2024
Change in loans to the public	2,610	325	4,050	6,359
Opening balance, loans to the public	111,110	104,751	107,060	104,751
Change in loans to the public, %	**2.3**	**0.3**	**3.8**	**6.1**
Net interest income, accumulated LTM	1,080	1,195	1,078	1,078
Average loans to the public, LTM	108,528	103,420	106,703	106,703
Interest margin, LTM, %	**1.00**	**1.16**	**1.01**	**1.01**
Change in deposits from the public	-445	-546	-899	-1,990
Opening balance deposits from the public	27,090	29,080	27,989	29,080
Change in deposits from the public, %	**-1.6**	**-1.9**	**-3.2**	**-6.8**
Costs before credit losses	-154	-153	-167	-603
Total operating income	285	284	275	1,096
C/I ratio including financial transactions	**0.54**	**0.54**	**0.61**	**0.55**
Costs before credit losses	-154	-153	-167	-603
Total operating income excluding financial transactions	285	279	275	1,102
C/I ratio excluding financial transactions	**0.54**	**0.55**	**0.61**	**0.55**
Net credit losses calculated on a full-year basis	-28	2	-31	-4
Average loans to the public, LTM	108,528	103,420	106,703	106,703
Credit loss level, % [1]	**0.03**	**–**	**0.03**	**0.00**
Credit-impaired assets, net	885	887	937	937
Loans to the public	113,720	105,076	111,110	111,110
Net credit-impaired assets after allowances as a percentage of total loans outstanding, %	**0.78**	**0.84**	**0.84**	**0.84**
Profit after tax				381
Average LTM equity				6,699
Return on equity, %				**5.7**
Profit after tax				381
Number of shares, million				2
Earnings per share, SEK [2]				**168.9**

[1] *An outcome is only presented in the case of a negative earnings impact.*
[2] *The APM is defined in IFRS*

Reporting calendar 2025

Landshypotek Bank's reports are available at:
www.landshypotek.se/en/about-landshypotek/about-landshypotek-bank/

Interim Report Q2	21 July 2025
Interim Report Q3	27 October 2025

For further information, please contact:

Jan Lilja
acting CFO
+46 8 459 04 07

Johan Ericson
Chief Executive Officer
Can be reached through Jan Lilja

Landshypotek Bank AB (publ)

Corp. Reg. No.: 556500-2762
Box 14092
SE-104 41 Stockholm
www.landshypotek.se

Landshypotek Bank

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