

Q1

INTERIM REPORT
JANUARY–MARCH 2021

collector

Interim report

January–March 2021

FIRST QUARTER OF 2021

(COMPARED TO THE FIRST QUARTER OF 2020)

- The loan portfolio amounted to SEK 33,322m (29,327)
- Total income amounted to SEK 601m (475) and adjusted total income amounted to SEK 580m (475)
- The C/I ratio amounted to 33.7% (46.7) and adjusted C/I ratio amounted to 34.9% (43.6)
- Profit before credit losses amounted to SEK 398m (253) and adjusted profit before credit losses amounted to SEK 378m (268)
- The credit loss level amounted to 2.8% (2.8) and the credit loss level for the period is unadjusted (2.1)
- Operating profit amounted to SEK 173m (44) and adjusted operating profit amounted to SEK 152m (109)
- Net profit amounted to SEK 136m (31) and earnings per share amounted to SEK 0.66 (0.20). Adjusted net profit amounted to SEK 118m (82)
- The CET1 ratio amounted to 13.6% (13.5) and the total capital ratio amounted to 15.6% (15.6)

SIGNIFICANT EVENTS DURING THE PERIOD

- The divestment of Collector Ventures was completed on 11 February 2021

collector

HIGHLIGHTS FIRST QUARTER OF 2021

(COMPARED TO THE FIRST QUARTER OF 2020)

Loan portfolio

33,322 +14%
SEKm

Adjusted total income¹

580 +22%
SEKm

Adjusted C/I ratio²

34.9% -8.6
percentage points

Adjusted profit before credit losses³

378 +41%
SEKm

Adjusted net profit⁴

118 +43%
SEKm

CET1 ratio

13.6% +0.1
percentage points

¹ Total income excl. non-recurring items amounted to SEK 601m (475). Total income for the first quarter of 2020 is unadjusted.

² The C/I ratio excl. non-recurring items amounted to 33.7% (46.7). Adjusted C/I ratio amounted to 43.6% in the first quarter of 2020.

³ Profit before credit losses excl. non-recurring items amounted to SEK 398m (253). Adjusted profit before credit losses amounted to SEK 268m in the first quarter of 2020.

⁴ Net profit excl. non-recurring items amounted to SEK 136m (31). Adjusted net profit amounted to SEK 82m in the first quarter of 2020.

This is Collector

Collector is a challenger bank that offers financing solutions to corporate and private customers. The Corporate offering includes real estate lending, corporate lending and factoring directed mainly at small- and medium-sized enterprises as well as payment and checkout solutions. Private customers are offered personal loans, invoice and payment by instalment services, credit cards and deposit accounts. The company has offices in Gothenburg (headquarters), Stockholm, Helsinki and Oslo. Collector AB (publ) is listed on Nasdaq Stockholm.

Key ratios Group

SEKm	Q1 2021	Q4 2020	Δ	Q1 2020	Δ
INCOME STATEMENT					
Net interest income	512	487	5%	412	24%
Total income	601	558	8%	475	27%
Net profit	136	95	43%	31	341%
Earnings per share before dilution, SEK	0.66	0.46	43%	0.20	231%
Earnings per share after dilution, SEK	0.66	0.46	43%	0.20	231%
BALANCE SHEET					
Loans to the public	33,322	31,828	5%	29,327	14%
Deposits and borrowings from the public	32,541	30,855	5%	30,840	6%
Debt securities in issue	149	219	-32%	461	-68%
Subordinated liabilities	996	996	0%	995	0%
Total equity	4,907	4,770	3%	4,504	9%
KEY RATIOS					
Net interest margin (NIM) - Period ¹	6.3%	6.3%		5.6%	
Net interest margin (NIM) - LTM ¹	6.1%	5.9%		6.0%	
Credit loss level - Period ¹	2.8%	2.7%		2.8%	
Credit loss level - LTM ¹	2.8%	2.8%		4.8%	
C/I ratio - Period ¹	33.7%	38.6%		46.7%	
C/I ratio - LTM ¹	37.7%	40.9%		48.3%	
Return on equity (RoE) - Period ¹	11.3%	8.1%		3.1%	
Return on equity (RoE) - LTM ¹	8.4%	7.1%		Neg.	
CET1 ratio ²	13.6%	13.7%		13.5%	
Tier 1 ratio ²	14.5%	14.6%		14.4%	
Total capital ratio ²	15.6%	15.8%		15.6%	
Average number of full-time employees	306	314	-3%	329	-7%
ADJUSTED KEY RATIOS					
Net interest margin (NIM) - Period ¹	6.2%	6.3%		5.6%	
Net interest margin (NIM) - LTM ¹	6.1%	5.9%		6.0%	
Credit loss level - Period ¹	2.8%	2.7%		2.1%	
Credit loss level - LTM ¹	2.8%	2.6%		1.7%	
C/I ratio - Period ¹	34.9%	38.6%		43.6%	
C/I ratio - LTM ¹	38.1%	40.1%		43.1%	
Return on equity (RoE) - Period ¹	9.7%	8.1%		8.3%	
Return on equity (RoE) - LTM ¹	8.0%	8.3%		12.7%	

¹ Key ratios that have not been prepared in accordance with IFRS but are deemed to facilitate the analysis of Collector's development. See Definitions, pages 15-16.

² Key ratios according to capital adequacy rules (CRR). Refers to the consolidated situation. See note K12, pages 28-30.

Key ratios Group, cont.

SEKm	Full year 2020
INCOME STATEMENT	
Net interest income	1,806
Total income	2,119
Net profit	291
Earnings per share before dilution, SEK	1.47
Earnings per share after dilution, SEK	1.47
BALANCE SHEET	
Loans to the public	31,828
Deposits and borrowings from the public	30,855
Debt securities in issue	219
Subordinated liabilities	996
Total equity	4,770
KEY RATIOS	
Net interest margin (NIM) - Period ¹	5.9%
Net interest margin (NIM) - LTM ¹	5.9%
Credit loss level - Period ¹	2.8%
Credit loss level - LTM ¹	2.8%
C/I ratio - Period ¹	40.9%
C/I ratio - LTM ¹	40.9%
Return on equity (RoE) - Period ¹	7.1%
Return on equity (RoE) - LTM ¹	7.1%
CET1 ratio ²	13.7%
Tier 1 ratio ²	14.6%
Total capital ratio ²	15.8%
Average number of full-time employees	321
ADJUSTED KEY RATIOS	
Net interest margin (NIM) - Period ¹	5.9%
Net interest margin (NIM) - LTM ¹	5.9%
Credit loss level - Period ¹	2.6%
Credit loss level - LTM ¹	2.6%
C/I ratio - Period ¹	40.1%
C/I ratio - LTM ¹	40.1%
Return on equity (RoE) - Period ¹	8.3%
Return on equity (RoE) - LTM ¹	8.3%

¹ Key ratios that have not been prepared in accordance with IFRS but are deemed to facilitate the analysis of Collector's development. See Definitions, pages 15-16.

² Key ratios according to capital adequacy rules (CRR). Refers to the consolidated situation. See note K12, pages 28-30.

A comment from our CEO

Summary of the first quarter of 2021

The first quarter of 2021 has passed, and Collector continues to show a stable, positive financial development. Loan book growth amounted to 5% compared to the previous quarter and the loan book now amounts to SEK 33,322 million. Growth remains high, but a few larger amortizations have been made in the beginning of the second quarter. Growth has mainly been driven by corporate lending and real estate lending where we have a unique positioning and see an attractive underlying market. Factoring volumes remain low due to COVID-19 combined with volumes being lower in the first quarter due to seasonality. The loan book of consumer lending remains unchanged from the last quarter following our focus on growth in the Corporate segment where we currently have higher profitability. We deem current profitability level of consumer lending to be too low and the efforts of increasing profitability continue. Payments continues to show strong growth in transaction volumes driven by both new and existing merchants.

Total income development has been stable in line with loan book growth and the adjusted net interest margin amounted to 6.2%. The adjusted C/I ratio amounted to 34.9% during the quarter. We maintain good control of the cost base, which has decreased between the quarters, and we see further potential to gain scale benefits in the longer term. The credit loss level amounted to 2.8% and provisioning levels reflect the uncertain macroeconomic environment we are currently in. Adjusted return on equity amounted to 9.7% in the quarter. We are pleased that the profitability is increasing but we still deem the current profitability for the Group to be too low.

Rating

In March, Collector Bank AB received an investment grade rating from the rating institute Nordic Credit Rating (NCR). NCR gave us a BBB- rating with stable outlook. Increased diversification of funding is, as previously communicated, a key strategic focus area for Collector. Increasing our activity on the capital markets is part of this strategy. The credit rating from NCR gives us better potential to seek additional market financing at attractive terms.

Focus on growth in the Corporate segment

Growth in the Corporate segment is a strategic focus area for Collector. During the first quarter, loan book growth for the segment amounted to 8% compared to the previous quarter and the Corporate segment now amounts to 58% of Collector's total loan book. The Nordic market for SMEs is large and an engine for continued economic growth. We see a large amount of attractive opportunities at good risk-adjusted returns and our unique positioning remains. Collector is a complement to the larger banks as one of few niche players offering corporate and real estate loans in its size.

Collector has also initiated a cooperation with Cordet which is a specialized credit fund focusing on mid-sized companies in the Nordics, UK, Germany and BeNeLux. Cordet offers direct lending through senior secured loans and is led by a team with extensive experience within the area. Collector has a commitment to invest up to EUR 50m in the fund and will also aim to make co-investments in loans together with Cordet. The cooperation with Cordet is yet another part of our focus on continued growth in the Corporate segment.

New segment reporting and financial targets during 2021

In order to increase transparency and financial understanding of our different business areas as well as to better reflect internal reporting we plan on presenting a new segment reporting during 2021. We will increase the number of reported segments and share more key figures for each segment. We also plan on presenting new financial targets during the year in order to provide a clearer view on our expectations on the financial development going forward.

Martin Nossman
CEO



MARTIN NOSSMAN, CEO

“Continued high transaction activity and positive underlying financial development”

The Group's development

Total income for the first quarter of 2021

Total income amounted to SEK 601 million (475) corresponding to an increase of 27% compared to last year. Total income, adjusted for non-recurring items, amounted to SEK 580 million (475). Net interest income increased by 24% compared to the previous year and amounted to SEK 512 million (412). The net interest margin amounted to 6.3% (5.6) and remains unchanged compared to the previous quarter. Adjusted net interest margin amounted to 6.2% (5.6). Net commission income decreased by 11% compared to last year and amounted to SEK 73 million (82). Net gains and losses on financial items amounted to SEK 3 million (-25). Other income amounted to SEK 13 million (6). The business has had a positive development compared to the first quarter of 2020 with real estate lending and corporate lending having contributed strongly. For a specification of non-recurring items, see the section Non-recurring items.

Total expenses

Total expenses amounted to SEK 203 million (222). Total expenses for the period are unadjusted (207). The C/I ratio amounted to 33.7% (46.7). The C/I ratio, adjusted for non-recurring items, amounted to 34.9% (43.6). The work of analyzing costs within the company is continuing. For a specification of non-recurring items, see the section Non-recurring items.

Loan portfolio

The total loan portfolio amounted to SEK 33,322 million (29,327) by the end of the first quarter, corresponding to an increase of 14% compared to last year and an increase of 5% compared to the previous quarter. Collector continues to carefully follow the development of COVID-19 and its impact on the operations. The risk level is still elevated but the most recent quarters have shown increased customer activity, primarily within the Corporate segment, and higher lending volumes at attractive risk. The loan portfolio of the Private segment has decreased by 1% compared to the previous year and remains unchanged compared to the previous quarter. The loan portfolio of the Corporate segment has increased by 27% compared to the previous year and by 8% compared to the previous quarter mainly driven by real estate lending and corporate lending. Out of the total loan portfolio, the Corporate segment's share amounts to 58% (52) and the Private segment's share amounts to 42% (48).

Credit losses

The credit loss level amounted to 2.8% (2.8). The credit loss level for the period is unadjusted (2.1). The credit loss level for the underlying banking operations is presented on page 9.

Profit before credit losses, operating profit and net profit

Profit before credit losses amounted to SEK 398 million (253). Profit before credit losses, adjusted for non-recurring items, amounted to SEK 378 million (268). Operating profit amounted to SEK 173 million (44). Operating profit, adjusted for non-recurring items, amounted to SEK 152 million (109). Net profit for the period amounted to SEK 136 million (31). Net profit for the period, adjusted for non-recurring items, amounted to SEK 118 million (82). Earnings per share amounted to SEK 0.66 (0.20). For a specification of non-recurring items, see the section Non-recurring items.

Non-recurring items

Non-recurring items are defined as income and expenses that are not expected to appear on a regular basis. Total income was affected by non-recurring items amounting to SEK 21 million during the first quarter of 2021. SEK 9 million relate to interest income attributable to previously doubtful loans and approximately SEK 12 million relate to other income following divestments of subsidiaries (primarily the divestment of Collector Ventures). Non-recurring items consisting of consultancy costs of SEK 15 million and an extra credit loss provisioning of SEK 50 million, SEK 65 million in total, were recorded in the first quarter of 2020. Some of the consultancy costs adhere to the Swedish Financial Supervisory Authority's review of Collector and the extra credit loss provisioning was made on the back of the uncertain macroeconomic environment amid COVID-19.

Liquidity and financial investments

As at 31 March 2021, cash and cash equivalents amounted to SEK 4,549 million (4,615). Collector's excess liquidity is invested in Swedish municipal bonds, covered bonds, government issued securities and deposit accounts primarily with Nordic banks. At the end of the period, the Group's financial investments amounted to SEK 1,456 million (3,275).

Collector Ventures

The divestment of Collector Ventures was completed on 11 February 2021. The transaction resulted in a positive effect on total income of approximately SEK 13 million in the first quarter of 2021.

Funding

Deposits and borrowings from the public amounted to approximately 82% (82) of Collector's balance sheet, which by the end of the period amounted to SEK 32,541 million (30,840). This is the primary source of funding for the Group. Commercial paper, and other, issued amounted to SEK 149 million (461). Unutilized credit facilities amounted to SEK 400 million.

Capital adequacy

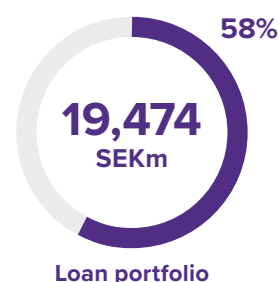
Collector has received permission from the Swedish Financial Supervisory Authority to include net profit for the period in own funds. A review of net profit for the period of Collector Bank AB and the consolidated situation has been performed, and Collector has been allowed to include net profit in the Common Equity Tier 1 capital. Collector has previously issued two hybrid capital instruments consisting of an Additional Tier 1 bond of SEK 500 million and a Tier 2 bond of SEK 500 million. The Tier 1 instrument meets the conditions for being accounted for as Tier 1 capital in own funds. Consolidated own funds may only include issued Tier 1 capital instruments in the proportion required to cover Collector Bank AB's capital requirement. Tier 1 capital contributions allowed to be included amounted to SEK 321 million. The Tier 2 capital instrument is subject to corresponding rules regarding inclusion in consolidated own funds. Tier 2 capital included amounted to SEK 404 million. At the end of the period, the risk-weighted exposure amount was SEK 35,875 million (33,140). As at 31 March 2021 the CET1 ratio amounted to 13.6% (13.5), the Tier 1 ratio to 14.5% (14.4) and the total capital ratio to 15.6% (15.6).

Credit loss level (%)	Q1 2021	Q1 2020
Reported	2.8%	2.8%
Reported, adjusted for non-recurring items	2.8%	2.1%
Reported, excl. purchased debt portfolios	2.8%	2.8%
Reported, excl. purchased debt portfolios, adjusted for non-recurring items	2.8%	2.1%



DEVELOPMENT IN THE CORPORATE SEGMENT

High demand and strong growth remain



The loan portfolio of the Corporate segment amounts to SEK 19,474 million (15,361), corresponding to an increase of 27% compared to the previous year and an increase of 8% compared to the previous quarter. Demand and transaction activity within the segment remain high. Real estate lending and corporate lending have been growth drivers during the quarter. Volume growth during the quarter has been higher than our expectations going forward and our goal of maintaining balanced growth over time remains. The Corporate segment accounts for 58% (52) of the total loan portfolio. Total income amounted to SEK 284 million (188) and operating profit amounted to SEK 187 million (75) during the quarter. The net interest margin (NIM) amounted to 5.9% compared to 5.1% in the previous year and 6.1% in the previous quarter.

Factoring and corporate lending

The loan portfolio of factoring and corporate lending amounts to SEK 7,200 million corresponding to an increase of 9% compared to the previous quarter. Corporate lending has seen solid growth during the quarter and factoring volumes remain at low levels due to COVID-19 and seasonality as volumes are lower during the first quarter. Demand for corporate lending remains high but there is still uncertainty regarding future factoring volumes.

Real estate lending

Activity within real estate lending remains high and the loan book growth amounted to 8% compared to the previous quarter. The loan portfolio now amounts to SEK 11,400 million. New lending consists primarily of senior loans which now amount to approximately 72% of the total real estate portfolio. We continue to see solid demand going forward but a few larger amortizations have been made in the beginning of the second quarter.

Factoring & Corporate lending

Collector offers factoring and corporate loans directed mainly at small and medium-sized enterprises in Sweden, Norway and Finland in a wide range of industries. Factoring solutions primarily comprise purchasing of invoices both with and without right of recourse. Corporate loans are issued to companies against collateral.

Real estate lending

Collector offers real estate loans focusing on metropolitan areas and university cities in the Nordic region. Real estate loans are issued to companies against collateral. Collector offers both junior and senior lending. Financing is provided mainly for residential properties but also for offices and industrial properties.

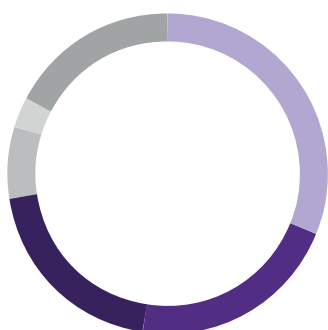
Factoring & Corporate lending

Geographic split¹



Sweden, 42%
Norway, 30%
Finland, 16%
Other, 12%

Industry split¹



Wholesale & Retail, 31%
Manufacturing, 21%
Financial services & Investment companies, 20%
Business services, 7%
Information & Communication, 3%
Other, 17%

7,200 SEKm

Loan portfolio

34 SEKm

Average loan in the portfolio²

17

Average remaining maturity (months)²

¹ Based on the loan portfolio of factoring & corporate lending as of 31 March 2021

² Corporate lending

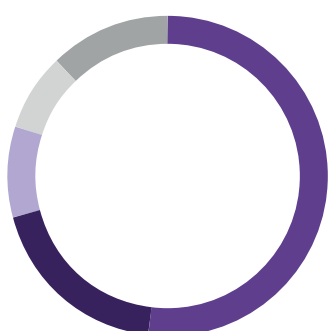
Real estate lending

Geographic split³



Sweden, 49%
Finland, 21%
Denmark, 16%
Other, 14%

Industry split³



Residential, 52%
Office, 19%
Industrial, 9%
Retail, 8%
Other, 12%

11,400 SEKm

Loan portfolio

80 SEKm

Average loan in the portfolio

16

Average remaining maturity (months)

72% / 28%

Senior / junior loans

³ Based on the loan portfolio of real estate lending as of 31 March 2021



DEVELOPMENT IN THE PRIVATE SEGMENT

Continued strong growth within payments and stable development for consumer



The loan portfolio of the Private segment amounted to SEK 13,848 million (13,966) corresponding to a decrease of 1% compared to the previous year and the loan portfolio remains unchanged from the previous quarter. Payments remains on a strong growth track and consumer has had a stable development. Profitability is too low, and the efforts of increasing profitability continue. The Private segment accounts for 42% (48) of the total loan portfolio. Total income amounted to SEK 302 million (285) and operating profit amounted to SEK 45 million (51) during the quarter. The net interest margin (NIM) amounted to 6.7% compared to 6.1% in the previous year and 6.6% in the previous quarter.

Consumer

The loan portfolio of consumer lending amounts to SEK 11,600 million and remains unchanged compared to the previous quarter. The efforts of increasing profitability within the business area continue. We continue to see positive results of our efforts of

increasing new sales through own channels. 15-20% of new sales has been through own channels during the quarter. This is a long-term focus area and we see further potential to increase the share of new sales through own channels from the current level. Competition on the personal loans market remains high. Card issuance has had a stable development and we have approximately 26,000 credit cards outstanding. Cards are however still used to a lower extent due to lower travelling during the pandemic.

Payments

The loan portfolio of payments amounts to SEK 2,300 million corresponding to an increase of 3% compared to the previous quarter. Payments continues to display strong volume growth and transaction volumes amounted to SEK 3,300 million during the quarter, corresponding to an increase of 75% compared to the previous year. The increase is driven by a mix of new and existing merchants.

Consumer

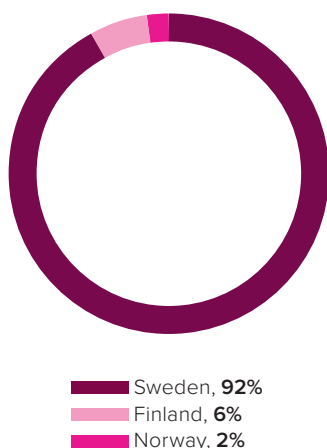
Collector offers unsecured loans to private individuals of up to SEK 350,000 in Sweden and up to EUR 25,000 in Finland. Sales is mainly made through loan intermediaries but also through the bank's own channels. Collector also offers credit cards, with a maximum credit limit of SEK 100,000.

Payments

Collector offers payment and checkout solutions to e-commerce and retail chains, primarily in Sweden, Finland and Norway, as well as invoicing and payment by instalment services for private individuals. Collector offers tailored solutions focused on the merchant's brand, primarily targeting larger merchants.

Consumer

Geographic split¹



Average customer
Personal loans

50 years

**SEK
350 000**
Average salary

55% / 45%
Women Men

11,600 SEKm

Loan portfolio

145,000

Average loan new sales
(SEK, LTM)

130,000

Average loan in the portfolio (SEK)

15-20%

Sales through own channels
(Q1)

61,000

Customers

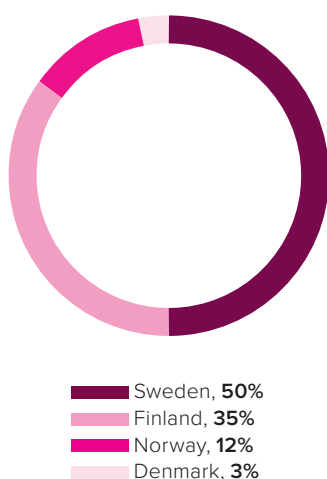
26,000

Cards outstanding

¹⁾ Based on the loan portfolio of
consumer as of 31 March 2021

Payments

Geographic split²



Transaction volumes

**Q1
2021**
(Q1 2020)

**3,300
SEKm**

+75%
% change

2,300 SEKm

Loan portfolio

3.3 M

Active customers (LTM)

7.1 M

Customers in the database

1,200

Average ticket size (SEK)

²⁾ Based on the loan portfolio of
payments as of 31 March 2021

Other information

Material risks and uncertainty factors

Through its operations, Collector is exposed to several different risks: primarily credit risk, market risk (currency risk and interest rate risk), liquidity and financing risks as well as operational risk and other business risks. The Group's overall risk management policy focuses on the unpredictability of the financial markets and strives to minimize potentially unfavorable influences on the Group's financial results. Risk management is handled by the Group's management team according to policies established by the Board of Directors. The Board establishes written policies for overall risk management and for specific areas such as currency risk, interest rate risk, credit risk, operational risk and the use of derivatives and similar financial instruments. The Group's risk structure and its risk, liquidity and capital management are described in Collector's Annual Report. Please also see the COVID-19 section below. There have been no significant changes since, except as reported in this interim report.

COVID-19

COVID-19 may result in negative economic consequences for Collector. Even if the company as of today has not experienced any significant negative consequences, there is a significant risk for changed behavior among both private and corporate customers which in turn may affect the demand for the company's products as well as lead to lower ability to pay. It is not yet possible to predict how large and prolonged the macroeconomic consequences will be of COVID-19, and consequently its impact on Collector. Given the risk that Collector may become negatively affected the Board decided upon an extra credit loss provisioning of SEK 50 million during the first quarter of 2020. Collector monitors and analyzes the development closely and has an increased readiness to ensure fully functional operations.

The consolidated situation

The Parent Company, Collector AB (publ), is part of a consolidated situation that includes the subsidiaries Collector Bank AB, Collector Payments AB and Collector Payments Finland Oy. All companies are fully consolidated. The entire consolidated situation is under the supervision of the Swedish Financial Supervisory Authority, and is subject to the regulations regarding governance, risk control, capital adequacy and large exposures applicable to credit institutions.

Employees

During the quarter, the average number of full-time employees (FTE) amounted to 306 corresponding to a decrease of 7% compared to the previous year. The number of full-time employees includes employees on fixed-term contracts, but not on parental leave or a leave of absence.

Parent Company

The Parent Company is a holding company. Net sales for the period January–March 2021 amounted to SEK 17 million (22) and pertains to intra-Group administrative services. Net profit for the period January–March amounted to SEK 32 million (-2). As of 31 March 2021, the Parent Company's cash and bank balances amounted to SEK 12 million (22), and equity amounted to SEK 2,524 million (2,438).

The Collector share

Collector's share ("COLL") is listed on Nasdaq Stockholm. As at 31 March 2021, the closing price for the Collector share was SEK 26.80, corresponding to a market capitalization of SEK 5.5 billion. There were approximately 10,800 shareholders at the end of the period.

Shareholders at 31 March 2020	%
Fastighets AB Balder	44.1%
StrategiQ Capital AB	10.3%
Erik Selin	8.1%
SEB Life International	6.4%
Lena Apler	4.6%
Avanza Pension	2.1%
SEB AB	1.5%
Vante AB	1.4%
State Street Bank and Trust Company	1.0%
Handelsbanken Liv	1.0%
Other shareholders	19.7%
Total	100.0%

Share capital

As of 31 March 2021, the share capital amounted to SEK 20,538,100, divided into 205,381,004 ordinary shares. The Company has a single share series. Each share entitles the shareholder to one vote at the General Meeting.

Dividend

According to the adopted dividend policy dividends may be low or not occur at all in the medium term.

Relationships with related parties

Collector provides real estate loans to Söderfors Bruk AB and SHH Bostad AB (associated companies of Balder) and RE IV Limited (closely related to Balder and Erik Selin). These transactions take place on market terms. Deposits have been made by related parties and are in accordance with applicable market terms for Collector's deposit accounts.

Presentation for investors, analysts and media

A conference call will be held on 27 April at 10.30 a.m. (CET), during which CEO Martin Nossman and CFO Peter Olsson will present the report. The presentation will be held in Swedish and will be broadcasted live at: <https://tv.streamfabriken.com/collector-q1-2021>. To participate in the conference call, please dial +46 850 558 359 or +44 3333 009 262. The presentation material will be prepared in English and be available prior to the presentation on our website collector.se/en.

Events after the end of the period

No significant events have occurred after the end of the period.

Definitions

Alternative performance measures (APMs) are financial measures of past or future earnings trends, financial position or cash flow that are not defined in the applicable accounting regulatory framework (IFRS), in the Capital Requirements Directive (CRD IV), or in the EU's Capital Requirement Regulation number 575/2013 (CRR). APMs are used by Collector when relevant for monitoring and describing the bank's financial situation and enhance comparability between the periods. Collector believes that these APMs provide valuable information and enhance the analysis of the Group's financial development. These are not necessarily comparable to similar APMs presented by other companies.

Net interest margin (NIM)

Net interest margin (NIM) - Period

Net interest income for the period in relation to average loans to the public for the period.

Net interest margin (NIM) - LTM

Net interest income for the last twelve months in relation to average loans to the public for the last twelve months.

Adjusted net interest margin (NIM) - Period

Net interest income for the period, adjusted for non-recurring items, in relation to average loans to the public for the period.

Adjusted net interest margin (NIM) - LTM

Net interest income for the last twelve months, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

C/I ratio

C/I ratio - Period

Total expenses for the period in relation to total income for the period.

C/I ratio - LTM

Total expenses for the last twelve months in relation to total income for the last twelve months.

Adjusted C/I ratio - Period

Total expenses for the period, adjusted for non-recurring items, in relation to total income for the period, adjusted for non-recurring items.

Adjusted C/I ratio - LTM

Total expenses for the last twelve months, adjusted for non-recurring items, in relation to total income for the last twelve months, adjusted for non-recurring items.

Credit loss level

Credit loss level - Period

Credit losses, net for the period in relation to average loans to the public for the period.

Credit loss level - LTM

Credit losses, net for the last twelve months in relation to average loans to the public for the last twelve months.

Adjusted credit losses, net - Period

Credit losses, net, adjusted for non-recurring items, for the period in relation to average loans to the public for the period.

Adjusted credit losses, net - LTM

Credit losses, net for the period, adjusted for non-recurring items, in relation to average loans to the public for the last twelve months.

Earnings per share

Earnings per share after dilution

Net profit for the period (adjusted for convertible interest) in relation to average number of shares outstanding after dilution for the period.

Earnings per share before dilution

Net profit for the period in relation to average number of shares outstanding before dilution for the period.

Return on equity (RoE)

Return on equity (RoE) - Period

Net profit for the period in relation to average equity for the period.

Return on equity (RoE) - LTM

Net profit for the last twelve months in relation to average equity for the last twelve months.

Adjusted return on equity (RoE) - Period

Net profit for the period, adjusted for non-recurring items, in relation to average equity for the period.

Adjusted return on equity (RoE) - LTM

Net profit for the last twelve months, adjusted for non-recurring items, in relation to average equity for the last twelve months.

Definitions cont.

Other

Adjusted total income

Total income adjusted for non-recurring items.

Adjusted total expenses

Total expenses adjusted for non-recurring items.

Adjusted profit before credit losses

Profit before credit losses adjusted for non-recurring items.

Adjusted operating profit

Operating profit adjusted for non-recurring items.

Adjusted net profit

Net profit adjusted for non-recurring items.

Non-recurring items

Income and expenses that are not expected to appear on a regular basis. See The Group's development, page 8.

CET1 ratio (Common Equity Tier 1 ratio)¹

Common Equity Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note K12, pages 28-30.

Tier 1 ratio¹

Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note K12, pages 28-30.

Total capital ratio¹

Total own funds in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note K12, pages 28-30.

Average number of full-time employees

Including employees on fixed-term contracts, but not on parental leave or leave of absence.

¹ Key ratios according to capital adequacy rules (CRR).



Income statement Group

SEKm	Note	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Interest income ¹⁾		611	581	521	2 193
Interest expense		-98	-94	-110	-388
Net interest income	K4	512	487	412	1 806
Commission income		86	82	91	336
Commission expense		-13	-12	-10	-44
Net commission income		73	70	82	293
Net gains and losses on financial items		3	1	-25	-4
Other operating income		13	0	6	25
Total income		601	558	475	2 119
Personnel expenses	K5	-73	-75	-76	-294
Other expenses	K6	-107	-117	-127	-478
Depreciation/amortization and impairment of tangible and intangible assets		-23	-23	-18	-94
Total expenses		-203	-215	-222	-866
Profit before credit losses		398	343	253	1 254
Credit losses, net	K7	-225	-211	-209	-859
Operating profit		173	132	44	395
Tax expense		-37	-37	-13	-104
Net profit for the period		136	95	31	291
Net profit for the period attributable to the shareholders of Collector AB		136	95	31	291
Earnings per share, SEK					
before dilution		0,66	0,46	0,20	1,47
after dilution		0,66	0,46	0,20	1,47

¹⁾ Consists mainly of interest income calculated according to the effective interest rate method.

Statement of comprehensive income Group

SEKm	Note	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Net profit for the period reported via income statement		136	95	31	291
Items that have been or may be reclassified to the income statement					
Exchange rate differences on translation of foreign currency		1	8	-8	-3
Other comprehensive income for the period, net of tax		1	8	-8	-3
Total comprehensive income for the period		137	103	23	288
Total comprehensive income attributable to the shareholders of Collector AB		137	103	23	288

Balance sheet Group

SEKm	Note	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
ASSETS				
Cash and balances with central banks		-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	K13	118	116	71
Loans to credit institutions		4 549	3 916	4 615
Loans to the public	K8, K9	33 322	31 828	29 327
Bonds and other interest-bearing securities	K13	1 072	1 116	2 886
Shares and participating interests	K13	267	321	318
Intangible assets		110	116	140
Tangible assets		156	164	180
Derivatives	K13	-	119	19
Other assets		194	236	171
Prepaid expenses and accrued income		40	44	45
TOTAL ASSETS		39 827	37 977	37 772
LIABILITIES AND EQUITY				
Amounts owed to credit institutions		-	-	69
Deposits and borrowings from the public	K10	32 541	30 855	30 840
Debt securities in issue	K11	149	219	461
Derivatives	K13	142	-	3
Tax provisions		111	123	102
Other liabilities		411	501	391
Accrued expenses and prepaid income		569	513	407
Subordinated liabilities	K11	996	996	995
Total liabilities		34 920	33 207	33 268
Equity attributable to the shareholders of Collector AB		4 907	4 770	4 504
Total equity		4 907	4 770	4 504
TOTAL LIABILITIES AND EQUITY		39 827	37 977	37 772

Statement of changes in equity Group

January - March 2021

SEKm	Attributable to shareholders of the Parent Company				
	Share capital	Other contribut- ed capital	Exchange differenc- es, subsidiar- ies and associates	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2021	21	2 330	-6	2 425	4 770
Total comprehensive income for the period					
of which reported through profit or loss				136	136
of which reported through other comprehensive income			1		1
Closing balance 31 March 2021	21	2 330	-5	2 561	4 907

January - December 2020

SEKm	Attributable to shareholders of the Parent Company				
	Share capital	Other contribut- ed capital	Exchange differenc- es, subsidiar- ies and associates	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2020	10	1 313	-3	2 147	3 467
Equity issuance	10	1 017			1 027
Equity issuance costs incl. tax effect				-13	-13
Total comprehensive income for the period					
of which reported through profit or loss				291	291
of which reported through other comprehensive income			-3		-3
Closing balance 31 December 2020	21	2 330	-6	2 425	4 770

January - March 2020

SEKm	Attributable to shareholders of the Parent Company				
	Share capital	Other contribut- ed capital	Exchange differenc- es, subsidiar- ies and associates	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2020	10	1 313	-3	2 147	3 467
Equity issuance	10	1 017			1 027
Equity issuance costs incl. tax effect				-13	-13
Total comprehensive income for the period					
of which reported through profit or loss				31	31
of which reported through other comprehensive income			-8		-8
Closing balance 31 March 2020	21	2 330	-11	2 165	4 504

Cash flow statement Group

SEKm	Jan-Mar 2021	Full year 2020	Jan-Mar 2020
Operating activities			
Operating profit	173	395	44
Adjustments for non-cash items in operating activities	114	1 268	216
Income taxes paid	-35	-9	-36
Increase/decrease in assets and liabilities from operating activities	390	-1 524	235
Cash flow from operating activities	642	130	459
Investing activities			
Divestment of subsidiaries	51	-	-
Acquisitions/disposals of tangible assets	0	-1	0
Acquisitions/disposals of intangible assets	-9	-38	-8
Cash flow from investing activities	42	-39	-8
Financing activities			
Decrease of liabilities	-7	-29	-8
Equity issuance	-	1 014	1 014
Redemption of interest-bearing securities	-70	-2 380	-2 138
Issuance of interest-bearing securities	-	2	0
Cash flow from financing activities	-77	-1 393	-1 132
Cash and cash equivalents at the start of the period	3 916	5 265	5 265
Cash flow for the period	607	-1 302	-681
Exchange rate differences in cash and cash equivalents	26	-47	31
Cash and cash equivalents at the end of the period	4 549	3 916	4 615

Notes

The stated amounts in the notes are in millions of SEK (SEKm) and at book value unless otherwise stated. The interim report on pages 2-16 constitute an integrated part of this financial report.

K1. General information

Collector AB (publ), company registration number 556560-0797, conducts business in Sweden and in other Nordic countries. The headquarters is located in Gothenburg. The business consists of financial services and credit management. Collector AB is a public company with its registered headquarters in Gothenburg, Sweden. The address of the headquarters is Lilla Bommens Torg 11, SE-411 09 Gothenburg, Sweden. The Parent Company, Collector AB (publ), is

part of the consolidated situation that includes the subsidiaries Collector Bank AB, Collector Payments AB and Collector Payments Finland Oy. All companies are fully consolidated. The whole consolidated situation is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

K2. Accounting policies

ACCOUNTING POLICIES

The interim report is prepared in accordance with IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on the Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2-3 and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7-8), and the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups have been taken into consideration. For the Parent Company, the Swedish Annual Accounts Act (ÅRL) and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities have been applied.

In other regards, the interim report of the Group and the Parent Company is prepared in accordance with the same accounting principles and methods of calculation as those applied in the 2020 Annual Report.

VALUATION OF SEIZED ASSETS TO PROTECT A CLAIM

In a financial restructuring Collector may refrain from a loan receivable and instead seize the asset that served as collateral for the loan. Seized assets may consist of financial assets, properties and other tangible assets.

At inception seized assets are measured at fair value. The fair value at initial recognition becomes the acquisition value. Subsequently, seized assets are measured according to type of asset, with the exception of impairment on tangible seized assets that is reported as gains and losses from divestment of tangible and intangible assets, rather than as depreciation, amortisation and impairment of tangible and intangible assets.

Seized assets are reported within the same balance sheet item as assets of the same asset class that have been acquired in another way. Income and costs related to seized assets shall correspondingly be accounted for as other income and other expenses in the income statement. Property seized to protect a claim is accounted for as rental income, within the item other income, and operating costs, within the item other expenses.

CHANGES IN IFRS

None of the other changes in the accounting regulations issued for application are deemed to have a significant impact on Collector and its financial reports, capital adequacy or large exposures.

K3. Operating segments

Group

SEKm	Q1 2021	
	Private	Corporate
Total income	302	284
Operating profit	45	187
Loans to the public	13 848	19 474
Net interest margin (NIM), %	6,7	5,9

SEKm	Q1 2020	
	Private	Corporate
Total income	285	188
Operating profit	51	75
Loans to the public	13 966	15 361
Net interest margin (NIM), %	6,1	5,1

Group

SEKm	Q4 2020	
	Private	Corporate
Total income	297	266
Operating profit	50	161
Loans to the public	13 792	18 036
Net interest margin (NIM), %	6,6	6,1

SEKm	Full year 2020	
	Private	Corporate
Total income	1 194	926
Operating profit	198	501
Loans to the public	13 792	18 036
Net interest margin (NIM), %	6,4	5,3

K4. Net interest income

Group

SEKm	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Loans to credit institutions	3	2	4	16
Loans to the public ¹⁾	608	579	518	2 178
Interest-bearing securities	0	0	0	0
Other interest income	-	-	-	-
Total interest income	611	581	521	2 193
Amounts owed to credit institutions	-1	-1	-1	-4
Deposits and borrowings from the public	-81	-76	-88	-313
Debt securities in issue	-1	-1	-1	-2
Subordinated liabilities	-16	-16	-19	-69
Other	-	-	-	-
Total interest expense	-98	-94	-110	-388
Net interest income	512	487	412	1 806

¹⁾ Interest income calculated according to the effective interest rate method.

K5. Personnel expenses

Group				
SEKm	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Salaries and other remuneration	-52	-55	-54	-208
Pension costs	-6	-5	-5	-22
Social security costs	-16	-16	-15	-62
Other staff related costs	1	1	-3	-2
Total personnel expenses	-73	-75	-76	-294

K6. Other expenses

Group				
SEKm	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Consultancy expenses	-44	-40	-47	-174
IT expenses	-14	-14	-18	-63
Other purchased services	-21	-20	-28	-89
Postage expenses	-9	-8	-9	-35
Other operating expenses	-20	-35	-25	-117
Total other expenses	-107	-117	-127	-478

K7. Credit losses, net

Group				
SEKm	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Loans at amortized cost				
Credit impairment provisions - Stage 1	-35	2	-1	-40
Credit impairment provisions - Stage 2	0	-36	-13	-62
Credit impairment provisions - Stage 3	-163	-139	-180	-585
Total	-198	-173	-194	-687
Portfolio revaluation - POCI	-1	-11	-1	-73
Impairment gains and losses - POCI	-1	-11	-1	-73
Write-offs	-27	-27	-14	-100
Recoveries	-	0	0	0
Total	-27	-27	-14	-100
Total credit impairment	-225	-211	-209	-859

K8. Loans to the public

Group			
SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
PRIVATE CUSTOMERS			
Total gross carrying amount	17 417	17 216	17 239
of which Stage 1	10 857	10 864	11 055
of which Stage 2	585	615	649
of which Stage 3	5 109	4 846	4 454
of which Stage 3 - POCI ¹⁾	865	891	1 081
Total credit impairment provisions	-2 723	-2 536	-2 192
of which Stage 1	-223	-206	-172
of which Stage 2	-111	-121	-125
of which Stage 3	-2 390	-2 209	-1 896
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, private customers	14 693	14 680	15 047
Private customers			
Provision ratio for loans Stage 1	2,1%	1,9%	1,6%
Provision ratio for loans Stage 2	18,9%	19,7%	19,2%
Provision ratio for loans Stage 3	46,8%	45,6%	42,6%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio, private customers ²⁾	16,5%	15,5%	13,6%
CORPORATE CUSTOMERS			
Total gross carrying amount	19 133	17 596	14 658
of which Stage 1	17 491	15 952	12 639
of which Stage 2	1 080	918	654
of which Stage 3	562	727	1 365
Total credit impairment provisions	-504	-448	-377
of which Stage 1	-63	-43	-41
of which Stage 2	-77	-66	-16
of which Stage 3	-364	-339	-320
Total carrying amount, corporate customers	18 628	17 148	14 281
Corporate customers			
Provision ratio for loans Stage 1	0,4%	0,3%	0,3%
Provision ratio for loans Stage 2	7,2%	7,2%	2,4%
Provision ratio for loans Stage 3	64,7%	46,7%	23,5%
Total provision ratio, corporate customers	2,6%	2,5%	2,6%

K8. Loans to the public, cont.

Group			
SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
TOTAL			
Total gross carrying amount	36 549	34 812	31 897
of which Stage 1	28 348	26 816	23 694
of which Stage 2	1 665	1 533	1 303
of which Stage 3	5 671	5 573	5 819
of which Stage 3 - POCI ¹⁾	865	891	1 081
Total credit impairment provisions	-3 228	-2 984	-2 570
of which Stage 1	-286	-249	-213
of which Stage 2	-188	-187	-141
of which Stage 3	-2 753	-2 548	-2 216
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, Total	33 322	31 828	29 327
Stage 3 loans / Total loans, gross, % ²⁾	15,9%	16,4%	18,9%
Stage 3 loans / Total loans, net, % ²⁾	9,0%	9,8%	12,8%
Total			
Provision ratio for loans Stage 1	1,0%	0,9%	0,9%
Provision ratio for loans Stage 2	11,3%	12,2%	10,8%
Provision ratio for loans Stage 3	48,6%	45,7%	38,1%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio ²⁾	9,0%	8,6%	8,3%

¹⁾ Purchased credit-impaired assets are subject to net accounting from the time of acquisition, consequently no explicit provisioning is shown for these receivables.

²⁾ Excluding purchased credit-impaired assets.

K9. Reconciliation of credit losses provisions for loans

The tables below show reconciliations of provisions for credit losses related to loans to the public.

Group				
SEKm		2021		
	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2021	249	187	2 548	2 984
New and derecognized financial assets, net	191	-390	-220	-419
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-156	390	410	644
Other adjustments	2	1	15	19
Closing balance 31 March 2021	286	188	2 753	3 228

K9. Reconciliation of credit losses provisions for loans, cont.

SEKm	2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance 1 January 2020	213	129	2 029	2 371
New and derecognized financial assets, net	185	-108	450	527
Changes due to changed credit judgement	12	8	40	60
Changes due to change in credit risk	-157	164	103	110
Other adjustments	-4	-6	-74	-84
Closing balance 31 December 2020	249	187	2 548	2 984

SEKm	2020			Total
	Stage 1	Stage 2	Stage 3	
Opening balance 1 January 2020	213	129	2 029	2 371
New and derecognized financial assets, net	-12	-124	88	-48
Changes due to changed credit judgement	12	6	32	50
Changes due to change in credit risk	1	131	58	190
Other adjustments	-1	-1	9	7
Closing balance 31 March 2020	213	141	2 216	2 570

K10. Deposits and borrowings from the public

Group			
SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
EUR	6 111	4 672	5 493
SEK	26 431	26 183	25 347
Total	32 541	30 855	30 840

K11. Debt securities in issue and subordinated liabilities

DEBT SECURITIES IN ISSUE

Group		Mar 31, 2021		Dec 31, 2020		Mar 31, 2020	
SEKm	ISIN	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
Commercial papers, other		149	150	219	220	461	461
Total		149	150	219	220	461	461

SUBORDINATED LIABILITIES

Group		Mar 31, 2021		Dec 31, 2020		Mar 31, 2020	
SEKm	ISIN	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
COLLB 2, MTN 1	SE0010101402	500	500	500	500	499	500
COLLB 3, AT1	SE0012377687	496	500	496	500	495	500
Total		996	1 000	996	1 000	995	1 000

K12. Capital adequacy consolidated situation

Group			
SEKm	Mar 31, 2021		
	Amount	Percentage of risk exposure amount	
Common Equity Tier 1 capital requirement (Pillar 1)	1 614,4	4,5%	
Other Common Equity Tier 1 capital requirement (Pillar 2)	229,5	0,6%	
Buffer requirements	929,0	2,6%	
Total Common Equity Tier 1 (CET1) capital requirement	2 772,9	7,7%	
Common Equity Tier 1 (CET1) capital	4 878,9	13,6%	
Tier 1 capital requirement (Pillar 1)	2 152,5	6,0%	
Other tier 1 capital requirement (Pillar 2)	306,0	0,9%	
Buffer requirements	929,0	2,6%	
Total Tier 1 capital requirement	3 387,5	9,4%	
Tier 1 capital	5 200,0	14,5%	
Capital requirements (Pillar 1)	2 870,0	8,0%	
Other capital requirement (Pillar 2)	408,0	1,1%	
Buffer requirements	929,0	2,6%	
Total capital requirement	4 207,0	11,7%	
Own funds	5 603,7	15,6%	

OWN FUNDS, SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
Capital instruments and the related share premium accounts: Equity	20,5	20,5	20,5
Retained earnings	4 750,1	4 458,2	4 452,5
Non-controlling interests	-	-	-
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	136,4	291,0	30,9
Common Equity Tier 1 capital before regulatory adjustments	4 907,1	4 769,7	4 504,0
Deduction:			
Additional value adjustments	-1,6	-1,7	0,0
Intangible assets	-110,1	-115,7	-140,1
Deferred tax assets	-2,8	-4,1	-11,0
Significant investments in the financial sector	-	-	-
Application of the transitional rules IFRS9	86,3	120,8	120,8
Total regulatory adjustments to Common Equity Tier 1	-28,2	-0,7	-30,4
Common Equity Tier 1 (CET1) capital	4 878,9	4 769,0	4 473,7
Perpetual subordinated loan	321,1	312,8	306,0
Additional Tier 1 instruments	321,1	312,8	306,0
Tier 1 capital	5 200,0	5 081,7	4 779,7
Supplementary capital	403,7	392,3	381,3
Tier 2 capital	403,7	392,3	381,3
Total own funds	5 603,7	5 474,1	5 161,0

K12. Capital adequacy consolidated situation, cont.

	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
RISK EXPOSURE AMOUNT, SEKm			
Credit risks, using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	915,3	794,3	935,1
Funds units exposures	261,8	-	-
Corporate exposures	16 918,3	15 395,1	12 461,6
Retail exposures	8 687,9	8 722,5	9 089,2
Exposures with mortgage in residential property	32,2	35,1	43,6
Exposures in default	4 232,4	4 301,9	5 371,1
Items associated with particularly high risk	510,2	999,2	532,7
Exposures in the form of covered bonds	41,3	41,4	95,3
Equity exposures	-	-	-
Other exposures	413,0	612,3	631,3
Total	32 012,6	30 901,8	29 159,8
Risk exposure amount credit valuation adjustment risk (CVA)	5,5	11,2	11,1
Risk exposure amount market risk	88,3	47,6	584,5
Risk exposure amount operational risk	3 768,9	3 768,9	3 384,5
Total risk exposure amount	35 875,3	34 729,5	33 140,0
CAPITAL REQUIREMENTS, SEKm			
Capital requirement for credit risk using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	73,2	63,5	74,8
Funds units exposures	20,9	-	-
Corporate exposures	1 353,5	1 231,6	996,9
Retail exposures	695,0	697,8	727,1
Exposures with mortgage in residential property	2,6	2,8	3,5
Exposures in default	338,6	344,1	429,7
Items associated with particularly high risk	40,8	79,9	42,6
Exposures in the form of covered bonds	3,3	3,3	7,6
Equity exposures	-	-	-
Other exposures	33,0	49,0	50,5
Total capital requirement for credit risk	2 561,0	2 472,1	2 332,8
Risk exposure amount credit valuation adjustment risk (CVA)	0,4	0,9	0,9
Risk exposure amount market risk	7,1	3,8	46,8
Risk exposure amount operational risk	301,5	301,5	270,8
Total Pillar 1 capital requirement	2 870,0	2 778,4	2 651,2
Concentration risk	244,3	242,4	238,2
Interest rate risk for the banking book	163,7	189,6	135,4
Total Pillar 2 capital requirement	408,0	432,1	373,6
Capital buffers			
Capital conservation buffer	896,9	868,2	828,5
Countercyclical capital buffer	32,1	29,7	30,4
Total capital requirement - Capital buffers	929,0	897,9	858,9
Total capital requirement	4 207,0	4 108,3	3 883,6

K12. Capital adequacy consolidated situation, cont.

CAPITAL REQUIREMENT	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
Capital ratios and capital buffers			
CET1 ratio	13,6%	13,7%	13,5%
Tier 1 capital ratio	14,5%	14,6%	14,4%
Total capital ratio	15,6%	15,8%	15,6%
Institution specific buffert requirement	2,6%	2,6%	2,6%
of which capital conservation buffer	2,5%	2,5%	2,5%
of which countercyclical capital buffer	0,1%	0,1%	0,1%
CET1 available to meet buffers	7,6%	7,8%	7,6%

A review has been carried out of the earnings for January - March 2021, which allows net profit for the period to be included in own funds.

K13. Financial instruments at fair value

The table below contains financial instruments measured at fair value by valuation level. To determine the fair value for financial instruments various methods are used, depending on the degree of observable market data in the valuation and activity in the market.

THE METHODS ARE DIVIDED INTO THREE DIFFERENT LEVELS:

Level 1: Quoted market values

Valuations in Level 1 are determined by reference to unadjusted quoted market prices for identical asset- and liability instruments in active markets where the quoted prices are readily available and the prices represent actual and regularly occurring market transactions on an arm's length basis.

Level 2: Valuation techniques based on observable inputs

In Level 2 valuation techniques, all significant inputs to the valuation models are observable either directly or indirectly. Level 2 valuation techniques include using discounted cash flows, option pricing models, recent transactions and the price of another instrument that is substantially the same.

Level: 3 Valuation techniques with significant unobservable inputs

Level 3 valuation techniques incorporate significant inputs that are unobservable. These techniques are generally based on extrapolating from observable inputs for similar instruments, analysing historical data or other analytical techniques.

Significant transfers and reclassifications between levels

Transfers between the different levels may take place where there are indications that market conditions have changed.

The following table shows the Group's financial assets and liabilities as of 31 March 2021 measured at fair value.

	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	118	-	-	118
Bonds and other interest-bearing securities	1072	-	-	1072
Shares and participating interests	-	5	262	267
Total financial assets	1190	5	262	1456
LIABILITIES				
Derivative instruments	-	142	-	142
Total financial liabilities	-	142	-	142

K13. Financial instruments at fair value, cont.

The following table shows the Group's financial assets and liabilities as of 31 December 2020 measured at fair value.

	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	119	-	119
Treasury bills and other bills eligible for refinancing with central banks, etc.	116	-	-	116
Bonds and other interest-bearing securities	1 116	-	-	1 116
Shares and participating interests	-	5	316	321
Total financial assets	1 232	124	316	1 672

LIABILITIES

Derivative instruments	-	-	-	-
Total financial liabilities	-	-	-	-

The following table shows the Group's financial assets and liabilities as of 31 March 2020 measured at fair value.

	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	19	-	19
Treasury bills and other bills eligible for refinancing with central banks, etc.	71	-	-	71
Bonds and other interest-bearing securities	2 886	-	-	2 886
Shares and participating interests	-	5	313	318
Total financial assets	2 957	24	313	3 294

LIABILITIES

Derivative instruments	-	3	-	3
Total financial liabilities	-	3	-	3

For other financial assets and liabilities, the carrying amount corresponds to the estimated fair value in all material respects.

K14. Related parties

During the period normal business transactions were executed between companies in the Group and between other related parties.

K15. Asset pledged and contingent liabilities

GROUP, ASSETS PLEDGED

SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
For own liabilities and provisions	400	400	800
Total	400	400	800

GROUP, CONTINGENT LIABILITIES

SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
Unutilized credit limits	4 609	3 119	1 526
Total	4 609	3 119	1 526

K16. Events after 31 March 2021

No significant events have occurred since the end of the period.

Income statement Parent Company

SEKm	Q1 2021	Q4 2020	Q1 2020	Full year 2020
Net sales	17	16	22	76
Operating expenses				
Other external expenses	-19	-18	-21	-79
Depreciation/amortisation and impairment of tangible and intangible assets	-1	-1	-1	-4
Operating earnings	-3	-4	0	-8
Earnings from financial items				
Earnings from Participations in Group companies	34	53	-	53
Income from interest and similar items	-	3	-	3
Interest expenses and similar items	0	0	-3	-6
Earnings after financial items	32	53	-3	42
Appropriations				
Appropriations, other	-	11	-	11
Earnings before tax	32	64	-3	53
Tax expense	1	-2	1	-1
Net profit for the period	32	62	-2	52

Balance sheet Parent Company

SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
ASSETS			
Non-current assets			
Intangible assets			
Capitalized expenditure for development work and similar work	1	1	1
	1	1	1
Property, plant and equipment			
Equipment	7	8	11
	7	8	11
Financial non-current assets			
Participating interests in Group companies	2 449	2 750	2 773
Other non-current receivables	5	5	5
Deferred tax asset	1	1	1
	2 455	2 756	2 779
Total non-current assets	2 463	2 765	2 791
Current assets			
Current receivables			
Receivables from Group companies	38	-	-
Other receivables	12	15	39
Prepayments and accrued income	8	14	14
	58	29	53
Cash and bank balances	12	117	22
Total current assets	70	145	75
TOTAL ASSETS	2 533	2 911	2 866

Balance sheet Parent Company

SEKm	Mar 31, 2021	Dec 31, 2020	Mar 31, 2020
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital (205,381,004 shares)	21	21	21
Statutory reserve	18	18	18
Development expenditure fund	1	1	2
	40	40	41
Non-restricted equity			
Share premium reserve	2 343	2 291	2 291
Retained earnings	109	109	108
Net profit for the period	32	52	-2
	2 484	2 451	2 397
Total equity	2 524	2 491	2 438
Untaxed reserves			
Tax allocation reserves	-	-	-
	-	-	-
Non-current liabilities			
Other non-current liabilities	-	-	93
	-	-	93
Current liabilities			
Accounts payable	4	1	4
Liabilities to Group companies	-	413	312
Other current liabilities	2	6	2
Accrued expenses and deferred income	4	2	18
	10	421	336
Total liabilities	10	421	428
TOTAL EQUITY AND LIABILITIES	2 533	2 911	2 866

Statement of changes in equity

Parent Company

2021	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Share premium reserve	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2021	21	18	1	2 291	161	2 491
Transfer of development expenses			0		0	0
Net profit for the period					32	32
Closing balance 31 March 2021	21	18	1	2 291	193	2 524

2020	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Share premium reserve	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2020	10	18	2	1 274	121	1 426
Transfer of development expenses			-1		1	0
Equity issuance	10			1 017		1 027
Equity issuance costs incl. tax effect					-13	-13
Net profit for the period					52	52
Closing balance 31 December 2020	21	18	1	2 291	161	2 491

2020	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Share premium reserve	Retained earnings, incl. net profit for the period	
SEKm						
Opening balance 1 January 2020	10	18	2	1 274	121	1 426
Transfer of development expenses			-1		1	0
Equity issuance	10			1 017		1 027
Equity issuance costs incl. tax effect					-13	-13
Net profit for the period					-2	-2
Closing balance 31 March 2020	20	18	1	2 291	106	2 438

Signatures of the Board of Directors and the CEO

The Board of Directors and the CEO hereby certify that the interim report provides a fair and accurate overview of the operations, position and results of the Parent Company and the Group, and describes the significant risks and uncertainties faced by the Parent Company and the companies in the Group.

This interim report has not been reviewed by the company's auditor.

Gothenburg, April 26, 2021

BOARD OF DIRECTORS & CEO

Erik Selin
Chairman of the Board

Christoffer Lundström
Board member

Charlotte Hybinette
Board member

Ulf Croona
Board member

Marie Osberg
Board member

Bengt Edholm
Board member

Martin Nossman
CEO

Forthcoming corporate events

Annual General Meeting 2021	5 May 2021
Interim report January – June 2021	15 July 2021
Interim report January – September 2021	21 October 2021

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This is information that Collector AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on April 27, 2021 at 7.30 a.m. CET.

