

Global Investor Call



Debt Investor Presentation FY2025

February 2026





HYPO

Secure Way for Better Living

Hypo Group Overview



HYPO

- Founded in 1860
 - The oldest private credit institution in Finland
- Mutual company governed by the member customers
 - All returns are kept within Hypo
- Retail banking, no corporate lending
- Specialised in mortgage financing
- **Residential property always as collateral**
- Strong loan book - NPLs 0.26% (31.12.2025)
- Total assets EUR 3.6 billion (31.12.2025)
- Established and regular issuer in Finland
- S&P issuer rating 'BBB/A-2' (stable)
- S&P covered bond ratings 'AAA' (stable)
- Supervised by the FIN-FSA

**The Mortgage Society of
Finland (Hypo)
1860**

100%  54.6%

**Deposit
taking Bank
2002**

**Office
Building
1912**

**Pension Fund
'A + M Departments'**

Financial Results

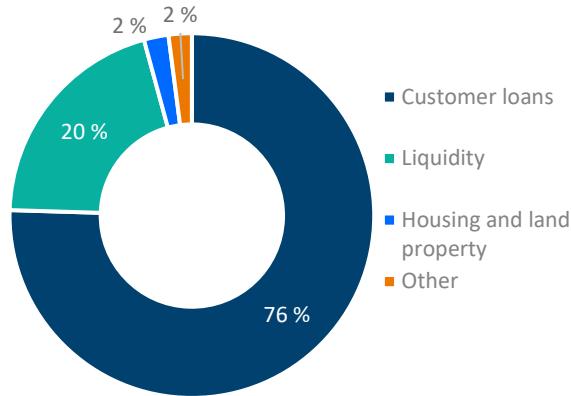


Strong Balance Sheet

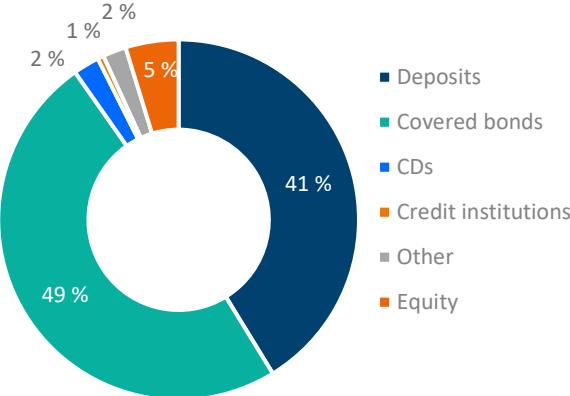


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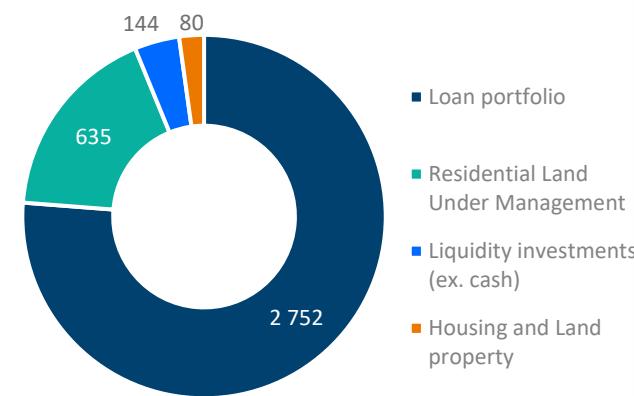
Total Assets



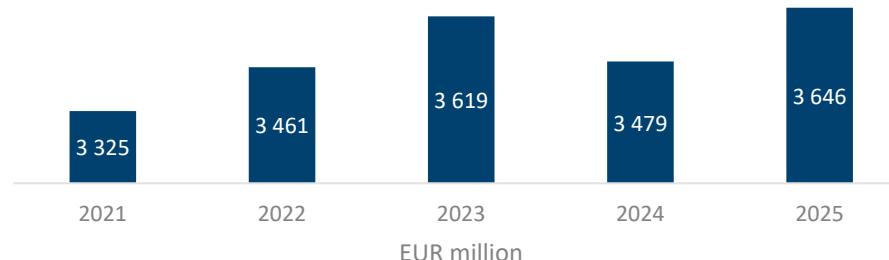
Liabilities and Equity



Revenue generating assets (m€),
on and off balance sheet



Balance Sheet Total



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Group Key Financial Figures 2025

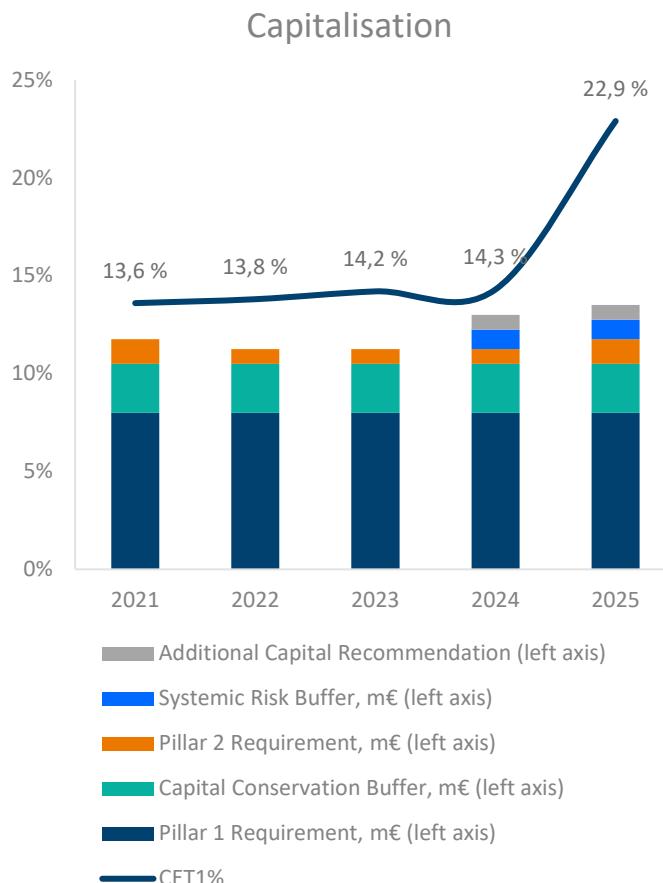


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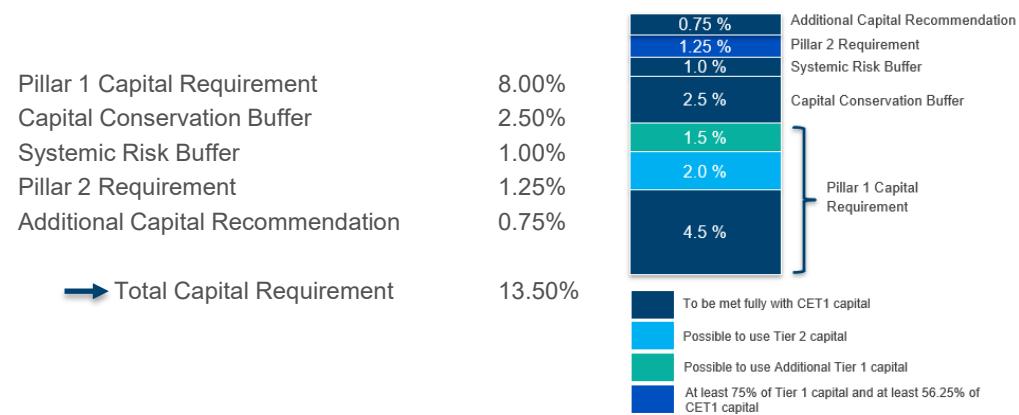
(1 000 €)	1-12/2025	1-12/2024	10-12/2025	10-12/2024
Net interest income	19,284	17,444	4,598	5,196
Net fee and commission income	5,985	5,655	1,585	1,498
Total other income	3,623	1,490	1,072	500
Total expenses	-19,805	-16,581	-6,159	-4,366
Operating profit	9,086	8,008	1,096	2,827
Receivables from the public and public sector entities	2,751,992	2,791,811	2,751,992	2,791,811
Deposits	1,504,008	1,551,254	1,504,008	1,551,254
Balance sheet total	3,645,970	3,478,594	3,645,970	3,478,594
Return on equity (ROE) %	4.4	4.1	2.2	5.7
Common Equity Tier 1 (CET1) ratio %	22.9	14.3	22.9	14.3
Cost-to-income ratio %	68.5	67.0	71.7	59.6
Non-performing loans % of the loan portfolio	0.26	0.43	0.26	0.43
Loan-to-value ratio (weighted average LTV) %	31.1	31.1	31.1	31.1
Loans / Deposits %	183.0	180.0	183.0	180.0
Liquidity Coverage Ratio (LCR) %	277.4	183.7	277.4	183.7
Net Stable Funding Ratio (NSFR) %	110.2	115.1	110.2	115.1
Leverage Ratio (LR) %	4.3	4.3	4.3	4.3

- Net interest income increased to EUR 19.2 million (EUR 17.4 million)
- Total expenses increased to EUR 19.8 million (EUR 16.6 million)
 - Investments in personnel and training
- Group's financial position remained stable throughout the period
- Outlook: operating profit for year 2026 is expected to be at the same level as in 2025

Solid Capital with Basel III Standardized Approach



- Mutual company: all profits are retained and added to the core capital
- S&P's Risk Adjusted Capital 18.7% (very strong) on 31.12.2024
- Total Capital Ratio 22.9%, all CET1 capital



- EUR 3.0 million of hidden reserves in housing property (not marked-to-market) and EUR 8.0 million of surplus in Pension Fund
 - Inclusion into CET1 would raise the ratio to 24.1%
- Basel III finalization as of 1.1.2025 lowered risk weights used in standardized approach
 - Lending with residential collateral: 20% risk weight
 - Housing and land investments: 100% risk weight

Hypo's Loan Book

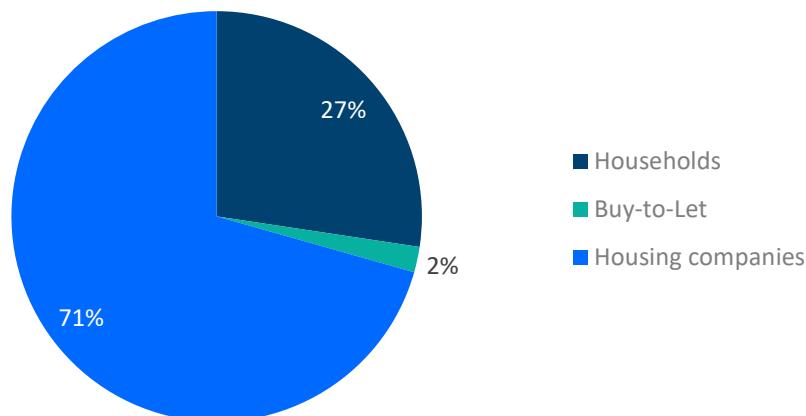


Loan Book Overview

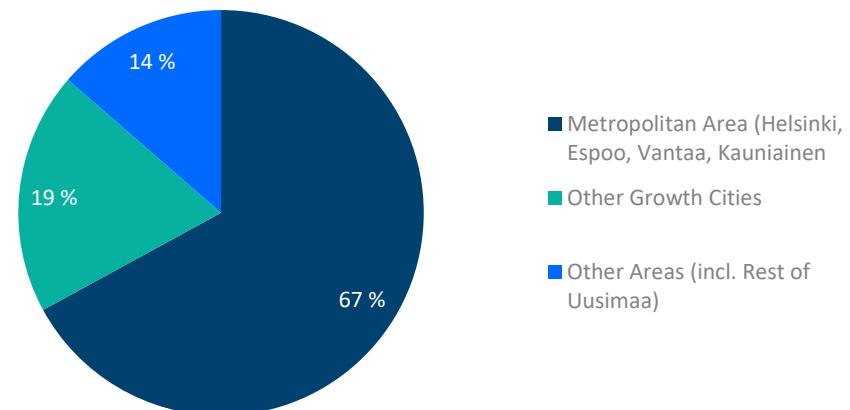


- Hypo's loan book is EUR 2,752 million
- Mortgage loans are secured by **residential property**
- Collateral requirement is set in the Finnish Act on Mortgage Societies
- Two main customer groups
 1. Housing companies: renovation loans
 2. Households: home mortgage, buy-to-let

Lending by Customer Type



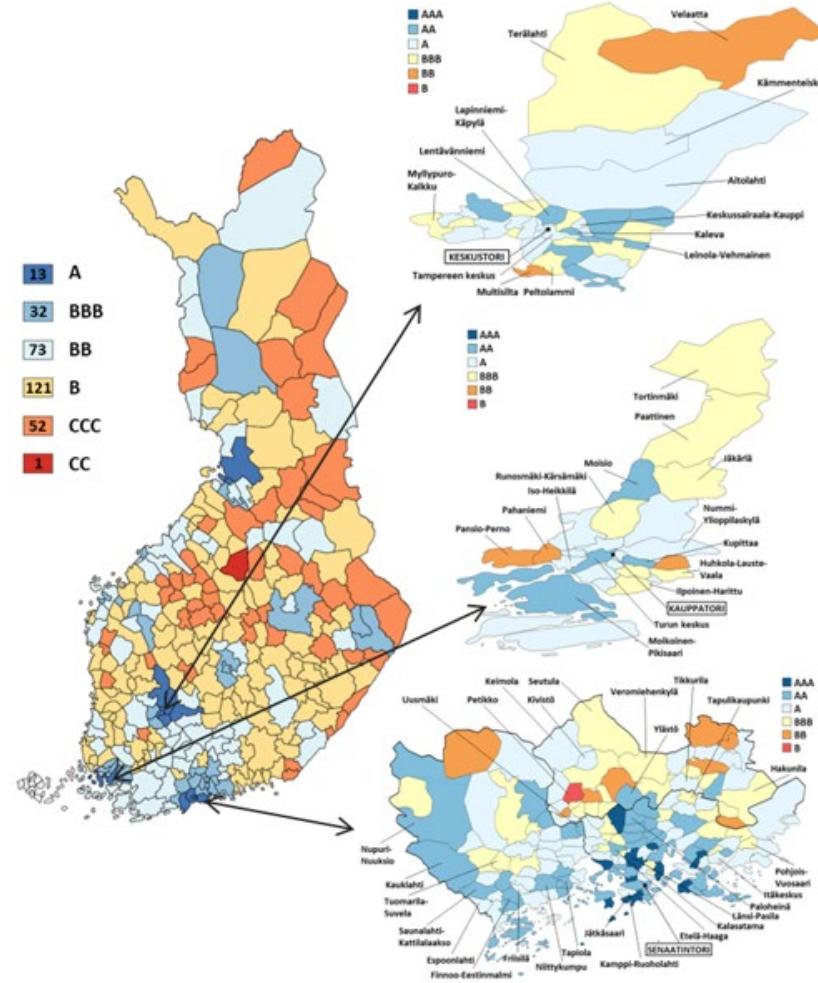
Loan Book by Customer Domicile



Hypo Regional Rating for Collaterals



- Hypo Regional Rating for Collaterals evaluates housing market areas across Finland through the eyes of a housing financier.
- Risks differ significantly between different areas in Finland.
- Hypo Regional Rating is based on variables e.g.
 - housing prices
 - housing transactions
 - demographics
 - environment
 - income growth
 - crime
 - distance to university hospitals
- Hypo Regional Rating is informative for ordinary buyers in the housing market, as well as credit rating institutions and institutional investors.



Source: Hypo

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Funding and Liquidity

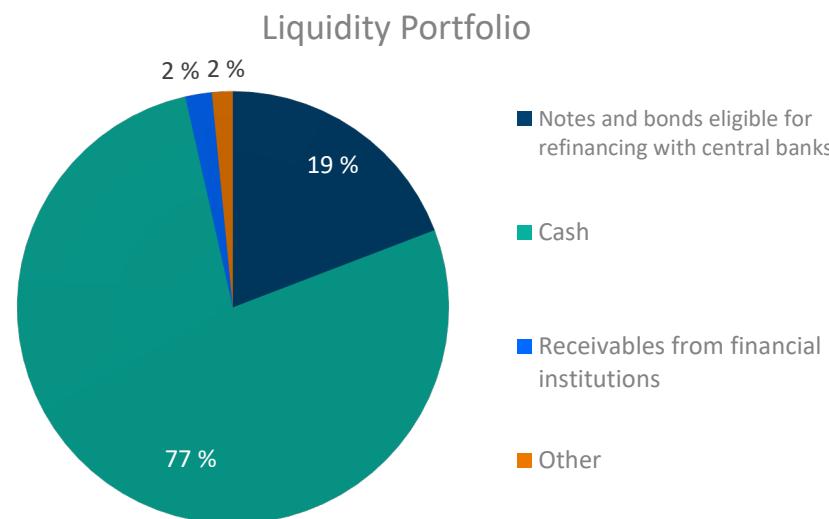


Solid Liquidity Position

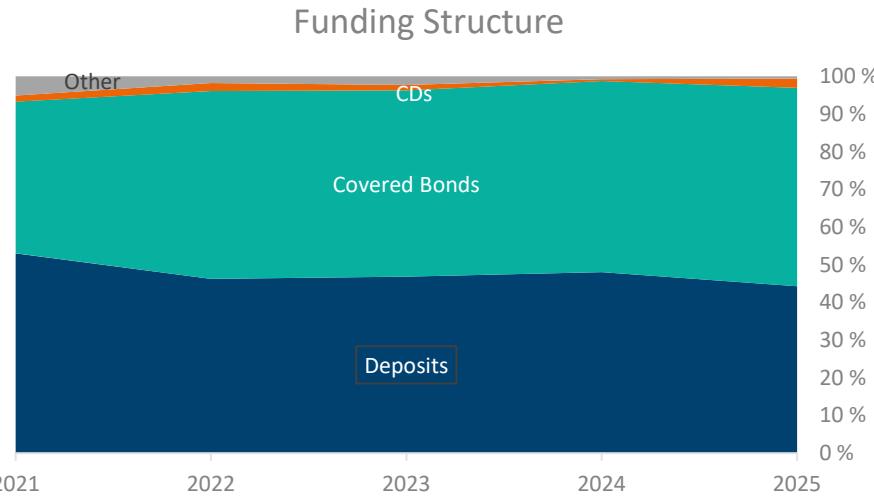
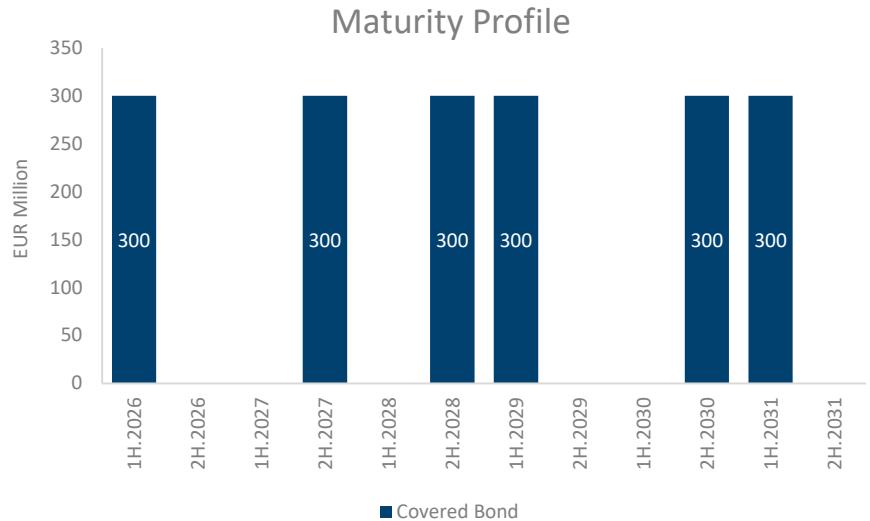


Liquidity portfolio EUR 751.2 million as of 31.12.2025

- Equaling 20.6% of total assets
- Conservative investment policy
 - 72.0% of debt securities invested in at least 'AA-' rated instruments
 - 92.5% of debt securities are ECB repo eligible
- Only EUR denominated exposure
- LCR 277.4% (183.7% as at ye2024)



Diversified Funding Profile



- Covered bonds ~53% of total funding
 - Program was inaugurated in 2016
 - Issuer is the group parent, no separate entity
 - Hypo is a member of ECBC
- Deposits ~44% of total funding
 - collected through 100% subsidiary bank "Suomen Asuntopankki"
- Other funding sources
 - Domestic CD program
 - ECB's monetary policy operations
 - Bilateral loans
- NSFR 110.2% (115.1% as at ye2024)

Covered Bonds



Covered Bonds

Bloomberg ticker: SUOHYP Corp



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- Covered bonds rated 'AAA' (stable) by S&P
- Issues (\geq 250 million) LCR level 2A and ECB repo eligible
- Cover pools consist 100% of Finnish residential property
 - Regulatory risk weight of pool assets mostly 20% (Basel III standardized approach)
 - All collateral located in selected prime growth centers
- Total amount outstanding EUR 1,800 million
- Two cover pools:
 - **Pool 2 for new issuance** under Act 151/2022 (European Covered Bond Premium)
 - Pool 1 for issues done under previous Covered Bond Act 688/2010
- Current WALTV's for **pool 2: 21.2%** and pool1: 32.9%
- Current nominal overcollateralization for **pool 2: 18.0%** and pool 1: 16.3%
 - Commitment to keep the OC, in both pools, all times at a level commensurate with a 'AAA' rating from S&P Global Ratings

Type	ISIN	Issue Date	Maturity Date	Nominal (m€)	Coupon	Pricing
Covered – Pool 1	FI4000375092	13.3.2019	13.3.2026	300	Fixed +0.5	MS +15
Covered – Pool 1	FI4000496344	24.3.2021	24.3.2031	300	Fixed +0.01	MS +6
Covered – Pool 2	FI4000541461	15.11.2022	15.11.2027	300	Fixed +3.25	MS +23
Covered – Pool 2	FI4000549605	15.3.2023	15.9.2028	300	Fixed +3.625	MS +32
Covered – Pool 2	FI4000570684	10.4.2024	10.4.2029	300	Fixed +3.125	MS +43
Covered – Pool 2	FI4000592142	18.9.2025	18.9.2030	300	Fixed +2.625	MS +39

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Cover Asset Pool 2 Data (1/3)

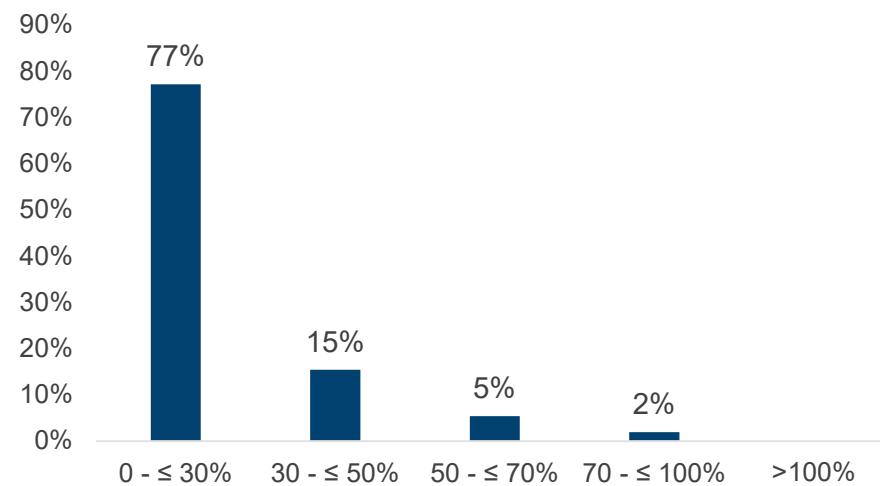


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Pool Data as at 31.12.2025

Applicable law	Act 151/2022
Total Cover Pool (nominal)	EUR 1 416 256 591
Eligible Cover Pool	EUR 1 415 057 000
Average Loan Balance	EUR 264 374
Number of loans	5 357
Number of properties	3 881
Number of clients	4 118
WA seasoning (months)	70
WA remaining term (months)	210
WA LTV (indexed)	21.2%
WA LTV total (indexed)	21.2%
Interest	Variable 99% Fixed 1%
Loans in arrears (>30 days)	0.00%
OC level (nominal)	18.0%
OC level (eligible)	17.9%
Pool Type	Dynamic

LTV Distribution



- The weighted average indexed LTV of the pool is 21.2%
- No non-performing loans in the cover pool
- No arrears
- Well-seasoned mortgage cover pool

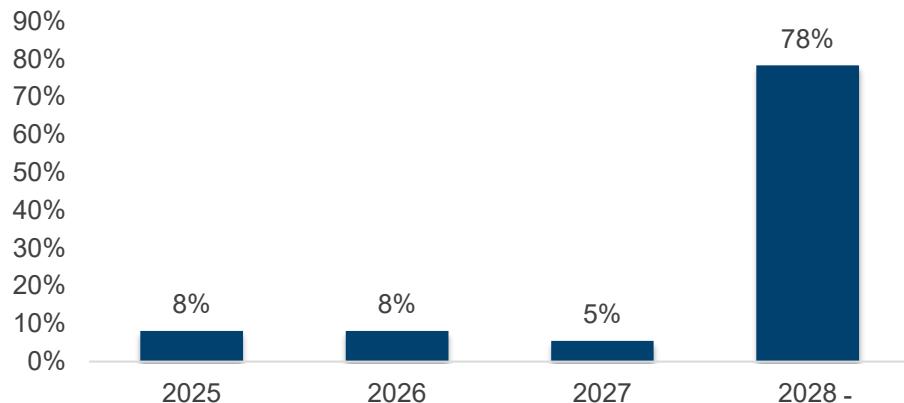
Cover Asset Pool 2 Data (2/3)



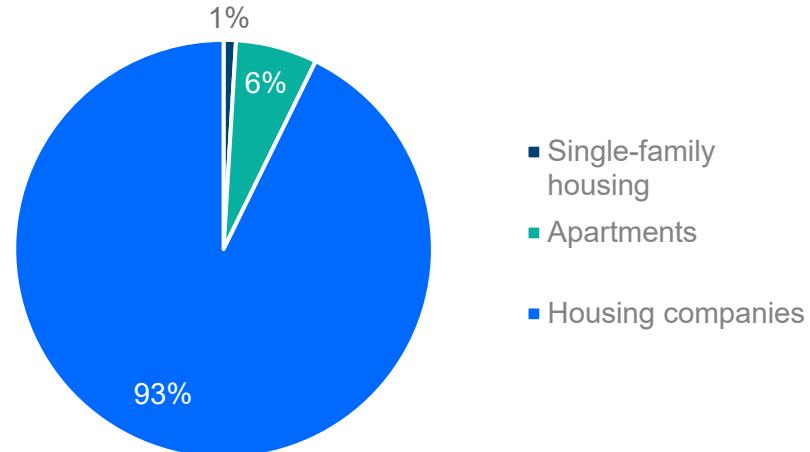
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Pool Loan Maturity Profile

Contractual Amortizations



Pool Collateral Types



- Pool composition: 7% of retail mortgages and 93% of housing company residential mortgages
- All loans with contractual repayment schedule
- Stable amortization profile
- No public sector loans in the pool
- Currently no substitute assets in the pool

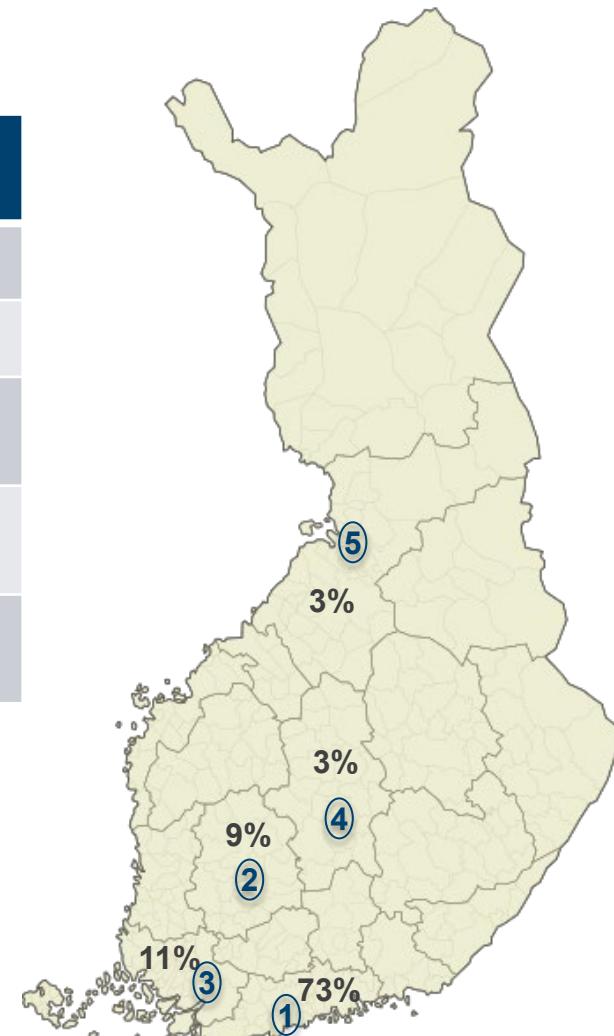
Cover Asset Pool 2 Data (3/3)



Geographical Distribution as at 31.12.2025

	Region	Major City	Share of the Pool
1	Uusimaa	Helsinki	73%
2	Pirkanmaa	Tampere	9%
3	Varsinais-Suomi (Southwest Finland)	Turku	11%
4	Keski-Suomi (Central Finland)	Jyväskylä	3%
5	Pohjois-Pohjanmaa (North Ostrobothnia)	Oulu	3%

Hypo's strategic choice is to operate mostly in prime growth centers.



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Outlook



Future Outlook in brief



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- Finland's economic growth remains subdued amid global uncertainty, labour market is still cool and foreign trade stagnates, but the economic outlook will improve during 2026
- The housing market is recovering and renovation construction is increasing
- Differences between housing market areas and units become more important
- Urbanization continues
 - These increase housing sales and the demand for mortgages and housing company loans, especially in Hypo's most important operating areas
- Hypo Group focuses on strengthening its core business and profitability
- Operating profit for year 2026 is expected to be at the same level as operating profit for 2025
 - The outlook contains considerable uncertainties arising from economic and interest rate developments, the war in Ukraine, the Middle East peace process, tensions in the Arctic region and the unstable global situation

Indicative Terms of the Planned Transaction



Indicative Terms of the Planned Transaction



Issuer:	The Mortgage Society of Finland
Type of Notes:	European Covered Bond (Premium), backed by 100% prime Finnish residential mortgages, ECB repo & LCR 2a eligible, UCITS/CRR compliant
Issue rating (expected):	AAA (stable) by S&P
Amount:	EUR 300,000,000
Tenor / Maturity Date:	4 year / 11 February 2030 (soft bullet)
Coupon:	Fixed rate, annual
Redemption Amount:	100%
Documentation:	The Issuer's EUR 2,500,000,000 Programme for the Issuance of Senior Preferred Notes, Tier 2 Notes and Covered Bonds dated 02 July 2025 and as further supplemented
Law:	Finnish Law
Clearing / Listing:	Euroclear Finland / Nasdaq Helsinki (Helsinki Stock Exchange)
Denominations:	EUR 100,000 + EUR 100,000
MiFID II:	Manufacturer target market (MiFID II product governance) is eligible counterparties and professional clients only (all Distribution Channels). No PRIIPs key information document (KID) has been prepared as not available to retail in EEA or in the United Kingdom
Lead Managers:	Danske Bank, Erste Group, Nordea, Swedbank

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Read more about 2025:

www.hypo.fi/en/investor-relations

Links:

[Financial Statements Release 2025](#)

[Covered Bond Transparency Report](#)

[Hypo's Investor Pages](#)





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