



Interim report

FIRST QUARTER 2026

Announced largest acquisition to date – accelerating profitability

As a newly established Swedish bank, there are no direct comparables to previous periods. Historical reports from the former Norwegian entity, Morrow Bank ASA, are available at ir.morrowbank.com.

Strong loan book growth

- Gross loans at SEK 18 billion, up SEK 1.2 billion during the quarter
- Total income of SEK 370 million
- Cost/income ratio at 24.8% excl. one-off redomiciliation and MedMera Bank acquisition costs
- Loan loss ratio at 4.1%
- Profit before tax of SEK 87 million in the quarter
- Return on equity (ROE) at 10.7% and return on target equity (ROTE) at 13.9%
- Earnings per share (EPS) of SEK 0.26

Successful Swedish redomiciliation and Stockholm listing

- Redomiciled to Sweden, reducing capital requirements and contributing to increasing excess capital
- Listed on Nasdaq Stockholm, strengthening access to Nordic's largest capital market and consumer banking hub

Excess capital deployed with MedMera Bank acquisition

- Announced acquisition of MedMera Bank, increasing loan book by ~65%, for a total consideration of SEK ~2 billion, financed through excess capital, new shares and bonds
- Accretive acquisition at an attractive valuation, with strong strategic fit and significant synergies

Improved outlook

- Maintain organic growth momentum
- Ambition to more than double earnings per share by 2028 vs. 2025, driven by scale, credit quality and cost efficiencies
- Continued focus on accretive M&A to utilise our scalable platform and further accelerate growth and returns

Comment from the CEO, Øyvind Oanes:

“In the first quarter of 2026, we continued to execute on our growth strategy. We successfully completed the redomiciliation to Sweden and transferred our listing to Nasdaq Stockholm, reducing capital requirements and increasing available capital. This capital is now being deployed in line with our strategy to drive earnings growth and long-term value, as demonstrated by the announced acquisition of MedMera Bank – our fourth M&A transaction in less than two years and the largest to date.

The transaction values MedMera at SEK 1.96 billion based on a P/B of 1.06 at closing, financed through utilisation of excess capital, newly issued shares and bonds, structured to achieve the lowest possible cost of capital and maximise returns to shareholders. The acquisition enhances our scale, strengthens our presence in the Swedish market, and increases both earnings capacity and returns. It illustrates the disciplined, accretive capital allocation approach to which we are committed. The combined platform supports our ambition of more than doubling earnings per share by 2028 compared with 2025, alongside a return on target equity (ROTE) above 20%.

The underlying business delivered strong loan growth during the quarter, supported by healthy credit demand across our Nordic markets. Net interest margins were somewhat softer, whereas credit quality was in line with our target. Reported earnings reflect one-off costs related to the Swedish redomiciliation and the MedMera Bank transaction, which we expect to normalise in the coming quarters.

Looking ahead, we are well positioned to build on this momentum. Nordic economies remain resilient despite global uncertainty, with stable policy rates and robust employment supporting ongoing credit demand and limiting systemic risk. Our diversified funding base, solid capital structure and highly scalable platform position us to continue generating strong earnings growth and attractive returns for our shareholders.”

About Morrow Bank

Morrow Bank is a Nordic niche bank offering consumer loans, credit cards and deposit accounts to consumers. The target group is creditworthy individuals with stable personal finances and no payment remarks. Credit risk is managed largely by automated processes for credit assessment and underwriting. The Bank has a diversified and balanced distribution model utilising both public and proprietary channels. Operational efficiency and low costs are a foundation for Morrow Bank, enabled by centralised operations, modern systems and digital set-up.

The Bank’s main products are consumer loans, comprising Morrow Bank’s annuity loans as well as a credit line product giving the customer more flexibility. In addition, the Bank offers “Morrow Bank Mastercard”, a credit card with product features tailored to online shopping and travelling. The Bank offers these products in Norway, Sweden and Finland. Moreover, Morrow Bank offers savings products with attractive interest rates in Norway, Sweden, Germany, Austria, Ireland, the Netherlands and France. Customer deposits are guaranteed through Riksgälden, the Swedish deposit insurance scheme, up to SEK 1.150 million per customer. Norwegian residents’ deposits with the Norwegian branch of Morrow Bank are insured up to NOK 2 million per customer.

The Bank is pursuing a strategy of building a digital, scalable and efficient operating model combined with strong risk control. In the near- to medium-term, lending operations will be focused on the Nordic region.

The Bank operates on a cross-border basis from Stockholm (headquarter) and Oslo (Norway branch). The Swedish banking license provides for passporting of Morrow Bank’s offering throughout the European Economic Area (EEA). The Bank’s shares are listed on Nasdaq Stockholm.

Financials for Q1 2026

This interim report has been subject to a limited review performed by the Bank's auditor.

The interim financial information has been prepared and presented in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies.

Following its redomiciliation to Sweden, the Bank now operates as Morrow Bank AB and reports in Swedish Krona (SEK). As a newly established Swedish bank, there are no direct comparables to previous periods. Historical reports from the former Norwegian entity, Morrow Bank ASA, are available at ir.morrowbank.com.

Loan book

Gross loans to customers amounted to SEK 18.1 billion at the end of Q1 2026, adding SEK 1.2 billion during the quarter. The growth was driven by strong customer demand, including the new refinancing product and targeted campaigns in the Norwegian market, as well as positive currency effects.

By product segment, consumer loans increased by SEK 3.2 billion and credit cards by SEK 197 million year-on-year. Adjusted for currency effects and NPL sales, total gross loans increased by 4.6% in the quarter.

Profit and loss

Net interest income amounted to SEK 348 million in Q1 2026.

Net interest margin was 10.1% for performing consumer loans in the quarter. Growth in Q1 was predominantly in Norway, where net yields are structurally lower than in Sweden and Finland. In addition, the Bank has deliberately implemented actions to proactively increase liquidity ahead of the upcoming acquisition of MedMera Bank AB.

Net commissions and fees amounted to SEK 4.5 million in the quarter while net gains on certificates, bonds and currency were SEK 17.9 million as a result of gains from market-based instruments.

Total income was SEK 370.0 million, mainly driven by the increased loan balance and slightly higher net interest margins.

Total operating expenses were SEK 103.8 million. The quarter was impacted by SEK 13.5 million in one-offs for additional advisory and personnel costs related to the Swedish redomiciliation and advisory fees related to the MedMera Bank acquisition.

The cost/income ratio was 28.0% (0%), while the ratio adjusted for one-offs was 24.8% (0%). Softer net interest margins and elevated costs related to the transactions explain the higher-than-normal cost/income ratio. Underlying total operating expenses were broadly in line with expectations. Excluding these one-off items, the cost/income ratio remained consistent with the Bank's trajectory toward its targets.

Losses on loans amounted to SEK 179.6 million in the quarter. The loan loss ratio was 4.1%, in line with the Bank's target.

Profit after tax ended at SEK 67.8 million. The results were primarily driven by total income lifted by higher gross loans and a low loan loss ratio. This corresponds to an earnings per share of SEK 0.26.

Return on equity was 10.7% in the quarter and return on target equity (ROTE) was 13.9%.

Balance sheet

Total assets as at 31 March 2026 amounted to SEK 21,293 million. Net loans to customers ended at SEK 16,380 million. Deposits from customers amounted to SEK 18,049 million. In Q1 the portion of defaulted loans was SEK 2,941 million.

In February 2026, Morrow Bank announced it had entered into an agreement to sell part of the Bank's non-performing loans in Sweden, representing a gross book value of approximately SEK 440 million. The transaction is set to reduce the Bank's NPL exposure risk, improve capital ratios and is foreseen to affect pre-tax profitability positively. The transaction closed in April 2026.

Total equity was SEK 2,558 million as at 31 March 2026. The Bank had a total capital ratio of 20.2% at the end of the quarter and a CET1 ratio of 15.5% reflecting the higher loan balance. A solid headroom to CET1 ratio target of 3.7%-points remains, providing ample opportunities for growth.

Loans and deposits with credit institutions and certificates and bonds amounted to SEK 4,804 million corresponding to 22.6% of total assets.

Merger and redomiciliation to Sweden and Nasdaq Stockholm listing completed

Morrow Bank ASA and Morrow Bank AB completed their planned cross-border merger on 2 January 2026, and at the same day started its operations as a Swedish bank. Morrow Bank AB holds a Swedish banking license and was the surviving entity in the merger. The move to Sweden reduced capital requirements due to less stringent regulation compared to Norway, realising significant excess capital.

On 9 January 2026, Morrow Bank AB's shares were admitted to trading on the Nasdaq Stockholm main market, marking the completion of the relisting process. Shareholders of Morrow Bank ASA received one new share in Morrow Bank AB for each share previously held, on a one-for-one basis.

MedMera Bank AB acquisition

On 26 March 2026, Morrow Bank announced an agreement with Kooperativa Förbundet to acquire 100% of the shares of MedMera Bank AB for a total consideration at closing of SEK 1,960 million. This is Morrow Bank's fourth acquisition in less than two years, demonstrating a repeatable and disciplined consolidation strategy.

The transaction combines increased scale, synergies and an attractive valuation, supporting accelerating growth and returns. It represents a strong strategic fit with Morrow Bank's pure-play Nordic consumer loan operations, given the similarity in products and lower risk customer profile, while establishing a long-term partnership with one of Sweden's largest retail brands, with over 4 million Coop members.

Based on 2025 figures, the combined entity had pro forma gross loans of SEK 28.2 billion (SEK 16.9 billion for Morrow Bank standalone), a weighted average gross credit loss ratio of 3.2% (4.0%), and profit before tax of approximately SEK 559 million (SEK 337 million).

The Transaction positions Morrow Bank for accelerated growth and shareholder value creation:

- Total income: Expected long-term uplift

- Cost/income ratio: expected to be around 20% supported by SEK ~150 million expected annual cost savings at fully realized synergies end-2028 driven by the scalable tech platform, right-sized organisation, continuous improvements and AI-driven automation
- Earnings per share: ambition to more than double by 2028 vs 2025 (SEK 1.0), driven by growth, cost efficiencies and improved credit quality
- Valuation: approximately 1.06x P/B at closing and around 11x 2025 P/E (excluding synergies), supporting a strong return on invested capital
- Capital position: expected to remain robust, with estimated total capital ratio of ~17% by end-2026, compared to 19.5% (Morrow Bank ASA) by end-2025, retaining headroom to regulatory requirements

The transaction is expected to be financed through a combination of deployment of excess capital, issuance of new shares in Morrow Bank to the seller, a planned equity issue of SEK ~600 million and issuance of AT1 and T2 bonds of SEK ~500 million. The equity issue, if carried out as a rights issue, is supported by subscription and guarantee undertakings from the Company's largest shareholder Kistefos AS, Belair AS and AS Straen. The MedMera acquisition is expected to close in early Q3 2026.

Market outlook

The Nordic economies have an overall stable outlook, supported by robust economic policy frameworks and strong public finances. During Q1, central bank interest rates remained unchanged across Morrow Bank's markets, while after the quarter, Norges Bank raised its policy rate by 0.25 percentage points. Long-term interest rates have been more volatile with slight increases driven by higher energy prices following the outbreak of the US-Iran conflict mid-quarter. Unemployment levels in all three lending markets remain broadly stable, supporting continued consumer credit demand and limiting systemic credit risk.

Morrow Bank has a demonstrated track record of repricing lending rates in line with central bank movements while managing deposit pricing with greater flexibility. This asymmetry, combined with the Bank's scalable platform and improved capital structure following its move to Sweden with lower capital requirements, positions it well to navigate the evolving interest rate environment. Management remains attentive to macroeconomic developments and will continue to apply disciplined underwriting and proactive credit risk management across market conditions.

Capital allocation

With an organic business plan that is set to deliver a return on equity that is both higher than the loan growth and improving, Morrow Bank's organic business plan is set to increasingly generate excess capital.

When allocating excess capital, the Bank has three main options (or a combination thereof):

1. Increase organic growth
2. Execute accretive loan portfolio acquisitions/M&A
3. Return capital to shareholders

Morrow Bank is committed to continuously allocate capital where it can generate the highest long-term shareholder return.

Dividend policy and dividend for 2025

Morrow Bank's dividend policy is to distribute excess capital not allocated to growth to its shareholders and as per applicable regulations. The Annual General Meeting approved on 28 April 2026 the allocation of 2025 earnings to ensure sufficient capital for the acquisition of MedMera Bank AB.

Significant events after the balance sheet date

In relation to the announced acquisition of MedMera Bank AB:

On 20 April 2026, it was announced that the Swedish Competition Authority (Konkurrensverket) decided to leave the acquisition of sole control over MedMera Bank by Morrow Bank without intervention. The authority concludes that the transaction is not likely to significantly impede effective competition in Sweden, in accordance with Chapter 4, Section 11 of the Swedish Competition Act.

On 28 April 2026, the Annual General Meeting approved the relevant share issuance for financing the acquisition of MedMera Bank. The transaction remains subject to remaining regulatory approvals by the Swedish Financial Supervisory Authority (Finansinspektionen), as previously communicated. Morrow Bank continues to expect completion of the transaction during the third quarter of 2026, provided that all remaining conditions are satisfied.

Related parties

In January 2026, Morrow Bank AB completed a cross-border merger with its wholly-owned parent company Morrow Bank ASA, whereby all assets and liabilities were transferred to Morrow Bank AB. The merger has been accounted for as a transaction under common control using the predecessor accounting method and has no profit or loss impact. As part of the merger, Morrow Bank AB assumed outstanding share options held by related parties (management), with terms remaining unchanged other than the exercise price being denominated in SEK. See the note on the merger (note 9) and information on share options in note 7.

COMPREHENSIVE INCOME STATEMENT

<i>Amounts in SEK million</i>	Note	Q1 2026	Full year 2025
Interest income	2	480.7	0.0
Interest expenses	2, 4, 6	-132.7	0.1
Net interest income		348.0	-0.0
Commission income and fees	2	23.7	-
Commission expenses and fees	2	-19.3	-
Net commissions and fees		4.5	-
Net gains/(losses) on certificates, bonds and currency	5	17.9	-
Total income		370.3	-0.0
General and administrative expenses		-67.7	-3.4
Other expenses		-22.5	-
Depreciation	6	-13.7	-0.2
Total operating expenses		-103.9	-3.6
Losses on loans	2	-179.6	-
Profit/(loss) before tax		86.9	-3.7
Tax expenses		-19.1	0.7
Profit/(loss) after tax		67.8	-2.9
<i>Attributable to</i>			
Shareholders		60.5	-2.9
Additional Tier 1 capital investors		7.3	-
Profit/(loss) after tax		67.8	-2.9
Earnings per share (SEK)		0.26	-
Diluted earnings per share (SEK)		0.25	-
Comprehensive income			
Profit/(loss) after tax		67.8	-2.9
Other comprehensive income		-	-
Comprehensive income for the period		67.8	-2.9

BALANCE SHEET

<i>Amounts in SEK million</i>	Note	31 Mar. 2026	31 Dec. 2025
Loans and deposits with credit institutions	5	1,495.4	726.1
Net loans to customers	2, 5	16,380.5	-
Certificates and bonds	5	3,308.8	-
Other receivables	5	15.6	3.3
Deferred tax assets		0.7	0.7
Fixed assets	6	28.1	11.5
Intangible assets		63.9	-
Total assets		21,293.1	741.6
Deposits from and debt to customers	5	18,048.7	-
Other debt	5, 6	206.8	13.2
Tax payable		68.9	-
Deferred tax payable		20.5	-
Subordinated loans (Tier 2)	4, 5	390.4	-
Total liabilities		18,735.3	13.2
Share capital	8	231.4	231.4
Retained earnings		1,990.1	500.0
Profit/(loss) after tax		67.8	-2.9
Additional Tier 1 capital		268.4	-
Total equity		2,557.7	728.5
Total liabilities and equity		21,293.1	741.6

STATEMENT OF CHANGES IN EQUITY

<i>Amounts in SEK million</i>	<i>Restricted</i>	<i>Unrestricted</i>			Total Equity
	Share capital	Retained earnings	Profit after tax	Additional Tier 1 capital	
Equity as at 1 January 2025	0.5	-	-	-	0.5
Profit after tax	-	-	-2.9	-	-2.9
Share capital increases due to share issue	230.9	-	-	-	230.9
Shareholder contribution	-	500.0	-	-	500.0
Equity as at 31 December 2025	231.4	500.0	-2.9	-	728.5
Equity as at 1 January 2026	231.4	500.0	-2.9	-	728.5
Profit after tax	-	-	60.5	7.3	67.8
Net interest paid to additional Tier 1 capital investors	-	-	-	-7.3	-7.3
Merger related changes	-	1 500.4	-	-	1 500.4
Changes in Additional Tier 1 Capital	-	-	-	268.4	268.4
Equity as at 31 March 2026	231.4	2 000.4	57.5	268.4	2 557.7

CASH FLOW STATEMENT

<i>Amounts in SEK million</i>	Q1 2026	2025
Profit/(loss) before tax	86.9	-3.7
Taxes paid	-13.1	-
Adjustments for non-cash items and other adjustments		
Depreciation	13.7	-
Change in impairments on loans to customers	190.6	-
Change in gross loans to customers	-1 157.2	-
Change in deposits from and debt to customers	2 373.4	-
Change in certificates and bonds	-1 369.3	-
Change in accruals and other adjustments	78.6	0.5
Net cash flow from operating activities	203.7	-3.2
Payments for investments in fixed assets	-0.9	-0.7
Payments for investments in intangible assets	-11.6	-
Effects of merger (cash equivalents)	935.7	-
Net cash flow from investing activities	923.3	-0.7
Paid-in equity	-	231.4
Payment to AT1 capital investors	-7.3	-
Net receipts from AT2 capital	148.2	-
Net cash flow from financing activities	140.9	231.4
Net cash flow for the period	1 267.9	227.5
Cash and cash equivalents at the start of the period	227.5	-
Cash and cash equivalents at the end of the period	1 495.4	227.5
<i>Of which:</i>		
Loans and deposits with credit institutions	1 495.4	227.5

Note 1 – General accounting principles

Morrow Bank AB ("the Bank") offers consumer loans and credit cards to individuals in Norway ("NO"), Sweden ("SE"), and Finland ("FI"), as well as deposit products in Norway, Sweden, Finland, and other European countries.

The company was established in July 2024 as Morgon Finans AB. In April 2025, the Bank was granted a license to conduct banking operations in Sweden, and in October 2025 the Bank's name was changed to Morrow Bank AB. Morrow Bank AB conducts financial activities in accordance with the license from the Swedish Financial Supervisory Authority (Finansinspektionen) and is under its supervision.

As at the end of 2025, Morrow Bank AB was wholly owned by the Norwegian bank Morrow Bank ASA. In early 2026, the companies completed a merger in which Morrow Bank AB was the acquiring entity. After the merger, the Norwegian activities were separated and are now conducted through the Bank's Norwegian branch.

Company information

Morrow Bank AB

Organisation number: 559490-6546

Head office: Torsgatan 13, 111 23 Stockholm, Sweden

Morrow Bank AB NUF

Organisation number: 936 300 049

Office: Lysaker Torg 35, 1366 Lysaker, Norway

The condensed interim financial statements for Q1 2026 have been prepared in accordance with IAS 34 Interim Financial Reporting, IFRS Accounting Standards and IFRIC interpretations as adopted by the EU ("statutory IFRS") to the extent possible within the framework of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL). Permissible exceptions and supplements to the IFRS Accounting Standards are stated in the Swedish Corporate Reporting Board's recommendation RFR 2 Accounting for Legal Entities, the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) and the Swedish Financial Supervisory Authority's regulations and general guidelines for annual reports in credit institutions and securities companies (FFFS 2008:25). Unless otherwise indicated, all amounts are stated in SEK million.

The accounting principles and calculation methods applied in these condensed interim financial statements are consistent with those applied in the annual report for the year ended 31 December 2025.

Segment information

Operating segments are identified based on internal reporting to the Bank's chief operating decision maker. Management has assessed the Bank's activities and concluded that the Bank is managed and reported as a single integrated business, despite operating across multiple geographic markets.

Accordingly, the Bank has identified one operating segment, and no separate segment information is presented.

Merger of parent company – business combination under common control

During the period, the former parent company, Morrow Bank ASA, was merged into the Bank, which prior to the merger was a wholly owned subsidiary of Morrow Bank ASA. The merger constitutes a business combination under common control, as ultimate control of the entities remained unchanged before and after the transaction.

Business combinations under common control are outside the scope of IFRS 3 Business Combinations. In the absence of specific IFRS guidance, management has applied judgement in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

The merger has been accounted for using the continuity method (predecessor accounting). Accordingly, the assets and liabilities of Morrow Bank ASA have been recognised at their carrying amounts as reported immediately prior to the merger. No goodwill has been recognised and the transaction did not result in any remeasurement of assets or liabilities.

Translation of assets and liabilities denominated in foreign currencies

The Bank presents its financial statements in Swedish krona (SEK). Foreign currency comprises all currencies other than SEK. Transactions denominated in foreign currencies are initially recognised at the exchange rate prevailing at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates prevailing at the balance sheet date.

Exchange differences arising from the settlement of foreign currency transactions at exchange rates different from those at the date of initial recognition, as well as unrealised exchange differences on unsettled foreign currency monetary assets and liabilities, are recognised in the income statement under "Net gains/(losses) on certificates, bonds and currency".

The exchange rates used for translating the income statements and balance sheets of the Norwegian branch from its local functional currency (NOK) into the presentation currency are presented in the table below.

Exchange Rates

	Q1 2026
SEK 1 = NOK	
Income statement (average)	0.9353
Balance sheet (at end of period)	0.9760

Income Recognition

Interest income is recognised using the effective interest rate method. This involves recognition of interest along with the amortisation of origination fees. The effective interest rate is the rate that discounts the contractual cash flows of the loan (interest, principal, and fees) over the expected life of the loan to the amortised cost of the loan at the origination date.

Revenue recognition of interest using the effective interest rate method is applied to balance sheet items valued at amortised cost. For assets that are not credit-impaired, the effective interest rate is calculated on the asset's carrying amount (amortised cost). For interest-bearing balance sheet items valued at fair value through profit or loss, changes in value are recognized as "Net gains/(losses) on certificates, bonds and currency" in the income statement.

Fees and commissions are recognized as revenue as the services are provided. Fees for establishing loan agreements are included in the cash flows when calculating the amortised cost and are recognised as part of net interest income using the effective interest rate method. The same applies to the payment of fees to intermediaries for consumer loans and credit cards.

Financial Instruments

Financial assets and liabilities mainly consist of loans to and deposits with credit institutions, loans to customers, certificates and bonds, deposits from customers and subordinated loans. Financial instruments are recognized in the balance sheet on the date the Bank becomes party to the instrument's contractual terms. Loans to customers are recognized in the financial position at the time when the loan is paid out to the customer. Financial assets are derecognised when the Bank's rights to receive cash flows from the asset cease. Financial liabilities are derecognised from the date the rights to the contractual terms are fulfilled, expired, or cancelled.

Financial Liabilities

Financial liabilities, which include customer deposits, subordinated loan capital, and portions of other short-term debts, are recognised at fair value less any transaction costs incurred in their establishment. In subsequent periods, these obligations are measured at amortised cost using the effective interest rate (internal rate of return).

Financial Assets

Financial assets are classified at initial recognition into categories depending on the Bank's business model for managing the asset and the characteristics of the asset's contractually specified cash flows.

Certificates and bonds at fair value through profit or loss

The category primarily applies to financial assets classified as held for trading. The portfolio of certificates and bonds is classified in this category as they are managed and assessed based on fair value in accordance with the Bank's established guidelines. At initial recognition, the assets are measured at fair value. In subsequent periods, they are measured at fair value, with any changes in value recognised in "Net gains/(losses) on certificates, bonds and currency" in the income statement.

Loans and deposits with credit institutions measured at amortized cost

Financial assets held in a business model whose objective is to collect contractual cash flows, where the contractual terms give rise to cash flows that are solely payments of principal and interest, are measured at amortised cost unless internal decisions lead to measurement at fair value through profit and loss.

Loans to customers, which mostly consist of framework loans and credit card receivables, are measured at amortised cost. Effective interest rate is the rate that exactly discounts estimated future cash flows (interest, repayments and fees) through the expected lifetime of the loan to the amortised cost at the time of establishment.

The Bank considers a loan or a claim on a client to be credit impaired when any product under the client is more than 90 days past due as of the balance sheet date, or when a loan has been restructured due to the client's financial difficulties. Additionally, credit impairment is recognised if the loan has been transferred to a debt collection agency, the client is deceased, or there is suspicion of fraud. Such exposures are categorized as loans in stage 3.

Expected credit losses – PD, EAD and LGD:

The Bank estimates the Probability of Default (PD) using different methodologies for Stage 1 and Stage 2 exposures. For loans in Stage 1, PD is calculated based on the actual behaviour score of each individual account. For credit cards and loans in Stage 2, the Bank uses historical data from the most recent 24 monthly vintages. The Bank updates its PD parameters at least quarterly.

The Bank estimates Loss Given Default (LGD) based on expected cash flows from payments on defaulted loans over a 15-year period from the default date. The Bank uses three OECD macroeconomic variables per country in its loss model: (1) expected unemployment development, (2) GDP growth, and (3) short-term interest rates. The Bank applies three scenarios in the macro adjustment assessment: positive, neutral, and negative future scenarios, weighted by probability.

Transitions among stages 1, 2 and 3:

Customers having exceeded a 90-day payment deadline are referred to a debt collection agency (DCA). Customers sent to a DCA will not have any opportunity for subsequent transfer to stages 2 or 1, meaning such engagements will remain classified in stage 3 until the asset is written off. Customers who have exceeded a 90-day payment deadline but make a payment equal to or exceeding the minimum amount before transfer to the debt collection agency will have the possibility of subsequent transfer to stages 2 or 1.

Losses on loans in income statement:

The accounting line "Losses on loans" consists of realised losses, the difference between book value and consideration received from portfolio sales, payments received on previously recognised losses, and changes in impairment/provision for loan losses.

Fixed Assets

Fixed assets are recognised at acquisition cost, less accumulated depreciation and any impairment losses. Depreciation is applied on a straight-line basis over a period of three years.

Intangible Assets

Intangible assets are recognised on the balance sheet to the extent that it is probable that future economic benefits will accrue to the Bank and the costs can be reliably measured. Intangible assets are recognised at acquisition cost minus accumulated depreciation and any impairments. An annual assessment is made of the amortisation period, amortisation method, and any potential impairment needs, or earlier if there are indications of a decline in value.

The Bank's intangible assets are depreciated over 3–5 years on a straight-line basis.

Additional Tier 1 instruments

The Bank has issued Additional Tier 1 (AT1) instruments in the form of perpetual subordinated instruments. The AT1 instruments have no fixed maturity date and are subordinated to all senior and subordinated liabilities, but rank senior to common equity instruments.

The contractual terms of the AT1 instruments give the Bank full and unconditional discretion to cancel distributions at any time, and distributions are non-cumulative. Accordingly, the instruments do not contain any contractual obligation to deliver cash or another financial asset to the holders.

Based on an assessment of the contractual terms, management has concluded that the AT1 instruments meet the definition of equity in accordance with IAS 32 Financial Instruments: Presentation. The instruments are therefore classified as equity in the balance sheet.

Proceeds from the issuance of AT1 instruments are recognised in equity, net of transaction costs. Distributions on AT1 instruments are recognised directly in equity and are not recognised as interest expense in the income statement.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the shareholders of the Bank by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding for the effects of all potentially dilutive ordinary shares (share options).

Lease Agreements

The Bank applies IFRS 16 for lease agreements. For short-term leases (less than 12 months) or leases where the underlying asset has a low value, the Bank uses the exemption available under IFRS 16, and the expense is recognised on a straight-line basis over the lease term. For other leases, a right-of-use asset and a lease liability are recognised at commencement date. The lease liability is measured as the present value of future lease payments using the Bank's marginal borrowing rate. The right-of-use asset is presented as part of fixed assets, while the lease liability is presented as part of other debt.

Personnel Expenses

Personnel expenses include all direct costs for personnel, including social security contributions and other related costs.

Tax

Deferred Tax

Deferred tax/deferred tax assets are calculated at the nominal rate based on temporary differences between accounting and tax values at the end of the reporting period. Deferred tax assets are recognized to the extent it is probable that the benefit will be realised at a future date.

Tax Expense

Reported tax expenses include tax for the current year, adjustments related to current taxes from previous years, as well as changes in deferred tax. Deferred tax is the tax related to all temporary differences that arise between the reported and tax values of assets and liabilities.

Statement of cash flow

The cash flow statement has been prepared using the indirect method. Cash and cash equivalents consist of bank deposits (loans to and receivables from credit institutions).

Estimates and Judgements

Estimates and discretionary assessments applied in the preparation of these interim financial statements reflect management's judgements, estimates, and assumptions that affect the application of the bank's accounting principles. Actual outcomes may differ from these estimates. The Bank considers impairment for loan losses to be the most significant area requiring judgment.

Expected Credit Loss (ECL) is calculated using credit risk models for PD and LGD, updated with the latest available macro information. The Bank applies probability-weighted scenarios (base, optimistic, and pessimistic) to account for forward-looking macroeconomic conditions. Significant events or changes in macroeconomic conditions occurring during Q1 2026 have been considered in the preparation of these interim financial statements. Estimates and underlying assumptions are continuously assessed. Changes in estimates are recognised as they occur.

New standards not yet adopted

IFRS 18 Presentation and Disclosure in Financial Statements was issued in 2024 and replaces IAS 1. The standard introduces new requirements for the classification of income and expenses, mandatory subtotals in the statement of profit or loss, and reporting of management-defined performance measures (MPMs). IFRS 18 applies to reporting periods beginning on or after 1 January 2027, and the Bank has not adopted the standard in the condensed interim financial statements for Q1 2026.

For the bank, IFRS 18 is expected mainly to affect the presentation of the statement of profit or loss, particularly the classification of interest income/expenses and gains/losses on financial instruments, as well as the requirements for clearer disclosures. The standard does not change measurement or recognition, nor does it affect capital requirements, own funds, or large exposures.

Note 2 – Loans to customers

The Bank is applying forward looking elements for its credit loss model, please see the Annual Report for Morrow Bank ASA 2025 for more information regarding the credit loss model.

Loans to customers

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
Gross loans to customers	18,080.3	-
Impairment of loans	-1,699.8	-
Net loans to customers	16,380.5	-
Of which;		
Purchased or originated credit-impaired (POCI);		
Gross loans to customers	168.7	-
Impairment of loans	-122.2	-
Net loans to customers	46.5	-

Defaulted loans

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
Gross defaulted loans to customers *	2,941.1	-
Impairment of loans (stage 3)	-1,292.2	-
Net defaulted loans to customers	1,648.9	-
Of which;		
Purchased or originated credit-impaired (POCI);		
Gross loans to customers	168.7	-
Impairment of loans	-122.2	-
Net loans to customers	46.5	-

* Defaulted loans comprise loans that are more than 90 days overdue according to agreed payment schedule, and loans with other indications of unlikelihood to pay. Such loans continue to be considered defaulted regardless of future payment status.

Information on products and geographical distribution

NO = Norway, FI = Finland, SE = Sweden

Amounts in SEK million

Q1 2026	Consumer loans			Cards NO/FI/SE	Not allocated	Total
	NO	FI	SE			
Interest income	124.4	171.8	150.5	33.9	-	480.7
Interest expenses	-46.7	-38.1	-37.3	-10.5	-0.0	-132.7
Net interest income	77.7	133.8	113.2	23.4	-0.0	348.0
Commission income and fees	5.2	3.8	8.1	6.7	-0.0	23.7
Commission expenses and fees	-1.3	-1.8	-1.7	-14.4	0.0	-19.3
Net commissions and fees	3.8	2.0	6.4	-9.7	0.0	4.5
Net gains/(losses) on certificates, bonds and currency	6.6	1.8	8.4	1.1	-0.0	17.9
Losses on loans	-38.3	-83.5	-43.9	-13.8	0.0	-179.6
Total income incl. loan losses	49.8	54.0	84.1	1.0	-0.0	190.8
Gross loans to customers	4,303.8	6,623.7	5,873.3	1,279.5	-0.0	18,080.3
Impairment of loans	-277.9	-656.5	-674.9	-90.5	-0.0	-1,699.8
Net loans to customers	4,025.9	5,967.2	5,198.4	1,188.9	-0.0	16,380.5
Of which;						
Purchased or originated credit-impaired (POCI);						
Gross loans to customers	-	-	168.7	-	-	168.7
Impairment of loans	-	-	-122.2	-	-	-122.2
Net loans to customers	-	-	46.5	-	-	46.5

Undrawn credit lines are in total SEK 6.3 billion per end of March 2026

Amounts in SEK million

Full year 2025	Consumer loans			Cards NO/FI/SE	Not allocated	Total
	NO	FI	SE			
Interest income	-	-	-	-	-	-
Interest expenses	-	-	-	-	-	-
Net interest income	-	-	-	-	-	-
Commission income and fees	-	-	-	-	-	-
Commission expenses and fees	-	-	-	-	-	-
Net commissions and fees	-	-	-	-	-	-
Net gains/(losses) on certificates, bonds and currency	-	-	-	-	-	-
Losses on loans	-	-	-	-	-	-
Total income incl. loan losses	-	-	-	-	-	-
Gross loans to customers	-	-	-	-	-	-
Impairment of loans	-	-	-	-	-	-
Net loans to customers	-	-	-	-	-	-
Of which;						
Purchased or originated credit-impaired (POCI);						
Gross loans to customers	-	-	-	-	-	-
Impairment of loans	-	-	-	-	-	-
Net loans to customers	-	-	-	-	-	-

Reconciliation of gross loans to customers

Q1 2026

<i>Amounts in SEK million</i>	Stage 1	Stage 2	Stage 3	Total
Opening balance	-	-	-	-
Acquired through merger on 2 January 2026	13,202.4	1,318.6	2,402.2	16,923.1
Transfer from stage 1 to stage 2	-634.6	634.6	-	-
Transfer from stage 1 to stage 3	-201.5	-	201.5	-
Transfer from stage 2 to stage 3	-	-393.1	393.1	-
Transfer from stage 3 to stage 2	-	46.6	-46.6	-
Transfer from stage 2 to stage 1	354.5	-354.5	-	-
Transfer from stage 3 to stage 1	58.4	-	-58.4	-
New assets	2,412.6	141.8	108.3	2,662.7
Assets derecognized	-1,384.4	-76.0	-59.0	-1,519.4
Amortization discount	13.8	-	-	13.8
Closing balance	13,821.1	1,318.0	2,941.1	18,080.3
Of which;				
Purchased or originated credit-impaired (POCI);	-	-	168.7	168.7
Closing balance	-	-	168.7	168.7

Full year 2025

<i>Amounts in SEK million</i>	Stage 1	Stage 2	Stage 3	Total
Opening balance	-	-	-	-
Transfer from stage 1 to stage 2	-	-	-	-
Transfer from stage 1 to stage 3	-	-	-	-
Transfer from stage 2 to stage 3	-	-	-	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	-	-	-	-
Transfer from stage 3 to stage 1	-	-	-	-
New assets	-	-	-	-
Assets derecognized	-	-	-	-
Amortization discount	-	-	-	-
Closing balance	-	-	-	-
Of which;				
Purchased or originated credit-impaired (POCI);	-	-	-	-
Closing balance	-	-	-	-

Reconciliation of impairment of loans

Q1 2026

<i>Amounts in SEK million</i>	Stage 1	Stage 2	Stage 3	Total
Opening balance	-	-	-	-
Acquired through merger on 2 January 2026	206.7	239.8	1,062.7	1,509.2
Transfer from stage 1 to stage 2	-10.9	10.9	-	-
Transfer from stage 1 to stage 3	-3.4	-	3.4	-
Transfer from stage 2 to stage 3	-	-83.2	83.2	-
Transfer from stage 3 to stage 2	-	9.8	-9.8	-
Transfer from stage 2 to stage 1	65.2	-65.2	-	-
Transfer from stage 3 to stage 1	8.8	-	-8.8	-
New financial assets originated	26.7	7.7	0.6	35.0
Increased expected credit loss	6.5	122.4	162.3	291.2
Assets derecognized	-125.6	7.5	-2.1	-120.2
Decreased expected credit loss	-5.1	-4.6	-1.9	-11.7
Exchange rate movements	1.2	1.6	4.9	7.7
Macroeconomic model changes	-4.4	-4.8	-2.2	-11.4
Other changes	-	-	-	-
Closing balance	165.5	242.0	1,292.2	1,699.8
Of which;				
Purchased or originated credit-impaired (POCI);	-	-	-122.2	-122.2
Closing balance	-	-	-122.2	-122.2

Full year 2025

<i>Amounts in SEK million</i>	Stage 1	Stage 2	Stage 3	Total
Opening balance at year	-	-	-	-
Transfer from stage 1 to stage 2	-	-	-	-
Transfer from stage 1 to stage 3	-	-	-	-
Transfer from stage 2 to stage 3	-	-	-	-
Transfer from stage 3 to stage 2	-	-	-	-
Transfer from stage 2 to stage 1	-	-	-	-
Transfer from stage 3 to stage 1	-	-	-	-
New financial assets originated	-	-	-	-
Increased expected credit loss	-	-	-	-
Assets derecognized	-	-	-	-
Decreased expected credit loss	-	-	-	-
Exchange rate movements	-	-	-	-
Macroeconomic model changes	-	-	-	-
Other changes	-	-	-	-
Closing balance	-	-	-	-
Of which;				
Purchased or originated credit-impaired (POCI);	-	-	-	-
Closing balance	-	-	-	-

Note 3 – Capital adequacy

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
AVAILABLE OWN FUNDS		
Common Equity Tier 1 capital (CET1) before adjustments		
Share capital	231.4	-
Share premium	-	-
Other reserves	1,990.1	-
Verified profit for the period (net of proposed dividend)	-	-
Total CET1 before adjustments	2,221.5	-
Adjustments / deductions in CET1		
Intangible assets (goodwill, software) (art. 36.1.b CRR)	-63.9	-
Deferred tax assets dependent on future profitability (art. 36.1.c)	-0.7	-
Additional Value Adjustment (AVA) (art. 34, 105)	-3.3	-
Proposed dividend / appropriation (art. 26.2)	-	-
Total CET1 adjustments	-67.9	-
Common Equity Tier 1 (CET1) capital	2,153.6	-
Additional Tier 1 capital (AT1)		
Perpetual subordinated loans (AT1 instruments, art. 51–52 CRR)	268.4	-
Total AT1	268.4	-
Tier 1 capital (T1 = CET1 + AT1)	2,422.0	-
Tier 2 capital (T2)		
Dated subordinated loans (T2 instruments, art. 62–63 CRR)	390.4	-
Total T2	390.4	-
Total capital	2,812.4	-
RISK-WEIGHTED EXPOSURE AMOUNT (REA)		
The standardised approach for credit risk is applied. Amounts refer to risk-weighted exposure amount.		
Credit risk – standardised approach (art. 111–141 CRR3)		
Exposures to institutions (credit institutions)	299.1	-
Exposures to corporates	153.2	-
Retail exposures (not regulatory real estate)	10,996.8	-
Exposures secured by mortgages on residential property	-	-
Defaulted exposures (art. 127)	1,648.9	-
Other items	43.7	-
Total credit risk	13,141.7	-
Operational risk – new standardised approach (CRR3, art. 311a–317)	747.2	-
Total risk-weighted exposure amount	13,888.8	-
CAPITAL RATIOS (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	15.5 %	0.0 %
Tier 1 ratio (%)	17.4 %	0.0 %
Total capital ratio (%)	20.2 %	0.0 %
Leverage ratio (art. 429 CRR)		
Total assets	21,293.1	-
Total leverage ratio exposure (LRE)	21,928.0	-
Leverage ratio (T1 / LRE)	11.0 %	0.0 %

CAPITAL REQUIREMENTS AND BUFFERS

Pillar 1 – minimum capital requirement (art. 92 CRR)		
CET1 requirement (4.5%)	625.0	-
T1 requirement (6.0%)	833.3	-
Total capital requirement (8.0%)	1,111.1	-

Pillar 2 – additional own funds requirement (art. 104 CRD)		
Pillar 2 requirement (P2R) – from ICAAP	356.9	-

Combined buffer requirement (Act 2014:966)		
Capital conservation buffer (2.5%)	347.2	-
Systemic risk buffer (if applicable, FFFS 2014:12)	-	-
Institution-specific countercyclical capital buffer (CCyB, weighted average)	188.8	-
Total combined buffer requirement	536.1	-

Total own funds requirement (Pillar 1 + P2R + buffers)	2,004.1	-
---	----------------	----------

Capital surplus / shortfall (own funds – total requirement)	808.3	-
--	--------------	----------

Additional own funds requirements based on SREP (as a percentage of risk-weighted exposure amount)		
Additional CET1 SREP requirements (%)	1.4 %	0.0 %
Additional AT1 SREP requirements (%)	0.5 %	0.0 %
Additional T2 SREP requirements (%)	0.6 %	0.0 %
Total SREP own funds requirements (%)	10.6 %	0.0 %

Combined buffer requirement (as a percentage of risk-weighted exposure amount)		
Capital conservation buffer (%)	2.5 %	0.0 %
Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0 %	0.0 %
Institution specific countercyclical capital buffer (%)	1.4 %	0.0 %
Systemic risk buffer (%)	0.0 %	0.0 %
Global Systemically Important Institution buffer (%)	0.0 %	0.0 %
Other Systemically Important Institution buffer	0.0 %	0.0 %
Combined buffer requirement (%)	3.9 %	0.0 %
Overall capital requirements (%)	14.4 %	0.0 %
CET1 available after meeting the total SREP own funds requirements (%)	9.4 %	0.0 %

Capital ratios requirements (as a percentage of risk-weighted exposure amount)		
Common Equity Tier 1 ratio (%)	9.8 %	0.0 %
Tier 1 ratio (%)	11.8 %	0.0 %
Total capital ratio (%)	14.4 %	0.0 %

Leverage ratio requirement (as a percentage of risk-weighted exposure amount)		
Total leverage ratio requirements (%)	3.0 %	0.0 %
Applicable leverage buffer	2.0 %	0.0 %
Overall leverage ratio requirements (%)	5.0 %	0.0 %

LIQUIDITY
Liquidity ratios and requirements

Total high-quality liquid assets (HQLA) (Weighted value - average)	3,048.5	-
Total net cash outflows (adjusted value)	632.0	-
Liquidity Coverage Ratio (LCR) – minimum requirement 100%	484.5 %	0.0 %
Total available stable funding	16,983.4	-
Total required stable funding	13,737.1	-
Net Stable Funding Ratio (NSFR) – minimum requirement 100%	123.6 %	0.0 %

Note 4 - Subordinated loans

<i>Belopp i MSEK</i>	Emissionsdatum	Förfalldatum	31 Mar.	31 Mar.	31 Dec.
			2026	2026	2025
			NOK	SEK	
Efterställd skuld (ISIN NO0012909235)	11 May 2023	11 May 2033	100.0	99.5	-
Efterställd skuld (ISIN NO0013333401)	19 Sept 2024	19 Sept 2034	100.0	99.5	-
Efterställd skuld (ISIN NO0013728295)	27 Feb 2026	27 Feb 2036	200.0	199.0	-
Summa efterställda skulder			400.0	397.9	-

Note 5 - Financial instruments

Classification of financial instruments

<i>Amounts in SEK million</i>	31 Mar. 2026			31 Dec. 2025		
	Fair value through profit or loss	Amortised cost	Total	Fair value through profit or loss	Amortised cost	Total
Loans and deposits with credit institutions	-	1,495.4	1,495.4	-	726.1	726.1
Net loans to customers	-	16,380.5	16,380.5	-	-	-
Certificates and bonds	3,308.8	-	3,308.8	-	-	-
Other financial receivables	-	13.9	13.9	-	503.3	503.3
Total financial assets	3,308.8	17,889.8	21,198.6	-	1,229.4	1,229.4
Deposits from customers	-	18,048.7	18,048.7	-	-	-
Other financial debt	-	140.4	140.4	-	29.2	29.2
Subordinated loans (Tier 2)	-	390.4	390.4	-	-	-
Total financial liabilities	-	18,579.5	18,579.5	-	29.2	29.2

Fair value of financial assets and liabilities at amortised cost

Loans and deposits with credit institutions

Fair value is estimated to correspond to amortised cost.

Net loans to customers

Loans to customers are highly exposed to market competition so any additional values in the loan balance will not be able to be maintained over time. At the same time, an impairment is recognised if observable events occur that indicate a fall in value. The impairments are based on an assessment of the future cash flow, discounted by the effective rate of interest. The fair value is therefore considered to correspond with amortised cost.

Other receivables

Fair value is estimated to correspond to amortised cost.

Deposits from customers

Fair value is estimated to correspond to amortised cost.

Other debt

Fair value is estimated to correspond to amortised cost.

Subordinated loans

The Bank's subordinated loans are listed, but the instrument is traded at a relatively low frequency. As a substitute for the observable prices, it is considered that amortised cost can be used as an approximation of fair value.

Financial instruments at fair value

Financial instruments at fair value are placed in the different levels below based on the quality of market data for the individual type of instrument.

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

Level 1 includes financial instruments that are valued using listed prices in active markets for identical assets or liabilities. This category includes certificates and government bonds that are traded in active markets.

Level 2: Valuation based on observable market data

In level 2, valuation is based on (1) directly or indirectly observable prices for identical assets or liabilities in a market that is not active, (2) models that use prices and variables from observable markets or transactions and (3) pricing in an active market of a similar, but not identical asset or liability.

Level 3: Valuation based on non-observable market data

If a valuation cannot be established in levels 1 or 2, valuation methods are used that are based on non-observable market data.

<i>Amounts in SEK million</i>	31 Mar. 2026				31 Dec. 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Certificates and bonds	-	3,308.8	-	3,308.8	-	-	-	-
Total financial assets	-	3,308.8	-	3,308.8	-	-	-	-

Certificates and bonds are valued to listed prices when available.

Note 6 - Contractual Obligations

The contractual obligations disclosed relate primarily to lease agreements for office premises, recognised in accordance with IFRS 16 as right-of-use assets and corresponding lease liabilities.

Right of use asset

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
Opening balance	10.8	-
Asset recognised	-	11.0
Merger effect RoU Asset recognised	18.6	-
Adjustments	3.7	-
Effect of changes in exchange rates	2.0	-
Depreciation	-1.3	-0.2
Merger effect RoU Asset depreciation	-6.1	-
Adjustments	-1.4	-
Effect of changes in exchange rates	-0.4	-
Closing balance	25.9	10.8

Lease liability

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
Opening balance	-10.9	-
Liabilities recognised	-	-11.0
Merger Lease liabilities recognised	-11.2	-
Adjustments	-7.3	-
Lease payments	1.5	0.1
Interest	-0.3	-0.1
Effect of changes in exchange rates	-0.8	-
Closing balance	-29.1	-10.9

Maturity split of lease liability

<i>Amounts in SEK million</i>	31 Mar. 2026	31 Dec. 2025
Proportion of short-term debt	3.3	1.9
Proportion of long-term debt	25.8	11.9

Note 7 – Share option plan

	Quantity (in million)	WASP¹ (in NOK)
Outstanding options as at 31 December 2025	7.4	7.3
+ granted	-	0.0
- exercised	-0.3	0.6
- terminated	-	-
- expired	-	-
Outstanding options as at 31 March 2026	7.1	7.6
Vested options as at 31 March 2026	5.5	1.0

¹ WASP = Weighted average strike price in NOK. The Exercise Price shall correspond to the SEK equivalence of NOK.

WASP (in NOK)	Outstanding options (Quantity in million)	Remaining vesting period (years)	Exercisable options (Quantity in million)
0.64	0.2	-	0.2
0.64	0.1	0.1	-
7.60	5.3	-	5.3
8.72	1.6	0.7	-
Total	7.1		5.5

The Exercise Price shall correspond to the SEK equivalence of NOK.

For calculation of fair value of granted options, Black & Scholes's option pricing model is used.

The following assumptions are used in the calculation of granted share options:

- Share price at the time of the grant: The share price equals the listed price at regulated market at the time of the grant.
- Volatility: Historical volatility is expected to be an indication of future volatility. Expected volatility is therefore equal to historic volatility.
- Expiration of the option: The option's expected maturity time was 5 years at grant date.
- Risk-free rate: Risk-free rate equals the interest rate on 5 year government bonds.

Note 8 – Largest shareholders

Amounts in million

Rank	Name	Num. of shares	Ownership
1	Christen Sveaas	55.8	24.1 %
2	Sverre Bjerkeli and companies	10.5	4.5 %
3	Alfab Holding AS	10.3	4.4 %
4	DNB Asset Management AS	6.4	2.8 %
5	Kvantia AS (Andenæsgruppen)	5.6	2.4 %
6	OM Holding AS	4.1	1.8 %
7	Stiftelsen Kistefos-Museets Driftsfond	4.0	1.7 %
8	Directmarketing Invest AS	3.7	1.6 %
9	AXA Investment Managers	3.3	1.4 %
10	Nordnet Livsforsikring AS	3.2	1.4 %
11	Futur Pension	3.0	1.3 %
12	Hans Eiendom AS	2.9	1.2 %
13	Eirik Holtedahl	2.7	1.2 %
14	Wilhelm B. Thomassen	2.2	1.0 %
15	Melesio Invest AS	2.2	1.0 %
16	Hjellegjerde Invest AS	2.2	0.9 %
17	Tommy Österlund	2.1	0.9 %
18	Camak Management AS	2.0	0.9 %
19	Nordnet Pension Insurance	2.0	0.9 %
20	Norda ASA	2.0	0.9 %
Top 20 largest shareholders		130.2	56.3 %
	Others	101.1	43.7 %
Total		231.4	100 %

As per 31 December 2025 all shares were owned by Morrow Bank ASA.

Note 9 – Merger of parent company

During the period, the former parent company, Morrow Bank ASA, was merged into the Bank. The merger constitutes a business combination under common control, as ultimate control of the entities remained unchanged before and after the transaction.

The merger has been accounted for using the continuity method (predecessor accounting). The accounting has been performed in accordance with BFNAR 2020:5 Accounting for mergers, as applicable within the framework of limited IFRS pursuant to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (Sw. lagen (1995:1559) om årsredovisning i kreditinstitut och värdepappersbolag). Accordingly, all assets and liabilities of Morrow Bank ASA have been recognised by the Bank at their carrying amounts as reported immediately prior to the merger.

The carrying amounts denominated in NOK have been translated into SEK using the closing exchange rate of NOK/SEK 1.0944 as at 2 January 2026. No goodwill has been recognised.

Assets and liabilities recognised through the merger

<i>Amounts in SEK million</i>	2 Jan. 2026
Assets	
Loans and deposits with credit institutions	935.8
Loans to customers	15 415.6
Certificates and bonds	1 939.5
Shares in subsidiaries	731.4
Other receivables	7.8
Fixed assets	13.2
Intangible assets	63.5
Total assets	19 106.8
Liabilities	
Deposits from customers	15 675.3
Other debt	628.1
Tax payable	76.8
Deferred tax payable	1.4
Subordinated loans (Tier 2)	242.1
Total liabilities	16 623.7
Equity	
Additional Tier 1 capital	251.3
Share capital	211.4
Share premium	856.1
Other paid-in capital	54.1
Retained earnings	1 110.2
Total equity	2 483.1
Total Liabilities and Equity	19 106.8

Note 10 – Subsequent events

In relation to the announced acquisition, 24 March 2026, of MedMera Bank AB:

In April, the Swedish Competition Authority (Konkurrensverket) decided to leave the acquisition of sole control over MedMera Bank by Morrow Bank without intervention. The authority concludes that the transaction is not likely to significantly impede effective competition in Sweden, in accordance with Chapter 4, Section 11 of the Swedish Competition Act.

On 28 April 2026, the Annual General Meeting approved the relevant share issuance and acquisition of MedMera Bank. The transaction remains subject to remaining regulatory approvals by the Financial Supervisory Authority of Sweden (Finansinspektionen), as previously communicated. Morrow Bank continues to expect completion of the transaction during the third quarter of 2026, provided that all remaining conditions are satisfied.

Note 11 – Risk management

General

Morrow Bank's risk management framework, as set out in the Board approved Risk Policy, ensures that risk taking is aligned with the Bank's strategies and defined risk appetite, while maintaining an appropriate balance between risk and return. The risk management process, covering identification, assessment, management, monitoring, control, and reporting of risks, supports informed risk taking and contributes to achieving the Bank's strategic, business, and operational objectives.

The Bank is exposed to several risk types, including credit, market, liquidity, strategic and business, operational, and other risks. These risks are assessed both qualitatively and, where relevant, quantitatively.

Risk mitigation is carried out through the established risk appetite statement, approved policies and instructions, defined procedures and routines, internal controls, and other mitigating measures. Together, these elements strengthen informed decision making and risk awareness across the Bank.

Risk governance follows the organisational setup and adheres to the three lines of defence model. The Risk Control function reports independently to the CEO, the Board of Directors, and the Audit and Risk Committee.

Below, material risk types are outlined.

Credit risk

The Board's Credit Policy sets principles for managing and controlling credit risk.

The Bank offers unsecured consumer loans and credit cards to private individuals. All applications undergo automated and, where relevant, manual credit assessment based on internal and external data. Pricing is risk-based and reflects the borrower's assessed risk level. Although the product segment entails higher default risk, overall credit risk is moderated by a granular portfolio, no corporate exposure, broad customer diversification, and interest rates aligned with risk.

The Bank maintains a moderate credit risk profile, supported by matured products, strengthened policies and improved models since inception.

Credit risk is managed through consistent credit rating at application, ongoing customer monitoring, early pre-collection and debt collection measures, and periodic portfolio analysis. Automated scoring models and vintage analysis support early identification of behavioral changes and portfolio trends.

Expected credit losses are recognised based on changes in credit risk since origination. Stage classification follows IFRS 9 principles, with default defined primarily as 90 days past due or referral to debt collection. The model incorporates PD, EAD, LGD, discounting using the effective interest rate, and macro-adjustments based on forward-looking scenarios.

Liquidity is placed in highly liquid, low-risk instruments such as bank deposits, government bonds, AAA covered bonds and high-quality bond funds.

The Credit Committee monitors key macroeconomic indicators, such as unemployment, interest rates and GDP growth, to ensure timely adjustments to risk assumptions.

Market risk

The Board's Finance Policy sets principles for managing and controlling market risk, including interest rate risk, credit spread risk and currency risk. The Bank's objective is to maintain low market risk.

Interest rate risk is limited. Lending and deposits carry floating rates, and the liquidity portfolio is managed to maintain low-interest rate sensitivity. Asset and liability profiles are balanced across time buckets.

Currency risk for loans to customers in NOK and EUR is mainly matched by deposits in the same currencies, as well as other debt and receivables. Remaining exposure is hedged through the Bank's multicurrency facility within policy limits.

Credit spread risk relates to changes in credit premiums affecting the liquidity portfolio.

Market risk is monitored regularly to ensure exposures remain within tolerance. Investments are placed with well-established institutions or in liquid, short-duration interest-bearing securities. The Board has set limits for maximum interest rate and loss exposure, and risks are measured monthly using sensitivity analyses across relevant balance sheet items.

Liquidity risk

The Board's Finance Policy sets principles for managing and controlling liquidity risk.

Investments are placed in deposits with financial institutions and in liquid, short-term interest-bearing securities. The portfolio is managed to ensure that liquidity risk remains low.

The Bank maintains continuously updated liquidity forecasts, on intraday, daily and up to one year ahead. The Bank is primarily funded through customer deposits in Norway (NOK), Germany (EUR) and Sweden (SEK). Deposits are mainly floating-rate, with fixed-rate products up to two years available. Deposits have been stable, and the Bank aims to align lending and deposits by currency.

The Board of Directors has established guidelines that set the limit for maximum interest rate risk. Monitoring and reporting of liquidity and interest rate risk happens continuously according to provided instructions. The liquidity risk of the Bank arises from or results from the maturity profile of the Bank's assets and liabilities. Below follows an overview of different time intervals as to when the Bank's assets and liabilities mature.

Strategic and business risk

Strategic and business risk refers to failed decisions that may pose to the Bank's ability to achieve its strategic and business goals. These may arise from increased competition, adverse macroeconomic conditions, including interest rate changes affecting customer payment ability and funding costs, or from stricter regulatory requirements in the consumer finance market.

Key considerations are reduced growth due to competition or regulation that may lower the loan portfolio and thereby decrease capital requirements, and that the products are geographically diversified, meaning macroeconomic stress in one market may not necessarily affect other markets in which the Bank operates.

Operational risk

The Board's Operational Risk Policy sets principles for managing and controlling operational risk. The operational risk management framework covers new product approval process (NPAP), product oversight governance (POG), risk and control self-assessment (RCSA), incident management, and business continuity management. The risk appetite for operational risk is low.

System development and change management follow defined governance processes. Core infrastructure and system operations are outsourced to established providers under strict SLA and risk-assessment requirements. Outsourcing is monitored closely, ensuring access to necessary expertise and scalable, efficient operations. Operational risk during product launches is mitigated through training, documentation, pilot phases and soft launches.

The Bank cooperates with loan intermediaries in all markets and ensures that agent agreements comply with regulatory requirements.

Money-laundering and terrorist financing risks are material for the Bank. A comprehensive AML framework is in place, including due diligence at onboarding, ongoing monitoring, and structured reporting processes.

Note 12 – Related parties

There have not been any transactions with related parties in Q1 2026 that have significantly impacted the Bank's financial position or results for the period, other than the merger with the Bank's parent company, Morrow Bank ASA, which was completed on 2 January 2026. This also includes the share option scheme (see note 7).

Board of Directors' and CEO's Declaration

The Board of Directors and the Chief Executive Officer certify that this interim report provides a true and fair overview of the development of the Company's operations, financial position, and results, and describes the significant risks and uncertainties facing the Company.

Stockholm, 13 May 2026

BoD and CEO of Morrow Bank AB

Niklas Midby

*Chair of the Board of
Directors*

Anna-Karin Celsing

Board member

Nishant Fafalia

Board member

Carl-Åke Nilson

Board member

Julia Ehrhardt

Board member

Øyvind Oanes

CEO

The quarterly report was approved on 13 May 2026.