

Alisa Bank Plc

Half-Year Financial Report

January – June 2025

Alisa
B A N K

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This English version is a translation of the original Finnish release. If there is any discrepancy between the versions, the Finnish version shall prevail.

ALISA BANK PLC HALF-YEAR FINANCIAL REPORT JANUARY – JUNE 2025

CHALLENGING OPERATING ENVIRONMENT PERSISTED – COMPANY FELL SHORT OF PROJECTED GROWTH PATH

January-June 2025 in brief

- January-June profit before non-recurring items and taxes was EUR -1.4 million (-1.0). Profit before taxes was EUR -1.6 million (-2.0).
- Net interest income was EUR 6.6 million (7.2).
- Total operating income was EUR 7.4 million (7.7).
- Total operating costs were EUR -6.6 million (-6.4).
- Realised and expected credit losses were EUR -2.3 million (-3.2).
- Total capital adequacy ratio was 19.2 percent (12/2024: 17.6).
- Loan portfolio before reducing expected credit losses decreased by 15 percent to EUR 126.9 million (12/2024: 149.5) in the accounting period.
- Deposits decreased by 24 percent to EUR 299.0 million (394.6). Liquidity remained strong, and the LCR (Liquidity Coverage Ratio) was 869 percent (12/2024: 897).

Group key figures (EUR 1,000)	Jan-June 2025	Jan-June 2024	Jan-Dec 2024
Net interest income	6,612	7,175	15,075
Net commission income and expenses	729	417	1,815
Total operating costs	-6,624	-6,432	-12,781
Realised and expected credit losses	-2,336	-3,223	-5,527
Profit before taxes	-1,601	-1,995	-1,317
*Profit before non-recurring items and taxes	-1 440	-999	-137
* Cost to income ratio, %	90	84	75
Balance sheet total	349,570	565,255**	450,604
* Return on equity (ROE), %	-9.1	-13.0	-3.9
Capital adequacy ratio (TC), %	19.2	14.0	17.6
Common Equity Tier (CET1) capital ratio, %	16.7	11.6	15.1
Number of employees at the end of period	85	91	80
Earnings per share (EPS), EUR	-0.01	-0.02	-0.01
* Credit losses / loan portfolio, %	3.7	3.4	3.7

* The calculation principles of alternative performance measures are presented in Appendix A.

** The opening balance of the comparative period's balance sheet for 1 January–30 June 2024 has been adjusted by EUR 185 thousand due to a technical error in ECL calculation that occurred in 2023.

CEO's review

The first half of 2025 was challenging for us on several fronts. Demand for financing from both consumers and businesses remained weak, and payment delays continued to increase. Utilization rates of invoice financing limits stayed below normal levels. During the first half of the year, we invested in larger-scale BaaS-partnerships (Banking-as-a-Service), which led to several positive business discussions. Supported by successful marketing efforts and increased sales activity, we managed to bring business financing sales closer to our target level in the second quarter.

Due to the weak start to the year, profit before non-recurring items and taxes was EUR -1.4 million. Towards the end of the period, business performance was supported by effective marketing, the renewal of sales management, and more risk-based pricing. Continued global challenges, together with operational headwinds in the SME sector, are likely to keep the outlook for the remainder of the year modest. Nevertheless, we have several reasons to believe that the growth of our business financing portfolio will continue into the autumn months at a pace similar to early summer.

Business development

The company's operating income decreased by 3.9 percent in the first half of 2025 to EUR 7.4 million (7.7), driven by a decline in net interest income. Expenses increased by EUR 0.2 million due to the combination with PURO Finance, while credit losses fell by EUR 0.9 million, resulting in a EUR 0.4 million reduction in operating loss compared to the previous year.

In the personal customer segment, our loan portfolio decreased by 23 percent to EUR 78 million (12/2024: EUR 102 million). The main driver for this decline was our earlier strategic decision to discontinue the use of credit comparison websites as a sales channel and to focus new lending on the lower-risk portion of our existing customer base.

Despite a challenging operating environment, we succeeded in increasing the business financing loan portfolio by 1.8 percent in the first half of the year (6/2025: EUR 48.5 million, 12/2024: 47.6). The early-year increase in non-performing SME receivables was reversed, but due to the decrease in the loan portfolio and the decline in consumer financing, the relative share of payment delays developed less favorably than expected (NPL ratio increased to 4.9 percent from 4.8 percent at the end of the review period.). During the reporting period, we sold and wrote off inactive credit receivables. Nevertheless, the net credit loss trend remained downward and in line with our forecasts, with the balance sheet now healthier as a result of the measures taken. Following the update to our risk-based pricing, the risk level of new business financing sales is now lower than the bank's current overall portfolio risk.

Our deposits stood at EUR 299 million (12/2024: EUR 395 million) at the end of the financial year. The composition of deposits developed as targeted during the first half, with an increased share from our own channels, which lowered the average funding cost and improved the predictability of the deposit base. Based on current projections, the average funding cost will continue to decline in the second half of the year, albeit at a clearly slower pace.

The bank's capital adequacy ratio continued to strengthen during the first half and stood at 19.2 percent at the end of June, matching the target level of 16 percent.

Looking ahead

In line with the bank's new strategy, the transformation toward lower-risk SME financing products will improve the risk-adjusted return on new sales (income net of credit losses) during 2025. The decline in the cost of funding is expected to continue throughout the year under the market's projected interest rate scenario. These measures, combined with the growth in the financing balance sheet, will have a positive impact on profit compared with the first half of the year. We continue to target financing balance sheet growth outpacing the market through both existing and new BaaS partnerships. Based on ongoing discussions, Alisa's offering — particularly in invoice financing — is seen as highly attractive.

We will place special emphasis on keeping business financing on a growth path and on intensifying the cost-adjustment program initiated earlier this year, critically reviewing both external and internal expenses. In light of changes already implemented, we are confident that further savings can be achieved in this area.

We expect the bank's monthly profit before taxes and non-recurring items to turn positive, as it did in the previous year, during the latter part of 2025.

Sampsa Laine
CEO

Outlook for 2025

Alisa Bank released 18 June 2025 a profit warning, bringing down the outlook for 2025.

18 June 2025 updated outlook for 2025:

The prolonged uncertainty of the operating environment is weakening the company's profit performance for 2025. Alisa Bank continues to implement the renewed strategy and develop BaaS partnerships. The bank's target is profitable growth in business financing, taking into account the economic uncertainty affecting lending. The profit before non-recurring items and taxes for year 2025 is estimated to decline from 2024 level.

Previous outlook for 2025, that was published in connection with the Financial Statements Bulletin 2024:

After a year of changes, Alisa Bank will implement the renewed strategy in the 2025 fiscal year and continue to develop BaaS partnerships. There are early positive signs in the general economic situation, although there is still uncertainty regarding the development of the operating environment. If the economic recovery continues, combined with the implementation of the bank's renewed strategy, it will support the bank's income growth during the current financial year. For the reasons mentioned above, and due to the impact of the annual cycle of invoice financing business, favorable development is expected to be emphasized in the second half of the year.

The profit for the second half of 2024 reflects the current financial state of the renewed Alisa. The profit before non-recurring items for 2025, is estimated to develop favorably compared with the current financial state.

Key figures January – June 2025

Loan portfolio

127

EUR million
(12/2024: 149)

Deposits

299

EUR million
(12/2024: 395)

Operating income

7.4

EUR million
(1-6/2024: 7.7)

Active customers

63,000

(12/2024: 68,000)

ROE

-9.1%

(12/2024: -3.9)

Cost / income ratio

90%

(12/2024: 75)

Capital adequacy

19.2%

(12/2024: 17.6)

NPS

47

(12/2024: 52)

Business environment

Economic development in Finland has been weaker than previously estimated, and signs of recovery remain limited. Uncertainty regarding the outlook for the global economy and geopolitics, as well as tightening trade policies, continue to weigh on economic growth. The operating environment remains challenging for businesses, and the number of bankruptcies has stayed at a high level. During the reporting period, both consumer and business confidence in the economy remained low. In the first half of 2025, the employment rate stood at 71.4 percent and the unemployment rate at 9.3 percent. Employment has continued to deteriorate since 2024.

According to the Bank of Finland, GDP growth is projected to remain at 0.5 percent this year, followed by growth of 1.5 percent and 1.6 percent in the subsequent years. Inflation is expected to remain below 2 percent in the coming years. The decline in unemployment is projected to be slow, and a high unemployment rate is expected to persist. Public finances are projected to remain clearly in deficit, with continued growth in public debt.

General interest rates have declined significantly compared to a year ago, and Euribor rates are currently around 2 percent. During the review period, the European Central Bank cut its key interest rates four times – the deposit rate was lowered to 2.0 percent.

The amount of business loans in Finland decreased by 1.4 percent from last year. In January–June 2025, 1,733 companies went bankrupt, which is 8.4% more than a year earlier (1,599 bankruptcies).

In Finland, consumer credit issuance decreased by 0.8 percent compared to the previous year, while household deposit volumes increased by 3.6 percent year-on-year.

Financial performance

The continued uncertainty in the operating environment negatively impacted the bank's financial performance during the reporting period, reflected in weaker demand across all main products and a high level of credit loss provisions. The utilization rates of invoice financing limits remained exceptionally low. In addition, the growth sought through Banking-as-a-Service partnerships has not progressed as targeted.

In the items of the income statement, the comparison period is 1 January – 30 June, 2024, and the balance sheet and capital adequacy comparison period is December 31, 2024.

In January–June, the group's result before non-recurring items and taxes was EUR -1.4 million (-1.0). Non-recurring items consisted of write-downs of customer contracts resulting from the acquisition of Mobify Invoices and additional premises costs related to the combination with PURO Finance. The result before taxes was EUR -1.6 million (-2.0), and the profit for the reporting period was EUR -1.6 million (-2.0).

The group's income for the review period, including net interest income, net fee income, net income from securities and currency operations and other operating income, fell short of comparison period's income and totaled EUR 7.4 million (7.7). Net interest income weakened by 7.9 percent to EUR 6.6 million (7.2). Interest income for the review period was EUR 10.8 million (14.3) and interest expenses EUR -4.2 million (-7.1). Interest income decreased due to the reduced volume of granted loans and lower returns on liquid assets as a result of declining interest rates.

Fee income and expenses increased from EUR 0.4 million in the comparison period to EUR 0.7 million.

Total costs for the review period, including depreciation and write-downs, amounted to EUR 6.6 million, an increase of 3 percent compared to the reference period (EUR 6.4 million). Personnel expenses increased to EUR 3.6 million (3.0) due to the combination with PURO Finance. Other administrative expenses - including office, IT, representation and marketing expenses as well as costs related to consulting - were EUR 2.2 million (2.7). Depreciation and write-downs were EUR 0.9 million (0.6) and other business expenses EUR 0.0 million (0.1). The deposit guarantee fee of EUR 0.1 million assigned to the company was partly covered by refunds from the old deposit guarantee fund (VTS fund). In the future, deposit guarantee fees will be covered by the company itself. Other operating expenses include also authority fees and rent expenses. The Single Resolution Fund's (SRF) stability fee was not charged from the banks in 2025.

Realized and expected credit losses amounted to EUR 2.3 million (3.2). The expected credit losses in the income statement increased compared to the comparison period and was EUR 1.5 million (0.2). The release of the provision for expected credit losses was mainly due to the effect of recognizing them as final credit losses. Realized credit losses increased from EUR 3.0 million to EUR 3.8 million.

Balance sheet

The total amount of the group's balance sheet was EUR 349.6 million (450.6) at the end of review period. The balance sheet decreased due to a reduction in deposits and a decline in lending.

Assets, EUR 349.6 million, mainly consisted of cash EUR 199.8 million and loans granted to customers (Claims on the public and public sector entities EUR 122.5 million). Intangible assets, EUR 16.2 million, include EUR 13.3 million goodwill generated in business acquisitions and EUR 3.0 million of capitalized product development costs and customer contracts. During the period, EUR 0.4 million (0.6) of product development expenses related to the development of digital banking services were capitalized. The carrying amount of Mobify's customer contracts, amounting to EUR 0.1 million, was written down as a one-off item during the period. No write-downs were made in the comparison period.

The Group's liabilities, that mainly consisted of liabilities to the public and public-sector entities, decreased to EUR 314.5 million (413.9).

The group's equity was EUR 35.1 million (36.7).

Risk and capital adequacy management and risk position

The company's Board of Directors has determined the level of risk that the company is willing to accept to achieve its strategic goals. The accepted level of risk is based on a risk appetite framework, on which the key principles and rules guiding risk-taking are also based. The main categories of risks are credit risk, operational risk, market risk and liquidity risk. The goals, principles and responsibilities of Alisa Bank's risk management and the organization of risk management are described in note G4 of Alisa Bank's 2024 financial statements.

The Group's internal control, risks and risk management and the Pillar III disclosure requirements pursuant to Part 8 of EU Capital Requirements Regulation (575/2013), are set out in more detail in the Alisa Bank's Capital and Risk Management Report, which is published as a separate report in connection with the annual report. In connection with the publication of the Half-Year Financial Report, the information according to Pillar III is published as a separate report.

Capital adequacy and capital adequacy management

The objective of Alisa Bank's capital adequacy and capital management is to secure an adequate amount of capital in relation to all material risks of its operations. The company constantly monitors that its capital is sufficient to cover all the material risks facing the company.

At the end of the review period, the group's capital structure consisted of common tier 1 capital (CET 1) and secondary capital (Tier 2). The group's own funds (TC) were EUR 21.5 (23.5) million, exceeding the total capital requirement for own funds by EUR 6.1 million, when total capital requirement was EUR 15.4 million. Tier 1 capital (T1) was EUR 18.7 (20.1) million was entirely common equity Tier 1 ratio (CET 1) and Tier 2 capital (T2) EUR 2.8 (3.4) million consisted of a debenture loan.

Alisa Bank's total risk exposure amount (REA) was EUR 112,2 (133,4) million at the end of the review period. The total risk decreased by EUR 21,2 million. The decrease was mainly due to a decrease in credit risk exposures and to a change in the calculation method of the capital requirement for operational risk in the Capital Requirements Regulation. Credit risk represents 84% of the total risk amount. The most significant items requiring capital are retail exposures consisting of receivables from private and business customers. Alisa Bank uses the standard method for calculating the Pillar 1 capital requirement.

The group's total capital ratio was 19.2% exceeding the total capital requirement for Alisa Bank (13.75%). Common equity tier 1 ratio and Tier 1 ratio were 16.7%, exceeding the CET 1 capital requirement (9.27%) and Tier 1 % requirement (11.19%).

At the end of the review period, Alisa Bank's leverage ratio was 5.6 percent. Minimum leverage ratio requirement is 3%.

CAPITAL AND RISK POSITION, EUR 1,000	Jun 30, 2025	Dec 31, 2024
Common Tier 1 Capital before adjustments	34,994	36,663
Adjustments to Common Tier 1 Capital	-16,256	-16,534
Common Tier 1 Capital in total (CET1)	18,738	20,128
Additional Tier 1 Capital in total (AT1)	0	0
Total Capital (T1 = CET1 + AT1)	18,738	20,128
Tier 2 Capital before adjustments	6,100	6,100
Adjustments to Tier 2 Capital	-3,299	-2,694
Tier 2 Capital in total (T2)	2,801	3,406
Capital (T1+T2) total	21,539	23,534
Total risk weighted exposure amounts		
Credit and Counterparty risk	94,358	105,182
Market risk	829	803
Operational risk	17,031	27,387
Risk weighted exposures in total	112,218	133,372
Common Equity Tier 1 ratio (CET 1), %	16.7	15.1
Tier 1 ratio (T1), %	16.7	15.1
Total Capital Ratio (TC), %	19.2	17.6
LEVERAGE RATIO, EUR 1,000	Jun 30, 2025	Dec 31, 2024
Total Equity	18,738	20,128
Total Exposure Amount	335,183	435,042
Leverage ratio (LR), %	5.6	4.6

The bank's total capital requirement consists of a minimum capital requirement (8.0%) in accordance with Pillar I and an additional capital requirement (2.5%) in accordance with the Act on Credit Institutions. The system risk buffer requirement of 1 percentage point set by the Financial Supervisory Authority entered into force on April 1, 2024. On 24 April 2024, FIN- FSA imposed a discretionary capital buffer requirement, SREP requirement, on Alisa Bank Plc based on the supervisor's assessment. The capital buffer requirement is 2.25%. Of this requirement, 75 per cent shall be met with Tier 1 capital, of which 75 per cent shall continue to be met with Common Equity Tier 1 capital. The discretionary capital buffer requirement is valid until further notice as of 31 December 2024, but no longer than until 31 December 2027. Below table illustrates the total capital requirement of Alisa Bank.

Pillar 1 minimum capital requirement			Capital conservation buffer	Systemic risk buffer	Pillar 2 (SREP) capital requirement		Total capital requirement	
Capital	%	M€	%	%	%	M€	%	M€
CET1	4.50 %	5.05	2.50 %	1.00 %	1.27 %	1.43	9.27 %	10.40
AT1	1.50 %	1.68			0.42 %	0.47	1.92 %	2.15
T2	2.00 %	2.24			0.56 %	0.63	2.56 %	2.87
Total	8.00 %	8.98	2.50 %	1.00 %	2.25 %	2.52	13.75 %	15.43

Credit risk

The credit risk of the company's operations mostly stems from lending to its customers. Credit risk is defined as the risk of loss resulting from Alisa Bank's loan customers and other counterparties not being able to meet their contractual obligations, and from issued collateral not covering Alisa Bank's receivables. Credit risk management and principles are described in note G4 of Alisa Bank's 2024 financial statements.

The loan balance was EUR 126.9 (149.5) at the end of the reporting period. During the review period the loan portfolio decreased by 15%. The decrease was driven by personal customers. The credit risk position remained stable.

The share of private customers' overdue loans has decreased whereas the payment delays of business customers increased during the review period.

At the end of the review period, the amount of non-performing receivables was EUR 6.2 million (7.1). The NPL ratio, which describes non-performing receivables in relation to loans and advances, was 4.9 (4.8) percent at the end of the review period. The number of non-performing loans decreased, but the relative share increased due to the decreased loan portfolio. Loan receivables with a payment delay of more than 30 days but less than 90 days accounted for approximately 3.2 (3.5) percent of which non-performing loans were 2.3 (1.4) percent of the entire loan portfolio. The proportion of loans having more than 90 days delayed payments was 2.4 (3.1) percent.

Non-performing and forborne exposures, EUR, 1,000	June 30, 2025		June 30, 2024	
	Exposures	% of total loan portfolio	Exposures	% of total loan portfolio
Non-performing exposures delayed less than 90-days	2,966	2.3 %	2,157	1.4 %
Non-performing exposures delayed 90-180 days	879	0.7 %	1,161	0.8 %
Non-performing exposures delayed more than 180 days	2,398	1.9 %	3,820	2.6 %
Total non-performing loans	6,243	4.9 %	7,138	4.8 %
Performing forborne exposures	683	0.5 %	619	0.4 %
Non-performing forborne exposures	2,502	2.0 %	1,449	1.0 %
Total forborne exposures	3,185	2.5 %	2,068	1.4 %

A non-performing loan is a loan that is default, impaired or considered to be unlikely to be paid. Non-performing loans are classified in stage three of the IFRS 9 ECL calculation. The credit losses recorded during the reporting period are described in more detail in Appendix 5 of the interim report. At the end of the review period, the company had one exposure, where the amount was 20 percent of Tier 1 own funds; the loan is secured by financed sales invoice receivables and guarantees. In lending to business customers, the largest industries are retail and wholesale, real estate, and manufacturing. The concentration risk is monitored especially with regards to customer group exposures and industry concentrations.

The following tables describe the geographical distribution of exposures. The overdue exposures of individuals in other EU countries consist of the outstanding loan portfolio in Germany, Denmark and Sweden.

Exposure and home country	June 30, 2025	
	Amount loan receivables	More than 90 days past due
Exposures, EUR 1,000		
Private individuals Finland	75,020	1,320
Companies and entities Finland	47,757	1,327
Public institutions Finland	619	0
Private individuals other EU countries	3,392	630
Companies and entities other EU countries	96	0
Total	126,884	3,277
Expected credit losses	-4,337	
Claims on the public and public sector entities	122,547	

Exposure and home country	Dec 31, 2024	
	Amount of loan receivables	More than 90 days past due
Exposures, EUR 1,000		
Private individuals Finland	96,393	2,028
Companies and entities Finland	46,871	1,151
Public institutions Finland	680	0
Private individuals other EU countries	5,523	1,802
Companies and entities other EU countries	21	0
Total	149,488	4,981
Expected credit losses	-5,776	
Claims on the public and public sector entities	143,711	

Market risk

Market risk consists of the interest rate risk of the financial balance sheet and currency risk. The interest rate risk of the financial balance mainly consists of the differences between the interest rates and maturities of assets and liabilities. The share of fixed-rate long-term loans (more than 1 year) of the bank's credit portfolio is currently less than a tenth, and the share is constantly decreasing. The new lending is mainly at floating rates and tied to the 3-month Euribor, and short-term (under 3 months maturity) fixed-rate invoice funding. The company constantly monitors the development of the interest rate risk through, for example, the sensitivity analysis of changes in the current value of the balance sheet and net interest income risk. If the interest rate were to increase by two percentage points, the economic value of the company's Tier 1 own funds would increase by 3.0 percent at the end of review period. If the interest rate was to decrease by two percentage points, the economic value of own funds would decrease by 3.8 percent. If interest rates were to rise by 2 percent, it would have an estimated annual impact on net interest income of EUR +1.7 million, which is 9.1 percent of CET 1 capital. If interest rates were to fall by 2 percent, the estimated annual impact on net interest income would be EUR -1.7 million which is -9.3 percent of CET 1 capital.

Liquidity risk

Liquidity risk can be defined as a lack of balance in incoming and outgoing cash flows. The risk may materialize if the company is unable to meet its payment obligations as they fall due. The company's main liquidity risks arise from the maturity mismatch between borrowing and lending.

The group's liquidity was at a good level during the review period. The Group's Liquidity Coverage ratio (LCR) was 869 percent at the end of the reporting period, with the minimum requirement being 100%. The liquidity buffer consisted of 100% of Level 1 assets with a very high level of liquidity. The buffer consists of non-pledged, high-quality investments that can be sold very quickly. The Net Stable Funding Ratio (NSFR) was 291% at the end of the reporting period, with the minimum requirement being 100%.

The table below shows the liquidity requirement as a twelve-month average, which was 946 percent at the end of the review period.

LCR JA NSFR, EUR 1,000	Jun 30, 2025	Dec 31, 2024
Liquidity		
LCR-ratio (12 months average) %	946	901
Total high quality liquid assets (12 months average)	271,111	314,526
Cash outflow (12 months average)	48,265	51,600
Cash inflow (12 months average)	19,610	16,711
Total net cash outflow (12 months)	28,655	34,890
Net Stable Funding		
Total available stable funding	300,731	387,502
Total required stable funding	103,307	119,484
NSFR-ratio %	291	324

Operative risk

Operational risk management is applied in all the company's business units by identifying, measuring, monitoring, and evaluating operational risks related to the units. The operational risks realized during the review period were minor in relation to the own funds requirement reserved for them and were related to system failures and fraudulent customer abuse. In operational risk management, the company's main objective is to ensure business continuity and regulatory compliance in the short and long term and as well manage reputational risk. Operational risk management supports the implementation of company values and strategy throughout the business operation.

Responsibility

Alisa Bank has high standards when conducting its business. The Bank requires that its business units and personnel thoroughly understand and strictly adhere to the applicable laws, regulations and standards in all markets and jurisdictions in which Alisa Bank operates.

For Alisa Bank, the well-being and commitment of its personnel are very important. Employee satisfaction is measured regularly, and improvements are made based on the results. The work community is equal; we do not accept discrimination in any form. We are committed to promoting equality and non-discrimination in all activities.

Customer satisfaction is in a key position, and Alisa Bank strives to communicate clearly and understandable to its customers. In personal and business customer lending, the aim is to find suitable solutions together with customers in the event of financial difficulties. Alisa Bank aims to ensure that customers' ability to pay is maintained by offering changes to the payment program or other necessary flexibility for loan repayment.

The company is preparing for sustainability reporting in accordance with the CSRD (Corporate Sustainability Reporting Directive).

Governance

The company's Annual General Meeting was held in Helsinki on 20 March 2025. The meeting approved the financial statements and consolidated financial statements for the financial year 2024, granted discharge from liability to the members of the Board of Directors, the CEO, and the Deputy CEO, and approved the remuneration report. No dividend was distributed for the 2024 financial year.

An Extraordinary General Meeting was held in Helsinki on 27 May 2025. The meeting resolved on the number of Board members (7), elected two new members to the Board, and appointed the Chair and Vice Chair of the Board.

At the end of the reporting period, the company's Board of Directors consisted of the following members:

- Olli-Petteri Lehtinen (Chair) from 27 May 2025
- Johanna Lamminen (Vice Chair)
- Karri Haaparinne
- Sami Honkonen
- Peter Ramsay from 27 May 2025
- Marjo Tomminen
- Tero Weckroth

During the reporting period, the following individuals have also served as members of the company's Board of Directors:

- Markku Pohjola (Chair) until 20 March 2025
- Jukka Salonen (Chair) between 20 March and 4 April 2025)

During the period from 4 April 2025 to 27 May 2025, the board operated under the leadership of the Vice Chair Johanna Lamminen.

The chairman of the Audit Committee is Johanna Lamminen and the members are Sami Honkonen and Marjo Tomminen. The Personnel Committee is chaired by Karri Haaparinne and the members are Peter Ramsay and Tero Weckroth.

Sampsa Laine serves as the company's CEO, and Juha Saari as the Deputy CEO.

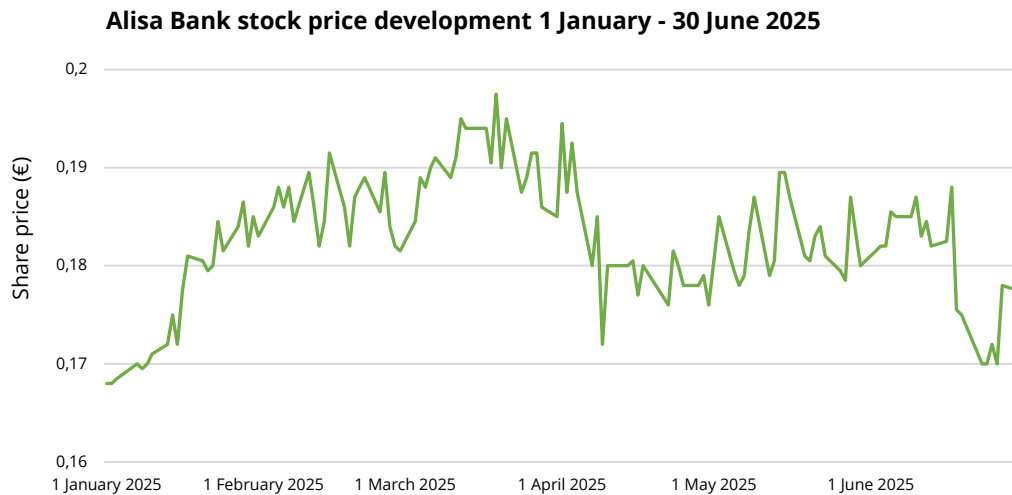
KPMG Oy Ab was elected as the auditor of the company, with Tiia Kataja acting as the responsible auditor.

Shares and shareholders

Shares of Alisa Bank Plc are listed on the main list of Nasdaq Helsinki under the trading symbol ALISA. The number of shares in the company was 150,031,563 at the end of June (147,210,903 shares at 30 June 2024). There was no change in the number of shares during the reporting period.

The company's share capital stood at EUR 18.3 million at the end of June. The number of shares held by Alisa Bank at the end of June was 14,081.

The closing price of Alisa Bank Plc share was EUR 0.178 on 30 June 2025, the last trading day of the review period. During January-June 2025 its lowest price was EUR 0.17, with the highest price being EUR 0.2. Alisa Bank's market value was EUR 26.6 million at the end of the reporting period.



Ten largest shareholders

The shareholders' holding information is based on the list of shareholders maintained by Euroclear Finland Ltd on 30 June 2025.

	Total number of shares	% of all shares
1. Evli Plc	15,288,303	10.19
2. Taaleri Plc	15,288,303	10.19
3. Kempinvest Oy	13,392,003	8.93
4. Heikki Vaiste	8,247,384	5.50
5. Mininvest Oy	7,257,139	4.84
6. Oy Scripo Ab	5,500,000	3.67
7. TN Ventures Oy	5,497,354	3.66
8. Saxo Bank A/S trustee register	5,454,650	3.64
9. Oy Prandium Ab	4,754,100	3.17
10. Veikko Laine Oy	4,624,489	3.08

Group structure

The Alisa Bank Group consists of the parent company Alisa Bank Plc and its wholly owned subsidiaries Fellow Finance Česko s.r.o and Fellow Finance Deutschland GmbH. There was no active business operations in the Czech Republic during the review period. The subsidiary PURO Finance SPV1 Oy merged to the parent company Alisa Bank in 30 April 2025.

Personnel and locations

At the end of June 2025, the group employed 85 people (12/2024: 80). In Finland, 82 people (77) worked at the offices in Helsinki and Turku, and a total of 3 (3) people in other operating countries.

Material events after the reporting period

There are no known events after the end of the reporting period that would require the presentation of additional information or that would significantly affect the company's financial position.

Financial targets for the strategy period

Alisa Bank's board of directors has confirmed the following medium-term (2024-2027) targets for the company in line with its strategy:

- Income growth: An average annual income growth of 20 percent during the strategy period
- Profitability: Over 15 percent return on equity by the end of 2027
- Operational efficiency: A cost-to-income ratio of less than 50 percent by the end of 2027
- Capital adequacy: 16% capital ratio throughout the strategy period

Helsinki, 12 August 2025

Alisa Bank Plc
Board of Directors

For more information:

Sampsa Laine

CEO

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OTHER NOTES

Note A. Alternative Performance Measure

In the financial reporting, alternative key figures (Alternative Performance Measures, APM) are presented, which describe the financial position of Alisa Bank and which are not based on the financial reporting regulations applied by Alisa Bank. Alternative key figures are presented as additional information for other financial reporting, and the guidelines of the European Securities Market Authority, ESMA, have been followed in their preparation.

Loan portfolio	=	The gross book value of the loan portfolio, which is calculated by subtracting the expected credit losses from the claims on the public and public sector entities on the balance sheet
Cost-income ratio, %	=	$\frac{\text{Operating expenses total}}{\text{Income total}}$
Share of impairment of receivables in the loan portfolio, %	=	$\frac{\text{Impairment of receivables (annualized)}}{\text{Loan portfolio at the end of the review period}}$
Return on equity (ROE), %	=	$\frac{\text{Profit for the year, (annualized)}}{\text{Equity (average)}}$
Profit before non-recurring items and taxes	=	Profit before taxes +/- non-recurring items *

* Alisa Bank defines non-recurring income and expenses as non-recurring items. Non-recurring items include, among other things

- termination and business restructuring costs
- one-off depreciation of goodwill and assets (excl. credit losses on the loan portfolio)
- non-recurring capital gains and losses
- items with a profit impact from business acquisitions (excl. purchases and sales of loan receivables)

TABLES AND NOTES

Consolidated income statement

EUR 1,000	Note	Jan 1-June 30, 2025	Jan 1- June 30, 2024	Jan 1-Dec 31, 2024
Interest income		10,790	14,280	29,535
Interest expenses		-4,177	-7,105	-14,460
Net interest income	3.	6,612	7,175	15,075
Fee income		1,214	1,536	2,981
Fee expenses		-485	1,119	-1,166
Net fee and commission income	4.	729	417	1,815
Net income from securities and currency operations		-6	-9	-14
Other operating income		23	76	115
Total income		7,358	7,660	16,991
Personnel expenses		-3,551	-2,976	-6,304
Other administrative expenses		-2,161	-2,733	-4,908
Depreciation and amortization		-896	-636	-1,284
Other operating expenses		-15	-87	-285
Total operating expenses		-6,624	-6,432	-12,781
Realized and expected credit losses	5.	-2,336	-3,223	-5,527
Profit before taxes		-1,601	-1,995	-1,317
Income taxes		-27	6	113
Result for the period		-1,628	-1,990	-1,204
Result for the period attributable to Equity holders of parent company		-1,628	-1,990	-1,204

Consolidated statement of comprehensive income

Result for the period	-1,628	-1,990	-1,204
Other comprehensive income/loss			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences	0	0	0
Financial assets measured at fair value through other comprehensive income	-1		
Other comprehensive income after taxes	-1	0	0
Comprehensive income, total	-1,629	-1,990	-1,204
Total comprehensive income attributable to			
Equity holders of parent company	-1,629	-1,990	-1,204
Earnings per share	6.		
Earnings per share (EPS), basic, EUR	-0.01	-0.02	-0.01
Earnings per share (EPS), diluted, EUR	-0.01	-0.02	-0.01

Consolidated balance sheet

EUR 1,000	Note	June 30, 2025	June 30, 2024 recalculated	Dec 31, 2024
Assets				
Cash and equivalents		199,797	347,619	279,361
Claims on credit institutions		5,991	12,642	8,701
Claims on the public and public sector entities	7./8.	122,547	185,917*	143,711
Debt securities		2,001		
Intangible assets and goodwill		16,241	16,642	16,517
Property, plant and equipment		565	970	814
Other assets		1,168	549	865
Accrued income and prepayments		1,016	671	388
Income tax assets		229	241	229
Deferred tax assets		15	4	17
Assets total		349,570	565,255*	450,604
Liabilities				
Liabilities to the public and public sector entities	8./9.	298,979	508,490	394,639
Subordinated liabilities	9.	6,215	6,213	6,218
Other liabilities		3,499	6,321	4,312
Accrued expenses and deferred income		5,676	8,687	8,618
Deferred tax liabilities		137	172	155
Liabilities total		314,506	529,883	413,942
Equity				
Equity attributable to equity holders of the parent				
Share capital		18,289	18,289	18,289
Fair value reserve		-1		
Fund of invested non-restricted equity		31,985	31,516	31,985
Retained earnings		-15,208	-14,434*	-13,611
Equity attributable to equity holders of the parent total		35,064	35,372*	36,663
Liabilities and equity total		349,570	565,255*	450,604

* The opening balance of the comparative period's balance sheet for 1 January–30 June 2024 has been adjusted by EUR 185 thousand due to a technical error in ECL calculation that occurred in 2023.

Consolidated statement of changes in equity

EUR 1,000	Share capital	Fair value reserve	Fund of invested unrestrictede equity	Translation difference	Retained earnings	Equity attributable to the owners of parent entity	Total equity
Equity on 1 January 2025	18,289	0	31,985	14	-13,625	36,663	36,663
Result of the period					-1,628	-1,628	-1,628
Other comprehensive income		-1				-1	-1
Total comprehensive income		-1			-1,628	-1,629	-1,629
Other changes*					-4	-4	-4
Share based payments					35	35	35
Equity on 30 June 2025	18,289	-1	31,985	14	-15,222	35,064	35,064

* The 2024 result of Fellow Finance Deutschland GmbH changed by -4 teuro after the 2024 result announcement due to the final completion of the accounting.

EUR 1,000	Share capital	Fund of invested unrestrictede equity	Translation difference	Retained earnings	Equity attributable to the owners of parent entity	Total equity
Equity on 1 January 2024	18,289	19,917	14	-12,501*	25,719*	25,719*
Result of the period				-1,990	-1,990	-1,990
Other comprehensive income						
Total comprehensive income				-1,990	-1,990	-1,990
Share issue		11,599			11,599	11,599
Other changes*				-5	-5	-5
Share based payments				48	48	48
Equity on 30 June 2024	18,289	31,516	14	-14,448*	35,372*	35,372*

* The opening balance of the comparative period's balance sheet for 1 January–30 June 2024 has been adjusted by EUR 185 thousand due to a technical error in ECL calculation that occurred in 2023.

EUR 1,000	Share capital	Fund of invested unrestrictede equity	Translation difference	Retained earnings	Equity attributable to the owners of parent entity	Total equity
Equity on 1 January 2024	18,289	19,917	14	-12,501	25,719	25,719
Result of the year				-1,204	-1,204	-1,204
Other comprehensive income					0	0
Total comprehensive income			0	-1,204	-1,204	-1,204
Acquisition		11,599			11,599	11,599
Share issue		469			469	469
Other changes*				-5	-5	-5
Share based payments				84	84	84
Equity on 31 December 2024	18,289	31,985	14	-13,625	36,663	36,663

* The 2023 result of Fellow Finance Deutschland GmbH changed by -5 teuro after the 2023 result announcement due to the final completion of the accounting.

Consolidated cash flow statement

EUR 1,000	1 Jan-30 June, 2025	1 Jan-30 June, 2024	1 Jan-31 Dec, 2024
Cash flow from operating activities			
Profit (loss) for the period	-1,628	-1,990	-1,204
Adjustments for items not included in cash flow			
Depreciation and impairment	896	636	1,284
Credit losses	2,223	3,384	5,418
Income taxes	-27	-6	113
Other adjustments	209	-69	200
Adjustments total	3,301	3,945	7,016
Income taxes paid	-42		
Cash flows from operating activities before changes in operating assets and liabilities	1,632	1,955	5,812
Increase (-) or decrease (+) in operating assets			
Claims on the public and public sector entities	18,942	2,904	43,075
Debt securities	-2,038		
Other assets	-894	1,012	973
Increase (-) or decrease (+) in operating liabilities			
Liabilities to the public and public sector entities	-95,660	239,626	125,775
Other liabilities	-3,712	-3,004	-5,288
Total cash flow from operating activities	-81,731	242,492	170,347
Cash flow from investing activities			
Investments in tangible assets	0	-18	-23
Investments in intangible assets	-367	-279	-562
Proceeds from sales of tangible assets	0	35	35
Acquisition of subsidiaries less acquired cash	0	2,106	2,106
Total cash flow from investing activities	-367	1,844	1,556
Cash flow from financing activities			
Debt securities issued to the public	0	-5,230	-5,230
Liabilities to credit institutions	0	-13,573	-13,573
Paid directed share issue	0		469
Repayments of lease liabilities	-178	-98	-331
Total cash flow from financing activities	-178	-18,901	-18,666
Change in cash and cash equivalents	-82,275	225,435	153,237
Cash and cash equivalents at the beginning of period	288,063	134,825	134,825
Cash and cash equivalents at the end of period	205,788	360,260	288,063
Cash and equivalents are formed by the following items:			
Cash and cash equivalents	199,797	347,619	279,361
Claims on credit institutions	5,991	12,642	8,701
Cash and cash equivalents at the end of period	205,788	360,261	288,063
Notes for cash flow			
Interest received	12,123	14,603	27,772
Interest paid	-1,029	2,367	-4,162

The cash flow from financing activities of the comparison period, EUR -18.9 million, reflects the payment of PURO Finance Oy's external financing, which was implemented immediately after the combination with the Alisa Group.

NOTES

Note 1. Basic information and material changes during the review period

The Alisa Bank Group consists of the parent company Alisa Bank Plc and its wholly owned subsidiaries PURO Finance SPV1 Oy until 30 April 2025, when it was merged to Alisa Bank Plc, Fellow Finance Česko s.r.o and Fellow Finance Deutschland GmbH. There was no active business operations in the Czech Republic during the review period.

Alisa Bank has been authorized by the Financial Supervisory Authority to engage in credit institution operations. In Germany, it has a credit intermediation license (Kreditvermittlungslizenz). Alisa Bank Plc offers its services to Denmark and Sweden across the border as enabled by its license for credit institution operations. The relevance of international operations to the group's financial position is minor. Alisa Bank Plc is listed on the main list of the Nasdaq Helsinki. Alisa Bank Plc's head office is located at Bulevardi 21 A, 00180 Helsinki, Finland.

Note 2. Accounting policies

The Half-Year Financial report has been prepared in accordance with the IAS 34 Interim Financial Statements standard. The accounting principles are the same as in the 2024 financial statements. Previously, the company's financial assets consisted solely of instruments measured at amortized cost. However, during H1 2025, the company made an investment in a financial instrument that is measured at fair value through other comprehensive income. Under the business model, the financial instrument is held both to collect contractual cash flows and to sell the financial asset. Financial instruments classified in this category are initially measured at fair value and subsequently remeasured at fair value, with changes recognized in other comprehensive income.

The figures in the tables are presented in thousands of euros, unless otherwise stated.

For the financial year, no new standard changes have entered into force that would have material effects on Alisa Bank's half-year financial report. 1 January 2027, the new IFRS 18 Presentation and Disclosure in Financial Statements standard will enter into force, which will replace the IAS 1 standard and which will especially change the way the income statement is presented. Income and expenses are classified into operating, investment and financing categories, and the standard will also increase the key figures presented.

Alisa Bank has only one reportable operating segment. The reported segment covers the entire group and the segment figures are consistent with the figures of the Alisa Bank Group and the management's reporting.

Preparing the Half-Year Financial report according to IFRS-standards requires judgment and estimates by the management. The main assumptions made by the group are related to uncertainty factors regarding estimates in the calculation of expected credit losses.

The opening balance of the account *"Receivables from the public and general government"* for the comparative period 1 January–30 June 2024 has been adjusted by EUR 185 thousand due to a technical error in the ECL (Expected Credit Loss) calculation identified in 2023. The ECL provision was understated by EUR 185 thousand. The necessary corrections have also been made to the

figures for the reporting period 1–6/2024, including the equity reconciliation and the key figures impacted by the aforementioned accounts.

The half year report has not been audited.

Note 3. Net interest income

EUR 1,000	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Interest income			
Receivables from credit institutions	3,277	6,015	11,628
Claims on the public and public sector entities	7,507	8,265	17,907
Debt securities	6		
Total interest income	10,790	14,280	29,535
Interest expenses			
Liabilities to credit institutions and central banks	0	-15	0
Liabilities to the public and public sector entities	-3,917	-6,794	-13,892
Debt securities issued to the public	-241	-247	-496
Other interest expenses	-19	-49	-72
Interest expenses, total	-4,177	-7,105	-14,460
Net interest income	6,612	-7,175	15,075

Note 4. Fee and commission income and expenses

EUR 1,000	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Fee and commission income			
Lending	1,008	1,418	2,785
BaaS fee income	143		122
Other fee and commission income	62	118	74
Fee and commission income, total	1,214	1,536	2,981
	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Fee and commission expenses			
Lending		-338	-43
Other fee and commission expenses	-485	-781	-1,122
Fee and commission expenses, total	-485	-1,119	-1,166
	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Timing of revenue recognition			
At a point of time	326	493	888
Over time	888	1,043	2,093
Total	1,214	1,536	2,981

All commission income under IFRS 15 is recognized based on when the control regarding payment obligations has transferred to the customer. Income from customers is recognized to the amount that the company expects to be entitled to in return for the services provided to the customer. Commissions are recognized as revenue either over time or at one time, depending on the nature of the service.

January - June 2024 fee expenses include EUR 0.5 million in commission costs related to deposits and sales invoice financing. As of the second half of 2024, the accounting treatment of these items was revised, and they are now recognized under interest expenses as part of the effective interest rate.

Note 5. Realized and expected credit losses

EUR 1,000	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Realized credit losses on receivables			
Realized credit losses on loans granted during the financial year	-2	-22	-267
Realized credit losses on loans granted before the beginning of the financial year	-3,800	-2,972	-5,906
Realized credit losses on receivables total	-3,802	-2,994	-6,173
Expected credit loss change	1,466	-229	646
Realized and expected credit losses total	-2,336	-3,223	-5,527

The euro amount of net credit losses decreased compared to the reference period, but their proportion relative to the loan portfolio (3.7 percent) remained at the same level as in 2024 (3.7 percent). The expected credit loss in the balance sheet decreased by EUR 1.5 million during the review period, mainly due to the reduction in the personal customer loan portfolio. During the review period, the loan receivables of personal customers in Sweden and Denmark were also sold, resulting in a release of credit loss provisions amounting to EUR 0.9 million. These sales had no material impact on profit.

As of the end of June, the ECL reserve includes a total of EUR 0.3 million (31 December 2024: 0.3) in management judgment-based discretionary provision increases. These discretionary provisions are allocated to individual contracts and relate to financing granted to business customers. No changes were made to the ECL calculation model or parameters during the review period.

Exposure to credit risk by risk category

Credit risk arises from receivables from personal and business customers and off-balance sheet commitments. The exposure to credit risk summary table shows the liabilities on the balance sheet that are exposed to credit risk and the corresponding ECL reservation by impairment stage. The off-balance sheet commitments and related ECL reservations are shown in Appendix 10.

The following tables present the cash amount exposed to credit risks, excluding collateral or other credit risk mitigation measures. The information is distributed across credit risk categories in the

table. The probability of default is the highest in risk category 1 and the lowest in risk category 5. Customers classified in risk category 0 are considered insolvent, as well as customers in risk categories 1 and 2 who have payment delays exceeding 30/60 days. Non-performing loan receivables are presented by risk category in stage 3.

EUR 1,000

**Exposure to credit risk by risk category
(30 June 2025)**

	Stage 1	Stage 2	Stage 3	Total
Risk class 5	34,469	306	104	34,879
Risk class 4	40,701	1,184	100	41,985
Risk class 3	25,487	852	472	26,810
Risk class 2	11,301	677	152	12,131
Risk class 1	3,665	293	917	4,874
Risk class 0	1,389	318	4,498	6,205
Loan portfolio	117,011	3,630	6,243	126,884
ECL-reservation	-852	-198	-3,287	-4,337
Claims on the public & public sector entities	116,159	3,431	2,956	122,547

EUR 1,000

**Exposure to credit risk by risk
category (31 December 2024)**

	Stage 1	Stage 2	Stage 3	Total
Risk class 5	34,915	335	13	35,264
Risk class 4	50,794	1,462	22	52,278
Risk class 3	27,285	1,197	90	28,572
Risk class 2	15,345	1,190	12	16,546
Risk class 1	6,435	441	97	6,973
Risk class 0	1,806	1,145	6,904	9,855
Loan portfolio	136,579	5,771	7,138	149,488
ECL-reservation	-1,053	-515	-4,209	-5,776
Claims on the public & public sector entities	135,526	5,256	2,929	143,711

Transition of loan receivables in stages

The following reconciliations describe transitions and changes in expected credit losses per financial instrument category during the financial year.

EUR 1,000

Transition of loan receivables

	Stage 1	Stage 2	Stage 3	Total
Loan receivables from customers 1 January 2025	136,579	5,771	7,138	149,488
Transfers from stage 1 to stage 2	-2,791	2,601	0	-191
Transfers from stage 1 to stage 3	-2,195	0	1,831	-364
Transfers from stage 2 to stage 1	1,398	-1,604	0	-206
Transfers from stage 2 to stage 3	0	-961	848	-113
Transfers from stage 3 to stage 1	47	0	-54	-7
Transfers from stage 3 to stage 2	0	6	-8	-2
Increases due to origination and acquisition	156,062	163	69	156,294
Decreases due to derecognition	-170,633	-539	-496	-171,667
Decreases in the allowance account due to write-offs	-1,456	-1,806	-3,085	-6,347
Loan receivables from customers 30 June 2025	117,011	3,630	6,243	126,884

EUR 1,000

Transition of loan receivables	Stage 1	Stage 2	Stage 3	Total
Loan receivables from customers 1 January 2024	160,543	5,614	6,708	172,866
Transfers from stage 1 to stage 2	-4,841	4,225	0	-616
Transfers from stage 1 to stage 3	-3,267	0	2,678	-588
Transfers from stage 2 to stage 1	905	-1,153	0	-248
Transfers from stage 2 to stage 3	0	-680	533	-148
Transfers from stage 3 to stage 1	35	0	-43	-8
Transfers from stage 3 to stage 2	0	44	-51	-7
Increases due to origination and acquisition	353,076	1,167	1,230	355,474
Decreases due to derecognition	-362,975	-994	-637	-364,605
Decreases in the allowance account due to write-offs	-6,897	-2,452	-3,281	-12,630
Loan receivables from customers 31 December 2024	136,579	5,771	7,138	149,488

Reconciliation of expected credit losses

The following tables describe transitions and changes in expected credit losses during the financial year. The tables present the reconciliation between the opening and closing balances of the loss allowance.

EUR 1,000

Reconciliation of expected credit losses	Stage 1	Stage 2	Stage 3	Total
ECL- reservation 1 January 2025	1,053	514	4,209	5,776
Transfers from stage 1 to stage 2	-42	133	0	91
Transfers from stage 1 to stage 3	-33	0	916	883
Transfers from stage 2 to stage 1	30	-87	0	-58
Transfers from stage 2 to stage 3	0	-83	415	332
Transfers from stage 3 to stage 1	0	0	-28	-28
Transfers from stage 3 to stage 2	0	0	-5	-5
Increases due to origination and acquisition	270	1	7	278
Changes in credit risk	-116	6	-88	-199
Decreases due to derecognition	-286	-14	-77	-376
Decreases in the allowance account due to write-offs	-24	-273	-2,061	-2,358
ECL reservation 30 June 2025	852	198	3,287	4,337

EUR 1,000

Reconciliation of expected credit losses	Stage 1	Stage 2	Stage 3	Total
ECL- reservation 1 January 2024	1,469	530	4,428	6,427
Transfers from stage 1 to stage 2	-72	385	0	313
Transfers from stage 1 to stage 3	-139	0	1,439	1,300
Transfers from stage 2 to stage 1	13	-54	0	-42
Transfers from stage 2 to stage 3	0	-73	283	210
Transfers from stage 3 to stage 1	1	0	-36	-35
Transfers from stage 3 to stage 2	0	2	-17	-14
Increases due to origination and acquisition	712	26	340	1,078
Changes in credit risk	-156	76	92	12
Decreases due to derecognition	-683	-26	-438	-1,146
Decreases in the allowance account due to write-offs	-91	-353	-1,883	-2,326
ECL reservation 31 December 2024	1,053	515	4,209	5,776

Note 6. Earnings per share

	Jan 1-June 30, 2025	Jan 1-June 30, 2024	Jan 1-Dec 31, 2024
Profit attributable to the shareholders of the parent, EUR 1,000	-1,628	-1,990	-1,204
Weighted average number of the shares	150,031,563	103,051,862	125,321,333
Share and option rights for share-based incentive programs	3,151,119	1,700,000	3,298,330
Earnings per share, basic, EUR	-0.01	-0.02	-0.01
Earnings per share, diluted, EUR	-0.01	-0.02	-0.01

Note 7. Classification, fair values and carrying amounts of financial assets and liabilities

June 30, 2025					
EUR 1,000	Amortised cost	Fair value through OCI	Total	Measured at fair value	Value hierarchies
Assets					
Cash and equivalents	199,797		199,797	199,797	1
Claims on credit institutions	5,991		5,991	5,991	1
Claims on the public and public sector entities	122,547		122,547	134,442	2
Debt securities		2,001	2,001	2,001	1
Total	328,334	2,001	330,336	342,231	

	Amortised cost	Total	Measured at fair value	Value hierarchies
Liabilities				
Liabilities to the public and public sector entities	298,979	298,979	299,271	2
Subordinated liabilities	6,215	6,215	6,019	2
Total	305,194	305,194	305,290	

EUR 1,000		Dec 31, 2024		
Assets	Amortised cost	Total	Measured at fair value	Value hierarchies
Cash and equivalents	279,361	279,361	279,361	1
Claims on credit institutions	8,701	8,701	8,701	1
Claims on the public and public sector entities	143,711	143,711	150,529	2
Total	431,774	431,774	438,591	

Liabilities	Amortised cost	Total	Measured at fair value	Value hierarchies
Liabilities to the public and public sector entities	394,639	394,639	394,970	2
Subordinated liabilities	6,218	6,218	6,007	2
Total	400,857	400,857	400,977	

The company has classified fair values on the basis of the fair value hierarchy as follows:

Level 1: The fair values of financial instruments (such as publicly quoted derivatives and shares) traded on the active market are based on market prices quoted at the end of the reporting period. The quoted market price of financial assets is the current bid price, and the quoted market price of financial liabilities is the ask price.

Level 2: For financial instruments not traded on the active market, the fair value is determined using the measurement method. These methods use as much observable market information as possible and rely as little as possible on company-specific assessments. If all the significant input data required to determine the fair value of an instrument are observable, the instrument is classified as level 2.

Level 3: If one or several pieces of significant input data are not based on observable market data, the instrument is classified as level 3.

Valuation of the Fair Value of Financial Instruments

For cash and cash equivalents and claims on credit institutions, the fair value corresponds to the nominal value. Claims on the public and public sector entities include granted loans, for which the fair value is determined by discounting the expected future contract-based cash flows at the market interest rates at the reporting date, less expected credit losses. The fair value of debt securities is determined based on quoted prices in active markets.

The fair value of deposits included in liabilities to the public and public sector entities is determined by discounting the future cash flows at the market interest rates at the reporting date. For subordinated liabilities, the discount rate reflects the margin corresponding to the instrument's priority position.

Note 8. Breakdown of financial assets and liabilities according to maturity

The table below shows the contractual payments of the company's financial assets and liabilities and off-balance sheet commitments. The cash flows include capital and contractual interest.

	June 30, 2025					
EUR 1,000	under 3 months	3-12 months	1-5 years	5-10 years	over 10 years	Total
Assets						
Cash and equivalents	199,797					199,797
Claims on credit institutions	5,991					5,991
Claims on the public and public sector entities	41,663	18,840	49,385	10,722	1,937	122,547
Debt securities	2,001					2,001
Liabilities						
Liabilities to the public and public sector entities	267,979	12,902	18,098			298,979
Lease liabilities	92	253	254			600
Subordinated liabilities	115		6,100			6,215
Off-balance sheet commitments	4,673					4,673

	Dec 31, 2024					
EUR 1,000	under 3 months	3-12 months	1-5 years	5-10 years	over 10 years	Total
Assets						
Cash and equivalents	279,361					279,361
Claims on credit institutions	8,701					8,701
Claims on the public and public sector entities	42,911	20,363	62,029	15,428	2,981	143,711
Liabilities						
Liabilities to the public and public sector entities	355,340	19,313	19,986			394,639
Lease liabilities	99	305	450			854
Subordinated liabilities		118	6,100			6,218
Off-balance sheet commitments	4,861					4,861

Note 9. Liabilities

EUR 1,000	June 30, 2025	June 30, 2024	Dec 31, 2024
Liabilities to the public and public sector entities			
Deposits	298,979	508,490	394,639
Liabilities to the public and public sector entities total	298,979	508,490	394,639
	June 30, 2025	June 30, 2024	Dec 31, 2024
Subordinated liabilities			
Debentures	6,215	6,213	6,218
Subordinated liabilities total	6,215	6,213	6,218

The debenture loan is an instrument with a lower priority than Alisa Bank's other commitments, which belongs to the secondary capital referred to in the capital adequacy regulations applicable to Alisa Bank. The loan term of the debenture loan is five years and it matures on October 17, 2027. The fixed annual interest rate of the debenture loan is 8 percent.

Note 10. Off-balance sheet commitments

EUR 1,000	June 30, 2025	June 30, 2024	Dec 31, 2024
Unused credit facilities	4,673	5,774	4,861
Total	4,673	5,774	4,861

Off-balance sheet commitments are overdraft facilities granted to customers that the customer has not withdrawn. The expected credit loss on off-balance sheet items is EUR 83 thousand (EUR 68 thousand).

Note 11. Related party transactions

Related party refers to key persons in a leading position in Alisa Bank and their family members, subsidiaries and companies in which a key person in a leading position has control or joint control. The key persons are the members of the board, the CEO and the CEO's deputy, and the rest of the management team.

During the reporting period, business transactions with related parties, board and executive team members, mainly consisted of Alisa Bank's deposit liabilities and related interest. In addition, in connection with the combination with PURO Finance, share subscription loans granted to some of PURO Finance's personnel were transferred to Alisa Bank Group, of which the share granted to related parties is shown in the table below.

Related party transactions			
EUR 1,000	June 30, 2025	June 30, 2024	Dec 31, 2024
Receivables	93	86	83
Liabilities	203	383	345
Expenses	0	8	21
Total	296	477	448

Note 12. Material events after the end of the reporting period

There are no known events after the end of the reporting period that would require the presentation of additional information or that would significantly affect the company's financial position.

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