

Interim Report

Q1 2025

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Financial highlights and ratios - Føroya Banki Group

Highlights	Q1	Q1	Index	Q1	Q4	Q3	Q2	Q1
DKK 1,000	2025	2024	25 / 24	2025	2024	2024	2024	2024
Net interest income	98,209	113,520	87	98,209	103,019	111,609	114,103	113,520
Dividends from shares and other investments	148	1		148	0	0	11,996	1
Net fee and commission income	21,162	21,496	98	21,162	20,515	19,354	17,387	21,496
Net interest and fee income	119,520	135,016	89	119,520	123,534	130,963	143,486	135,016
Net insurance result	10,720	9,418	114	10,720	7,463	18,450	12,416	9,418
Interest and fee income and income from insurance activities, net	130,240	144,434	90	130,240	130,997	149,414	155,902	144,434
Market value adjustments	13,064	6,972	187	13,064	12,056	26,442	-127	6,972
Other operating income	2,905	2,388	122	2,905	1,889	3,092	2,326	2,388
Staff costs and administrative expenses	62,880	58,382	108	62,880	65,929	62,476	61,582	58,382
Impairment charges on loans and advances etc.	5,110	22,730	22	5,110	-11,400	-5,619	-6,783	22,730
Net profit	60,930	55,038	111	60,930	72,342	96,047	87,000	55,038
Loans and advances	9,270,369	8,915,364	104	9,270,369	9,086,392	9,072,315	9,022,744	8,915,364
Bonds at fair value	1,741,261	1,409,035	124	1,741,261	1,757,200	1,348,484	1,323,609	1,409,035
Intangible assets	4,679	5,347	88	4,679	5,084	5,558	4,993	5,347
Assets held for sale	2,207	0		2,207	2,207	0	0	0
Total assets	14,800,460	13,377,435	111	14,800,460	14,511,644	14,055,478	13,491,880	13,377,435
Amounts due to credit institutions and central banks	801,355	688,191	116	801,355	823,455	962,792	683,841	688,191
Issued bonds at amortised cost	803,231	982,496	82	803,231	981,190	984,002	985,414	982,496
Deposits and other debt	10,298,759	8,999,102	114	10,298,759	10,003,348	9,353,549	9,173,368	8,999,102
Total shareholders' equity	1,787,925	1,824,127	98	1,787,925	2,076,037	2,003,695	1,909,388	1,824,127
	March 31	March 31		March 31	Dec. 31	Sept. 30	June 30	March 31
	2025	2024		2025	2024	2024	2024	2024
Ratios and key figures								
Solvency								
Total capital, incl. MREL capital, ratio, %	36.0	39.9		36.0	36.3	37.9	40.8	39.9
Total capital ratio, %	24.9	28.6		24.9	25.2	26.5	29.2	28.6
Tier 1 capital ratio, %	23.5	27.0		23.5	23.8	25.1	27.5	27.0
CET 1 capital	23.5	25.0		23.5	23.8	25.1	25.6	25.0
RWA, DKK mill	7,271	7,019		7,271	7,180	6,993	6,859	7,019
Profitability								
Return on shareholders' equity after tax, %	3.2	3.0		3.2	3.5	4.9	4.7	3.0
Cost / income, %	48.3	54.4		48.3	39.6	33.2	35.2	54.4
Cost / income, % (excl. value adjustm. and impairments)	49.2	41.5		49.2	51.8	42.7	39.4	41.5
Return on assets	0.4	0.4		0.4	0.5	0.7	0.6	0.4
Market risk								
Interest rate risk, %	1.2	0.8		1.2	1.2	1.0	0.9	0.8
Foreign exchange position, %	0.6	0.8		0.6	0.8	0.8	0.6	0.8
Foreign exchange risk, %	0.0	0.0		0.0	0.0	0.0	0.0	0.0
Liquidity								
Liquidity Coverage Ratio (LCR), %	261.1	283.6		261.1	337.4	302.2	285.6	283.6
Net Stable Funding Ratio. (NSFR), %	151.0	156.3		151.0	154.5	156.6	154.4	156.3
Credit risk								
Change in loans and advances, %	2.0	0.4		2.0	0.2	0.5	1.2	0.4
Gearing of loans and advances	5.2	4.9		5.2	4.4	4.5	4.7	4.9
Impairment and provisioning ratio, end of period, %	1.8	2.0		1.8	1.8	1.9	2.0	2.0
Write-off and provisioning ratio, %	0.0	0.2		0.0	-0.1	-0.1	-0.1	0.2
Share of amounts due on which interest rates have been reduced, end of period, %	0.3	0.2		0.3	0.2	0.2	0.2	0.2
Shares								
Earnings per share after tax (nom. DKK 20), DKK	6.4	5.7		6.4	7.6	10.0	9.1	5.7
Market price per share (nom. DKK 20), DKK	171.0	153.0		171.0	162.0	152.0	150.0	153.0
Book value per share (nom. DKK 20), DKK	186.8	190.5		186.8	216.8	209.3	199.4	190.5
Other								
Number of full-time employees, end of period	204	209		204	207	206	209	209

Financial Review

“Today, we can present a satisfactory profit after tax of DKK 61m for the first quarter. The first three months of the year were characterised by increasing customer numbers and decent growth across deposits, lending and mortgage credit. Interest, fee and insurance activity incomes were a little above expectations due, in particular, to higher lending growth and a solid insurance result. Costs were in line with expectations, while impairment charge levels reflect the still sound creditworthiness of our customers. Our ongoing work to develop excellent digital solutions for our customers passed yet another milestone with the launch of a new chatbot designed to make being a customer of the Bank easier – and which is also the first chatbot that can understand and respond to customers’ enquiries in Faroese. We have a positive outlook on the rest of the year, though with the proviso that we have not yet felt the full impact of the ongoing rate cuts or of the potential negative economic consequences of the current geopolitical unrest and the risk of an intensified trade war,” says Turið F. Arge, CEO Føroya Banki.

Q1 2025 Highlights

Adjusted Income statement, Group

DKKm	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Net interest income	76	92	83	76	78	98	87	90	92
Net fee and commission income	20	19	102	20	19	103	18	17	19
Net insurance income	16	12	131	16	10	151	20	15	12
Other operating income (less reclassification)	13	11	117	13	9	138	10	10	11
Total operating income	125	135	93	125	117	106	135	132	135
Operating costs ¹	-69	-65	106	-69	-72	96	-69	-68	-65
Profit before impairment charges	56	70	80	56	46	123	66	63	70
Impairment charges, net	-5	-23	22	-5	11	-45	6	7	-23
Operating profit	51	47	107	51	57	89	72	70	47
Investment portfolio earnings ²	25	23	109	25	31	81	48	35	23
Profit before tax	76	70	108	76	88	86	119	105	70
Operating costs/income, %	55	48		55	61		51	52	48
Number of FTE, end of period	204	209	98	204	207	98	206	209	209

1 Comprises staff costs, administrative expenses and amortisation, sector costs, depreciation and impairment charges (less reclassification to non-recurring items).

2 Incl. net income from investments accounted for under the equity method (excl. sector shares).

Income statement

The following comments are generally stated relative to Q4 2024. Due to seasonal variations, comments provided on the insurance segment relate to Q1 2024.

Operating income

The Føroya Banki Group generated operating income of DKK 125m in Q1 2025, DKK 8m higher than in the prior quarter, driven by net insurance income and other operating income outweighing a slight fall in net interest income.

Net interest income

Net interest income was DKK 76m in Q1 2025, a decrease of DKK 2m compared to Q4 2024 due to a general margin decrease, partially mitigated by increased lending and deposit volumes.

Net fee and commission income

Net fee and commission income amounted to DKK 20m in Q1 2025, DKK 1m higher than in Q4 2024 driven

by increased trading activity.

Net insurance income

Net insurance income was DKK 16m in Q1 2025, DKK 4m higher than in Q1 2024. The increase was driven both by higher premium income and lower claims in Q1 2025.

Other operating income

Other operating income was DKK 13m in Q1 2025, up DKK 4m on the prior quarter. The increase was mainly due to an extraordinary value adjustment of the Bank's sector shares.

Operating costs

Operating costs amounted to DKK 69m in Q1 2025, DKK 3m lower than in Q4 2024, reflecting a return to the level prior to Q4 2024.

Profit before impairment charges

Profit before impairment charges was DKK 56m in Q1 2025 compared to DKK 46m in Q4 2024.

Impairment charges

Net impairment amounted to a charge of DKK 5m in Q1 2025 compared to a reversal of DKK 11m in Q4 2024. The impairments relate to a few individual corporate customers, and the Bank remains of the opinion that the credit quality of its overall portfolio is strong and strengthening. The management provision taken in relation to the ongoing economic uncertainty as well as uncertainty in relation to the Bank's impairment calculation and modelling was maintained at DKK 101.5m in Q1 2025.

Operating profit

The resulting operating profit was DKK 51m in Q1 2025, a decrease from the DKK 57m seen in Q4 2024.

Investment portfolio earnings

Investment portfolio earnings amounted to DKK 25m in Q1 2025, down from DKK 31m in Q4 2024. The difference was mainly due to the slightly lower central bank interest rate and lower earnings on the Bank's bond portfolio.

Profit before tax

Profit before tax in Q1 2025 was DKK 76m, DKK 12m lower than the pre-tax profit of DKK 88m reported for Q4 2024, but higher than the Bank's original estimate for the period.

The Bank is pleased with both the increased operating income as well as the fall in operating costs quarter on quarter. The most significant drivers for the lower profit before tax between Q1 2025 and Q4 2024 are increased impairments as well as slightly lower investment portfolio earnings.

Balance sheet

Føroya Banki Group's total assets at 31 March 2025 amounted to DKK 14.8bn, up by DKK 0.3bn compared to 31 December 2024. Loans and advances were DKK 9.3bn, DKK 184m higher than at 31 December 2024. Deposits were DKK 10.3bn, up by DKK 295m compared to 31 December 2024. Liquidity invested in Danish mortgage bonds and Danish government bonds amounted to DKK 1.7bn, a decrease of DKK 16m compared

to 31 December 2024. Liquidity invested in equities amounted to DKK 316m, an increase of DKK 30m relative to 31 December 2024. Shareholders' equity at 31 March 2025 amounted to DKK 1,788m, down by DKK 288m, net compared to 31 December 2024 due to dividend payments in the amount of DKK 350m.

Capital and Liquidity

At 31 March 2025, the Group's CET1 capital ratio was 23.5%, the Tier 1 capital ratio was 23.5% and the Total capital ratio was 24.9%. The Total capital ratio, incl. MREL capital, was 36.0%. The net profit for Q1 2025, amounting to DKK 60.9m, is not included in the calculation of the capital ratios. The Group's liquidity indicator was 244.6% on 31 March 2025, well above the requirement of 100%. The Group's LCR at 31 March 2025 was 261.1%, also well above the requirement of 100%. The Group's Net Stable Funding Ratio (NSFR) was 151.0% at 31 March 2025, well above the requirement of 100%.

Compliance with the Danish FSA Supervisory Diamond

The Supervisory Diamond			
	<u>Q1 2025</u>	<u>Q1 2024</u>	<u>FSA limit</u>
Sum of large exposures	144.6%	133.9%	< 175%
Liquidity indicator	244.6%	278.3%	>100 %
Loan growth	4.0%	6.7%	< 20 %
Property exposure	11.6%	13.3%	< 25 %

At 31 March 2025, the Group was compliant with all Supervisory Diamond requirements set by the FSA.

Events after the balance sheet date

No events have occurred since 31 March 2025 that are deemed to have a significant impact on the Group's financial position.

Guidance for 2025

The Bank announced its guidance for 2025 on 28 January. The guidance for the year is maintained at a net profit in the DKK 210-240m range, return on equity between 10.4% and 11.9% and impairments at 0.30 pp of loans.

The guidance is subject to uncertainty, including with regard to impairment charges on loans and advances, market value adjustments and macroeconomic developments in the markets in which the Group operates.

Adjusted results

				Restated income statement
Note	Adjusted Income statement Q1 2025, Group, DKK 1,000	Income statement	Restatement	
1, 4	Net interest income	98,209	-21,877	76,332
2, 5	Net fee and commission income	21,311	-1,483	19,828
4, 6, 7	Net insurance income	10,720	4,831	15,551
2, 3	Other operating income	2,905	10,113	13,018
	Operating income	133,145	-8,416	124,729
5, 6	Operating costs	65,459	3,326	68,785
	Profit before impairment charges	67,685	-11,742	55,943
	Impairment charges	5,110	0	5,110
	Operating profit	62,576	-11,742	50,834
1, 3, 7	Investment portfolio earnings	13,064	11,742	24,806
	Profit before tax	75,640	0	75,640
Note	Adjusted Income statement Q1 2024, Group, DKK 1,000			
1, 4	Net interest income	113,520	-21,083	92,437
2, 5	Net fee and commission income	21,496	-2,141	19,355
4, 6, 7	Net insurance income	9,418	2,450	11,868
2, 3	Other operating income	2,388	8,695	11,083
	Operating income	146,822	-12,079	134,743
5, 6	Operating costs	60,985	3,681	64,666
	Profit before impairment charges	85,837	-15,760	70,077
	Impairment charges	22,730	0	22,730
	Operating profit	63,108	-15,760	47,348
1, 3, 7	Investment portfolio earnings	6,972	15,760	22,732
	Profit before tax	70,080	0	70,080
Note	Restatements made to the income statement, DKK 1,000	Q1 2025	Q1 2024	
1	Reclassification of interest income related to bonds from the item Interest income to Investment portfolio earnings.	17,046	22,945	
2	Dividends and fees reclassified from Net fee and commission income to Other operating income.	1,483	1	
3	Reclassification of value adjustments related to sector shares and of profit or loss from currency transactions to Other operating income.	8,630	8,694	
4	Reclassification of interest income to Net insurance income due to implementation of IFRS 17	4,831	1,862	
5	Reclassification from Net fee and commission income to Operation costs due to implementation of IFRS 17	0	2,140	
6	Reclassification of operating costs from Net insurance income to Operating costs due to implementation of IFRS 17	3,326	6,168	
7	Reclassification of market value adjustments from net insurance income to Investment portfolio earnings due to implementation of IFRS 17	3,326	1,856	

Segments

Reference is made to the preceding Financial Review, which provides an overview of the Group, including the Bank at an overall level.

The Bank's activities are divided into two main segments, Personal Banking and Corporate Banking. Details about these two segments are provided on the following pages. The last page of the segment section sets out the performance of the Bank's subsidiary Trygd.

The Bank notes that slight changes have been made to the distribution of certain income and costs between the personal and corporate segments, which affects the quarterly figures in 2024 compared to previous reports.

Adjusted Income statement, Banking

DKK ^m	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Net interest income	76	92	83	76	78	98	87	90	92
Net fee and commission income	24	23	103	24	23	103	22	21	23
Other operating income	11	10	110	11	9	122	9	9	10
Total operating income	111	125	89	111	110	101	118	120	125
Operating costs	-63	-59	107	-63	-67	95	-63	-62	-59
Profit before impairment charges	48	66	72	48	44	109	55	58	66
Impairment charges, net	-5	-23	22	-5	11	-45	6	7	-23
Operating profit	43	44	98	43	55	77	61	65	44
Investment portfolio earnings	25	19	131	25	29	87	43	33	19
Profit before tax	68	63	108	68	84	81	104	97	63
Loans and advances	9,272	8,915	104	9,272	9,086	102	9,072	9,023	8,915
Deposits and other debt	10,306	8,930	115	10,306	10,007	103	9,359	9,180	8,930
Mortgage credit	2,906	2,621	111	2,906	2,741	106	2,579	2,585	2,621
Operating costs/income, %	57	47		57	60		53	52	47
Number of FTE, end of period	174	178	98	174	177	98	175	178	178

Personal Banking

The Personal Banking segment reported operating income of DKK 61m in Q1 2025, DKK 3m less than in Q4 2024. Net interest income was DKK 37m in Q1 2025, down DKK 3m compared to the prior quarter due to interest rate margins contracting slightly during the quarter and due to an increased portfolio of deposits, partly offset by increased lending in the quarter. Net fee and commission income was flat at DKK 18m in Q1 2025. Other operating income amounted to DKK 6m in Q1 2025, flat compared to Q4 2024.

Operating costs were DKK 52m in Q1 2025, a decrease of DKK 4m relative to Q4 2024, reflecting a return to the level seen prior to Q4 2024. Impairments amounted to DKK 3m in Q1 2025 compared to a reversal of DKK 2m in Q4 2024. The Bank remains of the opinion that customers in the personal banking segment continue to be robust. Declining market rates should strengthen customers' resilience further. The resulting operating profit for Q1 2025 was DKK 7m, a decrease of DKK 4m compared to the previous quarter.

Investment portfolio earnings posted to the personal banking segment amounted to DKK 13m in the first quarter of 2025 compared to DKK 15m in Q4 2024.

Profit before tax thus amounted to DKK 20m in Q1 2025, a decrease of DKK 6m relative to Q4 2024. However the Bank is satisfied that core operations in the Personal Banking segment improved, with profit before impairment charges increasing by DKK 1m in Q1 2025 to DKK 10m.

Loans and advances to personal customers increased by DKK 44m to DKK 4,418m at the end of Q1 2025, whereas brokered mortgage credit was down DKK 6m to DKK 2,169m, both compared to 31 December 2024. Deposits held by personal customers increased by DKK 276m during the quarter to DKK 6,505m on 31 March 2025.

Adjusted Income statement, Personal banking

DKKm	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Net interest income	37	49	76	37	40	93	46	47	49
Net fee and commission income	18	18	101	18	18	101	17	16	18
Other operating income	6	5	116	6	6	97	11	6	5
Total operating income	61	72	85	61	64	96	75	69	72
Operating costs	-52	-48	108	-52	-55	93	-52	-51	-48
Profit before impairment charges	10	24	40	10	9	112	23	18	24
Impairment charges, net	-3	6	-48	-3	2	-160	8	-4	6
Operating profit	7	30	23	7	10	67	31	13	30
Investment portfolio earnings	13	10	135	13	15	88	23	17	10
Profit before tax	20	40	51	20	26	79	54	30	40
Loans and advances	4,418	4,124	107	4,418	4,373	101	4,298	4,202	4,124
Deposits and other debt	6,505	5,788	112	6,505	6,228	104	6,161	6,161	5,788
Mortgage credit	2,169	2,191	99	2,169	2,175	100	2,160	2,174	2,191
Number of FTE, end of period	76	79	97	76	79	97	77	80	79

Corporate Banking

Corporate Banking activities generated operating income of DKK 49m in Q1 2025, up 7% on the previous quarter. Net interest income increased by DKK 1m to DKK 39m, driven by an increase in lending volumes. Net fee and commission income was flat at DKK 6m, while other operating income increased from DKK 2m in Q4 2024 to DKK 4m in Q1 2025.

Operating costs were flat at DKK 11m in Q1 2025 compared to Q4 2024. Net impairment charges in Q1 2025 were DKK 2m compared to a reversal of DKK 10m in Q4 2024. The Bank remains of the view that its corporate client base continues to show solid creditworthiness. Declining markets rates should strengthen customers' creditworthiness further.

Operating profit for Q1 2025 amounted to DKK 36m, a decrease of DKK 9m relative to Q4 2024.

Investment portfolio earnings posted to the corporate banking segment in Q1 2025 totalled DKK 12m, DKK 2m lower than in the preceding quarter.

The resulting profit before tax for the quarter was DKK 47m compared to DKK 58m in the fourth quarter of 2024. However, the Bank is satisfied that core operations in the Corporate Banking segment improved, with profit before impairment charges increasing by DKK 3m in Q1 2025 to DKK 38m.

Corporate loans and advances rose by DKK 142m in Q1 2025 to DKK 4,855m at 31 March 2025. Customer deposits rose by DKK 23m during Q1 2025 to DKK 3,802m. Brokered mortgage credit rose by DKK 171m to DKK 736m at 31 March 2025 compared to 31 December 2024.

Adjusted Income statement, Corporate Banking

DKKm	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Net interest income	39	43	90	39	38	102	40	43	43
Net fee and commission income	6	5	110	6	6	108	5	5	5
Other operating income	4	4	104	4	2	191	-2	3	4
Total operating income	49	53	93	49	46	107	44	51	53
Operating costs	-11	-11	104	-11	-11	104	-11	-11	-11
Profit before impairment charges	38	42	90	38	35	109	33	40	42
Impairment charges, net	-2	-29	8	-2	10	-24	-2	11	-29
Operating profit	36	13	265	36	45	80	-2	11	13
Investment portfolio earnings	12	9	127	12	14	86	20	16	9
Profit before tax	47	23	209	47	58	81	50	67	23
Loans and advances	4,855	4,791	101	4,855	4,713	103	4,774	4,821	4,791
Deposits and other debt	3,802	3,143	121	3,802	3,779	101	3,198	3,019	3,143
Mortgage credit	736	430	171	736	565	130	419	411	430
Number of FTE, end of period	15	15	99	15	15	99	15	15	15

Insurance: Trygd

Trygd reported premium income of DKK 40m in Q1 2025, DKK 1m higher than in Q1 2024. In Q1 2025, claims were DKK 27m, DKK 5m lower than in Q1 2024. Net income from investment activities amounted to DKK 0m in Q1 2025 compared to DKK 3m in Q1 2024. As a result, operating income was DKK 14m in Q1 2025, DKK 3m higher than in Q1 2024.

Operating costs were DKK 7m in Q1 2025, flat compared to the first quarter of 2024. As a result, Trygd reported a profit before tax for Q1 2025 of DKK 7m, DKK 3m higher than in Q1 2024.

Trygd continues to consolidate its market position as a provider of non-life insurance in the Faroe Islands. An increased market share, focus on pricing structure as well as general market growth related to developments in the Faroese economy have driven an increase in premiums. This increase includes price indexation that follows the general inflation level on the Faroe Islands, albeit with a floor of 2%. As operating costs remain low, these developments contribute to margin improvements.

Trygd's claims vary significantly from one period to the next due to the limited size of the Faroese insurance market as well the timing and severity of weather events, which adds volatility to the financial results.

Adjusted Income statement, Trygd

DKKm	Q1 2025	Q1 2024	Index	Q1 2025	Q4 2024	Index	Q3 2024	Q2 2024	Q1 2024
Premium income, net of reinsurance	40	39	103	40	38	106	40	40	39
Claims, net of reinsurance	-27	-31	84	-27	-32	82	-22	-29	-31
Net insurance income	14	8	182	14	6	247	18	11	8
Net income from investment activities	0	3	2	0	2	3	4	2	3
Operating income	14	11	127	14	7	191	21	13	11
Operating costs	-7	-8	95	-7	-6	114	-7	-8	-8
Profit before tax	7	3	205	7	1	758	14	5	3
Combined ratio	87	99		87	102		74	93	99
Claims ratio	66	81		66	85		55	73	81
Number of FTE, end of period	23	23	100	23	23	100	23	23	23

Income statement

		Group		Føroya Banki	
		Q1	Q1	Q1	Q1
Note	DKK 1,000	2025	2024	2025	2024
3	Interest income calculated using the effective interest method	123,499	132,347	142,841	156,201
3	Other interest income	19,342	23,854		
4	Interest expenses	44,632	42,681	44,632	42,681
	Net interest income	98,209	113,520	98,209	113,520
	Dividends from shares and other investments	148	1	148	1
5	Fee and commission income	22,542	22,876	25,385	24,688
5	Fee and commissions paid	1,380	1,380	1,380	1,380
	Net dividend, fee and commission income	21,311	21,496	24,154	23,309
	Net interest and fee income	119,520	135,016	122,363	136,828
	Insurance revenue	49,017	47,951		
	Insurance service expenses	36,660	40,828		
	Net return on investments backing insurance liabilities	-747	2,781		
	Net finance income or expense from insurance	576	1,101		
	Other expenses	1,465	1,587		
	Net insurance result	10,720	9,418	0	0
	Interest and fee income and income from insurance activities, net	130,240	144,434	122,363	136,828
6	Market value adjustments	13,064	6,972	13,064	6,972
7	Other operating income	2,905	2,388	494	558
8	Staff costs and administrative expenses	62,880	58,382	60,667	56,401
	Amortisation, depreciation and impairment charges	2,139	2,106	2,067	2,020
	Other operating expenses	440	497	440	497
9	Impairment charges on loans and advances etc.	5,110	22,730	5,110	22,730
	Income from investments accounted for under the equity method	0	0	6,562	6,043
	Profit before tax	75,640	70,080	74,200	68,753
	Tax	14,711	15,041	13,271	13,715
	Net profit	60,930	55,038	60,930	55,038
	Portion attributable to				
	Shareholders of Føroya Banki P/F	60,930	53,299	60,930	53,299
	Owners of additional Tier 1 capital	0	1,739	0	1,739
	Net profit	60,930	55,038	60,930	55,038
	EPS Basic for the period, DKK*	6.36	5.75	6.36	5.75
	EPS Diluted for the period, DKK*	6.36	5.75	6.36	5.75

*Based on average number of shares outstanding.

Statement of comprehensive income - Føroya Banki

	Group		Føroya Banki	
	Q1	Q1	Q1	Q1
	2025	2024	2025	2024
DKK 1,000				
Net profit	60,930	55,038	60,930	55,038
Other comprehensive income				
Total other comprehensive income	0	0	0	0
Total comprehensive income	60,930	55,038	60,930	55,038

Balance Sheet

		Group		Føroya Banki	
		March 31	Dec. 31	March 31	Dec. 31
Note	DKK 1,000	2025	2024	2025	2024
	Assets				
	Cash in hand and demand deposits with central banks	2,789,285	2,696,305	2,764,996	2,695,918
10	Amounts due from credit institutions and central banks	328,426	310,797	328,426	310,797
9	Loans and advances at fair value	315,058	319,297	317,058	319,297
9	Loans and advances at amortised cost	8,955,312	8,767,094	8,955,312	8,767,094
	Bonds at fair value	1,741,261	1,757,200	1,564,467	1,559,697
	Shares, etc.	315,568	285,845	198,263	188,358
	Assets under insurance contracts	11,003	4,786	0	0
	Holdings in associates	18,563	18,563	18,563	18,563
	Holdings in subsidiaries	0	0	151,996	145,434
	Assets under pooled schemes and unit-linked investment contracts	66,552	61,610	62,997	58,055
	Intangible assets	4,679	5,084	929	1,084
	Total land and buildings	110,835	111,810	110,835	111,810
	Domicile property	54,466	54,377	54,466	54,377
	Domicile property (lease asset)	56,369	57,432	56,369	57,432
	Other property, plant and equipment	14,303	15,008	12,505	13,067
	Current tax assets	12,835	21,818	12,835	21,818
	Deferred tax assets	11,253	11,253	11,172	11,172
	Assets held for sale	2,207	2,207	2,207	2,207
	Other assets	97,508	88,408	85,402	89,312
	Prepayments	5,814	34,561	3,771	32,781
	Total assets	14,800,460	14,511,644	14,601,734	14,346,463

Balance Sheet

Note	Group		Føroya Banki	
	March 31	Dec. 31	March 31	Dec. 31
DKK 1,000	2025	2024	2025	2024
Shareholders' equity and liabilities				
Liabilities other than provisions				
Amounts due to credit institutions and central banks	801,355	823,455	801,355	823,455
Deposits and other debt	10,298,759	10,003,348	10,305,944	10,014,704
Deposits under pooled schemes and unit-linked investments contracts	66,552	61,610	62,997	58,055
Issued bonds at amortised cost	803,231	981,190	803,231	981,190
Liabilities under insurance contracts	182,278	158,485	0	0
Current tax liabilities	88,324	73,613	81,041	67,770
Other liabilities	665,644	226,573	653,615	220,192
Deferred income	2,145	3,927	1,887	2,162
Total liabilities other than provisions	12,908,288	12,332,200	12,710,070	12,167,528
Provisions for liabilities				
Provisions for deferred tax	508	508	0	0
Provisions for losses on guarantees etc	2,292	1,263	2,292	1,263
Provisions for other liabilities	1,622	1,846	1,622	1,846
Total provisions for liabilities	4,422	3,617	3,914	3,109
Subordinated debt				
Subordinated debt	99,825	99,790	99,825	99,790
Total liabilities	13,012,535	12,435,607	12,813,809	12,270,426
Equity				
Share capital	192,000	192,000	192,000	192,000
Revaluation reserve	6,718	6,718	6,718	6,718
Retained earnings	1,589,207	1,527,319	1,589,207	1,527,319
Proposed dividends	0	350,000	0	350,000
Shareholders of the Parent Company	1,787,925	2,076,037	1,787,925	2,076,037
Additional tier 1 capital holders	0	0	0	0
Total equity	1,787,925	2,076,037	1,787,925	2,076,037
Total liabilities and equity	14,800,460	14,511,644	14,601,734	14,346,463

Statement of changes in equity - Føroya Banki Group

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2025	192,000	6,718	350,000	1,527,319	2,076,037	0	0	2,076,037
Net profit			0	60,930	60,930	0	0	60,930
Total comprehensive income		0	0	60,930	60,930	0	0	60,930
Dividends paid			-350,000	958	-349,042			-349,042
Shareholders' equity at March 31, 2025	192,000	6,718	0	1,589,207	1,787,925	0	0	1,787,925

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2024	192,000	7,948	80,000	1,570,662	1,850,609	151,532	151,532	2,002,141
Revaluation of assets, subsidiaries		-1,230		1,230	0			0
Net profit			350,000	-44,792	305,208	5,218	5,218	310,427
Total comprehensive income		-1,230	350,000	-43,562	305,208	5,218	5,218	310,427
Paid interest on additional tier 1 capital				0	0	-6,750	-6,750	-6,750
Redemption of additional tier 1 capital				0	0	-150,000	-150,000	-150,000
Dividends paid			-80,000	219	-79,781			-79,781
Shareholders' equity at December 31, 2024	192,000	6,718	350,000	1,527,319	2,076,037	0	0	2,076,037

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2024	192,000	7,948	80,000	1,570,662	1,850,609	151,532	151,532	2,002,141
Net profit				53,299	53,299	1,739	1,739	55,038
Total comprehensive income				53,299	53,299	1,739	1,739	55,038
Dividends paid			-80,000	219	-79,781			-79,781
Shareholders' equity at March 31, 2024	192,000	7,948	0	1,624,180	1,824,127	153,271	153,271	1,977,399

Statement of changes in equity - Føroya Banki P/F

DKK 1,000	Shareholders equity						Additional tier 1	
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total		capital	Total
Shareholders' equity at January 1, 2025	192,000	6,718	350,000	1,527,319	2,076,037		0	2,076,037
Net profit				60,930	60,930		0	60,930
Total comprehensive income		0	0	60,930	60,930		0	60,930
Dividends paid			-350,000	958	-349,042			-349,042
Shareholders' equity at March 31, 2025	192,000	6,718	0	1,589,207	1,787,925		0	1,787,925

DKK 1,000	Shareholders equity						Additional tier 1	
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total		capital	Total
Shareholders' equity at January 1, 2024	192,000	7,948	80,000	1,570,662	1,850,609		151,532	2,002,141
Revaluation of assets, subsidiaries		-1,230		1,230	0			0
Net profit			350,000	-44,792	305,208		5,218	310,427
Total comprehensive income		-1,230	350,000	-43,562	305,208		5,218	310,427
Paid interest on additional tier 1 capital							-6,750	-6,750
Redemption of additional tier 1 capital					0		-150,000	-150,000
Dividends paid			-80,000	219	-79,781			-79,781
Shareholders' equity at December 31, 2024	192,000	7,948	80,000	1,527,319	2,076,037		0	2,076,037

DKK 1,000	Shareholders equity						Additional tier 1	
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total		capital	Total
Shareholders' equity at January 1, 2024	192,000	7,948	80,000	1,570,662	1,850,609		151,532	2,002,141
Net profit				53,299	53,299		1,739	55,038
Total comprehensive income				53,299	53,299		1,739	55,038
Dividends paid			-80,000	219	-79,781			-79,781
Shareholders' equity at March 31, 2024	192,000	7,948	0	1,624,180	1,824,127		153,271	1,977,399

Capital and Solvency - P/F Føroya Banki

Solvency DKK 1,000	March 31 2025	Dec. 31 2024
Tier 1 capital	1,711,230	1,712,027
Total capital	1,811,055	1,811,817
Risk-weighted items not included in the trading portfolio	5,977,937	5,835,110
Risk-weighted items with market risk etc.	339,576	391,442
Risk-weighted items with operational risk	953,926	953,926
Total risk-weighted items	7,271,440	7,180,478
CET 1 capital ratio	23.5%	23.8%
Tier 1 capital ratio	23.5%	23.8%
Total capital ratio	24.9%	25.2%
Total capital, incl. MREL capital, ratio	36.0%	36.3%
Shareholders' equity		
Share capital	192,000	192,000
Reserves	6,718	6,718
Net profit	60,930	310,427
Retained earnings, previous years	1,532,773	1,571,152
Shareholders' equity, before deduction of holdings of own shares	1,792,420	2,080,296
Deduction of ordinary dividend	0	217,000
Deduction of extraordinary dividend	0	133,000
Deduction of net profit for Q1 2025	60,930	0
Deduction due to excess holdings of shares in the financial sector	1,896	0
Deduction of holdings of own shares	4,495	4,259
Deduction of intangible assets	929	1,084
Deduction of deferred tax assets	11,172	11,172
Deduction regarding prudent valuation of financial instruments	1,768	1,754
CET 1 capital	1,711,230	1,712,027
Additional Tier 1 capital	0	0
Tier 1 capital	1,711,230	1,712,027
Total capital		
Tier 1 capital	1,711,230	1,712,027
Subordinated loan capital	99,825	99,790
Total capital	1,811,055	1,811,817
MREL capital	803,231	791,227
Total capital, incl. MREL capital	2,614,287	2,603,044

The Føroya Banki Group holds a license to operate as a bank and is therefore subject to a capital requirement under the Faroese Financial Business Act and to CRR. The Faroese provisions on capital requirements apply to both the Parent Company and the Group. The capital requirement provisions stipulate a minimum capital of 8% of the identified risks. A detailed body of rules determines the calculation of capital as well as risks (risk-weighted items). The capital comprises CET 1 capital, hybrid core capital and subordinated loan capital. The CET 1 capital corresponds to the carrying amount of equity, after deductions of holdings of own shares, tax assets and other minor deductions.

Cash flow statement - Føroya Banki Group

	Group Q1 2025	Group Full year 2024
DKK 1,000		
Cash flow from operations		
Profit before tax	75,640	382,475
Amortisation and impairment charges for intangible assets	154	618
Depreciation and impairment charges of tangible assets	2,294	9,741
Impairment of loans and advances/guarantees	5,257	1,077
Paid tax	0	-78,956
Other non-cash operating items	-8,514	-62,528
Total	74,831	252,427
Changes in operating capital		
Change in loans at fair value	0	36,665
Change in loans at amortised cost	-193,474	-233,816
Change in holding of bonds	29,095	-320,115
Change in holding of shares	-21,037	7,076
Change in deposits	297,540	1,301,156
Due to credit institutions and central banks	-7,814	-138,507
Change in other assets / liabilities	441,839	41,599
Assets/liabilities under insurance contracts	17,577	15,678
Prepayments	26,965	-18,178
Cash flow from operations	665,521	943,985
Cash flow from investing activities		
Dividends received	148	11,997
Acquisition of intangible assets	0	-5,000
Acquisition of tangible assets	-375	-7,211
Sale of tangible assets	11	6,654
Cash flow from investing activities	-216	6,439
Cash flow from financing activities		
Change in loans from central banks and credit institutions	-14,286	242,857
Redemption of issued bonds at amortised cost	-190,000	-150,000
Interest paid on additional tier 1 capital	0	-6,750
Payment of dividends	-350,000	-80,000
Payment of dividends, own shares	958	219
Principal portion of lessee lease payments	-1,368	-5,417
Cash flow from financing activities	-554,696	909
Cash flow	110,609	951,333
Cash in hand and demand deposits with central banks, and due from Credit institutions, etc. at the beginning of the year	3,007,102	2,055,769
Cash flow	110,609	951,333
Cash and due etc.	3,117,711	3,007,102
Cash and due etc.		
Cash in hand and demand deposits with central banks	2,789,285	2,696,305
Due from credit institutions, etc.	328,426	310,797
Total	3,117,711	3,007,102

Notes to the financial statements

Note 1 Significant accounting policies

The consolidated financial statements for the first three months of 2025 have been prepared in accordance with IAS 34 "Interim Financial Reporting" supplemented by additional Faroese disclosure requirements for quarterly reports of listed financial companies and in accordance with the financial reporting requirements of the Nasdaq exchange in Copenhagen. The financial statements of the Parent Company, P/F Føroya Banki, have been prepared in accordance with the Faroese Financial Business Act and with the executive order on financial reports of credit institutions etc. of the Danish FSA as applied in the Faroe Islands.

The application of IAS 34 means that the disclosure of figures is less detailed than the disclosure in a full annual report and that the valuation principles laid down by the international financial reporting standards (IFRS) are applied.

The Group's significant accounting policies are consistent with those applied in the Annual Report 2024. The Annual Report 2024 provides a full description of the Group's significant accounting policies.

Future financial reporting standards and interpretations

The International Accounting Standards Board (IASB) has issued a number of new accounting standards (IAS and IFRS) and interpretations (IFRIC) that have not yet entered into force. Please refer to the Annual Report 2024 for further information.

Accounting estimates

The measurement of certain assets and liabilities requires management to estimate how future events will impact on the value of such assets and liabilities. Estimates of significance to the financial reporting are made in connection with determining the impairment of loans and advances, the fair value of unlisted financial instruments, provisions, business acquisitions etc. Estimates are based on assumptions that management considers appropriate, but which are inherently uncertain.

The most significant estimates that management makes in applying the Group's accounting policies and the most important uncertainty affecting estimates made when preparing the condensed interim report are unchanged from the estimates made in connection with the preparation of the Annual Report 2024 and the uncertainties prevailing at that time.

Determination of fair value

The fair value of financial assets is measured based on quoted market prices of financial instruments traded in active markets. If an active market exists, fair value is based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the Group bases its measurement on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations.

If no active market for standard and simple financial instruments, such as interest rate and currency swaps and unlisted bonds, exists, generally accepted valuation techniques rely on market-based parameters for measuring fair value. The results of calculations made based on valuation techniques are often estimates because exact values cannot be determined from market observations. Consequently, additional parameters, such as liquidity risk and counterparty risk, are sometimes used for measuring fair value.

Note	Operating segments Q1 2025	Banking				Non-life Insurance	Elimination	Group
		Personal	Corporate	Other	Total	Faroe Islands		
2	DKK 1,000							Total
	External interest income, Net	40,770	51,155	6,284	98,209	0		98,209
	Internal interest	7,518	-7,518	0	0			0
	Net interest income	48,288	43,638	6,284	98,209	0		98,209
	Net dividends and fee income	17,880	6,010	263	24,154	0	-2,843	21,311
	Premium income, net of reinsurance	0	0	5,418	5,418	44,529	-931	49,017
	Premium income, net of reinsurance and claims	0	0	754	754	8,001	3,602	12,357
	Net insurance result	0	0	529	529	6,589	3,602	10,720
	Other income	1,139	2,486	19,159	22,784	0	-6,815	15,969
	Total income	67,308	52,134	26,235	145,676	6,589	-6,056	146,209
	Total operating expenses	19,216	5,417	40,320	64,954	0	506	65,459
	of which depreciation and amortisation	210	0	1,929	2,139	0		2,139
	Profit before impairment charges on loans	48,091	46,717	-14,085	80,723	6,589	-6,562	80,750
	Impairment charges	2,828	2,385	-103	5,110	0		5,110
	Profit before tax	45,263	44,332	-13,982	75,613	6,589	-6,562	75,640
	Total assets	4,854,822	4,417,548	5,227,772	14,500,141	300,318		14,800,460
	of which Loans and advances	4,417,548	4,854,822		9,272,369			9,272,369
	Total liabilities	6,504,337	3,801,606	2,496,765	12,802,708	196,556		12,999,264
	of which Deposits	6,504,337	3,801,606		10,305,944		-7,185	10,298,759
	of which Insurance liabilities			3,015		179,264		182,278

Operating segments Q1 2024	Banking				Non-life Insurance	Elimination	Group
DKK 1,000	Personal	Corporate	Other	Total	Faroe Islands		Total
External interest income, Net	37,623	53,660	22,236	113,519	0		113,519
Internal interest	15,731	-18,017	2,285	0			0
Net interest income	53,354	35,643	24,523	113,520	0		113,520
Net dividends and fee income	17,581	5,379	348	23,308	0	-1,812	21,496
Net insurance result	0	0	3,887	3,887	3,207	2,324	9,418
Other income	6,006	2,887	657	9,549	0	-189	9,361
Total income	76,941	43,909	29,414	150,264	3,207	323	153,794
Total operating expenses	18,968	5,484	36,022	60,473	0	511	60,984
of which depreciation and amortisation	1,922	295	-111	2,106	0		2,106
Profit before impairment charges on loans	57,973	38,425	-6,607	89,791	3,207	-188	92,810
Impairment charges	-4,241	28,566	-1,595	22,730	0		22,730
Profit before tax	62,215	9,859	-5,012	67,061	3,207	-188	70,080
Total assets	4,038,748	4,999,619	4,048,281	13,086,648	285,616		13,372,263
of which Loans and advances	4,124,280	4,791,083		8,915,364			8,915,364
Total liabilities	5,826,399	3,181,487	2,193,175	11,201,061	193,804		11,394,865
of which Deposits	5,826,399	3,181,487		9,007,886		-8,783	8,999,102
of which Insurance liabilities			3,119		163,997		167,116

Føroya Banki Group - Geographical revenue information

Note 2 DKK 1,000 (cont'd) Geographical segments	Total income		Non current assets		Additions to tangible assets		Additions to intangible assets	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Faroe Islands	131,125	127,059	113,718	120,094	387	2,994	3,596	-154
Greenland	15,084	26,735	34,661	37,231	0	0	0	0
Total	146,209	153,794	148,380	157,325	387	2,994	3,596	-154

Geographical segments	Impairments		Investment portfolio earnings	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Faroe Islands	-8,420	15,471	13,064	6,972
Greenland	3,310	-38,200	0	0
Total	-5,110	-22,730	13,064	6,972

Income from external customers are divided into activities related to the customers's domiciles. Assets include all non-current assets, i.e. intangible assets, material assets, investment properties and holdings in associates.

Operational segments	Total income		Profit before tax		Tax		FTE	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Faroe Islands, Banking, Other	120,405	117,641	52,030	80,141	10,109	14,464	163	167
Faroe Islands, Insurance	10,720	9,418	10,720	9,418	1,186	577	23	23
Greenland, Banking	15,084	26,735	12,890	-19,478	3,416	0	18	19
Total	146,209	153,794	75,640	70,080	14,711	15,041	204	209

The geographical distribution of the Group's income and assets must be disclosed in accordance with IFRS and does not reflect the management operating segments of the Group though the financial development in Greenland and Faroe Islands are measured separately. Management assesses that the operating segments provide a more meaningful description of the Group's activities.

Note	DKK 1,000	Group		Føroya Banki	
		Q1 2025	Q1 2024	Q1 2025	Q1 2024
3	Interest income				
	Credit institutions and central banks	17,593	17,178	17,593	17,178
	Loans and advances (incl. other interest income)	118,191	130,352	118,191	130,352
	Bonds	4,052	2,695	4,052	2,695
	Total derivatives of which:	2,544	3,583	2,544	3,583
	<i>Currency contracts</i>	-10	9	-10	9
	<i>Interest rate contracts</i>	2,554	3,573	2,554	3,573
	Other interest income	462	2,393	462	2,393
	Total interest income	142,841	156,201	142,841	156,201
4	Interest expenses				
	Credit institutions and central banks	6,890	7,335	6,890	7,335
	Deposits	25,469	20,894	25,469	20,894
	Issued bonds	10,699	13,924	10,699	13,924
	Subordinated debt	1,224	1,236	1,224	1,236
	Lease liabilities	493	516	493	516
	Other interest expenses	-143	-1,224	-143	-1,224
	Total interest expenses	44,632	42,681	44,632	42,681
5	Net fee and commission income				
	Fee and commission income				
	Securities trading and custody accounts	4,367	3,546	4,367	3,546
	Credit transfers	5,137	4,897	5,137	4,897
	Loan commissions	982	1,242	982	1,242
	Guarantee commissions	5,737	5,502	5,737	5,502
	Other fees and commissions	6,319	7,689	9,162	9,501
	Total fee and commission income	22,542	22,876	25,385	24,688
	Fee and commissions paid				
	Securities trading and custody accounts	1,380	1,380	1,380	1,380
	Net fee and commission income	21,162	21,496	24,006	23,308
6	Market value adjustments				
	Loans and advances	-2,240	-1,033	-2,240	-1,033
	Bonds	4,762	-975	4,762	-975
	Shares	6,658	6,271	6,658	6,271
	Foreign exchange	2,239	3,439	2,239	3,439
	Total derivatives of which:	1,645	-730	1,645	-730
	<i>Currency Swaps</i>	840	-10	840	-10
	<i>Interest Swaps</i>	529	-281	529	-281
	<i>Other contracts</i>	276	-438	276	-438
	Assets under pooled schemes	-2,703	2,639	-2,703	2,639
	Deposits in pooled schemes	2,703	-2,639	2,703	-2,639
	Total market value adjustments	13,064	6,972	13,064	6,972

Note DKK 1,000

	Group		Føroya Banki	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024
7 Other operating income				
Profit on sale of properties	0	67	0	67
Other income	2,905	2,321	494	491
Total other operating income	2,905	2,388	494	558
8 Staff costs and administrative expenses				
Staff costs:				
Salaries	29,463	29,546	26,654	25,356
Pensions	4,530	4,549	3,953	3,988
Social security expenses	4,692	4,723	4,169	4,261
Total staff costs	38,684	38,818	34,776	33,605
Administrative expenses:				
IT	16,818	13,762	15,680	12,156
Marketing etc	2,298	3,423	2,073	3,065
Education etc	1,016	792	800	617
Other expenses	8,736	9,594	7,338	6,958
Total administrative expenses	28,869	27,570	25,891	22,796
Total staff costs	38,684	38,818	34,776	33,605
Total administrative expenses	28,869	27,570	25,891	22,796
Staff and administrative costs incl. under the item "Insurance service expenses"	-4,673	-8,006	0	0
Total staff costs and administrative expenses	62,880	58,382	60,667	56,401
Number of employees				
Average number of full-time employees in the period	206	208	176	176
Executive remuneration:				
Board of Directors	585	540	585	540
Executive Board:				
Salaries	752	673	752	673
- less fees received from directorships	90	59	90	59
The Bank's expense, salaries	662	613	662	613
Pension	113	101	113	101
Total executive board	774	714	774	714
Total executive remuneration	1,359	1,254	1,359	1,254

Note DKK 1,000

	Group		Føroya Banki	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024
9 Impairment charges on loans and advances and provisions for guarantees etc.				
Impairment charges and provisions at 31 December 2024	179,881	182,347	179,881	182,347
New and increased impairment charges and provisions	75,771	84,996	75,771	84,996
Reversals of impairment charges and provisions	69,469	59,887	69,469	59,887
Written-off, previously impaired	147	669	147	669
<i>Interest income on impaired loans</i>	<i>909</i>	<i>790</i>	<i>909</i>	<i>790</i>
Total impairment charges and provisions at 31 March 2025	186,037	206,787	186,037	206,787
Impairment charges and provisions recognised in the income statement				
Loans and advances at amortised cost	7,273	14,395	7,273	14,395
Loans and advances at fair value	-2,900	4,487	-2,900	4,487
Guarantees and loan commitments	737	3,847	737	3,847
Total individual impairment charges and provisions	5,110	22,730	5,110	22,730
Stage 1 impairment charges				
Stage 1 impairment charges etc. at 31 December 2024	78,972	76,219	78,972	76,219
New and increased Stage 1 impairment charges	34,284	41,835	34,284	41,835
Reversals, net of Stage 1 impairment charges	45,160	40,060	45,160	40,060
Stage 1 impairment charges at 31 March 2025	68,096	77,994	68,096	77,994
<i>Total net impact recognised in the income statement</i>	<i>-10,877</i>	<i>1,775</i>	<i>-10,877</i>	<i>1,775</i>
Stage 2 impairment charges				
Stage 2 impairment charges etc. at 31 December 2024	32,571	38,196	32,571	38,196
New and increased impairment charges	27,995	13,055	27,995	13,055
Reversals, net of impairment charges	16,530	15,051	16,530	15,051
Stage 2 impairment charges at 31 March 2025	44,035	36,200	44,035	36,200
<i>Total net impact recognised in the income statement</i>	<i>11,465</i>	<i>-1,996</i>	<i>11,465</i>	<i>-1,996</i>
Weak Stage 2				
Weak Stage 2 impairment charges etc. at 31 December 2024	6,331	7,278	6,331	7,278
New and increased impairment charges	4,252	1,047	4,252	1,047
Reversals, net of impairment charges	3,659	2,606	3,659	2,606
Weak Stage 2 impairment charges at 31 March 2025	6,923	5,719	6,923	5,719
<i>Total net impact recognised in the income statement</i>	<i>592</i>	<i>-1,558</i>	<i>592</i>	<i>-1,558</i>

Note 9

(cont'd)

DKK 1.000	Group		Føroya Banki	
	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Stage 3 impairment charges				
Stage 3 impairment charges etc. at 31 December 2024	60,452	56,450	60,452	56,450
New and increased impairment charges	7,831	24,723	7,831	24,723
Reversals of impairment charges	3,446	1,682	3,446	1,682
Written-off, previously impaired	147	669	147	669
Write-offs charged directly to the income statement	0	180	0	180
Received on claims previously written off	284	1,770	284	1,770
Interest income on impaired loans	909	790	909	790
Stage 3 impairment charges at 31 March 2025	64,690	78,822	64,690	78,822
Total net impact recognised in the income statement	3,192	20,662	3,192	20,662
Purchased credit-impaired assets included in stage 3 above				
Purchased credit-impaired assets at 31 December 2024	1,096	1,341	1,096	1,341
Reversals of impairment charges	29	158	29	158
Purchased credit-impaired assets at 31 March 2025	1,067	1,183	1,067	1,183
Reclassified to Assets in disposal groups classified as held for sale				
Provisions for guarantees and undrawn credit lines				
Individual provisions at 31 December 2024	1,555	4,204	1,555	4,204
New and increased provisions	1,410	4,336	1,410	4,336
Reversals of provisions	672	488	672	488
Provisions for guarantees etc at 31 March 2025	2,292	8,051	2,292	8,051
Total net impact recognised in the income statement	737	3,847	737	3,847
Provisions for guarantees and undrawn credit lines				
Stage 1 provisions	1,859	752	1,859	752
Stage 2 provisions	143	2,578	143	2,578
Stage 3 provisions	290	4,721	290	4,721
Provisions for guarantees etc at 31 March 2025	2,292	8,051	2,292	8,051
DKK 1,000				
	Group		Føroya Banki	
	March 31 2025	Dec. 31 2024	March 31 2025	Dec. 31 2024
10 Due from credit institutions etc. specified by maturity				
On demand	328,426	310,797	328,426	310,797
Total due from credit institutions etc.	328,426	310,797	328,426	310,797
11 Contingent liabilities				
Guarantees				
Financial guarantees	193,265	177,076	193,265	177,076
Mortgage finance guarantees	333,238	317,108	333,238	317,108
Registration and remortgaging guarantees	16,507	44,175	58,674	74,890
Other guarantees	68,740	67,381	198,354	206,247
Total guarantees	611,750	605,741	783,530	775,321
12 Assets deposited as collateral				
At March 31 2025 the Group had deposited cash amounting to DKK 31.0m (Dec. 31 2024: 27.0m) with Danmarks Nationalbank (the Danish Central Bank) primarily in connection with cash deposits. The Group had deposited cash at a total market value of DKK 10.2m (Dec. 31 2025: DKK 20.7m) in connection with negative market value of derivatives.				

Statement by the Executive Board and the Board of Directors

We have today considered and approved P/F Føroya Banki's interim report for the first three months to 31 March 2025.

The consolidated financial statements for the first three months to 31 March 2025 have been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the EU, while the interim financial statements of the Parent Company have been prepared in accordance with the Faroese Financial Business Act. Furthermore, the Interim Report has been prepared in accordance with additional Faroese disclosure requirements for interim reports of listed financial companies and in accordance with the financial reporting requirements of Nasdaq Copenhagen.

The interim financial statements have not been audited or reviewed.

We consider the accounting policies applied to be appropriate, such that the Interim Financial Report gives a true and fair view of the Group's and the Parent Company's assets, shareholders' equity and liabilities and financial position at 31 March 2025, and of the results of the Group's and the Parent Company's operations and the Group's and Parent Company's cash flows for the first three months ended 31 March 2025.

In addition, we consider the Management's report to give a fair presentation of the development in the Group's activities and financial affairs, the profit for the period and the Group's financial position, as well as a description of the significant risks and elements of uncertainty that may affect the Group.

Tórshavn, 30 April 2025

Executive Board

Turið F. Arge
CEO

Board of Directors

Birgir Durhuus
Chair

Annfinn Vitalis Hansen
Vice chair

Kristian Reinert Davidsen

Marjun Hanusardóttir

Tom Ahrenst

Árni Tór Rasmussen

Rúna Hentze

Kenneth M. Samuelson

Alexandur Johansen

Contact details

Head Office

P/F Føroya Banki
Oknarvegur 5
P.O. Box 3048
FO-110 Tórshavn
Faroe Islands
Phone: +298 330 330
E-mail: kundi@bankin.fo
www.foroyabanki.fo

P/F skr. nr. 10, Tórshavn
SWIFT: FIFB FOTX

Føroya Banki is a limited liability
company incorporated and
domiciled in the Faroe Islands.

The company is listed on
Nasdaq Copenhagen.

IR contact

Rúna Niclasardóttir Rasmussen
E-mail: rr@bankin.fo
Tel. +298 330 330

Branches

Faroe Islands

Tórshavn
Oknarvegur 5
100 Tórshavn
Phone: +298 330 330

Miðvágur
Jatnavegur 26
370 Miðvágur
Phone: +298 330 330

Klaksvík
Við Sandin 12
700 Klaksvík
Phone: +298 330 330

Saltangará
Heiðavegur 54
600 Saltangará
Phone: +298 330 330

Tvøroyri
Sjógøta 2
800 Tvøroyri
Phone: +298 330 330

Customer Service
Oknarvegur 5
100 Tórshavn
Phone: +298 330 330

Corporate Banking
Oknarvegur 5
100 Tórshavn
Phone: +298 330 330

Markets
Oknarvegur 5
100 Tórshavn
Phone: +298 330 330

Ungdómsbankin
Oknarvegur 5
100 Tórshavn
Phone: +298 330 330

Greenland

Personal Banking
Qullilerfik 2
3900 Nuuk
Phone: +299 34 79 00

Corporate Banking
Qullilerfik 2
3900 Nuuk
Phone: +299 34 79 00