



INTERIM REPORT
JANUARY–SEPTEMBER 2022

collector bank

Interim report

January–September 2022

THIRD QUARTER OF 2022

(COMPARED TO THE THIRD QUARTER OF 2021)

- The loan portfolio amounted to SEK 41,514m (35,624)
- Total income amounted to SEK 811m (668)
- The C/I ratio amounted to 24.7% (27.4)
- The credit loss level amounted to 2.3% (2.6)
- Operating profit amounted to SEK 373m (255)
- Net profit amounted to SEK 295m (201) and earnings per share ¹⁾ amounted to SEK 1.38 (0.93)
- Return on equity amounted to 18.7% (15.0)
- The CET1 ratio amounted to 13.5% (13.4) and the total capital ratio amounted to 14.6% (16.0)

SIGNIFICANT EVENTS AFTER THE PERIOD

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

¹⁾ See pages 4-5
²⁾ See pages 8-9

JANUARY-SEPTEMBER 2022

(COMPARED TO JANUARY-SEPTEMBER 2021)

- The loan portfolio amounted to SEK 41,514m (35,624)
- Total income amounted to SEK 2,284m (1,932)
- Total income has not been adjusted for non-recurring items ²⁾. Total income adjusted for non-recurring items ²⁾ for the period January-September 2021 amounted to SEK 1,923m
- The C/I ratio amounted to 26.3% (30.6)
- The C/I ratio has not been adjusted for non-recurring items ²⁾. The C/I ratio adjusted for non-recurring items ²⁾ for the period January-September 2021 amounted to 30.8%
- The credit loss level amounted to 2.3% (2.7)
- The credit loss level has not been adjusted for non-recurring items ²⁾ neither during the current nor the comparison period
- Operating profit amounted to SEK 1,005m (659)
- Operating profit has not been adjusted for non-recurring items ²⁾. Operating profit adjusted for non-recurring items ²⁾ for the period January-September 2021 amounted to SEK 650m
- Net profit amounted to SEK 795m (519) and earnings per share ¹⁾ amounted to SEK 3.72 (2.38)
- Net profit has not been adjusted for non-recurring items ²⁾. Net profit adjusted for non-recurring items ²⁾ for the period January-September 2021 amounted to SEK 512m
- Return on equity amounted to 17.5% (13.2)
- Return on equity has not been adjusted for non-recurring items ²⁾. Return on equity adjusted for non-recurring items ²⁾ for the period January-September 2021 amounted to 12.7%
- The CET1 ratio amounted to 13.5% (13.4) and the total capital ratio amounted to 14.6% (16.0)

MERGER BETWEEN COLLECTOR BANK AB AND COLLECTOR AB COMPLETED

The intra-group merger between Collector Bank AB and Collector AB was completed on 15 August 2022. On the same day Collector Bank AB became the listed parent company and Collector AB was dissolved. The interim report for the period January-September 2022, published by the Collector Bank Group, presents the financials for the new Group structure. The historical financials for the Collector Bank Group essentially correspond to the financials for the Collector AB Group. Certain minor deviations occur and mainly relate to intra-group assets and liabilities, divestment of subsidiaries and costs in the parent company Collector AB. Quarterly historical information for the Collector Bank Group since the first quarter of 2020 is available on Collector Bank's website collector.se/en/about-collector/investors/financial-information/.

collector bank

HIGHLIGHTS THIRD QUARTER OF 2022

(COMPARED TO THE THIRD QUARTER OF 2021)

Loan portfolio

41,514 +17%
SEKm

Total income

811 +21%
SEKm

C/I ratio

24.7% -2.6
percentage points

Net profit

295 +47%
SEKm

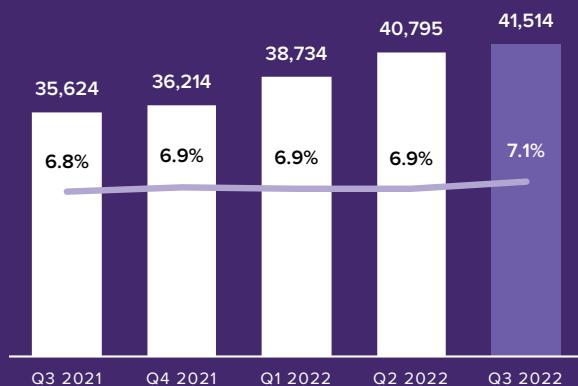
Adj. return on equity ¹⁾

18.7% +4.0
percentage points

CET1 ratio

13.5% +0.1
percentage points

Loan portfolio (SEKm) and NIM (%)



EPS ²⁾ (SEK) and adj. RoE (%)



1) Opening balance for reported equity has been adjusted for untaxed reserves less deferred tax

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

This is Collector Bank

Collector Bank specializes in financing solutions for corporates and private individuals, with particular focus on small and medium-sized companies. We are the corporates' complement to larger traditional banks. The Corporate offering includes real estate lending, corporate lending and factoring as well as payment solutions. Our services for private individuals include personal loans, invoice and payment by instalment services, credit cards and deposit accounts. The company has offices in Gothenburg (headquarters), Stockholm, Helsinki and Oslo. Collector Bank AB (publ) is listed on Nasdaq Stockholm.

Key ratios Group

SEKm	Q3 2022	Q2 2022	Δ	Q3 2021	Δ
INCOME STATEMENT					
Net interest income	733	681	8%	595	23%
Total income	811	751	8%	668	21%
Net profit	295	239	23%	201	47%
Earnings per share before dilution, SEK	1.38	1.11	24%	0.93	49%
Earnings per share after dilution, SEK	1.38	1.11	24%	0.93	49%
BALANCE SHEET					
Loans to the public	41,514	40,795	2%	35,624	17%
Deposits and borrowings from the public	37,567	36,172	4%	30,368	24%
Debt securities in issue	3,368	3,847	-12%	2,773	21%
Subordinated liabilities	-	-	-	500	-100%
Total equity (shareholders of Collector Bank AB)	6,236	5,285	18%	5,191	20%
KEY RATIOS ¹⁾					
Net interest margin (NIM) - Period ²⁾	7.1%	6.9%		6.8%	
Net interest margin (NIM) - LTM ²⁾	7.0%	6.7%		6.7%	
Credit loss level - Period ²⁾	2.3%	2.4%		2.6%	
Credit loss level - LTM ²⁾	2.3%	2.3%		2.7%	
C/I ratio - Period ²⁾	24.7%	27.5%		27.4%	
C/I ratio - LTM ²⁾	26.7%	27.4%		32.0%	
Return on equity (RoE) - Period ²⁾	18.7%	15.8%		15.0%	
Return on equity (RoE) - LTM ²⁾	17.3%	16.4%		12.0%	
CET1 ratio ³⁾	13.5%	13.3%		13.4%	
Tier 1 ratio ³⁾	14.6%	14.5%		14.7%	
Total capital ratio ³⁾	14.6%	14.5%		16.0%	
Average number of full-time employees	308	300	2%	301	2%
ADJUSTED KEY RATIOS ¹⁾					
Net interest margin (NIM) - Period ²⁾	7.1%	6.9%		6.8%	
Net interest margin (NIM) - LTM ²⁾	7.0%	6.7%		6.6%	
Credit loss level - Period ²⁾	2.3%	2.4%		2.6%	
Credit loss level - LTM ²⁾	2.3%	2.3%		2.7%	
C/I ratio - Period ²⁾	24.7%	27.5%		27.4%	
C/I ratio - LTM ²⁾	26.7%	27.4%		32.1%	
Return on equity (RoE) - Period ²⁾	18.7%	15.5%		14.7%	
Return on equity (RoE) - LTM ²⁾	17.2%	16.2%		11.6%	

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

²⁾ Key ratios that have not been prepared in accordance with IFRS but are deemed to facilitate the analysis of Collector's development. See Definitions, pages 19-20

³⁾ Key ratios according to capital adequacy rules (CRR). See note 13, pages 42-44

Key ratios Group, cont.

SEKm	Jan-Sep 2022	Jan-Sep 2021	Δ	Full year 2021
INCOME STATEMENT				
Net interest income	2,060	1,700	21%	2,323
Total income	2,284	1,932	18%	2,637
Net profit	795	519	53%	753
Earnings per share before dilution, SEK	3.72	2.38	56%	3.47
Earnings per share after dilution, SEK	3.72	2.38	56%	3.47
BALANCE SHEET				
Loans to the public	41,514	35,624	17%	36,214
Deposits and borrowings from the public	37,567	30,368	24%	31,351
Debt securities in issue	3,368	2,773	21%	5,229
Subordinated liabilities	-	500	-100%	500
Total equity (shareholders of Collector Bank AB)	6,236	5,191	20%	5,416
KEY RATIOS ¹⁾				
Net interest margin (NIM) - Period ²⁾	7.1%	6.7%		6.8%
Net interest margin (NIM) - LTM ²⁾	7.0%	6.7%		6.8%
Credit loss level - Period ²⁾	2.3%	2.7%		2.6%
Credit loss level - LTM ²⁾	2.3%	2.7%		2.6%
C/I ratio - Period ²⁾	26.3%	30.6%		30.0%
C/I ratio - LTM ²⁾	26.7%	32.0%		30.0%
Return on equity (RoE) - Period ²⁾	17.5%	13.2%		14.1%
Return on equity (RoE) - LTM ²⁾	17.3%	12.0%		14.1%
CET1 ratio ³⁾	13.5%	13.4%		13.9%
Tier 1 ratio ³⁾	14.6%	14.7%		15.1%
Total capital ratio ³⁾	14.6%	16.0%		16.4%
Average number of full-time employees	303	302	0%	301
ADJUSTED KEY RATIOS ¹⁾				
Net interest margin (NIM) - Period ²⁾	7.1%	6.6%		6.8%
Net interest margin (NIM) - LTM ²⁾	7.0%	6.6%		6.8%
Credit loss level - Period ²⁾	2.3%	2.7%		2.6%
Credit loss level - LTM ²⁾	2.3%	2.7%		2.6%
C/I ratio - Period ²⁾	26.3%	30.8%		30.1%
C/I ratio - LTM ²⁾	26.7%	32.1%		30.1%
Return on equity (RoE) - Period ²⁾	17.4%	12.7%		13.8%
Return on equity (RoE) - LTM ²⁾	17.2%	11.6%		13.8%

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

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A comment from our CEO

The uncertain macroeconomic environment and higher volatility on financial markets remain

Central Banks around the world have carried out policy rate increases at a previously unseen pace. The policy rate increases have however not yet managed to curb inflation, which thus remains at a high level. Higher energy prices as well as transportation and food costs are contributing factors to the increasing inflation. High inflation and increasing interest rates hence continue to create great uncertainty and higher volatility on financial markets. In the current situation, the market expects additional rate hikes. We therefore remain in a situation with continued macroeconomic uncertainty.

As for most other banks, rate hikes have a positive effect on us in the short term. The effects of higher interest rates can be seen through higher interest income in the quarter. Over time, uncertainty increases with regards to how demand for lending is affected by the changed macroeconomic situation.

Summary of the third quarter of 2022

Collector Bank performs yet another strong quarter despite continued uncertainty in the macroeconomic environment and higher volatility on the financial markets. The third quarter is typically a seasonally slower quarter with regards to volume development. The Corporate and Real estate segments in specific usually see lower business volumes due to the summer period. Demand remains good despite the typically calmer period. During the quarter, we have chosen to be even more selective in our view of which transactions we deem have suitable risk-adjusted returns. This has been driven by increasing inflation, rate hikes and an overall uncertain macroeconomic environment. Going forward, we will remain selective with regards to completed transactions given the uncertainty and our focus on profitable growth. On this basis, our expectations for the fourth quarter include a still more cautious stance towards volume development compared to the first half of 2022.

Sound and sustainable lending is of uttermost importance for us at Collector Bank. We have hence continued the work of developing and improving our lending processes within the Consumer segment further during the year. The Consumer loan book continues to decline at a pace in line with previous quarters and we continue to prioritize higher profitability over volume growth.

The trend of lower volumes in the e-commerce market, that was initiated during 2022, continues during the quarter. The market has hence shown a significant decline during 2022. Despite slightly declining transaction volumes for our Payments segment during the year, we continue to perform stronger than the market at large as partnerships with new merchants have been established coupled with a relatively more solid performance by our merchants during the year.

The loan book amounted to SEK 41,514 million by the end of the third quarter, corresponding to an increase of 2% compared to the previous quarter and 17% compared to the third quarter of 2021. The net interest margin amounted to 7.1% during the quarter. During the second quarter the net interest margin amounted to 6.9% and to 6.8% during the third quarter of 2021. The Corporate and Real estate segments have benefitted from a positive interest rate sensitivity during the quarter due to increased market interest rates. At the same time, increasing interest rates have implied higher funding costs for the company, and they are expected to continue to increase. In summary, we have, as a bank, benefitted from an underlying positive interest rate sensitivity during the third quarter due to increased market interest rates.

We have recruited a number of senior client executives within the Corporate segment during this quarter as well. We also continue to strengthen various central functions to meet increasing requirements and regulations that banks are facing. We have previously informed that the cost base will increase some during the year driven by these investments. It is also worth noting that the cost base is always seasonally low during the third quarter. We consequently deliver a strong C/I ratio of 24.7% during the quarter. The C/I ratio also has, from a longer-term view, shown a strong positive trend and we hence continue to prove the scalability of our business model. The C/I ratio amounted to 26.3% during the period January-September 2022, which is to be compared with 30.6% during the corresponding period last year.

The credit loss level has had a stable development in line with the previous quarters of the year. We have not seen any effects of higher inflation and interest rate hikes yet, but we are humble in the face of future developments.

In summary, adjusted return on equity amounted to 18.7% during the quarter. We consequently continue to show strong profitability improvement.

Merger between Collector Bank AB and Collector AB completed

The implementation of the intra-group merger between Collector Bank AB and Collector AB has now been completed. Collector Bank AB became the listed entity on 15 August 2022 and at the same time Collector AB was dissolved. This interim report presents the financials for the new Group structure. The historical financials essentially correspond to the financials for the Collector AB Group, but certain minor deviations occur. We have hence published updated financial information on our website.

We have previously communicated that the merger has been carried out with the purpose of further simplifying the corporate structure, achieving a more efficient use of internal resources and optimizing the capital position. Both the internal operations of the Group and the daily operations, from a customer perspective, remain unchanged.

Martin Nossman
CEO

A close-up, head-and-shoulders portrait of Martin Nossman, CEO of Collector Bank AB. He is a middle-aged man with short, light-colored hair, a slight smile, and a friendly expression. He is wearing a dark blue blazer over a light gray crew-neck sweater and a white collared shirt. The background is a soft-focus outdoor scene, possibly a port or industrial area, with a large building visible.

MARTIN NOSSMAN, CEO

”Continued profitability improvement but weaker macroeconomic outlook”

The Group's development

Merger between Collector Bank AB and Collector AB completed

The intra-group merger between Collector Bank AB and Collector AB was completed on 15 August 2022. On the same day Collector Bank AB became the listed parent company and Collector AB was dissolved. The interim report for the period January-September 2022, published by the Collector Bank Group, presents the financials for the new Group structure. The historical financials for the Collector Bank Group essentially correspond to the financials for the Collector AB Group. Certain minor deviations occur and mainly relate to intra-group assets and liabilities, divestment of subsidiaries and costs in the parent company Collector AB. Quarterly historical information for the Collector Bank Group since the first quarter of 2020 is available on Collector Bank's website collector.se/en/about-collector/investors/financial-information/.

The merger was carried out with the purpose of further simplifying the corporate structure, achieving a more efficient use of internal resources and optimizing the capital position as the bank's capital instruments are fully included in consolidated own funds. The operations of the Group remain unchanged, which also means that the daily operations, from a customer perspective, remain unchanged.

Total income for the third quarter of 2022

Total income amounted to SEK 811 million (668) corresponding to an increase of 21% compared to last year. Net interest income increased by 23% compared to the previous year and amounted to SEK 733 million (595). Higher market rates have had a positive impact on interest income. Funding costs have also increased following higher policy rates and are expected to continue to increase going forward. In summary, Collector Bank has, during the third quarter, benefitted from an underlying positive interest rate sensitivity due to increased market interest rates. The net interest margin amounted to 7.1% (6.8). Net commission income increased by 4% compared to last year and amounted to SEK 71 million (68). Net gains and losses on financial items amounted to SEK -3 million (5). Other income amounted to SEK 9 million (1). The business has developed positively compared to the third quarter of 2021 with the Corporate and Real estate segments having contributed strongly.

Total income for the period January-September 2022

Total income amounted to SEK 2,284 million (1,932) during January-September 2022, corresponding to an increase of 18% compared to last year. Total income has not been adjusted for non-recurring items during January-September 2022. Total income adjusted for non-recurring items amounted to SEK 1,923 million during the comparison period as non-recurring items arose during the first quarter of 2021. Net interest income amounted to SEK 2,060 million (1,700) during the period January-September 2022. Net interest income has not been adjusted for non-recurring items during January-September 2022. Net interest income adjusted for non-recurring items amounted to SEK 1,691 million during the comparison period as non-recurring items arose during the first quarter of 2021. The net interest margin amounted to

7.1% (6.7) during the period January-September 2022. The net interest margin has not been adjusted for non-recurring items during January-September 2022. The net interest margin adjusted for non-recurring items amounted to 6.6% during the comparison period as non-recurring items arose during the first quarter of 2021. Net commission income amounted to SEK 226 million (216) during January-September 2022, corresponding to an increase of 5% compared to last year. Net gains and losses on financial items amounted to SEK -30 million (14) and includes positive revaluations of the investment in the credit fund Cordet of c. SEK 24 million and negative effects of c. 54 million due to market volatility. Other income amounted to SEK 29 million (2). For a specification of non-recurring items, see the section Non-recurring items.

Total expenses

Total expenses amounted to SEK 601 million (592) during the period January-September 2022, of which SEK 201 million (183) pertain to the third quarter. Total expenses are seasonally low during the third quarter. The C/I ratio for the period January-September 2022 amounted to 26.3% (30.6) and to 24.7% (27.4) in the third quarter of 2022. The C/I ratio has not been adjusted for non-recurring items during the period January-September 2022. The C/I ratio adjusted for non-recurring items amounted to 30.8% during the comparison period as non-recurring items affected total income during the first quarter of 2021. Collector Bank hence continues to prove solid cost control and scalability in the business model. For a specification of non-recurring items, see the section Non-recurring items.

Loan portfolio

The total loan portfolio amounted to SEK 41,514 million (35,624) by the end of the third quarter of 2022, corresponding to an increase of 17% compared to last year and an increase of 2% compared to the previous quarter. The Corporate loan portfolio has increased by 29% compared to the previous year and increased by 7% compared to the previous quarter. The Real estate loan portfolio has increased by 37% compared to the previous year and increased by 2% compared to the previous quarter. The Consumer loan portfolio has decreased by 9% compared to the previous year and decreased by 2% compared to the previous quarter. The Payments loan portfolio has increased by 1% compared to the previous year and decreased by 3% compared to the previous quarter. Out of the total loan portfolio, Corporate amounted to 26% (23), Real estate amounted to 41% (35), Consumer amounted to 26% (33), Payments amounted to 6% (7) and Other amounted to 2% (2) by the end of the quarter.

Credit losses

The credit loss level for the period January-September 2022 amounted to 2.3% (2.7) and to 2.3% (2.6) in the third quarter of 2022. Credit losses during the second quarter of 2022 include a write-down of purchased debt portfolios of SEK 51 million. The credit loss level for the underlying banking operations is presented on page 9.

Operating profit, net profit, EPS and RoE

Operating profit amounted to SEK 1,005 million (659) during January-September 2022 and to SEK 373 million (255) in the third quarter of 2022. Operating profit has not been adjusted for non-recurring items during January-September 2022. Operating profit adjusted for non-recurring items amounted to SEK 650 million during the comparison period as non-recurring items arose during the first quarter of 2021. Net profit amounted to SEK 795 million (519) during January-September 2022 and to SEK 295 million (201) in the third quarter of 2022. Net profit has not been adjusted for non-recurring items during January-September 2022. Net profit adjusted for non-recurring items amounted to SEK 512 million during the comparison period as non-recurring items arose during the first quarter of 2021. Earnings per share amounted to SEK 3.72 (2.38) during January-September 2022 and to SEK 1.38 (0.93) in the third quarter of 2022. Return on equity amounted to 17.5% (13.2) for the period January-September 2022 and to 18.7% (15.0) in the third quarter of 2022. Return on equity has not been adjusted for non-recurring items during January-September 2022. Return on equity adjusted for non-recurring items amounted to 12.7% during the comparison period as non-recurring items arose during the first quarter of 2021. For a specification of non-recurring items, see the section Non-recurring items.

Non-recurring items

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

2022

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

2021

Net interest income was affected by non-recurring items amounting to SEK 9 million during the first quarter of 2021 which relate to interest income attributable to previously doubtful loans. There were no non-recurring items in the second, third or fourth quarter of 2021.

Liquidity and financial investments

As of 30 September 2022, cash and cash equivalents amounted to SEK 3,315 million (3,297). Collector Bank's excess liquidity is invested in Swedish municipal bonds, covered bonds, government issued securities and deposit accounts primarily with Nordic banks. At the end of the period, the Group's financial investments amounted to SEK 3,393 million (994).

Funding

Deposits and borrowings from the public amounted to approximately 77% (75) of Collector Bank's balance sheet, which by the end of the period amounted to SEK 37,567 million (30,368). This is the primary source of funding for the Group. Senior unsecured bonds issued amounted to SEK 3,268 million (1,048). Commercial papers issued amounted to SEK 100 million (1,725).

Capital adequacy

Collector Bank has received permission from the Swedish Financial Supervisory Authority to include net profit for the period in own funds. A review of net profit for the period for Collector Bank AB has been performed, and Collector Bank has been allowed to include net profit in the Common Equity Tier 1 capital. Collector Bank has previously issued one hybrid capital instrument consisting of an Additional Tier 1 bond of SEK 500 million. During the second quarter of 2022, Collector Bank received permission by the Swedish Financial Supervisory Authority to use its right to early redemption of the Tier 2 bond of SEK 500 million that was issued in 2017. As a consequence, the total capital ratio decreased during the second quarter. Over time, Collector Bank aims to work with an efficient capital planning strategy, which includes issuance of both Additional Tier 1 and Tier 2 instruments. At the end of the period, the risk-weighted exposure amount was 45,582 SEK million (38,073). As of 30 September 2022, the CET1 ratio amounted to 13.5% (13.4), the Tier 1 ratio to 14.6% (14.7) and the total capital ratio to 14.6% (16.0).

The war in Ukraine and the macroeconomic environment

At the end of February 2022, Russia invaded several regions of Ukraine. The war in Ukraine creates a risk of further significant volatility in both global and local markets. The conflict has led to a deterioration in the overall security situation, including in Europe. It is currently uncertain what impact the war in Ukraine will have over the longer term on the global economy and the financial markets, but the war could have negative consequences for Collector Bank's business, financial position and result. As of today, Collector Bank does not have any significant direct or indirect exposures to these countries.

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

Credit loss level (%)	Q3 2022	Q3 2021	Jan-Sep 2022	Jan-Sep 2021
Reported	2.3%	2.6%	2.3%	2.7%
Reported, excl. purchased debt portfolios	2.3%	2.6%	2.2%	2.7%



DEVELOPMENT IN THE CORPORATE SEGMENT

Stable development in an uncertain macroeconomic environment

The loan portfolio of the Corporate segment amounted to SEK 10,743 million (8,319), corresponding to an increase of 29% on the previous year and an increase of 7% on the previous quarter. The Corporate segment accounted for 26% (23) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 187 million (132) during the quarter and to SEK 496 million (367) during the period January-September 2022. The net interest margin (NIM) amounted to 7.0% compared to 6.3% in the same quarter last year and 6.5% in the previous quarter. The NIM amounted to 6.8% (6.2) during the period January-September 2022. The total income margin amounted to 7.2% compared to 6.6% in the same quarter last year and 6.6% in the previous quarter. The total income margin amounted to 7.1% (6.6) during the period January-September 2022. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period. The segment has during the third quarter benefitted from a positive interest rate sensitivity due to increased market interest rates.

The third quarter is a seasonally slower quarter for the Corporate segment due to the summer period. Demand remains good but interest rate increases in combination with a turbulent market and macroeconomic environment have made Collector Bank even more selective with regards to completed transactions. Expectations for the fourth quarter include a still more cautious stance towards volume development, driven by the macroeconomic situation, compared to the first half of 2022.

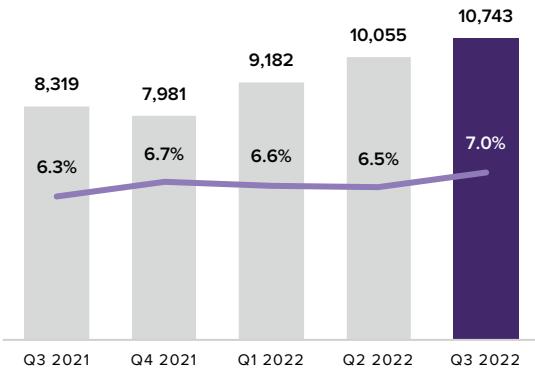


Corporate

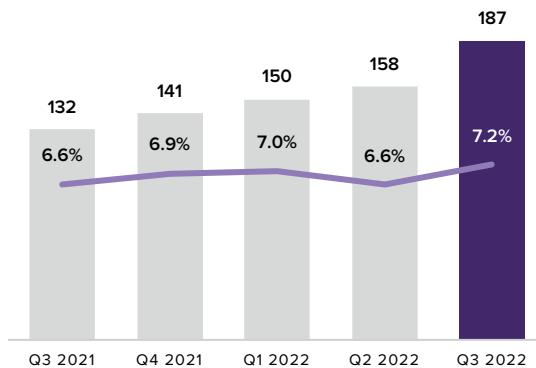
Collector Bank offers corporate loans and factoring solutions with particular focus on small and medium-sized enterprises in Sweden, Norway and Finland in a wide range of industries. Corporate loans are issued to companies against collateral. Factoring solutions primarily comprise purchasing of invoices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

Corporate

Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

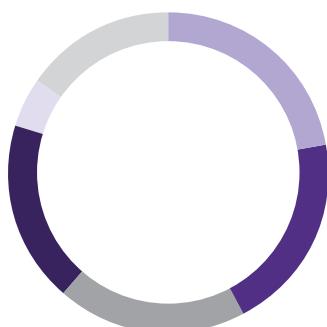


Geographic split ¹⁾



■ Sweden, 37%
 ■ Norway, 26%
 ■ Finland, 20%
 ■ Other, 16%

Industry split ¹⁾



■ Wholesale & Retail, 22%
 ■ Manufacturing, 20%
 ■ Financial services & Investment companies, 19%
 ■ Business services, 18%
 ■ Information & Communication, 5%
 ■ Other, 15%

43 SEKm

Average loan in the portfolio ²⁾

18

Average remaining maturity (months) ²⁾

¹⁾ Based on the Corporate loan portfolio as of 30 September 2022

²⁾ Corporate lending



DEVELOPMENT IN THE REAL ESTATE SEGMENT

Increased focus on a selective approach given the uncertain macroeconomic environment



The loan portfolio of the Real estate segment amounted to SEK 17,122 million (12,476), corresponding to an increase of 37% on the previous year and an increase of 2% on the previous quarter. The Real estate segment accounted for 41% (35) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 273 million (201) during the quarter and to SEK 738 million (551) during the period January-September 2022. The net interest margin (NIM) amounted to 6.4% compared to 6.4% in the same quarter last year and 5.6% in the previous quarter. The NIM amounted to 6.3% (6.3) during the period January-September 2022. The total income margin amounted to 6.4% compared to 6.5% in the same quarter last year and 5.8% in the previous quarter. The total income margin amounted to 6.4% (6.4) during the period January-September 2022. The NIM and total income margins can vary between periods dependent on when amortizations and disbursements of new loans are made during respective period. The segment has during the third quarter benefitted from a positive interest rate sensitivity due to increased market interest rates.

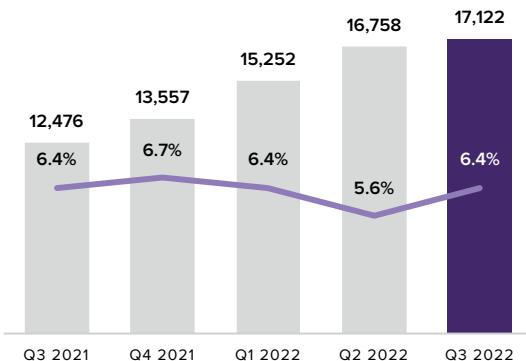
The Real estate segment is also characterized by a seasonally slower third quarter. Turbulence on the market at large, and the real estate industry in particular, has made Collector Bank even more selective with regards to completed transactions. Demand has increased, driven by i.a. lower activity on the bond market, but the even more selective approach has resulted in a lower growth rate for the Real estate segment compared to the first two quarters of 2022. Expectations for the fourth quarter include a still more cautious stance towards volume development, driven by the macroeconomic situation, compared to the first half of 2022. The majority of the Real estate portfolio still constitutes senior loans which amounted to 67% (76) by the end of the quarter.

Real estate

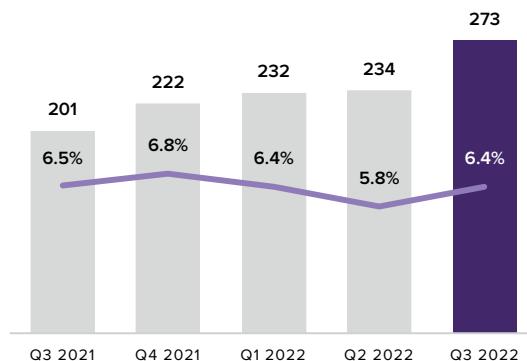
Collector Bank offers real estate loans focusing on metropolitan areas and university cities in the Nordic region and Germany. Real estate loans are issued to companies against collateral. Collector Bank offers both junior and senior lending. Financing is provided mainly for residential properties but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

Real estate

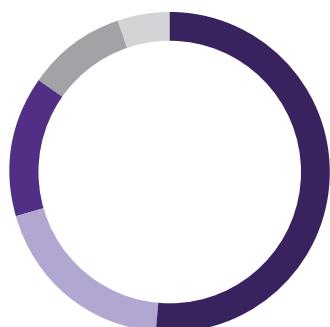
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

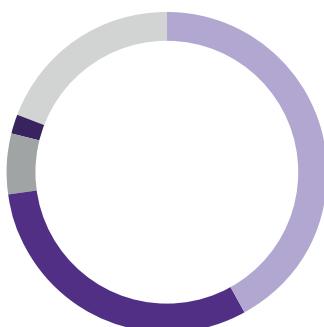


Geographic split ¹⁾



■ Sweden, 51%
 ■ Germany, 19%
 ■ Finland, 14%
 ■ Denmark, 10%
 ■ Other, 5%

Industry split ¹⁾



■ Residential, 42%
 ■ Office, 31%
 ■ Retail, 6%
 ■ Industrial, 2%
 ■ Other, 19%

117 SEKm
 Average loan in the portfolio

15
 Average remaining
 maturity (months)

67% / 33%
 Senior / junior loans

¹⁾ Based on the Real estate loan portfolio as of 30 September 2022



DEVELOPMENT IN THE CONSUMER SEGMENT

Stable development with slightly declining volumes in line with expectations



The loan portfolio of the Consumer segment amounted to SEK 10,602 million (11,605), corresponding to a decrease of 9% on the previous year and a decrease of 2% on the previous quarter. The Consumer segment accounted for 26% (33) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 213 million (214) during the quarter and to SEK 672 million (641) during the period January-September 2022. The net interest margin (NIM) amounted to 7.4% compared to 6.9% in the same quarter last year and 8.2% in the previous quarter. The NIM amounted to 7.6% (6.9) during the period January-September 2022. The total income margin amounted to 8.0% compared to 7.4% in the same quarter last year and 8.7% in the previous quarter. The total income margin amounted to 8.2% (7.4) during the period January-September 2022.

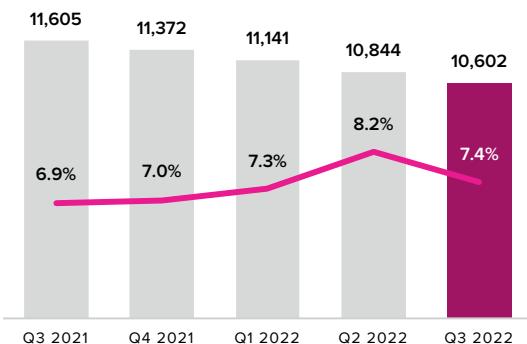
Loan book volumes have been slightly declining during the quarter given Collector Bank's focus on increasing profitability within the segment. Interest rate increases have been made during the quarter to compensate for increased funding costs due to higher policy rates. Going forward, Collector Bank continues to prioritize higher profitability over volume growth within the segment.

Consumer

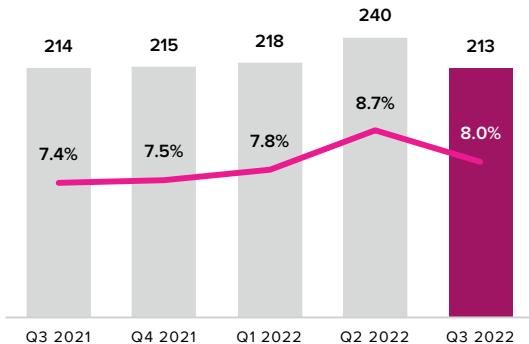
Collector Bank offers unsecured loans to private individuals of up to SEK 500,000 in Sweden and up to EUR 25,000 in Finland. Sales is mainly made through loan intermediaries but also through the bank's own channels. Collector Bank also offers credit cards, with a maximum credit limit of SEK 100,000.

Consumer

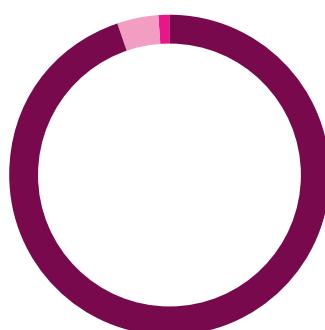
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)



Geographic split ¹⁾



— Sweden, 94%
— Finland, 4%
— Norway, 1%

**Average customer
Personal loans**



177,000
Average loan new sales
(SEK, LTM)

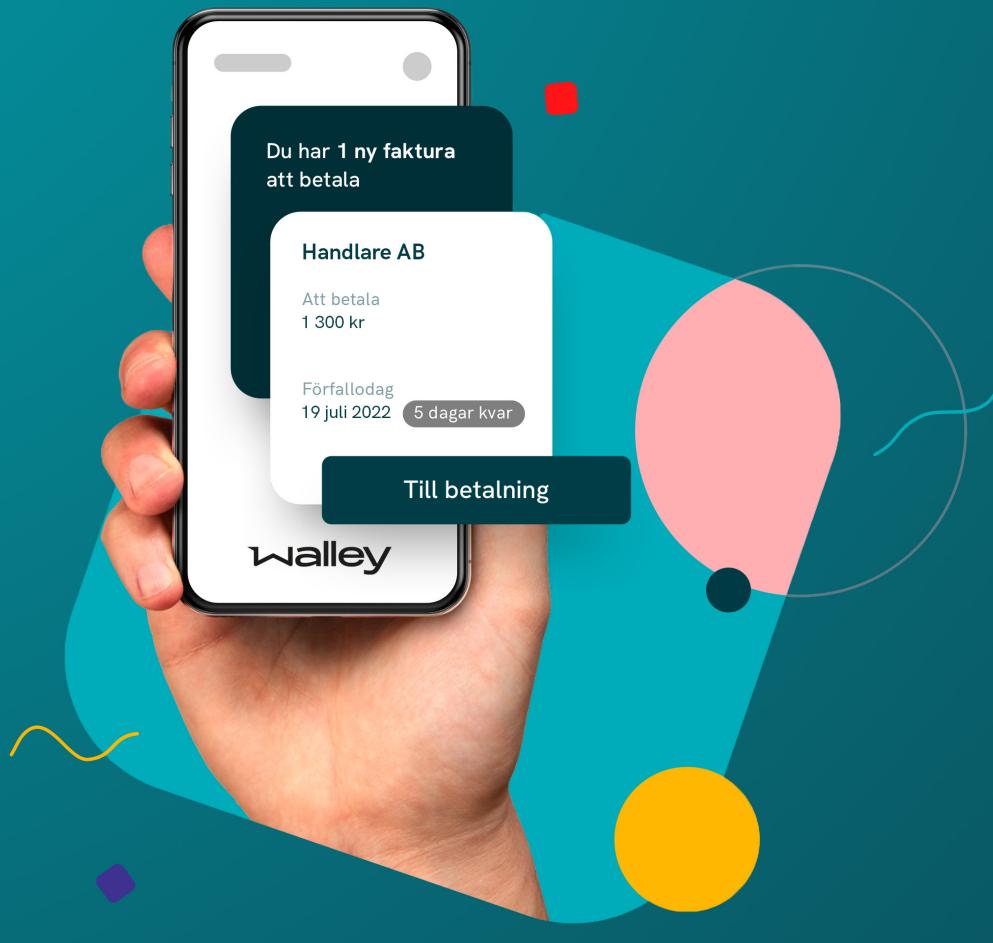
138,000
Average loan in the portfolio (SEK)

~20%
Sales through own channels

53,000
Customers

25,000
Cards outstanding

¹⁾ Based on the Consumer loan portfolio as of 30 September 2022



DEVELOPMENT IN THE PAYMENTS SEGMENT

Stable development despite remaining challenging market conditions



The loan portfolio of the Payments segment amounted to SEK 2,359 million (2,338), corresponding to an increase of 1% on the previous year and a decrease of 3% on the previous quarter. The Payments segment accounted for 6% (7) of Collector Bank's loan portfolio by the end of the quarter. Total income amounted to SEK 117 million (109) during the quarter and to SEK 365 million (330) during the period January-September 2022. The net interest margin (NIM) amounted to 8.8% compared to 9.6% in the same quarter last year and 9.8% in the previous quarter. The NIM amounted to 9.2% (9.5) during the period January-September 2022. The total income margin amounted to 19.5% compared to 18.6% in the same quarter last year and 20.7% in the previous quarter. The total income margin amounted to 20.2% (19.3) during the period January-September 2022.

Transaction volumes amounted to SEK 3,165 million (3,149) during the third quarter of 2022, which is largely unchanged compared to the same quarter last year. Transaction volumes amounted to SEK 9,915 million (10,245) during the period January-September 2022, which corresponds to a decrease of 3% compared to the corresponding period previous year. The downward trend for the Swedish e-commerce market remains during the third quarter, and the market has hence shown a significant decline since the beginning of the year. Despite slightly decreasing transaction volumes for the Payments segment during the year, it continues to perform stronger than the market at large as partnerships with new merchants have been established coupled with a relatively more solid performance by Walley's merchants during the year. However, high inflation and interest rate increases contribute to an even more uncertain climate for the Nordic e-commerce market.

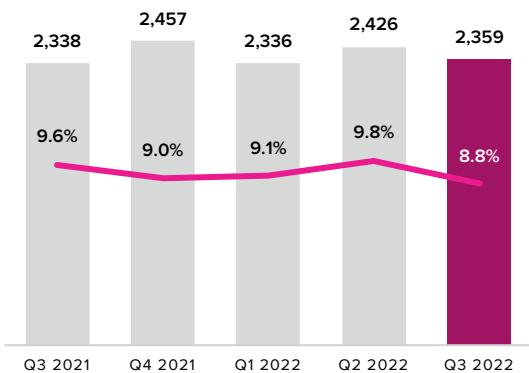
Payments

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

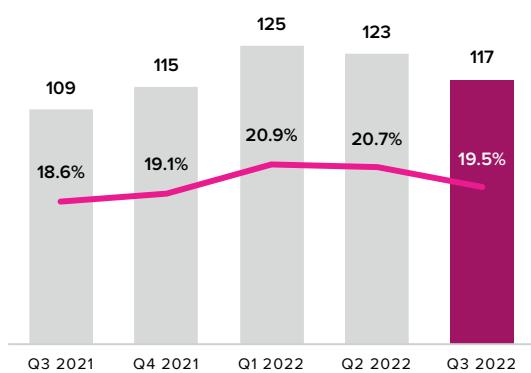
Since Q3 2021 the business is conducted through the brand Walley.

Payments

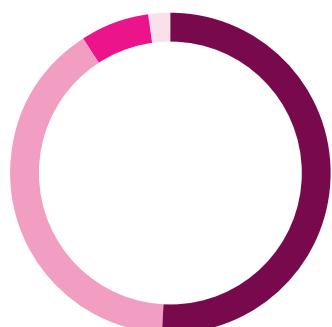
Loan portfolio (SEKm) and NIM (%)



Total income (SEKm) and margin (%)

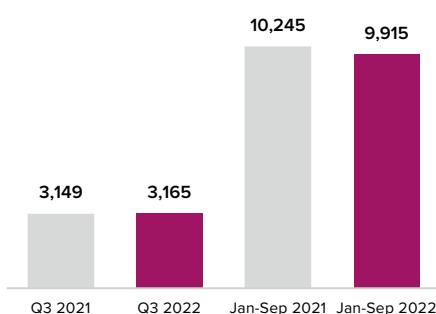


Geographic split ¹⁾



■ Sweden, 51%
■ Finland, 40%
■ Norway, 7%
■ Denmark, 2%

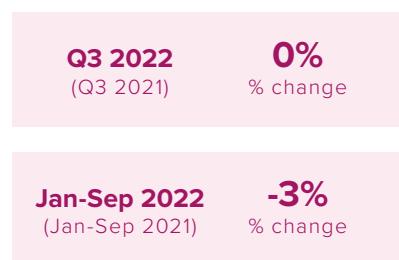
Transaction volumes (SEKm)



4.2 M
Active customers (LTM)

1,100
Average ticket size (SEK)

¹⁾ Based on the Payments loan portfolio as of 30 September 2022



Other information

Material risks and uncertainty factors

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

A company regulated by the Swedish Financial Supervisory Authority

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

Employees

During the quarter, the average number of full-time employees (FTE) amounted to 308, which corresponds to an increase of 2% compared to the corresponding quarter last year. The number of full-time employees includes employees on fixed-term contracts, but not employees on parental leave or a leave of absence.

The Collector Bank share

Collector Bank's share ("COLL") is listed on Nasdaq Stockholm. As of 30 September 2022, the closing price for the Collector Bank share was SEK 27.54, corresponding to a market capitalization of SEK 5.7 billion. There were approximately 10,500 shareholders at the end of the period.

First day of trading in the Collector Bank share was on 15 August 2022 as the merger between Collector Bank AB and Collector AB had been completed. Last day of trading in the previously listed Collector AB share was on 11 August 2022.

Shareholders at 30 September 2022	%
Fastighets AB Balder	44.1%
Erik Selin	16.7%
StrategiQ Capital AB	6.9%
Helichrysum Gruppen AB	3.6%
State Street Bank and Trust Company	3.3%
SEB Life International	2.1%
Nordnet Pensionsförsäkring	1.5%
SEB AB	1.5%
Vante AB	1.4%
Avanza Pension	1.3%
Other shareholders	17.8%
Total	100.0%

Share capital

On 4 May 2022, a reverse share split and a split were carried out prior to the merger with Collector AB to achieve a 1:1 exchange ratio. More information is available in the merger prospectus.

As of 30 September 2022, the share capital amounted to SEK 20,538,100, divided into 205,381,004 ordinary shares. The Company has a single share series. Each share entitles the shareholder to one vote at the General Meeting.

Dividend

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

Presentation for investors and analysts

A conference call will be held on 21 October 2022 at 09:30 a.m. (CET), during which CEO Martin Nossman and CFO Peter Olsson will present the report. The presentation will be held in Swedish and will be broadcasted live at <https://ir.financialhearings.com/collector-bank-q3-2022>. To participate in the conference call, please dial +46 850 516 386 or +44 2031 984 884, pin code 8278295#. The presentation material will be in English and be available prior to the presentation on the website collector.se/en.

Events after the end of the period

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

Definitions

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

Net interest margin (NIM)

Net interest margin (NIM) - Period

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

Net interest margin (NIM) - LTM

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

Adjusted net interest margin (NIM) - Period

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

Adjusted net interest margin (NIM) - LTM

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

C/I ratio

C/I ratio - Period

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

C/I ratio - LTM

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

Adjusted C/I ratio - Period

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

Adjusted C/I ratio - LTM

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

Credit loss level

Credit loss level - Period

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

Credit loss level - LTM

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

Adjusted credit losses, net - Period

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

Adjusted credit losses, net - LTM

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

Earnings per share¹⁾

Earnings per share after dilution¹⁾

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

Earnings per share before dilution¹⁾

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

Return on equity (RoE)

Return on equity (RoE) - Period

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

Return on equity (RoE) - LTM

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

Adjusted return on equity (RoE) - Period

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

¹⁾ Not alternative performance measures.

Definitions cont.

Adjusted return on equity (RoE) - LTM

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

Total income margin

Total income margin - Period

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

Other

Adjusted net interest income

Net interest income adjusted for non-recurring items.

Adjusted total income

Total income adjusted for non-recurring items.

Adjusted total expenses

Total expenses adjusted for non-recurring items.

Adjusted operating profit

Operating profit adjusted for non-recurring items.

Adjusted net profit

Net profit attributable to the shareholders of the parent company adjusted for non-recurring items.

Non-recurring items

Income and expenses that are not expected to appear on a regular basis. See The Group's development, pages 8-9.

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

CET1 ratio (Common Equity Tier 1 ratio)²⁾

Common Equity Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 13, pages 42-44.

Tier 1 ratio²⁾

Tier 1 capital in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 13, pages 42-44.

Total capital ratio²⁾

Total own funds in relation to total risk-weighted exposure amount. Refers to the consolidated situation. See note 13, pages 42-44.

Average number of full-time employees

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



Income statement Group

Group

	Note	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
		2022	2022	2021	2022	2021	2021
SEKm							
Interest income ¹⁾		853	782	676	2 376	1958	2 684
Interest expense ²⁾		-120	-101	-81	-317	-258	-361
Net interest income	5	733	681	595	2 060	1 700	2 323
Commission income		82	88	84	259	258	347
Commission expense		-11	-11	-15	-33	-42	-54
Net commission income		71	78	68	226	216	293
Net gains and losses on financial items		-3	-16	5	-30	14	18
Other income ³⁾		9	8	1	29	2	3
Total income		811	751	668	2 284	1 932	2 637
Personnel expenses ³⁾	6	-71	-82	-61	-229	-209	-284
Other expenses ³⁾	7	-98	-118	-108	-326	-333	-446
Depreciation/amortization and impairment of tangible and intangible assets ³⁾		-31	-7	-14	-46	-50	-60
Total expenses		-201	-207	-183	-601	-592	-790
Profit before credit losses		610	544	485	1 684	1 340	1 846
Credit losses, net	8	-237	-241	-231	-678	-681	-884
Operating profit		373	303	255	1 005	659	963
Appropriations		-	-	-	-	-	-6
Tax expense		-79	-64	-54	-211	-140	-204
Net profit for the period		295	239	201	795	519	753
<i>Portion of net profit for the period attributable to:</i>							
shareholders of Collector Bank AB		283	229	191	763	489	712
additional Tier 1 capital holders		11	10	10	31	30	40
Earnings per share, SEK⁴⁾							
before dilution		1,38	1,11	0,93	3,72	2,38	3,47
after dilution		1,38	1,11	0,93	3,72	2,38	3,47

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

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

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

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

Statement of comprehensive income Group

Group

	Note	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
		2022	2022	2021	2022	2021	2021
SEKm							
Net profit for the period reported via income statement		295	239	201	795	519	753
Items that have been or may be reclassified to the income statement							
Exchange rate differences on translation of foreign currency		1	0	0	1	0	0
Other comprehensive income for the period, net of tax		1	0	0	1	0	0
Total comprehensive income for the period		296	239	201	796	519	753
<i>Portion of total comprehensive income for the period attributable to:</i>							
shareholders of Collector Bank AB		284	229	191	764	489	712
additional Tier 1 capital holders		11	10	10	31	30	40

Balance sheet Group

Group

SEKm	Note	Sep 30	Dec 31	Sep 30
		2022	2021	2021
ASSETS				
Cash and balances with central banks		-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	14	145	137	85
Loans to credit institutions		3 315	5 228	3 297
Loans to the public	9, 10	41 514	36 214	35 624
Bonds and other interest-bearing securities	14	3 248	2 088	909
Shares and participating interests	14	525	396	278
Intangible assets		76	89	90
Tangible assets		118	0	0
Derivatives	14	25	-	-
Other assets		74	92	77
Prepaid expenses and accrued income		62	49	36
Total assets		49 102	44 294	40 396
LIABILITIES AND EQUITY				
Amounts owed to credit institutions		-	-	-
Deposits and borrowings from the public	11	37 567	31 351	30 368
Debt securities in issue	12	3 368	5 229	2 773
Derivatives	14	-	77	26
Other liabilities		642	452	379
Accrued expenses and prepaid income		789	769	658
Subordinated liabilities	12	-	500	500
Total liabilities		42 366	38 377	34 705
Equity attributable to additional Tier 1 capital holders		500	500	500
Equity attributable to the shareholders of Collector Bank AB		6 236	5 416	5 191
Total equity		6 736	5 916	5 691
Total liabilities and equity		49 102	44 294	40 396

Statement of changes in equity Group

Group

January - September 2022		Equity attributable to the shareholders of Collector Bank AB							
		SEKm	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instruments holders ¹⁾	Total equity
Opening balance 1 January 2022		149	5	-4	5 266	5 416	500	5 916	
Comprehensive income for the period									
Profit for the period					763	763	31	795	
Other comprehensive income for the period					1	1		1	
Total comprehensive income for the period					1	763	764	31	796
Transactions reported directly in equity									
Additional Tier 1 instruments redeemed							-31	-31	
Collector AB merger					55	55		55	
Total transactions reported directly in equity					55	55	-31	24	
Closing balance 30 September 2022		149	5	-3	6 085	6 236	500	6 736	

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

Group

January - December 2021		Equity attributable to the shareholders of Collector Bank AB							
		SEKm	Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instruments holders ¹⁾	Total equity
Opening balance 1 January 2021		149	5	-4	4 553	4 703	500	5 203	
Comprehensive income for the period									
Profit for the period					713	713	40	753	
Other comprehensive income for the period					0	0		0	
Total comprehensive income for the period					0	713	713	40	753
Transactions reported directly in equity									
Additional Tier 1 instruments redeemed							-40	-40	
Total transactions reported directly in equity							-40	-40	
Closing balance 31 December 2021		149	5	-4	5 266	5 416	500	5 916	

Statement of changes in equity

Group cont.

Group

		Equity attributable to the shareholders of Collector Bank AB						
SEKm		Share capital	Other contributed capital	Exchange differences, subsidiaries and associates	Retained earnings, incl. net profit for the period	Total	Additional Tier 1 instruments holders ¹⁾	Total equity
Opening balance 1 January 2021		149	5	-4	4 553	4 703	500	5 203
Comprehensive income for the period								
Profit for the period					489	489	30	519
Other comprehensive income for the period					0	0	-	-
Total comprehensive income for the period					0	489	30	519
Transactions reported directly in equity in equity								
Additional Tier 1 instruments redeemed							-30	-30
Total transactions reported directly in equity							-30	-30
Closing balance 30 September 2021		149	5	-4	5 041	5 191	500	5 691

Cash flow statement Group

Group

	Jan-Sep	Full year	Jan-Sep
SEKm	2022	2021	2021
Operating activities			
Operating profit	1 005	963	659
Adjustments for non-cash items in operating activities	828	732	610
Income taxes paid	-94	-69	-96
Increase/decrease in assets and liabilities from operating activities	-1 252	-5 137	-4 179
Cash flow from operating activities	487	-3 511	-3 006
Investing activities			
Divestment of subsidiaries	-	-4	-4
Acquisitions/disposals of tangible assets	0	0	0
Acquisitions/disposals of intangible assets	-28	-35	-25
Cash flow from investing activities	-28	-39	-29
Financing activities			
Decrease of liabilities	-22	-	-
Additional Tier 1 instruments	-31	-40	-31
Redemption of interest-bearing securities	-4 334	-505	-270
Issuance of interest-bearing securities	1 969	5 511	2 824
Group contributions paid/received	-	-11	-
Cash flow from financing activities	-2 418	4 955	2 523
Cash and cash equivalents at the start of the period	5 228	3 793	3 793
Cash flow for the period	-1 959	1 405	-512
Exchange rate differences in cash and cash equivalents	46	30	16
Cash and cash equivalents at the end of the period	3 315	5 228	3 297
Paid and received interest of which is included in the cash flow from operating activities			
Interest paid	294	361	220
Interest received	2 382	2 684	1 956

Income statement Parent Company

Collector Bank AB

SEKm	Note	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
		2022	2022	2021	2022	2021	2021
Interest income ¹⁾		853	782	676	2 376	1958	2 684
Interest expense ²⁾		-120	-101	-82	-317	-261	-364
Net interest income	5	733	681	594	2 060	1 696	2 319
Commission income		82	88	84	259	258	347
Commission expense		-11	-11	-15	-33	-42	-55
Net commission income		71	78	68	226	216	292
Net gains and losses on financial items		-3	-16	5	-30	14	18
Other income		9	10	1	30	3	96
Total income		811	752	667	2 285	1 928	2 726
Personnel expenses	6	-71	-82	-61	-229	-209	-284
Other expenses	7	-98	-118	-108	-326	-332	-445
Depreciation/amortization and impairment of tangible and intangible assets		-31	-7	-13	-46	-47	-55
Total expenses		-201	-207	-182	-601	-587	-785
Profit before credit losses		610	545	486	1 685	1 341	1 941
Credit losses, net	8	-237	-241	-231	-678	-681	-884
Operating profit		373	304	255	1 007	660	1 057
Appropriations		-	-	-	-	-	-252
Tax expense		-79	-64	-54	-211	-139	-153
Net profit for the period		295	240	201	796	521	653
<i>Portion of net profit for the period attributable to:</i>							
shareholders of Collector AB		283	230	191	764	490	613
additional Tier 1 capital holders		11	10	10	31	31	40

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

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

Statement of comprehensive income

Parent Company

Collector Bank AB

SEKm	Note	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
		2022	2022	2021	2022	2021	2021
Net profit for the period reported via income statement		295	240	201	796	521	653
Items that have been or may be reclassified to the income statement							
Exchange rate differences on translation of foreign currency		1	0	0	1	0	1
Other comprehensive income for the period, net of tax		1	0	0	1	0	1
Total comprehensive income for the period		296	240	201	797	521	654
<i>Portion of total comprehensive income for the period attributable to:</i>							
shareholders of Collector AB		284	230	191	765	490	614
additional Tier 1 capital holders		11	10	10	31	31	40

Balance sheet Parent Company

Collector Bank AB

SEKm	Note	Sep 30	Dec 31	Sep 30
		2022	2021	2021
ASSETS				
Cash and balances with central banks		-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	14	145	137	85
Loans to credit institutions		3 315	5 214	3 209
Loans to the public	9, 10	41 514	36 214	35 624
Bonds and other interest-bearing securities	14	3 248	2 088	909
Shares and participating interests	14	525	396	278
Shares and participating interests in group entities		0	13	225
Intangible assets		76	71	70
Tangible assets		118	0	0
Derivatives	14	25	-	-
Other assets		74	92	78
Prepaid expenses and accrued income		62	49	36
Total assets		49 102	44 274	40 514
LIABILITIES AND EQUITY				
Amounts owed to credit institutions		-	-	-
Deposits and borrowings from the public	11	37 567	31 351	30 368
Debt securities in issue	12	3 368	5 229	2 773
Derivatives	14	-	77	26
Other liabilities		480	290	500
Accrued expenses and prepaid income		789	769	658
Subordinated liabilities	12	-	500	500
Total liabilities		42 204	38 215	34 826
Tax allocation reserve		755	755	509
Total liabilities		755	755	509
Equity attributable to additional Tier 1 capital holders		500	500	500
Equity attributable to the shareholders of Collector Bank AB		5 643	4 804	4 679
Total equity		6 143	5 304	5 179
Total liabilities and equity		49 102	44 274	40 514

Statement of changes in equity

Parent Company

Collector Bank AB

SEKm	January - September 2022	Restricted equity			Unrestricted equity		
		Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2022	149	5	71	500	4 579	5 304	
Transfer of development expenses				5		-5	-
Cost additional Tier 1 instruments						-31	31
Profit for the period						796	796
Other comprehensive income for the period		0					0
Collector AB merger						74	74
Closing balance 30 September 2022	149	5	76	500	5 412	6 143	

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

Collector Bank AB

SEKm	January - December 2021	Restricted equity			Unrestricted equity		
		Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2021	149	4	90	500	3 946	4 689	
Transfer of development expenses				-19		19	-
Cost additional Tier 1 instruments						-40	-40
Profit for the period						653	653
Other comprehensive income for the period		1					1
Closing balance 31 December 2021	149	5	71	500	4 579	5 304	

Collector Bank AB

SEKm	January - September 2021	Restricted equity			Unrestricted equity		
		Share capital	Statutory reserve	Development expenditure fund	Additional Tier 1 instruments ¹⁾	Retained earnings, incl. net profit for the period	Total equity
Opening balance 1 January 2021	149	4	90	500	3 946	4 689	
Transfer of development expenses				-20		20	-
Cost additional Tier 1 instruments						-31	-31
Profit for the period						521	521
Other comprehensive income for the period		0					0
Closing balance 30 September 2021	149	4	70	500	4 456	5 179	

Cash flow statement Parent Company

Collector Bank AB

	Jan-Sep	Full year	Jan-Sep
SEKm	2022	2021	2021
Operating activities			
Operating profit	1 007	1 057	660
Adjustments for non-cash items in operating activities	826	635	606
Income taxes paid	-94	-67	-95
Increase/decrease in assets and liabilities from operating activities	-1 237	-5 055	-4 160
Cash flow from operating activities	502	-3 430	-2 989
Investing activities			
Divestment of subsidiaries	-	73	-
Acquisitions/disposals of tangible assets	0	0	0
Acquisitions/disposals of intangible assets	-28	-35	-25
Cash flow from investing activities	-28	38	-25
Financing activities			
Decrease of liabilities	-22	-	-
Additional Tier 1 instruments	-31	-40	-31
Redemption of interest-bearing securities	-4 334	-505	-270
Issuance of interest-bearing securities	1 969	5 511	2 824
Group contributions paid/received	-	-74	-
Cash flow from financing activities	-2 418	4 892	2 523
Cash and cash equivalents at the start of the period	5 214	3 686	3 686
Cash flow for the period	-1 944	1 500	-491
Exchange rate differences in cash and cash equivalents	45	28	14
Cash and cash equivalents at the end of the period	3 315	5 214	3 209

Notes

The stated amounts in the notes are in millions of SEK (SEKm) and at book value unless otherwise stated. The interim report on pages 2-20 constitute an integrated part of this financial report.

Note 1. General information

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

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

Note 2. Accounting policies

ACCOUNTING POLICIES

The interim report is prepared in accordance with IAS 34, and the Swedish Financial Supervisory Authority's Regulations and General Guidelines on the Annual Accounts for Credit Institutions and Securities Companies (FFFS 2008:25, Chapter 7, Sections 2-3 and Chapter 8), the Annual Accounts Act for Credit Institutions and Securities Companies (Chapter 7, Sections 7-8 ÅRKL).

The parent company has prepared its accounts in accordance with Swedish Annual Act for Credit Institutions and Securities Companies, the Swedish Financial Supervisory Authority's Regulations and General Guidelines (FFFS 2008:25) on Annual Reports in Credit Institutions and Securities

Companies and the Supplementary Accounting Rules for Legal Entities (RFR 2) issued by the Swedish Financial Reporting Board.

Accounting principles, methods of calculation and presentation are essentially unchanged compared with those applied in the 2021 Annual Report.

CHANGES IN IFRS

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

Note 3. Change in Group structure

MERGER OF COLLECTOR AB OCH COLLECTOR BANK AB

The merger between Collector AB, org.nr. 556560-0797 and Collector Bank AB org.nr. 556597-0513, with Collector Bank AB as the surviving company, was completed on 15 August 2022. On the same date the shares of Collector Bank AB were listed on the Nasdaq Stockholm exchange and the company Collector AB was dissolved. After the completion of the

merger, the Group, with Collector Bank AB as the parent company, prepares only one consolidated financial statement. Comparative figures for the Group in this report correspond with previously reported figures for the Collector Bank Group.

Assets and liabilities merged into Collector Bank AB are measured at consolidated values. Further information see Note 16.

Note 4. Operating segments

Group

SEKm	Q3 2022					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
Net interest income	181	271	199	53	29	733
Net commission income	2	-	14	55	0	71
Net gains and losses on financial items	4	2	0	0	-8	-3
Other income	0	0	0	9	0	9
Total income	187	273	213	117	21	811
Net interest margin (NIM)	7,0%	6,4%	7,4%	8,8%	-	7,1%
Total income margin	7,2%	6,4%	8,0%	19,5%	-	7,9%
Loans to the public	10 743	17 122	10 602	2 359	688	41 514

¹⁾ Including eliminations.

Group

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

Group

SEKm	Q3 2021					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
Net interest income	125	199	199	56	15	595
Net commission income	2	-	14	52	0	68
Net gains and losses on financial items	5	2	0	0	-3	5
Other income	0	0	0	0	0	1
Total income	132	201	214	109	13	668
Net interest margin (NIM)	6,3%	6,4%	6,9%	9,6%	-	6,8%
Total income margin	6,6%	6,5%	7,4%	18,6%	-	7,6%
Loans to the public	8 319	12 476	11 605	2 338	886	35 624

Note 4. Operating segments, cont.

Group

SEKm	Jan-Sep 2022					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
Net interest income	479	724	630	166	62	2 060
Net commission income	7	0	45	174	0	226
Net gains and losses on financial items	9	14	-2	-2	-50	-30
Other income	0	0	0	28	1	29
Total income	496	738	672	365	14	2 284
Net interest margin (NIM)	6,8%	6,3%	7,6%	9,2%	-	7,1%
Total income margin	7,1%	6,4%	8,2%	20,2%	-	7,8%
Loans to the public	10 743	17 122	10 602	2 359	688	41 514

¹⁾ Including eliminations.

Group

SEKm	Jan-Sep 2021					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
Net interest income	346	544	599	163	48	1 700
Net commission income	6	-	43	166	0	216
Net gains and losses on financial items	14	6	-2	-1	-4	14
Other income	1	1	0	1	0	2
Total income	367	551	641	330	43	1 932
Net interest margin (NIM)	6,2%	6,3%	6,9%	9,5%	-	6,7%
Total income margin	6,6%	6,4%	7,4%	19,3%	-	7,6%
Loans to the public	8 319	12 476	11 605	2 338	886	35 624

Group

SEKm	Full year 2021					
	Corporate	Real estate	Consumer	Payments	Other ¹⁾	Group
Net interest income	482	762	800	217	62	2 323
Net commission income	8	-	58	227	0	293
Net gains and losses on financial items	17	10	-2	0	-7	18
Other income	1	1	0	1	0	3
Total income	508	773	856	445	55	2 637
Net interest margin (NIM)	6,6%	6,3%	7,0%	9,3%	-	6,8%
Total income margin	7,0%	6,4%	7,5%	19,0%	-	7,7%
Loans to the public	7 981	13 557	11 372	2 457	847	36 214

Note 5. Net interest income

Group

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
	2022	2022	2021	2022	2021	2021
SEKm						
Loans to the public ¹⁾	840	775	672	2 350	1949	2 673
Interest-bearing securities	11	7	3	24	9	11
Loans to credit institutions	2	0	0	2	0	0
Total interest income	853	782	676	2 376	1 958	2 684
Deposits and borrowings from the public	-101	-77	-71	-255	-234	-322
Subordinated liabilities	-	-5	-6	-11	-17	-23
Debt securities in issue	-19	-18	-3	-50	-4	-14
Amounts owed to credit institutions	0	-	-1	0	-2	-2
Total interest expense	-120	-101	-81	-317	-258	-361
Net interest income	733	681	595	2 060	1 700	2 323

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

Collector Bank AB

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
	2022	2022	2021	2022	2021	2021
SEKm						
Loans to the public ¹⁾	840	775	672	2 350	1949	2 673
Interest-bearing securities	11	7	3	24	9	11
Loans to credit institutions	2	0	0	2	0	0
Total interest income	853	782	676	2 376	1 958	2 684
Deposits and borrowings from the public	-101	-77	-71	-255	-234	-322
Subordinated liabilities	-	-5	-6	-11	-17	-23
Debt securities in issue	-19	-18	-3	-50	-4	-14
Amounts owed to credit institutions	0	0	-1	0	-5	-6
Total interest expense	-120	-101	-82	-317	-261	-364
Net interest income	733	681	594	2 060	1 696	2 319

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

Note 6. Personnel expenses

Group

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
SEKm	2022	2022	2021	2022	2021	2021
Salaries and other remuneration	-46	-56	-40	-155	-144	-195
Pension costs	-7	-7	-6	-20	-17	-23
Social security costs	-15	-18	-13	-49	-45	-62
Other staff related costs	-2	-1	-2	-5	-2	-4
Total personnel expenses	-71	-82	-61	-229	-209	-284

Collector Bank AB

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
SEKm	2022	2022	2021	2022	2021	2021
Salaries and other remuneration	-46	-56	-40	-155	-144	-194
Pension costs	-7	-7	-6	-20	-17	-23
Social security costs	-15	-18	-13	-49	-45	-62
Other staff related costs	-2	-1	-2	-5	-2	-4
Total personnel expenses	-71	-82	-61	-229	-209	-284

Note 7. Other expenses

Group

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
SEKm	2022	2022	2021	2022	2021	2021
Consultancy expenses	-45	-36	-36	-115	-120	-156
IT expenses	-35	-9	-7	-54	-20	-29
Other purchased services	-26	-25	-22	-71	-62	-84
Postage expenses	-8	-8	-8	-24	-25	-33
Other operating expenses	15	-40	-35	-61	-106	-143
Total other expenses	-98	-118	-108	-326	-333	-446

Collector Bank AB

	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
SEKm	2022	2022	2021	2022	2021	2021
Consultancy expenses	-45	-36	-36	-115	-120	-156
IT expenses	-35	-9	-7	-54	-20	-29
Other purchased services	-26	-25	-22	-71	-62	-84
Postage expenses	-8	-8	-8	-24	-25	-33
Other operating expenses	15	-40	-35	-61	-105	-142
Total other expenses	-98	-118	-108	-326	-332	-445

Note 8. Credit losses, net

Group and Collector AB

SEKm	Q3	Q2	Q3	Jan-Sep	Jan-Sep	Full year
	2022	2022	2021	2022	2021	2021
Loans at amortized cost						
Credit impairment provisions - Stage 1	-5	-3	-52	4	-69	-103
Credit impairment provisions - Stage 2	14	-27	-25	-55	-178	-18
Credit impairment provisions - Stage 3	-195	-128	-104	-398	-299	-585
Total	-185	-158	-182	-449	-546	-706
Portfolio revaluation - POCI	0	-51	-1	-51	-2	-2
Impairment gains and losses - POCI						
Write-offs	-52	-33	-48	-179	-133	-176
Recoveries	-	-	-	-	-	-
Total	-52	-33	-48	-179	-133	-176
Total credit impairment	-237	-241	-231	-678	-681	-884

Note 9. Loans to the public

Group and Collector AB

SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
PRIVATE CUSTOMERS ³⁾			
Total gross carrying amount	17 021	17 694	17 702
of which Stage 1	9 980	10 903	10 973
of which Stage 2	512	566	580
of which Stage 3	5 889	5 456	5 353
of which Stage 3 - POCI ¹⁾	639	770	795
Total credit impairment provisions	-3 396	-3 051	-2 906
of which Stage 1	-227	-210	-215
of which Stage 2	-126	-129	-115
of which Stage 3	-3 044	-2 711	-2 577
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, private customers	13 624	14 644	14 795
Private customers			
Provision ratio for loans Stage 1	2,3%	1,9%	2,0%
Provision ratio for loans Stage 2	24,6%	22,7%	19,7%
Provision ratio for loans Stage 3	51,7%	49,7%	48,1%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio, private customers ²⁾	20,7%	18,0%	17,2%

Note 9. Loans to the public, cont.

Group and Collector AB

	Sep 30	Dec 31	Sep 30
SEKm	2022	2021	2021
CORPORATE CUSTOMERS ⁴⁾			
Total gross carrying amount	28 729	22 259	21 487
of which Stage 1	24 783	20 218	18 722
of which Stage 2	2 521	1 500	2 387
of which Stage 3	1 424	541	379
Total credit impairment provisions	-839	-689	-658
of which Stage 1	-126	-144	-105
of which Stage 2	-142	-78	-251
of which Stage 3	-571	-466	-302
Total carrying amount, corporate customers	27 890	21 570	20 830
Corporate customers			
Provision ratio for loans Stage 1	0,5%	0,7%	0,6%
Provision ratio for loans Stage 2	5,6%	5,2%	10,5%
Provision ratio for loans Stage 3	40,1%	86,1%	79,8%
Total provision ratio, corporate customers	2,9%	3,1%	3,1%
TOTAL			
Total gross carrying amount	45 750	39 953	39 189
of which Stage 1	34 763	31 121	29 695
of which Stage 2	3 034	2 066	2 967
of which Stage 3	7 314	5 997	5 732
of which Stage 3 - POCI ¹⁾	639	770	795
Total credit impairment provisions	-4 236	-3 739	-3 564
of which Stage 1	-353	-354	-320
of which Stage 2	-268	-207	-365
of which Stage 3	-3 615	-3 178	-2 879
of which Stage 3 - POCI ¹⁾	-	-	-
Total carrying amount, Total	41 514	36 214	35 624
Stage 3 loans / Total loans, gross, % ²⁾	16,2%	15,3%	14,9%
Stage 3 loans / Total loans, net, % ²⁾	9,0%	8,0%	8,2%
Total			
Provision ratio for loans Stage 1	1,0%	1,1%	1,1%
Provision ratio for loans Stage 2	8,8%	10,0%	12,3%
Provision ratio for loans Stage 3	49,4%	53,0%	50,2%
Provision ratio for loans Stage 3 - POCI ¹⁾	0,0%	0,0%	0,0%
Total provision ratio ²⁾	9,4%	9,5%	9,3%

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

²⁾ Excluding purchased credit-impaired assets.

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

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

Note 10. Reconciliation of credit losses provisions for loans

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

Group and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2022	354	207	3 178	3 739
New and derecognized financial assets, net	41	-63	257	236
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-45	117	141	213
Other adjustments ¹⁾	3	7	39	48
Closing balance 30 September 2022	353	268	3 615	4 236

Group and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2021	249	187	2 548	2 984
New and derecognized financial assets, net	281	-299	-156	-174
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-178	317	741	880
Other adjustments ¹⁾	2	2	45	49
Closing balance 31 December 2021	354	207	3 178	3 739

Group and Collector Bank AB

SEKm	Stage 1	Stage 2	Stage 3	Total
Opening balance 1 January 2021	249	187	2 548	2 984
New and derecognized financial assets, net	232	-394	-129	-291
Changes due to changed credit judgement	-	-	-	-
Changes due to change in credit risk	-163	572	428	837
Other adjustments ¹⁾	2	0	32	34
Closing balance 30 September 2021	320	365	2 879	3 564

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

Note 11. Deposits and borrowings from the public

Group and Collector Bank AB

	Sep 30	Dec 31	Sep 30
	2022	2021	2021
SEKm			
EUR	14 101	7 517	6 111
SEK	23 069	23 812	24 236
NOK	397	22	21
Total	37 567	31 351	30 368

Note 12. Debt securities in issue and subordinated liabilities

DEBT SECURITIES IN ISSUE

Group and Collector Bank AB

SEKm	ISIN	Sep 30		Dec 31		Sep 30	
		2022		2021		2021	
		Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
COLLB 3, FRN 21/23 ¹⁾	SE0013104577	550	550	549	550	549	500
COLLB 4, FRN 21/23 ²⁾	SE0013360427	1 000	1 000	1 000	1 000	499	500
COLLB 5, FRN 21/24 ³⁾	SE0015811112	750	750	650	650	-	-
COLLB 7, FRN 22/25 ⁴⁾	SE0013105137	300	300	-	-	-	-
COBK01, FRN 21/23 ⁵⁾	NO0011152449	669	669	667	667	-	-
Commercial papers		100	100	2 364	2 367	1 725	1 728
Total		3 368	3 369	5 229	5 234	2 773	2 778

¹⁾ Issued under Collector Bank's MTN programme, with a total frame of SEK 5 billion, with a coupon of 3m STIBOR +1.35%.

²⁾ Issued under Collector Bank's MTN programme, with a total frame of SEK 5 billion, with a coupon of 3m STIBOR +1.20%.

³⁾ Issued under Collector Bank's MTN programme, with a total frame of SEK 5 billion, with a coupon of 3m STIBOR +1.27%.

⁴⁾ Issued under Collector Bank's MTN programme, with a total frame of SEK 15 billion, with a coupon of 3m STIBOR +2.40%.

⁵⁾ Issued under Collector Bank's MTN programme, with a total frame of SEK 5 billion, with a coupon of 3m NIBOR +1.20%.

SUBORDINATED LIABILITIES

Group and Collector Bank AB

SEKm	ISIN	Sep 30		Dec 31		Sep 30	
		2022		2021		2021	
		Carrying amount	Nominal amount	Carrying amount	Nominal amount	Carrying amount	Nominal amount
COLLB 2, MTN1, 17/27	SE0010101402	-	-	500	500	500	500
Total		-	-	500	500	500	500

Note 13. Capital adequacy

Collector Bank AB

SEKm	Sep 30	
	2022	Percentage of risk exposure amount
Common Equity Tier 1 capital requirement (Pillar 1)	2 051	4,5%
Other Common Equity Tier 1 capital requirement (Pillar 2)	256	0,6%
Buffer requirements	1 494	3,3%
Total Common Equity Tier 1 (CET1) capital requirement	3 801	8,3%
Common Equity Tier 1 (CET1) capital	6 164	13,5%
Tier 1 capital requirement (Pillar 1)	2 735	6,0%
Other tier 1 capital requirement (Pillar 2)	341	0,7%
Buffer requirements	1 494	3,3%
Total Tier 1 capital requirement	4 570	10,0%
Tier 1 capital	6 664	14,6%
Capital requirements (Pillar 1)	3 647	8,0%
Other capital requirement (Pillar 2)	455	1,0%
Buffer requirements	1 494	3,3%
Total capital requirement	5 596	12,3%
Own funds	6 664	14,6%
Sep 30		
2022 2021 2021		
OWN FUNDS, SEKm	2022	2021
Capital instruments and the related share premium accounts: Equity	149	149
Retained earnings	5 291	4 601
Non-controlling interests	-	-
Net profit for the period after deductions related to the consolidated situation and other foreseeable charges	796	653
Common Equity Tier 1 capital before regulatory adjustments	6 236	5 403
Deduction:		
Additional value adjustments	-36	-8
Intangible assets	-76	-71
Deferred tax assets	-3	-2
Significant investments in the financial sector	-	-
Application of the transitional rules IFRS9	43	86
Total regulatory adjustments to Common Equity Tier 1	-71	6
Common Equity Tier 1 (CET1) capital	6 164	5 409
Perpetual subordinated loan	500	500
Additional Tier 1 instruments	500	500
Tier 1 capital	6 664	5 909
Supplementary capital	-	500
Tier 2 capital	-	500
Total own funds	6 664	6 409
		6 093

Note 13. Capital adequacy, cont.

RISK EXPOSURE AMOUNT, SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
Credit risks, using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	757	1 067	672
Funds units exposures	681	543	535
Corporate exposures	25 583	19 523	18 941
Retail exposures	8 154	8 816	8 917
Exposures with mortgage in residential property	17	24	27
Exposures in default	4 903	3 940	3 976
Items associated with particularly high risk	564	537	522
Exposures in the form of covered bonds	185	123	30
Equity exposures	-	-	-
Other exposures	300	222	749
Total	41 143	34 795	34 369
Risk exposure amount credit valuation adjustment risk (CVA)	28	22	30
Risk exposure amount market risk	53	15	168
Risk exposure amount operational risk	4 358	4 178	3 506
Total risk exposure amount	45 582	39 011	38 073
CAPITAL REQUIREMENTS, SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
Capital requirement for credit risk using the standardized approach			
Central government or central banks exposures	-	-	-
Municipalities and other associations	-	-	-
Institutional exposures	61	85	54
Funds units exposures	54	43	43
Corporate exposures	2 047	1 562	1 515
Retail exposures	652	705	713
Exposures with mortgage in residential property	1	2	2
Exposures in default	392	315	318
Items associated with particularly high risk	45	43	42
Exposures in the form of covered bonds	15	10	2
Equity exposures	-	-	-
Other exposures	24	18	60
Total capital requirement for credit risk	3 291	2 784	2 750
Risk exposure amount credit valuation adjustment risk (CVA)	2	2	2
Risk exposure amount market risk	4	1	13
Risk exposure amount operational risk	349	334	281
Total Pillar 1 capital requirement	3 647	3 121	3 046
Concentration risk	268	235	249
Interest rate risk for the banking book	187	189	131
Total Pillar 2 capital requirement	455	424	379
Capital buffers			
Capital conservation buffer	1 140	975	952
Countercyclical capital buffer	355	45	44
Total capital requirement - Capital buffers	1 494	1 021	996
Total capital requirement	5 596	4 565	4 421

Note 13. Capital adequacy, cont.

CAPITAL REQUIREMENT	Sep 30	Dec 31	Sep 30
	2022	2021	2021
Capital ratios and capital buffers			
CET1 ratio	13,5%	13,9%	13,4%
Tier 1 ratio	14,6%	15,1%	14,7%
Total capital ratio	14,6%	16,4%	16,0%
Institution specific buffer requirement	3,3%	2,6%	2,6%
of which capital conservation buffer	2,5%	2,5%	2,5%
of which countercyclical capital buffer	0,8%	0,1%	0,1%
CET1 available to meet buffers	6,6%	8,4%	8,0%

A review has been carried out of the earnings for January - September 2022, which allows net profit for the period to be included in own funds.

Note 14. Financial instruments at fair value

The table below contains financial instruments measured at fair value by valuation level. To determine the fair value for financial instruments various methods are used, depending on the degree of observable market data in the valuation and activity in the market. The objective of the fair value measurement is to arrive at the price at which an orderly transaction would take place between market participants at the measurement date under current market conditions.

THE METHODS ARE DIVIDED INTO THREE DIFFERENT LEVELS:

Level 1: Quoted market values

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

Level 2: Valuation techniques based on observable inputs

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

Level: 3 Valuation techniques with significant unobservable inputs

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

Significant transfers and reclassifications between levels

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

The following table shows the Group's financial assets and liabilities as of 30 September 2022 measured at fair value.

30 Sep 2022	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	25	-	25
Treasury bills and other bills eligible for refinancing with central banks, etc.	55	-	-	55
Bonds and other interest-bearing securities	3 107	-	-	3 107
Shares and participating interests	-	5	520	525
Total financial assets	3 161	30	520	3 711
LIABILITIES				
Derivative instruments	-	-	-	-
Total financial liabilities	-	-	-	-

Note 14. Financial instruments at fair value, cont.

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

31 Dec 2021	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	137	-	-	137
Bonds and other interest-bearing securities	2 088	-	-	2 088
Shares and participating interests	-	-	396	396
Total financial assets	2 225	-	396	2 621
LIABILITIES				
Derivative instruments	-	77	-	77
Total financial liabilities	-	77	-	77

The following table shows the Group's financial assets and liabilities as of 30 September 2021 measured at fair value.

30 Sep 2021	Level 1	Level 2	Level 3	Total
ASSETS				
Derivative instruments	-	-	-	-
Treasury bills and other bills eligible for refinancing with central banks, etc.	85	-	-	85
Bonds and other interest-bearing securities	909	-	-	909
Shares and participating interests	-	-	278	278
Total financial assets	994	-	278	1 272
LIABILITIES				
Derivative instruments	-	26	-	26
Total financial liabilities	-	26	-	26

SEKm	Changes in level 3		
	Group and Collector Bank AB		Sep 30
	2022	2021	Sep 30
Assets	Assets	Assets	
Equity instruments	Equity instruments	Equity instruments	
Opening balance for the period	396	-	-
Acquisition	100	369	259
Divestment	-	-	-
Changes in unrealised gains or losses for items held at closing day	24	27	18
Closing balance for the period	520	396	278

Financial instruments in Level 3 refer to investments in unlisted companies and funds. Collector Bank uses different measurement techniques depending on available data. The investment portfolio is measured quarterly in accordance with IPEV guidelines and primarily following an external measurement where a transaction in the company has been made in the past 12 months with at least one external party. If such

measurement is not possible, or if there are objective reasons to do so, as a secondary option, an internal measurement is made based on assumed discounted cash flow.

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

Note 15. Related parties

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

Note 16. Assigned net assets

In order to further simplify the legal structure, a merger has been carried out during the period. The merger implies that the subsidiary Collector Bank AB takes over all assets and liabilities in Collector AB through absorption. The merger was completed on 15 August 2022. The merger consideration consists of shares in Collector Bank AB.

Company	Reg.no.	Merger date
Collector AB	556560-0797	2022-08-15

Balance sheet as per 15 August 2022

SEKm	Collector AB
Shares and participating interests in group entities	2 448
Other assets	71
Total assets	2 520
.....
Restricted equity	39
Unrestricted equity	2 464
Total equity	2 503
.....
Other liabilities	79
Total liabilities	79

Acquisition analysis as per 15 August 2022

SEKm	
Merger consideration	2 448
Total equity	-2 503
Merger difference	55
Total	0
.....
Other assets	71
Other liabilities	-79
Total assigned net assets as per merger date	-7

Note 17. Pledged assets, contingent liabilities and commitments

PLEDGED ASSETS

Group and Collector Bank AB

SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
For own liabilities and provisions	None	None	400
Total	None	None	400

CONTINGENT LIABILITIES

Group and Collector Bank AB

SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
Contingent liabilities	None	None	None
Total	None	None	None

COMMITMENTS

Group and Collector Bank AB

SEKm	Sep 30	Dec 31	Sep 30
	2022	2021	2021
Unutilized credit limits	6 315	5 671	4 687
Other commitments	155	147	257
Total	6 470	5 818	4 944

Note 18. After the end of the period

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

Assurance by the Board of Directors and the CEO

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

Gothenburg, October 21, 2022

BOARD OF DIRECTORS & CEO

Erik Selin

Chairman of the Board

Christoffer Lundström

Board member

Charlotte Hybinette

Board member

Ulf Croona

Board member

Marie Osberg

Board member

Bengt Edholm

Board member

Martin Nossman

CEO

REVIEW REPORT

To the Board of Directors in Collector Bank AB (publ), corporate identity number 556597-0513

Introduction

We have reviewed the condensed interim report for Collector Bank AB as of September 30, 2022, and for the nine months period then ended. The Board of Directors and the CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institution and Securities Companies.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act for Credit Institution and Securities Companies.

Stockholm, October 21, 2022

Ernst & Young AB

Daniel Eriksson
Authorized Public Accountant

Forthcoming corporate events

Year-end report 2022	8 February 2023
Annual report 2022	31 March 2023
Interim report January-March 2023	25 April 2023
Annual General Meeting 2023	4 May 2023
Interim report January-June 2023	13 July 2023
Interim report January-September 2023	20 October 2023

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This is information that Collector Bank AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on October 21, 2022 at 7.30 a.m. CEST.

