

Aprila

Q1 Interim report

January – March 2025

Unaudited

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Interim report

About Aprila Bank ASA

Aprila Bank offers accessible and convenient credit to small and medium-sized businesses. The bank commenced operations in April 2018.

Aprila's technology infrastructure employs machine learning models that predict outcomes and price risk automatically, using real-time data in addition to ordinary sources of credit information. This enables the bank to offer credit to businesses with a seamless customer experience.

The bank is owned by private and institutional investors in Norway and abroad. The largest shareholders are SES AS (24.9%), Amesto Group AS (13.4%), and Kvantia AS (6.0%)¹.

First quarter 2025

Highlights from the quarter are outlined below.

Highlights Q1 25

- Aprila delivered an all-time-high gross lending growth of NOK 143 million and an all-time-high pre-tax profit of NOK 14.1 million in the quarter.
- Total income amounted to NOK 56.7 million, an increase of 16% YoY and 7% QoQ.
- Gross lending at the end of the quarter amounted to NOK 1,216 million, an increase of 26% YoY and 13% QoQ.
- At the end of the quarter, Aprila had 5,395 unique business customers, a decline of -21% YoY and an increase of 3% QoQ. The YoY-decline is primarily caused by the discontinuation of spot factoring in July 2024.
- At the end of the quarter, Aprila had 5,427 open customer accounts: credit line (5,085 accounts), spot factoring (139 accounts) and downpayment loan (203 accounts).

Financial figures

All figures are prepared and presented in accordance with IFRS. Comparable figures from Q1 24 are presented in brackets.

Interest income in the quarter amounted to NOK 63.2 million (NOK 53.3 million), net interest income to NOK 49.7 million (NOK 43.8 million) and total income was NOK 56.7 million (NOK 48.7 million).

Total operating expenses amounted to NOK 31.1 million (NOK 27.1 million) of which NOK 17.6 million (57%) in salary and personnel expenses, NOK 12.2 million (39%) in general administrative expenses and NOK 1.3 million (4%) in depreciation and impairment of fixed and intangible assets.

Losses on loans amounted to NOK 11.6 million (NOK 16.4 million). Pre-tax operating profit amounted to NOK 14.1 million (NOK 5.2 million).

¹ As registered in VPS 25 April 2025.

Total assets at the end of the quarter amounted to NOK 1,453 million (NOK 1,100 million) of which NOK 1,110 million (NOK 857 million) were net loans to customers. Total equity amounted to NOK 311 million (NOK 265 million) and the CET1-ratio was 29.2% (34.8%). Total liquid assets amounted to NOK 329 million (NOK 227 million) of which NOK 100 million in bank deposits and NOK 229 million in certificates and bonds.

Outlook

Macroeconomic outlook

The global macroeconomic outlook deteriorated in the first quarter of 2025, primarily due to President Donald Trump's expansive tariff policies and escalating geopolitical tensions. These developments have introduced substantial uncertainty, dampened investment, and disrupted global trade flows. The International Monetary Fund (IMF) has downgraded its global growth forecast for 2025 to 2.8%, a 0.5 percentage point reduction from earlier estimates, and significantly lower than the historical (2000-19) average of 3.7%². The IMF warns that continued trade conflicts could further dampen economic activity, increase financial market volatility, and tighten financial conditions.

Norges Bank kept the key policy rate unchanged at 4.5% in its monetary policy meetings in January, March and May. In the press release issued in connection with the meeting in May, the central bank said that the policy rate most likely will be reduced "in the course of 2025"³.

America's Federal Reserve (Fed) cut the federal funds rate by 1 percentage point during the second half in 2024; 50 bps in its meeting in September and 25 bps in its meetings in November and December. In the meetings in January, March and May 2025, the Fed decided to maintain the target range for the federal funds rate at 4.25 – 4.50%. The European Central Bank (ECB) has lowered its deposit facility rate by 1.75 percentage points from June 2024 to April 2025; from 4.00% to 2.25%⁴.

The 4.50 percentage point increase in the Norwegian key policy rate from September 2021 to December 2023 has, as of the date of this report, resulted in an increase of Aprila's funding cost of 3.82 percentage points⁵. Aprila is favourably positioned to manage potential future hikes in interest level as the bank's loan agreements provide a high degree of pricing flexibility. Moreover, since the bank offers high-yielding products, the relative effect of potential future increases in interest rates on the customers' borrowing cost is quite modest. Potential future reductions in the key policy rate are expected to positively impact the banks profitability in the short to medium term as the pass-through to funding cost most likely will exceed the pass-through to lending rates.

In the current macro-economic environment, we consider the key uncertainty for Aprila to be the effect of continued low economic growth on our customers' credit appetite and quality. The bank will continue to closely monitor the financial health of its customers and continuously align its risk appetite with the customers' financial performance.

Retail classification

Aprila Bank has employed retail classification in accordance with Article 123 of the Capital Requirements Regulation (CRR) since 30 September 2021. In the Financial Supervisory Authority's final report from the

² <https://www.imf.org/en/Publications/WEO/Issues/2025/04/22/world-economic-outlook-april-2025?cid=ca-com-homepage-SM2025-WEOEA2025001>

³ <https://www.norges-bank.no/en/topics/Monetary-policy/Monetary-policy-meetings/2025/may-2025/?tabs=146051>

⁴ https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html

⁵ From 1.0 percent in September 2021 to 4.82 percent from 30 May 2024.

2022 on-site inspection at Aprila (published on 12 October 2022) the Financial Supervisory Authority (FSA) wrote that "(...) *the bank must have data for a longer time period to be able to document that the risk has been sufficiently reduced so that risk weights of 75 percent can be used*". Furthermore, the FSA stated that they would address the matter in a separate letter. The bank has not received this letter as of the date of this report.

Along with other Norwegian banks, Aprila received an information request from the FSA in April 2023, requesting more information on the bank's policies and application of retail classification. Aprila responded to the information request within the deadline in August 2023 and expects the FSA to issue a revised circular letter on the topic. Our understanding is that FSA intends to issue the revised circular letter when the consultation on EBA's draft guidelines on proportionate retail diversification methods⁶ is completed. The deadline for the submission of comments was 12 February 2025⁷.

The bank is of the opinion that the exposures classified as retail exposures as of 31 March 2025, meet the requirements of Article 123 of CRR and has decided to use retail classification to calculate the risk-weighted exposure amount for credit risk for these exposures as of 31 March 2025. If EBA's proposed guidelines become applicable in Norway, some of the exposures currently classified as retail may be reclassified in a way that results in a higher risk weight. However, the bank expects the impact of this on the risk-weighted exposure amount to be limited.

Capital requirements

On 30 April 2024, FSA finalised its supervisory review (SREP) of Aprila and issued a Pillar 2 requirement (P2R) of 5.4% and a Pillar 2 guidance (P2G) of 1.5% with effect from 31 May 2024.

On 19 December 2024, the FSA informed Aprila Bank that the P2R will be reduced from 5.4% to 4.8% with effect from 31 May 2024. The FSA also informed Aprila that the bank's P2R no longer needs to consist of 100% CET1 capital, as per the bank's latest SREP from May 2024, but may consist of minimum 56.25% common equity tier 1 (CET1) capital and minimum 75% tier 1 capital. In addition, the FSA stated that it intends to perform a new SREP already in 2025.

The change implies a relief of 2.7% in the CET1 requirement (from 19.4% to 16.7%), equivalent to NOK 25 million based on the total risk exposure amount of NOK 920 million as of 31 December 2024.

With a Pillar 1 requirement of 14.0%⁸, a Tier 1 requirement of 1.5%, a Tier 2 requirement of 2.0%, a P2R of 4.8% and a P2G of 1.5%, Aprila's OCR is 22.3% and the FSA expects Aprila to maintain a total capital ratio above 23.8%. The regulatory minimum leverage ratio requirement is 5.0%, the minimum LCR is 100% and the minimum NSFR is 100%.

The amended Capital Requirements Regulation (CRR3) entered into force in Norway on 1 April 2025. According to our understanding, the most important changes for Aprila are (i) new guidelines from EBA on retail classification, (ii) the introduction of a credit conversion factor for unused credit limits than may be withdrawn unconditionally, and (iii) a new methodology for calculation of the risk exposure amount for operational risk. The bank expects that the net effect of the changes on its total risk exposure amount will be limited.

⁶ As specified in CRR Article 123, point (c)

⁷ <https://www.eba.europa.eu/publications-and-media/press-releases/eba-consults-guidelines-proportionate-retail-diversification-methods>

⁸ Applicable to all Norwegian banks.

Key priorities

In 2025, Aprila focuses on the following three key priorities:

Accelerate growth

In 2025, Aprila will continue to improve its offering to and acquisition of larger customers, aiming to accelerate growth while maintaining a robust ratio of customer lifetime value to customer acquisition cost.

Strengthen competitive advantage

We believe that unmatched operational scalability combined with high quality of processes and output is key to create sustainable competitive advantage in Aprila's market. In 2025, Aprila will implement a set of carefully selected and prioritised initiatives that will increase the level of automation and quality of key business processes and thus strengthen Aprila's competitive advantage.

Improve long-term profitability

Aprila delivered its first full-year positive profit after tax of NOK 23 million in 2023, equivalent to a return on equity of 11.5%. In 2024, Aprila delivered a profit after tax of NOK 37 million, equivalent to a return on equity of 13.9%. The development reflects the bank's operational efficiency and the scalability of its business model. Looking ahead, the bank remains committed to improving its underlying profitability and expects to deliver a robust profit after tax in 2025.

Future prospects

We believe that artificial intelligence (AI) will radically transform how businesses are run in the next two to five years. Businesses that are slow to adapt their operations to AI will most likely be outcompeted by other businesses leveraging AI for superior strategy, cost efficiency, speed, and customer service.

Aprila has used machine learning extensively for the training of the bank's credit models and our understanding is that Aprila is in the forefront among banks using AI capabilities in real-time business decisions. Thanks to our small size, agility, and tech-savvy team, we are well-positioned to keep leveraging new AI technology as it emerges.

Looking ahead, we are confident that the continued adaptation of new technology, combined with the scalability of Aprila's business model, will continue to improve the bank's underlying operating expenses and loan losses relative to total income. We expect this to contribute to a steady improvement of the bank's return on equity over time.

Subsequent events

There is no awareness of other events after the date of the balance sheet that may be of material significance to the accounts.

Other information

The accounting surplus for the first quarter of 2025 has in its entirety been added to retained earnings. The interim report has not been audited by the company's external auditor, and hence, the retained earnings year-to-date as of 31 March 2025 is deducted from common equity tier 1, cf. CRR Article 26.

Oslo, 14 May 2025

Board of Directors

Aprila Bank ASA

Condensed consolidated interim statement of comprehensive income

<i>Amounts in NOK thousand</i>	Note	Q1 2025	Q1 2024	2024
Interest income		63,182	53,259	230,269
Interest expense		13,515	9,457	46,508
Net interest income		49,667	43,801	183,761
Income commissions and fees		4,441	3,961	16,686
Expenses commissions and fees		147	214	898
Net commissions and fees		4,294	3,748	15,788
Net gains / losses (-) on certificates, bonds and currency		2,773	1,189	8,089
Other income		0	0	0
Total income		56,734	48,738	207,638
Salary and other personnel expenses		17,615	14,919	61,613
General administrative expenses	8	12,229	10,554	45,321
Total salary and administrative expenses		29,844	25,473	106,934
Depreciation and impairment of fixed and intangible assets		1,277	1,620	6,387
Total operating expenses excl. losses on loans		31,120	27,094	113,321
Losses on loans	2, 3	11,556	16,440	56,979
Pre-tax operating profit		14,058	5,205	37,338
Tax	9	0	0	0
Profit after tax		14,058	5,205	37,338
Earnings per share (NOK)		0.19	0.08	0.52
Diluted earnings per share (NOK)		0.19	0.08	0.52
<i>Amounts in NOK thousand</i>	Note	Q1 2025	Q1 2024	2024
Comprehensive income for the period		14,058	5,205	37,338

Condensed statement of financial position

<i>Amounts in NOK thousand</i>	Note	31.03.2025	31.12.2024	31.03.2024
Loans and deposits with credit institutions	<u>5, 6</u>	99,910	168,803	92,721
Net loans to customers	<u>2, 3, 6</u>	1,110,336	977,840	857,316
Certificates and bonds	<u>6</u>	228,841	256,060	134,154
Other intangible assets		4,117	4,316	6,423
Deferred tax assets	<u>9</u>	0	0	0
Fixed assets		1,882	2,443	1,505
Other receivables	<u>7</u>	7,920	6,101	7,888
Total assets		1,453,006	1,415,564	1,100,006
Deposits from and debt to customers	<u>6</u>	1,121,928	1,096,783	810,637
Other debt	<u>7</u>	20,153	21,913	24,698
Total liabilities		1,142,080	1,118,696	835,335
Share capital	<u>4</u>	72,660	72,660	72,651
Share premium	<u>4</u>	328,940	328,940	328,901
Unregistered Share capital	<u>4</u>	0	0	0
Other paid-in equity	<u>4</u>	3,424	3,424	3,410
Retained earnings	<u>4</u>	-94,098	-108,157	-140,290
Total equity		310,926	296,868	264,671
Total equity and liabilities		1,453,006	1,415,564	1,100,006

Condensed statement of the cash flow position

Amounts in NOK thousand	Note	Q1 2025	Q1 2024	2024
Pre-tax operating profit		14,058	5,205	37,338
Taxes	<u>9</u>	0	0	0
Depreciation and impairment of fixed and intangible assets		1,277	1,620	6,387
Change in loans	<u>3</u>	-132,496	-37,541	-158,066
Change in deposits from customers		25,144	-10,598	275,548
Change in securities	<u>6</u>	27,219	18,809	-103,097
Change in accruals		-3,213	-172	-2,210
Net cash flow from operating activities		-68,010	-22,676	55,901
Net investments in fixed assets		-68	-60	-361
Net investments in intangible assets		-450	-599	-1,471
Net cash flow from investing activities		-517	-658	-1,832
Paid-in equity	<u>4</u>	0	42,790	42,854
Repayment of leasing liabilities		-367	-538	-1,923
Net cash flow from financing activities		-367	42,253	40,931
Net cash flow for the period		-68,894	18,918	95,000
Cash and cash equivalents at the start of the period	<u>5</u>	168,803	73,803	73,803
Cash and cash equivalents at the end of the period	<u>5</u>	99,910	92,721	168,803

Condensed statement of changes in equity

<i>Amounts in NOK thousand</i>	Share capital	Share premium	Unregistered share capital	Other paid-in equity	Retained earnings	Total equity
Equity as of 31 December 2023	65,819	291,636	1,315	3,402	-145,495	216,676
Share capital increase	6,832	37,265	-1,315			42,782
Changes in equity due to stock options program				8		8
Net profit for the period					5,205	5,205
Equity as of 31 March 2024	72,651	328,901	0	3,410	-140,290	264,671

<i>Amounts in NOK thousand</i>	Share capital	Share premium	Unregistered share capital	Other paid-in equity	Retained earnings	Total equity
Equity as of 31 December 2024	72,660	328,940	0	3,424	-108,157	296,868
Share capital increase	0	0	0			0
Changes in equity due to stock options program				0		0
Net profit for the period					14,058	14,058
Equity as of 31 March 2025	72,660	328,940	0	3,424	-94,098	310,926

Notes

Note 1 General accounting principles

Reporting entity

Aprila Bank is a bank domiciled in Norway. The bank's registered office is at Kirkegata 5, 0153 Oslo.

Basis of accounting

These interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and with the same accounting principles as used in the annual statement for 2024.

Aprila was granted a commercial banking license from the Financial Supervisory Authority of Norway (NO: Finanstilsynet) in March 2018.

The interim report was authorised for issue by the bank's board of directors on 14 May 2025.

Functional and presentation currency

These consolidated financial statements are presented in NOK, which is the bank's functional currency. All amounts have been rounded to the nearest thousand, except where otherwise indicated.

Note 2 Expected credit loss

According to IFRS 9, loan loss allowances should be recognised based on expected credit losses (ECL). The general model for loan loss allowances on financial assets in IFRS 9 applies to financial assets that are measured at amortised cost or at fair value with changes in value through other comprehensive income (OCI), and that did not have any losses incurred on initial recognition.

Expected credit losses shall be measured in a way that reflects an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes. As of 31 March 2025, Aprila has used three scenarios to determine the probability-weighted expected credit losses:

<i>Amounts in NOK thousand</i>	Base	Recession	Boom	Weighted
Probability	50%	35%	15%	
ECL	99,916	120,590	87,887	105,347

Note 3 Loans to customers

Loans to customers

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Credit line	1,154,511	1,040,069	929,183
Downpayment loans	51,440	20,571	0
Other	9,732	11,562	36,504
Gross loans to customers	1,215,683	1,072,202	965,687
Loan loss allowance	105,347	94,362	108,371
Net loans to customers	1,110,336	977,840	857,316

Defaults and losses

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Gross loans in stage 3	93,117	69,199	108,053
Loan loss allowance stage 3	59,901	50,971	69,995
Net loans in stage 3	33,216	18,228	38,059

Loan loss provisions in the period

<i>Amounts in NOK thousand</i>	Q1 2025	Q1 2024	2024
Loan loss provisions stage 1	-637	1,703	5,845
Loan loss provisions stage 2	2,693	1,819	2,692
Loan loss provisions stage 3	5,090	11,343	-25,994
Total loan loss provisions in the period	7,145	14,864	-17,457
Realised losses in the period	4,411	1,575	74,436
Losses on loans in the period	11,556	16,440	56,979

Ageing of loans, Loans to customers

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Loans not past due	1,075,718	973,468	807,714
Past due 1 - 30 days	29,493	21,161	37,065
Past due 31 - 60 days	12,440	7,824	14,291
Past due 61 - 90 days	11,169	9,518	10,231
Past due 91+ days	86,863	60,233	96,386
Total	1,215,683	1,072,202	965,687

Ageing of loans, Credit line

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Loans not past due	1,023,074	950,302	789,767
Past due 1 - 30 days	28,406	21,115	29,445
Past due 31 - 60 days	12,370	7,768	12,039
Past due 61 - 90 days	11,168	9,447	9,199
Past due 91+ days	79,493	51,437	88,732
Total	1,154,511	1,040,069	929,183

Ageing of loans, Downpayment loans

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Loans not past due	50,292	20,571	0
Past due 1 - 30 days	1,077	0	0
Past due 31 - 60 days	71	0	0
Past due 61 - 90 days	0	0	0
Past due 91+ days	0	0	0
Total	51,440	20,571	0

Loans to customers

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as of 31 December 2024	853,136	149,868	69,199	1,072,202
Transfers from stage 1 to stage 2	-97,072	97,072	0	0
Transfers from stage 1 to stage 3	-1,790	0	1,790	0
Transfers from stage 2 to stage 1	26,871	-26,871	0	0
Transfers from stage 2 to stage 3	0	-20,247	20,247	0
Transfers from stage 3 to stage 1	78	0	-78	0
Transfers from stage 3 to stage 2	0	176	-176	0
New financial assets issued in the period	261,894	9,014	15,236	286,144
Financial assets derecognised in the period	-113,032	-16,529	-13,101	-142,663
Gross carrying amount as of 31 March 2025	930,083	192,483	93,117	1,215,683

Loan loss allowance

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as of 31 December 2024	23,600	19,792	50,971	94,362
Transfers from stage 1 to stage 2	-4,737	4,737	0	0
Transfers from stage 1 to stage 3	-92	0	92	0
Transfers from stage 2 to stage 1	862	-862	0	0
Transfers from stage 2 to stage 3	0	-3,282	3,282	0
Transfers from stage 3 to stage 1	3	0	-3	0
Transfers from stage 3 to stage 2	0	72	-72	0
New financial assets issued in the period	2,584	448	22	3,055
Increased expected credit loss	4,753	6,542	13,806	25,101
Decreased expected credit loss	-3,741	-4,722	-4,628	-13,092
Financial assets derecognised in the period	-269	-241	-3,569	-4,079
Loan loss allowance as of 31 March 2025	22,962	22,484	59,901	105,347

Loans to customers, Credit line

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as of 31 December 2024	830,497	149,317	60,255	1,040,069
Transfers from stage 1 to stage 2	-95,687	95,687	0	0
Transfers from stage 1 to stage 3	-1,790	0	1,790	0
Transfers from stage 2 to stage 1	26,871	-26,871	0	0
Transfers from stage 2 to stage 3	0	-20,247	20,247	0
Transfers from stage 3 to stage 1	78	0	-78	0
Transfers from stage 3 to stage 2	0	176	-176	0
New financial assets issued in the period	230,465	8,176	15,172	253,813
Financial assets derecognised in the period	-111,402	-16,496	-11,473	-139,371
Gross carrying amount as of 31 March 2025	879,032	189,743	85,737	1,154,511

Loan loss allowance, Credit line

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as of 31 December 2024	23,151	19,725	45,111	87,987
Transfers from stage 1 to stage 2	-4,711	4,711	0	0
Transfers from stage 1 to stage 3	-92	0	92	0
Transfers from stage 2 to stage 1	862	-862	0	0
Transfers from stage 2 to stage 3	0	-3,282	3,282	0
Transfers from stage 3 to stage 1	3	0	-3	0
Transfers from stage 3 to stage 2	0	72	-72	0
New financial assets issued in the period	1,786	369	16	2,171
Increased expected credit loss	4,657	6,364	12,716	23,738
Decreased expected credit loss	-3,687	-4,722	-4,606	-13,015
Financial assets derecognised in the period	-269	-240	-2,586	-3,096
Loan loss allowance as of 31 March 2025	21,700	22,136	53,950	97,786

Loans to customers, Downpayment loans

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as of 31 December 2024	20,044	527	0	20,571
Transfers from stage 1 to stage 2	-1,385	1,385	0	0
Transfers from stage 1 to stage 3	0	0	0	0
Transfers from stage 2 to stage 1	0	0	0	0
Transfers from stage 2 to stage 3	0	0	0	0
Transfers from stage 3 to stage 1	0	0	0	0
Transfers from stage 3 to stage 2	0	0	0	0
New financial assets issued in the period	31,144	838	0	31,981
Financial assets derecognised in the period	-1,103	-9	0	-1,112
Gross carrying amount as of 31 March 2025	48,700	2,740	0	51,440

Loan loss allowance, Downpayment loans

<i>Amounts in NOK thousand</i>	Stage 1	Stage 2	Stage 3	Total
Loan loss allowance as of 31 December 2024	395	66	0	461
Transfers from stage 1 to stage 2	-26	26	0	0
Transfers from stage 1 to stage 3	0	0	0	0
Transfers from stage 2 to stage 1	0	0	0	0
Transfers from stage 2 to stage 3	0	0	0	0
Transfers from stage 3 to stage 1	0	0	0	0
Transfers from stage 3 to stage 2	0	0	0	0
New financial assets issued in the period	797	79	0	876
Increased expected credit loss	96	177	0	273
Decreased expected credit loss	-45	0	0	-45
Financial assets derecognised in the period	0	0	0	0
Loan loss allowance as of 31 March 2025	1,217	348	0	1,564

Note 4 Regulatory capital

Amounts in NOK thousand	31.03.2025	31.12.2024	31.03.2024
Share capital	72,660	72,660	72,651
Share premium	328,940	328,940	328,901
Other equity	-90,674	-104,733	-136,880
Total equity	310,926	296,868	264,671
Part of interim or year-end profit not eligible	-14,058	0	-5,205
Additional value adjustments (AVA)	-229	-256	-134
Other intangible assets	-4,117	-4,316	-6,423
Deferred tax assets	0	0	0
Insufficient coverage for non-performing exposures	-811	-174	-24
CET 1 instruments funded by the institution	-208	-521	0
Common equity tier 1 (CET 1)	291,502	291,601	252,886
Tier 1 capital	291,502	291,601	252,886
Total capital	291,502	291,601	252,886
Risk-weighted exposure amount			
Regional governments or local authorities	0	0	192
Public sector entities	0	0	113
Institutions	19,982	33,761	18,546
Corporates	54,430	32,070	10,542
Retail	576,355	523,654	455,871
Exposures in default	31,840	16,578	36,273
Items associated with particularly high risk	9,002	3,006	0
Collective investments undertakings (CIU)	8,270	11,856	5,917
Other items	8,758	8,336	8,142
Credit risk	708,637	629,261	535,597
Position, foreign exchange and commodities risks	0	0	0
Operational risk	289,933	289,933	190,954
Credit valuation adjustment	652	759	361
Total risk exposure amount	999,221	919,952	726,912
Common equity tier 1 ratio (%)	29.2%	31.7%	34.8%
Tier 1 ratio (%)	29.2%	31.7%	34.8%
Total capital ratio (%)	29.2%	31.7%	34.8%
Leverage ratio (%)	19.5%	20.0%	22.6%
LCR	872%	937%	641%
NSFR	209%	233%	206%

Retail classification

Aprila Bank has employed retail classification in accordance with Article 123 of the Capital Requirements Regulation (CRR) since 30 September 2021. In the Financial Supervisory Authority's final report from the 2022 on-site inspection at Aprila (published on 12 October 2022) the Financial Supervisory Authority (FSA) wrote that "(...) *the bank must have data for a longer time period to be able to document that the risk has been sufficiently reduced so that risk weights of 75 percent can be used*". Furthermore, the FSA stated that they would address the matter in a separate letter. The bank has not received this letter as of the date of this report.

Along with other Norwegian banks, Aprila received an information request from the FSA in April 2023, requesting more information on the bank's policies and application of retail classification. Aprila responded to the information request within the deadline in August 2023 and expects the FSA to issue a revised circular letter on the topic. Our understanding is that FSA intends to issue the revised circular letter when the

consultation on EBA's draft guidelines on proportionate retail diversification methods⁹ is completed. The deadline for the submission of comments was 12 February 2025¹⁰.

The bank is of the opinion that the exposures classified as retail exposures as of 31 March 2025, meet the requirements of Article 123 of CRR and has decided to use retail classification to calculate the risk-weighted exposure amount for credit risk for these exposures as of 31 March 2025. If EBA's proposed guidelines become applicable in Norway, some of the exposures currently classified as retail may be reclassified in a way that results in a higher risk weight. However, the bank expects the impact of this on the risk-weighted exposure amount to be limited.

Capital requirements

On 30 April 2024, FSA finalised its supervisory review (SREP) of Aprila and issued a Pillar 2 requirement (P2R) of 5.4% and a Pillar 2 guidance (P2G) of 1.5% with effect from 31 May 2024.

On 19 December 2024, the FSA informed Aprila Bank that the P2R will be reduced from 5.4% to 4.8% with effect from 31 May 2024. The FSA also informed Aprila that the bank's P2R no longer needs to consist of 100% CET1 capital, as per the bank's latest SREP from May 2024, but may consist of minimum 56.25% common equity tier 1 (CET1) capital and minimum 75% tier 1 capital. In addition, the FSA stated that it intends to perform a new SREP already in 2025.

The change implies a relief of 2.7% in the CET1 requirement (from 19.4% to 16.7%), equivalent to NOK 25 million based on the total risk exposure amount of NOK 920 million as of 31 December 2024.

With a Pillar 1 requirement of 14.0%¹¹, a Tier 1 requirement of 1.5%, a Tier 2 requirement of 2.0%, a P2R of 4.8% and a P2G of 1.5%, Aprila's OCR is 22.3% and the FSA expects Aprila to maintain a total capital ratio above 23.8%. The regulatory minimum leverage ratio requirement is 5.0%, the minimum LCR is 100% and the minimum NSFR is 100%.

The amended Capital Requirements Regulation (CRR3) entered into force in Norway on 1 April 2025. According to our understanding, the most important changes for Aprila are (i) new guidelines from EBA on retail classification, (ii) the introduction of a credit conversion factor for unused credit limits than may be withdrawn unconditionally, and (iii) a new methodology for calculation of the risk exposure amount for operational risk. The bank expects that the net effect of the changes on its total risk exposure amount will be limited.

Note 5 Loans and deposits with credit institutions

Amounts in NOK thousand	31.03.2025	31.12.2024	31.03.2024
Loans and deposits with credit institutions	99,910	168,803	92,721
Total	99,910	168,803	92,721

⁹ As specified in CRR Article 123, point (c)

¹⁰ <https://www.eba.europa.eu/publications-and-media/press-releases/eba-consults-guidelines-proportionate-retail-diversification-methods>

¹¹ Applicable to all Norwegian banks.

Note 6 Financial instruments

Financial instruments at fair value

Financial instruments at fair value are measured at different levels:

Level 1

Financial instruments in level 1 are determined based on quoted prices in active markets for identical financial instruments available on the balance sheet date.

Level 2

Financial instruments in level 2 are determined based on inputs other than quoted prices, but where prices are observable either directly or indirectly. These include quoted prices in markets that are not active.

Level 3

When valuation cannot be determined in level 1 or 2, valuation methods based on non-observable market data are used.

Certificates and bonds – level 1

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Initial recognition	210,784	240,784	125,784
Change in fair value	18,057	15,277	8,371
Total financial assets at fair value	228,841	256,060	134,154

Financial instruments at amortised cost

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Loans and deposits with credit institutions	99,910	168,803	92,721
Net loans to customers	1,110,336	977,840	857,316
Other receivables	7,920	6,101	7,888
Total financial assets at amortised cost	1,218,166	1,152,744	957,924
Deposits from and debt to customers	1,121,928	1,096,783	810,637
Other debt	20,153	21,913	24,698
Total financial liabilities at amortised cost	1,142,080	1,118,696	835,335

Note 7 Receivables and other liabilities

Receivables

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Skattefunn tax deduction claim	3,350	2,747	2,819
Other receivables	4,570	3,354	5,069
Total receivables	7,920	6,101	7,888

Other liabilities

<i>Amounts in NOK thousand</i>	31.03.2025	31.12.2024	31.03.2024
Payables to suppliers	2,126	3,975	4,978
Payables to factoring customers and partners	506	431	4,307
Social security tax	2,131	3,348	1,739
Lease liabilities	2,291	2,634	1,554
Other liabilities	13,098	11,525	12,120
Total other liabilities	20,153	21,913	24,698

Note 8 General administrative expenses

<i>Amounts in NOK thousand</i>	Q1 2025	Q1 2024	2024
Sales and marketing	5,524	5,002	18,197
IT operations	2,650	2,231	9,896
External services	1,783	891	6,841
External audit and related services	884	719	1,304
Credit information	326	359	1,380
Other operating expenses	1,061	1,352	7,703
Total general administrative expenses	12,229	10,554	45,321

Note 9 Tax

Aprila has a tax loss carryforward, with a related unrecognised deferred tax asset, that exceeds the expected taxable profit for the full financial year and, hence, the bank's best estimate of the weighted average annual income tax rate for 2025 is zero. The bank expects to recognise a deferred tax asset for the remaining net tax loss carryforward when it is considered probable, with convincing evidence, that future taxable profit will allow the deferred tax asset to be recovered. Please refer to note 15 in the annual statement for 2024 for more details.

Note 10 Subsequent events

There is no awareness of other events after the date of the balance sheet that may be of material significance to the accounts.

Note 11 Shareholders

20 largest shareholders as registered in VPS 25 April 2025

#	Shareholder	# shares	%
1	SES AS	18,100,000	24.91%
2	AMESTO GROUP AS	9,768,374	13.44%
3	KVANTIA AS	4,335,036	5.97%
4	ALLIANCE VENTURE SPRING AS	3,174,406	4.37%
5	VISMA NORGE HOLDING AS	3,000,000	4.13%
6	EQUILIBRIA APS	2,808,822	3.87%
7	MP PENSJON PK	2,227,357	3.07%
8	STRØMSTANGEN AS	1,990,341	2.74%
9	PRIMERA AS	1,816,500	2.50%
10	ØSD INVEST AS	1,512,781	2.08%
11	FJ LABS	1,099,400	1.51%
12	CHRI AS	946,032	1.30%
13	AREPO AS	907,747	1.25%
14	SIRKELBUE AS	800,000	1.10%
15	DISRUPTOR AS	760,289	1.05%
16	OSMANI VENTURE CAPITAL AS	736,385	1.01%
17	THESAURUS AS	725,453	1.00%
18	JAH AS	615,127	0.85%
19	BLUE MOUNTAIN CAPITAL AS	614,000	0.85%
20	UNIVERSAL PRESENTKORT AS	597,699	0.82%
	Others	16,124,687	22.19%
	Total	72,660,436	100%

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Aprila