

Interim Report Q2 2023

Short summary of the quarter

- The bank reported a positive 5.1% ROE in Q2 2023 (positive 20.3% in Q2 2022) and an underlying ROE of 8.9%.
- The net profit was positive MNOK 3.6 (positive MNOK 12.4 in Q2 2022), and the underlying net profit was MNOK 6.4 (MNOK 15.0 in Q2 2022).
- Restart loans decreased by MNOK 42.3 net to MNOK 1 188.
- The cost ratio was 78.7% (42.9% in Q2 2022).
- The loan losses in the quarter were MNOK 0.1 (MNOK 0.6 in Q2 2022).
- The bank has a capital ratio of 28.6% (27.2% in Q2 2022)

Mybank reported a pre-tax profit of positive MNOK 3.6 in the quarter. The underlying result for the quarter was MNOK 6.4, excluding non-recurring items (non-recurring items are presented in the APMs).

Net interest income for the quarter was MNOK 16.6, a decrease of 36.2% from MNOK 26.0 in Q2 2022. Operating costs for the quarter were MNOK 13.8, an increase of 24.3% from MNOK 11.1 in Q2 2022.

The pre-provisions profits decreased to MNOK 3.7 from MNOK 14.7 in Q2 2022 and the underlying ROE was 8.9% in the second quarter 2023.

Loan loss provisions totaled MNOK 0.1 this quarter, compared to loan loss provisions of MNOK 2.3 in Q2 2022. This corresponds to a loan loss provisions ratio of 0.0% annualized (compared to 0.6% in Q2 2022).

The capital ratio was 28.6%, an increase from 27.2% in Q2 2022.

CEO comments

This quarter has been important. The bank entered normal production, receiving and assessing new loan applications. Prior to this, in the beginning of the quarter, the board and I did extensive work to settle a necessary equity increase.

I am happy to announce that the bank finalized the equity share issue on April 26th. This meant the bank was no longer in breach of its capital requirement, including the management buffer, as of end April.

Our first new loans were disbursed in May, and in the second quarter our total production was MNOK 33. This was a planned slow start, which enabled the bank to be in line with guided volume. The bank continued to revise policies and internal processes, to ensure that our operational procedures are of high quality.

The quarter was impacted by increased costs, mainly non-recurring legal and consultancy costs, and a limited increase in loan losses. The non-recurring costs are expected to gradually decrease towards the end of 2023.

Interest rates and other household costs have increased the past year, and we start to see small changes in the market. The tendency so far is that applications are more complex, and the volume of customers contacting us is increasing.

We are excited to continue our work in the third quarter helping customers with a challenging economic everyday life.

About mybank

Mybank is an online retail bank offering restart loans, refinancing of unsecured loans with security in real estate, and a deposit account with a high interest rate.

The bank was granted a banking license in July 2016 and commenced operations during the first quarter of 2017. The bank has previously raised a total share capital include share premium of MNOK 273.3 in 2016 and 2017. Following the capital raise in Q1 2019, the share capital increased to MNOK 299.7. During 2020, the bank raised an additional MNOK 70 in private placements. An additional capital infusion of MNOK 35 was made in April 2023, strengthening the bank's financial position. The shares are unlisted and are registered at NOTC.

At the end of the quarter the bank had 19 employees.

Financial information for the quarter

Mybank recorded net interest income of MNOK 16.6 during the quarter. The bank had operating costs of MNOK 13.8, of which MNOK 5.2 staff costs and MNOK 8.6 other operating expenses (including depreciation).

At the end of the quarter, the bank's gross loans to customers totaled MNOK 1 248, of which MNOK 1 188 restart loans and MNOK 60 unsecured loans.

Gross deposits were MNOK 1 198, hence deposit coverage is at 96.0%.

The bank's cash and cash equivalents were MNOK 257.0 at the end of the quarter, compared to MNOK 740.0 in Q2 2022.

Loan losses

Loan losses for the quarter totaled MNOK 0.1, of which MNOK 0.1 is changes in provisions. This represents a 0.0% annualized of net loans, compared to 0.6% in Q2 2022.

Of the total loan loss provisions, MNOK 29.3 related to restart loans and MNOK 26.0 related to unsecured loans (the split and flow between stages are presented in note 3 and 4). Provisions represent 11.5% of non-performing loans.

Mybank changed from NGAAP to IFRS regulation on 01.01.2020. The bank has implemented the regulatory transitional arrangement on capital adequacy in the period 2020 – 2022.

Regulatory developments

During 2022 the countercyclical buffer increased by 1%. From 31.03.2023 the countercyclical buffer increased by 0.5%. The systemic risk buffer will increase from 3% to 4.5% 31.12.2023. Due to the process with the NFSA the bank has received a temporary additional capital requirement of MNOK 30.

Prospects

Mybank is a focused provider of mortgage loans. The bank remains focused on helping customers with their economic situation. An extensive and internal review of the bank's policies has been carried out and there have been made significant upgrades to current policies and control functions. The bank will continue to invest in systems and competencies during 2023.

Post balance sheet date events

The bank has no material events after balance sheet date.

Risk factors

The most important risk factors for **mybank's** prospects includes:

- A significant drop in the housing market leading to a weaker economy and deteriorating credit quality,
- compliance risk due to changed and stricter regulatory requirements for the bank and financial institutions in general,

- uncertainty around the banks' ability to attract new customers for future growth, because of increased competition or strategic and operational conditions in **mybank**,
- reduced growth capacity from high loan losses or market conditions preventing further capital raises,
- pressure on interest income as a result of price war in the market for restart loans, or higher funding costs for the bank or market in general,
- higher costs from a lack of cost-effectiveness or an inappropriate choice of technology.

In addition to having a flexible and scalable business model, the board and management have implemented sound practices for planning, control, and adaptability to reduce any potential losses related to operational and strategic risks. The bank continuously monitors its exposure to potential losses from most of the above risk factors using stress testing and value at risk methods.

Oslo, 14th August 2023, Board of Directors of MyBank ASA

Key figures

Alternative Performance Measures (APMs) are defined on the last pages.

	Q2 2023	Q2 2022	YTD 2023	YTD 2022	2022
Profitability					
Cost percentage	78.7 %	42.9 %	81.9 %	44.0 %	59.8 %
Return on equity (annualized)	5.1 %	20.3 %	3.8 %	20.2 %	8.4 %
Loss and default					
Loan loss percentage	0.0 %	0.6 %	0.2 %	0.7 %	1.4 %
Balance sheet					
Total assets on the balance sheet date	1 489 600	2 230 950	1 489 600	2 230 950	1 601 357
Average total assets during the period	1 544 640	2 246 826	1 585 597	2 246 826	2 054 285
Profit as a percentage of total assets	0.8 %	2.2 %	0.6 %	2.2 %	1.0 %
Equity in % of total assets	18.9 %	11.0 %	18.9 %	11.0 %	15.1 %
Lending growth (gross) last 12 months	-17.1 %	32.4 %	-17.1 %	32.4 %	-18.4 %
Deposit growth over the last 12 months	-39.2 %	65.4 %	-39.2 %	65.4 %	-29.4 %
Deposits in % of loans	96.0 %	131.0 %	96.0 %	131.0 %	97.8 %
Liquidity Coverage (LCR)	1342 %	1506 %	1342 %	1506.0 %	657 %
NSFR	137 %	162 %	137 %	162.0 %	138 %
Solidity					
Capital adequacy	28.6 %	27.2 %	28.6 %	27.2 %	23.5 %
Tier 1 capital adequacy	28.6 %	27.2 %	28.6 %	27.2 %	23.5 %
Net tier 1 capital adequacy	28.6 %	27.2 %	28.6 %	27.2 %	23.5 %
Leverage ratio	18.2 %	10.5 %	18.2 %	10.5 %	14.6 %
Total tier 1 capital	269 043	233 689	269 043	233 689	232 154
Crew					
Average number full-time equivalent	18.8	19.8	18.8	19.8	19.8

Financial Statement

Income statement

	Note	Q2 2023	Q2 2022	YTD 2023	YTD 2022	2022
Interest income and similar income		27 610	31 615	55 707	64 716	127 260
Interest costs and similar costs		-11 011	-5 643	-22 183	-12 123	-30 802
Net interest income		16 598	25 972	33 524	52 593	96 458
Commissions and fee income from bank services		3	0	7	0	3
Commissions and fee expense from bank services		-268	-156	-521	-357	-766
Income (loss) from trading activities	6	1 175	-28	2 268	-762	1 352
Net other income		909	-184	1 754	-1 119	589
Total operating income		17 508	25 788	35 278	51 474	97 047
Staff cost		-5 206	-4 670	-11 975	-10 988	-23 594
Other operating costs	5	-7 650	-5 371	-15 070	-9 613	-30 478
Depreciation	5	-927	-1 031	-1 858	-2 066	-3 996
Total operating costs		-13 782	-11 072	-28 904	-22 667	-58 068
Operating profit (loss) before loan impairments		3 726	14 716	6 375	28 808	38 979
Loan losses	4	-127	-2 274	-1 526	-5 413	-19 435
Profit (loss) before tax		3 599	12 442	4 849	23 394	19 544
Tax		0	0	0	0	0
Profit (loss) for the period		3 599	12 442	4 849	23 394	19 544
Other income and expenses (after tax)		0	0	0	0	0
Total result		3 599	12 442	4 849	23 394	19 544

Balance sheet

Balance sheet is presented in NOK 1 000

	Note	Q2 2023	Q2 2022	2022
<u>Assets</u>				
Cash and central bank deposits	7	57 362	50 128	50 464
Loans to, and deposits at, credit institutions	7	44 929	121 834	30 157
Net loans to customers	3,7	1 210 508	1 466 784	1 325 108
Short term financial investments	7,8	154 722	567 950	176 041
Intangible assets		11 820	15 602	13 678
Fixed assets		0	0	0
Leases	9	2 845	3 983	3 414
Other assets	7	7 414	4 669	2 495
Total assets		1 489 600	2 230 950	1 601 357
<u>Liabilities</u>				
Deposits from customers		1 198 384	1 971 675	1 341 285
Accounts payable		1 544	6 556	6 093
Accrued expenses and unearned income		4 141	2 195	9 365
Lease liability	9	2 934	4 049	3 496
Provisions on financial instruments	4	1 579	1 508	2
Total liabilities		1 208 582	1 985 984	1 360 241
<u>Equity</u>				
Share capital		108 376	82 974	82 974
Share premium fund		247 046	237 396	237 396
Other equity		-74 405	-75 404	-79 254
Total equity		281 018	244 966	241 116
Total liabilities and equity		1 489 600	2 230 950	1 601 357

Oslo, 14th August 2023

The Board of Directors of MyBank ASA

(electronically signed)

Rune Brunborg
Chairman of the Board

(electronically signed)

Bengt-Olof Stefan Laler
Board member

(electronically signed)

Izabella Kibsgaard-Petersen
Board member

(electronically signed)

Fabian Haugan
Board member

(electronically signed)

Madiha Ghazanfar
Board member

(electronically signed)

Caroline Kvam Stokke
CEO

Cash flow

	Q2 2023	Q2 2022	YTD 2023	YTD 2022
Cash flows from operating activities				
Interest payments from central banks and credit institutions	924	287	2 415	287
Deposits / disbursements of deposits from customers	-173 517	-113 506	-142 901	71 416
Interest payments on deposits from customers	-10 033	-5 189	-20 226	-11 204
Payments on loans to customers	35 440	169 001	102 386	174 099
Interest payments on loans to customers	25 387	27 783	50 233	58 216
Deposits / disbursements of deposits from credit institutions	-978	-453	-1 957	-919
Interest payments on deposits from credit institutions	1 175	-28	2 268	-762
Commission payments from bank services	-266	-156	-514	-357
Fee amortization	1 299	3 545	3 059	6 213
Payment for operation	-13 782	-11 072	-28 904	-28 080
Net cash flow from operating activities	-134 352	70 212	-34 140	268 910
Cash flows from investing activities				
Purchase/sale and changes of shares	1 174	280	916	-775
Deposits/disbursements when trading interest-bearing securities	61 234	-20 557	20 402	-213 766
Net cash flow from investing activities	62 408	-20 277	21 318	-214 541
Cash flows from financing activities				
Rent (financial liabilities)	-282	-274	-562	-569
Deposited equity (payment on issue / capital increase)	35 053	-2 888	35 053	-2 888
Net cash flow from financing activities	34 771	-3 161	34 491	-3 457
Net cash flow during the period	-37 172	46 774	21 669	50 912
Liquidity at the beginning of the period	139 463	125 189	80 621	121 051
Liquidity at the end of the period	102 291	171 963	102 291	171 963
Cash and central bank deposits	57 362	50 128	57 362	50 128
Loans to, and deposits at, credit institutions	44 929	121 834	44 929	121 834
Liquidity	102 291	171 963	102 291	171 962

Changes in equity

	Share capital	Share premium	Other equity	Total
Equity 31.12.2019	41 409	242 548	-126 414	157 543
Transition to IFRS	0	0	-19 579	-19 579
Adjusted equity 01.01.2020	41 409	242 548	-145 993	137 964
Profit (loss) for the period	0	0	-15 079	-15 079
Capital increase and reduction	41 160	-2 367	28 986	67 779
Equity 31.12.2020	82 569	240 181	-132 086	190 664
Profit (loss) for the period	0	0	22 375	22 375
Capital increase and reduction	405	101	0	506
Equity 30.09.2021	82 974	240 282	-109 711	213 545
Profit (loss) for the period	0	0	10 913	10 913
Capital increase and reduction	0	0	0	0
Equity 31.12.2021	82 974	240 282	-98 798	224 458
Profit (loss) for the period	0	0	19 544	19 544
Purchase of subscription rights	0	-2 887	0	-2 887
Equity 31.12.2022	82 974	237 396	-79 254	241 116
Profit (loss) for the period	0	0	1 251	1 251
Purchase of subscription rights	0	0	0	0
Equity 31.03.2023	82 974	237 396	-78 003	242 367
Profit (loss) for the period	0	0	3 599	0
Purchase of subscription rights	25 403	9 650	0	35 053
Equity 30.06.2023	108 377	247 046	-74 404	281 018

Note 1 Accounting principles

Company information

Mybank ASA is a Norwegian public limited company with business address Bankplassen 1a, Oslo. The bank offers mainly financial services such as restart loans and deposit accounts.

Basis for preparation of the financial statements

The interim report has been prepared in accordance with IFRS with simplifications after regulations, following IAS 34.

The interim financial report has been reviewed in accordance with ISRE 2410 by the Independent Auditor of the bank.

For a full review of the accounting principles the bank refers to the annual accounts of 2022.

Mybank used the transitional rule after the change from NGAAP to IFRS with simplifications from 2020-2022.

If nothing else is noted, amounts are presented in NOK 1 000.

Summary of the most important accounting principles

Segment information

The bank only operates in the mortgage market and thus only reports one segment.

Financial instruments – recognition and derecognition

Financial assets and liabilities are recognized when the bank becomes a party to the instrument's contractual terms.

Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when the bank transfers the financial assets in a transaction where all or substantially all risk and profit opportunities linked to the ownership of the assets transfers to the bank.

Financial instruments - classification

At initial recognition, financial instruments are classified in the following groups:

Financial assets:

- Amortized cost
- Fair value with change in value through other comprehensive income
- Fair value with change in value through the profit and loss

Financial assets are classified based on an assessment of the bank's business model and the cash flows associated with the various instruments.

Financial liabilities:

- Other financial liabilities measured at amortized cost

Measurements

Measurements to fair value

The fair value of financial instruments that are traded in active markets is determined at the end of the reporting period with reference to quoted market prices or prices from traders of financial instruments, without deduction of transaction costs. The change in value is included in the income statement.

The model of impairments in the bank

Mybank has an internal model for calculating loss given default (LGD). Probability of default (PD) are calculated based on historical data and earlier default and is updated every quarter. The bank's data center, SDC, has developed a solution for exposure in the event of default (EAD) and calculation of loan losses. Expected credit losses (ECL) are calculated from $EAD \times PD \times LGD$, discounted with the effective interest rate.

Impairment of financial assets

Provisions for losses are recognized under IFRS 9 based on expected credit losses. The general model for write-downs of financial assets comprises financial assets that are measured at amortized cost or at fair value with changes in value through other comprehensive income.

Stage 1

At initial recognition, the assets are defined in stage 1, providing there is no significant change in credit risk on the specific assets or group of assets. In the case of assets in stage 1, a loss corresponding to the 12-month expected loss shall be recognized. 12-month expected loss is the loss that is expected to occur over the life of the instrument, but which can be linked to default events that occur in the first 12 months.

Stage 2

If the credit risk for an asset or group of assets is considered to have increased significantly since the initial recognition, a loss provision corresponding to losses during the entire expected life of the asset shall be made and the asset are in stage 2. This includes mainly cash-flows on assets, with a default over 30 days or if there is information of increased risk prior to the 30 days (forbearance).

Stage 3

For an asset or group of assets that are in default over 90 days, there is done an individual evaluation, resulting in an individual write-down, and defined as stage 3. This individual evaluation relies on an asset prior and expected behavior. Assets defined as unlikely to pay or which have been defaulted last 90 days are also defined in stage 3.

Referring to IFRS9 for further details.

Relative increase in credit risk

Significant increase in credit risk is measured based on mainly days in default. Default in 30 days or forbearance defines an asset or group of assets to stage 2, and an asset defined as default in stage 3. Further, an asset or group of assets are defined as stage 2 if there has been default within the last 12 months.

On restart loans, the portfolio is relatively small, and all customers are closely followed up. The bank conducts routine evaluations to see if there are any variables indicating an increase in credit risk.

Expected credit loss based on expectations for the future

Mybank has prepared its own expectations for the future based on Norges Bank and DNB's outlook. The expectations are based on three different scenarios (static, downside, and base). The different scenarios are weighted differently, and the expectations are derived from how the different factors impact probability of default and loss given default. The weighting is based on discretionary assessments.

Leases

A lease is classified as a financial lease if it substantially transfers the risks and rewards of ownership. Other leases are classified as operating leases.

The bank implemented IFRS 16 for leases in their balance from Q2 2021. The bank signed a leasing agreement to rent office premises in Banklassen 1A. The agreement expires on 30.04.2026. Yearly rent is MNOK 1.1.

Events after the balance sheet date

New information after the reporting date about the bank's financial position on the reporting date will be considered in the interim financial statements. Events after the balance sheet date that do not affect the bank's financial position in the future will be disclosed if this is significant.

Note 2 Capital adequacy

	Q2 2023	Q2 2022	2022
Share capital	108 376	82 974	82 974
Share premium reserve	247 046	237 396	237 396
Other equity	-79 254	-98 798	-84 104
Retained earnings	4 849	23 394	4 849
Deduction of retained earnings	0	0	0
Total core equity	281 018	244 966	241 116
Deduction of intangible assets	-11 820	-15 602	-13 678
Transitional rule for loss write-down according to IFRS9	0	4 892	4 892
Adjustment for assets and liabilities at fair value	-155	-568	-176
Core equity tier 1 capital	269 043	233 689	232 153
Additional tier 1 capital instruments	0	0	0
Tier 1 capital	269 043	233 689	232 153
Subordinated loans	0	0	0
Tier 2 capital	269 043	233 689	232 153
Capital requirements	25.7 %	21.6 %	25.1 %
Risk weighted capital			
Credit risk	788 035	739 949	837 694
Operational risk	152 148	119 081	152 148
Total risk-weighted assets	940 183	859 030	989 842
Core equity tier 1 capital ratio	28.6 %	27.2 %	23.5 %
Tier 1 capital ratio	28.6 %	27.2 %	23.5 %
Capital ratio	28.6 %	27.2 %	23.5 %
Leverage ratio	18.2 %	10.5 %	14.6 %
Institutions	8 986	24 367	6 031
Unsecured loans to retail customers	0	3 394	2 324
Restart loans secured by property	292 574	479 236	335 970
Overdue commitments	465 330	169 215	469 356
Investment funds	0	29 624	0
Equity	2 995	2 464	2 827
Other	18 150	31 650	21 187
Credit risk	788 035	739 949	837 694
Operational risk	152 148	119 081	152 148
Total risk-weighted assets	940 183	859 030	989 842

Note 3 Loans to customers

Net loans and receivables from customers	30.06.2023	30.06.2022
Loans and receivables from customers - Unsecured loans	60 401	59 267
Loans and receivables from customers - Restart loans	1 205 409	1 444 955
Net loans and receivables from customers at amortized cost*	1 265 810	1 504 222
Provisions for losses - Unsecured loans	25 981	22 587
Provisions for losses - Restart loans	29 322	14 850
Net loans and receivables from customers at amortized cost**	1 210 508	1 466 785

Unsecured loans

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.01.2023	1 656	176	56 975	58 807
Transfers				
Transfer stage 1 to stage 2	-405	352		-54
Transfer stage 1 to stage 3	-339		340	1
Transfer stage 2 to stage 1	0	0		0
Transfer stage 2 to stage 3		-27	30	3
Transfer stage 3 to stage 1	0		0	0
Transfer stage 3 to stage 2		0	0	0
New loans	131	0	0	131
Repaid loans	-478	-11	-895	-1 384
Changes in not migrated loans	-23	-22	2 943	2 898
Gross loans per 30.06.2023	541	467	59 393	60 401

Restart loans

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.01.2023	654 293	225 537	433 172	1 313 003
Transfers				
Transfer stage 1 to stage 2	-118 311	114 125		-4 185
Transfer stage 1 to stage 3	-9 216		9 359	143
Transfer stage 2 to stage 1	22 108	-22 318		-210
Transfer stage 2 to stage 3		-24 422	23 884	-538
Transfer stage 3 to stage 1	6 345		-6 372	-27
Transfer stage 3 to stage 2		0	0	0
New loans	32 509	0	0	32 509
Repaid loans	-69 983	-39 036	-23 282	-132 301
Changes in not migrated loans	-3 772	-509	-15 758	-20 038
Gross loans per 30.06.2023	513 973	253 378	421 003	1 188 354

Total

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.01.2023	655 949	225 713	490 147	1 371 809
Transfers				
Transfer stage 1 to stage 2	-118 716	114 477		-4 239
Transfer stage 1 to stage 3	-9 555		9 699	143
Transfer stage 2 to stage 1	22 108	-22 318		-210
Transfer stage 2 to stage 3		-24 449	23 914	-535
Transfer stage 3 to stage 1	6 345		-6 372	-27
Transfer stage 3 to stage 2		0	0	0
New loans	32 640	0	0	32 640
Repaid loans	-70 461	-39 048	-24 176	-133 685
Changes in not migrated loans	-3 795	-531	-12 815	-17 141
Gross loans per 30.06.2023	514 514	253 845	480 396	1 248 755

* Net loans to customers including amortization fee, agent commission and accrued interest.

** Net loans to customers.

Note 4 Loan losses and loss provisions

Unsecured loans

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2023	68	29	23 372	23 468
Transfers				
Transfer stage 1 to stage 2	-17	60	0	44
Transfer stage 1 to stage 3	-14	0	138	124
Transfer stage 2 to stage 1	0	0	0	0
Transfer stage 2 to stage 3	0	-3	12	10
Transfer stage 3 to stage 1	0	0	0	0
Transfer stage 3 to stage 2	0	0	0	0
New loans	6	0	0	6
Repaid loans	-20	-1	-359	-380
Changes in not migrated loans	1	-5	2 712	2 709
Loss provisions per 30.06.2023	25	80	25 876	25 981
This period's change in provisions	43	-51	-2 504	-2 512
Provisions in % of gross loans	4.6 %	17.1 %	43.6 %	43.0 %

Restart loans

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2023	1 409	2 532	25 287	29 229
Transfers				
Transfer stage 1 to stage 2	-254	991	0	737
Transfer stage 1 to stage 3	-14	0	141	127
Transfer stage 2 to stage 1	58	-219	0	-161
Transfer stage 2 to stage 3	0	-179	332	153
Transfer stage 3 to stage 1	11	0	-120	-108
Transfer stage 3 to stage 2	0	0	0	0
New loans	65	0	0	65
Repaid loans	-160	-409	-574	-1 142
Changes in not migrated loans	111	19	295	424
Loss provisions per 30.06.2023	1 226	2 735	25 361	29 322
This period's change in provisions	183	-202	-74	-93
Provisions in % of gross loans	0.2 %	1.1 %	6.0 %	2.5 %

Total

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2023	1 477	2 561	48 659	52 697
Transfers				
Transfer stage 1 to stage 2	-270	1 051	0	781
Transfer stage 1 to stage 3	-28	0	279	251
Transfer stage 2 to stage 1	58	-219	0	-161
Transfer stage 2 to stage 3	0	-182	344	162
Transfer stage 3 to stage 1	11	0	-120	-108
Transfer stage 3 to stage 2	0	0	0	0
 New loans	 71	 0	 0	 71
Repaid loans	-179	-410	-933	-1 522
Changes in not migrated loans	112	14	3 007	3 133
Loss provisions per 30.06.2023	1 251	2 815	51 237	55 302
This period's change in provisions	226	-253	-2 578	-2 606
Provisions in % of gross loans	0.2 %	1.1 %	10.7 %	4.4 %

Non-performing commitments

30.06.2023

30.06.2022

Loss-prone commitments before individual write-downs

Defaulted commitment over 90 days	435 683	193 880
Other non-performing commitments	44 713	13 790
Total commitment before individual write-downs	480 396	207 670

Individual write-downs of

Defaulted commitment over 90 days	49 845	31 186
Other non-performing commitments	1 392	730
Total individual loss write-downs (stage 3)	51 237	31 916

Loss-prone commitments after individual write-downs

Defaulted commitment over 90 days	385 839	162 694
Other non-performing commitments	43 321	13 060
Total commitment after individual write-downs	429 159	175 754

Loan losses	Q2 2023	Q2 2022	YTD 2023
Stage 1	-119	1 490	-226
Stage 2	-171	-2 117	253
Stage 3	417	2 670	2 578
Remarks without previous write-downs	0	0	0
Remarks with previous write-downs	0	231	-1 080
Entered previously established losses	0	0	0
Total loan losses	127	2 274	1 526

Note 5 Operating costs

	Q2 2023	Q2 2022	2023
Audit fees	985	643	1 647
Other assistance	2 512	999	4 409
Consultant fees	1 184	571	3 208
IKT operating costs	2 058	2 007	3 886
Cost and reimbursement for travel	53	131	95
Sales and advertising costs	0	285	0
Rent	374	377	811
Other costs rented premises	29	27	45
Other administration costs	457	330	970
Depreciation	927	1 031	1 859
Total other operating expenses	8 578	6 401	16 929

Note 6 Net change in value of financial instruments at fair value

	Q2 2023	Q2 2022	2022
Net change in value of shares / units in funds	1 175	-28	1 352
Net change in value of financial instruments at fair value	1 175	-28	1 352

Note 7 Classification of financial instruments in the balance sheet

	Valued at fair value through profit or loss	Assessed at amortized cost	30.06.2023 Total
Cash and cash equivalents		57 362	57 362
Loans and advances to credit institutions		44 929	44 929
Lending to and receivables from customers		1 210 508	1 210 508
Shares and units in funds	154 722		154 722
Other assets		7 414	7 414
Total Assets	154 722	1 320 212	1 474 934
Deposits from customers		1 198 384	1 198 384
Other debt		4 141	4 141
Total Liabilities		1 202 525	1 202 525

	Valued at fair value through profit or loss	Assessed at amortized cost	31.03.2023 Total
Cash and cash equivalents		51 190	51 190
Loans and advances to credit institutions		88 273	88 273
Lending to and receivables from customers		1 247 040	1 247 040
Shares and units in funds	217 131		217 131
Other assets		6 547	6 547
Total Assets	217 131	1 393 050	1 610 181
Deposits from customers		1 371 901	1 371 901
Other debt		5 379	5 379
Total Liabilities		1 377 280	1 377 280

	Valued at fair value through profit or loss	Assessed at amortized cost	31.12.2022 Total
Cash and cash equivalents		50 464	50 464
Loans and advances to credit institutions		30 157	30 157
Lending to and receivables from customers		1 325 108	1 325 108
Shares and units in funds	176 041		176 041
Other assets		2 495	2 495
Total Assets	176 041	1 408 224	1 584 265
Deposits from customers		1 341 285	1 341 285
Other debt		9 365	9 365
Total Liabilities		1 350 650	1 350 650

Note 8 Fair value of financial instruments

Fair value of financial instruments valued at fair value

For financial instruments, fair value has been estimated using valuation techniques as follows:

Level 1: Valuation based on quoted prices in an active market

Level 2: Valuation based on observable market data

Level 3: Valuation based on other than observable data

Assets	Level 1	Level 2	Level 3	30.06.2023
Shares/units in funds		151 727		151 727
Shares in SDC A/S			2 995	2 995
Total	-	151 727	2 995	154 722

Assets	Level 1	Level 2	Level 3	30.06.2022
Shares/units in funds		565 486		565 486
Shares in SDC A/S			2 464	2 464
Total	-	565 486	2 464	567 950

For equities / funds in level 2, fair value is based on observable market data on underlying investments.

For equities / funds in level 3, fair value is based on the price from recent transactions, the exchange rate, and a discretionary assessment of developments in the period between the last transaction price and the balance sheet date.

Note 9 Lease

Assets	
Accounted value 01.01.2023	3 414
Depreciation	-569
Accounted value 30.06.2023	2 845

Liabilities	
Accounted value 01.01.2023	3 496
Interest expense (calculated based on marginal borrowing rate)*	49
Rent	-611
Accounted value 30.06.2023	2 934

The bank has signed a lease agreement for the lease of premises in Bankplassen 1a. The agreement expires on 30 April 2026. Annual rent amounts are MNOK 1.1

* Marginal borrowing rates are calculated based on available information on government bonds and treasury bill rates as the bank does not have financial obligations that can be used as a basis. Calculated interest rates have been compared with similar banks in the market and adjusted somewhat to hedge the risk of the lease obligation.

Note 10 Overview of largest shareholders

Mybank has a share capital of MNOK 108.4, divided into 10 034 843 shares. The bank had a total of 177 shareholders.

There are 42 500 subscription rights outstanding.

Subscription	Strike price	Expiration date
18 750	14.4	30.06.2024
23 750	44	30.06.2024

Largest shareholders as of 30.06.2023

Rank	Name	Holding	Stake	Nom.	Board/management
1	Skandinaviska Enskilda Banken AB	1 677 469	16.72	Yes	
2	DAIMYO INVEST AS	1 001 509	9.98		
3	NORDIC DELTA AS	1 001 508	9.98		
4	NAVESTA AS	1 001 169	9.98		
5	COMPANY ONE AS	945 089	9.42		
6	MIDDELBORG INVEST AS	619 490	6.17		
7	DANSKE BANK A/S	573 274	5.71	Yes	
8	MH CAPITAL AS	416 193	4.15		
9	BIMO KAPITAL AS	401 850	4.00		
10	DOBER AS	333 798	3.33		
11	Nordnet Bank AB	296 076	2.95	Yes	
12	SES AS	176 100	1.75		
13	EWIX AS	150 323	1.50		
14	Skandinaviska Enskilda Banken AB	138 889	1.38	Yes	
15	Swedbank AB	138 055	1.38	Yes	
16	MORCO HOLDING AS	120 714	1.20		
17	ART GROUP AS	107 593	1.07		
18	CAMELBACK HOLDING AS	100 000	1.00		
19	SELACO AS	69 586	0.69		
20	TVENGE	55 000	0.55		
=	20 largest shareholders	9 323 685	92.91		
+	Other shareholders	711 158	7.52		
=	Total	10 034 843	100		

Alternative performance measures (APM)

Mybank presents alternative performance measures (APM) that will provide useful information to substantiate the accounts. APM is used in our reporting to provide an overall picture and understanding of mybank's results. Mybank's APMs are presented in quarterly reports, presentations, and annual reports.

Definitions of APMs used:

Deposit coverage

(Gross deposits from customers / Gross loans to customers)

	Q2 2023	Q2 2022	2023	2022
Gross deposits from customers	1 198 384	1 971 675	1 198 384	1 971 675
Gross loans to customers	1 248 755	1 505 664	1 248 755	1 505 664
Deposits in % of loans	96.0 %	131.0 %	96.0 %	131.0 %

Lending growth (gross) last 12 months

((Gross loans to customers of the year - Gross loans to customers previous year) / Gross loans to customers previous year)

	Q2 2023	Q2 2022	2023	2022
Gross loans to customers	1 248 755	1 505 664	1 248 755	1 505 664
Lending growth (gross) last 12 months	-17.1 %	32.4 %	-17.1 %	32.4 %

Deposit growth over the last 12 months

((Gross deposits from customers of the year - Gross deposits from customers previous year) / Gross deposits from customers previous year)

	Q2 2023	Q2 2022	2023	2022
Gross deposits from customers	1 198 384	1 971 675	1 198 384	1 971 675
Deposit growth over the last 12 months	-39.2 %	65.4 %	-39.2 %	65.4 %

Equity in % of total assets

(Total equity / Total liabilities and equity)

	Q2 2023	Q2 2022	2023	2022
Total equity	281 018	244 966	281 018	244 966
Total liabilities and equity	1 489 600	2 230 950	1 489 600	2 230 450
Equity in % of total assets	18.9 %	11.0 %	18.9 %	11.0 %

Cost percentage

(Total operating costs / total operating income)

	Q2 2023	Q2 2022	2023	2022
Total operating income	17 508	25 788	35 278	51 474
Total operating costs	-13 782	-11 072	-28 904	-22 667
Cost percentage	78.7 %	42.9 %	81.9 %	44.0 %

Return on equity

$((\text{Total result} / \text{days in the period}) * \text{days in a year}) / ((\text{opening balance equity} + \text{closing balance equity}) / 2)$

	Q2 2023	Q2 2022	2023	2022
Total result	3 599	12 442	4 849	23 394
Opening balance equity	244 966	224 459	241 116	224 459
Closing balance equity	281 018	244 966	281 018	244 966
Return on equity	5.1 %	20.3 %	3.8 %	20.2 %

Loan loss percentages

$((\text{Loan losses} / \text{Gross loans to customers}) * \text{number of quarters})$

	Q2 2023	Q2 2022	2023	2022
Loan losses	-127	-2 274	-1 526	-5 412
Gross loans to customers	1 248 755	1 505 664	1 248 755	1 505 664
Loan loss percentage	0.04 %	0.6 %	0.2 %	0.7 %

Profit as a percentage of total assets

$((\text{Total result} / \text{days in the period}) * \text{days in a year}) / ((\text{opening balance liabilities and equity} + \text{closing balance liabilities and equity}) / 2)$

	Q2 2023	Q2 2022	2023	2022
Total result	3 599	12 442	4 849	23 394
Opening balance liabilities and equity	2 230 950	2 144 168	1 601 357	2 144 168
Closing balance liabilities and equity	1 489 600	2 230 950	1 489 600	2 230 950
Profit as a percentage of total assets	0.8 %	2.2 %	0.6 %	2.2 %

Underlying result

	Q2 2023
Total result	3 599
Income (loss) from trading activities	-1 175
Legal fees	2 280
Audit fees	0
Consultant fees	515
Other administration costs	1 150
Total underlying result	6 369