EXEMPTED DOCUMENT

Listing of 186.904.268 Consideration Shares issued on connection with the Merger between Bank Norwegian ASA and Norwegian Finans Holding ASA

The information contained in this Exempted Document (the "**Exempted Document**") relates to the contemplated merger (the "**Merger**") between Bank Norwegian ASA (the "**Bank**") and Norwegian Finans Holding ASA ("**NFH**", and taken together with its consolidated subsidiaries, the "**NFH Group**") and the listing of 186,904,268 ordinary shares in the combined company ("**BANO**"), each with a nominal value of NOK 1 (the "**Shares**") expected to be issued in connection with the Merger.

Upon the completion of the merger, BANO will issue 186,904,268 new Shares as merger consideration (the "**Consideration Shares**"). The Consideration Shares will be distributed to the shareholders of NFH as the expiry of the date of registration of the completion of the Merger with the Norwegian Register of Business Enterprises (the "**Effective date**"), which is expected to occur on or about 20 July 2021, as such shareholders appear in the shareholder register of BANO with the Norwegian Central Securities Depositary (the "**VPS**") as at the expiry of the second trading day thereafter (the "**Record Date**"), which is expected to be on or about 22 July 2021. The shareholders of NFH will receive one share in BANO per share held in NFH at the time the merger enters into effect. It is expected that the Consideration Shares will be delivered and made available to shareholders of NFH on the business day after the Record Date. The Consideration Shares will be registered in the VPS in book-entry form and rank in parity with one another and carry one vote per Share. Trading in the Consideration Shares on the Oslo Stock Exchange is expected to commence on or about 21 July 2021. As of the first day of listing after completion of the Merger, the Shares in the Combined Company will trade under the trading symbol "BANO". As of the same day, the shares with the trading symbol "NOFI" in NFH will be exchanged with Consideration Shares and NFH will be dissolved.

This Exempted Document serves as a prospectus equivalent document for the purpose of listing the new shares to be issued in connection with the Merger, cf. Section 7-1 of the Norwegian Securities Act cf. the Prospectus Regulation Article 1 (5) point (f). This Exempted Document is not a prospectus within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Counsel of 14 June 2017, and therefore it has not been subject to scrutiny and approval by the relevant competent authority as set out in Article 20 of Regulation 2017/1129.

Except where the context otherwise requires, references in this Exempted Document to the Shares refer to all issued and outstanding ordinary shares of BANO and will be deemed to include the Consideration Shares. For the definitions of capitalised terms used throughout this Exempted Document, see Section 10 "DEFINITIONS". Investing in the Shares involves risks; see Section 1 "RISK FACTORS ".

This Exempted Document does not constitute an offer or solicitation to buy, subscribe or sell the securities described therein, and no securities are being offered or sold pursuant to this Exemption Document.

The date of this Exempted Document is 15 July 2021

IMPORTANT INFORMATION AND REGULATORY STATEMENTS

This Exempted Document has been prepared by Bank Norwegian ASA in connection with the listing of the Consideration Shares and serves as a prospectus equivalent document cf. Article 1 5. (f) of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2014/71/EC, as amended, and as implemented in Norway in accordance with Section 7-1 of the Norwegian Securities Trading Act (the "**EU Prospectus Regulation**"). This Exempted Document has been prepared solely in the English language. In this Exempted Document, the term "Combined Company" shall refer to BANO as of the date of registration of the completion of the Merger in the Norwegian Register of Business Enterprises (the "**Effective Date**").

The Exempted Document does not constitute a prospectus within the meaning of EU Regulation 2017/1129 and has not been subject to the scrutiny and approval by the relevant competent authority of the Financial Supervisory Authority of Norway (hereafter referred to as the "**FSA**") in accordance with Article 20 of Regulation (EU) 2017/1129, and prepared in accordance with clarifications given by the Norwegian FSA. The content of this Exempted Document has been prepared on the basis of the European Commission's draft commission delegated regulation supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the minimum information content of the document to be published for a prospectus exemption in connection with a takeover by means of an exchange offer, a merger or a division, as published by the European Commission for feedback on 16 June 2020. (Ref. Ares (2020)3028878 - 11/06/2020).

This Exempted Document does not constitute an offer or solicitation to buy, subscribe or sell the securities described therein, and no securities are being offered or sold pursuant to this Exemption Document. All inquiries relating to this Exempted Document must be directed to Bank Norwegian. No other person is authorized to give any information about, or to make any representations on behalf of Bank Norwegian, Norwegian Finans Holding or the Combined Company in connection to the Merger. If any such information is given or representation made, it must not be relied upon as having been authorized by Bank Norwegian. The information contained herein is as of the date hereof and is subject to change, completion, and amendment without further notice. The publication of this Exemption Document shall not under any circumstances create any implication that there has been no change in Bank Norwegian's or Norwegian Finans Holding's affairs or that the information set forth herein is correct as of any date subsequent of the date thereof. No person is authorized to give information or to make any presentation in connection with the Merger other than as contained in this Exemption Document.

The contents of this Exempted Document are not to be construed as legal, business or tax advice. Each reader of this Exempted Document should consult with his or her own legal, business or tax advisor as to legal, business or tax advice. If you are in any doubt about the contents of this Exempted Document, you should consult your stockbroker, bank manager, lawyer, accountant, or other professional advisor.

Readers are expressly advised that the Shares are exposed to financial and legal risk and they should therefore read this Exempted Document in its entirety, in particular Section 1"RISK FACTORS ".

The distribution of this Exempted Document may in certain jurisdictions be restricted by law. Persons in possession of this Exempted Document are required to inform themselves about and to observe any such restrictions. No action has been taken or will be taken in any jurisdiction by Bank Norwegian or NFH that would permit the possession or distribution of this Exempted Document, in any country or jurisdiction where specific action for that purpose is required.

This Exempted Document is not for publication or distribution, directly or indirectly, in the United States. BANO has not registered any of the Shares issued by BANO, including the Consideration Shares when issued, under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), and the Shares may not be offered or sold, directly or indirectly, in the United States absent registration except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States. BANO does not intend to register any of the Shares pursuant to the U.S. Securities Act. Any sale, offer or delivery in United States of the Shares mentioned in this Exempted Document will be made solely to shareholders of NFH who are (i) non-U.S. persons as defined in Regulation S of the U.S. Securities Act, or (2) "accredited investors" as defined in Regulation D of the U.S. Securities Act.

This Exempted Document is to be read in conjunction with all documents which are deemed to be incorporated herein by reference (see Section 8 "INFORMATION INCORPORATED BY REFERENCE"). This Exempted Document shall be read and interpreted on the basis that such documents are incorporated and form part of this Exempted Document. Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Exempted Document refers does not form part of this Exempted Document. Information presented at the website of Bank Norwegian, or on any other website, is not part of this Exempted Document and the shareholders of Bank Norwegian and Norwegian Finans Holding should not rely on such information. However, as an Exempted from the above, the information incorporated by reference into the Exempted Document which is available at Bank Norwegian's website is a part of the Exempted Document.

This Exempted Document is governed by and construed in accordance with Norwegian law. The courts of Norway, with Oslo as legal venue, shall have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Exempted Document.

All Sections of the Exempted Document should be read in context with the information included in Section 3 "GENERAL INFORMATION".

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1 RISK FACTORS

An investment in the Combined Company involves inherent risks. The following describes the risks relating to the Merger, as well as the risks relating to the Combined Company and its business and the Shares, including the Consideration Shares regardless of the manner of their delivery to the NFH shareholders. Shareholders should consider carefully all information set forth in this Exempted Document and, in particular, the specific risk factors set out below. If any of the risks described below materialize, individually or together with other circumstances, they may have a material adverse effect on the Combined Company's business, financial condition, results of operations and cash flow, which may affect the ability of the Combined Company to pay dividends and cause a decline in the value and trading price of the Shares that could result in a loss of all or part of any investment in the Shares.

The risk assessment related to the merger has been conducted on two levels. The risk factors associated with execution of the Merger, as well as the risk factors associated with the merged entity, following the Merger. The main risk factors identified related to the Merger, are related to transactions following to the execution of the merger. In general, the risks related to the Combined Company's operational, financial and governance positions post-merger are expected to be largely unchanged. Below we present the analysis of risk factors related to the Merger.

The absence of negative past experience associated with a given risk factor does not mean that the risks and uncertainties in that risk factor are not genuine and potential threats, and they should therefore be considered prior to making an investment decision. The overview is not a substitute for the rest of the Exempted Document and should not be perceived as such. A full and accurate assessment of risks related to the merger, as well as the Group's operations should only be based on the entire Exempted Document.

Additional factors of which the Bank or NFH is currently unaware or which it currently deems not to be risks, may also have corresponding negative effects.

1.1 RISKS RELATED TO THE MERGER

The Combined Company may not necessarily be able to realize some or any of the estimated benefits from the Merger in the manner or within the timeframe currently estimated, or at all, and the implementation costs may exceed estimates.

The Combined Company's ability to realize the anticipated benefits described in Section 4.2 "BACKGROUND AND RATIONALE FOR THE MERGER" will depend on the timely and efficient execution of the Merger. Achieving the estimated synergies or other benefits from the Merger could be limited, delayed, or prevented, and the estimated implementation costs may be exceeded due to risks that include, but is not limited to, the following factors:

- The completion of the Merger may be delayed or not completed at all
- The Combined Company may be subject to unforeseen regulatory consequence of the Merger
- General economic conditions may develop adversely in the Combined Company's operating countries or globally
- The Combined Company is dependent on the working capacity of senior management and key personnel, and their continued employment with the Combined Company, during the Merger process and after the Effective Date
- The combination requires management time and effort which may impair Bank Norwegian's management's ability to effectively run the business during the Merger process, including managing customer and internal development projects and mitigating existing risks
- There is a risk of operational errors during the Merger process. The risk includes unexpected contractual obligations, such as unidentified Change of Control clauses, relationships to important business partners, where unexpected, negative effects following a merger may be evident

If the Combined Company fails to realize the anticipated synergies or other benefits or recognise further synergies or benefits, or the estimated implementation costs of the Merger are exceeded, the business rationale of the Merger could not be realised and the value of the shareholders' investment into the Combined Company could decrease. Materialisation of any of the above factors could have a material adverse effect on the business, financial position, results of operation, prospects, or Share price of the Combined Company.

Factors that may cause the Merger to not be completed or that its completion is delayed

If the conditions precedent for completion of the Merger have not been fulfilled or waived, the Merger will not be completed. The Merger has been approved in the Extraordinary General Meetings 4 June 2021.

The Merger entails costs to each of Bank Norwegian and the NFH group, and a significant portion of these costs have already been incurred and will continue to be incurred even if the Merger is not completed. The managements and key employees of the Bank and the NFH Group have also used, and will continue to use, time and effort towards the completion of the Merger. If the Merger is not completed, the expenses incurred and resources used may yield little or no benefit, and beneficial business opportunities that could have otherwise been pursued with these resources may be lost. Failure to complete the Merger could have a material effect on the respective businesses, financial positions, results of operations, future prospects or share prices.

Further, even if any of the above risks could be remedied and the Merger would be completed, materialization of any of the above risks could delay the completion of the Merger from the planned timetable. A delay in the completion of the Merger could increase the amount of expense incurred by the Bank and the NFH Group for completing the Merger or result in future alternative business opportunities having been lost, which could have a material adverse effect on the Bank's, NFH's or the Combined Company's respective businesses, financial positions, financial covenants, results of operations, future prospectus or share prices.

1.2 RISKS RELATING TO THE COMBINED COMPANY'S OPERATIONS AND BUSINESS AND THE INDUSTRIES IN WHICH THE COMBINED COMPANY WILL OPERATE

The Combined Company's business and financial performance has been and will continue to be affected by general economic conditions, and any adverse developments in the Nordic and global economic and financial markets could cause its earnings and profitability to decline.

The Combined Company's business, financial condition, results of operations and ability to pay dividends depend upon demand for the products offered by the Combined Company. The risks are expectedly unchanged following the Merger, and may be summarized as, but not limited to:

- Changes in the Macroeconomic Environment and the demand for the products offered
- The outbreak of COVID-19 had an adverse impact on the Group, and may further adversely impact the Group
- Operational risk
- Strategic and business risk
- Risks relating to automated procedures and external providers
- Risk relating to the digital assessment of customers' creditworthiness
- Operational risks related to systems and processes and inadequacy in internal control procedures
- Risk of failure or inadequacy in IT systems
- Vulnerability to cyber-attacks, security breaches and leakage of personal data
- Risk related to money laundering activities and identity fraud
- Dependency on key personnel
- Inability to maintain sufficient insurance
- Risks relating to operating in a highly competitive market
- Risks associated with the implementation of business strategies

The Macroeconomic Environment

The Bank's focus is on the retail banking market in Norway, Sweden, Denmark, and Finland, thus the macroeconomic conditions that affect the households may have an impact on the Bank's results. Macroeconomic conditions may have an impact on the demand for the Bank's lending products, default rates, lending rates, funding rates and the availability of external funding. A decline in the economy may result in weaker growth, higher losses, and weaker earnings, and it may make it difficult to raise capital at the same time. By way of example, an increase in the interest rate levels may increase the risk of credit losses and/or result in reduced willingness to take up new loans.

Housing Prices

The housing prices have increased over the recent years in the Nordic countries. The Bank does not offer housing loans; however, the Company may be indirectly affected by decreasing house prices as it may have influence consumer behaviour as the level of household debt to house value increases.

Unemployment Rate

Increasing unemployment rate may contribute to higher loan losses as an unemployed customer may experience reduced debt repayment ability.

Loan Originations and Product Offerings

The Bank's results of operation are significantly affected by the Bank's ability to grow its loan book either through customers increasing their loan balance or through originating new loans and credit cards. The Bank originates new loans by attracting new customers or through existing customers taking up new loans or moving loans from other banks.

Interest Rate Levels and Net Interest Margin

The most important interest rates affecting the Bank's net interest income are money market rates such as the Norwegian Interbank Offered Rate ("NIBOR"), STIBOR (Sweden), CIBOR (Denmark) and EURIBOR (Finland). Changes in money market rates are tied to monetary policy, expectations about the economic outlook and other market rates such as the key policy rate which is set by the central banks.

Money market rates are directly impacting the Bank's external funding as well as interest bearing securities, which is part of the Bank's liquidity portfolio. The Bank sets its lending and deposit rates at its own discretion, however, the lending and deposit price setting is closely linked to the said money market rates as the Bank closely monitors market rates as well as the pricing set by competitors and adjusts the Banks' lending and deposit rates accordingly.

Quality of Loan Portfolio – Defaults and Net Loan Losses

Defaults within the Bank's loan portfolio could have an adverse effect on the Bank's operating results. Maintaining a stable and high-quality loan portfolio is top priority for the Company. Changes in the macroeconomic and/or market environment could affect the Bank's loan loss ratios. Also, expanding into new markets may in the short-term increase loan losses.

Balance Sheet Structure

The Group is subject to financial services laws, regulations, administrative actions and policies in Norway and the other Nordic countries. Changes in supervision and regulation in Norway, the other Nordic countries and in the European Union ("EU")/the EEA could materially affect the Bank's business, the products and services offered or the value of its assets. Future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Bank.

The outbreak of COVID-19 had an adverse impact on the Group, and may further adversely impact the Bank

The COVID-19 related restrictions have drastically changed the consumption pattern throughout the Nordic region.

Customers used the card for a total of NOK 53 billion in 2020, divided into 104 million transactions. The card, which is usually a popular means of payment for our customers when they are abroad, was last year mostly used to buy groceries. Most groceries were traded in the period April to June. A total of 2.37 billion Norwegian kroner was spent, while in the same period in 2019, 1.97 billion was spent.

The card is an everyday card that is used for large variety of purchases. On average, 99.5 percent of card use is repaid the following month. Customers' rational and good payment discipline has continued through 2020 and into 2021 and the COVID-19 crisis.

For information on the perceived outlook on the effect of COVID-19, see Section 5.2 "BUSINESS OVERVIEW ".

Operational risk

Operational risk is the loss caused by wrong-doing or errors in internal processes, actions taken by employees and technology or caused by external events as well as legal risk.

Bank Norwegian's Board of Directors has established operational risk guidelines, which are reviewed at least annually by the Board of Directors. The Bank offers simple and standardized products to the retail market, which contribute to limiting the operational risk.

To ensure efficient, high quality operations, Bank Norwegian is continuously seeking to automate critical processes. In addition to an annual review of significant operational risks and control measures, there is a continuous evaluation of the operational risk situation and risk-reducing measures are implemented as necessary.

The Bank's operating concept is based largely on purchasing services from external suppliers, such as services related to system operations, telecommunications, distribution, investment management, payment card issuance and debt collection.

The agreements include quality standard provisions and are followed up on an on-going basis by Bank Norwegian in accordance with the outsourcing guidelines.

Contingency plans have been established and insurance agreements have been entered into that safeguard Bank Norwegian against major loss incidents.

Strategic and business risk

Strategic and business risk is the risk of insufficient profitability or fluctuations in results caused by lack in revenues and/or cost efficiency, and as a result of market or regulatory conditions and wrong choice of direction. Strategic and business risk further includes the risk of entering into new geographical markets and e.g. the implications of operating towards a new customer base and being subject to new regulatory frameworks. It cannot be excluded that the planned expansion into Spain and Germany could lead to higher costs and in turn negatively affect the Bank's result and financial position.

Business risk is a significant risk for the Bank. The Bank bases its operations to a great extent on co-operation with and the trademark of the airline Norwegian Air Shuttle ("NAS"). NAS's good reputation has contributed to strong customer growth, but, on the other hand, the Bank may also be vulnerable in the event of a decline in NAS's good reputation and/or significant changes to the contractual relationship with NAS, see Section 5.4 "SIGNIFICANT RECENT CHANGES AND TRENDS".

There will be factors of uncertainty associated with lower customer acquisition and volumes, reduced interest rate margins, inadequate cost-effectiveness, and inappropriate technological choices. Business risk demands that the Bank's Board of Directors and Management have good planning processes and are able to adapt in order to reduce losses.

Risks relating to automated procedures and external providers

As a purely digital bank, Bank Norwegian offers its loan products only through its digital platform. The customer provides the information that is used in the automated assessment, and certain input factors are verified by external sources, either by documents forwarded to the Bank for manual review or information automatically retrieved from external information providers. For the most part, the loan applications are determined automatically based on the input from the customer and such third-party verifications, and in accordance with predetermined financial models. There are inherent risks associated with online processing of loan applications and reliance on criteria where the information is provided by the customers, without personal contact. Consequently, the Bank is exposed to risks relating to the accuracy and completeness of its financial models on which the automated credit decision is based, as well as risks relating to the reliability of the input provided by the customer.

Risk relating to the digital assessment of customers' creditworthiness

As a purely digital bank, Bank Norwegian offers its loan products only through its digital platform. As a part of this, Bank Norwegian relies on its ability to correctly analyses and score customers' creditworthiness via its automated IT systems. The customer provides the information that is used in the automated assessment and certain input factors are verified by external sources - either by documents forwarded to Bank Norwegian for manual review or information automatically retrieved from external information providers (such as Experian for income and personal financial information and others for real property values). For the most part, the loan applications are determined automatically based on the input from the customer and such third-party verifications, and in accordance with predetermined financial models. There are inherent risks associated with online processing of loan applications and reliance on criteria where the information is provided by the customers, without personal contact. Consequently, the Bank is exposed to risks relating to the accuracy and completeness of Bank Norwegian's financial models on which the automated credit decision is based, as well as risks relating to the reliability of the input provided by the customer, which could assign a creditworthiness to customers which is too high, thereby increasing Bank Norwegian's credit risk towards its customers.

Bank Norwegian prices its finance products taking into account the estimated risk level of its customers. However, if its estimates are incorrect, customer default rates may be higher, which will result in an increase in the Bank's non-performing loan losses and in turn will cause the Bank to experience reduced levels of net income. The calculation method by which Bank Norwegian determines a particular applicant's creditworthiness may differ from the calculations made by other financial institutions offering consumer loans or other similar products.

A substantial, and increasing, share of the loan documentation (including the loan agreements) of Bank Norwegian's loans are digitally signed by Bank Norwegian's customers. Under Norwegian law, digitally signed documents normally require a court order in order to complete enforced collection of collateral as opposed to paper-based loan agreements. In the event of a substantial deterioration in housing or car prizing levels, and an industry-wide increase in defaults and enforced collections under current law, Bank Norwegian is exposed to risk of delay in collection proceedings, which could in turn imply further deterioration in the value of underlying assets, thus increasing Bank Norwegian's losses on loans, which could in turn have a material adverse effect on the Combined Company's financial condition, results of operations and/or prospects.

Operational risks related to systems and processes and inadequacy in internal control procedures

Bank Norwegian's business is exposed to operational risks related to systems and processes, whether people related or external events, including the risk of fraud and other criminal acts carried out against Bank Norwegian. The Bank's business is dependent upon accurate and efficient processing and reporting of a high volume of complex transactions across numerous and diverse products and services. Any weakness in these systems or processes could have an adverse effect on the Bank's results and on its ability to deliver appropriate customer service levels during the affected period. In addition, any breach in security of the Bank's systems, for example from increasingly sophisticated attacks by cybercrime Banks could disrupt its business, result in the disclosure of confidential information and create significant financial and/or legal exposure and the possibility of damage to the Bank's reputation and/or brand.

There can be no assurance that the risk controls, loss mitigation and other internal controls or actions that are applied by the Bank could help prevent the occurrence of a serious disaster resulting in interruptions, delays, the loss or corruption of data or the cessation of the availability of systems. Further, some of the measures used by the Bank to mitigate risk are based on historical information, and there is a risk that such measures are inadequate in predicting future risk exposure. Furthermore, risk management methods may rely on estimates, assumptions and information that may be incorrect or outdated. If the risk management is insufficient or inadequate, this could have a material adverse effect on the Bank.

Risk of failure or inadequacy in IT systems

The Bank relies heavily on the uninterrupted operation of its IT systems for the efficient running of its business and operations, and, in particular to offer customers an online bank with 24 hours availability. Further, the Bank relies on certain financial infrastructure services that are widely used in the Norwegian financial services market to process payments and transactions. Furthermore, the Bank depends on a few third-party providers for the supply of important IT services. Changes in regulatory or operational requirements may imply material changes to the Bank's current IT systems and could further lead to a change in the systems and solutions provided to the Bank by its third-party providers. Despite the contingency plans and facilities that the Bank has in place, its ability to conduct business may be adversely impacted by a disruption in the infrastructure that supports the business of the Bank, some of which are beyond the Bank's control. Any failure, inadequacy, interruption or security failure of those systems, or the failure to seamlessly maintain, upgrade or introduce new systems, could harm the Bank's ability to effectively operate its business and increase its expenses and harm its reputation. There is a risk that customers, because of interruptions in the digital bank, terminate their relationship with the Bank.

Vulnerability to cyber-attacks and security breaches that could harm the Bank's business and standing with its customers

The protection of its customer and company data, and its customers' trust in the Bank's ability to protect such information, is of key importance to the Bank. The Bank relies in part on commercially available systems, software, tools and monitoring to provide security for processing, transmission and storage of confidential customer information, such as personal identifiable information, personal financial information, payment card data, account transcripts and loan and security data.

Despite the security measures in place, the Bank's facilities and systems, and those of its third party service providers, may be vulnerable to cyber-attacks, security breaches, acts of vandalism, computer viruses, misplaced or lost data, programming or human errors or other similar events.

If one or more of such events occur, any one of them could potentially jeopardize confidential and other information related to the Bank, its customers and its counterparties. Any security breach involving the misappropriation, loss or other unauthorized disclosure of confidential information, whether by the Bank or its vendors, could damage the Bank's reputation, expose it to risk of litigation, increased capital requirements or sanctions from the Norwegian FSA and disrupt its operations. The Bank may also be required to spend significant additional resources to modify its protective measures or to investigate and remediate vulnerabilities or other exposures.

Dependency on key personnel

The Bank bases much of its business development on challenging traditional banking solutions and creating new solutions, and the Bank is accordingly dependent upon key individuals that hold this knowledge and have obtained the necessary and relevant experience. If such key individuals should choose to end their employment with the Bank, this could have adverse consequences for the Bank's further development. Similarly, the Bank's future development is dependent on its ability to attract and retain skilled personnel and to develop the level of expertise throughout its organization.

Inability to maintain sufficient insurance to cover all risks related to its operations

The Bank's business is subject to a number of risks, including, but not limited to fraud, disruption in the infrastructure, human errors, litigation and changes in the regulatory environment. Such occurrences could result in financial losses and possible legal liability. Although the Bank seeks to maintain insurance or contractual coverage to protect against certain risks in such amounts as it considers reasonable, its insurance may not cover all the potential risks associated with the Bank's operations, which could have a material and adverse effect on the Bank's business, financial condition, results of operations and/or prospects.

Risks relating to operating in a highly competitive market

Bank Norwegian faces high competition in all the countries in which it operates. In some countries, in particular in Norway and Sweden, which are two of Bank Norwegian's core markets, there are well-established and sophisticated competitors, as well as niche banks and companies that are particularly competitive within certain segments of products and services. There is a wide range of companies targeting the market for small consumer loans and credit cards, including various smaller, locally operated companies in addition to larger traditional consumer banks. In addition, Bank Norwegian also competes with other forms of short-term financing such as peer-to-peer lending and credit card providers. This risk is especially pertinent for Bank Norwegian´s strategy as a challenger bank in the Norwegian and Nordic financial services markets. Intensive competition may push prices downward in some markets, which could erode profit margins and the Combined Company's net income and could have a material adverse effect on the company's business prospects, financial condition or results of operations.

Risks associated with the implementation of business strategies

Bank Norwegian is a challenger bank in the Norwegian and Nordic financial services markets and faces risks associated with the implementation of its strategy. The current business has a limited operating history and implementing its strategy requires management to make complex judgements, including anticipating customer needs across a range of financial products, anticipating competitor activity and the likely direction of a number of macro-economic assumptions regarding the Norwegian and Nordic economy and the retail banking sector in these areas. The Bank's ability to implement its strategy successfully is subject to execution risks, management of its cost base and limitations in its management and operational capacity. These risks may increase by a number of external factors, including a downturn in the economy, increased competition in the retail banking sector and/or significant or unexpected changes in the regulation of the financial services sector in Norway or Europe, or the materialization of any of the risk factors mentioned herein, which may require managements' focus and resources which could imply failure to successfully adopt the Bank's business strategy.

1.3 RISKS RELATED TO LAW, REGULATION AND POTENTIAL LITIGATION

The Bank is subject to financial services laws, regulations, administrative actions, and policies in Norway and in Europe. Changes in supervision and regulation in Norway and in the European Union ("EU")/the EEA could materially affect the Bank's business, the products and services offered or the value of its assets. Future changes in regulation, fiscal or other policies can be unpredictable and are beyond the control of the Bank.

During the introductory stages of the merger process, regulatory risk was isolated as one of the major risks related to a potential merger, with a merger inducing changes in the Bank's license or other important regulatory perspectives. This risk has been reduced to acceptable/minimal through thorough discussions with the Norwegian FSA. The risk of regulatory changes or restrictions following a merger process has also been significantly reduced through applying for a new company structure and the formal structure procedures in two separate processes. The company structure has been approved, without any restrictions.

The merger of Bank Norwegian ASA and Norwegian Finans Holding ASA is expected to induce the need for updated Recovery and Resolution plans for Bank Norwegian, including receiving an updated Minimum Requirement for Own funds and Eligible capital (MREL). The outcome of this process is not known prior to a merger.

The merger is a complex operational process, with a high number of legal requirements. Not fulfilling one or several legal requirements may have procedural, and potentially material negative financial or reputational consequences.

The general legal and regulatory risks are otherwise considered unchanged following the merger, and may be summarized as, but not limited to:

- Dependency on license to conduct banking business
- Changes in the regulatory framework, including increased regulation of the consumer credit market
- Risk of legal actions due to regulatory environment and sentiment towards consumer loans
- Data protection and privacy laws
- Risk related to money laundering activities and identity fraud

Although the Bank works closely with its regulators and continues to monitor the legal framework, future changes in the Norwegian FSA's or other government agencies' interpretation or operation of existing legislation or regulation can be unpredictable and are beyond the control of the Combined Company.

Dependency on license to conduct banking business

As a conductor of a banking business in the Nordics, Bank Norwegian has obtained the necessary banking license from the Norwegian Financial Supervisory Authority. The FSA conducts full supervision of the Bank. The Bank is dependent on Bank Norwegian's banking license with the FSA in order to be allowed to conduct its current business. The license also provides the Bank with reputational benefits and increased levels of consumer confidence, access to pertinent databases to further enhance the Bank's current scoring models and funding options linked to Bank Norwegian's ability to accept deposits (guaranteed by a deposit protection program) to support profit growth. However, the banking license may be revoked or restricted by the FSA for a variety of reasons including, but not limited to, the Bank's non-compliance with existing or new regulatory requirements.

The Norwegian FSA enforces compliance and can impose sanctions for failure to comply with or properly implement legal requirements. The FSA also has a wide range of administrative sanctions available to it, including the issuing of public remarks or warnings in connection with a punitive fine and to request removal a board member or managing director of a company. The FSA can also withdraw a company's license for a variety of reasons including, but not limited to, non-compliance with existing or failure to implement new regulatory requirements.

If the Norwegian FSA were to withdraw Bank Norwegian's license for any reason, the business of the Combined Company would be in jeopardy and the Combined Company may also have to cease a majority or all of its current operations. Other administrative sanctions imposed by the FSA could cause significant reputational risk, which could harm the Combined Company's business, financial condition, and results of operations.

Changes in Regulation

Areas where changes or developments in regulation and/or oversight could have a material adverse impact include, but are not limited to (i) changes in monetary, interest rate and other policies, (ii) general changes in government and regulatory policies or regimes which may significantly influence investor decisions or increase the costs of doing business in Norway and Europe, (iii) changes in competition and pricing environments, (iv) differentiation among financial institutions with respect to the extension of guarantees to bank deposits and borrowings from customers and the terms attaching to such guarantees, (v) increased financial reporting requirements and (vi) changes in regulations affecting the Bank's current structure of operations.

Financial regulators responding to future crisis or other concerns, may adopt new or additional regulations, imposing restrictions or limitations on banks' operations, including, but not limited to, increased capital requirements, disclosure and/or reporting standards or restrictions on certain types of transaction structures.

Although the Bank works closely with its regulators and continues to monitor the legal framework, future changes in the Norwegian FSA's or other government agencies' interpretation or operation of existing legislation or regulation can be unpredictable and are beyond the control of the Bank.

Legal actions

The Bank operates in a legal and regulatory environment that exposes it to potentially significant litigation and regulatory risks. As a result of the litigation and regulatory risk, the Bank may in the future become involved in various disputes and legal, administrative, and governmental proceedings in Norway, and other jurisdictions that potentially could expose the Bank to significant losses and liabilities. Such claims, disputes and proceedings are subject to several uncertainties, and their outcomes are often difficult to predict, particularly in the earlier stages of a case or an investigation.

Adverse regulatory action or adverse judgments in litigation could result in sanctions of various types for the Bank, including, but not limited to, the payment of fines, damages or other amounts, the invalidation of contracts, or in restrictions or limitations on the Bank's operations, any of which could have a material adverse effect on the Bank's reputation or financial condition. In addition, any determination by the Norwegian FSA or the Norwegian Data Protection Agency that the Bank has not acted in compliance with applicable laws, or any failure to develop effective working relationships with the Norwegian FSA, could have a significant and negative effect not only on the Bank's businesses in the relevant markets but also on its reputation in general. Proceedings relating to the Bank's regulated businesses may expose it to increased regulatory scrutiny and oblige it to accept constraints that involve additional costs or otherwise put it at a competitive disadvantage, which will also demand increased resources by the Bank's management.

Bank Norwegian is currently not part in any civil actions or legal proceedings relating to its ordinary business or otherwise which significantly affect or may come to adversely affect Bank Norwegian's financial strength. The Bank can however not guarantee that there will be no claims or legal actions in the future (including regulations) against the Bank which may affect or could significantly adversely affect the Bank's financial position, earnings, or market position.

Data protection and privacy laws

The Group uses large quantities of personal data in a way that is of commercial use to the Bank, for example to determine a potential applicant's credit profile. However, the Bank's ability to collect and use personal data is however affected by the requirements of Regulation (EU) 2016/679 (the General Data Protection Regulation, GDPR) and other privacy laws. The Bank has previously incurred, and may in the future continue to incur, substantial costs in relation to the implementation of a new system for personal data processing and actions needed to ensure compliance with the GDPR. The Bank considers compliance with the GDPR to be important as a breach could result in fines amounting to a maximum of EUR 20,000,000 or 4 per cent. of the Bank's global turnover (whichever is higher). If the Bank fails to comply with the GDPR this may have a material adverse impact on the Bank's business and financial position. Breach of data privacy legislation could also result in the Bank being subjected to claims from its customers that it has infringed their privacy rights. In addition, any inquiries made, or proceedings initiated by, regulators could lead to negative publicity in addition to potential liability for the Bank, which could materially adversely affect its reputation and business.

Risk related to money laundering activities and identity fraud

In general, the risk that banks will be subjected to, or used for, money laundering and identity fraud has increased worldwide and the risk of future incidents in relation to money laundering and identity fraud always exists for financial institutions. In particular, as a pure digital bank, the Bank relies on third-party providers (for example BankID issuers) and automated processes to perform identity checks of new customers which may increase this risk. Any violation of anti-money laundering rules, or even the suggestion of violations, may have severe legal and reputational consequences for the Combined Company and may, as a result, adversely affect the Combined Company’s business and/or prospects.

During the last decade, many governments, including in the Nordics, have intensified their monitoring of financial institutions, which has led to a number of administrative sanctions for such institutions.

The requirements of the regulatory frameworks are detailed and demand substantial resources, internal routines and guidelines from the Bank. There is a risk that the Combined Company's procedures, internal control functions and guidelines to counteract money laundering and terrorist financing are not sufficient or adequate to ensure that the Bank complies with the regulatory framework. This may result from, for example, insufficient procedures, internal control functions or guidelines, or errors by employees, suppliers, or counterparties, which may result in a failure to comply with the anti-money laundering regulatory framework. It is further possible that new or amended requirements would require the Combined Company to further adapt its existing practices and procedures.

Failure to comply with the money laundering and terrorist financing regulatory framework is likely to result in legal implications, including remarks or warnings and/or significant administrative fines imposed by the FSA or other regulatory bodies, which could cause significant and potentially irreparable damage to the reputation of the Combined Company and as a result, the company's business, financial condition and results of operations could be materially adversely affected.

1.4 FINANCIAL AND MARKET RISKS

The Merger is not expected to yield changes to the financial risk position for the Bank. The financial risks related to the Bank post-merger may be summarized as, but not limited to:

- Credit risk
- Interest rate risk
- Market risk
- Basis risk
- Variability in costs and availability of funding
- Liquidity risk
- Revised capital adequacy regulations and an increased level of risk could lead to more onerous capital adequacy requirements
- Systemic risk

The Combined Company will determine its dividend policy after the Effective Date and annually assess the preconditions for distributing dividends or other unrestricted equity.

Credit risk

Bank Norwegian's object of business is primarily to receive deposits and to offer credits to the retail customer market. Bank Norwegian only offers unsecured loans and credit risk constitutes the main element of Bank Norwegian's total risk. Credit risk can be described as the risk of loss if customers' lacking ability or willingness to comply with their obligations towards Bank Norwegian. The risk is accordingly that the Bank will not receive repayment for its claims, such as interest amounts and deductions.

The Board of Directors of Bank Norwegian has defined guidelines that regulate credit risk. The guidelines are reviewed at least annually by the Board of Directors. Credit is granted based on a qualitative and quantitative analysis of the customer's willingness and ability to pay. The analysis of the willingness to pay identifies the characteristics of the customer that predict future payment conduct, while the analysis of the customer's capacity to service loans is a quantitative evaluation of the customer's ability to repay his/her obligations, given the customer's current and anticipated future economic situation. Customer's application score is used in the Bank's risk-based product pricing. Customers are regularly risk assessed based on behavioural score if sufficient track records exist. For new customers and customers in new markets, application score is used in addition to any clear negative observations, such as default on loan agreement.

Bank Norwegian follows up credit quality through, for example, on-going reporting and credit committee meetings. The Board of Directors of Bank Norwegian has set limits for the maximum exposure per customer based on the type of commitment.

The Bank is further exposed to credit risk in the investment portfolio. Credit risk can occur as a result of default or downgrading of a counterparty which in turn may lead to credit loss. The Bank's investment portfolio is managed by Storebrand Kapitalforvaltning and the management is regulated by a mandate agreement. The counterparty risk is regulated in an investment policy and a counterparty policy, which also is reflected in the mandate agreement with Storebrand Kapitalforvaltning.

Interest rate risk

Interest rates, which are impacted by factors outside of Bank Norwegian's control, including the fiscal and monetary policies of governments and central banks, as well as Norwegian and international political and economic conditions, affect Bank Norwegian's results of operations, profitability and return on capital in four principal areas: (i) cost and availability of funding, (ii) interest margins and income, (iii) asset impairment levels and (iv) demand for Bank Norwegian's lending products.

Interest rates affect the cost and availability of the principal sources of Bank Norwegian's funding, including customer deposits (in the form of deposit accounts and savings accounts) and senior unsecured bonds. A sustained low interest rate environment keeps the Bank's costs of funding low by reducing interest expense. Lower interest rates also reduce incentives for consumers to save and, therefore, constrain supply of deposits and consequently the Bank's ability to fund its lending operations.

Interest rates, such as the Norwegian Interbank Offered Rate ("NIBOR"), affect the Bank's net interest margin and income. The interest rate level is directly related to Bank Norwegian's external funding and interest-bearing securities. Furthermore, while the Bank determines it's lending and deposit rates at its own discretion, the interest rates are inherently and indirectly linked to market rates. Sudden large or frequent increases in interest rates may have an adverse effect on Bank Norwegian's profit due to the value of Bank Norwegian's assets and liabilities having different interest rate sensitivity. If Bank Norwegian is unable to manage its exposure to interest rate volatility, whether through product pricing and maintenance of borrower credit or other means, its business, financial condition, results of operations and/or prospects may be adversely affected.

Interest rates also impact the Bank's loan impairment levels and customers' affordability position. For example, an increase in interest rates may lead to an increase in default rates, in turn leading to increased impairment charges, loan losses and lower profitability for Bank Norwegian.

A high interest rate environment may reduce demand for lending products, as individuals are less likely or less able to borrow when interest rates are high, thereby reducing the Bank's results of operations.

The Board of Directors of Bank Norwegian has defined guidelines that set the limits for the maximum interest rate risk. The guidelines are reviewed at least annually by the Board of Directors. The Bank's investment portfolio is invested with a short duration. All products offered by the Bank have interest rates set by the management and the interest rate commitment term for the Bank's financial instruments coincides with the term for the products. Products with fixed interest terms are not offered. Any exposure exceeding the interest rate limits shall be mitigated by using hedging instruments. A scheme has been established for the on-going monitoring and reporting of the interest rate risk to the Board of Directors.

Market risk

Market risk is the potential loss caused by changes in market prices such as widening credit spreads, interest rates, fluctuations in the exchange rate of the Norwegian krone to foreign currencies (SEK, DKK and Euro) and securities. Bank Norwegian's exposure to market risk is connected to the investment portfolio and currency risk exposure in relation to cross border activities. The Bank's exposure to market risk is regulated in the Bank's interest rate risk policy, currency policy, derivatives policy, and investment policy, which inter alia include a defined maximum market risk that is intended to limit the risk for negative effects to the Bank's equity. The market risk is quantified with the assistance of duration calculations. The benchmark modified duration (interest rate) for investment assets is set at 0.25. The finance department follows up market risk on an on-going basis and the department reports on a monthly basis to the asset and liability management committee and the Board of Directors.

Bank Norwegian's Board of Directors has adopted guidelines for the Bank's investments in certificates and bonds and for the management of foreign currency risk in connection with the Bank's operations abroad. The guidelines are reviewed by the Board of Directors at least annually. Limits for the interest rate risk in the investment portfolio are set based on stress tests for negative fluctuations in the interest rate level. The guidelines also set out limits based on credit risk weights, and maximum exposure for each counterpart in accordance with their credit rating and maturity. The lowest acceptable credit rating is BBB-. Guidelines for continuous follow-ups and reporting have also been adopted. Counterparty risk is an element of credit risk and is the loss that follows from credit events with counterparties connected to Bank Norwegian's investment management activities.

Basis risk

Bank Norwegian is exposed to basis risk if market interest rates rise, and it is compelled to increase deposit rates, while at the same time, for instance, due to competitive pressures or price elasticity, are not able to increase loan rates correspondingly, leading to a lower interest margin.

Variations in costs and availability of funding

Bank Norwegian is subject to inherent risks concerning liquidity, particularly if the availability of traditional sources of funding, such as retail deposits and external funding markets becomes limited and/or more expensive.

The savings market is Bank Norwegian's principal source of funding and the Bank is therefore dependent upon the development in the savings markets. In the event of a temporary or permanent decline in the savings ratio (being the amount households save as a proportion of disposable income) or a material change in instruments that households allocate their savings to, particularly driven by tax incentives, the Bank's deposits and borrowings from customers may decline. This may in turn have a material adverse effect on the ability of the Bank to fund its lending activity and affect the Bank's ability to deliver its strategic income targets, which may in turn have a material adverse effect on the Bank's business, financial condition, results of operations and/or prospects.

Further, variations in costs of various funding sources may result in changes to the Bank's liquidity portfolio and the allocation between the various sources of external funding used, including the introduction of other funding instruments than those currently applied. The Bank's ability to optimize its liquidity portfolio is subject to execution risk. Failure to decide on and/or implement a successful liquidity policy and treasury strategy could have material adverse effects on the Bank's business, financial condition, results of operations and/or prospects.

It cannot be ruled out that the Bank may need to obtain additional capital in the future, e.g. due to reduced margins, operational losses above expectations, declines in asset quality, negative credit risk migration, growth above the Bank's expectations, or other factors affecting its capital adequacy and/or stricter capital adequacy requirements. Such capital, whether in the form of subordinated debt, hybrid capital or additional equity, may not be available on attractive terms, or at all. Further, any such development may expose the Bank to additional costs and liabilities and require it to change the manner in which it conducts its business or otherwise have a material adverse effect on the Bank's financial position, results of operations and/or prospects.

Liquidity risk

Liquidity risk is defined as the Bank not being able to cover all financial obligations as they become due for payment without large consequences to the Bank's results.

The Board of Directors of Bank Norwegian has adopted guidelines for the management of the Bank's liquidity situation to ensure that the Bank maintains a solid liquidity position. The guidelines are reviewed at least annually by the Board of Directors. The guidelines set risk limits for liquidity management and define a reporting scheme. The Bank manages its liquidity position by means of summaries illustrating cash flows in the short term and by means of liquidity due date summaries. Regular liquidity stress tests are performed.

A majority of the Bank's liquid assets consist of marketable securities, including substantial holdings of certificates and bonds issued by governments and government guaranteed issuers. The Bank further has a stock of deposits in the Central Bank of Norway, Norges Bank.

The asset side is financed by core deposits from the retail market, bonds, and subordinated capital.

Regulatory capital adequacy requirements and an increased level of risk could lead to an increase in capital adequacy requirements

The capital level and capital adequacy ratios of Bank Norwegian are calculated as a percentage of the sum of (i) credit risk based on risk-weighted assets, (ii) market risk and (iii) operational risk, in accordance with applicable regulatory requirements. The Bank's risk-weighted assets consist of on- and off-balance sheet items. The largest of these components are loans and other credit assets held on the balance sheet. All components are weighted according to regulatory standards.

The Bank sets its internal capital adequacy ratios targets based on its own assessment of the risk profile of the business, market expectations and regulatory requirements. If market expectations regarding capital levels increase, driven by, for example, the capital levels or targets amongst peer banks, if new regulatory requirements or changes in the Bank's strategy are introduced, or in the event of an increase in on- or off-balance sheet items that is not according to the Bank's business plan, then the Bank may have to increase its capital ratios. Failing to do so, may have a material adverse effect on the Bank's business, financial condition, results of operations and/or prospects.

Negative developments in certain market conditions such as, but not limited to, increased volatility, widening spreads, value of the Bank's loans, increased interest rates and foreign exchange rates, could lead to a reduction in the Bank's capital adequacy. A perceived or actual shortage of capital could have a material adverse effect on the Bank's business.

Systemic risk

Given the high level of interdependence among both domestic and international financial institutions, the Bank is and will continue to be subject to the risk of deterioration of the commercial and financial soundness, or perceived soundness, of other financial institutions. Within the financial services industry, the default of any one institution could lead to defaults by other institutions. Concerns about, or a default by, one institution could lead to significant liquidity constraints, losses or defaults by other institutions, because the commercial and financial soundness of many financial institutions may be closely related as a result of their credit, trading, clearing or other relationships. Even the perceived lack of creditworthiness of, or questions regarding a counterparty may lead to market-wide liquidity constraints and losses or defaults by the Bank or by other institutions. This risk is sometimes referred to as "systemic risk" and may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firm, and exchanges with whom the Bank interacts on a daily basis. Systemic risk could have a material adverse effect on the Bank's ability to secure new funding and on its business, financial condition, results of operations and/or prospects.

1.5 ACCOUNTING AND TAX-RELATED RISK

The merger will be carried out with accounting and fiscal effect from January 1st, 2021. There is no value added tax implications of such a merger. From the time when the merger is completed, transactions in the Transferring Company are considered to be made at the Acquiring Company's expense.

The Merger is carried out with accounting continuity (group continuity), so that the Acquiring Company takes over the Transferring Company's accounting positions in connection with the transferred assets, rights and liabilities. The Merger is carried out with tax continuity in accordance with the Tax Act, Chapter 11, so that tax positions and acquisition dates for assets, rights and obligations in the Transferring Company are continued in the Acquiring Company. This means that the Merger will not trigger taxation in Norway for any of the merging companies. For Norwegian shareholders, the merger will not trigger capital gains taxation. The initial value of the individual shareholder's shares in the Transferring Company will be transferred to the consideration shares the relevant shareholder receives in the Acquiring Company.

An assessment of the tax consequences has been obtained from an independent tax adviser, PWC, for the 8 largest countries where the shareholders are domiciled, with the main conclusions as shown in "Appendix A – Independent assessment by PWC on tax treatment of foreign shareholders". Foreign shareholders are themselves expected to investigate the tax consequences of the merger in their home country.

1.6 RISKS RELATED TO THE LISTING AND THE SHARES

As a publicly traded company with its Shares listed on the Oslo Stock Exchange, Bank Norwegian is required to comply with the reporting and disclosure requirements and with corporate governance requirements applicable for companies listed on Oslo Stock Exchange.

Volatility of the share price

The market price of the Shares may fluctuate considerably. The market price fluctuations may be due to change in sentiment in the market regarding of the Shares or similar securities, as well as due to several other factors and events such as changes to the Combined Company's results of operations and development of its business. In addition, prices and the volume of trading on the equity markets fluctuate considerably from time to time, which may be unrelated to the Combined Company's results of operations or future prospects. Any of these factors could lead to a decrease in the market price of the Shares, which may result in investors losing all or part of their invested capital.

Limitations on dividends

Norwegian law provides that any declaration of dividends must be adopted by the Shareholders at the General Meeting. Dividends may only be declared to the extent that the Bank has distributable funds and in compliance with applicable capital adequacy requirements, and subject to the Board of Directors finding such a declaration to be prudent in consideration of the size, nature, scope and risks associated with the Bank's operations, applicable capital adequacy requirements and the need to strengthen its liquidity and financial position. As a general rule, the General Meeting may not declare higher dividends than the Board of Directors has proposed or approved. If, for any reason, the General Meeting does not declare dividends in accordance with the above, a shareholder will, as a general rule, have no claim in respect of such non-payment, and the Bank will, as a general rule, have no obligation to pay any dividend in respect of the relevant period.

Holders of the Shares that are registered in a nominee account may not be able to exercise voting rights as readily as shareholders whose shares are registered in their own names with the VPS

Beneficial owners of the Shares that are registered in a nominee account (e.g., through brokers, dealers or other third parties) may not be able to vote for such Shares unless their ownership is re-registered in their names with the VPS prior to the Combined Company's General Meetings, or their beneficial ownership is confirmed by the nominee in time for the General Meetings. The Combined Company cannot guarantee that beneficial owners of the Shares will receive the notice for a General Meeting in time to instruct their nominees to either effect a re-registration of their Shares, issue the required confirmations as to beneficial ownership or otherwise vote their Shares in the manner desired by such beneficial owners.

Shareholders outside of Norway are subject to exchange rate risk

The Shares of BANO are priced in NOK, and any future payments of dividends or other distributions will be denominated in NOK. Accordingly, any investor outside Norway is subject to adverse movements in the NOK against their local currency, as the foreign currency equivalent of any dividends paid on the Shares or price received in connection with any sale of the Shares could be materially adversely affected.

2 RESPONSIBILITY STATEMENT

The Exempted Document has been prepared by Bank Norwegian ASA in connection with the listing of the Consideration Shares issued in connection with the Merger.

The Board of Directors of Bank Norwegian ASA accept responsibility for the information included in this Exempted Document and declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Exempted Document is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

Fornebu, 15 July 2021

The Board of Directors of Bank Norwegian ASA

Klaus-Anders Nysteen (Chairman)

Anita Marie Hjerkinn Aarnæs

Christine Rødsether

John Einar Høsteland

Lars Ola Kjos

Hans Torsten Georg Larsson

Izabella Kibsgaard-Petersen

Charlotte Munk Ager

3 GENERAL INFORMATION

This Section provides general information on the presentation of financial and other information, as well as the use of forward-looking statements, in this Exempted Document. The information should be read carefully before continuing.

3.1 FORWARD-LOOKING STATEMENTS

This Exempted Document includes forward-looking statements that reflect Bank Norwegian's current views with respect to future events and financial and operational performance; including, but not limited to, statements relating to the risks specific to the Combined Company's business, future earnings, the ability to distribute dividends, the solution to contractual disagreements with counterparties, the implementation of strategic initiatives as well as other statements relating to the Combined Company's future business development and economic performance. These forward-looking statements can be identified by the use of forward-looking terminology; including the terms "assumes", "projects", "forecasts", "estimates", "expects", "anticipates", "believes", "plans", "intends", "may", "might", "will", "would", "can", "could", "should" or, in each case, their negative or other variations or comparable terminology. These forward-looking statements are not historical facts. They appear in a number of places throughout this Exempted Document and include statements regarding Bank Norwegian's intentions, beliefs or current expectations concerning, among other things, goals, objectives, financial condition and results of operations, liquidity, outlook and prospects, growth, strategies, impact of regulatory initiatives, capital resources and capital expenditure and dividend targets, and the industry trends and developments in the markets in which the Combined Company will operate.

Prospective investors in the Shares are cautioned that forward-looking statements are not guarantees of future performance and that the Combined Company's actual financial position, operating results and liquidity, and the development of the industry in which the Combined Company operates may differ materially from those contained in or suggested by the forward-looking statements contained in this Exempted Document. The Combined Company or Bank Norwegian cannot guarantee that the intentions, beliefs, or current expectations that these forward-looking statements are based will occur.

By their nature, forward-looking statements involve and are subject to known and unknown risks, uncertainties, and assumptions as they relate to events and depend on circumstances that may or may not occur in the future. Because of these known and unknown risks, uncertainties and assumptions, the outcome may differ materially from those set out in the forward-looking statements. Should one or more of these risks and uncertainties materialize, or should any underlying assumption prove to be incorrect, the Combined Company's business, actual financial condition, cash flows or results of operations could differ materially from that described herein as anticipated, believed, estimated or expected.

The information contained in this Exempted Document, including the information set out under Section 1 "RISK FACTORS " identifies additional factors that could affect the Combined Company's financial position, operating results, liquidity and performance. Prospective investors in the Shares are urged to read all sections of this Exempted Document and, in particular, Section 1 "RISK FACTORS " for a more complete discussion of the factors that could affect the Combined Company's future performance and the industry in which the Combined Company operates when considering an investment in the Shares.

The forward-looking statements speak only as at the date of this Exempted Document. The Combined Company or Bank Norwegian undertakes no obligation to publicly update or publicly revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Combined Company or to persons acting on the behalf of the Combined Company are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this Exempted Document.

3.2 FINANCIAL INFORMATION

The Prospectus Regulation allows the Combined Company to incorporate by reference information in this Exempted Document that has been previously filed with the Oslo Stock Exchange or the Norwegian Financial Supervisory Authority in other documents. The following financial information has been incorporated as part of this Exempted Document; see Section 8 "INFORMATION INCORPORATED BY REFERENCE":

- Audited historical financial statements for Bank Norwegian as of and for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), including the audit reports in respect of the Annual Financial Statements; and
- Audited consolidated historical financial statements for NFH as of and for the year ended 31 December 2020, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS"), including the audit reports in respect of the Annual Financial Statements.

Accordingly, this Exempted Document is to be read in conjunction with these documents.

Pro Forma Financial Information

No Pro Forma Financial Information has been prepared with respect to the Merger, as the Merger will not entail a significant gross change as defined in Delegated Regulation (EU) 2019/980.

The Merger is carried out with accounting continuity (group continuity), so that the Acquiring Company takes over the Transferring Company's accounting positions in connection with the transferred assets, rights and liabilities. There will be no changes to the Group Accounts following the Merger. As such, the merger Balance Sheet equals that of the Group at the time of the Merger.

3.3 PRESENTATION OF INDUSTRY DATA AND OTHER INFORMATION

Sources of Industry and Market Data

To the extent not otherwise indicated, the information contained in this Exempted Document on the market environment, market developments, growth rates, market trends, market positions, industry trends, competition in the industry in which the Bank and NFH operate and in which the Combined Company will operate and similar information are estimates based on data compiled by the Bank, NFH and professional organisations, consultants and analysts; in addition to market data from other external and publicly available sources.

While the Bank and NFH have compiled, extracted, and reproduced such market and other industry data from external sources, the Bank and NFH have not independently verified the correctness of such data. Thus, the Bank and NFH take no responsibility for the correctness of such data. The Bank and NFH caution prospective investors not to place undue reliance on the above-mentioned data.

In addition, although the Bank and NFH believes their internal estimates to be reasonable, such estimates have not been verified by any independent sources and neither the Bank nor NFH can assure prospective investors as to their accuracy or that a third party using different methods to assemble, analyse or compute market data would obtain the same results. The Bank and NFH do not intend to or assume any obligations to update industry or market data set forth in this Exempted Document. Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, prospective investors should be aware that data in this Exempted Document and estimates based on those data may not be reliable indicators of future results.

Information derived from third party source

Where third party information has been so sourced, the source is stated where it appears in this Exempted Document. Bank Norwegian confirms that it has accurately reproduced such information and that, so far as it is aware and is able to ascertain from information published by third parties, it has omitted no facts which would render the reproduced information inaccurate or misleading. Where third party information has been sourced, the source has been given by reference where relevant.

Other Information

In this Exempted Document, all references to “NOK” are to the lawful currency of Norway.

Certain figures included in this Exempted Document have been subject to rounding adjustments. As a result of the rounding, the totals of data presented in this Exempted Document may vary slightly from the actual arithmetic totals of such data.

4 THE MERGER

4.1 INTRODUCTION AND DESCRIPTION OF THE MERGER

On 16 March 2021, the Board of Directors of Bank Norwegian and Norwegian Finans Holding entered into a merger plan under which it is contemplated that Bank Norwegian will absorb all the assets, rights and obligations of Norwegian Finans Holding and Norwegian Finans Holding will be dissolved.

NFH currently holds all the shares in the Bank. Therefore, the Merger will be performed as a downstream merger (reversed parent-daughter merger). In this process the shares held by the Transferring Company will be transferred to the Acquiring Company. These shares will be distributed as merger consideration to the shareholders of the Transferring Company, as registered in VPS at the time the Merger enter into force (as described in 4.4 “TIMETABLE FOR THE MERGER”). No capital increase is required in the Acquiring Company in the merger process, while the share capital and number of shares are equal between the two companies. One share in the Transferring company pre-merger gives right to one share in the Acquiring company post-merger. Further, the listing on the Oslo Stock Exchange will be continued by the listing of the shares of the Acquiring Company. Hence, the shareholders will hold listed shares throughout the entire process. No additional consideration will be paid in connection to the merger. The Merger entails a transfer of all assets, including the ownership of Lilienthal Finance Ltd, rights and liabilities of the Transferring Company to the Acquiring Company. Norwegian Finans Holding will be liquidated when the merger enters into effect.

The Merger has no implications on the entities strategy and or objectives, other than consequences commented on in this Document, especially in paragraphs 4.2 “BACKGROUND AND RATIONALE FOR THE MERGER” and 4.6 “IMPACT OF THE MERGER ON THE COMBINED COMPANY”.

To enable the listing of Bank Norwegian ASA on the Oslo Stock Exchange under the same terms as those of Norwegian Finans Holding ASA, Bank Norwegian ASA was decided converted from a Limited Liability Company (AS) to a Public Limited Company (ASA) in March 2021, registered in Company Register in April 2021.

The Boards of Directors in the Bank Norwegian and NFH have agreed to propose that the General Meetings of the two companies execute the Merger in adherence to this plan by transferring in full, all the Transferring Company’s assets, rights and liabilities to the Acquiring Company.

The Merger will be executed in accordance with the Public Limited Companies Act chapter 13 and the Financial Institutions Acts chapter 12.

4.2 BACKGROUND AND RATIONALE FOR THE MERGER

Bank Norwegian offers digital financial products and renders services related to consumer loans, credit cards and deposits, as well as a limited selection of insurance products. Bank Norwegian is a wholly owned subsidiary of Norwegian Finans Holding today. NFH is listed on the Oslo Stock Exchange with the ticker «NOFI» (ISIN: NO0010387004). Norwegian Finans Holding does not have any other operations besides owning Lilienthal Finance Ltd and Bank Norwegian.

A merger of the companies is expected to yield financial, governance and operational benefits. The companies’ Boards of Directors believe that a merger between the Transferring and Acquiring Company is beneficial as the Merger is expected to lead to positive synergies and reduced costs. The most pivotal expected benefits are listed below:

Active ownership and corporate governance

The Acquiring company is the only operating company within the NFH Group. The Merger will leave the operational entity as ultimate parent of the group, which will give the shareholders and the Board of Directors a more direct formal ownership influence over the Bank's central operations. Considering the current plans for the future of Bank Norwegian it is superfluous to have a holding company exerting the business and activities of the group.

Lower funding costs

The Financial Undertakings Act requires the NFH Group and other financial groups to issue subordinated capital and convertible debt (Minimum Requirement for own funds and Eligible Liabilities, hereinafter referred to as "MREL debt"), to ensure that crisis management can take place without the use of public funds. Furthermore, The Financial Supervisory Authority has decided that MREL debt shall be issued by the holding company in the financial group. A changed group structure where the Acquiring Company becomes group leader, allow for MREL debt to be issued from the operating bank being the Acquiring Company. This is expected to result in lower funding costs compared to the current structure, where MREL debt will be issued by the holding company, being the Transferring Company. This is partly due to the fact that such a funding structure will provide a cleaner, more understandable and attractive capital structure in relation to the organization of the operating activities. The Acquiring Company is also a more well-known player already in the market.

Administration and cost considerations

The current holding structure requires monthly, quarterly, and annual financial reporting as well as other extensive reporting to the authorities. It is expected that a new structure, with the Acquiring Company as the ultimate group company, will lead to a reduction in costs. Further this structure will enable a more efficient production of accounting information to be presented to the management, Board of Directors, and the market.

Norwegian Finans Holding is the ultimate parent of Bank Norwegian and does not have any other operations. As the merging companies are part of the same group today, the purpose and benefits are considered to be the same for both companies.

4.3 CONDITIONS FOR THE EXECUTION OF THE MERGER

On 5 January 2021 the FSA approved the application from Bank Norwegian AS and Norwegian Finans Holding ASA on a new company structure, leaving Bank Norwegian ASA the ultimate parent company of the group after a merger.

The execution of the Merger is conditional on:

- That the General Meetings of the respective companies adopt resolutions in adherence to the proposals set out in section 3 of the Merger Plan, including the amendment of the articles of association of the Acquiring Company as set out in section 7.2 of the Merger Plan;
- That the Norwegian Financial Supervisory Authority or Ministry of Finance has granted the necessary approvals to execute the merger in adherence to the Financial institutions Act § 12-1 on acceptable terms;
- That the deadline for objections set out in the PLC Act § 13-15 has expired; and
- That no circumstances that significantly change the basis of the Merger has occurred before the expiration of the creditors' notice deadline; and
- Potential third-party consents required for the execution of the Merger has been granted; and
- No objections impeding the execution of the Merger has been raised by the creditors.

The respective Boards of Directors of the Acquiring Company and the Transferring Company determines, on behalf of the companies, whether these conditions for the execution of the Merger has been met.

There have not been established any guarantees, break-up fees or other penalties in regard to the Merger.

4.4 TIMETABLE FOR THE MERGER

The updated tentative timetable for the merger is as follows:

4. June 2021	Extraordinary General Meeting at 09.00
4. June 2021	Notification to FSA and Company Register
17. July 2021	Creditor Notification Period ends
19. July 2021	Merger notification to the Company Register, assuming no creditor issues
20. July 2021	Last day of NOFI shares traded – Merger registered after end of business
21. July 2021	First day of BANO shares traded
22. July 2021	Extraordinary General Meeting to decide on the new Board of Directors
22. July 2021	Settlement day in VPS of NOFI vs. BANO shares

4.5 THE MERGER CONSIDERATION SHARES

Bank Norwegian is a wholly owned subsidiary of Norwegian Finans Holding and does not have publicly listed shares. Norwegian Finans Holding's shares are listed on Oslo Stock Exchange under the ticker NOFI.

The Merger Plan was approved in the respective Extraordinary General Meetings 4 June 2021. The Norwegian FSA approved the application for the new company structure on 5 January 2021.

On the date of the Merger Plan, the merging companies has the same share capital divided into the same number of shares. The number of shares at approval date in the Extraordinary General Meeting is 186 904 268, each with a nominal value of NOK 1. The shareholders of the Transferring Company will receive one share in the Acquiring Company per share held in the Transferring Company at the time the Merger enters into effect. If the number of issued shares is changed before the execution of the Merger, the Board of Directors in the Acquiring Company will propose that the General Meeting resolve on an equivalent change to ensure that the number of issued shares remains the same in the two companies.

The Merger Consideration Shares correspond to the existing share class in Norwegian Finans Holding. The trading currency of the Merger Consideration Shares on the Oslo Stock Exchange is Norwegian kroner. Each Merger Consideration Share entitles its holder to one vote at the General Meeting of shareholders of the Combined Company. The Consideration Shares will be freely transferable.

The Merger Consideration Shares is expected to be registered on the Oslo Stock Exchange approximately on the Effective Date or as soon as possible thereafter. The Merger Consideration shares will trade under ticker BANO, with the ISIN-code NO0011002511. The Shares will not be traded on any other Stock Exchange.

Following the completion of the Merger, Norwegian Finans Holding's shareholders will hold 100% in the Combined Company, leaving the shareholder structure 100% unchanged at the date of completion of the Merger.

4.6 IMPACT OF THE MERGER ON THE COMBINED COMPANY

The Merger is not expected to have any impact on the operations of the NFH Group. The Combined Company is expected to:

- Improvements on active ownership and corporate governance
- Lower funding costs
- Simplification of administration and reduced costs

The benefits are described in detail in Section 4.2 “BACKGROUND AND RATIONALE FOR THE MERGER”.

The Issuer intends to continue the current operations, and no significant changes impacting the operating, principal activities or the products and services are expected as a result of the Merger.

No material divestments, or cancellation of future investments are expected as a result of the Merger, and no material contracts of the Issuer or the company being acquired are materially affected by the Merger.

Corporate Governance Post-Merger

The Combined Company will have the legal name Bank Norwegian ASA. The company will have its legal domicile in Norway. Bank Norwegian and Norwegian Finans Holding’s registered office is in Fornebu, Norway and its reporting languages are Norwegian and English.

The Combined Company will continue to follow the rules and regulations for disclosure obligations and corporate governance applicable to a company whose shares are listed on Oslo Stock Exchange.

Board of Directors and Executive Management Post Merger

A new Board of Directors of the Combined Company will be appointed in an Extraordinary General Meeting after the execution of the merger. There will be no changes in the management team of the Acquiring Company in conjunction with the merger (see Section 5.3 “CORPORATE GOVERNANCE”). Current board members of NFH, Kjetil Andreas Garstad and Knut Arne Alsaker has been proposed as new board members in the Combined Company.

No measures will be taken in relation to the employees of the Acquiring Company in conjunction with the Merger. The only employee in the Transferring Company is the Group CEO, who will formally be employed in the Acquiring Company on same terms. Reference is made to the Board of Directors’ report on the Merger and its significance for the employees. All employees have been informed about the Merger and have been given the opportunity to discuss and express their views in accordance with the provisions set out in the company legislation and the Working Environment Act. The Merger plan with appendices and the Board of Directors’ report was made available to the employees in accordance with the PLC Act § 13-11 (2) at 26 March 2021.

4.7 CONFLICTS OF INTEREST

On 15 July 2021, several members of the Board of Directors and the Executive Management own shares in Norwegian Finans Holding. The Board of Directors is not aware of any other potential conflicts of interest between the duties of the members of the Board of Directors or the Executive Management to the Bank and their private interests or other duties.

4.8 EXPENSES FOR THE MERGER

The costs in relation to the Merger will be covered by Bank Norwegian.

4.9 DILUTION

As of 31 March 2021, which is the latest financial reporting date for each Bank Norwegian and NFH, the book value of equity per Bank Norwegian share was NOK 55.9 and the book value of equity per NFH share was NOK 62.9. The majority of the difference between the book value of equity per share in the two companies at 31 march 2021 was due to different accounting treatment of group contribution and dividend payments.

The theoretical book value of equity per share will be unchanged following the Merger, except potential minor effects following a successful Merger. The Merger will have no dilutive effects, as one share in the Transferring company yields one share in Acquiring company.

Company	**As per date of this Exemption Document**		**Estimated upon completion of the Merger**	
	Shares in Issue[1]	**Share Capital (TNOK)**	**Shares in Issue[1]**	**Share Capital (TNOK)**
Bank Norwegian ASA	186,904,268	186,904	-	-
Norwegian Finans Holding ASA	186,904,268	186,904	-	-
Combined Company	-	-	186,904,268	186,904

[1] Each share representing 1 vote at the respective company's General Meeting

4.10 LOCK-UP

There are no lock-up agreements for the parties involves.

4.10.1 SHAREHOLDERS

The top 20 shareholders as of 14.07.2021. The ownership will be the same pre- and post-merger, given the 1:1 share per share transaction described in Section 4.5 “THE MERGER CONSIDERATION SHARES”.

	SHAREHOLDER		# OF SHARES	
1	CIDRON XINGU LTD		30 646 498	16.40 %
2	FOLKETRYGDFONDET		16 237 652	8.69 %
3	BNP PARIBAS SECURITIES SERVICES	NOMINEE	11 826 105	6.33 %
4	JPMORGAN CHASE BANK, N.A., LONDON	NOMINEE	10 247 053	5.48 %
5	BANQUE DEGROOF PETERCAM LUX. SA	NOMINEE	8 077 297	4.32 %
6	THE BANK OF NEW YORK MELLOM SA/NV	NOMINEE	6 111 980	3.27 %
7	BRUMM AS		5 408 482	2.89 %
8	STENSHAGEN INVEST AS		4 551 416	2.44 %
9	STATE STREET BANK AND TRUST COMP	NOMINEE	3 818 372	2.04 %
10	STATE STREET BANK AND TRUST COMP	NOMINEE	3 582 961	1.92 %
11	MP PENSJON PK		3 429 798	1.84 %
12	THE NORTHERN TRUST COMPANY, LONDON	NOMINEE	3 312 292	1.77 %
13	VERDIPAPIRFONDET ALFRED BERG GAMBAK		3 044 994	1.63 %
14	GREEN 91 AS		2 964 900	1.59 %
15	JPMORGAN CHASE BANK, N.A., LONDON	NOMINEE	2 671 644	1.43 %
16	THE BANK OF NEW YORK MELLON	NOMINEE	2 279 274	1.22 %
17	TORSTEIN INGVALD TVENGE		2 000 000	1.07 %
18	STATE STREET BANK AND TRUST COMP	NOMINEE	1 611 346	0.86 %
19	THE BANK OF NEW YORK MELLOM SA/NV	NOMINEE	1 549 734	0.83 %
20	JEFFERIES LLC	NOMINEE	1 501 290	0.80 %
	Top 20		**124 873 088**	**66.81 %**
	Total		**186 904 268**	

5 BUSINESS OVERVIEW – BANK NORWEGIAN ASA

This Section provides an overview of the business of Bank Norwegian ASA as of the date of this Exempted Document. The following discussion contains forward-looking statements that reflect Bank Norwegian ASA's plans and estimates; see Section 3.1 "FORWARD-LOOKING STATEMENTS". You should read this Section in conjunction with the other parts of this Exempted Document, in particular Section 1 "RISK FACTORS ".

5.1 GENERAL INFORMATION

Legal name:	Bank Norwegian ASA
Commercial name:	Bank Norwegian
Business identity code:	991 455 671
Legal entity identifier:	5967007LIEEXZX6ZCW47
Domicile:	Norway
Registered office:	Fornebu, Norway
Address:	Snarøyveien 36, 1364 Fornebu, Norway
Legal Form:	Public Limited Liability Company
Website:	https: //www.banknorwegian.no/
Phone number:	+47 23 36 16 99
E-mail:	post@banknorwegian.no;ir@banknorwegian.no
Country of incorporation	Norway
Law of the country of incorporation	The Norwegian Public Limited Liability Companies Act

Information presented at the website of Bank Norwegian, or on any other website, is not part of this Exempted Document and the shareholders of Bank Norwegian and Norwegian Finans Holding should not rely on such information. However, as an Exempted from the above, the information incorporated by reference into the Exempted Document which is available at Bank Norwegian's website is a part of the Exempted Document.

Bank Norwegian ASA is a wholly owned subsidiary of Norwegian Finans Holding ASA and does not have any subsidiaries.

Bank Norwegian's statutory auditor is Deloitte AS, with Eivind Skaug as the auditor with principal responsibility. Deloitte AS is a member of The Norwegian Institute of Public Accountants.

5.2 BUSINESS OVERVIEW

Bank Norwegian started its operations in November 2007 and offers instalment loans, credit cards and deposit accounts to retail customers distributed through the Internet in the Nordic market. Bank Norwegian offers, in cooperation with the airline Norwegian, a combined credit card and reward card. The bank started operations in Sweden in May 2013. In December 2015 the bank launched operations in Denmark and Finland, where it initially offered instalment loans and deposit accounts. Credit cards were launched in June 2016.

Bank Norwegian is a digital bank that offers simple and competitive products to the retail market. The strategy is based on leading digital solutions, synergies with the airline Norwegian, attractive terms for our customers, cost effective operations and effective risk selection.

At the end of 2020 the Bank had a customer base of 1 751 500 customers, which can be broken down into 1 264 300 credit card customers, 206 800 instalment loan customers and 280 400 deposit customers.

The Bank operates out of a centralized office in the municipality of Bærum where all its employees are located. In connection with the expansion into Denmark and Finland, Bank Norwegian also established a customer service operation in Malaga, Spain, based on an outsourcing model.

PRODUCT OFFERING

Bank Norwegian offers consumer loans, credit cards, and deposit accounts to retail customers in Norway, Sweden, Denmark and Finland. The Bank also offers ancillary insurance products. The Bank is currently working on European expansion with the same products, expecting to enter Germany and Spain during 2021.

Bank Norwegian's loan pricing reflects the inherently higher default levels associated with unsecured consumer lending. The product offering is limited with simple and standardized products offered on competitive terms. The customer application and onboarding process is quick and convenient based on a fully automated process.

Consumer loans

Bank Norwegian offers unsecured instalment loans at competitive individual risk-based prices. The maximum loan size and pricing vary between markets. Instalment loans are offered with terms up to 15 years, giving the customers flexibility to set affordable loan payments. There are no prepayment penalties.

The Bank offers various payment protection insurance policies to eligible loan customers. Eligible loan customers are the customers that qualify for a loan following the automatic customer application process. Depending on the features, the insurance provides monthly payment protection in the event of involuntary unemployment, disability, hospitalization (for individuals who are self-employed), and to guarantee total repayment in the event of the insured's death.

As of 31 March 2021, the Bank had 204.200 loan customers with total outstanding balance of NOK 29,791 million.

Credit cards

Bank Norwegian is the exclusive distributor of "Norwegian Reward" credit card in the Nordic region, where customers earn cash points by airline ticket purchases and all other credit card purchases. The redemption of cash points towards airline tickets has until recently been fully flexible and convenient (see 5.4 "SIGNIFICANT RECENT CHANGES AND TRENDS" for more information in recent changes in Norwegian Air Shuttle (NAS)).

The credit card offers the customers additional benefits. The card charges no annual fee and ATM cash withdrawals can be made with no charges. In Norway, domestic cash withdrawals carry a charge. Travel and cancellation insurance are included in the credit card. The Bank offers various insurance policies to its credit card customers, for instance payment protection insurance, car rental collision damage waiver insurance, ID theft insurance and year around travel insurance.

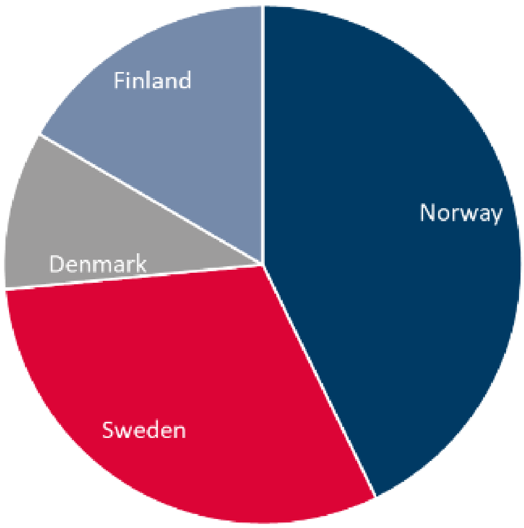
At the end of March 2021, the outstanding loan balance was NOK 10,865 million and there were 1,254,000 outstanding credit cards.

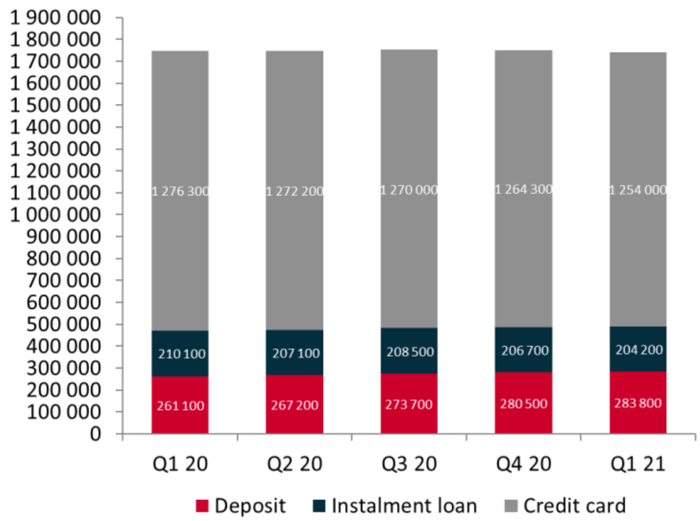
Deposit account

The deposit accounts are priced amongst the top tier deposit accounts in the different countries. The accounts are fully flexible compared to many other high interest accounts, as there are no fees and no restrictions on withdrawals. Bank Norwegian's deposit products are covered by the Norwegian Banks' Guarantee Fund. Norwegian regulations state that bank deposits are guaranteed up to a total amount of 2 million NOK, and €100,000 for foreign deposits. Deposits above NOK 2 million are offered a lower interest rate or zero interest rate, depending on the market. Deposits provide a significant portion of the Bank's funding.

As at 31 March 2021, the deposits amounted to NOK 39,509 million held in 283,800 accounts.

The distribution of the Bank's customers is shown in the graphs below.





<u>SALES AND DISTRIBUTION</u>

Bank Norwegian has developed a sophisticated and adaptable marketing model tailored for each of the countries in which it offers products. For example, the Bank uses online advertising, targeted marketing (including direct mail and cooperation partners), repeat sales and agents. Bank Norwegian continuously optimizes its marketing activities and allocates the resources in the most efficient manner.

The Bank utilizes its digital platform and position in the Nordic consumer banking market to generate demand. The Bank uses electronic marketing tools, such as search engine marketing, banner ads, social media optimization and integration with partners, to drive interest and attention to its product offering. Once a potential customer accesses the digital platform, the Bank presents an intuitive user interface combined with targeted content and dynamic fields. The cooperation with Norwegian Air Shuttle is also an advantage for the Company.

<u>COMPETITIVE POSITION</u>

Market share

The Bank has established itself as a sizeable player in the Norwegian consumer finance market, with a market share of 18.2% in Norway, 4.5% in Sweden, 6.0% in Denmark and 10.8% in Finland as of 31 December 2020.

Focused business strategy

Bank Norwegian bases its strategy on a focused approach with a limited and simple product offering distributed through the internet in various geographical markets operating from a centralized location and with highly automated processes.

Leading e-commerce solutions

The strong customer and market share growth is also based on an effective marketing capability. A capable online marketing execution is a crucial success factor for rapid customer growth in existing and new markets. A quick and convenient application and on-boarding process are key focus areas for the bank. A short “time to yes” is critical for whether the application process is completed or not. The Bank is able to deliver a quick application process providing the customer with an instant credit decision complete with loan terms and convenient fulfilment process. A short “time to cash” is likewise crucial for a high take up rate. Customer identification and collection of customer documentation is done electronically.

Effective and efficient risk selection

Online applications enable the Bank to automate the risk selection process. Bank Norwegian automatically collects data from multiple internal and external sources and provides an automated credit decision and offer calculation. The Bank's advanced credit models and systems enable the Bank to effectively select the desired risk level that optimizes profits.

Low-cost operations

The Bank's e-commerce platform and automated business processes provides a highly scalable business model. The Bank's service concept with few and simple products designed for customer self-service, enable the Bank to enter new markets and grow rapidly with limited need for new employees. An organization of 95 FTE's is an attest to economies of scale and efficiency.

Proven track record of growth and expansion since its start in 2007

A long period of strong loan growth, high interest margins, a cost-efficient operation and stable loan losses, have resulted in superior returns. Bank Norwegian operates in attractive markets with a significant growth potential. Retail deposits represent the primary source of funding and the Bank is able to generate deposits in the different markets to fund loan growth and maintain adequate liquidity. Bank Norwegian also benefits from a solid access to funding markets. The high profitability and capital generation supports further strong growth and maintenance of a solid capitalization.

INFRASTRUCTURE AND IT SYSTEMS

Bank Norwegian's IT infrastructure and IT systems are integrally designed to support the Bank's strategy which is to enable an easy and convenient application process and on-boarding for customers, automated risk selection with advanced credit systems, automation of business processes and focus on customer self-service.

The system portfolio is based on a combination of standard software from external vendors, integrations with external expert systems and partners as well as custom-built solutions developed in-house. All in-house development is based on Microsoft technology. Vendors are continuously followed up and measured on their ability to deliver high level of quality for all services, with special focus on systems availability, systems performance and information security.

Core systems are outsourced to established vendors mainly as "Software as a Service" with special attention to stability, scalability, flexibility and advanced API's to facilitate the needs for automation and robust data integration.

MARKET OUTLOOK

The start of 2021 was highly affected by an increased pandemic growth rate after the holiday season and with ambition to combat the third wave of COVID-19, the society has suffered from partial lockdowns and strict social restrictions throughout the first quarter. The shutdown resulted in further reduced economic activity, resulting in even lower volumes of credit card purchases, particular in the first two months while some improvements are visible in the usage during March and April. The strengthening of the Norwegian Krone at end of March affect volumes in our operations outside Norway and is, together with reduced demand, the main reason for reduced instalment loan volumes.

Over the coming quarters, the vaccinations are likely to increase the possibility to regain normal activities again and creating a new normal with economic growth, expectedly after the summer holiday. The Nordic economies have proven to be resilient and well prepared to endure the uncertain economic times caused by the effects of COVID-19.

However, there is still uncertainty of how rapid the rebound will be and how negative the effect will be in the short time horizon. Particularly the current quarter is expected to be subdued with high unemployment, low growth and continued restrictions to fight the pandemic. The lower demand for instalment loans is a result of more consumer liquidity due to reduced interest levels and increased savings, combined with reduced spending and additional down payments to reduce debt. Reduced credit card volumes are mainly a result of travel restrictions, which is expected to continue for as long as the restrictions remain.

There are positive signs on credit card usage coming from low levels in the first two months of 2021. However, the combination of low demand and balances is expected to give reduced interest income going forward, compared to normal quarters. This will be offset somewhat by lower interest expense from reduced deposit interest levels, mainly in Norway and Denmark, with the latest reduction taking effect from July 2021. In the longer term, there are expectations that the economic growth will return, sooner in areas that have obtained high vaccination penetration and group immunity.

The continued high unemployment and continued uncertain macro environment, will most likely affect the loan loss provision levels, with expected improvements in the third and fourth quarter, along with re-opening of the societies and reduced unemployment numbers. With our gradually shifted risk profile to more volumes in the lower risk categories over the last couple of years, we expect this to give reduced loan loss provisions in the longer time horizon and provide a stable profitable risk adjusted loan yield over time.

The equity and debt markets have developed strongly in 2021. The interest rate levels are historically low, even though the observed long-term interest rates have increased significantly, especially on the back of strengthening macro expectations. In the debt markets we are currently experiencing spread levels below pre COVID-19 levels, and very high liquidity which leaves the Bank with attractive funding markets.

The deposit volumes continue to reduce towards having a more balanced deposit to loan ratio. MREL capital will be obtained according to the linear phase-in plan, and issuance of senior non-preferred bonds is expected to be made in the second half of 2021 at the latest, following the completion of the Merger.

The Bank's resilient financial position with high profitability, strong capitalization and high levels of liquid assets make the Bank well equipped to withstand the anticipated adverse effects of COVID-19 also going forward. With strong capital levels we will continue with the plans on executing the European expansion with expected launch in the fourth quarter, as well as maintaining and improving market shares in the Nordics.

BREAKDOWN OF TOTAL REVENUES BY OPERATING SEGMENTS

The profit and loss and balance sheet presentation for segments are based on internal financial reporting as followed up and assessed by the management.

Profit and loss account 2020

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Total
Net interest income	2 179 333	902 084	738 166	1 597 163	5 416 746
Net other operating income	97 657	52 330	11 355	68 972	230 315
Total income	**2 276 989**	**954 415**	**749 521**	**1 666 135**	**5 647 061**
Total operating expenses	555 879	260 923	185 288	275 843	1 277 933
Provision for loan losses	553 713	406 430	323 905	546 900	1 830 948
Profit before tax	**1 167 398**	**287 062**	**240 328**	**843 392**	**2 538 180**
Tax charge	136 694	33 883	28 336	99 688	298 601
Profit after tax	**1 030 703**	**253 179**	**211 992**	**743 704**	**2 239 579**
Comprehensive income for the period	**1 030 703**	**253 179**	**211 992**	**743 704**	**2 239 579**

Balance sheet 31.12.20

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Total
Loans to customers	15 264 965	6 920 949	4 776 260	10 981 515	37 943 688
Other assets	13 001 851	3 461 202	5 951 959	2 678 364	25 093 375
Total assets	**28 266 816**	**10 382 150**	**10 728 219**	**13 659 879**	**63 037 064**
Deposits from customers	20 179 276	5 893 512	10 121 224	6 483 691	42 677 703
Other liabilities and equity	8 087 540	4 488 639	606 995	7 176 187	20 359 361
Total liabilities and equity	**28 266 816**	**10 382 150**	**10 728 219**	**13 659 879**	**63 037 064**

Profit and loss account 2019

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Total
Net interest income	2 389 911	863 804	651 865	1 356 133	5 261 712
Net other operating income	177 839	69 151	23 530	51 784	322 304
Total income	**2 567 750**	**932 955**	**675 394**	**1 407 917**	**5 584 016**
Total operating expenses	560 336	291 275	181 638	278 890	1 312 140
Provision for loan losses	696 095	221 951	200 618	508 696	1 627 359
Profit before tax	**1 311 319**	**419 729**	**293 138**	**620 331**	**2 644 518**
Tax charge	356 831	109 876	63 918	121 254	651 879
Profit after tax	**954 488**	**309 853**	**229 220**	**499 077**	**1 992 639**
Comprehensive income for the period	**954 488**	**309 853**	**229 220**	**499 077**	**1 992 639**

Balance sheet 31.12.19

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Total
Loans to customers	18 844 355	6 802 103	4 724 885	10 189 159	40 560 502
Other assets	8 546 780	3 467 465	3 151 700	2 157 276	17 323 220
Total assets	**27 391 134**	**10 269 568**	**7 876 585**	**12 346 435**	**57 883 722**
Deposits from customers	19 417 635	5 946 156	7 316 699	7 437 880	40 118 369
Other liabilities and equity	7 973 500	4 323 412	559 886	4 908 555	17 765 353
Total liabilities and equity	**27 391 134**	**10 269 568**	**7 876 585**	**12 346 435**	**57 883 722**

5.3 CORPORATE GOVERNANCE

The Board of Directors supports the Norwegian Code of Practice for Corporate Governance (NUES). The principles of corporate governance are described in the annual reports of Bank Norwegian ASA and Norwegian Finans Holding ASA. The latter reflecting the consolidated Group.

There are no company specific restrictions on ownership, trade or voting for shares in the company, other than those given by Norwegian ownership regulations.

The Board of Directors

The members of the Board of Directors of Bank Norwegian are, at 15 July 2021:

Name	**Position**
Klaus-Anders Nysteen	Chairman
Anita Marie Hjerkinn Aarnæs	Director
Christine Rødsæther	Director
John Einar Høsteland	Director
Lars Ola Kjos	Director
Hans Torsten Georg Larsson	Director
Izabella Kibsgaard-Petersen	Director
Charlotte Munk Ager	Director (employee representative)

Bank Norwegian ASA's registered business address, Snarøyveien 36, 1364 Fornebu, serves as the c/o address for the members of the Board of Directors in relation to their directorship of Bank Norwegian.

Operative Management

Bank Norwegian's operative management consists of:

Name	**Position**
Klara-Lise Aasen	Interim CEO/CFO
Tore Andresen	COO
Karstein Holen	CIO
Fredrik Mundal	CMO
Peer Timo Andersen Ulven	CRO
Frode Bergland Bjørnstad	CLO
Kai-Harry Hansen	Head of Risk Management
Merete Eikeseth Gillund	Head of New Markets

Previous CEO Tine Wollebekk handed in her resignation to assume a new position 28 June 2021. CFO Klara-Lise Aasen was appointed interim CEO by the Board of Directors 29 June 2021.

Personnel and the Environment

At December 31, 2020 Bank Norwegian had 95 employees and 5 temporary employees, corresponding to 95.0 full time equivalent employees, compared with 85 employees, 2 temporary employees and 85.5 full time equivalent employees at December 31, 2019.

The Bank's Board of Directors and management aim to promote equal status between men and women. The Bank has guidelines to ensure that there is no discrimination due to gender, ethnic background or religion in cases concerning salaries, promotions, recruitment, and others. Of the Bank's 95 employees, there are 49 men and 46 women. Of the 22 managers with personnel responsibility, nine are women.

The Bank has a bonus scheme for all permanent employees in accordance with current guidelines. The bonuses earned are based on performance targets each year, established by the Board of Directors. The bonus programme is limited to 20% of the employee's income in the past year. Bonus to key personnel are earned according to circular 02/2020 from The Financial Supervisory Authority of Norway, "Godtgjørelsesordninger i finansinstitusjoner m.v." (Compensation arrangements at banks). Key personnel receive the entire bonus in shares in Norwegian Finans Holding ASA with a right of disposal three years after the grant date. Other employees receive the bonus in cash. The terms of the current bonus scheme were applied from 2019. The Bank has established pension and personnel insurance schemes and offers a programme for employees to counteract ergonomic injuries.

Absence due to illness was 2.2% in 2020. The working environment is regarded as good. The Bank has established a Workers Environment and Liaison Committee. There have not been any work-related accidents or injuries during the year. In the opinion of the Board of Directors, the Bank's operations do not pollute the external environment.

The Bank is located at Snarøyveien 36, Fornebu. The Bank has established a customer call centre in Malaga, purchased through external vendor Webhelp based on outsourcing, to service Nordic customers.

Sustainability Report

Bank Norwegian has prepared policies and guidelines for sustainability. These have been adopted by the Board of Directors and integrated into the Bank's daily operations. The ultimate responsibility for these issues lies with the Board of Directors, which defines the strategic direction and establishes policy frameworks and control processes. The CEO is responsible for integration into the operations, and each department is responsible for advancing and developing the efforts within its area of responsibility. The Bank's guidelines on environmental, social and governance (ESG) are described in the annual report.

Major Shareholders

Bank Norwegian ASA is, prior to the Merger, a 100 % owned subsidiary of Norwegian Finans Holding ASA.

5.4 SIGNIFICANT RECENT CHANGES AND TRENDS

The Board of Directors is aware of the following events after the date of the balance sheet that may be of material significance to the annual accounts.

The Restructuring of Norwegian Air Shuttle

The situation with the Norwegian airline's restructuring program is being closely monitored. It is our expectation that the company will reach a solution during the spring in which a restructured new airline continues to support the continuation of the Reward program between Norwegian Air Shuttle ASA and the Bank. Otherwise, the Bank will be able to establish new benefits for customers to maintain the attractiveness and profitability of the card program, including a potential extension of the temporary cashback solution launched in February. The implications of the restructuring on the current agreements between Bank Norwegian and Norwegian Air Shuttle are at this point uncertain.

COVID-10 pandemic and the market

During the first quarter of 2021, governments around the world increased the already strict measures to combat the third wave of COVID-19. While there is a consensus that the first half of 2021 will be challenging, there is a positive sentiment regarding the second half of 2021 as vaccination programs are ramped up and consumers have a pent-up demand for travel and consumption. New consumer behaviour adopted during the last year may become a new normal and the digital competence has developed fast in most part of the society. These are all positive drivers for Bank Norwegian going forward.

The lower loan growth levels at the end of 2020 continues in the beginning of 2021. Loan demand is weak, particularly in Norway, and a stronger Norwegian Krone lead to reduced balances outside Norway at the end of the quarter. Reduced consumer activity has caused a temporary reduction in demand for unsecured lending, affecting interest income levels negatively. After a couple of months of low credit card activity in the start of the quarter, we note a positive development with increased activity on credit cards, particularly in domestic usage while international usage will remain low until travel restrictions ease up.

Significant Changes in the Financial Position since 31 December 2020

There have not been any significant changes in the financial position that has occurred since the end of the last financial period.

5.5 FINANCIAL INFORMATION

The financial statements for Bank Norwegian 2020 have been prepared in accordance with the regulations on annual accounts for banks, credit companies and finance companies, and follows the International Financial Reporting Standards ("IFRS"), with certain exceptions and simplifications regulated through the annual account regulations. Amounts are stated in NOK thousand unless otherwise stated.

The financial statements will be affected by future amendments to IFRS. No published standards or interpretations are expected to have a material effect on the Bank in implementation.

Profit and loss account

	Bank Norwegian AS	
Amounts in NOK 1000	**2020**	**2019**
Interest income	6 119 015	5 911 803
Interest expenses	702 269	650 090
Net interest income	**5 416 746**	**5 261 712**
Net other operating income	**230 315**	**322 304**
Total income	**5 647 061**	**5 584 016**
Total operating expenses	**1 277 933**	**1 312 140**
Provision for loan losses	1 830 948	1 627 359
Profit before tax	**2 538 180**	**2 644 518**
Profit after tax	**2 239 579**	**1 992 639**

Balance sheet

	Bank Norwegian AS	
Amounts in NOK 1000	**31.12.20**	**31.12.19**
Total assets	63 037 064	57 883 722
Loans to customers	37 943 688	40 560 502
Liquid assets	24 362 418	16 812 537
Deposits from customers	42 677 703	40 118 369
Debt securities issued	6 034 387	6 537 863
Subordinated loans	877 820	822 688
Tier 1 capital	635 000	635 000
Total equity	10 038 608	9 288 609

Key figures and alternative performance measures

	Bank Norwegian AS	
	2020	**2019**
Return on equity (ROE)[1 3 5]	23.1 %	25.4 %
Return on assets (ROA)[1 5]	3.7 %	3.8 %
Earnings per share (EPS)[4 5]	12.01	10.62
Common equity tier 1 (CET 1)	22.4 %	21.6 %
Leverage ratio	14.6 %	14.7 %
Liquidity coverage ratio (LCR)	569 %	449 %
Net interest margin (NIM)[1]	8.9 %	10.0 %
Cost/income ratio[1]	0.23	0.23
Loan loss provisions to average loans[1]	4.1 %	3.9 %
Stage 3 loans to loans[1 2]	23.7 %	17.3 %
Loan loss allowance coverage ratio stage 3[1 2]	40.9 %	35.9 %
Loan loss allowance coverage ratio to loans[1]	11.5 %	8.1 %

1) Defined as alternative performance measure (APM). APMs are described on banknorwegian.no/OmOss/InvestorRelations.

2) The APMs "Non-performing loans to loans" and "Loan loss allowance to non-performing loans", which has been in use since reporting under IAS 39, was in Q2 2020 replaced by the new APMs "Stage 3 loans to loans" and "Loan loss allowance coverage ratio stage 3" due to established market practice and reduced relevance after the implementation of IFRS9.

3) Definition for ROE was updated in Q3 2020 based on established market practice. Previous periods are recalculated.

4) Definition for EPS was updated in Q3 2020 based on establised market practice. EPS is calculated based on profit after tax excluding interest on additional Tier 1 capital. Previous periods are recalculated.

5) Adjusting for the group contribution accounted for according to Norwegian accounting regulations in the fourth quarter, the ROE was 17.1%, ROA 2.8% and EPS was 2.40 for Q4 2020.

Financial Statements for the last financial year prior to the date of this Exempted Document, as well as the auditor's report, have been incorporated in the Exempted document by reference and may be accessed under the following link:

https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020

5.5.1 INVESTMENTS

There have been no material investments made since the date of the last published financial statements nor are any material investments in progress at the time of this document.

5.6 WORKING CAPITAL STATEMENT

Bank Norwegian is of the opinion that it has sufficient liquidity and financing capacity to fund its working capital requirements for at least the twelve months from the date of this Exempted Document.

5.7 LEGAL AND ARBITRATION PROCEEDINGS

The Issuer is not aware of any governmental, legal or arbitration proceedings, during the twelve months preceding the date of this Exempted Document, which may have, or have had in the past, significant effects on the Issuer's financial position or profitability.

5.8 MATERIAL CONTRACTS

None of Bank Norwegian's material contracts will be affected by the Merger.

5.9 PUBLIC TAKEOVER BIDS

NFH Group has received a binding offer from Nordax Bank AB, for details see Section 6.9 "PUBLIC TAKEOVER BIDS".

6 BUSINESS OVERVIEW – NORWEGIAN FINANS HOLDING ASA

This Section provides an overview of the business of Norwegian Finans Holding ASA as of the date of this Exempted Document. The following discussion contains forward-looking statements that reflect Norwegian Finans Holding ASA's plans and estimates; see Section 3.1 "FORWARD-LOOKING STATEMENTS". You should read this Section in conjunction with the other parts of this Exempted Document, in particular Section 1 "RISK FACTORS ".

6.1 GENERAL INFORMATION

Legal name:	Norwegian Finans Holding ASA
Commercial name:	Norwegian Finans Holding
Business identity code:	991 281 924
Legal entity identifier:	5967007LIEEXZX70WG48
Domicile:	Norway
Registered office:	Fornebu, Norway
Address:	Snarøyveien 36, 1364 Fornebu, Norway
Legal Form:	Public Limited Liability Company
Website:	https: //www.banknorwegian.no/
Phone number:	+47 23 36 16 99
E-mail:	post@banknorwegian.no; IR@banknorwegian.no
Country of incorporation	Norway
Law of the country of incorporation	The Norwegian Public Limited Liability Companies Act

Information presented at the website of Norwegian Finans Holding, or on any other website, is not part of this Exempted Document and the shareholders of Bank Norwegian and Norwegian Finans Holding should not rely on such information. However, as an Exempted from the above, the information incorporated by reference into the Exempted Document which is available at Norwegian Finans Holding's website is a part of the Exempted Document.

Norwegian Finans Holding's shares are subject to trading on the Oslo Stock Exchange under the ticker "NOFI" (ISIN-code NO0010387004).

Norwegian Finans Holding's statutory auditor is Deloitte AS, with Eivind Skaug as the auditor with principal responsibility. Deloitte AS is a member of The Norwegian Institute of Public Accountants.

6.2 BUSINESS OVERVIEW

Norwegian Finans Holding ASA owns 100% of the shares in Bank Norwegian ASA and Lilienthal Finance Ltd. The company does not engage in any other operations besides being the holding company.

The ownership of Norwegian Finans Holding ASA is divided between institutional and private investors in Norway and abroad, for details see Section 4.10.1 "SHAREHOLDERS".

BREAKDOWN OF TOTAL REVENUES BY OPERATING SEGMENTS

Norwegian Finans Holding ASA has no operating segments, and no operations other than being a holding company. Below we present the operating segments of Norwegian Finans Holding Group, i.e. on a consolidated basis.

The profit and loss and balance sheet presentation for segments are based on internal financial reporting as followed up and assessed by the Group's management. Other contains eliminations for group contributions.

Profit and loss account 2020

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Other	Total
Net interest income	2 179 333	902 084	738 166	1 597 163	-3 692	5 413 054
Net other operating income	97 657	52 330	11 355	68 972	-671	229 644
Total income	**2 276 989**	**954 415**	**749 521**	**1 666 135**	**-4 363**	**5 642 698**
Total operating expenses	555 879	260 923	185 288	275 843	35 228	1 313 162
Provision for loan losses	553 713	406 430	323 905	546 900	-	1 830 948
Profit before tax	**1 167 398**	**287 062**	**240 328**	**843 392**	**-39 592**	**2 498 588**
Tax charge	136 694	33 883	28 336	99 688	313 011	611 613
Profit after tax	**1 030 703**	**253 179**	**211 992**	**743 704**	**-352 603**	**1 886 975**
Comprehensive income for the period	**1 030 703**	**253 179**	**211 992**	**743 704**	**-352 603**	**1 886 975**

Balance sheet 31.12.20

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Other	Total
Loans to customers	15 264 965	6 920 949	4 776 260	10 981 515	-	37 943 688
Other assets	13 001 851	3 461 202	5 951 959	2 678 364	154 948	25 248 323
Total assets	**28 266 816**	**10 382 150**	**10 728 219**	**13 659 879**	**154 948**	**63 192 011**
Deposits from customers	20 179 276	5 893 512	10 121 224	6 483 691	-	42 677 703
Other liabilities and equity	8 087 540	4 488 639	606 995	7 176 187	154 947	20 514 309
Total liabilities and equity	**28 266 816**	**10 382 150**	**10 728 219**	**13 659 879**	**154 947**	**63 192 011**

Profit and loss account 2019

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Other	Total
Net interest income	2 389 911	863 804	651 865	1 356 133	-1 028	5 260 685
Net other operating income	177 839	69 151	23 530	51 784	-512	321 792
Total income	**2 567 750**	**932 955**	**675 394**	**1 407 917**	**-1 539**	**5 582 477**
Total operating expenses	560 336	291 275	181 638	278 890	12 519	1 324 659
Provision for loan losses	696 095	221 951	200 618	508 696	-	1 627 359
Profit before tax	**1 311 319**	**419 729**	**293 138**	**620 331**	**-14 058**	**2 630 459**
Tax charge	356 831	109 876	63 918	121 254	-2 471	649 408
Profit after tax	**954 488**	**309 853**	**229 220**	**499 077**	**-11 588**	**1 981 051**
Comprehensive income for the period	**954 488**	**309 853**	**229 220**	**499 077**	**-11 588**	**1 981 051**

Balance sheet 31.12.19

Amounts in NOK 1000	Norway	Sweden	Denmark	Finland	Other	Total
Loans to customers	18 844 355	6 802 103	4 724 885	10 189 159	-	40 560 502
Other assets	8 546 780	3 467 465	3 151 700	2 157 276	189 662	17 512 882
Total assets	**27 391 134**	**10 269 568**	**7 876 585**	**12 346 435**	**189 662**	**58 073 384**
Deposits from customers	19 417 635	5 946 156	7 316 699	7 437 880	-	40 118 369
Other liabilities and equity	7 973 500	4 323 412	559 886	4 908 555	189 662	17 955 015
Total liabilities and equity	**27 391 134**	**10 269 568**	**7 876 585**	**12 346 435**	**189 662**	**58 073 384**

6.3 CORPORATE GOVERNANCE

The Board of Directors supports the Norwegian Code of Practice for Corporate Governance (NUES). The principles of corporate governance are described later in the annual report. Norwegian Finans Holding ASA's shares are listed on the Oslo Stock Exchange with the ticker code NOFI and are freely negotiable.

There are no company specific restrictions on ownership, trade or voting for shares in the company, other than those given by Norwegian ownership regulations.

The Board of Directors

The members of the Board of Directors of Norwegian Finans Holding are, at 15 July 2021:

Name	Position
Klaus-Anders Nysteen	Chairman
Anita Marie Hjerkinn Aarnæs	Director
Christine Rødsæther	Director
Kjetil Andreas Garstad	Director
Hans Torsten Georg Larsson	Director
Izabella Kibsgaard-Petersen	Director
Knut Arne Alsaker	Director

Norwegian Finans Holding ASA's registered business address, Snarøyveien 36, 1364 Fornebu, serves as the c/o address for the members of the Board of Directors in relation to their directorship of Norwegian Finans Holding.

Operative Management

Norwegian Finans Holding ASA's operative management consists of:

Name	Position
Klara-Lise Aasen	Interim CEO

For all practical purposes, the management of Bank Norwegian ASA also acts as the management of Norwegian Finans Holding ASA's management, both at entity and at a consolidated group level.

Previous CEO Tine Wollebekk handed in her resignation to assume a new position 28 June 2021. The CFO of Bank Norwegian, Klara-Lise Aasen was appointed interim CEO by the Board of Directors 29 June 2021.

Sustainability Report

The NFH Group has prepared policies and guidelines for sustainability. These have been adopted by the Board of Directors and integrated into the NFH Group's daily operations. The ultimate responsibility for these issues lies with the Board of Directors, which defines the strategic direction and establishes policy frameworks and control processes. The CEO is responsible for integration into the operations, and each department is responsible for advancing and developing the efforts within its area of responsibility. The NFH Group's guidelines on environmental, social and governance (ESG) are described in the annual report.

Major Shareholders

On 31 December 2020, NOFI had a total of 4,120 owners (3,355 in 2019). The largest announced ownership constellation is Nordic Capital Fund IX and Sampo Plc through the company Cidron Linhua Ltd., with a total of 22.7% ownership, an increase of 6.3% in 2020. The second largest owner is Folketrygdfondet with 9.9% registered ownership in end of the year, which has reduced is holding to 8.7% at 14 July 2021. In total, the 10 largest owners own 54.2% of the Bank's share capital at the end of the year, and 53.8% at 14 July 2021.

6.4 SIGNIFICANT RECENT CHANGES AND TRENDS

The Board of Directors is aware of the following events after the date of the balance sheet that may be of material significance to the annual accounts.

The Restructuring of Norwegian Air Shuttle

The situation with the Norwegian airline's restructuring program is being closely monitored. It is our expectation that the company will reach a solution during the spring in which a restructured new airline continues to support the continuation of the Reward program between Norwegian Air Shuttle ASA and the Bank. Otherwise, the Bank will be able to establish new benefits for customers to maintain the attractiveness and profitability of the card program, including a potential extension of the temporary cashback solution launched in February. The implications of the restructuring on the current agreements between Bank Norwegian and Norwegian Air Shuttle are at this point uncertain.

COVID-10 pandemic and the market

During the first quarter of 2021, governments around the world increased the already strict measures to combat the third wave of COVID-19. While there is a consensus that the first half of 2021 will be challenging, there is a positive sentiment regarding the second half of 2021 as vaccination programs are ramped up and consumers have a pent-up demand for travel and consumption. New consumer behaviour adopted during the last year may become a new normal and the digital competence has developed fast in most part of the society. These are all positive drivers for Bank Norwegian going forward.

The lower loan growth levels at the end of 2020 continues in the beginning of 2021. Loan demand is weak, particularly in Norway, and a stronger Norwegian Krone lead to reduced balances outside Norway at the end of the quarter. Reduced consumer activity has caused a temporary reduction in demand for unsecured lending, affecting interest income levels negatively. After a couple of months of low credit card activity in the start of the quarter, we note a positive development with increased activity on credit cards, particularly in domestic usage while international usage will remain low until travel restrictions ease up.

Significant Changes in the Financial Position since 31 December 2020

There have not been any significant changes in the financial position that has occurred since the end of the last financial period.

6.5 FINANCIAL INFORMATION

The consolidated financial statements for 2020 have been prepared in accordance with International Financial Reporting Standards ("IFRS") approved by the EU. Amounts in the note information are stated in NOK thousand unless otherwise stated.

The consolidated financial statements will be affected by future amendments to IFRS. No published standards or interpretations are expected to have a material effect on the NFH Group in implementation.

Profit and loss account

	Norwegian Finans Holding Group	
Amounts in NOK 1000	**2020**	**2019**
Interest income	6 115 326	5 910 775
Interest expenses	702 272	650 090
Net interest income	**5 413 054**	**5 260 685**
Net other operating income	**229 644**	**321 792**
Total income	**5 642 698**	**5 582 477**
Total operating expenses	**1 313 162**	**1 324 659**
Provision for loan losses	1 830 948	1 627 359
Profit before tax	**2 498 588**	**2 630 459**
Profit after tax	**1 886 975**	**1 981 051**

Balance sheet

	Norwegian Finans Holding Group	
Amounts in NOK 1000	**31.12.20**	**31.12.19**
Total assets	63 192 011	58 073 384
Loans to customers	37 943 688	40 560 502
Liquid assets	24 364 666	16 813 654
Deposits from customers	42 677 703	40 118 369
Debt securities issued	6 034 387	6 537 863
Subordinated loans	877 820	822 688
Tier 1 capital	635 000	635 000
Total equity	11 328 161	9 473 707

Key figures and alternative performance measures

	Norwegian Finans Holding Group	
	2020	**2019**
Return on equity (ROE)[1 3]	18.9 %	24.6 %
Return on assets (ROA)[1]	3.1 %	3.8 %
Earnings per share (EPS)[4]	9.90	10.37
Dividend per share (DPS)	6.00	-
Common equity tier 1 (CET 1)	22.0 %	21.2 %
Leverage ratio	14.5 %	14.5 %
Liquidity coverage ratio (LCR)	569 %	450 %
Net interest margin (NIM)[1]	8.8 %	10.0 %
Cost/income ratio[1]	0.23	0.24
Loan loss provisions to average loans[1]	4.1 %	3.9 %
Stage 3 loans to loans[1 2]	23.7 %	17.3 %
Loan loss allowance coverage ratio stage 3[1 2]	40.9 %	35.9 %
Loan loss allowance coverage ratio to loans[1]	11.5 %	8.1 %

1) Defined as alternative performance measure (APM). APMs are described on banknorwegian.no/OmOss/InvestorRelations.

2) The APMs "Non-performing loans to loans" and "Loan loss allowance to non-performing loans", which has been in use since reporting under IAS 39, was in Q2 2020 replaced by the new APMs "Stage 3 loans to loans" and "Loan loss allowance coverage ratio stage 3" due to established market practice and reduced relevance after the implementation of IFRS9.

3) Definition for ROE was updated in Q3 2020 based on established market practice. Previous periods are recalculated.

4) Definition for EPS was updated in Q3 2020 based on establised market practice. EPS is calculated based on profit after tax excluding interest on additional Tier 1 capital. Previous periods are recalculated.

Financial Statements for the last financial year prior to the date of this Exempted Document, as well as the auditor's report, have been incorporated in the Exempted document by reference and may be accessed under the following link:

https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020

6.5.1 INVESTMENTS

There have been no material investments made since the date of the last published financial statements nor are any material investments in progress at the time of this document.

6.6 WORKING CAPITAL STATEMENT

Norwegian Finans Holding is of the opinion that it has sufficient liquidity and financing capacity to fund its working capital requirements for at least the twelve months from the date of this Exempted Document.

6.7 LEGAL AND ARBITRATION PROCEEDINGS

Norwegian Finans Holding is not aware of any governmental, legal or arbitration proceedings, during the twelve months preceding the date of this Exempted Document, which may have, or have had in the past, significant effects on the company's financial position or profitability.

6.8 MATERIAL CONTRACTS

None of Norwegian Finans Holding's material contracts will be affected by the Merger.

6.9 PUBLIC TAKEOVER BIDS

On 4 March 2021, Nordax Bank AB (publ) ("Nordax") announced its intention to launch a non-binding indicative offer for the shares in Norwegian Finans Holding ASA, subject to completion of satisfactory due diligence. The proposed offer price was NOK 95 per NFH share in cash (including the dividend of NOK 5 per NFH share to be distributed on 6 May to registered shareholders as of 27 April). This offer was rejected by the Board of Directors of NFH on 9 March, inter alia on the basis of the Board of Director's view that the price offered did not justify granting access to due diligence.

The Board of Directors has 3 May 2021 received a revised non-binding indicative offer from Nordax at NOK 100 per NFH share in cash (excluding the dividend of NOK 5 per NFH share to be distributed on 6 May to registered shareholders as of 27 April), an improvement of NOK 10 per NFH share compared to the offer on 4 March. The proposed offer is conditional on acceptance from 90% of NFH's shareholders, with Nordax reserving the right to lower the acceptance threshold to 2/3. On the basis of this revised offer and after careful consideration the Board of Directors resolved to grant Nordax access to a confirmatory due diligence process and the parties have entered into an agreement to this effect.

Nordax has completed its due diligence investigations and the Board of Directors announced on 14 July 2021 that it has received a binding public voluntary offer at NOK 105 per NFH share in cash. The offer price will be adjusted for any dividends paid to shareholders in the period up until completion of the offer. The completion of the proposed offer will amongst other be conditional on the board recommendation remaining unamended and acceptance from 90% of NFH's shareholders, with Nordax reserving the right to lower the acceptance threshold to 2/3. Nordax has stated in its announcement that the offer document is expected to be approved during the week commencing 2 August 2021, that the acceptance period in the offer will commence following publication of the offer document and that it is expected to last for 20 business days, subject to any amendments by Nordax.

Assuming the Merger is executed as planned, the offer from Nordax will be made for the shares in the Combined Company on the same terms.

7 REGULATORY DISCLOSURES

7.1 BANK NORWEGIAN ASA

The Issuer's shares are not publicly traded, and the company is a wholly owned subsidiary of Norwegian Finans Holding ASA. The Issuer have issued senior preferred bonds, subordinated bonds and Tier 1 bonds in NOK and SEK listed on the Oslo Stock Exchange (XOSL) and Nordic Alternative Bond Market (XOAM) and is therefore within the scope of Regulation (EU) No 596/2014. This summary has been prepared in accordance with the Commission Delegated Regulations (EU) 2021/528 of 16 December 2020 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the minimum content of the document to be published for a prospectus Exempted in connection with a takeover by means of a merger.

INSIDE INFORMATION

Date	Title	Description
14.07.2021	Bank Norwegian ASA: Announcement of public voluntary offer from Nordax	Announcement of new binding offer from Nordax at NOK 105 per share
14.07.2021	Bank Norwegian ASA: Announcement of public voluntary offer	Press release from Nordax on the voluntary offer

OTHER INFORMATION DISCLOSED ACCORDING TO THE RULES OF THE EXCHANGE

Date	Title	Description
10.08.2020	Bank Norwegian AS: Invitation to results presentation for Q2 2020	Invitation to the results presentation for Q2 2020
18.08.2020	Bank Norwegian AS: Buy-back in BANKN17 PRO	Information regarding the buyback of bonds amounting to MSEK 57
09.10.2020	Bank Norwegian AS: Statement pursuant to Section 5-6 of the Securities Trading Act	Statement pursuant to Section 5-6 of the Securities Trading Act regarding the Q2 financial reports
23.10.2020	Bank Norwegian AS: Invitation to results presentation for Q3 2020	Invitation to the results presentation for Q3 2020
12.11.2020	Bank Norwegian AS: Bank Norwegian outlook revised from "Negative" to "Stable" on earnings resilience in downturn, 'BBB/A-2' ratings affirmed	Update on rating from Standard and Poor's
18.11.2020	Bank Norwegian AS: Presentation material from SpareBank 1 Markets webseminar	Presentation Material from presentation held by CEO Tine Wollebekk and CFO Klara-Lise Aasen on niche banks
10.12.2020	Bank Norwegian AS: Updated investor presentation	Updated version of the general investor presentation
21.12.2020	Bank Norwegian AS: Updated MREL requirement for Norwegian Finans Holding ASA	Information on the MREL requirements for Norwegian Finans Holding ASA according to the Financial Institution Act 2015
22.12.2020	Bank Norwegian AS: Invitation to Capital Markets Day 2021 - save the date	Invitation to Capital Markets Day 2021

06.01.2021	Bank Norwegian AS: Approval of new company structure	Information that the FSA has approved the merger of Bank Norwegian and Norwegian Finans Holding
09.02.2021	Bank Norwegian AS: Invitation to results presentation for Q4 2020	Invitation to the results presentation for Q4 2020
08.03.2021	Bank Norwegian AS: Fixed Income investor meetings and NOK/SEK senior preferred issuance	Information regarding the issue of senior preferred bonds in NOK and SEK
11.03.2021	Bank Norwegian AS: Bank Norwegian AS - Buyback of bonds	Information regarding the buyback of bonds
11.03.2021	Bank Norwegian AS: Bank Norwegian AS - Successful issuance of senior preferred bonds	Information regarding the issue of senior preferred bonds in NOK and SEK
17.03.2021	Bank Norwegian AS: Proposals to merge Norwegian Finans Holding ASA and Bank Norwegian AS	Proposals to merge Norwegian Finans Holding and Bank Norwegian
26.03.2021	Bank Norwegian AS: Merger plan for the decision in Annual General Meeting on April 27	Publication of the Merger Plan
26.03.2021	Bank Norwegian AS: Bank Norwegian Sells the Sedish portfolio of defaulted credit cards	Information regarding the sale of the Bank's Swedish portfolio of defaulted credit cards
13.04.2021	Bank Norwegian AS: Bank Norwegian sells the Danish portfolio of defaulted credit cards	Information regarding the sale of the Bank's Swedish portfolio of defaulted credit cards
23.04.2021	Bank Norwegian ASA: Invitation to results presentation for Q1 2021	Invitation to the results presentation for Q1 2021
29.04.2021	Bank Norwegian ASA: Approved merger plan by the Annual General Meeting - Name change	Information on the Merger and the change of company status for Bank Norwegian
11.05.2021	Bank Norwegian ASA: Notice of Extraordinary General Meeting and update on intra-group merger	Notice of the Extraordinary General Meeting 4 June in connection to the Merger
28.05.2021	Oslo Børs – Received application for admission to trading – Bank Norwegian ASA	Confirmation on the receipt of Oslo Børs for the application for admission to trading for the Merger consideration shares
04.06.2021	Bank Norwegian ASA: Minutes from Extraordinary General Meeting in Norwegian Finans Holding ASA - Approved merger plan	Minutes from the Annual General Meeting held 4 June 2021
24.06.2021	Oslo Børs approves Bank Norwegian ASA for admission to trading on Oslo Børs	Confirmation that the application for admission to trading has been approved

29.06.2021	Bank Norwegian ASA: Bank Norwegian sells its Danish portfolio of defaulted instalment loans	Information regarding the sale of the Bank's Danish portfolio of defaulted instalment loans
30.06.2021	Bank Norwegian ASA: Notice of Extraordinary General Meeting in Bank Norwegian ASA - Post merger election of members of the Board of Directors	Notice of digital Extraorinary General Meeting on Thursday 22 July 2021

FINANCIAL REPORTS

Date	Title	Description
13.08.2020	BANK NORWEGIAN AS: EARNINGS GROWTH, STRONG FUNDAMENTALS AND COST CONTROL	Publication of Q2 2020 financial report
28.10.2020	BANK NORWEGIAN AS: STRONG RESULTS, GROWTH STRATEGY CONFIRMED	Publication of Q3 2020 financial report
17.02.2021	BANK NORWEGIAN AS: STRONG RESULTS AND CAPITALIZATION, PROPOSED DIVIDEND AT NOK 6.00 PER SHARE	Publication of Q4 2020 financial report
17.03.2021	Bank Norwegian AS: Annual reports and Pillar 3 report for 2020	Publication of 2020 annual financial report
28.04.2021	BANK NORWEGIAN ASA: HIGH PROFITABILITY AND CAPITALIZATION, DIVIDEND APPROVED AT 6.00 PER SHARE	Publication of Q1 2021 financial report

CHANGES IN BOARD/MANAGEMENT/AUDITORS

Date	Title	Description
28.06.2021	Bank Norwegian ASA: CEO Tine Wollebekk resigns to assume new position	Information regarding the resignation of CEO Tine Wollebekk
29.06.2021	Bank Norwegian ASA: Klara-Lise Aasen appointed interim CEO	Announcement that CFO Klara-Lise Aasen is appointed interim CEO

7.2 NORWEGIAN FINANS HOLDING ASA

Norwegian Finans Holding's shares are traded on Oslo Stock Exchange and the company is therefore subject to disclosure under the Rules of the Exchange and applicable laws.

This summary has been prepared in accordance with the Commission Delegated Regulations (EU) 2021/528of 16 December 2020 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the minimum content of the document to be published for a prospectus Exempted in connection with a takeover by means of a merger.

INSIDE INFORMATION

Date	Title	Description
04.03.2021	Nordax Bank AB (publ) announces its intention to launch a NOK 17.8 billion voluntary offer for all shares in Norwegian Finans Holding ASA	The announcement from Nordax on its intention to launch a voluntary offer for the shares in Norwegian Finans Holding
09.03.2021	Norwegian Finans Holding ASA: Response by the Board of Directors to the intention of Nordax Bank AB (publ) to launch voluntary offer	Information that the Board of Directors do not view the proposal made by Nordax to be in the best interest of shareholders
03.05.2021	Norwegian Finans Holding ASA: Revised non-binding indicative offer from Nordax	Information on a received revised indicative offer from Nordax Bank AB
14.07.2021	Norwegian Finans Holding ASA: Announcement of public voluntary offer from Nordax	Announcement of new binding offer from Nordax at NOK 105 per share
14.07.2021	Norwegian Finans Holding ASA: Announcement of public voluntary offer	Press release from Nordax on the voluntary offer

OTHER INFORMATION DISCLOSED ACCORDING TO THE RULES OF THE EXCHANGE

Date	Title	Description
10.08.2020	Norwegian Finans Holding ASA: Invitation to results presentation for Q2 2020	Invitation to the results presentation for Q2 2020
18.08.2020	Norwegian Finans Holding ASA: Buy-back in BANKN17 PRO	Information regarding the buyback of bonds amounting to MSEK 57
09.10.2020	Norwegian Finans Holding ASA: Statement pursuant to Section 5-6 of the Securities Trading Act	Statement pursuant to Section 5-6 of the Securities Trading Act regarding the Q2 financial reports
23.10.2020	Norwegian Finans Holding ASA: Invitation to results presentation for Q3 2020	Invitation to the results presentation for Q3 2020

29.10.2020	Mandatory notification of trade	Information regarding the trade of shares in Norwegian Finans Holding by primary insider Klara-Lise Aasen
12.11.2020	Norwegian Finans Holding ASA: Bank Norwegian outlook revised from "Negative" to "Stable" on earnings resilience in downturn, 'BBB/A-2' ratings affirmed	Update on rating from Standard and Poor's
18.11.2020	Norwegian Finans Holding ASA: Presentation material from SpareBank 1 Markets webseminar	Presentation Material from presentation held by CEO Tine Wollebekk and CFO Klara-Lise Aasen on niche banks
23.11.2020	Financial calendar	Publication of the financial calendar for 2021
10.12.2020	Norwegian Finans Holding ASA: Updated investor presentation	Updated version of the general investor presentation
21.12.2020	Mandatory notification of trade	Information regarding the trade of shares in Norwegian Finans Holding by primary insider Karstein Holen
21.12.2020	Norwegian Finans Holding ASA: Updated MREL requirement for Norwegian Finans Holding ASA	Information on the MREL requirements for Norwegian Finans Holding ASA according to the Financial Institution Act 2015
22.12.2020	Norwegian Finans Holding ASA: Invitation to Capital Markets Day 2021 - save the date	Invitation to Capital Markets Day 2021
05.01.2021	Financial calendar	Publication of the financial calendar for 2021
06.01.2021	Norwegian Finans Holding ASA: Approval of new company structure	Information that the FSA has approved the merger of Bank Norwegian and Norwegian Finans Holding
01.02.2021	Norwegian Finans Holding ASA: Update on the Bank Norwegian credit card	Information regarding the CashBack programme on the Bank Norwegian credit card
09.02.2021	Norwegian Finans Holding ASA: Invitation to results presentation for Q4 2020	Invitation to the results presentation for Q4 2020
17.02.2021	Norwegian Finans Holding ASA: Key information relating to the cash dividend to be paid by Norwegian Finans Holding ASA	Information regarding the planned dividend payment in 2021
04.03.2021	Norwegian Finans Holding ASA: Potential strategic interest in Norwegian Finans Holding ASA	Information regarding the announcement from Nordax that they intend to launch a voluntary offer for the shares in Norwegian Finans Holding
08.03.2021	Norwegian Finans Holding ASA: Fixed Income investor meetings and NOK/SEK senior preferred issuance	Information regarding the issue of senior preferred bonds in NOK and SEK

11.03.2021	Norwegian Finans Holding ASA: Bank Norwegian AS - Buyback of bonds	Information regarding the buyback of bonds
11.03.2021	Norwegian Finans Holding ASA: Bank Norwegian AS - Successful issuance of senior preferred bonds	Information regarding the issue of senior preferred bonds in NOK and SEK
16.03.2021	Norwegian Finans Holding ASA: Capital Markets Day 18 March	Information regarding the Capital Markets Day 2021
17.03.2021	Norwegian Finans Holding ASA: Proposals to merge Norwegian Finans Holding ASA and Bank Norwegian AS	Proposals to merge Norwegian Finans Holding and Bank Norwegian
18.03.2021	Norwegian Finans Holding ASA: Capital Markets Day and Financial Targets towards 2023	Publication of the presentation for the Capital Markets Day 2021
19.03.2021	Intention to launch public voluntary offer - update On	Update from Nordax regarding their intention to launch publi volutary offer
26.03.2021	Norwegian Finans Holding ASA: Merger plan for the decision in Annual General Meeting on April 27	Publication of the Merger Plan
26.03.2021	Norwegian Finans Holding ASA: Bank Norwegian Sells the Sedish portfolio of defaulted credit cards	Information regarding the sale of the Bank's Swedish portfolio of defaulted credit cards
06.04.2021	Norwegian Finans Holding ASA: Notice of Annual General Meeting	Notice of digital Annual General Meeting on Tuesday 27 April 2021
13.04.2021	Norwegian Finans Holding ASA: Bank Norwegian sells the Danish portfolio of defaulted credit cards	Information regarding the sale of the Bank's Swedish portfolio of defaulted credit cards
23.04.2021	Norwegian Finans Holding ASA: Invitation to results presentation for Q1 2021	Invitation to the results presentation for Q1 2021
27.04.2021	Financial calendar	Updated version of the financial calendar
27.04.2021	Norwegian Finans Holding ASA: Minutes from Annual General Meeting	Minutes from the Annual General Meeting held 27 April 2021
28.04.2021	Norwegian Finans Holding ASA: Ex. dividend today	Information regarding the dividends to be paid 6 May 2021
11.05.2021	Norwegian Finans Holding ASA: Notice of Extraordinary General Meeting and update on intra-group merger	Notice of the Extraordinary General Meeting 4 June in connection to the Merger
27.05.2021	Norwegian Finans Holding ASA: Allocation of shares under the incentive scheme for key employees, trades subject to notification by primary insiders	Information on the bonus shares for key employees

04.06.2021	Norwegian Finans Holding ASA: Minutes from Extraordinary General Meeting in Norwegian Finans Holding ASA - Approved merger plan	Minutes from the Annual General Meeting held 4 June 2021
29.06.2021	Norwegian Finans Holding ASA: Bank Norwegian sells its Danish portfolio of defaulted instalment loans	Information regarding the sale of the Bank's Danish portfolio of defaulted instalment loans
30.06.2021	Norwegian Finans Holding ASA: Notice of Extraordinary General Meeting in Bank Norwegian ASA - Post merger election of members of the Board of Directors	Notice of digital Extraordinary General Meeting on Thursday 22 July 2021

FINANCIAL REPORTS

Date	Title	Description
13.08.2020	Norwegian Finans Holding ASA: EARNINGS GROWTH, STRONG FUNDAMENTALS AND COST CONTROL	Publication of Q2 2020 financial report
28.10.2020	Norwegian Finans Holding ASA: STRONG RESULTS, GROWTH STRATEGY CONFIRMED	Publication of Q3 2020 financial report
17.02.2021	Norwegian Finans Holding ASA: STRONG RESULTS AND CAPITALIZATION, PROPOSED DIVIDEND AT NOK 6.00 PER SHARE	Publication of Q4 2020 financial report
17.03.2021	Norwegian Finans Holding ASA: Annual reports and Pillar 3 report for 2020	Publication of 2020 annual financial report
28.04.2021	NORWEGIAN FINANS HOLDING ASA: HIGH PROFITABILITY AND CAPITALIZATION, DIVIDEND APPROVED AT 6.00 PER SHARE	Publication of Q1 2021 financial report

CHANGES IN BOARD/MANAGEMENT/AUDITORS

Date	Title	Description
28.06.2021	Norwegian Finans Holding ASA: CEO Tine Wollebekk resigns to assume new position	Information regarding the regisnation of CEO Tine Wollebekk
29.06.2021	Norwegian Finans Holding ASA: Klara-Lise Aasen appointed interim CEO	Announcement that CFO Klara-Lise Aasen is appointed interim CEO

8 INFORMATION INCORPORATED BY REFERENCE

The following documents have been incorporated by reference into this Exempted Document in accordance with Article 19 of the Prospectus Regulation, and they form a part of Bank Norwegian's and Norwegian Finans Holding's financial information. If documents incorporated by reference include further references or if additional information is incorporated by reference within such documents, such further information does not form a part of this Exempted Document.

The documents that have been incorporated by reference are available for review during the validity period of this Exempted Document on Bank Norwegian's website https://www.banknorwegian.no/OmOss/InvestorRelations.

Minimum Disclosure Requirement for Exempted Documents		Reference Document	Page of Reference Document
Item 2.5	Audited historical financial information	Bank Norwegian annual report 2020: https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020	14-50
Item 2.5	Audit reports	Bank Norwegian audit report 2020: https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020	51-55 in the annual report
Item 2.5	Audited historical financial information	Norwegian Finans Holding annual report 2020: https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020	55-95
Item 2.5	Audit reports	Norwegian Finans Holding audit report 2020: https://www.banknorwegian.no/OmOss/InvestorRelations?year=2020	97-101 in the annual report

DOCUMENTS AVAILABLE

The following documents are available for review during the validity period of this Exempted Document on Bank Norwegian's website https://www.banknorwegian.no/OmOss/InvestorRelations:

- The Articles of Association of Bank Norwegian
- Bank Norwegian's historical financial statements as of and for the year ended 31 December 2020 as well as for the three-month period ended 31 March 2021
- This Exempted Document
- All reports, letters, and other documents, historical financial information, valuations, and statements prepared by any expert at the Bank's request any part of which is included or referred to in the Exemption Document
- Updated independent Expert report on the merger plan from external auditor Deloitte, cf. Public Limited Liability Companies Act § 13-10

9 ADDITIONAL INFORMATION

9.1 INDEPENDENT AUDITORS

Bank Norwegian and NFH's independent auditors are Deloitte AS (registration number 980 211 282) which has their registered address at Dronning Eufemias gate 14, 0191 Oslo, Norway. The partners of Deloitte AS are members of The Norwegian Institute of Public Accountants (Nw. Den Norske Revisorforening).

The consolidated financial statements of Bank Norwegian ASA as of 31 December 2020 and for the year then ended and the consolidated financial statements of Norwegian Finans Holding ASA as of 31 December 2020 and for the year then ended, incorporated by reference herein, have been audited by Deloitte AS, independent auditors as stated in their reports incorporated by reference herein.

Independent Expert report on the merger plan from external auditor Deloitte AS, cf. Public Limited Liability Companies Act § 13-10.

At the request of the Board of Directors of Bank Norwegian ASA and Norwegian Finans Holding ASA, in connection with the Merger of Bank Norwegian ASA and Norwegian Finans Holding ASA, the external Auditor Deloitte has on 3 May 2021 issued an updated Independent Expert report, cf. Public Limited Liability Companies Act § 13-10. The report has been included in the Exempted document with the consent of Deloitte AS.

9.2 LEGAL ADVISORS

Advokatfirmaet Thommessen has been acting as ad-hoc legal advisors (as to Norwegian law) to Bank Norwegian in connection with the Merger.

9.3 VPS REGISTRAR

Bank Norwegian's and NFH's VPS registrar is DNB Bank ASA, Registrars Department, which has their registered address at Dronning Eufemias gate 30, 0191 Oslo, Norway.

10 DEFINITIONS

Capitalised terms used throughout this Exempted Document shall have the meaning ascribed to such terms as set out below, unless the context requires otherwise.

Acquiring company	The acquiring company, in this case Bank Norwegian ASA
Bank Norwegian	Bank Norwegian ASA
BANO	The ticker for the Merger consideration shares
Board of Directors	The Board of Directors of Bank Norwegian, Norwegian Finans Holding or the Combined Company as the context may advise
Combined Company	Bank Norwegian ASA after the completion of the Merger
Consideration Shares	New Shares issued by the Combined Company as Merger consideration upon completion of the Merger
EEA	
Effective Date	The date of registration of the completion of the Merger in the Norwegian Register of Business Enterprises
EU Prospectus Regulation	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the Exempted Document to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 20014/71/EC.
Executive Management	The members of the Executive Management of Bank Norwegian, Norwegian Finans Holding and the Combined Company, as the context may advise
Exempted Document	This Exempted Document dated 15 July 2021
FSA	The Norwegian Financial Supervisory Authority (Nw. *Finanstilsynet*)
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards as adopted by the EU
The Issuer	The acquiring company, in this case Bank Norwegian ASA
Merger Plan	The merger plan for the Merger as agreed between each of the Boards of Directors of Bank Norwegian and NFH, where the terms of the Merger are set out
MREL	Minimum Requirement for own funds and Eligible Liabilities
NFH	Norwegian Finans Holding ASA
NFH Group	The group consisting of Norwegian Finans Holding, and the subsidies of Bank Norwegian ASA and Lilienthal Ltd.
NOFI	The ticker for the shares of Norwegian Finans Holding ASA
Norges Bank	The Central Bank of Norway
Oslo Stock Exchange	Oslo Børs (a stock exchange operated by Oslo Børs AS)
Record Date	The second trading day after the Effective Date
Shares	The shares of BANO, each with a nominal value of NOK 1
The Bank	Bank Norwegian ASA
Transferring Company	The transferring company, in this case Norwegian Finans Holding ASA
U.S Securities Act	The United States Securities Act of 1933
VPS	The Norwegian Central Securities Depository (Nw. *Verdipapirsentralen*)

APPENDICES

Appendix A – Independent assessment by PWC on tax treatment of foreign shareholders

Main conclusions from independent assessment by PWC on tax treatment of foreign shareholders

In the early stages of the process of merging Norwegian Finans Holding ASA and Bank Norwegian AS, PwC was engaged to prepare a high-level assessment on tax consequences for shareholders in Denmark, Finland, Germany, Luxembourg, Netherlands, Sweden, UK, US and Norway.

The assessment was based on that the process would take place as a reverse parent-subsidiary merger and that the shareholders of the parent company would only receive shares in the subsidiary as consideration.

All conclusions were provided on a more likely than not-basis, and in summary a reverse parent-subsidiary merger should be possible to carry out with no likely tax consequences for shareholders in the assessed jurisdictions.

As this was a general preliminary assessment based on limited information, all shareholders are encouraged to obtain individual assessment and advise in their jurisdiction. Neither the merging parties or PwC are liable for any subsequent changes in laws and regulations or adverse opinion made based on individual shareholders assessment.

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