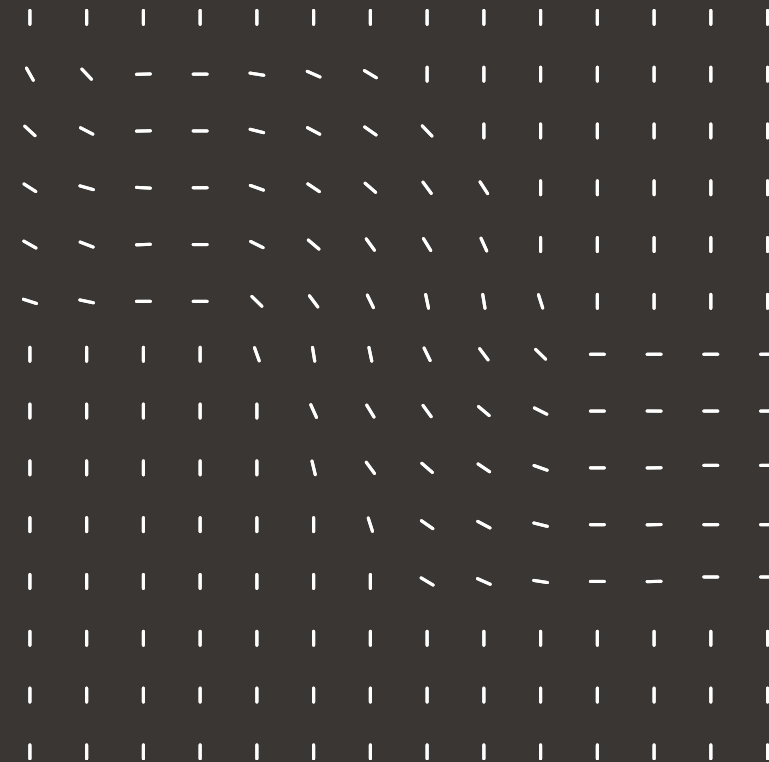


Presentation of Spar Nord's financial results for H1 2023



Lasse Nyby, CEO
17 August 2023

Net profit of DKK 1,178 million and ROE of 20.1%

Headlines from the income statement

- Net interest income grows 84% (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 loan remortgaging, house sales, securities trading and assets under management
- Positive market-value adjustments from the Bank's bond portfolio and strategic shares
- Costs increase 6% (y/y) due to higher IT costs, collective wage increase and higher number of employees
- Loan impairments of DKK -4 million with underlying increase in management estimate of DKK 72 million compared to year-end 2022
- Total business volume of DKK 355 billion
 - Growth in bank loans and leasing of DKK 5.1 billion or 10% (y/y)
- Solid capital position with increased coverage and strong liquidity and funding
- Investment in additional distribution power with the opening of a new local bank in Helsingør (April 2023) and a new banking area in Frederikssund (June 2023)

SPAR NORD BANK DKKm	Realized YTD 2023	Realized YTD 2022	Index	Realized Q2 2023	Realized Q1 2023	Index
Net interest income	1,634	886	184	865	770	112
Net fees, charges and commissions	776	852	91	380	397	96
Market-value adjustments and dividends	275	-7	-	118	157	75
Other income	86	52	166	52	34	153
Core income	2,771	1,783	155	1,414	1,357	104
Staff costs	745	704	106	374	372	101
Operating expenses	507	472	107	250	257	97
Costs and expenses	1,252	1,176	106	624	629	99
Core earnings before impairment	1,519	606	251	790	729	108
Impairments of loans and advances	-4	-2	-	-5	1	-
Profit before tax	1,523	608	250	795	727	109
Tax	344	101	341	174	170	102
Profit	1,178	507	232	621	557	111

Financial guidance for 2023 narrowed

On the basis of its financial results in H1 2023, Spar Nord narrows its financial guidance for 2023.

Spar Nord is thus guiding for core earnings before impairment at the upper end of the previously announced range of DKK 2.9-3.2 billion and, similarly, profit after tax is expected to be at the upper end of the DKK 2.1-2.4 billion range

Net interest income up by 84%

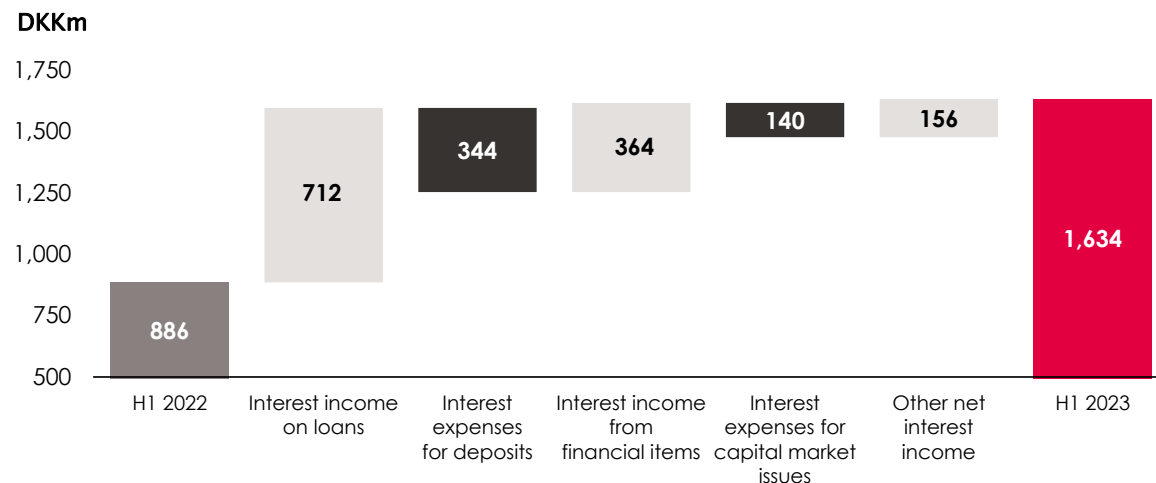
- **Net interest income amounted to DKK 1,634 million versus DKK 886 million last year**

- Sharply rising policy and market rates and implementation of interest rate changes
 - Compared to Q2 2022, The Central Bank's certificate of deposit rate has been raised by 3.70 percentage points to 3.10% end of Q2 2023
- Growth in deposits and loans, and markedly increase in average interest margin
 - Interest margin of 5.24% in Q2 2023 (+166 bp. compared to Q2 2022)

- **Lending growth of DKK 5.1 billion – y/y increase of 10%**

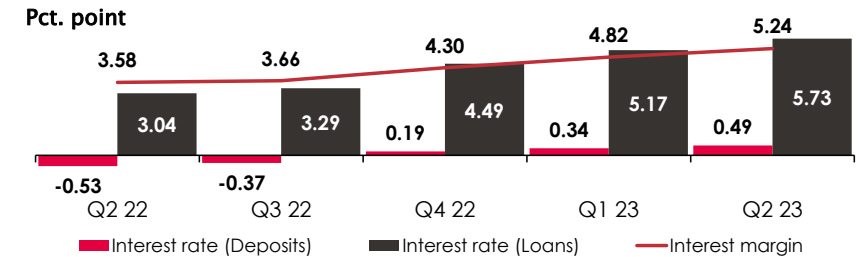
- Lending to corporates and SMEs has grown DKK 1.4 billion (H1: DKK 0.1 billion)
- Lending to private customers up by DKK 2.7 billion (H1: DKK 1.4 billion)
- Leasing business has grown DKK 1.2 billion (H1: DKK 0.6 billion)
- Lending to public-sector customers down by DKK 0.2 billion (H1: DKK -0.5 billion)

- **Interest bearing assets of DKK 92 billion versus interest bearing liabilities of DKK 80 billion**

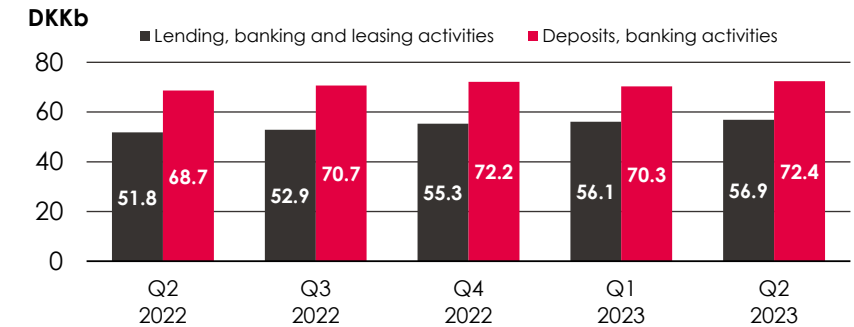


Interest margin

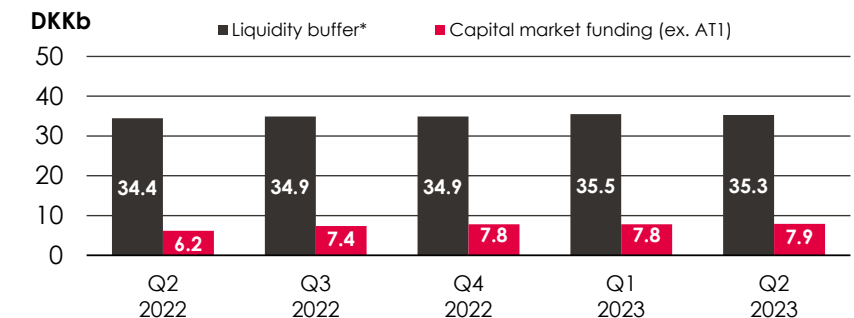
Y/Y: +166 bp. / Q/Q: +42 bp.



Loans / Deposits



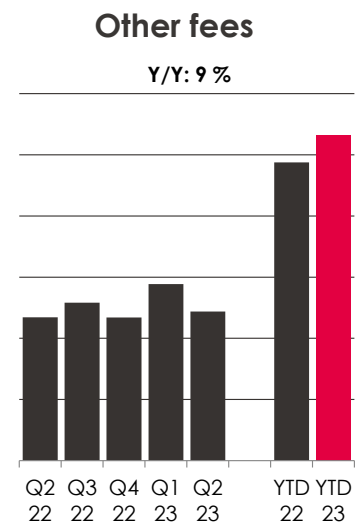
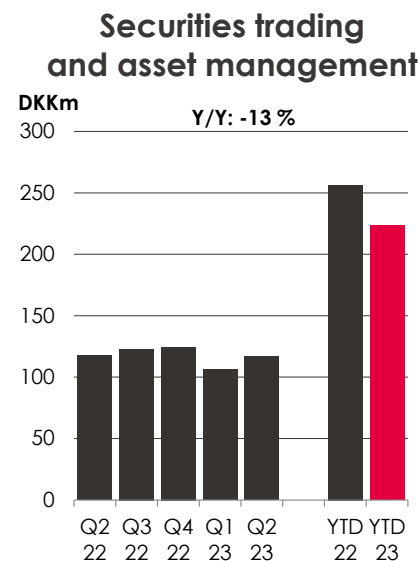
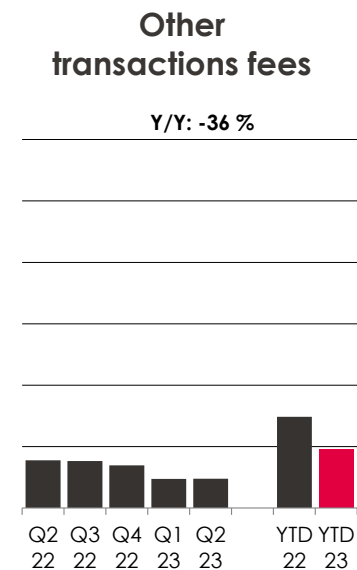
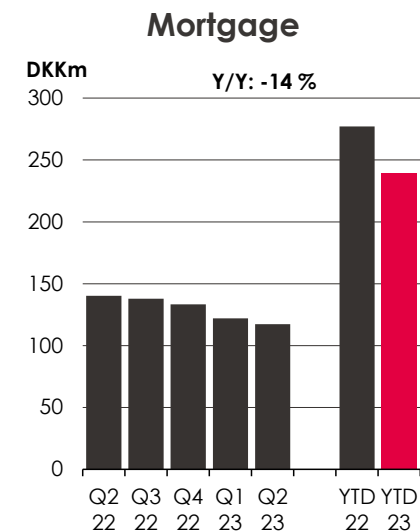
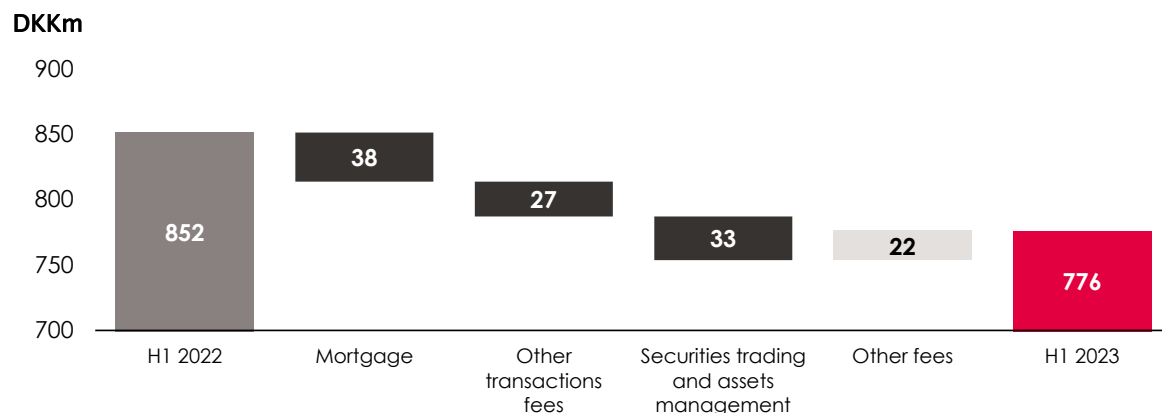
Liquidity buffer / Capital Market funding



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

Net fee income decreases by 9%

- **Net fee income amounted to DKK 776 million versus DKK 852 million in H1 2022**
 - Overall lower level of activity in areas such as loan remortgaging, house sales, securities trading and assets under management
 - In H1 2023, especially remortgaging activity has been significantly below the level from the same period last year
 - 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

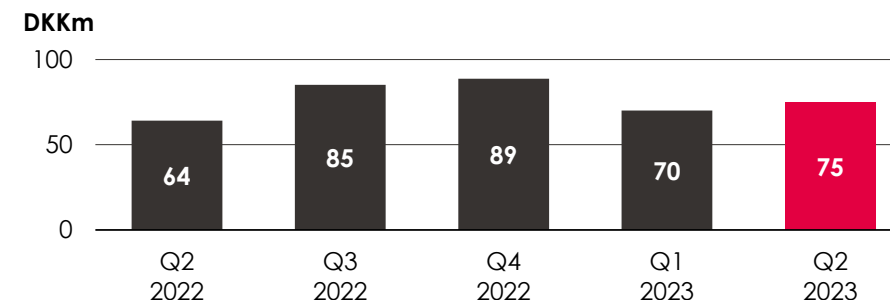


Positive market value adjustments from customer activity, bond portfolio and strategic shares

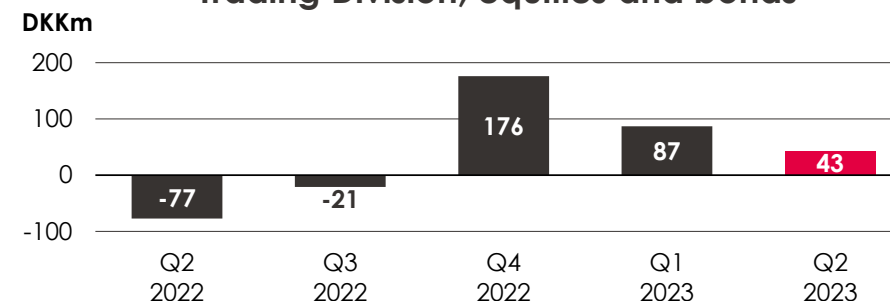
- **Market-value adjustments and dividends amounted to DKK 275 million versus DKK -7 million in H1 2022**

- Satisfactory market value adjustments from customer activity and business volume of DKK 145 million in H1 2023
 - Market value adjustments and dividends on the portfolio of strategic shares in the financial sector of DKK 97 million
 - Market value adjustments from currency trading and exchange rate gains amounted to DKK 47 million driven by satisfactory customer activity in H1 2023
- Market value adjustments on equities and bonds were DKK 130 million in H1 2023
 - In the Trading Division, market value adjustments on bonds etc. were DKK 115 million while equities were DKK 15 million in H1 2023
 - Market value adjustments on bonds were primarily attributable to tightening of credit spreads in Q1 2023

Market value adjustments from customer activity and business volume



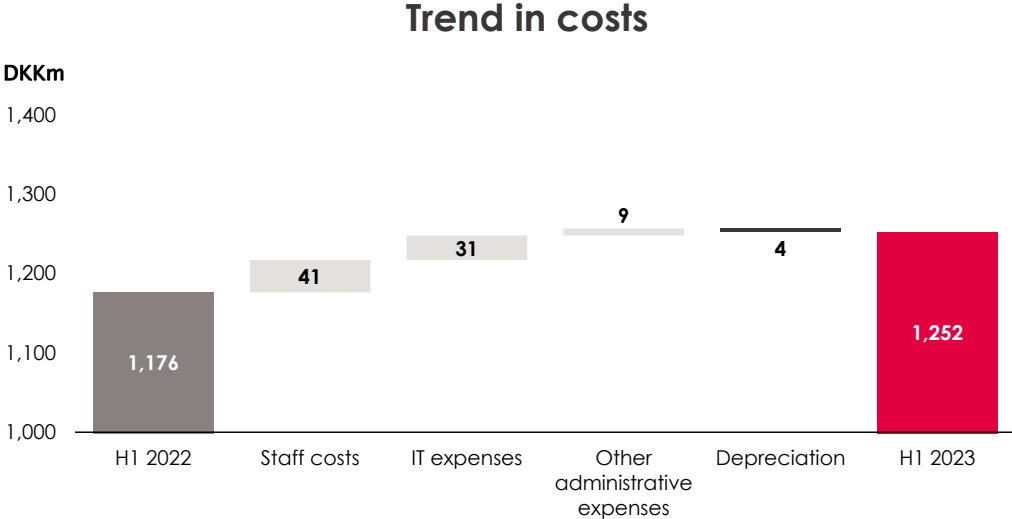
Trading Division, equities and bonds



DKKm	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Tangible assets incl. dividends	40	63	65	46	51
Currency trade and -agio	24	22	24	24	23
Market value adjustments from customer activity and business volume	64	85	89	70	75
Market value adjustments, equities	-24	-1	9	9	6
Market value adjustments, bonds, etc.	-53	-20	166	78	37
Market value adjustments in Trading Division	-77	-21	176	87	43
Total market value adj. and dividends	-14	65	265	157	118

Costs increases by 6%

- Total costs amounted to DKK 1,252 million versus DKK 1,176 million in H1 2022
- Payroll costs increases by DKK 41 million (6%)
 - 1,655 employees by end of H1 2023, which was 28 more than at end of H1 2022
 - Collective wage increase of 2% per 1 July 2022
- Operating expenses up by DKK 35 million (7%)
 - 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
- Cost/Income Ratio of 0.45 – well below the strategic goal of a Cost/Income Ratio below 0.55
 - Cost/Income Ratio in H1 2022: 0.66



Breakdown on cost types

Operating expenses (DKKm)	YTD 2023	YTD 2022	Change
Staff-related expenses	24	18	5
Travel expenses	10	7	3
Marketing costs	32	30	2
IT expenses	302	271	31
Cost of premises	28	27	2
Other administrative expenses	65	69	-3
Depreciation	45	50	-4
Operating expenses	507	472	35

Net reversal of impairment charges

- Unchanged strong credit quality among customers

- **Loan impairments amounted to DKK -4 million against DKK -2 million in H1 2022**

- While model-calculated impairment charges were largely unchanged, total management estimates were increased by DKK 72 million relative to end-2022
 - Individual impairments declined by DKK 54 million due to reduced number of exposures flagged for OEI and improved credit quality
 - Total increase in model-calculated impairment charges and management estimates of DKK 76 million, primarily following an increased management estimate
- Impact on profits breaks down into DKK -29 million attributable to corporate customers (incl. agriculture) and DKK 25 million to private customers

- **At the end of H1 2023, total management estimate was DKK 646 million**

- Broken down into DKK 364 million on private customers and DKK 282 million on corporate customers
- "Inflation, low growth and housing prices" of DKK 521 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.	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
- Impairments, private	-23	86	20	-12	25
- Impairments, corporate	28	-63	37	13	-29
Impairments of loans and advance:	5	22	57	1	-5
Impairment ratio	0.0	0.0	0.1	0.0	0.0

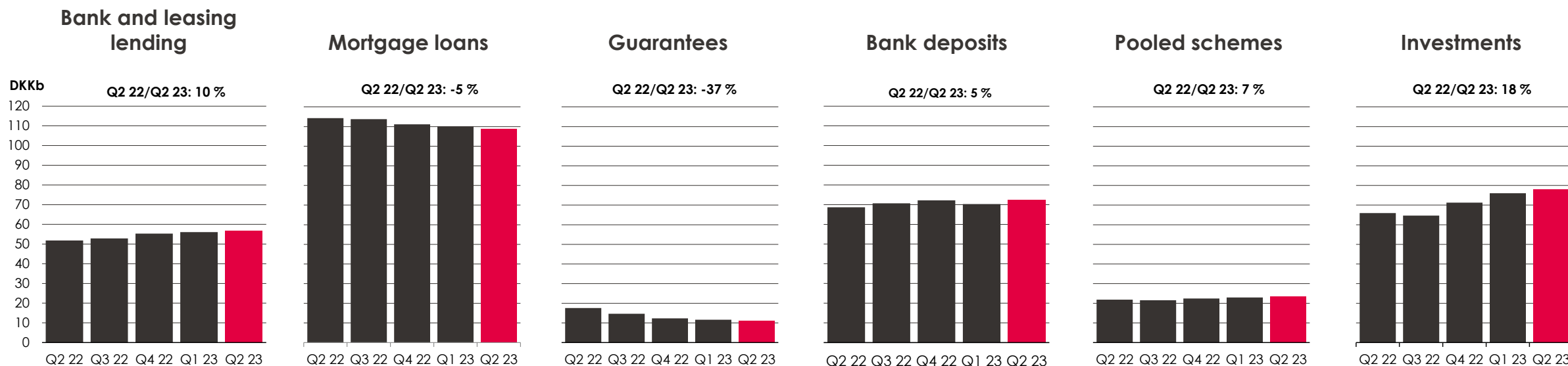
Impairments by type (DKKm)	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Management estimates	526	576	574	588	646
Model-calculated impairments	411	436	469	472	473
Estimates and model-calc. impairments	937	1.012	1.043	1.060	1.119
Individual impairments	662	614	623	608	569
Total impairments	1.598	1.626	1.666	1.667	1.688

DKKm	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Inflation, low growth and housing prices	279	317	434	448	521
COVID-19	85	84	0	0	0
Agriculture, land prices	98	86	41	38	33
Model uncertainty etc.	64	89	98	102	92
Total management estimates	526	576	574	588	646

Continued growth in total business volume (y/y)

- Underlying 10% growth in bank and leasing lending

- End of H1 2023, total business volume amounts to DKK 355 billion – DKK 11.0 billion (3%) higher than end of H1 2022
- Growth in both bank and leasing lending and bank deposits
 - Bank and leasing lending were up by DKK 5.1 billion (Private: DKK 2.7 billion / Corporate: DKK 2.4 billion)
 - Bank deposits grew DKK 3.7 billion (Private: DKK 3.0 billion / Corporate: DKK 0.7 billion)
- Customers' invested assets were up DKK 12.0 billion while deposits in pooled schemes grew DKK 1.6 billion
- Decline in mortgage loans of DKK 5.6 billion and drop in guarantees of DKK 6.5 billion
 - By end of H1 2023, total originated mortgage loans were DKK 108.7 billion



Solid capital position with increased coverage

- **Capital ratios**

- CET1: 16.2 (strategic target: 13.5)
- Own funds ratio: 20.6 (strategic target: 17.5)

- **Individual solvency requirement of 9.8% and combined buffer requirement of 6.0%**

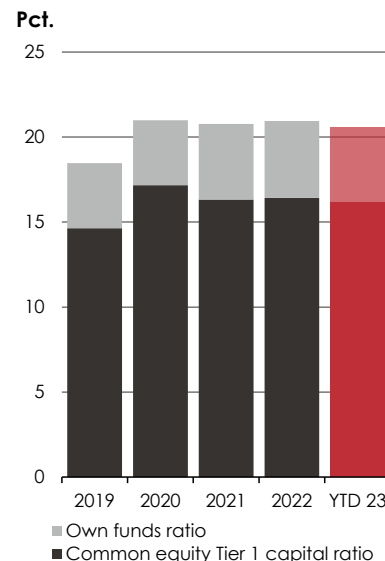
- Excess coverage of 4.7 percentage points or DKK 2.9 billion

- **Compared with Q1 2023, the Bank's CET1 ratio increased by 0.8 percentage point, while the own funds ratio was 0.7 percentage point higher**

- Own funds were increased by DKK 0.5 billion in Q2 2023

- Total risk exposure increased DKK 0.2 billion in Q2 2023
 - Risk exposure for credit risk was increased by DKK 0.3 billion
 - Risk exposure for market risk was reduced by DKK 0.1 billion

Capital ratios



Maturity profile for subordinated debt

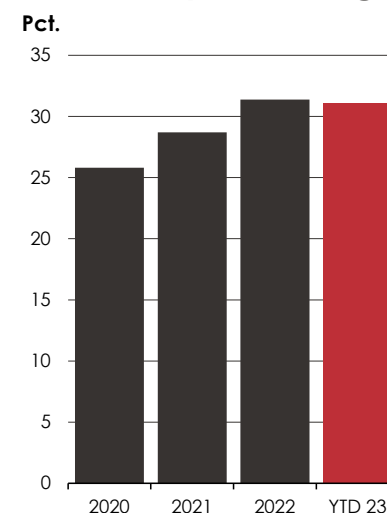


Pct. / DKKm	Q2 2023	Q1 2023	2022	2021
Common equity Tier 1 capital ratio	16.2	15.4	16.4	16.3
Additional Tier 1	1.9	1.9	1.9	1.9
Tier 1 capital ratio	18.1	17.3	18.4	18.3
Tier 2 capital	2.6	2.6	2.6	2.5
Own funds ratio	20.6	19.9	20.9	20.8
Total Risk Exposure	61,512	61,308	60,463	60,479
Of which Credit Risk	50,148	49,865	50,063	50,165
Of which Market Risk	4,516	4,595	3,901	4,140
Of which Operational Risk	6,848	6,848	6,499	6,174

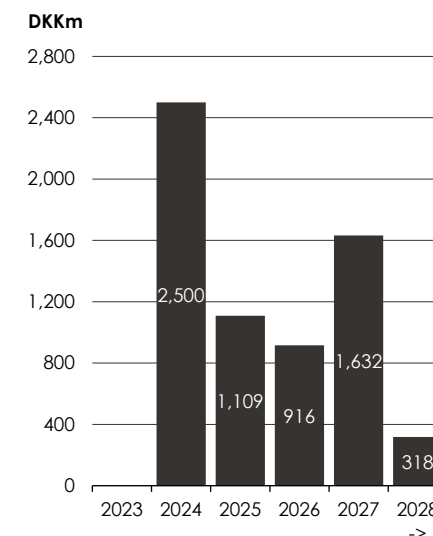
Comfortable coverage for MREL requirement

- **MREL and combined buffer percentage was 31.1% which is 1.0 percentage points higher than end Q1 2022**
 - Additional MREL capital (Senior Non-Preferred) for DKK 0.3 billion was issued in Q2 2023:
 - Tap issue of SEK 450 million in existing issue (DK0030515606) with maturity in Dec. 2028 and an option to prepay in Dec. 2027
- **Excess coverage, MREL requirement of 3.4 percentage points by end of H1 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 primarily 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

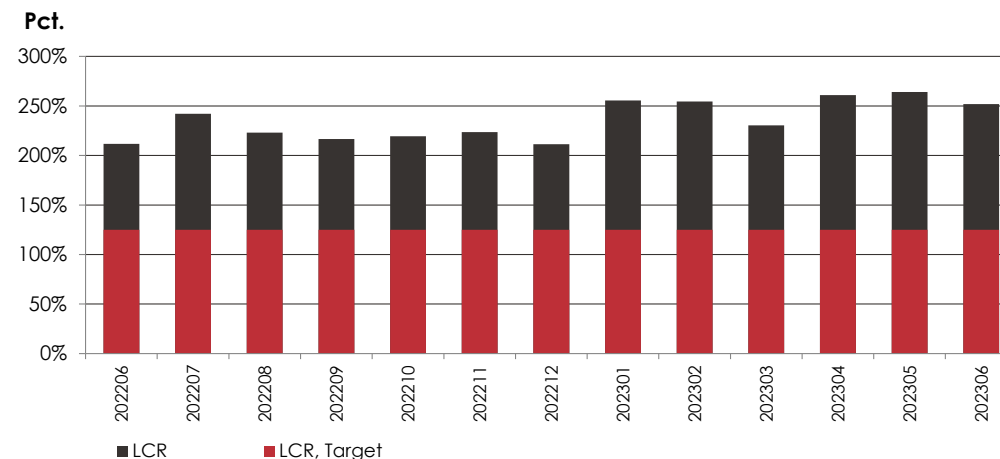
DKKb	Q2 2023	Q1 2023	2022	2021
Own funds	12.7	12.2	12.7	12.6
MREL capital	6.5	6.2	6.2	4.8
Deduction – separate combined buffer requirement	-3.7	-3.7	-3.3	-2.1
Total MREL-eligible liabilities	15.5	14.8	15.7	15.3

Pct.	Q2 2023	Q1 2023	2022	2021
MREL and combined buffer percentage	31.1	30.1	31.4	28.7
MREL and combined buffer requirement	27.7	27.5	27.2	23.6
Excess coverage, MREL requirement	3.4	2.6	4.2	5.1

Unchanged strong liquidity and funding

- **End of H1 2023, LCR stood at 252%**
 - Statutory requirement at 100% / Bank's own target at 125%
- **End of H1 2023, NSFR stood at 128%**
 - Statutory requirement at 100% / Bank's own target at 105%
- **End of H1 2023, deposits excluding pooled schemes amounted to DKK 73 billion or 75 % of the Bank's total funding**

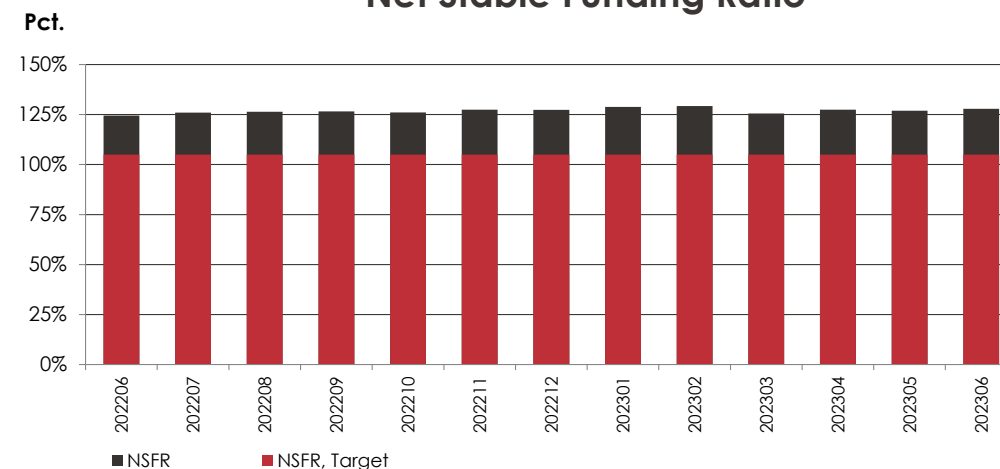
Liquidity Coverage Ratio



Funding profile

DKKb	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023
Money market funding	2.4	2.5	2.1	5.5	2.9
Deposits excluding pooled schemes	68.7	70.7	72.2	70.6	72.6
Issued bonds	4.6	5.4	6.2	6.2	6.3
Tier 2 capital and AT1 capital	2.7	3.2	2.8	2.8	2.8
Shareholders' equity	10.6	10.8	11.3	11.2	11.7
Total funding	89.0	92.5	94.5	96.3	96.3

Net Stable Funding Ratio



Financial guidance for 2023

- Updated on 20 June 2023

- **Core earnings before impairments**

- At the beginning of 2023, core earnings before impairments were expected of around DKK 2.3 - 2.7 billion
- In April 2023 guidance was hiked to DKK 2.5 - 2.9 billion
- In July 2023 guidance was hiked to DKK 2.9 - 3.2 billion
 - Core earnings before impairments of DKK 1.519 million in H1 2023
- **Core earnings before impairment are now expected at the upper end of the DKK 2.9-3.2 billion range**

- **Impairments of loans**

- At the beginning of 2023, impairments charges were expected higher in 2023 than in 2022
- In April 2023 expectations were revised to “higher than in 2022, but lower than forecast at the beginning of the year”
- In July 2023 expectations were revised to “on a level with 2022”
 - Loan impairments of DKK -4 million in H1 2023
- **Full year impairment charges are still expected on a level with 2022**

- **Profit after tax**

- At the beginning of 2023, profit after tax were expected of around DKK 1.5 – 1.8 billion
- In April 2023 guidance was hiked to DKK 1.8 – 2.1 billion
- In July 2023 guidance was hiked to DKK 2.1 – 2.4 billion
 - Profit after tax of DKK 1,178 million in H1 2023
- **Profit after tax is now expected to be at the upper end of the DKK 2.1-2.4 billion range**

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