



NOT FOR PUBLICATION, DISTRIBUTION OR RELEASE, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA, AUSTRALIA, THE HONG KONG SPECIAL ADMINISTRATIVE REGION OF THE PEOPLE'S REPUBLIC OF CHINA, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH PUBLICATION, DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL OR REQUIRE REGISTRATION OR ANY OTHER MEASURES. PLEASE SEE "IMPORTANT INFORMATION" AT THE END OF THE PRESS RELEASE.

Morrow Bank AB completes the acquisition of MedMera Bank

Morrow Bank AB (publ) ("Morrow Bank" or the "Company") has today completed the previously announced acquisition of MedMera Bank AB ("MedMera Bank"), a Swedish digital bank serving around 135,000 savings and lending customers, from Kooperativa Förbundet ("KF"). MedMera Bank becomes a wholly owned subsidiary of Morrow Bank.

The acquisition increases Morrow Bank's scale in Sweden and establishes an exclusive long-term partnership with Coop, one of Sweden's largest retail brands, with access to its distribution channels and over 4 million members.

"Today we welcome MedMera Bank into Morrow Bank. The acquisition meaningfully increases our scale in Sweden and is immediately accretive. The MedMera team has built a strong brand, and together we look forward to developing it further while continuing to grow the business," said Øyvind Oanes, CEO of Morrow Bank.

"Together with Morrow Bank, we can give Coop's members an even stronger and more modern offering. Kooperativa Förbundet remains a significant shareholder, committed to the combined bank and its future," said Kerstin Wallentin, Chair of Kooperativa Förbundet.

Transaction rationale

MedMera Bank is a strong fit with Morrow Bank's pure-play Nordic consumer finance operations, with comparable products and a lower-risk loan portfolio. The acquisition increases Morrow Bank's gross loans by approximately 67 per cent to SEK 28.2 billion based on 2025 figures, from SEK 16.9 billion on a standalone basis.[1] The transaction values MedMera Bank at SEK 1.96 billion, which implies approximately 1.06x P/B at completion and approximately 11x 2025 P/E (excluding synergies), supporting strong return on invested capital.

The combined platform is expected to support more than doubling of earnings per share by 2028 compared with SEK 1.0 in 2025, driven by increased scale, improved credit quality and cost efficiencies. Over the medium term, Morrow Bank aims for a return on target equity above 20 per cent.[2] Morrow Bank is expected to maintain a strong capital base, with a maintained solid margin to regulatory capital requirements.

Financing of the acquisition

The acquisition is financed by the following instruments and approximate amounts (before deduction of transaction-related costs):

- SEK 592 million rights issue
- NOK 300 million AT1 bond issue
- SEK 200 million T2 bond issue
- SEK 392 million Set-Off Issue directed towards seller KF, who remains a long-term owner
- Remainder funded from existing excess capital

Listing and trading

The new shares issued in the rights issue and the set-off issue are expected to be admitted to trading on Nasdaq Stockholm around 9 July 2026.

Advisers

Nordea Bank Abp, filial i Sverige, acts as Financial Adviser and Sole Global Coordinator and Bookrunner to Morrow Bank and Advokatfirman Vinge acts as legal adviser to Morrow Bank. Capient acts as strategic and capital markets adviser to the Company.

For further information, please visit morrowbank.com or contact:

Øyvind Oanes, CEO

Tel: +47 98 90 60 60

Email: ir@morrowbank.com

About Morrow Bank

Morrow Bank is a Nordic consumer finance bank offering digital and flexible financing solutions to creditworthy individuals in Norway, Sweden and Finland. The bank offers consumer loans, credit cards and high-yield deposit accounts, supported by a modern and scalable banking platform.

About MedMera Bank

MedMera Bank is a digital bank that has been offering basic and fair banking services in savings and lending since 2007. With a focus on smooth solutions for private individuals, MedMera Bank now has around 135,000 customers across Sweden, whom MedMera Bank helps save easily and borrow safely. For further information, visit www.medmerabank.se.

Important information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions and the recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Morrow Bank in any jurisdiction.



This announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in the new shares. Any investment decision in connection with the Rights Issue and the acquisition of MedMera Bank must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Sole Global Coordinator and Bookrunner. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness. This announcement does not constitute a recommendation concerning any investor's option with respect to the Rights Issue. The price and value of securities can go down as well as up. Past performance is not a guide to future performance. The Sole Global Coordinator and Bookrunner is acting for the Company in connection with the Rights Issue and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the Rights Issue or any other matter referred to herein.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into the United States of America, Australia, the Hong Kong Special Administrative Region of the People's Republic of China, Japan, South Africa or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "Prospectus Regulation") and has not been approved by any regulatory authority in any jurisdiction. Morrow Bank has not authorised any offer to the public of shares or other securities in any member state of the EEA. In any EEA Member State other than Sweden and Norway, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation. Any offer in respect of any securities in connection with the Rights Issue will only be made through the prospectus that Morrow Bank AB published on 4 June 2026 on (ir.morrowbank.com).

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, "qualified investors" (as defined in paragraph 15 of Schedule 1 to the Public Offers and Admissions to Trading Regulations 2024, as amended), who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the

Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) other persons to whom this document may be lawfully communicated (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertakes to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or Nasdaq Stockholm's Rulebook for issuers.

[1] Combined figures based on 2025 figures are presented for illustrative purposes only and are unaudited.

[2] Return on target equity (ROTE) is defined as periodic net profit divided by average equity adjusted to the bank's target financing and capital structure, measured in percentage points.