



Interim report
First quarter 2020

Highlights and key figures

Growth

- Net loans grew by NOK 326 million in Q1 2020 driven by appreciation of SEK and EUR to NOK
- Adjusted for currency effects, the net loan growth was NOK -189 million as new lending was reduced to mitigate possible effects due to macroeconomic risks related to the Covid-19 outbreak

Profitability

- Total income for Q1 2020 was NOK 290.6 million, down 4% compared to NOK 302.8 million in Q4 2019, driven by fewer days in the quarter and reduced new lending impacting net commissions and fees
- Costs decreased to NOK 97.0 million compared to NOK 99.5 million in the previous quarter as additional consulting costs related to strengthening risk and collection capabilities were more than offset by a reduction in marketing costs
- The cost/Income ratio was 33.4% in the quarter, up from 32.9% in Q4 2019
- Losses on loans were NOK 132.2 million of which NOK 50 million in an additional loan loss provision due to macroeconomic uncertainty related to Covid-19, compared to NOK 221.7 million in Q4 2019, including additional loan loss provisions of NOK 104 million in Q4 2019
- Adjusted for additional loan loss provisions, losses on loans improved to 3.8% from 5.6% in Q4 2019
- Profit after tax was NOK 45.9 million, up from NOK -15.4 million in Q4 2019
- Return on equity (ROE)* was 10.1% and 18.1% adjusted for additional loan loss provisions, up from -3.4% and 13.6% adjusted for additional loan loss provisions in Q4 2019

Capital Adequacy

- Komplett Bank's CET1 ratio decreased to 20.9% from 21.2% at 31 December 2019
- During Q1 2020 the financial authorities in the Nordics have lowered the capital requirements for banks, which reduced Komplett Bank's CET1 requirement by 1.3 percentage points to 17.0% at 31 March 2020 from 18.3% at 31 December 2019
- Implemented framework that enables transition to Standardised Approach for measuring operational risk, with an expected positive effect on capital adequacy before year-end 2020 upon independent review

* $ROE = 4 \times \text{Profit after tax in the quarter} / (\text{quarterly average total equity} - \text{average AT1 capital})$

** $ROA = 4 \times \text{Profit after tax in the quarter} / \text{quarterly average assets}$

*** $EPS = 4 \times (\text{Profit After Tax} - \text{payment to AT1 capital investors}) / \text{Average number of shares in period}$

About Komplett Bank ASA

Komplett Bank ASA (the “Bank”) started operations in March 2014 when the company received its banking licence from the Norwegian authorities. Komplett Bank focuses on offering convenient consumer financing products.

The Bank’s main products are consumer loans, comprising Komplett Bank’s annuity loans launched in May 2019 as well as a flexible loan product with credit line functionality that gives the customer more flexibility in use of the credit line. In April 2020, the Bank launched a new refinancing product in Norway. In addition, the Bank offers “Komplett Bank Mastercard”, a credit card with product features tailored for online shopping as well as Point of Sales (POS) finance products. The Bank offers deposit products with highly attractive interest rates in both Norway and Germany. As a member of the Norwegian Banks’ Guarantee Fund, customer deposits are guaranteed up to NOK 2 million (EUR 100,000 in Germany and Sweden) per customer.

Canica Invest AS, the owner of the leading web retailer in the Nordic countries, the Komplett Group, is Komplett Bank’s largest shareholder with an ownership of 19.4%. The Bank has a long-term strategic cooperation with the Komplett Group.

The Bank follows a strategic roadmap based on geographical and product-wise diversification and expansion. The strategy is founded on a digital, scalable, efficient and low-cost operating model combined with strong risk control. In the near- to medium term, lending operations will be focused on the Nordic region and the Bank will continue its expansion by developing its current product portfolio in existing markets.

The Bank operates on a cross-border basis from Lysaker, outside of Oslo. The Norwegian banking license provides for passporting of the Bank’s offering throughout the entire European Economic Area (EEA).

Covid-19 update

As a response to the outbreak of Covid-19, Komplett Bank implemented measures to safeguard employees and their families in line with Government recommendations. The organisation has adapted well to working from home and

operational productivity and customer service level has been maintained during the quarter.

Customer behaviour has largely been unchanged and no material impact on withdrawals was experienced. For Credit cards transaction volumes declined whereas transaction volumes increased for POS. Komplett Bank has received a limited number of forbearance requests from customers in Norway and Finland. Almost no requests have been received from customers in Sweden. The Bank has not experienced any negative impact on default rates so far and loan losses declined from the previous quarter. Preliminary figures for April are consistent with the figures in first quarter. The Bank decided to make an additional loan loss provisions in Q1 2020 due to macroeconomic risks related to uncertainty of economic effects due to the outbreak of Covid-19.

On 3 April 2020, Finland’s Ministry of Justice announced that it is preparing a legislative change that includes a temporary 10% interest cap on new loans from current 20% as well as limitations in marketing. The bank does not expect material impact from the temporary legislation on existing customers. New sales in Finland could potentially be impacted short term depending on the outcome of the legislative process.

Financial figures for Q1 2020

All figures are prepared and presented in accordance with IFRS.

Net loans grew by NOK 326 million in Q1 2020, driven primarily by loans Finland and loans Sweden, which grew by NOK 356 million and NOK 98 million, respectively. The increase is related to currency effects, as EUR and SEK have strengthened against NOK in the quarter. Loans in Norway declined by NOK 124 million in the quarter. Net loan growth for Point-of-sales finance was NOK 27 million in the quarter, down from NOK 105 million in Q4 2019. Credit cards declined by NOK 32 million compared to a growth of NOK 15 million in the previous quarter.

Net interest income amounted to NOK 285.9 million, down from NOK 293.8 million in Q4 2019. Net commissions and fees amounted to NOK 4.5 million in Q1 2020, down from 6.8 million in the previous

quarter as POS activity declined and expenses are lagging income. The resulting total income was NOK 290.6 million, down 4.0% compared to NOK 302.8 million in Q4 2019.

Operating expenses were NOK 97.0 million, down from NOK 99.5 million in Q4 2019. Direct marketing expenses amounted to NOK 4.3 million, down from NOK 10.9 million in Q4 2019. The corresponding cost-income ratio including marketing expenses increased to 33.4% in Q1 2020 from 32.9% in the previous quarter.

Losses on loans amounted to NOK 132.2 million, down from NOK 221.7 million in Q4 2019. An additional loan loss provision due to macroeconomic uncertainty related to Covid-19 amounted to NOK 50 million in Q4 2020. In Q4 2019 the Bank revised the model parameters across the Bank's entire product portfolio which resulted in additional provisions of NOK 104 million. The loan loss ratio¹ adjusted for additional loan loss provisions was 3.8%, down from 5.6% in Q4 2019. The improvement in loan loss ratio is primarily a result of improvements across all stages in the loan loss model.

Profit after tax was NOK 46 million, up from NOK -15 million in the previous quarter.

Total assets at 31 March 2020 amounted to NOK 10,672 million (compared to NOK 10,620 million at 31 December 2019). Net loans to customers ended at NOK 8,821 million (NOK 8,496 million). Deposits from customers amounted to NOK 8,557 million (NOK 8,520 million). Deposit product in SEK was launched in January 2020 and by the end of Q1 2020 ended at NOK 59 millions.

Total equity was NOK 1,895 million (NOK 1,850 million at 31 December 2019). Komplett Bank had a total capital ratio of 22.1% (22.5%) with a CET1 ratio of 20.9% (21.2%) as of 31 March 2020. Bank deposits and liquid securities amounted to NOK 1,672 million (NOK 1,944 million) corresponding to 15.7% (18.3%) of total assets.

Gross defaulted loans at the end of Q1 2020 amounted to NOK 1,670 million, up from NOK 1,285 million at 31 December 2019. The increase in Q1 2020 is effected by no NPL sales in the quarter and appreciation of SEK and EUR to NOK. Loan

impairments amounted to NOK 1,013 million (NOK 810 million).

Regulatory update

On 13 March 2020, the Ministry of Finance in Norway decided to reduce the countercyclical capital buffer requirement to 1.0% from 2.5% with immediate effect. Central bank of Norway stated that the outbreak of coronavirus and measures to limit contagion will have significant negative impact on growth in the Norwegian economy, and the buffer requirement was reduced to prevent tighter lending standards from amplifying a downturn.

At the same date, the Swedish Financial Supervisory Authority lowered the countercyclical capital buffer requirement for banks to 0.0% from 2.5%.

The combined impact is a reduction in Komplett Bank's CET1 capital requirement of 1.3 percentage points to 17.0% by end Q1 2020 (18.3% by end of Q4 2019). The Bank is well above the capital requirement.

Outlook

Komplett Bank follows a diversified multi-channel marketing and distribution strategy, has a strong financial position with a resilient balance sheet and a flexible and low-cost operating model. Combined with a well-known brand and strong distribution capabilities, this puts the Bank in a favourable competitive position.

The Bank's strategy for product-wise and geographical expansion is the cornerstone to ensuring long-term sustainable growth and value creation. Going forward, Komplett Bank will continue to focus on creating customer value through convenient financing solutions and efficient and customer friendly processes.

The Bank considers the potential for growth in Norway, Finland and Sweden in the medium term as good. In the first quarter of 2020, Komplett Bank launched a new refinancing product, which is expected to strengthen the competitive position of the Bank's consumer loans in Norway.

¹ Losses on loans = 4* Quarterly losses on loans / Average net loans over the period

Due to macroeconomic uncertainty related to Covid-19, Komplett Bank has increased focus near term on assisting existing customers while being even more prudent on risk selection. This has resulted in a reduction of new lending and lower marketing expenses during the quarter. The Bank will increase focus on potential cost savings going forward.

Komplett Bank's efficient business model with high net interest income and solid pre provision earnings provides a solid foundation for withstanding a potential increase in loan loss provisions. A variable cost base and ability to control growth provides additional loan loss tolerance, as does the CET1 ratio of 20.9% with significant headroom to the current CET1 capital requirement of 17.0%.

Komplett Bank's attractive customer value proposition coupled with stable financial performance, a flexible cost base and solid capital position provide a strong platform for value creation going forward.

Komplett Bank's main strategic priorities for 2020 remain: Reduce credit losses, strengthen operational performance, and ensure continued robust financial position and dividend capacity. These priorities are even more important given the uncertainty created by Covid-19.

Financial Targets

The Bank has established the following financial targets:

- 1. Capital Adequacy:** CET1 target of 18.0%
 - Comprised of CET1 requirement of 17.0% + 1.0% management buffer
- 2. Return on Equity:** Above 20% return on equity
 - The Bank does not expect to meet its ROE target of 20% in 2020
- 3. Dividend policy:** Excess capital not deployed for growth purposes will be distributed to shareholders

Significant events after the balance sheet date

The board is not aware of events after the date of the balance sheet that may be of material significance to the accounts.

Other information

The accounting result for Q1 2020 has in its entirety been booked against retained earnings. This interim report has been reviewed in accordance with ISRE 2410 (International Standard on Review Engagement). The review report is enclosed to this report.

Lysaker, Bærum, 12 May 2020

Board of Directors, Komplett Bank ASA

INTERIM STATEMENT OF COMPREHENSIVE INCOME

<i>Amounts in NOK million</i>	Note	Q1 2020	Q1 2019	2019
Interest income	2, 9	326.4	310.2	1,282.5
Interest expenses	9	-40.5	-46.0	-167.2
Net interest income	9	285.9	264.1	1,115.3
Income commissions and fees	2, 10	40.8	44.6	172.4
Expenses commissions and fees	10	-36.3	-24.9	-113.8
Net commissions and fees	10	4.5	19.7	58.6
Net gains / losses (-) on certificates and bonds, and currency		0.2	-1.0	1.7
Total income		290.6	282.8	1,175.6
Salary and other personnel expenses		-36.2	-31.2	-135.4
General administrative expenses	11	-29.4	-49.5	-172.4
<i>Direct marketing expenses</i>	11	-4.3	-28.6	-84.0
Total salary and admin. expenses		-65.6	-80.7	-307.8
Ordinary depreciation	8	-17.1	-11.8	-54.9
Other expenses	12	-14.3	-15.7	-79.0
Total operating expenses excl. losses on loans		-97.0	-108.2	-441.7
Losses on loans	2	-132.2	-72.3	-454.3
Pre-tax operating profit		61.4	102.3	279.6
Tax expenses		-15.4	-25.9	-76.7
Profit after tax		45.9	76.4	202.9
Earnings per share (NOK)		0.25	0.43	1.11
Diluted earnings per share (NOK)		0.24	0.40	1.07

Comprehensive income

<i>Amounts in NOK million</i>			
Profit after tax		45.9	76.4
Other comprehensive income		-	-
Comprehensive income for the period		45.9	76.4

STATEMENT OF FINANCIAL POSITION AS AT THE END OF THE PERIOD

<i>Amounts in NOK million</i>	Note	31.03.2020	31.03.2019	31.12.2019
Assets				
Loans and deposits with credit institutions	4, 5	666.1	1,059.8	614.7
Net loans to customers	2, 5	8,821.4	7,902.9	8,495.8
Certificates and bonds	5	1,005.6	449.9	1,329.8
Other intangible assets	8	145.5	109.1	143.3
Deferred tax assets		-	-	0.8
Fixed assets	8	16.4	18.2	17.3
Other receivables	5	17.0	12.2	18.8
Total assets		10,671.9	9,552.2	10,620.4
Equity and liabilities				
Deposits from and debt to customers	5	8,556.8	7,281.4	8,519.5
Senior unsecured bond	5	-	298.9	-
Other debt	5, 7	140.2	132.5	149.5
Subordinated loans (Tier 2)	5, 6	64.9	64.8	64.9
Deferred tax		14.6		
Tax payable	7	-0.0	53.6	37.0
Total liabilities		8,776.5	7,831.1	8,770.9
Share capital	3, 13	184.1	182.6	184.1
Share premium reserve	3	786.7	786.7	786.7
Other paid-in equity	3	46.7	43.4	45.8
Retained earnings	3	833.3	663.8	788.4
Additional Tier 1 capital	3	44.6	44.6	44.6
Total equity		1,895.3	1,721.1	1,849.5
Total equity and liabilities		10,671.9	9,552.2	10,620.4

Lysaker, Bærum, 12 May 2020

Board of Directors, Komplett Bank ASA

STATEMENT OF CASH FLOW FOR THE PERIOD

Amounts in NOK million	Note	Q1 2020	Q1 2019	2019
Cash flow from operating activities				
Pre-tax operating profit		61.4	102.3	279.6
Taxes paid		-37.0	-43.5	-107.2
Ordinary depreciation	8	17.1	11.8	54.9
Change in impairments on loans to customers	2	202.6	28.6	338.5
Change in loans to customers	2, 5	-528.1	-87.2	-989.9
Effects of currency on loans to customers in the period		514.6	-83.1	-18.4
Change in deposits from and debt to customers	5	37.3	-84.3	1,153.9
Effects of currency on deposits from and debt to customers in the period		-493.1		-46.9
Change in certificates and bonds	5	324.2	-13.5	-893.4
Change in accruals		11.8	16.4	31.6
Net cash flow from operating activities		110.7	-152.6	-197.2
Cash flows from investing activities				
Net Investments/sale of fixed assets	8	-0.8	-0.3	-0.6
Net Investments/sale of intangible assets	8	-17.6	-24.0	-98.6
Net cash flow used in investing activities		-18.4	-24.3	-99.2
Cash flows from financing activities				
Paid-in equity		-	24.7	26.2
Repayment of senior unsecured bond		-	-101.0	-400.0
Payment to Tier 1 capital investors		-1.0	-1.0	-3.8
Net cash flow from financing activities		-1.0	-77.2	-377.6
Net cash flow for the period		91.3	-254.1	-674.0
Cash and cash equivalents at the start of the period	4	614.7	1,232.4	1,232.4
Effects of currency on loans and deposits with credit institutions in the period		-39.9	81.6	56.3
Cash and cash equivalents at the end of the period	4	666.1	1,059.8	614.7

STATEMENT OF CHANGES IN EQUITY

Amounts in NOK million	Share capital	Share premium reserve	Additional Tier 1 capital	Other paid in capital	Retained earnings	Total Equity
Equity as at 01.01.2019	172.7	771.9	44.6	42.2	588.4	1,619.8
<i><u>Changes deriving from profit or loss:</u></i>						
Profit after tax	-	-	-	-	202.9	202.9
<i><u>Changes deriving from transactions with owners:</u></i>						
Share capital increase	11.4	14.8	-	-	-	26.2
Paid-in Share premium reserve	-	-	-	-	-	-
<i><u>Other changes recognized in equity:</u></i>						
Changes in equity due to share options program	-	-	-	3.6	-	3.6
Paid interest on Additional Tier 1 capital	-	-	-	-	-2.9	-2.9
Equity as at 31.12.2019	184.1	786.7	44.6	45.8	788.4	1,849.5
<i><u>Changes deriving from profit or loss:</u></i>						
Profit after tax	-	-	-	-	45.9	45.9
<i><u>Changes deriving from transactions with owners:</u></i>						
Share capital increase	-	-	-	-	-	-
Paid-in Share premium reserve	-	-	-	-	-	-
<i><u>Other changes recognized in equity:</u></i>						
Changes in equity due to share options program	-	-	-	0.9	-	0.9
Paid interest on Additional Tier 1 capital	-	-	-	-	-1.1	-1.1
Equity as at 31.03.2020	184.1	786.7	44.6	46.7	833.3	1,895.3

Note 1 - General accounting principles

This interim report is prepared in accordance with the same accounting principles as in the annual report for 2019.

All numbers in this report are in NOK 1,000,000 unless otherwise specified.

Note 2 – Loans to customers

The Bank is applying forward looking elements for its credit loss model. The overall losses are adjusted by considering a certain set of macro-economic variables. The credit losses are adjusted on a portfolio basis, and are based on the expected development of the economies in the countries in which the Bank is offering loans. The macro-economic variables are not utilised to transfer loans among the various stages.

The Bank is applying three sets of indicators to the expected credit loss models for the respective countries: 1) the expected development in the unemployment rate, 2) the growth in the gross domestic product and 3) the short-term interest rate level. The expected credit loss model employs forecasted data for the years 2020-2022, which corresponds to the expected lifetime of the Bank's loan portfolio. The forecasted data are based on macro-economic indicators sourced from a specialised provider.

The Bank applies three scenarios when considering the macro-economic adjustment: a positive outlook, a neutral outlook and a negative outlook. The Bank calculates and assigns a probability and weight to these each scenarios based on the forecasts and expectations for the macroeconomic situation. There is uncertainty related to the estimates as they are forward-looking.

The Covid-19 situation is expected to negatively impact the future macro-economic outlook for the Nordic countries, and the Bank has recorded an additional loan loss provision of NOK 50 million in Q1 2020.

Loans to customers

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Loans to customers	9,834.0	9,305.9	8,403.2
Gross lending	9,834.0	9,305.9	8,403.2
Impairment of loans	1,012.7	810.1	500.2
Net loans to customers	8,821.4	8,495.8	7,902.9

Defaults and losses

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Gross defaulted loans *	1,670.3	1,284.9	868.9
Impairment of loans (stage 3)	641.2	493.6	284.4
Net defaulted loans	1,029.1	791.3	584.5

* Defaulted loans comprise amongst other of loans which are 91 days or more overdue according to agreed payment schedule. Such loans will still be considered defaulted regardless of future payment status. Defaulted loans also comprise of cases of client fraud and decease.

Gross loans by geographical regions

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Agder	266.7	269.3	286.2
Innlandet	388.2	373.9	413.4
Møre og Romsdal	241.9	250.9	262.7
Nordland	261.1	260.3	276.9
Oslo	656.4	648.4	720.8
Rogaland	460.4	461.5	499.6
Troms og Finnmark	275.3	282.8	293.0
Trøndelag	362.4	372.6	393.1
Vestfold og Telemark	474.7	460.9	511.9
Vestland	564.3	571.0	614.5
Viken	1,300.5	1,241.7	1,396.3
Norway	5,251.9	5,193.2	5,668.4
Finland	3,130.6	2,752.3	1,966.7
Sweden	1,451.5	1,360.4	768.1
Total	9,834.0	9,305.9	8,403.2

Risk classes

All loans to customers are classed in different risk classes. The risk classes are divided between A to D for all products except for POS Finance where the risk classes are classed from A to C. Risk class A is for loans customers with the historically lowest probability of default, while risk class D (C for POS Finance) has the highest probability of default. Established loans are defined as loans to customers that are at least 6 months old, while new loans are defined as less than 6 months old. The column in the table below which is named "horizon" shows the horizon in which expected losses are calculated for the loans to customers for the different risk classes. The column in the table below named "interval of PD" shows the probability of default in the horizon for the relevant risk class used in the Bank's IFRS 9 model to calculate impairment of loans to customers as at 31 December 2019.

Risk classes

	31.03.2020	31.12.2019	31.03.2019	Horizon	Interval of PD
Established loans Norway risk class A	28 %	27 %	35 %	12 months	4.5 % - 5.9 %
New loans Norway risk class A	1 %	5 %	6 %	12 months	9.0 %
Established loans Norway risk class B	4 %	4 %	5 %	Lifetime	44.7 % - 50.3 %
New loans Norway risk class B	0 %	1 %	1 %	Lifetime	53.7 %
Established loans Norway risk class C	1 %	1 %	1 %	Lifetime	70.1 % - 75.3 %
New loans Norway risk class C	0 %	0 %	0 %	Lifetime	84.5 %
Established loans Norway risk class D	6 %	5 %	5 %	Lifetime	100.0 %
New loans Norway risk class D	0 %	0 %	0 %	Lifetime	100.0 %
Established credit card loans Norway risk class A	4 %	5 %	6 %	12 months	6.9 %
New credit card loans Norway risk class A	0 %	0 %	1 %	12 months	8.1 %
Established credit card loans Norway risk class B	1 %	2 %	2 %	Lifetime	36.2 %
New credit card loans Norway risk class B	0 %	0 %	0 %	Lifetime	42.8 %
Established credit card loans Norway risk class C	0 %	0 %	0 %	Lifetime	73.9 %
New credit card loans Norway risk class C	0 %	0 %	0 %	Lifetime	83.7 %
Established credit card loans Norway risk class D	2 %	1 %	1 %	Lifetime	100.0 %
New credit card loans Norway risk class D	0 %	0 %	0 %	Lifetime	100.0 %
Loans Finland risk class A	23 %	22 %	19 %	12 months	8 % - 13 %
Loans Finland risk class B	3 %	3 %	1 %	Lifetime	52 % - 55 %
Loans Finland risk class C	1 %	1 %	0 %	Lifetime	85 % - 91 %
Loans Finland risk class D	6 %	5 %	3 %	Lifetime	100.0 %
POS Finance risk class A	4 %	4 %	3 %	12 months	8.1 %
POS Finance risk class B	1 %	1 %	1 %	Lifetime	42.8 %
POS Finance risk class C	1 %	1 %	0 %	Lifetime	100.0 %
Loans Sweden risk class A	9 %	10 %	7 %	12 months	8.1 %
Loans Sweden risk class B	1 %	1 %	1 %	Lifetime	52.3 %
Loans Sweden risk class C	1 %	0 %	0 %	Lifetime	85.5 %
Loans Sweden risk class D	2 %	2 %	1 %	Lifetime	100.0 %
Credit card loans Sweden risk class A	1 %	1 %	0 %	12 months	8.1 %
Credit card loans Sweden risk class B	0 %	0 %	0 %	Lifetime	42.8 %
Credit card loans Sweden risk class C	0 %	0 %	0 %	Lifetime	83.7 %
Credit card loans Sweden risk class D	0 %	0 %	0 %	Lifetime	100.0 %
Credit card loans Sweden risk class A	0 %	0 %	0 %	12 months	8.1 %
Credit card loans Sweden risk class B	0 %	0 %	0 %	Lifetime	42.8 %
Credit card loans Sweden risk class C	0 %	0 %	0 %	Lifetime	83.7 %
Credit card loans Sweden risk class D	0 %	0 %	0 %	Lifetime	100.0 %
Total	100 %	100 %	100 %		

Ageing of loans

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Loans not past due	6,513.0	6,055.7	5,949.3
Past due 1 - 30 days	1,011.2	1,321.2	1,022.0
Past due 31 - 60 days	444.2	449.4	397.7
Past due 61 - 90 days	195.3	196.8	194.2
Past due 91+ days	1,670.3	1,282.8	840.0
Total	9,834.0	9,305.9	8,403.2

Ageing of loans %

Percentage of total loans	31.03.2020	31.12.2019	31.03.2019
Loans not past due	66 %	65 %	71 %
Past due 1 - 30 days	10 %	14 %	12 %
Past due 31 - 60 days	5 %	5 %	5 %
Past due 61 - 90 days	2 %	2 %	2 %
Past due 91+ days	17 %	14 %	10 %
Total	100 %	100 %	100 %

Maximum exposure for loans to customers as at 31.03.2020*

Amounts in NOK million	Stage 1	Stage 2	Stage 3
Credit risk rating grade			
Established loans Norway risk class A	3,568.9	-	-
New loans Norway risk class A	705.3	-	-
Established loans Norway risk class B	-	345.1	-
New loans Norway risk class B	-	80.1	-
Established loans Norway risk class C	-	52.6	-
New loans Norway risk class C	-	16.6	-
Established loans Norway risk class D	-	-	540.3
New loans Norway risk class D	-	-	62.4
Established credit card loans Norway risk class A	1,109.2	-	-
New credit card loans Norway risk class A	25.7	-	-
Established credit card loans Norway risk class B	-	152.9	-
New credit card loans Norway risk class B	-	1.0	-
Established credit card loans Norway risk class C	-	17.4	-
New credit card loans Norway risk class C	-	0.1	-
Established credit card loans Norway risk class D	-	-	169.5
New credit card loans Norway risk class D	-	-	0.4
Loans Finland risk class A	2,827.8	-	-
Loans Finland risk class B	-	260.1	-
Loans Finland risk class C	-	-	68.5
Loans Finland risk class D	-	-	631.0
POS Finance risk class A	370.3	-	-
POS Finance risk class B	-	78.1	-
POS Finance risk class C	-	-	83.5
Loans Sweden risk class A	1,204.9	-	-
Loans Sweden risk class B	-	89.0	-
Loans Sweden risk class C	-	-	20.0
Loans Sweden risk class D	-	-	227.8
New credit card loans Sweden risk class A	359.9	-	-
New credit card loans Sweden risk class B	-	0.8	-
New credit card loans Sweden risk class C	-	-	0.1
New credit card loans Sweden risk class D	-	-	0.3
New credit card loans Finland risk class A	14.9	-	-
New credit card loans Finland risk class B	-	0.5	-
New credit card loans Finland risk class C	-	-	0.0
New credit card loans Finland risk class D	-	-	0.1
Total	10,186.9	1,094.6	1,803.9

* Exposures also include limits not utilised.

Maximum exposure for loans to customers as at 31.12.2019*

Amounts in NOK million	Stage 1	Stage 2	Stage 3
Credit risk rating grade			
Established loans Norway risk class A	3,839.2	-	-
New loans Norway risk class A	749.7	-	-
Established loans Norway risk class B	-	396.1	-
New loans Norway risk class B	-	84.1	-
Established loans Norway risk class C	-	65.3	-
New loans Norway risk class C	-	16.0	-
Established loans Norway risk class D	-	-	452.3
New loans Norway risk class D	-	-	36.9
Established credit card loans Norway risk class A	1,161.9	-	-
New credit card loans Norway risk class A	30.9	-	-
Established credit card loans Norway risk class B	-	181.8	-
New credit card loans Norway risk class B	-	3.0	-
Established credit card loans Norway risk class C	-	20.5	-
New credit card loans Norway risk class C	-	0.3	-
Established credit card loans Norway risk class D	-	-	135.7
New credit card loans Norway risk class D	-	-	0.6
Loans Finland risk class A	2,434.6	-	-
Loans Finland risk class B	-	238.5	-
Loans Finland risk class C	-	54.1	-
Loans Finland risk class D	-	-	453.5
POS Finance risk class A	368.3	-	-
POS Finance risk class B	-	65.0	-
POS Finance risk class C	-	-	73.5
Loans Sweden risk class A	1,115.5	-	-
Loans Sweden risk class B	-	82.1	-
Loans Sweden risk class C	-	18.2	-
Loans Sweden risk class D	-	-	172.4
New credit card loans Sweden risk class A	244.3	-	-
New credit card loans Sweden risk class B	-	0.7	-
New credit card loans Sweden risk class C	-	0.1	-
New credit card loans Sweden risk class D	-	-	0.1
New credit card loans Finland risk class A	9.5	-	-
New credit card loans Finland risk class B	-	0.3	-
New credit card loans Finland risk class C	-	0.0	-
New credit card loans Finland risk class D	-	-	0.0
Total	9,953.9	1,226.2	1,325.1

* Exposures also include limits not utilised.

Maximum exposure for loans to customers as at 31.03.2019*

Amounts in NOK million	Stage 1	Stage 2	Stage 3
Credit risk rating grade			
Established loans Norway risk class A	4,469.3	-	-
New loans Norway risk class A	771.0	-	-
Established loans Norway risk class B	-	481.8	-
New loans Norway risk class B	-	105.4	-
Established loans Norway risk class C	-	89.8	-
New loans Norway risk class C	-	19.2	-
Established loans Norway risk class D	-	-	417.8
New loans Norway risk class D	-	-	13.2
Established credit card loans Norway risk class A	1,281.2	-	-
New credit card loans Norway risk class A	109.9	-	-
Established credit card loans Norway risk class B	-	176.4	-
New credit card loans Norway risk class B	-	11.5	-
Established credit card loans Norway risk class C	-	19.5	-
New credit card loans Norway risk class C	-	1.6	-
Established credit card loans Norway risk class D	-	-	114.7
New credit card loans Norway risk class D	-	-	3.3
Loans Finland risk class A	1,813.0	-	-
Loans Finland risk class B	-	119.8	-
Loans Finland risk class C	-	29.3	-
Loans Finland risk class D	-	-	247.9
POS Finance risk class A	281.2	-	-
POS Finance risk class B	-	45.5	-
POS Finance risk class C	-	-	39.8
Loans Sweden risk class A	707.1	-	-
Loans Sweden risk class B	-	55.1	-
Loans Sweden risk class C	-	16.2	-
Loans Sweden risk class D	-	-	54.9
Established credit card loans Sweden risk class A	22.5	-	-
Established credit card loans Sweden risk class B	-	-	-
Established credit card loans Sweden risk class C	-	-	-
Established credit card loans Sweden risk class D	-	-	-
Total	9,455.3	1,171.0	891.5

* Exposures also include limits not utilised.

Reconciliation of gross lending to customers

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 31.12.2019	6,840.8	1,180.2	1,284.9	9,305.9
Transfers in Q1 2020:				
Transfer from stage 1 to stage 2	-455.4	455.4	-	-
Transfer from stage 1 to stage 3	-166.1	-	166.1	-
Transfer from stage 2 to stage 3	-	-281.8	281.8	-
Transfer from stage 3 to stage 2	-	3.6	-3.6	-
Transfer from stage 2 to stage 1	252.0	-252.0	-	-
Transfer from stage 3 to stage 1	2.4	-	-2.4	-
New assets	1,133.8	108.5	106.9	1,349.3
Assets derecognized	-600.9	-58.6	-161.6	-821.1
Gross carrying amount as at 31.03.2020	7,006.7	1,155.2	1,672.1	9,834.0

Reconciliation of gross lending to customers

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 01.01.2019	6,313.2	1,158.2	844.6	8,316.0
Transfers in Q1 2019:				
Transfer from stage 1 to stage 2	-430.7	430.7	-	-
Transfer from stage 1 to stage 3	-48.0	-	48.0	-
Transfer from stage 2 to stage 3	-	-176.5	176.5	-
Transfer from stage 3 to stage 2	-	0.7	-0.7	-
Transfer from stage 2 to stage 1	251.4	-251.4	-	-
Transfer from stage 3 to stage 1	0.1	-	-0.1	-
New assets	886.5	57.9	14.8	959.2
Assets derecognized	-538.4	-119.4	-214.3	-872.1
Gross carrying amount as at 31.03.2019	6,434.1	1,100.1	868.9	8,403.2

Reconciliation of gross lending to customers

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount as at 01.01.2019	6,313.2	1,158.2	844.6	8,316.0
Transfers 1.1.2019-31.12.2019:				
Transfer from stage 1 to stage 2	-1,847.8	1,847.8	-	-
Transfer from stage 1 to stage 3	-222.4	-	222.4	-
Transfer from stage 2 to stage 3	-	-756.4	756.4	-
Transfer from stage 3 to stage 2	-	4.5	-4.5	-
Transfer from stage 2 to stage 1	859.2	-859.2	-	-
Transfer from stage 3 to stage 1	3.2	-	-3.2	-
New assets	3,744.3	284.5	71.3	4,100.2
Assets derecognized	-2,008.8	-499.3	-602.1	-3,110.2
Gross carrying amount as at 31.12.2019	6,840.8	1,180.2	1,284.9	9,305.9

Reconciliation of loss allowances

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Impairment as at 31.12.2019	143.7	172.8	493.6	810.1
Transfers in Q1 2020:				
Transfer from stage 1 to stage 2	-7.8	7.8	-	-
Transfer from stage 1 to stage 3	-2.5	-	2.5	-
Transfer from stage 2 to stage 3	-	-47.1	47.1	-
Transfer from stage 3 to stage 2	-	1.5	-1.5	-
Transfer from stage 2 to stage 1	25.8	-25.8	-	-
Transfer from stage 3 to stage 1	1.1	-	-1.1	-
New financial assets originated or change in provisions	10.1	53.6	72.2	135.9
Assets derecognized or change in provisions	-32.5	-7.6	-19.2	59.3
Exchange rate movements	14.4	14.2	48.2	76.8
Macroeconomic model changes	21.9	28.1	-	50.0
Other changes	0.2	-0.5	-0.6	1.0
Impairment as at 31.03.2020	174.4	197.0	641.2	1,012.7

Reconciliation of loss allowances

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Impairment as at 01.01.2019	102.1	100.8	268.8	471.6
Transfers in Q1 2019:				
Transfer from stage 1 to stage 2	-5.2	5.2	-	-
Transfer from stage 1 to stage 3	-0.6	-	0.6	-
Transfer from stage 2 to stage 3	-	-23.8	23.8	-
Transfer from stage 3 to stage 2	-	0.2	-0.2	-
Transfer from stage 2 to stage 1	18.3	-18.3	-	-
Transfer from stage 3 to stage 1	0.0	-	-0.0	-
New financial assets originated or change in provisions	16.1	52.0	41.0	109.1
Assets derecognized or change in provisions	-18.8	-14.0	-49.7	-82.4
Other changes	1.1	0.8	0.0	1.9
Impairment as at 31.03.2019	113.0	102.8	284.4	500.2

Reconciliation of loss allowances

Amounts in NOK million	Stage 1	Stage 2	Stage 3	Total
Impairment as at 01.01.2019	102.1	100.8	268.8	471.6
Transfers 1.1.2019 - 31.12.2019				
Transfer from stage 1 to stage 2	-26.2	26.2	-	-
Transfer from stage 1 to stage 3	-3.5	-	3.5	-
Transfer from stage 2 to stage 3	-	-117.4	117.4	-
Transfer from stage 3 to stage 2	-	1.8	-1.8	-
Transfer from stage 2 to stage 1	73.7	-73.7	-	-
Transfer from stage 3 to stage 1	2.5	-	-2.5	-
New financial assets originated or change in provisions	66.0	245.0	205.0	516.0
Assets derecognized or change in provisions	-86.0	-59.1	-153.9	-299.0
Other changes	15.1	49.3	57.1	121.6
Impairment as at 31.12.2019	143.7	172.8	493.6	810.1

Information on products and geographical distribution

Amounts in NOK million

	Consumer loans			Credit cards	POS Finance	Total
	Norway	Finland	Sweden			
Income per product in Q1 2020						
Interest income	141.9	89.6	38.2	35.9	16.5	322.0
Income commissions and fees	8.2	7.3	2.0	8.7	14.2	40.5
Total	150.1	96.9	40.2	44.6	30.7	362.5
Income per product in Q1 2019						
Interest income	166.1	61.9	23.9	42.9	9.6	304.4
Income commissions and fees	11.2	6.9	2.1	10.3	11.1	41.6
Total	177.3	68.8	26.0	53.2	20.7	346.0
Income per product 2019						
Interest income	625.4	297.3	122.2	163.5	52.4	1,260.7
Income commissions and fees	44.2	27.4	5.7	41.0	49.6	167.9
Total	669.6	324.7	127.8	204.4	102.1	1,428.6
Loans per product per 31.03.2020						
Net loans to customers	3,575.6	2,785.2	1,159.6	768.8	532.3	8,821.4
Total	3,575.6	2,785.2	1,159.6	768.8	532.3	8,821.4
Loans per product per 31.12.2019						
Net loans to customers	3,699.5	2,428.9	1,061.8	800.5	505.0	8,495.7
Total	3,699.5	2,428.9	1,061.8	800.5	505.0	8,495.7
Loans per product per 31.03.2019						
Net loans to customers	4,276.6	1,812.4	642.1	811.0	364.8	7,906.9
Total	4,276.6	1,812.4	642.1	811.0	364.8	7,906.9
Impairment per product per 31.12.2019						
Impairment of loans to customers	286.3	319.1	115.4	57.1	32.3	810.1
Total	286.3	319.1	115.4	57.1	32.3	810.1
Impairment per product per 31.03.2020						
Impairment of loans to customers	326.8	440.3	138.7	70.2	36.7	1,012.7
Total	326.8	440.3	138.7	70.2	36.7	1,012.7
Impairment per product per 31.03.2019						
Impairment of loans to customers	223.0	154.3	46.1	55.1	21.7	500.2
Total	223.0	154.3	46.1	55.1	21.7	500.2

Note 3 – Regulatory capital

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Share capital	184.1	184.1	182.6
Share premium	786.7	786.7	786.7
Other equity (not including Q4 profits)	880.0	834.2	707.3
Phase-in effects of IFRS 9	189.2	194.3	137.6
Deductions:			
Deferred tax assets and other intangible assets and deductions	-146.5	-145.4	-109.6
Common equity Tier 1 including phase-in impact of IFRS 9	1,893.5	1,853.9	1,704.6
Common equity Tier 1 excluding phase-in impact of IFRS 9	1,704.3	1,659.6	1,567.0
Additional Tier 1 capital	44.6	44.6	44.6
Core capital including phase-in impact of IFRS 9	1,938.0	1,898.4	1,749.1
Core capital excluding phase-in impact of IFRS 9	1,748.8	1,704.1	1,611.5
Subordinated loans (Tier 2)	64.9	64.9	64.8
Total capital including phase-in impact of IFRS 9	2,002.9	1,963.3	1,813.9
Total capital excluding phase-in impact of IFRS 9	1,813.7	1,769.0	1,676.3

Calculation basis

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Loans and deposits with credit institutions	133.2	122.9	212.0
Loans to customers and IFRS 9 phase-in effects	7,078.2	6,745.2	6,196.1
Certificates and bonds	10.5	9.1	31.5
Other assets	33.4	36.2	30.4
Calculation basis credit risk	7,255.3	6,913.4	6,469.9
Calculation basis operational risk	1,822.6	1,822.6	1,331.8
Total calculation basis including phase-in impact of IFRS 9	9,077.9	8,735.9	7,801.7
Total calculation basis excluding phase-in impact of IFRS 9	8,855.4	8,560.2	7,662.6

Capital ratios including phase-in impact of IFRS 9

Common equity tier 1 (%)	20.9 %	21.2 %	21.8 %
Core capital (%)	21.3 %	21.7 %	22.4 %
Total capital (%)	22.1 %	22.5 %	23.3 %

Capital ratios excluding phase-in impact of IFRS 9

Common equity tier 1 (%)	19.2 %	19.4 %	20.4 %
Core capital (%)	19.7 %	19.9 %	21.0 %
Total capital (%)	20.5 %	20.7 %	21.9 %

LCR (Liquidity Coverage Ratio) is 536 % and NSFR (Net stable funding ratio) is 172 % as of 31.03.2020.

Note 4 - Loans and deposits with credit institutions

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Loans and deposits with credit institutions	666.1	614.7	1,059.8
Total	666.1	614.7	1,059.8

Note 5 - Financial instruments

Financial instruments at fair value

Financial instruments at fair value is measured at different levels:

Level 1

Financial instruments in level 1 are determined based on quoted prices in active markets for identical financial instruments available on the balance sheet date.

Level 2

Financial instruments in level 2 are determined based on inputs other than quoted prices, but where prices are observable either directly or indirectly. These include quoted prices in markets that are not active.

Level 3

Valuation methods based on non-observable market data are used when valuation cannot be determined in level 1 or 2.

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Certificates and bonds - level 1	900.6	1,239.0	135.0
Certificates and bonds - level 2	104.9	90.8	314.9
Total financial instruments at fair value	1,005.6	1,329.8	449.9

Financial instruments at amortised cost

Financial instruments at amortised cost are valued at originally determined cash flows, adjusted for any impairment losses.

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Loans and deposits with credit institutions	666.1	614.7	1,059.8
Net loans to customers	8,821.4	8,495.8	7,902.9
Other receivables	17.0	18.8	12.2
Total financial assets measured at amortised cost	9,504.4	9,129.2	8,974.9
Deposits from and debt to customers	8,556.8	8,519.5	7,281.4
Senior unsecured bond*	-	-	298.9
Other debt	140.2	149.5	132.4
Subordinated loans	64.9	64.9	64.8
Total financial liabilities measured at amortised cost	8,761.9	8,733.9	7,777.5

*Settlement of senior unsecured bond was made on 5 July 2019.

Note 6 - Subordinated loans

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Subordinated loans - ISIN NO0010757768			
3 months NIBOR + 5.0 %	64.9	64.9	64.9
Total subordinated loans	64.9	64.9	64.9

Note 7 – Specification of other liabilities

Amounts in NOK million	31.03.2020	31.12.2019	31.03.2019
Payables to suppliers	30.6	39.0	25.2
Social security tax	3.4	5.3	3.5
Payable taxes	14.6	37.0	27.8
Other liabilities	106.3	105.2	103.8
Total other liabilities	154.8	186.5	160.3

Note 8 – Intangible assets and fixed assets

Type of non-current asset	Fixtures and fittings	Office machines	Intangible assets	Right-of-use assets	Other	Total
Amounts in NOK million						
Accumulated historical cost at 01.01.2018	1.5	0.5	83.4	-	-	85.4
Additions in 2018	0.4	0.5	67.5	-	0.2	68.6
Disposals in 2018	-	-	-	-	-	-
Historical cost at 31.12.2018	1.9	1.0	151.0	-	0.2	153.8
Additions in Q1 2019	0.2	0.0	24.2	17.2	-	41.7
Disposals in Q1 2019	-	-	-	-	-	-
Historical cost at 31.03.2019	2.1	1.0	175.1	17.2	0.2	195.7
Additions in Q2 2019	0.1	0.0	21.5	-	-	21.7
Disposals in Q2 2019	-	-	-	-	-	-
Historical cost at 30.06.2019	2.3	1.0	196.7	17.2	0.2	217.4
Additions in Q3 2019	-	-	19.5	2.2	-	21.6
Disposals in Q3 2019	-	-	-	-	-	-
Historical cost at 30.09.2019	2.3	1.0	216.1	19.4	0.2	239.0
Additions in Q4 2019	0.1	0.1	33.5	-	-	33.6
Disposals in Q4 2019	-	-	-	-	-	-
Historical cost at 31.12.2019	2.3	1.1	249.6	19.4	0.2	272.6
Additions in Q1 2020	0.0	0.1	17.6	-	0.7	18.4
Disposals in Q1 2020	-	-	-	-	-	-
Historical cost at 31.03.2020	2.3	1.1	267.2	19.4	0.9	291.0
Accumulated depreciations at 01.01.2018	0.7	0.3	26.7	-	-	27.6
Annual depreciations	0.3	0.1	28.3	-	-	28.7
Accumulated depreciations at 31.12.2018	1.0	0.4	55.0	-	-	56.4
Book value at 31.12.2018	0.9	0.6	96.0	-	0.2	97.7
Depreciations Q1 2019	0.1	0.0	11.0	0.9	-	12.0
Accumulated depreciations at 31.03.2019	1.1	0.4	66.0	0.9	-	68.3
Book value at 31.03.2019	1.1	0.6	109.1	16.4	0.2	127.4
Depreciations Q2 2019	0.1	0.0	12.0	0.9	-	13.0
Accumulated depreciations at 30.06.2019	1.2	0.5	78.0	1.7	-	81.3
Book value at 30.06.2019	1.1	0.5	118.7	15.5	0.2	136.1
Depreciations Q3 2019	0.1	0.0	13.3	1.1	-	14.5
Accumulated depreciations at 30.09.2019	1.2	0.5	91.2	2.8	-	95.8
Book value at 30.09.2019	1.0	0.5	124.9	16.6	0.2	143.3
Depreciations Q4 2019	0.1	0.0	15.1	1.0	-	16.2
Accumulated depreciations at 31.12.2019	1.3	0.6	106.3	3.8	-	111.9
Book value at 31.12.2019	1.0	0.5	143.3	15.6	0.2	160.6
Depreciations Q1 2020	0.1	0.0	16.0	1.0	-	17.1
Accumulated depreciations at 31.03.2020	1.4	0.6	122.3	4.8	-	129.1
Book value at 31.03.2020	0.9	0.6	144.9	14.6	0.9	161.9

Other intangible assets and fixed assets are depreciated on a straight-line basis over their lifetime. Intangible assets consist to a high degree of IT systems and rights acquired and developed in-house. Right-of-use assets relates to leasing agreements and are depreciated over their lifetime. No impairments have been recognised for other intangible assets or fixed assets either in the previous or current period.

Note 9 - Net interest income

Amounts in NOK million	Q1 2020	Q1 2019	2019
Interest income from loans to customers	322.0	304.4	1,260.7
Interest income from loans and deposits with credit institutions	4.1	4.5	20.3
Interest from certificates and bonds	0.3	1.2	1.4
Total interest income	326.4	310.2	1,282.5
Interest expense from deposits from and debt to customers	35.1	37.1	140.2
Interest expense from subordinated loan (Tier 2) and senior unsecured bond	1.1	4.2	9.9
Other interest expenses	4.2	4.7	17.1
Total interest expenses	40.5	46.0	167.2
Net interest income	285.9	264.1	1,115.3

Note 10 - Net commissions and fees

Amounts in NOK million	Q1 2020	Q1 2019	2019
Insurance services	13.7	15.2	58.4
Other fees and commissions and bank services income	27.1	29.4	114.0
Total income commissions and fees	40.8	44.6	172.4
Agent provisions	24.1	16.7	75.2
Other expenses commissions and fees	12.2	6.1	38.6
Total expenses commissions and fees	36.3	24.9	113.8
Net commissions and fees	4.5	19.7	58.6

Note 11 - General administrative expenses

Amounts in NOK million	Q1 2020	Q1 2019	2019
Direct marketing expenses	4.3	28.6	84.0
IT-expenses	18.9	11.0	33.5
Other general administrative expenses	6.2	9.9	54.9
Total general administrative expenses	29.4	49.5	172.4

Note 12 - Other operating expenses

Amounts in NOK million	Q1 2020	Q1 2019	2019
External audit and related services	1.5	1.4	3.7
Other consultants	4.7	9.0	27.2
Insurance	0.6	0.2	1.1
Other	7.6	5.0	47.1
Total other operating expenses	14.3	15.7	79.0

Note 13 - Related parties

Komplett Bank is not part of a group. However, the Bank's largest shareholder is Canica Invest AS with 19.4% of the shares in the Bank. Canica Invest AS owns the majority of the shares in Komplett AS. Komplett Bank is financially and operationally independent of Komplett AS and its affiliated companies (the "Komplett Group").

Komplett AS and the Bank have entered into a cooperation agreement in relation to IP rights, marketing cooperation and other services. The agreement aims to give the Bank the right to use "Komplett Bank" as its name, and the profile and graphic design of komplett.no. The agreement gives the Bank the right to use all the intellectual property rights of Komplett AS that are necessary to achieving this purpose.

As an extension to the cooperation agreement, Komplett AS and the Bank have entered into an agreement on product cooperation in relation to the credit card of the Bank and the credit card's ancillary customer loyalty bonus programme. The agreement aims to promote sales and the use of the credit card, as well as contributing to promote sales for Komplett AS. Pursuant to this agreement, the parties shall arrange for customer loyalty bonus in relation to the use of the Bank's credit card on, among other, purchases from Komplett AS. The product cooperation agreement for credit cards was prolonged Q2 2018 for another 5 years.

Furthermore, the Bank is engaged in a cooperation with the Komplett Group, in particular in connection with its credit card product as well as its payment solutions and distribution of Point-of-sales finance products, which enables the Bank to distribute its products towards customers on Komplett's web shop platforms.

Note 14 - Subsequent events

The board is not aware of events after the date of the balance sheet that may be of material significance to the accounts.

Note 15 - Leasing agreements

Komplett Bank is leasing premises for Vollsveien 2A and 2B at Lysaker. The agreement expires 31.12.2023, and the annual rent totals NOK 4.5 million excluding VAT. The Bank has no other significant leasing agreements.



Til Styret i Komplett Bank ASA

Uttalelse vedrørende forenklet revisorkontroll av delårsregnskap

Innledning

Vi har foretatt en forenklet revisorkontroll av vedlagte balanse for Komplett Bank ASA pr. 31. mars 2020 og tilhørende resultatregnskap, utvidet resultatregnskap, oppstilling over endringer i egenkapital og kontantstrømpoppstilling for tremånedersperioden avsluttet denne dato, og av beskrivelsen av regnskapsprinsipper og andre noter. Ledelsen er ansvarlig for utarbeidelsen av delårsregnskapet og at det gir et rettviseende bilde i samsvar med IAS 34 Delårsrapportering. Vår oppgave er å avgi en uttalelse om delårsregnskapet basert på vår forenklete revisorkontroll.

Omfanget av den forenklete revisorkontrollen

Vi har utført vår forenklete revisorkontroll i samsvar med ISRE 2410 *Forenklet revisorkontroll av et delårsregnskap, utført av foretakets valgte revisor*. En forenklet revisorkontroll av delårsregnskapet består i å rette forespørsler, primært til personer med ansvar for økonomi og regnskap, og å gjennomføre analytiske og andre kontrollhandlinger. En forenklet revisorkontroll har et betydelig mindre omfang enn en revisjon utført i samsvar med de internasjonale revisjonsstandardene International Standards on Auditing (ISA-ene), og gjør oss følgelig ikke i stand til å oppnå sikkerhet om at vi er blitt oppmerksomme på alle vesentlige forhold som kunne ha blitt avdekket i en revisjon. Vi avgir derfor ikke revisjonsberetning.

Konklusjon

Vi har ved vår forenklete revisorkontroll ikke blitt oppmerksomme på noe som gir oss grunn til å tro at det vedlagte delårsregnskapet ikke gir et rettviseende bilde av foretakets finansielle stilling per. 31. mars 2020 og for resultatet og kontantstrømmene i tremånedersperioden, i samsvar med IAS 34 Delårsrapportering.

Oslo, 12. mai 2020

PricewaterhouseCoopers AS

Erik Andersen
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(Elektronisk signert)