



HELGELAND
BOLIGKREDITT



First half year and
second quarter 2021

Helgeland Boligkreditt AS

Accounts as of second quarter 2021.

General information

Helgeland Boligkreditt AS was established in November 2008 and is a fully owned subsidiary of SpareBank 1 Helgeland. The company is located at the bank's head office in Mo i Rana.

The company was licensed as a finance company in February 2009 and may issue bonds where the investors receive preferential rights in the company's cover pool. Security consists mainly of secured mortgages granted by SpareBank 1 Helgeland.

Helgeland Boligkreditt AS has no employees. There has been made a deal with SpareBank 1 Helgeland regarding the provision of services relating to loan servicing and operation of the company.

Accounting standards

The accounts have been prepared in accordance with international financial reporting standards (IFRS). All numerical quantities are given in thousands if not otherwise stated.

Helgeland Boligkreditt AS is listed on the Oslo Stock Exchange as a bond issuer. The financial report has not been audited.

Rating

Covered Bonds issued by Helgeland Boligkreditt AS are rated 'Aaa' by Moody's.

Profit so far this year

Gross profit was MNOK 34.8 (39.3). This is MNOK 4.6 lower than the same period last year and is mainly related to price loss in own holdings in cover bonds in addition to a lower net interest. Net profit was MNOK 26.7 (30.5) which gives a return on equity of 9.1 (10.4) %.

For the quarter, the gross profit was MNOK 16.1 (19.1). This amounts to a decrease of MNOK 3.0 for the corresponding period last year. The decrease is mainly related to the decreased net interest by MNOK 0.8 and a decrease in value change in financial instruments of MNOK 1.7.

Key figures per 30.06.21 (31.06.20)

- Net interest MNOK 42.8 (44.3)
- Operation costs MNOK 6.5 (6.7)
- Return on equity 9.1 (10.4) %
- CET1 capital ratio 20.8 (17.4) %
- Cover pool ratio of fullness 15 (18) %
- Indexed LTV 52 (56) %
- Net profit MNOK 34.8 (39.3)

Key figures second quarter

- Net interest MNOK 20.6 (21.4)
- Operation costs MNOK 4.0 (3.9)

- Gross profit MNOK 16.1 (19.1)
- Annualized net ROE 8.5 (10.2) %

Balance development

Combined assets in Helgeland Boligkreditt AS constituted MNOK 7 115 as of 30.06.2021. This is a reduction of 1 billion compared to the same period last year.

Cover pool

By the end of the quarter the mortgage company had mortgages of MNOK 6 428 (7 664). 77.0 (76.6) % of the mortgages are lent to customers in the Helgeland region.

The lending has been reduced (increased) by MNOK 1 236 (27) or -16.3 (0.4) % the past 12 months. All the mortgages have floating interest rates, and 11 (11) % of the lending volume are flexi loans. The lending portfolio is considered to be of good quality. Loans qualified for the cover pool amounts to MNOK 6 403 (7 580).

By the end of the quarter, Helgeland Boligkreditt AS had substitute assets of MNOK 481 as per 30.06.21 is fully included in the supplementary security.

Statutory bill of MNOK 150 and foreign national guaranteed security of MNOK 50 is included in the LCR calculation.

Purchase of loans in the parent bank are determined by the financing needs of the SBH group and how much of this is appropriate to cover through issuance of covered bonds.

Funding

The lending portfolio is funded by issuing covered bonds totaling MNOK 5 815 (6 763), as well as long term credit from SpareBank 1 Helgeland. MNOK 80 of the covered bonds is in the parent company's ownership.

The company's debt in finance institutions amounts to MNOK 710 (773) by the end of the quarter. The debt is related to credit lines in the parent bank.

The value of the cover pool is well above the volume of loans and there is good security in the portfolio. The cover pool capacity utilization (in relation to outstanding bonds) was 15 (18) %.

Risk conditions and capital ratio

Laws and regulations for companies licensed to issue covered bonds instruct that the risk levels should be low. The company has established guidelines and frames for governing and control of

different forms of risk. There is a corporate agreement between Helgeland Boligkreditt AS and SpareBank 1 Helgeland that ensures and maintains frames, proxies, capital management, and risk conditions.

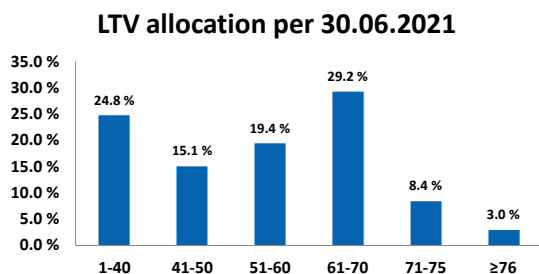
The Board of Directors considers the company's combined risk as low.

Credit risk

The company's credit strategy is approved by the Board of Directors and determines the framework for management objectives and risk profile. Lending in the cover pool fulfils the requirements of the financial services act, and is secured by collateral in real estate within 75% of prudent market value. The company has had no individual write-downs or established losses. The Board of Directors considers the quality of the lending portfolio as very good.

A potential fall in housing prices will reduce the net value of the cover pool. Quarterly stress tests are therefore performed to calculate the effect of a potentially negative development in the housing prices. The Board of Directors considers the results of these stress tests as satisfactory. The credit risk in the lending portfolio is considered to be low.

LTV (Loan to value) was 52 (56) %. The diagram below shows the distribution of the LTVs for the mortgages in the cover pool.



Liquidity risk

Liquidity risk is the risk that the company will be unable to fulfil its payment obligations. The Board of Directors annually determines the frames for risk management in the company. This includes determining frames for management of liquidity risk, organization and responsibilities, stress tests, routines for monitoring the use of frames and compliance with guidelines, board- and management reporting as well as independent control of systems for governing and control.

By the end of the quarter the share of funding over 1 year was 81.2 (96.4) %. This is well above the target of 70%. Average remaining maturity for covered bonds was 2.4 (3.0) years. The target of 3-

year duration has been removed as a consequence of the acquisition between SBH and Sparebank 1 NN in Q4 2021. Helgeland Boligkreditt AS has established committed credit lines with the parent bank that guarantees repayment of bond obligations over the next 12 months on a revolving basis. The company further seeks to reduce the liquidity risk in relation to larger loan maturities by repurchasing its own bonds.

The company's liquidity risk is considered low.

Operational risk

The transfer- and service agreement between Helgeland Boligkreditt AS and SpareBank 1 Helgeland ensures and maintains the operational risk. The agreement covers i.a. administration, bank production and IT-management.

Capital ratio

The capital ratio per 30.06.21 was 20.8 (17.4) % and consists exclusively of a CET1 capital of MNOK 548. When calculating capital requirements, the standard method is used for credit risk and the basic method for operational risk. The company's core capital adequacy target is 13.0 % and total capital adequacy ratio exceeds 16.5 %.

The prospects ahead

The future for Helgeland boligkreditt AS and Helgeland, looks positive. Low unemployment, large infrastructure and industry projects, rising housing prices and stable turnover numbers is factors that substantiates this. The Board sees no special relations that insinuates that this development will change significantly into 2021.

The housing market in Helgeland, especially in Mosjøen and Mo I Rana, can be characterized as well functioning. The prices on sold housing in Helgeland is stable, with corresponding season variation. In the first quarter, the prices increased by 10.6 % on villas and a price increase of 1.5 % on apartments. The turnover speed in the first quarter was 55 days for villas and 32 days for apartments. There is no indication that Covid-19 has had significant effect on the real estate market in Helgeland by the end of second quarter.

Unemployment has stabilized on a low level, but slightly over normal. For Helgeland, the unemployment is by the end of third quarter 1.9 % against 2.9 % nationally. The unemployment rate is expected to stabilize on a low level.

The parent bank's entries in the Sparebank 1 group during 1st quarter 2021 has affected, and will still affect Helgeland Boligkreditt AS ahead, mainly in form of a gradual reduction of the balance. This as a consequence of that SpareBank 1 Helgeland gets

access to long term funding through Sparebank 1 Boligkreditt AS.

The Board considers the company to have a solid cover pool and that Helgeland Boligkreditt AS still will deliver stable results.

Mosjøen, August 24th 2021

Hanne Nordgaard
Chairman

Sverre Klausen

Brit Sjøfting

Sten Ove Lisø
General Manager

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PROFIT AND LOSS

PROFIT AND LOSS ACCOUNT

(amounts in NOK 1.000)	Notes	30.06.21	30.06.20	Q2/21	Q2/20	31.12.20
Interest income fom assets measured at amortized cost	3	76 060	121 804	36 863	54 948	209 046
Interest income fom assets measured at fair value	3	0	0	-212	0	268
Interest payable and similar costs	3	33 278	77 509	16 049	33 505	112 446
Net interest- and credit commission income		42 782	44 295	20 602	21 443	96 868
Commissions receivable and income from banking services		3	13	2	6	18
Net commission income		3	13	2	6	18
Net value change gains/losses on financial assets		-1 814	890	-575	1 083	963
Operating costs	4	6 524	6 693	3 990	3 924	11 138
Impairment on loans and guarantees	5	-306	-809	-81	-501	-661
Profit from ordinary operations		34 752	39 314	16 119	18 608	87 372
Gross profit		34 752	39 314	16 119	19 109	87 372
Tax payable on ordinary result		8 045	8 869	3 673	4 382	19 236
Net profit		26 707	30 445	12 446	14 727	68 136
Result per share in NOK	17	49	56			92
Diluted result per share in NOK	17	49	56			92

BALANCE SHEET

BALANCE SHEET

(amounts in NOK 1.000)	Notes	30.06.21	30.06.20	31.12.20
ASSETS				
Loans to and claims on credit institutions	11	481 288	384 277	383 012
Loans to and claims on customers	6,7,8,9,10	6 426 605	7 662 290	7 230 430
Certificates and bonds		200 355	49 997	100 697
Financial derivatives		6 854	28 075	14 102
Total assets		7 115 102	8 124 639	7 728 241
LIABILITIES AND EQUITY				
Liabilities to credit institutions	12	710 948	772 725	911 867
Borrowings through the issuance of securities	13,14	5 814 888	6 762 877	6 179 979
Other liabilities		14 527	10 224	20 226
Total liabilities		6 540 363	7 545 826	7 112 072
Paid-in equity	15,16,17	540 010	540 010	540 010
Accrued equity/retained earnings	17	34 729	38 803	76 159
Total equity		574 739	578 813	616 169
Total liabilities and equity		7 115 102	8 124 639	7 728 241

CHANGE IN EQUITY

CHANGE IN EQUITY

	Share capital	Premium fund	Other equity	Total
Equity 01.01.20	540 000	10	57 840	597 850
Unrealized gains fund			-207	-207
Dividend			-49 610	-49 610
Profit			68 136	68 136
Equity 31.12.20	540 000	10	76 159	616 169

	Share capital	Premium fund	Other equity	Total
Equity 01.01.21	540 000	10	76 159	616 169
Unrealized gains fund				0
Dividend			-68 136	-68 136
Profit			26 707	26 707
Equity 30.06.21	540 000	10	34 729	574 739

CASH FLOW STATEMENT

CASH FLOW STATEMENT

	30.06.21	30.06.20	31.12.20
Change in lending to customers	804 132	-63 956	367 751
Interest income lending to customers	75 265	120 447	207 267
Change deposits from customers	-200 919	90 566	229 708
Interest cost deposit from customers	-5 068	-7 106	-13 832
Change certificates and bonds	-100 000	0	-50 000
Comission income	3	13	18
Payments relating to operations	-6 524	-6 693	-11 138
Paid tax	-14 946	-13 847	-14 881
Other cutoffs	17	-5 728	-7 831
A Net liquidity change from operating activities	551 959	113 696	707 062
Long-term investments in shares	0	0	0
Income sale of long-term investments in shares	0	0	0
Dividend from long-term investments in shares	0	0	0
B Liquidity change from financial activities	0	0	0
New borrowing through issuance of securities	1 115 000	20 000	20 000
Repayments - issued securities	-1 473 000	-30 000	-597 000
Interest payments borrowing through issuance of securities	-27 547	-69 803	-97 434
Dividend to share owners	-68 136	-49 610	-49 610
C Net liquidity change financing	-453 683	-129 413	-724 044
A+B+C Net liquidity change in the period	98 276	-15 717	-16 982
Liquid funds at the start of the period	383 012	399 994	399 994
Liquid funds at the end of the period	481 288	384 277	383 012
Liquid funds specified	98 276	-15 717	-16 982
Balances with credit institutions without notice periods	481 288	384 277	383 012

NOTES

NOTE 1. ACCOUNTING PRINCIPLES

The interim financial statements have been reported in accordance with IFRS and have not been audited. The accounting principles are described in the annual accounts for 2020. Interim report complies with IAS 34 and has not been audited.

NOTE 2. SEGMENT

The company's operations include just only one strategic area of business, which is organised and managed as one unit. The company's business area is the customer retail market. Lending to corporate retail market is limited to mortgaged loans to sole proprietorships and is a small share of total lending. The geographical segment is the region of Helgeland.

NOTE 3. NET INTEREST INCOME

	30.06.21	30.06.20	Q2/21	Q2/20	31.12.20
Interest income of lending to and claims on credit institutions	379	1 357	191	669	1 779
Interest income of lending to and claims on customers	75 265	120 447	36 256	54 279	207 267
Other interest income	416	0	204	0	268
Total interest income	76 060	121 804	36 651	54 948	209 314
Interest expense on liabilities to credit institutions	5 068	7 106	2 188	2 898	13 832
Interest expense on issued securities	28 210	70 403	13 861	30 607	98 614
Other interest expenses	0	0	0	0	0
Total interest expenses	33 278	77 509	16 049	33 505	112 446
Net interest income	42 782	44 295	20 602	21 443	96 868

NOTE 4. OPERATING COSTS

	30.06.21	30.06.20	Q2/21	Q2/20	31.12.20
Management fee and wage general manager	4 024	4 097	2 096	2 056	8 213
Other administration costs	30	25	30	25	33
Total wages and administration costs	4 054	4 122	2 126	2 081	8 246
Other operating costs	2 470	2 571	1 864	1 843	2 892
Total operating costs	6 524	6 693	3 990	3 924	11 138

NOTE 5. WRITE DOWNS ON LENDING

Losses on loans	30.06.21	30.06.20	31.12.20
Periodic change in write-downs step 1-3	-306	-809	-661
Periodic losses on loans covered by previous write-downs	0	0	0
Periodic losses on loans not covered by previous write-downs	0	0	0
Periodic entrance of former confirmed losses	0	0	0
Write-downs on commitments etc.	-306	-809	-661

NOTES

NOTE 6. GEOGRAPHICAL EXPOSURE OF LENDING PORTFOLIO

Geographical exposure of lending portfolio	30.06.21	%	30.06.20	%
Helgeland	4 950 995	77.0 %	5 869 235	76.6 %
Areas other than Helgeland	1 460 237	22.7 %	1 784 477	23.3 %
International ¹⁾	16 954	0.3 %	10 313	0.1 %
Total	6 428 186	100 %	7 664 025	100 %

1) Customers resident abroad, Helgeland Boligkreditt AS has customer's property in Norway mortgaged.

NOTE 7. LENDING

Expected losses for all accounts are calculated. All account commitments are entered into one of the three "steps" in the loss model, based on their risk change since granting (change in credit risk). For a description of the individual "steps", see explanations below. All commitments that do not already have objective evidence of loss at the time of recognition are placed at the time of recognition in step 1, and are later moved to step 2; in cases where there has been a significant increase in credit risk, or step 3; in cases where there is objective evidence of loss.

Step 1: 12 months expected loss

This includes most cases of financial assets that are covered by the general loss model. Financial instruments that have similar credit risk (or better) to what it was at initial recognition, and which are therefore not classified under steps 2 and 3, are included in this step. The estimated expected loss attributable to the accounts corresponds to expected losses from default in the next 12 months.

Step 2: Expected loss of life.

In step 2, financial assets that have had a significant increase in credit risk are placed since initial recognition. If an account commitment is significantly worsened or not, it is defined as a function of probability of default (PD) at the time of calculation and the time of grant. The bank has chosen to define that assets with low credit risk (operationalized as assets with PD not exceeding 0.75%) remain in step 1. Expected loss for assets in step 2 is calculated over the residual maturity of the asset. The following events are always considered to have resulted in a significant increase in credit risk:

- Commitment where there is a 30 day cover. This applies to coverings from the first crown, but older than 30 days.
- Commitment where there is greater cover. This applies to overdrafts from the first day, where the balance is considerably larger than the grant.
- Commitment with changed payment obligations or refinancing (forbearance).

Step 3: Expected loss of life

In step 3 of the loss model, assets that have had significant increase in credit risk since initial recognition and where there is objective evidence of loss at the reporting date. Expected loss for assets in step 3 is calculated over the remaining maturity of the asset. Interest income is calculated on the assets' net book value.

The same model is used for the group, parent bank and wholly-owned mortgage companies, but with different data definition when it comes to initial recognition. For the group and the parent bank, the account's grant date must be used, while for the mortgage company the score is used at the transfer date.

As a consequence of the corona pandemic, the company has made changes related to the loss model. The changes have mainly been related to an increase in PD in the model calculations. Helgeland Boligkreditt has security in real estate, and the real estate prices is expected to be relatively stable in Helgeland. This means that the effects of the corona pandemic has little effect on the write-downs in lending.

NOTES

30.06.21	Step 1	Step 2	Step 3		
Gross lending	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending pr. 01.01.21	6 703 117	529 200	0	0	7 232 317
New loans / credits	511 205	25 159	0	0	536 364
Transfers from step 1 to step 2	-161 026	158 821	0	0	-2 205
Transfers from step 1 to step 3	-5 291	0	5 287	0	-3
Transfers from step 2 to step 3	0	-7 558	7 508	0	-50
	0	0	0	0	
Transfers from step 3 to step 2	0	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0	0
Transfers from step 2 to step 1	186 585	-189 692	0	0	-3 107
Reduced portfolio	-1 076 649	-108 902	0	0	-1 185 551
	0	0	0	0	0
Other adjustments	-147 272	-2 306	0	0	-149 578
Gross lending pr. 30.06.21	6 010 668	404 723	12 795	0	6 428 186
Unused drafts, guarantees etc.	368 579	3 077	-	-	371 656

Transition between steps includes changes in lending from the beginning to the end of the period.

30.06.20	Step 1	Step 2	Step 3		
Gross lending	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending pr. 01.01.20	7 085 168	514 900	0	0	7 600 068
New loans / credits	1 395 210	52 081	0	0	1 447 291
Transfers from step 1 to step 2	-275 251	268 682	0	0	-6 569
Transfers from step 1 to step 3	0	0	0	0	0
Transfers from step 2 to step 3	0	0	0	0	0
	0	0	0	0	
Transfers from step 3 to step 2	0	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0	0
Transfers from step 2 to step 1	139 235	-140 584	0	0	-1 349
Reduced portfolio	-1 117 626	-123 887	0	0	-1 241 513
	0	0	0	0	0
Other adjustments	-130 519	-3 384	0	0	-133 903
Gross lending pr. 30.06.20	7 096 218	567 807	0	0	7 664 025
Unused drafts, guarantees etc.	507 156	5 004	-	-	512 160

Transition between steps includes changes in lending from the beginning to the end of the period.

NOTES

	Step 1	Step 2	Step 3		
30.06.21					
Loss deduction	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.21	432	1 455	0	0	1 887
New loans / credits	21	-67	0	0	-46
Transfers from step 1 to step 2	-19	373	0	0	354
Transfers from step 1 to step 3	-1	0	131	0	129
Transfers from step 2 to step 3	0	-68	186	0	119
Transfers from step 3 to step 2	0	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0	0
Transfers from step 2 to step 1	20	-452	0	0	-432
Reduced portfolio	-51	-230	0	0	-281
Other adjustments	-46	-105	0	0	-151
Loss deduction pr. 30.06.21	355	908	317	0	1 580

	Step 1	Step 2	Step 3		
30.06.20					
Loss deduction	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.20	389	2 156	0	0	2 545
New loans / credits	71	36	0	0	106
Transfers from step 1 to step 2	-33	420	0	0	387
Transfers from step 1 to step 3	0	0	0	0	0
Transfers from step 2 to step 3	0	0	0	0	0
Transfers from step 3 to step 2	0	0	0	0	0
Transfers from step 3 to step 3	0	0	0	0	0
Transfers from step 2 to step 1	32	-773	0	0	-741
Reduced portfolio	-73	-556	0	0	-629
Other adjustments	33	34	0	0	67
Loss deduction pr. 30.06.20	419	1 317	0	0	1 735

Lending	30.06.21	30.06.20	31.12.20
Lending to customers	6 423 241	7 657 340	7 226 102
Accureds interests	4 945	6 685	6 215
Gross lending to customers	6 428 186	7 664 025	7 232 317
Individual write-downs	0	0	0
Lending to customers after individual write-downs	6 428 186	7 664 025	7 232 317
Write down	-1 580	-1 735	-1 887
Lending to and claims on customers, to amortized cost	6 426 605	7 662 290	7 230 430

NOTES

NOTE 8. GUARANTEES AND COMMITMENTS

Unutilised credit and guarantees	30.06.21	30.06.20	31.12.20
Unutilised credit	371 656	512 160	364 295
Guarantees	0	0	0
Total conditional liabilities	371 656	512 160	364 295

NOTE 9. DOUBTFUL LOANS AND COMMITMENTS

	30.06.21	30.06.20	31.12.20
Defaulted commitments over 90 days	0	0	0
Step 3 write-downs	0	0	0
Net defaulted commitments	0	0	0
Other non-performing and impaired commitments and guara., not in default ¹⁴	12 795	0	0
Step 3 write-downs	-317	0	0
Total non-performing and impaired commitments and guara., not in default	12 478	0	0

NOTE 10. LENDING AND EXPECTED LOSS DIVIDED ON INDUSTRY

	Lending to amortized cost and fair value								
	Gross lending		Expected loss			Individual write downs	Gross lending		Net lending
	Amortized cost	Step 1	Step 2	Step 3	Fair value	Fair value	Total		
Total corporate market	132 339	-21	-101	0	0	0	132 217		
Total retail market	6 294 663	-334	-808	-317	0	1 184	6 294 388		
Total	6 427 002	-355	-908	-317	0	1 184	6 426 605		
Expected loss off balance RM		-7	-2	0	0				
Expected loss off balance CM		0	0	0	0				

	Lending to amortized cost and fair value								
	Gross lending		Expected loss			Individual write downs	Gross lending		Net lending
	Amortized cost	Step 1	Step 2	Step 3	Fair value (FVOCI)	Fair value (FVOCI)	Total		
Total corporate market	154 612	-36	-39	0	0		154 536		
Total retail market	7 509 413	-382	-1 278	0	0	0	7 507 753		
Total	7 664 025	-419	-1 317	0	0	0	7 662 290		
Expected loss off balance RM			0	0	0				
Expected loss off balance CM			0	0	0				

NOTE 11. LOANS TO AND CLAIMS ON CREDIT INSTITUTIONS

	30.06.21	30.06.20	31.12.20
Liabilities to credit institutions without agreed maturity	481 288	384 277	383 012
Total lending to and claims on credit institutions	481 288	384 277	383 012
Total exposure at Helgeland in %	100 %	100 %	100 %

NOTES

NOTE 12. LIABILITIES TO CREDIT INSTITUTIONS

	30.06.21	30.06.20	31.12.20
Without agreed maturity	710 948	772 725	911 867
Total liabilities to credit institutions	710 948	772 725	911 867

The debt is entirely related to the parent bank Helgeland Sparebank
 The Company has a credit facility (maturing > one year) of 1 500 million. As of 30/06/21 the idle frame was 789 million.
 In addition, the company has an unused credit facility of 1,500 million (with maturities > one year) intended to cover payment obligations in the cover for a rolling 12-month period.

NOTE 13. DERIVATIVES

	30.06.21		
	Nominal value	Market value	
	Total	Assets	Commitments
Interest rate swaps- fixed interest rate loans	0	0	0
Interest rate swaps- bank deposits with share Yield	0	0	0
Total financial derivatives	0	0	0
Interest rate swaps – fixed interest rate with hedging	300 000	6 854	0
Total financial derivatives with hedging	300 000	6 854	0

	30.06.20		
	Nominal value	Market value	
	Total	Assets	Commitments
Interest rate swaps- fixed interest rate loans	0	0	0
Interest rate swaps- bank deposits with share Yield	0	0	0
Total financial derivatives	0	0	0
Interest rate swaps – fixed interest rate with hedging	300 000	28 075	0
Total financial derivatives with hedging	300 000	28 075	0

NOTES

NOTE 14. LIABILITIES THROUGH ISSUE OF SECURITIES

Liabilities through issuance of securities are valued at amortized cost.

Covered bonds:

ISIN code	Currency	Par value	Own hold.		Interest	Admission	Maturity	Soft call	30.06.21
NO0010724065	NOK	500 000	44 000	Flytende	3 mnd. Nibor+0,30	2014	2021	2022	221 038
NO0010769920	NOK	500 000	37 000	Flytende	3 mnd. Nibor+0,78	2016	2022	2023	488 172
NO0010785843	NOK	500 000		Flytende	3 mnd. Nibor+0,64	2017	2023	2024	488 260
NO0010804008	NOK	500 000		Flytende	3 mnd. Nibor+0,45	2017	2022	2023	487 977
NO0010810278	NOK	500 000	96 000	Flytende	3 mnd. Nibor+0,41	2017	2022	2023	488 058
NO0010819568	NOK	500 000		Flytende	3 mnd. Nibor+0,40	2018	2023	2024	487 832
NO0010826415	NOK	500 000		Flytende	3 mnd. Nibor+0,47	2018	2023	2024	487 815
NO0010831290	NOK	500 000		Flytende	3 mnd. Nibor+0,42	2018	2024	2025	487 290
NO0010839434	NOK	500 000		Flytende	3 mnd. Nibor+0,55	2018	2024	2025	488 013
NO0010847080	NOK	500 000		Flytende	3 mnd. Nibor+0,48	2019	2024	2025	488 673
NO0010859986	NOK	500 000		Flytende	3 mnd. Nibor+0,40	2019	2025	2026	488 107
NO0010865652	NOK	200 000		Flytende	3 mnd. Nibor+0,43	2019	2025	2026	187 995
NO0010867864	NOK	300 000		Fast	2.22 %	2019	2029	2030	287 629
NO0010935471	NOK	250 000		Flytende	3 mnd. Nibor+0,30	2019	2022	2023	238 029
Total listed covered bonds									5 814 888

Issue no: NO0010859986 MNOK 80

All loans have soft call one year before maturity.

ISIN code	Currency	Par value	Own hold.		Interest	Admission	Maturity	Soft call	30.06.20
NO0010724065	NOK	500 000		Flytende	3 mnd. Nibor+0,30	2014	2021	2022	501 679
NO0010740673	NOK	26 000		Flytende	3 mnd. Nibor+0,49	2015	2020	2021	27 987
NO0010764897	NOK	500 000		Flytende	3 mnd. Nibor+0,86	2016	2021	2022	502 116
NO0010769920	NOK	500 000		Flytende	3 mnd. Nibor+0,78	2016	2021	2022	502 226
NO0010782774	NOK	205 000		Flytende	3 mnd. Nibor+0,52	2017	2022	2023	207 102
NO0010785843	NOK	500 000		Flytende	3 mnd. Nibor+0,64	2017	2022	2023	502 323
NO0010804008	NOK	500 000		Flytende	3 mnd. Nibor+0,45	2017	2021	2022	502 795
NO0010810278	NOK	500 000		Flytende	3 mnd. Nibor+0,41	2017	2021	2022	502 954
NO0010819568	NOK	500 000		Flytende	3 mnd. Nibor+0,40	2018	2022	2023	502 610
NO0010826415	NOK	500 000		Flytende	3 mnd. Nibor+0,47	2018	2022	2023	501 900
NO0010831290	NOK	500 000		Flytende	3 mnd. Nibor+0,42	2018	2023	2024	501 002
NO0010839434	NOK	500 000		Flytende	3 mnd. Nibor+0,55	2018	2023	2024	501 916
NO0010847080	NOK	500 000		Flytende	3 mnd. Nibor+0,48	2019	2024	2025	502 823
NO0010859986	NOK	500 000		Flytende	3 mnd. Nibor+0,40	2019	2025	2026	502 044
NO0010865652	NOK	200 000		Flytende	3 mnd. Nibor+0,43	2019	2025	2026	201 898
NO0010867864	NOK	300 000		Fast	2.22 %	2019	2029	2030	299 502
Total listed covered bonds									6 762 877

All loans have soft call one year before maturity.

NOTES

	30.06.21	30.06.20
Listed bonds	5 814 888	6 762 877
Own holdings	177 000	0
Listed bonds with own holdings included	5 991 888	6 762 877
Loans secured by property	6 402 955	7 621 855
Claims that constitutes cover pool (inc. Interests)	481 288	384 277
Total cover pool	6 884 243	8 006 132
Cover pool capacity utilization	892 355	1 243 255
Cover pool capacity utilization %	15 %	18 %

Collateral assembly is defined in the Financial Institutions Act § 11.8.

*) Loans that are not qualified are not included in eligible collateral

NOTE 15. CAPITAL ADEQUACY

	30.06.21	30.06.20	31.12.20
Total paid-in capital	540 010	540 010	540 010
Total accrued equity capital/retained earnings	34 729	38 802	77 961
Additional	0	0	0
Deduction	-27 210	-30 519	-70 052
Total core capital	547 529	548 293	547 919
Total net supplementary capital	0	0	0
Total net equity and related capital	547 529	548 293	547 919
Weighted asset calculation basis	2 633 729	3 158 579	2 949 882
Capital adequacy ratio	20.79 %	17.36 %	18.57 %
Of which core capital accounted for	20.79 %	17.36 %	18.57 %

	30.06.21	30.06.20	31.12.20
States and central banks	0	0	0
Local and regional authorities (including municipalities)	0	0	0
Publicly owned enterprises	0	0	0
Institutions	96 257	81 692	79 311
Enterprises	0	0	0
Mass market loans	64 731	0	0
Loans secured by real property	2 278 127	2 860 016	2 626 170
Loans overdue	12 482	67 478	43 728
Other loans and commitments	2 897	0	0
Capital requirement credit risk	2 454 494	3 009 186	2 749 208
Capital requirement operational risk	164 340	143 534	164 340
Other deductions/additions to capital requirement	14 895	5 859	36 334
Total capital requirement	2 633 729	3 158 579	2 949 882

NOTE 16. SHARE CAPITAL

The share capital is 540 MNOK. The shares have a face value of NOK 1 000, and SpareBank 1 Helgeland owns all the shares.

NOTES

NOTE 17. PROFIT PER SHARE

	30.06.21	30.06.20	31.12.20
Result so far this year	26 707	30 445	68 136
Number of shares	540 000	540 000	540 000
Result per share in NOK	49	56	126
Diluted result per share in NOK	49	56	126

NOTE 18. TRANSACTIONS WITH RELATED PARTIES

The information is provided regarding to IAS 24 concerning the disclosure of related parties. Helgeland Boligkreditt AS is a wholly owned subsidiary of SpareBank 1 Helgeland and is defined as a related party regarding the accounting standard. Transactions between the company and the parent bank are made in accordance with regular business conditions and principles. Office support and management of the loans are mainly bought services from SpareBank 1 Helgeland. It has been agreed upon an operation agreement between the companies.

	30.06.21	30.06.20	31.12.20
Profit and loss account			
Interest income and similar income	379	1 357	1 779
Interest expense and similar expense	5 068	7 106	13 832
Management fee	4 024	4 097	8 213
Balance sheet			
Lending and claims on credit institutions	481 288	384 277	383 012
Liabilities to credit institutions	710 948	772 725	911 867
Liabilities from issue of securities	80 000	80 000	80 000

NOTES

NOTE 19. KEY FIGURES

	30.06.21	30.06.20	31.12.20
Profit & Loss Account			
Net profit (NOK 1.000)	26 707	30 445	68 136
Net interest as a % of average assets	1.15 %	1.10 %	1.20 %
Operation cost as a % of income	15.2 %	15.1 %	11.5 %
Net profit as a % of average assets	0.72 %	0.75 %	0.84 %
Balance sheet			
Gross lending (NOK 1.000)	6 428 186	7 664 025	7 232 317
Collective write-downs as a % of lending	0.0 %	0.0 %	0.0 %
12 months growth in customer lending	-16.1 %	0.4 %	-4.8 %
Total assets (NOK 1.000 kr)	7 115 102	8 124 639	7 728 241
Average total assets	7 511 188	8 097 219	8 103 244
Solidity			
Rate of return on equity capital	9.1 %	10.4 %	11.4 %
Core tier one Capital (NOK 1.000)	547 529	548 293	547 919
Core tier one Capital ratio	20.8 %	17.4 %	18.6 %
LR (Leverage Ratio)	7.5 %	6.6 %	6.9 %
Information on lending portfolio			
Surplus value of cover pool (NOK 1.000)	892 355	1 243 255	1 406 079
Surplus value of cover pool (%)	15 %	18 %	23 %
Indexed LTV	52 %	56 %	54 %
Proportion of variable-rate loans	100 %	100 %	100 %
Proportion of flexible mortgages*)	11 %	11 %	11 %
Average loan value (NOK 1.000)	1 186	1 156	1 189
Number of loans	5 414	6 621	6 077
Remaining maturity - weighted average (year)	20.1	20.7	20.2
Seasoning - weighted average (year)	3.4	2.8	3.1

*) Calculated from the drawn amount

Elected representatives and senior management in Helgeland Boligkreditt AS

The General Meeting:

SpareBank 1 Helgeland v/CEO Hanne Nordgaard

Board of Directors:

Hanne Nordgaard, Chairman

Sverre Klausen

Brit Sjøfting

Contact information

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Investor Relations

Sverre Klausen, CFO, telephone +47 916 88 286

Other sources:

Annual reports:

Helgeland Boligkreditt AS is part of the SpareBank 1 Helgeland group. Annual reports are available under investor relations information at www.SBH.no

Interim reports

Quarterly reports are available at www.sbh.no