



# Interim report

THIRD QUARTER 2023

## Q3 2023 highlights: solid performance with strong cost and credit risk control

### Controlled loan growth

- Underlying loan balance growth of 5% vs. Q2 2023 (4%) amid prudent risk management
- 34% growth y-o-y supported by better customer processes and automation (throughput)

### Stable margins

- Net interest margin stable at 9%, in line with the four previous quarters
- 2%p increase in borrowing cost y-o-y compensated by growth and loan repricing

### Continued cost reductions

- Operating expenses reduced to NOK 77 million, down 7% vs Q2
- 19% cost reduction y-o-y driven by successful initiatives to improve cost efficiency

### Solid credit risk control

- Loan loss ratio at 5%, up 0.2%p in Q3 driven by macroeconomic and other provisions
- Improved credit risk and pricing capabilities to build a more robust and scalable platform

### Profitability maintained

- Profit after tax of NOK 36 million, vs. NOK 41 million in Q2 for which total income was positively impacted by a NOK 5 million one-off
- Increased loan loss provisions offset by further cost improvements
- Return on equity of 6.1% vs 7.5% in Q2

### Comment from the CEO, Øyvind Oanes:

“In the third quarter of 2023, we delivered a solid annualised loan balance growth in the 5-10% range while maintaining margins and controlling credit risk. This against a backdrop of a more challenging macroeconomic environment where inflation continued to be high across the Nordic region and market interest rates increased – driving up our funding costs. Since the beginning of 2022, we have focused on continuously improving efficiency. As a result, our operational cost base has been reduced by more than 20% in a period where the Bank’s loan balance has grown by more than 40%. Importantly, we have built a robust bank that is competitive versus peers on key performance metrics and is well-positioned for delivering growth and value creation.”

## About Morrow Bank

Morrow Bank ASA (the “Bank” or “Morrow Bank”), previously Komplet Bank ASA, started operations in March 2014 when the Bank received its banking licence from the Norwegian authorities. Morrow 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 Morrow 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 “Morrow Bank Mastercard”, a credit card with product features tailored for online shopping. The Bank offers these products in Norway, Sweden and Finland. Moreover, Morrow 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 in Norway, and 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 and 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 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 Q3 2023

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

Gross loans to customers amounted to NOK 11.3 billion at the end of Q3 2023, an increase of 1.7% compared to Q2 2023. Split on product segments, loans increased by NOK 214 million and credit cards increased by NOK 31 million. The point of sales (POS) financing product, where new sales were discontinued in Q2, decreased by NOK 57 million. Adjusted for currency effects and forward-flow sales, gross loans increased by 5%.

Net interest income amounted to NOK 255.4 million in Q3 2023, down 0.7% compared to Q2 2023. Loan interest rates were increased across markets during Q3 2023 to mitigate the margin impact of increasing deposit rates, with a limited impact on the inflow of loan applications. However, increased interest rates were offset by higher deposit rates. Additionally, new customers are on lower interest rates than the average in the Bank’s existing loan book, as loan interest rates in general have declined over the past years due to lower market interest rates and increased competition.

The yield increased to 13.5% for performing loans (13.3% in Q2 2023) while the performing credit card yield remained stable at 16.2%. Deposits yield increased to 3.2% from 2.6% in the previous quarter. The net interest margin decreased to 8.9% in the quarter from 9.3%, mainly due to higher interest expenses.

Net commissions and fees amounted to NOK 2.3 million in the quarter, down from NOK 5.5 million in the previous quarter.

Net gains on certificates, bonds and currency were NOK 6.7 million compared to NOK 6.2 million in Q2 2023 due to gains on market-based instruments.

Total income was NOK 264.4 million, down 1.6% from the previous quarter driven by loan growth, loan interest rate increases and lower commission income and fees. Adjusted for positive one-off items of NOK 5 million in Q2, total income was stable in the quarter.

Total operating expenses were reduced to NOK 76.7 million compared to NOK 82.7 million in the previous quarter.

Personnel expenses increased to NOK 27.4 million in the quarter from NOK 23.5 million in the previous quarter. The number of FTEs was stable around mid-seventies at the end of Q3 2023.

General and administrative expenses including direct marketing expenses were NOK 32.6 million, down from NOK 34.7 million in Q2 2023.

The cost/income ratio was 29.0%, down from 30.8% in Q2 2023, and in line with the Bank's target of below 30%.

Losses on loans amounted to NOK 140.0 million, versus NOK 131.2 million in Q2 2023. The increase was mainly driven by increased model-based provisions due to a more challenging macro environment in the quarter. Underlying credit quality was nevertheless stable in the quarter, with lower risk for newer loans. Loan losses typically increase after periods with strong growth due to higher loan loss provisions early in the loan cohort life cycle. Due to the growth in the last 18 months, the majority of the loan balance is less than two years old. The loan loss ratio was 5.0% compared to 4.8% in the previous quarter.

Profit after tax decreased to NOK 35.7 million compared to NOK 41.2 million in the previous quarter whereas the underlying profitability was stable as the previous quarter was impacted by positive one-offs.

Return on equity was 6.1% versus 7.5% in Q2.

Total assets as at 30 September 2023 amounted to NOK 12,511 million (compared to NOK 12,026 million as at 30 June 2023). Net loans to customers ended at NOK 10,665 (NOK 10,523 million). Deposits from customers amounted to NOK 9,954 million (NOK 9,516 million).

Total equity was NOK 2,249 million as at 30 September 2023 (NOK 2,218 million as at 30 June 2023). The Bank had a total capital ratio of 24.0% (24.1%) by the end of the quarter, and a CET1 ratio of 20.5% (20.6%). The Bank's CET1 ratio requirement was 17.8% (17.9%).

Loan and deposits with credit institutions and certificates and bonds amounted to NOK 1,702 million (NOK 1,358 million) corresponding to 13.6% (11.3%) of total assets.

## Development and outlook

Morrow Bank maintains a positive outlook for growth and increased returns in the medium term. The outlook is founded on the Bank having a well-diversified NOK 11.3 billion gross loan book, a continued strong inflow of loan applications, profitable operations, continuous improvements of operational efficiency and exposure to a growing Nordic consumer financing market that has demonstrated strong resilience historically.

During Q3, the Bank had good sales volumes driven by generally benign market demand in Finland and Sweden as well as enhanced conversion rates. The latter is chiefly a result of systematic work by the Bank to improve conversion and throughput.

To achieve increased throughput without accepting riskier client segments, the Bank has over the past seven quarters deployed several strategic initiatives – focusing on product performance, process automation and tech simplification. The initiatives related to product performance and process automation have been successfully implemented while the transfer to a new IT platform is progressing well and will further reduce cost of IT ownership.

The macroeconomic outlook for the Nordic region remains robust, supporting an expected increase in consumption and demand for consumer financing and stable consumer creditworthiness in the medium term. During Q3, GDP growth was weak across the Nordic countries, inflation was high, and market interest rates increased which drove up the Bank's funding costs. The latter will continue in the near-term, however compensated for with loan interest rate increases. For 2024, the market outlook is improving with increased GDP growth in Finland and Sweden driving demand, and reduced inflation and stable unemployment rates across the Nordics limiting credit risk.

Cost inflation has affected personnel costs somewhat year to date, but the impact from inflation on overall costs is still expected to be moderate in the near term.

Further, over the past quarters, the Bank has successfully passed on its higher funding costs to customers as increased loan interest rates. A gradual repricing of loan interest rates is expected to continue to during Q4 2023.

As stated in the Q2 2023 report, consumers' loan servicing capacity started to show signs of deterioration with an increasing number of customers asking for forbearance towards the end of the quarter. While some customer segments have deteriorated slightly, the overall customer payment behaviour remained stable in Q3.

Based on an improved competitive position, the Bank targets an annual loan balance growth of around 10%, a cost/income ratio of less than 30% and a return on target equity above 12% in the medium term.

While the medium-term outlook remains positive, the Bank is currently evaluating further initiatives to support growth and higher ROE levels. Management considers its current business plan to be fully funded.

## Risks and uncertainties

Morrow 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 2022. Below is a description of selected major risk factors that may affect Morrow Bank, including macroeconomic risks, reputation risk and regulatory risks.

While the war in Ukraine has had no direct impact on Morrow Bank's business so far, it contributes 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 Morrow Bank's geographical diversification, strengthening of refinancing offering, and 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 increased rate of inflation and higher interest rates may lead to an increased part of Morrow Bank's outstanding loans going into default. While no such impact has been experienced so far, the Bank is monitoring this situation closely.

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-money laundering and terrorist financing.

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, Morrow Bank has implemented processes to continuously strengthen the Bank's agile culture and adaptability.

Please refer to the Annual Report 2022 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 2022 is available at [ir.morrowbank.com](http://ir.morrowbank.com).

## **Dividend policy**

Morrow Bank's dividend policy is to distribute excess capital not allocated to growth to its shareholders.

## **Significant events after balance sheet date**

There were no significant events after the balance sheet date.

## **Related parties**

There have not been any transactions with related parties in Q3 2023 that significantly impact Morrow Bank's financial position or results for the period.

## COMPREHENSIVE INCOME STATEMENT

<i>Amounts in NOK million</i>	Note	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Interest income	2, 6	352.0	221.8	981.8	653.1	907.0
Interest expenses	2, 6	-96.6	-28.3	-239.7	-67.8	-113.7
<b>Net interest income</b>		<b>255.4</b>	<b>193.5</b>	<b>742.1</b>	<b>585.3</b>	<b>793.3</b>
Commission income and fees	2, 6	13.7	11.5	49.2	37.3	53.0
Commission expenses and fees	2, 6	-11.4	-11.0	-40.7	-31.1	-43.3
<b>Net commissions and fees</b>		<b>2.3</b>	<b>0.5</b>	<b>8.5</b>	<b>6.2</b>	<b>9.8</b>
Net gains/(losses) on certificates, bonds and currency		6.7	-5.4	17.2	-10.9	-2.1
<b>Total income</b>		<b>264.4</b>	<b>188.7</b>	<b>767.8</b>	<b>580.6</b>	<b>800.9</b>
Personnel expenses		-27.4	-27.7	-75.4	-102.0	-133.4
General and administrative expenses	7	-32.6	-36.8	-101.2	-110.7	-159.0
Other expenses	7	-7.2	-9.1	-38.5	-32.3	-43.1
Depreciation		-9.4	-20.8	-25.7	-59.7	-171.8
<b>Total operating expenses</b>		<b>-76.7</b>	<b>-94.4</b>	<b>-240.7</b>	<b>-304.8</b>	<b>-507.3</b>
Losses on loans	2	-140.0	-70.2	-371.3	-156.3	-292.1
<b>Profit/(loss) before tax</b>		<b>47.6</b>	<b>24.0</b>	<b>155.7</b>	<b>119.6</b>	<b>1.6</b>
Tax expenses		-11.9	-6.0	-38.9	-29.9	-0.6
<b>Profit/(loss) after tax</b>		<b>35.7</b>	<b>18.0</b>	<b>116.8</b>	<b>89.7</b>	<b>0.9</b>
<i>Attributable to</i>						
Shareholders		31.0	14.4	103.5	79.0	-13.8
Additional Tier 1 capital investors		4.7	3.7	13.3	10.6	14.8
<b>Profit/(loss) after tax</b>		<b>35.7</b>	<b>18.0</b>	<b>116.8</b>	<b>89.7</b>	<b>0.9</b>
Earnings per share (NOK)		0.14	0.08	0.49	0.42	-0.07
Diluted earnings per share (NOK)		0.13	0.08	0.49	0.41	-0.07
<b>Comprehensive income</b>						
Profit/(loss) after tax		35.7	18.0	116.8	89.7	0.9
Other comprehensive income		-	-	-	-	-
<b>Comprehensive income for the period</b>		<b>35.7</b>	<b>18.0</b>	<b>116.8</b>	<b>89.7</b>	<b>0.9</b>

## BALANCE SHEET

<i>Amounts in NOK million</i>	Note	30.09.2023	30.09.2022	31.12.2022
Loans and deposits with credit institutions		1,191.5	1,028.4	807.8
Net loans to customers	2	10,664.7	7,989.5	9,110.7
Certificates and bonds		510.9	877.7	1,453.5
Other receivables		15.9	138.6	29.2
Deferred tax asset		43.4	47.1	77.9
Fixed assets		22.1	6.5	3.5
Intangible assets		62.3	49.6	45.3
<b>Total assets</b>		<b>12,510.8</b>	<b>10,137.4</b>	<b>11,528.0</b>
Deposits from and debt to customers		9,954.2	7,888.1	9,347.6
Other debt		143.0	137.9	162.1
Subordinated loans (Tier 2)	5	165.0	65.0	65.0
<b>Total liabilities</b>		<b>10,262.3</b>	<b>8,091.0</b>	<b>9,574.8</b>
Additional Tier 1 capital		199.6	199.6	199.6
Share capital		229.1	187.6	187.6
Share premium		936.9	786.7	786.7
Other paid-in capital		56.4	56.7	56.4
Retained earnings		826.5	815.9	723.0
<b>Total equity</b>		<b>2,248.5</b>	<b>2,046.4</b>	<b>1,953.3</b>
<b>Total liabilities and equity</b>		<b>12,510.8</b>	<b>10,137.4</b>	<b>11,528.0</b>

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Lysaker, Bærum, 24 October 2023

Board of Directors and CEO, Morrow 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
<b>Equity as at 01.01.2022</b>	<b>199.6</b>	<b>187.1</b>	<b>786.7</b>	<b>53.8</b>	<b>736.9</b>	<b>1,964.1</b>
Profit after tax	10.6	-	-	-	79.0	89.7
Share capital increases due to exercised share options	-	0.5	-	-	-	0.5
Changes in equity due to share option programs	-	-	-	2.9	-	2.9
Net interest paid to additional Tier 1 capital investors	-10.6	-	-	-	-	-10.6
<b>Equity as at 30.09.2022</b>	<b>199.6</b>	<b>187.6</b>	<b>786.7</b>	<b>56.7</b>	<b>815.9</b>	<b>2,046.4</b>
<b>Equity as at 01.01.2023</b>	<b>199.6</b>	<b>187.6</b>	<b>786.7</b>	<b>56.4</b>	<b>723.0</b>	<b>1,953.3</b>
Profit after tax	13.3	-	-	-	103.5	116.8
Share capital increases due to share issue	-	40.4	150.2	-	-	190.6
Share capital increases due to exercised share options	-	-	-	-	-	-
Changes in equity due to share option programs	-	1.1	-	-	-	1.1
Net interest paid to additional Tier 1 capital investors	-13.3	-	-	-	-	-13.3
<b>Equity as at 30.09.2023</b>	<b>199.6</b>	<b>229.1</b>	<b>936.9</b>	<b>56.4</b>	<b>826.5</b>	<b>2,248.5</b>

## CASH FLOW STATEMENT

<i>Amounts in NOK million</i>	YTD 2023	YTD 2022	2022
Profit/(loss) before tax	155.7	119.6	1.6
Taxes paid	-	0.1	-0.2
Depreciation	25.7	59.7	171.8
Change in impairments on loans to customers	108.9	-357.1	-292.9
Change in gross loans to customers	-1,662.9	-234.6	-1,420.0
Effects of currency on loans to customers	259.8	135.6	72.4
Change in deposits from and debt to customers	606.6	-45.8	1,413.7
Effects of currency on deposits from and debt to customers	-361.1	-125.1	-71.4
Change in certificates and bonds	1,017.8	3.7	-465.9
Change in accruals and other adjustments	-45.9	239.9	183.0
<b>Net cash flow from operating activities</b>	<b>104.6</b>	<b>-204.1</b>	<b>-408.0</b>
Payments for investments in fixed assets	-2.5	-0.3	-0.3
Payments for investments in intangible assets	-37.0	-41.6	-57.6
<b>Net cash flow from investing activities</b>	<b>-39.5</b>	<b>-41.9</b>	<b>-57.9</b>
Paid-in equity	190.6	0.5	0.5
Payment to AT1 capital investors	-17.8	-14.1	-19.7
Net receipts from AT2 capital	98.0	-3.5	-
Lease payments	-4.3	-	-4.7
Dividend payment	-	-	-
<b>Net cash flow from financing activities</b>	<b>266.5</b>	<b>-17.2</b>	<b>-23.9</b>
<b>Net cash flow for the period</b>	<b>331.7</b>	<b>-263.2</b>	<b>-489.8</b>
Cash and cash equivalents at the start of the period	807.8	1,301.8	1,301.8
Effects of currency on loans and deposits with credit institutions in the period	52.0	-10.2	-4.3
<b>Cash and cash equivalents at the end of the period</b>	<b>1,191.5</b>	<b>1,028.4</b>	<b>807.8</b>
<i>Of which:</i>			
Loans and deposits with credit institutions	1,191.5	1,028.4	807.8

## 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 2022 for more information regarding the credit loss model.

There are uncertainties related to the estimates as they are forward looking. As at 30 September 2023, the total loan loss provision related to macroeconomic factors amounted to NOK 31.5 million (30 September 2022: NOK 21.3 million).

### Loans to customers

<i>Amounts in NOK million</i>	<b>30.09.2023</b>	<b>30.09.2022</b>	<b>31.12.2022</b>
Gross loans to customers	11,303.0	8,454.7	9,640.1
Impairment of loans	-638.3	-465.2	-529.4
<b>Net loans to customers</b>	<b>10,664.7</b>	<b>7,989.5</b>	<b>9,110.7</b>

### Defaulted loans

<i>Amounts in NOK million</i>	<b>30.09.2023</b>	<b>30.09.2022</b>	<b>31.12.2022</b>
Gross defaulted loans to customers *	593.0	413.0	429.7
Impairment of loans (stage 3)	-261.0	-174.1	-195.0
<b>Net defaulted loans to customers</b>	<b>332.1</b>	<b>238.9</b>	<b>234.7</b>

\* 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. As at 30 September 2023, the gross closing balances of customers remaining behind their repayment schedule for three or more consecutive months, but less than 90 days past due) amounted to NOK 226.3 million, with corresponding impairment amounted to NOK 49.2 million (30 September 2022: NOK 174.9 million and NOK 34.8 million). These are included in "Gross defaulted loans to customers".

## Information on products and geographical distribution

NO = Norway, FI = Finland, SE = Sweden

Amounts in NOK million

Q3 2023	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	88.2	139.7	67.4	34.0	8.9	13.9	352.0
Interest expenses	-18.5	-26.7	-14.7	-4.7	-1.3	-30.7	-96.6
<b>Net interest income</b>	<b>69.7</b>	<b>113.1</b>	<b>52.6</b>	<b>29.3</b>	<b>7.6</b>	<b>-16.8</b>	<b>255.4</b>
Commission income and fees	2.7	2.6	1.9	6.2	0.3	-	13.7
Commission expenses and fees	0.0	-0.6	-	-9.2	-	-1.5	-11.4
<b>Net commissions and fees</b>	<b>2.7</b>	<b>2.0</b>	<b>1.9</b>	<b>-3.0</b>	<b>0.3</b>	<b>-1.5</b>	<b>2.3</b>
Losses on loans	-3.7	-83.2	-40.2	-7.8	-6.5	-0.0	-141.5
<b>Total income incl. loan losses</b>	<b>68.6</b>	<b>31.8</b>	<b>14.3</b>	<b>18.4</b>	<b>1.3</b>	<b>-18.3</b>	<b>116.2</b>
Gross loans to customers	3,163.4	4,597.9	2,520.9	805.3	215.5	-	11,303.0
Impairment of loans	-109.8	-263.2	-184.4	-36.7	-44.2	-	-638.3
<b>Net loans to customers</b>	<b>3,053.6</b>	<b>4,334.7</b>	<b>2,336.5</b>	<b>768.6</b>	<b>171.3</b>	<b>-</b>	<b>10,664.7</b>

Amounts in NOK million

Q3 2022	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	82.2	62.5	36.7	22.0	14.7	3.7	221.8
Interest expenses	-11.2	-8.0	-5.8	-2.1	-1.2	-	-28.3
<b>Net interest income</b>	<b>71.0</b>	<b>54.6</b>	<b>30.9</b>	<b>19.9</b>	<b>13.5</b>	<b>3.7</b>	<b>193.5</b>
Commission income and fees	2.5	1.5	-1.8	5.3	0.4	1.6	9.5
Commission expenses and fees	0.0	-0.3	-	-9.3	-	-1.3	-11.0
<b>Net commissions and fees</b>	<b>2.5</b>	<b>1.2</b>	<b>-1.8</b>	<b>-4.0</b>	<b>0.4</b>	<b>0.3</b>	<b>-1.5</b>
Losses on loans	-35.9	-0.2	-28.8	-3.9	-1.5	-0.0	-70.2
<b>Total income incl. loan losses</b>	<b>37.6</b>	<b>55.5</b>	<b>0.3</b>	<b>12.0</b>	<b>12.4</b>	<b>4.1</b>	<b>121.8</b>
Gross loans to customers	3,276.7	2,420.3	1,831.0	586.4	340.3	-	8,454.7
Impairment of loans	-150.6	-131.8	-124.1	-25.2	-33.4	-	-465.2
<b>Net loans to customers</b>	<b>3,126.1</b>	<b>2,288.5</b>	<b>1,706.9</b>	<b>561.2</b>	<b>306.8</b>	<b>-</b>	<b>7,989.5</b>

Amounts in NOK million

YTD 2023	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	264.0	373.3	190.3	94.3	33.0	26.8	981.8
Interest expenses	-64.0	-76.9	-48.0	-14.4	-5.8	-30.7	-239.7
<b>Net interest income</b>	<b>200.0</b>	<b>296.5</b>	<b>142.4</b>	<b>80.0</b>	<b>27.2</b>	<b>-3.8</b>	<b>742.1</b>
Commission income and fees	8.7	6.9	5.8	24.0	1.2	2.5	49.2
Commission expenses and fees	0.0	-1.6	-	-33.7	-	-5.4	-40.7
<b>Net commissions and fees</b>	<b>8.7</b>	<b>5.4</b>	<b>5.8</b>	<b>-9.7</b>	<b>1.2</b>	<b>-2.9</b>	<b>8.5</b>
Losses on loans	-10.0	-215.4	-114.4	-22.9	-8.6	-0.0	-371.3
<b>Total income net of losses on loans</b>	<b>198.7</b>	<b>86.4</b>	<b>33.8</b>	<b>47.4</b>	<b>19.7</b>	<b>-6.7</b>	<b>379.3</b>
Gross loans to customers	3,163.4	4,597.9	2,520.9	805.3	215.5	-	11,303.0
Impairment of loans	-109.8	-263.2	-184.4	-36.7	-44.2	-0.0	-638.3
<b>Net loans to customers</b>	<b>3,053.6</b>	<b>4,334.7</b>	<b>2,336.5</b>	<b>768.6</b>	<b>171.3</b>	<b>-0.0</b>	<b>10,664.7</b>

Amounts in NOK million

YTD 2022	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	259.8	171.4	109.1	62.1	46.5	4.2	653.1
Interest expenses	-28.2	-18.0	-12.7	-5.4	-3.5	-	-67.8
<b>Net interest income</b>	<b>231.6</b>	<b>153.3</b>	<b>96.4</b>	<b>56.7</b>	<b>43.1</b>	<b>4.2</b>	<b>585.3</b>
Commission income and fees	7.7	4.5	0.2	14.6	-0.0	10.3	37.3
Commission expenses and fees	0.0	-1.1	-	-23.8	-	-6.2	-31.1
<b>Net commissions and fees</b>	<b>7.7</b>	<b>3.5</b>	<b>0.2</b>	<b>-9.3</b>	<b>-0.0</b>	<b>4.1</b>	<b>6.2</b>
Losses on loans	-111.1	9.2	-53.7	2.8	-3.5	-0.0	-156.3
<b>Total income net of losses on loans</b>	<b>128.2</b>	<b>166.0</b>	<b>42.8</b>	<b>50.2</b>	<b>39.5</b>	<b>8.3</b>	<b>435.2</b>
Gross loans to customers	3,276.7	2,420.3	1,831.0	586.4	340.3	-	8,454.7
Impairment of loans	-150.6	-131.8	-124.1	-25.2	-33.4	-	-465.2
<b>Net loans to customers</b>	<b>3,126.1</b>	<b>2,288.5</b>	<b>1,706.9</b>	<b>561.2</b>	<b>306.8</b>	<b>-</b>	<b>7,989.5</b>

Amounts in NOK million

Full year 2022	Consumer loans			Cards NO/FI/SE	POS NO/SE	Not allocated	Total
	NO	FI	SE				
Interest income	341.6	250.3	158.9	94.0	50.7	11.5	907.0
Interest expenses	-45.4	-31.2	-23.2	-8.5	-5.3	-	-113.7
<b>Net interest income</b>	<b>296.2</b>	<b>219.1</b>	<b>135.7</b>	<b>85.5</b>	<b>45.4</b>	<b>11.5</b>	<b>793.3</b>
Commission income and fees	10.3	6.1	4.4	21.8	0.5	10.0	53.0
Commission expenses and fees	0.0	-1.9	-	-33.9	-	-7.5	-43.3
<b>Net commissions and fees</b>	<b>10.3</b>	<b>4.2</b>	<b>4.4</b>	<b>-12.1</b>	<b>0.5</b>	<b>2.5</b>	<b>9.8</b>
Losses on loans	-144.3	-35.7	-102.6	-2.9	-6.5	-0.0	-292.1
<b>Total income incl. loan losses</b>	<b>162.2</b>	<b>187.6</b>	<b>37.5</b>	<b>70.5</b>	<b>39.3</b>	<b>13.9</b>	<b>511.0</b>
Gross loans to customers	3,544.6	2,852.8	2,220.8	648.7	373.3	-	9,640.1
Impairment of loans	-164.6	-151.5	-149.9	-28.2	-35.1	-	-529.4
<b>Net loans to customers</b>	<b>3,380.0</b>	<b>2,701.2</b>	<b>2,070.9</b>	<b>620.5</b>	<b>338.1</b>	<b>-</b>	<b>9,110.7</b>
<b>Net Loans to Customers</b>	<b>3,380.0</b>	<b>2,701.2</b>	<b>2,070.9</b>	<b>620.5</b>	<b>338.1</b>	<b>-</b>	<b>9,110.7</b>

## Reconciliation of gross loans to customers

### Q3 2023

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>9,973.8</b>	<b>914.0</b>	<b>226.1</b>	<b>11,113.9</b>
Transfer from stage 1 to stage 2	-400.3	400.3	-	-
Transfer from stage 1 to stage 3	-98.1	-	98.1	-
Transfer from stage 2 to stage 3	-	-160.8	160.8	-
Transfer from stage 3 to stage 2	-	38.4	-38.4	-
Transfer from stage 2 to stage 1	171.2	-171.2	-	-
Transfer from stage 3 to stage 1	10.4	-	-10.4	-
New assets	1,451.2	58.0	6.4	1,515.6
Assets derecognized	-1,280.6	-196.3	150.5	-1,326.5
<b>Closing balance</b>	<b>9,827.6</b>	<b>882.4</b>	<b>593.0</b>	<b>11,303.0</b>

### Q3 2022

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>6,450.4</b>	<b>616.1</b>	<b>436.4</b>	<b>7,502.9</b>
Transfer from stage 1 to stage 2	-263.5	263.5	-	-
Transfer from stage 1 to stage 3	-112.0	-	112.0	-
Transfer from stage 2 to stage 3	-	-74.1	74.1	-
Transfer from stage 3 to stage 2	-	45.0	-45.0	-
Transfer from stage 2 to stage 1	138.8	-138.8	-	-
Transfer from stage 3 to stage 1	8.0	-	-8.0	-
New assets	1,780.4	74.1	5.6	1,860.1
Assets derecognized	-643.9	-102.3	-162.1	-908.4
<b>Closing balance</b>	<b>7,358.3</b>	<b>683.4</b>	<b>413.0</b>	<b>8,454.7</b>

### YTD 2023

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>8,491.2</b>	<b>719.2</b>	<b>429.7</b>	<b>9,640.1</b>
Transfer from stage 1 to stage 2	-1,121.7	1,121.7	-	-
Transfer from stage 1 to stage 3	-433.3	-	433.3	-
Transfer from stage 2 to stage 3	-	-357.6	357.6	-
Transfer from stage 3 to stage 2	-	127.2	-127.2	-
Transfer from stage 2 to stage 1	502.8	-502.8	-	-
Transfer from stage 3 to stage 1	29.6	-	-29.6	-
New assets	4,477.6	156.3	-268.6	4,365.3
Assets derecognized	-2,118.7	-381.6	-202.1	-2,702.4
<b>Closing balance</b>	<b>9,827.5</b>	<b>882.4</b>	<b>593.1</b>	<b>11,303.0</b>

### YTD 2022

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>6,621.9</b>	<b>535.8</b>	<b>1,062.4</b>	<b>8,220.1</b>
Transfer from stage 1 to stage 2	-768.1	768.1	-	-
Transfer from stage 1 to stage 3	-381.0	-	381.0	-
Transfer from stage 2 to stage 3	-	-261.8	261.8	-
Transfer from stage 3 to stage 2	-	77.8	-77.8	-
Transfer from stage 2 to stage 1	407.4	-407.4	-	-
Transfer from stage 3 to stage 1	36.5	-	-36.5	-
New assets	3,552.6	262.5	12.9	3,828.0
Assets derecognized	-2,111.0	-291.7	-1,190.8	-3,593.5
<b>Closing balance</b>	<b>7,358.3</b>	<b>683.4</b>	<b>413.0</b>	<b>8,454.7</b>

**2022**

<i>Amounts in NOK million</i>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Opening balance</b>	<b>6,621.9</b>	<b>535.8</b>	<b>1,062.4</b>	<b>8,220.1</b>
Transfer from stage 1 to stage 2	-1,059.0	1,059.0	-	-
Transfer from stage 1 to stage 3	-506.0	-	506.0	-
Transfer from stage 2 to stage 3	-	-350.6	350.6	-
Transfer from stage 3 to stage 2	-	117.5	-117.5	-
Transfer from stage 2 to stage 1	567.2	-567.2	-	-
Transfer from stage 3 to stage 1	46.8	-	-46.8	-
New assets	5,710.8	341.8	19.9	6,072.6
Assets derecognized	-2,890.5	-417.3	-1,344.9	-4,652.7
<b>Closing balance</b>	<b>8,491.2</b>	<b>719.2</b>	<b>429.7</b>	<b>9,640.1</b>

**Reconciliation of impairment of loans**
**Q3 2023**

<i>Amounts in NOK million</i>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Opening balance at quartal</b>	<b>213.4</b>	<b>166.2</b>	<b>210.9</b>	<b>590.5</b>
Transfer from stage 1 to stage 2	-15.8	15.8	-	-
Transfer from stage 1 to stage 3	-3.1	-	3.1	0.1
Transfer from stage 2 to stage 3	-	-31.4	31.4	-
Transfer from stage 3 to stage 2	-	8.0	-8.0	-
Transfer from stage 2 to stage 1	30.6	-30.6	-	-
Transfer from stage 3 to stage 1	2.3	-	-2.3	-
New financial assets originated	24.2	7.0	0.4	31.6
Increased expected credit loss	11.8	58.5	73.5	143.8
Assets derecognized	-3.1	-23.6	-43.6	-70.3
Decreased expected credit loss	-44.0	-6.0	-4.9	-54.9
Exchange rate movements	14.8	-12.1	4.3	7.0
Macroeconomic model changes	2.0	1.4	0.6	3.9
Other changes	-5.0	-3.8	-4.5	-13.3
<b>Closing balance</b>	<b>228.0</b>	<b>149.3</b>	<b>261.0</b>	<b>638.3</b>

Other changes mainly consist of quarterly review of PD.

**Q3 2022**

<i>Amounts in NOK million</i>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Opening balance at quartal</b>	<b>193.4</b>	<b>104.4</b>	<b>183.1</b>	<b>480.9</b>
Transfer from stage 1 to stage 2	-7.1	7.1	-	-
Transfer from stage 1 to stage 3	-2.3	-	2.3	-
Transfer from stage 2 to stage 3	-	-14.0	14.0	-
Transfer from stage 3 to stage 2	-	8.7	-8.7	-
Transfer from stage 2 to stage 1	20.9	-20.9	-	-
Transfer from stage 3 to stage 1	1.3	-	-1.3	-
New financial assets originated	51.6	12.8	4.8	69.1
Increased expected credit loss	4.9	39.5	29.1	73.5
Assets derecognized	-6.8	-15.6	-46.6	-69.0
Decreased expected credit loss	-31.0	-5.8	-3.2	-40.0
Exchange rate movements	0.9	1.4	1.3	3.6
Macroeconomic model changes	3.2	2.1	0.6	6.0
Other changes	-54.0	-3.6	-1.3	-59.0
<b>Closing balance</b>	<b>175.0</b>	<b>116.1</b>	<b>174.1</b>	<b>465.2</b>

**YTD 2023**

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance at year</b>	<b>205.5</b>	<b>128.9</b>	<b>195.0</b>	<b>529.4</b>
Transfer from stage 1 to stage 2	-39.1	39.1	-	-
Transfer from stage 1 to stage 3	-82.6	-	82.6	0.1
Transfer from stage 2 to stage 3	-	-75.9	75.9	-
Transfer from stage 3 to stage 2	-	26.4	-26.4	-
Transfer from stage 2 to stage 1	83.2	-82.6	-0.7	0.0
Transfer from stage 3 to stage 1	27.4	-22.0	-5.4	-
New financial assets originated	205.6	27.1	7.2	239.9
Increased expected credit loss	13.8	209.6	154.1	377.5
Assets derecognized	-63.8	-74.8	-221.3	-359.8
Decreased expected credit loss	-125.1	-21.3	-12.1	-158.4
Exchange rate movements	-4.7	-10.4	7.0	-8.1
Macroeconomic model changes	2.0	1.4	0.6	3.9
Other changes	5.7	3.7	4.4	13.8
<b>Closing balance</b>	<b>228.0</b>	<b>149.3</b>	<b>261.0</b>	<b>638.3</b>

**YTD 2022**

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance at year</b>	<b>201.9</b>	<b>89.8</b>	<b>530.7</b>	<b>822.2</b>
Transfer from stage 1 to stage 2	-22.3	22.3	-	-
Transfer from stage 1 to stage 3	-7.4	-	7.4	-
Transfer from stage 2 to stage 3	-	-50.3	50.3	-
Transfer from stage 3 to stage 2	-	16.3	-16.3	-
Transfer from stage 2 to stage 1	61.1	-61.1	-	-
Transfer from stage 3 to stage 1	10.7	-	-10.7	-
New financial assets originated	96.0	24.5	12.2	132.7
Increased expected credit loss	13.8	149.7	98.0	261.5
Assets derecognized	-24.2	-48.4	-48.6	-555.1
Decreased expected credit loss	-97.5	-21.4	-21.6	-140.4
Exchange rate movements	2.5	1.8	1.4	5.6
Macroeconomic model changes	4.5	2.4	0.7	7.6
Other changes	-64.1	-9.4	4.7	-68.8
<b>Closing balance</b>	<b>175.0</b>	<b>116.1</b>	<b>174.1</b>	<b>465.2</b>

**2022**

<i>Amounts in NOK million</i>	Stage 1	Stage 2	Stage 3	Total
<b>Opening balance</b>	<b>201.9</b>	<b>89.8</b>	<b>530.7</b>	<b>822.3</b>
Transfer from stage 1 to stage 2	-29.0	29.0	-	-
Transfer from stage 1 to stage 3	-9.6	-	9.6	-
Transfer from stage 2 to stage 3	-	-66.3	66.3	-
Transfer from stage 3 to stage 2	-	23.8	-23.8	-
Transfer from stage 2 to stage 1	85.5	-85.5	-	-
Transfer from stage 3 to stage 1	12.1	-	-12.1	-
New financial assets originated	146.8	39.3	17.3	203.5
Increased expected credit loss	17.7	200.1	146.6	364.3
Assets derecognized	-29.8	-67.5	-519.1	-616.4
Decreased expected credit loss	-130.9	-27.3	-26.2	-184.4
Exchange rate movements	0.5	0.6	0.3	1.4
Macroeconomic model changes	4.5	2.4	0.7	7.6
Other changes	-64.1	-9.4	4.7	-68.8
<b>Closing balance</b>	<b>205.5</b>	<b>129.0</b>	<b>195.0</b>	<b>529.5</b>

**Losses on loans**

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
+/- Change in stage 1 and 2 impairment in the period	-2.3	-6.6	42.9	-0.5	42.8
+/- Change in stage 3 impairment in the period	-50.1	-9.0	-66.0	-356.6	-335.7
Realized losses and effects of portfolio sales in the period	192.3	85.8	394.4	513.4	585.0
<b>Losses on loans</b>	<b>140.0</b>	<b>70.2</b>	<b>371.3</b>	<b>156.3</b>	<b>292.1</b>

## Note 3 – Capital adequacy

<b>Total capital</b>		<b>30.09.2023</b>	<b>31.12.2022</b>
<i>Amounts in NOK million</i>			
Book equity		2,248.5	1,953.3
Additional Tier 1 capital		-199.6	-199.6
<b>Additions:</b>			
Phase-in effect of IFRS 9		78.2	150.3
<b>Deductions:</b>			
Additional value adjustment (AVA)		-0.5	-1.5
Other equity not included in core capital (Foreseeable dividends)		-11.6	-0.1
Deferred tax assets and other intangible assets and deductions		-105.7	-123.2
<b>Common equity Tier 1</b>		<b>2,009.3</b>	<b>1,779.3</b>
Additional Tier 1 capital		199.6	199.6
<b>Core capital</b>		<b>2,208.8</b>	<b>1,978.8</b>
Subordinated loans (Tier 2)		165.0	65.0
<b>Total capital</b>		<b>2,373.8</b>	<b>2,043.8</b>

<b>Capital excluding phase-in effects of IFRS 9</b>		<b>30.09.2023</b>	<b>31.12.2022</b>
<i>Amounts in NOK million</i>			
Common equity Tier 1 excluding phase-in effect of IFRS 9		1,931.1	1,651.4
Core capital excluding phase-in effect of IFRS 9		2,130.6	1,850.9
Total capital excluding phase-in effect of IFRS 9		2,295.6	1,915.9

<b>Calculation basis</b>		<b>30.09.2023</b>	<b>31.12.2022</b>
<i>Amounts in NOK million</i>			
Loans and deposits with credit institutions		238.3	161.6
Loans to retail customers and IFRS 9 phase-in effect		8,148.2	7,018.3
Covered bonds		3.0	70.0
Other assets		38.0	32.8
<b>Calculation basis credit risk</b>		<b>8,427.5</b>	<b>7,282.7</b>
Calculation basis operational risk (standardized approach)		1,388.9	1,388.9
<b>Total calculation basis</b>		<b>9,816.3</b>	<b>8,671.5</b>

**Total calculation basis excluding phase-in effect of IFRS 9** **9,749.7** **8,544.9**

<b>Capital ratios including phase-in effect of IFRS 9</b>		<b>30.09.2023</b>	<b>31.12.2022</b>
Common equity tier 1 (%)		20.5 %	20.5 %
Core capital (%)		22.5 %	22.8 %
Total capital (%)		24.2 %	23.6 %

<b>Capital ratios excluding phase-in effect of IFRS 9</b>			
Common equity tier 1 (%)		19.8 %	19.3 %
Core capital (%)		21.9 %	21.7 %
Total capital (%)		23.5 %	22.4 %

The LCR (Liquidity Coverage Ratio) was 196% and the NSFR (Net Stable Funding Ratio) was 112% as at 30 September 2023. As at 31 December 2022 LCR was 451% and the NSFR was 127%.



## Note 4 - Financial instruments

### Financial instruments at fair value

<i>Amounts in NOK million</i>	30.09.2023	30.09.2022	31.12.2022
Certificates and bonds - level 1	175.0	-	470.5
Certificates and bonds - level 2	335.8	877.7	983.1
<b>Total financial instruments at fair value</b>	<b>510.9</b>	<b>877.7</b>	<b>1,453.5</b>

For further description of the financial instruments and levels, see Annual Report 2022.

### Financial instruments at amortised cost

<i>Amounts in NOK million</i>	30.09.2023	30.09.2022	31.12.2022
Loans and deposits with credit institutions	1,191.5	1,028.4	807.8
Net loans to customers	10,664.7	7,989.5	9,110.7
Other receivables	0.7	35.4	20.7
<b>Total financial assets measured at amortised cost</b>	<b>11,856.9</b>	<b>9,053.4</b>	<b>9,939.3</b>
Deposits from and debt to customers	9,954.2	7,888.1	9,347.6
Other debt	46.6	62.8	78.3
Subordinated loans (Tier 2)	165.0	65.0	65.0
<b>Total financial liabilities measured at amortised cost</b>	<b>10,165.8</b>	<b>8,015.9</b>	<b>9,490.9</b>

## Note 5 - Subordinated loans

<i>Amounts in NOK million</i>	Issue date	Maturity date	30.09.2023	30.09.2022	31.12.2022
Subordinated loan (ISIN NO0010941131)	03.03.2021	03.03.2031	65.0	65.0	65.0
Subordinated loan (ISIN NO0012909235)	11.05.2023	11.05.2033	100.0	-	-
<b>Total subordinated loans</b>			<b>165.0</b>	<b>65.0</b>	<b>65.0</b>

For further description of the subordinated loan, see [ir.morrowbank.com/funding](https://ir.morrowbank.com/funding).

## Note 6 - Net interest income and net commissions and fees

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Interest income from loans to customers	338.1	218.1	955.0	648.8	895.5
<i>of which sales commissions to agents</i>	-47.4	-34.2	-139.5	-87.3	-130.3
Interest income from loans and deposits with credit institutions	13.9	3.7	26.8	4.2	11.5
<b>Total interest income calculated using the effective interest rate method</b>	<b>352.0</b>	<b>221.8</b>	<b>981.8</b>	<b>653.1</b>	<b>907.0</b>
Other interest income	-	-	-	-	0.0
<b>Total interest income</b>	<b>352.0</b>	<b>221.8</b>	<b>981.8</b>	<b>653.1</b>	<b>907.0</b>
Interest expense from deposit customers	-73.5	-18.1	-186.5	-34.5	-68.9
Interest expense from subordinated loan (Tier 2)	-4.8	-1.1	-9.3	-3.3	-4.7
Other interest expenses and similar expenses	-18.3	-9.0	-43.9	-30.0	-40.2
<b>Total interest expenses</b>	<b>-96.6</b>	<b>-28.3</b>	<b>-239.7</b>	<b>-67.8</b>	<b>-113.7</b>
<b>Net interest income</b>	<b>255.4</b>	<b>193.5</b>	<b>742.1</b>	<b>585.3</b>	<b>793.3</b>
Insurance services	10.2	7.9	30.5	23.9	32.2
Other fees and commissions and bank services income	3.5	3.6	18.7	13.4	20.9
<b>Total income commissions and fees</b>	<b>13.7</b>	<b>11.5</b>	<b>49.2</b>	<b>37.3</b>	<b>53.0</b>
Provisions to other bank connections	-1.2	-1.1	-4.4	-3.3	-4.3
Other expenses commissions and fees	-10.2	-9.9	-36.3	-27.9	-39.0
<b>Total expenses commissions and fees</b>	<b>-11.4</b>	<b>-11.0</b>	<b>-40.7</b>	<b>-31.1</b>	<b>-43.3</b>
<b>Net commissions and fees</b>	<b>2.3</b>	<b>0.5</b>	<b>8.5</b>	<b>6.2</b>	<b>9.8</b>

## Note 7 - General administrative expenses and other expenses

<i>Amounts in NOK million</i>	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Direct marketing expenses	-5.4	-9.4	-15.3	-28.3	-36.0
IT-expenses	-11.3	-13.5	-37.1	-45.8	-69.4
Other general administrative expenses	-15.9	-14.0	-48.8	-36.7	-53.5
<b>Total general and administrative expenses</b>	<b>-32.6</b>	<b>-36.8</b>	<b>-101.2</b>	<b>-110.7</b>	<b>-159.0</b>
Insurance	-0.4	-0.6	-1.4	-1.2	-1.7
External audit and related services	-0.7	-0.7	-2.3	-1.9	-2.6
Other consultants	-4.7	-3.1	-24.4	-15.5	-22.2
Other expenses	-1.4	-4.7	-10.4	-13.7	-16.6
<b>Total other expenses</b>	<b>-7.2</b>	<b>-9.1</b>	<b>-38.5</b>	<b>-32.3</b>	<b>-43.1</b>

## Note 8 - Subsequent events

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



To the Shareholders of Morrow Bank ASA

## Report on Review of Interim Financial Information

### Introduction

We have reviewed the accompanying condensed balance sheet of Morrow Bank ASA as at 30 September 2023, and the related condensed comprehensive income statement, the statement of changes in equity and the cash flow statement for the nine-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, 24 October 2023

**PricewaterhouseCoopers AS**

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