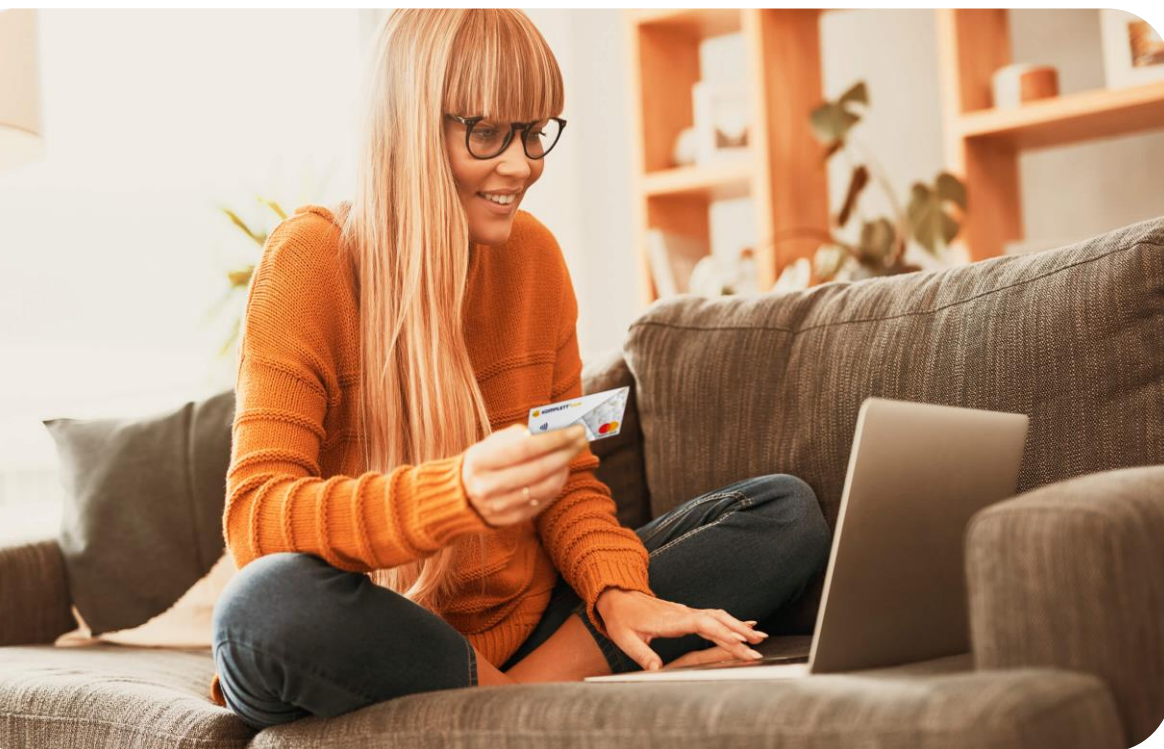


Interim report

SECOND QUARTER AND H1 2022



Q2 2022 highlights and key figures

Repositioning for growth well underway

- All-time high new sales in June with positive trend continuing into Q3
- Q2 conversion rates increased in all markets compared to Q1, following multiple improvements on customer and internal processes
- Outsourcing project launched; defined automation and process initiatives expected to reduce net annual run-rate costs by NOK 18-20 million in total from Q1 2023
- Reorganisation of IT completed and new tech roadmap developed; significant potential for further improvements identified

Stable profitability

- Adjusted net loans up 1.9% in the quarter to NOK 7.3 billion
- Yield on performing loans increased to 13.1% vs 12.9% in Q1
- Cost/income ratio trending positive; -2.3%-points excluding marketing spend in Q2
- Loan loss ratio at 2.2% vs 2.1% in Q1
- Profit after tax of NOK 36 million compared to NOK 35 million in Q1

Solid balance sheet and capital position

- NPL ratio¹ of 3%, down from ~10% in Q1 following sale of non-performing loans
- CET1 ratio of 24.3% at the end of Q2, well above the 17.2% requirement

¹ NPL ratio excluding so-called "lazy payers" of NOK 178 million as at balance sheet date

About Komplett Bank ASA

Komplett Bank ASA (the “Bank”) started operations in March 2014 when the company received its banking licence from the Norwegian authorities. Komplett Bank offers convenient consumer financing to creditworthy individuals. This provides individuals with financial flexibility, which, in turn, contributes to economic activity and growth for the society at large.

The Bank’s main products are consumer loans, comprising Komplett Bank’s annuity loans launched in May 2019 as well as a flexible loan product with functionality that gives the customer more flexibility in use of the credit line. In July 2022, the Bank launched a new refinancing product in Norway. In addition, the Bank offers “Komplett Bank Mastercard”, a credit card with product features tailored for online shopping as well as Point of Sales (POS) finance products. Moreover, Komplett Bank ~~The Bank~~ offers deposit products with highly attractive interest rates in Norway, Germany and Sweden. As a member of the Norwegian Banks’ Guarantee Fund, customer deposits are guaranteed up to NOK 2 million (EUR 100,000 in Germany and Sweden) per customer.

The Bank follows a strategic roadmap based on geographical and product-wise diversification and expansion. The Bank is pursuing a strategy of building a digital, scalable, efficient operating model combined with strong risk control. In the near- to medium-term, lending operations will be focused on the Nordic region. The Bank has a long-term strategic cooperation with Komplett Group.

The Bank operates on a cross-border basis from Lysaker, outside of Oslo. The Norwegian banking license provides for passporting of the Bank’s offering throughout the entire European Economic Area (EEA).

Financial figures for Q2 2022

All figures are prepared and presented in accordance with the International Financial Reporting Standards (IFRS).

Net loans to customers amounted to NOK 7.0 billion at the end of Q2 2022, a reduction of NOK 163.2 million (-2.3%) compared to Q1 2022. Adjusted for currency effects, with a nominal growth in local currencies, and NPL sales, net loans increased by 1.9%.

Split on product segments, loans increased by NOK 33.9 million, credit cards decreased by NOK 68.3 million and point of sales (POS) financing decreased by NOK 128.8 million.

Net interest income amounted to NOK 187.2 million in Q2 2022, compared to NOK 204.6 million in Q1 2022 partly driven by portfolio sales in Q2 and an increase in contribution to the Norwegian Banks’ Guarantee Fund.

The yield increased slightly for loans in all markets as well as for POS finance, while there was a slight decrease in credit card yield.

Net commissions and fees amounted to NOK 8.5 million in the quarter, up from NOK -2.8 million in the previous quarter, where the increase is related to some one-off income items.

Net gains/losses on certificates, bonds and currency were -0.6 million compared to -4.9 million in Q1 2022.

Total income was NOK 195.1 million, down 0.9% compared to NOK 196.8 million in Q1 2022 driven mainly by lower net loans due to NPL sales and the increase in interest expenses. Adjusted for the NPL sales, total income increased in the quarter driven by higher underlying volumes.

Total operating expenses were NOK 104.0 million, down from NOK 106.4 million in the previous quarter. The cost/income ratio was 53.3%, down from 54.0% in Q1. This includes an increase in marketing expenses of NOK 3 million. As a result, the underlying cost base was reduced by NOK 5.4 million in the quarter.

Personnel expenses decreased to NOK 35.0 million in the quarter from NOK 39.3 million in the previous quarter as improved processes have enabled a leaner organisation. The reduced cost level was partly being offset by the annual wage settlement.

General and administrative expenses increased to NOK 37.9 million, up from NOK 36.0 million in Q1 2022, driven by a NOK 3.0 million increase in direct marketing expenses reflecting higher activity levels and increased new sales.

Structural changes to drive costs-outs and automation/IT enhancements may continue to require investments going forward.

Losses on loans amounted to NOK 42.7 million, down from NOK 43.3 million in Q1 2022. The loan loss ratio was virtually flat at 2.2% compared to 2.1% in the previous quarter.

Profit after tax was NOK 36.3 million, up from NOK 35.3 million in the previous quarter driven by higher net commissions and fees and a reduction of total operating expenses.

Total assets as at 30 June 2022 amounted to NOK 8,894 million (compared to NOK 9,807 million at 31 March 2022). Net loans to customers ended at NOK 7,022 million (NOK 7,185 million). Deposits from and debt to customers amounted to NOK 6,691 million (NOK 7,616 million).

Total equity was NOK 2,032 million as at 30 June 2022 (NOK 1,996 million as at 31 March 2022). The Bank had a total capital ratio of 27.9% (25.4%) by the end of the quarter, and a CET1 ratio of 24.3% (21.9%). Loan and deposits with credit institutions and certificates and bonds amounted to NOK 1,607 million (NOK 2,386 million) corresponding to 18.1% (24.3%) of total assets.

Gross defaulted loans including so-called “lazy payers” of NOK 178 million at the end of Q2 2022 amounted to NOK 436 million, down from NOK 944 million (-54%) as at 31 March 2022 driven by the NPL sales in Q2.

Other

The Norwegian Financial Services Authority has prepared proposals for the introduction of the so-called banking package. The package implies changes to the CRD IV and CRR regulations and the Banking Recovery and Resolution Directive, as implemented in Norwegian law, effective from 1 June 2022. One of the effects from the banking package has increased the Bank’s CET1 ratio by 1%-point due to an extension of the phase-in period for the IFRS 9 implementation by two years, as well as a minimum requirement of 100% net stable funding ratio (NSFR). Komplett Bank reported 160% NSFR as at balance sheet date.

Dividend

Komplett Bank’s dividend policy is to distribute excess capital not allocated to growth to its shareholders. Given the current capital position and expectations of improved operations going forward, the Bank considers its dividend capacity to be 30-50% of annual profit after tax while maintaining ample capacity for growth in the medium-term.

Significant events after balance sheet date

There have been no significant events after the balance sheet date.

Development and outlook

Komplett Bank has a positive outlook for profitability and growth. The outlook is founded on the Bank having a NOK 7.0 billion net loan book, an increasingly strong inflow of loan applications, profitable operations, a well-capitalised balance sheet, low NPL levels and forward flow agreements for all new loans in place.

The loan loss ratio has been around 3% or less for five consecutive quarters, volumes sent to collection have continued to decline while coverage ratios have increased. All new NPL loans are sold on forward flow agreements, limiting risk in the balance sheet, and the Bank expects stable loan losses going forward.

Going into Q3, the Bank is also experiencing further improvements in loan sales. This increase, appearing across all markets, is driven by generally benign market conditions as well as

improvement in conversion rates. The latter is a result of ~~from~~ systematic work by the Bank to enhance conversion and throughput, and that is starting to yield results.

To achieve increased conversion, the Bank has over the past two quarters launched several initiatives to be deployed in 2022 – focusing on product performance, process automation and tech simplification – which are now well underway.

During Q2, management implemented multiple improvements on both customer and internal processes resulting in increased conversion rates in all markets compared to the previous quarter. In July, new sales were at an all-time high and more than 50% above the level in January 2022. A new refinancing product, aimed at reducing churn, was launched in the Norwegian market in June with full effect from July. Nevertheless, client churn remains a general challenge in the market.

Increased automation in the credit process has started to contribute to improved conversion rates. Process automation also enables cost-savings. A project to outsource parts of operations has been launched with expected net annual run-rate cost reduction of NOK 10 million and expected completion in Q4 2022. Total effect on costs from 2022 initiatives to increase automation and improve processes is expected at an annualised effect of NOK 18-20 million in 2023.

On tech simplification, the previously announced reorganisation of the IT organisation and structure was completed during the quarter and a new tech roadmap was developed. The Bank has also identified significant potential for further improvements in defined initiatives that have yet to be implemented.

In 2024, Komplett Bank expects to have delivered on several improvements, including simplified customer journeys, automated processes, optimised product portfolio and a future proof technology platform which will reposition the Bank for accelerated growth.

Near-term, increasing deposit rates are coming into effect from Q3 2022 while cost inflation has started to affect personnel costs somewhat. Nevertheless, the impact from inflation on overall costs is expected to be moderate in H2 2022.

The medium-term macroeconomic outlook for the Nordic region remains robust, supporting expected increase in consumption and demand for consumer financing, although there is some uncertainty related to the geopolitical situation and inflationary pressure.

Based on expected improvement from the aforementioned initiatives, and a stable outlook for consumer financing in the Nordics, Komplett Bank's run-rate ambitions by end 2024 are:

- Loan balance increase of more than 50% post 2021/2022 portfolio sales
- Cost/income ratio below 35%
- Return on target equity of 12-15%

Komplett Bank considers its solid capital position to provide flexibility to both deliver on the organic ambitions as well as further potential growth opportunities.

Risks and uncertainties

Komplett Bank's operations and results are subject to a range of risks and uncertainties. The Bank's framework for managing financial risks is described in the Annual report for 2021. Below is a description of selected major risk factors for H2 2022 that may affect Komplett Bank, including macroeconomic risks, reputation risk and regulatory risks.

While the war in Ukraine has had no direct impact on Komplett Bank's business so far, it has contributed to increased macroeconomic uncertainty. Reduced economic growth, increasing unemployment and diminishing savings rates could reduce demand for consumer financing from creditworthy individuals, reduce existing customers' ability to service their loans and limit the Bank's access to capital. Implemented mitigating actions include Komplett Bank's geographical diversification, strengthening of refinancing offering, continuous surveillance of risk development in the loan portfolio.

While rising unemployment rates historically have had the largest negative impact on the consumer finance market, the observed growing cost inflation and higher interest rates, although coming from record-low levels, could negatively impact consumers' loan servicing capacity to an extent where a part of Komplett Bank's outstanding loans goes into default. While no such impact has been experienced so far, the Bank is monitoring this situation closely. Mitigating the risk of an increase in default levels and potential impacts is a strict Nordic regulatory framework for consumer financing, Komplett Bank's risk policies and procedures related to creditworthiness assessments and stress testing of the credit portfolio, and the Bank's solid capital buffer.

Damage to the Bank's reputation could reduce access to customers, capital and liquidity. Actions undertaken to minimise such risk include the implementation of a strong corporate governance framework, and regular training of all employees within anti-corruption and money-laundering.

Regulatory tightening could reduce the Bank's ability to grow, its profitability and increase the cost of capital. In addition to the geographical and product wise diversification, Komplett Bank has implemented processes to continuously strengthen the Bank's agile culture and adaptability.

Please refer to the Annual Report for 2021 for a thorough review of the Bank's corporate governance practices including policies, guidelines and routines related to managing credit risk, operational risk, liquidity risk and market risk. The Bank's Annual Report for 2021 is available at ir.komplettbank.com.

Related parties

There have not been any transactions with related parties YTD 2022 that significantly impact Komplett Bank's financial position or results for the period.

Responsibility statement

We confirm that, to the best of our knowledge, the condensed set of financial statements for the period 1 January to 30 June 2022 has been prepared in accordance with the applicable accounting standards with such additional information as required by the Accounting Act and gives a true and fair view of the Bank's assets, liabilities, financial position and results of operations, and that the financial review provides a true and fair view of the development and performance of the business and the position of the Bank, together with a description of the key risks and uncertainty factors that the Bank is facing for the remaining six months of 2022.

Stig Eide Sivertsen
Chair

Bodil Palma Hollingsæter
Vice Chair

Anna-Karin Østlie
Member of the board

Nishant Fafalia
Member of the board

Thomas Bjørnstad
Member of the board

Jonna Kyllönen
Member of the board

Frank James Wilson
Member of the board

Øyvind Oanes
CEO

COMPREHENSIVE INCOME STATEMENT

<i>Amounts in NOK million</i>	Note	Q2 2022	Q2 2021	1H 2022	1H 2021	2021
Interest income	2, 6	209.3	264.0	431.2	535.8	965.5
Interest expenses	2, 6	-22.1	-23.1	-39.5	-47.5	-81.8
Net interest income		187.2	241.0	391.7	488.3	883.7
Commission income and fees	2, 6	16.9	13.7	25.8	28.9	51.6
Commission expenses and fees	2, 6	-8.4	-13.5	-20.2	-27.1	-62.9
Net commissions and fees		8.5	0.2	5.7	1.8	-11.3
Net gains/(losses) on certificates, bonds and currency		-0.6	-0.4	-5.5	6.5	4.0
Total income		195.1	240.8	391.9	496.6	876.4
Personnel expenses		-35.0	-41.5	-74.3	-79.4	-162.0
General and administrative expenses	7	-37.9	-38.5	-73.9	-72.1	-141.2
Other expenses	7	-11.9	-9.3	-23.2	-17.5	-34.8
Depreciation		-19.2	-19.2	-39.0	-37.7	-77.3
Total operating expenses before losses on loans		-104.0	-108.4	-210.4	-206.7	-415.4
Losses on loans	2	-42.7	-65.1	-86.0	-139.0	-739.1
Profit/(loss) before tax		48.4	67.2	95.5	150.9	-278.1
Tax expenses		-12.1	-17.2	-23.9	-38.2	69.4
Profit/(loss) after tax		36.3	50.0	71.6	112.7	-208.7
Attributable to:						
Shareholders		32.7	46.7	64.7	105.6	-222.1
Additional Tier 1 capital investors		3.6	3.3	7.0	7.1	13.4
Profit/(loss) after tax		36.3	50.0	71.6	112.7	-208.7
Earnings per share (NOK)		0.17	0.25	0.35	0.57	-1.19
Diluted earnings per share (NOK)		0.17	0.24	0.34	0.55	-1.19
Comprehensive income						
Profit/(loss) after tax		36.3	50.0	71.6	112.7	-208.7
Other comprehensive income		-	-	-	-	-
Comprehensive income for the period		36.3	50.0	71.6	112.7	-208.7

BALANCE SHEET

<i>Amounts in NOK million</i>	Note	30.06.2022	30.06.2021	31.12.2021
Loans and deposits with credit institutions		724.4	999.8	1,301.8
Loans to customers	2	7,022.0	8,353.8	7,397.8
Certificates and bonds		882.6	2,093.5	883.0
Other receivables		72.6	20.3	286.8
Deferred tax asset		49.5	-	73.4
Fixed assets		7.7	11.0	9.1
Intangible assets		134.7	148.0	153.5
Total assets		8,893.5	11,626.5	10,105.5
Deposits from customers		6,691.0	9,114.9	7,933.9
Other debt		105.6	122.5	142.4
Tax payable		-	-	0.1
Deferred tax payable		-	36.3	-
Subordinated loans (Tier 2)	5	65.0	65.0	65.0
Total liabilities		6,861.7	9,338.7	8,141.4
Additional Tier 1 capital		199.6	199.6	199.6
Share capital		187.4	186.9	187.1
Share premium		786.7	786.7	786.7
Other paid-in capital		56.7	50.0	53.8
Retained earnings		801.6	1,064.6	736.9
Total equity		2,031.8	2,287.7	1,964.1
Total liabilities and equity		8,893.5	11,626.5	10,105.5

 Lysaker, Bærum, 10 August 2022
 Board of Directors, Komplett Bank ASA

STATEMENT OF CHANGES IN EQUITY

<i>Amounts in NOK million</i>	Additional Tier 1 capital	Share capital	Share premium	Other paid- in capital	Retained earnings	Total Equity
Equity as at 01.01.2021	244.6	186.6	786.7	48.3	1,037.5	2,303.6
Profit/(loss) after tax	7.1	-	-	-	105.6	112.7
Share capital increases due to exercised share options	-	0.3	-	-	-	0.3
Changes in additional Tier 1 capital	-45.0	-	-	-	-	-45.0
Paid-out dividend	-	-	-	-	-78.5	-78.5
Changes in equity due to share option programs	-	-	-	1.7	-	1.7
Net interest paid to additional Tier 1 capital investors	-7.1	-	-	-	-	-7.1
Equity as at 30.06.2021	199.6	186.9	786.7	50.0	1,064.6	2,287.7
Equity as at 01.01.2022	199.6	187.1	786.7	53.8	736.9	1,964.1
Profit/(loss) after tax	7.0	-	-	-	64.7	71.6
Share capital increases due to exercised share options	-	0.3	-	-	-	0.3
Changes in equity due to share option programs	-	-	-	2.8	-	2.8
Net interest paid to additional Tier 1 capital investors	-7.0	-	-	-	-	-7.0
Equity as at 30.06.2022	199.6	187.4	786.7	56.7	801.6	2,031.8

CASH FLOW STATEMENT

<i>Amounts in NOK million</i>	1H 2022	1H 2021	2021
Profit/(loss) before tax	95.5	150.9	-278.1
Taxes paid	0.1	-82.8	-82.8
Depreciation	39.0	37.8	77.3
Change in impairments on loans to customers	-341.4	79.7	-323.5
Change in gross loans to customers	717.2	-72.4	1,286.9
Effects of currency on loans to customers	55.3	-129.5	-226.8
Change in deposits from customers	-1,242.9	123.1	-1,057.9
Effects of currency on deposits from customers	-68.1	123.8	256.3
Net purchase and sale of certificates and bonds	-1.0	-245.5	998.6
Change in accruals and other adjustments	183.3	-26.5	-302.8
Net cash flow from operating activities	-563.0	-41.3	347.1
Payments for investments in fixed assets	-0.3	-0.0	-0.4
Payments for investments in intangible assets	-18.1	-29.4	-72.2
Net cash flow from investing activities	-18.3	-29.4	-72.5
Paid-in equity	0.3	0.2	0.5
Payment to AT1 capital investors	-9.3	-54.5	-62.9
Net receipts from AT2 capital	-	-	-
Lease payments	-1.6	-1.9	-3.8
Dividend payment	-	-78.5	-78.5
Net cash flow from financing activities	-10.6	-134.6	-144.6
Net cash flow for the period	-592.0	-205.2	130.0
Cash and cash equivalents at the start of the period	1,301.8	1,204.2	1,204.2
Effects of currency on loans and deposits with credit institutions in the period	14.5	0.7	-32.4
Cash and cash equivalents at the end of the period	724.4	999.8	1,301.8
<i>Of which:</i>			
Loans and deposits with credit institutions	724.4	999.8	1,301.8

Note 1 - General accounting principles

The condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting.

All numbers in this report are in NOK 1,000,000 unless otherwise specified.

Note 2 – Loans to customers

The Bank is applying forward looking elements for its credit loss model, see the Annual Report for more information regarding the credit loss model.

There are uncertainties related to the estimates as they are forward-looking. The total loss provision related to macroeconomic factors amounts to NOK 15.8 million.

Loans to customers

<i>Amounts in NOK million</i>	30.06.2022	30.06.2021	31.12.2021
Gross loans to customers	7,502.9	9,579.3	8,220.1
Impairment of loans	-480.9	-1,225.5	-822.2
Net loans to customers	7,022.0	8,353.8	7,397.8

Defaulted loans

<i>Amounts in NOK million</i>	30.06.2022	30.06.2021	31.12.2021
Gross defaulted loans to customers *	436.4	2,246.4	1,062.4
Impairment of gross defaulted loans (stage 3)	-183.1	-948.9	-530.7
Net defaulted loans to customers	253.3	1,297.6	531.8

* Defaulted loans comprise loans that are 91 days or more overdue according to agreed payment schedule, and loans with other indications of unlikelihood to pay. Such loans continue to be considered defaulted regardless of future payment status.

For Q2 2022 the gross closing balances of lazy payers amounts to NOK 177.7 million, and corresponding impairment amounts to NOK 34.9 million.

Information on products and geographical distribution

Amounts in NOK million

Q2 2022	Consumer loans			Cards	POS	Not allocated	Total
	NO	FI	SE	NO/FI/SE	NO/SE		
Interest income	80.0	55.0	39.5	19.7	15.0	0.2	209.3
Interest expenses	-9.3	-5.9	-4.0	-1.8	-1.2	-	-22.1
Net interest income	70.7	49.1	35.5	17.9	13.8	0.2	187.2
Commission income and fees	2.6	1.5	1.0	4.6	-1.2	6.7	15.2
Commission expenses and fees	0.4	-0.2	1.3	5.4	0.0	-	6.9
Net commissions and fees	3.0	1.3	2.3	9.9	-1.1	6.7	22.1
Losses on loans	-42.8	14.6	-18.2	2.5	3.3	0.0	-40.6
Total income net of losses on loans	30.9	64.9	19.6	30.4	15.9	6.9	168.6
Gross loans to customers	3,027.8	2,124.4	1,450.6	552.3	347.8	-	7,502.9
Impairment of loans	-161.7	-151.5	-110.9	-24.9	-31.8	-	-480.9
Net loans to customers	2,866.1	1,972.8	1,339.7	527.4	316.0	-	7,022.0

Q2 2021	Consumer loans			Cards	POS	Not allocated	Total
	NO	FI	SE	NO/FI/SE	NO/SE		
Interest income	111.0	65.4	41.5	27.2	18.6	0.3	264.0
Interest expenses	-8.6	-7.0	-4.1	-1.9	-1.4	-	-23.1
Net interest income	102.4	58.4	37.4	25.2	17.2	0.3	241.0
Commission income and fees	2.4	1.7	1.0	5.9	-1.4	0.6	10.1
Commission expenses and fees	-2.5	-1.5	-2.5	-6.6	-0.4	-	-13.5
Net commissions and fees	-0.1	0.2	-1.5	-0.7	-1.8	0.6	-3.4
Losses on loans	154.8	21.2	50.8	-11.5	-2.7	0.0	212.7
Total income net of losses on loans	257.1	79.9	86.7	13.0	12.7	1.0	450.3
Gross loans to customers	3,605.6	2,899.6	1,715.4	783.4	575.3	-	9,579.3
Impairment of loans	-390.5	-416.5	-274.1	-97.6	-46.9	-	-1,225.5
Net loans to customers	3,215.1	2,483.1	1,441.3	685.9	528.3	-	8,353.8

Amounts in NOK million

1H 2022	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	177.6	108.8	72.3	40.1	31.9	0.5	431.2
Interest expenses	-17.0	-10.1	-6.9	-3.3	-2.3	-	-39.5
Net interest income	160.6	98.8	65.5	36.8	29.6	0.5	391.7
Commission income and fees	5.2	3.0	2.0	9.3	-2.3	6.7	23.9
Commission expenses and fees	-1.8	-1.5	-0.9	-0.4	-0.3	-	-4.9
Net commissions and fees	3.4	1.5	1.1	8.8	-2.6	6.7	19.0
Losses on loans	-75.2	9.5	-24.9	6.6	-	0.0	-84.1
Total income net of losses on loans	88.8	109.8	41.7	52.3	27.0	7.2	326.6
Gross loans to customers	3,027.8	2,124.4	1,450.6	552.3	347.8	-	7,502.9
Impairment of loans	-161.7	-151.5	-110.9	-24.9	-31.8	-	-480.9
Net loans to customers	2,866.1	1,972.8	1,339.7	527.4	316.0	-	7,022.0

1H 2021	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	205.4	141.1	88.7	56.4	43.9	0.4	535.8
Interest expenses	-17.5	-14.5	-8.5	-4.0	-3.1	-	-47.5
Net interest income	187.9	126.6	80.2	52.4	40.8	0.4	488.3
Commission income and fees	4.6	3.5	2.1	11.6	-3.1	2.6	21.3
Commission expenses and fees	-5.1	-2.9	-5.0	-13.3	-0.8	-	-27.1
Net commissions and fees	-0.5	0.6	-2.9	-1.7	-3.8	2.6	-5.8
Losses on loans	95.9	19.2	34.5	-7.8	-2.8	-	139.0
Total income net of losses on loans	283.3	146.4	111.8	42.8	34.2	3.0	621.5
Gross loans to customers	3,605.6	2,899.6	1,715.4	783.4	575.3	-	9,579.3
Impairment of loans	-390.5	-416.5	-274.1	-97.6	-46.9	-	-1,225.5
Net loans to customers	3,215.1	2,483.1	1,441.3	685.9	528.3	-	8,353.8

Full year 2021	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	389.5	237.4	155.1	101.4	81.2	0.9	965.5
Interest expenses	-31.4	-23.9	-14.5	-6.8	-5.2	-	-81.8
Net interest income	358.1	213.5	140.6	94.6	76.0	0.9	883.7
Commission income and fees	9.3	6.7	4.2	22.1	5.4	4.0	51.6
Commission expenses and fees	-11.8	-6.8	-11.7	-30.8	-1.8	-	-62.9
Net commissions and fees	-2.5	-0.1	-7.5	-8.8	3.6	4.0	-11.3
Losses on loans	-268.0	-262.7	-169.1	-38.2	-1.1	-	-739.1
Total income net of losses on loans	87.5	-49.3	-36.0	47.6	78.5	4.8	133.2
Gross loans to customers	3,607.3	1,951.0	1,386.3	733.3	542.1	-	8,220.1
Impairment of loans	-377.1	-151.0	-112.8	-129.9	-51.4	-	-822.2
Net loans to customers	3,230.2	1,799.9	1,273.5	603.5	490.7	-	7,397.8

Reconciliation of gross lending to customers

Q2 2022

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,468.6	585.5	943.7	7,997.6
Transfer from stage 1 to stage 2	-263.0	263.0	-	-
Transfer from stage 1 to stage 3	-120.6	-	120.6	-
Transfer from stage 2 to stage 3	-	-82.1	82.1	-
Transfer from stage 3 to stage 2*	-	30.9	-30.9	-
Transfer from stage 2 to stage 1	114.9	-114.9	-	-
Transfer from stage 3 to stage 1*	24.7	-	-24.7	-
New assets	930.1	37.6	4.0	971.6
Assets derecognized	-704.3	-103.8	-658.3	-1,466.5
Gross loans 30.06.2022	6,450.4	616.1	436.4	7,502.9
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	-17.9	-159.8	177.7	-

Q2 2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,206.0	756.3	2,236.9	9,199.1
Transfer from stage 1 to stage 2	-234.7	234.7	-	-
Transfer from stage 1 to stage 3	-123.6	-	123.6	-
Transfer from stage 2 to stage 3	-	-79.7	79.7	-
Transfer from stage 3 to stage 2	-	0.7	-0.7	-
Transfer from stage 2 to stage 1	179.2	-179.2	-	-
Transfer from stage 3 to stage 1	4.5	-	-4.5	-
New assets	1,144.2	49.1	42.5	1,235.8
Assets derecognized	-581.3	-43.0	-231.2	-855.5
Gross loans 30.06.2021	6,594.2	738.8	2,246.4	9,579.3
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	-6.1	-77.2	83.4	-

1H 2022

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,621.9	535.8	1,062.4	8,220.1
Transfer from stage 1 to stage 2	-504.6	504.6	-	-
Transfer from stage 1 to stage 3	-269.0	-	269.0	-
Transfer from stage 2 to stage 3	-	-187.7	187.7	-
Transfer from stage 3 to stage 2*	-	32.8	-32.8	-
Transfer from stage 2 to stage 1	268.6	-268.6	-	-
Transfer from stage 3 to stage 1*	28.5	-	-28.5	-
New assets	1,772.2	188.4	7.3	1,967.9
Assets derecognized	-1,467.1	-189.3	-1,028.7	-2,685.2
Gross loans 30.06.2022	6,450.4	615.9	436.4	7,502.9
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-17.9</i>	<i>-159.8</i>	<i>177.7</i>	<i>-</i>

1H 2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,540.3	927.4	2,039.2	9,507.0
Transfer from stage 1 to stage 2	-541.7	541.7	-	-
Transfer from stage 1 to stage 3	-288.9	-	288.9	-
Transfer from stage 2 to stage 3	-	-405.3	405.3	-
Transfer from stage 3 to stage 2	-	4.2	-4.2	-
Transfer from stage 2 to stage 1	329.7	-329.7	-	-
Transfer from stage 3 to stage 1	6.4	-	-6.4	-
New assets	2,149.6	136.0	66.0	2,351.6
Assets derecognized	-1,601.2	-135.5	-542.4	-2,279.1
Gross loans 30.06.2021	6,594.2	738.8	2,246.4	9,579.3
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-6.1</i>	<i>-77.2</i>	<i>83.4</i>	<i>-</i>

2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,540.2	927.5	2,039.2	9,506.9
Transfer from stage 1 to stage 2	-1,114.1	1,114.1	-	-
Transfer from stage 1 to stage 3	-517.9	-	517.9	-
Transfer from stage 2 to stage 3	-	-690.2	690.2	-
Transfer from stage 3 to stage 2	-	6.3	-6.3	-
Transfer from stage 2 to stage 1	617.7	-617.7	-	-
Transfer from stage 3 to stage 1	8.4	-	-8.4	-
New assets	3,951.8	203.9	53.0	4,208.7
Assets derecognized	-2,864.3	-408.1	-2,223.2	-5,495.6
Gross loans 31.12.2021	6,621.9	535.8	1,062.4	8,220.1
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-21.0</i>	<i>-232.7</i>	<i>253.7</i>	<i>-</i>

Reconciliation of impairment of loans

Q2 2022

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment opening balance	197.5	99.7	515.3	812.3
Transfer from stage 1 to stage 2	-7.8	7.8	-	-
Transfer from stage 1 to stage 3	-2.2	-	2.2	-
Transfer from stage 2 to stage 3	-	-15.5	15.5	-
Transfer from stage 3 to stage 2	-	6.6	-6.6	-
Transfer from stage 2 to stage 1	18.2	-18.2	-	-
Transfer from stage 3 to stage 1	7.6	-	-7.6	-
New financial assets originated	25.2	7.1	4.2	36.5
Increased expected credit loss	4.8	37.4	26.1	68.3
Assets derecognized	-9.7	-14.0	-365.6	-389.3
Decreased expected credit loss	-33.7	-7.5	-5.9	-47.2
Exchange rate movements	5.7	2.6	2.8	11.1
Macroeconomic model changes	1.4	0.3	0.0	1.7
Other changes	-13.5	-1.8	2.5	-12.8
Impairment 30.06.2022	193.4	104.4	183.1	480.7
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	-0.5	-34.4	34.9	-

Q2 2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment opening balance	140.8	122.0	894.6	1,157.4
Transfer from stage 1 to stage 2	-5.2	5.2	-	-
Transfer from stage 1 to stage 3	-2.2	-	2.2	-
Transfer from stage 2 to stage 3	-	-26.1	26.1	-
Transfer from stage 3 to stage 2	-	0.2	-0.2	-
Transfer from stage 2 to stage 1	24.7	-24.7	-	-
Transfer from stage 3 to stage 1	2.9	-	-2.9	-
New financial assets originated	22.9	3.7	0.6	27.1
Increased expected credit loss	4.8	44.6	71.2	120.7
Assets derecognized	-33.7	-7.8	-51.1	-92.6
Decreased expected credit loss	-3.0	-2.2	-4.6	-9.8
Exchange rate movements	2.4	1.8	13.2	17.4
Macroeconomic model changes	-	-	-	-
Other changes	2.1	3.3	-	5.4
Impairment 30.06.2021	156.6	120.0	948.9	1,225.5
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	-0.2	-15.1	15.2	-

* mainly movements related to lazy payers

1H 2022

Amounts in NOK million

	Stage 1	Stage 2	Stage 3	Total
Impairment opening balance	201.9	89.7	530.7	822.2
Transfer from stage 1 to stage 2	-15.2	15.2	-	-
Transfer from stage 1 to stage 3	-5.1	-	5.1	-
Transfer from stage 2 to stage 3	-	-36.3	36.3	-
Transfer from stage 3 to stage 2	-	7.6	-7.6	-
Transfer from stage 2 to stage 1	40.2	-40.2	-	-
Transfer from stage 3 to stage 1	9.4	-	-9.4	-
New financial assets originated	44.4	11.7	7.4	63.6
Increased expected credit loss	8.8	110.2	68.9	187.9
Assets derecognized	-17.4	-32.8	-436.0	-486.2
Decreased expected credit loss	-66.5	-15.6	-18.4	-100.4
Exchange rate movements	1.6	0.4	0.0	2.0
Macroeconomic model changes	1.3	0.3	0.0	1.6
Other changes	-10.1	-5.8	6.0	-9.9
Impairment 30.06.2022	193.4	104.4	183.1	480.8
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-0.5</i>	<i>-34.4</i>	<i>34.9</i>	<i>-</i>

1H 2021

Amounts in NOK million

	Stage 1	Stage 2	Stage 3	Total
Impairment opening balance	166.1	150.0	829.7	1,145.8
Transfer from stage 1 to stage 2	-13.0	13.0	-	-
Transfer from stage 1 to stage 3	-5.7	-	5.7	-
Transfer from stage 2 to stage 3	-	-91.7	91.7	-
Transfer from stage 3 to stage 2	-	1.7	-1.7	-
Transfer from stage 2 to stage 1	47.3	-47.3	-	-0.0
Transfer from stage 3 to stage 1	4.3	-	-4.3	0.0
New financial assets originated	33.1	6.2	1.1	40.4
Increased expected credit loss	22.5	113.1	148.1	283.7
Assets derecognized	-75.2	-24.0	-117.8	-217.0
Decreased expected credit loss	-5.3	-2.7	-7.0	-15.0
Exchange rate movements	-3.4	-3.0	-13.5	-19.9
Macroeconomic model changes	-2.6	-1.8	-	-4.4
Other changes	-11.4	6.6	16.9	12.0
Impairment 30.06.2021	156.6	120.0	948.9	1,225.4
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-0.2</i>	<i>-15.1</i>	<i>15.2</i>	<i>-</i>

* mainly movements related to lazy payers

2021
Amounts in NOK million

	Stage 1	Stage 2	Stage 3	Total
Impairment opening balance	166.1	150.0	829.7	1,145.8
Transfer from stage 1 to stage 2	-27.2	27.2	-	-
Transfer from stage 1 to stage 3	-9.3	-	9.3	-
Transfer from stage 2 to stage 3	-	-173.4	173.4	-
Transfer from stage 3 to stage 2	-	2.4	-2.4	-
Transfer from stage 2 to stage 1	100.1	-100.1	-	-
Transfer from stage 3 to stage 1	4.9	-	-4.9	-
New financial assets originated	77.9	21.1	6.5	105.5
Increased expected credit loss	33.3	218.7	224.2	476.2
Assets derecognized	-110.2	-47.5	-868.2	-1,025.9
Decreased expected credit loss	-47.1	-11.1	-94.6	-152.8
Exchange rate movements	-7.0	-5.2	-8.3	-20.5
Macroeconomic model changes	-2.6	-1.7	-	-4.3
Other changes	22.9	9.4	266.1	298.3
Impairment 31.12.2021	201.9	89.8	530.7	822.2
<i>Lazy payers reclassified at balance sheet date (from stage 1 and 2 to stage 3)</i>	<i>-0.5</i>	<i>-51.4</i>	<i>51.9</i>	<i>-</i>

Reconciliation of losses on loans
Amounts in NOK million

	Q2 2022	Q2 2021	1H 2022	1H 2021	2021
+/- Change in stage 3 impairment of loans in the period	-332.2	54.3	347.6	-119.2	-299.0
+/- Change in impairment on stage 1 and 2 of loans to customers in the period	0.6	13.9	-6.2	39.5	-24.4
Realized losses and effects of portfolio sales in the period	374.3	-3.0	-427.4	-59.2	1,062.6
Losses on loans	-42.7	-65.1	-86.0	-139.0	-739.1

Note 3 – Regulatory capital

Total capital		
<i>Amounts in NOK million</i>	30.06.2022	31.12.2021
Book equity	2,031.8	1,964.1
Additional Tier 1 capital	-199.6	-199.6
Additions:		
Phase-in effect of IFRS 9	129.7	104.5
Deductions:		
Additional value adjustment (AVA)	-0.9	-0.9
Other equity not included in core capital (Foreseeable dividends)	-7.1	-
Deferred tax assets and other intangible assets and deductions	-184.3	-226.9
Common equity Tier 1 including phase-in effect of IFRS 9	1,769.7	1,641.2
Additional Tier 1 capital	199.6	199.6
Core capital including phase-in effect of IFRS 9	1,969.3	1,840.7
Subordinated loans (Tier 2)	65.0	65.0
Total capital including phase-in effect of IFRS 9	2,034.3	1,905.7

Capital excluding phase-in effects of IFRS 9		
<i>Amounts in NOK million</i>	30.06.2022	31.12.2021
Common equity Tier 1 excluding phase-in effect of IFRS 9	1,640.0	1,536.7
Core capital excluding phase-in effect of IFRS 9	1,839.5	1,736.3
Total capital excluding phase-in effect of IFRS 9	1,904.5	1,801.3

Calculation basis		
<i>Amounts in NOK million</i>	30.06.2022	31.12.2021
Loans and deposits with credit institutions	144.9	260.4
Loans to retail customers and IFRS 9 phase-in effect	5,439.5	5,759.1
Covered bonds	40.0	39.9
Other assets	80.3	295.9
Calculation basis credit risk including phase-in effect of IFRS 9	5,704.6	6,355.4
Calculation basis operational risk (standardised approach)	1,576.2	1,576.2
Total calculation basis including phase-in effect of IFRS 9	7,280.7	7,931.5

Total calculation basis excluding phase-in effect of IFRS 9 **7,171.1** **7,853.2**

Capital ratios including phase-in effect of IFRS 9	30.06.2022	31.12.2021
Common equity tier 1 (%)	24.3 %	20.7 %
Core capital (%)	27.0 %	23.2 %
Total capital (%)	27.9 %	24.0 %

Capital ratios excluding phase-in effect of IFRS 9		
Common equity tier 1 (%)	22.9 %	19.6 %
Core capital (%)	25.7 %	22.1 %
Total capital (%)	26.6 %	22.9 %

LCR (Liquidity Coverage Ratio) was 380% and NSFR (Net stable funding ratio) was 160% as at 30 June 2022.

Note 4 - Financial instruments

Financial instruments at fair value

<i>Amounts in NOK million</i>	30.06.2022	30.06.2021	31.12.2021
Certificates and bonds - level 2	882.6	2,093.5	883.0
Total financial instruments at fair value	882.6	2,093.5	883.0

For a further description of the instruments and levels, please see Annual Report for 2021.

Financial instruments at amortised cost

<i>Amounts in NOK million</i>	30.06.2022	30.06.2021	31.12.2021
Loans and deposits with credit institutions	724.4	999.8	1,301.8
Loans to customers	7,022.0	8,353.8	7,397.8
Other receivables	48.6	0.8	279.6
Total financial assets measured at amortised cost	7,795.0	9,354.5	8,979.2
Deposits from customers	6,691.0	9,114.9	7,933.9
Other debt	16.4	24.5	38.6
Subordinated loans (Tier 2)	65.0	65.0	65.0
Total financial liabilities measured at amortised cost	6,772.5	9,204.4	8,037.5

Note 5 - Subordinated loans

<i>Amounts in NOK million</i>	30.06.2022	30.06.2021	31.12.2021
Subordinated loan (ISIN NO0010941131)	65.0	65.0	65.0
Total subordinated loans	65.0	65.0	65.0

For a further description of the subordinated loan, please see Annual Report for 2021.

Note 6 - Net interest income and net commissions and fees

<i>Amounts in NOK million</i>	Q2 2022	Q2 2021	1H 2022	1H 2021	2021
Interest income from loans to customers	209.1	264.0	430.8	535.8	964.9
<i>of which sales commissions to agents</i>	-29.2	-17.2	-53.0	-34.5	-138.7
Interest income from loans and deposits with credit institutions	0.2	0.0	0.5	0.1	0.5
Total interest income calculated using the effective interest rate method	209.3	264.0	431.2	535.8	965.5
Other interest income	-	-	-	-	-
Total interest income	209.3	264.0	431.2	535.8	965.5
Interest expense from deposit customers	-7.8	-15.3	-16.3	-32.8	-52.6
Interest expense from subordinated loan (Tier 2)	-1.1	-1.3	-2.2	-2.4	-4.3
Other interest expenses	-13.2	-6.4	-21.0	-12.4	-24.9
Total interest expenses	-22.1	-23.1	-39.5	-47.5	-81.8
Net interest income	187.2	241.0	391.7	488.3	883.7
Insurance services	7.9	8.9	16.0	18.3	35.3
Other commission income and fees	9.0	4.8	9.9	10.6	16.2
Total commission income and fees	16.9	13.7	25.8	28.9	51.6
Provisions to other bank connections	-1.1	-1.7	-2.2	-3.2	-5.2
Other commission expenses and fees	-7.3	-11.8	-18.0	-23.9	-57.7
Total commission expenses and fees	-8.4	-13.5	-20.2	-27.1	-62.9
Net commissions and fees	8.5	0.2	5.7	1.8	-11.3

Note 7 - General administrative expenses and other expenses

<i>Amounts in NOK million</i>	Q2 2022	Q2 2021	1H 2022	1H 2021	2021
Direct marketing expenses	-10.9	-8.8	-18.9	-15.7	-32.1
IT-expenses	-15.7	-18.0	-32.3	-34.0	-67.0
Other general administrative expenses	-11.3	-11.7	-22.7	-22.4	-42.2
Total general and administrative expenses	-37.9	-38.5	-73.9	-72.1	-141.2
Insurance	-0.3	-0.2	-0.6	-0.7	-1.3
External audit and related services	-0.3	-0.3	-1.2	-0.4	-2.0
Other consultants	-6.9	-6.0	-12.4	-9.1	-13.8
Other expenses	-4.4	-2.7	-9.1	-7.4	-17.8
Total other expenses	-11.9	-9.3	-23.2	-17.5	-34.8

Note 8 - Subsequent events

The Board of Directors is not aware of any other events after the balance sheet that may be of material significance to the accounts.



To the Owners of Komplett Bank ASA

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed balance sheet of Komplett Bank ASA as at 30 June 2022, and the related condensed income statement, the statement of changes in equity and the cash flow statement for the six-month period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation of this interim financial information in accordance with IAS 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISAs), and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting.

Oslo, 10 August 2022

PricewaterhouseCoopers AS

Erik Andersen
State Authorised Public Accountant
(This document is signed electronically)