

**Resurs**

ResursHolding

# **Q2 2024 FINANCIAL REPORT**



**Magnus Fredin**

Chief Executive Officer



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Chief Financial Officer

# Summary Q2 in 2024

Stabile loan book growth with strong momentum within Payment Solutions

Q2 operating income rose by 4% compared to the previous year, and the NBI-margin increased slightly

Continued tightening measures to further improve credit quality and reduce portfolio risk within Consumer Loans have resulted in lower lending volumes in Q2 vs Q1

The macroeconomic conditions are strengthening, yet we continue to experience a high level of credit loss provisions, which remain stable compared to March. The Cost of Risk (CoR) in Q2 2024 was 4.0%, down from 4.7% in Q1 2024

The cost increased with 11% vs LY (excluding those affecting comparability) from investments in IT/development and personnel

The operating profit decreased and amounted to 59 MSEK (244), excluding items affecting comparability 109 MSEK

# Significant events

## **SFSA and Appeal**

In June, the Administrative Court of Appeal upheld the Swedish Financial Supervisory Authority's (Finansinspektionen) appeal, confirming a decision of a remark and an administrative fine of SEK 50 million

## **Public Offer from CVC and Waldakt**

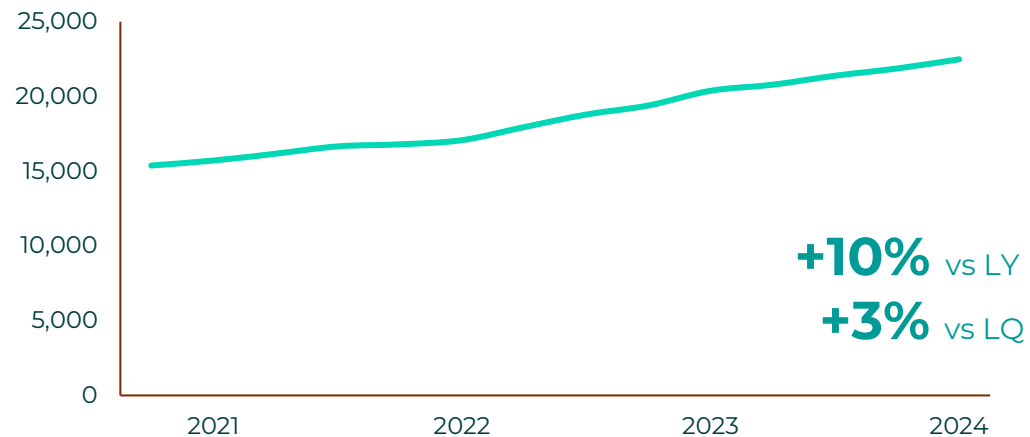
On 17 June 2024, CVC and Waldakt, through Ronneby UK Limited, made a public offer to acquire all shares of Resurs Holding AB (publ) at SEK 23.50 per share in cash. The board of Resurs Holding AB unanimously recommends that shareholders accept the offer

## **No dividend for the first half of the year**

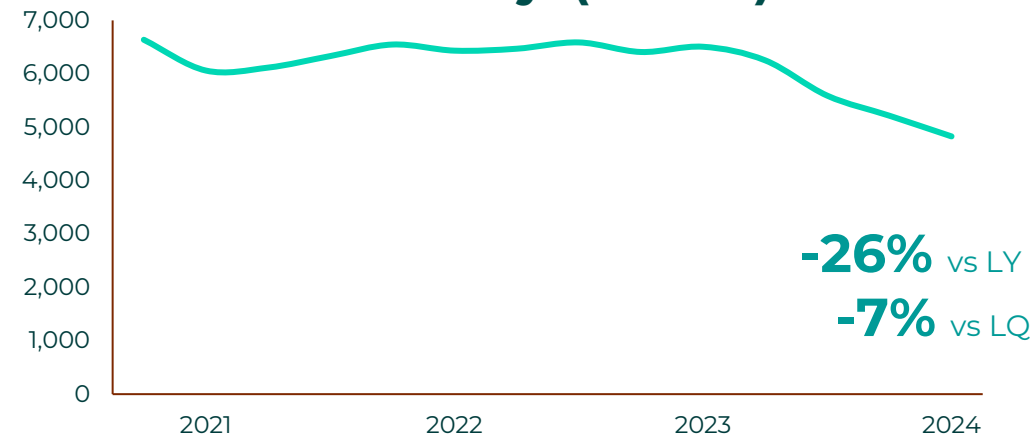
The net profit for the first half of 2024 was SEK 54 million. Due to this historically low result, the board has decided not to propose an interim dividend.

# Resurs' loan book trend over time

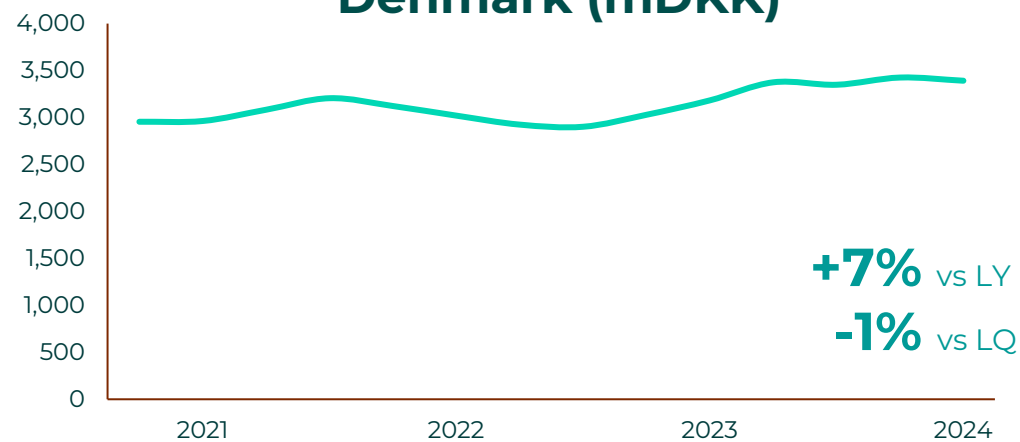
## Sweden (mSEK)



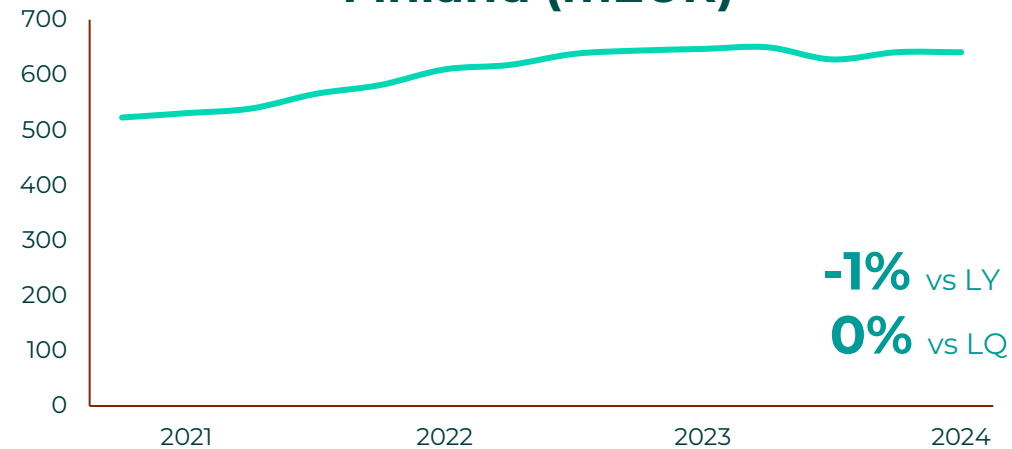
## Norway (mNOK)



## Denmark (mDKK)



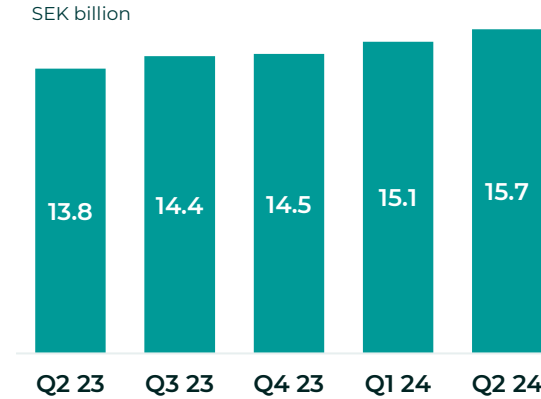
## Finland (mEUR)



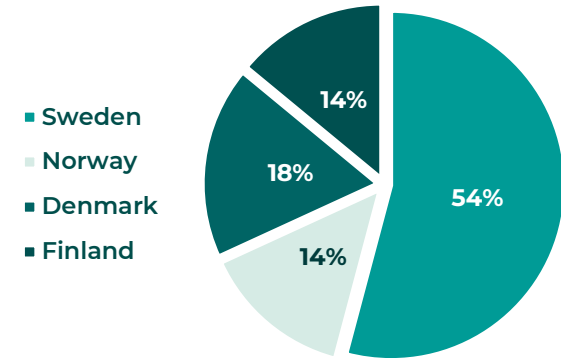
# Payment Solution

- The loan book has increased by 14% compared to last year, with Retail Finance emerging as the primary driver with 19% growth.
- Jula is successfully live with Resurs payment methods in all physical stores and e-commerce
- Growth in Cards, focus on optimizing profitability

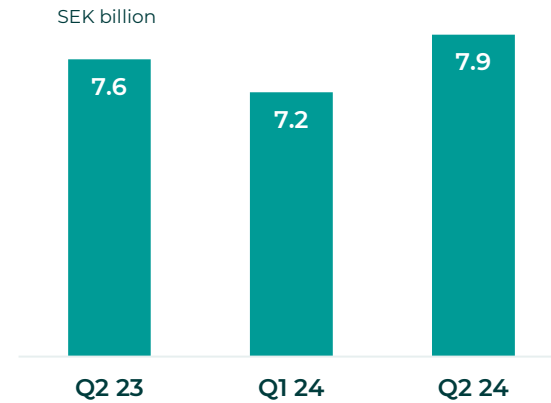
## Loan book



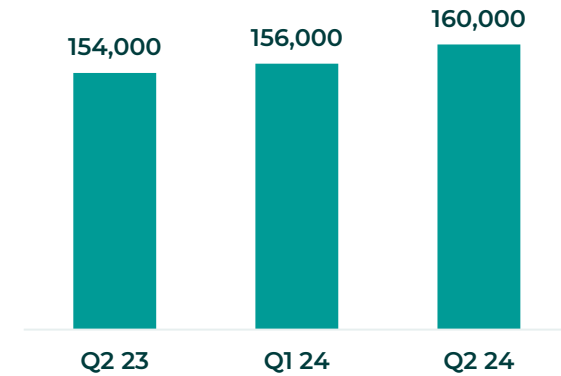
## Geographic split

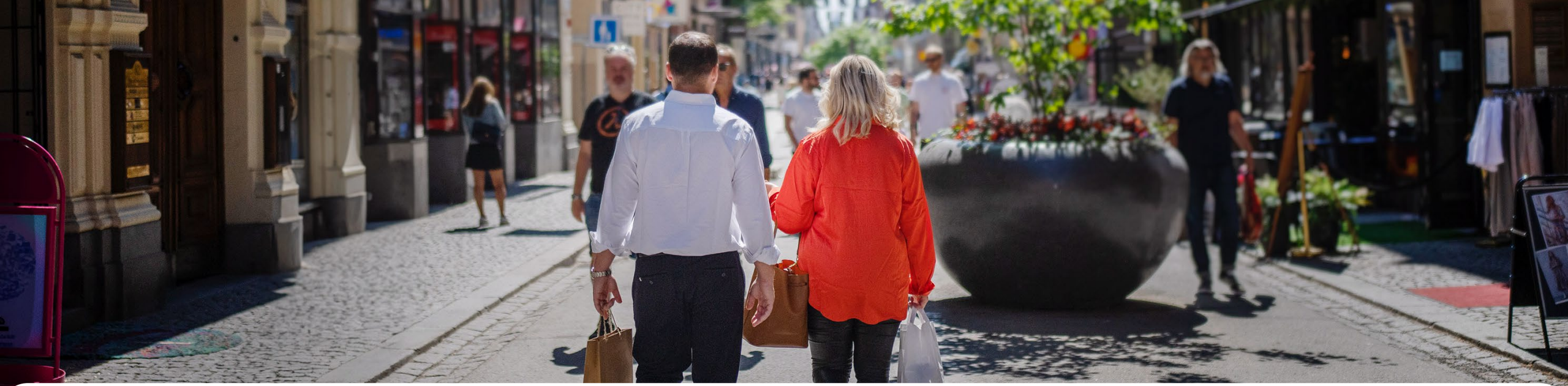


## Transaction volume



## Number of cards





 **BAUHAUS**

ellos

**JULA**

GIGANTTI 

**ÅHLÉNS**

 **SYNSAM**

net  net

*Gekås*  
**ULLARED**

 **KOMPLETT**

**TICKET**

 **euronics**

 **webhallen**

**VING** 

**ILVA**



memira

**POWER** 

**MIO**

 **Møbelringen**

 **nuuday**

**BILTEMA**

**Mekonomen**

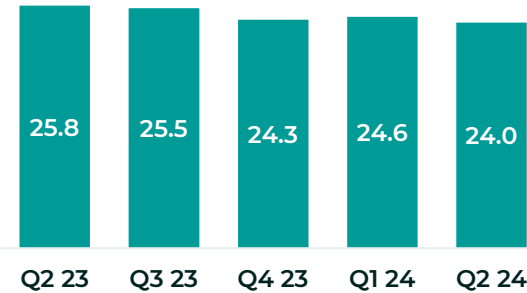
 **JYSK**

# Consumer Loans

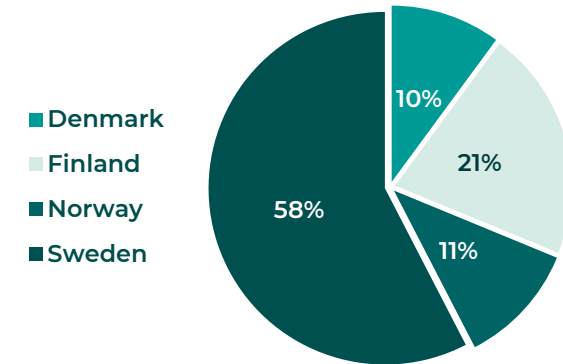
- Stable demand but still restrictive new lending
- Continuous focus on sustainable lending and minimizing credit losses
- Stable loan book in Sweden and Denmark
- Norwegian mortgage loan book has been divested, minor profitability effects
- Lower risk appetite and new credit register in Finland

## Loan book

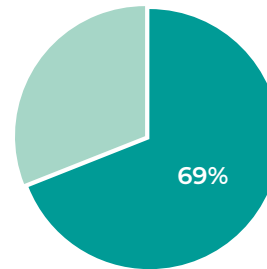
SEK billion



## Geographic split



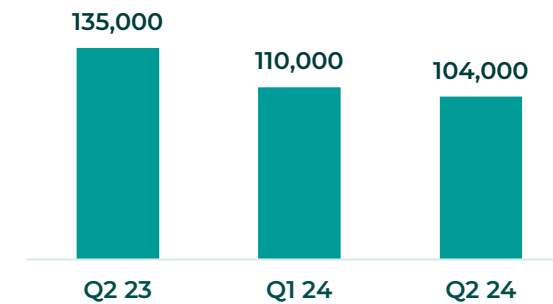
## Share of sales in own channel



Own channel

## Average loan

SEK



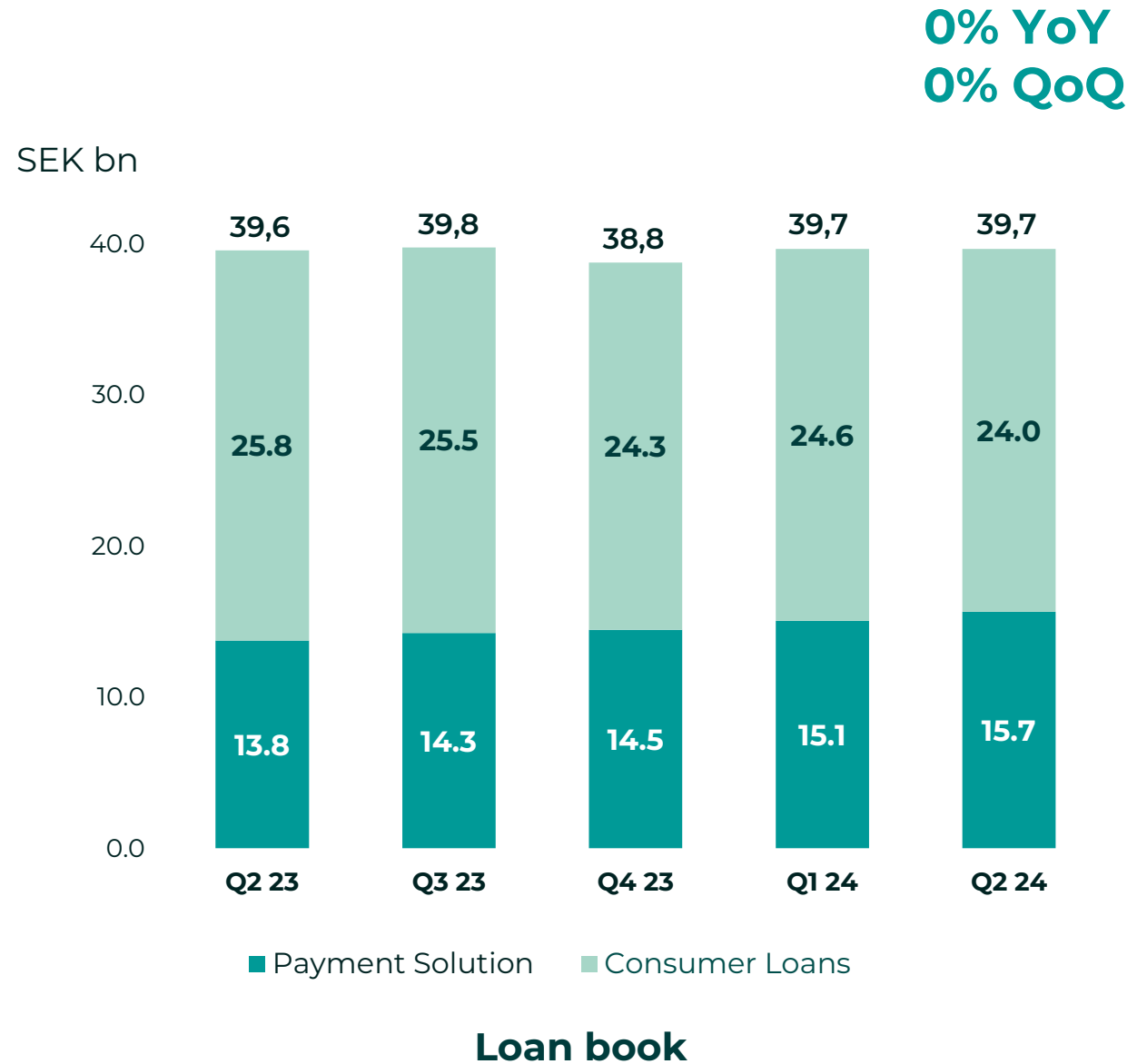


# Q2-2024 Financial Update

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

# Controlled loan book growth

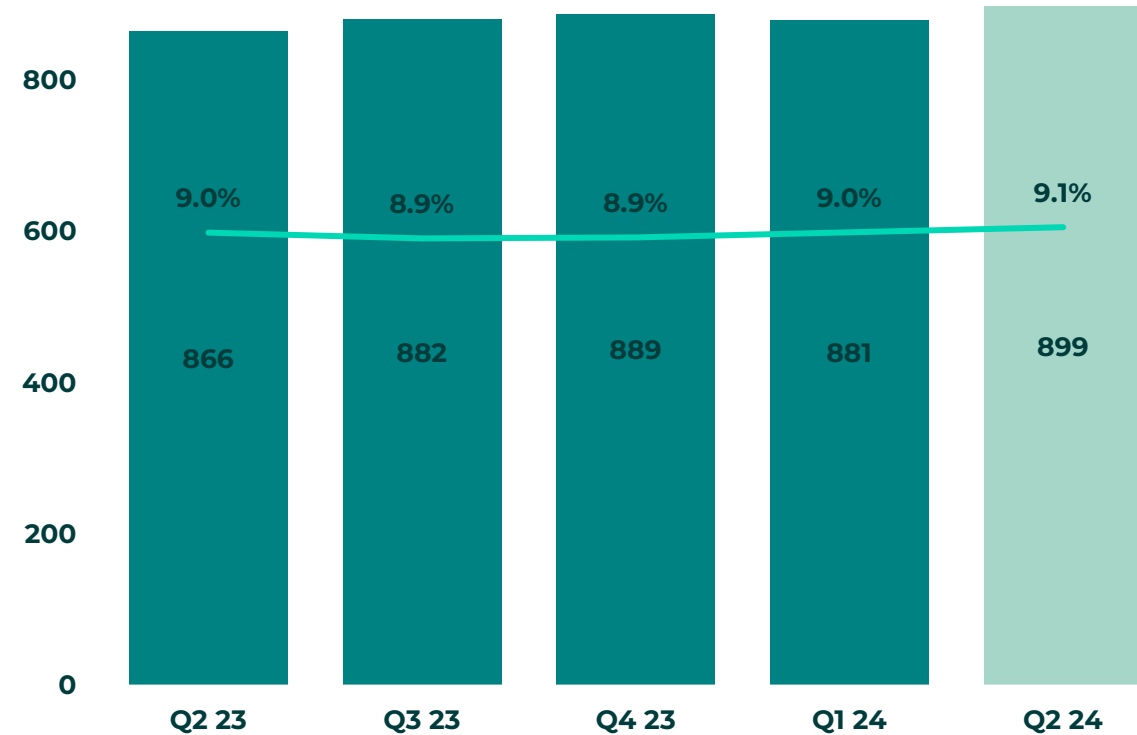
- **The loan book was stable both vs LY and LQ**
- **Growth in Payment Solutions**  
both vs last year and last quarter
- **Deliberately reduced new lending volumes** in Consumer Loans, focus on strengthening profitability



# Improved operating income and stable NBI-development

- **Operating income 2024** up +4% vs LY driven mostly by pricing activities
- **Stable NIM and NBI-development** and continued focus on pricing activities

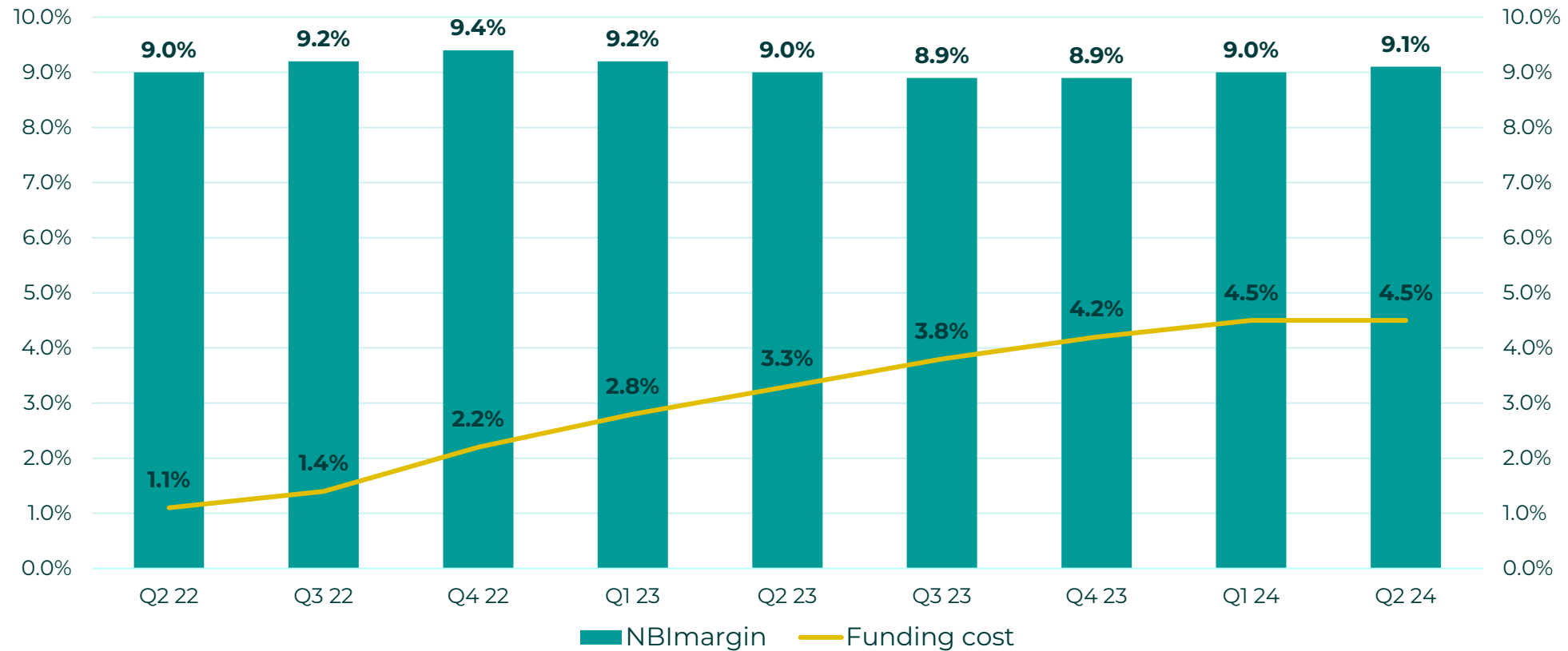
SEKm  
1,000



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

Operating income and NBI-margin

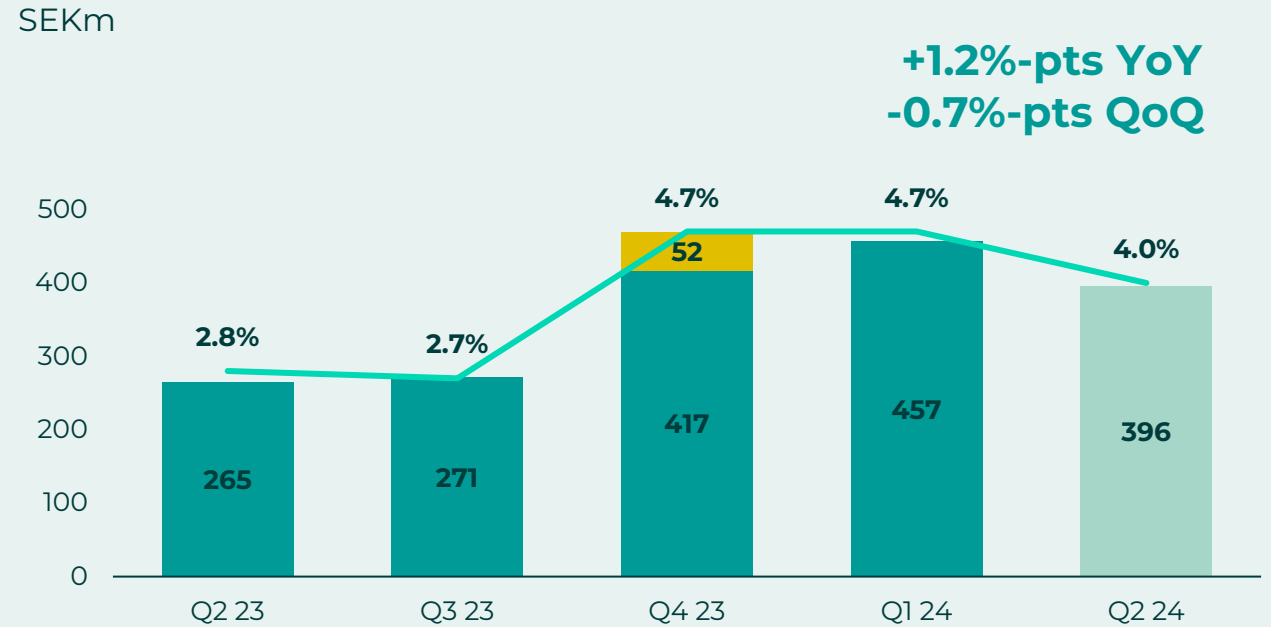
# Managing to stabilise margin development despite increased funding costs



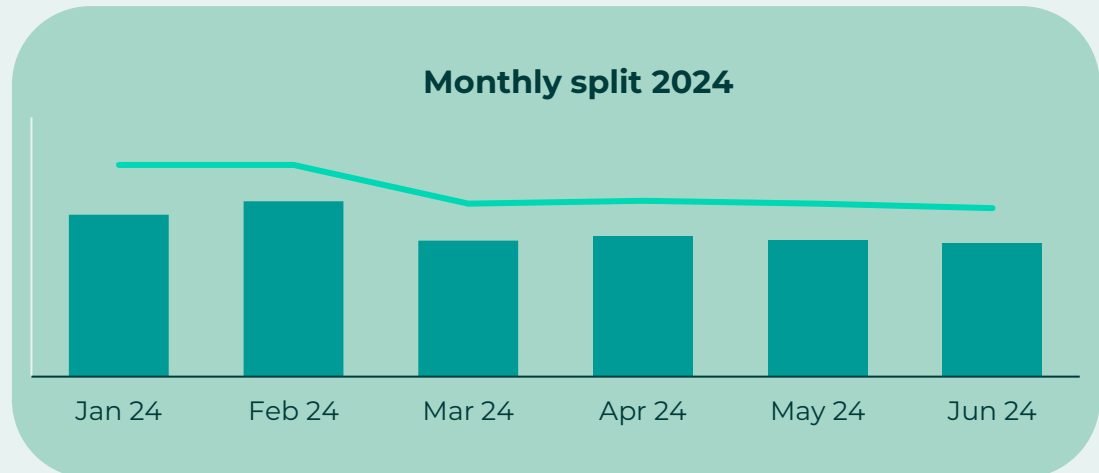
# Still elevated levels but improved in the quarter

- The organic credit losses decreased in Q2 but is still on elevated levels, Q2 2024 amounting to SEK 396 million
- As shown in monthly split, the credit losses have been on lower levels since 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

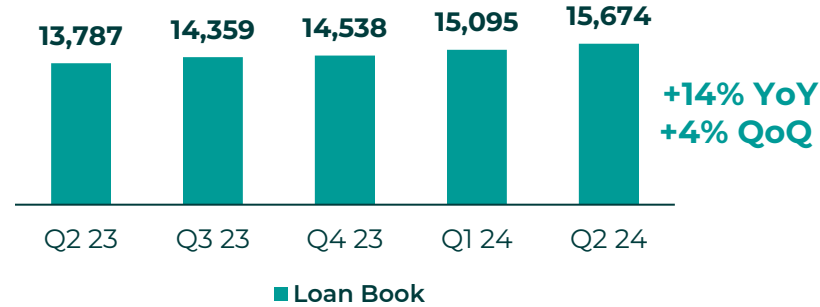


### Monthly split 2024



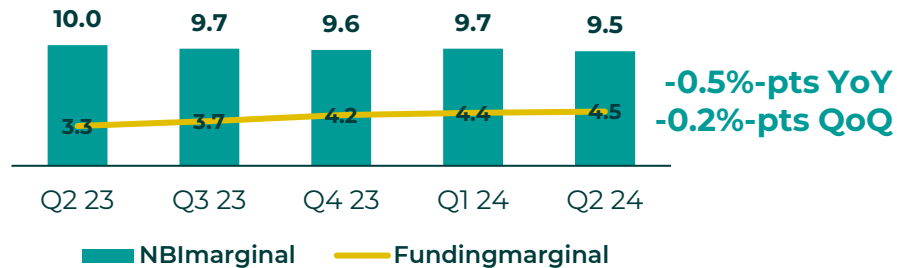
# Payment Solution

Loan book, MSEK



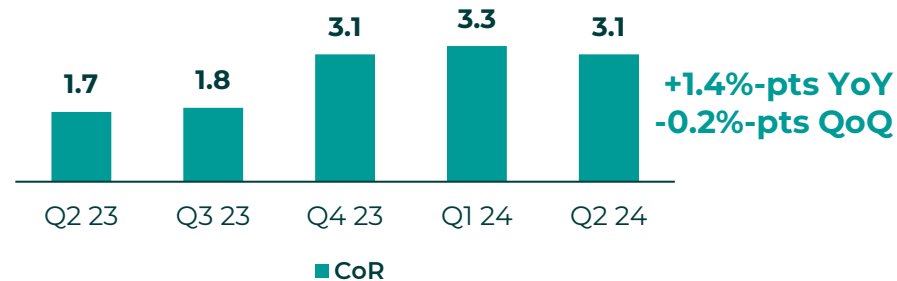
Strong growth in the segment both vs LQ and LY. LQ growth mainly driven by Sweden

NBI-margin and funding-margin, %



Slightly decreased NBI margin the last quarter and a lower NBI than LY following not being able to compensate fully for the increased funding costs

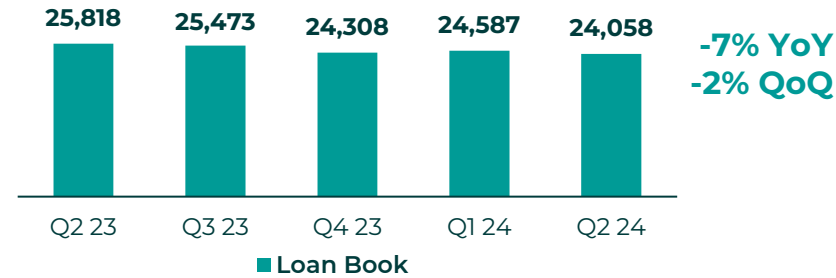
Cost of Risk, %



Increased Credit loss provisions versus LY and decreased versus LQ but still on an elevated level.

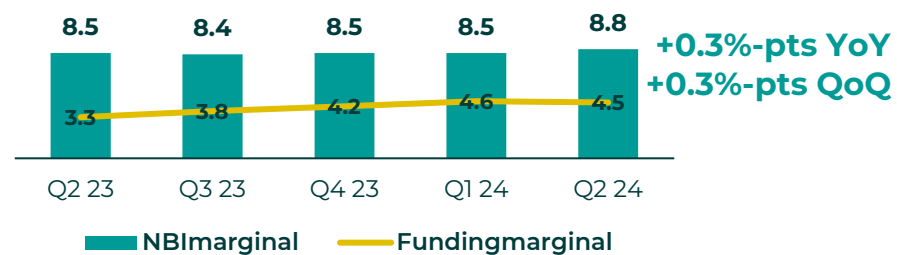
# Consumer Loans

## Loan book, MSEK



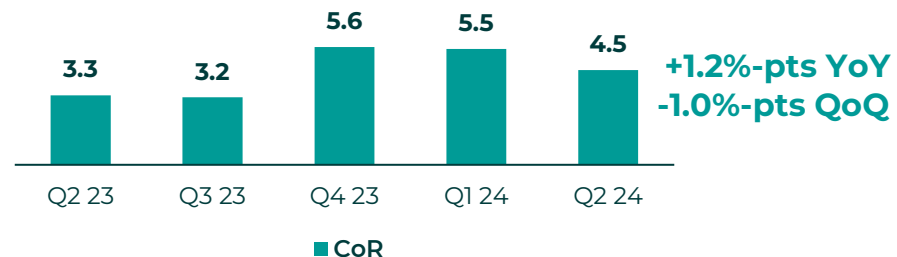
Decreased both vs LY and LQ. Overall focus is to increase profitability and sales in internal channels.

## NBI-margin and funding-margin, %



Increased NBI-margin both vs LY and LQ even though funding costs have increased vs LY and slightly lower than LQ.

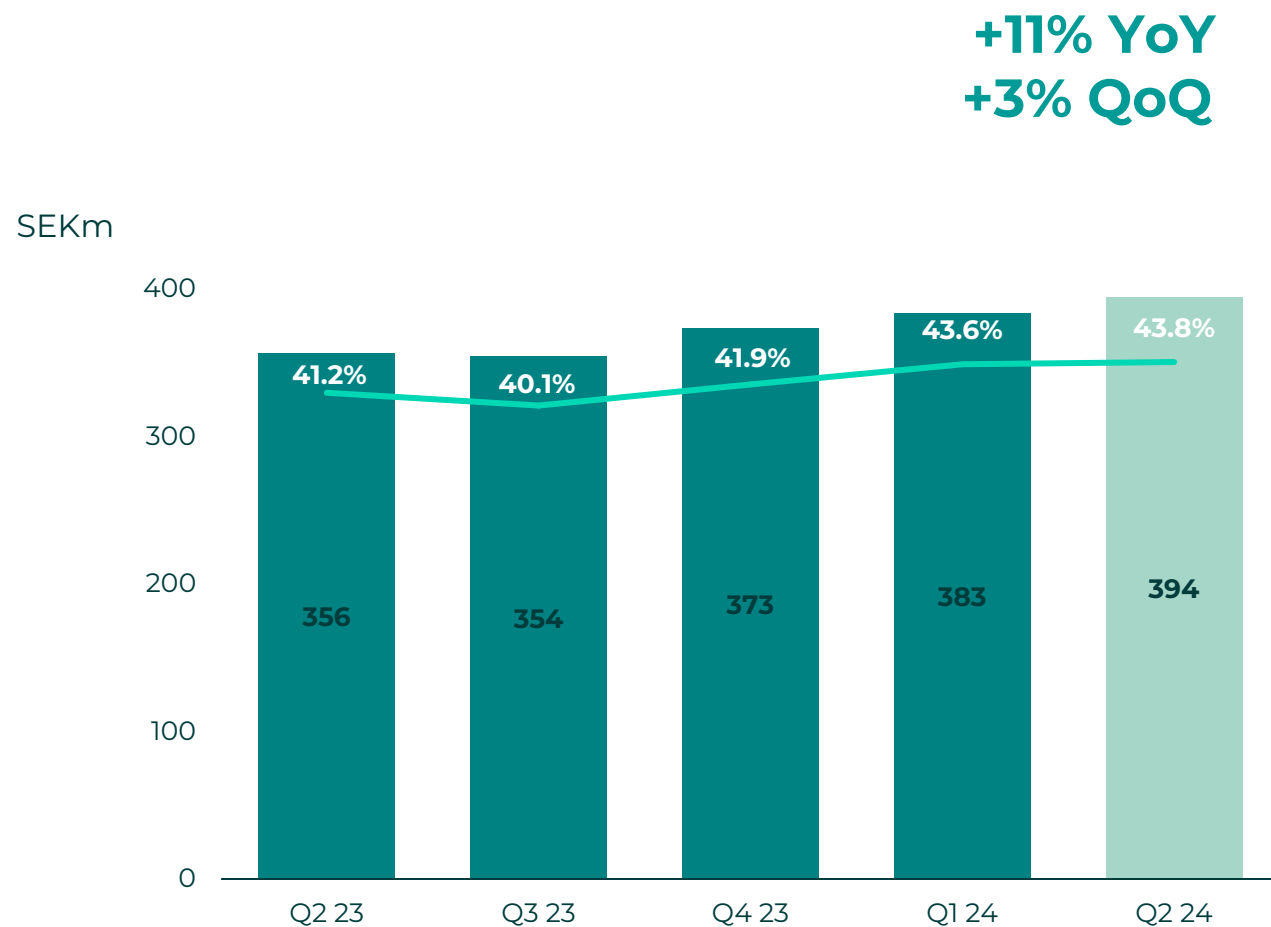
## Cost of Risk, %



Increased Credit loss provisions versus LY mainly as a result of negative development in customers' payment behavior. As normal seasonality, improved behavior leading to a decrease in Q2.

# Increased operating expenses

- **Total costs up 11% vs LY** following increased personnel costs and IT
- **C/I ratio at 43.8% in Q2 24** and higher than previous quarters following increased cost levels



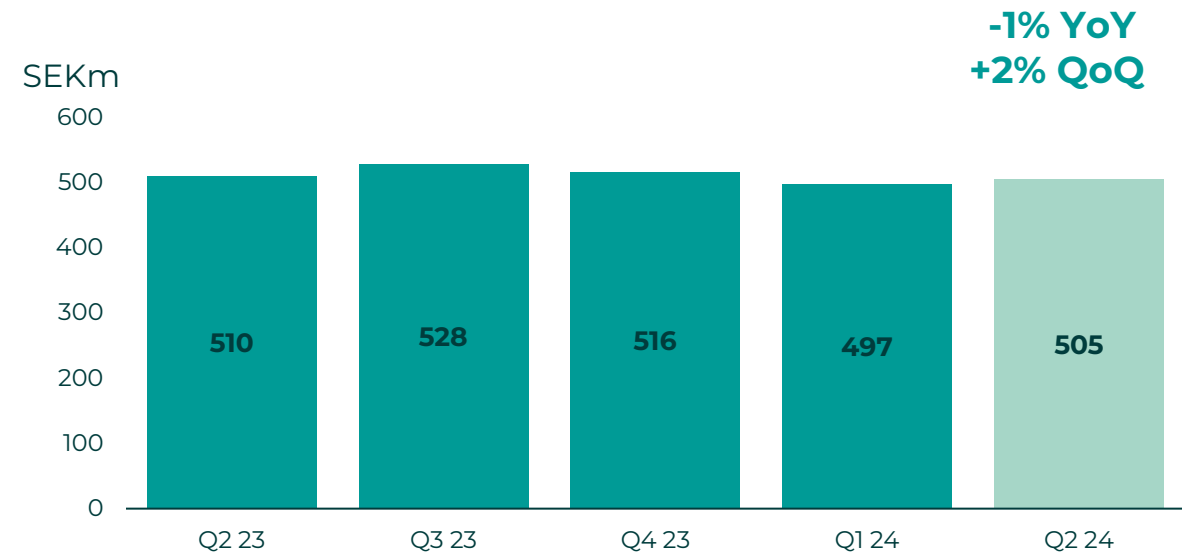
**Operating expenses and C/I-ratio**



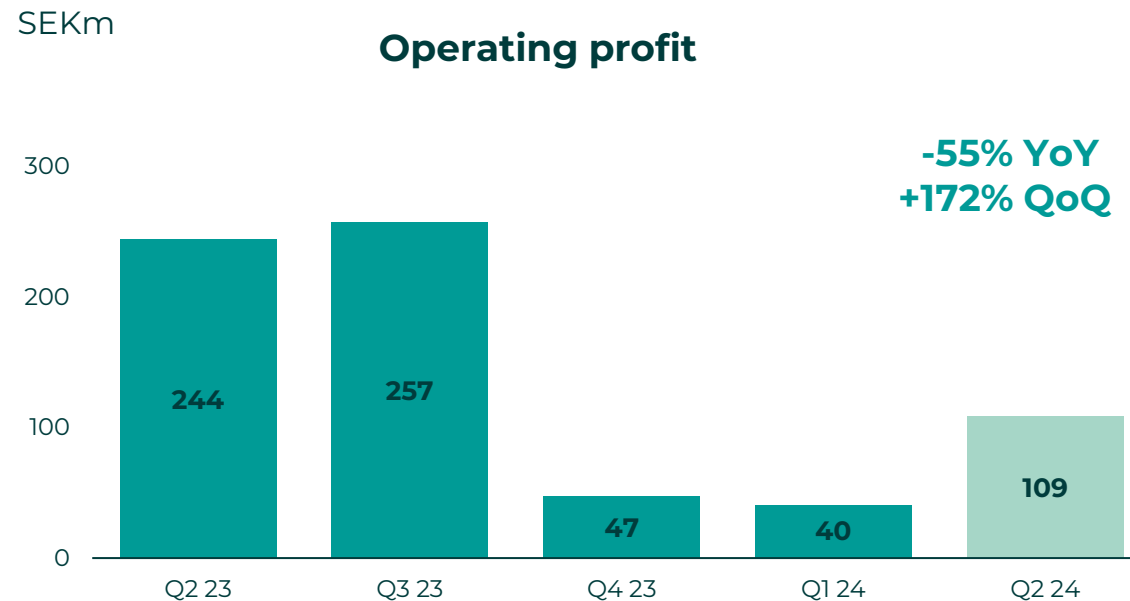
# Operating profit for Q2 2024

- Earnings before credit losses -1% vs LY and 2% vs LQ mainly as a result of increased cost levels
- Operating profit lower than LY as a result of the increased credit loss levels but higher than LQ

## Earnings before credit losses

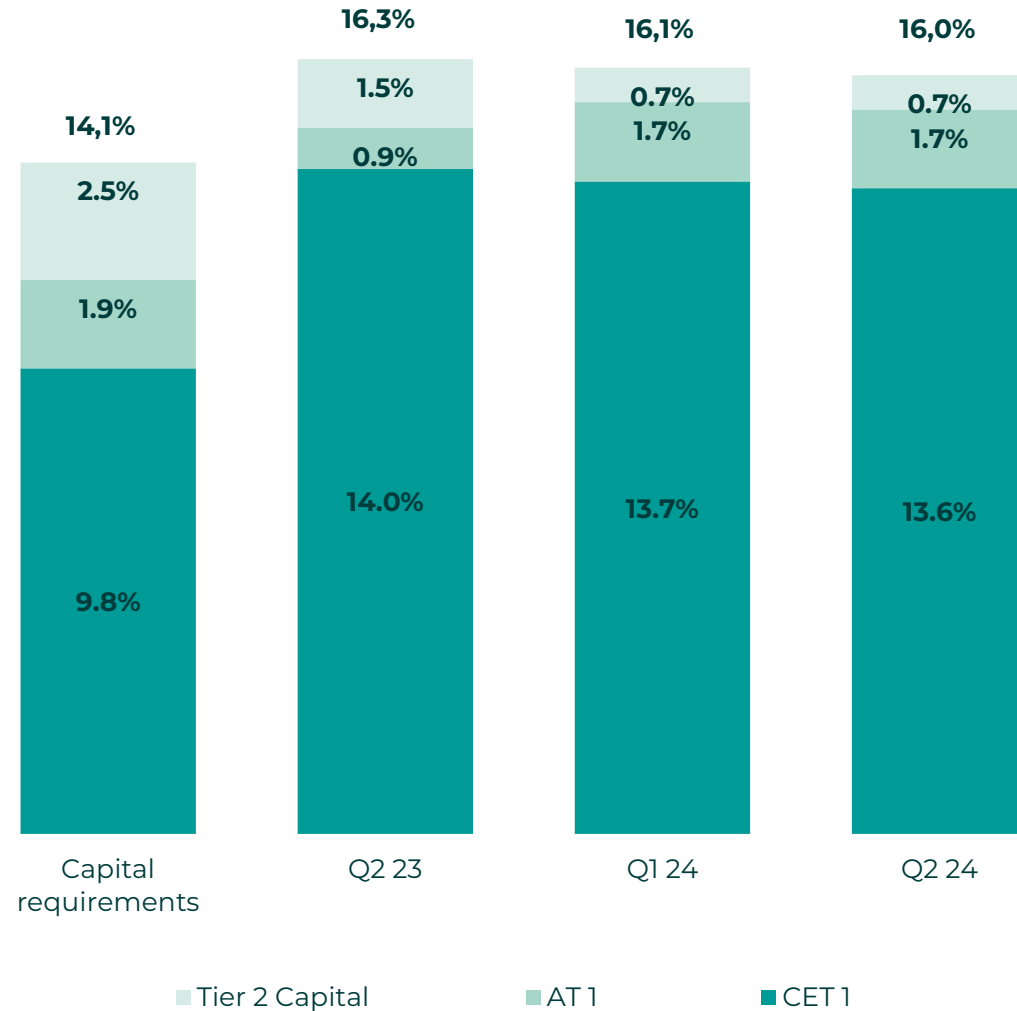


## Operating profit



# Stable capital position

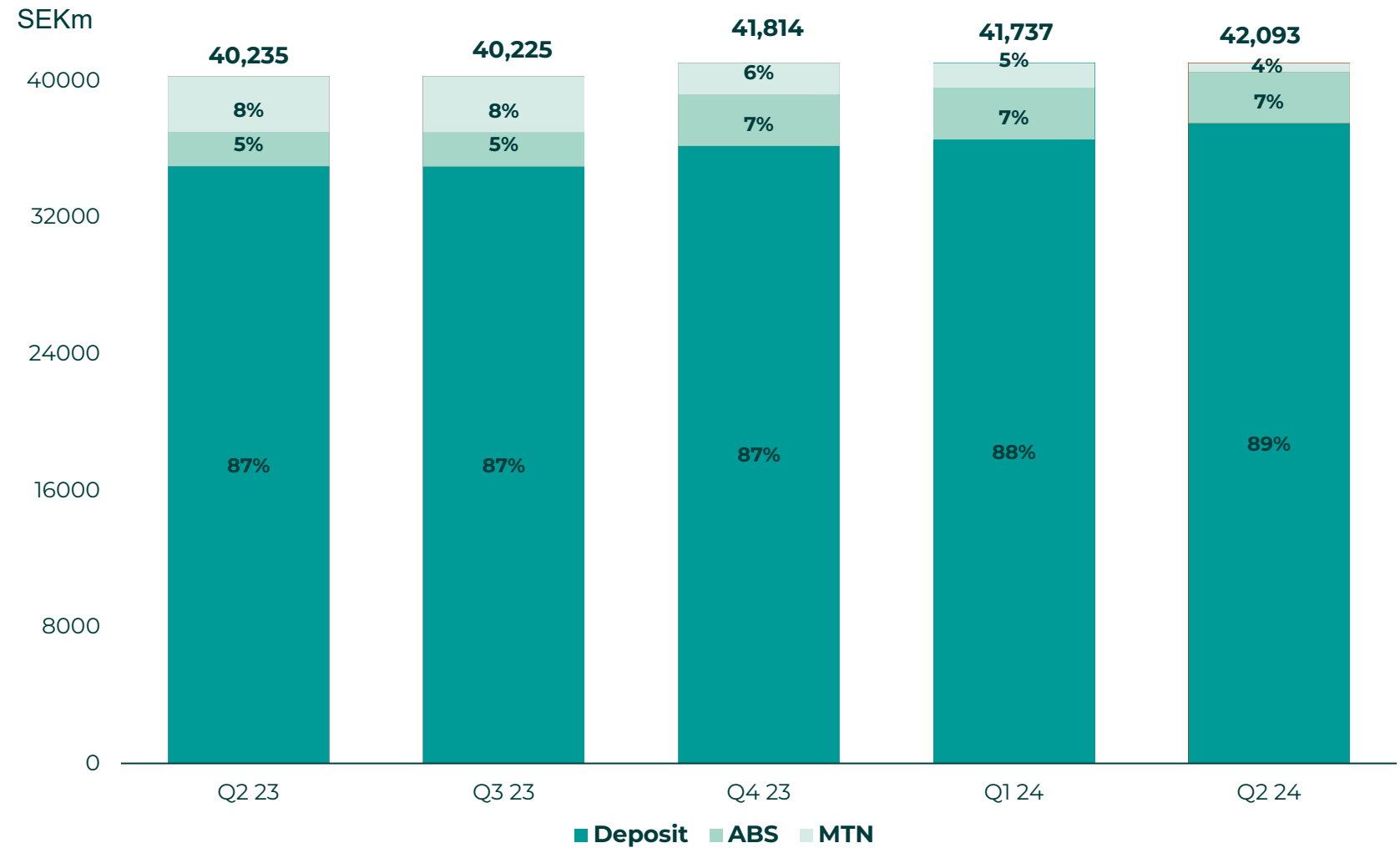
- CET 1 and total capital ratios well above requirement and targets



# 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 339% in the consolidated situation



# Key messages looking ahead

**Strong momentum in Payment Solutions** with new strategic partnership signed, 14% growth vs. Q2 2023

**Prioritising profitability** over growth in Consumer Loans

**Credit loss provisions** remain an important focus going forward

**Remain focused on cost** and margin improvement while strengthening the organisation

Share and communicate **Resurs future strategy**. Future investments are essential