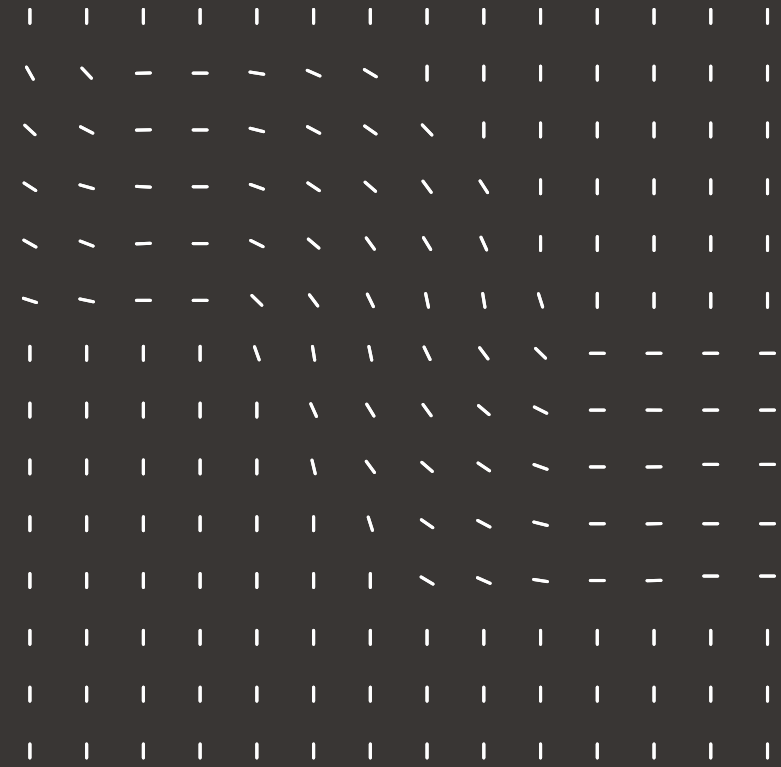


Presentation of Spar Nord's financial results for Q1-Q3 2023



Lasse Nyby, CEO
1 November 2023

Net profit of DKK 1,871 million and ROE of 20.8%

Headlines from the income statement

- Net interest income grows 87% (y/y) due to rise in policy and market rates and growth in loans and deposits volumes
- Net fee income decreases by 11% (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 8% (y/y) due to higher IT costs, collective wage increase and higher number of employees
- Loan impairments of DKK -29 million with underlying increase in management estimate of DKK 97 million compared to year-end 2022
- Total business volume of DKK 353 billion
 - Growth in bank loans and leasing of DKK 3.3 billion or 6% (y/y)
 - Continued solid capital position 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 Q3 2023	Realized Q2 2023	Index
Net interest income	2,591	1,384	187	957	865	111
Net fees, charges and commissions	1,138	1,280	89	361	380	95
Market-value adjustments and dividends	407	58	-	132	118	112
Other income	122	81	150	36	52	69
Core income	4,257	2,804	152	1,486	1,414	105
Staff costs	1,097	1,024	107	351	374	94
Operating expenses	763	704	108	256	250	102
Costs and expenses	1,859	1,728	108	607	624	97
Core earnings before impairment	2,398	1,076	223	879	790	111
Impairments of loans and advances	-29	21	-	-25	-5	-
Profit before tax	2,427	1,055	230	904	795	114
Tax	556	187	298	212	174	122
Profit	1,871	868	215	693	621	112

Financial guidance for 2023 narrowed

On the basis of its financial results in Q1-Q3 2023, Spar Nord retains its financial guidance for 2023.

Spar Nord is thus guiding for core earnings before impairment of around DKK 3,050-3,250 million and a net profit of around DKK 2,350-2,550 million.

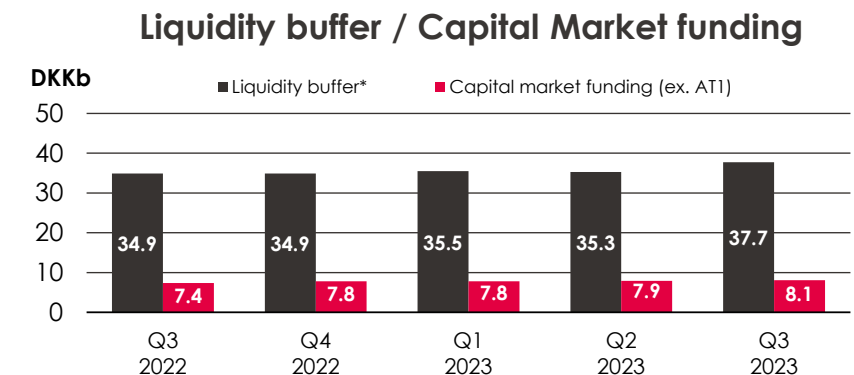
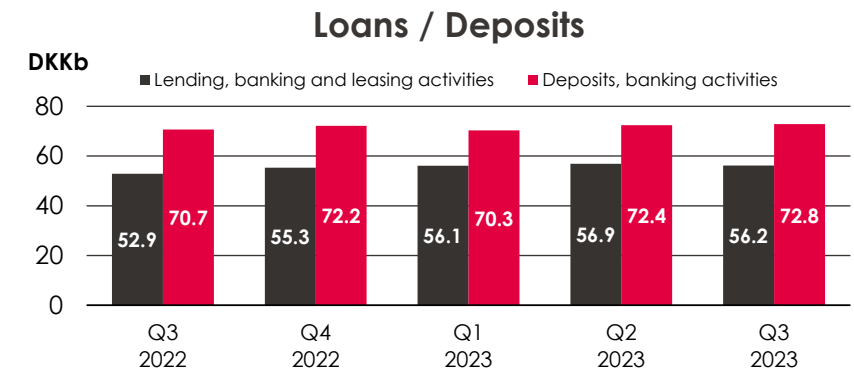
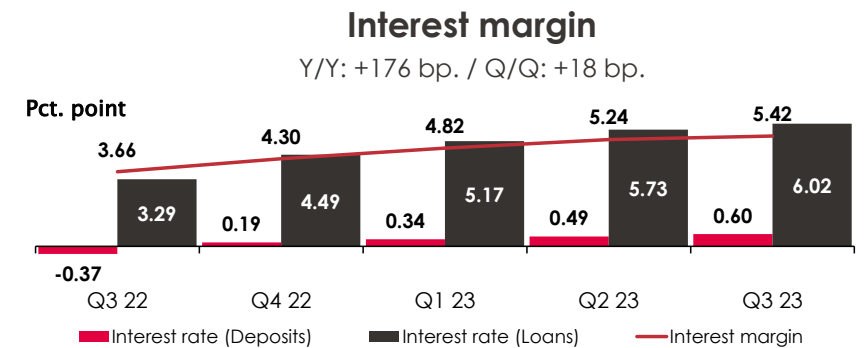
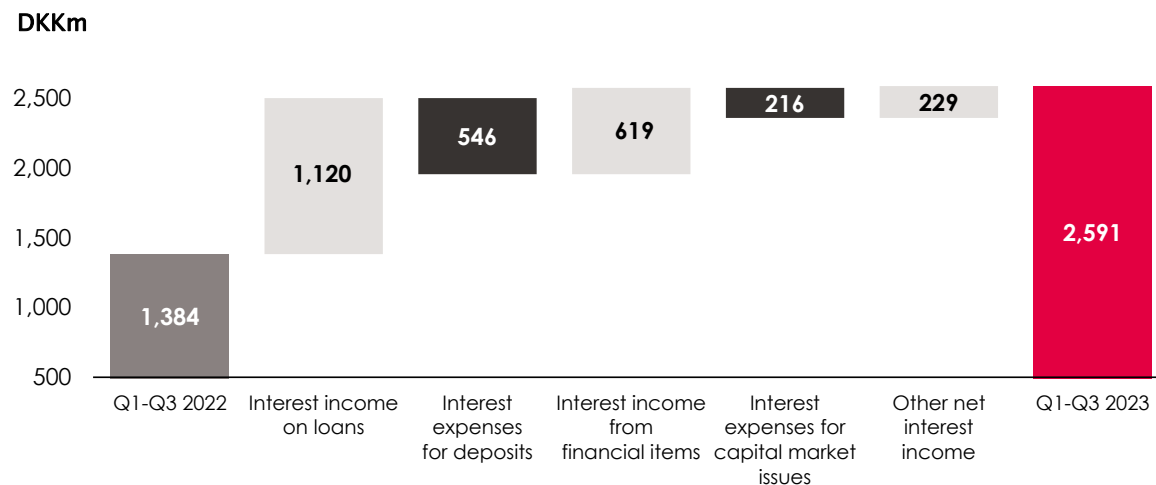
Net interest income up by 87%

- **Net interest income amounted to DKK 2,591 million versus DKK 1,384 million same period last year**

- Sharply rising policy and market rates and implementation of interest rate changes
 - Compared to Q3 2022, The Central Bank's certificate of deposit rate has been raised by 2.95 percentage points to 3.60% end of Q3 2023
- Growth in deposits and loans, and markedly increase in average interest margin
 - Interest margin of 5.42% in Q3 2023 (+176 bp. compared to Q3 2022)

- **Lending growth of DKK 3.3 billion – y/y increase of 6%**

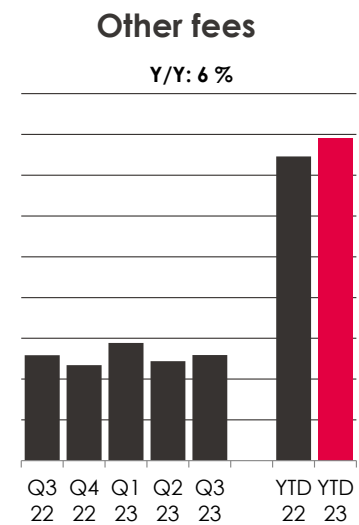
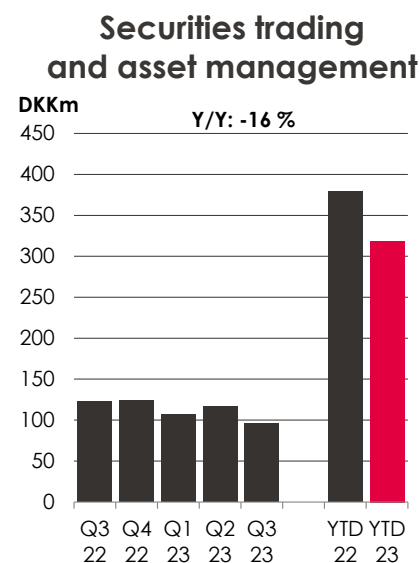
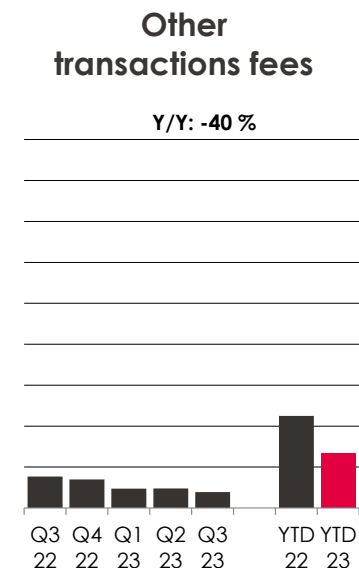
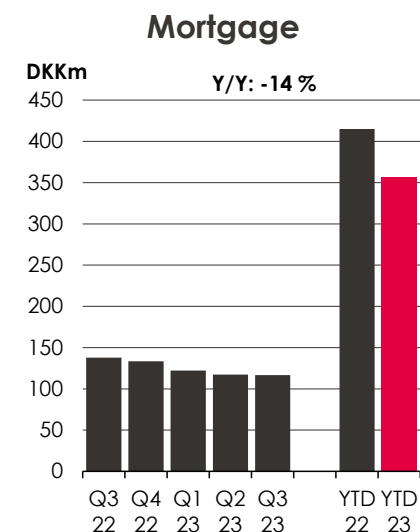
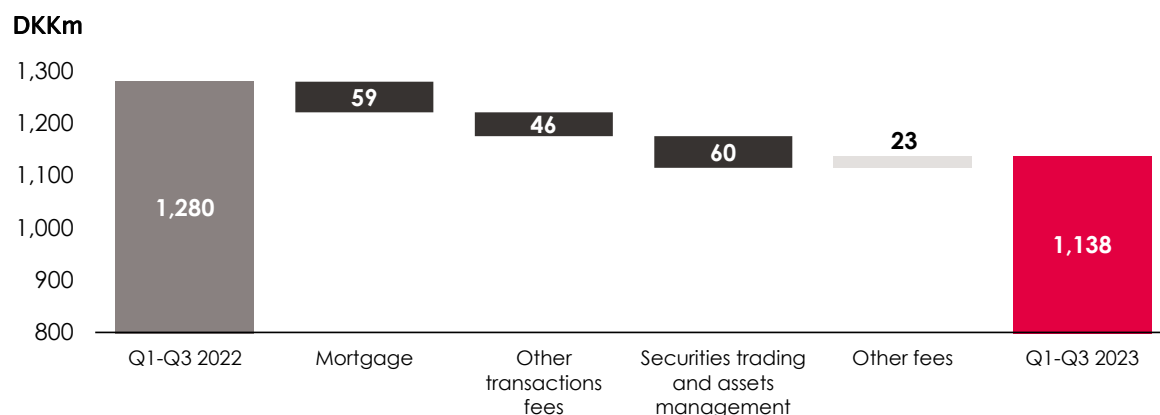
- Lending to private customers up by DKK 2.6 billion (YTD: DKK 1.6 billion)
- Lending to corporates and SMEs was unchanged (YTD: DKK -1.2 billion)
- Leasing business has grown DKK 1.0 billion (YTD: DKK 0.8 billion)
- Lending to public-sector customers down by DKK 0.3 billion (YTD: DKK -0.3 billion)



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

Lower activity driving decline in net fee income

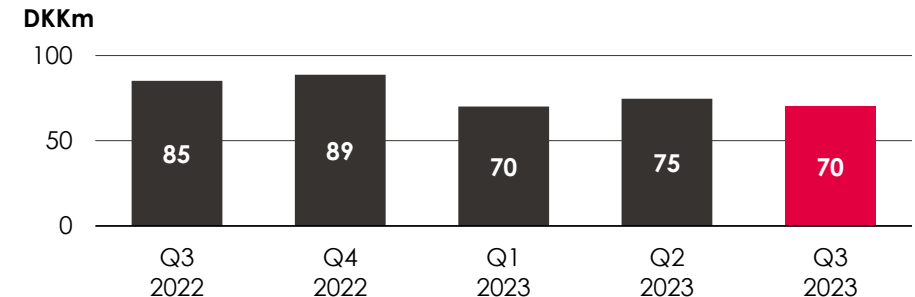
- **Net fee income amounted to DKK 1,138 million versus DKK 1,280 million in Q1-Q3 2023**
 - Overall lower level of activity in areas such as loan remortgaging, house sales, securities trading and assets under management
 - Especially remortgaging activity has been significantly below the level from the same period last year
 - Lower volumes at the start of the year within mortgage loans and assets under management
 - Strong activity within payment services and cards, insurance and pension



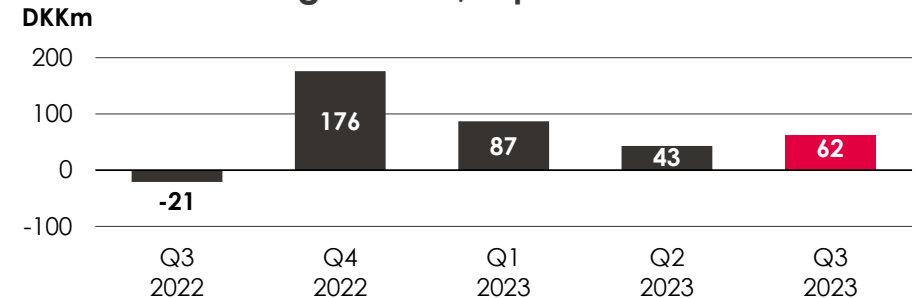
Positive market value adjustments from customer activity and bond portfolio

- **Market-value adjustments and dividends amounted to DKK 407 million versus DKK 58 million in Q1-Q3 2022**
- **Satisfactory market value adjustments from customer activity and business volume of DKK 215 million in Q1-Q3 2023**
 - Market value adjustments and dividends on the portfolio of strategic shares in the financial sector of DKK 146 million
 - Market value adjustments from currency trading and exchange rate gains amounted to DKK 69 million driven by satisfactory customer activity in Q1-Q3 2023
- **Market value adjustments on equities and bonds were DKK 192 million in Q1-Q3 2023**
 - In the Trading Division, market value adjustments on bonds etc. were DKK 175 million while equities were DKK 17 million in Q1-Q3 2023
 - Market value adjustments on bonds were primarily attributable to tightening of credit spreads in Q1 and Q3 2023
- **Entire bond portfolio is recognised at fair value**

Market value adjustments from customer activity and business volume



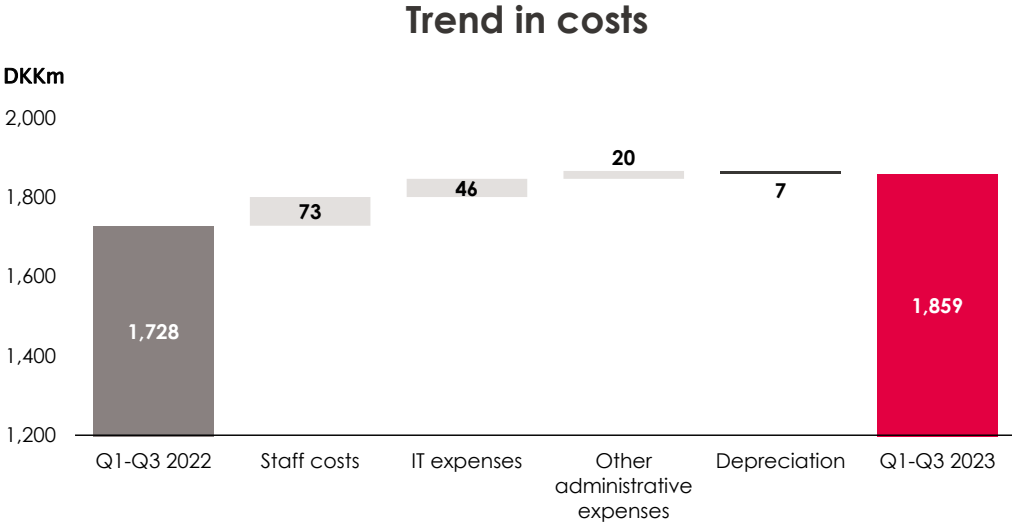
Trading Division, equities and bonds



DKKm	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Tangible assets incl. dividends	63	65	46	51	48
Currency trade and -agio	22	24	24	23	22
Market value adjustments from customer activity and business volume	85	89	70	75	70
Market value adjustments, equities	-1	9	9	6	2
Market value adjustments, bonds, etc.	-20	166	78	37	61
Market value adjustments in Trading Division	-21	176	87	43	62
Total market value adj. and dividends	65	265	157	118	132

Costs/income ratio down to 44

- **Total costs amounted to DKK 1,859 million versus DKK 1,728 million in Q1-Q3 2022 (8%)**
- **Payroll costs increases by DKK 73 million (7%)**
 - 1,675 employees by end of Q3 2023, which was 39 more than at end of Q3 2022
 - Collective wage increases
- **Operating expenses up by DKK 59 million (8%)**
 - 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 44 – well below the strategic goal of a Cost/Income Ratio below 55**
 - Cost/Income Ratio in Q1-Q3 2022: 62



Breakdown on cost types

Operating expenses (DKKm)	YTD 2023	YTD 2022	Change
Staff-related expenses	37	29	8
Travel expenses	14	11	4
Marketing costs	50	48	2
IT expenses	451	405	46
Cost of premises	41	41	0
Other administrative expenses	101	95	6
Depreciation	68	75	-7
Operating expenses	763	704	59

Net reversal of impairment charges

- Unchanged strong credit quality among customers

- **Loan impairments amounted to DKK -29 million against DKK 21 million in Q1-Q3 2022**

- Individual impairments in stage 3 declined by DKK 80 million due to reduced number of exposures flagged for OEI and improved credit quality
- Total increase in impairments in stage 1 and 2 and management estimates of DKK 126 million, whereof 97 was attributable to an increased management estimate
- Impact on profits breaks down into DKK 17 million attributable to corporate customers and DKK 12 million to private customers
 - Amounts recovered on previously impaired receivables contributed positively to the total profit impact in Q1-Q3 2023

- **At the end of Q3 2023, total management estimate was DKK 671 million**

- Broken down into DKK 326 million on private customers and DKK 345 million on corporate customers
- "Inflation, low growth and housing prices" of DKK 570 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
 - Stress of corporate customers with real estate exposure (*New in Q3 2023*)

DKKm / pct.	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
- Impairments, private	86	20	-12	37	-37
- Impairments, corporate	-63	37	13	-42	12
Impairments of loans and advance:	22	57	1	-5	-25
Impairment ratio	0.0	0.1	0.0	0.0	0.0

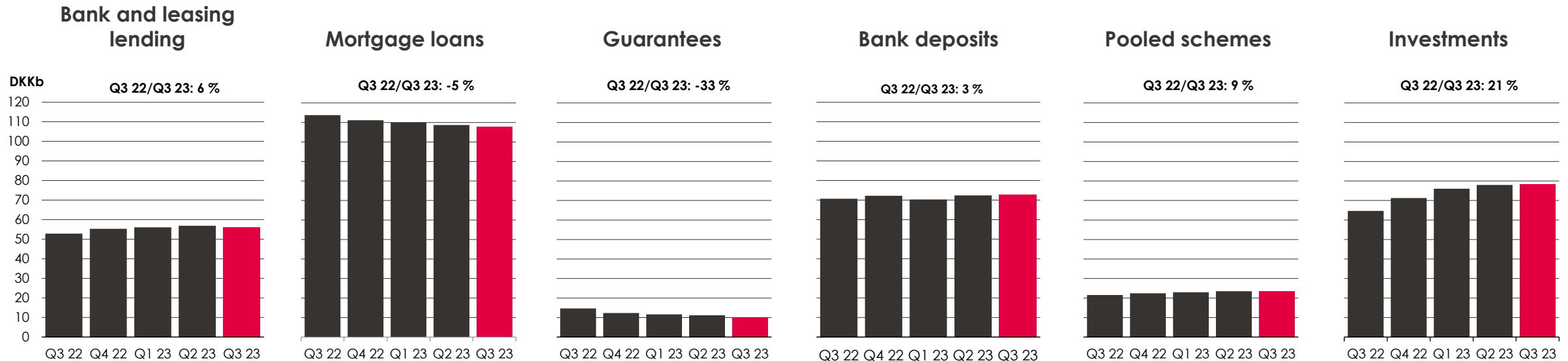
Impairments by type (DKKm)	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Management estimates	576	574	588	646	671
Impairments in Stage 1 and 2	436	469	472	473	497
Impairments in Stage 1 and 2 + Estimates	1,012	1,043	1,060	1,119	1,169
Impairments in Stage 3	614	623	608	569	543
Total impairments	1,626	1,666	1,667	1,688	1,712

DKKm	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Inflation, low growth and housing prices	317	434	448	521	570
COVID-19	84	0	0	0	0
Agriculture, land prices	86	41	38	33	23
Model uncertainty etc.	89	98	102	92	79
Total management estimates	576	574	588	646	671

Continued but slowing growth in total business volume (y/y)

- Underlying 6% growth in bank and leasing lending

- End of Q3 2023, total business volume amounts to DKK 353.0 billion – DKK 11.0 billion (3%) higher than end of Q3 2022
- Growth in both bank and leasing lending and bank deposits
 - Bank and leasing lending were up by DKK 3.3 billion (Private: DKK 2.6 billion / Corporate: DKK 0.7 billion)
 - Bank deposits grew DKK 2.2 billion (Private: DKK 2.3 billion / Corporate: DKK -0.1 billion)
- Customers' invested assets were up DKK 13.7 billion while deposits in pooled schemes grew DKK 1.9 billion
- Decline in mortgage loans of DKK 6.0 billion and drop in guarantees of DKK 4.8 billion
 - By end of Q3 2023, total originated mortgage loans were DKK 107.8 billion



Continued solid capital position

- **Capital ratios**

- CET1: 16.5 (strategic target: 13.5)
- Own funds ratio: 21.1 (strategic target: 17.5)

- **Individual solvency requirement of 10.0% and combined buffer requirement of 6.0%**

- Excess coverage of 5.0 percentage points or DKK 3.0 billion

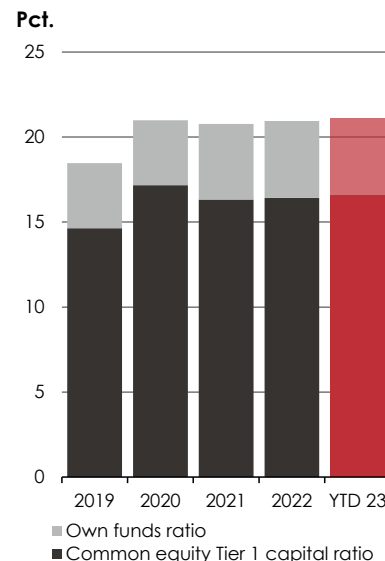
- **Compared with Q2 2023, the Bank's CET1 ratio increased by 0.3 percentage point, while the own funds ratio was 0.5 percentage point higher**

- Own funds were unchanged compared to Q2 2023
- Total risk exposure declined DKK 1.6 billion in Q3 2023
 - Risk exposure for credit risk was reduced by DKK 1.2 billion
 - Risk exposure for market risk was reduced by DKK 0.5 billion

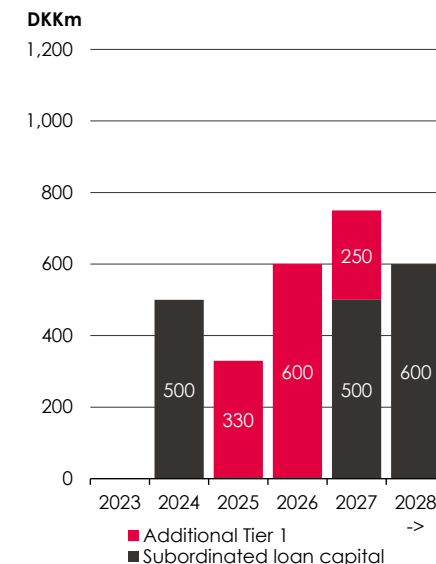
- **Capital ratios with recognition of Q3 result (Opted by Q3 2023)**

- CET1: 17.0
- Own funds ratio: 21.6

Capital ratios



Maturity profile for subordinated debt

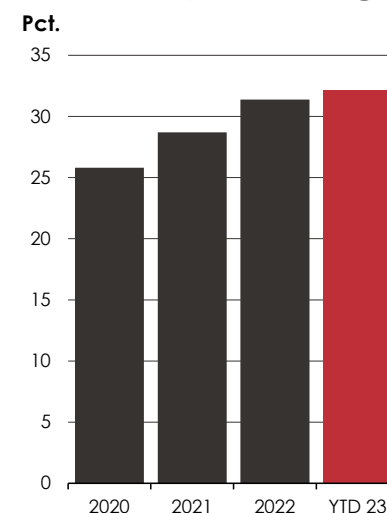


Pct. / DKKm	Q3 2023	Q2 2023	2022	2021
Common equity Tier 1 capital ratio	16.5	16.2	16.4	16.3
Additional Tier 1	2.0	1.9	1.9	1.9
Tier 1 capital ratio	18.5	18.1	18.4	18.3
Tier 2 capital	2.6	2.6	2.6	2.5
Own funds ratio	21.1	20.6	20.9	20.8
Total Risk Exposure	59,880	61,512	60,463	60,479
Of which Credit Risk	48,986	50,148	50,063	50,165
Of which Market Risk	4,046	4,516	3,901	4,140
Of which Operational Risk	6,848	6,848	6,499	6,174

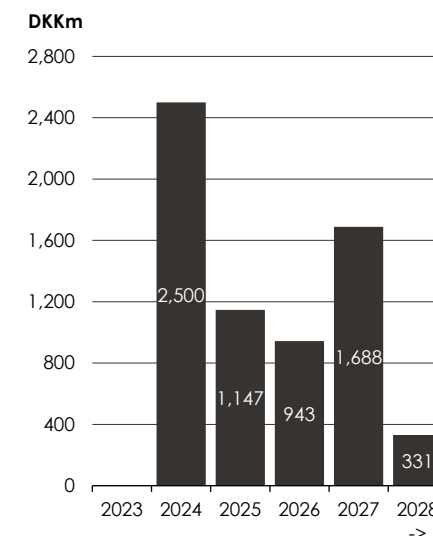
Comfortable coverage for MREL requirement

- MREL and combined buffer percentage was 32.1% which is 1.0 percentage points higher than end Q2 2023**
 - First EUR denominated MREL capital was issued at the end of Q3 2023
 - MREL-capital (Senior Preferred) of EUR 250 million with maturity in 2027 and an option to prepay in 2026
 - As the value date of the EUR issuance was 5 October 2023, the issue is not included in the MREL and combined buffer percentage of Q3 2023
- Excess coverage, MREL requirement of 4.0 percentage points by end of Q3 2023**
 - The remaining 10% of the MREL requirement are phased in on 1 January 2024
 - Fully phased-in MREL and combined buffer requirement expected at about 29.5%
 - Following the EUR issuance, Spar Nord is prepared for a fully phased-in MREL requirement
 - Recommendation from the Systemic Risk Council to activate a sector-specific systemic risk buffer for exposures to real estate companies at a rate of 7% applicable from 30 June 2024
 - For Spar Nord, the recommended buffer is estimated to increase MREL requirement of around 1.2 percentage point

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

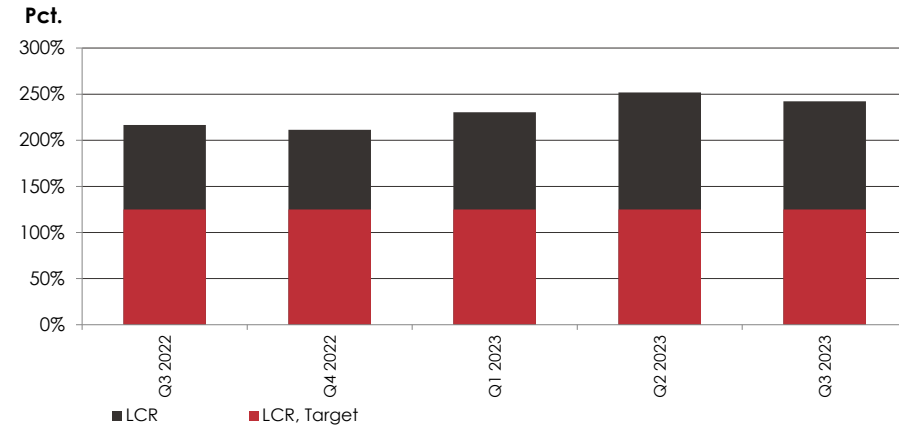
DKKb	Q3 2023	Q2 2023	2022	2021
Own funds	12.6	12.7	12.7	12.6
MREL capital	6.6	6.5	6.2	4.8
Deduction – separate combined	-3.6	-3.7	-3.3	-2.1
Total MREL-eligible liabilities	15.7	15.5	15.7	15.3

Pct.	Q3 2023	Q2 2023	2022	2021
MREL and combined buffer percentage	32.1	31.1	31.4	28.7
MREL and combined buffer requirement	28.1	27.7	27.2	23.6
Excess coverage, MREL requirement	4.0	3.4	4.2	5.1

Unchanged strong liquidity and funding

- **End of Q3 2023, LCR stood at 242%**
 - Statutory requirement at 100% / Bank's own target at 125%
- **End of Q3 2023, NSFR stood at 129%**
 - Statutory requirement at 100% / Bank's own target at 105%
- **End of Q3 2023, deposits excluding pooled schemes amounted to DKK 73 billion or 75 % of the Bank's total funding**
 - 65% of the deposits excluding pooled schemes were covered by the Guarantee Fund

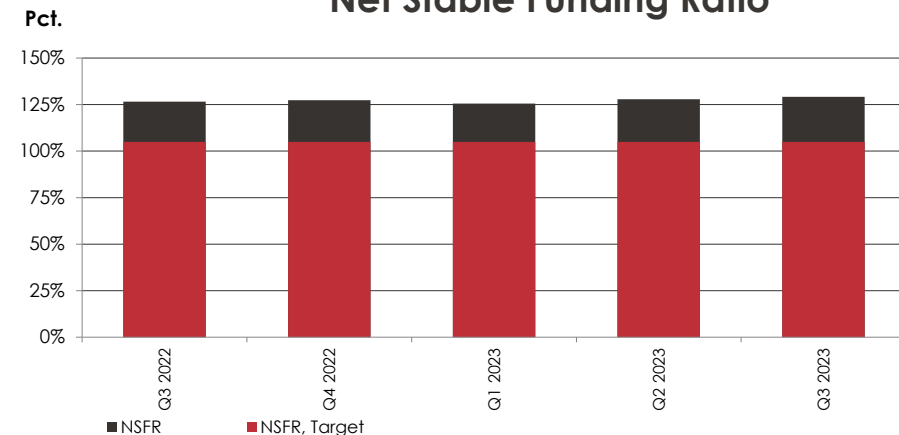
Liquidity Coverage Ratio



Funding profile

DKKb	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023
Money market funding	2.5	2.1	5.5	2.9	3.0
Deposits excluding pooled schemes	70.7	72.2	70.6	72.6	73.2
Issued bonds	5.4	6.2	6.2	6.3	6.5
Tier 2 capital and AT1 capital	3.2	2.8	2.8	2.8	2.8
Shareholders' equity	10.8	11.3	11.2	11.7	12.3
Total funding	92.5	94.5	96.3	96.4	97.7

Net Stable Funding Ratio



Financial guidance for 2023

- Updated on 9 October 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 expected in the DKK 3,050-3,250 million range**
 - Core earnings before impairments of DKK 2,398 million in Q1-Q3 2023
 - 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 June 2023 guidance was hiked to DKK 2.9 - 3.2 billion (*At H1 2023, narrowed to the upper end*)
- **No profit impact from loan impairment charges etc.**
 - Loan impairments of DKK -29 million in Q1-Q3 2023
 - 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 June 2023 expectations were revised to “on a level with 2022”
- **Profit after tax expected in the DKK 2,350-2,550 million range**
 - Profit after tax of DKK 1,871 million in Q1-Q3 2023
 - 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 June 2023 guidance was hiked to DKK 2.1 – 2.4 billion (*At H1 2023, narrowed to the upper end*)