

Q1 REPORT 2020

# Safe Deposit Holding ASA

sdbn

Safe  
Deposit  
Bank  
of Norway



# Income Statement

Safe Deposit Holding ASA

| NOK             | Parent         |                |  | Notes        | Group             |                   |                    |
|-----------------|----------------|----------------|--|--------------|-------------------|-------------------|--------------------|
|                 | 2019           | 1Q2019         | 1Q2020   |              | 1Q2020            | 1Q2019            | 2019               |
| 777             | 0              | 0              | Interest income (amortised cost)                   |              | 105 109           | 65 626            | 373 103            |
| 0               | 0              | 0              | Interest expenses (amortised cost)                 |              | 33 063            | 18                | 161 435            |
| <b>777</b>      | <b>0</b>       | <b>0</b>       | <b>Net interest income</b>                         |              | <b>72 046</b>     | <b>65 609</b>     | <b>211 667</b>     |
| 0               | 0              | 0              | Commission income                                  |              | 266 194           | 265 026           | 265 028            |
| 0               | 0              | 0              | Commission expenses                                |              | 222 758           | 218 548           | 522 334            |
| <b>0</b>        | <b>0</b>       | <b>0</b>       | <b>Net fee and commission income</b>               |              | <b>43 436</b>     | <b>46 478</b>     | <b>-257 306</b>    |
| <b>0</b>        | <b>0</b>       | <b>0</b>       | <b>Change in value of financial investments</b>    |              | <b>0</b>          | <b>0</b>          | <b>0</b>           |
| <b>777</b>      | <b>0</b>       | <b>0</b>       | <b>Total income</b>                                |              | <b>115 482</b>    | <b>112 086</b>    | <b>-45 638</b>     |
| 358 144         | 0              | 7 910          | Employee Remuneration                              |              | 1 283 412         | 1 080 055         | 5 535 530          |
| 276 042         | 74 901         | 34 247         | Other operating expenses                           |              | 1 753 359         | 1 837 583         | 7 556 612          |
| <b>634 186</b>  | <b>74 901</b>  | <b>42 157</b>  | <b>Total operating expenses</b>                    |              | <b>3 036 770</b>  | <b>2 917 638</b>  | <b>13 092 141</b>  |
| <b>-633 409</b> | <b>-74 901</b> | <b>-42 157</b> | <b>Profit before impairment on loans and taxes</b> |              | <b>-2 921 288</b> | <b>-2 805 552</b> | <b>-13 137 780</b> |
| <b>-633 409</b> | <b>-74 901</b> | <b>-42 157</b> | <b>Profit before income tax</b>                    |              | <b>-2 921 288</b> | <b>-2 805 552</b> | <b>-13 137 780</b> |
| 0               | 0              | 0              | Income tax   |              | 0                 | 0                 | 0                  |
| <b>-633 409</b> | <b>-74 901</b> | <b>-42 157</b> | <b>Profit for the period</b>                       | <b>1,2,4</b> | <b>-2 921 288</b> | <b>-2 805 552</b> | <b>-13 137 780</b> |

2



Safe  
Deposit  
Bank  
of Norway



# Other Comprehensive Income

Safe Deposit Holding ASA

| NOK             | Parent         |                |   |                   | Group             |                    |      |
|-----------------|----------------|----------------|---|-------------------|-------------------|--------------------|------|
|                 | 2019           | 1Q2019         | 1Q2020  |                   | 1Q2020            | 1Q2019             | 2019 |
| -633 409        | -74 901        | -42 157        | Profit for the period                                     | -2 921 288        | -2 805 552        | -13 137 780        |      |
|                 |                |                | <b>Items that will not be reclassified to profit/loss</b> |                   |                   |                    |      |
| 0               | 0              | 0              | Total   | 0                 | 0                 | 0                  |      |
|                 |                |                | <b>Items that will be reclassified to profit/loss</b>     |                   |                   |                    |      |
| 0               | 0              | 0              | Total   | 0                 | 0                 | 0                  |      |
| <b>-633 409</b> | <b>-74 901</b> | <b>-42 157</b> | <b>Total comprehensive income</b>                         | <b>-2 921 288</b> | <b>-2 805 552</b> | <b>-13 137 780</b> |      |



# Balance Sheet

Safe Deposit Holding ASA

| NOK                | Parent             |                    | Notes   | Group             |                   |                   |
|--------------------|--------------------|--------------------|---|-------------------|-------------------|-------------------|
|                    | 31.12.2019         | 31.03.2019         |   | 31.03.2020        | 31.03.2020        | 31.03.2019        |
|                    |                    |                    |   |                   |                   |                   |
|                    |                    |                    | <b>ASSETS</b>                                     |                   |                   |                   |
| 0                  | 0                  | 0                  | Cash and balances with central banks              | 28 141 529        | 36 932 754        | 27 813 764        |
| 1 025 317          | 1 568 179          | 1 001 310          | Loans to and receivables from credit institutions | 15 816 008        | 2 191 220         | 23 268 414        |
| 0                  | 0                  | 0                  | Loans to and receivables from group company       | 0                 | 0                 | 0                 |
| 120 500 000        | 99 100 000         | 120 500 000        | Investment in group company                       | 0                 | 0                 | 0                 |
| 0                  | 0                  | 0                  | Property, plant and equipment                     | 2 466 904         | 17 243            | 2 602 605         |
| 0                  | 0                  | 0                  | Intangible assets                                 | 7 046 167         | 4 266 712         | 4 304 899         |
| 60 000             | 37 500             | 37 500             | Other assets                                      | 1 361 315         | 37 500            | 60 000            |
| <b>121 585 317</b> | <b>100 705 679</b> | <b>121 538 810</b> | <b>Total assets</b>                               | <b>54 831 922</b> | <b>43 445 429</b> | <b>58 049 682</b> |
|                    |                    |                    |   |                   |                   |                   |
|                    |                    |                    | <b>LIABILITIES AND EQUITY</b>                     |                   |                   |                   |
| 0                  | 0                  | 0                  | Deposits from and debts to Clients                | 0                 | 0                 | 0                 |
| 239 213            | 266 968            | 234 864            | Other liabilities                                 | 3 891 484         | 717 374           | 4 187 955         |
| <b>239 213</b>     | <b>266 968</b>     | <b>234 864</b>     | <b>Total liabilities</b>                          | <b>3 891 484</b>  | <b>717 374</b>    | <b>4 187 955</b>  |
|                    |                    |                    |   |                   |                   |                   |
| 18 800 000         | 16 933 400         | 18 800 000         | Share capital                                     | 18 800 000        | 16 933 400        | 18 800 000        |
| 106 677 053        | 87 077 753         | 106 677 053        | Share premium                                     | 106 667 387       | 87 068 087        | 106 667 387       |
| -4 130 950         | -3 572 442         | -4 173 107         | Other equity                                      | -74 526 949       | -61 273 432       | -71 605 660       |
| <b>121 346 104</b> | <b>100 438 711</b> | <b>121 303 946</b> | <b>Total equity</b>                               | <b>50 940 439</b> | <b>42 728 055</b> | <b>53 861 727</b> |
| <b>121 585 317</b> | <b>100 705 679</b> | <b>121 538 810</b> | <b>Total liabilities and equity</b>               | <b>54 831 922</b> | <b>43 445 429</b> | <b>58 049 682</b> |

Oslo, May 15, 2020

Christian A. Horneman Wist  
Chairman of the Board

Olga Godinho  
Board Member

Monica Amanda Haugan  
Board Member

Harry Konterud  
Board Member

Daniel Vock  
Board Member

Morten Frode Meland  
CEO

sdbn

Safe  
Deposit  
Bank  
of Norway

# Statement of Changes in Equity

Safe Deposit Holding ASA

| NOK<br>Parent                        | Issued equity     |                    | Other paid in capital | Other equity      | Total equity       |
|--------------------------------------|-------------------|--------------------|-----------------------|-------------------|--------------------|
|                                      | Share capital     | Share premium      |                       |                   |                    |
| Equity as at 1 January 2019          | 16 933 400        | 87 077 753         | 0                     | -3 497 541        | 100 513 612        |
| Profit for the period                |                   |                    |                       | -633 409          | -633 409           |
| <b>Total comprehensive income</b>    | <b>0</b>          | <b>0</b>           | <b>0</b>              | <b>-633 409</b>   | <b>-633 409</b>    |
| Transfer                             | 1 866 600         | 19 599 300         |                       |                   | 21 465 900         |
| <b>Equity as at 31 December 2019</b> | <b>18 800 000</b> | <b>106 677 053</b> | <b>0</b>              | <b>-4 130 950</b> | <b>121 346 104</b> |
| Equity as at 1 January 2020          | 18 800 000        | 106 677 053        | 0                     | -4 130 950        | 121 346 104        |
| Profit for the period                |                   |                    |                       | -42 157           | -42 157            |
| <b>Total comprehensive income</b>    | <b>0</b>          | <b>0</b>           | <b>0</b>              | <b>-42 157</b>    | <b>-42 157</b>     |
| <b>Equity as at 31 March 2020</b>    | <b>18 800 000</b> | <b>106 677 053</b> | <b>0</b>              | <b>-4 173 107</b> | <b>121 303 946</b> |

5

# Statement of Changes in Equity

Safe Deposit Holding ASA

| NOK<br>Group                         | Issued equity     |                    | Other paid in capital | Other equity       | Total equity       |
|--------------------------------------|-------------------|--------------------|-----------------------|--------------------|--------------------|
|                                      | Share capital     | Share premium      |                       |                    |                    |
| Equity as at 1 January 2019          | 16 933 400        | 87 068 087         | 0                     | -58 467 881        | 45 533 607         |
| Profit for the period                |                   |                    |                       | -13 137 780        | -13 137 780        |
| <b>Total comprehensive income</b>    | <b>0</b>          | <b>0</b>           | <b>0</b>              | <b>-13 137 780</b> | <b>-13 137 780</b> |
| Transfer                             | 1 866 600         | 19 599 300         |                       |                    | 21 465 900         |
| <b>Equity as at 31 December 2019</b> | <b>18 800 000</b> | <b>106 667 387</b> | <b>0</b>              | <b>-71 605 660</b> | <b>53 861 727</b>  |
| Equity as at 1 January 2020          | 18 800 000        | 106 667 387        | 0                     | -71 605 660        | 53 861 728         |
| Profit for the period                |                   |                    |                       | -2 921 288         | -2 921 288         |
| <b>Total comprehensive income</b>    | <b>0</b>          | <b>0</b>           | <b>0</b>              | <b>-2 921 288</b>  | <b>-2 921 288</b>  |
| <b>Equity as at 31 March 2020</b>    | <b>18 800 000</b> | <b>106 667 387</b> | <b>0</b>              | <b>-74 526 949</b> | <b>50 940 439</b>  |

6



# Statement of Cash Flows

Safe Deposit Holding ASA

| NOK                | Parent         |                | Notes  | Group             |                   |                    |
|--------------------|----------------|----------------|--|-------------------|-------------------|--------------------|
|                    | 2019           | 31.03.2019     |  | 31.03.2020        | 31.03.2020        | 31.03.2019         |
| -633 409           | -74 901        | -42 157        | Profit before income tax   | -2 921 288        | -2 805 552        | -13 137 780        |
| 0                  | 0              | 0              | + Depreciation and write-downs                                     | 711 453           | 112 448           | 1 122 200          |
| <b>-633 409</b>    | <b>-74 901</b> | <b>-42 157</b> | <b>Net cash increase from ordinary operations</b>                  | <b>-2 209 835</b> | <b>-2 693 104</b> | <b>-12 015 579</b> |
| 0                  | 22 500         | 22 500         | Decrease/(increase) other receivables                              | -1 301 315        | 22 500            | 0                  |
| 2 177              | 29 932         | -4 349         | Increase/(decrease) short term debt                                | -296 470          | -550 414          | 2 920 167          |
| 0                  | 0              | 0              | Increase/(decrease) deposits and debt to Clients                   | 0                 | -326 558          | -326 558           |
| <b>-631 231</b>    | <b>-22 469</b> | <b>-24 006</b> | <b>A) Net cash flow from operations</b>                            | <b>-3 807 621</b> | <b>-3 547 576</b> | <b>-9 421 970</b>  |
| 0                  | 0              | 0              | Increase in intangible and tangible fixed assets                   | -3 317 020        | 0                 | -3 633 301         |
| -21 400 000        | 0              | 0              | Net investments in subsidiaries                                    | 0                 | 0                 | 0                  |
| <b>-21 400 000</b> | <b>0</b>       | <b>0</b>       | <b>B) Net cash flow from investment</b>                            | <b>-3 317 020</b> | <b>0</b>          | <b>-3 633 301</b>  |
| 21 465 900         | 0              | 0              | Increase/(decrease) in equity - Issue of share capital and premium | 0                 | 0                 | 21 465 900         |
| <b>21 465 900</b>  | <b>0</b>       | <b>0</b>       | <b>C) Net cash flow from financial activities</b>                  | <b>0</b>          | <b>0</b>          | <b>21 465 900</b>  |
| <b>-565 331</b>    | <b>-22 469</b> | <b>-24 006</b> | <b>A) + B) + C) Net changes in cash and cash equivalents</b>       | <b>-7 124 641</b> | <b>-3 547 576</b> | <b>8 410 628</b>   |
| 1 590 648          | 1 590 648      | 1 025 316      | Cash and cash equivalents at 01.01                                 | 51 082 178        | 42 671 550        | 42 671 550         |
| 1 025 316          | 1 568 179      | 1 001 310      | Cash and cash equivalents at end of period                         | 43 957 537        | 39 123 974        | 51 082 178         |
| <b>-565 331</b>    | <b>-22 469</b> | <b>-24 006</b> | <b>Net changes in cash and cash equivalents</b>                    | <b>-7 124 641</b> | <b>-3 547 576</b> | <b>8 410 628</b>   |

7

## Note 1 – General information

---

### Description of the business

The head office is at Haakon VII's street no 1 in Oslo and includes the parent company Safe Deposit Holding ASA and the subsidiary Safe Deposit Bank of Norway AS.

Safe Deposit Bank of Norway is consolidated with the parent company Safe Deposit Holding and the consolidated financial statements are available at the head office's address in Oslo.

Safe Deposit Bank of Norway started its operations in third quarter 2016.

## Note 2 – Accounting policies

---

The Group prepares and presents its quarterly accounts in compliance with International Financial Reporting Standards (IFRS) approved by EU, including IAS 34, Interim Financial Reporting.

The quarterly accounts do not include all the information required in a complete set of annual financial statements and should be read in conjunction with the annual accounts for 2019. Further, the Bank has in this quarterly report used the accounting principles and calculation methods as described in the latest annual report and accounts. The interim financial statements are unaudited.

## Note 3 – Capital adequacy

---

As of 31 December 2019 the capital conservation buffer requirement is 2.5 percent, the systemic risk requirement is 3 percent and countercyclical buffer has differentiated rates become effective for the countercyclical buffer with 2,5 percent being maintained for exposures in Norway. For exposures in other countries the countercyclical capital buffer rate set by the authorities in the country concerned is used. If the country concerned has not established a rate, the same rate as for exposures in Norway is to be used unless the Ministry of Finance sets another rate. These requirements are additional to the requirement of 4.5 percent CET1 capital, so that the overall minimum requirement on CET1 capital is 12,5 percent. As of 12 March, 2020, the countercyclical buffer has been reduced to 1 percent by the Ministry of Finance due to the COVID-19, which implies an overall minimum requirement of 11% on the CET1 capital.

Following the CRR/CRD IV regulation into Norwegian law as of 31 December 2019, the Group's fixed minimum capital requirement is equal to NOK 40 000 000.

The Group's common equity tier 1 capital at 31 March 2020 was NOK 43 894 272,- and risk weighted assets were NOK 7 403 709,-, which gives a CET1 capital ratio of 592,87 %.

## Note 4 – Subsequent events

---

No significant events affecting the Group's accounts have been recorded after the balance sheet date.



sdbn



Safe Deposit Bank  
of Norway AS

Haakon VII's gate 1  
P.O.Box 1667 Vika  
NO-0120 Oslo  
Norway

[post@sdbn.com](mailto:post@sdbn.com)

Safe  
Deposit  
Bank  
of Norway