Føroya Banki

Interim Report

H1 2026

Contents

Financial highlights and ratios - Føroya Banki Group

Highlights	H1	H1		Q2	Q1	Q4	Q3	Q2
DKK 1,000	2026	2025	*Index*	2026	2026	2025	2025	2025
Net interest income	192,079	199,358	*96*	97,741	94,338	94,358	94,386	101,149
Dividends from shares and other investments	7,492	14,407	*52*	5,072	2,420	6,669	0	14,259
Net fee and commision income	46,507	41,801	*111*	23,683	22,824	23,958	22,125	20,639
Net interest and fee income	246,078	255,567	*96*	126,496	119,582	124,985	116,511	136,047
Net insurance result	25,960	34,017	*76*	13,218	12,742	18,591	13,447	23,297
Interest and fee income and income from insurance activities, net	272,038	289,584	*94*	139,714	132,324	143,576	129,958	159,344
Market value adjustments	11,589	23,154	*50*	9,721	1,868	3,492	8,139	10,090
Other operating income	7,657	9,586	*80*	4,102	3,555	2,259	2,990	6,682
Staff costs and administrative expenses	133,692	125,342	*107*	67,233	66,459	64,165	67,027	62,462
Impairment charges on loans and advances etc.	2,397	6,871	*35*	3,093	-696	-2,346	-8,507	1,761
Net profit	**125,410**	**153,996**	***81***	**69,500**	**55,911**	**70,642**	**63,679**	**93,067**
Loans and advances	9,788,056	9,694,764	*101*	9,788,056	9,773,649	9,669,773	9,598,042	9,694,764
Bonds at fair value	1,061,950	1,496,232	*71*	1,061,950	1,102,536	1,106,209	1,492,287	1,496,232
Intangible assets	3,800	4,834	*79*	3,800	4,011	4,415	4,591	4,834
Assets held for sale	2,207	2,207	*100*	2,207	2,207	2,207	2,207	2,207
Total assets	15,397,180	14,636,771	*105*	15,397,180	15,039,335	14,934,717	15,170,186	14,636,771
Amounts due to credit institutions and central banks	479,376	815,064	*59*	479,376	499,664	505,739	837,987	815,064
Issued bonds at amortised cost	932,689	898,966	*104*	932,689	935,362	903,790	901,052	898,966
Deposits and other debt	11,393,064	10,382,526	*110*	11,393,064	11,095,838	10,948,209	10,803,028	10,382,526
Total shareholders' equity	1,939,276	1,880,992	*103*	1,939,276	1,869,776	2,015,313	1,944,670	1,880,992

Ratios and key figures	June 30 2026	June 30 2025	June 30 2026	March 31 2026	Dec. 31 2025	Sept. 30 2025	June 30 2025
Solvency							
Total capital, incl. MREL capital, ratio, %	40.2	35.9	40.2	40.2	36.3	36.6	35.9
Total capital ratio, %	27.0	24.0	27.0	26.9	24.6	24.5	24.0
Tier 1 capital ratio, %	25.6	22.7	25.6	25.5	23.3	23.1	22.7
CET 1 capital	25.6	22.7	25.6	25.5	23.3	23.1	22.7
RWA, DKK mill	7,034	7,545	7,034	7,054	7,732	7,412	7,545
Profitability							
Return on shareholders' equity after tax, %	6.3	7.8	3.6	2.9	3.6	3.3	5.1
Cost / income, %	47.6	41.8	46.1	49.4	42.9	43.0	36.6
Cost / income, % (excl. value adjustm. and impairments)	48.7	42.7	47.0	50.6	45.5	52.1	37.7
Return on assets	0.8	1.1	0.5	0.4	0.5	0.4	0.6
Market risk							
Interest rate risk, %	0.6	0.9	0.6	0.7	0.6	0.8	0.9
Foreign exchange position, %	0.7	0.9	0.7	0.9	1.0	0.3	0.9
Foreign exchange risk, %	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Liquidity							
Liquidity Coverage Ratio (LCR), %	273.5	259.7	273.5	322.4	306.4	294.5	259.7
Net Stable Funding Ratio. (NSFR), %	167.5	158.3	167.5	163.2	160.6	163.4	158.3
Credit risk							
Change in loans and advances, %	1.2	6.7	0.1	1.1	0.7	-1.0	4.6
Gearing of loans and advances	5.0	5.2	5.0	5.2	4.8	4.9	5.2
Impairment and provisioning ratio, end of period, %	1.7	1.8	1.7	1.6	1.7	1.7	1.8
Write-off and provisioning ratio, %	0.0	0.1	0.0	0.0	0.0	-0.1	0.0
Shares							
Earnings per share after tax (nom. DKK 20), DKK	13.1	16.1	7.3	5.8	7.4	6.7	9.7
Market price per share (nom. DKK 20), DKK	253.0	188.0	253.0	245.0	286.0	195.0	188.0
Book value per share (nom. DKK 20), DKK	202.6	196.5	202.6	195.3	210.5	203.1	196.5
Other							
Number of full-time employees, end of period	201	199	201	207	201	202	199

Financial Review

"The Group successfully carried the positive Q1 momentum into the second quarter, reporting a satisfactory net profit of DKK 125m for the six-month period. The total business volume grew by 2% in the quarter, driven by positive developments in both the Faroese and the Greenlandic markets. Growing customer demand for investment solutions was reflected, among other things, in an increase in our total assets under management. In the second quarter, the financial results were also positively supported by a satisfactory return on the investment portfolio. Income exceeded expectations, while expenses remained under pressure. We note with satisfaction that our customers are financially robust with strong credit quality, as reflected in persistently low levels of impairment charges. We expect our business to continue its stable, positive development in the second half-year, and we reiterate our financial guidance for the full year," says CEO Turið F. Arge.

H1 2026 Highlights

Adjusted Income statement, Group

DKKm	H1 2026	H1 2025	*Index*	Q2 2026	Q1 2026	*Index*	Q4 2025	Q3 2025	Q2 2025
Net interest income	159	160	*99*	81	78	*105*	79	77	84
Net fee and commission income	45	39	*116*	23	23	*100*	24	21	19
Net insurance income	28	42	*65*	11	16	*68*	20	14	27
Other operating income (less reclassification)	24	37	*65*	13	11	*115*	10	11	24
Total operating income	**256**	**279**	***92***	**128**	**128**	***100***	**132**	**123**	**154**
Operating costs[1]	145	137	*106*	73	72	*102*	70	73	68
Profit before impairment charges	**111**	**142**	***78***	**55**	**56**	***97***	**63**	**50**	**86**
Impairment charges, net	2	7	*35*	3	-1	*-444*	-2	-9	2
Operating profit	**109**	**135**	***80***	**52**	**57**	***91***	**65**	**58**	**84**
Investment portfolio earnings[2]	46	55	*84*	34	13	*264*	20	22	30
Profit before tax	**155**	**190**	***81***	**85**	**70**	***122***	**85**	**80**	**115**
Operating costs/income, %	57	49		57	56		53	59	44
Number of FTE, end of period	201	199	*101*	201	207	*97*	201	202	199

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 Q1 2026. Due to seasonal variations, comments provided on the insurance segment also relate to Q2 2025.

Operating income

The Føroya Banki Group generated operating income of DKK 128m in Q2 2026, unchanged compared to Q1 2026.

Net interest income

Net interest income was DKK 81m in Q2 2026, an increase of DKK 4m compared to Q1 2026. The increase was mainly driven by lower costs on deposits and lower funding costs.

Net fee and commission income

Net fee and commission income amounted to DKK 23m in Q2 2026, unchanged compared to Q1 2026.

Net insurance income

Net insurance income was DKK 11m in Q2 2026, DKK 15m lower than in the same period in 2025 due to higher claims. Compared to Q1 2026, net insurance income was down DKK 5m, also due to higher claims in Q2 2026 than in Q1 2026.

Other operating income

Other operating income was DKK 13m in Q2 2026, up DKK 2m on the previous quarter.

Operating costs

Operating costs amounted to DKK 73m in Q2 2026, DKK 2m higher than in Q1 2026. The main driver of the increase was increased staff costs as well as other costs.

Profit before impairment charges

Profit before impairment charges was DKK 55m in Q2 2026 compared to DKK 56m in Q1 2026.

Impairment charges

Net impairment amounted to charges of DKK 3m in Q2 2026 compared to a reversal of DKK 1m in Q1 2026. The Bank remains of the opinion that the credit quality of its overall portfolio is strong.

Operating profit

The resulting operating profit was DKK 52m in Q2 2026, DKK 5m lower than the DKK 57m reported in Q1 2026.

Investment portfolio earnings

Investment portfolio earnings amounted to DKK 34m in Q2 2026, which was DKK 21m higher than in Q1 2026. The figure was mainly impacted by higher returns on the Bank's bond portfolio.

Profit before tax

Profit before tax in Q2 2026 was DKK 85m, DKK 16m higher than in the preceding quarter, which saw a pre-tax profit of DKK 70m.

Profit before tax for H1 2026 totalled DKK 155m compared to DKK 190m for the same period in 2025.

The Bank is pleased with the continued positive development in business volumes, driven by growth in deposits and assets under management, which supports stable earnings. Continued low impairment charges and strong earnings on the investment portfolio contributed to a strong financial performance for the Group in Q2 2026.

Balance sheet

Føroya Banki Group's total assets at 30 June 2026 amounted to DKK 15.4bn, up DKK 0.5bn compared to 31 December 2025. Loans and advances were DKK 9.8bn, DKK 118m (up 1%) higher than at 31 December 2025. Deposits were DKK 11.4bn, up DKK 445m (up 4%) compared to 31 December 2025. Liquidity invested in Danish mortgage bonds and Danish government bonds amounted to DKK 1.1bn, a decrease of DKK 44m compared to 31 December 2025. Shareholders' equity at 30 June 2026 amounted to DKK 1,939m, down DKK 76m compared to 31 December 2025 due to dividend payments in the amount of DKK 202m.

Capital and liquidity

At 30 June 2026, the Group's CET 1 capital ratio was 25.6%, the Tier 1 capital ratio was 25.6% and the Total capital ratio was 27.0%. The Total capital ratio, incl. MREL capital, was 40.2%. The net profit for H1 2026, amounting to DKK 125.4m, is not included in the calculation of the capital ratios.

In Q2 2026, the Bank refinanced subordinated Tier 2 capital in the Faroese and Danish markets. The Bank successfully issued new capital amounting to DKK 100m and redeemed DKK 100m.

The Group's liquidity indicator was 271.6% on 30 June 2026, well above the requirement of 100%. The Group's LCR at 30 June 2026 was 273.5%, also well above the requirement of 100%. The Group's Net Stable Funding Ratio (NSFR) was 167.5% at 30 June 2026, well above the requirement of 100%.

Compliance with the Danish FSA Supervisory Diamond

The Supervisory Diamond	H1 2026	H1 2025	FSA limit
Sum of large exposures	140.2%	156.3%	< 175%
Liquidity indicator	271.6%	254.6%	>100 %
Loan growth	1.0%	7.4%	< 20 %
Property exposure	10.3%	12.0%	< 25 %

At 30 June 2026, the Group was compliant with all Supervisory Diamond requirements set by the FSA.

Events after the balance sheet date

No events have occurred since 30 June 2026 that are deemed to have a significant impact on the Group's financial position.

Guidance for 2026

The Group announced its guidance for 2026 on 28 January. At the end of H1 2026, the net profit for the Group was in the upper part of the guided range, but the guidance for the year is maintained at a net profit in the DKK 195-235m range and a return on equity between 10% and 12%.

The guidance for 2026 is subject to uncertainty related to developments in interest rates, returns on the investment portfolio, impairment charges, insurance performance and geopolitical factors.

Adjusted results

Note	Adjusted Income statement H1 2026, Group, (DKK 1,000)	Income statement	Restatement	Restated income statement
1	Net interest income	192,079	-33,183	158,896
2	Net fee and commission income	53,999	-8,595	45,404
4, 5	Net insurance income	25,960	1,625	27,585
2, 3	Other operating income	7,657	16,568	24,225
	Operating income	**279,695**	**-23,585**	**256,110**
4	Operating costs	138,484	6,641	145,125
	Profit before impairment charges	**141,210**	**-30,226**	**110,984**
	Impairment charges	2,397	0	2,397
	Operating profit	**138,813**	**-30,226**	**108,587**
1, 3, 5	Investment portfolio earnings	16,116	30,226	46,342
	Profit before tax	**154,929**	**0**	**154,929**

Note	Adjusted Income statement H1 2025, Group, (DKK 1,000)			
1	Net interest income	199,358	-38,906	160,452
2	Net fee and commission income	56,209	-17,118	39,091
4, 5	Net insurance income	34,017	8,247	42,264
2, 3	Other operating income	9,586	27,562	37,148
	Operating income	**299,171**	**-20,215**	**278,956**
4	Operating costs	129,681	7,180	136,861
	Profit before impairment charges	**169,490**	**-27,395**	**142,095**
	Impairment charges	6,871	0	6,871
	Operating profit	**162,620**	**-27,395**	**135,225**
1, 3, 5	Investment portfolio earnings	27,558	27,395	54,953
	Profit before tax	**190,178**	**0**	**190,178**

Note	Restatements made to the income statement (DKK 1,000)	H1 2026	H1 2025
1	Reclassification of interest income related to bonds from the item Interest income to Investment portfolio earnings.	33,183	38,906
2	Dividends and fees reclassified from Net fee and commission income to Other operating income.	8,595	17,118
3	Reclassification of value adjustments related to sector shares and of profit or loss from currency transactions to Other operating income.	7,973	10,444
4	Reclassification of operating costs from Net insurance income to Operating costs due to IFRS 17	6,641	7,180
5	Reclassification of market value adjustments from net insurance income to Investment portfolio earnings due to FRS 17	5,016	-1,067

Segments

We refer 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 regarding these two segments are provided on the following pages. The last page of the segments section sets out the performance of the Bank's insurance subsidiary, Trygd.

Adjusted Income statement, Banking

DKKm	H1 2026	H1 2025	*Index*	Q2 2026	Q1 2026	*Index*	Q4 2025	Q3 2025	Q2 2025
Net interest income	159	160	*99*	81	78	*105*	79	77	84
Net fee and commission income	51	48	*108*	26	26	*100*	27	25	24
Other operating income	19	32	*60*	10	9	*114*	8	8	22
Total operating income	**230**	**240**	***96***	**117**	**112**	***104***	**114**	**110**	**129**
Operating costs	134	125	*107*	67	66	*102*	64	67	62
Profit before impairment charges	**96**	**115**	***84***	**50**	**46**	***108***	**50**	**43**	**67**
Impairment charges, net	2	7	*35*	3	-1	*-444*	-2	-9	2
Operating profit	**94**	**108**	***87***	**47**	**47**	***100***	**52**	**52**	**66**
Investment portfolio earnings	40	53	*75*	27	13	*200*	18	18	28
Profit before tax	**134**	**162**	***83***	**74**	**60**	***122***	**70**	**70**	**94**
Loans and advances	9,788	9,697	*101*	9,788	9,774	*100*	9,670	9,600	9,697
Deposits and other debt	11,413	10,407	*110*	11,413	11,112	*103*	10,957	10,835	10,407
Mortgage credit	3,015	2,909	*104*	3,015	3,095	*97*	2,824	2,789	2,909
Operating costs/income, %	58	52		57	59		56	61	48
Number of FTE, end of period	172	171	*101*	172	178	*97*	173	173	171

Personal Banking

The Personal Banking segment reported operating income of DKK 64m in Q2 2026, DKK 2m higher than in Q1 2026. Net interest income was DKK 39m in Q2 2026, up DKK 2m compared to the previous quarter. Net fee and commission income amounted to DKK 18m in Q2 2026, largely unchanged compared to Q1 2026. Other operating income amounted to DKK 7m in Q2 2026, compared to DKK 6m in Q1 2026.

Operating costs were DKK 55m in Q2 2026, an increase of DKK 2m relative to Q1 2026, mainly driven by higher staff costs and other costs. Net impairment amounted to DKK 0m in Q2 2026, compared to a reversal of DKK 5m in Q1 2026. The Bank remains of the opinion that customers in the personal banking segment continue to be robust.

The resulting operating profit for Q2 2026 was DKK 9m, down DKK 4m from DKK 13m in the previous quarter.

Investment portfolio earnings posted to the Personal Banking segment amounted to DKK 14m in Q2 2026 compared to DKK 7m in Q1 2026. The figure was mainly impacted by higher returns on the Bank's bond portfolio.

Profit before tax thus amounted to DKK 23m in Q2 2026 compared to DKK 20m in Q1 2026.

Loans and advances to personal customers increased by DKK 122m (up 3%) to DKK 4,876m at the end of Q2 2026, while mortgage broking services decreased by DKK 9m (0%) to DKK 2,214m, both compared to 31 March 2026. Deposits held by personal customers increased by DKK 736m (up 12%) during the second quarter to DKK 6,984m at 30 June 2026.

Adjusted Income statement, Personal banking

DKKm	H1 2026	H1 2025	*Index*	Q2 2026	Q1 2026	*Index*	Q4 2025	Q3 2025	Q2 2025
Net interest income	77	79	*97*	39	37	*106*	37	37	41
Net fee and commission income	37	36	*103*	18	18	*99*	20	19	18
Other operating income	13	19	*67*	7	6	*106*	4	5	13
Total operating income	**126**	**134**	***94***	**64**	**62**	***104***	**61**	**62**	**72**
Operating costs	109	103	*107*	55	54	*103*	52	57	51
Profit before impairment charges	**17**	**31**	***55***	**9**	**8**	***109***	**9**	**5**	**22**
Impairment charges, net	-4	2	*-251*	0	-5	*-9*	4	0	-1
Operating profit	**22**	**30**	***73***	**9**	**13**	***66***	**4**	**4**	**23**
Investment portfolio earnings	21	28	*75*	14	7	*208*	9	9	15
Profit before tax	**43**	**58**	***74***	**23**	**20**	***115***	**14**	**14**	**38**
Loans and advances	4,876	4,487	*109*	4,876	4,754	*103*	4,647	4,532	4,487
Deposits and other debt	6,984	6,720	*104*	6,984	6,248	*112*	6,121	6,108	6,720
Mortgage credit	2,214	2,181	*102*	2,214	2,223	*100*	2,217	2,203	2,181
Number of FTE, end of period	76	76	*101*	76	80	*95*	77	77	76

Corporate Banking

Corporate Banking activities generated operating income of DKK 53m in Q2 2026, up 5% on the previous quarter. Compared to Q1 2026, net interest income increased DKK 2m to DKK 42m. Net fee and commission income was flat at DKK 7m compared to Q1 2026, while other operating income increased from DKK 3m in Q1 2026 to DKK 4m in Q2 2026.

Operating costs were DKK 12m in Q2 2026, flat compared to Q1 2026. Net impairment in Q2 2026 was a charge of DKK 3m compared to a charge of DKK 4m in Q1 2026. The Bank remains of the view that its corporate client base continues to show solid and improving creditworthiness.

Operating profit for the second quarter of 2026 amounted to DKK 38m, an increase of DKK 4m relative to Q1 2026.

Investment portfolio earnings posted to the Corporate Banking segment in Q2 2026 were DKK 12m, DKK 6m higher than in the preceding quarter. The figure was mainly impacted by higher returns on the Bank's bond portfolio.

The resulting profit before tax for Q2 2026 was DKK 51m, up DKK 10m compared to Q1 2026.

Corporate loans and advances decreased by DKK 107m (down 2%) in Q2 2026 to DKK 4,912m at 30 June 2026. Customer deposits decreased by DKK 435m (down 9%) during Q2 2026 to DKK 4,429m. Mortgage broking services decreased by DKK 71m (down 8%) to DKK 800m at 30 June 2026 compared to 31 March 2026.

Adjusted Income statement, Corporate Banking

DKKm	H1 2026	H1 2025	*Index*	Q2 2026	Q1 2026	*Index*	Q4 2025	Q3 2025	Q2 2025
Net interest income	82	82	*101*	42	40	*104*	42	39	43
Net fee and commission income	15	12	*125*	7	7	*102*	7	6	6
Other operating income	6	13	*50*	4	3	*131*	4	3	8
Total operating income	**103**	**106**	***97***	**53**	**50**	***105***	**53**	**49**	**57**
Operating costs	24	23	*108*	12	12	*96*	12	10	11
Profit before impairment charges	**79**	**84**	***94***	**41**	**38**	***108***	**41**	**38**	**46**
Impairment charges, net	7	5	*132*	3	4	*65*	-6	-9	3
Operating profit	**72**	**79**	***92***	**38**	**34**	***113***	**47**	**47**	**43**
Investment portfolio earnings	19	25	*76*	12	6	*193*	9	8	13
Profit before tax	**91**	**104**	***88***	**51**	**40**	***126***	**56**	**56**	**56**
Loans and advances	4,912	5,210	*94*	4,912	5,020	*98*	5,023	5,068	5,210
Deposits and other debt	4,429	3,687	*120*	4,429	4,864	*91*	4,835	4,726	3,687
Mortgage credit	800	728	*110*	800	871	*92*	606	585	728
Number of FTE, end of period	15	13	*109*	15	15	*101*	13	13	13

Insurance: Trygd

Trygd reported premium income of DKK 43m in Q2 2026, DKK 1m higher than in Q2 2025. In Q2 2026, claims were DKK 31m, up DKK 11m compared to Q2 2025. Net income from investment activities amounted to DKK 7m in Q2 2026, up DKK 5m compared to Q2 2025. As a result, operating income was DKK 18m in Q2 2026 compared to DKK 23m in Q2 2025.

Operating costs were DKK 8m in Q2 2026, up DKK 1m compared to Q2 2025. As a result, Trygd reported a profit before tax for Q2 2026 of DKK 11m, down DKK 6m compared to Q2 2025.

Profit before tax for H1 2026 totalled DKK 19m, compared to DKK 23m for the same period in 2025.

Trygd continues to consolidate its market position as a provider of non-life insurance in the Faroe Islands. Trygd's ambition to increase its market share in its core business areas, combined with a strengthened focus on pricing structure and overall market growth linked to developments in the Faroese economy have driven an increase in premiums.

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

Adjusted Income statement, Trygd

DKKm	H1 2026	H1 2025	*Index*	Q2 2026	Q1 2026	*Index*	Q4 2025	Q3 2025	Q2 2025
Premium income, net of reinsurance	86	82	*104*	43	43	*99*	42	42	42
Claims, net of reinsurance	58	47	*124*	31	27	*117*	22	25	20
Net insurance income	**28**	**36**	***79***	**11**	**17**	***69***	**20**	**17**	**22**
Net income from investment activities	6	2	*360*	7	-1	*-852*	2	4	2
Operating income	**34**	**37**	***91***	**18**	**16**	***115***	**22**	**20**	**23**
Operating costs	15	14	*104*	8	7	*106*	7	7	7
Profit before tax	**19**	**23**	***84***	**11**	**9**	***122***	**15**	**14**	**17**
Combined ratio	86	77		92	80		72	78	67
Claims ratio	67	57		73	61		52	59	48
Number of FTE, end of period	21	21	*101*	21	21	*100*	21	21	21

Income statement

Note	DKK 1,000	Group H1 2026	Group H1 2025	Føroya Banki H1 2026	Føroya Banki H1 2025
3	Interest income calculated using the effective interest method	244,489	258,991	261,396	281,219
3	Other interest income	16,906	22,227		
4	Interest expenses	69,317	81,861	69,317	81,861
	Net interest income	**192,079**	**199,358**	**192,079**	**199,358**
	Dividends from shares and other investments	7,492	14,407	7,492	14,407
5	Fee and commission income	50,016	44,935	54,925	50,644
5	Fee and commissions paid	3,510	3,133	3,510	3,133
	Net dividend, fee and commission income	**53,999**	**56,209**	**58,908**	**61,919**
	Net interest and fee income	**246,078**	**255,567**	**250,987**	**261,277**
	Insurance revenue	92,386	99,972		
	Insurance service expenses	69,497	64,700		
	Net return on investments backing insurance liabilities	6,121	1,296		
	Net finance income or expense from insurance	12	348		
	Other expenses	3,061	2,899		
	Net insurance result	**25,960**	**34,017**	**0**	**0**
	Interest and fee income and income from insurance activities, net	**272,038**	**289,584**	**250,987**	**261,277**
6	Market value adjustments	11,589	23,154	11,589	23,154
7	Other operating income	7,657	9,586	2,845	4,706
8	Staff costs and administrative expenses	133,692	125,342	128,909	120,881
	Amortisation, depreciation and impairment charges	4,617	4,296	4,500	4,156
	Other operating expenses	175	42	175	42
9	Impairment charges on loans and advances etc.	2,397	6,871	2,397	6,871
	Income from investments accounted for under the equity method	4,527	4,404	21,717	27,833
	Profit before tax	**154,929**	**190,178**	**151,156**	**185,020**
	Tax	29,519	36,182	25,745	31,024
	Net profit	**125,410**	**153,996**	**125,410**	**153,996**
	Portion attributable to				
	Shareholders of Føroya Banki P/F	125,410	153,996	125,410	153,996
	Net profit	**125,410**	**153,996**	**125,410**	**153,996**
	EPS Basic for the perdiod, DKK*	13.10	16.09	13.10	16.09
	EPS Diluted for the perdiod, DKK*	13.10	16.09	13.10	16.09

*Based on average number of shares outstanding.

Statement of comprehensive income - Føroya Banki

	Group		Føroya Banki	
	H1	H1	H1	H1
DKK 1,000	2026	2025	2026	2025
Net profit	125,410	153,996	125,410	153,996
Other comprehensive income				
Total other comprehensive income	**0**	**0**	**0**	**0**
Total comprehensive income	**125,410**	**153,996**	**125,410**	**153,996**

Balance Sheet

		Group		Føroya Banki	
		June 30	Dec. 31	June 30	Dec. 31
Note	DKK 1,000	2026	2025	2026	2025
	Assets				
10	Cash in hand and demand deposits with central banks	3,591,777	3,249,492	3,582,619	3,236,393
9	Amounts due from credit institutions and central banks	283,130	239,179	283,130	239,179
9	Loans and advances at fair value	287,983	285,267	287,983	285,267
	Loans and advances at amortised cost	9,500,073	9,384,505	9,500,073	9,384,505
	Bonds at fair value	1,061,950	1,106,209	854,409	900,434
	Shares, etc.	279,723	280,011	166,997	170,731
	Assets under insurance contracts	4,580	3,320	0	0
	Holdings in associates	23,924	21,216	23,924	21,216
	Holdings in subsidiaries	0	0	165,710	180,020
	Assets under pooled schemes and unit-linked investment contracts	101,986	85,154	101,986	85,154
	Intangible assets	3,800	4,415	157	466
	Total land and buildings	103,809	106,139	103,809	106,139
	Domicile property	52,759	52,961	52,759	52,961
	Domicile property (lease asset)	51,050	53,177	51,050	53,177
	Other property, plant and equipment	15,893	13,172	14,694	11,737
	Current tax assets	53,588	61,341	53,588	61,341
	Deferred tax assets	11,665	11,665	11,557	11,557
	Assets held for sale	2,207	2,207	2,207	2,207
	Other assets	66,519	49,445	65,871	47,990
	Prepayments	4,574	31,979	3,595	30,210
	Total assets	**15,397,180**	**14,934,717**	**15,222,308**	**14,774,546**

Balance Sheet

Note	DKK 1,000	Group June 30 2026	Group Dec. 31 2025	Føroya Banki June 30 2026	Føroya Banki Dec. 31 2025
	Shareholders' equity and liabilities				
	Liabilities other than provisions				
	Amounts due to credit institutions and central banks	479,376	505,739	479,376	505,739
	Deposits and other debt	11,393,064	10,948,209	11,412,957	10,956,570
	Deposits under pooled schemes and unit-linked investments contracts	101,986	85,154	101,986	85,154
	Issued bonds at amortised cost	932,689	903,790	932,689	903,790
	Liabilities under insurance contracts	178,366	151,764	0	0
	Current tax liabilities	97,533	67,942	84,430	58,140
	Other liabilities	165,389	148,620	162,550	144,028
	Deferred income	1,760	3,488	1,760	1,644
	Total liabilities other than provisions	**13,350,163**	**12,814,706**	**13,175,749**	**12,655,065**
	Provisions for liabilities				
	Provisions for deferred tax	458	530	0	0
	Provisions for losses on guarantees etc	2,743	1,614	2,743	1,614
	Provisions for other liabilities	5,096	2,624	5,096	2,624
	Total provisions for liabilities	**8,297**	**4,769**	**7,839**	**4,238**
	Subordinated debt				
	Subordinated debt	99,444	99,930	99,444	99,930
	Total liabilities	**13,457,904**	**12,919,405**	**13,283,032**	**12,759,234**
	Equity				
	Share capital	192,000	192,000	192,000	192,000
	Reserve, Equity Method	0	0	36,788	16,891
	Revaluation reserve	6,718	6,718	6,718	6,718
	Retained earnings	1,740,559	1,614,595	1,703,770	1,597,704
	Proposed dividends	0	202,000	0	202,000
	Total equity	**1,939,276**	**2,015,313**	**1,939,276**	**2,015,313**
	Total liabilities and equity	**15,397,180**	**14,934,717**	**15,222,308**	**14,774,546**

Statement of changes in equity - Føroya Banki Group

	Shareholders equity				
DKK 1,000	**Share capital**	**Revaluation Reserve**	**Proposed dividends**	**Retained earnings**	**Total**
Shareholders' equity at January 1, 2026	**192,000**	**6,718**	**202,000**	**1,614,595**	**2,015,313**
Net profit			0	125,410	125,410
Total comprehensive income		**0**	**0**	**125,410**	**125,410**
Dividends paid			-202,000	553	-201,447
Shareholders' equity at June 30, 2026	**192,000**	**6,718**	**0**	**1,740,559**	**1,939,276**

DKK 1,000	**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**
Net profit			202,000	86,317	288,317
Total comprehensive income		**0**	**202,000**	**86,317**	**288,317**
Dividends paid			-350,000	958	-349,042
Shareholders' equity at December 31, 2025	**192,000**	**6,718**	**202,000**	**1,614,595**	**2,015,313**

DKK 1,000	**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**
Net profit			0	153,996	153,996
Total comprehensive income			**0**	**153,996**	**153,996**
Dividends paid			-350,000	958	-349,042
Shareholders' equity at June 30, 2025	**192,000**	**6,718**	**0**	**1,682,274**	**1,880,992**

Statement of changes in equity - Føroya Banki P/F

	Shareholders equity					
DKK 1,000	Share capital	Revaluation Reserve	Equity method reserve	Proposed dividends	Retained earnings	Total
Shareholders' equity at January 1, 2026	**192,000**	**6,718**	**16,891**	**202,000**	**1,597,704**	**2,015,313**
Net profit			19,897	0	105,513	125,410
Total comprehensive income		**0**	**19,897**	**0**	**105,513**	**125,410**
Dividends paid				-202,000	553	-201,447
Shareholders' equity at June 30, 2026	**192,000**	**6,718**	**36,788**	**0**	**1,703,770**	**1,939,276**

DKK 1,000	Share capital	Revaluation Reserve	Equity method reserve	Proposed dividends	Retained earnings	Total
Shareholders' equity at January 1, 2025	**192,000**	**6,718**	**0**	**350,000**	**1,527,319**	**2,076,037**
Net profit			16,891	202,000	69,426	288,317
Total comprehensive income		**0**	**16,891**	**202,000**	**69,426**	**288,317**
Dividends paid				-350,000	958	-349,042
Shareholders' equity at December 31, 2025	**192,000**	**6,718**	**16,891**	**202,000**	**1,597,704**	**2,015,313**

DKK 1,000	Share capital	Revaluation Reserve	Equity method reserve	Proposed dividends	Retained earnings	Total
Shareholders' equity at January 1, 2025	**192,000**	**6,718**	**0**	**350,000**	**1,527,319**	**2,076,037**
Net profit			0		153,996	153,996
Total comprehensive income		**0**	**0**	**0**	**153,996**	**153,996**
Dividends paid				-350,000	958	-349,042
Shareholders' equity at June 30, 2025	**192,000**	**6,718**	**0**	**0**	**1,682,274**	**1,880,992**

Capital and Solvency - P/F Føroya Banki

Solvency	June 30	Dec. 31
DKK 1,000	**2026**	**2025**
Tier 1 capital	1,798,684	1,799,971
Total capital	1,898,129	1,899,901
Risk-weighted items not included in the trading portfolio	6,119,309	6,422,812
Risk-weighted items with market risk etc.	203,715	237,353
Risk-weighted items with operational risk	710,781	1,072,224
Total risk-weighted items	**7,033,805**	**7,732,389**
CET 1 capital ratio	**25.6%**	**23.3%**
Tier 1 capital ratio	**25.6%**	**23.3%**
Total capital ratio	**27.0%**	**24.6%**
Total capital, incl. MREL capital, ratio	**40.2%**	**36.3%**
Shareholders' equity		
Share capital	192,000	192,000
Reserves	43,506	23,609
Net profit	125,410	288,317
Retained earnings, previous years	1,585,011	1,518,905
Shareholders' equity, before deduction of holdings of own shares	**1,945,927**	**2,022,831**
Deduction of ordinary dividend	0	202,000
Deduction of net profit for H1	125,410	0
Deduction of holdings of own shares	6,651	7,519
Deduction of MLC regarding Non Performing Exposures	1,933	242
Deduction of intangible assets	157	466
Deduction of deferred tax assets	11,557	11,557
Deduction regarding prudent valuation of financial instruments	1,535	1,077
CET 1 capital	**1,798,684**	**1,799,971**
Tier 1 capital	**1,798,684**	**1,799,971**
Subordinated Tier 2 capital	99,444	99,930
Total capital	**1,898,129**	**1,899,901**
MREL capital	932,689	903,790
Total capital, incl. MREL capital	**2,830,818**	**2,803,691**

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 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

DKK 1,000	Group H1 2026	Group Full year 2025
Cash flow from operations		
Profit before tax	154,929	355,875
Amortisation and impairment charges for intangible assets	309	618
Depreciation and impairment charges of tangible assets	4,927	9,304
Impairment of loans and advances/guarantees	6,080	-1,833
Paid tax	-545	-85,771
Other non-cash operating items	-10,999	-59,123
Total	**154,701**	**219,071**
Changes in operating capital		
Change in loans at fair value	-2,045	30,289
Change in loans at amortised cost	-121,648	-615,578
Change in holding of bonds	44,975	669,748
Change in holding of shares	3,665	15,407
Change in deposits	444,855	944,861
Due to credit institutions and central banks	2,207	-260,573
Change in other assets / liabilities	10,891	-70,282
Assets/liabilities under insurance contracts	25,343	-5,255
Prepayments	25,677	2,143
Cash flow from operations	**588,622**	**929,832**
Cash flow from investing activities		
Divestment of sector institution, net of cash	0	29,174
Dividends received	7,492	21,077
Acquisition of intangible assets	-194	-950
Acquisition of tangible assets	-4,819	-2,154
Sale of tangible assets	0	5,030
Cash flow from investing activities	**2,480**	**52,177**
Cash flow from financing activities		
Change in loans from central banks and credit institutions	-28,571	-57,143
Issued bonds at amortised cost	244,062	250,000
Redemption of issued bonds at amortised cost	-216,138	-340,000
Payment of dividends	-202,000	-350,000
Payment of dividends, own shares	553	958
Principal portion of lessee lease payments	-2,771	-4,255
Cash flow from financing activities	**-204,865**	**-500,439**
Cash flow	**386,236**	**481,570**
Cash in hand and demand deposits with central banks, and due from		
Credit institutions, etc. at the beginning of the year	3,488,671	3,007,102
Cash flow	386,236	481,570
Cash and due etc.	**3,874,907**	**3,488,671**
Cash and due etc.		
Cash in hand and demand deposits with central banks	3,591,777	3,249,492
Due from credit institutions, etc.	283,130	239,179
Total	**3,874,907**	**3,488,671**

Notes to the financial statements

Note 1 Significant accounting policies

The consolidated financial statements for the first six months of 2026 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 and in Denmark.

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 2025. The Annual Report 2025 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 2025 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 2025 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.

Notes - Føroya Banki Group

Note

2

Operating segments H1 2026, (DKK 1,000)		Banking			Non-life Insurance[1]	Elimination	Group
	Personal	Corporate	Other	Total	Faroe Islands		Total
External interest income, Net	86,814	101,112	4,153	192,079	0		192,079
Internal interest	6,433	-6,433	0	0			0
Net interest income	**93,247**	**94,679**	**4,153**	**192,079**	**0**		**192,079**
Net dividends and fee income	**41,539**	**15,629**	**1,740**	**58,908**	**0**	**-4,909**	**53,999**
Net insurance result	**0**	**0**	**5**	5	**19,356**	**6,600**	25,960
Other income	1,080	633	22,691	24,404	0	-632	23,773
Total income	**135,866**	**110,941**	**28,590**	**275,396**	**19,356**	**1,059**	**295,811**
Total operating expenses	**42,016**	**10,358**	**85,050**	**137,425**	**0**	**1,059**	**138,484**
of which depreciation and amortisation	*491*	*0*	*4,127*	*4,617*	*0*		*4,617*
Profit before impairment charges on loans	**93,849**	**100,582**	**-56,461**	**137,971**	**19,356**	**0**	**157,327**
Impairment charges	-4,324	7,089	-368	2,397	0		2,397
Profit before tax	**98,173**	**93,494**	**-56,093**	**135,574**	**19,356**	**0**	**154,929**
Total assets	**4,875,564**	**4,912,492**	**5,285,706**	**15,073,762**	**323,419**		**15,397,180**
of which Loans and advances	*4,875,564*	*4,912,492*		*9,788,056*			*9,788,056*
Total liabilities	**7,218,712**	**4,194,245**	**1,848,938**	**13,261,896**	**196,008**		**13,457,904**
of which Deposits	*7,218,712*	*4,194,245*		*11,412,957*		*-19,893*	*11,393,064*
of which Insurance liabilities			*5*		*178,362*		*178,366*

1) Please refer to the income statement for a break down of the net insurance result including significant insurance expences.

Operating segments H1 2025, (DKK 1,000)		Banking			Non-life Insurance[1]	Elimination	Group
	Personal	Corporate	Other	Total	Faroe Islands		Total
External interest income, Net	84,028	105,908	9,422	199,358	0		199,358
Internal interest	14,378	-14,378	0	0			0
Net interest income	**98,406**	**91,530**	**9,422**	**199,358**	**0**		**199,358**
Net dividends and fee income	**48,080**	**13,813**	**26**	**61,919**	**0**	**-5,710**	**56,209**
Net insurance result	**0**	**0**	**3,700**	3,700	**23,089**	**7,228**	34,017
Other income	94	6,012	31,546	37,652	0	-507	37,145
Total income	**146,580**	**111,354**	**44,694**	**302,628**	**23,089**	**1,011**	**326,729**
Total operating expenses	**37,813**	**10,497**	**80,359**	**128,669**	**0**	**1,011**	**129,681**
of which depreciation and amortisation	*431*	*0*	*3,865*	*4,296*	*0*		*4,296*
Profit before impairment charges on loans	**108,767**	**100,858**	**-35,665**	**173,959**	**23,089**	**0**	**197,048**
Impairment charges	1,786	5,367	-283	6,871	0		6,871
Profit before tax	**106,980**	**95,491**	**-35,383**	**167,088**	**23,089**	**0**	**190,178**
Total assets	**4,486,039**	**5,210,725**	**4,626,862**	**14,323,626**	**313,146**		**14,636,771**
of which Loans and advances	*4,486,039*	*5,210,725*		*9,696,764*			*9,696,764*
Total liabilities	**6,029,174**	**4,377,223**	**2,153,517**	**12,559,914**	**195,865**		**12,755,780**
of which Deposits	*6,029,174*	*4,377,223*		*10,406,397*		*-23,871*	*10,382,526*
of which Insurance liabilities			*2,390*		*180,750*		*183,140*

1) Please refer to the income statement for a break down of the net insurance result including significant insurance expences.

Føroya Banki Group - Geografical revenue information

Note

2 (cont'd)

Geografical segments, (DKK 1,000)	Total income		Non current assets		Additions to tangible assets		Additions to intangible assets	
	H1 2026	H1 2025	H1 2026	H1 2025	H1 2026	H1 2025	H1 2026	H1 2025
Faroe Islands	267,107	294,595	112,754	113,972	4,892	-183	-615	3,750
Greenland	28,704	32,134	34,673	35,194	0	638	0	0
Total	**295,811**	**326,729**	**147,427**	**149,166**	**4,892**	**456**	**-615**	**3,750**

Geografical segments, (DKK 1,000)	Impairments		Investment portfolio earnings	
	H1 2026	H1 2025	H1 2026	H1 2025
Faroe Islands	5,087	6,077	16,116	27,558
Greenland	-2,690	793	0	0
Total	**2,397**	**6,871**	**16,116**	**27,558**

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, (DKK 1,000)	Total income		Profit before tax		Tax		FTE	
	H1 2026	H1 2025	H1 2026	H1 2025	H1 2026	H1 2025	H1 2026	H1 2025
Faroe Islands, Banking, Other	241,147	260,578	109,777	133,121	20,949	25,973	160	161
Faroe Islands, Insurance	25,960	34,017	25,960	34,017	3,484	4,168	21	21
Greenland, Banking	28,704	32,134	19,191	23,037	5,086	6,040	20	17
Total	**295,811**	**326,729**	**154,929**	**190,175**	**29,519**	**36,182**	**201**	**199**

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.

Notes

Note	DKK 1,000	Group		Føroya Banki	
		H1	H1	H1	H1
		2026	2025	2026	2025
3	**Interest income**				
	Credit institutions and central banks	28,764	22,227	28,764	22,227
	Loans and advances	226,285	237,586	226,285	237,586
	Bonds	5,248	8,445	5,248	8,445
	Total derivatives of w hich:	969	6,748	969	6,748
	Currency contracts	*-10*	*-24*	*-10*	*-24*
	Interest rate contracts	*979*	*6,772*	*979*	*6,772*
	Other interest income	129	6,213	130	6,213
	Total interest income	**261,395**	**281,219**	**261,396**	**281,219**
4	**Interest expenses**				
	Credit institutions and central banks	7,285	12,982	7,285	12,982
	Deposits	34,636	45,629	34,636	45,629
	Issued bonds	23,230	19,905	23,230	19,905
	Subordinated debt	3,238	2,449	3,238	2,449
	Lease liabilities	931	986	931	986
	Other interest expenses	-3	-90	-3	-90
	Total interest expenses	**69,317**	**81,861**	**69,317**	**81,861**
5	**Net fee and commission income**				
	Fee and commission income				
	Securities trading and custody accounts	9,184	8,239	9,184	8,239
	Credit transfers	11,414	10,974	11,414	10,974
	Loan commissions	2,107	2,063	2,107	2,063
	Guarantee commissions	11,700	11,463	11,700	11,463
	Other fees and commissions	15,611	12,194	20,520	17,904
	Total fee and commission income	**50,016**	**44,935**	**54,925**	**50,644**
	Fee and commissions paid				
	Securities trading and custody accounts	3,510	3,133	3,510	3,133
	Net fee and commission income	**46,507**	**41,801**	**51,416**	**47,511**
6	**Market value adjustments**				
	Loans and advances	670	-925	670	-925
	Bonds	1,382	12,810	1,382	12,810
	Shares	3,609	7,324	3,609	7,324
	Foreign exchange	5,256	4,928	5,256	4,928
	Total derivatives of w hich:	672	-982	672	-982
	Currency Swaps	*-9,686*	*6,341*	*-9,686*	*6,341*
	Interest Swaps	*664*	*-1,971*	*664*	*-1,971*
	Other contracts	*9,694*	*-5,352*	*9,694*	*-5,352*
	Assets under pooled schemes	8,798	-497	8,798	-497
	Deposits in pooled schemes	-8,798	497	-8,798	497
	Total market value adjustments	**11,589**	**23,154**	**11,589**	**23,154**

Note	DKK 1,000	Group		Føroya Banki	
		H1	H1	H1	H1
		2026	2025	2026	2025
7	**Other operating income**				
	Profit on sale of properties	0	3,702	0	3,702
	Other income	7,657	5,884	2,845	1,004
	Total other operating income	**7,657**	**9,586**	**2,845**	**4,706**
8	**Staff costs and administrative expenses**				
	Staff costs:				
	Salaries	64,008	63,168	58,440	54,370
	Pensions	9,528	9,186	8,310	8,010
	Social security expenses	10,000	9,524	8,972	8,459
	Total staff costs	**83,536**	**81,878**	**75,722**	**70,839**
	Administrative expenses:				
	IT	33,831	33,489	32,671	31,585
	Marketing etc	5,761	4,813	4,949	4,208
	Education etc	2,178	1,611	2,005	1,267
	Other expenses	17,111	17,875	13,563	12,982
	Total administrative expenses	**58,880**	**57,788**	**53,187**	**50,042**
	Total staff costs	83,536	81,878	75,722	70,839
	Total administrative expenses	58,880	57,788	53,187	50,042
	Staff and administrative costs incl. under the item "Insurance service expenses"	-8,725	-14,324	0	0
	Total staff costs and administrative expenses	**133,692**	**125,342**	**128,909**	**120,881**
	Number of employees				
	Average number of full-time employees in the period	204	205	175	175
	Executive remuneration:				
	Board of Directors	1,268	1,170	1,268	1,170
	Executive Board:				
	Salaries	1,697	1,504	1,697	1,504
	- less fees received from directorships	178	180	178	180
	The Bank's expense, salaries	1,519	1,324	1,519	1,324
	Pension	118	225	118	225
	Total executive board	**1,637**	**1,549**	**1,637**	**1,549**
	Total executive remuneration	**2,905**	**2,719**	**2,905**	**2,719**

Note	DKK 1,000	Group		Føroya Banki	
		H1	H1	H1	H1
		2026	2025	2026	2025
9	**Impairment charges on loans and advances and provisions for guarantees etc.**				
	Impairment charges and provisions at 31 December 2025	179,289	179,881	179,289	179,881
	New and increased impairment charges and provisions	112,089	95,365	112,089	95,365
	Reversals of impairment charges and provisions	105,754	85,822	105,754	85,822
	Written-off, previously impaired	63	590	63	590
	Interest income on impaired loans	*708*	*1,875*	*708*	*1,875*
	Total impairment charges and provisions at 30 June 2026	**185,562**	**188,835**	**185,562**	**188,835**
	Impairment charges and provisions recognised in the income statement				
	Loans and advances at amortised cost	2,638	8,283	2,638	8,283
	Loans and advances at fair value	-431	-2,972	-431	-2,972
	Guarantiees and loan commitments	191	1,560	191	1,560
	Assets held for sale	0	0	0	0
	Total individual impairment charges and provisions	**2,397**	**6,871**	**2,397**	**6,871**
	Stage 1 impairment charges				
	Stage 1 impairment charges etc. at 31 December 2025	102,561	78,972	102,561	78,972
	New and increased Stage 1 impairment charges	51,410	46,478	51,410	46,478
	Reversals, net of Stage 1 impairment charges	72,156	54,745	72,156	54,745
	Stage 1 impairment charges at 30 June 2026	**81,815**	**70,705**	**81,815**	**70,705**
	Total net impact recognised in the income statement	*-20,746*	*-8,267*	*-20,746*	*-8,267*
	Stage 2 impairment charges				
	Stage 2 impairment charges etc. at 31 December 2025	25,851	32,571	25,851	32,571
	New and increased impairment charges	45,013	30,439	45,013	30,439
	Reversals, net of impairment charges	13,030	20,644	13,030	20,644
	Stage 2 impairment charges at 30 June 2026	**57,834**	**42,365**	**57,834**	**42,365**
	Total net impact recognised in the income statement	*31,983*	9,794	*31,983*	*9,794*
	Weak Stage 2				
	Weak Stage 2 impairment charges etc. at 31 December 2025	19,288	6,331	19,288	6,331
	New and increased impairment charges	10,531	2,547	10,531	2,547
	Reversals, net of impairment charges	13,171	2,892	13,171	2,892
	Weak Stage 2 impairment charges at 30 June 2026	**16,648**	**5,986**	**16,648**	**5,986**
	Total net impact recognised in the income statement	*-2,640*	*-345*	*-2,640*	*-345*

Note 9 (cont'd)	Group		Føroya Banki	
	H1	H1	H1	H1
DKK 1.000	2026	2025	2026	2025
Stage 3 impairment charges				
Stage 3 impairment charges etc. at 31 December 2025	29,037	60,452	29,037	60,452
New and increased impairment charges	2,836	11,585	2,836	11,585
Reversals of impairment charges	5,289	4,784	5,289	4,784
Written-off, previously impaired	63	590	63	590
Write-offs charged directly to the income statement	452	146	452	146
Received on claims previously written off	3,683	944	3,683	944
Interest income on impaired loans	*708*	1,875	708	1,875
Stage 3 impairment charges at 30 June 2026	**26,521**	**66,664**	**26,521**	**66,664**
Total net impact recognised in the income statement	*-6,391*	4,129	*-6,391*	4,129
Purchased credit-impaired assets included in stage 3 above				
Purchased credit-impaired assets at 31 December 2025	941	1,096	941	1,096
Reversals of impairment charges	941	122	941	122
Purchased credit-impaired assets at 30 June 2026	**0**	**974**	**0**	**974**
Reclassified to Assets in disposal groups classified as held for sale				
Provisions for guarantees and undrawn credit lines				
Individual provisions at 31 December 2025	2,552	1,555	2,552	1,555
New and increased provisions	2,299	4,316	2,299	4,316
Reversals of provisions	2,108	2,756	2,108	2,756
Provisions for guarantees etc at 30 June 2026	**2,743**	**3,115**	**2,743**	**3,115**
Total net impact recognised in the income statement	*191*	1,560	*191*	*1,560*
Provisions for guarantees and undrawn credit lines				
Stage 1 provisions	874	586	874	586
Stage 2 provisions	1,795	2,218	1,795	2,218
Weak Stage 2 provisions	0	0	0	0
Stage 3 provisions	74	311	74	311
Provisions for guarantees etc at 30 June 2026	**2,743**	**3,115**	**2,743**	**3,115**

Note	DKK 1,000	Group		Føroya Banki	
		June 30	Dec. 31	June 30	Dec. 31
		2026	2025	2026	2025
10	**Due from credit institutions etc. specified by maturity**				
	On demand	283,130	239,179	283,130	239,179
	Total due from credit institutions etc.	**283,130**	**239,179**	**283,130**	**239,179**
11	**Contingent liabilities**				
	Guarantees				
	Financial guarantees	195,188	196,594	195,188	196,594
	Mortgage finance guarantees	349,250	321,593	349,250	321,593
	Registration and remortgaging guarantees	311,622	68,039	342,050	124,771
	Other garantees	70,592	66,707	202,340	201,403
	Total guarantees	**926,652**	**652,932**	**1,088,828**	**844,360**

12 **Assets deposited as collateral**

At June 30 2026 the Group had deposited cash amounting to DKK 16.2m (Dec. 31 2025 30.9m) 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 6.7m (Dec. 31 2025: DKK 12.0m) 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 six months to 30 June 2026.

The consolidated financial statements for the first six months to 30 June 2026 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 30 June 2026, 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 six months ended 30 June 2026.

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, 5 August 2026

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
Oliver Granhøj	Kenneth M. Samuelsen	Svend Jacobsen

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

The company is listed on Nasdaq Copenhagen.

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