

Nykredit Bank

H1 Interim Report 2025

Nykredit

Nykredit Bank A/S

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Management Commentary



Financial review

Income

DKK 5,055 million

(H1 2024: DKK 4,000 million)

Costs

DKK 3,128 million

(H1 2024: DKK 1,739 million)

Profit for the period

DKK 1,301 million

(H1 2024: DKK 1,883 million)

DKK million							
Nykredit Bank Group	H1 ² 2025	H1 2024	Q2 2025	Q1 2025	Q2 2024	H2 2024	2024
INCOME STATEMENT							
Net interest income	2,827	1,848	1,426	1,401	914	1,760	3,608
Net fee income	496	394	242	254	189	355	749
Wealth management income	1,353	1,342	640	713	674	1,336	2,678
Net interest from capitalisation	321	433	147	174	215	488	921
Net income relating to customer benefits programmes ¹	(30)	(25)	(20)	(10)	(16)	(33)	(58)
Trading, investment portfolio and other income	88	9	23	65	(159)	(17)	(8)
Income	5,055	4,000	2,458	2,597	1,816	3,890	7,890
Costs	3,128	1,739	1,744	1,384	885	1,839	3,578
Profit before impairment charges and legacy derivatives	1,927	2,262	714	1,213	931	2,050	4,312
Impairment charges for loans and advances	275	(112)	124	151	(67)	(63)	(175)
Legacy derivatives	52	127	6	46	76	(29)	59
Profit before tax for the period	1,703	2,501	595	1,108	1,073	2,084	4,484
Tax	403	618	134	268	261	509	1,116
Profit for the period	1,301	1,883	461	840	812	1,574	3,367
Minority interest	95	37	65	30	18	74	65

¹ "Net income relating to customer benefits programmes" has been specified under "Alternative performance measures" on page [8888].

² H1 2025 was affected by a change of distributing entity regarding mortgage loans.

Summary balance sheet

Profit as % of average equity (RoE)

5.9%

(2024: 8.7%)

Cost/income ratio

61.9%

(2024: 45.3%)

People (FTE)

1,027

(2024: 1,029)

DKK million

SUMMARY BALANCE SHEET	H1	H1	Q2	Q1	Q2	
Assets	2025	2024	2025	2025	2024	2024
Cash balances and receivables from credit institutions and central banks	29,039	42,914	29,039	38,004	42,914	32,831
Reverse repurchase lending	47,260	39,204	47,260	47,335	39,204	44,026
Loans, advances and other receivables at amortised cost	112,807	97,437	112,807	109,963	97,437	103,279
Bonds and equities etc	36,746	44,989	36,746	36,292	44,989	44,308
Remaining assets	21,815	17,960	21,815	20,571	17,960	21,667
Total assets	247,667	242,504	247,667	252,165	242,504	246,110
Liabilities and equity						
Payables to credit institutions and central banks	33,064	46,231	33,064	45,447	46,231	40,183
Repo deposits	7,734	4,401	7,734	4,586	4,401	3,109
Deposits and other payables	129,961	117,229	129,961	126,347	117,229	121,812
Bonds in issue at amortised cost	6,315	5,140	6,315	7,136	5,140	13,759
Other non-derivative financial liabilities at fair value	9,338	13,582	9,338	8,005	13,582	9,407
Remaining liabilities	18,364	16,437	18,364	18,919	16,437	16,697
Provisions	1,201	886	1,201	824	886	891
Equity	41,689	38,598	41,689	40,900	38,598	40,253
Total liabilities and equity	247,667	242,504	247,667	252,164	242,504	246,110
FINANCIAL RATIOS¹						
Profit for the period as % pa of average equity	5.9	9.8	3.8	8.2	8.3	8.7
Cost/income ratio (C/I), %	61.9	43.4	71.0	53.3	43.4	45.3
Total provisions for loan impairment and guarantees	3,627	3,360	3,627	3,426	3,360	3,059
Impairment charges for the period, %	0.25	(0.15)	0.11	0.14	(0.10)	(0.10)
Total capital ratio, %	32.4	27.1	32.4	28.0	27.1	27.8
Tier 1 capital ratio, %	32.4	27.1	32.4	27.9	27.1	27.8
Common Equity Tier 1 capital ratio, %	32.4	27.1	32.4	28.0	27.1	27.7
Average number of staff, full-time equivalent	1,027	1,020	1,027	1,033	1,020	1,029

¹ Profit for the period as % of average equity shows profit for the period relative to equity. Profit corresponds to net profit or loss less interest expenses for Additional Tier 1 capital as well as minority interests.

Business overview

Nykredit Bank has two main business areas; Banking and Wealth Management.

Banking consists of Retail and Corporates & Institutions.

Retail offers banking services tailored to Nykredit's personal customers and SMEs, including agricultural customers. Retail also includes leasing activities.

Corporates & Institutions serves Nykredit's corporate and institutional clients, the public housing segment and large housing cooperatives. The division is also responsible for Nykredit Markets.

Wealth Management is responsible for the Group's asset management propositions and activities as well as portfolio administration services to institutional clients, foundations, municipalities, businesses and high-net-worth clients.

We have changed the intercompany distribution agreement for the settlement of commission relating to mortgage loan distribution to give a clearer picture of Nykredit Bank's total business volumes with customers and to facilitate the upcoming merger with Spar Nord Bank.

Previously, Nykredit Realkredit was the entity distributing mortgage loans. This role has now been taken over by Nykredit Bank.

The change resulted in a significant increase in Nykredit Bank's income and costs, respectively. However, this will have no earnings impact on the Nykredit Realkredit Group.

Nykredit Bank

Nykredit Bank holds a strong position in the Danish banking market and continued to enjoy positive momentum in 2025. Thanks to Nykredit's mutual ownership structure, we can offer our customers attractive terms, whilst also ensuring robust earnings.

Spar Nord

In May 2025, the Nykredit Group completed the acquisition of Spar Nord. However, the formal merger between Spar Nord and Nykredit Bank is scheduled for a later date in H1 2026. The integration of Spar Nord signifies a strategically important step for the Nykredit Group. Overall, we are set to becoming Denmark's third-largest bank by lending volume – and the bank with the most extensive branch network in the country.

Spar Nord will further reinforce the Group's banking business with its local presence, deep relational skills and customer-centric advisory culture. The integration will be carried out with respect for the values and strengths that both banks bring to the table.

The goal is to create one single unified organisation with a shared purpose and strong management. The first organisational adjustments will be implemented in the autumn this year (before week 42). After this, a large IT migration has been scheduled for Spring 2026. The formal merger between Spar Nord Bank and Nykredit Bank will take place subsequently.



Banking

Nykredit's overall ambition is to provide financial security for our customers. This is demonstrated through our continuous proactive efforts where we contact customers when new market opportunities arise that could potentially benefit them. This strengthens our relationship with customers and provides them with greater stability and security.

Full-service customers, who have their everyday banking and home financing with Nykredit Bank, are offered some of our most attractive terms. This could be attractive interest rates on savings products and favourable current account terms.

For customers who do not have home financing with Nykredit, we still offer the highest current account rates in the market. To get an even higher interest rate, customers can open fixed-term deposits and get a risk-free savings option, for instance for energy improvements. In 2025, Nykredit continued to welcome many new homeowner and business customers who, along with our existing customers, can enjoy the benefits of our customer-ownership structure. In Q4, we launched a new concept for young customers and a new team dedicated to ensuring that more young people become part of Nykredit and thereby benefit from all the current and future advantages of banking with Nykredit.

Wealth Management

Nykredit Bank is working to create long-term value for our customers, whilst also pursuing an ambition of being Denmark's responsible wealth manager. Focus is on enhancing digital investment solutions, incorporating sustainability in advisory services and concepts and expanding our alternative investment propositions. In 2025, Wealth Management was characterised by overall satisfactory growth despite market volatility and negative investment returns. The decline in assets under management was primarily driven by outflows from a few large institutional clients,

while the retail segment showed solid growth. Wealth Management launched a number of initiatives in 2025 consolidating the Group's solid position in wealth and investment. Among other things, we have launched a new three-year platform programme to ensure a robust and scalable platform to accommodate future growth in the wealth management and investment areas.

Making sustainable choices easier

We offer corporate clients advice on how to take a more systematic approach to sustainability with a view to increasing their positive impact, while at the same time achieving improved ESG ratings to obtain market recognition for their efforts. The Danish agricultural sector has set ambitious climate targets. Together with Forenet Kredit and SEGES, Nykredit has developed the ESGreen Tool aimed at providing the agricultural sector with tools and knowledge to find a viable, documentable and effective path forward in the green transition.

Customer benefits

Being a mutual financial provider, Nykredit has a unique opportunity to share its success with customers. To this end, Nykredit Bank's customer benefits programme includes a customer discount, a savings discount, a discount on bank home loans and a number of green benefits. The customer discount is offered to full-service customers as a discount on some of the charges paid during the year, and in proportion to their business with Nykredit. We offer a savings discount to full-service customers who invest through one of our wealth management proposition. The savings discount is 25% of the customer's direct investment management fee.



Financial performance

Nykredit Bank delivered a satisfactory financial performance in H1 2025. Profit before impairment charges and legacy derivatives came to DKK 1,927 million (H1 2024: DKK 2,262 million), and profit after tax for the period was DKK 1,301 million (H1 2024: DKK 1,883 million).

Our guidance for profit after tax for 2025 presented in the Annual Report for 2024 was DKK 3.0-3.5 billion.

The results were positively impacted by the change of distributing entity regarding mortgage loans and growth in the balance sheet as opposed to the negative impact of lower interest rates and individual impairment provisions. In addition, extraordinary costs of provisions relating to the acquisition of Spar Nord Bank were recorded.

Nykredit Bank recorded lending and customer growth in H1 2025, loans and advances were up by DKK 9.5 billion to DKK 112.8 billion, and deposits excluding repo deposits rose by DKK 8.2 billion to DKK 130.0 billion.

Income

Income was DKK 5,055 million in H1 2025 (H1 2024: DKK 4,000 million).

Net interest income amounted to DKK 2,827 million (H1 2024: DKK 1,848 million). The development in net interest income was affected by higher bank lending, yet declining margins in 2025. The increase was due to change of distributing entity. Net fee income increased by DKK 102 million to a total of DKK 496 million (H1 2024: DKK 394 million). Wealth management income increased to DKK 1,353 million (H1 2024: DKK 1,342 million). Net interest from capitalisation, which comprises internal liquidity interest and interest on subordinated capital, was a gain of DKK 321 million (H1 2024: gain of DKK 433 million). This was particularly driven by a changed interest rate level.

Trading, investment portfolio and other income, including value adjustments of swaps, amounted to DKK 88 million (H1 2024: DKK 9 million).

Costs

Costs were DKK 3,128 million in H1 2025 (H1 2024: DKK 1,739 million) of which extraordinary costs of provisions taken for restructuring related to the acquisition of Spar Nord Bank were DKK 350 million. Compared to the first half of 2024, the change of distributing entity also impacted negatively during this period. Ordinary costs rose as a consequence of pay rises and bonuses, general inflation-driven price rises as well as increased investments in digitisation and IT. By contrast, efficiencies, cost discipline and the discontinuance of contributions to the Danish Resolution Fund scheme helped reduce costs. The average number of full-time equivalent staff totalled 1,027 (H1 2024: 1,020).

Tax

Tax on profit for the year has been calculated at DKK 403 million (H1 2024: DKK 618 million).

Loan impairments

Impairment charges for loans and advances represented 0.25% of lending in H1 2025 (H1 2024: reversal of 0.15%). Impairment charges for loans and advances came to DKK 275 million (H1 2024: reversal of DKK 112 million) owing to the continued strong performance of the Danish economy and customers' good credit quality but with individual impairment provisions for a limited number of customers. The individual impairment provisions were not indicative of an economic downturn or sector-specific trends but rather caused by customer-specific circumstances.

Legacy derivatives

Income from legacy derivatives was DKK 52 million in H1 2025 (H1 2024: DKK 127 million). Legacy derivatives are derivatives that Nykredit no longer offers to customers. These value adjustments are not included in profit before impairment charges and legacy derivatives.

Results for H1 2025 relative to H2 2024

Profit after tax was DKK 1,301 million (H2 2024: DKK 1,574 million), corresponding to a decrease of DKK 273 million. Profit before impairment charges and legacy derivatives came to DKK 1,927 million in H1 2025 (H2 2024: DKK 2,050 million).

Costs amounted to DKK 3,128 million (H2 2024: DKK 1,839 million). The significant development in the cost base is essentially a result of the change of distributing entity regarding mortgage loans. Impairment charges for loans and advances were DKK 275 million (H2 2024: reversal of DKK 63 million). Value adjustment of legacy derivatives was a gain of DKK 52 million in H1 2025 (H2 2024: charge of DKK 29 million).

Balance sheet

The balance sheet stood at DKK 247.6 billion in H1 2025 (end of 2024: DKK 246.1 billion).

Receivables from credit institutions and cash balances etc decreased to DKK 29.0 billion (end of 2024: DKK 32.8 billion), and reverse repurchase lending increased by DKK 3.2 billion to DKK 47.2 billion (end of 2024: DKK 44.0 billion).

Lending at amortised cost (excluding reverse repurchase lending) rose by DKK 9.5 billion in H1 2025 to DKK 112.8 billion (end of 2024: DKK 103.3 billion).

In recent years, Nykredit Bank has transferred a number of secured homeowner loans to Totalkredit, which has reduced the Bank's balance sheet. In H1 2025, these loans amounted to DKK 12.9 billion (end of 2024: DKK 12.2 billion). Loan balances including secured homeowner loans totalled DKK 125.7 billion (end of 2024: DKK 115.4 billion).

Bond and equity portfolios totalled DKK 36.8 billion (end of 2024: DKK 44.3 billion). The bond portfolio may fluctuate significantly from one reporting year to another, which should be seen in the context of the Bank's repo activities, trading positions and general liquidity management. The same applies to balances with credit institutions.

Remaining assets were DKK 21.8 billion (end of 2024: DKK 21.7 billion). In 2025, DKK 6.3 billion was attributable to positive market values of derivatives (end of 2024: DKK 6.2 billion). The positive market values related to customer activities in derivatives and positions for hedging own risk. The Bank's interest rate risk is widely hedged through offsetting interest rate swaps.

Payables to credit institutions and central banks decreased to DKK 33.1 billion (end of 2024: DKK 40.2 billion), while repo deposits increased by DKK 4.6 billion to DKK 7.7 billion (end of 2024: DKK 3.1 billion).

Deposits and other payables (excluding repo deposits) went up to DKK 130.0 billion (end of 2024: DKK 121.8 billion).

Bonds in issue totalled DKK 6.3 billion (end of 2024: DKK 13.8 billion). Nykredit Bank receives funding from its Parent, Nykredit Realkredit, by way of long-term intercompany loans. Nykredit Realkredit funds such loans through the issuance of debt instruments. Other non-derivative financial liabilities at fair value, which include negative bond portfolios, for which the Bank has a repurchase obligation, came to DKK 9.3 billion (end of 2024: DKK 9.4 billion).

Remaining liabilities and provisions amounted to DKK 19.6 billion (end of 2024: DKK 17.6 billion). The item mainly consisted of interest and commission payable and negative market values of derivative financial instruments.

Outlook and guidance for 2025

Nykredit Bank is guiding for a profit after tax at the lower end of the range DKK 3.0-3.5 billion for 2025. Full-year guidance for profit after tax compared with 2024 is based on the following assumptions:

- Declining net interest income due to an expected lower interest rate level.
- Ordinary costs are expected to increase due to general pay and price rises.
- Impairments are expected to be higher than the exceptionally low levels of the past few years.
- The change of distributing entity led to growth in the balance sheet.
- Provisions taken for restructuring contributed negatively.

The main uncertainties applying to our 2025 guidance are related to trading, investment portfolio and other income due to legacy derivatives, changes in interest rates, as well as impairment charges for loans and advances.

Special accounting circumstances

Change of intercompany settlement model between Nykredit Realkredit A/S and Nykredit Bank A/S

The intercompany settlement model used by Nykredit Realkredit A/S and Nykredit Bank A/S has been changed as from 2025. Settlement is now based on a distribution agreement rather than a profit split principle. As a result of the change, the related income and costs are transferred from Nykredit Realkredit A/S to the Nykredit Bank Group. This had an earnings impact of approximately DKK 150-200 million before tax per quarter for the Nykredit Bank Group and no impact on the earnings for the Nykredit Group. The change of intercompany settlement model is a result of the change of distributing entity regarding mortgage loans.

Other

Changes to the Executive Board

The most recent change was on 24 June 2025 when Carsten Levring Jakobsen, Managing Director, and Martin Kudsk Rasmussen, Managing Director, joined the Executive Board of Nykredit Bank A/S.

Material risks

Nykredit Bank's risk profile mainly relates to loans and credit facilities provided to personal and business customers.

The Bank's business activities and investment portfolio management involve credit, market, liquidity and operational risks, including IT and compliance risks.

Nykredit Bank uses the internal ratings-based (IRB) model in its credit risk management and for the determination of the capital requirement for credit risk for the greater part of the loan portfolio. The determination of credit risk is based on three key parameters: Probability of Default (PD), expected Loss Given Default

(LGD) and expected Exposure at Default (EAD). Please refer to "Impairments and lending" on page 19.

Nykredit Bank assumes various market risks through its business activities. Market risk is the risk of loss as a result of movements in financial markets and includes interest rate, yield spread, foreign exchange rates, equity price, and volatility risks. Market risk in Nykredit Bank consists of positions in trading and banking books, depending on the purpose of the relevant position. Portfolios with positions held for trading are placed in the trading book and mainly consist of covered bonds. Positions forming part of Nykredit Bank's lending activities are placed in the banking book.

Credit, market and operational risks are mitigated by having adequate capital. Liquidity risk is mitigated by holding a sufficient stock of liquid assets.

Nykredit Bank's risks are described in more detail in note 47, "Risk management" in Nykredit Bank's Annual Report 2024.

Uncertainty as to recognition and measurement

Measurement of certain assets and liabilities is based on accounting estimates made by Management.

The areas in which assumptions and estimates significant to the financial statements have been made include provisions for loan and receivable impairment and unlisted financial instruments see note 1, accounting policies, and 3, accounting estimates, to which reference is made.

Events since the balance sheet date

No events have occurred in the period up to the presentation of the Interim Report 2025 which materially affect the Nykredit Bank Group's financial position.

Capital

CET1 capital ratio

32.4%

(2024: 27.7%)

Total capital ratio

32.4%

(2024: 27.8%)

Internal capital adequacy requirement

10.9%

(2024: 10.7%)

Equity and own funds

Equity carried for accounting purposes totalled DKK 41.7 billion at the end of H1 2025 in the Nykredit Bank Group (end of 2024: DKK 40.3 billion).

Nykredit Bank has its own capital policy and capital management. To ensure the Nykredit Realkredit Group's flexibility and responsiveness, capital resources are primarily concentrated in the Parent, Nykredit Realkredit A/S. A central element of the Nykredit Realkredit Group's capital policy is that the subsidiaries can receive capital as required. Adequate capitalisation of Nykredit Bank within the Nykredit Realkredit Group is continuously ensured.

	DKK million	
Nykredit Bank Group ¹		
Capital and capital adequacy	30.06.2025	31.12.2024
Equity	41,689	40,253
Minority interests, not included	(173)	(163)
Prudent valuation adjustment	(43)	(25)
Intangible assets and deferred tax assets	(1,819)	(1,827)
Other regulatory adjustments	(134)	79
Deduction for non-performing exposures	(292)	(268)
Common Equity Tier 1 capital	39,229	38,049
Minority interests	11	12
Tier 1 capital	39,240	38,060
Minority interest	15	15
Own funds	39,254	38,076
CET1 capital ratio, %	32.4	27.7
Tier 1 capital ratio, %	32.4	27.8
Total capital ratio, %	32.4	27.8
Internal capital adequacy requirement (Pillar I and Pillar II), %	10.9	10.7
Credit risk	95,541	110,925
Market risk	11,956	12,688
Operational risk	13,409	13,284
Total risk exposure amount	120,906	136,897

¹ Profit for H1 2025 has been included 100% as authorised by the Danish FSA.

Capital

The Nykredit Bank Group's own funds consist of CET1 capital. No AT1 capital and Tier 2 capital have been issued at this time.

In H1 2025, the Nykredit Bank Group's risk exposure amount (REA) totalled DKK 120.9 billion (end of 2024: DKK 136.9 billion). With own funds at DKK 39.2 billion, this corresponds to a total capital ratio of 32.4% (end of 2024: 27.8%). The CET1 capital ratio was 32.4% (end of 2024: 27.7%).

CRR3 entered into force on 1 January 2025, and as of this date the Nykredit Bank Group's capital requirements will be calculated under the new rules. These particularly impacted the calculation of credit risk, and REA declined to DKK 95.5 billion (end of 2024: DKK 110.9 billion).

Common Equity Tier 1 (CET1) capital is the most important capital concept in the determination of capital, as this is the type of capital required to comply with most of the regulatory capital requirements. The Bank's CET1 capital amounted to DKK 39.2 billion (end of 2024: DKK 38.0 billion).

Pursuant to the Danish Financial Business Act, it is the responsibility of the Board of Directors and the Executive Board to ensure that Nykredit Bank has the required own funds. The required own funds are the minimum capital required, in Management's judgement, to cover all significant risks. This is estimated as 10.9% of the Nykredit Bank Group's risk exposure amount at the end of H1 2025.

Issuer	S&P Global Ratings			Fitch Ratings		
	Long-term	Short-term	Outlook	Long-term	Short-term	Outlook
Nykredit Bank A/S						
Resolution Counterparty Rating	AA-	A-1+				
Issuer Credit Rating	A+	A-1	Stable	A+	F1	Stable
Senior preferred debt	A+	A-1			F1+	

Credit ratings

Nykredit Realkredit and Nykredit Bank have rating relationships with the international credit rating agencies S&P Global Ratings (S&P) and Fitch Ratings regarding the credit ratings of the companies and their funding. Note that Nykredit Bank is not issuer of listed securities as of 2024.

ESG ratings

ESG (Environmental, Social and Governance) ratings are a tool used by investors and other stakeholders to assess a company's position relative to sustainability, corporate responsibility and governance. Nykredit focuses its efforts in part on the ESG rating agencies MSCI and Sustainalytics, which consider all ESG factors, and in part on the CDP (formerly Carbon Disclosure Project), which focuses on environmental impact.

Nykredit's credit ratings

A summary of all Nykredit's credit ratings with S&P and Fitch Ratings is available at nykredit.com/rating

ESG rating agency	Nykredit's rating
MSCI	AAA
Sustainalytics	Low risk
CDP	B

Supervisory Diamond for banks

The Supervisory Diamond uses four key benchmarks to measure if a bank is operating at an elevated risk.

Nykredit Bank complied with all benchmark limits of the Supervisory Diamond model for banks at 30 June 2025.

Nykredit Bank A/S Supervisory Diamond	30.06.2025	31.12.2024
Large exposures (limit value <175%)	117.9%	120.6%
Lending growth (limit value <20%)	16.4%	9.8%
Property exposure (limit value <25%)	9.2%	10.1%
Liquidity benchmark (limit value >100%)	186.6%	246.8%

Impairments and lending

Impairment charges for loans and advances were DKK 275 million in H1 2025 (H1 2024: reversal of DKK 112 million) owing to the continued strong performance of the Danish economy and customers' good credit quality but with large individual impairment provisions for a few business customers due to customer-specific circumstances.

Geopolitical tensions

Geopolitical conditions and global economies have been challenged in recent years, with 2025 seeing renewed macroeconomic uncertainty sparked by US import tariffs and the prospect of trade wars. These conditions are expected to affect the credit quality of some customers owing to weaker economic growth and consequential impact on the macroeconomic situation. Provisions related to macroeconomic uncertainty and trade wars are taken using stress test calculations, with stress simulations performed on stage 1 and stage 2 business customers. Certain business customers in the construction, retail, wholesale, rental, production and manufacturing sectors are expected to be affected by the trade war and the slowdown in economic growth. We have taken provisions of DKK 574 million for exposed sectors.

ESG

ESG entails transitory risks, which increase the risk of loss. Transitory risks cover among other things the risk associated with regulation in the form of carbon taxes and the Building Directive because the costs affect annual reports and thereby the future rating of such sectors. Therefore a total of DKK 82 million has been reserved to mitigate this risk.

Expectations for macroeconomic models

Nykredit's impairment model calculations include forward-looking macroeconomic scenarios. The scenarios describe the expected development in economic indicators over a three-year period and reflect the uncertainty related to economic trends and include both improved and deteriorating outlooks. The scenarios were updated at the end of H1 2025 to reflect updated macroeconomic conditions and other resulting market conditions that are expected to impact, or have already to some extent impacted, the economy.

The main scenario carries a 60% weighting. The main scenario used for the impairment models implies expected GDP growth of 3.6% and house price rises of 4.1% in 2025.

The adverse scenario was included in the models with a weighting of 20%. This scenario implies expected GDP decline of 2.0% and house price decreases of 7.9% in 2025. The elevated macroeconomic uncertainty led to more negative main and adverse scenarios in H1 2025 compared with Q4 2024.

The improved scenario carries a 20% weighting and is based on the macroeconomic conditions observed at the date of this report. This scenario uses realised levels of interest rates, GDP, house prices and unemployment.

Post-model adjustments

Corrections and changes to assumptions in the impairment models are based on management judgement. In H1 2025, such post-model adjustments totalled DKK 412 million. The underlying reasons, such as changes in agricultural output prices due to changed economic trends and/or changed export potential as well as financial and legal conditions in the real estate sector, may generally affect credit risk beyond the outcome derived on the basis of model-based impairments.

Local geographical conditions, internal process risk and ongoing monitoring of the loan portfolio may also reflect conditions which macroeconomic projections cannot capture. The estimates are adjusted and evaluated on a regular basis, and it is decided on an individual basis whether to phase out or incorporate an estimate into the models, if necessary. The chart outlines the post-model adjustments made.

Total post-model adjustments have seen a decrease in levels during 2025 as the risks have continuously been evaluated and integrated directly into the impairment models.

At the end of H1 2025, another DKK 574 million was added to the impairment models as in-model adjustments (IMA), where exposed sectors are stressed due to geopolitical tensions and trade war, resulting in a change of stage.

Nykredit Bank Group – PMA

DKK million	30.06.2025	31.12.2024
Specific macroeconomic risks and process-related circumstances		
Agriculture	5	16
Geopolitical tensions	19	17
Concentration risks in loan portfolios	83	119
Total macroeconomic risks	107	152
Process-related	1	39
Model changes	-	-
ESG	82	81
Haircuts	38	26
Other (results of controlling, haircuts etc)	194	196
Total process-related circumstances	315	342
Total post-model adjustments	412	494

Nykredit Bank Group – IMA

DKK million	30.06.2025	31.12.2024
Specific macroeconomic risks		
Geopolitical tensions and trade war	574	569
Total in-model adjustments	574	569



Total provisions

Total provisions increased to DKK 3,629 million in H1 2025 (end of 2024: DKK 3,361 million).

Provisions for guarantees and loan commitments amounted to DKK 283 million (end of 2024: DKK 302 million).

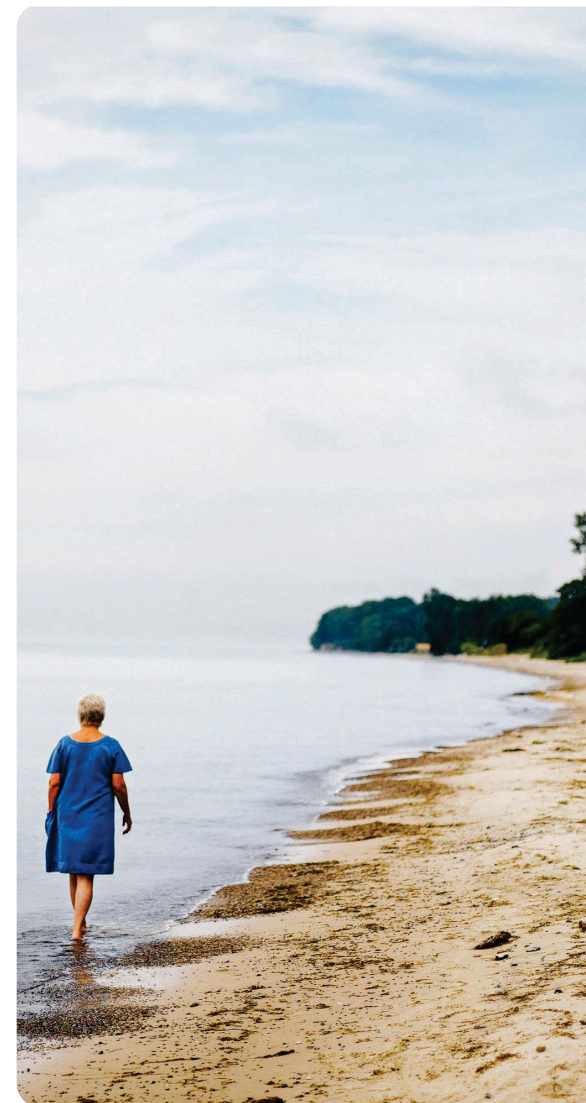
Earnings impact

Impairment charges for loans and advances amounted to DKK 275 million in H1 2025 (2024: a reversal of DKK 175 million). Of this amount, provisions for guarantees and loan commitments were a reversal of DKK 18 million (2024: reversal of DKK 26 million), and recoveries on loans and advances previously written off were DKK 9 million (2024: DKK 40 million).

Nykredit Bank Group - PMA

DKK million

Nykredit Bank Group	30.06.2025	31.12.2024
Provisions for loan impairment and guarantees		
Impairment provisions, beginning of year	3,059	3,208
Impairment provisions and reversals	286	(149)
Impairment provisions, year-end	3,345	3,059
- of which impairment provisions for loans and advances etc	3,344	3,058
- of which impairment provisions for loans and advances to banks	1	1
Provisions for guarantees and loan commitments		
Provisions, beginning of year	302	328
Provisions, year-end	283	302
Total provisions	3,629	3,361
Earnings impact		
New impairment provisions and write-offs for the year, net	303	(109)
Recoveries on loans and advances previously written off	9	40
Total	293	(149)
Provisions for guarantees and loan commitments	(18)	(26)
Total earnings impact	275	(175)



Loans, advances and guarantees by sector

The carrying amount of loans, advances and guarantees was DKK 188.5 billion (end of 2024: DKK 174.0 billion).

Finance and insurance remained the largest single sector exposure at DKK 54.4 billion (end of 2024: DKK 50.4 billion). The exposure comprised reverse repurchase lending with bonds serving as security.

Total lending for business customers increased by DKK 8.6 billion to DKK 154.4 billion (end of 2024: DKK 145.8 billion).

Total lending for personal customers increased by DKK 5.9 billion to DKK 33.7 billion (end of 2024: DKK 27.8 billion).

Nykredit Bank Group

Credit exposures in terms of bank lending, reverse repurchase lending and guarantees by sector¹

DKK million

	30.06.2025			31.12.2024		
	Lending, end of period	Total impairment provisions	Earnings impact	Lending, year-end	Total impairment provisions	Earnings impact
Public sector	506	2	1	506	0	0
Agriculture, hunting, forestry and fishing	4,720	171	9	4,563	165	(57)
Manufacturing, mining and quarrying	23,211	778	(115)	20,043	871	110
Energy supply	8,246	233	186	6,722	28	5
Construction	2,776	128	22	3,223	127	(21)
Trade	16,561	951	109	16,362	886	28
Transport, accommodation and food service activities	8,080	329	(3)	8,344	325	66
Information and communication	5,840	62	10	6,825	54	(5)
Finance and insurance	54,364	52	(2)	50,351	60	(4)
Real estate	17,108	244	(70)	17,131	302	(19)
Other	13,452	352	123	12,194	201	(30)
Total business customers	154,358	3,300	270	145,763	3,019	75
Personal customers	33,681	326	3	27,773	340	(250)
Total (excluding credit institutions)	188,545	3,628	3	174,042	3,360	(175)
- of which intercompany guarantees	14,600			14,279		
- of which provisions for losses under guarantees		283	18	-	302	26
Impairment provisions for credit institutions		1	0	-	1	0
Total Impairment	188,545	3,629	275	174,043	3,361	(175)

¹ As the breakdown is based on public sector statistics, it is not directly comparable with the Bank's business areas.

Alternative performance measures

In Management's opinion, the Management Commentary should be based on the internal management and business division reporting, which also forms part of Nykredit's financial governance. This will provide readers of the financial reports with information that is relevant to their assessment of Nykredit's financial performance.

The reclassification in note 4 shows the reconciliation between the presentation in the financial highlights table of the Management Commentary and the presentation in the Consolidated Financial Statements prepared according to the IFRS and includes:

"Net interest income" comprising interest income from bank lending and deposits, The corresponding item in the income statement includes all interest.

"Net fee income" comprising income from bank lending, service fees, provision of guarantees and leasing business etc.

"Wealth management income" comprising asset management and administration fees etc. This item pertains to business with customers conducted through the Group's entities Nykredit Markets, Nykredit Asset Management, Nykredit Portefølje Administration A/S and Sparinvest but where income is ascribed to the business divisions serving the customers.

"Net interest from capitalisation" comprising the risk-free interest attributable to equity and net interest from subordinated debt.

"Trading, investment portfolio and other income" comprising income from swaps and derivatives transactions currently offered, Nykredit Markets activities, repo deposits and lending, debt capital markets activities as well as other income and expenses not allocated to the business divisions.

"Net income relating to customer benefits programmes" comprising discounts etc such as mutual benefits granted to the customers. The amount includes contributions received.

"Costs" includes the following income statement items "Staff and administrative expenses", "Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets" and "Other operating expenses.,

Supplementary financial ratios etc

In relation to the internal presentation of income, a number of supplementary financial ratios are included in the Management Commentary.

Profit (loss) for the year as % pa of average equity. Average equity is calculated on the basis of the value at the beginning of the year and at the end of all quarters of the year.

Costs/income ratio is calculated as the ratio of "Costs" to "Income".

Impairment charges for the year, %. Impairment charges are calculated based on impairment charges for loans and advances relative to loans and advances.

Management statement

The Board of Directors and the Executive Board have today reviewed and approved the Annual Report for 1 January – 30 June 2025 of Nykredit Bank A/S and the Nykredit Bank Group.

The Consolidated Financial Statements have been presented in accordance with International Financial Reporting Standards as adopted by the EU. The Interim Financial Statements and the Management Commentary have been prepared in accordance with statutory requirements, including the Danish Financial Business Act.

In our opinion, the Interim Financial Statements give a true and fair view of the Group's and the Parent's assets, liabilities, equity and financial position at 30 June 2025 and of the results of the Group's and the Parent's operations and the Group's cash flows for the financial period 1 January – 30 June 2025.

Further, in our opinion, the Management Commentary gives a fair review of the development in the operations and financial circumstances of the Group and the Parent as well as a description of the material risk and uncertainty factors which may affect the Group and the Parent.

The Interim Report has not been subject to audit or review.

Copenhagen, 13 August 2025

Executive Board

Søren Kviesgaard

Dan Sørensen

Carsten Levring Jakobsen

Martin Kudsk Rasmussen

Board of Directors

Michael Rasmussen
Chair

Anders Jensen
Deputy Chair

Tonny Thierry Andersen

Kathrin Hattens*

David Hellemann

Susanne Møller Nielsen*

Pernille Sindby

* Staff-elected member

INCOME STATEMENTS

Nycredit Bank Group		DKK million			
	Note	H1 2025	H1 2024	Q2 2025	Q2 2024
INCOME STATEMENT					
Interest income based on the effective interest method		3,248	4,313	1,537	2,130
Other interest income		207	417	104	171
Interest expenses		1,538	2,515	650	1,278
Net interest income	5	1,917	2,215	991	1,023
Dividend on equities etc		3	5	1	1
Fee and commission income		3,072	1,940	1,501	946
Fee and commission expenses		472	589	262	309
Net interest and fee income		4,519	3,570	2,232	1,661
Value adjustments	5, 6	392	423	139	163
Other operating income		201	131	100	67
Staff and administrative expenses		3,107	1,700	1,733	866
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets		21	20	10	10
Other operating expenses		1	18	1	9
Impairment charges for loans, advances and receivables etc	7	275	(112)	124	(67)
Profit (loss) from investments in associates and Group enterprises	9	(6)	3	(8)	1
Profit before tax		1,703	2,501	595	1,073
Tax		403	618	134	261
Profit for the period		1,301	1,883	461	799
Proposal for the distribution of profit					
Minority interests calculated		95	37	65	13
Retained earnings		1,205	1,846	396	786
Profit for the period		1,301	1,883	461	799
COMPREHENSIVE INCOME					
Profit for the period		1,301	1,883	461	799
Other comprehensive income		-	-	-	-
Comprehensive income for the period		1,301	1,883	461	799
Distribution of comprehensive income					
Nycredit Bank		1,205	1,846	396	786
Minority interests calculated		95	37	65	13
Comprehensive income for the period		1,301	1,883	461	799

INCOME STATEMENTS

Nycredit Bank A/S		DKK million			
	H1 2025	H1 2024	Q2 2025	Q2 2024	
INCOME STATEMENT					
Interest income based on the effective interest method	3,145	4,174	1,487	2,061	
Other interest income	196	401	99	164	
Interest expenses	1,512	2,475	637	1,258	
Net interest income	1,830	2,100	950	967	
Dividend on equities etc	2	4	1	1	
Fee and commission income	2,284	1,177	1,114	555	
Fee and commission expenses	410	516	231	272	
Net interest and fee income	3,705	2,765	1,834	1,252	
Value adjustments	6	422	141	162	
Other operating income	209	140	104	70	
Staff and administrative expenses	2,791	1,402	1,572	716	
Other operating expenses	1	16	1	7	
Impairment charges for loans, advances and receivables etc	8	266	121	(77)	
Profit from investments in associates and Group enterprises	9	243	90	159	
Profit before tax	1,492	2,348	474	996	
Tax	285	502	78	202	
Profit for the period	1,206	1,846	396	795	
Proposal for the distribution of profit					
Statutory reserves	243	308	90	159	
Retained earnings	964	1,538	305	636	
Profit for the period	1,206	1,846	396	795	
COMPREHENSIVE INCOME					
Profit for the period	1,206	1,846	396	795	
Other comprehensive income	-	-	-	-	
Comprehensive income for the period	1,206	1,846	396	795	

BALANCE SHEETS

Nycredit Bank A/S		Nycredit Bank Group	
End of 2024	H1 2025	H1 2025	End of 2024
DKK million			
		ASSETS	
27,842	19,081	19,081	27,842
4,926	9,937	9,958	4,989
143,315	155,980	10	147,305
43,438	35,975	11	44,232
60	107	121	75
18	12	12	18
2,691	2,402	-	-
9,123	10,311	12	9,123
1,770	1,770	1,837	1,850
LAND AND BUILDINGS			
-	-	15	16
-	-	15	16
-	-	15	16
-	-	1	1
23	-	12	63
165	245	246	166
10,170	9,138	9,284	10,331
76	75	97	99
243,616	245,031	247,667	246,110

BALANCE SHEETS

Nycredit Bank A/S		Nycredit Bank Group	
End of 2024	H1 2025	H1 2025	End of 2024
DKK million			
LIABILITIES AND EQUITY			
40,183	33,064	13	40,183
125,596	138,197	14	124,921
9,123	10,311		9,123
11,634	4,190	15	13,759
9,410	9,396	16	9,407
-	167		54
7,009	7,290		7,515
0	0		4
202,955	202,615	204,777	204,966
PROVISIONS			
-	-	301	317
302	283	283	302
270	616	616	271
572	900	1,201	891
Equity			
12,045	12,045	12,045	12,045
Other reserves			
1,951	1,692	-	-
26,093	27,780	29,471	28,045
40,090	41,516	41,516	40,090
Shareholder of Nycredit Bank A/S			
-	-	173	163
40,090	41,516	41,689	40,253
Minority interests			
243,616	245,031	247,667	246,110
Total liabilities and equity			
OFF-BALANCE SHEET ITEMS			
26,731	28,470	28,478	26,738
10,879	12,620	13,475	11,736
37,609	41,090	41,953	38,474
Total			

STATEMENT OF CHANGES IN EQUITY

DKK million

Nykredit Bank Group

	Share capital ¹	Retained earnings	Nykredit Bank Group's equity	Minority interests	Total equity
2025					
Equity, 1 January	12,045	28,045	40,090	163	40,253
Profit for the period	-	1,205	1,205	95	1,301
Total comprehensive income	-	1,205	1,205	95	1,301
Premiums relating to acquisition and disposal of minority interest	-	221	221	-	221
Distributed dividend and other adjustments	-	-	-	(85)	(85)
Total changes in equity	-	1,426	1,426	10	1,437
Equity, 30 June	12,045	29,471	41,516	173	41,689

2024

Equity, 1 January	12,045	24,651	36,696	112	36,808
Profit for the period	-	1,846	1,846	37	1,883
Total comprehensive income	-	1,846	1,846	37	1,883
Subsequent adjustment of purchase price allocation	-	(20)	(20)	-	(20)
Distributed dividend and other adjustments	-	-	-	(72)	(72)
Total changes in equity	-	1,826	1,826	(35)	1,791
Equity, 30 June	12,045	26,477	38,522	77	38,598

¹ The share capital is divided into 21 shares in multiples of DKK 5 million. The share capital is wholly owned by Nykredit Realkredit A/S, Copenhagen, Denmark. Nykredit Bank is included in the Consolidated Financial Statements of this company and the Consolidated Financial Statements of the association Forenet Kredit, Sundkrogsvej 25, Copenhagen, Denmark, which owns 78.9% of Nykredit Realkredit A/S. The Financial Statements (in Danish) of Forenet Kredit f.m.b.a. may be obtained from the association.

STATEMENT OF CHANGES IN EQUITY

Nycredit Bank A/S		DKK million		
		Share capital ¹	Statutory reserves	Retained earnings
2025				Total equity
Equity, 1 January	12,045	1,951	26,093	40,090
Profit for the period	-	243	964	1,206
Total comprehensive income	-	243	964	1,206
Premium paid on acquisition of shares in subsidiary	-	-	221	221
Dividend received from subsidiaries	-	(502)	502	-
Total changes in equity	-	(259)	1,687	1,427
Equity, 30 June	12,045	1,692	27,780	41,516
2024				
Equity, 1 January	12,045	1,849	22,801	36,695
Profit for the period	-	308	1,538	1,846
Total comprehensive income	-	308	1,538	1,846
Premium paid on acquisition of shares in subsidiary	-	-	(20)	(20)
Dividend received from subsidiaries	-	(472)	472	-
Total changes in equity	-	(164)	1,990	1,826
Equity, 30 June	12,045	1,685	24,791	38,522

¹ The share capital is divided into 21 shares in multiples of DKK 5 million. The share capital is wholly owned by Nycredit Realkredit A/S, Copenhagen, Denmark. Nycredit Bank is included in the Consolidated Financial Statements of this company and the Consolidated Financial Statements of the association Forenet Kredit, Sundkrogsøgade 25, Copenhagen, Denmark, which owns 78.9% of Nycredit Realkredit A/S. The Financial Statements (in Danish) of Forenet Kredit f.m.b.a. may be obtained from the association.

CASH FLOW STATEMENT

Nycredit Bank Group		DKK million	
	H1 2025	H1 2024	
PROFIT FOR THE PERIOD			
1,301	1,883		
Adjustments			
Net interest income	(1,917)	(2,215)	
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	21	20	
Profit from investments in associates	6	(3)	
Prepayments/deferred income, net	2	(95)	
Impairment charges for loans, advances and receivables etc	284	(16)	
Tax on profit for the period	403	618	
Other adjustments	5	(240)	
Total	105	(46)	
Change in operating capital			
Loans, advances and other receivables	(13,047)	(8,206)	
Deposits and payables to credit institutions	5,655	2,949	
Other operating capital	1,192	3,409	
Total	(6,095)	(1,894)	
Interest income received	3,825	4,947	
Interest expenses paid	(1,488)	(1,938)	
Corporation tax paid, net	(276)	(149)	
Cash flows from the above operating activities	(4,034)	965	
Cash flows from investing activities			
Dividend received from associates	-	0	
Purchase of associates	6	2	
Purchase and sale of bonds and equities, net	7,544	4,484	
Purchase of intangible assets *	(6)	(2)	
Purchase of property, plant and equipment	(0)	(0)	
Total	7,544	4,483	
Cash flows from financing activities			
Bonds in issue	(7,443)	(2,910)	
Total	(7,443)	(2,910)	
Total cash flows for the period	(3,933)	2,539	
Cash and cash equivalents, beginning of period:			
Foreign currency translation adjustment of cash	32,831	40,276	
Total cash flows for the period	142	100	
	(3,933)	2,539	
Cash and cash equivalents, end of period	29,039	42,914	
Cash and cash equivalents, end of period:			
Cash balances and demand deposits with central banks	19,081	32,891	
Receivables from credit institutions and central banks	9,958	10,023	
Total	29,039	42,914	

* Purchase of intangible assets includes added value from purchase of shares from minority interests.

Nykredit Bank Group

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Nykredit Bank Group

1. ACCOUNTING POLICIES

General

The Parent Interim Financial Statements for H1 2025 have been prepared in accordance with statutory requirements, including the Executive Order on Financial Reports for Credit Institutions and Investment Firms, etc. (the Danish Executive Order on Financial Reports) issued by the Danish Financial Supervisory Authority (FSA).

The Consolidated Financial Statements for H1 2025 have also been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and further Danish financial reporting and disclosure requirements for interim reports. Compliance with IAS 34 implies observance of the principles of recognition and measurement of the IFRS but also a less detailed presentation relative to the Annual Report.

As at 1 January 2025, the following amended reporting standard, which have not impacted the financial reporting, has been implemented:

- Amendments to IAS 21 (Effect of Changes in Foreign Exchange Rates)

The accounting policies are unchanged compared with the Annual Report for 2024. Full accounting policies as well as a description of the Company's and the Group's material risks appear from the Annual Report for 2024 (notes 1 and 3).

All figures in the Interim Report are rounded to the nearest million Danish kroner (DKK), unless otherwise specified. The totals stated are calculated on the basis of actual figures prior to rounding. Due to the rounding-off to the nearest whole million Danish kroner, the sum of individual figures and the stated totals may differ slightly.

Significant accounting estimates and assessments

The preparation of the Financial Statements involves the use of qualified accounting estimates and assessments. These estimates and assessments are made by Nykredit's Management in accordance with accounting policies and based on past experience and an assessment of future conditions.

Significant assessments of particular emphasis are assessments of the time of recognition and derecognition of financial instruments as well as assessments of the business models which form the basis for classification of financial assets, including whether the contractual cash flows of a financial asset represent solely payments of principal and interest.

Accounting estimates are tested and assessed regularly. The estimates and assessments applied are based on assumptions which Management considers reasonable and realistic, but which to some extent involves significant uncertainty and unpredictability. Compared with 2024, there have been no fundamental changes to the estimates used.

Areas implying a high degree of assessment or complexity or areas in which assumptions and estimates are material to the Financial Statements include provisions for loan and receivable impairment as well as valuation of unlisted financial instruments, including swaps, see notes 2 and 3 to the Annual Report for 2024 to which reference is made.

Nycredit Bank A/S		Nycredit Bank Group	
End of 2024	H1 2025	H1 2025	End of 2024
DKK million			
2. CAPITAL AND CAPITAL ADEQUACY			
40,089	41,516	41,689	40,253
-	-	(173)	(163)
40,089	41,516	41,516	40,090
(25)	(43)	(43)	(25)
(1,770)	(1,770)	(1,819)	(1,827)
-	(206)	(134)	79
(268)	(292)	(292)	(268)
(2,063)	(2,311)	(2,287)	(2,042)
38,026	39,206	39,229	38,049
-	-	11	12
-	-	11	12
38,026	39,206	39,240	38,060
-	-	15	15
38,026	39,206	39,254	38,076
118,904	95,858	95,541	110,925
12,579	11,873	11,956	12,688
10,762	10,524	13,409	13,284
142,245	118,255	120,906	136,897
Financial ratios			
26.7	33.1	32.4	27.7
26.7	33.1	32.4	27.8
26.7	33.1	32.4	27.8

Capital and capital adequacy have been determined in accordance with the Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD) of the European Parliament and of the Council, as implemented in Danish legislation.

Nycredit has been designated as a systemically important financial institution (SIFI) by the Danish authorities. As a result, a special SIFI CET1 capital buffer requirement of 2% applies to Nycredit Bank. To this should be added the permanent buffer requirement of 2.5% in Denmark which must also be met with Common Equity Tier 1 capital. The countercyclical buffer is currently at 2.5% and consequently fully phased in. Moreover, upon recommendation from the Danish Systemic Risk Council, as at 30 June 2024 the Danish government has activated a sector-specific systemic risk buffer requirement of 7% of exposures to property companies in Denmark to be fulfilled using CET1 capital.

NOTES

DKK million

Nykredit Bank Group

3. BUSINESS AREAS

The business areas reflect Nykredit's organisation and internal reporting. Banking includes: Retail, which serves personal customers and SMEs (small and medium-sized enterprises). It also includes Corporates & Institutions, comprising activities with corporate and institutional clients, securities trading and derivatives trading. Wealth Management comprises wealth and asset management activities. Please refer to the Management Commentary.

Results H1 2025	Personal Banking	Business Banking	Total Retail	Corporates & Institutions	Total Banking	Wealth Management	Group Items	Total
Results by business area								
Net interest income	847	961	1,807	853	2,661	164	3	2,827
Net fee income	96	182	278	209	487	12	(3)	496
Wealth management income	292	67	360	83	443	891	19	1,353
Net interest from capitalisation	28	72	100	83	184	13	124	321
Net income relating to customer benefits programmes ¹	-	-	-	-	-	-	(30)	(30)
Trading, investment portfolio and other income	24	55	79	135	214	29	(155)	88
Income	1,287	1,337	2,624	1,364	3,988	1,109	(42)	5,055
Costs	1,079	597	1,676	389	2,064	554	510	3,128
Profit (loss) before impairment charges and legacy derivatives	209	740	949	975	1,924	555	(552)	1,927
Impairment charges for loans and advances	5	(32)	(27)	285	257	13	5	275
Legacy derivatives	1	36	37	15	52	-	-	52
Profit (loss) before tax	205	808	1,012	706	1,718	542	(557)	1,703

BALANCE SHEET

Assets

Reverse repurchase lending at amortised cost	-	-	-	-	-	-	47,260	47,260
Loans and advances at amortised cost	17,498	37,508	55,006	51,385	106,391	5,995	422	112,808

Assets by business area

Unallocated assets	17,498	37,508	55,006	51,385	106,391	5,995	47,681	160,067
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Total assets

								247,667
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Liabilities and equity

Repo deposits at amortised cost	-	-	-	-	-	-	7,734	7,734
Deposits and other payables at amortised cost	57,172	31,392	88,565	16,792	105,357	19,767	4,837	129,961

Liabilities by business area

Unallocated liabilities	57,172	31,392	88,565	16,792	105,357	19,767	12,571	137,685
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Equity								68,283
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Total liabilities and equity

								247,667
--	--	--	--	--	--	--	--	----------------

¹ The item comprises contributions and discounts relating to Nykredit's benefits programmes, see "Alternative performance measures".

NOTES

DKK million

Nykredit Bank Group

3. BUSINESS AREAS (CONTINUED)

DKK million										
Results H1 2024		Results by business area								
		Personal Banking	Business Banking	Total Retail	Corporates & Institutions	Banking	Wealth Management	Group Items	Total	
Net interest income		561	669	1,230	469	1,700	141	7	1,848	
Net fee income		107	102	209	182	391	8	(5)	394	
Wealth management income		256	69	325	101	426	899	17	1,342	
Net interest from capitalisation		49	129	179	194	372	23	37	433	
Net income relating to customer benefits programmes ¹		-	-	-	-	-	-	(25)	(25)	
Trading, investment portfolio and other income		(32)	(91)	(123)	233	110	74	(174)	9	
Income		942	879	1,820	1,178	2,999	1,145	(143)	4,000	
Costs		572	251	823	321	1,144	525	70	1,739	
Profit (loss) before impairment charges and legacy derivatives		369	628	997	858	1,855	620	(214)	2,262	
Impairment charges for loans and advances		(147)	(66)	(215)	121	(94)	(17)	(2)	(112)	
Legacy derivatives		3	66	69	58	127	-	-	127	
Profit (loss) before tax		519	762	1,281	795	2,076	637	(212)	2,501	

BALANCE SHEET

Assets										
Reverse repurchase lending at amortised cost	-	-	-	-	-	-	39,204	39,204		
Loans and advances at amortised cost	14,450	32,128	46,578	45,263	91,841	5,538	58	97,437		
Assets by business area	14,450	32,128	46,578	45,263	91,841	5,538	39,262	136,641		
Unallocated assets										105,863
Total assets										242,504
Liabilities and equity										
Repo deposits at amortised cost	-	-	-	-	-	-	4,401	4,401		
Deposits and other payables at amortised cost	50,028	30,128	80,155	14,956	95,111	17,012	5,106	117,229		
Liabilities by business area	50,028	30,128	80,155	14,956	95,111	17,012	9,507	121,630		
Unallocated liabilities										82,276
Equity										38,598
Total liabilities and equity										242,504

¹ The item comprises contributions and discounts relating to Nykredit's benefits programmes, see "Alternative performance measures".

Nykredit Bank Group

DKK million

4. RECONCILIATION OF INTERNAL AND REGULATORY INCOME STATEMENT

	H1 2025			H1 2024		
	Earnings presentation in Management Commentary	Reclassification	Income statement	Earnings presentation in Management Commentary	Reclassification	Income statement
Net interest income	2,827	(910)	1,917	1,848	367	2,215
Dividend on equities etc		3	3		5	5
Fee and commission income, net	496	2,104	2,600	394	956	1,350
Net interest and fee income		1,196	4,519		1,328	3,570
Wealth management income	1,353	(1,353)	-	1,342	(1,342)	-
Net interest from capitalisation	321	(321)	-	433	(433)	-
Net income relating to customer benefits programmes	(30)	30	-	(25)	25	-
Trading, investment portfolio and other income	88	(88)	-	9	(9)	-
Value adjustments		392	392		423	423
Other operating income		201	201		131	131
Total income	5,055		4,000			
Costs	3,128	-	3,128	1,739	-	1,739
Profit before impairment charges and legacy derivatives	1,927			2,262		
Impairment charges for loans and advances etc	275	-	275	(112)	-	(112)
Profit (loss) from investments in associates		(6)	(6)		3	3
Legacy derivatives	52	(52)	-	127	(127)	-
Profit before tax	1,703	-	1,703	2,501	-	2,501

Note 4 combines the earnings presentation in the Management Commentary (internal presentation), including the presentation of the financial highlights and the business areas, and the formal income statement of the Financial Statements.

The most important difference is that all income is recognised in two main items in the internal presentation: "Income", including sub-items, and "Legacy derivatives". The sum of these two items corresponds to "Net interest and fee income", "Value adjustments", "Other operating income" and "Profit from investments in associates" in the income statement of the Financial Statements. The column "Redclassification" thus comprises only differences between the internal presentation and the income statement with respect to these items.

"Costs" in the internal presentation corresponds to total costs recognised in the Financial Statements: "Staff and administrative expenses", "Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets" and "Other operating expenses".

"Impairment charges for loans and advances etc" corresponds to the presentation in the income statement.

The internal presentation is based on the same recognition and measurement principles as the IFRS-based Financial Statements. Thus, "profit before tax" is unchanged.

Nykredit Bank Group

4A. IFRS REVENUE

Nykredit's revenue primarily consists of net income recognised in items governed by the accounting standards IFRS 9 "Financial Instruments" and IFRS 16 "Leases". Fees and transaction costs that are integral to the effective interest rate of an instrument are covered by IFRS 9. The same applies to fees relating to financial guarantees.

Revenue recognised according to IFRS 15 partly includes fees from guarantees and other commitments (off-balance sheet items) as well as net revenue from Nykredit Markets, Asset Management and custody transactions, where revenue is recognised pursuant to the contractual provisions of the underlying agreements or price lists. Generally, business activities do not imply contract assets or liabilities for accounting purposes.

Revenue comprised by IFRS 15 mainly relates to:

Custody fees are based on a percentage of the size of the individual custody account balance and/or fixed fees. Fees are recognised at fixed payment dates in accordance with contractual provisions or price lists.

Revenue from Nykredit Markets activities comprises trading in financial instruments and is recognised simultaneously with the transaction. Revenue in connection with eg Capital Markets transactions is recognised at the time of delivery of the service and when Nykredit's obligation has been settled.

Revenue from wealth management activities comprises Nykredit's business within asset and wealth management, including private banking and pension activities. Revenue is recognised as the services are performed and delivered to the customers. Revenue is determined as a percentage of assets under management and administration or in the form of transaction fees.

Revenue from specific custody and asset management activities is determined based on the price movements of the underlying contracts, and therefore earnings cannot be finally calculated until at a specified, agreed date, but not later than at the end of the financial year. Recognition of revenue is not impacted by special conditions which may significantly impact the size thereof or cash flows. Nykredit has no IFRS 15 obligations in the form of buybacks or guarantees etc.

DKK million

Nykredit Bank Group

5. NET INTEREST INCOME ETC AND VALUE ADJUSTMENTS

	Interest income	Interest expenses	Net interest income	Dividend on equities	Value adjustments	Total
H1 2025						
Financial portfolios at amortised cost						
Receivables from and payables to credit institutions and central banks	153	476	(323)	-	-	(323)
Lending and deposits	2,384	838	1,546	-	(1)	1,545
Repo transactions and reverse repurchase lending	661	135	526	-	-	526
Bonds in issue at amortised cost	-	87	(87)	-	-	(87)
Other financial instruments	50	2	47	-	-	47
Total	3,248	1,538	1,710	-	(1)	1,709
Financial portfolios at fair value and financial instruments at fair value						
Bonds	283	-	283	-	62	345
Equities etc	-	-	-	3	14	17
Derivative financial instruments	(75)	-	(75)	-	178	102
Total	207	-	207	3	254	464
Foreign currency translation adjustment					139	139
Net interest income etc and value adjustments	3,455	1,538	1,917	3	392	2,312
H1 2024						
Financial portfolios at amortised cost						
Receivables from and payables to credit institutions and central banks	374	883	(509)	-	-	(509)
Lending and deposits	2,885	1,285	1,600	-	(2)	1,598
Repo transactions and reverse repurchase lending	988	266	722	-	-	722
Bonds in issue at amortised cost	-	71	(71)	-	-	(71)
Other financial instruments	66	9	56	-	-	56
Total	4,313	2,515	1,798	-	(2)	1,796
Financial portfolios at fair value and financial instruments at fair value						
Bonds	503	-	503	-	97	601
Equities etc	-	-	-	5	19	24
Derivative financial instruments	(86)	-	(86)	-	176	90
Total	417	-	417	5	293	714
Foreign currency translation adjustment					133	133
Net interest income etc and value adjustments	4,730	2,515	2,215	5	423	2,643

NOTES

Nycredit Bank A/S		Nycredit Bank Group	
H1 2024	H1 2025	H1 2025	H1 2024
DKK million			
6. VALUE ADJUSTMENT			
		Assets measured at fair value through profit or loss	
(2)	(1)	(1)	(2)
97	62	62	97
18	14	14	19
133	140	139	133
176	178	178	176
299	(181)	(181)	299
(299)	181	181	(299)
422	393 Total	392	423

DKK million

Nykredit Bank Group

7. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC, GROUP**7 a. Impairment charges for loans, advances and receivables etc**

	2025	2024	2025	2024	2025	2024	2025	2024
Total impairment provisions	Loans and advances at amortised cost	Loans and advances at amortised cost	Credit institutions and other	Credit institutions and other	Guarantees etc ¹	Guarantees etc ¹	Total	Total
Balance, beginning of period	3,058	3,207	1	1	302	328	3,361	3,536
New impairment provisions as a result of additions and change in credit risk	977	771	0	0	93	228	1,070	999
Releases as a result of redemptions and change in credit risk	704	927	0	0	111	180	815	1,108
Impairment provisions written off	21	101	-	-	-	-	21	101
Interest on impaired facilities	33	34	-	-	-	-	33	34
Total impairment provisions, end of period	3,344	2,983	1	1	283	376	3,629	3,360
Earnings impact								
Change in impairment provisions for loans and advances (stages 1-3)	273	(156)	0	(0)	(18)	47	255	(109)
Write-offs for the period, not previously written down for impairment	6	13	-	-	-	-	6	13
Recoveries on claims previously written off	9	10	-	-	-	-	9	10
Total	270	(154)	0	(0)	(18)	47	252	(106)
Value adjustment of claims previously written off	23	(6)	-	-	-	-	23	(6)
Earnings impact, H1 2025	293	(160)	0	(0)	(18)	47	275	(112)

¹ "Guarantees etc" comprises off-balance sheet items in the form of guarantees and other commitments, including loan commitments.

NOTES

DKK million

Nykredit Bank Group

7. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC, GROUP (CONTINUED)

7 b. Total impairment provisions by stage		Loans, advances and receivables at amortised cost			Guarantees			Total
2025		Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2025	232	864	1,963	34	154	115	3,361	
Transfer to stage 1	91	(78)	(13)	20	(16)	(4)	-	
Transfer to stage 2	(12)	97	(85)	(3)	5	(3)	-	
Transfer to stage 3	(2)	(18)	21	(0)	(4)	4	-	
Impairment provisions for new loans and advances (additions)	51	92	64	9	19	6	241	
Additions as a result of change in credit risk	45	201	524	4	46	10	829	
Releases as a result of change in credit risk	148	297	258	29	51	31	815	
Previously written down for impairment, now written off	0	0	21	-	-	-	21	
Interest on impaired facilities	-	-	33	-	-	-	33	
Total impairment provisions, end of period	255	861	2,230	33	153	97	3,629	
Total		3,345			283		3,629	
Impairment provisions, end of period, are moreover attributable to:								
Credit institutions	1	-	-	-	-	-	-	1
Earnings impact, H1 2025	(53)	(4)	331	(17)	14	(15)	255	

2024	Loans, advances and receivables at amortised cost			Guarantees			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2024	404	1,102	1,702	67	186	75	3,536
Transfer to stage 1	125	(117)	(8)	34	(34)	(0)	-
Transfer to stage 2	(21)	80	(59)	(4)	9	(6)	-
Transfer to stage 3	(7)	(57)	64	(0)	(11)	12	-
Impairment provisions for new loans and advances (additions)	50	113	32	13	43	7	257
Additions as a result of change in credit risk	101	244	232	4	31	129	742
Releases as a result of change in credit risk	225	370	332	67	81	33	1,108
Previously written down for impairment, now written off	0	0	101	-	-	-	101
Interest on impaired facilities	-	-	34	-	-	-	34
Total impairment provisions, end of period	425	996	1,563	47	145	184	3,360
Total		2,984			376		3,360

Impairment provisions, end of period, are moreover attributable to:							
Credit institutions	1	-	-	-	-	-	1

Earnings impact, H1 2024	(75)	(13)	(68)	(49)	(6)	103	(109)
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The principles of impairment are described in detail in the accounting policies (note 1) of the Annual Report 2024.

DKK million

Nykkredit Bank Group

7. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC, GROUP (CONTINUED)

7 c. Loans, advances and guarantees etc by stage				
30 June 2025	Stage 1	Stage 2	Stage 3	Total
Loans and advances at amortised cost etc, gross				
Loans and advances at amortised cost etc, gross	136,597	22,974	3,840	163,412
Total impairment provisions, end of period	254	861	2,230	3,344
Loans and advances, carrying amount	136,344	22,113	1,610	160,067
Guarantees and loan commitments				
Guarantees etc	48,610	2,499	289	51,397
Total impairment provisions, end of period	33	153	97	283
Guarantees and loan commitments, carrying amount	48,576	2,346	192	51,114
End of 2024	Stage 1	Stage 2	Stage 3	Total
Loans and advances at amortised cost etc, gross				
Loans and advances at amortised cost etc, gross	122,497	24,392	3,474	150,363
Total impairment provisions, end of period	231	864	1,963	3,058
Loans and advances, carrying amount	122,266	23,529	1,510	147,305
Guarantees and loan commitments				
Guarantees etc	47,586	3,209	296	51,091
Total impairment provisions, end of period	34	154	115	302
Guarantees and loan commitments, carrying amount	47,552	3,055	181	50,789

DKK million

Nykredit Bank A/S

8. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC, PARENT**8 a. Impairment charges for loans, advances and receivables etc**

	2025	2024	2025	2024	2025	2024	2025	2024
Total impairment provisions	Loans and advances at amortised cost	Loans and advances at amortised cost	Credit institutions and other	Credit institutions and other	Guarantees etc ¹	Guarantees etc ¹	Total	Total
	2025	2024	2025	2024	2025	2024	2025	2024
Balance, beginning of year	2,852	3,049	1	1	302	328	3,155	3,379
New impairment provisions as a result of additions and change in credit risk	935	722	0	0	93	228	1,027	950
Releases as a result of redemptions and change in credit risk	665	893	0	0	111	180	777	1,073
Impairment provisions written off	16	100	-	-	-	-	16	100
Interest on impaired facilities	33	34	-	-	-	-	33	34
Total impairment provisions, end of period	3,138	2,814	1	1	283	376	3,422	3,191
Earnings impact								
Change in impairment provisions for loans and advances (stages 1-3)	269	(170)	0	(0)	(18)	47	251	(123)
Write-offs for the period, not previously written down for impairment	2	7	-	-	-	-	2	7
Recoveries on claims previously written off	9	9	-	-	-	-	9	9
Total	261	(173)	0	(0)	(18)	47	243	(125)
Value adjustment of claims previously written off	23	(6)	-	-	-	-	23	(6)
Total earnings impact, H1	284	(179)	0	(0)	(18)	47	266	(132)

¹ "Guarantees etc" comprises off-balance sheet items in the form of guarantees and other commitments, including loan commitments.

NOTES

DKK million

Nykredit Bank A/S

8. IMPAIRMENT CHARGES FOR LOANS, ADVANCES AND RECEIVABLES ETC, PARENT (CONTINUED)

8 b. Total impairment provisions by stage

2025	Loans, advances and receivables at amortised cost						Guarantees			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2025	217	861	1,775	34	154	115				3,155
Transfer to stage 1	88	(78)	(10)	20	(16)	(4)				-
Transfer to stage 2	(12)	96	(84)	(3)	5	(3)				-
Transfer to stage 3	(2)	(18)	20	(0)	(4)	4				-
Impairment provisions for new loans and advances (additions)	48	92	59	9	19	6				232
Additions as a result of change in credit risk	44	201	492	4	46	10				796
Releases as a result of change in credit risk	143	295	227	29	51	31				777
Previously written down for impairment, now written off	-	-	16	-	-	-				16
Interest on impaired facilities	-	-	33	-	-	-				33

Total impairment provisions	239	858	2,042	33	153	97				3,422
Total impairment provisions, end of period	3,139				283					3,422
Impairment provisions, end of period, are attributable to:										
Credit institutions	1	-	-							1
Earnings impact, H1 2025	(52)	(3)	324	(17)	14	(15)				281

2024

	Loans, advances and receivables at amortised cost			Guarantees			Total
	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	
Total, 1 January 2024	391	1,100	1,559	67	186	75	3,379

Transfer to stage 1	120	(116)	(4)	34	(34)	(0)	-
Transfer to stage 2	(21)	76	(55)	(4)	9	(6)	-
Transfer to stage 3	(7)	(57)	64	(0)	(11)	12	-
Impairment provisions for new loans and advances (additions)	46	112	26	13	43	7	248
Additions as a result of change in credit risk	98	243	197	4	31	129	702
Releases as a result of change in credit risk	220	366	308	67	81	33	1,073
Previously written down for impairment, now written off	-	-	100	-	-	-	100
Interest on impaired facilities	-	-	34	-	-	-	34

Total impairment provisions	408	993	1,414	47	145	184	3,191
Total impairment provisions, end of period	2,815				376		3,191

Impairment provisions, end of period, are attributable to:

Credit institutions	1	0	0				1
Earnings impact, H1 2024	(76)	(10)	(85)	(49)	(6)	103	(123)

Nycredit Bank A/S		DKK million	
H1 2024	H1 2025	Nycredit Bank Group H1 2025	H1 2024
9. PROFIT (LOSS) FROM INVESTMENTS IN ASSOCIATES AND GROUP ENTERPRISES			
3	(6)	(6)	3
305	249	-	-
308	243	(6)	3
Total			

Nycredit Bank A/S		DKK million		
End of 2024	H1 2025	Nycredit Bank Group		
		H1 2025	End of 2024	
10. LOANS, ADVANCES AND OTHER RECEIVABLES AT AMORTISED COST				
102,141	111,858	116,152	106,337	
44,026	47,260	47,260	44,026	
146,167	159,118	163,412	150,363	
Adjustment for credit risk				
(2,852)	(3,138)	(3,344)	(3,058)	
143,315	155,980	160,067	147,305	
For Nycredit Bank group, the fair value of loans, advances and other receivables at amortised cost amounted to DKK 160 billion (end of 2024: DKK 148 billion)				
11. BONDS AT FAIR VALUE				
41,688	33,555	34,205	42,482	
868	1,543	1,543	868	
882	876	876	882	
43,438	35,975	36,624	44,232	
The effect of fair value adjustment is recognised in the income statement.				
476	617	620	479	
7,024	8,487	8,487	7,024	
12. ASSETS IN POOLED SCHEMES				
70	90	90	70	
9,219	10,176	10,176	9,219	
(166)	46	46	(166)	
9,123	10,311	10,311	9,123	

Nykredit Bank A/S		DKK million		
End of 2024	H1 2025		Nykredit Bank Group H1 2025	End of 2024
13. PAYABLES TO CREDIT INSTITUTIONS AND CENTRAL BANKS				
36,633	31,219	Payables to credit institutions	31,219	36,633
3,331	1,844	Repo transactions with credit institutions	1,844	3,331
219	-	Repo transactions with central banks	-	219
40,183	33,064	Total	33,064	40,183
Of total balances with banks, DKK 14 billion relates to a deposit from the Parent Nykredit Realkredit. The amount is used to meet the Danish FSA's minimum requirement for own funds and eligible liabilities (MREL requirement) of Nykredit Bank A/S at individual level.				
14. DEPOSITS AND OTHER PAYABLES				
100,088	106,869	On demand	106,366	99,413
19,183	19,952	Time deposits	19,952	19,183
3,217	3,643	Special deposits	3,643	3,217
3,109	7,734	Repo deposits	7,734	3,109
125,596	138,197	Total	137,695	124,921
15. BONDS IN ISSUE AT AMORTISED COST				
11,634	4,190	Bonds in issue	6,315	13,759
11,634	4,190	Total	6,315	13,759
Issues				
11,634	4,190	ECP issues	4,190	11,634
-	-	Other issues	2,125	2,125
11,634	4,190	Total	6,315	13,759
16. OTHER NON-DERIVATIVE FINANCIAL LIABILITIES AT FAIR VALUE				
9,410	9,396	Negative securities portfolios	9,338	9,407
9,410	9,396	Total	9,338	9,407

Nykredit Bank Group

17. RELATED PARTY TRANSACTIONS AND BALANCES

The Parent Nykredit Realkredit, its parent as well as Group enterprises and associates are regarded as related parties. In addition, Nykredit Bank's Group enterprises and associates as stated in the Group structure are included as well as the Bank's Board of Directors, its Executive Board and related parties thereof.

No unusual related party transactions occurred in H1 2025 and 2024.

The companies have entered into various intercompany agreements as a natural part of the Group's day-to-day operations. The agreements typically involve financing, provision of guarantees, insurance, sales commission, tasks relating to IT support and IT development projects, payroll and staff administration as well as other administrative tasks.

Intercompany trading in goods and services took place on an arm's length, cost reimbursement or profit split basis.

Agreements between Nykredit Realkredit A/S and Nykredit Bank A/S

Framework agreement on the terms for financial transactions relating to loans and deposits in the securities and money market areas etc. Transactions in financial instruments are covered by master netting agreements involving an on-going exchange of collateral in the form of cash and bonds.

Nykredit Realkredit has a deposit with Nykredit Bank to cover the Bank's MREL requirement.

Agreements between Totalkredit A/S and Nykredit Bank A/S

Nykredit Bank may transfer secured homeowner loans to Totalkredit A/S.

Agreement on the distribution of mortgage loans to personal customers via Totalkredit A/S (this agreement was concluded on the same terms as apply to other business partners, including commission payments).

Agreements between Spar Nord Bank A/S and Nykredit Bank A/S

Framework agreement on the terms for financial transactions relating to loans and deposits in the securities and money market areas etc. Transactions in financial instruments are covered by master netting agreements involving an on-going exchange of collateral in the form of cash and bonds.

Agreements between Forenet Kredit and Group companies

Forenet Kredit annually distributes an amount to the Group companies which use the contribution to offer the Group's customers benefits in the form of discounts and green solutions.

18. FAIR VALUE DISCLOSURES

Listed prices

The Group's assets and liabilities at fair value are to the widest extent possible recognised at listed prices or prices quoted in an active market or authorised marketplace.

Bonds at fair value are recognised at listed prices if external prices have been updated within the past two trading days prior to the balance sheet date. If no listed prices have been observed during this time span, the portfolio is recognised at observable inputs.

Observable inputs

When an instrument is not traded in an active market, measurement is based on the most recent listed price in an inactive market, the price of comparable transactions or generally accepted valuation techniques based on, for instance, discounted cash flows and option models.

Observable inputs are typically yield curves, volatilities and market prices of similar instruments, which are usually obtained through ordinary providers such as Reuters, Bloomberg and market makers. If the fair value is based on transactions in similar instruments, measurement is exclusively based on transactions at arm's length. Unlisted derivatives generally belong to this category.

Bonds not traded in the past two trading days belong to this category. The valuation is based on the most recent observed price, and adjustments are made for subsequent changes in market conditions, eg by including transactions in similar instruments (matrix pricing). Redeemed bonds are transferred to this category, as there is no access to official prices in active markets.

The CVA is calculated on our derivatives portfolio with counterparties that have material counterparty credit risk. The calculation is based on expected future exposures that are simulated in a Monte-Carlo simulation. We use external credit spreads from Ittraxx Europe and Crossover credit index as input for default probabilities.

Furthermore, Funding Valuation Adjustment (FVA) is used for the valuation of derivatives. FVA allows for Nykredit's future funding costs incurred by derivatives transactions where clients have not provided sufficient collateral. Nykredit has used a funding curve for this calculation, which is assessed on the basis of objective prices of Danish SIFI banks' traded bonds.

FVA may involve both a funding benefit and a funding cost, but for Nykredit, the net FVA adjustment in H1 2025 was a funding cost.

Net value adjustment due to CVA, DVA and FVA amounted to DKK -138 million at 30 June 2025 against DKK -195 million at the end of 2024.

Nykredit Bank Group

18. FAIR VALUE DISCLOSURES (CONTINUED)

Upon entering into derivatives contracts, further provisions are made in the form of a so-called minimum margin for liquidity and credit risk and return on capital etc. The minimum margin is amortised at the valuation of derivatives over their times-to-maturity. At 30 June 2025, the non-amortised minimum margin amounted to DKK 110 million (end of 2024: DKK 114 million). With regard to liquidity and credit risk, these amounts have been included above in the net adjustment of EVA and CVA. DKK 133 million at the end of June 2025 (end of 2024: DKK 139 million). Finally, in some instances further value adjustment based on management judgement is made if the models are not deemed to take into account all known risks, including eg legal risks.

In some cases, markets, eg the bond market, have become inactive and illiquid. When assessing market transactions, it may therefore be difficult to conclude whether the transactions were executed at arm's length or were forced sales. If measurement is based on recent transactions, the transaction price is compared with a price based on relevant yield curves and discounting techniques.

Unobservable inputs

When it is not possible to measure financial instruments at fair value based on prices in active markets or observable inputs, measurement is based on own assumptions and extrapolations etc. Where possible and appropriate, measurement is based on actual transactions adjusted for differences in eg the liquidity, credit spreads and maturities etc of the instruments. The Group's unlisted equities are generally classified under this heading, and valuation is based on the IPEV Valuation Guidelines.

The positive market values of a number of interest rate swaps with customers in the lowest rating categories have been adjusted for increased credit risk based on additional CVA. The adjustment uses for instance the statistical data applied by Nykredit to calculate expected credit losses on loans and advances at amortised cost. Interest rate swaps which have been fair value adjusted to DKK 0 (after deduction for collateral) due to the creditworthiness of the counterparty are also included in the category "Unobservable inputs".

Following value adjustment, the fair value came to DKK 24 million at 30 June 2025 (end of 2024: DKK 24 million). Credit value adjustments came to DKK 110 million at 30 June 2025 (end of 2024: DKK 112 million).

The interest rate risk on these interest rate swaps is hedged in all material respects. However, interest rate fluctuations may impact results to the extent that the market value must be adjusted due to increased counterparty credit risk. A 0.1 percentage point change in interest rate levels will impact the fair value by +/- DKK 9 million.

However, financial assets measured on the basis of unobservable inputs account for a very limited part of total financial assets at fair value. At 30 June 2025, the proportion was thus 0.06% (end of 2024: 0.05%). The proportion of financial liabilities was 0.0% (end of 2024: 0.0%).

Valuation, notably of instruments classified as unobservable inputs, is subject to some uncertainty. Of total assets and liabilities, DKK 30 million (end of 2024: DKK 32 million) belonged to this category.

Assuming that an actual market price will deviate by +/- 10% from the calculated fair value, the earnings impact will be DKK 3 million at 30 June 2025 (0.01% of equity at 30 June 2025). The earnings impact at 31 December 2024 was estimated at DKK 3 million (0.01% of equity at 31 December 2024).

Transfers between categories

Transfers between the categories Listed prices and Observable inputs mainly result from bonds that are reclassified either due to traded volume or the number of days between last transaction and the time of determination. As at 30 June 2025, financial assets of DKK 0.1 billion (end of 2024: DKK 0.2 billion) have been transferred from Listed prices to Observable inputs and DKK 0.0 billion (end of 2024: DKK 2.1 billion) from Observable inputs to Listed prices. Financial liabilities of DKK 0.7 billion (end of 2024: DKK 0.4 billion) were transferred from Listed prices to Observable inputs and DKK 0.2 billion (end of 2024: DKK 1.2 billion) from Observable inputs to Listed prices.

Redeemed bonds (usually comprised by Listed prices) are transferred to Observable inputs on the last day before the coupon date, as there is no access to official prices in active markets. At 30 June 2025 the amount was DKK 0.6 billion (end of 2024: DKK 0.5 billion).

No transfers were made between the categories Listed prices and Unobservable inputs.

Fair value disclosures of assets and liabilities recognised at amortised cost

Balances with credit institutions as well as bank lending and deposits are measured largely at amortised cost. For financial assets and liabilities carrying a floating interest rate and entered into on standard credit terms, the carrying amounts are, in all material respects, estimated to correspond to the fair values.

For financial assets which are subject to some differences between carrying amount and fair value, please refer to note 10.

DKK million

Nykkredit Bank Group

18. FAIR VALUE DISCLOSURES (CONTINUED)**Fair value of assets and liabilities recognised at fair value (IFRS hierarchy)**

30 June 2025					
Financial assets:					
- bonds at fair value	Listed prices	Observable inputs	Unobservable inputs	Total fair value	
- equities measured at fair value through profit or loss	2,412	34,212	-	36,624	
- positive fair value of derivative financial instruments	116	-	6	121	
- assets in pooled schemes	47	5,696	24	5,768	
	10,176	135	-	10,311	
Total	12,750	40,044	30	52,825	
Percentage	24.1	75.8	0.1	100.0	
Financial liabilities:					
- deposits in pooled schemes	-	10,311	-	10,311	
- other non-derivative financial liabilities at fair value	1,598	7,741	-	9,338	
- negative fair value of derivative financial instruments	38	4,953	-	4,991	
Total	1,636	23,005	-	24,641	
Percentage	6.6	93.4	-	100.0	
Assets measured on the basis of unobservable inputs					
Fair value, beginning of period, assets		Equities	Derivatives	Total	
Unrealised capital gains and losses recognised in "Value adjustments" in the income statement		8	24	32	
Purchases for the period		0	(39)	(39)	
Sales for the period		-	4	4	
Transferred from Listed prices and Observable inputs ¹		(2)	-	(2)	
Transferred to Listed prices and Observable inputs ²		-	36	36	
Fair value, end of period, assets		6	24	30	

¹ Transfers from Observable inputs to Unobservable inputs consist of interest rate swaps individually adjusted for increased credit risk.² Transfers to Observable inputs from Unobservable inputs principally consist of interest rate swaps for which individual adjustment for increased credit risk is no longer required.

DKK million

Nykredit Bank Group

18. FAIR VALUE DISCLOSURES (CONTINUED)**Fair value of assets and liabilities recognised at fair value (IFRS hierarchy)****31 December 2024**

Financial assets:	Listed prices	Observable inputs	Unobservable inputs	Total fair value
- bonds at fair value	3,601	40,631	-	44,232
- equities measured at fair value through profit or loss	68	-	8	75
- positive fair value of derivative financial instruments	10	6,163	24	6,196
- assets in pooled schemes	9,123	-	-	9,123
Total	12,801	-	32	59,627
Percentage	21.5	-	0.1	100.0

Financial liabilities:

- deposits in pooled schemes	-	9,123	-	9,123
- other non-derivative financial liabilities at fair value	1,562	7,845	-	9,407
- negative fair value of derivative financial instruments	38	5,002	-	5,040
Total	1,600	21,970	-	23,570
Percentage	6.8	93.2	-	100.0

Assets measured on the basis of unobservable inputs

Fair value, beginning of period, assets	Equities	Derivatives	Total
Unrealised capital gains and losses recognised in "Value adjustments" in the income statement	8	275	282
Purchases for the period	0	115	116
Sales for the period	-	-	-
Transferred from Listed prices and Observable inputs ¹	(0)	(8)	(8)
Transferred to Listed prices and Observable inputs ²	-	-	-
Fair value, end of period, assets	8	24	32

¹ Transfers from Observable inputs to Unobservable inputs consist of interest rate swaps individually adjusted for increased credit risk.² Transfers to Observable inputs from Unobservable inputs principally consist of interest rate swaps for which individual adjustment for increased credit risk is no longer required.

NOTES

	DKK million				
Nykredit Bank Group	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021

19. FIVE-YEAR FINANCIAL HIGHLIGHTS

SUMMARY INCOME STATEMENT

Net interest income	1,917	2,215	2,044	841	740
Net fee income etc	2,602	1,355	1,340	1,387	1,368
Net interest and fee income	4,519	3,570	3,384	2,229	2,108
Value adjustments	392	423	476	1,198	852
Other operating income	201	131	60	40	46
Staff and administrative expenses	3,107	1,700	1,596	1,490	1,367
Depreciation, amortisation and impairment charges for property, plant and equipment as well as intangible assets	21	20	20	19	15
Other operating expenses	1	18	17	16	10
Impairment charges for loans, advances and receivables etc	275	(112)	24	237	28
Profit (loss) from investments in associates and Group enterprises	(6)	3	3	4	3
Profit before tax	1,703	2,501	2,266	1,708	1,590
Tax	403	618	560	369	338
Profit for the period	1,301	1,883	1,705	1,339	1,252

SUMMARY BALANCE SHEET, END OF PERIOD

Assets	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Cash balances and receivables from credit institutions and central banks	29,039	42,914	33,950	28,836	25,684
Loans, advances and other receivables at amortised cost	160,067	136,641	125,019	122,852	115,073
Bonds and equities etc	36,746	44,989	50,775	53,304	42,705
Remaining assets	21,815	17,960	15,427	15,971	23,906
Total assets	247,667	242,504	225,172	220,963	207,368

Liabilities and equity

Payables to credit institutions and central banks	33,064	46,231	41,969	51,883	52,126
Deposits and other payables	137,695	121,630	112,226	102,829	98,565
Bonds in issue at amortised cost	6,315	5,140	9,412	7,382	925
Other non-derivative financial liabilities at fair value	9,338	13,582	10,482	15,165	15,144
Remaining liabilities	18,364	16,437	15,221	10,914	10,692
Provisions	1,201	886	729	678	611
Subordinated debt	-	-	-	-	2,000
Equity	41,689	38,598	35,132	32,111	27,305
Total liabilities and equity	247,667	242,504	225,172	220,963	207,368

OFF-BALANCE SHEET ITEMS

Contingent liabilities	28,478	21,433	26,199	35,160	31,287
Other commitments	13,475	12,703	13,228	10,539	10,129

Nykredit Bank Group

	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021
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19. FIVE-YEAR FINANCIAL HIGHLIGHTS (CONTINUED)**FINANCIAL RATIOS¹**

Total capital ratio, %	32.4	27.1	26.6	23.7	20.2
Tier 1 capital ratio, %	32.4	27.1	26.1	23.3	18.3
Return on equity before tax, %	4.0	6.6	6.6	5.5	6.0
Return on equity after tax, %	3.1	5.0	5.0	4.3	4.7
Income/cost ratio	1.50	2.54	2.37	1.98	2.13
Foreign exchange position, %	0.0	0.0	0.0	0.0	0.3
Loans and advances/equity (loan gearing)	3.8	3.5	3.6	3.8	4.2
Growth in loans and advances for the period, excluding repo transactions, %	9.2	3.2	6.1	15.4	(0.4)
Impairment charges for the period, %	0.1	(0.1)	0.0	0.2	0.0
Return on capital employed, %	0.5	0.8	0.8	0.6	0.6
Average number of staff, full-time equivalent	1,027	1,020	1,013	1,016	944

¹ Financial ratios are based on the Danish FSA's definitions and guidelines. Definitions appear from note 51 in the Annual Report 2024.

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DKK million

Nykredit Bank A/S	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021
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19. FIVE YEAR FINANCIAL HIGHLIGHTS (CONTINUED)

SUMMARY INCOME STATEMENT

Net interest income	1,830	2,100	1,933	763	655
Net fee income etc	1,875	665	764	829	877
Net interest and fee income	3,705	2,765	2,697	1,591	1,531
Value adjustments	393	422	475	1,207	852
Other operating income	209	140	51	27	34
Staff and administrative expenses	2,791	1,402	1,324	1,232	1,108
Other operating expenses	1	16	16	16	9
Impairment charges for loans, advances and receivables etc	266	(132)	24	227	21
Profit from investments in associates and Group enterprises	243	308	276	255	230
Profit before tax	1,492	2,348	2,135	1,605	1,510
Tax	285	502	457	293	275
Profit for the period	1,206	1,846	1,677	1,312	1,235

SUMMARY BALANCE SHEET, END OF PERIOD

Assets	30.06.2025	30.06.2024	30.06.2023	30.06.2022	30.06.2021
Cash balances and receivables from credit institutions and central banks	29,018	42,883	33,918	28,675	25,590
Loans, advances and other receivables at amortised cost	155,980	132,611	121,125	121,157	113,519
Bonds and equities etc	36,081	44,347	50,012	52,362	41,481
Remaining assets	23,952	20,116	17,488	18,136	26,216
Total assets	245,031	239,956	222,543	220,331	206,805

Liabilities and equity

Payables to credit institutions and central banks	33,064	46,231	41,969	51,883	52,126
Deposits and other payables	138,197	122,117	112,649	103,058	98,779
Bonds in issue at amortised cost	4,190	3,015	7,287	7,382	925
Other non-derivative financial liabilities at fair value	9,396	13,607	10,495	15,184	15,247
Remaining liabilities	17,768	15,859	14,594	10,308	10,100
Provisions	900	607	489	484	407
Subordinated debt	-	-	-	-	2,000
Equity	41,516	36,522	35,060	32,030	27,221
Total liabilities and equity	245,031	239,956	222,543	220,331	206,805

OFF-BALANCE SHEET ITEMS

Contingent liabilities	28,470	21,426	26,199	35,160	31,286
Other commitments	12,620	11,773	12,737	10,283	9,950

Nykredit Bank A/S	H1 2025	H1 2024	H1 2023	H1 2022	H1 2021
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19. FIVE YEAR FINANCIAL HIGHLIGHTS (CONTINUED)

FINANCIAL RATIOS¹

Total capital ratio, %	33.1	26.3	25.8	22.7	19.3
Tier 1 capital ratio, %	33.1	26.3	25.3	22.3	17.5
Return on equity before tax, %	3.7	6.2	6.2	5.2	5.7
Return on equity after tax, %	3.0	4.9	4.9	4.2	4.6
Income/cost ratio	1.49	2.82	2.57	2.10	2.33
Foreign exchange position, %	0.0	0.0	0.0	0.0	0.3
Loans and advances/equity (loan gearing)	9.5	3.4	3.5	3.8	4.2
Growth in loans and advances for the period, excluding repo transactions, %	0.1	3.3	6.3	15.6	(0.6)
Impairment charges for the period, %	0.0	(0.1)	0.0	0.1	0.0
Return on capital employed, %	0.8	0.8	0.8	0.6	0.6
Average number of staff, full-time equivalent	779	758	749	752	677

¹ Financial ratios are based on the Danish FSA's definitions and guidelines. Definitions appear from note 51 in the Annual Report 2024.

Nykredit Bank Group	DKK million
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20. GROUP STRUCTURE

Name and registered office	Owner-ship interest as %, 30 June 2025	Profit for the period, 2025	Equity 30 June 2025	Profit for 2024	Equity 31 December 2024
Nykredit Bank A/S (Parent), Copenhagen, a)	-	1,206	41,516	3,346	40,089
Nykredit Portefølje Administration A/S, Copenhagen, b)	100	57	765	154	857
Nykredit Leasing A/S, Gladsaxe c)	100	45	1,373	75	1,328
Spainvest Holdings SE, Luxembourg, d)	60	446	117	312	143

The Group structure only includes significant subsidiaries. Financial information is provided in the order in which the subsidiaries are recognised in the Consolidated Financial Statements.

Geographical distribution of activities	Number of staff	Revenue ¹	Profit before tax	Tax	Government aid received
Denmark: Names and activities appear from the Group structure above	998	6,412	1,550	362	-
Luxembourg: Names and activities appear from the Group structure above	29	317	153	41	-

¹ For companies preparing financial statements in accordance with the Danish Financial Business Act, revenue is defined as interest, fee and commission income and other operating income.

- a) Bank
- b) Investment management company
- c) Leasing business
- d) Holding company, no independent activities

Nykredit Bank A/S is wholly owned by Nykredit Realkredit A/S and consolidated with Nykredit A/S for accounting purposes, which is consolidated with Forenet Kredit for accounting purposes.

The financial statements of Forenet Kredit (in Danish) and Nykredit A/S are available from:

Nykredit Realkredit A/S
Sundkrogsgade 25
DK-2150 Nordhavn