

# Interim Report

January – June 2022



Røsurs

# During the first half of the year

**+11%**

LENDING GROWTH

## SIGNIFICANT EVENTS

- Online retailer Ellos renewed and extended a Nordic partnership agreement with Resurs.
- We extended our ABS financing with JP Morgan Chase Bank – a key part of our diversified financing.
- Resurs acquired Hemma Sverige AB, operations for sustainable home energy investments and green loans.
- Finansinspektionen decided to issue Resurs Bank with a remark and an administrative fine of SEK 50 million. Resurs will appeal the decision in order to gain clarity on the application of the Swedish Consumer Credit Act.

**265%**

LIQUIDITY COVERAGE RATIO  
(REGULATORY REQUIREMENT 100%)

**+16.0%**

TOTAL CAPITAL RATIO  
(REGULATORY REQUIREMENT 12.8%)

“There was high activity in all of our markets in the first half of the year. Lending rose 11 per cent year-on-year and we noted healthy growth in both of our segments. In the end of the period, we extended our partnership with Ellos Group AB and acquired Hemma Sverige AB’s operations and platform for green loans for energy investments in the home.”

**NILS CARLSSON, CEO RESURS BANK AB**

JANUARY – JUNE 2022

## Interim Report

### 1 JANUARY – 30 JUNE 2022\*

- Lending to the public rose 11% to SEK 34,565 million, up 8% in constant currencies.
- Operating income fell 1% to SEK 1 542 million
- The period included a nonrecurring cost of SEK 50 million as a result of Finansinspektionen's decision to issue an administrative fine.
- C/I before credit losses amounted to 41.5% (41.2%), and 44.8% including the administrative fine.
- The credit loss ratio improved to 2.1% (2.4%).
- Earnings before credit losses decreased 7% to SEK 852 million, and 2% including the administrative fine.
- Operating profit rose 1% to SEK 546 million, including the administrative fine a decrease with 8%.

\*\* Certain performance measures provided in this section have not been prepared in accordance with IFRS or the capital adequacy rules, meaning that they are alternative performance measures. Calculations and reconciliation of these performance measures against information in the financial statements are provided on the website under "Financial information." Definitions of performance measures are provided on page 31. In this section, changes and comparative figures refer to the same period in the preceding year. This applies to all other sections of text in this interim report, profit/loss items and cash flow that are compared with the same period in the preceding year. The exception is for financial position for which the comparative figure refers to 30 June 2021.

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

## About Resurs Bank

Resurs Bank (Resurs), is the leader in retail finance in the Nordic region, offering payment solutions, consumer loans and niche insurance products. Since its start in 1977, Resurs Bank has established itself as a leading partner for sales-driven payment and loyalty solutions in retail and e-commerce, and Resurs has thus built a customer base of approximately 6 million private customers in the Nordics. Resurs Bank has had a banking license since 2001 and is under the supervision of the Swedish Financial Supervisory Authority. Resurs operates in Sweden, Denmark, Norway and Finland. At the end of the half year of 2022, the Group had 625 employees and a loan portfolio of SEK 34.6 billion.

## Our partners

We partner with a wide variety of major brands and help them prepare flexible payment options to make shopping easier



## STATEMENT BY THE CEO

# High activity in both of our segments resulted in strong lending growth of 11 per cent

**High activity in all markets.** The first half year can be summarised as an eventful period with high activity in both of our segments and in all of our markets. For example, we initiated a number of new partnerships and extended our collaboration with Ellos Group AB, one of the largest online retailers in the Nordics. During the period, we also acquired Hemma Sverige AB's operations and platform for green loans for energy investments in the home.

**+11%**

### Lending Growth

**Earnings and lending growth.** Lending rose 11 per cent year-on-year and we noted growth in both of our segments and in all of our markets. Operating income for the first half year was with last year at SEK 1,542 million (1,558) of which net income from financial transactions declined to SEK -24 million (2). This was due to the unrealised decline in the value of interest-bearing securities, primarily as a result of market turmoil and volatility in the capital markets. Excluding this, operating income increased marginally year-on-year. The lower growth in income was mainly due to a lower margin in Norway and larger partners and industries in Payment Solutions with lower margins growing more quickly than smaller partners with higher margins.

The C/I ration ended on 41.5 per cent (41.2 per cent) excluding the administrative fine. The credit loss ratio continued to improve compared with last year and amounted to 2.1 per cent (2.4 per cent) and was due to our concerted efforts to improve the underlying credit quality. We are closely monitoring socio-economic developments since higher inflation and rising interest rates affect households' disposable incomes. Operating profit, excluding the administrative fine and net income from financial transactions, increased a total of 6 per cent.

**Extension of partnership with Ellos Group.** Growth in lending for Payment Solutions amounted to 10 per cent and we signed agreements with about 500 agents during the period. We are good at creating flexible and customised solutions together with our partners, which creates value for consumers, partners and us. This was, for example, crucial for Watches of Switzerland, which is now bringing its store concept to the Nordics, when it chose Resurs as a financing partner. The fact that Ellos Group also decided to continue its partnership with us also demonstrates that our customised solutions are appreciated by the very largest online retailers in the Nordics.

ellos

**Competitive e-commerce solution.** We have focused on developing our e-commerce check-out for a long time and we are now ready to assume a larger position in the market. Offering a flexible way of paying by instalments increases conversion in both stores and for online shopping. This is particularly true of large average purchases, such as with our new partner Grohus that sells greenhouses in Norway, Denmark and Sweden online. Our financing solutions are well suited to higher average amounts and provide even more Nordic consumers with the opportunity to invest in their home.

**Improved digital loan journey.** In Consumer Loans, we are continuing to improve the digital loan journey for our private customers and increased sales via our own channels. This resulted in strong growth in lending of 12 per cent. During the period, we expanded the Priority Loan (secured credits), in Norway to up to NOK 1.5 million and we improved the loan journey in Finland by adding a new loan calculator. In Denmark, both we and our industry colleagues were affected by the stricter requirements set by the authorities regarding credit assessments and data used in "left to live on" calculations. During the first half of the year, we improved and automated the customer journey, which resulted in slightly positive sales results towards the end of the period.







**Helping more people invest sustainably.** There is widespread demand for investing in sustainable energy solutions such as solar panels, heat pumps and charging stations for the home. This type of investment reduces the energy consumption of the household, which is positive for both everyday finances and the climate. In light of this, we acquired Hemma Sverige AB's operations, which include a platform for the distribution of green loans for energy investments in the home, at the end of the period. Customers will be presented with the offering through the Resurs Green Loans platform that was launched at the end of the period. The platform will also present consumers with offerings from ten leading solar panel installers, such as 1KOMMA5°, Ekokraft and Svea Solar. Our aim is to continue the development of the platform and enter into more partnerships in sustainable investments so that we can offer consumers the financing solutions and energy investments they need to be sustainable.

**Stable despite uncertain times.** The global economy is characterised by rising inflation and general uncertainty. As a result of higher inflation, many central banks raised their key interest rates during the end of the period. This may impact our financing costs in the future. The central banks are expected to take further measures. We are closely monitoring developments and we expect to gradually pass on higher financing costs to our lending customers.

Our financial and capital positions remain strong and stable. In line with our strategy of long-term diversified financing, we extended our ABS financing with JP Morgan Chase Bank at the end of the period. Entering into a financial agreement of this kind (with unchanged terms), despite the market conditions, demonstrates the very high quality of our underlying assets and is a sign of the trust that the international bank market has in Resurs Bank.

**Unclear application of Consumer Credit Act.** At the end of the period, the Swedish Financial Supervisory Authority (Finansinspektionen) completed its investigation into the credit assessment processes of a number of different players in

the consumer credit market. One of the results was that Finansinspektionen decided to issue Resurs Bank with a remark and an administrative fine of SEK 50 million since Finansinspektionen was of the opinion that we had not complied with the Consumer Credit Act. In order to bring about clarity in the application of the Act, the Board of Directors of Resurs Bank decided in July to appeal the decision to the Administrative Court. In parallel, we are taking action to fully comply with the requirements announced by Finansinspektionen and we do not currently believe that this will have any discernible impact on our operations or our financial performance measures.

**Responsible credit lending the core of our business.** We completely agree with Finansinspektionen's view that responsible credit lending is important and central for counteracting over-indebtedness, which is also why we welcome a review of the industry. We always perform a thorough assessment of our customers' repayment capacity and, as a result, our credit losses are low. It is important that private individuals have the opportunity to take out loans and credits when the need arises to balance their finances due to different conditions during a life cycle. This is an important cornerstone of a functioning society. At the same time, it also imposes strict requirements that we, as the creditor, grant loans and credits in a responsible manner, and show due care for customers and their private finances so that they do not borrow more than they are ultimately able to manage financially. We take this responsibility very seriously and it is extremely important for us since it is the basis of our business.

**Transformation journey continuing.** Our transformation to become a more competitive bank that meets the future needs and expectations of the Nordic market is continuing. We have a well-defined and ambitious plan towards 2024 in which we will continuously realise strategically important projects. We are developing digital, sustainable and competitive services that add value for both our partners and private individuals and are implementing initiatives for a more responsible credit market through Resurs Society. I am convinced that this will lead to higher profitable growth and more people considering us to be a personal, simple, responsible and innovative bank.

**Nils Carlsson, CEO Resurs Bank AB**

## Performance measures

SEKM UNLESS OTHERWISE SPECIFIED	JAN-JUN 2022	JAN-JUN 2021	CHANGE	JAN-DEC 2021
Operating income	1,542	1,558	-1%	3,086
Operating profit	496	542	-8%	1,167
Operating profit excl. nonrecurring items	546	542	1%	1,465
Net profit for the period	379	423	-10%	947
Net profit for the period excl. nonrecurring items	429	423	1%	880
C/I before credit losses, %*	44.8	41.2		41.3
C/I before credit losses, excl. nonrecurring items, %*	41.5	41.2		41.3
Common Equity Tier 1 ratio, %	14.4	15.2		14.8
Total capital ratio, %	16.0	17.4		16.3
Lending to the public	34,565	31,148	11%	33,347
NIM, %*	7.5	8.4		7.9
Risk-adjusted NBI margin, %*	7.0	7.6		7.6
NBI-margin, %*	9.1	10.0		9.6
Credit loss ratio, %*	2.1	2.4		2.0
Return on equity excl. intangible assets (RoTE), %*	14.8	16.0		18.2
Return on equity excl. intangible assets, (RoTE), excl. nonrecurring items, %*	16.6	16.0		15.7

\* 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 of these performance measures against information in the financial statements are provided on the website under "Financial information." Definitions of all performance measures are provided on page 31.

## Performance measures business lines

### PAYMENT SOLUTIONS

SEKM UNLESS OTHERWISE SPECIFIED	JAN-JUN 2022	JAN-JUN 2021	CHANGE	JAN-DEC 2021
Lending to the public at end of the period	11,711	10,688	10%	11,463
Operating income	603	633	-5%	1,239
Operating income less credit losses	530	553	-4%	1,074
Risk-adjusted NBI margin, %	9.2	10.2		9.6
Credit loss ratio, %	1.2	1.5		1.5

### CONSUMER LOANS

SEKM UNLESS OTHERWISE SPECIFIED	JAN-JUN 2022	JAN-JUN 2021	CHANGE	JAN-DEC 2021
Lending to the public at end of the period	22,854	20,460	12%	21,884
Operating income	939	924	2%	1,847
Operating income less credit losses	656	631	4%	1,367
Risk-adjusted NBI margin, %	5.9	6.3		6.5
Credit loss ratio, %	2.5	2.9		2.3



## Group results\*

### First half of the year 2022, January – June

#### OPERATING INCOME

The Group's operating income declined 1 per cent to SEK 1,542 million (1,558). Excluding net income from financial transactions, operating income increased 1 per cent compared with last year.

Net interest income decreased 2 per cent to SEK 1,275 million (1,296), interest income totalled SEK 1,465 million (1,480) and interest expense amounted to SEK -190 million (-184). The slightly lower interest income was largely due to lower margins in Norway and larger partners and industries in Payment Solutions with lower margins growing more quickly than smaller partners with higher margins. The increase in interest expense was mainly due to higher financing volumes.

Fee & commission income amounted to SEK 226 million (199) and fee & commission expenses to SEK -38 million (-39), resulting in total net commission of SEK 187 million (161). The higher fee & commission income was mainly due to society reopening after the pandemic and our strong sales growth.

**1%**

Operating income for the period <sup>1)</sup>

Net income from financial transactions was SEK -24 million (2) due to the decline in value of interest-bearing securities, primarily as a result of market turmoil and volatility in capital markets. Other operating income, mainly comprising remuneration from lending operations, amounted to SEK 104 million (99).

#### OPERATING EXPENSES

The Group's expenses before credit losses excluding the administrative fine increased marginally to SEK -640 million (-642). Viewed in relation to the operations' income, the cost level (excluding the administrative fine) stable at 41.5 per

cent (41.2 per cent). Credit losses improved at SEK -355 million (-374) and the credit loss ratio to 2.1 per cent (2.4 per cent). Credit losses for the period decreased both in absolute terms and as a percentage of lending, was due to the improved credit quality in the loan portfolio. The risk-adjusted NBI margin totalled 7.0 per cent (7.6 per cent).

#### PROFIT

The profit decreased with 8 per cent to SEK 496 million (542), excluding the administrative fine the profit increased 1 per cent. Tax expense for the period amounted to SEK -117 million (-119). Net profit for the period amounted to SEK 379 million (423).

**41,5%**

C/I ratio <sup>1)</sup>

#### WAR IN UKRAINE

Russia launched an invasion of Ukraine on 24 February. Resurs is continuously analysing the external situation in regard to our suppliers and believes there to be a low risk that the operations will be affected given the information available and that is confirmed at the current time. A small number of Resurs's suppliers make use of resources from Ukraine, but none from Russia. As per today, Resurs does not have any customers in either Russia or Ukraine. We have taken proactive measures to reduce any potential impact related to the developments we can see in the external environment.

#### COVID-19

Resurs is continuously monitoring the external situation and following the authorities' restrictions. No restrictions are currently in place in our Nordic markets.

1) Excluding net income from financial transactions and administrative fine

#### LENDING TO THE PUBLIC BY COUNTRY, NET



**49%**  
Sweden



**19%**  
Norway



**19%**  
Finland



**13%**  
Denmark

## Financial position on 30 June 2022\*

**Comparative figures for this section refer to 31 December 2021, except for cash flow for which the comparative figure refers to the same period in the preceding year.**

The Group's financial position is strong and on 30 June 2022, the capital base amounted to SEK 5,392 million (5,345) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. The total capital ratio was 16.0 per cent (16.3 per cent) and the Common Equity Tier 1 ratio was 14.4 per cent (14.8 per cent).

Due to COVID-19, the authorities in the Nordic countries decided in spring 2020 to reduce the countercyclical capital buffer. The authorities have now announced that they will gradually introduce increases until the countercyclical requirements are at pre-COVID-19 levels. In June 2022, Norway decided to raise its buffer requirements for Norwegian exposures from 1 per cent to 1.5 per cent, which meant that Resurs's countercyclical buffer provision increased from 0.2 per cent to 0.3 per cent.

Lending to the public amounted to SEK 34,565 million (33,347) on 30 June 2022, representing a 4 per cent increase, and a 2 per cent increase excluding currency effects. The specification of lending on 30 June 2022 was as follows: Sweden 49 per cent, Norway 19 per cent, Denmark 13 per cent and Finland 19 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.

Deposits from the public on 30 June 2022 amounted to SEK 28,320 million (26,287). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 7,280 million (7,872). Liquidity remained extremely healthy, and the

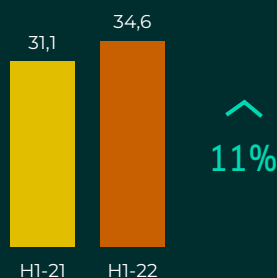
liquidity coverage ratio (LCR) was 265 per cent (240) in the consolidated situation. The minimum statutory LCR is 100 per cent. Lending to credit institutions on 30 June 2022 amounted to SEK 4,006 million (4,366). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,667 million (2,451). In June, the bank also extended its ABS financing with JP Morgan Chase Bank with a financial framework of SEK 2 billion. The Group has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 2,053 million (1,979) and primarily comprised the goodwill that arose in the acquisition of Finaref and Danaktiv in 2014 and yA Bank in 2015.

Cash flow from operating activities amounted to SEK 1,021 million (711). Cash flow from deposits amounted to SEK 1,995 million (966) and the net change in investment assets totalled SEK -232 million (171). Cash flow from investing activities for the year totalled SEK -96 million (-35) and cash flow from financing activities was SEK -1,162 million (-80).

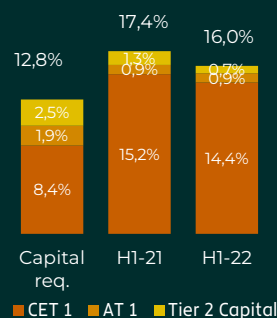
**265%**  
Liquidity coverage ratio  
(Statutory requirement 100%)

### LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

### CAPITAL POSITION, CONSOLIDATED SITUATION



## Increase in travel segment provides solid basis for continued growth

### FIRST HALF OF 2022, JANUARY-JUNE

**Continuing desire to travel.** Following almost a half year of eased pandemic restrictions Nordic region, we could again report increasing sales growth in Payment Solutions, with the travel industry continuing its positive trend and exceeding both previous half year and the periods before the pandemic. The first half year was also a strong period for other industries such as the automotive aftermarket, construction and gardening, and home-related investments.

Watches of Switzerland opened its first store in the Nordics in June and we are proud that they chose Resurs as their financing partner for their entire future Nordic venture with a customer-friendly offering of instalment payments for quality designer watches.

**Extended partnership with Ellos Group.** An agreement on an extended partnership with Ellos Group was signed at the end of the period, a sign of strength and confirmation that our solutions are appreciated by one of the largest online retailers in the Nordics. Together with a long-shared history, this forms the basis for an enriching and rewarding partnership to continue.

**Online financing.** Offering flexible payment options increases the conversion for our partners and strengthens the purchasing power of customers, irrespective of whether the offering is in store or online. An example of this is our new partnership with Grohus, a leading player in its niche, which sells greenhouses online. Our convenient financing solutions are well-suited and help enhance the customer experience.

**Resurs Card increases its tempo.** Sales for the first half of the year increased compared with the start of the year in line with consumers being able to book experiences and trips and go out to restaurants, which over time has a positive contribution to both our loan portfolio and our margin. This is a clear trend in terms of both activation of our existing card customers and sales of cards to brand new customers, which is one of the results of the new market positioning of Resurs Cards.

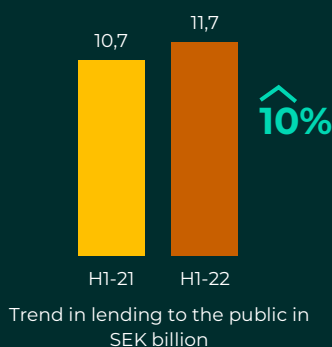
**Financial performance.** Lending to the public on 30 June 2022 increased 10 per cent to SEK 11,711 million (10,688). Operating income amounted to SEK 603 million (633), down 5 per cent compared with same period last year. Credit losses for the period improved both in absolute terms and as a percentage of lending, which is an effect of improved credit quality in the loan portfolio. The risk-adjusted NBI margin decreased to 9.2 per cent (10.2 per cent), due to the lower NBI margin.

### ABOUT PAYMENT SOLUTIONS

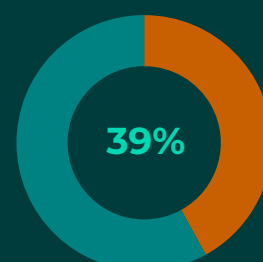
The Payment Solutions segment comprises the retail finance, credit cards and factoring areas. Within retail finance, Resurs is the leading partner for sales-driving finance, payment and loyalty solutions in the Nordic region.

Credit cards includes the Resurs Card (formerly Supreme Card) as well as cards that enable retail finance partners to promote their own brands.

### LENDING TO THE PUBLIC



### PERCENTAGE OF OPERATING INCOME, JAN-JUN 2022



## CONSUMER LOANS

# Increased focus on profitability and own channels

### FIRST HALF OF 2022, JANUARY–JUNE

Growth for Consumer Loans in the first half of the year was 12 per cent year-on-year. With a continuing strong loan portfolio, higher profitability ahead of volume growth is now a priority for the future, together with strengthening sales in own channels and launching new products on the market.

**Sales record in Swedish market.** A new sales record was achieved during the period and lending growth was strong. Profitability was stable with healthy growth in both internal and external sales channels.

**Focus on strengthening customer loyalty in the Norwegian market.** Growth in lending in the Norwegian market was favourable compared with last year. New sales margins for the year were lower than the margins in the existing portfolio, which had a negative effect on the NBI margin as a whole. With a stable loan portfolio, higher profitability will be prioritised over volume growth in the future. The Priority Loan, meaning secured credits, was developed further during the period to ensure that Resurs has a competitive offering. The credit limit was raised to NOK 1.5 million and a number of new loan broker integrations were carried out.

**Strong growth in Finland.** Resurs noted lower demand than previously in Finland during the second part of the period. The main reasons are considered to be the uncertainty regarding the trend in interest rates and higher inflation. Although the market reported lower demand in second part of the period, sales and growth in lending in the Finnish portfolio were strong. This was because improvements made in in-house sales channels in Sweden during the beginning of the year have now also been implemented in Finland. An example of an improvement is the launch of a new loan calculator that increases conversion.

**Slightly positive sales trend in Denmark.** During the period, Resurs focused on automating the customer journey and

improving the process for collecting external customer data. Sales started to display a slightly positive trend towards the end of the period. Pending an enhanced customer journey, Resurs is being restrictive with its marketing and primarily working to ensure profitable sales.

**Continued focus on financing solutions for energy investments in the home.** During the period, Resurs completed the acquisition of Hemma's operations and platform for green loans. The platform will enable private individuals to make investments in sustainable energy solutions by offering simple financing solutions for investments in solar panels and heat pumps, for example. In parallel, Resurs is also entering partnerships with about ten leading solar panel installation companies in Sweden, including 1KOMMA5°, Ekokraft and Svea Solar. Customers will be offered financing by all of the partners using Resurs's green loan platform.

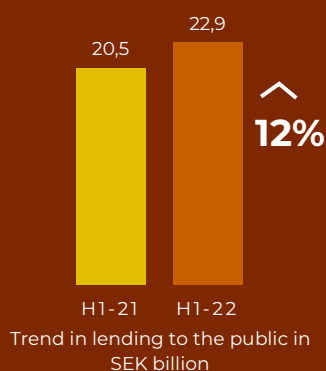
**Financial performance.** Lending to the public at 30 June 2022 amounted to SEK 22,854 million (20,460). Operating income for the first half of the year increased 2 per cent to SEK 939 million (924). Operating income less credit losses rose 4 per cent to SEK 656 million (631). Credit losses for the half-year improved both in absolute terms and as a percentage of lending, which is an effect of improved credit quality in the loan portfolio. The risk-adjusted NBI margin was 5.9 per cent (6.3 per cent).

### ABOUT CONSUMER LOANS

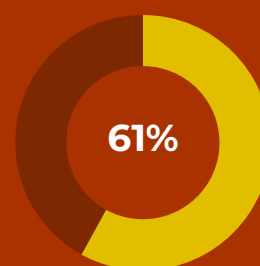
Consumer Loans' customers are offered unsecured loans.

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



### PERCENTAGE OF OPERATING INCOME, JAN-JUN 2022





## Significant events

### **Resurs acquires operations for sustainable home energy investments**

Resurs wants to provide more private individuals with the opportunity to invest in sustainable energy solutions for their homes and acquired the operations of Hemma Sverige AB in June, which include a platform for the distribution of green loans.

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

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

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

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

### **Resurs bank and payer entering a strategic partnership to develop subscription solutions for the nordic retail market**

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

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

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

### **Early repayment of subordinated loan in Resurs Bank**

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

## After the end of the period

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

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



## Other information

### RISK- OCH KAPITALHANTERING

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

### INFORMATION OM VERKSAMHETEN

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

### EMPLOYEES

There were 625 full-time employees within the Group on 30 June 2022, compared with the same period last year the number of employees has fallen by 41, which was due to retirement and redundancies.

**625 ST**

number of employees



## The Board's assurance

This interim report has not been audited.

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

**Helsingborg, 20 July 2022**

### Nils Carlsson

Nils Carlsson, CEO

Board of Directors,

### Martin Bengtsson

Martin Bengtsson

### Fredrik Carlsson

Fredrik Carlsson

### Susanne Ehnåge

Susanne Ehnåge

### Magnus Fredin

Magnus Fredin

### Lars Nordstrand

Lars Nordstrand

### Marita O Engström

Marita Odélius Engström

### Kristina Patek

Kristina Patek

### Mikael Wintzell

Mikael Wintzell

# Summary financial statements — Group

## Condensed income statement

SEK thousand	Note	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Interest income	G5	1,464,785	1,480,148	2,899,172
Interest expense	G5	-189,647	-183,935	-364,019
Fee & commission income		225,587	199,346	417,858
Fee & commission expense		-38,483	-38,627	-70,500
Net income/expense from financial transactions		-24,398	1,902	3,145
Other operating income	G6	103,836	98,864	200,698
<b>Total operating income</b>		<b>1,541,680</b>	<b>1,557,698</b>	<b>3,086,354</b>
General administrative expenses	G7	-612,140	-560,981	-1,113,919
Depreciation, amortisation and impairment of intangible and tangible fixed assets		-41,953	-41,091	-82,150
Other operating expenses		-36,072	-39,613	-77,953
<b>Total expenses before credit losses</b>		<b>-690,165</b>	<b>-641,685</b>	<b>-1,274,022</b>
<b>Earnings before credit losses</b>		<b>851,515</b>	<b>916,013</b>	<b>1,812,332</b>
Credit losses, net	G8	-355,292	-374,142	-644,924
<b>Operating profit/loss</b>		<b>496,223</b>	<b>541,871</b>	<b>1,167,408</b>
Income tax expense		-117,249	-118,826	-220,094
<b>Net profit for the period</b>		<b>378,974</b>	<b>423,045</b>	<b>947,314</b>
<b>Attributable to Resurs Bank AB shareholders</b>		<b>378,974</b>	<b>423,045</b>	<b>947,314</b>

## Statement of comprehensive income

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Net profit for the period</b>	<b>378,974</b>	<b>423,045</b>	<b>947,314</b>
<b>Other comprehensive income that will be reclassified to profit/loss</b>			
Translation differences for the period, foreign operations	6,637	42,709	76,395
<b>Total comprehensive income for the period</b>	<b>385,611</b>	<b>465,754</b>	<b>1,023,709</b>
<b>Attributable to Resurs Bank AB shareholders</b>	<b>385,611</b>	<b>465,754</b>	<b>1,023,709</b>



## Condensed statement of financial position

SEK thousand	Note	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Assets</b>				
Cash and balances at central banks		222,783	215,590	212,184
Treasury and other bills eligible for refinancing		2,026,700	1,803,015	2,152,806
Lending to credit institutions		4,006,129	4,366,290	4,428,261
Lending to the public	G9	34,565,032	33,346,940	31,147,972
Bonds and other interest-bearing securities		640,455	647,948	639,194
Shares and participating interests		14,222	11,460	11,421
Intangible fixed assets		2,052,500	1,979,082	1,901,565
Tangible assets		112,028	122,226	128,686
Other assets		369,386	269,953	210,181
Prepaid expenses and accrued income		160,884	137,181	128,403
<b>TOTAL ASSETS</b>		<b>44,170,119</b>	<b>42,899,685</b>	<b>40,960,673</b>
<b>Liabilities, provisions and equity</b>				
<b>Liabilities and provisions</b>				
Liabilities to credit institutions				500
Deposits and borrowing from the public		28,319,634	26,286,626	25,203,171
Other liabilities		691,405	821,912	794,437
Accrued expenses and deferred income		359,006	222,386	313,239
Other provisions	G10	18,425	18,470	20,455
Issued securities		7,279,508	7,871,893	6,876,836
Subordinated debt		299,643	599,511	599,103
<b>Total liabilities and provisions</b>		<b>36,967,621</b>	<b>35,820,798</b>	<b>33,807,741</b>
<b>Equity</b>				
Share capital		500,000	500,000	500,000
Other paid-in capital		2,175,000	2,175,000	2,175,000
Translation reserve		47,480	40,843	7,157
Retained earnings incl. profit for the year		4,480,018	4,363,044	4,470,775
<b>Total equity</b>		<b>7,202,498</b>	<b>7,078,887</b>	<b>7,152,932</b>
<b>TOTAL LIABILITIES, PROVISIONS AND EQUITY</b>		<b>44,170,119</b>	<b>42,899,685</b>	<b>40,960,673</b>

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

## Statement of changes in equity

SEK thousand

	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit for the year	Total equity
<b>Initial equity at 1 January 2021</b>	<b>500,000</b>	<b>2,175,000</b>	<b>-35,552</b>	<b>4,505,730</b>	<b>7,145,178</b>
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-458,000	<b>-458,000</b>
Net profit for the year				423,045	<b>423,045</b>
Other comprehensive income for the year			42,709		<b>42,709</b>
<b>Equity at 30 June 2021</b>	<b>500,000</b>	<b>2,175,000</b>	<b>7,157</b>	<b>4,470,775</b>	<b>7,152,932</b>
<b>Initial equity at 1 January 2021</b>	<b>500,000</b>	<b>2,175,000</b>	<b>-35,552</b>	<b>4,505,730</b>	<b>7,145,178</b>
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-458,000	<b>-458,000</b>
Dividends according to Extraordinary General Meeting				-632,000	<b>-632,000</b>
Net profit for the year				947,314	<b>947,314</b>
Other comprehensive income for the year			76,395		<b>76,395</b>
<b>Equity at 31 December 2021</b>	<b>500,000</b>	<b>2,175,000</b>	<b>40,843</b>	<b>4,363,044</b>	<b>7,078,887</b>
<b>Initial equity at 1 January 2022</b>	<b>500,000</b>	<b>2,175,000</b>	<b>40,843</b>	<b>4,363,044</b>	<b>7,078,887</b>
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-262,000	<b>-262,000</b>
Net profit for the year				378,974	<b>378,974</b>
Other comprehensive income for the year			6,637		<b>6,637</b>
<b>Equity at 30 June 2022</b>	<b>500,000</b>	<b>2,175,000</b>	<b>47,480</b>	<b>4,480,018</b>	<b>7,202,498</b>

All equity is attributable to Parent Company shareholders.

## Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Operating activities</b>			
Operating profit	496,223	1,167,408	541,871
- of which, interest received	1,464,356	2,896,825	1,480,169
- of which, interest paid	-134,009	-360,888	-116,702
Adjustments for non-cash items in operating profit	484,810	737,255	487,890
Tax paid	-286,837	-405,018	-225,694
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>694,196</b>	<b>1,499,645</b>	<b>804,067</b>
<b>Changes in operating assets and liabilities</b>			
Lending to the public	-1,082,703	-2,483,218	-313,531
Other assets	-344,585	-89,813	12,819
Liabilities to credit institutions		-107,400	-106,900
Deposits and borrowing from the public	1,995,197	966,066	65,860
Acquisition of investment assets <sup>1)</sup>	-1,324,495	-3,131,431	-2,055,164
Divestment of investment assets <sup>1)</sup>	1,092,349	3,654,153	2,226,539
Other liabilities	-8,670	64,526	77,295
<b>Cash flow from operating activities</b>	<b>1,021,289</b>	<b>372,528</b>	<b>710,985</b>
<b>Investing activities</b>			
Acquisition of intangible and tangible fixed assets	-96,397	-113,333	-35,057
Divestment of intangible and tangible fixed assets	607	170	117
<b>Cash flow from investing activities</b>	<b>-95,790</b>	<b>-113,163</b>	<b>-34,940</b>
<b>Financing activities</b>			
Dividends paid	-262,000	-1,090,000	-458,000
Issued securities	-600,000	1,572,196	578,349
Subordinated debt	-300,000	-200,000	-200,000
<b>Cash flow from financing activities</b>	<b>-1,162,000</b>	<b>282,196</b>	<b>-79,651</b>
<b>Cash flow for the year</b>	<b>-236,501</b>	<b>541,561</b>	<b>596,394</b>
Cash & cash equivalents at beginning of the year <sup>2)</sup>	4,581,880	4,027,094	4,027,094
Exchange rate differences	-116,467	13,225	16,956
<b>Cash &amp; cash equivalents at end of the year<sup>2)</sup></b>	<b>4,228,912</b>	<b>4,581,880</b>	<b>4,640,444</b>
<b>Adjustment for non-cash items in operating profit</b>			
Credit losses	355,292	644,924	374,142
Depreciation, amortisation and impairment of intangible and tangible fixed assets	41,953	82,150	41,091
Profit/loss tangible assets	-255	-321	-118
Profit/loss on investment assets	26,651	3,660	1,315
Change in provisions	-506	-2,414	-272
Adjustment to interest paid/received	60,575	10,563	72,006
Currency effects	-358	-4,341	-1,690
Other items that do not affect liquidity	1,458	3,034	1,416
<b>Sum non-cash items in operating profit</b>	<b>484,810</b>	<b>737,255</b>	<b>487,890</b>

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

<sup>2)</sup> 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 flow items		30 Jun 2022
			Accrued acquisition costs	Exchange rate differences	
Issued securities	7,871,893	-600,000	1,326	6,289	7,279,508
Subordinated debt	599,511	-300,000	132		299,643
<b>Total</b>	<b>8,471,404</b>	<b>-900,000</b>	<b>1,458</b>	<b>6,289</b>	<b>7,579,151</b>

# Notes to the condensed financial statements

## G1. Accounting principles

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

No new IFRS or IFRIC interpretations, effective as from 1 January 2021, have had any material impact on the Group.

For detailed accounting principles for the Group, see the Annual report for 2020.

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

The interim information on pages 4-40 comprises an integrated component of this financial report.

## G2. Financing - Consolidated situation

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

The main type of financing remains deposits from the public. This type of financing has been offered to customers in Sweden, Norway and Germany. Deposits, which are analysed on a regular basis, totalled SEK 28,285 million (26,202), whereof in Sweden SEK 11,971 million (11,394), in Norway SEK 6,024 million (6,102) and in Germany SEK 10,289 million (8,705). The lending to the public/deposits from the public ratio for the consolidated situation is 122 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 10,000 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. At 30 June 2022 the program has eleven outstanding issues at a nominal amount of SEK 4,500 million (5,400) and NOK 1,050 million (1,050). Of the eleven issues, ten are senior unsecured bonds and two issues are a subordinated loan of SEK 00 million (600). Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

Resurs Bank has been awarded the credit rating BBB with stable outlook from the rating company Nordic Credit Rating (NCR). Access to Nordic Credit Ratings analyses can be found on the website [www.nordiccreditrating.com](http://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 has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 30 June 2022 a total of approximately SEK 2.5 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing.

Since 2021 there is a binding requirement for Net stable funding ratio (NSFR) according to EU regulations. The requirement implies having stable funding sufficient to cover one year of financing needs, both in normal and stressful conditions. As a minimum requirement, the rate shall amount to 100 %. In the consolidated situation the rate amounts to 114% (117%) on the closing date.

## Liquidity - Consolidated situation

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

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

Liquidity comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. The main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,400 million. Apart from the liquidity reserve, there is an intraday liquidity requirement of at least 4 per cent of deposits from the public, a minimum SEK 800 million. There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 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 5,000 million (5,172) for the consolidated situation. Accordingly, total liquidity amounted to SEK 6,936 million (7,070) corresponds to 25 per cent (27 per cent) of deposits from the public. The Group also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) for the consolidated situation is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 30 June 2022, the ratio for the consolidated situation is 265 per cent (240 per cent). For the period January to June 2022, the average LCR measures 254 per cent for the consolidated situation.

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



## Summary of liquidity – Consolidated situation

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Liquidity reserve as per FFFS 2010:7 definition</b>			
Securities issued by sovereigns	183,159	179,334	177,935
Securities issued by municipalities	1,046,164	1,054,883	965,900
Lending to credit institutions	65,000	15,000	95,000
Bonds and other interest-bearing securities	641,143	648,607	639,582
<b>Summary Liquidity reserve as per FFFS 2010:7</b>	<b>1,935,466</b>	<b>1,897,824</b>	<b>1,878,417</b>
<b>Other liquidity portfolio</b>			
Cash and balances at central banks	222,783	215,590	212,184
Lending to credit institutions	799,205	570,349	1,010,206
Bonds and other interest-bearing securities	3,978,054	4,386,086	4,371,227
<b>Total other liquidity portfolio</b>	<b>5,000,042</b>	<b>5,172,025</b>	<b>5,593,617</b>
<b>Total liquidity portfolio</b>	<b>6,935,508</b>	<b>7,069,849</b>	<b>7,472,034</b>
<b>Other liquidity-creating measures</b>			
Unutilised credit facilities	51,570	51,270	49,710

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

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

### Liquid assets according to LCR

30/06/2021

SEK thousand	Total	SEK	EUR	DKK	NOK
<b>Level 1 assets</b>					
Cash and balances with central banks	189,316		125,106		64,210
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	183,159		121,987	29,342	31,830
Securities issued by municipalities and PSEs	1,845,369	1,529,323	73,299		242,747
Extremely high quality covered bonds	556,399	319,625	148,902		87,872
<b>Level 2 assets</b>					
High quality covered bonds	84,745				84,745
<b>Total liquid assets</b>	<b>2,858,988</b>	<b>1,848,948</b>	<b>469,294</b>	<b>29,342</b>	<b>511,404</b>

31/12/2021

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

Additional information on the Group's management of liquidity risks is available in the Group's 2020 Annual report.

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Total liquid assets</b>	<b>2,858,988</b>	<b>2,637,643</b>	<b>2,975,828</b>
<b>Net liquidity outflow</b>	<b>1,059,387</b>	<b>1,078,916</b>	<b>998,025</b>
<b>LCR measure</b>	<b>265%</b>	<b>240%</b>	<b>292%</b>

### G3. Capital adequacy - Consolidated situation

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

he 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 amounted to 0.3 per cent

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have communicated that there will be gradual increases until requirements are reverted back to levels before covid-19. In June 2022 Norway increased their counter-cyclical buffer requirements from 1 percent to 1,5 percent, which implies an increase of 0,1 percentage to 0,3 percent to the consolidated situation. During the remainder of 2022 the counter-cyclical buffer requirements are expected to increase with 0,8 percentage, to 1,1 percent, following increases in Sweden, Denmark and Norway.

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 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). The counterparty risk is calculated using the simplified standardised method. External rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities.

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

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

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

### Capital base

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Common Equity Tier 1 capital</b>			
<b>Equity</b>			
Equity, Group	7,202,498	7,078,887	7,152,932
<b>Equity according to balance sheet</b>	<b>7,202,498</b>	<b>7,078,887</b>	<b>7,152,932</b>
Foreseeable dividend	-184,000	-262,000	-600,098
Additional Tier 1 instruments	300,000	300,000	300,000
Additional/deducted equity in the consolidated situation	-193,569	-177,717	-81,428
<b>Equity, consolidated situation</b>	<b>7,124,929</b>	<b>6,939,170</b>	<b>6,771,406</b>
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect	84,685	169,371	169,371
<i>Less:</i>			
Additional value adjustments	-2,686	-2,464	-2,821
Intangible fixed assets	-2,052,500	-1,979,082	-1,901,565
Additional Tier 1 instruments classified as equity	-300,000	-300,000	-300,000
Shares in subsidiaries	-1,863	-1,863	-145
<b>Total Common Equity Tier 1 capital</b>	<b>4,852,565</b>	<b>4,825,132</b>	<b>4,736,246</b>
<b>Tier 1 capital</b>			
Common Equity Tier 1 capital	4,852,565	4,825,132	4,736,246
Additional Tier 1 instruments	300,000	300,000	300,000
<b>Total Tier 1 capital</b>	<b>5,152,565</b>	<b>5,125,132</b>	<b>5,036,246</b>
<b>Tier 2 capital</b>			
Dated subordinated loans	239,078	219,464	396,497
<b>Total Tier 2 capital</b>	<b>239,078</b>	<b>219,464</b>	<b>396,497</b>
<b>Total capital base</b>	<b>5,391,643</b>	<b>5,344,596</b>	<b>5,432,743</b>

## Specification of risk-weighted exposure amount and capital requirements

SEK thousand	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>
Exposures to institutions	853,445	68,276	928,633	74,291	944,383	75,551
Exposures to corporates	358,236	28,659	292,072	23,366	309,523	24,762
Retail exposures	23,532,191	1,882,575	22,776,334	1,822,107	21,228,564	1,698,285
Exposures secured by mortgages in real estate	2,181	175				
Exposures in default	2,973,585	237,887	2,925,566	234,045	2,781,224	222,498
Exposures in the form of covered bonds	63,982	5,119	64,730	5,178	63,856	5,108
Equity exposures	14,208	1,137	11,449	916	215,410	17,233
Other items	863,874	69,110	710,699	56,856	477,010	38,161
<b>Total credit risks</b>	<b>28,661,701</b>	<b>2,292,937</b>	<b>27,709,483</b>	<b>2,216,759</b>	<b>26,019,970</b>	<b>2,081,598</b>
<b>Credit valuation adjustment risk</b>	<b>37,204</b>	<b>2,976</b>	<b>40,688</b>	<b>3,255</b>	<b>39,507</b>	<b>3,161</b>
<b>Market risk</b>						
Currency risk						
<b>Operational risk (standard methods)</b>	<b>4,977,927</b>	<b>398,234</b>	<b>4,977,927</b>	<b>398,234</b>	<b>5,089,268</b>	<b>407,141</b>
<b>Total riskweighted exposure and total capital requirement</b>	<b>33,676,832</b>	<b>2,694,147</b>	<b>32,728,098</b>	<b>2,618,248</b>	<b>31,148,745</b>	<b>2,491,900</b>
Concentration risk		284,252		282,211		261,405
Interest rate risk		400,802		141,326		21,474
Currency risk		1,293		2,739		810
<b>Total Tier 2 capital requirement</b>		<b>686,347</b>		<b>426,276</b>		<b>283,689</b>
Capital conservation buffer		841,921		818,202		778,719
Countercyclical capital buffer		93,604		61,581		58,255
<b>Total capital requirement Capital buffers</b>		<b>935,525</b>		<b>879,784</b>		<b>836,974</b>
<b>Total capital requirement</b>		<b>4,316,019</b>		<b>3,924,308</b>		<b>3,612,563</b>

<sup>1)</sup> Capital requirement information is provided for exposure classes that have exposures.

## Regulatory capital requirements

	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,515,457	4.5	1,472,764	4.5	1,401,694	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	386,070	1.1	239,780	0.7	159,575	0.5
Combined buffer requirement	935,525	2.8	879,784	2.7	836,974	2.7
<b>Total Common Equity Tier 1 capital requirements</b>	<b>2,837,053</b>	<b>8.4</b>	<b>2,592,328</b>	<b>7.9</b>	<b>2,398,243</b>	<b>7.7</b>
<b>Common Equity Tier 1 capital</b>	<b>4,852,565</b>	<b>14.4</b>	<b>4,825,132</b>	<b>14.8</b>	<b>4,736,246</b>	<b>15.2</b>
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	2,020,610	6.0	1,963,686	6.0	1,868,925	6.0
Other Tier 1 capital requirements (Pillar 2)	514,760	1.5	319,708	1.0	212,767	0.7
Combined buffer requirement	935,525	2.8	879,784	2.7	836,974	2.7
<b>Total Tier 1 capital requirements</b>	<b>3,470,895</b>	<b>10.3</b>	<b>3,163,177</b>	<b>9.7</b>	<b>2,918,665</b>	<b>9.4</b>
<b>Tier 1 capital</b>	<b>5,152,565</b>	<b>15.3</b>	<b>5,125,132</b>	<b>15.7</b>	<b>5,036,246</b>	<b>16.2</b>
Capital requirements under Article 92 CRR (Pillar 1)	2,694,147	8.0	2,618,248	8.0	2,491,900	8.0
Other capital requirements (Pillar 2)	686,347	2.0	426,276	1.3	283,689	0.9
Combined buffer requirement	935,525	2.8	879,784	2.7	836,974	2.7
<b>Total capital requirement</b>	<b>4,316,018</b>	<b>12.8</b>	<b>3,924,307</b>	<b>12.0</b>	<b>3,612,563</b>	<b>11.6</b>
<b>Total capital base</b>	<b>5,391,643</b>	<b>16.0</b>	<b>5,344,596</b>	<b>16.3</b>	<b>5,432,743</b>	<b>17.4</b>

## Capital ratio and capital buffers

	30 Jun 2022	31 Dec 2021	30 Jun 2021
Common Equity Tier 1 ratio, %	14.4	14.8	15.2
Tier 1 ratio, %	15.3	15.7	16.2
Total capital ratio, %	16.0	16.3	17.4
Institution specific buffer requirements,%	2.8	2.7	2.7
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	0.3	0.2	0.2
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.0	7.0	8.9

## Leverage ratio

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

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

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Tier 1 capital	5,152,565	5,125,132	5,036,246
Leverage ratio exposure	44,831,738	43,532,138	41,370,857
Leverage ratio, %	11.5	11.8	12.2



## G4. Segment reporting

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

The development of the segment is evaluated at the operating income, less credit losses, net. Segment reporting is based on the same principles as those used for the consolidated financial statements. Assets monitored by the CEO refer to lending to the public.

### Jan-Jun 2022

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	462,143	1,002,642	1,464,785
Interest expense	-61,694	-127,953	-189,647
Provision income	165,599	59,988	225,587
Provision expenses	-38,483		-38,483
Net income/expense from financial transactions	-9,699	-14,699	-24,398
Other operating income	84,710	19,126	103,836
<b>Total operating income</b>	<b>602,576</b>	<b>939,104</b>	<b>1,541,680</b>
<i>of which, internal</i>	<i>2,183</i>	<i>493</i>	<i>2,676</i>
Credit losses, net	-72,298	-282,994	-355,292
<b>Operating income less credit losses</b>	<b>530,278</b>	<b>656,110</b>	<b>1,186,388</b>

### Jan-Jun 2021

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	506,041	974,107	1,480,148
Interest expense	-62,128	-121,807	-183,935
Provision income	148,973	50,373	199,346
Provision expenses	-38,627		-38,627
Net income/expense from financial transactions	770	1,132	1,902
Other operating income	78,440	20,425	98,865
<b>Total operating income</b>	<b>633,469</b>	<b>924,230</b>	<b>1,557,699</b>
<i>of which, internal</i>			<i>0</i>
Credit losses, net	-80,659	-293,483	-374,142
<b>Operating income less credit losses</b>	<b>552,810</b>	<b>630,747</b>	<b>1,183,557</b>

### Jan-Dec 2021

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

### Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Total Group
30 Jun 2022	11,710,981	22,854,051	34,565,032
31 Dec 2021	11,462,542	21,884,398	33,346,940
30 Jun 2021	10,687,514	20,460,458	31,147,972

## G5. Net interest income/expense

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Interest income</b>			
Lending to credit institutions		169	
Lending to the public	1,461,697	1,478,797	2,896,849
Interest-bearing securities	3,088	1,182	2,323
<b>Total interest income</b>	<b>1,464,785</b>	<b>1,480,148</b>	<b>2,899,172</b>
<b>Interest expense</b>			
Liabilities to credit institutions	-2,987	-3,521	-7,168
Deposits and borrowing from the public	-123,639	-125,003	-240,933
Issued securities	-54,961	-42,004	-87,756
Subordinated debt	-1,154	-2,095	-4,375
Other liabilities	-6,906	-11,312	-23,787
<b>Total interest expense</b>	<b>-189,647</b>	<b>-183,935</b>	<b>-364,019</b>
<b>Net interest income/expense</b>	<b>1,275,138</b>	<b>1,296,213</b>	<b>2,535,153</b>

## G6. Other operating income

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Other income, lending to the public	81,930	72,180	147,862
Other operating income	21,906	26,684	52,836
<b>Total operating income</b>	<b>103,836</b>	<b>98,864</b>	<b>200,698</b>

## G7. General administrative expenses

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Personnel expenses	-254,112	-274,028	-534,446
Postage, communication and notification expenses	-66,981	-62,986	-129,357
IT expenses	-127,166	-108,647	-222,579
Cost of premises	-7,590	-9,082	-21,048
Consultant expenses	-32,351	-31,038	-65,781
Other	-123,940	-75,200	-140,708
<b>Total general administrative expenses</b>	<b>-612,140</b>	<b>-560,981</b>	<b>-1,113,919</b>

## G8. Credit losses, net

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Provision of credit reserves</b>			
Stage 1	-1,043	-13,073	-8,557
Stage 2	15,102	-1,960	72,060
Stage 3	-73,562	124,630	-43,670
<b>Total</b>	<b>-59,503</b>	<b>109,597</b>	<b>19,833</b>
<b>Provision of credit reserves off balance (unutilised limit)</b>			
Stage 1	273	1,947	2,312
Stage 2	228	-1,645	-2,306
Stage 3			
<b>Total</b>	<b>501</b>	<b>302</b>	<b>6</b>
Write-offs of stated credit losses for the period	-298,634	-484,134	-665,301
Recoveries of previously confirmed credit losses	2,344	93	538
<b>Total</b>	<b>-296,290</b>	<b>-484,041</b>	<b>-664,763</b>
<b>Credit losses</b>	<b>-355,292</b>	<b>-374,142</b>	<b>-644,924</b>
<i>off which lending to the public</i>	<i>-355,793</i>	<i>-374,444</i>	<i>-644,930</i>

## G9. Lending to the public

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Retail sector	37,370,070	36,081,604	33,705,541
Corporate sector	368,319	299,227	358,067
<b>Total lending to the public, gross</b>	<b>37,738,389</b>	<b>36,380,831</b>	<b>34,063,608</b>
Stage 1	29,140,689	28,105,869	25,454,118
Stage 2	3,103,955	2,975,290	3,651,420
Stage 3	5,493,745	5,299,672	4,958,070
<b>Total lending to the public, gross</b>	<b>37,738,389</b>	<b>36,380,831</b>	<b>34,063,608</b>
<b>Less provision for anticipated credit losses</b>			
Stage 1	-229,178	-223,471	-225,441
Stage 2	-360,218	-366,542	-437,033
Stage 3	-2,583,961	-2,443,878	-2,253,162
<b>Total anticipated credit losses</b>	<b>-3,173,357</b>	<b>-3,033,891</b>	<b>-2,915,636</b>
Stage 1	28,911,511	27,882,398	25,228,677
Stage 2	2,743,737	2,608,748	3,214,387
Stage 3	2,909,784	2,855,794	2,704,908
<b>Total net lending to the public</b>	<b>34,565,032</b>	<b>33,346,940</b>	<b>31,147,972</b>

## G10. Other provisions

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Reporting value at the beginning of the year	18,470	20,438	20,438
Provision made during the year	-502	-11	-279
Exchange rate differences	457	-1,957	296
<b>Total</b>	<b>18,425</b>	<b>18,470</b>	<b>20,455</b>
Provision of credit reserves, unutilised limit, Stage 1	15,680	15,568	15,739
Provision of credit reserves, unutilised limit, Stage 2	2,073	2,224	1,531
Other provisions	672	678	3,185
<b>Reported value at the end of the year</b>	<b>18,425</b>	<b>18,470</b>	<b>20,455</b>

## G11. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Collateral pledged for own liabilities</b>			
Lending to credit institutions	188,354	178,494	139,558
Lending to the public <sup>1)</sup>	2,456,872	2,458,568	2,463,081
Restricted bank deposits <sup>2)</sup>	35,693	33,828	32,090
<b>Total collateral pledged for own liabilities</b>	<b>2,680,919</b>	<b>2,670,890</b>	<b>2,634,729</b>
<b>Contingent liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other commitments</b>			
Unutilised credit facilities granted	25,366,167	24,239,177	23,783,716
<b>Total other commitments</b>	<b>25,366,167</b>	<b>24,239,177</b>	<b>23,783,716</b>

<sup>1)</sup> Refers to securitisation.

<sup>2)</sup> As at 30 June 2022 SEK 33,468 thousand (31,122) refers to the requirement account at the Bank of

## G12. Related-party transactions

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

Companies with significant influence through direct or indirect ownership of the Resurs Group also have controlling or significant influence of NetOnNet AB, with which the Resurs Group conducted significant transactions during the period. .

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

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

### Transactions with Parent Company

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Interest expense	-25	-31	
Other operating income	2,676	2,676	5,352
General administrative expenses	-7,584	-8,570	-13,781
SEK thousand	30 Jun 2021	31 dec 2021	30 Jun 2021
Other liabilities	-3,137	-2,177	-1,762
Deposits and borrowing from the public	-34,924	-84,924	-84,869

### Transactions with other Group Companies

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Interest expense		-2,319	
Interest expense	4		
Fee & commission income		114,208	
Other operating income		6,834	
General administrative expenses		-869	
SEK thousand	30 Jun 2021	31 dec 2021	30 Jun 2021
Deposits and borrowing from the public	721	-1,566	-202,351
Other liabilities	-50,375		-36,835
Subordinated debt			

### Transactions with other companies with significant influence

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Processing fees	-38,166	-36,475	-85,716
Interest expense – deposits and borrowing from the public	-55	-216	-398
General administrative expenses		-496	-501
SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Lending to public		29	13
Deposits and borrowing from the public	-134,179	-160,052	-147,397
Other liabilities	-14,879	-18,656	-13,390

### Transactions with key persons

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Interest expense – deposits and borrowing from the public	-26	-22	-39
SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Lending to public	-5	2	8
Deposits and borrowing from the public	-10,076	-10,076	-7,019

## G13. Financial instruments

SEK thousand	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets</b>						
<b>Financial assets</b>						
Cash and balances at central banks	222,783	222,783	215,590	215,590	212,184	212,184
Treasury and other bills eligible for refinancing	2,026,700	2,026,700	1,803,015	1,803,015	2,152,806	2,152,806
Lending to credit institutions	4,006,129	4,006,129	4,366,290	4,366,290	4,428,261	4,428,261
Lending to the public	34,565,032	35,142,705	33,346,940	33,993,272	31,147,972	31,737,228
Bonds and other interest-bearing securities	640,455	640,455	647,948	647,948	639,194	639,194
Shares and participating interests	14,222	14,222	11,460	11,460	11,421	11,421
Derivatives	4,387	4,387	1,781	1,781	17,601	17,601
Other assets	68,083	68,083	70,182	70,182	60,156	60,156
Accrued income	80,931	80,931	57,906	57,906	59,286	59,286
<b>Total financial assets</b>	<b>41,628,722</b>	<b>42,206,395</b>	<b>40,521,112</b>	<b>41,167,444</b>	<b>38,728,881</b>	<b>39,318,137</b>
Intangible fixed assets	2,052,500		1,979,082		1,901,565	
Tangible assets	112,028		122,226		128,686	
Other non-financial assets	376,869		277,265		201,541	
<b>Total assets</b>	<b>44,170,119</b>		<b>42,899,685</b>		<b>40,960,673</b>	

SEK thousand	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
<b>Liabilities</b>						
<b>Financial liabilities</b>						
Liabilities to credit institutions					500	500
Deposits and borrowing from the public	28,319,634	28,292,068	26,286,626	26,286,364	25,203,171	25,202,909
Derivatives	52,286	52,286	27,366	27,366	9,149	9,149
Other liabilities	467,370	467,370	528,298	528,298	501,650	501,650
Accrued expenses	282,653	282,653	163,780	163,780	274,758	274,758
Issued securities	7,279,508	7,142,613	7,871,893	7,899,667	6,876,836	6,912,539
Subordinated debt	299,643	296,799	599,511	610,737	599,103	613,110
<b>Total financial liabilities</b>	<b>36,701,094</b>	<b>36,533,789</b>	<b>35,477,474</b>	<b>35,516,212</b>	<b>33,465,167</b>	<b>33,514,615</b>
Provisions	18,425		18,470		20,455	
Other non-financial liabilities	248,103		324,854		322,119	
Equity	7,202,498		7,078,887		7,152,932	
<b>Total equity and liabilities</b>	<b>44,170,119</b>		<b>42,899,685</b>		<b>40,960,673</b>	

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

## Financial instruments

### Financial assets and liabilities at fair value

SEK thousand	30 Jun 2022			31 Dec 2021			30 Jun 2021		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
<b>Financial assets at fair value</b>									
Treasury and other bills eligible for refinancing	2,026,700			1,803,015			2,152,806		
Bonds and other interest-bearing securities	640,455			647,948			639,194		
Shares and participating interests			14,222			11,460			11,421
Derivatives		4,387			1,781			17,601	
<b>Total</b>	<b>2,667,155</b>	<b>4,387</b>	<b>14,222</b>	<b>2,450,963</b>	<b>1,781</b>	<b>11,460</b>	<b>2,792,000</b>	<b>17,601</b>	<b>11,421</b>
<b>Financial liabilities at fair value through profit or loss:</b>									
Derivatives		-52,286			-27,366			-9,149	
<b>Total</b>	<b>0</b>	<b>-52,286</b>	<b>0</b>	<b>0</b>	<b>-27,366</b>	<b>0</b>	<b>0</b>	<b>-9,149</b>	<b>0</b>

### Changes in level 3

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Shares and participating interests</b>			
Opening balance	11,460	7,287	7,287
Investments during the period	2,652	4,092	4,092
Depreciation			
Exchange-rate fluctuations	110	81	42
<b>Closing balance</b>	<b>14,222</b>	<b>11,460</b>	<b>11,421</b>

### Determination of fair value of financial instruments

#### Level 1

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

#### Level 2

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

#### Level 3

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

### Financial instruments measured at fair value for disclosure purposes

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

For 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.

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. Most of the derivatives at 31 December 2021 were covered by the ISDA Credit Support Annex, which means that collateral is obtained and provided in the form of bank deposits between the parties.

Assets for the derivative agreements total to SEK 4 million (2) while liabilities total SEK 52 million (27). Collateral corresponding to SEK 49 million (39) was provided and received SEK 0 million (0), that had a net effect on lending to credit institutions of SEK 49 million (39) and liabilities to credit institutions total SEK 0 million (0).



## Definitions

### **C/I before credit losses<sup>1)</sup>**

Expenses before credit losses in relation to operating income.

### **Capital base<sup>2)</sup>**

The sum of Tier 1 capital and Tier 2 capital.

### **Common equity tier 1 capital<sup>2)</sup>**

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, %<sup>2)</sup>**

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

### **Credit loss ratio, %<sup>1)</sup>**

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

### **Lending to the public, excl. exchange rate differences<sup>1)</sup>**

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

### **NBI-margin, %<sup>1)</sup>**

Operating income in relation to the average balance of lending to

### **Net interest income/expense<sup>1)</sup>**

Interest income less interest expenses, see note G5.

### **Nonrecurring costs<sup>1)</sup>**

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

### **NIM, %<sup>1)</sup>**

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

### **Return on equity excl. Intangible fixed assets, (ROTE), %<sup>1)</sup>**

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

### **Risk adjusted NBI-margin,%<sup>1)</sup>**

NBI-margin adjusted for credit loss ratio.

### **Tier 1 capital<sup>2)</sup>**

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

### **Tier 2 capital<sup>2)</sup>**

Tier 2 capital comprises dated or perpetual subordinated loans.

### **Total capital ratio, %<sup>2)</sup>**

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

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

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

# Parent company

## Income statement

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
Interest income	1,464,030	1,479,979	2,898,923
Lease income	1,087	1,200	2,031
Interest expense	-189,247	-183,537	-363,111
Fee & commission income	225,587	199,346	417,858
Fee & commission expense	-38,483	-38,627	-70,500
Net income/expense from financial transactions	-24,312	1,903	3,143
Other operating income	103,635	98,870	200,711
<b>Total operating income</b>	<b>1,542,297</b>	<b>1,559,134</b>	<b>3,089,055</b>
General administrative expenses	-703,228	-602,926	-1,226,322
Depreciation, amortisation and impairment of intangible and tangible fixed assets	-59,806	-62,072	-122,882
Other operating expenses	-36,072	-39,613	-77,953
<b>Total expenses before credit losses</b>	<b>-799,106</b>	<b>-704,611</b>	<b>-1,427,157</b>
<b>Earnings before credit losses</b>	<b>743,191</b>	<b>854,523</b>	<b>1,661,898</b>
Credit losses, net	-355,320	-374,131	-644,853
<b>Operating profit/loss</b>	<b>387,871</b>	<b>480,392</b>	<b>1,017,045</b>
Appropriations			216,340
Income tax expense	-103,876	-114,760	-253,963
<b>Net profit for the period</b>	<b>283,995</b>	<b>365,632</b>	<b>979,422</b>
<b>Attributable to Resurs Bank AB shareholders</b>	<b>283,995</b>	<b>365,632</b>	<b>979,422</b>

## Statement of comprehensive income

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Net profit for the period</b>	<b>283,995</b>	<b>365,632</b>	<b>979,422</b>
<b>Other comprehensive income that will be reclassified to profit/loss</b>			
Translation differences for the period, foreign operations	5,890	36,460	63,790
<b>Comprehensive income for the period</b>	<b>289,885</b>	<b>402,092</b>	<b>1,043,212</b>
<b>Attributable to Resurs Bank AB shareholders</b>	<b>289,885</b>	<b>402,092</b>	<b>1,043,212</b>

## Balance sheet

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Assets</b>			
Cash and balances at central banks	222,783	215,590	212,184
Treasury and other bills eligible for refinancing	2,026,700	1,803,015	2,152,806
Lending to credit institutions	3,909,293	4,267,364	4,332,906
Lending to the public	34,610,931	33,392,534	31,192,239
Bonds and other interest-bearing securities	640,455	647,948	639,194
Shares and participating interests	14,222	11,460	11,421
Shares and participating interests, in Group companies	50,099	50,099	50,099
Intangible fixed assets	1,294,808	1,330,443	1,351,968
Tangible assets	56,083	52,587	45,758
Other assets	368,704	269,303	210,318
Prepaid expenses and accrued income	164,622	141,226	132,582
<b>TOTAL ASSETS</b>	<b>43,358,700</b>	<b>42,181,569</b>	<b>40,331,475</b>
<b>Liabilities, provisions and equity</b>			
<b>Liabilities and provisions</b>			
Liabilities to credit institutions			500
Deposits and borrowing from the public	28,321,193	26,288,192	25,204,737
Other liabilities	2,575,188	2,703,169	2,631,431
Accrued expenses and deferred income	358,910	222,386	313,245
Other provisions	18,425	18,470	20,455
Issued securities	5,279,508	5,871,893	4,876,836
Subordinated debt	299,643	599,511	599,103
<b>Total liabilities and provisions</b>	<b>36,852,867</b>	<b>35,703,621</b>	<b>33,646,307</b>
<b>Untaxed reserves</b>			<b>216,340</b>
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	500,000	500,000	500,000
Statutory reserve	12,500	12,500	12,500
<b>Unrestricted equity</b>			
Fair value reserve	46,780	40,890	13,560
Retained earnings	5,662,558	4,945,136	5,577,136
Net profit for the year	283,995	979,422	365,632
<b>Total equity</b>	<b>6,505,833</b>	<b>6,477,948</b>	<b>6,468,828</b>
<b>TOTAL LIABILITIES, PROVISIONS AND EQUITY</b>	<b>43,358,700</b>	<b>42,181,569</b>	<b>40,331,475</b>

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

## Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Translation reserve	Retained earnings	Profit/loss for the year	Total equity
<b>Initial equity at 1 January 2021</b>	<b>500,000</b>	<b>12,500</b>	<b>-22,900</b>	<b>5,208,208</b>	<b>826,928</b>	<b>6,524,736</b>
<i>Owner transactions</i>						<b>0</b>
Dividends paid according to General Meeting				-458,000		<b>-458,000</b>
Appropriation of profits according to resolution by Annual General Meeting				826,928	-826,928	<b>0</b>
Net profit for the period					365,632	<b>365,632</b>
Other comprehensive income for the year			36,460			<b>36,460</b>
<b>Equity at 30 June 2021</b>	<b>500,000</b>	<b>12,500</b>	<b>13,560</b>	<b>5,577,136</b>	<b>365,632</b>	<b>6,468,828</b>
<b>Initial equity at 1 January 2021</b>	<b>500,000</b>	<b>12,500</b>	<b>-22,900</b>	<b>5,208,208</b>	<b>826,928</b>	<b>6,524,736</b>
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-458,000		<b>-458,000</b>
Dividends according to Extraordinary General Meeting				-632,000		<b>-632,000</b>
Appropriation of profits according to resolution by Annual General Meeting				826,928	-826,928	<b>0</b>
Net profit for the period					979,422	<b>979,422</b>
Other comprehensive income for the year			63,790			<b>63,790</b>
<b>Equity at 31 December 2021</b>	<b>500,000</b>	<b>12,500</b>	<b>40,890</b>	<b>4,945,136</b>	<b>979,422</b>	<b>6,477,948</b>
<b>Initial equity at 1 January 2022</b>	<b>500,000</b>	<b>12,500</b>	<b>40,890</b>	<b>4,945,136</b>	<b>979,422</b>	<b>6,477,948</b>
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-262,000		<b>-262,000</b>
Appropriation of profits according to resolution by Annual General Meeting				979,422	-979,422	<b>0</b>
Net profit for the period					283,995	<b>283,995</b>
Other comprehensive income for the year			5,890			<b>5,890</b>
<b>Equity at 30 June 2022</b>	<b>500,000</b>	<b>12,500</b>	<b>46,780</b>	<b>5,662,558</b>	<b>283,995</b>	<b>6,505,833</b>

## Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2022	Jan-Dec 2021	Jan-Jun 2021
<b>Operating activities</b>			
Operating profit	387,871	1,017,045	480,392
- of which, interest received	1,465,031	1,478,046	1,480,000
- of which, interest paid	-133,605	-180,406	-116,299
Adjustments for non-cash items in operating profit	510,242	778,927	508,531
Tax paid	-286,815	-405,015	-225,692
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>	<b>611,298</b>	<b>1,390,957</b>	<b>763,231</b>
<b>Changes in operating assets and liabilities</b>			
Lending to the public	-1,083,036	-2,486,544	-315,590
Other assets	-328,120	-90,453	13,213
Liabilities to credit institutions		-107,400	-106,900
Deposits and borrowing from the public	1,995,190	966,057	65,851
Acquisition of investment assets 1)	-1,327,146	-3,135,524	-2,059,261
Divestment of investment assets 1)	1,095,000	3,658,246	2,230,633
Other liabilities	-14,293	106,801	112,018
<b>Cash flow from operating activities</b>	<b>948,893</b>	<b>302,140</b>	<b>703,195</b>
<b>Investing activities</b>			
Acquisition of intangible and tangible fixed assets	-21,956	-26,237	-6,697
Divestment of intangible and tangible fixed assets	646	1,649	1,126
<b>Cash flow from investing activities</b>	<b>-21,310</b>	<b>-24,588</b>	<b>-5,571</b>
<b>Financing activities</b>			
Dividends paid	-262,000	-1,089,999	-458,000
Shareholder's contributions	-600,000	1,572,015	578,349
Issued securities	-300,000	-200,000	-200,000
<b>Cash flow from financing activities</b>	<b>-1,162,000</b>	<b>282,016</b>	<b>-79,651</b>
<b>Cash flow for the period</b>	<b>-234,417</b>	<b>559,568</b>	<b>617,973</b>
Cash & cash equivalents at beginning of the year <sup>2)</sup>	4,482,957	3,910,165	3,910,165
Exchange rate differences	-116,464	13,221	16,952
<b>Cash &amp; cash equivalents at end of the year<sup>2)</sup></b>	<b>4,132,076</b>	<b>4,482,954</b>	<b>4,545,090</b>
<b>Adjustment for non-cash items in operating profit</b>			
Credit losses	355,320	644,853	374,131
Depreciation, amortisation and impairment of intangible and tangible fixed assets	59,806	122,882	62,072
Profit/loss tangible assets	-255	-321	-118
Profit/loss on investment assets <sup>1)</sup>	26,651	3,660	1,315
Change in provisions	-506	-2,414	-272
Adjustment to interest paid/received	62,009	10,977	72,011
Currency effects	-530	-3,925	-2,026
Depreciation, amortisation and impairment of shares			
Other items that do not affect liquidity	7,747	3,215	1,418
<b>Sum non-cash items in operating profit</b>	<b>510,242</b>	<b>778,927</b>	<b>508,531</b>

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

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

## P1. Accounting principles

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

## P2. Financing

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

The main type of financing remains deposits from the public. This type of financing has been offered to customers in Sweden, Norway and Germany. Deposits, which are analysed on a regular basis, totalled SEK 28,321 million (26,288), whereof in Sweden SEK 12,008 million (11,480), in Norway SEK 6,024 million (6,102) and in Germany SEK 10,289 million (8,705). The lending to the public/deposits from the public ratio is 122 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 10,000 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. Resurs Bank has primarily issued bonds in Sweden but also in Norway. The programme has eleven outstanding issues at a nominal amount of SEK 4,500 million (5,400) and NOK 1,050 million (1,050). Of the eleven issues, ten are senior unsecured bonds and two issues are a subordinated loan of SEK 300 million (600).

Resurs Bank has been awarded the credit rating BBB with stable outlook from the rating company Nordic Credit Rating (NCR). Access to Nordic Credit Ratings analyses can be found on the website [www.nordiccreditrating.com](http://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 has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 30 June 2022 a total of approximately SEK 2.5 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing.

Since 2021 there is a binding requirement for Net stable funding ratio (NSFR) according to EU regulations. The requirement implies having stable funding sufficient to cover one year of financing needs, both in normal and stressful conditions. As a minimum requirement, the rate shall amount to 100 %. In the consolidated situation the rate amounts to 116% (118%) on the closing date.

## Liquidity

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

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

Liquidity comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. The main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,400 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 1,935 million (1,898), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7) and applicable amendments thereto for Resurs Bank. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, Resurs Bank has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 4,866 million (5,038). Accordingly, total liquidity amounted to SEK 6,802 million (6,936). Total liquidity corresponded to 24 per cent (26 per cent) of deposits from the public. The Bank also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) for the consolidated situation is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 30 June 2022 the ratio for the consolidated situation is 265 per cent (240 per cent). For the period January to June 2022, the average LCR measures 253 per cent.

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



## Summary of liquidity

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Liquidity reserve as per FFFS 2010:7 definition</b>			
Securities issued by sovereigns	183,159	179,334	177,935
Securities issued by municipalities	1,046,164	1,054,883	965,900
Lending to credit institutions	65,000	15,000	95,000
Bonds and other interest-bearing securities	641,143	648,607	639,582
<b>Summary Liquidity reserve as per FFFS 2010:7</b>	<b>1,935,466</b>	<b>1,897,824</b>	<b>1,878,417</b>
<b>Other liquidity portfolio</b>			
Cash and balances at central banks	222,783	215,590	212,184
Securities issued by municipalities	799,205	570,349	1,010,206
Lending to credit institutions	3,844,293	4,252,364	4,237,906
<b>Bonds and other interest-bearing securities</b>	<b>4,866,281</b>	<b>5,038,303</b>	<b>5,460,296</b>
<b>Total liquidity portfolio</b>	<b>6,801,747</b>	<b>6,936,127</b>	<b>7,338,713</b>
<b>Other liquidity-creating measures</b>			
Unutilised credit facilities	51,570	51,270	49,710

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

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

### Liquid assets according to LCR

30/06/2022

SEK thousand	Total	SEK	EUR	DKK	NOK
<b>Level 1 assets</b>					
Cash and balances with central banks	189,316		125,106		64,210
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	183,159		121,987	29,342	31,830
Securities issued by municipalities and PSEs	1,845,369	1,529,323	73,299		242,747
Extremely high quality covered bonds	556,399	319,625	148,902		87,872
<b>Level 2 assets</b>					
High quality covered bonds	84,745				84,745
<b>Total liquid assets</b>	<b>2,858,988</b>	<b>1,848,948</b>	<b>469,294</b>	<b>29,342</b>	<b>511,404</b>

2021-12-31

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

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

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Total liquid assets</b>	<b>2,858,988</b>	<b>2,637,643</b>	<b>2,975,828</b>
<b>Net liquidity outflow</b>	<b>1,059,387</b>	<b>1,078,916</b>	<b>998,025</b>
<b>LCR measure</b>	<b>265%</b>	<b>240%</b>	<b>292%</b>

### P3.Capital adequacy

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

he 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 amounted to 0.3 per cent

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have communicated that there will be gradual increases until requirements are reverted back to levels before covid-19. In June 2022 Norway increased their counter-cyclical buffer requirements from 1 percent to 1,5 percent, which implies an increase of 0,1 percentage to 0,3 percent to the consolidated situation. During the remainder of 2022 the counter-cyclical buffer requirements are expected to increase with 0,8 percentage, to 1,1 percent, following increases in Sweden, Denmark and Norway.

### Capital base

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Tier 1 capital</b>			
Equity	6,505,833	6,477,948	6,468,828
Foreseeable dividend	-184,000	-262,000	-632,098
Untaxed reserves (78% thereof)			168,745
<b>Equity</b>	<b>6,321,833</b>	<b>6,215,948</b>	<b>6,005,475</b>
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect	84,685	169,371	169,371
<i>Less:</i>			
Additional value adjustments	-2,686	-2,464	-2,821
Intangible assets	-1,294,808	-1,330,443	-1,351,968
<b>Total Common Equity Tier 1 capital</b>	<b>5,109,024</b>	<b>5,052,412</b>	<b>4,820,057</b>
<b>Total Tier 1 capital</b>	<b>5,109,024</b>	<b>5,052,412</b>	<b>4,820,057</b>
<b>Tier 2 capital</b>			
Dated subordinated loans	299,643	299,539	599,103
<b>Total Tier 2 capital</b>	<b>299,643</b>	<b>299,539</b>	<b>599,103</b>
<b>Total capital base</b>	<b>5,408,667</b>	<b>5,351,951</b>	<b>5,419,160</b>

Resurs 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 consolidated situation are weighted and divided between 17 different exposure classes.

The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risk. The capital requirement for operational risk is calculated by the 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). The counterparty risk is calculated using the simplified standardised method. External rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities.

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

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

## Specification of risk-weighted exposure amount and capital requirements

SEK thousand	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>	Risk-weighted exposure amount	Capital requirement <sup>1)</sup>
Exposures to institutions	826,693	66,135	901,889	72,151	917,719	73,417
Exposures to corporates	407,790	32,623	341,666	27,333	359,081	28,726
Retail exposures	23,532,191	1,882,575	22,776,334	1,822,107	21,228,564	1,698,285
Exposures secured by mortgages in real estate	2,181	175				
Exposures in default	2,973,585	237,887	2,925,566	234,045	2,781,224	222,498
Exposures in the form of covered bonds	63,982	5,119	64,730	5,178	63,856	5,108
Equity exposures	64,307	5,145	61,548	4,924	61,509	4,921
Other items	763,826	61,106	612,139	48,972	365,765	29,262
<b>Total credit risks</b>	<b>28,634,554</b>	<b>2,290,765</b>	<b>27,683,872</b>	<b>2,214,710</b>	<b>25,777,718</b>	<b>2,062,217</b>
<b>Credit valuation adjustment risk</b>	<b>37,204</b>	<b>2,976</b>	<b>40,688</b>	<b>3,255</b>	<b>39,507</b>	<b>3,161</b>
<b>Market risk</b>						
Currency risk						
<b>Operational risk (standard methods)</b>	<b>4,998,021</b>	<b>399,842</b>	<b>4,998,021</b>	<b>399,842</b>	<b>5,089,268</b>	<b>407,141</b>
<b>Total riskweighted exposure and total capital requirement</b>	<b>33,669,779</b>	<b>2,693,583</b>	<b>32,722,581</b>	<b>2,617,807</b>	<b>30,906,493</b>	<b>2,472,519</b>
Concentration risk		284,524		282,493		259,535
Interest rate risk		400,725		138,557		22,667
Currency risk		1,293		2,739		810
<b>Total Tier 2 capital requirement</b>		<b>686,542</b>		<b>423,789</b>		<b>283,012</b>
<b>Capital buffers</b>						
Capital conservation buffer		841,744		818,065		772,662
Countercyclical capital buffer		93,586		61,568		58,304
<b>Total capital requirement Capital buffers</b>		<b>935,330</b>		<b>879,633</b>		<b>830,966</b>
<b>Total capital requirement</b>		<b>4,315,456</b>		<b>3,921,229</b>		<b>3,586,497</b>

<sup>1)</sup> Capital requirement information is provided for exposure classes that have exposures.

## Regulatory capital requirements

	30 Jun 2022		31 Dec 2021		30 Jun 2021	
	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,515,140	4.5	1,472,516	4.5	1,390,792	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	386,180	1.1	238,381	0.7	159,194	0.5
Combined buffer requirement	935,330	2.8	879,633	2.7	830,966	2.7
<b>Total Common Equity Tier 1 capital requirements</b>	<b>2,836,650</b>	<b>8.4</b>	<b>2,590,530</b>	<b>7.9</b>	<b>2,380,952</b>	<b>7.7</b>
<b>Common Equity Tier 1 capital</b>	<b>5,109,024</b>	<b>15.2</b>	<b>5,052,412</b>	<b>15.4</b>	<b>4,820,057</b>	<b>15.6</b>
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	2,020,187	6.0	1,963,355	6.0	1,854,390	6.0
Other Tier 1 capital requirements (Pillar 2)	514,907	1.5	317,842	1.0	212,259	0.7
Combined buffer requirement	935,330	2.8	879,633	2.7	830,966	2.7
<b>Total Tier 1 capital requirements</b>	<b>3,470,424</b>	<b>10.3</b>	<b>3,160,830</b>	<b>9.7</b>	<b>2,897,615</b>	<b>9.4</b>
<b>Tier 1 capital</b>	<b>5,109,024</b>	<b>15.2</b>	<b>5,052,412</b>	<b>15.4</b>	<b>4,820,057</b>	<b>15.6</b>
Capital requirements under Article 92 CRR (Pillar 1)	2,693,582	8.0	2,617,806	8.0	2,472,519	8.0
Other capital requirements (Pillar 2)	686,542	2.0	423,790	1.3	283,012	0.9
Combined buffer requirement	935,330	2.8	879,633	2.7	830,966	2.7
<b>Total capital requirement</b>	<b>4,315,455</b>	<b>12.8</b>	<b>3,921,229</b>	<b>12.0</b>	<b>3,586,497</b>	<b>11.6</b>
<b>Total capital base</b>	<b>5,408,667</b>	<b>16.1</b>	<b>5,351,951</b>	<b>16.4</b>	<b>5,419,160</b>	<b>17.5</b>

## Capital ratio and capital buffers

	30 Jun 2022	31 Dec 2021	30 Jun 2021
Common Equity Tier 1 ratio, %	15.2	15.4	15.6
Tier 1 ratio, %	15.2	15.4	15.6
Total capital ratio, %	16.1	16.4	17.5
Institution specific buffer requirements, %	2.8	2.7	2.7
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	0.3	0.2	0.2
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.0	7.1	9.0

## Leverage ratio

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

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

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
Tier 1 capital	5,109,024	5,052,412	4,820,057
Leverage ratio exposure	44,700,538	43,402,457	41,114,066
Leverage ratio, %	11.4	11.6	11.7

## P4. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2022	31 Dec 2021	30 Jun 2021
<b>Collateral pledged for own liabilities</b>			
Lending to credit institutions	138,800	128,900	90,000
Lending to the public <sup>1)</sup>	2,456,872	2,458,568	2,463,081
Restricted bank deposits <sup>2)</sup>	35,693	33,828	32,090
<b>Total collateral pledged for own liabilities</b>	<b>2,631,365</b>	<b>2,621,296</b>	<b>2,585,171</b>
<b>Contingent liabilities</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Other commitments</b>			
Unutilised credit facilities granted	25,366,167	24,239,177	23,783,716
<b>Total Other commitments</b>	<b>25,366,167</b>	<b>24,239,177</b>	<b>23,783,716</b>

<sup>1)</sup> Refers to securitisation.

<sup>2)</sup> As of 30 June 2022, SEK 33,468 thousand (33,122) refers mainly to a reserve requirement account at Finlands Bank.

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