



Interim Report January–March 2020

1 January–31 March 2020*

- Lending to the public rose 7% to SEK 31,148 million.
- Operating income amounted to SEK 897 million (896). The volatility in the financial markets has led to unrealized negative revaluations primarily affecting the equity portfolio and bonds for Solid on the closing date. This has affected the item net expense from financial transactions by SEK -51 million. Partial recovery has taken place in the beginning of the second quarter due to the improving stock market. Adjusted for this, operating income increased 6 per cent to SEK 948 million.
- Operating profit amounted to SEK 269 million (378). The bank sees no signs of lower ability to fulfil its payment obligations among its customers. Following a customary conservative and forward-looking assessment in accordance with IFRS 9, an extra credit provision of SEK -75 million has been made. Operating profit, adjusted for the extra credit provision of SEK -75 million and net expense from financial transactions of SEK -51 million, amounted to SEK 395 million, an increase of 5%.
- Earnings per share decreased 31% to SEK 1.02, and adjusted for the above items, earnings per share amounted to SEK 1.51.
- C/I before credit losses (excl. Insurance) was 38.5% (40.1%).
- The credit loss ratio was 3.4% (2.2%), of which 1.0 percentage point refers to the extra credit provision.
- The Common Equity Tier 1 ratio was 13.7% (13.1%) and the total capital ratio was 16.2% (15.1%).
- Annual General Meeting will be held on 17 June 2020. The Board of Directors notes that the company's financial position is strong but proposes that the decision regarding dividend is postponed and is instead addressed at an Extra General Meeting when the consequences of Covid-19 are clearer. Resurs Holding's dividend policy is unchanged.

“ Resurs’s sales have started to recover during the latter part of April ”

Kenneth Nilsson, CEO Resurs Holding AB

ABOUT RESURS HOLDING

Resurs Holding (Resurs), which operates through the subsidiaries Resurs Bank and Solid Försäkring, 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 6.2 million private customers in the Nordics. Resurs Bank has had a banking licence since 2001 and is under the supervision of the Swedish Financial Supervisory Authority. The Resurs Group operates in Sweden, Denmark, Norway and Finland. At the end of the first quarter of 2020, the Group had 745 employees and a loan portfolio of SEK 31.1 billion. Resurs is listed on Nasdaq Stockholm.

* 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 the website under "Financial data." In this section, changes and comparative figures refer to the same period in the preceding year. This applies to all other sections of text in this interim report, profit/loss items and cash flow that are compared with the same period in the preceding year. The exception is for financial position for which the comparative figure refers to 31 December 2019.

Statement by the CEO

Strength of Resurs's business model – now more important than ever

The consequences of the COVID-19 outbreak on society and the economy are difficult to assess now that we are in the middle of events that are continuously changing. The effects of the situation were immediately apparent in the first half of March, and were relatively severe across the board, but the slowdown abated relatively quickly. In March, we could see a clear divide in our business particularly in Sweden, with mainly the travel industry coming to a halt while the construction industry and home electronics, for example, reported a rising trend. We could also see distinct differences between the countries, primarily a significantly lower negative impact in Sweden which was not closed down as much as the other Nordic countries.

Our lending increased 7 per cent year-on-year to SEK 31,148 million at the end of the quarter, up 9 per cent in constant currencies. The weaker lending performance was mainly due to the declining trend in Norway and the weaker NOK. Although we have not yet noted any negative trend in our customers' payment patterns, we must follow the IFRS 9 regulations regarding provisions for future credit losses, which means that due to the weaker macroeconomic outlook, an extra credit provision in the first quarter of SEK 75 million was made, in addition to the model-based provisions that are continuously made.

Operating profit increased 5 per cent to SEK 395 million, adjusted for the extra credit provision and unrealised decline in market value in the investment portfolios containing listed shares and bonds at the closing date, driven by the stock market decline in the midst of the on-going COVID -19 pandemic. The total decline in value was SEK -51 million, of which SEK 40 million was related to the Insurance segment. As other insurance companies, the premium income is invested in various asset classes, in accordance with regulations that the regulating authority monitors. The investment portfolio within the business segment Insurance totals SEK 491 million, where shares amount to SEK 72 million and bonds and other interest-bearing securities amount to SEK 348 million.

We do not usually look forward in our interim reports, but the situation is so unique that I would like to share with you what we can see in April. First of all, our customers are continuing to make their payments. Overall, we continue to have lower volumes than last year, but in April we have seen a recovery in our sales in Sweden, Denmark and Finland, and to levels on par with or just above last year's figures. However, Norway is not following this trend and we were down compared to last year, including in April.

Varied impact on the business segments

The Payment Solutions business segment was affected by COVID-19 since several of our retail finance partners in the durable goods sector had previously been impacted by falling sales. One of Resurs's strengths is that our retail finance partners operate in a wide range of durable goods industries, both online and offline, meaning that lower demand in some areas is often balanced with intact demand in others, or even with a tendency to be higher.

In the Consumer Loans business segment, the Norwegian market is continuing to undergo extensive remodelling and was challenging even before the pandemic, leading to a decline in the first quarter in the Norwegian market. In total, the Consumer Loans business segment reported growth, despite lower demand in the wake of COVID-19.

The Insurance business segment reported a favourable trend in premium earned during the quarter and a strong technical result of 30 per cent.

Well equipped to meet an uncertain future

Resurs's financial and capital positions are strong and stable. The total capital ratio was 16.2 per cent, which is 4.5 percentage points higher than the regulatory requirement. We have followed a structured and conservative approach regarding financing and liquidity for a long time. Our liquidity is high at SEK 6.9 billion with an LCR measure of 263 per cent. The regulatory requirement is 100 per cent. Resurs has a diversified financing structure and works in a structured manner with maturities. However, we know for certain that the global economy already has and will be affected by the pandemic, even though our customers' solvency has not yet been impacted.

We have been operating for more than 40 years and have experience of past deep economic fluctuations and thus contingency and procedures for taking any necessary action. As we did in the financial crisis of 2008, we introduced austerity measures to the credit models during the quarter to counteract higher credit losses. Resurs operates only in the Nordic market, with 98 per cent of its business activities with private consumers, where there are well-developed social welfare and safety nets, which entail that repayment capacity remains at a high level.

Resurs made an assessment at an early stage that the rapid spread of the virus could impact our operations and thus decided to activate the business continuity plan. The business has been divided into physically separate zones, including working from home, since 12 March. We have experienced essentially no disruptions and can thus maintain full operations for a long time ahead. A positive effect of this division, and the physical distancing, is that sick leave figures are now less than 3 per cent.

Our key priority now is a combination of safeguarding our employee's health and safety and maintaining and adapting functions and services so that they support our retail finance partners and customers in all ways. Resurs will continue to conduct responsible credit lending, focusing on stability and long-term profitability.

In situations such as this, we as people and as an organisation are tested, as is our ability to adjust and to find new ways to operate. I am firmly convinced that we will not only get through this, but we will also emerge from the situation stronger.

LENDING GROWTH

+7%

C/I RATIO (excl. Insurance)

+38.5%

LIQUIDITY COVERAGE RATIO

263%

REGULATORY REQUIREMENTS 100%

TOTAL CAPITAL RATIO

16.2%

REGULATORY REQUIREMENTS 11.7%



Kenneth Nilsson
CEO, Resurs Holding AB

<i>SEKm unless otherwise specified</i>	Jan-Mar 2020	Jan-Mar 2019	Change	Jan-Dec 2019
Operating income	897	896	0%	3,679
Operating profit	269	378	-29%	1,563
Net profit for the period	208	294	-29%	1,216
Earnings per share, SEK	1.02	1.47	-31%	6.07
C/I before credit losses, %*	40.7	40.6		39.3
C/I before credit losses (excl. Insurance), %*	38.5	40.1		39.1
Common Equity Tier 1 ratio, %	13.7	13.1		13.6
Total capital ratio, %	16.2	15.1		16.3
Lending to the public	31,148	29,182	7%	31,345
NIM, %*	9.5	9.8		9.7
Risk-adjusted NBI margin, %*	7.9	9.6		9.4
NBI margin, %*	11.3	11.7		11.7
Credit loss ratio, %*	3.4	2.2		2.3
Return on equity excl. intangible assets (RoTE), %*	16.1	26.1		25.7
Return on equity excl. intangible assets, given a Common Equity Tier 1 ratio according to the Board's target and deducted the capital base, (RoTE), %*	20.8	33.5		32.7

* Alternative performance measures are performance measures used by management and analysts to assess the Group's performance and are not defined in International Financial Reporting Standards (IFRS) or in the capital adequacy rules. Management believes that the performance measures make it easier for investors to analyse the Group's performance. Calculations and reconciliation 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 the website under "Financial data."

Group results*

First quarter 2020, January–March

Operating income

The Group's operating income totalled SEK 897 million (896). Adjusted for net expense from financial transactions of SEK -51 million, operating income increased 6 per cent to SEK 948 million. This was primarily attributable to the Insurance business segment's investment portfolio that contains unrealised declines in value of listed shares and bonds. The equity portfolio for Insurance amounted to SEK 72 million.

Net interest income increased 6 per cent to SEK 745 million (702), with interest income increasing 7 per cent to SEK 849 million (793) and interest expense to SEK -104 (-90). Fee & commission income amounted to SEK 48 million (49) and fee & commission expense to SEK -16 million (-13), resulting in a total net commission for the banking operations of SEK 32 million (36).

Premium earned, net, in the insurance operations rose 6 per cent to SEK 228 million (215), while claim costs were SEK -56 million (-55), which is recognised in the item insurance compensation, net. Fee & commission expense in the insurance operations amounted to SEK -54 million (-57). In total, net insurance income increased to SEK 118 million (102).

OPERATING INCOME FOR THE
QUARTER

+6%*

* excluding net expense from financial transactions

Net expense from financial transactions amounted to SEK -51 million (3), due to the decline in value of interest-bearing securities and equities as well as exchange-rate differences, of which SEK 40 million relates to the business segment Insurance's investment portfolio. As other insurance companies, the premium income is invested in various asset classes, in accordance with regulations that the regulating authority monitors. The investment portfolio within the business segment Insurance totals SEK 491 million, where shares amount to SEK 72 million and bonds and other interest-bearing securities amount to SEK 348 million. The assets are revalued at market value on the balance sheet date, which occurred during the ongoing stock market decline during the midst of the on-going COVID-19 pandemic. Resurs Bank's investment portfolio consists mainly of investments in municipal securities and bonds eligible for refinancing.

Other operating income, mainly comprising fees from lending operations, amounted to SEK 53 million (52).

Operating expenses

The Group's expenses before credit losses were in line with the corresponding period previous year at SEK -365 million (-363). Personnel expenses increased 5 per cent to SEK -161 million (-153) year-on-year. General administrative costs excluding personnel expenses increased 9 per cent to SEK -149 million (-136). Depreciation, amortisation and impairment of intangible and tangible assets rose SEK 5 million to SEK -27 million (-22). Other operating expenses fell SEK 24 million to SEK -28 million (-52). Viewed in relation to the operations' income, the cost level (excluding Insurance) amounted to 38.5 per cent (40.1 per cent).

Credit losses totalled SEK -263 million (-155) and the credit loss ratio was 3.4 per cent (2.2 per cent), of which 1.0 percentage point of the credit loss ratio refers to the extra credit provision. Underlying credit losses totalled SEK -188 million.

The risk-adjusted NBI margin totalled 7.9 per cent (9.6 per cent). The lower margin was mainly due to the extra credit provision, certain price pressure and lower margins due to higher average loans with low credit risk.

Profit

Operating profit was SEK 269 million (378). Adjusted for the extra credit provision of SEK -75 million and the unrealised decline in value of SEK -51 million mainly in the Insurance business segment's investment portfolio, the operating increased 5 per cent to SEK 395 million (378).

Net profit for the quarter declined 29 per cent to SEK 208 million (294). The tax expense for the quarter was SEK -61 million (-84).

C/I RATIO (excl. Insurance)

38.5%

OPERATING PROFIT FOR THE QUARTER

+5%*

*excluding extra credit provision and net expense from financial transactions

Financial position on 31 March 2020*

Comparative figures for this section refer to 31 December 2019, except for cash flow for which comparative figures refer to the same period in the preceding year.

On 31 March 2020, the Group's financial position was strong, with a capital base of SEK 4,967 million (5,071) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. The total capital ratio was 16.2 per cent (16.3 per cent) and the Common Equity Tier 1 ratio was 13.7 per cent (13.6 per cent).

Due to COVID-19, the authorities decided to reduce the regulatory minimum capital requirement in the countercyclical capital buffer. This entailed a total reduction of about 1.7 percentage points to 0.3 per cent for Resurs. This total is made up of Sweden removing its countercyclical buffer requirement (2.5 per cent), Denmark removing its 1.0 per cent requirement and Norway reducing its requirement from 2.5 per cent to 1.0 per cent.

Lending to the public on 31 March 2020 totalled SEK 31,148 million (31,345), corresponding to a -0.6 per cent decrease for the year and excluding currency effects of 0.3 per cent. The weaker lending performance was mainly due to the declining trend in Norway and the weaker NOK.

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 a diversified financing for the long-term.

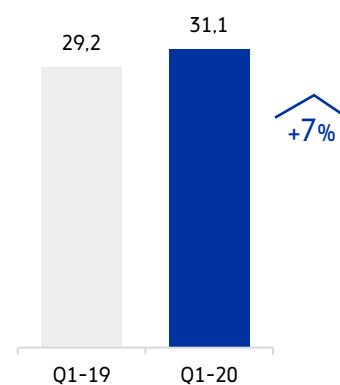
Deposits from the public on 31 March 2020 fell 2.3 per cent to SEK 23,846 million (24,409). We have deposits in Swedish crowns, in Norwegian crowns and in EURO. Financing through issued securities totalled SEK 7,797 million (7,672). Liquidity remained healthy and the liquidity coverage ratio (LCR) was 263 per cent (264) in the consolidated situation. The minimum statutory LCR is 100 per cent. Lending to credit institutions amounted to SEK 3,252 million (4,129) on 31 March 2020. Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 3,851 million (3,048). Bonds of a nominal SEK 700 million were issued during the first quarter under Resurs Bank's MTN programme. Repurchases of SEK 300 million took place in the quarter from the MTN programme that falls due in 2020.

Cash flow from operating activities amounted to SEK -795 million (376) for the period. Cash flow from deposits amounted to SEK 29 million (1,990) and the net change in investment assets totalled SEK -858 million (-965). Cash flow from investing activities for the year totalled SEK -29 million (-25) and cash flow from financing activities was SEK 120 million (300).

Intangible assets amounted to SEK 1,959 million (2,045), and primarily comprise the goodwill that arose in the acquisition of Finaref and Danaktiv in 2014 and yA Bank in 2015.

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LENDING TO THE PUBLIC



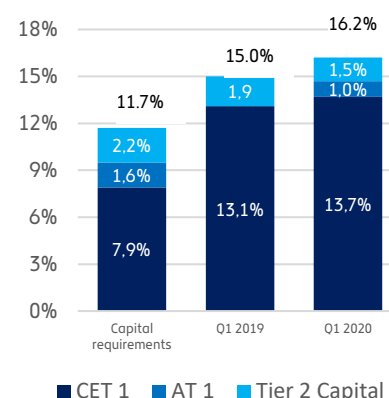
Trend in lending to the public in SEK billion.

LIQUIDITY COVERAGE RATIO

263%

REGULATORY REQUIREMENTS 100%

TOTAL CAPITAL RATIO



Payment Solutions

Acceptable earnings despite retail sector in decline

First quarter 2020, January–March

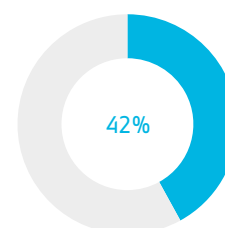
Payment Solutions' performance for the first two months of the year was characterised by healthy growth in all markets except Norway, and was then impacted by the effects of the outbreak of COVID-19 in March. Most of March was impacted by a decline in retail in all markets, which subsequently plateaued and stabilised at a low level. This trend partly confirmed that an underlying consumption need still exists. Resurs's business model combined with broad diversification in the Nordic retail sector means that Resurs can focus on the industries that have increased their sales in this crisis period, for example, the building materials sector, home electronics and e-commerce in general in several industries, to balance out with the industries that have been affected the most, such as the travel industry. The highest priority is to support Resurs's retail finance partners in every possible way through the exceptional circumstances that have arisen as a result of COVID-19. These partners are found in a wide range of industries that are all facing challenges with adapting their business to the prevailing market conditions.

Resurs's targeted efforts to develop innovative solutions that increase sales and customer loyalty for our retail finance partners continued at a consistently high tempo throughout the quarter. This was especially the case for the continued development of payment solutions for stores, online and omni-retail. For example, a new platform for Resurs Checkout was developed during the quarter, with launch scheduled for the second quarter. The service's new features include a new user interface for customers, while the retailer has access to new functions to follow conversion from consumer to customer and in-store purchasing patterns. Resurs Checkout also continued to be integrated in more POS systems. Resurs's innovative technological developments resulted in closer collaborations with a number of new and existing retail finance partners during the quarter. As always, the driving force is to add new functionality, new products and sales-driving campaigns the develop their business and an offering of a smooth customer journey that can help increase higher average purchases, improve profitability and enhance loyalty.

AI remains a central part of the work on boosting profitability in Supreme Cards through the technological capability of enhancing sales efficiency to primarily existing customers. New websites/landing pages were also launched in the quarter that make it easier for customers to make partial payments. Supreme Card was also impacted by COVID-19 and saw a lower number of transactions in March as an effect of the slowdown in retail and essentially non-existent travel.

Lending to the public on 31 March 2020 rose 4 per cent to SEK 11,148 million (10,707). Operating income totalled SEK 378 million (373), up 1 per cent year-on-year. Operating income less credit losses amounted to SEK 301 million (324). The risk-adjusted NBI margin decreased to 10.7 per cent (12.2), mainly due to changes in the customer mix. Credit losses for the quarter increased in absolute terms as a percentage of lending, which was mainly an effect of the extra credit provision made as a result of the expected future effects of the COVID-19 pandemic.

PERCENTAGE OF
OPERATING INCOME
JAN-MAR 2020

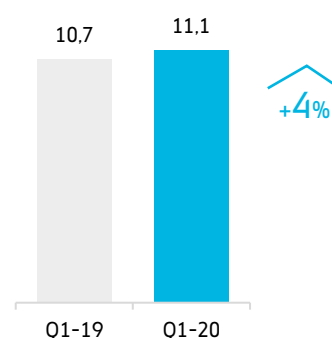


ABOUT PAYMENT
SOLUTIONS

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

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

LENDING TO THE
PUBLIC



Trend in lending to the public
in SEK billion.

Performance measures – Payment Solutions

<i>SEKm unless otherwise specified</i>	Jan-Mar 2020	Jan-Mar 2019	Change	Jan-Dec 2019
Lending to the public at end of the period	11,148	10,707	4%	11,426
Operating income	378	373	1%	1,529
Operating income less credit losses	301	324	-7%	1,317
Risk-adjusted NBI margin, %	10.7	12.2		12.0
Credit loss ratio, %	2.7	1.8		1.9

Consumer Loans

Early action for continued effective credit control

First quarter 2020, January–March

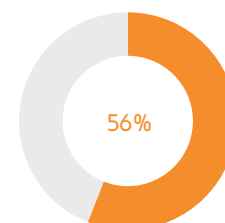
Performance for Consumer Loans was largely stable, despite challenges in the Norwegian market. The credit engine continued to prove its strength in providing efficient support for credit decisions while maintaining the same credit risk, with particularly positive effects from the Danish market noted during the quarter. The credit engine also played an important role in the trend towards higher average loans that also entail a lower credit risk. One of the partnerships strengthened during the quarter was with Ellos, which now offers consumer loans in Sweden.

The automated employer control was launched in the Swedish market during the quarter. Now that time-consuming administrative stages are disappearing, the positive effect is a significantly faster loan application process for the customer combined with sustained high credit control for Resurs. An upgraded version of My Pages was also launched in all four Nordic countries during the quarter, adding a number of new user-friendly functions that make administration of existing services and consumer loan applications easier. Even before COVID-19, the Norwegian market was vulnerable and undergoing extensive remodelling as a result of the continuing effects of the new legal requirements and introduction of Gjeldsregisteret in summer 2019. This meant that the market in Norway remained weak during the quarter.

Resurs took action at an early stage of COVID-19 to make the credit scorecard stricter in order to ensure continued high control of the chosen risk appetite. There is great uncertainty regarding the future, and in the longer term, there is the risk of higher unemployment and thus lower ability to pay. It is important to remember in this context that Resurs conducts its business activities in the Nordic countries, which all have well-developed social welfare systems. A probable effect of this is that the ability to pay will be maintained even during periods of high unemployment. Proactive efforts are made as a central part of Resurs's credit lending to identify customers with potential payment difficulties at an early stage. The customer service function in every country has several dedicated debt collection teams tasked with contacting, assisting and informing customers who are behind on their payments. As a first step, the reason for the customer's payment difficulties is investigated to then propose a customised solution, such as a lower monthly amount for a certain period.

Lending to the public on 31 March 2020 increased 8 per cent to SEK 19,999 million (18,475), a 11 per cent increase in constant currencies. The strongest performance in percent was the Finnish market, followed by Sweden and Denmark. Operating income increased by 7 per cent in the quarter to SEK 505 million (470). Operating income less credit losses amounted to SEK 319 million (364), and the risk-adjusted NBI margin was 6.4 per cent (8.1). The trend in the risk-adjusted NBI margin was mainly due to the performance of the Norwegian market and lower margins due to higher average loans with lower credit risk. Credit losses for the quarter increased in absolute terms as a percentage of lending, which was mainly an effect of the extra credit provision of SEK -75 million made as a result of the expected future effects of the COVID-19 pandemic.

PERCENTAGE OF
OPERATING INCOME
JAN-MAR 2020

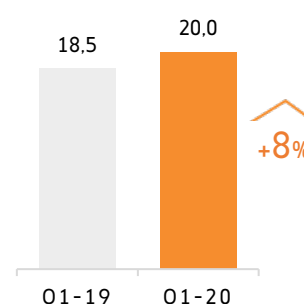


ABOUT CONSUMER LOANS

Consumer Loans' customers are offered unsecured loans.

Consumer Loans also helps consumers to consolidate their loans with other banks, in order to reduce their monthly payments or interest expense. Resurs currently holds SEK 20.0 billion in outstanding consumer loans.

LENDING TO THE PUBLIC



Trend in lending to the public in SEK billion.

Performance measures – Consumer Loans

<i>SEKm unless otherwise specified</i>	Jan-Mar 2020	Jan-Mar 2019	Change	Jan-Dec 2019
Lending to the public at end of the period	19,999	18,475	8%	19,919
Operating income	505	470	7%	1,943
Operating income less credit losses	319	364	-12%	1,486
Risk-adjusted NBI margin, %	6.4	8.1		8.0
Credit loss ratio, %	3.7	2.4		2.4

Insurance

Insurance had a strong start to the year and both premiums earned and technical result increased compared with the preceding year.

First quarter 2020, January–March

During the quarter, the company entered into collaborative agreement with three new partners in the Swedish market, of which two partners in the Product business line and one partner in the Security business line. Preparations for launching these partnerships were initiated during the period.

The company also carried out an acquisition in the Product business line in the Norwegian market. This acquisition was a customer register of bicycle registrations, which offers more opportunities to consolidate the company's position in the bicycle market in Norway and to further develop the business. Intensive efforts were made during the period to integrate the acquisition and realise the potential that is presents.

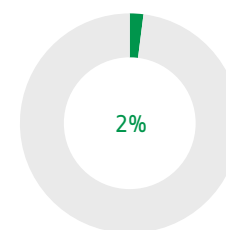
Premium earned, net, increased 6 per cent compared with the year-earlier period to SEK 229 million (215). This increase was primarily due to the Security and Motor business lines.

Operating income for the quarter declined to SEK 17 million (59), of which income attributable to the non-life insurance operations increased SEK 7 million (5) corresponding to 15 per cent (11). The capital market was significantly impacted by the outbreak of COVID-19, which resulted in reduced market values in the investment portfolios and a negative outcome for net expense from financial transactions of SEK -40 million (9).

The technical result increased 30 per cent to SEK 30 million (23) compared with the year-earlier quarter, as a result of growth in the Motor and Security business lines and improved profitability in Motor.

Operating profit fell to SEK -9 million (32) compared with the year-earlier quarter, which was attributable to the negative value trend in the investment portfolios. Operating expenses declined to SEK 26 million (27). The combined ratio improved to 87.7 per cent (90.1), primarily due to the positive trend in the claims ratio in the Motor business line and the lower operating costs ratio.

PERCENTAGE OF OPERATING INCOME JAN-MAR 2020

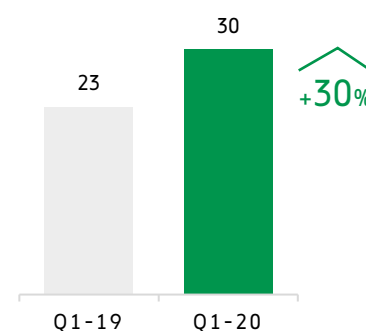


ABOUT INSURANCE

Non-life insurance is offered within the Insurance segment under the Solid Försäkring brand. The focus is on niche coverage, with the Nordic region as the main market.

Insurance products are divided into four business lines: Travel, Security, Motor and Product. The company partners with leading retail chains in various sectors, and has about 2.3 million customers across the Nordic region.

TECHNICAL RESULT



Trend in technical result in SEKm.

Performance measures – Insurance

<i>SEKm unless otherwise specified</i>	Jan-Mar 2020	Jan-Mar 2019	Change	Jan-Dec 2019
Premium earned, net	229	215	6%	898
Operating income	17	59	-71%	225
Technical result	30	23	30%	104
Operating profit	-9	32	-128%	127
Combined ratio, %	87.7	90.1		89.6

Significant events

January–March 2020

New Country Director for Resurs Bank in Norway

Resurs Bank has recruited Gabor Molnar as the new Country Director for the bank's operations in Norway. Gabor Molnar took up his new position at Resurs on 1 April. Gabor Molnar most recently served as Senior Vice President at Nets in Norway.

Resurs Holding postpones its Annual General Meeting and presents information on account of COVID-19

Given the situation caused by the outbreak of coronavirus and as a consequence of the Swedish Financial Supervisory Authority's announcement on 24 March 2020 that banks are expected to refrain from paying dividends until the prevailing situation has become clear, the Board of Resurs Holding has decided to postpone the 2020 Annual General Meeting to a later date.

New CEO of Resurs Holding

The CEO of Resurs Holding Kenneth Nilsson announced in March that he would leave the company and step down in the summer. He will be succeeded by Nils Carlsson, who most recently comes from the position as CEO of Fortnox AB.

Resurs Holding published its 2019 Annual and Sustainability Report

Resurs Holding published its 2019 Annual and Sustainability Report on 17 March. Resurs presented a Sustainability Report prepared in accordance with the Core level of the Global Reporting Initiative Standards as an integrated part of its Annual Report.

Proposal by the Nomination Committee regarding the Board of Directors in Resurs Holding

The Nomination Committee of Resurs Holding AB has resolved to propose to the Annual General Meeting 2020 that the current directors of Martin Bengtsson, Fredrik Carlsson, Lars Nordstrand, Marita Odélius Engström, Mikael Wintzell and Johanna Berlinde be re-elected, and that Kristina Patek and Susanne Ehnåge be elected as new Board members. The proposal means that the Board of Directors will continue to consist of eight directors and that Martin Bengtsson be re-elected as Chairman of the Board. Anders Dahlvig and Mariana Burenstam Linder have declined re-election.

After the end of the period

Extra credit provision in Resurs bank

Resurs Holding's subsidiary Resurs Bank made an extra credit provision of SEK 75 million following COVID-19 and in accordance with IFRS 9.

Annual General Meeting will be held 17 June 2020

The Board of Directors of Resurs Holding has on 27 April decided that the Annual General Meeting shall be held on 17 June 2020. The Board of Directors notes that the company's financial position is strong but proposes that the decision regarding dividend is postponed and is instead addressed at an Extra General Meeting when the consequences of Covid-19 are clearer. Resurs Holding's dividend policy is unchanged.

SOME OF RESURS'S RETAIL FINANCE PARTNERS:

net on net

BAUHAUS

Mio

TICKET

Magasin

memira[®]
ögonkliniker

Mekonomen

Husqvarna[®]

BILTEMA

Miles & More

BabySam

ELGIGANTEN >

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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 credit risks, market risks, liquidity risks and operational risks. The Board has established operational policies with the aim of balancing the Group's risk taking, and to limit and control risks. All policies are updated as necessary and revised at least once annually. The Board and CEO are ultimately responsible for the Group's risk management. In general, there have been no significant changes regarding risk and capital management during the period. A more detailed description of the bank's risks, liquidity and capital management is presented in Note G2 Liquidity, Note G3 Capital Adequacy, and in the most recent annual report.

Information on operations

Resurs Holding AB is a financial holding company. Operating activities are conducted in the wholly owned subsidiaries Resurs Bank AB, with subsidiaries, and Solid Försäkrings AB. 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).

Solid Försäkring provides non-life insurance products in Sweden, other Nordic countries and, to some extent, other European countries. Solid Försäkring offers traditional speciality insurance. Solid Försäkring conducts operations in Norway, Finland and Switzerland via branches. Cross-border operations are conducted in other markets.

Employees

There were 745 full-time employees at the Group on 31 March 2020, down 5 since 31 December 2019. Compared with Q1 2019, the total number of employees increased by 13, primarily due to expanding the number of IT personnel in Sweden. The number of employees reduced in Resurs Bank Norway, which took place by not replacing people who left the company in connection with the merger with yA Bank.

COVID-19

It is currently not possible to assess the effects that the outbreak of the virus will have on Resurs going forward. However, it must be emphasised that Resurs's financial and capital positions are strong and stable. Resurs also has solid procedures and experience of monitoring economic fluctuations and implementing business contingency plans to handle them, and is closely monitoring and analysing the current course of events in order to quickly adopt relevant measures.

The priority is safeguarding the health and safety of employees, and maintaining functions and services to retail finance partners and customers in all ways.

Due to COVID-19, the authorities decided to reduce the regulatory minimum capital requirement in the countercyclical capital buffer. This entailed a total reduction of about 1.7 percentage points to 0.3 per cent for Resurs. This total is made up of Sweden removing its countercyclical buffer requirement (2.5 per cent), Denmark removing its 1.0 per cent requirement and Norway reducing its requirement from 2.5 per cent to 1.0 per cent.

NUMBER OF EMPLOYEES

745

Information about the Resurs share

Resurs Holding's share is listed on Nasdaq Stockholm, Large Cap.
The final price paid for the Resurs share at the end of the period was SEK 34.12.

The ten largest shareholders with direct ownership on 31 March 2020 ¹⁾ were:	Percentage of share capital
Waldakt AB (Bengtsson family)	28.9%
Swedbank Robur Fonder	5.5%
XACT Fonder	3.2%
Erik Selin	2.9%
Avanza Pension	2.8%
Länsförsäkringar Fonder	2.3%
Vanguard	2.1%
Handelsbanken Fonder	2.0%
Norges Bank	2.0%
SEB Fonder	1.9%
Total	53.6%

¹⁾ Information on indirect holdings through companies, etc. may not be available in certain cases.

Financial targets

Performance measures	Mid-term targets	Outcome Q1 2020
Annual lending growth	more than 10%	7%
Risk-adjusted NBI margin, excl. Insurance	about 10-12%	7.9%
C/I before credit losses (excl. Insurance and adjusted for nonrecurring costs)	under 40%	38.5%
Common Equity Tier 1 ratio	more than 11.5%	13.7%
Total capital ratio	more than 15%	16.2%
Return on tangible equity (RoTE) adjusted for nonrecurring costs ¹⁾	about 30%	20.8%
Dividends	at least 50% of profit for the year	n/a

1) Adjusted for the Common Equity Tier 1 ratio according to the Board's target and dividends deducted from the capital base for the current year.

Financial calendar

17 June 2020

Annual General Meeting

21 July 2020

Interim report for April-June 2020

27 October 2020

Interim report for July-September 2020

NEXT INTERIM REPORT:

21 JULY

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, 27 April 2020

Kenneth Nilsson, CEO

Board of Directors,

Martin Bengtsson, Chairman of the Board

Johanna Berlinde

Mariana Burenstam Linder

Fredrik Carlsson

Anders Dahlvig

Lars Nordstrand

Marita Odélius Engström

Mikael Wintzell

Summary financial statements - Group

Condensed Income statement

SEK thousand	Note	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Interest income	G5	849 294	792 842	3 310 584
Interest expense	G5	-104 299	-90 465	-408 910
Fee & commission income, banking operations		48 132	49 397	222 693
Fee & commission expense, banking operations		-16 086	-13 421	-60 442
Premium earned, net	G6	228 164	214 838	896 509
Insurance compensation, net	G7	-56 473	-55 456	-222 941
Fee & commission expense, insurance operations		-53 897	-57 213	-242 084
Net income/expense from financial transactions		-50 574	3 453	-22 536
Other operating income	G8	52 915	51 938	206 345
Total operating income		897 176	895 913	3 679 218
General administrative expenses	G9	-309 630	-289 147	-1 200 762
Depreciation, amortisation and impairment of intangible and tangible fixed assets		-27 174	-21 682	-87 642
Other operating expenses		-28 105	-52 486	-158 663
Total expenses before credit losses		-364 909	-363 315	-1 447 067
Earnings before credit losses		532 267	532 598	2 232 151
Credit losses, net	G10	-262 983	-154 628	-669 454
Operating profit/loss		269 284	377 970	1 562 697
Income tax expense		-61 016	-84 094	-346 387
Net profit for the period		208 268	293 876	1 216 310
Portion attributable to Resurs Holding AB shareholders		204 043	293 876	1 213 343
Portion attributable to additional Tier 1 capital holders		4 225		2 967
Net profit for the period		208 268	293 876	1 216 310
Basic and diluted earnings per share, SEK	G16	1,02	1,47	6,07

Statement of comprehensive income

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net profit for the period	208 268	293 876	1 216 310
Other comprehensive income that will be classified to profit/loss			
Translation differences for the period, foreign operations	-101 401	51 369	33 162
Comprehensive income for the period	106 867	345 245	1 249 472
Portion attributable to Resurs Holding AB shareholders	102 642	345 245	1 246 505
Portion attributable to additional Tier 1 capital holders	4 225		2 967
Comprehensive income for the period	106 867	345 245	1 249 472

Statement of financial position

SEK thousand	Note	31 Mar 2020	31 Dec 2019	31 Mar 2019
Assets				
Cash and balances at central banks		224 468	220 799	97 142
Treasury and other bills eligible for refinancing		2 707 885	1 758 835	1 753 579
Lending to credit institutions		3 251 777	4 128 953	4 364 841
Lending to the public	G11	31 147 648	31 344 787	29 182 201
Bonds and other interest-bearing securities		1 143 587	1 288 954	1 505 037
Subordinated debt		26 862	28 290	27 722
Shares and participating interests		89 329	95 823	74 707
Intangible fixed assets		1 958 993	2 063 405	2 044 818
Tangible assets		140 303	139 871	166 328
Reinsurers' share in technical provisions		3 939	3 876	4 635
Other assets		372 583	253 526	225 850
Prepaid expenses and accrued income		365 673	421 629	465 320
TOTAL ASSETS		41 433 047	41 748 748	39 912 180
Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions		158 300	94 900	
Deposits and borrowing from the public		23 845 802	24 409 032	22 872 991
Other liabilities		960 293	1 015 578	1 027 363
Accrued expenses and deferred income		245 442	211 861	255 493
Technical provisions		563 521	585 557	559 188
Other provisions	G12	21 244	20 337	23 404
Issued securities		7 796 690	7 672 347	7 882 675
Subordinated debt		598 092	597 890	597 280
Total liabilities and provisions		34 189 384	34 607 502	33 218 394
Equity				
Share capital		1 000	1 000	1 000
Other paid-in capital		2 082 280	2 082 505	2 086 305
Translation reserve		-35 195	66 206	84 413
Additional Tier 1 instruments		300 000	300 000	
Retained earnings incl. profit for the period		4 895 578	4 691 535	4 522 068
Total equity		7 243 663	7 141 246	6 693 786
TOTAL LIABILITIES, PROVISIONS AND EQUITY		41 433 047	41 748 748	39 912 180

See Note G13 for information on pledged assets, contingent liabilities and commitments.

Statement of changes in equity

SEK thousand	Share capital	Other paid-in capital	Translation reserve	Additional Tier 1 instruments	Retained earnings incl. profit for the period	Total equity
Initial equity at 1 January 2019	1 000	2 086 305	33 044	0	4 228 192	6 348 541
Net profit for the period					293 876	293 876
Other comprehensive income for the period			51 369			51 369
Equity at 31 March 2019	1 000	2 086 305	84 413	0	4 522 068	6 693 786
Initial equity at 1 January 2019	1 000	2 086 305	33 044	0	4 228 192	6 348 541
<i>Owner transactions</i>						
Option premium received/repurchased		-3 800				-3 800
Dividends according to General Meeting					-390 000	-390 000
Dividends according to Extraordinary General Meeting					-360 000	-360 000
Issued additional Tier 1 instruments				300 000		300 000
Cost additional Tier 1 instruments					-2 967	-2 967
Net profit for the year					1 216 310	1 216 310
Other comprehensive income for the year			33 162			33 162
Equity at 31 December 2019	1 000	2 082 505	66 206	300 000	4 691 535	7 141 246
Initial equity at 1 January 2020	1 000	2 082 505	66 206	300 000	4 691 535	7 141 246
<i>Owner transactions</i>						
Option premium received/repurchased		-225				-225
Cost additional Tier 1 instruments					-4 225	-4 225
Net profit for the period					208 268	208 268
Other comprehensive income for the period			-101 401			-101 401
Equity at 31 March 2020	1 000	2 082 280	-35 195	300 000	4 895 578	7 243 663

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Mar 2020	Jan-Dec 2019	Jan-Mar 2019
Operating activities			
Operating profit	269 284	1 562 697	377 970
- of which, interest received	849 886	3 306 307	790 936
- of which, interest paid	-80 616	-383 662	-38 465
Adjustments for non-cash items in operating profit	257 691	896 641	301 845
Tax paid	-122 358	-287 503	-113 436
Cash flow from operating activities before changes in operating assets and liabilities	404 617	2 171 835	566 379
Changes in operating assets and liabilities			
Lending to the public	-305 476	-3 694 769	-848 790
Other assets	-27 227	-143 140	-110 213
Liabilities to credit institutions	63 400	-55 000	-149 900
Deposits and borrowing from the public	28 815	3 623 920	1 990 146
Acquisition of investment assets ¹⁾	-1 663 725	-3 238 044	-1 454 542
Divestment of investment assets ¹⁾	805 669	2 455 395	489 743
Other liabilities	-100 909	-106 353	-107 002
Cash flow from operating activities	-794 836	1 013 844	375 821
Investing activities			
Acquisition of intangible and tangible fixed assets	-29 339	-103 966	-25 147
Divestment of intangible and tangible fixed assets	586	1 343	
Cash flow from investing activities	-28 753	-102 623	-25 147
Financing activities			
Dividends paid		-750 000	
Issued securities	123 950	-213 887	
Option premium received/repurchased	-225	-3 800	
Additional Tier 1 instruments	-4 225	297 033	
Subordinated debt		298 950	300 000
Cash flow from financing activities	119 500	-371 704	300 000
Cash flow for the period	-704 089	539 517	650 674
Cash & cash equivalents at beginning of the year ²⁾	4 349 752	3 766 865	3 766 865
Exchange rate differences	-169 418	43 370	44 444
Cash & cash equivalents at end of the period ²⁾	3 476 245	4 349 752	4 461 983
Adjustment for non-cash items in operating profit			
Credit losses	262 983	669 454	154 628
Depreciation, amortisation and impairment of intangible and tangible fixed assets	27 174	87 642	21 682
Profit/loss tangible assets	98	-269	
Profit/loss on investment assets ¹⁾	49 116	-20 089	-12 768
Change in provisions	-20 693	50 476	27 011
Adjustment to interest paid/received	25 964	29 863	52 182
Currency effects	-87 546	74 035	58 145
Other items that do not affect liquidity	595	5 529	965
Sum non-cash items in operating profit	257 691	896 641	301 845

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.

SEK thousand	1 Jan 2020	Cash flow	Non cash flow items Accrued acquisition costs	Exchange rate differences	31 Mar 2020
Issued securities	7 672 347	123 950	393		7 796 690
Additional Tier 1 instruments	297 033	-4 225			292 808
Subordinated debt	597 890		202		598 092
Total	8 567 270	119 725	595	0	8 687 590

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 and the Swedish Financial Supervisory Authority's regulations and general guidelines on Annual Reports in Credit Institutions and Securities Companies (FFFS 2008:25), as well as the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups.

No new IFRS or IFRIC interpretations, effective as from 1 January 2020, have had any material impact on the Group.

The Parent Company has prepared its interim report in accordance with the requirements in the Annual Accounts Act (AAA) and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. The same accounting and valuation principles were applied as in the latest Annual report.

For detailed accounting principles for the Group, see the Annual report for 2019.

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 2-30 comprises an integrated component of this financial report.

G2. Financing - Consolidated situation

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

The main type of financing remains deposits from the public. This type of financing has been offered to customers in Sweden, Norway and Germany. Deposits, which are analysed on a regular basis, totalled SEK 24,066 million (24,647), whereof in Sweden SEK 11,387 million (11,391), in Norway SEK 5,837 million (6,601) and in Germany SEK 6,842 million (6,655). The lending to the public/deposits from the public ratio for the consolidated situation is 129 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 8,000 million (8,000). Within the programme, Resurs Bank has been working successfully to issue bonds on a regular basis and sees itself as an established issuer on the market. At 31 March 2020 the program has eleven outstanding issues at a nominal amount of SEK 5,850 million (5,450). Of the eleven issues, nine are senior unsecured bonds and two issues are a subordinated loan of SEK 600 million (600). Resurs Bank made repurchases in some of the senior unsecured bonds above. The amounts do not include these repurchases.

Resurs Bank has, outside the programme issued subordinated loan of SEK 200 million (200). Resurs Holding issued Additional Tier 1 Capital of a nominal SEK 300 million (300).

In May 2019, Resurs Bank was awarded BBB- with stable prospects of the rating company Nordic Credit Rating. In April 2020, NCR confirmed the credit rating of BBB- with a negative outlook. Access to Nordic Credit Ratings analyses can be found on the website www.nordiccreditrating.com.

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. The acquisition of loan receivables by Resurs Consumer Loans was financed by an international financial institution. In June 2019, an agreement was signed to extend the existing financing and Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 31 March 2020 a total of approximately SEK 3.6 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 2.9 billion (2.9) of the ABS financing.

Liquidity - Consolidated situation

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

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

Liquidity comprises both a liquidity reserve and another liquidity portfolio that is monitored on a daily basis. The main liquidity risk is deemed to arise in the event multiple depositors simultaneously withdraw their deposited funds. An internal model is used to set minimum requirements for the amount of the liquidity reserve, calculated based on deposit volumes, the proportion covered by deposit insurance and relationship to depositors. The model also takes into account the future maturities of issued securities. The Board has stipulated that the liquidity reserve may never fall below SEK 1,300 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 700 million. There are also other liquidity requirements regulating and controlling the business.

The liquidity reserve, totalling SEK 1,892 million (1,918), 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 5,002 million (4,982) for the consolidated situation. Accordingly, total liquidity amounted to SEK 6,894 million (6,900) corresponds to 29 per cent (28 per cent) of deposits from the public. The Group also has unutilised credit facilities of NOK 50 million (50).

Liquidity Coverage Ratio (LCR) for the consolidated situation is reported to the authorities on a monthly basis. The LCR shows the ratio between high qualitative assets and net outflow during a 30-day stressed period. A ratio of 100 per cent means the assets managed the stress test scenario and is also the authority's limit. As at 31 March 2020, the ratio for the consolidated situation is 263 per cent (264 per cent). For the period January to March 2020, the average LCR measures 241 per cent for the consolidated situation.

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

Summary of liquidity – Consolidated situation

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Liquidity reserve as per FFFS 2010:7 definition			
Securities issued by sovereigns	190 369	184 378	126 909
Securities issued by municipalities	905 228	830 219	758 066
Lending to credit institutions			45 000
Bonds and other interest-bearing securities	796 431	903 264	992 927
Summary Liquidity reserve as per FFFS 2010:7	1 892 028	1 917 861	1 922 902
Other liquidity portfolio			
Cash and balances at central banks	224 468	220 799	97 142
Securities issued by municipalities	1 569 662	699 902	823 599
Lending to credit institutions	3 207 983	4 061 272	4 242 322
Bonds and other interest-bearing securities			200 061
Total other liquidity portfolio	5 002 113	4 981 973	5 363 124
Total liquidity portfolio	6 894 141	6 899 834	7 286 026
Other liquidity-creating measures			
Unutilised credit facilities	47 970	52 895	53 745

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

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

Liquid assets according to LCR**31/03/2020**

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	193 097		133 188		59 909
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	190 369		127 740	32 062	30 567
Securities issued by municipalities and PSEs	1 704 928	1 375 217	81 307		248 404
Extremely high quality covered bonds	290 155		209 240		80 915
Level 2 assets					
High quality covered bonds	455 662	377 670			77 992
Total liquid assets	2 834 211	1 752 887	551 475	32 062	497 787

31/12/2019

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	193 433		127 548		65 885
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	184 378		120 318	30 211	33 849
Securities issued by municipalities and PSEs	1 530 121	1 273 617	76 652		179 852
Extremely high quality covered bonds	374 185		196 880		177 305
Level 2 assets					
High quality covered bonds	529 079	529 079			
Total liquid assets	2 811 196	1 802 696	521 398	30 211	456 891

Additional information on the Group's management of liquidity risks is available in the Group's 2019 Annual report.

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Total liquid assets	2 834 211	2 811 196	2 704 549
Net liquidity outflow	1 044 500	1 025 759	1 087 606
LCR measure	263%	264%	238%

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 (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 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. Due to the outbreak of COVID-19, the Swedish Financial Supervisory Authority and the equivalent authority in other countries lowered the countercyclical capital buffer. For Swedish exposures, this means a reduction from 2.5 per cent of risk-weighted assets to 0.0 per cent, for Norwegian exposures a reduction of 2.5 per cent to 1.0 per cent and for Danish exposures a reduction from 1.0 per cent to 0.0 per cent. The Finnish buffer remains at 0.0 per cent. The minimum capital requirement was reduced for the consolidated situation by about 1.7 percentage points on 31 March 2020 due to the changes in the countercyclical capital buffer requirement.

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

Credit risk is calculated by applying the standardised method under which the asset items of the consolidated situation are weighted and divided between 17 different exposure classes. The total risk-weighted exposure amount is multiplied by 8 per cent to obtain the minimum capital requirement for credit risk. The capital requirement for operational risk is from 20 September 2019 calculated by the standardised method. Under this method, the capital requirement for operational risks is 12 per cent of the income indicator (meaning average operating income for the past three years). External rating companies are used to calculate the bank's capital base requirement for bonds and other interest-bearing securities.

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

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

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

Capital base

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Common Equity Tier 1 capital			
Equity			
Equity, Group	6 943 663	6 841 246	6 693 786
Additional Tier 1 instruments classified as equity	300 000	300 000	
Equity according to balance sheet	7 243 663	7 141 246	6 693 786
Proposed dividend	-420 000	-420 000	-390 000
Predicted dividend	-195 000		-180 000
Additional/deducted equity in the consolidated situation	-454 935	-463 076	-437 760
Equity, consolidated situation	6 173 728	6 258 170	5 686 026
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect	237 119	287 930	287 930
Less:			
Additional value adjustments	-3 711	-2 743	-2 934
Intangible fixed assets	-1 905 354	-2 020 278	-2 018 105
Additional Tier 1 instruments classified as equity	-300 000	-300 000	
Shares in subsidiaries	-145	-120	-120
Total Common Equity Tier 1 capital	4 201 637	4 222 959	3 952 797
Tier 1 capital			
Common Equity Tier 1 capital	4 201 637	4 222 959	3 952 797
Additional Tier 1 instruments	300 000	300 000	
Total Tier 1 capital	4 501 637	4 522 959	3 952 797
Tier 2 capital			
Dated subordinated loans	464 964	548 003	603 932
Total Tier 2 capital	464 964	548 003	603 932
Total capital base	4 966 601	5 070 962	4 556 729

Capital requirement

SEK thousand	31 Mar 2020		31 Dec 2019		31 Mar 2019	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	671 793	53 743	830 818	66 465	913 477	73 078
Exposures to corporates	387 683	31 015	412 282	32 983	353 802	28 304
Retail exposures	20 893 234	1 671 459	21 171 101	1 693 688	19 903 976	1 592 318
Exposures in default	3 238 568	259 085	3 095 205	247 616	2 697 383	215 791
Exposures in the form of covered bonds	79 450	6 356	90 122	7 210	99 089	7 927
Exposures to institutions and companies with short-term credit rating						
Equity exposures	96 514	7 721	96 404	7 712	92 340	7 387
Other items	401 673	32 134	513 701	41 096	562 019	44 961
Total credit risks	25 768 915	2 061 513	26 209 633	2 096 770	24 622 086	1 969 766
Credit valuation adjustment risk	56 437	4 515	30 589	2 447	16 396	1 312
Market risk						
Currency risk	0	0	0	0	0	0
Operational risk	4 849 713	387 977	4 849 713	387 977	5 552 748	444 220
Total riskweighted exposure and total capital requirement	30 675 065	2 454 005	31 089 935	2 487 194	30 191 230	2 415 298

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

In addition to the treatment of Pillar 1 risks above, 0.9 % (1.0) of the consolidated situation's risk-weighted assets are allocated for Pillar 2 requirements as at 31 March 2020.

Capital ratio and capital buffers

	31 Mar 2020	31 Dec 2019	31 Mar 2019
Common Equity Tier 1 ratio, %	13,7	13,6	13,1
Tier 1 ratio, %	14,7	14,6	13,1
Total capital ratio, %	16,2	16,3	15,1
Common Equity Tier 1 capital requirement incl. buffer requirement, %	7,2	9,0	8,6
- of which, capital conservation buffer requirement, %	2,5	2,5	2,5
- of which, countercyclical buffer requirement, %	0,2	2,0	1,6
Common Equity Tier 1 capital available for use as buffer, %	7,2	7,3	7,1

Leverage ratio

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

The consolidated situation currently only has a reporting requirement to the Swedish Financial Supervisory Authority, but will have a quantitative requirement of 3 per cent when the updates to CRR come into effect.

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Tier 1 capital	4 501 637	4 522 959	3 952 797
Leverage ratio exposure	41 811 018	42 031 894	40 235 703
Leverage ratio, %	10,8	10,8	9,8

G4. Segment reporting

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

The Insurance segment is evaluated at the operating profit/loss level, as this is part of the segment's responsibility. 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-Mar 2020

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	300 539	546 920	4 279	-2 444	849 294
Interest expense	-29 804	-76 915	-34	2 454	-104 299
Provision income	84 593	27 693		-64 154	48 132
Fee & commission expense, banking operations	-16 086				-16 086
Premium earned, net			228 549	-385	228 164
Insurance compensation, net			-56 473		-56 473
Fee & commission expense, insurance operations			-118 724	64 827	-53 897
Net income/expense from financial transactions	-4 125	-6 013	-40 382	-54	-50 574
Other operating income	42 845	13 604	51	-3 585	52 915
Total operating income	377 962	505 289	17 266	-3 341	897 176
<i>of which, internal ¹⁾</i>	<i>38 480</i>	<i>26 869</i>	<i>-61 997</i>	<i>-3 352</i>	<i>0</i>
Credit losses, net	-77 077	-185 906			-262 983
Operating income less credit losses	300 885	319 383	17 266	-3 341	634 193
Expenses excluding credit losses ²⁾			-25 997		
Operating profit, Insurance ³⁾			-8 731		

Jan-Mar 2019

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	294 859	496 684	3 348	-2 049	792 842
Interest expense	-25 946	-66 567	-1	2 049	-90 465
Provision income	79 517	27 924		-58 044	49 397
Fee & commission expense, banking operations	-13 421				-13 421
Premium earned, net			215 224	-386	214 838
Insurance compensation, net			-55 456		-55 456
Fee & commission expense, insurance operations			-113 263	56 050	-57 213
Net income/expense from financial transactions	-2 310	-3 074	8 866	-29	3 453
Other operating income	40 287	14 954		-3 303	51 938
Total operating income	372 986	469 921	58 718	-5 712	895 913
<i>of which, internal ¹⁾</i>	<i>31 769</i>	<i>27 558</i>	<i>-53 615</i>	<i>-5 712</i>	<i>0</i>
Credit losses, net	-49 017	-105 611			-154 628
Operating income less credit losses	323 969	364 310	58 718	-5 712	741 285
Expenses excluding credit losses ²⁾			-27 217		
Operating profit, Insurance ³⁾			31 501		

Segment reporting

Jan-Dec 2019

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	1 200 330	2 103 848	15 283	-8 877	3 310 584
Interest expense	-116 177	-301 578	-32	8 877	-408 910
Provision income	357 070	111 616		-245 993	222 693
Fee & commission expense, banking operations	-60 442				-60 442
Premium earned, net			898 481	-1 972	896 509
Insurance compensation, net			-222 941		-222 941
Fee & commission expense, insurance operations			-485 560	243 476	-242 084
Net income/expense from financial transactions	-17 848	-23 513	18 932	-107	-22 536
Other operating income	166 394	52 793	570	-13 412	206 345
Total operating income	1 529 327	1 943 166	224 733	-18 008	3 679 218
<i>of which, internal ¹⁾</i>	<i>140 615</i>	<i>110 021</i>	<i>-232 628</i>	<i>-18 008</i>	<i>0</i>
Credit losses, net	-212 520	-456 934			-669 454
Operating income less credit losses	1 316 807	1 486 232	224 733	-18 008	3 009 764
Expenses excluding credit losses ²⁾			-97 281		
Operating profit, Insurance ³⁾			127 452		

¹⁾ Inter-segment revenues mostly comprise mediated payment protection insurance, but also remuneration for Group-wide functions that are calculated according to the OECD's guidelines on internal pricing.

²⁾ Reconciliation of expenses excluding credit losses against income statement

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
As per segment reporting			
Expenses excluding credit losses as regards Insurance segment	-25 997	-27 217	-97 281
Not broken down by segment			
Expenses excluding credit losses as regards banking operations	-338 912	-336 098	-1 349 786
Total	-364 909	-363 315	-1 447 067
As per income statement			
General administrative expenses	-309 630	-289 147	-1 200 762
Depreciation, amortisation and impairment of intangible and tangible fixed assets	-27 174	-21 682	-87 642
Other operating expenses	-28 105	-52 486	-158 663
Total	-364 909	-363 315	-1 447 067

³⁾ Reconciliation of operating profit against income statement

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
As per segment reporting			
Operating profit, Insurance	-8 731	31 501	127 452
Not broken down by segment			
Operating profit as regards banking operations	278 015	346 469	1 435 245
Total	269 284	377 970	1 562 697
As per income statement			
Operating profit	269 284	377 970	1 562 697
Total	269 284	377 970	1 562 697

Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Total Group
31/03/2020	11 148 161	19 999 487		31 147 648
31/12/2019	11 425 811	19 918 976		31 344 787
31/03/2019	10 707 243	18 474 958		29 182 201

G5. Net interest income/expense

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Interest income			
Lending to credit institutions	2 064		2 333
Lending to the public	844 024	790 635	3 294 988
Interest-bearing securities	3 206	2 206	13 263
Total interest income	849 294	792 842	3 310 584
Interest expense			
Liabilities to credit institutions	-1 125	-2 179	-9 162
Deposits and borrowing from the public	-78 653	-62 318	-297 370
Issued securities	-18 369	-20 279	-80 182
Subordinated debt	-5 865	-5 277	-20 553
Other liabilities	-287	-412	-1 643
Total interest expense	-104 299	-90 465	-408 910
Net interest income/expense	744 995	702 377	2 901 674

G6. Premium earned, net

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Premium earned	223 644	210 754	937 163
Premiums for specified reinsurance	-5 342	-6 814	-24 207
Change in provision for unearned premiums and unexpired risks	9 820	10 567	-16 441
Reinsurers' share in change in provision for unearned premiums and unexpired risks	42	331	-6
Total premium earned, net	228 164	214 838	896 509

G7. Insurance compensation, net

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Claims paid, gross	-49 611	-49 116	-202 585
Less reinsurance share	1 832	1 907	7 810
Total claims paid, net	-47 779	-47 209	-194 775
Change in provision for losses incurred and reported, gross	-3 461	-2 184	-4 270
Less/additional reinsurance share		4	-445
Total change in provision for losses incurred and reported, net	-3 461	-2 180	-4 715
Change in provision for losses incurred but not reported (IBNR), gross	966	-572	-411
Total change in provision for losses incurred but not reported (IBNR), net	966	-572	-411
Operating expenses for claims adjustment, gross	-6 246	-5 579	-23 446
Less reinsurance share	47	84	406
Total operating expenses for claims adjustment, net	-6 199	-5 495	-23 040
Total insurance compensation, net	-56 473	-55 456	-222 941

G8. Other operating income

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Other income, lending to the public	44 037	41 767	174 787
Other operating income	8 878	10 171	31 558
Total operating income	52 915	51 938	206 345

G9. General administrative expenses

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Personnel expenses	-160 871	-152 958	-620 420
Postage, communication and notification expenses	-33 592	-32 583	-132 890
IT expenses	-53 780	-41 074	-184 604
Cost of premises	-5 504	-5 146	-20 522
Consultant expenses	-16 739	-18 188	-64 819
Other	-39 144	-39 198	-177 507
Total general administrative expenses	-309 630	-289 147	-1 200 762

G10. Credit losses, net

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Provision of credit reserves			
Stage 1	-29 385	-4 557	-3 746
Stage 2	-46 429	-46 318	-105 351
Stage 3	-113 629	73 109	-150 186
Total	-189 443	22 234	-259 283
Provision of credit reserves off balance (unutilised limit)			
Stage 1	-1 331	83	-2 272
Stage 2	36	-435	4 318
Stage 3			
Total	-1 295	-352	2 046
Write-offs of stated credit losses for the period	-75 774	-182 101	-437 791
Recoveries of previously confirmed credit losses	3 529	5 591	25 574
Total	-72 245	-176 510	-412 217
Credit losses, net	-262 983	-154 628	-669 454
<i>off which lending to the public</i>	<i>-261 688</i>	<i>-154 276</i>	<i>-671 500</i>

G11. Lending to the public

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Retail sector	33 758 588	33 751 565	31 398 639
Corporate sector	449 115	471 861	398 487
Total lending to the public, gross	34 207 703	34 223 426	31 797 126
Stage 1	23 552 387	23 687 686	23 355 721
Stage 2	5 122 438	5 259 501	3 786 616
Stage 3	5 532 878	5 276 239	4 654 789
Total lending to the public, gross	34 207 703	34 223 426	31 797 126
Less provision for expected credit losses			
Stage 1	-202 979	-174 603	-176 351
Stage 2	-465 052	-421 930	-365 920
Stage 3	-2 392 024	-2 282 106	-2 072 654
Total expected credit losses	-3 060 055	-2 878 639	-2 614 925
Stage 1	23 349 408	23 513 083	23 179 370
Stage 2	4 657 386	4 837 571	3 420 696
Stage 3	3 140 854	2 994 133	2 582 135
Total lending to the public, net	31 147 648	31 344 787	29 182 201

G12. Other provisions

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Reporting value at the beginning of the year	20 338	22 861	22 861
Provision made/utilised during the period	1 346	-2 128	388
Exchange rate differences	-440	-396	155
Total	21 244	20 337	23 404
Provision of credit reserves, unutilised limit, stage 1	13 369	11 925	9 837
Provision of credit reserves, unutilised limit, stage 2	1 550	1 719	6 603
Other provisions	6 325	6 693	6 964
Reported value at the end of the period	21 244	20 337	23 404

G13. Pledged assets, contingent liabilities and commitments

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Collateral pledged for own liabilities			
Lending to credit institutions	161 934	161 910	208 579
Lending to the public ¹⁾	3 551 766	3 556 373	3 612 691
Assets for which policyholders have priority rights ²⁾	957 399	1 045 193	900 005
Restricted bank deposits ³⁾	31 777	30 887	32 925
Total collateral pledged for own liabilities	4 702 876	4 794 363	4 754 200
Contingent liabilities			
Guarantees			311
Total contingent liabilities	0	0	311
Other commitments			
Unutilised credit facilities granted	27 791 200	27 546 215	28 041 640
Total other commitments	27 791 200	27 546 215	28 041 640

¹⁾ Refers to securitisation.

²⁾ Technical provisions, net, amounts to SEK -559.6 million (-583.9), which means that total surplus of registered assets amounts to SEK 397.8 million (461.3).

³⁾ As of 31 March 2020, SEK 29,195 thousand (27,366) refers mainly to a reserve requirement account at Finlands Bank.

G14. Related-party transactions

Resurs Holding AB, corporate identity number 556898-2291, is owned at 31 March 2020 to 28.9 per cent by Waldakt AB. Of the remaining owners, no single owner holds 20 per cent or more. Cidron Semper S.A.R.L (Nordic Capital) had positions on the Board of Resurs Holding and was included in the Note Related-party transactions up to and including 2 October 2019.

The former Board Chairman and one of the Board members declined re-election and stepped down from the Board in October 2019. Companies with significant influence through direct or indirect ownership of the Resurs Group also have controlling or significant influence of NetOnNet AB, with which the Resurs Group conducted significant transactions during the period.

Ellos Group AB was included in this category up to 30 June 2019. The table below includes transactions with Ellos Group AB until 30 June 2019. Cidron Semper S.A.R.L sold its holdings to Ellos Group AB at the start of July 2019. Normal business transactions were conducted between the Resurs Group and these related companies and are presented below. The Parent Company only conducted transactions with Group companies.

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

Related-party transactions, significant influence

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Processing fees	-16 480	-108 214	-256 616
Interest expense - deposits and borrowing from the public	-110	-1 041	-4 956
Fee & commission income		9 275	18 525
Fee & commission expense	-5 798	-9 697	-45 034
General administrative expenses	-412	-6 951	-13 845
SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Lending to the public	47	26	52
Other assets	487		6 053
Deposits and borrowing from the public	-192 842	-207 362	-853 322
Other liabilities	-23 689	-32 644	-95 812

Transactions with key persons

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Interest expense – deposits and borrowing from the public	-15	-32	-87

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Lending to the public	23	68	100
Deposits and borrowing from the public	-11 958	-11 907	-11 502

G15. Financial instruments

SEK thousand	31 Mar 2020		31 Dec 2019		31 Mar 2019	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Financial assets						
Cash and balances at central banks	224 468	224 468	220 799	220 799	97 142	97 142
Treasury and other bills eligible for refinancing	2 707 885	2 707 885	1 758 835	1 758 835	1 753 579	1 753 579
Lending to credit institutions	3 251 777	3 251 777	4 128 953	4 128 953	4 364 841	4 364 841
Lending to the public	31 147 648	31 720 443	31 344 787	31 900 633	29 182 201	29 801 970
Bonds and other interest-bearing securities	1 143 587	1 143 587	1 288 954	1 288 954	1 505 037	1 505 037
Subordinated loans	26 862	26 862	28 290	28 290	27 722	27 722
Shares and participating interests	89 329	89 329	95 823	95 823	74 707	74 707
Derivatives	235 158	235 158	110 707	110 707	21 863	21 863
Other assets	64 098	64 098	90 886	90 886	80 407	80 407
Accrued income	105 669	105 669	149 817	149 817	198 342	198 342
Total financial assets	38 996 481	39 569 276	39 217 851	39 773 697	37 305 841	37 925 610
Intangible fixed assets	1 958 993		2 063 405		2 044 818	
Tangible assets	140 303		139 871		166 328	
Other non-financial assets	337 270		327 621		395 193	
Total assets	41 433 047		41 748 748		39 912 180	

SEK thousand	31 Mar 2020		31 Dec 2019		31 Mar 2019	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities						
Financial liabilities						
Liabilities to credit institutions	158 300	158 300	94 900	94 900		
Deposits and borrowing from the public	23 845 802	23 844 334	24 409 032	24 409 563	22 872 991	22 872 424
Derivatives	122 657	122 657	25 358	25 358	67 880	67 880
Other liabilities	482 815	482 815	572 107	572 107	565 114	565 114
Accrued expenses	203 232	203 232	172 310	172 310	214 618	214 618
Issued securities	7 796 690	7 755 129	7 672 347	7 714 123	7 882 675	7 901 682
Subordinated debt	598 092	545 829	597 890	613 347	597 280	606 564
Total financial liabilities	33 207 588	33 112 296	33 543 944	33 601 708	32 200 558	32 228 282
Provisions	21 244		20 337		23 404	
Other non-financial liabilities	960 552		1 043 221		994 432	
Equity	7 243 663		7 141 246		6 693 786	
Total equity and liabilities	41 433 047		41 748 748		39 912 180	

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

Financial assets and liabilities at fair value

SEK thousand	31 Mar 2020			31 Dec 2019			31 Mar 2019		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Financial assets at fair value through profit or loss:									
Treasury and other bills eligible for refinancing	2 707 885			1 758 835			1 753 579		
Bonds and other interest-bearing securities	1 143 587			1 288 954			1 505 037		
Subordinated loans	26 862			28 290			27 722		
Shares and participating interests	71 797		17 532	78 402		17 421	61 354		13 353
Derivatives		235 158			110 707			21 863	
Total	3 950 131	235 158	17 532	3 154 481	110 707	17 421	3 347 692	21 863	13 353
Financial liabilities at fair value through profit or loss:									
Derivatives		-122 657			-25 358			-67 880	
Total	0	-122 657	0	0	-25 358	0	0	-67 880	0

Financial instruments

Changes in level 3

SEK thousand	Jan-Mar 2020	Jan-Dec 2019	Jan-Mar 2019
Shares and participating interests			
Opening balance	17 421	1 002	1 002
Investments during the period		16 966	12 302
Disposal during the period		-514	
Exchange-rate fluctuations	111	-33	49
Closing balance	17 532	17 421	13 353

Fastställande av verkligt värde för finansiella instrument

Level 1

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

Level 2

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

Level 3

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

Financial instruments measured at fair value for disclosure purposes

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

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

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

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

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

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

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

Transfer between levels

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

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

Derivative agreement has been made under the ISDA agreement. The amounts are not offset in the statement of financial position. Most of the derivatives at 31 March 2020 were covered by the ISDA Credit Support Annex, which means that collateral is obtained and provided in the form of bank deposits between the parties.

Assets for the derivative agreements total to SEK 235 million (111), while liabilities total SEK 123 million (25). Collateral corresponding to SEK 0 million (0) and SEK 158 million (95) was received. The net effect on loans to credit institutions total SEK 0 million (0) and liabilities to credit institutions total SEK 158 million (95).

G16. Earnings per share

Basic earnings per share, before dilution, is calculated by dividing the profit attributable to Parent Company shareholders by the weighted average number of ordinary shares outstanding during the period.

During January - March 2020, there were a total of 200,000,000 shares with a quotient value of SEK 0.005 (0.005). There is no dilution effect as of 31 March 2020.

	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net profit for the period, SEK thousand	208 268	293 876	1 216 310
Portion attributable to Resurs Holding AB shareholders	204 043	293 876	1 213 343
Portion attributable to additional Tier 1 capital holders	4 225		2 967
Profit for the period	208 268	293 876	1 216 310
Average number of outstanding shares during the period	200 000 000	200 000 000	200 000 000
Earnings per share, SEK	1.02	1.47	6.07

Summary financial statements - Parent company

Income statement

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net sales	5 805	6 253	24 865
Total operating income	5 805	6 253	24 865
Personnel expenses	-4 105	-5 284	-20 444
Other external expenses	-7 919	-5 673	-28 561
Total operating expenses	-12 024	-10 957	-49 005
Operating profit	-6 219	-4 704	-24 140
Earnings from participations in Group companies	-225		731 200
Other interest income and similar profit/loss items	15	90	135
Interest expense and similar profit/loss items	-11	-5	-1 020
Total profit/loss from financial items	-221	85	730 315
Profit/loss after financial items	-6 440	-4 619	706 175
Appropriations			62 000
Tax on profit for the period	1 300	837	-8 139
Net profit for the period	-5 140	-3 782	760 036
Portion attributable to Resurs Holding AB shareholders	-9 365	-3 782	757 069
Portion attributable to additional Tier 1 capital holders	4 225		2 967
Profit/loss for the period	-5 140	-3 782	760 036

Statement of comprehensive income

SEK thousand	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net profit for the period	-5 140	-3 782	760 036
Other comprehensive income that will be reclassified to profit or loss			
Comprehensive income for the period	-5 140	-3 782	760 036
Portion attributable to Resurs Holding AB shareholders	-9 365	-3 782	757 069
Portion attributable to additional Tier 1 capital holders	4 225		2 967
Comprehensive income for the period	-5 140	-3 782	760 036

Balance sheet

SEK thousand	31 Mar 2020	31 Dec 2019	31 Mar 2019
Assets			
Financial assets			
Participations in Group companies	2 253 435	2 253 410	2 053 410
Total non-current assets	2 253 435	2 253 410	2 053 410
Current assets			
Current receivables			
Receivables from Group companies	376 808	439 397	333 200
Other current receivables	4 420	8 989	875
Prepaid expenses and accrued income	1 480	955	1 545
Total current receivables	382 708	449 341	335 620
Cash and bank balances	268 739	224 593	218 484
Total current assets	651 447	673 934	554 104
TOTAL ASSETS	2 904 882	2 927 344	2 607 514
Equity and liabilities			
Equity			
Restricted equity			
Share capital	1 000	1 000	1 000
Non-restricted equity			
Share premium reserve	1 775 929	1 775 929	1 775 929
Additional Tier 1 instruments	300 000	300 000	
Profit or loss brought forward	826 067	70 256	823 223
Net profit for the period	-5 140	760 036	-3 782
Total non-restricted equity	2 896 856	2 906 221	2 595 370
Total equity	2 897 856	2 907 221	2 596 370
Provisions			
Other provisions	546	519	426
Current liabilities			
Trade payables	601	2 153	1 082
Liabilities to Group companies	481	490	437
Current tax liabilities		10 291	5 970
Other current liabilities	454	434	565
Accrued expenses and deferred income	4 944	6 236	2 664
Total current liabilities	6 480	19 604	10 718
TOTAL EQUITY AND LIABILITIES	2 904 882	2 927 344	2 607 514

Statement of changes in equity

SEK thousand	Share capital	Share premium reserve	Additional Tier 1 instruments	Retained earnings	Profit/loss for the period	Total equity
Initial equity at 1 January 2019	1 000	1 775 929	0	0	823 223	2 600 152
Appropriation of profits according to resolution by Annual General Meeting				823 223	-823 223	0
Net profit for the period					-3 782	-3 782
Equity at 31 March 2019	1 000	1 775 929	0	823 223	-3 782	2 596 370
Initial equity at 1 January 2019	1 000	1 775 929	0	0	823 223	2 600 152
<i>Owner transactions</i>						
Dividends according to General Meeting				-390 000		-390 000
Dividends according to Extraordinary General Meeting				-360 000		-360 000
Issued additional Tier 1 instruments			300 000			300 000
Cost additional Tier 1 instruments				-2 967		-2 967
Appropriation of profits according to resolution by Annual General Meeting				823 223	-823 223	0
Net profit for the year					760 036	760 036
Equity at 31 December 2019	1 000	1 775 929	300 000	70 256	760 036	2 907 221
Initial equity at 1 January 2020	1 000	1 775 929	300 000	70 256	760 036	2 907 221
Cost additional Tier 1 instruments				-4 225		-4 225
Net profit previous year				760 036	-760 036	0
Net profit for the period					-5 140	-5 140
Equity at 31 March 2020	1 000	1 775 929	300 000	826 067	-5 140	2 897 856

Pledged assets, contingent liabilities and commitments

Resurs Holding AB has no pledged assets. According to the Board's assessment, the company has no contingent liabilities.

For additional information, please contact:

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