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Company presentation

Morrow Bank ASA – 25 February 2025

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Scalable banking platform positioned for significant value creation

Built a highly scalable banking platform

- 31% loan balance growth in 2024, opex reduced
- 65% y-o-y pre-tax profit growth in Q4 2024

Strong value drivers in place for 2025-2026

- Macro improving, loan losses declining
- Increasingly generating excess capital

Attractive shareholder value creation potential

- Currently trading at ~35% discount to Swedish peers
- Redomiciliation could bring ROTE to ~20% from current ~11%

ROTE (Q4 2024)

10.6%

vs. 7.1% in Q4 2023

Cost/income (Q4 2024)

25.9%

vs 28.0% in Q4 2023

Loan loss ratio (Q4 2024)

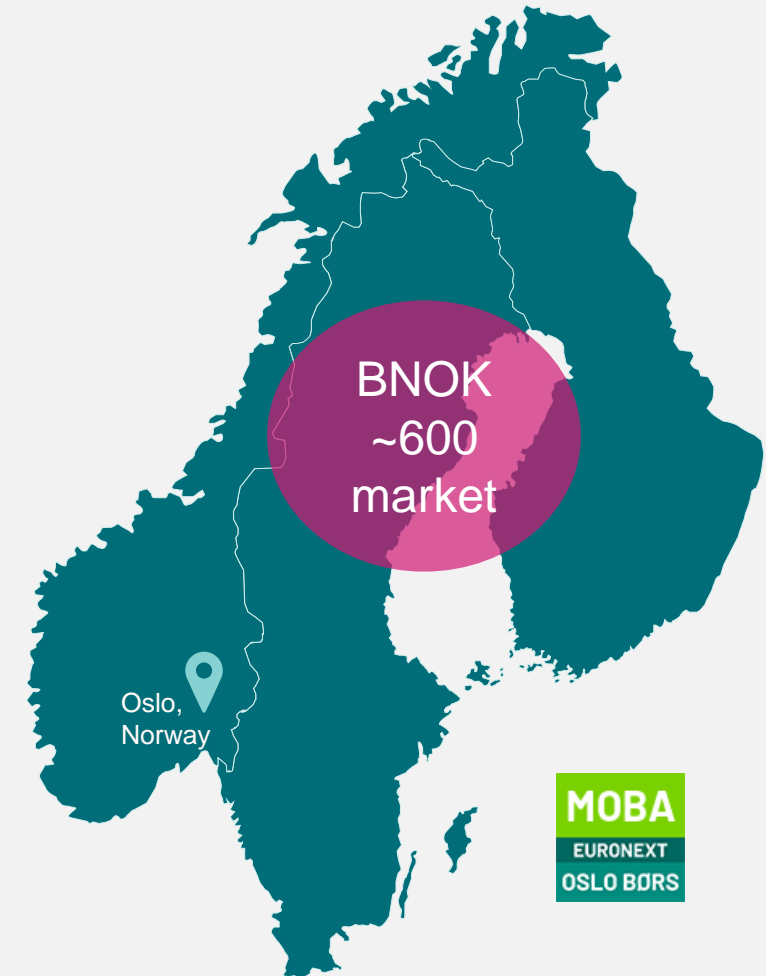
4.6%

vs 5.4% in Q4 2023

Market cap

BNOK 2.1

Price/book (P/B) of 0.9x



Highly
scalable
banking
platform



Product: Convenient consumer financing to creditworthy individuals in the Nordics



Flexible consumer loans

NOK 10,000-500,000 without collateral



No-fees credit cards

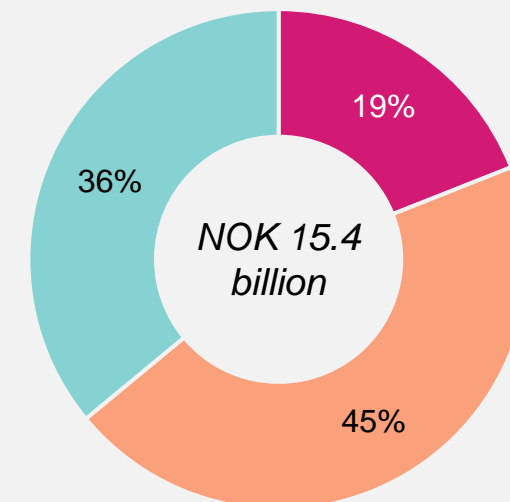
1-4% bonus on all transactions



Guaranteed deposit accounts

Unlimited withdrawals, free of charges

Diversified Nordic loan portfolio¹



■ Norway ■ Finland ■ Sweden

Typical loan customer: 30-50 years old, owns a home and earns above average

Male

69% of our loan customers are men

Above average annual income

NOK ~600k

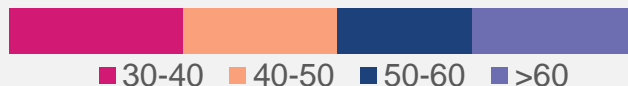
Homeowner

59% homeownership

Solid payer

- ✓ Zero payment remarks
- ✓ Permanent employment

Middle aged



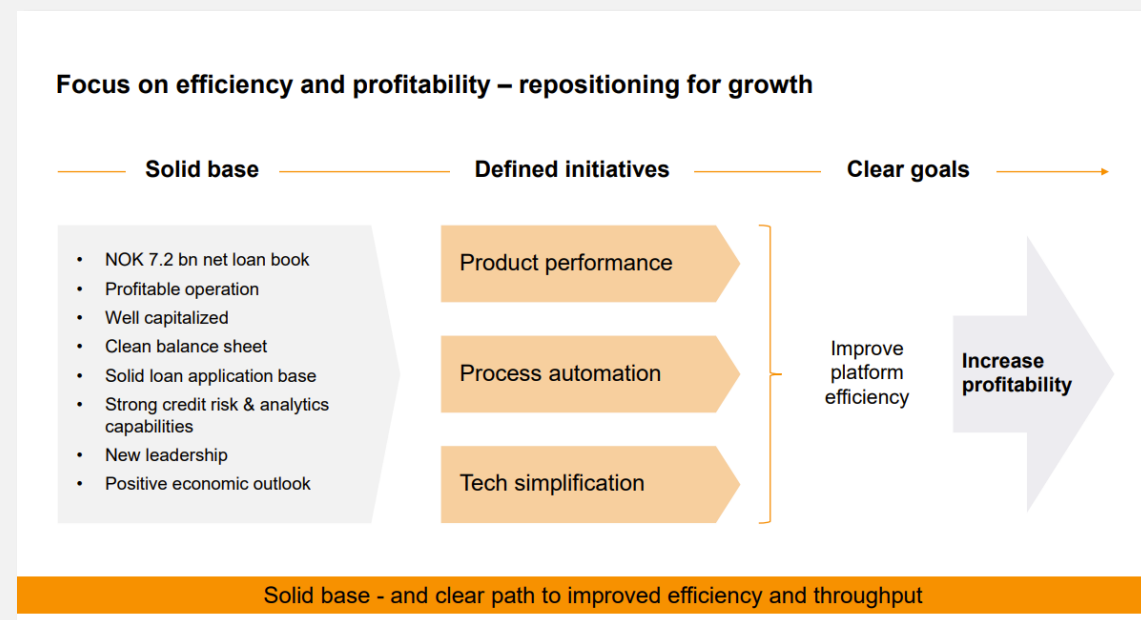
Average loan amount

NOK ~160k



2022-2024: Built a scalable banking platform

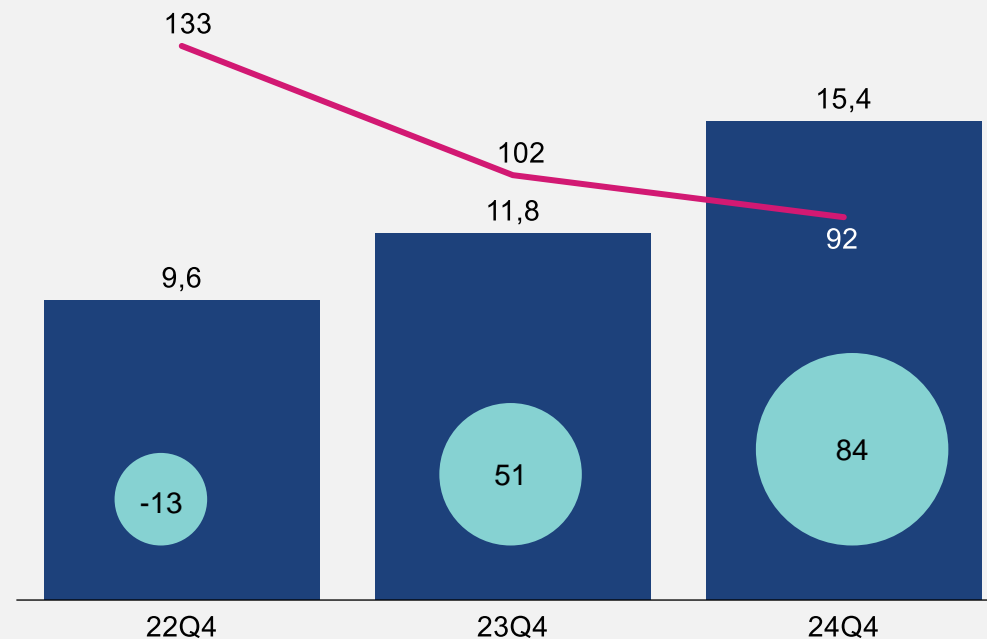
Early 2022: Launched turnaround plan



From Q4-21 presentation

Result: 27% loan balance CAGR and reduced costs

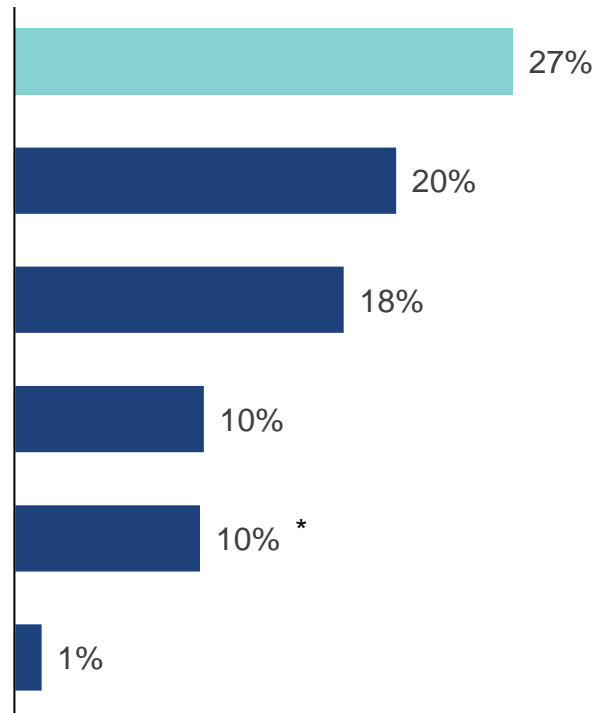
■ Total gross loans (BNOK) — Q4 OPEX (MNOK) ● Q4 profit before tax (MNOK)



Outperforming peers on growth and efficiency

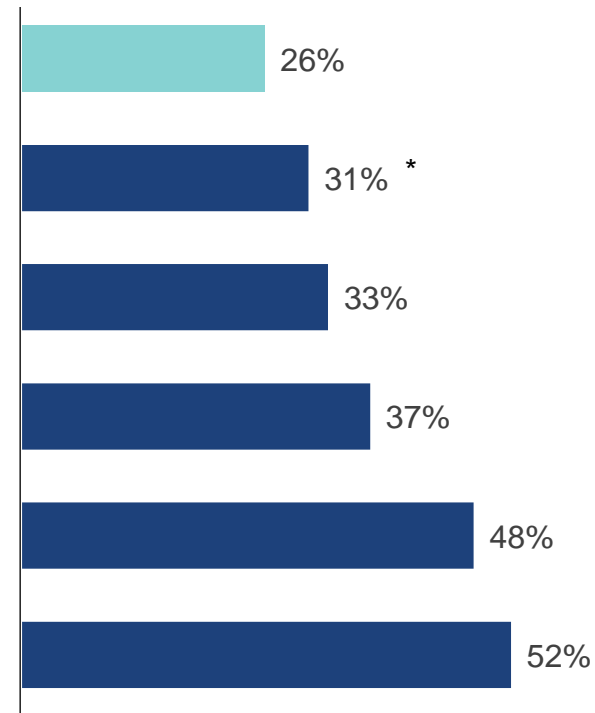
Growth last two years¹

Annualised per 24Q4



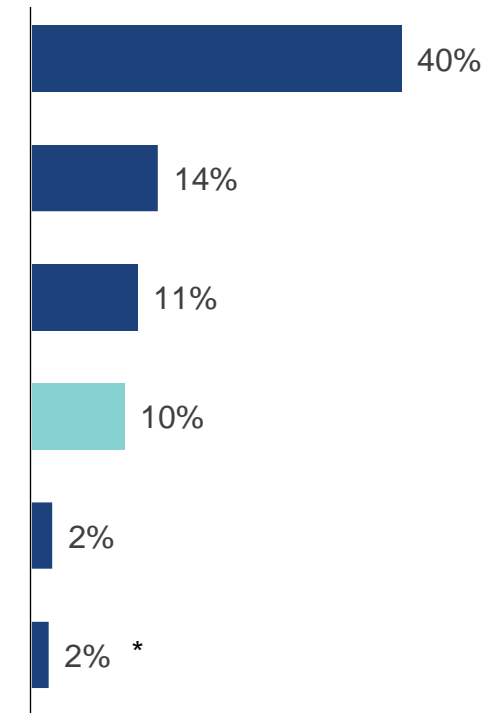
Cost/income ratio²

24Q4



ROE³

24Q4



* 24Q3 (24Q4 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

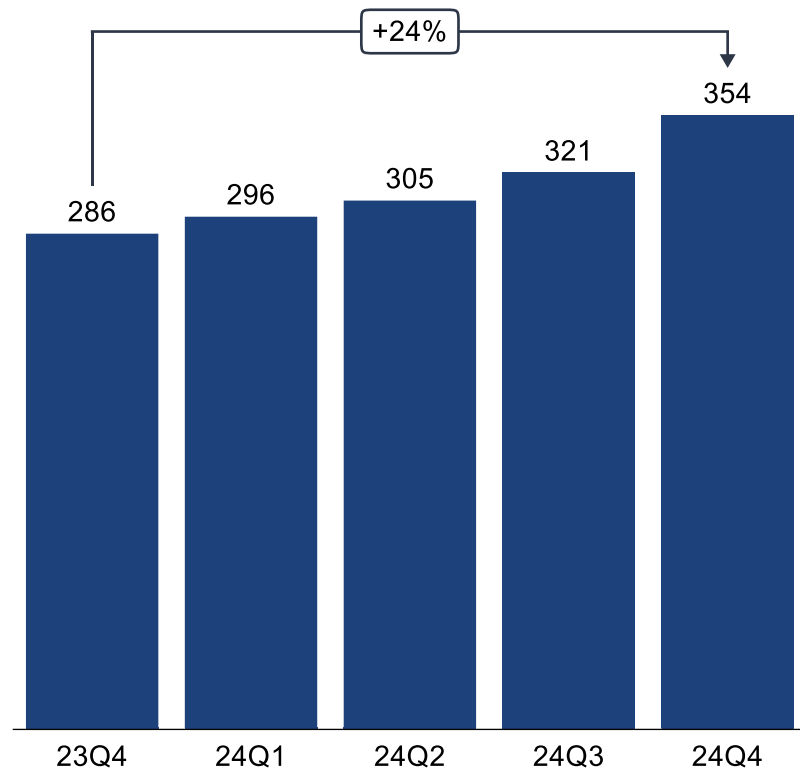
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Strong value
drivers in
place



Total income continues to grow – all-time-high in Q4

Total income (MNOK)

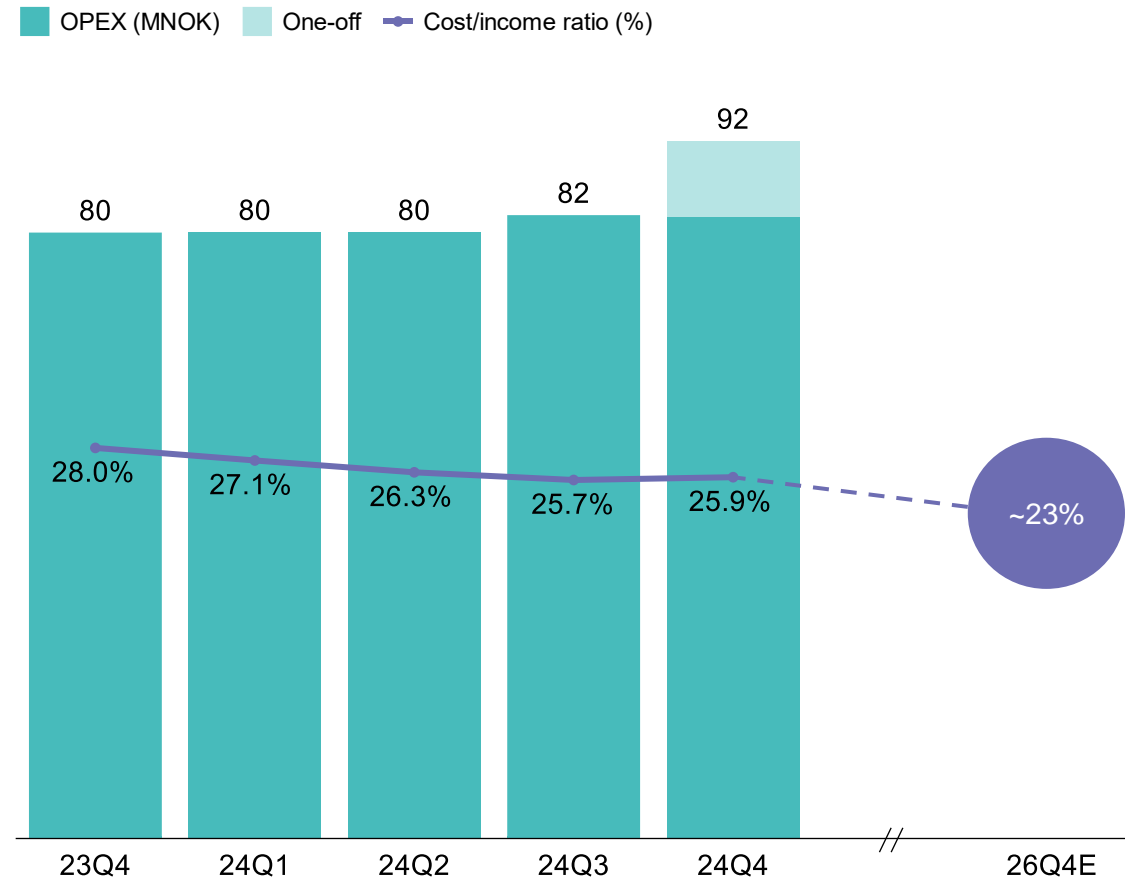


- Total income growth of 24% year-on-year
- Driven by organic growth and the acquisition of performing Swedish loan portfolios
 - Full P&L effect from Q4 2024
- Loan growth to continue to drive total income

Note: Excluding portfolio acquisitions, y-o-y income growth of 18.9% vs 16.3 % loan balance growth.

Portfolio acquisitions demonstrating scalability

Cost/income

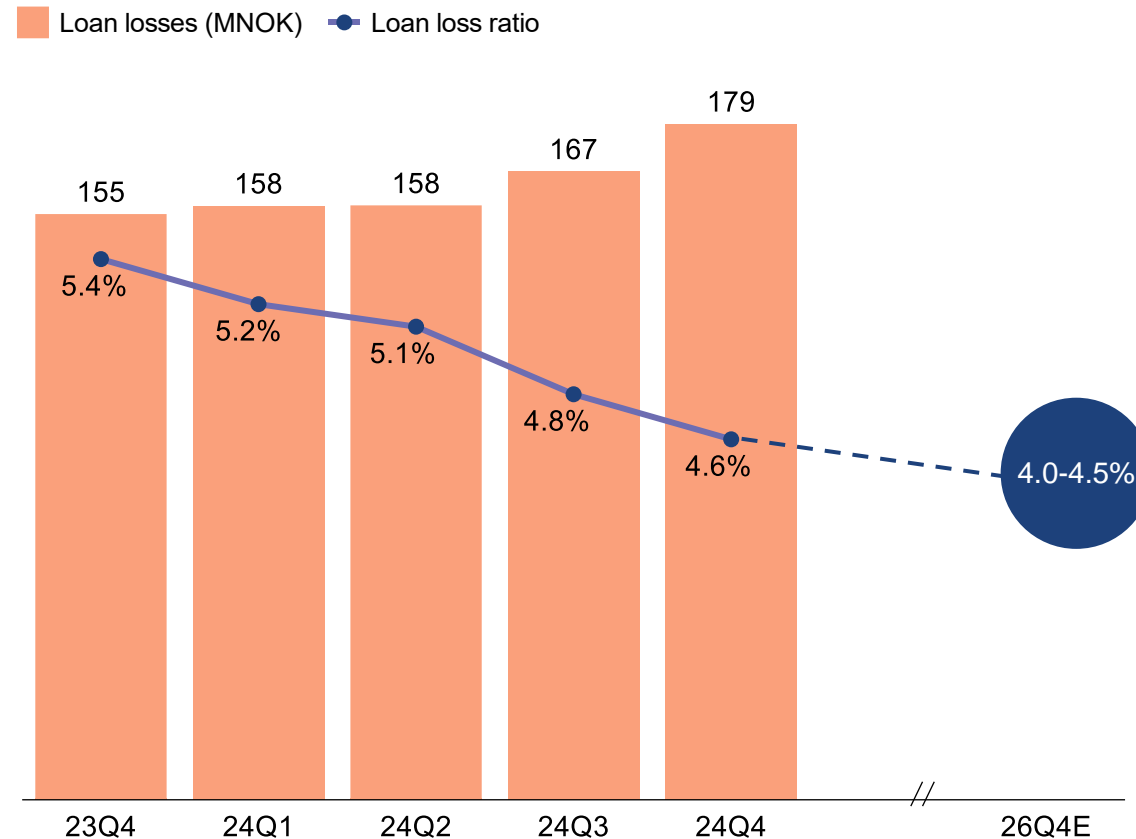


- Cost/income ratio improved to 25.9% from 28.0% in Q4 2023
- Stable underlying OPEX despite continued loan growth, including portfolio acquisitions
- Cost efficiency to continue to improve

Note: MNOK 10 one-off in Q4 2024 related to Swedish banking license application. Costs related to redomiciliation and planned Stockholm listing expected in 2025.

Loan loss ratio continuing to improve

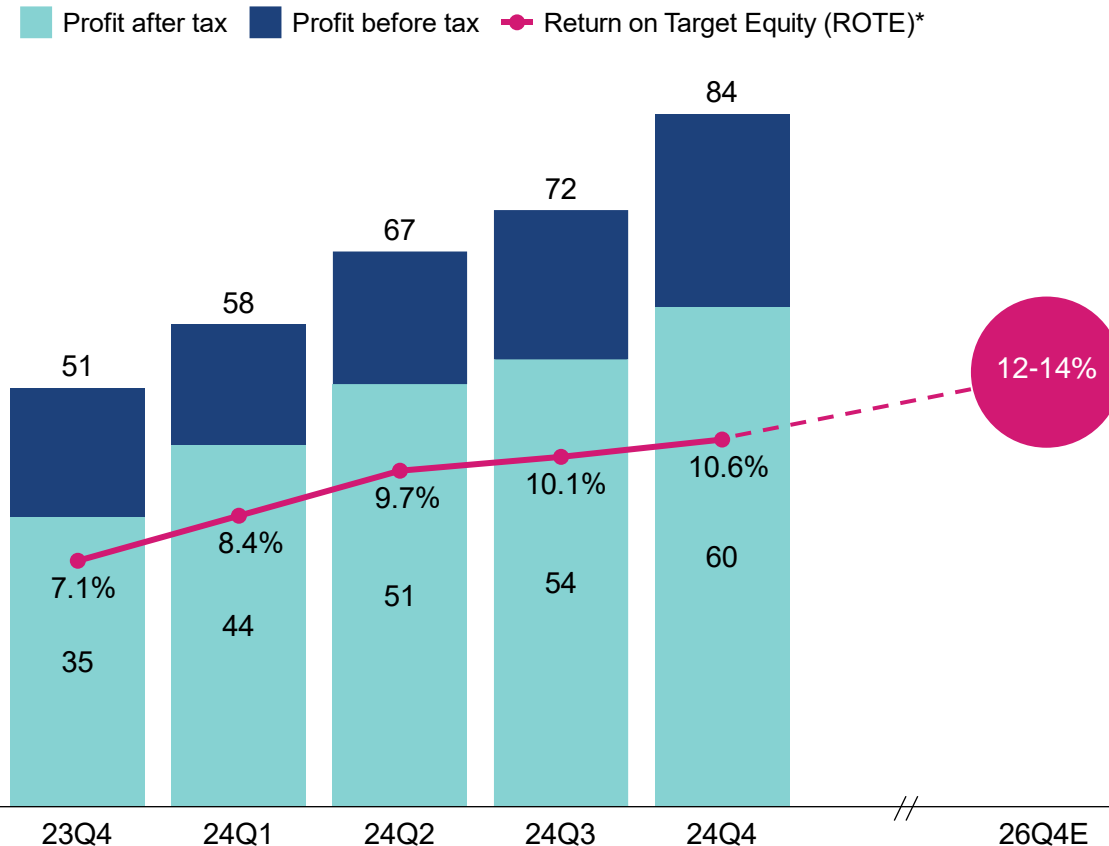
Loan losses



- Increase in nominal losses driven by a larger loan balance, including portfolio acquisitions
- Overall loan loss ratio continued to decline in the quarter to 4.6% (Q4 2023: 5.4%)
- Trend expected to continue driven by tightened credit policies in 2023 and 2024, a maturing loan book and improving Nordic macro

Profitability increasing – proposed dividend

Profit (MNOK)



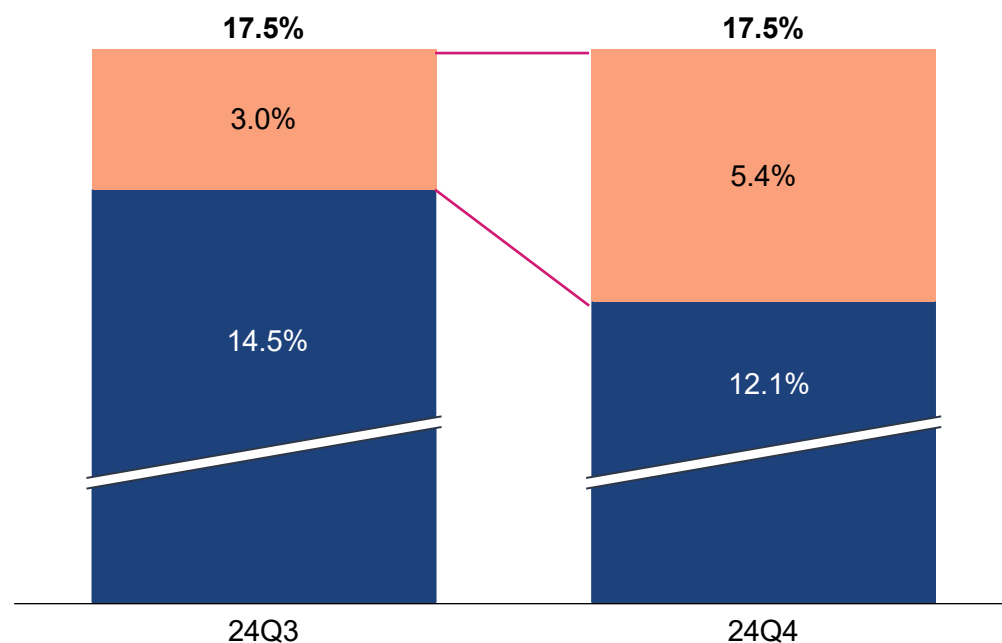
- Q4 2024 profit before tax up 65% year-on-year, driven by increase in total income at stable costs
- Return on target equity improved for five consecutive quarters, ending at 10.6%
- Board to propose dividend of up to 50% of 2024 profits available for distribution, NOK 0.4 per share
- Outlook for increased profitability driven by:
 - Continued loan balance growth
 - Stable cost base
 - Declining loan loss ratios and increasing risk-adjusted margins

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

Capital situation provides room for growth and dividends

Capital adequacy - CET1

■ CET1 headroom ■ CET1 requirement



- CET1 requirement reduced in Q4; headroom to target NOK 445 million
- Once implemented in EEA, CRR3 to give further capital requirement relief
- Dividend policy to distribute excess capital not allocated to growth to shareholders
- As a consequence, ROE set to improve

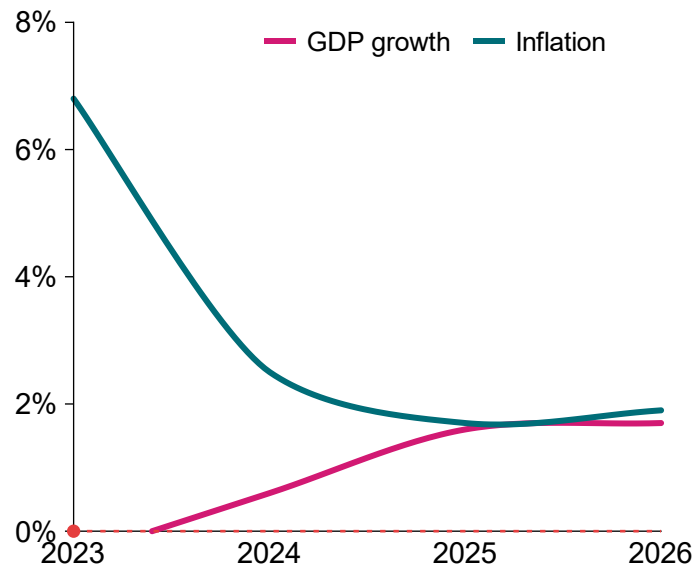
Please see Appendix for total capital situation

Attractive
value
creation
potential

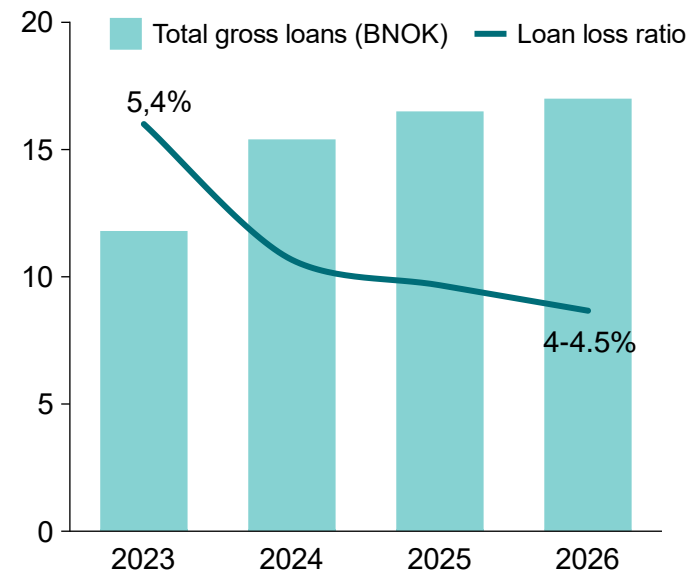


2025-2026: Strong value drivers in place

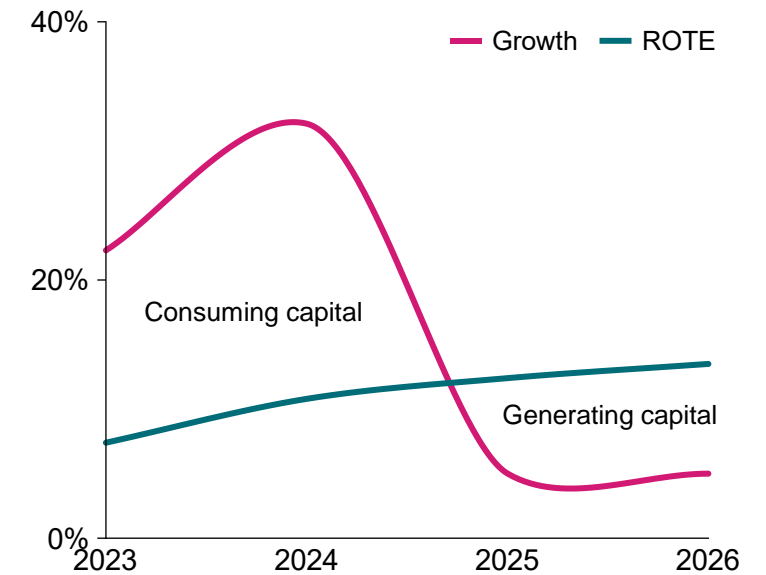
Nordic macro improving Supporting growth and margins



Declining loan loss ratio Contributing to higher ROE



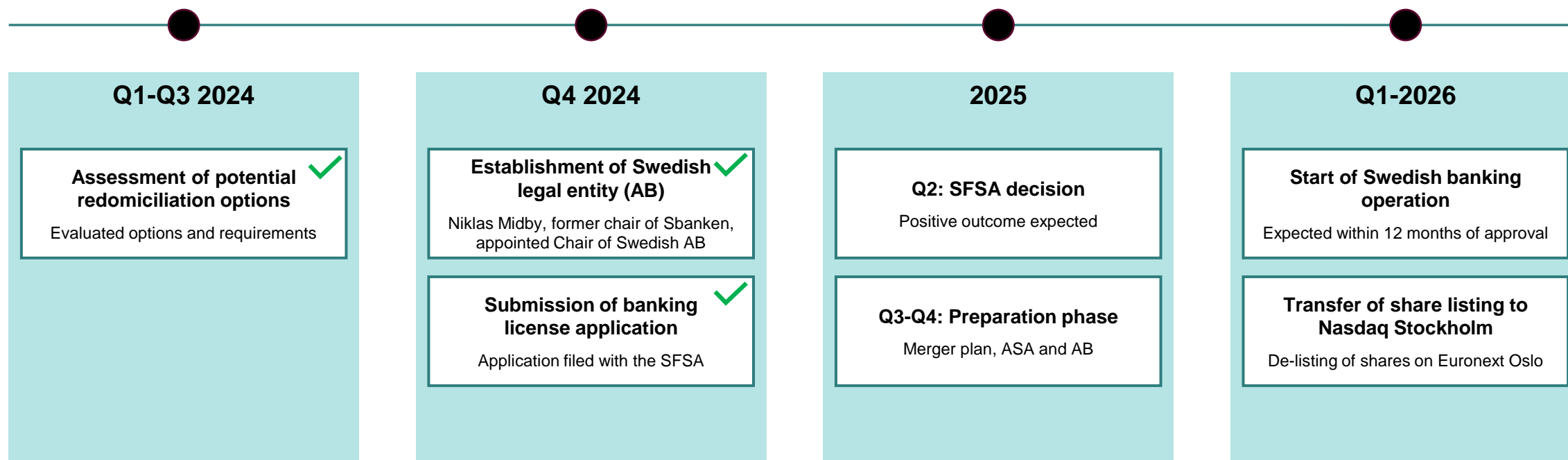
Increasingly generating excess capital Enabling growing dividend/M&A



Continuing to pursue structural opportunities, including Swedish redomiciliation and potential M&A

Key milestones of Swedish redomiciliation

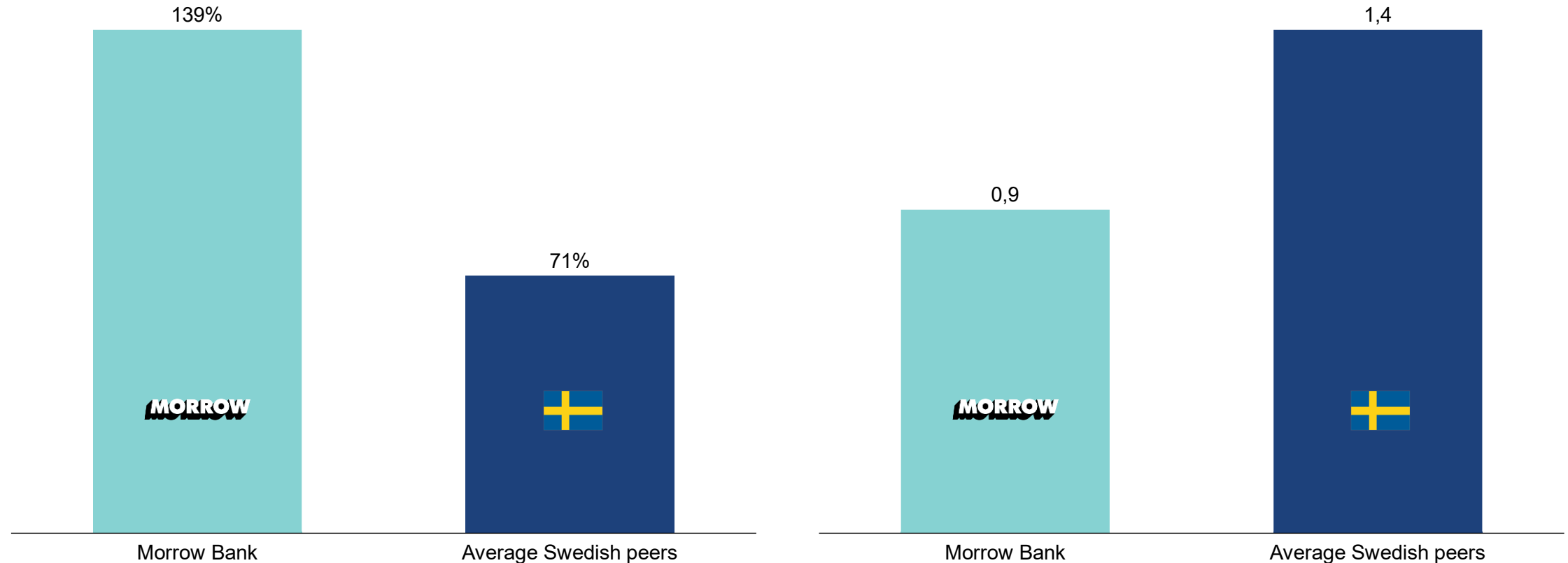
- Application process progressing according to plan



~140% shareholder return in 2024 – still trading at a discount to Swedish peers

Significantly outperformed Swedish peers' TSR in 2024...

...but trading at ~35% discount to Swedish peers' P/B



Scalable banking platform in place, positioned for continued growth and value creation

Highly scalable banking platform

- Grew loan balance by BNOK 3.6 in 2024 with no impact on cost levels
- Delivering industry leading cost-efficiency
- 65% y-o-y pre-tax profit growth in Q4 2024

Strong value drivers in place

- Improving risk-adjusted margins and returns
- Proposed first dividend since turnaround started; excess capital set to grow
- Platform enables further M&A and structural opportunities

Attractive value creation potential

- Targeting 5% annualized organic growth and ~12-14% ROTE by year-end 2026
- Redomiciliation to Sweden could bring ROTE to ~20% from ~11%
- Currently trading at a P/B of ~0.9x, ~35% discount to average Swedish peers

Q&A

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 graphic element that resembles a series of connected, rounded rectangular shapes, creating a base for the text.

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