Quarterly report Q4 2023

Lea bank ASA

Table of Contents

About Lea bank ASA

Lea bank is a leading digital niche bank with an international distribution platform. The strategy is to deliver attractive terms to customers, leading technological solutions, cost-effective operations, prudent credit risk management, and efficient capital utilization.

Lea bank offers unsecured loans and deposit products to the consumer market. The bank has lending operations in Finland, Norway, Sweden and Spain, and offers deposit products in Norway, Sweden, Germany, Spain, Austria, and France. The bank has access to euro deposits through a partnership with Raisin Bank.

Lea bank has a scalable European operation model and leading cloud-based IT solutions with a focus on delivering superior customer experiences.

By using automated loan processing and user-friendly digital products, Lea bank has gained a solid position among Nordic niche banks. The bank has developed a proprietary credit model and offers risk-based pricing to defined customer segments to optimize return on equity.

Lea bank is an independent bank with approximately 1,250 shareholders and is listed on Euronext Growth Oslo with the ticker symbol LEA.

Lea bank is a member of The Norwegian Banks' Guarantee Fund, Finance Norway, and The Association of Norwegian Finance Houses. Deposits up to NOK 2 million are covered by the guarantee scheme fund. Deposits outside Norway are covered up to EUR 100,000.

The bank's headquarter is located at Holbergs gate 21 in Oslo - Norway.

Q4 2023 Results and development

The bank reported a profit before tax of NOK 40.6 million for Q4 2023, with a profit after tax of NOK 30.7 million. Equity at the end of the quarter was NOK 1,403.9 million, and the annualized return on equity was 9.0% for the quarter.

The bank's board of directors has proposed a dividend for the financial year 2023 of 52.4 MNOK (NOK 0.55 per share), corresponding to 49.3% of the annual result for 2023. The proposed dividend has been accounted for as an accrual as of 31.12.2023.

Loan losses for Q4 2023 were NOK 72.1 million, representing an annualized loan loss ratio of 4,3% compared to 4,1% last quarter and 2,4% in Q4 2022. Loan losses for 2023 are impacted by higher uncertainty in macroeconomic environment leading to increased probability of defaults in the loan book. Full year loan loss ratio for 2023 was 4,3% compared to 3,0% last year.

Gross loans to customers increased by NOK 306 million during the quarter, and by NOK 626 million for the year 2023.

The bank continued to focus on profitable growth, NPL management, effective operations and cost control in the quarter.

The financing cost has increased by 0.3 percentage points compared to the previous quarter, and the annualized financing cost on deposit products at the end of the quarter is at 3.3%. The increase in financing cost was offset by an increase in lending margins of 0.3 percentage points. Net interest income margin for Q4 2023 was 7.1% which is 0.4 percentage points higher than last quarter.

The bank had a solid liquidity position at the end of the quarter, which is expected to continue.

The bank has been subject to a Supervisory Review and Evaluation Process (SREP) by the Norwegian Financial Services Authority (Finanstilsynet) during 2023. The preliminary SREP has been received from Finanstilsynet and the bank will provide its response to this by 16.02.2024. Final decision is expected later in 2024, however the bank does not expect significant changes compared to current capital requirements.

Income statement for Q4 2023

Profit before tax for Q4 2023 was NOK 40.6 million, compared to NOK 71.6 million in Q4 2022. Profit after tax was NOK 30.7 million, compared to NOK 53.3 million in Q4 2022.

Net interest income for the quarter was NOK 137.8 million, an increase of NOK 6.1 million compared to Q4 2022, and an increase of NOK 7.4 million compared to the previous quarter. Total income was NOK 157.8 million, compared to NOK 150.6 million in the same quarter of 2022.

The net change in the value of liquidity holdings and currency effects resulted in a gain of NOK 11.2 million in the quarter, compared to a gain of NOK 12.0 million in Q4 2022. The market for liquidity placements has been positive due to increased underlying interest rates. The bank takes positions to hedge currency risk, as a substantial portion of the bank's lending is outside Norway. The currency impact on the income statement has been limited.

Total operating expenses were 45.1 MNOK compared to 41.9 MNOK in Q4 2022. The increase is due to higher personnel costs, marketing costs, credit information cost and depreciation of intangible assets.

Losses on loans were 72.1 MNOK compared to 37.0 MNOK in Q4 2022. Annualized loan losses for the quarter were 4,3%, an increase of 1.9 percentage points due to higher uncertainty in macroeconomic environment leading to increased probability of defaults in the loan book.

Balance sheet as of 31.12.2023

Loan development has an underlying positive development throughout the quarter, and gross loans amounted to 6,913.3 MNOK as of 31.12.2023, compared to 6,607.2 MNOK in the previous quarter and 6,286.9 MNOK as of 31.12.2022. Currency effects had limited impact for the growth in gross loans for the quarter. The growth has been positive in all markets throughout the quarter.

Total assets amounted to 7,853.6 MNOK as of 31.12.2023, compared to 7,367.5 MNOK as of 31.12.2022.

Deposits to customers amounted to 6,239.4 MNOK as of 31.12.2023, compared to 5,791.3 MNOK as of 31.12.2022.

Total equity amounted to 1,403.9 MNOK, compared to 1,352.1 MNOK as of 31.12.2022. See note 4 for information on capital adequacy.

Deposits with other banks and liquid assets amounted to 1,242.3 MNOK. Liquid assets were invested in the Central Bank of Norway, other Norwegian banks, certificates and government bonds, and funds invested in preferred stock bonds and liquidity funds.

The total capital adequacy ratio (tier 2) was 22.36%, the tier 1 capital adequacy ratio (tier 1) was 21.05%, and common equity capital adequacy ratio (CET 1) was 20.18% at the end of the quarter.

The Liquidity Coverage Ratio (LCR) was 488% (488% in NOK, 211% in EUR and 139% in SEK) and the Net Stable Funding Ratio (NSFR) was 148% as of 31.12.2023.

Outlook

The bank will continue its strategy of becoming a leading digital niche bank with consumer financing offering in attractive geographical markets. Lea bank has lending operations in Finland, Norway, Sweden, Spain, and a scalable international operation model.

The focus is to deliver attractive returns for the shareholders, efficient operations, an exciting workplace for the bank's employees, and offer superior customer experiences for the bank's customers and partners.

Focus areas going forward:

1. *Credit risk*
    - Navigate through an uncertain macroeconomic environment
    - Close monitoring of customer behaviour and support customers through temporary challenges

2. *Margins*
    - Aim to maintain interest margins despite increasing funding costs
    - Utilize presence in four markets to optimize capital allocation and develop more diversified funding capabilities

3. *Swedish banking license application*

    - Swedish banking license application filed January 2024
    - Decision from the Swedish FSA within 31.07.24

The bank has strong solvency at the end of the quarter with a pure core capital adequacy ratio of 20.18%, which provides a good margin to statutory capital requirements.

There is general uncertainty related to future conditions, regulatory framework and development that may affect the bank's economic development.

Income statement

(Amounts in NOK 1 000)	Note	Q4 2023	Q4 2022	2023	2022
Interest income		193,384	152,427	712,253	554,259
Interest expense		-55,572	-20,735	-175,625	-61,123
Net interest income		**137,813**	**131,692**	**536,628**	**493,136**
Commission and bank services income		9,501	8,186	33,791	28,766
Commission and bank services expenses		-1,324	-1,435	-4,628	-4,740
Net changes in value on securities and currency		11,168	12,001	29,302	5,594
Other income		660	133	796	220
Net other operating income		**20,005**	**18,884**	**59,261**	**29,841**
Total income		**157,817**	**150,576**	**595,889**	**522,977**
Personnel expenses		-16,366	-15,661	-63,841	-62,600
General administrative expenses		-21,406	-20,257	-82,507	-79,170
- hereof marketing expenses		*-2,336*	*-437*	*-6,866*	*-3,883*
Depreciation and impairment		-3,947	-3,275	-14,786	-10,833
Other operating expenses		-3,416	-2,756	-11,170	-8,046
Total operating expenses		**-45,135**	**-41,949**	**-172,303**	**-160,649**
Profit before loan losses		**112,682**	**108,627**	**423,586**	**362,327**
Provision for loan losses	2	-72,057	-37,012	-283,505	-175,968
Profit before tax		**40,626**	**71,615**	**140,081**	**186,359**
Tax charge		-9,957	-18,287	-33,835	-45,782
Profit after tax		**30,669**	**53,328**	**106,245**	**140,577**

Balance sheet

(Amounts in NOK 1 000)	Note	31.12.2023	31.12.2022
Assets			
Cash and deposits with the central bank		51,931	50,402
Loans and deposits with credit institutions		350,786	322,201
Loans to customers	2	6,485,714	5,883,551
Certificates and bonds		839,681	961,163
Deferred tax asset		57,920	91,756
Other intangible assets		41,219	29,380
Fixed assets		5,133	8,775
Other assets		21,258	20,256
Total assets		**7,853,642**	**7,367,484**
Liabilities and equities			
Debt to the central bank		0	0
Deposits from customers		6,239,373	5,791,333
Other liabilities	7	128,307	142,315
Subordinated loans	3	82,084	81,746
Total liabilities		**6,449,764**	**6,015,394**
Share capital		190,438	189,681
Share premium		662,638	660,322
Tier 1 capital		54,321	54,114
Other paid-in equity		14,556	13,405
Other equity		481,925	434,568
Total equity	**4,5,6,8**	**1,403,878**	**1,352,089**
Total liabilities and equity		**7,853,642**	**7,367,484**

Note 1 – General accounting principles

1.1 Company information

Lea bank ASA is a Norwegian public limited company with a business address at Holbergs gate 21, 0166 Oslo - Norway.

Lea bank is a leading digital niche bank with an international distribution platform. The bank offers unsecured loans and deposit products to the consumer market and has lending activities in Finland, Norway, Sweden, and Spain.

1.2 Basis for preparation of the financial statements

The financial statements for Lea bank ASA are prepared in accordance with the Regulations relating to annual accounts for banks, credit institutions, and financing companies (the annual accounts regulations). Changes were made to the annual accounts regulations effective from January 1, 2020. The Bank has chosen to prepare the financial statements in accordance with Section 1-4(2)(b) of the annual accounts regulations, which means that the financial statements are prepared in accordance with IFRS unless otherwise provided by the regulations. Measurement and recognition are fully in accordance with IFRS, except that dividends and group contributions from subsidiaries are recognized as liabilities on the balance sheet date.

The Bank has used the transitional provisions in the regulations, and the effects of the transition to the new annual accounts regulations have been recognized in equity as of January 1, 2020. The Bank has chosen not to restate comparative figures in accordance with Section 9-2 of the regulations, but comparative figures have been partly reclassified to best fit the presentation format under the new regulations.

The Bank will omit the following disclosure requirements under IFRS:
1) IFRS 13. Instead, information on fair value is provided in accordance with Section 7-3 of the regulations.
2) IFRS 15.113-128
3) IAS 19.135 litra c and IAS 19.145-147.

IFRS 16 was included from January 1, 2021.

Unless otherwise stated, amounts in the notes are given in thousands of Norwegian kroner.

1.3 Summary of the main accounting principles

1.3.1 Revenue recognition

Interest income is recognized using the effective interest method. This involves recognizing interest income on an ongoing basis, with the addition of amortization of establishment fees. The effective interest rate is determined by discounting contracted cash flows within expected maturity. Cash flows include establishment fees, as well as any residual value at the end of the expected maturity.

Revenue recognition of interest using the effective interest method is used for balance sheet items that are valued at amortized cost. For interest-bearing balance sheet items that are valued at fair value through profit or loss, the nominal interest is recognized on an ongoing basis, while other changes in value are presented as "Net change in value and gains/losses on currency and financial instruments." Interest income on engagements that are credit impaired is calculated using the effective interest rate on the written down value. Interest income on engagements that are not credit impaired is calculated using the gross effective interest rate (amortized cost before provision for expected losses).

The effective interest rate is the rate that makes the present value of future cash flows within the expected maturity of the loan equal to the book value of the loan at initial recognition. Cash flows include establishment fees, as well as any residual value at the end of the expected maturity.

Fees and commissions are recognized as revenue as the service is provided. Fees for the establishment of loan agreements are included in cash flows when calculating amortized cost and recognized as revenue under net interest income using the effective interest method. Payment of fees to loan intermediaries for consumer loans is spread over the expected maturity.

Dividends from investments are recognized at the time the dividend is approved at the general meeting.

1.3.2 Financial Instruments

Recognition and derecognition of Financial Instruments
Financial assets and liabilities are recognized on the balance sheet at the time the bank becomes a party to the contractual terms of the instrument. Common purchases and sales of investments are recorded at the time of agreement. Financial assets are removed from the balance sheet when the rights to receive cash flows from the investment cease or when these rights have been transferred and the bank has substantially transferred the risks and entire profit potential of ownership. Financial liabilities are derecognized when the rights to the contractual terms have been fulfilled, cancelled or expired.

Classification and Subsequent Measurement of Financial Instruments
Financial instruments are classified into one of the following measurement categories upon initial recognition.

Financial assets:
amortized cost (AC)
fair value through profit or loss (FVPL) or;

Financial assets are classified based on an assessment of the bank's business model for managing assets and the contractual cash flow characteristics of the instrument. Financial assets with contractual cash flows that are solely payments of principal and interest on specified dates and held in a business model whose objective is to collect contractual cash flows are measured at amortized cost. Other financial assets are measured at fair value through profit or loss. Based on this, "Cash and cash equivalents", "Loans and receivables from credit institutions and financing companies" and "Loans from customers" are measured at amortized cost, but the bank's holdings of "Interest-bearing securities" and "Shares, and other equity instruments" are measured at fair value through profit or loss.

Financial liabilities:
Amortized cost

This category consists of “Deposits from customers”.

Measurement at fair value
Financial assets and liabilities that are measured at fair value through profit or loss are recognized at fair value upon acquisition and transaction costs are recognized in profit or loss. The items are subsequently measured at fair value in subsequent periods.
The fair value of financial instruments traded in active markets is based on market prices on the balance sheet date.
The fair value of financial instruments not traded in an active market is determined using valuation techniques.

Measurement at amortized cost
All financial assets not measured at fair value are initially recognized at fair value with transaction costs added, and other liabilities recognized at amortized cost are initially recognized at fair value with transaction costs deducted.
Amortized cost is determined by discounting the contractual cash flows over the expected life. The cash flows include establishment fees and direct, marginal transaction costs not directly paid by the customer, as well as any residual value at the end of the expected life. Amortized cost is the present value of such cash flows, discounted at the effective interest rate, with an allowance for expected losses.

Impairment of financial assets
Under IFRS 9, impairment losses are recognized based on expected credit losses. The measurement of the provision for expected losses in the general model depends on whether the credit risk has increased significantly since initial recognition. At initial recognition and when the credit risk has not increased significantly since initial recognition, the provisions are based on 12-month expected credit losses ("stage 1"). 12-month expected credit losses are the losses expected to occur over the life of the instrument but that can be attributed to events occurring in the first 12 months.
If the credit risk, assessed as the probability of default over the remaining life of an asset or group of assets, is considered to have increased significantly since initial recognition, a provision for expected losses equal to the present value, determined using the effective interest rate, of the expected loss over the entire expected life of the instrument must be made, and the asset must be reclassified to stage 2. If a credit event occurs, the instrument is moved to stage 3.
The bank has defined expected life as the expected time horizon associated with the first occurrence of default or full payment of interest and principal on the claim. The bank looks at changes in the risk of default since initial recognition to determine if an asset has experienced a significant increase in credit risk. The bank considers a commitment to be impaired/defaulted when the loan is more than 90 days past due,

the customer has been transferred to a debt collection agency for recovery of the claim, there is a death, or cases where there is suspicion of fraud.
In the event of bankruptcy or a court judgment, the bank records commitments affected by such circumstances as incurred losses (write-offs). This also applies in cases where the bank has otherwise ceased recovery or waived parts of or the entire commitment.

Model Characteristics
The bank uses a loss model to calculate loss provisions. The model includes, among other things, the probability of default (PD), discount rate, exposure at default (EAD), and loss given default (LGD).

The bank uses various indicators to assess whether an asset has had a significant increase in the risk of default. This information is based on the actual behavior of customers, and the bank has established a range of rules that it has identified as triggers for a significant increase in credit risk.

The models provide an estimate of PD, which involves separate LGD loss models that run both before and after default. The bank uses models for exposures at the time of default. Triggers are used to classify accounts into three stages:

Stage 1: "12-month expected loss"
Stage 2: "Significant increase in credit risk compared to initial recognition"
Stage 3: "Credit-impaired"

All defaulted engagements are placed in stage 3 of the model. Engagements that have had a significant increase in credit risk since initial recognition are allocated to stage 2. The remaining engagements are included in stage 1.

Default is defined as engagements that are more than 90 days past due according to the agreed payment plan and the overdue amount is at least € 100 in the respective local currency. On December 31, 2022, the bank switched to a new definition of default, which is in line with the definition used by the EBA (Guidelines on the application of the definition of default under Article 178 of Regulation (EU) No 575/2013). The "last in, first out" (LIFO) principle is applied, where the most recent overdue invoice is covered first. This is different from the previous default definition where the oldest overdue invoice was covered first. This new principle means that a customer who consistently falls 30 days behind schedule will roll over into default.

To assess whether an engagement has had a significant increase in credit risk and should be transferred from stage 1 to stage 2 in the model, two main tests are conducted. The first test, the PD test, checks whether two criteria are met for an engagement to be considered to have had a significant increase in credit risk (SICR). The first criterion is a relative measurement of PD, which means that the observed PD on the reporting date must be at least three times higher than the expected PD calculated on the recognition date. The second criterion measures the absolute change in PD and requires it to be at least three percentage points higher, if the increase in credit risk is to be considered significant. Both criteria in the first test must be met for the engagement to be considered to have had a significant increase in credit risk. The second test serves as a backstop and involves moving the engagement to stage 2 if it is at least 30 days overdue, regardless of the result in the first test to stage 2.

In addition to the two tests, the bank also used information regarding approved payment relief (forbearance), as well as information regarding defaults on other products, to assess whether an engagement has had a significant increase in credit risk. Engagements with forbearance where the present value of future cash flows is reduced by more than 1% or there are multiple forbearance events are reported in stage 3. The volume of engagements with forbearance flag at the reporting date is specified in the loan note in the corresponding overview showing changes in gross loans.

A loan that has migrated to stage 2 can migrate back to stage 1, provided it no longer meets any of the criteria or conditions described in the paragraphs above. There is no explicit quarantine before a loan can migrate from stage 2 to stage 1. Loans in default (stage 3) will migrate to stage 1 or 2 when they are no longer classified as defaults, unless they are purchased defaulted loans or loans originally assessed as credit-impaired.

The bank has developed models for the expected lifetime of all unsecured loans per country, measured against repayment agreements and current repayment patterns. The chosen methodology for each model is based on the respective maturity of the portfolio as well as the availability of data in the respective markets. The models are continuously validated. This includes validation on out of time sample.

The PD, LGD, and EAD models use an adjustment factor based on macro assessments for each product and country. Through simulations, an expected, an upper, and a lower scenario for expected losses are established where the model weights in the management's assessment of the likely macro picture. Significant macro variables are defined as GDP, unemployment, and interest rates. For engagements with SME and mortgage customers, the portfolio is of insignificant size, and the bank has therefore not applied a quantitative model.

The bank segments the portfolio into groups of loans with common risk characteristics and calculates expected credit losses (ECL) for each segment. The expected credit loss (ECL) is calculated as a product of a defined set of parameters tailored to the characteristics of each segment. The formula used is: ECL = PD * EAD * LGD.

The bank’s Swedish and Spanish portfolios currently lack sufficient historical data to develop PD, LGD or SICR factors. For these countries, the bank has opted to use application-based PD to estimate PD for all engagements in stage 1. For engagements in stage 2, PD values are distributed across days overdue, indicating the likelihood that the customer will transition to stage 3 within the next 12 months. The LGD rates for these two portfolios are based on observed rates in other countries where the bank operates, combined with prices obtained from the respective markets. In these markets, the bank does not operate with SICR factors, and only a back-stop mechanism leads to contract migration from stage 1 to stage 2.

Cash and deposits with the central bank

The bank's credit risk related to "Cash and balances with central banks" is exclusively towards Norges Bank. Norges Bank is rated Aaa by Moody's and AAA/A-

1+ by S&P, and therefore has low credit risk. The bank assesses that the presumption of low credit risk is fulfilled and does not make any provisions for losses related to this balance item.

Loans and deposits with credit institutions
"Loans and deposits with credit institutions" are towards Norwegian financial institutions with good ratings and are thus considered to meet the presumption of low credit risk under the standard. The bank assesses that this, combined with LGD, will result in insignificant provisions for losses, and therefore has not made any provisions for losses related to this balance item.

1.3.3 Fixed assets and intangible assets

Fixed assets and intangible assets are recorded on the balance sheet at acquisition cost, less accumulated ordinary depreciation and any impairment losses.

Ordinary depreciation is based on acquisition cost and is linearly distributed over the estimated economic life of the asset. There have been no changes to the depreciation schedules.

If the fair value of a property, plant and equipment asset is significantly lower than the book value and the impairment is not expected to be temporary, the asset is written down to fair value.

The bank's lease agreement for office space falls under IFRS 16. At initial recognition, the lease liability and the right-of-use asset are measured at the present value of future lease payments and are amortized in the accounts.

1.3.4 Currency

Losses or gains due to foreign exchange rates that arise from payments made to foreign countries are recognized as income or expenses at the time of the transaction in NOK.

1.3.5 Taxes

Deferred tax and deferred tax assets are recognized in accordance with NRS (F) on income tax. The tax expense in the income statement includes both the current payable tax and the change in deferred tax. The change in deferred tax is related to the tax effect of temporary differences in results and changes in losses carried forward.

Deferred tax assets in the balance sheet can only be recognized as an asset in the balance sheet if it can be held to be more likely than not that the company will have a taxable income in a future accounting year that makes it possible to utilize the benefit.

1.3.6 Financial derivatives

The estimated value of options is expensed continuously in the income statement in line with the accrual, with the offset recorded in other contributed equity in the balance sheet.

Freestanding subscription rights are recognized as an intangible asset with the offset recorded in other contributed equity. The asset is depreciated on a straight-line basis over five years.

In cases where the bank has entered into forward flow agreements for defaulted loans, these agreements are defined as financial derivatives. The bank has concluded that the value of the financial derivatives is not material and therefore the agreement is not recognized in the balance sheet. This assessment is based on a comparison of the LGD rates that the bank realizes with the forward flow agreement compared to the LGD rates observed in the market for comparable banks with comparable products.

1.3.7 Pension

The bank is subject to the Mandatory Occupational Pension Act and has a deposit-based pension scheme that covers all employees. Contributions to the scheme are made continuously, and the bank has no obligations beyond the ongoing contributions to the scheme.

1.3.8 Assessments and estimates

In preparing the financial statements, management has made judgments, estimates, and assumptions that affect the application of the bank's accounting policies and the reported amounts of assets, liabilities, revenues, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed continuously. Changes in estimates are recognized as they arise.

Information about judgments made in the application of accounting policies that have the most significant effect on the amounts presented in the financial statements is included in the following notes:

Note 2: including establishing the criteria for when a significant increase in credit risk has occurred since initial recognition, determining the methodology for incorporating forward-looking information in the measurement of ECL (Expected Credit Loss), and choosing the models used to measure ECL.

Note 2 – Gross loans and loan loss provisions

2.1 Gross loans, undrawn credit lines, and expected credit losses

Gross loans, undrawn credit lines, and expected credit losses per product and country - 31.12.2023

				Gross loans				Loan loss provisions (ECL)				Net loans			
	Gross loans	Of which agent-comm/ fees	Off-balance	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Consumer loans															
Norway	2,402,579	67,493	57,264	2,026,614	194,360	181,605	2,402,579	29,875	25,770	64,655	120,300	1,996,739	168,590	116,950	2,282,279
Finland	3,280,319	50,866	94,374	2,593,365	307,857	379,097	3,280,319	47,021	42,696	115,936	205,653	2,546,344	265,162	263,161	3,074,666
Sweden	912,697	28,886	59,860	712,981	32,439	167,276	912,697	17,312	6,269	52,521	76,101	695,669	26,170	114,756	836,595
Spain	292,174	11,425	-	267,444	10,399	14,331	292,174	7,831	4,109	10,047	21,987	259,612	6,290	4,284	270,186
SME and mortgages															
Norway	25,488	-	-	25,488	-	-	25,488	3,500	-	-	3,500	21,988	-	-	21,988
Total	**6,913,256**	**158,670**	**211,499**	**5,625,892**	**545,055**	**742,309**	**6,913,256**	**105,540**	**78,844**	**243,158**	**427,542**	**5,520,352**	**466,211**	**499,151**	**6,485,714**

2.2 Specification of credit losses on loans and guarantees *

Amounts in NOK 1000	**Q4 2023**
Loan loss provisions - 12 months expected credit loss (stage 1)	-33,858
Loan loss provisions - lifetime expected credit loss (stage 2)	24,261
Loan loss provisions - lifetime expected credit loss (stage 3)	74,587
Realized losses and NPL-interest in the period	7,067
Loans losses in the period	**72,057**

** The bank has no issued guarantees as of 31.12.2023*
*** Contractually regulated outstanding amounts for financial assets that were written off during the reporting period, and which are still subject to enforcement activities, are insignificant for the financial statements*

2.3 Gross loans, undrawn credit lines and maximum exposure per risk class - 31.12.2023

Risk class, amounts in NOK 1 000	Probability of default	Gross loans	Off-balance	Max exposure	Of which stage 1	Of which stage 2	Of which stage 3
A	0 - 10 %	4,602,420	211,499	4,813,919	4,780,056	33,863	-
B	10 - 20 %	847,128	-	847,128	790,899	56,229	-
C	20 - 30 %	238,543	-	238,543	142,109	96,434	-
D	30 - 40 %	125,314	-	125,314	56,378	68,936	-
E	40 - 50 %	137,484	-	137,484	37,847	99,637	-
F	50 - 60 %	89,494	-	89,494	19,643	69,850	-
G	60 - 70 %	47,012	-	47,012	4,563	42,449	-
H	70 - 80 %	29,474	-	29,474	2,103	27,371	-
I	80 - 90 %	36,087	-	36,087	357	35,730	-
J	90 - 100 %	17,992	-	17,992	54	17,938	-
Defaulted loans	100 %*	742,309	-	742,309	-	-	742,309
Total		**6,913,256**	**211,499**	**7,124,755**	**5,834,009**	**548,437**	**742,309**

Risk classes are grouped by probability of default (12-month PD) into groups from A to J, where group A is the group with the lowest risk and group J is the group with the highest risk. Defaulted loans are separated into their own group. *Parts of the volume in stage 3 have PD lower than 100%. This applies to loans that are in stage 3 due to the new definition of default and/or are in quarantine.

2.4 Changes in gross loans and loan loss provisions.

Total consumer loans - 01.10.2023 - 31.12.2023

Reconciliation of gross loans

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**5,674,428**	**392,428**	**540,391**	**6,607,247**
transfers				
- transfers from stage 1 to stage 2	-393,805	393,805	-	-
- transfers from stage 1 to stage 3	-86,880	-	86,880	-
- transfers from stage 2 to stage 3	-	-172,295	172,295	-
- transfers from stage 3 to stage 2	-	19,398	-19,398	-
- transfers from stage 2 to stage 1	64,987	-64,987	-	-
- transfers from stage 3 to stage 1	12,853	-	-12,853	-
New financial assets issued	867,673	4,670	1,254	873,598
Financial assets derecognized in the period	-345,967	-22,037	-26,965	-394,969
Partial repayments	-189,462	-6,715	-4,651	-200,828
Currency effects	22,065	789	5,355	28,208
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**5,625,892**	**545,055**	**742,309**	**6,913,256**
- of which loans with payment concessions	**-**	**734**	**48,061**	**48,796**

Reconciliation of total expected credit losses

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**139,398**	**54,583**	**168,571**	**362,552**
transfers				
- transfers from stage 1 to stage 2	-40,124	40,124	-	-
- transfers from stage 1 to stage 3	-583	-	583	-
- transfers from stage 2 to stage 3	-	-41,365	41,365	-
- transfers from stage 3 to stage 2	-	1,390	-1,390	-
- transfers from stage 2 to stage 1	26,395	-26,395	-	-
- transfers from stage 3 to stage 1	3,046	-	-3,046	-
New financial assets issued	15,868	11	1,254	17,133
Financial assets derecognized in the period	-6,569	-2,202	-7,820	-16,591
Changes in measurements*	-32,995	53,021	43,582	63,609
Currency effects	1,102	-321	59	840
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**105,540**	**78,844**	**243,158**	**427,542**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*
PD (probability of default), LGD (loss given default), EAD (exposure at default)

Reconciliation of gross loans – consumer loans Norway

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**1,960,241**	**150,664**	**141,129**	**2,252,034**
transfers				
- transfers from stage 1 to stage 2	-123,707	123,707	-	-
- transfers from stage 1 to stage 3	-14,187	-	14,187	-
- transfers from stage 2 to stage 3	-	-43,948	43,948	-
- transfers from stage 3 to stage 2	-	5,334	-5,334	-
- transfers from stage 2 to stage 1	32,642	-32,642	-	-
- transfers from stage 3 to stage 1	5,017	-	-5,017	-
New financial assets issued	403,697	1,822	96	405,615
Financial assets derecognized in the period	-149,969	-5,922	-4,850	-160,742
Partial repayments	-87,120	-4,654	-2,554	-94,329
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**2,026,614**	**194,360**	**181,605**	**2,402,579**
- of which loans with payment concessions	**-**	**652**	**20,050**	**20,702**

Reconciliation of total expected credit losses – consumer loans in Norway

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**42,808**	**20,183**	**35,749**	**98,740**
transfers				
- transfers from stage 1 to stage 2	-12,635	12,635	-	-
- transfers from stage 1 to stage 3	-187	-	187	-
- transfers from stage 2 to stage 3	-	-9,122	9,122	-
- transfers from stage 3 to stage 2	-	555	-555	-
- transfers from stage 2 to stage 1	10,938	-10,938	-	-
- transfers from stage 3 to stage 1	683	-	-683	-
New financial assets issued	6,778	-	96	6,874
Financial assets derecognized in the period	-2,638	-677	-1,101	-4,416
Changes in measurements*	-15,872	13,134	21,840	19,103
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**29,875**	**25,770**	**64,655**	**120,300**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Finland

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**2,780,902**	**202,256**	**273,374**	**3,256,532**
transfers				
- transfers from stage 1 to stage 2	-230,137	230,137	-	-
- transfers from stage 1 to stage 3	-54,233	-	54,233	-
- transfers from stage 2 to stage 3	-	-92,669	92,669	-
- transfers from stage 3 to stage 2	-	12,912	-12,912	-
- transfers from stage 2 to stage 1	27,180	-27,180	-	-
- transfers from stage 3 to stage 1	5,340	-	-5,340	-
New financial assets issued	302,291	1,330	-	303,621
Financial assets derecognized in the period	-163,095	-16,047	-20,919	-200,062
Partial repayments	-71,915	-2,530	-1,578	-76,023
Currency effects	-2,967	-352	-430	-3,750
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**2,593,365**	**307,857**	**379,097**	**3,280,319**
- of which loans with payment concessions	**-**	**82**	**27,528**	**27,610**

Reconciliation of total expected credit losses – consumer loans in Finland

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**73,789**	**28,239**	**88,316**	**190,343**
transfers				
- transfers from stage 1 to stage 2	-26,299	26,299	-	-
- transfers from stage 1 to stage 3	-152	-	152	-
- transfers from stage 2 to stage 3	-	-24,212	24,212	-
- transfers from stage 3 to stage 2	-	834	-834	-
- transfers from stage 2 to stage 1	12,843	-12,843	-	-
- transfers from stage 3 to stage 1	1,426	-	-1,426	-
New financial assets issued	5,999	-	-	5,999
Financial assets derecognized in the period	-3,381	-1,512	-6,465	-11,359
Changes in measurements*	-18,189	26,360	13,273	21,444
Currency effects	985	-469	-1,291	-774
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**47,021**	**42,696**	**115,936**	**205,653**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Sweden

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**683,185**	**33,246**	**123,046**	**839,478**
transfers				
- transfers from stage 1 to stage 2	-29,835	29,835	-	-
- transfers from stage 1 to stage 3	-13,061	-	13,061	-
- transfers from stage 2 to stage 3	-	-29,626	29,626	-
- transfers from stage 3 to stage 2	-	1,152	-1,152	-
- transfers from stage 2 to stage 1	4,739	-4,739	-	-
- transfers from stage 3 to stage 1	2,496	-	-2,496	-
New financial assets issued	89,562	1,291	1,158	92,011
Financial assets derecognized in the period	-27,236	-67	-1,159	-28,462
Partial repayments	-22,191	195	-610	-22,606
Currency effects	25,322	1,152	5,801	32,276
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**712,981**	**32,439**	**167,276**	**912,697**
- of which loans with payment concessions	**-**	**-**	**484**	**484**

Reconciliation of total expected credit losses – consumer loans in Sweden

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**11,746**	**4,751**	**42,312**	**58,809**
transfers				
- transfers from stage 1 to stage 2	-745	745	-	-
- transfers from stage 1 to stage 3	-2	-	2	-
- transfers from stage 2 to stage 3	-	-6,678	6,678	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	2,562	-2,562	-	-
- transfers from stage 3 to stage 1	938	-	-938	-
New financial assets issued	1,142	-	1,158	2,300
Financial assets derecognized in the period	-316	-13	-223	-552
Changes in measurements*	1,863	9,873	2,169	13,905
Currency effects	126	152	1,361	1,639
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**17,312**	**6,269**	**52,521**	**76,101**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – consumer loans Spain

(Before Q2 2023 included in figures for Norway)

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**220,501**	**6,262**	**2,841**	**229,604**
transfers				
- transfers from stage 1 to stage 2	-10,126	10,126	-	-
- transfers from stage 1 to stage 3	-5,400	-	5,400	-
- transfers from stage 2 to stage 3	-	-6,052	6,052	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	426	-426	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	72,124	227	-	72,351
Financial assets derecognized in the period	-1,556	-	-37	-1,593
Partial repayments	-8,235	273	91	-7,870
Currency effects	-291	-11	-16	-318
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**267,444**	**10,399**	**14,331**	**292,174**
- of which loans with payment concessions	**-**	**-**	**-**	**-**

Reconciliation of total expected credit losses – consumer loans in Spain

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**7,556**	**1,410**	**2,193**	**11,159**
transfers				
- transfers from stage 1 to stage 2	-445	445	-	-
- transfers from stage 1 to stage 3	-242	-	242	-
- transfers from stage 2 to stage 3	-	-1,353	1,353	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	52	-52	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	1,949	11	-	1,960
Financial assets derecognized in the period	-234	-	-31	-264
Changes in measurements*	-797	3,654	6,300	9,158
Currency effects	-9	-5	-12	-25
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**7,831**	**4,109**	**10,047**	**21,987**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

Reconciliation of gross loans – SME and mortgages

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Gross loans per 01.10.2023	**29,599**	**-**	**-**	**29,599**
transfers				
- transfers from stage 1 to stage 2	-	-	-	-
- transfers from stage 1 to stage 3	-	-	-	-
- transfers from stage 2 to stage 3	-	-	-	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	-	-	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	-	-	-	-
Financial assets derecognized in the period	-4,111	-	-	-4,111
Partial repayments	-	-	-	-
Currency effects	-	-	-	-
Changes due to model modifications and risk parameters	-	-	-	-
Other adjustments	-	-	-	-
Gross loans per 31.12.2023	**25,488**	**-**	**-**	**25,488**
- of which loans with payment concessions	**-**	**-**	**-**	**-**

Reconciliation of total expected credit losses – SME and mortgages

Amounts in NOK 1 000	Stage 1	Stage 2	Stage 3	Total
Loan loss provisions per 01.10.2023	**3,500**	**-**	**-**	**3,500**
transfers				
- transfers from stage 1 to stage 2	-	-	-	-
- transfers from stage 1 to stage 3	-	-	-	-
- transfers from stage 2 to stage 3	-	-	-	-
- transfers from stage 3 to stage 2	-	-	-	-
- transfers from stage 2 to stage 1	-	-	-	-
- transfers from stage 3 to stage 1	-	-	-	-
New financial assets issued	-	-	-	-
Financial assets derecognized in the period	-	-	-	-
Changes in measurements*	-	-	-	-
Currency effects	-	-	-	-
Changes due to model modifications and risk parametres	-	-	-	-
Other adjustments	-	-	-	-
Loan loss provisions per 31.12.2023	**3,500**	**-**	**-**	**3,500**

** Change in PD, LGD or EAD and 12-month credit loss versus credit loss over expected lifetime.*

2.5 Macro scenario sensitivity on ECL - 31.12.2023

Amounts in NOK 1 000	ECL reported under IFRS 9	Base scenario (30-35 %)	Optimistic scenario (25 %)	Pessimistic scenario (40-45 %)
Total	**427,542**	**378,744**	**331,658**	**518,031**
Consumer loans	424,042	375,244	328,158	514,531
SME and mortgages	3,500	3,500	3,500	3,500
Norway	**123,800**	**110,407**	**96,461**	**152,606**
Consumer loans	120,300	106,907	92,961	149,106
SME and mortgages	3,500	3,500	3,500	3,500
Finland	**205,653**	**180,724**	**157,637**	**248,948**
Consumer loans	205,653	180,724	157,637	248,948
SME and mortgages	-	-	-	-
Sweden	**76,101**	**68,673**	**61,488**	**89,172**
Consumer loans	76,101	68,673	61,488	89,172
SME and mortgages	-	-	-	-
Spain	**21,987**	**18,940**	**16,073**	**27,305**
Consumer loans	21,987	18,940	16,073	27,305
SME and mortgages	-	-	-	-

Expected credit losses reported under IFRS 9 are macro-weighted. The following weights are used for the three scenarios:
Norway: base scenario (35%), optimistic scenario (25%), and pessimistic scenario (40%).
Finland, Sweden and Spain: base scenario (30%), optimistic scenario (25%), and pessimistic scenario (45%).

Note 3 – Subordinated loans

Subordinated loans as of 31.12.2023

ISIN	Nominal value	Currency	Interest	Reference-interest + margin	Due date	Book value
NO0010877863	15,000	NOK	Floating	NIBOR + 700bp	27.03.30	14,926
NO0011108276	50,000	NOK	Floating	NIBOR + 425bp	29.09.31	49,431
NO0012750803	18,000	NOK	Floating	NIBOR + 575bp	09.02.33	17,728
Total subordinated loans	**83,000**					**82,084**

Note 4 – Capital adequacy

Amounts in NOK 1 000	31.12.2023	31.12.2022
Share capital	190,438	189,681
Share premium	662,638	660,322
Other equity	496,481	447,973
IFRS9 effects	0	44,829
Deferred tax assets and other intangible assets	-89,829	-121,135
Deduction for defaulted loans	-101	-41
Valuation adjustment	-840	-961
Common equity tier 1 (CET 1)	1,258,787	1,220,667
Additional tier 1 capital	54,321	54,114
Tier 1 capital (Tier 1)	1,313,108	1,274,781
Tier 2 capital	82,084	81,746
Total capital (Tier 2)	1,395,192	1,356,527
Risk weighted assets		
Loans and deposits with credit institutions	70,157	64,440
Institutions	8,170	9,525
Loans to customers	4,351,124	3,962,953
Mortgages	7,103	9,885
Defaulted loans	499,151	432,442
Certificates and bonds	50,961	49,042
Equity positions	2,539	2,744
Other assets	239,106	256,637
Total credit risk	**5,228,311**	**4,787,669**
Operational risk	1,003,974	846,955
CVA risk	7,014	5,045
Total calculation basis	**6,239,299**	**5,639,668**

Capital ratios	31.12.2023	31.12.2022
Common equity tier 1 in % (CET 1)	20.18 %	21.64 %
Tier 1 capital in % (Tier 1)	21.05 %	22.60 %
Total capital in % (Tier 2)	22.36 %	24.05 %
Leverage ratio in %	16.78 %	17.28 %

Note 5 - Equity

Amounts in NOK 1 000	Share capital	Share premium	Tier 1 capital	Other paid-in capital	Other equity	Total
Equity per 31.12.2022	**189,681**	**660,322**	**54,114**	**13,405**	**434,568**	**1,352,089**
Cost Tier 1 capital					-1,395	-1,395
Changes Tier 1 capital			51		-51	-
Share issue	667	2,039				2,706
Share options				346		346
Profit after tax					27,563	27,563
Equity per 31.03.2023	**190,348**	**662,360**	**54,165**	**13,751**	**460,684**	**1,381,309**

Amounts in NOK 1 000	Share capital	Share premium	Tier 1 capital	Other paid-in capital	Other equity	Total
Equity per 31.03.2023	**190,348**	**662,360**	**54,165**	**13,751**	**460,684**	**1,381,309**
Cost Tier 1 capital					-1,460	-1,460
Changes Tier 1 capital			52		-52	-
Share options				365		365
Profit after tax					19,128	19,128
Dividend					-247	-247
Equity per 30.06.2023	**190,348**	**662,360**	**54,217**	**14,116**	**478,053**	**1,399,094**

Amounts in NOK 1 000	Share capital	Share premium	Tier 1 capital	Other paid-in capital	Other equity	Total
Equity per 30.06.2023	**190,348**	**662,360**	**54,217**	**14,116**	**478,053**	**1,399,094**
Cost Tier 1 capital	-	-	-	-	-1,577	-1,577
Changes Tier 1 capital	-	-	52	-	-52	-
Share issue	77	238	-	75	-	391
Share options	-	-	-	165	-	165
Profit after tax	-	-	-		28,886	28,886
Dividend	-	-	-	-	-	-
Equity per 30.09.2023	**190,425**	**662,599**	**54,269**	**14,356**	**505,311**	**1,426,960**

Amounts in NOK 1 000	Share capital	Share premium	Tier 1 capital	Other paid-in capital	Other equity	Total
Equity per 30.09.2023	**190,425**	**662,599**	**54,269**	**14,356**	**505,311**	**1,426,960**
Cost Tier 1 capital	-	-	-	-	-1,632	-1,632
Changes Tier 1 capital	-	-	52	-	-52	-
Share issue	13	39	-	-	-	52
Share options	-	-	-	200	-	200
Profit after tax	-	-	-	-	30,669	30,669
Dividend	-	-	-	-	-52,371	-52,371
Equity per 31.12.2023	**190,438**	**662,638**	**54,321**	**14,556**	**481,925**	**1,403,878**

Note 6 – Key profitability and equity indicators

Amounts in NOK 1 000	
Equity as of 31.12.23*	1,349,557
Profit before tax Q4 2023	40,626
Profit after tax Q4 2023	30,669
Profit before tax 2023	140,081
Profit after tax 2023	106,245
Number of shares 31.12.23 (in thousands)	95,219
Book equity per share as of 31.12.23*	14.17
Earnings per share before tax Q4 2023	0.43
Earnings per share after tax Q4 2023	0.32
Earnings per share before tax 2023	1.47
Earnings per share after tax 2023	1.12
Annualised return on equity Q4 2023*	9.0 %
Annualised return on equity 2023*	8.0 %

** excluding tier 1 capital and accrued dividend*

Note 7 – Contractual obligations

Amounts in NOK 1 000	Q4 2023	Q3 2023
Right to use:		
Opening balance	**4,911**	**6,125**
Implementation effect		
Assets	582	0
Write-downs		
Adjustments		
Depreciation	-983	-1,170
Disposals		
Closing balance	**4,510**	**4,911**
Lease obligation:		
Opening balance	**-5,070**	**-6,291**
Implementation effect		
Assets		
Effect of changes in exchange rates		
Adjustments	0	44
Lease payments	1,043	1,236
Interest	-57	-59
Settlement upon disposal		
Closing balance	**-4,666**	**-5,070**
Proportion of short-term debt	-4,079	-3,611
Proportion of long-term debt	-587	-1,459
Maturity analysis, undiscounted cash flow		
Up to 1 year	4,173	3,697
1-2 years	616	1,540
2-3 years	0	0
3-4 years	0	0
4-5 years		
More than 5 years		
Other key figures		
Costs related to agreements with exceptions for short-term duration	6	6
Weighted average discount rate on implementation date	0.045	0.045

Note 8 – Largest shareholders

Rank	Name	Nbr of shares	Ownership %
1	Braganza AB	10,383,899	10.9 %
2	DNB Bank ASA*	9,175,667	9.6 %
3	Hjellegjerde Invest AS	7,600,000	8.0 %
4	Skagerrak Sparebank	4,409,380	4.6 %
5	Fondsavanse AS	3,371,048	3.5 %
6	Verdipapirfondet Alfred Berg Norge	3,088,045	3.2 %
7	Verdipapirfondet Alfred Berg Aktiv	2,719,589	2.9 %
8	Vida AS	2,581,654	2.7 %
9	Shelter AS	1,945,486	2.0 %
10	Jenssen & Co AS	1,845,879	1.9 %
11	Lindbank AS	1,838,007	1.9 %
12	Jolly Roger AS	1,813,793	1.9 %
13	Verdipapirfondet Alfred Berg Norge	1,700,000	1.8 %
14	MP Pensjon PK	1,637,767	1.7 %
15	Umico - Gruppen AS	1,565,228	1.6 %
16	Varde Norge AS	1,234,399	1.3 %
17	Krogsrud Invest AS	1,125,000	1.2 %
18	Thon Holding AS	1,081,211	1.1 %
19	Sober Kapital AS	1,031,922	1.1 %
20	Bara Eiendom AS	883,179	0.9 %
	Total top 20 shareholders	**61,031,153**	**64.1 %**
	Other shareholders	34,187,979	35.9 %
	Total number of shares	**95,219,132**	**100 %**

Shareholder list per 13.02.2024

** Nominee account*

Quarterly historical figures

Income statement (amounts in NOK 1 000)	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Interest income	193,384	180,386	177,777	160,705	152,427	140,257	133,427
Interest expense	-55,572	-49,948	-40,912	-29,193	-20,735	-13,932	-12,439
Net interest income	**137,813**	**130,438**	**136,865**	**131,512**	**131,692**	**126,325**	**120,988**
Commission and bank services income	9,501	8,083	7,481	8,726	8,186	7,896	7,097
Commission and bank services expenses	-1,324	-1,079	-1,144	-1,080	-1,435	-1,072	-1,361
Net changes in value on securities and currency	11,168	12,841	6,056	-763	12,001	-4,082	-1,756
Other income	660	51	72	12	133	44	31
Net other operating income	**20,005**	**19,897**	**12,466**	**6,894**	**18,884**	**2,786**	**4,011**
Total income	**157,817**	**150,335**	**149,331**	**138,406**	**150,576**	**129,111**	**124,999**
Personnel expenses	-16,366	-16,542	-15,999	-14,934	-15,661	-15,700	-15,316
General administrative expenses	-21,406	-22,180	-18,500	-20,421	-20,257	-19,831	-19,939
- of which marketing expenses	*-2,336*	*-2,708*	*-911*	*-912*	*-437*	*-1,699*	*-923*
Depreciation and impairment	-3,947	-3,822	-3,551	-3,465	-3,275	-2,600	-2,508
Other operating expenses	-3,416	-1,949	-2,673	-3,131	-2,756	-1,850	-1,565
Total operating expenses	**-45,135**	**-44,492**	**-40,724**	**-41,952**	**-41,949**	**-39,982**	**-39,328**
Profit before loan losses	**112,682**	**105,843**	**108,607**	**96,454**	**108,627**	**89,129**	**85,671**
Provision for loan losses	-72,057	-67,823	-83,552	-60,073	-37,012	-52,123	-42,277
Profit before tax	**40,626**	**38,019**	**25,055**	**36,381**	**71,615**	**37,006**	**43,394**
Tax charge	-9,957	-9,133	-5,927	-8,819	-18,287	-8,393	-10,705
Profit after tax	**30,669**	**28,886**	**19,128**	**27,563**	**53,328**	**28,613**	**32,689**

Balance sheet (Amounts in NOK 1 000)	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Assets							
Cash and deposits with the central bank	51,931	51,448	51,021	50,685	50,402	50,154	50,021
Loans and deposits with credit institutions	350,786	302,452	437,415	496,705	322,201	190,562	294,555
Gross loans to customers	6,913,256	6,607,247	6,618,508	6,676,559	6,286,924	6,090,391	5,837,647
- Provision for loan losses	-427,542	-362,552	-342,225	-445,922	-403,373	-413,302	-391,784
Certificates and bonds	839,681	987,251	1,044,304	989,545	961,163	985,827	1,011,184
Deferred tax asset	57,920	67,877	77,010	82,937	91,756	107,960	118,434
Other intangible assets	41,219	34,647	30,206	28,730	29,380	26,951	19,668
Fixed assets	5,133	5,559	6,876	8,051	8,775	7,613	8,457
Other assets	21,258	25,462	33,498	32,270	20,256	19,729	27,980
Total assets	**7,853,642**	**7,719,392**	**7,956,614**	**7,919,560**	**7,367,484**	**7,065,885**	**6,976,162**
Liabilities and equities							
Debt to the central bank	0	0	0	0	0	0	0
Deposits from customers	6,239,373	6,141,604	6,393,293	6,325,948	5,791,333	5,545,223	5,397,067
Other liabilities	128,307	68,829	82,312	130,473	142,315	70,396	110,206
Subordinated loans	82,084	81,999	81,914	81,830	81,746	87,522	104,420
Total liabilities	**6,449,764**	**6,292,432**	**6,557,520**	**6,538,251**	**6,015,394**	**5,703,141**	**5,611,692**
Share capital	190,438	190,425	190,348	190,348	189,681	189,681	189,681
Share premium	662,638	662,599	662,360	662,360	660,322	660,322	660,322
Tier 1 capital	54,321	54,269	54,217	54,165	54,114	49,012	75,947
Other paid in equity	14,556	14,356	14,115	13,750	13,405	12,944	12,454
Other equity	481,925	505,311	478,053	460,684	434,568	450,786	426,066
Total equity	**1,403,878**	**1,426,960**	**1,399,094**	**1,381,309**	**1,352,089**	**1,362,745**	**1,364,470**
Total liabilities and equity	**7,853,642**	**7,719,392**	**7,956,614**	**7,919,560**	**7,367,484**	**7,065,885**	**6,976,162**

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