Nordiska Financial Partner Norway AS.

ANNUAL REPORT

2022

Index

Report of the board of directors

ABOUT NORDISKA FINANCIAL PARTNER NORWAY

Folkefinans was in December 2021 acquired by NNAV Holding 1 AB, a wholly owned subsidiary of Nordiska Kreditmarknadsaktiebolaget (Nordiska). As of February 2022 Folkefinans changed its company name to Nordiska Financial Partner Norway AS (Nordiska FPN). Following the acquisition, the company further changed its operations from issuing small unsecured loans and revolving credits to the private consumer segments in Norway and Sweden to implementing Nordiska's business strategy and Partner Bank model with a focus on the Norwegian market. Nordiska's Partner Bank model focuses on partnerships with other financial companies who act as financial agents where Nordiska provides loans to customers mediated by Nordiska's Partners who function as distribution channel towards the customers.

Nordiska FPN is a licensed Credit- and Finance Institution. Approval was given by the Norwegian Ministry of Finance on 19 December 2007. Information about the license and permitted activities can be found in the Norwegian Financial Institutions Act Section 3-3, 1-2 and 1-5 no.1. Nordiska FPN's home state supervisor is Finanstilsynet, Norway. The Finnish branch was terminated during Q2 2022. As of 31st of December 2022, the company consisted of the parent company, Nordiska FPN AS, and its branches in Sweden and Estonia. The Estonian branch is in the final stage in the process of being terminated.

Nordiska FPN prepares its financial statements in accordance with IFRS; see section 3-9 of the Norwegian Accounting Act. The directors' report also covers the company's operations; see section 3-3a of the Accounting Act.

The company's head office is at Dronning Eufemias gate 16, 0191 Oslo.

ORGANISATIONAL CHANGES

At the end of 2021 Nordiska Norway had 25 employees (19 FTEs) mainly employed in the Swedish branch and three employees located in the Head Office in Norway. As part of the integration with Nordiska, seven employees were transferred to Nordiska in January 2022. During the year further downsizing of the Swedish branch were conducted so that by the end of 2022 Nordiska FPN consisted of the management in Oslo and one employee in the Swedish branch. Other company functions like Legal, Compliance, Operations, Accounting among others are carried out by Nordiska as the main business activities are run primarily in the parent company.

REPORT ON THE ANNUAL FINANCIAL STATEMENTS

Total comprehensive income for 2022 ended at NOK -21.5 million compared with NOK -17.3 million in 2021. The decision to sell or phase out the lending portfolios to private consumers in Norway and Sweden during the first half of 2022 while implementing Nordiska's business strategy and Partner Bank model in the Norwegian market made 2022 a transition year with significant impact on income and result. The result for the year after tax is proposed transferred to other equity.

Income

Interest income was consequently reduced as the decline in the old "Folkefinans" portfolio was not compensated by the build-up of the new partnership business in Norway giving interest income of NOK 21 million in Sweden and Norway combined in 2022, compared to NOK 93 million in 2021. The first Partner was launched in February generating income of NOK 2.4 million for the first year of operation. It was only one Partner operating in the Norwegian market in 2022. The customers pay to Nordiska FPN's account, and Nordiska FPN's interest income in the statement of comprehensive income consists of interest and fees received from the customers deducted by the Partner's direct costs, interest, and fees from the funding of the Partner. Lending in Norway was stopped already in January, other than the offering under the Partner Banking segment.

With the largest portfolio sold in February and lending through the other brands stopped during the first half of the year total income for the Swedish branch declined from SEK 85 million in 2021 to SEK 17 million in 2022.

Report of the board of directors (contd.)

Operating expenses

Total operating expenses including personnel expenses, depreciation and other operating expenses and exclusive losses on loans and impairments, were NOK 22 million in 2022 compared to NOK 46 million in 2021. Personnel costs were reduced by approx. NOK 10 million as a result of the downsizing process that was carried out during the second and third quarter of 2022. As lending was stopped during Q1 and Q2 and the operation in the Swedish branch was reduced to maintaining the wind down of the loan portfolios all related supplier costs were terminated giving significant reduction in both general administrative and other operating expenses.

Loan loss provisions

The company's loan losses amounted to NOK 9.4 million in 2022 compared to NOK 34 million in 2021. In Q1 the loss provisions for the revolving credit product Monetti Flexi were dissolved as the portfolio was sold to a third party. Defaulted loans more than 90 days past due for the remaining brands in the old "Folkefinans" portfolio are sold monthly under agreements with Arvato Bertelsmann (now Riverty) so called Forward Flow agreements in both Sweden and Norway. The company did not experience any further deterioration of the customer's ability to pay as a direct consequence of the pandemic in 2022.

Through the launch of the first Partner in Norway Nordiska FPN provides loans to the customers mediated by the partner who functions as the distribution channel towards the customers. This means that the Partner finds the customer and collects all necessary credit information which is risk assessed by Nordiska. If granted, the response is a decision ID that is used to create an account or make a withdrawal. The credit risk in the underlying portfolios is risk mitigated so that defaulted loans beyond 90 days past due are transferred back to the Partner at 100% of the face value and sold to a third party under Forward Flow agreements. Further the Partner is obliged to cover potential losses and is required to hold cash reserves in a loan loss fund in the statement of financial position. Hence, the company is exposed to limited credit risk and the Partner Banking segment does not incur actual losses or loan loss provisions in the statement of comprehensive income.

STATEMENT OF FINANCIAL POSITION, FINANCING AND LIQUIDITY

Nordiska FPN's statement of financial position total as of 31st of December 2022 was NOK 174 million, compared to NOK 236 million in 2021. As the old "Folkefinans" portfolio was sold or phased out during 2022 loans to customers decreased with NOK 49 million to NOK 107 million in 2022. The loan portfolio from the new Partner Banking segment increased to NOK 93 million by the end of 2022. In order to strengthen Nordiska FPN's statement of financial position and secure future growth a group contribution of 25 MSEK was obtained from Nordiska in January 2023.

The company is financed by (i) equity, (ii) a credit line from Nordiska and (iii) one subordinated loan of SEK 34.8 million. The subordinated loan was originally raised in 2015 with Wonga as the lender. As part of the acquisition of the company, the loan was taken over by Nordiska and refinanced with loan terms and maturity that satisfies the requirements for the loan to be included as Tier II capital. As the Monetti Flexilån portfolio in Sweden was sold to a third party in February 2022, the credit facility with Arvato Bertelsmann's credit facility was fully repaid. The partnership funding from Nordiska amounted NOK 56 million at the end of 2022.

Nordiska FPN's liquidity situation during 2022 has been satisfactory. As of 31st of December 2022, the company had cash holdings incl. investments in highly liquid assets fund of NOK 42 million. Net cash flow from operations was positive with NOK 61 million mainly due to reduction in loans to customers. Cash flow from financing activities amounted to NOK -55 million as the credit line with Arvato Bertelsmann was repaid and new funding for the Partner Banking business was obtained from Nordiska.

As a Visa Principal Member Nordiska FPN has obtained shares in Visa Inc. The shares were re-evaluated monthly during 2022 based on the quoted share price at NYSE and represent a value of approx. NOK 11 million.

Report of the board of directors (contd.)

MARKET AND PRODUCTS

Prior to Nordiska's acquisition Nordiska FPN focused its operation on the Norwegian and Swedish consumer loan markets. The products consisted of unsecured annuity loans and revolving credit products. In Norway only the brand Folkia were offered in the market, while the brands Kredit365, Monetti and Frogtail were offered in Sweden.

As part of the acquisition it was decided that the lending portfolios to private consumers in Norway and Sweden should either be sold or phased out. Consequently lending in Norway through the Folkia brand was stopped in January, and the largest portfolio in Sweden, Monetti Flexilån, was sold to a third party in February. Lending of the loan products Monetti and K365 were also stopped in February while lending of the Frogtail brand was stopped in June. At the end of 2022 the old "Folkefinans" portfolio contains only Frogtail loans. It is envisaged that the Frogtail portfolio will be migrated to Nordiska's loan platform Mambu and transferred to Nordiska starting in Q2 2023.

Following the acquisition the company started to implement Nordiska's business strategy and Partner Bank model focused on the Norwegian market. Nordiska has established an infrastructure and platform that facilitates opportunities for growth and development through, among other things, partnerships with other financial institutions. The partnership structure enables an efficient and scalable risk model that at the same time ensures a well-adapted customer treatment that safeguards their rights. The Partner Banking model in Norway has been aligned with Norwegian regulations, where the main difference will be that the partners will act as financial agents.

Nordiska FPN will always performs its own credit assessment of the credits, regardless of distribution method, and the credit portfolios will be risk mitigated by forward flow agreements, either against the partners or with a third party active in the purchase of overdue receivables.

RISKS AND CAPITAL ADEQUACY

Nordiska FPN is exposed to various types of financial risks, including credit risk, market risk, operational risk, funding risk, strategic and regulatory risks. The company focuses on having risk awareness in all parts of the organization.

The ability to manage risks and conduct capital planning is fundamental for having a profitable and stable company. Nordiska FPN has implemented polices and guidelines to ensure that the business is operated in accordance with accepted risk levels and regulatory requirements.

The Board of Directors is responsible for ensuring that the capital adequacy is in line with the adopted risk profile, regulatory requirements and that the company has a strong capital management.

The Board has set up an Audit & Risk Committee consisting of two board members and the Chief Financial Officer in Nordiska. The Committee acts as a preparatory body for the Board and supports the Board in carrying out its responsibilities for financial reporting, audits, internal control and overall risk management.

The General Manager has executive responsibility for the Board's decisions, the effectiveness of internal controls and ensuring compliance with policies and guidelines.

The credit risk is the largest risk for Nordiska FPN, however the partnership structure enables an efficient and scalable risk model minimizing this risk. The Board has adopted a credit policy with guidelines for the credit organisation, credit approval process, credit risk exposure and credit governance.

The market risk contains mainly currency risks because the company's assets and debt are denominated in SEK/USD/EUR and the reporting currency is NOK. Nordiska FPN holds some financial assets connected to the business operation, but all other free liquidity is placed on secured deposit accounts at larger banks. The Finance Department is responsible for monitoring the market risk and max levels, while the policy concerning financial assets is set by the Board.

The company seeks to optimize the use of liquidity to maximize profit. The Board has adopted a Liquidity Policy. The Finance Department is responsible for monitoring and reporting the liquidity risk.

Report of the board of directors (contd.)

In relation to the company's statement of financial position as of 31st of December 2022 the foreign exchange risks and credit risks are linked to loans in local currencies in Nordiska FPN's markets. The Board has established policies to secure a balance of risk taking and control of risks. Pilar I and II risks are described in further detail in the notes to the financial statements. To reduce overall market risk Nordiska FPN hedges its currency exposure. Nordiska FPN's capital adequacy ratio ended at 27.5% in 2022, compared to 23 % in 2021.

CORPORATE GOVERNANCE

Nordiska FPN's Board of Directors has the ultimate responsibility for the company's internal governance and control, as well as its business and organization. The Board's primary task is to safeguard the interests of the shareholders and the company. This means that the Board is responsible for confirming the internal policies and overarching objectives and strategies, and for ensuring that these objectives and strategies are reviewed and monitored on an ongoing basis. The Board is appointed by the General Assembly and consists of five permanent members, one of whom is the Chairman of the Board. All Board members are covered under Nordiska's board insurance. The Board held 3 board meetings in 2022. The key issues discussed were follow-up on the financial development, compliance update, change of operation for the Norwegian company and business development for the Norwegian market.

DECLARATION CONCERNING CORPORATE SOCIAL RESPONSIBILITY

Human rights

Risk management and internal control form an integral part of Nordiska FPN's business processes. Operational risk includes events which have a negative impact on the company, including unethical actions or omissions in breach of human rights. Risk management and internal control thus integrate human rights by ensuring that the business processes are aimed at minimizing operational risk and ensure the implementation of measures in the event of exposure to such risk.

Workers' rights, equality, non-discrimination, social concerns and external environment

Nordiska FPN believes in being an inclusive and diverse organization where anyone can reach their full potential. The company has always placed emphasis on giving women and men the same opportunities for professional and personal development, salary and promotion and that the gender distribution shall be well balanced. Nordiska FPN will 30th of June report on how the company adresses adverse impacts on fundamental human rights and decent working conditions in accordance with the Norwegian Transparency Act.

The company has clear policies, staff rules, code of conduct and whistle blowing hotlines to the Human Resource and Compliance departments in Nordiska, including (i) human rights issues, (ii) internal and external corruption, (iii) fraud and (iv) internal and external working environment.

Nordiska FPN is also putting strong focus on the physical and cultural well-being of its staff through various activities. During the pandemic there were limitiations related to such activities. Further Nordiska FPN takes part in Nordiska's regular employee satisfaction surveys and ad hoc interviews regarding social climate and employee well-being. The employee survey conducted in Nordiska for 2022 showed that the working environment is good and in line with the financial services industry average.

The total sickness absence was 29 days and equals 1.1 % of the total hours worked. No days of the total sickness absence were related to long term absence. There have been no personal injuries in the workplace in 2022. There are no circumstances relating to the operations, including input factors and products that may result in a significant effect on the external environment.

Nordiska FPN has maintained the tradition of giving contributions to social and economic benefits in its community. For 2022 the company took part in Nordiska's contribution to the Swedish organization BRIS (Barnens Rätt i Samhället).

Report of the board of directors (contd.)

Combatting Corruption

Nordiska FPN has adopted guidelines which stipulate that the operations must be carried out with high standards of ethics and integrity. Nordiska FPN is part of Nordiska's ethical guidelines which impose requirements on employees, elected representatives and the company's conduct, including a ban on receiving, requesting or acceptance of offers of undue benefits and a ban on offering financial benefits or gifts to business connections or others which could be perceived as an undue benefit. Requirements are also imposed on employees and elected representatives regarding competence, due diligence and whistleblowing. The guidelines and procedures also include a description of measures and business processes which are intended to prevent acts such as fraud, identity theft and corruption.

FUTURE PROSPECT & CONTINUANCE

The preparation of the financial statements are based on the going concern assumption and the financial statements give a true and fair view of the assets, liabilities, financial position and results as of 31st of December 2022.

2022 has been a transition year for Nordiska FPN where the company has succeeded in changing the operations and implementing Nordiska's business strategy launching a new partnership in the Norwegian market. Going forward the board believes that Nordiska's infrastructure and platform will facilitate excellent opportunities for growth and development through partnerships with other financial institutions.

Oslo, 27th of April 2023

The Board of Nordiska Financial Partner Norway AS

Mikael Gellbäck

Chairman of the board

Lars Weigl

Director

Christer Cragnell

Director

Per Berglund

Director

Patrik Carlstedt

Director

Jens Schau-Hansen

General Manager

IFRS financial statements

Notes to the financial statements

Statement of comprehensive income (NOK)

	Note	2022	2021
Interest income - assets measured at amortised cost		20 618 782	92 968 453
Interest expenses		-3 611 243	-11 841 143
Net interest income	**9**	**17 007 539**	**81 127 310**
Fee and comission expenses		-2 372 490	-13 540 401
Net change in value on securities and currency	7a	-4 736 063	-1 260 164
Net income from financial assets		**9 898 986**	**66 326 745**
Personnel expenses	15, 16	-12 190 703	-22 542 267
Depreciation, amortisation and impairment	5, 6	-1 566 906	-5 338 371
Other operating expenses	17	-7 986 812	-21 395 645
Net operating income before losses on loans		**-11 845 434**	**17 050 463**
Losses on loans	8	-9 375 627	-34 150 734
Result before tax		**-21 221 061**	**-17 100 271**
Tax	18	0	0
Result after tax		**-21 221 061**	**-17 100 271**
Items to be recycled to profit and loss			
Exchange differences on translating foreign operations		-295 799	-219 929
Sum other comprehensive income		**-295 799**	**-219 929**
Total comprehensive income		**-21 516 860**	**-17 320 200**

Statement of financial position (NOK)

	Note	2022	2021
ASSETS			
Loans and deposits to credit institutions	7a, 7b, 11	42 007 757	37 047 953
Loans to customers	7a, 7b, 8	109 205 197	156 020 194
Investment securities	7a	12 887 704	10 727 321
Derivatives	7a	0	492 861
Deferred tax assets	18	0	0
Other intangible assets	6	0	0
Tangible assets	5	1 908 606	2 981 064
Other assets	10	3 654 115	15 537 116
Prepaid and deposits	7a	4 426 660	13 375 205
Total assets		**174 090 038**	**236 181 714**
LIABILITIES			
Debt to credit institutions	7a, 14	56 442 846	111 518 322
Derivatives	7a, 14	205 739	0
Other liabilities	7a, 13, 15, 19	26 363 492	11 504 634
Subordinated loan	7a, 14	33 494 609	34 058 545
Total liabilities		**116 506 687**	**157 081 502**
EQUITY			
Share capital	12, 22	96 123 230	96 123 230
Share premium	12	79 262 471	79 262 471
Other paid in equity		5 151 098	5 151 098
Retained earnings		-122 953 447	-101 436 587
Total equity		**57 583 352**	**79 100 212**
Total liabilities and equity		**174 090 038**	**236 181 714**

Oslo, 27th of April 2023

The Board of Nordiska Financial Partner Norway AS

Mikael Gellbäck

Chairman of the board

Per Berglund

Director

Lars Weigl

Director

Patrik Carlstedt

Director

Christer Cragnell

Director

Jens Schau-Hansen

General Manager

Statement of changes in equity (NOK)

	Note	Share capital	Share premium	Other paid in Equity	Retained earnings	Total equity
Equity at 1 January 2021		**96 123 230**	**79 262 471**	**5 151 098**	**-84 651 068**	**95 885 731**
Currency translation difference					534 681	534 681
Exchange differences on translating foreign operations					-219 929	-219 929
Result after tax					-17 100 271	-17 100 271
Equity at 31 December 2021	**12**	**96 123 230**	**79 262 471**	**5 151 098**	**-101 436 587**	**79 100 212**
Registered share capital		96 705 080				
-own shares		581 850				
Equity at 1 January 2022		**96 123 230**	**79 262 471**	**5 151 098**	**-101 436 587**	**79 100 212**
Exchange differences on translating foreign operations					-295 799	-295 799
Result after tax					-21 221 061	-21 221 061
Equity at 31 December 2022	**12**	**96 123 230**	**79 262 471**	**5 151 098**	**-122 953 447**	**57 583 352**
Registered share capital		96 705 080				
-own shares		581 850				

Statement of cash flow (NOK)

	Note	2022	2021
Cash flow from operations			
Result before tax		-21 221 061	-17 100 271
Net interest		-17 007 539	
Interest received		20 618 782	
Interest paid		-3 611 243	-11 555 817
Depreciation and impairment of tangible assets	5	1 555 565	1 630 187
Amortization of intangible assets	6	0	428 016
Impairment of intangible assets	6	0	3 280 167
Unrealised currency impact		2 143 863	3 563 329
Adjustment for other entries affecting cash flow		5 873 058	2 890 773
Income tax paid		0	36 485
Changes in loans to customers		49 436 590	12 245 609
Changes in other receivables		11 883 001	-3 898 739
Change in other payables		12 237 265	-3 269 399
Net cash flow from operations		**61 908 281**	**-11 749 660**
Cash flow from investing activities			
Dividend received		0	98 150
Disposal financial assets	7a	0	9 419 080
Investments in tangible fixed assets	5	0	-21 404
Investments in intangible assets	6	0	-936 474
Net cash flow used for investing activities		**0**	**8 559 352**
Cash flow from financing activities			
Payments related to lease liabilities		-1 486 084	-1 421 155
Borrowing from credit institutions - New Partner Business	14	56 440 517	
Borrowing from credit institutions - Old Folkefinans portfolio	14	-111 515 993	16 212 493
Net cash flow used for financing activities		**-56 561 560**	**14 791 339**
Effects of exchange rate changes on the balance of cash held in foreign currencies		**-386 917**	**-1 634 106**
Change in cash, cash equivalents		**4 959 804**	**9 966 925**
Cash, cash equivalents as of 1 January	11	37 047 953	27 081 028
Cash, cash equivalents as of 31 December	**11**	**42 007 757**	**37 047 953**

Notes to the financial statements

NOTE 1. GENERAL INFORMATION

In December 2021, 100% of the shares in Folkefinans AS was acquired by Nordiska Kreditmarknads- aktiebolaget (Nordiska). As of February 2022, Folkefinans changed its company name to Nordiska Financial Partner Norway AS (Nordiska FPN). Nordiska FPN's services primarily consisted of provision of revolving credits (Monetti Flexilån) up to 20.000 NOK and small unsecured loans with short term to maturity including more flexible larger loans up to 40.000 NOK with maturity up to 5 years. Following the acquisition, the company changed its operations during the first half of 2022 by terminating the lending of small unsecured loans and revolving credits to the private consumer segments in Norway and Sweden and implementing Nordiska's business strategy and Partner Bank model with a focus on the Norwegian market.

Nordiska's Partner Bank model focuses on partnerships with other financial companies who act as financial agents where Nordiska provides loans to customers mediated by Nordiska's Partners who function as distribution channel towards the customers. Nordiska FPN provides loans to the customers mediated by the Partner who functions as the distribution channel towards the customers. This means that the Partner finds the customer and collects all necessary credit information which is risk assessed by Nordiska. The credit risk in the underlying portfolios is risk mitigated so that defaulted loans beyond defined days past due are transferred back to the partner at 100% of the face value and sold to a third party under so called Forward Flow agreements. It was only one Partner operating in the Norwegian market in 2022.

Nordiska FPN is a licensed Credit- and Finance Institution. Approval was given by the Norwegian Ministry of Finance on 19 December 2007. Information about the license and permitted activities can be found in the Norwegian Financial Institutions Act Section 3-3, 1-2 and 1-5 no.1. Nordiska FPN's home state Supervisor is Finanstilsynet, Norway.

The company consisted of the Norwegian parent company and its branches in Sweden, Finland and Estonia. As part of the acquisition it was decided to close Nordiska FPN's branches in Finland and Estonia. These processes were started at the beginning of first quarter, and the closure of the branch in Finland was completed during the second quarter of 2022. As at 31 December 2022, the company consisted of the parent company, Nordiska FPN AS, and its branches in Sweden, and Estonia. The closure of the branch in Estonia is expected to be completed during first quarter 2023.

The company's head office is at Dronning Eufemias gate 16, 0191 Oslo. Nordiska FPN has a branch office in Stockholm.

The financial statements were approved by the Company's board on 27th of April 2023.

Notes (contd.)

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Below is a description of the most significant accounting policies applied when preparing the financial statements. These policies were applied consistently in all the periods presented, if not otherwise commented.

2.1 Basis for preparation

Nordiska FPN's financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the EU. The financial statements have been prepared under the historical cost convention, except for the measurement of financial assets measured at fair value through profit and loss (FVPL) and derivatives.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. The application of the company's accounting policies also requires the management to exercise its judgements in the process of applying the group's accounting policies. Areas that to a large extent contain such discretionary assessments or a high level of complexity or areas in which assumptions and estimates are important to the financial statements are disclosed in note 4.

2.1.1 Adoption of new and revised International Financial Reporting Standards and Interpretations

No new standards, amendments or interpretations has been adopted by the company during 2022.

2.2 Segment reporting

The Company is not subject to any requirement of separate segment reporting as there is only one segment present, i.e. financial services to the consumer market.

2.3 Translation of foreign currencies

(a) Functional currency and presentation currency

The financial statements of the branches in the company are prepared using the currency which is mainly used in the economic environment in which the entity operates (functional currency). The financial statements are presented in Norwegian kroner (NOK), which is both the functional currency and presentation currency of the company.

(b) Transactions and balances

Transactions in foreign currencies are translated into the functional currency using the transaction date exchange rate. At the end of a reporting period, monetary items (assets and liabilities) in foreign currencies are translated at the exchange rate prevailing on the statement of financial position date.

(c) Branches

The statement of comprehensive income and statement of financial position for the branches whose functional currency differs from their presentation currency are translated as follows:

(a) The statement of financial position is translated at the closing rate on the statement of financial position date

(b) The statement of comprehensive income is translated at the average rate (if the average does not provide a reasonable estimate of the accumulated effects of using the transaction rate, then the transaction rate is used)

(c) Translation differences are recognised directly in Other Comprehensive Income

Goodwill and fair value adjustments to assets and liabilities acquired in a business combination are recognised as assets and liabilities in the acquired entity and translated at the exchange rate prevalent at the date of the statement of financial position.

2.4 Tangible fixed assets

Tangible fixed assets are recognised in the financial statements at their cost of acquisition less depreciation (carrying amount). The cost of acquisition includes costs directly attributable to the acquisition of the asset.

Fixed assets are depreciated according to the straight-line method, so that the fixed assets' original cost is depreciated to the residual value over the estimated useful life, which is:

Fixtures, fittings and equipment: 3 - 5 years

The useful life and residual value of fixed assets are assessed on each statement of financial position date and changed if necessary.

Notes (contd.)

When a fixed asset's carrying amount is higher than the estimated recoverable amount, the value is written down to the recoverable amount.

2.5 Intangible assets

Tangible fixed assets and intangible assets that are depreciated are reviewed for impairment when there are indications that future earnings cannot justify the asset's carrying amount.

Impairment is recognised in the statement of comprehensive income as the difference between the carrying amount and the recoverable amount. The recoverable amount is the higher of the fair value less costs to sell and the value in use. When assessing impairment, the fixed assets are grouped at the lowest level where it is possible to identify independent cash flows (cash generating units). Non-financial assets, other than goodwill, that have suffered impairment are reviewed for possible reversal at each reporting date.

2.6 Financial instruments

2.6.1 Initial recognition and derecognition

Financial assets and liabilities are recognised in the statement of financial position when the company becomes a party to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade-date, the date the company commits or sell the asset. At initial recognition, the company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or liability not at fair value through profit and loss, transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset or liability, such as fees and commissions. Transaction costs of financial assets and liabilities carried at fair value through profit and loss are expensed in profit and loss.

The company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expired

2.6.2 Classification and subsequent measurement

The company classifies its financial assets in the following measurements categories:

- Amortised cost
- Fair value through profit or loss (FVPL)

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI").

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realized in a way that is different from the company's original expectations, the company does not change the classification of the remaining financial assets held in that business model. It rather incorporates such information when assessing newly originated or newly purchased financial assets going forward.

Cash Flow assessment

A financial asset is assessed at fair value through profit or loss where 'principal' is defined as the fair value of the financial asset on initial recognition adjusted for accrued effective interest and principle repayments. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

Financial assets measured at amortised cost consist of loans and deposits from credit institutions and loans to customers and accounts receivable.

Financial assets measured at fair value through profit or loss (FVPL) consist of investment securities and derivatives.

Financial liabilities - classification and subsequent measurement

Financial liabilities are classified and subsequently measured at amortised cost, except for financial derivatives measured at fair value through profit and loss.

Notes (contd.)

Financial liabilities measured at amortised cost comprise of debt to credit institutions, accounts payable and other liabilities and subordinated loan.

Impairment

According to IFRS 9 loss provisions are recognized based on a forward-looking expected credit loss (ECL) approach. IFRS 9 requires the company to record an allowance for ECLs for all loans and other debt financial assets not held at FVPL, together with loan commitments and financial guarantee contracts.

The measurement of the impairment provisions for expected loss depends on whether credit risk has increased significantly since initial recognition. Upon initial recognition, and when credit risk has not increased significantly after initial recognition, the impairment provisions is based on 12-month expected credit loss ("Stage 1"). If credit risk has increased significantly since initial recognition but no objective evidence of impairment, the impairment provisions are based on lifetime expected credit loss ("Stage 2"). If there is objective evidence for impairment the impairment provision are based on lifetime expected credit loss ("Stage 3").

The Company has applied the presumption in the standard that a signifikant increase in credit risk has occurred since initial recognition when contractual payments are more than 30 days past due.

Nordiska FPN sells all defaulted loan assets after 3 months past due. Defaulted loans in the "Folkefinans" portfolio are sold monthly under agreements with Arvato Bertelsmann (now Riverty) so called Forward Flow agreements in both Sweden and Norway. The initial loss forecast is based on the percent of assets forecasted not to be paid in 3 months. This is adjusted with the agreed price of assets, based on the mix of loan assets. If the loss expectation increases or decreases during the 3 months the loss forecast is adjusted. The adjustment is based on the experienced historical payments from due date to asset is sold.

Nordiska FPN has used the expected credit loss principle for loans to private consumers since the company was established, so the IFRS 9 standard does not affect the company's measurement of the quantitative effect of credit risk significantly compared to earlier practice.

In the Partner Bank model Nordiska FPN provides loans to the customers mediated by the Partner who functions as the distribution channel towards the customers.This means that the Partner finds the customer and collects all necessary credit information which is risk assessed by Nordiska. If granted, the response is a decision ID that is used to create an account or make a withdrawal. The credit risk in the underlying portfolios is risk mitigated so that defaulted loans beyond 90 days past due are transferred back to the partner at 100% of the face value and sold to a third party under Forward Flow agreements. Further the Partner is obliged to cover potential losses and is required to deposit cash with Nordiska as a loan loss fund. Hence, the company is exposed to very little credit risk and the Partner Banking segment does not incur actual losses or loan loss provisions in the statement of comprehensive income.

For loans to and deposits with credit institutions the company has not made any provision for potential losses.

Impairments of loans are recognized based on the company's loan loss models. The models are based on historical information and when no performance data is available, as for new products, the loss expectation is put on same level as for equivalent products.

2.6.3 Measurement methods and presentation

Financial assets and liabilities measured at amortised cost

The amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition minus the principal payments, plus or minus the cumulative amortization using the effective interest method of any differences between that initial amount and the maturity amount and, for financial assets, adjusted for any expected credit loss allowance. The gross carrying amount of financial asset is the amortised cost of a financial asset before adjusting for any expected credit loss allowance.

The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability.

Notes (contd.)

The effective interest method is utilized for the "Folkefinans" and the Partner's loan portfolios. In the Partner Bank model the customers pay to Nordiska FPN's account, and Nordiska FPN's interest income in the statement of comprehensive income consists of interest and fees received from the customers deducted by the Partner's direct costs, interest, and fees from the funding of the Partner.

Under IFRS 9 Interest income is calculated for financial assets in stage 1 and stage 2 by applying the effective interest rate to the gross carrying amount of the financial asset or to the amortised cost of the financial liability, while interest income for financial assets in stage 3 are calculated based on the amortised cost of the financial asset.

Interest income and expense calculated using the effective interest method is presented within 'Interest income' and 'interest expense' in the statement of comprehensive income. 'Interest income' consist of interest income on loan and deposits with credit institutions and interest on loans to customers. 'Interest expense' consist of interest expense on the partner funding from Nordiska and interest expense from the subordinated loan.

Financial assets and liabilities measured at fair value

Fair value is the price that would be received when selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.7 Share capital and share premium

Ordinary shares are classified as equity.

Expenses which are linked directly to the issuance of new shares or options are recognised as a reduction in the payment received in the equity net of attributable income tax.

When own shares are bought, the payment including any transaction costs less tax, is recognised as a reduction in equity (allocated to the company's shareholders) until the shares are annulled or reissued. If own shares are later reissued, the payment less direct transaction costs and associated tax effects, is recognised as an increase in the equity allocated to the company's shareholders.

2.8 Other liabilities

Other liabilities are measured at their fair value when initially recognised in the statement of financial position. When subsequently measured, other liabilities are valued at amortised cost.

2.9 Liabilities

A liability is recognised in the financial statements at its fair value when it is paid out. There are no significant establishment costs. In subsequent periods, the liability is measured at amortised cost.

2.10 Tax payable and deferred tax

The tax for a period consists of the income tax payable and deferred tax. Tax is recognised in the statement of comprehensive income apart from when it relates to entries that have been recognised directly in equity. If this is the case, the tax is also recognised directly in equity.

The income tax is calculated in accordance with the tax laws and regulations that have been adopted, or substantively adopted, by the tax authorities on the statement of financial position date. Legislation in the countries in which the Company's branches operate and generate taxable income applies to the calculation of the taxable income.

Deferred tax assets are presently not recognised in the statement of financial position and will only be recognised when it is probable that future taxable income will exist and that the temporary differences can be deducted from this income.

2.11 Pension commitments, bonus schemes and other employee compensation schemes

(a) Pension commitments

The Company has no pension schemes in the form of defined benefit plans. There are formal contribution plans in Norway and Sweden, as part of a limited number of employees' salary contracts, undertaken to set aside percentage of employees' salaries for future pension benefits or as contributions to pension schemes.

(b) Other commitments linked to former employees

The Company has no commitment linked to former employees.

(c) Share-based remuneration

The Company has not formalised any scheme involving share-based remuneration.

Notes (contd.)

(d) Severance pay

None of the Company branches has separate severance pay schemes.

(e) Profit sharing and bonus plans

The Company has no pre-agreed profit-sharing schemes. Management has had limited bonus plans approved and monitored by the Board of Directors according to Company remuneration policy.

2.12 Revenue recognition

(a) Interest income

Interest income is recognized in the statement of comprehensive income over time in accordance with the effective interest rate method and in accordance with the duration of the loan.

(b) Fee revenue

Fee revenues are recognized in the statement of comprehensive income over time in accordance with the effective interest rate method and in accordance with the duration of the loan.

2.13 Leases

When entering into a contract, the Company assesses whether the contract contains a lease agreement. The contract contain a lease agreement if the contract transfers the right to control the use of an identified asset for a period in exchange for a consideration.

Upon initial recognition in the balance sheet, the right of use is measured at acquisition cost, ie the lease obligation (present value of the lease payments) plus advance lease and any direct acquisition costs. The right of use is included in the line «Property, plant and equipment» while the lease obligation is included in the line «Other debt».

2.14 Cash, cash equivalents and Partner liability

Cash and cash equivalents in cash-flow statement consists of bank deposits. This includes cash received from, or not paid out to the Partner as security for the Partners obligation to cover any credit losses on the loan portfolio. This cash is not restricted, and is included as part of cash and cash equivalents. At year-end 2022 this amounted to 17 MNOK. The corresponding Partner liability is recognized as part of other liabilities in the statement of financial position and in the cash flow statement as part of change in other payables.

NOTE 3. FINANCIAL RISK MANAGEMENT

Risk Management ensures compliance with internal and external regulations, such as Basel II and Basel III. In addition strong emphasis is placed on reporting risk to the relevant stakeholders in clear and meaningful manner. Nordiska FPN's Risk Management function is responsible for managing risks in accordance with policies and instructions governed by the Board of Directors (Board) in line with the stipulated regulations by the Governmental Authorities. The Board is responsible for evaluating its work and its expertise related to risk management and internal control at least once per year. The General Manager is obliged to give the Board relevant and timely information that is of importance to risk management and internal control, including information on new risks.

3.1 Financial Risk Management

3.1.1 Credit risk

Credit Risk is the risk of earning and capital arising from an obligor's failure to repay principal or interest at the stipulated time or failure otherwise to perform as agreed. Credit Risk in Nordiska FPN's statement of financial position relates mostly to the company's lending to the general public. In addition, Nordiska FPN is exposed to Credit Risk in the form of counterparty risk relating to Nordiska FPN's cash deposits with banks.

(I) Credit Risk from Consumer Receivables ("Lending to the General Public")

In the current Partner business model the Partner is obliged to buy back the loan if it is more than 90 days overdue. In addition the Partner deposits funds as cash collateral according to the contract. The minimum cash collateral level is linked to the PD levels of the portfolio to ensure it stays well above the loan loss provision levels according to IFRS 9. As at 31 December 2022 the calculated ECL for the partner loan portfolio is 2,6 MNOK and the corresponding cash collateral is 17 MNOK. Due to this there are not recogninsed any provisions in the balance sheet.

Notes (contd.)

For the "Folkefinans" portfolio Nordiska FPN stopped issuing new loans during the first half of 2022 and plan to run off the remaining portfolio over the coming years. Contractual length for the loans is 3-5 years. Loss provisions are made according to IFRS 9.

(II) Counterparty Risk from Deposits at Banks

The excess liquidity generated from the business is placed in accounts within banks with high ratings. The risk consists of the banks not having the repayment capacity with regards to the funds that has been place within the designated accounts. The rating of these counterparties is carried out by Standard & Poor's and Moody's.

3.1.2 Market risk

Risk exposures attributable to the market risk category consist of Interest rate risk, Currency risk and Share risk.

(I) Interest Rate Risk

For the Partner business Nordiska FPN has floating rates towards the Partner and on the financing from the owner Nordiska. For the "Folkefinans" portfolio customer rates are fixed and the portfolio is funded by equity and the subordinated loan which has a fixed interest rate. Nordiska FPN also own shares in a mutual fund focused on Government bonds to apply with LCR requirements. The fund only invest in bonds with a maturity less than 1 year so interest rate risk should be minimal. All in all we view the interest rate risk of Nordiska FPN as low.

(II) Currency Risk

The Company's assets are denominated in NOK, SEK, EUR and USD and the Company's accounts are denominated in NOK. This results in that the Company has net exposure in SEK, EUR and USD. To eliminate the currency risk Nordiska FPN has entered into 3 month rolling swap contracs for the relevant currencies so that the net currency exposure is close to zero.

(II) Share Risk

As part of the Visa Principal Membership Nordiska FPN owns preferred shares in Visa. The value of the shares fluctuates with the share price of Visa Inc on NYSE. Nordiska FPN has presently not hedged the exposure to the Visa share price. The shares are not traded on NYSE, but their value is linked to the price on the tradeable Visa Inc shares as they will at some point in the future be converted into regular Visa shares.

3.1.3 Operational risk

Operational Risk is the risk of losses resulting from inadequate or failed internal processes, human errors and systems or from external events including legal and compliance risks.

Operational Risk can be found within all of Nordiska FPN's operating units. The main operational risks within Nordiska FPN are as per following:

(i) One or several premises of the Company are burned down caused by fire

(ii) The IT systems administrating and managing the lending process is impaired by a technical break down or power outage and temporary is out of function

(iii) External and internal fraud

(iv) Legal and regulatory risk

(v) Management risk

Successful management of operational risks on daily basis requires strong internal control and quality assurance, which is best achieved by means of having a proficient management and staff. Nordiska FPN manages operational risks by continuously improving its internal routines and day-to-day control procedures.

3.1.4 Liquidity and funding risks

Liquidity risk means the risk that Nordiska FPN will not be able to fulfill its payment obligations due to lack of cash which can only be fulfilled by borrowing at a significantly higher cost than normal or by the need to sell assets at a greatly reduced price.

Nordiska FPN will in the forecast period aim to have a cash buffer of minimum 10 MNOK and 2 MNOK in government bonds as a liquidity buffer. Funding for the new Partner business is covered through a credit facility from the owner Nordiska.

Notes (contd.)

3.1.5 Business risk

Business risk is defined as earnings risk and strategic risk. Earnings risk is defined as the risk that Nordiska FPN does not receive current revenues to the extent expected or that a significant change occurs with regard to the demand for the company's products. Strategic risk is defined as the risk of loss due to misguided or incorrectly implemented business decisions and / or an inabil-ity to make applicable decisions in the event of significantly changed conditions in the industry in which Nordiska FPN operates.

Nordiska FPN manages the business risk by establishing a business plan that is followed up on an ongoing basis by the company's Board and Management. Nordiska FPN continuously monitors the market and analyzes the outcome of implemented business decisions. Nordiska FPN has short decision paths and a management that has good insight into day-to-day operations. This means that the business can quickly adapt to prevailing conditions to achieve the established busi-ness plan.

3.1.6 Systemic Risk

Nordiska FPN is exposed to external events such as a downturn in the overall economy, and financial stress in the banking sector. In the ICAAP process Nordiska FPN explores several different stress scenarios to ensure the company has sufficient capital and liquidity as well as funding structure to handle the various stressed scenarios.

3.2 Capital adequacy

To meet the requirements from the Norwegian Financial Supervisory Authority, the Company's capitalization is risk-based, founded on an assessment of all risks inherent in the operations and forward looking, aligned with strategic and business planning.

Capital requirements for Pillar I risks are calculated using the standardized approach for credit risk, and the basic indicator approach for operational risk. For market risks the standard method for non-trading activities is applied.

The current capital base as per 31 December 2022 includes 58 MNOK of Tier 1 Capital and 33 MNOK Tier 2 Capital. The capital adequacy ratio is 27,5 % for Tier 1 capital and 43,2 % for total capital.

NOTE 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

In the application of the Company's accounting policies management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Provisions for losses on loans

The Company makes regular provisions for estimated losses on loans for the "Folkefinans" portfolio. The measurement of the provisions for expected loss depends on whether credit risk has increased significantly since initial recognition. Upon initial recognition, and when credit risk has not increased significantly after initial recognition, the impairment provisions is based on 12-month expected credit loss ("Stage 1"). If credit risk has increased significantly since initial recognition but no objective evidence of impairment, the impairment provisions are based on lifetime expected credit loss ("Stage 2"). If there is objective evidence for impairment the impairment provision are based on lifetime expected credit loss ("Stage 3 "). For more information see note 2.6.2.

Deferred tax assets

Deferred tax assets are presently not recognised in the statement of financial position and will only be recognised when it is probable that future taxable income will exist and that the temporary differences can be deducted from this income. For more information see note 2.6.10.

Notes (contd.)

NOTE 5. TANGIBLE FIXED ASSETS

2022 financial year	Right-of-use asset	Machinery, fixtures, fittings and vehicles	Total
Carrying amount 01.01.22	**2 876 605**	**104 460**	**2 981 065**
Additions	581 727	-	581 727
Translation differences	-24 824	2 130	-22 694
Disposals	0	-37 601	-37 601
Impairment during the year	0	0	-
Depreciation during the year	-1 547 543	-46 348	-1 593 891
Disposals depreciation and impairment	0	0	-
Carrying amount 31.12.22	**1 885 966**	**22 640**	**1 908 606**
As at 31 December 2022			
Original cost	6 600 792	1 631 490	8 232 282
Accumulated impairment			-
Accumulated depreciation	-4 714 826	-1 608 850	-6 323 676
Carrying amount 31.12.22	**1 885 966**	**22 640**	**1 908 606**

2021 financial year	Right-of-use asset	Machinery, fixtures, fittings and vehicles	Total
Carrying amount 01.01.21	**4 346 408**	**230 557**	**4 576 965**
Additions	249 006	18 197	267 203
Translation differences	-222 466	-10 452	-232 918
Disposals	-1 424 246	-396 704	-1 820 950
Impairment during the year	0	-7 614	-7 614
Depreciation during the year	-1 496 344	-126 229	-1 622 573
Disposals depreciation and impairment	1 424 246	396 704	1 820 950
Carrying amount 31.12.21	**2 876 604**	**104 460**	**2 981 064**
As at 31 December 2021			
Original cost	6 208 162	1 668 063	7 876 225
Accumulated impairment	0	-	-
Accumulated depreciation	-3 331 557	-1 563 603	-4 895 160
Carrying amount 31.12.21	**2 876 605**	**104 460**	**2 981 065**

Depreciation is charged on a straight-line basis. Estimated useful life is between 3 and 5 years. Depreciation period for right-of-use assets is 1.5 years.

Notes (contd.)

NOTE 6. INTANGIBLE ASSETS

2022 financial year	Goodwill	Software (incl. scoring model and licenses)	Customer relationships	Trademarks	Total
Carrying amount 01.01.22	0	0	0	0	0
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Translation differences	0	0	0	0	0
Impairment during the year	0	0	0	0	0
Amortization during the year	0	0	0	0	0
Disposals depreciation	0	0	0	0	0
Carrying amount 31.12.22	**0**	**0**	**0**	**0**	**0**
As of 31 December 2022					
Original cost	0	0	0	0	0
Accumulated impairment	0	0	0	0	0
Accumulated amortization	0	0	0	0	0
Carrying amount 31.12.22	**0**	**0**	**0**	**0**	**0**

2021 financial year	Goodwill	Software (incl. scoring model and licenses)	Customer relationships	Trademarks	Total
Carrying amount 01.01.21	0	1 464 062	0	1 386 000	2 850 062
Additions	0	881 203	0	0	881 203
Disposals	0	-33 853	0	0	-33 853
Translation differences	0	-24 034	0	0	-24 034
Impairment during the year	0	-1 894 167	0	-1 386 000	-3 280 167
Amortization during the year	0	-428 016	0	0	-428 016
Disposals depreciation	0	34 805	0	0	34 805
Carrying amount 31.12.21	**0**	**0**	**0**	**0**	**0**
As of 31 December 2021					
Original cost	45 889 905	21 242 136	13 332 762	10 134 617	90 599 419
Accumulated impairment	-45 889 905	-1 849 530	0	-10 134 617	-57 874 052
Accumulated amortization	0	-19 392 606	-13 332 762	0	-32 725 368
Carrying amount 31.12.21	**0**	**0**	**0**	**0**	**0**
Amortisation rates in %	**0%**	**20%**	**20%**	**0%**	

Intangible assets utilized for the "Folkefinans" portfolio related to software, IT systems and branding will not be used further as the loan portfolios to private customers in Norway and Sweden have been sold or are being phased out. It was therefore decided that these assets were written down as of 31.12.2021. The intangible assets were effectively disposed of from the statement of financial position in 2022.

Notes (contd.)

NOTE 7A. FINANCIAL INSTRUMENTS BY CATEGORY

As of 31 December 2022	Financial assets at amortised cost	Financial assets at fair value through P&L	Total
Assets			
Loans to and receivables from credit institutions	42 007 757		42 007 757
Loans to customers	109 205 197		109 205 197
Investment securities		12 887 704	12 887 704
Derivatives		0	0
Prepaid and deposits	4 426 660		4 426 660
Total	**155 639 614**	**12 887 704**	**168 527 318**

As of 31 December 2022	Other financial liabilities at amortised cost	Financial liabilities at fair value through profit or loss	Total
Liabilities			56 442 846
Liabilities to credit institutions	56 442 846		56 442 846
Derivatives		205 739	205 739
Other liabilities	26 363 492		26 363 492
Subordinated loan	33 494 609		33 494 609
Total	**116 300 948**	**205 739**	**116 506 687**

Through Nordiska FPN's Visa Europe Principal membership, the Company owns shares in Visa Inc., where the value of the shares has been reassessed monthly in 2022 (level 2). The valuation is based on the price of the VISA Inc share on the New York Stock Exchange (nyse.com) multiplied by the number of shares owned by the Company multiplied by a conversion factor defined by VISA Inc. minus a market discount linked to the marketability of the shares. Nordiska FPN's 29 A shares and 919 C shares represent a value of 10,661 TNOK.

To be compliant with FSA short term liquidity standards (LCR) Nordiska FPN invests in funds comprised of highly liquid assets (level 1). As per 31.12.2022 Nordiska FPN owned bond funds valued at 285 TNOK in "SEB SHORT BOND FUND SEK 4 - LUX UTD" (SEK) and 1,943 TNOK in "KLP Kort Stat P" (NOK). The funds are traded in an active market and fair value is based on quoted market prices at the end of the reporting period. The fund investments are classified as investment securities.

As of 31 December 2021	Amortised cost	Financial assets at fair value through P&L	Total
Assets			
Loans to and receivables from credit institutions	37 047 953		37 047 953
Loans to customers	156 020 194		156 020 194
Investment securities		10 727 321	10 727 321
Derivatives		492 861	492 861
Prepaid and deposits	13 375 205		13 375 205
Total	**206 443 352**	**11 220 182**	**217 663 534**

As of 31 December 2021	Financial liabilities at fair value through profit or loss	Other financial liabilities at amortised cost	Total
Liabilities			
Liabilities to credit institutions		111 518 322	111 518 322
Derivatives	0		0
Other financial obligations		7 117 418	7 117 418
Subordinated loan		34 058 545	34 058 545
Total	**0**	**152 694 286**	**152 694 286**

Notes (contd.)

Net change in value on securities and currency

	2022	2021
Unrealised currency impact	-2 527 220	-3 306 400
Realised currency impact	54 375	-165 374
Currency hedge	26 377	1 732 135
Costs related to sale of loan portfolio	-3 579 481	0
Value change investments	1 242 826	381 324
Dividends investments	47 061	98 150
Total	**-4 736 063**	**-1 260 164**

NOTE 7B. CREDIT QUALITY OF FINANCIAL ASSETS

Loans to customers	**2022**	**2021**
Loans to customers - Unsecured	16 264 939	156 020 194
Loans to customers - Secured with Cash collateral	92 940 259	
Total loans to customers	**109 205 197**	**156 020 194**

The "Folkefinans" loan portfolio consist of unsecured loans where loss provisions are made according to IFRS 9. The Partner loan portfolio consists of company loans without collateral in customer assets, however the Partner is obliged to re-purchase all loans that are overdue more than 90 days. In addition the Partner has provided cash collateral of 17 MNOK.

Bank deposits	**2022**	**2021**
AA-	19 948 745	1 810 995
A+	1 510 861	35 228 072
A-		0
A		990
Deposit at owner Nordiska - Not rated	20 548 151	7 896
Total bank deposits	**42 007 757**	**37 047 953**

Notes (contd.)

NOTE 8. LENDING TO CUSTOMERS

	2022	2021
Loans to customers - Folkefinans	21 631 778	188 197 950
Loans to customers - Partner loans	92 940 259	
Loan Loss Provisions	-5 366 839	-32 515 273
Accrued income - Revolving credit		337 518
Lending to the customers	**109 205 197**	**156 020 194**

The Partner loan portfolio consists of company loans without collateral in customer assets. However the Partner is obliged to re-purchase all loans that are overdue more than 90 days. If the Partner should default on its obligation to re-purchase such loans overdue, the company has an additional security in unrestricted cash, amounting to 17 MNOK at 31 December 2022. An ECL without these credit enhancements is lower than the security held in cash, and consequently no loan loss provisions are made.

Recognised value of the company's gross lending to the customers, per currency in NOK:

	2022	2021
SEK	21 611 958	179 742 995
NOK	92 960 079	8 792 473
Gross lending to the customers	**114 572 037**	**188 535 468**

The change in the allowance for the impairment of the lending to the customers is as follows:	2022	2021
As at 1 January	**32 515 273**	**33 281 800**
Provision during the year	9 375 627	34 150 734
Reversed provision due to portfolio sales	-37 070 810	-32 730 741
Currency translations	546 749	-2 186 520
As at 31 December	**5 366 839**	**32 515 273**

	2022	2021
Loan loss provision during the year	-9 375 627	-34 150 734
Yearly loan loss	**-9 375 627**	**-34 150 734**

Notes (contd.)

Change in Gross Loans in 2022	Stage 1	Stage 2	Stage 3	Total
Gross Loans 31.12.2021	**150 124 192**	**23 177 367**	**15 233 908**	**188 535 467**
Transfers				
Transfer from Stage 1 to Stage 2	(1 576 270)	1 250 059		(326 212)
Transfer from Stage 1 to Stage 3	(2 084 077)		1 792 698	(291 379)
Transfer from Stage 2 to Stage 3		(172 700)	144 243	(28 457)
Transfer from Stage 3 to Stage 2		56 607	(76 428)	(19 821)
Transfer from Stage 3 to Stage 1	286 254		(406 141)	(119 887)
Transfer from Stage 2 to Stage 1	97 980	(157 796)		(59 816)
Change due to new / increased loan	94 376 372	1 835 280	1 214 249	97 425 901
Change due to reduced loan (downpayment, sold, written off)	(133 092 049)	(22 771 288)	(14 680 424)	(170 543 761)
Gross Loans 31.12.2022	**108 132 402**	**3 217 529**	**3 222 105**	**114 572 037**

Change in Loss Reserve in 2022	Stage 1	Stage 2	Stage 3	Total
Loss allowance 31.12.2021	**17 391 639**	**6 897 998**	**8 225 637**	**32 515 273**
Transfers				
Transfer from Stage 1 to Stage 2	(103 772)	604 200		500 428
Transfer from Stage 1 to Stage 3	(139 570)		1 124 344	984 773
Transfer from Stage 2 to Stage 3		(35 040)	89 431	54 391
Transfer from Stage 3 to Stage 2		29 179	(64 194)	(35 015)
Transfer from Stage 3 to Stage 1	47 307	-	(389 450)	(342 143)
Transfer from Stage 2 to Stage 1	17 536	(33 425)		(15 889)
				-
Change due to new / increased loan	451 543	138 547	751 605	1 341 695
Change due to reduced loan (downpayment, sold, written off)	(15 129 393)	(6 792 145)	(7 715 137)	(29 636 675)
Loss allowance 31.12.2022	**2 535 289**	**809 315**	**2 022 235**	**5 366 839**

Risk Distribution of loan Portfolio 2022	PD Range	Stage 1	Stage 2	Stage 3	Total
Risk Group					
A	0% - 5%	45 836 130	95 111	0	45 931 241
B	5% - 10%	28 586 423	939 288	0	29 525 712
C	10% - 15%	14 598 234	184 615	0	14 782 849
D	15% - 30%	16 854 248	324 355	0	17 178 603
E	30% - 60%	2 258 216	2 514	0	2 260 731
F	60% - 100%	0	1 671 646	3 221 255	4 892 901
Total		**108 133 252**	**3 217 529**	**3 221 255**	**114 572 037**

Risk groups are defined by the current Probabillity of Default (PD) calculation for the loan. PD is determined by various factors like credit bureau score and historic payment behaviour of the customer. Nordiska FPN does not carry out collection activities on loans that have been written down.

Notes (contd.)

Change in Gross Loans in 2021	Stage 1	Stage 2	Stage 3	Total
Gross Loans 31.12.2020	**170 618 645**	**24 167 301**	**17 406 041**	**212 191 987**
Transfers				
Transfer from Stage 1 to Stage 2	(7 542 479)	9 393 874		1 851 396
Transfer from Stage 1 to Stage 3	(5 558 777)		4 461 866	(1 096 910)
Transfer from Stage 2 to Stage 3		(1 143 949)	794 918	(349 030)
Transfer from Stage 3 to Stage 2		71 721	(80 524)	(8 803)
Transfer from Stage 3 to Stage 1	84 859		(1 339 525)	(1 254 665)
Transfer from Stage 2 to Stage 1	1 893 669	(2 782 180)		(888 511)
Change due to new / increased loan	69 605 316	10 292 928	4 745 473	84 643 718
Change due to reduced loan (downpayment, sold, written off)	(78 977 042)	(16 822 329)	(10 754 342)	(106 553 713)
Gross Loans 31.12.2021	**150 124 192**	**23 177 367**	**15 233 908**	**188 535 467**

Change in Loss Reserve in 2021	Stage 1	Stage 2	Stage 3	Total
Loss allowance 31.12.2020	**16 015 847**	**6 417 456**	**10 848 497**	**33 281 800**
Transfers				
Transfer from Stage 1 to Stage 2	(892 232)	3 214 931		2 322 698
Transfer from Stage 1 to Stage 3	(441 790)		2 376 130	1 934 340
Transfer from Stage 2 to Stage 3		(243 415)	625 322	381 907
Transfer from Stage 3 to Stage 2		26 484	(32 209)	(5 725)
Transfer from Stage 3 to Stage 1	10 453		(1 244 820)	(1 234 367)
Transfer from Stage 2 to Stage 1	290 854	(849 705)		(558 851)
Change due to new / increased loan	7 512 039	2 894 750	1 909 574	12 316 363
Change due to reduced loan (downpayment, sold, written off)	(5 103 532)	(4 562 502)	(6 256 859)	(15 922 893)
Loss allowance 31.12.2021	**17 391 639**	**6 897 998**	**8 225 637**	**32 515 273**

Risk Distribution of loan Portfolio 2021	PD Range	Stage 1	Stage 2	Stage 3	Total
Risk Group					
A	0% - 10%	4 842 145			4 842 145
B	10% - 20%	29 419 500			29 419 500
C	20% - 30%	64 188 328			64 188 328
D	30% - 50%	50 905 388			50 905 388
E	50% - 70%	412 180	1 038 409		1 450 589
F	70% - 100%	356 652	22 138 957	15 233 908	37 729 517
Total		**150 124 192**	**23 177 367**	**15 233 908**	**188 535 467**

Notes (contd.)

NOTE 9. NET INTEREST INCOME

	2022	2021
Interest and similar income from loans to and receivables due from credit institutions	198 231	16 082
Interest and similar income on loans to and receivables due from customers	20 420 551	92 952 371
Interest income calculated using the effective interest method	20 618 782	92 968 453
Interest and other expenses on debt to credit institutions	-3 432 282	-11 520 317
Interest expenses on lease liabilities	-178 960	-320 826
Interest expenses	-3 611 243	-11 841 143
Net interest and credit comission income	**17 007 539**	**81 127 310**

NOTE 10. OTHER ASSETS

	2022	2021
Margin account - currency swaps	3 654 115	3 968 803
Escrow account related to revolving credit funding		11 694 013
Other		-125 701
Total	**3 654 115**	**15 537 116**

NOTE 11. LOANS AND RECEIVABLES TO CREDIT INSTITUTIONS

	2022	2021
Cash and bank deposits	42 007 757	37 047 953
Total	**42 007 757**	**37 047 953**

The cash and cash equivalents in the cash flow statement comprise the following:

	2022	2021
Cash and cash equivalents	42 007 757	37 047 953
Total	**42 007 757**	**37 047 953**

NOTE 12. SHARE CAPITAL AND SHARE PREMIUM

	No. of shares	Nominal share capital	Share premium	Total
Carrying amount 31.12.21	**19 224 646**	**96 123 230**	**79 262 471**	**175 385 701**
Carrying amount 31.12.22	**19 224 646**	**96 123 230**	**79 262 471**	**175 385 701**

As of 31 December 2022, the number of shares was 19 341 016 of which 116 370 are the company's own shares.

Notes (contd.)

NOTE 13. OTHER LIABILITIES AND ACCRUED EXPENSES AND DEFERRED INCOME

	2022	2021
Accounts payable	734 776	2 179 821
Customer overpayment loan portfolio	1 958 112	2 145 669
Liabilities to employees	55 278	-283 968
Partner liabillity	17 372 333	
Lease liabilities	2 011 768	3 050 996
Govt. charges and special taxes	93 211	787 827
Total Other liabilities	**22 225 479**	**7 880 345**

	2022	2021
Accrued Govt. charges and special taxes	436 516	571 846
Accrued expenses	1 778 015	846 028
Salaries owed	1 495 122	0
Holiday pay due	428 360	2 206 416
Other accrued expenses		0
Total accrues expenses and deferred income	**4 138 013**	**3 624 290**

NOTE 14. LIABILITIES

	2022	2021
Liabilities to credit institutions	56 442 846	111 518 322
Derivatives	205 739	0
Subordinated loan	33 494 609	34 058 545
Total loans	**90 143 195**	**145 576 867**

Liabilities to credit institutions

The first Partner was launched in the Norwegian market in February 2022. The Partner business is financed by a credit line from Nordiska. The credit line has an interest of 1.5% with no agreed maturity and funding frame to be adjusted in line with the growth in the Partner business. Nordiska has the right to change the interest rate given increase in costs due to e.g. costs for capital coverage, borrowing costs or similar financial costs.

The subordinated loan entered into in 2015 was refinanced in December 2021 by Nordiska FPN's owner, Nordiska, with corresponding loan terms and duration that satisfies the requirements for Tier II capital. The loan amounts to TSEK 34,803 and has an interest rate of 7% and a term of 6 years.

Notes (contd.)

The Company is exposed to interest rate changes on these loans based on the following reprising structure:

	2022	2021
6 months or less	56 648 585	0
6-12 months	0	0
1-5 years	33 494 609	0
More than 5 years		34 058 545
No agreed maturity date		111 518 322
Total loans	**90 143 195**	**145 576 867**

Carrying amount and fair value of loans:	2022	2021
Carrying amount		
Liabilities to credit institutions	56 442 846	111 518 322
Derivatives	205 739	0
Subordinated loan	33 494 609	34 058 545
Total carrying amount	**90 143 195**	**145 576 867**
Fair value		
Liabilities to credit institutions	56 442 846	111 518 322
Derivatives	205 739	0
Subordinated loan	33 494 609	34 058 545
Total fair value	**90 143 195**	**145 576 867**

The carrying amounts of the Company's loans in various currencies are as follows:

	2022	2021
NOK	56 442 846	0
EUR	132 384	0
USD	73 355	0
SEK	33 494 609	145 576 867

As of 31 December 2022	Undefined	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities to credit institutions		360 714	16 764 673	40 763 935		57 889 322
Other Liabillities		3 674 078	3 305 312			6 979 391
Derivatives		205 739				205 739
Lease Liabillities		365 295	1 095 884	550 589		2 011 768
Subordinated loan		586 156	1 758 467	42 677 715		45 022 337
Partner liabillity	17 372 333					17 372 333
SUM Liabilities	**17 372 333**	**5 191 982**	**22 924 336**	**83 992 239**	**0**	**129 480 890**

The Partner business is funded by a credit line from the owner Nordiska where the amortization of the funding matches the outstanding loan portfolio.

Notes (contd.)

As of 31 December 2021	Undefined	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities to credit institutions		2 090 969	6 272 906	111 518 322		119 882 196
Accounts payable		871 928	1 307 893			2 179 821
Derivatives				0		0
Lease Liabillities		420 747	1 262 241	3 086 972		4 769 960
Subordinated loan		596 025	1 788 074	9 536 393	36 442 643	48 363 134
SUM Liabilities	**0**	**3 979 669**	**10 631 113**	**124 141 687**	**36 442 643**	**175 195 112**

		Liabilities to credit institutions	Lease Liabillities	Subordinated loan	Total
	2021-12-31	**111 518 322**	**3 050 996**	**34 058 545**	**148 627 863**
	Amortisation	-111 518 322	-1 666 585		**-113 184 907**
Cash Flows	Principal increase	56 442 846			**56 442 846**
	Interest Payments	-1 095 195	-178 960	-2 337 065	**-3 611 221**
	Interest cost	1 095 195	178 960	2 337 065	**3 611 221**
Non-cash changes	Principal increase		975 654		**975 654**
	FX adjustement		-348 297	-563 936	**-912 233**
	2022-12-31	**56 442 846**	**2 011 768**	**33 494 609**	**91 949 224**

NOTE 15. PENSIONS AND SIMILAR LIABILITIES

	2022	2021
Costs charged to the statement of comprehensive income		
– Pension costs	1 271 312	2 028 970

In Norway, the minimum defined contribution pensions (compulsory company pensions) are paid as they become due. In Sweden and Norway the costs for agreed pension contribution plans are determined upon individual agreements between the Company and the individual employee.

NOTE 16. WAGES AND SALARIES

	2022	2021
Salaries	8 451 218	15 531 634
Employers' national insurance contributions	2 370 019	4 753 000
Pension costs – the year's provisions for defined contribution based pension schemes	1 271 312	2 028 970
Other benefits	98 154	228 664
Total wages and salaries	**12 190 703**	**22 542 267**
No. of employees (average during the year)	**14**	**22**

Notes (contd.)

NOTE 17. OTHER OPERATING EXPENSES

	2022	2021
External advisors/fees services	2 121 624	6 624 730
Office expenses	463 686	556 323
Operational expenses (Bank ID, Credit bureau, Visa etc)	3 122 180	6 708 175
Collection expenses	2 721	27 036
Administrative and other expenses	164 546	581 915
IT Cost	1 664 404	4 164 934
Sales and Marketing	447 651	2 732 531
Total other operating expenses	**7 986 812**	**21 395 645**

Fees to auditors and other related costs	2022	2021
Statutory audit		
- PwC		1 142 945
- KPMG	1 007 550	
Total	**1 007 550**	**1 142 945**

Fees include VAT.

NOTE 18. TAXES

Tax expense:	2022	2021
Taxes payable on foreign income		
Adjustments in respect of prior years		0
Change in deferred tax	-5 377 573	-4 059 241
Deferred tax not recognized	5 377 573	4 059 241
Change in deferred tax due to change in tax rate		
Tax expense	**0**	**0**
Total tax including OCI	**0**	**0**

	2022	2021
Tax payable		
Advance tax payments		
Total tax payable	**0**	**0**

Notes (contd.)

Reconciliation of the tax expense:	2022	2021
Result before tax	-21 221 061	-17 100 271
Calculated tax - 25%	-5 379 215	-4 275 068
Permanent differences	1 642	215 827
Effects from changed tax rates		
Adjustments in respect of prior years		
Deferred tax not recognized	5 377 573	4 059 241
Tax payable on foreign income		0
Tax	**0**	**0**
Tax in the statement of comprehensive income	**0**	**0**
Tax expense in the income statement	0	0
Tax expense	**0**	**0**

Deferred tax and deferred tax assets:	2022	2021
Deferred tax assets		
Defecit carried forward - Norway	184 978 924	161 210 018
Other temporary differences	8 804 406	11 063 019
Total temporary differences (deferred tax basis)	**193 783 330**	**172 273 037**
Temp diff not recognised as deferred tax	-193 783 330	-172 273 037
	0	0
Deferred tax liability		
Tangible and Intangible assets	0	0
Deferred tax liability	**0**	**0**
Net deferred tax	**0**	**0**
Ordinary tax expense	0	0
Total tax expense	**0**	**0**
Taxes payable	0	0
Change in deferred tax	0	0
Total tax expense	**0**	**0**

Notes (contd.)

NOTE 19. COMMITMENTS

a) Guarantees and charges:

Nordiska FPN has no guarantees or charges in 2022.

b) Operating leases – liabilities where one of the company branches is the lessee

The future total minimum payments linked to non-terminable leases are as follows:

	2022	2021
Due date within 1 year	1 596 707	1 634 100
Due date between 1 and 5 years into the future	432 848	1 737 731
Due date more than 5 years into the future		0
Total future minimum lease payments	**2 029 555**	**3 371 831**

The future total minimum payments are not presented on a net present value.

The Company's operating leases are in Sweden and Norway consisting of premises- and support agreements. The most material future payments consist of office rental. The Agreement for the office in Sweden has a duration of 3 years at a time with a 9 month period of notice. The agreement was terminated in 2022. The agreement for the office in Norway of 3 month at a time with one month of notice. As at 31.12.2022 the total of deposits for office rental is 977 819 NOK. The total minimum payments are gross figures (no deduction for deposits).

c) Off balance sheet exposure

The Company launched a revolving credit product (Monetti Flexilån) in Sweden in June 2018. At the end of 2021 total unused credit limit amounted to 25 931 TNOK. This portfolio was sold in February 2022 so that end of 2022 the company does not have any off balance sheet exposure.

NOTE 20. RELATED PARTIES

The Company has been involved in transactions with the following related parties:

Nordiska has not been involved in transactions with related parties in 2022

Remuneration to senior employees

The senior employees comprise the management and directors. In connection with the acquisition of Nordiska FPN, a new board was elected at the general meeting on 9 December 2021. No remuneration are paid to the new board members. The remuneration to senior employees is shown below (NOK 1000):

	2022	2021
Salaries and other short-term employee benefits	4 657	7 508
Pension benefits	1 351	680
Total	**6 008**	**8 189**

Notes (contd.)

Specification of remuneration to senior employees:

	2022		2021	
Name	**Salary and other short-term benefits**	**Pension benefits**	**Salary and other short-term benefits**	**Pension benefits**
Jens Schau-Hansen, CEO	1 806	244	1 976	312
Other Management	**2 851**	**1 107**	**5 089**	**657**
Mariko Ragnarsdottir, Head of Technology	43	-	932	92
Janne Kiiha, CCO	1 752	174	1 196	184
Kemal Kalkan, Head of Customer Service[2)]	-	-	851	83
Triin Öun, Head of Legal & Compliance[2)]	-	-	59	0
Solaiman Rony, Head of Legal & Compliance[1) 3)]	-	-	858	98
Christer Nilsson, CRO[2)]	-	-	1 195	201
Morten Opstad Eriksen, Finance & Risk Manager	1 056	933	-	-
Audit and Risk Committee	**0**	**0**	**160**	**0**
Jan Nilsson	-	-	80	-
Kalle Pykälä	-	-	40	-
Veijo Aulis Ojala	-	-	40	-
Board members	**0**	**0**	**650**	**0**
Jan Nilsson	-	-	100	-
Raivo Aavisto	-	-	100	-
Mikko Marttinen	-	-	100	-
Kalle Pykälä	-	-	250	-
Veijo Aulis Ojala	-	-	100	-
Total	**4 657**	**1 351**	**7 876**	**969**

[1)] *Apointed to the position in 2020*

[2)] *Left the position in 2020*

[3)] *Left the position in 2021*

NOTE 21. CONTINGENT LIABILITY AND EVENTS AFTER THE END OF THE REPORTING PERIOD

In order to strengthen Nordiska FPN's statement of financial position and secure future growth a group contribution of 25 MSEK was obtained from Nordiska in January 2023.

The company does not have any other contingent liabilities or events after the end of the reporting period which require adjustments or additional information in the Financial Statements.

Notes (contd.)

NOTE 22. SHARE CAPITAL AND SHAREHOLDER INFORMATION

The share capital in the company as of 31 December 2022 consists of:

	No. of shares	Nominal value	Book value
Shares excluding Nordiska FPN's own shares	19 224 646	5	96 123 230
Total	**19 224 646**	**5**	**96 123 230**

All the shares have equal voting rights.

Ownership structure as of 31 December 2022		Share	Ownership share
NNAV 1 Holding AB	SE	19 224 646	99,4%
Own shares, Nordiska Financial Partner Norway AS		116 370	0,6%
Number of shares		**19 341 016**	**100%**

The share capital in the company as of 31 December 2021 consists of:

	No. of shares	Nominal value	Book value
Shares excluding Nordiska FPN's own shares	19 224 646	5	96 123 230
Total	**19 224 646**	**5**	**96 123 230**

All the shares have equal voting rights.

Ownership structure as of 31 December 2021		Share	Ownership share
NNAV 1 Holding AB	SE	19 224 646	99,4%
Own shares, Nordiska Financial Partner Norway AS		116 370	0,6%
Number of shares		**19 341 016**	**100%**

Notes (contd.)

NOTE 23. CAPITAL ADEQUACY

Capital adequacy 31 December (Group)

	2022	2021
Share capital	96 123 230	96 123 230
Other equity	-38 539 878	-17 034 238
Total Equity	**57 583 352**	**79 088 992**
- Value adjustement for prudent valuation	-12 888	-11 220
Common Equity (CET 1)	57 570 464	79 077 771
Additional Tier 1 capital	0	0
Tier 1 Capital	57 570 464	79 077 771
Tier 2 capital	33 091 060	34 058 545
Total Capital	**90 661 524**	**113 136 317**
Institutions	8 427 957	10 721 184
Corporates	57 590 303	0
Other commitments	39 124 205	188 425 667
Sum Credit Risk	105 142 465	199 146 851
Market Risk	8 564 269	3 483 063
Credit valuation adjustment	11 238	33 507
Operational Risk	95 953 257	140 605 105
Total Risk Weighted Assets	**209 671 229**	**343 268 526**
Common Equity (CET 1) %	**27,5%**	**23,0%**
Tier 1 Capital %	**27,5%**	**23,0%**
Total Capital %	**43,2%**	**33,0%**

Leverage Ratio

Leverage Ratio 31 December (Group)

	2022	2021
Other assets	165 588 115	236 709 704
Total Leverage Ratio exposure	**165 588 115**	**236 709 704**
Tier 1 Capital	57 570 464	79 077 771
Leverage Ratio	**34,8%**	**33,4%**

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To the General Meeting of Nordiska Financial Partner Norway AS

Independent Auditor’s Report

Opinion

We have audited the financial statements of Nordiska Financial Partner Norway AS (the Company), which comprise statement of financial position as at 31 December 2022, statement of comprehensive income, statement of changes in equity and statement of cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion

- the financial statements comply with applicable statutory requirements, and
- the financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by EU.

Our opinion is consistent with our additional report to the The Board of Directors.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

To the best of our knowledge and belief, no prohibited non-audit services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided.

We have been the auditor of the Company for 1 year from the election by the general meeting of the shareholders on 7 April 2022 for the accounting year 2022.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Our opinion on the Board of Director's report applies correspondingly to the statement on Corporate Social Responsibility.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error. We design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

We communicate with the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Oslo, 28 April 2023

Svein A Lyngroth

Svein Arthur Lyngroth
State Authorised Public Accountant

Nordiska Financial Partner Norway AS.

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