



**FINANCIAL REPORT
FOURTH QUARTER 2020**

General information

Helgeland Boligkreditt AS was established in November 2008 and is a fully owned subsidiary of Helgeland Sparebank. 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 Helgeland Sparebank.

Helgeland Boligkreditt AS has no employees. There has been made a deal with Helgeland Sparebank 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 2020

Gross profit was MNOK 87.4 (63.6). This is MNOK 23.8 higher than the same period last year and is mainly related to increased net interest. Net profit was MNOK 68.1 (49.6) which gives a return on equity of 11.4 (8.3) %.

For the quarter, the gross profit was MNOK 22.5 (12.8). This amounts to an increase of MNOK 9.7 for the corresponding period last year. The increase is mainly related to increased net interest.

Key figures per 31.12.20 (31.12.19)

- Net interest MNOK 96.9 (81.6)
- Operation costs MNOK 11.1 (11.6)
- Return on equity 11.4 (8.3) %
- CET1 capital ratio 18.6 (17.5) %
- Cover pool ratio of fullness 23 (17) %
- Indexed LTV 54 (57) %
- Net profit MNOK 87.4 (63.6)

Key figures fourth quarter

- Net interest MNOK 42.5 (66.5)
- Operation costs MNOK 2.2 (2.6)
- Gross profit MNOK 22.5 (12.8)
- Annualized net ROE 11.6 (6.7) %

Disposal of profit

The Board of Directors proposes that the profit for 2020 of MNOK 68.1 to be given in dividend to Helgeland Sparebank. The size of the dividend is considered justifiable based on the company's position.

Balance development

Combined assets in Helgeland Boligkreditt AS constituted MNOK 7 728 as of 31.12.2020. This is a reduction of MNOK 319 compared to the same period last year.

Cover pool

By the end of the quarter the mortgage company had mortgages of MNOK 7 232 (7 600). 76.7 (77.5) % of the mortgages are lent to customers in the Helgeland region.

The lending has been reduced (increased) by MNOK 368 (215) or -4.8 (2.9) % 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 7 203 (7 512).

By the end of the quarter, Helgeland Boligkreditt AS had substitute assets of MNOK 383 as per 31.12.20 is fully included in the supplementary security.

Statutory bill of MNOK 50 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 HSB 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 totalling MNOK 6 180 (6 745), as well as long term credit from Helgeland Sparebank.

MNOK 80 of the covered bonds is in the parent company's ownership.

The company's debt in finance institutions amounts to MNOK 912 (682) 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 23 (17) %.

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 Helgeland Sparebank 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

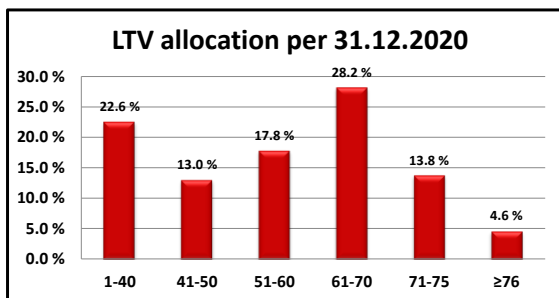
The company's credit strategy is approved by the Board of Directors and determines the framework for management objectives and risk profile.

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 54 (57) %. 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 89.2 (99.5) %. This is well above the target of 70%. Average remaining maturity for covered bonds was 2.7 (3.4) years. The target of 3-year duration has been removed as a consequence of the acquisition between HSB and Sparebank 1 NN in Q3 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 Helgeland Sparebank ensures and maintains the operational risk. The agreement covers i.a. administration, bank production and IT-management.

Capital ratio

The capital ratio per 31.12.20 was 18.6 (17.5) % 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 year 2020 will enter history as a special year for the mortgage company and the society at large. The parent bank has initiated a forward looking bank cooperation in Helgeland. At the same time the Corona pandemic has affected large parts of the society. As for the market in Helgekand, the future still looks positive. Low unemployment, large public and private 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 which results in a price decline in 4th quarter of -3.7 % on villas and a price increase of 1.1 % on apartments.

The turnover speed is stable between 35-60 days. The prices are approximately on valuation. There is no indication that Covid-19 has had significant effect on the real estate market in Helgeland by the end of fourth quarter.

Unemployment has had a significant improvement against second quarter of 2020. For Helgeland, the unemployment is by the end of third quarter 2.2% against 3.8 % nationally. The unemployment rate is expected to stabilize on a low level.

The parent bank's entries in the Sparebank 1 group will affect Helgeland Boligkreditt AS in the future, mainly in form of a gradual reduction of the balance. It is not yet decided of Helgeland Boligkreditt will continue to exist or discontinue,

as Helgeland Sparebank gets access to long term funding through Sparebank 1 Boligkreditt.

The Board considers the company to have a solid cover pool and that Helgeland Boligkreditt AS still will deliver stable results and be a good source for long term funding in foreseeable future.

Mo I Rana, February 2nd 2021

Hanne Nordgaard
Chairman

Dan Hugo Heimstad
Deputy Chairman

Håkon Stanghelle

Sverre Klausen

Sten Ove Lisø
General Manager

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PROFIT AND LOSS

PROFIT AND LOSS ACCOUNT

(amounts in NOK 1.000)	Notes	31.12.20	31.12.19	Q4/20	Q4/19
Interest income fom assets measured at amortized cost	3	209 314	238 646	42 453	66 449
Interest income fom assets measured at fair value	3	0	0	0	0
Interest payable and similar costs	3	112 446	157 090	17 287	45 152
Net interest- and credit commission income		96 868	81 556	25 166	21 296
Commissions receivable and income from banking services		18	23	2	7
Net commission income		18	23	2	7
Net value change gains/losses on financial assets		963	-4 969	-344	-5 160
Operating costs	4	11 138	11 644	2 228	2 566
Impairment on loans and guarantees	5	-661	1 407	104	789
Profit from ordinary operations		87 372	63 559	22 492	12 789
Gross profit		87 372	63 559	22 492	12 789
Tax payable on ordinary result		19 236	13 949	5 250	2 778
Net profit		68 136	49 610	17 242	10 011
Result per share in NOK	17	126	92		
Diluted result per share in NOK	17	126	92		

BALANCE SHEET

BALANCE SHEET

(amounts in NOK 1.000)	Notes	31.12.20	31.12.19
ASSETS			
Loans to and claims on credit institutions	11	383 012	399 994
Loans to and claims on customers	6,7,8,9,10	7 230 430	7 597 523
Certificates and bonds		100 697	49 896
Financial derivatives		14 102	
Total assets		7 728 241	8 047 413
LIABILITIES AND EQUITY			
Liabilities to credit institutions	12	911 867	682 159
Borrowings through the issuance of securities	13,14	6 179 979	6 744 816
Financial derivatives		0	7 428
Other liabilities		20 226	15 160
Total liabilities		7 112 072	7 449 563
Paid-in equity	15,16,17	540 010	540 010
Accrued equity/retained earnings	17	76 159	57 840
Total equity		616 169	597 850
Total liabilities and equity		7 728 241	8 047 413

CHANGE IN EQUITY

CHANGE IN EQUITY

	Share capital	Premium fund	Other equity	Total
Equity 01.01.19	540 000	10	60 718	600 728
Unrealized gains fund			180	180
Dividend			-52 669	-52 669
Profit			49 610	49 610
Equity 31.12.19	540 000	10	57 840	597 850

	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

CASH FLOW STATEMENT

CASH FLOW STATEMENT

	31.12.20	31.12.19
Change in lending to customers	367 751	-215 106
Interest income lending to customers	207 267	253 854
Change deposits from customers	229 708	-26 806
Interest cost deposit from customers	-13 832	-15 751
Change certificates and bonds	-50 000	-25 000
Commission income	18	23
Payments relating to operations	-11 138	-11 643
Paid tax	-14 881	-15 050
Other cutoffs	-7 831	4 142
A Net liquidity change from operating activities	707 062	-51 337
Long-term investments in shares	0	0
Income sale of long-term investments in shares	0	0
Dividend from long-term investments in shares	0	0
B Liquidity change from financial activities	0	0
New borrowing through issuance of securities	20 000	3 776 698
Repayments - issued securities	-597 000	-3 546 874
Interest payments borrowing through issuance of securities	-97 434	-140 281
Dividend to share owners	-49 610	-52 669
C Net liquidity change financing	-724 044	36 874
A+B+C Net liquidity change in the period	-16 982	-14 463
Liquid funds at the start of the period	399 994	414 457
Liquid funds at the end of the period	383 012	399 994
Liquid funds specified	-16 982	-14 463
Balances with credit institutions without notice periods	383 012	399 994

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 2019. 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

	31.12.20	31.12.19	Q4/20	Q4/19
Interest income of lending to and claims on credit institutions	1 779	2 792	191	699
Interest income of lending to and claims on customers	207 267	235 854	42 058	65 750
Other interest income	268	0	204	0
Total interest income	209 314	238 646	42 453	66 449
Interest expense on liabilities to credit institutions	13 832	15 751	3 480	4 694
Interest expense on issued securities	98 614	141 339	14 686	40 458
Other interest expenses	0	0	-879	0
Total interest expenses	112 446	157 090	17 287	45 152
Net interest income	96 868	81 556	25 166	21 296

NOTE 4. OPERATING COSTS

	31.12.20	31.12.19	Q4/20	Q4/19
Management fee and wage general manager	8 213	8 199	2 024	2 046
Other administration costs	33	33	5	4
Total wages and administration costs	8 246	8 232	2 029	2 050
Other operating costs	2 892	3 411	199	515
Total operating costs	11 138	11 643	2 228	2 565

NOTE 5. WRITE DOWNS ON LENDING

	31.12.20	31.12.19
Losses on loans		
Periodic change in write-downs step 1-3	-661	1 407
Periodic losses on loans covered by previous write-downs	0	0
Periodic losses on loans not covered by previous write-downs	0	0
Periodic entrance of former confirmed losses	0	0
Write-downs on commitments etc.	-661	1 407

NOTES

NOTE 6. GEOGRAPHICAL EXPOSURE OF LENDING PORTFOLIO

Geographical exposure of lending portfolio	31.12.20	%	31.12.19	%
Helgeland	5 548 120	76.7 %	5 887 560	77.5 %
Areas other than Helgeland	1 672 961	23.1 %	1 700 385	22.4 %
International ¹⁾	11 236	0.2 %	12 123	0.2 %
Total	7 232 317	100 %	7 600 068	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

31.12.20	Step 1	Step 2	Step 3		
Gross lending	Expected loss over 12 months	Expected loss over the instruments life	Expected loss over the instruments life	Expected loss over the instruments life	Total
Gross lending pr. 01.01.20	7 085 168	514 900	0	0	7 600 068
New loans / credits / guarantees	1 893 585	125 300	0	0	2 018 885
Transfers from step 1 to step 2	-245 064	234 816	0	0	-10 248
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	150 962	-155 869	0	0	-4 907
Reduced portfolio	-1 965 924	-186 257	0	0	-2 152 181
	0	0	0	0	0
Other adjustments	-215 611	-3 689	0	0	-219 300
Gross lending pr. 31.12.20	6 703 117	529 200	0	0	7 232 317
Unused drafts, guarantees etc.	363 175	1 121	-	-	364 295

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

31.12.19	Step 1	Step 2	Step 3		
Gross lending	Expected loss over 12 months	Expected loss over the instruments life	Expected loss over the instruments life	Expected loss over the instruments life	Total
Gross lending pr. 01.01.19	7 098 140	286 822	0	0	7 384 962
New loans / credits / guarantees	2 228 683	150 475	0	0	2 379 158
Transfers from step 1 to step 2	-294 186	286 109	0	0	-8 077
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	94 395	-98 176	0	0	-3 782
Reduced portfolio	-1 819 675	-108 299	0	0	-1 927 973
	0	0	0	0	0
Other adjustments	-222 188	-2 031	0	0	-224 220
Gross lending pr. 31.12.19	7 085 168	514 900	0	0	7 600 068
Unused drafts, guarantees etc.	510 825	4 487	-	-	515 312

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

NOTES

	Step 1	Step 2	Step 3		
31.12.20	Expected loss over 12 months	Expected loss over the instruments life	Expected loss over the instruments life	Expected loss over the instruments life	Total
Loss deduction					
Loss deduction pr. 01.01.20	389	2 156	0	0	2 545
New loans / credits / guarantees	97	273	0	0	370
Transfers from step 1 to step 2	-28	538	0	0	509
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	18	-598	0	0	-580
Reduced portfolio	-66	-928	0	0	-994
Other adjustments	22	14	0	0	37
Loss deduction pr. 31.12.20	432	1 455	0	0	1 887

0 0 0

31.12.19	Expected loss over 12 months	Expected loss over the instruments life	Expected loss over the instruments life	Expected loss over the instruments life	Total
Loss deduction					
Loss deduction pr. 01.01.19	421	715	0	0	1 136
New loans / credits / guarantees	82	584	0	0	666
Transfers from step 1 to step 2	-36	1 004	0	0	968
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	13	-243	0	0	-230
Reduced portfolio	-52	57	0	0	5
Other adjustments	-39	38	0	0	-1
Loss deduction pr. 31.12.19	389	2 156	0	0	2 545

Lending	30.09.20	30.09.19	31.12.19
Lending to customers	7 652 570	7 654 205	7 589 135
Accureds interests	6 905	10 276	10 933
Gross lending to customers	7 659 475	7 664 480	7 600 068
Individual write-downs	0	0	0
Lending to customers after individual write-downs	7 659 475	7 664 480	7 600 068
Write down	-1 781	-1 758	-2 545
Lending to and claims on customers, to amortized cost	7 657 694	7 662 723	7 597 523

NOTES

NOTE 8. GUARANTEES AND COMMITMENTS

Unutilised credit and guarantees	30.09.20	30.09.19	31.12.19
Unutilised credit	496 798	510 350	515 312
Guarantees	0	0	0
Total conditional liabilities	496 798	510 350	515 312

NOTE 9. DOUBTFUL LOANS AND COMMITMENTS

Defaulted commitments	30.09.20	30.09.19	31.12.19
Gross defaulted commitments over 90 days	0	0	0
Individual write-downs of defaulted loans	0	0	0
Net defaulted commitments	0	0	0

NOTE 10. LENDING AND EXPECTED LOSS DIVIDED ON INDUSTRY

31.12.20	Lending to amortized cost and fair value (OCI)							
	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	152 400	-27	-94	0	0	0	0	152 279
Total retail market	7 079 917	-405	-1 361	0	0	0	0	7 078 150
Total	7 232 317	-432	-1 455	0	0	0	0	7 230 430
Expected loss off balance RM		-8	-1	0	0	0		
Expected loss off balance CM		0	0	0	0	0		

31.12.19	Lending to amortized cost and fair value (OCI)							
	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	163 719	-31	-254	0	0	0	0	163 434
Total retail market	7 436 349	-358	-1 902	0	0	0	0	7 434 089
Total	7 600 068	-389	-2 156	0	0	0	0	7 597 523
Expected loss off balance RM		-8	-3	0	0	0		
Expected loss off balance CM		-1	0	0	0	0		

NOTE 11. LOANS TO AND CLAIMS ON CREDIT INSTITUTIONS

	31.12.20	31.12.19
Liabilities to credit institutions without agreed maturity	383 012	399 994
Total lending to and claims on credit institutions	383 012	399 994
Total exposure at Helgeland in %	100 %	100 %

NOTES

NOTE 12. LIABILITIES TO CREDIT INSTITUTIONS

	31.12.20	31.12.19
Without agreed maturity	911 867	682 159
Total liabilities to credit institutions	911 867	682 159

The debt is entirely related to Helgeland Sparebank AS.

The Company has a credit facility (maturing > one year) of 1 500 million. As of 30/09/20 the idle frame was 588 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

	31.12.20		
	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	14 102	0
Total financial derivatives with hedging	300 000	14 102	0

	31.12.19		
	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	0	7 428
Total financial derivatives with hedging	300 000	0	7 428

NOTES

NOTE 14. LIABILITIES THROUGH ISSUE OF SECURITIES

Liabilities through issuance of securities are valued at amortized cost.

Covered bonds:

ISIN code	Curren:Par value	Own hold.		Interest	Admission	Maturity	Soft call	31.12.20
NO0010724065 NOK	500 000	25 000	Floating	3mnd. Nibor+0,30	2014	2021	2022	476 825
NO0010764897 NOK	500 000	316 000	Floating	3 mnd.Nibor+0,86	2016	2021	2022	186 044
NO0010769920 NOK	500 000		Floating	3 mnd.Nibor+0,78	2016	2021	2022	502 149
NO0010782774 NOK	205 000	200 000	Floating	3 mnd.Nibor+0,52	2017	2022	2023	5 273
NO0010785843 NOK	500 000		Floating	3 mnd.Nibor+0,64	2017	2022	2023	501 242
NO0010804008 NOK	500 000		Floating	3 mnd.Nibor+0,45	2017	2021	2022	500 863
NO0010810278 NOK	500 000		Floating	3 mnd.Nibor+0,41	2017	2021	2022	500 972
NO0010819568 NOK	500 000		Floating	3 mnd.Nibor+0,40	2018	2022	2023	500 700
NO0010826415 NOK	500 000		Floating	3 mnd.Nibor+0,47	2018	2022	2023	500 691
NO0010831290 NOK	500 000		Floating	3 mnd.Nibor+0,42	2018	2023	2024	500 131
NO0010839434 NOK	500 000		Floating	3 mnd.Nibor+0,55	2018	2023	2024	500 931
NO0010847080 NOK	500 000		Floating	3 mnd.Nibor+0,48	2019	2024	2025	501 689
NO0010859986 NOK	500 000		Floating	3 mnd.Nibor+0,40	2019	2025	2026	501 038
NO0010865652 NOK	200 000		Floating	3 mnd.Nibor+0,43	2019	2025	2026	200 912
NO0010867864 NOK	300 000		Fixed	2.22 %	2019	2029	2030	300 519
Total listed covered bonds								6 179 979

Issue no: NO0010859986 MNOK 80

All loans have soft call one year before maturity.

ISIN code	Curren:Par value	Own hold.		Interest	Admission	Maturity	Soft call	31.12.19
NO0010709355 NOK	30 000	20 000	Floating	3mnd. Nibor+0,40	2014	2020	2021	15 003
NO0010724065 NOK	500 000		Floating	3mnd. Nibor+0,30	2014	2021	2022	499 680
NO0010740673 NOK	26 000		Floating	3 mnd.Nibor+0,49	2015	2020	2021	26 020
NO0010764897 NOK	500 000		Floating	3 mnd.Nibor+0,86	2016	2021	2022	500 160
NO0010769920 NOK	500 000		Floating	3 mnd.Nibor+0,78	2016	2021	2022	500 271
NO0010782774 NOK	205 000		Floating	3 mnd.Nibor+0,52	2017	2022	2023	205 154
NO0010785843 NOK	500 000		Floating	3 mnd.Nibor+0,64	2017	2022	2023	500 371
NO0010804008 NOK	500 000		Floating	3 mnd.Nibor+0,45	2017	2021	2022	499 803
NO0010810278 NOK	500 000		Floating	3 mnd.Nibor+0,41	2017	2021	2022	499 967
NO0010819568 NOK	500 000		Floating	3 mnd.Nibor+0,40	2018	2022	2023	499 601
NO0010826415 NOK	500 000		Floating	3 mnd.Nibor+0,47	2018	2022	2023	499 609
NO0010831290 NOK	500 000		Floating	3 mnd.Nibor+0,42	2018	2023	2024	498 980
NO0010839434 NOK	500 000		Floating	3 mnd.Nibor+0,55	2018	2023	2024	499 920
NO0010847080 NOK	500 000		Floating	3 mnd.Nibor+0,48	2019	2024	2025	500 866
NO0010859986 NOK	500 000		Floating	3 mnd.Nibor+0,40	2019	2025	2026	500 047
NO0010865652 NOK	200 000		Floating	3 mnd.Nibor+0,43	2019	2025	2026	199 894
NO0010867864 NOK	300 000		Fixed	2.22 %	2019	2029	2030	299 470
Total listed covered bonds								6 744 816

All loans have soft call one year before maturity.

NOTES

	31.12.20	31.12.19
Total listed bonds	6 179 979	6 744 816
Loans secured by property	7 203 046	7 511 850
Claims that constitutes cover pool (inc. Interests)	383 012	399 994
Total cover pool	7 586 058	7 911 844
Cover pool capacity utilization	1 406 079	1 167 028
Cover pool capacity utilization %	23 %	17 %
Cover pool capacity utilization %, own share covered bonds deducted	14 %	17 %

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

	31.12.20	31.12.19
Total paid-in capital	540 010	540 010
Total accrued equity capital/retained earnings	77 961	57 839
Additional	0	0
Deduction	-70 052	-50 469
Total core capital	547 919	547 380
Total net supplementary capital	0	0
Total net equity and related capital	547 919	547 380
Weighted asset calculation basis	2 949 882	3 129 578
Capital adequacy ratio	18.57 %	17.49 %
Of which core capital accounted for	18.57 %	17.49 %

	31.12.20	31.12.19
States and central banks	0	0
Local and regional authorities (including municipalities)	0	0
Publicly owned enterprises	0	0
Institutions	79 311	79 999
Enterprises	0	0
Mass market loans	0	0
Loans secured by real property	2 626 170	2 829 548
Loans overdue	43 728	73 232
Other loans and commitments	0	0
Capital requirement credit risk	2 749 208	2 982 779
Capital requirement operational risk	164 340	143 534
Other deductions/additions to capital requirement	36 334	3 265
Total capital requirement	2 949 882	3 129 578

NOTE 16. SHARE CAPITAL

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

NOTE 17. PROFIT PER SHARE

	31.12.20	31.12.19
Result so far this year	68 136	49 610
Number of shares	540 000	540 000
Result per share in NOK	126	92
Diluted result per share in NOK	126	92

NOTES

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 Helgeland Sparebank 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 Helgeland Sparebank. It has been agreed upon an operation agreement between the companies.

	31.12.20	31.12.19
Profit and loss account		
Interest income and similar income	1 779	2 792
Interest expense and similar expense	13 832	15 751
Management fee	8 213	8 199
Balance sheet		
Lending and claims on credit institutions	383 012	399 994
Liabilities to credit institutions	911 867	682 159
Liabilities from issue of securities	80 000	80 000

NOTE 19. KEY FIGURES

	31.12.20	31.12.19
Profit & Loss Account		
Net profit (NOK 1.000)	68 136	49 610
Net interest as a % of average assets	1.20 %	1.01 %
Operation cost as a % of income	11.5 %	14.3 %
Net profit as a % of average assets	0.84 %	0.62 %
Balance sheet		
Gross lending (NOK 1.000)	7 232 317	7 600 068
Collective write-downs as a % of lending	0.0 %	0.0 %
12 months growth in customer lending	-4.8 %	2.9 %
Total assets (NOK 1.000 kr)	7 728 241	8 047 413
Average total assets	8 103 244	8 037 543
Solidity		
Rate of return on equity capital	11.4 %	8.3 %
Core tier one Capital (NOK 1.000)	547 919	547 380
Core tier one Capital ratio	18.6 %	17.5 %
LR (Leverage Ratio)	6.9 %	6.6 %
Information on lending portfolio		
Surplus value of cover pool (NOK 1.000)	1 406 079	1 167 028
Surplus value of cover pool (%)	23 %	17 %
Indexed LTV	54 %	57 %
Proportion of variable-rate loans	100 %	100 %
Proportion of flexible mortgages*)	11 %	11 %
Average loan value (NOK 1.000)	1 189	1 133
Number of loans	6 077	6 687
Remaining maturity - weighted average (year)	20.2	20.5
Seasoning - weighted average (year)	3.1	2.8

*) Calculated from the drawn amount

Elected representatives and senior management in Helgeland Boligkreditt AS

The General Meeting:

Helgeland Sparebank v/CEO Hanne Nordgaard

Board of Directors:

Hanne Nordgaard, Chairman
Dag Hugo Heimstad, Deputy Chairman
Sverre Klausen
Håkon Stanghelle

Contact information

Helgeland Sparebank

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Organization no.: 937 904 029
www.hsb.no

Helgeland Boligkreditt AS

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www.hsb.no

Investor Relations

Sverre Klausen, CFO, telephone +47 916 88 286

Other sources:

Annual reports:

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

Interim reports

Quarterly reports are available at www.hsb.no