Resurs Bank
Annual Report 2021

BOARD OF DIRECTORS' REPORT

The Board of Directors and CEO hereby present the Annual Report and consolidated financial statements for Resurs Bank AB (publ), Corporate Identity Number 516401–0208, for the financial year 1 January 2021 to 31 December 2021.

OWNERSHIP STRUCTURE

Resurs Bank AB is a wholly owned subsidiary of Resurs Holding AB, Corporate Identity Number 556898-2291, which has been listed on Nasdaq Stockholm since April 2016.

COMPANY OVERVIEW

The Resurs Bank Group is a leader in the consumer credit market in the Nordic region, offering payment solutions and consumer loans. Resurs has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of the Swedish Financial Supervisory Authority. The Resurs Bank Group operates in Sweden, Norway, Denmark and Finland.

Resurs has divided its operations into two business segments based on the products and services offered: Payment Solutions and Consumer Loans. The two segments differ in nature. Payment Solutions comprises the retail finance, credit cards and factoring areas. Within retail finance, Resurs is the leading partner for sales-driving finance, payment and loyalty solutions in the Nordic region. Credit cards includes the Resurs credit cards, as well as cards that enable retail finance partners to promote their own brands. Consumer Loans' customers are offered unsecured loans. Consumer Loans also helps consumers to consolidate their loans with other banks, in order to reduce their monthly payments or interest expense.

Nonrecurring items during the year

2021 included nonrecurring effects of SEK 73 million, which referred to a reversal of the loss allowance of SEK 75 million that was recognised in 2020 due to the pandemic and the uncertainty prevailing in the market. Earnings in 2020 were also charged with nonrecurring costs of SEK 60 million related to the transformation journey, which comprised costs of SEK 22 million related to personnel changes, impairment of previously capitalised IT investments of SEK 38 million and impairment of a small unlisted shareholding of SEK 10 million.

Income
The Group's operating income declined 9 per cent to SEK 3,086 million (3,407). Net interest income fell 11 per cent to SEK 2,535 million (2,844), with interest income amounting to SEK 2,899 million (3,251) and interest expense to SEK –364 (–407). The relatively lower income was mainly due to lower lending and margins in Norway, lower interest income in Denmark, and mix effects in Payment Solutions where many of Resurs's retail finance partners noted higher demand in connection with the pandemic. At the same time, these large partnerships involve lower margins for Resurs, which negatively impacted the overall NBI margin.

Fee & commission income amounted to SEK 418 million (425) and fee & commission expense to SEK –71 million (–64), resulting in a total net commission of SEK 347 million (362).

The market value of bond portfolios increased slightly, which resulted in a positive outcome for net income from financial transactions of SEK 3 million (-14). Other operating income, primarily comprising remuneration from lending operations, amounted to SEK 201 million (216).

Expenses
The Group's expenses before credit losses declined 7 per cent to SEK –1,274 million (–1,367). The decline was due to nonrecurring costs of SEK 60 million related to the transformation journey in the comparative item. Viewed in relation to the operations' income, the cost level amounted to 41.3 per cent (40.1) as a result of the lower income level. Enhancing the efficiency of the operations and thus reducing the cost/income ratio is an important part of the ongoing transformation journey.

Credit losses totalled SEK -645 million (-854) and the credit loss ratio was 2.0 per cent (2.7), meaning a decline both in absolute terms and as a share of lending due to the higher credit quality of the loan portfolio, and the dissolution of the extra credit provision of SEK 75 million that was made in the first half of 2020 due to the pandemic. The high credit quality was a result of the active austerity measures implemented in credit lending when the pandemic started. This positive development is clear both in Payment Solutions and Consumer Loans as well as in all Nordic markets. The risk-adjusted NBI margin totalled 7.6 per cent (8.2).

Profit
Operating income decreased 2 per cent to SEK 1,167 million (1,186). Tax expense for the period amounted to SEK −220 million (−306), corresponding to an effective tax rate of 18.9 per cent (25.8). The difference in the effective tax rate was due to that unlike in prior years a change was made to the method in 2021, which resulted in a deduction for tax paid in the foreign branches. This resulted in a positive nonrecurring effect of SEK 49 million for 2021. A tax provision of SEK 31 million was made last year, which also contributed to the difference in the effective tax rate between the years. Net profit for the period amounted to SEK 947 million (880).

SEGMENT REPORTING

Payment Solutions
The Payment Solutions segment comprises the retail finance, credit cards and factoring areas. Within retail finance, Resurs is the leading partner for sales-driving finance, payment and loyalty solutions in the Nordic region.

Credit cards includes the Resurs credit cards, as well as cards that enable retail finance partners to promote their own brands.

Lending to the public as of 31 December 2021 had declined 4 per cent to SEK 11,463 million (10,994). Operating income amounted to SEK 1,239 million (1,409), down 12 per cent compared with the year-earlier period. Operating income less credit losses amounted to SEK 1,074 million (1,147). The risk-adjusted NBI margin fell to 9.6 per cent (10.2). Credit losses fell both in absolute terms and as a percentage of lending, which was an effect of improved credit quality in the loan portfolio.

SEKm	Jan–Dec 2021	Jan–Dec 2020	Change
Lending to the public at end of the period	11,463	10,994	4%
Operating income	1,239	1,409	-12%
Operating income less credit losses	1,074	1,147	-6%
Risk-adjusted NBI margin, %	9.6	10.2	
Credit loss ratio, %	1.5	12.3	

Consumer Loans
Consumer Loans' customers are offered unsecured loans.

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 as of 31 December 2021 amounted to SEK 21,884 million (19,865). Operating income declined 8 per cent in the period to SEK 1,847 million (1,999). Operating income less credit losses totalled SEK 1,367 million (1,406), and the risk-adjusted NBI margin amounted to 6.5 per cent (7.1). The trend in the risk-adjusted NBI margin was mainly due to the lower margins in the Norwegian and Danish markets. Credit losses fell both in absolute terms and as a percentage of lending, primarily impacted by the dissolution of the COVID-19 provision but also as an effect of improved credit quality in the loan portfolio.

SEKm	Jan–Dec 2020	Jan–Dec 2019	Change
Lending to the public at end of the period	21,884	19,865	10%
Operating income	1,847	1,999	-8%
Operating income less credit losses	1,367	1,406	-3%
Risk-adjusted NBI margin, %	6.5	7.1	
Credit loss ratio, %	2.3	3.0	

BALANCE SHEET AND CASH FLOW

Financial position

The Group's financial position is strong and on 31 December 2021 the capital base amounted to SEK 5,345 million (5,367) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. The total capital ratio was 16.3 per cent (17.4) and the Common Equity Tier 1 ratio was 14.8 per cent (15.1).

Due to COVID-19, the authorities decided in spring 2020 to reduce the regulatory minimum capital requirement in the countercyclical capital buffer. This entails a total reduction of about 1.8 percentage points to 0.2 per cent for Resurs.

Lending to the public amounted to SEK 33,347 million (30,858) on 31 December 2021, representing an increase of 8 per cent. In constant currencies the increase was 6 per cent. The specification of lending on 31 December 2021 was as follows: Sweden 50 per cent, Norway 20 per cent, Denmark 13 per cent and Finland 17 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 2021, deposits from the public totalled SEK 26,287 million (24,872). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 7,872 million (6,297). Liquidity remained extremely healthy and the liquidity coverage ratio (LCR) was 240 per cent (288) in the consolidated situation. The minimum statutory LCR is 100 per cent. Lending to credit institutions on 31 December 2021 amounted to SEK 4,366 million (3,819). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,451 million (2,953). Bonds of a nominal SEK 2,200 million and NOK 1,050 million were issued under Resurs Bank's MTN programme in 2021. The Group has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 1,979 million (1,847), and primarily comprise the goodwill that arose in the acquisition of Finaref and Danaktiv in 2014 and yA Bank in 2015.

Statement of cash flows

Cash flow from operating activities amounted to SEK 373 million (1,214) for the period. Cash flow from deposits amounted to SEK 966 million (674) and the net change in investment assets totalled SEK 523 million (–397). Cash flow from investing activities for the year totalled SEK -113 million (–57) and cash flow from financing activities was SEK 282 million (-1,377).

Seasonal effects

Resurs's operations may be influenced by seasonal effects since the propensity to borrow increases in summer holiday period and during the Christmas shopping period.

COVID-19

An extra forward-looking credit provision of SEK 75 million was made in the first half of 2020 to meet potential higher credit losses, in addition to the model-based reserves, in accordance with IFRS 9. The company has not noted any negative trend in customer payment patterns and uncertainty regarding the ongoing economic recovery and the trend in unemployment and its associated effects on customers' solvency have declined significantly, with credit quality instead improving. As such, the Board of Directors has resolved to dissolve the extra credit provision of SEK 75 million in its entirety, which impacted earnings positively for the second half of 2021.

Resurs took action at an early stage of COVID-19 to introduce temporary austerity measures in credit lending in Consumer Loans in order to ensure continued high control of the risk level, which reduced the risk in new lending in all markets, with the associated declining volumes. In addition to this, new lending in Finland was primarily negatively affected by interest limitation and direct marketing regulations that were temporarily introduced at the beginning of the second half of 2020. The direct effect on the Group's earnings was mainly related to the decline in the travel industry, which in turn has negatively impacted credit card commission and currency exchange fees negatively, while lower factoring activity resulted in lower commissions.

EMPLOYEES

In 2021, the average number of employees in the Nordic region was 630 (679). Most of Resurs's business activities are conducted by employees at Resurs Bank's head office, which includes centralised accounting, legal, risk management, marketing, HR and IT functions. In addition to the aforementioned centralised functions, Resurs has employees who address customer and business-related matters at a national level. The company employs the services of external suppliers for certain support functions, including marketing and IT/operations. In terms of IT/operations, the external supplier manages IT services including storage/data centres, support services and telecommunication.

Variable remuneration earned in 2021 is linked to both quantitative and qualitative goals for employees who sell payment protection insurance in accordance with the Swedish Financial Supervisory Authority's Insurance Distribution Directive (IDD). The Group has ensured that all goals related to variable remuneration for 2021 can be reliably measured. In the interest of preventing employees with authority over credit decisions from exercising influence on the Group's risk level, the Group has noted that employees who can independently make decisions in credit matters cannot have targets linked exclusively to sales that they can influence through credit decisions. In the Group's assessment, the level of risk applied must be in good proportion to the Group's earnings capacity. The Group annually conducts an analysis aimed at identifying employees whose duties have a significant influence on the company's risk profile.

REMUNERATION OF RESURS'S SENIOR EXECUTIVES

The Board has established a remuneration policy in accordance with Swedish Financial Supervisory Authority's FFFS 2011:1 Regulations regarding remuneration structures in credit institutions.
The Board has instituted a Remuneration Committee, which is responsible for preparing significant remuneration decisions, and the bank has a control function which, when appropriate and at least annually, independently reviews how the bank's management of remuneration matters corresponds to the regulatory framework.

The Chairman and members of the Board are paid the fees resolved by the Annual General Meeting. Remuneration of the CEO and Deputy CEOs and the Heads of the bank's control functions is determined by the Board.

Remuneration comprises a basic salary, other benefits and pension. Senior executives are not paid a bonus or variable remuneration.

Pensions

The bank's pension obligations for senior executives are primarily covered by defined contribution pension plans.

Termination conditions and benefits

In the event of termination of employment by the Bank, the CEO and Deputy CEO are entitled to salary during the notice period, which is 12 months for the CEO and 6 months for the Deputy CEO. The notice period for other senior executives is 6-9 months. No termination benefits are paid.

ENVIRONMENT

Resurs strives to conduct its operations in an environmentally sustainable manner and has adopted Group-wide targets under which the direct climate impact of the operations is to be reduced by 50 per cent by 2030. In order to analyse primarily the indirect effects that the operations give rise to, Resurs carried out a climate calculation under the GHG Protocol in 2021 (base year 2020). As part of its efforts to be climate neutral in the future, Resurs works on active measures and influencing employees and customers to make climate-smart choices, for example, through collaborations with various partners. For 2021, Resurs Holding has prepared a Sustainability Report that can be found in Resurs Holding's Annual Report. This report also encompasses Resurs Bank.

RISKS AND UNCERTAINTIES – Resurs Bank

A variety of risks arise in the bank's operations that could be relevant in different ways. The following main risk categories have been identified:

- Strategic risks
- Business risks
- Operational risks
- Liquidity risks
- Market risks
- Total credit risk
- Other operational risks (including sustainability risks and reputational risks).

The bank deems credit risks, liquidity risks and operational risks to be the most significant risks arising in the context of its operations. For further information on the Group's risks, see Note G3 Risk management.

The bank's operations are subject to extensive regulations concerning capital adequacy and liquidity requirements, which are primarily governed by the regulatory package that comprises CRD and CRR, which jointly comprise the Basel agreement within the European Union (the "Basel regulatory framework").

The Basel regulatory framework includes certain capital requirements that are intended to be adjustable over time and that are dependent on such factors as the presence of cyclical and structural systemic risks. At all times, the bank must fulfil the specified capital and liquidity requirements, and have access to sufficient capital and liquidity.

The bank monitors changes related to capital and liquidity requirements and takes these into consideration regarding the bank's financial targets.

Risk management

The bank is exposed to a number of risks that are typical for companies within the industry that are of a similar size and that operate within the same geographical markets. The bank has a low risk tolerance and employs a cautious approach concerning the risks that arise in its operations.

The bank manages risks through such methods as issuing policies under a hierarchy comprising three levels. The Board of bank has adopted a number of policies that, along with the external regulatory framework, comprise the basis for the bank's control environment and management of the majority of risks that arise in its operations. The policies also outline the delegation of authorities within specific areas of risk. Someone is appointed in each organisation to take responsibility for each policy and monitor compliance, manage reporting and propose necessary adjustments to the policies.

Guidelines comprising the level under policies are determined by the CEO or the person responsible for the specific risk area in the bank. In general, these guidelines include relevant information to help employees manage and identify solutions for issues that arise. On the operational level, company managers establish the procedures that apply for specific groups of employees. The procedures are more detailed and intended for risk management in the daily operations.

The bank uses three lines of defence in managing operational risks.

The first line of defence is the bank's operational personnel, who are familiar with the business and the operational risks that may arise.

The second line of defence comprises the various control functions of the bank – risk, control, compliance and information security – which impartially and independently monitor the bank's operations and regularly report on significant shortcomings and risks to the Board of Directors, the CEO and certain Board committees.

The third line, the internal audit function, regularly reviews the bank's operations, which includes reviewing activities in the first and second lines of defence to determine whether the first two lines of defence are being adequately managed from a risk perspective. The Internal Audit function reports regularly to the Board.

The bank's risk management capabilities were affected to a certain extent during the pandemic but the impact was limited due to robust processes. The bank managed the risk of a loss of personnel in critical functions by introducing different zones and remote working. More employees working from home set higher requirements on information security and following up the bank's control framework.

The bank's approach to corporate governance and internal control is described in greater detail in the following section on Corporate Governance.

PARENT COMPANY'S OPERATIONS

Resurs Bank AB (publ) is the Parent Company of the Group, which in addition to Resurs Bank includes two additional companies: RCL1 Ltd and Resurs Norden AB. Resurs Bank has three branch offices, with operations in three countries: Denmark, Norway and Finland. In 2021, the Parent Company's operating income amounted to SEK 3,089 million (3,414) and operating profit was SEK 1,017 million (1,141). Lending operations are conducted in Resurs Bank AB. For additional commentary on earnings, see the introductory description of the Group.

SIGNIFICANT EVENTS DURING THE YEAR

Resurs Bank dissolved the extra credit provision of SEK 75 million made due to COVID-19

In April 2020, Resurs Bank made an extra credit provision of SEK 75 million due to COVID-19. Resurs did not note any negative trend in customers' payment patterns. On the contrary, credit quality improved and the provision was therefore dissolved in September 2021.

Nordic Leisure Travel Group choose Resurs's e-commerce solution for continued focus on Nordic market

Resurs Bank will provide e-commerce solutions to Nordic Leisure Travel Group (NLTG), and its well-know Ving, Spies, Globetrotter and Tjäreborg brands, when the Group introduces a new customer offering for the Nordic market as the travel industry picks up again. Through its partnership with Resurs Bank, NLTG will be one of the first travel providers to feature a Nordic consumer offering that lives up to customer expectations for a flexible, safe and smooth experience.

Resurs recruited top names and presented a new Group Management – focus on strengthening position in e-commerce and growth across the business

Mattias Ekman, from Klarna, who has served in various senior commercial roles, will join Resurs as CCO of the Retail Finance business line. Group Management was also expanded with a new CCO for the Credit Cards business line and a new Chief Governance & Risk Officer. New CCO of Nordic Consumer Loans, COO and CFO & Head of IR also took office during 2021.

Resurs launched its suitability initiative – Resurs Society

Resurs wants to contribute to a more sustainable society and a more responsible credit market. As a result, Resurs Society was launched in September, which pools all of Resurs's tangible investments to contribute to a sustainable development for customers, partners, the industry and society as a whole.

Resurs Bank invests in the Nordic region's first cloud-based banking platform that meets the needs of the customers of tomorrow

Resurs Bank is investing in a new, entirely cloud-based banking platform that creates the prerequisites to provide customers and partners with state-of-the-art services, interfaces and products. The global fintech company Intellect Design Arena will be supplying the new platform. Resurs's investment in this IT transformation amounts to about SEK 500 million, part of which consists of Intellect's cloud-based solution.

Resurs sold non-performing loans to leading international investor

In June 2021, Resurs Bank AB entered into an agreement with PRA Group, a leading international credit management company in non-performing loans, to sell parts of Resurs Bank's non-performing loans in Norway for a gross carrying amount of approximately NOK 800 million. The sale had a positive impact on Resurs Bank's capital requirements and liquidity and ultimately had a neutral effect on earnings.

Resurs Bank awarded with a higher credit rating (BBB, stable outlook)

In April 2021, Resurs Bank received an update from the rating company Nordic Credit Rating (NCR). Resurs Bank's credit rating was raised from BBB- to BBB based on Resurs Bank's ability to attract new partners and an improved Nordic consumer credit market.

SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

Early repayment of subordinated loan in Resurs Bank AB (publ)

On 17 January 2022, Resurs Bank AB (publ) repaid in advance a subordinated loan of SEK 300,000,000 that was issued on 17 January 2017.

Swedish Financial Supervisory Authority's preliminary assessment of Resurs Bank's credit assessments

Resurs Bank is to be subject to an investigation by the Swedish Financial Supervisory Authority for the purpose of examining whether the bank's credit assessments comply with the Swedish Consumer Credit Act and the Authority's general guidelines regarding consumer credit (FFFS 2014:11). On 8 February 2022 the bank received official communication from the Swedish Financial Supervisory Authority where the preliminary assessment is that the bank does not base its credit assessments on adequate data and thus is non-compliant with the Consumer Credit Act. Resurs Bank does not share the Authority's preliminary assessment.

The war in Ukraine

On February 24, Russia launched an invasion of Ukraine. Resurs continuously analyzes the external situation in relation to our suppliers and assesses the risk that the business will be affected given the information that is available and which is confirmed to be known at present. Based on the information Resurs has, the analysis is that few of Resurs' suppliers use resources from Ukraine and none from Russia. As of today, Resurs has no customers in either Russia or Ukraine. Resurs has taken proactive measures to reduce any impact depending on the development we see in the outside world and continuously monitors the situation and its possible effects on the business.

ANTICIPATED FUTURE PERFORMANCE

Resurs provides sales-driving financing solutions for retailers, consumer loans and niche insurance products in the Nordic region. Resurs has continuously expanded its operations and its loan portfolio increased from SEK 9.3 billion at 31 December 2013 to SEK 33.3 billion on 31 December 2021. Resurs has established a stable platform, and continues to have potential for substantial growth in the years to come.

CORPORATE GOVERNANCE REPORT

Proper corporate governance practices are fundamental in maintaining the market's confidence in the company and creating added value for our stakeholders. As part of this effort and in order to prevent any conflicts of interest, roles and responsibilities are clearly defined and delegated among shareholders, the Board of Directors, management and other stakeholders. A detailed presentation of corporate governance at Resurs Bank Aktiebolag (publ) ("Resurs Bank") is provided on the following pages.

Corporate governance

Resurs Bank is a Swedish public limited liability company. The company's corporate governance practices are predominately based on Swedish law, the Swedish Financial Supervisory Authority's regulations, the company's Articles of Association and internal rules and policies. Resurs Bank is a wholly owned subsidiary of Resurs Holding AB and is included in Resurs Holding's corporate governance model. Resurs Holding's shares are listed at Nasdaq Stockholm. As per 31 December 2021 one owner of Resurs Holding had an ownership share exceeding 10 % of the share capital/votes i.e. Waldakt Aktiebolag with a ownership share of 28,9 %. Resurs Holding's Corporate Governance Report is available at www.resursholding.se.

General meeting of shareholders

The general meeting of shareholders is the company's highest decision-making body. The Articles of Association do not contain any specific provisions that affect decision-making at general meetings. The Articles of Association do not include any specific provisions concerning the election or dismissal of Board members, or concerning amendments to the Articles of Association, nor do they stipulate any limitations on how many votes each shareholder can cast at a general meeting of shareholders. The Board does not currently hold any authority granted by a general meeting of shareholders to make a decision on Resurs Bank issuing any new shares or acquiring any own shares.

Board of Directors

Following the general meeting of shareholders, the Board is the company's highest decision-making body and its highest executive body. The work of the Board is primarily governed by the Swedish Companies Act. The Board's work is also governed by the rules of procedure that are established annually by the Board. The rules of procedure govern such matters as the delegation of tasks and responsibilities among the Board and the CEO, and the procedures for the CEO's financial reporting. The Board's tasks include establishing strategies, business plans and budgets, submitting interim reports and financial statements and adopting policies. The Board must also monitor the company's financial performance, ensure the quality of the financial reporting and reporting by the control functions, and evaluate the company's operations based on the established targets and policies adopted by the Board. Finally, the Board also decides on major investments and significant organisational and operational changes in the company.

CEO and other senior executives

The CEO is subordinate to the Board of Directors and is responsible for the company's operational management and its day-to-day business. The delegation of duties among the Board and the CEO is outlined in the Board's rules of procedure and the CEO's instructions. The CEO is also responsible for preparing reports and compiling information from management ahead of Board meetings and makes presentations at the Board meetings.

Pursuant to the internal policies on financial reporting, the CEO is responsible for financial reporting at Resurs Bank and must thus ensure that the Board has sufficient information in order to be able to regularly assess the company and the banking group's financial position. Accordingly, the CEO continuously keeps the Board informed of the performance of the business, earnings and financial position, trends in liquidity and credit risk, key business developments, as well as any other event, circumstance or condition that could be assumed to be of significance for the company's shareholders. Furthermore, the CEO is to lead the executive management and execute the decisions made by the Board.

Internal control

The Board's responsibility for internal control is primarily governed by the Swedish Companies Act, the Annual Accounts Act (1995:1554), and the applicable elements of the Swedish Financial Supervisory Authority's regulations and general recommendations. The procedures for internal control, risk assessment, control activities and monitoring regarding its financial reporting were designed to ensure reliable overall financial reporting and external financial reporting pursuant to IFRS, prevailing laws and regulations, and other requirements that must be complied with by companies with financial instruments listed on the Nasdaq Stockholm. These efforts involve the Board, Group Management and other personnel.

Control environment

The Board has adopted a number of policy documents, which, along with the external regulatory framework, comprise the basis for Resurs Bank's control environment. All employees are responsible for complying with the adopted policies. The Board has adopted policies that govern the responsibilities of the CEO and the Board. The Board's rules of procedures stipulate that due to the consolidated situation, which included Resurs Bank together with Resurs Holding, the Board is to ensure the presence of a risk control function (second line of defence), a compliance function (second line of defence) and an internal audit function (third line of defence), all of which are organisationally separated from one another. Resurs Bank also has another function in the second line of defence, the Information Security function. The control functions must regularly report on significant weaknesses and risks to the Board and CEO. The reports are to follow up on previously reported weaknesses and risks and account for each newly identified significant weakness and risk. The Board and the CEO are to take the appropriate actions based on the control functions' reports as soon as possible. The Board and the CEO are to ensure that Resurs Bank has procedures in place to regularly follow up the actions it has taken based on the reports made by the control functions. Responsibility for maintaining an effective control environment and a regular focus on risk assessment and internal control regarding financial reporting is delegated to the CEO. However, responsibility ultimately lies with the Board. The CEO must regularly provide the Board with a written CEO report, including general commentary on significant events. As operative personnel in the first line of defence, managers at various levels within the Group are responsible for identifying and addressing identified risks.

The Audit Committee continuously ensures the quality of Resurs Bank's financial reporting, while the Corporate Governance Committee of Resurs Holding ensures the quality of Resurs Bank's corporate governance, internal control, compliance, risk control, information control and internal audit functions. In addition, the Remuneration Committee ensures that Resurs Bank complies with external and internal rules regarding remuneration.

Risk assessment and control activities

Resurs Bank has implemented risk assessment for errors in the accounting and the financial reporting. The most significant items and processes in which the risk of material errors may typically exist include income-statement and balance-sheet items, lending to the public, intangible assets and financial instruments. Resurs Bank continuously monitors the effectiveness of the control of these items and processes.

Monitoring, evaluation and reporting

The Board continuously evaluates the information it receives. The Board regularly receives reports from the business lines concerning Resurs Bank's financial position and reports from the Audit Committee regarding their observations, recommendations, and proposals on actions and decisions. The Compliance, Risk and Information Security functions and the Internal Audit function regularly report their observations and proposals for actions to the CEO, the Board and certain Board Committees. The internal and external regulatory frameworks that govern financial reporting are communicated internally by way of policies that are published on the Group's intranet.

Five-year summary, Group

INCOME STATEMENT

SEK thousand	2021	2020	2019	2018	2017
Interest income	2,899,172	3,251,234	3,304,179	3,056,886	2,679,207
Interest expense	-364,019	-406,828	-416,768	-331,232	-273,556
Other operating income	551,201	563,064	590,435	567,566	522,709
Total operating income	**3,086,354**	**3,407,470**	**3,477,846**	**3,293,220**	**2,928,360**
General administrative expenses	-1,113,919	-1,120,614	-1,116,920	-1,096,889	-970,702
Depreciation, amortisation and impairment of non-current assets	-82,150	-138,433	-78,869	-44,292	-30,466
Other operating expense	-77,953	-107,903	-149,361	-179,976	-171,983
Total expense before credit losses	**-1,274,022**	**-1,366,950**	**-1,345,150**	**-1,321,157**	**-1,173,151**
Profit before credit losses	**1,812,332**	**2,040,520**	**2,132,696**	**1,972,063**	**1,755,209**
Credit losses, net	-644,924	-854,372	-669,454	-535,554	-413,454
Operating profit	**1,167,408**	**1,186,148**	**1,463,242**	**1,436,509**	**1,341,755**
Approprations					
Income tax expense	-220,094	-306,277	-326,260	-331,843	-305,507
Profit for the year	**947,314**	**879,871**	**1,136,982**	**1,104,666**	**1,036,248**

STATEMENT OF FINANCIAL POSITION

SEK thousand	31/12/2021	31/12/2020	31/12/2019	31/12/2018	31/12/2017
Assets					
Cash and balances with central banks	215,590	208,520	220,799	63,215	61,539
Treasury and other bills eligible for refinancing	1,803,015	2,283,253	1,712,900	878,558	712,224
Lending to credit institutions	4,366,290	3,818,574	4,037,487	3,670,115	2,624,053
Lending to the public	33,346,940	30,858,341	31,344,787	27,956,576	24,069,278
Bonds and other interest-bearing securities	647,948	669,570	902,120	969,699	1,456,954
Shares and participations	11,460	7,287	17,421	1,002	979
Derivatives	1,781	113,272	110,707	190,175	40,974
Intangible assets	1,979,082	1,846,678	2,020,278	1,945,773	1,846,399
Property, plant and equipment	122,226	107,518	122,471	51,326	39,625
Other assets	405,353	275,332	318,344	393,480	112,383
Total assets	**42,899,685**	**40,188,345**	**40,807,314**	**36,119,919**	**30,964,408**
Liabilities, provisions and equity					
Liabilities to credit institutions		107,400	94,900	149,900	
Deposits and borrowing from the public	26,286,626	24,871,535	24,848,282	20,933,807	18,146,975
Derivatives	27,366	3,659	24,567	12,353	101,745
Other liabilities	1,035,402	964,399	1,001,688	1,006,759	1,014,883
Issued securities	7,871,893	6,297,472	7,672,347	7,832,186	5,597,271
Subordinated debt	599,511	798,702	797,890	498,171	540,044
Equity	7,078,887	7,145,178	6,367,640	5,686,743	5,563,490
Total liabilities, provisions and equity	**42,899,685**	**40,188,345**	**40,807,314**	**36,119,919**	**30,964,408**

KEY RATIOS

	2021	2020	2019	2018	2017
Credit loss ratio, (%) 1)	41,3	40,1	38,7	40,1	40,1
Return on equity excl. intangible assets, (RoTE), % 1)	18,2	18,2	28,1	31,0	28,5
Equity/Assets ratio, % 1)	16,5	17,8	15,6	15,7	18,0
Business volume, SEKm	59,634	55,730	56,193	48,890	42,216
Net investment margin, % 1)	6,1	7,0	7,5	8,2	8,1
Core Tier 1 ratio, % 2)	14,8	15,1	13,6	13,4	13,6
Total capital ratio, % 2)	16,3	17,4	16,3	14,7	15,5
Change, lending to the public, % 1)	8,1	-1,6	12,1	16,2	13,5
Reserve ratio, %, according to IAS 39 1)					50,7
Reserve ratio, %, according to IFRS 9, stage 1 1)	0,8	0,8	0,7	0,7	
Reserve ratio, %, according to IFRS 9, stage 2 1)	12,3	12,2	8,0	9,2	
Reserve ratio, %, according to IFRS 9, stage 3 1)	46,1	44,2	43,3	45,3	
Credit loss ratio, % 1)	2,0	2,7	2,3	2,1	1,8
Average number of employees	630	679	681	703	661
Return on assets, % 1)	2,3	2,2	3,0	3,3	3,5

Definitions of the Group's key figures can be found under the definitions section.

[1)] Alternative performance measurements, which management and analysts use in the analysis and evaluation of the Group, are not defined or specified according to (International Financial Reporting Standars). Management believes that inclusion of these measures provides information to the readers that enable comparability between periods and they facilitate both management and analysts in the analysis. Calculations and reconciliation against information in the financial statements of theses performance measures are provided on the website under "Financial reports".
[2)] Key ratios in accordance to the capital adequacy requirements and which refer to the consolidated situation. The consolidated situation comprises the Resurs Bank AB Group and its Parent Company Resurs Holding AB.

Five-year summary, Parent company

INCOME STATEMENT

SEK thousand	2021	2020	2019	2018	2017
Interest income	2,898,923	3,250,491	3,301,845	3,056,191	2,089,649
Lease income	2,031	6,320	16,252	21,119	29,490
Interest expense	-363,111	-405,887	-415,535	-331,240	-164,152
Other operating income	551,212	563,054	590,447	554,541	454,782
Total operating income	**3,089,055**	**3,413,978**	**3,493,009**	**3,300,611**	**2,409,769**
General administrative expenses	-1,226,322	-1,178,587	-1,196,995	-1,168,508	-920,741
Depreciation, amortisation and impairment of non-current assets	-122,882	-131,513	-148,347	-147,657	-70,056
Other operating expenses	-77,953	-107,903	-149,361	-179,976	-129,089
Total expenses before credit losses	**-1,427,157**	**-1,418,003**	**-1,494,703**	**-1,496,141**	**-1,119,886**
Profit before credit losses	**1,661,898**	**1,995,975**	**1,998,306**	**1,804,470**	**1,289,883**
Credit losses, net	-644,853	-854,566	-669,662	-537,748	-319,726
Operating profit	**1,017,045**	**1,141,409**	**1,328,644**	**1,266,722**	**970,157**
Appropriations	216,340				200,000
Income tax expense	-253,963	-314,481	-316,254	-305,682	-274,709
Profit for the year	**979,422**	**826,928**	**1,012,390**	**961,040**	**895,448**

BALANCE SHEET

SEK thousand	31/12/2021	31/12/2020	31/12/2019	31/12/2018	31/12/2017
Assets					
Cash and balances with central banks	215,590	208,520	220,799	63,215	
Treasury and other bills eligible for refinancing	1,803,015	2,283,253	1,712,900	878,558	712,224
Lending to credit institutions	4,267,364	3,701,645	3,894,680	3,539,013	1,827,757
Lending to the public	33,392,534	30,900,538	31,399,252	27,998,470	18,395,356
Bonds and other interest-bearing securities	647,948	669,570	902,120	969,699	848,858
Shares and participations in associated company	11,460	7,287	17,421	1,002	
Shares and participations in group company	50,099	50,099	50,099	50,099	1,863,905
Derivatives	1,781	113,272	110,707	190,175	40,974
Intangible assets	1,330,443	1,365,443	1,572,416	1,634,097	552,577
Property, plant and equipment	52,587	50,200	57,612	83,160	74,700
Other assets	408,748	279,825	323,414	396,570	104,725
Total assets	**42,181,569**	**39,629,652**	**40,261,420**	**35,804,058**	**24,421,076**
Liabilities, provisions and equity					
Liabilities to credit institutions		107,400	94,900	149,900	
Deposits and borrowing from the public	26,288,192	24,873,110	24,849,862	20,933,807	12,816,921
Derivatives	27,366	3,659	24,567	12,353	101,745
Other liabilities	2,916,659	2,808,233	3,717,324	3,826,113	2,943,059
Issued securities	5,871,893	4,297,472	4,772,356	4,934,508	2,946,666
Subordinated debt	599,511	798,702	797,890	498,171	500,000
Untaxed reserves		216,340	216,340	216,340	216,340
Equity	6,477,948	6,524,736	5,788,181	5,232,866	4,896,345
Total liabilities, provisions and equity	**42,181,569**	**39,629,652**	**40,261,420**	**35,804,058**	**24,421,076**

KEY RATIOS

	2021	2020	2019	2018	2017
Business volume, SEKm	59,685	55,781	56,267	48,964	31,250
Net investment margin, % *)	6,2	14,4	7,6	8,2	8,3
Core Tier 1 ratio, % 1)	15,4	15,4	13,9	12,9	19,1
Total capital ratio, % 1)	16,4	17,4	16,0	14,2	21,1
Change, loans to the public, % *)	8,1	-1,6	12,1	18,3	11,6
Reserve ratio, %, according to IAS 39					51,7
Reserve ratio, %, according to IFRS 9, stage 1	0,8	0,8	0,7	0,7	
Reserve ratio, %, according to IFRS 9, stage 2	12,3	12,2	8,0	9,2	
Reserve ratio, %, according to IFRS 9, stage 3	46,1	44,2	43,3	45,3	
Credit loss ratio, %	2,0	5,5	2,3	2,1	1,8
Average number of employees	630	679	681	703	609
Return on assets, % 1)	2,4	4,2	2,7	2,9	3,8

[*] When calculating the key ratios, average balance sheet items have been used for the period 1 January to 31 December 2018. In the items as of 1 Januari 2018, both the IFRS 9 adjustment and the merger of the subsidiarie yA Bank AS are included. When calculating the average total assets, the opening value of SEK 31,187,030 thousand has been used and for Lending to the public a value of SEK 23,664,728 thousand has been used.

[1] Key ratios according to capital adequacy rules.

DEFINITIONS

Business volume
Customer-related deposits and lending. The Parent Company also includes leases.

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.

Core tier 1 ratio [2]
Core Tier 1 capital in relation to risk-weighted amount as per the Swedish Financial Supervisory Authority's directive.

Credit loss ratio, % [1]
Net credit losses in relation to the average balance of loans to the public.

Equity/assets ratio, % [1]
Equity, including profit for the year and 78% of untaxed reserves, as a percentage of the balance sheet total.

Lending to the public 1)
Total lending to the public less reserves for expected credit losses.

Lending to the public, excl. exchange-rate differences 1)
Total lending to the public in local currency, excl. exchange rate differences.

NBI Margin, % 1)
Operating income in relation to the average balance of loans to the public.

Net interest income/expense 1)
Interest income less interest expenses.

NIM, % 1)
Interest income less interest expenses in relation to average balance of lending to the public.

Net investment margin, % 1)
Net interest income in relation to average balance sheet total. For the Parent Company, this comprises net interest income and lease income in relation to the average balance sheet total.

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 seperately since they are considered to reduce comparability.

Reserve ratio, % 1)
According to IAS 39
Reserve for anticipated credit losses in relation to lending to the public, gross.

According to IFRS 9
Reserve for expected credit losses per stage in relation to lending to the public, gross per stage.

Return on assets % [1]
Net income in relation to average balance sheet total.

Return on equity excl. intangible assets, (ROTE), % [1]
Profit for the period as a percentage of average equity, less intangible assets.

Risk adjusted NBI-margin, % [1]
NBI-margin adjusted for credit loss ratio.

Tier 1 capital [2]
Tier 1 capital comprises Common Equity Tier 1 capital and other Tier 1 capital.

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.

[1] Alternative performance measures are 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.

PROPOSED APPROPRIATION OF PROFIT

	31/12/2020
Retained earnings	4,986,026,378
Profit for the year	979,421,568
Total	**5,965,447,946**
The Board of Directors propose that these earnings be appropriated as follows (SEK):	
Dividends to shareholders (SEK 524.00 per share)	262,000,000
Carried forward	5,703,447,946
Total	**5,965,447,946**

The Board believes that the proposed dividend is justifiable with respect to the requirements that the nature, scope and risks of the operations impose on the size of the Parent Company's and the Group's equity, consolidation requirements, liquidity and financial position.

Statements and notes - Group

INCOME STATEMENT, GROUP

SEK thousand	Note	2021	2020
Interest income	G7	2,899,172	3,251,234
Interest expense	G7	-364,019	-406,828
Fee and commission income	G8	417,858	425,214
Fee and commission expense	G8	-70,500	-63,635
Net income/expense from financial transactions	G9	3,145	-14,175
Other operating income	G10	200,698	215,660
Total operating income		**3,086,354**	**3,407,470**
General administrative expenses	G12,G13	-1,113,919	-1,120,614
Depreciation, amortisation and impairment of tangible and intangible assets	G14	-82,150	-138,433
Other operating expenses	G15	-77,953	-107,903
Total expenses before credit losses		**-1,274,022**	**-1,366,950**
Profit before credit losses		**1,812,332**	**2,040,520**
Credit losses, net	G16	-644,924	-854,372
Operating profit		**1,167,408**	**1,186,148**
Income tax expense	G17	-220,094	-306,277
Profit for the year		**947,314**	**879,871**
Profit for the year attributable to Resurs Bank AB shareholders		**947,314**	**879,871**

STATEMENT OF COMPREHENSIVE INCOME, GROUP

SEK thousand	Note	2021	2020
Profit for the year		**947,314**	**879,871**
Other comprehensive income that will be reclassified to profit/loss			
Translation differences for the year, foreign operations	G35	76,395	-102,333
Comprehensive income for the year		**1,023,709**	**777,538**
Comprehensive income for the year attributable to Resurs Bank AB shareholders		**1,023,709**	**777,538**

STATEMENT OF FINANCIAL POSITION, GROUP

SEK thousand	Note	31/12/2021	31/12/2020
Assets			
Cash and balances with central banks		215,590	208,520
Treasury and other bills eligible for refinancing	G18	1,803,015	2,283,253
Lending to credit institutions	G19	4,366,290	3,818,574
Lending to the public	G20	33,346,940	30,858,341
Bonds and other interest-bearing securities	G21	647,948	669,570
Shares and participations	G22	11,460	7,287
Derivatives	G23	1,781	113,272
Goodwill	G24	1,708,120	1,635,090
Other intangible assets	G24	270,962	211,588
Property, plant and equipment	G25	122,226	107,518
Other assets	G26	70,182	45,649
Current tax assets		93,622	62,529
Deferred tax asset	G17	104,368	254
Prepaid expenses and accrued income	G27	137,181	166,900
Total assets		**42,899,685**	**40,188,345**
Liabilities, provisions and equity			
Liabilities and provisions			
Liabilities to credit institutions	G28		107,400
Deposits and borrowing from the public	G29	26,286,626	24,871,535
Other liabilities	G30	623,726	530,473
Derivatives	G23	27,366	3,659
Accrued expenses and deferred income	G31	222,386	199,452
Current tax liabilities		96,751	95,064
Deferred tax liability	G17	74,069	118,972
Other provisions	G32	18,470	20,438
Issued securities	G33	7,871,893	6,297,472
Subordinated debt	G34	599,511	798,702
Total liabilities and provisions		**35,820,798**	**33,043,167**
Equity	G35		
Share capital		500,000	500,000
Other paid-in capital		2,175,000	2,175,000
Translation reserve		40,843	-35,552
Retained earnings including profit for the year		4,363,044	4,505,730
Total Equity		**7,078,887**	**7,145,178**
Total liabilities, provisions and equity		**42,899,685**	**40,188,345**

See note G36 for information on pledged assets, contingent liabilities and commitments.

STATEMENT OF CHANGES IN EQUITY, GROUP

SEK thousand	Share-capital	Other paid-in capital	Hedge accounting reserve	Trans-lation reserve	Retained earnings incl. profit for the year	Total equity
Initial equity at 1 January 2020	**500,000**	**2,175,000**	**-35,600**	**102,381**	**3,625,859**	**6,367,640**
Profit for the year					879,871	879,871
Other comprehensive income for the year				-102,333		-102,333
Equity at 31 December 2020	**500,000**	**2,175,000**	**-35,600**	**48**	**4,505,730**	**7,145,178**
Initial equity at 1 January 2021	**500,000**	**2,175,000**	**-35,600**	**48**	**4,505,730**	**7,145,178**
Dividends according to General Meeting					-458,000	**-458,000**
Dividends according to Extraordinary General Meeting					-632,000	**-632,000**
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**	**-35,600**	**76,443**	**4,363,044**	**7,078,887**

All equity is attributable to Parent Company shareholders.

See note G35 regarding translation reserve.

CASH FLOW STATEMENT (INDIRECT METHOD)

SEK thousand	Note	2021	2020
Operating activities			
Operating profit		1,167,408	1,186,148
- of which, interest received		*2,896,825*	*3,253,276*
- of which, interest paid		*-360,888*	*-423,216*
Adjustments for non-cash items in operating profit		737,255	1,003,906
Tax paid		-405,018	-293,826
Cash flow from operating activities before changes in operating assets and liabilities		**1,499,645**	**1,896,228**
Changes in operating assets and liabilities			
Lending to the public		-2,483,218	-1,545,166
Other assets		-89,813	622,301
Liabilities to credit institutions		-107,400	12,500
Deposits and borrowing from the public		966,066	674,496
Acquisition of investment assets [1]		-3,131,431	-4,681,782
Divestment of investment assets [1]		3,654,153	4,285,241
Other liabilities		64,526	-49,556
Cash flow from operating activities		**372,528**	**1,214,262**
Investing activities			
Acquisition of non-current assets	G24,G25	-113,333	-61,017
Divestment of non-current assets		170	4,395
Cash flow from investing activities		**-113,163**	**-56,622**
Financing activities			
Dividends paid		-1,090,000	
Shareholder's contributions			
Issued securities		1,572,196	-1,377,406
Subordinated debt		-200,000	
Cash flow from financing activities		**282,196**	**-1,377,406**
Cash flow for the year		**541,561**	**-219,766**
Cash & cash equivalents at beginning of the year [2]		4,027,094	4,258,286
Exchange-rate differences		13,225	-11,426
Cash & cash equivalents at end of the period [2]		**4,581,880**	**4,027,094**
Adjustment for non-cash items in operating profit			
Credit losses	G16	644,924	854,372
Depreciation and impairment of property, plant & equipment	G14	82,150	138,433
Profit/loss tangible assets		-321	-739
Profit/loss on investment assets [1]		3,660	-2,709
Change in provisions		-2,414	1,701
Adjustment to interest paid/received		10,563	-6,643
Currency effects		-4,341	6,148
Depreciation, amortisation and impairment of shares			10,000
Other items that do not affect liquidity		3,034	3,343
Total adjustments for non cash flow items in operating profit		**737,255**	**1,003,906**

[1] Investment assets are comprised of Bonds and other interest-bearing securities, Treasury and other bills eligible for refinancing and Shares and participations.

[2] Liquid assets are comprised of Lending to credit institutions and Cash and balances at central banks.

SEK thousan	1 Jan 2021	Cash flow	Non cash flow items		31 Dec 2021
			Accrued acquisition costs	Exchange-rate differences	
Issued securities	6,297,472	1,572,196	2,225		7,871,893
Subordinated debt	798,702	-200,000	809		599,511
Total	**7,096,174**	**1,372,196**	**3,034**	**0**	**8,471,404**

SEK thousand	1 Jan 2020	Cash flow	Non cash flow items		31 Dec 2020
			Accrued acquisition costs	Exchange-rate differences	
Issued securities	7,672,347	-1,377,406	2,531		6,297,472
Subordinated debt	797,890		812		798,702
Total	**8,470,237**	**-1,377,406**	**3,343**	**0**	**7,096,174**

Notes

G1 GENERAL INFORMATION

Resurs Bank AB (publ), Corporate Identity Number 516401-0208, address Ekslingan 9, Väla Norra, Helsingborg, is a public limited liability company headquartered in Helsingborg, Sweden. The company is a wholly owned subsidiary of Resurs Holding AB, Corporate Identity Number 556898-2291.

Resurs Bank AB hereby submits the annual report and the consolidated financial statements for the financial year 2021.

The Group includes wholly owned subsidiaries Resurs Norden AB, Corporate Identity Number 556634-3280, Resurs Consumer Loans Limited, Ireland, Corporate Identity Number 3346092RH. Resurs Banks AB also has branch offices in Denmark, Norway and Finland.

The regulatory consolidation (consolidated situation) include Resurs Bank AB Group and its parent company Resurs Holding AB.

Resurs Bank AB is included in the Group where Resurs Holding AB, Corporate Identity Number 556898-2291, issues the consolidated financial statements. Resurs Holding AB is owned to 28.9 per cent by Waldakt AB. Of the remaining owners, no single owner holds 20 per cent or more.

The consolidated financial statements and the annual report are presented in SEK thousand unless otherwise indicated.

Presentation and adoption of the annual report
The annual report was approved for issuance by the Board of Directors on 21 March 2022. The income statement and balance sheet are subject to approval by the Annual General Meeting on 22 April 2022.

G2 ACCOUNTING PRINCIPLES

Group
The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB), as adopted by the EU. Applicable sections 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 all applicable amendments), and the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups, were also applied. Unless otherwise specified, the accounting principles described below were applied consistently to all periods presented in the Group's financial statements.

Basis of preparation
Group management has considered the development and information regarding the Group's key accounting principles and has defined its position on the choice and application of these principles. The Group's assets and liabilities are measured at historical cost. Financial assets and liabilities are measured at amortised cost, apart from certain assets and liabilities which are measured at fair value through profit or loss. Financial assets and liabilities measured at fair value through profit or loss comprise:
- Bonds and other interest-bearing securities, including subordinated loans
- Shares and participations
- Derivatives
- Treasury and other bills eligible for refinancing

Judgements and estimates in the financial statements
Preparation of financial statements in compliance with IFRS requires Group management to make judgements, accounting estimates and assumptions that affect the application of the accounting principles and the carrying amounts of assets, liabilities, income and expenses. Estimates and assumptions are based on historical experience and a number of other factors that are considered reasonable in the present circumstances. The results of these estimates and assumptions are used to determine the carrying amounts of assets and liabilities which are not readily apparent from other sources. The actual outcome may differ from those estimates and assumptions.
The accounting estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognised in the period of the change if the change only affects that period. Changes are recognised in the period of the change and future periods if the change affects both. Assessments made by Group management and key sources of estimation uncertainty when applying IFRS that have a significant impact on the financial statements are described in more detail in Note G40 Key estimates and assessments.

New standards, amendments and interpretations that have been applied by the Group
None of the new standards, amendments or interpretations that have come into effect for the financial year beginning on 1 January 2021 have had a significant impact on the Group.

Consolidated financial statements
The consolidated financial statements include the Parent Company and its subsidiaries. Subsidiaries are entities over which the Parent Company exercises control.

The Group controls an entity when the Group is exposed to, or has rights to, variable returns through its power over the entity and has the ability to affect those returns through its power over the entity. A subsidiary is consolidated from the acquisition date, which is the date when the Parent Company obtains control. A subsidiary is deconsolidated from the date on which control ceases.

The Group is comprised of the subsidiaries Resurs Norden AB and Resurs Consumer Loans 1 Ltd. The subsidiaries were consolidated using the acquisition method and, accordingly, the carrying amount of subsidiary shares is eliminated against the subsidiaries' equity at the time of acquisition.

Purchase consideration for the acquisition of a subsidiary comprises the fair value of transferred assets, liabilities incurred by the Group to the former owners of the acquired company, and the shares issued by the Group. Purchase consideration also includes the fair value of all assets and liabilities that are a result of a contingent consideration agreement. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their acquisition date fair values. For each acquisition, i.e. on a transaction-by-transaction basis, the Group decides whether to measure the non-controlling interest (NCI) in the acquired company at fair value or at the NCI's proportionate share of the identifiable net assets of the acquired company. Acquisition-related costs are recognised as an expense when incurred.

Goodwill is initially measured as the difference between the total purchase consideration plus any fair value of non-controlling interests, and the fair value of identifiable assets acquired and liabilities assumed. If the purchase consideration is lower than the fair value of the acquired company's net assets, the difference is recognised directly through profit or loss.

In the consolidated financial statements, untaxed reserves are divided into two parts, a tax component (22 per cent) and a component that is recognised in equity (78 per cent).

Intra-Group transactions, balance-sheet items and income and costs for intra-Group transactions are eliminated. Gains and losses resulting from intra-Group transactions and which are recognised as assets are eliminated in their entirety. The accounting principles for subsidiaries have been changed where necessary to ensure consistent application of the Group's principles.

Foreign currency
The Group uses the Swedish crowns as presentation Currency. Functional currency refers to the currency that is primarily used in a business's cash flows. The functional currency is determined within the Group based on each individual business's primary economic environment. The income statement is translated using the average rate for the period in which the transaction arises. Monetary assets and liabilities in foreign currency together with non-monetary assets and liabilities measured at fair value are translated into the closing rate at the balance sheet day.

All gains and losses arising from currency translation of monetary items, including the currency component of forward contracts, measured at fair value, are recognised in the income statement as exchange-rate changes within the item Net income/expense from financial transactions.

Goodwill in foreign currency attributable to the acquisition of a foreign operation is treated as assets of the foreign operation and is translated at the closing rate. Exchange-rate gains and losses are recognised in other comprehensive income.

Assets and liabilities in subsidiaries and branches with a functional currency other than Swedish crowns are translated to the reporting currency using the exchange-rate on the balance sheet date. The income statement is translated at the average exchange-rate for each currency during the period.

Segment reporting
Operating segments are reported in a manner consistent with the Group's internal reporting provided to the chief operating decision maker. The chief operating decision maker is the function responsible for allocating resources and assessing performance of the operating segments.

Interest income and interest expense
Interest income and interest expense attributable to financial assets and liabilities are recognised using the effective interest method. The effective interest rate is the rate that equates the present value of all estimated future receipts or payments during the anticipated fixed interest terms with the carrying amount of the receivable or liability. Interest income and interest expense include any transaction costs and other differences from the original value of the asset or liability.
Interest income and interest expense presented in profit or loss comprise:
- Interest on financial assets and liabilities measured at amortised cost using the effective interest method, including interest on doubtful receivables.
- Interest on financial assets and liabilities at fair value through profit or loss.

Leases
Lessee
The Group's leases mainly premises and vehicles. Leases are normally signed for fixed periods of about five years for premises and three years for vehicles, but there are the options of extensions and advance termination, which are described below. The terms are negotiated separately for each lease and contain a large number of contractual terms.

The leasing agreements are reported in accordance with IFRS 16 as right-of-use together with a corresponding liability to the lessor on the day that the leased assets become available for use by the Group. The right-of-use and lease liability are recognised on the lines Property, plant & equipment and Other liabilities. Each lease payment is distributed between depreciation of liability and interest expense. The interest expense is distributed over the lease term so that each reporting period is charged with an amount equivalent to a fixed interest rate for the liability recognised for each period. The right-of-use asset is depreciated straight-line over the identified right-of-use period. In the cash flow statement payments for the principal portion of the lease liability and payments for the interest portion are presented within operating activities.

Assets and liabilities arising on leases are initially recognised at present value.
Lease liabilities include the present value of the following lease payments:
- fixed payments (including in-substance fixed payments), less incentives
- variable lease payments that depend on an index or rate, initially measured using the index or rates on the commencement date
- amounts expected to be payable under a residual value guarantee
- the exercise price under a purchase option that the lessee is reasonably certain to utilise and
- penalty for terminating the lease, if the length of the term reflects the assumption that the lessee will utilise this option.

Lease payments are discounted at the interest rate implicit if the rate can be determined, otherwise at the incremental borrowing rate.

The right-of-use assets are measured at cost and include the following:
- the amount at which the lease liability was originally measured
- lease payments paid on at before the commencement date, after any rewards received when the lease was signed.
- initial direct costs
- costs for restoring the asset to the condition prescribed in the terms of the lease

The Group has decided to apply the following exemptions in IFRS 16:
- Payments for short-term leases and leases of a low value are expensed straight-line in profit or loss. Short-term leases are leases of 12 months or less. Low value leases include IT and office equipment.

Options to extend or terminate a lease are included in a number of the Group's leases for premises. The terms are used to maximise flexibility in managing leases. These options of providing the opportunity to terminate a lease in advance can only be utilised by the Resurs Bank Group and not the lessors. When such an option is utilised, a fee corresponding to six months' rent is often charged. The assessment of the use of options to extend or terminate a lease is reviewed if a significant event or change in circumstances arises that impacts this assessment and the change is within the lessee's control.

Lessor
All lease contracts in which the Group is the lessor are classified as finance leases and are recognised in the Group's balance sheet under Lending to the public at an amount corresponding to the net investment in the lease. The lease payment, excluding cost of service, is recognised as repayment of the receivable and as unearned financial income. The income is distributed to obtain an even return on the net investment recognised for each period.

Revenue recognition
The standard for Revenue from agreements with customers, IFRS 15, is applied for various types of services which are mainly reported in the income statement as commission income. IFRS 15 also applies to certain services that are found in the item Other income.

Fee & commission income and expense
Fee & commission income and expense that are an integral part of the effective interest rate are not recognised under fee & commission income, but under interest income. This is comprised of opening fees for loans and fees for the provision of credit or other types of loan commitments for which it is likely that the credit facility will be utilised.

Commission and fees received on financial services are recognised in the period during which the service is expected to be provided when the credit product does not have different partial payment options. Opening fees for other credit products (comprising products with which the customer has the option of switching between different repayment plans) are recognised immediately, since the credit maturity is shorter and there is greater uncertainty about credit maturity.

Fee & commission expenses are the costs of services received, to the extent they are not considered to be interest and are comprised of loan commission. Transaction costs, which are taken into account when calculating the effective interest rate, reduce interest income.

Dividend income
Dividend income is recognised when the right to receive payment is established.

Net income/expense from financial transactions
The item net income/expense from financial transactions includes realised and unrealised changes in value arising from financial transactions.

Net income/expense consists of:
- capital gains from financial assets at fair value through profit or loss
- unrealised changes in value from financial assets at fair value through profit or loss
- realised and unrealised changes in the value of derivative instruments that are economic hedging instruments but do not qualify for hedge accounting
- exchange-rate differences
- Ineffective part of the hedge accounting in the fair value hedge.

Other operating income
The item primarily comprises monitoring fees and withdrawal fees and originate from Lending to the public.

General administrative expenses
General administrative expenses include personnel expenses, postage, communication and notification costs, IT costs, consulting fees, premises costs and certain other costs related to the business.

Employee benefits
Personnel expenses
Personnel expenses, such as salaries, payroll overhead and variable remuneration, are recognised through profit or loss during the period in which the employee rendered service to the Group. A provision for variable remuneration is recognised when the Group has a legal or constructive obligation to make such payments as a result of the services in question having been rendered by the employees, and when the amount can be measured reliably.

Pensions
The Group primarily has defined contribution pension plans, which are recognised through profit or loss in the period during which the employee rendered service to the Group. Defined contribution plans are plans under which the Group pays fixed contributions into a separate legal entity. The Group has no legal or constructive obligation to pay further contributions if the legal entity does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior period.

Termination benefits
Termination benefits are only recognised if the Group is demonstrably committed, without realistic possibility of withdrawal, to terminate employment before the normal retirement date and has a detailed formal plan for termination.

Recognition of assets and liabilities
Assets are defined as resources controlled by the company as a result of past events and which are likely to generate future economic benefits. These are recognised in the statement of financial position when it is probable that future economic benefits associated with the asset will flow to the Group and when the value/cost of the resource can be measured reliably.

Liabilities are current obligations arising from past events, the settlement of which is expected to result in an outflow of resources from the Group. A liability is recognised in the statement of financial position when it is probable that an outflow of resources from the Group will result from the settlement of a present obligation and the amount at which the settlement will take place can be measured reliably.

Financial instruments
Financial instruments recognised under assets in the statement of financial position include treasury and other bills eligible for refinancing, loan receivables, bonds and other interest-bearing securities, subordinated loans, other assets, and derivatives. The heading liabilities, provisions and equity includes loans, issued securities, subordinated debt, derivatives and trade payables.

Financial instruments - Recognition in and derecognition from the statement of financial position
A financial asset or financial liability is recognised in the statement of financial position when the Group becomes a party under the instrument's contractual terms

Financial assets are derecognised from the balance sheet when the contractual rights to the cash flows deriving from the asset cease or when all significant risks and benefits associated with the assets are transferred to another party. This also applies to part of a financial asset. A financial liability is derecognised when the contractual obligation is discharged or extinguished in some other way. This also applies to part of a financial liability. A financial asset and a financial liability may be offset and the net amount recognised in the statement of financial position only when there is a legally enforceable right to offset the recognised amounts and the intention is either to settle on a net basis, or to simultaneously realise the asset and settle the liability. Acquisitions and divestments of financial assets are recognised on the trade date, the date on which the Group commits itself to acquire or divest the asset. Loan receivables are recognised in the statement of financial position when the loan amount is paid to the borrower.

Financial instruments - Classification and measurement
In accordance with IFRS 9, all financial assets are allocated to measurement categories: Amortised cost, Fair value through other comprehensive income or Fair value through profit or loss. Profit or loss is then divided into two sub-categories, mandatory and Fair Value Option (FVO).

Financial instruments in the mandatory category, are continuously valued to fair value with the changes reported in profit or loss.

Financial instruments are initially measured at their fair value plus transaction costs. Transaction costs are direct costs attributable to the acquisition or issue of the financial asset or financial liability. Derivatives and instruments classified as financial assets and financial liabilities at fair value through profit or loss are measured at fair value, excluding transaction costs. A financial instrument is classified on initial recognition according to the purpose for which it was acquired. Classification determines how a financial instrument is measured subsequent to initial recognition, as described below.

Financial instruments - Financial assets at fair value through profit or loss
If a financial asset does not meet the conditions for measurement at amortised cost or for measurement at fair value through other comprehensive income, it must be valued at fair value through profit or loss. The category comprises two sub-categories, the mandatory and the Fair Value Option. In the first category, we have derivatives and financial instruments held for trading.

Unrealised and realised changes in the fair value of financial instruments that are measured at fair value through profit or loss are recognised under Net income/expense from financial transactions.

The second measurement category includes equity index bonds and structured products, which contain both an interest bearing and a derivative component The Group has decided to include equity index bonds and structured products in the category Fair Value Option.

In the balance sheet, these are represented by the items: Treasury and other bills eligible for refinancing, Bonds and other interest-bearing securities, Subordinated loans, Shares and participations and Derivatives.

Financial instruments - Financial assets measured at amortised cost

Loan receivables, purchased receivables and accounts receivable are financial assets that are not derivative instruments, that have fixed or fixable payments and that are not listed on an active market. These receivables are represented by the balance sheet items Cash and balances at central banks, Lending to credit institutions, Lending to the public, Other assets and Prepaid expenses and accrued income. These assets are measured at amortised cost. Amortised cost is calculated based on the effective interest rate used at initial recognition.

Accounts receivable and loan receivables are recognised at the amounts expected to be received, in accordance to IFRS 9. Purchased receivables, comprised of a portfolio of non-performing consumer loans, were purchased at a price significantly lower than the nominal value. Recognition follows the effective interest model, with the carrying amount of the portfolio corresponding to the present value of future cash flows, discounted using the effective interest rate applicable on initial acquisition of the portfolio, based on the relationship between cost and the projected cash flows at the time of acquisition. The projected cash flows are regularly reviewed during the year and updated to reflect collection results, agreements on repayment plans signed with debtors and macroeconomic information. All updated information is gathered and processed in the Group's models according to IFRS 9.

Financial instruments - Financial liabilities at fair value through profit or loss

If a financial liability does not meet the conditions for measurement at amortised cost or for measurement at fair value through other comprehensive income, it must be valued at fair value through profit or loss. The category comprises two sub-categories, the mandatory and the Fair Value Option.

In the balance sheet the mandatory category includes Derivatives. Both unrealised and realised changes in the fair value are recognised under Net income/expense from financial transactions.

Financial instruments - Liabilities at amortised cost

When liabilities arise, these are valued at amortised cost and accrued interest expenses are accrued on an ongoing basis according to the effective interest method.

In the balance sheet the liabilities are represented by the balance sheet items Liabilities to credit institutions, Deposits and borrowing from the public, Issued securities, Subordinated debts, Other liabilities, Accrued expenses and accrued income.

Net investments in foreign operations

For foreign operations carried out in the form of a branch, the Group's treasury function manages the net investment in each currency and reduces currency risk through other positions in the same currency and through currency derivatives.

Translation differences are recognised through profit or loss. Accumulated gains and losses in equity are recognised through profit or loss when the foreign operations are fully or partly divested.

Methods of determining fair value

Financial instruments listed on an active market

The fair value of financial instruments listed on an active market is determined on the basis of the asset's listed bid price on the closing date without additions for transaction costs (for example, brokerage) at the time of acquisition. A financial instrument is deemed to be listed on an active market if listed prices are readily available from a stock exchange, dealer, broker, trade association, pricing service or regulatory agency and those prices represent actual and regularly occurring market transactions on commercial terms. Any future transaction costs on disposal are not taken into consideration. The fair value of financial liabilities is based on the quoted selling price.

Instruments that are listed on an active market are recognised under Treasury and other bills eligible for refinancing, Bonds and other interest-bearing securities, and Shares and participations.

Financial instruments not listed on an active market

If the market for a financial instrument is not active, the fair value is determined by applying various measurement techniques that are based on market data as far as possible. The fair value of currency forwards is calculated by discounting the difference between the contracted forward rate and the forward rate that can be utilised on the closing date for the remaining contract period. Discounting is at a risk-free interest rate based on government bonds. The fair value of interest swaps is based on discounting anticipated future cash flows in accordance with contractual terms and maturities using the market rate. The fair value of non-derivative financial instruments is based on future cash flows and current market rates on the closing date. The discount rate used reflects market-based interest rates for similar instruments on the closing date. Information about fair value recognised in the statement of financial position based on a measurement technique is provided in Note G38 Financial instruments. The Group measures derivatives at fair value solely based on input data that is directly or indirectly observable on the market. Instruments that are not listed on an active market are recognised under Lending to credit institutions, Deposits and lending from the public, Derivatives and Other assets and liabilities.

Credit losses and impairment of financial assets

Credit losses comprise confirmed credit losses during the year less amounts received for previous years' confirmed credit losses and changes in the provision for expected credit losses. Loans are recognised net of confirmed credit losses and the provision for expected credit losses (ECL).

In accordance to IFRS 9, the Group assesses expected credit losses together with future-oriented factors for all financial instruments, within the category of amortised cost. Expected balance from loan commitments are also considered. The Group reports the possible losses on each reporting occasion.

The assessment of ECL should reflect: An objective and a probability-weighted amount determined through the evaluation of a number of potential outcomes; with consideration given to money's time value and to all reasonable and verifiable information available on the reporting date without unreasonable expense or exertion. The assessment also take into account historical, current and forecasts for future economic conditions.

The calculation of credit losses is based on expected credit losses under IFRS 9 and will be calculated by multiplying the PD with the Exposure at Default (EAD) multiplied by the Loss Given Default (LGD). This means that the calculation of expected credit losses is based on the bank's total lending volumes, including credits without any increased credit risk.

The impairment model includes a three-stage model based on changes in the credit quality of financial assets. Under this three-stage model, assets are divided into three different stages depending on how credit risk has changed since the asset was initially recognised in the balance sheet. Stage 1 encompasses assets for which there has not been a significant increase in credit risk, stage 2 encompasses assets for which there has been a significant increase in credit risk, while stage 3 encompasses defaulted assets, That is assets which have been transferred to debt collection or are past due 90 days or more.

The provision of expected credit losses for assets is governed by the category to which the assets belong. Provisions are made under stage 1 for expected credit losses within 12 months, while provisions for stage 2 and 3 are made for expected credit losses under the full lifetime of the assets.

A central factor impacting the amount of expected credit losses is the rule governing the transfer of an asset between stage 1 and 2. The Group makes use of change in the lifetime Probability of Default (PD) to determine the significant increase in risk, with the change assessed by a combination of absolute and relative changes in the lifetime PD. Furthermore, all credits for which payments are more than 30 days late are attributed to stage 2, regardless of whether or not there is a significant increase in risk.

To determine whether there is a significant increase in risk, and thus a transfer to stage 2, the bank starts by assessing the change in the expected life PD of the credit. In order for there to be a significant increase in risk, a change in start PD must amount to the total of a given threshold and a percentage change in the start PD. In addition, the bank also uses an absolute change in PD that entails that if a lifetime PD increases by a given percentage point, which varies depending on product category, then it is attributable to stage 2. Alongside the significant PD changes described above, the bank uses a "back stop," meaning that a credit that is between 30 and 90 days past due is attributable to stage 2 even if there is no significant increase in PD. Reversals are made from stage 2 to stage 1 when a receivable that was previously under stage 2 is no longer subject to a significant increase in risk or is no longer past due for payment by more than 30 days. Reversals can only be made from stage 3 for receivables that are between 90 and 120 days past due for payment and are then reversed to stage 1 or stage 2 when payments are made during a 12-month period.

The calculation of the lifetime for credit cards and other revolving credits is based on predictive models about the future limit use and statistical repayment plans. The models are based on internal historical data where different models are used for homogeneous groups of credits with similar explanatory variables.

In addition to the IFRS 9 reserves described in the preceding paragraph, the Group also makes additions for "management overlays," based on forward-looking macroeconomic profits under IFRS 9. The Group has decided to base the forward-looking calculations on a macroeconomic variable (unemployment level) that from a historical perspective has proven to correlate well with changes in the Group's credit losses. Input used for the forward-looking calculations are forecasts of future unemployment per geographic market in which the Group operates, which are obtained from Bloomberg. The Group also applies a weighted scenario of these forecasts in which the weight on 31 December 2021 used the median value of 50 per cent, of which 40 per cent for a more negative trend (higher unemployment) and 10 per cent for a more positive trend (lower unemployment). In addition to the management overlay above, an assessment of the future effects of COVID-19 was made based on a further negative trend in unemployment, compared with the forecasts used in the management overlay in the markets in which the Group operates.

The lending to credit institutions are deemed to have very low credit risk and are not considered to have been exposed to increased credit risk, which is why lending to credit institutions has not been impaired.

For provisions for credit losses pertaining to leasing in factoring, an individual assessment is made as to whether a provision is to be established or impairment (leased equipment) is to be recognised. Testing for these contractual groups is performed only at individual level since no group is deemed to meet the requirements for being treated as a homogeneous group. A provision or impairment is reversed when there is verifying information that the impairment requirement no longer exists. Confirmed credit losses include losses for which the amounts are determined through bankruptcy, settlements, a statement from the enforcement authority or exemption from payment granted in some other way.

Loan commitments and unutilised credit
The Group has no outstanding loan commitments. All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act. Unutilised credit is recognised as a commitment

Intangible assets
Goodwill
Goodwill arises on the acquisition of subsidiaries and other business combinations and is the amount by which the purchase consideration exceeds the participation in the fair value of the identifiable assets, liabilities and contingent liabilities of the acquired company or business plus the fair value of the non-controlling influence in the acquired company. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from synergies from the acquisition. Each unit or group of units to which goodwill has been allocated represents the lowest level in the Group at which the goodwill in question is monitored for internal control purposes. Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate possible impairment. The carrying amount of goodwill is compared with its recoverable amount, which is the higher of value in use and fair value less selling expenses. Any impairment is recognised as an expense immediately and is not reversed.

Other intangible assets
Other intangible assets have finite useful lives and are recognised at cost less accumulated amortisation. They are amortised on a straight-line basis to distribute the cost over their 4-5 year estimated useful life. In connection to the merger of yA Bank additional other intangible assets referring to customer relations were added. The amortisation period for these are 10-15 year.

Other intangible assets include in-house development of IT software. Maintenance costs for IT software are expensed as incurred. Development costs directly attributable to the development of software products controlled by the Group are recognised as intangible assets when the following criteria are met:
-It is technically feasible to complete the software so that it can be utilised,
- It is the company's intention to complete and utilise the software,
- There are opportunities to utilise the software,
- The way in which the software will generate probable future economic benefits can be demonstrated,
- Adequate technical, economic and other resources are available to complete the development and to utilise the intangible asset, and
- The expenditure associated with the intangible asset during its development can be measured reliably.

Completed development projects are recognised at the costs incurred, less accumulated amortisation and impairment.

Property, plant & equipment
Items of property, plant & equipment are recognised at cost less accumulated depreciation. Cost includes expenses directly attributable to the acquisition of an asset. Subsequent expenditure is added to the asset's carrying amount or recognised as a separate asset (whichever is more suitable) only when it is probable that future economic benefits associated with the asset will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced component is derecognised from the statement of financial position. All other types of repair and maintenance are recognised as an expense through profit and loss in the period in which they arise.

Depreciation of property, plant & equipment for the Group's own use is applied on a straight-line basis in order to allocate cost or revalued amount down to residual value over the estimated useful life. Assets are depreciated over their estimated useful life of 3-5 years from the date of acquisition.

Residual values and useful lives of property, plant & equipment are reviewed on each closing date and adjusted if necessary. The carrying amount of an asset is also immediately impaired to its recoverable amount if the asset's carrying amount exceeds its estimated recoverable amount. The recoverable amount refers to either the net selling price or the value in use, whichever is higher. The recoverable amount is calculated as soon as there is an indication that the carrying amount is too high.

The carrying amount of property, plant and equipment is derecognised from the statement of financial income on disposal, divestment or when no future economic benefits are expected from its use or disposal/divestment. Gains or losses arising from the disposal/divestment of property, plant and equipment comprise the difference between the sales price and the asset's carrying amount less direct selling expenses.

Impairment of non-financial assets
Assets that have an indefinite useful life, such as goodwill or intangible assets not ready for use, are not amortised but are tested annually for impairment. Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is taken for the amount whereby the carrying amount of the asset exceeds recoverable amount. The recoverable amount is the higher of the asset's fair value less selling expenses and its value in use. In impairment testing, assets are grouped at the lowest level for which there are separate identifiable cash flows (cash-generating units). For assets other than goodwill that were previously impaired, a test for reversal is performed every closing date.

Provisions
A provision is recognised in the statement of financial position when there is a present obligation (legal or constructive) due to a past event and it is probable that an outflow of financial resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated. Where the effect of the time value of money is material, provisions are calculated by discounting anticipated future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and, if applicable, the risks specific to the liability.

Taxes
Income tax consists of current tax and deferred tax. Income taxes are recognised through profit or loss except in cases where the underlying transaction is recognised directly in other comprehensive income or equity.

The Group's foreign branch offices in Norway, Denmark and Finland are taxed on their income in their own countries. In Sweden, the Group is liable to pay tax on all its income, including earnings from its foreign branch offices. To the extent that the company pays tax in Sweden on its foreign income, a deduction is normally allowed for the foreign tax paid, in order to avoid double taxation.

Current tax is the amount of income tax payable or recoverable for the current year, calculated using tax rates applicable on the closing date, and includes any adjustments relating to prior periods.

Deferred tax is based on temporary differences between the carrying amounts of assets and liabilities and their corresponding tax bases. Deferred tax assets on deductible temporary differences and tax loss carryforwards are only recognized to the extent it is probable they will be utilized.

Deferred tax assets and tax liabilities are offset when there is a legally enforceable right to offset current tax assets against current liabilities and when deferred tax assets and liabilities relate to income taxes levied by the same tax authority, on either the same or different taxable entities, where there is an intention to settle on a net basis.

Contingent liabilities
A contingent liability is recognised when a possible obligation may arise based on past events and the existence of the liability will be confirmed by the occurrence or non-occurrence of one or more uncertain future events, or when there is an obligation that is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation.

Cash flow statement
The cash flow statement for the Group and the Parent Company are prepared in accordance with the indirect method. Recognised cash flows only include transactions involving cash inflows and outflows. Cash transactions are classified under operating activities, investing activities and financing activities. Cash and balances at central banks including Lending to credit institutions

Repossessed assets
Assets repossessed to safeguard claims are recognised in the statement of financial position together with similar assets already held by the Group. All assets taken over to safeguard claims are initially measured at fair value, and any difference between the loan's carrying amount and the fair value of the repossessed asset is recognised under Credit losses, net. Fair value at the reporting date is the asset's cost or amortised cost, whichever is applicable.
In subsequent periods, assets taken over to safeguard claims are measured in accordance with the measurement principles for the asset class. Income and expenses related to repossessed assets are allocated in the same way as other income and expenses in profit or loss.

As of 31 December 2021, the value of property repossessed to safeguard claims amounted to SEK 0 (0).

G3 RISK MANAGEMENT

The Group is exposed to a number of risks that are typical for companies within the industry that are of a similar size, with a corresponding product range and that operate within the same geographical markets. The Group generally has a low risk tolerance and employs a cautious approach concerning the risks that arise in its operations and prioritises identifying and preventing risk.

The Group's ability to manage risks and effectively maintain capital is crucial to its profitability. Various types of risks arise in the operations. The following main categories of risk have been identified and can be actualised in different ways for each company.
- Credit risks (including those attributable to the credit portfolio, liquidity and investment portfolio, credit-related concentration risks and counterparty risks)
- Market risks (interest rate risk, currency risk and other exchange risks)
- Liquidity risks
-Operational risks (including business and process risks, personnel risks, IT and information security risks and external risks)
- Other business risks (including strategic risks, business risks, cyclical risks and reputational risks)

Credit risks, liquidity risks and operational risks that arise within the framework of its banking operations are deemed to comprise the most significant risks for the Group.

The risk management framework is an integrated part of its operations and aligns the Group's strategic objectives with its risk management. The risk management framework includes the Group's functions, strategies, processes, procedures, policies, risk propensity, risk indicators, risk limits, risk mandates, and control and reporting procedures necessary for identifying, measuring, monitoring, managing and reporting risks.

In order to balance the Group's risk exposure and to limit and control risks, the Group companies have produced policies in a 3-tiered hierarchy. External regulatory frameworks and policies comprise the basis for the Group's control environment and management of risks that arise in the operations. The policies also outline the delegation of authorities within specific areas of risk.

The board of each Group company stipulates the risk management policies. A person is appointed in each organisation to take responsibility for each policy who regularly reviews the policy, manages reporting and proposes necessary adjustments to it.

Guidelines comprising the level under policies are determined by the CEO or the person responsible for the specific risk area that the guidelines regulate in the specific Group company. These guidelines contain more detailed information about risk management in a specific risk area. At the operational level, company managers establish the procedures that apply for specific groups of employees. The procedures are more detailed in terms of the management of specific work duties in the daily operations.

Risk propensity, risk indicators and risk limits are regularly monitored and reported to the Board. The Board has established a risk propensity for specific risks based on qualitative and quantitative valuations.

Risk propensity indicates the level of risk that the Group can accept in order to achieve its strategic objectives. These risk limits are well-defined boundaries that regulate the desired risk exposure and are applicable, for example, in defining levels within the various risk categories.

The Group has a standardised process for risk identification, risk assessment and risk reporting and has implemented this processes throughout the operations. The Group companies work actively on creating a high level of risk awareness and efficient risk management. Risk management is based on the view of three lines of defence where the combination of these lines will ensure efficient risk management in the day-to-day operations.

The first line of defence is at the operational level. Operational personnel have the best opportunity to identify, monitor and control specific risks arising in the day-to-day operations.

The second line of defence comprises the control function, Compliance, Information Security and Risk Control, which independently and autonomously controls the Group's operations and reports regularly, both in writing and verbally, to the respective CEO, board and certain board committees.

The third line of defence is an independent internal audit function. This function regularly examines the Group's operations, including activities in the first and second lines of defence, to evaluate that these lines of defence are adequately managed from a risk perspective. The internal audit function reports regularly to the Board, both in writing and verbally.

CREDIT RISK

Credit risk is the risk of a counterparty or debtor failing to fulfil its contractual obligations and the risk that pledged collateral does not cover claims. The Group's credit risks are attributable to the credit portfolio, investments and derivative instruments.

The Group's credit exposure primarily comprises credit risks that arise in connection with credit lending and entail the risk of incurring a loss due to borrowers' failure to meet their payment obligations for various reasons. Credit risk exposure also includes risks related to the concentration of the credit portfolio. Concentration risks are measured based on the level of exposure to individual counterparties/customers, industries and regions.

Credit risks in the credit portfolio

The Group is exposed to credit risks in the credit portfolio. Credit risks in the credit portfolio include the risk of borrowers failing to meet their payment obligations. Responsible credit lending is a prerequisite for well-functioning banking operations. The Group's credit lending is characterised by ambitious objectives and goals in terms of ethics, quality and control. Credit risks are to identify and assess borrowers' payment capacity before credits are granted. An internally developed risk classification tool is in place to assist with credit lending.

The borrower's anticipated repayment capacity is the crucial credit assessment component in every credit lending decision. The Group follows a policy, adopted by the Board, that specifies the framework for the operations' credit strategy, credit risk management, credit risk reporting and credit rules to be applied in credit assessment. It is in the Group's interest that the Group's credit lending does not entail that the borrower takes unnecessary risk. Borrowers' short and long-term repayment capacity is determined based on their financial situation and resilience.

The Group endeavours to ensure a highly diversified credit portfolio with pricing based on risk exposure through a broad base of customers with relatively low exposure amounts per customer.

To maintain a highly diversified credit portfolio with a balanced risk profile and to strike a favourable balance between risk and return, the Group works actively on understanding borrowers' prerequisites and macroeconomic changes that could potentially impact the risk profile.

The Group continuously monitors borrowers' repayment capacity. Risks are proactively managed by performing continuous analyses of the credit portfolio to ascertain whether it will be impacted by future macroeconomic changes. These analyses are used, for example, as supporting material for governance and management of the Group's banking operations.

Credit risks in investments

Credit risks in investments arise in the Group operations' liquidity portfolio that partly comprises a liquidity reserve that is to serve as a separate reserve for high quality liquid assets, and partly other liquidity that is not related to the liquidity reserve. The liquidity portfolio comprises bank balances and investments in interest-bearing securities. To reduce credit risks in investments, the Group follows the established policies of each Group company which regulate, among other things, the type of investment and the limits applicable to each individual counterparty.

COUNTERPARTY RISKS

Credit risk exposure in financial instruments is named counterparty risk and refers to the risk that the counterparty will be unable to fulfil its contractual obligations or will choose not to fulfil its obligations in the future pursuant to the same or similar conditions. Since a large share of the Group's liabilities are in SEK and significant assets are denominated in NOK, EUR and DKK, counterparty risks arise when the Group hedges its currency exposures. The Group manage counterparty risk by signing agreements on derivative instruments with several different financial counterparties. Trading in derivative instruments is governed by ISDAs and the collateral by CSA agreements.

OPERATIONAL RISKS

Operational risks refer to the risk of loss due to incorrect or non-appropriate internal processes and procedures, human errors, incorrect systems or external events, including legal risks.

Operational risks include the following main categories of risk:
- *Business and process risks* refer to risks arising due to weaknesses in the implementation or design of the bank's significant processes and established procedures related to these processes.
- *Personnel risks* refer to risks linked to the bank's organisational structure, personnel management, working conditions, failings in the work environment or internal criminal activity.
- *IT and information security risks* refer to risks that affect the availability, integrity or confidentiality of information and communication systems or information used to provide services.
- *External risks* refer to risk that are outside the banks' control, for example, criminal action, supplier failings or disasters. This could also involve outsourcing operations and regulatory changes.

The Group manages operational risks, for example, by applying a risk management framework that includes measures for risk identification, assessment, training, management, control and reporting operational risks. Focus is on managing significant risks by analysing and documenting processes and procedures and by applying risk-mitigating measures. The Group's processes have been mapped with controls to ensure that identified risks are managed and monitored effectively.

The Group has a procedure for approving new or significant changes in existing products/services, markets, processes or other major changes in the business operations. The procedure is aimed at enabling the Group to effectively and efficiently manage risks that may arise in connection with, for example, new or significantly changed products or services.

The Group's risk management capabilities were affected to a certain extent during the pandemic but the impact was limited due to robust processes. The Group managed the risk of a loss of personnel in critical functions by introducing different zones and remote working. More employees working from home set higher requirements on information security and following up the Group's control framework.

CREDIT RISK EXPOSURE, GROSS AND NET

	31/12/2021				31/12/2020			
	Credit risk exposure, gross	**Provision**	**Value of collateral**	**Credit risk exposure, net**	**Credit risk exposure, gross**	**Provision**	**Value of collateral**	**Credit risk exposure, net**
Cash and balances at central banks								
AAA/Aaa	63,745			63,745	59,487			59,487
AA+/Aa1	151,845			151,845	149,033			149,033
Total cash and balances at central banks	**215,590**	**0**	**0**	**215,590**	**208,520**	**0**	**0**	**208,520**
Treasury and other bills eligible for refinancing								
AAA/Aaa	896,851			896,851	916,610			916,610
AA+/Aa1	906,164			906,164	1,366,643			1,366,643
Unrated [1)]				0				0
Total treasury and other bills eligible for refinancing			**0**	**1,803,015**	**2,283,253**	**0**	**0**	**2,283,253**
Lending to credit institutions								
AA-/Aa3	1,644,539			1,644,539	1,464,676			1,464,676
A+/A1	1,691,779			1,691,779	1,316,165			1,316,165
A/A2	833,926			833,926	887,397			887,397
Unrated [2)]	196,046			196,046	150,336			150,336
Total lending to credit institutions	**4,366,290**	**0**	**0**	**4,366,290**	**3,818,574**	**0**	**0**	**3,818,574**
Lending to the public								
Lending to the public - retail	36,081,604	-3,027,071		33,054,533	33,495,835	-2,930,844		30,564,991
Lending to the public - corporates	299,227	-6,820		292,407	343,966	-50,616	-112,637	180,713
Total lending to the public	**36,380,831**	**-3,033,891**	**0**	**33,346,940**	**33,839,801**	**-2,981,460**	**-112,637**	**30,745,704**
Bonds								
AAA/Aaa	647,948			647,948	669,570			669,570
Total Bonds	**647,948**	**0**	**0**	**647,948**	**669,570**	**0**	**0**	**669,570**
Derivatives								
AA-/Aa3	794			794	40,133			40,133
A+/A1	987			987	25,402			25,402
A/A2				0	47,737			47,737
Total derivatives	**1,781**	**0**	**0**	**1,781**	**113,272**	**0**	**0**	**113,272**
Total credit risk exposure in the balance sheet	**41,612,440**	**-3,033,891**	**0**	**40,381,564**	**40,932,990**	**-2,981,460**	**-112,637**	**37,838,893**
Commitments								
Unutilised credit facilities granted [3)]	24,239,177			24,239,177	23,891,248			23,891,248
Total credit risk exposure	**65,851,617**	**-3,033,891**	**0**	**64,620,741**	**64,824,238**	**-2,981,460**	**-112,637**	**61,730,141**

In the event credit ratings differ, the lowest is used.

[1)] The item 'unrated treasury and other bills eligible for refinancing' is comprised of holdings in a Swedish municipality that are not rated.

[2)] The item Lending to credit institutions - unrated, is comprised of lending to a number of banks. The Group also runs a deposit co-operative with Avanza Bank, a bank listed on Nasdaq Stockholm; the SEK 195 million (150) of liquidity produced there from is invested to manage daily flows arising from the deposit co-operative.

[3)] All granted but unutilised credit facilities are terminable to the extent permitted under the Swedish Consumer Credit Act.

CREDIT QUALITY, LOAN AND LEASE RECEIVABLES

31/12/2021	Credit risk exposure, gross	Provision
Lending to the public, retail customers		
Receivables not due		
Stage 1	27,818,257	-222,538
Stage 2	2,969,619	-366,263
Past due receivables		
Stage 3	5,293,728	-2,438,270
Total lending to the public, retail customers	**36,081,604**	**-3,027,071**
Lending to the public, corporate customers		
Receivables not due		
Stage 1	287,611	-933
Stage 2	5,671	-279
Past due receivables		
Stage 3	5,945	-5,608
Total lending to the public, corporate customers	**299,227**	**-6,820**
Total lending to the public	**36,380,831**	**-3,033,891**

31/12/2020	Credit risk exposure, gross	Provision
Lending to the public, retail customers		
Receivables not due		
Stage 1	24,740,765	-206,520
Stage 2	3,500,925	-427,838
Past due receivables		
Stage 3	5,254,145	-2,296,486
Total lending to the public, retail customers	**33,495,835**	**-2,930,844**
Lending to the public, corporate customers		
Receivables not due		
Stage 1	272,706	-2,862
Stage 2	20,841	-1,042
Past due receivables		
Stage 3	50,419	-46,712
Total lending to the public, corporate customers	**343,966**	**-50,616**
Total lending to the public	**33,839,801**	**-2,981,460**

Assessments of the credit quality of consumer loans that are non-performing are based on the IFRS 9 structure and the three stages in which a credit is categorised. The Group assesses the credit quality of lease receivables and lending to the public, corporate customers, on the basis of the individual borrower's ability to pay.

To safeguard the Group's credit quality, the Group continuously monitors and reports on corporate credit lending commitments in accordance with specific guidelines.

In collaboration with established credit rating agencies, the Group regularly tracks the situation of individual credit commitments in order to monitor customers' repayment capacity.

MARKET RISKS

Market risks in the financial operations primarily comprise interest rate risk, currency risk and share price risk. The Board adopts policies that control these risk, for example, by setting limits that restrict risk levels. No positions are held in the trading book.

Risks attributable to foreign exchange-rates arise on the differences between assets and liabilities in different currencies. Interest rate risks arise on the difference between interest-rate terms for assets and liabilities.

Interest rate risk
Interest rate risk is primarily defined as a risk of incurring expenses, meaning the risk that the Group's net interest income will decrease due to disadvantageous market interest rates. Interest rate risk normally arises as a result of companies having different maturities or fixed interest terms for their assets and liabilities. Interest rate risk increases if the terms for assets deviate from the terms for liabilities. Interest rate risk mainly affects companies in the form of gradual changes in net interest income, which can thus affect operating income and both short and long-term capital ratios.

Interest rate risk pertains to changes in interest rates and the structure of the interest rate curve. Most of the Group's interest rate risks are structural and arise within the Group's banking operations where fixed interest terms for assets and liabilities do not always coincide.

The Group endeavours to ensure sound matching between fixed and variable interest rates in its statement of financial position, and can relatively quickly mitigate interest rate rises by changing the terms of new loans. Overall interest rate risk is deemed to be limited. This given the relatively high credit turnover rate and the fact that interest rates can be adjusted within two months according to credit agreements and applicable consumer credit legislation in several markets. Most lending and deposits take place at variable interest rates. Interest swap agreements may also be signed to limit interest rate risk. The Treasury Department continually measures, checks and manages interest rate risk on interest-bearing assets and liabilities by applying a variety of models and the Board has established limits for maximum interest rate risk.

In a calculation of a one (1) percentage-point change in the market interest rate, net interest income for the next 12 months would increase/decrease by SEK 81 million (68), based on interest-bearing assets and liabilities on the closing date. A one (1) percentage-point parallel shift in the yield curve and by applying the discounted future cash flow, interest rate risk on equity on the closing date was +/- SEK 14 million (11).

The financing via deposits at variable interest rates has a contractual and theoretical very short fixed interest term of only one day. The pattern, unlike the contractual, has historically been significantly longer than one day.

In legal terms, the Group's interest rate risk associated with lending is limited since the majority of the interest rate terms are variable. In reality, however, it is not as easy for market reasons to fully offset a change in interest rates, and this may have an impact on net interest income, depending on the active position. Higher interest expenses can be countered promptly by amending the terms for new lending. In view of the relatively high credit turnover rate, overall interest rate risk is deemed limited. Most borrowers in the Payment Solutions segment are also able to switch between various partial payment options during the credit period.

FIXED INTEREST

31/12/2021	Less than 1 month	1-3 months	3-12 months	More than 1 year	Interest-free	Total
Assets						
Cash and balances at central banks	215,590					215,590
Treasury and other bills eligible for refinancing	457,028	905,148	220,214	220,625		1,803,015
Lending to credit institutions	4,366,290					4,366,290
Lending to the public	32,139,197	164,682	571,792	471,269		33,346,940
Bonds and other interest-bearing securities	129,820	353,816		164,312		647,948
Intangible assets					1,979,082	1,979,082
Property, plant & equipment					122,226	122,226
Other assets					418,594	418,594
Total assets	**37,307,925**	**1,423,646**	**792,006**	**856,206**	**2,519,902**	**42,899,685**
Liabilities						
Liabilities to credit institutions						0
Deposits and borrowing from the public	20,698,506	996,845	3,954,260	637,015		26,286,626
Other liabilities					1,062,768	1,062,768
Issued securities	2,000,000	5,871,893				7,871,893
Subordinated debt	299,972	299,539				599,511
Equity					7,078,887	7,078,887
Total liabilities and equity	**22,998,478**	**7,168,277**	**3,954,260**	**637,015**	**8,141,655**	**42,899,685**
Difference, assets and liabilities	*14,309,447*	*-5,744,631*	*-3,162,254*	*219,191*	*-5,621,753*	0

31/12/2020	Less than 1 month	1-3 months	3-12 months	More than 1 year	Interest-free	Total
Assets						
Cash and balances at central banks	208,520					208,520
Treasury and other bills eligible for refinancing	651,979	1,061,555	350,106	219,613		2,283,253
Lending to credit institutions	3,818,574					3,818,574
Lending to the public	29,641,946	154,956	533,503	527,936		30,858,341
Bonds and other interest-bearing securities		464,665	40,402	164,503		669,570
Intangible assets					1,846,678	1,846,678
Property, plant & equipment					107,518	107,518
Other assets					395,891	395,891
Total assets	**34,321,019**	**1,681,176**	**924,011**	**912,052**	**2,350,087**	**40,188,345**
Liabilities						
Liabilities to credit institutions	107,400					107,400
Deposits and borrowing from the public	20,895,920	844,876	2,905,804	224,935		24,871,535
Other liabilities					968,058	968,058
Issued securities	2,000,000	4,297,472				6,297,472
Subordinated debt	499,373	299,329				798,702
Equity					7,145,178	7,145,178
Total liabilities and equity	**23,502,693**	**5,441,677**	**2,905,804**	**224,935**	**8,113,236**	**40,188,345**
Difference, assets and liabilities	*10,818,326*	*-3,760,501*	*-1,981,793*	*687,117*	*-5,763,149*	0

CURRENCY RISK

Exchange-rate risk is the risk that the value of assets and liabilities, including derivatives, may vary due to exchange rate fluctuations or other relevant risk factors.

Currency risk arises when the value of assets and liabilities in foreign currency translated to SEK change because exchange rates fluctuate. The main currencies for the operations are: SEK, NOK, DKK and EUR.

So as to minimise exchange-rate risk, efforts are made to match assets and liabilities in the respective currencies as far as possible, and part of earnings in currencies other than SEK are exchanged on a regular basis

The vast majority of the Group's exchange-rate risk is of a strategic and structural nature.

The Treasury Department manages the currency exposures arising in the banking operations by using currency hedges to reduce the net value of assets and liabilities (including derivatives) in one single currency. Derivatives in the banking operations are regulated via ISDA and CSA agreements.

Transactions in foreign branch offices are translated to SEK using the average exchange-rate during the period in which the income and expenses have occurred.

Exchange-rate gains and losses arising on settlement of these transactions and from translation of foreign currency assets and liabilities using the closing rate are recognised through profit or loss.

CURRENCY EXPOSURE

31/12/2021	DKK	EUR	NOK	Other	Total
Foreign currency assets, presented in SEK thousand					
Cash and balances with central banks		151,845	63,745		215,590
Treasury and other bills eligible for refinancing	28,580	192,045	273,139		493,764
Lending to credit institutions	58,140	1,227,066	741,054	5,684	2,031,944
Lending to the public	4,408,119	5,784,362	6,491,302		16,683,783
Bonds and other interest-bearing securities		150,334	171,949		322,283
Shares and participations	2,476		472		2,948
Intangible assets			906,663		906,663
Property, plant & equipment	553	3,596	870		5,019
Other assets	14,576	121,124	44,357		180,057
Total assets	**4,512,444**	**7,630,372**	**8,693,551**	**5,684**	**20,842,051**
Foreign currency liabilities, presented in SEK thousand					
Deposits from the public		8,705,452	6,102,295		14,807,747
Other liabilities	53,205	115,400	223,092	392	392,089
Other provisions	1,123	8,437	2,501		12,061
Issued securities			1,075,591		1,075,591
Total liabilities	**54,328**	**8,829,289**	**7,403,479**	**392**	**16,287,488**
Net assets	4,458,116	-1,198,917	1,290,072	5,292	
Nominal amount, currency hedges	-4,469,725	1,196,149	-461,430		
Difference between assets and liabilities incl. nominal amount of currency hedges	-11,609	-2,768	828,642	5,292	
Sensitivity analysis					
Total financial assets	4,509,623	7,525,213	7,776,906	5,684	
Total financial liabilities	-46,752	-8,789,873	-7,284,944		
Nominal amount, currency hedges	-4,469,725	1,196,149	-461,430		
Total	**-6,854**	**-68,511**	**30,532**	**5,684**	
Exchange-rate fluctuation, 5% on comprehensive income of the year before tax	-343	-3,426	1,527	284	

CURRENCY EXPOSURE

31/12/2020	DKK	EUR	NOK	Other	Total
Foreign currency assets, presented in SEK thousand					
Cash and balances with central banks		149,033	59,487		208,520
Treasury and other bills eligible for refinancing	28,646	190,966	254,319		473,931
Lending to credit institutions	132,053	526,107	643,988	2,863	1,305,011
Lending to the public	4,146,035	5,106,871	6,546,310		15,799,216
Bonds and other interest-bearing securities		190,673	160,080		350,753
Shares and participations	2,429		439		2,868
Intangible assets			908,241		908,241
Property, plant & equipment	532	2,295	1,614		4,441
Other assets	20,543	23,766	36,101		80,410
Total assets	**4,330,238**	**6,189,711**	**8,610,579**	**2,863**	**19,133,391**
Foreign currency liabilities, presented in SEK thousand					
Deposits from the public	2	6,717,821	6,441,061		13,158,884
Other liabilities	56,670	101,188	194,319	153	352,330
Other provisions	540	6,758	5,504		12,802
Total liabilities	**57,212**	**6,825,767**	**6,640,884**	**153**	**13,524,016**
Net assets	4,273,026	-636,056	1,969,695	2,710	
Nominal amount, currency hedges	-4,276,964	593,415	-1,116,882		
Difference between assets and liabilities incl. nominal amount of currency hedges	-3,938	-42,641	852,813	2,710	
Sensitivity analysis					
Total financial assets	4,316,600	6,182,997	7,688,592	2,863	
Total financial liabilities	-48,247	-6,799,626	-6,520,307		
Nominal amount, currency hedges	-4,276,964	593,415	-1,116,882		
Total	**-8,611**	**-23,214**	**51,403**	**2,863**	
Exchange-rate fluctuation, 5% on comprehensive income of the year before tax	-431	-1,161	2,570	143	

FUNDING - 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.

Resurs Bank works continuously to maintain a diversified funding structure. Currency hedges are used to manage the currency risk associated with lending in currencies other than the currencies found in the financing operations. These derivatives are covered and regulated by ISDA and CSA agreements established with numerous counterparties.

The main type of financing is deposits from the public. This type of financing is offered to customers in Sweden, Norway and Germany. Deposits, which are analysed on a regular basis, totalled SEK 26.202 million (24 694), of which SEK 11,394 million (11,535) was in Sweden, an equivalent of SEK 6,102 million (6,441) was in Norway and an equivalent of SEK 8.705 million (6,718) was in Germany. The lending to the public/deposits from the public ratio for the consolidated situation is 127 per cent (125).

Deposit products are covered by the deposit insurance scheme, the purpose of which is to strengthen the protection of deposits received from the public and contribute to the stability of the financial system. The state deposit insurance scheme in Sweden from 2021 totals SEK 1,050,000 per person and institution, with the option of applying to extend this amount under certain circumstances. The deposits offered to customers in Germany are covered by the Swedish deposit insurance scheme. In Norway, the state deposit insurance totals NOK 2,000,000 per person. The majority of deposits from the public are covered by the state deposit insurance scheme.

Resurs Bank produced a base prospectus in order to issue bonds, with a programme that amounts to SEK 9,000 million (8,000). Resurs Bank has worked successfully on continuously issuing bonds under this programme and sees itself as an established issuer in the market. Resurs Bank has acted in both the Swedish and Norwegian markets.
On the closing date, the programme had thirteen issues outstanding of a nominal SEK 5.400 million (4,900). Of the thirteen issues, eleven are senior unsecured bonds and two issues are Tier 2 capital of SEK 600 million (600).
Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

Resurs Bank has a credit rating of BBB- with a stable outlook from Nordic Credit Rating (NCR). The credit rating was raised from BBB- to BBB with a stable outlook from April 2021. The reason was Resurs Bank's ability to attract new partners and an improved Nordic consumer credit market. Nordic Credit Rating's analyses are available 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 December 2020 to extend the existing ABS financing This financing was arranged with JP Morgan Chase Bank. Resurs Bank has, for a period of 18 months (revolving period), the right to continue selling certain additional loan receivables to Resurs Consumer Loans. On 31 December 2020, 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. Resurs Bank has the right to amortise, decrease, the financing monthly. Since the Bank has this possibility there is hedging connected to the securitization as a part of the monthly interest payments.

Since 2021 there is binding requirement for a Net Stable Funding Ratio (NSFR) in the EU regulation. The requirement states that there should be sufficient stable funding over a one-year horizon under normal and stressed conditions. The minimum requirement is that the ratio should be at least 100 %. For the consolidated situation the ratio on balance sheet day is 117 %.

LIQUIDITY RISKS – consolidated situation

Liquidity risk is the risk that the Group will be unable to discharge its payment obligations on the due date without borrowing at highly unfavourable rates. The consolidated situation, comprised of the Parent Company Resurs Holding AB and the Resurs Bank AB Group, must maintain a liquidity reserve and have access to an unutilised liquidity margin in the event of irregular or unexpected liquidity flows.

Managing liquidity risk is centralised and the Treasury Department is responsible for continuously monitoring, analysing, forecasting, managing and reporting liquidity risks. The department is led by the Head of Treasury, who in turn organisationally reports to the CFO. 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 prepare for various courses of action should liquidity trend unfavourably. This plan includes risk indicators that could trigger the contingency plan and action plans to strengthen liquidity. Monthly reports that include information on the financial situation, liquidity forecast and risk measures are submitted to the Treasury Committee. Policies adopted by the Board are continuously monitored, while the Treasury Committee may also establish requirements that must be followed. Regular reports are also submitted to the Board. The Group's liquidity risk is controlled and audited by independent functions.

There must always be liquid assets that can be used immediately to manage daily cash flows arising the business. There must also be preparedness for uneven cash flows, which can be handled by means of a quick redistribution of liquidity or disposal of investments. There must be preparedness for a rapid strengthening of liquidity through various actions.

Banking operations are characterised by financing which, for the most part, consists of long-term savings together with ABS and MTN bonds. Lending operations primarily comprises short-term lending (Credit Cards and Retail Finance). This is a major difference from general banking operations in the Nordic region, which have historically been based on significant long-term lending that creates a negative cash flow. Structural liquidity risk is limited since the operations of the Group have a fundamentally positive cash flow. In the liquidity exposure table with maturity times, deposits from the public at variable interest rates are placed in the payable on demand category. However, assessment and historical outcomes show that customer behaviour – as opposed to the contractual – is significantly longer than this. The company believes that deposits from the public are a long-term and stable source of financing. Investments must be of a high credit and liquidity quality and consideration is continuously given to maintaining a sufficient amount of liquid assets.

The banking operations prepare a funding and liquidity plan whenever required, at least once annually. Stress tests are carried out regularly to ensure that liquidity is in place for circumstances that deviate from normal conditions. One recurring stress test evaluates significant outflows of deposits from the public. Stress scenarios combining a variety of events and circumstances are implemented on a regular basis. Examples of combined events are disruptions in the capital market and deterioration in customers' repayment behaviour.

LIQUIDITY EXPOSURE, UNDISCOUNTED CASH FLOWS

31/12/2021	Payable on demand	<3 months	3-12 months	1-5 years	> 5 years	No duration	Total
Financial assets							
Cash and balances at central banks	184,468					31,122	215,590
Treasury and other bills eligible for refinancing		352,537	352,960	1,102,242			1,807,739
Lending to credit institutions	4,133,658	101,026	128,900			2,706	4,366,290
Lending to the public		4,666,534	6,708,959	18,779,633	14,412,053	4,527,456	49,094,635
Bonds and other interest-bearing securities		1,446	3,645	646,727			651,818
Shares and participations						11,460	11,460
Other financial assets		115,419	12,669				128,088
Total	**4,318,126**	**5,236,962**	**7,207,133**	**20,528,602**	**14,412,053**	**4,572,744**	**56,275,620**
Financial liabilities							
Liabilities to credit institutions							0
Deposits and borrowing from the public [1]	20,161,464	1,523,639	4,112,487	509,062			26,306,652
Issued securities		20,061	1,494,713	5,610,424	907,756		8,032,954
Subordinated debt		303,144	9,432	315,755			628,331
Other financial liabilities		620,118	71,960				692,078
Total	**20,161,464**	**2,466,962**	**5,688,592**	**6,435,241**	**907,756**	**0**	**35,660,015**
Net assets	-15,843,338	2,770,000	1,518,541	14,093,361	13,504,297	4,572,744	20,615,605
Derivatives, received		2,904,910	2,000,664				4,905,574
Derivatives, paid		-2,923,217	-2,007,938				-4,931,155
Difference per time interval [2]	*-15,843,338*	*2,751,693*	*1,511,267*	*14,093,361*	*13,504,297*	*4,572,744*	*20,590,024*

The cash flow for securities is calculated applying the coupon-rate for each security at that point of time.
Interest attributable to Deposits from the public with variable interest rates are not reflected in the above tables.
[1] Interest attributable to deposits from the public with fixed interest rates largely comprises interest that is capitalised and paid at maturity. The model assumes that deposits with fixed interest terms of less than 12 months are capitalised and paid at maturity. For deposits with fixed interest terms of more than 12 months, interest is capitalised and paid annually and at maturity.
[2] Amounts payable on demand amounted to SEK -15,843 million. Contractual and expected terms are deemed to deviate for deposits from the public of SEK 20,161 million. The pattern, unlike the contractual terms, has historically been significantly lower than one day.

31/12/2020	Payable on demand	<3 months	3-12 months	1-5 years	> 5 years	No duration	Total
Financial assets							
Cash and balances at central banks	179,039					29,481	208,520
Treasury and other bills eligible for refinancing		802,070	427,168	940,226	116,290		2,285,754
Lending to credit institutions	3,606,731	67,736	90,000	51,294		2,813	3,818,574
Lending to the public		4,504,950	6,503,275	18,290,865	13,974,998	3,665,762	46,939,850
Bonds and other interest-bearing securities		1,145	193,025	375,901	100,714		670,785
Shares and participations						7,287	7,287
Other financial assets		78,077	12,895				90,972
Total	**3,785,770**	**5,453,978**	**7,226,363**	**19,658,286**	**14,192,002**	**3,705,343**	**54,021,742**
Financial liabilities							
Liabilities to credit institutions			107,400				107,400
Deposits and borrowing from the public [1]	20,343,500	1,407,238	2,979,186	159,970			24,889,894
Issued securities		515,661	1,236,126	3,521,435	1,135,540		6,408,762
Subordinated debt		6,332	221,618	625,193			853,143
Other financial liabilities		535,551	73,533				609,084
Total	**20,343,500**	**2,464,782**	**4,617,863**	**4,306,598**	**1,135,540**	**0**	**32,868,283**
Net assets	-16,557,730	2,989,196	2,608,500	15,351,688	13,056,462	3,705,343	21,153,459
Derivatives, received		3,791,220	1,712,238				5,503,458
Derivatives, paid		-3,698,060	-1,695,786				-5,393,846
Difference per time interval [2]	*-16,557,730*	*3,082,356*	*2,624,952*	*15,351,688*	*13,056,462*	*3,705,343*	*21,263,071*

The cash flow for securities is calculated applying the coupon-rate for each security at that point of time.
Interest attributable to Deposits from the public with variable interest rates are not reflected in the above tables.
[1] Interest attributable to deposits from the public with fixed interest rates largely comprises interest that is capitalised and paid at maturity. The model assumes that deposits with fixed interest terms of less than 12 months are capitalised and paid at maturity. For deposits with fixed interest terms of more than 12 months, interest is capitalised and paid annually and at maturity.
[2] Amounts payable on demand amounted to SEK -16,558 million. Contractual and expected terms are deemed to deviate for deposits from the public of SEK 20,344 million. The pattern, unlike the contractual terms, has historically been significantly lower than one day.

LIQUIDITY AND LIQUIDITY RESERVE - CONSOLIDATED SITUATION

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 also the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,400 million. Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, or a minimum SEK 800 million.

There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 1,898 million (1,860), 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 5,172 million (5,127) for the consolidated situation. Total liquidity amounted SEK 7,070 million (6,986). Total liquidity corresponded to 27 per cent (28 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 that the assets met the stressed scenario, and this is also the minimum ratio from the authorities. As at 31 December 2021, the ratio for the consolidated situation was 240 per cent (288). For the period January to December 2021, the average LCE measures 240 per cent for the consolidated situation.

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

LIQUIDITY RESERVE

	31/12/2021	31/12/2020
Liquidity reserve as per FFFS 2010:7 definition		
Securities issued by sovereigns	179,334	176,381
Securities issued by municipalities	1,054,883	958,037
Lending to credit institutions	15,000	55,000
Bonds and other interest-bearing securities	648,607	670,374
Total liquidity reserve as per FFFS 2010:7	**1,897,824**	**1,859,792**
Other liquidity portfolio		
Cash and balances at central banks	215,590	208,520
Securities issued by municipalities	570,349	1,150,181
Lending to credit institutions	4,386,086	3,767,951
Total other liquidity portfolio	**5,172,025**	**5,126,652**
Total other liquidity portfolio	**7,069,849**	**6,986,444**
Other liquidity-creating measures		
Unutilised credit facilities	51,270	47,730

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.
Valuations of interest-bearing securities in the above table are measured at market value and accrued interest.

LIQUIDITY COVERAGE RATIO (LCR) - LIQUID ASSETS

31/12/2021	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	1,625,233	1,309,878	73,761		241,594
Covered bonds	648,608	325,910	150,684		172,014
Level 2 assets					
Covered bonds	0				
Total liquid assets	**2,637,643**	**1,635,788**	**463,984**	**28,632**	**509,239**

31/12/2020	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	179,039		119,552		59,487
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	176,381		117,636	28,696	30,049
Securities issued by municipalities	1,908,211	1,609,889	73,853		224,469
Covered bonds	390,740	117,923	191,293		81,524
Level 2 assets					
Covered bonds	279,634	201,043			78,591
Total liquid assets	**2,934,005**	**1,928,855**	**502,334**	**28,696**	**474,120**

Level 1 is comprised of assets with the highest quality and level 2 of very high-quality assets according to the Liquidity Coverage Ratio regulations.

	31/12/2021	31/12/2020
Total liquid assets	**2,637,643**	**2,934,005**
Net liquidity outflow	**1,078,916**	**995,751**
LCR measure	**240%**	**288%**

The report on liquidity generally describes the consolidated situation and not the Group. The consolidated situation includes the Parent Company Resurs Holding AB and the Resurs Bank AB Group.

G4 CAPITAL ADEQUACY - CONSOLIDATED SITUATION

Capital adequacy
Capital adequacy regulation is the legislator's requirement for how much capital, known as the capital base, a credit institution must have in relation to the level of risks the institution takes. 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 regulatory consolidation (known as "consolidated situation") comprises the Resurs Bank AB Group and its Parent Company Resurs Holding AB. See note G1 for further information.

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 being lowered by the supervisory authorities in spring 2020 amounted to 0.2 per cent. Only Norwegian exposures have a buffer requirement remaining, which is currently 1.0 per cent of risk-weighted Norwegian assets.

The Board's guidelines specify that the consolidated situation must maintain a capital base that, by a sound margin, covers statutory minimum capital requirements and the capital requirements calculated for other risks identified in the operations according to the internal capital adequacy assessment process (ICAAP). The ongoing review of the internal capital adequacy assessment process is an integral part of the Group's risk management.

The internal capital adequacy assessment process is performed annually and the internally assessed capital requirement is updated quarterly based on established models. The Group's capital target is to achieve a Total capital ratio and Common Equity Tier 1 ratio exceeding 15% and 11.5%, respectively. Capital targets can be seen as an overall risk propensity. Information about risk management in the Group can be found in Note G3 Risk management.

Capital base
The capital base is the total of Tier 1 capital and Tier 2 capital less deductions in accordance with the Capital Requirements Regulation 575/2013 EU (CRR). Deductions made by the consolidated situation are presented in the table below and deducted from Common Equity Tier 1 capital.

Common Equity Tier 1 capital
Common Equity Tier 1 capital comprises share capital, paid-in capital, retained earnings and other reserves of the companies included in the consolidated situation. Profit for the year may only be included after approval by the SFSA.

Tier 1 capital
Tier 1 capital comprises Common Equity Tier 1 capital and other Tier 1 capital. In December 2019, Resurs Holding AB issued Additional Tier 1 Capital of a nominal SEK 300 million.

Tier 2 capital
Tier 2 capital comprises dated or perpetual subordinated loans. When the remaining maturity of a subordinated loan is less than 5 years, it is no longer included as Tier 2 capital in the capital ratio calculations. Tier 2 capital is subordinate to the bank's deposits from the public and liabilities to non-preferential creditors.

In the event of default or bankruptcy, subordinated loans are repaid after other liabilities. See note G34 Subordinated debt, for further information.

Capital requirement
The consolidated situation calculates the capital requirement for credit risk, credit valuation 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 credit valuation adjustment risk is also calculated according to the standardised method and is applied to calculate the counterparty risk arising when the consolidated situation hedges currency exposures by using derivative instruments. The capital requirement for operational risk is calculated by the standardised method. Under this method, the capital requirement for operational risks is 12 per cent of the income indicator (meaning average operating income for the past three years). Three different credit rating companies are used to calculate the capital base requirement for bonds and other interest-bearing securities.

Transition rules IFRS 9
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

	31/12/2021	31/12/2020
Common Equity Tier 1 capital		
Equity		
Equity, Group	7,078,887	7,145,178
Equity according to balance sheet	**7,078,887**	**7,145,178**
Proposed dividend	-262,000	-536,000
Predicted dividend		-360,000
Additional Tier 1 instruments included in equity in the consolidated situation	300,000	300,000
Additional/deducted equity in the consolidated situation	-177,717	20,371
Equity, consolidated situation	**6,939,170**	**6,569,549**
Adjustments according to transition rules IFRS 9:		
Initial revaluation effect	169,371	237,119
Less:		
Additional value adjustments	-2,464	-3,073
Intangible fixed assets	-1,979,082	-1,846,678
Additional Tier 1 instruments included in equity	-300,000	-300,000
Shares in subsidiaries	-1,863	-145
Total Common Equity Tier 1 capital	**4,825,132**	**4,656,772**
Tier 1 capital		
Common Equity Tier 1 capital	4,825,132	4,656,772
Additional Tier 1 instruments	300,000	300,000
Total Tier 1 capital	**5,125,132**	**4,956,772**
Tier 2 capital		
Dated subordinated loans	219,464	409,914
Total Tier 2 capital	**219,464**	**409,914**
Total capital base	**5,344,596**	**5,366,686**

CAPITAL REQUIREMENT

	31/12/2021		31/12/2020	
	Risk-weighted exposure amount	Capital require-ment	Risk-weighted exposure amount	Capital require-ment
Credit risks				
Exposures to central governments or central banks				
Exposures to regional governments of local authorities				
Exposures to public sector entities				
Exposures to multilateral development banks				
Exposures to international organisations				
Exposures to institutions	928,633	74,291	776,530	62,122
Exposures to corporates	292,072	23,366	291,518	23,321
Retail exposures	22,776,334	1,822,107	20,883,338	1,670,667
Exposures secured by property mortgages				
Exposures in default	2,925,566	234,045	3,044,468	243,557
Exposures with particularly high risk				
Exposures in the form of covered bonds	64,730	5,178	66,890	5,351
Items related to securitisation positions				
Exposures to institutions and companies with short-term credit ratings				
Exposures in the form of units or shares in collective instrument undertakings (funds)				
Equity exposures	11,449	916	211,279	16,903
Other items	710,699	56,856	453,174	36,255
Total credit risk	**27,709,483**	**2,216,759**	**25,727,197**	**2,058,176**
Credit valuation adjustment risk	**40,688**	**3,255**	**25,265**	**2,021**
Market risk				
Currency risk				
Operational risk	**4,977,927**	**398,234**	**5,089,268**	**407,141**
Total riskweighted exposure and total capital requirement	**32,728,098**	**2,618,248**	**30,841,730**	**2,467,338**
Concentration risk		282,211		258,267
Interest rate risk		141,326		28,881
Currency risk		2,739		4,667
Total Tier 2 capital requirement		**426,276**		**291,815**
Capital conservation buffer		818,202		771,043
Countercyclical capital buffer		61,581		64,243
Total capital requirement Capital buffers		**879,784**		**835,287**
Total capital requirement		**3,924,308**		**3,594,440**

In addition to the treatment of Pillar 1 risks above, 1.3% (1.0%) of the consolidated situation's risk-weighted assets are allocated for Pillar 2 requirements as at 31 December 2021.

REGULATORY CAPITAL REQIREMENTS

	31/12/2021		31/12/2020	
	Amount	Share of risk-weighted exposure	Amount	Share of risk-weighted exposure
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,472,764	4,5	1,387,878	4,5
Other Common Equity Tier 1 capital requirements (Pillar 2)	229,097	0,7	196,434	0,6
Combined buffer requirement	883,659	2,7	835,287	2,7
Total Common Equity Tier 1 capital requirements	**2,585,520**	**7,9**	**2,419,599**	**7,8**
Common Equity Tier 1 capital	**4,825,132**	**14,8**	**4,656,772**	**15,1**
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	1,963,686	6,0	1,850,504	6,0
Other Tier 1 capital requirements (Pillar 2)	320,735	1,0	237,312	0,8
Combined buffer requirement	883,659	2,7	835,287	2,7
Total Tier 1 capital requirements	**3,168,080**	**9,7**	**2,923,103**	**9,5**
Tier 1 capital	**5,125,132**	**15,7**	**4,956,772**	**16,1**
Capital requirements under Article 92 CRR (Pillar 1)	2,618,248	8,0	2,467,338	8,0
Other capital requirements (Pillar 2)	425,465	1,3	291,815	0,9
Combined buffer requirement	883,659	2,7	835,287	2,7
Total capital requirement	**3,927,372**	**12,0**	**3,594,440**	**11,7**
Total capital base	**5,344,596**	**16,3**	**5,366,686**	**17,4**

CAPITAL RATIO AND CAPITAL BUFFERS

	31/12/2021	31/12/2020
Common Equity Tier 1 capital ratio, %	14,8	15,1
Tier 1 ratio, %	15,7	16,1
Total capital ratio, %	16,3	17,4
Common Equity Tier 1 capital requirement incl. buffer requirement, %	2,7	7,2
- of which, capital conservation buffer requirement, %	2,5	2,5
- of which, countercyclical buffer requirement, % *	0,2	0,2
Common Equity Tier 1 capital available for use as buffer, %	7,0	9,4

***Geographical allocation of the countercyclical buffer requirement**

	31/12/2021			31/12/2020		
	Credit risk exposure	Counter-cyclical buffer requirement	Weighted counter-cyclical buffer requirement	Credit risk exposure	Counter-cyclical buffer requirement	Weighted counter-cyclical buffer requirement
Sweden	13,408,955	0,0%	0,0%	12,419,729	0,0%	0,0%
Norway	5,039,092	1,0%	0,2%	5,197,653	1,0%	0,2%
Finland	4,878,569	0,0%	0,0%	4,084,232	0,0%	0,0%
Denmark	3,454,233	0,0%	0,0%	3,249,053	0,0%	0,0%
Total[1)]	**26,780,849**		**0,2%**	**24,950,667**		**0,2%**

[1)] The calculation exclude the exposures towards institute according to the Swedish Financial Supervisory Authority's regulations regarding prudential requirements and capital buffers

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 consolidated situation'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. The consolidated situation has a reporting requirement to the Swedish Financial Supervisory Authority, has a leverage ratio requirement of 3 per cent in accordance with CRR II.

	31/12/2021	31/12/2020
Tier 1 capital	5,125,132	4,956,772
Leverage ratio exposure	43,532,138	41,174,564
Leverage ratio, %	11,8	12,0

G5 SEGMENT REPORTING

The Group CEO 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 Group CEO assesses the performance of Payment Solutions and Consumer Loans. The Group CEO evaluates segment development based on net operating income less credit losses.

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.

2021	**Payment Solutions**	**Consumer Loans**	**Total Group**
Interest income	963,040	1,936,132	2,899,172
Interest expense	-123,915	-240,104	-364,019
Fee & commission income	311,292	106,566	417,858
Fee & commission expense	-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**
of which, internal	*13,522*	*3,702*	*17,224*
Credit losses, net	-164,831	-480,093	-644,924
Operating income less credit losses	**1,074,184**	**1,367,246**	**2,441,430**

2020	**Payment Solutions**	**Consumer Loans**	**Total Group**
Interest income	1,131,989	2,119,245	3,251,234
Interest expense	-139,324	-267,504	-406,828
Fee & commission income	322,695	102,519	425,214
Fee & commission expense	-63,635		-63,635
Net income/expense from financial transactions	-5,282	-8,893	-14,175
Other operating income	162,144	53,516	215,660
Total operating income	**1,408,587**	**1,998,883**	**3,407,470**
of which, internal			*0*
Credit losses, net	-261,335	-593,037	-854,372
Operating income less credit losses	**1,147,252**	**1,405,846**	**2,553,098**

	Payment Solutions	**Consumer Loans**	**Total Group**
Lending to the public			
31/12/2021	11,462,542	21,884,398	33,346,940
31/12/2020	10,993,623	19,864,718	30,858,341

G6 GEOGRAPHIC INCOME DISTRIBUTION AND OTHER DATA BY COUNTRY

2021	Sweden	Denmark	Norway	Finland	Total
Gross income [1]	1,660,553	501,427	716,550	642,343	3,520,873
Profit before tax	586,617	181,320	248,990	150,481	1,167,408
Income tax expense	-74,582	-39,873	-74,615	-31,024	-220,094

2020	Sweden	Denmark	Norway	Finland	Total
Gross income [1]	1,707,060	607,175	924,010	639,688	3,877,933
Profit before tax	516,004	191,293	330,607	148,244	1,186,148
Income tax expense	-139,392	-42,335	-95,128	-29,422	-306,277

[1] Gross income includes interest income, fee and commission income, net income/expense from financial transactions and other operating income.
The Group has no single customer that generates 10% or more of total revenues.

Branches: Resurs Bank Denmark reg no. 36 04 10 21, Resurs Bank Norge reg no. 984150865, Resurs Bank Finland reg no. 2110471-4,

G7 NET INTEREST INCOME/EXPENSE

	2021	2020
Interest income		
Lending to the public [1]	2,896,849	3,243,099
Interest-bearing securities	2,323	8,135
Total interest income	**2,899,172**	**3,251,234**
Of which, interest income calculated using the effective interest method	*2,896,849*	*3,243,099*
Interest expense		
Liabilities to credit institutions	-7,168	-3,874
Deposits and borrowing from the public	-240,933	-296,181
Issued securities	-87,756	-72,279
Subordinated debt	-4,375	-33,107
Other liabilities	-23,787	-1,387
Total interest expense	**-364,019**	**-406,828**
Of which, expense for deposit guarantee scheme and resolution fee	*-52,676*	*-43,199*
Of which, interest expense calculated using the effective interest method	*-364,019*	*-406,828*
[1] Amount includes interest income on impaired receivables of	748,000	203,422

G8 FEES AND COMMISSIONS

	2021	2020
Fee & commission income		
Lending commissions	71,596	74,939
Credit card commissions	57,569	58,097
Compensation, mediated insurance	233,322	240,047
Other commissions	55,371	52,131
Total fee & commission income	**417,858**	**425,214**
Fee & commission expenses		
Lending commissions	137	
Credit card commissions	-70,637	-63,635
Total fee & commission expenses	**-70,500**	**-63,635**

No commission income or commission expense is attributable to balance sheet items at fair value.

G9 NET INCOME/EXPENSE FROM FINANCIAL TRANSACTIONS

	2021	2020
Net income/expense from bonds and other interest-bearing securities	-3,660	2,709
Impairment of shares		-10,000
Derivatives	-108,413	496,602
Exchange rate differences	115,218	-503,486
Total net income/expense from financial transactions	**3,145**	**-14,175**
Net gains/losses by measurement category [1)]		
Financial assets at FVTPL	-112,073	489,311
Loan receivables and account receivables	115,218	-503,486
Total	**3,145**	**-14,175**

[1)] Net gain and net loss relate to realised and unrealised changes in value.

G10 OTHER OPERATING INCOME

	2021	2020
Other income, lending to the public	147,862	157,950
Other operating income	52,836	57,710
Total operating income	**200,698**	**215,660**

G11 LEASES

Resurs Bank Group as lessor

In its banking operations, the Group owns assets that are leased to customers under finance leases. These assets are reported as Lending to the public in the statement of financial position, in accordance with IFRS. The leased assets are primarily comprised of machinery and other equipment.

Future minimum lease payments under non-cancellable leases fall due as follows:

	2021	2020
Non-cancellable lease payments:		
Within one year	1,071	2,980
Between one and five years	2,564	4,540
After five years	168	675
Total non-cancellable lease payments	**3,803**	**8,195**
Reconciliation of gross investment and present value of receivables relating to future minimum lease payments		
Gross investment	8,272	15,934
Less unearned financial income	-3,803	-8,195
Net investment in finance agreements	**4,469**	**7,739**
Provision for doubtful receivables relating to lease payments	468	397

At 31 December 2020, the majority of the Group's gross and net investments had a remaining maturity of less than five years.

Resurs Bank Group as lessee

According to IFRS 16 Leases, leases for which the Group is lessee are recognised as right-of-use assets and a corresponding liability to the lessor on the day that the leased asset becomes available for use by the Group.

The Group will be primarily affected by the right-of-use assets attributable to leases for premises and vehicle leases. The right-of-use asset has initially been measured at an amount corresponding to the lease liability, adjusted for any prepaid or accrued lease fees related to the lease agreement.

The right-of-use asset is reported in the item property, plant and equipment, see Note G25, and the lease liability is reported in the item other liabilities in the statement of financial position.

As at 31 December 2020, the right-of-use assets amounts to SEK 73,6401 thousand (64,661) and liability for unutilised lease obligations amounts SEK 75,184 thousand (61,591). The income statement has been affected by interest expense, SEK908 thousand (950) and depreciation amounting SEK 28,832 thousand (26,540).

The tax effect has a positive impact of SEK 91 thousand (133). The total impact on the financial result is SEK 3,519 thousand (-477). As at 31 December 2021 the average margin loan rate amounted to 1,2 per cent (1.1 pre cent).

G12 GENERAL ADMINISTRATIVE EXPENSES

	2021	2020
General expenses		
Personnel expenses (also see Note G13)	-534,446	-560,083
Postage, communication and notification costs	-129,357	-131,748
IT costs	-222,579	-194,512
Premises costs	-21,048	-20,610
Consulting expenses	-65,781	-58,459
Other	-140,708	-155,202
Total general administrative expenses	**-1,113,919**	**-1,120,614**

The item Other in the classification of general administrative expenses includes fees and remuneration to auditors as set out below.

	2021	2020
Auditors fee and expenses		
Ernst & Young AB		
Audit services	-5,227	-4,978
Other assistance arising from audit	-784	-573
Tax advisory services	-849	-1,855
Other services	-623	-810
Total auditors fees and expenses	**-7,483**	**-8,216**

Audit services comprise the examination of the annual financial statements and accounting records and the administration of the Board of Directors and CEO. They also include other procedures required to be carried out by the Group's and parent company's auditors, as well as advice or other assistance arising from observations made during the audit or while performing such other procedures.

G13 PERSONNEL

	2021	2020
Salaries	-357,763	-388,647
Social insurance costs	-103,593	-107,421
Pension costs	-54,872	-47,972
Other personnel expenses	-18,218	-16,043
Total personnel expenses	**-534,446**	**-560,083**
Salaries and other benefits		
Board, CEO and other senior executives	-17,226	-12,054
Other employees	-340,537	-376,593
Total salaries and other benefits	**-357,763**	**-388,647**

The Group management has changed during the year.

Remuneration and other benefits

2021	**Basic salary/ Board fees**	**Variable remune-ration**	**Other benefits**	**Pensions**	**Total**
Board and CEO					
Martin Bengtsson, Chairman [1)]					0
Lars Nordstrand [1)]					0
Fredrik Carlsson [1)]					0
Marita Odélius Engström [1)]					0
Mikael Wintzell [1)]					0
Johanna Berlinde [1)]					0
Susanne Ernbåge [1)]					0
Kristina Patek [1)]					0
Nils Carlsson, CEO (employed by Resurs Holding AB)					0
Kenneth Nilsson, CEO (employed by Resurs Holding AB)					0
Other senior executives (10 individuals) [2)]	-17,226		-1,105	-5,259	-23,590
Other employees that may affect the Bank's risk level (23 individuals)	-20,334		-797	-5,042	-26,173
Total remuneration and other benefits	**-37,560**	**0**	**-1,902**	**-10,301**	**-49,763**

PERSONNEL

2020	Basic salary/ Board fees	Variable remune-ration	Other benefits	Pensions	Total
Board and CEO					
Martin Bengtsson, Chairman [1]					0
Lars Nordstrand [1]					0
Fredrik Carlsson [1]					0
Anders Dahlvig (resigned 17/06/2020) [1]					0
Mariana Burenstam Linder (resigned 17/06/2020) [1]					0
Marita Odélius Engström [1]					0
Mikael Wintzell [1]					0
Johanna Berlinde					0
Susanne Ehnbåge (elected 17/06/2020)					0
Kristina Patek (elected 17/06/2020)					0
Nils Carlsson, CEO (employed by Resurs Holding AB)					0
Kenneth Nilsson, CEO (employed by Resurs Holding AB)					0
Other senior executives (10 individuals) [2]	-12,054	0	-678	-2,589	-15,321
Other employees that may affect the Bank's risk level (20 individuals)	-20,514	0	-1,264	-4,238	-26,017
Total remuneration and other benefits	**-32,568**	**0**	**-1,943**	**-6,827**	**-41,338**

[1] Board fees have been paid from the parent company Resurs Holding AB
[2] Other senior executives excluding CEO is in total 10 individuals (6). This includes 1 individual (1) that receive remuneration from Resurs Holding AB.

Pension costs

	2021	2020
Board, CEO and other senior executives	-5,259	-2,589
Other employees	-49,613	-45,383
Total	**-54,872**	**-47,972**

Board members and senior executives at the end of the year

	2021		2020	
	Number	Of which, men	Number	Of which, men
Board members	8	50%	8	50%
CEO and senior executives	11	64%	11	73%

PERSONNEL

The Board of the banking operations has established a remuneration policy in accordance with Swedish Financial Supervisory Authority's FFFS 2011:1 Regulations regarding remuneration structures in credit institutions, investment firms and fund management companies licensed to conduct discretionary portfolio management, recently updated through FFFS 2020:30. The Board has instituted a Remuneration Committee, which is responsible for preparing significant remuneration decisions and the Group has a control function which, when appropriate and at least annually, independently reviews how the Group's management of remuneration matters corresponds to the regulatory framework. The Chairman and members of the Board are paid the fees resolved by the Annual General Meeting. Remuneration of executive management and heads of the Group's control functions is determined by the Board. Remuneration comprises a basic salary, other benefits and pension.

Senior executives are not paid a bonus or variable remuneration. Information on remuneration is published on www.resurs.se.

In 2021, variable remuneration was paid in excess of SEK 100 thousand to employees who can influence the Group's risk level.

Warrants
On 31 December 2019, the Parent Company Resurs Holding AB had two active warrant programmes as part of the incentive programmes for management and employees
Each warrant entitles the holder to acquire shares at a predetermined price. A warrant of the 2019/2022 series entitles the holder to acquire 1.33 shares and the 2020/2023 series entitles the holder to acquire 1.30 shares.

Warrants in both programs were repurchased to a value of SEK 2,472 million and new ones were subscribed for at a value of SEK 1,075 million during the year.

Pensions
The Group's pension obligations for the CEO and other senior executives are covered by defined contribution plans and are based on basic salary.

In addition to occupational and statutory pension, a provision for pension benefits of SEK 139 thousand (185) in an endowment insurance policy has been made for the former CEO

In addition to occupational and statutory pension, a provision for pension benefits of SEK 0 thousand (0) in an endowment insurance policy has been made for the incoming CEO. The corresponding figure for other senior executives, in addition to occupational and statutory pension, is SEK 0 thousand (0) in an endowment insurance policy.

Termination conditions and benefits
In the event of termination of employment by the bank, the CEO and the Executive Vice President are entitled to salary during the notice period (12 months and 6 months and 8 months, respectively). The notice period for other senior executives is 6-9 months. No termination benefits are paid.

Senior executives' use of credit facilities in banking operations

	31/12/2021		31/12/2020	
	Credit limits	Unutilised credit	Credit limits	Unutilised credit
CEO	25		53	22
Board members	175	36	178	8
Other senior executives in the Group	1,323	1,066	1,681	1,041
Total	**1,523**	**1,102**	**1,912**	**1,071**

Lending terms correspond to terms normally applied in credit lending to other personnel. The Group has not pledged security or assumed contingent liabilities for above-named executives.

PERSONNEL

Average number of employees

	2021			2020		
	Men	**Women**	**Total**	**Men**	**Women**	**Total**
Sweden	210	219	429	220	239	459
Denmark	40	21	61	44	34	78
Norway	35	40	75	36	41	77
Finland	21	44	65	18	47	65
Total	**306**	**324**	**630**	**318**	**361**	**679**

Reconciliation of outstanding warrants in accordance to the incentive program in Resurs Holding AB

	31/12/2021	**31/12/2020**
Issued warrants, total		
Opening number of warrants issued	6,040,000	6,840,000
End of 2016/2019 warrant programme		-4,000,000
New 2019/2022 warrant programme		3,200,000
Issued warrants, total	**6,040,000**	**6,040,000**
Issued warrants, outstanding		
Opening number of outstanding warrants	2,980,525	4,225,515
Less, repurchased warrants in ended 2016/2019 programme		-2,952,500
Warrants subscribed for during the year	265,000	1,860,000
Less, warrants repurchased during the year	-1,163,853	-152,490
Total subscribed warrants outstanding	**2,081,672**	**2,980,525**
Whereof subscribed by CEO	*750,000*	*750,000*
Whereof subscribed by other senior executive members	*554,097*	*904,062*
Whereof subscribed by other personnel	*777,575*	*1,326,463*

G14 DEPRECIATION, AMORTISATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

	2021	**2020**
Depreciation and amortisation		
Tangible assets	-49,599	-47,945
Intangible assets	-32,551	-90,488
Total depreciation, amortisation and impairment of tangible and intangible assets	**-82,150**	**-138,433**

G15 OTHER OPERATING EXPENSES

	2021	**2020**
Marketing	-71,657	-102,698
Insurance	-6,274	-5,064
Other	-22	-141
Total other operating expenses	**-77,953**	**-107,903**

G16 CREDIT LOSSES

	2021	2020
Provision of credit losses [1]		
Stage 1	-8,557	-45,323
Stage 2	72,060	-30,086
Stage 3	-43,670	-169,394
Total	**19,833**	**-244,803**
Provision of credit losses off balance (unutilised limit)		
Stage 1	2,312	-6,148
Stage 2	-2,306	1,804
Stage 3		
Total	**6**	**-4,344**
Write-offs of confirmed credit losses	-665,301	-641,923
Recoveries of previously confirmed credit losses	538	36,698
Total	**-664,763**	**-605,225**
Total credit losses for the year	**-644,924**	**-854,372**
of which lending to the public	*-644,930*	*-850,028*

G17 TAXES

	2021	2020
Current income tax		
Current tax for the year	-291,299	-285,323
Adjustment of tax attributable to previous years	-78,366	-33,590
Current income tax	**-369,665**	**-318,913**
Deferred tax on temporary differences	149,571	12,636
Total income taxes	**-220,094**	**-306,277**

	2021		2020	
Reconciliation of effective tax				
Profit before tax		1,167,408		1,186,148
Tax at prevailing tax rate	-20,6%	-240,486	-21,4%	-253,836
Non-deductible expenses/non-taxable income	12,9%	150,165	-0,9%	-10,802
Tax attributable to differing tax rates for foreign branch offices and subsidiaries	-4,4%	-51,184	-0,7%	-7,818
Tax attributable to prior years	-6,7%	-78,366	-2,8%	-33,590
Standard interest, tax allocation reserve	0,0%	-223	0,0%	-231
Recognised effective tax	**-18,9%**	**-220,094**	**-25,8%**	**-306,277**

	2021	2020
Change in deferred tax		
Tax effects attributable to temporary differences, property, plant & equipment	-1,013	-497
Tax effects attributable to temporary differences, intangible assets	-19,517	1,602
Tax effects attributable to temporary differences, lending to the public	123,657	14,374
Tax effects attributable to temporary differences, pensions	-666	-1,129
Tax effects attributable to temporary differences, untaxed reserves	47,595	
Tax effects attributable to temporary differences, other	-485	-1,714
Total deferred tax	**149,571**	**12,636**

	31/12/2021	31/12/2020
Deferred tax assets		
Deferred tax assets; property, plant & equipment	2,395	2,712
Deferred tax assets; lending to the public	110,752	
Deferred tax assets; pensions	1,733	2,396
Deferred tax assets; other	1,830	832
Total deferred tax asset	**116,710**	**5,940**
Offset by country	-12,342	-5,686
Net deferred tax assets	**104,368**	**254**

TAXES

	31/12/2021	31/12/2020
Deferred tax liabilities		
Deferred tax liabilities, property, plant & equipment	23	
Deferred tax liabilities, intangible assets	65,634	44,566
Deferred tax liabilities for lending to the public	18,278	30,592
Deferred tax liabilities for untaxed reserves		47,595
Deferred tax liabilities, other	2,476	1,905
Total deferred tax liabilities	**86,411**	**124,658**
Offset by country	-12,342	-5,686
Net deferred tax assets	**74,069**	**118,972**

G18 TREASURY AND OTHER BILLS ELIGIBLE FOR REFINANCING

	31/12/2021			31/12/2020		
	Nominal amount	Fair value	Carrying value	Nominal amount	Fair value	Carrying value
Issued by						
Swedish government and municipalities	1,646,330	1,665,358	1,665,358	2,132,201	2,151,036	2,151,036
Foreign governments and municipalities	135,105	137,657	137,657	128,446	132,217	132,217
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**
Of which, listed	*1,781,435*	*1,803,015*	*1,803,015*	*2,260,647*	*2,283,253*	*2,283,253*
Remaining maturity						
0-1 years	696,270	697,300	697,300	1,222,000	1,222,416	1,222,416
1-3 years	513,291	520,035	520,035	427,782	434,832	434,832
More than 3 years	571,874	585,680	585,680	610,865	626,005	626,005
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**
Issuer's rating						
AAA/Aaa	885,723	896,851	896,851	904,647	916,610	916,610
AA+/Aa1	895,712	906,164	906,164	1,356,000	1,366,643	1,366,643
Unrated [1]						
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**

Investments comprise Swedish government and municipalities, and fulfils the requirement of FFFS 2010:7 on assets that may be included in the liquidity reserve.

[1] Unrated treasury and other bills eligible for refinancing' is comprised of holdings in a Swedish municipality that are not rated.

G19 LENDING TO CREDIT INSTITUTIONS

	31/12/2021	31/12/2020
Loans in SEK	2,334,345	2,513,564
Loans in DKK	58,140	132,053
Loans in NOK	741,054	643,988
Loans in EUR	1,227,066	526,107
Loans in other currencies	5,685	2,862
Total lending to credit institutions	**4,366,290**	**3,818,574**

G20 LENDING TO THE PUBLIC

	31/12/2021	31/12/2020
Receivables outstanding, gross		
Loans in SEK	17,607,700	15,858,372
Loans in DKK	5,194,058	4,884,972
Loans in NOK	6,893,173	7,322,478
Loans in EUR	6,685,900	5,773,980
Total lending to the public	**36,380,831**	**33,839,802**
Retail	35,942,062	33,329,635
Net value of acquired non-performing consumer loans [1]	139,542	166,201
Corporates [2] [3] [4]	299,227	343,966
Total lending to the public	**36,380,831**	**33,839,802**
Less provision for anticipated credit losses [5]	-3,033,891	-2,981,461
Total net lending to the public	**33,346,940**	**30,858,341**
[1] Acquired non-performing consumer loans as follows:		
Opening net value of acquired non-performing consumer loans	**166,201**	**202,143**
Amortisation for the year	-29,054	-31,397
Currency effect	2,395	-4,545
Net value of acquired non-performing consumer loans	**139,542**	**166,201**

[2] Amount includes acquired invoice receivables of SEK 140 million (230).
[3] Amount includes lending to group companies of SEK 0 (0).
[4] Amount includes finance leases of SEK 4 million (8), for which Resurs Bank is lessor.
[5] Amount includes lending to retail and corporates.

Geographic distribution of net lending to the public

	31/12/2021	31/12/2020
Sweden	16,663,157	15,059,125
Denmark	4,408,119	4,146,035
Norway	6,491,302	6,546,310
Finland	5,784,362	5,106,871
Total net lending to the public	**33,346,940**	**30,858,341**
Expected credit losses		
Stage 1	-223,471	-209,382
Stage 2	-366,542	-428,880
Stage 3	-2,443,878	-2,343,199
Total expected credit losses	**-3,033,891**	**-2,981,461**

LENDING TO THE PUBLIC

Change in provision, Lending to the public

31/12/2021	**Non doubtful receivables Stage 1**	**Non doubtful receivables Stage 2**	**Doubtful receivables Stage 3**	**Total**
Carrying amount gross				
Carrying amount gross 1 January 2021	25,013,471	3,521,766	5,304,565	**33,839,802**
Carrying amount gross 31 December 2021	28,105,868	2,975,290	5,299,673	**36,380,831**
Provision				
Provision at 1 January 2021	-209,382	-428,880	-2,343,199	**-2,981,461**
New and derecognised financial assets	-42,856	41,054	-51,778	**-53,580**
Changes in risk factors (PD/EAD/LGD)	-6,754	-38,649	-6,722	**-52,125**
Changes in macroeconomic scenarios	17,678	41,137	-3,083	**55,732**
Changes due to expert assessments (individual assessments, manual adjustments)	23,048	42,068	10,000	**75,116**
Transfers between stages				
from 1 to 2	*13,113*	*-138,662*		**-125,549**
from 1 to 3	*2,757*		*-66,986*	**-64,229**
from 2 to 1	*-14,764*	*101,433*		**86,669**
from 2 to 3		*32,619*	*-65,225*	**-32,606**
from 3 to 2		*-6,741*	*12,315*	**5,574**
from 3 to 1	*-437*		*137,454*	**137,017**
Exchange-rate differences	-5,874	-11,921	-66,654	**-84,449**
Provision at 31 December 2021	**-223,471**	**-366,542**	**-2,443,878**	**-3,033,891**
Carrying amount				
Opening balance at 1 January 2021	24,804,089	3,092,886	2,961,366	**30,858,341**
Closing balance at 31 December 2021	27,882,397	2,608,748	2,855,795	**33,346,940**

31/12/2020	**Non doubtful receivables Stage 1**	**Non doubtful receivables Stage 2**	**Doubtful receivables Stage 3**	**Total**
Carrying amount gross				
Carrying amount gross 1 January 2020	23,687,685	5,259,502	5,276,240	**34,223,427**
Carrying amount gross 31 December 2020	25,013,471	3,521,766	5,304,565	**33,839,802**
Provision				
Provision at 1 January 2020	-174,601	-421,929	-2,282,110	**-2,878,640**
New and derecognised financial assets	-22,496	42,272	-4,976	**14,800**
Changes in risk factors (PD/EAD/LGD)	-7,418	-26,823	-51,811	**-86,052**
Changes in macroeconomic scenarios	-521	2,642	6,298	**8,419**
Changes due to expert assessments (individual assessments, manual adjustments)	-18,394	-34,119	12,053	**-40,460**
Transfers between stages				
from 1 to 2	*16,079*	*-143,181*		**-127,102**
from 1 to 3	*4,439*		*-79,137*	**-74,698**
from 2 to 1	*-14,466*	*99,641*		**85,175**
from 2 to 3		*40,245*	*-84,219*	**-43,974**
from 3 to 2		*-6,572*	*11,620*	**5,048**
from 3 to 1	*-423*		*31,253*	**30,830**
Exchange-rate differences	8,419	18,944	97,830	**125,193**
Provision at 31 December 2020	**-209,382**	**-428,880**	**-2,343,199**	**-2,981,461**
Carrying amount				
Opening balance at 1 January 2020	23,513,084	4,837,573	2,994,130	**31,344,787**
Closing balance at 31 December 2020	24,804,089	3,092,886	2,961,366	**30,858,341**

Provision of credit losses during the period were impacted by several different factors, as described below:
- Transfers between Stage 1 and Stage 2 or Stage 3 depending on whether the loan has significantly increased (or decreased) in risk or if it has defaulted during the period and thus transferred between 12 month and full lifetime ECL.
- New loans during the period and also loans removed from the portfolio in the same period. (Increases due to issue and purchase and decline due to derecognition from the statement of financial position)
- Resolution of the extra reservation due to Covid-19 pandemic, made in 2020.
- Changes in risk factors (PD/EAD/LGD), arising because the model has been updated with new amounts (Changes due to changed credit risk, net).
- Changes in macroeconomic scenarios based on macroeconomic factors, that from a historical perspective has proven to correlate well with changes in the Group's credit losses.
- Exchange-rate differences

LENDING TO THE PUBLIC

Change in gross volume, Lending to the public

31/12/2021

	Non doubtful receivables Stage 1	Non doubtful receivables Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross 1 January 2021	25,013,471	3,521,766	5,304,564	**33,839,801**
New and derecognised financial assets	2,986,016	-253,368	-164,265	**2,568,383**
Transfers between stages				
from 1 to 2	*-1,232,117*	*1,179,409*		**-52,708**
from 1 to 3	*-240,225*		*183,078*	**-57,147**
from 2 to 1	*1,053,804*	*-1,328,936*		**-275,132**
from 2 to 3		*-274,183*	*187,815*	**-86,368**
from 3 to 2		*39,065*	*-43,344*	**-4,279**
from 3 to 1	*24,295*		*-322,553*	**-298,258**
Exchange-rate differences	500,625	91,537	154,377	**746,539**
Carrying amount gross 31 December 2021	**28,105,869**	**2,975,290**	**5,299,672**	**36,380,831**

31/12/2020

	Non doubtful receivables Stage 1	Non doubtful receivables Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross 1 January 2020	23,687,686	5,259,503	5,276,238	**34,223,427**
New and derecognised financial assets	2,242,193	-675,030	-87,911	**1,479,252**
Transfers between stages				**0**
from 1 to 2	*-1,347,791*	*1,294,460*		**-53,331**
from 1 to 3	*-289,493*		*227,670*	**-61,823**
from 2 to 1	*1,547,030*	*-1,839,877*		**-292,847**
from 2 to 3		*-359,633*	*244,727*	**-114,906**
from 3 to 2		*42,016*	*-45,875*	**-3,859**
from 3 to 1	*30,079*		*-84,691*	**-54,612**
Exchange-rate differences	-856,233	-199,671	-225,595	**-1,281,499**
Carrying amount gross 31 December 2020	**25,013,471**	**3,521,768**	**5,304,563**	**33,839,802**

Loans to the public, split by stage and provision, retail

	31/12/2021	31/12/2020
Stage 1		
Carrying amount, gross	27,818,257	24,740,765
Provisions	-222,538	-206,520
Carrying amount	**27,595,719**	**24,534,245**
Stage 2		
Carrying amount, gross	2,969,619	3,500,925
Provisions	-366,263	-427,838
Carrying amount	**2,603,356**	**3,073,087**
Total performing	**30,787,876**	**28,241,690**
Total provision, preforming	**-588,801**	**-634,358**
Stage 3		
Carrying amount, gross	5,293,728	5,254,145
Provisions	-2,438,270	-2,296,486
Carrying amount	**2,855,458**	**2,957,659**
Total carrying amount	**36,081,604**	**33,495,835**
Total provision	**-3,027,071**	**-2,930,844**

LENDING TO THE PUBLIC

Loans to the public, split by stage and provision, corporate sector

	31/12/2021	31/12/2020
Stage 1		
Carrying amount, gross	287,611	272,706
Provisions	-933	-2,862
Carrying amount	**286,678**	**269,844**
Stage 2		
Carrying amount, gross	5,671	20,841
Provisions	-279	-1,042
Carrying amount	**5,392**	**19,799**
Total performing	**293,282**	**293,547**
Total provision, preforming	**-1,212**	**-3,904**
Stage 3		
Carrying amount, gross	5,945	50,419
Provisions	-5,608	-46,712
Carrying amount	**337**	**3,707**
Total carrying amount	**299,227**	**343,966**
Total provision	**-6,820**	**-50,616**

Totals

	31/12/2021	31/12/2020
Carrying amount gross, stage 1	28,105,869	25,013,471
Carrying amount gross, stage 2	2,975,290	3,521,766
Carrying amount gross, stage 3	5,299,672	5,304,565
Carrying amount, gross	**36,380,831**	**33,839,802**
Provision stage 1	-223,471	-209,382
Provision stage 2	-366,542	-428,880
Provision stage 3	-2,443,878	-2,343,199
Total provisions	**-3,033,891**	**-2,981,461**
Carrying amount	**33,346,940**	**30,858,341**
Share of loans in stage 1, gross%	77,25%	73,92%
Share of loans in stage 2, gross%	8,18%	10,41%
Share of loans in stage 3, gross%	14,57%	15,68%
Share of loans in stage 1, net%	83,61%	80,38%
Share of loans in stage 2, net%	7,82%	10,02%
Share of loans in stage 3, net%	8,56%	9,60%
Reserve ratio loans in stage 1	0,80%	0,84%
Reserve ratio loans in stage 2	12,32%	12,18%
Reserve ratio loans in stage 3	46,11%	44,17%
Reserve ratio performing loan	1,90%	2,24%
Total reserve ratio loans	**8,34%**	**8,81%**

LENDING TO THE PUBLIC

Segment reporting, Lending to the public

31/12/2021	Payment Solutions	Consumer Loans	Total
Carrying amount gross			
Stage 1	9,851,250	18,254,619	**28,105,869**
Stage 2	871,284	2,104,006	**2,975,290**
Stage 3	1,624,769	3,674,903	**5,299,672**
Carrying amount gross	**12,347,303**	**24,033,528**	**36,380,831**
Provision			
Stage 1	-43,551	-179,920	**-223,471**
Stage 2	-60,082	-306,460	**-366,542**
Stage 3	-781,128	-1,662,750	**-2,443,878**
Total provision	**-884,761**	**-2,149,130**	**-3,033,891**
Net lending to the public			
Stage 1	9,807,699	18,074,699	**27,882,398**
Stage 2	811,202	1,797,546	**2,608,748**
Stage 3	843,641	2,012,153	**2,855,794**
Total net lending to the public	**11,462,542**	**21,884,398**	**33,346,940**

31/12/2020	Payment Solutions	Consumer Loans	Total
Carrying amount gross			
Stage 1	9,024,412	15,989,059	**25,013,471**
Stage 2	1,171,126	2,350,640	**3,521,766**
Stage 3	1,736,564	3,568,001	**5,304,565**
Carrying amount gross	**11,932,102**	**21,907,700**	**33,839,802**
Provision			
Stage 1	-39,525	-169,857	**-209,382**
Stage 2	-70,761	-358,119	**-428,880**
Stage 3	-828,193	-1,515,006	**-2,343,199**
Total provision	**-938,479**	**-2,042,982**	**-2,981,461**
Net lending to the public			
Stage 1	8,984,887	15,819,202	**24,804,089**
Stage 2	1,100,365	1,992,521	**3,092,886**
Stage 3	908,371	2,052,995	**2,961,366**
Total net lending to the public	**10,993,623**	**19,864,718**	**30,858,341**

G21 BONDS AND OTHER INTEREST-BEARING SECURITIES

Bonds

	31/12/2021			31/12/2020		
	Nominal amount	Fair value	Carrying value	Nominal amount	Fair value	Carrying value
Swedish mortgage institutions	497,238	509,186	509,186	527,783	536,842	536,842
Foreign mortgage institutions	138,294	138,762	138,762	131,329	132,728	132,728
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**
Of which, listed	*635,532*	*647,948*	*647,948*	*659,112*	*669,570*	*669,570*
Remaining maturity						
0-1 years				190,150	190,951	190,951
1-3 years	217,263	218,578	218,578	151,216	152,232	152,232
More than 3 years	418,269	429,370	429,370	317,746	326,387	326,387
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**
Issuer's rating						
AAA/Aaa	635,532	647,948	647,948	659,112	669,570	669,570
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**

In the event the credit ratings differ, the lowest is used.

The credit rating of the lending programme is used for covered bonds.

G22 SHARES AND PARTICIPATIONS

The shareholdings comprising shares in Vipps AS, Dicopay AB, Trademate ApS and in Kivra Oy. The Group views these shareholdings as strategic and the assets were recognised at a total amount of SEK11,460thousand on the closing date.

	2021	2020
Cost	21,460	17,287
Carrying value	11,460	7,287
Fair value	11,460	7,287

G23 DERIVATIVES

31/12/2021	Nominal amount Remaining maturity					
	< 1 year	1-5 years	> 5 years	Total	Positive market-values	Negative market-values
Derivatives instruments, no hedge accounting						
Currency related contracts						
Swaps	4,931,155			4,931,155	1,781	27,366
Total derivatives	**4,931,155**	**0**	**0**	**4,931,155**	**1,781**	**27,366**

31/12/2020	Nominal amount Remaining maturity					
	< 1 year	1-5 years	> 5 years	Total	Positive market-values	Negative market-values
Derivatives instruments, no hedge accounting						
Currency related contracts						
Swaps	5,393,846			5,393,846	113,272	3,659
Total derivatives	**5,393,846**	**0**	**0**	**5,393,846**	**113,272**	**3,659**

G24 INTANGIBLE ASSETS

31/12/2021	Goodwill	Internally developed software	Acquired customer relations	Total
Opening cost	1,635,090	272,827	104,720	2,012,637
Investments during the year		87,166		87,166
Divestments/disposals during the year				0
Exchange-rate difference	73,030	4,048	7,767	84,845
Total cost at year-end	**1,708,120**	**364,041**	**112,487**	**2,184,648**
Opening amortisation		-124,573	-41,386	-165,959
Amortisation of divested/disposed assets				0
Amortisation for the year		-24,213	-8,338	-32,551
Exchange-rate difference		-3,718	-3,338	-7,056
Total accumulated amortisation at year-end		**-152,504**	**-53,062**	**-205,566**
Carrying amount	**1,708,120**	**211,537**	**59,425**	**1,979,082**

31/12/2020	Goodwill	Internally developed software	Acquired customer relations	Total
Opening cost	1,741,642	247,061	116,052	2,104,755
Investments during the year		34,411		34,411
Divestments/disposals during the year		-2,269		-2,269
Exchange-rate difference	-106,552	-6,376	-11,332	-124,260
Total cost at year-end	**1,635,090**	**272,827**	**104,720**	**2,012,637**
Opening amortisation		-47,492	-36,985	-84,477
Amortisation of divested/disposed assets		754		754
Amortisation for the year		-82,246	-8,242	-90,488
Exchange-rate difference		4,411	3,841	8,252
Total accumulated amortisation at year-end		**-124,573**	**-41,386**	**-165,959**
Carrying amount	**1,635,090**	**148,254**	**63,334**	**1,846,678**

Impairment testing of goodwill

Goodwill and intangible assets with indefinite useful lives are tested for impairment annually and when indicates a decline in value. The recoverable amount is determined based on estimates of value in use using a discounted cash flow model with a five-year forecast period. The valuation is performed for each cash-generating unit: Resurs Group segments, Consumer Loans and Payment Solutions. Goodwill is allocated to the segments based on expected future benefit.

Anticipated future cash flows

During the first five years, anticipated future cash flows are based on forecasts of risk-weighted volumes, income, expenses, credit losses and anticipated future capital requirements. The forecasts are based primarily on an internal assessment based on historical performance and market development of future income and cost trends, economic conditions, anticipated interest rate trend and anticipated effects of future regulations.

A forecast is conducted over the first five years based on a long-term growth rate assumption. The assessment is based on long-term assumptions about market growth beyond the forecast period and the business's actual performance in relation to such growth. This year's impairment test is based on the assumption of a 2 per cent (2) per cent long-term growth rate. Anticipated cash flows have been discounted using an interest rate based on a risk-free rate and risk adjustment corresponding to the market's average return.

The discount rate for this year's impairment test was 9.4 per cent (9,4 per cent) after tax. The corresponding rate before tax was 12.0 per cent (12.3 per cent) for Consumer Loans and 11.8 per cent (12.1 per cent) for Payment Solutions.

The calculated value in use of goodwill is sensitive to a number of variables that are significant to anticipated cash flows and the discount rate. The variables most significant to the calculation are assumptions about interest rate and economic trends, future margins and cost effectiveness.

No reasonably possible change in the key assumptions would affect the carrying amount of goodwill.

The following is a summary of goodwill allocated to each operating segment

31/12/2021	Opening carrying value	Exchange-rate difference	Closing carrying value
Payment Solutions	345,571	10,224	355,795
Consumer Loans	1,289,519	62,806	1,352,325
Total	**1,635,090**	**73,030**	**1,708,120**

31/12/2020	Opening carrying value	Exchange-rate difference	Closing carrying value
Payment Solutions	360,488	-14,917	345,571
Consumer Loans	1,381,154	-91,635	1,289,519
Total	**1,741,642**	**-106,552**	**1,635,090**

G25 PROPERTY, PLANT AND EQUIPMENT

	31/12/2021	31/12/2020
Equipment		
Cost at beginning of the year	243,680	222,015
Additional right-of-use assets in accordance with IFRS 16	40,006	
Purchases during the year [1]	26,171	40,283
Divestments/disposals during the year	-13,562	-13,846
Exchange-rate difference	2,840	-4,772
Total cost at year-end	**299,135**	**243,680**
Accumulated depreciation at beginning of the year	-136,162	-99,544
Accumulated depreciation of divested/disposed assets	10,575	9,349
Depreciation for the year	-49,599	-47,945
Exchange-rate difference	-1,723	1,978
Total accumulated depreciation at year-end	**-176,909**	**-136,162**
Carrying amount [2]	**122,226**	**107,518**

[1] The carrying amount includes assets in an amount of SEK 73,640 thousand (64,661) for leases capitalised in accordance with IFRS 16..

G26 OTHER ASSETS

	31/12/2021	31/12/2020
Receivables, group companies	2,177	7,901
Receivables, leas activities	240	337
Receivables, factoring activities		3,801
Receivables, insurance brokers and representatives	32,761	
Other	35,004	33,610
Total other assets	**70,182**	**45,649**

G27 PREPAID EXPENSES AND ACCRUED INCOME

	31/12/2021	31/12/2020
Prepaid expenses	79,275	121,577
Accrued interest	13,584	11,237
Accrued income, lending activities	44,322	34,086
Total prepaid expenses and accrued income	**137,181**	**166,900**

G28 LIABILITIES TO CREDIT INSTITUTIONS

	31/12/2021	31/12/2020
Loans in SEK		107,400
Total liabilities to credit institutions	**0**	**107,400**

G29 DEPOSIT AND BORROWING FROM THE PUBLIC

	31/12/2021	31/12/2020
Loans in SEK	11,478,879	11,712,651
Loans in DKK		2
Loans in NOK	6,102,295	6,441,061
Loans in EUR	8,705,452	6,717,821
Total deposits and borrowing from the public	**26,286,626**	**24,871,535**
Retail sector	24,314,359	23,062,763
Corporate sector	1,972,267	1,808,772
Total deposits and borrowing from the public	**26,286,626**	**24,871,535**

Maturity:
The majority of deposits from the public are payable on demand; see also Note G3, Risk management.

The amount above includes deposits from sister companies in the amount of SEK 85 TSEK million (179).

G30 OTHER LIABILITIES

	31/12/2021	31/12/2020
Liabilities to Group and sister companies	1,264	1,922
Trade payables	40,585	52,098
Liabilities to representatives	175,261	157,605
Preliminary tax, interest on deposits	12,446	15,812
Provision for loyalty programmes	23,053	24,900
IFRS 16 Leases	75,184	61,591
Agents	17,906	
Tax	10,333	13,427
Other	267,694	203,118
Total other liabilities	**623,726**	**530,473**

G31 ACCRUED EXPENSES AND DEFERRED INCOME

	31/12/2021	31/12/2020
Accrued interest expenses	21,679	18,548
Accrued personnel costs	92,173	106,024
Accrued administrative expenses	79,452	71,606
Deferred income, leasing	183	568
Other deferred income	28,899	2,706
Total accrued expenses and deferred income	**222,386**	**199,452**

G32 OTHER PROVISIONS

	31/12/2021	31/12/2020
Opening balance	20,438	19,818
Provisions made during the year	-11	4,290
Exchange-rate difference	-1,957	-3,670
Closing balance	**18,470**	**20,438**
Provision of credit losses, unutilised limit, Stage 1	15,568	17,337
Provision of credit losses, unutilised limit, Stage 2	2,224	
Other provisions	678	3,101
Closing balance	**18,470**	**20,438**

Resurs Bank have entered into an endowment insurance agreement for safeguarding pension obligations. The endowment insurance and obligations have been netted. The amount in other provisions, consists of payroll tax that are not covered in the insurance agreement SEK 1.6 million (1.6). The market value of the endowment insurance is SEK 8,4 million (13.7).

G33 ISSUED SECURITIES

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.

In December 2021, an agreement was signed to extend the existing financing and Resurs Bank has, for a period of 18 months (revolving period), the right to continue selling certain additional loan receivables to Resurs Consumer Loans.

On 31 December 2021, 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 closing date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing. Because significant risks and benefits associated with the loan receivables sold, these were not transferred to the subsidiary and are still reported in the bank's balance sheet and profit and loss in accordance with IFRS 9.

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 9,000 million (9,000). Within the programme, Resurs Bank has been working successfully to issue bonds on a regular basis and sees itself as an established issuer on the market. On the closing date, the programme had nine issues outstanding allocated over a nominal amount of SEK 5,400 million (4,900).

Of the thirteen issues, eleven are senior unsecured bonds and two issue is a subordinated loan of SEK 600 million (600).

31/12/2021	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank MTN 110 31/05/2022	SEK	600,000	Variable	599,876	601,775
Resurs Bank MTN 111 29/08/2022	SEK	700,000	Variable	699,769	702,835
Resurs Bank MTN 112 28/02/2023	SEK	700,000	Variable	699,594	703,122
Resurs Bank MTN 113 24/11/2023	SEK	600,000	Variable	599,772	605,994
Resurs Bank MTN 114 04/03/2024	SEK	450,000	Variable	449,511	453,699
Resurs Bank MTN 115 14/06/2023	SEK	600,000	Variable	599,264	602,244
Resurs Bank MTN 116 02/09/2024	SEK	400,000	Variable	399,466	399,868
Resurs Bank MTN 117 15/11/2024	SEK	750,000	Variable	749,050	750,233
Resurs Bank MTN 30214/16/2023	NOK	600,000	Variable	614,793	617,135
Resurs Bank MTN 303 02/09/2024	NOK	300,000	Variable	307,209	306,513
Resurs Bank MTN 113 24/11/2023	NOK	150,000	Variable	153,589	153,930
Resurs Consumer Loans 1 Ltd ABS	SEK	2,000,000	Variable	2,000,000	2,002,319
Total issued securities				**7,871,893**	**7,899,667**

31/12/2020	Currency	Nominal amount	nterest rate	Carrying amount	Fair value
Resurs Bank MTN 104 16/03/2021	SEK	500,000	Variable	499,923	500,860
Resurs Bank MTN 108 16/06/2021	SEK	500,000	Variable	499,889	501,480
Resurs Bank MTN 109 30/08/2021	SEK	700,000	Variable	699,768	703,045
Resurs Bank MTN 110 31/05/2022	SEK	600,000	Variable	599,576	603,978
Resurs Bank MTN 111 29/08/2022	SEK	700,000	Variable	699,419	702,905
Resurs Bank MTN 112 28/02/2023	SEK	700,000	Variable	699,244	699,657
Resurs Bank MTN 113 24/11/2023	SEK	600,000	Variable	599,653	601,008
Resurs Consumer Loans 1 Ltd ABS	SEK	2,000,000	Variable	2,000,000	2,009,578
Total issued securities				**6,297,472**	**6,322,511**

G34 SUBORDINATED DEBT

31/12/2021	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank MTN 201 17/01/2027 [1)]	SEK	300,000	Variable	299,972	300,330
Resurs Bank MTN 202 12/03/2029 [2)]	SEK	300,000	Variable	299,539	310,407
Total subordinated debt				**599,511**	**610,737**

31/12/2020	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank Subordinated debt 30/04/2021	SEK	200,000	Variable	200,000	200,123
Resurs Bank MTN 201 17/01/2027 1)	SEK	300,000	Variable	299,372	302,355
Resurs Bank MTN 202 12/03/2029 2)	SEK	300,000	Variable	299,330	299,256
Total subordinated debt				**798,702**	**801,734**

[1)] The issuer is entitled to early repayment of the bonds from "First Call Date" 17/01/2022, provided that the issuer receives the approval of the Swedish Financial Supervisory Authority.
[2)] The issuer is entitled to early repayment of the bonds from "First Call Date" 12/03/2024, provided that the issuer receives the approval of the Swedish Financial Supervisory Authority.

G35 EQUITY

Shares
The number of shares is 500,000, with a par value of SEK 1,000. Par value is defined as share capital divided by number of shares.

Other contributed capital
Refers to unconditional shareholder contributions.

Profit or loss brought forward
Refers to profit or loss brought forward from previous years less dividends.

Translation reserve
Includes translation differences on consolidation of the Group's foreign operations.

Changes in equity
See the statement of changes in equity for details on changes in equity during the year.

Change in translation reserve

	31/12/2021	31/12/2020
Opening translation reserve	-35,552	66,781
Translation difference for the year, foreign operations	76,395	-102,333
Closing translation reserve	**40,843**	**-35,552**

G36 PLEDGED ASSETS, CONTINGENT LIABILITIES AND COMMITMENTS

	31/12/2021	31/12/2020
Lending to credit institutions [1]	178,494	139,538
Lending to the public [2]	2,458,568	2,455,141
Restricted bank deposit [3]	33,828	32,286
Total pledged assets for own liabilities	**2,670,890**	**2,626,965**
Contingent liabilities	**0**	**0**
Other commitments		
Unutilised credit facilities granted	24,239,177	23,891,248

Unutilised credit granted refers to externally granted credit. All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act.

[1] Lending to credit institutions refers to funds pledged as collateral for the fulfilment of commitments to payment intermediaries.

[2] Relating to securitisation, Issued securities see Note G33.

[3] As at 31 December 2021, SEK 31,1 million (29,5) in reserve requirement account at the Bank of Finland and SEK 0.2 million (0.2) in tax account at Norwegian Bank (DNB), and SEK 2.5 million (2,6) in tax account at Danske Bank.

G37 RELATED PARTIES

Ownership
Resurs Bank AB, corporate identity number 516401-0208 is a wholly owned subsidiary of Resurs Holding AB, corporate identity number 556898-2291 which is owned at 31 December 2019 to 28.9 per cent by Waldakt AB and remaining owners, no single owner holds 20 per cent or more.

Related parties - Group companies
The Group comprised of Resurs Bank AB and its subsidiaries Resurs Norden AB and Resurs Consumer Loans 1 Ltd.

Related parties - Other Group companies
Other Group companies are Resurs Förvaltning Norden AB.

Group companies are reported according to the acquisition method, with internal transactions eliminated at the Group level. Assets and liabilities, and dividends between Resurs Holding AB (parent company) and other Group companies, are specified in the respective notes to the statement of financial position.

Related parties - Other companies with controlling or significant influence
SIBA Invest AB (formerly Waldir AB) owns 28.9 per cent of Resurs Holding AB directly and indirectly via Waldakt AB and therefore has significant influence over the company. The SIBA Invest Group includes NetOnNet AB. SIBA Invest AB is owned by the Bengtsson family, which also controls SIBA Fastigheter AB (formerly AB Remvassen).

Transactions with these companies are reported below under the heading Other companies with control or significant influence. Transaction costs in the table refer to market-rate compensation for the negotiation of credit to related companies' customers.

All assets/liabilities items for related companies are interest bearing.

Related parties - Key personnel in Resurs Bank AB and its Parent Company Resurs Holding AB

Nils Carlsson	CEO Resurs Bank AB and Resurs Holding AB, from 1 June 2020
Kenneth Nilsson	CEO Resurs Bank AB and Resurs Holding AB, until 31 May 2020
Martin Bengtsson	The Chairman of the Board of Resurs Bank AB and Resurs Holding AB, took office at the Extraordinary General Meeting on 2 October 2020.
Johanna Berlinde	Director of Resurs Bank AB and Resurs Holding AB, took office at the Annual General Meeting on 25 April 2020.
Susanne Ehnbåge	Director of Resurs Bank AB and Resurs Holding AB, took office at the Annual General Meeting on 17 June 2020.
Fredrik Carlsson	Director of Resurs Bank AB and Resurs Holding AB
Lars Nordstrand	Director of Resurs Bank AB and Resurs Holding AB
Marita Odélius Engström	Director of Resurs Bank AB and Resurs Holding AB
Kristina Patek	Director of Resurs Bank AB and Resurs Holding AB, took office at the Annual General Meeting on 17 June 2020.
Mikael Wintzell	Director of Resurs Bank AB and Resurs Holding AB

Key personnel

Information about transactions between related party key personnel and remuneration of these individuals can be found in Note G13, Personnel.

Transactions with the Parent Company

	2021	**2020**
Interest expense		-61
Other operating income	5,352	4,620
General administrative expenses	-13,781	-19,351

	31/12/2021	**31/12/2020**
Other liabilities	-2,177	-1,922
Deposits and borrowing from the public	-84,924	-177,869

Transactions with other group companies

	2021	**2020**
Interest expense		-8,805
Fee & commission income		239,090
Other operating income		14,337
General administrative expenses		-1,812

	31/12/2021	**31/12/2020**
Other assets		7,901
Deposits and borrowing from the public	-1,566	-1,471
Other liabilities	-50,212	
Subordinated debt		-200,000

Transactions with other companies with significant influence

	2021	2020
Transaction cost	-85,716	-68,763
Fee & commission income	-398	-437
General administrative expenses	-501	-1,391

	31/12/2021	31/12/2020
Lending to the public	29	82
Deposits and borrowing from the public	-160,052	-159,195
Other liabilities	-18,656	-18,387

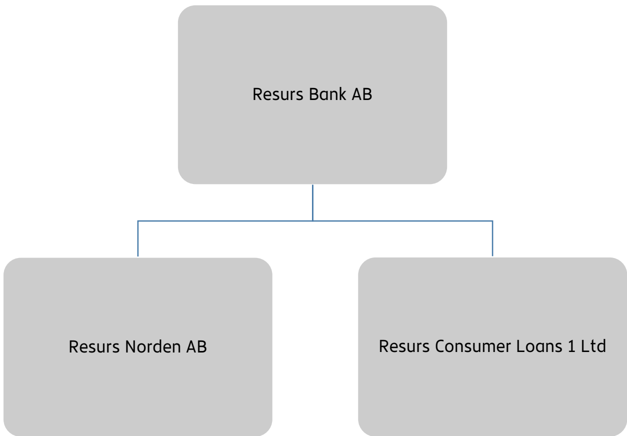
Transactions with key personnel

	2021	2020
Interest expenses, Deposits and borrowing from the public	-39	-48

	31/12/2021	31/12/2020
Lending to the public	2	8
Deposits and borrowing from the public	-10,076	-7,619

2020 year's figures includes transactions with related parties to the discontinued operation with SEK 51 millions.
2021 year's figures includes only transaction with related parties regarding the continuing operation.

Group structure



G38 FINANCIAL INSTRUMENTS

31/12/2021		Amortized acquisition value	Fair value through profit or loss	Total carrying amount	Fair value
Assets					
Financial assets					
Cash and balances at central banks	215,590			215,590	215,590
Treasury and other bills eligible for refinancing		1,803,015		1,803,015	1,803,015
Lending to credit institutions	4,366,290			4,366,290	4,366,290
Lending to the public	33,346,940			33,346,940	33,993,272
Bonds and other interest-bearing securities		647,948		647,948	647,948
Shares and participations		11,460		11,460	11,460
Derivatives		1,781		1,781	1,781
Other assets	70,182			70,182	70,182
Accrued income	57,906			57,906	57,906
Total financial assets	**38,056,908**	**2,464,204**	**0**	**40,521,112**	**41,167,444**
Intangible assets				1,979,082	
Property, plant & equipment				122,226	
Other non-financial assets				277,265	
Total assets	**38,056,908**	**2,464,204**	**0**	**42,899,685**	

31/12/2021	Amortized acquisition value	Fair value through profit or loss	Total carrying amount	Fair value
Liabilities				
Financial Liabilities				
Liabilities to credit institutions				
Deposits and borrowing from the public	26,286,626		26,286,626	26,286,364
Derivatives		27,366	27,366	27,366
Other liabilities	528,298		528,298	528,298
Accrued expenses	163,780		163,780	163,780
Issued securities	7,871,893		7,871,893	7,899,667
Subordinated debt	599,511		599,511	610,737
Total financial liabilities	**35,450,108**	**27,366**	**35,477,474**	**35,516,212**
Provisions			18,470	
Other non-financial liabilities			324,854	
Equity			7,078,887	
Total liabilities and equity	**35,450,108**	**27,366**	**42,899,685**	

FINANCIAL INSTRUMENTS

31/12/2020		Amortized acquisition value	Fair value through profit or loss	Total carrying amount	Fair value
Assets					
Financial assets					
Cash and balances at central banks	208,520			208,520	208,520
Treasury and other bills eligible for refinancing		2,283,253		2,283,253	2,283,253
Lending to credit institutions	3,818,574			3,818,574	3,818,574
Lending to the public	30,858,341			30,858,341	31,390,974
Bonds and other interest-bearing securities		669,570		669,570	669,570
Shares and participations		7,287		7,287	7,287
Derivatives		113,272		113,272	113,272
Other assets	45,649			45,649	45,649
Accrued income	45,323			45,323	45,323
Total financial assets	**34,976,407**	**3,073,382**	**0**	**38,049,789**	**38,582,422**
Intangible assets				1,846,678	
Property, plant & equipment				107,518	
Other non-financial assets				184,360	
Total assets	**34,976,407**	**3,073,382**	**0**	**40,188,345**	

31/12/2020	Amortized acquisition value	Fair value through profit or loss	Total carrying amount	Fair value
Liabilities				
Financial Liabilities				
Liabilities to credit institutions	107,400		107,400	107,400
Deposits and borrowing from the public	24,871,535		24,871,535	24,872,097
Derivatives		3,659	3,659	3,659
Other liabilities	440,918		440,918	440,918
Accrued expenses	168,166		168,166	168,166
Issued securities	6,297,472		6,297,472	6,322,511
Subordinated debt	798,702		798,702	801,734
Total financial liabilities	**32,684,193**	**3,659**	**32,687,852**	**32,716,485**
Provisions			20,438	
Other non-financial liabilities			334,877	
Equity			7,145,178	
Total liabilities and equity	**32,684,193**	**3,659**	**40,188,345**	

FINANCIAL INSTRUMENTS

The table below shows financial instruments measured at fair value, based on classification in the fair value hierarchy.

Levels are defined as follows:
- Listed prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Other observable inputs for assets or liabilities other than listed prices included in level 1 directly (i.e., price quotations) or indirectly (i.e., derived from price quotations) (level 2)
- Inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs) (level 3) Note G2, Accounting policies provides details on the determination of fair value for financial assets and liabilities at fair value through the statement of financial position. Carrying amounts for current receivables, current liabilities and deposits and loans to the public are deemed to reflect fair value.

	31/12/2021			31/12/2020		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss						
Treasury and other bills eligible for refinancing	1,803,015			2,283,253		
Bonds and other interest-bearing securities	647,948			669,570		
Shares and participations			11,460			7,287
Derivatives		1,781			113,272	
Total	**2,450,963**	**1,781**	**11,460**	**2,952,823**	**113,272**	**7,287**
Financial liabilities at fair value through profit or loss:						
Derivatives		-27,366			-3,659	
Total	**0**	**-27,366**	**0**	**0**	**-3,659**	**0**

Changes within level 3

SEK thousand	2021	2020
Shares and participations		
Opening balance	7,287	17,421
Additions during the year	4,092	
Divestments during the year		
Impairment		-10,000
Exchange-rate difference	81	-134
Closing balance	**11,460**	**7,287**

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 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.

For subordinated debts to fellow subsidiary, Solid Försäkringsaktiebolag, fair value of issued amount is calculated by using the present value method. The fair value has been classified as level 2.

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

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

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.

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.

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

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. The derivatives at 31 December 2021 (also applied 31/12/2020) 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.

	Related agreements 31/12/2021				Related agreements 31/12/2020			
	Gross amount in the balance sheet	Master netting agreement	Collateral received/ pledged	Net amount	Gross amount in the balance sheet	Master netting agreement	Collateral received/ pledged	Net amount
Derivatives	1,781	0		1,781	113,272	-3,659	-107,400	2,213
Total assets	**1,781**	**0**	**0**	**1,781**	**113,272**	**-3,659**	**-107,400**	**2,213**
Derivatives	-27,366			-27,366	-3,659	3,659		0
Total liabilities	**-27,366**	**0**	**0**	**-27,366**	**-3,659**	**3,659**	**0**	**0**

G39 SIGNIFICANT SUBSEQUENT EVENTS

Early repayment of subordinated loan in Resurs Bank AB (publ)
On 17 January 2022, Resurs Bank AB repaid in advance a subordinated loan of SEK 300,000,000 that was issued on 17 January 2017 (See Note G34).

Swedish Financial Supervisory Authority's preliminary assessment of Resurs Bank's credit assessments
Resurs Bank is subject to an investigation by the Swedish Financial Supervisory Authority (Finansinspektionen) for the purpose of examining whether the bank's credit assessments comply with the Swedish Consumer Credit Act and Finansinspektionen's general guidelines regarding consumer credit. The bank received 8 February 2022 a letter from Finansinspektionen according to which Finansinspektionen's preliminary assessment is that Resurs Bank does not base its credit assessments on adequate data and thus is non-compliant with the Consumer Credit Act. Resurs Bank does not share Finansinspektionen's preliminary assessment.

The war in Ukraine
On February 24, Russia launched an invasion of Ukraine. Resurs continuously analyses the external situation in relation to our suppliers and assesses the risk that the business will be affected given the information that is available and which is confirmed to be known at present. Based on the information Resurs has, the analysis is that few of Resurs' suppliers use resources from Ukraine and none from Russia. As of today, Resurs has no customers in either Russia or Ukraine. Resurs has taken proactive measures to reduce any impact depending on the development we see in the outside world and continuously monitors the situation and its possible effects on the business.

G40 KEY ESTIMATES AND ASSESSMENTS

When preparing financial statements in accordance with IFRS and generally accepted accounting principles, management needs to proactively make certain estimates, assumptions and evaluations. These are based on historical experience and current factors, which are considered fair and reasonable. The results of these professional estimates and assessments affect the reported amounts of assets, liabilities, income and expenses in the financial statements. Actual outcomes may differ from these estimates and assumptions. The Group has made the following critical estimates in applying significant accounting principles:
- classification and measurement of financial instruments
- impairment testing of goodwill and other assets
- provisions of credit losses
- other provisions

Classification and measurement of financial instruments
The accounting principles in Note G2 define the way in which assets and liabilities are to be classified in the various categories. Fair value measurement of financial instruments may lead to some uncertainty, as prevailing interest rates and market conditions may change quickly and affect the value of the asset.

Impairment testing of goodwill and other assets
Goodwill is tested for impairment annually when the annual accounts are prepared or as soon as changes indicate that impairment is requirement, for example, a changed business climate or decision to divest or discontinue operations. Impairment is recognised if the estimated value in use exceeds the carrying amount. A description of impairment testing for the year is provided in Note G24.

Provisions of credit losses
The calculation of credit losses is based on calculating the expected credit losses. The impairment model includes a three-stage model based on changes in the credit quality of financial assets. The assets are divided into three different stages depending on how credit risk has changed since the asset was initially recognised in the balance sheet. Stage 1 encompasses assets for which there has not been a significant increase in credit risk, stage 2 encompasses assets for which there has been a significant increase in credit risk, while stage 3 encompasses defaulted assets.

The provision of expected credit losses for assets is governed by the category to which the assets belong. Provisions are made under stage 1 for expected credit losses within 12 months, while provisions for stage 2 and 3 are made for expected credit losses under the full lifetime of the assets.

Calculations of expected credit losses include forward-looking information based on the macroeconomic outlook. The Group has decided to base the forward-looking calculations on a macroeconomic variable that from a historical perspective has proven to correlate well with changes in the Group's credit losses, see Note G2.

Other provisions
The amount recognised as a provision is the best estimate of the expenditure required to settle a present obligation at the reporting date. Earnings may be affected if an estimate has been made that is not consistent with the actual outcome.

Estimates and assumptions are reviewed on a regular basis. Changes to estimates are recognised in the period of the change if the change affects only that period. Changes are recognised in the period of the change and future periods if the change affects both.

Statement and notes - Parent company

PARENT COMPANY INCOME STATEMENT

SEK thousand	Note	2021	2020
Interest income	P5	2,898,923	3,250,491
Lease income	P9	2,031	6,320
Interest expense	P5	-363,111	-405,887
Fee & commission income	P6	417,858	425,214
Fee & commission expense	P6	-70,500	-63,635
Net income/expense from financial transactions	P7	3,143	-14,197
Other operating income	P8	200,711	215,672
Total operating income		**3,089,055**	**3,413,978**
General administrative expenses	P10,P11	-1,226,322	-1,178,587
Depreciation, amortisation and impairment of tangible and intangible assets	P12	-122,882	-131,513
Other operating expenses	P13	-77,953	-107,903
Total expenses before credit losses		**-1,427,157**	**-1,418,003**
Profit before credit losses		**1,661,898**	**1,995,975**
Net credit losses	P14	-644,853	-854,566
Operating profit		**1,017,045**	**1,141,409**
Appropriations		216,340	
Income tax	P15	-253,963	-314,481
Profit for the year		**979,422**	**826,928**

PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK thousand	Note	2021	2020
Profit for the year		979,422	826,928
Other comprehensive income that may be reversed to profit/loss			
Translation differences for the year, foreign operations	P35	63,790	-90,373
Comprehensive income for the year		**1,043,212**	**736,555**

PARENT COMPANY BALANCE SHEET

SEK thousand	Note	31/12/2021	31/12/2020
Assets			
Cash and balances with central banks		215,590	208,520
Treasury and other bills eligible for refinancing	P16	1,803,015	2,283,253
Lending to credit institutions	P17	4,267,364	3,701,645
Lending to the public	P18	33,392,534	30,900,538
Bonds and other interest-bearing securities	P19	647,948	669,570
Shares and participations	P20	11,460	7,287
Shares and participations in Group companies	P21	50,099	50,099
Derivatives	P22	1,781	113,272
Goodwill	P23	1,268,500	1,291,831
Other intangible assets	P23	61,943	73,612
Property, plant & equipment	P24	52,587	50,200
Other assets	P25	70,697	46,165
Current tax assets		93,622	62,529
Deferred tax asset	P15	103,203	
Prepaid expenses and accrued income	P26	141,226	171,131
Total assets		**42,181,569**	**39,629,652**
Liabilities, provisions and equity			
Liabilities and provisions			
Liabilities to credit institutions	P27		107,400
Deposits and borrowing from the public	P28	26,288,192	24,873,110
Other liabilities	P29	2,549,916	2,452,201
Derivatives	P22	27,366	3,659
Accrued expenses and deferred income	P30	222,386	199,452
Tax liabilities		96,751	95,062
Deferred tax liability	P15	29,136	41,080
Other provisions	P31	18,470	20,438
Issued securities	P32	5,871,893	4,297,472
Subordinated debt	P33	599,511	798,702
Total liabilities and provisions		**35,703,621**	**32,888,576**
Untaxed reserves	**P34**		**216,340**
Equity	P35		
Restricted equity			
Share capital		500,000	500,000
Statutory reserve		12,500	12,500
Total restricted equity		**512,500**	**512,500**
Non-restricted equity			
Translation reserve		40,890	-22,900
Retained earnings		4,945,136	5,208,208
Profit for the year		979,422	826,928
Total non-restricted equity		**5,965,448**	**6,012,236**
Total equity		**6,477,948**	**6,524,736**
Total liabilities, provisions and equity		**42,181,569**	**39,629,652**

See Note P36 for information on pledged assets, contingent liabilities and commitments.

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

	Share capital	Statutory reserve	Translation reserve	Retained earnings	Profit/loss for the year	Total equity
Equity at 1 January 2020	**500,000**	**12,500**	**67,473**	**4,195,818**	**1,012,390**	**5,788,181**
Appropriation of profits according to resolution by Annual General Meeting				1,012,390	-1,012,390	0
Profit for the year					826,928	826,928
Other comprehensive income for the year			-90,373			-90,373
Equity at 31 December 2020	**500,000**	**12,500**	**-22,900**	**5,208,208**	**826,928**	**6,524,736**
Equity at 1 January 2021	**500,000**	**12,500**	**-22,900**	**5,208,208**	**826,928**	**6,524,736**
Owner transactions						
Unconditional shareholder's contribution						0
Dividends 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
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**

For further information see Note P35.

PARENT COMPANY CASH FLOW STATEMENT (INDIRECT METHOD)

SEK thousand	Note	2021	2020
Operating activities			
Operating profit		1,017,045	1,141,409
- of which interest received		*1,478,046*	*3,252,533*
- of which interest paid		*-180,406*	*-422,236*
Adjustment for non-cash items in operating profit		778,927	996,986
Income taxes paid		-405,015	-293,840
Cash flow in operating activities before changes in operating assets and liabilities		**1,390,957**	**1,844,555**
Changes in operating assets and liabilities			
Lending to the public		-2,486,544	-1,533,092
Other assets		-90,453	612,990
Liabilities to credit institutions		-107,400	12,500
Deposits and borrowing from the public		966,057	674,491
Acquisition of investment assets 1)		-3,135,524	-4,671,785
Divestment of investment assets 1)		3,658,246	4,285,241
Other liabilities		106,801	-920,571
Cash flow from operating activities		**302,140**	**304,329**
Investing activities			
Acquisition of non-current assets	P23,P24	-26,237	-29,922
Divestment of non-current assets		1,649	9,113
Cash flow from investing activities		**-24,588**	**-20,809**
Financing activities			
Dividends paid		-1,089,999	
Unconditional shareholder's contribution			
Issued securities		1,572,015	-477,406
Subordinated debt		-200,000	
Cash flow from financing activities		**282,016**	**-477,406**
Cash flow for the year		**559,568**	**-193,886**
Cash & cash equivalents at beginning of year 2)		3,910,165	4,115,479
Exchange-rate difference		13,221	-11,428
Cash & cash equivalents at end of the year 2)		**4,482,954**	**3,910,165**
Adjustment for non-cash items in operating profit			
Credit losses	P14	644,853	854,566
Depreciation and impairment of property, plant & equipment	P12	122,882	131,513
Profit/loss tangible assets		-321	-739
Profit/loss on investment assets 1)		3,660	-2,709
Change in provisions		-2,414	1,701
Adjustment to interest paid/received		10,977	-6,604
Currency effects		-3,925	5,921
Depreciation, amortisation and impairment of shares			10,000
Other items that do not affect liquidity		3,215	3,337
Total adjustments for non cash flow items in operating profit		**778,927**	**996,986**

[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 2021	Cash flow	Non cash items Accrued acquisition costs	Exchange-rate difference	31 Dec 2021
Issued securities	4,297,472	1,572,015	2,406		5,871,893
Subordinated debt	798,702	-200,000	809		599,511
Total	**5,096,174**	**1,372,015**	**3,215**	**0**	**6,471,404**

SEK thousand	1 Jan 2020	Cash flow	Non cash items Accrued acquisition costs	Exchange-rate difference	31 Dec 2020
Issued securities	4,772,356	-477,406	2,522		4,297,472
Subordinated debt	797,890	0	812		798,702
Total	**5,570,246**	**-477,406**	**3,334**	**0**	**5,096,174**

Notes

P1 PARENT COMPANY ACCOUNTING PRINCIPLES

The Parent Company's annual financial statements were prepared in accordance with the Swedish Annual Accounts for Credit Institutions and Securities Companies Act and the Swedish Financial Supervisory Authority's regulations and general recommendations on credit institutions and securities companies (FFFS 2008:25), including all of the applicable amendments and the Swedish Financial Reporting Board's RFR 2, Accounting for Legal Entities. This annual report was prepared in accordance with so-called statutory IFRS, meaning that the international accounting standards and interpretations hereof that have been endorsed by the EU have been applied insofar as possible within the framework of national laws and regulations, as well as in observation of the connection between accounting and taxation. The differences between the Group and the Parent Company are described below.

References to the Group's accounting principles in the Parent Company's accounting principles are only presented in case of a difference or addition to the text.

Changed accounting principles in the Parent Company
No changes to accounting principles that take effect as of financial years beginning 1 January 2020 or later have affected the Parent Company.

Shares and participations in Group companies
Shares and participations in Group companies are reported pursuant to the cost method. Dividends received are recognised as revenue when the right to receive payment is deemed certain.

Processing fees associated with acquisitions are added to acquisition value in the Parent Company; processing fees are eliminated in the Group.

Taxes
In the parent company's balance sheet, untaxed reserves are reported without being divided into equity and deferred tax liability, unlike in the Group. Similarly, in the parent company's income statement, there is no allocation of part of the appropriations to deferred tax expense.

Appropriations comprise provisions, reversals of untaxed reserves and Group contributions.

Intangible assets
The parent company amortises goodwill systematically based on estimated useful life. All expenses, including development costs, relating to internally developed intangible assets are recognised in the income statement as a cost.

Leases
The parent company reports its finance leases in accordance with the exemption allowed in RFR 2. Leased assets are therefore recognised as items of property, plant & equipment at cost less depreciation, calculated using the annuity method, and any impairment resulting from the lessee's insolvency. Lease income is recognised on a straight-line basis over the term of the lease.

Resurs Bank does not apply IFRS 16.

Group contributions and shareholder contributions
Group contributions and shareholder contributions are reported in accordance with the alternative rule in RFR 2. This means that both received and paid Group contributions are reported as appropriations in the income statement. Shareholder contributions are reported as an increase in shares in Group companies.

P2 RISKMANAGEMENT

See note G3 for further information.

CREDIT RISK EXPOSURE, GROSS AND NET

	31/12/2021				31/12/2020			
	Credit risk exposure, gross	Provision	Value of collateral	Credit risk exposure, net	Credit risk exposure, gross	Provision	Value of collateral	Credit risk exposure, net
Cash and balances at central banks								
AAA/Aaa	63,745			63,745	59,487			59,487
AA+/Aa1	151,845			151,845	149,033			149,033
Total cash and balances at central banks	**215,590**	**0**	**0**	**215,590**	**208,520**	**0**	**0**	**208,520**
Treasury and other bills eligible for refinancing								
AAA/Aaa	896,851			896,851	916,610			916,610
AA+/Aa1	906,164			906,164	1,366,643			1,366,643
Unrated [1]				0				0
Total treasury and other bills eligible for refinancing	**1,803,015**	**0**	**0**	**1,803,015**	**2,283,253**	**0**	**0**	**2,283,253**
Lending to credit institutions								
AA-/Aa3	1,545,613			1,545,613	1,347,747			1,347,747
A+/A1	1,691,779			1,691,779	1,316,165			1,316,165
A/A2	833,926			833,926	887,397			887,397
Unrated [1]	196,046			196,046	150,336			150,336
Total lending to credit institutions	**4,267,364**	**0**	**0**	**4,267,364**	**3,701,645**	**0**	**0**	**3,701,645**
Lending to the public								
Lending to the public - Retail	36,081,604		-3,027,072	33,054,532	33,495,835	-2,930,844		30,564,991
Lending to the public - Corporate	344,353		-6,351	338,002	385,766	-50,219	-112,637	222,910
Total lending to the public	**36,425,957**	**0**	**-3,033,423**	**33,392,534**	**33,881,601**	**-2,981,063**	**-112,637**	**30,787,901**
Bonds								
AAA/Aaa	647,948			647,948	669,570			669,570
Total bonds	**647,948**	**0**	**0**	**647,948**	**669,570**	**0**	**0**	**669,570**
Lease receivables	**4,468**	**-468**		**4,000**	**7,739**	**-397**		**7,342**
Derivatives								
AA-/Aa3	794			794	40,133			40,133
A+/A1	987			987	25,402			25,402
A/A2					47,737			47,737
Total derivatives	**1,781**	**0**	**0**	**1,781**	**113,272**	**0**	**0**	**113,272**
Total credit risk exposure in the balance sheet	**43,366,123**	**-468**	**-3,033,423**	**40,332,232**	**40,865,600**	**-2,981,460**	**-112,637**	**37,771,503**
Commitments								
Unutilised credit facilities granted [3]	24,239,177			24,239,177	23,891,248			23,891,248
Total credit risk exposure	**67,605,300**	**-468**	**-3,033,423**	**64,571,409**	**64,756,848**	**-2,981,460**	**-112,637**	**61,662,751**

In the event credit ratings differ, the lowest is used.

[1] The item 'unrated treasury and other bills elegible for refinancing' is comprised of holdings in a Swedish municipality that are not rated.

[2] The item Lending to credit institutions - unrated, is comprised of lending to a number of banks.The Group also runs a deposit co-operative with Avanza Bank, a bank listed on Nasdaq Stockholm; the SEK 195 million (150) of liquidity produced there from is invested to manage daily flows arising from the deposit co-operative.

[3] All granted but unutilised credit facilitities are terminable to the extent permitted under the Swedish Consumer Credit Act.

CREDIT QUALITY, LOAN AND LEASE RECEIVABLES

31/12/2021	Credit risk exposure, gross	Provision
Lending to the public, retail customers		
Receivables not due		
Stage 1	27,818,257	-222,538
Stage 2	2,969,619	-366,263
Past due receivables		
Stage 3	5,293,728	-2,438,270
Total lending to the public, retail customers	**36,081,604**	**-3,027,071**
Lending to the public, corporate customers		
Receivables not due		
Stage 1	332,737	-465
Stage 2	5,671	-279
Past due receivables		
Stage 3	5,944	-5,607
Total lending to the public, corporate customers	**344,352**	**-6,351**
Total lending to the public	**36,425,956**	**-3,033,422**

31/12/2020	Credit risk exposure, gross	Provision
Lending to the public, retail customers		
Receivables not due		
Stage 1	24,740,765	-206,520
Stage 2	3,500,925	-427,838
Past due receivables		
Stage 3	5,254,145	-2,296,486
Total lending to the public, retail customers	**33,495,835**	**-2,930,844**
Lending to the public, corporate customers		
Receivables not due		
Stage 1	314,551	-2,465
Stage 2	20,795	-1,042
Past due receivables		
Stage 3	50,420	-46,712
Total lending to the public, corporate customers	**385,766**	**-50,219**
Total lending to the public	**33,881,601**	**-2,981,063**

Assessments of the credit quality of consumer loans that are non-performing are based on the IFRS 9 structure and the three stages in which a credit is categorised. The Group assesses the credit quality of lease receivables and lending to the public, corporate customers, on the basis of the individual borrower's ability to pay.

To safeguard the Group's credit quality, the Group continuously monitors and reports on corporate credit lending commitments in accordance with specific guidelines.

In collaboration with established credit rating agencies, the Group regularly tracks the situation of individual credit commitments in order to monitor customers' repayment capacity.

MARKET RISKS

Market risks in the financial operations primarily comprise interest rate risk, currency risk and share price risk. The Board adopts policies that control these risk, for example, by setting limits that restrict risk levels. No positions are held in the trading book.

Risks attributable to foreign exchange-rates arise on the differences between assets and liabilities in different currencies. Interest rate risks arise on the difference between interest-rate terms for assets and liabilities.

Interest rate risk

Interest rate risk is primarily defined as a risk of incurring expenses, meaning the risk that the Group's net interest income will decrease due to disadvantageous market interest rates. Interest rate risk normally arises as a result of companies having different maturities or fixed interest terms for their assets and liabilities. Interest rate risk increases if the terms for assets deviate from the terms for liabilities. Interest rate risk mainly affects companies in the form of gradual changes in net interest income, which can thus affect operating income and both short and long-term capital ratios.

Interest rate risk pertains to changes in interest rates and the structure of the interest rate curve. Most of the Group's interest rate risks are structural and arise within the Group's banking operations where fixed interest terms for assets and liabilities do not always coincide.

The Group endeavours to ensure sound matching between fixed and variable interest rates in its statement of financial position, and can relatively quickly mitigate interest rate rises by changing the terms of new loans. Overall interest rate risk is deemed to be limited. This given the relatively high credit turnover rate and the fact that interest rates can be adjusted within two months according to credit agreements and applicable consumer credit legislation in several markets. Most lending and deposits take place at variable interest rates. Interest swap agreements may also be signed to limit interest rate risk. The Treasury Department continually measures, checks and manages interest rate risk on interest-bearing assets and liabilities by applying a variety of models and the Board has established limits for maximum interest rate risk.

In a calculation of a one (1) percentage-point change in the market interest rate, net interest income for the next 12 months would increase/decrease by SEK 80 million (67), based on interest-bearing assets and liabilities on the closing date. A one (1) percentage-point parallel shift in the yield curve and by applying the discounted future cash flow, interest rate risk on equity on the closing date was +/- SEK 14 million (11).

The financing via deposits at variable interest rates has a contractual and theoretical very short fixed interest term of only one day. The pattern, unlike the contractual, has historically been significantly longer than one day.

In legal terms, the Group's interest rate risk associated with lending is limited since the majority of the interest rate terms are variable. In reality, however, it is not as easy for market reasons to fully offset a change in interest rates, and this may have an impact on net interest income, depending on the active position. Higher interest expenses can be countered promptly by amending the terms for new lending. In view of the relatively high credit turnover rate, overall interest rate risk is deemed limited. Most borrowers in the Payment Solutions segment are also able to switch between various partial payment options during the credit period.

FIXED INTEREST

31/12/2021	Less than 1 month	1-3 months	3-12 months	More than 1 year	Interest-free	Total
Assets						
Cash and balances at central banks	215,590					215,590
Treasury and other bills eligible for refinancing	457,028	905,148	220,214	220,625		1,803,015
Lending to credit institutions	4,267,364					4,267,364
Lending to the public	32,184,792	164,682	571,791	471,269		33,392,534
Bonds and other interest-bearing securities	129,820	353,816		164,312		647,948
Shares and participations					11,460	11,460
Shares and participation in Group companies					50,099	50,099
Intangible assets					1,330,443	1,330,443
Property, plant & equipment					52,587	52,587
Other assets					410,529	410,529
Total assets	**37,254,594**	**1,423,646**	**792,005**	**856,206**	**1,855,118**	**42,181,569**
Liabilities						
Liabilities to credit institutions						0
Deposits and borrowing from the public	20,700,072	996,845	3,954,260	637,015		26,288,192
Other liabilities	2,000,000				944,025	2,944,025
Issued securities		5,871,893				5,871,893
Subordinated debt	299,972	299,539				599,511
Equity					6,477,948	6,477,948
Total liabilities	**23,000,044**	**7,168,277**	**3,954,260**	**637,015**	**7,421,973**	**42,181,569**
Difference, assets and liabilities	*14,254,550*	*-5,744,631*	*-3,162,255*	*219,191*	*-5,566,855*	0

[1] Property, plant & equipment with fixed interest refers to leases reported as operating leases in the legal entity.

FIXED INTEREST

31/12/2020	Less than 1 month	1-3 months	3-12 months	More than 1 year	Interest-free	Total
Assets						
Cash and balances with central banks	208,520					208,520
Treasury and other bills eligible for refinancing	651,979	1,061,555	350,106	219,613		2,283,253
Lending to credit institutions	3,701,645					3,701,645
Lending to the public	29,684,143	154,956	533,503	527,936		30,900,538
Bonds and other interest-bearing securities		464,665	40,402	164,503		669,570
Shares and participations					7,287	7,287
Shares and participation in Group companies					50,099	50,099
Intangible assets					1,365,443	1,365,443
Property, plant & equipment [1]					50,200	50,200
Other assets					393,097	393,097
Total assets	**34,246,287**	**1,681,176**	**924,011**	**912,052**	**1,866,126**	**39,629,652**
Liabilities						
Liabilities to credit institutions	107,400					107,400
Deposits and borrowing from the public	20,897,495	844,876	2,905,804	224,935		24,873,110
Other liabilities	2,000,000				811,892	2,811,892
Issued securities		4,297,472				4,297,472
Subordinated debt	499,373	299,329				798,702
Equity					6,741,076	6,741,076
Total liabilities	**23,504,268**	**5,441,677**	**2,905,804**	**224,935**	**7,552,968**	**39,629,652**
Difference, assets and liabilities	*10,742,019*	*-3,760,501*	*-1,981,793*	*687,117*	*-5,686,842*	0

[1] Property, plant & equipment with fixed interest refers to leases reported as operating leases in the legal entity.

CURRENCY RISK

Exchange-rate risk is the risk that the value of assets and liabilities, including derivatives, may vary due to exchange rate fluctuations or other relevant risk factors.

Currency risk arises when the value of assets and liabilities in foreign currency translated to SEK change because exchange rates fluctuate. The main currencies for the operations are: SEK, NOK, DKK and EUR.

So as to minimise exchange-rate risk, efforts are made to match assets and liabilities in the respective currencies as far as possible, and part of earnings in currencies other than SEK are exchanged on a regular basis

The Treasury Department manages the currency exposures arising in the banking operations by using currency hedges to reduce the net value of assets and liabilities (including derivatives) in one single currency. Derivatives in the banking operations are regulated via ISDA and CSA agreements.

Transactions in foreign branch offices are translated to SEK using the average exchange-rate during the period in which the income and expenses have occurred.

Exchange-rate gains and losses arising on settlement of these transactions and from translation of foreign currency assets and liabilities using the closing rate are recognised through profit or loss.

CURRENCY EXPOSURE

31/12/2021	DKK	EUR	NOK	Other	Total
Foreign currency assets, presented in SEK thousand					
Cash and balances with central banks		151,845	63,745		215,590
Treasury and other bills eligible for refinancing	28,580	192,045	273,139		493,764
Lending to credit institutions	58,140	1,227,066	741,054	5,684	2,031,944
Lending to the public	4,408,119	5,784,362	6,491,302		16,683,783
Bonds and other interest-bearing securities		150,334	171,949		322,283
Shares and participations	2,476		472		2,948
Intangible assets			906,663		906,663
Property, plant & equipment	553	3,596	870		5,019
Other assets	14,576	121,124	44,357		180,057
Total assets	**4,512,444**	**7,630,372**	**8,693,551**	**5,684**	**20,842,051**
Foreign currency liabilities, presented in SEK thousand					
Deposits from the public		8,705,452	6,102,295		14,807,747
Other liabilities	53,205	115,400	223,092	392	392,089
Other provisions	1,123	8,437	2,501		12,061
Issued securities			1,075,591		1,075,591
Total liabilities	**54,328**	**8,829,289**	**7,403,479**	**392**	**16,287,488**
Net assets	4,458,116	-1,198,917	1,290,072	5,292	
Nominal amount, currency hedges	-4,469,725	1,196,149	-461,430		
Difference between assets and liabilities incl. nominal amount of currency hedg	-11,609	-2,768	1,904,233	5,292	
Sensitivity analysis					
Total financial assets	4,509,623	7,525,213	7,776,906	5,684	
Total financial liabilities	-46,752	-8,789,873	-7,284,944		
Nominal amount, currency hedges	-4,469,725	1,196,149	-461,430		
Total	**-6,854**	**-68,511**	**30,532**	**5,684**	
Exchange-rate fluctuation, 5% on comprehensive income of the year before tax	*-343*	*-3,426*	*1,527*	*284*	

CURRENCY EXPOSURE

31/12/2020	DKK	EUR	NOK	Other	Total
Foreign currency assets, presented in SEK thousand					
Cash and balances with central banks		149,033	59,487		208,520
Treasury and other bills eligible for refinancing	28,646	190,966	254,319		473,931
Lending to credit institutions	132,053	526,107	643,988	2,863	1,305,011
Lending to the public	4,146,035	5,106,871	6,546,310		15,799,216
Bonds and o Bonds and o Bonds and o Bonds and o Bonds and other interest-bearing securities		190,673	160,080		350,753
Shares and p Shares and p Shares and p Shares and p Shares and participations	2,429		439		2,868
Intangible assets			908,241		908,241
Property, plant & equipment	532	2,295	1,614		4,441
Other assets	20,543	23,766	36,101		80,410
Total assets	**4,330,238**	**6,189,711**	**8,610,579**	**2,863**	**19,133,391**
Foreign currency liabilities, presented in SEK thousand					
Deposits from the public	2	6,717,821	6,441,061		13,158,884
Other liabilities	56,670	101,188	194,319	153	352,330
Other provisions	540	6,758	5,504		12,802
Total liabilities	**57,212**	**6,825,767**	**6,640,884**	**153**	**13,524,016**
Net assets	4,273,026	-636,056	1,969,695	2,710	
Nominal amount, currency hedges	-4,276,964	593,415	-1,116,882		
Difference between assets and liabilities incl. nominal amount of currency hedg	-3,938	-42,641	852,813	2,710	
Sensitivity analysis					
Total financial assets	4,316,600	6,182,997	7,688,592	2,863	
Total financial liabilities	-48,247	-6,799,626	-6,520,307		
Nominal amount, currency hedges	-4,276,964	593,415	-1,116,882		
Total	**-8,611**	**-23,214**	**51,403**	**2,863**	
Exchange-rate fluctuation, 5% on comprehensive income of the year before tax	*-431*	*-1,161*	*2,570*	*143*	

FUNDING

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.

Resurs Bank works continuously to maintain a diversified funding structure. Currency hedges are used to manage the currency risk associated with lending in currencies other than the currencies found in the financing operations. These derivatives are covered and regulated by ISDA and CSA agreements established with numerous counterparties.

The main type of financing is deposits from the public. This type of financing is offered to customers in Sweden, Norway and Germany. Deposits, which are analysed on a regular basis, totalled SEK 26.288 million (24,873), of which SEK 11,480 million (11,714) was in Sweden, an equivalent of SEK 6,102 million (6,441) was in Norway and an equivalent of SEK 8.705 million (6,718) was in Germany. The lending to the public/deposits from the public ratio for the consolidated situation is 127 per cent (124).

Deposit products are covered by the deposit insurance scheme, the purpose of which is to strengthen the protection of deposits received from the public and contribute to the stability of the financial system. The state deposit insurance scheme in Sweden from 2021 totals SEK 1,050,000 per person and institution, with the option of applying to extend this amount under certain circumstances. The deposits offered to customers in Germany are covered by the Swedish deposit insurance scheme. In Norway, the state deposit insurance totals NOK 2,000,000 per person. The majority of deposits from the public are covered by the state deposit insurance scheme.

Resurs Bank produced a base prospectus in order to issue bonds, with a programme that amounts to SEK 9,000 million (9,000). Resurs Bank has worked successfully on continuously issuing bonds under this programme and sees itself as an established issuer in the market. Resurs Bank has acted in both the Swedish and Norweigan markets.
On the closing date, the programme had thirteen issues outstanding of a nominal SEK 5.400 million (4,900) and NOK 1,050 million (0) . Of the thirteen issues, eleven are senior unsecured bonds and two issues are Tier 2 capital of SEK 600 million (600).

Resurs Bank has a credit rating of BBB- with a stable outlook from Nordic Credit Rating (NCR). The credit rating was raised from BBB- to BBB with a stable outlook from April 2021. The reason was Resurs Bank's ability to attract new partners and an improved Nordic consumer credit market. Nordic Credit Rating's analyses are available 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 December 2020 to extend the existing ABS financing. This financing was arranged with JP Morgan Chase Bank. Resurs Bank has, for a period of 18 months (revolving period), the right to continue selling certain additional loan receivables to Resurs Consumer Loans. On 31 December 2021, 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. Resurs Bank has the right to amortise (reduce) the funding every month. Since the bank has this option, collateral is linked to the securitisation that pays a central role in the monthly interest payments.

The stable Net Stable Funding Ratio (NSFR) is defined as available stable funding in relation to the stable funding requirement. The aim is for banks to have sufficient stable funding to meet their long-term commitments. A compulsory requirement for a net stable funding ratio (NSFR) will be applied in 2021 via an EU regulation. The NSFR is expressed as a percentage and is to amount to a minimum of 100 per cent. This shows that the institute has sufficiently stable financing to cover its financing needs for a period of one year under normal or stressed circumstances. Work on preparing the reporting is under way and the assessment is that the NSFR for Resurs Bank exceeds 100 per cent.

Since 2021, there is a binding requirement for a stable net financing ratio, Net Stable Funding Ratio, (NSFR) in EU regulations. The requirement means that there must be sufficient stable financing to cover financing needs in a one-year perspective under both normal and stressed conditions. The minimum requirement is that the quota must amount to at least 100%. For the consolidated situation, the measure on the balance sheet date is 118%.

LIQUIDITY RISKS

Liquidity risk is the risk that the Group will be unable to discharge its payment obligations on the due date without borrowing at highly unfavourable rates. The consolidated situation, comprised of the Parent Company Resurs Holding AB and the Resurs Bank AB Group, must maintain a liquidity reserve and have access to an unutilised liquidity margin in the event of irregular or unexpected liquidity flows.

Managing liquidity risk is centralised and the Treasury Department is responsible for continuously monitoring, analysing, forecasting, managing and reporting liquidity risks. The department is led by the Head of Treasury, who in turn organisationally reports to the CFO. 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 prepare for various courses of action should liquidity trend unfavourably.

This plan includes risk indicators that could trigger the contingency plan and action plans to strengthen liquidity. Monthly reports that include information on the financial situation, liquidity forecast and risk measures are submitted to the Treasury Committee. Policies adopted by the Board are continuously monitored, while the Treasury Committee may also establish requirements that must be followed. Regular reports are also submitted to the Board. The Group's liquidity risk is controlled and audited by independent functions.

There must always be liquid assets that can be used immediately to manage daily cash flows arising the business. There must also be preparedness for uneven cash flows, which can be handled by means of a quick redistribution of liquidity or disposal of investments. There must be preparedness for a rapid strengthening of liquidity through various actions.

Banking operations are characterised by financing which, for the most part, consists of long-term savings together with ABS and MTN bonds. Lending operations primarily comprises short-term lending (Credit Cards and Retail Finance). This is a major difference from general banking operations in the Nordic region, which have historically been based on significant long-term lending that creates a negative cash flow. Structural liquidity risk is limited since the operations of the Group have a fundamentally positive cash flow. In the liquidity exposure table with maturity times, deposits from the public at variable interest rates are placed in the payable on demand category. However, assessment and historical outcomes show that customer behaviour – as opposed to the contractual – is significantly longer than this. The company believes that deposits from the public are a long-term and stable source of financing. Investments must be of a high credit and liquidity quality and consideration is continuously given to maintaining a sufficient amount of liquid assets.

The banking operations prepare a funding and liquidity plan whenever required, at least once annually. Stress tests are carried out regularly to ensure that liquidity is in place for circumstances that deviate from normal conditions. One recurring stress test evaluates significant outflows of deposits from the public. Stress scenarios combining a variety of events and circumstances are implemented on a regular basis. Examples of combined events are disruptions in the capital market and deterioration in customers' repayment behaviour.

LIQUIDITY EXPOSURE, UNDISCOUNTED CASH FLOWS

31/12/2021	Payable on demand	<3 months	3-12 months	1-5 years	> 5 years	No duration	Total
Financial assets							
Cash and balances at central banks	184,468					31,122	215,590
Treasury and other bills eligible for refinancing		352,537	352,960	1,102,242			1,807,739
Lending to credit institutions	4,135,758		128,900			2,706	4,267,364
Lending to the public		4,666,534	6,758,553	18,775,164	14,412,053	4,527,456	49,139,760
Bonds and other interest-bearing securities		1,446	3,645	646,727			651,818
Shares and participations						11,460	11,460
Other financial assets		115,935	12,669				128,604
Total	**4,320,226**	**5,136,452**	**7,256,727**	**20,524,133**	**14,412,053**	**4,572,744**	**56,222,335**
Financial liabilities							
Liabilities to credit institutions							0
Deposits from the public [1]	20,163,030	1,523,639	4,112,487	509,062			26,308,218
Issued securities		19,079	1,351,474	4,647,125			6,017,678
Subordinated debt		303,144	9,432	315,755			628,331
Other financial liabilities		670,422	71,960	1,951,070			2,693,452
Total	**20,163,030**	**2,516,284**	**5,545,353**	**7,423,012**	**0**	**0**	**35,647,679**
Net assets	-15,842,804	2,620,168	1,711,374	13,101,121	14,412,053	4,572,744	20,574,656
Derivatives, received		2,904,910	2,000,664				4,905,574
Derivatives, paid		-2,923,217	-2,007,938				-4,931,155
Difference per time interval [2]	*-15,842,804*	*2,601,861*	*1,704,100*	*13,101,121*	*14,412,053*	*4,572,744*	*20,549,075*

The cash flow for securities is calculated applying the coupon-rate for each security at that point of time.
Interest attributable to Deposits from the public with variable interest rates are not reflected in the above tables.
1) Interest attributable to deposits from the public with fixed interest rates largely comprises interest that is capitalised and paid at maturity. The model assumes that deposits with fixed interest terms of less than 12 months are capitalised and paid at maturity. For deposits with fixed interest terms of more than 12 months, interest is capitalised and paid annually and at maturity.
2) Amounts payable on demand amounted to SEK -15,843 million. Contractual and expected terms are deemed to deviate for deposits from the public of SEK 20,161 million. The pattern, unlike the contractual terms, has historically been significantly lower than one day.

LIQUIDITY EXPOSURE, UNDISCOUNTED CASH FLOWS

31/12/2020	Payable on demand	<3 months	3-12 months	1-5 years	> 5 years	No duration	Total
Financial assets							
Cash and balances at central banks	179,038					29,481	208,519
Treasury and other bills eligible for refinancing		802,070	427,168	940,226	116,290		2,285,754
Lending to credit institutions	3,608,832		90,000			2,813	3,701,645
Lending to the public		4,504,950	6,552,813	18,283,126	13,974,998	3,665,762	46,981,649
Bonds and other interest-bearing securities		1,145	193,025	375,901	100,714		670,785
Shares and participations						7,287	7,287
Other financial assets		78,593	12,895				91,488
Total	**3,787,870**	**5,386,758**	**7,275,901**	**19,599,253**	**14,192,002**	**3,705,343**	**53,947,127**
Financial liabilities							
Liabilities to credit institutions			107,400				107,400
Deposits from the public [1]	20,343,500	1,407,238	2,979,186	159,970			24,889,894
Issued securities		514,449	1,232,531	2,638,397			4,385,377
Subordinated debt		6,332	221,618	625,193			853,143
Other financial liabilities		586,289	73,533	1,932,581			2,592,403
Total	**20,343,500**	**2,514,308**	**4,614,268**	**5,356,141**	**0**	**0**	**32,828,217**
Net assets	-16,555,630	2,872,450	2,661,633	14,243,112	14,192,002	3,705,343	21,118,910
Derivatives, received		3,791,220	1,712,238				5,503,458
Derivatives, paid		-3,698,060	-1,695,786				-5,393,846
Difference per time interval [2]	*-16,555,630*	*2,965,610*	*2,678,085*	*14,243,112*	*14,192,002*	*3,705,343*	*21,228,522*

The cash flow for securities is calculated applying the coupon-rate for each security at that point of time.
Interest attributable to Deposits from the public with variable interest rates are not reflected in the above tables.
1) Interest attributable to deposits from the public with fixed interest rates largely comprises interest that is capitalised and paid at maturity. The model assumes that deposits with fixed interest terms of less than 12 months are capitalised and paid at maturity. For deposits with fixed interest terms of more than 12 months, interest is capitalised and paid annually and at maturity.
2) Amounts payable on demand amounted to SEK -16,556 million. Contractual and expected terms are deemed to deviate for deposits from the public of SEK 20,344 million. The pattern, unlike the contractual terms, has historically been significantly lower than one day.

LIQUIDITY AND LIQUIDITY RESERVE

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 future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,400 million.

Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, or a minimum SEK 800 million.

There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 1,898 million (1,860), 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 5,038 million (5,005). Total liquidity amounted to SEK 6,936 million (6,865). Total liquidity corresponded to 26 per cent (28 per cent) of deposits from the public.

The 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 that the assets met the stressed scenario, and this is also the minimum ratio from the authorities. As at 31 December 2021, the ratio is 240 per cent (288 per cent). For the period January to December 2021, the average LCR measures 243 per cent.

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

LIQUIDITY RESERVE

	31/12/2021	31/12/2020
Liquidity reserve as per FFFS 2010:7 definition		
Securities issued by sovereigns	179,334	176,381
Securities issued by municipalities	1,054,883	958,037
Lending to credit institutions	15,000	55,000
Bonds and other interest-bearing securities	648,607	670,374
Summary Liquidity reserve as per FFFS 2010:7	**1,897,824**	**1,859,792**
Other liquidity portfolio		
Cash and balances at central banks	215,590	208,520
Securities issued by municipalities	570,349	1,150,181
Lending to credit institutions	4,252,364	3,646,645
Total other liquidity portfolio	**5,038,303**	**5,005,346**
Total liquidity portfolio	**6,936,127**	**6,865,138**
Other liquidity-creating measures		
Unutilised credit facilities	51,270	47,730

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
Valuations of interest-bearing securities in the above table are measured at market value and accrued interest.

LIQUIDITY COVERAGE RATIO (LCR) - LIQUID ASSETS

31/12/2021	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 municipalites	1,625,233	1,309,878	73,761		241,594
Covered bonds	648,608	325,910	150,684		172,014
Level 2 assets					
Covered bonds	0				
Total liquid assets	**2,637,643**	**1,635,788**	**463,984**	**28,632**	**509,239**

31/12/2020	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	179,039		119,552		59,487
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	176,381		117,636	28,696	30,049
Securities issued by municipalites	1,908,211	1,609,889	73,853		224,469
Covered bonds	390,740	117,923	191,293		81,524
Level 2 assets					
Covered bonds	279,634	201,043			78,591
Total liquid assets	**2,934,005**	**1,928,855**	**502,334**	**28,696**	**474,120**

Level 1 consist of high qualitative assets, level 2 consists of assets with the highest quality in accordance to the rules of Liquidity Coverage Ratio.

	31/12/2021	31/12/2020
Total liquid assets	**2,637,643**	**2,934,005**
Net liquidity outflow	**1,078,916**	**995,751**
LCR measure	**240%**	**288%**

P3 CAPITAL ADEQUACY

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 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 AB 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 efter being lowered by the supervisory authorities in spring 2020 amounted to 0.2 per cent. Only Norwegian exposures have a buffer requirement remaining, which is currently 1.0 per cent of risk-weighted Norwegian assets.

The Board's guidelines specify that the consolidated situation must maintain a capital base that, by a sound margin, covers statutory minimum capital requirements and the capital requirements calculated for other risks identified in the operations according to the internal capital adequacy assessment process (ICAAP). The ongoing review of the internal capital adequacy assessment process is an integral part of the Bank's risk management. The internal capital adequacy assessment process is performed annually and the internally assessed capital requirement is updated quarterly based on established models. Information about risk management in the Bank can be found in Note G3 Risk management.

Capital base
The capital base is the total of Tier 1 capital and Tier 2 capital less deductions in accordance with the Capital Requirements Regulation 575/2013 EU (CRR). Deductions made by the consolidated situation are presented in the table below and deducted from Common Equity Tier 1 capital.

Common Equity Tier 1 capital
Common Equity Tier 1 capital comprises share capital, paid-in capital, retained earnings and other reserves of the companies included in the consolidated situation. Net profit for the year may only be included after approval by the Swedish Financial Supervisory Authority's.

Tier 1 capital
Tier 1 capital comprises Common Equity Tier 1 capital and other Tier 1 capital. The Bank does not currently have any Additional Tier 1 instruments, which means that Common Equity Tier 1 capital is equal to Tier 1 capital.

Tier 2 capital
Tier 2 capital comprises dated or perpetual subordinated loans. When the remaining maturity of subordinated loan is less than 5 years, it is no longer fully included as Tier 2 capital in the capital ratio calculations. Tier 2 capital is subordinate to the bank's deposits from the public and liabilities to non-preferential creditors. In the event of default or bankruptcy, subordinated loans are repaid after other liabilities. See Note P33 Subordinated debt, for further information.

Capital requirement
The Bank calculates the capital requirement for credit risk, credit valuation adjustment risk, market risk and operational risk. Credit risk is calculated by applying the standardised method under which the asset items of the Bank is 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 credit valuation adjustment risk is also calculated according to the standardised method and is applied to calculate the counterparty risk arising when the consolidated situation hedges currency exposures by using derivative instruments. The basic indicator method is used to calculate the capital requirement for operational risk. Under this method, the capital requirement for operational risks is 12 per cent of the income indicator (meaning average operating income for the past three years). Three different credit rating companies are used to calculate the capital base requirement for bonds and other interest-bearing securities.

Transition rules IFRS 9
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 category 1 and category 2. The phase-in period is as follows:
2018: 5%, 2019: 10%, 2020: 15%, 2021: 20%, 2022: 25%, 2023: 25%

CAPITAL BASE

	31/12/2021	**31/12/2020**
Tier 1 capital		
Equity	6,477,948	6,524,736
Foreseeable dividend	-262,000	-458,000
Predicted dividend		-392,000
Untaxed reserves (78% thereof)		168,745
Equity	**6,215,948**	**5,843,481**
Adjustments according to transition rules IFRS 9:		
Initial revaluation effect	169,371	237,119
Less:		
Additional value adjustments	-2,464	-3,073
Intangible fixed assets	-1,330,443	-1,365,443
Total Common Equity Tier 1 capital	**5,052,412**	**4,712,084**
Total Tier 1 capital	**5,052,412**	**4,712,084**
Tier 2 capital		
Dated subordinated loans	299,539	611,845
Total Tier 2 capital	**299,539**	**611,845**
Total capital base	**5,351,951**	**5,323,929**

CAPITAL REQUIREMENT

	31/12/2021		31/12/2020	
	Risk-weighted exposure	Capital require-ment	Risk-weighted exposure	Capital require-ment
Credit risks				
Exposures to central governments or central banks				
Exposures to regional governments of local authorities				
Exposures to public sector entities				
Exposures to multilateral development banks				
Exposures to international organisations				
Exposures to institutions	901,889	72,151	752,268	60,181
Exposures to corporates	341,666	27,333	341,056	27,284
Retail exposures	22,776,334	1,822,107	20,883,338	1,670,667
Exposures secured by property mortgates				
Exposures in default	2,925,566	234,045	3,044,468	243,557
Exposures with particularly high risk				
Exposures in the form of covered bonds	64,730	5,178	66,890	5,351
Items related to securitisation positions				
Exposures to institutions and companies with short-term credit ratings				
Exposures in the form of units or shares in collective instrument undertakings (funds)				
Equity exposures	61,548	4,924	57,379	4,591
Other items	612,139	48,972	322,683	25,816
Total credit risk	**27,683,872**	**2,214,710**	**25,468,082**	**2,037,447**
Credit valuation adjustment risk	**40,688**	**3,255**	**25,265**	**2,021**
Market risk				
Currency risk				
Operational risk	**4,998,021**	**399,842**	**5,089,268**	**407,141**
Total riskweighted exposure and total capital requirement	**32,722,581**	**2,617,807**	**30,582,615**	**2,446,609**
Concentration risk		282,493		256,135
Interest rate risk		138,557		29,936
Currency risk		2,739		4,667
Total Tier 2 capital requirement		**423,789**		**290,738**
Capital conservation buffer		818,065		764,566
Countercyclical capital buffer		61,568		64,314
Total capital requirement Capital buffers		**879,633**		**828,880**
Total capital requirement		**3,921,229**		**3,566,227**

In addition to the treatment of Pillar 1 risks above, 1.3% (1.0%) of the consolidated situation's risk-weighted assets are allocated for Pillar 2 requirements as at 31 December 2021.

REGULATORY CAPITAL REQIREMENTS

	31/12/2021		31/12/2020	
	Amount	Share of risk-weighted exposure	Amount	Share of risk-weighted exposure
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,472,516	4,5	1,376,218	4,5
Other Common Equity Tier 1 capital requirements (Pillar 2)	238,381	0,7	195,747	0,6
Combined buffer requirement	879,633	2,7	828,880	2,7
Total Common Equity Tier 1 capital requirements	**2,590,530**	**7,9**	**2,400,844**	**7,8**
Common Equity Tier 1 capital	**5,052,412**	**14,8**	**4,712,084**	**15,4**
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	1,963,355	6,0	1,834,957	6,0
Other Tier 1 capital requirements (Pillar 2)	317,842	1,0	236,456	0,8
Combined buffer requirement	879,633	2,7	828,880	2,7
Total Tier 1 capital requirements	**3,160,829**	**9,7**	**2,900,292**	**9,5**
Tier 1 capital	**5,052,412**	**15,4**	**4,712,084**	**15,4**
Capital requirements under Article 92 CRR (Pillar 1)	2,617,806	8,0	2,446,609	8,0
Other capital requirements (Pillar 2)	423,790	1,3	290,738	1,0
Combined buffer requirement	879,633	2,7	828,880	2,7
Total capital requirement	**3,921,229**	**12,0**	**3,566,227**	**11,7**
Total capital base	**5,351,951**	**16,4**	**5,323,929**	**17,4**

CAPITAL RATIO AND CAPITAL BUFFERS

	31/12/2021	31/12/2020
Common Equity Tier 1 capital ratio, %	15,4	15,4
Tier 1 ratio, %	15,4	15,4
Total capital ratio, %	16,4	17,4
Common Equity Tier 1 capital requirement incl. buffer requirement, %	2,7	2,7
- of which, capital conservation buffer requirement, %	2,5	2,5
- of which, countercyclical buffer requirement, % *	0,2	0,2
Common Equity Tier 1 capital available for use as buffer, %	7,1	8,5

***Geographical allocation of the countercyclical buffer requirement**

	31/12/2021			31/12/2020		
	Credit risk	Counter-	Weighted	Credit risk	Counter-	Weighted
Sweden	13,360,495	0,0%	0,0%	12,135,338	0,0%	0,0%
Norway	5,039,092	1,0%	0,2%	5,197,653	1,0%	0,2%
Finland	4,878,569	0,0%	0,0%	4,084,232	0,0%	0,0%
Denmark	3,454,233	0,0%	0,0%	3,249,053	0,0%	0,0%
Ireland	49,594	0,0%	0,0%	49,538	0,0%	0,0%
Total [1]	**26,781,983**		**0,2%**	**24,715,814**		**0,2%**

[1] The calculation exclude the exposures towards institute according to the Swedish Financial Supervisory Authority's regulations regarding prudential requirements and capital

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.The bank has a reporting requirement to the Swedish Financial Supervisory Authority,has a leverage ratio requirement of 3 per cent in accordance with CRR II.

	31/12/2021	31/12/2020
Tier 1 capital	5,052,412	4,712,084
Leverage ratio exposure	43,402,457	40,942,256
Leverage ratio, %	11,6	11,5

P4 GEOGRAPHIC INCOME DISTRIBUTION AND OTHER DATA BY COUNTRY

2021	Sweden	Denmark	Norway	Finland	Total
Gross income [1]	1,662,346	501,427	716,550	642,343	**3,522,666**
Profit before tax	436,252	181,320	248,992	150,481	**1,017,045**
Income tax expense	-108,451	-39,873	-74,615	-31,024	**-253,963**

2020	Sweden	Denmark	Norway	Finland	Total
Gross income [1]	1,712,627	607,175	924,010	639,688	**3,883,500**
Profit before tax	471,265	191,293	330,607	148,244	**1,141,409**
Income tax expense	-147,596	-42,335	-95,128	-29,422	**-314,481**

[1] Gross income includes interest income, lease income, fee and commission income, net income/expense from financial transactions, profit/loss from participations in Group companies and other operating income.
The Bank has no single customer that generates 10% or more of total revenues.

P5 NET INTEREST INCOME/EXPENSE

	2021	2020
Interest income		
Lending to the public [1)2)]	2,896,600	3,242,356
Interest-bearing securities	2,323	8,135
Total interest income	**2,898,923**	**3,250,491**
Of which, interest income calculated using the effective interest method	*2,896,600*	*3,242,356*
Interest expense		
Liabilities to credit institutions	-7,168	-3,874
Deposits and borrowing from the public	-240,934	-296,181
Issued securities	-87,756	-72,279
Subordinated debt	-4,375	-33,107
Other liabilities	-22,878	-446
Total interest expense	**-363,111**	**-405,887**
Of which, expense for deposit guarantee scheme and resolution fee	*-52,676*	*-43,199*
Of which, interest expense calculated using the effective interest method	*-363,111*	*-405,887*
1) Amount includes interest income on impaired receivables of:	748,000	203,422
2) Amount includes income from purchased non-performing consumer receivables:		
Collected amounts	74,313	80,601
Amortisation	-29,053	-31,397
Costs of collected amounts	46	54
Total income from purchased non-performing consumer receivables	**45,306**	**49,258**

P6 FEES AND COMMISSIONS

	2021	2020
Fee & commission income		
Lending commissions	71,596	74,939
Credit card commissions	57,569	58,097
Compensation, mediated insurance	233,322	240,047
Other commissions	55,371	52,131
Total fee & commission income	**417,858**	**425,214**
Fee & commission expenses		
Lending commissions	137	
Credit card commissions	-70,637	-63,635
Total fee & commission expenses	**-70,500**	**-63,635**

No commission income or commission expense is attributable to balance sheet items at fair value.

P7 NET INCOME/EXPENSE FROM FINANCIAL TRANSACTIONS

	2021	2020
Interest-bearing securities	-3,660	2,709
Impairment of shares		-10,000
Derivatives	-108,413	496,602
Exchange-rate difference	115,216	-503,508
Total net income/expense from financial transactions	**3,143**	**-14,197**
Net gains/losses by measurement category [1)]		
Financial assets at FVTPL, designated	-112,073	489,311
Loan receivables and account receivables	115,216	-503,508
Total	**3,143**	**-14,197**

[1)] Net gain and net loss relate to realised and unrealised changes in value.

P8 OTHER OPERATING INCOME

	2021	2020
Other income, lending to the public	147,862	157,950
Other operating income	52,849	57,722
Total operating income	**200,711**	**215,672**

P9 LEASES

Resurs Bank as lessor

The Bank owns assets that are leased to customers under finance leases. As the Bank applies IFRS on a statutory exemption basis, it has opted to account for these as operating leases in the parent company, which means that the leased assets are recognised as property, plant & equipment in the balance sheet for the parent company.

	2021	2020
Non-cancellable lease payments:		
Within one year	1,071	2,980
Between one and five years	2,564	4,540
After five years	168	675
Total non-cancellable lease payments	**3,803**	**8,195**

Resurs Bank as lessee

Operating leases are part of Resurs Bank's normal operations and are primarily attributable to office space leases, with a small share attributable to car leases. Most office leases have maturities of ten years, and car leases three years. Expensed leasing fees in 2021 totalled SEK 38.6 million (37.8). There are no variable fees. Future minimum lease payments under non-cancellable leases fall due as follows:

	2021	2020
Non-cancellable lease payments:		
Within one year	31,115	26,040
Between one and five years [1]	41,950	40,320
After five years	287	
Total non-cancellable lease payments	**73,352**	**66,360**

[1] Termination clause allows termination three years before the end of the contract to six months rent.

P10 GENERAL ADMINISTRATIVE EXPENSES

	2021	2020
General administrative expenses		
Personnel expenses (also see Note P11)	-542,134	-560,083
Postage, communication and notification costs	-129,357	-131,748
IT costs	-222,579	-194,512
Premises costs	-41,779	-42,712
Consulting expenses	-145,176	-89,555
Other	-145,297	-159,977
Total general administrative expenses	**-1,226,322**	**-1,178,587**

The item Other in the classification of general administrative expenses includes fees and remuneration to auditors as set out below.

	2021	2020
Auditors fee and expenses		
Ernst & Young AB		
Audit services	-4,870	-4,687
Other assistance arising from audit	-784	-573
Tax advisory services	-849	-1,855
Other services	-623	-810
Total auditors fees and expenses	**-7,126**	**-7,925**

Audit services comprise the examination of the annual financial statements and accounting records and the administration of the Board of Directors and CEO. They also include other procedures required to be carried out by the Group's and Parent Company's auditors, as well as advice or other assistance arising from observations made during the audit or while performing such other procedures.

P11 PERSONNEL

	2021	2020
Salaries	-363,035	-388,647
Social insurance costs	-106,009	-107,421
Pension costs	-54,872	-47,972
Other personnel expenses	-18,218	-16,043
Total personnel expenses	**-542,134**	**-560,083**
Salaries and other benefits		
Board, CEO and other senior executives	-17,226	-12,054
Other employees	-345,809	-376,593
Total salaries and other benefits	**-363,035**	**-388,647**

The Management has changed during the year.

Remuneration and other benefits

2021	Basic salary/	Variable	Other	Pensions	Total
Board and CEO					
Martin Bengtsson, Chairman [1]					0
Lars Nordstrand [1]					0
Fredrik Carlsson [1]					0
Marita Odélius Engström [1]					0
Mikael Wintzell [1]					0
Johanna Berlinde [1]					0
Susanne Ernbåge [1]					0
Kristina Patek [1]					0
Nils Carlsson, CEO (employed by Resurs Holding AB)					0
Kenneth Nilsson, CEO (employed by Resurs Holding AB)					0
Other senior executives (10 inviduals) [2]	-17,226		-1,105	-5,259	-23,590
Other employees that may affect the Bank's risklevel (23 inviduals)	-20,334		-797	-5,042	-26,173
Total remuneration and other benefits	**-37,560**	**0**	**-1,902**	**-10,301**	**-49,763**

2020	Basic salary/	Variable	Other	Pensions	Total
Board and CEO					
Martin Bengtsson, Chairman [1]					0
Lars Nordstrand [1]					0
Fredrik Carlsson [1]					0
Anders Dahlvig (resigned 17/06/2020) [1]					0
Mariana Burenstam Linder (resigned 17/06/2020) [1]					0
Marita Odélius Engström [1]					0
Mikael Wintzell [1]					0
Johanna Berlinde [1]					0
Susanne Ehnbåge (elected 17/06/2020) [1]					0
Kristina Patek (elected 17/06/2020) [1]					0
Nils Carlsson, CEO (employed by Resurs Holding AB)					0
Kenneth Nilsson, CEO (employed by Resurs Holding AB)					0
Other senior executives (10 inviduals) [2]	-12,054	0	-678	-2,589	-15,321
Other employees that may affect the Bank's risklevel (20 individuals)	-20,514	0	-1,264	-4,238	-26,017
Total remuneration and other benefits	**-32,568**	**0**	**-1,943**	**-6,827**	**-41,338**

1) Board fees have been paid from the parent company Resurs Holding AB
2) Other senior executives excluding CEO is in total 10 inviduals (6). This includes 1 individual (1) that receive remuneration from Resurs Holding AB.

Pension costs

	2021	2020
Board, CEO and other senior executives	-5,259	-2,589
Other employees	-49,613	-45,383
Total	**-54,872**	**-47,972**

PERSONNEL

Board members and senior executives at the end of the year

	2021		2020	
	Number	Of which, men	Number	Of which, men
Board members	8	50%	8	50%
CEO and senior executives	11	64%	11	73%

Remuneration policy, pensions and terms and conditions are described in further detail in Note G13.

Senior executives' use of credit facilities in banking operations

	31/12/2021		31/12/2020	
	Credit limits	Unutilised credit	Credit limits	Unutilised credit
CEO	25		53	22
Board members	175	36	178	8
Other senior executives in the Parent Company	1,323	1,066	1,681	1,041
Total	**1,523**	**1,102**	**1,912**	**1,071**

Lending terms correspond to terms normally applied in credit lending to other personnel. The bank has not pledged security or assumed contingent liabilities for above-named executives.

Average number of employees

	2021			2020		
	Men	Women	Total	Men	Women	Total
Sweden	210	219	429	220	239	459
Denmark	40	21	61	44	34	78
Norway	35	40	75	36	41	77
Finland	21	44	65	18	47	65
Total	**306**	**324**	**630**	**318**	**361**	**679**

P12 DEPRECIATION, AMORTISATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE ASSETS

	2021	2020
Depreciation and amortisation		
Leased equipment	-1,791	-5,577
Other equipment	-20,767	-21,405
Intangible assets	-100,253	-104,725
Total depreciation and amortisation	**-122,811**	**-131,707**
Impairment		
Leased equipment	-71	194
Total impairment	**-71**	**194**
Total depreciation, amortisation and impairment of tangible and intangible assets	**-122,882**	**-131,513**

P13 OTHER OPERATING EXPENSES

	2021	2020
Marketing	-71,657	-102,698
Insurance	-6,274	-5,064
Other	-22	-141
Total other operating expenses	**-77,953**	**-107,903**

P14 CREDIT LOSSES

SEK thousand	2021	2020
Provision of credit losses [1)]		
Stage 1	-8,557	-45,323
Stage 2	72,060	-30,086
Stage 3	-43,670	-169,394
Total	**19,833**	**-244,803**
Provision of credit losses off balance (unutilised limit)		
Stage 1	2,312	-6,148
Stage 2	-2,306	1,804
Stage 3		
Total	**6**	**-4,344**
Write-offs of confirmed credit losses	-665,230	-642,117
Recoveries of previously confirmed credit losses	538	36,698
Total	**-664,692**	**-605,419**
Credit losses	**-644,853**	**-854,566**
of which lending to the public	*-644,859*	*-850,222*

P15 TAXES

	2021	2020
Current tax expense		
Current tax for the year	-288,270	-285,319
Adjustment of tax attributable to previous year's	-81,394	-33,591
Current tax expense	**-369,664**	**-318,910**
Deferred tax on temporary differences	115,701	4,429
Total tax expense reported in income statement	**-253,963**	**-314,481**

	2021		2020	
Reconciliation of effective tax				
Profit before tax		1,233,385		1,141,409
Tax at prevailing tax rate	-20,6%	-254,077	-21,4%	-244,261
Non-deductible expenses/non-taxable income	10,8%	132,915	-2,5%	-28,578
Tax attributable to differing tax rates for foreign branch offices and subsidiaries	-4,1%	-51,184	-0,7%	-7,820
Tax attributable to prior years	-6,6%	-81,394	-2,9%	-33,591
Standard interest, tax allocation reserve		-223	0,0%	-231
Recognised effective tax	**-20,6%**	**-253,963**	**-27,5%**	**-314,481**

	2021	2020
Change in deferred tax		
Tax effects attributable to temporary differences, property, plant & equipment	-342	-627
Tax effects attributable to temporary differences, intangible assets	-6,464	-6,475
Tax effects attributable to temporary differences, lending to the public	123,657	14,374
Tax effects attributable to temporary differences, pensions	-666	-1,129
Tax effects attributable to temporary differences, other	-484	-1,714
Total deferred tax	**115,701**	**4,429**

	31/12/2021	31/12/2020
Deferred tax assets		
Deferred tax assets; property, plant & equipment	2,395	2,712
Deferred tax assets; lending to the public	110,752	
Deffered tax assets; pensions	1,733	2,396
Deffered tax assets; other	665	578
Total deferred tax asset	**115,545**	**5,686**
Offset by country	-12,342	-5,686
Net deferred tax assets	**103,203**	**0**

	31/12/2021	31/12/2020
Deferred tax liabilities		
Deferred tax liabilities, property, plant & equipment	23	
Deferred tax liabilities, intangible assets	20,701	14,268
Deferred tax liabilities for lending to the public	18,278	30,592
Deferred tax liabilities, other	2,476	1,906
Total deferred tax liabilities	**41,478**	**46,766**
Offset by country	-12,342	-5,686
Net deferred tax liabilities	**29,136**	**41,080**

P16 TREASURY AND OTHER BILLS ELIGIBLE FOR REFINANCING

	31/12/2021			31/12/2020		
	Nominal amount	Fair value	Carrying value	Nominal amount	Fair value	Carrying value
Issued by						
Swedish government and municipalities	1,646,330	1,665,358	1,665,358	2,132,201	2,151,036	2,151,036
Foreign governments and municipalities	135,105	137,657	137,657	128,446	132,217	132,217
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**
Of which, listed	*1,781,435*	*1,803,015*	*1,803,015*	*2,260,647*	*2,283,253*	*2,283,253*
Remaining maturity						
0-1 years	696,270	697,300	697,300	1,222,000	1,222,416	1,222,416
1-3 years	513,291	520,035	520,035	427,782	434,832	434,832
More than 3 years	571,874	585,680	585,680	610,865	626,005	626,005
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**
Issuer's rating						
AAA/Aaa	885,723	896,851	896,851	904,647	916,610	916,610
AA+/Aa1	895,712	906,164	906,164	1,356,000	1,366,643	1,366,643
Unrated [1)]						
Total	**1,781,435**	**1,803,015**	**1,803,015**	**2,260,647**	**2,283,253**	**2,283,253**

Investments are in municipal and government bonds and meet FFS 2010:7 requirements for assets that may be included in the liquidity reserve.
[1)] Unrated treasury and other bills eligible for refinancing' is comprised of holdings in a Swedish municipality that are not rated.

P17 LENDING TO CREDIT INSTITUTIONS

	31/12/2021	31/12/2020
Loans in SEK	2,235,419	2,396,635
Loans in DKK	58,140	132,053
Loans in NOK	741,054	643,988
Loans in EUR	1,227,066	526,107
Loans in other currencies	5,685	2,862
Total lending to credit institutions	**4,267,364**	**3,701,645**

P18 LENDING TO THE PUBLIC

	31/12/2021	31/12/2020
Receivables outstanding, gross		
Loans in SEK	17,652,825	15,900,171
Loans in DKK	5,194,058	4,884,972
Loans in NOK	6,893,173	7,322,478
Loans in EUR	6,685,900	5,773,980
Total lending to the public	**36,425,956**	**33,881,601**
Retail sector	35,942,062	33,329,634
Net value of acquired non-performing consumer loans [1]	139,541	166,200
Corporate sector [2] [3]	344,353	385,767
Total lending to the public	**36,425,956**	**33,881,601**
Less provision for expected credit losses [4]	-3,033,422	-2,981,063
Total net lending to the public	**33,392,534**	**30,900,538**
[1] Acquired non-performing consumer loans as follows:		
Opening net value of acquired non-performing consumer loans	**166,200**	**202,141**
Amortisation for the year	-29,053	-31,397
Currency effect	2,394	-4,545
Net value of acquired non-performing consumer loans	**139,541**	**166,200**

[2] Amount includes acquired invoice receivables of SEK 140,0 million (229,9).
[3] Amount includes finance leases of SEK 49.6 million (49,5) for which Resurs Bank is lessor.
[4] Amount includes lending to retail and corporate sectors.

Geographic distribution of net lending to the public

	31/12/2021	31/12/2020
Sweden	16,659,156	15,004,168
Denmark	4,408,119	4,146,035
Norway	6,491,302	6,546,310
Finland	5,784,362	5,106,871
Ireland	49,594	97,154
Total net lending to the public	**33,392,533**	**30,900,538**
Expected credit losses		
Stage 1	-223,003	-208,985
Stage 2	-366,542	-428,880
Stage 3	-2,443,877	-2,343,198
Total expected credit losses	**-3,033,422**	**-2,981,063**

LENDING TO THE PUBLIC

Change in provision, Lending to the public
31/12/2021

	Non doubtful Stage 1	Non doubtful Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross				
Carrying amount gross 1 January 2021	25,055,316	3,521,720	5,304,565	**33,881,601**
Carrying amount gross 31 December 2021	28,150,994	2,975,290	5,299,672	**36,425,956**
Provision				
Provision at 1 January 2021	-208,985	-428,880	-2,343,198	**-2,981,063**
New and derecognised financial assets	-42,785	41,054	-51,778	**-53,509**
Changes in risk factors (PD/EAD/LGD)	-6,754	-38,649	-6,722	**-52,125**
Changes in macroeconomic scenarios	17,678	41,137	-3,083	**55,732**
Changes due to expert assessments (individual assessments, manual adjustments)	23,048	42,068	10,000	**75,116**
Transfers between stages				
from 1 to 2	*13,113*	*-138,662*		**-125,549**
from 1 to 3	*2,756*		*-66,986*	**-64,230**
from 2 to 1	*-14,764*	*101,433*		**86,669**
from 2 to 3		*32,619*	*-65,225*	**-32,606**
from 3 to 2		*-6,741*	*12,314*	**5,573**
from 3 to 1	*-437*		*137,454*	**137,017**
Exchange-rate differences	-5,873	-11,921	-66,653	**-84,447**
Provision at 31 December 2021	**-223,003**	**-366,542**	**-2,443,877**	**-3,033,422**
Carrying amount				
Opening balance at 1 January 2021	24,846,331	3,092,840	2,961,367	**30,900,538**
Closing balance at 31 December 2021	27,927,991	2,608,748	2,855,795	**33,392,534**

Change in provision, Lending to the public
31/12/2020

	Non doubtful Stage 1	Non doubtful Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross				
Carrying amount gross 1 January 2020	23,741,667	5,259,502	5,276,132	**34,277,301**
Carrying amount gross 31 December 2020	25,055,316	3,521,720	5,304,565	**33,881,601**
Provision				
Provision at 1 January 2020	-174,120	-421,930	-2,281,999	**-2,878,049**
New and derecognised financial assets	-22,581	42,272	-4,983	**14,708**
Changes in risk factors (PD/EAD/LGD)	-7,418	-26,823	-51,811	**-86,052**
Changes in macroeconomic scenarios	-521	2,642	6,298	**8,419**
Changes due to expert assessments (individual assessments, manual adjustments)	-18,394	-34,119	12,053	**-40,460**
Transfers between stages				
from 1 to 2	*16,079*	*-143,181*		**-127,102**
from 1 to 3	*4,439*		*-79,137*	**-74,698**
from 2 to 1	*-14,466*	*99,641*		**85,175**
from 2 to 3		*40,245*	*-84,219*	**-43,974**
from 3 to 2		*-6,572*	*11,519*	**4,947**
from 3 to 1	*-423*		*31,253*	**30,830**
Exchange-rate differences	8,420	18,945	97,828	**125,193**
Provision at 31 December 2020	**-208,985**	**-428,880**	**-2,343,198**	**-2,981,063**
Carrying amount				
Opening balance at 1 January 2020	23,567,547	4,837,572	2,994,133	**31,399,252**
Closing balance at 31 December 2020	24,846,331	3,092,840	2,961,367	**30,900,538**

Provision of credit losses during the period were impacted by several different factors, as described below:
- Transfers between Stage 1 and Stage 2 or Stage 3 depending on whether the loan has significantly increased (or decreased) in risk or if it has defaulted during the period and thus transferred between 12 month and full lifetime ECL.
- New loans during the period and also loans removed from the portfolio in the same period. (Increases due to issue and purchase and decline due to derecognition from the statement of financial position)
- Resolution of the extra reservation due to Covid-19 pandemic, made in 2020.
- Changes in risk factors (PD/EAD/LGD), arising because the model has been updated with new amounts (Changes due to changed credit risk, net).
- Changes in macroeconomic scenarios based on macroeconomic factors, that from a historical perspective has proven to correlate well with changes in the Group's credit losses.
- Exchange-rate differences

LENDING TO THE PUBLIC

Change in gross volume, Lending to the public

31/12/2021	Non doubtful Stage 1	Non doubtful Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross				
Carrying amount gross 1 January 2021	25,055,316	3,521,720	5,304,565	**33,881,601**
New and derecognised financial assets	2,989,296	-253,321	-164,265	**2,571,710**
Transfers between stages				
from 1 to 2	-1,232,117	1,179,411		**-52,706**
from 1 to 3	-240,225		183,078	**-57,147**
from 2 to 1	1,053,804	-1,328,936		**-275,132**
from 2 to 3		-274,183	187,815	**-86,368**
from 3 to 2		39,065	-43,344	**-4,279**
from 3 to 1	24,295		-322,553	**-298,258**
Exchange-rate differences	500,625	91,534	154,376	**746,535**
Carrying amount gross 31 December 2021	**28,150,994**	**2,975,290**	**5,299,672**	**36,425,956**

Change in gross volume, Lending to the public

31/12/2020	Non doubtful Stage 1	Non doubtful Stage 2	Doubtful receivables Stage 3	Total
Carrying amount gross				
Carrying amount gross 1 January 2020	23,741,667	5,259,502	5,276,132	**34,277,301**
New and derecognised financial assets	2,230,056	-675,030	-87,904	**1,467,122**
Transfers between stages				
from 1 to 2	-1,347,791	1,294,460		**-53,331**
from 1 to 3	-289,493		227,670	**-61,823**
from 2 to 1	1,547,030	-1,839,877		**-292,847**
from 2 to 3		-359,633	244,727	**-114,906**
from 3 to 2		41,969	-45,774	**-3,805**
from 3 to 1	30,079		-84,691	**-54,612**
Exchange-rate differences	-856,232	-199,671	-225,595	**-1,281,498**
Carrying amount gross 31 December 2020	**25,055,316**	**3,521,720**	**5,304,565**	**33,881,601**

Loans to the public, split by stage and provision, retail

	31/12/2021	31/12/2020
Stage 1		
Carrying amount, gross	27,818,257	24,740,765
Provisions	-222,538	-206,520
Carrying amount	**27,595,719**	**24,534,245**
Stage 2		
Carrying amount, gross	2,969,619	3,500,925
Provisions	-366,263	-427,838
Carrying amount	**2,603,356**	**3,073,087**
Total performing	**30,787,876**	**28,241,690**
Total provision, perfoming	**-588,801**	**-634,358**
Stage 3		
Carrying amount, gross	5,293,728	5,254,145
Provisions	-2,438,270	-2,296,486
Carrying amount	**2,855,458**	**2,957,659**
Total carrying amount	**36,081,604**	**33,495,835**
Total provision	**-3,027,071**	**-2,930,844**

LENDING TO THE PUBLIC

Loans to the public, split by stage and provision, corporate sector

	31/12/2021	31/12/2020
Stage 1		
Carrying amount, gross	332,737	314,551
Provisions	-465	-2,465
Carrying amount	**332,272**	**312,086**
Stage 2		
Carrying amount, gross	5,671	20,795
Provisions	-279	-1,042
Carrying amount	**5,392**	**19,753**
Total performing	**338,408**	**335,346**
Total provision, perfoming	**-744**	**-3,507**
Stage 3		
Carrying amount, gross	5,944	50,420
Provisions	-5,607	-46,712
Carrying amount	**337**	**3,708**
Total carrying amount	**344,352**	**385,766**
Total provision	**-6,351**	**-50,219**

Totals

	31/12/2021	31/12/2020
Carrying amount gross, stage 1	28,150,994	25,055,316
Carrying amount gross, stage 2	2,975,290	3,521,720
Carrying amount gross, stage 3	5,299,672	5,304,565
Carrying amount, gross	**36,425,956**	**33,881,601**
Provision stage 1	-223,003	-208,985
Provision stage 2	-366,542	-428,880
Provision stage 3	-2,443,877	-2,343,198
Total provisions	**-3,033,422**	**-2,981,063**
Carrying amount	**33,392,534**	**30,900,538**
Share of loans in stage 1, gross%	77,28%	73,95%
Share of loans in stage 2, gross%	8,17%	10,39%
Share of loans in stage 3, gross%	14,55%	15,66%
Share of loans in stage 1, net%	83,64%	80,41%
Share of loans in stage 2, net%	7,81%	10,01%
Share of loans in stage 3, net%	8,55%	9,58%
Reserve ratio loans in stage 1	0,79%	0,83%
Reserve ratio loans in stage 2	12,32%	12,18%
Reserve ratio loans in stage 3	46,11%	44,17%
Reserve ratio performing loan	1,89%	2,23%
Total reserve ratio loans	**8,33%**	**8,80%**

LENDING TO THE PUBLIC

Segment reporting, Lending to the public

31/12/2021	Payment Solutions	Consumer Loans	Total
Carrying amount gross			
Stage 1	9,851,328	18,299,666	**28,150,994**
Stage 2	871,284	2,104,006	**2,975,290**
Stage 3	1,624,769	3,674,903	**5,299,672**
Carrying amount gross	**12,347,381**	**24,078,575**	**36,425,956**
Provision			
Stage 1	-43,551	-179,452	**-223,003**
Stage 2	-60,082	-306,460	**-366,542**
Stage 3	-781,128	-1,662,749	**-2,443,877**
Total provision	**-884,761**	**-2,148,661**	**-3,033,422**
Net lending to the public			
Stage 1	9,807,777	18,120,214	**27,927,991**
Stage 2	811,202	1,797,546	**2,608,748**
Stage 3	843,641	2,012,154	**2,855,795**
Total net lending to the public	**11,462,620**	**21,929,914**	**33,392,534**

31/12/2020	Payment Solutions	Consumer Loans	Summa
Carrying amount gross			
Stage 1	9,024,412	16,030,904	**25,055,316**
Stage 2	1,171,126	2,350,594	**3,521,720**
Stage 3	1,736,565	3,568,000	**5,304,565**
Carrying amount gross	**11,932,103**	**21,949,498**	**33,881,601**
Provision			
Stage 1	-39,525	-169,460	**-208,985**
Stage 2	-70,761	-358,119	**-428,880**
Stage 3	-828,192	-1,515,006	**-2,343,198**
Total provision	**-938,478**	**-2,042,585**	**-2,981,063**
Net lending to the public			
Stage 1	8,984,887	15,861,444	**24,846,331**
Stage 2	1,100,365	1,992,475	**3,092,840**
Stage 3	908,373	2,052,994	**2,961,367**
Total net lending to the public	**10,993,625**	**19,906,913**	**30,900,538**

P19 BONDS AND OTHER INTEREST-BEARING SECURITIES

	31/12/2021			31/12/2020		
	amount	Fair value	value	amount	Fair value	value
Swedish mortgage institutions	497,238	509,186	509,186	527,783	536,842	536,842
Swedish credit institutions	138,294	138,762	138,762	131,329	132,728	132,728
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**
Of which, listed	*635,532*	*647,948*	*647,948*	*659,112*	*669,570*	*669,570*
Remaining maturity						
0-1 years				190,150	190,951	190,951
1-3 years	217,263	218,578	218,578	151,216	152,232	152,232
More than 3 years	418,269	429,370	429,370	317,746	326,387	326,387
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**
Issuer's rating						
AAA/Aaa	635,532	647,948	647,948	659,112	669,570	669,570
Total	**635,532**	**647,948**	**647,948**	**659,112**	**669,570**	**669,570**

In the event the credit ratings differ, the lowest is used.

The credit rating of the lending programme is used for covered bonds.

P20 SHARES AND PARTICIPATIONS

The shareholdings comprising shares in Vipps AS, Dicopay AB, Trademate ApS and in Kivra Oy. The Group views these shareholdings as strategic and the assets were recognised at a total amount of SEK11,460thousand on the closing date.

	2021	2020
Cost	21,460	17,287
Carrying calue	11,460	7,287
Fair value	11,460	7,287

P21 SHARES AND PARTICIPATIONS IN GROUP COMPANIES

31/12/2021	Corp. ID. No.	Domiciled	Share of capital, %	Share of votes, %	Number of shares	Carrying value
Subsidiaries and indirect subsidiaries						
Resurs Norden AB	556634-3280	Helsingborg	100	100	250,000	50,099
Resurs Consumer Loans 1 Ltd	559,768	Dublin	100	100	3	
Total carrying amount of shares in subsidiaries						**50,099**

31/12/2020	Corp. ID. No.	Domiciled	Share of	Share of	Number of	Carrying
Subsidiaries and indirect subsidiaries						
Resurs Norden AB	556634-3280	Helsingborg	100	100	250,000	50,099
Resurs Consumer Loans 1 Ltd	559,768	Dublin	100	100	3	
Total carrying amount of shares in subsidiaries						**50,099**

	31/12/2021	31/12/2020
Opening cost	139,128	139,128
Closing accumulated cost	**139,128**	**139,128**
Opening impairment	-7,023	-7,023
Closing accumulated impairment	**-7,023**	**-7,023**
Opening change in value	-82,006	-82,006
Closing accumulated changes in value	**-82,006**	**-82,006**
Closing residual value according to plan	**50,099**	**50,099**

P22 DERIVATIVES

31/12/2021	Nominal amount Remaining maturity < 1 year	1-5 years	> 5 years	Total	Positive market-values	Negative market-values
Derivatives instruments, no hedge accounting						
Currency related contracts						
Swaps	4,931,155			4,931,155	1,781	27,366
Total derivatives	**4,931,155**	**0**	**0**	**4,931,155**	**1,781**	**27,366**

31/12/2020	Nominal amount Remaining maturity < 1 year	1-5 years	> 5 years	Total	Positive market-values	Negative market-values
Derivatives instruments, no hedge accounting						
Currency related contracts						
Swaps	5,393,846			5,393,846	113,272	3,659
Total derivatives	**5,393,846**	**0**	**0**	**5,393,846**	**113,272**	**3,659**

P23 INTANGIBLE ASSETS

	31/12/2021				31/12/2020			
	Goodwill	Internally	Acquired	Total	Goodwill	Internally	Acquired	Total
Opening cost	1,635,088	58,415	104,720	1,798,223	1,741,640	63,745	116,052	1,921,437
Investments during the year		68		68		3,315		3,315
Divestments during the year				0		-2,269		-2,269
Exchange-rate difference	73,029	4,048	7,767	84,844	-106,552	-6,376	-11,332	-124,260
Total cost at year-end	**1,708,117**	**62,531**	**112,487**	**1,883,135**	**1,635,088**	**58,415**	**104,720**	**1,798,223**
Opening amortisation	-343,257	-48,137	-41,386	-432,780	-272,157	-39,878	-36,986	-349,021
Accumulated depreciation of divested assets				0		755		755
Amortisation for the year	-83,755	-8,160	-8,338	-100,253	-83,059	-13,424	-8,242	-104,725
Exchange-rate difference	-12,605	-3,715	-3,339	-19,659	11,959	4,410	3,842	20,211
Total accumulated amortisation at year-end	**-439,617**	**-60,012**	**-53,063**	**-552,692**	**-343,257**	**-48,137**	**-41,386**	**-432,780**
Carrying amount	**1,268,500**	**2,519**	**59,424**	**1,330,443**	**1,291,831**	**10,278**	**63,334**	**1,365,443**

Impairment testing of goodwill

Impairment testing is conducted at Group level, see note G24. No impairment need has been identified.

P24 PROPERTY, PLANT AND EQUIPMENT

	31/12/2021	31/12/2020
Leased equipment		
Cost at beginning of the year	18,786	44,066
Divestments/disposals during the year	-9,835	-25,280
Total cost at year-end	**8,951**	**18,786**
Accumulated depreciation at beginning of the year	-11,047	-26,031
Accumulated depreciation of divested/disposed assets	8,355	20,561
Depreciation for the year	-1,791	-5,577
Total accumulated depreciation at year-end	**-4,483**	**-11,047**
Accumulated impairment at beginning of year	-397	-591
Impairment/reversal of impairment during year	-71	194
Total accumulated impairment	**-468**	**-397**
Carrying amount for leased equipment	**4,000**	**7,342**
Other equipment		
Cost at beginning of year	129,592	113,130
Purchases during year	26,171	26,607
Divestments/disposals during the year	-632	-8,673
Exchange-rate difference	893	-1,472
Total accumulated depreciation at year-end	**156,024**	**129,592**
Accumulated depreciation at beginning of the year	-86,734	-72,962
Accumulated depreciation of divested/disposed assets	784	6,532
Depreciation for the year	-20,767	-21,405
Exchange-rate difference	-720	1,101
Total accumulated depreciation at year-end	**-107,437**	**-86,734**
Carrying amount for other equipment	**48,587**	**42,858**
Carrying amount for tangible assets	**52,587**	**50,200**

P25 OTHER ASSETS

	31/12/2021	31/12/2020
Receivables, group companies	2,693	8,417
Receivables, leas activities	240	337
Receivables, factoring activities		3,801
Receivables, insurance brokers and representatives	32,761	
Other	35,003	33,610
Total other assets	**70,697**	**46,165**

P26 PREPAID EXPENSES AND ACCRUED INCOME

	31/12/2021	31/12/2020
Prepaid expenses	83,319	125,809
Accrued interest	13,584	11,237
Accrued income, lending activities	44,323	34,085
Total prepaid expenses and accrued income	**141,226**	**171,131**

P27 LIABILITIES TO CREDIT INSTITUTIONS

	31/12/2021	31/12/2020
Loans in SEK		107,400
Total liabilities to credit institutions	**0**	**107,400**

P28 DEPOSITS AND BORROWING FROM THE PUBLIC

	31/12/2021	31/12/2020
Deposits and borrowing in SEK [1)]	11,480,445	11,714,226
Deposits and borrowing in DKK		2
Deposits and borrowing in NOK	6,102,295	6,441,061
Deposits and borrowing in EUR	8,705,452	6,717,821
Total deposits and borrowing from the public	**26,288,192**	**24,873,110**
Retail sector	24,314,359	23,062,764
Corporate sector	1,973,833	1,810,346
Total deposits and borrowing from the public	**26,288,192**	**24,873,110**

Maturity
The majority of deposits from the public are payable on demand; see also Note G3, Risk management.

[1)] The amount includes deposit from sister companies totalling SEK 86,5 million (180,9).

P29 OTHER LIABILITIES

	31/12/2021	31/12/2020
Liabilities to Group and sister companies	2,002,501	1,984,671
Trade payables	40,585	52,098
Liabilities to representatives	175,261	157,605
Preliminary tax, interest on deposits	12,446	15,812
Provision for loyalty programmes	23,053	24,900
Agents	17,906	
Tax	10,333	13,427
Other	267,831	203,688
Total other liabilities	**2,549,916**	**2,452,201**

P30 ACCRUED EXPENSES AND DEFERRED INCOME

	31/12/2021	31/12/2020
Accrued interest expenses	21,679	18,548
Accrued personnel-related expenses	92,173	106,024
Accrued administrative expenses	79,452	71,606
Deferred income, leasing	183	568
Other deferred income	28,899	2,706
Total accrued expenses and deferred income	**222,386**	**199,452**

P31 OTHER PROVISIONS

	31/12/2021	31/12/2020
Opening balance	20,438	19,818
Provisions/Reversals made during the year	-11	4,290
Exchange-rate difference	-1,957	-3,670
Closing balance	**18,470**	**20,438**
Provision of credit losses, unutilised limit, Stage 1	15,568	17,337
Provision of credit losses, unutilised limit, Stage 2	2,224	
Other provisions	678	3,101
Closing balance	**18,470**	**20,438**

Resurs Bank have entered into an endowment insurance agreement for safeguarding pension obligations. The endowment insurance and obligations have been netted. The amount in other provisions, consists of payroll tax that are not covered in the insurance agreement SEK 1.6 million (1.6). The market value of the endowment insurance is SEK 8,4 million (13,7.

P32 ISSUED SECURITIES

31/12/2021	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank MTN 110 31/05/2022	SEK	600,000	Variable	599,876	601,775
Resurs Bank MTN 111 29/08/2022	SEK	700,000	Variable	699,769	702,835
Resurs Bank MTN 112 28/02/2023	SEK	700,000	Variable	699,594	703,122
Resurs Bank MTN 113 24/11/2023	SEK	600,000	Variable	599,772	605,994
Resurs Bank MTN 114 04/03/2024	SEK	450,000	Variable	449,511	453,699
Resurs Bank MTN 115 14/06/2023	SEK	600,000	Variable	599,264	602,244
Resurs Bank MTN 116 02/09/2024	SEK	400,000	Variable	399,466	399,868
Resurs Bank MTN 117 15/11/2024	SEK	750,000	Variable	749,050	750,233
Resurs Bank MTN 30214/16/2023	NOK	600,000	Variable	614,793	617,135
Resurs Bank MTN 303 02/09/2024	NOK	300,000	Variable	307,209	306,513
Resurs Bank MTN 113 24/11/2023	NOK	150,000	Variable	153,589	153,930
Total issued securities	**NOK**			**5,871,893**	**5,897,348**

31/12/2020	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank MTN 104 16/03/2021	SEK	500,000	Variable	499,923	500,860
Resurs Bank MTN 108 16/06/2021	SEK	500,000	Variable	499,889	501,480
Resurs Bank MTN 109 30/08/2021	SEK	700,000	Variable	699,768	703,045
Resurs Bank MTN 110 31/05/2021	SEK	600,000	Variable	599,576	603,978
Resurs Bank MTN 111 29/08/2022	SEK	700,000	Variable	699,419	702,905
Resurs Bank MTN 112 28/02/2023	SEK	700,000	Variable	699,244	699,657
Resurs Bank MTN 113 24/11/2023	SEK	600,000	Variable	599,653	601,008
Total issued securities				**4,297,472**	**4,312,933**

P33 SUBORDINATED DEBT

31/12/2021	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank MTN 201 17/01/2027 [1]	SEK	300,000	Variable	299,972	300,330
Resurs Bank MTN 202 12/03/2029 [2]	SEK	300,000	Variable	299,539	310,407
Total subordinated debt				**599,511**	**610,737**

31/12/2020	Currency	Nominal amount	Interest rate	Carrying amount	Fair value
Resurs Bank Subordinated debt 30/04/2021	SEK	200,000	Variable	200,000	200,123
Resurs Bank MTN 201 17/01/2027 [1]	SEK	300,000	Variable	299,372	302,355
Resurs Bank MTN 202 12/03/2029 [2]	SEK	300,000	Variable	299,330	299,256
Total subordinated debt				**798,702**	**801,734**

[1] The issuer is entitled to early repayment of the bonds from "First Call Date"17/01/2022, provided that the issuer receives the approval of the Swedish Financial Supervisory Authority.

[2] The issuer is entitled to early repayment of the bonds from "First Call Date" 12/03/2024, provided that the issuer receives the approval of the Swedish Financial Supervisory Authority.

P34 UNTAXED RESERVES

	31/12/2021	31/12/2020
Tax allocation reserve		
2016		216,340
Total	**0**	**216,340**

P35 EQUITY

Shares
The number of shares is 500,000, with a par value of SEK 1,000. Par value is defined as share capital divided by number of shares.

Statutory reserve
Refers to provisions to the statutory reserve that were made before the legislative amendment in 2006. The statutory reserve is classified as restricted capital and may not be used for the purpose of dividends.

Profit/loss carried forward
Refers to profit or loss brought forward from previous years less dividends.

Translation reserve
Includes translation differences on consolidation of the Group's foreign operations. The branches use Swedish kronor as functional currency since the second quarter of 2015. Since then none change in the translationreserve has been done in the branches.

Changes in equity
See the statement of changes in equity for details on changes in equity during the year.

Change in translation reserve

	31/12/2021	31/12/2020
Opening translation reserve	-22,900	67,473
Translation difference for the year, foreign operations	63,790	-90,373
Closing translation reserve	**40,890**	**-22,900**

Proposed allocation of profits

	31/12/2021	31/12/2020
Profit or loss brought forward	4,986,026,378	5,185,307,426
Profit for the year	979,421,568	826,928,144
Total	**5,965,447,946**	**6,012,235,570**
The Board of Directors propose that these earnings be appropriated as follows (SEK):		
Dividends 524.0 SEK (916.0) per share	262,000,000	458,000,000
Carried forward	5,703,447,946	5,554,235,570
Total	**5,965,447,946**	**6,012,235,570**

The Board believes that the proposed dividend is justifiable with respect to the requirements that the nature, scope and risks of the operations impose on the size of the Parent Company's and the Group's equity, consolidation requirements, liquidity and financial position.

P36 PLEDGED ASSETS, CONTINGENT LIBILITIES AND COMMITMENTS

	31/12/2021	31/12/2020
Lending to credit institutions [1]	128,900	90,000
Lending to the public [2]	2,458,568	2,455,141
Restricted bank deposits [3]	33,828	32,286
Total collateral pledged for own liabilities	**2,621,296**	**2,577,427**
Contingent liabilities	**0**	**0**
Other commitments		
Unutilised credit facilities granted	24,239,177	23,891,248

Unutilised credit granted refers to externally granted credit. All unutilised credit facilities granted are terminable with immediate effect to the extent allowed under the Swedish Consumer Credit Act.

1) Lending to credit institutions refers to funds pledged as collateral for the fulfilment of commitments to payment intermediaries.

2) Relating to securitisation, Issued securities see Note G33.

3) As at 31 December 2021, SEK 31,1 million (29,5) in reserve requirement account at the Bank of Finland and SEK 0.2 million (0.2) in tax account at Norwegian Bank (DNB), and SEK 2.5 million (2,6) in tax account at Danske Bank.

P37 FINANCIAL INSTRUMENTS

31/12/2021		**Fair value at amortised cost**	**Fair value through profit or loss**	**Fair value through other compre-**	**Total carrying amount**
Assets					
Financial assets					
Cash and balances at central banks	215,590			215,590	215,590
Treasury and other bills eligible for refinancing		1,803,015		1,803,015	1,803,015
Lending to credit institutions	4,267,364			4,267,364	4,267,364
Lending to the public	33,392,534			33,392,534	34,038,866
Bonds and other interest-bearing securities		647,948		647,948	647,948
Shares and participations		11,460		11,460	11,460
Derivatives		1,781		1,781	1,781
Other assets	70,698			70,698	70,698
Accrued income	57,906			57,906	57,906
Total financial assets	**38,004,092**	**2,464,204**	**0**	**40,468,296**	**41,114,628**
Shares and participations in Group companies				50,099	
Intangible assets				1,330,443	
Property, plant & equipment				52,587	
Other non-financial assets				280,144	
Total assets	**38,004,092**	**2,464,204**	**0**	**42,181,569**	

31/12/2021	**Fair value through profit or loss**	**Fair value at amortised cost**	**Total carrying amount**	**Fair value**
Liabilities				
Financial liabilities				
Liabilities to credit institutions				
Deposits and borrowing from the public	26,288,192		26,288,192	26,287,930
Derivatives		27,366	27,366	27,366
Other liabilities	2,529,672		2,529,672	2,529,672
Accrued expenses	163,780		163,780	163,780
Issued securities	5,871,893		5,871,893	5,897,348
Subordinated debt	599,511		599,511	610,737
Total financial liabilities	**35,453,048**	**27,366**	**35,480,414**	**35,516,833**
Provisions			18,470	
Other non-financial liabilities			204,737	
Untaxed reserves				
Equity			6,477,948	
Total liabilities and equity	**35,453,048**	**27,366**	**42,181,569**	

FINANCIAL INSTRUMENTS

31/12/2020	Fair value at amortised cost	Fair value through profit or loss	Fair value through other compre-	Total carrying amount	Fair value
Assets					
Financial assets					
Cash and balances at central banks	208,520			208,520	208,520
Treasury and other bills eligible for refinancing		2,283,253		2,283,253	2,283,253
Lending to credit institutions	3,701,645			3,701,645	3,701,645
Lending to the public	30,900,538			30,900,538	31,433,171
Bonds and other interest-bearing securities		669,570		669,570	669,570
Shares and participations		7,287		7,287	7,287
Derivatives		113,272		113,272	113,272
Other assets	46,165			46,165	46,165
Accrued income	45,323			45,323	45,323
Total financial assets	**34,902,191**	**3,073,382**	**0**	**37,975,573**	**38,508,206**
Shares and participations in Group companies				50,099	
Intangible assets				1,365,443	
Property, plant & equipment				50,200	
Other non-financial assets				188,337	
Total assets	**34,902,191**	**3,073,382**	**0**	**39,629,652**	

31/12/2020	Fair value through profit or loss	Fair value at amortised cost	Total carrying amount	Fair value
Liabilities				
Financial liabilities				
Liabilities to credit institutions	107,400		107,400	107,400
Deposits and borrowing from the public	24,873,110		24,873,110	24,873,672
Derivatives		3,659	3,659	3,659
Other liabilities	2,424,237		2,424,237	2,424,237
Accrued expenses	168,166		168,166	168,166
Issued securities	4,297,472		4,297,472	4,312,933
Subordinated debt	798,702		798,702	801,734
Total financial liabilities	**32,669,087**	**3,659**	**32,672,746**	**32,691,801**
Provisions			20,438	
Other non-financial liabilities			195,392	
Untaxed reserves			216,340	
Equity			6,524,736	
Total liabilities and equity	**32,669,087**	**3,659**	**39,629,652**	

FINANCIAL INSTRUMENTS

The table below shows financial instruments measured at fair value, based on classification in the fair value hierarchy.

Levels are defined as follows:
- Listed prices (unadjusted) in active markets for identical assets or liabilities (level 1)
- Other observable inputs for assets or liabilities other than listed prices included in level 1 directly (i.e., price quotations) or indirectly (i.e., derived from price quotations) (level 2)
- Inputs for assets or liabilities that are not based on observable market data (i.e., unobservable inputs) (level 3)

Note G2, Accounting policies provides details on the determination of fair value for financial assets and liabilities at fair value through the statement of financial position. Carrying amounts for current receivables, current liabilities and deposits and loans to the public are deemed to reflect fair value.

	31/12/2021			31/12/2020		
	Level 1	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
Financial assets at fair value through profit or loss:						
Treasury and other bills eligible for refinancing	1,803,015			2,283,253		
Bonds and other interest-bearing securities	647,948			669,570		
Shares and participations			11,460			7,287
Derivatives		1,781			113,272	
Total	**2,450,963**	**1,781**	**11,460**	**2,952,823**	**113,272**	**7,287**
Financial liabilities at fair value through profit or loss:						
Derivatives		-27,366			-3,659	
Total	**0**	**-27,366**	**0**	**0**	**-3,659**	**0**

Changes within level 3

SEK thousand	2021	2020
Shares and participations		
Opening balance	7,287	17,421
Additions during the yeasr	4,092	
Divestments during the year		
Impairment		-10,000
Exchange-rate difference	81	-134
Closing balance	**11,460**	**7,287**

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 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.

For subordinated debts to fellow subsidiary, Solid Försäkrings AB, fair value of issued amount is calculated by using the present value method. The fair value has been classified as level 2.

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

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

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.

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.

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

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.

The derivatives at 31 December 2021 (also applied 31/12/2020) 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.

	Related agreements 31/12/2021				Related agreements 31/12/2020			
	Gross amount in the balance sheet	**Master netting agreement**	**Collateral received/ pledged**	**Net amount**	**Gross amount in the balance sheet**	**Master netting agreement**	**Collateral received/ pledged**	**Net amount**
Derivatives	1,781	-27,366		-25,585	113,272	-3,659	-107,400	2,213
Total assets	**1,781**	**-27,366**	**0**	**-25,585**	**113,272**	**-3,659**	**-107,400**	**2,213**
Derivatives	-27,366	27,366		0	-3,659	3,659		0
Total liabilities	**-27,366**	**27,366**	**0**	**0**	**-3,659**	**3,659**	**0**	**0**

P38 SUBSEQUENT EVENTS

Early repayment of subordinated loan in Resurs Bank AB (publ)
On 17 January 2022, Resurs Bank AB repaid in advance a subordinated loan of SEK 300,000,000 that was issued on 17 January 2017 (See Note G34).

Swedish Financial Supervisory Authority's preliminary assessment of Resurs Bank's credit assessments
Resurs Bank is subject to an investigation by the Swedish Financial Supervisory Authority (Finansinspektionen) for the purpose of examining whether the bank's credit assessments comply with the Swedish Consumer Credit Act and Finansinspektionen's general guidelines regarding consumer credit. The bank received 8 February 2022 a letter from Finansinspektionen according to which Finansinspektionen's preliminary assessment is that Resurs Bank does not base its credit assessments on adequate data and thus is non-compliant with the Consumer Credit Act. Resurs Bank does not share Finansinspektionen's preliminary assessment.

The war in Ukraine
On February 24, Russia launched an invasion of Ukraine. Resurs continuously analyzes the external situation in relation to our suppliers and assesses the risk that the business will be affected given the information that is available and which is confirmed to be known at present. Based on the information Resurs has, the analysis is that few of Resurs' suppliers use resources from Ukraine and none from Russia. As of today, Resurs has no customers in either Russia or Ukraine. Resurs has taken proactive measures to reduce any impact depending on the development we see in the outside world and continuously monitors the situation and its possible effects on the business.

P39 KEY ESTIMATES AND ASSESSMENTS

When preparing financial statements in accordance with IFRS and generally accepted accounting principles, management needs to proactively make certain estimates, assumptions and evaluations. These are based on historical experience and current factors, which are considered fair and reasonable. The results of these professional estimates and assessments affect the reported amounts of assets, liabilities, income and expenses in the financial statements. Actual outcomes may differ from these estimates and assumptions. The Group has made the following critical estimates in applying significant accounting principles:
- classification and measurement of financial instruments
- impairment testing of goodwill and other assets
- provisions of credit losses
- other provisions

Classification and measurement of financial instruments
The accounting principles in Note G2 define the way in which assets and liabilities are to be classified in the various categories. Fair value measurement of financial instruments may lead to some uncertainty, as prevailing interest rates and market conditions may change quickly and affect the value of the asset.

Impairment testing of goodwill and other assets
Goodwill is tested for impairment annually when the annual accounts are prepared or as soon as changes indicate that impairment is requirement, for example, a changed business climate or decision to divest or discontinue operations. Impairment is recognised if the estimated value in use exceeds the carrying amount. A description of impairment testing for the year is provided in Note G24.

Provisions of credit losses
The calculation of credit losses is based on calculating the expected credit losses. The impairment model includes a three-stage model based on changes in the credit quality of financial assets. The assets are divided into three different stages depending on how credit risk has changed since the asset was initially recognised in the balance sheet. Stage 1 encompasses assets for which there has not been a significant increase in credit risk, stage 2 encompasses assets for which there has been a significant increase in credit risk, while stage 3 encompasses defaulted assets.

The provision of expected credit losses for assets is governed by the category to which the assets belong. Provisions are made under stage 1 for expected credit losses within 12 months, while provisions for stage 2 and 3 are made for expected credit losses under the full lifetime of the assets.

Calculations of expected credit losses include forward-looking information based on the macroeconomic outlook. The Group has decided to base the forward-looking calculations on a macroeconomic variable that from a historical perspective has proven to correlate well with changes in the Group's credit losses, see Note G2.

Other provisions
The amount recognised as a provision is the best estimate of the expenditure required to settle a present obligation at the reporting date. Earnings may be affected if an estimate has been made that is not consistent with the actual outcome.

Estimates and assumptions are reviewed on a regular basis. Changes to estimates are recognised in the period of the change if the change affects only that period. Changes are recognised in the period of the change and future periods if the change affects both

SIGNATURES OF THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and the CEO give their assurance that the annual accounts have been prepared in accordance with Generally Accepted Accounting Principles in Sweden, and the consolidated accounts in accordance with International Financial Reporting Standards (IFRSs) as referenced by the European Parliament and the Council directive (EC) 1606/2002 dated 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts give a true and fair view of the Parent Company's and the Group's financial position and results of operations. The Administration Reports for the Parent Company and the Group give a true and fair view of the development of the Parent Company's and the Group's operations, position and results and describe the significant risks and uncertainties to which the Parent Company and the Group companies are exposed.

As specified above, the Parent Company's and the Group's annual accounts were approved for publication by the Board of Directors on 21 March 2022. The income statements and balance sheets will be presented to the Annual General Meeting for approval on 22 April 2022.

Helsingborg 21 March 2022

Nils Carlsson
Chief Executive Officer

The Board of Directors,

Martin Bengtsson
Chairman of the Board

Johanna Berlinde
Member of the Board

Fredrik Carlsson
Member of the Board

Susanne Ehnbåge
Member of the Board

Lars Nordstrand
Member of the Board

Marita Odélius Engström
Member of the Board

Kristina Patek
Member of the Board

Mikael Wintzell
Member of the Board

Our audit report was submitted on 21 March 2022

Ernst & Young AB

Jesper Nilsson
Authorized Public Accountant

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

Auditor's report

To the general meeting of the shareholders of Resurs Bank AB (publ), corporate identity number 516401-0208

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Resurs Bank AB (publ) for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 2-105 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act for Credit Institutions and Securities Companies. Our opinions do not cover the corporate governance statement on pages 8-9 The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Lending to the public and provision for credit losses

Detailed information and description of the area is presented in the annual accounts and consolidated accounts. Credit risk exposure and how it is handled is described in note G3 section Credit risk. The group's reported credit losses are specified in note G16 and the provision for credit losses is specified in note G20. Information concerning the parent company is presented in note P14 and P18. Regarding the area relevant accounting policies for the group, these can be found in note G2, section Credit losses and impairment of financial assets. Note P1 shows that the accounting principles of the parent company concerning credit granting and provision for credit losses correspond with the accounting principles of the group.

Description	*How our audit addressed this key audit matter*
As of 31 December 2021, lending to the public amounts to SEK 33 346 (33 392) SEK million for the group (parent company). Lending to public consists of outstanding gross receivables at the amount of SEK 36 380 (36 425) million less provision for expected credit losses of SEK 3 033 (3 033) million. The Group's model for credit losses is based on IFRS 9. The model for credit losses implies that lending to the public are categorized into three stages depending on the grade of increase of credit risk. In stage 1 the provision for credit losses correspond to expected credit losses the coming 12 months. In stage 2 and 3 the provision for credit losses correspond to expected credit losses during the remaining duration of the credit. The model for credit losses is prospective which implies that the bank estimates the credit risk in each exposure and the loss that could be realized. The model requires the bank to perform judgements and estimates for example of criteria's for defining a significant increase of the credit risk and methods for calculating expected credit losses. As part of the groups estimate also macro-economic factors and other factors not reflected by the model should be included. Lending to the public and provision for credit losses amount to significant amounts. There is a risk that credits are accepted on faulty grounds which could lead to an unwanted credit exposure. Further the calculation of expected credit losses means that the bank performs judgements and estimates. This means that identifying doubtful credits and estimation of impairments have a significant influence on the results and position of the bank and the group. We have therefore considered lending to the public and provision for credit losses to be a key audit matter of the audit.	We have reviewed the bank's process of granting credits. This review includes policies and guidelines, as well as the configuration of the processes focusing on identifying significant risks of errors and controls in order to prevent and detect those kinds of errors. We have evaluated the effectiveness of significant controls and verified that they operate as intended by testing a selection of transactions. We have assessed whether the bank's model for calculating credit losses is in accordance with IFRS 9. We have, among other things, with support from our modelling specialists, evaluated if the company's model of calculating provisions is operating according to the requirements of IFRS 9. We have also tested for the bank relevant controls relating to input to model data, the model and the result of the calculations. We have also, by testing samples assessed the reasonableness of the grouping of lending to public into the different stages. We have also tested the input data to the models. We have assessed supporting assumptions and calculations related to macro-economic factors and other factors not reflected by the model. We have also assessed the disclosures in the financial statements regarding lending to public and provision for credit losses are appropriate.

Goodwill and impairment test

Detailed information and description of the area is presented in the annual report. The group's reported goodwill is specified in note G24 and the parent company's in note P23. Regarding the area relevant accounting policies these can be found in note G2, section Goodwill. Estimates and assessments are described in note G2, section Judgements and estimates in the financial statements and also in note G40 and P39.

Description	*How our audit addressed this key audit matter*
The goodwill as of December 31 2021 amounts to SEK 1 708 million in the group and SEK 1 268 million in parent company. The company tests the book value of goodwill and intangible assets with indefinite useful lives annually and whenever events or changes in circumstances indicate that the carrying amount might not be recoverable. The recoverable amount per cash generating unit is determined based on estimates of value in use using a discounted cash flow model. Anticipated future cash flows are based on the first five years of forecasts of risk-weighted volumes, income, expenses, credit losses and anticipated future capital requirements. The forecasts are based primarily on an internal assessment of the company based on historical performance, market development of future revenue and cost trends, economic conditions, anticipated interest rate and anticipated effects of future regulations. In addition, a forecast is conducted after the first five-year forecast period based on a long-term growth rate assumption. The impairment test in 2021 did not result in an impairment. The calculated recoverable amount is dependent on a number of different variables. The most important variables are the assumption of capital requirement, interest rate and economic trends, future margins, credit losses and cost effectiveness. Considering that goodwill constitutes a significant amount and that the valuation is dependent on judgement we have considered goodwill to be key audit matter of the audit.	In our audit we have evaluated and tested the company´s process for impairment testing, by analyzing earlier accuracy in forecasts and assumptions. We have together with our valuations specialists reviewed the company´s model and method applied for the impairment test and we have evaluated the company's own sensitivity analyses. We have also together with our valuation specialists examined whether the assumptions of the interest rate and the long-term growth are based on marketable assumptions. We have evaluated whether the information in the annual report is appropriate.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or,

if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Resurs Bank AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Resurs Bank AB (publ) for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report ab34b7ad0ddcd3e87ed8cbe55d5f9ba6a69d694ae2dfce57bc8d583c07ab49fc has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the ESEF report*. Our responsibility under this recommendation is described in more detail in the *Auditors' responsibility* section. We are independent of Resurs Bank AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements* and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 8-9 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR´s standard RevR 16 *The auditor´s examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB was appointed auditor of Resurs Bank AB (publ) by the general meeting of the shareholders on the 28 April 2021 and has been the company's auditor since the 29 April 2013

Stockholm 21 March, 2022

Ernst & Young AB

Jesper Nilsson
Authorized Public Accountant