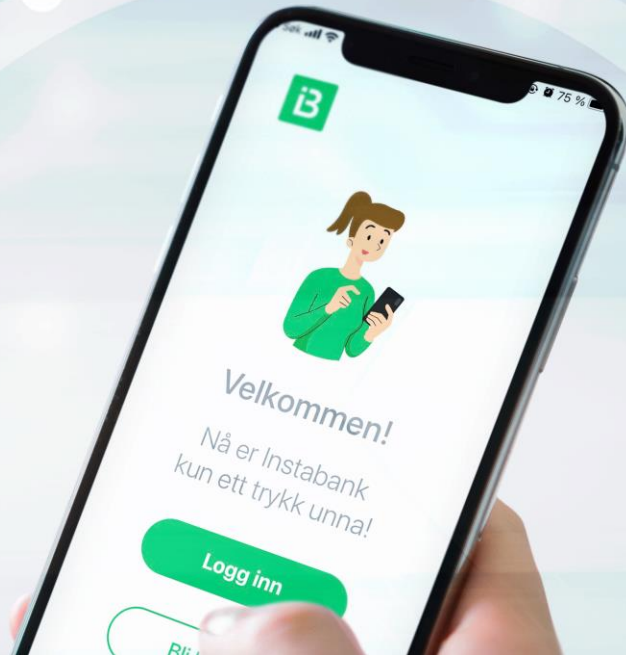


Instabank

Interim Presentation Q4 – 2021
February 10th, 2022



Important information and disclaimer

THIS PRESENTATION (THE "PRESENTATION") HAS BEEN PRODUCED BY INSTABANK ASA (THE "COMPANY" OR "INSTABANK"), SOLELY FOR USE AT THE PRESENTATION TO INVESTORS AND IS STRICTLY CONFIDENTIAL AND MAY NOT BE REPRODUCED OR REDISTRIBUTED, IN WHOLE OR IN PART, TO ANY OTHER PERSON. TO THE BEST OF THE KNOWLEDGE OF THE COMPANY AND ITS BOARD OF DIRECTORS, THE INFORMATION CONTAINED IN THIS PRESENTATION IS IN ALL MATERIAL RESPECT IN ACCORDANCE WITH THE FACTS AS OF THE DATE HEREOF, AND CONTAINS NO MATERIAL OMISSIONS LIKELY TO AFFECT ITS IMPORT.

THIS PRESENTATION CONTAINS CERTAIN FORWARD-LOOKING STATEMENTS RELATING TO THE BUSINESS, FINANCIAL PERFORMANCE AND RESULTS OF THE COMPANY AND/OR THE INDUSTRY IN WHICH IT OPERATES. FORWARDLOOKING STATEMENTS CONCERN FUTURE CIRCUMSTANCES AND RESULTS AND OTHER STATEMENTS THAT ARE NOT HISTORICAL FACTS, SOMETIMES IDENTIFIED BY THE WORDS "BELIEVES", "EXPECTS", "PREDICTS", "INTENDS", "PROJECTS", "PLANS", "ESTIMATES", "AIMS", "FORESEES", "ANTICIPATES", "TARGETS", AND SIMILAR EXPRESSIONS. THE FORWARD-LOOKING STATEMENTS CONTAINED IN THIS PRESENTATION, INCLUDING ASSUMPTIONS, OPINIONS AND VIEWS OF THE COMPANY OR CITED FROM THIRD PARTY SOURCES ARE SOLELY OPINIONS AND FORECASTS WHICH ARE SUBJECT TO RISKS, UNCERTAINTIES AND OTHER FACTORS THAT MAY CAUSE ACTUAL EVENTS TO DIFFER MATERIALLY FROM ANY ANTICIPATED DEVELOPMENT. NONE OF THE COMPANY OR ANY OF THEIR PARENT OR SUBSIDIARY UNDERTAKINGS OR ANY SUCH PERSON'S OFFICERS OR EMPLOYEES PROVIDES ANY ASSURANCE THAT THE ASSUMPTIONS UNDERLYING SUCH FORWARD-LOOKING STATEMENTS ARE FREE FROM ERRORS NOR DOES ANY OF THEM ACCEPT ANY RESPONSIBILITY FOR THE FUTURE ACCURACY OF THE OPINIONS EXPRESSED IN THIS PRESENTATION OR THE ACTUAL OCCURRENCE OF THE FORECASTED DEVELOPMENTS. THE COMPANY ASSUMES NO OBLIGATION, EXCEPT AS REQUIRED BY LAW, TO UPDATE ANY FORWARD-LOOKING STATEMENTS OR TO CONFORM THESE FORWARD-LOOKING STATEMENTS TO OUR ACTUAL RESULTS.

AN INVESTMENT IN THE COMPANY INVOLVES INHERENT RISKS AND IS SUITABLE ONLY FOR INVESTORS WHO UNDERSTAND THE RISKS ASSOCIATED WITH THIS TYPE OF INVESTMENT AND WHO CAN AFFORD A LOSS OF ALL OR PART OF THE INVESTMENT. SEVERAL FACTORS COULD CAUSE THE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS OF THE COMPANY TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS THAT MAY BE EXPRESSED OR IMPLIED BY STATEMENTS AND INFORMATION IN THIS PRESENTATION, INCLUDING, AMONG OTHERS, RISKS OR UNCERTAINTIES ASSOCIATED WITH THE COMPANY'S BUSINESS, ITS DEVELOPMENT, GROWTH MANAGEMENT, FINANCING, MARKET ACCEPTANCE AND RELATIONS WITH CUSTOMERS, AND, MORE GENERALLY, GENERAL ECONOMIC AND BUSINESS CONDITIONS, CHANGES IN DOMESTIC AND FOREIGN LAWS AND REGULATIONS, TAXES, CHANGES IN COMPETITION AND PRICING ENVIRONMENTS AND OTHER FACTORS. SHOULD ONE OR MORE OF THESE RISKS OR UNCERTAINTIES MATERIALISE, OR SHOULD UNDERLYING ASSUMPTIONS PROVE INCORRECT, ACTUAL RESULTS MAY VARY MATERIALLY FROM THOSE DESCRIBED IN THIS DOCUMENT. THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE OR CORRECT THE INFORMATION INCLUDED IN THIS PRESENTATION.

NO REPRESENTATION OR WARRANTY (EXPRESS OR IMPLIED) IS MADE AS TO, AND NO RELIANCE SHOULD BE PLACED ON, ANY INFORMATION, INCLUDING PROJECTIONS, ESTIMATES, TARGETS AND OPINIONS, CONTAINED HEREIN, AND NO LIABILITY WHATSOEVER IS ACCEPTED AS TO ANY ERRORS, OMISSIONS OR MISSTATEMENTS CONTAINED HEREIN, AND, ACCORDINGLY, NONE OF THE COMPANY OR ANY OF THEIR PARENT OR SUBSIDIARY UNDERTAKINGS OR ANY SUCH PERSON'S OFFICERS OR EMPLOYEES ACCEPTS ANY LIABILITY WHATSOEVER ARISING DIRECTLY OR INDIRECTLY FROM THE USE OF THIS DOCUMENT.

THERE MAY HAVE BEEN CHANGES IN MATTERS WHICH AFFECT THE COMPANY SUBSEQUENT TO THE DATE OF THIS PRESENTATION. NEITHER THE ISSUE NOR DELIVERY OF THIS PRESENTATION SHALL UNDER ANY CIRCUMSTANCE CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF OR THAT THE AFFAIRS OF THE COMPANY HAVE NOT SINCE CHANGED, AND THE COMPANY DOES NOT INTEND, AND DOES NOT ASSUME ANY OBLIGATION, TO UPDATE OR CORRECT ANY INFORMATION INCLUDED IN THIS PRESENTATION. BY ATTENDING OR RECEIVING THIS PRESENTATION, YOU ACKNOWLEDGE THAT YOU WILL BE SOLELY RESPONSIBLE FOR FORMING YOUR OWN VIEW OF THE POTENTIAL FUTURE PERFORMANCE OF THE COMPANY.

THIS PRESENTATION SPEAKS AS OF 31 DECEMBER 2016. NEITHER THE DELIVERY OF THIS PRESENTATION NOR ANY FURTHER DISCUSSIONS OF THE COMPANY WITH ANY OF THE RECIPIENTS SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY SINCE SUCH DATE.

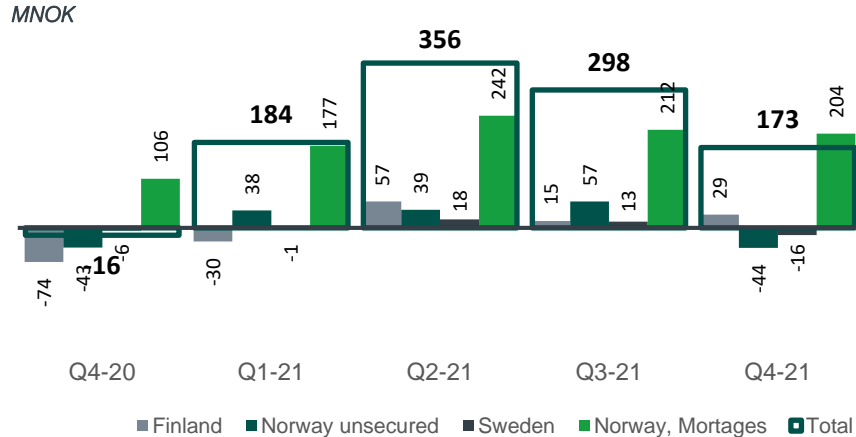
Key highlights Q4-21

- ✓ **Record high profit before tax of 34,9 MNOK, after tax 25.5 MNOK**
Profits up 82 % from the same quarter last year
- ✓ **Net loans growth of 173 MNOK**
Net loans growth in 2021 of 1.012 MNOK
- ✓ **Mortgages volume growth of 204 MNOK**
Mortgages now represents 26 % of total net loans and 40% of net loans in Norway
- ✓ **Return on Equity of 16.6 % in Q4-21 and 14.4 % in 2021**
Return on equity above the target for 2021 of 14 %

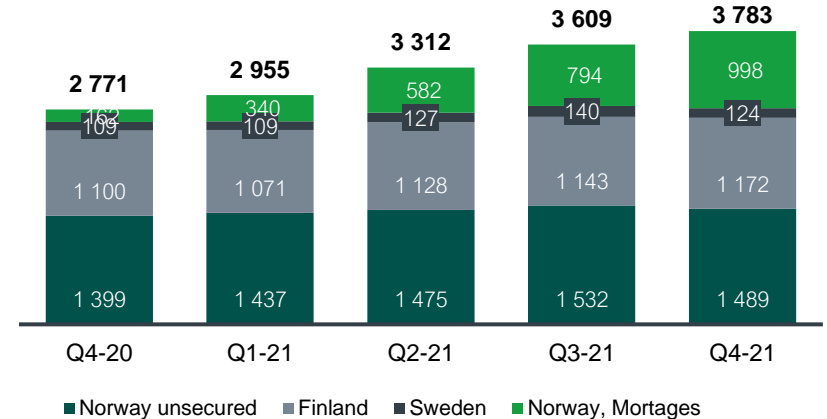


Net loan development

Net loan balance growth



Net loans to customers







Key comments

- The mortgages volume grew by 204 MNOK to 998 MNOK in net loans
- In Finland, the market improved after the governmental restrictions on consumer loans with an interest cap of 10 % and restrictions for the marketing of consumer loans, ended by the end of the third quarter. Growth in net loans came in at 29 MNOK or 54 MNOK adjusted for negative currency effects

Key comments



- Mortgages to total net loans grew to 26 % end of Q4-21 from 22 % per end of Q3-21
- In Norway, mortgages are 40 % of total net loans, representing increased diversification and reduced credit risk in the Norwegian loan portfolio

Diversified loan portfolio

	Net Loans	# Customers*	Avg Ticket Size*	Yield
 Consumer Loans	2,417''	23,443	103'	11.2 %
 Mortgages	998''	1,436	694'	6.8 %
 Sales Finance	165''	16,767	10'	15,8 %
 Credit Card	204''	4,473	46'	14.9 %
Total	3,783''	48,348	78'	10.4 %

*) Includes accounts with zero balance with an available credit limit

Diversified funding volume

		<i>Volume</i>	<i># customers</i>	<i>Avg. deposit size</i>	<i>Deposit rates end Q4-21</i>
	Norway	2,638''	7,756	348'	1.17 %*
	Finland	589''	3,864	152''	0.45 %
	Sweden	86''	1,702	50''	0.55 %
	Germany	734''	3,606	204'	0.12 %**
	Total	4,047''	16,748	242'	0.78 %

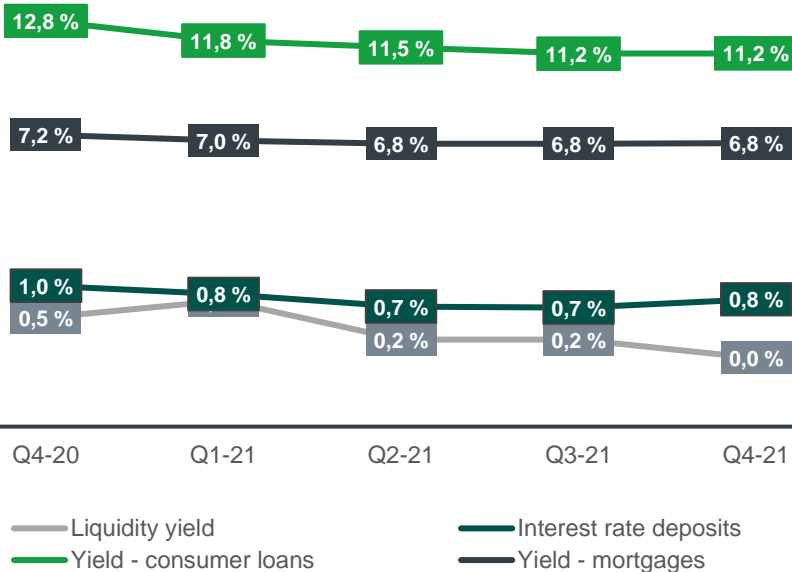
*) Up to NOK 500', 1,12 % for deposits between NOK 500' – 2,000'

***) Does not include partner margin

Development in yields and funding cost

Development in yields and funding cost

Key comments

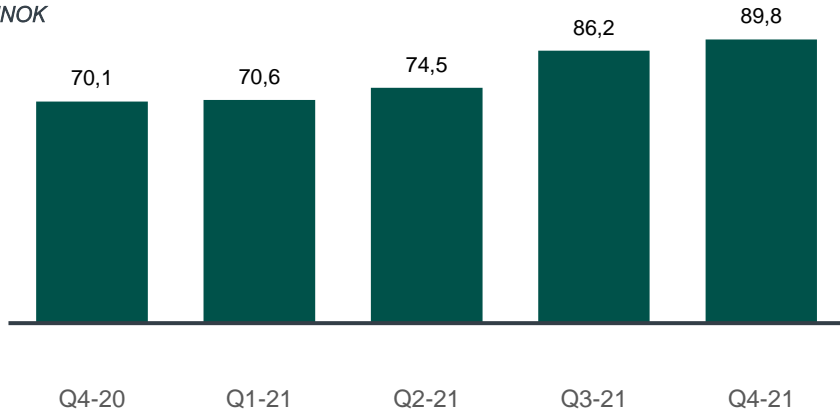


- Yield for mortgages and consumer loans at the same level as per end of Q3-21
- Following increased deposit rates in Norway, the overall interest margin increased 0.1 % points to 0.8 % per end of Q4-21

Total income

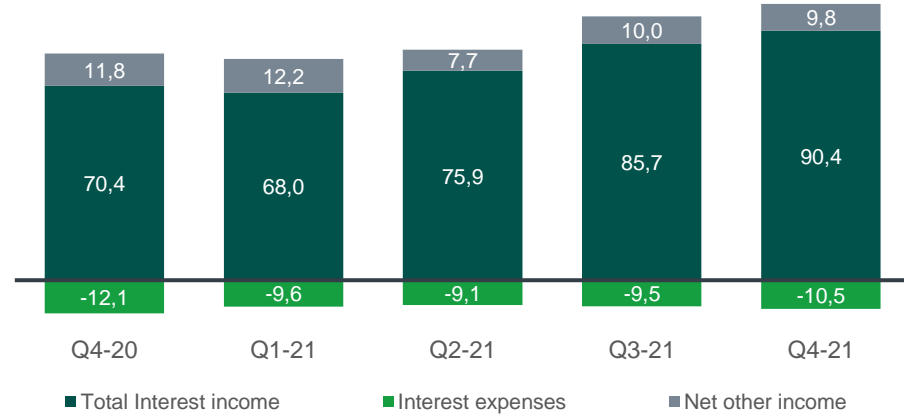
Total income

MNOK



Total income detailed*

MNOK



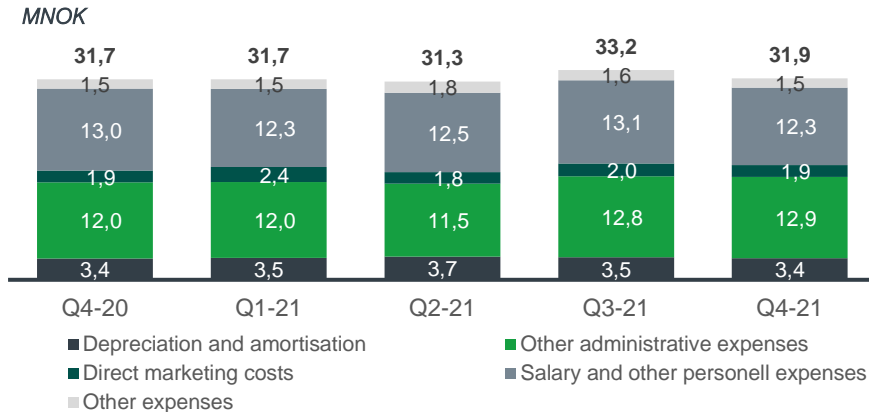
Key comments

- Total interest income increased by 4.7 MNOK from Q3-21 to 85.7 MNOK in Q4-21 following the growth in net loans
- As a result of a deposit volume increase of 194 MNOK and a deposit rate increase in Norway, interest expenses increased by 1 MNOK to 10.5 MNOK
- Net other income was 9.8 MNOK, down 0.2 MNOK from the previous quarter because of a loss on forex and securities of 0.4 MNOK

**) Previously, agent commission and establishment fees were booked against expenses commission and fees and income commission and fees. From Q2-21, both are included in the interest income and historical figures have been restated.*

Operating expenses

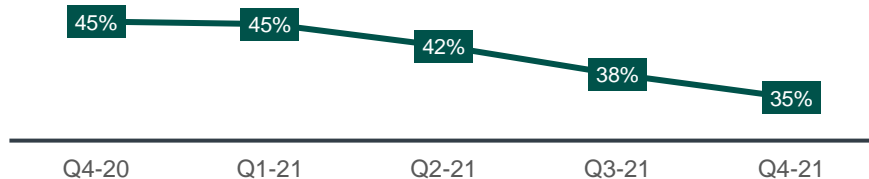
Operating expenses breakdown



Key comments

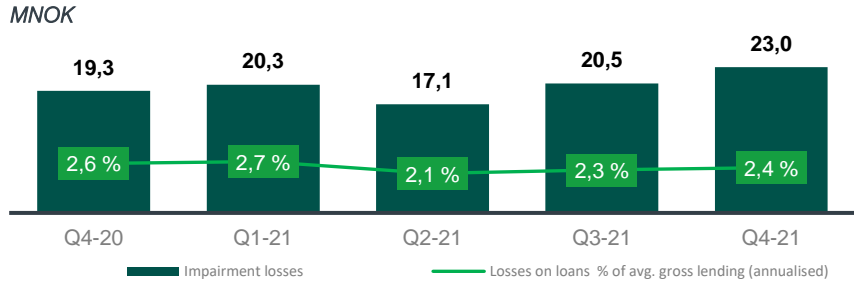
- Total operating expenses decreased 1.3 MNOK from the previous quarter and came in at 31.9 MNOK
- Despite growth in net loans of more than 1 billion NOK in 2021, operating costs have remained stable with an increase of only 0.2 MNOK from the same quarter last year, demonstrating economy of scale
- Cost to income hits 35.5 % in the quarter, down from 45.5 % for Q4-20

Cost/income ratio



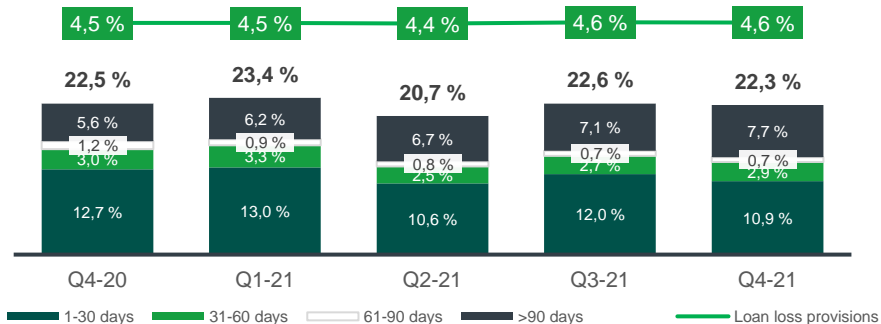
Credit risk

Impairment losses



Loans past due

% of gross lending



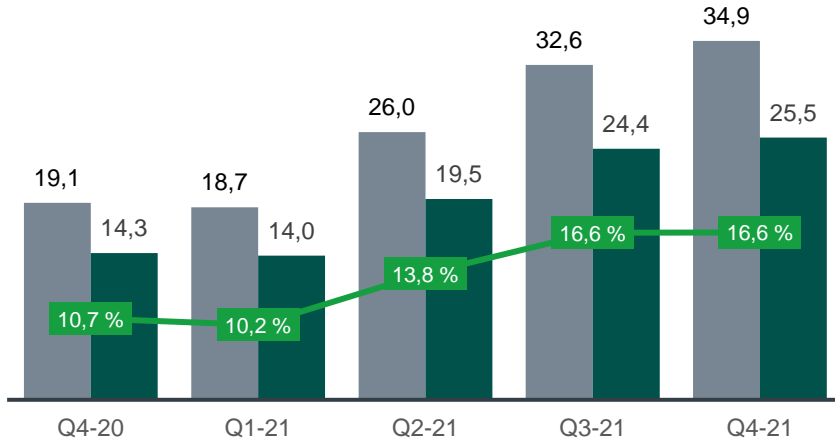
Key comments

- Losses on loans came in at 23.0 MNOK or 2.4 % of gross loans to customers, up from 20.4 MNOK/ 2.3 % in Q3-21
- The increase is because of seasonal effects as expected, partly offset by an increased share of low-risk mortgages in the quarter and a profit from the sale of a non-performing loans portfolio in Finland of 27 MNOK, representing the NPL portfolio's oldest part.
- Losses on loans for the mortgages volume of 1 billion NOK was only 1.2 MNOK in the quarter or 0.55 % of gross loans
- Non-performing loans (NPL) volume were 307 MNOK at the end of the quarter, only 7.7 % of total gross loans

Profit development

Net profit

MNOK



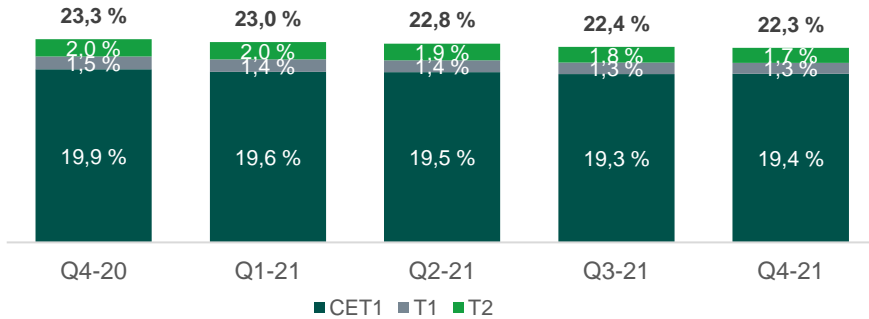
■ Net profit before tax ■ Net profit after tax — ROE

Key comments

- Profit before tax hits record high 34.9 MNOK, and net profit was 25.2 MNOK, up from 14.2 MNOK in the same quarter last year.
- The quarterly return on equity (ROE) was 16.6 %, up from 10.7 % in Q4-20
- For 2021, Instabank achieved a net profit of 83.5 MNOK, close to twice the net profit for 2020
- Return on equity for 2021 reached 14.4 %, above the target of 14.0 % and up from 10.8 % in 2020

Capital adequacy

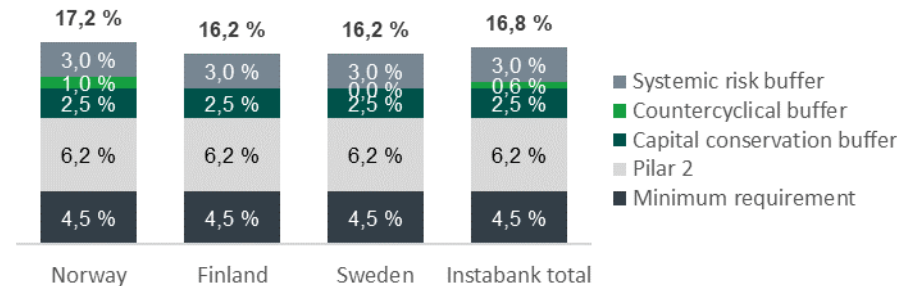
Developments in capital adequacy ratios



Key comments

- Common equity Tier 1 Capital ratio was 19.4 %, and the total capital ratio was 22.3 % at the end of Q4-21, 2.0 % points above the total regulatory capital requirement of 20.3 %
- The Norwegian Ministry of Finance has decided to increase the countercyclical capital buffer to 1.5 per cent as of 30th June 2022, followed by an increase to 2.0 per cent as of 31st December 2022.

CET1 requirement per country and total



From startup to economies of scale

START UP 2016 | 2017

Establish core capabilities
Ensure profitability
Focus on loans and deposits

EXPANSION 2018 | 2020

Build and develop capabilities to enable product- and geographical expansion





ECONOMIES OF SCALE 2021 | 2023

Capitalize on strategic and operational platform;
Economies of scale, profitability & solidity



Markets and products

Target growth in markets with highest ROE at any given time

	Unsecured	Mortgage	Deposits	Retail	Online	Cards
	Q3-2016	Q2-2020	Q3-2016	Q4-2017	Q4-2018	Q2-2019
	Q4-2017	Tbd	Q3-2018	Q2-2020	Q2-2020	Tbd
	Q4-2018	Tbd	Q1-2019	Tbd	Tbd	Tbd
	na	na	Q3-2020	na	na	na

Our target is to achieve a more diversified portfolio by prioritising mortgage loans going forward. This will reduce risk and improve profits.

Financials

Updated outlook

Strategic ambitions

Profit

Strong improvement in profits

>115 mill.

2022

● Among the better

>230 mill.

Mid term

● Proof of success

ROE

Strong improvement in performance

>15 %

2022

● Among the better

>20 %

Mid term

● Proof of success

Net loans

Growth is necessary to improve profits

5.3 Bn.

2022

● Growth shows direction

~ 9.0 Bn.

Mid term

● Proof of growth capacity

Cost to income

Economies of scale reduce cost

< 39 %

2022

● Heading in the right direction

~33 %

Mid term

● Compares with industry leaders

Targets for 2022

- **Increased diversification**
Repositioning from a typical consumer loans bank
- **Growth approx. 1.4 billion NOK**
Current excess equity and generated profits enable high growth
- **Strong profit growth**
> 35 % increase in result after-tax within reach



Share price and ownership

Instabank is listed at Euronext Growth at Oslo Børs, ticker "INSTA"

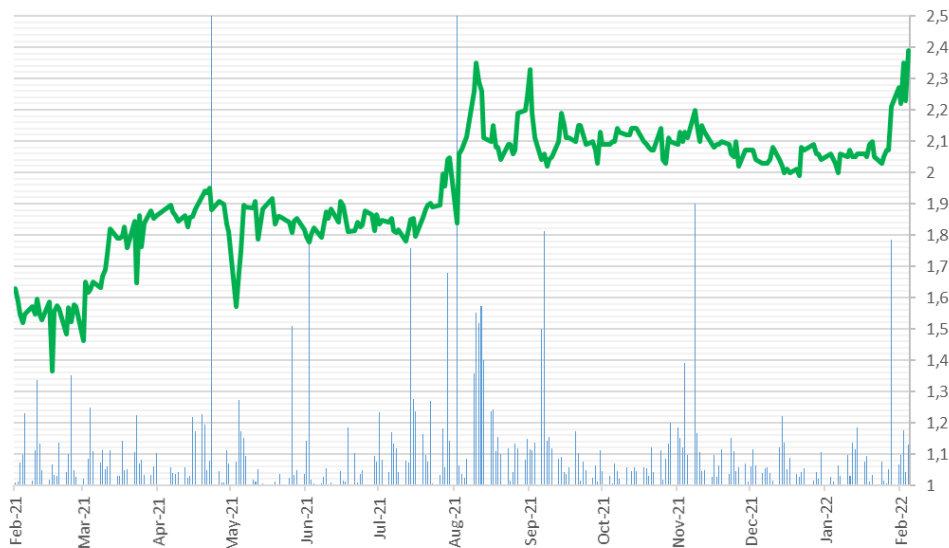
Top 20 shareholders as of February 7th 2022

#	Shareholders	# of shares	%
1	KISTEFOS AS	83 126 568	24,99%
2	HODNE INVEST AS	30 588 311	9,20%
3	VELDE HOLDING AS	29 291 116	8,81%
4	BIRKELUNDEN INVESTERINGSSKAP AS	18 305 911	5,50%
5	BJELLA INVESTMENTS AS	13 112 021	3,94%
6	TORSTEIN TVENGE	10 000 000	3,01%
7	HJELLEGERDE INVEST AS	9 161 000	2,75%
7	KRISTIAN FALNES AS	8 900 000	2,68%
9	LEIKVOLLBAKKEN AS	8 500 000	2,56%
10	MOROAND AS	8 500 000	2,56%
11	ALTO HOLDING AS	8 230 096	2,47%
12	SONSINVEST AS	5 108 195	1,54%
13	LEIRN HOLDING AS	4 333 333	1,30%
14	MAGDALENA HOLDING AS	4 100 000	1,23%
15	CAHE FINANS AS	3 501 000	1,05%
16	NORDNET LIVSFORSIKRING AS	3 022 119	0,91%
17	VENDETTA AS	2 562 006	0,77%
18	SENNI EIENDOM AS	2 358 564	0,71%
19	ØYSTEIN KVEIM	2 130 000	0,64%
20	LILL ANITA GRIMSTAD	2 070 000	0,62%
Sum Top 20		256 900 240	77,23%
Other shareholders		75 741 799	22,77%
Total		332 642 039	100,00%

Position	Name	# of shares	% of total
CEO	Robert Berg (Sonsinvest AS)	5 608 195	1,7 %
COO	Eivind Sverdrup (Leirin Holding AS)	4 448 833	1,3 %
CTO	Jørgen Rui	1 072 292	0,3 %
CMO	Farzad Jaily	784 417	0,2 %
CFO	Per Kristian Haug	154 935	0,0 %
CRO	Kjetil Andre Welde Knudsen	123 028	0,0 %
COO	Anne Jørgensen	99 625	0,0 %
Sum management		12 291 325	3,7 %
Other employees		2 017 277	0,6 %
Board members		2 150 000	0,6 %
Total		16 458 602	4,9 %

Share price development last 12 months

Share price (NOK)



Financial summary

P&L (NOK '000)

P&L	FY 2021	Q4-21	Q3-21	Q2-21	Q1-21	FY 2020	Q4-20
Total income:							
Interest Income using the effective interest method	320 034	90 444	85 705	75 886	67 999	272 117	70 421
Interest expenses	38 608	10 474	9 451	9 096	9 587	51 346	12 053
Net interest income	281 426	79 970	76 254	66 791	58 412	220 771	58 368
Net other income	39 648	9 786	9 933	7 695	12 233	42 356	11 750
Total income	321 075	89 756	86 187	74 486	70 646	263 127	70 118
Operating expenses:							
Salary and other personnel expenses	50 324	12 345	13 136	12 516	12 327	41 666	12 976
Other administrative expenses, of which	57 311	14 732	14 848	13 371	14 360	52 920	13 885
- direct marketing cost	8 154	1 868	2 044	1 849	2 393	6 996	1 875
Other expenses	6 315	1 374	1 644	1 785	1 511	5 878	1 452
Depreciation and amortisation	14 102	3 406	3 545	3 662	3 490	12 742	3 385
Total operating expenses	128 052	31 856	33 174	31 335	31 687	113 206	31 698
Losses on loans	80 882	23 020	20 463	17 143	20 256	92 911	19 282
Operating profit before tax	112 141	34 879	32 551	26 009	18 702	57 010	19 138
Tax	28 726	9 402	8 147	6 502	4 676	14 331	4 863
Profit and other comprehensive income	83 415	25 478	24 404	19 507	14 027	42 679	14 275

Balance sheet (NOK '000)

Balance Sheet	31.12.21	30.09.21	30.06.21	31.03.21	31.12.20
Assets					
Loans and deposits with credit institutions	281 279	226 519	212 392	209 131	202 601
Loans to customers	3 832 071	3 659 766	3 366 753	3 015 839	2 836 451
Certificates and bonds	679 759	682 558	632 290	754 657	889 664
Other intangible assets	25 098	25 848	27 441	28 752	29 478
Fixed assets	5 909	6 512	7 175	7 827	8 414
Derivatives	1 213	1 116	65	1 623	1 972
Other receivables	6 323	5 590	10 672	17 327	11 829
Total assets	4 831 653	4 607 910	4 256 788	4 035 157	3 980 409
Liabilities					
Deposits from and debt to customers	4 047 128	3 852 877	3 540 343	3 340 513	3 303 998
Other debts	10 942	18 034	14 627	17 620	14 583
Accrued expenses and liabilities	17 941	15 817	13 754	15 087	18 457
Derivatives	338	483	593	233	123
Deferred tax	2 957	3 569	3 569	3 569	3 569
Tax payable	30 241	20 227	11 178	4 676	-
Subordinated loan capital	56 000	56 000	56 000	56 000	56 000
Total liabilities	4 165 546	3 967 008	3 640 064	3 437 698	3 396 730
Equity					
Share capital	332 642	332 642	332 642	332 642	332 642
Share premium reserve	178 192	178 192	178 192	178 192	178 192
Retained earnings	114 373	89 167	64 989	45 724	31 944
Additional tier 1 capital	40 900	40 900	40 900	40 900	40 900
Total equity	666 107	640 901	616 723	597 459	583 679
Total liabilities and equity	4 831 653	4 607 910	4 256 788	4 035 157	3 980 409

Key figures Q4-21



Net profit before tax of **34.9 MNOK** + 82 % vs Q4-20



Total income of **89.8 MNOK** + 28 % vs Q4-20



Losses on loans **2.4 %** vs 2.6 % Q4-20



Outstanding net loans of **3.783 MNOK** + 1.012 MNOK vs Q4-20



Return on Equity of **16.6 %** vs 10.8 % in Q4-20



Equity per share of **1.88 NOK** vs 1.63 Q4-20



Thank You