

Year-end report

January – December 2022

An abstract graphic featuring a large circle centered on the page. The circle is horizontally split: the top half is a vibrant teal color, and the bottom half is a bright yellow color. This circle is set against a background that is also horizontally split. The top half of the background is a dark teal, and the bottom half is a deep orange. A larger, semi-transparent teal circle is positioned behind the central circle, creating a layered effect. The overall composition is clean and modern, with a strong color palette of teal, yellow, and orange.

Rəsurs

Second half of the year

+12%

LENDING GROWTH

SIGNIFICANT EVENTS

In the second half of the year, we entered into a partnership with JYSK in Sweden, encompassing all of the company's just over 150 stores. This follows Resurs and JYSK's many years of successful partnership in the Finnish and Norwegian markets.

Resurs Bank became an official Signatory of the UN Principles for Responsible Banking (PRB), a single framework for a sustainable banking industry developed through a partnership between banks worldwide and the United Nations Environment Programme Finance Initiative (UNEP FI). Finansinitiativ (UNEP FI).

+9%

GROWTH IN OPERATING INCOME

16.5%

TOTAL CAPITAL RATIO
(REGULATORY REQUIREMENT 13.5%)

For the second half of the year, we can summarise a strong end to the year, featuring healthy growth. The development of the cloud-based core banking system is proceeding according to plan. In other words, we continued on our transformation journey at high intensity, just as we did earlier in 2022.

NILS CARLSSON, CEO RESURS BANK AB

JANUARY–DECEMBER 2022

Year-end report

1 JULY – 31 DECEMBER 2022*

- Lending to the public rose 12% to SEK 37,187 million, up 8% in constant currencies.
- Operating income increased 9% till SEK 1,662 million.
- C/I before credit losses was 40.6% (41.4%).
- Earnings before credit losses increased 10% to SEK 987 million.
- Last year's figure was positively impacted by a nonrecurring item of SEK 73 million due to the dissolution of the extra credit provision that was made at the start of the pandemic
- The credit loss ratio exclusive the nonrecurring items amounted to 2.4% (2.1%), inclusive the dissolution of the pandemic provision last year amounted to 1.7%.
- Operating profit was stable and amounted to SEK 554 million, inclusive the dissolution of the pandemic provision last year result decreased with 11%.

1 JANUARY – 31 DECEMBER 2022*

- Lending to the public rose 12% to SEK 37,187 million, up 8% in constant currencies.
- Operating income increased 4% to SEK 3,204 million.
- 2022 included a nonrecurring cost of SEK 50 million as a result of the Swedish Financial Supervisory Authority's (Finansinspektionen) decision to issue an administrative fine. Last year's figure was also impacted by a nonrecurring item of SEK 73 million due to the dissolution of the extra credit provision that was made at the start of the pandemic, and an adjustment to the tax calculation, which resulted in SEK 49 million in lower tax expense.
- C/I before credit losses was 41.0% (41.3%), including nonrecurring items 42.6%.
- Earnings before credit losses increased 4% to SEK 1,889 million, inclusive nonrecurring cost of SEK 50 million the increase was 1%.
- The credit loss ratio amounted to 2.2% (2.2%), including the nonrecurring items last year 2.0%.
- Operating profit rose 1% to SEK 1,100 million, declined 10% including the nonrecurring items.

* Certain performance measures provided in this section have not been prepared in accordance with IFRS or the capital adequacy rules, meaning that they are alternative performance measures. Calculations and reconciliation against information in the financial statements of these performance measures are provided on the website under "Financial reports." Definitions of performance measures are provided in this report on page 32.

This report is a translation of the Swedish financial report. In case of differences between the English and the Swedish translation, the Swedish text shall prevail.

About Resurs Bank

Resurs Bank (Resurs), is the leader in retail finance in the Nordic region, offering payment solutions, consumer loans and niche insurance products. Since its start in 1977, Resurs Bank has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce, and Resurs has thus built a customer base of approximately 6 million private customers in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of Finansinspektionen. The Resurs Group operates in Sweden, Denmark, Norway and Finland. At the end of the second half of the year 2022, the Group had 645 employees and a loan portfolio of SEK 37.2 billion.

Our partners

We partner with a wide variety of major brands and help them prepare flexible payment options for shopping.



Strong end to the year, featuring healthy growth

Resurs broke the trend in the second half of 2022 and is yet further confirmation of this positive performance. Lending rose and after successfully making price adjustments, the margin improved compared with the first half of the year. In the second half, we also expanded our successful partnership with JYSK to include the Swedish market.

Strong growth in income. The second half of the year for Resurs meant healthy income growth and a continuing strong and stable financial position. The 12% year-on-year growth in lending shows that Resurs's customer offering is robust and competitive even in more challenging times.

+9%

Income growth

Total operating income for the last period increased 9 per cent to SEK 1,662 million (1,529) primarily depending on the lending growth. Compared with the first half of the year, the NBI margin performed positively and increased 0.2-percentage points to 9.3 per cent due to the active price adjustments during the period.

Expenses increased 6 per cent year on year and the C/I ratio improved to 40.6 per cent (41.4 per cent). The relocation of our Norwegian customer service operations to Sweden commenced in the second half of the year. We are doing this to enhance the level of customer service and to increase efficiency. The initiative is expected to be completed in the first half of 2023 but entailed increased expenses for the last period of 2022.

Operating profit during the last half of the year to a total SEK 554 million and was in line with same period last year. The credit loss ratio excluding the resolution of the pandemic reservation increased to 2.4 per cent (2.1 per cent) due to the strong growth in the loan portfolio and higher provisions in our macro model due to the prevailing global situation and slightly higher volumes in delay status.

We are monitoring economic developments in society and are continuing our methodical efforts to manage the impact that the challenges in the economy may entail for certain customer groups.

Strong end to the year for Payment Solutions. Payment Solutions reported healthy growth in the second half of the year with both Black Friday and the Christmas shopping period contributing to a strong increase in lending. Compared with the first half of the year the margin also improved due to our continued work to optimise pricing.

We have worked together with JYSK in Norway and Finland for several years and in the end of the year JYSK in Sweden decided to initiate a partnership with us. Resurs's offering in physical stores and online now extends across the entire Nordic region. Our ability to offer the same frictionless customer journey in all the Nordic countries, regardless of sales channel, is often one of the reasons that the retail industry chooses to partner with Resurs.

Long-term agreement with Komplettn strengthens B2B.

The factoring partnership with Komplettn, one of the largest online retailers in the Nordic region, performed according to plan and the final negotiations for a long-term factoring agreement were completed during the second half of the year with two Norwegian and three Swedish companies in the Komplettn Group. An integral part of our transformation journey is to develop and strengthen our position in B2B services in the Nordic market and the partnership with Komplettn is a result of this.

Growth and higher profitability in Consumer Loans.

Lending growth for Consumer Loans for the last period was 10 per cent. A large share of this growth is from own channels, which shows that our focus on strengthening lending in own channels, for which acquisition costs are lower and profitability higher, has started to generate effects. The strategy of prioritising higher profitability ahead of volume growth remains firm, and several interest-rate adjustments were made during the period to ensure a continuing stable margin. Moving forward, the focus for Consumer Loans is to continue to automate and improve the customer journey in all markets, while we also further develop the customer offering for loans with collateral in Norway.



Growth in a turbulent world. For the second half of the year, our business environment remained characterised by uncertainty. We could see that general demand for loans was high but moving forward could be affected by changes in the macro-economic situation and the trend in inflation. A decline in sales in the retail sector is a negative factor, but the greater need for flexible financing solutions and loans helps fuel demand. To manage the prevailing situation and allow for customers' higher living costs, we made rigorous adjustments to the credit assessment in the autumn, which is in line with the bank's conservative approach to credit risk. Notwithstanding this, we noted healthy growth in the loan portfolio in the period, confirmation that our customer offering is strong and competitive.

Strong and stable financial position. We work continuously to optimise our capital structure to ensure high returns and also enable future growth. In the second half of the year, we announced that the method for calculating operational risk had been changed, which strengthened our capital ratio by 1.1 percentage point. We have followed a structured and conservative approach regarding financing and liquidity for a long time, which serves us well in the current situation. At year-end, the Liquidity Coverage Ratio amounted to 276 per cent, meaning 176 percentage points above the statutory requirement.

Next step in sustainability efforts. In December, Resurs Bank became an official Signatory of the UN Principles for Responsible Banking, a single framework for a sustainable banking industry developed through a partnership between banks worldwide. This is yet more evidence of our ambitions to be a sustainable and responsible player in the financial market.

We also launched a digital course in everyday finances: My Economy. The course is for everyone who wants to learn how to build long-term sustainable everyday finances.

Everyone needs to improve their skills in finances, but it is especially important for young people. Far too many young people today lack understanding of their private finances, which leads to unsound financial decisions with long-term consequences. In the autumn, Resurs raised its ambition level in the area of young people and their finances, for example, by appointing a Youth Ambassador whose day-to-day job is in our Customer Service operations.

Banking system continuing according to plan. The development of the cloud-based core banking system is proceeding according to plan. This work continued in the second half of the year and the first external services will be launched for customers in the first half of 2023.

We broke the trend in the second half of 2022. In summary, I can state that despite 2022 being a turbulent year in the world it was a stable year for Resurs. We have turned around a number of trends by applying our target-oriented efforts in line with our transformation journey. Excluding nonrecurring items and net income from financial transactions, profit increased 7 per cent year-on-year.

I am proud that we are seeing these positive trends and that we are delivering on the transformation journey we embarked on at the end of 2020. This would never have been possible without all the dedicated employees who every day make Resurs stronger with their commitment and skills. We will continue our intensive efforts towards an even better Resurs in 2023!

Nils Carlsson
CEO Resurs Bank

Performance measures

SEKM UNLESS OTHERWISE SPECIFIED	JUL-DEC 2022	JUL-DEC 2021	CHANGE	JAN-DEC 2022	JAN-DEC 2021	CHANGE
Operating income	1,662	1,529	9%	3,204	3,086	4%
Operating profit	554	626	-11%	1,050	1,167	-10%
Operating profit excl. nonrecurring items	554	552	0%	1,100	1,094	1%
Net profit for the period	437	524	-17%	816	947	-14%
Net profit for the period excl. nonrecurring items ¹⁾	437	417	5%	866	840	3%
C/I before credit losses, %*	40.6	41.4		42.6	41.3	
C/I before credit losses, excl. nonrecurring items, %*	40.6	41.4		44.2	41.3	
Common Equity Tier 1 ratio, %	14.9	14.8		14.9	14.8	
Total capital ratio, %	16.5	16.3		16.5	16.3	
Lending to the public	37,187	33,347	12%	37,187	33,347	12%
NIM, %*	7.5	7.7		7.4	7.9	
Risk-adjusted NBI margin, %*	6.9	7.8		6.8	7.6	
NBI margin, %*	9.3	9.5		9.1	9.6	
Credit loss ratio, %*	2.4	1.7		2.2	2.0	
Credit loss ratio, excl. nonrecurring items, %*	2.4	2.1		2.2	2.2	
Return on equity excl. intangible assets (RoTE), %*	16.7	20.3		15.7	18.2	
Return on equity excl. intangible assets, (RoTE), excl. nonrecurring items, %* ¹⁾	16.8	16.0		16.7	16.0	

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1) Adjustment of comparative figure 2021 due to non-recurring item + SEK 48,745 thousand regarding changed tax method.



Performance measures business lines

PAYMENT SOLUTIONS

SEKM UNLESS OTHERWISE SPECIFIED	JUL-DEC 2022	JUL-DEC 2021	CHANGE	JAN-DEC 2022	JAN-DEC 2021	CHANGE
Lending to the public at end of the period	13,045	11,463	14%	13,045	11,463	14%
Operating income	666	606	10%	1,269	1,239	2%
Operating income less credit losses	565	521	8%	1,095	1,074	2%
Risk-adjusted NBI margin, %	9.1	9.4		8.9	9.6	
Credit loss ratio, %	1.6	1.5		1.4	1.5	

CONSUMER LOANS

SEKM UNLESS OTHERWISE SPECIFIED	JUL-DEC 2022	JUL-DEC 2021	CHANGE	JAN-DEC 2022	JAN-DEC 2021	CHANGE
Lending to the public at end of the period	24,142	21,884	10%	24,142	21,884	10%
Operating income	996	923	8%	1,935	1,847	5%
Operating income less credit losses	664	737	-10%	1,320	1,367	-3%
Risk-adjusted NBI margin, %	5.7	7.0		5.7	6.5	
Credit loss ratio, %	2.8	1.8		2.7	2.3	

Group results*

Second half of the year 2022, July – December

OPERATING INCOME

The Group's operating income increased 9 per cent to SEK 1,662 million (1,529). Excluding the Net income from financial transactions the income increased 9 per cent year on year.

Net interest income increased 8 per cent to SEK 1,338 million (1,239), with interest income amounting to SEK 1,666 million (1,419) and interest expense to SEK –328 million (–180). The higher interest expense was the result of higher financing volumes and increased market interest rates. The higher interest income was also the result of increased volumes and price adjustments made due to higher interest rates.

Fee & commission income amounted to SEK 259 million (219) and fee & commission expenses to SEK –35 million (–32), resulting in total net commission of SEK 224 million (187). The higher fee & commission income was mainly due to our strong lending growth.

9%

Operating income for the second half of the year

Net income from financial transactions was SEK -7 million (1). Other operating income, mainly comprising remuneration from lending operations, amounted to SEK 107 million (102).

OPERATING EXPENSES

The Group's expenses before credit losses increased 6 per cent to SEK –675 million (–632) mainly as a result of higher variable costs. The C/I ratio improved since income increased

more than costs. Viewed in relation to the operations' income, the cost level amounted to 40.6 per cent (41.4 per cent).

Credit losses totalled SEK –433 million (–344 excluding the dissolution of the pandemic provision in the second half of the year 2021 of SEK 73 million). The credit loss ratio was 2.4 per cent (2.1 per cent excluding the dissolution in the second half of the year 2021). The increase was due to higher provisions due to the growth in the loan portfolio, the negative economic outlook that impacted the loss allowance based on the IFRS 9 macro model and slightly higher volumes in delay status, which increased the loss allowance.

PROFIT

Operating profit excluding nonrecurring items totalled SEK 554 million (552). Operating profit including nonrecurring items totalled SEK 554 million (626). Tax expense for the second half of the year totalled SEK -117 million (-101). Excluding the nonrecurring effect of the changed tax method, tax for the period July–December 2021 was SEK -150 million. Net profit for the period amounted to SEK 437 million (524), excluding nonrecurring items the Net profit increased 5 per cent.

40.6%

C/I ratio

SHARE OF LENDING TO THE PUBLIC BY COUNTRY, NET



50%
Sweden



19%
Norway



19%
Finland



12%
Denmark

Group results*

January – December 2022

OPERATING INCOME AND EXPENSES

The Group's operating income increased 4 per cent to SEK 3,204 million (3,086). Excluding net income from financial transactions, income increased 5 per cent compared with the year-earlier period.

Net interest income increased 3 per cent to SEK 2,613 million (2,535), with interest income amounting to SEK 3,131 million (2,899) and interest expense to SEK –518 million (–364). The higher interest expense was the result of higher financing volumes and increased market interest rates. The higher interest income was also the result of increased volumes and price adjustments made due to higher interest rates.

Fee & commission income amounted to SEK 485 million (418) and fee & commission expenses to SEK –74 million (–71), resulting in total net commission of SEK 411 million (347). The higher fee & commission income was mainly due to our strong lending growth.

Net income from financial transactions was SEK –31 million (3) primarily due to the decline in the value of interest-bearing securities, mainly as a result of market turmoil and volatility in capital markets.

The Group's expenses before credit losses excluding the administrative fine of SEK 50 million increased 3 per cent to SEK –1,315 million (–1,274). Expenses including the administrative fine amounted to SEK –1,365 million. Viewed in relation to the operations' income, the cost level (excluding the administrative fine) fell to 41.0 per cent (41.3 per cent) but including the administrative fine amounted to 42.6 per cent.

Credit losses amounted to SEK –789 million (–718 excluding the dissolution of the credit provision of SEK 73 million in the second half of the year 2021 that was made in connection with the pandemic).

The credit loss ratio was 2.2 per cent (2.2 per cent excluding reversal of the pandemic provision). The risk adjusted NBI margin was 6.8 per cent (7.6 per cent).

PROFIT

Operating profit excluding nonrecurring items amounted to SEK 1,100 million (1,094). Reported operating profit totalled SEK 1,050 million (1,167). Reported net profit for the period amounted to SEK 816 million (947). Tax expense for the period amounted to SEK –234 million (–220), corresponding to an effective tax rate of 22.3 per cent (23.0 percent per cent excluding the nonrecurring effect of the changed tax method in 2021). Growth in profit excluding nonrecurring items and net income from financial transactions was 3 percent compared with the year-earlier period.

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Financial position on 31 December 2022*

Comparative figures in this section refer to 31 December 2021.

The Group's financial position is strong and on 31 December 2022 the capital base amounted to SEK 5,513 million (5,345) in the consolidated situation, comprising the Parent Company, Resurs Holding and the Resurs Bank Group. The total capital ratio was 16.5 per cent (16.3 per cent) and the Common Equity Tier 1 ratio was 14.9 per cent (14.8 per cent). During the period, Resurs and the consolidated situation changed the method for calculating operational risk, which strengthened the capital ratio by approximately 1.1 percentage points.

In 2022, Denmark, Norway and Sweden raised their buffer requirements that had been reduced during the COVID-19 period. This meant that Resurs's countercyclical capital buffer provision amounted to 1.1 per cent (0.2 per cent). The regulatory capital requirement on 31 December 2022 amounted to 9.2 per cent for the Common Equity Tier 1 ratio and 13.5 per cent for the total capital ratio.

Lending to the public amounted to SEK 37,187 million (33,347) on 31 December 2022, representing a 12 per cent increase, and an 8 per cent increase excluding currency effects. The specification of lending on 31 December 2022 was as follows: Sweden 50 per cent, Norway 19 per cent, Finland 19 per cent and Denmark 12 per cent.

In addition to capital from shareholders and bond investors, the operations are financed by deposits from the public. The Group is working actively on various sources of financing to create and maintain diversified financing for the long term.

On 31 December 2022, deposits from the public totalled SEK 32,174 million (26,287). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 6,608 million (7,872). Liquidity remained extremely healthy,

and the liquidity coverage ratio (LCR) was 276 per cent (240 per cent) in the consolidated situation. The minimum statutory LCR is 100 per cent.

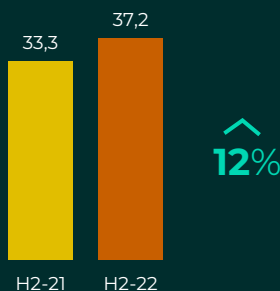
Lending to credit institutions on 31 December 2022 amounted to SEK 4,362 million (4,366). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 3,130 million (2,451). The Group has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 2,160 million (1,979), and primarily comprised the goodwill that arose in the acquisition of Finaref and Danaktiv in 2014 and yA Bank in 2015.

Cash flow from operating activities amounted to SEK 2,484 million (372). Cash flow from deposits amounted to SEK 5,698 million (966) and the net change in investment assets totalled SEK -674 million (523). Cash flow from investing activities for the year totalled SEK -199 million (-113). Cash flow from financing activities was SEK -2,046 million (282), and the difference compared with the year-earlier period was the maturity of issued securities and subordinated debt.

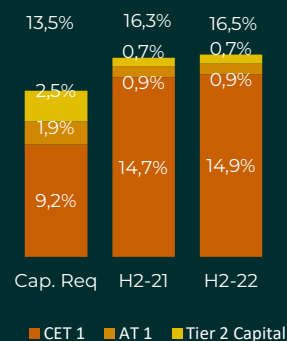
276%
Liquidity Coverage Ratio
(Lagstadgat krav 100%)

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

CAPITAL POSITION, CONSOLIDATED SITUATION



Strong growth and improved margin in the end of the year

SECOND HALF 2022, JULY-DECEMBER

Black Week and Christmas shopping contributed to high sales. The second half of the year included both Black Week and the Christmas shopping period, both of which positively impacted our sales. Due to the situation in the world, we saw slightly lower demand than in prior years, but we continued to report a better trend in our lending compared with the retail sector as a whole. One of the reasons for this is that our offering featuring flexible instalment payments is normally appreciated even more by customers in uncertain times for private finances if unforeseen costs were to arise.

Resurs – a stable partner to count on across the Nordic region. In the second half of the year, we entered into a partnership with JYSK in Sweden, encompassing all of the company's just over 150 stores. This follows Resurs and JYSK's many years of successful partnership in the Finnish and Norwegian markets. Resurs's offering in physical stores and online now extends across the entire Nordic region. Our ability to offer the same easy customer journey in all of the Nordic countries, regardless of sales channel, is often one of the reasons that the retail industry chooses to partner with Resurs.

Cluster-focus generates results. Over the past year, we have talked about our focus on different types of industries. Dental care is one example and during the period a new partnership was entered into with the private start-up MyDentist, which wants to change the dentistry industry with its generous opening hours and high availability. MyDentist chose to partner with Resurs thanks to the ability to offer its customers instalment plans with a fixed monthly price for its about ten practices throughout Sweden.

Resurs Cards. In the second half of the year, credit card sales remained favourable and the positive trend in new sales of credit cards in the company's own channels resulted in a new sales record in December. Our card offering featuring a

range of payment options is particularly appreciated in these uneasy times since it allows for individual flexibility.

Factoring partnership with Komplettn performing well. An interim agreement for factoring was signed with one of the companies in the Komplettn Group at the end of August. This partnership was further developed in the last period and a long-term factoring agreement with two Norwegian and three Swedish companies in the Komplettn Group was signed. The Norwegian companies were added according to schedule at the end of 2022 and the Swedish companies are expected to join in the first half of 2023.

Financial performance. Lending to the public on 31 December 2022 increased 14 per cent to SEK 13,045 million (11,463). In constant currencies, the loan portfolio increased 10 per cent year-on-year. Operating income totalled SEK 666 million (606), up 10 per cent compared with the same period in 2021. The year-earlier period included a nonrecurring cost of SEK 8 million. The NBI margin decreased 0.1 per cent compared with last year and amounted to 10.8 per cent (10.9 per cent).

Credit losses for the period increased both in absolute terms and as a percentage of lending, which was mainly an effect of both the strong growth in lending and slightly higher volumes in delay status.

JANUARY-DECEMBER 2022

Lending to the public as of 31 December 2022 had increased 14 per cent to SEK 13,045 million (11,463). Operating income increased to SEK 1,269 million (1,239). Credit losses for the year increased in absolute terms but declined as a percentage of lending, which was mainly an effect of the strong growth in lending.

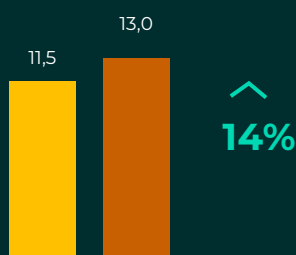
ABOUT PAYMENT SOLUTIONS

The Payment Solutions business segment comprises the business lines Retail Finance, Cards and B2B. Within retail finance, Resurs is a leading omni-partner for finance, payment and loyalty solutions in the Nordic region.

Cards includes the Resurs credit and payment cards that enable retail finance partners to promote their own brands. The B2B area primarily focuses on invoice factoring and invoice discounting for small and mid-sized companies.

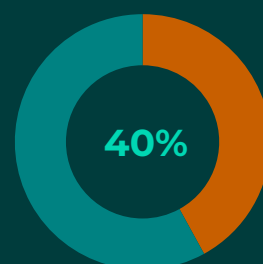
Resurs Bank
year-end report 2022

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

PERCENTAGE OF OPERATING INCOME, JAN-DEC 2022



CONSUMER LOANS

Adjustments to new interest rate climate

SECOND HALF 2022, JULY-DECEMBER

In the second half of the year, lending for Consumer Loans amounted to SEK 24,142 million, corresponding to growth of 10 per cent compared with last year. A large share of this growth is from own channels, which shows that the focus on strengthening lending in own channels, for which acquisition costs are lower and profitability higher, has started to generate effects. The strategy of prioritising higher profitability ahead of volume growth remains firm, and several interest-rate adjustments were made during the period to compensate for higher interest expense and ensure future profitability.

Sales record in Sweden. The Swedish market performed strongly during the last period despite several price adjustments that have been made. In particular, the share of lending through own channels increased. This shows that the investments made to enhance the online experience and Resurs's ability to make improvements to risk assessments are contributing to profitable growth.

Focus on secured loans in Norway. The share of lending in own channels has increased, which is a result of a greater focus on reducing dependence on external channels for new sales. The market for loans with collateral in residential properties is growing and during the last half of the year Resurs's offering was developed to meet customer needs.

Continuing growth in Finland. We are continuing to grow in Finland and the loan portfolio grew year-on-year and lending in own channels increased during the period. More and more customers than previously are choosing to apply for loans directly with Resurs than via a broker due to our continuing work on optimising pricing.

Continuing improvements in Denmark. Demand was slightly lower in the period compared with last year, probably the result of higher uncertainty in the world. As in previous periods, continuing improvements have been made to the customer journey, with a focus on boosting lending.

Financial performance. Lending to the public as of 31 December 2022 totalled SEK 24,142 million (21,884), corresponding to a 10 per cent increase in SEK. In constant currencies the increase was 7 per cent. Operating income for the period rose 8 per cent to SEK 996 million (923). The NBI margin amounted to 8.5 per cent (8.7 per cent) and declined primarily due to a lower margin in the Norwegian market. Credit losses for the period increased both in absolute terms and as a percentage of lending due to growth in the loan portfolio and higher provisions due to negative economic forecasts that affect the loss allowance based on the IFRS 9 macro model, and slightly higher volumes in delay statuses.

JANUARY-DECEMBER 2022

Lending to the public as of 31 December 2022 amounted to SEK 24,142 million (21,884). Operating income for the period increased 5 per cent to SEK 1,935 million (1,847). Credit losses for the year increased in absolute terms due to strong growth in lending. Excluding last year's dissolution of the pandemic provision, credit losses as a percentage of lending were stable.

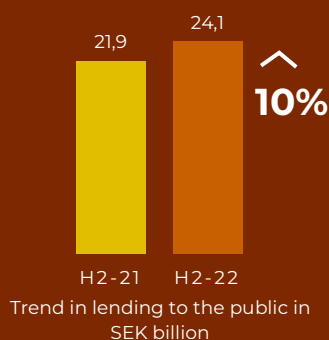
ABOUT CONSUMER LOANS

The Consumer Loans segment offers consumer loans, i.e. unsecured loans, and secured loans with collateral in residential properties in the Nordic market.

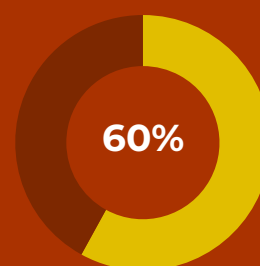
A consumer loan is normally used to finance larger purchases and investments.

Consumer Loans also helps consumers to consolidate their loans with other banks, in order to reduce their monthly payments or interest expense.

LENDING TO THE PUBLIC



PERCENTAGE OF OPERATING INCOME, JAN-DEC 2022



Significant events

Resurs Bank Signatory of UN Principles for Responsible Banking

Resurs Bank became an official Signatory of the UN Principles for Responsible Banking (PRB), a single framework for a sustainable banking industry developed through a partnership between banks worldwide and the United Nations Environment Programme Finance Initiative (UNEP FI).

Resurs Bank AB received approval in November to change method for calculating capital requirement for operational risk

Finansinspektionen approved Resurs's application to use the standardised approach for calculating the capital base requirement for operational risks. The approval has strengthened Resurs's capital situation.

Resurs signed a factoring agreement with Komplet ASA

In August, Resurs Bank signed a factoring agreement with Komplet ASA, one of the largest Nordic e-commerce companies and a leader in the distribution and resale of office and home electronics.

Resurs entered into a partnership with Skandia for mortgage brokering

Resurs increased its product portfolio with mortgages through a collaboration with Skandia in September. The focus of the partnership will be on offering Swedish consumers green mortgages for sustainable investments in the home.

Resurs Bank appealed Finansinspektionen's decision in order to gain clarity on the application of the Swedish Consumer Credit Act

Resurs Bank is taking measures to fully comply with the requirements stipulated in the decision of Finansinspektionen on 21 June. In parallel, the Board of Resurs Bank decided to appeal the decision since the bank believes that the application of the Consumer Credit Act is unclear. Resurs Bank has a robust credit assessment process, which Resurs Bank's low and stable credit losses also bear witness to.

Resurs acquired operations for sustainable home energy investments

Resurs acquired Hemma Sverige AB in June and thus expanded its customer offering giving private individuals the opportunity to

invest in sustainable energy solutions in the home. The operation includes a platform for distributing green loans.

Resurs Bank extends its ABS financing – a sign of strength and trust

In line with Resurs's strategy of long-term diversified financing, Resurs Bank extended its existing ABS financing in June. The financing framework is for SEK 2 billion and is being carried out with JP Morgan Chase Bank.

Finansinspektionen issued a remark and an administrative fine of SEK 50 million to Resurs

Finansinspektionen decided in June to issue a remark and an administrative fine of SEK 50 million to Resurs Bank, following an examination of credit assessments by players in the consumer credit market. Resurs has appealed the decision to the Administrative Court.

Resurs Bank and Payer entering a strategic partnership to develop subscription solutions for the Nordic retail market

There is a growing demand for payment solutions that contribute to the circular economy. Resurs Bank wants to offer its Nordic retail partners an end-to-end concept for subscriptions and has now entered into a strategic partnership with the fintech platform Payer.

NCR confirms credit rating of BBB, stable outlook, for Resurs Bank

In March, Resurs Bank received an update from the rating company Nordic Credit Rating. The rating of BBB, stable outlook was confirmed

Early repayment of subordinated loan in Resurs Bank

In January, Resurs Bank AB repaid in advance a subordinated loan of SEK 300,000,000 that was issued on 17 January 2017.

After the end of the period

There were no significant events after the end of the period.



Other information

RISK AND CAPITAL MANAGEMENT

The Group's ability to manage risks and conduct effective capital planning is fundamental to its profitability. The business faces various forms of risk including business risks/strategic risks, credit risks, market risks, liquidity and financing risks and operational risks. The Board has established operational policies with the aim of balancing the Group's risk taking, and to limit and control risks. All policies are updated as necessary and revised at least once annually. The Board and CEO are ultimately responsible for risk management. A more detailed description of the bank's risks, liquidity and capital management is presented in the most recent annual report.

INFORMATION ON OPERATIONS

Resurs Bank AB conducts banking operations in the Nordic countries. Operations are primarily consumer-oriented and are licensed by the Swedish Financial Supervisory Authority. Consumer lending is subdivided into retail finance loans, consumer loans, MasterCard credit cards, and deposits. Retail finance loans are offered to finance both traditional in-store purchases and online purchases. Operations in Finland are conducted through branch office Resurs Bank AB Suomen sivuliike (Helsinki), in Denmark through branch office Resurs Bank filial af Resurs Bank (Vallensbæk Strand) and in Norway through branch office Resurs Bank AB NUF (Oslo). Resurs Bank also operates in deposits via cross-border operations in Germany.

EMPLOYEES

There were 645 full-time employees within the Group 31 December 2022, up 18 since 30 June 2022 and up 30 since the end of 2021. The increase in the number of employees was primarily due to the expansion of Customer Service in Sweden due to the relocation of the Norwegian Customer Service operations, while the personnel reduction in the Norwegian operations will have a delay of one quarter.

645 st

number of employees

STEFAN NODERÉN APPOINTED INTERIM CFO DURING SOFIE TARRING LINDELL'S PARENTAL LEAVE

Stefan Noderén, Chief Credit & NPL Officer, has been serving as interim CFO and Head of IR since 15 November 2022 during Sofie Tarring Lindell's parental leave. The parental leave is planned to extend to summer 2023. During this period, Stefan Noderén will continue to serve in the role of Chief Credit & NPL Officer.



The Board's assurance

This interim report has not been audited.

The Board of Directors and the CEO certify that this interim report provides a fair review of the Group's and the Parent Company's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent Company and Group companies.

Helsingborg, 6 February 2023

Nils Carlsson

Nils Carlsson
CEO

Board of Directors,

Martin Bengtsson

Martin Bengtsson
Chairman of the Board

Fredrik Carlsson

Fredrik Carlsson
Board member

Susanne Ehnåge

Susanne Ehnåge
Board member

Magnus Fredin

Magnus Fredin
Board member

Lars Nordstrand

Lars Nordstrand
Board member

Marita O Engström

Marita Odélius Engström
Board member

Pia-Lena Olofsson

Pia-Lena Olofsson
Board member

Kristina Patek

Kristina Patek
Board member

Mikael Wintzell

Mikael Wintzell
Board member

Summary financial statements — Group

Condensed income statement

SEK thousand	Note	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest income	G5	1,665,859	1,419,024	3,130,644	2,899,172
Interest expense	G5	-327,876	-180,084	-517,523	-364,019
Fee & commission income		259,362	218,512	484,949	417,858
Fee & commission expense		-35,208	-31,873	-73,691	-70,500
Net income/expense from financial transactions		-7,007	1,243	-31,405	3,145
Other operating income	G6	107,240	101,834	211,076	200,698
Total operating income		1,662,370	1,528,656	3,204,050	3,086,354
General administrative expenses	G7	-594,436	-552,938	-1,206,576	-1,113,919
Depreciation, amortisation and impairment of intangible and tangible fixed assets		-41,317	-41,059	-83,270	-82,150
Other operating expenses		-39,151	-38,340	-75,223	-77,953
Total expenses before credit losses		-674,904	-632,337	-1,365,069	-1,274,022
Earnings before credit losses		987,466	896,319	1,838,981	1,812,332
Credit losses, net	G8	-433,315	-270,782	-788,607	-644,924
Operating profit/loss		554,151	625,537	1,050,374	1,167,408
Income tax expense		-117,059	-101,268	-234,308	-220,094
Net profit for the period		437,092	524,269	816,066	947,314
Attributable to Resurs Bank AB shareholders		437,092	524,269	816,066	947,314

Statement of comprehensive income

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net profit for the period	437,092	524,269	816,066	947,314
Other comprehensive income that will be reclassified to profit/loss				
Translation differences for the period, foreign operations	26,641	33,686	33,278	76,395
Total comprehensive income for the period	463,733	557,955	849,344	1,023,709
Attributable to Resurs Bank AB shareholders	463,733	557,955	849,344	1,023,709

Condensed statement of financial position

SEK thousand	Note	31 Dec 2022	31 Dec 2021
Assets			
Cash and balances at central banks		231,607	215,590
Treasury and other bills eligible for refinancing		2,420,754	1,803,015
Lending to credit institutions		4,362,212	4,366,290
Lending to the public	G9	37,186,519	33,346,940
Bonds and other interest-bearing securities		708,871	647,948
Shares and participating interests		11,650	11,460
Intangible fixed assets		2,159,943	1,979,082
Tangible assets		118,201	122,226
Other assets		383,726	269,953
Prepaid expenses and accrued income		154,789	137,181
TOTAL ASSETS		47,738,272	42,899,685
Liabilities, provisions and equity			
Liabilities and provisions			
Deposits and borrowing from the public		32,173,628	26,286,626
Other liabilities		826,563	821,912
Accrued expenses and deferred income		331,118	222,386
Other provisions	G10	17,299	18,470
Issued securities		6,607,684	7,871,893
Subordinated debt		299,749	599,511
Total liabilities and provisions		40,256,041	35,820,798
Equity			
Share capital		500,000	500,000
Other paid-in capital		2,175,000	2,175,000
Translation reserve		74,121	40,843
Retained earnings incl. profit for the year		4,733,110	4,363,044
Total equity		7,482,231	7,078,887
TOTAL LIABILITIES, PROVISIONS AND EQUITY		47,738,272	42,899,685

See Note G11 for information on pledged assets, contingent liabilities and commitments.

Statement of changes in equity

SEK thousand

	Share capital	Other paid- in capital	Translation reserve	Retained earnings incl. profit for the year	Total equity
Initial equity at 1 January 2021	500,000	2,175,000	-35,552	4,505,730	7,145,178
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-458,000	-458,000
Dividends according to Extraordinary General Meeting				-632,000	-632,000
Net profit for the year				947,314	947,314
Other comprehensive income for the year			76,395		76,395
Equity at 31 December 2021	500,000	2,175,000	40,843	4,363,044	7,078,887
Initial equity at 1 January 2022	500,000	2,175,000	40,843	4,363,044	7,078,887
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-262,000	-262,000
Dividends according to Extraordinary General Meeting				-184,000	-184,000
Net profit for the year				816,066	816,066
Other comprehensive income for the year			33,278		33,278
Equity at 31 December 2022	500,000	2,175,000	74,121	4,733,110	7,482,231

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Dec 2022	Jan-Dec 2021
Operating activities		
Operating profit	1,050,374	1,167,408
- of which, interest received	3,125,897	2,896,825
- of which, interest paid	-494,386	-360,888
Adjustments for non-cash items in operating profit	930,228	737,255
Tax paid	-330,929	-405,018
Cash flow from operating activities before changes in operating assets and liabilities	1,649,673	1,499,645
Changes in operating assets and liabilities		
Lending to the public	-3,510,637	-2,483,218
Other assets	-724,162	-89,813
Liabilities to credit institutions		-107,400
Deposits and borrowing from the public	5,697,918	966,066
Acquisition of investment assets ¹⁾	-3,044,694	-3,131,431
Divestment of investment assets ¹⁾	2,370,345	3,654,153
Other liabilities	45,203	64,526
Cash flow from operating activities	2,483,646	372,528
Investing activities		
Acquisition of intangible and tangible fixed assets	-199,649	-113,333
Divestment of intangible and tangible fixed assets	241	170
Cash flow from investing activities	-199,408	-113,163
Financing activities		
Dividends paid	-446,000	-1,090,000
Issued securities	-1,300,000	1,572,196
Subordinated debt	-300,000	-200,000
Cash flow from financing activities	-2,046,000	282,196
Cash flow for the year	238,238	541,561
Cash & cash equivalents at beginning of the year ²⁾	4,581,880	4,027,094
Exchange rate differences	-226,299	13,225
Cash & cash equivalents at end of the year ²⁾	4,593,819	4,581,880
Adjustment for non-cash items in operating profit		
Credit losses	788,607	644,924
Depreciation, amortisation and impairment of intangible and tangible fixed assets	83,270	82,150
Profit/loss tangible assets	171	-321
Profit/loss on investment assets ¹⁾	31,829	3,660
Change in provisions	-2,117	-2,414
Adjustment to interest paid/received	26,118	10,563
Currency effects	-2,908	-4,341
Depreciation, amortisation and impairment of shares	2,585	
Other items that do not affect liquidity	2,673	3,034
Sum non-cash items in operating profit	930,228	737,255

¹⁾ Investment assets are comprised of bonds and other interest-bearing securities, Treasury and other bills eligible for refinancing, shares and participating interest.

²⁾ Liquid assets are comprised of lending to credit institutions and cash and balances at central banks.

SEK thousand	1 Jan 2022	Cashflow	Non cash flow items		31 Dec 2022
			Accrued acquisition	Exchange rate	
Issued securities	7,871,893	-1,300,000	2,434	33,357	6,607,684
Subordinated debt	599,511	-300,000	238		299,749
Total	8,471,404	-1,600,000	2,672	33,357	6,907,433

Notes to the condensed financial statements

G1. Accounting principles

The Group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and with applicable provisions of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25), and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups.

No new IFRS or IFRIC interpretations, effective as from 1 January 2022, have had any material impact on the Group.

For detailed accounting principles for the Group, see the Annual report for 2021.

The regulatory consolidation (known as "consolidated situation") comprises the Resurs Bank AB Group and its Parent Company Resurs Holding AB.

The interim information on pages 5-41 comprises an integrated component of this financial report.

G2. Financing - Consolidated situation

A core component of financing efforts is maintaining a well-diversified financing structure with access to several sources of financing. Access to a number of sources of financing means that it is possible to use the most appropriate source of financing at any particular time.

The main type of financing remains deposits from the public. This type of financing has been offered to customers in Sweden, Norway and Germany.

Deposits, which are analysed on a regular basis, totalled SEK 32,139 million (26,202), and is allocated between Sweden 46 per cent (44 per cent), Germany 36 per cent (33 per cent) and Norway 18 per cent (23 per cent). The lending to the public/deposits from the public ratio for the consolidated situation is 116 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 10,000 million (9,000). Resurs Bank has acted both on the Swedish and Norwegian markets. Of the ten issues, nine are senior unsecured bonds and one issue is a subordinated loan

of SEK 300 million (600).

Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

Resurs Bank has been awarded the credit rating BBB with stable outlook from the rating company Nordic Credit Rating (NCR). Access to Nordic Credit Ratings analyses can be found on the website www.nordiccreditrating.com.

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. Resurs Bank signed an agreement in June 2022 to extend the existing ABS financing. This financing has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 31 December a total of approximately SEK 2.5 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing.

Liquidity - Consolidated situation

Liquidity risk includes the risk of not being able to meet liquidity commitments without significantly higher costs. The consolidated situation, must maintain a liquidity reserve and have access to an unutilised liquidity margin in the event of irregular or unexpected liquidity flows.

The Group's liquidity risk is managed through policies that specify limits, responsibilities and monitoring and include a contingency plan. The purpose of the contingency plan is to make preparations for various courses of action should the liquidity situation trend unfavourably. The contingency plan includes, among other things, risk indicators and action plans. The Group's liquidity risk is controlled and audited by independent functions.

Liquidity comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. The main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities.

The Board has stipulated that the liquidity reserve may never fall below SEK 1,500 million. Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, a minimum SEK 800 million. There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 2,164 million (1,898), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7) and applicable amendments thereto for the consolidated situation. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, the consolidated situation has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 5,591 million (5,172) for the consolidated situation. Accordingly, total liquidity amounted to SEK 7,755 million (7,070) corresponds to 24 per cent (27 per cent) of deposits from the public. The Group also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) for the consolidated situation is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 31 December 2022 the ratio for the consolidated situation is 276 per cent (240 per cent). For the period January to December 2022, the average LCR measures 248 per cent for the consolidated situation.

All valuations of interest-bearing securities were made at market values that take into account accrued interest.

Summary of liquidity – Consolidated situation

SEK thousand	31 Dec 2022	31 Dec 2021
Liquidity reserve as per FFFS 2010:7 definition		
Securities issued by sovereigns	188,082	179,334
Securities issued by municipalities	1,260,626	1,054,883
Lending to credit institutions	5,000	15,000
Bonds and other interest-bearing securities	710,367	648,607
Summary Liquidity reserve as per FFFS 2010:7	2,164,075	1,897,824
Other liquidity portfolio		
Cash and balances at central banks	231,607	215,590
Lending to credit institutions	976,867	570,349
Bonds and other interest-bearing securities	4,382,357	4,386,086
Total other liquidity portfolio	5,590,831	5,172,025
Total liquidity portfolio	7,754,906	7,069,849
Other liquidity-creating measures		
Unutilised credit facilities	52,860	51,270

Stress tests are carried out on a regular basis to ensure that there is liquidity in place for circumstances that deviate from normal conditions. One recurring stress test is significant outflows of deposits from the public.

In evaluating liquid assets for LCR reporting, the following assessment of liquid asset quality is made before each value judgement in accordance with the EU Commission's delegated regulation (EU) 575/2013.

Liquid assets according to LCR

31/12/2022

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	195,526		129,172		66,354
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	188,082		125,955	29,665	32,462
Securities issued by municipalities and PSEs	2,037,714	1,714,934	74,022		248,758
Extremely high quality covered bonds	549,976	307,533	149,653		92,790
Level 2 assets					
High quality covered bonds	160,390	73,507			86,883
Total liquid assets	3,131,688	2,095,974	478,802	29,665	527,247

31/12/2021

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	184,468		120,723		63,745
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	179,334		118,816	28,632	31,886
Securities issued by municipalities and PSEs	1,625,233	1,309,878	73,761		241,594
Extremely high quality covered bonds	648,608	325,910	150,684		172,014
Level 2 assets					
High quality covered bonds	0				
Total liquid assets	2,637,643	1,635,788	463,984	28,632	509,239

Additional information on the Group's management of liquidity risks is available in the Group's 2021 Annual report.

SEK thousand	31 Dec 2022	31 Dec 2021
Total liquid assets	3,131,688	2,637,643
Net liquidity outflow	1,113,641	1,078,916
LCR measure	276%	240%

G3. Capital adequacy - Consolidated situation

Capital requirements are calculated in accordance with European Parliament and Council Regulation EU 575/2013 (CRR) and Directive 2013/36 EU (CRD IV). The Directive was incorporated via the Swedish Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's (SFS) regulations regarding prudential requirements and capital buffers (FFFS 2014:12). The capital requirement calculation below comprises the statutory minimum capital requirement for credit risk, credit valuation adjustment risk, market risk and operational risk.

The combined buffer requirement for the consolidated situation comprises a capital conservation buffer and a countercyclical capital buffer. The capital conservation buffer requirement amounts to 2.5 per cent of the risk weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements and amounts to 1.1 per cent.

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have communicated that there will be gradual increases until requirements are reverted back to levels before covid-19. 31 December 2022 Sweden has counter-cyclical buffer requirements of 1 per cent, Norway 2 per cent and Denmark 2 per cent. Finland's countercyclical buffer requirement remains unchanged at 0 percent. The increases have affected Resurs by 0.8 percentage points compared to the previous year's counter-cyclical buffer requirement.

The consolidated situation calculates the capital requirement for credit risk, credit rating adjustment risk, market risk and operational risk.

Credit risk is calculated by applying the standardised method under which the asset items of the consolidated situation are weighted and divided between 17 different exposure classes.

The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risk. The capital requirement for operational risk is calculated by the alternative standardised approach. With this approach, the capital requirement for operational risks is calculated as 12 or 15 per cent of an income indicator (meaning average operating income for the past three years categorised as Retail banking and Commercial banking). The counterparty risk is calculated using the simplified standardised method. External rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities.

Resurs Bank has applied to the Swedish Financial Supervisory Authority for permission to apply the transition rules decided at EU level in December 2017. Under the transition rules, a gradual phase-in of the effect of IFRS 9 on capital adequacy is permitted, regarding both the effect of the transition from IAS 39 as at 1 January 2018 and the effect on the reporting date that exceeds the amount when IFRS 9 is first applied to stage 1 and stage 2. The phase-in period is as follows:

2018: 5 %, 2019: 10 %, 2020: 15 %, 2021: 20 %, 2022: 25 %, 2023: 25 %

In December 2019, Resurs Holding AB issued Additional Tier 1 Capital of a nominal SEK 300 million. The notes have a perpetual tenor with a first call option after five years and a temporary write-down mechanism.

Capital base

SEK thousand	31 Dec 2022	31 Dec 2021
Common Equity Tier 1 capital		
Equity		
Equity, Group	7,482,231	7,078,887
Equity according to balance sheet	7,482,231	7,078,887
Foreseeable dividend	-214,000	-262,000
Additional Tier 1 instruments	300,000	300,000
Additional/deducted equity in the consolidated situation	-214,471	-177,717
Equity, consolidated situation	7,353,760	6,939,170
<i>Adjustments according to transition rules IFRS 9:</i>		
Initial revaluation effect	84,685	169,371
<i>Less:</i>		
Additional value adjustments	-6,089	-2,464
Intangible fixed assets	-2,159,943	-1,979,082
Additional Tier 1 instruments classified as equity	-300,000	-300,000
Shares in subsidiaries	-964	-1,863
Total Common Equity Tier 1 capital	4,971,449	4,825,132
Tier 1 capital		
Common Equity Tier 1 capital	4,971,449	4,825,132
Additional Tier 1 instruments	300,000	300,000
Total Tier 1 capital	5,271,449	5,125,132
Tier 2 capital		
Dated subordinated loans	241,850	219,464
Total Tier 2 capital	241,850	219,464
Total capital base	5,513,299	5,344,596

Specification of risk-weighted exposure amount and capital requirements

SEK thousand	31 Dec 2022		31 Dec 2021	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	923,160	73,853	928,633	74,291
Exposures to corporates	935,516	74,841	292,072	23,366
Retail exposures	25,030,393	2,002,431	22,776,334	1,822,107
Exposures secured by mortgages in real estate	6,016	481		
Exposures in default	3,003,213	240,257	2,925,566	234,045
Exposures in the form of covered bonds	70,816	5,665	64,730	5,178
Equity exposures	11,638	931	11,449	916
Other items	896,353	71,708	710,699	56,856
Total credit risks	30,877,105	2,470,167	27,709,483	2,216,759
Credit valuation adjustment risk	34,768	2,781	40,688	3,255
Market risk				
Currency risk	0	0	0	0
Operational risk (standard methods)	2,417,102	193,368	4,977,927	398,234
Total risk weighted exposure and total capital requirement	33,328,975	2,666,316	32,728,098	2,618,248
Concentration risk		295,963		282,211
Interest rate risk		326,269		141,326
Currency risk		4,417		2,739
Total Tier 2 capital requirement		626,649		426,276
Capital conservation buffer		833,224		818,202
Countercyclical capital buffer		365,755		61,581
Total capital requirement Capital buffers		1,198,979		879,784
Total capital requirement		4,491,944		3,924,308

¹⁾ Capital requirement information is provided for exposure classes that have exposures.

Regulatory capital requirements

	31 Dec 2022		31 Dec 2021	
	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,499,804	4.5	1,472,764	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	352,490	1.1	239,780	0.7
Combined buffer requirement	1,198,979	3.6	879,784	2.7
Total Common Equity Tier 1 capital requirements	3,051,273	9.2	2,592,328	7.9
Common Equity Tier 1 capital	4,971,449	14.9	4,825,132	14.8
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	1,999,739	6.0	1,963,686	6.0
Other Tier 1 capital requirements (Pillar 2)	469,987	1.4	319,708	1.0
Combined buffer requirement	1,198,979	3.6	879,784	2.7
Total Tier 1 capital requirements	3,668,705	11.0	3,163,177	9.7
Tier 1 capital	5,271,449	15.8	5,125,132	15.7
Capital requirements under Article 92 CRR (Pillar 1)	2,666,318	8.0	2,618,248	8.0
Other capital requirements (Pillar 2)	626,649	1.9	426,276	1.3
Combined buffer requirement	1,198,979	3.6	879,784	2.7
Total capital requirement	4,491,946	13.5	3,924,307	12.0
Total capital base	5,513,299	16.5	5,344,596	16.3

Capital ratio and capital buffers

	31 Dec 2022	31 Dec 2021
Common Equity Tier 1 ratio, %	14.9	14.8
Tier 1 ratio, %	15.8	15.7
Total capital ratio, %	16.5	16.3
Institution specific buffer requirements,%	3.6	2.7
- of which, capital conservation buffer requirement, %	2.5	2.5
- of which, countercyclical buffer requirement, %	1.1	0.2
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.7	7.0

Leverage ratio

The leverage ratio is a non-risk-sensitive capital requirement defined in Regulation (EU) no 575/2013 of the European Parliament and of the Council. The ratio states the amount of equity in relation to the bank's total assets including items that are not recognised in the balance sheet and is calculated by the Tier 1 capital as a percentage of the total exposure measure.

From 28 June 2021, the consolidated situation has a leverage ratio requirement of 3 per cent in accordance with CRR II.

SEK thousand	31 Dec 2022	31 Dec 2021
Tier 1 capital	5,271,449	5,125,132
Leverage ratio exposure	48,252,647	43,532,138
Leverage ratio, %	10.9	11.8

G4. Segment reporting

The CEO of Resurs Holding AB is the chief operating decision maker for the Group. Management has established segments based on the information that is dealt with by the Board of Directors and used as supporting information for allocating resources and evaluating results. The CEO assesses the performance of Payment Solutions and Consumer Loans.

The CEO evaluates segment development based on net operating income less credit losses, net.

Segment reporting is based on the same principles as those used for the consolidated financial statements. Assets monitored by the CEO refer to lending to the public.

Jul-Dec 2022

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	531,188	1,134,671	1,665,859
Interest expense	-113,460	-214,416	-327,876
Provision income	199,632	59,730	259,362
Provision expenses	-35,208		-35,208
Net income/expense from financial transactions	-4,283	-2,724	-7,007
Other operating income	88,564	18,676	107,240
Total operating income	666,433	995,937	1,662,370
<i>of which, internal</i>	<i>899</i>	<i>182</i>	<i>1,081</i>
Credit losses, net	-101,374	-331,941	-433,315
Operating income less credit losses	565,059	663,996	1,229,055

Jul-Dec 2021

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	456,999	962,025	1,419,024
Interest expense	-61,787	-118,297	-180,084
Provision income	162,319	56,193	218,512
Provision expenses	-31,873		-31,873
Net income/expense from financial transactions	768	475	1,243
Other operating income	79,120	22,714	101,834
Total operating income	605,546	923,110	1,528,656
<i>of which, internal</i>	<i>9,752</i>	<i>2,720</i>	<i>12,472</i>
Credit losses, net	-84,172	-186,610	-270,782
Operating income less credit losses	521,374	736,500	1,257,874

Jan-Dec 2022

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	993,331	2,137,313	3,130,644
Interest expense	-175,154	-342,369	-517,523
Provision income	365,231	119,718	484,949
Provision expenses	-73,691		-73,691
Net income/expense from financial transactions	-13,982	-17,423	-31,405
Other operating income	173,274	37,802	211,076
Total operating income	1,269,009	1,935,041	3,204,050
<i>of which, internal</i>	<i>3,082</i>	<i>675</i>	<i>3,757</i>
Credit losses, net	-173,672	-614,935	-788,607
Operating income less credit losses	1,095,337	1,320,106	2,415,443

Jan-Dec 2021

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	963,040	1,936,132	2,899,172
Interest expense	-123,915	-240,104	-364,019
Provision income	311,292	106,566	417,858
Provision expenses	-70,500		-70,500
Net income/expense from financial transactions	1,538	1,607	3,145
Other operating income	157,560	43,138	200,698
Total operating income	1,239,015	1,847,339	3,086,354
<i>of which, internal</i>	<i>13,522</i>	<i>3,702</i>	<i>17,224</i>
Credit losses, net	-164,831	-480,093	-644,924
Operating income less credit losses	1,074,184	1,367,246	2,441,430

Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Total Group
31 Dec 2022	13,044,662	24,141,857	37,186,519
31 Dec 2021	11,462,542	21,884,398	33,346,940

G5. Net interest income/expense

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest income				
Lending to credit institutions	16,254	728	18,058	756
Lending to the public	1,631,464	1,417,155	3,091,357	2,896,093
Interest-bearing securities	18,141	1,141	21,229	2,323
Total interest income	1,665,859	1,419,024	3,130,644	2,899,172
Interest expense				
Liabilities to credit institutions	-817	-3,647	-3,804	-7,168
Deposits and borrowing from the public	-226,131	-115,930	-349,770	-240,933
Issued securities	-92,717	-45,752	-147,678	-87,756
Subordinated debt	-8,422	-13,201	-15,487	-25,995
Other liabilities	211	-1,554	-784	-2,167
Total interest expense	-327,876	-180,084	-517,523	-364,019
Net interest income/expense	1,337,983	1,238,940	2,613,121	2,535,153

G6. Other operating income

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Other income, lending to the public	86,180	75,682	168,110	147,862
Other operating income	21,060	26,152	42,966	52,836
Total operating income	107,240	101,834	211,076	200,698

G7. General administrative expenses

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Personnel expenses ¹⁾	-255,362	-260,418	-509,474	-534,446
Postage, communication and notification expenses ²⁾	-86,783	-84,386	-171,933	-162,248
IT expenses ²⁾	-128,934	-115,272	-257,637	-226,019
Cost of premises	-10,154	-11,966	-17,744	-21,048
Consultant expenses ²⁾	-36,729	-38,683	-74,826	-74,399
Other ²⁾	-76,474	-42,213	-174,962	-95,759
Total general administrative expenses	-594,436	-552,938	-1,206,576	-1,113,919

¹⁾ From 1 January 2021, salaries and salary-related costs for development of software for internal use for employees that are directed related to projects are capitalised. As of 31 December 2022, capitalised salaries and salary-related costs amounted to SEK 35,6 million (7,7), which resulted in lower personnel expenses for the January-December period 2022 in the corresponding amount.

²⁾ A number of accounts have been reclassified in 2022 to provide a fairer distribution of the administrative costs. The comparative figures for 2021 have been recalculated, which meant that Postage, communication and notification expenses increased by SEK 32.9 million, IT expenses increased by SEK 3.4 million, Consultant expenses increased by SEK 8.6 million and Other decreased by SEK -44.9 million for the period January-December 2021.

G8. Credit losses, net

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Provision of credit reserves				
Stage 1	-6,368	4,516	-7,411	-8,557
Stage 2	-13,019	74,020	2,083	72,060
Stage 3	47,817	-168,300	-25,745	-43,670
Total	28,430	-89,764	-31,073	19,833
Provision of credit reserves off balance (unutilised limit)				
Stage 1	-513	365	-240	2,312
Stage 2	1,421	-661	1,649	-2,306
Stage 3				
Total	908	-296	1,409	6
Write-offs of stated credit losses for the period	-465,520	-181,167	-764,154	-665,301
Recoveries of previously confirmed credit losses	2,867	445	5,211	538
Total	-462,653	-180,722	-758,943	-664,763
Credit losses	-433,315	-270,782	-788,607	-644,924
<i>off which lending to the public</i>	<i>-434,223</i>	<i>-270,486</i>	<i>-790,016</i>	<i>-644,930</i>

G9. Lending to the public

SEK thousand	31 Dec 2022	31 Dec 2021
Retail sector	39,464,815	36,081,604
Corporate sector	950,862	299,227
Total lending to the public, gross	40,415,677	36,380,831
Stage 1	31,195,918	28,105,869
Stage 2	3,666,297	2,975,290
Stage 3	5,553,462	5,299,672
Total lending to the public, gross	40,415,677	36,380,831
Less provision for anticipated credit losses		
Stage 1	-241,157	-223,471
Stage 2	-382,601	-366,542
Stage 3	-2,605,400	-2,443,878
Total anticipated credit losses	-3,229,158	-3,033,891
Stage 1	30,954,761	27,882,398
Stage 2	3,283,696	2,608,748
Stage 3	2,948,062	2,855,794
Total net lending to the public	37,186,519	33,346,940

G10. Other provisions

SEK thousand	31 Dec 2022	31 Dec 2021
Reporting value at the beginning of the year	18,470	20,438
Provision made during the year	-2,108	-11
Exchange rate differences	937	-1,957
Total	17,299	18,470
Provision of credit reserves, unutilised limit, Stage 1	16,662	15,568
Provision of credit reserves, unutilised limit, Stage 2	689	2,224
Other provisions	-52	678
Reported value at the end of the year	17,299	18,470

G11. Pledged assets, contingent liabilities and commitments

SEK thousand	31 Dec 2022	31 Dec 2021
Collateral pledged for own liabilities		
Lending to credit institutions	201,430	178,494
Lending to the public ¹⁾	2,454,935	2,458,568
Restricted bank deposits ²⁾	39,174	33,828
Total collateral pledged for own liabilities	2,695,539	2,670,890
Contingent liabilities	0	0
Other commitments		
Unutilised credit facilities granted	25,416,539	24,239,177
Total other commitments	25,416,539	24,239,177

¹⁾ Refers to securitisation.

²⁾ As at 31 December 2022 SEK 36,081 thousand (31,122) refers to the requirement account at the Bank of Finland.

G12. Related-party transactions

Resurs Bank AB is a wholly owned subsidiary of Resurs Holding AB, corporate identity number 556898-2291, which is owned 28.9 per cent by Waldakt AB. Of the remaining owners, no single owner holds 20 per cent or more.

Until June 30, 2022, NetOnNet was also included in this category. The tables below include transactions with NetOnNet until 30 June 2022.

Normal business transactions were conducted between the Resurs Group and these related companies and are presented below.

Transaction costs in the table refer to market-rate compensation for the negotiation of credit to related companies' customers.

Transactions with Parent Company

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest expense	-67	31	-92	
Other operating income	1,081	2,676	3,757	5,352
General administrative expenses	-6,661	-5,211	-14,245	-13,781

SEK thousand	31 Dec 2022	31 Dec 2021
Other liabilities	-829	-2,177
Deposits and borrowing from the public	-35,016	-84,924

Transactions with other Group Companies

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest expense	3	5	7	

SEK thousand	31 Dec 2022	31 Dec 2021
Deposits and borrowing from the public	-1,033	-1,566

Transactions with other companies with significant influence

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Processing fees	-39,034	-49,241	-77,200	-85,716
Interest expense – deposits and borrowing from the public	-1	-182	-54	-398
General administrative expenses		-5		-501

SEK thousand	31 Dec 2022	31 Dec 2021
Lending to public		29
Deposits and borrowing from the public	-31,876	-160,052
Other liabilities	-5,198	-18,656

Transactions with key persons

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest expense – deposits and borrowing from the public	5	-17	-21	-39

SEK thousand	31 Dec 2022	31 Dec 2021
Lending to public	17	2
Deposits and borrowing from the public	-11,843	-10,076

In 2021 numbers, only related-party transactions related to continuing operations are included.

G13. Financial instruments

SEK thousand	31 Dec 2022		31 Dec 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Financial assets				
Cash and balances at central banks	231,607	231,607	215,590	215,590
Treasury and other bills eligible for refinancing	2,420,754	2,420,754	1,803,015	1,803,015
Lending to credit institutions	4,362,212	4,362,212	4,366,290	4,366,290
Lending to the public	37,186,519	38,154,550	33,346,940	33,993,272
Bonds and other interest-bearing securities	708,871	708,871	647,948	647,948
Shares and participating interests	11,650	11,650	11,460	11,460
Derivatives	1,484	1,484	1,781	1,781
Other assets	101,103	101,101	70,182	70,182
Accrued income	64,820	64,820	57,906	57,906
Total financial assets	45,089,020	46,057,049	40,521,112	41,167,444
Intangible fixed assets	2,159,943		1,979,082	
Tangible assets	118,201		122,226	
Other non-financial assets	371,108		277,265	
Total assets	47,738,272		42,899,685	

SEK thousand	31 Dec 2022		31 Dec 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities				
Financial liabilities				
Deposits and borrowing from the public	32,173,628	32,131,401	26,286,626	26,286,364
Derivatives	54,434	54,434	27,366	27,366
Other liabilities	526,216	526,216	528,298	528,298
Accrued expenses	103,820	103,820	163,780	163,780
Issued securities	6,607,684	6,461,945	7,871,893	7,899,667
Subordinated debt	299,749	296,970	599,511	610,737
Total financial liabilities	39,765,531	39,574,786	35,477,474	35,516,212
Provisions	17,299		18,470	
Other non-financial liabilities	473,211		324,854	
Equity	7,482,231		7,078,887	
Total equity and liabilities	47,738,272		42,899,685	

For current receivables, current liabilities and variable-rate deposits, the carrying amount reflects the fair value.

Financial assets and liabilities at fair value

SEK thousand	31 Dec 2022			31 Dec 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value						
Treasury and other bills eligible for refinancing	2,420,754			1,803,015		
Bonds and other interest-bearing securities	708,871			647,948		
Shares and participating interests			11,650			11,460
Derivatives		1,484			1,781	
Total	3,129,625	1,484	11,650	2,450,963	1,781	11,460
Financial liabilities at fair value through profit or loss:						
Derivatives		-54,434			-27,366	
Total	0	-54,434	0	0	-27,366	0

Changes in level 3

SEK thousand	31 Dec 2022	31 Dec 2021
Shares and participating interests		
Opening balance	11,460	7,287
Investments during the period	2,652	4,092
Depreciation	-2,585	
Exchange-rate fluctuations	123	81
Closing balance	11,650	11,460

Financial instruments

Determination of fair value of financial instruments

Level 1

Listed prices (unadjusted) on active markets for identical assets or liabilities.

Level 2

Inputs that are observable for the asset or liability other than listed prices included in Level 1, either directly (i.e., as price quotations) or indirectly (i.e., derived from price quotations).

Level 3

Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

Financial instruments measured at fair value for disclosure purposes

The carrying amount of variable rate deposits and borrowing from the public is deemed to reflect fair value.

For issued securities (ABS), fair value is calculated by assuming that duration ends at the close of the revolving period. Fair value has been classified as level 3.

For fixed rate deposits and borrowing from the public, fair value is calculated based on current market rates, with the initial credit spread for deposits kept constant. Fair value has been classified as level 2.

The fair value of the portion of lending that has been sent to debt recovery and purchased non-performing consumer loans is calculated by discounting calculated cash flows at the estimated market interest rate instead of at the original effective interest rate. Fair value has been classified as level 2.

Fair value of subordinated debt is calculated based on valuation at the listing marketplace. Fair value has been classified as level 1.

The carrying amount of current receivables and liabilities and variable rate loans is deemed to reflect fair value.

Fair value of issued securities (MTN) is calculated based on the listing marketplace. Fair value has been classified as level 1.

Transfer between levels

There has not been any transfer of financial instruments between the levels.

Financial assets and liabilities that are offset or subject to netting agreements

Derivative agreement has been made under the ISDA agreement. The amounts are not offset in the statement of financial position. Most of the derivatives at 31 December 2022 were covered by the ISDA Credit Support Annex, which means that collateral is obtained and provided in the form of bank deposits between the parties.

Assets for the derivative agreements total to SEK 1 million (2) while liabilities total SEK 54 million (27). Collateral corresponding to SEK 62 million (39) was provided and received SEK 0 million (0), that had a net effect on lending to credit institutions of SEK 62 million (39) and liabilities to credit institutions total SEK 0 million (0).

Definitions

C/I before credit losses ¹⁾

Expenses before credit losses in relation to operating income.

Capital base ²⁾

The sum of Tier 1 capital and Tier 2 capital.

Common equity tier 1 capital ²⁾

Common Equity Tier 1 capital comprises share capital, paid-in capital, retained earnings and other reserves of the companies included in the consolidated situation.

Credit loss ratio, % ¹⁾

Net credit losses in relation to the average balance of loans to the public.

Core tier 1 ratio, % ²⁾

Core Tier 1 capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive.

Lending to the public, excl. exchange rate differences ¹⁾

Operating income in relation to the average balance of lending to the public.

NBI-margin, % ¹⁾

Operating income in relation to the average balance of lending to the public.

Net interest income/expense ¹⁾

Interest income less interest expenses, see note G5.

Nonrecurring costs ¹⁾

Items deemed to be of a one-off nature, meaning individual transactions, to facilitate the comparison of profit between periods, items are identified and recognised separately since they are considered to reduce comparability.

NIM, % ¹⁾

Interest income less interest expenses in relation to average balance of lending to the public.

Return on equity excl. Intangible fixed assets, (ROTE), % ¹⁾

Profit for the period as a percentage of average equity less intangible fixed assets.

Tier 1 capital ²⁾

Tier 1 capital comprises Common Equity Tier 1 capital and other Tier 1 capital.

Risk adjusted NBI-margin, % ¹⁾

NBI-margin adjusted for credit loss ratio.

Tier 2 capital ²⁾

Tier 2 capital comprises dated or perpetual subordinated loans.

Total capital ratio, % ²⁾

Total capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive, see note G3.

¹⁾ Alternative performance measures used by management and analysts to assess the Group's performance and are not defined in International Financial Reporting Standards (IFRS) or in the capital adequacy rules. Management believes that the performance measures make it easier for investors to analyse the Group's performance. Calculations and reconciliation against information in the financial statements of these performance measures are provided on the website under "Financial reports."

²⁾ Key ratios according to capital adequacy rules, referring to the consolidated situation comprises the Resurs Bank AB Group and its Parent Company Resurs Holding AB.

Parent company

Income statement

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Interest income	1,665,914	1,418,944	3,129,944	2,898,923
Lease income	195	831	1,282	2,031
Interest expense	-327,524	-179,574	-516,771	-363,111
Fee & commission income	259,362	218,512	484,949	417,858
Fee & commission expense	-35,208	-31,873	-73,691	-70,500
Net income/expense from financial transactions	-7,069	1,240	-31,381	3,143
Other operating income	107,247	101,841	210,882	200,711
Total operating income	1,662,917	1,529,921	3,205,214	3,089,055
General administrative expenses	-708,017	-623,396	-1,411,245	-1,226,322
Depreciation, amortisation and impairment of intangible and tangible fixed assets	-58,402	-60,810	-118,208	-122,882
Other operating expenses	-39,151	-38,340	-75,223	-77,953
Total expenses before credit losses	-805,570	-722,546	-1,604,676	-1,427,157
Earnings before credit losses	857,347	807,375	1,600,538	1,661,898
Credit losses, net	-433,741	-270,722	-789,061	-644,853
Operating profit/loss	423,606	536,653	811,477	1,017,045
Appropriations				216,340
Income tax expense	-99,128	-139,203	-203,004	-253,963
Net profit for the period	324,478	397,450	608,473	979,422
Attributable to Resurs Bank AB shareholders	324,478	397,450	608,473	979,422

Statement of comprehensive income

SEK thousand	Jul-Dec 2022	Jul-Dec 2021	Jan-Dec 2022	Jan-Dec 2021
Net profit for the period	324,478	397,450	608,473	979,422
Other comprehensive income that will be reclassified to profit/loss				
Translation differences for the period, foreign operations	20,739	27,330	26,629	63,790
Comprehensive income for the period	345,217	424,780	635,102	1,043,212
Attributable to Resurs Bank AB shareholders	345,217	424,780	635,102	1,043,212

Balance sheet

SEK thousand	31 Dec 2022	31 Dec 2021
Assets		
Cash and balances at central banks	231,607	215,590
Treasury and other bills eligible for refinancing	2,420,754	1,803,015
Lending to credit institutions	4,264,893	4,267,364
Lending to the public	37,232,644	33,392,534
Bonds and other interest-bearing securities	708,871	647,948
Shares and participating interests	11,650	11,460
Shares and participating interests, in Group companies	50,099	50,099
Intangible fixed assets	1,266,638	1,330,443
Tangible assets	54,190	52,587
Other assets	383,222	269,303
Prepaid expenses and accrued income	157,145	141,226
TOTAL ASSETS	46,781,713	42,181,569
Liabilities, provisions and equity		
Liabilities and provisions		
Deposits and borrowing from the public	32,175,197	26,288,192
Other liabilities	2,683,634	2,703,169
Accrued expenses and deferred income	331,100	222,386
Other provisions	17,299	18,470
Issued securities	4,607,684	5,871,893
Subordinated debt	299,749	599,511
Total liabilities and provisions	40,114,663	35,703,621
Untaxed reserves		
Equity		
Restricted equity		
Share capital	500,000	500,000
Statutory reserve	12,500	12,500
Unrestricted equity		
Fair value reserve	67,519	40,890
Retained earnings	5,478,558	4,945,136
Net profit for the year	608,473	979,422
Total equity	6,667,050	6,477,948
TOTAL LIABILITIES, PROVISIONS AND EQUITY	46,781,713	42,181,569

See Note P4 for information on pledged assets, contingent liabilities and commitments.

Statement of changes in equity

SEK thousand

	Share capital	Share premium reserve	Translation reserve	Retained earnings	Profit/loss for the year	Total equity
Initial equity at 1 January 2021	500,000	12,500	-22,900	5,208,208	826,928	6,524,736
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-458,000		-458,000
Dividends according to Extraordinary General Meeting				-632,000		-632,000
Appropriation of profits according to resolution by Annual General Meeting				826,928	-826,928	0
Net profit for the year					979,422	979,422
Other comprehensive income for the year			63,790			63,790
Equity at 31 December 2021	500,000	12,500	40,890	4,945,136	979,422	6,477,948
Initial equity at 1 January 2022	500,000	12,500	40,890	4,945,136	979,422	6,477,948
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-262,000		-262,000
Dividends according to Extraordinary General Meeting				-184,000		-184,000
Appropriation of profits according to resolution by Annual General Meeting				979,422	-979,422	0
Net profit for the year					608,473	608,473
Other comprehensive income for the year			26,629			26,629
Equity at 31 December 2022	500,000	12,500	67,519	5,478,558	608,473	6,667,050

Cash flow statement (indirect method)

SEK thousand	Jan-Dec 2022	Jan-Dec 2021
Operating activities		
Operating profit	811,477	1,017,045
- of which, interest received	3,125,183	2,896,576
- of which, interest paid	-493,620	-359,980
Adjustments for non-cash items in operating profit	965,992	778,927
Tax paid	-330,924	-405,015
Cash flow from operating activities before changes in operating assets and liabilities	1,446,545	1,390,957
Changes in operating assets and liabilities		
Lending to the public	-3,511,622	-2,486,544
Other assets	-722,831	-90,453
Liabilities to credit institutions		-107,400
Deposits and borrowing from the public	5,697,921	966,057
Acquisition of investment assets ¹⁾	-3,047,345	-3,135,524
Divestment of investment assets ¹⁾	2,372,996	3,658,246
Other liabilities	78,241	106,802
Cash flow from operating activities	2,313,905	302,141
Investing activities		
Acquisition of intangible and tangible fixed assets	-28,768	-26,237
Divestment of intangible and tangible fixed assets	708	1,649
Cash flow from investing activities	-28,060	-24,588
Financing activities		
Dividends paid	-446,000	-1,090,000
Shareholder's contributions	-1,300,000	1,572,015
Issued securities	-300,000	-200,000
Cash flow from financing activities	-2,046,000	282,015
Cash flow for the period	239,845	559,568
Cash & cash equivalents at beginning of the year ²⁾	4,482,954	3,910,165
Exchange rate differences	-226,299	13,221
Cash & cash equivalents at end of the year ²⁾	4,496,500	4,482,954
Adjustment for non-cash items in operating profit		
Credit losses	789,061	644,853
Depreciation, amortisation and impairment of intangible and tangible fixed assets	118,208	122,882
Profit/loss tangible assets	171	-321
Profit/loss on investment assets ¹⁾	31,829	3,660
Change in provisions	-2,117	-2,414
Adjustment to interest paid/received	26,118	10,977
Currency effects	-2,535	-3,925
Depreciation, amortisation and impairment of shares	2,585	
Other items that do not affect liquidity	2,672	3,215
Sum non-cash items in operating profit	965,992	778,927

¹⁾ Investment assets are comprised of bonds and other interest-bearing securities, treasury and other bills eligible for refinancing, subordinated debt and shares and participating interest.

²⁾ Liquid assets are comprised of lending to credit institutions and cash and balances at central banks.

P1. Accounting principles

The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25). The same accounting and valuation policies were applied as in the latest annual report.

P2. Financing

A core component of financing efforts is maintaining a well-diversified financing structure with access to several sources of financing. Access to a number of sources of financing means that it is possible to use the most appropriate source of financing at any particular time.

The main type of financing remains deposits from the public. This type of financing has been offered to customers in Sweden, Norway and Germany.

Deposits, which are analysed on a regular basis, totalled SEK 32,139 million (26,202), and is allocated between Sweden 46 per cent (44 per cent), Germany 36 per cent (33 per cent) and Norway 18 per cent (23 per cent). The lending to the public/deposits from the public ratio for the consolidated situation is 116 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 10,000 million (9,000). Resurs Bank has acted both on the Swedish and Norwegian markets.

At 31 December 2022 the program has ten outstanding issues at a nominal amount of SEK 3,800 million (5,400) and NOK 1,050 million

(1,050). Of the ten issues, nine are senior unsecured bonds and one issues are a subordinated loan of SEK 300 million (600). Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

Resurs Bank has been awarded the credit rating BBB with stable outlook from the rating company Nordic Credit Rating (NCR). Access to Nordic Credit Ratings analyses can be found on the website www.nordiccreditrating.com.

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. Resurs Bank signed an agreement in June 2022 to extend the existing ABS financing. This financing has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 31 December a total of approximately SEK 2.5 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing.

Liquidity

Liquidity risk includes the risk of not being able to meet liquidity commitments without significantly higher costs. Resurs Bank AB must maintain a liquidity reserve and have access to an unutilised liquidity margin in the event of irregular or unexpected liquidity flows.

Liquidity risk is managed through policies that specify limits, responsibilities and monitoring and include a contingency plan. The purpose of the contingency plan is to make preparations for various courses of action should the liquidity situation trend unfavourably. The contingency plan includes, among other things, risk indicators and action plans. Liquidity risk is controlled and audited by independent functions.

Liquidity comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. The main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,500 million. Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, a minimum SEK 800 million. There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 2,164 million (1,898), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7) and applicable amendments thereto for the consolidated situation. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, Resurs Bank has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 5,468 million (5,038). Accordingly, total liquidity amounted to SEK 7,632 million (6,936) corresponds to 24 per cent (26 per cent) of deposits from the public. Resurs Bank also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 31 December 2022 the ratio for the bank is 276 per cent (240 per cent). For the period January to December 2022, the average LCR measures is 248 per cent.

All valuations of interest-bearing securities were made at market values that take into account accrued interest.

Summary of liquidity

SEK thousand	31 Dec 2022	31 Dec 2021
Liquidity reserve as per FFFS 2010:7 definition		
Securities issued by sovereigns	188,082	179,334
Securities issued by municipalities	1,260,626	1,054,883
Lending to credit institutions	5,000	15,000
Bonds and other interest-bearing securities	710,367	648,607
Summary Liquidity reserve as per FFFS 2010:7	2,164,075	1,897,824
Other liquidity portfolio		
Cash and balances at central banks	231,607	215,590
Securities issued by municipalities	976,867	570,349
Lending to credit institutions	4,259,893	4,252,364
Bonds and other interest-bearing securities	5,468,367	5,038,303
Total liquidity portfolio	7,632,442	6,936,127
Other liquidity-creating measures		
Unutilised credit facilities	52,860	51,270

Stress tests are carried out on a regular basis to ensure that there is liquidity in place for circumstances that deviate from normal conditions. One recurring stress test is significant outflows of deposits from the public.

In evaluating liquid assets for LCR reporting, the following assessment of liquid asset quality is made before each value judgement in accordance with the EU Commission's delegated regulation (EU) 575/2013.

Liquid assets according to LCR

31/12/2022

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	195,526		129,172		66,354
Securities or guaranteed by sovereigns, central banks, MDBs and international	188,082		125,955	29,665	32,462
Securities issued by municipalities and PSEs	2,037,714	1,714,934	74,022		248,758
Extremely high quality covered bonds	549,976	307,533	149,653		92,790
Level 2 assets					
High quality covered bonds		73,507			86,883
Total liquid assets	3,131,688	2,095,974	478,802	29,665	527,247

31/12/2021

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	184,468		120,723		63,745
Securities or guaranteed by sovereigns, central banks, MDBs and international	179,334		118,816	28,632	31,886
Securities issued by municipalities and PSEs	1,625,233	1,309,878	73,761		241,594
Extremely high quality covered bonds	648,608	325,910	150,684		172,014
Level 2 assets					
High quality covered bonds	0				
Total liquid assets	2,637,643	1,635,788	463,984	28,632	509,239

Additional information on the Group's management of liquidity risks is available in the Group's 2021 Annual report.

SEK thousand	31 Dec 2022	31 Dec 2021
Total liquid assets	3,131,688	2,637,643
Net liquidity outflow	1,113,641	1,078,916
LCR measure	276%	240%

P3.Capital adequacy

Capital requirements are calculated in accordance with European Parliament and Council Regulation EU 575/2013 (CRR) and Directive 2013/36 EU (CRD IV). The Directive was incorporated via the Swedish Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's (SFSA) regulations regarding prudential requirements and capital buffers (FFFS 2014:12). The capital requirement calculation below comprises the statutory minimum capital requirement for credit risk, credit valuation adjustment risk, market risk and operational risk.

The combined buffer requirement for Resurs Bank comprises a capital conservation buffer and a countercyclical capital buffer. The capital conservation buffer requirement amounts to 2.5 per cent of the risk weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements and amounts to 1.1 per cent.

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have communicated that there will be gradual increases until requirements are reverted back to levels before covid-19. 31 December 2022 Sweden has counter-cyclical buffer requirements of 1 per cent, Norway 2 per cent and Denmark 2 per cent. Finland's countercyclical buffer requirement remains unchanged at 0 percent. The increases have affected Resurs Bank by 0.8 percentage points compared to the previous year's counter-cyclical buffer requirement.

Resurs Bank calculates the capital requirement for credit risk, credit rating adjustment risk, market risk and operational risk. Credit risk is calculated by applying the standardised method under which the asset items are weighted and divided between 17 different exposure classes.

The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risk. The capital requirement for operational risk is calculated by the alternative standardised approach. With this approach, the capital requirement for operational risks is calculated as 12 or 15 per cent of an income indicator (meaning average operating income for the past three years categorised as Retail banking and Commercial banking). The counterparty risk is calculated using the simplified standardised method. External rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities.

Resurs Bank has applied to the Swedish Financial Supervisory Authority for permission to apply the transition rules decided at EU level in December 2017. Under the transition rules, a gradual phase-in of the effect of IFRS 9 on capital adequacy is permitted, regarding both the effect of the transition from IAS 39 as at 1 January 2018 and the effect on the reporting date that exceeds the amount when IFRS 9 is first applied to stage 1 and stage 2. The phase-in period is as follows:

2018: 5 %, 2019: 10 %, 2020: 15 %, 2021: 20 %, 2022: 25 %, 2023: 25 %

Capital base

SEK thousand	31 Dec 2022	31 Dec 2021
Tier 1 capital		
Equity	6,667,050	6,477,948
Foreseeable dividend	-214,000	-262,000
Equity	6,453,050	6,215,948
<i>Adjustments according to transition rules IFRS 9:</i>		
Initial revaluation effect	84,685	169,371
<i>Less:</i>		
Additional value adjustments	-6,089	-2,464
Intangible assets	-1,266,638	-1,330,443
Total Common Equity Tier 1 capital	5,265,008	5,052,412
Total Tier 1 capital	5,265,008	5,052,412
Tier 2 capital		
Dated subordinated loans	299,749	299,539
Total Tier 2 capital	299,749	299,539
Total capital base	5,564,757	5,351,951

Specification of risk-weighted exposure amount and capital requirements

SEK thousand	31 Dec 2022		31 Dec 2021	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	898,668	71,893	901,889	72,151
Exposures to corporates	985,046	78,804	341,666	27,333
Retail exposures	25,030,393	2,002,431	22,776,334	1,822,107
Exposures secured by mortgages in real estate	6,016	481		
Exposures in default	3,003,213	240,257	2,925,566	234,045
Exposures in the form of covered bonds	70,816	5,665	64,730	5,178
Equity exposures	61,737	4,939	61,548	4,924
Other items	795,940	63,675	612,139	48,972
Total credit risks	30,851,829	2,468,145	27,683,872	2,214,710
Credit valuation adjustment risk	34,768	2,781	40,688	3,255
Market risk				
Currency risk	0	0	0	0
Operational risk (standard methods)	2,412,640	193,011	4,998,021	399,842
Total risk weighted exposure and total capital requirement	33,299,237	2,663,937	32,722,581	2,617,807
Concentration risk		297,384		282,493
Interest rate risk		326,776		138,557
Currency risk		4,417		2,739
Total Tier 2 capital requirement		628,577		423,789
Capital buffers				
Capital conservation buffer		832,481		818,065
Countercyclical capital buffer		364,879		61,568
Total capital requirement Capital buffers		1,197,360		879,633
Total capital requirement		4,489,874		3,921,229

¹⁾ Capital requirement information is provided for exposure classes that have exposures.

Regulatory capital requirements

	31 Dec 2022		31 Dec 2021	
	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,498,466	4.5	1,472,516	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	353,575	1.1	238,381	0.7
Combined buffer requirement	1,197,360	3.6	879,633	2.7
Total Common Equity Tier 1 capital requirements	3,049,400	9.2	2,590,530	7.9
Common Equity Tier 1 capital	5,265,008	15.8	5,052,412	15.4
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	1,997,954	6.0	1,963,355	6.0
Other Tier 1 capital requirements (Pillar 2)	471,433	1.4	317,842	1.0
Combined buffer requirement	1,197,360	3.6	879,633	2.7
Total Tier 1 capital requirements	3,666,746	11.0	3,160,829	9.7
Tier 1 capital	5,265,008	15.8	5,052,412	15.4
Capital requirements under Article 92 CRR (Pillar 1)	2,663,939	8.0	2,617,806	8.0
Other capital requirements (Pillar 2)	628,577	1.9	423,790	1.3
Combined buffer requirement	1,197,360	3.6	879,633	2.7
Total capital requirement	4,489,876	13.5	3,921,229	12.0
Total capital base	5,564,757	16.7	5,351,951	16.4

Capital ratio and capital buffers

	31 Dec 2022	31 Dec 2021
Common Equity Tier 1 ratio, %	15.8	15.4
Tier 1 ratio, %	15.8	15.4
Total capital ratio, %	16.7	16.4
Institution specific buffer requirements,%	3.6	2.7
- of which, capital conservation buffer requirement, %	2.5	2.5
- of which, countercyclical buffer requirement, %	1.1	0.2
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.8	7.1

Leverage ratio

The leverage ratio is a non-risk-sensitive capital requirement defined in Regulation (EU) no 575/2013 of the European Parliament and of the Council. The ratio states the amount of equity in relation to the bank's total assets including items that are not recognised in the balance sheet and is calculated by the Tier 1 capital as a percentage of the total exposure measure.

From 28 June 2021, the consolidated situation has a leverage ratio requirement of 3 per cent in accordance with CRR II.

SEK thousand	31 Dec 2022	31 Dec 2021
Tier 1 capital	5,265,008	5,052,412
Leverage ratio exposure	48,130,935	43,402,457
Leverage ratio, %	10.9	11.6

P4. Pledged assets, contingent liabilities and commitments

SEK thousand	31 Dec 2022	31 Dec 2021
Collateral pledged for own liabilities		
Lending to credit institutions	151,900	128,900
Lending to the public ¹⁾	2,454,935	2,458,568
Restricted bank deposits ²⁾	39,174	33,828
Total collateral pledged for own liabilities	2,646,009	2,621,296
Contingent liabilities	0	0
Other commitments		
Unutilised credit facilities granted	25,416,539	24,239,177
Total Other commitments	25,416,539	24,239,177

¹⁾ Refers to securitisation.

²⁾ As of 31 December 2022, SEK 36,081 thousand (33,122) refers mainly to a reserve requirement account at Finlands Bank.

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