
Brief information

Share capital

SEK 4,050,000,000, registered on 22 December 1997. The lowest and highest permissible share capital according to the Articles of Association is SEK 2,000,000,000 and SEK 8,000,000,000 respectively.

Number of shares

162,000 shares with a quotient value of SEK 25,000 per share.

Convertible debt, etc.

The company has not issued any debt instruments that can be converted into or exchanged for shares, or that entail the right to subscribe to new shares.

Ownership

A subsidiary of Svenska Handelsbanken AB (publ), corporate identity number 502007-7862. The Bank publishes consolidated annual accounts in which Stadshypotek AB is included.

Addresses

Stadshypotek AB

Visiting address: Torsgatan 14

Postal address: SE-103 70 Stockholm, Sweden

Telephone: +46 (0)8 701 54 00

Website: Stadshypotek.se

Stadshypotek AB NUF

Visiting address: Tjuvholmen Allé 11

Postal address: Postboks 1342 Vika
NO-0113 Oslo, Norway

Telephone: +47 (0)22 39 70 00

Stadshypotek AB (publ),

branch operations in Finland

Visiting address: Östersjögatan 11–13

Postal address: FI-00180 Helsinki, Finland

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Stadshypotek's interim report January–June 2025

January – June 2025 compared with July – December 2024

-11%

Operating profit decreased by 11% to SEK 3,883m (4,356).

-8%

Net interest income went down by 8% to SEK 5,598m (6,063).

0%

Loans to the public in continuing operations increased by 0%, to SEK 1,554bn (1,553).

9.4%

Return on equity was 9.4% (10.7).

0.00%

The credit loss ratio was 0.00% (-0.01).

12.6%

The common equity tier 1 ratio was 12.6% (12.5).

January – June 2025 compared with January – June 2024

-11%

Operating profit decreased by 11% to SEK 3,883m (4,383).

-6%

Net interest income went down by 6% to SEK 5,598m (5,927).

1%

Loans to the public in continuing operations increased by 1%, to SEK 1,554bn (1,537).

9.4%

Return on equity was 9.4% (10.6).

0.00%

The credit loss ratio was 0.00% (0.00).

12.6%

The common equity tier 1 ratio was 12.6% (11.9).

January – June 2025 compared with July – December 2024

Stadshypotek's operating profit decreased by SEK 473m, or 11%, to SEK 3,883m (4,356). Net interest income fell by SEK 465m to SEK 5,598m, (6,063), mainly due to the ongoing downward trend for margins on Swedish loans.

In Sweden, net interest income decreased by SEK 371m, while in the Norwegian branch net interest income was unchanged.

Of the net interest income, SEK 547m (547) was attributable to the branch in Norway and SEK 92m (186) to the branch in Finland. Net gains/losses on financial transactions decreased by SEK 66m to SEK 76m (142).

Expenses decreased by SEK 180m to SEK -1,164m (-1,344). This decrease was mainly attributable to an lowering of the compensation paid to the parent company for services rendered on behalf of Stadshypotek in the Bank's branches, relating to the sale and administration of mortgage loans.

Net credit losses totalled SEK -3m (+92), mainly due to provisions for Stage 1 and Stage 2. The credit loss ratio corresponded to 0.00% (-0.01) of lending.

Lending

Compared to the close of the previous year, loans to the public decreased by 1%, or SEK 11bn, and stood at SEK 1,572bn (1,583), mainly due to the discontinuation of the operations in Finland. In Sweden, loans to the public increased by 0%, or SEK 7bn, to SEK 1,414bn (1,407).

Financing

Issues of Stadshypotek's bond programme in Swedish kronor totalled a nominal SEK 56.7bn (43.0) during the period. During the period, a nominal volume totalling SEK 20.4bn (57.9) matured or was repurchased. The carrying amount of outstanding Swedish kronor bonds was SEK 657.7bn (614.6) at the end of the period.

Issues of foreign currency bonds under the EMTCN programme totalled EUR 1.0bn (-). The outstanding volume at the end of the period was nominally EUR 9.2bn (8.2).

Issues in NOK totalled NOK – bn (7.0). The outstanding volume at the end of the period totalled a nominal NOK 23.0bn (29.0).

Capital adequacy

The total capital ratio according to CRD IV was 17.6% (17.5) while the common equity tier 1 ratio calculated according to CRD IV was 12.6% (12.5). Further information on capital adequacy is provided in note 19, Capital adequacy.

Rating

Stadshypotek's ratings remained unchanged during the entire period.

Stadshypotek	Covered bonds	Long-term	Short-term
Moody's	Aaa	-	P-1
S&P		AA-	A-1+
Fitch		AA	F1+

January – June 2025 compared with January – June 2024

Stadshypotek's operating profit decreased by SEK 500m, or 11%, to SEK 3,883m (4,383). Net interest income fell by SEK 329m to SEK 5,598m, (5,927), mainly due to the ongoing downward trend for margins on Swedish loans.

In Sweden, net interest income decreased by SEK 250m, while in the Norwegian branch net interest income increased by SEK 40m.

Of the net interest income, SEK 547m (507) was attributable to the branch in Norway and SEK 92m (210) to the branch in Finland. Net gains/losses on financial transactions decreased by SEK 250m to SEK 76m (326).

Expenses decreased by SEK 116m to SEK -1,164m (-1,280). This decrease was mainly attributable to an lowering of the compensation paid to the parent company for services rendered on behalf of Stadshypotek in the Bank's branches, relating to the sale and administration of mortgage loans.

Net credit losses totalled SEK -3m (+12), mainly due to provisions for Stage 1 and Stage 2. The credit loss ratio corresponded to 0.00% (0.00) of lending.

Lending

Compared to the close of the corresponding period during the previous year, loans to the public decreased by 1%, or SEK 19bn, and stood at SEK 1,572bn (1,591), mainly due to the discontinuation of the operations in Finland. In Sweden, loans to the public increased by 1%, or SEK 17bn, to SEK 1,414bn (1,397).

Financing

Issues of Stadshypotek's bond programme in Swedish kronor totalled a nominal SEK 56.7bn (61.8) during the period. During the period, a nominal volume totalling SEK 20.4bn (55.8) matured or was repurchased. The carrying amount of outstanding Swedish kronor bonds was SEK 657.7bn (626.9) at the end of the period.

Issues of foreign currency bonds under the EMTCN programme totalled EUR 1.0bn (0.8). The outstanding volume at the end of the period was nominally EUR 9.2bn (9.0).

Issues in NOK totalled NOK – bn (-). The outstanding volume at the end of the period totalled a nominal NOK 23.0bn (22.0).

Capital adequacy

The total capital ratio according to CRD IV was 17.6% (16.9) while the common equity tier 1 ratio calculated according to CRD IV was 12.6% (11.9). Further information on capital adequacy is provided in note 19, Capital adequacy.

Discontinued operations

Stadshypotek's operations in Finland constitute discontinued operations in accordance with IFRS 5, Non-current Assets Held for Sale and Discontinued Operations. See note 18.

Income statement

SEK m	Note	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Interest income		26,985	31,484	-14	32,444	-17	63,928
Interest expenses		-21,387	-25,421	-16	-26,517	-19	-51,938
Net interest income	3	5,598	6,063	-8	5,927	-6	11,990
Fee and commission income		2	6	-67	7	-71	13
Fee and commission expenses		-25	-35	-29	-30	-17	-65
Net fee and commission income		-23	-29	-21	-23	0	-52
Net gains/losses on financial transactions	4	76	142	-46	326	-77	468
Other income		0	12	-100	0	0	12
Total income		5,651	6,188	-9	6,230	-9	12,418
General administrative expenses							
Staff costs		-43	-39	10	-40	8	-79
Other administrative expenses	5	-1,107	-1,288	-14	-1,226	-10	-2,514
Depreciation, amortisation and impairment losses of property, equipment and intangible assets		-14	-17	-18	-14	0	-31
Total expenses		-1,164	-1,344	-13	-1,280	-9	-2,624
Profit before credit losses and government fees		4,487	4,844	-7	4,950	-9	9,794
Net credit losses	6	-3	92		12		104
Government fees		-601	-580	4	-579	4	-1,159
Operating profit		3,883	4,356	-11	4,383	-11	8,739
Profit before taxes		3,883	4,356	-11	4,383	-11	8,739
Taxes		-804	-914	-12	-901	-11	-1,815
Net profit/loss for the period		3,079	3,442	-11	3,482	-12	6,924
Earnings per share, SEK		19,006	21,244		21,497		42,741

Statement of comprehensive income

SEK m	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Net profit/loss for the period	3,079	3,442	-11	3,482	-12	6,924
Other comprehensive income						
Items that may subsequently be reclassified to the income statement						
Cash flow hedges	598	874	-32	53		927
Translation difference for the period	-175	-79	122	53		-26
of which hedges of net assets in foreign operations	-	-		-		-
Tax on items that may subsequently be reclassified to the income statement	-87	-163	-47	-22	295	-185
of which cash flow hedges	-123	-180	-32	-11		-191
of which translation difference	36	17	112	-11		6
Total items that may subsequently be reclassified to the income statement	336	632	-47	84	300	716
Total other comprehensive income	336	632	-47	84	300	716
Total comprehensive income for the period	3,415	4,074	-16	3,566	-4	7,640

Half-yearly performance

SEK m	Jan-Jun 2025	Jul-Dec 2024	Jan-Jun 2024	Jul-Dec 2023	Jan-Jun 2023
Interest income	26,985	31,484	32,444	29,502	23,082
Interest expenses	-21,387	-25,421	-26,517	-23,721	-16,651
Net interest income	5,598	6,063	5,927	5,781	6,431
Fee and commission income	2	6	7	7	8
Fee and commission expenses	-25	-35	-30	-21	-21
Net fee and commission income	-23	-29	-23	-14	-13
Net gains/losses on financial transactions	76	142	326	587	103
Other income	0	12	0	1	0
Total income	5,651	6,188	6,230	6,355	6,521
General administrative expenses					
Staff costs	-43	-39	-40	-40	-43
Other administrative expenses	-1,107	-1,288	-1,226	-1,146	-1,143
Depreciation, amortisation and impairment losses of property, equipment and intangible assets	-14	-17	-14	-14	-14
Total expenses	-1,164	-1,344	-1,280	-1,200	-1,200
Profit before credit losses and government fees	4,487	4,844	4,950	5,155	5,321
Net credit losses	-3	92	12	-65	-30
Government fees	-601	-580	-579	-542	-541
Operating profit	3,883	4,356	4,383	4,548	4,750
Profit before taxes	3,883	4,356	4,383	4,548	4,750
Taxes	-804	-914	-901	-883	-980
Net profit/loss for the period	3,079	3,442	3,482	3,665	3,770
Earnings per share, SEK	19,006	21,244	21,497	22,624	23,269

Balance sheet

SEK m	Note	30 June 2025	31 Dec 2024	30 June 2024
Assets				
Loans to credit institutions		20,344	30,485	4,485
Loans to the public	7	1,571,898	1,583,330	1,590,717
Value change of interest-hedged item in portfolio hedge		-	-	0
Shares and participating interests in Group companies		0	0	0
Derivative instruments	8.9	15,912	14,356	11,872
Intangible assets		51	65	82
Property and equipment		0	0	0
Current tax assets		-	-	-
Deferred tax assets		314	395	575
Other assets		609	1,232	7,493
Prepaid expenses and accrued income		363	85	364
Total assets		1,609,491	1,629,948	1,615,588
<i>of which Group claims</i>	17	36,335	44,936	16,713
Liabilities				
Due to credit institutions	10	761,155	823,220	798,459
Issued securities	11	780,319	734,754	746,257
Derivative instruments	8.9	3,681	5,617	8,724
Current tax liabilities		516	388	711
Deferred tax liabilities		-	-	-
Other liabilities		69	5,172	673
Accrued expenses and deferred income		49	24	39
Total liabilities		1,545,789	1,569,175	1,554,863
<i>of which Group liabilities</i>	17	817,973	882,307	856,373
Equity				
Share capital		4,050	4,050	4,050
Other funds		24,842	24,520	23,905
Retained earnings		31,731	25,279	29,288
Net profit/loss for the period		3,079	6,924	3,482
Total equity		63,702	60,773	60,725
Total liabilities and equity		1,609,491	1,629,948	1,615,588

Statement of changes in equity

30 June 2025	Restricted equity			Non-restricted equity					Total
	Share capital ¹⁾	Statutory reserve	Fund for internally developed software	Tier 1 instruments	Tier 2 instruments	Hedge reserve ²⁾	Translation reserve ²⁾	Retained earnings including profit for the year	
SEK m									
Closing equity 2024	4,050	8,106	65	17,700	-	-1,367	16	32,203	60,773
Net profit/loss for the period								3,079	3,079
Other comprehensive income of which reclassified in equity						475	-139		336
Total comprehensive income for the period						475	-139	3,079	3,415
Reclassified to retained earnings									-
Dividend on equity instruments								-486	-486
Fund for internally developed software			-14					14	-
Closing equity 30 June 2025	4,050	8,106	51	17,700	-	-892	-123	34,810	63,702

31 December 2024	Restricted equity			Non-restricted equity					Total
	Share capital ¹⁾	Statutory reserve	Fund for internally developed software	Tier 1 instruments	Tier 2 instruments	Hedge reserve ²⁾	Translation reserve ²⁾	Retained earnings including profit for the year	
SEK m									
Closing equity 2023	4,050	8,106	89	17,700	4,500	-2,103	36	29,930	62,308
Net profit/loss for the period								6,924	6,924
Other comprehensive income of which reclassified in equity						736	-20		716
Total comprehensive income for the period						736	-20	6,924	7,640
Reclassified to retained earnings									-
Tier 2 instruments					-4,500				-4,500
Dividend on equity instruments								-1,261	-1,261
Group contributions provided								-4,300	-4,300
Tax effect on Group contributions								886	886
Fund for internally developed software			-24					24	-
Closing equity 31 December 2024	4,050	8,106	65	17,700	-	-1,367	16	32,203	60,773

30 June 2024	Restricted equity			Non-restricted equity					Total
	Share capital ¹⁾	Statutory reserve	Fund for internally developed software	Tier 1 instruments	Tier 2 instruments	Hedge reserve ²⁾	Translation reserve ²⁾	Retained earnings including profit for the year	
SEK m									
Closing equity 2023	4,050	8,106	89	17,700	4,500	-2,103	36	29,930	62,308
Net profit/loss for the period								3,482	3,482
Other comprehensive income of which reclassified in equity						42	42		84
Total comprehensive income for the period						42	42	3,482	3,566
Reclassified to retained earnings									-
Tier 2 instruments					-4,500				-4,500
Dividend on equity instruments								-649	-649
Fund for internally developed software			-7					7	-
Closing equity 30 June 2024	4,050	8,106	82	17,700	-	-2,061	78	32,770	60,725

¹⁾ Average number of shares, 162,000 (162,000).

²⁾ Included in fair value fund.

Condensed statement of cash flows

SEK m	Jan–Jun 2025	Full year 2024	Jan–Jun 2024
Operating profit	3,883	8,739	4,383
Adjustment for non-cash items in profit/loss	390	3,596	2,577
Paid income tax	-682	-841	-511
Change in the assets and liabilities of operating activities	-8,235	20,403	-1,390
Cash flow from operating activities	-4,644	31,897	5,059
Divestment of foreign branch operations	-	-100	-
Acquisition of intangible assets	-	-7	-6
Cash flow from investing activities	-	-107	-6
Repayment of equity instruments	-	-4,500	-4,500
Dividend on equity instruments	-490	-1,325	-722
Group contribution paid	-4,300	-6,000	-6,000
Cash flow from financing activities	-4,790	-11,825	-11,222
Liquid funds at beginning of year	30,485	10,623	10,623
Cash flow for the period	-9,434	19,965	-6,169
Exchange rate difference on liquid funds	-707	-103	31
Liquid funds at end of period	20,344	30,485	4,485
Liquid funds			
Liquid funds held by banks	19,344	29,485	3,485
Pledged cash collateral held by banks	1,000	1,000	1,000
Loans to credit institutions	20,344	30,485	4,485

The cash flow statement has been prepared using the indirect method.

Divestment of foreign branch operations

SEK m	Jan–Jun 2025	Full year 2024	Jan–Jun 2024
Purchase price	-	14,870	-
Loans to the public	-	-14,959	-
Sales overheads	-	-11	-
Net gains/losses	-	-100	-

Key metrics

For definitions, see page 36.

	Jan–Jun 2025	Jul–Dec 2024	Jan–Jun 2024	Full year 2024
Return on equity, %	9.4	10.7	10.6	10.6
Return on total assets, %	0.38	0.43	0.43	0.43
Net interest margin, %	0.69	0.75	0.74	0.74
C/I ratio, %	20.6	21.7	20.5	21.1
Credit loss ratio, %	0.00	-0.01	0.00	-0.01
Common equity tier 1 ratio, CRR, %	12.6	12.5	11.9	12.5
Tier 1 ratio, CRR, %	17.6	17.5	16.9	17.5
Total capital ratio, CRR, %	17.6	17.5	16.9	17.5
Leverage ratio, %	3.94	3.85	3.74	3.85
Average number of employees	49	52	51	52

Calculation of key figures

For definitions, see page 36.

Return on equity

SEK m	Jan–Jun 2025	Jul–Dec 2024	Jan–Jun 2024	Full year 2024
Equity	63,702	60,773	60,725	60,773
Adjustment hedge reserve	892	1,367	2,061	1,367
Return of Group contribution, net	-	3,414	-	3,414
Total adjusted equity	64,594	65,554	62,786	65,554
Adjusted equity, average ¹⁾	65,533	64,149	65,881	65,461
Net profit/loss for the period	3,079	3,442	3,482	6,924
Return on equity, %	9.4	10.7	10.6	10.6

¹⁾ Average closing balance for the past three and five quarters respectively.

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Note 1 Material accounting policies

1. Statement of compliance

Basis for accounts

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The contents of the report also comply with the applicable provisions of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559) and the Swedish Financial Supervisory Authority's regulations and general guidelines FFFS 2008:25 on annual reports in credit institutions and securities companies. RFR 2 Accounting for legal entities, as well as statements issued by the Swedish Financial Reporting Board, were also applied when preparing the accounts.

Stadshypotek's subsidiary holdings comprise the dormant company Svenska Intecknings Garanti AB Sigab. In accordance with Chapter 7, section 7 (4) of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the company has not prepared consolidated accounts as the subsidiary is of marginal significance.

The accounting policies applied in the report correspond to the accounting policies applied in the Annual Report for 2024, with the exception of the amendments described in 2 below.

2. Changed accounting policies

The changes in accounting regulations applicable from 1 January 2025 have not had any impact on the company's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

The company's interim report has been prepared in accordance with the same accounting policies and calculation methods that were applied in the Annual Report for 2024.

3. Changes in IFRS which are yet to be applied

Amendments to the classification and measurement of financial instruments (IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosure)

In May 2024, the IASB published amendments relating to the classification and measurement of financial instruments in IFRS 9 and IFRS 7. The amendments to IFRS 9 and IFRS 7 relating to the classification and measurement of financial instruments were adopted by the EU on 27 May 2025 and are applicable as of the 2026 financial year.

The amendments to IFRS 9 primarily entail clarifications to the assessment of whether contractual cash flows in financial assets, which include terms dependent on future events, meet the criteria to constitute solely payments of principal and interest (SPPI criteria). Above all, the amendments provide guidance for assessing whether the SPPI criteria are met for a sustainability-linked loan.

The amendments to IFRS 9 also clarify the timing of the initial recognition of financial assets and liabilities and the timing of the removal of financial assets and liabilities from the statement of financial position. The amendments include an optional exemption entailing that financial liabilities settled through electronic transfer can be derecognised from the statement of financial position before the settlement date.

The amendments to IFRS 7 entail, among other effects, disclosure requirements regarding contractual terms that could change the amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs.

The company has commenced work on analysing the effects of the amendments to IFRS 9 and IFRS 7. At present, the assessment is that the amendments will not have a material impact on Stadshypotek's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

Other changes in IFRS

None of the other changes in the accounting regulations issued for application are assessed to have a material impact on the company's financial reports, capital adequacy, large exposures or other circumstances according to the applicable regulatory requirements.

4. Exchange rates

Exchange rates	30 June 2025	31 Dec 2024	30 June 2024
EUR 1 = SEK			
Income statement (average)	11.0946	11.4340	11.3929
Balance sheet (at end of period)	11.1422	11.4775	11.3571
NOK 1 = SEK			
Income statement (average)	0.9513	0.9832	0.9912
Balance sheet (at end of period)	0.9394	0.9678	0.9962

Note 2 Other information

Risks and uncertainty factors

Stadshypotek's low risk tolerance means that, as part of the Handelsbanken Group, Stadshypotek avoids granting credits to high-risk customers. Stadshypotek is well capitalised and has a good liquidity situation. Stadshypotek had good access to its desired funding during the period.

Risk Control

Stadshypotek's operations are conducted with a controlled low level of risk. Stadshypotek's risks are credit risk, market risk, liquidity risk and operational risk.

Credit risk is the risk of Stadshypotek facing economic loss because of its counterparties' inability to fulfil their contractual obligations. Market risk stems from price changes in the financial markets. The market risks affecting Stadshypotek are interest rate risk and foreign exchange risk. Liquidity risk refers to the risk that Stadshypotek will not be able to meet its payment obligations when they fall due without being affected by unacceptable costs or losses. Operational risk is defined as the risk of loss due to inadequate or failed internal processes, human error, malfunctioning systems, or external events. The definition includes legal risk.

The Stadshypotek Board establishes policies which describe how various risks should be managed and reported. In addition, Stadshypotek's Chief Executive sets guidelines and instructions for managing and controlling all types of risk. These documents have been based on the policies that the Board of Handelsbanken has adopted for managing and reporting risks within the Handelsbanken Group as a whole. Stadshypotek's risk management aims to ensure compliance with the strict approach to risk established by its Board.

Stadshypotek's lending operations are integrated with those of Handelsbanken, which means that Stadshypotek's lending is carried out via the Bank's branch network. Stadshypotek's funding needs are managed by Handelsbanken's Treasury Department. Individual outsourcing agreements specify the services which Handelsbanken performs on behalf of Stadshypotek. Thus, the business operations at Stadshypotek are conducted according to the same fundamental principles which apply at Handelsbanken. The Bank's

corporate culture is characterised by a clear division of responsibility, where each part of the business operations bears full responsibility for its business and for risk management. The person who is most familiar with the customer and the market conditions is the person best equipped to assess the risk and also take action at an early stage in the event of problems. Each branch and each profit centre is responsible for dealing with any problems that arise. As a consequence, there are strong incentives for high risk awareness and for prudence in business operations.

In addition to the accountability of decision-makers, control procedures are in place to ensure that excessive risks are not taken in individual transactions or local operations. In lending, this means that large loans are subject to limits and are assessed by a separate credit organisation. Limit decisions are made by the local branch, the local credit department or at central level, depending on the size of the credit. As regards the procedures for limiting market risk and liquidity risk at Stadshypotek, the company's Board establishes limits for this purpose. Stadshypotek also has risk control independent of business operations which is responsible for the regular follow-up and monitoring of all risks applying to operations, primarily credit risk, market risk, liquidity risk and operational risk. The risk control function carries out daily measurements and checks to ensure that risk exposure remains within the set limits. Limit utilisation is reported internally within the company, and to the parent company's Group Risk Control function. In addition, limit utilisation is reported regularly to Stadshypotek's Chief Executive and Board of Directors.

Stadshypotek is also covered by Group Risk Control at Handelsbanken, which is designed to identify the Handelsbanken Group's risks, gauge them, and ensure that management of these risks complies with the Group's low risk tolerance. Group Risk Control is responsible for the independent reporting of risks for the banking group of which Stadshypotek is a part.

Group Risk Control also develops and provides models for measuring risk that are applied in Stadshypotek's operations and performs certain calculations that provide a basis for some of Stadshypotek's external reporting. Information about credit risks regarding credit losses can be found in note 6 of this interim report.

Preparedness for liquidity crisis

Stadshypotek is covered by an agreement regarding liquidity support within the Handelsbanken Group. According to the agreement, Handelsbanken holds a liquidity reserve for the Handelsbanken Group as a whole and is thus responsible for Stadshypotek fulfilling the liquidity reserve requirement as stipulated in the Swedish Financial Supervisory Authority's regulation FFFS 2010:7. The agreement also stipulates that the parties, in accordance with Article 8 of CRR and Chapter 6, Section 1 of FFFS 2014:12, are required to provide each other with liquidity support as necessary. Stadshypotek's liquidity situation is regularly stress-tested. The stress tests focus on the short-term effects in the case of certain assumptions of relevance to its operations, for example disruptions in the market for covered bonds. Handelsbanken Risk Control conducts stress tests that focus on long-term disruptions for the entire Group, taking Stadshypotek's liquidity requirements into consideration.

Capital planning

Stadshypotek also has a procedure for continual capital planning to ensure that it has a sufficient amount of capital to secure the company's survival if a serious loss were to occur, despite the measures taken to manage the risks. The method for calculating economic capital ensures that all risks are considered in a consistent manner when the need for capital is assessed.

Capital requirement

Stadshypotek's assessment is that, taking into account current capital requirement regulations, the company is well-capitalised.

Material events after the balance sheet date

No material events have occurred after the balance sheet date.

Note 3 Net interest income

SEK m	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Interest income						
Loans to the public	26,491	31,100	-15	32,138	-18	63,238
Loans to credit institutions	493	383	29	295	67	678
Other interest income	1	1	0	11	-91	12
Total interest income	26,985	31,484	-14	32,444	-17	63,928
<i>of which interest income in accordance with the effective interest method</i>	<i>26,985</i>	<i>31,484</i>	<i>-14</i>	<i>32,444</i>	<i>-17</i>	<i>63,928</i>
Interest expenses						
Due to credit institutions	-11,760	-13,922	-16	-14,599	-19	-28,521
Issued securities	-8,708	-8,600	1	-8,063	8	-16,663
Derivative instruments ¹⁾	-915	-2,896	-68	-3,855	-76	-6,751
Other interest expenses	-4	-3	33	0		-3
Total interest expenses	-21,387	-25,421	-16	-26,517	-19	-51,938
<i>of which interest income in accordance with the effective interest method and interest on derivative instruments used in hedge accounting</i>	<i>-21,387</i>	<i>-25,421</i>	<i>-16</i>	<i>-26,517</i>	<i>-19</i>	<i>-51,938</i>
Net interest income	5,598	6,063	-8	5,927	-6	11,990

¹⁾ Net interest income from derivative instruments related to Stadshypotek's funding may have both a positive and a negative impact on interest expenses.

Note 4 Net gains/losses on financial transactions

SEK m	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Amortised cost	196	146	34	323	-39	469
<i>of which loans</i>	<i>40</i>	<i>26</i>	<i>54</i>	<i>7</i>	<i>471</i>	<i>33</i>
<i>of which issued securities</i>	<i>156</i>	<i>120</i>	<i>30</i>	<i>316</i>	<i>-51</i>	<i>436</i>
Fair value through profit or loss, mandatory and other foreign exchange effects	0	-9	-100	1	-100	-8
<i>Trading, derivatives, foreign exchange effects, etc.</i>	<i>0</i>	<i>-9</i>	<i>-100</i>	<i>1</i>	<i>-100</i>	<i>-8</i>
Hedge accounting	-120	5		2		7
<i>of which net/gains losses, fair value hedges</i>	<i>-108</i>	<i>-4</i>		<i>0</i>		<i>-4</i>
<i>of which ineffective portion of cash flow hedges</i>	<i>-12</i>	<i>9</i>		<i>2</i>		<i>11</i>
Total	76	142	-46	326	-77	468

Loans at amortised cost refers to early redemption charges for loans and receivables which have been repaid ahead of time. Issued securities refers to realised price differences when repurchasing bonds. The profit/loss item 'Net gains/losses, fair value hedges' includes the net result of unrealised and realised changes in the fair value of financial assets and financial liabilities which are subject to hedge accounting. Interest income and interest expenses for hedging instruments are recognised under net interest income. Changes in the value of hedging instruments in cash flow hedges which exceed the changes in the value of hedged future cash flows are recognised under 'ineffective portion of cash flow hedges'.

Note 5 Other administrative expenses

SEK m	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Cost of premises	-3	-2	50	-3	0	-5
External IT costs	-58	-59	-2	-68	-15	-127
Communication	0	0		-1	-100	-1
Travel and marketing	-1	-3	-67	-2	-50	-5
Purchased services ¹⁾	-1,013	-1,073	-6	-1,125	-10	-2,198
Other costs	-32	-151	-79	-27	19	-178
Total	-1,107	-1,288	-14	-1,226	-10	-2,514

¹⁾ Purchased services mainly comprise remuneration to Handelsbanken for services ordered by Stadshypotek and performed by the branch operations. Purchased services also includes remuneration to Handelsbanken for IT services ordered by Stadshypotek, as well as funding services.

Note 6 Credit losses

SEK m	Jan–Jun 2025	Jul–Dec 2024	Change, %	Jan–Jun 2024	Change, %	Full year 2024
Expected credit losses on balance sheet items						
Provision for the period, Stage 3	-34	-26	31	-28	21	-54
Reversal of Stage 3 provisions from previous years	11	2	450	9	22	11
Total expected credit losses in Stage 3	-23	-24	-4	-19	21	-43
Net provision for the period, Stage 2	34	96	-65	-13		84
Net provision for the period, Stage 1	0	16	-100	18	-100	33
Total expected credit losses in Stage 1 and Stage 2	34	112	-70	5		117
Total expected credit losses on balance sheet items	11	88	-88	-14		74
Expected credit losses on off-balance sheet items						
Net provision for the period, Stage 3	-	-	-	-	-	-
Net provision for the period, Stage 2	-	0		0		0
Net provision for the period, Stage 1	0	0		0		0
Total expected credit losses on off-balance sheet items	0	0		0		0
Write-offs						
Actual credit losses for the period	-16	-11	45	-10	60	-21
Utilised share of previous provision in Stage 3	9	6	50	6	50	12
Total write-offs	-7	-5	40	-4	75	-9
Recoveries	-7	9		30		39
Net credit losses	-3	92		12		104
<i>of which loans to the public</i>	<i>-3</i>	<i>92</i>		<i>12</i>		<i>104</i>

SEK m	Jan–Jun 2025	Jul–Dec 2024	Jan–Jun 2024	Full year 2024
Model-based provision in Stage 1 and Stage 2				
Update of macroeconomic assumptions	0	34	38	72
Transfer of exposures in exposed industries from Stage 1 to Stage 2	2	-1	0	-1
Change in risk of default in included portfolio (net rating changes)	4	7	-26	-19
Effect of changed exposure (existing, new and terminated exposures)	13	8	4	12
Other	5	36	-23	13
Total model-based provision in Stage 1 and Stage 2	24	84	-7	77
<i>Expert-based provision</i>	<i>-</i>	<i>-10</i>	<i>-38</i>	<i>-10</i>
Change in expert-based calculation	10	28	12	40
Total expected credit losses in Stage 1 and Stage 2	34	112	5	117

Key metrics, credit losses Loans to the public

	Jan–Jun 2025	Jul–Dec 2024	Jan–Jun 2024	Full year 2024
Credit loss ratio, acc., %	0.00	-0.01	0.00	-0.01
Total reserve ratio, %	0.01	0.01	0.02	0.01
Reserve ratio Stage 1, %	0.00	0.00	0.00	0.00
Reserve ratio Stage 2, %	0.15	0.22	0.33	0.22
Reserve ratio Stage 3, %	4.01	3.79	3.55	3.79
Proportion of loans in Stage 3, %	0.19	0.17	0.16	0.17

For the calculations and definitions of key metrics, see pages 9 and 36.

Note 7 Loans to the public

Loans to the public

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Loans in Swedish kronor			
Gross lending, Household	947,558	944,407	942,044
Gross lending, Corporate	466,213	462,996	455,324
Expected credit losses, Household	-105	-109	-118
Expected credit losses, Corporate	-72	-91	-173
Total	1,413,594	1,407,203	1,397,077
Loans in foreign currency			
Gross lending, Household	106,903	110,872	120,105
Gross lending, Corporate	51,424	65,277	73,571
Expected credit losses, Household	-13	-12	-24
Expected credit losses, Corporate	-10	-10	-12
Total	158,304	176,127	193,640
Total loans to the public	1,571,898	1,583,330	1,590,717
<i>of which accrued interest income, Household</i>	<i>2,268</i>	<i>2,595</i>	<i>3,001</i>
<i>of which accrued interest income, Corporate</i>	<i>1,392</i>	<i>1,525</i>	<i>2,285</i>

Loans to the public, by sector and industry

30 June 2025	Gross			Provisions			Net
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Total
SEK m							
Private individuals	989,020	20,113	2,547	-15	-27	-73	1,011,565
Housing co-operative associations	252,485	6,927	36	-1	-4	-9	259,434
Property management	264,127	8,383	273	-8	-15	-31	272,729
Manufacturing	398	16	12	0	0	0	426
Retail	651	56	11	0	0	-1	717
Hotel and restaurant	585	49	-	0	-1	-	633
Passenger and goods transport by sea	9	1	-	0	0	-	10
Other transport and communication	384	33	4	0	0	-	421
Construction	984	335	7	0	-2	-	1,324
Electricity, gas and water	752	1	-	0	0	-	753
Agriculture, hunting and forestry	15,553	534	21	-2	-3	-2	16,101
Other services	2,224	273	13	-1	-2	-1	2,506
Holding, investment and insurance companies, mutual funds, etc.	1,027	98	-	0	-2	-	1,123
Sovereigns and municipalities	877	-	-	0	-	-	877
Other corporate lending	3,238	39	2	0	0	-	3,279
Total	1,532,314	36,858	2,926	-27	-56	-117	1,571,898

Loans to the public, by sector and industry

31 December 2024	Gross			Provisions			Net
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Total
SEK m							
Private individuals	992,638	18,753	2,403	-14	-38	-65	1,013,677
Housing co-operative associations	263,662	4,525	46	-1	-4	-7	268,221
Property management	255,104	15,424	278	-9	-26	-27	270,744
Manufacturing	415	22	4	0	0	0	441
Retail	626	99	7	0	0	-2	730
Hotel and restaurant	627	80	0	0	-2	-1	704
Passenger and goods transport by sea	9	1	-	0	0	-	10
Other transport and communication	358	44	-	0	0	-	402
Construction	731	271	7	-1	-10	-	998
Electricity, gas and water	897	2	-	0	0	-	899
Agriculture, hunting and forestry	16,079	791	12	-2	-5	-2	16,873
Other services	2,348	413	3	0	-3	-1	2,760
Holding, investment and insurance companies, mutual funds, etc.	1,084	110	1	0	-2	0	1,193
Sovereigns and municipalities	1,273	3	-	0	0	-	1,276
Other corporate lending	4,367	33	2	0	0	-	4,402
Total	1,540,218	40,571	2,763	-27	-90	-105	1,583,330

Note 7 cont.

Loans to the public, by sector and industry

30 June 2024	Gross			Provisions			Net
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Total
SEK m							
Private individuals	995,695	20,976	2,138	-27	-41	-57	1,018,684
Housing co-operative associations	266,093	6,570	18	-1	-4	-7	272,669
Property management	241,838	29,309	356	-9	-98	-23	271,373
Manufacturing	279	61	4	-2	-22	0	320
Retail	665	86	7	0	-1	0	757
Hotel and restaurant	658	76	1	0	-1	-1	733
Passenger and goods transport by sea	11	1	-	0	0	-	12
Other transport and communication	445	45	0	0	0	-	490
Construction	704	306	1	-1	-15	0	995
Electricity, gas and water	1,058	2	-	0	0	0	1,060
Agriculture, hunting and forestry	15,693	950	7	-3	-5	-2	16,640
Other services	2,678	356	4	-1	-3	0	3,034
Holding, investment and insurance companies, mutual funds, etc.	1,167	103	5	0	-2	0	1,273
Sovereigns and municipalities	1,992	3	-	0	0	-	1,995
Other corporate lending	619	62	2	0	-1	-	682
Total	1,529,595	58,906	2,543	-44	-193	-90	1,590,717

Change in the provision for expected credit losses, loans to the public

30 June 2025					
SEK m		Stage 1	Stage 2	Stage 3	Total
Provision at the beginning of the period		-27	-90	-105	-222
Derecognised assets		-3	3	0	0
Write-offs		12	-15	0	-3
Remeasurements due to changes in credit risk		5	13	-5	13
Changes due to update in the methodology for estimation		-14	19	-22	-17
Foreign exchange effect, etc.		-2	0	0	-2
Purchased or originated assets		2	14	6	22
Transfer to Stage 1		0	0	9	9
Transfer to Stage 2		0	0	0	0
Transfer to Stage 3		0	0	0	0
Provision at the end of the period		-27	-56	-117	-200

Change in the provision for expected credit losses, loans to the public

31 December 2024					
SEK m		Stage 1	Stage 2	Stage 3	Total
Provision at the beginning of the period		-61	-180	-89	-330
Derecognised assets		8	30	9	47
Write-offs		0	0	12	12
Remeasurements due to changes in credit risk		8	59	-14	53
Changes due to update in the methodology for estimation		0	0	0	0
Foreign exchange effect, etc.		0	0	0	0
Purchased or originated assets		-4	-2	-1	-7
Transfer to Stage 1		-3	10	0	7
Transfer to Stage 2		11	-31	0	-20
Transfer to Stage 3		14	24	-22	16
Provision at the end of the period		-27	-90	-105	-222

Change in the provision for expected credit losses, loans to the public

30 June 2024					
SEK m		Stage 1	Stage 2	Stage 3	Total
Provision at the beginning of the period		-61	-180	-89	-330
Derecognised assets		-4	10	1	7
Write-offs		15	-35	0	-20
Remeasurements due to changes in credit risk		5	32	-9	28
Changes due to update in the methodology for estimation		3	-26	-6	-29
Foreign exchange effect, etc.		-4	-3	0	-7
Purchased or originated assets		2	9	7	18
Transfer to Stage 1		0	0	6	6
Transfer to Stage 2		0	0	0	0
Transfer to Stage 3		0	0	0	0
Provision at the end of the period		-44	-193	-90	-327

Note 8 Derivative instruments

	Nominal amount/maturity			Nominal amount			Positive market values			Negative market values		
	Up to 1 year	1–5 years	Over 5 years	30 June 2025	31 Dec 2024	30 June 2024	30 June 2025	31 Dec 2024	30 June 2024	30 June 2025	31 Dec 2024	30 June 2024
SEK m												
Derivatives for fair value hedges												
Interest rate-related contracts												
Options	-	-	-	-	-	2		-	0	-	-	-
Swaps	45,300	291,843	25,199	362,342	334,911	329,557	9,003	6,311	4,645	3,171	4,710	6,898
Total	45,300	291,843	25,199	362,342	334,911	329,559	9,003	6,311	4,645	3,171	4,710	6,898
Derivatives for cash flow hedges												
Interest rate-related contracts												
Swaps	26,520	2,000	1,114	29,634	41,722	56,257	83	6	18	333	907	1,744
Currency-related contracts												
Swaps	51,139	24,248	23,458	98,845	89,733	97,782	6,826	8,039	7,209	177	-	82
Total	77,659	26,248	24,572	128,479	131,455	154,039	6,909	8,045	7,227	510	907	1,826
Total derivatives	122,959	318,091	49,771	490,821	466,366	483,598	15,912	14,356	11,872	3,681	5,617	8,724
<i>of which OTC derivatives not settled by CCP</i>	122,959	318,091	49,771	490,821	466,366	483,598	15,912	14,356	11,872	3,681	5,617	8,724
Currency breakdown of market values												
							Positive market values			Negative market values		
							30 June 2025	31 Dec 2024	30 June 2024	30 June 2025	31 Dec 2024	30 June 2024
SEK m												
SEK							-38,905	-41,923	-50,222	12,112	1,885	2,872
EUR							93,208	95,883	94,036	-8,431	3,732	-2,899
NOK							-38,391	-39,604	-31,942	-	-	8,751
Total							15,912	14,356	11,872	3,681	5,617	8,724

Derivative contracts are reported gross on the balance sheet and in the notes. Stadshypotek AB (publ) only has derivative transactions with its parent company, Svenska Handelsbanken AB (publ).

Note 9 Offsetting of financial instruments

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	15,912	14,356	11,872
Amounts set off	-	-	-
Carrying amount on the balance sheet	15,912	14,356	11,872
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	-3,681	-5,617	-8,724
Total amounts not set off on the balance sheet	-3,681	-5,617	-8,724
Net amount	12,231	8,739	3,148
Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements			
Gross amount	-3,681	-5,617	-8,724
Amounts set off	-	-	-
Carrying amount on the balance sheet	-3,681	-5,617	-8,724
Related amounts not offset on the balance sheet			
Financial instruments, netting arrangements	15,912	14,356	11,872
Total amounts not set off on the balance sheet	15,912	14,356	11,872
Net amount	12,231	8,739	3,148

The above information refers to reported financial instruments that are covered by legally binding netting agreements. All financial instruments that are subject to netting agreements have been entered into with the parent company Svenska Handelsbanken AB (publ) as the counterparty. No derivatives are subject to offsetting.

Note 10 Due to credit institutions

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Due in Swedish kronor			
Banks	658,083	695,844	669,525
Total	658,083	695,844	669,525
Due in foreign currency			
Banks	103,072	127,376	128,934
Total	103,072	127,376	128,934
Total due to credit institutions	761,155	823,220	798,459

Note 11 Issued securities

SEK m	30 June 2025		31 Dec 2024		30 June 2024	
	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
Bonds						
Bonds in Swedish kronor	657,688	649,916	614,641	609,610	626,898	624,430
Bonds in foreign currency	122,631	124,114	120,113	122,181	119,359	123,563
Total	780,319	774,030	734,754	731,791	746,257	747,993
Total issued securities	780,319	774,030	734,754	731,791	746,257	747,993
<i>of which accrued interest expenses</i>	<i>5,746</i>		<i>6,109</i>		<i>5,536</i>	

Change analysis

SEK m	30 June 2025	Full year 2024	30 June 2024
Issued securities at beginning of period	734,754	739,845	739,845
Issued	71,000	121,858	71,669
Repurchased	-20,910	-43,217	-24,036
Matured	-5,742	-91,441	-43,341
Foreign exchange effects, etc.	1,217	7,709	2,120
Issued securities at end of period	780,319	734,754	746,257

Note 12 Classification of financial assets and liabilities

30 June 2025

SEK m	Fair value through profit or loss					Fair value
	Mandatory	Fair value option	Derivatives identified as hedging instruments	Amortised cost	Total carrying value	
Assets						
Loans to credit institutions				20,344	20,344	20,344
Loans to the public				1,571,898	1,571,898	1,575,342
Value change of interest-hedged item in portfolio hedge	-				-	-
Derivative instruments			15,912		15,912	15,912
Other assets	7			965	972	972
Total	7	-	15,912	1,593,207	1,609,126	1,612,570
Shares and participating interests in Group companies					0	
Non-financial assets					365	
Total assets					1,609,491	
Liabilities						
Due to credit institutions				761,155	761,155	757,595
Issued securities				780,319	780,319	783,021
Derivative instruments			3,681		3,681	3,681
Other liabilities		7		111	118	118
Total	-	7	3,681	1,541,585	1,545,273	1,544,415
Non-financial liabilities					516	
Total liabilities					1,545,789	

Note 12 cont.

31 December 2024

SEK m	Fair value through profit or loss			Amortised cost	Total carrying value	Fair value
	Mandatory	Fair value option	Derivatives identified as hedging instruments			
Assets						
Loans to credit institutions				30,485	30,485	30,485
Loans to the public				1,583,330	1,583,330	1,582,199
Value change of interest-hedged item in portfolio hedge	-				-	-
Derivative instruments			14,356		14,356	14,356
Other assets	7			1,310	1,317	1,317
Total	7	-	14,356	1,615,125	1,629,488	1,628,357
Shares and participating interests in Group companies					0	
Non-financial assets					460	
Total assets					1,629,948	
Liabilities						
Due to credit institutions				823,220	823,220	810,557
Issued securities				734,754	734,754	729,319
Derivative instruments			5,617		5,617	5,617
Other liabilities		7		5,189	5,196	5,196
Total	-	7	5,617	1,563,163	1,568,787	1,550,689
Non-financial liabilities					388	
Total liabilities					1,569,175	

30 June 2024

SEK m	Fair value through profit or loss			Amortised cost	Total carrying value	Fair value
	Mandatory	Fair value option	Derivatives identified as hedging instruments			
Assets						
Loans to credit institutions				4,485	4,485	4,485
Loans to the public				1,590,717	1,590,717	1,585,108
Value change of interest-hedged item in portfolio hedge	0				0	0
Derivative instruments			11,872		11,872	11,872
Other assets	6			7,851	7,857	7,857
Total	6	-	11,872	1,603,053	1,614,931	1,609,322
Shares and participating interests in Group companies					0	
Non-financial assets					657	
Total assets					1,615,588	
Liabilities						
Due to credit institutions				798,459	798,459	786,698
Issued securities				746,257	746,257	732,805
Derivative instruments			8,724		8,724	8,724
Other liabilities		6		706	712	712
Total	-	6	8,724	1,545,422	1,554,152	1,528,939
Non-financial liabilities					711	
Total liabilities					1,554,863	

Note 13 Fair value measurement of financial instruments

Financial instruments reported at fair value as at 30 June 2025

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Value change of interest-hedged item in portfolio hedge			-	-
Derivative instruments		15,912		15,912
Other assets	7			7
Total	7	15,912	-	15,919
Liabilities				
Derivative instruments		3,681		3,681
Other liabilities		7		7
Total	-	3,688	-	3,688

Financial instruments reported at fair value 31 December 2024

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Value change of interest-hedged item in portfolio hedge			-	-
Derivative instruments		14,356		14,356
Other assets	7			7
Total	7	14,356	-	14,363
Liabilities				
Derivative instruments		5,617		5,617
Other liabilities		7		7
Total	-	5,624	-	5,624

Financial instruments reported at fair value as at 30 June 2024

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Value change of interest-hedged item in portfolio hedge			0	0
Derivative instruments		11,872		11,872
Other assets	6			6
Total	6	11,872	0	11,878
Liabilities				
Derivative instruments		8,724		8,724
Other liabilities		6		6
Total	-	8,730	-	8,730

Changes in the holdings of financial instruments reported at fair value in level 3

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Value change of interest-hedged item in portfolio hedge			
Carrying amount at beginning of year	-	-1	-1
Acquisitions	-	-	-
Matured	-	1	1
Unrealised value change in income statement	-	-	0
Carrying amount at end of period	-	-	0

Note 13 cont.

Fair value of financial instruments measured at amortised cost as at 30 June 2025

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Loans to credit institutions		20,344		20,344
Loans to the public			1,575,342	1,575,342
Other assets			965	965
Total	-	20,344	1,576,307	1,596,651
Liabilities				
Due to credit institutions		757,595		757,595
Issued securities	686,648	96,373		783,021
Other liabilities			111	111
Total	686,648	853,968	111	1,540,727

Fair value of financial instruments measured at amortised cost as at 31 December 2024

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Loans to credit institutions		30,485		30,485
Loans to the public			1,582,199	1,582,199
Other assets			1,310	1,310
Total	-	30,485	1,583,509	1,613,994
Liabilities				
Due to credit institutions		810,557		810,557
Issued securities	665,748	63,571		729,319
Other liabilities			5,189	5,189
Total	665,748	874,128	5,189	1,545,065

Fair value of financial instruments measured at amortised cost as at 30 June 2024

SEK m	Level 1	Level 2	Level 3	Total
Assets				
Loans to credit institutions		4,485		4,485
Loans to the public			1,585,108	1,585,108
Other assets			7,851	7,851
Total	-	4,485	1,592,959	1,597,444
Liabilities				
Due to credit institutions		786,698		786,698
Issued securities	657,589	75,216		732,805
Other liabilities			706	706
Total	657,589	861,914	706	1,520,209

Valuation process

Stadshypotek’s independent risk control is responsible for the existence of appropriate instructions and processes for fair value measurement of financial instruments. In general, the valuations are based on externally generated data as far as is possible, considering the circumstances in each case. In the case of model valuation, valuation models that are established in the market are always used. The models and input data which form the basis of the valuations are regularly validated by the independent risk control function to ensure that they are consistent with market practices and established financial theory. New and revised valuation models are always validated before they come into use.

Stadshypotek is also subject to the Handelsbanken Group’s guidelines and instructions for valuation of financial instruments. Valuation matters which are of principle importance are

discussed by the Handelsbanken Group’s valuation committee, which includes representatives of both central and local risk control as well as financial functions. The valuation committee ensures that general instructions for valuation of financial instruments are consistently followed throughout the Handelsbanken Group and serve as support for decision-making in valuation and accounting matters.

Principles for fair value measurement of financial instruments

Fair value is defined as the price at which an asset could be sold or a liability could be transferred in a normal transaction between independent market participants. For financial instruments traded on an active market, the fair value is the same as the quoted market price. An active market is one where quoted prices are readily and regularly available from a

regulated market, execution venue, reliable news service or equivalent, and where the price information received can easily be verified by means of regularly occurring transactions. The current market price is generally the same as the current bid price for financial assets or the current asking price for financial liabilities.

For financial instruments where there is no reliable information about market prices, fair value is established using valuation models. The valuation models used are based on input data which essentially can be verified using market observations such as market rates. If necessary, an adjustment is made for other variables which a market participant would be expected to take into consideration when setting a price.

Stadshypotek’s derivative contracts, including interest rate swaps and various types of linear currency derivatives, are valued using valuation models based on listed market rates

Note 13 cont.

and other market prices. The valuation of non-linear derivative contracts that are not actively traded is also based on a reasonable assumption of market-based input data such as volatility.

Valuation hierarchy

In the tables, financial instruments at fair value have been categorised in terms of how the valuations have been carried out and the extent of market data used in the valuation. The categorisation is shown as levels 1–3 in the table. The categorisation is based on the valuation method used on the balance sheet date.

Financial instruments which are valued at the current market price are categorised as level 1.

Financial instruments which are valued using valuation models essentially based on market data are categorised as level 2. Level 2 mainly includes interest-related and currency-related derivatives.

Financial instruments which have been valued using valuation models essentially based on input data that is not possible to verify using external market information are categorised as level 3. Level 3 includes Value change of interest-hedged item in portfolio hedge.

Principles for information about the fair values of financial instruments carried at cost or amortised cost

More information about the fair values of financial instruments carried at cost or amortised cost is given in the table. These instruments essentially comprise lending and funding.

Lending

Calculating fair value for lending purposes is based on the current market rate with an adjustment for assumed credit and liquidity risk premiums on market terms. The premium is assumed to be the same as the average margin for new lending at the time of the measurement.

Funding

Issued securities have been valued at the current market price where this was available. Funding where market price information has not been found has been valued using a valuation model based on market data in the form of prices or interest rates for similar instruments.

Other interest-bearing financial assets and liabilities

For means of payment and short-term receivables and liabilities, the carrying amount is considered to be an acceptable estimate of the fair value. Short-term receivables and liabilities also include those with a maturity date or date for the next interest rate fixing falling within 30 days. Financial receivables and liabilities with a life of more than three months are discounted at the time the fair value is established.

Note 13 also reports the fair value of financial instruments reported at cost or amortised cost, categorised according to their respective valuation hierarchy.

Note 14 Assets and liabilities by currency

The total value in Swedish kronor of the company's assets and liabilities broken down by currency is specified in the following table.

30 June 2025

SEK m	SEK	EUR	NOK	Total
Assets				
Loans to credit institutions	9,863	7,768	2,713	20,344
Loans to the public	1,413,594	17,678	140,626	1,571,898
<i>of which corporate</i>	<i>466,140</i>	<i>17,661</i>	<i>33,754</i>	<i>517,555</i>
<i>of which households</i>	<i>947,453</i>	<i>18</i>	<i>106,872</i>	<i>1,054,343</i>
Derivatives	-38,905	93,208	-38,391	15,912
Other assets	1,264	73	-	1,337
Total assets	1,385,816	118,727	104,948	1,609,491
Liabilities				
Due to credit institutions	658,083	23,369	79,703	761,155
Issued securities	657,688	100,877	21,754	780,319
Derivatives	12,112	-8,431	-	3,681
Other liabilities	482	10	93	585
Accrued expenses and deferred income	49	0	0	49
Total liabilities	1,328,414	115,825	101,550	1,545,789
Net foreign currency position	57,402	2,902	3,398	63,702
<i>of which retained earnings and international branch profits for the year</i>		<i>2,133</i>	<i>3,899</i>	<i>6,032</i>

31 December 2024

SEK m	SEK	EUR	NOK	Total
Assets				
Loans to credit institutions	5,189	16,848	8,448	30,485
Loans to the public	1,407,203	29,942	146,185	1,583,330
<i>of which corporate</i>	<i>462,905</i>	<i>29,918</i>	<i>35,349</i>	<i>528,172</i>
<i>of which households</i>	<i>944,298</i>	<i>24</i>	<i>110,836</i>	<i>1,055,158</i>
Derivatives	-41,923	95,883	-39,604	14,356
Other assets	1,729	48	-	1,777
Total assets	1,372,198	142,721	115,029	1,629,948
Liabilities				
Due to credit institutions	695,844	43,909	83,467	823,220
Issued securities	614,641	91,865	28,248	734,754
Derivatives	1,885	3,732	-	5,617
Other liabilities	4,577	782	201	5,560
Accrued expenses and deferred income	23	0	1	24
Total liabilities	1,316,970	140,288	111,917	1,569,175
Net foreign currency position	55,228	2,433	3,112	60,773
<i>of which retained earnings and international branch profits for the year</i>		<i>2,142</i>	<i>3,671</i>	<i>5,813</i>

30 June 2024

SEK m	SEK	EUR	NOK	Total
Assets				
Loans to credit institutions	1,244	689	2,552	4,485
Loans to the public	1,397,077	54,217	139,423	1,590,717
<i>of which corporate</i>	<i>455,151</i>	<i>38,425</i>	<i>35,134</i>	<i>528,710</i>
<i>of which households</i>	<i>941,926</i>	<i>15,792</i>	<i>104,289</i>	<i>1,062,007</i>
Derivatives	-50,222	94,036	-31,942	11,872
Other assets	8,475	35	4	8,514
Total assets	1,356,574	148,977	110,037	1,615,588
Liabilities				
Due to credit institutions	669,525	52,838	76,096	798,459
Issued securities	626,898	97,247	22,112	746,257
Derivatives	2,872	-2,899	8,751	8,724
Other liabilities	1,248	4	132	1,384
Accrued expenses and deferred income	39	0	0	39
Total liabilities	1,300,581	147,190	107,092	1,554,863
Net foreign currency position	55,993	1,787	2,945	60,725
<i>of which retained earnings and international branch profits for the year</i>		<i>2,094</i>	<i>3,447</i>	<i>5,541</i>

Note 15 Pledged assets and commitments

Assets pledged for own debt

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Pledged cash collateral held by banks	1,000	1,000	1,000
<i>of which pledged for covered bonds</i>	1,000	1,000	1,000
Loans to the public ¹⁾	792,507	750,510	766,950
<i>of which pledged for covered bonds</i>	792,507	750,510	766,950
	793,507	751,510	767,950

¹⁾ The cover pool comprises loans against mortgages in single-family housing, multi-family dwellings and housing co-operative apartments with a loan-to-value ratio of up to 75% of the market value, as well as public credits plus additional collateral in the form of cash funds deposited at banks. A separate specification is kept of the assets and the covered bonds, and also derivatives relating to these. In the event of the company's insolvency, pursuant to the Swedish Right of Priority Act, the holders of Stadshypotek's covered bonds have prior rights to the assets registered as collateral. If, at the time of a bankruptcy decision, the assets in the cover pool fulfil the terms of the Act, these must instead be kept separate from the bankruptcy estate's other assets and liabilities. In this event, the holders of the bonds must receive contractual payments under the terms of the bond for the period until maturity.

Commitments

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Credit commitments	1,277	1,894	2,178
Repurchase agreement	694	1,391	4,704
Issued interest rate options, nominal value	-	-	11
Future lease payments	30	38	37
Total	2,001	3,323	6,930

Note 16 Segment reporting

Segment reporting should reflect how the company's management monitors the business operations, which in the case of Stadshypotek corresponds to the geographical organisational structure. For definitions of key metrics, see pages 9 and 36.

Income statement Jan–Jun 2025

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Net interest income	4,959	547	-	92	-	5,598
Net fee and commission income	-23	0	-	0	-	-23
Net gains/losses on financial transactions	79	-3	-	0	-	76
Other income	0	-	-	-	-	0
Total income	5,015	544	-	92		5,651
General administrative expenses						
Staff costs	-43	-	-	-	-	-43
Other administrative expenses	-982	-105	-	-20	-	-1,107
Depreciation, amortisation and impairment losses of property, equipment and intangible assets	-14	-	-	-	-	-14
Total expenses	-1,039	-105	-	-20	-	-1,164
Profit before credit losses and government fees	3,976	439	-	72	-	4,487
Net credit losses	1	-4	-	0	-	-3
Government fees	-586	-	-	-15	-	-601
Operating profit	3,391	435	-	57	-	3,883
Profit before taxes	3,391	435	-	57	-	3,883

Key metrics Jan–Jun 2025

	Sweden	Norway	Denmark	Finland		Stadshypotek AB
Return on total assets, %	0.36	0.45	-	0.29		0.38
Net interest margin, %	0.66	0.73	-	0.50		0.69
C/I ratio, %	20.7	19.3	-	21.5		20.6
Credit loss ratio, %	0.00	0.00	-	0.00		0.00

Balance sheet 30 June 2025

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Loans to the public, Household						
Gross lending, Household	947,558	106,877	-	26	-	1,054,461
Expected credit losses, Household	-105	-5	-	-8	-	-118
Total loans to the public, Household	947,453	106,872	-	18	-	1,054,343
Loans to the public, Corporate						
Gross lending, Corporate	466,213	33,761	-	17,663	-	517,637
Expected credit losses, Corporate	-72	-7	-	-3	-	-82
Total loans to the public, Corporate	466,141	33,754	-	17,660	-	517,555
Total loans to the public	1,413,594	140,626	-	17,678	-	1,571,898
<i>Average loans to the public for the period Jan–Jun 2025</i>	<i>1,406,660</i>	<i>142,418</i>	<i>-</i>	<i>24,045</i>	<i>-</i>	<i>1,573,123</i>
Total assets	1,500,348	143,304	-	25,513	-59,674	1,609,491
<i>Average total assets for the period Jan–Jun 2025</i>	<i>1,491,941</i>	<i>149,231</i>	<i>-</i>	<i>37,070</i>	<i>-65,436</i>	<i>1,612,806</i>

Income statement Jul–Dec 2024

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Net interest income	5,330	547	-	186	-	6,063
Net fee and commission income	-27	-1	-	-1	-	-29
Net gains/losses on financial transactions	148	-6	-	0	-	142
Other income	1	-	-	11	-	12
Total income	5,452	540	-	196	-	6,188
General administrative expenses						
Staff costs	-39	-	-	-	-	-39
Other administrative expenses	-1,056	-69	-	-163	-	-1,288
Depreciation, amortisation and impairment losses of property, equipment and intangible assets	-17	-	-	-	-	-17
Total expenses	-1,112	-69	-	-163	-	-1,344
Profit before credit losses and government fees	4,340	471		33	-	4,844
Net credit losses	90	0	-	2	-	92
Government fees	-504	-61	-	-15	-	-580
Operating profit	3,926	410	-	20	-	4,356
Profit before taxes	3,926	410	-	20	-	4,356

Key metrics Jul–Dec 2024

	Sweden	Norway	Denmark	Finland	Stadshypotek AB
Return on total assets, %	0.42	0.44	-	0.10	0.43
Net interest margin, %	0.72	0.75	-	0.70	0.75
C/I ratio, %	20.4	12.8	-	83.3	21.7
Credit loss ratio, %	-0.01	0.00	-	-0.01	-0.01

Balance sheet, 31 December 2024

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Loans to the public, Household						
Gross lending, Household	944,407	110,842	-	30	-	1,055,279
Expected credit losses, Household	-109	-6	-	-6	-	-121
Total loans to the public, Household	944,298	110,836	-	24	-	1,055,158
Loans to the public, Corporate						
Gross lending, Corporate	462,996	35,353	-	29,924	-	528,273
Expected credit losses, Corporate	-91	-4	-	-6	-	-101
Total loans to the public, Corporate	462,905	35,349	-	29,918	-	528,172
Total loans to the public	1,407,203	146,185	-	29,942	-	1,583,330
<i>Average loans to the public for the period Jul–Dec 2024</i>	<i>1,396,283</i>	<i>141,098</i>	<i>-</i>	<i>46,310</i>	<i>-</i>	<i>1,583,691</i>
Total assets	1,495,815	154,575		46,833	-67,275	1,629,948
<i>Average total assets for the period Jul–Dec 2024</i>	<i>1,482,960</i>	<i>146,289</i>		<i>52,787</i>	<i>-64,955</i>	<i>1,617,081</i>

Note 16 cont.

Income statement Jan–Jun 2024

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Net interest income	5,209	507	1	210	-	5,927
Net fee and commission income	-28	0	-	5	-	-23
Net gains/losses on financial transactions	330	-4	-	0	-	326
Other income	0	-	0	-	-	0
Total income	5,511	503	1	215		6,230
General administrative expenses						
Staff costs	-40	-	-	-	-	-40
Other administrative expenses	-1,147	-59	-	-20	-	-1,226
Depreciation, amortisation and impairment losses of property, equipment and intangible assets	-14	-	-	-	-	-14
Total expenses	-1,201	-59	-	-20	-	-1,280
Profit before credit losses and government fees	4,310	444	1	195	-	4,950
Net credit losses	17	-2	-	-3	-	12
Government fees	-564	-	-	-15	-	-579
Operating profit	3,763	442	1	177	-	4,383
Profit before taxes	3,763	442	1	177	-	4,383

Key metrics Jan–Jun 2024

	Sweden	Norway	Denmark	Finland	Stadshypotek AB
Return on total assets, %	0.41	0.50	-	0.48	0.43
Net interest margin, %	0.71	0.73	-	0.71	0.74
C/I ratio, %	21.8	11.8	0.0	9.5	20.5
Credit loss ratio, %	0.00	0.00	-	0.01	0.00

Balance sheet 30 June 2024

SEK m	Sweden	Norway	Denmark	Finland	Eliminations	Stadshypotek AB
Loans to the public, Household						
Gross lending, Household	942,044	104,297	-	15,808	-	1,062,149
Expected credit losses, Household	-118	-8	-	-16	-	-142
Total loans to the public, Household	941,926	104,289	-	15,792	-	1,062,007
Loans to the public, Corporate						
Gross lending, Corporate	455,324	35,140	-	38,431	-	528,895
Expected credit losses, Corporate	-173	-6	-	-6	-	-185
Total loans to the public, Corporate	455,151	35,134	-	38,425	-	528,710
Total loans to the public	1,397,077	139,423	-	54,217	-	1,590,717
<i>Average loans to the public for the period Jan–Jun 2024</i>	<i>1,389,406</i>	<i>132,690</i>	<i>-</i>	<i>58,312</i>	<i>-</i>	<i>1,580,408</i>
Total assets	1,481,004	141,897	-	54,936	-62,249	1,615,588
<i>Average total assets for the period Jan–Jun 2024</i>	<i>1,467,786</i>	<i>137,899</i>	<i>-</i>	<i>59,522</i>	<i>-61,881</i>	<i>1,603,326</i>

Note 17 Related party disclosures

Related parties – claims and liabilities

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Loans to credit institutions	20,338	30,485	4,485
Derivative instruments	15,912	14,356	11,872
Other assets	85	95	356
Total	36,335	44,936	16,713
Due to credit institutions	761,155	823,220	798,459
Issued securities	53,103	49,111	49,142
Derivative instruments	3,681	5,617	8,724
Other liabilities	34	4,359	48
Total	817,973	882,307	856,373
Commitments	694	1,391	4,704
Derivatives, nominal amounts	490,821	466,367	483,598

Related parties – income and expenses

SEK m	Jan–Jun 2025	Jul–Dec 2024	Jan–Jun 2024	Full year 2024
Interest income	493	383	295	678
Interest expenses ¹⁾	-13,610	-18,006	-19,784	-37,790
Fee and commission income	-	1	1	2
Fee and commission expenses	-4	-8	-4	-12
Other income	4	4	3	7
Other administrative expenses	-1,069	-1,133	-1,193	-2,326
Total	-14,186	-18,759	-20,682	-39,441

¹⁾ Interest expenses from derivative instruments related to Stadshypotek's funding may have both a positive and a negative impact on interest income and interest expenses. All amounts stated in the tables above refer to transactions with the parent company.

The business operations of Stadshypotek are highly decentralised. The basic principle is that the organisation and working practices are centred around Handelsbanken's bank branches, which are responsible for all the business of individual customers. One consequence of this approach is that Stadshypotek's lending operations are run via Handelsbanken's Swedish branch operations and the lending operations in Stadshypotek's branches in Norway and Finland are run via Handelsbanken's branch

operations in the respective countries. Stadshypotek's funding needs are managed by Handelsbanken's Treasury Department. The services performed by Handelsbanken on behalf of Stadshypotek are regulated in outsourcing agreements between the parties.

Most of the inter-company transactions are thus with the parent company, Handelsbanken. The services purchased by Stadshypotek from the parent company, which are included in other administrative expenses, consist primar-

ily of sales compensation, IT services and the treasury function. Stadshypotek's branches outside Sweden make payments to Handelsbanken's branches in the respective countries for services rendered by them on behalf of Stadshypotek. In addition, inter-company transactions consist of funding from the parent company, derivative transactions and lending to the parent company.

Note 18 Disclosures on assets and liabilities held for sale and discontinued operations

Assets and liabilities held for sale, Finland

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Assets			
Loans to the public	17,678	29,942	54,217
Other assets	71	41	28
Prepaid expenses and accrued income	-	-	0
Total	17,749	29,983	54,245
Liabilities			
Current tax liabilities	-	-	-
Other liabilities	7	779	1
Accrued expenses and deferred income	0	0	0
Total	7	779	1

Income, expenses and profit from discontinued operations, Finland

SEK m	Jan–Jun 2025	Full year 2024	Jan–Jun 2024
Net interest income	414	2,299	1,311
Net fee and commission income	0	1	4
Net gains/losses on financial transactions	0	0	0
Other income	-	12	-
Total income	414	2,312	1,315
Staff costs	-	-	-
Other expenses	-1	-113	-1
Depreciation, amortisation and impairment of property, equipment and intangible assets	-	-	-
Total expenses	-1	-113	-1
Net credit losses	0	-1	-3
Government fees	-15	-30	15
Profit from discontinued operations, before taxes	398	2,168	1,296

Cash flow statement from discontinued operations, Finland

SEK m	Jan–Jun 2025	Full year 2024	Jan–Jun 2024
Cash flow from operating activities	10,920	19,541	7,988
Cash flow from investing activities	-	14,870	-
Cash flow from financing activities	-	-	-
Cash flow for the year from discontinued operations	10,920	34,411	7,988

Note 19 Capital adequacy

Presentation in accordance with the requirements of Commission Implementing Regulation (EU) No 1423/2013. The excluded line items are deemed not to be relevant for Stadshypotek at the time of publication.

Own funds

SEK m	30 June 2025	31 Dec 2024	30 June 2024	Regulation (EU) No 575/2013 Article Reference
Common equity tier 1 capital: instruments and reserves				
1 Capital instruments and the related share premium accounts <i>of which share capital</i>	4,050 4,050	4,050 4,050	4,050 4,050	Regulation (EU) No 575/2013 article reference 26.1, 27, 28, 29 EBA list 26.3
2 Retained earnings	39,888	36,864	37,475	26.1 c
3 Accumulated other comprehensive income (and any other reserves, to include unrealised gains and losses according to the applicable accounting standards)	-1,015	-1,351	-1,983	26.1
5a Independently reviewed interim profits net of any foreseeable charge or dividend	1,540	3,510	2,438	26.2
6 Common equity tier 1 (CET1) capital before regulatory adjustments	44,463	43,073	41,980	
Common equity tier 1 capital: regulatory adjustments				
7 Additional value adjustments (negative amount)				34, 105
8 Intangible assets (net of related tax liability) (negative amount)	-51	-65	-81	36.1 b, 37
11 Fair value reserves related to gains or losses on cash flow hedges	892	1,366	2,061	33.1 a
12 Negative amounts resulting from the calculation of expected loss amounts	-989	-1,051	-1,828	36.1 d, 40, 159
14 Gains or losses on liabilities valued at fair value resulting from changes in own credit standing				33.1 b
15 Defined benefit pension fund assets (negative amount)				36.1 e, 41
16 Direct and indirect holdings by an institution of own CET1 instruments (negative amount)				36.1 f, 42
19 Direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)				36.1 i, 43, 45, 47, 48.1 b, 49.1-49.3, 79
20a Exposure amount of the following items which qualify for a risk weight of 1,250%, where the institution opts for the deduction alternative				36 (1) (k)
20c <i>of which securitisation positions (negative amount)</i>				36 (1) (k) (ii), 243 (1) (b), 244 (1) (b), 258
21 Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)				36 (1) (c), 38, 48 (1) (a)
22 Amount exceeding the 15% threshold (negative amount)				48.1
23 <i>Of which direct and indirect holdings by the institution of CET1 instruments of financial sector entities where the institution has a significant investment in those entities</i>				36.1 i, 48.1 b
25 <i>of which deferred tax assets arising from temporary differences</i>				36 (1) (c), 38, 48 (1) (a)
25a Losses for the current financial year (negative amount)				36.1 a
25b Foreseeable tax charges relating to CET1 items (negative amount)				36.1 l
27 Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)				36.1 j
28 Total regulatory adjustments to common equity tier 1 capital (CET1)	-148	250	152	
29 Common equity tier 1 capital	44,315	43,323	42,132	
Additional tier 1 capital: instruments				
30 Capital instruments and the related share premium accounts	17,700	17,700	17,700	51, 52
32 <i>of which classified as liabilities under applicable accounting standards</i>				
33 Amount of qualifying items referred to in Article 484.4 and the related share premium accounts subject to phase-out from AT1				486.3
36 Additional tier 1 (AT1) capital before regulatory adjustments				
Additional tier 1 capital: regulatory adjustments				
37 Direct and indirect holdings by an institution of own AT1 instruments (negative amount)				52.1 b, 56 a, 57
40 Direct and indirect holdings of the AT1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)				56 d, 59, 79
42 Qualifying T2 deductions that exceed the T2 capital of the institution (negative amount)				56 e
43 Total regulatory adjustments to additional tier 1 (AT1) capital				
44 Additional tier 1 capital	17,700	17,700	17,700	
45 Tier 1 capital (tier 1 capital = common equity tier 1 capital + additional tier 1 capital)	62,015	61,023	59,832	

Note 19 cont.

SEK m	30 June 2025	31 Dec 2024	30 June 2024	Regulation (EU) No 575/2013 Article Reference
Tier 2 capital: instruments and reserves				
46 Capital instruments and the related share premium accounts	-	-	-	62, 63
50 Credit risk adjustments				62 c and d
51 Tier 2 (T2) capital before regulatory adjustments	-	-	-	
Tier 2 (T2) capital: regulatory adjustments				
52 Direct and indirect holdings by an institution of own T2 instruments and subordinated loans (negative amount)				63 b i, 66 a, 67
55 Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the institution has a significant investment in those entities (net of eligible short positions) (negative amount)				66d, 69, 79
57 Total regulatory adjustments to tier 2 capital				
58 Tier 2 capital	-	-	-	
59 Total capital (total capital = tier 1 capital + tier 2 capital)	62,015	61,023	59,832	
60 Total risk-weighted assets	351,480	347,799	354,568	
Capital ratios and buffers				
61 Common equity tier 1 capital (as a percentage of the risk-weighted exposure amount)	12.6	12.5	11.9	92.2 a
62 Tier 1 capital (as a percentage of the risk-weighted exposure amount)	17.6	17.5	16.9	92.2 b
63 Total capital (as a percentage of the risk-weighted exposure amount)	17.6	17.5	16.9	92.2 c
64 Institution-specific buffer requirement (CET1 requirement in accordance with Article 92 (1) (a) plus capital conservation and countercyclical buffer requirements plus a systemic risk buffer, plus systemically important institution buffer expressed as a percentage of the total risk-weighted exposure amount)	4.5	4.5	4.5	CRD 128, 129, 130, 131, 133
65 of which capital conservation buffer requirement	2.5	2.5	2.5	
66 of which countercyclical capital buffer requirement	2.0	2.0	2.0	
67 of which systemic risk buffer requirement				
67a of which buffer for global systemically important institutions or other systemically important institutions				
68 Common equity tier 1 capital available for use as a buffer (as a percentage of the risk-weighted exposure amount)	8.1	8.0	7.4	CRD 128
Amounts below the threshold for deductions (prior to determining the risk weight)				
72 Direct and indirect holdings of the capital of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)				36.1 h, 46, 45, 56 c, 59, 60, 66 c, 69, 70
73 Direct and indirect holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 10% threshold and net of eligible short positions)				36.1 i, 45, 48
75 Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)				36.1 c, 38, 48
Applicable caps on the inclusion of provisions in tier 2 capital				
76 Credit risk adjustments included in T2 for exposures subject to standardised approach (prior to the application of the cap)				62
77 Cap for inclusion of credit risk adjustments in T2 under standardised approach				62
78 Credit risk adjustments included in T2 for exposures subject to IRB approach (prior to the application of the cap)				62
79 Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach				62
Capital instruments subject to phase-out arrangements (only applicable between 1 January 2013 and 1 January 2023)				
80 Current cap on CET1 instruments subject to phase-out arrangements				484.3, 486.2, 486.5
81 Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)				484.3, 486.2, 486.5
82 Current cap on AT1 instruments subject to phase-out arrangements				484.4, 486.3, 486.5
83 Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)				484.4, 486.3, 486.5
84 Current cap on T2 instruments subject to phase-out arrangements				484.5, 486.4, 486.5
85 Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)				484.5, 486.4, 486.5

Note 19 cont.

Credit risks IRB

SEK m	Exposure amount			Average risk weight, %			Capital requirement		
	30 June 2025	31 Dec 2024	30 June 2024	30 June 2025	31 Dec 2024	30 June 2024	30 June 2025	31 Dec 2024	30 June 2024
Sovereign, municipalities and central banks	6,262	8,013	9,785	16.4	7.4	7.5	82	47	59
Corporate	288,048	287,654	283,035	12.8	15.7	18.9	2,955	3,605	4,287
of which other lending, foundation approach	38,445	514	693	16.1	15.1	15.6	495	6	9
of which other lending, advanced approach	249,603	287,140	282,342	12.3	15.7	18.9	2,460	3,599	4,278
– Large corporates	1,452	2,742	1,856	32.4	28.2	44.6	38	62	66
– Medium-sized companies	23,696	26,192	27,642	13.5	13.4	14.7	256	280	325
– Property companies	224,455	258,206	252,844	12.1	15.8	19.2	2,166	3,257	3,886
Housing co-operative associations	259,073	268,553	272,562	3.5	1.8	2.1	730	390	459
Household	1,014,660	1,014,966	1,022,591	7.3	7.7	8.1	5,908	6,270	6,653
– Private individuals	1,010,154	1,010,409	1,017,736	7.2	7.7	8.1	5,858	6,217	6,572
– Small companies	4,506	4,557	4,855	13.8	14.6	16.6	50	53	65
Institutions	-	-	-	-	-	-	-	-	-
Non credit-obligation assets	469	95	124	100	75.0	81.4	38	6	8
Total IRB approach	1,568,512	1,579,281	1,588,097	7.7	8.2	9.0	9,713	10,318	11,466
Risk weight floor Swedish and Norwegian mortgages							13,920	13,538	13,444
Risk weight floor Swedish and Norwegian companies with property mortgages							2,493	1,886	1,188
Total IRB approach with impact of risk weight floor	1,568,512	1,579,281	1,588,097	20.8	20.4	20.5	26,126	25,742	26,099

Capital requirement credit risks standardised approach¹⁾

SEK m	30 June 2025			31 Dec 2024			30 June 2024		
	Exposure value	Average risk weight, %	Capital requirement	Exposure value	Average risk weight, %	Capital requirement	Exposure value	Average risk weight, %	Capital requirement
Sovereign and central banks	-	-	-	-	-	-	257	-	-
Institutions	58,341	0.0	-	66,744	0.0	0	37,166	0.0	0
Corporate	-	100.0	-	0	100.0	0	3	100.0	0
Household	724	44.8	26	518	50.2	21	752	100.0	0
Other items	357	20.0	6	1,010	20.0	16	6,269	23.2	130
Total	59,422	0.7	32	68,272	0.7	37	44,447	3.7	130

¹⁾ Details of capital requirement for exposure classes where there are exposures.

Leverage ratio

The leverage ratio requirement according to Article 3.2 of CRR2 was introduced, and is applicable as of 28 June 2023.

Leverage ratio

SEK m	30 June 2025	31 Dec 2024	30 June 2024
Balance sheet according to accounting regulations	1,609,491	1,629,948	1,615,588
Adjustment for differences between the carrying amount and leverage ratio exposure – derivatives	18,137	16,992	16,395
Assets recognised off the balance sheet, gross (before adjustments of credit conversion factors)	322	548	433
Deduction from assets off the balance sheet after applying credit conversion factors	-	-	-
Assets reported off the balance sheet, net	322	548	433
Further adjustments according to CRR, Article 429.4	-148	250	152
Deductions for exposures to Group companies as referred to in CRR Article 429.7	-54,472	-61,929	-33,108
Assets on which the leverage ratio is calculated	1,573,330	1,585,809	1,599,460
Capital on which the leverage ratio can be calculated			
Tier 1 capital	62,015	61,023	59,832
Leverage ratio			
Leverage ratio calculated using tier 1 capital, %	3.94	3.85	3.74

Note 20 Material events after the balance sheet date

No events of material significance have occurred after the balance sheet date.

Signatures of the Board and Chief Executive

We hereby declare that this interim report provides a fair view of the company's operations, financial position and performance and describes material risks and uncertainties to which the company is exposed.

Stockholm, 14 July 2025

Dan Lindwall
Chairman

Michael Bertorp
Board Member

Linda Hellström
Board Member

Michael Sterne
Board Member

Caroline Forsberg
Board Member

Helena Håkansson
Employee Representative,
Board Member

Cecilia Hasselbo
Chief Executive

Auditor's report

Stadshypotek AB, corporate identity number 556459-6715

Introduction

We have conducted a limited review of the condensed interim financial information (interim report) for Stadshypotek AB (publ) as of 30 June 2025, and the nine-month period ending on that date. The board of directors and the managing director are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our limited review.

The focus and scope of the limited review

We have conducted our limited review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A limited review consists of making inquiries, primarily of persons responsible for financial and accounting matters, performing analytical procedures, and other review procedures. A limited review has a different focus and a significantly smaller scope compared to the focus and scope of an audit conducted in accordance with ISA and generally accepted auditing standards. The review procedures taken in a limited review do not enable us to obtain the assurance that we would become aware of all significant matters that might have been identified in an audit. Therefore, the conclusion

expressed based on a limited review does not have the assurance that a conclusion expressed based on an audit has.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the group in accordance with IAS 34 and the Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Stockholm, 14 July 2025
Öhrlings PricewaterhouseCoopers AB

Magnus Svensson Henryson
Certified Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Definitions

Alternative performance measures

Alternative Performance Measures (APMs) are financial measures of historical and future performance, financial position or cash flow that are defined in neither IFRS nor the Capital Requirements Regulation.

Stadshypotek uses APMs to describe the performance of the operations and to increase comparability between periods. These need not be comparable with similar key metrics (performance measures) presented by other companies.

Benchmark programme

Covered bonds are issued in the company's own name and as part of a joint funding programme. The bonds have a fixed coupon yield or a floating rate.

C/I ratio

Total expenses in relation to total income.

Credit loss ratio as a percentage of loans to the public

Credit losses on loans to the public in relation to loans to the public at the beginning of the period.

Earnings per share

Profit for the year attributable to holders of ordinary shares divided by the average number of outstanding shares. Where applicable, the dilution effect is taken into account.

Mortgage loans

Lending in a mortgage institution.

Net interest margin

Net interest income in relation to average total assets.

Proportion of loans in Stage 3

Net loans to the public Stage 3 in relation to gross loans to the public.

Reserve ratio Stage 1 loans to the public

Provisions Stage 1 loans to the public in relation to gross loans to the public Stage 1.

Reserve ratio Stage 2 loans to the public

Provisions Stage 2 loans to the public in relation to gross loans to the public Stage 2.

Reserve ratio Stage 3 loans to the public

Provisions Stage 3 loans to the public in relation to gross loans to the public Stage 3.

Return on equity

Profit for the year in relation to average equity adjusted for rights issues, dividends and changes in the value of derivatives in cash flow hedges.

Return on total assets

Profit for the year in relation to average total assets.

Total reserve ratio, loans to the public

Total provisions loans to the public in relation to gross loans to the public.

Key figures defined in the Capital Requirements Regulation

Additional tier 1 capital

Additional tier 1 capital comprises perpetual subordinated loans which meet the requirements stated in Regulation (EU) No 575/2013 and can therefore be included in the tier 1 capital.

Capital requirement

The statutory capital requirement means that an institution which is subject to CRR must have a common equity tier 1 ratio of at least 4.5 per cent, a tier 1 ratio of at least 6 per cent and a total capital ratio of at least 8 per cent. This means that own funds for the respective ratio must be at least the stated percentage of the risk exposure amount. For definitions of the respective own funds amounts, see Common equity tier 1 capital, Tier 1 capital and Total capital. In addition to the general requirements, the supervisory authority may add institution-specific requirements in accordance with the second pillar of the regulations.

Common equity tier 1 capital

Common equity tier 1 capital is one of the components of own funds and mainly comprises equity. Deductions are made for dividends generated, goodwill, and other intangible assets and also the difference between an expected loss and provisions made for probable credit losses.

Common equity tier 1 capital available for use as a buffer

The common equity tier 1 ratio after a deduction for the part of common equity tier 1 capital required to comply with all formal requirements.

Common equity tier 1 ratio

Common equity tier 1 capital in relation to risk-weighted exposure amount.

Credit conversion factor (CCF)

The factor that is used when calculating the exposure amount for unutilised overdraft facilities, credit commitments, guarantees and other off-balance-sheet commitments.

Exposure amount

Exposure amount (exposure at default) is the amount which is subject to capital adequacy requirements. The amount is calculated taking into account interest rates and fees. Amounts relating to off-balance-sheet items are recalculated using a credit conversion factor (CCF). For derivatives, the exposure amount is calculated as positive MTM (mark-to-market) plus value change risk, i.e. the nominal amount multiplied by the upward adjustment factor.

Exposure value

Exposure value is the same as exposure amount. The concept of exposure value is used in the standardised approach for credit risk.

Leverage ratio

Tier 1 capital in relation to total assets, including certain off-balance-sheet items recalculated with credit conversion factors defined in the standardised approach and regulatory adjustments from own funds.

Own funds/Total capital

Own funds are the sum of tier 1 and tier 2 capital.

Risk exposure amount

The capital requirement in accordance with CRR, multiplied by 12.5. The risk exposure amount is used in connection with market risk and operational risk.

Risk weight

A measure to describe the level of risk an exposure is expected to have according to the capital adequacy regulations.

Risk-weighted assets

Total risk exposure amounts. The statutory capital requirement is based on this.

Risk-weighted exposure amount

Exposure amount multiplied by risk weight. Risk-weighted exposure amounts are used in connection with credit risks, including counterparty risks.

Tier 1 capital

Common equity tier 1 capital including additional tier 1 capital.

Tier 1 ratio

Tier 1 capital in relation to risk-weighted exposure amount.

Tier 2 capital

Tier 2 capital is a sub-component of own funds and comprises, among other things, subordinated loans and puttable financial instruments classified as equity which meet the requirements stated in Regulation (EU) No 575/2013 and can therefore be included in tier 2 capital.

Total capital ratio

Total own funds for capital adequacy purposes in relation to risk-weighted assets.

Total risk-weighted exposure amount

Total risk exposure amount is the sum of risk exposure amount and risk-weighted exposure amount.

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