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Press release

Oslo/Stockholm, 14 July 2021

## **Nordax Bank AB (publ) announces recommended best and final voluntary cash offer for all shares in Norwegian Finans Holding ASA at NOK 105 per share**

Further to the announcements made by Nordax Bank AB (publ) (“Nordax”) on 4 March 2021 and 3 May 2021, Nordax announces today that it has completed due diligence and reached an agreement with Norwegian Finans Holding ASA (“NFH”) to launch a recommended voluntary cash offer (the “Offer”) to acquire the entire outstanding share capital in NFH. The Offer is supported by Nordic Capital Fund VIII<sup>1</sup>, Nordic Capital Fund IX<sup>2</sup> and Sampo Oyj.

A cash consideration of NOK 105 (the “Offer Price”) will be offered per share, which implies a total consideration for all the shares of approximately NOK 19.6 billion, and an improvement of NOK 15 per NFH share compared to the offer on 4 March 2021. The Offer Price is Nordax’s best and final, representing a premium of<sup>3</sup>:

- 37.2% to the closing price of the NFH share on Oslo Børs on 3 March 2021 of NOK 76.55, the day before Nordax published its intention to launch an offer
- 47.7% to the volume weighted average share price of the NFH share between 17 February 2021, the day NFH published its report for the fourth quarter of 2020, and 3 March 2021
- 51.1% to the volume weighted average share price of the NFH share for the three months ending on 3 March 2021
- 57.3% to the volume weighted average share price of the NFH share for the six months ending on 3 March 2021

Nordic Capital Fund IX<sup>4</sup> and Sampo Oyj, owning 16.40% and 6.33% respectively of the shares in NFH, have entered into conditional agreements to contribute their existing shares in NFH (the “Contributed Shares”) to Nordax in exchange for shares in Nordax. The agreements are conditional upon a successful completion of the Offer.

The offer document for the Offer is expected to be approved during the week of 2 August 2021, with the acceptance period commencing thereafter.

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<sup>1</sup> “Nordic Capital Fund VIII” refers to Nordic Capital VIII Limited, acting in its capacity as General Partner of Nordic Capital VIII Alpha, L.P. and Nordic Capital VIII Beta, L.P.

<sup>2</sup> “Nordic Capital Fund IX” refers to Nordic Capital IX Limited, acting in its capacity as General Partner of Nordic Capital IX Alpha, L.P. and Nordic Capital IX Beta, L.P. (Nordic Capital Fund VIII and/or Nordic Capital Fund IX together with any, or all, of their associated and predecessor and successor funds and vehicles, collectively “Nordic Capital”).

<sup>3</sup> Each reference share price adjusted for the dividend of NOK 5 distributed on 6 May 2021 to registered shareholders as of 27 April 2021 (“NFH Dividend”).

<sup>4</sup> The shares are owned by Cidron Xingu Limited, a company indirectly owned by Nordic Capital Fund IX.

Jacob Lundblad, CEO, Nordax Bank AB (publ), comments: “We are happy to launch a recommended, all-cash offer to all shareholders in Bank Norwegian. This offer is backed by Nordic Capital and Sampo and represents an attractive premium and a good opportunity for investors to realize their investment. We are impressed with the calibre of everyone at Bank Norwegian that we have met, and I think we are a great cultural fit. With the proposed transaction, we have an opportunity to create a stronger entity and the leading niche bank in Northern Europe.”

Christian Frick, Partner and Head of Financial Services, Nordic Capital Advisors<sup>5</sup>, comments: “A combination of Nordax and Bank Norwegian would enable a superior customer offering. By joining forces with Nordax, the combined bank will together have the necessary scale and resources to challenge the large incumbent banks.”

Patrick Lapveteläinen, Chief Investment Officer, Sampo Group, comments: “There is strong merit in a combination of Bank Norwegian and Nordax. The companies are a great fit and combined, they will have the scale and competitiveness to continue to innovate.”

### **Key Offer Terms and Conditions**

NFH shareholders will be offered NOK 105 per NFH share in cash consideration. It is Nordax’s best and final Offer Price. The Offer Price implies:

- A premium of 37.2% to the closing price of the NFH share on Oslo Børs on 3 March 2021 adjusted for the NFH Dividend, of NOK 76.55.
- A premium of 47.7% to the volume weighted average share price of the NFH share on Oslo Børs from 17 February 2021, the day NFH published its report for the fourth quarter of 2020, up to and including 3 March 2021, adjusted for the NFH Dividend, of NOK 71.08.
- A premium of 51.1% to the volume weighted average share price of the NFH share on Oslo Børs during the last three months up to and including 3 March 2021, adjusted for the NFH Dividend, of NOK 69.50.
- A premium of 57.3% to the volume weighted average share price of the NFH share on Oslo Børs during the last six months up to and including 3 March 2021, adjusted for the NFH Dividend, of NOK 66.77.
- A premium of 78.3% to the closing share price of the NFH share on Oslo Børs on 16 August 2019, the last trading day before the announcement of the acquisition of 17.47% by Nordic Capital Fund IX and Sampo Oyj, of NOK 58.90.
- A valuation of all shares in NFH of NOK 19.6 billion (based on 186,904,268 shares outstanding as per 7 July 2021).

The Offer Price will be reduced by the amount of any dividend or other distributions made by NFH.

The Offer will be subject to fulfilment or waiver by Nordax of customary conditions, including:

- A minimum acceptance level of 90% (including the 22.72% Contributed Shares), which in no event may be waived by Nordax below 2/3rds of the issued and outstanding share capital;
- All consents and approvals required from applicable financial regulatory and competition authorities in connection with the Offer shall have been obtained on terms satisfactory to Nordax;
- The board of NFH not having qualified, amended or withdrawn its recommendation of the Offer; and

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<sup>5</sup> Nordic Capital is advised by several non-discretionary sub-advisory entities, any or all of which is referred to as “Nordic Capital Advisors”.

- No material adverse change in the Company having occurred.

The Offer will not be subject to any financing condition. Nordax has completed its due diligence of NFH.

The complete details of the Offer, including all terms and conditions, will be contained in an offer document (the “Offer Document”) to be sent to the shareholders of NFH following review and approval by the Oslo Stock Exchange pursuant to Chapter 6 of the Norwegian Securities Trading Act. The Offer Document is expected to be approved during the week commencing 2 August 2021. The Offer may only be accepted on the basis of the Offer Document.

The acceptance period in the Offer will commence following publication of the Offer Document and is expected to last for 20 business days, subject to any amendments by Nordax. Barring unforeseen circumstances, it is expected that the Offer will be completed in the second half of 2021 following receipt of regulatory approvals.

NFH has announced that the merger between NFH and its subsidiary Bank Norwegian ASA (“Bank Norwegian”) is expected to be executed after market close on 20 July 2021, in which case the NFH shareholders will be shareholders in Bank Norwegian from 21 July 2021. Assuming such merger is executed as planned, the Offer will be made for the shares in Bank Norwegian on the same terms as set out herein.

### **Background and Transaction Rationale**

Nordax believes that Bank Norwegian has excellent opportunities to further grow through collaborating with Nordax for the next phase of its development. While the objective of Nordax is to acquire Bank Norwegian in full, Nordax also see substantial merit in becoming a majority shareholder.

Nordax has spent significant time and resources conducting in-depth due diligence on Bank Norwegian and sees a strong strategic rationale for the combination of Bank Norwegian and Nordax. Bank Norwegian and its organization, with its strong commercial focus, has built a solid position in the Nordic consumer finance market underpinned by a well-recognised brand, leading products and a large customer base with 1.74 million customers as of Q4 2020. Nordax, together with Nordic Capital and Sampo, intend to support the development of the Bank Norwegian brand and products. Nordax strongly believes that a combination will create a unique platform for continued expansion, in existing as well as new markets, and would enable the achievement of Bank Norwegian management’s growth objectives with the support from strong shareholders. Nordax places great value on Bank Norwegian’s management and employees and believes working together is crucial to achieving these objectives.

To Nordax, this is about bringing together two strong businesses, capitalizing on their respective strengths, collaborating and jointly innovating the European banking sector. Nordax firmly believes that Bank Norwegian and Nordax would be well positioned with a substantial total loan book of SEK 65 billion, complimentary distribution strengths, a best-in-class customer experience and a banking licence within the EU. This combination will enable further international expansion placing Nordax and Bank Norwegian in the driver’s seat of creating a leading pan-European consumer bank.

For further information, please see [www.collaborate-to-scale.com](http://www.collaborate-to-scale.com).

### **Advisors**

ABG Sundal Collier, DNB Markets, Goldman Sachs International and Melesio are acting as financial advisors to Nordax in the process. FCG Risk & Compliance AB is acting as advisor on governance, risk and compliance to Nordax. Advokatfirman Cederquist KB is acting as Swedish legal counsel and Advokatfirmaet Wiersholm AS is acting as Norwegian legal counsel to Nordax.

## **Media relations**

Peter Lindell, Brunswick Group

plindell@brunswickgroup.com

+46 761 28 03 03

## **About Nordax**

Nordax Bank AB (publ) is a leading specialist bank in Northern Europe owned by Nordic Capital Fund VIII and Sampo. As of 31 March 2021 we have around 273,000 private customers in Sweden, Norway, Finland, Denmark and Germany. We are a specialist bank that through responsible lending helps people make informed decisions for a life they can afford. We are a flexible complement to the major banks. Instead of quantity, we have specialised in a few selected products that we know best: personal loans, mortgages, equity release products and savings accounts. Since 2019, Svensk Hypotekspension, which is a specialist in equity release products, is a wholly owned subsidiary of Nordax. Nordax has around 350 employees, practically all of whom work from a central office in Stockholm. The credit assessment process is one of Nordax's core competencies. It is thorough, sound and data driven. Nordax's customers are financially stable. As of 31 March 2021, lending to the public amounted to SEK 29.0 billion and deposits amounted to SEK 27.9 billion.

Read more about Nordax on <http://www.nordaxgroup.com>.

## **Important notice**

This press release is for informational purposes only and is not an offer to buy or the solicitation of an offer to sell any securities. The Offer will only be made on the basis of an offer document approved by the Oslo Stock Exchange, and can only be accepted pursuant to the terms of such offer document. The Offer will not be made in any jurisdiction in which making of the Offer would not be in compliance with the laws of such jurisdiction or would require that an additional offer document is prepared or registration effected or that any other measures are taken in addition to those required under Norwegian law and regulations. This press release and any related Offer documentation are not being distributed and must not be mailed or otherwise distributed or sent in or into any country in which the distribution or offering would require any such additional measures to be taken or would be in conflict with any law or regulation in such country – any such action will not be permitted or sanctioned by Nordax. Any purported acceptance of the Offer resulting directly or indirectly from a violation of these restrictions may be disregarded.

## **Forward-looking information**

Statements in this press release relating to future status and circumstances, including statements regarding future performance, growth and other projections as well as the detailed terms and conditions of the Offer and whether the Offer will be completed, are forward-looking statements. These statements may generally, but not always, be identified by the use of words such as “anticipates”, “expects”, “believes”, or similar expressions. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Nordax. Any such forward-looking statements speak only as of the date on which they were made and Nordax has no obligation (and undertakes no such obligation) to update or revise any of them, whether as a result of new information, future events or otherwise, except for in accordance with applicable laws and regulations.