

Interim Report

January–June 2021

The quarter

April–June

Significant events during the quarter

- Resurs Holding commenced a strategic review concerning the distribution and the separate listing of its subsidiary Solid Försäkring
- Resurs sold non-performing loans to leading international investor
- Resurs appointed Sofie Tarring Lindell as the new CFO & Head of IR, focusing on Resurs's continuing profitable growth

+3%

Growth in lending excl. NPL sales

2.3%

Credit loss ratio

BBB

Credit rating from Nordic Credit Rating
(April 2021)

17.4%

Total capital ratio
(Regulatory requirement 11.6%)



“During the second quarter, a number of sustainable partnerships were entered into, digital wallets were launched and our responsible credit lending generated results. The situation in Norway is improving and society is increasingly opening up. Our lending growth amounted to 3 per cent excluding NPL sales during the year and we are capturing market shares.”

Nils Carlsson, CEO Resurs Holding AB

Interim Report Q2 2021

1 April–30 June 2021*

Lending to the public rose 1% to SEK 31,148 million, up 1% in constant currencies. Excluding NPL sales, growth was 3%.

Operating income fell 10% to SEK 840 million

C/I before credit losses (excl. Insurance) was 41.5% (38.7%)

The credit loss ratio improved to 2.3% (2.6%)

Operating profit fell 15% to SEK 313 million

Earnings per share decreased 14% to SEK 1.22 per share (1.42), before and after dilution.

1 January–30 June 2021*

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Operating income fell 8% to SEK 1,691 million

C/I before credit losses (excl. Insurance) was 41.9% (38.6%)

The credit loss ratio improved to 2.4% (3.0%)

Operating profit fell 4% to SEK 614 million

Earnings per share declined 3% to SEK 2.36 per share (2.44), before and after dilution.

On the condition that the restrictions from regulatory authorities are not extended or changed after 30 September 2021, the Board intends to convene an Extraordinary General Meeting and propose a dividend of SEK 3.00 per share in the fourth quarter of 2021. SEK 1.80 per share refers to the remainder of the predicted dividends until 2020 and SEK 1.20 per share corresponds to 50 per cent of the Group's net profit for the first half of 2021.

* 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 2020.

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 2021, the Group had 735 employees and a loan portfolio of SEK 31.1 billion. Resurs is listed on Nasdaq Stockholm.

Our partners

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



Statement by the CEO

Acceleration of digitalised retail and business-driven sustainability in focus

A new gear. The second quarter has passed and the process of transforming Resurs into a more competitive, sustainable and digital player has started to yield effects. During the second quarter, a number of sustainable partnerships were entered into, digital wallets were launched and our responsible credit lending has generated results. Our credit rating was also raised (BBB, stable outlook) as a result of an improved underlying Nordic consumer credit market and our strong position for attracting new partners. The situation in Norway is improving and society is increasingly opening up, particularly in the Danish and Norwegian markets, which were completely closed in the first quarter. Growth in lending excl. NPL sales increased 3 per cent year-on-year.

+3%
Growth in lending excl.
NPL sales

Operating income for the quarter declined 10 per cent year-on-year. Expenses were 3 per cent lower than last year, but the cost/income ratio increased as a result of lower income. Enhancing the efficiency of the operations and thus reducing the cost/income ratio is an important part of the ongoing transformation journey. Credit losses improved as a result of responsible credit lending. In total, operating profit fell 15 per cent year-on-year. However, compared with the first quarter of 2021, operating profit increased 4 per cent.

Strong in Sweden. The Swedish market reported strong growth in both Consumer Loans and Payment Solutions due to the continuing positive performance of existing partnerships and good utilisation of our customer database. In the second quarter, more than 85 per cent of new sales in Consumer Loans Sweden were to customers who are already in our database. Using our own database means that we can make better credit assessments by supplementing external data with internal data, which results in lower credit risk and lower acquisition costs and thus contributes to Resurs's

sustainable credit lending.

Positive tendencies in Norway. Lending volumes in the Norwegian market have fallen overall since the introduction of new legislation in the country in 2019. In 2021, we shrank less than the market as a whole in consumer loans – the largest product we offer in Norway.

We continued to report growth in new lending in the second quarter, although we can still see that customers are ending their loans in advance. To manage this, we are working in a variety of ways to improve the customer journey. For example, we launched Resurs Bank's app in Norway at the end of the second quarter.

Due to our clear Nordic focus and new agile work methods, we will be able to launch and develop our products and services to all markets at a faster pace moving forward.

Speaking of apps. We continued to see solid growth in the use of our Swedish app, with the number of downloads increasing 31 per cent between the first and second quarters of 2021. We are approaching a quarter of a million downloads since the app was launched in Q4 2020. Launches in Denmark and Finland are planned later this year.

+31%
Increase in number of downloads
of our app between Q1 and Q2

Sustainable partnerships. In line with our strategy of offering sustainable credit solutions, we signed a partner agreement with mortgage institution Hemma, a platform for the transition to sustainable homes. Together with Hemma, we will be able to offer our customers the opportunity of investing in climate-smart solutions, with the condition that the consumer loan from Resurs is used for sustainable energy investments in the home.



During the quarter, we broadened our offering of subscription solutions by entering into a partnership with Fairown in the Swedish and Norwegian markets. Together with Fairown, we can offer customers the option of subscribing for products in different industries, such as home electronics, construction, gardening and watches. The development of various types of subscription solutions involves both offering a smooth customer journey for our customers in addition to sustainability and the development of circular business models where older products can be exchanged and sold on the second-hand market.

During the quarter, we also completed our first comprehensive climate calculations according to the GHG Protocol, and this now forms the basis of our future action on reducing our impact on the environment and climate. We will present more about our updated sustainability strategy at our Capital Market Day in September.

Digital wallets for a smoother customer journey We have rolled out both Google Pay and Apple Pay – two in-demand payment services that make payments smoother and more secure – to our customers in the Nordic market. Adding a MasterCard from Resurs Bank to a digital wallet means that our customers can make secure and contactless payments via, for example, their mobile phone in stores or by verifying their identity on their mobile when they shop online or in apps. Accordingly, Resurs is taking yet another conscious step towards a more digital customer journey and positive customer experience.

2.3%

Credit loss ratio Q2 2021

High credit quality a condition for sustainable development. Since we actively introduced austerity measures in our credit lending when the pandemic broke out, we have seen a positive development in the underlying credit quality of our portfolios, which can also be observed in the lower credit loss ratio compared with both last year and the preceding quarter. This positive development is clear in both Payment Solutions and Consumer Loans and in all of our Nordic markets.

During the quarter, we also signed an agreement with PRA Group, a leading international credit management company in non-performing loans, to sell parts of our non-performing loans in Norway for a gross carrying amount of approximately NOK 800

million. The sale had a positive impact on Resurs Bank's capital requirements and liquidity and ultimately had a neutral effect on earnings. The fact that we were able to carry out this type of transaction demonstrates that our underlying assets are of high quality and that we enjoy a high level of confidence in the market.

Long-term diversified financing In line with Resurs's strategy of long-term diversified financing, Resurs Holding's subsidiary Resurs Bank issued senior unsecured bonds of SEK 600 million and NOK 600 million in the second quarter. There was very high interest in this issue. Issuing bonds in both Sweden and Norway is proof that we are a Nordic player that intends to continue to maintain diversified financing in the long term. Nordic Credit Rating (NCR) raised our credit rating to BBB, stable outlook, in April, which gives us continuing good conditions to secure financing at favourable terms.

BBB

Higher credit rating from Nordic Credit Rating
(April 2021)

Strategic review of Solid. Solid continued its positive performance in the second quarter. Premium earned rose 6 per cent and the technical result increased 14 per cent year-on-year, despite the Travel business line remaining negatively affected by the pandemic. During the quarter, the Board assigned Group Management the task of initiating a strategic review and creating the preconditions for the distribution and separate listing of Solid Försäkring on Nasdaq Stockholm's main market. The initiative was based on the ambition to give Solid Försäkring the best prerequisites to continue its journey of growth. This process is proceeding and the ambition is to announce more information to the shareholders concerning the evaluation and the next step of the process during the current year.

What's happening in the future? There is a high level of activity across the entire Nordic organisation and we have started to accelerate on several fronts based on our solid transformation work. We are currently evaluating different suppliers of a new hyper-modern and competitive fintech platform. We will present more about our transformation journey and our strategy to become a more sustainable, competitive and digital player at our Capital Market Day on 29 September 2021.

You will not want to miss it!



Performance measures

SEKm unless otherwise specified	Apr–Jun 2021	Apr–Jun 2020	Change	Jan–Jun 2021	Jan–Jun 2020	Change	Jan–Dec 2020
Operating income	840	932	-10%	1,691	1,829	-8%	3,613
Operating profit	313	369	-15%	614	638	-4%	1,287
Operating profit excl. nonrecurring costs	313	369	-15%	614	713	-14%	1,431
Net profit for the period	248	289	-14%	480	497	-3%	954
Earnings per share, SEK	1.22	1.42		2.36	2.44		4.68
C/I before credit losses, %*	41.5	38.8		41.5	39.7		40.7
C/I before credit losses excl. Insurance, %*	41.5	38.7		41.9	38.6		40.4
C/I before credit losses excl. Insurance and nonrecurring costs, %*	41.5	38.7		41.9	38.6		38.6
Common Equity Tier 1 ratio, %	15.2	14.3		15.2	14.3		15.1
Total capital ratio, %	17.4	16.7		17.4	16.7		17.4
Lending to the public	31,148	30,853	1%	31,148	30,853	1%	30,858
NIM, %*	8.3	9.4		8.4	9.4		9.1
Risk-adjusted NBI margin, %*	7.6	8.5		7.6	8.2		8.2
Risk-adjusted NBI margin, excl. nonrecurring costs, %*	7.6	8.5		7.6	8.7		8.4
NBI margin, %*	9.9	11.1		10.0	11.2		10.9
Credit loss ratio, %*	2.3	2.6		2.4	3.0		2.7
Credit loss ratio, excl. nonrecurring costs, %*	2.3	2.6		2.4	2.5		2.5
Return on equity excl. intangible assets (RoTE), %*	16.1	21.3		15.9	18.7		17.1
Return on equity excl. intangible assets and nonrecurring costs, given a Common Equity Tier 1 ratio according to the Board's target and deducted dividend from the capital base, (RoTE), %*	22.8	28.2		22.5	27.3		26.1



Performance measures business lines

Payment Solutions

SEKm unless otherwise specified	Apr–Jun 2021	Apr–Jun 2020	Change	Jan–Jun 2021	Jan–Jun 2020	Change	Jan–Dec 2020
Lending to the public at end of the period	10,688	10,921	-2%	10,688	10,921	-2%	10,994
Operating income	320	354	-10%	633	732	-16%	1,409
Operating income less credit losses	272	285	-5%	553	585	-6%	1,147
Risk-adjusted NBI margin, %	10.1	10.3		10.2	10.5		10.2
Credit loss ratio, %	1.8	2.5		1.5	2.6		2.3

Consumer Loans

SEKm unless otherwise specified	Apr–Jun 2021	Apr–Jun 2020	Change	Jan–Jun 2021	Jan–Jun 2020	Change	Jan–Dec 2020
Lending to the public at end of the period	20,460	19,932	3%	20,460	19,932	3%	19,865
Operating income	461	512	-10%	924	1,017	-9%	1,999
Operating income less credit losses	331	380	-13%	631	700	-10%	1,406
Risk-adjusted NBI margin, %	6.4	7.6		6.3	7.0		7.1
Credit loss ratio, %	2.5	2.6		2.9	3.2		3.0

Insurance

SEKm unless otherwise specified	Apr–Jun 2021	Apr–Jun 2020	Change	Jan–Jun 2021	Jan–Jun 2020	Change	Jan–Dec 2020
Premium earned, net	242	227	6%	477	456	5%	913
Operating income	63	69	-9%	141	87	63%	219
Technical result	28	25	14%	58	54	7%	117
Operating profit	37	42	-13%	88	33	166%	120
Combined ratio, %	88.9	89.7		88.4	88.7		88.2



April–June 2021

Group results*

Second quarter 2021, April–June

Operating income

The Group's operating income declined 10 per cent to SEK 840 million (932). Net interest income decreased 11 per cent to SEK 651 million (731), interest income totalled SEK 739 million (835) and interest expense amounted to SEK –88 million (–105). The relatively lower income was mainly due to lower lending in Norway, lower interest income in Denmark, and mix effects in Payment Solutions where many of Resurs's retail finance partners noted higher demand in connection with the pandemic. At the same time, these large partnerships involve lower margins for Resurs, which negatively impacted the overall NBI margin.

Fee & commission income amounted to SEK 48 million (43) and fee & commission expense to SEK –20 million (–14), resulting in a total net commission for the banking operations of SEK 28 million (29). The net commission remained impacted by effects of COVID-19, attributable to lower credit card income, loan commission and lower factoring income.

SEK 840 million
Operating income for the quarter

Premium earned in the insurance operations rose 6 per cent to SEK 241 million (227), while claim costs, which are recognised in the item insurance compensation, net, were SEK –56 million (–60). Fee & commission expenses in the insurance operations amounted to SEK –75 million (–59). In total, net insurance income increased to SEK 110 million (108).

The market value of equities and bond portfolios increased slightly, which resulted in a positive outcome for net income from financial transactions for Insurance of SEK 5 million (19). Other operating income, mainly comprising remuneration from lending operations, amounted to SEK 46 million (42).

Operating expenses

The Group's expenses before credit losses declined 3 per cent to SEK –349 million (–361). Viewed in relation to the operations' income, the cost level (excluding Insurance and nonrecurring costs) amounted to 41.5 per cent (38.7 per cent) as a result of the lower income level. Enhancing the efficiency of the operations and thus reducing the cost/income ratio is an important part of the ongoing transformation journey.

–3%
Expenses for the quarter

Credit losses totalled SEK –179 million (–201) and the credit loss ratio was 2.3 per cent (2.6 per cent), meaning a decline in both absolute terms and as a share of lending due to the higher credit quality of the loan portfolio. The high credit quality was a result of the active austerity measures implemented in credit lending when pandemic started. This positive development was clear in both Payment Solutions and Consumer Loans and in all Nordic markets. The bank has not seen any changed payment patterns among its customers due to COVID-19. The risk-adjusted NBI margin totalled 7.6 per cent (8.5 per cent).

2.3%
Credit loss ratio for the quarter

Profit

Operating profit fell 15 per cent to SEK 313 million (369). Tax expense for the quarter amounted to SEK –64 million (–80), corresponding to an effective tax rate of 20.6 per cent (21.7 per cent). Net profit for the quarter amounted to SEK 248 million (289).

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First half of 2021, January–June

Operating income and expenses

The Group's operating income declined 8 per cent to SEK 1,691 million (1,829). Net interest income fell 12 per cent to SEK 1,302 million (1,476), with interest income amounting to SEK 1,484 million (1,685) and interest expense to SEK -182 (-209). The relatively lower income was mainly due to lower lending in Norway, lower interest income in Denmark, and mix effects in Payment Solutions where many of Resurs's retail finance partners noted higher demand in connection with the pandemic. At the same time, these large partnerships involve lower margins for Resurs, which negatively impacted the overall NBI margin. Fee & commission income amounted to SEK 85 million (91) and fee & commission expense to SEK -39 million (-30).

Operating income declined 3 per cent to SEK -702 million (-726). Viewed in relation to the operations' income, the cost level (excluding Insurance) amounted to 41.9 per cent (38.6 per cent) as a result of the lower income level. Enhancing the efficiency of the operations and thus reducing the cost/income ratio is an important part of the ongoing transformation journey.

Credit losses totalled SEK -374 million (-464) and the credit loss ratio was 2.4 per cent (3.0 per cent). Excluding nonrecurring costs, credit losses totalled SEK -374 million (-389) and the credit loss ratio was 2.4 per cent (2.5 per cent). Credit losses fell in both absolute terms and as a share of lending due to the higher credit quality of the loan portfolio. The risk-adjusted NBI margin was 7.6 per cent (8.2 per cent).

Profit

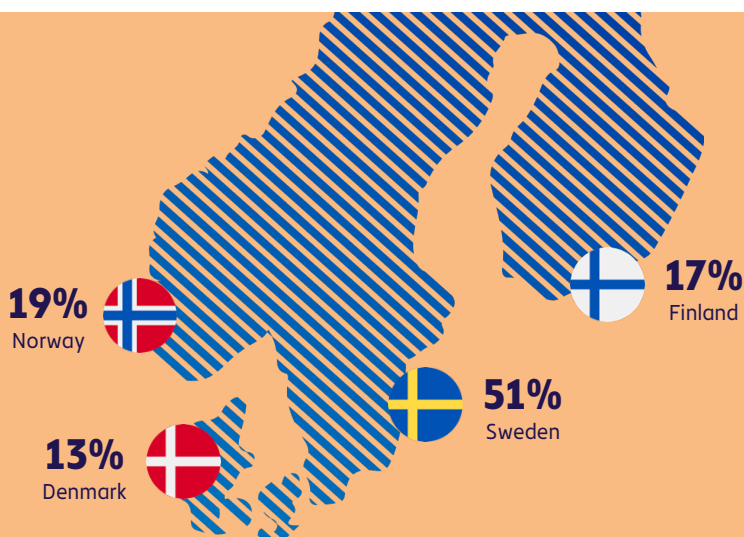
Operating profit decreased 4 per cent to SEK 614 million (638). Tax expense for the period amounted to SEK -134 million (-141), corresponding to an effective tax rate of 21.8 per cent (22.1 per cent). Net profit for the period amounted to SEK 480 million (497).

COVID-19

An extra forward-looking credit provision of SEK 75 million was made in the first quarter of 2020 to meet potential higher credit losses, in addition to the model-based reserves, in accordance with IFRS 9. The company has not noted any negative trend in customers' payment patterns. We continue to believe that the risk of default could be negatively affected from the, which has been taken into consideration in the extra credit provision. Future risks have reduced, but there is still uncertainty regarding the ongoing economic recovery and the trend in unemployment and its associated effects on customers' solvency. Currently, the overall assessment is that no changes to the loss allowance are necessary due to COVID-19.

Resurs took action at an early stage of COVID-19 to introduce temporary austerity measures in credit lending in Consumer Loans in order to ensure continued high control of the risk level, which reduced the risk in new lending in all markets, with the associated declining volumes. In addition to this, new lending in Finland was primarily negatively affected by interest limitation and direct marketing regulations that were temporarily introduced at the start of the third quarter 2020. The direct effect on the Group's earnings was mainly related to the decline in the travel industry, which in turn has negatively impacted and is expected to continue to impact credit card commission and currency exchange fees negatively, while lower factoring activity resulted in lower commissions. Overall, Insurance was only marginally impacted during the quarter, even though the segment's smallest business line of Travel was significantly negatively affected.

Lending to the public by country



Financial position on 30 June 2021*

Comparative figures in this section refer to 31 December 2020, except for cash flow for which the comparative figure refers to the same period in the preceding year.

The Group's financial position is strong and on 30 June 2021, the capital base amounted to SEK 5,433 million (5,367) in the consolidated situation, comprising the Parent Company, Resurs Holding, and the Resurs Bank Group. The total capital ratio was 17.4 per cent (17.4 per cent) and the Common Equity Tier 1 ratio was 15.2 per cent (15.1 per cent).

Due to COVID-19, the authorities decided in spring 2020 to reduce the regulatory minimum capital requirement in the countercyclical capital buffer. This entails a total reduction of about 1.8 percentage points to 0.2 per cent for Resurs.

Lending to the public on 30 June 2021 amounted to SEK 31,148 million (30,858), entailing an increase of 1 per cent in both SEK and constant currencies. The trend in lending was impacted by the sale of a NPL portfolio in Norway in the second quarter; excluding the sale, growth in lending was 2 per cent since year-end. The specification of lending on 30 June 2021 was as follows: Sweden 51 per cent, Norway 19 per cent, Denmark 13 per cent and Finland 17 per cent.

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

Deposits from the public on 30 June 2021 amounted to SEK 24,918 million (24,692). The bank has deposits in SEK, NOK and EUR. Financing through issued securities totalled SEK 6,877 million (6,297). Liquidity remained extremely healthy and the liquidity coverage ratio (LCR) was 292 per cent (288 per cent) in the consolidated situation. The minimum statutory LCR is 100 per cent. Lending to credit institutions on 30 June 2021 amounted to SEK 4,805 million (4,150). Holdings of treasury and other bills eligible for

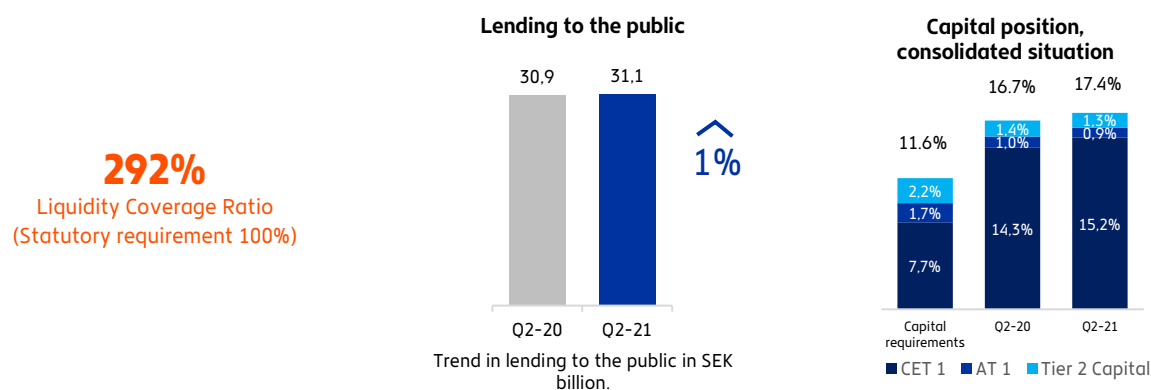
refinancing, as well as bonds and other interest-bearing securities, totalled SEK 3,344 million (3,446). Bonds of a nominal SEK 1,050 million and NOK 600 million were issued under Resurs Bank's MTN programme in 2021. The Group has a high level of liquidity for meeting its future commitments.

Intangible assets amounted to SEK 1,947 million (1,895), and primarily comprise 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 643 million (633) for the period. Cash flow from deposits amounted to SEK -40 million (611) and the net change in investment assets totalled SEK 164 million (-498). Cash flow from investing activities for the year totalled SEK -35 million (-44) and cash flow from financing activities was SEK 35 million (-246).

Dividend

The company is following the regulatory authorities' recommendations, positions and restrictions for banks and holding companies of banks to pay any dividends. In accordance with the Swedish Financial Supervisory Authority's statement in December 2020, and after consultation with the Authority, a dividend of SEK 536 million was paid in May 2021 following a resolution by the Annual General Meeting. The company's dividend policy is unchanged and the Board intends to convene an Extraordinary General Meeting in the fourth quarter of 2021. The Board intends to propose a motion to this Extraordinary General Meeting regarding a dividend of SEK 3.00 per share, a total of SEK 600 million in dividends, corresponding to 50 per cent of net profit for the first half of 2021 and the remainder of the predicted dividends until 2020. This assumes that the regulatory authorities' recommendations or positions are not extended or changed. During the period that it is not possible to 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. The Board intends to continue paying semi-annual dividends.



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Payment Solutions

Launch of new subscription service and digital wallets

Second quarter 2021, April-June

New lending in the Swedish market continued to perform positively in the second quarter, with primarily many of Resurs's larger retail finance partners managing the pandemic very well with unchanged, or in some cases higher, demand. This is positive, but at the same time means that these partnerships involved lower margins, which negatively impacted the total NBI margin.

Resurs has focused its efforts specifically on activating partners with higher margins in order to minimise the negative margin trend. An example of such efforts is the *Partner Success Program* that was launched in the first quarter, whereby developing collaborations with existing partners takes place at a new, modern and automated level.

During the quarter, the offering of subscription services was broadened to our retailers through a partnership with Fairown in the Swedish and Norwegian markets. Together with Fairown, Resurs can now offer customers the option of subscription solutions in several different industries. Based on this partnership, a successful collaboration was started with the e-commerce company Komplet in Norway at the beginning of the second quarter. Launch in the Swedish market with Komplet is planned for the start of the third quarter.

Society in Denmark and Norway gradually opened up during the quarter, which positively impacted new lending, although demand in these markets is not back at pre-pandemic levels.

Supreme Card remained challenged by reduced travel and restaurant visits. The option of paying using Apple and Google Pay was launched during the period, a payment method that further digitalises and simplifies the customer journey and makes payments more secure. Supreme Card developed and simplified its

application flows during the quarter, which led to a 24-per cent increase in the number of customers completing their applications.

Lending to the public on 30 June 2021 amounted to SEK 10,688 million (10,921), down 2 per cent year-on-year in both SEK and in constant currencies. Weaker lending was mainly due to COVID-19 and a continued declining trend in Norway. Operating income totalled SEK 320 million (354), down 10 per cent compared with the same quarter in 2020. The lower earnings were attributable mainly to the negative performance in Norway, mix effects with larger partners growing quicker due to the pandemic as well as lower fee & commission income primarily attributable to COVID-19. Operating income less credit losses amounted to SEK 272 million (285). The risk-adjusted NBI margin declined to 10.1 per cent (10.3 per cent).

First half of 2021, January-June

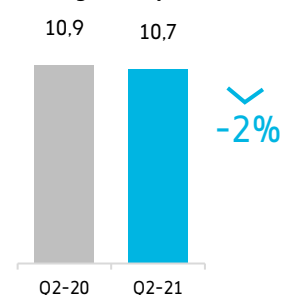
Lending to the public as of 30 June 2021 declined 2 per cent to SEK 10,688 million (10,921). Operating income amounted to SEK 633 million (732), down 13 per cent compared with the year-earlier period. Operating income less credit losses amounted to SEK 553 million (585). The risk-adjusted NBI margin fell to 10.2 per cent (10.5 per cent). Credit losses declined 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.

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.

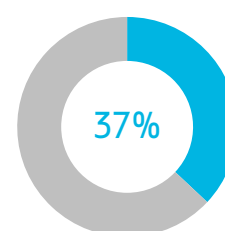
Credit cards includes the Resurs credit cards (with Supreme Card being the foremost), as well as cards that enable retail finance partners to promote their own brands.

Lending to the public



Trend in lending to the public in SEK billion.

Percentage of operating income, Jan-Jun 2021



Consumer Loans

Stable lending growth for the quarter

Second quarter 2021, April-June

Consumer Loans displayed stable growth in lending for the quarter. The Swedish market performed strongly as a result of effective marketing activities and use of the existing customer database. More than 85 per cent of new sales in the Swedish market in the second quarter was with customers in Resurs's own database. Using Resurs's own database allows the company to make better credit assessments since traditional credit assessments can be supplemented with internal variables, which results in lower credit risk and lower acquisition costs and thus contributes to Resurs's sustainable credit lending.

An agreement was signed with a new partner, Hemma, in the second quarter. This company makes it easier and more profitable for private individuals in the Swedish market to invest in climate-smart living. The main investment is in solar panels, and this is where Hemma wants to help its customers with financing in the form of green loans, either via mortgages or consumer loans. This is completely in line with our strategy of sustainable credit lending.

Lending volumes in the Norwegian market have fallen overall since the introduction of new legislation in the country in 2019. In 2021, Resurs shrank less than the market as a whole in consumer loans – the largest product the segment offers in Norway.

Growth in new lending in the Norwegian market remained favourable, although the percentage of customers ending their loans in advance continued to be high. During the quarter, the segment worked on different ways of improving the customer journey and thus retaining customers. For example, Resurs Bank's app was launched in the Norwegian market at the end of the second quarter.

The Danish market remained challenging in the quarter. The option of consolidating loans that was launched at the end of the first quarter continued to be calibrated and positive effects on new

lending could be seen towards the end of the second quarter. The Finnish market reported lower demand due to the temporary regulations on direct marketing that were introduced at the start of the third quarter of 2020.

Improvements to and automation of the application process for customers in the Nordic market continued in the quarter. A more simple and automated application processes increases the share of customers who complete their loan application. An example is the income verification launched at the end of the first quarter in Sweden that displayed positive effects in the second quarter.

Lending to the public on 30 June 2021 amounted to SEK 20,460 million (19,932), up 3 per cent in both SEK and constant currencies. Operating income for the quarter fell 10 per cent to SEK 461 million (512). Operating income less credit losses fell 13 per cent to SEK 331 million (380), and the risk-adjusted NBI margin was 6.4 per cent (7.6 per cent). Credit losses for the quarter were stable both in absolute terms and as a percentage of lending.

First half of 2021, January-June

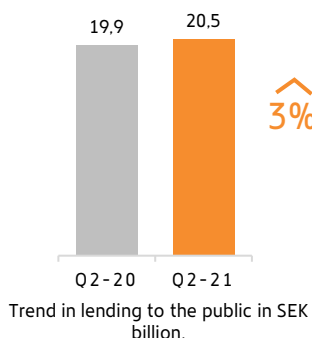
Lending to the public on 30 June 2021 amounted to SEK 20,460 million (19,932). Operating income for the period declined 9 per cent to SEK 924 million (1,017). Operating income less credit losses totalled SEK 631 million (700), and the risk-adjusted NBI margin amounted to 6.3 per cent (7.0 per cent). The trend in the risk-adjusted NBI margin was mainly due to the performance of the Norwegian and Danish market and lower margins due to higher average loans with lower credit risk. Credit losses declined 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.

About Consumer Loans

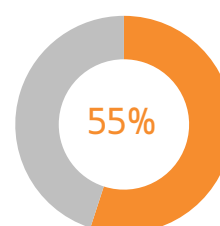
Consumer Loans' customers are offered unsecured loans.

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

Lending to the public



Percentage of operating income, Jan-Jun 2021



Insurance

Stable growth in premium earned and strong technical result

Second quarter 2021, April-June

For the second quarter of the year, Solid reported growth in both premium earned and technical result, while the combined ratio improved year-on-year.

A new partnership with Wästgöta Finans started in the Personal Safety product line during the quarter. Wästgöta Finans is a creditor that offers consumer loans and is part of a group that also includes the successful retailer Jula. Wästgöta Finans decided to enter into a partnership with Solid due to the company's extensive experience in both banking and retail.

In the Product business line, the partnership with Power, which has been Resurs's partner for many years, was expanded during the quarter to another geographical market. Power will offer the company's insurance policies to its customers in Denmark from the autumn. The launch of the partnership with Intersport in Norway, signed in Q1, progressed according to plan.

The process of initiating a strategic review and creating the preconditions for the separate listing of Solid Försäkring on Nasdaq Stockholm's main market commenced during the quarter.

Premium earned, net, increased 6 per cent compared with the year-earlier period to SEK 242 million (227). This increase was primarily due to the Roadside assistance/Car warranty and Product business lines.

Operating income for the quarter declined to SEK 63 million (69). This decline was due to net income from financial transactions that fell SEK 11 million compared with the preceding year as a result of the recovery in the capital market in the year-earlier period. Income attributable to the insurance operations rose 9 per cent.

Technical result increased 14 per cent to SEK 28 (25) year-on-year. Operating profit fell to SEK 37 million (42) compared with the year-earlier quarter, which was attributable to the outcome of net income from financial transactions. Operating expenses declined 3 per cent.

The total combined ratio improved to 88.9 per cent (89.7 per cent), primarily due to higher premium earned, lower claim costs and good cost control.

First half of 2021, January-June

Premium earned, net, increased 5 per cent compared with the first half of last year to SEK 477 million (456). This increase was primarily attributable to the Roadside assistance/Car warranty and Product business lines.

Operating income for the first half of the year increased SEK 55 million to SEK 141 million (87). The increase was mainly due to net income from financial transactions of SEK 27 million (-23). Income from the insurance business increased 3 per cent compared with the year-earlier period.

The technical result increased 7 per cent to SEK 58 million (54) year-on-year, mainly driven by growth in the Roadside assistance/Car warranty business line, lower claim costs and a controlled cost trend.

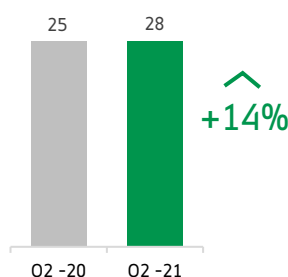
Operating profit rose 55 per cent to SEK 88 million (33) year-on-year. The total combined ratio improved to 88.4 per cent (88.7 per cent).

About Insurance

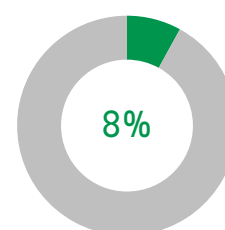
Non-life insurance is offered within the Insurance segment under the Solid Försäkring brand. The focus is on niche coverage, with the Nordic region as the main market.

Insurance products are divided into four business lines: Travel, Personal Safety, Roadside assistance/Car warranty 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



Percentage of operating income, Jan-Jun 2021



January–June 2021

Significant events

Resurs Holding commenced a strategic review concerning the distribution and the separate listing of its subsidiary Solid Försäkring

Resurs Holding AB commenced a strategic review with the intention of listing its subsidiary Solid Försäkringsaktiebolag (Solid Försäkring) on Nasdaq Stockholm's main market. The initiative is based on the ambition to give Solid Försäkring – currently a successful Nordic company in the insurance industry – the best prerequisites to continue its journey of growth.

Resurs sold non-performing loans to leading international investor

Resurs Bank AB, a wholly owned subsidiary of Resurs Holding AB, entered into an agreement with PRA Group, a leading international credit management company in non-performing loans, to sell parts of Resurs Bank's non-performing loans in Norway for a gross carrying amount of approximately NOK 800 million. The sale will have a positive impact on Resurs Bank's capital requirements and liquidity and a neutral effect on earnings.

Resurs Holding's subsidiary Resurs Bank awarded a higher credit rating (BBB, stable outlook)

In April 2021, Resurs Bank received an update from the rating company Nordic Credit Rating (NCR). Resurs Bank's credit rating was raised from BBB- to BBB based on Resurs Bank's ability to attract new partners and an improved Nordic consumer credit market.

New CFO at Resurs – internal recruitment focusing on Resurs's continuing profitable growth

Resurs appointed Sofie Tarring Lindell as the new CFO & Head of IR. Sofie was previously the Head of IR & Group Control and assumed her new position on 1 May 2021. For the transformation journey that Resurs has commenced, Sofie is focusing on profitable growth and supporting the operations to become a competitive, digital and sustainable company.

Solid initiates partnership with Intersport in the Norwegian market

Solid's partnership with Sport Holding AS was expanded to include another chain concept, Intersport, which has about 100 stores in the Norwegian market. The launch is scheduled for the second quarter of 2021. Intersport decided to work together with Solid due to a strong value-based offering and Solid's extensive experience in the market.

Summary from the Annual General Meeting of Resurs Holding on 28 April 2021

The Annual General Meeting resolved in accordance with all proposals of the Board and the Nomination Committee. The Annual General Meeting resolved to re-elect Martin Bengtsson, Fredrik Carlsson, Lars Nordstrand, Marita Odélius Engström, Mikael Wintzell, Johanna Berlinde, Kristina Patek and Susanne Ehnåge as Board members. Martin Bengtsson was re-elected as Chairman of the Board. Ernst & Young AB was re-elected as the company's auditor to serve for the period until the end of the next Annual General Meeting. Ernst & Young AB notified the Meeting that Jesper Nilsson will be appointed as auditor-in-charge.

After the end of the period

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



Other information

Risk and capital management

The Group's ability to manage risks and conduct effective capital planning is fundamental to its profitability. The business faces various forms of risk including 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. The Group's risk management capabilities were affected to a certain extent during the pandemic but the impact was limited due to robust processes. The Group managed the risk of a loss of personnel in critical functions by introducing different zones and remote working. More employees working from home set higher requirements on information security and following up the bank's control framework. A more detailed description of the bank's risks, liquidity and capital management is presented in Note G3 and Note G4 Capital Adequacy 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 735 full-time employees within the Group on 30 June 2021, up 33 since 31 March 2021 largely due to the recruitment of temporary staff for the summer. The number of employees declined by 65 compared with Q2 2020, which was mainly due to personnel cutbacks.

735
Number of employees



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 42.28.

The ten largest shareholders with direct ownership on 30 June 2021 ¹⁾ were:	Percentage of share capital
Waldakt AB (Bengtsson family)	28.9%
Avanza Pension	4.0%
Erik Selin	3.3%
Länsförsäkringar Fonder	3.1%
Swedbank Robur Fonder	2.3%
Vanguard	2.3%
Tredje AP-fonden	2.1%
Livförsäkringsbolaget Skandia	1.7%
Dimensional Fund Advisors	1.7%
Catea Group AB	1.6%
Total	51.0%

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

Financial targets

Performance measures	Mid-term target	Outcome Jan-Jun 2021
Annual lending growth	more than 10%	1%
Risk-adjusted NBI margin, excl. Insurance	about 10–12%	7.6%
C/I before credit losses excl. Insurance and adjusted for nonrecurring costs	under 40%	41.5%
Common Equity Tier 1 ratio	more than 11.5%	15.2%
Total capital ratio	more than 15%	17.4%
Return on tangible equity (RoTE) adjusted for nonrecurring costs ¹⁾	about 30%	22.5%
Dividends	At least 50% of profit for the year	n/a

¹⁾ Adjusted for the Common Equity Tier 1 ratio according to the Board's target and dividends deducted from the capital base for the current year. The company intends to present new financial targets and hold a Capital Market Day in 2021.

Financial calendar

29 September	Capital Market Day
26 October	Interim report for July–September 2021

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, 21 July 2021

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 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Interest income	G5	739,215	835,380	1,483,867	1,684,674	3,258,894
Interest expense	G5	-88,330	-104,507	-181,753	-208,806	-399,599
Fee & commission income, banking operations		48,147	43,304	85,137	91,436	186,124
Fee & commission expense, banking operations		-20,233	-14,001	-38,627	-30,087	-63,635
Premium earned, net	G6	241,379	227,068	475,871	455,232	910,842
Insurance compensation, net	G7	-55,645	-59,550	-112,373	-116,023	-232,196
Fee & commission expense, insurance operations		-75,318	-59,324	-142,606	-113,221	-232,283
Net income/expense from financial transactions		5,270	20,783	29,069	-29,791	-15,598
Other operating income	G8	45,759	42,434	92,093	95,349	200,362
Total operating income		840,244	931,587	1,690,678	1,828,763	3,612,911
General administrative expenses	G9	-305,631	-304,875	-612,157	-614,505	-1,206,154
Depreciation, amortisation and impairment of intangible and tangible fixed assets		-23,362	-26,929	-46,899	-54,103	-149,777
Other operating expenses		-19,820	-29,285	-43,321	-57,390	-115,861
Total expenses before credit losses		-348,813	-361,089	-702,377	-725,998	-1,471,792
Earnings before credit losses		491,431	570,498	988,301	1,102,765	2,141,119
Credit losses, net	G10	-178,743	-201,293	-374,142	-464,276	-854,372
Operating profit/loss		312,688	369,205	614,159	638,489	1,286,747
Income tax expense		-64,415	-80,034	-133,961	-141,050	-333,087
Net profit for the period		248,273	289,171	480,198	497,439	953,660
Portion attributable to Resurs Holding AB shareholders		244,120	284,920	471,984	488,963	936,716
Portion attributable to additional Tier 1 capital holders		4,153	4,251	8,214	8,476	16,944
Net profit for the period		248,273	289,171	480,198	497,439	953,660
Basic and diluted earnings per share, SEK	G16	1.22	1.42	2.36	2.44	4.68

Statement of comprehensive income

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net profit for the period	248,273	289,171	480,198	497,439	953,660
Other comprehensive income that will be classified to profit/loss					
Translation differences for the period, foreign operations	144,331	1,434	42,930	-99,967	-102,826
Comprehensive income for the period	392,604	290,605	523,128	397,472	850,834
Portion attributable to Resurs Holding AB shareholders	388,451	286,354	514,914	388,996	833,890
Portion attributable to additional Tier 1 capital holders	4,153	4,251	8,214	8,476	16,944
Comprehensive income for the period	392,604	290,605	523,128	397,472	850,834

Statement of financial position

SEK thousand	Note	30 Jun 2021	31 Dec 2020	30 Jun 2020
Assets				
Cash and balances at central banks		212,184	208,520	215,493
Treasury and other bills eligible for refinancing		2,173,015	2,302,823	2,310,352
Lending to credit institutions		4,805,488	4,149,906	4,392,665
Lending to the public	G11	31,147,972	30,858,341	30,853,301
Bonds and other interest-bearing securities		1,171,457	1,143,616	1,172,314
Subordinated debt		29,557	29,682	23,988
Shares and participating interests		84,915	105,494	92,854
Intangible fixed assets		1,947,434	1,895,394	1,956,081
Tangible assets		140,748	122,210	135,730
Reinsurers' share in technical provisions		4,129	3,667	3,531
Other assets		264,585	282,464	343,419
Prepaid expenses and accrued income		315,467	351,728	368,116
TOTAL ASSETS		42,296,951	41,453,845	41,867,844
Liabilities, provisions and equity				
Liabilities and provisions				
Liabilities to credit institutions		500	107,400	159,100
Deposits and borrowing from the public		24,917,517	24,692,195	24,405,266
Other liabilities		1,009,696	945,838	846,283
Accrued expenses and deferred income		341,596	225,067	308,042
Technical provisions		572,736	587,764	558,751
Other provisions	G12	21,128	21,075	25,364
Issued securities		6,876,836	6,297,472	7,436,727
Subordinated debt		599,103	598,702	598,294
Total liabilities and provisions		34,339,112	33,475,513	34,337,827
Equity				
Share capital		1,000	1,000	1,000
Other paid-in capital		2,086,294	2,085,701	2,082,280
Translation reserve		6,310	-36,620	-33,761
Additional Tier 1 instruments		300,000	300,000	300,000
Retained earnings incl. profit for the period		5,564,235	5,628,251	5,180,498
Total equity		7,957,839	7,978,332	7,530,017
TOTAL LIABILITIES, PROVISIONS AND EQUITY		42,296,951	41,453,845	41,867,844

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 2020	1,000	2,082,505	66,206	300,000	4,691,535	7,141,246
<i>Owner transactions</i>						
Option premium received/repurchased		-225				-225
Cost additional Tier 1 instruments					-8,476	-8,476
Net profit for the period					497,439	497,439
Other comprehensive income for the period			-99,967			-99,967
Equity at 30 June 2020	1,000	2,082,280	-33,761	300,000	5,180,498	7,530,017
Initial equity at 1 January 2020	1,000	2,082,505	66,206	300,000	4,691,535	7,141,246
<i>Owner transactions</i>						
Option premium received/repurchased		3,196				3,196
Cost additional Tier 1 instruments					-16,944	-16,944
Net profit for the year					953,660	953,660
Other comprehensive income for the year			-102,826			-102,826
Equity at 31 December 2020	1,000	2,085,701	-36,620	300,000	5,628,251	7,978,332
Initial equity at 1 January 2021	1,000	2,085,701	-36,620	300,000	5,628,251	7,978,332
<i>Owner transactions</i>						
Option premium received/repurchased		593				593
Dividends according to General Meeting					-536,000	-536,000
Cost additional Tier 1 instruments					-8,214	-8,214
Net profit for the period					480,198	480,198
Other comprehensive income for the period			42,930			42,930
Equity at 30 June 2021	1,000	2,086,294	6,310	300,000	5,564,235	7,957,839

All equity is attributable to Parent Company shareholders.

Cash flow statement (indirect method)

SEK thousand	Jan-Jun 2021	Jan-Dec 2020	Jan-Jun 2020
Operating activities			
Operating profit	614,159	1,286,747	638,489
- of which, interest received	1,483,712	3,260,938	1,686,601
- of which, interest paid	-114,555	-416,016	-135,270
Adjustments for non-cash items in operating profit	444,355	1,030,086	514,936
Tax paid	-243,681	-333,926	-234,261
Cash flow from operating activities before changes in operating assets and liabilities	814,833	1,982,907	919,164
Changes in operating assets and liabilities			
Lending to the public	-313,531	-1,545,166	-720,038
Other assets	26,683	624,312	330,420
Liabilities to credit institutions	-106,900	12,500	64,200
Deposits and borrowing from the public	-40,454	934,406	610,560
Acquisition of investment assets 1)	-2,206,444	-4,909,134	-2,700,326
Divestment of investment assets 1)	2,370,554	4,418,404	2,202,790
Other liabilities	97,764	-39,243	-74,217
Cash flow from operating activities	642,505	1,478,986	632,553
Investing activities			
Acquisition of intangible and tangible fixed assets	-35,059	-73,079	-45,026
Divestment of intangible and tangible fixed assets	118	5,347	1,427
Cash flow from investing activities	-34,941	-67,732	-43,599
Financing activities			
Dividends paid	-536,000		
Issued securities	578,349	-1,377,406	-237,050
Option premium received/repurchased	592	3,196	-225
Additional Tier 1 instruments	-8,214	-16,944	-8,476
Cash flow from financing activities	34,727	-1,391,154	-245,751
Cash flow for the period	642,291	20,100	343,203
Cash & cash equivalents at beginning of the year ²⁾	4,358,426	4,349,752	4,349,752
Exchange rate differences	16,955	-11,426	-84,797
Cash & cash equivalents at end of the period ²⁾	5,017,672	4,358,426	4,608,158
Adjustment for non-cash items in operating profit			
Credit losses	374,142	854,372	464,276
Depreciation, amortisation and impairment of intangible and tangible fixed assets	46,899	149,777	54,103
Profit/loss tangible assets	-118	-1,168	98
Profit/loss on investment assets ¹⁾	-25,268	-1,414	25,821
Change in provisions	-15,264	4,026	-20,892
Adjustment to interest paid/received	71,795	-6,670	74,290
Currency effects	-9,247	17,821	-84,595
Depreciation, amortisation and impairment of shares		10,000	
Other items that do not affect liquidity	1,416	3,342	1,835
Sum non-cash items in operating profit	444,355	1,030,086	514,936

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 2021	Cash flow	Non cash flow items	30 Jun 2021
			Accrued acquisition costs	Exchange rate differences
Issued securities	6,297,472	578,349	1,015	6,876,836
Subordinated debt	598,702		401	599,103
Total	6,896,174	578,349	1,416	7,475,939

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 2021, 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 2020.

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

The interim information on pages 4-37 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 25,118 million (24,694), whereof in Sweden SEK 11,985 million (11,535), in Norway SEK 6,419 million (6,441) and in Germany SEK 6,714 million (6,718). The lending to the public/deposits from the public ratio for the consolidated situation is 124 per cent (125 per cent).

Resurs Bank has a funding programme for issuing bonds, the programme amounts to SEK 9,000 million (9,000). Within the programme, Resurs Bank has been working successfully to issue bonds on a regular basis and sees itself as an established issuer on the market. At 30 June 2021 the program has nine outstanding issues at a nominal amount of SEK 4,950 million (4,900) and NOK 600 million. Of the ten issues, eight are senior unsecured bonds and two issues are a subordinated loan of SEK 600 million (600). 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).

Resurs Bank has been awarded an updated rating from the rating company Nordic Credit Rating (NCR) in april 2021. Resurs Bank's credit rating was raised from BBB- to BBB based on Resurs Bank's ability to attract new partners and an improved Nordic consumer credit market. Access to Nordic Credit Ratings analyses can be found on the website www.nordiccreditratings.com.

Resurs Bank has completed a securitisation of loan receivables, a form of structured financing, referred to as Asset Backed Securities (ABS). This took place by transferring loan receivables to Resurs Bank's wholly owned subsidiaries Resurs Consumer Loans 1 Limited. Resurs Bank signed an agreement in December 2020 to extend the existing ABS financing. This financing has been arranged with JP Morgan Chase Bank. Resurs Bank has for a period of 18 months (revolving period), the right to continue sale of certain additional loan receivables to Resurs Consumer Loans. At 30 June 2021 a total of approximately SEK 2.5 billion in loan receivables had been transferred to Resurs Consumer Loans. Resurs Bank and Resurs Consumer Loans have provided security for the assets that form part of the securitisation. At the balance sheet date, the external financing amounted to SEK 2.0 billion (2.0) of the ABS financing.

Liquidity - Consolidated situation

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

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

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

The liquidity reserve, totalling SEK 1,878 million (1,860), is in accordance with Swedish Financial Supervisory Authority regulations on liquidity risk management (FFFS 2010:7) and applicable amendments thereto for the consolidated situation. Accordingly, assets are segregated, unutilised and of high quality. The liquidity reserve largely comprises assets with the highest credit quality rating.

In addition to the liquidity reserve, the consolidated situation has other liquid assets primarily comprised of cash balances with other banks. These assets are of high credit quality and total SEK 5,594 million (5,127) for the consolidated situation. Accordingly, total liquidity amounted to SEK 7,472 million (6,986) 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 2021, the ratio for the consolidated situation is 292 per cent (288 per cent). For the period January to June 2021, the average LCR measures 263 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 2021	31 Dec 2020	30 Jun 2020
Liquidity reserve as per FFFS 2010:7 definition			
Securities issued by sovereigns	177,935	176,381	181,397
Securities issued by municipalities	965,900	958,037	901,637
Lending to credit institutions	95,000	55,000	
Bonds and other interest-bearing securities	639,582	670,374	786,774
Summary Liquidity reserve as per FFFS 2010:7	1,878,417	1,859,792	1,869,807
Other liquidity portfolio			
Cash and balances at central banks	212,184	208,520	215,493
Securities issued by municipalities	1,010,206	1,150,181	199,990
Lending to credit institutions	4,371,227	3,767,951	4,094,180
Bonds and other interest-bearing securities			964,926
Total other liquidity portfolio	5,593,617	5,126,652	5,474,588
Total liquidity portfolio	7,472,034	6,986,444	7,344,396
Other liquidity-creating measures			
Unutilised credit facilities	49,710	47,730	47,975

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

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

Liquid assets according to LCR

30/06/2021

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	182,205		120,352		61,853
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	177,936		118,023	28,818	31,095
Securities issued by municipalities and PSEs	1,976,106	1,668,291	73,535		234,280
Extremely high quality covered bonds	432,291	196,689	150,622		84,980
Level 2 assets					
High quality covered bonds	207,290	125,422			81,868
Total liquid assets	2,975,828	1,990,402	462,532	28,818	494,076

31/12/2020

SEK thousand	Total	SEK	EUR	DKK	NOK
Level 1 assets					
Cash and balances with central banks	179,039		119,552		59,487
Securities or guaranteed by sovereigns, central banks, MDBs and international org.	176,381		117,636	28,696	30,049
Securities issued by municipalities and PSEs	1,908,211	1,609,889	73,853		224,469
Extremely high quality covered bonds	390,740	117,923	191,293		81,524
Level 2 assets					
High quality covered bonds	279,634	201,043			78,591
Total liquid assets	2,934,005	1,928,855	502,334	28,696	474,120

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

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Total liquid assets	2,975,828	2,934,005	3,220,184
Net liquidity outflow	998,025	995,751	1,007,559
LCR measure	292%	288%	310%

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 and after being lowered by the supervisory authorities in spring 2020 amounted to 0.2 per cent. Only Norwegian exposures have a buffer requirement remaining, which is currently 1.0 per cent of risk-weighted Norwegian assets.

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

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

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

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

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

Capital base

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Common Equity Tier 1 capital			
Equity			
Equity, Group	7,657,839	7,678,332	7,230,017
Additional Tier 1 instruments classified as equity	300,000	300,000	300,000
Equity according to balance sheet	7,957,839	7,978,332	7,530,017
Proposed dividend		-536,000	
Foreseeable dividend	-600,098	-360,000	-668,720
Additional/deducted equity in the consolidated situation	-586,335	-512,783	-492,930
Equity, consolidated situation	6,771,406	6,569,549	6,368,367
<i>Adjustments according to transition rules IFRS 9:</i>			
Initial revaluation effect	169,371	237,119	237,119
<i>Less:</i>			
Additional value adjustments	-2,821	-3,073	-3,224
Intangible fixed assets	-1,901,565	-1,846,678	-1,904,064
Additional Tier 1 instruments classified as equity	-300,000	-300,000	-300,000
Shares in subsidiaries	-145	-145	-145
Total Common Equity Tier 1 capital	4,736,246	4,656,772	4,398,053
Tier 1 capital			
Common Equity Tier 1 capital	4,736,246	4,656,772	4,398,053
Additional Tier 1 instruments	300,000	300,000	300,000
Total Tier 1 capital	5,036,246	4,956,772	4,698,053
Tier 2 capital			
Dated subordinated loans	396,497	409,914	439,505
Total Tier 2 capital	396,497	409,914	439,505
Total capital base	5,432,743	5,366,686	5,137,558

Specification of risk-weighted exposure amount and capital requirements

SEK thousand	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾	Risk-weighted exposure amount	Capital requirement ¹⁾
Exposures to institutions	944,383	75,551	776,530	62,122	835,320	66,826
Exposures to corporates	309,523	24,762	291,518	23,321	268,325	21,466
Retail exposures	21,228,564	1,698,285	20,883,338	1,670,667	20,730,811	1,658,465
Exposures in default	2,781,224	222,498	3,044,468	243,557	3,274,504	261,960
Exposures in the form of covered bonds	63,856	5,108	66,890	5,351	78,519	6,282
Equity exposures	215,410	17,233	211,279	16,903	221,375	17,710
Other items	477,010	38,161	453,174	36,255	429,086	34,326
Total credit risks	26,019,970	2,081,598	25,727,197	2,058,176	25,837,940	2,067,035
Credit valuation adjustment risk	39,507	3,161	25,265	2,021	44,937	3,595
Market risk						
Currency risk	0	0	0	0	0	0
Operational risk (standard methods)	5,089,268	407,141	5,089,268	407,141	4,849,713	387,977
Total riskweighted exposure and total capital requirement	31,148,745	2,491,900	30,841,730	2,467,338	30,732,590	2,458,607
Concentration risk		261,405		258,267		252,170
Interest rate risk		21,474		28,881		26,390
Currency risk		810		4,667		1,733
Pension risk		0		0		10,000
Total Tier 2 capital requirement		283,689		291,815		290,293
Capital buffers						
Capital conservation buffer		778,719		771,043		768,315
Countercyclical capital buffer		58,255		64,243		70,101
Total capital requirement Capital buffers		836,974		835,287		838,416
Total capital requirement		3,612,563		3,594,440		3,587,316

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

Regulatory capital requirements

	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount	Amount	Share of risk-weighted exposure amount
Common Equity Tier 1 capital pursuant to Article 92 CRR (Pillar 1)	1,401,694	4.5	1,387,878	4.5	1,382,967	4.5
Other Common Equity Tier 1 capital requirements (Pillar 2)	159,575	0.5	196,434	0.6	195,586	0.6
Combined buffer requirement	836,974	2.7	835,287	2.7	838,416	2.7
Total Common Equity Tier 1 capital requirements	2,398,243	7.7	2,419,598	7.8	2,416,969	7.9
Common Equity Tier 1 capital	4,736,246	15.2	4,656,772	15.1	4,398,053	14.3
Tier 1 capital requirements under Article 92 CRR (Pillar 1)	1,868,925	6.0	1,850,504	6.0	1,843,955	6.0
Other Tier 1 capital requirements (Pillar 2)	212,767	0.7	237,312	0.8	236,175	0.8
Combined buffer requirement	836,974	2.7	835,287	2.7	838,416	2.7
Total Tier 1 capital requirements	2,918,665	9.4	2,923,102	9.5	2,918,546	9.5
Tier 1 capital	5,036,246	16.2	4,956,772	16.1	4,698,053	15.3
Capital requirements under Article 92 CRR (Pillar 1)	2,491,900	8.0	2,467,338	8.0	2,458,607	8.0
Other capital requirements (Pillar 2)	283,689	0.9	291,815	0.9	290,293	0.9
Combined buffer requirement	836,974	2.7	835,287	2.7	838,416	2.7
Total capital requirement	3,612,563	11.6	3,594,440	11.7	3,587,316	11.6
Total capital base	5,432,743	17.4	5,366,686	17.4	5,137,558	16.7

Capital ratio and capital buffers

	30 Jun 2021	31 Dec 2020	30 Jun 2020
Common Equity Tier 1 ratio, %	15.2	15.1	14.3
Tier 1 ratio, %	16.2	16.1	15.3
Total capital ratio, %	17.4	17.4	16.7
Institution specific buffer requirements, %	2.7	2.7	2.7
- of which, capital conservation buffer requirement, %	2.5	2.5	2.5
- of which, countercyclical buffer requirement, %	0.2	0.2	0.2
Common Equity Tier 1 capital available for use as buffer after meeting the total own funds requirements, %	8.9	8.8	8.1

Leverage ratio

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

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

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Tier 1 capital	5,036,246	4,956,772	4,698,053
Leverage ratio exposure	41,370,857	41,174,564	41,864,536
Leverage ratio, %	12.2	12.0	11.2

G4. Segment reporting

The CEO of Resurs Holding AB is the chief operating decision maker for the Group. Management has established segments based on the information that is dealt with by the Board of Directors and used as supporting information for allocating resources and evaluating results. The CEO assesses the performance of Payment Solutions, 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 2021					
SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	253,467	483,807	2,781	-840	739,215
Interest expense	-30,496	-58,636	-70	872	-88,330
Provision income	79,755	26,039		-57,647	48,147
Fee & commission expense, banking operations	-20,233				-20,233
Premium earned, net			241,893	-514	241,379
Insurance compensation, net			-55,645		-55,645
Fee & commission expense, insurance operations			-133,769	58,451	-75,318
Net income/expense from financial transactions	-426	-206	5,964	-62	5,270
Other operating income	38,359	10,282	1,880	-4,762	45,759
Total operating income	320,426	461,286	63,034	-4,502	840,244
<i>of which, internal ¹⁾</i>	35,168	26,449	-57,066	-4,551	0
Credit losses, net	-48,709	-130,034			-178,743
Operating income less credit losses	271,717	331,252	63,034	-4,502	661,501
Expenses excluding credit losses ²⁾			-26,519		
Operating profit, Insurance ³⁾			36,515		

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		

Segment reporting

Jan-Jun 2021

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	506,041	974,106	6,033	-2,313	1,483,867
Interest expense	-62,139	-121,825	-134	2,345	-181,753
Provision income	148,973	50,373		-114,209	85,137
Fee & commission expense, banking operations	-38,627				-38,627
Premium earned, net			476,740	-869	475,871
Insurance compensation, net			-112,373		-112,373
Fee & commission expense, insurance operations			-259,154	116,548	-142,606
Net income/expense from financial transactions	772	1,132	27,198	-33	29,069
Other operating income	78,437	20,425	2,724	-9,493	92,093
Total operating income	633,457	924,211	141,034	-8,024	1,690,678
<i>of which, internal ¹⁾</i>	<i>70,711</i>	<i>50,694</i>	<i>-113,334</i>	<i>-8,071</i>	<i>0</i>
Credit losses, net	-80,659	-293,483			-374,142
Operating income less credit losses	552,798	630,728	141,034	-8,024	1,316,536
Expenses excluding credit losses ²⁾			-52,736		
Operating profit, Insurance 3)			88,298		

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>	<i>76,590</i>	<i>50,397</i>	<i>-119,761</i>	<i>-7,226</i>	<i>0</i>
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		

Segment reporting

Jan-Dec 2020

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Intra-Group adjustment	Total Group
Interest income	1,132,010	2,119,281	15,168	-7,565	3,258,894
Interest expense	-139,365	-267,575	-224	7,565	-399,599
Provision income	322,695	102,519		-239,090	186,124
Fee & commission expense, banking operations	-63,635				-63,635
Premium earned, net			912,654	-1,812	910,842
Insurance compensation, net			-232,196		-232,196
Fee & commission expense, insurance operations			-478,579	246,296	-232,283
Net income/expense from financial transactions	-5,283	-8,899	-1,220	-196	-15,598
Other operating income	162,144	53,516	3,656	-18,954	200,362
Total operating income	1,408,566	1,998,842	219,259	-13,756	3,612,911
<i>of which, internal ¹⁾</i>	<i>148,775</i>	<i>101,900</i>	<i>-236,919</i>	<i>-13,756</i>	<i>0</i>
Credit losses, net	-261,335	-593,037			-854,372
Operating income less credit losses	1,147,231	1,405,805	219,259	-13,756	2,758,539
Expenses excluding credit losses ²⁾			-99,173		
Operating profit, Insurance ³⁾			120,086		

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 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
As per segment reporting					
Expenses excluding credit losses as regards Insurance segment	-26,519	-27,367	-52,736	-53,364	-99,173
Not broken down by segment					
Expenses excluding credit losses as regards banking operations	-322,294	-333,722	-649,641	-672,634	-1,372,619
Total	-348,813	-361,089	-702,377	-725,998	-1,471,792
As per income statement					
General administrative expenses	-305,631	-304,875	-612,157	-614,505	-1,206,154
Depreciation, amortisation and impairment of intangible and tangible fixed assets	-23,362	-26,929	-46,899	-54,103	-149,777
Other operating expenses	-19,820	-29,285	-43,321	-57,390	-115,861
Total	-348,813	-361,089	-702,377	-725,998	-1,471,792

³⁾ Reconciliation of operating profit against income statement

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
As per segment reporting					
Operating profit, Insurance	36,515	41,894	88,298	33,163	120,086
Not broken down by segment					
Operating profit as regards banking operations	276,173	327,311	525,861	605,326	1,166,661
Total	312,688	369,205	614,159	638,489	1,286,747
As per income statement					
Operating profit	312,688	369,205	614,159	638,489	1,286,747
Total	312,688	369,205	614,159	638,489	1,286,747

Lending to the public

SEK thousand	Payment Solutions	Consumer Loans	Insurance	Total Group
30 Jun 2021	10,687,514	20,460,458		31,147,972
31 Dec 2020	10,993,623	19,864,718		30,858,341
30 Jun 2020	10,921,274	19,932,027		30,853,301

G5. Net interest income/expense

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Interest income					
Lending to credit institutions	78	24	169	26	174
Lending to the public	736,586	830,634	1,478,797	1,674,884	3,243,099
Interest-bearing securities	2,551	4,722	4,901	9,764	15,621
Total interest income	739,215	835,380	1,483,867	1,684,674	3,258,894
Interest expense					
Liabilities to credit institutions	-1,299	-1,096	-3,540	-2,221	-3,958
Deposits and borrowing from the public	-59,657	-76,807	-125,003	-155,461	-296,181
Issued securities	-22,000	-19,870	-42,004	-38,239	-72,279
Subordinated debt	1,479	-6,419	219	-12,269	-25,604
Other liabilities	-6,853	-315	-11,425	-616	-1,577
Total interest expense	-88,330	-104,507	-181,753	-208,806	-399,599
Net interest income/expense	650,885	730,873	1,302,114	1,475,868	2,859,295

G6. Premium earned, net

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Premium earned	243,881	225,291	459,389	448,935	949,668
Premiums for specified reinsurance	-5,648	-4,266	-11,298	-9,608	-19,922
Change in provision for unearned premiums and unexpired risks	2,941	6,421	27,328	16,241	-18,890
Reinsurers' share in change in provision for unearned premiums and unexpired risks	205	-378	452	-336	-14
Total premium earned, net	241,379	227,068	475,871	455,232	910,842

G7. Insurance compensation, net

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Claims paid, gross	-48,309	-46,845	-101,008	-96,456	-203,594
Less reinsurance share	1,506	1,415	2,975	3,247	6,022
Total claims paid, net	-46,803	-45,430	-98,033	-93,209	-197,572
Change in provision for losses incurred and reported, gross	-2,985	-6,659	-2,571	-10,120	-8,459
Less/additional reinsurance share					-171
Total change in provision for losses incurred and reported, net	-2,985	-6,659	-2,571	-10,120	-8,630
Change in provision for losses incurred but not reported (IBNR), gross	-254	-1,160	-223	-194	-1,057
Total change in provision for losses incurred but not reported (IBNR), net	-254	-1,160	-223	-194	-1,057
Operating expenses for claims adjustment, gross	-5,603	-6,305	-11,546	-12,551	-24,988
Less reinsurance share		4		51	51
Total operating expenses for claims adjustment, net	-5,603	-6,301	-11,546	-12,500	-24,937
Total insurance compensation, net	-55,645	-59,550	-112,373	-116,023	-232,196

G8. Other operating income

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Other income, lending to the public	35,134	38,442	72,180	82,480	157,950
Other operating income	10,625	3,992	19,913	12,869	42,412
Total operating income	45,759	42,434	92,093	95,349	200,362

G9. General administrative expenses

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Personnel expenses ¹⁾	-156,389	-164,070	-315,972	-324,941	-636,891
Postage, communication and notification expenses	-30,881	-32,279	-63,504	-65,871	-132,808
IT expenses	-54,247	-53,459	-112,612	-107,239	-203,932
Cost of premises	-5,010	-4,534	-9,925	-10,038	-22,550
Consultant expenses	-19,238	-13,625	-33,653	-30,364	-57,804
Other	-39,866	-36,908	-76,491	-76,052	-152,169
Total general administrative expenses	-305,631	-304,875	-612,157	-614,505	-1,206,154

¹⁾ From 1 January 2021, salaries and salary-related costs for development of software for internal use for employees that are directed related to projects are capitalised. As of 30 June 2021, capitalised salaries and salary-related costs amounted to SEK 4.0 million, which resulted in lower personnel expenses for the January-June period 2021 in the corresponding amount.

G10. Credit losses, net

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Provision of credit reserves					
Stage 1	-12,793	-12,846	-13,073	-42,231	-45,323
Stage 2	8,186	-9,498	-1,960	-55,927	-30,086
Stage 3	234,553	-61,095	124,630	-174,724	-169,394
Total	229,946	-83,439	109,597	-272,882	-244,803
Provision of credit reserves off balance (unutilised limit)					
Stage 1	766	-4,588	1,947	-5,919	-6,148
Stage 2	-765	144	-1,645	180	1,804
Stage 3					
Total	1	-4,444	302	-5,739	-4,344
Write-offs of stated credit losses for the period	-409,112	-142,100	-484,134	-217,874	-641,923
Recoveries of previously confirmed credit losses	422	28,690	93	32,219	36,698
Total	-408,690	-113,410	-484,041	-185,655	-605,225
Credit losses, net	-178,743	-201,293	-374,142	-464,276	-854,372
<i>off which lending to the public</i>	<i>-178,744</i>	<i>-196,849</i>	<i>-374,444</i>	<i>-458,537</i>	<i>-850,028</i>

G11. Lending to the public

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Retail sector	33,705,541	33,495,835	33,594,040
Corporate sector	358,067	343,966	330,496
Total lending to the public, gross	34,063,608	33,839,801	33,924,536
Stage 1	25,454,118	25,013,470	24,638,969
Stage 2	3,651,420	3,521,766	3,706,266
Stage 3	4,958,070	5,304,565	5,579,301
Total lending to the public, gross	34,063,608	33,839,801	33,924,536
Less provision for expected credit losses			
Stage 1	-225,441	-209,382	-210,853
Stage 2	-437,033	-428,880	-463,699
Stage 3	-2,253,162	-2,343,198	-2,396,683
Total expected credit losses	-2,915,636	-2,981,460	-3,071,235
Stage 1	25,228,677	24,804,088	24,428,116
Stage 2	3,214,387	3,092,886	3,242,567
Stage 3	2,704,908	2,961,367	3,182,618
Total lending to the public, net	31,147,972	30,858,341	30,853,301

G12. Other provisions

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Reporting value at the beginning of the year	21,075	20,337	20,337
Provision made/utilised during the period	-243	4,408	5,824
Exchange rate differences	296	-3,670	-797
Total	21,128	21,075	25,364
Provision of credit reserves, unutilised limit, stage 1	15,739	17,337	17,575
Provision of credit reserves, unutilised limit, stage 2	1,531		1,430
Other provisions	3,858	3,738	6,359
Reported value at the end of the period	21,128	21,075	25,364

G13. Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Collateral pledged for own liabilities			
Lending to credit institutions	139,558	139,538	161,850
Lending to the public ¹⁾	2,463,081	2,455,141	3,560,800
Assets for which policyholders have priority rights ²⁾	1,193,437	1,150,416	1,053,603
Restricted bank deposits ³⁾	32,090	32,286	32,273
Total collateral pledged for own liabilities	3,828,166	3,777,381	4,808,526
Contingent liabilities	0	0	0
Other commitments			
Unutilised credit facilities granted	23,783,716	23,891,248	26,664,798
Total other commitments	23,783,716	23,891,248	26,664,798

¹⁾ Refers to securitisation.

²⁾ Technical provisions, net, amounts to SEK -568.6 million (-584.1), which means that total surplus of registered assets amounts to SEK 624.8 million (566.3).

³⁾ As of 30 June 2021, SEK 39,979 thousand (29,481) 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 30 June 2021 to 28.9 per cent by Waldakt AB. Of the remaining owners, no single owner holds 20 per cent or more. Companies with significant influence through direct or indirect ownership of the Resurs Group also have controlling or significant influence of NetOnNet AB, with which the Resurs Group conducted significant transactions during the period.

Normal business transactions were conducted between the Resurs Group and these related companies and are presented below. 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 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Processing fees	-16,144	-14,551	-36,475	-31,031	-68,763
Interest expense – deposits and borrowing from the public	-108	-108	-216	-218	-437
Fee & commission income					
Fee & commission expense	-15,396	-21,500	-28,221	-27,298	-46,960
General administrative expenses	-197	-308	-496	-720	-1,391

SEK thousand	30 jun 2021	31 dec 2020	30 jun 2020
Lending to the public	13	82	14
Other assets	3,896	4,755	1,344
Deposits and borrowing from the public	-147,397	-159,195	-185,447
Other liabilities	-28,622	-32,074	-28,426

Transactions with key persons

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Interest expense – deposits and borrowing from the public	-11	-9	-22	-24	-48

SEK thousand	30 jun 2021	31 dec 2020	30 jun 2020
Lending to the public	8	8	23
Deposits and borrowing from the public	-7,019	-7,619	-7,835

G15. Financial instruments

SEK thousand	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Assets						
Financial assets						
Cash and balances at central banks	212,184	212,184	208,520	208,520	215,493	215,493
Treasury and other bills eligible for refinancing	2,173,015	2,173,015	2,302,823	2,302,823	2,310,352	2,310,352
Lending to credit institutions	4,805,488	4,805,488	4,149,906	4,149,906	4,392,665	4,392,665
Lending to the public	31,147,972	31,737,228	30,858,341	31,390,974	30,853,301	31,306,997
Bonds and other interest-bearing securities	1,171,457	1,171,457	1,143,616	1,143,616	1,172,314	1,172,314
Subordinated loans	29,557	29,557	29,682	29,682	23,988	23,988
Shares and participating interests	84,915	84,915	105,494	105,494	92,854	92,854
Derivatives	17,601	17,601	113,272	113,272	174,925	174,925
Other assets	89,477	89,477	82,212	82,212	74,428	74,428
Accrued income	50,552	50,552	33,783	33,783	119,097	119,097
Total financial assets	39,782,218	40,371,474	39,027,649	39,560,282	39,429,417	39,883,113
Intangible fixed assets	1,947,434		1,895,394		1,956,081	
Tangible assets	140,748		122,210		135,730	
Other non-financial assets	426,551		408,592		346,616	
Total assets	42,296,951		41,453,845		41,867,844	

SEK thousand	30 Jun 2021		31 Dec 2020		30 Jun 2020	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Liabilities						
Financial liabilities						
Liabilities to credit institutions	500	500	107,400	107,400	159,100	159,100
Deposits and borrowing from the public	24,917,517	24,917,255	24,692,195	24,692,757	24,405,266	24,404,268
Derivatives	9,692	9,692	4,167	4,167	9,945	9,945
Other liabilities	599,224	599,222	518,547	518,547	491,913	491,913
Accrued expenses	285,982	285,982	179,425	179,425	258,383	258,383
Issued securities	6,876,836	6,912,539	6,297,472	6,322,511	7,436,727	7,457,568
Subordinated debt	599,103	613,110	598,702	601,611	598,294	569,463
Total financial liabilities	33,288,854	33,338,300	32,397,908	32,426,418	33,359,628	33,350,640
Provisions	21,128		21,075		25,364	
Other non-financial liabilities	1,029,130		1,056,530		952,835	
Equity	7,957,839		7,978,332		7,530,017	
Total equity and liabilities	42,296,951		41,453,845		41,867,844	

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 2021			31 Dec 2020			30 Jun 2020		
	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	2,173,015			2,302,823			2,310,352		
Bonds and other interest-bearing securities	1,171,457			1,143,616			1,172,314		
Subordinated loans	29,557			29,682			23,988		
Shares and participating interests	73,494		11,421	98,207		7,287	75,462		17,392
Derivatives		17,601			113,272			174,925	
Total	3,447,523	17,601	11,421	3,574,328	113,272	7,287	3,582,116	174,925	17,392
Financial liabilities at fair value through profit or loss:									
Derivatives		-9,692			-4,167			-9,945	
Total	0	-9,692	0	0	-4,167	0	0	-9,945	0

Financial instruments

Changes in level 3

SEK thousand	Jan-Jun 2021	Jan-Dec 2020	Jan-Jun 2020
Shares and participating interests			
Opening balance	7,287	17,421	17,421
New share issue	4,092		
Depreciation		-10,000	
Exchange-rate fluctuations	42	-134	-29
Closing balance	11,421	7,287	17,392

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

Assets for the derivative agreements total to SEK 18 million (113), while liabilities total SEK 10 million (4). Collateral corresponding to SEK 0 million (0) and SEK 1 million (107) was received. The net effect on loans to credit institutions total SEK 0 million (0) and liabilities to credit institutions total SEK 1 million (107).

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 - June 2021, 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 2021.

	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net profit for the period, SEK thousand	248,273	289,171	480,198	497,439	953,660
Portion attributable to Resurs Holding AB shareholders	244,120	284,920	471,984	488,963	936,716
Portion attributable to additional Tier 1 capital holders	4,153	4,251	8,214	8,476	16,944
Profit for the period	248,273	289,171	480,198	497,439	953,660
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	1.22	1.42	2.36	2.44	4.68

Summary financial statements - Parent company

Income statement

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net sales	6,080	6,523	11,416	12,328	29,145
Total operating income	6,080	6,523	11,416	12,328	29,145
Personnel expenses	-3,592	-13,356	-15,043	-17,461	-28,344
Other external expenses	-7,341	-6,004	-16,734	-13,923	-30,186
Total operating expenses	-10,933	-19,360	-31,777	-31,384	-58,530
Operating profit	-4,853	-12,837	-20,361	-19,056	-29,385
Earnings from participations in Group companies				-225	457,775
Other interest income and similar profit/loss items	15	15	31	30	70
Interest expense and similar profit/loss items	-7	-79	-21	-90	-101
Total profit/loss from financial items	8	-64	10	-285	457,744
Profit/loss after financial items	-4,845	-12,901	-20,351	-19,341	428,359
Appropriations					60,000
Tax on profit for the period	997	2,724	4,203	4,024	-7,029
Net profit for the period	-3,848	-10,177	-16,148	-15,317	481,330
Portion attributable to Resurs Holding AB shareholders	-8,001	-14,428	-24,362	-23,793	464,386
Portion attributable to additional Tier 1 capital holders	4,153	4,251	8,214	8,476	16,944
Profit/loss for the period	-3,848	-10,177	-16,148	-15,317	481,330

Statement of comprehensive income

SEK thousand	Apr-Jun 2021	Apr-Jun 2020	Jan-Jun 2021	Jan-Jun 2020	Jan-Dec 2020
Net profit for the period	-3,848	-10,177	-16,148	-15,317	481,330
Other comprehensive income that will be reclassified to profit or loss					
Comprehensive income for the period	-3,848	-10,177	-16,148	-15,317	481,330
Portion attributable to Resurs Holding AB shareholders	-8,001	-14,428	-24,362	-23,793	464,386
Portion attributable to additional Tier 1 capital holders	4,153	4,251	8,214	8,476	16,944
Comprehensive income for the period	-3,848	-10,177	-16,148	-15,317	481,330

Balance sheet

SEK thousand	30 Jun 2021	31 Dec 2020	30 Jun 2020
Assets			
Financial assets			
Participations in Group companies	2,303,435	2,303,435	2,303,435
Total non-current assets	2,303,435	2,303,435	2,303,435
Current assets			
Current receivables			
Receivables from Group companies	377,006	895,151	378,473
Current tax assets	13,730	1,874	
Other current receivables	1,758	2,270	9,579
Prepaid expenses and accrued income	6,504	646	1,126
Total current receivables	398,998	899,941	389,178
Cash and bank balances	122,835	182,246	205,167
Total current assets	521,833	1,082,187	594,345
TOTAL ASSETS	2,825,268	3,385,622	2,897,780
Equity and liabilities			
Equity			
Restricted equity			
Share capital	1,000	1,000	1,000
Non-restricted equity			
Share premium reserve	1,779,974	1,779,407	1,775,929
Additional Tier 1 instruments	300,000	300,000	300,000
Profit or loss brought forward	750,463	813,348	821,816
Net profit for the period	-16,149	481,330	-15,317
Total non-restricted equity	2,814,288	3,374,085	2,882,428
Total equity	2,815,288	3,375,085	2,883,428
Provisions			
Other provisions	674	638	573
Current liabilities			
Trade payables	1,285	1,347	996
Liabilities to Group companies			481
Current tax liabilities			
Other current liabilities	489	732	1,151
Accrued expenses and deferred income	7,532	7,820	11,151
Total current liabilities	9,306	9,899	13,779
TOTAL EQUITY AND LIABILITIES	2,825,268	3,385,622	2,897,780

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 2020	1,000	1,775,929	300,000	70,256	760,036	2,907,221
Cost additional Tier 1 instruments				-8,476		-8,476
Net profit previous year				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
Initial equity at 1 January 2020	1,000	1,775,929	300,000	70,256	760,036	2,907,221
<i>Owner transactions</i>						
Option premium received/repurchased		3,478				3,478
Cost additional Tier 1 instruments				-16,944		-16,944
Appropriation of profits according to resolution by Annual General Meeting				760,036	-760,036	0
Net profit for the year					481,330	481,330
Equity at 31 December 2020	1,000	1,779,407	300,000	813,348	481,330	3,375,085
Initial equity at 1 January 2020	1,000	1,779,407	300,000	813,348	481,330	3,375,085
<i>Owner transactions</i>						
Option premium received/repurchased		567				567
Dividends according to General Meeting				-536,000		-536,000
Cost additional Tier 1 instruments				-8,214		-8,214
Net profit previous year				481,330	-481,330	0
Net profit for the period					-16,148	-16,148
Equity at 30 June 2021	1,000	1,779,974	300,000	750,464	-16,148	2,815,290

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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