

Q2

INTERIM REPORT
JANUARY–JUNE 2023

collector bank

Interim report January–June 2023

SECOND QUARTER OF 2023

(COMPARED TO THE SECOND QUARTER OF 2022)²⁾

- The loan portfolio amounted to SEK 42,106m (40,795)
- Total income amounted to SEK 926m (751)
- The C/I ratio amounted to 24.9% (27.6)
- The credit loss level amounted to 2.5% (2.4)
- Operating profit amounted to SEK 432m (302)
- Net profit amounted to SEK 342m (237) and earnings per share ¹⁾ amounted to SEK 1.60 (1.11)
- Return on equity amounted to 18.7% (15.5)
- The CET1 ratio amounted to 15.0% (13.4) and the total capital ratio amounted to 16.1% (14.1)

JANUARY-JUNE 2023

(COMPARED TO JANUARY-JUNE 2022)²⁾

- The loan portfolio amounted to SEK 42,106m (40,795)
- Total income amounted to SEK 1,808m (1,474)
- The C/I ratio amounted to 25.4% (27.5)
- The credit loss level amounted to 2.5% (2.3)
- Operating profit amounted to SEK 818m (627)
- Net profit amounted to SEK 647m (494) and earnings per share ¹⁾ amounted to SEK 3.02 (2.31)
- Return on equity amounted to 18.0% (16.7)
- The CET1 ratio amounted to 15.0% (13.4) and the total capital ratio amounted to 16.1% (14.1)

SIGNIFICANT EVENTS AFTER THE PERIOD

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

¹⁾ See pages 4-5

²⁾ Comparative financials for Q2 2022 and the period January-June 2022 refer to the former Collector AB Group, before the merger between Collector AB and Collector Bank AB was completed. See note 2, page 33

collector bank

HIGHLIGHTS SECOND QUARTER OF 2023 (COMPARED TO THE SECOND QUARTER OF 2022)

Loan portfolio

42,106 **+3%**
SEKm

Total income

926 **+23%**
SEKm

C/I ratio

24.9% **-2.7**
percentage points

Net profit

342 **+44%**
SEKm

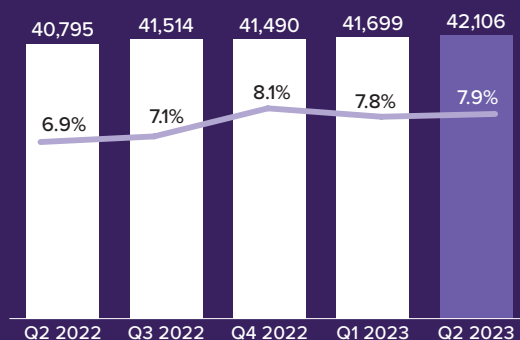
Adj. return on equity

18.7% **+3.2**
percentage points

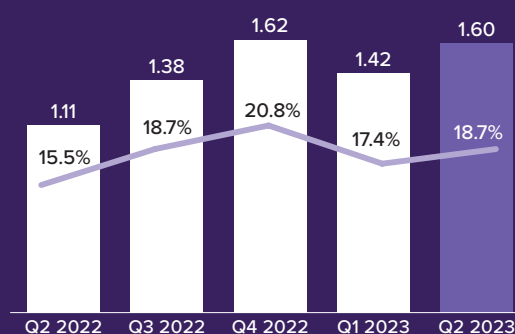
CET1 ratio

15.0% **+1.6**
percentage points

Loan portfolio (SEKm) and NIM (%)



EPS ¹⁾ (SEK) and adj. RoE (%)



¹⁾ Earnings per share after dilution (attributable to the shareholders of Collector Bank AB)

This is Collector Bank

Collector Bank specializes in financing solutions for medium-sized corporates and real estate companies, private individuals and merchants, and is a complement to large traditional banks. The corporate and real estate offering includes corporate lending, factoring and real estate lending. The bank's services for private individuals include personal loans, credit cards and deposit accounts. Checkout and payment solutions, targeting merchants and private individuals, are offered through the brand Walley. The company has offices in Gothenburg (headquarters), Stockholm, Helsingborg, Helsinki and Oslo. Collector Bank AB (publ) is listed on Nasdaq Stockholm.

Key ratios Group

SEKm	Q2 2023	Q1 2023	Δ	Q2 2022	Δ
INCOME STATEMENT					
Net interest income	826	809	2%	681	21%
Total income	926	882	5%	751	23%
Net profit	342	305	12%	237	44%
Earnings per share before dilution, SEK	1.60	1.42	13%	1.11	44%
Earnings per share after dilution, SEK	1.60	1.42	13%	1.11	44%
BALANCE SHEET					
Loans to the public	42,106	41,699	1%	40,795	3%
Deposits and borrowings from the public	38,753	36,442	6%	36,172	7%
Debt securities in issue	2,754	3,243	-15%	3,847	-28%
Subordinated liabilities	-	-	-	-	-
Total equity (shareholders of Collector Bank AB)	7,187	6,860	5%	5,965	20%
KEY RATIOS ¹⁾					
Net interest margin (NIM) - Period ²⁾	7.9%	7.8%		6.9%	
Net interest margin (NIM) - LTM ²⁾	7.7%	7.6%		6.7%	
Credit loss level - Period ²⁾	2.5%	2.6%		2.4%	
Credit loss level - LTM ²⁾	2.5%	2.5%		2.3%	
C/I ratio - Period ²⁾	24.9%	26.0%		27.6%	
C/I ratio - LTM ²⁾	25.1%	25.7%		27.6%	
Return on equity (RoE) - Period ²⁾	18.7%	17.4%		15.5%	
Return on equity (RoE) - LTM ²⁾	18.8%	18.0%		16.2%	
CET1 ratio ³⁾	15.0%	14.6%		13.4%	
Tier 1 ratio ³⁾	16.1%	15.7%		14.1%	
Total capital ratio ³⁾	16.1%	15.7%		14.1%	
Average number of full-time employees	341	328	4%	300	13%
ADJUSTED KEY RATIOS ¹⁾					
Net interest margin (NIM) - Period ²⁾	7.9%	7.8%		6.9%	
Net interest margin (NIM) - LTM ²⁾	7.7%	7.6%		6.7%	
Credit loss level - Period ²⁾	2.5%	2.6%		2.4%	
Credit loss level - LTM ²⁾	2.5%	2.5%		2.3%	
C/I ratio - Period ²⁾	24.9%	26.0%		27.6%	
C/I ratio - LTM ²⁾	25.1%	25.7%		27.6%	
Return on equity (RoE) - Period ²⁾	18.7%	17.4%		15.5%	
Return on equity (RoE) - LTM ²⁾	18.8%	18.1%		16.2%	

¹⁾ See Definitions, pages 19-20, and collector.se/en/about-collector/investors/financial-information/ for more information about key ratios

²⁾ 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 19-20

³⁾ Key ratios according to capital adequacy rules (CRR). See note 12, pages 42-44

Key ratios Group, cont.

SEKm	Jan-Jun 2023	Jan-Jun 2022	Δ	Full year 2022
INCOME STATEMENT				
Net interest income	1,634	1,327	23%	2,899
Total income	1,808	1,474	23%	3,212
Net profit	647	494	31%	1,141
Earnings per share before dilution, SEK	3.02	2.31	31%	5.34
Earnings per share after dilution, SEK	3.02	2.31	31%	5.34
BALANCE SHEET				
Loans to the public	42,106	40,795	3%	41,490
Deposits and borrowings from the public	38,753	36,172	7%	36,842
Debt securities in issue	2,754	3,847	-28%	3,337
Subordinated liabilities	-	-	-	-
Total equity (shareholders of Collector Bank AB)	7,187	5,965	20%	6,570
KEY RATIOS ¹⁾				
Net interest margin (NIM) - Period ²⁾	7.8%	6.9%		7.5%
Net interest margin (NIM) - LTM ²⁾	7.7%	6.7%		7.5%
Credit loss level - Period ²⁾	2.5%	2.3%		2.4%
Credit loss level - LTM ²⁾	2.5%	2.3%		2.4%
C/I ratio - Period ²⁾	25.4%	27.5%		25.9%
C/I ratio - LTM ²⁾	25.1%	27.6%		25.9%
Return on equity (RoE) - Period ²⁾	18.0%	16.7%		18.3%
Return on equity (RoE) - LTM ²⁾	18.8%	16.2%		18.3%
CET1 ratio ³⁾	15.0%	13.4%		14.3%
Tier 1 ratio ³⁾	16.1%	14.1%		15.4%
Total capital ratio ³⁾	16.1%	14.1%		15.4%
Average number of full-time employees	335	299	12%	308
ADJUSTED KEY RATIOS ¹⁾				
Net interest margin (NIM) - Period ²⁾	7.8%	6.9%		7.5%
Net interest margin (NIM) - LTM ²⁾	7.7%	6.7%		7.5%
Credit loss level - Period ²⁾	2.5%	2.3%		2.4%
Credit loss level - LTM ²⁾	2.5%	2.3%		2.4%
C/I ratio - Period ²⁾	25.4%	27.5%		25.9%
C/I ratio - LTM ²⁾	25.1%	27.6%		25.9%
Return on equity (RoE) - Period ²⁾	18.0%	16.6%		18.2%
Return on equity (RoE) - LTM ²⁾	18.8%	16.2%		18.2%

¹⁾ See Definitions, pages 19-20, and collector.se/en/about-collector/investors/financial-information/ for more information about key ratios

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A comment from our CEO

The macroeconomic environment continues to be characterized by inflation and rate hikes. Expectations have once again been revised and now include a more protracted and higher interest rate path than before. Despite an uncertain and cautious macroeconomic environment, Collector Bank continues to deliver stable results with a solid financial situation.

Interest among existing and potential corporate and real estate clients remains solid. Transaction activity however remains on a lower level driven by a cautious market sentiment coupled with continued selectivity within the bank.

The Consumer segment shows solid development. Credit quality in new sales has improved and during the quarter we have also reached record levels for new sales through own channels.

Payments continues to show relatively stronger growth than the market as both new and existing merchants have shown relatively stronger performance compared to the market. During the quarter, we have signed new agreements with two large merchants: Komplet Group and Kitchentime. Komplet Group is the largest online merchant for home electronics, and we hence strengthen our position as a payment services provider within the industry.

Summary of the result of the second quarter of 2023

Interest income continues to be positively affected by the higher policy rate environment, primarily driven by the Corporate and Real Estate segments. The second quarter is also a seasonally strong quarter for the Consumer segment. Competition in the deposit market remains high, which has resulted in higher funding costs during the quarter. We continue to show solid cost control and the C/I ratio amounted to 24.9% during the quarter. The C/I ratio has remained on a stable level during the past year. The credit loss level amounted to 2.5% during the quarter. We remain conservative with regards to our credit loss provisioning and increase our provisioning levels. Return on equity amounted to 18.7% during the quarter. We consequently continue to show financial stability and maintain solid underlying profitability for the bank.

Collector Bank becomes Norion Bank

At the Annual General Meeting 4 May 2023, our shareholders approved the proposal to change the corporate name from Collector Bank to Norion Bank. We have also received approval from the Swedish Financial Supervisory Authority, and the formal change of corporate name is planned for 5 September 2023.

The name change reflects the strategic changes we have made in recent years in terms of streamlining the business and a clear focus on balanced and profitable growth. The purpose of a new corporate name, and the establishment of a new brand, is to clarify our customer offering and to optimize opportunities for all our business areas. The business will, starting in the fall, be conducted under three different brands: Norion Bank, Collector and Walley.

Martin Nossman
CEO

MARTIN NOSSMAN, CEO

"Stability in a
cautious market"



The Group's development

Total income for the second quarter of 2023

Total income amounted to SEK 926 million (751) corresponding to an increase of 23% compared to last year. Net interest income increased by 21% compared to the previous year and amounted to SEK 826 million (681). Higher market rates have had a positive impact on interest income. Funding costs have also increased following higher policy rates and gradually increased competition in the deposit market. The net interest margin amounted to 7.9% (6.9). Net commission income decreased by 2% compared to last year and amounted to SEK 76 million (78). Net gains and losses on financial items amounted to SEK 14 million (-16). Other income amounted to SEK 11 million (8). The business has developed positively compared to the second quarter of 2022 with the Corporate and Real Estate segments having contributed strongly. The second quarter is also a seasonally strong quarter primarily driven by the Consumer segment.

Total income for the period January-June 2023

Total income amounted to SEK 1,808 million (1,474) during the period January-June 2023, corresponding to an increase of 23% compared to last year. Net interest income amounted to SEK 1,634 million (1,327) during the period January-June 2023, corresponding to an increase of 23%. The net interest margin amounted to 7.8% (6.9) during the period January-June 2023. Net commission income amounted to SEK 148 million (155) during January-June 2023, corresponding to a decrease of 4% compared to last year. Net gains and losses on financial items amounted to SEK 5 million (-28). Other income amounted to SEK 20 million (19).

Total expenses

Total expenses amounted to SEK 459 million (405) during the period January-June 2023, of which SEK 231 million (208) pertain to the second quarter of 2023. The C/I ratio for the period January-June 2023 amounted to 25.4% (27.5) and to 24.9% (27.6) in the second quarter of 2023. Collector Bank hence continues to prove solid cost control.

Loan portfolio

The total loan portfolio amounted to SEK 42,106 million (40,795) by the end of the second quarter of 2023, corresponding to an increase of 3% compared to last year and an increase of 1% compared to the previous quarter. The Corporate loan portfolio has decreased by 4% compared to the previous year and decreased by 2% compared to the previous quarter. The Real Estate loan portfolio has increased by 13% compared to the previous year and increased by 2% compared to the previous quarter. The Consumer loan portfolio has decreased by 4% compared to the previous year and increased by 1% compared to the previous quarter. The Payments loan portfolio has increased by 5% compared to the previous year and increased by 9% compared to the previous quarter. Out of the total loan portfolio, Corporate amounted to 23% (25), Real Estate amounted to 45% (41), Consumer amounted to 25% (27), Payments amounted to 6% (6) and Other amounted to 1% (2) by the end of the quarter.

Credit losses

The credit loss level for the period January-June 2023 amounted to 2.5% (2.3) and to 2.5% (2.4) in the second quarter of 2023. Credit losses during the second quarter of 2022 include a write-down of purchased debt portfolios of SEK 51 million. The credit loss level for the underlying banking operations is presented on page 9.

Operating profit, net profit, EPS and RoE

Operating profit amounted to SEK 818 million (627) during the period January-June 2023 and to SEK 432 million (302) in the second quarter of 2023. Net profit amounted to SEK 647 million (494) during the period January-June 2023 and to SEK 342 million (237) in the second quarter of 2023. Earnings per share amounted to SEK 3.02 (2.31) during the period January-June 2023 and to SEK 1.60 (1.11) in the second quarter of 2023. Return on equity amounted to 18.0% (16.7) during the period January-June 2023 and to 18.7% (15.5) in the second quarter of 2023.

Non-recurring items

Non-recurring items are defined as income and expenses that are not expected to appear on a regular basis.

2023

There were no non-recurring items in the first or second quarter of 2023.

2022

There were no non-recurring items in the first, second, third or fourth quarter of 2022.

Liquidity

Collector Bank's total liquidity amounted to SEK 7,324 million (6,015) as of 30 June 2023. Total liquidity consists of a liquidity portfolio (Bonds and other interest-bearing securities) and other liquid assets (Loans to credit institutions). The liquidity portfolio consists of highly liquid assets, e.g. municipal bonds, covered bonds and government issued securities, and amounted to SEK 3,329 million (2,814) as of 30 June 2023. Other liquid assets mainly consist of deposit accounts with Nordic banks and amounted to SEK 3,995 million (3,201) as of 30 June 2023.

Funding

Deposits and borrowings from the public amounted to approximately 76% (76) of Collector Bank's balance sheet, which by the end of the period amounted to SEK 38,753 million (36,172). This is the primary source of funding for the Group. Senior unsecured bonds issued amounted to SEK 2,705 million (2,973). Commercial papers issued amounted to SEK 49 million (874).

Capital adequacy

Collector Bank 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 for Collector Bank AB has been performed, and Collector Bank has been allowed to include net profit in the Common Equity Tier 1 capital. Collector Bank has previously issued a hybrid capital instrument in the form of an Additional Tier 1 bond of SEK 500 million. Over time, Collector Bank aims to work with an efficient capital planning strategy, which includes issuance of both Additional Tier 1 and Tier 2 instruments. At the end of the period, the risk-weighted exposure amount was SEK 46,162 million (44,099). As of 30 June 2023, the CET1 ratio amounted to 15.0% (13.4), the Tier 1 ratio to 16.1% (14.1) and the total capital ratio to 16.1% (14.1).

The macroeconomic environment

Central Banks all around the world have carried out policy rate increases at a pace never seen before. The policy rate increases have however not managed to curb inflation which remains at a high level, in which energy and food prices have played a large role. The market expects additional rate hikes in order to reduce the inflation rate and macroeconomic forecasts have as a consequence been revised down.

Credit loss level (%)	Q2 2023	Q2 2022	Jan-Jun 2023	Jan-Jun 2022
Reported	2.5%	2.4%	2.5%	2.3%
Reported, excl. purchased debt portfolios	2.5%	1.9%	2.5%	2.0%



DEVELOPMENT IN THE CORPORATE SEGMENT

Continued cautious market



Loan portfolio

The loan portfolio of the Corporate segment amounted to SEK 9,608 million (10,055), corresponding to a decrease of 4% over the previous year and a decrease of 2% over the previous quarter. The Corporate segment accounted for 23% (25) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 191 million (158) during the quarter and to SEK 382 million (309) during the period January-June 2023. The net interest margin (NIM) amounted to 7.7% compared to 6.5% in the same quarter last year and 7.9% in the previous quarter. The NIM amounted to 7.7% (6.6) during the period January-June 2023. The total income margin amounted to 7.9% compared to 6.6% in the same quarter last year and 7.5% in the previous quarter. The total income margin amounted to 7.6% (6.8) during the period January-June 2023. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

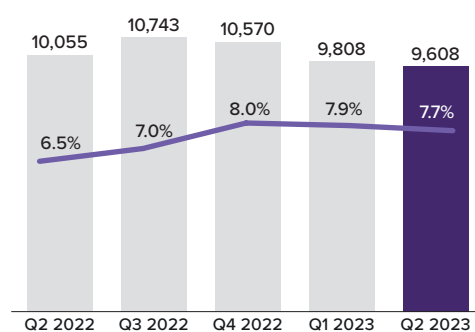
Interest among existing and potential clients is well maintained. Client interaction frequency has been relatively high, whereas transaction activity continued to be muted following a cautious market sentiment. On the back of the uncertain macroeconomic backdrop, Collector Bank has also applied a more selective approach with regards to completed transactions. Collector Bank has an attractive position within the Corporate segment which is one of the company's focus areas going forward.

Corporate

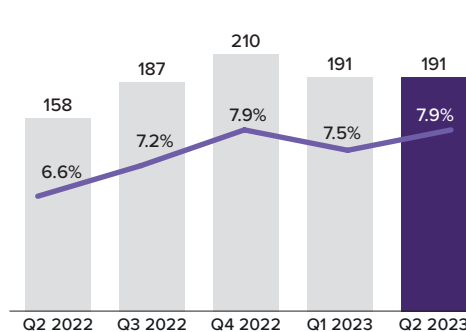
Collector Bank offers corporate loans and factoring solutions with particular focus on small and medium-sized enterprises in Sweden, Norway and Finland in a wide range of industries. Corporate loans are issued to companies against collateral. Factoring solutions primarily comprise purchasing of invoices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

CORPORATE

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split ¹⁾



Sweden, 38%
Norway, 24%
Finland, 22%
Other, 16%

Industry split ¹⁾



Financial services & Investment companies, 23%
Wholesale & Retail, 22%
Manufacturing, 22%
Business services, 19%
Information & Communication, 4%
Other, 10%

48 SEKm

Average loan in the portfolio ²⁾

17

Average remaining maturity (months) ²⁾

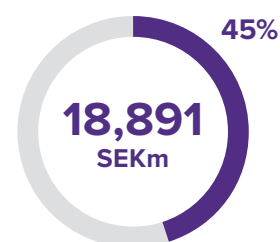
¹⁾ Based on the Corporate loan portfolio as of 30 June 2023

²⁾ Corporate lending



DEVELOPMENT IN THE REAL ESTATE SEGMENT

Adaptation to the new market situation



Loan portfolio

The loan portfolio of the Real Estate segment amounted to SEK 18,891 million (16,758), corresponding to an increase of 13% over the previous year and an increase of 2% over the previous quarter. The Real Estate segment accounted for 45% (41) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 323 million (234) during the quarter and to SEK 650 million (465) during the period January-June 2023. The net interest margin (NIM) amounted to 6.6% compared to 5.6% in the same quarter last year and 7.3% in the previous quarter. The NIM amounted to 7.0% (6.0) during the period January-June 2023. The total income margin amounted to 6.9% compared to 5.8% in the same quarter last year and 7.3% in the previous quarter. The total income margin amounted to 7.2% (6.1) during the period January-June 2023. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period.

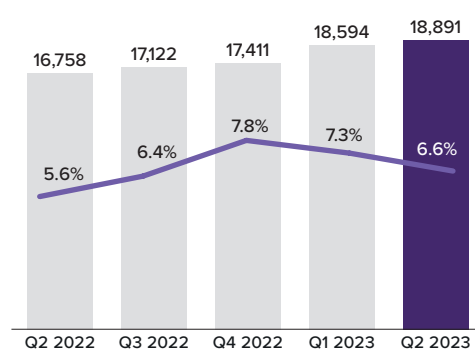
Transaction activity remained muted following the decline during the end of last year. Market participants still have to adapt to the new financial environment and demand is driven by i.a. lower activity on the bond market. On the back of the macroeconomic developments and declining market sentiment, Collector Bank has applied a more selective approach with regards to completed transaction. The market sentiment has therefore had an impact on the loan book growth. The majority of the Real Estate portfolio still constitutes of senior loans, which amounted to 61% (66) by the end of the quarter.

Real Estate

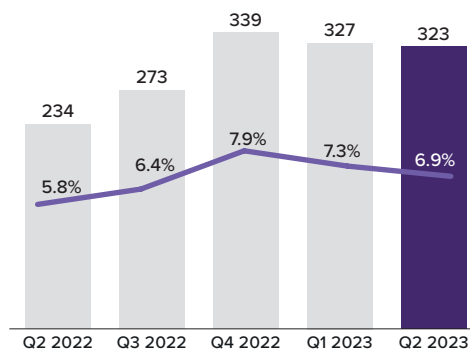
Collector Bank offers real estate loans focusing on metropolitan areas and university cities in the Nordic region and Germany. Real estate loans are issued to companies against collateral. Collector Bank offers both junior and senior lending. Financing is provided mainly for residential properties but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

REAL ESTATE

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

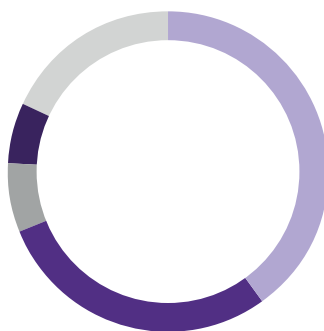


Geographic split ¹⁾



Sweden, 48%
Germany, 22%
Finland, 16%
Denmark, 10%
Other, 5%

Industry split ¹⁾



Residential, 40%
Office, 29%
Warehouse, 7%
Retail, 6%
Other, 18%

131 SEKm

Average loan in the portfolio

14

Average remaining maturity (months)

Share of senior loans

61%

Share of junior loans

39%

Average LTV – senior loans

61%

Average LTV – junior loans

71%

¹⁾ Based on the Real Estate loan portfolio as of 30 June 2023



DEVELOPMENT IN THE CONSUMER SEGMENT

Solid new sales development



Loan portfolio

The loan portfolio of the Consumer segment amounted to SEK 10,441 million (10,844), corresponding to a decrease of 4% over the previous year and an increase of 1% over the previous quarter. The Consumer segment accounted for 25% (27) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 235 million (240) during the quarter and to SEK 442 million (459) during the period January-June 2023. The second quarter is a seasonally strong income quarter. The net interest margin (NIM) amounted to 8.5% compared to 8.2% in the same quarter last year and 7.4% in the previous quarter. The NIM amounted to 8.0% (7.7) during the period January-June 2023. The total income margin amounted to 9.1% compared to 8.7% in the same quarter last year and 8.0% in the previous quarter. The total income margin amounted to 8.5% (8.3) during the period January-June 2023.

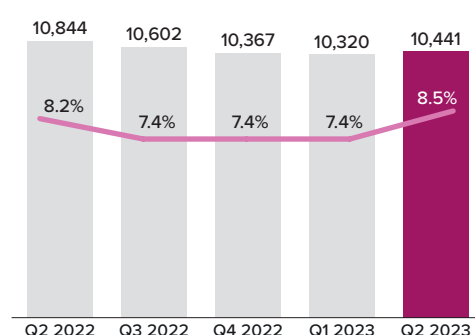
Loan book volumes have been declining during the last few years given Collector Bank's focus on increasing profitability within the segment. Interest rate increases have been made during the last quarters to compensate for increased funding costs due to higher policy rates. The focus on improving credit quality in new sales and increasing sales through own channels have yielded results. Going forward, Collector Bank continues to prioritize higher profitability over volume growth within the segment.

Consumer

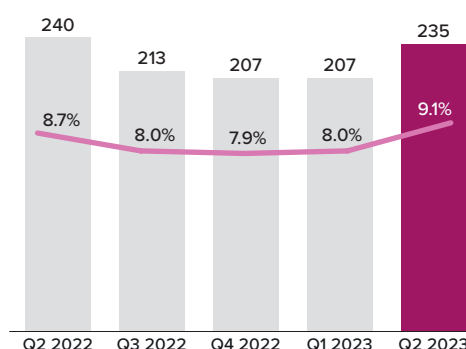
Collector Bank offers unsecured loans to private individuals of up to SEK 500,000 in Sweden and up to EUR 25,000 in Finland. Sales is mainly made through loan intermediaries but also through the bank's own channels. Collector Bank also offers credit cards, with a maximum credit limit of SEK 100,000.

CONSUMER

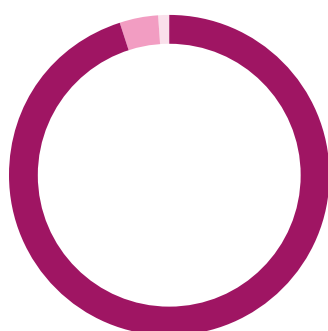
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split ¹⁾



Sweden, 95%
Finland, 4%
Norway, 1%

Average customer
Personal loans



211,000

Average loan new sales
(SEK, LTM)

149,000

Average loan in the portfolio (SEK)

~30%

Sales through own channels

49,000

Customers

24,000

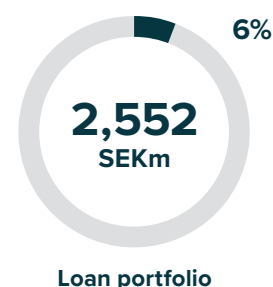
Cards outstanding

¹⁾ Based on the Consumer loan portfolio as of 30 June 2023



DEVELOPMENT IN THE PAYMENTS SEGMENT

Stable volume development and agreements signed with new large merchants



The loan portfolio of the Payments segment amounted to SEK 2,552 million (2,426), corresponding to an increase of 5% over the previous year and an increase of 9% over the previous quarter. The Payments segment accounted for 6% (6) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 109 million (123) during the quarter and to SEK 222 million (248) during the period January-June 2023. The net interest margin (NIM) amounted to 7.9% compared to 9.8% in the same quarter last year and 8.1% in the previous quarter. The NIM amounted to 7.7% (9.3) during the period January-June 2023. The total income margin amounted to 17.8% compared to 20.7% in the same quarter last year and 18.9% in the previous quarter. The total income margin amounted to 17.7% (20.4) during the period January-June 2023.

Transaction volumes amounted to SEK 3,646 million (3,559) during the second quarter of 2023, which corresponds to an increase of 2% compared to the same quarter last year. Transaction volumes amounted to SEK 6,773 million (6,750) during the period January-June 2023, which is unchanged from the same period last year. Transaction volumes remain at stable levels despite continued challenging conditions for the e-commerce market. The Payments segment hence continues to show relatively stronger growth than the market as both new and existing merchants have shown relatively stronger performance compared to the market. During the quarter, agreements have been signed with Komplet Group and Kitchentime. Komplet Group is the largest online merchant for home electronics, and Walley hence strengthens its position as a payment provider within the industry. Profitable growth, in combination with satisfied merchants and end customers, remains as core focus for the Payments segment.

Payments

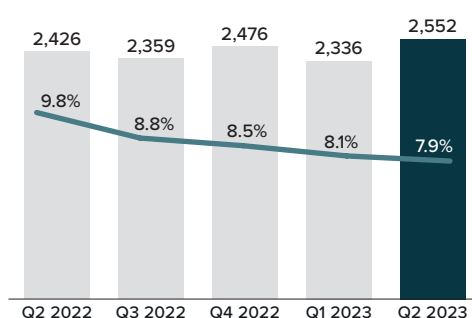
Collector Bank offers payment and checkout solutions to e-commerce and retail chains, primarily in Sweden, Finland and Norway, as well as invoicing and payment by instalment services for private individuals. Collector Bank offers specialized solutions focusing on the merchant's strategy and brand, primarily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

Since Q3 2021 the business is conducted through the brand Walley.

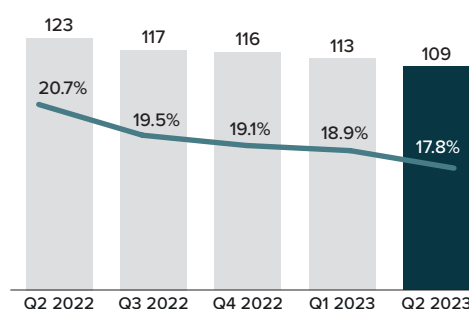
walley

PAYMENTS

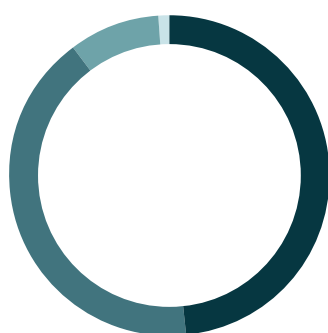
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

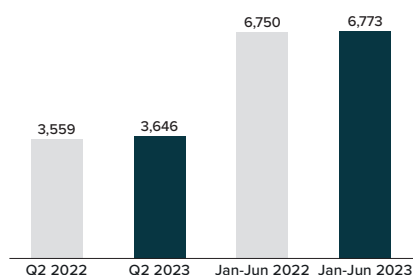


Geographic split ¹⁾



Sweden, 48%
 Finland, 41%
 Norway, 9%
 Denmark, 1%

Transaction volumes (SEKm)



Q2 2023 (Q2 2022)	+2% % change
Jan-Jun 2023 (Jan-Jun 2022)	0% % change

4.5 M
Active customers (LTM)

1,100
Average ticket size (SEK)

¹⁾ Based on the Payments loan portfolio as of 30 June 2023

Other information

Material risks and uncertainty factors

Through its operations, Collector Bank 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 Bank's Annual Report. There have been no significant changes since the publication of the annual report, except as reported in this interim report.

A company regulated by the Swedish Financial Supervisory Authority

Collector Bank AB (publ) has a license to conduct banking operations. The Bank conducts business in Sweden and through branches in Norway and Finland. Collector Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

Employees

During the quarter, the average number of full-time employees (FTE) amounted to 341, which corresponds to an increase of 13% compared to the corresponding quarter last year. The number of full-time employees includes employees on fixed-term contracts, but not employees on parental leave or a leave of absence.

The Collector Bank share

Collector Bank's share ("COLL") is listed on Nasdaq Stockholm. As of 30 June 2023, the closing price for the Collector Bank share was SEK 29.15, corresponding to a market capitalization of SEK 6.0 billion. There were approximately 10,500 shareholders at the end of the period.

Shareholders at 30 June 2023	%
Fastighets AB Balder	44.1%
Erik Selin	17.7%
StrategiQ Capital AB	6.9%
State Street Bank and Trust Company	4.6%
Helichrysum Gruppen AB	3.3%
Nordnet Pensionsförsäkring	2.6%
JME Invest AB	2.0%
SEB AB	1.5%
Vante AB	1.4%
Avanza Pension	1.3%
Other shareholders	14.7%
Total	100.0%

Share capital

As of 30 June 2023, 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.

Presentation for investors and analysts

A conference call will be held on 13 July 2023 at 09:30 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 on <https://ir.financialhearings.com/collector-bank-q2-2023>. For those who wish to participate in the conference call, please register on the following link: <https://conference.financialhearings.com/teleconference/?id=200814>. After registration, you will be provided a phone number and a conference ID to access the conference call. The presentation material will be in English and be available prior to the presentation on the 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 Bank when relevant for monitoring and describing the bank's financial situation and enhance comparability between the periods. Collector Bank 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. See collector.se/en/about-collector/investors/financial-information/ for more information about key ratios.

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 ⁹⁾

Earnings per share after dilution⁹⁾

Net profit for the period attributable to the shareholders of Collector Bank AB in relation to average number of shares outstanding after dilution for the period.

Earnings per share before dilution⁹⁾

Net profit for the period attributable to the shareholders of Collector Bank AB 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 attributable to the shareholders of Collector Bank AB in relation to average equity attributable to the shareholders of Collector Bank AB for the period.

Return on equity (RoE) - LTM

Net profit attributable to the shareholders of Collector Bank AB for the last twelve months in relation to average equity attributable to the shareholders of Collector Bank AB for the last twelve months.

Adjusted return on equity (RoE) - Period

Net profit for the period attributable to the shareholders of Collector Bank AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector Bank AB for the period. For relevant periods prior to the intra-group merger between Collector Bank AB and Collector AB, the calculation includes net profit for the period attributable to the shareholders of Collector AB, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the period.

⁹⁾ Not alternative performance measures.

Definitions cont.

Adjusted return on equity (RoE) - LTM

Net profit attributable to the shareholders of Collector Bank AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector Bank AB for the last twelve months. For relevant periods prior to the intra-group merger between Collector Bank AB and Collector AB, the calculation includes net profit attributable to the shareholders of Collector AB for the last twelve months, adjusted for non-recurring items, in relation to average equity attributable to the shareholders of Collector AB for the last twelve months.

Total income margin

Total income margin - Period

Total income for the period in relation to average loans to the public for the period.

Other

Adjusted net interest income

Net interest income adjusted for non-recurring items.

Adjusted total income

Total income adjusted for non-recurring items.

Adjusted total expenses

Total expenses adjusted for non-recurring items.

Adjusted operating profit

Operating profit adjusted for non-recurring items.

Adjusted net profit

Net profit attributable to the shareholders of the parent company 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, pages 8-9.

CET1 ratio (Common Equity Tier 1 ratio) ²⁾

Common Equity Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 42-44.

Tier 1 ratio ²⁾

Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 42-44.

Total capital ratio ²⁾

Total own funds in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 12, pages 42-44.

Average number of full-time employees

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

²⁾ Key ratios according to capital adequacy rules (CRR).



Income statement Group

Group

		Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	Note	2023	2023	2022 ⁵⁾	2023	2022 ⁵⁾	2022
Interest income ¹⁾		1 125	1 040	782	2 165	1 523	3 385
Interest expense ²⁾		-299	-232	-101	-531	-197	-486
Net interest income		826	809	681	1 634	1 327	2 899
Commission income		87	83	88	170	177	342
Commission expense		-11	-11	-11	-22	-21	-43
Net commission income		76	72	78	148	155	299
Net gains and losses on financial items		14	-9	-16	5	-28	-24
Other income ³⁾		11	9	8	20	19	39
Total income		926	882	751	1 808	1 474	3 212
Personnel expenses ³⁾		-93	-90	-82	-183	-158	-321
Other expenses ³⁾		-121	-122	-110	-243	-216	-448
Depreciation/amortization and impairment of tangible and intangible assets ³⁾		-17	-17	-15	-34	-31	-63
Total expenses		-231	-229	-208	-459	-405	-832
Profit before credit losses		696	653	544	1 348	1 069	2 381
Credit losses, net		-263	-268	-241	-531	-441	-938
Operating profit		432	385	302	818	627	1 442
Tax expense		-90	-80	-65	-170	-133	-302
Net profit for the period		342	305	237	647	494	1 141
<i>Portion of net profit for the period attributable to:</i>							
shareholders of Collector Bank AB		328	291	227	620	474	1 097
additional Tier 1 capital holders		14	13	10	28	20	44
Earnings per share, before dilution, SEK ⁴⁾		1,60	1,42	1,11	3,02	2,31	5,34
Earnings per share, after dilution, SEK ⁴⁾		1,60	1,42	1,11	3,02	2,31	5,34

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

²⁾ Interest expenses for issued tier 1 capital instruments are reported in equity.

³⁾ IFRS 16 Leases started to be applied from quarter 3, 2022 in Collector Bank AB. The group's leasing agreement has been taken over with the merger of Collector AB and consists mostly of office premises and to a lesser extent vehicles. All right-of-use assets are reported under the item Tangible fixed assets and leasing liabilities under the item Other liabilities in the balance sheet.

⁴⁾ On May 4, 2022, a reverse share split and a split were carried out before the merger of Collector AB to achieve the 1:1 exchange ratio. After the share split, the total number of shares in Collector Bank AB amount to 205 381 004. Historical data for the total number of shares in this report have been adjusted in accordance with IAS 33.

⁵⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Statement of comprehensive income

Group

Group		Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	Note	2023	2023	2022 ⁵¹	2023	2022 ⁵¹	2022
Net profit for the period reported via income statement		342	305	237	647	494	1 141
Items that have been or may be reclassified to the income statement							
Exchange rate differences on translation of foreign currency		0	-2	0	-2	1	2
Other comprehensive income for the period, net of tax		0	-2	0	-2	1	2
Total comprehensive income for the period		342	303	237	645	495	1 143
<i>Portion of total comprehensive income for the period attributable to:</i>							
shareholders of Collector Bank AB		328	290	227	617	475	1 099
additional Tier 1 capital holders		14	13	10	28	20	44

Balance sheet Group

Group

SEKm	Note	Jun 30	Dec 31	Jun 30
		2023	2022	2022 ¹⁾
ASSETS				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	506	267	144
Loans to credit institutions		3 995	3 050	3 201
Loans to the public	8, 9	42 106	41 490	40 795
Bonds and other interest-bearing securities	13	3 329	2 970	2 814
Shares and participating interests	13	640	533	523
Intangible assets		86	79	94
Tangible assets		125	137	125
Derivatives	13	-	-	-
Other assets		83	68	42
Prepaid expenses and accrued income		127	82	62
Total assets		50 996	48 676	47 799
LIABILITIES AND EQUITY				
Deposits and borrowings from the public	10	38 753	36 842	36 172
Debt securities in issue	11	2 754	3 337	3 847
Derivatives	13	35	7	3
Other liabilities		835	687	601
Accrued expenses and prepaid income		931	733	710
Total liabilities		43 308	41 606	41 334
Equity attributable to additional Tier 1 capital holders		500	500	500
Equity attributable to the shareholders of Collector Bank AB		7 187	6 570	5 965
Total equity		7 687	7 070	6 465
Total liabilities and equity		50 996	48 676	47 799

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Statement of changes in equity Group

Group

January - June 2023

SEKm	Equity attributable to the shareholders of Collector Bank AB						Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and as- sociates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instru- ments holders ¹⁾	
Opening balance 1 January 2023	149	5	-2	6 418	6 570	500	7 070
Comprehensive income for the period							
Profit for the period				620	620	28	647
Other comprehensive income for the period			-2		-2		-2
Total comprehensive income for the period			-2	620	617	28	645
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-28	-28
Total transactions reported directly in equity						-28	-28
Closing balance 30 June 2023	149	5	-5	7 038	7 187	500	7 687

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments, that is to say no obligation to pay interest.

Group

January - December 2022

SEKm	Equity attributable to the shareholders of Collector Bank AB						Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and as- sociates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instru- ments holders ¹⁾	
Opening balance 1 January 2022	149	5	-4	5 266	5 416	500	5 916
Comprehensive income for the period							
Profit for the period				1 097	1 097	44	1 141
Other comprehensive income for the period			2		2		2
Total comprehensive income for the period			2	1 097	1 099	44	1 143
Transactions reported directly in equity							
Additional Tier 1 instruments redeemed						-44	-44
Collector AB merger				55	55		55
Total transactions reported directly in equity				55	55	-44	11
Closing balance 31 December 2022	149	5	-2	6 418	6 570	500	7 070

Statement of changes in equity Group, cont.

Group

January - June 2022¹⁾

SEKm	Equity attributable to the shareholders of Collector AB				Total	Additional Tier 1 instru- ments holders ¹⁾	Total equity
	Share capital	Other contributed capital	Exchange differences, subsidiaries and asso- ciates	Retained earnings, incl. net profit for the period			
Opening balance 1 January 2022	21	2 330	-7	3 147	5 490	500	5 990
Comprehensive income for the period							
Profit for the period				474	474	20	494
Other comprehensive income for the period			1		1		1
Total comprehensive income for the period			1	474	475	20	495
Transactions reported directly in equity in equity							
Additional Tier 1 instruments redeemed						-20	-20
Total transactions reported directly in equity						-20	-20
Closing balance 30 June 2022	21	2 330	-6	3 621	5 965	500	6 465

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Cash flow statement Group

Group

	Jan-Jun	Full year	Jan-Jun
SEKm	2023	2022	2022 ¹⁾
Operating activities			
Operating profit	818	1 442	627
Adjustments for non-cash items in operating activities	765	862	356
Income taxes paid	-71	-156	-69
Increase/decrease in assets and liabilities from operating activities	-23	-1 871	-1 065
Cash flow from operating activities	1 489	277	-151
Investing activities			
Acquisitions/disposals of tangible assets	0	-1	-1
Acquisitions/disposals of intangible assets	-23	-38	-19
Cash flow from investing activities	-23	-39	-20
Financing activities			
Decrease of liabilities	-15	-31	-15
Additional Tier 1 instruments	-28	-44	-20
Redemption of interest-bearing securities	-600	-4 384	-3 468
Issuance of interest-bearing securities	49	1 970	1 578
Cash flow from financing activities	-594	-2 489	-1 925
Cash and cash equivalents at the start of the period	3 050	5 228	5 247
Cash flow for the period	872	-2 251	-2 096
Exchange rate differences in cash and cash equivalents	73	73	50
Cash and cash equivalents at the end of the period	3 995	3 050	3 201
Paid and received interest of which is included in the cash flow from operating activities			
Interest paid	380	454	204
Interest received	2 142	3 384	1 524

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Income statement Parent Company

Collector Bank AB

SEKm	Note	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
		2023	2023	2022	2023	2022	2022
Interest income ¹⁾		1 125	1 040	782	2 165	1 523	3 385
Interest expense ²⁾		-299	-232	-101	-531	-197	-486
Net interest income	4	826	809	681	1 634	1 327	2 899
Commission income		87	83	88	170	177	342
Commission expense		-11	-11	-11	-22	-21	-43
Net commission income		76	72	78	148	155	299
Net gains and losses on financial items		14	-9	-16	5	-28	-24
Other income		11	9	10	20	20	40
Total income		926	882	752	1 808	1 475	3 213
Personnel expenses	5	-93	-90	-82	-183	-158	-321
Other expenses	6	-120	-122	-118	-243	-227	-448
Depreciation/amortization and impairment of tangible and intangible assets		-17	-17	-7	-34	-15	-63
Total expenses		-230	-229	-207	-459	-400	-832
Profit before credit losses		696	653	545	1 348	1 075	2 382
Credit losses, net	7	-263	-268	-241	-531	-441	-938
Operating profit		432	385	304	818	633	1 443
Appropriations		0	-	-	0	-	-277
Tax expense		-90	-80	-64	-170	-133	-246
Net profit for the period		342	305	240	647	500	920
<i>Portion of net profit for the period attributable to:</i>							
shareholders of Collector Bank AB		328	291	230	619	480	876
additional Tier 1 capital holders		14	13	10	28	20	44

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

²⁾ Interest expenses for issued tier 1 capital instruments are reported in equity. Comparison periods are recalculated.

Statement of comprehensive income

Parent Company

Collector Bank AB

		Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	Note	2023	2023	2022	2023	2022	2022
Net profit for the period reported via income statement		342	305	240	647	500	920
Items that have been or may be reclassified to the income statement							
Exchange rate differences on translation of foreign currency		0	-2	0	-2	1	1
Other comprehensive income for the period, net of tax		0	-2	0	-2	1	1
Total comprehensive income for the period		342	303	240	645	501	921
<i>Portion of total comprehensive income for the period attributable to:</i>							
shareholders of Collector Bank AB		328	290	230	617	481	877
additional Tier 1 capital holders		14	13	10	28	20	44

Balance sheet Parent Company

Collector Bank AB

SEKm		Jun 30	Dec 31	Jun 30
	Note	2023	2022	2022
ASSETS				
Treasury bills and other bills eligible for refinancing with central banks, etc.	13	506	267	144
Loans to credit institutions		3 995	3 050	3 187
Loans to the public	8,9	42 106	41 490	40 795
Bonds and other interest-bearing securities	13	3 329	2 970	2 814
Shares and participating interests	13	640	533	519
Shares and participating interests in group entities		0	0	-
Intangible assets		86	79	75
Tangible assets		125	137	0
Derivatives	13	-	-	-
Other assets		83	68	40
Prepaid expenses and accrued income		127	82	54
Total assets		50 996	48 676	47 628
LIABILITIES AND EQUITY				
Deposits and borrowings from the public	10	38 753	36 842	36 172
Debt securities in issue	11	2 754	3 337	3 847
Derivatives	13	35	7	3
Other liabilities		617	470	361
Accrued expenses and prepaid income		931	733	706
Total liabilities		43 091	41 388	41 089
Tax allocation reserve		1 032	1 032	755
Total liabilities		1 032	1 032	755
Equity attributable to additional Tier 1 capital holders		500	500	500
Equity attributable to the shareholders of Collector Bank AB		6 373	5 756	5 285
Total equity		6 873	6 256	5 785
Total liabilities and equity		50 996	48 676	47 628

Statement of changes in equity

Parent Company

Collector Bank AB

January - June 2023

SEKm	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
Opening balance 1 January 2023	149	6	79	500	5 521	6 256
Transfer of development expenses			5		-5	-
Cost additional Tier 1 instruments					-28	-28
Profit for the period					647	647
Other comprehensive income for the period		-2				-2
Closing balance 30 June 2023	149	4	84	500	6 135	6 873

¹⁾ The issued Tier 1 instrument is deemed to fulfil the conditions of an equity instrument since the instrument, according to the conditions, does not have a set time to maturity, meaning that the issuer has an unconditional right to refrain from making repayments and the issuer of the instrument has full discretion regarding interest payments.

Collector Bank AB

January - December 2022

SEKm	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
Opening balance 1 January 2022	149	5	71	500	4 579	5 304
Transfer of development expenses			8		-8	-
Cost additional Tier 1 instruments					-44	-44
Profit for the period					920	920
Other comprehensive income for the period		1				1
Collector AB merger					74	74
Closing balance 31 December 2022	149	6	79	500	5 521	6 256

Collector Bank AB

January - June 2022

SEKm	Restricted equity			Unrestricted equity		Total equity
	Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	
Opening balance 1 January 2022	149	5	71	500	4 579	5 304
Transfer of development expenses			4		-4	-
Cost additional Tier 1 instruments					-20	-20
Profit for the period					500	500
Other comprehensive income for the period		1				1
Closing balance 30 June 2022	149	6	75	500	5 055	5 785

Cash flow statement Parent Company

Collector Bank AB

	Jan-Jun	Full year	Jan-Jun
SEKm	2023	2022	2022
Operating activities			
Operating profit	818	1 443	633
Adjustments for non-cash items in operating activities	765	861	339
Income taxes paid	-71	-156	-65
Increase/decrease in assets and liabilities from operating activities	-23	-1 851	-1 054
Cash flow from operating activities	1 489	297	-147
Investing activities			
Acquisitions/disposals of tangible assets	0	-1	-
Acquisitions/disposals of intangible assets	-23	-38	-19
Cash flow from investing activities	-23	-39	-19
Financing activities			
Decrease of liabilities	-15	-31	-
Additional Tier 1 instruments	-28	-44	-20
Redemption of interest-bearing securities	-600	-4 384	-3 468
Issuance of interest-bearing securities	49	1 970	1 578
Group contributions paid/received	0	-6	-
Cash flow from financing activities	-594	-2 495	-1 910
Cash and cash equivalents at the start of the period	3 050	5 214	5 214
Cash flow for the period	872	-2 237	-2 076
Exchange rate differences in cash and cash equivalents	73	73	49
Cash and cash equivalents at the end of the period	3 995	3 050	3 187
Paid and received interest of which is included in the cash flow from operating activities			
Interest paid	380	454	204
Interest received	2 142	3 384	1 524

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 2-20 constitute an integrated part of this financial report.

Note 1. General information

Collector Bank AB (publ) company registration number 556597-0513, is a bank limited company with its registered office in Gothenburg. The company has a license to conduct banking operations and is listed on Nasdaq Stockholm. The Bank conducts business in Sweden and through branches in Norway and Finland.

The address of the headquarters is Lilla Bommens Torg 11, SE-411 09 Gothenburg, Sweden. Collector Bank AB (publ) is under the supervision of the Swedish Financial Supervisory Authority and is covered by its rules for capital adequacy and large exposures.

Note 2. 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 ÅRKL).

The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

Accounting principles, methods of calculation and presentation are essentially unchanged compared with those applied in the 2022 Annual Report.

CHANGES IN IFRS

None of the changes in the accounting regulations issued for application 2023 are deemed to have a significant impact on Collector and its financial reports, capital adequacy or large exposures.

COMPARISON PERIOD 1 JANUARY - 30 JUNE 2022

The period's historical financial information for the Group for the period 1 January - 30 June 2022 refers to the Collector AB Group as Collector Bank AB did not own any subsidiaries at this point in time.

Note 3. Operating segments

Group

SEKm	Q2 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	187	310	222	48	59	826
Net commission income	5	-	16	55	0	76
Net gains and losses on financial items	0	13	-2	-5	8	14
Other income	0	0	0	10	0	11
Total income	191	323	235	109	68	926
Net interest margin (NIM)	7,7%	6,6%	8,5%	7,9%	-	7,9%
Total income margin	7,9%	6,9%	9,1%	17,8%	-	8,8%
Loans to the public	9 608	18 891	10 441	2 552	614	42 106

¹⁾ Including eliminations.

Note 3. Operating segments, cont.

Group						
SEKm	Q1 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	201	326	192	49	41	809
Net commission income	3	-	14	55	0	72
Net gains and losses on financial items	-14	0	0	1	3	-9
Other income	0	0	0	9	0	9
Total income	191	327	207	113	44	882
Net interest margin (NIM)	7,9%	7,3%	7,4%	8,1%	-	7,8%
Total income margin	7,5%	7,3%	8,0%	18,9%	-	8,5%
Loans to the public	9 808	18 594	10 320	2 336	641	41 699

¹⁾ Including eliminations.

²⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Group ²⁾						
SEKm	Q2 2022					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	156	222	226	58	19	681
Net commission income	2	0	17	59	0	78
Net gains and losses on financial items	0	11	-2	-2	-23	-16
Other income	0	0	0	8	0	8
Total income	158	234	240	123	-5	751
Net interest margin (NIM)	6,5%	5,6%	8,2%	9,8%	-	6,9%
Total income margin	6,6%	5,8%	8,7%	20,7%	-	7,6%
Loans to the public	10 055	16 758	10 844	2 426	713	40 795

Group						
SEKm	Jan - Jun 2023					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	388	637	414	97	100	1 634
Net commission income	8	0	30	111	0	148
Net gains and losses on financial items	-14	13	-2	-4	12	5
Other income	1	0	0	19	0	20
Total income	382	650	442	222	112	1 808
Net interest margin (NIM)	7,7%	7,0%	8,0%	7,7%	-	7,8%
Total income margin	7,6%	7,2%	8,5%	17,7%	-	8,6%
Loans to the public	9 608	18 891	10 441	2 552	614	42 106

Note 3. Operating segments, cont.

Group²⁾

SEKm	Jan - Jun 2022					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	297	453	430	113	33	1 327
Net commission income	5	0	31	119	0	155
Net gains and losses on financial items	6	12	-2	-2	-41	-28
Other income	0	0	0	18	1	19
Total income	309	465	459	248	-7	1 474
Net interest margin (NIM)	6,6%	6,0%	7,7%	9,3%	-	6,9%
Total income margin	6,8%	6,1%	8,3%	20,4%	-	7,7%
Loans to the public	10 055	16 758	10 844	2 426	713	40 795

Group

SEKm	Full year 2022					Group
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	
Net interest income	691	1 060	824	217	106	2 899
Net commission income	10	-	58	230	0	299
Net gains and losses on financial items	5	16	-3	-4	-38	-24
Other income	1	0	0	37	1	39
Total income	706	1 077	879	481	69	3 212
Net interest margin (NIM)	7,5%	6,8%	7,6%	8,8%	-	7,5%
Total income margin	7,6%	7,0%	8,1%	19,5%	-	8,3%
Loans to the public	10 570	17 411	10 367	2 476	667	41 490

Note 4. Net interest income

Group

SEKm	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
	2023	2023	2022 ²⁾	2023	2022 ²⁾	2022
Loans to the public ¹⁾	1 083	1 010	775	2 093	1 510	3 333
Interest-bearing securities	32	24	7	56	13	38
Loans to credit institutions	10	7	0	17	0	14
Total interest income	1 125	1 040	782	2 165	1 523	3 385
Deposits and borrowings from the public	-262	-197	-77	-459	-155	-396
Subordinated liabilities	-	-	-5	-	-11	-11
Debt securities in issue	-37	-34	-18	-71	-31	-78
Amounts owed to credit institutions	0	-1	0	-1	0	-1
Total interest expense	-299	-232	-101	-531	-197	-486
Net interest income	826	809	681	1 634	1 327	2 899

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

²⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Note 4. Net interest income, cont.

Collector Bank AB

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022	2023	2022	2022
Loans to the public ¹⁾	1 083	1 010	775	2 093	1 510	3 333
Interest-bearing securities	32	24	7	56	13	38
Loans to credit institutions	10	7	0	17	0	14
Total interest income	1 125	1 040	782	2 165	1 523	3 385
Deposits and borrowings from the public	-262	-197	-77	-459	-155	-396
Subordinated liabilities	-	-	-5	-	-11	-11
Debt securities in issue	-37	-34	-18	-71	-31	-78
Amounts owed to credit institutions	0	-1	0	-1	0	-1
Total interest expense	-299	-232	-101	-531	-197	-486
Net interest income	826	809	681	1 634	1 327	2 899

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

Note 5. Personnel expenses

Group

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022 ¹⁾	2023	2022 ¹⁾	2022
Salaries and other remuneration	-64	-62	-56	-126	-109	-219
Pension costs	-20	-20	-18	-40	-34	-69
Social security costs	-7	-7	-7	-15	-13	-27
Other staff related costs	-1	-1	-1	-2	-2	-6
Total personnel expenses	-93	-90	-82	-183	-158	-321

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Collector Bank AB

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022	2023	2022	2022
Salaries and other remuneration	-64	-62	-56	-126	-109	-219
Pension costs	-20	-20	-18	-40	-34	-69
Social security costs	-7	-7	-7	-15	-13	-27
Other staff related costs	-1	-1	-1	-2	-2	-6
Total personnel expenses	-93	-90	-82	-183	-158	-321

Note 6. Other expenses

Group

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022 ¹⁾	2023	2022 ¹⁾	2022
Consultancy expenses	-44	-47	-37	-91	-74	-161
IT expenses	-21	-19	-17	-40	-36	-73
Other purchased services	-27	-28	-25	-54	-45	-101
Postage expenses	-10	-9	-8	-18	-17	-32
Other operating expenses	-20	-20	-23	-40	-44	-82
Total other expenses	-121	-122	-110	-243	-216	-448

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Collector Bank AB

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022	2023	2022	2022
Consultancy expenses	-44	-47	-36	-91	-70	-161
IT expenses	-21	-19	-9	-40	-19	-73
Other purchased services	-27	-28	-25	-54	-45	-101
Postage expenses	-10	-9	-8	-18	-17	-32
Other operating expenses	-20	-20	-40	-40	-76	-82
Total other expenses	-120	-122	-118	-243	-227	-448

Note 7. Credit losses, net

Group and Collector Bank AB

	Q2	Q1	Q2	Jan-Jun	Jan-Jun	Full year
SEKm	2023	2023	2022 ¹⁾	2023	2022 ¹⁾	2022
Loans at amortized cost						
Credit impairment provisions - Stage 1	-46	-16	-3	-62	9	3
Credit impairment provisions - Stage 2	70	-140	-27	-71	-69	-146
Credit impairment provisions - Stage 3	-214	-78	-128	-292	-203	-533
Total	-190	-234	-158	-424	-264	-676
Portfolio revaluation - POCI	-	-	-51	-	-51	-51
Impairment gains and losses - POCI	-	-	-51	-	-51	-51
Write-offs	-73	-33	-33	-107	-127	-212
Recoveries	-	-	-	-	-	-
Total	-73	-33	-33	-107	-127	-212
Total credit impairment	-263	-268	-241	-531	-441	-938

¹⁾ The period's historical financial information refers to the period 2022-01-01 to 2022-06-30 for the Collector AB group, see note 2.

Note 8. Loans to the public

Group and Collector Bank AB

SEKm	Jun 30 2023	Dec 31 2022	Jun 30 2022 ⁵⁾
PRIVATE CUSTOMERS ³⁾			
Total gross carrying amount	17 467	17 077	17 190
of which Stage 1	9 846	9 836	10 292
of which Stage 2	599	536	508
of which Stage 3	6 451	6 087	5 729
of which Stage 3 - POCI ¹⁾	571	618	662
Total credit impairment provisions	-3 891	-3 594	-3 233
of which Stage 1	-233	-214	-224
of which Stage 2	-164	-133	-123
of which Stage 3	-3 495	-3 247	-2 886
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, private customers	13 576	13 483	13 957
Private customers			
Provision ratio for loans Stage 1	2,4%	2,2%	2,2%
Provision ratio for loans Stage 2	27,3%	24,8%	24,3%
Provision ratio for loans Stage 3	54,2%	53,3%	50,4%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio, private customers ²⁾	23,0%	21,8%	19,6%
CORPORATE CUSTOMERS ⁴⁾			
Total gross carrying amount	29 598	28 905	27 644
of which Stage 1	24 907	24 939	23 948
of which Stage 2	3 651	3 107	2 361
of which Stage 3	1 041	859	1 336
Total credit impairment provisions	-1 068	-898	-806
of which Stage 1	-189	-141	-123
of which Stage 2	-268	-229	-157
of which Stage 3	-612	-528	-526
Total carrying amount, corporate customers	28 530	28 007	26 838
Corporate customers			
Provision ratio for loans Stage 1	0,8%	0,6%	0,5%
Provision ratio for loans Stage 2	7,3%	7,4%	6,7%
Provision ratio for loans Stage 3	58,8%	61,4%	39,3%
Total provision ratio, corporate customers	3,6%	3,1%	2,9%

Note 8. Loans to the public, cont.

Group and Collector Bank AB

	Jun 30	Dec 31	Jun 30
SEKm	2023	2022	2022 ⁵⁾
TOTAL			
Total gross carrying amount	47 065	45 982	44 834
of which Stage 1	34 752	34 775	34 239
of which Stage 2	4 250	3 642	2 868
of which Stage 3	7 492	6 947	7 065
of which Stage 3 - POCI ¹⁾	571	618	662
Total credit impairment provisions	-4 959	-4 492	-4 040
of which Stage 1	-421	-355	-347
of which Stage 2	-431	-362	-281
of which Stage 3	-4 107	-3 775	-3 412
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, Total	42 106	41 490	40 795
Stage 3 loans / Total loans, gross, % ²⁾	16,1%	15,3%	16,0%
Stage 3 loans / Total loans, net, % ²⁾	8,1%	7,8%	9,1%
Total			
Provision ratio for loans Stage 1	1,2%	1,0%	1,0%
Provision ratio for loans Stage 2	10,1%	9,9%	9,8%
Provision ratio for loans Stage 3	54,8%	54,3%	48,3%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio ²⁾	10,7%	9,9%	9,1%

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.

³⁾ Includes the segments Consumer, Payments and parts of Other.

⁴⁾ Includes the segments Corporate and Real Estate and parts of Other.

⁵⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 9. Reconciliation of credit losses provisions for loans

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

Group and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2023	355	362	3 775	4 492
New and derecognized financial assets, net	-12	-81	77	-16
Changes due to changed credit judgement	0	0	0	0
Changes due to change in credit risk	74	152	215	440
Other adjustments ¹⁾	4	-2	40	42
Closing balance 30 June 2023	421	431	4 107	4 959

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2022	354	207	3 178	3 739
New and derecognized financial assets, net	-7	-26	433	400
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	4	172	100	275
Other adjustments ¹⁾	4	9	64	78
Closing balance 31 December 2022	355	362	3 775	4 492

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

Group²⁾ and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2022	354	207	3 178	3 739
New and derecognized financial assets, net	31	-64	124	91
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-39	136	76	172
Other adjustments ¹⁾	1	1	35	37
Closing balance 30 June 2022	347	281	3 412	4 040

¹⁾ Movements recognised outside Credit impairment line, foreign exchange effect, etc.

²⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 10. Deposits and borrowings from the public

Group and Collector Bank AB

	Jun 30	Dec 31	Jun 30
SEKm	2023	2022	2022 ¹⁾
EUR	17 238	14 641	12 829
SEK	21 134	21 673	23 322
NOK	380	527	21
Total	38 753	36 842	36 172

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 11. Debt securities in issue and subordinated liabilities

DEBT SECURITIES IN ISSUE

Group and Collector Bank AB

	Jun 30		Dec 31		Jun 30	
SEKm	2023		2022		2022 ¹⁾	
ISIN	Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
SE0013104577	-	-	550	550	550	550
SE0013360427	1 000	1 000	1 000	1 000	1 000	1 000
SE0015811112	750	750	750	750	750	750
SE0013105137	300	300	300	300	-	-
NO0011152449	656	644	687	688	674	674
Commercial papers	49	50	50	50	874	874
Total	2 754	2 744	3 337	3 338	3 847	3 847

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 12. Capital adequacy

Collector Bank AB

	Jun 30 2023	
	Amount	Percentage of risk exposure amount
SEKm		
Common Equity Tier 1 capital requirement (Pillar 1)	2 077	4,5%
Other Common Equity Tier 1 capital requirement (Pillar 2)	268	0,6%
Buffer requirements	1 874	4,1%
Total Common Equity Tier 1 (CET1) capital requirement	4 219	9,1%
Common Equity Tier 1 (CET1) capital	6 924	15,0%
Tier 1 capital requirement (Pillar 1)	2 770	6,0%
Other tier 1 capital requirement (Pillar 2)	357	0,8%
Buffer requirements	1 874	4,1%
Total Tier 1 capital requirement	5 000	10,8%
Tier 1 capital	7 424	16,1%
Capital requirements (Pillar 1)	3 693	8,0%
Other capital requirement (Pillar 2)	476	1,0%
Buffer requirements	1 874	4,1%
Total capital requirement	6 043	13,1%
Own funds	7 424	16,1%

	Collector Bank AB		Consolidated situation	
	Jun 30 2023	Dec 31 2022	Jun 30 2022	Jun 30 2022 ¹⁾
OWN FUNDS, SEKm				
Capital instruments and the related share premium accounts: Equity	149	149	149	21
Retained earnings	6 391	5 500	5 234	5 450
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	647	920	500	494
Common Equity Tier 1 capital before regulatory adjustments	7 187	6 570	5 884	5 965
Deduction:				
Additional value adjustments	-174	-70	-22	-22
Intangible assets	-86	-79	-75	-94
Deferred tax assets	-3	-3	-2	-3
Significant investments in the financial sector	-	-	-	-
Application of the transitional rules IFRS9	-	43	43	43
Total regulatory adjustments to Common Equity Tier 1	-263	-109	-57	-76
Common Equity Tier 1 (CET1) capital	6 924	6 461	5 827	5 889
Perpetual subordinated loan	500	500	500	325
Additional Tier 1 instruments	500	500	500	325
Tier 1 capital	7 424	6 961	6 327	6 214
Supplementary capital	-	-	-	-
Tier 2 capital	-	-	-	-
Total own funds	7 424	6 961	6 327	6 214

Note 12. Capital adequacy, cont.

	Collector Bank AB		Consolidated situation	
	Jun 30	Dec 31	Jun 30	Jun 30
RISK EXPOSURE AMOUNT, SEKm	2023	2022	2022	2022
Credit risks, using the standardized approach				
Central government or central banks exposures	-	-	-	-
Municipalities and other associations	-	-	-	-
Institutional exposures	863	689	730	732
Funds units exposures	812	692	673	673
Corporate exposures	27 015	25 719	23 883	23 888
Retail exposures	8 009	8 212	8 298	8 298
Exposures with mortgage in residential property	15	17	17	17
Exposures in default	3 800	3 790	4 921	4 921
Items associated with particularly high risk	-	543	570	570
Exposures in the form of covered bonds	211	207	181	181
Equity exposures	-	-	-	-
Other exposures	352	330	176	308
Total	41 077	40 199	39 449	39 589
Risk exposure amount credit valuation adjustment risk (CVA)	26	27	27	27
Risk exposure amount market risk	70	28	124	124
Risk exposure amount operational risk	4 989	4 989	4 178	4 358
Total risk exposure amount	46 162	45 244	43 779	44 099

	Collector Bank AB		Consolidated situation	
	Jun 30	Dec 31	Jun 30	Jun 30
CAPITAL REQUIREMENTS, SEKm	2023	2022	2022	2022
Capital requirement for credit risk using the standardized approach				
Central government or central banks exposures	-	-	-	-
Municipalities and other associations	-	-	-	-
Institutional exposures	69	55	58	59
Funds units exposures	65	55	54	54
Corporate exposures	2 161	2 058	1 911	1 911
Retail exposures	641	657	664	664
Exposures with mortgage in residential property	1	1	1	1
Exposures in default	304	303	394	394
Items associated with particularly high risk	-	43	46	46
Exposures in the form of covered bonds	17	17	15	15
Equity exposures	-	-	-	-
Other exposures	28	26	14	25
Total capital requirement for credit risk	3 286	3 216	3 156	3 167
Risk exposure amount credit valuation adjustment risk (CVA)	2	2	2	2
Risk exposure amount market risk	6	2	10	10
Risk exposure amount operational risk	399	399	334	349
Total Pillar 1 capital requirement	3 693	3 619	3 502	3 528
Concentration risk	287	274	256	257
Interest rate risk for the banking book	189	179	176	176
Total Pillar 2 capital requirement	476	453	433	433

Note 12. Capital adequacy, cont.

	Collector Bank AB		Consolidated situation	
	Jun 30	Dec 31	Jun 30	Jun 30
CAPITAL REQUIREMENTS, SEKm	2023	2022	2022	2022
Capital buffers				
Capital conservation buffer	1 154	1 131	1 094	1 102
Countercyclical capital buffer	720	395	64	64
Total capital requirement - Capital buffers	1 874	1 526	1 158	1 166
Total capital requirement	6 043	5 599	5 093	5 128

	Collector Bank AB		Consolidated situation	
	Jun 30	Dec 31	Jun 30	Jun 30
CAPITAL REQUIREMENT	2023	2022	2022	2022 ¹⁾
Capital ratios and capital buffers				
CET1 ratio	15,0%	14,3%	13,3%	13,4%
Tier 1 ratio	16,1%	15,4%	14,5%	14,1%
Total capital ratio	16,1%	15,4%	14,5%	14,1%
Institution specific buffert requirement	4,1%	3,4%	2,6%	2,6%
of which capital conservation buffer	2,5%	2,5%	2,5%	2,5%
of which countercyclical capital buffer	1,6%	0,9%	0,1%	0,1%
CET1 available to meet buffers	8,1%	7,4%	6,5%	6,1%

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

A review has been carried out of the earnings for January - June 2023, which allows net profit for the period to be included in own funds.

Note 13. 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 objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

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.

Note 13. Financial instruments at fair value, cont.

Group and Collector Bank AB

SEKm	30 Jun 2023			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	269	-	-	269
Bonds and other interest-bearing securities	2 545	-	-	2 545
Shares and participating interests	-	5	635	640
Total financial assets	2 814	5	635	3 454
LIABILITIES				
Derivative instruments	-	35	-	35
Other financial liabilities	-	-	-	-
Total financial liabilities	-	35	-	35

SEKm	31 Dec 2022			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	56	-	-	56
Bonds and other interest-bearing securities	2 604	-	-	2 604
Shares and participating interests	-	5	528	533
Total financial assets	2 659	5	528	3 192
LIABILITIES				
Derivative instruments	-	7	-	7
Other financial liabilities	-	-	-	-
Total financial liabilities	-	7	-	7

SEKm	30 Jun 2022 ¹⁾			
	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	144	-	-	144
Bonds and other interest-bearing securities	2 814	-	-	2 814
Shares and participating interests	-	5	519	523
Total financial assets	2 958	5	519	3 481
LIABILITIES				
Derivative instruments	-	3	-	3
Other financial liabilities	-	-	-	-
Total financial liabilities	-	3	-	3

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 13. Financial instruments at fair value, cont.

Group and Collector Bank AB

Changes in level 3	Jun 30 2023	Dec 31 2022	Jun 30 2022 ¹⁾
	Assets Equity instruments	Assets Equity instruments	Assets Equity instruments
SEKm			
Opening balance for the period	528	396	396
Acquisition	100	100	100
Divestment	-	-	-
Changes in unrealised gains or losses for items held at closing day	7	32	22
Closing balance for the period	635	528	519

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Financial instruments in Level 3 refer to investments in funds. Collector Bank uses different measurement techniques depending on available data. The investment portfolio is measured quarterly in accordance with IPEV guidelines and primarily following an external measurement where a transaction in the company has been made in the past 12 months with at least one external party. If such measurement is not possible, or if

there are objective reasons to do so, as a secondary option, an internal measurement is made based on assumed discounted cash flow.

Financial instruments are transferred to or from level 3 depending on whether the internal assumptions have changed in significance to the valuation. There were no transfers of financial instruments to or from level 3 during the period.

Note 14. Financial assets and liabilities

Collector Bank has classified its financial instruments by class taking into account the characteristics of the instruments. The fair value of each class of financial assets and liabilities are compared with its carrying amount. A description of the characteristics of the classes can be found in note 37 in the Annual Report 2022.

Group and Collector Bank AB

SEKm	Jun 30 2023		Dec 31 2022		Jun 30 2022 ³⁾	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Loans ¹⁾	46 101	46 101	44 540	44 540	43 982	43 982
Debt securities	3 835	3 834	3 237	3 236	2 958	2 958
Equity instruments	635	635	528	528	519	519
Derivatives	-	-	-	-	-	-
Other	127	127	30	30	23	23
Financial assets	50 698	50 697	48 335	48 334	47 482	47 482

Group and Collector Bank AB

	Jun 30 2023		Dec 31 2022		Jun 30 2022 ³⁾	
	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Deposits	38 753	38 753	36 842	36 842	36 172	36 172
Debt securities issued ²⁾	2 754	2 754	3 337	3 337	3 847	3 847
Derivatives	35	35	7	7	3	3
Other	260	260	109	109	70	70
Financial liabilities	41 802	41 802	40 295	40 295	40 092	40 092

¹⁾ Loans includes Loans to credit institutions and Loans to the public.

²⁾ Debt securities issued includes Debt securities issued and Subordinated liabilities.

³⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2..

Note 15. Related parties

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

Note 16. Pledged assets, contingent liabilities and commitments

PLEDGED ASSETS

Group and Collector Bank AB

	Jun 30	Dec 31	Jun 30
SEKm	2023	2022	2022 ¹⁾
For own liabilities and provisions	None	None	None
Total	None	None	None

CONTINGENT LIABILITIES

Group and Collector Bank AB

	Jun 30	Dec 31	Jun 30
SEKm	2023	2022	2022 ¹⁾
Contingent liabilities	None	None	None
Total	None	None	None

COMMITMENTS

Group and Collector Bank AB

	Jun 30	Dec 31	Jun 30
SEKm	2023	2022	2022 ¹⁾
Unutilized credit limits	5 789	5 800	5 583
Other commitments	168	158	153
Total	5 957	5 958	5 736

¹⁾ Refers to historical financial information as of 2022-06-30 for the Collector AB group, see note 2.

Note 17. After the end of the period

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

Assurance by 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, July 13, 2023

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

Interim report January-September 2023
Interim report January-December 2023
Annual report 2023

20 October 2023
8 February 2023
31 March 2023

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This is information that Collector Bank AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, on July 13, 2023 at 7.30 a.m. CET.

