



*Svea Bank*  
Annual Report, 2022

## ANNUAL REPORT 2022

The Board of Directors and CEO of Svea Bank AB (publ), Corp. Reg. No. 556158-7634, herewith submit the annual accounts and consolidated accounts for the financial year 2022.

### REPORT OF THE BOARD OF DIRECTORS

#### Operations

Svea Bank AB conducts financing activities under a permit from the Swedish Financial Supervisory Authority and in accordance with the provisions of the Banking and Financing Business Act (SFS 2004:297) (LBF). The Group also offers administrative services.

The Group's business concept is to provide the market with personal service and efficient custom solutions within the areas of Administrative and Financial Services (AFS) and Debt Collection. Under this business concept we offer the following:

Invoice services - business financing - factoring - invoice purchasing - debt collection - deposits - unsecured loans - mortgages - business loans - VAT recovery - billing - legal services - credit reports - training - payment transfers - payment solutions for e-commerce, mobile and in-store.

Financial services are offered by the consolidated situation, which comprises Svea Bank AB with the branches Svea Bank AB filial i Norge and Svea Bank AB filial i Finland, and the operating subsidiaries Svea Finance AS, Svea Finans A/S, Svea Finans Nederland BV, Svea Credit BV, Svea Finans AG, Svea Payments OY, MoneyGo AB, FMS Financial Management Solutions GmbH, PFC Technology AB, Svea Investments Inc, Zlantar of Sweden AB, and Svea Ekonomi Cyprus Limited and its subsidiaries.

Administrative services are offered by the operating Group companies Svea Billing Services AB, Svea VAT Adviser AB, Svea Development OY, Svea Ekonomi DOO Belgrade, RegTech Ab OY and PayGround AB. Also via the associated company Stidner Complete AB.

Debt collection operations are conducted by the sub-group Svea Inkasso AB with the operating subsidiaries Svea Finans AS, Svea Inkasso A/S, CMS Collection GmbH, Svea Perintä OY with the subsidiary Svea Inkasso OÜ and in Eastern Europe through the sub-group Creditexpress Group BV.

The Group conducts business operations in the Nordic region and in other parts of Europe, and is one of the biggest within financing, administration and debt collection. The Parent Company constitutes a substantial part of the Group, which can be seen in the five-year summaries on pages 5 and 6.

#### Significant events during the year

Both income and operating profit increased significantly for financial operations compared with the previous year. The bank has performed strongly in the Nordic region, where most of the operating profit is generated.

The debt collection operation also saw a positive trend compared with the previous year in both the Nordic region and Eastern Europe.

On 3 January, the downstream merger between Svea Ekonomi AB and Svea Bank AB was executed. Svea Bank AB is subsequently the new Parent Company for the Group, with the effect that the comparative figures for the Parent Company are based on Svea Bank AB instead of Svea Ekonomi AB, which has ceased operations. Svea Bank AB was a subsidiary during 2021, and a full comparison is therefore not possible. To study Svea Ekonomi AB's figures for the previous year, please refer to the financial reports for 2021 at [www.svea.com](http://www.svea.com).

As a consequence of exchange rate effects linked to the rouble, the income statement saw a positive impact of SEK 32 million at Group level. Because of the volatility of the rouble, the bank set aside a total of SEK 387 million of capital in Pillar 2 for exchange rate risk in the consolidated situation. Since the invasion of Ukraine, operations in the region have been limited and no new portfolio acquisitions took place in either Russia or Ukraine.

In March, the Covid-19 reserve of SEK 48 million was reversed, as there is no longer considered to be a materially heightened credit risk attributable to Covid-19.

In June, the Swedish Financial Supervisory Authority decided to issue a remark to the bank. The remark is associated with an administrative fine of SEK 45 million, which has been posted to expenses. In July, the bank chose to appeal the Swedish Financial Supervisory Authority's decision, in order to acquire clarity surrounding the application of the Swedish Consumer Credit Act. The bank has not yet received a decision following the appeal.

The item net profit/loss from financial transactions saw a positive impact of SEK 297 million relating to the net valuation of unlisted shareholdings, which are reported at fair value. The biggest part of the revaluation is attributable to the bank's holding in Bokio Group AB, following an announcement that Visma Sverige Holding AB is acquiring the company.

There was a negative impact on comprehensive income from changes in value of listed shareholdings. The effect amounted to SEK -681 million after deductions for tax. Comprehensive income also includes a positive translation effect of SEK 95 million, primarily attributable to the Russian business.

In November, the Parent Company issued a new convertible loan of SEK 200 million in an incentive scheme for employees in the Group.

## Financial summary

### Income

Operating income amounted to SEK 4,459.9 million (3,984.8) for the Group and SEK 3,937.0 million (35.6) for the Parent Company.

### Expenses

Operating expenses amounted to SEK 2,896.7 million (2,512.6) for the Group and SEK 2,267.8 million (69.3) for the Parent Company.

### Credit losses

Net credit losses in the Group amounted to SEK 389.9 million (396.7). In March, the Covid-19 reserve of SEK 48 million was reversed, which had a positive impact on losses in both the Group and the Parent Company. An internal group reserve of SEK 65.1 million was also reversed in the Parent Company.

Net credit losses in the Parent Company amounted to SEK 249.7 million (3.5). The credit loss ratio was 1.7% (2.1%) in the Group and 2.0% (1.5%) in the Parent Company.

### Profit/loss

The operating profit amounted to SEK 1,358.6 million (1,075.6) for the Group and SEK 1,276.8 million (-37.1) for the Parent Company.

### Other comprehensive income

Other comprehensive income amounted to SEK -559.6 million (391.6) for the Group and SEK -652.4 million (0.0) for the Parent Company.

### Comprehensive income

Comprehensive income amounted to SEK 513.6 million (1,276.3) for the Group and SEK 539.1 million (-0.6) for the Parent Company.

### Lending

As of 31 December 2022, lending to the public amounted to SEK 25,550.1 million (20,782.7) for the Group and SEK 24,807.5 million (228.2) for the Parent Company.

### Financing

The Group's lending to the public is financed through deposits from the public, our own operations, other credit institutions and bond loans, and also via convertible loans in the Parent Company.

As of 31 December 2022, deposits from the public amounted to SEK 30,938.0 million (25,150.5) for the Group, and SEK 30,645.4 million (1,085.3) for the Parent Company.

As of 31 December 2022, liabilities to credit institutions amounted to SEK 1.0 million (0.7) for the Group, and SEK 0.0 million (21.0) for the Parent Company. The convertible loan in the Parent Company amounted to a nominal sum of SEK 200 million (0), and the subordinated bonds amounted to a nominal sum of SEK 600.0 million (900.0) in the Group and SEK 600.0 million (0.0) in the Parent Company.

### Liquidity

As of 31 December 2022, cash and bank balances plus approved but unutilised credit, amounted to SEK 6,164.7 million (3,889.4) for the Group, and SEK 4,483.3 million (958.4) for the Parent Company. As of 31 December 2022, liquidity including investments at Riksbanken in government securities, listed bonds and other securities amounted to SEK 7,735.5 million (5,490.1) for the Group, and SEK 6,054.1 million (1,008.4) for the Parent Company.

### Investments

Investments in tangible and intangible assets for the year amounted to SEK 148.7 million (82.8) for the Group and SEK 691.2 million (0) for the Parent Company.

### Acquisitions and divestments

The company Dunderbackens Fastighets AB was divested in January. In February, the remaining shares in the finance company Svea Credit BV and the finance company Svea Finance ZRT were liquidated. In March, the remaining shares in the administrative company Svea Development OY and the finance company Svea Payments OY were acquired. The company Fastighets AB Brunna was sold in April, and Svea Intressenter 3 AB was liquidated in June. In November, the remaining shares in the finance company Zlantar of Sweden AB were acquired, and the company Guldalsvägen Fastighets AB was sold. The companies Svea Intressenter 41 AB, Svea Intressenter 42 AB, Svea Intressenter 43 AB and Svea Intressenter 44 AB were also formed in November.

### Personnel

The average number of full-time equivalent employees in the Group amounted to 2,195 (2,126), and in the Parent Company 888 (31). As of 31 December 2022, the number of employees in the Group amounted to 2,277 (2,113), and in the Parent Company 936 (32).

The planning and decision-making process regarding remunerations and benefits for key individuals in executive positions including the Board is described in Note 13.

### Related party transactions

The nature and scope of transactions with related parties are described in the annual report. No significant transactions with related parties took place during the period.

## Capital adequacy

The European CRR/CRD regulations entail requirements for the highest quality components of the capital base: Common Equity Tier 1 capital and Tier 1 capital. In addition to the minimum capital requirements, there is a capital conservation buffer of 2.50 per cent. Applied in accordance with the table below, there is also a contra-cyclic buffer for certain exposures in each country.

Country	Date introduced	Buffer requirement
Sweden	29-Sep-22	1.00%
Norway	31-Dec-22	2.00%
Denmark	31-Dec-22	2.00%
Romania	17-Oct-22	0.50%
Estonia	07-Dec-22	1.00%
Czech Republic	30-Jun-22	1.50%

The Board further resolved that capital ratios should exceed the regulatory requirements by 1.00 percentage point.

The minimum capital requirement for the Common Equity Tier 1 capital ratio is 4.50 per cent, the Tier 1 capital ratio 6.00 per cent and the total capital ratio 8.00 per cent.

In the consolidated situation on 31 December 2022, the capital requirement for the Common Equity Tier 1 capital ratio including the buffer requirement stood at 9.56 per cent, the Tier 1 capital ratio at 11.43 per cent and the total capital ratio at 13.94 per cent.

On 31 December 2022, the capital requirement in the Parent Company including the buffer requirement for the Common Equity Tier 1 capital ratio stood at 8.85 per cent, the Tier 1 capital ratio at 10.57 per cent and the total capital ratio at 12.87 per cent.

The capital requirement is calculated in accordance with the statutory minimum requirement according to pillar I for credit risk, market risk, operational risk and creditworthiness adjustment risk, requirement according to pillar II and combined buffer requirements.

In the consolidated situation on 31 December 2022, the Common Equity Tier 1 capital ratio amounted to 14.51% (14.81%), the Tier 1 capital ratio amounted to 15.37% (15.82%) and the total capital ratio to 17.07% (17.82%).

On 31 December 2022, the Common Equity Tier 1 capital ratio in the Parent Company stood at 13.76% (43.83%), the Tier 1 capital ratio at 14.68% (43.83%) and the total capital ratio at 16.52% (43.83%).

For further information on risk management and capital management, please refer to page 4 and to Notes 50 and 51.

## Economic outlook

It is considered that the Group will continue to deliver a positive profit and cash flow, with an operating profit at the same level as the previous year. The Group's lending and deposits are expected to increase. The business in Russia and Ukraine is stable, but future developments remain difficult to assess.

## Proposed allocation of profits

The Board of Directors and the CEO of the company propose that unappropriated earnings

Fair value reserve	56,668,161
Share premium account	59,499,500
Tier 1 capital holding	300,000,000
Retained earnings	3,203,452,574
Profit/loss for the year	1,191,469,349
<b>Total</b>	<b>4,811,089,584</b>

be distributed as follows:

To be paid to shareholders (1,614,400 shares x SEK 30.97 per share)	50,000,000
To be carried forward	4,761,089,584
<b>Total</b>	<b>4,811,089,584</b>

The Board of Directors proposes that SEK 50,000,000 be distributed, equivalent to SEK 30.97 per share.

The Board proposes that the Annual General Meeting of 27 April 2023 authorise the Board to decide on a distribution date.

Current regulations for capital adequacy and major exposures stipulate that the company must, at all times, have a capital base corresponding to at least the company's internally assessed capital requirement, i.e. the total capital requirements for credit risks, market risks and operational risks, as well as for additional identified risks in the operations in accordance with the company's internal capital and liquidity adequacy assessment process (ICAAP). The capital base in the Parent Company after the proposed allocation of profits amounted to SEK 5,364 million and its internally assessed capital requirement amounted to SEK 4,179 million. SEK 3,626 million of non-restricted shareholders' equity, which according to the proposed allocation of profits is to be brought forward, is therefore not available for distribution. There is a specification of the items in Note 51.

The Board of Directors and the CEO consider the proposed dividend to be justifiable with regard to the requirements that the nature, scope and risks of the operations impose on the size of shareholders' equity and the company's solvency requirements, liquidity and position in general.

This statement is to be viewed in the light of the information contained in the annual accounts.

With regard to the Group's and the Parent Company's position and performance in general, refer to the income statements and balance sheets presented below, with their associated supplementary disclosures and notes to the financial statements.

## Internal governance and control

Internal governance and control refers to the company's and the Group's organisation and all the procedures that aim to guarantee correct and complete monitoring and reporting, and that the company's and the Group's resources are utilised in accordance with the intentions of the Board of Directors and the CEO.

Svea Bank uses a governance model in which the responsibility for risk management is divided between the Board of Directors and three lines of defence: the line organisation (1st line of defence); the risk control function and the compliance function (2nd line of defence) and internal audit (3rd line of defence).

### *Board of Directors*

Svea Bank AB's Board of Directors bears ultimate responsibility for limiting and following up the company's and the Group's risks and also establishing the Group's capital adequacy target. At Svea Bank, risks are measured and reported according to standardised principles and policies determined annually by the Board.

The Board decides on policies for credit, liquidity, market, transaction and operational risks, and the Internal Capital and Liquidity Adequacy Assessment Policy (ICAAP), which is revised at least annually. The Board monitors risk trends on a continuous basis and sets and supervises limits of risk appetite that may not be exceeded.

Svea Bank has established an efficient framework for risk appetites that includes all of the Group's relevant risks. Risk appetites have been defined for every single risk. Qualitative risk appetites are combined with quantitative risk appetite metrics and tolerance levels. The Board continually evaluates the operation's compliance with established risk appetites through monitoring and reports from the Risk Control function. The framework and relevance of the risk appetite levels are evaluated on a continuous basis, for revision or update by the Board as necessary.

### *Risk control*

The risk control function is an independent control function responsible for ongoing controls that ensure that the company's and the Group's risks are kept within established limits and that the line organisation is identifying and managing the risks in the operation in the intended manner. This also involves reporting relevant risk information to management and the Board. A work plan and prioritisation of the focus of the work are established every year by the Board. The function is also responsible for validating the company's internal capital and liquidity adequacy assessment process and advising on risk control issues, as well as providing personnel with supplementary training. The function is led by a Head of Risk Control and comprises a network of Risk Officers in the branches and major subsidiaries in the consolidated situation.

### *Compliance*

This function checks compliance with both external and internal regulations. The function is led by a Head of Compliance and comprises a network of Compliance Officers in the branches and major subsidiaries in the consolidated situation. The main task of this organisation is to provide advice and support to the operation, to conduct audits and mapping exercises, which are reported to the Board and management, and to inform and communicate about new regulations. A work plan and prioritisation of the focus of the work are established every year by the Board.

### *Internal audit*

Internal audit is an independent auditing function procured externally. It examines and evaluates internal governance and control in the Parent Company, including branches. The function is independent of business operations and reports directly to the Board of Svea Bank AB. The audit plan and priorities for the focus of the work are established annually by the Board. Reports prepared by the function are submitted to the Board and the unit an audit concerns. The function audits day-to-day operations in the line organisation and the work performed by the 2nd line of defence.

## Internal capital and liquidity adequacy assessment

The Board regularly examines the consolidated situation's capital supply and capital utilisation in the form of an internal capital and liquidity adequacy assessment (IKLU). The ICAAP is intended to reflect significant risks faced by the Group and its purpose is to evaluate the Group's ability to maintain a level of capital that is sufficient to deal with the risks to which the Group is exposed.

In addition to the statutory minimum requirement for capital, the capital requirement is calculated for the risks that are considered to be significant for the Group's operations. This means that the Group maintains a large capital buffer so that it is able to meet future operational plans.

The risks identified in the business are in the first instance credit risks, market risks, operational risks, liquidity and financing risks, as well as business risks.

The analysis of the capital requirement is performed using quantitative and qualitative methods and is based on a number of scenarios for each risk driver, e.g. increased competition. The overall assessment of these risks is that the consolidated situation's capital base in addition to the minimum capital requirement also meets the capital need for these risks.

The ICAAP is based on the annual operational plan and the capital situation is monitored on an ongoing basis by the Finance function and the Risk Control function.

For further information regarding risks, see Note 50.

## Corporate Governance Report

The Corporate Governance Report has been drawn up as a separate report and is available at [www.svea.com](http://www.svea.com).

## Sustainability Report

The Sustainability Report has been drawn up as a separate report and is available at [www.svea.com](http://www.svea.com).

**FIVE-YEAR SUMMARY, GROUP (SEK thousands)**

Income statements	2022	2021	2020	2019	2018
Net interest income	2,585,592	2,512,030	2,030,804	1,848,800	1,517,785
Dividends received	92,483	26,212	11,666	35,332	20,151
Net commissions	1,436,624	1,271,255	1,170,963	1,193,030	1,174,315
Other operating income	345,221	175,330	60,232	102,902	19,493
<b>Operating income</b>	<b>4,459,920</b>	<b>3,984,828</b>	<b>3,273,664</b>	<b>3,180,065</b>	<b>2,731,744</b>
Operating expenses	-2,896,662	-2,512,606	-2,163,098	-2,151,311	-1,955,880
<b>Profit/loss before credit losses</b>	<b>1,563,258</b>	<b>1,472,222</b>	<b>1,110,567</b>	<b>1,028,754</b>	<b>775,864</b>
Credit losses, net	-389,923	-396,651	-482,437	-400,090	-324,200
Impairment gains/losses	185,218	0	0	0	0
<b>Operating profit/loss</b>	<b>1,358,552</b>	<b>1,075,571</b>	<b>628,129</b>	<b>628,664</b>	<b>451,664</b>
Tax on profit/loss for the year	-285,418	-190,892	-147,338	-131,794	-95,888
<b>Profit/loss for the year</b>	<b>1,073,134</b>	<b>884,679</b>	<b>480,792</b>	<b>496,870</b>	<b>355,776</b>
<b>Comprehensive income</b>					
<b>Profit/loss for the year</b>	<b>1,073,134</b>	<b>884,679</b>	<b>480,792</b>	<b>496,870</b>	<b>355,776</b>
Other comprehensive income	-559,579	391,589	530,805	-21,499	-8,370
<b>Comprehensive income for the year</b>	<b>513,554</b>	<b>1,276,268</b>	<b>1,011,596</b>	<b>475,371</b>	<b>347,407</b>
<b>Balance sheets</b>					
Cash and balances with central banks	2,503,401	573,006	176,582	31,757	33,772
Treasury bonds etc. acceptable as collateral	0	50,038	34,018	12,017	12,032
Lending to credit institutions	3,239,002	2,895,917	3,195,817	3,584,846	1,834,129
Lending to the public	25,550,058	20,782,655	17,718,064	17,210,614	14,839,741
Other assets	7,488,140	8,002,994	5,996,121	5,151,043	3,093,397
<b>Assets</b>	<b>38,780,601</b>	<b>32,304,610</b>	<b>27,120,602</b>	<b>25,990,277</b>	<b>19,813,071</b>
Liabilities to credit institutions	1,042	672	384	4	4,215
Deposits from the public	30,937,956	25,150,548	20,916,039	20,617,500	15,226,942
Other liabilities	2,175,422	1,914,489	1,882,805	2,320,877	1,937,662
Shareholders' equity	5,666,181	5,238,902	4,321,374	3,051,896	2,644,252
<b>Liabilities and shareholders' equity</b>	<b>38,780,601</b>	<b>32,304,610</b>	<b>27,120,602</b>	<b>25,990,277</b>	<b>19,813,071</b>
<b>Key ratios</b>					
Operating margin, %	30.5	27.0	19.2	19.8	16.5
Return on total assets, %	3.0	3.0	1.8	2.2	2.0
Return on shareholders' equity, %	19.7	18.5	13.0	17.4	14.8
Equity/assets ratio, %	14.6	16.2	15.9	11.7	13.3
Expenses/income	0.6	0.6	0.7	0.7	0.7
Lending/deposits, %	82.6	82.6	84.7	83.5	97.5
Credit loss ratio, %	1.7	2.1	2.8	2.5	2.5
Liquidity, SEK thousands	7,735,482	5,490,115	5,517,740	6,375,043	3,005,200
Cash flow from operating activities, SEK thousands	1,109,583	1,890,412	1,552,481	1,432,605	1,115,657
Average number of full-time equivalent employees	2,195	2,126	2,091	1,937	1,900
<b>Consolidated situation</b>					
Total capital, SEK thousands	5,967,006	5,294,124	4,320,459	3,190,925	2,541,967
Risk-weighted exposures, SEK thousands	34,950,362	29,709,525	23,650,092	21,205,562	18,506,396
Common Equity Tier 1 capital ratio, %	14.5	14.8	14.5	10.9	10.7
Total capital ratio, %	17.1	17.8	18.3	15.0	13.7
Liquidity Coverage Ratio (LCR), %	664.0	467.2	365.8	400.1	166.6
Leverage ratio, %	13.9	14.6	13.8	10.2	11.5
Stable funding (NSFR), %	147.1	140.8	-	-	-

Comparative figures for 2018 include no IFRS 16 effect.

- 1) Interest income minus interest expenses.
- 2) Commission income minus commission expenses.
- 3) Including cash and bank balances with central banks.
- 4) Operating profit divided by operating income.
- 5) Profit for the year divided by average total assets.
- 6) Profit for the year divided by average shareholders' equity.
- 7) Shareholders' equity divided by total assets at year end.
- 8) Operating expenses divided by operating income.
- 9) Lending to the public divided by deposits from the public at year end.
- 10) Credit losses, net divided by average lending to the public.
- 11) Cash and bank balances plus unutilised credit, treasury bonds accepted as collateral and bonds.
- 12) Cash flow from operating activities before changes in operating assets and liabilities
- 13) Average of number of employees at beginning and end of year respectively.
- 14) Capital base equals the sum of Common Equity Tier 1 capital, Tier 1 capital and Tier 2 capital.
- 15) Total of risk-weighted exposures on and off the balance sheet, in respect of credit risk, market risk, operational risk and creditworthiness adjustment risk.
- 16) Common Equity Tier 1 capital divided by total of risk-weighted exposures.
- 17) Total capital divided by total of risk-weighted exposures.
- 18) High-quality liquid assets (HQLA) divided by a stressed net cash outflow over 30 days.
- 19) Tier 1 capital divided by total assets excluding derivatives and deductions from the capital base, plus weighted off-balance assets and the exposure amount for counterparty risk.
- 20) Stable funding available divided by the need for stable funding.

**FIVE-YEAR SUMMARY, PARENT COMPANY (SEK thousands)**

Income statements	2022	2021	2020	2019	2018
Net interest income	1) 2,171,457	25,199	25,738	29,638	35,241
Dividends received	755,873	0	0	0	0
Net commissions	2) 540,999	10,195	-4,725	-8,987	-4,736
Other operating income	468,687	246	-195	4,930	1,326
<b>Operating income</b>	<b>3,937,015</b>	<b>35,640</b>	<b>20,818</b>	<b>25,581</b>	<b>31,831</b>
Operating expenses	-2,267,769	-69,310	-58,623	-58,379	-49,557
<b>Profit/loss before credit losses</b>	<b>1,669,246</b>	<b>-33,670</b>	<b>-37,804</b>	<b>-32,798</b>	<b>-17,726</b>
Credit losses, net	-249,674	-3,461	-3,582	-1,907	503
Impairment gains/losses	48,982	0	0	0	0
Impairment charges, financial assets	-191,777	0	0	0	0
<b>Operating profit/loss</b>	<b>1,276,778</b>	<b>-37,131</b>	<b>-41,386</b>	<b>-34,705</b>	<b>-17,222</b>
Appropriations	21,409	36,500	40,500	34,000	16,600
<b>Profit before tax</b>	<b>1,298,187</b>	<b>-631</b>	<b>-886</b>	<b>-705</b>	<b>-622</b>
Tax on profit/loss for the year	-106,717	20	-115	4,897	-105
<b>Profit/loss for the year</b>	<b>1,191,469</b>	<b>-611</b>	<b>-1,001</b>	<b>4,192</b>	<b>-728</b>
<b>Comprehensive income</b>					
<b>Profit/loss for the year</b>	<b>1,191,469</b>	<b>-611</b>	<b>-1,001</b>	<b>4,192</b>	<b>-728</b>
Other comprehensive income	-652,399	0	0	0	0
<b>Comprehensive income for the year</b>	<b>539,071</b>	<b>-611</b>	<b>-1,001</b>	<b>4,192</b>	<b>-728</b>
<b>Balance sheets</b>					
Cash and balances with central banks	2,503,401	438,928	76,079	31,757	33,772
Treasury bonds etc. acceptable as collateral	0	50,038	34,018	12,017	12,032
Lending to credit institutions	1,579,870	509,518	318,227	184,313	85,203
Lending to the public	24,807,540	228,195	224,668	180,452	232,191
Other assets	8,159,272	16,805	16,267	17,678	12,094
<b>Assets</b>	<b>37,050,082</b>	<b>1,243,484</b>	<b>669,259</b>	<b>426,217</b>	<b>375,292</b>
Liabilities to credit institutions	0	20,977	15,495	16,630	11,521
Deposits from the public	30,645,365	1,085,303	509,513	299,404	257,325
Other liabilities	1,523,758	13,093	19,529	10,460	10,915
Shareholders' equity	4,880,958	124,111	124,722	99,723	95,531
<b>Liabilities and shareholders' equity</b>	<b>37,050,082</b>	<b>1,243,484</b>	<b>669,259</b>	<b>426,217</b>	<b>375,292</b>
<b>Key ratios</b>					
Operating margin, %	3) 32.4	neg.	neg.	neg.	neg.
Return on total assets, %	4) 6.2	neg.	neg.	1.0	neg.
Return on shareholders' equity, %	5) 47.6	neg.	neg.	5.5	neg.
Equity/assets ratio, %	6) 13.2	10.0	18.6	23.4	25.5
Expenses/income	7) 0.6	1.9	2.8	2.3	1.6
Lending/deposits, %	8) 81.0	21.0	44.1	60.3	90.2
Credit loss ratio, %	9) 2.0	1.5	1.8	0.9	-0.2
Liquidity, SEK thousands	10) 6,054,092	1,008,432	438,883	238,908	141,251
Cash flow from operating activities, SEK thousands	11) 1,187,746	-33,602	-37,439	-37,643	-16,162
Average number of full-time equivalent employees	12) 888	31	29	27	26
Total capital, SEK thousands	13) 5,364,489	119,259	119,829	94,826	95,531
Risk-weighted exposures, SEK thousands	14) 32,474,390	272,075	257,450	263,289	316,580
Common Equity Tier 1 capital ratio, %	15) 13.8	43.8	46.5	36.0	30.2
Total capital ratio, %	16) 16.5	43.8	46.5	36.0	30.2
Liquidity Coverage Ratio (LCR), %	17) 676.0	368.3	372.0	338.0	142.1
Leverage ratio, %	18) 12.5	9.6	17.9	22.1	24.7
Stable funding (NSFR), %	19) 159.4	218.9	-	-	-

1) Interest income minus interest expenses plus leasing income before planned depreciation of lease objects.

2) Commission income minus commission expenses.

3) Operating profit divided by operating income.

4) Profit for the year divided by average total assets.

5) Profit for the year divided by average shareholders' equity plus equity portion of untaxed reserves.

6) Shareholders' equity + Equity portion of untaxed reserves divided by total assets at year end.

7) Operating expenses divided by operating income.

8) Lending to the public divided by deposits from the public at year end.

9) Credit losses, net divided by average lending to the public.

10) Cash and bank balances plus unutilised credit, treasury bonds accepted as collateral and bonds.

11) Cash flow from operating activities before changes in operating assets and liabilities

12) Average of number of employees at beginning and end of year respectively. Of which some personnel hired out to Swedish Group companies.

13) Capital base equals the sum of Common Equity Tier 1 capital, Tier 1 capital and Tier 2 capital.

14) Total of risk-weighted exposures on and off the balance sheet, in respect of credit risk, market risk, operational risk and creditworthiness adjustment risk.

15) Common Equity Tier 1 capital divided by total of risk-weighted exposures.

16) Total capital divided by total of risk-weighted exposures.

17) High-quality liquid assets (HQLA) divided by a stressed net cash outflow over 30 days.

18) Tier 1 capital divided by total assets excluding derivatives and deductions from the capital base, plus weighted off-balance assets and the exposure amount for counterparty risk.

19) Stable funding available divided by the need for stable funding.

INCOME STATEMENTS (SEK thousands)	Note	Group		Parent Company	
		2022	2021	2022	2021
Interest income	4, 6	3,008,445	2,814,063	2,155,725	27,424
Leasing income	6			426,937	
Interest expenses 1)	6	-422,853	-302,033	-411,205	-2,225
<b>Net interest income</b>		<b>2,585,592</b>	<b>2,512,030</b>	<b>2,171,457</b>	<b>25,199</b>
Dividends received	7	92,483	26,212	755,873	
Commission income	4, 8	1,623,463	1,425,290	675,771	28,936
Commission expenses	9	-186,839	-154,035	-134,773	-18,741
Net profit from financial transactions	10	288,967	114,035	264,913	-60
Participations in associated company's earnings	11	-215	-176		
Other operating income	4, 12	56,470	61,471	203,775	306
<b>Operating income</b>		<b>4,459,920</b>	<b>3,984,828</b>	<b>3,937,015</b>	<b>35,640</b>
Personnel expenses	13	-1,231,580	-1,067,877	-787,628	-28,863
Other administrative expenses	5	-1,460,461	-1,178,679	-1,123,617	-40,447
Amortization/depreciation and impairments of intangible assets and property, plant and equipment, etc.	15	-176,975	-250,253	-356,524	
Other operating expenses		-27,645	-15,797		
<b>Operating expenses</b>		<b>-2,896,662</b>	<b>-2,512,606</b>	<b>-2,267,769</b>	<b>-69,310</b>
<b>Profit/loss before credit losses</b>		<b>1,563,258</b>	<b>1,472,222</b>	<b>1,669,246</b>	<b>-33,670</b>
Credit losses, net	16	-389,923	-396,651	-249,674	-3,461
Impairment gains/losses	17	185,218		48,982	
Impairment charges, financial assets	17			-191,777	
<b>Operating profit/loss</b>		<b>1,358,552</b>	<b>1,075,571</b>	<b>1,276,778</b>	<b>-37,131</b>
Appropriations	18			21,409	36,500
<b>Profit before tax</b>		<b>1,358,552</b>	<b>1,075,571</b>	<b>1,298,187</b>	<b>-631</b>
Tax on profit/loss for the year	19	-285,418	-190,892	-106,717	20
<b>Profit/loss for the year</b>		<b>1,073,134</b>	<b>884,679</b>	<b>1,191,469</b>	<b>-611</b>
Of which attributable to Parent Company shareholders		1,060,387	829,252	1,176,887	-611
Of which attributable to holders of Tier 1 capital instruments		14,582	17,752	14,582	
Of which attributable to holding without a controlling influence		-1,835	37,675		

#### STATEMENT OF COMPREHENSIVE INCOME (SEK thousands)

<b>Profit/loss for the year</b>	<b>1,073,134</b>	<b>884,679</b>	<b>1,191,469</b>	<b>-611</b>
<i>Items for possible reclassification to the income statement:</i>				
Translation of foreign operations	95,191	56,680	2,372	
<i>Items that cannot be reclassified to the income statement:</i>				
<i>Fair value via other comprehensive income</i>				
Change in value, listed shares and participations	-858,113	153,985	-858,113	
Deferred tax on change in value, listed shares and participations	176,771	-31,721	176,771	
Profit from disposal of listed shares and participations	33,465	267,814	33,465	
Current tax on profit from disposal of listed shares and participations	-6,894	-55,170	-6,894	
<b>Other comprehensive income</b>	<b>-559,579</b>	<b>391,589</b>	<b>-652,399</b>	<b>0</b>
<b>Comprehensive income for the year</b>	<b>513,554</b>	<b>1,276,268</b>	<b>539,071</b>	<b>-611</b>
Of which attributable to Parent Company shareholders	500,760	1,219,912	524,489	-611
Of which attributable to holders of Tier 1 capital instruments	14,582	17,752	14,582	
Of which attributable to holding without a controlling influence	-1,788	38,604		

1) Interest expenses for Tier 1 capital instruments issued are reported through shareholders' equity. The comparative period 2021 has been recalculated. See Note 54 for additional information.



BALANCE SHEETS (SEK thousands)	Note	Group		Parent Company	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Cash and balances with central banks		2,503,401	573,006	2,503,401	438,928
Treasury bonds etc. acceptable as collateral	20		50,038		50,038
Lending to credit institutions	44	3,239,002	2,895,917	1,579,870	509,518
Lending to the public	21, 44	25,550,058	20,782,655	24,807,540	228,195
Bonds and other securities	22	1,570,822	1,550,705	1,570,822	
Shares and participations	23	4,131,778	4,898,602	4,051,754	
Other participations	24	3,284	3,284		
Shares and participations in associated companies	25	553	768		
Shares in Group companies	26			1,131,702	
Intangible assets	27	435,634	433,652	30,780	
Tangible assets	28	185,137	95,627	1,050,553	
Rights of use	29	397,134	244,523		
Deferred tax assets	30	260,371	168,198	25,646	4,802
Derivative instruments	31	17,106	1,837	17,106	0
Other assets	32	394,878	353,854	205,793	9,167
Prepaid expenses and accrued income	33	91,442	77,922	75,116	2,836
Assets held for sale	34		174,022		
<b>Assets</b>		<b>38,780,601</b>	<b>32,304,610</b>	<b>37,050,082</b>	<b>1,243,484</b>
Liabilities to credit institutions	35, 44	1,042	672		20,977
Deposits from the public	36, 44	30,937,956	25,150,548	30,645,365	1,085,303
Issued securities, etc.	37			191,806	
Derivative instruments	38	87,722	24,678	87,722	
Lease liabilities	39	399,166	250,882		
Other liabilities	40	515,706	500,793	288,335	7,015
Accrued expenses and prepaid income	41	452,207	327,180	294,689	6,078
Deferred tax liability	30	66,898	202,885	17,482	
Provisions	42	55,000		45,000	
Subordinated liabilities	43	598,724	599,682	598,724	
Liabilities held for sale	34		8,390		
<b>Liabilities</b>		<b>33,114,420</b>	<b>27,065,708</b>	<b>32,169,124</b>	<b>1,119,373</b>
Holdings of Tier 1 capital instruments 1)		300,000	300,000	300,000	
Holding without a controlling influence		12,116	67,845		
Share capital		50,501	9,459	50,501	50,000
Other capital contributed		59,499	498,541		
Statutory reserve				4,168	4,168
Reserve for development expenses				15,200	
Reserves		127,140	713,731		
Fair value reserve				56,668	
Share premium account				59,499	
Retained earnings		4,041,957	2,802,321	3,203,452	70,553
Profit/loss for the year		1,074,969	847,004	1,191,469	-611
<b>Shareholders' equity</b>		<b>5,666,181</b>	<b>5,238,902</b>	<b>4,880,958</b>	<b>124,111</b>
<b>Liabilities and shareholders' equity</b>		<b>38,780,601</b>	<b>32,304,610</b>	<b>37,050,082</b>	<b>1,243,484</b>

1) Change in accounting treatment of Tier 1 capital instruments. Comparative period recalculated, see Note 54 for additional information.

	CONSOLIDATED REPORT OF CHANGES IN SHAREHOLDERS' EQUITY								
	Attributable to Parent Company shareholders							Holding without a controlling influence	Total shareholders' equity
	Capital contributed		Reserves			Total	Tier 1 capital holding		
Share capital	Other capital contributed	Revaluation reserve	Translation reserve	Retained earnings					
<b>Shareholders' equity 31/12/2020</b>	<b>9,208</b>	<b>398,792</b>	<b>616,296</b>	<b>-81,509</b>	<b>3,048,348</b>	<b>3,991,134</b>	<b>0</b>	<b>30,240</b>	<b>4,021,374</b>
Effect of adjustment of Tier 1 capital instruments							300,000		300,000
<b>Adjusted shareholders' equity, 31/12/2020</b>	<b>9,208</b>	<b>398,792</b>	<b>616,296</b>	<b>-81,509</b>	<b>3,048,348</b>	<b>3,991,134</b>	<b>300,000</b>	<b>30,240</b>	<b>4,321,374</b>
<i>Fair value via other comprehensive income</i>									
Change in value, listed shares and participations			153,985			153,985			153,985
Deferred tax on change in value, shares and participations			-31,721			-31,721			-31,721
Profit from disposal of listed shares and participations					267,814	267,814			267,814
Current tax on profit from divestment of listed shares and participations					-55,170	55,170			-55,170
Exchange rate differences				55,751		55,751		930	56,680
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>122,264</b>	<b>55,751</b>	<b>212,644</b>	<b>390,659</b>	<b>0</b>	<b>930</b>	<b>391,589</b>
Profit/loss for the year					829,252	829,252	17,752	37,675	884,679
<b>Comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>122,264</b>	<b>55,751</b>	<b>1,041,896</b>	<b>1,219,911</b>	<b>17,752</b>	<b>38,604</b>	<b>1,276,268</b>
Dividend					-175,000	-175,000			-175,000
Bonus issue	463				-463	0			0
Withdrawal of shares	-463				-99,537	-100,000			-100,000
Exchange of convertibles	252	99,748			-164,855	-64,855			-64,855
Interest expenses, Tier 1 capital instruments						0	-17,752		-17,752
Capital share					-176	-176			-176
Adjustment of previous year's profit/loss				-71	-2,065	-2,136			-2,136
Untaxed reserves					1,177	1,177			1,177
Revaluation in subsidiaries without a controlling influence				1,000		1,000		-1,000	0
<b>Transactions with shareholders and holders of Tier 1 capital</b>	<b>252</b>	<b>99,748</b>	<b>0</b>	<b>929</b>	<b>-440,919</b>	<b>-339,989</b>	<b>-17,752</b>	<b>-1,000</b>	<b>-358,741</b>
<b>Shareholders' equity 31/12/2021</b>	<b>9,459</b>	<b>498,541</b>	<b>738,560</b>	<b>-24,829</b>	<b>3,649,325</b>	<b>4,871,056</b>	<b>300,000</b>	<b>67,845</b>	<b>5,238,902</b>
<i>Fair value via other comprehensive income</i>									
Change in value, listed shares and participations			-858,113			-858,113			-858,113
Deferred tax on change in value, shares and participations			176,771			176,771			176,771
Profit from disposal of listed shares and participations					33,465	33,465			33,465
Current tax on profit from divestment of listed shares and participations					-6,894	-6,894			-6,894
Exchange rate differences				95,143		95,143		47	95,191
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>-681,341</b>	<b>95,143</b>	<b>26,572</b>	<b>-559,627</b>	<b>0</b>	<b>47</b>	<b>-559,579</b>
Profit/loss for the year					1,060,387	1,060,387	14,582	-1,835	1,073,134
<b>Comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>-681,341</b>	<b>95,143</b>	<b>1,086,958</b>	<b>500,760</b>	<b>14,582</b>	<b>-1,788</b>	<b>513,554</b>
Merger	40,541	-498,541			458,000	0			0
Dividend					-50,000	-50,000			-50,000
New share issue	501	59,499				60,000			60,000
Interest expenses, Tier 1 capital instruments						0	-14,582		-14,582
Capital share					-215	-215			-215
Acquisition of subsidiary						0		1,242	1,242
Acquisition from holding without a controlling influence					-25,713	-25,713		-3,191	-28,904
Divestment of holding without a controlling influence						0		-52,808	-52,808
Divestment to holding without a controlling influence					-41	-41		41	0
Adjustment of previous year's profit/loss			-393		-1,388	-1,782		775	-1,007
<b>Transactions with shareholders and holders of Tier 1 capital</b>	<b>41,042</b>	<b>-439,042</b>	<b>-393</b>	<b>0</b>	<b>380,642</b>	<b>-17,751</b>	<b>-14,582</b>	<b>-53,940</b>	<b>-86,274</b>
<b>Shareholders' equity 31/12/2022</b>	<b>50,501</b>	<b>59,499</b>	<b>56,826</b>	<b>70,314</b>	<b>5,116,926</b>	<b>5,354,065</b>	<b>300,000</b>	<b>12,116</b>	<b>5,666,181</b>

The translation reserve includes exchange rate differences from the translation of foreign Group companies and branches.  
The Parent Company's statutory reserve of SEK 1.6 million arose from the transfer of retained earnings and does not constitute contributed capital.

The Tier 1 capital instrument is a subordinated liability that meets certain conditions for being counted as Tier 1 capital when calculating the size of the capital base.  
The accounting policy selected means that Tier 1 capital instruments are classified as shareholders' equity and payments to holders of these instruments, such as interest, are reported via shareholders' equity. In April 2018, Svea Bank AB (Svea Ekonomi AB at the time) issued Tier 1 capital by issuing an AT1 bond. The nominal amount of the transaction was SEK 300 million, with an interest rate of STIBOR 3 months + 5.65%.

**REPORT OF CHANGES IN SHAREHOLDERS' EQUITY – PARENT COMPANY**

	Restricted shareholders' equity			Non-restricted shareholders' equity			Total shareholders' equity	
	Share capital	Statutory reserve	Reserve for development expenses	Tier 1 capital holding	Fair value reserve	Share premium account		Retained earnings
<b>Shareholders' equity 31/12/2020</b>	<b>50,000</b>	<b>4,168</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>70,553</b>	<b>124,722</b>
Profit/loss for the year							-611	-611
<b>Comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-611</b>	<b>-611</b>
<b>Shareholders' equity 31/12/2021</b>	<b>50,000</b>	<b>4,168</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>69,942</b>	<b>124,111</b>
<i>Fair value via other comprehensive income</i>								
Change in value, listed shares and participations					-858,113			-858,113
Deferred tax on change in value, listed shares and participations					176,771			176,771
Profit from disposal of listed shares and participations							33,465	33,465
Current tax on profit from disposal of listed shares and participations							-6,894	-6,894
Exchange rate differences							2,372	2,372
<b>Other comprehensive income</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-681,341</b>	<b>0</b>	<b>28,943</b>	<b>-652,399</b>
Profit/loss for the year							1,191,469	1,191,469
<b>Comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-681,341</b>	<b>0</b>	<b>1,220,412</b>	<b>539,071</b>
Depreciations			-7,600				7,600	0
<b>Reserve for development expenses</b>	<b>0</b>	<b>0</b>	<b>-7,600</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,600</b>	<b>0</b>
Dividend							-50,000	-50,000
New share issue	501					59,499		60,000
Merger			22,800		738,010		3,152,911	3,913,720
Shareholders' equity component of convertible loans							8,639	8,639
Tier 1 capital instruments				300,000				300,000
Interest expenses, Tier 1 capital instruments							-14,582	-14,582
<b>Transactions with shareholders and holders of Tier 1 capital</b>	<b>501</b>	<b>0</b>	<b>22,800</b>	<b>300,000</b>	<b>738,010</b>	<b>59,499</b>	<b>3,096,968</b>	<b>4,217,777</b>
<b>Shareholders' equity 31/12/2022</b>	<b>50,501</b>	<b>4,168</b>	<b>15,200</b>	<b>300,000</b>	<b>56,668</b>	<b>59,499</b>	<b>4,394,922</b>	<b>4,880,958</b>

Share capital consists of 1,614,400 shares with a quote value of SEK 31.281281.  
Exchange rate differences refer to translation of foreign branches.

The Tier 1 capital instrument is a subordinated liability that meets certain conditions for being counted as Tier 1 capital when calculating the size of the capital base. The accounting policy selected means that Tier 1 capital instruments are classified as shareholders' equity and payments to holders of these instruments, such as interest, are reported via shareholders' equity. In April 2018, Svea Bank AB (Svea Ekonomi AB at the time) issued Tier 1 capital by issuing an AT1 bond. The nominal amount of the transaction was SEK 300 million, with an interest rate of STIBOR 3 months + 5.65%.

CASH FLOW STATEMENT (SEK thousands)	Note	Group		Parent Company	
		2022	2021	2022	2021
Profit/loss before credit losses		1,563,258	1,472,222	1,669,246	-33,670
Of which interest received		3,008,445	2,814,063	2,155,725	27,424
Of which leasing charges received				426,937	
Of which interest paid		-422,853	-302,033	-411,205	-2,225
Of which dividends		92,483	26,212	755,873	
<i>Items not included in cash flow:</i>					
Anticipated dividend				-285,431	
Capital gains/losses, bonds and other securities		15,761	2,918	15,761	
Capital gains(losses)/changes in value, promissory notes		28,485		28,485	
Capital gains, shares in Group companies		36,912		47,230	
Capital gains(losses)/changes in value, unlisted holdings		-297,101	-132,870	-297,101	
Depreciations, etc.		176,975	250,253	356,524	
Capital gains/losses – retirement, inventories/buildings and land		-823	217	8,892	
Deferred tax		7,442	33,338	-4,838	
Exchange rate differences		-194,260	38,668	-312,833	-46
Changes in value, treasury bonds, etc. acceptable as collateral					114
Revaluation of acquired past-due stocks of receivables		31,947	582,641	53,949	
Interest on Tier 1 capital instruments 1)			-17,753		
Provisions		55,000		45,000	
Participations in associated company's earnings		-215	176		
Income taxes paid		-313,798	-339,399	-137,138	
<b>Cash flow from operating activities before changes in operating assets and liabilities</b>		<b>1,109,583</b>	<b>1,890,412</b>	<b>1,187,746</b>	<b>-33,602</b>
Treasury bonds etc. acceptable as collateral			-16,019		-16,133
Lending to the public		-4,770,471	-4,001,054	-4,993,176	-6,943
Bonds and other securities		-247,164	-264,543	-247,164	
Shares and participations		240,107	-1,668,571	249,102	
Derivative instruments		47,774	60,991	47,774	
Other assets		-67,699	86,108	-60,457	-456
Liabilities to credit institutions		370	288	-45	5,481
Deposits from the public		5,787,408	4,234,509	6,894,649	575,790
Other liabilities		208,591	40,725	145,762	-6,436
<b>Change in the operation's assets and liabilities</b>		<b>1,198,915</b>	<b>-1,527,566</b>	<b>2,036,445</b>	<b>551,303</b>
<b>Cash flow from operating activities</b>		<b>2,308,498</b>	<b>362,846</b>	<b>3,224,191</b>	<b>517,702</b>
Change in bonds and other securities		211,286	402,146	211,286	
Acquisition of shares in Group companies	26, 46	-46,358	-138,209	-46,055	
Shareholder contributions/Group contributions				-600,968	36,500
Sale of shares in Group companies		32,006		32,006	
Acquisition of intangible assets	46	-33,328	-16,655	-14,873	
Acquisition of tangible assets	46	-115,404	-66,192	-676,326	
Sale of tangible assets		823	1,193	105,490	
Acquisition of deferred tax assets	46	-2,740			
<b>Cash flow from investing activities</b>		<b>46,285</b>	<b>182,283</b>	<b>-989,440</b>	<b>36,500</b>
New share issue		60,000		60,000	
Subordinated liabilities		-958	2,381	-958	
Issued securities, etc.				200,000	
Exchange of convertibles			-64,855		
Dividend		-50,000	-175,000	-50,000	
Withdrawal of shares			-100,000		
Holding without a controlling influence			-49,002		
Repayment of lease liability		-90,345	-62,129		
<b>Cash flow from financing activities</b>		<b>-81,303</b>	<b>-448,605</b>	<b>209,042</b>	<b>0</b>
<b>Cash flow for the year</b>		<b>2,273,480</b>	<b>96,524</b>	<b>2,443,793</b>	<b>554,202</b>
Cash and cash equivalents at beginning of year		3,468,923	3,372,399	948,446	394,244
Cash and cash equivalents from merger				691,031	
<b>Cash and cash equivalents at year-end</b>		<b>5,742,403</b>	<b>3,468,923</b>	<b>4,083,270</b>	<b>948,446</b>
<i>Cash and cash equivalents consist of:</i>					
Cash and balances with central banks		2,503,401	573,006	2,503,401	438,928
Lending to credit institutions		3,239,002	2,895,917	1,579,870	509,518
<b>Cash and cash equivalents at year-end</b>		<b>5,742,403</b>	<b>3,468,923</b>	<b>4,083,270</b>	<b>948,446</b>
Cash and cash equivalents not available for use	44	41,898	32,867	40,703	0

1) Interest expenses for Tier 1 capital instruments issued are reported through shareholders' equity. The comparative period 2021 has been recalculated. See Note 54 for additional information.

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## Note 1 Accounting policies and valuation principles

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### Information about the company

The annual accounts and consolidated accounts were prepared as of 31 December 2022 and refer to Svea Bank AB (publ), which is a Swedish-registered limited liability banking company with its registered office in Stockholm. The address of the head office is Evenemangsgatan 31, Solna, Sweden.

### Compliance with standards and laws

The Annual Report and consolidated accounts were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL/1995:1559). The Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2008:25) and the Swedish Financial Reporting Board's recommendations RFR 1 Supplementary Accounting Rules for Groups and RFR 2 Accounting for Legal Entities are also applied. Accordingly, the company fully applies IFRS to the Group and legally restricted IFRS to the Parent Company.

The Annual Report and consolidated accounts were approved for issue by the Board of Directors on 27 April 2023. The income statements and balance sheets were presented for adoption by the Annual General Meeting on 27 April 2023.

### General conditions for the preparation of the company's financial statements

In view of the fact that Svea Bank AB is the Parent Company as of the execution of the merger on 3 January 2022, the comparative figures for the Parent Company are based on Svea Bank AB instead of Svea Ekonomi AB, which has ceased operations. Svea Bank AB was a subsidiary during 2021, and a full comparison is therefore not possible. Comparative figures for the Group have been produced based on the structure of the Group in 2021, with Svea Ekonomi AB as Parent Company.

Subsidiaries that prepare their own annual reports in accordance with the Annual Accounts Act adjust to comply with ÅRKL/1995:1559 in the consolidated accounts, whereby the item net sales is reported as commission income. All companies in the Group apply uniform accounting policies.

IAS 33 Earnings per share is only applied by companies whose shares are subject to public trading. IAS 33 is therefore not applied by Svea Bank, as the Group only has listed debt instruments.

Acquisitions from holdings without a controlling influence are reported as a transaction within equity, i.e. between the Parent Company's owner and the holding without controlling influence.

The accounting policies have not changed in relation to the previous year.

Assets and liabilities are reported at cost, unless otherwise stated below.

All amounts in the financial statements that refer to the Group and the Parent Company are presented in SEK thousands, unless otherwise expressly stated. The Parent Company's functional currency is SEK.

In accordance with industry practice for financial companies, the balance sheet is not divided into non-current and current liabilities and current and non-current assets respectively.

### Changed accounting policies

During the third quarter of 2022, there was a change in the accounting treatment of outstanding Tier 1 capital instruments of SEK 300 million that were issued during the second quarter of 2018. The Tier 1 capital instrument has no maturity date and runs with an annual interest rate of STIBOR 3 months + 5.65%. Tier 1 capital instruments issued are considered to meet the conditions for an equity instrument, as according to the conditions the instrument has no defined maturity date, and the issuer of the instrument has full discretion regarding interest payments. Interest expenses for the Tier 1 capital instrument were previously reported as non-deductible interest expenses and reported in net interest. As of the third quarter of 2022, Tier 1 capital instruments are classified as shareholders' equity and payments to holders of these instruments, such as interest, will be reported in shareholders' equity. The changed accounting policy has been treated as the correction of an error, which means that comparative periods have been adjusted.

### New standards applied by the Group

None of the changes in the standards that came into force during the financial year 2022 have any material impact on the financial statements.

### Changes in IFRS that have not yet been applied

None of the changes in the accounting regulations that have been issued for application are considered to have a significant impact on Svea Bank's financial statements, capital adequacy or major exposures. The standards that come into force for financial years beginning after 1 January 2023 have not been applied in the preparation of these financial statements.

### Estimates and significant assessments

Preparing the financial statements requires company management to make assessments and estimates as well as make assumptions that affect the application of the accounting policies and the reported amounts of assets, liabilities, income and expenses and off-balance-sheet commitments. These estimates and assumptions are based on past experience and other factors that the management considers fair and reasonable.

Certain accounting policies are deemed to be of particular importance for the Group's financial position as they are based on complex, subjective assessments and estimates on the part of management, most of which refer to circumstances that are uncertain. These critical assessments and estimates are primarily attributable to impairment testing of shares in Group companies, shares and participations in associated companies, unlisted shares and participations, goodwill and lending.

#### *Impairment testing of shares in Group companies*

Shares in Group companies are tested as required in accordance with IAS 36 Impairment of Assets. An analysis is conducted in the test to determine whether the book value of the shares in the Group company is fully recoverable. When the recoverable amount is determined, the value in use is established measured as the present value of expected cash flows from the Group company concerned. The discount rate used is the risk-free interest rate plus a risk factor. Forecasts of future cash flows are based on Svea Bank's best estimates of future income and expenses for the Group company concerned. Refer also to the section below entitled Impairment testing of fixed assets.

#### *Impairment testing of goodwill*

Goodwill is tested every year in accordance with IAS 36 Impairment of Assets. An analysis is conducted in the test to determine whether the book value of the goodwill is fully recoverable. When the recoverable amount is determined, the value in use is established measured as the present value of expected cash flows from the cash-generating units to which goodwill has been allocated. The discount rate used is the risk-free interest rate plus a risk factor. Forecasts of future cash flows are based on Svea Bank's best estimates of future income and expenses for the cash-generating units. Refer also to the section below entitled Impairment testing of fixed assets.

#### *Impairment testing of lending*

Impairment testing of loan receivables takes place in accordance with IFRS 9 Financial Instruments, see also the section entitled Financial Instruments below. Notes 16 and 21 describe credit losses and reserves respectively.

#### Consolidated accounts

The consolidated accounts have been prepared by applying the rules of acquisition accounting and comprise the Parent Company and all the companies over which the Parent Company, directly or indirectly, has a controlling influence or significant influence, as the case may be. A controlling influence is assumed to exist when ownership amounts to at least 50 per cent of the votes in the subsidiary company. A significant influence is assumed to exist when ownership amounts to at least 20 per cent of the votes in the associated company. Influence can also be attained by means other than share ownership.

Group companies and associated companies are included in the consolidated accounts from the date on which the controlling or significant influence was obtained and are excluded from the consolidated accounts from the date on which the controlling or significant influence ceases. Only shareholders' equity earned after the acquisition is reported in consolidated shareholders' equity.

Internal transactions with subsidiaries and associated companies, and outstanding accounts with subsidiaries, are eliminated in the consolidated accounts. The subsidiaries' and associated companies' accounting policies have been adjusted where necessary to ensure their conformance with the Group's accounting policies. The equity portion of untaxed reserves is reported in shareholders' equity as profit brought forward. The tax portion of untaxed reserves is reported as deferred tax liabilities based on the current tax rate in each country.

#### Group companies, subsidiaries

Subsidiaries are reported according to the acquisition method, which means acquired, identifiable assets, liabilities and contingencies are measured at fair value on the acquisition date. The surplus that consists of the difference between the cost of the acquired participations and the total fair value of the acquired, identifiable net assets is reported as goodwill. If the cost is less than the fair value of the acquired subsidiary's net assets, the difference is reported directly in the income statement as a profit from acquisition at low price in the item Other operating income.

#### Associated companies

Associated companies are reported according to the equity method, which means the participation in the associated company is reported at cost on the acquisition date and is subsequently adjusted by the Group's share of the change in the associated company's net assets.

The cost of acquisition of Group and associated companies comprises the total fair value of the assets provided, liabilities incurred or assumed, plus expenses – in the Parent Company – directly attributable to the acquisition.

Foreign Group companies and branches are translated according to the current method; see below for further information.

#### Segment reporting

In segment reporting, income and expenses and assets and liabilities are reported separately for each operating segment. An operating segment is a part of the Group that conducts operations that generate revenues and expenses for which independent information is available. Information about the operating segment is used and monitored on an ongoing basis by Group management.

Operations are followed up based on geographical areas. See Note 2 for further information.

#### Translation of foreign currencies

##### Group

Assets and liabilities in foreign currencies are translated at the closing day rate, while items in the income statement are translated at the average exchange rate for the year. Foreign subsidiaries prepare their accounts in the local functional currency of the country where they do business. Exchange rate differences arise in the translation of the subsidiaries' annual accounts partly because the closing day rate changes between accounting year-ends and also because the average rate deviates from the closing day rate.

Exchange rate differences attributable to the translation of subsidiaries are reported via comprehensive income in the translation reserve under shareholders' equity.

##### Parent Company

Assets and liabilities in foreign currencies are translated at the closing day rate. Exchange rate differences are reported in the income statement under Net profit/loss from financial transactions. To minimise exchange rate differences, net positions primarily in NOK, EUR, DKK, USD, CHF and HRK are hedged through currency swaps/forward contracts as presented in Note 50. Swaps/forward contracts are translated on an ongoing basis at fair value and are reported in the income statement under net profit/loss from financial transactions. Hedge accounting is not applied.

#### Financial instruments

IFRS 9 Financial instruments concerns classification and valuation, impairment and general hedge accounting. In simple terms, the standard means that when a credit is disbursed, the company reports an impairment and estimates the expected credit losses, which requires additional assessments in respect of changed credit risk and forward-looking information. Svea Bank has classified assets and liabilities, and developed models for the calculation of expected credit losses in accordance with this. Notes 16 and 21 describe credit losses and reserves respectively.

#### Classification of financial assets and liabilities

A financial instrument is defined as every type of agreement that gives rise to a financial asset in a company and a financial liability or equity instrument with the counterparty.

Every financial instrument is classified in one of the following categories and forms the basis for how such instruments are valued in the balance sheet and how the change in the value of the instruments is reported; refer also to Notes 47 and 48.

#### Financial assets

- Financial assets measured at fair value via the income statement
- Accrued cost of acquisition
- Financial assets measured at fair value via other comprehensive income

#### Financial liabilities

- Financial liabilities measured at fair value via the income statement
- Accrued cost of acquisition

The classification of a financial instrument is determined based on the business model of the portfolio in which the instrument is included and whether cash flows only represent payments of principal and interest. A small number of promissory note loans have contract terms to the effect that cash flows do not only constitute payment of principal and interest and are therefore reported at fair value via the income statement. A choice has been made to report bonds at fair value via the income statement, as this was considered to best represent how the company manages the assets. For the bond portfolio, the number of transactions was the item that had the strongest influence on reporting the portfolio at fair value via the income statement. The company's portfolio of listed shares was not considered to be a portfolio that was held for trading, but to be a more long-term portfolio, and is therefore reported at fair value via other comprehensive income.

There is no classification or distinction between long-term and short-term instruments respectively in the accounts. All assets and liabilities follow a liquidity presentation.

#### Combined financial instruments

Convertible debt instruments are reported as combined financial instruments, i.e. debt instruments with an option to convert the debt to shares. The debt instrument and the shareholders' equity component are therefore reported separately in the statement of financial position. The fair value of the debt instrument consists of the present value of future payments of interest and amortizations attributable to the debt instrument. The discount rate consists of the market rate at the time of issue of comparable debt instruments but without conversion options. The equity instrument consists of a built-in option to convert the debt instrument to shares.

#### *Impairments*

The impairment loss requirements are based on a model for expected credit losses. All assets measured at accrued cost or fair value via other comprehensive income, as well as off-balance sheet commitments, including guarantees and credit commitments, are tested for impairment.

The assets to be tested are divided into three categories in accordance with the general method, depending on the development of credit risk from the date of disbursement. Category 1 comprises assets where there has been no substantial increase in credit risk, category 2 comprises assets where there has been a substantial increase in credit risk and category 3 comprises defaulted assets that have been valued individually or in groups.

Whether the counterparty is late in making payment or whether there are other indications that the risk has changed are both used as indicators of a significant increase in credit risk. The definition of default includes significantly late payments or other indications that repayment is less likely, which is also the definition applied in regulatory reporting.

Alternative methods are used for parts of assets to calculate impairment requirement. There is the simplified method used for assets with a short maturity, such as invoice purchases, and an alternative method used for portfolios of acquired past-due receivables.

In category 1, the reserves correspond to the credit losses anticipated for the next 12 months. In categories 2 and 3, and assets using the simplified method, the reserves correspond to the credit losses anticipated for the full remaining maturity. The methodology for calculating expected credit losses takes place by means of an estimate for each product area of the parameters probability of default, expected loss in event of default and expected exposure in event of default; the result is then calculated at the current value in order to indicate the value of the expected credit loss. Forward-looking information such as the macroeconomic scenario also affects the expected loss.

#### **Methods for measuring fair value**

##### **Financial assets quoted on an active market**

A financial instrument is considered quoted on an active market if quoted prices are readily available on an exchange, from a trader, broker, banks, etc. and that such prices represent actual and regularly occurring market transactions on commercial conditions. Share prices are obtained from Nasdaq OMX. Instruments quoted on an active market are reported in the balance sheet under Shares and participations, and Bonds and other securities.

##### **Miscellaneous**

The fair values of derivative instruments in the form of currency swaps/currency forward contracts are based on input data from an external commercial bank. Holdings of unlisted shares are reported at fair value based on a measurement performed by external independent expertise. The measurement is based in the first instance on the most recently completed transaction. In cases where the transaction is more than 12 months old, a measurement is performed based on measurement multiples for comparable companies (relative valuation) or a discounted cash flow (DCF) valuation. For the measurement of financial assets and liabilities in foreign currency, the fair values of these currencies are obtained from Riksbanken. One exception is the exchange rate for the rouble, which is obtained from Reuters, as Riksbanken has stopped publishing this. These balance sheet items are reported at accrued cost.

For promissory notes in which the contract terms can give rise to payment flows that do not fully comprise interest and repayment, these are measured at fair value. Measurement takes into account, among other things, the date when such a payment flow is expected to arrive, the alternative cost of the capital and the likelihood at which the payment flow may be expected to occur.

The division of financial instruments measured at fair value into three levels is described in Note 48.

##### **Financial assets and liabilities**

Financial assets in the balance sheet include cash and balances with central banks, treasury bonds etc. acceptable as collateral, lending to credit institutions, lending to the public, bonds and other interest-bearing securities, listed and unlisted shares and participations, other assets, accounts receivable and derivative instruments.

Financial liabilities in the balance sheet include liabilities to credit institutions, deposits from the public, other liabilities, accounts payable, derivative instruments and subordinated liabilities.

##### *Cash and balances with central banks*

Cash and balances with central banks are categorised as financial assets measured at accrued cost and consist of balances at Sveriges Riksbank.

##### *Treasury bonds etc. acceptable as collateral*

Treasury bonds, etc. acceptable as collateral are categorised as financial assets measured at fair value in the income statement. This item includes interest-bearing government securities with fixed or determinable payments and fixed maturities.

##### *Lending to credit institutions*

Lending to credit institutions is categorised as financial assets at accrued cost and consists of bank balances and short-term liquid investments.

##### *Lending to the public*

Lending to the public is classified as financial assets measured at accrued cost. The item includes lending to private individuals and companies, factoring, acquired but non-mature receivables and acquired stocks of past-due receivables. The carrying amount of acquired past-due stocks of receivables is the original amount adjusted for repayments and changes in expected future cash flows calculated and discounted in accordance with the effective interest method based on the originally estimated effective interest rate. Changes in expected cash flows and deviations in actual cash flows compared with forecast cash flows are reported in the income statement as impairment gains/losses.

The Group monitors lending as described in Note 50. A need for impairment is recognised in loans attributable to individual customers or groups of customers if there is objective evidence of an impairment and if an impairment test indicates a loss. See below for further information.

##### *Bonds and other interest-bearing securities*

Bonds and other interest-bearing securities are categorised as financial assets measured at fair value in the income statement. This item includes interest-bearing securities with fixed or determinable payments and fixed maturities.

##### *Shares and participations*

Listed shares and participations are categorised as financial assets and measured at fair value via comprehensive income in the revaluation reserve or fair value reserve under shareholders' equity. Unlisted shares and participations are categorised as assets reported at fair value and are posted to the income statement.

##### *Accounts receivable*

Accounts receivable are categorised as financial assets valued at accrued cost and comprise a portion of other assets.

##### *Derivative instruments*

Derivative instruments are classified as financial assets or liabilities measured at fair value in the income statement. Changes in fair value are reported as net profit/loss from financial transactions in the income statement. If the fair value of an individual contract is positive, it is reported as an asset. If the fair value of an individual contract is negative, the derivative instrument is reported as a liability. Svea Bank's derivative instruments consist of currency swaps and constitute hedging of net positions primarily in NOK, EUR, DKK, USD and HRK.

##### *Liabilities to credit institutions*

Liabilities to credit institutions are classified as financial liabilities and measured at accrued cost. The item comprises bank loans and loans from other credit institutions.

##### *Deposits from the public*

Deposits from the public are classified as financial liabilities and measured at accrued cost. The item comprises deposits from both private individuals and companies.

*Issued securities, etc.*

Issued securities, etc. are classified as financial liabilities and measured at accrued cost. The item refers to convertible debt instruments.

*Accounts payable*

Accounts payable are classified as other financial liabilities and measured at accrued cost. The item forms part of other liabilities.

*Subordinated liabilities*

Subordinated liabilities are classified as other financial liabilities and valued at accrued cost. The item refers to bond loans.

*Shares and participations in associated companies Shares in Group companies*

Shares in Group companies and participations in associated companies are classified as financial assets and reported in the Parent Company at cost less any impairment charges.

**Property, plant and equipment**

Property, plant and equipment is reported at cost of acquisition less accumulated depreciation according to plan. Amortisation has been calculated based on original cost. Depreciation is on a straight-line basis over the assets' useful lifetimes, with the exception of leased assets.

The following rates of depreciation are applied for property plant and equipment:

Buildings are depreciated according to plan over 50 years.

Computer equipment is depreciated according to plan over 3-5 years.

Other fixtures and fittings are depreciated according to plan over 5-10 years.

Leased assets for rental are depreciated according to plan over 1-7 years.

Depreciation of Parent Company leasing items is reported as anticipated credit losses.

**Leasing**

All leases (with the exception of short-term leases and leases of low value) are reported as an asset (right of use) and as a liability (lease liability) in the balance sheet. In the income statement, an expense for depreciation of the leased asset and an interest expense attributable to the lease liability are reported. IFRS 16 is applied in the Group, but not in the Parent Company or in individual subsidiaries. In the Parent Company, all fixtures and fittings for own use via leasing contracts and for rental are reported as operational leases.

*Lessee*

Every lease payment is distributed between debt and financing expense. A right of use asset is depreciated on a straight-line basis over the asset's estimated useful life. The main impact on the Group's accounts originates from the reporting of rental contracts in respect of premises. See Notes 29 and 39 for further information.

*Lessor*

Svea Bank's leasing operations are reported in the Parent Company as operational leasing. The assets referred to are reported in the balance sheet as tangible assets. Leasing income is reported according to the straight-line method over the life of the leasing agreement; see Note 28. Depreciations of leased assets according to plan take place over the useful life of the asset by applying the annuity method down to the agreed residual values. The depreciations are accrued and reported during the term of the lease in the income statement as a depreciation of tangible assets. Residual values are determined in agreement with the lessee based on the leasing object's anticipated useful economic life.

In the consolidated accounts, these leasing agreements are classified as financial and are therefore reported as receivables from the lessee under Lending to the public in an amount equivalent to the net investment according to the leasing agreement. The leasing payment is reported as repayment of receivables and as interest income. The income is spread to achieve an even return during each period of reported net investment.

**Intangible assets**

Intangible assets excluding goodwill are reported at cost of acquisition less accumulated amortisation according to plan. Amortisation has been calculated based on original cost. Amortisation takes place on a straight-line basis over the assets' useful life.

The following rates of amortisation are applied for intangible assets:

Goodwill is not amortised, impairment testing takes place annually and if there is any indication of an impairment requirement.

Goodwill in assets and liabilities is amortised according to plan over 4-5 years.

Customer relations are amortised according to plan over 2-5 years.

Licences are amortised according to plan over 2.5 years (5).

Tenancy rights are amortised according to plan over 5 years.

Capitalised expenses for development work are amortised according to plan over 3-5 years.

*Capitalisation*

Capitalisation of development expenses takes place on the condition that the expenses meet the requirement for internally developed intangible assets. This requires the asset to be identifiable, the company to have control over the asset and the future use of the asset to bring economic benefits. It must also be technically feasible for the company to use the asset, there must be an intention to complete it and there must be sufficient resources to complete the asset. For an identified intangible asset as described above, all attributable expenses incurred to create and complete the asset are capitalised, such as personnel expenses and consultancy expenses.

**Impairment of non-financial assets**

Fixed assets are tested for impairment whenever there is an indication of the need for an impairment. In the case of assets representing cash-generating units, impairments are reported by calculating a value in use. This value in use corresponds to the estimated future cash flows discounted by a factor that takes into account risk-free interest and the risk specific to the asset. Impairments for holdings in Group companies that do not conduct cash-generating operations are based on net asset value at the closing date.

The Group's cash-generating units consist of its subsidiaries and associated companies. The cash flows of each company are used when testing goodwill and the planned residual values of other intangible assets attributable to said Group companies and shares in Group companies held by the Parent Company. Forecasts have been produced by company management. The two most important assumptions for which the units' recoverable value is most sensitive are the Group's weighted average cost of capital (WACC) and rate of growth.

**Fixed assets held for sale**

Fixed assets held for sale are reported when a company is available for sale and active work is under way to sell it. A sale is normally expected to be executed within one year.

A fixed asset classified as being held for sale is reported at the lower of the fair value and carrying amount. No depreciation relating to these assets is reported in the Group.



### Provisions

Provisions for legal claims, warranties and restoration measures are reported when the Group has a legal or information obligation as a consequence of previous events, it is likely that an outflow of resources will be required to settle the obligation and the amount has been calculated reliably. No provisions are made for future operating losses.

### Income recognition

#### *Interest income*

Interest income is accrued over the life of the loan according to the effective interest method and deducted in arrears. Income attributable to acquired past-due receivables is reported when payment is received and matched against amortisations expensed either by calculating accrued cost (major portfolios) or a straight-line basis according to plan (minor portfolios).

Transaction expenses attributable to the issuing of loans are reported as part of the loan and accrued over the term of the loan in accordance with the effective interest method.

#### *Leasing income*

Leasing income is invoiced monthly or quarterly in advance and is accrued on a straight-line basis for the term of the leasing agreement. In the consolidated accounts, financial leasing agreements are reported as lending to the public, which means that leasing income is reported as interest income and amortization.

#### *Dividend income*

Dividend income is reported when the right to receive payment is determined while dividends from other shares and participations are reported when payment is received.

#### *Commission income*

Income for services rendered is reported in the same month in which the assignment is completed or the service is rendered and at the value expected to be invoiced, which is conducted in arrears. Subscription income is invoiced on an annual basis in advance and is accrued over the life of the subscription. Note 7 Commission income describes the division into categories of income. Income from financial services in the AFS business area consists of payment transfers, lending services such as those for processing, notifications and reminders. Income from administrative services in the AFS business area consists primarily of VAT, billing and other services such as invoice/ledger service, credit information, monthly subscriptions and annual subscriptions. Within the Debt collection business area there is also income from debt collection services.

#### *Net profit from financial transactions*

Net profit from financial transactions consists of realised and unrealised changes in value of financial instruments such as unlisted shares and other securities, receivables and liabilities in foreign currency as well as currency derivatives.

#### *Other operating income*

Other operating income in the Parent Company refers primarily to staffing and re-invoicing of other expenses to other Group companies. The item also refers to income not attributable to other income lines and which is normally reported when the transactions have been completed.

### Remuneration to employees

Remunerations to employees in the form of salaries, paid vacation, paid sick leave, other short-term remuneration and similar, and pensions are reported as they are earned.

#### *Pension commitments*

The Group has only defined contribution plans, which means the Group's obligations are limited to the contributions that it has undertaken to pay to an insurance company. The expenses for defined contribution pension plans are reported in the income statement as the benefits are earned, which normally coincides with the dates on which the pension premiums are paid. Expenses for the special employer's contribution are allocated as they arise.

### Taxes

#### *Current tax*

Current tax refers to income tax payable on the current year's taxable income. Current tax to pay on profit when disposing of listed shares and participations is reported via other comprehensive income.

#### *Deferred tax*

Deferred tax is calculated for tax loss carryforwards in Group companies insofar as it is probable that the loss carryforwards will be deducted from surpluses at future taxation. Deferred tax is also calculated on temporary differences, such as changes in untaxed reserves and the fair value reserve and on acquired Group-related surpluses. In the Estonian Group companies, income tax is not paid until dividends are distributed. Since the companies will not pay any dividends in the foreseeable future, no deferred tax expense or liability has been reported.

### Pledged assets and contingencies

Pledged assets and contingencies are reported in connection with the signing of contracts. In the case of pledged assets, the book value of the asset pledged as collateral is reported. For contingencies, the guaranteed amount is reported with a deduction for securities received and the amount granted.

#### *Contingent liabilities*

Guarantee commitments are reported off the balance sheet as contingencies. Insofar as it is considered necessary to realize guarantee commitments, they are reported as provisions in the balance sheet and as credit losses in the income statement, as the case may be. The provision is calculated as the discounted best estimate of the amount required to settle the guarantee in question.

#### *Commitments*

Loan commitments are reported off the balance sheet as contingencies. In this context a loan commitment refers to a unilateral undertaking by the company to issue a loan on predetermined terms and conditions that allow the borrower to choose whether to raise the loan or not. The normal procedure for the company is for future payment to be on condition that the trend forecast regarding the borrower's ability to repay when the contract was signed does not deteriorate significantly. Should such a significant deterioration exist, the loan commitment may be revoked. Accordingly, loan commitments are risk-weighted at zero per cent when calculating capital requirements for the company and the Financial Companies Group, as said loan commitments are often subject to new credit checks if any disbursement is made in the future. Commitments relating to overdraft facilities and credit cards are, however, risk-weighted at 20%.

### Safeguarding receivables

When pledged assets are considered insufficient and there is a manifest risk that a loss might otherwise be incurred, the loan receivable may be protected through acquisition of the counterparty's business (Banking and Financing Business Act, Chapter 7). Acquired property must be disposed of when appropriate with regard to market conditions, although no later than when this can be done without loss.

### Cash flow statement

The cash flow statement is prepared according to the indirect method. Reported cash flow only includes transactions that involve incoming and outgoing payments. Cash transactions are classified in the categories of operating activities, investing activities and financing activities.

Cash and cash equivalents consist of Cash and balances with central banks and loans to credit institutions.

## Note 2 Segment reporting

An operating segment is a part of the Group that conducts operations from which it can generate revenues and incur expenses and for which independent financial information is available. The information is used on a continual basis as a control tool for the company's chief executive officer in order to evaluate operating profit/loss and to enable allocation of resources to the operating segment.

As of 2022, the former operating segments Administrative and Financial Services (AFS) and Debt Collection have been replaced by geographical operating segments, and the comparative figures for 2021 have therefore also been adapted.

For Svea Bank, the operating segments are divided into the geographical areas Sweden, Norway, Finland, Eastern Europe and Other Countries. Eliminations pertain to transactions between operating segments and are reported separately. Intra-group sales between segments take place on market terms. Internal transactions between the geographical regions refer to compensation for services performed, primarily in IT and financing.

Information about geographical areas is provided for those countries where the Group receives income or has assets. Each specific country or group of countries that is significant, i.e. constituting more than 10 per cent of the Group, is reported separately. The division into geographical areas is based on where customers are located and includes Sweden, Norway, Finland and Eastern Europe and Other Countries. Eastern Europe comprises Russia, Cyprus, Poland, Croatia, Ukraine, Romania and Serbia. Other Countries comprises Denmark, Estonia, Lithuania, the Netherlands, Switzerland, Austria, Germany and the USA.

Information by geographical area	Sweden	Norway	Finland	Eastern Europe	Other	Elimination	Total
<i>Group 2022</i>							
Interest income	1,434,143	379,656	520,742	608,909	163,302	-98,307	3,008,445
Interest expenses	-335,600	-57,316	-42,222	-64,387	-21,636	98,307	-422,853
Dividends received	727,417			1,685		-636,619	92,483
Commission income	983,097	278,625	187,241	175,666	61,279	-62,444	1,623,463
Commission expenses	-117,078	-17,523	-32,824	-71,394	-9,978	61,958	-186,839
Net profit from financial transactions	266,379	-5	-585	24,296	-1,119		288,967
Participations in associated company's earnings	-215						-215
Other operating income	91,513	7,967	18,231	88,224	37,211	-186,677	56,470
<b>Operating income</b>	<b>3,049,655</b>	<b>591,406</b>	<b>650,583</b>	<b>762,999</b>	<b>229,060</b>	<b>-823,783</b>	<b>4,459,920</b>
Percentage	68%	13%	15%	17%	5%	-18%	100%
Personnel expenses	-604,505	-197,912	-172,012	-170,836	-87,620	1,305	-1,231,580
Other administrative expenses	-1,022,674	-162,847	-185,886	-203,763	-63,285	177,994	-1,460,461
Depreciation/amortisation and impairments of tangible and intangible assets, etc.	-94,536	-10,749	-11,176	-19,469	-14,169	-26,876	-176,975
Other operating expenses	-3,109			-24,537			-27,645
<b>Operating expenses</b>	<b>-1,724,824</b>	<b>-371,508</b>	<b>-369,073</b>	<b>-418,605</b>	<b>-165,075</b>	<b>152,422</b>	<b>-2,896,662</b>
Percentage	60%	13%	13%	14%	6%	-5%	100%
<b>Profit/loss before credit losses</b>	<b>1,324,832</b>	<b>219,898</b>	<b>281,510</b>	<b>344,394</b>	<b>63,985</b>	<b>-671,360</b>	<b>1,563,258</b>
Credit losses, net	-279,103	-14,425	-77,975	0	-18,420		-389,923
Impairment gains/losses	1,098	28,878	19,007	128,857	7,378		185,218
Impairment charges, financial assets	-191,777					191,777	0
<b>Operating profit/loss</b>	<b>855,048</b>	<b>234,351</b>	<b>222,542</b>	<b>473,251</b>	<b>52,943</b>	<b>-479,583</b>	<b>1,358,552</b>
Tax on profit/loss for the year	-37,177	-50,564	-31,651	-158,216	-12,551	4,740	-285,418
<b>Profit/loss for the year</b>	<b>817,871</b>	<b>183,787</b>	<b>190,891</b>	<b>315,035</b>	<b>40,392</b>	<b>-474,842</b>	<b>1,073,134</b>
Percentage	76%	17%	18%	29%	4%	-44%	100%
No single customer represents more than 10 per cent of the Group's operating income.							
Impairment of goodwill	-4,446						-4,446
<b>Balance sheet items</b>							
Lending to credit institutions	1,838,072	576,436	261,178	468,471	94,846		3,239,002
Lending to the public	18,782,787	3,956,602	5,504,412	2,171,674	921,820	-5,787,237	25,550,058
Bonds and other securities	1,328,454	133,166	109,202				1,570,822
Shares and participations	4,051,754			30	79,994		4,131,778
Shares and participations in associated companies	539					14	553
Intangible assets	49,319		25,039	5,765	11,193	344,319	435,634
Tangible assets	459,811	36,921	21,381	40,100	24,058		582,271
Deferred tax assets	30,445	2,887	1,724	120,510	3,330	101,475	260,371
Deposits from the public	23,402,448	4,458,655	5,823,504	1,909,317	803,566	-5,459,534	30,937,956
<b>Total assets</b>	<b>30,642,985</b>	<b>4,725,278</b>	<b>6,026,683</b>	<b>2,959,796</b>	<b>1,113,748</b>	<b>-6,687,888</b>	<b>38,780,601</b>
Percentage	79%	12%	16%	8%	3%	-17%	100%

Note 2 Segment reporting, continued

Information by geographical area	Sweden	Norway	Finland	Eastern Europe	Other	Elimination	Total
<i>Group 2021</i>							
Interest income	1,201,863	377,602	426,557	729,775	140,635	-62,369	2,814,063
Interest expenses	-241,033	-33,647	-27,549	-41,472	-20,701	62,369	-302,033
Dividends received	78,945				772		26,212
Commission income	887,507	238,706	167,631	173,254	51,624	-93,433	1,425,290
Commission expenses	-89,625	-13,600	-32,265	-103,531	-8,447	93,433	-154,035
Net profit from financial transactions	100,961	-1,302	-359	12,759	1,977		114,035
Participations in associated company's earnings	-176						-176
Other operating income	125,105	6,747	11,757	61,222	23,775	-167,136	61,471
<b>Operating income</b>	<b>2,063,548</b>	<b>574,506</b>	<b>545,771</b>	<b>832,007</b>	<b>189,635</b>	<b>-220,641</b>	<b>3,984,828</b>
Percentage	52%	14%	14%	21%	5%	-6%	100%
Personnel expenses	-538,118	-160,137	-149,923	-135,289	-83,013	-1,396	-1,067,877
Other administrative expenses	-801,472	-131,083	-152,137	-202,242	-59,303	167,557	-1,178,679
Depreciation/amortisation and impairments of tangible and intangible assets, etc.	-57,938	-10,237	-7,541	-16,307	-18,193	-140,037	-250,253
Other operating expenses	-15,790				-6		-15,797
<b>Operating expenses</b>	<b>-1,413,318</b>	<b>-301,458</b>	<b>-309,601</b>	<b>-353,838</b>	<b>-160,515</b>	<b>26,124</b>	<b>-2,512,606</b>
Percentage	56%	12%	12%	14%	6%	-1%	100%
<b>Profit/loss before credit losses</b>	<b>650,230</b>	<b>273,048</b>	<b>236,171</b>	<b>478,169</b>	<b>29,120</b>	<b>-194,517</b>	<b>1,472,222</b>
Credit losses, net	-291,624	-16,286	-67,947		-20,794		-396,651
Impairment charges, financial assets	-205,898			-11,409		217,306	0
<b>Operating profit/loss</b>	<b>152,708</b>	<b>256,763</b>	<b>168,224</b>	<b>466,760</b>	<b>8,326</b>	<b>22,790</b>	<b>1,075,571</b>
Tax on profit/loss for the year	-26,777	-56,877	-27,966	-75,957	-5,796	2,479	-190,892
<b>Profit/loss for the year</b>	<b>125,932</b>	<b>199,886</b>	<b>140,259</b>	<b>390,804</b>	<b>2,530</b>	<b>25,269</b>	<b>884,679</b>
Percentage	14%	23%	16%	44%	0%	3%	100%
No single customer represents more than 10 per cent of the Group's operating income.							
Impairment of goodwill	-128,692						-128,962
<b>Balance sheet items</b>							
Lending to credit institutions	1,633,630	785,092	238,572	145,598	93,026		2,895,917
Lending to the public	14,647,092	3,299,374	4,159,860	1,430,227	670,327	-3,424,224	20,782,655
Bonds and other securities	1,419,526	131,179					1,550,705
Shares and participations	4,831,470			28	67,104		4,898,602
Shares and participations in associated companies	754					14	768
Intangible assets	55,862		12,170	4,111	15,900	345,610	433,652
Tangible assets	234,650	34,153	8,364	40,610	22,373		340,150
Deferred tax assets	16,242	2,198	85	45,674	3,940	100,060	168,198
Deposits from the public	18,413,081	4,039,920	4,435,450	1,036,387	617,120	-3,391,411	25,150,548
<b>Total assets</b>	<b>24,891,245</b>	<b>4,267,987</b>	<b>4,590,899</b>	<b>1,868,909</b>	<b>857,233</b>	<b>-4,171,662</b>	<b>32,304,610</b>
Percentage	77%	13%	14%	6%	3%	-13%	100%

**Note 2 Segment reporting, continued**

Information on geographical areas is provided for the country in which Svea Bank AB has its registered office, and for all other countries where the bank receives income or has assets. Each specific country that is significant, i.e. constituting more than 10 per cent of the Group, is reported separately. The division into geographical areas is based on where customers are located and includes Sweden, Norway and Finland.

<b>Information by geographical area</b>	Sweden	Norway	Finland	Elimination	Total
<i>Parent Company 2022</i>					
Interest income	1,282,956	377,895	509,574	-14,700	2,155,725
Leasing income	372,472		54,465		426,937
Interest expenses	-328,347	-56,038	-41,521	14,700	-411,205
Dividends received	755,873				755,873
Commission income	456,505	107,732	111,535		675,771
Commission expenses	-97,821	-16,101	-20,851		-134,773
Net profit from financial transactions	265,268	231	-586		264,913
Other operating income	259,852	13,727	8,596	-78,401	203,775
<b>Operating income</b>	<b>2,966,759</b>	<b>427,445</b>	<b>621,213</b>	<b>-78,401</b>	<b>3,937,015</b>
Percentage	75%	11%	16%	-2%	100%
Personnel expenses	-540,683	-132,393	-115,741	1,190	-787,628
Other administrative expenses	-867,143	-133,679	-200,006	77,211	-1,123,617
Depreciation/amortisation and impairments of tangible and intangible assets, etc.	-312,667	-531	-43,327		-356,524
<b>Operating expenses</b>	<b>-1,720,493</b>	<b>-266,602</b>	<b>-359,074</b>	<b>78,401</b>	<b>-2,267,769</b>
Percentage	76%	12%	16%	-3%	100%
<b>Profit/loss before credit losses</b>	<b>1,246,266</b>	<b>160,842</b>	<b>262,138</b>	<b>0</b>	<b>1,669,246</b>
Credit losses, net	-157,274	-14,425	-77,975		-249,674
Impairment gains/losses	1,098	28,878	19,007		48,982
Impairment charges, financial assets	-191,777				-191,777
<b>Operating profit/loss</b>	<b>898,312</b>	<b>175,295</b>	<b>203,170</b>	<b>0</b>	<b>1,276,778</b>
Appropriations	21,409				21,409
Tax on profit/loss for the year	-35,975	-37,534	-33,209		-106,717
<b>Profit/loss for the year</b>	<b>883,746</b>	<b>137,762</b>	<b>169,962</b>	<b>0</b>	<b>1,191,469</b>
Percentage	74%	12%	14%	0%	100%
No single customer represents more than 10 per cent of the bank's operating income.					
<b>Balance sheet items</b>					
Lending to credit institutions	996,712	455,299	127,858		1,579,870
Lending to the public	18,233,485	3,956,602	5,405,010	-2,787,557	24,807,540
Bonds and other securities	1,328,454	133,166	109,202		1,570,822
Shares and participations	4,051,754				4,051,754
Intangible assets	15,200		15,580		30,780
Tangible assets	949,962	1,188	99,402		1,050,553
Deferred tax assets	23,848	1,798			25,646
Deposits from the public	23,273,844	4,445,314	5,713,765	-2,787,557	30,645,366
<b>Total assets</b>	<b>29,464,648</b>	<b>4,556,565</b>	<b>5,823,259</b>	<b>-2,794,390</b>	<b>37,050,082</b>
Percentage	80%	12%	16%	-8%	100%

**Note 2 Segment reporting, continued**

<b>Information by geographical area</b>	Sweden	Norway	Finland	Elimination	Total
<i>Parent Company 2021</i>					
Interest income	27,424				27,424
Interest expenses	-2,225				-2,225
Commission income	28,936				28,936
Commission expenses	-18,741				-18,741
Net profit from financial transactions	-60				-60
Other operating income	306				306
<b>Operating income</b>	<b>35,640</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>35,640</b>
Percentage	100%	0%	0%	0%	100%
Personnel expenses	-28,863				-28,863
Other administrative expenses	-40,447				-40,447
<b>Operating expenses</b>	<b>-69,310</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-69,310</b>
Percentage	100%	0%	0%	0%	100%
<b>Profit/loss before credit losses</b>	<b>-33,670</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-33,670</b>
Credit losses, net	-3,461			0	-3,461
<b>Operating profit/loss</b>	<b>-37,131</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-37,131</b>
Appropriations	36,500	0	0	0	36,500
Tax on profit/loss for the year	20			0	20
<b>Profit/loss for the year</b>	<b>-611</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-611</b>
Percentage	100%	0%	0%	0%	100%

No single customer represents more than 10 per cent of the bank's operating income.

**Balance sheet items**

Lending to credit institutions	509,518				509,518
Lending to the public	228,195				228,195
Deferred tax assets	4,802				4,802
Deposits from the public	1,085,303				1,085,303
<b>Total assets</b>	<b>1,243,484</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,243,484</b>
Percentage	100%	0%	0%	0%	100%

### Note 3 Information per business area

Svea Bank's operating segments are also divided into the business areas Administration and Financial Services (AFS) and Debt Collection. Eliminations pertain to transactions between operating segments and are reported separately. Intra-group sales between segments take place on market terms. Internal transactions between business areas refers to remunerations for work performed in the area of credit management and debt collection of the Group's receivables.

The AFS business area provides administrative and financial services to companies and private individuals in the Nordic region and parts of the rest of Europe. Financial services provided to companies consist of factoring, invoice purchasing and company financing. Financial services to private individuals consist of lending, deposits and payment transfers. The operation is regulated by EU directives under the supervision of the Swedish Financial Supervisory Authority. Administrative services to companies consist of invoice and ledger services, credit information, training, VAT recovery and billing.

The Debt Collection business area provides debt collection services, the administration of inspection fees and legal services to companies in the Nordic region and parts of the rest of Europe.

Information per business area	AFS	Debt Collection	Elimination	Total
<i>Group 2022</i>				
Interest income	2,955,516	6,156	46,773	3,008,445
Interest expenses	-419,726	-3,126		-422,853
Dividends received	192,483		-100,000	92,483
Commission income	881,881	811,236	-69,654	1,623,463
Commission expenses	-185,996	-23,724	22,881	-1,231,580
Net profit from financial transactions	286,676	2,291		288,967
Participations in associated company's earnings	-215			-215
Other operating income	224,343	80,436	-248,309	56,470
<b>Operating income</b>	<b>3,934,959</b>	<b>873,270</b>	<b>-348,309</b>	<b>4,459,920</b>
Of which external	3,698,650	761,269		
Personnel expenses	-1,020,231	-314,734	103,384	-1,231,580
Other administrative expenses	-1,325,584	-279,803	144,925	-1,460,461
Amortization/depreciation of intangible assets and property, plant and equipment, etc.	-154,579	-22,396		-176,975
Other operating expenses	-15,455	-12,190		-27,645
<b>Operating expenses</b>	<b>-2,515,849</b>	<b>-629,122</b>	<b>248,309</b>	<b>-2,896,662</b>
<b>Profit/loss before credit losses</b>	<b>1,419,110</b>	<b>244,147</b>	<b>-100,000</b>	<b>1,563,258</b>
Credit losses, net	-389,923			-389,923
Impairment gains/losses	185,218			185,218
<b>Operating profit/loss</b>	<b>1,214,405</b>	<b>244,147</b>	<b>-100,000</b>	<b>1,358,552</b>
Tax on profit/loss for the year	-248,648	-36,771		-285,418
<b>Profit/loss for the year</b>	<b>965,757</b>	<b>207,377</b>	<b>-100,000</b>	<b>1,073,134</b>
No single customer represents more than 10 per cent of the Group's operating income.				
Impairment of goodwill	-4,446			-4,446
<b>Balance sheet items</b>				
Lending to credit institutions, of which client funds from debt collection		156,110		156,110
Lending to the public	25,550,058			25,550,058
Bonds and other securities	1,570,822			1,570,822
Shares and participations	4,131,778			4,131,778
Shares and participations in associated companies	553			553
Intangible assets	427,319	8,315		435,634
Tangible assets	524,955	57,316		582,271
Deferred tax assets	255,872	4,500		260,371
Deposits from the public	30,781,846	156,110		30,937,956

**Note 3 Information per business area, contd.**

	AFS	Debt Collection	Elimination	Total
<i>Group 2021</i>				
Interest income	2,774,479	1,159	38,425	2,814,063
Interest expenses	-299,929	-2,104		-302,033
Dividends received	26,212			26,212
Commission income	775,186	710,494	-60,391	1,425,290
Commission expenses	-151,797	-24,203	21,966	-154,034
Net profit from financial transactions	112,563	1,472		114,035
Participations in associated company's earnings	-176			-176
Other operating income	221,926	76,033	-236,488	61,470
<b>Operating income</b>	<b>3,458,465</b>	<b>762,850</b>	<b>-236,488</b>	<b>3,984,828</b>
Of which external	3,302,806	664,269		
Personnel expenses	-879,512	-290,488	102,123	-1,067,877
Other administrative expenses	-1,070,024	-243,020	134,364	-1,178,680
Amortization/depreciation of intangible assets and property, plant and equipment, etc.	-229,122	-21,131		-250,253
Other operating expenses	-15,797			-15,797
<b>Operating expenses</b>	<b>-2,194,455</b>	<b>-554,639</b>	<b>236,488</b>	<b>-2,512,606</b>
<b>Profit/loss before credit losses</b>	<b>1,264,010</b>	<b>208,212</b>	<b>0</b>	<b>1,472,222</b>
Credit losses, net	-396,651			-396,651
<b>Operating profit/loss</b>	<b>867,360</b>	<b>208,212</b>	<b>0</b>	<b>1,075,571</b>
Tax on profit/loss for the year	-175,211	-15,681		-190,892
<b>Profit/loss for the year</b>	<b>692,148</b>	<b>192,531</b>	<b>0</b>	<b>884,679</b>
No single customer represents more than 10 per cent of the Group's operating income.				
Impairment of goodwill	-128,692			-128,692
<b>Balance sheet items</b>				
Lending to credit institutions, of which client funds from debt collection		130,421		130,421
Lending to the public	20,782,655			20,782,655
Bonds and other securities	1,550,705			1,550,705
Shares and participations	4,898,602			4,898,602
Shares and participations in associated companies	768			768
Intangible assets	425,289	8,363		433,652
Tangible assets	288,360	51,790		340,150
Deferred tax assets	166,036	2,162		168,198
Deposits from the public	25,020,127	130,421		25,150,548

Note 4 Expenses and income between Group companies	Parent Company	
	2022	2021
Expenses	-122,160	-24,115
Income	325,931	816

Note 5 Other administrative expenses	Group		Parent Company	
	2022	2021	2022	2021
Rents and other costs of premises	-54,524	-48,149	-89,872	-3,591
Purchased services	-239,336	-238,223	-150,949	-8,176
Transport expenses	-13,332	-12,957	-8,831	-697
Travel	-17,035	-10,356	-9,849	-83
Advertising, PR, marketing	-288,464	-225,137	-250,762	-6,998
Telephony, postage	-146,917	-126,070	-50,518	-787
Debt collection expenses	-95,669	-76,373	-11,365	-63
IT expenses	-312,376	-227,677	-249,947	-17,820
Other administrative expenses	-292,809	-213,737	-301,522	-2,233
<b>Total</b>	<b>-1,460,461</b>	<b>-1,178,679</b>	<b>-1,123,617</b>	<b>-40,447</b>

Note 6 Net interest income	Group		Parent Company	
	2022	2021	2022	2021
<i>Interest income</i>				
Lending to credit institutions	28,807	14,010	20,013	
Lending to the public, Group			103,884	
Lending to the public, external	2,069,131	2,798,426	2,021,321	27,424
Bonds and other securities	10,506	1,627	10,506	
<b>Total</b>	<b>3,008,445</b>	<b>2,814,063</b>	<b>2,155,725</b>	<b>27,424</b>
<i>Net leasing income</i>				
Leasing income			426,937	
Depreciation according to plan, leased assets*			-331,669	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>95,269</b>	<b>0</b>
<i>Interest expenses</i>				
Liabilities to credit institutions	-13,828	-10,328	-106	-490
Deposits from the public, Group				-228
Deposits from the public, external	-371,389	-258,706	-375,024	-1,506
Issued securities, etc.	-492	-35	1,068	
Subordinated liabilities	-37,143	-32,964	-37,143	
<b>Total</b>	<b>-422,853</b>	<b>-302,033</b>	<b>-411,205</b>	<b>-2,225</b>
<b>Total</b>	<b>2,585,592</b>	<b>2,512,030</b>	<b>1,839,788</b>	<b>25,199</b>

\*Depreciation according to plan of leased assets is reported in the item Amortization/depreciation and impairments of intangible assets and property, plant and equipment, etc. See also Note 15.  
All interest income is reported in accordance with the effective interest method.

Note 7 Dividends received	Group		Parent Company	
	2022	2021	2022	2021
Dividends from shares and participations	92,483	26,212	92,483	
Dividends from Group companies			663,390	
<b>Total</b>	<b>92,483</b>	<b>26,212</b>	<b>755,873</b>	<b>0</b>

Note 8 Commission income	Group		Parent Company	
	2022	2021	2022	2021
Payment brokerage	55,427	48,863	14,156	
Lending commissions	550,012	520,199	487,280	3,452
VAT service commissions	8,343	11,279		
Billing commissions	78,756	56,306		
Debt collection commissions	758,400	667,647		
Other commissions	172,524	120,997	174,335	25,483
<b>Total</b>	<b>1,623,463</b>	<b>1,425,290</b>	<b>675,771</b>	<b>28,936</b>

Debt collection commissions can be attributed in full to the Debt Collection business area. Other categories of commission income are attributable to the AFS business area, see also Note 3.



Note 9 Commission expenses	Group		Parent Company	
	2022	2021	2022	2021
Payment brokerage	-110,561	-71,734	-76,351	-16,989
Information brokerage	-233	-270	-233	
Other commissions	-76,045	-82,031	-58,189	-1,752
<b>Total</b>	<b>-186,839</b>	<b>-154,035</b>	<b>-134,773</b>	<b>-18,741</b>

Note 10 Net profit/loss from financial transactions	Group		Parent Company	
	2022	2021	2022	2021
Change in value, promissory notes	-28,485	30,159	-28,485	
Unrealised changes in value, unlisted shares and participations	217,715	132,870	217,715	
Capital gains/losses, shares and participations	79,386		79,386	
Changes in value, treasury bonds acceptable as collateral, etc.	-38		-38	
Interest income, bonds	19,997		19,997	
Impairment of bonds	-9,827		-9,827	-114
Change in value, bonds	-5,504	7,706	-5,714	
Capital gains/losses, bonds and other securities	-50	-10,624	-50	
<b>Total</b>	<b>273,195</b>	<b>160,110</b>	<b>272,985</b>	<b>-114</b>
Change in fair value of derivatives	-70,615	-57,300	-70,615	
<b>Total</b>	<b>-70,615</b>	<b>-57,300</b>	<b>-70,615</b>	<b>0</b>
Other exchange rate gains/losses*	86,387	11,225	62,543	54
<b>Total</b>	<b>86,387</b>	<b>11,225</b>	<b>62,543</b>	<b>54</b>
<b>Total</b>	<b>288,967</b>	<b>114,035</b>	<b>264,913</b>	<b>-60</b>

\*Also includes exchange rate gains/losses arising in connection with a derivative falling due.

Note 11 Participations in associated company's profit/loss	Group	
	2022	2021
Stidner Complete AB	-215	-176
<b>Total</b>	<b>-215</b>	<b>-176</b>

Note 12 Other operating income	Group		Parent Company	
	2022	2021	2022	2021
Staffing for Swedish Group companies			120,588	
Re-invoicing of expenses to Group companies			84,641	
Profit from sales, Group companies	-36,912	71	-47,230	
Profit from sales, fixed assets	-2,834	-619		
Rental income	13,366	14,417		
Miscellaneous	82,849	47,601	45,776	306
<b>Total</b>	<b>56,470</b>	<b>61,471</b>	<b>203,775</b>	<b>306</b>

Note 13 Personnel expenses etc.	Group		Parent Company	
	2022	2021	2022	2021
<i>Wages, salaries and other remunerations</i>				
to the Board and senior executives	-80,530	-74,413	-34,605	-1,479
to other employees	-823,552	-722,291	-515,156	-18,570
	-904,082	-796,704	-549,761	-20,049
<i>Social security expenses</i>	-208,548	-183,390	-155,311	-6,303
<i>Pension expenses</i>				
to the Board and senior executives	-8,299	-6,281	-5,657	-339
to other employees	-69,602	-57,455	-49,555	-1,511
	-77,901	-63,736	-55,211	-1,850
<i>Other personnel expenses</i>	-41,049	-24,048	-27,345	-661
<b>Total</b>	<b>-1,231,580</b>	<b>-1,067,877</b>	<b>-787,628</b>	<b>-28,863</b>

### Remuneration of senior executives

#### Preparation and decision-making processes

Remuneration of senior executives is decided by the Board and takes place within the framework of the Group's remuneration policy. The remuneration policy has been drawn up in accordance with the Swedish Financial Supervisory Authority's regulations. See also Pillar 3 report at [www.svea.com](http://www.svea.com).

#### Salaries and fees

Only fixed fees are paid to the Chairman and members of the Board as resolved by the Annual General Meeting. Remuneration to the CEO and senior executives in the foreign branches comprises basic salary and pension. Other senior executives refers to the 17.5 (3) individuals who together with the CEO comprise the Parent Company's management team. Information relating to senior executives is not provided for each country or business area, as this is not possible without the disclosure of personal data.

Salaries and remuneration to the Board and senior executives of the Parent Company, 2022	Basic salary, benefits and board fees	Variable remuneration	Pension expenses	Total
Chairman of the Board, Anders Lidfeldt*	-2,085			-2,085
Board member, Mats Hellström	-550			-550
Board member, Anders Ingler	-550			-550
Board member, Mats Kärsrud	-500			-500
Board member, Anders Hedberg	-550			-550
Board member, Anna Frick	-500			-500
Board member, Arne Liljedahl	-500			-500
CEO, Lennart Ågren	-7,401			-7,401
Other senior executives (17.5 people)	-27,478	-10,184	-6,025	-43,687
<b>Total</b>	<b>-40,114</b>	<b>-10,184</b>	<b>-6,025</b>	<b>-56,323</b>

\*Arne Liljedahl stood down from his position on the Board in connection with the Annual General Meeting for the financial year 2021.

No severance pay or pension commitments other than defined-contribution fees are paid to the Board, CEO or other senior executives. The period of notice for senior executives in Sweden is prescribed by the Swedish Employment Protection Act. Loans to Board members, the CEO or equivalent senior executives in the Group amount to SEK 10,208,000 (4,197,000). Variable remuneration relates to remuneration paid during the year.

Salaries and remuneration to the Board and senior executives of the Parent Company, 2021	Basic salary, benefits and board fees	Variable remuneration	Pension expenses	Total
Board member, Anders Lidfeldt	-120			-120
Board member, Mats Hellström				
Board member, Anders Ingler				
Board member, Mats Kärsrud				
Board member, Anders Hedberg	-120			-120
Board member, Anna Frick				
Board member, Peter Holmstedt, stood down on 21/12/2021	-120			-120
CEO, Victor Ramström, stood down on 21/12/2021	-1,119		-339	-1,458
CEO, Lennart Ågren				
Other senior executives (3 people)	-2,194		-338	-2,532
<b>Total</b>	<b>-3,672</b>	<b>0</b>	<b>-677</b>	<b>-4,349</b>

The new Board of Directors took office on 21 December 2021 in connection with the merger that took place on 3 January 2022. For this reason, as of 31 December not all Board members had received a fee for the financial year 2021.

Average number of full-time equivalent employees	Group		Parent Company	
	2022	2021	2022	2021
Women	1,383	1,360	469	13
Men	812	766	419	18
<b>Total</b>	<b>2,195</b>	<b>2,126</b>	<b>888</b>	<b>31</b>

The average number of permanent employees in the Parent Company also refers to personnel in the branch Svea Finans NUF and the Svea Ekonomi AB branch in Finland. During the year, personnel were outsourced from the Parent Company to operations in Svea Inkasso AB, Svea Vat Adviser AB and Svea Billing Services AB.

Average number of employees in the Group	31/12/2022	31/12/2021
Sweden		
Women	357	337
Men	329	300
	686	637
Norway		
Women	110	91
Men	134	105
	244	196
Finland		
Women	151	146
Men	105	89
	256	235
Denmark		
Women	18	16
Men	11	10
	29	26
Estonia		
Women	14	15
Men	5	4
	19	19
Germany		
Women	4	3
Men	7	6
	11	9
Switzerland		
Women	5	6
Men	4	4
	9	10
Netherlands		
Women	15	13
Men	17	17
	32	30
Ukraine		
Women	110	131
Men	44	45
	154	176
Serbia		
Women	49	46
Men	52	52
	101	98
Russia		
Women	383	356
Men	88	75
	471	431
Poland		
Women	57	58
Men	20	20
	77	78
Romania		
Women	99	78
Men	18	24
	117	102
Croatia		
Women	48	50
Men	23	16
	71	66
<b>Total</b>	<b>2,277</b>	<b>2,113</b>

Number of Board members and company management	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Board members				
Women			1	1
Men			6	8
	<b>0</b>	<b>0</b>	<b>7</b>	<b>9</b>
Of whom external members			5	3
Company management				
Women	8	7	0	3
Men	27	30	3	1
	<b>35</b>	<b>37</b>	<b>3</b>	<b>4</b>

Note 14 Remuneration to auditors	Group		Parent Company	
	2022	2021	2022	2021
<i>BDO Mälardalen AB</i>				
Audit assignment	-3,036	-5,164	-2,293	-3,564
Audit activities in addition to audit assignment	-140	-930	-140	-713
Tax advice	-21		-21	
Other services	-1,375		-1,333	
	<b>-4,573</b>	<b>-6,095</b>	<b>-3,787</b>	<b>-4,277</b>
<i>BDO foreign auditors</i>				
Audit assignment	-3,083	-2,149	-1,350	-996
Audit activities in addition to audit assignment	-985	-628	-853	-560
Tax advice	-237	-128	-196	-128
Other services	-76	-93	-41	
	<b>-4,381</b>	<b>-2,998</b>	<b>-2,441</b>	<b>-1,684</b>
<i>Other auditors</i>				
Audit assignment	-2,234	-2,004		
Audit activities in addition to audit assignment	-347	-197		
Tax advice	-115	-195		
Other services	-1,257	-562	-792	
	<b>-3,954</b>	<b>-2,958</b>	<b>-792</b>	<b>0</b>
<b>Total</b>	<b>-12,908</b>	<b>-12,051</b>	<b>-7,020</b>	<b>-5,961</b>

Note 15 Amortizations/depreciations etc.	Group		Parent Company	
	2022	2021	2022	2021
<i>Amortisation and impairment of intangible assets</i>				
Impairment of group-related goodwill	-4,446	-128,692		
Amortisation of customer contracts	-1,601	-4,261		
Amortization of licenses	-1,498	-576		
Amortisation of capitalised development expenditures, etc.	-51,512	-29,460	-7,600	
Impairment of capitalised development expenditures, etc.	-549			
<b>Total</b>	<b>-59,606</b>	<b>-162,990</b>	<b>-7,600</b>	<b>0</b>
<i>Amortisation and impairment of tangible assets</i>				
Impairment of building	-17,494	-8,022		
Revaluation of building		17,759		
Depreciation of buildings	-470	-3,717		
Depreciation of computer equipment	-13,115	-12,091	-12,419	
Depreciation of other fixtures and fittings	-13,305	-7,819	-4,837	
Depreciation of leased assets			-331,669	
<b>Total</b>	<b>-44,383</b>	<b>-13,891</b>	<b>-348,924</b>	<b>0</b>
<i>Depreciation and impairments of rights of use</i>				
Depreciation of buildings	-65,932	-66,373		
Depreciation of vehicles	-7,054	-6,999		
<b>Total</b>	<b>-72,986</b>	<b>-73,372</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>-176,975</b>	<b>-250,253</b>	<b>-356,524</b>	<b>0</b>

Impairment testing resulted in the impairment of Group goodwill of SEK -4,446 million (-128,692), see also Note 27.

Note 16 Net credit losses	Group		Parent Company	
	2022	2021	2022	2021
Change in reserves Stage 1	-17,092	-25,757	68,903	-622
Change in reserves Stage 2	-5,957	12,504	-11,485	-474
Change in reserves Stage 3	-109,531	-35,612	-75,416	-2,167
<b>Total change in reserves</b>	<b>-132,580</b>	<b>-48,865</b>	<b>-17,999</b>	<b>-3,264</b>
Write-offs	-305,482	-391,781	-275,390	-674
Recoveries	48,139	43,995	43,715	476
<b>Credit losses, net</b>	<b>-389,923</b>	<b>-396,651</b>	<b>-249,674</b>	<b>-3,461</b>
Impairment gains/losses, acquired past-due stocks of receivables	185,218		48,982	
<b>Net expense of credit losses for the year</b>	<b>-204,706</b>	<b>-396,651</b>	<b>-200,691</b>	<b>-3,461</b>

The credit losses are entirely attributable to lending to the public. Figures for the year include a reversal of the Covid-19 reserve of SEK 48 million.

Note 17 Impairment charges, financial assets	Group		Parent Company	
	2022	2021	2022	2021
<i>Impairment of shares in Group companies</i>				
Zlantar of Sweden AB			-7,766	
Kapitalkredit Sverige AB			-13,750	
Payson AB			-7,889	
Fastighets AB Brunna 52:1			-19,185	
PFC Technology AB			-70,000	
Svea Credit BV			-73,188	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>-191,777</b>	<b>0</b>

Impairments were performed as a consequence of changed assessments of future cash flows.

Note 18 Appropriations	Parent Company	
	2022	2021
<i>Group contributions</i>		
Group contributions received	155,149	36,500
Group contributions provided	-133,740	0
<b>Total</b>	<b>21,409</b>	<b>36,500</b>
<b>Total</b>	<b>21,409</b>	<b>36,500</b>

Note 19 Tax on profit for the year	Group		Parent Company	
	2022	2021	2022	2021
Adjustment for current tax on previous years' earnings	-38,708	2,584	-16,757	
Current tax on net profit for the year	-305,542	-231,320	-96,691	
<b>Current tax expense</b>	<b>-344,249</b>	<b>-228,736</b>	<b>-113,448</b>	<b>0</b>
Temporary differences	54,572	36,775	6,731	
Utilisation of tax loss carryforwards		-7		20
IFRS16 effect	-482	1,133		
Miscellaneous	4,741	-57		
<b>Deferred tax expense</b>	<b>58,831</b>	<b>37,844</b>	<b>6,731</b>	<b>20</b>
<b>Total</b>	<b>-285,418</b>	<b>-190,892</b>	<b>-106,717</b>	<b>20</b>
Profit before tax	1,358,552	1,057,819	1,298,187	-631
Tax rate of 20.6 per cent (20.6) as per current tax rate for the Parent Company	-393,839	-209,709	-267,426	130
Effect of different tax rates in other countries	5,670	20,969	-1,235	
Non tax-deductible impairments of shares in Group and associated companies	-39,506	-42,394	-39,506	
Non tax-deductible expenses	-87,256	-45,300	-27,224	-109
Tax-exempt dividends from Group companies	136,658	11,428	136,658	
Tax-exempt income	73,094	40,297	72,428	
Utilisation of tax loss carryforwards	-1,312	3,370	-4,803	-21
Joint taxation		-10,808		
Miscellaneous	7,643	55,938	7,598	
Tax on profit for the year recorded in shareholders' equity	-6,695	-55,137	-6,695	
Current tax on previous years' earnings	-38,707	2,608	16,757	
<b>Current tax expense</b>	<b>-344,251</b>	<b>-228,737</b>	<b>-113,448</b>	<b>0</b>
Temporary differences	54,572	36,775	6,731	
Utilisation of tax loss carryforwards		-7		20
IFRS16 effect	-482	1,133		
Miscellaneous	4,741	-57		
<b>Deferred tax expense</b>	<b>58,831</b>	<b>37,844</b>	<b>6,731</b>	<b>20</b>
<b>Tax expense</b>	<b>-285,418</b>	<b>-190,892</b>	<b>-106,717</b>	<b>20</b>
Reported effective tax rate	21.0%	18.0%	8.2%	3.2%

Note 20 Treasury bonds etc. acceptable as collateral	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Government securities acceptable as collateral		50,038		50,038
<b>Total</b>	<b>0</b>	<b>50,038</b>	<b>0</b>	<b>50,038</b>

Note 21 Lending to the public – Group	31/12/2022	31/12/2021
Lending to the public	25,550,058	20,782,655
<b>Total</b>	<b>25,550,058</b>	<b>20,782,655</b>

Lending to the public 31/12/2022 – Group	Stage 1	Stage 2	Stage 3	Subtotal	Acquired past-due stocks of receivables	Total
Private individuals	12,374,587	444,340	1,308,448	14,127,375	2,359,046	16,486,421
Companies	8,802,379	669,615	675,209	10,147,204		10,147,204
<b>Loan receivables</b>	<b>21,176,966</b>	<b>1,113,955</b>	<b>1,983,658</b>	<b>24,274,580</b>	<b>2,359,046</b>	<b>26,633,626</b>
Private individuals	-166,980	-57,962	-550,226	-775,168		-775,168
Companies	-116,301	-25,042	-360,234	-501,577		-501,577
Impairment gains/losses, private individuals					193,178	193,178
<b>Reserve for expected credit losses</b>	<b>-283,282</b>	<b>-83,004</b>	<b>-910,460</b>	<b>-1,276,745</b>	<b>193,178</b>	<b>-1,083,567</b>
<b>Carrying amount of loan receivables, 31/12/2022</b>	<b>20,893,685</b>	<b>1,030,952</b>	<b>1,073,198</b>	<b>22,997,834</b>	<b>2,552,224</b>	<b>25,550,058</b>
Rate of loss provision, private individuals	1.3%	13.0%	42.1%	5.5%		
Rate of loss provision, companies	1.3%	3.7%	53.4%	4.9%		
Impairment gains/losses, private individuals					-8.2%	
<b>Rate of loss provision, total</b>	<b>1.3%</b>	<b>7.5%</b>	<b>45.9%</b>	<b>5.3%</b>	<b>-8.2%</b>	<b>4.1%</b>

Lending to the public 31/12/2021 – Group	Stage 1	Stage 2	Stage 3	Subtotal	Acquired past-due stocks of receivables	Total
Private individuals	10,407,543	422,251	1,126,561	11,956,354	2,043,788	14,000,143
Companies	6,870,937	488,078	536,018	7,895,033		7,895,033
<b>Loan receivables</b>	<b>17,278,479</b>	<b>910,328</b>	<b>1,662,579</b>	<b>19,851,387</b>	<b>2,043,788</b>	<b>21,895,175</b>
Private individuals	-132,361	-53,544	-474,789	-660,694		-660,694
Companies	-131,003	-19,602	-301,220	-451,826		-451,826
<b>Reserve for expected credit losses</b>	<b>-263,364</b>	<b>-73,146</b>	<b>-776,010</b>	<b>-1,112,520</b>		<b>-1,112,520</b>
<b>Carrying amount of loan receivables, 31/12/2021</b>	<b>17,015,115</b>	<b>837,182</b>	<b>886,570</b>	<b>18,738,867</b>	<b>2,043,788</b>	<b>20,782,655</b>
Rate of loss provision, private individuals	1.3%	12.7%	42.1%	5.5%		
Rate of loss provision, companies	1.9%	4.0%	56.2%	5.7%		
<b>Rate of loss provision, total</b>	<b>1.5%</b>	<b>8.0%</b>	<b>46.7%</b>	<b>5.6%</b>		

The accounts for 2021 include a Covid-19 reserve of SEK 46 million in Stage 1 reserve for expected credit losses for companies.

Change in reserve for expected credit losses – Group	Stage 1	Stage 2	Stage 3	Total
<b>Reserve for expected credit losses, 31/12/2021</b>	<b>-263,364</b>	<b>-73,146</b>	<b>-776,010</b>	<b>-1,112,520</b>
Increase in reserves, new or acquired loan receivables	-126,656			-126,656
Reduction in reserves, written-off loan receivables	83,172	44,847	145,006	273,024
Change in reserves as a consequence of changes in credit risk	38,050	-48,446	-390,101	-400,497
Change in reserves as a consequence of changed methodology/outlook	-11,659	-2,358	8,705	-5,312
Reduction in reserves, written-off loan receivables			126,859	126,859
Impairment gains/losses, acquired past-due stocks of receivables			185,218	185,218
Other adjustments	-2,824	-3,900	-16,959	-23,684
<b>Reserve for expected credit losses, 31/12/2022</b>	<b>-283,282</b>	<b>-83,004</b>	<b>-717,282</b>	<b>-1,083,567</b>

Other adjustments relate to exchange rate differences.

Impairment gains/losses, past-due stocks of receivables is included in Stage 3.

Lending to the public, the Parent Company	31/12/2022	31/12/2021
Lending to the public, Group	21,210,959	228,144
Lending to the public, Group	3,596,581	51
<b>Total</b>	<b>24,807,540</b>	<b>228,195</b>

Lending to the public, external 31/12/2022 – Parent Company	Stage 1	Stage 2	Stage 3	Subtotal	Acquired past-due stocks of receivables	Total
Private individuals	11,135,361	435,762	1,219,107	12,790,230	1,095,296	13,885,526
Companies	10,776,925	642,312	550,787	11,970,024		11,970,024
<b>Loan receivables</b>	<b>21,912,286</b>	<b>1,078,074</b>	<b>1,769,894</b>	<b>24,760,254</b>	<b>1,095,296</b>	<b>25,855,550</b>
Private individuals	-132,939	-55,659	-496,940	-685,538		-685,538
Companies	-105,769	-21,989	-284,697	-412,455		-412,455
Impairment gains/losses, private individuals					49,984	49,984
<b>Reserve for expected credit losses</b>	<b>-238,708</b>	<b>-77,648</b>	<b>-781,637</b>	<b>-1,097,993</b>	<b>49,984</b>	<b>-1,048,010</b>
<b>Carrying amount of loan receivables, 31/12/2022</b>	<b>21,673,578</b>	<b>1,000,426</b>	<b>988,256</b>	<b>23,662,261</b>	<b>1,145,280</b>	<b>24,807,540</b>
Rate of loss provision, private individuals	1.2%	12.8%	40.8%	5.4%		
Rate of loss provision, companies	1.0%	3.4%	51.7%	3.2%		
Impairment gains/losses, private individuals					-4.6%	
<b>Rate of loss provision, total</b>	<b>1.1%</b>	<b>7.2%</b>	<b>44.2%</b>	<b>4.4%</b>	<b>-4.6%</b>	<b>4.1%</b>

Intra-Group lending to companies is included in Stage 1.

Lending to the public, external 31/12/2021 – Parent Company	Stage 1	Stage 2	Stage 3	Subtotal	Acquired past-due stocks of receivables	Total
Private individuals	62	0	9	71		71
Companies	200,218	17,966	18,561	236,745		236,745
<b>Loan receivables</b>	<b>200,280</b>	<b>17,966</b>	<b>18,570</b>	<b>236,816</b>	<b>0</b>	<b>236,816</b>
Private individuals	-1	0	-3	-4		-4
Companies	-2,049	-995	-5,574	-8,617		-8,617
<b>Reserve for expected credit losses</b>	<b>-2,050</b>	<b>-995</b>	<b>-5,577</b>	<b>-8,621</b>		<b>-8,621</b>
<b>Carrying amount of loan receivables, 31/12/2021</b>	<b>198,231</b>	<b>16,971</b>	<b>12,993</b>	<b>228,195</b>	<b>0</b>	<b>228,195</b>
Rate of loss provision, private individuals	1.6%	0.0%	30.0%	5.2%		
Rate of loss provision, companies	1.0%	5.5%	30.0%	3.6%		
<b>Rate of loss provision, total</b>	<b>1.0%</b>	<b>5.5%</b>	<b>30.0%</b>	<b>3.6%</b>		

Intra-Group lending to companies is included in Stage 1. The accounts for 2021 include a Covid-19 reserve of SEK 46 million in Stage 1 reserve for expected credit losses for companies.

Change in reserve for expected credit losses – Parent Company	Stage 1	Stage 2	Stage 3	Total
<b>Reserve for expected credit losses, 31/12/2021</b>	<b>-2,050</b>	<b>-995</b>	<b>-5,577</b>	<b>-8,621</b>
Takeover in connection with merger	-297,930	-61,536	-688,597	-1,048,063
Increase in reserves, new or acquired loan receivables	-116,203			-116,203
Reduction in reserves, written-off loan receivables	73,506	39,035	148,919	261,459
Change in reserves as a consequence of changes in credit risk	123,259	-48,161	-337,557	-262,460
Change in reserves as a consequence of changed methodology/outlook	-11,659	-2,358	8,705	-5,312
Reduction in reserves, written-off loan receivables			104,517	104,517
Impairment gains/losses, acquired past-due stocks of receivables			48,983	48,983
Other adjustments	-7,631	-3,632	-11,045	-22,309
<b>Reserve for expected credit losses, 31/12/2022</b>	<b>-238,708</b>	<b>-77,648</b>	<b>-731,654</b>	<b>-1,048,010</b>

Other adjustments relate to exchange rate differences.

Impairment gains/losses, past-due stocks of receivables is included in Stage 3.



Note 22 Bonds and other securities	Group 31/12/2022			Group 31/12/2021		
	Cost	Book value	Fair value	Cost	Book value	Fair value
<i>Issued by public bodies</i>						
Swedish municipalities	1,056,153	1,036,021	1,036,021	1,138,528	1,124,814	1,124,814
<b>Total</b>	<b>1,056,153</b>	<b>1,036,021</b>	<b>1,036,021</b>	<b>1,138,528</b>	<b>1,124,814</b>	<b>1,124,814</b>
<i>Issued by other borrowers</i>						
Swedish financial companies	115,360	113,276	113,276	115,360	114,124	114,124
Foreign issuers	423,610	421,525	421,525	312,591	311,767	311,767
<b>Total</b>	<b>538,970</b>	<b>534,801</b>	<b>534,801</b>	<b>427,951</b>	<b>425,891</b>	<b>425,891</b>
<b>Total</b>	<b>1,595,123</b>	<b>1,570,822</b>	<b>1,570,822</b>	<b>1,566,479</b>	<b>1,550,705</b>	<b>1,550,705</b>
Of which, listed securities	1,595,123	1,570,822	1,570,822	1,566,479	1,550,705	1,550,705
Positive difference; book values exceed nominal values		18,454			27,526	
<b>Nominal values</b>		<b>1,552,368</b>			<b>1,523,179</b>	

	Parent Company 31/12/2022			Parent Company 31/12/2021		
	Cost	Book value	Fair value	Cost	Book value	Fair value
<i>Issued by public bodies</i>						
Swedish municipalities	1,056,153	1,036,021	1,036,021			
<b>Total</b>	<b>1,056,153</b>	<b>1,036,021</b>	<b>1,036,021</b>	<b>0</b>	<b>0</b>	<b>0</b>
<i>Issued by other borrowers</i>						
Swedish financial companies	115,360	113,276	113,276			
Foreign issuers	423,610	421,525	421,525			
<b>Total</b>	<b>538,970</b>	<b>534,801</b>	<b>534,801</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>1,595,123</b>	<b>1,570,822</b>	<b>1,570,822</b>	<b>0</b>	<b>0</b>	<b>0</b>
Of which, listed securities	1,595,123	1,570,822	1,570,822			
Positive difference; book values exceed nominal values		18,454				
<b>Nominal values</b>		<b>1,552,368</b>			<b>0</b>	

Note 23 Shares and participations	Group 31/12/2022		Group 31/12/2021	
	Book value	Fair value	Book value	Fair value
<i>Listed shares and participations</i>				
Opening accumulated cost	3,350,533		2,184,625	
Cost	424,225		1,509,238	
Proceeds	-800,471		-496,623	
Unrealised change in value	-857,143		153,292	
<b>Closing accumulated cost</b>	<b>2,117,144</b>	<b>2,117,144</b>	<b>3,350,533</b>	<b>3,350,533</b>
<i>Unlisted shares and participations</i>				
Opening accumulated cost	1,548,069		577,472	
Cost	387,214		819,682	
Proceeds	-216,974			
Unrealised change in value	296,325		150,916	
<b>Closing accumulated cost</b>	<b>2,014,634</b>	<b>2,014,634</b>	<b>1,548,069</b>	<b>1,548,069</b>
<b>Total</b>	<b>4,131,778</b>	<b>4,131,778</b>	<b>4,898,602</b>	<b>4,898,602</b>

Note 23 Shares and participations, continued	Parent Company 31/12/2022		Parent Company 31/12/2021	
	Book value	Fair value	Book value	Fair value
<i>Listed shares and participations</i>				
Opening accumulated cost	0			
Taken over in connection with merger	3,349,137			
Cost	424,225			
Proceeds	-799,102			
Unrealised change in value	-857,145			
<b>Closing accumulated cost</b>	<b>2,117,115</b>	<b>2,117,115</b>	<b>0</b>	<b>0</b>
<i>Unlisted shares and participations</i>				
Opening accumulated cost	0			
Taken over in connection with merger	1,479,265			
Cost	374,325			
Proceeds	-215,275			
Unrealised change in value	296,325			
<b>Closing accumulated cost</b>	<b>1,934,639</b>	<b>1,934,639</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>4,051,754</b>	<b>4,051,754</b>	<b>0</b>	<b>0</b>

Note 24 Other participations	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Opening accumulated cost	3,284	3,284		
<b>Closing accumulated cost</b>	<b>3,284</b>	<b>3,284</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>3,284</b>	<b>3,284</b>	<b>0</b>	<b>0</b>
Of which a share in a housing cooperative in Sälen.	3,284	3,284		

Note 25 Shares and participations in associated companies	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Opening accumulated cost	6,000	6,000		
<b>Closing accumulated cost</b>	<b>6,000</b>	<b>6,000</b>	<b>0</b>	<b>0</b>
Opening accumulated profit shares	-1,211	-1,035		
Profit shares for the year	-215	-176		
<b>Closing accumulated profit shares</b>	<b>-1,426</b>	<b>-1,211</b>	<b>0</b>	<b>0</b>
Opening accumulated impairment charges	-4,021	-4,021		
<b>Closing accumulated impairment charges</b>	<b>-4,021</b>	<b>-4,021</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>553</b>	<b>768</b>	<b>0</b>	<b>0</b>

	Registered office	Corp. Reg. No.	Number of shares	Percentage	Nominal value	Book value, Group	Book value, Parent Company
Stidner Complete AB	Trollhättan	559065-9537	5,000	33.33%	TSEK 25	553	0
<b>Total</b>						<b>553</b>	<b>0</b>

All of the participations are unlisted and the associated companies are reported according to the equity method.

In 2021 and 2022 there were no associated companies of significant importance for the Group.

Note 25 Shares and participations in associated companies, continued	Group	
	31/12/2022	31/12/2021
The Group's share in the income statements and balance sheets in individual associated companies of minor significance amounts to:		
Operating income	650	519
Profit/loss for the year	-215	-176
Assets	238	515
Liabilities	-65	-72

  

Note 26 Shares in Group companies	Parent Company	
	31/12/2022	31/12/2021
Takeover in connection with merger	1,336,645	
Acquisition of Svea Payments OY	16,603	
Shareholder contribution, PFC Technology AB	70,000	
Acquisition of Svea Credit B.V.	9,410	
Shareholder contribution, Svea Credit B.V.	73,188	
Acquisition of Svea Development OY	2,930	
Shareholder contribution, Svea Inkasso AB	467,000	
Acquisition of Zlantar of Sweden AB	21,066	
Shareholder contribution, Zlantar of Sweden AB	2,000	
Shareholder contribution, Svea Billing Services AB	350	
Sale of Dunderbackens Fastighets AB	-81,645	
Sale of Fastighets AB Brunna 52:1	-2,350	
Sale of Guldalsvägens Fastighets AB	-1,050	
Exchange rate differences	-5	
<b>Closing accumulated cost</b>	<b>1,914,141</b>	<b>0</b>
Merger: accumulated impairments	-609,854	
Sale: accumulated impairments	19,193	
Impairment charges for the year	-191,777	
<b>Closing accumulated impairment charges</b>	<b>-782,439</b>	<b>0</b>
<b>Total</b>	<b>1,131,702</b>	<b>0</b>

Note 26 Shares in Group companies, contd.	Parent Company						
						31/12/2022	31/12/2021
	Registered office	Corp. Reg. No.	Number of shares	Percentage	Nominal value	Book value	Book value
Kapitalkredit Sverige AB	Stockholm	556761-0315	100,000	100.00%	TSEK 1,549	1,550	-
KundGiro AB	Stockholm	556022-9980	50,000	100.00%	TSEK 5,000	1,000	-
Svea Vat Adviser AB	Stockholm	556567-1327	-	100.00%	TSEK 1,200	-	-
Svea Intressenter 41 AB	Stockholm	559401-8607	50,000,000	36.30%	TSEK 500	-	-
Svea Intressenter 42 AB	Stockholm	559401-8623	50,000,000	29.28%	TSEK 500	-	-
Svea Intressenter 43 AB	Stockholm	559401-8631	50,000,000	32.66%	TSEK 500	-	-
Svea Intressenter 44 AB	Stockholm	559401-8615	50,000,000	53.50%	TSEK 500	-	-
MoneyGo AB	Helsingborg	556821-8209	37,500	75.00%	TSEK 3,750	27,194	-
Svea Finance AS	Tallinn	11200943	250,000	100.00%	TEUR 25	30	-
Svea Finans A/S	Copenhagen/Alleröd	27448402	13	100.00%	TDKK 1,201	8,700	-
Svea Finans Nederland BV	Reeuwijk	1199263	10,000	100.00%	TEUR 1,000	80,775	-
Svea Credit BV	Gouda	70328714	1,000	100.00%	EUR 1000	9,410	-
Svea Finans AG	Zürich	1703025543-6	1,000	100.00%	TCHF 1,000	20,000	-
PFC Technology AB	Stockholm	556851-3112	60,977,729	100.00%	TSEK 1,829	0	-
Zlantar of Sweden AB	Stockholm	559080-6286	1,237,500	100.00%	SEK 74,375	15,300	-
Svea Ekonomi Cyprus Limited	Limassol	272182	4,201	100.00%	EUR 4,201	18	-
Svea Finance Belgrade DOO	Belgrade	20725095	-	100.00%	EUR 1,000	-	-
Svea Ekonomi DOO	Zagreb	80750758	-	100.00%	THRK 6,000	-	-
Rhoswen Invest Ukraine Limited	Kiev	37616221	-	100.00%	TUAH 3,421	-	-
Regional Services of Collection LLC	Moscow	1127746618768	1	100.00%	TRUB 10	-	-
Capital Service Company LLC	Moscow	1057747813837	-	100.00%	TRUB 92,085	-	-
Svea Payments OY	Helsinki	2121703-0	28,605,016	100.00%	TEUR 450	174,800	-
Svea Investments Inc	US	6209614	1,000	100.00%	TUSD 4	31,923	-
FMS Financial Management Solutions GmbH	Mainz	HRB 44683	1	70.00%	TEUR 59	3,106	-
<b>Total consolidated situation</b>						<b>373,806</b>	<b>0</b>
Svea Inkasso AB	Stockholm	556214-1423	50,000	100.00%	TSEK 5,000	500,000	-
Svea Finans AS	Oslo	980 121 798	1,106,195	100.00%	TNOK 1,106	-	-
Svea Perintä OY	Helsinki	0800502-5	26	100.00%	TEUR 61	-	-
Svea Inkasso OÜ	Tallinn	11455152	1	100.00%	TEUR 3	-	-
Svea Inkasso A/S	Copenhagen/Alleröd	11038484	100	100.00%	TDKK 510	-	-
CMS Collection GmbH	Mainz	HRB 44577	84,000	70.00%	TEUR 59	-	-
Credit Express Group BV	Amsterdam	18056826	18,151	100.00%	EUR 18,151	-	-
Creditexpress Finance LLC	Moscow	1127747190152	1	100.00%	TRUB 10	-	-
Financial Services of Legal Collections LLC	Moscow	1107746078263	1	100.00%	TRUB 10	-	-
Creditexpress-K Call Center Services LLC	Moscow	5137746070061	1	100.00%	TRUB 20	-	-
Regional Services of Legal Collection LLC	Moscow	1117746152314	1	100.00%	TRUB 10	-	-
Creditexpress Inkasso Poland Sp ZOO	Wroclaw	8992462327	2,000	100.00%	TPLN 1,000	-	-
Kancelaria Prawna Creditexpress Inkasso	Wroclaw	8992507722	1	100.00%	TPLN 50	-	-
CEI Zagreb DOO	Zagreb	80495547	1	100.00%	THRK 30	-	-
Creditexpress Ukraine LLC	Kiev	34981644	1	100.00%	TUAH 1,010	-	-
Debtfort Ukraine LLC	Kiev	40298050	1	100.00%	TUAH 10	-	-
Creditexpress Financial Services SRL	Bucharest	21 939 587	1	100.00%	RON 500,030	-	-
Creditexpress Beograd DOO Serbia	Belgrade	20221143	1	100.00%	TRSD 3,267	-	-
Svea Billing Services AB	Stockholm	556555-4622	10,000	100.00%	TSEK 100	7,677	-
Svea Billing Services AS	Oslo	918470735	100,000	100.00%	TNOK 100	-	-
Nicknamed AB	Stockholm	556817-1135	32	61.54%	TSEK 32	-	-
Svea Financial Services AB	Stockholm	556825-4345	50,000	100.00%	TSEK 50	93,500	-
Payson AB	Stockholm	556646-2858	209,225	100.00%	TSEK 209	600	-
Kodea Systems AB	Stockholm	559008-4629	100,000	100.00%	TSEK 100	350	-
Svea Development OY	Helsinki	2483599-3	28,605,016	100.00%	EUR 2,500	26,581	-
Regtech Ab OY	Vasa	3108096-3	16,000	100.00%	EUR 0	9,596	-
PayGround AB	Stockholm	556810-1793	24,341	100.00%	TSEK 243	119,337	-
Payd Sweden AB	Stockholm	556710-5878	200,000	100.00%	TSEK 200	250	-
Svea Ekonomi DOO Belgrade	Belgrade	21165522	-	100.00%	TDIN 61	5	-
<b>Total, other Group companies</b>						<b>757,895</b>	<b>0</b>
<b>Total</b>						<b>1,131,702</b>	<b>0</b>

All of the Group companies are unlisted. The subsidiary PFC Technology AB is required to maintain a certain capital base.

There are no other restrictions to the access or use of the subsidiaries' assets to settle the Group's liabilities in addition to the assets referred to in Note 45 Pledged assets and the contingent liabilities referred to in Note 45.

## Note 27 Intangible assets

### Goodwill

The forecast period for each cash-generating unit is five years with a supplement for subsequent cash flow without growth. The cash flows were discounted to a present value by applying the Group's weighted average cost of capital (WACC) estimated at 8.9 per cent (8.9) per annum after tax, corresponding to 10.8–11.2 per cent (9.1–12.1) before tax for this year's tests. Projected average growth rate per year is approx. 6.9–69.0 per cent (approx. 0–63.0), which reflects past experience and/or estimated reasonable future conditions for each cash-generating unit and Group/associated company.

Average growth rates per year divided per segment are 9–69 per cent in Sweden, 7–28 per cent in Finland, 7 per cent in Eastern Europe and 7 per cent in the Other segment (Denmark). For the AFS and Debt Collection business areas, the average growth rate is 7–69 per cent and 4–7 per cent respectively.

The unchanged WACC is attributable to a higher risk-free interest rate and a capital structure with a reduced proportion of shareholders' equity. The change in growth rates reflects previous experiences for businesses in the AFS business area in Sweden and Finland, and in the Debt Collection business area in Other (Denmark).

The impairment tests for the year resulted in impairments of the Group's carrying amount for goodwill of SEK 4.4 million (128.7).

The Group's carrying amount for goodwill divided per segment amounts to SEK 118.3 million in Sweden, SEK 190.7 million in Finland and SEK 7.0 million in Other. Goodwill in Sweden and Finland refers to the AFS business area. Goodwill in Other refers to the Debt Collection business area.

Sensitivity analyses were conducted into WACC and the level of annual growth at which an impairment requirement would exist, which showed there to be adequate room for manoeuvre in the calculated values in use. The least room for manoeuvre in growth rate and/or in WACC in the AFS business area exists in one unit in Finland. A WACC approx. 2% higher or an annual growth rate approx. 5% lower would result in an impairment of goodwill in this unit.

The least room for manoeuvre in growth rate and/or in WACC in the Debt Collection business area exists in one unit in the Other segment (Denmark). An annual growth rate approx. 6% lower would result in an impairment of goodwill in this unit.

Note 27 Intangible assets	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Goodwill</i>				
Opening accumulated cost	492,492		0	
Takeover in connection with merger			7,312	
Business combinations	4,446	124,418		
Exchange rate differences	707	139		
<b>Closing accumulated cost</b>	<b>497,645</b>	<b>492,492</b>	<b>7,312</b>	<b>0</b>
Opening accumulated impairment charges	-176,787	-48,058	0	
Takeover in connection with merger			-7,312	
Exchange rate differences	-437	-36		
Impairment charges for the year	-4,446	-128,692		
<b>Closing accumulated impairment charges</b>	<b>-181,670</b>	<b>-176,787</b>	<b>-7,312</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>315,975</b>	<b>315,705</b>	<b>0</b>	<b>0</b>
<i>Customer contracts</i>				
Opening accumulated cost	125,899	125,899	0	
Takeover in connection with merger			26,067	
Capitalised expenses	14,873		14,873	
Exchange rate differences	707		1,428	
<b>Closing accumulated cost</b>	<b>141,478</b>	<b>125,899</b>	<b>42,369</b>	<b>0</b>
Opening accumulated depreciations	-123,872	-119,611	0	
Takeover in connection with merger			-26,067	
Exchange rate differences			-722	
Depreciations for the year	-1,601	-4,261		
<b>Closing accumulated depreciations</b>	<b>-125,473</b>	<b>-123,872</b>	<b>-26,789</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>16,005</b>	<b>2,026</b>	<b>15,580</b>	<b>0</b>
<i>Licenses</i>				
Opening accumulated cost	5,204	3,994		
Capitalised expenses	3,301	1,105		
Reclassifications		15		
Exchange rate differences	51	283		
Sales/retirements	-341	-194		
<b>Closing accumulated cost</b>	<b>8,215</b>	<b>5,204</b>	<b>0</b>	<b>0</b>
Opening accumulated depreciations	-2,144	-1,665		
Sales/retirements	41	194		
Reclassifications		-5		
Exchange rate differences	-9	-92		
Depreciations for the year	-1,498	-576		
<b>Closing accumulated depreciations</b>	<b>-3,610</b>	<b>-2,144</b>	<b>0</b>	<b>0</b>
Opening accumulated impairment charges	-307	-306		
Sales/retirements	301			
Exchange rate differences	6	0		
<b>Closing accumulated impairment charges</b>	<b>0</b>	<b>-307</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>4,605</b>	<b>2,753</b>	<b>0</b>	<b>0</b>

Note 27 Intangible assets, continued	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Capitalised development expenses, etc.</i>				
Opening accumulated cost	249,351	162,273	0	
Takeover in connection with merger			64,684	
Capitalised expenses	15,153	15,550		
Business combinations	20,869	70,048		
Reclassifications		-15		
Exchange rate differences	7,357	1,495		
<b>Closing accumulated cost</b>	<b>292,730</b>	<b>249,351</b>	<b>64,684</b>	<b>0</b>
Opening accumulated depreciations	-133,685	-82,526	0	
Takeover in connection with merger			-41,884	
Business combinations		-20,846		
Reclassifications		5		
Exchange rate differences	-5,436	-858		
Depreciations for the year	-51,512	-29,460	-7,600	
<b>Closing accumulated depreciations</b>	<b>-190,634</b>	<b>-133,685</b>	<b>-49,484</b>	<b>0</b>
Opening accumulated impairment charges	-2,499	0		
Impairment charges for the year	-549	-2,499		
<b>Closing accumulated impairment charges</b>	<b>-3,048</b>	<b>-2,499</b>	<b>0</b>	<b>0</b>
<b>Closing residual value according to plan</b>	<b>99,049</b>	<b>113,167</b>	<b>15,200</b>	<b>0</b>
<b>Total</b>	<b>435,634</b>	<b>433,652</b>	<b>30,780</b>	<b>0</b>

Note 28 Tangible assets	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Buildings</i>				
Opening accumulated cost	169,967	127,861		
Purchases	51,848	42,086		
Exchange rate differences	56	21		
Sales/retirements	-167,271			
<b>Closing accumulated cost</b>	<b>54,600</b>	<b>169,967</b>	<b>0</b>	<b>0</b>
Opening accumulated depreciations	-22,359	-28,362		
Sales/retirements	39,617			
Exchange rate differences	-38	-16		
Revaluations/impairments for the year	-17,494	9,736		
Depreciations for the year	-470	-3,717		
<b>Closing accumulated depreciations</b>	<b>-744</b>	<b>-22,359</b>	<b>0</b>	<b>0</b>
<i>Land</i>				
Opening accumulated cost	45,756	45,756		
Sales/retirements	-27,459			
<b>Closing accumulated cost</b>	<b>18,297</b>	<b>45,756</b>	<b>0</b>	<b>0</b>
Assets held for sale		-172,700		
<b>Closing residual value according to plan</b>	<b>72,153</b>	<b>20,665</b>	<b>0</b>	<b>0</b>

Buildings at the year-end relate to three properties taken over in order to protect a receivable, see also Note 34. These buildings were sold during 2022. The tax assessment value of buildings amounts to SEK 3,684,000 (106,472,000). The tax assessment value of land amounts to SEK 15,325,000 (32,361,000). Revaluations and impairments have been reported as a consequence of updated valuations of the properties.

Note 28 Tangible assets, continued	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Fixtures and fittings</i>				
Opening accumulated cost	263,805	238,957	2,733	2,733
Takeover in connection with merger			188,023	
Reclassification	178		178	
Purchases	63,556	24,106	52,889	
Business combinations			2,347	
Exchange rate differences	6,558	2,593	500	
Sales/retirements	-5,620	-4,198	-3,563	
<b>Closing accumulated cost</b>	<b>328,477</b>	<b>263,805</b>	<b>240,759</b>	<b>2,733</b>
Opening accumulated depreciations	-188,843	-167,778	-2,733	-2,733
Takeover in connection with merger			-132,643	
Reclassification	-178		-178	
Sales/retirements	4,612	3,195	3,196	
Business combinations			-1,964	
Exchange rate differences	-4,663	-2,386	-448	
Depreciations for the year	-26,420	-19,910	-17,256	
<b>Closing accumulated depreciations</b>	<b>-215,492</b>	<b>-188,843</b>	<b>-150,061</b>	<b>-2,733</b>
<b>Closing residual value according to plan</b>	<b>112,985</b>	<b>74,962</b>	<b>90,698</b>	<b>0</b>
<i>Leased assets as lessor</i>				
Opening accumulated cost			0	
Takeover in connection with merger			1,353,044	
Purchases			623,439	
Exchange rate differences			11,986	
Sales/retirements			-387,814	
<b>Closing accumulated cost</b>	<b>0</b>	<b>0</b>	<b>1,600,655</b>	<b>0</b>
Opening accumulated depreciations			0	
Takeover in connection with merger			-545,150	
Sales/retirements			273,957	
Exchange rate differences			-5,781	
Depreciations for the year			-331,669	
<b>Closing accumulated depreciations</b>	<b>0</b>	<b>0</b>	<b>-608,643</b>	<b>0</b>
Opening accumulated impairment charges			0	
Takeover in connection with merger			-22,792	
Exchange rate differences			-299	
Impairment charges for the year			-9,067	
<b>Closing accumulated impairment charges</b>	<b>0</b>	<b>0</b>	<b>-32,157</b>	<b>0</b>
<b>Closing book value</b>			<b>959,855</b>	<b>0</b>
<b>Total</b>	<b>185,137</b>	<b>95,627</b>	<b>1,050,553</b>	<b>0</b>

The leasing object impairment loss above was reported in the income statement as a credit loss. In the Group, the above leases have been classified as financial and are included in the item Lending to the public.

Leasing contracts and other rental agreements as lessor	Parent Company		Parent Company	
	31/12/2021		31/12/2021	
<i>Financial leasing</i>				
Gross investment		1,144,820		
Non-earned financial income		-184,964		
Net investment in financial leasing agreements		959,856		0
Less residual values not guaranteed that fall to the lessor		0		
Present value of receivables re future minimum leasing charges		959,856		0
Reserve for doubtful receivables re minimum leasing charges		32,157		
<i>Remaining maturity</i>	Gross investment	Net investment	Gross investment	Net investment
Within one year	430,508	347,280		
Between one and five years	700,436	599,743		
Later than five years	13,875	12,834		
<b>Total</b>	<b>1,144,820</b>	<b>959,856</b>	<b>0</b>	<b>0</b>
Of which the single largest net investment		3,937		

Operational leasing – Present value of future minimum leasing charges	Parent Company	
	31/12/2022	31/12/2021
	Net investment	Net investment
Within one year	347,280	0
Between one and five years	599,743	0
Later than five years	12,834	0
<b>Total</b>	<b>959,856</b>	<b>0</b>
Carrying amount of repossessed leased assets	319	

Leased assets comprise primarily IT, telecoms and other communications equipment. Lease income reported for the year amounts to SEK 427,000 (0).

Note 29 Rights of use	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Buildings</i>				
Opening accumulated cost	410,850	366,844		
New contracts	299,520	14,197		
Terminated contracts	-111,039	-3,372		
Effects of changes to agreements	-84,912	27,188		
Exchange rate differences	10,376	5,993		
<b>Closing accumulated cost</b>	<b>524,795</b>	<b>410,850</b>	<b>0</b>	<b>0</b>
Opening accumulated depreciations	-176,912	-111,448		
Depreciations	-65,932	-66,373		
Terminated contracts	108,884	3,372		
Exchange rate differences	-5,201	-2,463		
<b>Closing accumulated depreciations</b>	<b>-139,161</b>	<b>-176,912</b>	<b>0</b>	<b>0</b>
<b>Closing book value</b>	<b>385,634</b>	<b>233,938</b>	<b>0</b>	<b>0</b>
<i>Vehicles</i>				
Opening accumulated cost	24,133	17,809		
New contracts	7,019	5,486		
Terminated contracts	-4,577	-3,028		
Effects of changes to agreements	1,590	3,751		
Exchange rate differences	638	114		
<b>Closing accumulated cost</b>	<b>28,803</b>	<b>24,133</b>	<b>0</b>	<b>0</b>
Opening accumulated depreciations	-13,548	-8,996		
Terminated contracts	3,643	2,505		
Depreciations	-7,054	-6,999		
Exchange rate differences	-344	-58		
<b>Closing accumulated depreciations</b>	<b>-17,303</b>	<b>-13,548</b>	<b>0</b>	<b>0</b>
<b>Closing book value</b>	<b>11,500</b>	<b>10,585</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>397,134</b>	<b>244,523</b>	<b>0</b>	<b>0</b>

Operational leasing	Parent Company	
	31/12/2022	31/12/2021
<i>Fixtures and fittings used via leasing contracts:</i>		
Cost, operational leasing	22,479	18,315
Of which, newly signed contracts during the year	4,012	3,584
Of which, contracts redeemed during the year	-2,294	-3,877
Leasing expenses during the year	7,668	9,055
<i>Other rental agreements:</i>		
Rental expenses during the year	24,720	36,115
<i>Future leasing and rental payments as lessee</i>		
Within one year	49,103	40,720
Between one and five years	182,767	131,574
Later than five years	130,148	0

IFRS 16 is not applied in the Parent Company, so the above leases are classified as operational.



Note 30 Deferred tax assets/tax liability	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Lending to the public	131,619	48,637	1,798	
Shares and participations	23,848	10,824	23,848	
Tangible assets	646	715		
Rights of use	2,933	3,280		
Other assets/liabilities	4,731	3,620		
Tax loss carryforwards	96,595	101,122		4,802
<b>Deferred tax assets</b>	<b>260,371</b>	<b>168,198</b>	<b>25,646</b>	<b>4,802</b>
Lending to the public	-3,149	-1,987		
Bonds and other securities	0	-610	0	
Shares and participations	-17,482	-191,474		
Intangible assets	-7,130	-7,572		
Other assets/liabilities	-39,137	-1,243		
<b>Deferred tax liabilities</b>	<b>-66,898</b>	<b>-202,885</b>	<b>0</b>	<b>0</b>
<b>Net</b>	<b>193,473</b>	<b>-34,687</b>	<b>25,646</b>	<b>4,802</b>
Lending to the public	52,174	30,672	714	
Bonds and other securities	1,212	-1,587	1,212	
Shares and participations	-199		-199	
Tangible assets	-19	147		
Intangible assets	2,603	-4,471	-1,353	
Rights of use	845	1,183		
Other assets/liabilities	13,399	11,870	11,160	
Tax loss carryforwards	-11,184	30	-4,802	20
<b>Change reported in income statement</b>	<b>58,831</b>	<b>37,844</b>	<b>6,731</b>	<b>20</b>
Change, deferred tax fair value fund	176,771	-31,578	176,771	
Exchange rate differences	-4,739		31	
<b>Reported directly against shareholders' equity</b>	<b>172,032</b>	<b>-31,578</b>	<b>176,802</b>	<b>0</b>
Acquired deferred tax assets	1,415			
Acquired deferred tax liabilities	-4,299			
<b>Total changes</b>	<b>227,979</b>	<b>6,266</b>	<b>183,533</b>	<b>20</b>
Unutilised tax losses	462,435	505,030		
Reported deferred tax assets	97,121	101,129		

Note 31 Derivative instruments	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Derivatives for hedging fair value not hedge accounted</i>				
Foreign exchange-related contracts				
Swaps	2,799,680	736,215	2,799,680	
<b>Total</b>	<b>2,799,680</b>	<b>736,215</b>	<b>2,799,680</b>	<b>0</b>
Foreign exchange distribution of market values				
EUR	1,156,947	51,491	1,156,947	
NOK	781,599		781,599	
USD	782,539	400,814	782,539	
HRK		32,995		
CHF	11,290		11,290	
GBP	50,199		50,199	
RUB		249,078		
<b>Total</b>	<b>2,782,573</b>	<b>734,378</b>	<b>2,782,573</b>	<b>0</b>
<b>Positive value of foreign exchange-related contracts</b>	<b>17,106</b>	<b>1,837</b>	<b>17,106</b>	<b>0</b>

Svea Bank's derivative instruments consist of currency swaps. This item refers to hedging contracts in which the fair value, i.e. the market value, exceeds the forward rate on the closing date.

Note 32 Other assets	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Accounts receivable	125,968	99,532	5,215	
Current tax assets	69,158	161,364	62,778	695
Receivables from Group companies			27,667	
Deduction, non-payment of funds	11,765	5,150	9,695	
Receivables from card companies	14,012	10,915	12,065	8,370
Outlay to authorities	24,790	19,917	0	
Value-added tax	1,716	774	764	
Other receivables	147,470	56,203	87,610	102
<b>Total</b>	<b>394,878</b>	<b>353,854</b>	<b>205,793</b>	<b>9,167</b>

Note 33 Prepaid expenses and accrued income	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Commission income	26,063	15,209	17,327	
Commissions, intra-group			2,056	
Rental/subscription expenses	13,924	18,869	12,988	
Other expenses	51,455	43,844	42,745	2,836
<b>Total</b>	<b>91,442</b>	<b>77,922</b>	<b>75,116</b>	<b>2,836</b>

Not 34 Assets and liabilities held for sale	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Lending to credit institutions		940		
Tangible assets		172,700		
Other assets		132		
Prepaid expenses and accrued income		251		
<b>Total assets held for sale</b>	<b>0</b>	<b>174,022</b>	<b>0</b>	<b>0</b>
Other liabilities		6,301		
Accrued expenses and prepaid income		2,089		
<b>Total liabilities held for sale</b>	<b>0</b>	<b>8,390</b>	<b>0</b>	<b>0</b>

Assets and liabilities held for sale as of 31 December 2021 included the subsidiaries Guildalsvägens Fastighets AB, Dunderbackens Fastighets AB and Fastighets AB Brunna 52:1. All companies were divested during 2022.

Note 35 Liabilities to credit institutions	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Granted credit	423,299	421,121	400,000	30,925
Unutilised credit facilities	-422,257	-420,449	-400,000	-9,948
<b>Total</b>	<b>1,042</b>	<b>672</b>	<b>0</b>	<b>20,977</b>

Note 36 Deposits from the public	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Deposits from the public, private individuals	28,167,954	23,138,635	28,008,819	112,768
Deposits from the public, companies	2,770,002	2,011,913	2,497,483	972,535
Deposits from the public, Group			139,063	
<b>Total</b>	<b>30,937,956</b>	<b>25,150,548</b>	<b>30,645,365</b>	<b>1,085,303</b>

Note 37 Issued securities, etc.	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Convertible debt instruments</i>				
Issued, nominal value			200,000	
Shareholders' equity component in issued debt instrument			-8,639	
Capitalised interest			445	
<b>Total</b>	<b>0</b>	<b>0</b>	<b>191,806</b>	<b>0</b>
<b>Issued securities</b>	<b>0</b>	<b>0</b>	<b>191,806</b>	<b>0</b>

On 1 November 2022, Svea Bank AB issued intra-Group convertible debt instruments with a nominal value of SEK 200,000,000 in total. The debt instruments fall due on 31 December 2025 at their nominal values or can be converted to new shares at the request of the holders at a price of SEK 3,598 per share, 55,585 shares in total. The debt instruments carry an annual interest rate of 6%. The interest expense of the convertible debt instruments for the year amounted to SEK 2,005,000 in total.

The fair value of the liability component of the convertible at the time of the issue has been discounted to a present value with the application of a market interest rate of 7.50%. The discounted liability component (SEK 191,361,000) consisted of the sum of the present values of the nominal loan amount (SEK 158,553,000) and the coupon rates (SEK 32,808,000).

Note 38 Derivative instruments	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Derivatives for hedging fair value not hedge accounted</i>				
Foreign exchange-related contracts				
Swaps	6,649,663	3,532,994	6,649,663	
<b>Total</b>	<b>6,649,663</b>	<b>3,532,994</b>	<b>6,649,663</b>	<b>0</b>
Foreign exchange distribution of market values				
EUR	5,213,731	2,168,241	5,213,731	
NOK	954,463	744,177	954,463	
DKK	148,210	105,965	148,210	
USD		233,074		
HRK		80,549		
RON		150,751		
RUB	170,777		170,777	
PLN	218,578	70,445	218,578	
CHF	31,627	4,469	31,627	
<b>Total</b>	<b>6,737,385</b>	<b>3,557,671</b>	<b>6,737,385</b>	<b>0</b>
<b>Negative value of foreign exchange-related contracts</b>	<b>87,722</b>	<b>24,678</b>	<b>87,722</b>	<b>0</b>

Svea Bank's derivative instruments consist of currency swaps. This item refers to hedging contracts in which the fair value, i.e. the market value, is below the forward rate on the closing date.

Note 39 Lease liabilities	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Buildings</i>				
Opening lease liability	240,408	256,366		
New contracts	299,520	14,197		
Terminated contracts	-2,425			
Effects of changes to agreements	-84,912	27,188		
Repayment	-82,222	-69,876		
Interest expense	12,391	7,703		
Exchange rate differences	5,281	4,830		
<b>Closing lease liability</b>	<b>388,040</b>	<b>240,408</b>	<b>0</b>	<b>0</b>
<i>Vehicles</i>				
Opening lease liability	10,474	9,090		
New contracts	7,019	5,486		
Terminated contracts	-513	-559		
Effects of changes to agreements	1,590	3,751		
Repayment	-8,123	-7,701		
Interest expense	358	318		
Exchange rate differences	320	88		
<b>Closing lease liability</b>	<b>11,126</b>	<b>10,474</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>399,166</b>	<b>250,882</b>	<b>0</b>	<b>0</b>
Maturities of lease liabilities				
Within one year	86,521	81,189		
Later than one year	312,645	169,693		
<b>Total</b>	<b>399,166</b>	<b>250,882</b>	<b>0</b>	<b>0</b>

Group 2022	Buildings	Vehicles	Total
Payments in current year:	82,222	8,123	90,345
Future payments (non-discounted):			
Within one year	80,951	6,653	87,604
Between one and two years	78,476	3,627	82,103
Between two and five years	162,002	1,541	163,544
Later than five years	119,916		119,916
<b>Total</b>	<b>441,345</b>	<b>11,821</b>	<b>453,166</b>

Number of leases	34	94	128
<b>Group 2021</b>			
Payments in current year:	69,876	7,701	77,577
Future payments (non-discounted):			
Within one year	75,321	6,400	81,721
Between one and two years	59,481	3,447	62,928
Between two and five years	118,481	1,019	119,500
Later than five years	271		271
<b>Total</b>	<b>253,554</b>	<b>10,866</b>	<b>264,420</b>
Number of leases	43	94	137

Impact on earnings of IFRS 16	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest expenses	-12,749	-8,021		
<b>Net interest income</b>	<b>-12,749</b>	<b>-8,021</b>	<b>0</b>	<b>0</b>
Net profit from financial transactions	-18	-1,135		
<b>Operating income</b>	<b>-12,768</b>	<b>-9,156</b>	<b>0</b>	<b>0</b>
Depreciation/amortisation and impairments of tangible and intangible assets	-72,986	-73,372		
Other administrative expenses	89,491	75,425		
<b>Operating expenses</b>	<b>16,505</b>	<b>2,053</b>	<b>0</b>	<b>0</b>
<b>Operating profit/loss</b>	<b>3,737</b>	<b>-7,103</b>	<b>0</b>	<b>0</b>
Tax on profit for the period	-482	1,133		
<b>Total effect on profit</b>	<b>3,256</b>	<b>-5,970</b>	<b>0</b>	<b>0</b>

Note 40 Other liabilities	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Accounts payable	126,700	65,531	109,782	3,906
Tax liability	130,407	199,055	38,341	
Deduction, non-disbursed funds	22,636	21,512	22,636	
Retained income taxes	110,537	63,156	105,047	1,106
Value-added tax	28,940	58,333	7,100	195
Other liabilities	96,486	93,206	5,429	1,809
<b>Total</b>	<b>515,706</b>	<b>500,793</b>	<b>288,335</b>	<b>7,015</b>

Note 41 Accrued expenses and deferred income	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Interest income	54,977	38,960	54,717	
Leasing income	49,884	44,120	49,884	
Commission income	4,362	4,281	1,478	114
Commission expenses	13,168	11,852	908	298
Personnel expenses	161,211	144,967	120,758	4,386
Other administration expenses from authorities	38,798	18,658		
Other administrative expenses	129,807	64,342	60,674	1,280
Other consolidated internal administrative expenses			6,271	
<b>Total</b>	<b>452,207</b>	<b>327,180</b>	<b>294,689</b>	<b>6,078</b>

Note 42 Provisions	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Legal claims</i>				
Opening provisions	0		0	
Provisions added	55,000		45,000	
<b>Closing accumulated provisions</b>	<b>55,000</b>	<b>0</b>	<b>45,000</b>	<b>0</b>
<b>Total</b>	<b>55,000</b>	<b>0</b>	<b>45,000</b>	<b>0</b>

Provisions added refer to administrative penalties imposed during the year, which have been appealed following consultation with lawyers. In June 2022, the Swedish Financial Supervisory Authority decided to impose an administrative penalty of SEK 45 million on the Parent Company. In September 2022, the Swedish Consumer Agency made a decision to issue the subsidiary MoneyGo AB with a warning and impose an administrative penalty of SEK 10 million.

No payment has been made to counterparties while awaiting a final ruling.

Note 43 Subordinated liabilities	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Bond loans</i>				
Opening accumulated cost	899,682	897,301		
Takeover in connection with merger			899,682	
AT1 bond, change of accounting policy*	-303,112	-300,000	-303,112	
Capitalised interest	2,154	2,381	2,154	
<b>Closing accumulated cost</b>	<b>598,724</b>	<b>599,682</b>	<b>598,724</b>	<b>0</b>
<b>Total</b>	<b>598,724</b>	<b>599,682</b>	<b>598,724</b>	<b>0</b>

\*AT1 bond is reported in shareholders' equity.

#### Bond loans

On 3 September 2020, the Parent Company issued a 10-year subordinated bond loan in the nominal amount of SEK 300,000,000 which will fall due on 10 September 2030. The financial instrument was registered with the Nasdaq OMX Stockholm in October 2020. The bond is subordinate to other debt and can be included in the capital base as supplementary capital according to current regulations. It may not be redeemed before 10 September 2025 and will run with a floating rate note (FRN) of STIBOR 3 months + 6.15% per annum. Interest payments will be made on 10 March, 10 June, 10 September and 10 December. The Parent Company may elect to redeem the loan prematurely, but this will require Swedish Financial Supervisory Authority's approval. Early redemption may also take place if the capital adequacy regulations are changed and no longer permit the inclusion of the bond in the capital base. The Parent Company will repay the nominal amount including accrued interest for all outstanding bonds under the loan on the due date. Interest expenses for the year for the bond loan amounted to SEK 20,548,000 (18,582,000). Other transaction expenses in connection with the issue amounted to SEK 4,000,000 and are accrued until 10 September 2025.

On 20 June 2019, the Parent Company issued a 10-year subordinated bond loan in the nominal amount of SEK 300,000,000 which will fall due on 20 June 2029. The financial instrument was registered with the Nasdaq OMX Stockholm in July 2019. The bond is subordinate to other debt and can be included in the capital base as supplementary capital according to current regulations. It may not be redeemed before 20 June 2024 and will run with a floating rate note (FRN) of STIBOR 3 months + 4.25% per annum. Interest payments will be made on 20 March, 20 June, 20 September and 20 December. The Parent Company may elect to redeem the loan prematurely, but this will require Swedish Financial Supervisory Authority's approval. Early redemption may also take place if the capital adequacy regulations are changed and no longer permit the inclusion of the bond in the capital base. The Parent Company will repay the nominal amount including accrued interest for all outstanding bonds under the loan on the due date. Interest expenses for the year for the bond loan amounted to SEK 14,996,000 (12,782,000). Other transaction expenses in connection with the issue amounted to SEK 4,000,000 and are accrued until 20 June 2024.

On 3 April 2018, the Parent Company issued a bond loan in the nominal amount of SEK 300,000,000. The bonds comprise indefinite obligations and have no fixed redemption date. The financial instrument was registered with the Nasdaq OMX Stockholm in September 2018. The bond loan is subordinate to other debt and can be included in the capital base as Tier 1 capital according to current regulations. The bond loan will run at a variable interest rate of STIBOR 3 months + 5.65% per annum. Interest will be paid every year on 3 April, 3 July, 3 October and 3 January. The Parent Company may elect to redeem the loan prematurely, but this will require Swedish Financial Supervisory Authority's approval. Early redemption may also take place if the capital adequacy regulations are changed and no longer permit the inclusion of the bond in the capital base. The Parent Company will repay the nominal amount including accrued interest for all outstanding bonds under the loan on the due date. Interest expenses for the bond loan for the year amounted to SEK 13,644,000 (17,002,000). Other transaction expenses in connection with the issue amounted to SEK 3,750,000. The Parent Company has invoked premature redemption since the closing date. The redemption date is 3 April 2023.

Note 44 Pledged assets	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Pledges and other comparable assets pledged for own liabilities and for liabilities reported as provisions</i>				
Lending to the public	369,653	258,579		
<b>Total</b>	<b>369,653</b>	<b>258,579</b>	<b>0</b>	<b>0</b>
<i>Other assets pledged and comparable collateral</i>				
Lending to credit institutions	41,898	32,867	40,703	
Other assets	9,680	8,370	9,680	8,370
<b>Total</b>	<b>51,578</b>	<b>41,236</b>	<b>50,383</b>	<b>8,370</b>
<b>Total</b>	<b>421,231</b>	<b>299,815</b>	<b>50,383</b>	<b>8,370</b>

*Pledges and other comparable assets pledged for own liabilities and for liabilities reported as provisions*

The subsidiary Svea Finans Nederland BV has pledged its outstanding purchased receivables of SEK 369,653,000 (258,579,000) as security for a credit limit granted by ABN Amro Bank in the amount of EUR 2 million (2).

The above assets will remain pledged until the credit agreement ceases.

*Other assets pledged and comparable collateral*

The subsidiaries, Svea Finans Nederland BV and Svea Perintä OY pledged cash and cash equivalents as security for bank guarantees issued by ABN Amro Bank and Nordea in the amounts of SEK 518,000 (437,000) and SEK 677,000 (622,000) in respect of office space rentals. The above assets will remain pledged until the collaboration agreement or rental agreement expires.

Through Svea Bank AB filial i Finland acting as a credit institution, the Parent Company deposited SEK 40,703,000 (0) with Finlands Bank in a so-called reserve account. This sum amounts to 1% of the branch's borrowing from the Parent Company in Sweden at the month-end two months before the end of the closing day, in respect of a deduction of EUR 100,000. The above assets will remain pledged until the deposit arrangement or the business operation expires.

The Parent Company has deposited USD 900,000 with MasterCard, corresponding to SEK 9,680,000 (8,370,000), as security for commitments associated with the bank's card operations. The above assets will remain pledged until the collaboration agreement ceases.

Note 45 Contingencies	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
<i>Contingent liabilities</i>				
Guarantee commitments, external	13,129	10,026	13,129	
Guarantee commitments, Group			12,792	
<b>Total</b>	<b>13,129</b>	<b>10,026</b>	<b>25,920</b>	<b>0</b>
<i>Commitments</i>				
Granted credit	30,783,661	25,136,834	35,577,419	295,402
Disbursed credit	1) -26,633,626	-21,895,175	-25,855,550	-236,816
<b>Total</b>	<b>4,150,035</b>	<b>3,241,659</b>	<b>9,721,869</b>	<b>58,586</b>
<b>Total</b>	<b>4,163,164</b>	<b>3,251,685</b>	<b>9,747,790</b>	<b>58,586</b>

1) Refers to lending to the public before provision for expected credit losses.

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**Note 46 Business combinations**

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*During 2022*

Taking possession on 1 November 2022, Svea Bank AB acquired the remaining shares in Zlantar of Sweden AB. The company provides an app in which the consumer can collect and manage their private finances, and can also compare and improve their agreements and finances. In connection with this acquisition, values such as an IT platform and tax loss carryforwards were identified. According to the acquisition analysis, the total value of the assets and liabilities were as follows:

<i>Zlantar of Sweden AB</i>	Carrying amount in Zlantar of Sweden AB at acquisition	Adjustments	Fair value reported in the Group
Lending to credit institutions	89		89
Intangible assets, IT platform		20,869	20,869
Intangible assets, goodwill		4,446	4,446
Other assets	868		868
Deferred tax assets		1,415	1,415
<b>Assets</b>	<b>957</b>	<b>26,730</b>	<b>27,687</b>
Other liabilities	-2,789		-2,789
Deferred tax liability		-4,299	-4,299
<b>Liabilities</b>	<b>-2,789</b>	<b>-4,299</b>	<b>-7,088</b>
<b>Net assets</b>	<b>-1,832</b>	<b>22,431</b>	<b>20,599</b>
Acquisition expenses 1)			467
<b>Transferred reimbursement including acquisition expenses</b>			<b>21,066</b>
Acquired element of lending to credit institutions			89
<b>Effect of Group lending to credit institutions</b>			<b>-20,977</b>

1) Acquisition costs were charged to the item Other administrative expenses and thus consolidated operating income during 2022.

Zlantar of Sweden AB affected the Group's operating income during the period November–December 2022 by SEK 1,324,000 and the operating profit by SEK 2,349,000. If Zlantar of Sweden AB had been owned for the full year 2022, consolidated operating income would have been affected by SEK -508,000 and operating profit by SEK -9,001,000.

**Note 46 Business combinations, contd.**

*During 2021*

Taking possession on 15 October 2021, Svea Ekonomi AB acquired the remaining shares in the finance company PFC Technology AB. The company provides a payment service and an app that helps private individuals to get an overview of their private finances. In connection with the acquisition, values such as an IT platform and synergy effects were identified. According to the acquisition analysis, the total value of the assets and liabilities were as follows:

<i>PFC Technology AB</i>	Carrying amount in PFC Technology AB at acquisition	Adjustments	Fair value reported in the Group
Lending to credit institutions	33,323		33,323
Lending to the public	2,827		2,827
Intangible assets, IT platform	32,323	18,297	50,620
Intangible assets, goodwill		24,353	24,353
Other assets	4,483		4,483
Prepaid expenses and accrued income	2,516		2,516
<b>Assets</b>	<b>75,473</b>	<b>42,650</b>	<b>118,123</b>
Deposits from the public	-46,738		-46,738
Other liabilities	-5,116		-5,116
Deferred tax liability		-3,769	-3,769
<b>Liabilities</b>	<b>-51,854</b>	<b>-3,769</b>	<b>-55,623</b>
<b>Net assets</b>	<b>23,619</b>	<b>38,881</b>	<b>62,500</b>
<b>Transferred reimbursement including acquisition expenses</b>			<b>62,500</b>
Acquired element of lending to credit institutions			33,323
<b>Effect of Group lending to credit institutions</b>			<b>-29,177</b>

PFC Technology AB affected the Group's operating income during the period October–December 2021 by SEK 1,614,000 and the operating profit by SEK -45,935,000.

If PFC Technology AB had been owned for the full year 2021, consolidated operating income would have been affected by SEK 20,100,000 and operating profit by SEK -80,000,000.

Taking possession on 7 June 2021, Svea Ekonomi AB acquired all the shares in the administrative IT company PayGround AB. The company develops and sells payment and business systems, with an offering that includes a service for managing imported shipments with the payment of duties and VAT. In connection with the acquisition, values such as an IT platform and synergy effects were identified. According to the acquisition analysis, the total value of the assets and liabilities were as follows:

<i>PayGround AB</i>	Carrying amount in PayGround AB at acquisition	Adjustments	Fair value reported in the Group
Lending to credit institutions	10,305		10,305
Shares and participations	3,357	486	3,843
Intangible assets, IT platform		8,766	8,766
Intangible assets, goodwill		100,065	100,065
Other assets	620		620
Prepaid expenses and accrued income	1,671		1,671
<b>Assets</b>	<b>15,954</b>	<b>109,317</b>	<b>125,271</b>
<b>Untaxed reserves</b>	<b>-1,483</b>	<b>1,483</b>	<b>0</b>
Other liabilities	-2,659		-2,659
Deferred tax liability		-3,485	-3,485
<b>Liabilities</b>	<b>-2,659</b>	<b>-3,485</b>	<b>-6,145</b>
<b>Net assets</b>	<b>11,812</b>	<b>107,314</b>	<b>119,126</b>
Acquisition expenses 1)			-210
<b>Transferred reimbursement including acquisition expenses</b>			<b>119,336</b>
Acquired element of lending to credit institutions			10,305
<b>Effect of Group lending to credit institutions</b>			<b>-109,031</b>

1) Acquisition costs were charged to the item Other administrative expenses and thus consolidated operating income during 2021.

PayGround AB affected the Group's operating income during the period June–December 2021 by SEK 9,728,000 and the operating profit by SEK 3,062,000.

If PayGround AB had been owned for the full year 2021, consolidated operating income would have been affected by SEK 9,322,000 and operating profit by SEK 608,000.



**Note 47 Financial instruments – classification of financial assets and liabilities**

	Fair value via the income statement						Total carrying amount
	Accrued cost of acquisition	Derivatives identified as hedging instruments	Fair value via comprehensive income	Non-financial assets/liabilities	Assets/liabilities held for sale		
<i>Group 31/12/2022</i>							
Cash and balances with central banks	2,503,401						2,503,401
Lending to credit institutions	3,239,002						3,239,002
Lending to the public	25,533,485	16,573					25,550,058
Bonds and securities		1,570,822					1,570,822
Shares and participations		2,014,633		2,117,145			4,131,778
Derivative instruments			17,106				17,106
Other assets, accounts receivable	125,968						125,968
<b>Financial assets</b>	<b>31,401,856</b>	<b>3,602,028</b>	<b>17,106</b>	<b>2,117,145</b>	<b>0</b>	<b>0</b>	<b>37,138,136</b>
Other participations					3,284		3,284
Shares and participations in associated companies					553		553
Intangible assets					435,634		435,634
Tangible assets					185,137		185,137
Rights of use					397,134		397,134
Deferred tax assets					260,371		260,371
Other assets					268,910		268,910
Prepaid expenses/acrued income					91,442		91,442
<b>Assets</b>	<b>31,401,856</b>	<b>3,602,028</b>	<b>17,106</b>	<b>2,117,145</b>	<b>1,642,466</b>	<b>0</b>	<b>38,780,601</b>
Liabilities to credit institutions	1,042						1,042
Deposits from the public	30,937,956						30,937,956
Derivative instruments			87,722				87,722
Lease liabilities	399,166						399,166
Other liabilities, accounts payable	126,700						126,700
Subordinated liabilities	598,724						598,724
<b>Financial liabilities</b>	<b>32,063,588</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>32,151,310</b>
Other liabilities					389,005		389,005
Accrued expenses/deferred income					452,207		452,207
Deferred tax liability					66,898		66,898
Provisions					55,000		55,000
<b>Liabilities</b>	<b>32,063,588</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>963,110</b>	<b>0</b>	<b>33,114,420</b>
Shareholders' equity					5,666,181		5,666,181
<b>Total liabilities and shareholders' equity</b>							<b>38,780,601</b>

	Fair value via the income statement						Total carrying amount
	Accrued cost of acquisition	Derivatives identified as hedging instruments	Fair value via comprehensive income	Non-financial assets/liabilities	Assets/liabilities held for sale		
<i>Group 31/12/2021</i>							
Cash and balances with central banks	573,006						573,006
Treasury bonds etc. acceptable as collateral		50,038					50,038
Lending to credit institutions	2,895,917						2,895,917
Lending to the public	20,759,165	23,491					20,782,655
Bonds and securities		1,550,705					1,550,705
Shares and participations		1,548,069		3,350,533			4,898,602
Derivative instruments			1,837				1,837
Other assets, accounts receivable	99,532						99,532
<b>Financial assets</b>	<b>24,327,620</b>	<b>3,172,302</b>	<b>1,837</b>	<b>3,350,533</b>	<b>0</b>	<b>0</b>	<b>30,852,291</b>
Other participations					3,284		3,284
Shares and participations in associated companies					768		768
Intangible assets					433,652		433,652
Tangible assets					95,627		95,627
Rights of use					244,523		244,523
Deferred tax assets					168,198		168,198
Other assets					254,322		254,322
Prepaid expenses/acrued income					77,922		77,922
Assets held for sale						174,022	174,022
<b>Assets</b>	<b>24,327,620</b>	<b>3,172,302</b>	<b>1,837</b>	<b>3,350,533</b>	<b>1,278,296</b>	<b>174,022</b>	<b>32,304,610</b>
Liabilities to credit institutions	672						672
Deposits from the public	25,150,548						25,150,548
Derivative instruments			24,678				24,678
Lease liabilities	250,882						250,882
Other liabilities, accounts payable	65,531						65,531
Subordinated liabilities	599,682						599,682
<b>Financial liabilities</b>	<b>26,067,314</b>	<b>0</b>	<b>24,678</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>26,091,992</b>
Other liabilities					435,262		435,262
Accrued expenses/deferred income					327,180		327,180
Deferred tax liability					202,885		202,885
Liabilities held for sale						8,390	8,390
<b>Liabilities</b>	<b>26,067,314</b>	<b>0</b>	<b>24,678</b>	<b>0</b>	<b>965,326</b>	<b>8,390</b>	<b>27,065,708</b>
Shareholders' equity					5,238,902		5,238,902
<b>Total liabilities and shareholders' equity</b>							<b>32,304,610</b>

**Note 47 Financial instruments – classification of financial assets and liabilities, continued**

	Fair value via the income statement					Total carrying amount
	Accrued cost of acquisition	Mandatory	Derivatives identified as hedging instruments	Fair value via comprehensive income	Non-financial assets/liabilities	
<i>Parent Company 31/12/2022</i>						
Cash and balances with central banks	2,503,401					2,503,401
Lending to credit institutions	1,579,870					1,579,870
Lending to the public	24,790,967	16,573				24,807,540
Bonds and securities		1,570,822				1,570,822
Shares and participations		1,934,639		2,117,115		4,051,754
Derivative instruments			17,106			17,106
Other assets, accounts receivable	5,215					5,215
<b>Financial assets</b>	<b>28,879,451</b>	<b>3,522,035</b>	<b>17,106</b>	<b>2,117,115</b>	<b>0</b>	<b>34,535,708</b>
Shares and participations in Group companies					1,131,702	1,131,702
Intangible assets					30,780	30,780
Tangible assets					1,050,553	1,050,553
Deferred tax assets					25,646	25,646
Other assets					200,579	200,579
Prepaid expenses/acrued income					75,116	75,116
<b>Assets</b>	<b>28,879,451</b>	<b>3,522,035</b>	<b>17,106</b>	<b>2,117,115</b>	<b>2,514,375</b>	<b>37,050,082</b>
Deposits from the public	30,645,365					30,645,365
Issued securities, etc.	191,806					191,806
Derivative instruments			87,722			87,722
Other liabilities, accounts payable	109,782					109,782
Subordinated liabilities	598,724					598,724
<b>Financial liabilities</b>	<b>31,545,678</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>0</b>	<b>31,633,400</b>
Other liabilities					178,553	178,553
Accrued expenses/prepaid income					294,689	294,689
Deferred tax liability					17,482	17,482
Provisions					45,000	45,000
<b>Total liabilities</b>	<b>31,545,678</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>535,724</b>	<b>32,169,124</b>
Shareholders' equity					4,880,958	4,880,958
<b>Total liabilities and shareholders' equity</b>						<b>37,050,082</b>

	Fair value via the income statement					Total carrying amount
	Accrued cost of acquisition	Mandatory	Derivatives identified as hedging instruments	Fair value via comprehensive income	Non-financial assets/liabilities	
<i>Parent Company 31/12/2021</i>						
Cash and balances with central banks	438,928					438,928
Treasury bonds etc. acceptable as collateral		50,038				50,038
Lending to credit institutions	509,518					509,518
Lending to the public	228,195					228,195
<b>Financial assets</b>	<b>1,176,641</b>	<b>50,038</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,226,679</b>
Deferred tax assets					4,802	4,802
Other assets					9,167	9,167
Prepaid expenses/acrued income					2,836	2,836
<b>Assets</b>	<b>1,176,641</b>	<b>50,038</b>	<b>0</b>	<b>0</b>	<b>16,805</b>	<b>1,243,484</b>
Liabilities to credit institutions	20,977					20,977
Deposits from the public	1,085,303					1,085,303
Other liabilities, accounts payable	3,906					3,906
<b>Financial liabilities</b>	<b>1,110,186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,110,186</b>
Other liabilities					3,110	3,110
Accrued expenses/prepaid income					6,078	6,078
<b>Total liabilities</b>	<b>1,110,186</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9,188</b>	<b>1,119,373</b>
Shareholders' equity					124,111	124,111
<b>Total liabilities and shareholders' equity</b>						<b>1,243,484</b>

Note 48 Financial instruments measured at fair value	31/12/2022			31/12/2021		
	Carrying amount	Accrued cost of acquisition	Fair value	Carrying amount	Accrued cost of acquisition	Fair value
<i>Group</i>						
Cash and balances with central banks	2,503,401	2,503,401		573,006	573,006	
Treasury bonds etc. acceptable as collateral				50,038		50,038
Lending to credit institutions	3,239,002	3,239,002		2,895,917	2,895,917	
Lending to the public	25,550,058	25,533,485	16,573	20,782,655	20,759,165	23,491
Bonds and securities	1,570,822		1,570,822	1,550,705		1,550,705
Shares and participations	4,131,778		4,131,778	4,898,602		4,898,602
Derivative instruments	17,106		17,106	1,837		1,837
Other assets, accounts receivable	125,968	125,968		99,532	99,532	
<b>Financial assets</b>	<b>37,138,136</b>	<b>31,401,856</b>	<b>5,736,280</b>	<b>30,852,291</b>	<b>24,327,620</b>	<b>6,524,672</b>
<b>Non-financial assets</b>	<b>1)</b> <b>1,642,466</b>	<b>0</b>	<b>0</b>	<b>1,452,318</b>	<b>0</b>	<b>0</b>
<b>Assets</b>	<b>38,780,601</b>	<b>31,401,856</b>	<b>5,736,280</b>	<b>32,304,610</b>	<b>24,327,620</b>	<b>6,524,672</b>
Liabilities to credit institutions	1,042	1,042		672	672	
Deposits from the public	30,937,956	30,937,956		25,150,548	25,150,548	
Derivative instruments	87,722		87,722	24,678		24,678
Lease liabilities	399,166	399,166		250,882	250,882	
Other liabilities, accounts payable	126,700	126,700		65,531	65,531	
Subordinated liabilities	598,724	598,724	596,400	599,682	599,682	608,775
<b>Financial liabilities</b>	<b>32,151,310</b>	<b>32,063,588</b>	<b>684,122</b>	<b>26,091,992</b>	<b>26,067,314</b>	<b>633,453</b>
<b>Non-financial liabilities</b>	<b>1)</b> <b>963,110</b>	<b>0</b>	<b>0</b>	<b>973,716</b>	<b>0</b>	<b>0</b>
<b>Liabilities</b>	<b>33,114,420</b>	<b>32,063,588</b>	<b>684,122</b>	<b>27,065,708</b>	<b>26,067,314</b>	<b>633,453</b>

1) Including assets/liabilities held for sale

<i>Parent Company</i>						
	Carrying amount	Accrued cost of acquisition	Fair value	Carrying amount	Accrued cost of acquisition	Fair value
Cash and balances with central banks	2,503,401	2,503,401		438,928	438,928	
Treasury bonds etc. acceptable as collateral				50,038		50,038
Lending to credit institutions	1,579,870	1,579,870		509,518	509,518	
Lending to the public	24,807,540	24,790,967	16,573	228,195	228,195	
Bonds and securities	1,570,822		1,570,822			
Shares and participations	4,051,754		4,051,754			
Derivative instruments	17,106		17,106			
Other assets, accounts receivable	5,215	5,215				
<b>Financial assets</b>	<b>34,535,708</b>	<b>28,879,451</b>	<b>5,656,256</b>	<b>1,226,679</b>	<b>1,176,641</b>	<b>50,038</b>
<b>Non-financial assets</b>	<b>2,514,375</b>	<b>0</b>	<b>0</b>	<b>16,805</b>	<b>0</b>	<b>0</b>
<b>Assets</b>	<b>37,050,082</b>	<b>28,879,451</b>	<b>5,656,256</b>	<b>1,243,484</b>	<b>1,176,641</b>	<b>50,038</b>
Liabilities to credit institutions				20,977	20,977	
Deposits from the public	30,645,365	30,645,365		1,085,303	1,085,303	
Issued securities, etc.	191,806	191,806				
Derivative instruments	87,722		87,722			
Other liabilities, accounts payable	109,782	109,782		3,906	3,906	
Subordinated liabilities	598,724	598,724	596,400			
<b>Financial liabilities</b>	<b>31,633,400</b>	<b>31,545,678</b>	<b>684,122</b>	<b>1,110,186</b>	<b>1,110,186</b>	<b>0</b>
<b>Non-financial liabilities</b>	<b>535,724</b>	<b>0</b>	<b>0</b>	<b>9,188</b>	<b>0</b>	<b>0</b>
<b>Liabilities and untaxed reserves</b>	<b>32,169,124</b>	<b>31,545,678</b>	<b>684,122</b>	<b>1,119,373</b>	<b>1,110,186</b>	<b>0</b>

The fair value of current financial assets and liabilities is considered to correspond to the carrying amount. The carrying amount is a reasonable estimate of fair value, taking into account the limited credit risk and short term. Where it was not possible to assess the fair value of financial assets and liabilities, these items were reported at their carrying amounts in the tables above.

These assets are assessed as belonging to Level III.

**Note 49 Fair value – measurement levels**

The tables below provide information on how fair value is determined for the financial instruments measured at fair value in the balance sheet. The financial instruments referred to are treasury bonds etc. acceptable as collateral, lending to the public (part of item, see also below), bonds and other securities, shares and participations, and derivative instruments. Fair value is determined on the basis of the following three levels:

Level 1: according to prices listed in an active market for the same instruments (see also Note 1).

Level 2: according to measurement techniques/models, directly or indirectly based on observable market data, and which are not included in level 1.

Level 3: based on input data not observable in the market. Refers to unlisted shares and participations, as well as promissory notes in which the contract terms may give rise to payment flows that do not fully comprise interest and repayment. These promissory notes are reported in the item Lending to the public. Fair values are deemed to correspond to carrying amounts.

<i>Group 31/12/2022</i>	Level 1	Level 2	Level 3	Total
Lending to the public			16,573	16,573
Bonds and other securities	1,570,822			1,570,822
Shares and participations	2,120,955	12,123	1,998,700	4,131,778
Derivative instruments		17,106		17,106
<b>Financial assets</b>	<b>3,691,777</b>	<b>29,229</b>	<b>2,015,273</b>	<b>5,736,280</b>
Derivative instruments		87,722		87,722
<b>Financial liabilities</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>87,722</b>

<i>Group 31/12/2021</i>	Level 1	Level 2	Level 3	Total
Treasury bonds etc. acceptable as collateral	50,038			50,038
Lending to the public			23,491	23,491
Bonds and other securities	1,550,705			1,550,705
Shares and participations	3,350,533		1,548,069	4,898,602
Derivative instruments		1,837		1,837
<b>Financial assets</b>	<b>4,951,276</b>	<b>1,837</b>	<b>1,571,560</b>	<b>6,524,672</b>
Derivative instruments		24,678		24,678
<b>Financial liabilities</b>	<b>0</b>	<b>24,678</b>	<b>0</b>	<b>24,678</b>

<i>Parent Company 31/12/2022</i>	Level 1	Level 2	Level 3	Total
Lending to the public			16,573	16,573
Bonds and other securities	1,570,822			1,570,822
Shares and participations	2,120,925	12,123	1,918,706	4,051,754
Derivative instruments		17,106		17,106
<b>Financial assets</b>	<b>3,691,747</b>	<b>29,229</b>	<b>1,935,279</b>	<b>5,656,256</b>
Derivative instruments		87,722		87,722
<b>Financial liabilities</b>	<b>0</b>	<b>87,722</b>	<b>0</b>	<b>87,722</b>

<i>Parent Company 31/12/2021</i>	Level 1	Level 2	Level 3	Total
Treasury bonds etc. acceptable as collateral	50,038			50,038
<b>Financial assets</b>	<b>50,038</b>	<b>0</b>	<b>0</b>	<b>50,038</b>

**Note 49 Fair value – Level 3**

The fair value of unlisted shares and participations is reported at fair value based on a measurement performed by external independent expertise. The measurement is based in the first instance on the most recently completed transaction.

In cases where the transaction is more than 12 months old, a measurement is performed based on measurement multiples for comparable companies (relative valuation) or a discounted cash flow (DCF) valuation.

The company's investments in unlisted shares and participations relate primarily to Sweden and are distributed across different industries, primarily finance and property, but also telecoms and other services.

The company considers the holdings to be long-term investments and does not intend to dispose of them.

Material investments were made during the year primarily in Release AS, Funder AB, Neo Luna I LP and Fastena Bulk.

<i>Group</i>	Lending to the public	Shares and participations	Total
<b>Closing balance 31/12/2020</b>	<b>72,409</b>	<b>577,472</b>	<b>649,881</b>
Acquisition cost		816,589	816,589
Through acquisitions of subsidiaries		68,804	68,804
Proceeds		-530	-530
Exchange rate differences	586		586
Reclassification		-47,129	-47,129
Revaluation	-33,629	132,863	99,234
Repayment	-15,876		-15,876
<b>Closing balance 31/12/2021</b>	<b>23,491</b>	<b>1,548,069</b>	<b>1,571,560</b>
Acquisition cost		347,963	347,963
Proceeds		-207,491	-207,491
Exchange rate differences	681	10,339	11,019
Reclassification	35,932	-33,487	2,445
Revaluation	-23,098	333,307	310,209
Repayment	-19,900		-19,900
Confirmed loss	-532		-532
<b>Closing balance 31/12/2022</b>	<b>16,573</b>	<b>1,998,700</b>	<b>2,015,273</b>

<i>Parent Company</i>	Lending to the public	Shares and participations	Total
<b>Closing balance 31/12/2020</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Closing balance 31/12/2021</b>	<b>0</b>	<b>0</b>	<b>0</b>
Takeover in connection with merger	23,491	1,479,265	1,502,755
Acquisition cost		345,413	345,413
Proceeds		-205,791	-205,791
Exchange rate differences	681		681
Reclassification	35,932	-33,487	2,445
Revaluation	-23,098	333,307	310,209
Repayment	-19,900		-19,900
Confirmed loss	-532		-532
<b>Closing balance 31/12/2022</b>	<b>16,573</b>	<b>1,918,706</b>	<b>1,935,279</b>

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## Note 50 Financial risks

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### Credit risks

Credit risk is defined as the risk of loss due to a counterparty's failure to fulfil its contractual obligations and that any collateral provided will not cover the amount due to the company. The risk arises primarily through various types of lending to the public (companies and private individuals) and through the issuance of guarantees. Credit is granted based on the counterparty's financial position and ability to pay, and that there is good reason to expect the counterparty will meet its obligations.

#### *Credit risk policy and organisation*

Svea Bank's credit risk policy describes such things as the approach, organisation, responsibility and process required for a credit decision and for monitoring credits issued. In this case the Group is divided into credit units where each unit's management is responsible for ensuring that credit processing complies with applicable credit risk regulations. This policy and its associated instructions are based on the assessment that credit decisions require local expertise, and are thus best dealt with in a decentralised organisation. Credit unit operations differ in many respects regarding both their nature and their respective legal environments. Accordingly, a credit unit's management may decide on specific application instructions on the condition that requirements are met. The local units also have support from a central Group credit function.

#### *Credit process*

The credit process is initiated when a business manager or customer account manager in a credit unit submits a proposal for a credit decision. After the case has been investigated, the credit rating is determined, following which action may be taken in accordance with the credit decision. Counterparty exposure is continuously monitored by the credit manager in the credit unit concerned and also by the Board in cases of major exposure. The responsibility for credit risk lies with the customer unit concerned. The unit continuously assesses the customer's ability to fulfil his commitments; it identifies deviations from agreed terms and any weaknesses in the customer's financial position. Based on reports of past-due payments and other available information, the unit responsible for the customer account also determines whether the receivable is doubtful, which would indicate that the customer's ability to repay is jeopardised. When it is unlikely that a customer will repay the entire debt (the principal, interest and fees), and if the situation cannot be resolved in a reasonable way, the receivable is considered doubtful. If a customer exposure is deemed weak, the exposure is placed under special monitoring and an action plan is prepared to minimise the potential credit loss.

#### *Individual and collective impairment assessment*

The company continuously examines the quality of its credit portfolio to identify any need for impairments. Weak and doubtful exposures are monitored and continuously reviewed with respect to current and future ability to make repayments.

The impairment loss requirement in IFRS 9 is based on a model for expected credit losses. All assets measured at accrued cost or fair value via other comprehensive income, as well as off-balance sheet commitments, including guarantees and credit commitments, are tested for impairment.

The assets to be tested are divided into three categories in accordance with the general method, depending on the development of credit risk from the date of disbursement. Category 1 comprises assets where there has been no substantial increase in credit risk, category 2 comprises assets where there has been a substantial increase in credit risk and category 3 comprises defaulted assets. The assets are measured individually or in groups.

Whether the counterparty is late in making payment or whether there are other indications that the risk has changed are both used as indicators of a significant increase in credit risk. The definition of default includes significantly late payments or other indications that repayment is less likely.

For portfolios with acquired past-due receivables, interest and repayments are posted on the basis of expected cash flows. In addition to interest and repayments, impairment gains/losses are posted on the basis of the portfolio's performance compared with expected cash flow, plus any changes in future expected cash flows.

In category 1, the reserves must correspond to expected credit losses based on the risk of default for the next 12 months. In categories 2 and 3, the reserves will correspond to the credit losses anticipated for the full remaining maturity. The methodology for calculating expected credit losses takes place by means of an estimate for each product area of the parameters probability of default, expected loss in event of default and expected exposure in event of default; the result will then be calculated at the current value in order to indicate the value of the expected credit loss. Forward-looking information such as the macroeconomic scenario may also affect the expected loss.

#### *Lending and credit risk*

Financial assets that can expose the Group to credit risks consist of lending to credit institutions, lending to the public, bond holdings, accounts receivable and derivative contracts.

In general, significant concentrations of credit risks are considered not to exist as lending is spread across different counterparties, business sectors and geographical regions.

The Group's lending to credit institutions consists primarily of bank balances with established banks and credit institutions where the risk of loss is deemed extremely small.

The Group's lending to private individuals consists primarily of unsecured loans. These loans are attributable to a large number of parties liable for payment with relatively low average loan amounts. Because credit is granted after a credit assessment of each individual customer, it is deemed that the risk of losses can be minimised. Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay due to involuntary unemployment, illness, accident or death.

As a part of its operations, the Group acquires stocks of past-due receivables and works with their collection. All rights and risks associated with the receivables are thereby assumed. The stocks of receivables are acquired at prices considerably lower than their nominal value. To minimize risk in these operations, the Group exercises caution when making acquisition decisions. Emphasis lies primarily on small stocks of receivables of relatively low average amounts, which contributes to the spreading of risk. The acquisitions were made in the Nordic region and eastern Europe. Alongside exchange rate risks in local currencies, there are heightened risks, above all the exposures in Russia and Ukraine.

As collateral for its lending to companies, the Group uses accounts receivable, cash flows, property mortgage deeds, floating charges, leased assets and guarantees which, following individual assessment, essentially cover total lending on the closing date.

In the case of factoring and invoice purchasing, a certain portion of the credit granted or purchase sum paid may be withheld as security in the form of escrow accounts. These funds may be offset together with deposited accountable funds from transferred receivables and the seller's pledged but non-transferred receivables against receivables from the borrower or seller in a final settlement. These deposits from companies may be offset against loans to companies in the Group to a maximum of SEK 2,770 million (2,012) and SEK 2,497 million (973) in the Parent Company.

The Group's accounts receivable are attributable to customers and parties liable for payment, who are active in various industries and who are not concentrated to any particular geographic region. The risk of loss is deemed small.

The credit risk arising from the Parent Company's currency swaps/forward contracts depends on the counterparty, as the latter is a major bank, the risk of loss is extremely small.

The tables below present the maximum credit risk exposure for financial instruments with regard to the collateral available for loan receivables and information regarding the credit quality of said receivables.

**Credit-risk exposure, gross and net, and specification of collateral for loan receivables**

	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Mortgage on properties and tenant-owner apartments	Accounts receivable	Share pledge	Other collateral	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Group 2022</i>									
Cash and balances with central banks	2,503,401		2,503,401						2,503,401
Lending to credit institutions	3,239,002		3,239,002						3,239,002
<b>Total</b>	<b>5,742,403</b>		<b>5,742,403</b>						<b>5,742,403</b>
Lending to companies	10,147,204	-501,577	9,645,627	628,220	2,874,009	406,668	1,955,932	5,864,829	3,780,798
Lending to households	16,486,421	-581,990	15,904,431	2,115,666	0	0	142,816	2,258,482	13,645,949
<b>Total lending to the public</b>	<b>26,633,626</b>	<b>-1,083,567</b>	<b>25,550,058</b>	<b>2,743,886</b>	<b>2,874,009</b>	<b>406,668</b>	<b>2,098,748</b>	<b>8,123,311</b>	<b>17,426,747</b>
Bonds and other securities									
<i>Government securities and similar:</i>									
AAA	425,695		425,695						425,695
AA+	852,694		852,694						852,694
<i>Other issuers:</i>									
AAA	292,433		292,433						292,433
<b>Total bonds and other securities</b>	<b>1,570,822</b>		<b>1,570,822</b>						<b>1,570,822</b>
Derivative instruments	17,106		17,106						17,106
Issued financial guarantees	21,384		21,384				8,255	8,255	13,129
<b>Total</b>	<b>38,490</b>		<b>38,490</b>				<b>8,255</b>	<b>8,255</b>	<b>30,235</b>
<b>Total credit risk exposure and collateral</b>	<b>33,985,341</b>	<b>-1,083,567</b>	<b>32,901,773</b>	<b>2,743,886</b>	<b>2,874,009</b>	<b>406,668</b>	<b>2,107,003</b>	<b>8,131,566</b>	<b>24,770,207</b>

	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Mortgage on properties and tenant-owner apartments	Accounts receivable	Share pledge	Other collateral	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Group 2021</i>									
Cash and balances with central banks	573,006		573,006						573,006
Treasury bonds etc. acceptable as collateral	50,038		50,038						50,038
Lending to credit institutions	2,895,917		2,895,917						2,895,917
<b>Total</b>	<b>3,518,961</b>		<b>3,518,961</b>						<b>3,518,961</b>
Lending to companies	7,895,033	-451,826	7,443,207	468,127	2,011,802	15,813	1,461,293	3,957,035	3,486,172
Lending to households	14,000,143	-660,694	13,339,448	1,538,980	0	0	155,679	1,694,659	11,644,789
<b>Total lending to the public</b>	<b>21,895,176</b>	<b>-1,112,520</b>	<b>20,782,655</b>	<b>2,007,107</b>	<b>2,011,802</b>	<b>15,813</b>	<b>1,616,972</b>	<b>5,651,694</b>	<b>15,130,961</b>
Bonds and other securities									
<i>Government securities and similar:</i>									
AAA	599,328		599,328						599,328
AA+	656,666		656,666						656,666
<i>Other issuers:</i>									
AAA	294,712		294,712						294,712
<b>Total bonds and other securities</b>	<b>1,550,705</b>		<b>1,550,705</b>						<b>1,550,705</b>
Derivative instruments	1,837		1,837						1,837
Issued financial guarantees	15,379		15,379				5,352	5,352	10,026
<b>Total</b>	<b>17,215</b>		<b>17,215</b>				<b>5,352</b>	<b>5,352</b>	<b>11,863</b>
<b>Total credit risk exposure and collateral</b>	<b>26,982,057</b>	<b>-1,112,520</b>	<b>25,869,537</b>	<b>2,007,107</b>	<b>2,011,802</b>	<b>15,813</b>	<b>1,622,324</b>	<b>5,657,046</b>	<b>20,212,490</b>

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

The rating institutes Moody's and S&P have been used in the tables above to determine the rating of Bonds and other securities.

The above collateral can be used at any time that it is unlikely that the borrower will be able to repay his entire debt (capital, interest and fees) via future cash flows.

Credit-risk exposure, gross and net, and specification of collateral for loan receivables, continued

	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Mortgage on properties and tenant-owner apartments	Accounts receivable	Share pledge	Other collateral	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Parent Company 2022</i>									
Cash and balances with central banks	2,503,401		2,503,401						2,503,401
Lending to credit institutions	1,579,870		1,579,870						1,579,870
<b>Total</b>	<b>4,083,270</b>		<b>4,083,270</b>						<b>4,083,270</b>
Lending to companies	11,970,024	-412,455	11,557,569	628,220	2,756,869	406,668	992,503	4,784,260	6,773,309
Lending to households	13,885,526	-635,554	13,249,972	2,115,666	0	0	142,816	2,258,482	10,991,490
<b>Total lending to the public</b>	<b>25,855,550</b>	<b>-1,048,010</b>	<b>24,807,540</b>	<b>2,743,886</b>	<b>2,756,869</b>	<b>406,668</b>	<b>1,135,319</b>	<b>7,042,742</b>	<b>17,764,798</b>
Bonds and other securities									
<i>Government securities and similar:</i>									
AAA	425,695		425,695						425,695
AA+	852,694		852,694						852,694
<i>Other issuers:</i>									
AAA	292,433		292,433						292,433
<b>Total bonds and other securities</b>	<b>1,570,822</b>		<b>1,570,822</b>						<b>1,570,822</b>
Derivative instruments	17,106		17,106						17,106
Issued financial guarantees	34,175		34,175				8,255	8,255	25,920
<b>Total</b>	<b>51,281</b>		<b>51,281</b>				<b>8,255</b>	<b>8,255</b>	<b>43,026</b>
<b>Total credit risk exposure and collateral</b>	<b>31,560,923</b>	<b>-1,048,010</b>	<b>30,512,914</b>	<b>2,743,886</b>	<b>2,756,869</b>	<b>406,668</b>	<b>1,143,574</b>	<b>7,050,997</b>	<b>23,461,917</b>

	Total credit risk exposure (before impairment)	Impairment/provision	Carrying amount	Mortgage on properties and tenant-owner apartments	Accounts receivable	Share pledge	Other collateral	Value of collateral for items in balance sheets	Total credit risk exposure after deductions for collateral
<i>Parent Company 2021</i>									
Cash and balances with central banks	438,928		438,928						438,928
Treasury bonds etc. acceptable as collateral	50,038		50,038						50,038
Lending to credit institutions	509,518		509,518						509,518
<b>Total</b>	<b>998,484</b>		<b>998,484</b>						<b>998,484</b>
Lending to companies	236,816	-8,621	228,195	21,838			142,458	164,296	63,899
<b>Total lending to the public</b>	<b>236,816</b>	<b>-8,621</b>	<b>228,195</b>	<b>21,838</b>			<b>142,458</b>	<b>164,296</b>	<b>63,899</b>
Issued financial guarantees	5,252		5,252				5,252	5,252	0
<b>Total</b>	<b>5,252</b>		<b>5,252</b>				<b>5,252</b>	<b>5,252</b>	<b>0</b>
<b>Total credit risk exposure and collateral</b>	<b>1,240,552</b>	<b>-8,621</b>	<b>1,231,931</b>	<b>21,838</b>	<b>0</b>	<b>0</b>	<b>147,710</b>	<b>169,548</b>	<b>1,062,383</b>

Portions of unsecured loans have co-borrowers and may also be covered by voluntary payment insurance, which provides cover against inability to pay.

The rating institutes Moody's and S&P have been used in the tables above to determine the rating of Bonds and other securities.

The above collateral can be used at any time that it is unlikely that the borrower will be able to repay his entire debt (capital, interest and fees) via future cash flows.



Credit quality of loan receivables excluding acquired past-due stocks of receivables (POCI)	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Private individuals:				
Rate of loss provisions for loan receivables	5.5%	5.5%	5.4%	5.2%
Credit loss ratio	2.4%	2.8%	2.1%	4.0%
Company:				
Rate of loss provisions for loan receivables	4.9%	5.7%	3.4%	3.6%
Credit loss ratio	1.1%	1.4%	0.2%	1.5%

#### Credit Valuation Adjustment (CVA risk)

The company's receivables in foreign currency have been hedged through currency swaps/forward contracts. Contracts have been signed with a major bank, and the company uses a credit valuation adjustment calculation to calculate counterparty risk.

In the event of a bank default, the agreements may be netted, which means contracts with negative carrying amounts may be fully offset against contracts with positive carrying amounts, as the counterparty is the same.

#### Concentration risks

Concentration risks are defined as risks that arise from major individual exposures or concentrations of exposures to certain industries or regions.

To reduce such risks, exposures are spread across many different counterparties, industries and regions.

#### Market risks

Market risk is defined as the risk of losses due to changes in interest rates, exchange rates and share prices. See below for further information.

#### Interest rate risks

Lending and borrowing take place largely at variable interest rates, which can be quickly adjusted. To limit the interest rate risk for the proportion of lending that takes place at a fixed interest rate, the company started to offer fixed-interest savings accounts at the end of 2019.

Disclosures regarding fixed-interest periods for financial assets and liabilities are presented in the following tables and sensitivity analyses. In the table for 2021 and 2022, acquired past-due stocks of receivables have also been classified as fixed-interest lending. This is because cash flows for this lending cannot be affected by changes in the market interest rate.

#### Credit spread risks

The credit spread risk is calculated in accordance with the standard method in accordance with the Swedish Financial Supervisory Authority's method memorandum Pillar 2 method for assessing capital surcharges for market risks in other operations. The assets that are exposed to credit spread risk refer to bond holdings and are stressed differently, depending on type of issuer and rating.

#### Interest rate exposure, fixed-interest terms for the Group

Group 2022	Max 1 month	1 mo.–3 mo.	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No interest	Total
Cash and balances with central banks	2,503,401						2,503,401
Lending to credit institutions	3,239,002						3,239,002
Lending to the public	17,704,639	3,069,133	2,156,072	2,181,545	438,670		25,550,058
Bonds and other securities	144,616	1,183,838	242,368				1,570,822
Other assets						5,917,318	5,917,318
<b>Total assets</b>	<b>23,591,658</b>	<b>4,252,970</b>	<b>2,398,440</b>	<b>2,181,545</b>	<b>438,670</b>	<b>5,917,318</b>	<b>38,780,601</b>
Liabilities to credit institutions	1,042						1,042
Deposits from the public	26,321,612.85	508,583	1,915,595	1,129,746		1,062,418	30,937,956
Other liabilities						1,509,800	1,509,800
Deferred tax liability						66,898	66,898
Subordinated liabilities		598,724					598,724
Shareholders' equity	300,000					5,366,181	5,666,181
<b>Total liabilities and shareholders' equity</b>	<b>26,622,655</b>	<b>1,107,307</b>	<b>1,915,595</b>	<b>1,129,746</b>	<b>0</b>	<b>8,005,297</b>	<b>38,780,601</b>
Net interest rate exposure	-3,030,997	3,145,663	482,845	1,051,798	438,670		
Cumulative interest rate exposure	-3,030,997	114,666	597,512	1,649,310	2,087,980		

Group 2021	Max 1 month	1 mo.–3 mo.	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No interest	Total
Cash and balances with central banks	573,006						573,006
Treasury bonds acceptable as collateral		50,038					50,038
Lending to credit institutions	2,895,917						2,895,917
Lending to the public	14,695,714	2,381,018	1,523,715	1,897,545	284,662		20,782,655
Bonds and other securities	255,213	1,014,827	149,486	131,179			1,550,705
Other assets						6,452,289	6,452,289
<b>Total assets</b>	<b>18,419,850</b>	<b>3,445,883</b>	<b>1,673,201</b>	<b>2,028,724</b>	<b>284,662</b>	<b>6,452,289</b>	<b>32,304,610</b>
Liabilities to credit institutions	672						672
Deposits from the public	20,081,432	1,702,540	1,031,557	1,295,643		1,039,377	25,150,548
Other liabilities						1,111,922	1,111,922
Deferred tax liability						202,885	202,885
Subordinated liabilities		599,682					599,682
Shareholders' equity	300,000					4,938,902	5,238,902
<b>Total liabilities and shareholders' equity</b>	<b>20,382,103</b>	<b>2,302,222</b>	<b>1,031,557</b>	<b>1,295,643</b>	<b>0</b>	<b>7,293,085</b>	<b>32,304,610</b>
Net interest rate exposure	-1,962,253	1,143,661	641,645	733,081	284,662		
Cumulative interest rate exposure	-1,962,253	-818,592	-176,947	556,134	840,796		

#### Sensitivity analysis

The impact of a 1 percentage point increase/decrease in interest on net interest income during the future 12-month period amounts to +/- SEK 20,880,000 (8,408,000) for the Group, based on all interest-bearing assets and liabilities existing on the closing date.

**Interest rate exposure, fixed-interest terms for the Parent Company**

Parent Company 2022	Max 1 month	1 mo.–3 mo.	3 mo.–1 yr	1 yr–5 yrs	More than		Total
					5 yrs	No interest	
Cash and balances with central banks	2,503,401						2,503,401
Lending to credit institutions	1,579,870						1,579,870
Lending to the public	18,687,337	2,488,335	1,665,659	1,607,199	359,009		24,807,540
Bonds and other securities	144,616	1,183,838	242,368				1,570,822
Other assets						6,588,450	6,588,450
<b>Total assets</b>	<b>22,915,224</b>	<b>3,672,173</b>	<b>1,908,028</b>	<b>1,607,199</b>	<b>359,009</b>	<b>6,588,450</b>	<b>37,050,082</b>
Deposits from the public	26,336,356	478,926	2,004,909	1,005,616		819,557	30,645,365
Other liabilities				191,806		715,746	907,553
Deferred tax liability						17,482	17,482
Subordinated liabilities		598,724					598,724
Shareholders' equity	300,000					4,580,958	4,880,958
<b>Total liabilities and shareholders' equity</b>	<b>26,636,356</b>	<b>1,077,650</b>	<b>2,004,909</b>	<b>1,197,423</b>	<b>0</b>	<b>6,133,743</b>	<b>37,050,082</b>
Net interest rate exposure	-3,721,133	2,594,523	-96,882	409,776	359,009		
Cumulative interest rate exposure	-3,721,133	-1,126,610	-1,223,492	-813,715	-454,706		

Parent Company 2021	Max 1 month	1 mo.–3 mo.	3 mo.–1 yr	1 yr–5 yrs	More than		Total
					5 yrs	No interest	
Cash and balances with central banks	438,928						438,928
Treasury bonds acceptable as collateral, etc.		50,038					50,038
Lending to credit institutions	509,518						509,518
Lending to the public	124,272	9,878	35,023	47,517	11,505		228,195
Other assets						16,805	16,805
<b>Total assets</b>	<b>1,072,718</b>	<b>59,916</b>	<b>35,023</b>	<b>47,517</b>	<b>11,505</b>	<b>16,805</b>	<b>1,243,484</b>
Liabilities to credit institutions	20,977						20,977
Deposits from the public	1,085,303						1,085,303
Other liabilities						13,093	13,093
Shareholders' equity						124,111	124,111
<b>Total liabilities and shareholders' equity</b>	<b>1,106,280</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>137,204</b>	<b>1,243,484</b>
Net interest rate exposure	-33,562	59,916	35,023	47,517	11,505		
Cumulative interest rate exposure	-33,562	26,354	61,377	108,894	120,399		

**Sensitivity analysis**

The impact of a 1 percentage point increase/decrease in interest on net interest income during the future 12-month period amounts to +/- SEK 4,547,000 (1,204,000) for the Parent Company, based on all interest-bearing assets and liabilities existing on the closing date.

**Currency risks**

Currency risk is the risk that changes in exchange rates will negatively impact the Group's income statement, balance sheet and/or cash flows. Currency risk can be divided into transaction exposure and translation exposure. Transaction exposure comprises the net of operational and financial currency inflows and outflows. Translation exposure consists primarily of foreign subsidiary equities in foreign currency.

**Transaction exposure**

Because operations are local, every subsidiary has most of its income and expenses denominated in the local currency, thus currency fluctuations only have a limited effect on the company's operating profit or loss in local currency. Foreign operations rarely have receivables or liabilities in foreign currencies, with the exception of possible intra-Group loans, and this limits transaction exposure. Because the Parent Company has receivables in foreign currency, major currency exposures primarily in NOK, EUR, DKK, USD and HRK have been hedged through currency swaps/forward contracts to minimize risk. It was not possible to hedge the Group's currency exposures in Ukraine and Russia.

**Translation exposure**

Svea Ekonomi does business in many countries. Changes in exchange rates affect the value of net assets in foreign currencies. When the balance sheets of foreign subsidiaries are translated to SEK, balance-sheet exposure arises as a result of said balance sheets' being expressed in other currencies. The subsidiaries' performance and financial position are reported in the currencies of the countries concerned and then translated to SEK prior to inclusion in the consolidated accounts. Consequently, fluctuations in the exchange rates between local currencies and SEK will affect the consolidated income statement and balance sheet. The effect of this exposure is minimised through the limited need for equity and by financing in local currency; refer to the Equity report. Foreign net assets are not hedged.

Disclosures regarding assets and liabilities specified by underlying currency and the foreign exchange rates applied are presented in the tables and sensitivity analyses below.

The following exchange rates of significant currencies were used in translations of transactions in foreign currencies:

Code	Country	Local currency	Average exchange rate		Closing day rate	
			2022	2021	31/12/2022	31/12/2021
NOK	Norway	Norwegian crowns	1.0536	0.9981	1.0572	1.0254
EUR	Euroland	Euros	10.6235	10.1516	11.1283	10.2269
USD	USA	United States dollars	10.0982	8.5754	10.4371	9.0437
DKK	Denmark	Danish crowns	1.4284	1.3650	1.4965	1.3753
RUB	Russia	Russian roubles	0.1473	0.1162	0.1388	0.1216
UAH	Ukraine	Ukrainian hryvnia	0.3133	0.3146	0.2863	0.3315
HRK	Croatia	Croatian kuna	1.4110	1.3503	1.4770	1.3658

**Assets and liabilities in SEK thousands by underlying currency – Group**

<i>Group 31/12/2022</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Cash and balances with central banks	2,462,698		40,703				2,503,401
Lending to credit institutions	1,756,132	594,860	362,093	24,033	19,002	482,882	3,239,002
Lending to the public	13,203,852	3,957,147	6,164,663	182,314	686,194	1,355,888	25,550,058
Bonds and other securities	1,328,454	133,166	109,202				1,570,822
Other assets	4,371,294	211,748	918,246	18,235	101,966	295,830	5,917,318
<b>Total assets</b>	<b>23,122,430</b>	<b>4,896,921</b>	<b>7,594,907</b>	<b>224,582</b>	<b>807,162</b>	<b>2,134,600</b>	<b>38,780,601</b>
Liabilities to credit institutions						1,042	1,042
Deposits from the public	23,393,138	3,654,626	3,856,684	25,583	3,392	4,534	30,937,956
Deferred tax liability	24,574			3,187		39,137	66,898
Other liabilities	928,565	184,353	191,604	16,486	98	188,694	1,509,800
Subordinated liabilities	598,724						598,724
Shareholders' equity	5,027,221	74,514	41,445	44,493	5,069	473,439	5,666,181
<b>Total liabilities and shareholders' equity</b>	<b>29,972,223</b>	<b>3,913,493</b>	<b>4,089,732</b>	<b>89,749</b>	<b>8,559</b>	<b>706,846</b>	<b>38,780,601</b>
Contingent liabilities	13,014		115				13,129
Currency swaps		-1,011,720	-3,961,675	-148,152	-788,001	-482,628	
<b>Net position</b>	<b>-6,836,779</b>	<b>-28,293</b>	<b>-456,385</b>	<b>-13,319</b>	<b>10,602</b>	<b>945,126</b>	

Other currencies consist principally of Croatian kuna, Russian roubles and Rumanian lei.

<i>Group 31/12/2021</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Cash and balances with central banks	438,928		134,077				573,006
Treasury bonds etc. acceptable as collateral	50,038						50,038
Lending to credit institutions	1,578,712	786,931	368,119	13,014	11,827	137,315	2,895,917
Lending to the public	11,229,701	3,337,748	4,582,566	137,827	559,078	935,735	20,782,655
Bonds and other securities	1,419,526	131,179					1,550,705
Assets held for sale	174,022						174,022
Other assets	5,121,917	153,697	726,857	14,405	92,206	169,184	6,278,266
<b>Total assets</b>	<b>20,012,845</b>	<b>4,409,555</b>	<b>5,811,619</b>	<b>165,246</b>	<b>663,111</b>	<b>1,242,233</b>	<b>32,304,610</b>
Liabilities to credit institutions	45		5			622	672
Deposits from the public	18,405,100	3,384,562	3,332,184	20,820	144	7,738	25,150,548
Other liabilities	702,260	169,372	154,618	10,374	1,672	65,236	1,103,532
Deferred tax liability	200,650			2,025	-44	254	202,885
Subordinated liabilities	599,682						599,682
Liabilities held for sale	8,390						8,390
Shareholders' equity	4,809,159	51,069	178,811	23,573	2,051	174,238	5,238,902
<b>Total liabilities and shareholders' equity</b>	<b>24,725,287</b>	<b>3,605,002</b>	<b>3,665,618</b>	<b>56,791</b>	<b>3,823</b>	<b>248,088</b>	<b>32,304,610</b>
Contingent liabilities	10,026						10,026
Currency swaps		-741,401	-2,205,643	-105,408	-629,478	-587,280	
<b>Net position</b>	<b>-4,702,416</b>	<b>63,152</b>	<b>-59,642</b>	<b>3,047</b>	<b>29,810</b>	<b>406,865</b>	

Other currencies consist principally of Croatian kuna, Russian roubles and Rumanian lei.

**Sensitivity analysis**

The sensitivity analysis below is based on translation exposure and refers to exposure in SEK thousands on the closing date.

<i>Group 2022</i>	NOK	EUR	DKK	USD	Other	Total
Effect of 10% increase in SEK against currency	2,829	45,639	1,332	-1,060	-94,513	<b>-45,773</b>
<i>Group 2021</i>	NOK	EUR	DKK	USD	Other	Total
Effect of 10% increase in SEK against currency	-6,315	5,964	-305	-2,981	-40,686	<b>-44,323</b>

**Assets and liabilities in SEK thousands by underlying currency – Parent Company**

<i>Parent Company 31/12/2022</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Cash and balances with central banks	2,462,698		40,703				2,503,401
Lending to credit institutions	913,319	471,684	174,912	1,015	15,446	3,494	1,579,870
Lending to the public	12,982,268	3,957,147	6,973,007	117,376	730,131	47,611	24,807,540
Bonds and other securities	1,328,454	133,166	109,202				1,570,822
Other assets	5,551,777	164,172	795,668		21,972	54,860	6,588,450
<b>Total assets</b>	<b>23,238,515</b>	<b>4,726,169</b>	<b>8,093,492</b>	<b>118,392</b>	<b>767,549</b>	<b>105,965</b>	<b>37,050,082</b>
Deposits from the public	23,264,580	3,641,318	3,735,935	40	3,392	100	30,645,365
Deferred tax liability	17,482						17,482
Other liabilities	698,866	98,747	109,940				907,553
Subordinated liabilities	598,724						598,724
Shareholders' equity	4,871,782	9,177					4,880,958
<b>Total liabilities and shareholders' equity</b>	<b>29,451,433</b>	<b>3,749,241</b>	<b>3,845,875</b>	<b>40</b>	<b>3,392</b>	<b>100</b>	<b>37,050,082</b>
Contingent liabilities	13,014	7,800	115				20,929
Currency swaps		-1,011,720	-3,961,675	-148,152	-788,001	-482,628	
<b>Net position</b>	<b>-6,199,905</b>	<b>-26,992</b>	<b>286,057</b>	<b>-29,801</b>	<b>-23,844</b>	<b>-376,763</b>	
<b>Net position excluding shareholders' equity</b>	<b>-1,328,123</b>	<b>-17,816</b>	<b>286,057</b>	<b>-29,801</b>	<b>-23,844</b>	<b>-376,763</b>	

Other currencies consist primarily of GBP and CHF.

<i>Parent Company 31/12/2021</i>	SEK	NOK	EUR	DKK	USD	Other	Total
Cash and balances with central banks	438,928						438,928
Treasury bonds etc. acceptable as collateral	50,038						50,038
Lending to credit institutions	509,107		79		331		509,517
Lending to the public	226,283	759	554		599		228,195
Other assets	8,435				8,370		16,805
<b>Total assets</b>	<b>1,232,791</b>	<b>759</b>	<b>633</b>	<b>0</b>	<b>9,300</b>	<b>0</b>	<b>1,243,483</b>
Liabilities to credit institutions	12,837				8,139		20,977
Deposits from the public	1,085,303						1,085,303
Other liabilities	13,093						13,093
Shareholders' equity	124,111						124,111
<b>Total liabilities and shareholders' equity</b>	<b>1,235,344</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,139</b>	<b>0</b>	<b>1,243,484</b>
Contingent liabilities							0
<b>Net position</b>	<b>-2,553</b>	<b>759</b>	<b>633</b>	<b>0</b>	<b>1,160</b>	<b>0</b>	
<b>Net position excluding shareholders' equity</b>	<b>121,558</b>	<b>759</b>	<b>633</b>	<b>0</b>	<b>1,160</b>	<b>0</b>	

**Sensitivity analysis**

The sensitivity analysis below is based on translation exposure and refers to exposure in SEK thousands on the closing date.

<i>Parent Company 2022</i>	NOK	EUR	DKK	USD	Other	Total
Effect of 10% increase in SEK against currency	2,699	-28,606	2,980	2,384	37,676	<b>17,134</b>
<i>Parent Company 2021</i>	NOK	EUR	DKK	USD	Other	Total
Effect of 10% increase in SEK against currency	-76	-63	0	-116	0	<b>-255</b>

### Share price risks

The aim of asset management is to secure a satisfactory return, while keeping the company's payment capacity intact. Available funds must be allocated to interest-bearing bank accounts, interest-bearing securities and funds, or to listed shares and participations according to the company's asset management policy. The company's investments in listed shares and participations do not constitute a trading inventory. Investments are distributed over a number of well-known listed companies in various industries and are thereby deemed to provide a good spread of risks. However, there are price fluctuation risks.

There are also investments in unlisted shares, and these are presented in the tables below. Holdings of unlisted shares are reported at fair value based on a measurement performed by external independent expertise.

Shares and participations specified by geographical market and industry are presented in the tables and sensitivity analyses below.

Geographic distribution of holdings:	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Sweden	3,354,544	4,248,208	3,354,544	
Nordic, other	169,292	117,874	169,292	
Europe, other	498,989	437,280	498,959	
Rest of the world	108,953	95,240	28,959	
<b>Total</b>	<b>4,131,778</b>	<b>4,898,602</b>	<b>4,051,754</b>	<b>0</b>

Distribution of holdings per industry:	Group		Parent Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Properties	447,523	581,311	447,523	
Healthcare	178,369	248,706	178,369	
Industry	116,606	125,409	116,606	
Technology	616,451	297,315	616,451	
Consumer services	1,442,391	1,651,093	1,362,367	
Consumer goods	55,389	12,659	55,389	
Energy	31,905	24,808	31,905	
Telecoms	25,841	345,825	25,841	
Material	225,570	587,313	225,570	
Finance	991,733	1,024,163	991,733	
<b>Total</b>	<b>4,131,778</b>	<b>4,898,602</b>	<b>4,051,754</b>	<b>0</b>

### Sensitivity analysis

The impact on shareholders' equity of an increase/decrease in the share price of 10 per cent amounts to +/- SEK

or as a percentage of shareholders' equity based on the shares and participations existing on the closing date.

	413,178	489,860	405,175	0
	7.3%	9.4%	8.3%	0.0%

### Operational risks

Operational risk is defined as the risk that a direct or indirect loss or damaged reputation will result from shortcomings or errors attributable to internal processes, individuals, systems or external events. The company works with development on an ongoing basis in order to optimise internal processes and thereby reduce the risk of operational incidents. This work includes tools and methods to identify, measure, manage and report operational risks as well as staff training. Information security and crime prevention are important aspects in the management of operational risks. The Group continuously evaluates its operations and takes the necessary actions in the event of incidents or quality shortcomings. Process development focuses on the analysis of events linked to potential operational risks and other warning signs.

#### **Commercial risks**

Commercial risk is defined as the risk that the company's revenues fall and are unable to cover operational expenses. Commercial risk also includes strategic risk and reputational risk.

##### *Strategic risk*

Strategic risks are risks that can affect the company's earnings in the long term due to erroneous or deficient business decisions. Strategic risks are handled by Svea Bank's Board and management at regular Board and management meetings, for example, where strategic issues are dealt with. The company has also established a continuity plan for the effective management of strategic risks.

##### *Reputational risk*

Reputational risk refers to the risk that the company's name and brand is impacted negatively, with negative effects on operations and earnings. Reputational risk is managed through such processes as the company's procedures for approving major changes in the organization or operation.

#### **Liquidity risks**

Liquidity risk is defined as the risk of significantly increased expenses for ensuring that the Group's payment obligations can be fulfilled on the due date. The risk of Svea Bank being unable to meet its payment commitments is deemed low.

##### *Liquidity strategy*

Svea Bank manages its liquidity to provide satisfactory preparedness for current and non-current payments, and has a contingency plan to manage disruptions that affect liquidity.

##### *Available liquidity*

Liquidity risks are managed according to a Board decision stipulating that at any time an adequate proportion of deposits from the public must be in the form of available liquidity via a liquidity reserve and other so-called liquidity-creating measures.

The liquidity reserve consists of high-quality assets that can be converted to cash the following banking day and which consist of cash and balances at central banks, government and municipal bonds, cash and balances in banks and secured bonds, and corporate bonds with a high rating (at least AA-) and bonds with valuation haircuts.

Other liquidity-creating measures consist of other assets and sources of liquidity comprising listed shares and participations and unutilised credit facilities.

Otherwise, liquidity-creating measures can be taken by reducing lending and/or the sale of financial assets.

##### *Financing strategy*

Svea Bank finances for the long term at as low a cost as possible and with the maximum possible spread of risk.

Such financing consists of deposits from private individuals and companies, borrowing from credit institutions and subordinated bond loans.

Financing consists largely of non fixed-term deposits in SEK covered by the state deposit guarantee from a very large number of private individuals. Despite its being current by definition, this financing is in the opinion of the company non-current in character. This assessment is in line with the thinking of the Basel Committee for the calculation of stable funding.

Svea Bank also finances itself partly through subordinated bond loans, both T2 (Tier 2 capital instruments) and AT1 (Tier 1 capital instruments). Tier 1 capital instruments are reported as shareholders' equity. As of 31 December 2022, Svea Bank has three outstanding bond loans with a total nominal value of SEK 900 million.

##### *Risk tolerance and risk appetite*

Risk tolerance refers to the maximum risk level that Svea Bank will accept based on the assessed existing liquidity risk with regard to the business and its focus. Risk appetite is the level that Svea Bank chooses to apply in practice.

Svea Bank has a low tolerance as regards liquidity risk, which means that an adequate portion of deposits must be in the form of available liquidity at any time. Said portion must be sufficient for business to be conducted on a long-term basis and under various degrees of stress, without any need to change the business model. Risk appetite is at a lower level than risk tolerance, as in relation to deposits, available liquidity exceeds the minimum requirement decided on by the Board.

##### *Measuring and reporting liquidity risk*

Liquidity risk is measured and monitored continuously by means of key ratios and stress tests. The stress tests cover various major withdrawal scenarios by savings customers over 30 days, from realistic to less probable, the effect they have on available liquidity and the number of days it takes before liquidity is spent. Liquidity risk is reported to the Board every month.

##### *Publication of information*

Information for publication comprises detailed information about the size of the liquidity reserve and its composition, the size and distribution of financing sources and key ratios; refer to the table below for the consolidated situation and also [www.svea.com](http://www.svea.com).

Liquidity for the consolidated situation	31/12/2022	31/12/2021
Cash and balances with central banks	2,177,875	541,197
Treasury bonds etc. acceptable as collateral		50,038
Bonds issued by governments or municipalities	1,278,389	1,106,530
Bonds issued by credit institutions, with state guarantee		149,463
Covered bonds of extremely high quality	271,963	274,082
<b>Assets at level 1</b>	<b>3,728,227</b>	<b>2,121,310</b>
Shares and participations, listed (level 2B)	12,693	164,445
<b>Assets at level 2</b>	<b>12,693</b>	<b>164,445</b>
<b>Liquidity buffer</b>	<b>3,740,920</b>	<b>2,285,755</b>
Lending to credit institutions	2,160,953	2,447,181
Bonds and other securities, etc. (other)	20,470	20,630
Shares and participations, listed (other)	2,104,452	3,184,720
<b>Other liquid assets</b>	<b>4,285,876</b>	<b>5,652,530</b>
<b>Liquidity reserve</b>	<b>8,026,796</b>	<b>7,938,286</b>
Unutilised credit facilities	22,257	20,449
<b>Other liquidity-creating measures</b>	<b>22,257</b>	<b>20,449</b>
<b>Available liquidity</b>	<b>8,049,053</b>	<b>7,958,734</b>
Lending to credit institutions	2,160,953	2,447,181
Lending to the public, external	25,550,058	20,782,655
Lending to the public, Group companies	454,193	282,387
<b>Lending</b>	<b>28,165,205</b>	<b>23,512,223</b>
Liabilities to credit institutions		50
Subordinated liabilities	598,724	899,682
<b>Borrowing</b>	<b>598,724</b>	<b>899,732</b>
Deposits from the public, external	30,781,846	25,051,003
Deposits from the public, Group companies	21,757	4,073
<b>Deposits</b>	<b>30,803,603</b>	<b>25,055,076</b>
<b>Borrowing and deposits</b>	<b>31,402,327</b>	<b>25,954,809</b>
<b>Balance sheet total</b>	<b>38,459,301</b>	<b>31,870,386</b>
<b>Key ratios</b>	<b>31/12/2022</b>	<b>31/12/2021</b>
Liquidity buffer/deposits	12.14%	9.12%
Liquidity buffer/balance sheet total	9.73%	7.17%
Liquidity reserve/deposits	26.06%	31.68%
Liquidity reserve/balance sheet total	20.87%	24.91%
Lending/deposits	91.43%	93.84%
Borrowing and deposits/balance sheet total	81.65%	81.44%
<b>Liquidity Coverage Ratio (SEK thousands)</b>		
High-Quality Liquid Assets (HQLA)	3,740,920	2,285,755
Net cash outflow	563,419	489,196
Liquidity Coverage Ratio (LCR)	664%	467%
<b>Net Stable Funding Ratio</b>		
Total available stable funding	34,915,801	28,188,322
Total stable funding requirement	23,717,127	20,017,969
Net Stable Funding Ratio	147%	141%

Liquidity Coverage Ratio

As of 2015, a short-term liquidity metric – Liquidity Coverage Ratio (LCR) – was introduced as part of BASEL III standards, which describe how large a liquidity reserve the company will need to cover a net cash outflow for 30 days in a stress scenario. LCR is reported monthly and the company comfortably meets the LCR requirement of 100% that applies as of 1 January 2018.

Net Stable Funding Ratio

Net Stable Funding Ratio (NSFR) is a metric that aims to measure the amount of the company's non-current stable sources of finance in relation to its liquidity profile for assets financed, and for the realisation of off-balance-sheet commitments and liabilities. A binding metric of at least 100%, which must be reported to the supervisory authorities, was introduced on 28 June 2021.

Information about non-discounted cash flows during contractual terms remaining for financial assets and liabilities is presented in the tables below.

**Liquidity exposure – Group**

Group 2022	Contractual and expected non-discounted cash flows, financial assets and liabilities – remaining maturity						
	On demand	Max 3 months	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No term	Total
Cash and balances with central banks	2,503,401						2,503,401
Lending to credit institutions	3,239,002						3,239,002
Lending to the public		5,945,491	5,303,390	10,779,680	9,499,925		31,528,486
Bonds and securities		229,683	408,897	932,242			1,570,822
Shares and participations						4,135,615	4,135,615
Other assets		325,720	25,740				351,460
<b>Total financial assets – contractual cash flows</b>	<b>5,742,403</b>	<b>6,500,894</b>	<b>5,738,027</b>	<b>11,711,922</b>	<b>9,499,925</b>	<b>4,135,615</b>	<b>43,328,786</b>
Acquired past-due stocks of receivables (POCI) – expected cash flows		306,394	827,753	2,315,295	938,001		4,387,442
<b>Total financial assets</b>	<b>5,742,403</b>	<b>6,807,288</b>	<b>6,565,780</b>	<b>14,027,217</b>	<b>10,437,926</b>	<b>4,135,615</b>	<b>47,716,228</b>
Liabilities to credit institutions	1,042						1,042
Deposits from the public	27,440,312	363,972	2,040,656	1,185,593			31,030,533
Tier 1 capital instruments		6,350	306,350				312,700
Subordinated liabilities		12,016	36,048	675,119			723,183
Other liabilities		385,299	460,236				845,535
<b>Total financial liabilities</b>	<b>27,441,354</b>	<b>767,637</b>	<b>2,843,290</b>	<b>1,860,712</b>	<b>0</b>	<b>0</b>	<b>32,912,992</b>
Issued financial guarantees						-13,129	-13,129
Issued loan commitments						-4,150,035	-4,150,035
Derivatives, received		6,740,786	1,521,455				8,262,241
Derivatives, paid		-6,809,836	-1,523,020				-8,332,856
<b>Total</b>	<b>0</b>	<b>-69,050</b>	<b>-1,565</b>	<b>0</b>	<b>0</b>	<b>-4,163,164</b>	<b>-4,233,779</b>
<b>Total difference</b>	<b>-21,698,951</b>	<b>6,108,701</b>	<b>3,724,056</b>	<b>12,166,505</b>	<b>10,437,926</b>		

Group 2021	Contractual non-discounted cash flows, financial assets and liabilities – remaining maturity						
	On demand	Max 3 months	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No term	Total
Cash and balances with central banks	573,006						573,006
Treasury bonds acceptable as collateral		50,038					50,038
Lending to credit institutions	2,895,917						2,895,917
Lending to the public		5,387,221	4,893,143	10,154,151	6,791,311		27,225,826
Bonds and securities			289,681	1,208,730	52,294		1,550,705
Shares and participations						4,898,602	4,898,602
Other assets		192,490	251,905			1,103,402	1,547,797
<b>Total financial assets – contractual cash flows</b>	<b>3,468,923</b>	<b>5,629,749</b>	<b>5,434,729</b>	<b>11,362,881</b>	<b>6,843,605</b>	<b>6,002,004</b>	<b>38,741,891</b>
Acquired past-due stocks of receivables (POCI) – expected cash flows		347,767	1,074,969	2,472,897	940,051		4,835,684
<b>Total financial assets</b>	<b>3,468,923</b>	<b>5,977,516</b>	<b>6,509,698</b>	<b>13,835,778</b>	<b>7,783,656</b>	<b>6,002,004</b>	<b>43,577,575</b>
Liabilities to credit institutions	672						672
Deposits from the public	20,178,765	2,151,486	1,712,926	1,107,371			25,150,548
Tier 1 capital instruments		4,258	12,775	308,517			325,550
Subordinated liabilities		7,833	23,497	665,996			697,326
Other liabilities		340,697	443,155			247,005	1,030,857
<b>Total financial liabilities</b>	<b>20,179,437</b>	<b>2,504,274</b>	<b>2,192,353</b>	<b>2,081,884</b>	<b>0</b>	<b>247,005</b>	<b>27,204,952</b>
Issued financial guarantees						-10,026	-10,026
Issued loan commitments						-3,241,659	-3,241,659
Derivatives, received		3,995,446					3,995,446
Derivatives, paid		-4,019,209					-4,019,209
<b>Total</b>	<b>0</b>	<b>-23,763</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-3,251,685</b>	<b>-3,275,448</b>
<b>Total difference</b>	<b>-16,710,514</b>	<b>3,497,006</b>	<b>4,317,345</b>	<b>11,753,894</b>	<b>7,783,656</b>		



**Liquidity exposure – Parent Company**

<i>Parent Company 2022</i>	Contractual non-discounted cash flows, financial assets and liabilities – remaining maturity						Total
	On demand	Max 3 months	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No term	
Cash and balances with central banks	2,503,401						2,503,401
Lending to credit institutions	1,579,870						1,579,870
Lending to the public		5,421,395	4,708,044	10,132,956	9,570,142		29,832,537
Bonds and securities		229,683	408,897	932,242			1,570,822
Shares and participations						5,183,456	5,183,456
Other assets		115,349	17,004				132,353
<b>Total financial assets – contractual cash flows</b>	<b>4,083,270</b>	<b>5,766,427</b>	<b>5,133,945</b>	<b>11,065,198</b>	<b>9,570,142</b>	<b>5,183,456</b>	<b>40,802,438</b>
Acquired past-due stocks of receivables (POCI) – expected cash flows		90,878	252,152	923,596	552,775		1,819,401
<b>Total financial assets</b>	<b>4,083,270</b>	<b>5,857,305</b>	<b>5,386,097</b>	<b>11,988,794</b>	<b>10,122,917</b>	<b>5,183,456</b>	<b>42,621,839</b>
Deposits from the public	27,271,851	363,972	2,040,656	1,039,123			30,715,601
Tier 1 capital instruments		6,350	306,350				312,700
Subordinated liabilities		12,016	36,048	675,119			723,183
Other liabilities		249,994	231,773	224,000			705,767
<b>Total financial liabilities</b>	<b>27,271,851</b>	<b>632,332</b>	<b>2,614,827</b>	<b>1,938,242</b>	<b>0</b>	<b>0</b>	<b>32,457,251</b>
Issued financial guarantees						-25,920	-25,920
Issued loan commitments						-9,721,869	-9,721,869
Derivatives, paid		6,740,786	1,521,455				8,262,241
Derivatives, received		-6,809,836	-1,523,020				-8,332,856
Lease agreements as lessee		-12,276	-36,827	-182,767	0		-231,870
Lease agreements as lessor		88,653	265,958	622,659	3,309		980,579
<b>Total</b>	<b>0</b>	<b>7,327</b>	<b>227,566</b>	<b>439,892</b>	<b>3,309</b>	<b>-9,747,789</b>	<b>-9,069,695</b>
<b>Total difference</b>	<b>-23,188,581</b>	<b>5,217,647</b>	<b>2,543,705</b>	<b>9,610,660</b>	<b>10,119,608</b>		

<i>Parent Company 2021</i>	Contractual and expected non-discounted cash flows, financial assets and liabilities – remaining maturity						Total
	On demand	Max 3 months	3 mo.–1 yr	1 yr–5 yrs	More than 5 yrs	No term	
Cash and balances with central banks	438,928						438,928
Treasury bonds acceptable as collateral, etc.	50,038						50,038
Lending to credit institutions	509,518						509,518
Lending to the public		123,539	40,406	77,416	13,931		255,292
Other assets			695			16,110	16,805
<b>Total financial assets – contractual cash flows</b>	<b>998,484</b>	<b>123,539</b>	<b>41,101</b>	<b>77,416</b>	<b>13,931</b>	<b>16,110</b>	<b>1,270,580</b>
Liabilities to credit institutions						20,977	20,977
Deposits from the public	1,079,926	5,378					1,085,304
Other liabilities		5,206				7,887	13,093
<b>Total financial liabilities</b>	<b>1,079,926</b>	<b>10,584</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>28,864</b>	<b>1,119,374</b>
Issued loan commitments						-58,586	-58,586
Lease agreements as lessor		106	319	561			986
<b>Total</b>	<b>0</b>	<b>106</b>	<b>319</b>	<b>561</b>	<b>0</b>	<b>-58,586</b>	<b>-57,600</b>
<b>Total difference</b>	<b>-81,442</b>	<b>112,849</b>	<b>40,782</b>	<b>76,855</b>	<b>13,931</b>		

#### Note 51 Capital adequacy

The capital adequacy regulations express the legislature's view of the amount of the capital base that a bank is required to have in relation to the level of risk assumed by the bank. The capital base must at a minimum correspond to the total capital requirement for credit risks, market risks, operational risks and credit valuation adjustment risks. When the Board decides on its dividend motion, it takes into account such factors as distributable earnings, market situation and other capital requirements as well as other issues that the Board deems relevant. The operation's capital situation and requirements are determined on a continual basis through the company's internal capital and liquidity adequacy assessment process (ICAAP).

The European CRR/CRD regulations entail requirements for the highest quality components of the capital base: Common Equity Tier 1 capital and Tier 1 capital. There is a capital conservation buffer of 2.50 per cent in addition to the minimum capital requirement and a systemic risk buffer for systemically important financial institutions. Applied in accordance with the table below, there is also a contra-cyclic buffer for certain exposures in each country.

Country	Date introduced	31/12/2022	31/12/2021
Sweden	29 Sep 2022	1.00%	0.00%
Norway	31 Dec 2022	2.00%	1.00%
Denmark	31 Dec 2022	2.00%	0.00%
Romania	17 Oct 2022	0.50%	0.00%
Estonia	7 Dec 2022	1.00%	0.00%
Czech Republic	30 Jun 2022	1.50%	0.50%

The Board also resolved that capital ratios should exceed the regulatory requirements by 1.00 percentage point.

The capital conservation buffer is built up in good times with the aim of avoiding a breach of the capital requirement in bad times. The contra-cyclic buffer will vary over the course of an economic cycle with the aim of combating excessive credit growth. The special buffer for systemic risks is not applicable to the company.

The minimum capital requirement for the Common Equity Tier 1 capital ratio is 4.50 per cent, the Tier 1 capital ratio 6.00 per cent and the total capital ratio 8.00 per cent. The total capital requirement is calculated in accordance with the statutory minimum requirement according to pillar I for credit risk, market risk, operational risk and creditworthiness adjustment risk, requirement according to pillar II and combined buffer requirements.

On 31 December 2022, the capital requirement in the Parent Company including the buffer requirement for the Common Equity Tier 1 capital ratio stood at 8.85 per cent (7.61), the Tier 1 capital ratio at 10.57 per cent (9.24) and the total capital ratio at 12.87 per cent (11.41).

In the consolidated situation on 31 December 2022, the capital requirement including the buffer requirement for the Common Equity Tier 1 capital ratio stood at 9.56 per cent (8.13), the Tier 1 capital ratio at 11.43 per cent (9.85) and the total capital ratio at 13.94 per cent (12.14).

#### Capital base

Capital base refers to the total of Common Equity Tier 1 capital, Tier 1 capital and Tier 2 capital, after deductions. Common Equity Tier 1 capital is defined as capital that essentially corresponds to paid capital and certain reserves. Earnings may only be included after deductions for proposed dividends. Net intangible assets, i.e. after deferred tax and deferred tax assets attributable to loss carryforwards are not included in Common Equity Tier 1 capital.

Tier 1 capital consists of an indefinitely subordinated bond loan.

Supplementary capital comprises fixed-term subordinated bond loans, which with a remaining term of less than five years may be taken up to a reduced amount of the nominal value based on the number of days remaining until the date of maturity.

#### Minimum capital requirement – Pillar 1

The legal requirement for credit risks, market risks, operational risks and credit valuation adjustment risk is found in Pillar 1.

Credit risks: Svea Bank applies the Standard Method for calculating credit risk.

Market risks: Svea Bank uses the standardised model from CRR.

Operational risks: Svea Bank uses the Basic Indicator Method, which requires the capital requirement to be calculated at 15 per cent of an average of operating income in the three most recent years, adjusted for dividend income received from Group companies.

Credit valuation adjustment risk: Svea Bank uses the Standard Method for Credit Valuation Adjustment (CVA).

#### Capital assessment and risk management – Pillar 2

The Pillar 2 regulations require an institution to have a process for assessing its total capital requirement in relation to its risk profile and a strategy for maintaining capital level, where the Board is responsible for establishing the institution's risk tolerance. The process is known as the internal capital and liquidity adequacy assessment process (ICAAP). All material risks must be identified, evaluated, measured and tested for stress based on different scenarios. The evaluation must focus in particular on the risks that are not managed under Pillar 1. Certain risks must be covered by capital, which means that institutions are expected to possess a larger capital base than the minimum level within Pillar 1 as specified above. In addition to this there is share price risk, concentration risk, interest rate risk and additional currency risk.

The analysis of the capital requirement is made through quantitative and qualitative methods and is based on a number of scenarios per risk driver. The overall assessment is that in addition to the minimum capital requirement the company's capital base also covers these risks.

#### Publication of information – Pillar 3

Additional information for publication mainly includes more detailed disclosures for the consolidated situation about credit risks, liquidity risks and the data used to calculate the Pillar 1 requirements. This is available at [www.svea.com](http://www.svea.com).

For further information on risk management and capital management, please refer to page 4 and Note 50.

Capital adequacy for the consolidated situation	31/12/2022	31/12/2021
<b>Common Equity Tier 1 capital</b>	<b>5,070,272</b>	<b>4,399,928</b>
<b>Tier 1 capital</b>	<b>5,370,272</b>	<b>4,698,990</b>
<b>Total capital</b>	<b>5,967,006</b>	<b>5,294,124</b>
Capital requirement, pillar I	2,796,029	2,376,762
Capital requirement, pillar II	984,459	452,125
Capital conservation buffer	873,759	742,738
Contra-cyclic buffer	218,292	34,053
<b>Total capital requirements</b>	<b>4,872,539</b>	<b>3,605,679</b>
<b>Risk-weighted exposures</b>	<b>34,950,362</b>	<b>29,709,525</b>
<b>Common Equity Tier 1 capital ratio, %</b>	<b>14.51</b>	<b>14.81</b>
<b>Tier 1 capital ratio, %</b>	<b>15.37</b>	<b>15.82</b>
<b>Total capital ratio, %</b>	<b>17.07</b>	<b>17.82</b>
Requirement for Common Equity Tier 1 capital (Pillar I), %	4.50	4.50
Requirement for Common Equity Tier 1 capital (Pillar II), %	1.93	1.02
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.62	0.11
<b>Total Common Equity Tier 1 capital requirement, %</b>	<b>9.56</b>	<b>8.13</b>
Requirement for Tier 1 capital (Pillar I), %	6.00	6.00
Requirement for Tier 1 capital (Pillar II), %	2.31	1.24
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.62	0.11
<b>Total Tier 1 capital requirement, %</b>	<b>11.43</b>	<b>9.85</b>
Total capital requirement (Pillar I), %	8.00	8.00
Total capital requirement (Pillar II), %	2.82	1.52
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.62	0.11
<b>Total capital requirement, %</b>	<b>13.94</b>	<b>12.14</b>
Common Equity Tier 1 capital available for use as buffer, %	8.08	9.29

A decision from the Swedish Financial Supervisory Authority has granted Svea Bank approval to include the interim surplus in the capital base. A summary review has been conducted of the interim surplus for the period January–December 2022 and of the capital base as of 31 December 2022.

The consolidated situation during the period consisted of Svea Bank AB with the branches Svea Bank AB filial i Norge and Svea Bank AB filial i Finland, and the subsidiaries Svea Finance AS, Svea Finans A/S, Svea Finans Nederland BV, Svea Credit BV, Svea Finans AG, Svea Payments OY, MoneyGo AB, FMS Management Solutions GmbH, PFC Technology AB, Svea Investments Inc, Zlantar of Sweden AB, and Svea Ekonomi Cyprus Limited and its subsidiaries. Also included is Group company Kundgirot AB with its subsidiaries Svea Intressenter 41 AB, Svea Intressenter 42 AB, Svea Intressenter 43 AB and Svea Intressenter 44 AB.

Leverage ratio	31/12/2022	31/12/2021
Tier 1 capital	5,370,272	4,698,990
Total exposure amount for leverage ratio	38,532,425	32,290,299
Leverage ratio, %	13.94	14.55

#### Leverage ratio

The leverage ratio is a metric that aims to limit the risk for increased indebtedness among credit institutions. This metric is reported to the supervisory authorities, and a binding metric of at least 3% was introduced on 28 June 2021. The leverage ratio is calculated as Tier 1 capital divided by the total exposure on and off balance sheet with adjustments for certain items such as derivatives.

Capital base for the consolidated situation	31/12/2022	31/12/2021
Share capital	50,501	9,459
Share premium account	59,499	498,541
<b>Capital instruments and associated share premium reserves</b>	<b>110,000</b>	<b>508,001</b>
Retained earnings	3,943,189	2,802,200
Tier 1 capital instruments classified as shareholders' equity	300,000	300,000
Accumulated other comprehensive income (and other reserves)	142,032	735,890
Earnings after predictable expenses and before dividends	1,273,477	737,683
<b>Shareholders' equity</b>	<b>5,768,698</b>	<b>5,083,775</b>
<i>Minus:</i>		
Expected dividend	-50,000	-50,000
Intangible assets, net	-287,604	-280,192
Additional value adjustments	-5,824	-6,456
Deduction of NPL backstop	-51,813	-317
Deduction for Tier 1 capital instruments classified as shareholders' equity	-300,000	-300,000
Deferred tax asset dependent upon future profitability	-3,185	-46,883
<b>Common Equity Tier 1 capital: legislative adjustments and other deductions</b>	<b>-698,426</b>	<b>-683,847</b>
<b>Common Equity Tier 1 capital</b>	<b>5,070,273</b>	<b>4,399,928</b>
Subordinated liabilities (AT1)	300,000	299,063
<b>Tier 1 capital instruments</b>	<b>300,000</b>	<b>299,063</b>
<b>Tier 1 capital</b>	<b>5,370,273</b>	<b>4,698,991</b>
Subordinated liabilities	596,733	595,133
<b>Supplementary capital contribution</b>	<b>596,733</b>	<b>595,133</b>
<b>Total capital</b>	<b>5,967,006</b>	<b>5,294,124</b>

Risk-weighted exposures and minimum capital requirement for the consolidated situation	Minimum capital requirement		Minimum capital requirement	
	Risk-weighted	Minimum capital requirement	Risk-weighted	Minimum capital requirement
Exposures to institutions	469,463	37,557	512,077	40,966
Exposures to companies	5,754,346	460,348	4,304,870	344,390
Exposures to households	9,749,566	779,965	8,224,471	657,958
Exposures secured through property mortgages	848,131	67,850	732,079	58,566
Defaulting exposures	1,055,489	84,439	886,570	70,926
Defaulting exposures, acquired past-due stocks of receivables	2,552,224	204,178	2,314,460	185,157
Exposures associated with a particularly high risk	1,954,669	156,374	1,779,986	142,399
Exposures in the form of covered bonds	29,243	2,339	29,471	2,358
Share exposures	4,656,590	372,527	4,485,667	358,853
Other exposures	787,345	62,988	433,384	34,671
<b>Credit risk</b>	<b>27,857,066</b>	<b>2,228,565</b>	<b>23,703,034</b>	<b>1,896,243</b>
Currency risk	890,204	71,216	580,675	46,454
<b>Market risk</b>	<b>890,204</b>	<b>71,216</b>	<b>580,675</b>	<b>46,454</b>
Operational risk	6,126,106	490,088	5,376,550	430,124
<b>Operational risk</b>	<b>6,126,106</b>	<b>490,088</b>	<b>5,376,550</b>	<b>430,124</b>
Credit valuation adjustment risk	76,985	6,159	49,266	3,941
<b>Credit valuation adjustment risk</b>	<b>76,985</b>	<b>6,159</b>	<b>49,266</b>	<b>3,941</b>
<b>Total</b>	<b>34,950,362</b>	<b>2,796,029</b>	<b>29,709,525</b>	<b>2,376,762</b>

Capital adequacy for the Parent Company	31/12/2022	31/12/2021
<b>Common Equity Tier 1 capital</b>	<b>4,467,756</b>	<b>119,259</b>
<b>Tier 1 capital</b>	<b>4,767,756</b>	<b>119,259</b>
<b>Total capital</b>	<b>5,364,489</b>	<b>119,259</b>
Capital requirement, pillar I	2,597,951	21,766
Capital requirement, pillar II	539,150	2,477
Capital conservation buffer	811,860	6,802
Contra-cyclic buffer	230,120	0
<b>Total capital requirements</b>	<b>4,179,081</b>	<b>31,045</b>
<b>Risk-weighted exposures</b>	<b>32,474,390</b>	<b>272,075</b>
<b>Common Equity Tier 1 capital ratio, %</b>	<b>13.76</b>	<b>43.83</b>
<b>Tier 1 capital ratio, %</b>	<b>14.68</b>	<b>43.83</b>
<b>Total capital ratio, %</b>	<b>16.52</b>	<b>43.83</b>
Requirement for Common Equity Tier 1 capital (Pillar I), %	4.50	4.50
Requirement for Common Equity Tier 1 capital (Pillar II), %	1.14	0.61
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.71	0.00
<b>Total Common Equity Tier 1 capital requirement, %</b>	<b>8.85</b>	<b>7.61</b>
Requirement for Tier 1 capital (Pillar I), %	6.00	6.00
Requirement for Tier 1 capital (Pillar II), %	1.36	0.74
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.71	0.00
<b>Total Tier 1 capital requirement, %</b>	<b>10.57</b>	<b>9.24</b>
Total capital requirement (Pillar I), %	8.00	8.00
Total capital requirement (Pillar II), %	1.66	0.91
Capital conservation buffer requirement, %	2.50	2.50
Contra-cyclic buffer requirement, %	0.71	0.00
<b>Total capital requirement, %</b>	<b>12.87</b>	<b>11.41</b>
Common Equity Tier 1 capital available for use as buffer, %	8.12	38.73

A decision from the Swedish Financial Supervisory Authority has granted Svea Bank approval to include the interim surplus in the capital base. A summary review has been conducted of the interim surplus for the period January–December 2022 and of the capital base as of 31 December 2022.

Leverage ratio	31/12/2022	31/12/2021
Tier 1 capital	4,767,756	119,259
Total exposure amount for leverage ratio	38,106,032	1,243,977
Leverage ratio, %	12.51	9.59

#### Leverage ratio

The leverage ratio is a metric that aims to limit the risk for increased indebtedness among credit institutions. This metric is reported to the supervisory authorities, and a binding metric of at least 3% was introduced on 28 June 2021. The leverage ratio is calculated as Tier 1 capital divided by the total exposure on and off balance sheet with adjustments for certain items such as derivatives.

Capital base, Parent Company	31/12/2022	31/12/2021
Share capital	50,501	50,000
Share premium account	59,499	0
<b>Capital instruments and associated share premium reserves</b>	<b>110,000</b>	<b>50,000</b>
Retained earnings (incl. capital portion of untaxed reserves)	3,203,452	74,722
Tier 1 capital instruments classified as shareholders' equity	300,000	
Accumulated other comprehensive income (and other reserves)	76,037	
Earnings after predictable expenses	1,191,469	-611
<b>Equity (including the capital portion of untaxed reserves)</b>	<b>4,880,958</b>	<b>124,111</b>
<b>Minus:</b>		
Expected dividend	-50,000	
Intangible assets, net	-30,780	
Additional value adjustments	-5,744	-50
Deduction of NPL backstop	-26,679	
Deduction for Tier 1 capital instruments classified as shareholders' equity	-300,000	
Deferred tax asset dependent upon future profitability		-4,802
<b>Common Equity Tier 1 capital: legislative adjustments and other deductions</b>	<b>-413,203</b>	<b>-4,852</b>
<b>Common Equity Tier 1 capital</b>	<b>4,467,755</b>	<b>119,259</b>
Subordinated liabilities (AT1)	300,000	
<b>Tier 1 capital instruments</b>	<b>300,000</b>	<b>0</b>
<b>Tier 1 capital</b>	<b>4,767,755</b>	<b>119,259</b>
Subordinated liabilities	596,733	
<b>Supplementary capital contribution</b>	<b>596,733</b>	<b>0</b>
<b>Total capital</b>	<b>5,364,488</b>	<b>119,259</b>

Risk-weighted exposures and minimum capital requirement for the Parent Company	Risk-weighted	Minimum capital requirement	Risk-weighted	Minimum capital requirement
Exposures to public bodies			10	1
Exposures to institutions	389,597	31,168	17,282	1,383
Exposures to companies	6,478,401	518,272	133,152	10,652
Exposures to households	8,633,616	690,689	5,631	450
Exposures secured through property mortgages	847,242	67,779	34,620	2,770
Defaulting exposures	988,256	79,061	16,243	1,299
Defaulting exposures, acquired past-due stocks of receivables	1,145,280	91,622		
Exposures associated with a particularly high risk	1,834,679	146,774		
Exposures in the form of covered bonds	29,243	2,339		
Share exposures	5,027,616	402,209		
Other exposures	1,268,684	101,495	11,308	905
<b>Credit risk</b>	<b>26,642,615</b>	<b>2,131,409</b>	<b>218,247</b>	<b>17,460</b>
Currency risk	459,938	36,795	2,553	204
<b>Market risk</b>	<b>459,938</b>	<b>36,795</b>	<b>2,553</b>	<b>204</b>
Operational risk	5,294,852	379,572	51,274	4,102
<b>Operational risk</b>	<b>5,294,852</b>	<b>379,572</b>	<b>51,274</b>	<b>4,102</b>
Credit valuation adjustment risk	76,985	6,159		
<b>Credit valuation adjustment risk</b>	<b>76,985</b>	<b>6,159</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>32,474,390</b>	<b>2,553,935</b>	<b>272,075</b>	<b>21,766</b>

Note 52 Reporting per country

Group 2022 Country	Geographical area	Operation <sup>3)</sup>	Operating income	Operating profit	Tax on profit/loss for the year	Average number of full- time equivalent employees
Sweden	SE, DE, NL, AT <sup>1)</sup>	FIN, COL, ADM	3,049,655	855,048	-37,177	662
Norway	Norway	FIN, COL	591,406	234,351	-50,564	220
Finland	Finland	FIN, COL	650,583	222,542	-31,651	246
Denmark	Denmark	FIN, COL	62,593	22,477	-5,939	28
Estonia	Estonia	FIN, COL	29,776	4,440	45	19
Germany	Germany	FIN, COL	14,275	-400	-364	10
Switzerland	Switzerland	FIN	7,637	-5,640	-163	10
Netherlands	Netherlands	FIN	116,767	34,210	-6,129	31
Cyprus	Cyp, Rus, Rom, Pol <sup>2)</sup>	FIN, COL	75,769	23,779	-5,229	110
Serbia	Serbia	FIN, ADM	44,584	5,683	-2,344	100
Croatia	Croatia	FIN	87,918	132,732	-24,820	69
Poland	Poland	FIN	56,322	27,119	-4,190	78
Ukraine	Ukraine	FIN, COL	39,986	5,642	-950	165
Hungary	Hungary	FIN	340	1,535	-138	
Russia	Russia	FIN	458,079	276,762	-120,545	451
USA	USA	ADM	-1,989	-2,145		
Eliminations			-823,783	-479,583	4,740	
<b>Total</b>			<b>4,459,920</b>	<b>1,358,552</b>	<b>-285,418</b>	<b>2,195</b>

Group 2021 Country	Geographical area	Operation <sup>3)</sup>	Operating income	Operating profit	Tax on profit/loss for the year	Average number of full- time equivalent employees
Sweden	SE, DE, NL, AT <sup>1)</sup>	FIN, COL, ADM	2,063,548	152,708	-26,777	608
Norway	Norway	FIN, COL	574,506	256,763	-56,877	191
Finland	Finland	FIN, COL	545,771	168,224	-27,966	234
Denmark	Denmark	FIN, COL	56,427	12,459	-1,893	27
Estonia	Estonia	FIN, COL	26,383	5,037	59	19
Germany	Germany	FIN, COL	14,066	-5,599	470	12
Switzerland	Switzerland	FIN	8,246	-5,429	297	10
Netherlands	Netherlands	FIN	84,037	1,457	-4,729	31
Cyprus	Cyp, Rus, Rom, Pol <sup>2)</sup>	FIN, COL	355,349	244,046	-34,138	101
Serbia	Serbia	FIN, ADM	44,589	9,893	-628	89
Croatia	Croatia	FIN	59,613	26,022	-4,920	62
Poland	Poland	FIN	32,003	8,835	-1,055	83
Ukraine	Ukraine	FIN, COL	60,214	28,370	-2,916	203
Hungary	Hungary	FIN	-1,111	-4,425	135	2
Russia	Russia	FIN	281,350	154,021	-32,434	456
USA	USA	ADM	477	401		
Eliminations			-220,641	22,790	2,479	
<b>Total</b>			<b>3,984,828</b>	<b>1,075,571</b>	<b>-190,892</b>	<b>2,126</b>

The tables show information per country where Svea Bank is established, i.e. has a physical presence through a subsidiary, associated company or a branch. The names of subsidiaries and associated companies are provided under Notes 25 and 26. The Parent Company also conducts business in Norway and Finland via the branches Svea Bank AB filial i Norge and Svea Bank AB filial i Finland respectively.

1) Geographical area refers to Sweden, Germany, the Netherlands and Austria.

2) Geographical area refers to Cyprus, Russia, Romania and Poland.

3) Operations comprise FIN = Financial services, COL = Debt collection services, ADM = Administrative services. FIN and ADM together constitute the AFS business area.

Note 53 Related party transactions	Parent Company	
	31/12/2022	31/12/2021
<b>Income and expenses</b>		
Interest income, Group companies	103,884	
Interest expenses, Group companies	-4,024	-228
Interest expenses, companies under significant influence of key individual in executive position		-5
Dividends received, Group companies	663,390	
Commission income, Group companies	16,818	816
Commission expenses, Group companies	-13,473	
Other operating income, Group companies	205,229	
Other administrative expenses, Group companies	-104,663	-23,888
Other administration expenses, company under significant influence of key individual in executive position	-61,786	
<b>Total</b>	<b>805,375</b>	<b>-23,304</b>
<b>Assets</b>		
Lending to the public, Group companies	3,596,581	423,173
Prepaid expenses and accrued income, Group companies	2,056	
<b>Total</b>	<b>3,598,637</b>	<b>423,173</b>
<b>Liabilities</b>		
Liabilities to credit institutions, Group companies		20,977
Deposits from the public, other companies under significant influence of key individual in executive position		3,384
Deposits from the public, key individuals in executive position		5,237
Accrued expenses and deferred income, Group companies	6,271	3,289
<b>Total</b>	<b>6,271</b>	<b>32,886</b>
<b>Contingencies</b>		
Guarantees, Group companies	12,792	22,810

**Group companies and associated companies**

The Parent Company finances the Group companies, which generate interest income, receive dividends and lease personnel to Group companies.

**Companies under significant influence of key individual in executive position**

The Parent Company purchases telemarketing services in respect of a call centre, sales and conference bookings that generate other administration expenses.

**Senior executives, etc.**

Disclosures are provided in Note 13

Note 54 Change in accounting treatment of Tier 1 capital instruments	Before adjustment	Adjustment	After adjustment
<b>Income Statement 2021</b>			
Net interest income	2,494,278	17,752	2,512,030
Net commission	1,271,255		1,271,255
Total operating income	3,967,075	17,752	3,984,828
Total operating expenses	-2,512,606		-2,512,606
Profit/loss before credit losses	1,454,469	17,752	1,472,222
Operating profit/loss	1,057,819	17,752	1,075,571
<b>Profit/loss for the year</b>	<b>866,926</b>	<b>17,752</b>	<b>884,679</b>
<b>Balance Sheet, 31/12/2021</b>			
Subordinated liabilities	899,682	-300,000	599,682
Shareholders' equity	4,938,902	300,000	5,238,902

**Note 55 Significant events since the year-end**

**AT1 bonds**

Svea Bank AB has chosen to invoke premature redemptions of the AT1 bond of SEK 300 million, with redemption on 3 April 2023. A new AT1 bond of SEK 300 million has been issued with a variable coupon of 3 month STIBOR + 7.5% with an issue date of 3 April 2023. The new bond has no maturity date, with the first possible redemption date after 5 years.

**Macroeconomic impact**

Concerns in the banking market in recent times have not impacted on Svea's operations concerning both financing and deposits, nor have any indications of reduced availability of financing been noted.



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**Note 56 Proposed allocation of profits**

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According to Svea Bank AB's balance sheet, the following is at the disposal of the Annual General Meeting:

Fair value reserve	56,668,161
Share premium account	59,499,500
Tier 1 capital holding	300,000,000
Retained earnings	3,203,452,574
Profit/loss for the year	1,191,469,349
<b>Total</b>	<b>4,811,089,584</b>

The Board of Directors proposes that the earnings be distributed as follows:

To be paid to shareholders (1,614,400 shares x SEK 30.97 per share)	50,000,000
To be carried forward	4,761,089,584
<b>Total</b>	<b>4,811,089,584</b>

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The Board of Directors and CEO hereby certify that these financial statements have been prepared in accordance with the IFRS adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (AR KL/1995:1559), applying the Swedish Financial Supervisory Authority's regulations (FFFS 2008:25) and the Swedish Financial Reporting Board's recommendations, and provide a true and fair view of the Group's and the Parent Company's financial position and earnings and that the Report of the Board of Directors provides a true and fair overview of the performance of the Group's and Parent Company's operations, financial position and earnings and describes the significant risks and uncertainties to which the Parent Company and the companies included in the Group are exposed.

Stockholm, date as per electronic signature

Anders Lidfeldt  
Member of the Board  
Chairman

Lennart Ågren  
Member of the Board  
CEO

Mats Kärsrud  
Member of the Board

Mats Hellström  
Member of the Board

Anders Hedberg  
Member of the Board

Anna Frick  
Member of the Board

Anders Ingler  
Member of the Board

Our audit report from the independent auditor was submitted on the date stated in our electronic signature.

BDO Mälardalen AB

Per Fridolin  
Authorised Public Accountant

## AUDIT REPORT

To the general meeting of shareholders in Svea Bank AB (publ), Corp. Reg. No. 556158-7634

### Report on the annual accounts and the consolidated accounts

#### Opinion

We have audited the annual accounts and consolidated accounts of Svea Bank AB (publ) for 2022.

In our opinion, the annual accounts have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and in all material respects present a fair view of the parent company's financial position as of 31 December 2022 and of its financial performance and cash flow for the year in compliance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies and in all material respects present a fair view of the Group's financial position as of 31 December 2022 and its financial performance and cash flows for the year in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. The Report of the Board of Directors is consistent with the other sections of the annual accounts and the consolidated accounts.

We therefore recommend that the general meeting of shareholders adopt the income statement and balance sheet for the parent company and the Group.

Our statement in this report on the annual accounts and the consolidated accounts is compatible with the content of the supplementary report that was submitted to the Parent Company's Board of Directors in accordance with Article 11 of the Auditors' Ordinance (537/2014).

#### Basis for opinion

We have conducted the audit in accordance with International Standards on Auditing (ISA) and auditing standards generally accepted in Sweden. Our responsibilities under those standards are described in more detail in the section on *auditor's responsibility*. We are independent of the parent company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility under these requirements. This includes that, based on our best knowledge and conviction, no forbidden services as described in Article 5.1 of the Auditors' Ordinance (537/2014) have been provided to the audited company or, where relevant, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our opinion.

#### Particularly important areas

Particularly important areas for the audit are those which, in our professional judgement, were the most significant for the audit of the annual accounts and the consolidated accounts for the period concerned. While these areas were addressed within the framework of the audit of the annual accounts and consolidated accounts as a whole and our position toward them, we do not provide separate opinions on these areas.

#### *Reserve for expected credit losses*

Information on this area is provided in the annual report - Note 1 *Accounting policies and valuation principles*, Note 16 *Credit losses, net* and Note 21 *Lending to the public*.

As of 31 December 2022, Lending to the public in the Group amounts to SEK 25,550,058,000 (20,782,655,000) and in the Parent Company SEK 24,807,540,000 (228,195,000), which corresponds to 66% (64) and 67% (18) respectively of the total assets of the Group and the Parent Company respectively. The reserve for expected credit losses amounts to SEK 1,083,567,000 (1,112,520,000) in the Group and SEK 1,048,010,000 (8,621,000) in the Parent Company.

According to IFRS 9, loan receivables are divided into three stages based on the level of credit risk or the change in the credit risk: stage 1 for loans with no significant worsening of credit risk, with losses estimated for expected defaults within 12 months, stage 2 for loans with a significant worsening of credit risk and stage 3 for loans in default with losses estimated for occurred and expected defaults during the remaining term of the loan.

Expected credit loss is calculated as a function of the probability of default, exposure in the event of default, losses in the event of default and the timing of default. The reserve is based on previous events, current conditions and forecasts of future economic conditions. IFRS 9 allows estimated credit losses to be adjusted with reference to professional assessments.

Management performs assessments of and assumptions about, among other things, criteria in order to identify a significant worsening of the credit risk and methods for calculating expected defaults. The complexity of the calculations, the element of assessments and assumptions, and the significance of the balance sheet item mean that the reserve for expected credit losses is considered to be a particularly important area.

#### How the area was considered in our audit

Our audit consisted of a combination of evaluation and substantive testing.

We have evaluated on the one hand control in the loan process, and on the other hand whether assessments made of the probability of default, exposure in the event of default and loss in the event of default (expected credit loss) as well as significant increase in credit risk are in accordance with IFRS 9.

In our substantive testing, we tested to make sure that data from underlying systems used in the reserve model are complete and correct, and also examined and assessed the model used, including assumptions and parameters, and also assessed the reasonableness of the manual adjustments made.

#### *Valuation of goodwill/shares in Group companies*

Information about this area is shown in the annual report - Note 1 *Accounting policies and valuation principles*, Note 27 *Intangible assets* and Note 26 *Shares in Group companies*.

As of 31 December 2022, Goodwill in the Group amounts to SEK 315,975,000 (315,705,000) and Shares in Group companies to SEK 1,131,792,000 (-).

According to IFRS, an impairment test must be performed on the balance sheet item goodwill. In addition, developments in individual subsidiaries may involve the need for the parent company to perform an impairment test of shares in Group companies. The balance sheet items come to substantial amounts and the valuations are complex and dependent on management's assessments of growth and discount rates in particular and are therefore deemed to be an important area.

#### How the area was considered in our audit

Our audit consisted of a combination of evaluation and substantive testing.

The audit included a review of the calculation model, annual growth rates used during the forecast period, the discount rate used and a statement from a valuation expert. The growth rates used in forecasts of future cash flows were reviewed against previous experiences. The audit also included an examination of the sensitivity analyses regarding the growth rates and discount rates used. We have also examined the disclosures relating to the impairment testing of Goodwill.

#### **The Board of Directors' and Chief Executive Officer's responsibility**

It is the Board and the CEO who are responsible for ensuring that the annual accounts and the consolidated accounts are prepared and that they give a true and fair view in accordance with the Swedish Accounts Act for Credit Institutions and Securities Companies and, in the case of consolidated accounts, in accordance with IFRS as adopted by the EU. The Board and the CEO are also responsible for the internal control they deem necessary to prepare annual accounts and consolidated accounts that do not contain material misstatements, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board and the CEO are responsible for assessing the ability of the company and the Group to continue as a going concern. They inform, as appropriate, on the conditions that can affect the ability to continue as a going concern and to use the going concern assumption. The going concern assumption does not apply if the Board and the CEO intend to liquidate the company, to cease trading, or have no realistic alternative but to liquidate the company or to cease trading.

#### **The auditor's responsibility**

Our goal is to achieve a reasonable degree of certainty as to whether the annual accounts and consolidated accounts as a whole do not contain any material misstatement, whether due to fraud or error, and to submit an audit report that contains our statements. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA and other auditing standards generally accepted in Sweden will always detect a material misstatement should such be present. Inaccuracies may occur due to fraud or error, and they are considered to be material where they, individually or jointly, can reasonably be expected to affect the economic decisions that users make on the basis of the annual accounts and the consolidated accounts.

As part of an audit under ISA, we exercise professional judgement and maintain professional scepticism throughout the audit. Furthermore, we:

- identify and assess the risks of material misstatement in the annual accounts and consolidated accounts, whether due to fraud or error, and draw up and perform audit procedures, inter alia on the basis of these risks and obtain audit evidence that is sufficient and appropriate for providing a basis for our opinions. The risk of failing to detect a material misstatement due to irregularities is greater than for a material misstatement due to errors, because the irregularities may involve collusion, falsification, deliberate omissions, incorrect information or disregard of internal controls.
- gain an understanding of the part of the company's internal controls relevant to our audit in order to draw up audit procedures that are appropriate in the circumstances, but not in order to express an opinion on the effectiveness of internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Board and CEO in the accounts together with associated information.
- draw a conclusion on the appropriateness of the use of the going concern assumption by the Board and CEO when preparing the annual accounts and the consolidated accounts. We also draw a conclusion based on the audit evidence obtained, as to whether there is any material uncertainty relating to events or conditions that can lead to significant doubt about the company's and the Group's ability to continue as a going concern. If we conclude that there is a material uncertainty factor, we must draw attention in the audit report to the information contained in the annual accounts and the consolidated accounts for the material uncertainty or, if such information is insufficient, modify our opinion on the annual accounts and the consolidated accounts. Our conclusions are based on the audit evidence obtained up until the date of the audit report. Future events or conditions may, however, mean that a company and a group are no longer able to continue operations.
- evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and the consolidated accounts reflect the underlying transactions and events in a way that gives a true and fair view.
- obtain sufficient and appropriate audit evidence with regard to the financial information for the units or business activities within the Group to provide an opinion in respect of the consolidated accounts. We are responsible for the control, supervision and execution of the Group audit. We are solely responsible for our statements.

Among other things, we have to inform the Board about the planned scope, direction and timing of the audit. We must also inform about significant findings made during the audit, including any serious weaknesses in internal control that we identify.

We must also provide the Board with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to affect our independence, and where applicable, measures that have been taken to eliminate threats or safeguards that have been taken.

From the matters communicated with the Board of Directors, we determine which of such matters were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and which therefore constitute areas of special significance for the audit. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

## Report on other statutory and regulatory requirements

### The auditor's examination of the administration and the proposed appropriation of the company's profit or loss

#### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board and the CEO of Svea Ekonomi AB (publ) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend that the general meeting of shareholders appropriate the company's retained earnings as proposed in the Report of the Board of Directors and grant freedom from liability to the members of the Board and the Chief Executive Officer in respect of the financial year.

#### Basis for opinion

We have conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibility in this regard is described in more detail in the section entitled *Auditor's responsibility*. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility under these requirements.

We believe that the audit evidence we have obtained is sufficient and adequate as a basis for our opinion.

#### The Board of Directors' and Chief Executive Officer's responsibility

The Board is responsible for the proposal for appropriations of the company's profit or loss. The dividend proposal includes, among other things, an assessment of whether the dividends are justified with regard to the requirements that the company's and Group's business nature, scope and risks place on the size of the parent company's and the Group's equity, need to strengthen the balance sheet, liquidity and general position.

The Board is responsible for the company's organisation and the administration of its affairs. This includes continuously monitoring the company's and Group's financial situations and ensuring that the company is organised so that accounting, asset management and the company's financial affairs are otherwise controlled in a reassuring manner. The CEO must manage day-to-day administration under the Board's guidelines and instructions, and also take the necessary measures to ensure that the company's accounts are kept in compliance with the law and that asset management will be carried out in a reassuring manner.

#### The auditor's responsibility

Our objective concerning the audit of the administration, and thus our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board or the CEO in any material respect

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Swedish Companies Act, the Swedish Banking and Finance Business Act, the Swedish Accounts Act for Credit Institutions and Securities Companies or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thus our opinion about this, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Swedish Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Swedish Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgement and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgement based on risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operation and where deviations and violations would have particular importance for the company's situation. We examine and test decisions taken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board's proposal for appropriation of the company's profit or loss, we have examined the Board's reasoned opinion and a sample of the evidence for the same in order to be able to determine whether the proposal is consistent with the Swedish Companies Act.

#### Auditor's review of the ESEF report

##### Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also conducted a review of whether the Board of Directors and the CEO have produced the annual accounts and consolidated accounts in a format that enables unified electronic reporting (the ESEF report) in accordance with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Svea Bank AB (publ) for the year 2022.

Our review and our opinion relate solely to the statutory requirement.

In our view, the ESEF report has been prepared in a format that essentially allows uniform electronic reporting.

#### **Basis for opinion**

We conducted our review in accordance with FAR recommendation RevR 18 *Auditor's Review of the ESEF Report*. Our responsibility in accordance with this recommendation is described in more detail in the section entitled *The auditor's responsibility*. We are independent of Svea Bank AB (publ) in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our professional ethical responsibility under these requirements.

We believe that the evidence we have obtained is sufficient and adequate as a basis for our opinion.

#### **The Board of Directors' and Chief Executive Officer's responsibility**

The Board of Directors and the CEO are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and that such internal control exists that the Board of Directors and the CEO deem necessary in order to produce the ESEF report without material misstatements, whether these are due to fraud or error.

#### **The auditor's responsibility**

It is our task to issue an opinion with a reasonable level of assurance on whether the ESEF report has been produced in a format that meets the requirements set out in Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) on the basis of our review.

RevR 18 requires that we plan and perform our audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that a review conducted in accordance with RevR 18 and other auditing standards generally accepted in Sweden will always detect a material misstatement should such be present. Inaccuracies may occur due to fraud or error, and they are considered to be material where they, individually or jointly, can reasonably be expected to affect the economic decisions that users make on the basis of the ESEF report.

The audit firm applies the International Standard on Quality Management 1, which requires that the company designs, implements and manages a quality control system including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and applicable legal and regulatory requirements.

The review involves carrying out various measures to obtain evidence that the ESEF report has been prepared in a format that enables unified electronic reporting of the annual accounts and the consolidated accounts. The auditor chooses which measures are to be carried out, by such means as assessing the risks of material misstatements in the report, whether these are due to fraud or error. In making this risk assessment, the auditor considers those parts of the internal control that are relevant to the Board's and the CEO's preparation of the evidence in order to design review procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The review also includes evaluating the

appropriateness and reasonableness of the assumptions made by the Board of Directors and the CEO.

The review measures primarily involve a validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation to confirm that the ESEF report corresponds with the audited annual accounts and consolidated accounts.

Furthermore, the review also includes assessing whether the Group's income statement, balance sheet, statement of changes in equity and cash flow statement and notes in the ESEF report have been tagged with iXBRL in accordance with what is set out in the ESEF Regulation.

BDO Mälardalen AB, Sveavägen 53, SE-102 35 Stockholm, was appointed as Svea Bank AB (publ)'s auditor at the general meeting of shareholders 2022 and has been the company's auditor since 2017.

Stockholm, date as per electronic signature

BDO Mälardalen AB

Per Fridolin  
Authorised Public Accountant

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