

EXPLANATION OF THE MANAGEMENT BOARD

Pursuant to Section 345 (1) of the Commercial Code, the management board shall provide a written explanation to the shareholders in advance as to why it is necessary to bar the pre-emptive subscription right and shall also justify the issue price of shares.

The share option programme (hereinafter "Option Programme") for the period 2017-2019 was approved by the resolution of the 11 December 2017 general meeting of Coop Pank AS (hereinafter "Bank"), pursuant to which the Bank has entered into option agreements with the persons named in the option programme ("Option Holders").

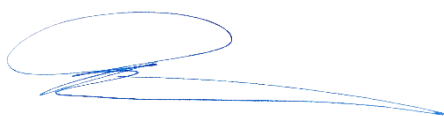
In order to execute the Option Programme, it is necessary to exclude the pre-emptive subscription rights of the existing shareholders for the shares issued to Option Holders in accordance with section 3.3.5 of the Articles of Association being amended.

The maturity of the options is three years from the moment the options are granted. The issue price of new shares, that the Option Holder undertakes to pay upon subscription of the shares, is the share's book value at the time of issuing the the options.

The table below summarizes the number and price of the shares represented by the issued options.

Issue date	Number of shares	Share price
September 2017	1,167,700	0.7305 euros
February 2018	540,310	0.7660 euros
August 2018	120,000	0.8057 euros
January 2019	70,000	0.8420 euros
Total	1,898,010	

Sincerely,



Magus Rink
Chairman of the Management Board
of Coop Pank AS