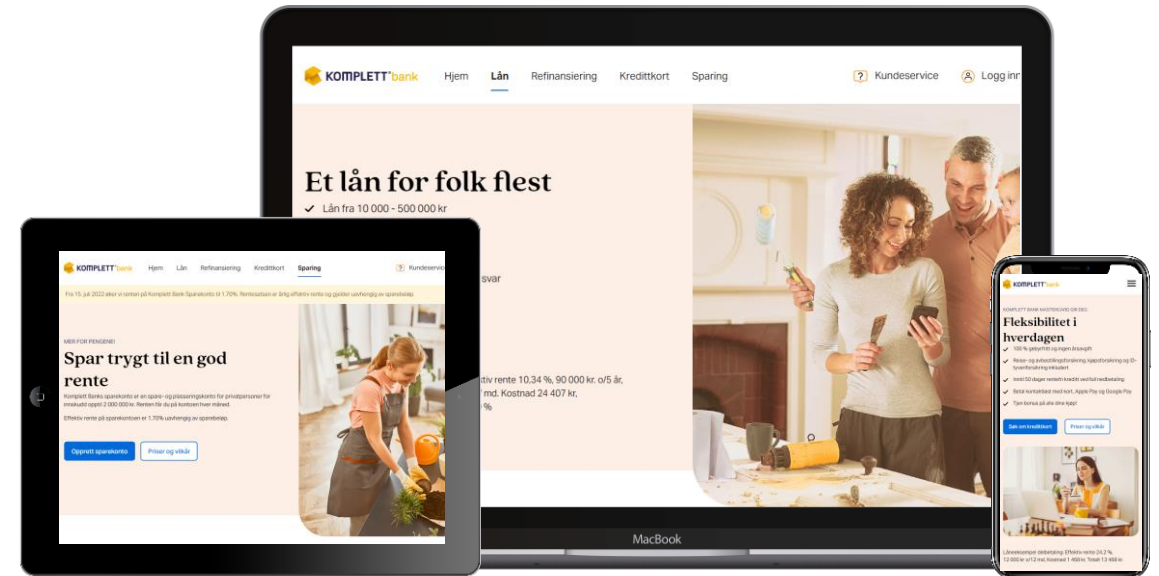


# Second quarter 2022



# Highlights of the quarter

NOK million	Q2 2022	Q-o-Q	Y-o-Y
<b>Net loans (adjusted)</b>	7,323	+1.9%	N/M
<b>Total income</b>	195	-0.9%	-19.0%
<b>Profit after tax</b>	36	2.7%	-27.4%
<b>Earnings per share</b>	0.17	2.3%	-30.2%

## Repositioning for growth well underway

- All-time-high new sales in June-July with positive trend continuing into Q3
- Conversion rates increased in all markets following multiple improvements
- First initiatives to reduce net annual run-rate personnel costs by NOK 18-20 million
- Significant potential for further improvements identified

## Increased sales with stable yield and risk levels

- Adjusted net loans up 2% 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 down; -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 ratio of 3%, down from ~10% in Q1 following sale of non-performing loans
- CET1 ratio of 24.3% in Q2, well above 17.2% requirement



# Strategic and operational review



# Attractive NOK 600 billion consumer financing market with continued high demand

## Opportunities

- Significant room to increase market share across markets
- Solid macroeconomic outlook for region maintained
- High demand and inflow of loan applications continued in Q2 and into Q3
- Credit card usage increasing as consumption picks up

## Challenges

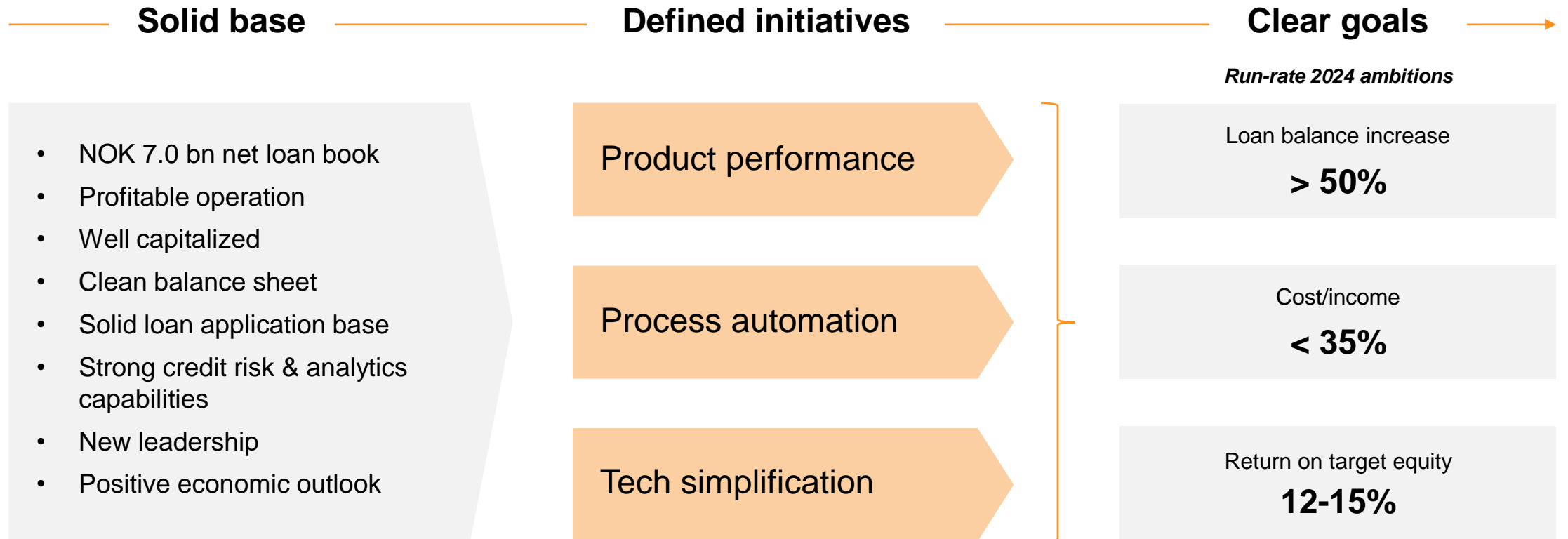
- Increasing deposit interest rates coming into effect from Q3
- Inflation starting to affect economy, although modest impact on overall costs
- Some market uncertainty related to Ukraine crisis continues



Significant room for growth in existing markets and products – efficient business model key to success



# Repositioning for accelerated growth – with focus on existing markets & products

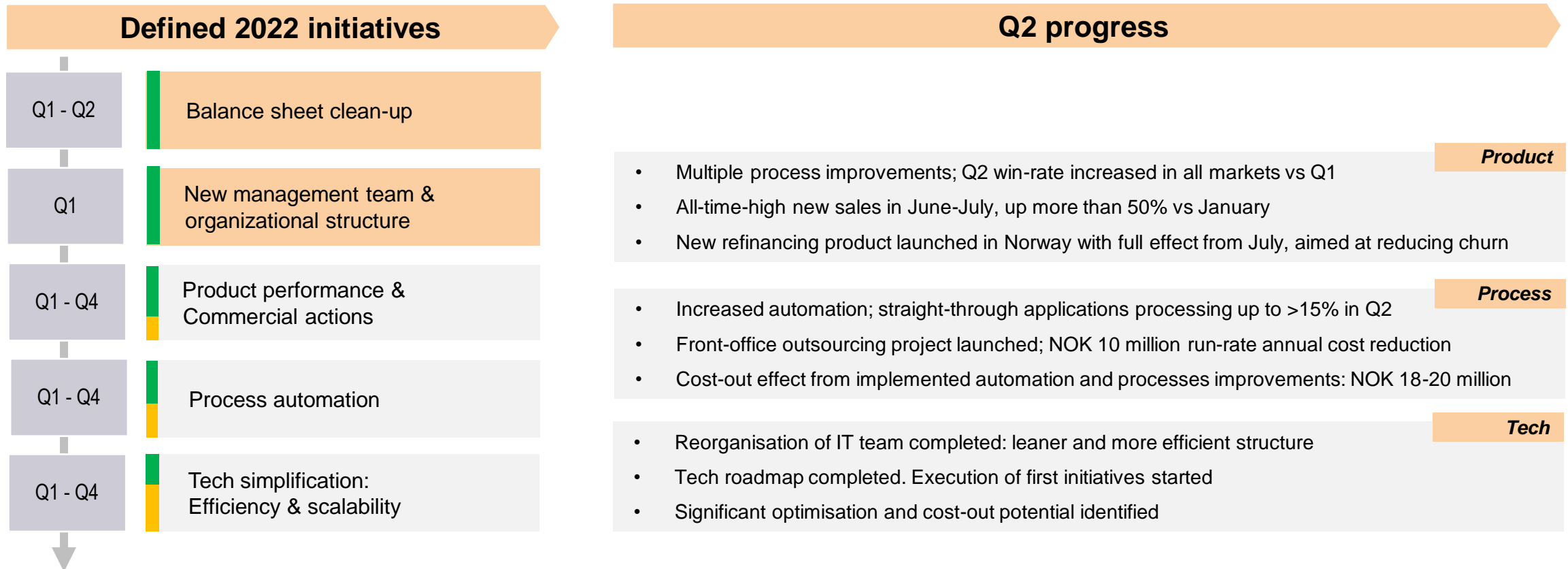


Clear path to improve efficiency and throughput



Note: Loan balance increase from post balance sheet clean-up, completed in Q2 2022.

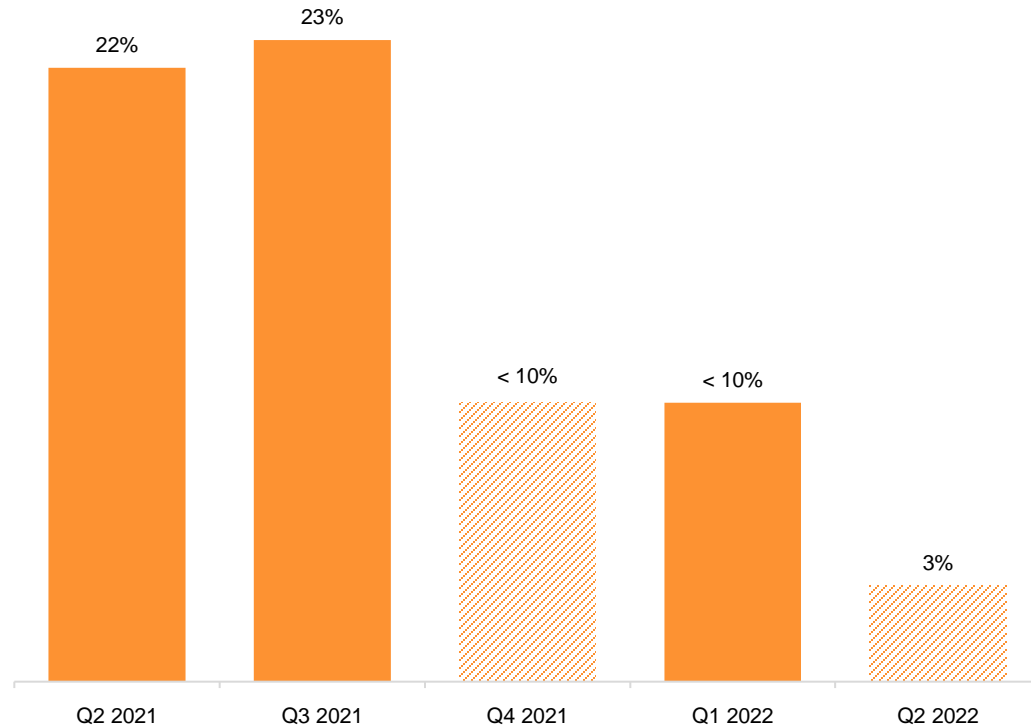
# Defined initiatives well underway – yielding encouraging initial results



Progressing on plan accross defined strategic initiatives



## Balance sheet clean up completed in May 2022 – significantly reducing risk



- In October 2021, the bank sold NPL (non-performing loans) portfolios totalling NOK 1.4bn, reducing the NPL ratio to < 10%
- Following the NOK 0.7 billion NPL portfolio sale announced in April, NPL ratio is reduced further to 3% by end Q2
- Forward flow agreements covering new loan defaults
- CET1 ratio increased to 24.3% in Q2 from 21.9% in Q1
- Combined, this implies limited balance sheet risk going forward

Current balance sheet provides solid base for improvement initiatives



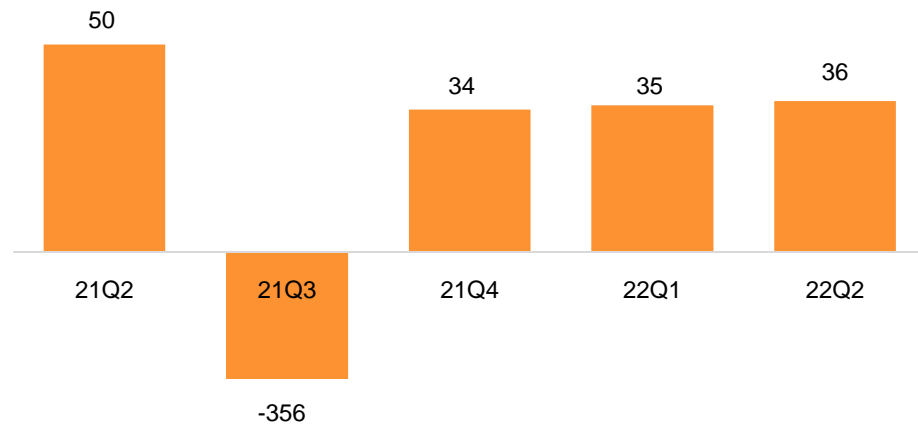
# Second quarter Financial review



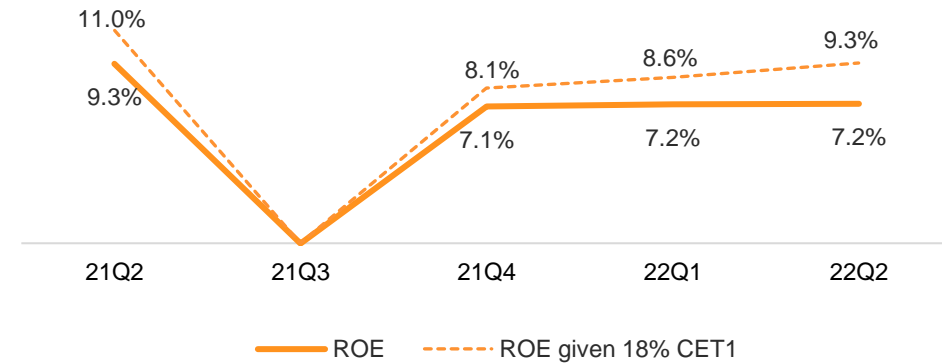


# Profitability trend stabilised and set to improve

Profit after tax (NOK million)



Return on equity (% annualised)



- Profitability inching upwards compared to previous quarters; slight decline in net loans, stable yield, higher net commissions and fees, and slightly reduced costs
- Return on equity reflecting current profitability levels, but subdued by excess capital



# Underlying growth across markets, adjusted net loans +1.9% (Q-o-Q)

## Norway

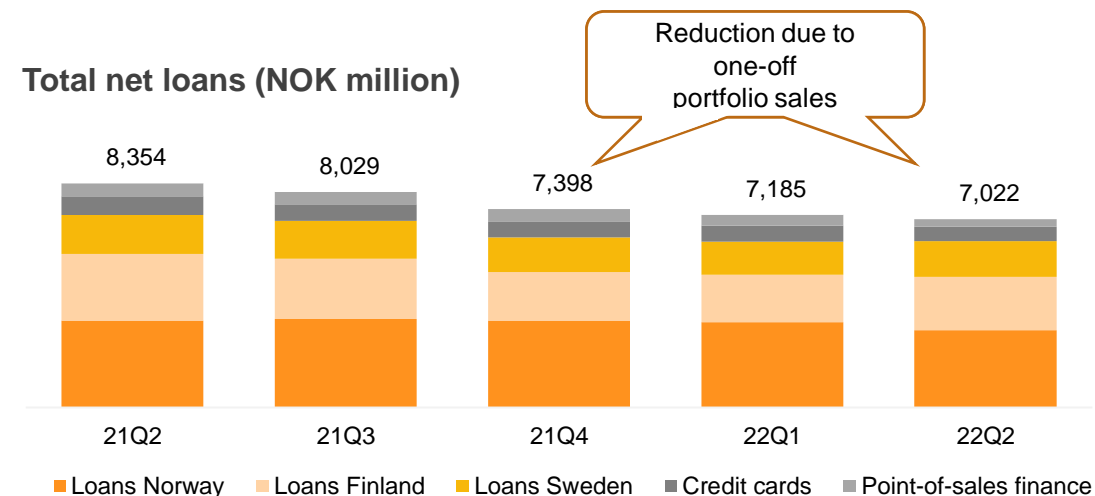
- Net loan decrease driven by NPL sales
- Underlying loan growth: NOK 102 million in Q2

## Finland

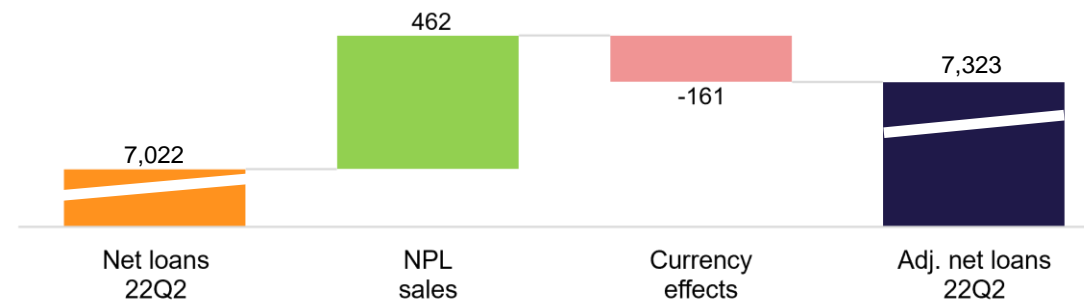
- Positive development since interest cap removal in October 2021 continued
- Underlying loan growth: NOK 118 million in Q2

## Sweden

- Stable low-growth market
- Underlying loan growth: NOK 118 million in Q2



## Underlying growth adjusted for NPL sales and FX



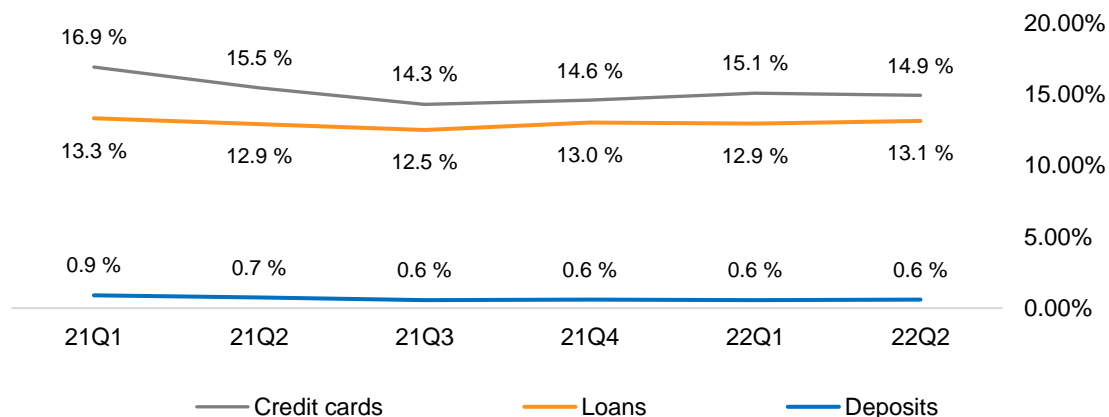
# Stable yield across geographical markets

Some near-term yield pressure expected amid increasing deposit rates

## Yield maintained in Norway, Finland & Sweden

- Long-term trend of reducing yields flattening out
- Slight yield increase for loans across geographical markets and POS finance
- Slight yield decrease for credit cards
- Deposit rate (0.6%) stable for the last year, but set to increase in Q3 due to increased market rates
- Expect to adjust loan rates in line with the market as deposit rates increase; some lag effect to be expected

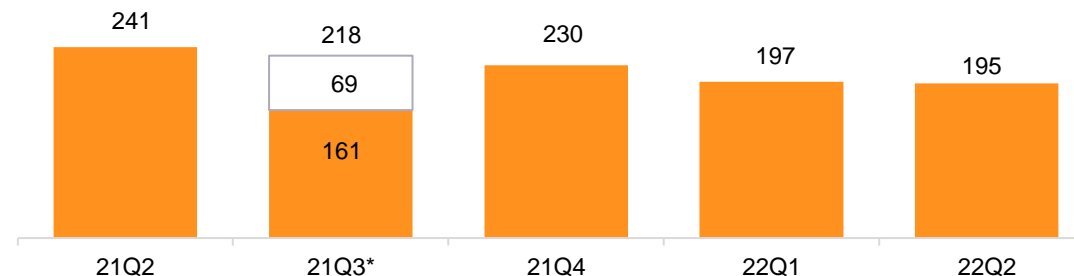
Yield, performing loans and deposits



## Total income NOK 195m, down 1% from Q1

- Loan volume reduction due to NPL sales, and hence reduced income.
- Also affected by increased bank guarantee fund contributions, but offset by other one-offs.
- Underlying improvement when disregarding effect from NPL sale.

Total income (NOK million)



\* Including effects of NPL sales and portfolio review; Q3 adjusted due to reclassification of interest income vs. losses.

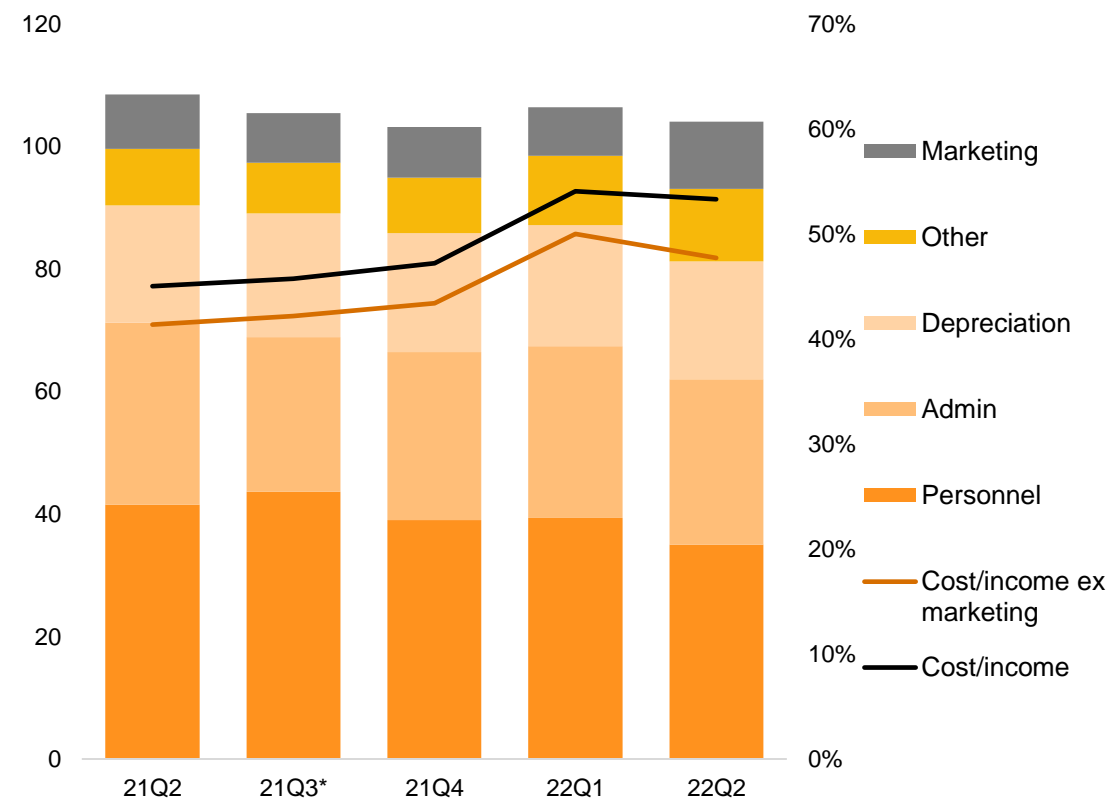


## Slight cost decrease in the quarter

Defined initiatives to reduce cost base by a further 15+%

- OPEX of NOK 104 million, down 2.2% compared to Q1 2022
  - NOK 3 million increase in direct marketing expenses in the quarter, reflecting higher activity levels and an increase in new sales
  - Personnel costs reduced by NOK 4 million to NOK 35 million
  - Cost/income ratio slightly decreased in Q2
- Outlook
  - Call centre outsourcing project launched; NOK 10 million run-rate annual cost reduction
  - Defined initiatives to reduce annual run-rate cost by NOK 18-20 million from Q1 2023
  - Significant potential for further structural cost improvements identified which may require some investments going forward

Operational expenses (NOK million) and cost ratios (%)



\* C/I ratios adjusted for one-off effects from NPL sales in Q3 2022.



# Stable loan losses and coverage ratios

## Performance

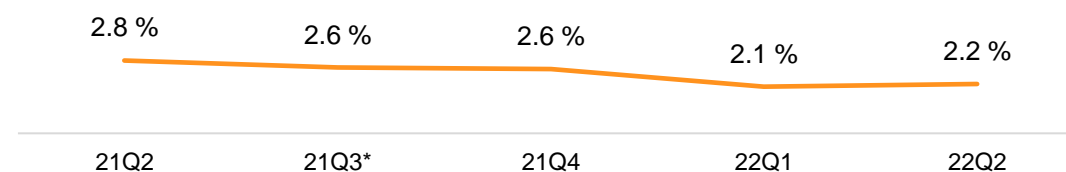
- Loan loss rate continuing at low, stable levels
- Post portfolio sales in 2021 in 2022, overall NPL ratio down from 23% to 3%\*
- High coverage ratios; reducing risk in balance sheet

## Outlook

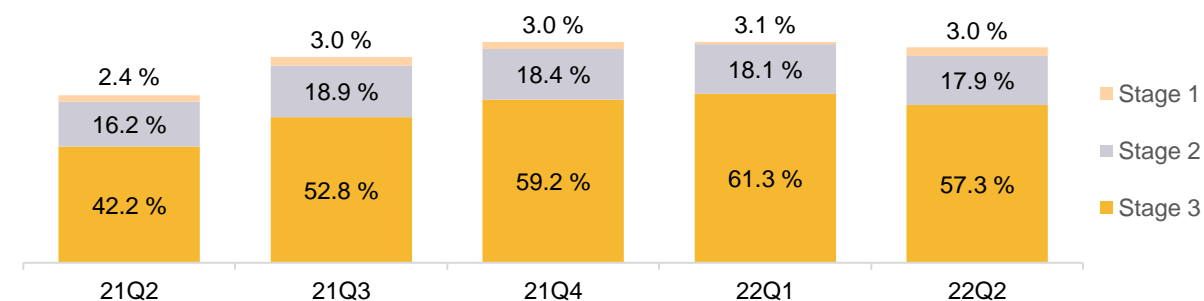
- Continued low loan losses expected going forward, but likely to see some increase due to new sales
- Most NPLs sold on forward flow agreements

\* NPL excluding “lazy payers”, NOK 178 million

## Loan loss ratio (LLR), adjusted for one-offs (%)

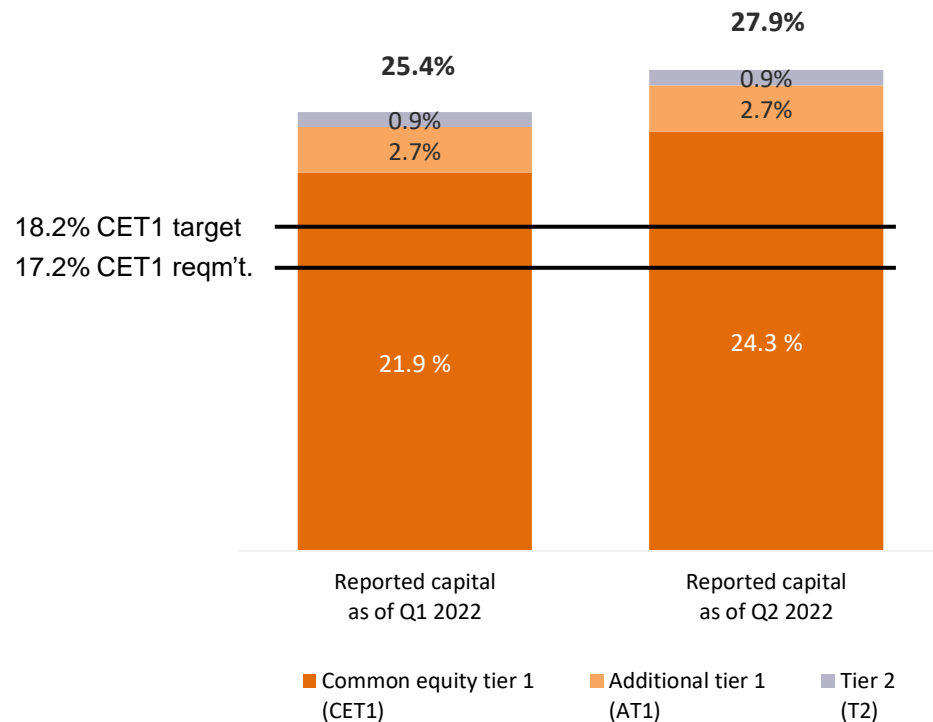


## Coverage ratios per stage



# Balance sheet de-risking and increasingly solid capital position broadening opportunities

Regulatory capital structure (%) Q-o-Q



- Capital ratio increase driven by earnings for the quarter and cleaner balance sheet after significant de-risking
- Solid capital position provides flexibility to deliver on organic ambitions and to pursue further potential growth opportunities
- Dividend policy remains in place at 30-50%



# Summary



## Summary Q2

- ✓ Attractive Nordic consumer financing market with significant room to grow
- ✓ Strong capital adequacy, low NPL ratio and limited credit risk
- ✓ Clearly defined strategy, deploying initiatives focused on improving efficiency and throughput
- ✓ Continued solid loan application base; all-time-high new sales enabled by implemented initiatives
- ✓ Increased automation and improved processes set to substantially reduce run-rate costs
- ✓ Increasingly solid capital position broadening opportunities

Repositioning Komplet Bank for accelerated growth well underway





**Q&A**



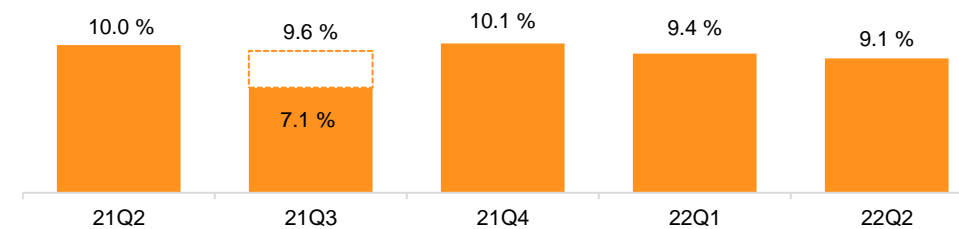
# APPENDIX



# Profit and loss

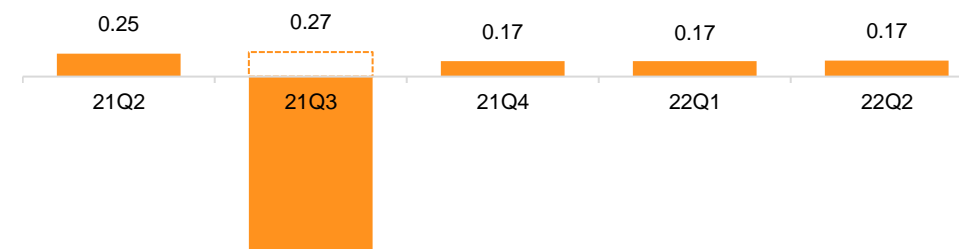
<i>Amounts in NOK million</i>	Q2 2022	Q2 2021	2021
Interest income	209.3	264.0	965.5
Interest expenses	-22.1	-23.1	-81.8
<b>Net interest income</b>	<b>187.2</b>	<b>241.0</b>	<b>883.7</b>
Commission income and fees	16.9	13.7	51.6
Commission expenses and fees	-8.4	-13.5	-62.9
<b>Net commissions and fees</b>	<b>8.5</b>	<b>0.2</b>	<b>-11.3</b>
Net gains / losses (-) on certificates and bonds, and currency	-0.6	-0.4	4.0
<b>Total income</b>	<b>195.1</b>	<b>240.8</b>	<b>876.4</b>
Personnel expenses	-35.0	-41.5	-162.0
General and administrative expenses	-37.9	-38.5	-141.2
Other expenses	-11.9	-9.3	-34.8
Depreciation	-19.2	-19.2	-77.3
<b>Total operating expenses</b>	<b>-104.0</b>	<b>-108.4</b>	<b>-415.4</b>
Losses on loans	-42.7	-65.1	-739.1
<b>Profit/(loss) before tax</b>	<b>48.4</b>	<b>67.2</b>	<b>-278.1</b>
Tax expenses	-12.1	-17.2	69.4
<b>Profit/(loss) after tax</b>	<b>36.3</b>	<b>50.0</b>	<b>-208.7</b>
<b>Earnings per share (NOK)</b>	<b>0.17</b>	<b>0.25</b>	<b>-1.19</b>

## Net interest margin\* (%)



NIM adjusted for effects from revision of loss model parameters in Q3 2021

## Earnings per share (NOK)



EPS adjusted for revision of loss model parameters in Q3 2021

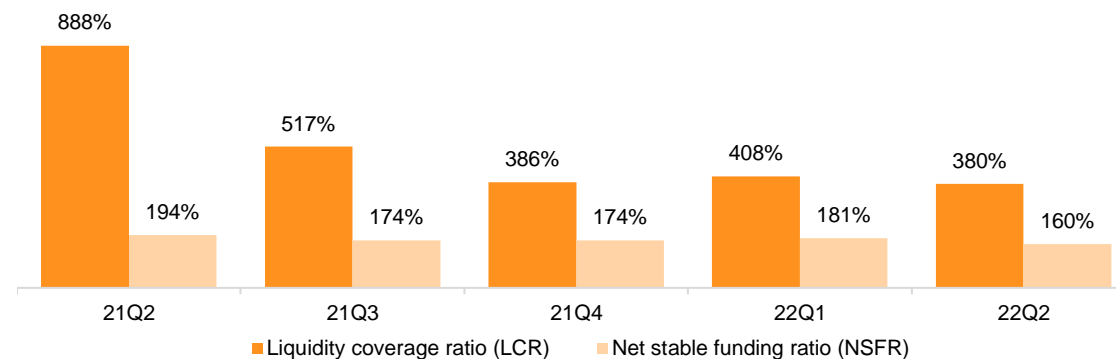
\* Net interest margin (NIM) = 4 \* (Net interest income / Average interest-bearing assets excl. certificates and bonds). Sales provision to agents presented as part of "Interest income" (earlier "Expense commissions and fees") NIM is adjusted for revision of loss model parameters in Q3 2021



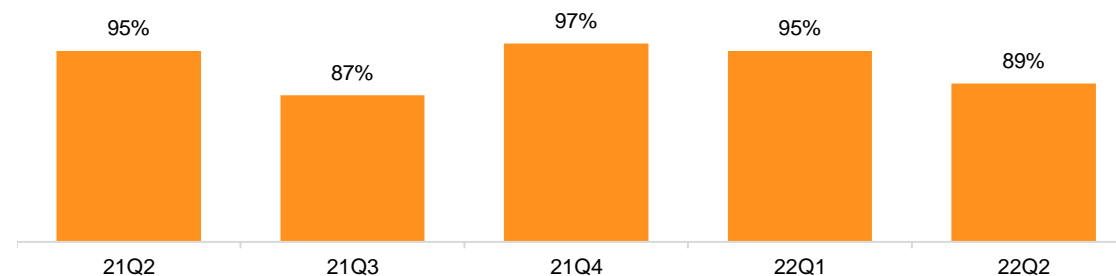
# Balance sheet

<i>Amounts in NOK million</i>	<b>30.06.2022</b>	<b>31.12.2021</b>
<b>Assets</b>		
Loans and deposits with credit institutions	724.4	1,301.8
Net loans to customers	7,022.0	7,397.8
Certificates and bonds	882.6	882.2
Other intangible assets	134.7	153.5
Deferred tax assets	49.5	73.4
Fixed assets	7.7	9.1
Other receivables	72.6	286.8
<b>Total assets</b>	<b>8,893.5</b>	<b>10,105.5</b>
<b>Equity and liabilities</b>		
Deposits from and debt to customers	6,691.0	7,933.9
Other debt	108.0	142.4
Subordinated loans (Tier 2)	65.0	65.0
Tax payable	-2.3	0.1
<b>Total liabilities</b>	<b>6,861.7</b>	<b>8,141.4</b>
Share capital	187.4	187.1
Share premium reserve	786.7	786.7
Other paid-in equity	56.7	53.8
Retained earnings	801.6	736.9
Additional Tier 1 capital	199.6	199.6
<b>Total equity</b>	<b>2,031.8</b>	<b>1,964.0</b>
<b>Total equity and liabilities</b>	<b>8,893.5</b>	<b>10,105.5</b>

## Liquidity and funding



## Deposit coverage\* (%)



\*Deposit coverage = Deposits from and debt to customers / gross loans to customers



# Shareholder overview

## Largest 20 shareholders

#	Shareholder	Shares (thousand)	%
1	Kistefos AS	35,747	19.1%
2	UBS AG	17,493	9.3%
3	DNB Bank ASA	10,148	5.4%
4	Alfab I AS	9,111	4.9%
5	Skandinaviska Enskilda Banken AB	6,451	3.4%
6	RBC Investor Services Bank S.A.	5,152	2.7%
7	The Bank Of New York Mellon SA/NV	4,975	2.7%
8	OM Holding AS	4,209	2.2%
9	Melesio Invest AS	3,485	1.9%
10	Directmarketing Invest AS	3,415	1.8%
11	BNP Paribas Arbitrage SNC	3,256	1.7%
12	Christiania Skibs AS	3,100	1.7%
13	Obligasjon 2 AS	2,580	1.4%
14	Khaya AS	2,371	1.3%
15	The Bank Of New York Mellon SA/NV	1,956	1.0%
16	Dingja Holding AS	1,859	1.0%
17	Sniptind Invest AS	1,739	0.9%
18	Contribute AS	1,621	0.9%
19	Stiftelsen Kistefos-Museets Driftsfond	1,500	0.8%
20	Ursulf AS	1,421	0.8%
<b>Sum top 20</b>		<b>121,589</b>	<b>64.8%</b>
Other shareholders		66,001	35.2%
<b>Total</b>		<b>187,408</b>	<b>100.0%</b>
Shares held by management and the members of the Board of Directors		3,551	1.9%

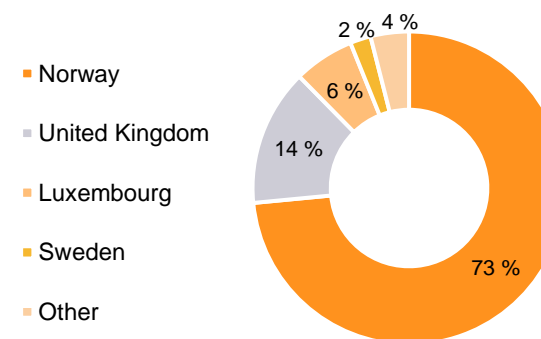
\* Kistefos including ownership through nominees and related parties hold 24.0% of the shares.

Updated as of 9 August 2022

## Management and members of the Board of Directors

Role	Name	Shares (thousand)	Share options (thousand)
COO	Wilhelm B. Thomassen	1,882	358
CFO	Eirik Holtedahl	961	110
CEO	Øyvind Oanes	230	-
CCRO	Annika Ramstedt	128	327
CCO	Enok Hanssen	100	394
Members of the Board of Directors		250	20
<b>Total</b>		<b>3,551</b>	<b>1,209</b>

## Shareholders geographical distribution



# A Nordic specialised consumer finance company

- Offering flexible consumer financing solutions to customers across the Nordics
- ~325,000 customers across four product areas in Norway, Sweden, Finland and Germany
- Strategic partnership with Komplet Group, largest e-commerce company in the Nordics
- Multichannel distribution via own websites and agents
- Digital and scalable, low-cost operation
- Robust balance sheet, well capitalised for further growth
- Founded in 2014, listed on Oslo Stock Exchange in 2017



## Consumer loans



~61 k customers  
NOK 6,179 million net  
loans

## Credit cards



~50 k customers  
NOK 527 million net  
loans

## Point-of-sales finance



~174 k customers  
NOK 316 million net  
loans

## Deposit accounts



~40 k customers  
NOK 6,691 million  
deposits

Q2 2022 figures



