

**Resurs**

ResursHolding

# **Q1 2024 FINANCIAL REPORT**



**Magnus Fredin**

Chief Executive Officer



**Sofie Tarring Lindell**

Chief Financial Officer

# Summary Q1

Loan book increased about 2% compared to the previous quarter and 6% vs. last year. Primarily driven by Payment Solution, up 16% vs. Q1 2023

Q1 operating income rose by 3% compared to the previous year, and NBI margin has remained stable

Macroeconomic conditions have continued to drive a high level of organic credit losses, now at 4.7% (4.7% Q4 2023). We are observing a positive trend towards the end of the quarter

The cost increases with 9% compared to the previous year from investments in IT/development, marketing and personnel

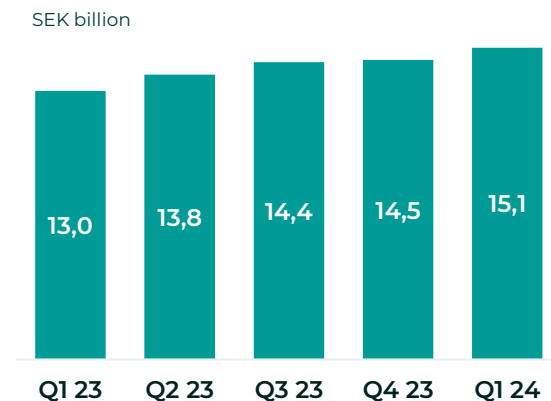
In connection with the efficiency program, we have identified additional savings potential, which is estimated to amount to approximately SEK 40 million

Strong momentum in Payment Solutions with several new partners signed. Strategic partnership with Jula

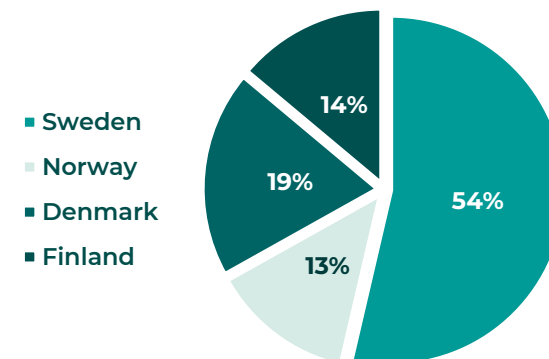
# Payment Solution

- The loan book has increased by 16% compared to last year, with Retail Finance emerging as the primary driver with 23% growth
- Strong momentum in Sweden and Finland
- Potential for further growth within cards
- Strategic growth area with solid Partner pipeline

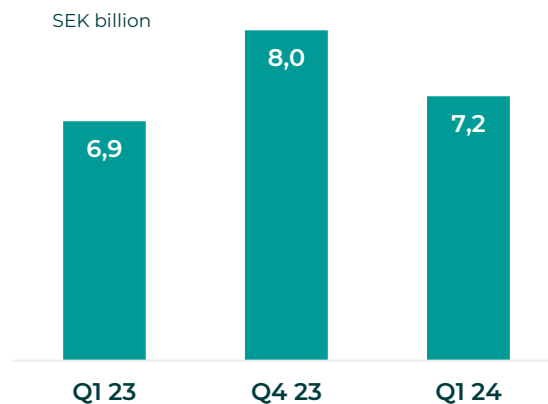
## Loan book



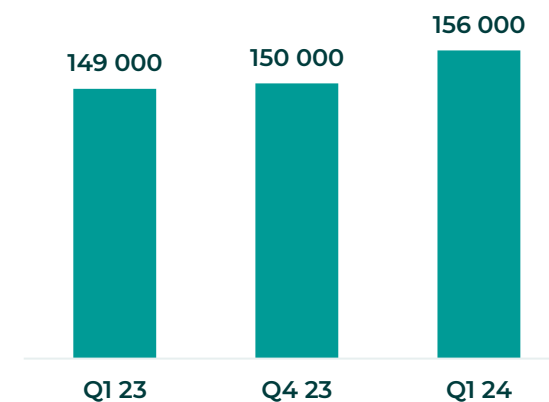
## Geographic split

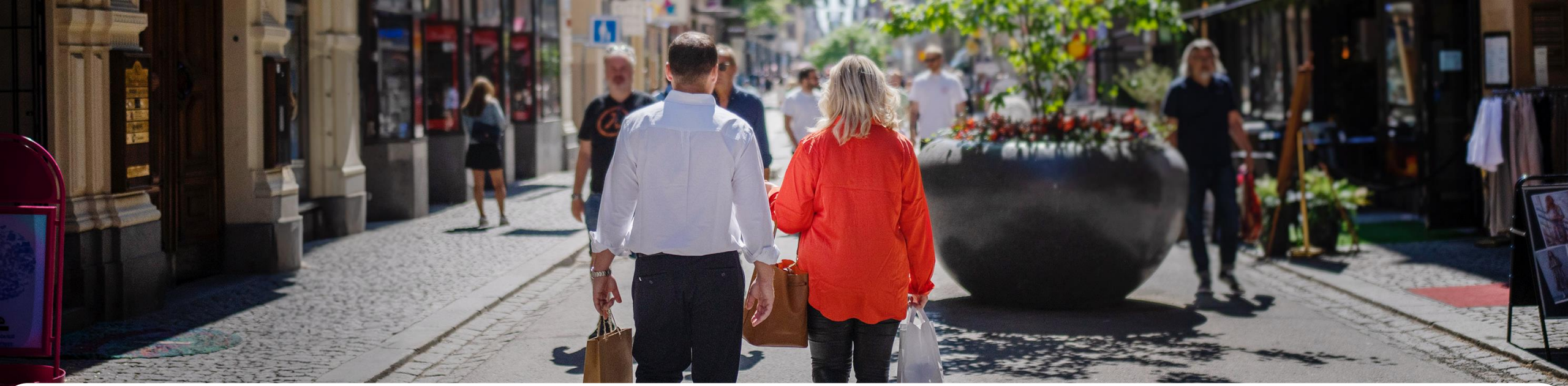


## Transaction volume



## Number of cards





GIGANTTI   **POWER** **ÅHLÉNS**  **KOMPLETT**<sup>®</sup>  **webhallen**

 **BAUHAUS** **netonnet** **BILTEMA**  **Ullared** **memira**<sup>®</sup>  **TICKET**  **SYNSAM**



**mi**

**ellos**

**VING**

**Mekonomen**

 **euronics**

 **JYSK**

**Rösurs**

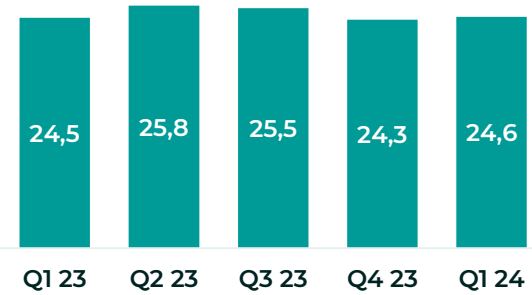
RösursHolding

# Consumer Loans

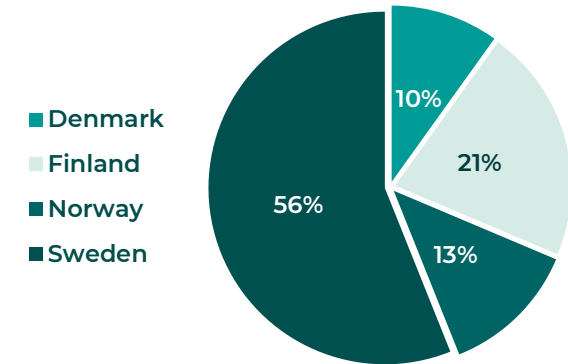
- Prioritising profitability over growth
- Enhanced focus on sustainable lending and minimizing credit losses
- Realignment of distribution channel strategies, 62% own channel vs. 44% 2023
- Growth in Payment Solution will enable a more profitable distribution channel mix in the future

## Loan book

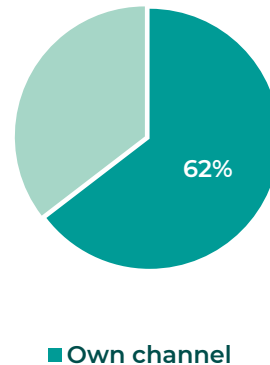
SEK billion



## Geographic split

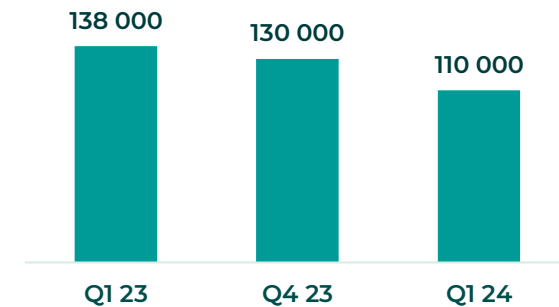


## Share of sales in own channel



## Average loan

SEK



# Strategic Direction

We are **leveraging our core strengths** as the foundation for future growth

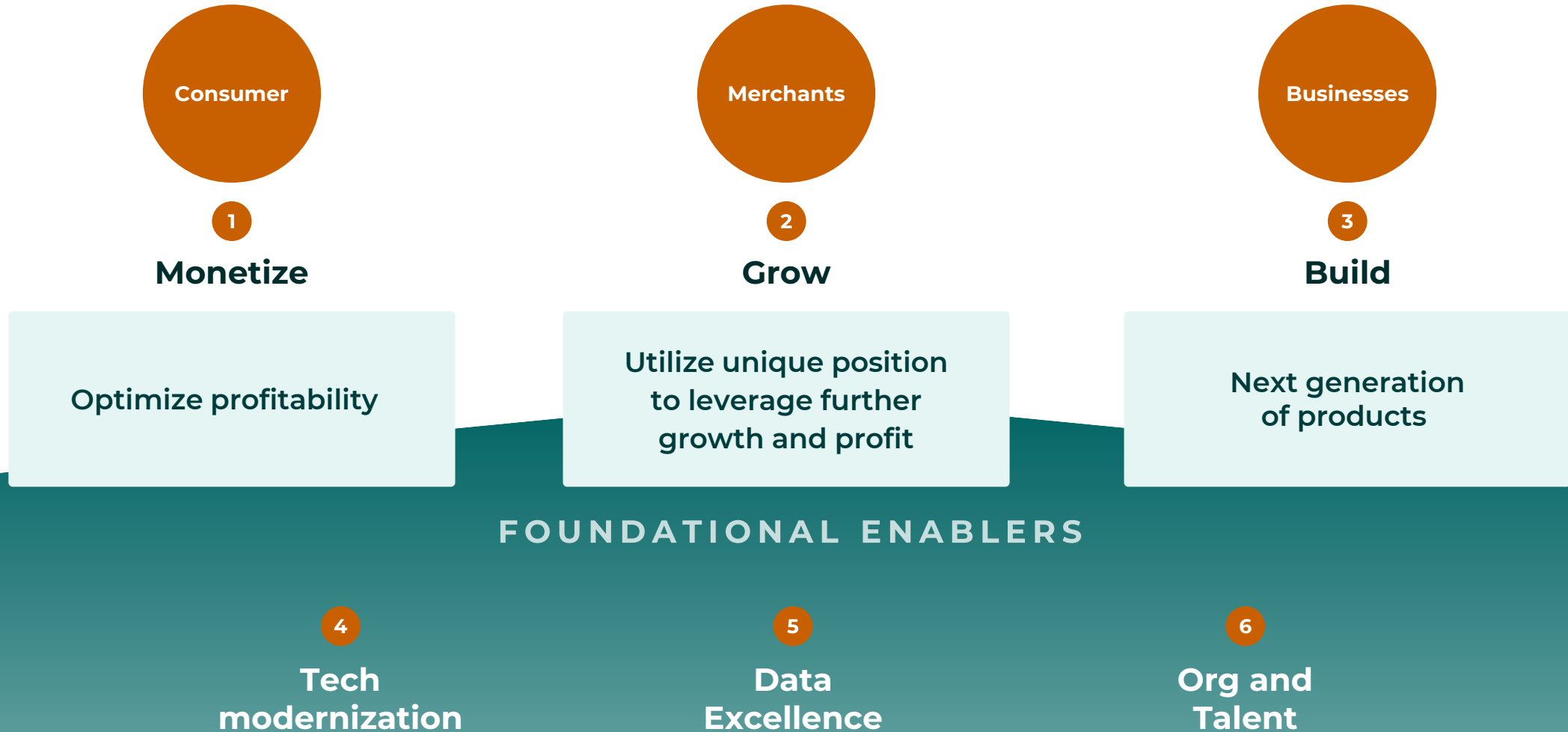
**We prioritise stabilising** our core business before making investments in future growth. This strategic approach ensures a solid base from which to expand

**Our blueprint** for progress is an evolution, ensuring sustainable success through continuous improvement

**Our next generation of products** will be designed to target a broader market, ensuring substantial growth potential and stronger profit margins

**We have already initiated the pilot** phase for our upcoming products to ensure product market fit

# Our corporate strategy has 6 main elements



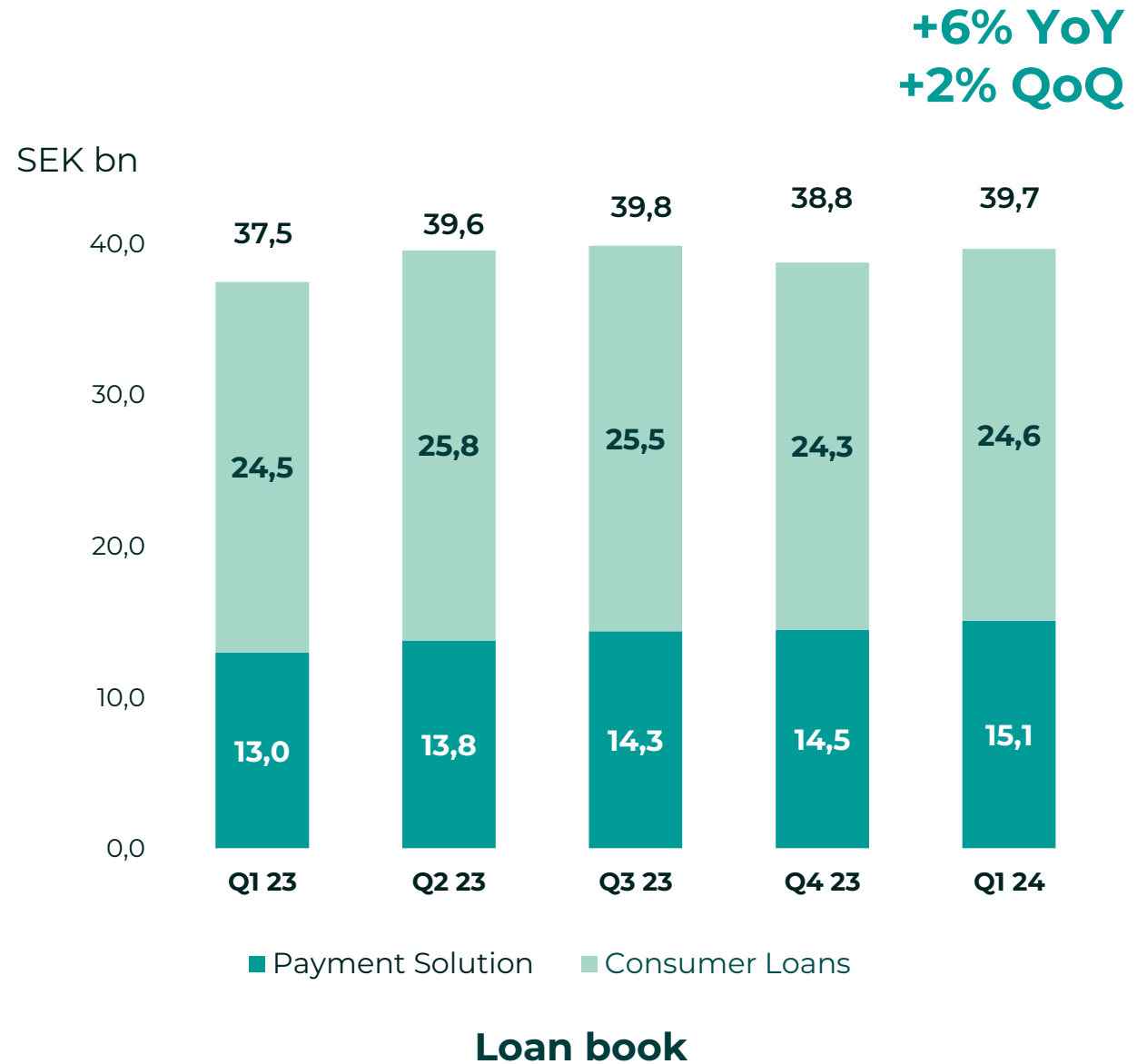


# Q1-2024 in numbers

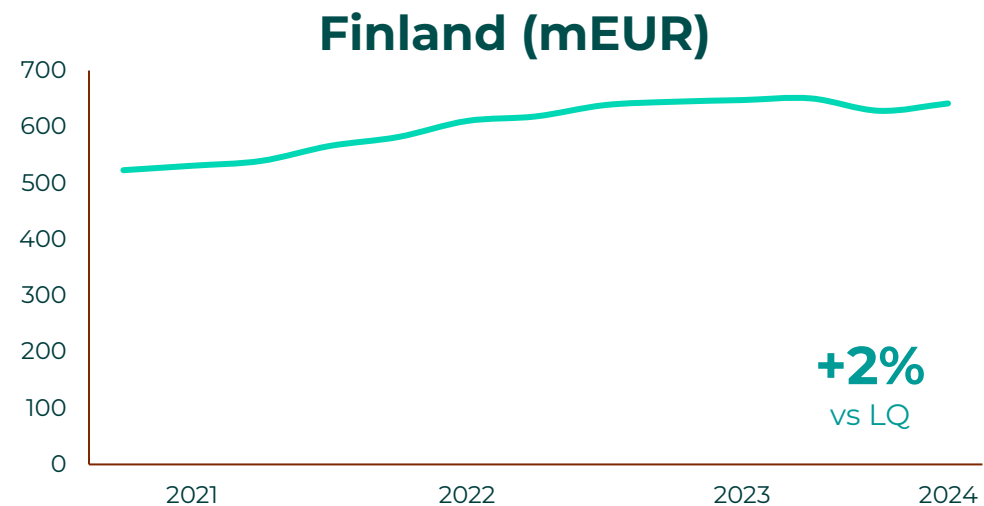
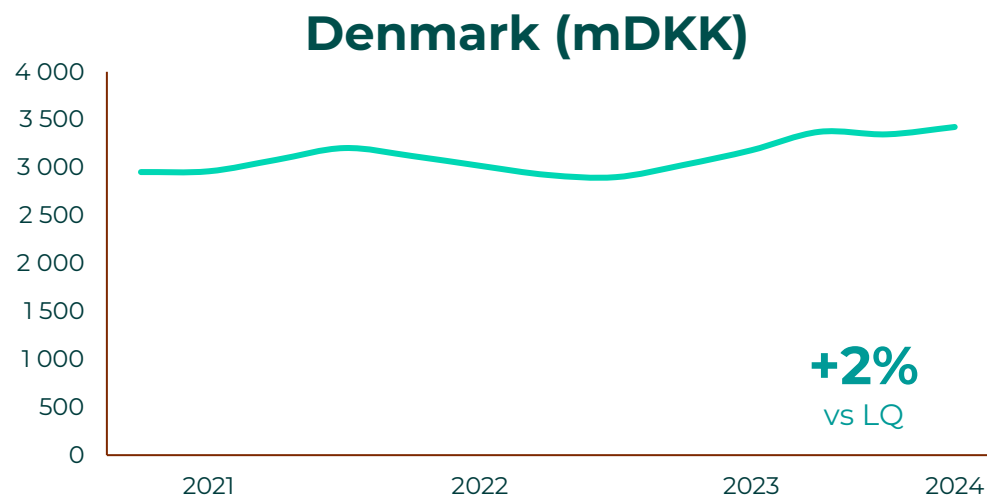
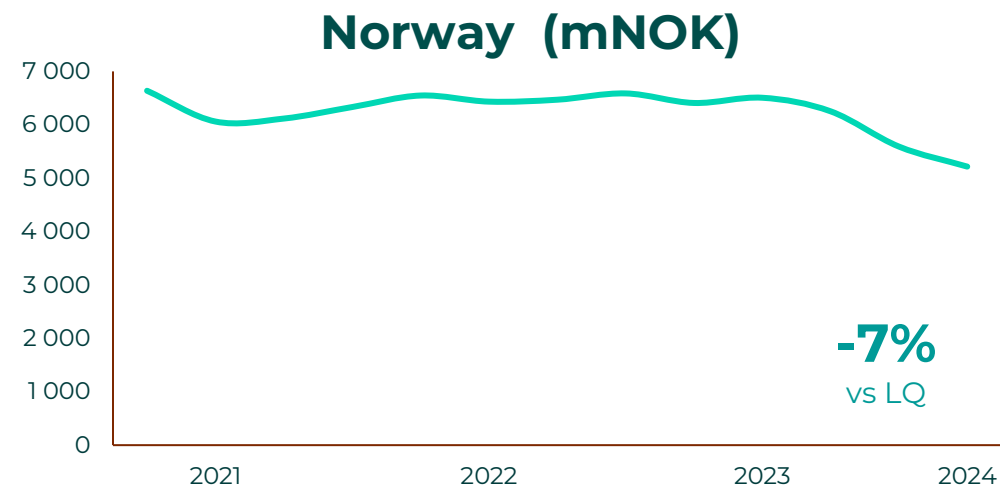
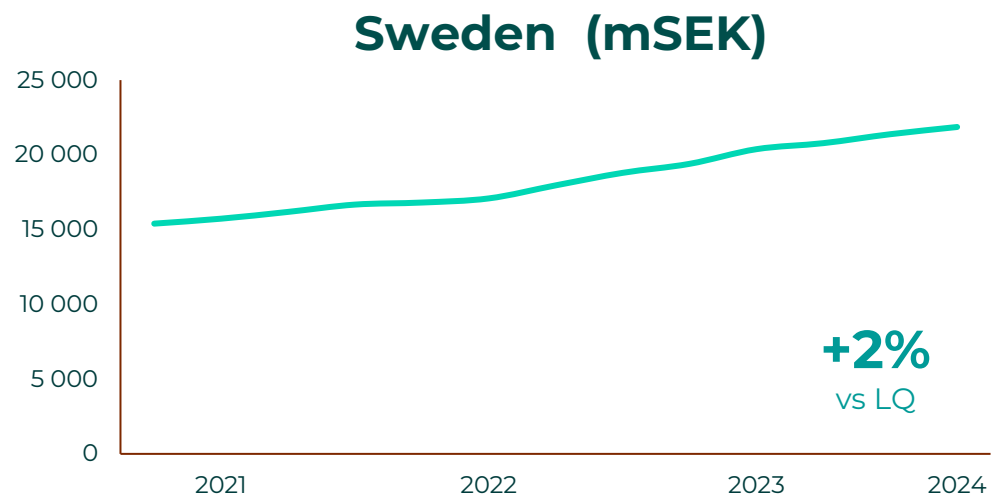
This presentation describes Resurs Holding's operations excluding items affecting comparability unless stated

# Controlled loan book growth

- **The loan book increased 6%** vs last year and 5% in local currency
- **Growth 2% vs last quarter** and 1% in local currency
- **Growth in Payment Solutions** both vs last year and last quarter
- **Deliberately reduced new lending volumes** in Consumer Loans, focus on strengthening profitability



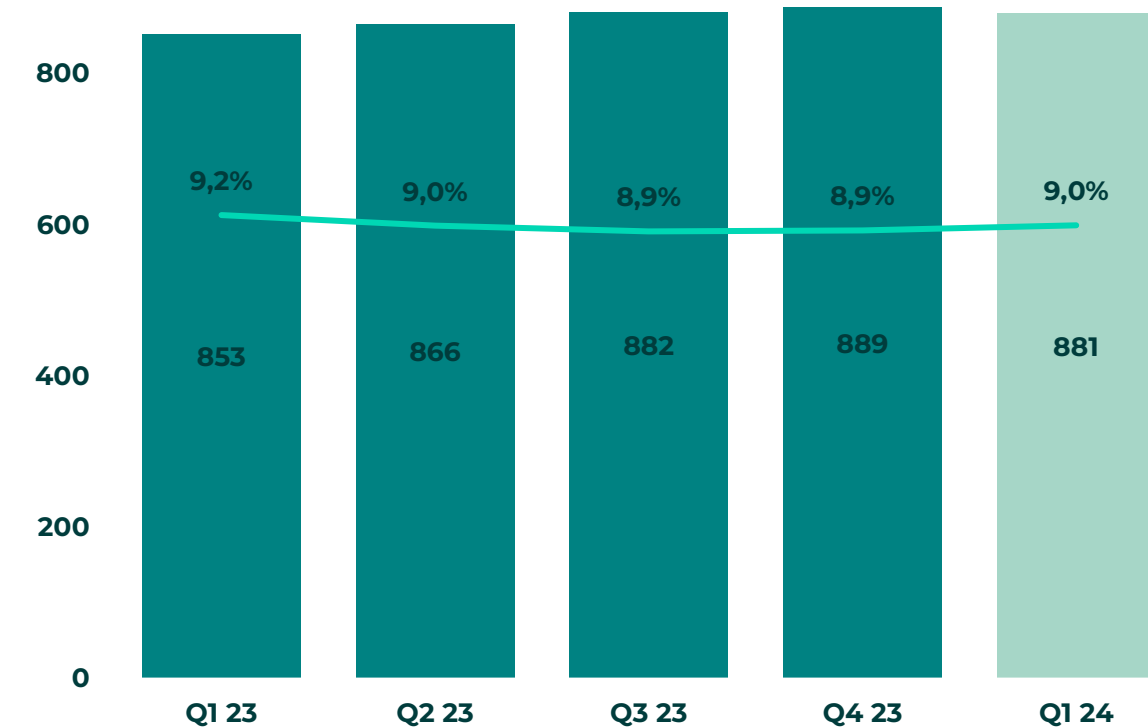
# Resurs' loan book trend over time



# Improved operating income and stable NBI-development

- **Operating income 2024** up +3% vs LY driven by increased volumes and pricing activities
- **Stable NIM-development** vs LY but somewhat lower growth in fee and commission income
- In total, **stable NBI development** and continued focus on pricing activities

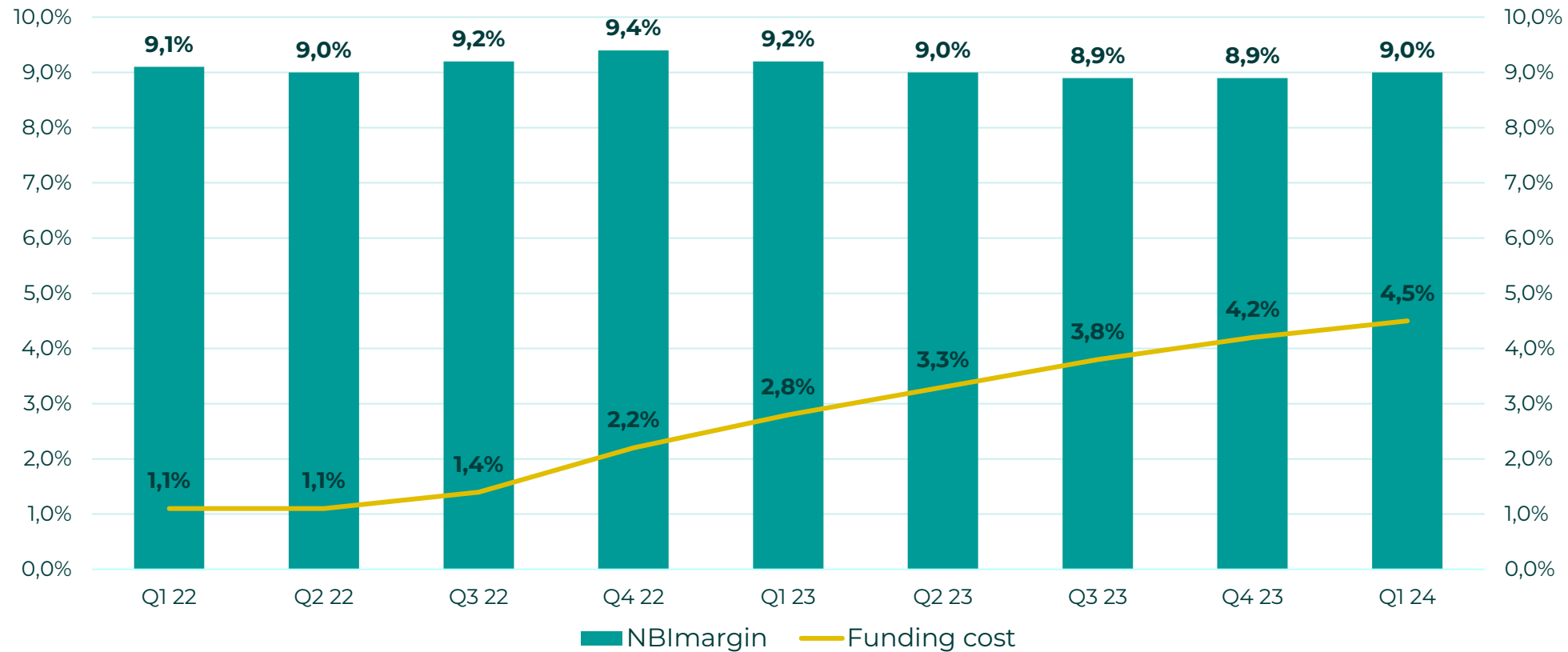
SEKm  
1 000



-0.2%-pts YoY  
+0.1%-pts QoQ

Operating income and NBI-margin

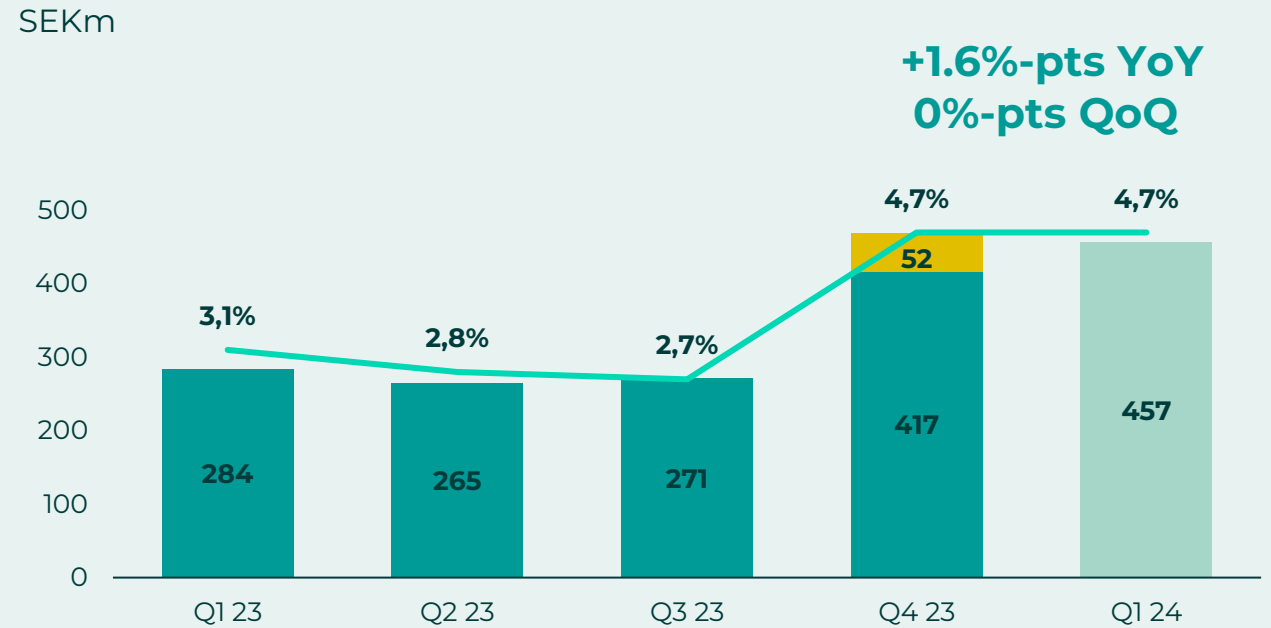
# Managing to stabilise margin development despite increased funding costs



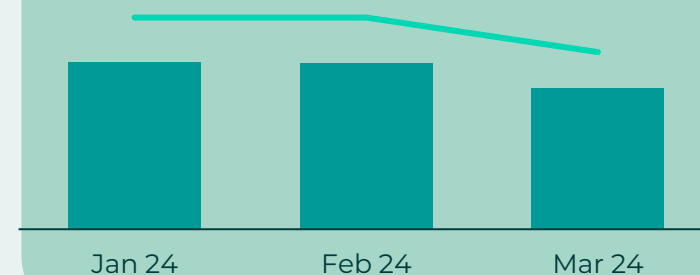
# Still elevated levels but improved by end of the quarter

- The organic credit losses on continued elevated levels in Q1 2024 amounting to SEK 457 million
- As shown in monthly split, the credit losses are on lower levels by the end of Q1 which follows normal seasonality where Q1 and Q4 are higher than Q2 and Q3
- Continued measures taken to improve credit quality over time

## Credit Losses and Credit Loss Ratio

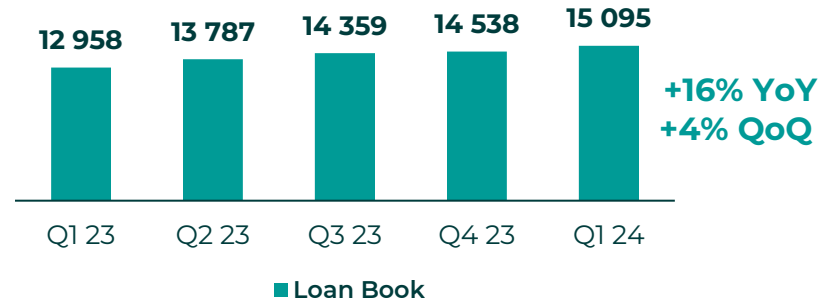


### Monthly split Q1 24



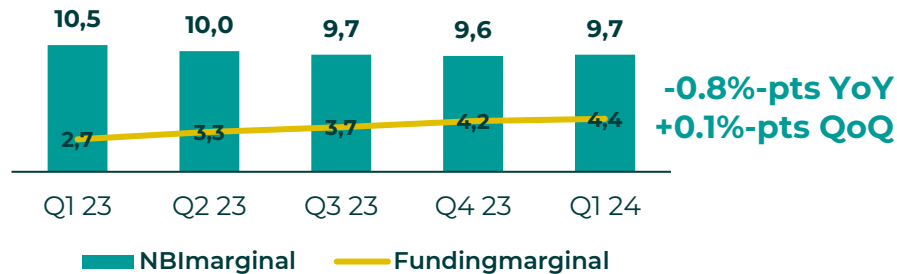
# Payment Solution

Loan book, MSEK



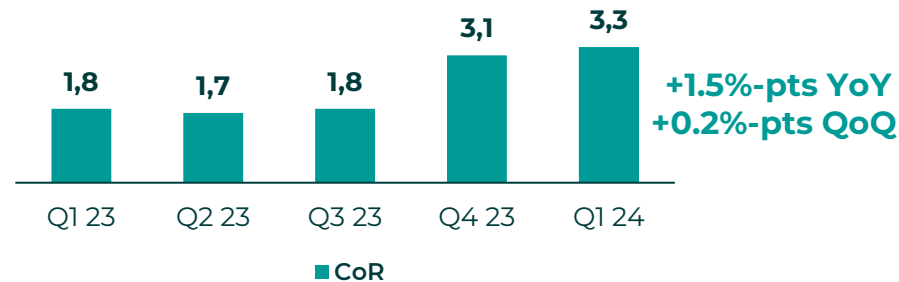
Strong growth in the segment both vs LQ and LY. LQ growth mainly driven by Finland and Sweden

NBI-margin and funding-margin, %



Overall stable NBI margin the last quarters even though funding costs have increased. Lower than LY following not being able to compensate fully for the increased funding costs

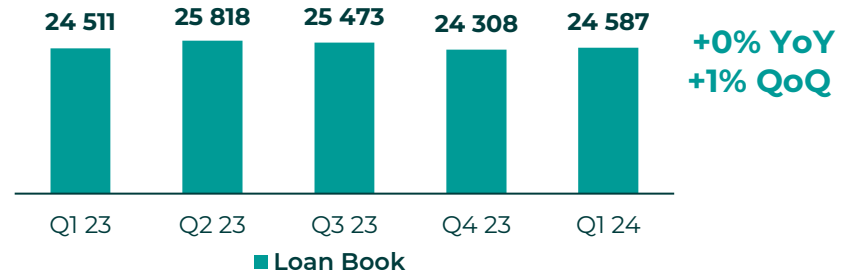
Cost of Risk, %



Increased Credit loss provisions versus both LY and LQ mainly as a result of negative development in customers' payment behavior

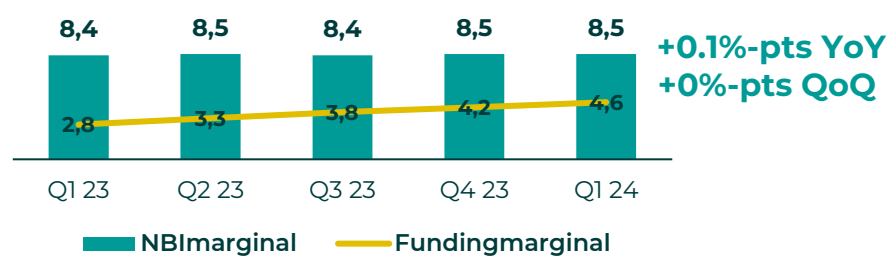
# Consumer Loans

Loan book, MSEK



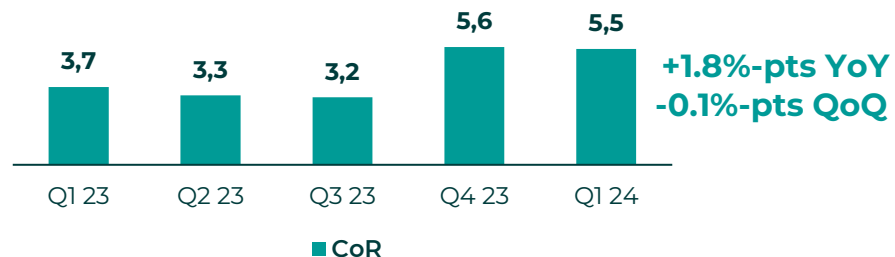
Growth vs LY stable and somewhat increasing vs LQ. Overall focus is to increase profitability and sales in internal channels

NBI-margin and funding-margin, %



Managing to have stable NBI-margin even though funding costs have increased

Cost of Risk, %

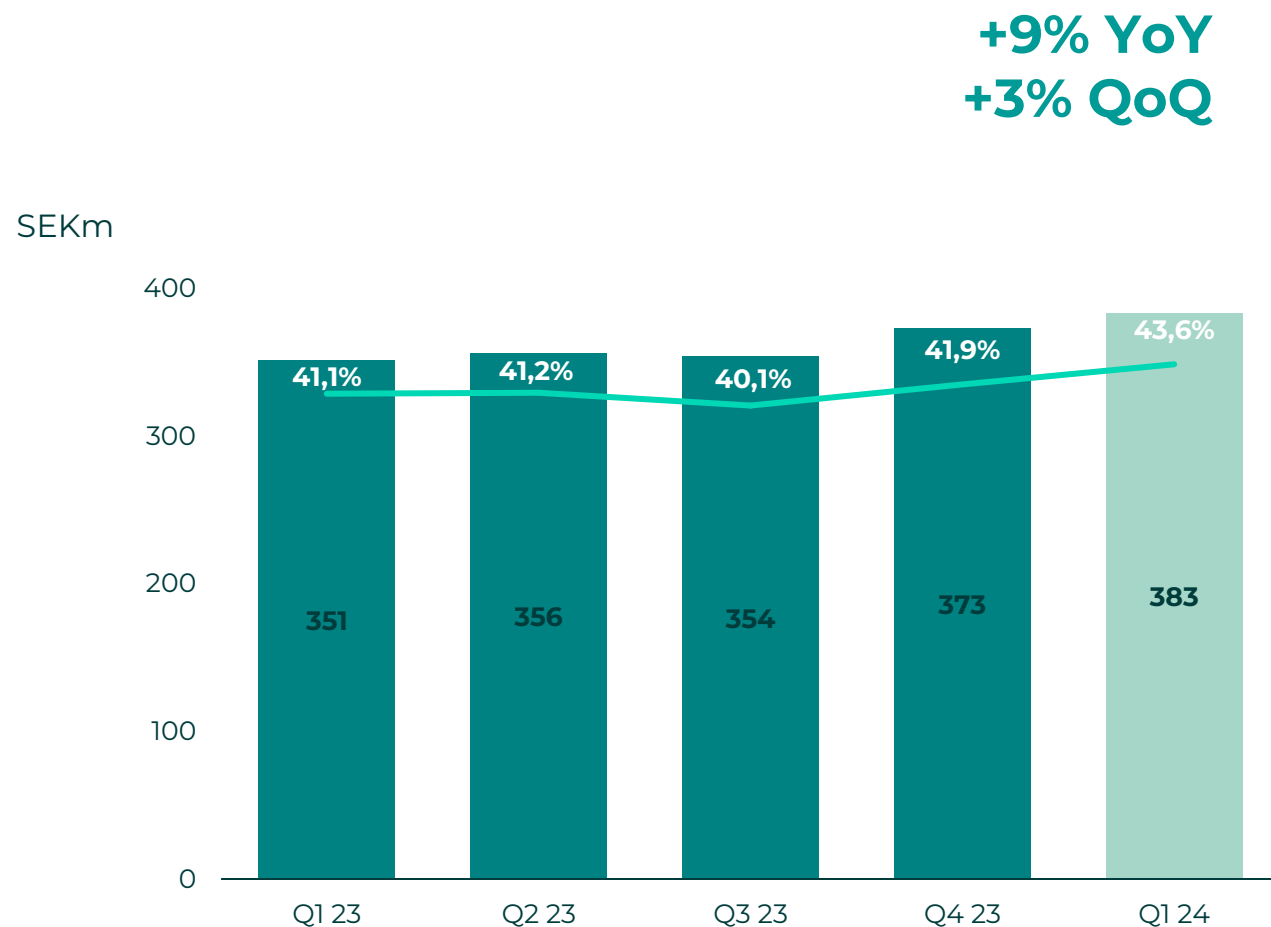


Increased Credit loss provisions versus LY mainly as a result of negative development in customers' payment behavior. As normal seasonality, improved behavior in March



# Increased operating expenses

- **Total costs up 9% vs LY** following increased personnel costs, marketing and IT
- **C/I ratio at 43.6% in Q1 24** and higher than previous quarters following increased cost levels

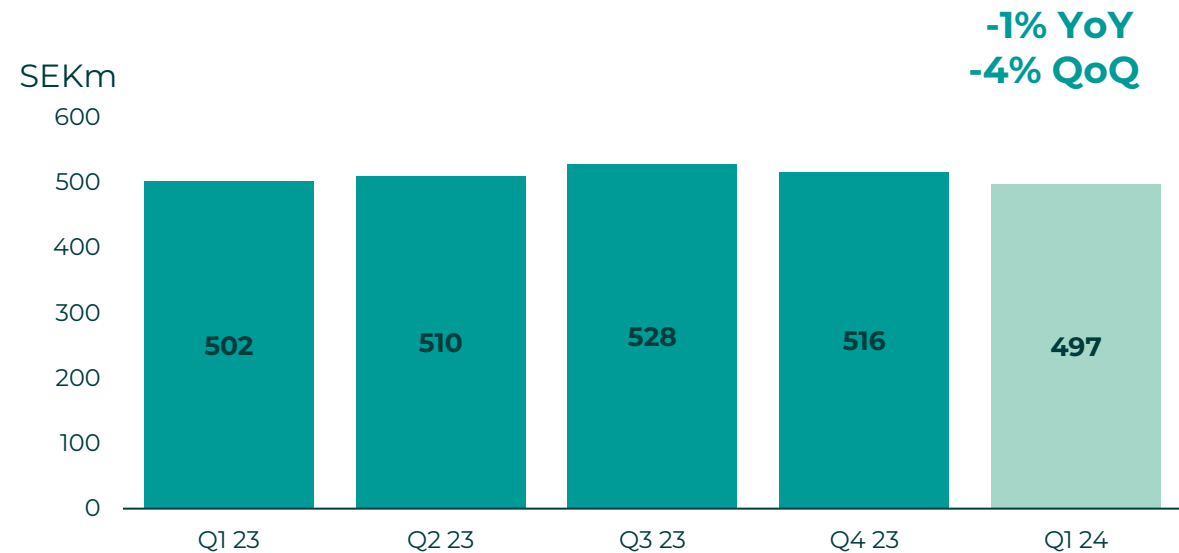


Operating expenses and C/I-ratio

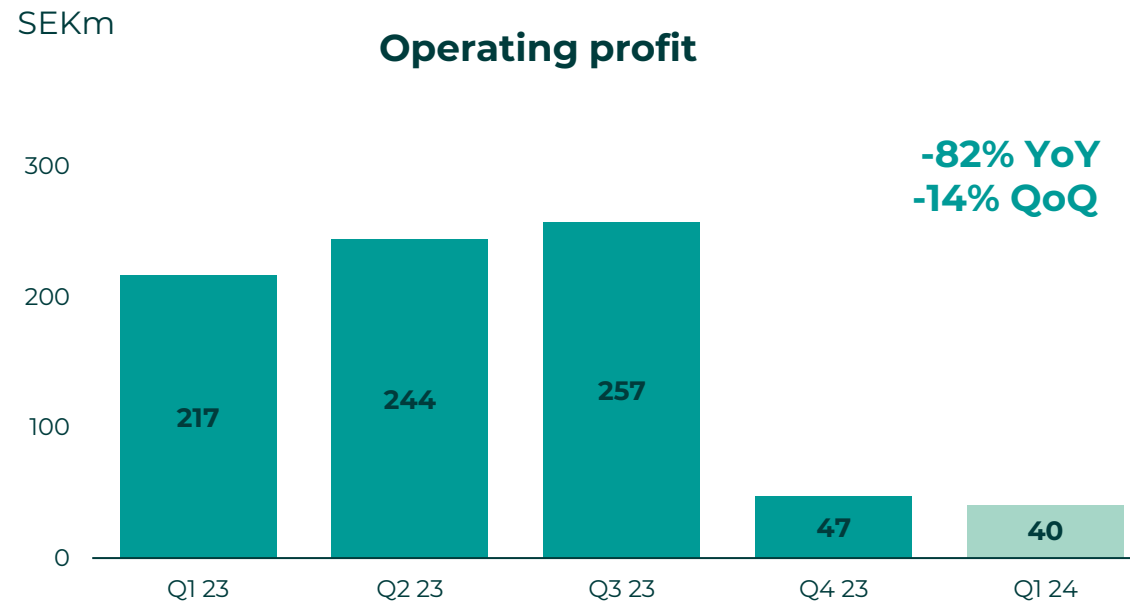
# Operating profit for Q1 2024

- Earnings before credit losses 1% vs LY and -4% vs LQ mainly as a result of negative development in net financial transactions but also increased cost levels
- Operating profit lower than LY as a result of the increased credit loss levels

## Earnings before credit losses

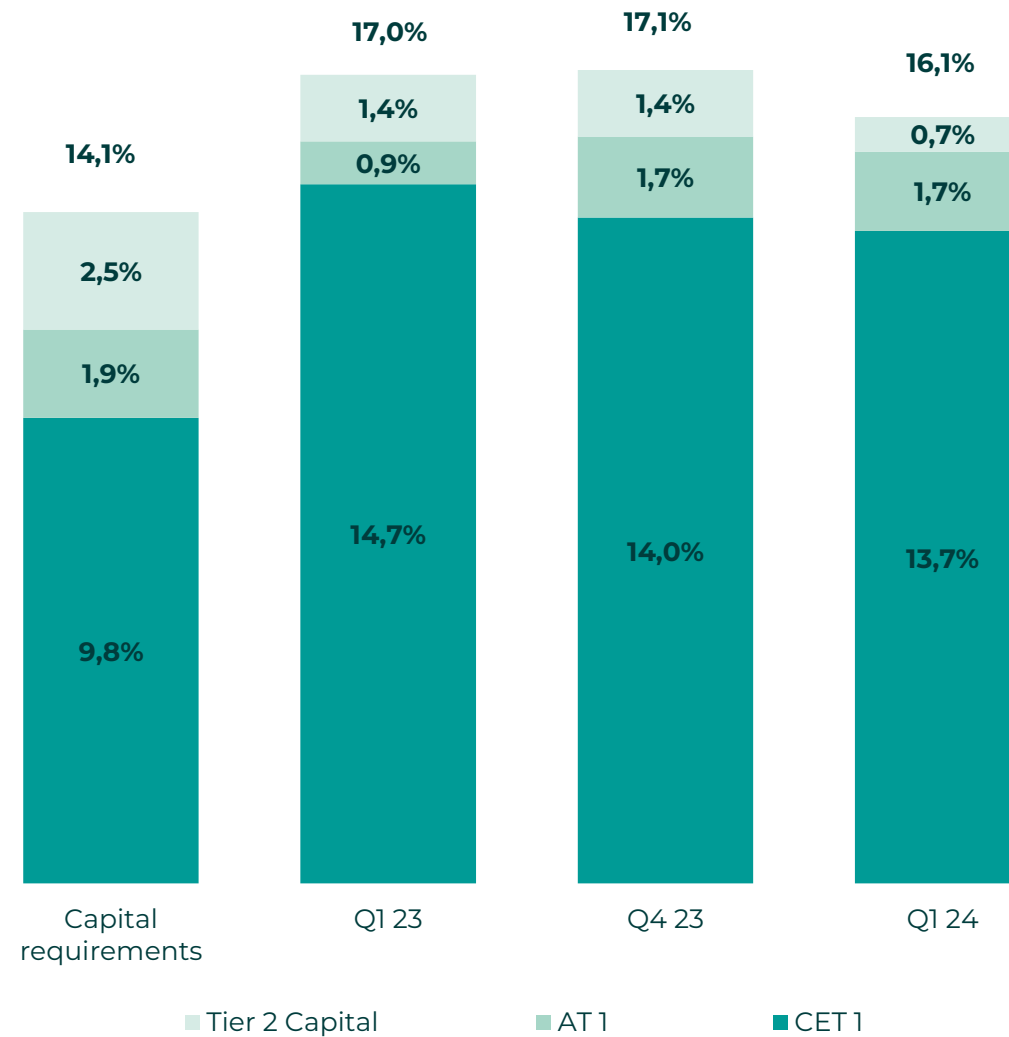


## Operating profit



# Stable capital position

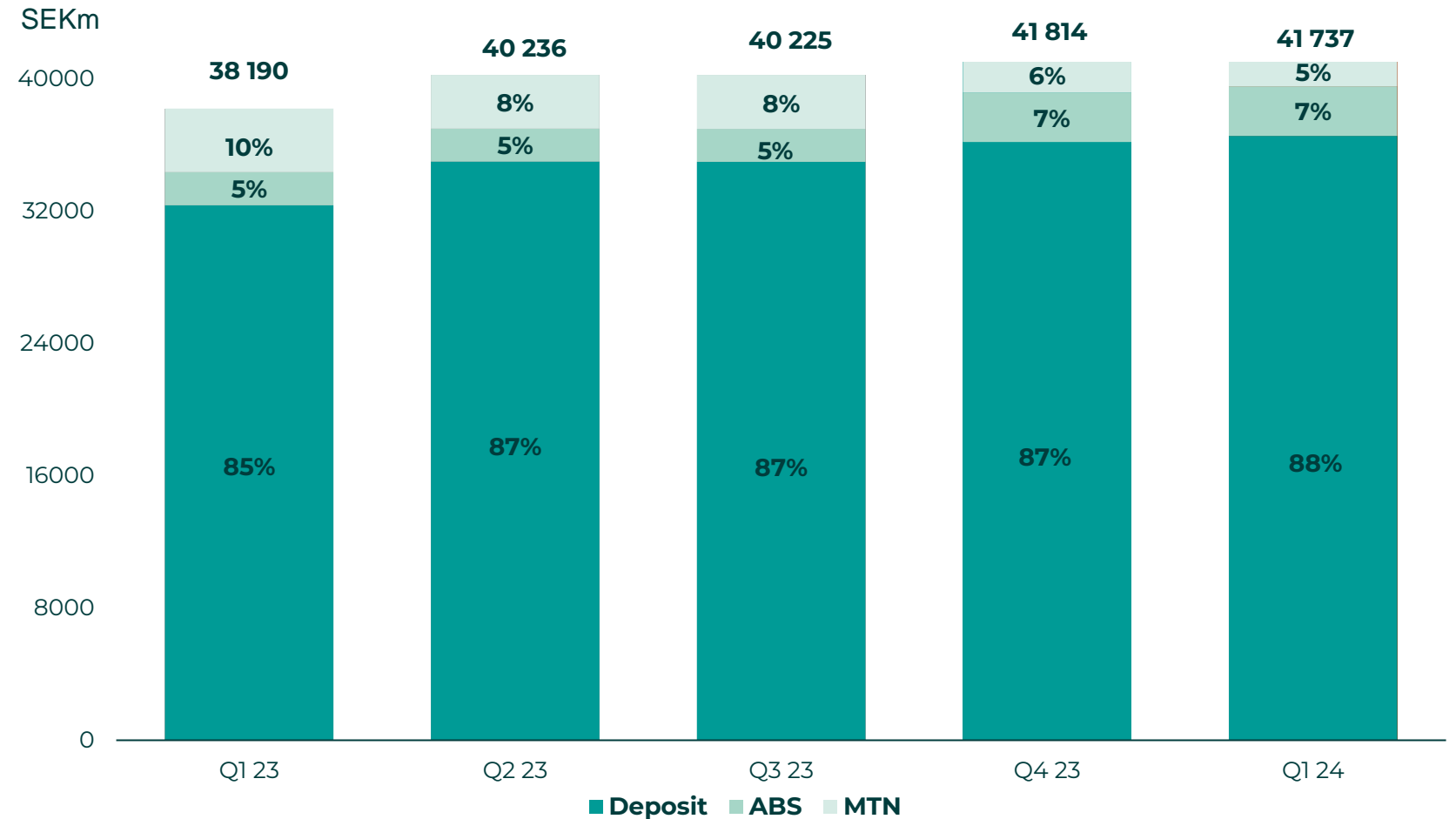
- CET 1 and total capital ratios well above requirement and targets
- Early redemption of subordinated Tier 2 of SEK 300 million in March 2024 affects comparability



# Stable funding

Funding (excl. equity)  
& Funding mix

- More than 95% of our deposits are covered by the governmental deposit guarantee
- Liquidity remained very strong with LCR 353% in the consolidated situation



# Key messages

**Robust momentum in Payment Solutions** with new strategic partnership signed, up 16% vs. Q1 2023

**Prioritising profitability** over growth in Consumer Loans

**Credit loss provisions** remain at higher levels but with a significantly more positive trend towards the end of the quarter

Further cost efficiency, with anticipated savings of approximately **SEK 40 Million, effective starting in 2025**

Share and communicate **Resurs future strategy**