

Q2 REPORT 2020

Safe Deposit Holding ASA

sdbn

Safe
Deposit
Bank
of Norway



Income Statement

Safe Deposit Holding ASA

NOK		Parent			Notes	Group				
2019	2Q2019	2Q2020	30.06.2019	30.06.2020		30.06.2020	30.06.2019	2Q2020	2Q2019	2019
777	0	0	0	0	Interest income (amortised cost)	147 811	153 714	42 701	88 088	373 103
0	0	0	0	0	Interest expenses (amortised cost)	66 049	60	32 986	42	161 435
777	0	0	0	0	Net interest income	81 762	153 655	9 716	88 046	211 667
0	0	0	0	0	Commission income	626 959	265 026	360 765	0	265 028
0	0	0	0	0	Commission expenses ¹	421 125	403 893	198 367	185 345	522 334
0	0	0	0	0	Net fee and commission income	205 834	-138 867	162 398	-185 345	-257 306
0	0	0	0	0	Change in value of financial investments	0	0	0	0	0
777	0	0	0	0	Total income	287 596	14 788	172 114	-97 299	-45 638
358 144	93 336	0	93 336	7 910	Employee Remuneration	2 173 016	2 353 792	889 605	1 273 737	5 535 530
276 042	66 543	152 963	141 444	187 210	Other operating expenses	3 914 273	3 679 840	2 160 915	1 842 257	7 556 612
634 186	159 879	152 963	234 780	195 120	Total operating expenses	6 087 290	6 033 632	3 050 520	3 115 994	13 092 141
-633 409	-159 879	-152 963	-234 780	-195 120	Profit before impairment on loans and taxes	-5 799 694	-6 018 845	-2 878 406	-3 213 293	-13 137 780
-633 409	-159 879	-152 963	-234 780	-195 120	Profit before income tax	-5 799 694	-6 018 845	-2 878 406	-3 213 293	-13 137 780
0	0	0	0	0	Income tax	0	0	0	0	0
-633 409	-159 879	-152 963	-234 780	-195 120	Profit for the period	1,2,4 -5 799 694	-6 018 845	-2 878 406	-3 213 293	-13 137 780

¹ includes clearing systems' and regulator fees

sdbn

Safe
Deposit
Bank
of Norway

Other Comprehensive Income

Safe Deposit Holding ASA

NOK	Parent					Group				
	2019	2Q2019	2Q2020	30.06.2019	30.06.2020	30.06.2020	30.06.2019	2Q2020	2Q2019	2019
-633 409	-159 879	-152 963	-234 780	-195 120	Profit for the period	-5 799 694	-6 018 845	-2 878 406	-3 213 293	-13 137 780
					Items that will not be reclassified to profit/loss					
0	0	0	0	0	Total	0	0	0	0	0
					Items that will be reclassified to profit/loss					
0	0	0	0	0	Total	0	0	0	0	0
-633 409	-159 879	-152 963	-234 780	-195 120	Total comprehensive income	-5 799 694	-6 018 845	-2 878 406	-3 213 293	-13 137 780

3

Balance Sheet

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	31.12.2019	30.06.2019		30.06.2020	30.06.2020	30.06.2019
			ASSETS			
0	0	0	Cash and balances with central banks	29 588 156	33 266 324	27 813 764
1 025 317	1 299 832	872 779	Loans to and receivables from credit institutions	25 602 282	1 935 248	23 268 414
0	0	0	Loans to and receivables from group company	0	0	0
120 500 000	99 100 000	133 000 000	Investment in group company	0	0	0
0	0	0	Property, plant and equipment	2 283 724	14 198	2 602 605
0	0	0	Intangible assets	6 844 848	4 544 060	4 304 899
60 000	15 000	15 000	Other assets	897 543	15 000	60 000
121 585 317	100 414 832	133 887 779	Total assets	65 216 553	39 774 830	58 049 682
			LIABILITIES AND EQUITY			
0	0	0	Deposits from and debts to Clients	0	0	0
239 213	136 000	236 795	Other liabilities	4 654 520	260 068	4 187 955
239 213	136 000	236 795	Total liabilities	4 654 520	260 068	4 187 955
18 800 000	16 933 400	19 800 000	Share capital	19 800 000	16 933 400	18 800 000
106 677 053	87 077 753	118 177 053	Share premium	118 167 387	87 068 087	106 667 387
-4 130 950	-3 732 321	-4 326 070	Other equity	-77 405 354	-64 486 725	-71 605 660
121 346 104	100 278 832	133 650 983	Total equity	60 562 033	39 514 762	53 861 727
121 585 317	100 414 832	133 887 779	Total liabilities and equity	65 216 553	39 774 830	58 049 682

Oslo, August 15, 2020

Christian A. Horneman Wist
Chairman

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 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		-3 497 541	100 513 612
Profit for the period				-633 409	-633 409
Total comprehensive income	0	0	0	-633 409	-633 409
Issue of share capital and premium	1 866 600	19 599 300			21 465 900
Equity as at 31 December 2019	18 800 000	106 677 053	0	-4 130 950	121 346 104
Equity as at 1 January 2020	18 800 000	106 677 053	0	-4 130 950	121 346 104
Profit for the period				-195 120	-195 120
Total comprehensive income	0	0	0	-195 120	-195 120
Issue of share capital and premium	1 000 000	11 500 000			12 500 000
Equity as at 30 June 2020	19 800 000	118 177 053	0	-4 326 070	133 650 983

5

Statement of Changes in Equity

Safe Deposit Holding ASA

NOK 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		-58 467 881	45 533 607
Profit for the period				-13 137 780	-13 137 780
Total comprehensive income	0	0	0	-13 137 780	-13 137 780
Issue of share capital and premium	1 866 600	19 599 300			21 465 900
Equity as at 31 December 2019	18 800 000	106 667 387	0	-71 605 660	53 861 727
Equity as at 1 January 2020	18 800 000	106 667 387	0	-71 605 660	53 861 727
Profit for the period				-5 799 694	-5 799 694
Total comprehensive income	0	0	0	-5 799 694	-5 799 694
Issue of share capital and premium	1 000 000	11 500 000			12 500 000
Equity as at 30 June 2020	19 800 000	118 167 387	0	-77 405 354	60 562 033

6



Statement of Cash Flows

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	2019	30.06.2019		30.06.2020	30.06.2020	30.06.2019
-633 409	-234 780	-195 120	Profit before income tax	-5 799 694	-6 018 845	-13 137 780
0	0	0	+ Depreciation and write-downs	1 095 952	245 251	1 122 200
-633 409	-234 780	-195 120	Net cash increase from ordinary operations	-4 703 742	-5 773 593	-12 015 579
0	45 000	45 000	Decrease/(increase) other receivables	-837 543	45 000	0
2 177	-101 036	-2 418	Increase/(decrease) short term debt	466 565	-1 007 719	2 920 167
0	0	0	Increase/(decrease) deposits and debt to Clients	0	-326 559	-326 558
-631 231	-290 816	-152 538	A) Net cash flow from operations	-5 074 720	-7 062 871	-9 421 970
0	0	0	Increase in intangible and tangible fixed assets	-3 317 020	-407 106	-3 633 301
0	0	0	Reductions in tangible fixed assets	0	0	0
-21 400 000	0	-12 500 000	Net investments in subsidiaries	0	0	0
-21 400 000	0	-12 500 000	B) Net cash flow from investment	-3 317 020	-407 106	-3 633 301
21 465 900	0	12 500 000	Increase/(decrease) in equity	12 500 000	0	21 465 900
21 465 900	0	12 500 000	C) Net cash flow from financial activities	12 500 000	0	21 465 900
-565 331	-290 816	-152 538	A) + B) + C) Net changes in cash and cash equivalents	4 108 260	-7 469 977	8 410 628
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	1 299 832	872 779	Cash and cash equivalents at end of period	55 190 438	35 201 573	51 082 178
-565 331	-290 816	-152 538	Net changes in cash and cash equivalents	4 108 260	-7 469 977	8 410 628

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 same 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 30 June 2020 was NOK 53 717 185,- and risk weighted assets were NOK 8 736 511,-, which gives a CET1 capital ratio of 614,86 %.

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

Safe
Deposit
Bank
of Norway