

Q3 REPORT 2020

Safe Deposit Holding ASA

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Safe
Deposit
Bank
of Norway



Income Statement

Safe Deposit Holding ASA

NOK		Parent			Notes	Group				
2019	3Q2019	3Q2020	30.09.2019	30.09.2020		30.09.2020	30.09.2019	3Q2020	3Q2019	2019
777	0	0	0	0	Interest income (amortised cost)	163 579	255 659	15 768	101 945	373 103
0	0	0	0	0	Interest expenses (amortised cost)	99 073	90	33 024	30	161 435
777	0	0	0	0	Net interest income	64 506	255 569	-17 256	101 915	211 667
0	0	0	0	0	Commission income	1 805 348	265 028	1 178 389	2	265 028
0	0	0	0	0	Commission expenses ¹	939 270	461 973	518 145	58 080	522 334
0	0	0	0	0	Net fee and commission income	866 078	-196 944	660 244	-58 077	-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	930 584	58 625	642 988	43 837	-45 638
358 144	0	93 336	93 336	101 246	Employee Remuneration	3 920 810	3 531 529	1 747 794	1 177 737	5 535 530
276 042	34 810	86 040	176 254	273 250	Other operating expenses	5 529 373	5 515 934	1 615 099	1 836 094	7 556 612
634 186	34 810	179 376	269 590	374 496	Total operating expenses	9 450 183	9 047 463	3 362 893	3 013 831	13 092 141
-633 409	-34 810	-179 376	-269 590	-374 496	Profit before impairment on loans and taxes	-8 519 599	-8 988 838	-2 719 905	-2 969 994	-13 137 780
-633 409	-34 810	-179 376	-269 590	-374 496	Profit before income tax	-8 519 599	-8 988 838	-2 719 905	-2 969 994	-13 137 780
0	0	0	0	0	Income tax	0	0	0	0	0
-633 409	-34 810	-179 376	-269 590	-374 496	Profit for the period	1,2,4 -8 519 599	-8 988 838	-2 719 905	-2 969 994	-13 137 780

¹ includes clearing systems' and regulator fees

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Other Comprehensive Income

Safe Deposit Holding ASA

NOK	Parent					Group				
	2019	3Q2019	3Q2020	30.09.2019	30.09.2020	30.09.2020	30.09.2019	3Q2020	3Q2019	2019
-633 409	-34 810	-179 376	-269 590	-374 496	Profit for the period	-8 519 599	-8 988 838	-2 719 905	-2 969 994	-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	-34 810	-179 376	-269 590	-374 496	Total comprehensive income	-8 519 599	-8 988 838	-2 719 905	-2 969 994	-13 137 780

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Balance Sheet

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	31.12.2019	30.09.2019		30.09.2020	30.09.2020	30.09.2019
			ASSETS			
0	0	0	Cash and balances with central banks	32 076 233	30 783 782	27 813 764
1 025 317	1 066 347	380 857	Loans to and receivables from credit institutions	22 232 921	1 664 660	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	2 101 571	11 153	2 602 605
0	0	0	Intangible assets	6 643 529	4 424 479	4 304 899
60 000	82 500	90 750	Other assets	532 022	82 500	60 000
121 585 317	100 248 847	133 471 607	Total assets	63 586 275	36 966 574	58 049 682
			LIABILITIES AND EQUITY			
0	0	0	Deposits from and debts to Clients	0	0	0
239 213	4 825	0	Other liabilities	5 744 147	421 806	4 187 955
239 213	4 825	0	Total liabilities	5 744 147	421 806	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	-3 767 131	-4 505 446	Other equity	-80 125 259	-67 456 719	-71 605 660
121 346 104	100 244 022	133 471 607	Total equity	57 842 128	36 544 768	53 861 727
121 585 317	100 248 847	133 471 607	Total liabilities and equity	63 586 275	36 966 574	58 049 682

Oslo, November 16, 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

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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				-374 496	-374 496
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 September 2020	19 800 000	118 177 053	0	-4 505 446	133 471 607

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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				-8 519 599	-8 519 599
Total comprehensive income	0	0	0	-8 519 599	-8 519 599
Issue of share capital and premium	1 000 000	11 500 000			12 500 000
Equity as at 30 September 2020	19 800 000	118 167 387	0	-80 125 259	57 842 128

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Statement of Cash Flows

Safe Deposit Holding ASA

NOK	Parent		Notes	Group		
	2019	30.09.2019		30.09.2020	30.09.2020	30.09.2019
-633 409	-269 590	-374 496	Profit before income tax	-8 519 599	-8 988 838	-13 137 780
0	0	0	+ Depreciation and write-downs	1 479 424	367 877	1 122 200
-633 409	-269 590	-374 496	Net cash increase from ordinary operations	-7 040 175	-8 620 962	-12 015 579
0	-22 500	-30 750	Decrease/(increase) other receivables	-472 022	-22 500	0
2 177	-232 211	-239 213	Increase/(decrease) short term debt	1 556 193	-845 982	2 920 167
0	0	0	Increase/(decrease) deposits and debt to Clients	0	-326 558	-326 558
-631 231	-524 301	-644 459	A) Net cash flow from operations	-5 956 004	-9 816 002	-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	0	Net investments in subsidiaries	0	0	0
-21 400 000	0	0	B) Net cash flow from investment	-3 317 020	-407 106	-3 633 301
21 465 900	0	0	Increase/(decrease) in equity - Issue of share capital and premium	12 500 000	0	21 465 900
21 465 900	0	0	C) Net cash flow from financial activities	12 500 000	0	21 465 900
-565 331	-524 301	-644 459	A) + B) + C) Net changes in cash and cash equivalents	3 226 976	-10 223 108	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	1 066 347	380 857	Cash and cash equivalents at end of period	54 309 154	32 448 442	51 082 178
-565 331	-524 301	-644 459	Net changes in cash and cash equivalents	3 226 976	-10 223 108	8 410 628

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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 September 2020 was NOK 51 198 599,- and risk weighted assets were NOK 7 529 969,-, which gives a CET1 capital ratio of 679,93 %.

Note 4 – Subsequent events

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

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