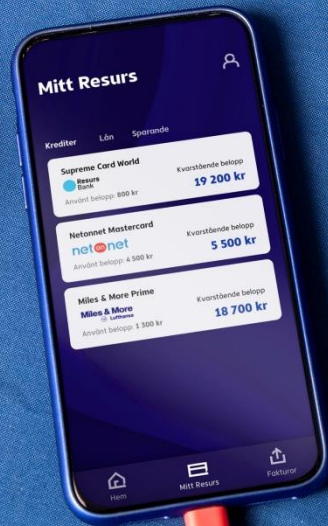


Q4 2020





Nils Carlsson
Chief Executive Officer



Jonas Olin
Chief Financial Officer
& Head of IR

Highlights 2020

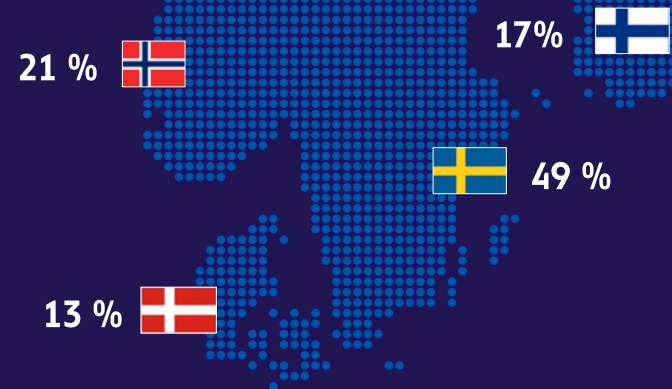
- 11% lending growth excluding Norway show strength
- Sold NPL portfolio
- Operating income down 2% to SEK 3 623 million*
- Operating expenses down 2% to SEK 1 412 million*
- Improved C/I ratio of 38,6%*
- Stable CoR 2.5%*
- Strong total capital ratio at 17.4%
- Proposed dividend in H1 2021 – SEK 2.68 per share

*Excluding nonrecurring costs of SEK 145 million in 2020



Ambitious agenda for 2021

- Creating a more efficient organisation with clear Nordic focus
- New ways of working – data-driven and agile
- Increased focus on sustainable credit lending
- One-time effects of SEK 70 million in Q4
- Development of a competitive IT platform



Summary Q4 2020

Good growth in 3 of 4 markets

- Several new partners during Q4
- 75 new e-commerce-partners signed during the year
- Norway is starting to show positive signs during Q4
- Insurance show continued strong growth with increased technical result and improved combined ratio
- No visible effects of covid-19 in our customers' payment behaviour
- We are still conservative in our credit risk assessment



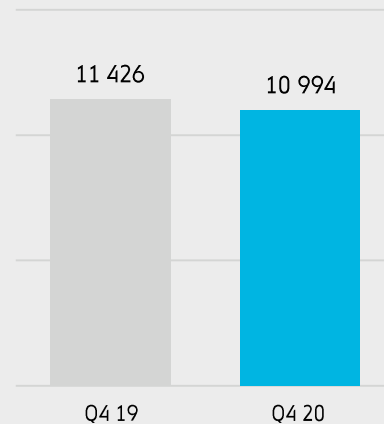
Payment Solutions

New partners in Q4 secure future growth

- DIY and home improvement, consumer electronics and furniture report good growth & offset weaker retail segments
- Positive signs in the market in Norway
- New partnership with Uno-X in Denmark and a new Nordic agreement with HiFi-klubben
- Preparing Launch of one of Sweden's biggest retailers Gekås Ullared in Q1 2021
- Changed focus in Supreme Card from travel to “staycation” and DIY

-4%

SEKm

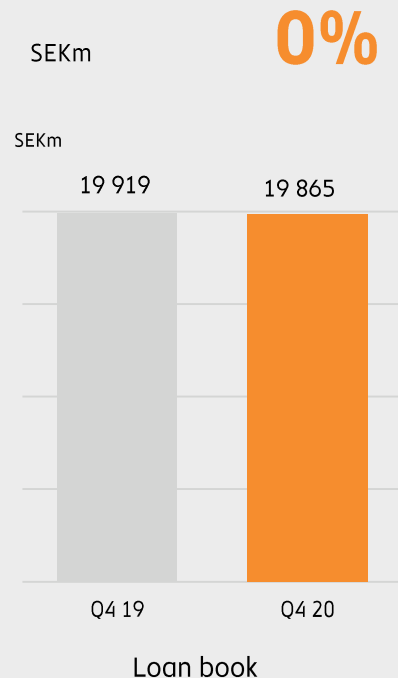


Loan book

Consumer Loans

Growth in 3 of 4 markets in Q4

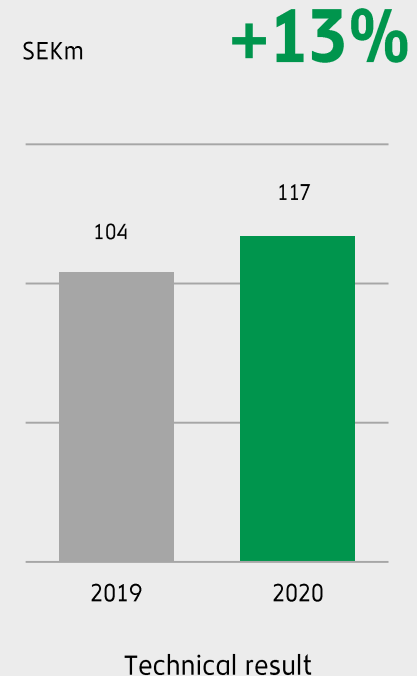
- Demand levels improved in Sweden and Norway.
- Increased competition in Denmark
- Lower demand in Finland because of new credit and marketing law
- Satisfying growth in all markets except Norway, but positive signs in Norway during the quarter which reduce the total growth percentage
- Following positive test-results, increased maximum lending size in Sweden, 500 000 SEK, in all channels



Insurance

Improved profitability & growth

- Improved technical result +13% and all-in-all stable performance in 2020
- Three new strategic partnerships added during the quarter, the largest was Elon with 350 stores and e-commerce in Sweden.
- Continued work to increase the digital presence and during the quarter additional payment methods were launched in the Swedish market
- Strong growth in business line Motor and improved profitability in both Motor and Product

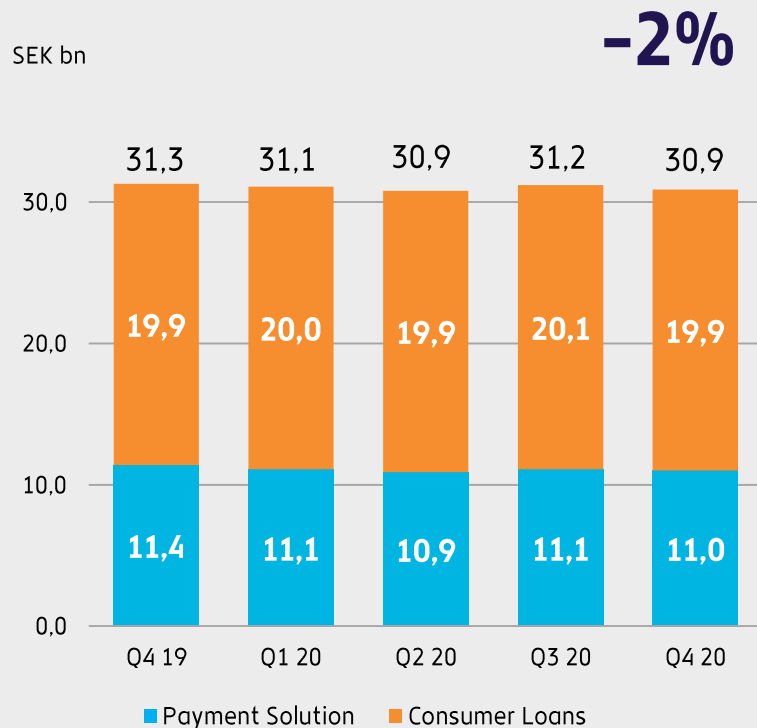




Q4 in figures

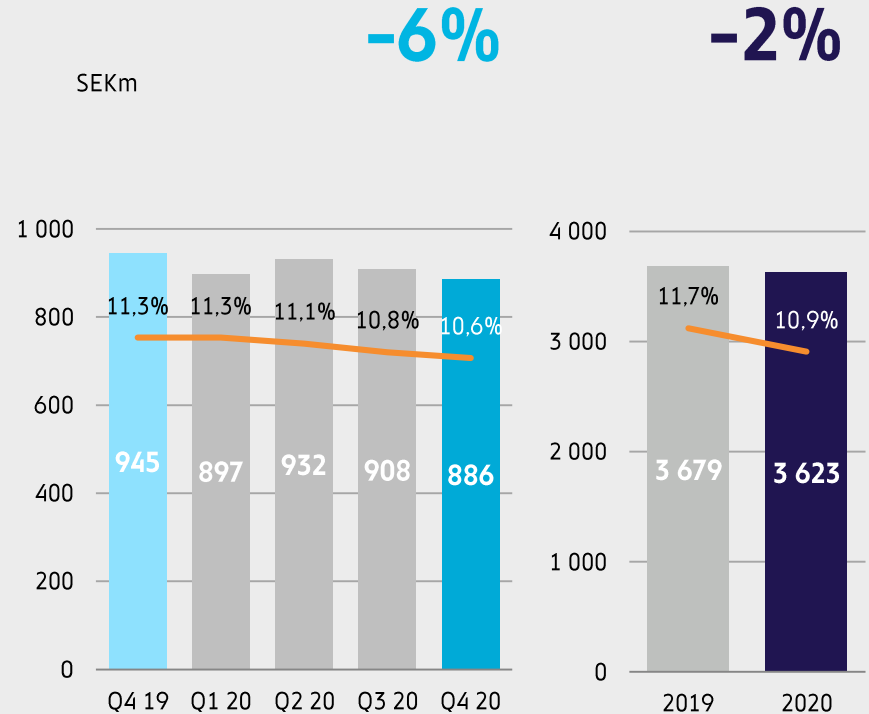
Loan book development

- Loan book growth was stable compared with LY
- The sold NPL portfolio affected loan book growth of approx. 1%
- Organic growth was +3% in local currency



Operating income

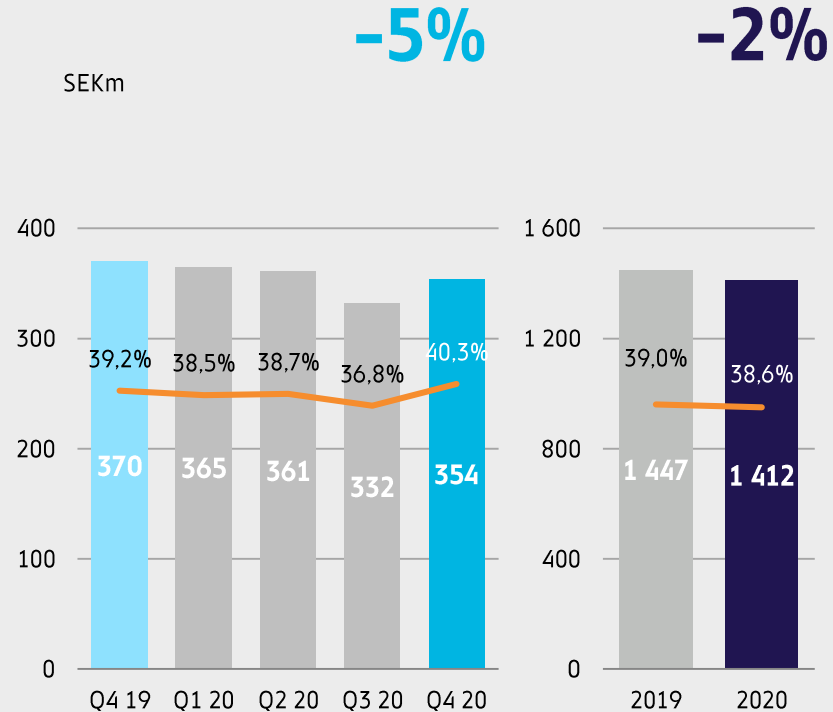
- Lower operating income mainly impacted by currency effects, lower loan book in Norway and mix in Payment Solutions
- Covid-19 affected net commission income negatively (factoring, credit cards, and other commissions)
- Net financial transactions contributed positively
- Lower NBI margin mainly due to mix in Payment Solutions



Note: Excluding nonrecurring costs of 10 MSEK in Q4-20

Operating expenses & C/I ratio

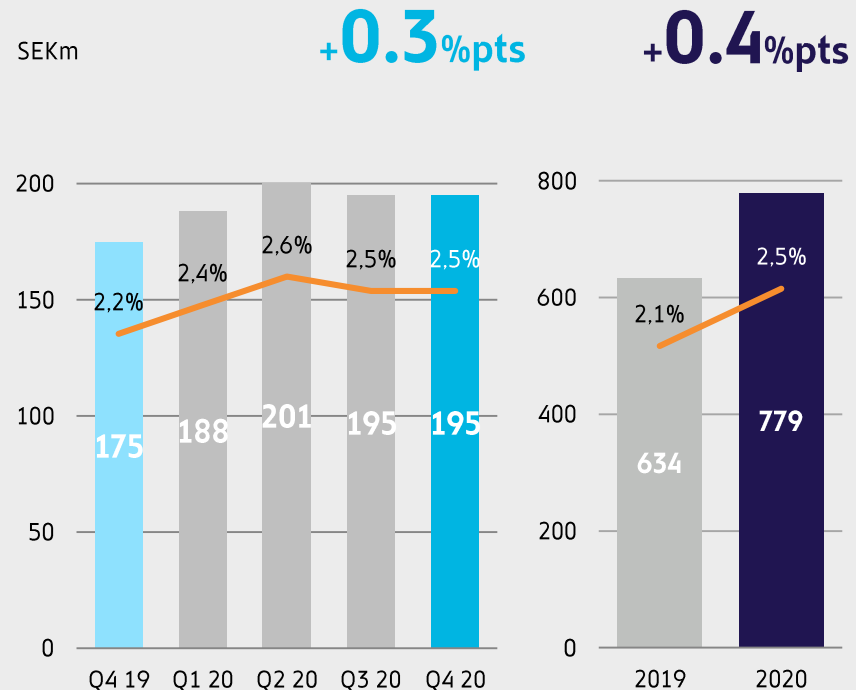
- Operating expenses are in control and decreased compared with previous year
- C/I-ratio (excl. Insurance) in 2020 at 38.6% improved compared with previous year following continuous cost focus



Note: Excluding nonrecurring costs of 60 MSEK in Q4-20

Stable credit losses and Cost of Risk

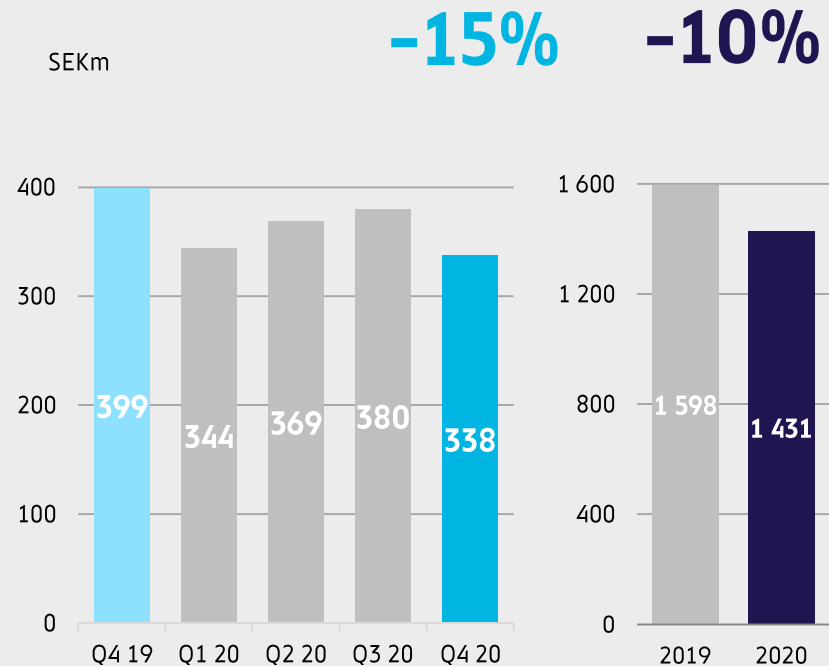
- Credit losses increased compared with LY primarily due to the historic loan book growth. Credit loss ratio of 2.5%
- Yet no visible signs of negative changes in payment patterns or increased underlying credit losses due to covid-19
- Sold NPL portfolio for a gross carrying amount of approx. SEK 500 million in the quarter, neutral effect on earnings



Note: Excluding extra credit provision of SEKm 35 in Q4-19 and SEKm 75 in Q1-20

Operating profit

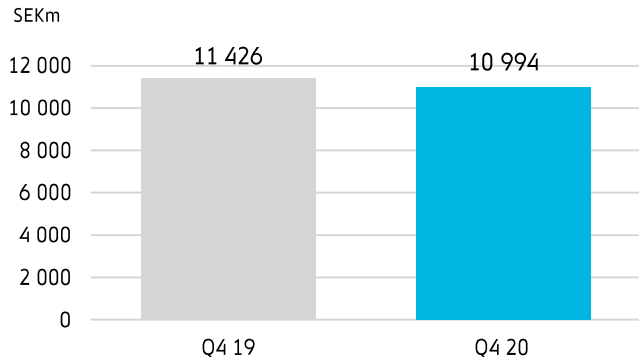
- Operating profit down 15% to SEK 338 million compared with previous year
- Operating profit before credit losses down 7% compared with LY



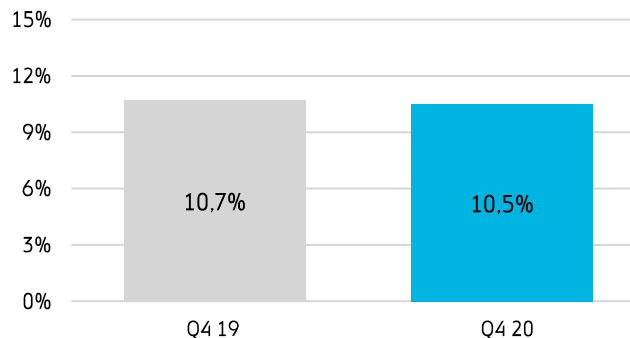
Note: Excluding extra credit provision of SEKm 35 in Q4 2019, SEKm 75 in Q1 2020 and nonrecurring costs of 70 MSEK in Q4-2020

Loan Book

-4%

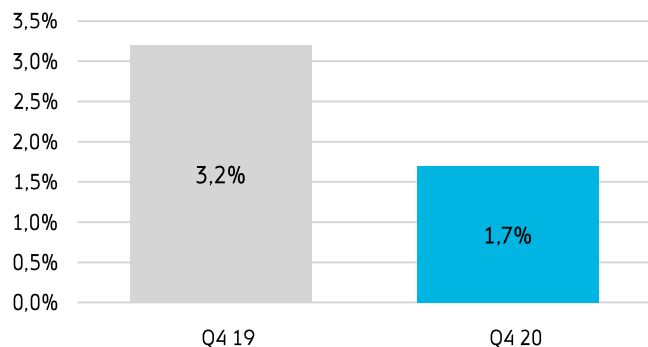


Risk-adjusted NBI margin -0.2% pts



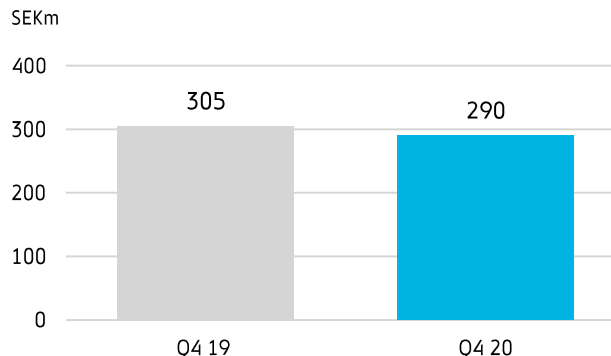
Cost of Risk

-1.5% pts



Operating income less credit losses

-5%

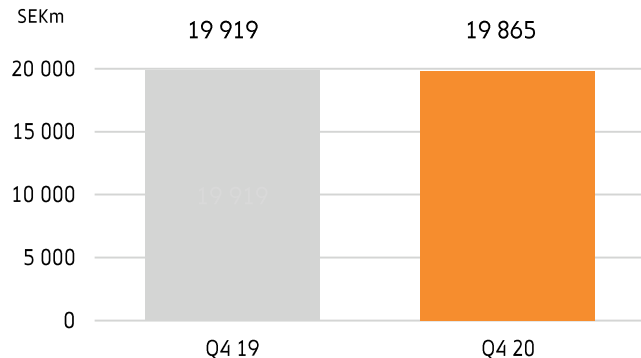


Payment Solutions

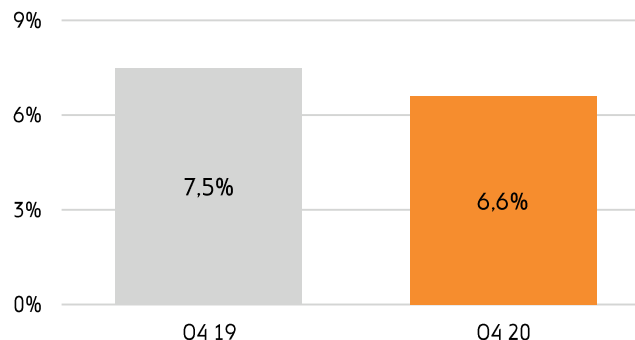
- Slightly lower loan book in local currency
- Lower NBI margin due to negative customer mix, as larger retail partners with lower margins grew relatively more
- Previous year's cost of risk ratio was affected by non-recurring items

Loan Book

0%

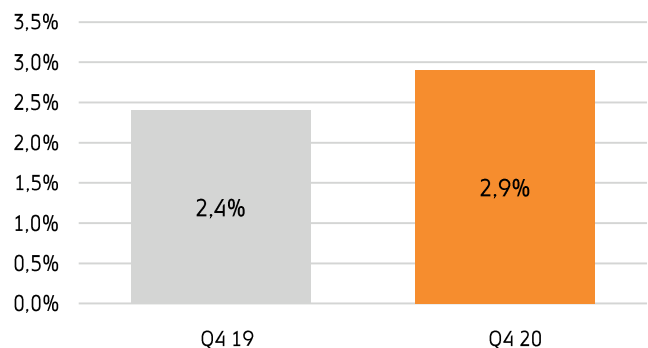


Risk-adjusted NBI margin -0.9% pts



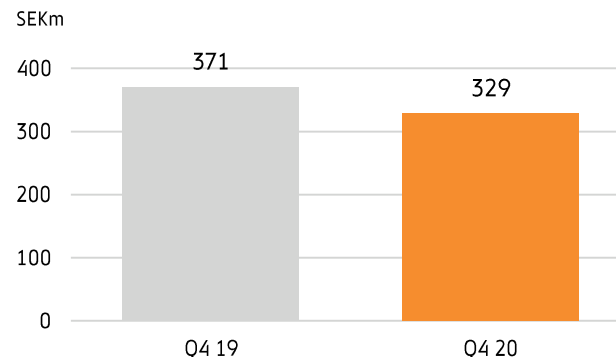
Cost of Risk

+0.5% pts



Operating income less credit losses

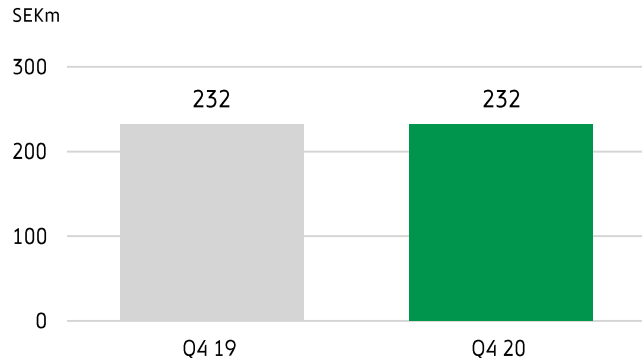
-11%



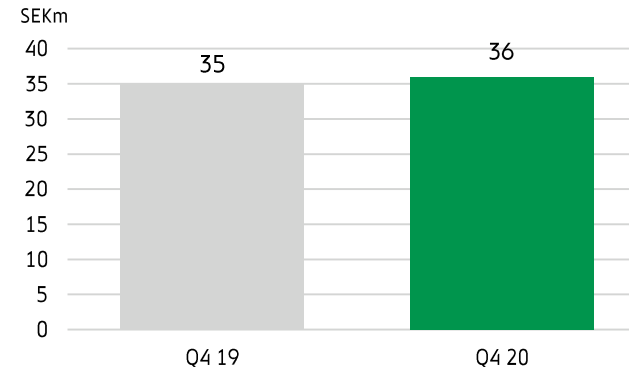
Consumer Loans

- Loan book growth +4% in local currency
- Loan book growth in all Nordic countries offset by challenging Norwegian market, however positive signs in the quarter
- Risk-adjusted NBI margin decreased mainly following increased Cost of Risk

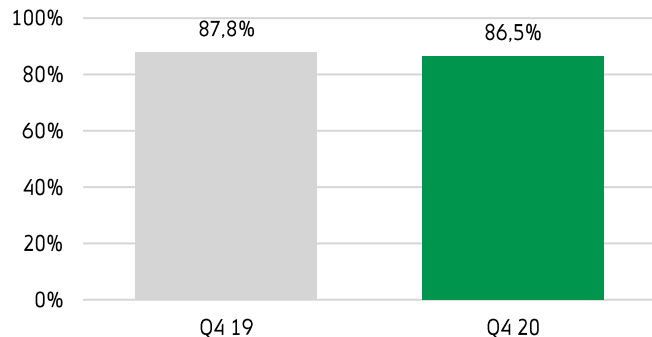
Premium Earned, net 0%



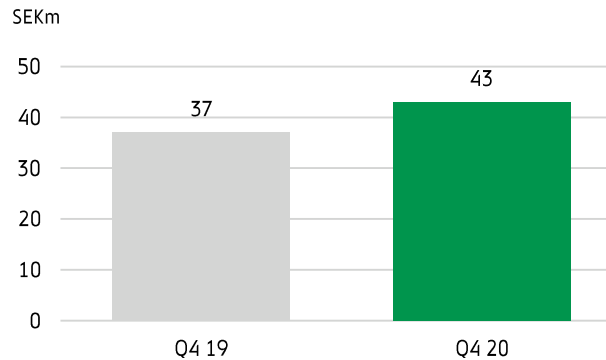
Technical Result +3%



Combined ratio -1.3% pts



Operating profit +16%

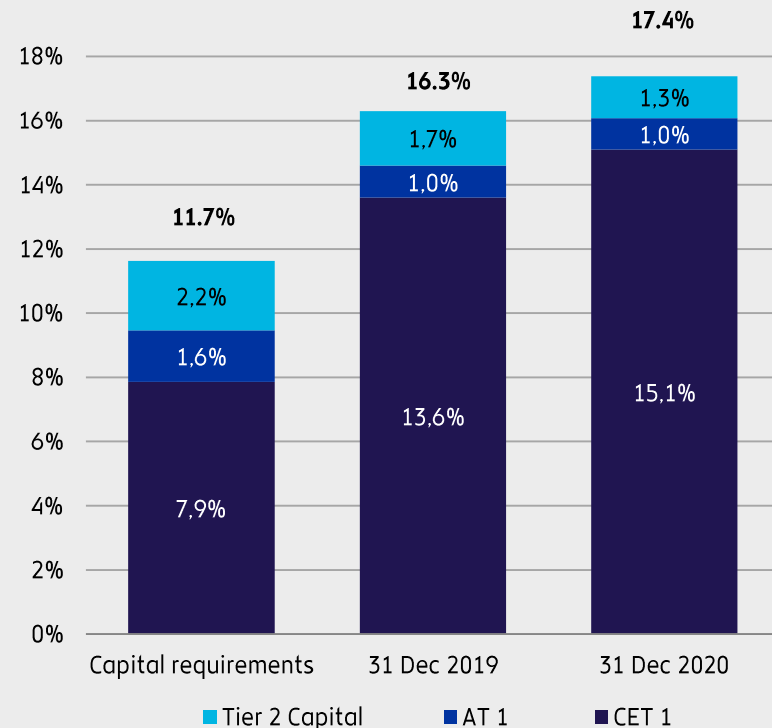


Insurance

- Premium earned stable due to lower income in travel and safety
- Technical result increased 3% compared with previous year
- Combined ratio improved

Strong capital position

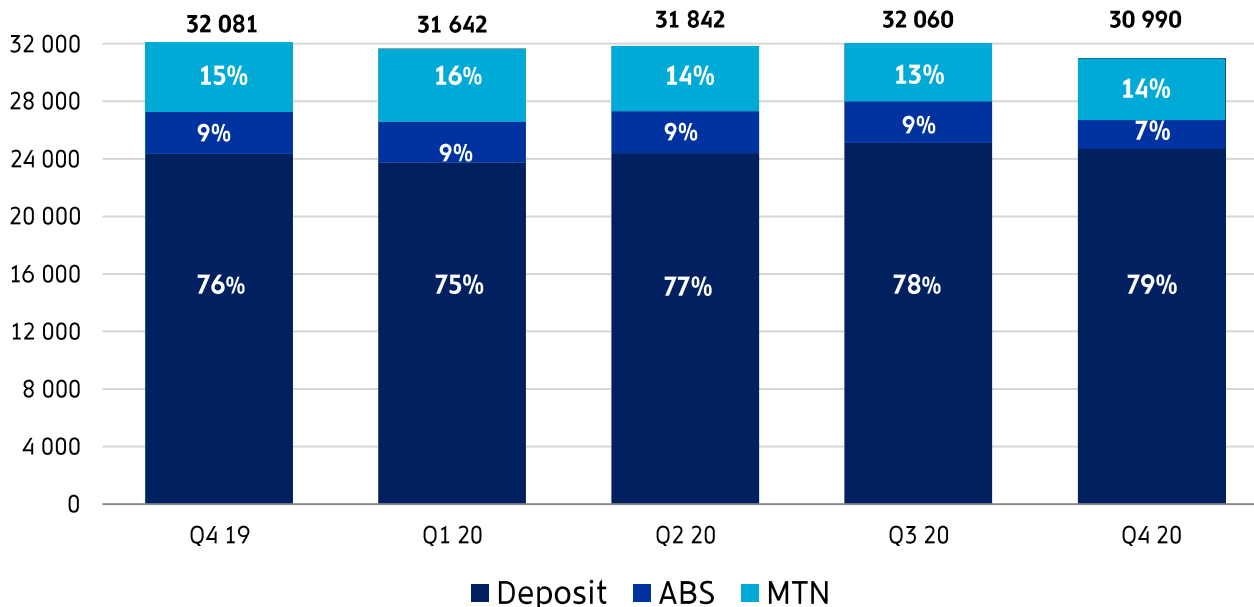
- Strong CET1 and total capital ratios well above requirement and targets, improved 1,1%-pts vs previous year
- Resurs follows regulatory authority recommendations; Proposed dividend in H1 2021 – SEK 2.68 per share
- Additional Pillar II requirements are expected to be set by Finansinspektionen for each bank as from mid-2021, however impact on Resurs is not yet known



Financing – continued diversification

Funding (excl. equity) & Funding mix

SEKm



- Continued strategy to maintain long-term diversified financing and actively work with various sources
- Extended the ABS-funding with JP Morgan Chase Bank, the financing framework is for SEK 2 billion
- Issued bonds of SEK 600 million during Q4
- Liquidity remained very strong with LCR 288% (264%) in the consolidated situation

Financial target performance

Metric	Target	Jan-Dec 2020
Annual lending growth	> 10 % p.a.	-2%
Risk adjusted NBI margin	In line with recent performance (c. 10 % – 12 %)	8.2%
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs	< 40 % in the medium term	38.6%
Return on equity (RoTE) adjusted for nonrecurring costs*	~ 30 % in the medium term	26,1 %
Payout ratio	> 50 %	n/a
Common Equity Tier 1 ratio/ Total Capital Ratio	>11.5 % CET1 >15.0 % Total Capital	15.1 % CET1 17.4 Total Capital

**Based on Capital Employed at the boards target CET1 Ratio*

Coming period

- Strengthening **competitiveness** and **growth** by creating one Nordic organisation, business driven IT-solutions and improved **customer experience**
- **Startup of new big retail partners**
- Continued focus on **sustainable credit lending**
- Intention to announce **new financial targets** and invite to a **Capital Markets Day** in 2021
- No expected trend shifts in coming period – lockdown in some markets might lead to short term lower customer demand



THANKS!

