

NOT FOR DISTRIBUTION IN OR INTO AUSTRALIA, CANADA AND JAPAN OR ANY OTHER JURISDICTION IN WHICH THE DISTRIBUTION OR RELEASE WOULD BE UNLAWFUL OR REQUIRE PRIOR APPROVAL



Press release

Stockholm, 18 October 2021

Nordax Bank expects completion of the voluntary offer for Bank Norwegian ASA at the latest on 4 November 2021 and announces information regarding financing and capital impact

Following settlement of the recommended voluntary cash offer of NOK 105 per share in Bank Norwegian ASA (“Bank Norwegian”), which is expected to be completed by 4 November 2021 at the latest, Nordax Bank AB (publ) (“Nordax”) will resolve and apply for a compulsory acquisition of the remaining shares in Bank Norwegian. Upon completion of the compulsory acquisition, which is expected to occur shortly after the completion of the voluntary cash offer, Nordax will become owner of 100% of the shares in Bank Norwegian (the “Acquisition”).

The Acquisition will be financed through a combination of equity, debt and cash on balance sheet. Nordic Capital Fund IX and co-investors will contribute significant new equity to Nordax.

As part of the financing of the Acquisition, Nordax Holding AB (publ) (“Nordax Holding”) is planning to issue Additional Tier 1 (“AT1”) and Subordinated Tier 2 (“Tier 2”) bonds and has mandated ABG Sundal Collier, Carnegie and Nordea for the issuance and to arrange a series of fixed income investor meetings on 25 and 26 October 2021. Nordax Holding will issue minimum NOK/SEK 820 million of AT1 bonds (with a target amount around NOK/SEK 875 million), which will be perpetual with a first call date after 5 years. Nordax Holding will issue minimum NOK/SEK 460 million (with a target amount around NOK/SEK 750 million) of Tier 2 bonds, which will have a tenor of 10 years with first call date after 5 years. The proceeds from the bond issues would be used to partly finance the Acquisition and to satisfy regulatory capital requirements. Issuance of the AT1 bonds and the Tier 2 bonds have been guaranteed by a consortium led by ABG Sundal Collier.

The precise financial impact that the Acquisition will have on Nordax, and the estimated capital requirement and position at year end 2021, is uncertain and depends on a number of different factors and assumptions, including e.g. the individual capital requirements for each bank, the acquisition accounting effects, the SEK/NOK exchange rate at closing and year end, the financial results of Nordax and Bank Norwegian for the financial year 2021, and the final amount of AT1 and T2 issuance. Overall, Nordax estimates, based on current information, that the capital requirements for the Nordax Holding group post completion of the Acquisition and as of year-end 2021 would be approx. 13.6% for Core Equity Tier 1 capital, approx. 15.2% for Tier 1 capital and approx. 17.2% for total capital, and that at year end 2021 the Nordax Holding group would have an estimated buffer in the area of 1.5-2%-points to each respective capital requirement.

Nordax will publish its interim report for Q3 2021 on 22 October 2021. The financial results for the period are expected to include substantial non-recurring costs related to the transaction, including interest cost related to pre-funding of liquidity for the transaction.

Advisors

ABG Sundal Collier, DNB Markets, Goldman Sachs International and Melesio are acting as financial advisors to Nordax in the Acquisition. ABG Sundal Collier, Carnegie and Nordea are acting as Joint Bookrunners in the planned AT1 and T2 issuance. FCG Risk & Compliance AB is acting as advisor on governance, risk and compliance to Nordax. Advokatfirman Cederquist KB is acting as Swedish legal counsel and Advokatfirmaet Wiersholm AS is acting as Norwegian legal counsel to Nordax.

Media relations

Oscar Karlsson, Brunswick Group

okarlsson@brunswickgroup.com

+46 709 62 78 42

The information was submitted for publication, through the agency of the contact person set out above, at 09:00 CET on 18 October 2021.

About Nordax

Nordax Bank AB (publ) is a leading specialist bank in Northern Europe owned by Nordic Capital Fund VIII and Sampo. Nordax has around 287,000 private customers in Sweden, Norway, Finland, Denmark and Germany. We are a specialist bank that through responsible lending helps people make informed decisions for a life they can afford. We are a flexible complement to the major banks. Instead of quantity, we have specialised in a few selected products that we know best: personal loans, mortgages, equity release products and savings accounts. Since 2019, Svensk Hypotekspension, which is a specialist in equity release products, is a wholly owned subsidiary of Nordax. Nordax has around 350 employees, practically all of whom work from a central office in Stockholm. The credit assessment process is one of Nordax's core competencies. It is thorough, sound and data driven. Nordax's customers are financially stable. As of 30 June 2021, lending to the public amounted to SEK 30.1 billion and deposits amounted to SEK 28.4 billion.

Read more about Nordax on <https://www.nordaxgroup.com>.

Forward-looking information

Statements in this press release relating to future status and circumstances, including statements regarding future performance, growth and other projections, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as "anticipates", "expects", "believes", or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Nordax. Any such forward-looking statements speak only as of the date on which they were made and Nordax has no obligation (and undertakes no such obligation) to update or revise any of them, whether as a result of new information, future events or otherwise, except for in accordance with applicable laws and regulations.