



Interim Report January–June 2020

1 April–30 June 2020*

- Lending to the public rose 2% to SEK 30,853 million, a 6% increase in constant currencies
- Operating income increased 2% to SEK 932 million
- Operating profit before credit losses rose 3% to SEK 570 million
- Operating profit fell 9% to SEK 369 million
- C/I before credit losses (excl. Insurance) was 38.7% (39.0%)
- The credit loss ratio was 2.6% (2.0%), as a technical effect of historically high growth in lending

1 January–30 June 2020*

- Lending to the public rose 2% to SEK 30,853 million, a 6% increase in constant currencies
- Operating income increased 1% to SEK 1,829 million
- Operating profit before credit losses rose 2% to SEK 1,103 million
- Operating profit fell 18% to SEK 638 million
- C/I before credit losses (excl. Insurance) was 38.6% (39.6%)
- The credit loss ratio was 3.0% (2.1%), as a technical effect of historically high growth in lending and the extra credit provision of SEK 75 million that was made in the first quarter.

“STABLE QUARTER IN A TURBULENT BUSINESS ENVIRONMENT”, Nils Carlsson, CEO

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 approximately 6 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 second quarter of 2020, the Group had 800 employees and a loan portfolio of SEK 30.9 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

Stable quarter in a turbulent business environment

Digitisation has fundamentally changed how we interact, communicate and consume, with the COVID-19 situation further accelerating this trend in society. Digital advances are bringing new customer behaviours and business models whereby agile and technologically innovative companies such as Resurs are strengthening their competitiveness by continuously making themselves relevant to customers of both today and tomorrow. We create value for our retail finance partners by combining our long and solid experience of retail and consumer credit loans with digitisation and AI, and thus ensuring reliable credit assessments and a positive customer experience. This is a strength that, particularly in this challenging quarter, proved its value through our ability to help our retail finance partners in every way to adapt their business models to the prevailing circumstances. Despite a highly turbulent market, we could also see that several industries performed well during the quarter.

A turbulent quarter ended with gradual recovery

The period of lockdown across the Nordics and a rapidly declining economy naturally had an effect on Resurs's business. At the same time, our business model, with its stable core of retail finance, once again demonstrated its unique flexibility and adaptability by counterbalancing and compensating for the fluctuating conditions in the Nordic markets and various industries. It made us agile when we had to slow down and then accelerate in line with the gradual recovery and made a strong contribution to a stable second quarter. Our lending increased 2 per cent compared with the same quarter in 2019 to SEK 30,853 million, up 6 per cent in constant currencies. Operating profit before credit losses increased 3 per cent to SEK 570 million. Credit losses amounted to 2.6 per cent, as a technical effect of historically high growth in lending. The extra credit provisions of SEK 35 million made in the fourth quarter of 2019 and of SEK 75 million in the first quarter of 2020 were based on our conservative credit model. To reduce risks in new lending, continuous measures were taken, such as adjustments to credit assessments, which had a negative effect on lending growth.

Varying impact and new strategic partnership

The effects of the economic climate and COVID-19 on our three business segments varied considerably. In Payment Solutions, the overall effects were relatively small since the industries that were directly impacted by a sharp decline in sales were offset by other industries that in contrast noted normal or higher demand. During the quarter, Resurs entered into a strategic partnership with Swedish shopping destination Gekås Ullared, under which we were trusted to drive the next step of their digitisation journey by launching a new concept for card and payment solutions in the first quarter of 2021. The focus of the partnership is also to work with more advanced CRM to tailor customer communication, with the aim of strengthening both customer relationships and the brand. The Consumer Loans market generally noted stable demand. As we previously reported, the Norwegian market remained challenging with a decline in activity, which had a negative effect on the trend in lending. The Insurance business continued to perform well with a technical result of SEK 25 million, which was an increase of 13 per cent compared with the same quarter in 2019.

Key symbiosis of long-term approach, flexibility and adaptability

Over our 40 years as a niche bank, we have overcome a number of recessions and financial crises. Although the future economic climate remains difficult to assess, we know that our business model with its diversity in terms of both markets and industries provides us with the necessary stability and strength to constructively and flexibly meet these challenges here and now. Another strength is our ability to apply a long-term and sustainable approach to everything we do. Resurs's core business in the form of loans and credits is based on sustainable credit lending in which a meticulous credit process ensures both customers' capacity to meet their commitments and a basis for pricing. Our responsibility includes creating sustainable business for all parties, which is a prerequisite for both growth and profitability and for earning the confidence of the market.

Resurs's financial and capital positions are strong and together with the measures we have taken we are well-equipped to continue on our journey of growth.

Nils Carlsson, CEO Resurs Holding AB



Nils Carlsson
CEO, Resurs Holding AB

SECOND QUARTER

+2%

Lending growth

38.7%

C/I ratio (excl. Insurance)

310%

Liquidity Coverage Ratio
(Regulatory requirement 100%)

16.7%

Total capital ratio
(Regulatory requirement 11.7%)

Performance measures

| <i>SEKm unless otherwise specified</i> | Apr-Jun 2020 | Apr-Jun 2019 | Change | Jan-Jun 2020 | Jan-Jun 2019 | Change | Jan-Dec 2019 |
|--|-----------------|-----------------|--------|-----------------|-----------------|--------|-----------------|
| Operating income | 932 | 913 | 2% | 1,829 | 1,809 | 1% | 3,679 |
| Operating profit* | 369 | 405 | -9% | 638 | 783 | -18% | 1,563 |
| Net profit for the period | 289 | 313 | -8% | 497 | 607 | -18% | 1,216 |
| Earnings per share, SEK | 1.42 | 1.56 | -9% | 2.44 | 3.03 | -19% | 6.07 |
| C/I before credit losses, %* | 38.8 | 39.5 | | 39.7 | 40.0 | | 39.3 |
| C/I before credit losses (excl. Insurance), %* | 38.7 | 39.0 | | 38.6 | 39.6 | | 39.1 |
| Common Equity Tier 1 ratio, % | 14.3 | 13.1 | | 14.3 | 13.1 | | 13.6 |
| Total capital ratio, % | 16.7 | 15.0 | | 16.7 | 15.0 | | 16.3 |
| Lending to the public | 30,853 | 30,323 | 2% | 30,853 | 30,323 | 2% | 31,345 |
| NIM, %* | 9.4 | 9.7 | | 9.4 | 9.8 | | 9.7 |
| Risk-adjusted NBI margin, %* | 8.5 | 9.6 | | 8.2 | 9.6 | | 9.4 |
| NBI margin, %* | 11.1 | 11.6 | | 11.2 | 11.6 | | 11.7 |
| Credit loss ratio, %* | 2.6 | 2.0 | | 3.0 | 2.1 | | 2.3 |
| Return on equity excl. intangible assets (RoTE), %* | 21.3 | 27.2 | | 18.7 | 27.2 | | 25.7 |
| Return on equity excl. intangible assets, given a Common Equity Tier 1 ratio according to the Board's target and deducted dividend from the capital base, (RoTE), %* | 28.8 | 34.4 | | 24.7 | 34.1 | | 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*

Second quarter 2020, April–June

Operating income

The Group's operating income increased 2 per cent in line with the trend in lending to SEK 932 million (913). The relatively low rate of growth compared with recent years was due to the continuing decline in Norway and lower new lending due to COVID-19, with Payment Solutions most affected by the lockdown in three of four countries. Net interest income increased 1 per cent to SEK 731 million (726), with interest income amounting to SEK 835 million (833) and interest expense to SEK -105 million (-108). Fee & commission income amounted to SEK 43 million (56) and fee & commission expense to SEK -14 million (-15), resulting in a total net commission for the banking operations of SEK 29 million (40). The lower net commission was due in its entirety to the effects of COVID-19, attributable to lower credit card income, loan commission and other commission as a result of lower activity in the travel industry and lower factoring.

Premium earned, net, in the insurance operations rose 4 per cent to SEK 227 million (219), while claim costs, which are recognised in the item insurance compensation, net, were SEK -60 million (-54). Fee & commission expense in the insurance operations amounted to SEK -59 million (-62). In total, net insurance income increased to SEK 108 million (103).

The capital market recovered slightly during the quarter, and the market value of equities and bond portfolios increased, which resulted in a positive outcome for net income from financial transactions of SEK 21 million (-3). However, the increase in value did not fully recover from the decline in the preceding quarter. Other operating income, mainly comprising remuneration from lending operations, amounted to SEK 42 million (48).

Operating expenses

The Group's expenses before credit losses were unchanged year-on-year at SEK -361 million (-361). Personnel expenses increased 4 per cent to SEK -164 million (-158) compared with the year-earlier quarter. General administrative costs excluding personnel expenses declined just under 1 per cent to SEK -141 million (-142). Depreciation, amortisation and impairment of intangible and tangible assets rose SEK 4 million to SEK -27 million (-23). Other operating expenses fell SEK 9 million to SEK -29 million (-38). Viewed in relation to the operations' income, the cost level (excluding Insurance) amounted to 38.7 per cent (39.0 per cent).

Credit losses totalled SEK -201 million (-148) and the credit loss ratio was 2.6 per cent (2.0 per cent). Credit losses for the quarter increased both in absolute terms and as a percentage of lending, which was mainly a technical effect of the historically high growth in lending. The bank has not yet seen any changed payment patterns among its customers due to COVID-19, which is why credit losses for the period were not impacted by direct effects related to COVID-19. The risk-adjusted NBI margin totalled 8.5 per cent (9.6 per cent). In addition to the effect of the historically high lending growth, the lower margin was mainly due to continued price pressure and higher average loans with lower credit risk.

Profit

Operating profit totalled SEK 369 million (405), with the decline primarily attributable to higher credit losses. Net profit for the quarter fell 8 per cent to SEK 289 million (313). Tax expense for the quarter amounted to SEK -80 million (-92).

First half of 2020, January–June

Operating income and expenses

The Group's operating income increased 1 per cent to SEK 1,829 million (1,809), primarily due to lower growth in lending as a result of COVID-19 and the continued decline in Norway. Net interest income increased 3 per cent to SEK 1,476 million (1,428), with interest income amounting to SEK 1,685 million (1,626) and interest expense to SEK -209 (-198). Fee & commission income amounted to SEK 91 million (105) and fee & commission expense to SEK -30 million (-29).

Viewed in relation to the operations' income, the cost level (excluding Insurance) continued to improve and amounted to 38.6 per cent (39.6 per cent). Credit losses totalled SEK -464 million (-302) and the credit loss ratio was 3.0 per cent (2.1 per cent).

+2%

Operating income for the quarter

38.7%

C/I ratio (excl. Insurance)

-9%

Operating profit for the quarter

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Credit losses increased both in absolute terms and as a percentage of lending, which was partly a technical effect of lower growth in lending but also an effect of the extra credit provision made in the first quarter as a result of the expected future effects of COVID-19. The risk-adjusted NBI margin was 8.2 per cent (9.6 per cent).

Profit

Operating profit fell 18 per cent to SEK 638 million (783). The downturn was primarily the result of the extra credit provision of SEK 75 million made in the first quarter, lower fee & commission income and the negative net expense from financial transactions, all of which were affected by COVID-19. Net profit for the period amounted to SEK 497 million (607). Tax expense for the period amounted to SEK -141 million (-176).

COVID-19

An extra forward-looking credit provision of SEK 75 million was made in the first quarter of the year to meet higher future credit losses, in addition to the model-based reserves, in accordance with IFRS 9. It remains difficult to assess the effects of COVID-19 on Resurs's operations at the current time. We have not yet noted any negative trend in the payment patterns of our customers but nevertheless believe that both probability of default and loss given default will be negatively affected from the third quarter of 2020, and have been taken into consideration in the extra credit provision. Uncertainty about the future remains high, with rising unemployment and the risk of lower solvency, but our overall assessment is that no additional credit loss reserves need to be made at present due to COVID-19.

Resurs took action at an early stage of COVID-19 to introduce austerity measures in credit lending in Consumer Loans in order to ensure continued high control of the chosen risk appetite, which reduced the risk in new lending in all markets, with the associated declining volumes. In addition, mainly new lending in Finland was adversely affected by the future interest limitation rules that were temporarily introduced after the end of the quarter. Lower sales for the bank's retail finance partners at the start of the COVID-19 outbreak negatively impacted lending, while there was a clear recovery in the second half of the quarter when lockdown restrictions were eased in the Nordic countries. The direct effect on the Group's earnings was mainly related to the decline in the travel industry, which in turn was negatively impacted and is expected to continue to impact credit card commission and currency exchange fees negatively, while lower factoring activity resulted in lower commission. Overall, Insurance was only marginally affected during the quarter, with slightly higher new insurance sales, while the claims outcome increased slightly.



Financial position on 30 June 2020*

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

On 30 June 2020, the Group's financial position was strong, with a capital base of SEK 5,138 million (5,071) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. The total capital ratio was 16.7 per cent (16.3 per cent) and the Common Equity Tier 1 ratio was 14.3 per cent (13.6 per cent).

Due to COVID-19, the authorities decided earlier in the year 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 of 2.5 per cent, Denmark removing its 1.0 per cent requirement and Norway reducing its 2.5 per cent requirement to 1.0 per cent.

Lending to the public amounted to SEK 30,853 million (31,345) on 30 June 2020, representing a decrease of just under 2 per cent and excluding currency effects an increase of 1 per cent. The weaker lending performance is the result of a continued declining trend in Norway, a weaker NOK and lower new lending due to COVID-19.

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

Deposits from the public on 30 June 2020 amounted to SEK 24,405 million (24,409). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 7,437 million (7,672). Liquidity remained healthy and the liquidity coverage ratio (LCR) was 310 per cent (264 per cent) in the consolidated situation. The minimum statutory LCR is 100 per cent. Lending to credit institutions at 30 June 2020 amounted to SEK 4,393 million (4,129). Holdings of treasury and other bills eligible for refinancing, as well as bonds and other interest-bearing securities, totalled SEK 3,483 million (3,048). Bonds of a nominal SEK 700 million were issued during the first half of the year under Resurs Bank's MTN programme. Repurchases of SEK 110 million already took place in the first half of the year from the MTN programme that falls due in the second half of 2020. The bond market was turbulent during the spring and we chose not to carry out any issues. However, we see signs of an improved bond market and we will continue to follow developments in the market. The bank has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 1,956 million (2,063), and primarily comprised the goodwill that arose in the acquisition of Finaref and Danaktiv in 2014 and yA Bank in 2015.

Cash flow from operating activities amounted to SEK 633 million (595) for the period. Cash flow from deposits amounted to SEK 611 million (1,991) and the net change in investment assets totalled SEK -498 million (-127). Cash flow from investing activities for the year totalled SEK -44 million (-69) and cash flow from financing activities was SEK -246 million (-367).

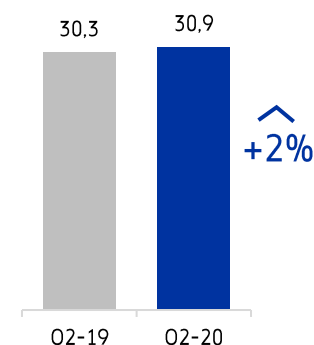
Dividends

The company is following the regulatory authorities' recommendations and positions that banks and holding companies of banks should not pay any dividends. Accordingly, the company's assessment is that dividends will probably not be paid in 2020. However, the Board intends to pay the dividend of SEK 420 million for the 2019 financial year proposed in the year-end report when regulatory authorities have changed their positions and when the consequences of the ongoing pandemic can be reviewed. At the same time, the Board confirms that the company's dividend policy remains unchanged. During the period that it is not possible to fully understand the consequences of the ongoing pandemic, the Board intends to pay 50 per cent of the Group's net profit in dividends from earnings from 2020.

310%

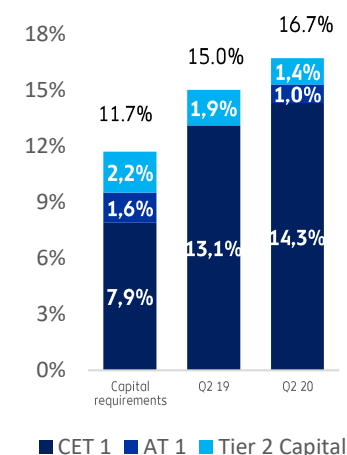
Liquidity Coverage Ratio
(Statutory requirement 100%)

Lending to the public



Trend in lending to the public in SEK billion.

Capital position, consolidated situation



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Payment Solutions

Slow recovery led to satisfactory results

Second quarter 2020, April–June

All markets saw a decline in retail in the wake of COVID-19, particularly during the lockdown period in Denmark, Norway and Finland. However, a broad diversification in Nordic retail gave Resurs important resilience and a strong ability to offset industries with falling demand with other industries where demand remained intact, and in some cases was actually rising. For example, the travel industry was characterised by a continued decline, while the building materials market and home electronics reported a high level of activity in the markets that were allowed to remain open. Resurs's business model, coupled with the gradual easing of restrictions in the Nordic markets, meant that Payment Solutions could deliver overall satisfactory results.

Resurs entered into a new partnership with Gekås Ullared in the quarter. This means that Resurs will be an active partner in Gekås Ullared's new card and payment solution concept combined with an expanded CRM offering.

The high pace of Resurs's technological advances was maintained, particularly in terms of the continued digitisation of physical retail. Our strength lies in the interface between cutting-edge technical expertise, which enables intelligence to be built into application and payment flows, and solid experience of retail and payment solutions, which offers a smooth customer journey. The integration of Resurs Checkout with more POS systems continued during the quarter, which was one of the reasons for the increase in the number of connected POSs in the automotive aftermarket.

A number of initiatives and technological advances using AI continued to drive profitability in Supreme Cards. During the quarter, Supreme Cards migrated to a new technical platform, Mastercard Payment Transaction Service (MPTS), which will enable more efficient flows and the development of more tailored customer offerings.

Lending to the public on 30 June 2020 declined 2 per cent to SEK 10,921 million (11,146). Weaker lending was mainly due to COVID-19, a continued declining trend in Norway and a weaker NOK.

Operating income amounted to SEK 354 million (380), down 7 per cent compared with the year-earlier quarter. The lower earnings, mainly in the items of other commission, loan commission and credit-card income, were attributable to COVID-19. Operating income less credit losses amounted to SEK 285 million (341). The risk-adjusted NBI margin was 10.3 per cent (12.5 per cent), mainly due to changes in the customer mix and increased credit losses. Credit losses for the quarter increased both in absolute terms and as a percentage of lending, which was mainly a technical effect of the historically high growth in lending.

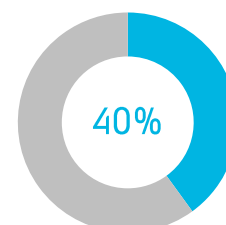
First half of 2020, January–June

Lending to the public on 30 June 2020 declined 2 per cent to SEK 10,921 million (11,146). Operating income amounted to SEK 732 million (753), down 3 per cent compared with the year-earlier quarter. Operating income less credit losses amounted to SEK 585 million (665). The risk-adjusted NBI margin was 10.5 per cent (12.3 per cent), mainly due to changes in the customer mix. Credit losses increased both in absolute terms and as a percentage of lending, which was partly a technical effect of lower growth in lending but also an effect of the extra credit provision made in the first quarter as a result of the expected future effects of COVID-19.

Performance measures – Payment Solutions

| SEKm unless otherwise specified | Apr-Jun 2020 | Apr-Jun 2019 | Change | Jan-Jun 2020 | Jan-Jun 2019 | Change | Jan-Dec 2019 |
|--|--------------|--------------|--------|--------------|--------------|--------|--------------|
| Lending to the public at end of the period | 10,921 | 11,146 | -2% | 10,921 | 11,146 | -2% | 11,426 |
| Operating income | 354 | 380 | -7% | 732 | 753 | -3% | 1,529 |
| Operating income less credit losses | 285 | 341 | -17% | 585 | 665 | -12% | 1,317 |
| Risk-adjusted NBI margin, % | 10.3 | 12.5 | | 10.5 | 12.3 | | 12.0 |
| Credit loss ratio, % | 2.5 | 1.4 | | 2.6 | 1.6 | | 1.9 |

Percentage of operating income Jan–Jun 2020

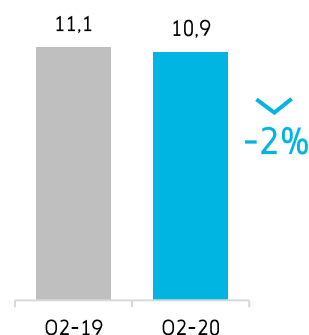


About Payment Solutions

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

Credit cards includes the Resurs 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.

Consumer Loans

Stable demand for consumer credit loans

Second quarter 2020, April–June

Demand remained stable for Consumer Loans in the second quarter of the year, although the markets were characterised to varying degrees by prudence and some amount of caution. The Norwegian market remained problematic and even prior to COVID-19 was already impacted by the effects of legal requirements and Gjeldsregisteret that were introduced in 2019. This meant that the trend in Norway was weak during the quarter.

The measures for more restrictive credit assessments that Resurs had already taken in the first quarter were necessary, but also had a certain impact on growth as anticipated. However, sustainable credit lending is fundamental for Resurs and is something that always forms the basis of credit checks to ensure that customers do not become over-indebted. Proactive efforts are made as a central part of Resurs's credit lending to identify customers with potential payment difficulties at an early stage. As part of the customer service function, every country has several dedicated employees tasked with proactively contacting and assisting customers and providing information and assistance.

A range of new functionalities were added to Consumer Loans' services based on rapid technological advances. For example, in Finland, the process for settling loans in other banks by e-signing was made more efficient, and existing customers in the Norwegian, Finnish and Swedish markets now have simplified online loan applications. The efficiency of internal processes was further enhanced with more flexible pricing closer to the business and in Sweden, this work was supplemented with a more sophisticated model for calculating a customer's future behaviour.

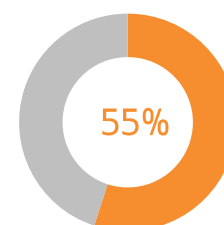
Lending to the public on 30 June 2020 increased 4 per cent to SEK 19,932 million (19,176), a 9 per cent increase in constant currencies. Operating income increased by 6 per cent in the quarter to SEK 512 million (485). Operating income less credit losses amounted to SEK 380 million (376), and the risk-adjusted NBI margin was 7.6 per cent (8.0 per cent). 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 both in absolute terms and as a percentage of lending, which was mainly an effect of the historically high lending.

First half of 2020, January–June

Lending to the public on 30 June 2020 rose 4 per cent to SEK 19,932 million (19,176). The strongest performance in percentage terms was the Finnish market, followed by Sweden and Denmark. Operating income for the first half-year increased 7 per cent to SEK 1,017 million (955).

Operating income less credit losses amounted to SEK 700 million (740), and the risk-adjusted NBI margin was 7.0 per cent (8.1 per cent). 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 increased both in absolute terms and as a percentage of lending, which was mainly an effect of the extra credit provision made in the first quarter as a result of the expected future effects of COVID-19.

Percentage of operating income Jan–Jun 2020

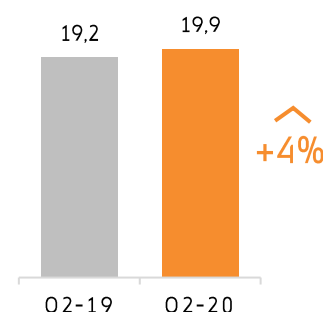


About Consumer Loans

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.

Lending to the public



Trend in lending to the public in SEK billion.

Performance measures – Consumer Loans

| SEKm unless otherwise specified | Apr-Jun 2020 | Apr-Jun 2019 | Change | Jan-Jun 2020 | Jan-Jun 2019 | Change | Jan-Dec 2019 |
|--|--------------|--------------|--------|--------------|--------------|--------|--------------|
| Lending to the public at end of the period | 19,932 | 19,176 | 4% | 19,932 | 19,176 | 4% | 19,919 |
| Operating income | 512 | 485 | 6% | 1,017 | 955 | 7% | 1,943 |
| Operating income less credit losses | 380 | 376 | 1% | 700 | 740 | -5% | 1,486 |
| Risk-adjusted NBI margin, % | 7.6 | 8.0 | | 7.0 | 8.1 | | 8.0 |
| Credit loss ratio, % | 2.6 | 2.3 | | 3.2 | 2.3 | | 2.4 |

Insurance

Stable growth in premium earned and earnings

Second quarter 2020, April–June

For the second quarter of the year, the Insurance segment reported growth in both premium earned and earnings, and the combined ratio performed positively compared with last year.

The company has worked intensively to integrate the acquisition of a Norwegian bicycle register that took place at the start of the year in the Product business line in the Norwegian market. Preparations were also made during the period to launch the new partners added in the first quarter. The company continued to see growth in the Motor product line and the product range was expanded during the period, which was well received by the market.

Premium earned, net, increased 4 per cent compared with the year-earlier period to SEK 227 million (219). This increase was primarily attributable to the Motor and Security business lines. The ongoing pandemic had a negative effect on Travel, which is the segment's smallest business line. Premium earned in Travel more than halved compared with the year-earlier period. Insurance compensation, net, increased to SEK 60 million (54). The increase was attributable to the Security business line and the insurance products affected by increased furloughing and higher unemployment due to COVID-19. Changed behaviour and claims patterns are incorporated into the company's reserve calculation models.

Operating income for the quarter rose 29 per cent to SEK 69 million (54). Net income from financial transactions was SEK 17 million (4) due to the recovery of the capital market and higher market values in the investment portfolios.

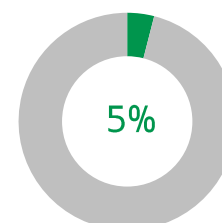
The technical result remained stable at SEK 25 million (22), up 13 per cent, as a result of continuing good cost control, growth in the Motor and Security business lines and improved profitability in the Motor and Product lines. Operating profit increased 46 per cent to SEK 42 million (29) year-on-year. The total combined ratio improved to 89.7 per cent (90.6 per cent), primarily due to growth in premium earned and stable operating expenses.

First half of 2020, January–June

Premium earned, net, increased 5 per cent compared with the first half of last year to SEK 456 million (434). This increase was attributable to the Security and Motor business lines. Operating income for the first half of the year declined SEK 25 million to SEK 87 million (112). The decline was attributable to the negative performance in the investment portfolios in March related to COVID-19. The technical result increased 21 per cent to SEK 54 million (45), primarily due to growth in the Motor and Security business lines, improved profitability in the Motor and Product business lines and cost control.

Operating profit fell SEK 27 million or 45 per cent to SEK 33 million (60). The total combined ratio improved to 88.7 per cent (90.4 per cent).

Percentage of operating income Jan–Jun 2020

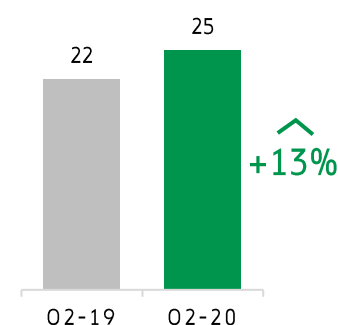


About Insurance

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, SEKm



Performance measures – Insurance

| SEKm unless otherwise specified | Apr-Jun 2020 | Apr-Jun 2019 | Change | Jan-Jun 2020 | Jan-Jun 2019 | Change | Jan-Dec 2019 |
|---------------------------------|--------------|--------------|--------|--------------|--------------|--------|--------------|
| Premium earned, net | 227 | 219 | 4% | 456 | 434 | 5% | 898 |
| Operating income | 69 | 54 | 29% | 87 | 112 | -23% | 225 |
| Technical result | 25 | 22 | 13% | 54 | 45 | 21% | 104 |
| Operating profit | 42 | 29 | 46% | 33 | 60 | -45% | 127 |
| Combined ratio, % | 89.7 | 90.6 | | 88.7 | 90.4 | | 89.6 |

Significant events

January–June 2020

The Annual General Meeting was held on 17 June 2020.

The Board of Resurs Holding decided on 27 April that the 2020 Annual General Meeting would be held on 17 June 2020. The Board also confirmed that the company's financial position is strong but proposed that a resolution on payment of dividends be deferred and addressed instead by an Extraordinary General Meeting when the consequences of COVID-19 could be better reviewed. Resurs Holding's dividend policy remains unchanged.

New CEO starts at Resurs – Nils Carlsson is focused on continued growth data-driven innovation and customer experience

Nils Carlsson has been the new President of Resurs Bank and CEO of Resurs Holding since 1 June. Nils Carlsson has broad international experience from industries experiencing change such as fintech, e-commerce and telecommunication, and most recently served as CEO of Fortnox. His initial focus will be on guiding Resurs through the prevailing global circumstances in a stable manner. At the same time, Nils Carlsson has his sights set on continued growth, data-driven innovation and customer experience.

Resurs Holding won "Newcomer of the year" in Employer Branding at the Universum Awards

Resurs Holding won the prize of "Newcomer of the year" in Employer Branding at the 2020 Universum Awards. The prize is awarded by Universum Global and based on the results of the annual survey of Sweden's most attractive employers. This is the first year that Resurs has taken part in the survey and the prize is significant for the company's continued branding efforts.

Gekås Ullared chooses Resurs Bank as partner for a new card and payment solutions concept

Gekås Ullared chose Resurs Bank as a partner for taking the next step in card and payment solutions, with a focus on the shopping experience and increasing conversion throughout the entire customer journey. The partnership has commenced and the transition to a new card and payment solution will take place during the first quarter of 2021.

Extra credit provision in Resurs Bank

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

Resurs Holding published its 2019 Annual and Sustainability Report

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

After the end of the period

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

Some of Resurs's retail finance partners who collaborate with Resurs:



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 risk management. In general, there were 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). Resurs Bank also operates in deposits via cross-border operations in Germany.

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 800 full-time employees within the Group on 30 June 2020, up 55 since 31 March 2020 largely due to the recruitment of temporary staff for the summer. The number of employees increased by 23 compared with the second quarter of 2019, which was mainly due to expanding the number of IT personnel in Sweden.

800

Number of employees



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 38.26.

| The ten largest shareholders with direct ownership on 30 June 2020 ¹ | Percentage of share capital |
|---|-----------------------------|
| Waldakt AB (Bengtsson family) | 28.9% |
| Swedbank Robur Fonder | 4.4% |
| Erik Selin | 3.1% |
| Handelsbanken Fonder | 3.1% |
| Avanza Pension | 3.0% |
| Second AP Fund | 2.7% |
| Norges Bank | 2.4% |
| Vanguard | 2.2% |
| Länsförsäkringar Fonder | 2.1% |
| SEB Fonder | 1.8% |
| Total | 53.7% |

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

Financial targets

| Performance measures | Mid-term targets | Outcome Q2 2020 |
|--|-------------------------------------|-----------------|
| Annual lending growth | more than 10% | 2% |
| Risk-adjusted NBI margin, excl. Insurance | about 10-12% | 8.5% |
| C/I before credit losses (excl. Insurance and adjusted for nonrecurring costs) | under 40% | 38.7% |
| Common Equity Tier 1 ratio | more than 11.5% | 14.3% |
| Total capital ratio | more than 15% | 16.7% |
| Return on tangible equity (RoTE) adjusted for nonrecurring costs ¹⁾ | about 30% | 28.8 |
| 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 capital base for the current year.

27 October

Next interim report

Financial calendar

27 October 2020

Interim report for July–September 2020

The Board's assurance

This interim report has not been audited.

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

Helsingborg, 20 July 2020.

Nils Carlsson, CEO

Board of Directors,

Martin Bengtsson, Chairman of the Board

Johanna Berlinde

Fredrik Carlsson

Susanne Ehnåge

Lars Nordstrand

Marita Odélius Engström

Kristina Patek

Mikael Wintzell

Summary financial statements - Group

Condensed Income statement

| SEK thousand | Note | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|------|-----------------|-----------------|------------------|------------------|-------------------|
| Interest income | G5 | 835 380 | 833 427 | 1 684 674 | 1 626 269 | 3 310 584 |
| Interest expense | G5 | -104 507 | -107 767 | -208 806 | -198 232 | -408 910 |
| Fee & commission income, banking operations | | 43 304 | 55 501 | 91 436 | 104 898 | 222 693 |
| Fee & commission expense, banking operations | | -14 001 | -15 124 | -30 087 | -28 545 | -60 442 |
| Premium earned, net | G6 | 227 068 | 218 638 | 455 232 | 433 476 | 896 509 |
| Insurance compensation, net | G7 | -59 550 | -53 879 | -116 023 | -109 335 | -222 941 |
| Fee & commission expense, insurance operations | | -59 324 | -62 104 | -113 221 | -119 317 | -242 084 |
| Net income/expense from financial transactions | | 20 783 | -3 193 | -29 791 | 260 | -22 536 |
| Other operating income | G8 | 42 434 | 47 749 | 95 349 | 99 687 | 206 345 |
| Total operating income | | 931 587 | 913 248 | 1 828 763 | 1 809 161 | 3 679 218 |
| General administrative expenses | G9 | -304 875 | -299 836 | -614 505 | -588 983 | -1 200 762 |
| Depreciation, amortisation and impairment of intangible and tangible fixed assets | | -26 929 | -22 596 | -54 103 | -44 278 | -87 642 |
| Other operating expenses | | -29 285 | -38 217 | -57 390 | -90 703 | -158 663 |
| Total expenses before credit losses | | -361 089 | -360 649 | -725 998 | -723 964 | -1 447 067 |
| Earnings before credit losses | | 570 498 | 552 599 | 1 102 765 | 1 085 197 | 2 232 151 |
| Credit losses, net | G10 | -201 293 | -147 833 | -464 276 | -302 461 | -669 454 |
| Operating profit/loss | | 369 205 | 404 766 | 638 489 | 782 736 | 1 562 697 |
| Income tax expense | | -80 034 | -91 922 | -141 050 | -176 016 | -346 387 |
| Net profit for the period | | 289 171 | 312 844 | 497 439 | 606 720 | 1 216 310 |
| Portion attributable to Resurs Holding AB shareholders | | 284 920 | 312 844 | 488 963 | 606 720 | 1 213 343 |
| Portion attributable to additional Tier 1 capital holders | | 4 251 | | 8 476 | | 2 967 |
| Net profit for the period | | 289 171 | 312 844 | 497 439 | 606 720 | 1 216 310 |
| Basic and diluted earnings per share, SEK | K16 | 1,42 | 1,56 | 2,44 | 3,03 | 6,07 |

Statement of comprehensive income

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| Net profit for the period | 289 171 | 312 844 | 497 439 | 606 720 | 1 216 310 |
| Other comprehensive income that will be classified to profit/loss | | | | | |
| Translation differences for the period, foreign operations | 1 434 | 14 467 | -99 967 | 65 836 | 33 162 |
| Comprehensive income for the period | 290 605 | 327 311 | 397 472 | 672 556 | 1 249 472 |
| Portion attributable to Resurs Holding AB shareholders | 286 354 | 327 311 | 388 996 | 672 556 | 1 246 505 |
| Portion attributable to additional Tier 1 capital holders | 4 251 | | 8 476 | | 2 967 |
| Comprehensive income for the period | 290 605 | 327 311 | 397 472 | 672 556 | 1 249 472 |

Statement of financial position

| SEK thousand | Note | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|---|------|-------------------|-------------------|-------------------|
| Assets | | | | |
| Cash and balances at central banks | | 215 493 | 220 799 | 98 571 |
| Treasury and other bills eligible for refinancing | | 2 310 352 | 1 758 835 | 1 077 626 |
| Lending to credit institutions | | 4 392 665 | 4 128 953 | 3 878 240 |
| Lending to the public | G11 | 30 853 301 | 31 344 787 | 30 322 736 |
| Bonds and other interest-bearing securities | | 1 172 314 | 1 288 954 | 1 351 857 |
| Subordinated debt | | 23 988 | 28 290 | 28 127 |
| Shares and participating interests | | 92 854 | 95 823 | 73 922 |
| Intangible fixed assets | | 1 956 081 | 2 063 405 | 2 089 941 |
| Tangible assets | | 135 730 | 139 871 | 158 472 |
| Reinsurers' share in technical provisions | | 3 531 | 3 876 | 4 059 |
| Other assets | | 343 419 | 253 526 | 197 266 |
| Prepaid expenses and accrued income | | 368 116 | 421 629 | 461 958 |
| TOTAL ASSETS | | 41 867 844 | 41 748 748 | 39 742 775 |
| Liabilities, provisions and equity | | | | |
| Liabilities and provisions | | | | |
| Liabilities to credit institutions | | 159 100 | 94 900 | |
| Deposits and borrowing from the public | | 24 405 266 | 24 409 032 | 22 964 774 |
| Other liabilities | | 846 283 | 1 015 578 | 1 036 972 |
| Accrued expenses and deferred income | | 308 042 | 211 861 | 299 619 |
| Technical provisions | | 558 751 | 585 557 | 567 109 |
| Other provisions | G12 | 25 364 | 20 337 | 23 323 |
| Issued securities | | 7 436 727 | 7 672 347 | 7 626 178 |
| Subordinated debt | | 598 294 | 597 890 | 597 482 |
| Total liabilities and provisions | | 34 337 827 | 34 607 502 | 33 115 457 |
| Equity | | | | |
| Share capital | | 1 000 | 1 000 | 1 000 |
| Other paid-in capital | | 2 082 280 | 2 082 505 | 2 082 526 |
| Translation reserve | | -33 761 | 66 206 | 98 880 |
| Additional Tier 1 instruments | | 300 000 | 300 000 | |
| Retained earnings incl. profit for the period | | 5 180 498 | 4 691 535 | 4 444 912 |
| Total equity | | 7 530 017 | 7 141 246 | 6 627 318 |
| TOTAL LIABILITIES, PROVISIONS AND EQUITY | | 41 867 844 | 41 748 748 | 39 742 775 |

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 |
| Option premium received/repurchased | | -3 779 | | | | -3 779 |
| Dividends according to General Meeting | | | | | -390 000 | -390 000 |
| Net profit for the period | | | | | 606 720 | 606 720 |
| Other comprehensive income for the period | | | 65 836 | | | 65 836 |
| Equity at 30 June 2019 | 1 000 | 2 082 526 | 98 880 | 0 | 4 444 912 | 6 627 318 |
| Initial equity at 1 January 2019 | 1 000 | 2 086 305 | 33 044 | 0 | 4 228 192 | 6 348 541 |
| Owner transactions | | | | | | |
| 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 period | | | | | 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 |
| Owner transactions | | | | | | |
| Option premium received/repurchased | | -225 | | | | -225 |
| Cost additional Tier 1 instruments | | | | | -8 476 | -8 476 |
| Net profit for the period | | | | | 497 439 | 497 439 |
| Other comprehensive income for the year | | | -99 967 | | | -99 967 |
| Equity at 30 June 2020 | 1 000 | 2 082 280 | -33 761 | 300 000 | 5 180 498 | 7 530 017 |

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

| SEK thousand | Jan-Jun 2020 | Jan-Dec 2019 | Jan-Jun 2019 |
|---|------------------|------------------|------------------|
| Operating activities | | | |
| Operating profit | 638 489 | 1 562 697 | 782 736 |
| - of which, interest received | 1 686 601 | 3 306 307 | 1 623 186 |
| - of which, interest paid | -135 270 | -383 662 | -96 358 |
| Adjustments for non-cash items in operating profit | 514 936 | 896 641 | 551 532 |
| Tax paid | -234 261 | -287 503 | -229 894 |
| Cash flow from operating activities before changes in operating assets and liabilities | 919 164 | 2 171 835 | 1 104 374 |
| Changes in operating assets and liabilities | | | |
| Lending to the public | -720 038 | -3 694 769 | -1 924 660 |
| Other assets | 330 420 | -143 140 | -204 162 |
| Liabilities to credit institutions | 64 200 | -55 000 | -149 900 |
| Deposits and borrowing from the public | 610 560 | 3 623 920 | 1 990 804 |
| Acquisition of investment assets ¹⁾ | -2 700 326 | -3 238 044 | -1 494 994 |
| Divestment of investment assets ¹⁾ | 2 202 790 | 2 455 395 | 1 368 015 |
| Other liabilities | -74 217 | -106 353 | -94 519 |
| Cash flow from operating activities | 632 553 | 1 013 844 | 594 958 |
| Investing activities | | | |
| Acquisition of intangible and tangible fixed assets | -45 026 | -103 966 | -69 091 |
| Divestment of intangible and tangible fixed assets | 1 427 | 1 343 | 239 |
| Cash flow from investing activities | -43 599 | -102 623 | -68 852 |
| Financing activities | | | |
| Dividends paid | | -750 000 | -390 000 |
| Issued securities | -237 050 | -213 887 | -272 340 |
| Option premium received/repurchased | -225 | -3 800 | -3 779 |
| Additional Tier 1 instruments | -8 476 | 297 033 | |
| Subordinated debt | | 298 950 | 298 950 |
| Cash flow from financing activities | -245 751 | -371 704 | -367 169 |
| Cash flow for the period | 343 203 | 539 517 | 158 937 |
| Cash & cash equivalents at beginning of the year ²⁾ | 4 349 752 | 3 766 865 | 3 766 865 |
| Exchange rate differences | -84 797 | 43 370 | 51 009 |
| Cash & cash equivalents at end of the period ²⁾ | 4 608 158 | 4 349 752 | 3 976 811 |
| Adjustment for non-cash items in operating profit | | | |
| Credit losses | 464 276 | 669 454 | 302 461 |
| Depreciation, amortisation and impairment of intangible and tangible fixed assets | 54 103 | 87 642 | 44 278 |
| Profit/loss tangible assets | 98 | -269 | |
| Profit/loss on investment assets ¹⁾ | 25 821 | -20 089 | -18 430 |
| Change in provisions | -20 892 | 50 476 | 34 657 |
| Adjustment to interest paid/received | 74 290 | 29 863 | 103 020 |
| Currency effects | -84 595 | 74 035 | 81 381 |
| Other items that do not affect liquidity | 1 835 | 5 529 | 4 165 |
| Sum non-cash items in operating profit | 514 936 | 896 641 | 551 532 |

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 | 30 Jun 2020 |
|-------------------------------|------------------|-----------------|--|---------------------------|------------------|
| Issued securities | 7 672 347 | -237 050 | 1 430 | | 7 436 727 |
| Additional Tier 1 instruments | 297 033 | -8 476 | | | 288 557 |
| Subordinated debt | 597 890 | | 404 | | 598 294 |
| Total | 8 567 270 | -245 526 | 1 834 | 0 | 8 323 578 |

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 2-32 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 24,406 million (24,647), whereof in Sweden SEK 11,308 million (11,391), in Norway SEK 6,092 million (6,601) and in Germany SEK 7,006 million (6,655). The lending to the public/deposits from the public ratio for the consolidated situation is 126 per cent (127 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 9,000 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 30 June 2020 the program has ten outstanding issues at a nominal amount of SEK 5,250 million (5,450). Of the ten issues, eight 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 30 June 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 1,870 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 5,475 million (4,982) for the consolidated situation. Accordingly, total liquidity amounted to SEK 7,344 million (6,900) corresponds to 30 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 30 June 2020, the ratio for the consolidated situation is 310 per cent (264 per cent). For the period January to June 2020, the average LCR measures 270 per cent for the consolidated situation.

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

Summary of liquidity – Consolidated situation

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|------------------|------------------|------------------|
| Liquidity reserve as per FFFS 2010:7 definition | | | |
| Securities issued by sovereigns | 181 397 | 184 378 | 128 723 |
| Securities issued by municipalities | 901 637 | 830 219 | 760 872 |
| Lending to credit institutions | | | 45 000 |
| Bonds and other interest-bearing securities | 786 774 | 903 264 | 997 073 |
| Summary Liquidity reserve as per FFFS 2010:7 | 1 869 807 | 1 917 861 | 1 931 668 |
| Other liquidity portfolio | | | |
| Cash and balances at central banks | 215 493 | 220 799 | 98 571 |
| Securities issued by municipalities | 199 990 | 699 902 | 143 131 |
| Lending to credit institutions | 4 094 180 | 4 061 272 | 3 765 859 |
| Bonds and other interest-bearing securities | 964 926 | | |
| Total other liquidity portfolio | 5 474 588 | 4 981 973 | 4 007 561 |
| Total liquidity portfolio | 7 344 396 | 6 899 834 | 5 939 229 |
| Other liquidity-creating measures | | | |
| Unutilised credit facilities | 47 975 | 52 895 | 54 465 |

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

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

Liquid assets according to LCR

30/06/2020

| SEK thousand | Total | SEK | EUR | DKK | NOK |
|--|------------------|------------------|----------------|---------------|----------------|
| Level 1 assets | | | | | |
| Cash and balances with central banks | 185 461 | | 125 577 | | 59 884 |
| Securities or guaranteed by sovereigns, central banks, MDBs and international org. | 181 397 | | 120 751 | 30 383 | 30 263 |
| Securities issued by municipalities and PSEs | 2 066 552 | 1 741 549 | 76 743 | | 248 260 |
| Extremely high quality covered bonds | 280 388 | | 198 804 | | 81 584 |
| Level 2 assets | | | | | |
| High quality covered bonds | 506 386 | 427 788 | | | 78 598 |
| Total liquid assets | 3 220 184 | 2 169 337 | 521 875 | 30 383 | 498 589 |

31/12/2019

| SEK thousand | Summa | 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 | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|------------------------------|------------------|------------------|------------------|
| Total liquid assets | 3 220 184 | 2 811 196 | 1 933 952 |
| Net liquidity outflow | 1 007 559 | 1 025 759 | 985 249 |
| LCR measure | 310% | 264% | 186% |

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 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 | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|------------------|------------------|------------------|
| Common Equity Tier 1 capital | | | |
| Equity | | | |
| Equity, Group | 7 230 017 | 6 841 246 | 6 627 318 |
| Additional Tier 1 instruments classified as equity | 300 000 | 300 000 | |
| Equity according to balance sheet | 7 530 017 | 7 141 246 | 6 627 318 |
| Proposed dividend | | -420 000 | -360 000 |
| Predicted dividend ¹⁾ | -668 720 | | |
| Additional/deducted equity in the consolidated situation | -492 930 | -463 076 | -459 108 |
| Equity, consolidated situation | 6 368 367 | 6 258 170 | 5 808 210 |
| <i>Adjustments according to transition rules IFRS 9:</i> | | | |
| Initial revaluation effect | 237 119 | 287 930 | 287 930 |
| <i>Less:</i> | | | |
| Additional value adjustments | -3 224 | -2 743 | -2 053 |
| Intangible fixed assets | -1 904 064 | -2 020 278 | -2 044 423 |
| Additional Tier 1 instruments classified as equity | -300 000 | -300 000 | |
| Shares in subsidiaries | -145 | -120 | -120 |
| Total Common Equity Tier 1 capital | 4 398 053 | 4 222 959 | 4 049 544 |
| Tier 1 capital | | | |
| Common Equity Tier 1 capital | 4 398 053 | 4 222 959 | 4 049 544 |
| Additional Tier 1 instruments | 300 000 | 300 000 | |
| Total Tier 1 capital | 4 698 053 | 4 522 959 | 4 049 544 |
| Tier 2 capital | | | |
| Dated subordinated loans | 439 505 | 548 003 | 589 245 |
| Total Tier 2 capital | 439 505 | 548 003 | 589 245 |
| Total capital base | 5 137 558 | 5 070 962 | 4 638 789 |

¹⁾ Of which SEK 420 million refers to predictable dividend for earnings from the 2019 financial year.

Capital requirement

| SEK thousand | 30 Jun 2020 | | 31 Dec 2019 | | 30 Jun 2019 | |
|--|------------------------|-----------------------------------|------------------------|-----------------------------------|------------------------|-----------------------------------|
| | Risk-weighted exposure | Capital requirement ¹⁾ | Risk-weighted exposure | Capital requirement ¹⁾ | Risk-weighted exposure | Capital requirement ¹⁾ |
| Exposures to institutions | 835 320 | 66 826 | 830 818 | 66 465 | 777 103 | 62 168 |
| Exposures to corporates | 268 325 | 21 466 | 412 282 | 32 983 | 409 681 | 32 774 |
| Retail exposures | 20 730 811 | 1 658 465 | 21 171 101 | 1 693 688 | 20 578 537 | 1 646 283 |
| Exposures in default | 3 274 504 | 261 960 | 3 095 205 | 247 616 | 2 879 829 | 230 386 |
| Exposures in the form of covered bonds | 78 519 | 6 282 | 90 122 | 7 210 | 99 526 | 7 962 |
| Equity exposures | 221 375 | 17 710 | 96 404 | 7 712 | 94 450 | 7 556 |
| Other items | 429 086 | 34 326 | 513 701 | 41 096 | 546 092 | 43 688 |
| Total credit risks | 25 837 940 | 2 067 035 | 26 209 633 | 2 096 770 | 25 385 218 | 2 030 817 |
| Credit valuation adjustment risk | 44 937 | 3 595 | 30 589 | 2 447 | 14 418 | 1 153 |
| 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 | 30 732 590 | 2 458 607 | 31 089 935 | 2 487 194 | 30 952 384 | 2 476 190 |

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 30 June 2020.

Capital ratio and capital buffers

| | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|-------------|-------------|-------------|
| Common Equity Tier 1 ratio, % | 14.3 | 13.6 | 13.1 |
| Tier 1 ratio, % | 15.3 | 14.6 | 13.1 |
| Total capital ratio, % | 16.7 | 16.3 | 15.0 |
| 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, % | 7.7 | 7.3 | 7.0 |

Leverage ratio

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

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 | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|-------------------------|-------------|-------------|-------------|
| Tier 1 capital | 4 698 053 | 4 522 959 | 4 049 544 |
| Leverage ratio exposure | 41 864 536 | 42 031 894 | 40 047 699 |
| Leverage ratio, % | 11.2 | 10.8 | 10.1 |

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.

Apr-Jun 2020

| SEK thousand | Payment Solutions | Consumer Loans | Insurance | Intra-Group adjustment | Total Group |
|--|-------------------|----------------|----------------|------------------------|----------------|
| Interest income | 290 647 | 542 874 | 3 974 | -2 115 | 835 380 |
| Interest expense | -37 219 | -69 349 | -44 | 2 105 | -104 507 |
| Provision income | 77 440 | 23 641 | | -57 777 | 43 304 |
| Fee & commission expense, banking operations | -14 001 | | | | -14 001 |
| Premium earned, net | | | 227 464 | -396 | 227 068 |
| Insurance compensation, net | | | -59 550 | | -59 550 |
| Fee & commission expense, insurance operations | | | -119 598 | 60 274 | -59 324 |
| Net income/expense from financial transactions | 1 474 | 2 389 | 17 002 | -82 | 20 783 |
| Other operating income | 35 957 | 12 358 | 13 | -5 894 | 42 434 |
| Total operating income | 354 298 | 511 913 | 69 261 | -3 885 | 931 587 |
| <i>of which, internal ¹⁾</i> | <i>38 110</i> | <i>23 528</i> | <i>-57 764</i> | <i>-3 874</i> | <i>0</i> |
| Credit losses, net | -69 750 | -131 543 | | | -201 293 |
| Operating income less credit losses | 284 548 | 380 370 | 69 261 | -3 885 | 730 294 |
| Expenses excluding credit losses ²⁾ | | | -27 367 | | |
| Operating profit, Insurance ³⁾ | | | 41 894 | | |

Apr-Jun 2019

| TSEK | Payment Solutions | Consumer Loans | Insurance | Intra-Group adjustment | Total Group |
|--|-------------------|----------------|----------------|------------------------|----------------|
| Interest income | 302 961 | 528 904 | 3 712 | -2 150 | 833 427 |
| Interest expense | -31 787 | -78 051 | -79 | 2 150 | -107 767 |
| Provision income | 86 183 | 27 378 | | -58 060 | 55 501 |
| Fee & commission expense, banking operations | -15 124 | | | | -15 124 |
| Premium earned, net | | | 219 056 | -418 | 218 638 |
| Insurance compensation, net | | | -53 879 | | -53 879 |
| Fee & commission expense, insurance operations | | | -119 228 | 57 124 | -62 104 |
| Net income/expense from financial transactions | -2 901 | -3 949 | 3 672 | -15 | -3 193 |
| Other operating income | 40 211 | 10 641 | 320 | -3 423 | 47 749 |
| Total operating income | 379 543 | 484 923 | 53 574 | -4 792 | 913 248 |
| <i>of which, internal ¹⁾</i> | <i>32 512</i> | <i>26 836</i> | <i>-54 556</i> | <i>-4 792</i> | <i>0</i> |
| Credit losses, net | -38 714 | -109 119 | | | -147 833 |
| Operating income less credit losses | 340 829 | 375 804 | 53 574 | -4 792 | 765 415 |
| Expenses excluding credit losses ²⁾ | | | -24 947 | | |
| Operating profit, Insurance ³⁾ | | | 28 627 | | |

Jan-Jun 2020

| SEK thousand | Payment Solutions | Consumer Loans | Insurance | Intra-Group adjustment | Total Group |
|--|-------------------|------------------|---------------|------------------------|------------------|
| Interest income | 591 186 | 1 089 794 | 8 253 | -4 559 | 1 684 674 |
| Interest expense | -67 023 | -146 264 | -78 | 4 559 | -208 806 |
| Provision income | 162 033 | 51 334 | | -121 931 | 91 436 |
| Fee & commission expense, banking operations | -30 087 | | | | -30 087 |
| Premium earned, net | | | 456 013 | -781 | 455 232 |
| Insurance compensation, net | | | -116 023 | | -116 023 |
| Fee & commission expense, insurance operations | | | -238 322 | 125 101 | -113 221 |
| Net income/expense from financial transactions | -2 651 | -3 624 | -23 380 | -136 | -29 791 |
| Other operating income | 78 802 | 25 962 | 64 | -9 479 | 95 349 |
| Total operating income | 732 260 | 1 017 202 | 86 527 | -7 226 | 1 828 763 |
| <i>of which, internal ¹⁾</i> | 76 590 | 50 397 | -119 761 | -7 226 | 0 |
| Credit losses, net | -146 827 | -317 449 | | | -464 276 |
| Operating income less credit losses | 585 433 | 699 753 | 86 527 | -7 226 | 1 364 487 |
| Expenses excluding credit losses ²⁾ | | | -53 364 | | |
| Operating profit, Insurance ³⁾ | | | 33 163 | | |

Jan-Jun 2019

| SEK thousand | Payment Solutions | Consumer Loans | Insurance | Intra-Group adjustment | Total Group |
|--|-------------------|----------------|----------------|------------------------|------------------|
| Interest income | 597 820 | 1 025 588 | 7 060 | -4 199 | 1 626 269 |
| Interest expense | -57 733 | -144 618 | -80 | 4 199 | -198 232 |
| Provision income | 165 700 | 55 302 | | -116 104 | 104 898 |
| Fee & commission expense, banking operations | -28 545 | | | | -28 545 |
| Premium earned, net | | | 434 280 | -804 | 433 476 |
| Insurance compensation, net | | | -109 335 | | -109 335 |
| Fee & commission expense, insurance operations | | | -232 491 | 113 174 | -119 317 |
| Net income/expense from financial transactions | -5 211 | -7 023 | 12 538 | -44 | 260 |
| Other operating income | 80 498 | 25 595 | 320 | -6 726 | 99 687 |
| Total operating income | 752 529 | 954 844 | 112 292 | -10 504 | 1 809 161 |
| <i>of which, internal ¹⁾</i> | 64 281 | 54 394 | -108 171 | -10 504 | 0 |
| Credit losses, net | -87 731 | -214 730 | | | -302 461 |
| Operating income less credit losses | 664 798 | 740 114 | 112 292 | -10 504 | 1 506 700 |
| Expenses excluding credit losses ²⁾ | | | -52 164 | | |
| Operating profit, Insurance ³⁾ | | | 60 128 | | |

Segment reporting

Jan-Dec 2019

| TSEK | 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> | 140 615 | 110 021 | -232 628 | -18 008 | 0 |
| 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 | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-------------------|
| As per segment reporting | | | | | |
| Expenses excluding credit losses as regards Insurance segment | -27 367 | -24 947 | -53 364 | -52 164 | -97 281 |
| Not broken down by segment | | | | | |
| Expenses excluding credit losses as regards banking operations | -333 722 | -335 702 | -672 634 | -671 800 | -1 349 786 |
| Total | -361 089 | -360 649 | -725 998 | -723 964 | -1 447 067 |
| As per income statement | | | | | |
| General administrative expenses | -304 875 | -299 836 | -614 505 | -588 983 | -1 200 762 |
| Depreciation, amortisation and impairment of intangible and tangible fixed assets | -26 929 | -22 596 | -54 103 | -44 278 | -87 642 |
| Other operating expenses | -29 285 | -38 217 | -57 390 | -90 703 | -158 663 |
| Total | -361 089 | -360 649 | -725 998 | -723 964 | -1 447 067 |

3) Reconciliation of operating profit against income statement

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|------------------|
| As per segment reporting | | | | | |
| Operating profit, Insurance | 41 894 | 28 627 | 33 163 | 60 128 | 127 452 |
| Not broken down by segment | | | | | |
| Operating profit as regards banking operations | 327 311 | 376 139 | 605 326 | 722 608 | 1 435 245 |
| Total | 369 205 | 404 766 | 638 489 | 782 736 | 1 562 697 |
| As per income statement | | | | | |
| Operating profit | 369 205 | 404 766 | 638 489 | 782 736 | 1 562 697 |
| Total | 369 205 | 404 766 | 638 489 | 782 736 | 1 562 697 |

Lending to the public

| SEK thousand | Payment Solutions | Consumer Loans | Insurance | Total Group |
|--------------|----------------------|-------------------|-----------|-------------|
| 30/06/2020 | 10 921 274 | 19 932 027 | | 30 853 301 |
| 31/12/2019 | 11 425 811 | 19 918 976 | | 31 344 787 |
| 30/06/2019 | 11 146 324 | 19 176 412 | | 30 322 736 |

G5. Net interest income/expense

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|------------------|------------------|------------------|
| Interest income | | | | | |
| Lending to credit institutions | 244 | 1 651 | 472 | 1 651 | 2 333 |
| Lending to the public | 830 414 | 828 202 | 1 674 438 | 1 618 838 | 3 294 988 |
| Interest-bearing securities | 4 722 | 3 574 | 9 764 | 5 780 | 13 263 |
| Total interest income | 835 380 | 833 427 | 1 684 674 | 1 626 269 | 3 310 584 |
| Interest expense | | | | | |
| Liabilities to credit institutions | -1 096 | -1 702 | -2 221 | -3 881 | -9 162 |
| Deposits and borrowing from the public | -76 807 | -81 794 | -155 461 | -144 112 | -297 370 |
| Issued securities | -19 870 | -19 943 | -38 239 | -40 222 | -80 182 |
| Subordinated debt | -6 419 | -3 788 | -12 269 | -9 065 | -20 553 |
| Other liabilities | -315 | -540 | -616 | -952 | -1 643 |
| Total interest expense | -104 507 | -107 767 | -208 806 | -198 232 | -408 910 |
| Net interest income/expense | 730 873 | 725 660 | 1 475 868 | 1 428 037 | 2 901 674 |

G6. Premium earned, net

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Premium earned | 225 291 | 226 596 | 448 935 | 437 350 | 937 163 |
| Premiums for specified reinsurance | -4 266 | -4 992 | -9 608 | -11 806 | -24 207 |
| Change in provision for unearned premiums and unexpired risks | 6 421 | -2 343 | 16 241 | 8 224 | -16 441 |
| Reinsurers' share in change in provision for unearned premiums and unexpired risks | -378 | -623 | -336 | -292 | -6 |
| Total premium earned, net | 227 068 | 218 638 | 455 232 | 433 476 | 896 509 |

G7. Insurance compensation, net

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Claims paid, gross | -46 845 | -48 625 | -96 456 | -97 741 | -202 585 |
| Less reinsurance share | 1 415 | 1 733 | 3 247 | 3 640 | 7 810 |
| Total claims paid, net | -45 430 | -46 892 | -93 209 | -94 101 | -194 775 |
| Change in provision for losses incurred and reported, gross | -6 659 | -973 | -10 120 | -3 157 | -4 270 |
| Less/additional reinsurance share | | 37 | | 41 | -445 |
| Total change in provision for losses incurred and reported, net | -6 659 | -936 | -10 120 | -3 116 | -4 715 |
| Change in provision for losses incurred but not reported (IBNR), gross | -1 160 | -15 | -194 | -587 | -411 |
| Total change in provision for losses incurred but not reported (IBNR), net | -1 160 | -15 | -194 | -587 | -411 |
| Operating expenses for claims adjustment, gross | -6 305 | -6 121 | -12 551 | -11 700 | -23 446 |
| Less reinsurance share | 4 | 85 | 51 | 169 | 406 |
| Total operating expenses for claims adjustment, net | -6 301 | -6 036 | -12 500 | -11 531 | -23 040 |
| Total insurance compensation, net | -59 550 | -53 879 | -116 023 | -109 335 | -222 941 |

G8. Other operating income

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Other income, lending to the public | 38 442 | 43 839 | 82 480 | 85 606 | 174 787 |
| Other operating income | 3 992 | 3 910 | 12 869 | 14 081 | 31 558 |
| Total operating income | 42 434 | 47 749 | 95 349 | 99 687 | 206 345 |

G9. General administrative expenses

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|-------------------|
| Personnel expenses | -164 070 | -158 070 | -324 941 | -311 028 | -620 420 |
| Postage, communication and notification expenses | -32 279 | -31 597 | -65 871 | -64 180 | -132 890 |
| IT expenses | -53 459 | -48 976 | -107 239 | -90 050 | -184 604 |
| Cost of premises | -4 534 | -1 734 | -10 038 | -9 909 | -20 522 |
| Consultant expenses | -13 625 | -14 689 | -30 364 | -32 878 | -64 819 |
| Other | -36 908 | -44 770 | -76 052 | -80 938 | -177 507 |
| Total general administrative expenses | -304 875 | -299 836 | -614 505 | -588 983 | -1 200 762 |

G10. Credit losses, net

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Provision of credit reserves | | | | | |
| Stage 1 | -12 846 | 151 | -42 231 | -4 406 | -3 746 |
| Stage 2 | -9 498 | -11 119 | -55 927 | -57 437 | -105 351 |
| Stage 3 | -61 095 | -96 872 | -174 724 | -23 763 | -150 186 |
| Total | -83 439 | -107 840 | -272 882 | -85 606 | -259 283 |
| Provision of credit reserves off balance (unutilised limit) | | | | | |
| Stage 1 | -4 588 | 584 | -5 919 | 667 | -2 272 |
| Stage 2 | 144 | -277 | 180 | -712 | 4 318 |
| Stage 3 | | | | | |
| Total | -4 444 | 307 | -5 739 | -45 | 2 046 |
| Write-offs of stated credit losses for the period | -142 100 | -43 399 | -217 874 | -225 500 | -437 791 |
| Recoveries of previously confirmed credit losses | 28 690 | 3 099 | 32 219 | 8 690 | 25 574 |
| Total | -113 410 | -40 300 | -185 655 | -216 810 | -412 217 |
| Credit losses, net | -201 293 | -147 833 | -464 276 | -302 461 | -669 454 |
| <i>off which lending to the public</i> | <i>-196 849</i> | <i>-148 140</i> | <i>-458 537</i> | <i>-302 416</i> | <i>-671 500</i> |

G11. Lending to the public

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|-------------------|-------------------|-------------------|
| Retail sector | 33 594 040 | 33 751 565 | 32 612 297 |
| Corporate sector | 330 496 | 471 861 | 456 589 |
| Total lending to the public, gross | 33 924 536 | 34 223 426 | 33 068 886 |
| Stage 1 | 24 638 969 | 23 687 686 | 24 098 831 |
| Stage 2 | 3 706 266 | 5 259 501 | 4 013 796 |
| Stage 3 | 5 579 301 | 5 276 239 | 4 956 259 |
| Total lending to the public, gross | 33 924 536 | 34 223 426 | 33 068 886 |
| Less provision for expected credit losses | | | |
| Stage 1 | -210 853 | -174 603 | -178 143 |
| Stage 2 | -463 699 | -421 930 | -380 034 |
| Stage 3 | -2 396 683 | -2 282 106 | -2 187 974 |
| Total expected credit losses | -3 071 235 | -2 878 639 | -2 746 151 |
| Stage 1 | 24 428 116 | 23 513 083 | 23 920 688 |
| Stage 2 | 3 242 567 | 4 837 571 | 3 633 763 |
| Stage 3 | 3 182 618 | 2 994 133 | 2 768 285 |
| Total lending to the public, net | 30 853 301 | 31 344 787 | 30 322 736 |

G12. Other provisions

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|---|----------------|----------------|----------------|
| Reporting value at the beginning of the year | 20 337 | 22 861 | 22 861 |
| Provision made/utilised during the period | 5 824 | -2 128 | 117 |
| Exchange rate differences | -797 | -396 | 345 |
| Total | 25 364 | 20 337 | 23 323 |
| Provision of credit reserves, unutilised limit, stage 1 | 17 575 | 11 925 | 9 323 |
| Provision of credit reserves, unutilised limit, stage 2 | 1 430 | 1 719 | 6 933 |
| Other provisions | 6 359 | 6 693 | 7 067 |
| Reported value at the end of the period | 25 364 | 20 337 | 23 323 |

G13. Pledged assets, contingent liabilities and commitments

| SEK thousand | 30 jun 2020 | 31 dec 2019 | 30 jun 2019 |
|---|-------------------|-------------------|-------------------|
| Collateral pledged for own liabilities | | | |
| Lending to credit institutions | 161 850 | 161 910 | 217 093 |
| Lending to the public ¹⁾ | 3 560 800 | 3 556 373 | 3 599 858 |
| Assets for which policyholders have priority rights ²⁾ | 1 053 603 | 1 045 193 | 944 984 |
| Restricted bank deposits ³⁾ | 32 273 | 30 887 | 34 021 |
| Total collateral pledged for own liabilities | 4 808 526 | 4 794 363 | 4 795 956 |
| Contingent liabilities | 0 | 0 | 0 |
| Other commitments | | | |
| Unutilised credit facilities granted | 26 664 798 | 27 546 215 | 28 407 930 |
| Total other commitments | 26 664 798 | 27 546 215 | 28 407 930 |

¹⁾ Refers to securitisation.

²⁾ Technical provisions, net, amounts to SEK 555.2 million (-583.9), which means that total surplus of registered assets amounts to SEK 498.4 million (461.3).

³⁾ As of 30 June 2020, SEK 30,032 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.

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 | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Processing fees | -14 551 | -111 766 | -31 031 | -219 979 | -256 616 |
| Interest expense – deposits and borrowing from the public | -108 | -1 465 | -218 | -2 506 | -4 956 |
| Fee & commission income | | 9 250 | | 18 525 | 18 525 |
| Fee & commission expense | -21 500 | -12 190 | -27 298 | -21 887 | -45 034 |
| General administrative expenses | -308 | -6 140 | -720 | -13 091 | -13 845 |

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|----------------|----------------|----------------|
| Lending to the public | 14 | 26 | 96 |
| Other assets | 1 344 | | 12 421 |
| Deposits and borrowing from the public | -185 447 | -207 362 | -768 816 |
| Other liabilities | -28 426 | -32 644 | -97 584 |

Transactions with key persons

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Interest expense – deposits and borrowing from the public | -9 | -18 | -24 | -50 | -87 |

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--|----------------|----------------|----------------|
| Lending to the public | 23 | 68 | 130 |
| Deposits and borrowing from the public | -7 835 | -11 907 | -12 152 |

G15. Financial instruments

| SEK thousand | 30 Jun 2020 | | 31 Dec 2019 | | 30 Jun 2019 | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Assets | | | | | | |
| Financial assets | | | | | | |
| Cash and balances at central banks | 215 493 | 215 493 | 220 799 | 220 799 | 98 571 | 98 571 |
| Treasury and other bills eligible for refinancing | 2 310 352 | 2 310 352 | 1 758 835 | 1 758 835 | 1 077 626 | 1 077 626 |
| Lending to credit institutions | 4 392 665 | 4 392 665 | 4 128 953 | 4 128 953 | 3 878 240 | 3 878 240 |
| Lending to the public | 30 853 301 | 31 306 997 | 31 344 787 | 31 900 633 | 30 322 736 | 30 878 334 |
| Bonds and other interest-bearing securities | 1 172 314 | 1 172 314 | 1 288 954 | 1 288 954 | 1 351 857 | 1 351 857 |
| Subordinated loans | 23 988 | 23 988 | 28 290 | 28 290 | 28 127 | 28 127 |
| Shares and participating interests | 92 854 | 92 854 | 95 823 | 95 823 | 73 922 | 73 922 |
| Derivatives | 174 925 | 174 925 | 110 707 | 110 707 | 9 965 | 9 965 |
| Other assets | 74 428 | 74 428 | 90 886 | 90 886 | 65 846 | 65 846 |
| Accrued income | 119 097 | 119 097 | 149 817 | 149 817 | 194 011 | 194 011 |
| Total financial assets | 39 429 417 | 39 883 113 | 39 217 851 | 39 773 697 | 37 100 901 | 37 656 499 |
| Intangible fixed assets | 1 956 081 | | 2 063 405 | | 2 089 941 | |
| Tangible assets | 135 730 | | 139 871 | | 158 472 | |
| Other non-financial assets | 346 616 | | 327 621 | | 393 461 | |
| Total assets | 41 867 844 | | 41 748 748 | | 39 742 775 | |

| SEK thousand | 30 Jun 2020 | | 31 Dec 2019 | | 30 Jun 2019 | |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | Carrying amount | Fair value | Carrying amount | Fair value | Carrying amount | Fair value |
| Liabilities | | | | | | |
| Financial liabilities | | | | | | |
| Liabilities to credit institutions | 159 100 | 159 100 | 94 900 | 94 900 | | |
| Deposits and borrowing from the public | 24 405 266 | 24 404 268 | 24 409 032 | 24 409 563 | 22 964 774 | 22 965 736 |
| Derivatives | 9 945 | 9 945 | 25 358 | 25 358 | 81 250 | 81 250 |
| Other liabilities | 491 913 | 491 913 | 572 107 | 572 107 | 585 067 | 585 067 |
| Accrued expenses | 258 383 | 258 383 | 172 310 | 172 310 | 254 288 | 254 288 |
| Issued securities | 7 436 727 | 7 457 568 | 7 672 347 | 7 714 123 | 7 626 178 | 7 676 000 |
| Subordinated debt | 598 294 | 569 463 | 597 890 | 613 347 | 597 482 | 607 392 |
| Total financial liabilities | 33 359 628 | 33 350 640 | 33 543 944 | 33 601 708 | 32 109 039 | 32 169 733 |
| Provisions | 25 364 | | 20 337 | | 23 323 | |
| Other non-financial liabilities | 952 835 | | 1 043 221 | | 983 095 | |
| Equity | 7 530 017 | | 7 141 246 | | 6 627 318 | |
| Total equity and liabilities | 41 867 844 | | 41 748 748 | | 39 742 775 | |

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

Financial assets and liabilities at fair value

| SEK thousand | 30 Jun 2020 | | | 31 Dec 2019 | | | 30 Jun 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 | 2 310 352 | | | 1 758 835 | | | 1 077 626 | | |
| Bonds and other interest-bearing securities | 1 172 314 | | | 1 288 954 | | | 1 351 857 | | |
| Subordinated loans | 23 988 | | | 28 290 | | | 28 127 | | |
| Shares and participating interests | 75 462 | | 17 392 | 78 402 | | 17 421 | 58 510 | | 15 412 |
| Derivatives | | 174 925 | | | 110 707 | | | 9 965 | |
| Total | 3 582 116 | 174 925 | 17 392 | 3 154 481 | 110 707 | 17 421 | 2 516 120 | 9 965 | 15 412 |
| Financial liabilities at fair value through profit or loss: | | | | | | | | | |
| Derivatives | | -9 945 | | | -25 358 | | | -81 250 | |
| Total | 0 | -9 945 | 0 | 0 | -25 358 | 0 | 0 | -81 250 | 0 |

Financial instruments

Changes in level 3

| SEK thousand | Jan-Jun 2020 | Jan-Dec 2019 | Jan-Jun 2019 |
|---|-----------------|-----------------|-----------------|
| Shares and participating interests | | | |
| Opening balance | 17 421 | 1 002 | 1 002 |
| Investments during the period | | 16 966 | 14 848 |
| Disposal during the period | | -514 | -514 |
| Exchange-rate fluctuations | -29 | -33 | 76 |
| Closing balance | 17 392 | 17 421 | 15 412 |

Determination of fair value of financial instruments

Level 1

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

Level 2

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

Level 3

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

Financial instruments measured at fair value for disclosure purposes

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

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

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 30 June 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 175 million (111), while liabilities total SEK 10 million (25). Collateral corresponding to SEK 0 million (0) and SEK 159 million (95) was received. The net effect on loans to credit institutions total SEK 0 million (0) and liabilities to credit institutions total SEK 159 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 30 June 2020.

| | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|------------------|
| Net profit for the period, SEK thousand | 289 171 | 312 844 | 497 439 | 606 720 | 1 216 310 |
| Portion attributable to Resurs Holding AB shareholders | 284 920 | 312 844 | 488 963 | 606 720 | 1 213 343 |
| Portion attributable to additional Tier 1 capital holders | 4 251 | | 8 476 | | 2 967 |
| Profit for the period | 289 171 | 312 844 | 497 439 | 606 720 | 1 216 310 |
| Average number of outstanding shares during the period | 200 000 000 | 200 000 000 | 200 000 000 | 200 000 000 | 200 000 000 |
| Earnings per share, SEK | 1.42 | 1.56 | 2.44 | 3.03 | 6.07 |

Summary financial statements - Parent company

Income statement

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|---|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net sales | 6 523 | 5 080 | 12 328 | 11 333 | 24 865 |
| Total operating income | 6 523 | 5 080 | 12 328 | 11 333 | 24 865 |
| Personnel expenses | -13 356 | -5 409 | -17 461 | -10 693 | -20 444 |
| Other external expenses | -6 004 | -5 338 | -13 923 | -11 011 | -28 561 |
| Total operating expenses | -19 360 | -10 747 | -31 384 | -21 704 | -49 005 |
| Operating profit | -12 837 | -5 667 | -19 056 | -10 371 | -24 140 |
| Earnings from participations in Group companies | | -3 779 | -225 | -3 779 | 731 200 |
| Other interest income and similar profit/loss items | 15 | 15 | 30 | 105 | 135 |
| Interest expense and similar profit/loss items | -79 | -67 | -90 | -72 | -1 020 |
| Total profit/loss from financial items | -64 | -3 831 | -285 | -3 746 | 730 315 |
| Profit/loss after financial items | -12 901 | -9 498 | -19 341 | -14 117 | 706 175 |
| Appropriations | | | | | 62 000 |
| Tax on profit for the period | 2 724 | 1 197 | 4 024 | 2 034 | -8 139 |
| Net profit for the period | -10 177 | -8 301 | -15 317 | -12 083 | 760 036 |
| Portion attributable to Resurs Holding AB shareholders | -14 428 | -8 301 | -23 793 | -12 083 | 757 069 |
| Portion attributable to additional Tier 1 capital holders | 4 251 | | 8 476 | | 2 967 |
| Profit/loss for the period | -10 177 | -8 301 | -15 317 | -12 083 | 760 036 |

Statement of comprehensive income

| SEK thousand | Apr-Jun 2020 | Apr-Jun 2019 | Jan-Jun 2020 | Jan-Jun 2019 | Jan-Dec 2019 |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|
| Net profit for the period | -10 177 | -8 301 | -15 317 | -12 083 | 760 036 |
| Other comprehensive income that will be reclassified to profit or loss | | | | | |
| Comprehensive income for the period | -10 177 | -8 301 | -15 317 | -12 083 | 760 036 |
| Portion attributable to Resurs Holding AB shareholders | -14 428 | -8 301 | -23 793 | -12 083 | 757 069 |
| Portion attributable to additional Tier 1 capital holders | 4 251 | | 8 476 | | 2 967 |
| Comprehensive income for the period | -10 177 | -8 301 | -15 317 | -12 083 | 760 036 |

Balance sheet

| SEK thousand | 30 Jun 2020 | 31 Dec 2019 | 30 Jun 2019 |
|--------------------------------------|------------------|------------------|------------------|
| Assets | | | |
| Financial assets | | | |
| Participations in Group companies | 2 303 435 | 2 253 410 | 2 053 431 |
| Total non-current assets | 2 303 435 | 2 253 410 | 2 053 431 |
| Current assets | | | |
| Current receivables | | | |
| Receivables from Group companies | 378 473 | 439 397 | 3 872 |
| Other current receivables | 9 579 | 8 989 | 615 |
| Prepaid expenses and accrued income | 1 126 | 955 | 717 |
| Total current receivables | 389 178 | 449 341 | 5 204 |
| Cash and bank balances | 205 167 | 224 593 | 148 160 |
| Total current assets | 594 345 | 673 934 | 153 364 |
| TOTAL ASSETS | 2 897 780 | 2 927 344 | 2 206 795 |
| 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 | 821 816 | 70 256 | 433 223 |
| Net profit for the period | -15 317 | 760 036 | -12 083 |
| Total non-restricted equity | 2 882 428 | 2 906 221 | 2 197 069 |
| Total equity | 2 883 428 | 2 907 221 | 2 198 069 |
| Provisions | | | |
| Other provisions | 573 | 519 | 453 |
| Current liabilities | | | |
| Trade payables | 996 | 2 153 | 387 |
| Liabilities to Group companies | 481 | 490 | 470 |
| Current tax liabilities | 0 | 10 291 | 3 134 |
| Other current liabilities | 1 151 | 434 | 695 |
| Accrued expenses and deferred income | 11 151 | 6 236 | 3 587 |
| Total current liabilities | 13 779 | 19 604 | 8 273 |
| TOTAL EQUITY AND LIABILITIES | 2 897 780 | 2 927 344 | 2 206 795 |

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 |
| <i>Owner transactions</i> | | | | | | |
| Dividends according to General Meeting | | | | -390 000 | | -390 000 |
| Appropriation of profits according to resolution by Annual General Meeting | | | | 823 223 | -823 223 | 0 |
| Net profit for the period | | | | | -12 083 | -12 083 |
| Equity at 30 June 2019 | 1 000 | 1 775 929 | 0 | 433 223 | -12 083 | 2 198 069 |
| 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 | | | | -8 476 | | -8 476 |
| Appropriation of profits according to resolution by Annual General Meeting | | | | 760 036 | -760 036 | 0 |
| Net profit for the period | | | | | -15 317 | -15 317 |
| Equity at 30 June 2020 | 1 000 | 1 775 929 | 300 000 | 821 816 | -15 317 | 2 883 428 |

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.

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