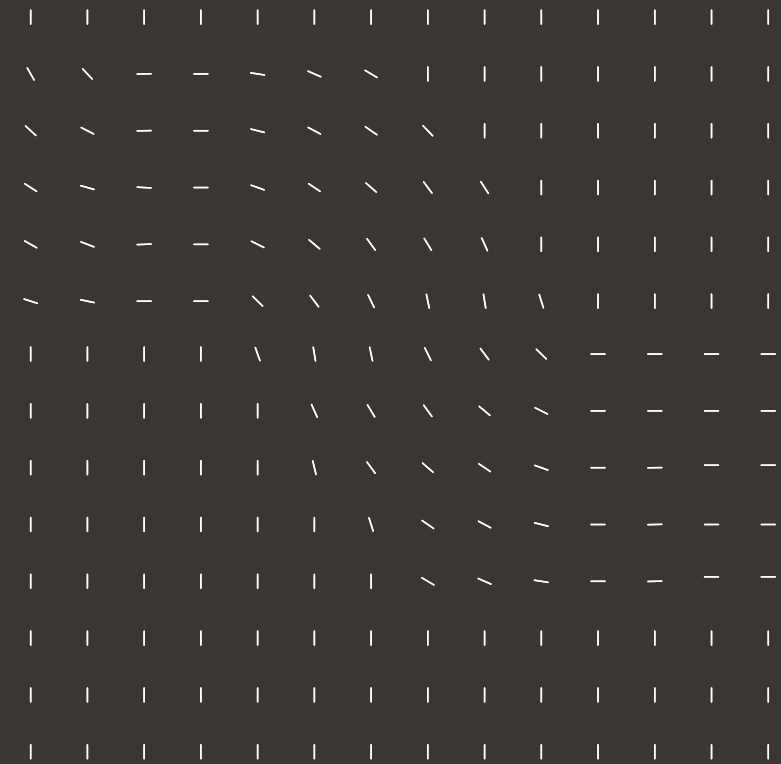


Presentation of Spar Nord's financial results for Q1 2023

Lasse Nyby, CEO
3 May 2023



Net profit of DKK 557 million and ROE of 19.5%

Headlines from the income statement

- Net interest income grows 77% (y/y) due to rise in policy and market rates and growth in loans and deposits volumes
- Net fee income decreases by 9% (y/y) due to lower level of activity within house sales, loan remortgaging, securities trading and assets under management
- Positive market-value adjustments from customer activity and the Bank's equity- and bond portfolios
- Costs increase 6% (y/y) due to higher IT costs, collective wage increase and higher number of employees
- Loan impairments of DKK 1 million, where management estimate was increased by DKK 14 million compared to year-end 2022
- Total business volume of DKK 351 billion
 - Growth in bank loans and leasing of DKK 6.3 billion or 13% (y/y)
- Solid capital position despite decline in excess coverage and strong liquidity and funding

SPAR NORD BANK DKKm	Realized Q1 2023	Realized Q1 2022	Index	Realized Q1 2023	Realized Q4 2022	Index
Net interest income	770	436	177	770	627	123
Net fees, charges and commissions	397	438	91	397	410	97
Market-value adjustments and dividends	157	7	-	157	265	59
Other income	34	35	98	34	41	84
Core income	1,357	915	148	1,357	1,342	101
Staff costs	372	357	104	372	360	103
Operating expenses	257	236	109	257	249	103
Costs and expenses	629	592	106	629	610	103
Core earnings before impairment	729	322	226	729	732	100
Impairments of loans and advances	1	-7	-	1	57	2
Profit before tax	727	329	221	727	675	108
Tax	170	53	320	170	127	135
Profit	557	276	202	557	548	102

Net interest income up by 77%

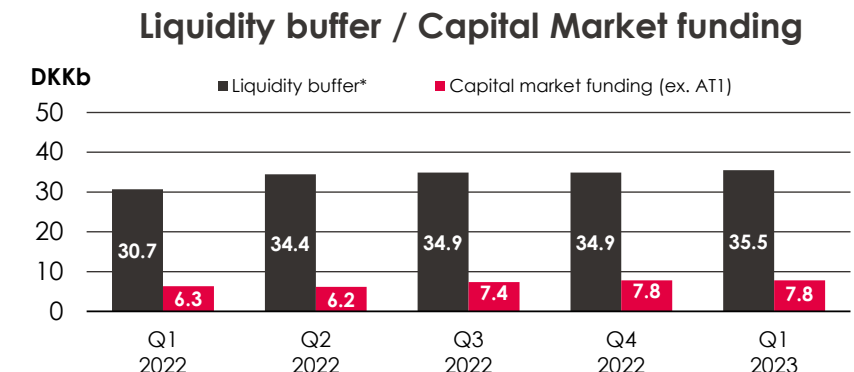
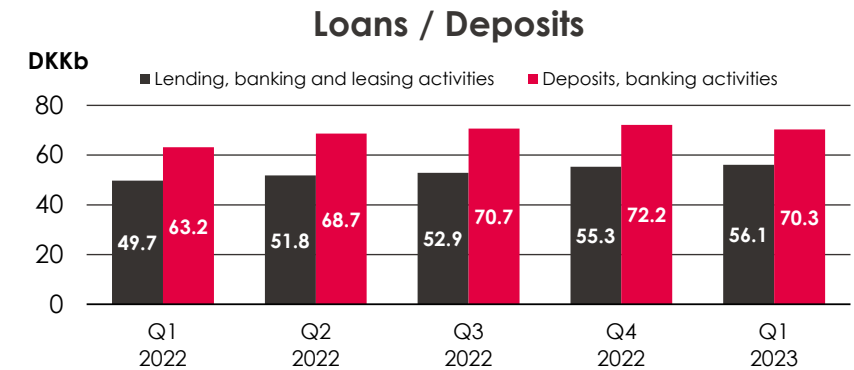
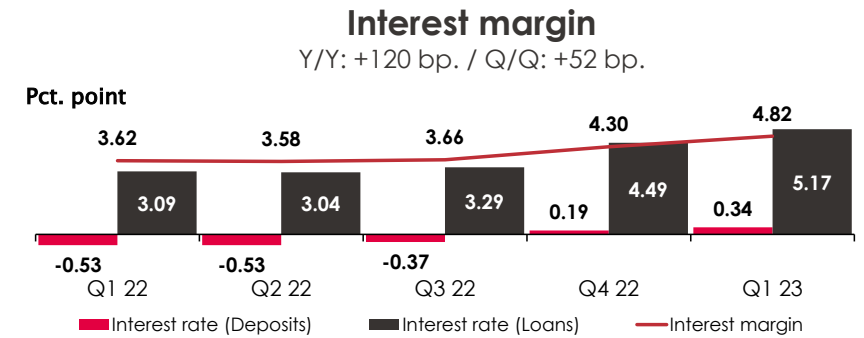
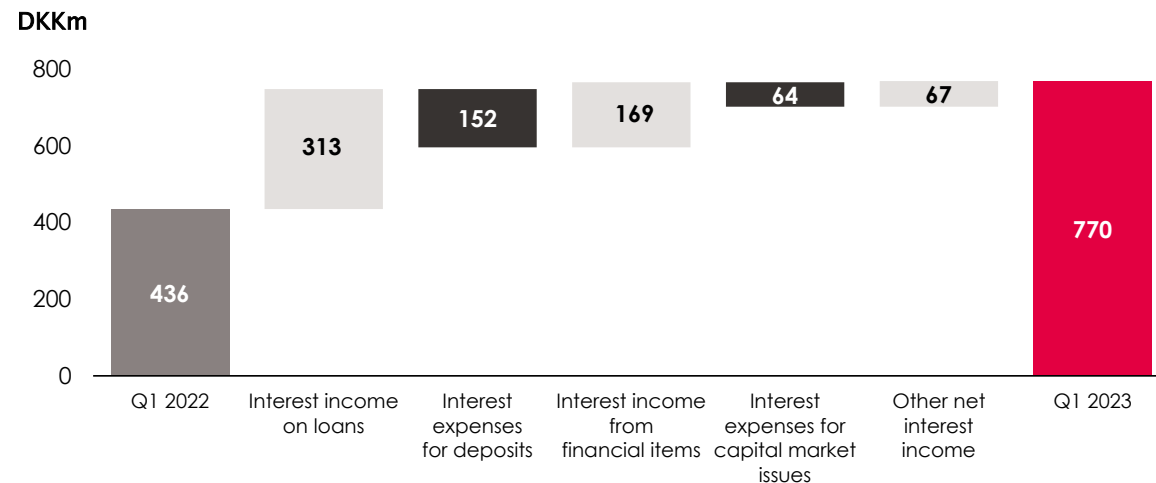
- **Net interest income amounted to DKK 770 million versus DKK 436 million last year**

- Sharply rising policy and market rates and implementation of interest rate changes
 - Compared to Q1 2022, The Central Bank's certificate of deposit rate has been raised by 3.20 percentage points to 2.60% end of Q1 2023
- Growth in deposits and loans, and markedly increase in average interest margin
 - Interest margin of 4.82% in Q1 2023 (+120 bp. compared to Q1 2022)

- **Lending growth of DKK 6.3 billion – y/y increase of 13%**

- Lending to corporates and SMEs has grown DKK 3.0 billion (Q1: DKK 0.5 billion)
- Lending to private customers up by DKK 2.4 billion (Q1: DKK 0.8 billion)
- Leasing business has grown DKK 1.3 billion (Q1: DKK 0.3 billion)
- Lending to public-sector customers down by DKK 0.3 billion (Q1: DKK -0.8 billion)

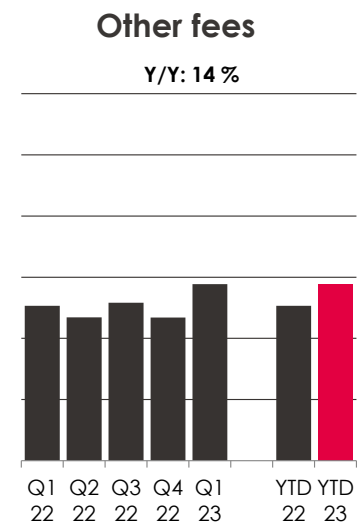
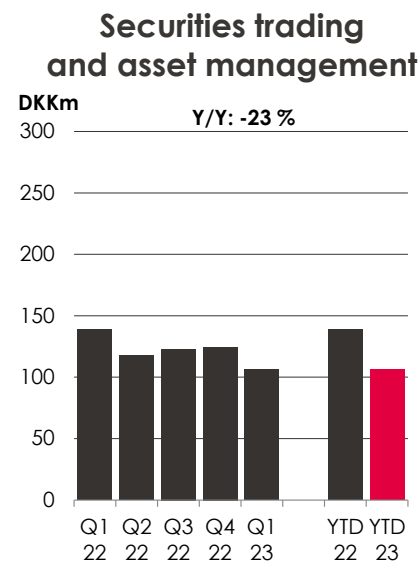
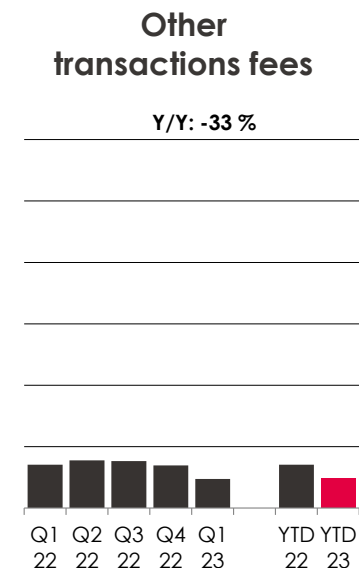
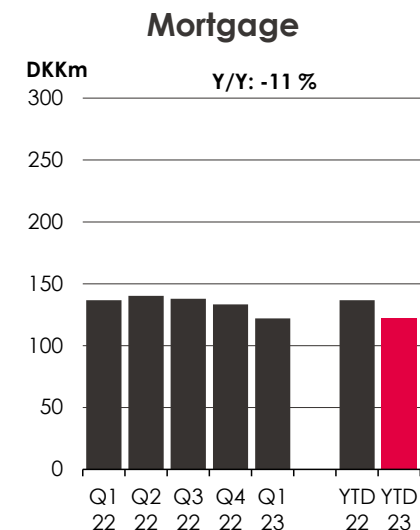
- **Interest bearing assets of DKK 92 billion versus interest bearing liabilities of DKK 78 billion**



* Central bank assets, bond portfolio and lending, reverse repo transactions

Net fee income decreases by 9%

- **Net fee income amounted to DKK 397 million versus DKK 438 million in Q1 2022**
 - Overall lower level of activity in areas such as house sales, loan remortgaging, securities trading and assets under management
 - For example, the number of housing cases in Q1 2023 was around 20% below the level of Q1 2022
 - Lower volumes at the start of the year within mortgage loans and assets under management
 - Compared to start of 2022, mortgage loans were around DKK 1 billion lower while assets under management were around DKK 5 billion lower at the start of 2023
 - Strong activity within payment services and cards, insurance and pension
 - Adjustment of the Bank's fee structure in mid-2022 contributes positively

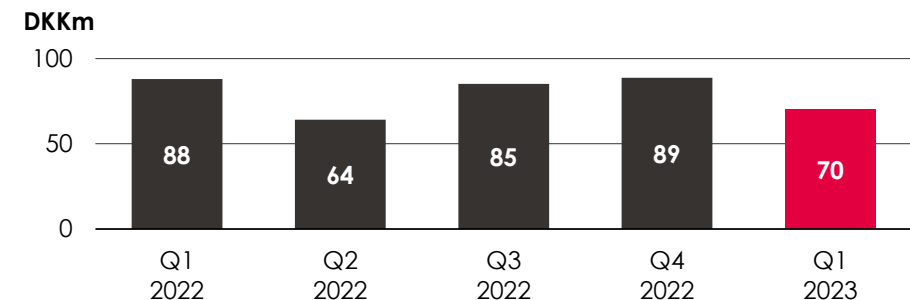


Positive market value adjustments from both customer activity and equity- and bond portfolios

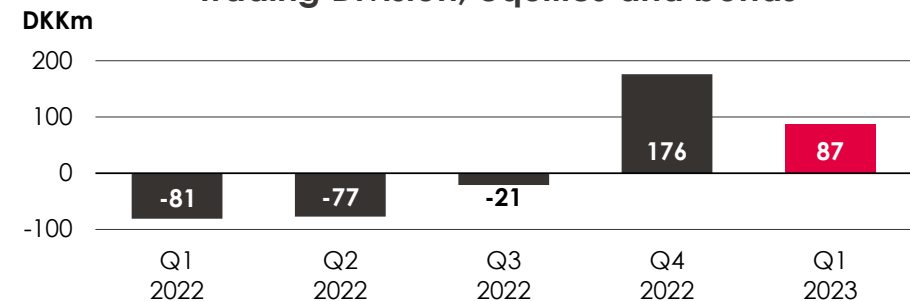
- **Market-value adjustments and dividends amounted to DKK 157 million versus DKK 7 million in Q1 2022**

- Satisfactory market value adjustments from customer activity and business volume of DKK 70 million in Q1 2023
 - Market value adjustments and dividends on the portfolio of strategic shares in the financial sector of DKK 49 million
 - The lower income of DKK 19 million was mainly due to lower market value adjustments regarding Spar Nord's shareholdings in BI Holding (BankInvest)
 - Market value adjustments from currency trading and exchange rate gains amounted unchanged to DKK 24 million driven by satisfactory customer activity in Q1 2023
- Market value adjustments on equities and bonds were DKK 87 million in Q1 2023
 - In the Trading Division, market value adjustments on bonds etc. were DKK 78 million while equities were DKK 9 million in Q1 2023
 - Market value adjustments on bonds were primarily attributable to tightening of credit spreads in January and February

Market value adjustments from customer activity and business volume



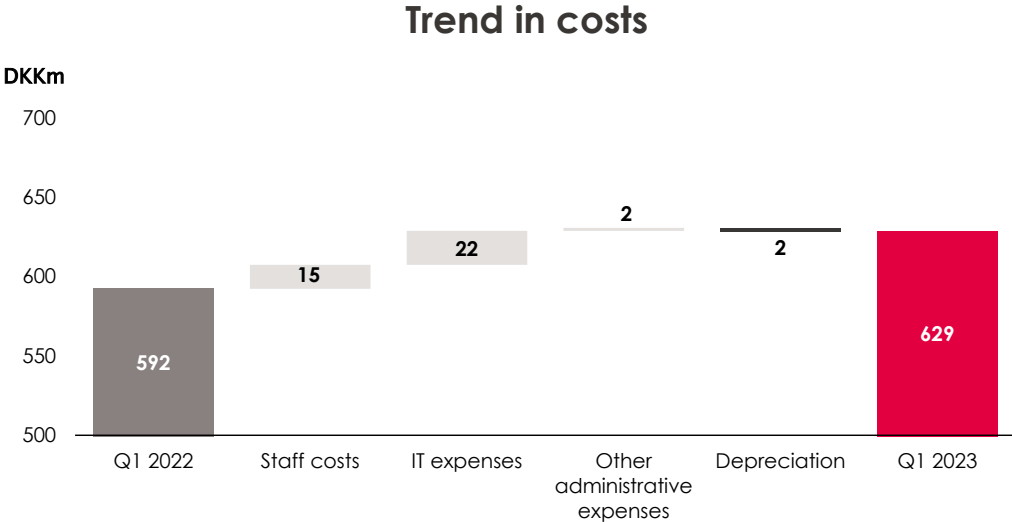
Trading Division, equities and bonds



DKKm	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Tangible assets incl. dividends	64	40	63	65	46
Currency trade and -agio	24	24	22	24	24
Market value adjustments from customer activity and business volume	88	64	85	89	70
Market value adjustments, equities	-17	-24	-1	9	9
Market value adjustments, bonds, etc.	-64	-53	-20	166	78
Market value adjustments in Trading Division	-81	-77	-21	176	87
Total market value adj. and dividends	7	-14	65	265	157

Costs increases by 6%

- Total costs amounted to DKK 629 million versus DKK 592 million in Q1 2022
- Payroll costs increases by DKK 15 million (4%)
 - 1,648 employees by end of Q1 2023, which was 26 more than at end of Q1 2022
 - Of the total increase, about half was attributed to the opening of new local banks during the past year
- Operating expenses up by DKK 21 million (9%)
 - The increase in operating expenses was mainly due to higher IT costs relating to the Bank's data processing centre, BEC and other IT costs
 - Increase in cost items regarding travel, staff and marketing
 - Costs of fees were lower, among other things due to lower costs relating to the Bank's IRB project
- Cost/Income Ratio of 0.46 – well below the strategic goal of a Cost/Income Ratio below 55
 - Cost/Income Ratio in Q1 2022: 0.65



Breakdown on cost types

Operating expenses (DKKm)	Q1 2023	Q1 2022	Change
Staff-related expenses	12	10	2
Travel expenses	4	2	1
Marketing costs	18	15	3
IT expenses	155	133	22
Cost of premises	14	14	-1
Other administrative expenses	33	37	-4
Depreciation	22	25	-2
Operating expenses	257	236	21

Very modest impairment charges

- Unchanged strong credit quality among customers

- **Loan impairments amounted to DKK 1 million against DKK -7 million in Q1 2022**

- Macroeconomic variables and confidence indicators were relatively neutral compared with the end of 2022, which resulted in limited movements in model-calculated impairment charges and management estimates
 - Continued decline in the number of exposures flagged for OEI and improved credit quality resulted in lower impairment charges of DKK 15 million
 - Increase in model-calculated impairment charges and management estimates of DKK 17 million primarily due to updated input variable
- Impact on profits breaks down into DKK 13 million attributable to corporate customers and DKK -12 million to private customers

- **At the end of Q1 2023, total management estimate was DKK 588 million**

- Broken down into DKK 313 million on private customers and DKK 275 million on corporate customers
- "Inflation, low growth and housing prices" of DKK 448 million related to:
 - Stress of private customers with natural gas or electricity as a heating source
 - Stress of both private and corporate customers in the lowest rating groups
 - Stress of all customers' PD level with the expectation that this will increase in the coming months
 - Stress of housing prices and leasing assets

DKKm / pct.	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
- Impairments, private	10	-23	86	20	-12
- Impairments, corporate	-17	28	-63	37	13
Impairments of loans and advances	-7	5	22	57	1
Impairment ratio	0,0	0,0	0,0	0,1	0,0

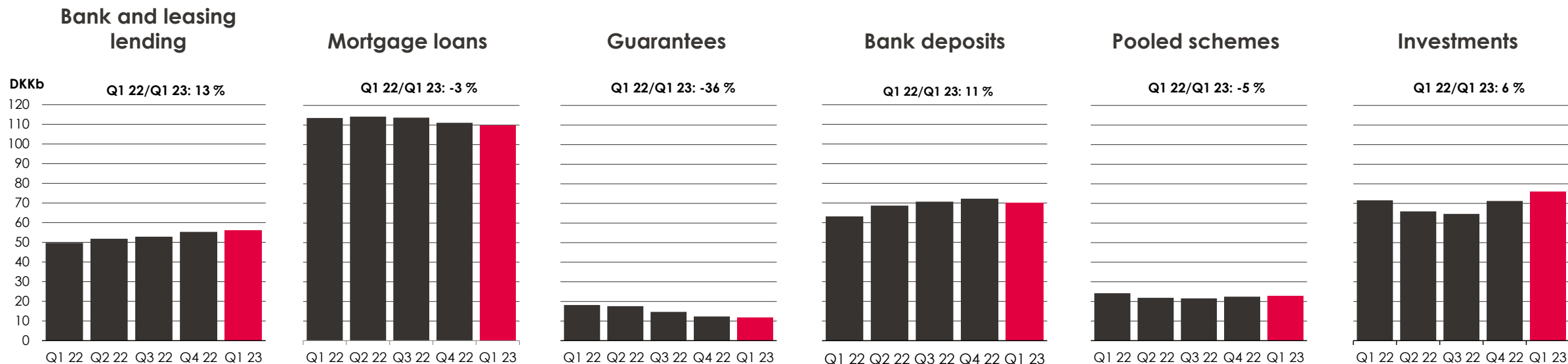
Impairments by type (DKKm)	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Management estimates	540	526	576	574	588
Model-calculated impairments	329	411	436	469	472
Estimates and model-calc. impairments	869	937	1,012	1,043	1,060
Individual impairments	740	662	614	623	608
Total impairments	1,609	1,598	1,626	1,666	1,667

DKKm	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Inflation, low growth and housing prices	243	279	317	434	448
COVID-19	150	85	84	0	0
Agriculture, land prices	101	98	86	41	38
Model uncertainty etc.	46	64	89	98	102
Total management estimates	540	526	576	574	588

Growth in total business volume (y/y)

- Continued growth in bank and leasing lending

- End of Q1 2023, total business volume amounts to DKK 351 billion – DKK 6.7 billion (2%) higher than end of Q1 2022
- Growth in both bank and leasing lending and bank deposits
 - Bank and leasing lending were up by DKK 6.3 billion (Private: DKK 2.4 billion / Corporate: DKK 3.9 billion)
 - Bank deposits grew DKK 7.1 billion (Private: DKK 3.0 billion / Corporate: DKK 4.1 billion)
- Customers' invested assets were up DKK 4.4 billion
- Smaller decline in mortgage loans and pooled pension schemes while guarantees were down DKK 6.6 billion (-36%)
 - Mortgage loans declined DKK 3.7 billion (-3%)
 - Deposits in pooled schemes were down DKK 1.2 billion (-5%)



Solid capital position despite decline in excess coverage

• Capital ratios

- CET1: 15.4 (strategic target: 13.5)
- Own funds ratio: 19.9 (strategic target: 17.5)

• Individual solvency requirement of 9.7% and combined buffer requirement of 6.0%

- Excess coverage of 4.0 percentage points or DKK 2.5 billion

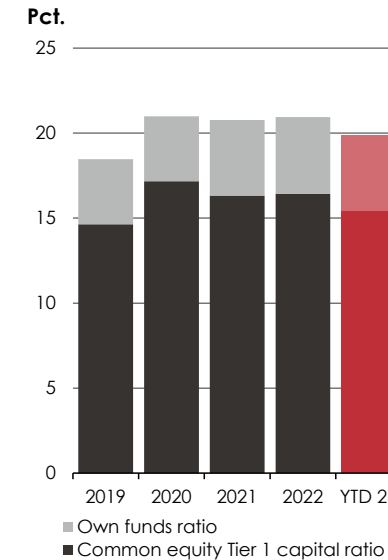
• CET1 and own funds ratio decreased by 1.0 percentage points compared to year-end 2022

- Own funds were reduced by DKK 0.5 billion in Q1 2023
 - ÷ Deduction for the share buyback programme of DKK 300 million
 - ÷ Deduction relating to Spar Nord's increased holding of shares in DAB due to participation in DAB's capital increase
- Total risk exposure increased DKK 0.8 billion in Q1 2023
 - Risk exposure for credit risk was reduced by DKK 0.2 billion
 - Risk exposure for market risk was increased by DKK 0.7 billion
 - Risk exposure for operational risk was increased by DKK 0.3 billion

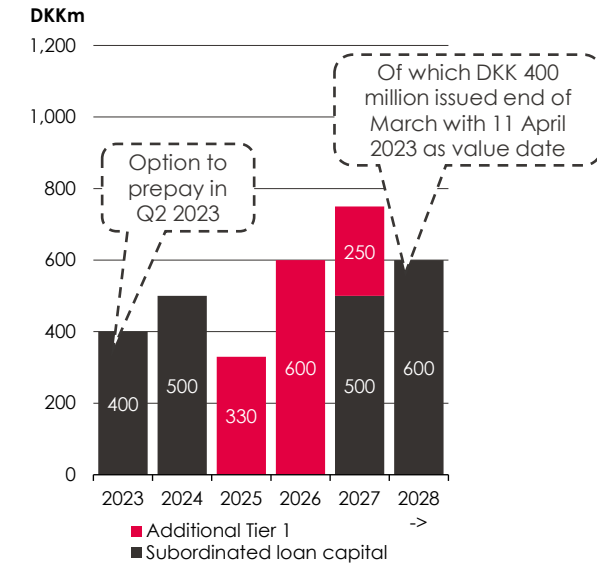
• Capital ratios with recognition of Q1 result (Opted by Q1 2023)

- CET1: 15.8
- Own funds ratio: 20.2

Capital ratios



Maturity profile for subordinated debt

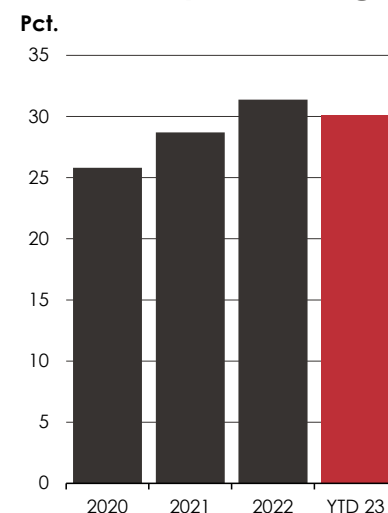


Pct. / DKKm	Q1 2023	2022	2021	2020
Common equity Tier 1 capital ratio	15.4	16.4	16.3	17.2
Additional Tier 1	1.9	1.9	1.9	1.4
Tier 1 capital ratio	17.3	18.4	18.3	18.6
Tier 2 capital	2.6	2.6	2.5	2.4
Own funds ratio	19.9	20.9	20.8	21.0
Total Risk Exposure	61,308	60,463	60,479	54,865
Of which Credit Risk	49,865	50,063	50,165	45,277
Of which Market Risk	4,595	3,901	4,140	3,994
Of which Operational Risk	6,848	6,499	6,174	5,594

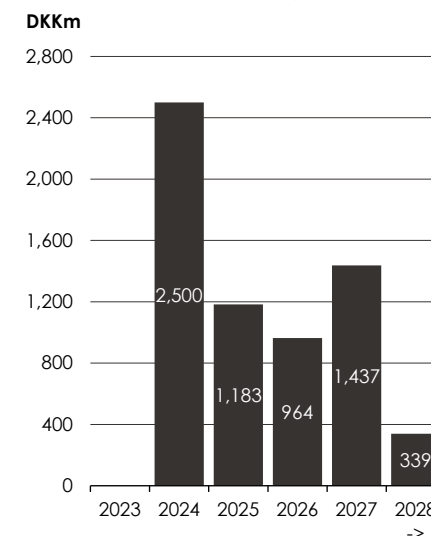
Comfortable coverage for MREL requirement

- **MREL and combined buffer percentage was 30.1% which is 1.3 percentage points lower than end year-end 2022**
 - Additional MREL capital (Senior Non-Preferred) for DKK 0.2 billion was issued in Q1 2023:
 - EUR 25 million with term of 4NC3 and floating coupon of 3m EURIBOR + 140 bps.
- **Excess coverage, MREL requirement of 2.6 percentage points by end of Q1 2023**
 - The remaining 10% of the MREL requirement are phased in on 1 January 2024
 - MREL and combined buffer requirement expected at about 29% when fully phased in
 - Assuming a countercyclical buffer of 2.5%
- With due consideration to ensuring an even maturity structure and the current opportunities and prices of issues, Spar Nord regularly considers the need for and timing of issuing additional MREL capital
- In the remaining part of 2023, Spar Nord expects to issue MREL capital for up to DKK 2 billion to prepare for a fully phased-in MREL requirement on 1 January 2024

MREL and combined buffer percentage



Maturity profile for MREL capital*



* MREL capital is shown with a minimum of 1 year to contractual maturity

MREL requirement and -coverage

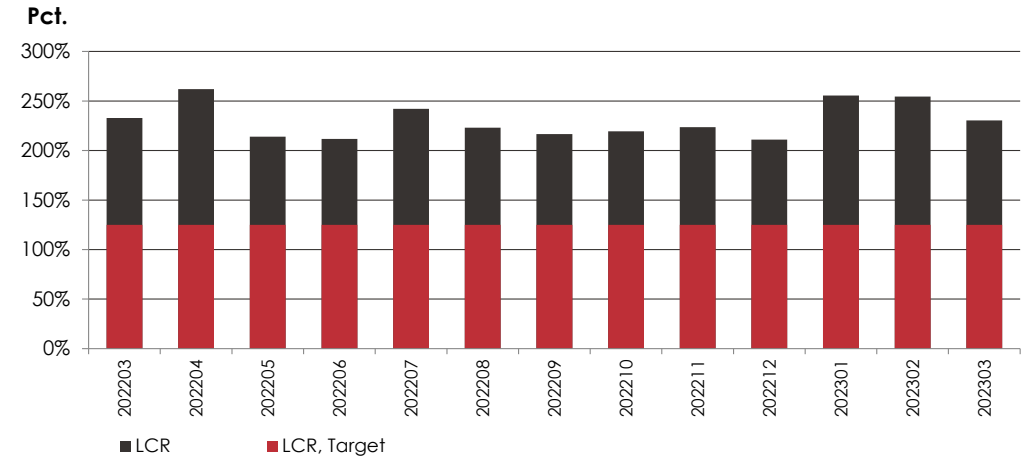
DKKb	Q1 2023	2022	2021	2020
Own funds	12.2	12.7	12.6	11.5
MREL capital	6.2	6.2	4.8	2.7
Deduction – separate combined buffer requirement	-3.7	-3.3	-2.1	-1.9
Total MREL-eligible liabilities	14.8	15.7	15.3	12.2

Pct.	Q1 2023	2022	2021	2020
MREL and combined buffer percentage	30.1	31.4	28.7	25.8
MREL and combined buffer requirement	27.5	27.2	23.6	19.6
Excess coverage, MREL requirement	2.6	4.2	5.1	6.2

Unchanged strong liquidity and funding

- **End of Q1 2023, LCR stood at 230%**
 - Statutory requirement at 100% / Bank's own target at 125%
- **End of Q1 2023, NSFR stood at 126%**
 - Statutory requirement at 100% / Bank's own target at 105%
- **End of Q1 2023, deposits excluding pooled schemes amounted to DKK 71 billion or 73 % of the Bank's total funding**

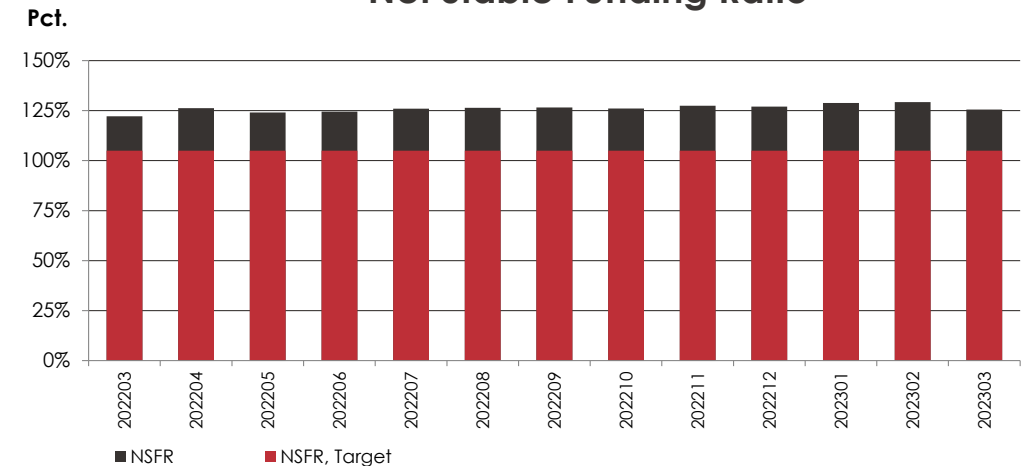
Liquidity Coverage Ratio



Funding profile

DKKb	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023
Money market funding	2.9	2.4	2.5	2.1	5.5
Deposits excluding pooled schemes	63.7	68.7	70.7	72.2	70.6
Issued bonds	4.8	4.6	5.4	6.2	6.2
Tier 2 capital and AT1 capital	2.7	2.7	3.2	2.8	2.8
Shareholders' equity	10.7	10.6	10.8	11.3	11.2
Total funding	84.8	89.0	92.5	94.5	96.3

Net Stable Funding Ratio



Financial guidance for 2023

- Updated on 14 April 2023

5 years trend

DKKm	2022	2021	2020	2019	2018
Core earnings before impairment	1,808	1,581	1,227	1,324	1,266
Impairments of loans and advance	78	-120	309	22	173
Profit after tax	1,417	1,368	737	1,059	920
ROE (pct.)	12.5	12.9	7.4	11.7	10.8

- **Core earnings before impairments**
 - At the beginning of 2023, core earnings before impairments were expected of around DKK 2.3 - 2.7 billion
 - Core earnings before impairments of DKK 729 million in Q1 2023
 - **Core earnings before impairments are now expected of around DKK 2.5 - 2.9 billion**

- **Impairments of loans**
 - At the beginning of 2023, impairments charges were expected higher in 2023 than in 2022
 - Loan impairments of DKK 1 million in Q1 2023
 - **Loan impairment charges are still expected to be higher than in 2022, but lower than forecast at the beginning of the year**

- **Profit after tax**
 - At the beginning of 2023, profit after tax were expected of around DKK 1.5 – 1.8 billion
 - Profit after tax of DKK 557 million in Q1 2023
 - **Profit after tax are now expected of around DKK 1.8 – 2.1 billion**