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Q2 2025 results

Morrow Bank ASA

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Providing financial flexibility to Nordic consumers

Offering convenient consumer financing...



Flexible consumer loans



No-fees credit cards



Guaranteed savings accounts

...to creditworthy individuals...

NOK ~600k

customer average annual income

NOK ~160k

average loan amount

~60%

homeownership

- ✓ Zero payment remarks
- ✓ Permanent employment

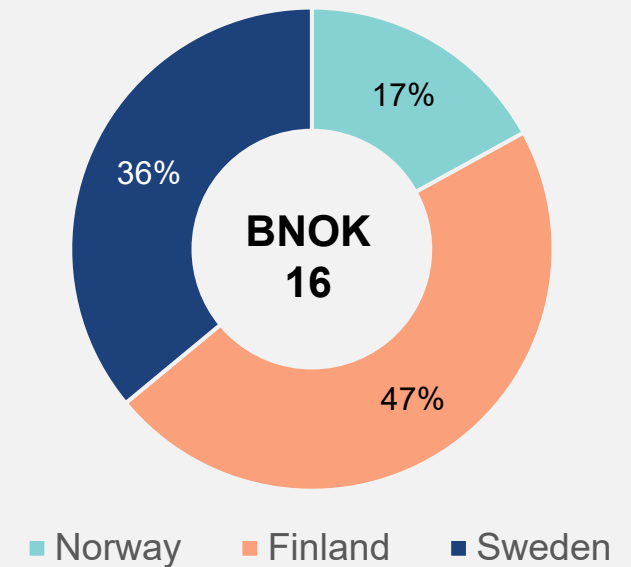
...across the Nordics



Scalable and efficient consumer banking platform

- Q2 profits before tax of NOK 91 million, up 35% vs Q2 24
- Solid loan growth – launched new refinancing product in Norway
- Higher net interest margin, lower cost/income ratio, stable loan losses
- End 2026 growth and ROTE targets increased upon strong performance
- Continuing to pursue structural growth opportunities if value accretive
- Long-term ambition of ROTE >20% driven by redomiciliation and scalability

Well-diversified Nordic loan book



Cost/income

25.8%

vs. 26.3% in Q2 2024

Loan loss ratio

4.3%

vs. 5.1% in Q2 2024

ROTE

12.2%

vs. 9.7% in Q2 2024

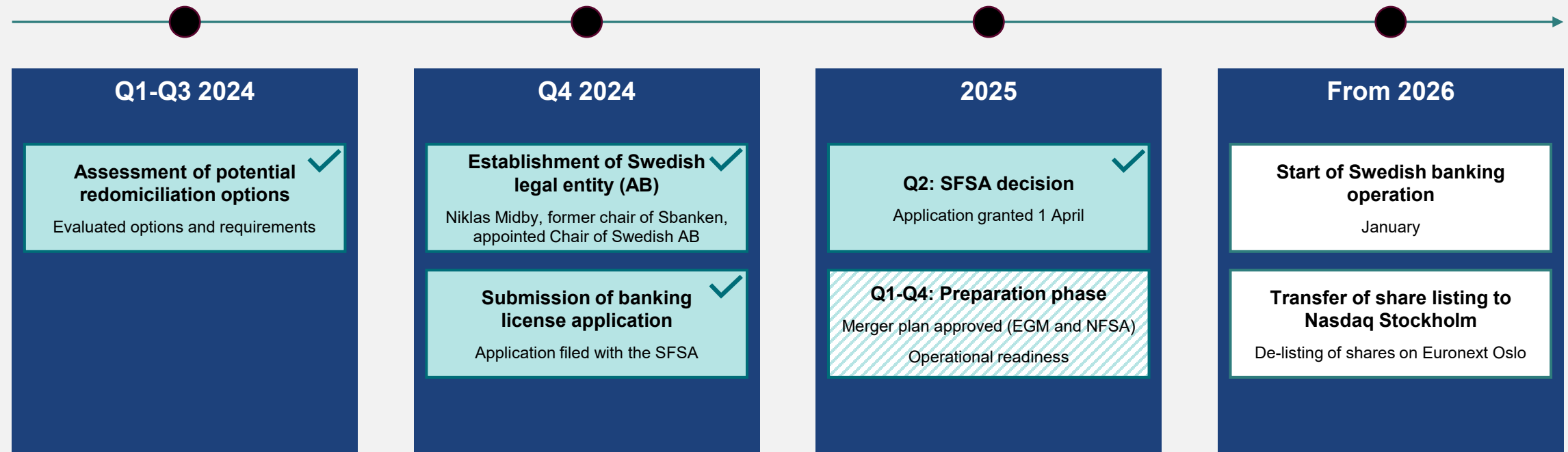
Dividend per share

NOK 0.4

Based on 2024 result

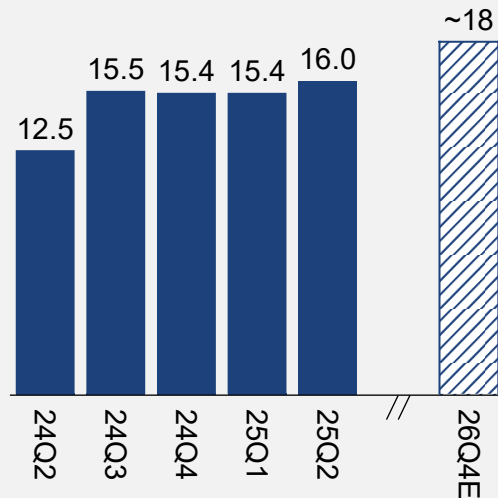
Morrow to become a Swedish bank early 2026

- Granted banking license 1 April and initiated transfer to Nasdaq Stockholm

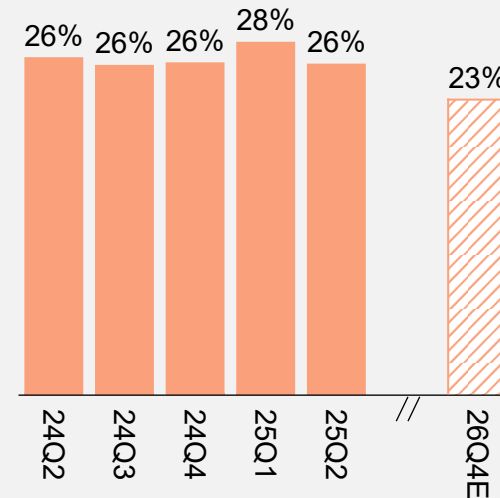


Profits up and returns improving

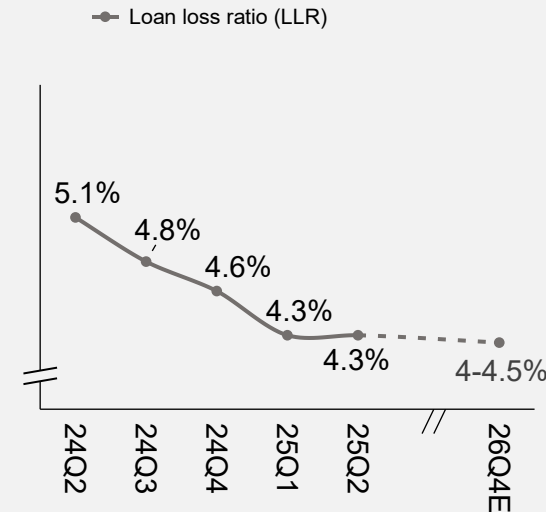
Loan balance
BNOK



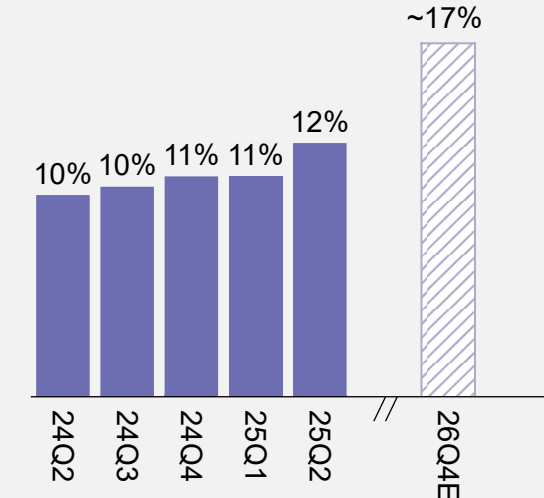
Cost/income ratio
%



Loan loss ratio
%



Return on target equity
%

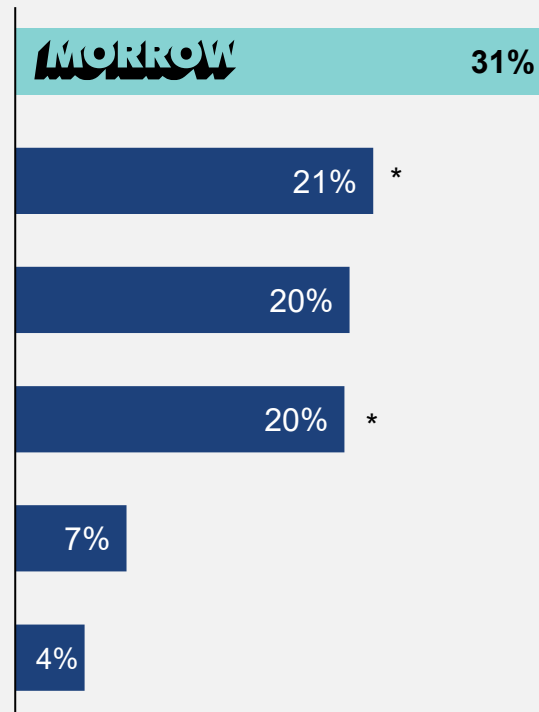


Mid-term ROTE target of ~17% by year-end 2026, reflecting Swedish capital requirements

Outperforming peers on growth and efficiency

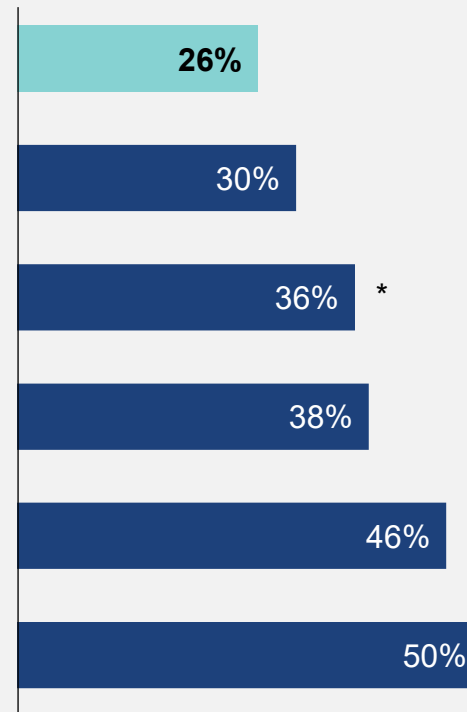
Growth last three years¹

Annualised per 25Q2



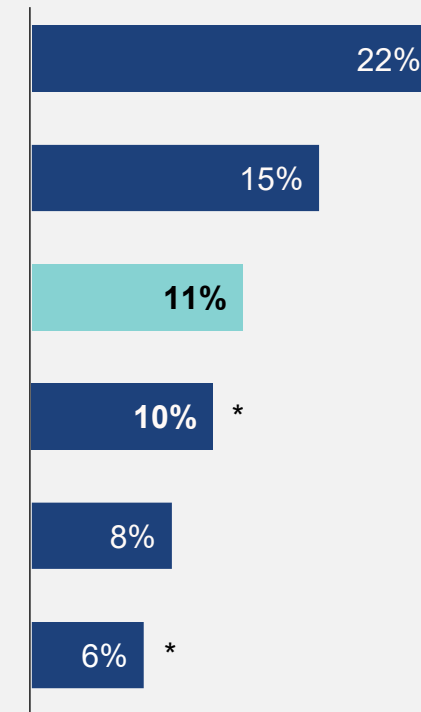
Cost/income ratio²

25Q2



Return on equity (ROE)

25Q2



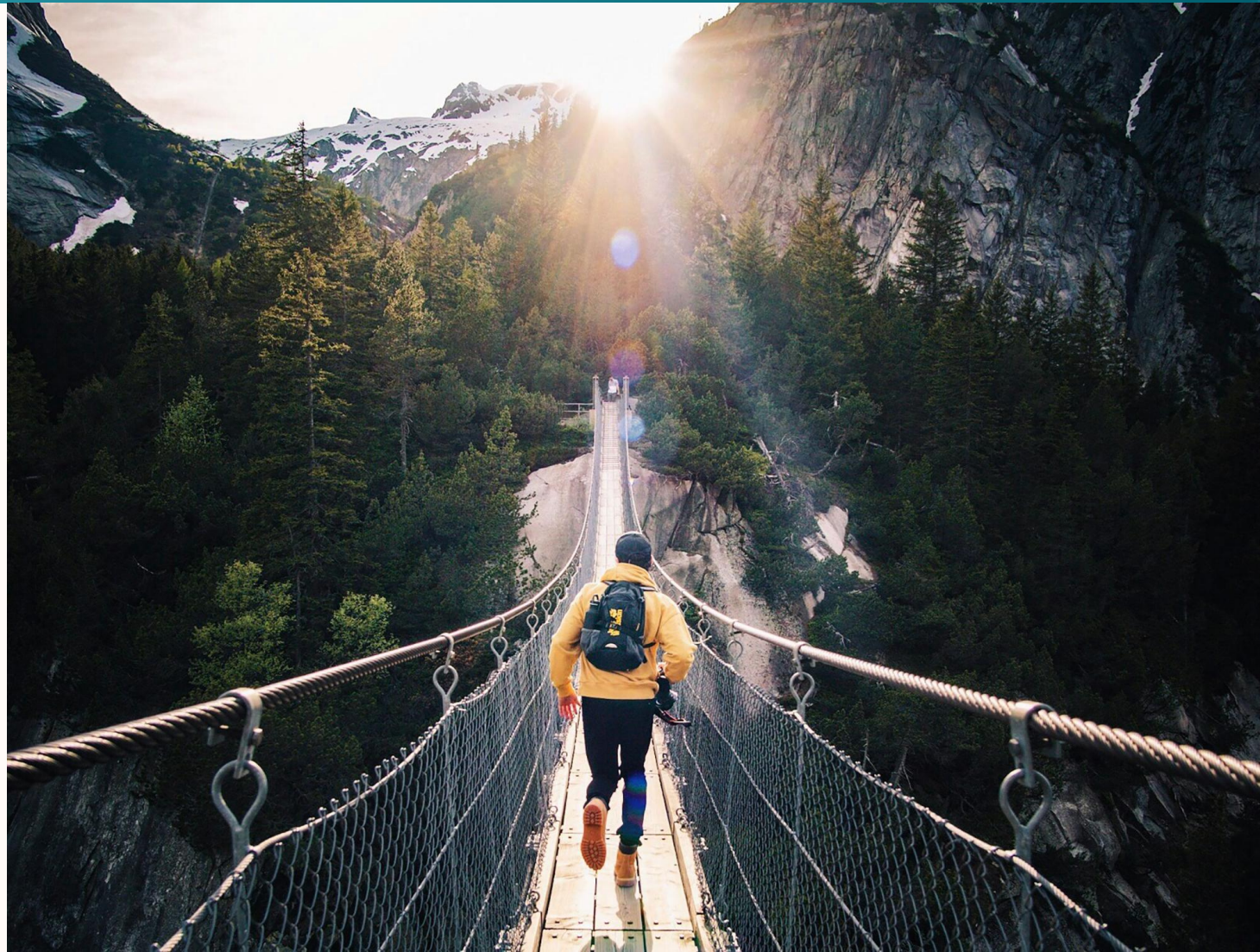
 Morrow Bank

Targeting long-term ROTE of >20%, in line with best Swedish peers

* 25Q1 (25Q2 not yet disclosed)

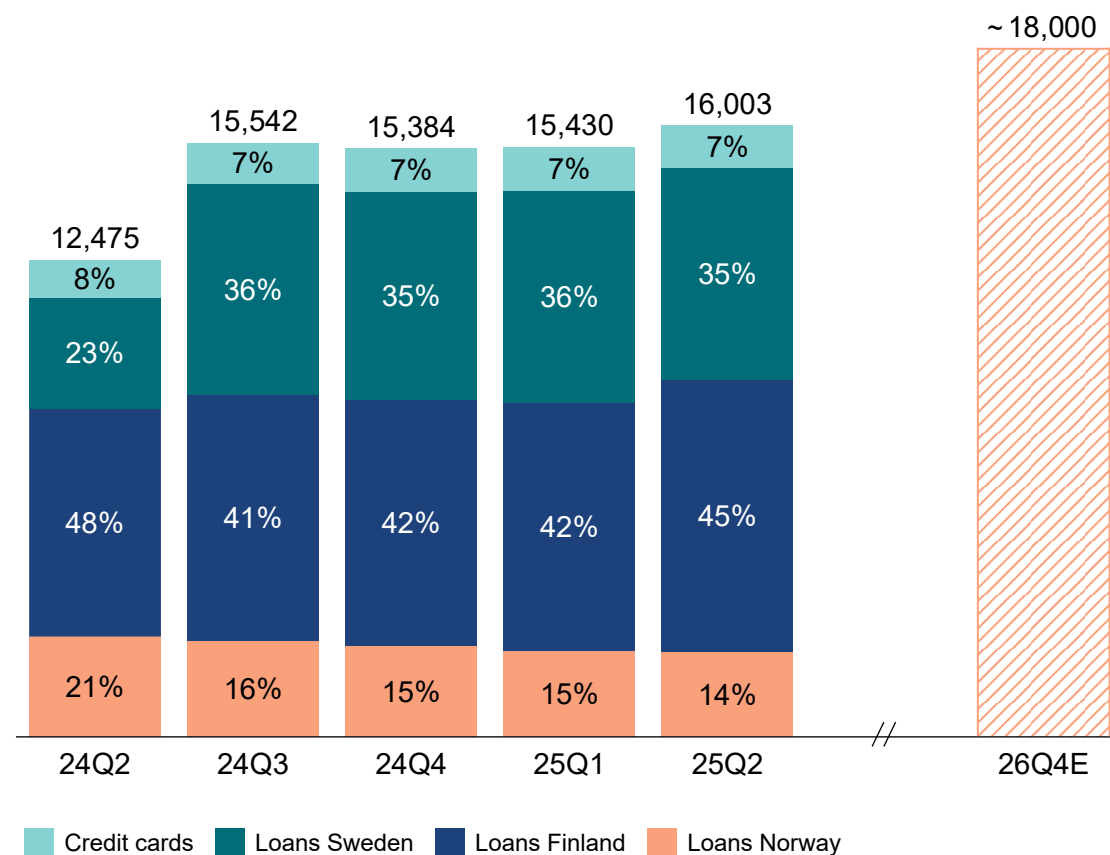
1. Gross loans. 2. Total operating expense / total income. Source: Company data, Bloomberg, Pitchbook. Peer group includes TF Bank, Resurs Bank, Norion Bank, Lea Bank and Instabank

Financial review



Building scale by growing in the most profitable markets

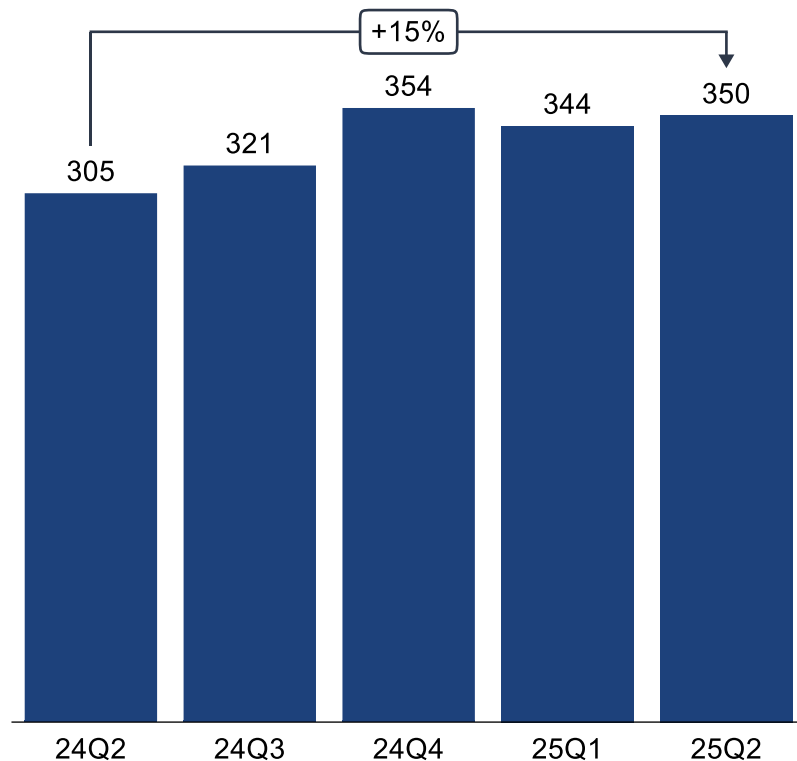
Total gross loans (MNOK)



- 4% organic loan growth in Q2
 - Capital allocated to most attractive market, Finland key driver (up NOK 633 million)
- Gross loans at NOK 16 billion, up 28% year-on-year incl. acquisitions
- Prudent launch of new refinancing product in Norway shows promising initial results
- Continuing to pursue structural growth opportunities if value accretive

Total income continues to grow

Total income (MNOK)

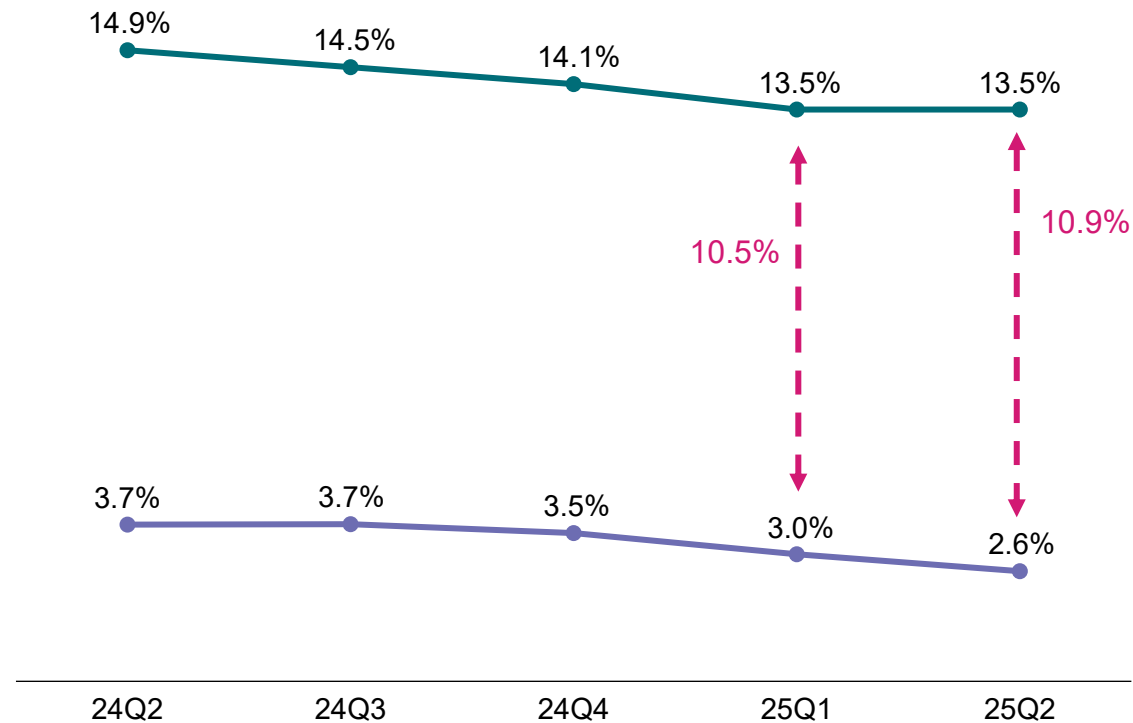


- Total income growth of 15% compared to Q2 last year
 - Driven by organic growth and acquisition of performing Swedish loan portfolios
- Higher net interest margin as lower deposit rates towards the end of Q1 had full effect in Q2
- New product launches to accelerate organic growth from H2

Improving net interest margins

Yields, performing loans and deposits

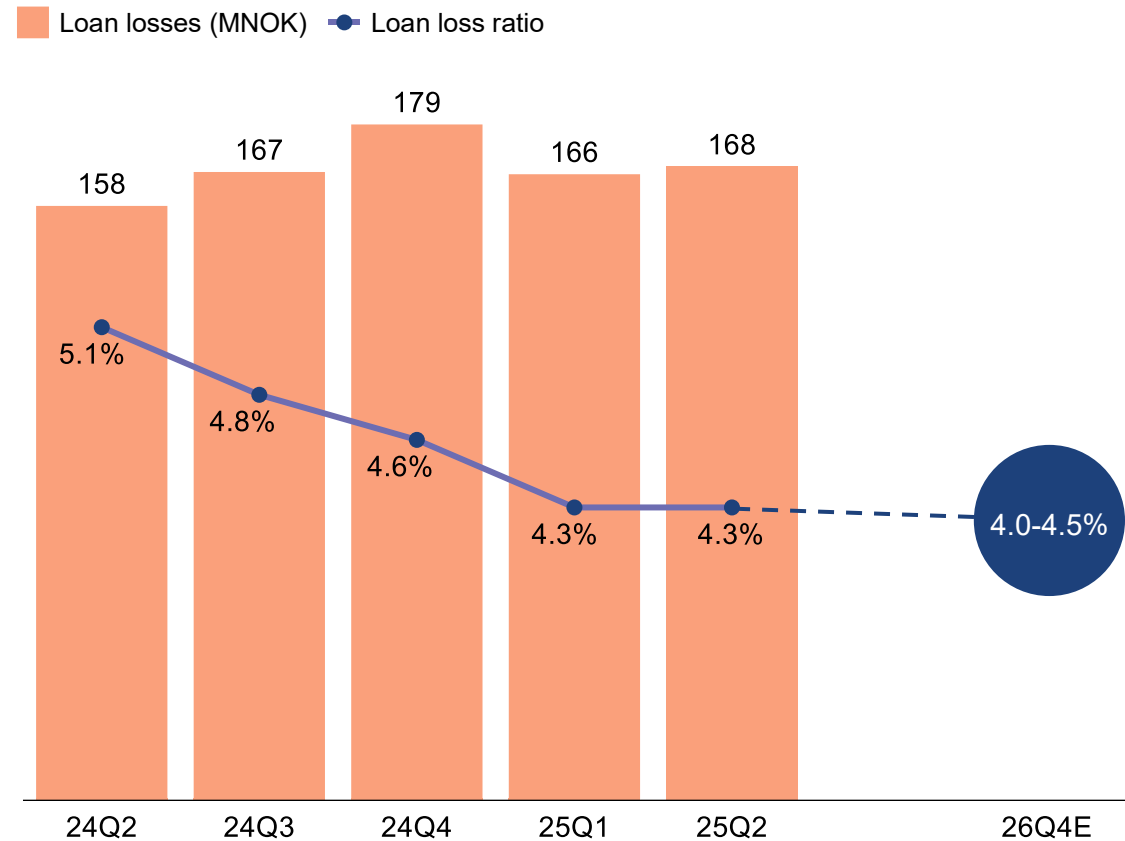
Deposits Loans and credit cards



- Net loan - deposit margin increasing to 10.9% in Q2 (10.5% in Q1)
- Margin expansion driven by yield on deposits going from 3.7% in Q2 2024 to 2.6% in Q2 2025
- Stable to positive net margin outlook

Loan loss ratio stable at target levels

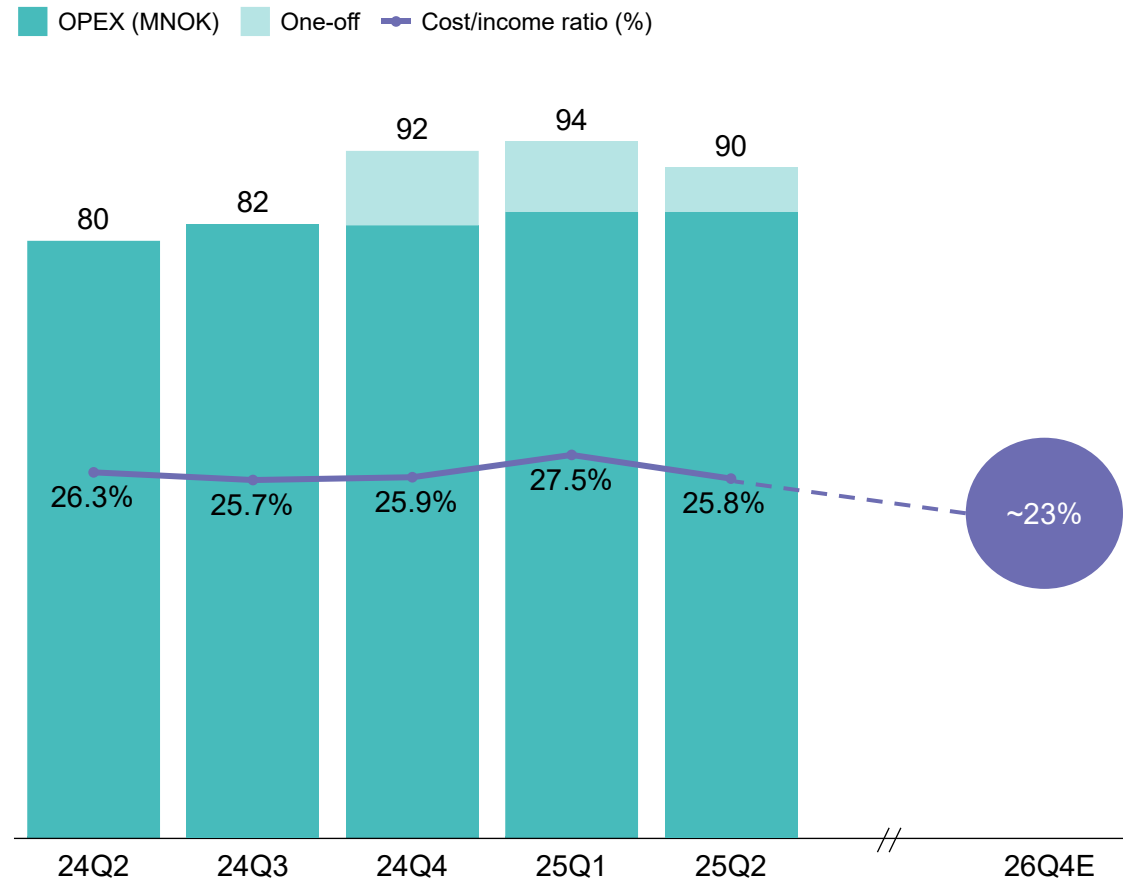
Loan losses



- Loan loss ratio stabilising after declining for five quarters in a row to 4.3% (5.1% in Q2 2024)
- Decrease year-on-year driven by stricter policies and maturing loan book
- Current level expected to continue, with some fluctuations from quarter to quarter

Flat underlying cost base

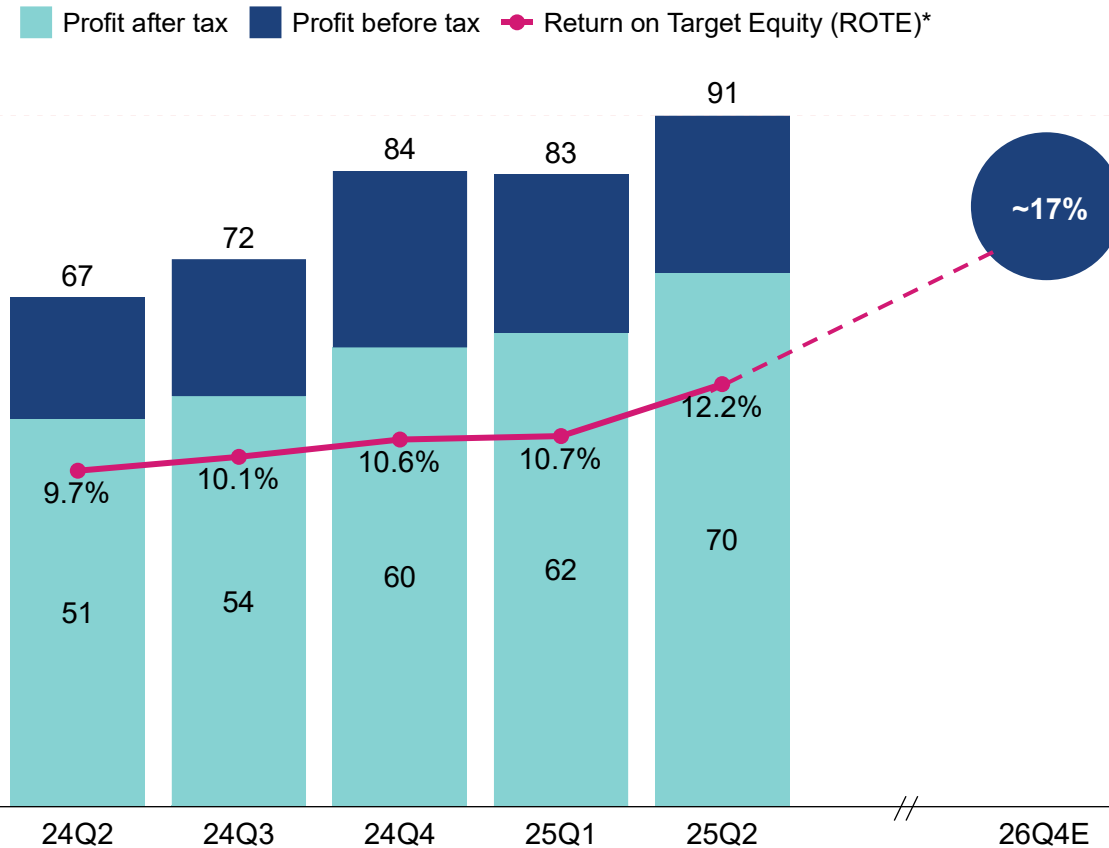
Cost/income



- Stable underlying OPEX despite continued loan growth, including portfolio acquisitions
- Cost/income ratio at 25.8%
 - MNOK 6 in redomiciliation related one-offs
- Further costs related to redomiciliation and Stockholm listing expected in 2025
- Underlying cost efficiency to continue to improve

Profitability increasing

Profit (MNOK)



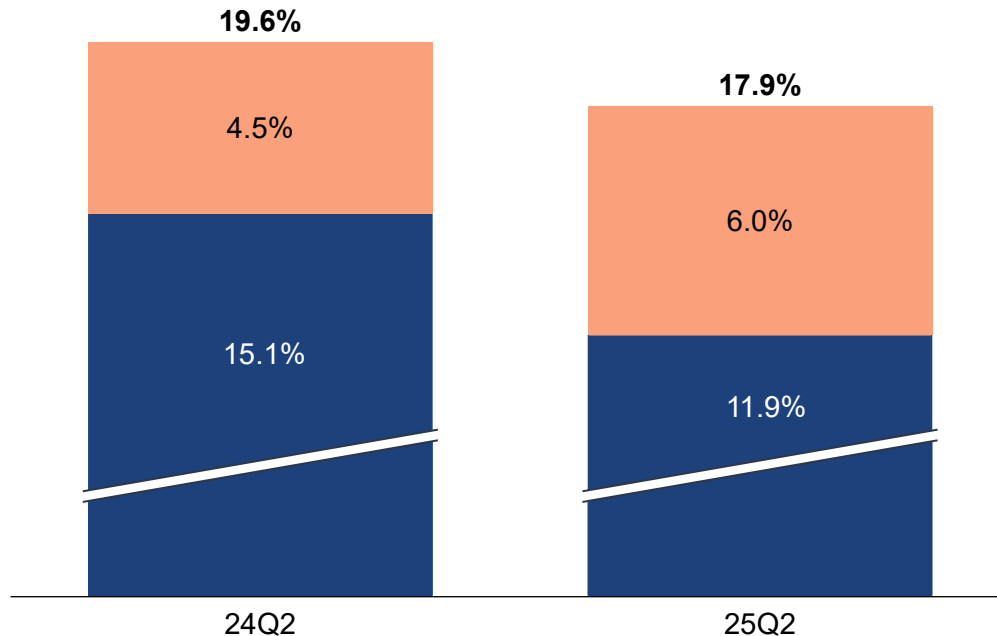
- Profit before tax increased by 35% to NOK 91.1 million in Q2
- Return on target equity (ROTE) at 12.2% – improved for seven consecutive quarters
- End-2026 ROTE target increased to ~17% followed by strong performance in the quarter
- Outlook for increased profitability driven by:
 - Continued loan balance growth at stable cost base
 - Stable/increasing risk-adjusted margins

* The Bank defines target equity as the equity required to meet the regulatory requirements as well as buffer

Strong balance sheet – room for growth and dividends

Capital adequacy - CET1

■ CET1 headroom ■ CET1 requirement



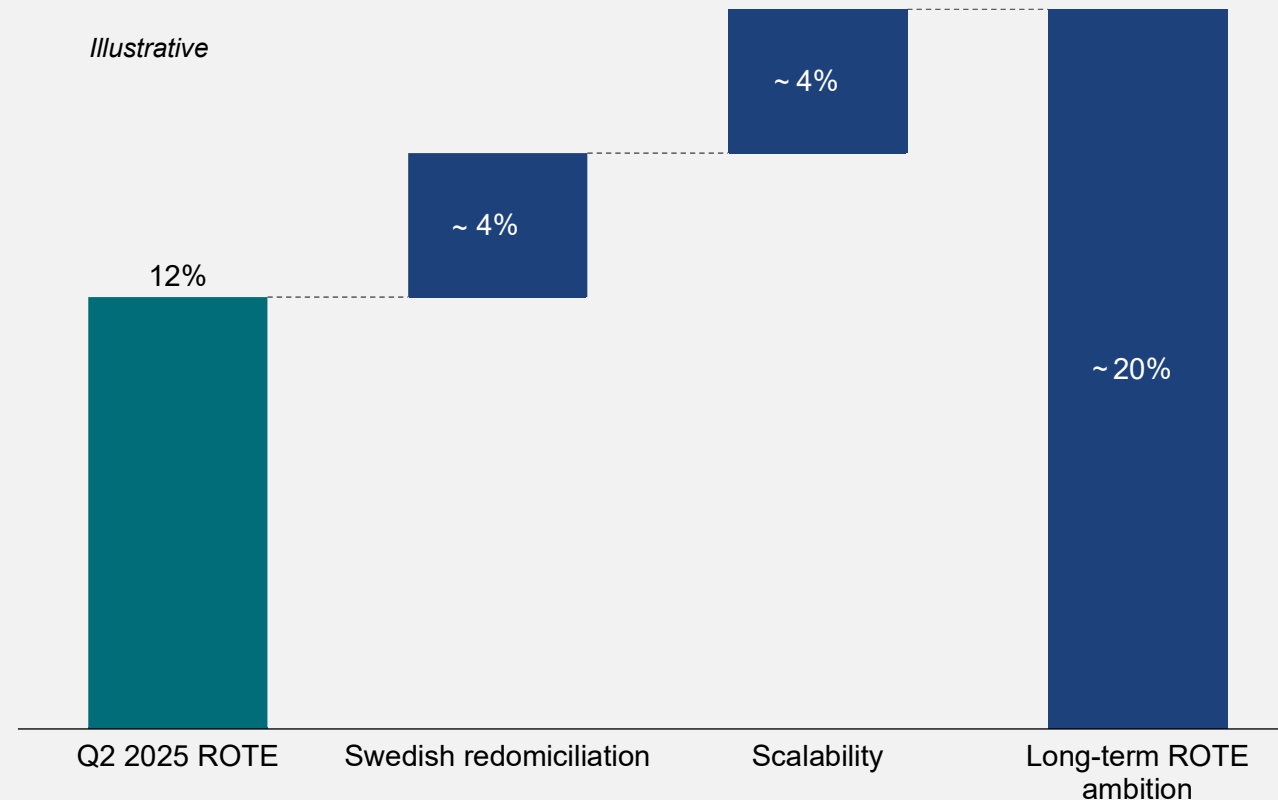
Please see Appendix for total capital situation

- Capital requirement relief effective in Q2– operational risk exposure reduced from MNOK 1,566 to MNOK 570
- Headroom to CET1 requirement/target of MNOK 710/470 as of 30 June 2025
- Raised NOK 275 million in alternative tier 1 bond with pricing improving from 8% to 6.9%
- Capital allocation priority:
 1. Organic growth
 2. Accretive loan portfolio acquisitions/M&A
 3. Return profits to shareholders

Summary and outlook



Redomiciliation and scalability enabling ROTE >20%



- Redomiciliation

- Lower capital requirements in Sweden compared to Norway
- 12.2% ROTE in Q2 2025 would have been 15.5% as a Swedish bank

- Scalability

- 31% average loan growth last three years, costs reduced by 23% in the same period
- Expect 5-10% loan growth and a stable costs base in the medium to long-term

Attractive value-creation potential

Today

A scalable banking platform

- Proved scalability and industry leading cost-efficiency
- Generating excess capital; paid first dividend since turnaround

Towards end-2026

Excess capital growing

- Level playing field with Swedish peers to increase value creation
- Organic improvements driving increased growth and profitability
- Exploiting in-organic opportunities

Longer-term

Driving returns

- Allocate capital to where it creates the highest long-term shareholder returns

Q2 performance

Gross loans
BNOK 16

ROTE
12%

Year-end 2026 targets and medium-term outlook as a Swedish bank

Gross loans
BNOK ~18

ROTE
~17%

**Further growth,
dividends and
M&A**

ROTE ambition
>20%

The logo for MORROW features the word "MORROW" in a bold, blue, sans-serif font. The letters are slightly shadowed, giving them a three-dimensional appearance. Below the word, there is a white, stylized wave-like graphic that spans the width of the text.

MORROW

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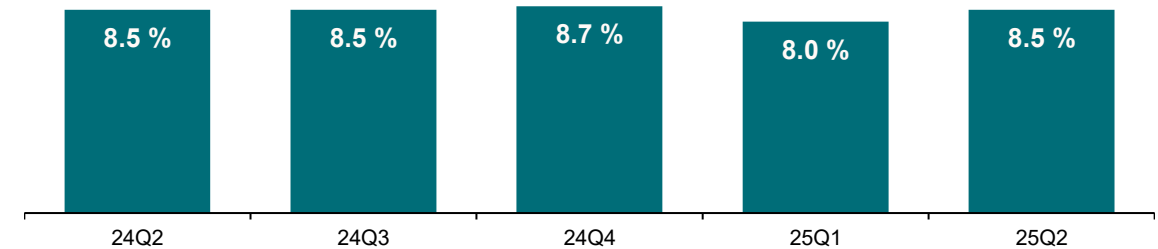
Q & A

APPENDIX

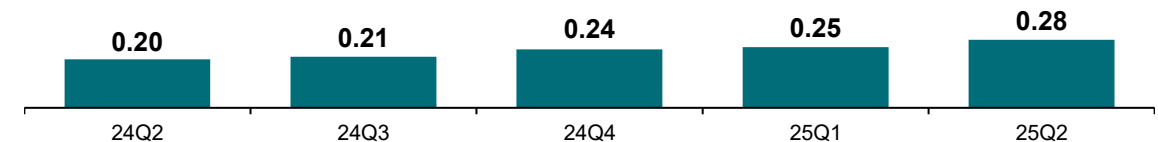
Profit and loss

<i>Amounts in MNOK</i>	Q2 2025	Q1 2025	2024	2023
Interest income	449.7	450.1	1,762.7	1,380.0
Interest expenses	-119.0	-134.4	-552.2	-359.8
Net interest income	330.7	315.8	1,210.5	1,020.2
Commission income and fees	17.4	25.8	68.8	62.7
Commission expenses and fees	-19.6	-17.5	-61.2	-57.6
Net commissions and fees	-2.2	8.3	7.6	5.1
Net gains / losses (-) on certificates and bonds, and currency	21.3	20.0	58.7	28.6
Total income	349.8	344.0	1,276.7	1,053.9
Personnel expenses	-33.8	-33.1	-118.1	-102.3
General and administrative expenses	-32.6	-35.8	-132.0	-135.3
Other expenses	-11.4	-14.3	-40.3	-47.6
Depreciation	-12.5	-11.4	-44.0	-35.7
Total operating expenses	-90.3	-94.5	-334.4	-320.9
Losses on loans	-168.4	-166.4	-661.0	-526.7
Profit/(loss) before tax	91.1	83.1	281.4	206.4
Tax expenses	-20.8	-20.8	-72.7	-54.5
Profit/(loss) after tax	70.3	62.3	208.7	151.9
Earnings per share (NOK)	0.28	0.25	0.82	0.62

Net interest margin* (%)



Earnings per share (NOK)

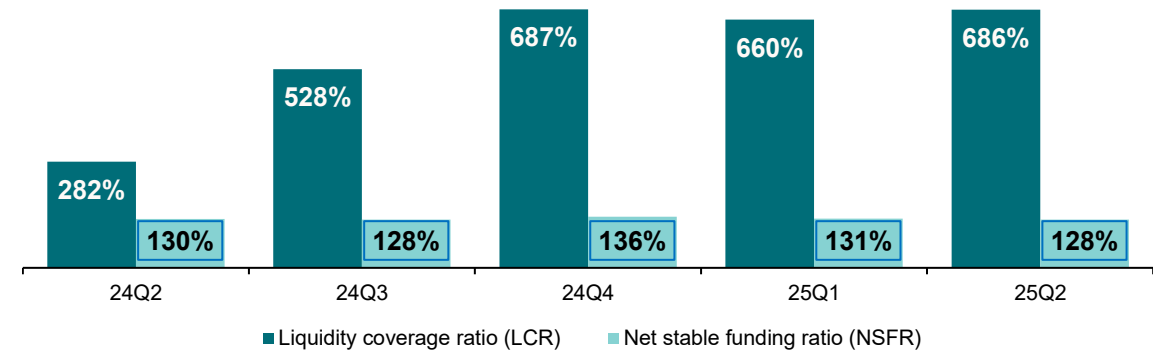


* Net interest margin (NIM) = 4 * (Net interest income / Average interest-bearing assets excl. certificates and bonds).

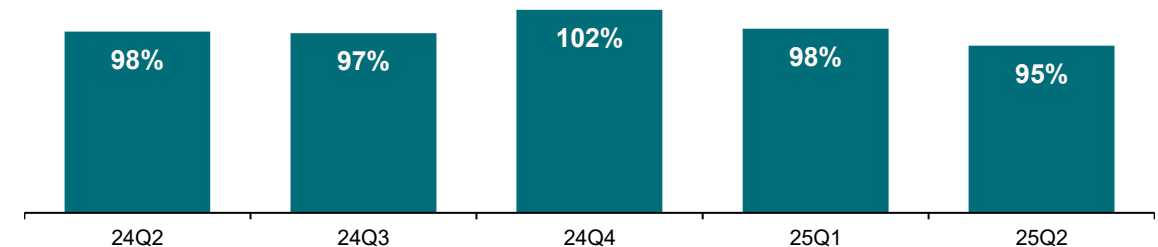
Balance sheet

<i>Amounts in MNOK</i>	30 Jun. 2025	31 Mar. 2025	31 Dec. 2023	31 Dec. 2022
Assets				
Loans and deposits with credit institutions	1,369.6	1,791.4	1,530.0	807.8
Net loans to customers	14,275.9	13,768.4	11,076.0	9,110.7
Certificates and bonds	2,525.8	2,448.8	926.1	1,453.5
Other intangible assets	71.4	68.5	66.9	45.3
Deferred tax assets	-	-	29.5	77.9
Fixed assets	16.4	17.4	22.0	3.5
Other receivables	38.6	49.5	14.7	29.2
Total assets	18,297.8	18,144.1	13,665.2	11,528.0
Equity and liabilities				
Deposits from and debt to customers	15,224.8	15,147.2	11,096.0	9,347.6
Other debt	157.5	148.5	125.3	162.1
Subordinated loans (Tier 2)	265.0	265.0	165.0	65.0
Deferred tax	45.8	24.6	-	-
Tax payable	29.3	31.3	-	-
Total liabilities	15,722.4	15,616.6	11,386.3	9,574.8
Share capital	231.2	230.9	229.4	187.6
Share premium reserve	936.9	936.9	936.9	786.7
Other paid-in equity	58.1	56.6	56.5	56.4
Retained earnings	1,074.4	1,103.6	856.7	723.0
Additional Tier 1 capital	275.0	199.6	199.6	199.6
Total equity	2,575.5	2,527.6	2,278.9	1,953.3
Total equity and liabilities	18,297.8	18,144.1	13,655.2	11,528.0

Liquidity and funding



Deposit coverage* (%)



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

Shareholder overview

Largest 20 shareholders

#	Shareholder	Shares (thousand)	%
1	Kistefos AS	47,787	20.7%
2	UBS AG	13,165	5.7%
3	Alfab Holding AS	10,257	4.4%
4	Kvantia AS	8,350	3.6%
5	DNB Bank ASA	7,558	3.3%
6	Verdipapirfondet DNB Smb	7,157	3.1%
7	Hvaler Invest AS	6,739	2.9%
8	Norda ASA	5,353	2.3%
9	AS Audley	4,346	1.9%
10	OM Holding AS	4,209	1.8%
11	Hans Eiendom AS	4,000	1.7%
11	Stiftelsen Kistefos	4,000	1.7%
13	Directmarketing Invest AS	3,715	1.6%
14	Christiania Skibs AS	3,101	1.3%
15	Melesio Invest AS	2,767	1.2%
16	Belair AS	2,642	1.1%
17	Obligasjon 2 AS	2,540	1.1%
18	Nordnet Livsforsikring AS	2,249	1.0%
19	Hjellegjerde Invest AS	2,157	0.9%
20	Khaya AS	2,134	0.9%
Total top 20		144,227	62.4%

Management and members of the Board of Directors

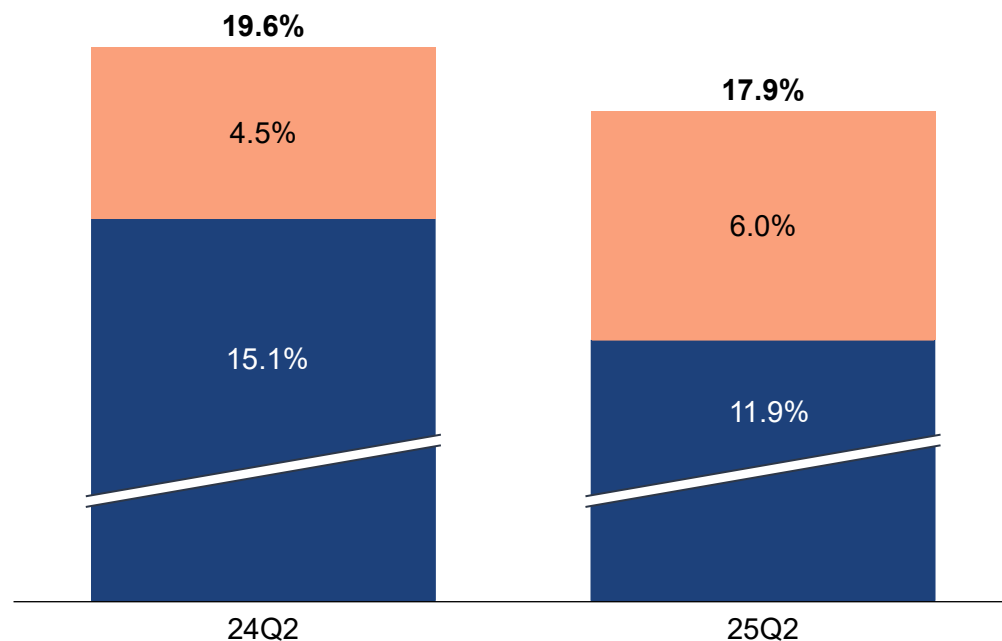
Role	Name	Shares (thousand)	Share options* (thousand)	Warrants (thousand)
CFO	Eirik Holtedahl	2,642	287	800
COO	Wilhelm B. Thomassen	2,219	389	800
CEO	Øyvind Oanes	483	463	1,250
CCRO	Annika Ramstedt	334	439	800
CCO	Tony Rogne	-	231	800
CTO (interim)	Martin Valland	186	-	800
Members of the Board of Directors		1,468	-	-
Total		7,353	1,809	5,250

* Total outstanding granted share options

Strong balance sheet – room for growth and dividends

Capital adequacy - CET1

■ CET1 headroom ■ CET1 requirement



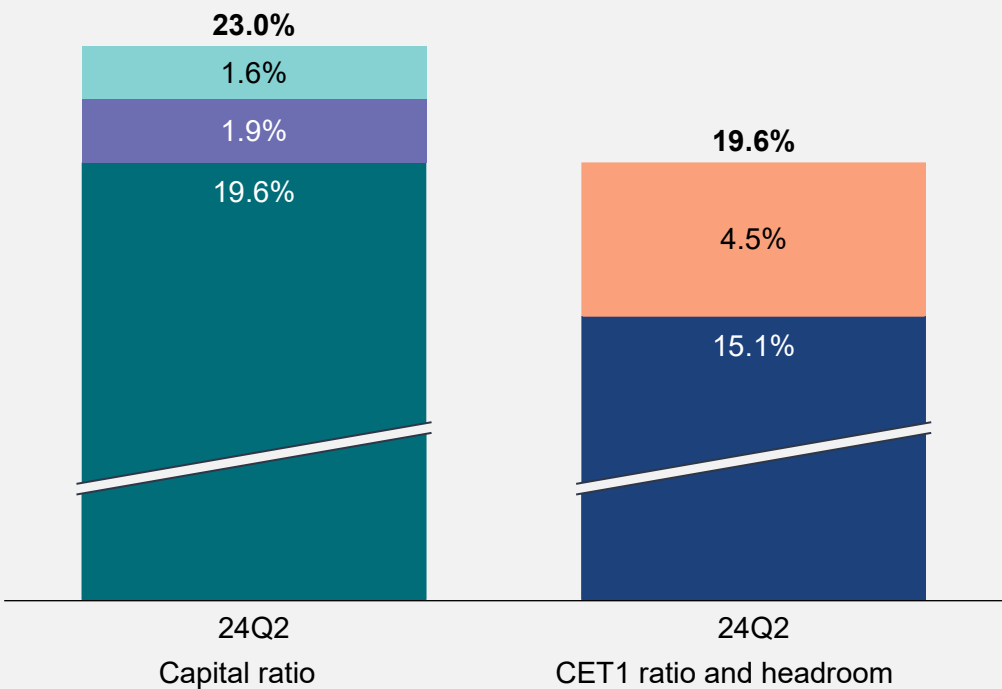
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Headroom to capital requirements

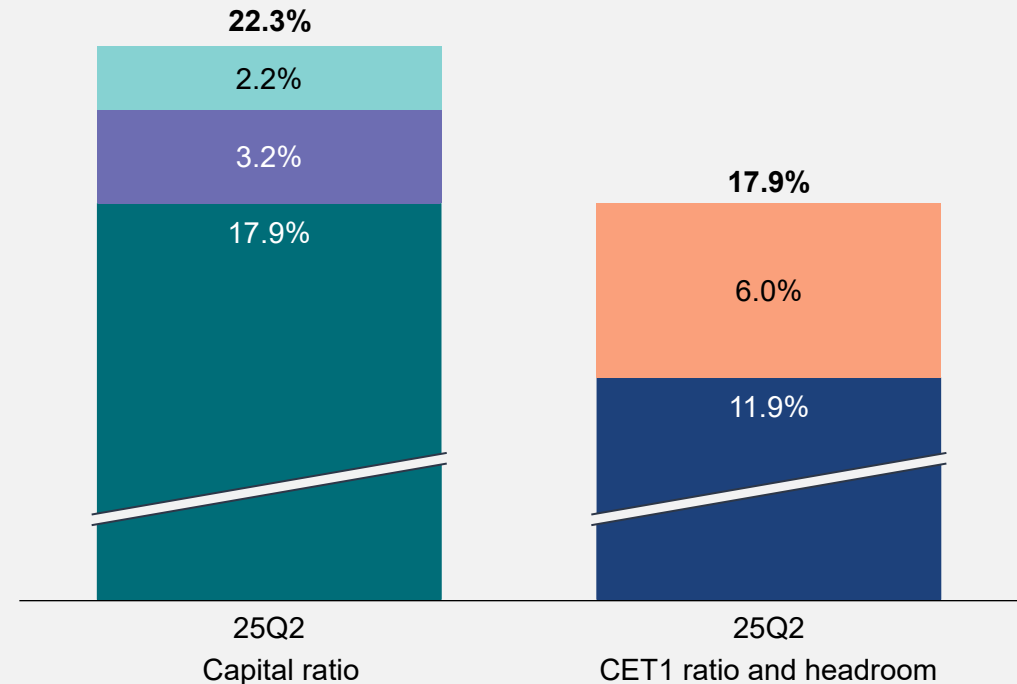
24Q2 capital adequacy

CET1 headroom CET1 requirement Tier 2 (T2)
Additional Tier 1 (AT1) Common Equity Tier 1 (CET1)



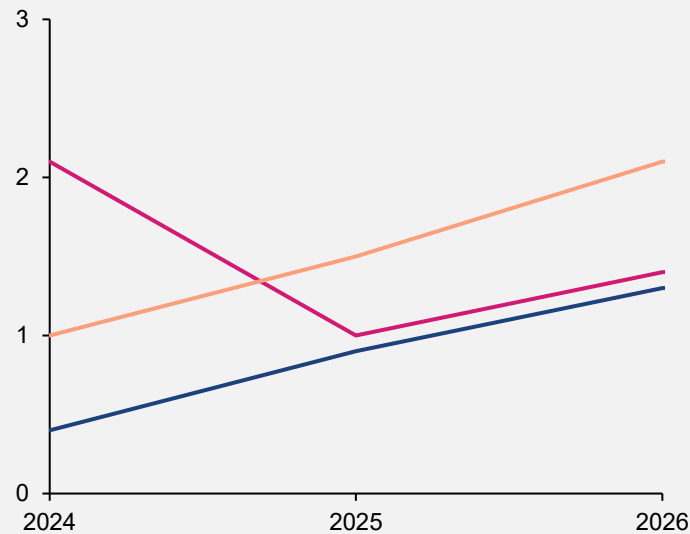
25Q2 capital adequacy

CET1 headroom CET1 requirement Tier 2 (T2)
Additional Tier 1 (AT1) Common Equity Tier 1 (CET1)



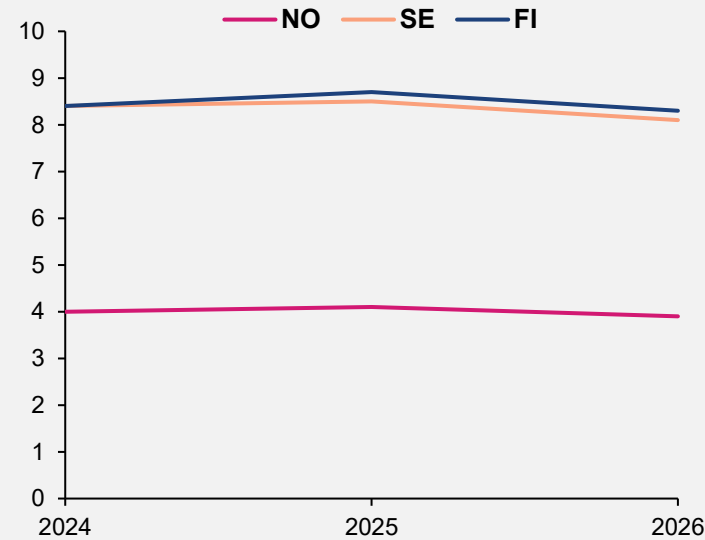
Macro outlook: Attractive risk/reward in the Nordics

GDP growth (%)



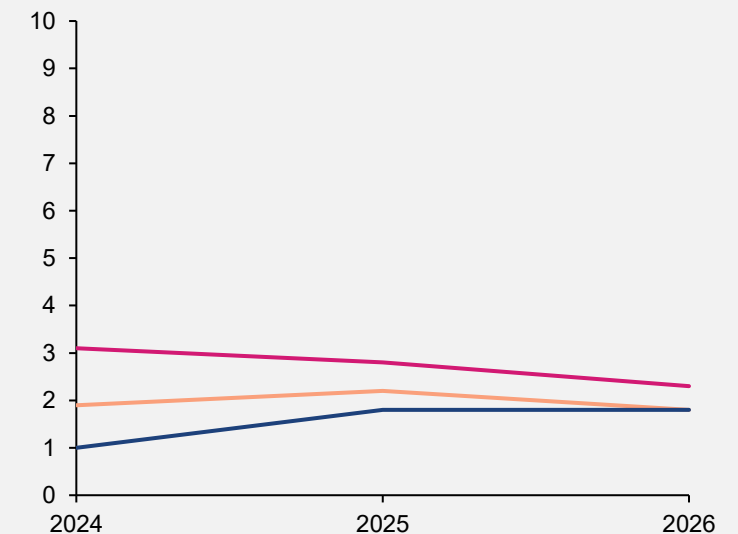
- GDP growth to support demand for consumer loans

Unemployment (%)



- Unemployment outlook remains stable, limiting credit risk

Inflation (%)



- Inflation levels normalising, lower interest rates reduces funding cost and improves customer disposable income

Underpinned by robust economic policy frameworks and strong public finances