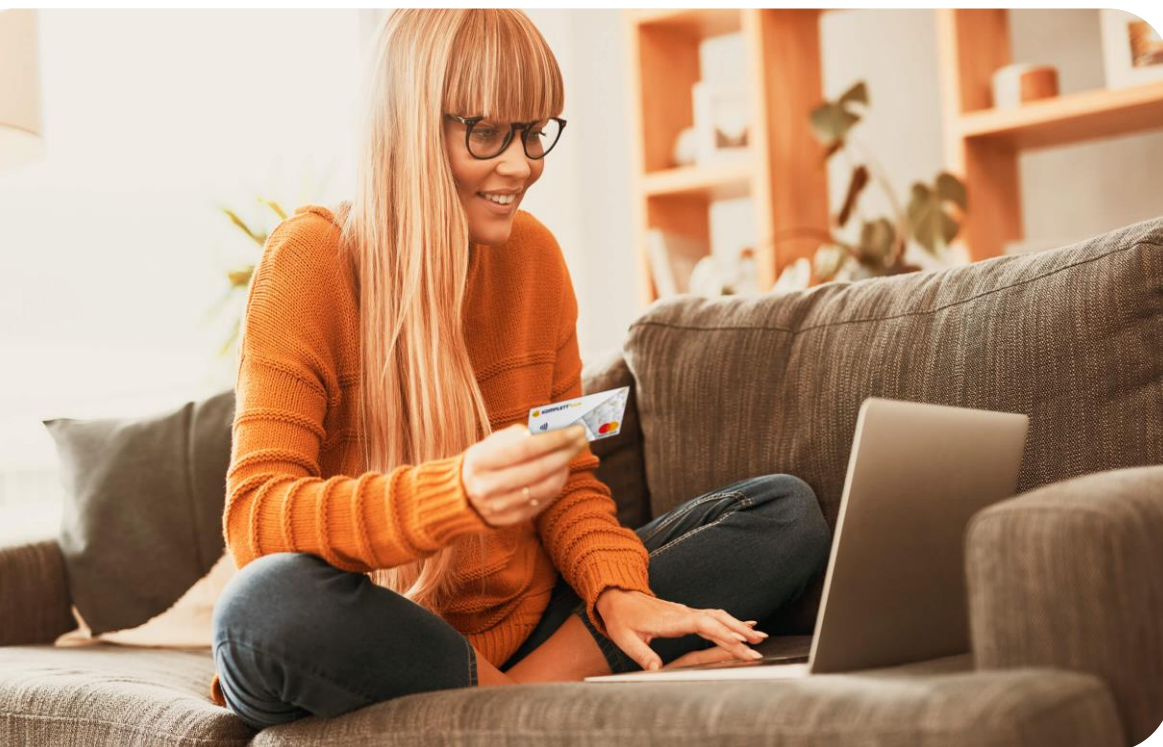


Interim report

FOURTH QUARTER 2021



Highlights and key figures

Profitability & growth

- Profit after tax NOK 34 million, reflecting de-risking and discontinuation of recording interest income on sold non-performing loans (NPL)
- Yield on performing loans at 13.0% in Q4, up from 12.5% in Q3
- Net loan book up by 1.8% to NOK 7.4 billion in the quarter adjusted for one-off NPL sales and FX

De-risking of balance sheet

- Completion of NOK 1.4 billion NPL sales bringing NPL ratio down to 10%
- Loan loss ratio stable at 3.0% in the quarter (adjusted for NPL sale effects)
- Forward flow agreements established in Sweden & Finland effective from November 2021

Capital

- Solid CET1 ratio of 20.7% in Q4, well above 17.1% requirement

Operations

- Extensive business review conducted, strategic roadmap developed
- New management & organisational structure in place

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 focuses on offering convenient consumer financing products.

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 April 2020, 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. 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).

Disposal of NPL portfolios

On 20 October 2021 Komplett Bank entered into an agreement with Modhi Finance to sell all its non-performing loans (NPL) in Sweden and Finland, and with Lowell to sell NPLs in Norway, for a total gross carrying amount of NOK 1.4 billion.

For further information regarding the transaction, please see stock exchange release issued on the day of the transaction.

Financial figures for Q4 2021

All figures are prepared and presented in accordance with the International Financial Reporting Standards (IFRS). Interest income, commission income and fees, and losses on loans have been restated from previous reported figures, due to change of presentation. However, net profit is unchanged. Comparative figures have been updated accordingly. See note 10 for further information.

Net loans to customers decreased by NOK 631.7 million in the quarter. Split on product segments, loans decreased by NOK 614.3 million, credit cards decreased by NOK 8.1 million and point of sales (POS) financing decreased by NOK 9.3 million.

Adjusted for the effects of portfolio sales, provisioning and currency, net loans

increased by NOK 133 million in Q4 2021 representing a growth of 1.8% in the quarter.

Net interest income amounted to NOK 222.4 million in Q4 2021, from NOK 173.0 million in Q3 2021.

Net commissions and fees amounted to NOK -3.1 million in Q4 2021, up from NOK -10.0 million in the previous quarter.

The total income was NOK 218.4 million, up 35.4% compared to NOK 161.4 million in Q3 2021.

Total operating expenses were NOK 103.2 million, down from NOK 105.5 million in Q3 2021. Personnel expenses decreased to NOK 39.0 million in the quarter from NOK 43.6 million in Q3 2021. The decrease was mainly related to an extraordinary contractual payment in Q3 2021.

General and administrative expenses increased to NOK 35.8 million, up from NOK 33.4 million in Q3 2021.

Losses on loans amounted to NOK 70.3 million, down from NOK 529.9 million in Q3 2021. The decrease in Q4 was due to effects of NPL sales in Q3 2021. Excluding these effects, the loan loss ratio in Q4 2021 was 3.0%, unchanged from Q3 2021.

Profit after tax was NOK 34.3 million, up from NOK -355.7 million in the previous quarter.

Total assets at 31 December 2021 amounted to NOK 10,105 million (compared to NOK 10,459 million at 30 September 2021). Net loans to customers ended at NOK 7,398 million (NOK 8,029 million). Deposits from and debt to customers

amounted to NOK 7,934 million (NOK 8,307 million).

Total equity was NOK 1,964 million at 31 December 2021 (NOK 1,930 million at 30 September 2021). The Bank had a total capital ratio of 24.0% (22.0%), and a CET1 ratio of 20.7% (18.8% as of 30 September 2021); the Q4 ratios include profit for the period. Loan and deposits with credit institutions and certificates and bonds amounted to NOK 2,185 million (NOK 2,177 million) corresponding to 21.6% (20.8%) of total assets.

Gross defaulted loans at the end of Q4 2021 amounted to NOK 1,062 million, down from NOK 2,440 million (-56%) as at 30 September 2021. The reduction is a result of the disposal of NPL portfolios in Q4 2021. The gross defaulted loans in Q4 include NOK 254 million to so-called "lazy payers", unchanged from end of Q3 2021.

Regulatory update

In 2020, Finland's parliament approved the government's proposal of a legislative change that includes a temporary 10% p.a. interest cap on new loans, down from previously 20%, as well as a ban on direct marketing to consumers. These restrictions were in effect until end of September 2021. The government has communicated that a potential permanent regulation is being investigated without giving any further details on timing, type or level of potential limitations.

EU endorsed new regulations in connection with the Capital Requirements Regulation (CRR) to tightening capital requirements

related to non-performing loans (the so-called backstop-regulation) in April 2019. The aim is to secure sufficient capital to meet future expected losses. In Norway, the hearing process ended in February 2020 and the Norwegian FSA proposed on 30 September 2020 to include the recommendation into Norwegian law. The expectation is that the impact will be limited in 2022 as the Bank has, by its NPL sales and write-downs, reduced the gross non-performing loans by 56% in the fourth quarter of 2021, and has active forward flow contracts applying to new defaulting loans in all markets.

The Norwegian Ministry of Finance made the decision on 17 June 2021 and 10 December 2021 to increase the countercyclical capital buffer to 1.5% and 2.0%, respectively, being effective from 30 June 2022 (1.5%) and 31 December 2022 (2.0%). As of 31 December 2021, countercyclical capital buffer is 1.0%. The As a consequence of this, the Bank's capital requirement is expected to increase by 0.5%-point towards the end of 2022.

Dividend

Komplett Bank reports a negative profit after tax of NOK 208.7 million for the fiscal year 2021. Consequently, the Bank is not in a position to pay any dividend for the year.

In addition, The Financial Supervisory Authority in Norway (FSA) made in November an assessment that the bank should not pay out the NOK 0.28 per share dividend for 2020 that was foreseen to have been disbursed in December 2021. The

Board of Directors of Komplett Bank has accepted the NFSAs assessment and made the decision not to pay out further dividend based on the 2020 results.

Given the current capital position and 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

On 12 January 2022, Komplett Bank announced a new and leaner management team, which will further advance the development and implementation of the Bank's strategy going forward.

Through this organisational change, the management team in the Bank will be reduced from ten to six members with clearer and more defined responsibilities.

Mr Eirik Holtedahl has been appointed new CFO coming from the position as director of credit cards in the Bank. Henning Fagerbakke expressed the wish to take the position of Head of Finance.

Komplett Bank also introduced a new Chief Commercial Officer role in the management team to ensure a best possible coordination of the Bank's commercial efforts and growth ambitions. Mr Enok Hansen, who previously held the position as Director of Loans and POS financing, has been appointed as new CCO.

In addition, a broader role of Chief Operating Officer role has been established

with responsibility of building a leaner and more efficient operations department. Mr Wilhelm B. Thomassen, a long-term member of the top management team at Komplett Bank, has assumed the role of COO.

Through this reorganisation, Komplett Bank has established more efficient and flexible decision-making processes and increased focus on critical parts of the operation.

For further information regarding the transaction, please see stock exchange release issued on the day of the transaction.

Outlook

As a consequence of Komplett Bank's declining performance over the last quarters, the Board of Directors has implemented a set of measures to improve the Bank's operations during 2021. Several cost measures have been introduced in addition to a more restrictive pricing policy. Based on these initiatives, total costs have been reduced by 5% over the last three quarters. Yields for both credit cards and loans have also increased during the fourth quarter.

In addition, through the sales of the non-performing loans portfolios in Q4, the credit risk in the balance sheet has been significantly reduced. Komplett Bank has also entered into forward flow agreements for its loan portfolios in Sweden and Finland, which will reduce the credit risk even further.

Nevertheless, the Bank's performance remains below expectations. Consequently, the Board of Directors have together with

the Bank's management, conducted an extensive business review during the fourth quarter for repositioning the Bank and restore satisfactory profitable growth.

Through a broad analysis, the Bank has identified several key challenges and established a clear action plan which it will implement in 2022. The Bank undergoes and will conclude a review of the product portfolio during the first quarter of 2022 and implement commercial actions, process automation and improvement of IT efficiency throughout 2022.

The objective is to reposition the Bank for profitable growth focusing on improving risk adjusted margins and significantly enhancing efficiency and scalability.

The Bank has already taken the first important step of repositioning, through the establishment of the new more effective management team with increased focus on critical parts of the operation.

Komplett Bank is also well capitalised with both a CET1 ratio and a total capital ratio well above its minimum capital requirements. The solid position will provide the Bank the necessary flexibility when implementing the new roadmap to improve profitability.

The underlying market for consumer loans and credit cards are also showing signs of improvement. At the end of September, the Finnish authorities decided to end the temporary interest cap on 10%, and the demand for consumer finance is solid.

In Sweden, the underlying market is still growing, albeit at a moderate pace and most risk parameters are improving. Like in

Norway, the niche banks are still dominating the market for consumer financing and Komplett Bank is mainly distributing its loans through brokers.

The market for consumer finance in Norway is also solid, but lower demand and prudent lending have driven volumes down. However, the market for refinancing, debt consolidation and secured lending are growing and the outlook for overall consumption in 2022 is positive.

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 2020. Below is a description of select major risk factors that may affect Komplett Bank in the last quarter of 2021, including macroeconomic risks, reputation risk and regulatory risks.

Reduced economic growth, increasing unemployment and diminishing savings rates could reduce demand for consumer financing from credit worthy 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 loan portfolio and a forbearance strategy to help customer with temporary challenges in servicing their loans.

Damage to the Bank's reputation could reduce access to customers, capital and liquidity. Actions undertaken to minimise such risk include the implementation of 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 return strengthen the Bank's agile culture and adaptability.

Please refer to the Annual Report for 2020 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. Komplett Bank's Annual report for 2021 will be published 17 March 2022.

Related parties

There have not been any changes to or transactions with related parties during the 2021 that significantly impact Komplett Bank's financial position or results for the period.

Other information

The accounting result for Q4 2021 has in its entirety been booked against retained earnings.

INTERIM STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK million</i>	Note	Q4 2021	Q4 2020	2021	2020
Interest income ¹⁾	2, 6, 10	239.3	276.9	965.5	1,213.9
Interest expenses	6	-16.9	-28.8	-81.8	-144.8
Net interest income	6	222.4	248.2	883.7	1,069.1
Commission income and fees ¹⁾	2, 7, 10	10.9	15.0	51.6	69.0
Commission expenses and fees	7	-14.0	-14.2	-62.9	-49.3
Net commissions and fees	7	-3.1	0.8	-11.3	19.7
Net gains/(losses) on certificates, bonds and currency		-0.8	5.4	4.0	11.6
Total income		218.4	254.4	876.4	1,100.4
Personnel expenses		-39.0	-37.7	-162.0	-143.8
General and administrative expenses	8	-35.8	-34.5	-141.2	-128.9
Other expenses	9	-9.0	-8.5	-34.8	-42.8
Depreciation		-19.4	-18.6	-77.3	-72.1
Total operating expenses		-103.2	-99.3	-415.4	-387.6
Losses on loans ¹⁾	2	-70.3	-68.9	-739.1	-364.3
Profit/(loss) before tax		45.0	86.1	-278.1	348.5
Tax expenses		-10.7	-19.7	69.4	-85.7
Profit/(loss) after tax		34.3	66.4	-208.7	262.8
Attributable to					
Shareholders		31.0	64.4	-222.1	253.5
Additional Tier 1 capital investors		3.2	2.0	13.4	9.3
Profit/(loss) after tax		34.3	66.4	-208.7	262.8
Earnings per share (NOK)		0.17	0.35	-1.19	1.36
Diluted earnings per share (NOK)		0.16	0.34	-1.19	1.34
Comprehensive income					
Profit/(loss) after tax		34.3	66.4	-208.7	262.8
Other comprehensive income		-	-	-	-
Comprehensive income for the period		34.3	66.4	-208.7	262.8

1) Financial figures have been restated, see note 10 for further information

STATEMENT OF FINANCIAL POSITION AS AT THE END OF THE PERIOD

<i>Amounts in NOK million</i>	Note	31.12.2021	31.12.2020
Loans and deposits with credit institutions		1,301.8	1,204.2
Net loans to customers	2	7,397.8	8,361.2
Certificates and bonds		883.0	1,848.0
Other receivables		286.8	5.5
Deferred tax asset		73.4	-
Fixed assets		9.1	13.2
Intangible assets		153.5	154.2
Total assets		10,105.5	11,586.3
Deposits from and debt to customers		7,933.9	8,991.8
Other debt		142.4	142.5
Tax payable		0.1	82.9
Deferred tax payable		-	0.5
Subordinated loans (Tier 2)	5	65.0	65.0
Total liabilities		8,141.4	9,282.7
Additional Tier 1 capital		199.6	244.6
Share capital		187.1	186.6
Share premium		786.7	786.7
Other paid-in capital		53.8	48.3
Retained earnings		736.9	1,037.5
Total equity		1,964.1	2,303.6
Total equity and liabilities		10,105.5	11,586.3

 Lysaker, Bærum, 9 February 2022
 Board of Directors, Komplett Bank ASA

STATEMENT OF CASH FLOW FOR THE PERIOD

<i>Amounts in NOK million</i>	Note	2021	2020
Profit/(loss) before tax		-278.1	348.5
Taxes paid		-82.8	-37.0
Depreciation		77.3	72.1
Change in impairments on loans to customers	2	-323.5	335.6
Change in gross loans to customers	2	1,286.9	-201.0
Effects of currency on loans to customers		-226.8	274.6
Change in deposits from and debt to customers		-1,057.9	472.3
Effects of currency on deposits from and debt to customers		256.3	-199.7
Change in certificates and bonds		979.1	-494.5
Change in accruals and other adjustments		-283.3	-11.6
Net cash flow from operating activities		347.1	559.2
Payments for investments in fixed assets		-0.4	-1.1
Payments for investments in intangible assets		-72.2	-78.3
Net cash flow from investing activities		-72.5	-79.5
Paid-in equity		0.5	2.4
Net receipts from issue of AT1 capital		-	195.7
Payment to AT1 capital investors		-62.9	-12.4
Lease payments		-3.8	-3.6
Dividend payment		-78.5	-
Net cash flow from financing activities		-144.6	182.2
Net cash flow for the period		130.0	661.9
Cash and cash equivalents at the start of the period		1,204.2	614.7
Effects of currency on loans and deposits with credit institutions in the period		-32.4	-72.4
Cash and cash equivalents at the end of the period		1,301.8	1,204.2
<i>Of which:</i>			
Loans and deposits with credit institutions		1,301.8	1,204.2

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 01.01.2020	44.6	184.1	786.7	45.8	788.4	1,849.5
Profit after tax	-	-	-	-	262.8	262.8
Share capital increases due to exercised share options	-	2.5	-	-	-	2.5
Changes in additional Tier 1 capital	200.0	-	-	-	-4.4	195.7
Changes in equity due to share option programs	-	-	-	2.5	-	2.5
Net interest paid to additional Tier 1 capital investors	-	-	-	-	-9.3	-9.3
Equity as at 31.12.2020	244.6	186.6	786.7	48.3	1,037.5	2,303.6
Profit after tax	-	-	-	-	-208.7	-208.7
Share capital increases due to exercised share options	-	0.5	-	-	-	0.5
Changes in additional Tier 1 capital	-45.0	-	-	-	-	-45.0
Changes in equity due to share option programs	-	-	-	5.6	-	5.6
Net interest paid to additional Tier 1 capital investors	-	-	-	-	-13.4	-13.4
Paid-out dividend	-	-	-	-	-78.5	-78.5
Equity as at 31.12.2021	199.6	187.1	786.7	53.8	736.9	1,964.1

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. The overall losses are adjusted by considering a certain set of macro-economic variables. The credit losses are adjusted on a portfolio basis and are based on the expected development of the economies in the countries in which the Bank is offering loans. The macro-economic variables are not utilised to transfer loans among the various stages.

The Bank is applying several estimates and factors summed up in three sets of indicators to the expected credit loss models for the respective countries: 1) the expected development in the unemployment rate, 2) the growth in the gross domestic product and 3) the short-term interest rate level. The expected credit loss model employs forecasted data for the years 2021-2023, which corresponds to the expected lifetime of the Bank's loan portfolio. The forecasted data are based on macro-economic indicators sourced from a specialised provider.

The Bank applies three scenarios when considering the macro-economic adjustment: a positive outlook, a neutral outlook and a negative outlook. The Bank calculates and assigns a probability and weight to each of these scenarios based on the forecasts and expectations for the macroeconomic situation. There are uncertainties related to the estimates as they are forward-looking. The total loss provision related to macro-economic factors amounts to NOK 17.3 million.

Loans to customers

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Gross loans to customers	8,220.1	9,506.9
Impairment of loans	-822.2	-1,145.8
Net loans to customers	7,397.8	8,361.2

Defaulted loans

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Gross defaulted loans to customers *	1,062.4	2,039.2
Impairment of loans (stage 3)	-530.7	-829.7
Net defaulted loans to customers	531.8	1,209.6

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

With the alignment of the new default definition (DoD) according to the EBA-guidelines effective from 2021, so-called lazy payers, the Bank migrated NOK 83.4 million in gross loans from stage 1 and stage 2 to stage 3 in Q2 2021. For Q4 2021 the gross closing balances amounts to NOK 253.7 million, and corresponding impairment amounts to NOK 51.9 million.

Information on products and geographical distribution

Income

Amounts in NOK million

Income Q4 2021	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Interest income	104.7	57.9	37.7	20.8	17.8	0.5	239.3
Income commissions and fees	2.6	1.6	1.0	5.2	0.5	0.1	10.9
Total	107.3	59.5	38.7	26.0	18.2	0.5	250.2

Income Q4 2020	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Interest income	109.2	70.5	44.7	29.9	22.6	0.1	276.9
Income commissions and fees	3.1	2.1	1.0	6.4	2.3	0.0	15.0
Total	112.3	72.6	45.7	36.3	24.8	0.1	291.9

Income 2021	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Interest income	389.5	237.4	155.1	101.4	81.2	0.9	965.5
Income commissions and fees	9.3	6.7	4.2	22.1	5.4	4.0	51.6
Total	398.7	244.1	159.3	123.5	86.6	4.8	1,017.1

Income 2020	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Interest income	515.9	324.8	152.4	134.9	81.5	4.5	1,213.9
Income commissions and fees	14.6	9.8	4.1	29.5	10.4	0.7	69.0
Total	530.5	334.6	156.5	164.3	91.8	5.2	1,282.9

Net Loans

Amounts in NOK million

Net loans 31.12.2021	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Net loans to customers	3,230.2	1,799.9	1,273.5	603.5	490.7	-	7,397.8
Total	3,230.2	1,799.9	1,273.5	603.5	490.7	-	7,397.8

Net loans 31.12.2020	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Net loans to customers	3,168.9	2,484.2	1,402.1	728.7	577.2	-	8,361.2
Total	3,168.9	2,484.2	1,402.1	728.7	577.2	-	8,361.2

Impairment

Amounts in NOK million

Impairment 31.12.2021	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Impairment of loans to customers	377.1	151.0	112.8	129.9	51.4	-	822.2
Total	377.1	151.0	112.8	129.9	51.4	-	822.2

Impairment 31.12.2020	Consumer loans			Credit cards	POS Finance	Not allocated	Total
	Norway	Finland	Sweden	NO/FI/SE	NO/SE		
Impairment of loans to customers	333.0	409.5	248.6	104.4	50.4	-	1,145.8
Total	333.0	409.5	248.6	104.4	50.4	-	1,145.8

Reconciliation of gross lending to customers

Q4 2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,450.9	657.8	2,439.6	9,548.4
Transfer from stage 1 to stage 2	-284.6	284.6	-	-
Transfer from stage 1 to stage 3	-112.9	-	112.9	-
Transfer from stage 2 to stage 3	-	-80.7	80.7	-
Transfer from stage 3 to stage 2	-	2.0	-2.0	-
Transfer from stage 2 to stage 1	157.0	-157.0	-	-
Transfer from stage 3 to stage 1	1.6	-	-1.6	-
New assets	988.2	43.1	3.3	1,034.6
Assets derecognized	-578.5	-213.8	-1,570.5	-2,362.8
Gross loans 31.12.2021	6,621.8	536.0	1,062.4	8,220.2
Of which related to "Lazy payers"	-21.0	-232.7	253.7	-

Q4 2020

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans opening balance	6,557.4	1,003.4	1,928.5	9,489.3
Transfer from stage 1 to stage 2	-317.5	317.5	-	-
Transfer from stage 1 to stage 3	-106.8	-	106.8	-
Transfer from stage 2 to stage 3	-	-198.1	198.1	-
Transfer from stage 3 to stage 2	-	3.4	-3.4	-
Transfer from stage 2 to stage 1	189.9	-189.9	-	-
Transfer from stage 3 to stage 1	11.6	-	-11.6	-
New assets	796.5	43.5	-8.0	832.0
Assets derecognized	-590.9	-52.3	-171.2	-814.4
Gross loans 31.12.2020	6,540.3	927.3	2,039.2	9,506.9

2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.2021	6,540.2	927.5	2,039.2	9,507.0
Transfer from stage 1 to stage 2	-1,114.1	1,114.1	-	-
Transfer from stage 1 to stage 3	-517.1	-	517.1	-
Transfer from stage 2 to stage 3	-	-690.8	690.8	-
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	3,887.9	196.9	26.7	4,111.6
Assets derecognized	-2,845.5	-175.3	-2,377.6	-5,398.5
Gross loans 31.12.2021	6,577.5	761.0	881.6	8,220.2
Of which related to "Lazy payers"	-21.0	-232.7	253.7	-

2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.2021	6,540.2	927.5	2,039.2	9,507.0
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	8,220.2
Of which related to "Lazy payers"	-21.0	-232.7	253.7	-

2020

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Gross loans 01.01.2020	6,840.8	1,180.2	1,284.9	9,305.9
Transfer from stage 1 to stage 2	-1,513.7	1,513.7	-	-
Transfer from stage 1 to stage 3	-557.0	-	557.0	-
Transfer from stage 2 to stage 3	-	-903.0	903.0	-
Transfer from stage 3 to stage 2	-	14.6	-14.6	-
Transfer from stage 2 to stage 1	896.0	-896.0	-	-
Transfer from stage 3 to stage 1	21.6	-	-21.6	-
New assets	3,098.3	226.2	113.9	3,438.4
Assets derecognized	-2,245.9	-208.2	-783.3	-3,237.4
Gross loans 31.12.2020	6,540.2	927.3	2,039.3	9,506.8

Reconciliation of impairment of loans

Q4 2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment 30.09.2021	195.0	114.8	1,208.8	1,518.6
Transfer from stage 1 to stage 2	-8.2	8.2	-	-
Transfer from stage 1 to stage 3	-1.8	-	1.8	-
Transfer from stage 2 to stage 3	-	-14.7	14.7	-
Transfer from stage 3 to stage 2	-	0.7	-0.7	-
Transfer from stage 2 to stage 1	32.0	-32.0	-	-
Transfer from stage 3 to stage 1	0.5	-	-0.5	-
New financial assets originated	20.9	8.5	5.2	34.6
Increased expected credit loss	6.9	55.2	32.6	94.7
Assets derecognized	-6.7	-16.4	-701.2	-724.2
Decreased expected credit loss	-39.2	-6.1	-84.0	-129.2
Exchange rate movements	-3.1	-1.9	-1.8	-6.9
Macroeconomic model changes	0.1	0.1	-	0.2
Other changes	5.5	-26.8	55.7	34.5
Impairment 31.12.2021	201.9	89.7	530.7	822.2
Of which related to "Lazy payers"	-0.5	-51.4	51.9	-

Q4 2020

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment 30.09.2020	171.3	175.5	801.5	1,148.3
Transfer from stage 1 to stage 2	-8.2	8.2	-	-
Transfer from stage 1 to stage 3	-2.2	-	2.2	-
Transfer from stage 2 to stage 3	-	-50.8	50.8	-
Transfer from stage 3 to stage 2	-	1.4	-1.4	-
Transfer from stage 2 to stage 1	26.2	-26.2	-	-
Transfer from stage 3 to stage 1	6.5	-	-6.5	-
New financial assets originated	15.9	5.4	0.3	21.7
Increased expected credit loss	8.0	64.1	72.8	144.9
Assets derecognized	-37.7	-8.9	-41.8	-88.4
Decreased expected credit loss	-2.8	-1.3	-2.2	-6.4
Exchange rate movements	-3.6	-3.7	-18.0	-25.3
Macroeconomic model changes	-7.1	-6.0	-	-13.1
Other changes	-0.2	-7.6	-28.1	-35.9
Impairment 31.12.2020	166.1	150.0	829.7	1,145.8

2021

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment 01.01.2021	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
Of which related to "Lazy payers"	-0.5	-51.4	51.9	-

2020

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
Impairment 01.01.2020	143.7	172.8	493.6	810.1
Transfer from stage 1 to stage 2	-33.7	33.7	-	-
Transfer from stage 1 to stage 3	-10.2	-	10.2	-
Transfer from stage 2 to stage 3	-	-198.8	198.8	-
Transfer from stage 3 to stage 2	-	5.6	-5.6	-
Transfer from stage 2 to stage 1	115.3	-115.3	-	-
Transfer from stage 3 to stage 1	10.3	-	-10.3	-
New financial assets originated	39.5	61.3	72.5	173.4
Increased expected credit loss	20.4	202.8	201.1	424.3
Assets derecognized	-145.1	-32.5	-113.4	-291.0
Decreased expected credit loss	-9.1	-6.0	-13.4	-28.6
Exchange rate movements	8.2	7.5	28.3	44.0
Macroeconomic model changes	16.4	23.4	-	39.8
Other changes	10.2	-4.5	-32.1	-26.3
Impairment 31.12.2020	166.1	150.0	829.7	1,145.8

Reconciliation of losses on loans

<i>Amounts in NOK million</i>	Q4 2021	Q4 2020	2021	2020
+/- Change in stage 3 impairment of loans in the period	-730.1	28.2	-350.9	336.1
+/- Change in impairment on stage 1 and 2 of loans to customers in the period	33.7	-30.7	27.5	-0.4
Realized losses and effects of portfolio sales in the period	766.7	71.4	1,062.6	28.6
Losses on loans	70.3	68.9	739.1	364.3

Note 3 – Regulatory capital

Total capital

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Book equity	1,964.1	2,303.6
Interim profits not included	-	-
Additional Tier 1 capital	-199.6	-244.6
Additions:		
Phase-in effect of IFRS 9	104.5	159.4
Deductions:		
Additional value adjustment (AVA)	-0.9	-1.8
Other equity not included in core capital (Foreseeable dividends)	-	-78.5
Deferred tax assets and other intangible assets and deductions	-226.9	-154.2
Common equity Tier 1 including phase-in effect of IFRS 9	1,641.2	1,983.9
Additional Tier 1 capital	199.6	244.6
Core capital including phase-in effect of IFRS 9	1,840.7	2,228.4
Subordinated loans (Tier 2)	65.0	65.0
Total capital including phase-in effect of IFRS 9	1,905.7	2,293.4

Capital excluding phase-in effects of IFRS 9

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Common equity Tier 1 excluding phase-in effect of IFRS 9	1,536.7	1,824.5
Core capital excluding phase-in effect of IFRS 9	1,736.3	2,069.0
Total capital excluding phase-in effect of IFRS 9	1,801.3	2,134.0

Calculation basis

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Loans and deposits with credit institutions	260.4	240.8
Loans to retail customers and IFRS 9 phase-in effect	5,759.1	6,721.4
Covered bonds	39.9	92.8
Other assets	295.9	18.7
Calculation basis credit risk	6,355.4	7,073.7
Calculation basis operational risk (standardized approach)	1,576.2	1,653.7
Total calculation basis including phase-in effect of IFRS 9	7,931.5	8,727.3
Total calculation basis excluding phase-in effect of IFRS 9	7,853.2	8,578.9

Capital ratios including phase-in effect of IFRS 9

	31.12.2021	31.12.2020
Common equity tier 1 (%)	20.7 %	22.7 %
Core capital (%)	23.2 %	25.5 %
Total capital (%)	24.0 %	26.3 %

Capital ratios excluding phase-in effect of IFRS 9

	31.12.2021	31.12.2020
Common equity tier 1 (%)	19.6 %	21.3 %
Core capital (%)	22.1 %	24.1 %
Total capital (%)	22.9 %	24.9 %

LCR (Liquidity Coverage Ratio) is 386% and NSFR (Net stable funding ratio) is 174% as of 31.12.2021.

Note 4 - Financial instruments

Financial instruments at fair value

Financial instruments at fair value are measured at different levels:

Level 1

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

Level 2

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

Level 3

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

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Certificates and bonds - level 2	883.0	1,848.0
Total financial instruments at fair value	883.0	1,848.0

Financial instruments at amortised cost

Financial instruments at amortised cost are valued at originally determined cash flows, adjusted for any impairment losses.

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Loans and deposits with credit institutions	1,301.8	1,204.2
Net loans to customers	7,397.8	8,361.2
Other receivables	286.8	5.5
Total financial assets measured at amortised cost	8,986.4	9,570.8
Deposits from and debt to customers	7,933.9	8,991.8
Other debt	142.4	142.5
Subordinated loans (Tier 2)	65.0	65.0
Total financial liabilities measured at amortised cost	8,141.3	9,199.3

Note 5 - Subordinated loans

<i>Amounts in NOK million</i>	31.12.2021	31.12.2020
Subordinated loan - ISIN NO0010757768	65.0	65.0
Total subordinated loans	65.0	65.0

3 months NIBOR +5.0 %. First call on ISIN NO0010757768 was in February 2021. The subordinated loan was refinanced at the same time with the same conditions as the already existing subordinated loan.

Note 6 - Net interest income

<i>Amounts in NOK million</i>	Q4 2021	Q4 2020	2021	2020
Interest income from loans to customers	254.9	266.9	1,103.6	1,272.8
Sales commissions to agents	-16.1	9.9	-138.7	-63.4
Interest income from loans and deposits with credit institutions	0.5	0.3	0.5	4.4
Interest from certificates and bonds	-	-0.2	0.0	0.1
Total interest income	239.3	276.9	965.5	1,213.9
Interest expense deposits from and debt to customers	-11.9	-13.2	-60.4	-109.7
Interest expense subordinated loan (Tier 2)	-1.0	-0.9	-4.3	-4.0
Other interest expenses	-4.0	-14.6	-17.1	-31.1
Total interest expenses	-16.9	-28.8	-81.8	-144.8
Net interest income	222.4	248.2	883.7	1,069.1

Note 7 - Net commissions and fees

<i>Amounts in NOK million</i>	Q4 2021	Q4 2020	2021	2020
Insurance services	8.4	9.8	35.3	48.2
Other fees and commissions and bank services income	2.5	5.1	16.2	20.8
Total income commissions and fees	10.9	15.0	51.6	69.0
Provisions to other bank connections	-0.9	-1.6	-5.2	-6.0
Other expenses commissions and fees	-13.1	-12.6	-57.7	-43.2
Total expenses commissions and fees	-14.0	-14.2	-62.9	-49.3
Net commissions and fees	-3.1	0.8	-11.3	19.7

Note 8 - General administrative expenses

<i>Amounts in NOK million</i>	Q4 2021	Q4 2020	2021	2020
Direct marketing expenses	-8.3	-7.0	-32.1	-22.7
IT-expenses	-19.2	-22.8	-81.0	-74.0
Other general administrative expenses	-8.3	-4.7	-28.1	-32.2
Total general and administrative expenses	-35.8	-34.5	-141.2	-128.9

Note 9 - Other expenses

<i>Amounts in NOK million</i>	Q4 2021	Q4 2020	2021	2020
External audit and related services	-0.7	0.4	-2.0	-4.2
Other consultants	-2.5	-0.3	-13.8	-13.6
Insurance	-0.5	-0.1	-1.3	-2.1
Other	-5.3	-8.6	-17.8	-23.0
Total other expenses	-9.0	-8.5	-34.8	-42.8

Note 10 - Restated financial figures and change in presentation

In Q4 2021, interest income, commission income and fees, and losses on loans have been restated due to change of presentation. The Bank changed accounting practices of monthly fees to customers. The fees have previously been presented as a part of commission income and fees but are now presented as part of interest income. In addition, losses related to sale of loan to customers in Q3 2021 are presented as part of the losses on loans instead of a reduction of interest income and commission income and fees. Profit/(loss) before tax is unchanged. Comparative figures have been adjusted accordingly. The following table illustrates the change in previously reported figures and restated figures:

<i>Amounts in NOK million</i>	Reported YTD Q3 2021	Adjusted figures			YTD Q3 2021	Change
		Q1 2021	Q2 2021	Q3 2021		
Interest income	474.4	271.8	264.0	190.4	726.2	-251.8
Interest expenses	-64.9	-24.5	-23.1	-17.4	-64.9	-
Net interest income	409.5	247.3	241.0	173.0	661.3	-251.8
Commission income and fees	71.1	15.2	13.7	11.8	40.7	30.5
Commission expenses and fees	-48.9	-13.6	-13.5	-21.8	-48.9	-
Net commissions and fees	22.3	1.5	0.2	-10.0	-8.2	30.5
Total income	436.6	255.8	240.8	161.4	657.9	-221.3
Losses on loans	-447.5	-73.8	-65.1	-529.9	-668.8	221.3
Profit/(loss) before tax	-323.1	83.7	67.2	-474.0	-323.1	-
Profit/(loss) after tax	-242.9	62.7	50.0	-355.7	-242.9	-

<i>Amounts in NOK million</i>	Reported Q4 2020	Adjusted Q4 2020	Change	Reported	Adjusted	Change
				2020	2020	
Interest income	266.7	276.9	-10.2	1,171.9	1,213.9	-42.0
Interest expenses	-28.8	-28.8	-	-144.8	-144.8	-
Net interest income	237.9	248.2	-10.2	1,027.1	1,069.1	-42.0
Commission income and fees	25.2	15.0	10.2	111.0	69.0	42.0
Commission expenses and fees	-14.2	-14.2	-0.0	-49.3	-49.3	-
Net commissions and fees	11.0	0.8	10.2	61.8	19.7	42.0
Total income	11.0	0.8	-	61.8	19.7	-

In cash flow, lease payments have been presented as a separate line item in financing activities and "Change in accruals" under operating activities have been adjusted accordingly. Net cash flow for the period is unchanged.

In addition, the Bank has adjusted the interim financial statements from Q4 2021 to improve the presentation. In statement of comprehensive income, expenses have been presented together and "Total salary and admin. expenses" has been removed. In statement of financial position, balance sheet items have been presented in order of liquidity.

Note 11 - Subsequent events

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