A photograph of a man and a young child sitting on a wooden pier by a lake. The man is leaning forward, dipping the child's feet into the water. The child is wearing a white long-sleeved shirt and blue shorts. The man is wearing a grey t-shirt. The background shows tall grass and a body of water.

RESULTS H1 2025

RIIKKA LAINE-TOLONEN, CEO & MIKA HEIKKILÄ, CFO

31 JULY 2025



HIGHLIGHTS

H1 2025

H1 2025: GROWTH IN NUMBER OF ACTIVE CUSTOMERS SUPPORTED STABLE RESULT DEVELOPMENT

Result in line with expectations

- Strong growth in total deposits, +20% yoy

Goal of one million active customers approaching

- Number of active customers increased to 822 000 (699 000)
- End of June, number of high-value customers was 142 000

Positive feedback from customers

- NPS +54
- Customers particularly happy with the S-mobiili app and everyday banking services

KEY FIGURES JAN–JUN 2025 VS. JAN–JUN 2024

**Operating
profit**
EUR million

51.9
(83.5)
-38%

**Capital
adequacy ratio**
%

25.3
(20.5)
+4.8pp

**S&P
Credit rating**
June 2024

**BBB+
/A2**

**Lending
base**
EUR billion

9.4
(7.0)
+34%

**Assets under
management**
EUR billion

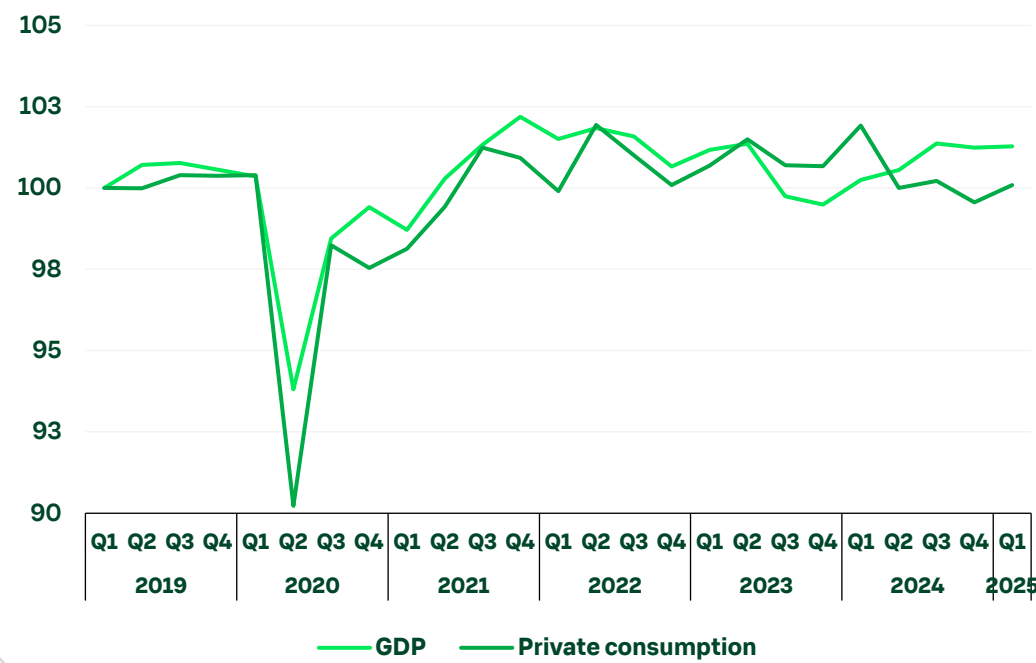
8.4
(6.2)
+35%

**Deposit
base**
EUR billion

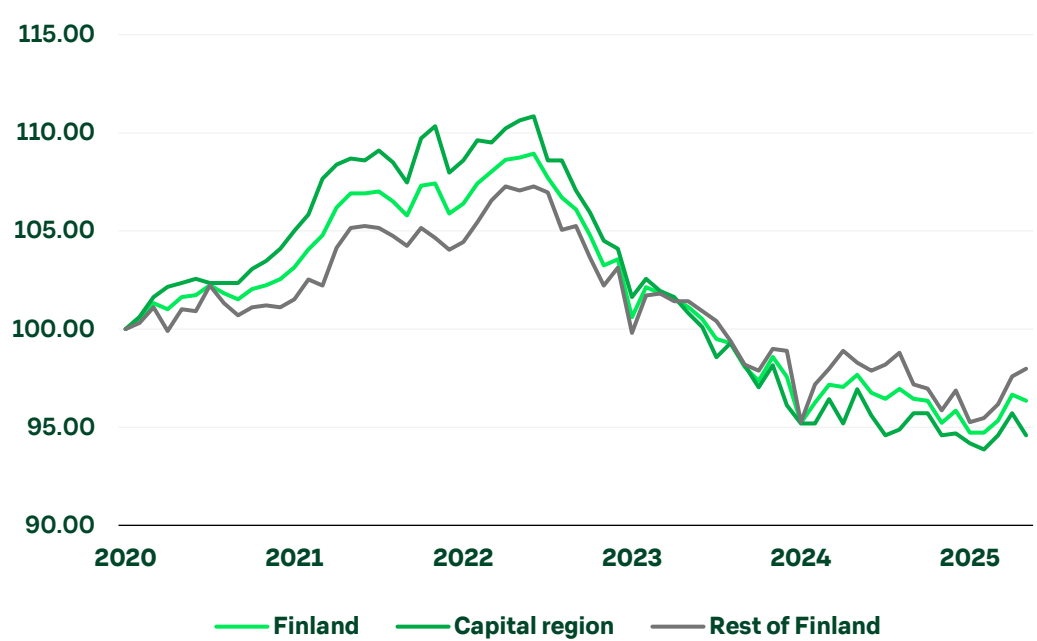
10.0
(8.3)
+20%

ECONOMIC OUTLOOK: CONTINUED UNCERTAINTY

GDP AND PRIVATE CONSUMPTION IN FINLAND*



HOUSING PRICES IN FINLAND



*Sources: Macrobond, Statistics Finland, S-Bank.
GDP and private consumption index 1 Jan 2019=100.



OUTLOOK FOR 2025

UPDATED ON 23 MAY 2025

We expect the operating profit for the whole year to decline to under EUR 100 million.

Declining interest rates and the combined penalty payment of EUR 7.67 million imposed on the bank by the Financial Supervisory Authority have a negative impact on the bank's performance, even though the Handelsbanken transaction will increase the bank's earnings.

In addition, the investments related to implementing our strategy will remain at a high level.

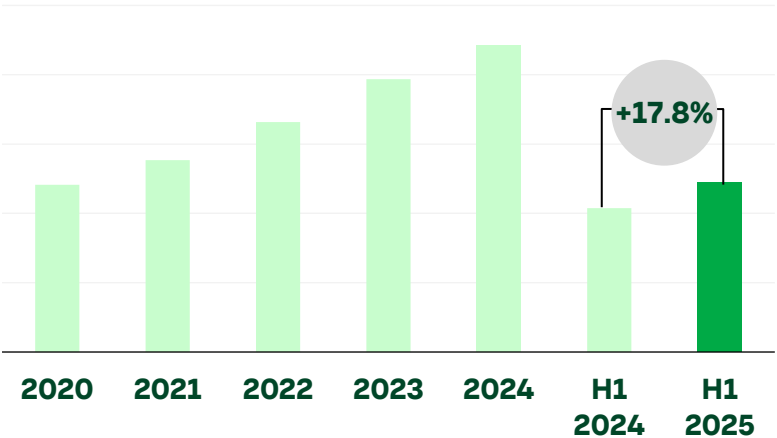
The outlook for 2025 is still subject to uncertainties regarding the operating environment, geopolitical tensions, the economy, employment and the real estate market.



BANKING SEGMENT IN H1 2025

- Customers used our banking services even more actively than before
- Strong growth of deposits and usage of payment cards
- Market share of mortgages stable

S-ETUKORTTI VISA CARD PURCHASES (EUR)



BANKING

Operating income EUR million **Operating profit** EUR million

180.3
(191.2)
-6% yoy

57.3
(87.1)
-34% yoy

HOUSEHOLD CUSTOMERS'

Loans
EUR billion

8.2
(5.8)
+41% yoy

Deposits
EUR billion

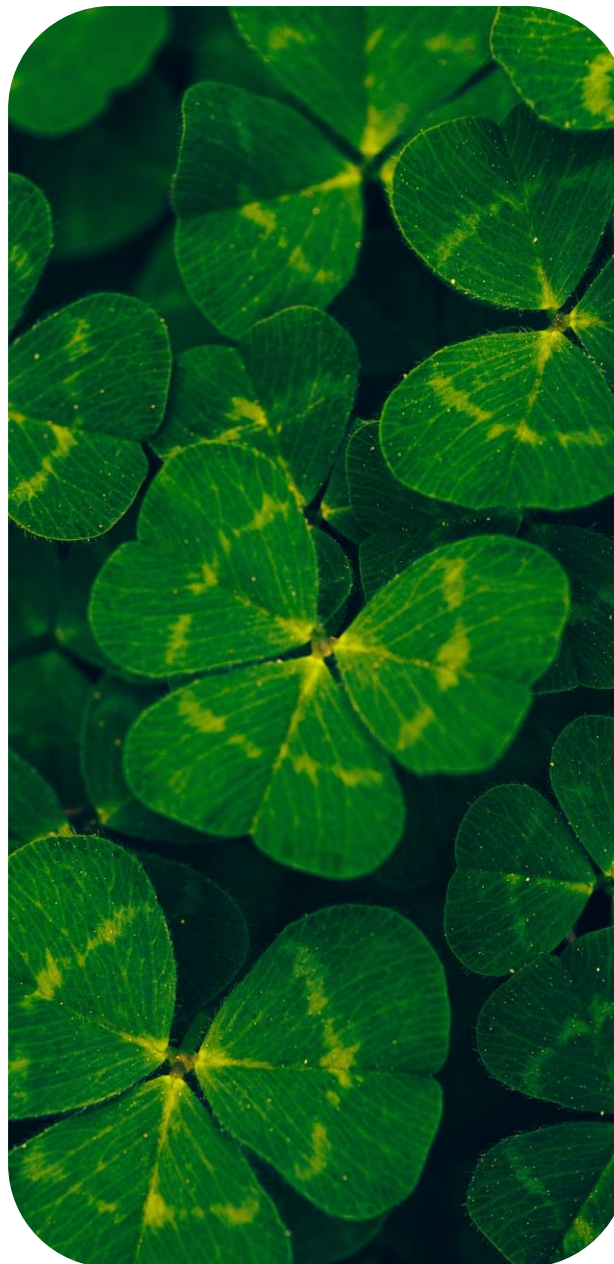
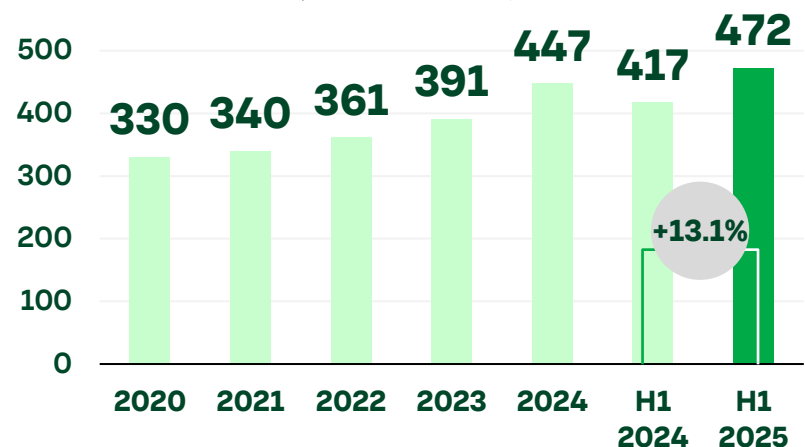
9.2
(7.7)
+19% yoy



WEALTH MANAGEMENT IN H1 2025

- Good development in number of unit holders in the S-Bank funds
- Balanced funds performed excellently in fund comparisons published in Q2

NUMBER OF UNIT HOLDERS IN S-BANK FUNDS (THOUSANDS)



WEALTH MANAGEMENT

**Operating
income**
EUR million

23.5
(20.0)
+17% yoy

**Operating
profit**
EUR million

-1.0
(-0.6)
-57.3%

**Assets
under
management**
EUR billion

8.4
(6.2)
+35% yoy

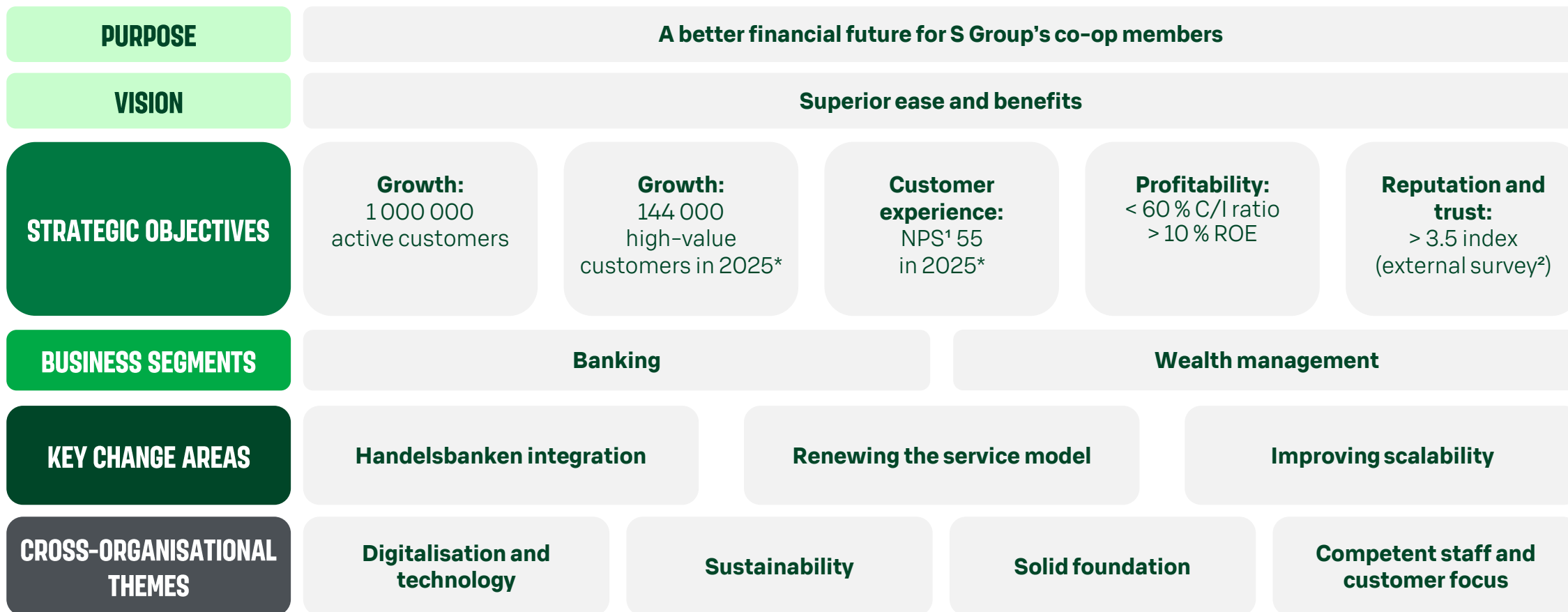
**Net subscriptions
to S-Bank
mutual funds**
EUR million

365.8
(70.5)
+419% yoy

STRATEGY 2024-2027

S-BANK'S STRATEGY 2024-2027

THE STORY CONTINUES TOWARDS A MORE CUSTOMER-FOCUSED AND DIGITAL BANK



*More information on targets for 2026-2027 to be announced later

1) Target based on S-Banks' customer survey conducted by Feelback quarterly

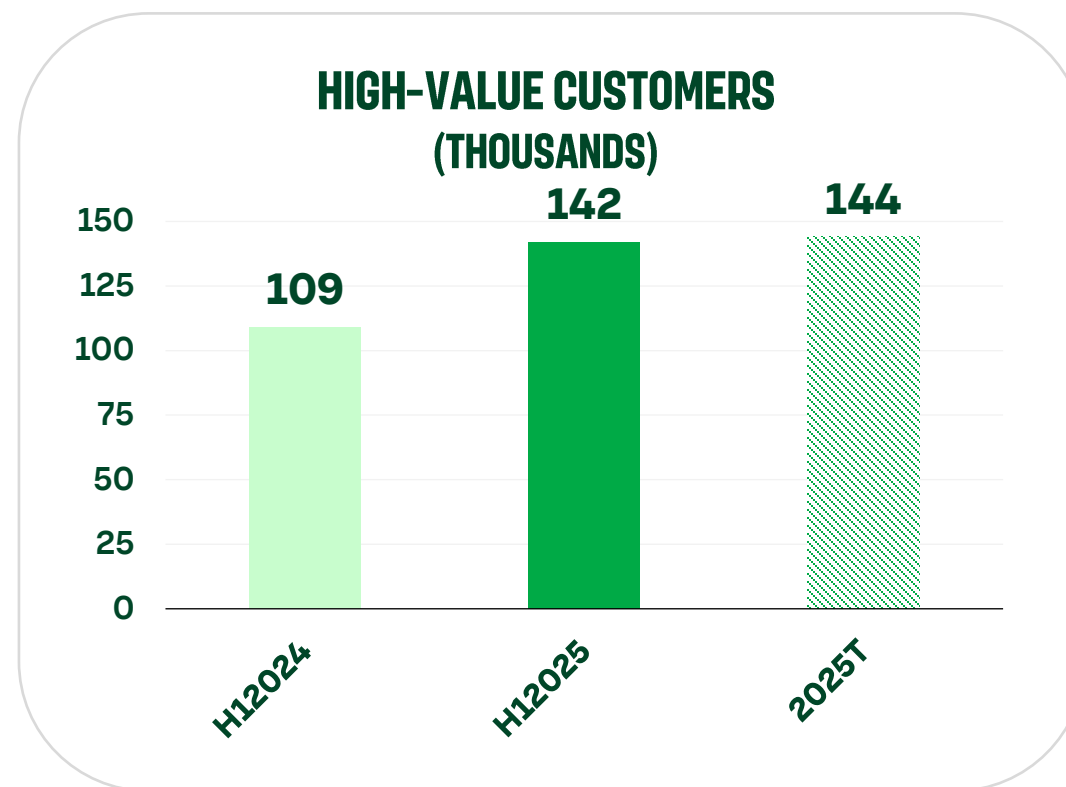
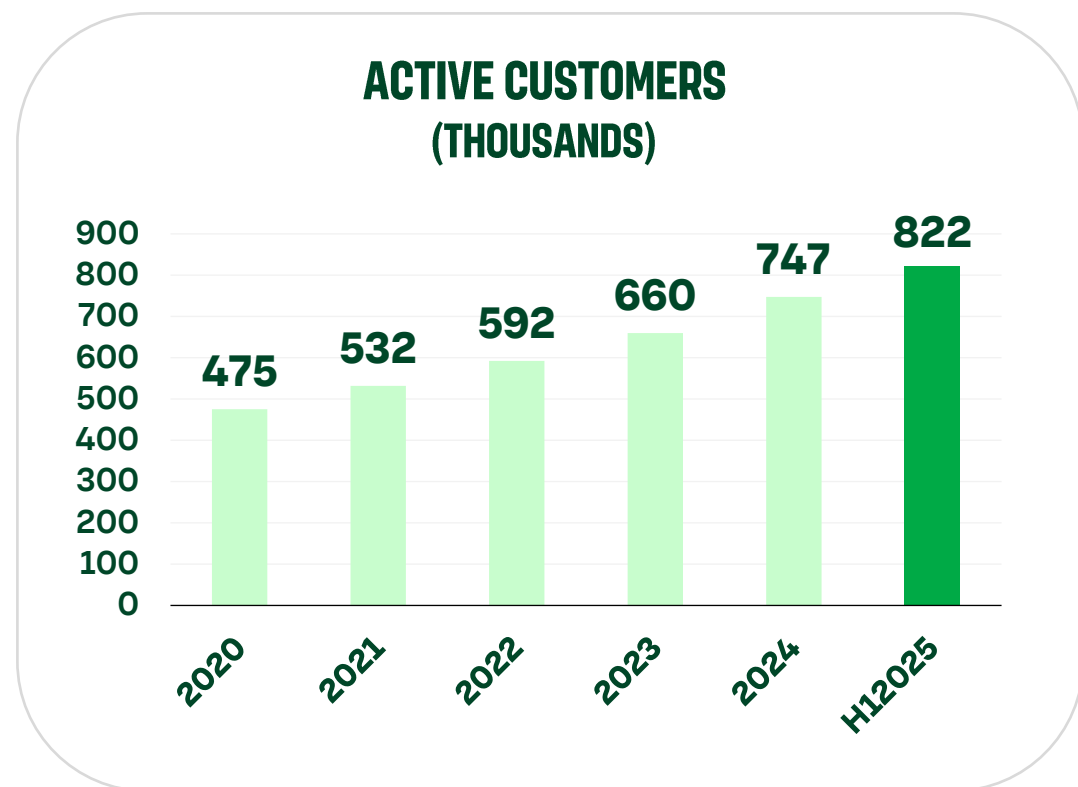
2) The annual Trust&Reputation survey by T-Media, the general public's view of S-Pankki



**1 MILLION
ACTIVE CUSTOMERS**

ACTIVATING OUR CUSTOMER BASE TO BOOST GROWTH

EXPANDING EXISTING CUSTOMER RELATIONSHIPS IS A KEY PART OF OUR STRATEGY.



GREAT CUSTOMER FEEDBACK AND HIGH REPUTATION SUPPORT REACHING OUR STRATEGIC GOALS

CUSTOMER EXPERIENCE



NPS for active customers
H1/2025

REPUTATION & TRUST



Trust&Reputation survey
by T-Media 2024



OUR CUSTOMERS APPRECIATE

- Effortless banking transactions
- Outstanding digital services, especially the S-mobiili app that combines retail and banking services
- Ease and functionality of everyday banking services
- Fair treatment and an extensive service network
- Easy start to saving with bonuses or through card purchases with our Säästäjä (Saver) service

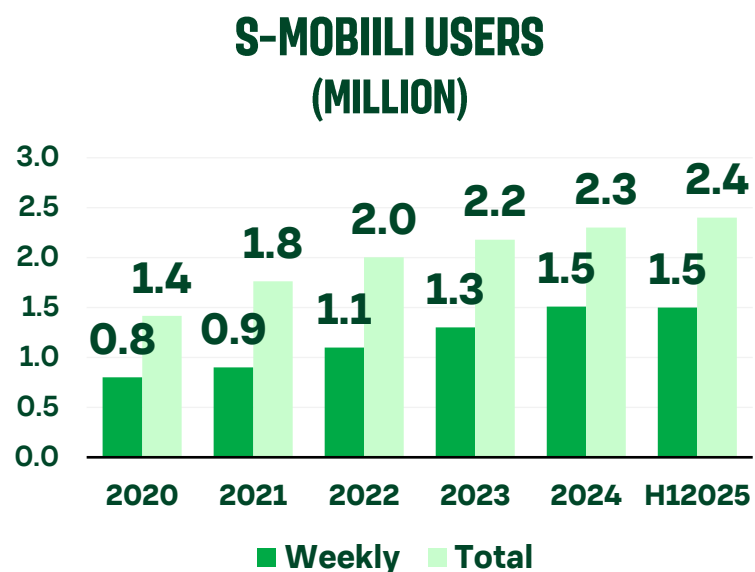
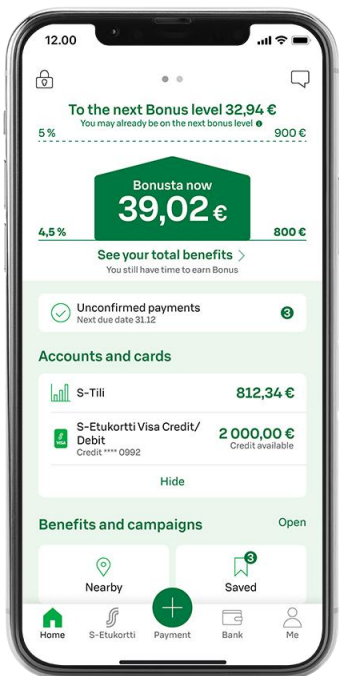
* Source: S-Bank's customer satisfaction surveys, customer interviews

SUPERIOR EASE WITH DIGITAL SERVICES



THE S-MOBIILI APP HAS A SATISFIED AND GROWING USER BASE

- The number of S-mobiili users continued to grow
- Setting records for the numbers of weekly unique users and active users of the app's banking services
- Great feedback from app users



ENHANCING CUSTOMER EXPERIENCE AND GROWING SALES WITH DIGITAL SERVICES

75%

of monthly savings contracts for S-Bank funds signed via the S-mobiili app



60%

of applications for housing and other secured loans submitted through the S-mobiili app



17%

of all card purchases paid with Apple Pay or Google Pay



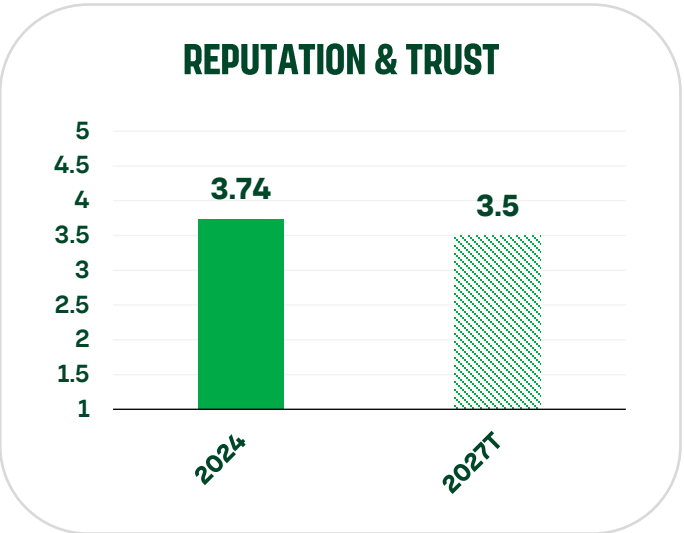
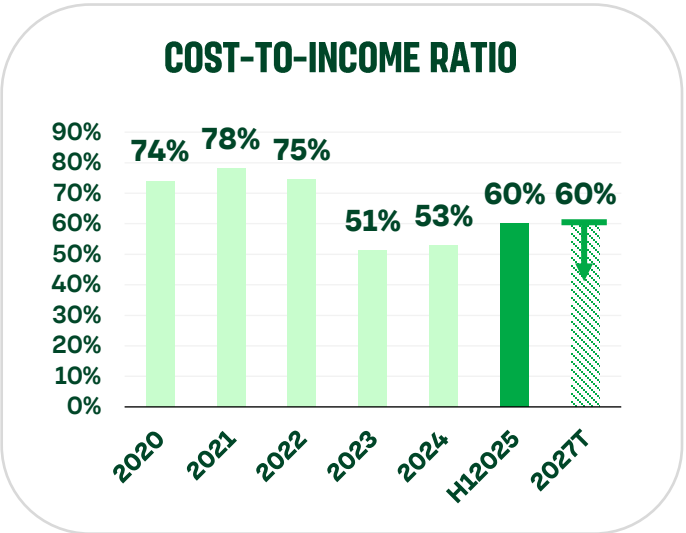
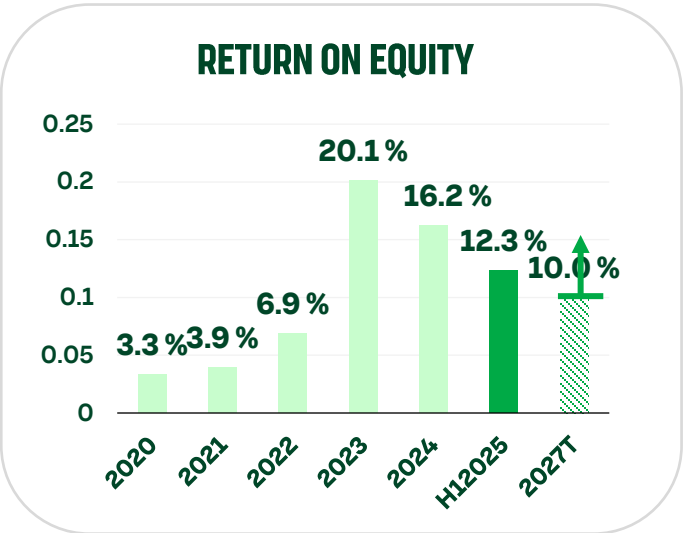
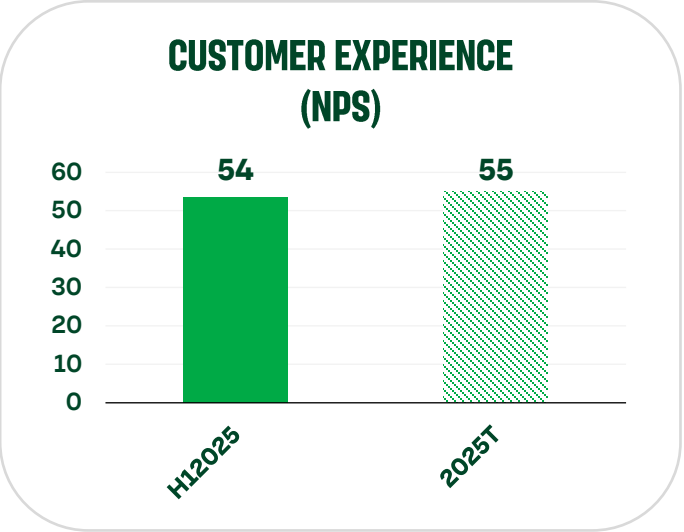
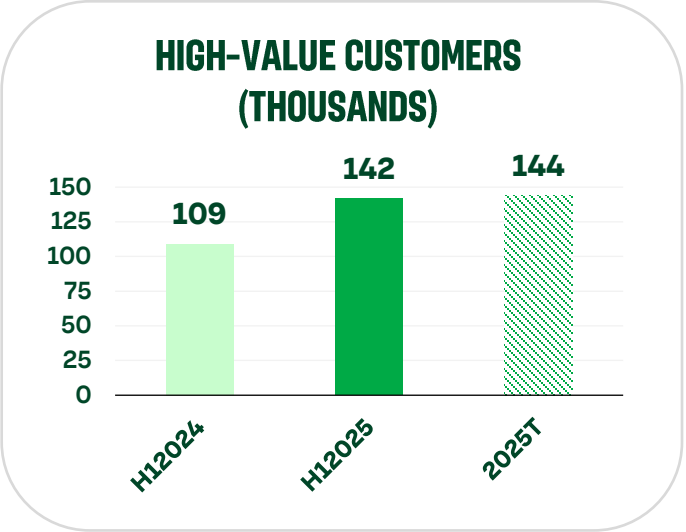
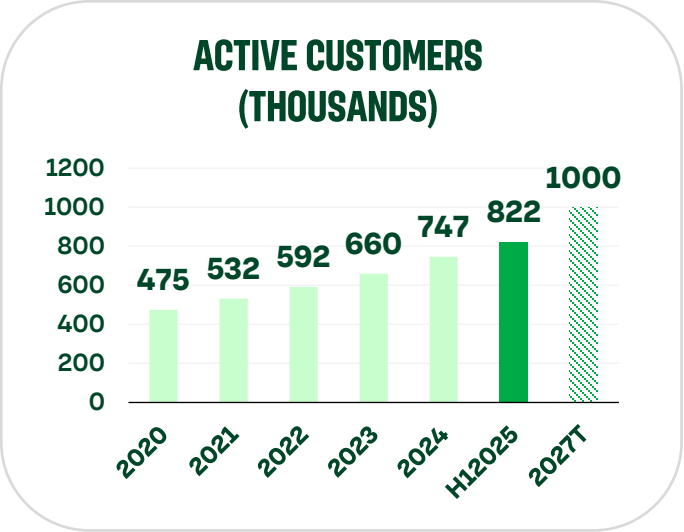
- Constantly developing our digital services with new, easy-to-use features
- In 2024, launched over 30 new banking features on digital and mobile platforms
- According to data, new features are quickly adopted by customers and drive sales cost-effectively
- In 2025, we continue investing in our digital services and customer experience

SUMMARY

H1 2025

DEVELOPMENT OF STRATEGIC TARGETS 2027

PROGRESS IN H1 2025



SUMMARY

H1 2025

**STABLE RESULT
DEVELOPMENT
IN LINE WITH
EXPECTATIONS**

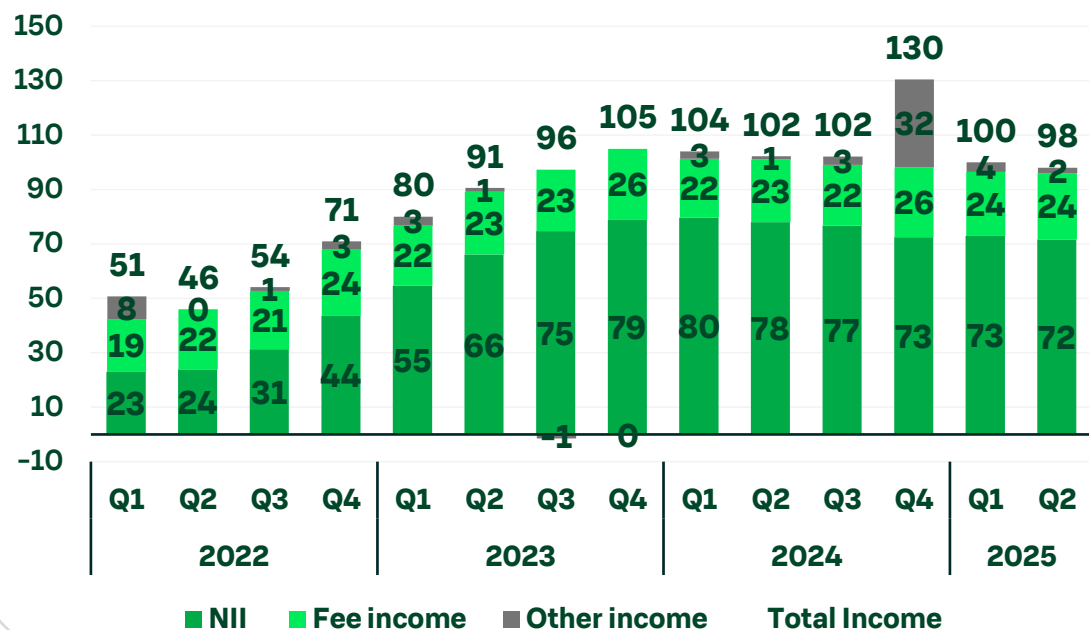
**GOAL OF ONE
MILLION ACTIVE
CUSTOMERS
APPROACHING**

**POSITIVE
FEEDBACK
FROM
CUSTOMERS**

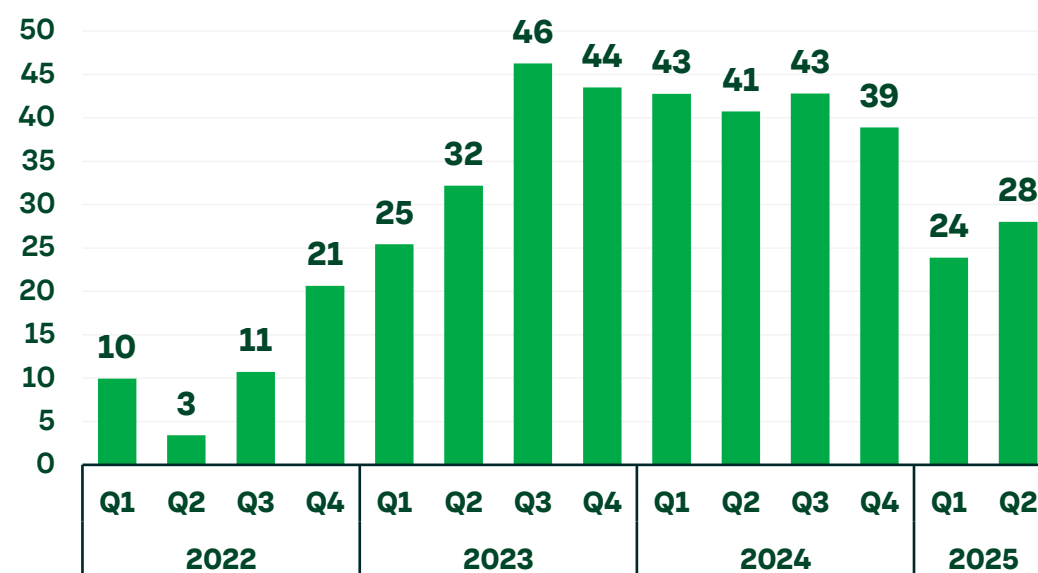
KEY FINANCIALS

DEVELOPMENT OF KEY INCOME MEASURES

TOTAL INCOME (EUR m)



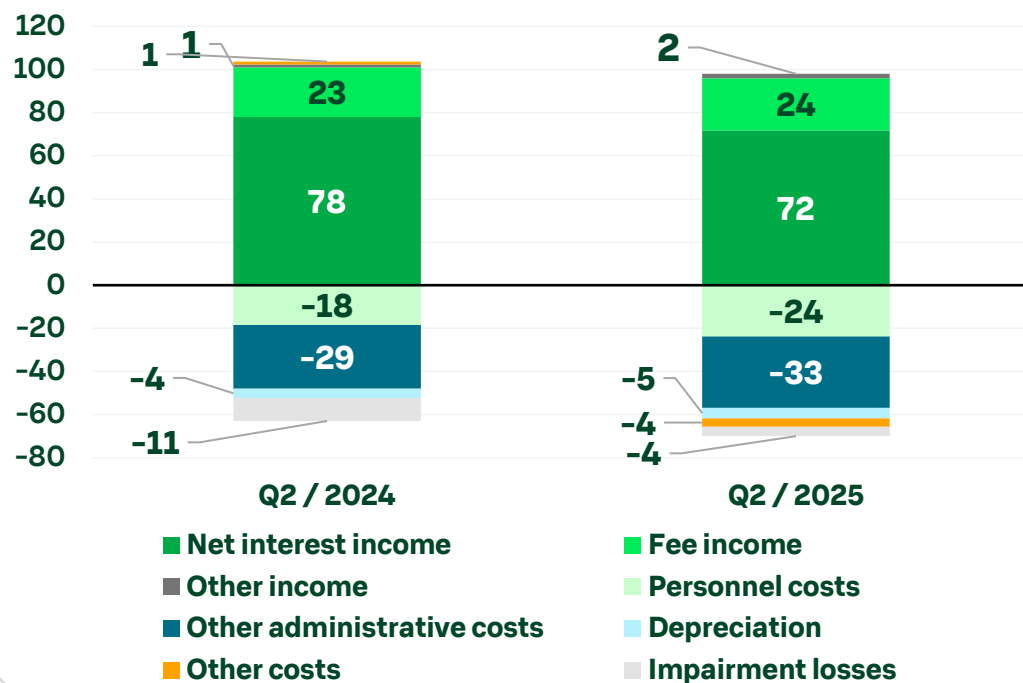
OPERATING PROFIT (EUR m)



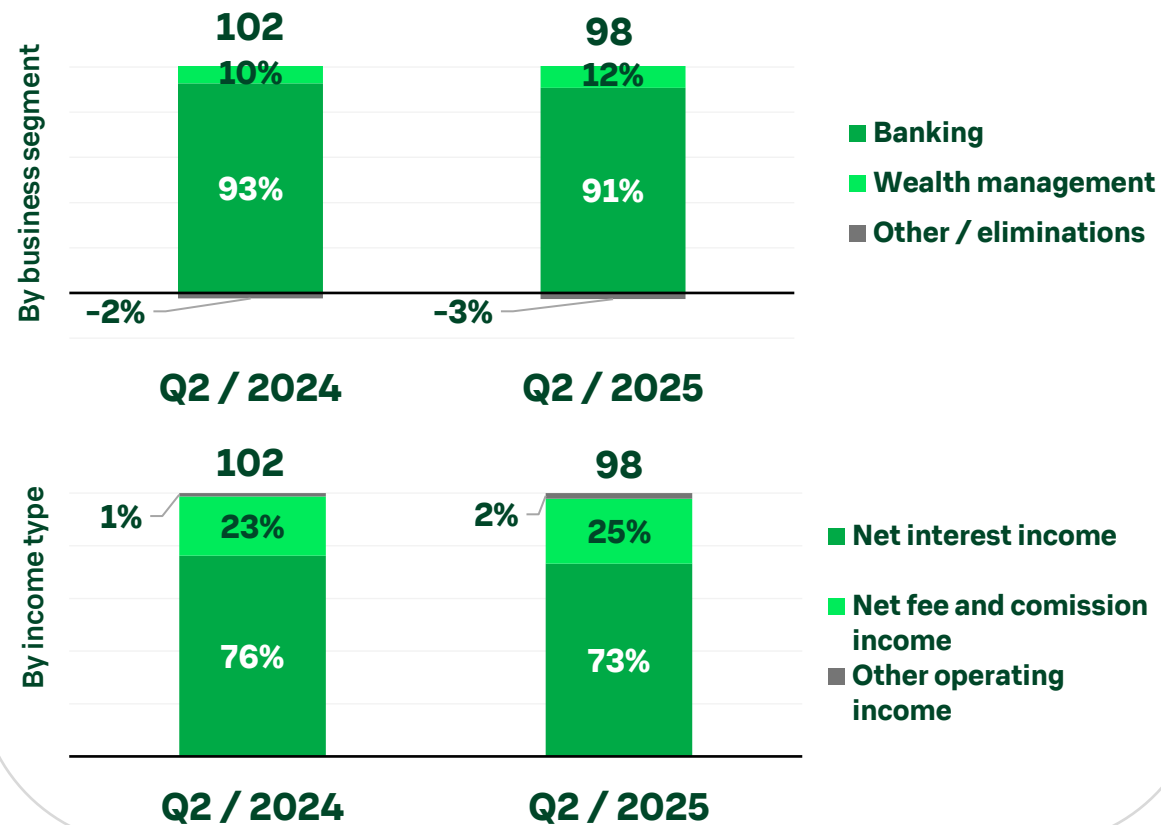
- In Q2/2025 total income was EUR 98 million which continued very moderate downward trend in total income due to interest rate cuts.
- In recent quarters net interest income has remained relatively stable and it totalled EUR 72 million in Q2/2025. SHB-deal volume and organic retail deposit growth have supported net interest income against interest rate cuts during H1/2025.
- In Q2/2025 fee income was EUR 24 million and remained stable when comparing to previous quarter. From YoY-perspective SHB-deal volumes increased fee income especially in wealth management but termination of cash services collaboration and specific card type fees affected fee income growth negatively.
- Operating expenses totalled EUR 65,6 million (50,8). The change was due to an increase in the number of personnel and IT-costs. Operating expenses and net credit losses were lower than in Q1/2025, which delivered improved profitability

INCOME & COST ANALYSIS

DEVELOPMENT OF KEY INCOME & COST ITEMS (EUR m)



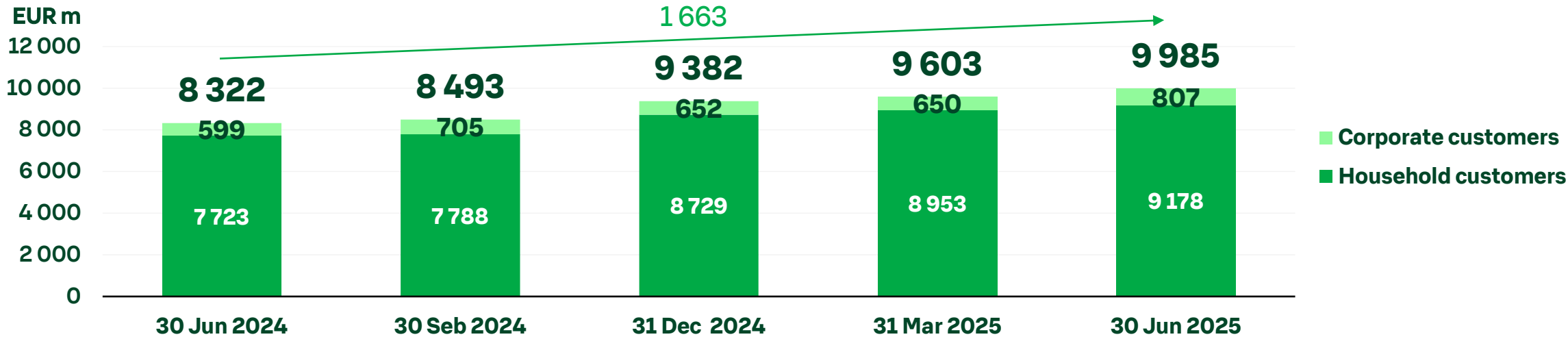
INCOME SPLITS BY SEGMENT AND TYPE (EUR m)



	Jun 2025	Jun 2024
Cost - Income ratio, %*	60%	49%
Total income / Total assets, %*	3.5%	4.1%

DEPOSITS UP 20.0%

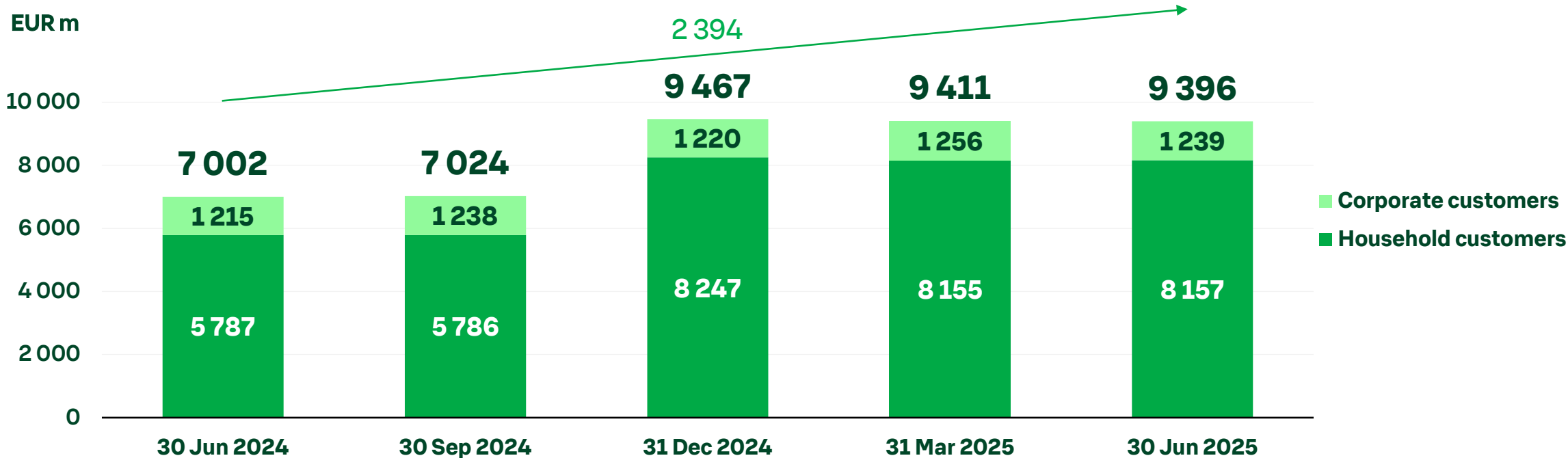
TIME DEPOSITS EUR 806 MILLION (803) AT THE END OF JUNE



Deposits (EUR m)	30 Jun 2024	31 Dec 2024	30 Jun 2025	YTD-change	12-month change
Household customers	7 723.2	8 729.1	9 177.7	5.1%	18.8%
Corporate customers	598.5	652.4	807.2	23.7%	34.9%
Total	8 321.7	9 381.4	9 985.0	6.4%	20.0%

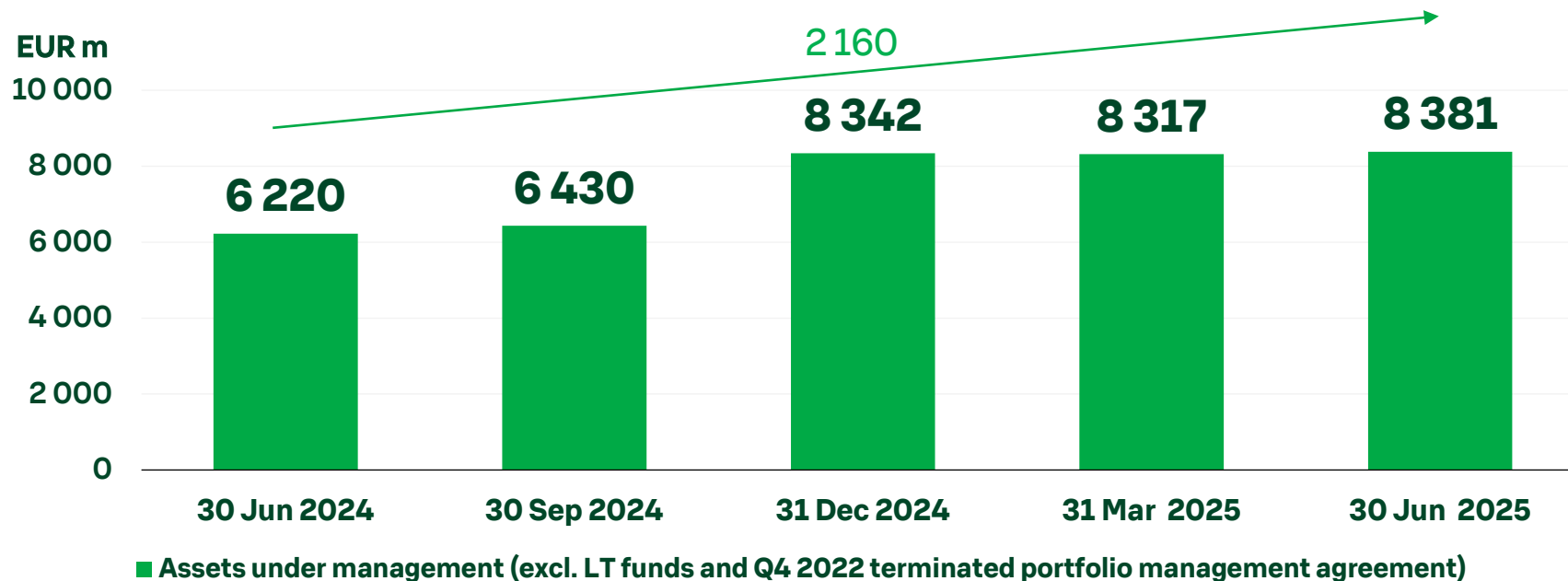


LENDING UP 34.2%



Lending (EUR m)	30 Jun 2024	31 Dec 2024	30 Jun 2025	YTD-change	12-month change
Household customers	5 786.8	8 247.3	8 157.3	-1.1%	41.0%
Corporate customers	1 215.2	1 219.5	1 238.7	1.6%	1.9%
Total	7 002.0	9 466.8	9 396.0	-0.7%	34.2%

AUM UP 34.7%



In addition, S-Bank Properties Ltd managed EUR 366.5 million in customer assets, consisting of real estate and joint ventures (379.6).

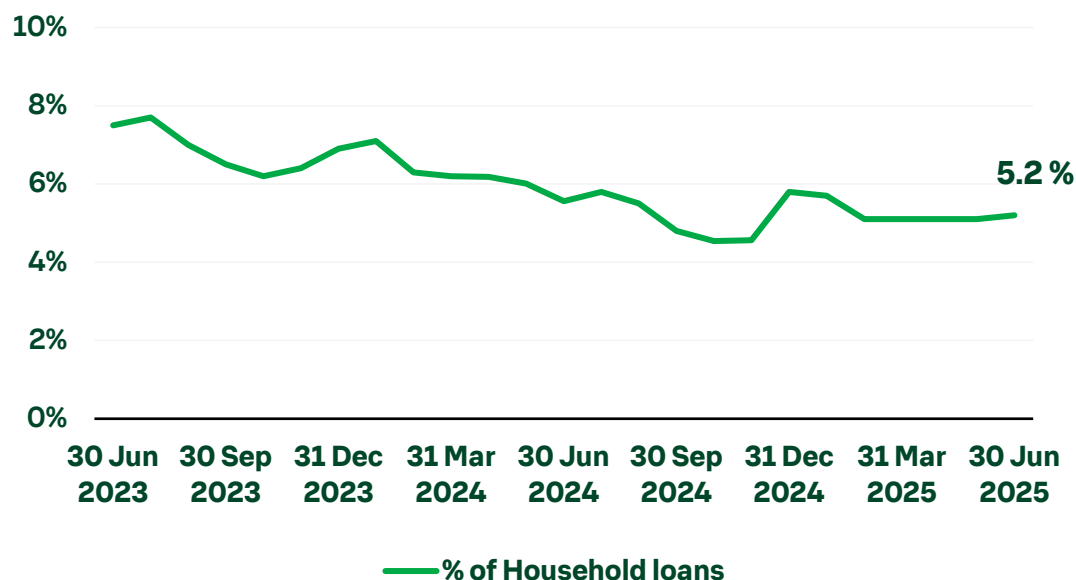
Net subscriptions to the S-Bank mutual funds amounted to EUR 365.8 million in the review period compared with EUR 70.5 million a year earlier.

Comparable assets under management (EUR m)	30 Jun 2024	31 Dec 2024	30 Jun 2025	YTD-change	12-month change
Fund capital	4 498.9	4 721.4	5 070.9	7.4%	12.7%
Wealth management	1 721.3	2 711.0	2 461.7	-9.2%	43.0%
Funds issued by other than Group companies		910.0	847.9	-6,8%	100.0%
Total	6 220.2	8 342.3	8 380.6	0.5%	34.7%

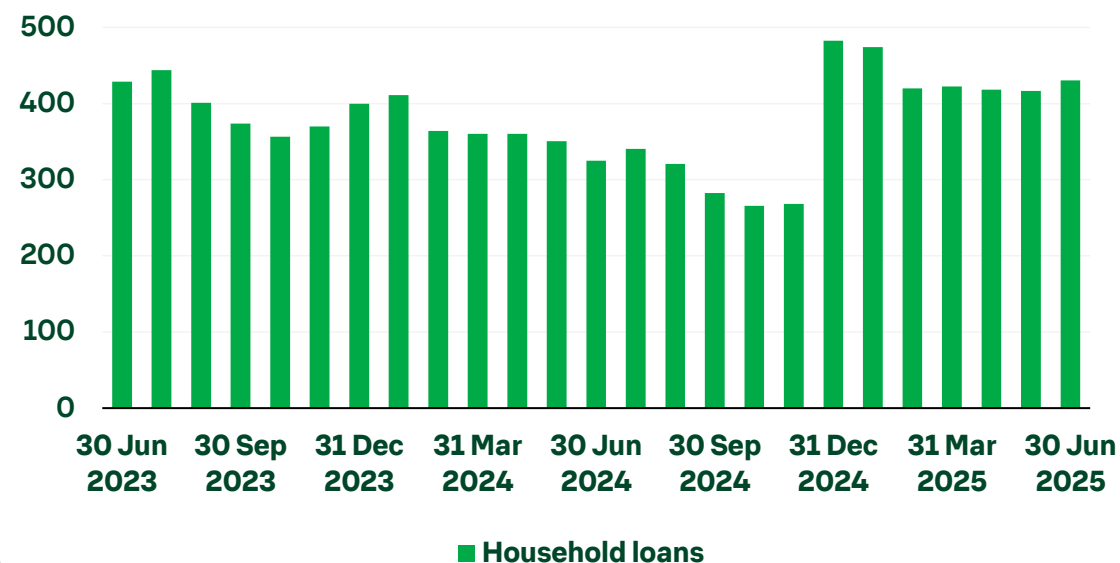


REPAYMENT HOLIDAYS

SHARE OF LOANS SUBJECT TO REPAYMENT HOLIDAYS



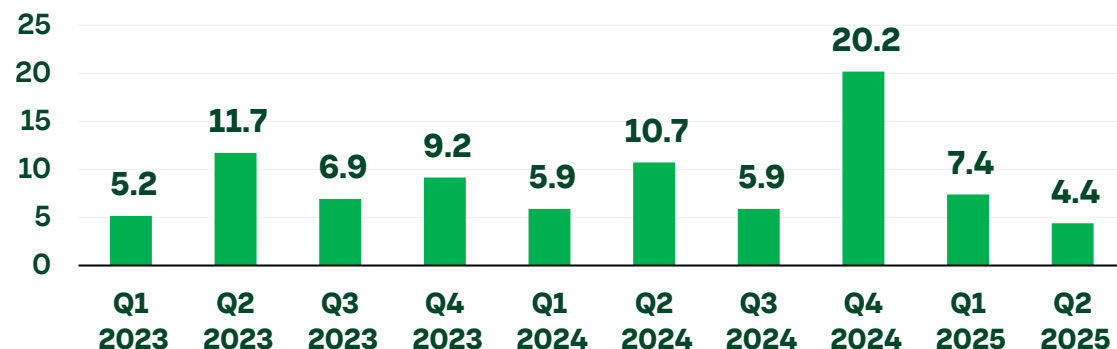
AMOUNT OF LOANS SUBJECT TO REPAYMENT HOLIDAYS (EUR m)



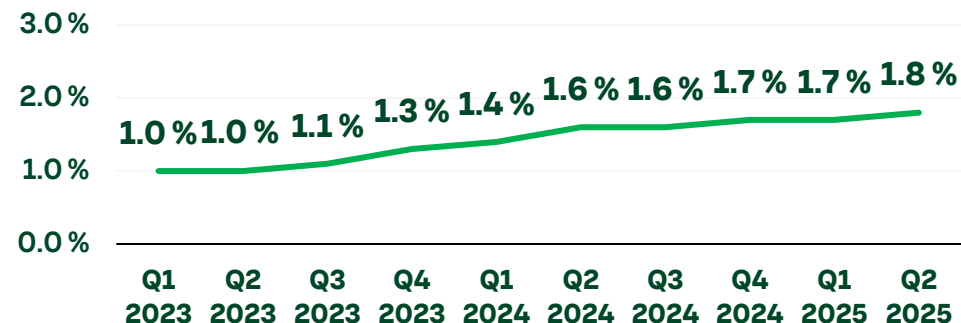
- Household loans subject to repayment holidays remained stable in Q2 2025.
- Repayment holidays deviating from the original payment plan have primarily been granted to household customers.
- The share of loans subject to repayment holidays was 5.2% of total household loans (5.8% on 31 Dec 2024).

CREDIT LOSSES

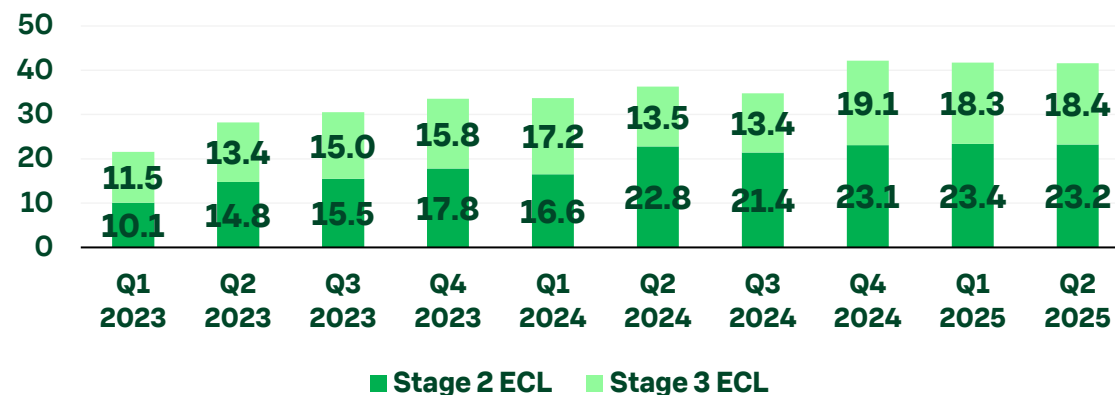
EXPECTED AND FINAL CREDIT LOSSES (EUR m)



NPL RATIO (%)



STAGE 2 AND 3, ECL PROVISION (EUR m)¹



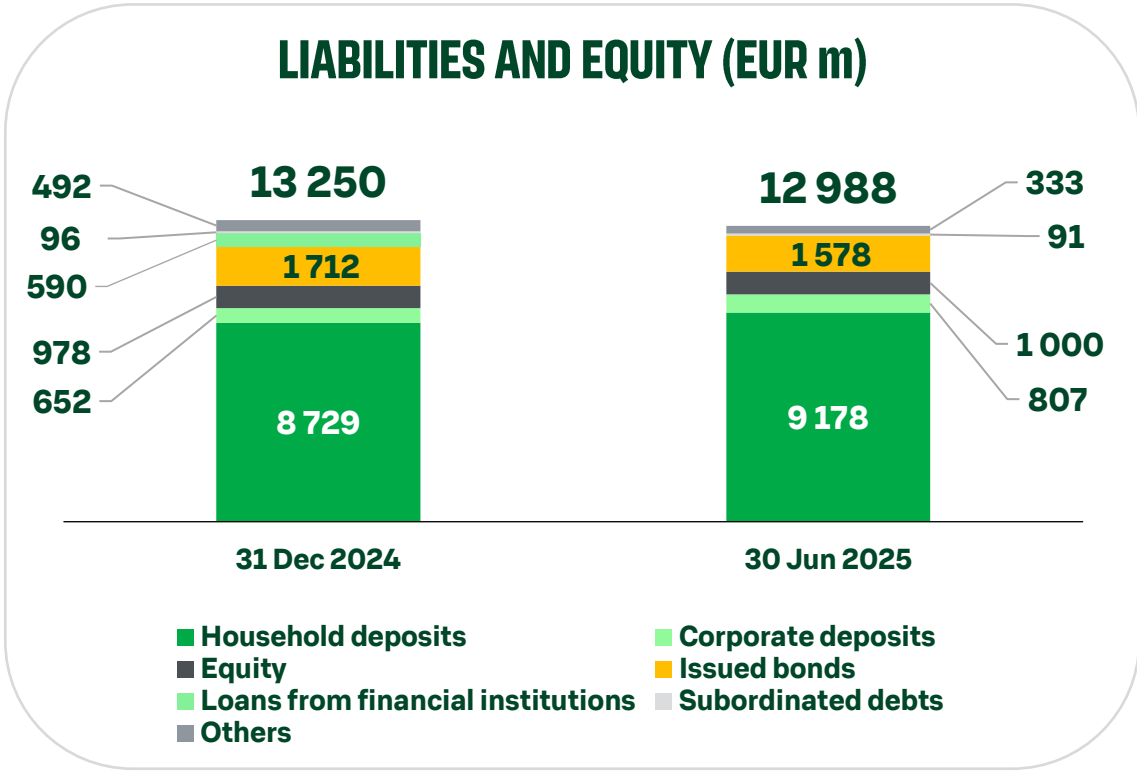
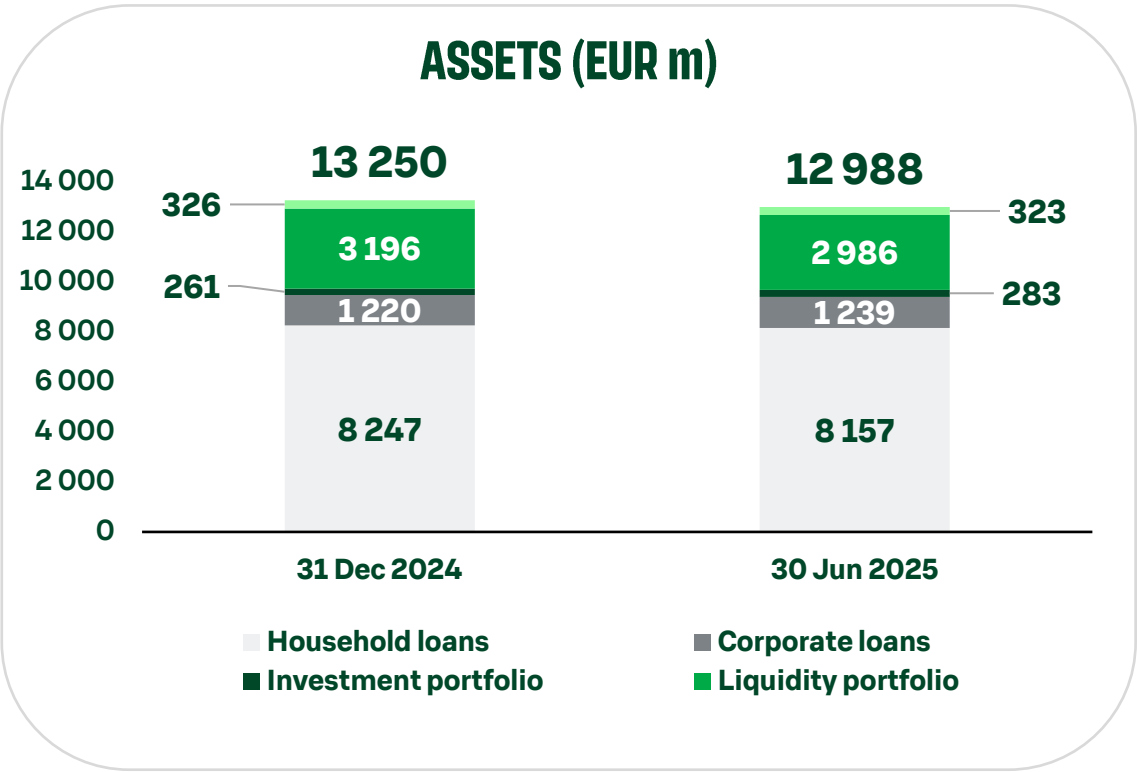
COMMENTARY

- Net credit losses were EUR 11.8 million (16.6) during January–June 2025.
- ECL provision decreased by EUR 1.7 million to EUR 50.6 million during the first half of the year.
- NPL ratio increased to 1.8%.

¹) Excluding ECL provision for purchased credit impaired (POCI) exposures

BALANCE SHEET & FUNDING

STRONG FUNDING BASE MADE OF DEPOSITS – HOUSEHOLD LOANS MAKE UP MOST OF THE ASSETS

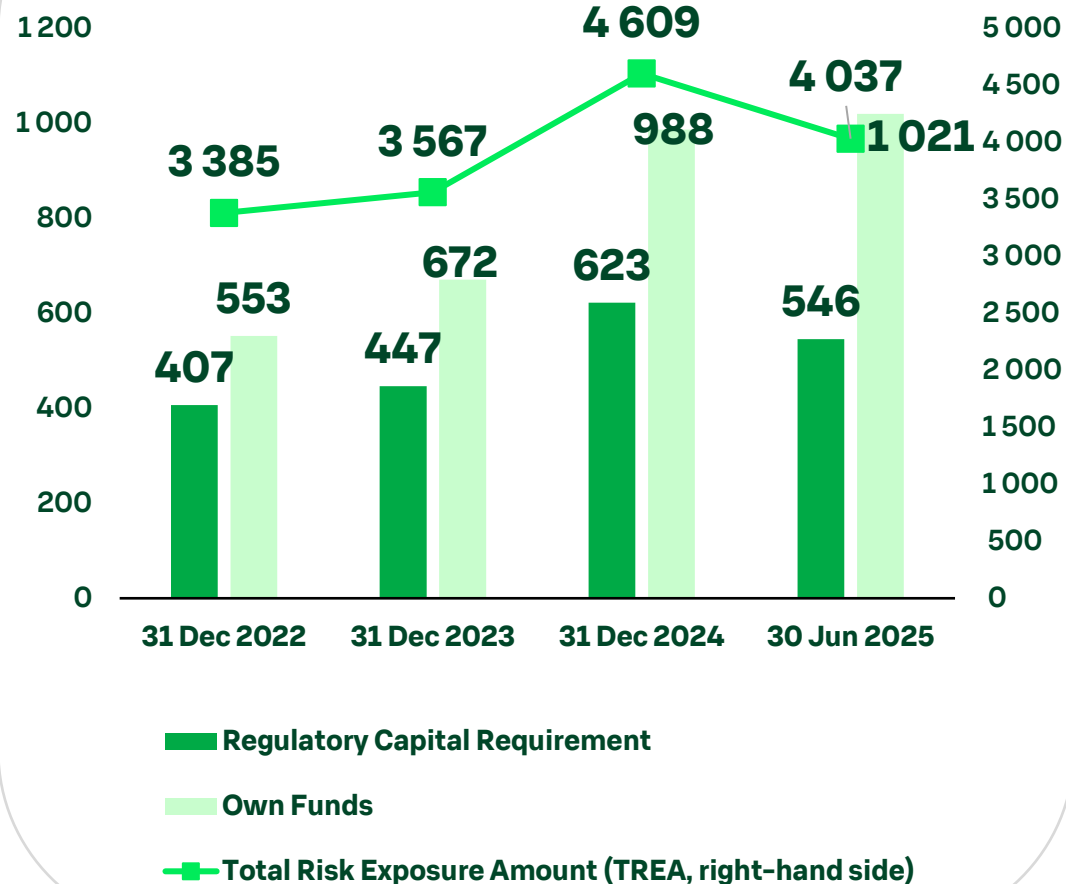


- Lending decreased to EUR 9 396.0 million (9 466.8), due to the decrease in the household loan portfolio. Lending to households accounted for 63% (62) of the total assets.
- Deposits rose to EUR 9 985.0 million (9 381.4), especially due to the increase in the household deposit portfolio. Household and corporate deposits comprised 77% (71) of total liabilities and equity.
- During the review period, the bank paid back the bilateral funding in full, which was raised in November 2024 for total amount of EUR 590.0 million to fund the Handelsbanken transaction. Furthermore, S-Bank settled the remaining purchase price of EUR 148.4 million to Handelsbanken in relation to the business transaction.

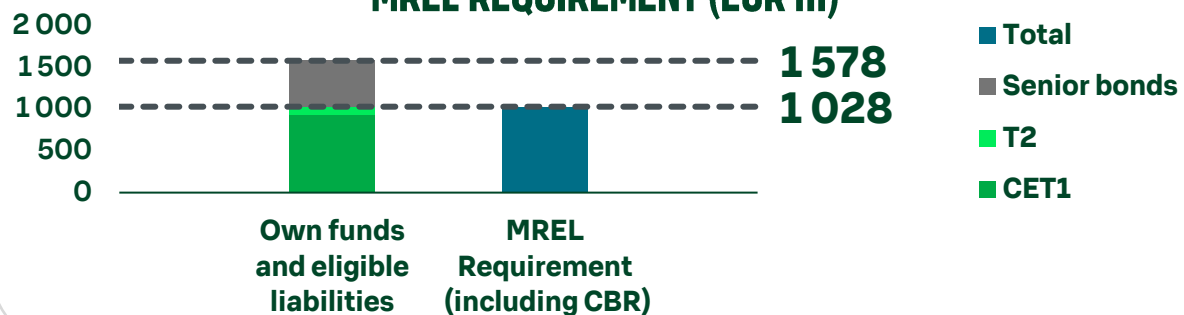


OWN FUNDS, CAPITAL REQUIREMENTS & MREL

OWN FUNDS AND CAPITAL REQUIREMENTS (EUR m)



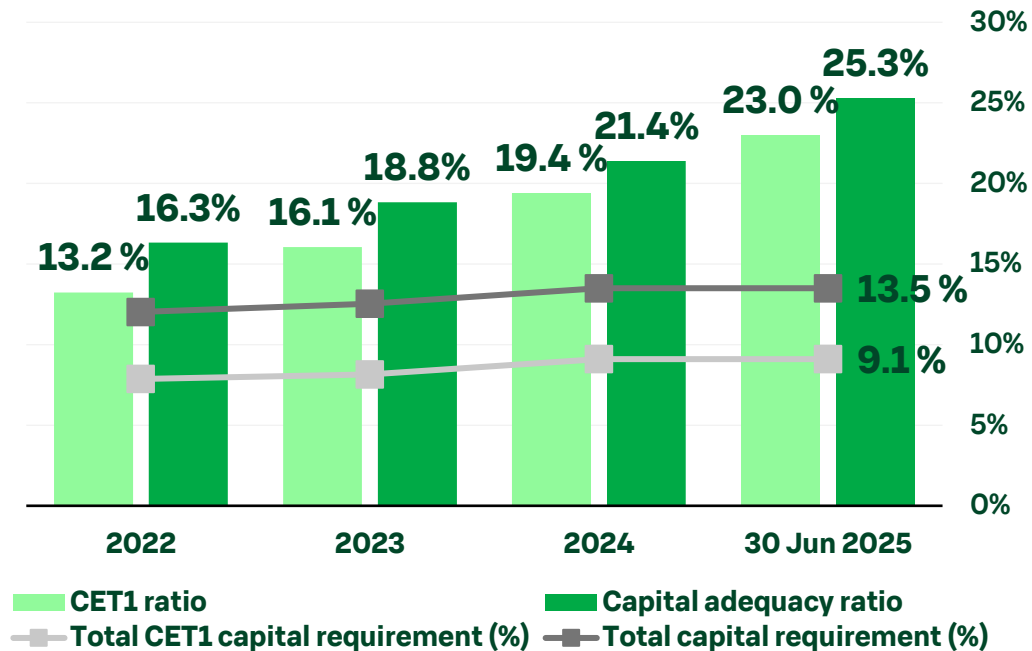
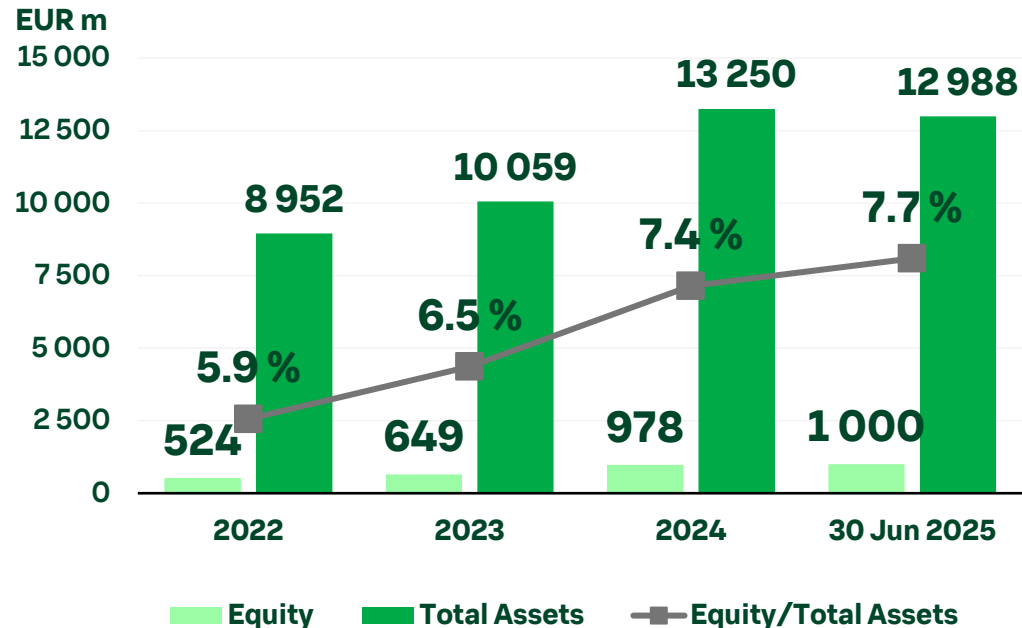
MREL REQUIREMENT (EUR m)



COMMENTARY

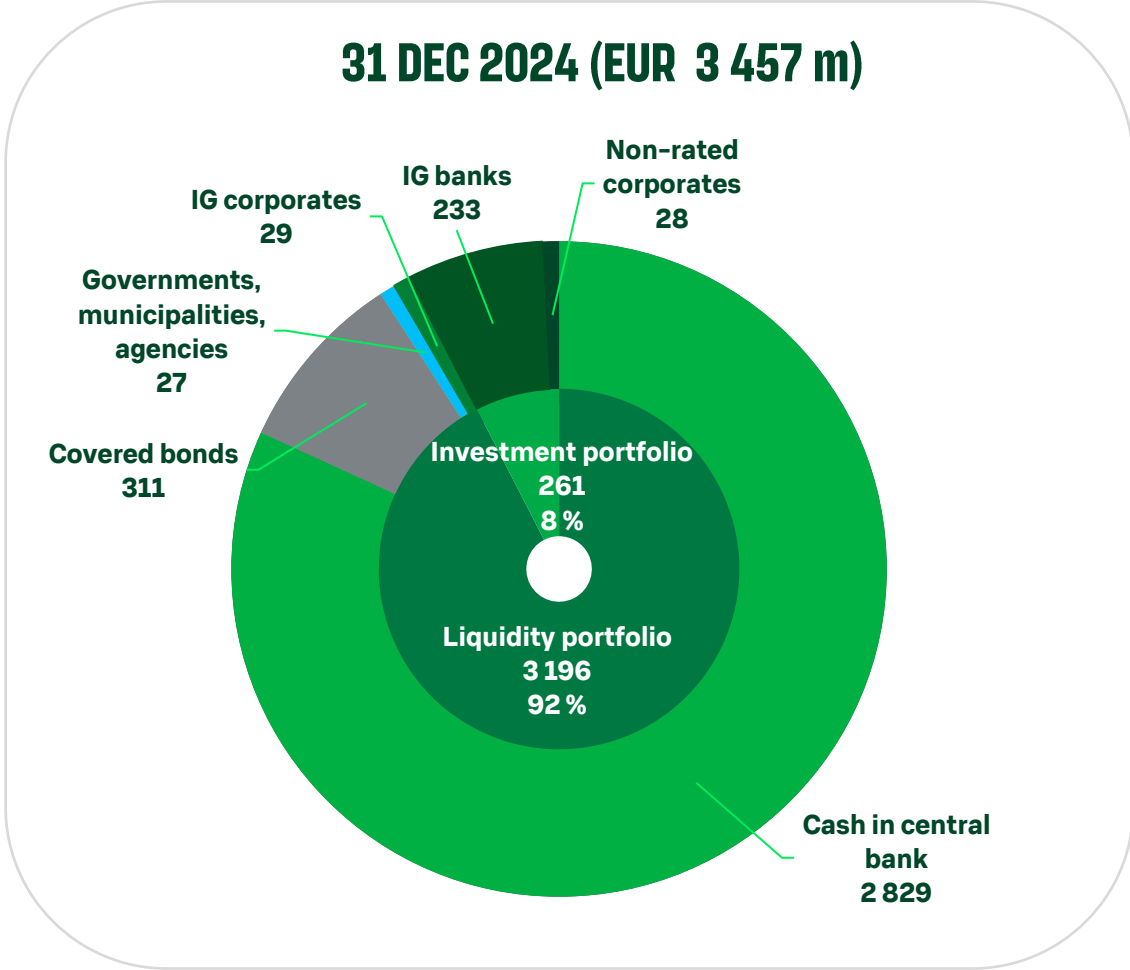
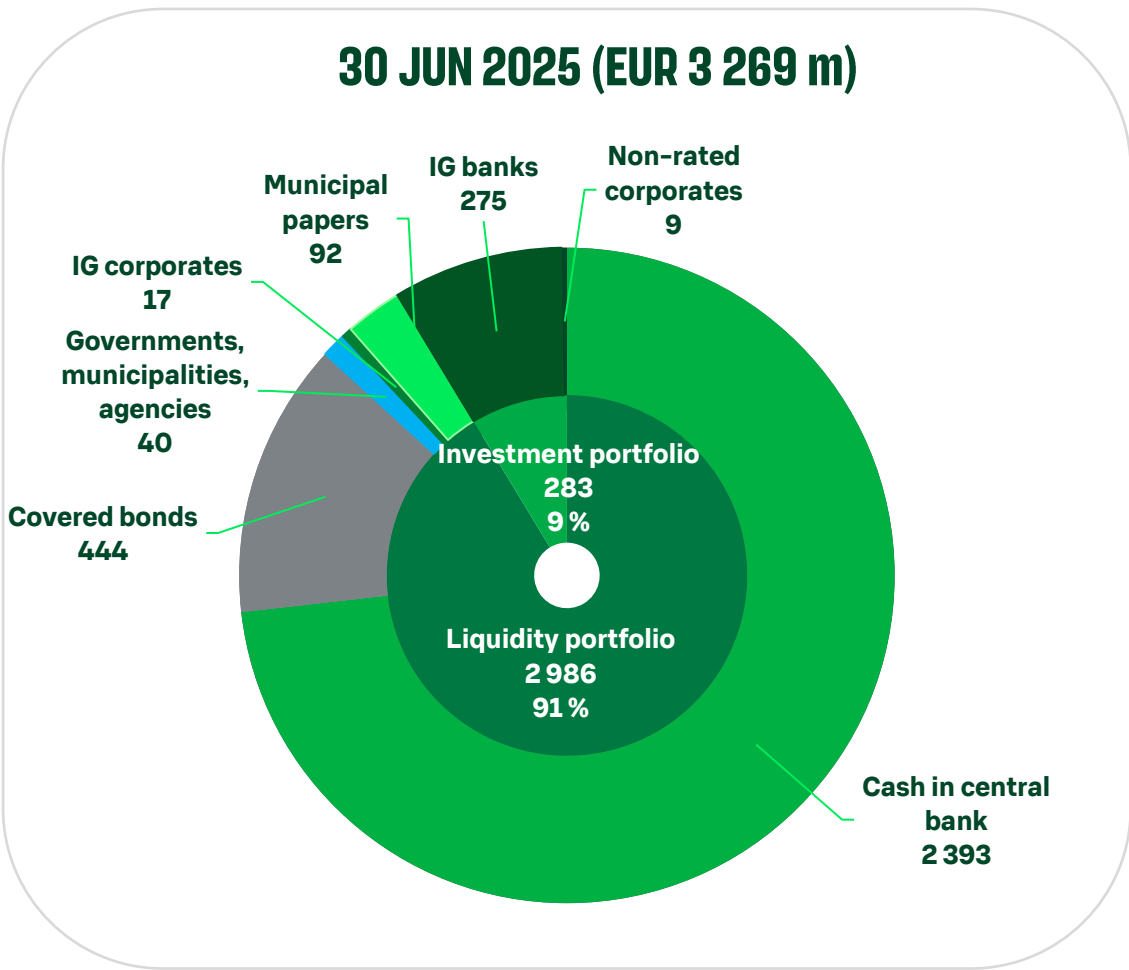
- Own funds increased due to profit performance during January–June 2025. Share issue of EUR 200 million strengthened own funds during 2024.
- S-Bank's risk exposure amount (REA) decreased by EUR 572 million, totaling EUR 4 037 million. The decrease in risk exposure amount of EUR 569 million was due to the entry into force of the CRR3 regulation. During the first half of the year, the risk-weighted assets related to credit risk decreased by EUR 1 million, especially due to a decrease in household customer loans. Simultaneously, the decline in the market values of residential real estate collaterals increased the risk-weighted assets for credit risk. CVA risk decreased by EUR 2 million during the first half of the year.
- S-Bank's own funds and eligible liabilities exceeded both regulatory requirements and internal limits. MREL TREA was at 39.1%, and MREL LRE at 12.0%.
- The latest MREL decision has been given on 25 March 2025. Based on the latest decision, the required MREL TREA was 21.94% (21.91), with a combined buffer requirement of 3.52%, and the MREL LRE requirement was 7.80% (7.75).

CAPITAL POSITION



- S-Bank's equity has continuously strengthened during recent years due to strong profit performance and recent EUR 200 million share issue related to the Handelsbanken transaction in 2024. The equity ratio stood at 7.7%
- The changes to the Capital Requirements Regulation (CRR3), which finalised the implementation of Basel III regulation in the EU, had a positive impact on S-Bank's capital position. CET1 ratio stood at 23.0% and capital adequacy ratio at 25.3%.

S-BANK'S LIQUIDITY AND INVESTMENT PORTFOLIOS



- The Treasury portfolio consists of the liquidity portfolio (LCR liquidity buffer) and the investment portfolio. The total amount of the portfolio decreased and totalled to EUR 3 269.2 million (3 457.3). The decrease in the total portfolio concentrated in the amount of central bank deposit, which was affected by the repayment of funding related to the Handelsbanken transaction.

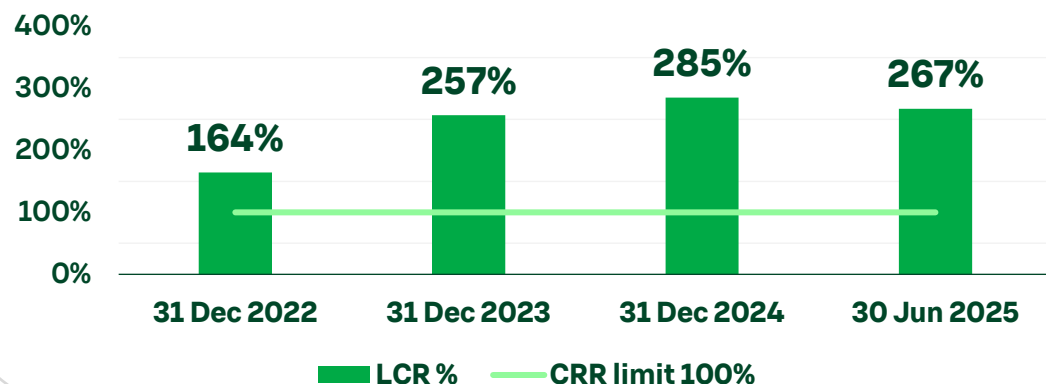


LIQUIDITY

ROBUST LIQUIDITY POSITION AND EASY ACCESS TO ADDITIONAL FUNDING

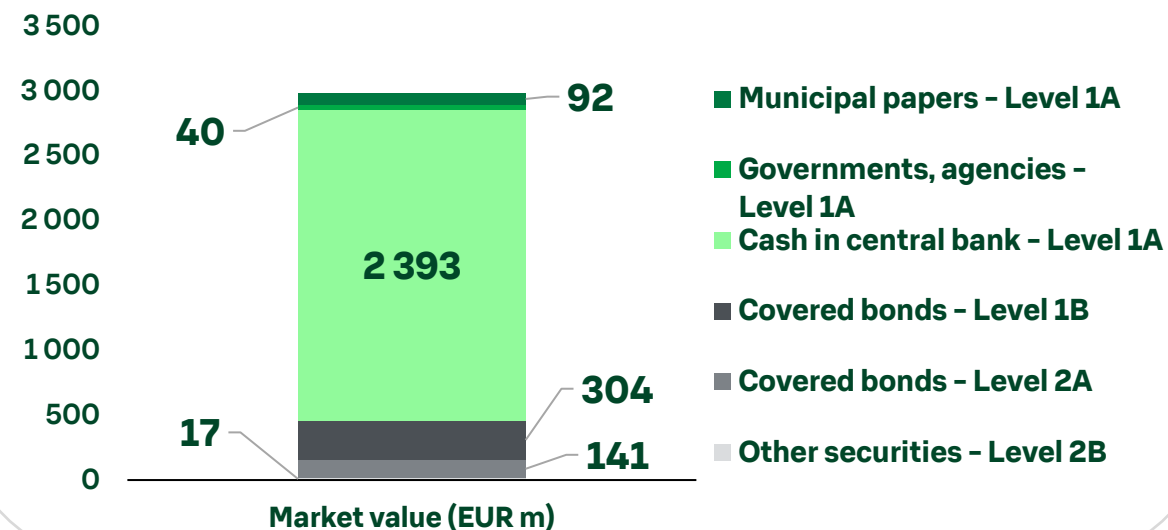
LIQUIDITY OVERVIEW

- S-Bank's liquidity portfolio totalled EUR 2 986 million (3 196)
- Level 1 assets comprise 95% of the portfolio, with the largest allocations in cash at the central bank
- Furthermore, S-Bank has pre-positioned collateral to the Bank of Finland to secure access to additional funding and has a CD-programme for short-term funding needs
- NSFR ratio was 159% (156) with wide headroom over the regulatory requirement of 100%
- LCR was 267% (285) and well above the 100% regulatory requirement



LIQUIDITY PORTFOLIO, 30 JUN 2025

EUR m	Level 1A	Level 1B	Level 2A	Level 2B	Total
Amount held (% of total market value)	2 525 (84.6%)	304 (10.2%)	141 (4.7%)	17 (0.6%)	2 986



KEY FIGURES

(EUR m)	2022	2023	2024	Jan-Jun 2025
Total income	222	371	439	198
Operating profit	45	147	165	52
Deposits	7 926	8 176	9 381	9 985
Lending	6 695	6 935	9 467	9 396
Non-performing loans	0.9%	1.3%	1.7%	1.8%
Assets under management	5 852	6 245	8 342	8 381
Debt securities	697	699	623	870
Cost-to-income, %	74.5%	51.4%	52.6%	60.2%
ROE, %	6.9%	20.1%	16.2%	12.3%
ROA, %	0.4%	1.2%	1.1%	0.9%
Equity ratio, %	5.9%	6.5%	7.4%	7.7%
Capital adequacy ratio, %	16.3%	18.8%	21.4%	25.3%
CET-1 ratio, %	13.2%	16.1%	19.4%	23.0%

**OPERATING PROFIT IN
LINE WITH GUIDANCE**

**SOLID FUNDING BASE-
LOAN TO DEPOSIT
RATIO 94%**

**NPL RATIO
REMAINED STABLE**

**SHARE ISSUE OF
EUR 200 M
IN NOVEMBER 2024**

**ROBUST CAPITAL BASE
SUPPORTS GROWTH
OPPORTUNITIES**



**THANK
YOU**