

Interim Report

January – June 2023



Røsur

First half of the year

+15%
LENDING GROWTH

+12%
OPERATING PROFIT

SIGNIFICANT EVENTS

- During the period, Resurs received Finansinspektionen's consideration on Pillar 2 Guidance, with the result that Resurs does not need to hold any additional capital.
- NetOnNet renewed its successful partnership with Resurs Bank and Euronics chose Resurs Bank as its new partner.
- First delivery of the new core banking system to customers (deposit accounts)
- Magnus Fredin new CEO of Resurs Holding and CEO of Resurs Bank

0%

PILLAR 2 GUIDANCE

16,3%

TOTAL CAPITAL RATIO
(REGULATORY REQUIREMENT
14,3%)

The first half year of 2023 involved a number of significant events. We delivered the first customer release of our new banking system, we initiated and extended important partner business and credit losses declined compared with the first months of the year. We continue to see healthy demand for our products and lending increased 15 per cent, or 12 per cent in constant currencies. At the same time, the NBI margin was stable compared with last year.

Nils Carlsson, CEO Resurs Bank AB

JANUARY– JUNE 2023

Interim Report

1 JANUARY – 30 JUNE 2023*

- Lending to the public rose 15% to SEK 39,604 million, up 12% in constant currencies.
- Operating income increased 12% to SEK 1,720 million.
- C/I before credit losses amounted to 40.6% (44.8%, excluding nonrecurring cost 2022 41.5%).
- Profit before credit losses and excluding nonrecurring cost 2022 increased 13% to SEK 1,022 million (902).
- The credit loss ratio amounted to 2.9% (2.1%).
- Operating profit fell 5% to SEK 473 million, excluding nonrecurring cost 2022 the decrease was 13%.

* Certain performance measures provided in this section have not been prepared in accordance with IFRS or the capital adequacy rules, meaning that they are alternative performance measures. Calculations and reconciliation against information in the financial statements of these performance measures are provided on the website under "Financial reports." Definitions of performance measures are provided on page 31.

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, 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 six million private customers in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of Finansinspektionen. The Resurs Group operates in Sweden, Denmark, Norway and Finland. At the end of the first half year 2023 Resurs Bank had 700 employees and a loan portfolio of SEK 39.6 billion.

Our partners

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



STATEMENT BY THE CEO

New partners and improved credit losses at the end of the period

The first half year of 2023 involved a number of events. We opened the first deposit accounts in our new banking system, we initiated and extended important partner business and credit losses improved on the first half year. We continue to see healthy demand for our products and lending increased 12 per cent in constant currencies.

Improved credit losses The positive trends we saw at the end of the period regarding improved volumes in delayed status continued in the period. However, the persisting global uncertainty continued to impact our macro model in IFRS 9, which increased macro reserves compared with the previous period. Nevertheless, the total credit loss ratio improved compared with last year to 2.9 per cent (2.1 per cent).

Healthy demand and strong growth. Given global uncertainty and in order to allow for customers' higher living costs, we continued to make adjustments to our credit lending, which is in line with our conservative approach to credit risk. In total, lending increased 15 per cent and 12 per cent in constant currencies.

+12%

Income growth

Stable NBI margin. Total operating income for the period increased 12 per cent to SEK 1,720 million (1,542). The NBI margin remained stable at 9.0 per cent (9.1 per cent). Price adjustments are continuing to compensate for higher borrowing costs and strengthen the NBI margin

The C/I ratio improved to 40.6 per cent (41.5 per cent). We are focusing our efforts on enhancing efficiency and have the target of achieving a C/I ratio of 35 per cent over two to four years.

+13%

Profit before credit losses, excl. nonrecurring cost 2022

Excluding the nonrecurring cost in 2022, profit before credit losses increased 13 per cent year-on-year. Compared with last year, the credit loss ratio rose to 2.9 per cent (2.1 per cent). Operating profit, excluding the nonrecurring cost, fell 13 per cent to SEK 473 million (546). Operating profit in figures presented fell 5 per cent.

We have a strong and stable capital position. In June, Finansinspektionen announced the results of its review and evaluation with special capital base requirements, liquidity requirements and Pillar 2 Guidance of Resurs Bank. The result is that the bank does not need to hold additional capital under Pillar 2 Guidance, which we regard as confirmation of our stable and profitable operations. This means that on 30 June 2023 we have a total statutory capital ratio requirement of 14.3 per cent, compared with the outcome of 16.3 per cent at the end of June.

Launch of additional services in our new banking system.

We are continuing the implementation of our new banking system and a new version of the online bank was launched in the period, which offers customers a smoother and easier user experience and more self-service opportunities available. In addition, we welcomed the first deposit customers to the new banking system. In the autumn, we will continue to open up the system to new customers in Norway and in parallel prepare to launch it in other Nordic countries.





Strong growth and many new partners in Payment Solutions.

Growth in Payment Solutions was tangible, up 18 per cent in absolute terms and 15 per cent in constant currencies. Growth was driven by the retail finance operations in all markets together with rising volumes from the Komplet business in B2B. Work is continuing in Payment Solutions to adjust prices to compensate for higher financing costs. This does not take place automatically and took slightly longer than expected given the exceptional pace of interest rate rises in the market, which meant that we experienced negative timing effects during the period. We are working to increase income per transaction and per partner.

A long-term relationship was extended when NetOnNet renewed its agreement with Resurs. The collaboration between the partners is now being further deepened to meet future demands from customers

The Swedish electronics chain Euronics with a nationwide network of 75 home electronics stores throughout Sweden chose Resurs for partial payment options for its customers. During the period, we also signed an agreement with Evify, under which we are jointly lowering the threshold for investing in EV charging point solutions.

Continuing price adjustments in Consumer Loans. The first half year for Consumer Loans was also characterised by continuing price adjustments to compensate for rising financing costs. A number of adjustments have also been made to credit risk models to ensure continuing high credit quality. Lending growth at Nordic level was satisfactory and increased 13 per cent year-on-year, and the net interest margin was stable. Moving forward, the focus is on growing selectively

in the markets that have the strongest margins and retaining market share in the markets with more stable margins. Efforts to use our own customer database and lend through our own channels is a key factor for success for us.

Magnus Fredin new CEO. Magnus Fredin will become the new CEO of Resurs Bank and CEO of Resurs Holding later in the year. Magnus Fredin has significant experience from leading change processes in the financial sector, retail and automotive industry, after having served as CEO of Babyshop and CDON, and as Head of Direct Markets at Volvo Cars. He also possesses valuable insight and knowledge of our company from having been a member of our Board of Directors.

After having initiated, implemented and worked intensively on the first part of our transformation journey, it is now time for me to hand over the second part of this transformation. This has not been an easy decision since I have had three enjoyable and very exciting years with the team here at Resurs, but I am now handing the reins over to Magnus. I wish you the very best of luck!

Nils Carlsson
CEO Resurs Bank

Performance measures

SEKM UNLESS OTHERWISE SPECIFIED	JAN-JUN 2023	JAN-JUN 2022	CHANGE	JAN-DEC 2022
Operating income	1,720	1,542	12%	3,204
Operating profit	473	496	-5%	1,050
Operating profit excl. nonrecurring cost 2022	473	546	-13%	1,100
Net profit for the period	373	379	-2%	816
Net profit for the period excl. nonrecurring cost 2022	373	429	-13%	866
C/I before credit losses, %*	40.6	44.8		42.6
C/I before credit losses excl. nonrecurring cost 2022, %*	40.6	41.5		44.2
Common Equity Tier 1 ratio, %	14.0	14.4		14.9
Total capital ratio, %	16.3	16.0		16.5
Lending to the public	39,604	34,565	15%	37,187
NIM, %*	7.1	7.5		7.4
Risk-adjusted NBI margin, %*	6.1	7.0		6.8
NBI-margin, %*	9.0	9.1		9.1
Credit loss ratio, %*	2.9	2.1		2.2
Return on equity excl. intangible assets (RoTE), %*	13.9	14.8		15.7
Return on equity excl. intangible assets, (RoTE), excl. nonrecurring items, %*	14.1	16.6		16.7

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Performance measures business lines

PAYMENT SOLUTIONS

SEKM UNLESS OTHERWISE SPECIFIED	JAN- JUN 2023	JAN- JUN 2022	CHANGE	JAN- DEC 2022
Lending to the public at end of the period	13,787	11,711	18%	13,045
Operating income	676	603	12%	1,269
Operating income less credit losses	561	530	6%	1,095
NBI-margin, %	10.1	10.4		10.4
Credit loss ratio, %	1.7	1.2		1.4

CONSUMER LOANS

SEKM UNLESS OTHERWISE SPECIFIED	JAN- JUN 2023	JAN- JUN 2022	CHANGE	JAN- DEC 2022
Lending to the public at end of the period	25,818	22,854	13%	24,142
Operating income	1,043	939	11%	1,935
Operating income less credit losses	609	656	-7%	1,320
NBI-margin, %	8.4	8.4		8.4
Credit loss ratio, %	3.5	2.5		2.7

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Group results *

First half year 2023, January – June

OPERATING INCOME

The Group's operating income increased 12 per cent to SEK 1,720 million (1,542). Net interest income increased 7 per cent to SEK 1,369 million (1,275), with interest income amounting to SEK 1,942 million (1,465) and interest expense to SEK –573 million (-190). The higher interest expense was the result of higher financing volumes and increased market interest rates. The higher interest income was also the result of increased volumes and price adjustments made due to higher interest rates.

Fee & commission income amounted to SEK 262 million (226) and fee & commission expenses to SEK –39 million (-38), resulting in total net commission of SEK 224 million (187). The higher fee & commission income was due to our strong lending growth and implemented price adjustments due to higher interest rates.

+12%

Higher operating income compared with H1 22

Net income from financial transactions was SEK 11 million (-24). Other operating income, primarily comprising remuneration from lending operations, amounted to SEK 117 million (104). The NBI margin was 9.0 per cent (9.1 per cent) and in line with the level last year.

+7%

Improved net interest income compared with H1 22

+20%

Improved net commission compared with H1-22

OPERATING EXPENSES

The Group's expenses before credit losses increased 1 per cent to SEK –697 million (-690). Excluding the administrative fine, expenses increased with 9 per cent mainly as a result of higher staff costs during the period. The C/I ratio improved since income increased more than costs. Viewed in relation to the operations' income, the cost level excluding the administrative fine amounted to 40.6 per cent (41.5 per cent).

0.9 of a percentage point

Improved C/I ratio compared with H1-22, excluding administrative fine last year

Credit losses totalled SEK –549 million (-355) and the credit loss ratio was 2.9 per cent (2.1 per cent). The increase was partly an effect of higher lending volumes, but mainly the sharp decline in the economy with high inflation and rapidly rising interest rates, which resulted in slightly higher payment delays among customers. However, the persisting global uncertainty continued to impact our macro model in IFRS 9, which increased macro reserves compared with the first half year.

Profit

Operating profit decreased 5 per cent compared with last year to SEK 473 million (496), excluding the nonrecurring cost last year the result decreased 13 per cent. Tax expense for period amounted to SEK -100 million (-117). Net profit for the first half year amounted to SEK 373 million (379).

SHARE OF LENDING TO THE PUBLIC BY COUNTRY, NET



51%
Sweden



17%
Norway



19%
Finland



13%
Denmark

Financial position on 30 June 2023*

Comparative figures for this section refer to 31 December 2022, 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 2023 the capital base amounted to SEK 5,750 million (5,513) in the consolidated situation, comprising the Parent Company Resurs Holding and the Resurs Bank Group. The total capital ratio was 16.3 per cent (16.5 per cent) and the Common Equity Tier 1 ratio was 14.0 per cent (14.9 per cent).

During 2023 Sweden, Denmark and Norway raised their buffer requirements, which had been reduced during the COVID-19 period. This meant that Resurs's countercyclical capital buffer provision amounted to 1.7 per cent (1.1 per cent). The regulatory capital requirement on 30 June 2023 amounted to 9.9 per cent for the Common Equity Tier 1 ratio and 14.3 per cent for the total capital ratio. During the period, Resurs also received Finansinspektionen's consideration on Pillar 2 Guidance, with the result that Resurs does not need to hold any additional capital.

Lending to the public on 30 June 2023 amounted to SEK 39,604 million (37,187), representing an increase of 7 per cent. The specification of lending on 30 June 2023 was as follows: Sweden 51 per cent, Norway 17 per cent, Finland 19 per cent and Denmark 13 per cent.

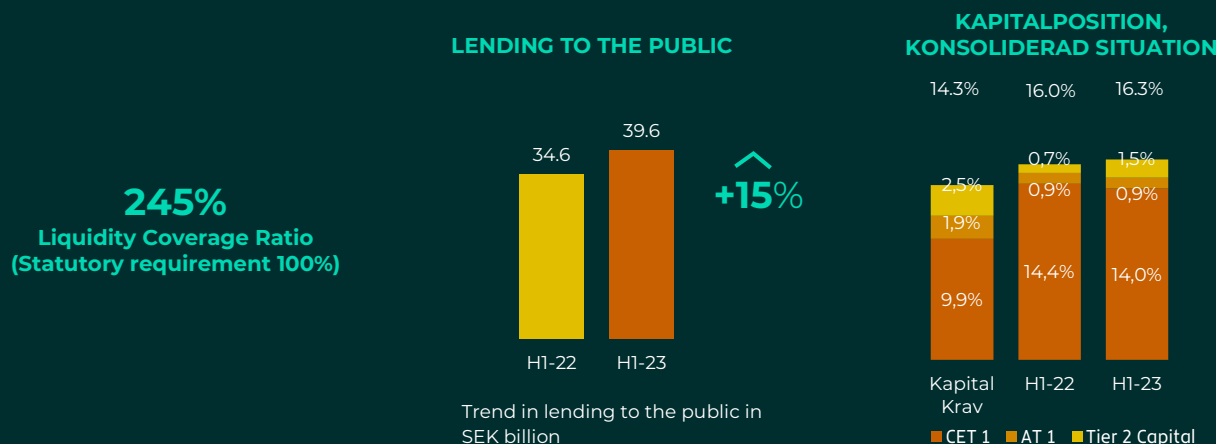
In addition to capital from shareholders and bond investors, the operations are financed by deposits from the public. The Group is working actively on various sources of financing to create and maintain diversified financing for the long term.

Deposits from the public amounted 30 June 2023 to SEK 34,998 million (32,174). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 5,253 million (6,608). Liquidity remained very healthy and the liquidity coverage ratio (LCR) was 245 per cent (276 per cent) in the consolidated situation. The minimum statutory LCR is 100 per cent.

Lending to credit institutions amounted 30 June 2023 to SEK 4,273 million (4,362). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 2,675 million (3,130). The Group has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 2,221 million (2,160), 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 during the period to SEK 1,056 million (694). Cash flow from deposits amounted to SEK 3,091 million (1,995) and the net change in investment assets totalled SEK 463 million (-232). Cash flow from investing activities for the period totalled SEK -143 million (-96). Cash flow from financing activities was SEK -1,220 million (-1,162), and the difference compared with the same period previous year was attributable to the maturity of issued securities and subordinated debt.



PAYMENT SOLUTIONS

Positive trends the first half year

FIRST HALF YEAR 2023, JANUARY-JUNE

High demand in Payment Solutions continuing the first half year. The period was dominated by challenges for retailers working to retain their volumes and retain or improve their profitability. By taking swift action and having close partnerships with our retailers, together we could manage to find ways of offering customised and attractive financing products that in turn result in continuing demand for our services. Our loan portfolio increased 18 per cent or 15 per cent in constant currencies, and we saw healthy growth in all our Nordic markets. Work on adjusting prices to compensate for higher financing costs continued during the period.

NetOnNet extended its partnership. After many successful years together with NetOnNet, we laid the foundation to continue our journey together during the period by renewing our agreement. Our shared focus will be on continuing to develop the customer journey with relevant services and functions that generate added sales and loyalty regardless of sales channel.

Euronics chose Resurs. We saw additional confirmation that Resurs's long experience in financing solutions in home electronics generates results when Euronics decided to initiate a partnership for a total of 75 stores in Sweden, after several years of discussions. Resurs will bring its extensive expertise in how best to drive sales through attractive instalment offerings.

Resurs charging with Evify. Offering simple and functioning charging for EV and hybrid cars at home is important for meeting the huge demand found in this area. Evify is now offering its customers first-rate EV charge point solutions with instalment options – good for both your wallet and the environment.

Growth in Resurs Cards continues. The inflow of new customers remained strong in the period, primarily in our own channels, showing that our customers appreciate the bank's products and our brand. Lending increased stably but was lower than average for the segment as a whole, yet retained a solid margin. The aim is to continue to increase this rate of growth by further developing the offering and services to our customers.

Continued healthy growth in B2B. B2B is continuing to generate small volumes in relation to the segment as a whole.

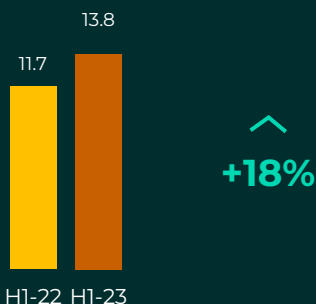
Financial performance. Lending to the public on 30 June 2023 amounted to SEK 13,787 million (11,711), an increase of 18 per cent in SEK. In constant currencies, lending increased 15 per cent. Operating income totalled SEK 676 million (603), up 12 per cent compared to same period last year. The NBI margin was 10.1 per cent (10.4 per cent). Work is underway in the segment to adjust prices to compensate for higher financing costs. The credit loss ratio was 1.7 per cent (1.3 per cent) for the period. The increase was mainly due to the tangible rise in interest rates and inflation that impacted the solvency of certain customer segments, and also due to strong growth. The credit losses were however lower at the end of the period.

ABOUT PAYMENT SOLUTIONS

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

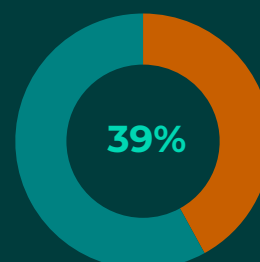
Cards includes the Resurs credit and payment cards that enable retail finance partners to promote their own brands. The B2B area primarily focuses on invoice factoring and invoice discounting for small and mid-sized companies.

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion

PERCENTAGE OF OPERATING INCOME JAN-JUN 2023



CONSUMER LOANS

Healthy growth in lending and stable margins

FIRST HALF YEAR 2023, JANUARY-JUNE

The period was characterised by continuing price adjustments for both existing and new customers. The reason for this is to compensate for rising financing costs. A number of adjustments have also been made to credit risk models to ensure continuing high credit quality. Lending growth at Nordic level increased 13 per cent, or 10 per cent in constant currencies. Sweden and Finland reported the strongest growth, and it was positive that Denmark reported growth again. The future strategy continues to be growing selectively in the markets that have the strongest margins and retaining market share in the markets with more stable margins, and continuing to increase the share of new lending from external to own channels.

High demand in Sweden. In the Swedish market we noted continuing high demand in both own and external channels despite making additional adjustments to our credit risk models and focusing on lower loan amounts. A number of initiatives were launched in the first half year to continue to increase the share of new lending volumes through own channels to optimise profitability.

A competitive offering in Norway. The loan portfolio with collateral in homes, Balanselånet, achieved a key milestone during the period by reaching more than NOK 100 million. This is the result of long-term efforts focusing on building a sustainable offering that has now started to gain traction. Balanselånet allows private individuals to take out a loan of up to NOK 5,000,000, with a repayment period of up to 30 years. The pilot offering, based on more sustainable pricing and a long-term commitment from the customer will continue.

Focus on channel mix in Finland. In the period, Resurs experienced stable demand for consumer loans in the Finnish markets and competition stabilised. Investments in own channels are starting to generate effects and in the period Resurs invested in its own telemarketing department that is starting to account for a growing share of total sales in own channels. This is one of several initiatives to reduce volumes in external channels.

Growth in Denmark returns. The long-term focus on further developing the application process and automating the credit assessment to create a better and more efficient customer journey started to generate clear effects in Denmark. The positive trend from the first months in the period is persisting and in the the period sales continued at a satisfactory level in terms of profitability, volume and credit quality. During the period, we started to reactive other marketing channels, such as radio and print media.

Financial performance. Lending to the public as of 30 June 2023 totalled SEK 25,818 million (22,854), up 13 per cent in SEK. In constant currencies the increase was 10 per cent. Operating income for the first half year rose 11 per cent to SEK 1,043 million (939). The NBI margin was stable and amounted to 8.4 per cent (8.4 per cent). Credit losses for the first half year increased both in absolute terms and as a percentage of lending compared to same period last year. The credit loss ratio was 3.5 per cent (2.5 per cent). The higher level compared with last year was partly the effect of increased lending volumes and higher macro provisions as a result of the uncertainty in society and the tangible rise in interest rates and inflation that impacted the solvency of certain customer segments.

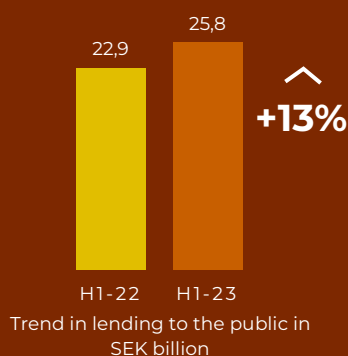
ABOUT CONSUMER LOANS

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

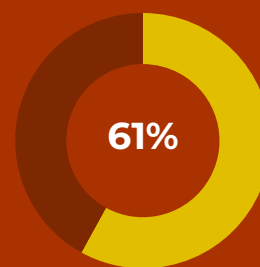
A consumer loan is normally used to finance larger purchases and investments.

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

LENDING TO THE PUBLIC



PERCENTAGE OF OPERATING INCOME, JAN-JUN 2023



Significant events

Magnus Fredin new CEO of Resurs Holding and CEO of Resurs Bank

The current CEO Nils Carlsson will leave Resurs and be replaced by Magnus Fredin who most recently worked as the Head of Direct Markets at Volvo Cars.

Euronics chooses Resurs

In June, Swedish chain Euronics, with 75 stores, decided to enter into a partnership with Resurs. The fact that Resurs can offer simple, customised solutions with clear customer conditions was decisive for Euronics in choosing a payment provider.

Results of Finansinspektionen's review and evaluation

In June, Finansinspektionen announced the results of its review and evaluation with special capital base requirements, liquidity requirements and Pillar 2 Guidance of Resurs Bank. The result is that the bank does not need to hold additional capital under Pillar 2 Guidance. Finansinspektionen also announced that for the capital base requirement requirements relating to leverage ratio, should hold additional capital (Pillar 2 Guidance) corresponding to 0.50 per cent of the institution's total risk-weighted assets.

NetOnNet extends partnership with Resurs

In June, NetOnNet decided to extend its long and successful partnership with Resurs. With the extended agreement, collaboration between the parties will be deepened, and the agreement includes financing opportunities for NetOnNet's customers both online and in-store.

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

Resurs Bank received an update from the rating company Nordic Credit Rating (NCR) at end of March. The rating of BBB, stable outlook was confirmed.

Resurs Bank issued subordinated Tier 2 bonds of SEK 300 million.

Resurs Bank AB issued subordinated Tier 2 bonds of SEK 300 million in the Nordic market at the start of March. The subordinated Tier 2 bonds, which are issued under Resurs Bank's MTN programme with a total framework of SEK 10 billion, have a final maturity in June 2033 and first call date in March 2028. The bonds carry a floating rate interest of 3 month Stibor +5.25 per cent.

New version of Resurs online bank launched

The new online bank provides customers with a smoother and simpler user experience and makes more self-service opportunities available. This is the first customer delivery in the ongoing transformation journey and the replacement of the banking system

After the end of the period

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



Other information

RISK AND CAPITAL MANAGEMENT

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

INFORMATION ON OPERATIONS

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

EMPLOYEES

There were 700 full-time employees working within the Group on 30 June 2023, up 55 personer since 31 December largely due to the recruitment of temporary staff for the summer. Compared with H1 2022, the number of full-time employees increased by 75. This was partly due to an increase in IT, which included ongoing replacements of consultants with employees, and partly due to Resurs increasing its level of service at the Customer Service centre, which meant that we recruited more employees.

700

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 2023

Nils Carlsson

Nils Carlsson

CEO

Board of Directors,

Martin Bengtsson

Martin Bengtsson
Chairman of the Board

Fredrik Carlsson

Fredrik Carlsson
Board member

Magnus Fredin

Magnus Fredin
Board member

Lars Nordstrand

Lars Nordstrand
Board member

Marita Odélius

Marita Odélius
Board member

Pia-Lena Olofsson

Pia-Lena Olofsson
Board member

Kristina Patek

Kristina Patek
Board member

Mikael Wintzell

Mikael Wintzell
Board member

Summary financial statements — Group

Condensed income statement

SEK thousand	Note	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest income	G5	1,942,258	1,464,785	3,130,644
Interest expense	G5	-573,265	-189,647	-517,523
Fee & commission income		262,174	225,587	484,949
Fee & commission expense		-38,501	-38,483	-73,691
Net income/expense from financial transactions		10,630	-24,398	-31,405
Other operating income	G6	116,515	103,836	211,076
Total operating income		1,719,811	1,541,680	3,204,050
General administrative expenses	G7	-616,942	-612,140	-1,206,576
Depreciation, amortisation and impairment of intangible and tangible fixed assets		-41,446	-41,953	-83,270
Other operating expenses		-39,109	-36,072	-75,223
Total expenses before credit losses		-697,497	-690,165	-1,365,069
Earnings before credit losses		1,022,314	851,515	1,838,981
Credit losses, net	K8	-549,342	-355,292	-788,607
Operating profit/loss		472,972	496,223	1,050,374
Income tax expense		-100,130	-117,249	-234,308
Net profit for the period		372,842	378,974	816,066
Attributable to Resurs Bank AB shareholders		372,842	378,974	816,066

Statement of comprehensive income

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Net profit for the period	372,842	378,974	816,066
Other comprehensive income that will be reclassified to profit/loss			
Translation differences for the period, foreign operations	-47,484	6,637	33,278
Total comprehensive income for the period	325,358	385,611	849,344
Attributable to Resurs Bank AB shareholders	325,358	385,611	849,344

Condensed statement of financial position

SEK thousand	Note	30 Jun 2023	31 Dec 2022	30 Jun 2022
Assets				
Cash and balances at central banks		239,971	231,607	222,783
Treasury and other bills eligible for refinancing		1,953,131	2,420,754	2,026,700
Lending to credit institutions		4,273,627	4,362,212	4,006,129
Lending to the public	G9	39,604,455	37,186,519	34,565,032
Bonds and other interest-bearing securities		721,676	708,871	640,455
Shares and participating interests		11,628	11,650	14,222
Intangible fixed assets		2,220,514	2,159,943	2,052,500
Tangible assets		141,755	118,201	112,028
Other assets		490,249	383,726	369,386
Prepaid expenses and accrued income		184,104	154,789	160,884
TOTAL ASSETS		49,841,110	47,738,272	44,170,119
Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions		4,200		
Deposits and borrowing from the public		34,998,291	32,173,628	28,319,634
Other liabilities		775,942	826,563	691,405
Accrued expenses and deferred income		597,481	331,118	359,006
Other provisions	G10	19,882	17,299	18,425
Issued securities		5,252,857	6,607,684	7,279,508
Subordinated debt		598,868	299,749	299,643
Total liabilities and provisions		42,247,521	40,256,041	36,967,621
Equity				
Share capital		500,000	500,000	500,000
Other paid-in capital		2,175,000	2,175,000	2,175,000
Translation reserve		26,637	74,121	47,480
Retained earnings incl. profit for the year		4,891,952	4,733,110	4,480,018
Total equity		7,593,589	7,482,231	7,202,498
TOTAL LIABILITIES, PROVISIONS AND EQUITY		49,841,110	47,738,272	44,170,119

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

Statement of changes in equity

SEK thousand	Share capital	Other paid-in capital	Translation reserve	Retained earnings incl. profit for the year	Total equity
Initial equity at 1 January 2022	500,000	2,175,000	40,843	4,363,044	7,078,887
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-262,000	-262,000
Net profit for the year				378,974	378,974
Other comprehensive income for the year			6,637		6,637
Equity at 30 June 2022	500,000	2,175,000	47,480	4,480,018	7,202,498
Initial equity at 1 January 2022	500,000	2,175,000	40,843	4,363,044	7,078,887
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-262,000	-262,000
Dividends according to Extraordinary General Meeting				-184,000	-184,000
Net profit for the year				816,066	816,066
Other comprehensive income for the year			33,278		33,278
Equity at 31 December 2022	500,000	2,175,000	74,121	4,733,110	7,482,231
Initial equity at 1 January 2023	500,000	2,175,000	74,121	4,733,110	7,482,231
<i>Owner transactions</i>					
Dividends paid according to General Meeting				-214,000	-214,000
Net profit for the year				372,842	372,842
Other comprehensive income for the year			-47,484		-47,484
Equity at 30 June 2023	500,000	2,175,000	26,637	4,891,952	7,593,589

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2023	Jan-Dec 2022	Jan-Jun 2022
Operating activities			
Operating profit	472,972	1,050,374	496,223
- of which, interest received	1,334,403	3,125,897	1,464,356
- of which, interest paid	-325,805	-494,386	-134,009
Adjustments for non-cash items in operating profit	808,548	930,228	484,810
Tax paid	-224,780	-330,929	-286,837
Cash flow from operating activities before changes in operating assets and liabilities	1,056,740	1,649,673	694,196
Changes in operating assets and liabilities			
Lending to the public	-2,582,317	-3,510,637	-1,082,703
Other assets	-582,883	-724,162	-344,585
Liabilities to credit institutions	4,200		
Deposits and borrowing from the public	3,091,375	5,697,918	1,995,197
Acquisition of investment assets ¹⁾	-1,132,448	-3,044,694	-1,324,495
Divestment of investment assets ¹⁾	1,595,515	2,370,345	1,092,349
Other liabilities	-67,581	45,203	-8,670
Cash flow from operating activities	1,382,601	2,483,646	1,021,289
Investing activities			
Acquisition of intangible and tangible fixed assets	-144,269	-199,649	-96,397
Divestment of intangible and tangible fixed assets	1,601	241	607
Cash flow from investing activities	-142,668	-199,408	-95,790
Financing activities			
Dividends paid	-214,000	-446,000	-262,000
Issued securities	-1,305,760	-1,300,000	-600,000
Subordinated debt	300,000	-300,000	-300,000
Cash flow from financing activities	-1,219,760	-2,046,000	-1,162,000
Cash flow for the year	20,173	238,238	-236,501
Cash & cash equivalents at beginning of the year ²⁾	4,593,819	4,581,880	4,581,880
Exchange rate differences	-100,394	-226,299	-116,467
Cash & cash equivalents at end of the year ²⁾	4,513,598	4,593,819	4,228,912
Adjustment for non-cash items in operating profit			
Credit losses	549,342	788,607	355,292
Depreciation, amortisation and impairment of intangible and tangible fixed assets	41,446	83,270	41,953
Profit/loss tangible assets	-47	171	-255
Profit/loss on investment assets ¹⁾	4,507	31,829	26,651
Change in provisions	1,889	-2,117	-506
Adjustment to interest paid/received	205,301	26,118	60,575
Currency effects	6,102	-2,908	-358
Depreciation, amortisation and impairment of shares		2,585	
Other items that do not affect liquidity	8	2,673	1,458
Sum non-cash items in operating profit	808,548	930,228	484,810

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

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

SEK thousand	1 Jan 2023	Cashflow	Non cash flow items		30 Jun 2023
			Accrued acquisition costs	Exchange rate differences	
Issued securities	6,607,684	-1,305,760	889	-49,956	5,252,857
Subordinated debt	299,749	300,000	-881		598,868
Total	6,907,433	-1,005,760	8	-49,956	5,851,725

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 2023, have had any material impact on the Group.

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 34,983 million (32,139), and is allocated between Sweden 42 per cent (46 per cent), Germany 44 per cent (36 per cent) and Norway 14 per cent (18 per cent). The lending to the public/deposits from the public ratio for the consolidated situation is 113 per cent (116 per cent).

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

At 30 June 2023 the program has ten outstanding issues at a nominal amount of SEK 3,400 million (3,800) and NOK 450 million (1,050). Of the nine issues, seven are senior unsecured bonds and two issues are subordinated loan of SEK 600 million (300). Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

Liquidity - Consolidated situation

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

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

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

For detailed accounting principles for the Group, see the Annual report for 2022.

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

The interim information on pages 5-40 comprises an integrated component of this financial report.

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.nordicccreditrating.com.

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This take place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. Resurs Bank signed an agreement in June 2022 to extend the existing ABS financing. This financing has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 30 June 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.

The minimum requirement for the structural liquidity measure Net Stable Funding Ratio (NSFR) is that the ratio should be at least 100%. The requirement means that there should be sufficient stable funding to cover financing needs in both normal and stressed conditions in a one-year perspective. For the consolidated situation the ratio on the balance day is 112% (114%).

The liquidity reserve, totalling SEK 2,207 million (2,164), 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 5,004 million (5,591) for the consolidated situation. Accordingly, total liquidity amounted to SEK 7,211 million (7,755) corresponds to 21 per cent (24 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 2023 the ratio for the consolidated situation is 245 per cent (276 per cent). For the period January to June 2023, the average LCR measures is 237 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 2023	31 Dec 2022	30 Jun 2022
Liquidity reserve as per FFFS 2010:7 definition			
Securities issued by sovereigns	90,697	188,082	183,159
Securities issued by municipalities	1,202,922	1,260,626	1,046,164
Lending to credit institutions	190,000	5,000	65,000
Bonds and other interest-bearing securities	723,543	710,367	641,143
Summary Liquidity reserve as per FFFS 2010:7	2,207,162	2,164,075	1,935,466
Other liquidity portfolio			
Cash and balances at central banks	239,971	231,607	222,783
Lending to credit institutions	665,659	976,867	799,205
Bonds and other interest-bearing securities	4,098,179	4,382,357	3,978,054
Total other liquidity portfolio	5,003,809	5,590,831	5,000,042
Total liquidity portfolio	7,210,971	7,754,906	6,935,508
Other liquidity-creating measures			
Unutilised credit facilities	50,480	52,860	51,570

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

30/06/2023

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	199,651		135,481		64,170
Securities or guaranteed by sovereigns, central banks, MDBs and international	90,697		28,256	31,661	30,780
Securities issued by municipalities and PSEs	1,868,581	1,602,786	78,540		187,255
Extremely high quality covered bonds	607,488	307,229	211,921		88,338
Level 2 assets					
High quality covered bonds	116,056	73,554			42,502
Total liquid assets	2,882,473	1,983,569	454,198	31,661	413,045

31/12/2022

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

30/06/2022

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	189,316		125,106		64,210
Securities or guaranteed by sovereigns, central banks, MDBs and international	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
Level 2 assets					
High quality covered bonds	84,745				84,745
Total liquid assets	2,858,988	1,848,948	469,294	29,342	511,404

Additional information on the Group's management of liquidity risks is available in the Group's 2022 Annual report.

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Total liquid assets	2,882,473	3,131,688	2,858,988
Net liquidity outflow	1,152,995	1,113,641	1,059,387
LCR measure	245%	276%	265%

G3. Capital adequacy - Consolidated situation

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

The combined buffer requirement for the consolidated situation comprises a capital conservation buffer and a countercyclical capital buffer. The capital conservation buffer requirement amounts to 2.5 per cent of the risk weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements and amounts to 1.7 per cent.

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have gradually increased the counter-cyclical buffer requirements which are now reverted back to levels before covid-19. At June 30, 2023 Sweden has counter-cyclical buffer requirements of 2 per cent, Norway 2.5 per cent and Denmark 2.5 per cent. Finland's countercyclical buffer requirement remains unchanged at 0 percent. The increases have affected Resurs by 1.5 percentage points compared to the previous year's counter-cyclical buffer requirement.

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

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

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

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

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

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

Capital base

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Common Equity Tier 1 capital			
Equity			
Equity, Group	7,593,589	7,482,231	7,202,498
Equity according to balance sheet	7,593,589	7,482,231	7,202,498
Foreseeable dividend	-182,000	-214,000	-184,000
Additional Tier 1 instruments	300,000	300,000	300,000
Additional/deducted equity in the consolidated situation	-236,047	-214,471	-193,569
Equity, consolidated situation	7,475,542	7,353,760	7,124,929
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect		84,685	84,685
<i>Less:</i>			
Additional value adjustments	-17,481	-6,089	-2,686
Intangible fixed assets	-2,220,514	-2,159,943	-2,052,500
Additional Tier 1 instruments classified as equity	-300,000	-300,000	-300,000
Shares in subsidiaries	-964	-964	-1,863
Total Common Equity Tier 1 capital	4,936,583	4,971,449	4,852,565
Tier 1 capital			
Common Equity Tier 1 capital	4,936,583	4,971,449	4,852,565
Additional Tier 1 instruments	300,000	300,000	300,000
Total Tier 1 capital	5,236,583	5,271,449	5,152,565
Tier 2 capital			
Dated subordinated loans	513,101	241,850	239,078
Total Tier 2 capital	513,101	241,850	239,078
Total capital base	5,749,684	5,513,299	5,391,643

Specification of risk-weighted exposure amount and capital requirements

SEK thousand	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	909,577	72,766	923,160	73,853	853,445	68,276
Exposures to corporates	846,402	67,712	935,516	74,841	358,236	28,659
Retail exposures	26,573,487	2,125,879	25,030,393	2,002,431	23,532,191	1,882,575
Exposures secured by mortgages in real estate	67,229	5,378	6,016	481	2,181	175
Exposures in default	3,247,256	259,781	3,003,213	240,257	2,973,585	237,887
Exposures in the form of covered bonds	72,095	5,768	70,816	5,665	63,982	5,119
Equity exposures	11,616	929	11,638	931	14,208	1,137
Other items	1,104,730	88,378	896,353	71,708	863,874	69,110
Total credit risks	32,832,392	2,626,591	30,877,105	2,470,167	28,661,701	2,292,937
Credit valuation adjustment risk	40,744	3,260	34,768	2,781	37,204	2,976
Market risk						
Currency risk	0		0	0	0	0
Operational risk (standard methods)	2,417,102	193,368	2,417,102	193,368	4,977,927	398,234
Total risk weighted exposure and total capital requirement	35,290,238	2,823,219	33,328,975	2,666,316	33,676,832	2,694,147
Concentration risk		330,235		295,963		284,252
Interest rate risk		388,237		326,269		400,802
Currency risk		2,978		4,417		1,293
Total Tier 2 capital requirement		721,450		626,649		686,347
Capital conservation buffer		882,256		833,224		841,921
Countercyclical capital buffer		611,463		365,755		93,604
Total capital requirement Capital buffers		1,493,719		1,198,979		935,525
Total capital requirement		5,038,388		4,491,944		4,316,019

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

Regulatory capital requirements

	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	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)	1,588,061	4.5	1,499,804	4.5	1,515,457	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	405,817	1.1	352,490	1.1	386,070	1.1
Combined buffer requirement	1,493,719	4.2	1,198,979	3.6	935,525	2.8
Total Common Equity Tier 1 capital requirements	3,487,597	9.9	3,051,273	9.2	2,837,053	8.4
Common Equity Tier 1 capital	4,936,583	14.0	4,971,449	14.9	4,852,565	14.4
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	2,117,414	6.0	1,999,739	6.0	2,020,610	6.0
Other Tier 1 capital requirements (Pillar 2)	541,090	1.5	469,987	1.4	514,760	1.5
Combined buffer requirement	1,493,719	4.2	1,198,979	3.6	935,525	2.8
Total Tier 1 capital requirements	4,152,223	11.8	3,668,705	11.0	3,470,895	10.3
Tier 1 capital	5,236,582	14.8	5,271,449	15.8	5,152,565	15.3
Capital requirements under Article 92 CRR (Pillar 1)	2,823,219	8.0	2,666,318	8.0	2,694,147	8.0
Other capital requirements (Pillar 2)	721,453	2.0	626,649	1.9	686,347	2.0
Combined buffer requirement	1,493,719	4.2	1,198,979	3.6	935,525	2.8
Total capital requirement	5,038,391	14.3	4,491,946	13.5	4,316,018	12.8
Total capital base	5,749,684	16.3	5,513,299	16.5	5,391,643	16.0

Capital ratio and capital buffers

	30 Jun 2023	31 Dec 2022	30 Jun 2022
Common Equity Tier 1 ratio, %	14.0	14.9	14.4
Tier 1 ratio, %	14.8	15.8	15.3
Total capital ratio, %	16.3	16.5	16.0
Institution specific buffer requirements, %	4.2	3.6	2.8
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.7	1.1	0.3
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.2	6.7	6.0

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 2023	31 Dec 2022	30 Jun 2022
Tier 1 capital	5,236,583	5,271,449	5,152,565
Leverage ratio exposure	50,293,839	48,252,647	44,831,738
Leverage ratio, %	10.4	10.9	11.5

G4. Segment reporting

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

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

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

Jan-Jun 2023

SEK thousand	Payment Solutions	Consumer Loans	Total Group
Interest income	604,571	1,337,687	1,942,258
Interest expense	-199,127	-374,138	-573,265
Provision income	205,066	57,108	262,174
Provision expenses	-38,501		-38,501
Net income/expense from financial transactions	4,086	6,544	10,630
Other operating income	100,370	16,145	116,515
Total operating income	676,465	1,043,346	1,719,811
<i>of which, internal</i>			0
Credit losses, net	-115,443	-433,899	-549,342
Operating income less credit losses	561,022	609,447	1,170,469

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
Total operating income	602,576	939,104	1,541,680
<i>of which, internal</i>	2,183	493	2,676
Credit losses, net	-72,298	-282,994	-355,292
Operating income less credit losses	530,278	656,110	1,186,388

Jan-Dec 2022

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

Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Total Group
30 Jun 2023	13,786,706	25,817,749	39,604,455
31 Dec 2022	13,044,662	24,141,857	37,186,519
30 Jun 2022	11,710,981	22,854,051	34,565,032

G5. Net interest income/expense

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest income			
Lending to credit institutions	44,316	1,804	18,058
Lending to the public	1,859,239	1,459,893	3,091,357
Interest-bearing securities	38,703	3,088	21,229
Total interest income	1,942,258	1,464,785	3,130,644
Interest expense			
Liabilities to credit institutions	22	-2,987	-3,804
Deposits and borrowing from the public	-423,000	-123,639	-349,770
Issued securities	-129,567	-54,961	-147,678
Subordinated debt	-19,067	-7,065	-15,487
Other liabilities	-1,653	-995	-784
Total interest expense	-573,265	-189,647	-517,523
Net interest income/expense	1,368,993	1,275,138	2,613,121

G6. Other operating income

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Other income, lending to the public	89,513	81,930	168,110
Other operating income	27,002	21,906	42,966
Total operating income	116,515	103,836	211,076

G7. General administrative expenses

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Personnel expenses ¹⁾	-289,022	-254,112	-509,474
Postage, communication and notification expenses ²⁾	-90,349	-85,150	-171,933
IT expenses ²⁾	-139,671	-128,704	-257,637
Cost of premises	-10,295	-7,590	-17,744
Consultant expenses ²⁾	-34,150	-38,097	-74,826
Other ²⁾	-53,455	-98,487	-174,962
Total general administrative expenses	-616,942	-612,140	-1,206,576

¹⁾ From 1 January 2021, salaries and salary-related costs for development of software for internal use for employees that are directed related to projects are capitalised. As of 30 June 2023, capitalised salaries and salary-related costs amounted to SEK 19,0 million (14,6), which resulted in lower personnel expenses for the January-June period 2023 in the corresponding amount.

²⁾ A number of accounts have been reclassified since H1 2022 to provide a fairer distribution of the administrative costs.

G8. Credit losses, net

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Provision of credit reserves			
Stage 1	-22,008	-1,043	-7,411
Stage 2	-38,095	15,102	2,083
Stage 3	-199,305	-73,562	-25,745
Total	-259,408	-59,503	-31,073
Provision of credit reserves off balance (unutilised limit)			
Stage 1	-1,933	273	-240
Stage 2	47	228	1,649
Stage 3			
Total	-1,886	501	1,409
Write-offs of stated credit losses for the period	-289,377	-298,634	-764,154
Recoveries of previously confirmed credit losses	1,329	2,344	5,211
Total	-288,048	-296,290	-758,943
Credit losses	-549,342	-355,292	-788,607
<i>off which lending to the public</i>	<i>-547,456</i>	<i>-355,793</i>	<i>-790,016</i>

G9. Lending to the public

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Retail sector	42,321,158	39,464,815	37,370,070
Corporate sector	872,879	950,862	368,319
Total lending to the public, gross	43,194,037	40,415,677	37,738,389
Stage 1	33,143,400	31,195,918	29,140,689
Stage 2	3,949,991	3,666,297	3,103,955
Stage 3	6,100,646	5,553,462	5,493,745
Total lending to the public, gross	43,194,037	40,415,677	37,738,389
Less provision for anticipated credit losses			
Stage 1	-268,504	-241,157	-229,178
Stage 2	-430,403	-382,601	-360,218
Stage 3	-2,890,675	-2,605,400	-2,583,961
Total anticipated credit losses	-3,589,582	-3,229,158	-3,173,357
Stage 1	32,874,896	30,954,761	28,911,511
Stage 2	3,519,588	3,283,696	2,743,737
Stage 3	3,209,971	2,948,062	2,909,784
Total net lending to the public	39,604,455	37,186,519	34,565,032

G10. Other provisions

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Reporting value at the beginning of the year	17,299	18,470	18,470
Provision made during the year	1,891	-2,108	-502
Exchange rate differences	692	937	457
Total	19,882	17,299	18,425
Provision of credit reserves, unutilised limit, Stage 1	19,160	16,662	15,680
Provision of credit reserves, unutilised limit, Stage 2	725	689	2,073
Other provisions	-3	-52	672
Reported value at the end of the year	19,882	17,299	18,425

G11. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Collateral pledged for own liabilities			
Lending to credit institutions	198,166	201,430	188,354
Lending to the public ¹⁾	2,458,581	2,454,935	2,456,872
Restricted bank deposits ²⁾	42,440	39,174	35,693
Total collateral pledged for own liabilities	2,699,187	2,695,539	2,680,919
Contingent liabilities	0	0	0
Other commitments			
Unutilised credit facilities granted	26,114,687	25,416,539	25,366,167
Total other commitments	26,114,687	25,416,539	25,366,167

¹⁾ Refers to securitisation.

²⁾ As at 30 June 2023 SEK 40,321 thousand (36,081) refers to the requirement account at the Bank of Finland.

G12. Related-party transactions

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

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

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

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

Transactions with Parent Company

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest expense	-118	-25	-92
Other operating income	1,907	2,676	3,757
General administrative expenses	-7,493	-7,584	-14,245
	30 Jun 2023	31 Dec 2022	30 Jun 2022
Other liabilities	-1,003	-829	-3,137
Deposits and borrowing from the public	-15,016	-35,016	-34,924

Transactions with other Group Companies

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest expense	12	4	7
	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Deposits and borrowing from the public	-997	721	-1,033
Other liabilities		-50,375	

Transactions with other companies with significant influence

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Processing fees		-38,166	-77,200
Interest expense – deposits and borrowing from the public	-76	-55	-54
General administrative expenses			
	30 Jun 2023	31 Dec 2022	30 Jun 2022
Deposits and borrowing from the public	-31,363	-134,179	-31,876
Other liabilities		-14,879	-5,198

Transactions with key persons

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest expense – deposits and borrowing from the public	27	-26	-21
	30 Jun 2023	30 Jun 2022	31 Dec 2022
Lending to public	23	-5	17
Deposits and borrowing from the public	-10,843	-10,076	-11,843

G13. Financial instruments

SEK thousand	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Financial assets						
Cash and balances at central banks	239,971	239,971	231,607	231,607	222,783	222,783
Treasury and other bills eligible for refinancing	1,953,131	1,953,131	2,420,754	2,420,754	2,026,700	2,026,700
Lending to credit institutions	4,273,627	4,273,627	4,362,212	4,362,212	4,006,129	4,006,129
Lending to the public	39,604,455	40,538,801	37,186,519	38,154,550	34,565,032	35,142,705
Bonds and other interest-bearing securities	721,676	721,676	708,871	708,871	640,455	640,455
Shares and participating interests	11,628	11,628	11,650	11,650	14,222	14,222
Derivatives	7,979	7,979	1,484	1,484	4,387	4,387
Other assets	77,121	77,121	101,103	101,101	68,083	68,083
Accrued income	92,876	92,876	64,820	64,820	80,931	80,931
Total financial assets	46,982,464	47,916,810	45,089,020	46,057,049	41,628,722	42,206,395
Intangible fixed assets	2,220,514		2,159,943		2,052,500	
Tangible assets	141,755		118,201		112,028	
Other non-financial assets	496,377		371,108		376,869	
Total assets	49,841,110		47,738,272		44,170,119	

SEK thousand	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities						
Financial liabilities						
Liabilities to credit institutions	4,200	4,200				
Deposits and borrowing from the public	34,998,291	34,963,470	32,173,628	32,131,401	28,319,634	28,292,068
Derivatives	72,574	72,574	54,434	54,434	52,286	52,286
Other liabilities	446,485	446,485	526,216	526,216	467,370	467,370
Accrued expenses	545,321	545,321	103,820	103,820	282,653	282,653
Issued securities	5,252,857	5,148,897	6,607,684	6,461,945	7,279,508	7,142,613
Subordinated debt	598,868	594,531	299,749	296,970	299,643	296,799
Total financial liabilities	41,918,596	41,775,478	39,765,531	39,574,786	36,701,094	36,533,789
Provisions	19,882		17,299		18,425	
Other non-financial liabilities	309,043		473,211		248,103	
Equity	7,593,589		7,482,231		7,202,498	
Total equity and liabilities	49,841,110		47,738,272		44,170,119	

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

Financial assets and liabilities at fair value

SEK thousand	30 Jun 2023			31 Dec 2022			30 Jun 2022		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value									
Treasury and other bills eligible for refinancing	1,953,131			2,420,754			2,026,700		
Bonds and other interest-bearing securities	721,676			708,871			640,455		
Shares and participating interests			11,628			11,650			14,222
Derivatives		7,979			1,484			4,387	
Total	2,674,807	7,979	11,628	3,129,625	1,484	11,650	2,667,155	4,387	14,222
Financial liabilities at fair value through profit or loss:									
Derivatives		-72,574			-54,434			-52,286	
Total	0	-72,574	0	0	-54,434	0	0	-52,286	0

Changes in level 3

SEK thousand	Jan-Jun 2023	Jan-Dec 2022	Jan-Jun 2022
Shares and participating interests			
Opening balance		11,650	11,460
Investments during the period			2,652
Depreciation			-2,585
Exchange-rate fluctuations		-22	110
Closing balance	11,628	11,650	14,222

Financial instruments

Determination of fair value of financial instruments

Level 1

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

Level 2

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

Level 3

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

Financial instruments measured at fair value for disclosure purposes

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

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

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

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

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

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

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

Transfer between levels

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

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

Derivative agreement has been made under the ISDA agreement. The amounts are not offset in the statement of financial position. Most of the derivatives at 30 June 2023 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 8 million (1) while liabilities total SEK 73 million (54). Collateral corresponding to SEK 59 million (62) was provided and received SEK 4 million (0), that had a net effect on lending to credit institutions of SEK 59 million (62) and liabilities to credit institutions total SEK 4 million (0).

Definitions

C/I before credit losses¹⁾

Expenses before credit losses in relation to operating income.

Capital base²⁾

The sum of Tier 1 capital and Tier 2 capital.

Common equity tier 1 capital²⁾

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

Credit loss ratio, %¹⁾

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

Core tier 1 ratio, %²⁾

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

Lending to the public, excl. exchange rate differences¹⁾

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

NBI-margin, %¹⁾

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

Net interest income/expense¹⁾

Interest income less interest expenses, see note G5

Nonrecurring costs¹⁾

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

NIM, %¹⁾

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

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

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

Tier 1 capital²⁾

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

Risk adjusted NBI-margin, %¹⁾

NBI-margin adjusted for credit loss ratio.

Tier 2 capital²⁾

Tier 2 capital comprises dated or perpetual subordinated loans.

Total capital ratio, %²⁾

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

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

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

Summary financial statements — Parent Company

Income statement

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Interest income	1,941,707	1,464,030	3,129,944
Lease income	732	1,087	1,282
Interest expense	-572,636	-189,247	-516,771
Fee & commission income	262,174	225,587	484,949
Fee & commission expense	-38,501	-38,483	-73,691
Net income/expense from financial transactions	10,739	-24,312	-31,381
Other operating income	116,523	103,635	210,882
Total operating income	1,720,738	1,542,297	3,205,214
General administrative expenses	-760,017	-703,228	-1,411,245
Depreciation, amortisation and impairment of intangible and tangible fixed assets	-58,162	-59,806	-118,208
Other operating expenses	-39,109	-36,072	-75,223
Total expenses before credit losses	-857,288	-799,106	-1,604,676
Earnings before credit losses	863,450	743,191	1,600,538
Credit losses, net	-549,342	-355,320	-789,061
Operating profit/loss	314,108	387,871	811,477
Appropriations			
Income tax expense	-76,076	-103,876	-203,004
Net profit for the period	238,032	283,995	608,473
Attributable to Resurs Bank AB shareholders	238,032	283,995	608,473

Statement of comprehensive income

SEK thousand	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022
Net profit for the period	238,032	283,995	608,473
Other comprehensive income that will be reclassified to profit/loss			
Translation differences for the period, foreign operations	-35,480	5,890	26,629
Comprehensive income for the period	202,552	289,885	635,102
Attributable to Resurs Bank AB shareholders	202,552	289,885	635,102

Balance sheet

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Assets			
Cash and balances at central banks	239,971	231,607	222,783
Treasury and other bills eligible for refinancing	1,953,131	2,420,754	2,026,700
Lending to credit institutions	4,173,286	4,264,893	3,909,293
Lending to the public	39,650,903	37,232,644	34,610,931
Bonds and other interest-bearing securities	721,676	708,871	640,455
Shares and participating interests	11,628	11,650	14,222
Shares and participating interests, in Group companies	50,099	50,099	50,099
Intangible fixed assets	1,181,111	1,266,638	1,294,808
Tangible assets	57,334	54,190	56,083
Other assets	489,883	383,222	368,704
Prepaid expenses and accrued income	187,050	157,145	164,622
TOTAL ASSETS	48,716,072	46,781,713	43,358,700
Liabilities, provisions and equity			
Liabilities and provisions			
Liabilities to credit institutions	4,200		
Deposits and borrowing from the public	34,999,848	32,175,197	28,321,193
Other liabilities	2,587,376	2,683,634	2,575,188
Accrued expenses and deferred income	597,439	331,100	358,910
Other provisions	19,882	17,299	18,425
Issued securities	3,252,857	4,607,684	5,279,508
Subordinated debt	598,868	299,749	299,643
Total liabilities and provisions	42,060,470	40,114,663	36,852,867
Untaxed reserves			
Equity			
Restricted equity			
Share capital	500,000	500,000	500,000
Statutory reserve	12,500	12,500	12,500
Unrestricted equity			
Fair value reserve	32,039	67,519	46,780
Retained earnings	5,873,031	5,478,558	5,662,558
Net profit for the year	238,032	608,473	283,995
Total equity	6,655,602	6,667,050	6,505,833
TOTAL LIABILITIES, PROVISIONS AND EQUITY	48,716,072	46,781,713	43,358,700

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

Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Translation reserve	Retained earnings	Profit/loss for the year	Total equity
Initial equity at 1 January 2022	500,000	12,500	40,890	4,945,136	979,422	6,477,948
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-262,000		-262,000
Appropriation of profits according to resolution by Annual General Meeting				979,422	-979,422	0
Net profit for the year					283,995	283,995
Other comprehensive income for the year			5,890			5,890
Equity at 30 June 2022	500,000	12,500	46,780	5,662,558	283,995	6,505,833
Initial equity at 1 January 2022	500,000	12,500	40,890	4,945,136	979,422	6,477,948
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-262,000		-262,000
Dividends according to Extraordinary General Meeting				-184,000		-184,000
Appropriation of profits according to resolution by Annual General Meeting				979,422	-979,422	0
Net profit for the year					608,473	608,473
Other comprehensive income for the year			26,629			26,629
Equity at 31 December 2022	500,000	12,500	67,519	5,478,558	608,473	6,667,050
Initial equity at 1 January 2023	500,000	12,500	67,519	5,478,558	608,473	6,667,050
<i>Owner transactions</i>						
Dividends paid according to General Meeting				-214,000		-214,000
Appropriation of profits according to resolution by Annual General Meeting				608,473	-608,473	0
Net profit for the year					238,032	238,032
Other comprehensive income for the year			-35,480			-35,480
Equity at 30 June 2023	500,000	12,500	32,039	5,873,031	238,032	6,655,602

Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2023	Jan-Dec 2022	Jan-Jun 2022
Operating activities			
Operating profit	314,108	811,477	387,871
- of which, interest received	1,347,418	3,125,183	1,465,031
- of which, interest paid	-325,172	-493,620	-133,605
Adjustments for non-cash items in operating profit	824,659	965,992	510,242
Tax paid	-224,742	-330,924	-286,815
Cash flow from operating activities before changes in operating assets and liabilities	914,025	1,446,545	611,298
Changes in operating assets and liabilities			
Lending to the public	-2,582,640	-3,511,622	-1,083,036
Other assets	-582,866	-722,831	-328,120
Liabilities to credit institutions	4,200		
Deposits and borrowing from the public	3,091,363	5,697,921	1,995,190
Acquisition of investment assets ¹⁾	-1,135,099	-3,047,345	-1,327,146
Divestment of investment assets ¹⁾	1,598,166	2,372,996	1,095,000
Other liabilities	-55,206	78,241	-14,293
Cash flow from operating activities	1,251,943	2,313,905	948,893
Investing activities			
Acquisition of intangible and tangible fixed assets	-16,632	-28,768	-21,956
Divestment of intangible and tangible fixed assets	1,600	708	646
Cash flow from investing activities	-15,032	-28,060	-21,310
Financing activities			
Dividends paid	-214,000	-446,000	-262,000
Shareholder's contributions	-1,305,760	-1,300,000	-600,000
Issued securities	300,000	-300,000	-300,000
Cash flow from financing activities	-1,219,760	-2,046,000	-1,162,000
Cash flow for the period	17,151	239,845	-234,417
Cash & cash equivalents at beginning of the year ²⁾	4,496,500	4,482,954	4,482,957
Exchange rate differences	-100,394	-226,299	-116,464
Cash & cash equivalents at end of the year ²⁾	4,413,257	4,496,500	4,132,076
Adjustment for non-cash items in operating profit			
Credit losses	549,342	789,061	355,320
Depreciation, amortisation and impairment of intangible and tangible fixed assets	58,162	118,208	59,806
Profit/loss tangible assets	-47	171	-255
Profit/loss on investment assets ¹⁾	4,507	31,829	26,651
Change in provisions	1,889	-2,117	-506
Adjustment to interest paid/received	205,319	26,118	62,009
Currency effects	5,479	-2,535	-530
Depreciation, amortisation and impairment of shares		2,585	
Other items that do not affect liquidity	8	2,672	7,747
Sum non-cash items in operating profit	824,659	965,992	510,242

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

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

P1. Accounting principles

The Parent Company's interim report has been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and the Swedish Financial Supervisory Authority's

regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25). The same accounting and valuation policies were applied as in the latest annual report.

P2. Financing

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

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

Deposits, which are analysed on a regular basis, totalled SEK 35,000 million (32,175), and is allocated between Sweden 42 per cent (46 per cent), Germany 44 per cent (36 per cent) and Norway 14 per cent (18 per cent). The lending to the public/deposits from the public ratio for the consolidated situation is 113 per cent (116 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 10,000 million (10,000). Resurs Bank has acted both on the Swedish and Norwegian markets. At 30 June 2023 the program has nine outstanding issues at a nominal amount of SEK 3,400 million (3,800) and NOK 450 million (1,050). Of the nine issues, seven are senior unsecured bonds and two issues are subordinated loan of SEK 600 million (300).

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

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This take place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. Resurs Bank signed an agreement in June 2022 to extend the existing ABS financing. This financing has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 30 June 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.

The minimum requirement for the structural liquidity measure Net Stable Funding Ratio (NSFR) is that the ratio should be at least 100%. The requirement means that there should be sufficient stable funding to cover financing needs in both normal and stressed conditions in a one-year perspective. For the consolidated situation the ratio on the balance day is 113% (115%).

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.

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

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

The liquidity reserve, totalling SEK 2,207 million (2,164), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7) and applicable amendments thereto for the consolidated situation. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, Resurs Bank has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 4,889 million (5,468). Accordingly, total liquidity amounted to SEK 7,096 million (7,632) corresponds to 20 per cent (24 per cent) of deposits from the public. The Bank also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 30 June 2023 the ratio for the consolidated situation is 245 per cent (276 per cent). For the period January to June 2023, the average LCR measures is 237 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 2023	31 Dec 2022	30 Jun 2022
Liquidity reserve as per FFFS 2010:7 definition			
Securities issued by sovereigns	90,697	188,082	183,159
Securities issued by municipalities	1,202,922	1,260,626	1,046,164
Lending to credit institutions	190,000	5,000	65,000
Bonds and other interest-bearing securities	723,543	710,367	641,143
Summary Liquidity reserve as per FFFS 2010:7	2,207,162	2,164,075	1,935,466
Other liquidity portfolio			
Cash and balances at central banks	239,971	231,607	222,783
Securities issued by municipalities	665,659	976,867	799,205
Lending to credit institutions	3,983,286	4,259,893	3,844,293
Bonds and other interest-bearing securities	4,888,916	5,468,367	4,866,281
Total liquidity portfolio	7,096,078	7,632,442	6,801,747
Other liquidity-creating measures			
Unutilised credit facilities	50,480	52,860	51,570

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

30/06/2023

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	199,651		135,481		64,170
Securities or guaranteed by sovereigns, central banks, MDBs and international	90,697		28,256	31,661	30,780
Securities issued by municipalities and PSEs	1,868,581	1,602,786	78,540		187,255
Extremely high quality covered bonds	607,488	307,229	211,921		88,338
Level 2 assets					
High quality covered bonds	116,056	73,554			42,502
Total liquid assets	2,882,473	1,983,569	454,198	31,661	413,045

31/12/2022

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

30/06/2022

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	189,316		125,106		64,210
Securities or guaranteed by sovereigns, central banks, MDBs and international	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
Level 2 assets					
High quality covered bonds	84,745				84,745
Total liquid assets	2,858,988	1,848,948	469,294	29,342	511,404

Additional information on the Group's management of liquidity risks is available in the Group's 2022 Annual report.

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Total liquid assets	2,882,473	3,131,688	2,858,988
Net liquidity outflow	1,152,995	1,113,641	1,059,387
LCR measure	245%	276%	265%

P3.Capital adequacy

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

The combined buffer requirement for Resurs comprises a capital conservation buffer and a countercyclical capital buffer. The capital conservation buffer requirement amounts to 2.5 per cent of the risk weighted assets. The countercyclical capital buffer requirement is weighted according to geographical requirements and amounts to 1.7 per cent.

Authorities in the Nordic countries reduced the counter-cyclical buffer requirements in spring 2020 in connection to covid-19, but have gradually increased the counter-cyclical buffer requirements which are now reverted back to levels before covid-19. At June 30, 2023 Sweden has counter-cyclical buffer requirements of 2 per cent, Norway 2.5 per cent and Denmark 2.5 per cent. Finland's countercyclical buffer requirement remains unchanged at 0 percent. The increases have affected Resurs by 1.5 percentage points compared to the previous year's counter-cyclical buffer requirement.

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

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

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

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

Capital base

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Tier 1 capital			
Equity	6,655,602	6,667,050	6,505,833
Foreseeable dividend	-182,000	-214,000	-184,000
<i>Equity</i>	6,473,602	6,453,050	6,321,833
Adjustments according to transition rules IFRS 9:			
<i>Initial revaluation effect</i>		84,685	84,685
Less:			
Additional value adjustments	-17,481	-6,089	-2,686
Intangible assets	-1,181,111	-1,266,638	-1,294,808
Total Common Equity Tier 1 capital	5,275,010	5,265,008	5,109,024
Total Tier 1 capital	5,275,010	5,265,008	5,109,024
Tier 2 capital			
Dated subordinated loans	598,868	299,749	299,643
Total Tier 2 capital	598,868	299,749	299,643
Total capital base	5,873,878	5,564,757	5,408,667

Specification of risk-weighted exposure amount and capital requirements

SEK thousand	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	886,598	70,928	898,668	71,893	826,693	66,135
Exposures to corporates	896,068	71,685	985,046	78,804	407,790	32,623
Retail exposures	26,573,488	2,125,879	25,030,393	2,002,431	23,532,191	1,882,575
Exposures secured by mortgages in real estate	67,229	5,378	6,016	481	2,181	175
Exposures in default	3,247,256	259,781	3,003,213	240,257	2,973,585	237,887
Exposures in the form of covered bonds	72,095	5,768	70,816	5,665	63,982	5,119
Equity exposures	61,715	4,937	61,737	4,939	64,307	5,145
Other items	977,544	78,204	795,940	63,675	763,826	61,106
Total credit risks	32,781,993	2,622,560	30,851,829	2,468,145	28,634,554	2,290,765
Credit valuation adjustment risk	40,744	3,260	34,768	2,781	37,204	2,976
Market risk						
Currency risk	0	0	0	0		
Operational risk (standard methods)	2,412,638	193,011	2,412,640	193,011	4,998,021	399,842
Total risk weighted exposure and total capital requirement	35,235,375	2,818,831	33,299,237	2,663,937	33,669,779	2,693,583
Concentration risk		331,612		297,384		284,524
Interest rate risk		388,729		326,776		400,725
Currency risk		2,978		4,417		1,293
Total Tier 2 capital requirement		723,319		628,577		686,542
Capital buffers						
Capital conservation buffer		880,884		832,481		841,744
Countercyclical capital buffer		609,609		364,879		93,586
Total capital requirement Capital buffers		1,490,493		1,197,360		935,330
Total capital requirement		5,032,643		4,489,874		4,315,456

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

Regulatory capital requirements

	30 Jun 2023		31 Dec 2022		30 Jun 2022	
	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)	1,585,592	4.5	1,498,466	4.5	1,515,140	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	406,592	1.2	353,575	1.1	386,180	1.1
Combined buffer requirement	1,490,493	4.2	1,197,360	3.6	935,330	2.8
Total Common Equity Tier 1 capital requirements	3,482,677	9.9	3,049,400	9.2	2,836,650	8.4
Common Equity Tier 1 capital	0	0.0	5,265,008	15.8	5,109,024	15.2
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	2,114,123	6.0	1,997,954	6.0	2,020,187	6.0
Other Tier 1 capital requirements (Pillar 2)	542,122	1.5	471,433	1.4	514,907	1.5
Combined buffer requirement	1,490,493	4.2	1,197,360	3.6	935,330	2.8
Total Tier 1 capital requirements	4,146,738	11.8	3,666,746	11.0	3,470,424	10.3
Tier 1 capital	0	0.0	5,265,008	15.8	5,109,024	15.2
Capital requirements under Article 92 CRR (Pillar 1)	2,818,830	8.0	2,663,939	8.0	2,693,582	8.0
Other capital requirements (Pillar 2)	722,830	2.1	628,577	1.9	686,542	2.0
Combined buffer requirement	1,490,493	4.2	1,197,360	3.6	935,330	2.8
Total capital requirement	5,032,153	14.3	4,489,876	13.5	4,315,455	12.8
Total capital base	5,873,879	243.5	5,564,757	16.7	5,408,667	16.1

Capital ratio and capital buffers

	30 Jun 2023	31 Dec 2022	30 Jun 2022
Common Equity Tier 1 ratio, %	15.0	15.8	15.2
Tier 1 ratio, %	15.0	15.8	15.2
Total capital ratio, %	16.7	16.7	16.1
Institution specific buffer requirements, %	4.2	3.6	2.8
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	1.7	1.1	0.3
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	6.6	6.8	6.0

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 2023	31 Dec 2022	30 Jun 2022
Tier 1 capital	5,275,010	5,265,008	5,109,024
Leverage ratio exposure	50,152,857	48,130,935	44,700,538
Leverage ratio, %	10.5	10.9	11.4

P4. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2023	31 Dec 2022	30 Jun 2022
Collateral pledged for own liabilities			
Lending to credit institutions	148,500	151,900	138,800
Lending to the public ¹⁾	2,458,581	2,454,935	2,456,872
Restricted bank deposits ²⁾	42,440	39,174	35,693
Total collateral pledged for own liabilities	2,649,521	2,646,009	2,631,365
Contingent liabilities	0	0	0
Other commitments			
Unutilised credit facilities granted	26,114,687	25,416,539	25,366,167
Total Other commitments	26,114,687	25,416,539	25,366,167

¹⁾ Refers to securitisation.

²⁾ As of 30 June 2023, SEK 40,321 thousand (36,081) refers mainly to a reserve requirement account at Finlands Bank.

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