



Aprila Bank ASA | Q3 2019 | 1 November 2019

Disclaimer

Forward-looking statements



This presentation contains forward-looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although Aprila Bank believes that the expectations reflected in such forward-looking statements are reasonable, no assurance can be given that such expectations will prove to be correct. Accordingly, results could differ materially from those set out in the forward-looking statements as a result of various factors.

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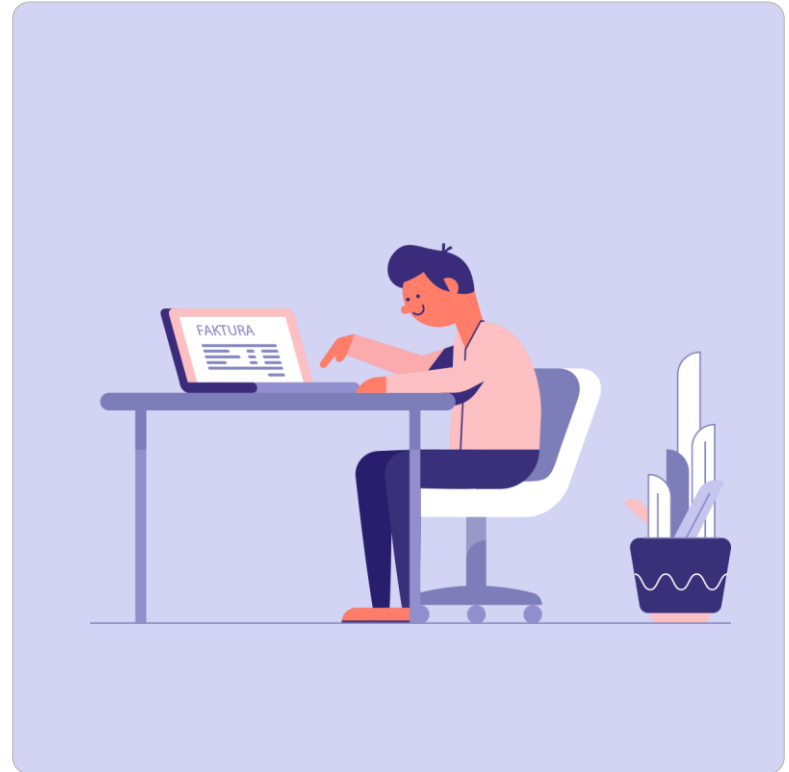
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Q3-19

<i>NOKm</i>	Q2-19	Q3-19
Purchased amount	89	90
Total income	1.8	1.9
Pre-tax operating profit	-6.4	-8.6
Yield on avg. net loans ¹	30 %	29 %

LTM

Q4-18 – Q3-19

<i>NOKm</i>	Q4-18 – Q3-19
Purchased amount	360
Total income	7.2
Pre-tax operating profit	-32.3
Equity EOP ²	103

Our first six quarters

- Net 692 customers onboarded of which 441 have sold invoices
- NOK ~398 million purchased
- ~12,600 invoices towards ~4,900 different end customers

Two products and access to 90,000 SMEs from year-end

- Integrations with Xledger and Uni Economy completed
- Integration with Visma eAccounting expected to be completed during Q4
- New product to be launched in Q4

Positioned to capitalise on accumulated insight

- Presence in several systems will allow for benchmarking
- New pricing model for invoice sales to be introduced in Q4

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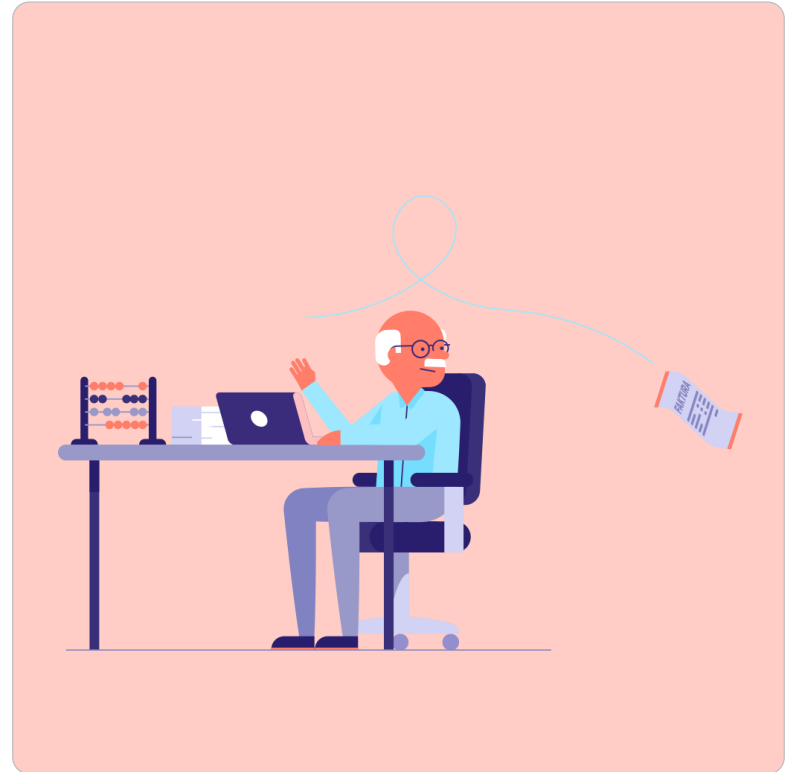
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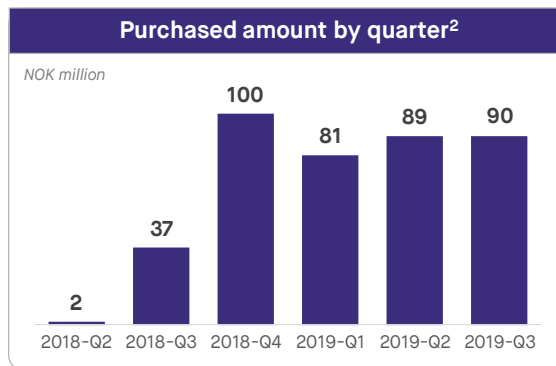
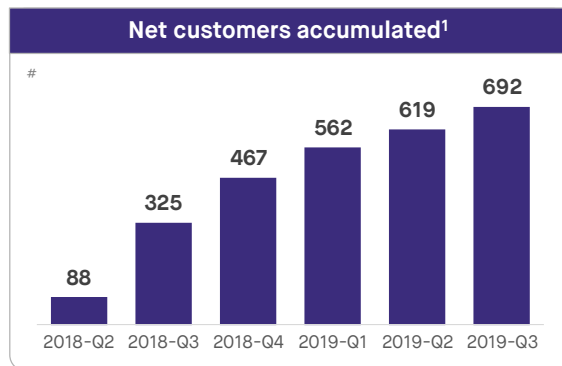
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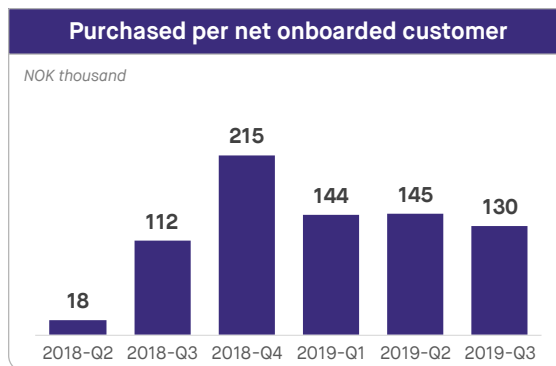
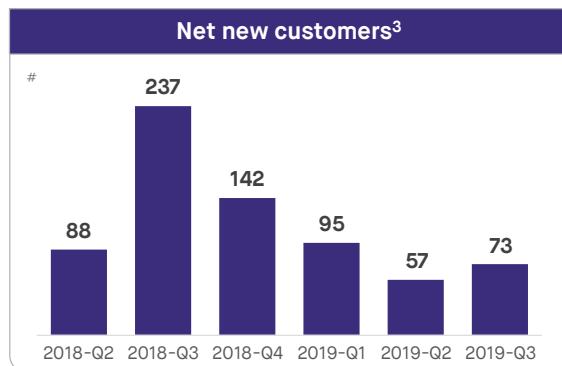
Key figures

692 onboarded customers at EOP and NOK 90m purchased in Q3-19



Key comments

- 692 customers at EOP
- NOK 90m purchased
- Net 73 new customers
- NOK 130 000 purchased per net onboarded customer

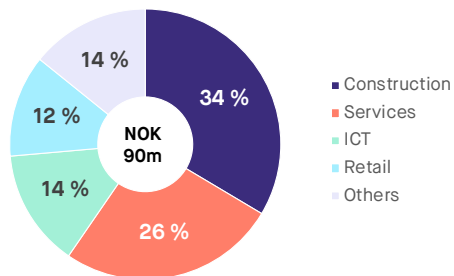


Active customers

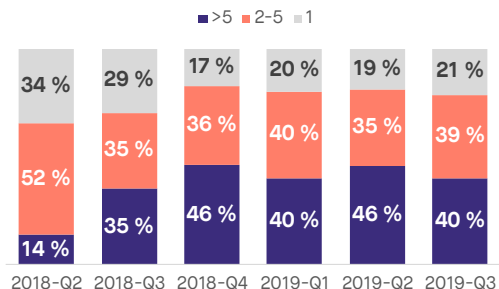
~64% of the onboarded customers have sold invoices



Purchased amount by customer industry (Q3-19)



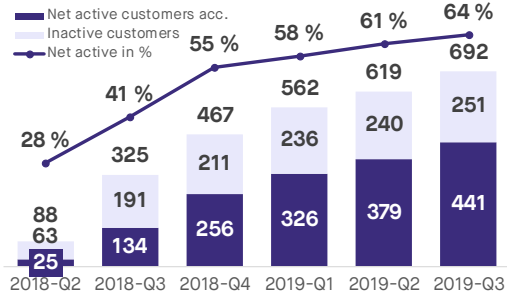
Active customers¹ by # of sold invoices



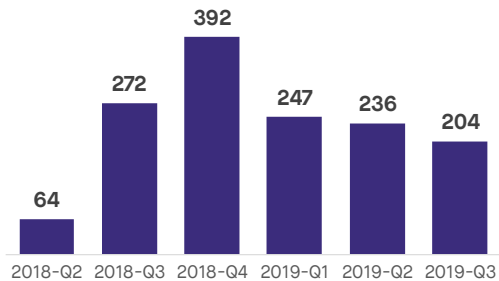
Key comments

- Construction, services and ICT accounted for 74% of purchased amount in Q2
- ~80% of the active customers sold two invoices or more
- 441 of 692 open customer accounts (64%) had sold invoices at EOP
- 269 customers sold invoices in Q3
- NOK 204k purchased per net active accumulated customer (441)
- NOK 334k purchased per active customer in the quarter (269)

Active customers² vs. total net customers



Purchased per net acc. active customer³



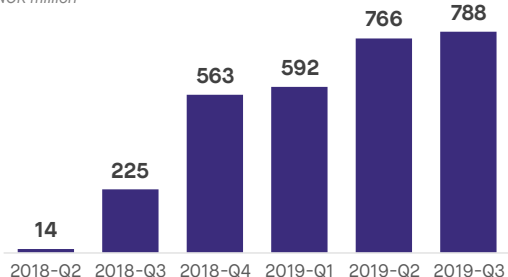
Key invoice figures

Merely ~3% increase in available invoice volume



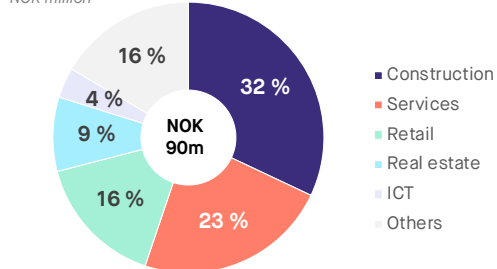
Invoiced amount¹

NOK million



Purchased amt by end customer industry (Q3-19)

NOK million

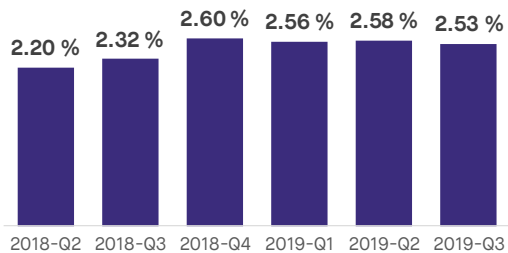


Key comments

- Available invoiced volume¹ in Q3 amounted to **NOK 788m**
- With a purchased amount of NOK 90 million, the conversion rate⁴ (in NOK) was **11.4%** (11.7% in Q2-19)
- VWA margin in Q3-19: **2.53%**
- VWA granted days in Q1-19: **22.2**

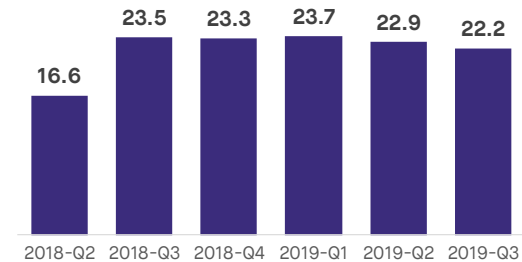
Margin² (volume weighted average)

%



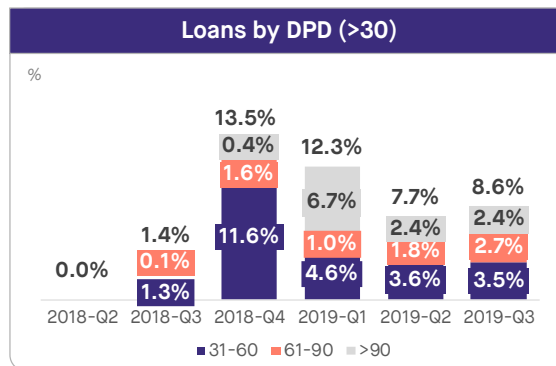
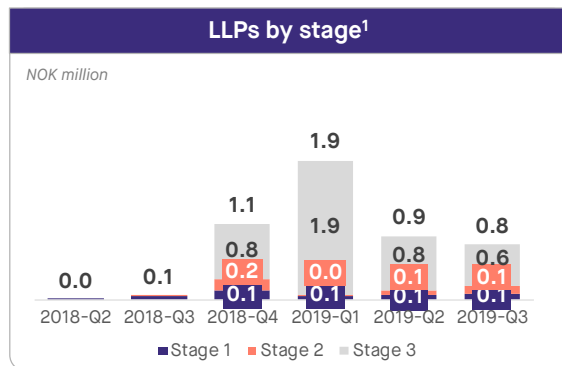
Granted days³ (volume weighted average)

days



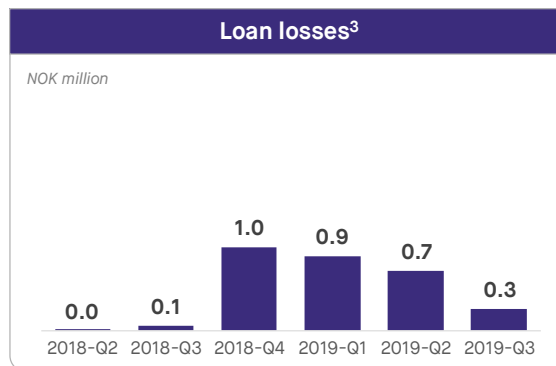
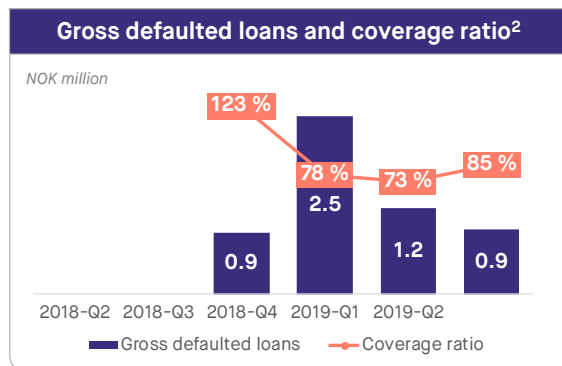
Loan losses and provisions

Sound improvement in credit quality



Key comments

- LLPs of **NOK 0.8m / 2.4%** of gross loans at 30 Sep 2019
- DPD >30: **8.6%** of gross loans
- Gross defaulted loans of **NOK 0.9m**
 - Coverage ratio² of 85%
- Total loan losses of **NOK 0.3m**



Note 1: Stage 1: All exposures <= 30 DPD, Stage 2: Exposures 31 – 90 DPD, and exposures <= 30 DPD with negative risk class migration since initial recognition, Stage 3: Exposures >90 DPD and other non-performing exposures || Note 2: Coverage ratio = LLP in % of gross defaulted loans. || Note 3: Sum of loan loss provisions and realised losses in the period.

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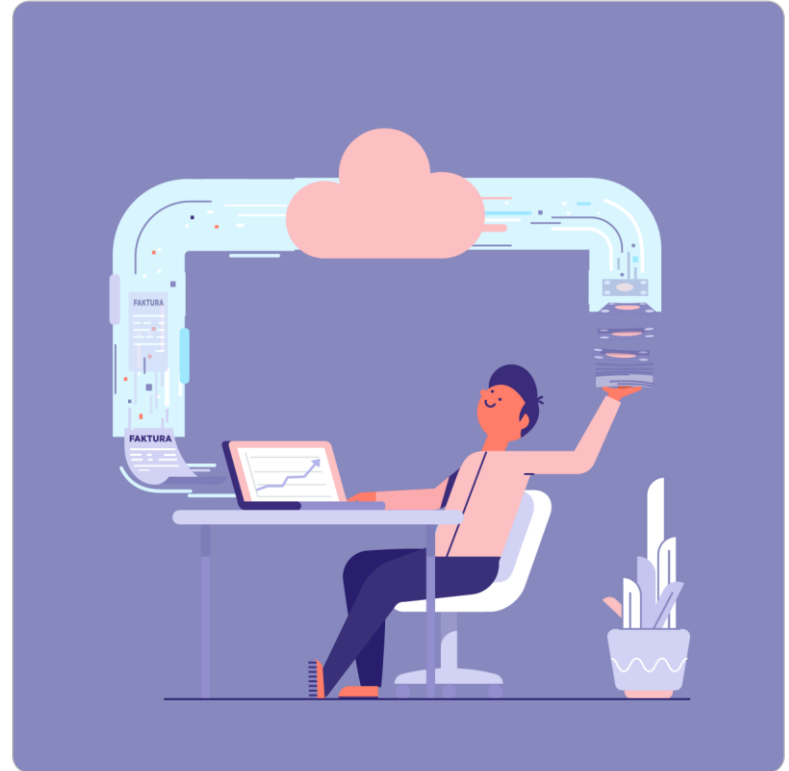
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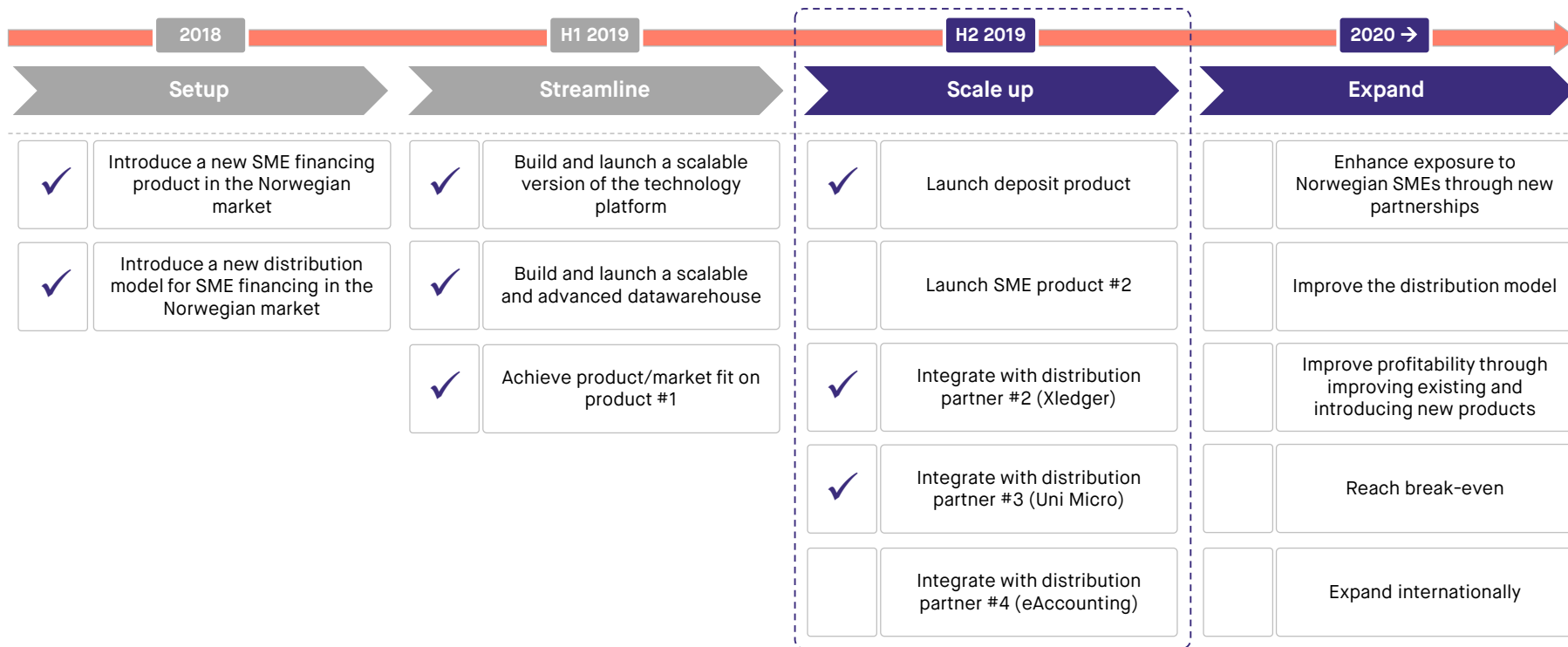
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Roadmap

Uniquely positioned to capitalise on accumulated insight and knowhow



Outlook

Annual run-rate of NOK 60m in gross income at year-end 2020 and break-even in Q2-21



Q3-19

YE 2020

Drivers

of customers
EOP

692

2% of customer exposure¹

2,500

~3% of customer exposure²

- New partners
- New products
- Improvements to the current distribution model

Annual gross income
per customer
Run-rate (NOK)

13,875

~24,000

- Increased conversion rate
- Slightly higher margins
- New products

Annual gross income
Run-rate (NOKm)

10

~60

Break-even expected in Q2-21

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Income statement & general administrative expenses

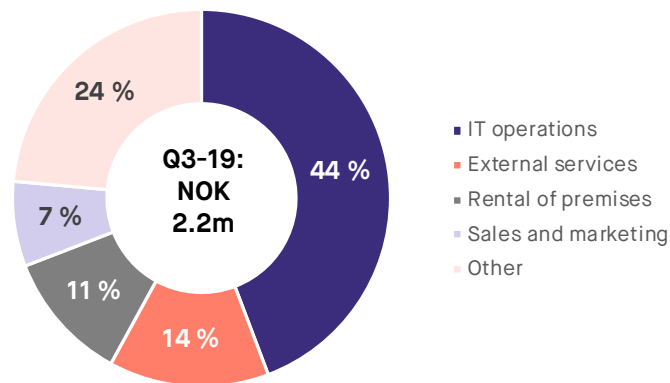


Income Statement

<i>Amounts in NOK thousand</i>	Q3 2019	Q3 2018	YTD 2019	YTD 2018	2018
Interest income	2,494	634	6,969	998	3,668
Interest expense	33	53	71	106	158
Net interest income	2,461	581	6,898	892	3,510
Income commissions and fees	97	25	267	26	133
Expenses commissions and fees	751	137	2,108	147	982
Net commissions and fees	-654	-112	-1,841	-121	-848
Net gains / losses (-) on certificates, bonds and currency	77	95	200	99	112
Other income	0	0	0	6	6
Total income	1,884	565	5,257	876	2,779
Salary and other personnel expenses	7,451	5,259	17,726	12,367	17,604
General administrative expenses	2,193	2,189	9,236	6,845	9,338
Total salary and administrative expenses	9,645	7,448	26,962	19,212	26,942
Ordinary depreciation	580	397	1,534	748	1,085
Total operating expenses excl. losses on loans	10,225	7,845	28,497	19,960	28,027
Losses on loans	256	55	1,853	55	1,052
Pre-tax operating profit	-8,597	-7,334	-25,093	-19,139	-26,299
Tax	0	0	0	0	0
Profit after tax	-8,597	-7,334	-25,093	-19,139	-26,299
Earnings per share (NOK)	-0.24	-0.20	-0.69	-0.53	-0.73
Diluted earnings per share (NOK)	-0.20	-0.17	-0.57	-0.45	-0.61

General administrative expenses

<i>Amounts in NOK thousand</i>	Q3 2019	Q3 2018	YTD 2019	YTD 2018	2018
External services	301	974	3,573	2,794	3,632
IT operations	971	619	2,796	1,911	2,635
Rental of premises	245	240	799	721	961
Sales and marketing	160	110	324	653	769
Credit information	137	98	304	178	333
External audit and related services	0	0	188	28	28
Credit insurance	68	37	199	38	111
Other operating expenses	312	111	1,054	524	869
Total general administrative expenses	2,193	2,189	9,236	6,845	9,338



Balance sheet & regulatory capital



Balance Sheet

<i>Amounts in NOK thousand</i>	30.09.2019	31.12.2018	30.09.2018
Loans and deposits with credit institutions	69,992	54,639	75,978
Net loans to customers	31,173	39,619	23,368
Certificates and bonds	30,313	30,112	30,099
Other intangible assets	6,823	5,838	6,521
Deferred tax assets	0	0	0
Fixed assets	2,504	1,064	1,086
Other receivables	2,482	2,226	1,538
Total assets	143,287	133,500	138,591
Deposits from and debt to customers	32,234	0	0
Other debt	7,900	5,999	4,174
Total liabilities	40,134	5,999	4,174
Share capital	36,220	36,220	36,183
Share premium	127,036	127,036	127,036
Other paid-in equity	1,191	446	239
Retained earnings	-61,293	-36,201	-29,041
Total equity	103,153	127,501	134,416
Total equity and liabilities	143,287	133,500	138,591

Regulatory capital

<i>Amounts in NOK thousand</i>	30.09.2019	31.12.2018	30.09.2018
Share capital	36,220	36,220	36,183
Share premium	127,036	127,036	127,036
Other equity	-60,103	-35,755	-28,801
Total equity	103,153	127,501	134,417
Other intangible assets	-6,823	-5,838	-6,521
AVA adjustment	-30	0	0
Deferred tax assets	0	0	0
Common equity tier 1 (CET 1)	96,300	121,663	127,896
Tier 1 capital	96,300	121,663	127,896
Total capital	96,300	121,663	127,896
Risk-weighted assets			
Loans and deposits with credit institutions	13,998	10,928	15,196
Loans to customers	28,453	37,500	23,368
Certificates and bonds	0	0	0
Other assets	4,986	3,291	2,624
Credit risk	47,438	51,719	41,189
Operational risk	5,119	16,067	16,067
Risk-weighted assets	52,557	67,786	57,255
Common equity tier 1 ratio (%)	183.2 %	179.5 %	223.4 %
Tier 1 ratio (%)	183.2 %	179.5 %	223.4 %
Total capital ratio (%)	183.2 %	179.5 %	223.4 %
LCR	347 %	217 %	198 %

Ownership & warrant structure¹

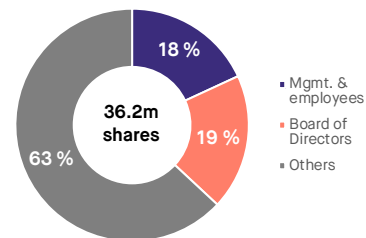
Aligned interests among key stakeholders



Top 30 shareholders

#	Investor	Name	Role	Ownership		Warrants
				# shares	%	
1	AMESTO GROUP AS	Spandow Family	Chairman	3,618,182	10.0 %	1,875,000
2	ALLIANCE VENTURE SPRING AS	Bente Loe	Board member	2,824,406	7.8 %	
3	PRIMERA AS	Per Christian Goller	Chief Growth Officer	1,600,000	4.4 %	1,750,000
4	MP PENSJON PK			1,596,996	4.4 %	
5	STRØMSTANGEN AS			1,595,400	4.4 %	
6	MERRILL LYNCH			1,099,400	3.0 %	
7	NORUS AS			1,010,000	2.8 %	
8	REDIVIVUS AS			950,000	2.6 %	
9	SIX SIS AG			877,470	2.4 %	
10	TOLUMA INVEST AS			877,470	2.4 %	
11	COSIMO AS			801,000	2.2 %	
12	SIRKELBUE AS	Karl Erik Asbjørnsen	Technologist	800,000	2.2 %	500,000
13	ØSD FINANS AS	Øystein Dannevig	Chief Analytics Officer	800,000	2.2 %	
14	UNIVERSAL PRESENTKORT AS			797,699	2.2 %	
15	SES AS			797,699	2.2 %	
16	DISRUPTOR AS	Israr Khan	Chief Digital Officer	700,000	1.9 %	600,000
17	AREPO AS			658,102	1.8 %	
18	SVINDAL AKSEL LUND			650,000	1.8 %	
19	INCHOATE AS	Heiki Strengelsrud	Chief Customer Officer	610,000	1.7 %	500,000
20	ENIMAE AS			600,000	1.7 %	
21	SPORTSMAGASINET AS			584,997	1.6 %	
22	ELIGERE AS	Lene Gridseth	Chief Operating Officer	573,200	1.6 %	375,000
23	BLUE MOUNTAIN CAPITAL AS	Kjetil S. Barli	Chief Financial Officer	500,000	1.4 %	375,000
24	SIDEKICK INVEST AS	Katrine Olsen	Chief Risk Officer	500,000	1.4 %	375,000
25	SANDSOLO HOLDING AS			500,000	1.4 %	
26	NORDIC PRIVATE EQUITY AS			500,000	1.4 %	
27	OSMANI VENTURE CAPITAL AS			478,221	1.3 %	
28	STRIGEN AS			354,367	1.0 %	
29	ASTEROIDEBAKKEN AS			319,079	0.9 %	
30	KLØVNINGEN AS			300,000	0.8 %	
	Others			8,346,396	23.0 %	312,500
	Total			36,220,084	100.0 %	6,662,500

Share distribution



Warrant distribution

