

## Interim Report Q3 2023

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### Short summary of the quarter

- MyBank ASA (Mybank) reported a positive 0.4 % ROE in Q3 2023 (negative 6.5 % in Q3 2022) and an underlying ROE of negative 0.5 %.
- The net profit was positive MNOK 0.3 (negative MNOK 3.9 in Q3 2022), and the underlying net profit was MNOK negative 0.3 (MNOK 1.6 in Q3 2022).
- Restart loans decreased by MNOK 27.1 net to MNOK 1 161.
- The cost ratio was 85.1 % (77.2 % in Q3 2022).
- The loan losses in the quarter were MNOK 2.4 (MNOK 8.8 in Q3 2022).
- The bank has a capital ratio of 29.2 % (22.6 % in Q3 2022)

Mybank reported a pre-tax profit of positive MNOK 0.3 in the quarter. The underlying result for the quarter was negative MNOK 0.3, excluding non-recurring items (non-recurring items are presented in the APMs).

Net interest income for the quarter was MNOK 15.7, a decrease of 29.0 % from MNOK 22.1 in Q3 2022. Operating costs for the quarter were MNOK 15.3, a decrease of 8.3 % from MNOK 16.6 in Q3 2022.

The pre-provisions profits decreased to MNOK 2.7 from MNOK 4.9 in Q3 2022 and the underlying ROE was negative 0.5 % in Q3 2023.

Loan loss provisions totaled MNOK 2.4 this quarter, compared to loan loss provisions of MNOK 8.8 in Q3 2022. This corresponds to a loan loss provisions ratio of 0.8 % annualized (compared to 2.4 % in Q3 2022).

The capital ratio was 29.2 %, an increase from 22.6 % in Q3 2022.

### CEO comments

Mybank continues with limited production due to ongoing high capital tie-up on certain loans, temporary increase in minimum capital requirements and preparations for an increased system risk buffer 31.12.23. The bank continues to maintain the relationships with the bank's distribution partners to ensure a seamless transition back to normal operations.

The bank is also maintaining its strong focus on governance and control, and is pleased to have enhanced this aspect by appointing a new Chief Compliance Officer during the quarter. This contributes to the bank being further prepared for continuous development, as well as effective and robust control systems.

During the quarter, Mybank has closely monitored the macroeconomic developments and the impact this has on the bank's portfolio. In light of the prevailing uncertainty in the macroeconomic environment, Mybank has strategically intensified its efforts to address challenges associated with the non-performing portfolio. Mybank has maintained control of the loan portfolio, resulting in a reduction in non-performing loans.

During the third quarter, the bank incurred higher costs than initially anticipated. The extraordinary expenses are primarily related to recruitment, legal assistance and

external services.

Mybank is eager to persist its efforts assisting customers in navigating the

## 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 Q3 2023, Mybank had 19 employees.

## Financial information for the quarter

Mybank recorded net interest income of MNOK 15.7 during the quarter. The bank had operating costs of MNOK 15.3, of which MNOK 7.0 staff costs and MNOK 8.3 other operating expenses (including depreciation).

At the end of the quarter, the bank's gross loans to customers totaled MNOK 1 223, of which MNOK 1 161 restart loans and MNOK 62 unsecured loans.

complexities of their economic daily lives.

Gross deposits were MNOK 1 200, hence deposit coverage was at 98.2% at the end of the quarter.

The bank's cash and cash equivalents were MNOK 288.3 at the end of the quarter, compared to MNOK 397.9 in Q3 2022.

## Loan losses

Loan losses for the quarter totaled MNOK 2.4, of which MNOK 2.4 is changes in provisions. This represents a 0.8% annualized of net loans, compared to 2.4 % in Q3 2022.

Of the total loan loss provisions, MNOK 33.2 related to restart loans and MNOK 24.3 related to unsecured loans (the split and flow between stages are presented in note 3 and 4). Provisions represent 12.0% of non-performing loans.

Mybank changed from the NGAAP to the 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 Norwegian Financial Supervisory Authority, the bank has received a temporary additional capital requirement of MNOK 30.

## Prospects

Mybank is a focused provider of mortgage loans. The bank remains its' focus on helping customers with their economic situation. A review of the bank's policies has been carried out and there have been made significant upgrades to current policies, including the underlying processes. The bank will continue to invest in systems and competencies during the last quarter of 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 include:

- 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 pressure from other competitors in the market for restart loans, or higher funding costs for the bank and market in general,
- higher costs due to a lack of cost-effectiveness or poor technology choices.

In addition to having a flexible and scalable business model, the board of directors and the management team 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, 14<sup>th</sup> November 2023, Board of Directors of MyBank ASA**

## Key figures

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

	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
<b>Profitability</b>					
Cost percentage	85,1 %	77,2 %	83,0 %	53,8 %	59,8 %
Return on equity (annualized)	0,4 %	-6,5 %	2,6 %	11,2 %	8,4 %
<b>Loss and default</b>					
Loan loss percentage	0,8 %	2,4 %	0,3 %	0,9 %	1,4 %
<b>Balance sheet</b>					
Total assets on the balance sheet date	1 493 059	1 879 052	1 493 059	1 879 052	1 601 357
Average total assets during the period	1 500 773	2 003 668	1 557 322	2 165 573	2 054 285
Profit as a percentage of total assets	0,1 %	-0,8 %	0,4 %	1,3 %	1,0 %
Equity in % of total assets	18,8 %	12,8 %	18,8 %	12,8 %	15,1 %
Lending growth (gross) last 12 months	-18,6 %	5,9 %	-18,6 %	5,9 %	-18,4 %
Deposit growth over the last 12 months	-26,1 %	1,8 %	-26,1 %	1,8 %	-29,4 %
Deposits in % of loans	98,2 %	107,9 %	98,2 %	107,9 %	97,8 %
Liquidity Coverage (LCR)	1580 %	1367 %	1580 %	1367,0 %	657 %
NSFR	142 %	162 %	142 %	162,0 %	138 %
<b>Solidity</b>					
Capital adequacy	29,2 %	22,6 %	29,2 %	22,6 %	23,5 %
Tier 1 capital adequacy	29,2 %	22,6 %	29,2 %	22,6 %	23,5 %
Net tier 1 capital adequacy	29,2 %	22,6 %	29,2 %	22,6 %	23,5 %
Leverage ratio	18,2 %	12,3 %	18,2 %	12,3 %	14,6 %
Total tier 1 capital	270 132	230 948	270 132	230 948	232 154
<b>Crew</b>					
Average number full-time equivalent	18.8	18,8	18.8	18,8	19.8

# Financial Statement

## Income statement

	Note	Q3 2023	Q3 2022	YTD 2023	YTD 2022	2022
Interest income and similar income		28 576	30 585	84 284	95 302	127 260
Interest costs and similar costs		-12 866	-8 470	-35 049	-20 593	-30 802
<b>Net interest income</b>		<b>15 710</b>	<b>22 116</b>	<b>49 234</b>	<b>74 709</b>	<b>96 458</b>
Commissions and fee income from bank services		3	0	10	0	3
Commissions and fee expense from bank services		-310	-217	-831	-574	-766
Income (loss) from trading activities	6	2 530	-345	4 798	-1 107	1 352
<b>Net other income</b>		<b>2 223</b>	<b>-562</b>	<b>3 977</b>	<b>-1 681</b>	<b>589</b>
<b>Total operating income</b>		<b>17 933</b>	<b>21 554</b>	<b>53 212</b>	<b>73 028</b>	<b>97 047</b>
Staff cost		-6 975	-6 046	-18 950	-17 034	-23 594
Other operating costs	5	-7 354	-9 624	-22 424	-19 237	-30 478
Depreciation	5	-928	-966	-2 787	-3 032	-3 996
<b>Total operating costs</b>		<b>-15 257</b>	<b>-16 635</b>	<b>-44 161</b>	<b>-39 302</b>	<b>-58 068</b>
<b>Operating profit (loss) before loan impairments</b>		<b>2 676</b>	<b>4 919</b>	<b>9 051</b>	<b>33 727</b>	<b>38 979</b>
Loan losses	4	-2 369	-8 834	-3 894	-14 247	-19 435
<b>Profit (loss) before tax</b>		<b>307</b>	<b>-3 915</b>	<b>5 156</b>	<b>19 479</b>	<b>19 544</b>
Tax		0	-1	0	0	0
<b>Profit (loss) for the period</b>		<b>307</b>	<b>-3 916</b>	<b>5 156</b>	<b>19 479</b>	<b>19 544</b>
Other income and expenses (after tax)		0	0	0	0	0
<b>Total result</b>		<b>307</b>	<b>-3 916</b>	<b>5 156</b>	<b>19 479</b>	<b>19 544</b>

## Balance sheet

Balance sheet is presented in NOK 1 000

	Note	Q3 2023	Q3 2022	2022
<u>Assets</u>				
Cash and central bank deposits	7	69 851	50 216	50 464
Loans to, and deposits at, credit institutions	7	41 107	107 895	30 157
Net loans to customers	3,7	1 183 554	1 456 845	1 325 108
Short term financial investments	7,8	180 246	242 593	176 041
Intangible assets		11 013	14 753	13 678
Fixed assets		0	1	0
Leases	9	2 561	3 699	3 414
Other assets	7	4 728	3 051	2 495
<b>Total assets</b>		<b>1 493 059</b>	<b>1 879 052</b>	<b>1 601 357</b>
<u>Liabilities</u>				
Deposits from customers		1 199 553	1 622 951	1 341 285
Accounts payable		4 737	7 550	6 093
Accrued expenses and unearned income		4 759	2 528	9 365
Lease liability	9	2 650	3 774	3 496
Provisions on financial instruments	4	35	1 198	2
<b>Total liabilities</b>		<b>1 211 734</b>	<b>1 638 000</b>	<b>1 360 241</b>
<u>Equity</u>				
Share capital		108 376	82 974	82 974
Share premium fund		247 046	237 396	237 396
Other equity		-74 098	-79 319	-79 254
<b>Total equity</b>		<b>281 325</b>	<b>241 051</b>	<b>241 116</b>
<b>Total liabilities and equity</b>		<b>1 493 059</b>	<b>1 879 051</b>	<b>1 601 357</b>

Oslo, 14<sup>th</sup> November 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

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
<b>Cash flows from operating activities</b>				
Interest payments from central banks and credit institutions	1 069	309	3 484	596
Deposits / disbursements of deposits from customers	1 169	-348 724	-141 732	-280 323
Interest payments on deposits from customers	-11 888	-7 766	-32 115	-18 970
Payments on loans to customers	30 631	4 872	133 016	190 828
Interest payments on loans to customers	26 700	28 186	76 934	86 403
Deposits / disbursements of deposits from credit institutions	-978	-704	-2 934	-1 623
Interest payments on deposits from credit institutions	2 530	-345	4 798	-1 107
Commission payments from bank services	-307	-217	-821	-573
Fee amortization	807	2 090	3 866	8 303
Payment for operation	-15 257	-16 635	-44 161	-53 549
<b>Net cash flow from operating activities</b>	<b>34 475</b>	<b>-338 933</b>	<b>335</b>	<b>-70 015</b>
<b>Cash flows from investing activities</b>				
Purchase/sale and changes of shares	117	280	-243	-507
Deposits/disbursements when trading interest-bearing securities	-25 641	325 077	-3 962	111 323
<b>Net cash flow from investing activities</b>	<b>-25 524</b>	<b>325 357</b>	<b>-4 205</b>	<b>110 816</b>
<b>Cash flows from financing activities</b>				
Rent (financial liabilities)	-284	-276	-846	-853
Deposited equity (payment on issue / capital increase)	0	0	35 053	-2 887
<b>Net cash flow from financing activities</b>	<b>-284</b>	<b>-276</b>	<b>34 207</b>	<b>-3 740</b>
Net cash flow during the period	8 667	-13 852	30 337	37 061
Liquidity at the beginning of the period	102 291	171 963	80 621	121 051
Liquidity at the end of the period	110 958	158 111	110 958	158 111
Cash and central bank deposits	69 851	50 216	69 851	50 216
Loans to, and deposits at, credit institutions	41 107	107 895	41 107	107 895
<b>Liquidity</b>	<b>110 958</b>	<b>158 111</b>	<b>110 958</b>	<b>158 111</b>



## Changes in equity

	Share capital	Share premium	Other equity	Total
<b>Equity 31.12.2019</b>	<b>41 409</b>	<b>242 548</b>	<b>-126 414</b>	<b>157 543</b>
Transition to IFRS	0	0	-19 579	-19 579
<b>Adjusted equity 01.01.2020</b>	<b>41 409</b>	<b>242 548</b>	<b>-145 993</b>	<b>137 964</b>
Profit (loss) for the period	0	0	-15 079	-15 079
Capital increase and reduction	41 160	-2 367	28 986	67 779
<b>Equity 31.12.2020</b>	<b>82 569</b>	<b>240 181</b>	<b>-132 086</b>	<b>190 664</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>22 375</b>	<b>22 375</b>
Capital increase and reduction	405	101	0	506
<b>Equity 30.09.2021</b>	<b>82 974</b>	<b>240 282</b>	<b>-109 711</b>	<b>213 545</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>10 913</b>	<b>10 913</b>
Capital increase and reduction	0	0	0	0
<b>Equity 31.12.2021</b>	<b>82 974</b>	<b>240 282</b>	<b>-98 798</b>	<b>224 458</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>19 544</b>	<b>19 544</b>
Purchase of subscription rights	0	-2 887	0	-2 887
<b>Equity 31.12.2022</b>	<b>82 974</b>	<b>237 396</b>	<b>-79 254</b>	<b>241 116</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>1 251</b>	<b>1 251</b>
Purchase of subscription rights	0	0	0	0
<b>Equity 31.03.2023</b>	<b>82 974</b>	<b>237 396</b>	<b>-78 003</b>	<b>242 367</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>3 599</b>	<b>3 599</b>
Purchase of subscription rights	25 403	9 650	0	35 053
<b>Equity 30.06.2023</b>	<b>108 377</b>	<b>247 046</b>	<b>-74 404</b>	<b>281 018</b>
<b>Profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>307</b>	<b>307</b>
Purchase of subscription rights	0	0	0	0
<b>Equity 30.09.2023</b>	<b>108 377</b>	<b>247 046</b>	<b>-74 097</b>	<b>281 325</b>

## 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 the central bank of Norway (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 Bankplassen 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

	Q3 2023	Q3 2022	2022
Share capital	108 376	82 974	82 974
Share premium reserve	247 046	237 396	237 396
Other equity	-79 254	-102 713	-84 411
Retained earnings	5 156	23 394	5 156
Deduction of retained earnings	0	0	0
<b>Total core equity</b>	<b>281 325</b>	<b>241 051</b>	<b>241 116</b>
Deduction of intangible assets	-11 013	-14 753	-13 678
Transitional rule for loss write-down according to IFRS9	0	4 892	4 892
Adjustment for assets and liabilities at fair value	-180	-243	-176
<b>Core equity tier 1 capital</b>	<b>270 132</b>	<b>230 948</b>	<b>232 153</b>
Additional tier 1 capital instruments	0	0	0
<b>Tier 1 capital</b>	<b>270 132</b>	<b>230 948</b>	<b>232 153</b>
Subordinated loans	0	0	0
<b>Tier 2 capital</b>	<b>270 132</b>	<b>230 948</b>	<b>232 153</b>
Capital requirements	25,9 %	21,6 %	25,1 %
<b>Risk weighted capital</b>			
Credit risk	771 571	902 776	837 694
Operational risk	152 148	119 081	152 148
Total risk-weighted assets	923 719	1 021 857	989 842
<b>Core equity tier 1 capital ratio</b>	<b>29,2 %</b>	<b>22,6 %</b>	<b>23,5 %</b>
<b>Tier 1 capital ratio</b>	<b>29,2 %</b>	<b>22,6 %</b>	<b>23,5 %</b>
<b>Capital ratio</b>	<b>29,2 %</b>	<b>22,6 %</b>	<b>23,5 %</b>
<b>Leverage ratio</b>	<b>18,2 %</b>	<b>12,3 %</b>	<b>14,6 %</b>
Institutions	8 221	21 579	6 031
Unsecured loans to retail customers	0	2 646	2 324
Restart loans secured by property	281 780	394 850	335 970
Overdue commitments	463 457	452 250	469 356
Investment funds	0	0	0
Equity	2 878	2 834	2 827
Other	15 234	28 617	21 187
<b>Credit risk</b>	<b>771 571</b>	<b>902 776</b>	<b>837 694</b>
Operational risk	152 148	119 081	152 148
<b>Total risk-weighted assets</b>	<b>923 719</b>	<b>1 021 857</b>	<b>989 842</b>

## Note 3 Loans to customers

<b>Net loans and receivables from customers</b>	<b>30.09.2023</b>	<b>30.09.2022</b>
Loans and receivables from customers - Unsecured loans	62 095	59 374
Loans and receivables from customers - Restart loans	1 179 037	1 443 496
<b>Net loans and receivables from customers at amortized cost*</b>	<b>1 241 131</b>	<b>1 502 870</b>
Provisions for losses - Unsecured loans	24 334	23 889
Provisions for losses - Restart loans	33 244	22 135
<b>Net loans and receivables from customers at amortized cost**</b>	<b>1 183 553</b>	<b>1 456 846</b>

### Unsecured loans

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans per 01.01.2023	1 656	176	56 975	58 807
Transfers				
Transfer stage 1 to stage 2	-352	312		-40
Transfer stage 1 to stage 3	-400		367	-32
Transfer stage 2 to stage 1	0	0		0
Transfer stage 2 to stage 3		-27	32	5
Transfer stage 3 to stage 1	0		0	0
Transfer stage 3 to stage 2		0	0	0
New loans	270	0	0	270
Repaid loans	-544	-42	-1 137	-1 723
Changes in not migrated loans	-23	4	4 827	4 808
<b>Gross loans per 30.09.2023</b>	<b>607</b>	<b>423</b>	<b>61 065</b>	<b>62 095</b>

### Restart loans

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
Gross loans per 01.01.2023	654 293	225 537	433 172	1 313 003
Transfers				
Transfer stage 1 to stage 2	-154 523	150 527		-3 996
Transfer stage 1 to stage 3	-16 104		16 413	309
Transfer stage 2 to stage 1	31 824	-32 164		-340
Transfer stage 2 to stage 3		-38 232	34 822	-3 409
Transfer stage 3 to stage 1	2 336		-2 347	-12
Transfer stage 3 to stage 2		1 176	-1 184	-8
New loans	75 235	0	0	75 235
Repaid loans	-107 350	-47 465	-48 144	-202 959
Changes in not migrated loans	-3 713	-412	-12 459	-16 583
<b>Gross loans per 30.09.2023</b>	<b>481 998</b>	<b>258 969</b>	<b>420 272</b>	<b>1 161 239</b>

## 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	-154 875	150 839		-4 036
Transfer stage 1 to stage 3	-16 503		16 780	277
Transfer stage 2 to stage 1	31 824	-32 164		-340
Transfer stage 2 to stage 3		-38 259	34 854	-3 405
Transfer stage 3 to stage 1	2 336		-2 347	-12
Transfer stage 3 to stage 2		1 176	-1 184	-8
New loans	75 504	0	0	75 504
Repaid loans	-107 895	-47 506	-49 281	-204 682
Changes in not migrated loans	-3 735	-408	-7 632	-11 775
<b>Gross loans per 30.09.2023</b>	<b>482 604</b>	<b>259 392</b>	<b>481 337</b>	<b>1 223 333</b>

\* 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
<b>Transfers</b>				
Transfer stage 1 to stage 2	-14	53	0	39
Transfer stage 1 to stage 3	-16	0	147	131
Transfer stage 2 to stage 1	0	0	0	0
Transfer stage 2 to stage 3	0	-3	13	10
Transfer stage 3 to stage 1	0	0	0	0
Transfer stage 3 to stage 2	0	0	0	0
New loans	12	0	0	12
Repaid loans	-23	-4	-457	-483
Changes in not migrated loans	1	-3	1 159	1 157
<b>Loss provisions per 30.09.2023</b>	<b>28</b>	<b>73</b>	<b>24 233</b>	<b>24 334</b>
This period's change in provisions	40	-44	-862	-866
Provisions in % of gross loans	4,6 %	17,2 %	39,7 %	39,2 %

### Restart loans

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2023	1 409	2 532	25 287	29 229
<b>Transfers</b>				
Transfer stage 1 to stage 2	-326	1 262	0	936
Transfer stage 1 to stage 3	-25	0	267	242
Transfer stage 2 to stage 1	109	-412	0	-302
Transfer stage 2 to stage 3	0	-296	793	498
Transfer stage 3 to stage 1	4	0	-35	-31
Transfer stage 3 to stage 2	0	8	-38	-30
New loans	147	0	0	147
Repaid loans	-238	-637	-2 003	-2 879
Changes in not migrated loans	91	23	5 321	5 435
<b>Loss provisions per 30.09.2023</b>	<b>1 171</b>	<b>2 481</b>	<b>29 592</b>	<b>33 244</b>
This period's change in provisions	238	51	-4 304	-4 016
Provisions in % of gross loans	0,2 %	1,0 %	7,0 %	2,9 %



## Total

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2023	1 477	2 561	48 659	52 697
<b>Transfers</b>				
Transfer stage 1 to stage 2	-340	1 315	0	975
Transfer stage 1 to stage 3	-41	0	414	373
Transfer stage 2 to stage 1	109	-412	0	-302
Transfer stage 2 to stage 3	0	-298	806	508
Transfer stage 3 to stage 1	4	0	-35	-31
Transfer stage 3 to stage 2	0	8	-38	-30
New loans	160	0	0	160
Repaid loans	-261	-642	-2 460	-3 362
Changes in not migrated loans	92	21	6 479	6 592
<b>Loss provisions per 30.09.2023</b>	<b>1 199</b>	<b>2 554</b>	<b>53 825</b>	<b>57 578</b>
This period's change in provisions	277	7	-5 166	-4 881
Provisions in % of gross loans	0,2 %	1,0 %	11,2 %	4,7 %

## Non-performing commitments

30.09.2023

30.09.2022

### Loss-prone commitments before individual write-downs

Defaulted commitment over 90 days	412 856	264 621
Other non-performing commitments	68 481	210 190
<b>Total commitment before individual write-downs</b>	<b>481 337</b>	<b>474 811</b>

### Individual write-downs of

Defaulted commitment over 90 days	52 381	37 501
Other non-performing commitments	1 444	4 419
<b>Total individual loss write-downs (stage 3)</b>	<b>53 825</b>	<b>41 920</b>

### Loss-prone commitments after individual write-downs

Defaulted commitment over 90 days	360 475	227 120
Other non-performing commitments	67 037	205 771
<b>Total commitment after individual write-downs</b>	<b>427 512</b>	<b>432 891</b>

## Loan losses

Q3 2023

Q3 2022

YTD 2023

Stage 1	-52	-225	-277
Stage 2	-261	-1 191	-7
Stage 3	2 681	10 004	5 259
Remarks without previous write-downs	0	0	0
Remarks with previous write-downs	0	246	-1 080
Entered previously established losses	0	0	0
<b>Total loan losses</b>	<b>2 369</b>	<b>8 834</b>	<b>3 894</b>

## Note 5 Operating costs

	Q3 2023	Q3 2022	YTD 2023
Audit fees	475	365	2 122
Other assistance	2 141	700	6 550
Consultant fees	1 031	1 340	4 239
IT operating costs	2 351	1 770	6 237
Cost and reimbursement for travel	111	14	206
Sales and advertising costs	80	0	80
Rent	467	325	1 278
Other costs rented premises	60	45	105
Other administration costs	638	564	1 608
Administrative fine from the NFSA	0	4 500	0
Depreciation	928	966	2 787
<b>Total other operating expenses</b>	<b>8 282</b>	<b>10 589</b>	<b>25 212</b>

<b>Underlying result</b>	<b>Q3 2023</b>
Total result	307
Income (loss) from trading activities	-2 530
Legal fees	788
Audit fees	0
Consultant fees	450
Other administration costs	647
<b>Total underlying result</b>	<b>-338</b>

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

	Q3 2023	Q3 2022	2022
Net change in value of shares / units in funds	<b>2 530</b>	<b>-345</b>	<b>1 352</b>
Net change in value of financial instruments at fair value	2 530	-345	1 352

## Note 7 Classification of financial instruments in the balance sheet

	Valued at fair value through profit or loss	Assessed at amortized cost	30.09.2023 Total
Cash and cash equivalents		69 851	69 851
Loans and advances to credit institutions		41 107	41 107
Lending to and receivables from customers		1 183 554	1 183 554
Shares and units in funds	180 246		180 246
Other assets		4 728	4 728
<b>Total Assets</b>	<b>180 246</b>	<b>1 299 240</b>	<b>1 479 486</b>
Deposits from customers		1 199 553	1 199 553
Other debt		4 759	4 759
<b>Total Liabilities</b>		<b>1 204 312</b>	<b>1 204 312</b>

	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
<b>Total Assets</b>	<b>176 041</b>	<b>1 408 224</b>	<b>1 584 265</b>
Deposits from customers		1 341 285	1 341 285
Other debt		9 365	9 365
<b>Total Liabilities</b>		<b>1 350 650</b>	<b>1 350 650</b>

## 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	30.09.2023
Shares/units in funds		177 368		177 368
Shares in SDC A/S			2 878	2 878
<b>Total</b>	<b>-</b>	<b>177 368</b>	<b>2 878</b>	<b>180 246</b>

Assets	Level 1	Level 2	Level 3	30.09.2022
Shares/units in funds		239 759		239 759
Shares in SDC A/S			2 834	2 834
<b>Total</b>	<b>-</b>	<b>239 759</b>	<b>2 834</b>	<b>242 593</b>

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	-853
<b>Accounted value 30.09.2023</b>	<b>2 561</b>

Liabilities	
Accounted value 01.01.2023	3 496
Interest expense (calculated based on marginal borrowing rate)*	49
Rent	-895
<b>Accounted value 30.09.2023</b>	<b>2 650</b>

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 174 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 30.09.2023

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	69 386	0,69		
20	TVENGE	55 000	0,55		
=	20 largest shareholders	9 323 485	92,91		
+	Other shareholders	711 358	7,09		
=	<b>Total</b>	<b>10 034 843</b>	<b>100</b>		

## 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 bank'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)

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Gross deposits from customers	1 199 553	1 622 951	1 199 553	1 622 951
Gross loans to customers	1 223 333	1 503 584	1 223 333	1 503 584
<b>Deposits in % of loans</b>	98,2 %	107,9 %	98,2 %	107,9 %

### 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)

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Gross loans to customers	1 223 333	1 503 584	1 223 333	1 503 584
<b>Lending growth (gross) last 12 months</b>	-18,6 %	5,9 %	-18,6 %	5,9 %

### 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)

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Gross deposits from customers	1 199 553	1 622 951	1 199 553	1 622 951
<b>Deposit growth over the last 12 months</b>	-26,1 %	1,8 %	-26,1 %	1,8 %

### Equity in % of total assets

(Total equity / Total liabilities and equity)

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total equity	281 325	241 051	281 325	241 051
Total liabilities and equity	1 493 059	1 879 051	1 493 059	1 879 051
<b>Equity in % of total assets</b>	18,8 %	12,8 %	18,8 %	12,8 %

### Cost percentage

(Total operating costs / total operating income)

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total operating income	17 933	21 554	53 212	73 028
Total operating costs	-15 257	-16 635	-44 161	-39 302
<b>Cost percentage</b>	85,1 %	77,2 %	83,0 %	53,8 %

## Return on equity

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

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total result	307	-3 915	5 156	19 479
Opening balance equity	281 018	244 966	241 116	224 459
Closing balance equity	281 325	241 051	281 325	241 051
<b>Return on equity</b>	0,4 %	-6,5 %	2,6 %	11,2 %

## Loan loss percentages

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

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Loan losses	-2 369	-8 834	-3 894	-14 247
Gross loans to customers	1 223 333	1 503 584	1 223 333	1 503 584
<b>Loan loss percentage</b>	0,77 %	2,4 %	0,3 %	0,9 %

## Profit as a percentage of total assets

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

	Q3 2023	Q3 2022	YTD 2023	YTD 2022
Total result	307	-3 915	5 156	19 479
Opening balance liabilities and equity	1 489 600	2 230 950	1 601 357	2 144 168
Closing balance liabilities and equity	1 493 059	1 879 051	1 493 059	1 879 051
<b>Profit as a percentage of total assets</b>	0,1 %	-0,8 %	0,4 %	1,3 %

## Underlying result

	Q3 2023
Total result	307
Income (loss) from trading activities	-2 530
Legal fees	788
Audit fees	0
Consultant fees	450
Other administration costs	647
<b>Total underlying result</b>	-338