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Morrow Bank AB carries out a directed set-off issue to Kooperativa Förbundet in connection with the acquisition of MedMera Bank

The Board of Directors of Morrow Bank AB (publ) ("Morrow Bank" or the "Company") has today, pursuant to authorisation from the Annual General Meeting on 28 April 2026, resolved on a directed set-off issue of 32,780,579 new shares (the "Set-Off Issue") to Kooperativa Förbundet ekonomisk förening ("KF" or the "Seller") as part-payment of the consideration for the acquisition of MedMera Bank AB ("MedMera Bank").

Background and rationale

On 24 March 2026, Morrow Bank announced that it had entered into an agreement with KF to acquire 100 per cent of the shares in MedMera Bank for a total consideration of SEK 1,960 million. As stated in that announcement regarding the acquisition of MedMera Bank, and subsequently described in the prospectus published on 4 June 2026, part of the purchase price is settled through the issuance of new shares in Morrow Bank to KF.

The Set-Off Issue is carried out in conjunction with the rights issue resolved by the Board of Directors on 29 May 2026 and completed on 29 June 2026, the outcome of which has been separately announced.

The purpose of the Set-Off Issue, and the reason for deviation from the shareholders' preferential rights, is to enable the issuance of new shares as consideration in connection with the acquisition of MedMera Bank, which was announced by the Company through a press release on 24 March 2026. The Board of Directors considers that the directed issue to KF is justified on the grounds that the share-based component of the consideration reflects both parties' intention to establish KF as a long-term minority shareholder in the combined entity – an integral part of the strategic rationale for the transaction.

Terms of the Set-Off Issue

The Set-Off Issue comprises 32,780,579 new shares in Morrow Bank. The subscription price has been set, in accordance with the share purchase agreement, at SEK 11.958300 per share, which means that approximately SEK 392,000,000 is set off against shares. The subscription price is based on the volume-weighted average closing price of the Company's shares on Nasdaq

Stockholm over a period of ten trading days during the period from 10 March 2026 up to and including 23 March 2026. Payment for the new shares is made through set-off of KF's claim against the Company regarding the share-based component of the purchase price under the share purchase agreement relating to the acquisition of MedMera Bank.

Effects on share capital and ownership

Following registration of the Set-Off Issue with the Swedish Companies Registration Office (Sw. *Bolagsverket*), which is expected to occur around 1 July 2026, the total number of shares and votes in Morrow Bank will increase as follows:

	Number of shares	Share capital (SEK)	Number of votes
Before Rights Issue	231,643,441	231,643,441	231,643,441
Increase through the Rights Issue	51,476,320	51,476,320	51,476,320
After Rights Issue (before Set-Off Issue)	283,119,761	283,119,761	283,119,761
Increase through Set-Off Issue	32,780,579	32,780,579	32,780,579
After Set-Off Issue	315,900,340	315,900,340	315,900,340

As a result of the Set-Off Issue, existing shareholders will be subject to a dilution of approximately 10.4 per cent of the total number of shares and votes in the Company, irrespective of whether they participated in the Rights Issue or not.

Following the Set-Off Issue, KF will hold 32,780,579 shares in Morrow Bank, corresponding to approximately 10.4 per cent of the total number of shares and votes in the Company.

Advisers

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

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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.

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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 Set-Off Issue 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 Set-Off 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 Set-Off 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 Set-Off 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, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and are 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.

Press Release
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This information is information that Morrow Bank is obliged to make public pursuant to the Financial Instruments Trading Act. The information was submitted for publication at 2026-06-29 14:10 CEST.