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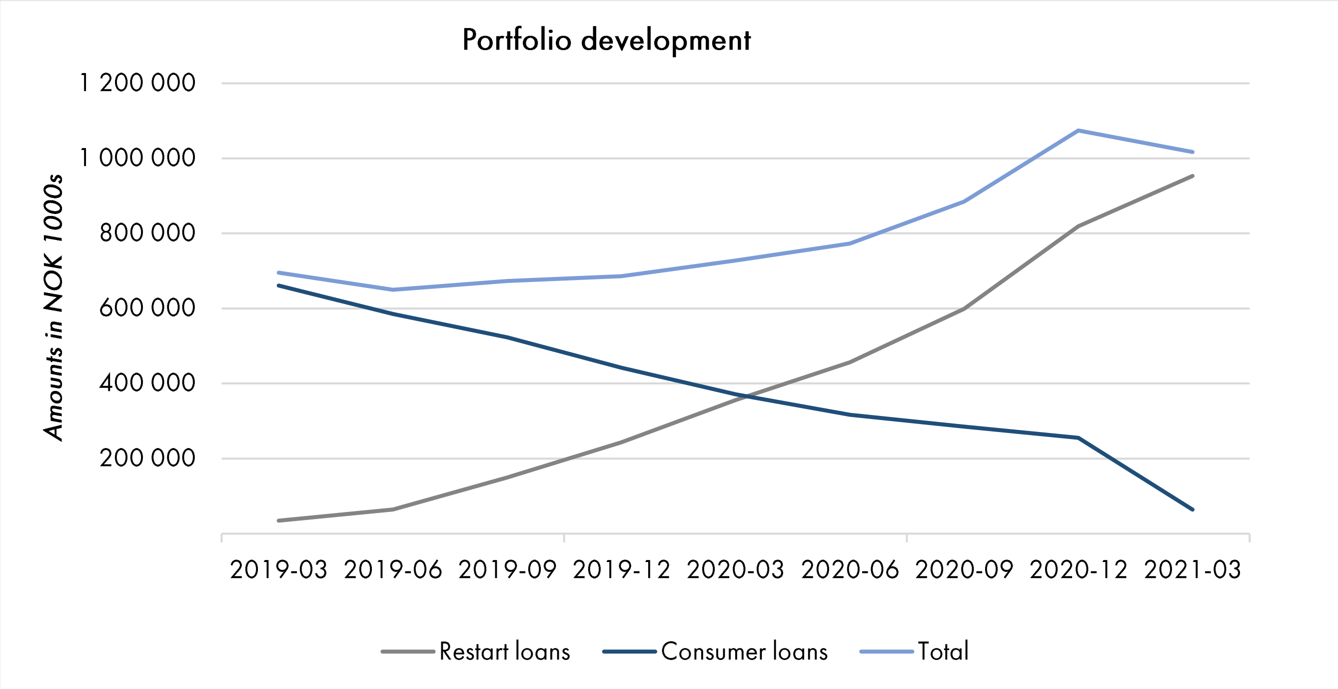
Interim Report Q1 2021



Short summary of the quarter

Mybanks growth continued in the quarter and combined with strict cost discipline resulted in a pre-tax profit of NOK 9.8 million. The underlying result excluding non-recurring items for the quarter was NOK 7.9 million, where most of the difference relates to the transaction in which the bank disposed of the performing part of the unsecured portfolio. The underlying result corresponds to an annualized return on equity of 15.9%.

The net increase in the bank's portfolio of restart loans was NOK 134 million (NOK 250 million in new loans, NOK 116 million repaid and amortized) in the first quarter.

The portfolio of unsecured loans has been heavily reduced during the quarter as **mybank** disposed of approx. 73% of the portfolio in the transaction with SpareBank1 Kreditt. This resulted in a positive one-off of NOK 3.1 million and a remaining unsecured portfolio of NOK 64.0 million.

Net interest income for the quarter was NOK 19.2 million, a decrease of 21.0% from NOK 24.3 million in the previous quarter. The development in the bank's net interest income this quarter was negative primarily due to the sale of the consumer finance portfolio, in addition to a shorter quarter in number of days. Operating costs for the quarter was NOK 11.9 million, an increase of 24.0 % from NOK 9.6 million last quarter. The increase in operating costs is mainly due to provisions related to the 2021 bonus scheme as well as new recruitments according to our forecasts. The cost focus remains top priority as it is paramount for **mybank** to succeed.

Loan loss provisions totaled a positive NOK 2.5 million this quarter, a decrease from NOK 3.4 mill last quarter. This corresponds to a positive loan loss provisions ratio of 1.0% annualized (compared to negative 1.4% previous quarter). The positive effect reflects the portfolio sale as well as positive NPL trends in the quarter.

The capital ratio was 33.0%, an increase from 30.1% in the fourth quarter, an increase mainly due to the disposal of the unsecured portfolio.

About mybank

mybank is an online retail bank offering restart loans, refinancing of consumer loans with security in real estate, and a deposit account with a high interest rate.

The bank was granted a banking license in July 2016 and commenced operations during the first quarter of 2017. The bank has previously raised a total share capital of NOK 273.3 million in 2016 and 2017. Following the capital raise in Q1 2019, the share capital increased to NOK 299.7 million. During 2020, the bank raised an additional NOK 70 million in private placements. The shares are unlisted and are registered at NOTC.

mybank uses loan agents as the most important sales channel, and normally combine this with direct digital marketing.

At the end of the quarter the bank had 22 employees.

Financial information for the quarter

Growth in net loans to customers was NOK 134 million during the quarter. Gross new mortgage loans paid out to customers during the quarter was NOK 250 million, compared to NOK 327 million the previous quarter.

mybank recorded net interest income of NOK 19.2 million during the quarter. The bank had operating costs of NOK 11.9 million, of which NOK 7.2 million in staff costs and NOK 4.8 million in other operating expenses (including depreciation).

At the end of the quarter, the bank's gross loans to customers totaled NOK 1.02 billion, of which NOK 953 million in restart loans and NOK 64 million in consumer loans.

Gross deposits were NOK 1.2 billion, hence deposit coverage is at 121,9%

The bank's liquidity position was NOK 441.4 million at the end of the quarter, compared to NOK 268.7 million in the previous quarter.

Loan losses

Loan losses for the quarter totaled positive NOK 2.5 million, of which NOK 2.2 million changes in provisions and NOK 0.3 million write-downs of disposed loans. This represents positive 1.1% annualized of net loans, compared to negative 1.4% last quarter.

Of the total loan loss provisions, NOK 6.9 million related to restart loans and NOK 24.2 million related to consumer finance loans (the split and flow between stages are presented in note 3 and 4). Provisions represent 3.1% of non-performing loans.

mybank changed from NGAAP to IFRS regulation 01.01.2020. This resulted in increased provisions from NOK 19.4 million to NOK 36.5 million, and a reduction in equity of NOK 17.1 million. The bank has implemented the regulatory transitional arrangement on capital adequacy in the period 2020 – 2022.

Regulatory developments

In Q1 2020, **mybank** received an inquiry from the NFSA to send in the bank's ICAAP with additional information as a part of a SREP-process to use as base to determine the new Pillar 2 buffer requirements. The bank received a decision of 6.6% additional total buffer that take effect from September 30th, 2020. After this year's increase in share capital, **mybank** are well equipped going forward with a total capital requirement of 21.1%.

Prospects

mybank is a focused provider of mortgage loans. Lending volumes for the mortgage product are expected to match or exceed those outlined during the capital raises in 2020. The disposal of the majority of the consumer loan portfolio has significantly improved mybank's capital position leaving ample room to grow and effectively marks the end of mybank's transformation into a pure mortgage bank.

The bank expects its current portfolio of mortgage loans, cost base and growth prospects to lead to continued profitable growth going forward.

mybank has throughout 2020 worked to handle the impact of Covid-19 on our customers and the market will continue this work into 2021. Most indications are that the pandemic has not significantly impacted credit quality, although this may change if the period of reduced economic activity is prolonged in some sectors, leading to permanent job losses. The temporary nature of the crisis may also increase demand for restart loans, as customers need to recover their financial health after a period of unemployment or furlough.

Risk factors

The most important risk factors for **mybank's** prospects includes:

- uncertainty around the banks' ability to attract new customers for future growth, as a result of increased competition or strategic and operational conditions in **mybank**,
- reduced growth capacity from high loan losses or market conditions preventing further capital raises,
- pressure on interest income as a result of price war in the market for restart loans, or higher funding costs for the bank or market in general,
- higher costs from a lack of cost-effectiveness or an inappropriate choice of technology, and
- lower growth and higher loan losses as a result of a severe economic recession
- increased loan losses following a severe downturn in residential property prices in Norway

In addition to having a flexible and scalable business model, the board and management have implemented sound practices for planning, control and adaptability in order to reduce any potential losses related to operational and strategic risks. The bank continuously monitors its exposure to potential losses from most of the above risk factors using stress testing and value at risk methods.

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Key figures

Amounts in NOK 1000s	31.03.2021	31.03.2020
Profitability		
Cost percentage	62,2 %	118,1 %
Return on equity (annualized)	19,5 %	-22,1 %
Loss and default		
Loan loss percentage	0,3 %	0,7 %
Balance sheet		
Total assets on the balance sheet date	1 447 919	982 346
Average total assets during the period	1 443 069	987 424
Profit as a percentage of total assets	0,7 %	-0,7 %
Equity in % of total assets	13,8 %	13,2 %
Lending growth (gross) last 12 months	42,3 %	-2,4 %
Deposit growth over the last 12 months	47,2 %	12,0 %
Deposits in % of loans	129 %	124 %
Liquidity Coverage (LCR)	1 503 %	1 250 %
Solidity		
Capital adequacy	33,0 %	21,7 %
Tier 1 capital adequacy	33,0 %	21,7 %
Net tier 1 capital adequacy	33,0 %	21,7 %
Leverage ratio	12,6 %	13,3 %
Total tier 1 capital	181 372	125 323
Crew		
Average number full-time equivalent	21,8	16,8

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Financial statements

Income statement

Amounts in NOK 1000s	Q1 2021	Q1 2020	2020
Interest income and similar income	30 493	19 869	95 518
Interest costs and similar costs	-11 327	-9 051	-37 664
Net interest income	**19 166**	**10 818**	**57 853**
Commissions and fee income from bank services	19	59	181
Commissions and fee expense from bank services	-309	-110	-2 199
Income (loss) from trading activities	283	1 465	1 305
Net other income	**-7**	**1 414**	**-713**
Total operating income	**19 159**	**12 232**	**57 140**
Staff cost	-7 153	-6 026	-24 742
Other operating costs	-3 705	-7 477	-22 774
Depreciation	-1 066	-941	-8 586
Total operating costs	**-11 924**	**-14 444**	**-56 102**
Operating profit (loss) before loan impairments	**7 235**	**-2 211**	**1 038**
Loan losses	2 521	-4 968	-16 117
Profit (loss) before tax	**9 756**	**-7 179**	**-15 079**
Tax	0	0	0
Profit (loss) for the period	**9 756**	**-7 179**	**-15 079**
Other income and expenses (after tax)	0	0	0
Total result	**9 756**	**-7 179**	**-15 079**

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Balance sheet

Amounts in NOK 1000s	**31.03.2021**	**31.03.2020**
Assets		
Cash and central bank deposits	50 246	50 365
Loans to, and deposits at, credit institutions	77 388	84 276
Net loans to customers	979 717	700 573
Short term financial investments	313 781	124 655
Intangible assets	18 762	19 043
Fixed assets	0	50
Other assets	8 025	3 384
Total assets	1 447 919	982 346
Liabilities		
Deposits from customers	1 239 827	842 167
Accounts payable	2 573	7 593
Accrued expenses and unearned income	5 098	2 731
Total liabilities	1 247 498	852 491
Equity		
Share capital	82 569	41 409
Share premium fund	240 182	242 548
Other equity	-122 331	-154 103
Total equity	200 420	129 854
Total liabilities and equity	1 447 919	982 346

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Cash flow

Amount in 1000 'NOK	Q1 2021	Q1 2020	2020
Cash flows from operating activities			
Interest payments from central banks and credit institutions	0	144	367
Deposits / disbursements of deposits from customers	113 222	133 640	418 078
Interest payments on deposits from customers	-4 342	-4 207	-17 618
Payments on loans to customers	59 130	-38 389	-378 628
Interest payments on loans to customers	22 983	18 241	80 133
Deposits / disbursements of deposits from credit institutions	-202	-232	-1 015
Interest payments on deposits from credit institutions	283	1 465	0
Commission payments from credit institutions	19	59	181
Commission payments	7 509	1 484	18 555
Commission payments from credit institutions	-309	-4 436	-2 199
Commission payments	-14 626	-287	-19 031
Payment for operation	18 219	-14 334	-66 485
Net cash flow from operating activities	**201 887**	**93 148**	**32 337**
Cash flows from investing activities			
Payments on the purchase of intangible assets	587	2 624	4 291
Payments on shares, participations, and equity certificates	-178 283	-60 759	-71 602
Net cash flow from investing activities	**-177 696**	**-58 135**	**-67 311**
Cash flows from financing activities			
Deposited equity (payment on issue / capital increase)	-29 785	0	68 574
Net cash flow from financing activities	**-29 785**	**0**	**68 574**
Net cash flow during the period	-5 594	35 013	33 600
Liquidity at the beginning of the period	133 228	99 628	99 628
Liquidity at the end of the period	127 634	134 641	133 228
Cash and central bank deposits	50 246	50 365	50 277
Loans to, and deposits at, credit institutions	77 388	84 276	82 951
Liquidity	**127 634**	**134 641**	**133 228**

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Changes in equity

Amount in 1000 'NOK	Share capital	Share premium	Other equity	Total
Equity 31.12.2018	23 810	235 340	-56 920	202 230
Equity 31.12.2019	41 409	242 548	-145 993	157 533
Profit (loss) for the period	0	0	-15 079	-15 079
Transition to IFRS	0	0	-19 579	-19 579
Equity 31.12.2020	82 569	240 181	-132 086	190 664
Profit (loss) for the period	0	0	9 756	9 756
Equity 31.03.2021	82 569	240 181	-122 331	200 420

Note 1 Accounting principles

1. Company information

Mybank ASA is a Norwegian public limited company with business address Grenseveien 97, Oslo. The bank offers mainly financial services such as restart loans and deposit accounts.

2. Basis for preperation of the financial statements

The quarterly report has been prepared in accordance with simplified IFRS as allowed by Norwegian regulations and has not been audited.

Mybank uses the transitional rule after the change from NGAAP to simplified IFRS in 2020.

If nothing else is noticed, amounts are presented in NOK 1.000.

3. Summary of the most important accountingprinciples

Segment information

The banks reporting market are only the private market.

Revenue recognition

Interest is recognized as income using the effective interest method. The effective interest rate is determined by discounting contractual cash flows within the expected lifecycle of the loan. Cash flows include start-up fees, as well as any residual value at the end of the expected loan cycle.

Income recognition of interest rate according to the effective interest method is used for balance sheet items that are valued at amortized cost. Interest rates on loans with credit impairment are calculated from the effective interest rate of the written-down value. Interest rates on loans that do not have a credit impairment are calculated using the effective interest rate on gross amortized cost (amortized cost before written downs).

Fees and commissions are recognized in the income statement as the service is provided. Agent commissions are included in the cash flows when calculating amortized cost and are recognized as income under net interest income according to the effective interest method.

Financial instruments – recognition and derecognition

Financial assets and liabilities are recognized when the bank becomes a party to the instrument's contractual terms.

Regular purchases and sales on investments are recognized at the time of the agreement. Financial assets are derecognized when the contractual rights to the cash flows from the financial assets expire, or when the bank transfers the financial assets in a transaction where all or substantially all risk and profit opportunities linked to the ownership of the assets transfers to the bank. Financial liabilities are derecognized when the contractual terms are fulfilled, cancelled, or expired.

Financial instruments - classification

At initial recognition, financial instruments are classified in the following groups:

Financial assets:

- Amortized cost
- Fair value with change in value through other comprehensive income
- Fair value with change in value through the profit and loss

Financial assets are classified based on an assessment of the bank's business model and the cash flows associated with the various instruments. Financial assets with contractual cash-flows in which only payment of interest rates and principal amount are done at specific dates and that are included in a business model with the purpose to receive contractual cash-flows, are measured in amortized cost. Other financial assets are measured at fair value with value-changes accounted for in the income statement.

Based on this, loans to and deposits to central banks, credit institutions and customers are measured to amortized cost, and short-term financial investments are measured at fair value with value-changes accounted for in the income statement.

Financial liabilities:

- Other financial liabilities measured at amortized cost

Financial liabilities include only deposits from customers.

Measurements

Measurements to fair value

The fair value of financial instruments that are traded in active markets is determined at the end of the reporting period with reference to quoted market prices or prices from traders of financial instruments, without deduction of transaction costs. The market is active if it is possible to obtain externally observable prices, exchange rates or interest rates, and these prices represent actual and frequent market transactions.

For financial instrument that are not traded in an active market, the fair value is determined using an appropriate valuation method. Such valuation methods include the use of recent market transactions at an arm's length distance between well-informed and voluntary parties, if available, in reference to the current fair value of another instrument that is practically the same, discounted cash flow calculations or other valuation methods. To the extent that observable market prices are available for variables that are included in valuation models, these are used.

Measurements of amortized cost

Financial instruments that are not measured at fair value are initially recognized to fair value with additional transactional costs. Other liabilities that are measured to amortized costs are initially recognized to fair value with deduction of transactional costs.

Amortized cost is derived from contractual cash-flows within the expected life cycle. Cash flows include set-up fees and direct, marginal transaction costs that are not directly paid by the customer, as well as any residual value at the end of the expected cycle. Amortized cost is the present value of such cash flows, discounted with the effective interest rate with deduction for expected losses.

Impairment of financial assets

Provisions for losses are recognized under IFRS 9 based on expected credit losses. The general model for write-downs of financial assets comprises financial assets that are measured at amortized cost or at fair value with changes in value through other comprehensive income.

<u>Stage 1</u>

At initial recognition, the assets are defined in stage 1, providing there is no significant change in credit risk on the specific assets or group of assets. In the case of assets in stage 1, a loss corresponding to the 12-month expected loss shall be recognized. 12-month expected loss is the loss that is expected to occur over the life of the instrument, but which can be linked to default events that occur in the first 12 months.

<u>Stage 2</u>

If the credit risk for an asset or group of assets is considered to have increased significantly since the initial recognition, a loss provision corresponding to losses during the entire expected life of the asset shall be made and the asset are in stage 2. This includes mainly cash-flows on assets, with a default over 30 days or if there is information for increased risk prior to the 30 days.

<u>Stage 3</u>
For an asset or group of assets that are in default over 90 days, there is done an individual evaluation, resulting in an individual write-down and defined as stage 3. This individual evaluation relies on an asset prior and expected behavior, and up to date information about potential securities.

Referring to IFRS9 for further details.

The model of impairments in the bank

The bank's data center, SDC, has developed its own models for calculating the probability of default (PD). **Mybank** have an internal model for calculating loss given default (LGD). SDC has further developed a solution for exposure in the event of default (EAD), calculation of losses, and a model for assessing whether a commitment has had significant increase since the first recognition. The bank has decided to use this model in its calculations of impairments. Expected credit loss (ECL) are calculated from EAD x PD x LGD, discounted with the effective interest rate. Default is defined as an asset that has not been handled according to the initial agreement in a coherent period of 90 days. If a customer has multiple assets, all assets are considered independently of the status of the other assets.

The PD model provided by SDC estimates the probability of default by estimating statistical correlations between default and the customer's financial position, demographic data and payment behavior.

The model differentiates between private and institutional customers, and measure probability of default for the next 12 months (PD). The private customer model further differentiates between customers with and without securities. To analyze the expected payment behavior, it is expected to have 6 months data before the model calculate individual behavior to a given customer. Hence, the model uses an external model before the internal model are used. These models are yearly validated and adapted if needed. In calculating the probability of default over the expected life cycle (PD-life), a migration-based projection is used to estimate the expected credit loss in the future, based on the development in PD last 12 months.

Relative increase in credit risk

Significant increase in credit risk is measured based on mainly days in default. Default in 30 days defines an asset or group of assets to stage 2, and default in 90 days in stage 3. Further, an asset or group of assets are defined as stage 2 if there has been default within last 12 months.

The bank also to qualitative evaluations on customer levels. These evaluations are based on additional information the bank may have about the customer, for instance bankruptcy petition or changes in a customer's possibilities to pay.

On restart loans, the portfolio is relatively small, and all customers are closely followed up. The bank does consecutively evaluations to see if there are any variables indicating an increase in credit risk.

Measurement of LGD

LGD are calculated through maximum loss after sale and further variables impacting this outcome.

The value of securities is based on estimated realizable value.

EAD

EAD for agreements in step 1 consists of outstanding receivables or liabilities adjusted for cash flows over the next 12 months, and agreements in step 2 consist of the discounted cash flows for the expected life of the arrangement.

For guarantees, EAD is equal to the outstanding liability on the reporting date multiplied by a conversion factor of 1 or 0.5 depending on the type of guarantee.

Unused credits have EAD equal to outstanding unused credit at the time of reporting.

The expected life of an agreement is calculated based on the historical average life of similar agreements and other measures the bank do to positively impact the customer and increase the expected life of the agreement. Agreements that are modified are measured from the original grant date even if the agreement is given new conditions.

Expected credit loss based on expectations for the future

Mybank has prepared its own expectations for the future. The expectations are based in three different scenarios (base, downside and upside). The different scenarios are weighted differently, and the expectations are derived from how the different factors impact probability of default and loss given default. The weighing is based on discretionary assessments.

Loans to and deposits from credit- and financial institutions

Loans to and deposits from credit- and financial institutions are Norwegian institutions with good rating and are considered as fulfilling the standard presumption of low credit risk. **Mybank** considers this in accordance to a low LGD to give extremely low provisions and provisions are therefore not taken on these assets.

Realized losses

The bank is continuously doing realizing losses and define these as deceased customers and other agreements the bank see as lost. In these situations, the provisions are reversed, and the agreement is realized and withdrawn from the balance.

Application of estimates and discretionary assessments

Estimates and assessments are continuously used and are evaluated based on historical experiences and other variables. Accounting estimates can deviate from realized results but are based on the best estimate at the time of reporting.

The market value of the security the bank has are updated yearly, but the bank watches the market and in case of big changes the values will be updated more often. This is an important variable into the IFRS9 model and is therefore an important variable in calculating expected loss.

Takeover of assets

Assets that are taken over in connection with follow-up of non-performing and written-down exposures are valued at fair value upon acquisition. Subsequent valuation and classification of profit effects follow the principles for the asset in question.

Presentation of profit and loss items related to financial assets and liabilities at fair value

Realized gains and losses, as well as changes in estimated values of financial instruments at fair value through profit or loss, are included in the accounts under "Income (loss) from trading activities" in the period in which they arise. on shares and other equity instruments are recognized in profit and loss when the bank's right to dividends has been determined.

Netting

Financial assets and financial liabilities are set off and presented only when the bank has a legally enforceable right to set off and when the bank intends to settle on a net basis. Revenues and expenses are not offset unless required or permitted in accordance with IFRS.

Currency

Transactions in foreign currency are converted to Norwegian kroner from the exchange rate at the time of the transaction. Monetary items in foreign currency are converted into Norwegian kroner using the exchange rate on the transfer date. Non-monetary items measured at the historical exchange rate expressed in foreign currency are converted into Norwegian kroner using the exchange rate at the time of the transaction. Non-monetary items that are measured at fair value expressed in foreign currency are converted at the current exchange rate at reporting date. Exchange rate fluctuations are recognized in the income statement on an ongoing basis during the accounting period.

The accounts are presented in Norwegian kroner, which is the bank's functional currency.

Fixed assets

Fixed assets include movables and are valued at acquisition cost considering the accumulated depreciation and write-downs. Acquisition cost for fixed assets are the purchase price, including fees, taxes and costs directly related to enabling the fixed asset to be used. Expenses incurred after the fixed asset is taken into use, such as ongoing maintenance, are recognized in the income statement, while other expenses that are expected to provide future financial benefits are recognized in the balance sheet.

Linear depreciation has been used to allocate cost over the operating assets' life cycle.

Intangible assets

Software development is capitalized and classified as intangible assets if it is probable that the expected future value of the asset can contribute to and increase the value of the bank and that the acquisition cost can be measured reliably. When developing software, the use of own resources, pre-engineering, implementation and training are expensed.

Capitalized, proprietary software is depreciated linearly over its estimated life cycle.

Impairment of fixed and intangible assets

At each reporting date, and if there are indications of a decrease in value of the asset, the recoverable amount of the asset will be estimated to calculate any write-down. The recoverable amount is the higher of the asset's fair value minus the eventual expense of selling it, and the value in use. The balanced amount it written down if the balanced amount is higher than the estimated recoverable amount.

Leases

A lease is classified as a financial lease if it substantially transfers the risks and rewards of ownership. Other leases are classified as operating leases.

The bank will implement IFRS 16 for leases in their balance from Q2 2021, as per 31.03.2021 the bank has a contractual agreement of one month.

Tax

The tax expense consists of tax payable and change in deferred tax. Deferred tax/tax benefit is calculated on all differences between the accounting and tax value of assets and liabilities. Deferred tax assets are recognized when it is probable that the bank will have sufficient taxable profits in later periods to utilize the tax asset. The bank realized their deferred tax in 2019 and do not have a deferred tax in the balance sheet in 2020.

Deferred tax and deferred tax assets are measured based on expected future tax rates and tax rules that apply on the reporting date, or which are in all probability expected to be adopted, and which are assumed to be used when the deferred tax asset is realized or when the deferred tax is settled.

Tax payable and deferred tax are recognized directly in equity to the extent that the tax items relate to equity transactions.

Pension obligations

Pension costs and liabilities comply with IAS 19. The bank has a defined contribution pension for all employees. The bank pays deposits to a privately administered life and pension insurance company who handles the pension plan for each employee. The bank has no further payment obligations after the deposits have been paid to the insurance company. The deposits are expensed on an ongoing basis and are accounted for as a part of staff costs.

Events after the balance sheet date

New information after the reporting date about the bank's financial position on the reporting date will be considered in the interim financial statements. Events after the balance sheet date that do not affect the bank's financial position in the future will be disclosed if this is significant.

Cash flow statement

The cash flow statement shows gross cash flows from operational-, investment- and financial activities.

Cash flows from operational activities are defined as running interest rates, and costs relating to the ordinary operational business.

Cash flows from investment activities are defined as cash flows from trading transactions, and investments in tangible assets.

Cash flows from financial activities are defined as cash flows from the lending and deposit business and changes in equity (result of the year).

Holdings of cash and cash equivalents are the bank's deposits in central banks and financial institutions.

The cash flow statement is prepared using the direct method.

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Note 2 Capital adequacy

	Q1 2021	Q4 2020	Q1 2020
Share capital	82 569	82 569	41 410
Share premium reserve	240 182	240 182	242 250
Retained earnings	-132 087	-132 087	-153 167
Deduction of intangible assets	-18 762	-19 349	-19 043
Transitional rule for loss write-down according to IFRS9	9 875	13 698	13 698
Adjustment for assets and liabilities at fair value	- 314	-135	-125
Core equity tier 1 capital	181 372	184 878	125 323
Additional tier 1 capital instruments	0	0	0
Tier 1 capital	181 372	184 878	125 323
Subordinated loans	0	0	0
Tier 2 capital	181 372	184 878	125 323
Capital requirements	21,1 %	21,1 %	18,5 %

	Q1 2021	Q4 2020	Q1 2020
Institutions	15 478	16 590	16 855
Unsecured loans to retail customers	8 662	188 650	323 230
Secured by mortgages	316 686	268 644	117 134
Overdue commitments	69 091	73 854	38 777
Investment funds	18 411	7 575	0
Equity	2 523	2 845	3 059
Other	34 107	36 535	23 689
Operational risk	85 636	85 636	56 238
Total risk-weighted assets	549 593	680 329	578 981
Core equity tier 1 capital ratio	33,0 %	27,2 %	21,7 %
Tier 1 capital ratio	33,0 %	27,2 %	21,7 %
Capital ratio	33,0 %	27,2 %	21,7 %
Leverage Ratio(LR)	12,6 %	14,0 %	13,3 %
Calculation without IFRS transitional rule:			
Core equity tier 1 capital ratio	31,8 %	25,7 %	19,3 %
Tier 1 capital ratio	31,8 %	25,7 %	19,3 %
Capital ratio	31,8 %	25,7 %	19,3 %
Leverage Ratio(LR)	12,0 %	13,1 %	12,0 %

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Note 3 Loans to customers

Loans and receivables from customers	31.03.2021	31.03.2020
Loans and receivables from customers - Consumer loans	64 046	385 005
Loans and receivables from customers - Restart loans	946 729	332 472
Loans and receivables from customers at amortized cost	**1 010 775**	**717 477**
Provisions for losses - Consumer loans	24 150	15 265
Provisions for losses - Restart loans	6 908	1 639
Loans and receivables from customers at amortized cost	**979 717**	**700 573**

Unsecured loans

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 31.01.2021	148 466	52 354	54 162	254 982
Transfers				
Transfer from stage 1 to stage 2	-4 456	4 439		-17
Transfer from stage 1 to stage 3	-354		366	12
Transfer from stage 2 to stage 1	258	-264		-6
Transfer from stage 2 to stage 3		-4 278	4 398	121
Transfer from stage 3 to stage 1	223		-237	-13
Transfer from stage 3 to stage 2		528	-537	-9
New loans	120	0	0	120
Repaid loans	-141 068	-45 846	-4 883	-191 796
Changes in not migrated loans	-563	-25	1 240	652
Gross loans per 31.03.2021	2 627	6 909	54 511	64 046

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Restart loans

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 31.01.2021	657 726	114 682	47 213	819 621
Transfers				
Transfer from stage 1 to stage 2	-37 682	37 621		-62
Transfer from stage 1 to stage 3	0		0	0
Transfer from stage 2 to stage 1	2 486	-2 509		-23
Transfer from stage 2 to stage 3		-5 107	5 201	94
Transfer from stage 3 to stage 1	836		-2 011	-1 175
Transfer from stage 3 to stage 2		6 430	-6 474	-44
New loans	252 599	0	0	252 599
Repaid loans	-56 491	-25 585	-3 207	-85 283
Changes in not migrated loans	-32 906	-353	653	-32 606
Gross loans per 31.03.2021	786 567	125 179	41 375	953 121

Total

	Stage 1	Stage 2	Stage 3	Total
Gross loans per 31.01.2021	806 192	167 036	101 376	1 074 604
Transfers				
Transfer from stage 1 to stage 2	-42 138	42 060		-78
Transfer from stage 1 to stage 3	-354		366	12
Transfer from stage 2 to stage 1	2 744	-2 773		-29
Transfer from stage 2 to stage 3		-9 384	9 599	215
Transfer from stage 3 to stage 1	1 059		-2 248	-1 189
Transfer from stage 3 to stage 2		6 958	-7 011	-53
New loans	252 719	0	0	252 719
Repaid loans	-197 558	-71 431	-8 089	-277 079
Changes in not migrated loans	-33 469	-378	1 893	-31 954
Gross loans per 31.03.2021	789 194	132 088	95 886	1 017 167

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Note 4 Loan losses and loss provisions

Unsecured loans

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2021	5 625	7 636	21 694	34 955
Transfers				
Transfer from stage 1 to stage 2	-818	975	0	157
Transfer from stage 1 to stage 3	-11	0	148	137
Transfer from stage 2 to stage 1	37	-24	0	12
Transfer from stage 2 to stage 3	0	-743	1 772	1 029
Transfer from stage 3 to stage 1	89	0	-95	-5
Transfer from stage 3 to stage 2	0	94	-217	-123
Provisions new loans	0	0	0	0
Provision repaid loans	-4 724	-6 538	-1 875	-13 138
Changes in not migrated loans	93	127	903	1 123
Loss provisions per 31.12.2020	293	1 527	22 330	24 150
This period's change in provisions	5 333	6 109	-636	10 806
Provisions in % of total loans	11,14 %	22,11 %	40,96 %	37,71 %

Restart loans

	Stage 1	Stage 2	Stage 3	Total
Loss provisions per 01.01.2021	1 054	1 861	2 444	5 359
Transfers				
Transfer from stage 1 to stage 2	-239	402	0	162
Transfer from stage 1 to stage 3	0	0	0	0
Transfer from stage 2 to stage 1	0	0	0	0
Transfer from stage 2 to stage 3	0	-82	94	12
Transfer from stage 3 to stage 1	0	0	0	0
Transfer from stage 3 to stage 2	0	0	0	0
Provisions new loans	617	0	0	617
Provision repaid loans	-178	-471	-97	-747
Changes in not migrated loans	-12	362	1 155	1 505
Loss provisions per 31.03.2021	1 241	2 071	3 596	6 908
This period's change in provisions	-187	-210	-1 151	-1 549
Provisions in % of total loans	0,16 %	1,65 %	8,69 %	0,72 %

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Non-performing and non-performing commitments	31.03.2021	31.03.2020
Loss-prone commitments before individual write-downs		
Defaulted commitment over 90 days	90 562	56 487
Other non-performing commitments	5 324	2 933
Total commitment before individual write-downs	**95 886**	**59 420**
Individual write-downs of		
Defaulted commitment over 90 days	25 139	14 371
Other non-performing commitments	787	0
Total individual loss write-downs (stage 3)	**25 926**	**14 371**
Loss-prone commitments after individual write-downs		
Defaulted commitment over 90 days	65 423	42 116
Other non-performing commitments	4 537	2 933
Total commitment after individual write-downs	**69 960**	**45 049**

Unsecured loans	31.03.2021	31.03.2020
The period's change in write - downs stage 1	5 333	2 322
The period's change in write - downs stage 2	6 109	-610
The period's change in write - downs stage 3	- 636	2 056
Findings without previous write-downs	0	0
Entered previously established losses	- 6 736	- 8 826
Total loan losses	4 070	-5 058

Restart loans	31.03.2021	31.03.2020
The period's change in write - downs stage 1	- 187	928
The period's change in write - downs stage 2	- 210	- 583
The period's change in write - downs stage 3	- 1 151	- 255
Findings without previous write-downs	0	0
Entered previously established losses	0	0
Loan losses	-1 549	90

Total loan losses	2 521	-4 968

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Note 5 Operating costs

	31.03.2021	31.03.2020
Audit fees	355	375
Other assistance	485	0
Consultant fees	326	1 397
IKT operating costs	1 836	3 163
Cost and reimbursement for travel	3	317
Sales and advertising costs	117	405
Rent	180	356
Other administration costs	403	1 463
Depreciation	1 066	941
Total other operating expenses	4 771	8 418

Note 6 Net change in value of financial instruments at fair value

	31.03.2021	31.12.2020
Net change in value of shares / units in funds	283	-740
Net change in value of financial instruments at fair value	283	-740

The bank's liquidity portfolio is invested in fixed income funds adapted to the regulations for liquidity management for banks.

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Note 7 Classification of financial instruments in the balance sheet

31.03.2021

	Valued at fair value through profit or loss	Assessed at amortized cost	Non-financial
Cash and cash equivalents		50 246	
Loans and advances to credit institutions		77 388	
Lending to and receivables from customers		979 717	
Shares and units in funds	313 781		
Other assets		8 025	18 762
Total Assets	**313 781**	**1 115 376**	**18 762**
Commitments			
Deposits from customers		1 239 827	
Other debt		8 022	
Accrued expenses and received, unearned income			
Rental obligation			
Total Liabilities		**1 247 849**	

31.12.2020

	Valued at fair value through profit or loss	Assessed at amortized cost	Non-financial
Cash and cash equivalents		50 277	
Loans and advances to credit institutions		82 951	
Lending to and receivables from customers		1 013 302	
Shares and units in funds	135 498		
Other assets		22 837	19 349
Total Assets	**135 498**	**1 169 367**	**19 349**
Commitments			
Deposits from customers		1 126 605	
Other debt		6 946	
Accrued expenses and received, unearned income			
Rental obligation			
Total liabilities		**1 133 551**	

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Note 8 Fair value of financial instruments

Amounts in NOK '000

Fair value of financial instruments ranked at fair value

	31.03.2021			31.12.2020		
Assets	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Shares or units in funds		313 781			135 498	
Total Assets		**313 781**			**135 498**	

The valuation hierarchy used in the table above is as follows:

Level 1: Assets that have observable trading prices in active markets.

Level 2: Assets that have observable trading prices in less active markets, or that are calculated by direct or indirect use of such observable trading prices.

Level 3: Assets that do not have observable trading prices.

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Note 9 Overview of largest shareholders

Mybank has a share capital of NOK 82.57 million, divided into 7.645.259 shares. The bank had a total of 191 shareholders.

There are 506.250 subscription rights outstanding, half of which with a strike price of NOK 12.60 and expire on 30.06.2022, the remaining half with a strike price of NOK 14.40 expiring on 30.06.2023.

Largest shareholders as of 31.03.2021

	Name	Holding	Stake	Nom.	Board/management
1	Skandinaviska Enskilda Banken AB	1 376 029	18.00	Yes	Yes*
2	DAIMYO AS	1 052 466	13.77		Yes***
3	COMPANY ONE AS	745 089	9.75		Yes***
4	NORDIC DELTA AS	710 925	9.30		
5	DANSKE BANK A/S	584 435	7.64	Yes	
6	NORDIC PROPERTY HOLDING AS	466 411	6.10		
7	BIMO KAPITAL AS	308 236	4.03		
8	Nordnet Bank AB	296 543	3.88	Yes	
9	DOBER AS	233 798	3.06		
10	MH CAPITAL AS	185 589	2.43		
11	TITAN VENTURE AS	175 000	2.29		
12	Swedbank AB	149 509	1.96	Yes	
13	Skandinaviska Enskilda Banken AB	138 889	1.82	Yes	
14	Mavenhead II Limited	110 323	1.44		
14	ART GROUP AS	107 593	1.41		
14	MORCO HOLDING AS	92 593	1.21		
17	TVENGE	50 000	0.65		
18	CRESCENT BELL & HARE LTD	47 500	0.62		Yes
19	J AANERØD & SØNN AS	47 099	0.62		
20	NIELSEN EQT	46 389	0.61		Yes
=	20 largest shareholders	6 924 416	90.57		
+	Other shareholders	720 843	9.43		
=	Total	7 645 259	100.00		

* Holdings by Skandinaviska Enskilda Banken AB include shares owned by Erik Selin Fastigheter AB (ESF) and held in nominee. ESF is represented on the board of directors by Jesper Mårtensson.

** Daimyo AS is controlled by Espen Aubert, member of the board of directors.

*** Company One AS is a controlled by Håkon Reistad Fure, chairman of the board. Company One AS has also been allocated 375.000 subscription rights.

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