

Landshypotek Bank AB

Year-end report 2025

January – December 2025

Comment from CEO Johan Ericson:

On review of the year, Landshypotek demonstrated stability, continued developing to benefit customers and further strengthened its market position. In 2025, we grew robustly both in mortgage and in lending for farming. Swedish Quality Index's autumn customer satisfaction measurement for mortgage banks placed us in one of the leading positions and, through growth and increased presence, we have continued to reinforce our market-leading position in lending for farming. We continued to grow our lending and strengthened net interest income quarter-on-quarter in Q4. Net profit for the year improved to SEK 502 million, driven by more customers and increased lending as well as improved deposit margins.

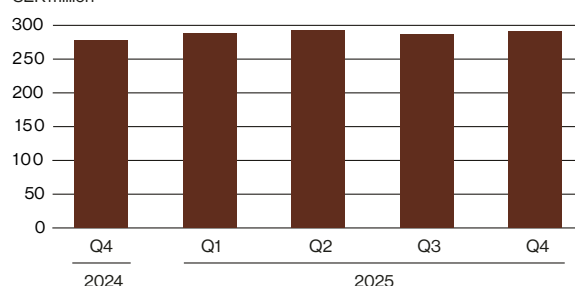
A new strategy was adopted in the quarter that strengthens our role as a savings and lending specialist bank, with a broadened offering and increased customer value. We are investing – with the ambition to create even greater customer value and to outpace market growth.

January – December 2025 compared with January – December 2024

- Operating profit amounted to SEK 502 million (489).
- Net interest income amounted to SEK 1,158 million (1,124).
- Costs totalled SEK 621 million (603).
- Net credit losses impacted earnings with SEK 14 million (4).
- Loans to the public amounted to SEK 118.2 billion (111.1).
- Deposits from the public totalled SEK 25.9 billion (27.1).

Net interest income

SEK million

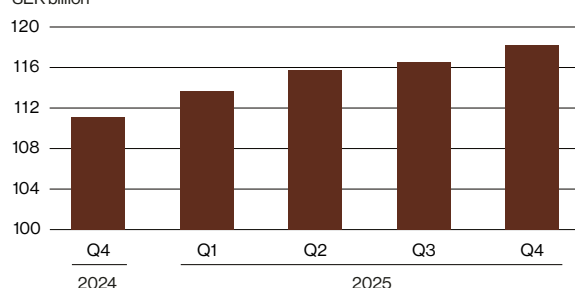


October – December 2025 compared with July – September 2025

- Operating profit amounted to SEK 102 million (148).
- Net interest income amounted to SEK 291 million (287).
- Costs totalled SEK 169 million (134).
- Net credit losses impacted earnings with SEK 4 million (3).
- Loans to the public amounted to SEK 118.2 billion (116.5).
- Deposits from the public totalled SEK 25.9 billion (26.6).

Lending to the public

SEK billion



CEO's Statement

We are investing in the next phase of Landshypotek's development

In a changing and challenging world, Landshypotek Bank strengthened its position going forward in 2025. Increasing numbers of customers have chosen us for loans and savings, and despite a cautious market and intense competition we have continued to grow our lending. We also continue to raise our operating profit – confirming our underlying strength as we now, with a new strategy, develop an even better bank for our customers and for the Swedish banking market.

Our financial performance improved on last year. The operating profit increased to SEK 502 million (489). Costs were under control and rose as planned to SEK 621 million (603). We have very strong credit quality at Landshypotek. We are now slightly increasing the credit provision with SEK 14 million (4), actual losses remained low and pertained to a few individual counterparties and were unrelated to macro-economic developments.

This strong performance is built on the stability of our banking business, good credit quality and our market growth. Despite lending margin pressure, we increased our net interest income for the year to SEK 1,158 million (1,124) – that's nearly SEK 1.2 billion.

Lending increased SEK 7.1 billion to a total of SEK 118.2 billion (111.1). We posted strong growth in the mortgage market, particularly in the beginning of the year, when we started lending on tenant-owner apartments. While recovery will take time, stabilising interest rates and an uptick in the economy mean we expect increased market activity going forward. The benefits of our customer interest rate transparency, ease of contact and our values are being recognised by more and more customers. This was confirmed by Swedish Quality Index's major mortgage survey, where customers ranked us as one of the top banks for mortgages.

We also continued to grow in lending for farming and to reinforce our market-leading position. Many farmers have positive outlooks thanks to good harvest outcomes, the forestry sector's prolonged economic strength and increasing interest in Swedish-produced food. Society's investments in sustainability and preparedness provide further hope for increased demand. Our sector knowledge enables us to identify considerable potential in meeting the future needs and investment requirements of farms – both to increase production and to transition to more sustainable agriculture.

Following several years of strong deposit growth, 2025 was more of a challenge, but the volume remained stable at SEK 25.9 billion (27.1). It is important to be able to offer competitive savings rates and, in the long term, we are investing in new approaches to strengthen the customer offering.

Our strong performance allows us to continue developing Landshypotek and pay dividends to our owners – the customers who borrow on agricultural properties. The bank's Board has resolved to distribute a Group contribution of SEK 232 million (251) to the cooperative association, which will enable a healthy dividend to the members and strengthen Swedish agriculture.

In this time of rapid change, our short decision-making paths have been proven a strength. Demand remains high for our covered bonds and we have good access to the capital market. We have continued to lead the way with green bonds and successfully issued a unique green bond that included sustainable agriculture during the year. We have also continued developing new products and digital services.

Now, we are starting the next phase of our development.

In the fourth quarter, the Board decided a new strategy for the coming years. We are continuing to invest in the bank's future. We have ambitions to grow in all our customer segments and, as a specialist savings and lending bank, we will strive to become an even better partner for our customers. This will be achieved through measures such as broadening our product offering and addressing a larger share of the market. We will develop the strength provided by our foundation and proximity to customers, engage by being proactive and personal, and maintain customer focus throughout the business and long-term relationships. A bank like Landshypotek is sorely needed, one that cares about customers and society, with a clear heart and a passion for a richer life countrywide.

We look forward to continued development in 2026!



Johan Ericson
CEO of Landshypotek Bank

Summary

SEK million	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Net interest income	291	277	287	1,158	1,124
Operating profit	102	97	148	502	489
Profit after tax	80	75	116	393	381
Loans to the public	118,151	111,110	116,525	118,151	111,110
Change in loans to the public, %	1.4	3.8	0.8	6.3	6.1
Interest margin, LTM, %	1.00	1.01	0.99	1.00	1.01
Deposits from the public	25,945	27,090	26,644	25,945	27,090
Change in deposits from the public, %	-2.6	-3.2	-1.2	-4.2	-6.8
C/I ratio including financial transactions	0.58	0.59	0.45	0.53	0.53
C/I ratio excluding financial transactions	0.56	0.58	0.45	0.52	0.53
Credit loss level, % ¹⁾	0.01	0.03	0.01	0.01	0.00
Total capital ratio, %	23.2	19.6	23.7	23.2	19.6
Rating, long-term					
Standard & Poor's, covered bonds	AAA	AAA	AAA	AAA	AAA
Standard & Poor's	A	A	A	A	A
Fitch	A	A	A	A	A
Average number of employees, LTM	246	236	243	246	236

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



Our financial performance

Lending continued to increase in the last quarter of the year and totalled SEK 118.2 billion, up SEK 7.1 billion year-on-year. Deposits decreased just under SEK 1.1 billion over the year and amounted to SEK 25.9 billion. Net interest income totalled SEK 1.2 billion, up year-on-year due to larger lending volumes. Costs increased SEK 18 million for the year, which was attributable to inflation in combination with a higher pace of investment. The bank continued to post extremely good credit quality.

Full-year 2025 compared with full-year 2024

The bank's operating profit amounted to SEK 502 million (489), with the increase mainly attributable to higher net interest income compared with last year.

Net interest income

Net interest income amounted to SEK 1,158 million (1,124), up as a result of increased lending volumes. Interest income totalled SEK 4,209 million (5,019), down as a result of year-on-year lower interest rates. From the fourth quarter of 2025, the resolution fee costs of SEK 42 million (46) have been moved from net interest income to a new cost line item "Imposed fees." The comparative figures have been restated.

Net commission income

Net commission income totalled SEK 28 million (19), up primarily due to revenue from the farm package fee for 2024 not encompassing the full year.

Net result of financial transactions

The net result of financial transactions amounted to a loss of SEK 8 million (loss: 7), of which the unrealised loss amounted to SEK 7 million (loss: 4) and the realised loss to SEK 1 million (loss: 3).

Other operating income

Other operating income was SEK 6 million (5).

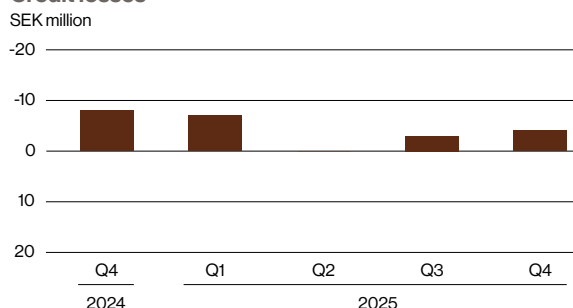
Costs

Costs amounted to SEK 621 million (603), up due to the combination of inflation and a higher pace of investment.

Credit losses and credit loss allowance

Overall, credit losses generated a negative net earnings impact of SEK 14 million (loss: 4) for the year, of which net credit losses for non-credit-impaired assets had a positive earnings impact of SEK 3 million (loss: 2) and credit-impaired assets had a negative earnings impact of SEK 17 million (loss: 2).

Credit losses



Operating profit

SEK million	Full-year 2025	Full-year 2024
Net interest income	1,158	1,124
Net commission income	28	19
Other operating income	-2	-2
Of which net result of financial transactions	-8	-7
Costs	-621	-603
C/I ratio including financial transactions	0.53	0.53
Net recognised credit losses	-14	-4
Credit loss level, % ¹⁾	0	0
Imposed fees	-46	-46
Operating profit	502	489
Operating profit excluding the net result of financial transactions	510	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	4,410
Loans to credit institutions	415
Loans to the public	118,151
Bonds and other interest-bearing securities	8,951
Derivatives	1,087
Tangible and intangible assets	63
Other assets	181
Total assets	133,259

Liabilities and equity SEK million	31 Dec 2025
Liabilities to credit institutions	1,143
Deposits from the public	25,945
Debt securities issued, etc.	96,138
Derivatives	968
Subordinated liabilities	601
Other liabilities	625
Equity	7,839
Total liabilities and equity	133,259

Gross non-credit-impaired assets amounted to SEK 117,264 million (110,145) and the credit loss allowance to SEK 8 million (11). Gross credit-impaired assets amounted to SEK 921 million (987) and the credit loss allowance to SEK 26 million (10). The provisions for credit-impaired assets pertained to a limited number of individual counterparties 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.

Other comprehensive income

Other comprehensive income amounted to SEK 22 million (3), where financial assets at fair value had a positive effect of SEK 14 million (14) as a result of falling credit spreads at the same time as declining cross-currency basis spreads had a positive impact of SEK 8 million (negative: 11).

Assets

The largest asset item in the balance sheet is loans to the public, which amounted to SEK 118.2 billion (111.1). The geographic distribution of lending remains stable over time.

Landshypotek Bank's liquidity portfolio totalled SEK 13.3 billion (11.5). 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 1.6 times (2.0) 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 and its activities.

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 3.0 years.

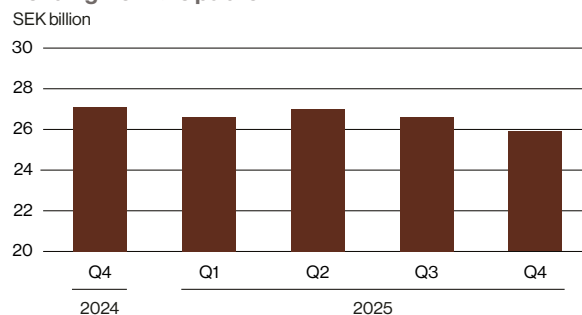
During the year, covered bonds to a nominal value of SEK 27.5 billion and senior bonds to a nominal value of SEK 1.0 billion were issued. In parallel, covered bonds to a nominal value of SEK 17.0 billion and senior bonds to a nominal value of SEK 1.9 billion matured or were repurchased.

In 2025, the bank's derivative portfolio decreased in value by SEK 120.5 million, however as all derivatives are encompassed by hedge accounting the earnings impact of the change in value was minimal.

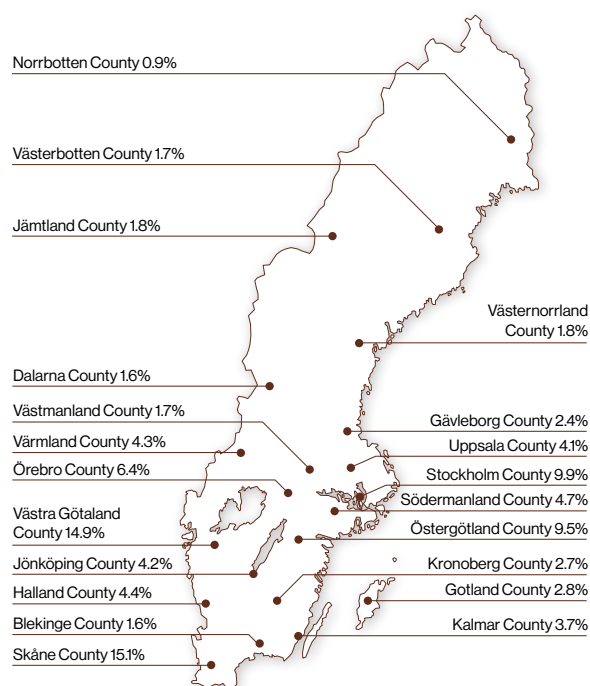
Deposits from the public

Deposits from the public totalled SEK 25.9 billion (27.1).

Lending from the public



Geographic distribution of lending



Financing and liquidity

The bank continues to have good conditions for funding operations with a net stable funding ratio of 120 percent. Moreover, the bank's short-term liquidity is healthy with a liquidity coverage ratio of 301 percent.

Capital and capital adequacy

The total capital ratio for the consolidated situation amounted to 22.1 percent compared with 19.0 percent as of 31 December 2024 and the CET1 capital ratio was 19.3 percent (16.1). At Landshypotek Bank AB, the total capital ratio amounted to 23.2 percent (19.6) and the CET1 capital ratio was 18.9 percent (15.8). The capital situation has strengthened as a result of changes in the Basel IV framework.

Funding

SEK million	In issue 31 Dec 2025	Limit	In issue 31 Dec 2024
Swedish commercial paper	–	10,000	–
MTN programme ¹⁾	1,560	60,000 ¹⁾	3,160
NMTN programme ²⁾	92,126	108,169	80,456
Registered covered bonds	2,705		2,863
Tier 1 capital instruments	900		900

¹⁾ Medium Term Note Programme. No longer an active programme for issuing new transactions.

²⁾ Nordic Medium Term Note and Covered Bond Programme. The limit is EUR 10,000 million.

Q4 2025 compared with Q3 2025

Operating profit amounted to SEK 102 million (148) for the quarter, where the decrease was primarily driven by seasonal variations in costs since Q3 is characterised by lower personnel costs as a result of staff taking holiday.

Rating

Landshypotek Bank has credit ratings from two different rating agencies, Standard & Poor's and Fitch. No changes in the ratings were forthcoming during the quarter.

Rating	Long	Short
S&P covered bonds	AAA	
Standard & Poor's	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

To enhance conditions for delivering on the new strategy adopted by the Board in December 2025, a new organisation has been decided. As a whole, the Bank's overall organisation is based on seven business areas: Sales, Business Development, Marketing, Corporates, Finance, Risk and Compliance. The change means that, including the Chief Executive Officer (CEO), the Bank Management will now comprise seven (previously eight) members from 1 February 2026.

Stockholm, 3 February 2026

Johan Ericson
Chief Executive Officer

Accounting policies

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting and in accordance with Chapter 9 of the Annual Accounts Act for Credit Institutions and Securities Companies. 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/), with the exception that, the resolution fee costs have been separated from net interest income and are presented as a separate line item "Imposed fees," together in the fees for the deposit requirement for the 2025 financial year. Comparative figures have been restated. The fees for the deposit requirement pertain to lost interest income as a result of the Riksbank's decision to require interest-free deposits with the Riksbank.

New standards and amendments

IFRS 18 Presentation and Disclosure in Financial Statements enters force on 1 January 2027 and replaces IAS 1 Presentation of Financial Statements. The new accounting standard mainly primarily entails new requirements for the presentation of the statement of profit or loss and the disclosure of certain profit or loss performance measures. IFRS 18 may impact the presentation of the bank's financial statements, but is not expected to have any impact on the financial performance and position, own funds or large exposures.

This year-end report has not been reviewed by the company's auditors.

Income Statement

SEK million	Note	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Interest income		1,017	1,163	1,049	4,209	5,019
Interest expenses ¹⁾		-726	-885	-762	-3,052	-3,896
Net interest income	2	291	277	287	1,158	1,124
Commission income		7	7	7	28	19
Commission expense		0	0	0	0	0
Net commission income		7	7	7	28	19
Net result of financial transactions		-9	-3	1	-8	-7
Other operating income		1	1	2	6	5
Total operating income		290	283	296	1,183	1,142
General administrative expenses		-159	-155	-124	-582	-559
Depreciation, amortisation and impairment of tangible and intangible assets		-10	-11	-10	-40	-43
Other operating expenses		1	-1	0	1	-1
Total expenses before credit losses		-169	-167	-134	-621	-603
Profit before credit losses		121	116	162	562	538
Net credit losses	3	-4	-8	-3	-14	-4
Imposed fees ¹⁾		-14	-11	-10	-46	-46
Operating profit		102	97	148	502	489
Tax expense for the period		-22	-22	-32	-109	-108
Net profit for the period		80	75	116	393	381
<i>Attributable to:</i>						
Shareholders in Landshypotek Bank AB		69	60	105	347	337
Holders of Tier 1 capital instruments		11	14	12	47	43

¹⁾ Landshypotek changed its accounting policy in Q4 2025 and now reports the resolution fee on a new line in the income statement, Imposed fees, previously it was included in Net interest income. The comparative figures have been restated and, accordingly, do not correspond with those for 2024.

Statement of Comprehensive Income

SEK million	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Net profit for the period	80	75	116	393	381
Other comprehensive income					
Items to be reclassified to income statement					
Financial assets at FVTOCI	-1	-22	4	18	14
Cross-currency basis spreads in fair value hedges	1	-1	5	10	-10
Income tax related to other comprehensive income	0	4	-2	-6	-1
Total items that will be reclassified	0	-18	7	22	3
Total other comprehensive income	0	-18	7	22	3
Comprehensive income for the period	80	57	123	416	384
<i>Attributable to:</i>					
Shareholders in Landshypotek Bank AB	69	43	112	369	341
Holders of Tier 1 capital instruments	11	14	12	47	43

Condensed balance sheet

SEK million	Note	31 Dec 2025	30 Sep 2025	31 Dec 2024
Assets				
Cash and balances with central banks		103	144	–
Eligible treasury bills		4,410	3,699	3,298
Loans to credit institutions		415	285	297
Loans to the public	4	118,151	116,525	111,110
Value change of interest-hedged items in portfolio hedges		4	58	-73
Bonds and other interest-bearing securities		8,951	9,315	7,950
Derivatives		1,087	1,131	1,532
Intangible assets		42	40	42
Tangible assets		21	24	34
Other assets		21	16	11
Current tax assets		0	123	76
Prepaid expenses and accrued income		54	43	45
Total assets	5, 6	133,259	131,402	124,322
Liabilities and equity				
Liabilities to credit institutions		1,143	286	754
Deposits from the public		25,945	26,644	27,090
Debt securities issued, etc.		96,138	94,533	86,194
Derivatives		968	1,023	1,290
Other liabilities		560	214	687
Current tax liabilities		19	149	74
Accrued expenses and prepaid income		45	61	42
Provisions		0	0	0
Subordinated liabilities		601	601	602
Total liabilities		125,420	123,512	116,732
Total equity		7,839	7,890	7,590
Total liabilities and equity	5, 6	133,259	131,402	124,322

Statement of cash flow

SEK million	Full-year 2025	Full- year 2024
Operating activities		
Operating profit	502	489
Adjustments for non-cash items	-293	-216
Recovery of previous years' confirmed losses	0	1
Income tax paid	-40	-36
Increase/decrease in assets	-8,727	-3,432
Increase/decrease in liabilities	8,743	2,777
Cash flow from operating activities	185	-418
Investment activities		
Acquisitions of intangible assets	17	15
Acquisitions of tangible assets	1	2
Cash flow from investment activities	18	17
Financing activities		
Shareholders' contributions received	64	31
Change in Tier 1 capital instruments	-	500
Interest expense classified as Tier 1 capital dividend (AT1)	-47	-51
Cash flow from financing activities	17	480
Cash flow for the period	221	79
Change in cash and cash equivalents	221	79
Opening cash and cash equivalents	297	218
Closing cash and cash equivalents	519	297

Statement of changes in equity

SEK million	Restricted equity			Unrestricted equity				Total
	Share capital	Statutory reserve	Development expenditure reserve	Fair value reserve	Cross-currency basis spreads in fair value hedges	Retained earnings	Tier 1 capital	
Opening balance 1 Jan 2024	2,253	1,017	–	-8	-15	3,278	400	6,925
Comprehensive income for the period				11	-8	338	43	384
Total change before transactions with owners and holders of Tier 1 capital instruments	–	–	–	11	-8	338	43	384
Tier 1 capital							500	500
Dividend on Tier 1 capital instruments						-7	-43	-51
Shareholders' contributions						31		31
Group contributions paid						-251		-251
Tax on Group contributions paid						52		52
Development expenditure reserve								
Closing balance 31 Dec 2024	2,253	1,017	–	3	-22	3,439	900	7,590
Opening balance 1 Jan 2025	2,253	1,017	–	3	-22	3,439	900	7,590
Comprehensive income for the period				14	8	347	47	416
Total change before transactions with owners and holders of Tier 1 capital instruments	–	–	–	14	8	347	47	416
Tier 1 capital								
Dividend on Tier 1 capital instruments							-47	-47
Shareholders' contributions						64		64
Group contributions paid						-232		-232
Tax on Group contributions paid						48		48
Development expenditure reserve			0			0		0
Closing balance 31 Dec 2025	2,253	1,017	0	17	-14	3,665	900	7,839

Notes

Note 1 Risk and capital adequacy

Landshypotek Bank AB (the Bank) and its consolidated situation (the bank and Landshypotek Ekonomisk Förening) belong to supervisory category 3 according to Finansinspektionen's (the Swedish FSA) annual supervisory review and are categorised as other institutions under Regulation (EU) No 575/213 on prudential requirements for credit institutions and investment firms (the Capital Requirements Regulation (CRR). The information in this note refers to the information that must be disclosed pursuant to the capital adequacy disclosure requirements in the CRR, part eight and Finansinspektionen's regulations FFFS 2010:7, FFFS 2014:12 and FFFS 2008:25.

The total capital ratio for the consolidated situation amounted to 22.1 percent compared with 19.0 percent as of 31 December 2024 and the CET1 capital ratio was 19.3 percent (16.1). At Landshypotek Bank AB, the total capital ratio amounted to 23.2 percent (19.6) and the CET1 capital ratio was 18.9 percent (15.8).

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 the result of Finansinspektionen's supervisory review and evaluation process (SREP). At Group level, the bank 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 22.1 percent.

The leverage ratio for the consolidated situation amounted to 5.5 percent of the total exposure measure (5.6). 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 5.0 billion (5.6) and should be compared with own funds of SEK 7.7 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.

EU CC1 – Composition of regulatory own funds

SEK million	Consolidated situation	
	31 Dec 2025	31 Dec 2024
1 Capital instruments and the related share premium accounts	2,159	2,071
of which: member contributions	2,159	2,071
of which: share capital		
2 Retained earnings ¹⁾	4,703	4,567
3 Accumulated other comprehensive income (and other reserves)	-17	-39
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend	241	211
CET1 capital before regulatory adjustments	7,085	6,811
7 Additional value adjustments	-13	-11
8 Intangible assets (net of related tax liability) (negative amount)	-42	-42
12 Negative amounts resulting from the calculation of expected loss amounts	-286	-393
27a Other regulatory adjustments	-3	-2
28 Total regulatory adjustments to CET1 capital	-344	-448
29 CET1 capital	6,741	6,363
30 Capital instruments and the related share premium accounts	-	-
31 of which: classified as equity under applicable accounting standards	-	-
34 Qualifying Tier 1 capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	517	608
44 Additional Tier 1 (AT1) capital	517	608
45 Tier 1 capital (T1 = CET1 + AT1)	7,259	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	437	508
58 Tier 2 (T2) capital	437	508
59 Total capital (TC = T1 + T2)	7,695	7,479
60 Total risk-weighted exposure amount	34,893	39,466
61 CET1 capital ratio (%)	19.3	16.1
62 Tier 1 capital ratio (%)	20.8	17.7
63 Total capital (%)	22.1	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 (%) ²⁾	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⁾	12.2	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**

SEK million	Consolidated situation	
	31 Dec 2025	31 Dec 2024
Internally assessed capital requirement¹⁾		
Pillar I capital requirement	2,791	3,157
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	656	693
Percentage of total risk-weighted exposure amount	1.9	1.8
Combined buffer requirement	1,570	1,776
Percentage of total risk-weighted exposure amount	4.5	4.5
Total capital requirement	5,018	5,627
Percentage of total risk-weighted exposure amount	14.4	14.3
Own funds (Tier 1 capital + Tier 2 capital)	7,695	7,479
Percentage of total risk-weighted exposure amount	22.1	18.9
Capital requirement as assessed by Finansinspektionen²⁾		
Pillar I capital requirement	2,791	3,157
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	663	750
Percentage of total risk-weighted exposure amount	1.9	1.9
Combined buffer requirement	1,570	1,776
Percentage of total risk-weighted exposure amount	4.5	4.5
Capital requirement, Pillar II guidance	174	197
Percentage of total risk-weighted exposure amount	0.5	0.5
Total capital requirement (incl. Pillar II guidance)	5,199	5,881
Percentage of total risk-weighted exposure amount	14.9	14.9
Own funds (Tier 1 capital + Tier 2 capital)	7,695	7,479
Percentage of total risk-weighted exposure amount	22.1	18.9
Leverage ratio requirement³⁾		
Leverage ratio requirement	3,995	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	666	618
Percentage of total exposure measure for the leverage ratio	0.5	0.5
Total capital requirement (incl. Pillar II guidance)	4,661	4,326
Percentage of total exposure measure for the leverage ratio	3.5	3.5
Tier 1 capital	7,259	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). The leverage ratio requirement was introduced in June 2021.

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

31 Dec 2025 SEK million	Consolidated situation			
	Exposure value ¹⁾	Risk-weighted exposure amount ²⁾	Own funds requirement ³⁾	Average risk weight ⁴⁾
Credit risk – IRB approach	118,757	16,596	1,328	14%
Retail – real estate collateral	70,496	4,616	369	7%
Corporates	48,191	11,909	953	25%
Other non-credit-obligation assets	71	71	6	100%
Credit risk – Standardised approach	15,073	1,207	97	8%
Central governments or central banks	127			0%
Regional governments or local authorities	7,116			0%
Institutions	1,149	271	22	24%
Corporates	5	5	0	100%
Retail	18	12	1	70%
Secured by mortgage liens on immovable property	411	291	23	71%
Exposures in default	2	3	0	131%
Covered bonds	6,244	624	50	10%
Operational risk		1,778	142	
Credit valuation adjustment risk	733	1,103	88	150%
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		13,060	1,045	
Additional stricter prudential requirements based on Article 3 CRR		1,149	92	
Total	134,564	34,893	2,791	

31 Dec 2024 SEK million	Consolidated situation			
	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	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital	6,741	6,624	6,557	6,564	6,363
2 Tier 1 capital	7,259	7,136	7,069	7,066	6,971
3 Total capital	7,695	7,565	7,499	7,489	7,479
Risk-weighted exposure amounts					
4 Total risk exposure amount	34,893	33,834	33,772	33,150	39,466
4a Total risk exposure (pre-floor)	34,893	33,834	33,772	33,150	
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common Equity Tier 1 ratio (%)	19.3	19.6	19.4	19.8	16.1
5b Common Equity Tier 1 ratio considering unfloored TREA (%)	19.3	19.6	19.4	19.8	
6 Tier 1 ratio (%)	20.8	21.1	20.9	21.3	17.7
6b Tier 1 ratio considering unfloored TREA (%)	20.8	21.1	20.9	21.3	
7 Total capital ratio (%)	22.1	22.4	22.2	22.6	19.0
7b Total capital ratio considering unfloored TREA (%)	22.1	22.4	22.2	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	1.9	1.9	1.9
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	1.4	1.4	1.4
EU 7g Total SREP own funds requirements (%)	9.9	9.9	9.9	9.9	9.9
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	14.4	14.4	14.4
12 CET1 available after meeting the total SREP own funds requirements (%)	12.2	12.5	12.3	12.7	9.0
Leverage ratio					
13 Total exposure measure	133,161	131,258	131,144	128,615	123,594
14 Leverage ratio (%)	5.5	5.4	5.4	5.5	5.6
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)	11,266	11,789	10,280	10,747	9,637
EU 16a Cash outflows – total weighted value	4,047	3,873	3,834	4,040	3,906
EU 16b Cash inflows – total weighted value	302	383	332	579	405
16 Total net cash outflows (adjusted value)	3,745	3,490	3,502	3,461	3,501
17 Liquidity coverage ratio (%)	301	338	294	310	275
Net stable funding ratio					
18 Total available stable funding	116,786	111,423	109,655	113,561	109,167
19 Total required stable funding	97,111	94,941	93,729	92,887	90,552
20 Net stable funding ratio (%)	120.3	117.4	117.0	122.2	120.6

continued Note 1 EU CC1 – Composition of regulatory own funds

SEK million	Landshypotek Bank AB	
	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⁾	4,289	4,075
3 Accumulated other comprehensive income (and other reserves)	3	-19
EU-5a Independently reviewed interim profits net of any foreseeable charge or dividend	393	381
6 CET1 capital before regulatory adjustments	6,939	6,690
7 Additional value adjustments	-13	-11
8 Intangible assets (net of related tax liability) (negative amount)	-42	-42
12 Negative amounts resulting from the calculation of expected loss amounts	-286	-393
27a Other regulatory adjustments	-3	-2
28 Total regulatory adjustments to CET1 capital	-344	-448
29 CET1 capital	6,594	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 1 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)	7,494	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)	8,094	7,742
60 Total risk-weighted exposure amount	34,901	39,438
61 CET1 capital ratio (%)	18.9	15.8
62 Tier 1 capital ratio (%)	21.5	18.1
63 Total capital (%)	23.2	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 (%) ²⁾	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⁾	13.3	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	31 Dec 2024
Internally assessed capital requirement¹⁾		
Pillar I capital requirement	2,792	3,155
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	656	693
Percentage of total risk-weighted exposure amount	1.9	1.8
Combined buffer requirement	1,571	1,775
Percentage of total risk-weighted exposure amount	4.5	4.5
Total capital requirement	5,019	5,623
Percentage of total risk-weighted exposure amount	14.4	14.3
Own funds (Tier 1 capital + Tier 2 capital)	8,094	7,742
Percentage of total risk-weighted exposure amount	23.2	19.6
Capital requirement as assessed by Finansinspektionen²⁾		
Pillar I capital requirement	2,792	3,155
Percentage of total risk-weighted exposure amount	8.0	8.0
Pillar II capital requirement	663	749
Percentage of total risk-weighted exposure amount	1.9	1.9
Combined buffer requirement	1,571	1,775
Percentage of total risk-weighted exposure amount	4.5	4.5
Capital requirement, Pillar II guidance	–	–
Percentage of total risk-weighted exposure amount	–	–
Total capital requirement (incl. Pillar II guidance)	5,026	5,679
Percentage of total risk-weighted exposure amount	14.4	14.4
Own funds (Tier 1 capital + Tier 2 capital)	8,094	7,742
Percentage of total risk-weighted exposure amount	23.2	19.6
Leverage ratio requirement³⁾		
Leverage ratio requirement	3,995	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	3,995	3,707
Percentage of total risk-weighted exposure amount	3.0	3.0
Tier 1 capital	7,494	7,142
Percentage of total exposure amount for the leverage ratio	5.6	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). The leverage ratio requirement was introduced in June 2021.

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	118,765	16,603	1,328	14%
Retail – real estate collateral	70,496	4,616	369	7%
Corporates	48,191	11,909	953	25%
Other non-credit-obligation assets	78	78	6	100%
Credit risk – Standardised approach	15,071	1,207	97	8%
Central governments or central banks	125			0%
Regional governments or local authorities	7,116			0%
Institutions	1,149	271	22	24%
Corporates	5	5	0	100%
Retail	18	12	1	70%
Secured by mortgage liens on immovable property	411	291	23	71%
Exposures in default	2	3	0	131%
Covered bonds	6,244	624	50	10%
Operational risk		1,778	142	
Credit valuation adjustment risk	733	1,103	88	150%
Additional risk exposure amount under Article 458 CRR (risk-weight floor)		13,060	1,045	
Additional stricter prudential requirements based on Article 3 CRR		1,149	92	
Total	134,569	34,901	2,792	

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**

SEK million	Landshypotek Bank				
	31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital	6,594	6,533	6,482	6,434	6,242
2 Tier 1 capital	7,494	7,433	7,382	7,334	7,142
3 Total capital	8,094	8,033	7,982	7,934	7,742
Risk-weighted exposure amounts					
4 Total risk-weighted exposure amount	34,901	33,841	33,777	33,155	39,438
4a Total risk exposure (pre-floor)	34,901	33,841	33,777	33,155	
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common Equity Tier 1 ratio (%)	18.9	19.3	19.2	19.4	15.8
5b Common Equity Tier 1 ratio considering unfloored TREA (%)	18.9	19.3	19.2	19.4	
6 Tier 1 ratio (%)	21.5	22.0	21.9	22.1	18.1
6b Tier 1 ratio considering unfloored TREA (%)	21.5	22.0	21.9	22.1	
7 Total capital ratio (%)	23.2	23.7	23.6	23.9	19.6
7b Total capital ratio considering unfloored TREA (%)	23.2	23.7	23.6	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	1.9	1.9	1.9
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	1.4	1.4	1.4
EU 7g Total SREP own funds requirements (%)	9.9	9.9	9.9	9.9	9.3
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	14.4	14.4	14.4
12 CET1 available after meeting the total SREP own funds requirements (%)	13.3	13.7	13.6	13.8	9.3
Leverage ratio					
13 Total exposure measure	133,166	131,264	131,148	128,620	123,566
14 Leverage ratio (%)	5.6	5.7	5.6	5.7	5.8
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)	11,266	11,789	10,280	10,747	9,637
EU 16a Cash outflows – total weighted value	4,047	3,873	3,834	4,040	3,906
EU 16b Cash inflows – total weighted value	302	383	332	579	405
16 Total net cash outflows (adjusted value)	3,745	3,490	3,502	3,461	3,501
17 Liquidity coverage ratio (%)	301	338	294	310	275
Net stable funding ratio					
18 Total available stable funding	116,454	111,364	109,599	113,264	108,868
19 Total required stable funding	97,111	94,941	93,730	92,887	90,552
20 Net stable funding ratio (%)	120.3	117.3	116.9	121.9	120.2

Note 2 Net interest income

SEK million	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Interest income					
Interest income on loans to credit institutions	3	4	1	5	8
Interest income on loans to the public	930	1,063	965	3,867	4,595
Interest income on interest-bearing securities	82	96	84	335	413
Other interest income	2	0	0	3	3
Total interest income	1,017	1,163	1,049	4,209	5,019
Interest expenses					
Interest expenses for liabilities to credit institutions	-4	-19	-8	-34	-63
Interest expenses for deposits from the public	-97	-189	-120	-502	-963
Interest expenses for interest-bearing securities	-550	-583	-538	-2,164	-2,489
Interest expenses for subordinated liabilities	-5	-6	-5	-20	-29
Interest expenses for derivative instruments	-61	-79	-82	-300	-324
Other interest expenses ¹⁾	-10	-9	-9	-32	-27
Total interest expenses	-726	-886	-762	-3,052	-3,896
Total net interest income²⁾	291	277	287	1,158	1,124

¹⁾ Other interest expenses includes interest expenses on the lease liability pertaining to the lease of properties of SEK 0.5 million (0.8)

¹⁾ Landshypotek changed its accounting policy in 2025 and now reports the resolution fee on a new line in the income statement, Imposed fees. Previously it was included in Net interest income. The comparative figures have been restated and, accordingly, do not correspond with those for 2024.

All interest income is attributable to the Swedish market.

Note 3 Net credit losses

SEK million	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Change in credit loss allowance, Stage 1	1	-1	0	1	0
Change in credit loss allowance, Stage 2	1	-2	0	2	-2
Net credit losses, non-credit-impaired lending	2	-3	0	3	-2
Change in credit loss allowance, Stage 3	-5	-5	-3	-15	-2
Write-off for the period for confirmed losses	-1	0	0	-2	0
Recoveries of previously confirmed losses	0	0	0	0	1
Net credit losses, credit-impaired lending	-6	-5	-3	-17	-2
Total net credit losses	-4	-8	-3	-14	-4

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 AB Pillar 3 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, the bank's scenarios include the macro parameters for market 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 34.4 million
Improved scenario	SEK 33.9 million
Deteriorated scenario	SEK 35.0 million

Note 4 Loans to the public

SEK million	31 Dec 2025	30 Sep 2025	31 Dec 2024
Loan receivables, stage 1	114,472	112,677	106,918
Loan receivables, stage 2	2,792	3,025	3,227
Loan receivables, stage 3	921	854	987
Gross loan receivables	118,186	116,556	111,132
Less credit loss allowance	-34	-31	-22
Net loan receivables	118,151	116,525	111,110
Disclosures on past due loan receivables, gross			
Loan receivables past due, 5–90 days	0	8	45
Loan receivables past due, more than 90 days	370	402	218
Total past due loan receivables, gross	370	410	263

Gross loan receivables January – December 2025 SEK million	Non-credit-impaired lending		Credit-impaired lending	Total
	Stage 1	Stage 2	Stage 3	
Opening balance	106,918	3,227	987	111,132
Increases in loan receivables due to origination and acquisition	16,987	69	1	17,059
Decreases in loan receivables due to derecognition	-9,406	-389	-209	-10,003
Decrease in loan receivables due to confirmed losses	–	–	-2	-2
Migration between stages				
from 1 to 2	-1,283	1,283	–	0
from 1 to 3	-164	–	164	0
from 2 to 1	1,371	-1,371	–	0
from 2 to 3	–	-85	85	0
from 3 to 2	–	58	-58	0
from 3 to 1	47	–	-47	0
Closing balance	114,472	2,792	921	118,186

Gross loan receivables January – December 2024 SEK million	Non-credit-impaired lending		Credit-impaired lending	Total
	Stage 1	Stage 2	Stage 3	
Opening balance	101,118	2,694	958	104,769
Increases in loan receivables due to origination and acquisition	16,825	309	7	17,140
Decreases in loan receivables due to derecognition	-10,099	-447	-232 ¹⁾	-10,778
Decrease in loan receivables due to confirmed losses	–	–	0	0
Migration between stages				
from 1 to 2	-1,577	1,577	–	0
from 1 to 3	-233	–	233	0
from 2 to 1	826	-826	–	0
from 2 to 3	–	-111	111	0
from 3 to 2	–	32	-32	0
from 3 to 1	59	–	-59	0
Closing balance	106,918	3,227	987	111,132

¹⁾ Decrease in loan receivables due to confirmed losses in Stage 3 has been downward adjusted with 44 due to an error with classification last year.

continued Loans to the public

Credit loss allowance January – December 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	0
Decreases due to derecognition	0	1	1	3	2	0
Decrease in allowance due to write-offs	–	–	-2	-2	-2	0
Changes due to change in credit risk	1	2	-15	-12	-12	0
Changes due to update in the methodology for estimation	–	–	–	–	–	–
Migration between stages						
from 1 to 2	0	-2	–	-2	-2	0
from 1 to 3	0	–	-1	0	0	0
from 2 to 1	0	1	–	1	1	0
from 2 to 3	–	1	0	1	1	0
from 3 to 2	–	0	0	0	0	0
from 3 to 1	0	–	0	0	0	0
Closing balance	-3	-5	-26	-34	-34	0

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	–
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	–
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	–	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

SEK million	31 Dec 2025				31 Dec 2024			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets at FVTOCI								
Eligible treasury bills, etc.	4,410	–	–	4,410	3,298	–	–	3,298
Bonds and other interest-bearing securities	8,951	–	–	8,951	7,950	–	–	7,950
Derivatives identified as hedging instruments								
Interest-rate swaps	–	747	–	747	–	1,010	–	1,010
Cross-currency interest-rate swaps	–	340	–	340	–	523	–	523
Total assets measured at fair value	13,361	1,087	–	14,448	11,249	1,532	–	12,781
Derivatives identified as hedging instruments								
Interest-rate swaps	–	956	–	956	–	1,273	–	1,273
Cross-currency interest-rate swaps	–	13	–	13	–	17	–	17
Total liabilities measured at fair value	–	968	–	968	–	1,290	–	1,290

All financial assets and liabilities measured at fair value are classified according to a valuation hierarchy. This hierarchy reflects the observable prices or other information included in the valuation techniques applied. Ahead of each quarter, the values of quoted prices are assessed with regard to whether or not they represent actual and regularly occurring transactions. Transfers can be made between levels in the hierarchy when indications exist that market conditions, e.g., liquidity, have changed. No transfers were made between the levels.

Level 1 only comprises listed mortgage bonds and bonds issued by municipalities and county councils. 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.

Level 3

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

Note 6 Fair Value Disclosures

SEK million	2025				
	Level 1	Level 2	Level 3	Fair value	Carrying amount
Assets					
Cash and balances with central banks	–	103	–	103	103
Eligible treasury bills	4,410	–	–	4,410	4,410
Loans to credit institutions ¹⁾	–	100	–	100	100
Loans to the public	–	119,325	–	119,325	118,151
Value change of interest-hedged items in portfolio hedges	–	4	–	4	4
Bonds and other interest-bearing securities	8,951	–	–	8,951	8,951
Derivatives	–	1,087	–	1,087	1,087
Total assets	13,361	120,619	–	133,980	132,806
Liabilities					
Liabilities to credit institutions	–	1,143	–	1,143	1,143
Deposits from the public	–	25,945	–	25,945	25,945
Debt securities issued, etc.	–	95,906	–	95,906	96,138
Derivatives	–	968	–	968	968
Subordinated liabilities	602	–	–	602	601
Other liabilities	–	560	–	560	560
Total liabilities	602	124,522	–	125,124	125,355

¹⁾ The Riksbank's interest-free deposit requirement has been excluded from the line item Loans to credit institutions as it is not assessed as meeting the definition of a financial instrument.

SEK million	2024				
	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	124,114
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	–	116,116	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	Q4 2025	Q4 2024	Q3 2025	Full-year 2025	Full-year 2024
Change in loans to the public	1,626	4,050	874	7,042	6,359
Opening balance, loans to the public	116,525	107,060	115,651	111,110	104,751
Change in loans to the public, %	1.4	3.8	0.8	6.3	6.1
Net interest income, accumulated LTM	1,158	1,124	1,144	1,158	1,124
Average loans to the public, LTM	115,252	106,703	113,227	115,252	106,703
Interest margin, LTM, %	1.00	1.05	0.99	1.00	1.05
Change in deposits from the public	-699	-899	-327	-1,145	-1,990
Opening balance deposits from the public	26,644	27,989	26,970	27,090	29,080
Change in deposits from the public, %	-2.6	-3.2	-1.2	-4.2	-6.8
Costs before credit losses	-169	-167	-134	-621	-603
Total operating income	290	283	295	1,183	1,142
C/I ratio including financial transactions	0.58	0.59	0.45	0.53	0.53
Costs before credit losses	-169	-167	-134	-621	-603
Total operating income excluding financial transactions	299	286	295	1,191	1,148
C/I ratio excluding financial transactions	0.56	0.58	0.45	0.52	0.53
Net credit losses calculated on a full-year basis	-15	-31	-12	-14	-4
Average loans to the public, LTM	115,252	106,703	113,227	115,252	106,703
Credit loss level, %¹⁾	0.01	0.03	0.01	0.01	0.00
Credit-impaired assets, net	887	937	835	887	937
Loans to the public	118,151	111,110	116,525	118,151	111,110
Net credit-impaired assets after allowances as a percentage of total loans outstanding, %	0.75	0.84	0.72	0.75	0.84
Profit after tax				393	381
Average LTM equity				6,881	6,699
Return on equity, %				5.71	5.70
Profit after tax				393	381
Number of shares, million				2	2
Earnings per share, SEK				174.53	168.92

¹⁾ Landshypotek changed its accounting policy in 2025 and now reports the resolution fee on a new line in the income statement, Imposed fees. Previously it was included in Net interest income. The comparative figures have been restated and, accordingly, do not correspond with those for 2024.

Reporting calendar 2025/2026

Landshypotek Bank's reports are available at:

www.landshypotek.se/en/about-landshypotek/about-landshypotek-bank/

Annual Report 2025	11 March 2026
General Meeting	23 April 2026
Interim Report Q1	6 May 2026
Interim Report Q2	20 July 2026
Interim Report Q3	26 October 2026

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