

INTERIM REPORT
FOR THE FIRST HALF OF 2023



Ringkjøbing
Landbobank

Ringkjøbing Landbobank's interim report for the first half of 2023

The bank delivers core earnings of DKK 1,324 million and net profit of DKK 980 million in the first half of 2023. The net profit is equivalent to a 21% p.a. return on equity.

Core earnings

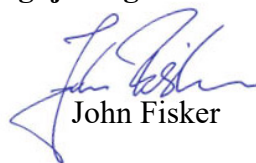
(DKK million)	H1 2023	H1 2022	2022	2021	2020	2019
Total core income	1,796	1,358	2,862	2,433	2,179	2,116
Total expenses and depreciation	471	436	891	817	788	805
Core earnings before impairment charges for loans	1,325	922	1,971	1,616	1,391	1,311
Impairment charges for loans etc.	-1	-2	-2	-68	-223	-100
Core earnings	1,324	920	1,969	1,548	1,168	1,211
Result for the portfolio etc.	-28	-19	-69	+7	-9	+49
Amortisation and write-downs on intangible assets	10	10	20	17	15	15
Tax	306	184	385	309	224	267
Net profit	980	707	1,495	1,229	920	978

Highlights of the first half of 2023

- The net profit is DKK 980 million, equivalent to a 21% p.a. return on equity
- Core income increases by 32% to DKK 1,796 million
- Costs increase by 8%, and the cost/income ratio decreases to 26.2%
- Credit quality remains high, resulting in impairment charges of only DKK 1 million
- The bank continues to experience a highly satisfactory increase in customer numbers, which is underlined by increases in deposits and loans of 10% and 7% respectively compared to the end of June 2022
- A new DKK 385 million share buy-back programme will be initiated on 3 August 2023
- MSCI upgrades the bank's ESG rating to AA
- The upwardly adjusted expectations for results for 2023 are maintained but specified to be at the upper end of the announced ranges

Yours sincerely

Ringkjøbing Landbobank



John Fisker

Management's review

Core income

Interest

Net interest income was DKK 1,213 million in the first half of 2023 compared to DKK 756 million in 2022, an increase of 60%.

This development is partly attributable to rising interest rates as Danmarks Nationalbank, the central bank of Denmark, has increased interest rates nine times by a total of 3.95 percentage points since July 2022. This means higher income for Ringkjøbing Landbobank, because an amount equivalent to its equity is placed in Danmarks Nationalbank and short-term securities. In addition, Ringkjøbing Landbobank no longer incurs expenses for personal customers' deposits below the DKK 100,000 threshold, and the rising interest rate level has also normalised its earnings from deposits.

Furthermore, lending increased by 7% compared to the end of June 2022. The increase in lending was broadly based and relates to both niches and retail. Deposits increased by 10% compared to the end of June 2022.

Fee, commission and foreign exchange income

Income from "Securities trading", "Asset management and custody accounts" and "Foreign exchange income" is assessed as one item as it relates primarily to the bank's focus on private banking and other asset management.

Total income from these three items amounted to DKK 225 million in the first half of 2023, compared to DKK 224 million in 2022. The marginal increase reflects lower income from securities trading, but an increase in income from both asset management and foreign exchange compensated for this.

Earnings from "Guarantee and mortgage credit commission etc." amounted to DKK 121 million in the half-year compared to DKK 130 million in 2022. The explanation is that interest on sold-off home loans is posted under the item "Guarantee and mortgage credit commission etc." The bank sold off home loans for a total of approximately DKK 2.7 billion in the full year 2022 and the first half of 2023. The bank must give six months' notice of interest rate changes for home loans, while the funding rates are adjusted on an ongoing basis. There has already been a marginal increase in income from the first to the second quarter of 2023. The income increase from this item is expected to rise during the second half of 2023 as announced interest rate increases enter into force.

As was expected, the level of refinancing and trading activities for real property was lower in 2023 than in 2022, which resulted in a DKK 17 million decrease in income in the half-year.

Income of DKK 57 million from payment handling in the first half of 2023 was marginally higher than the income of DKK 53 million from this source in 2022.

Overall, fee, commission and foreign exchange income amounted to DKK 496 million in the first half of 2023, compared to DKK 516 million in 2022.

Sector shares and other operating income

Total earnings from banking sector shares amounted to DKK 86 million in the first half of the year, compared to DKK 85 million in 2022. The earnings derive primarily from returns on the bank's ownership interests in DLR Kredit, BankInvest (BI Holding) and PRAS.

Other operating income in the half-year amounted to DKK 0, compared to DKK 1 million in the first half of 2022.

Core income

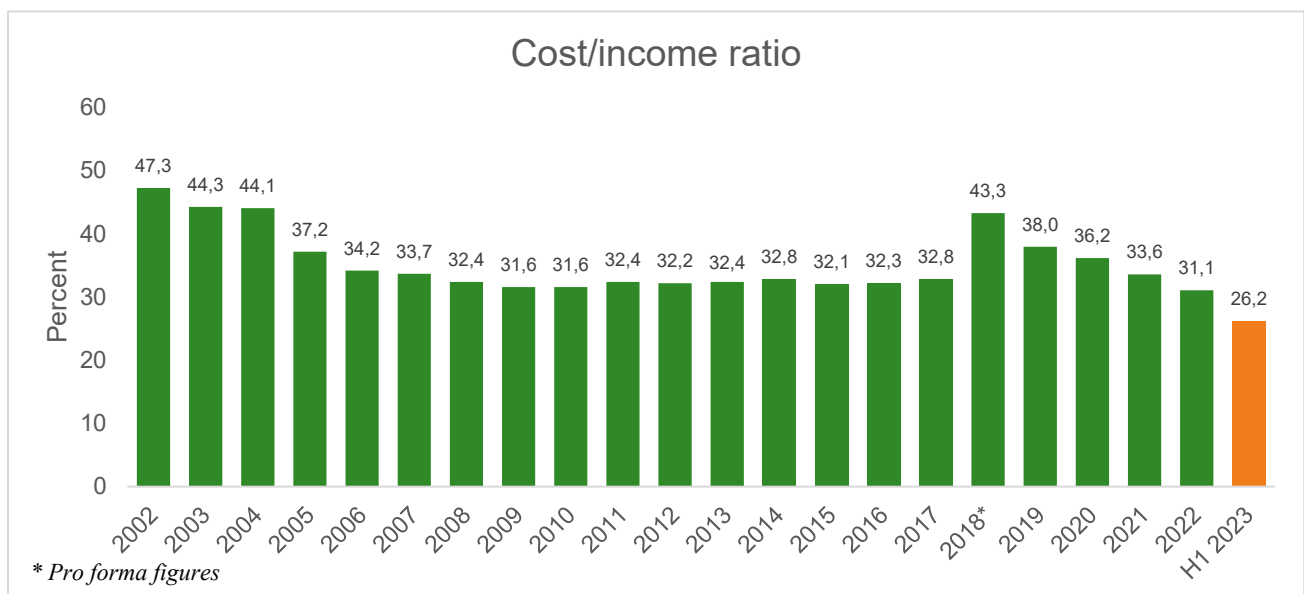
Total core income in the first half of the year increased by 32% from DKK 1,358 million in 2022 to DKK 1,796 million in 2023.

Expenses, depreciation and write-downs

Total expenses including depreciation and write-downs on tangible assets amounted to DKK 471 million in the first half of 2023, compared to DKK 436 million in 2022, an increase of 8%. The rate of increase for the full year 2023 is expected to be at the same level.

The cost increase reflects factors such as a higher number of employees and higher IT expenses resulting from the bank's growth.

The cost/income ratio was 26.2% in the first half-year, compared to 31.1% at the end of 2022. The marked improvement in the cost/income ratio reflects the growth in the bank's business volume and the fact that the bank again generates earnings from deposits.



Impairment charges for loans etc.

The bank's expenditure for losses and impairment charges was DKK 1 million in the first half of 2023. This level is unchanged compared to the same period in 2022, when the expenditure was DKK 2 million.

The very low level of losses and impairment charges confirms the continued good credit quality of the bank's portfolio of loans and guarantees.

At a time when inflation and interest rates have been rising, the bank's portfolio of loans to personal customers has coped well so far. We have thus observed no significant increase in the number of customers with financial challenges. However, we are aware of the uncertainty regarding the marketability and valuation of real property resulting from the rising interest rates.

The bank's portfolio of loans to business customers is also generally coping well. The future earnings of a few industries and businesses are challenged, however total individual impairment charges for the segments have not increased.

The vast majority of the bank's financing of investment properties is provided without prior mortgages and with an initial loan-to-value (LTV) that still protects against value adjustments resulting from interest rate increases.

Overall, the macroeconomic risk is still judged to be high, particularly in the light of the increasing interest rate level. This meant an increase in the model-based impairment charges in the first half of 2023. The bank also continued to maintain a high level of management estimates for impairment charges, as these estimates amounted to DKK 843 million at the end of June 2023.

The cumulative account for impairment charges amounted to DKK 2,354 million at the end of the half-year, compared to DKK 2,302 million at the beginning of the year.

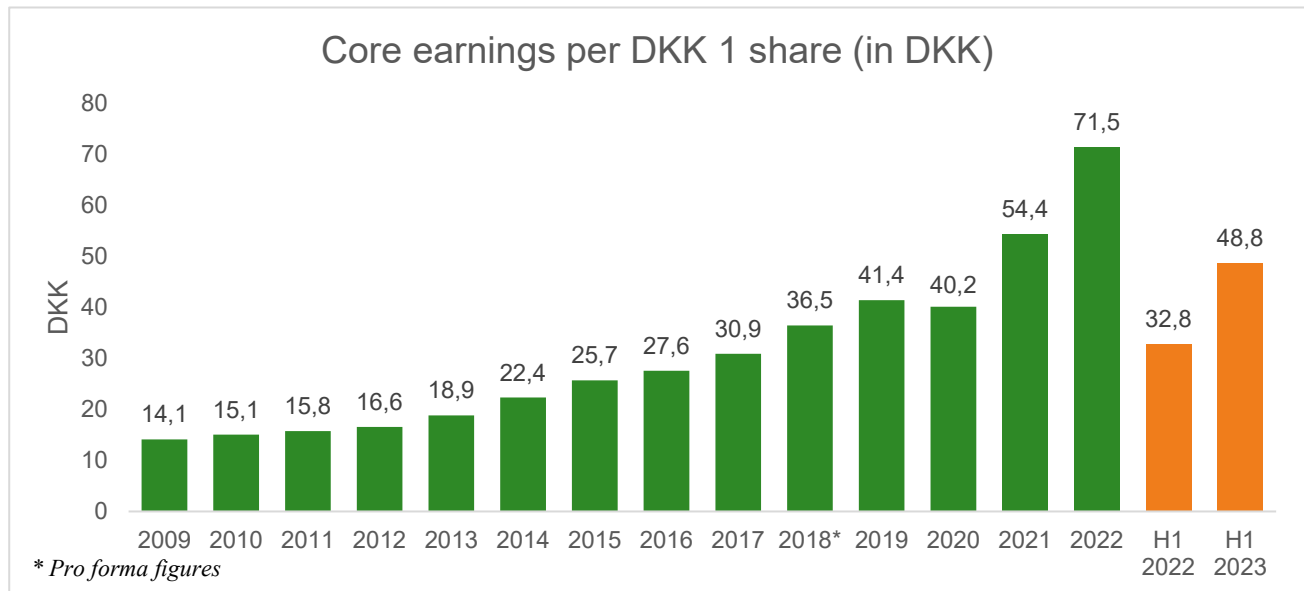
Loans with suspended interest amounted to DKK 81 million at the end of June 2023, unchanged relative to the end of 2022.

Core earnings

Core earnings for the first half of 2023 were DKK 1,324 million compared to last year's DKK 920 million, an increase of 44%.

(DKK million)	H1 2023	H1 2022	2022	2021	2020	2019
Total core income	1,796	1,358	2,862	2,433	2,179	2,116
Total expenses and depreciation	471	436	891	817	788	805
Core earnings before impairment charges for loans	1,325	922	1,971	1,616	1,391	1,311
Impairment charges for loans etc.	-1	-2	-2	-68	-223	-100
Core earnings	1,324	920	1,969	1,548	1,168	1,211

Core earnings per DKK 1 share were DKK 48.8 for the first half of 2023 compared to DKK 32.8 in 2022, an increase of 49%.



Result for the portfolio etc.

The result for the portfolio etc. including funding costs for the portfolio was negative by DKK 28 million net for the first half-year, compared to a negative result of DKK 19 million net for the first six months of 2022.

The negative result for the portfolio in the first half of 2023 is attributable to the continued increase in short-term interest rates in the half-year.

Amortisation and write-downs on intangible assets

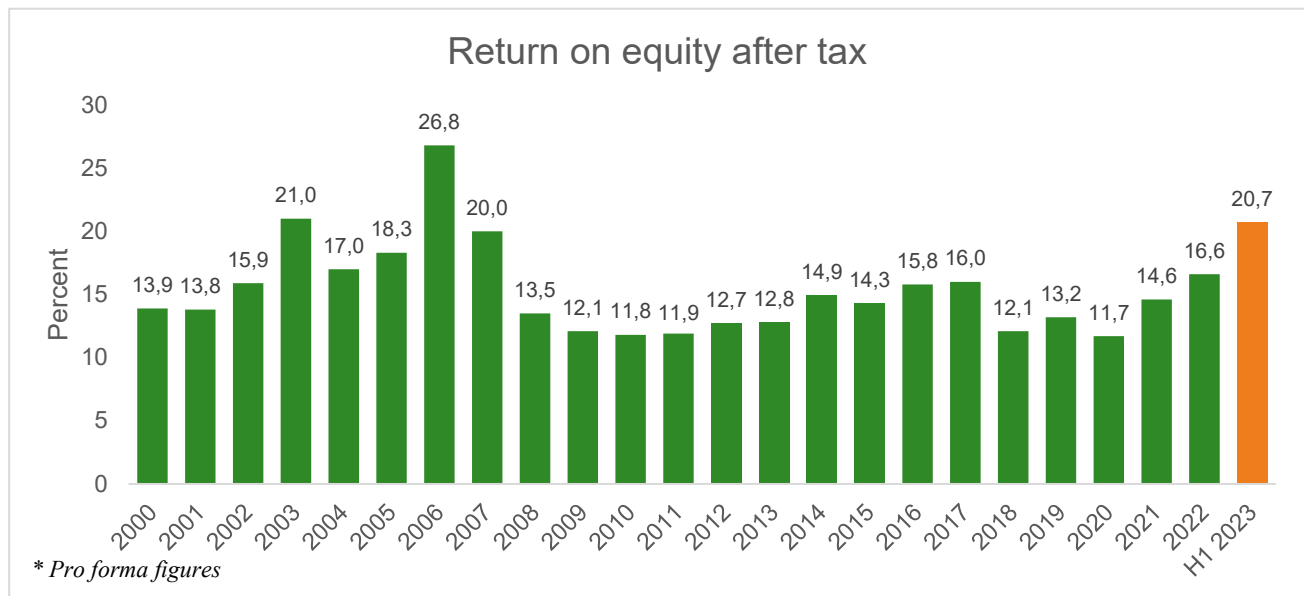
The bank treats amortisation and write-downs on intangible assets as a special item, since expensing them enhances the quality of equity and helps to reduce the deduction when computing total capital.

Amortisation and write-downs on intangible assets amounted to DKK 10 million in the first half of 2023, unchanged relative to 2022.

Profit before and after tax

The profit before tax for the half-year was DKK 1,286 million, equivalent to a 27.2% p.a. return on average equity.

The profit after tax for the half-year was DKK 980 million, equivalent to a 20.7% p.a. return on average equity.



On 1 January 2023 the corporate tax rate for financial undertakings increased from 22.0% to 25.2%.

The effective tax rate was 23.8% in the first half of 2023, compared to 20.6% in the first half of 2022.

Balance sheet items and contingent liabilities

The bank's balance sheet total stood at DKK 71,012 million at the end of June 2023, compared to DKK 65,226 million the year before.

Loans in the period June 2022 to June 2023 increased 7.1%, from DKK 46,681 million to DKK 49,996 million. The increase in loans in the first half of 2023 was 3.4%.

Deposits including pooled schemes increased by 10.1%, from DKK 46,144 million at the end of June 2022 to DKK 50,799 million at the end of June 2023. The increase in deposits in the first half of 2023 was 4.3%.

The bank's contingent liabilities including guarantees amounted to DKK 7,216 million at the end of June 2023, compared to DKK 11,244 million at the end of June 2022 and DKK 7,570 million at the end of December 2022. The decrease from June 2022 to June 2023 reflects the lower levels of refinancing and trading activity.

Credit intermediation

In addition to the traditional bank loans shown on its balance sheet, the bank also arranges mortgage loans on behalf of both Totalkredit and DLR Kredit.

The development in the bank's total credit intermediation has also been positive in 2023, increasing by 5.0% compared to the end of June 2022 and by 2.2% since the end of 2022.

The development is shown in the following summary:

	30 June 2023	30 June 2022	31 Dec. 2022
Total credit intermediation	DKK million	DKK million	DKK million
Loans and other receivables at amortised cost	49,996	46,681	48,342
Arranged mortgage loans and funded home loans – Totalkredit	46,144	44,025	45,248
Arranged mortgage loans – DLR Kredit and others	10,007	10,375	10,256
Total	106,147	101,081	103,846

Securities and market risk

The bank measures its portfolio of securities at fair value.

The item “Shares, etc.” amounted to DKK 1,375 million at the end of June 2023, with DKK 64 million in listed shares and investment fund certificates and DKK 1,311 million in sector shares etc., mainly in the companies DLR Kredit, BI Holding and PRAS.

The bond portfolio amounted to DKK 8,331 million on 30 June 2023, of which the majority consisted of AAA-rated Danish mortgage credit bonds – primarily short-term bonds.

The total interest rate risk – impact on profit of a one percentage point change in interest level – was computed as 0.5% of the bank's tier 1 capital on 30 June 2023.

The bank's risk of losses based on a Value at Risk model (computed with a 10-day horizon and 99% probability) was as follows in the first half of 2023:

	Risk in DKK million	Risk relative to equity end of period in %
Highest risk of loss	65.2	0.68%
Lowest risk of loss	28.8	0.30%
Average risk of loss	41.8	0.43%
End-of-period risk of loss	30.8	0.32%

The bank's total market risk within exposures to interest rate risk, listed shares etc. and foreign currency remains at a moderate level, and this policy will continue.

Liquidity

In terms of liquidity, the bank's short-term funding liabilities total DKK 2.2 billion, comprising debt to credit institutions and issued bonds with term to maturity of less than 12 months. This is balanced by short-term liquidity management deposits in Danmarks Nationalbank, receivables from credit institutions with term to maturity of less than 12 months and listed securities totalling DKK 12.3 billion. This means the total excess cover is DKK 10.1 billion.

Ringkjøbing Landbobank's deposits (excluding pooled schemes) and equity exceeded its loans by DKK 5.1 billion on 30 June 2023 and these two items therefore more than fully finance the loan portfolio.

In addition, part of the loan portfolio for renewable energy projects is financed back-to-back with KfW Bankengruppe, which means that DKK 1.0 billion can be disregarded in terms of liquidity.

In terms of liquidity, the bank must comply with the statutory requirement of at least 100% for both of the two liquidity ratios LCR and NSFR.

On 30 June 2023 the bank's LCR was 207% and its NSFR 121%. The bank thus met the statutory requirement for both ratios by a good margin.

Capital structure

The bank's equity at the beginning of 2023 was DKK 9,295 million. The profit for the half-year must be added to this, while the dividend paid and the value of the bank's own shares bought must be subtracted. After this, equity at the end of June 2023 was DKK 9,647 million.

The bank's total capital ratio and the tier 1 capital ratio were 20.7% and 17.7% respectively at the end of June 2023.

Capital ratios	H1 2023	H1 2022	2022	2021	2020
Common equity tier 1 capital ratio (%)	17.7	16.4	17.4	17.6	17.5
Tier 1 capital ratio (%)	17.7	16.4	17.4	17.6	17.5
Total capital ratio (%)	20.7	20.7	21.6	22.3	21.1
MREL requirement (%) – fixed by the Danish FSA	17.9	17.8	17.8	17.9	17.9
MREL capital ratio (%)	27.5	28.1	28.9	27.8	26.7

Calculated without the IFRS 9 transition programmes, the bank's total capital ratio was 20.1% and the common equity tier 1 capital ratio 17.0% on 30 June 2023.

The individual solvency requirement at the end of June 2023 was calculated as 9.0%. A capital conservation buffer of 2.5% and a countercyclical buffer of 2.4% should be added to this. The countercyclical buffer is calculated as an exposure-weighted average of the specific buffer rates in the home countries of the customers to whom the bank is exposed. The buffer rate for exposures to customers located in Denmark is 2.5%. The total requirement for the bank's total capital was thus 13.9% at the end of June 2023.

In December 2022 the bank received an updated MREL requirement of 17.9% from the Danish FSA, applicable from 1 January 2023.

The bank operates with three different capital targets. The capital targets specify that the common equity tier 1 capital ratio must be at least 13.5%, the total capital ratio at least 17.0% and the MREL capital ratio for covering the MREL requirement at least 25.0%, including the capital buffers. All capital targets must be met at the end of the year. While capital ratios may fluctuate during the year, the MREL requirement must always be met.

To meet the MREL requirement, the bank has regularly issued non-preferred senior capital, which totalled the equivalent of DKK 3.3 billion on 30 June 2023. During the first half of 2023, non-preferred senior capital equivalent to a total of DKK 112 million was issued.

The bank's capital for covering the MREL requirement totalled DKK 13.1 billion on 30 June 2023, equivalent to an MREL capital ratio of 27.4%. The excess cover relative to the MREL requirement on 30 June 2023 was thus 9.6 percentage points.

In June 2023, with the Danish FSA's approval the bank carried out early redemption of tier 2 capital totalling DKK 500 million issued in June 2018. Refinancing of the redeemed tier 2 capital was already in place in the fourth quarter of 2021 in connection with the issue of new tier 2 capital, totalling DKK 500 million, with maturity in January 2032 and the option of early redemption from January 2027.

Based on capital-related transactions already realised and transactions expected for the rest of 2023, the bank does not need refinancing of tier 2 capital and non-preferred senior capital in the coming year.

Share buyback programme and capital reduction

The bank's annual general meeting of 1 March 2023 again renewed the previous authorisation of the board of directors to permit the bank, in accordance with the applicable law, to acquire its own shares to a total nominal value of 10% of the bank's share capital.

In the period 2 February to 4 July 2023, the share buy-back programme was implemented by DKK 385 million. On 30 June 2023, 386,000 shares had been bought back and, when the programme ended on 4 July 2023, a total of 392,310 shares had been bought back, which the overview below shows.

The general meeting further decided to cancel the 888,327 of the bank's own shares that were bought during 2022 and in early 2023. The capital reduction was finalised in May 2023.

On 30 June 2023, the bank's actual share capital was thus DKK 27,105,339 in nom. DKK 1 shares: see below.

	Number of shares
Number of shares at beginning of 2023	28,379,666
Capital reduction completed by cancellation of own shares	-888,327
Number of shares following capital reduction	27,491,339
Bought under the DKK 385 million share buyback programme at the end of June 2023	-386,000
Actual number of shares on 30 June 2023	27,105,339
Bought under the DKK 385 million share buyback programme in July 2023	-6,310
Actual number of shares on 2 August 2023	27,099,029

Part two of the share buyback programme amounts to DKK 385 million (of the total DKK 770 million share buyback programme) and will be initiated for execution in the period 3 August 2023 to 22 January 2024.

The Supervisory Diamond

The bank complies with the Danish FSA's Supervisory Diamond.

The Supervisory Diamond contains four different benchmarks and associated limit values which Danish banks are expected to observe.

The Supervisory Diamond benchmarks, the associated limit values, and the bank's key figures are given in the following table.

Benchmark	Limit value	H1 2023	H1 2022	2022	2021	2020
Liquidity benchmark	>100%	182.1%	152.9%	143.4%	161.1%	177.6%
Total large exposures	<175%	124.7%	119.5%	118.0%	109.8%	99.8%
Growth in loans	<20%	6.6%	25.1%	17.5%	13.5%	2.2%
Real property exposure	<25%	21.2%	18.0%	20.0%	18.4%	17.9%

As shown above, Ringkjøbing Landbobank meets all four current limit values by a good margin.

Financial rating

The bank is rated by the international credit rating agency Moody's Investors Service.

The bank's rating for long-term bank deposits is "Aa3" and this is also the bank's long-term issuer rating. The bank's ratings were last affirmed by Moody's on 24 February 2023 with stable outlook.

ESG rating

In July 2023, MSCI, one of the world's largest and most used ESG rating agencies, upgraded the bank's ESG rating from A to AA, the second-highest rating on MSCI's rating scale.

The bank is pleased that its ESG affairs and the work of visualising them have resulted in this upgrade.

Financial Institution of the Year and high employee satisfaction

In May 2023, Ringkjøbing Landbobank was awarded the accolade of Financial Institution of the Year among large and medium-sized banks for the eighth time in a row. As in previous years, the award was made by FinansWatch in collaboration with the audit and consultancy firm EY.

We are pleased with the stability of the bank's results and the underlying growth which is largely attributable to the bank's skilled employees and their dedication.

We are thus also very pleased that the employee satisfaction with the bank is high. In an employee satisfaction survey completed in the second quarter of 2023 employee satisfaction is at its highest level since these surveys began.

The high employee satisfaction is a good foundation for the continued focus on our organic growth strategy, under which we work every single day to create value for both existing and new customers in their relations with the bank.

Expected results for 2023

The Bank announced its expectations for 2023 on 18 January 2023. They were core earnings in the range DKK 1,700-2,100 million and net profit for the year in the range DKK 1,200-1,600 million.

On 11 April 2023, the bank upwardly adjusted its expectations for 2023 to core earnings in the range DKK 2,000-2,400 million and net profit for the year in the range DKK 1,400-1,800 million.

On 12 June 2023, the bank again upwardly adjusted its expectations for 2023, this time taking core earnings into the range DKK 2,300-2,650 million and net profit for the year into the range DKK 1,700-2,000 million.

The upwardly adjusted expectations for core earnings and net profit for 2023 announced most recently in June 2023 are maintained but specified to be at the upper end of the announced ranges.

Accounting policies

The accounting policies are unchanged relative to those in the submitted and audited 2022 annual report.

Key figures

	H1 2023	H1 2022	Full year 2022
Key figures for the bank (percent)			
Profit before tax as a percentage of average equity, per annum	27.2	20.3	20.9
Net profit as a percentage of average equity, per annum	20.7	16.1	16.6
Cost/income ratio	26.2	32.1	31.1
Common equity tier 1 capital ratio	17.7	16.4	17.4
Tier 1 capital ratio	17.7	16.4	17.4
Total capital ratio	20.7	20.7	21.6
MREL requirement – fixed by the Danish FSA	17.9	17.8	17.8
MREL capital ratio	27.5	28.1	28.9
Key figures per DKK 1 share (DKK)			
Core earnings	48.8	32.8	71.5
Net profit	36.2	25.3	54.3
Book value	355.8	316.6	337.3
Share price, end of period	977.5	773.0	948.0
Basis of calculation, number of shares	27,110,839	27,992,289	27,553,139

Quarterly overviews

Core earnings

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020
(DKK million)														
Interest income	652	561	511	410	390	366	355	336	327	325	321	319	311	305
Fee and commission income	193	185	190	199	196	199	182	170	166	159	156	147	136	152
Sector shares etc.	45	41	46	38	41	44	47	49	43	40	43	38	35	35
Foreign exchange income	19	20	17	18	16	15	15	14	13	16	13	9	9	10
Other operating income	0	0	1	0	0	1	0	0	1	4	1	0	1	0
Core income excluding securities trading	909	807	765	665	643	625	599	569	550	544	534	513	492	502
Securities trading	38	42	34	40	41	49	52	34	29	56	32	39	28	39
Total core income	947	849	799	705	684	674	651	603	579	600	566	552	520	541
Staff and administration expenses	238	222	229	214	221	207	206	191	195	198	206	179	190	191
Depreciation and write-downs on tangible assets	3	3	5	3	4	1	9	3	4	3	4	5	2	3
Other operating expenses	3	2	2	2	1	2	2	2	2	2	2	2	0	4
Total expenses etc.	244	227	236	219	226	210	217	196	201	203	212	186	192	198
Core earnings before impairment charges for loans	703	622	563	486	458	464	434	407	378	397	354	366	328	343
Impairment charges for loans etc.	0	-1	0	0	-1	-1	-7	-13	-19	-29	-38	-44	-66	-75
Core earnings	703	621	563	486	457	463	427	394	359	368	316	322	262	268
Result for the portfolio etc.	-7	-21	+11	-61	-10	-9	+11	-1	+7	-10	+15	+17	+29	-70
Amortisation and write-downs on intangible assets	5	5	5	5	5	5	5	4	4	4	4	3	4	4
Profit before tax	691	595	569	420	442	449	433	389	362	354	327	336	287	194
Tax	166	140	110	91	94	90	79	87	71	72	64	64	60	36
Net profit	525	455	459	329	348	359	354	302	291	282	263	272	227	158

Quarterly overviews – continued

Balance sheet items and contingent liabilities

	End of Q2 2023	End of Q1 2023	End of Q4 2022	End of Q3 2022	End of Q2 2022	End of Q1 2022	End of Q4 2021	End of Q3 2021	End of Q2 2021	End of Q1 2021	End of Q4 2020	End of Q3 2020	End of Q2 2020	End of Q1 2020
(DKK million)														
Loans	49,996	48,842	48,342	48,052	46,681	43,352	41,179	38,849	37,268	37,210	36,241	35,479	35,260	36,130
Deposits including pools	50,799	48,786	48,700	47,637	46,144	42,599	43,740	41,475	41,376	41,766	39,639	39,204	39,670	37,051
Equity	9,647	9,310	9,295	9,009	8,864	8,671	8,723	8,563	8,333	8,132	8,146	7,884	7,612	7,380
Balance sheet total	71,012	69,649	68,980	67,463	65,226	60,157	60,357	57,562	57,123	56,845	54,862	53,956	53,984	51,531
Contingent liabilities	7,216	6,993	7,570	8,998	11,244	12,432	10,270	10,886	11,811	10,370	9,812	9,590	9,379	9,992

Statement of capital

	End of Q2 2023	End of Q1 2023	End of Q4 2022	End of Q3 2022	End of Q2 2022	End of Q1 2022	End of Q4 2021	End of Q3 2021	End of Q2 2021	End of Q1 2021	End of Q4 2020	End of Q3 2020	End of Q2 2020	End of Q1 2020
(DKK million)														
Common equity tier 1	8,408	7,951	8,154	7,532	7,720	7,471	7,632	7,255	7,274	7,122	7,277	7,049	6,973	6,109
Tier 1 capital	8,408	7,951	8,154	7,532	7,720	7,471	7,632	7,255	7,274	7,122	7,277	7,049	6,973	6,109
Capital	9,847	9,894	10,107	9,499	9,730	9,476	9,635	8,743	8,763	8,614	8,774	8,553	8,507	8,009
MREL capital	13,113	13,411	13,533	12,937	13,183	12,445	12,033	11,167	11,596	10,837	11,112	11,587	11,580	10,985
Risk exposure	47,627	47,043	46,855	47,326	46,940	44,880	43,285	41,729	41,063	42,271	41,561	39,682	38,900	41,444
(Percent)														
Common equity tier 1	17.7	16.9	17.4	15.9	16.4	16.6	17.6	17.4	17.7	16.8	17.5	17.8	17.9	14.7
Tier 1 capital	17.7	16.9	17.4	15.9	16.4	16.6	17.6	17.4	17.7	16.8	17.5	17.8	17.9	14.7
Total capital	20.7	21.0	21.6	20.1	20.7	21.1	22.3	21.0	21.3	20.4	21.1	21.6	21.9	19.3
MREL capital	27.5	28.5	28.9	27.3	28.1	27.7	27.8	26.8	28.2	25.6	26.7	29.2	29.8	26.5

Statements of income and comprehensive income

Note		H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
1	Interest income	1,469,582	828,652	1,865,848
2	Interest expenses	294,637	62,405	185,174
	Net interest income	1,174,945	766,247	1,680,674
	Dividends from shares etc.	90,094	97,801	99,637
3	Fee and commission income	504,419	526,357	1,038,855
3	Fee and commission expenses	46,701	40,863	91,602
	Net interest and fee income	1,722,757	1,349,542	2,727,564
4	Value adjustments	+49,128	-6,346	+73,493
	Other operating income	315	1,044	2,055
5,6	Staff and administration expenses	459,812	428,169	870,847
	Amortisation, depreciation and write-downs on intangible and tangible assets	15,753	14,587	33,035
	Other operating expenses	4,968	3,303	6,607
7,11	Impairment charges for loans and other receivables etc.	-5,269	-7,131	-12,450
	Results from investments in associated companies and subsidiaries	0	0	-37
	Profit before tax	1,286,398	891,050	1,880,136
8	Tax	306,122	183,997	385,239
	Net profit	980,276	707,053	1,494,897
	Other comprehensive income:			
	Value changes in pension liabilities	0	0	+2,111
	Total comprehensive income for the period	980,276	707,053	1,497,008

Core earnings

Note	H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
	1,212,747	755,837	1,677,409
3	378,295	395,131	783,728
	86,451	84,510	168,922
3	38,543	30,949	66,262
	315	1,044	2,055
	1,716,351	1,267,471	2,698,376
3	79,423	90,363	163,525
	1,795,774	1,357,834	2,861,901
5,6	459,812	428,169	870,847
	5,999	4,833	13,526
	4,968	3,303	6,607
	470,779	436,305	890,980
	1,324,995	921,529	1,970,921
	-763	-1,983	-2,154
	1,324,232	919,546	1,968,767
	-28,080	-18,742	-69,122
	9,754	9,754	19,509
	1,286,398	891,050	1,880,136
8	306,122	183,997	385,239
	980,276	707,053	1,494,897

Balance sheet

Note		30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
	Assets			
	Cash in hand and demand deposits with central banks	3,361,974	5,742,021	4,750,398
9	Receivables from credit institutions and central banks	548,873	710,432	776,039
10,11,12	Total loans and other receivables at amortised cost	49,995,657	46,681,061	48,341,941
	Loans and other receivables at amortised cost	49,037,669	45,554,986	47,300,816
	Loans for renewable energy projects with direct funding	957,988	1,126,075	1,041,125
13	Bonds at fair value	8,331,051	3,807,098	6,775,872
14	Shares etc.	1,375,472	1,467,154	1,331,791
	Investments in associated companies	481	481	481
	Investments in subsidiaries	11,982	12,020	11,982
15	Assets linked to pooled schemes	5,314,808	4,936,525	4,972,840
16	Intangible assets	1,033,409	1,052,918	1,043,163
	Total land and buildings	218,379	202,558	220,579
	Investment properties	3,667	8,667	3,667
	Domicile properties	196,440	167,467	196,048
	Domicile properties (leasing)	18,272	26,424	20,864
	Other tangible assets	14,849	15,594	14,731
	Current tax assets	0	0	20,056
	Deferred tax assets	43,305	19,626	23,033
	Temporary assets	4,000	4,381	2,000
	Other assets	738,159	555,296	677,490
	Prepayments	19,215	18,365	17,185
	Total assets	71,011,614	65,225,530	68,979,581

Balance sheet – continued

Note		30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
	Liabilities and equity			
17	Debt to credit institutions and central banks	3,128,926	2,402,460	3,567,758
	Total deposits and other debt	50,798,600	46,143,588	48,699,778
18	Deposits and other debt	45,483,792	41,207,063	43,726,938
	Deposits in pooled schemes	5,314,808	4,936,525	4,972,840
19	Issued bonds at amortised cost	4,647,123	4,710,340	4,255,498
	Preferred senior capital	1,508,219	1,359,880	966,492
	Non-preferred senior capital	3,138,904	3,350,460	3,289,006
	Current tax liabilities	254,962	116,474	0
	Other liabilities	905,204	850,044	1,033,971
	Deferred income	55	785	579
	Total debt	59,734,870	54,223,691	57,557,584
	Provisions for pensions and similar liabilities	0	2,187	0
11	Provisions for losses on guarantees	59,997	74,046	66,596
11	Other provisions for liabilities	26,861	23,770	24,113
	Total provisions for liabilities	86,858	100,003	90,709
	Tier 2 capital	1,542,692	2,038,305	2,036,526
20	Total subordinated debt	1,542,692	2,038,305	2,036,526
21	Share capital	27,491	28,380	28,380
	Net revaluation reserve under the equity method	391	428	391
	Retained earnings	9,619,312	8,834,723	9,065,333
	Proposed dividend etc.	-	-	200,658
	Total shareholders' equity	9,647,194	8,863,531	9,294,762
	Total liabilities and equity	71,011,614	65,225,530	68,979,581
22	Own shares			
23	Contingent liabilities etc.			
24	Assets provided as security			
	Credit risk			
25	Loans and guarantees in percent, by sector and industry			
26	Loans, guarantees and unutilised credit facilities and loan undertakings by credit quality and IFRS 9 stages			
27	Miscellaneous comments			

Statement of changes in equity

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
As at 30 June 2023:					
Shareholders' equity at the end of the previous financial year	28,380	391	9,065,333	200,658	9,294,762
Comprehensive income					
Net profit for the period			980,276		980,276
Total comprehensive income	0	0	980,276	0	980,276
Transactions with shareholders					
Reduction of share capital	-889		889		0
Dividend etc. paid				-200,658	-200,658
Dividend received on own shares			6,714		6,714
Purchase of own shares			-1,074,501		-1,074,501
Sale of own shares			628,632		628,632
Other equity transactions (employee shares)			11,969		11,969
Total transactions with shareholders	-889	0	-426,297	-200,658	-627,844
Shareholders' equity on the balance sheet date	27,491	391	9,619,312	0	9,647,194

Statement of changes in equity – continued

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
As at 30 June 2022:					
Shareholders' equity at the end of the previous financial year	29,068	428	8,487,703	205,474	8,722,673
Comprehensive income					
Net profit for the period			707,053		707,053
Total comprehensive income	0	0	707,053	0	707,053
Transactions with shareholders					
Reduction of share capital	-688		688		0
Dividend etc. paid				-205,474	-205,474
Dividend received on own shares			5,638		5,638
Purchase of own shares			-909,946		-909,946
Sale of own shares			532,734		532,734
Other equity transactions (employee shares)			10,853		10,853
Total transactions with shareholders	-688	0	-360,033	-205,474	-566,195
Shareholders' equity on the balance sheet date	28,380	428	8,834,723	0	8,863,531

Statement of changes in equity – continued

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
As at 31 December 2022:					
Shareholders' equity at the end of the previous financial year	29,068	428	8,487,703	205,474	8,722,673
Comprehensive income					
Net profit for the year		-37	1,294,276	200,658	1,494,897
Other comprehensive income			2,111		2,111
Total comprehensive income	0	-37	1,296,387	200,658	1,497,008
Transactions with shareholders					
Reduction of share capital	-688		688		0
Dividend etc. paid				-205,474	-205,474
Dividend received on own shares			5,638		5,638
Purchase of own shares			-1,507,045		-1,507,045
Sale of own shares			760,509		760,509
Other equity transactions (employee shares)			21,453		21,453
Total transactions with shareholders	-688	0	-718,757	-205,474	-924,919
Shareholders' equity on the balance sheet date	28,380	391	9,065,333	200,658	9,294,762

Statement of capital

	30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
Credit risk	41,716,483	42,061,642	40,843,152
Market risk	1,381,936	767,340	1,483,592
Operational risk	4,528,649	4,111,013	4,528,649
Total risk exposure	47,627,068	46,939,995	46,855,393
Shareholders' equity	9,647,194	8,863,531	9,294,762
Proposed dividend etc.	-	-	-200,658
Deduction for expected dividend	-171,548	-171,106	-
Addition for IFRS 9 transition programme	321,087	410,792	469,846
Deduction for insufficient coverage of non-performing exposures	-12,666	-13,980	-25,341
Deduction for the sum of equity investments etc. above 10%	-222,583	-187,644	-194,192
Deduction for prudent valuation	-15,751	-10,844	-13,924
Deduction for intangible assets	-1,033,409	-1,052,918	-1,043,163
Deferred tax on intangible assets	16,917	18,606	18,855
Deferred tax on tangible assets etc.	-60,222	-38,232	-41,888
Deduction of amount of share buyback programme	-385,000	-369,000	-738,000
Actual utilisation of amount of share buy-back programme	378,812	325,406	682,262
Deduction for trading limit for direct and indirect ownership of own shares	-55,000	-55,000	-55,000
Actual utilisation of the trading limit for own shares	22	388	0
Common equity tier 1	8,407,853	7,719,999	8,153,559
Tier 1 capital	8,407,853	7,719,999	8,153,559
Tier 2 capital	1,544,730	2,043,920	2,043,645
Deduction for the sum of equity investments etc. above 10%	-105,130	-33,947	-90,606
Total capital	9,847,453	9,729,972	10,106,598
Non-preferred senior capital	3,265,238	3,452,973	3,426,434
MREL capital	13,112,691	13,182,945	13,533,032

Statement of capital – continued

	30 June 2023	30 June 2022	31 Dec. 2022
Common equity tier 1 capital ratio (%)	17.7	16.4	17.4
Tier 1 capital ratio (%)	17.7	16.4	17.4
Total capital ratio (%)	20.7	20.7	21.6
MREL capital ratio (%)	27.5	28.1	28.9
Pillar I capital requirements (DKK 1,000)	3,810,165	3,755,200	3,748,431
Individual solvency requirement (%)	9.0	9.4	9.3
Capital conservation buffer (%)	2.5	2.5	2.5
Countercyclical buffer (%)*	2.4	0.0	2.0
Total requirement for the bank's total capital (%)	13.9	11.9	13.8
Excess cover in percentage points relative to individual solvency requirement	11.7	11.3	12.3
Excess cover in percentage points relative to total requirement for total capital	6.8	8.8	7.8
MREL requirement (%) – fixed by the Danish FSA	17.9	17.8	17.8
Excess cover in percentage points relative to MREL requirement	9.6	10.3	11.1

* Calculated as an exposure-weighted average of the specific buffer rates in the home countries of the customers to whom the bank is exposed. The buffer rate for exposures to customers located in Denmark is 2.5%.

Notes

Note	H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
1 Interest income			
Receivables from credit institutions and central banks – net	40,027	-10,559	-1,136
Loans and other receivables	1,357,640	679,712	1,581,790
Discounts – amortisation concerning loans taken over etc.	4,506	5,148	10,296
Loans – interest on the impaired part of loans	-31,567	-23,782	-49,059
Bonds – net	95,590	14,262	59,503
Total derivative financial instruments – net	3,120	36,488	82,373
of which currency contracts – net	5,972	7,999	27,665
of which interest-rate contracts – net	-2,852	28,489	54,708
Other interest income	266	566	1,285
Total interest income	1,469,582	701,835	1,685,052
of which interest income from collateralised repurchase agreements/reverse repo transactions booked under the item “Loans and other receivables”	856	568	808
Negative interest income transferred to interest expenses			
Receivables from credit institutions and central banks	-	9,456	13,452
Bonds	-	2,489	2,497
Total derivative financial instruments	-	1,314	1,344
of which currency contracts	-	554	554
of which interest-rate contracts	-	760	790
Total negative interest income transferred to interest expenses	-	13,259	17,293
Negative interest expenses transferred from interest expenses			
Debt to credit institutions and central banks	-	54	57
Deposits and other debt	-	113,504	163,446
Total negative interest expenses transferred from interest expenses	-	113,558	163,503
Total interest income	1,469,582	828,652	1,865,848

Notes – continued

Note	H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
2			
Interest expenses			
Debt to credit institutions and central banks – net	14,317	3,269	18,736
Deposits and other debt – net	163,352	-99,595	-100,778
Issued bonds	75,471	16,254	49,980
Subordinated debt	41,323	15,241	35,542
Other interest expenses	174	419	898
Total interest expenses	294,637	-64,412	4,378
Negative interest expenses transferred to interest income			
Debt to credit institutions and central banks	-	54	57
Deposits and other debt	-	113,504	163,446
Total negative interest expenses transferred to interest income	-	113,558	163,503
Negative interest income transferred from interest income			
Receivables from credit institutions and central banks	-	9,456	13,452
Bonds	-	2,489	2,497
Total derivative financial instruments	-	1,314	1,344
of which currency contracts	-	554	554
of which interest-rate contracts	-	760	790
Total negative interest income transferred from interest income	-	13,259	17,293
Total interest expenses	294,637	62,405	185,174
3			
Gross fee and commission income			
Securities trading	86,557	96,614	175,681
Asset management and custody accounts	114,789	109,316	221,355
Payment handling	82,601	72,342	151,053
Loan fees	41,149	61,169	126,221
Guarantee commission and mortgage credit commission etc.	121,336	130,324	256,622
Other fees and commission	57,987	56,592	107,923
Total gross fee and commission income	504,419	526,357	1,038,855
Net fee and commission income			
Securities trading	79,423	90,363	163,525
Asset management and custody accounts	107,155	102,239	207,436
Payment handling	57,181	52,966	103,569
Loan fees	37,436	54,883	114,527
Guarantee commission and mortgage credit commission etc.	121,336	130,324	256,622
Other fees and commission	55,187	54,719	101,574
Total net fee and commission income	457,718	485,494	947,253
Foreign exchange income	38,543	30,949	66,262
Total net fee, commission and foreign exchange income	496,261	516,443	1,013,515

Notes – continued

Note	H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
4 Value adjustments			
Other loans and receivables	-225	-14,263	-28,775
Bonds	18,393	-112,054	-166,484
Shares etc.	-1,767	-16,055	65,409
Foreign exchange	38,543	30,949	66,262
Total derivative financial instruments	13,234	-34,389	-79,598
of which currency contracts	-466	-95,547	-130,997
of which interest-rate contracts	13,700	61,141	51,399
of which share contracts	0	17	0
Assets linked to pooled schemes	3,289	-832,431	-864,971
Deposits in pooled schemes	-3,289	832,431	864,971
Issued bonds etc.	-17,124	139,466	198,702
Other liabilities	-1,926	0	17,977
Total value adjustments	49,128	-6,346	73,493
Value adjustment for hedging in the period is distributed as follows:			
Currency contracts	62	-101,907	-140,792
Interest-rate contracts	18,415	-25,794	-54,196
Other loans and receivables	573	-11,764	-21,692
Other liabilities	-4,436	0	17,978
Issued bonds	-12,688	132,205	189,168
Tier 2 capital	-1,926	7,260	9,534
Total value adjustment for hedging	0	0	0
5 Staff and administration expenses			
Payments and fees to general management, board of directors and shareholders' committee			
General management	11,454	9,898	19,172
Board of directors	2,580	2,050	4,367
Shareholders' committee	0	0	898
Total	14,034	11,948	24,437
Staff expenses			
Salaries	198,148	202,170	389,689
Pensions	22,552	21,345	43,876
Social security expenses	2,225	2,978	5,727
Costs depending on number of staff	37,549	30,666	62,268
Total	260,474	257,159	501,560
Other administration expenses	185,304	159,062	344,850
Total staff and administration expenses	459,812	428,169	870,847
6 Number of full-time employees			
Average number of employees during the period converted into full-time employees	647	633	641
Number of full-time employees at the end of the period	643	644	646

Notes – continued

Note		H1 2023 DKK 1,000	H1 2022 DKK 1,000	Full year 2022 DKK 1,000
7	Impairment charges for loans and other receivables etc.			
	Net changes in impairment charges for loans and other receivables etc. and provisions for losses on guarantees and unutilised credit facilities	52,072	14,203	18,851
	Actual realised net losses	-15,236	16,710	42,658
	Interest on the impaired part of loans	-31,567	-23,782	-49,059
	Total impairment charges for loans and other receivables etc.	5,269	7,131	12,450
8	Tax			
	Tax calculated on income for the year	326,394	171,194	374,752
	Adjustment of deferred tax	-18,940	12,796	11,928
	Effect on deferred tax of change in tax rate	-1,332	0	-2,925
	Adjustment of tax calculated for previous years	0	7	1,484
	Total tax	306,122	183,997	385,239
	Effective tax rate (%):			
	Tax rate currently paid by the bank	25.2	22.0	22.0
	Non-taxable income and non-deductible costs*			
		-1.3	-1.4	-1.4
	Effect of change in tax rate	-0.1	0.0	-0.2
	Adjustment regarding previous years etc.	0.0	0.0	0.1
	Total effective tax rate	23.8	20.6	20.5
	<i>* Primarily value adjustment of and dividends from sector shares.</i>			

Note		30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
9	Receivables from credit institutions and central banks			
	Demand	548,873	710,432	776,039
	Total receivables from credit institutions and central banks	548,873	710,432	776,039
10	Loans and other receivables at amortised cost			
	Demand	9,423,397	6,998,746	7,353,370
	Up to and including 3 months	4,120,135	3,477,991	2,475,978
	More than 3 months and up to and including 1 year	7,886,406	8,236,359	9,815,126
	More than 1 year and up to and including 5 years	11,847,979	11,987,470	11,945,344
	More than 5 years	16,717,740	15,980,495	16,752,123
	Total loans and other receivables at amortised cost	49,995,657	46,681,061	48,341,941
	of which collateralised repurchase agreements/reverse repo transactions	341,965	92,541	0

Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000
11				
Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings				
Impairment charges and provisions – by stages				
As at 30 June 2023				
Loans and other receivables at amortised cost	249,178	1,069,398	948,809	2,267,385
Guarantees	5,214	13,239	41,544	59,997
Unutilised credit facilities and loan undertakings	9,045	17,816	0	26,861
Total impairment charges and provisions by stages	263,437	1,100,453	990,353	2,354,243
of which management estimates	130,982	436,336	275,505	842,823
As at 30 June 2022				
Loans and other receivables at amortised cost	202,174	919,583	1,077,951	2,199,708
Guarantees	6,516	14,352	53,178	74,046
Unutilised credit facilities and loan undertakings	7,501	16,269	0	23,770
Total impairment charges and provisions by stages	216,191	950,204	1,131,129	2,297,524
of which management estimates	106,714	368,697	223,300	698,711
As at 31 December 2022				
Loans and other receivables at amortised cost	213,651	1,009,429	988,382	2,211,462
Guarantees	4,955	15,194	46,447	66,596
Unutilised credit facilities and loan undertakings	8,154	15,959	0	24,113
Total impairment charges and provisions by stages	226,760	1,040,582	1,034,829	2,302,171
of which management estimates	107,591	409,336	277,283	794,210

Note	30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
11			
Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued			
In addition to the above, a discount on loans and guarantees taken over from Nordjyske Bank amounted to	0	9,654	4,507
The above includes the following stage 3 impairment charges and provisions taken over from Nordjyske Bank:			
Cumulative stage 3 impairment charges and provisions at the end of the previous financial year	155,343	190,619	190,619
Change during the period	-25,815	-19,040	-35,276
Total stage 3 impairment charges and provisions taken over	129,528	171,579	155,343

Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impair- ment charges etc. taken to income state- ment DKK 1,000
11					
Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued					
Impairment charges and provisions					
As at 30 June 2023					
Impairment charges and provisions at the end of the previous financial year	226,760	1,040,582	1,034,829	2,302,171	
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	48,436	51,979	56,191	156,606	156,606
Reversed impairment charges and provisions for repaid accounts	-31,888	-88,949	-61,473	-182,310	-182,310
Transfer of impairment charges and provisions at beginning of period to stage 1	142,694	-140,087	-2,607	0	
Transfer of impairment charges and provisions at beginning of period to stage 2	-9,934	36,995	-27,061	0	
Transfer of impairment charges and provisions at beginning of period to stage 3	-229	-14,923	15,152	0	
Impairment charges and provisions during the year resulting from credit risk change	-112,402	214,856	-13,531	88,923	88,923
Previously written down, now definitively lost	-	-	-11,147	-11,147	
Lost, not previously written down					3,314
Received on receivables previously written off					-29,697
Interest on the impaired part of loans					-31,567
Total impairment charges and provisions	263,437	1,100,453	990,353	2,354,243	5,269
of which regarding credit institutions etc.	1,029	0	0	1,029	638

Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impair- ment charges etc. taken to income state- ment DKK 1,000
11					
Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued					
Impairment charges and provisions					
30 June 2022					
Impairment charges and provisions at the end of the previous financial year	251,041	858,497	1,173,782	2,283,320	
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	50,437	53,941	57,614	161,992	161,992
Reversed impairment charges and provisions for repaid accounts	-43,270	-85,562	-66,145	-194,977	-194,977
Transfer of impairment charges and provisions at beginning of period to stage 1	109,163	-98,072	-11,091	0	
Transfer of impairment charges and provisions at beginning of period to stage 2	-9,886	30,735	-20,849	0	
Transfer of impairment charges and provisions at beginning of period to stage 3	-169	-30,147	30,316	0	
Impairment charges and provisions during the year resulting from credit risk change	-141,125	220,812	-11,515	68,172	68,172
Previously written down, now definitively lost	-	-	-20,983	-20,983	
Lost, not previously written down					5,297
Received on receivables previously written off					-9,571
Interest on the impaired part of loans					-23,782
Total impairment charges and provisions	216,191	950,204	1,131,129	2,297,524	7,131
of which regarding credit institutions etc.	3,223	0	0	3,223	-79

Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impair- ment charges etc. taken to income state- ment DKK 1,000
11					
Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued					
Impairment charges and provisions					
As at 31 December 2022					
Impairment charges and provisions at the end of the previous financial year	251,041	858,497	1,173,782	2,283,320	
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	80,296	148,705	60,126	289,127	289,127
Reversed impairment charges and provisions for repaid accounts	-66,346	-144,630	-124,811	-335,787	-335,787
Transfer of impairment charges and provisions at beginning of period to stage 1	178,445	-154,905	-23,540	0	
Transfer of impairment charges and provisions at beginning of period to stage 2	-18,592	108,600	-90,008	0	
Transfer of impairment charges and provisions at beginning of period to stage 3	-429	-20,717	21,146	0	
Impairment charges and provisions during the year resulting from credit risk change	-197,655	245,032	69,725	117,102	117,102
Previously written down, now definitively lost	-	-	-51,591	-51,591	
Lost, not previously written down					16,300
Received on receivables previously written off					-25,233
Interest on the impaired part of loans					-49,059
Total impairment charges and provisions	226,760	1,040,582	1,034,829	2,302,171	12,450
of which regarding credit institutions etc.	391	0	0	391	-2,911

Notes – continued

Note	30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
12	Suspended interest		
	Loans and other receivables with suspended interest on the balance sheet date		
	81,056	96,646	81,176
13	Bonds at fair value		
	963,710	0	0
	6,713,940	2,683,335	5,578,166
	653,401	1,123,763	1,197,706
	8,331,051	3,807,098	6,775,872
	Bonds at fair value by rating classes (%)		
	88	71	82
	3	7	4
	1	2	1
	1	3	2
	0	1	0
	7	16	11
	100	100	100
	Ratings from the credit rating agencies Moody's Investors Service, Standard & Poor's and Fitch were used in the specification. If an issue has more than one rating, the lowest is used.		
14	Shares etc.		
	52,910	36,186	26,449
	11,150	15,257	10,012
	8,678	6,838	8,798
	1,302,734	1,408,873	1,286,532
	1,375,472	1,467,154	1,331,791
15	Assets linked to pooled schemes		
	4,784	24,356	103,301
	Bonds:		
	1,390,302	1,446,878	1,394,342
	1,390,302	1,446,878	1,394,342
	Shares:		
	755,556	802,734	815,830
	3,185,995	2,686,109	2,659,367
	3,941,551	3,488,843	3,475,197
	-21,829	-23,552	0
	5,314,808	4,936,525	4,972,840

Notes – continued

Note		30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
16	Intangible assets			
	Goodwill			
	Cost at the end of the previous financial year	923,255	923,255	923,255
	Total cost on the balance sheet date	923,255	923,255	923,255
	Write-downs at the end of the previous financial year	0	0	0
	Total write-downs on the balance sheet date	0	0	0
	Total goodwill on the balance sheet date	923,255	923,255	923,255
	Customer relationships			
	Cost at the end of the previous financial year	195,088	195,088	195,088
	Total cost on the balance sheet date	195,088	195,088	195,088
	Amortisation at the end of the previous financial year	75,180	55,671	55,671
	Amortisation for the period	9,754	9,754	19,509
	Total amortisation on the balance sheet date	84,934	65,425	75,180
	Total customer relationships on the balance sheet date	110,154	129,663	119,908
	Total intangible assets on the balance sheet date	1,033,409	1,052,918	1,043,163
17	Debt to credit institutions and central banks			
	Demand	762,858	1,053,209	758,592
	Up to and including 3 months	930,912	238,269	331,075
	More than 3 months and up to and including 1 year	127,452	130,501	1,128,099
	More than 1 year and up to and including 5 years	733,167	313,095	758,383
	More than 5 years	574,537	667,386	591,609
	Total debt to credit institutions and central banks	3,128,926	2,402,460	3,567,758
18	Deposits and other debt			
	Demand	36,303,558	34,616,905	35,665,320
	Deposits and other debt with notice:			
	Up to and including 3 months	1,843,781	1,491,482	2,190,631
	More than 3 months and up to and including 1 year	4,088,053	2,160,221	2,577,901
	More than 1 year and up to and including 5 years	594,061	508,943	621,464
	More than 5 years	2,654,339	2,429,512	2,671,622
	Total deposits and other debt	45,483,792	41,207,063	43,726,938
	of which deposits covered by the Guarantee Fund	56.1%	57.4%	55.6%
	Distributed as follows:			
	Demand	34,199,087	34,483,738	34,739,640
	With notice	4,166,999	973,057	2,185,866
	Time deposits	3,431,894	2,437,641	3,106,657
	Long-term deposit agreements	713,765	876,817	758,090
	Special types of deposits	2,972,047	2,435,810	2,936,685
		45,483,792	41,207,063	43,726,938

Notes – continued

Note	30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
19 Issued bonds at amortised cost			
Up to and including 3 months	0	371,960	259,405
More than 3 months and up to and including 1 year	372,365	631,349	368,799
More than 1 year and up to and including 5 years	3,893,794	2,912,755	2,450,260
More than 5 years	380,964	794,276	1,177,034
Total issued bonds at amortised cost	4,647,123	4,710,340	4,255,498
Distributed as follows:			
Preferred senior capital	1,543,676	1,376,252	1,003,921
Adjustment to amortised cost and fair value adjustment	-35,457	-16,372	-37,429
Total preferred senior capital	1,508,219	1,359,880	966,492
Non-preferred senior capital	3,265,238	3,452,973	3,426,434
Adjustment to amortised cost and fair value adjustment	-126,334	-102,513	-137,428
Total non-preferred senior capital	3,138,904	3,350,460	3,289,006
Total issued bonds at amortised cost	4,647,123	4,710,340	4,255,498
20 Subordinated debt			
Tier 2 capital:			
Fixed-rate loan, principal of DKK 500 million, maturity date 13 June 2028 (repaid)	-	500,000	500,000
Floating-rate loan, principal of EUR 100 million, maturity date 22 August 2029	744,730	743,920	743,645
Floating-rate loan, principal of DKK 300 million, maturity date 13 June 2030	300,000	300,000	300,000
Floating-rate loan, principal of DKK 500 million, maturity date 11 January 2032	500,000	500,000	500,000
Adjustment to amortised cost and fair value adjustment	-2,038	-5,615	-7,119
Total subordinated debt	1,542,692	2,038,305	2,036,526
21 Share capital			
Number of DKK 1 shares			
Beginning of period	28,379,666	29,067,721	29,067,721
Cancelled during the period	-888,327	-688,055	-688,055
End of period	27,491,339	28,379,666	28,379,666
of which reserved for subsequent cancellation	380,500	387,377	826,527
Total share capital	27,491	28,380	28,380

Notes – continued

Note	30 June 2023 DKK 1,000	30 June 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
22 Own shares			
Own shares included in the balance sheet at	0	0	0
Market value	371,960	299,830	783,548
Number of own shares:			
Beginning of period	826,527	635,988	635,988
Purchased during the period	1,084,589	1,070,210	1,781,303
Sold during the period	-642,267	-630,264	-902,709
Cancelled during the period	-888,327	-688,055	-688,055
End of period	380,522	387,879	826,527
of which reserved for subsequent cancellation	380,500	387,377	826,527
Nominal value of holding of own shares, end of period	381	388	827
Own shares' proportion of share capital, end of period (%)	1.4	1.4	2.9
23 Contingent liabilities etc.			
Contingent liabilities			
Financial guarantees	2,629,265	4,079,582	2,345,714
Guarantees against losses on mortgage credit loans	2,012,065	2,637,957	2,199,287
Registration and refinancing guarantees	1,679,216	3,656,240	2,163,492
Sector guarantees	104,485	105,626	104,485
Other contingent liabilities	791,161	764,931	756,701
Total contingent liabilities	7,216,192	11,244,336	7,569,679
Other contractual obligations			
Irrevocable credit undertakings etc.	112,387	60,000	84,055
Total other contractual obligations	112,387	60,000	84,055
24 Assets provided as security			
First-mortgage loans are provided for renewable energy projects. The loans are funded directly by KfW Bankengruppe, to which security in the associated loans has been provided. Each reduction of the first-mortgage loans is deducted directly from the funding at KfW Bankengruppe.			
The balance sheet item is	957,988	1,126,075	1,041,125
Pledged to Danmarks Nationalbank as collateral for clearing etc.:			
Securities	0	109,434	0
Balance in current account with Danmarks Nationalbank	35,531	0	35,531
Collateral under CSA agreements etc.	248,414	91,938	226,293

Notes – continued

Note	30 June 2023		30 June 2022		31 Dec. 2022	
	DKK million	%	DKK million	%	DKK million	%
25	Loans and guarantees by sector and industry					
	2.0	0.0	2.6	0.0	2.4	0.0
	Public authorities					
	Business customers:					
	Agriculture, hunting and forestry					
	561.2	1.0	633.6	1.1	588.0	1.1
	546.9	1.0	615.5	1.1	501.9	0.9
	Other agriculture, hunting and forestry					
	2,917.8	5.1	2,206.8	3.8	2,518.2	4.5
	701.1	1.2	765.0	1.3	759.7	1.4
	Fisheries					
	2,009.4	3.5	2,173.4	3.8	2,001.4	3.6
	Industry and raw materials extraction					
	Energy supply					
	2,974.6	5.2	3,625.7	6.3	4,213.6	7.5
	99.6	0.2	392.7	0.7	88.2	0.2
	Building and construction					
	2,431.6	4.2	1,807.5	3.1	2,065.5	3.7
	Trade					
	2,495.8	4.4	2,319.8	4.0	2,311.7	4.1
	Transport, hotels and restaurants					
	827.4	1.4	794.0	1.4	808.5	1.4
	Information and communication					
	148.1	0.3	194.7	0.3	173.7	0.3
	Finance and insurance					
	7,763.1	13.6	5,583.7	9.7	6,005.5	10.8
	Real property					
	Real property financing without prior creditors					
	8,194.3	14.3	7,560.8	13.1	8,061.1	14.4
	Other real property financing					
	2,849.2	5.0	2,270.8	3.9	2,419.1	4.3
	Other business customers					
	3,825.6	6.7	3,740.5	6.4	3,796.5	6.8
	38,345.7	67.1	34,684.5	60.0	36,312.6	65.0
	Total business customers					
	SMEs' share of this (in percentage points)					
	33,961.9	59.4	30,022.1	51.9	31,216.0	55.9
	Private individuals					
	18,804.2	32.9	23,164.3	40.0	19,530.0	35.0
	Total					
	57,151.9	100.0	57,851.4	100.0	55,845.0	100.0

Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Credit- impaired on initial recogni- tion DKK 1,000	Total DKK 1,000	Total %
26	Loans, guarantees and unutilised credit facilities and loan undertakings by credit quality and IFRS 9 stages					
	As at 30 June 2023					
	Credit quality*					
High	60,470,565	211,785	0	0	60,682,350	74.1%
Medium	11,133,865	2,486,795	0	0	13,620,660	16.6%
Low	1,411,794	4,533,973	0	0	5,945,767	7.3%
Credit-impaired	-	-	1,434,877	227,957	1,662,834	2.0%
Total	73,016,224	7,232,553	1,434,877	227,957	81,911,611	100%
Impairment charges etc.	263,437	1,100,453	860,825	129,528	2,354,243	
	As at 30 June 2022					
	Credit quality*					
High	61,764,054	184,212	0	0	61,948,266	76.0%
Medium	10,573,623	1,759,434	0	0	12,333,057	15.1%
Low	1,546,233	3,855,457	0	0	5,401,690	6.7%
Credit-impaired	-	-	1,546,563	260,846	1,807,409	2.2%
Total	73,883,910	5,799,103	1,546,563	260,846	81,490,422	100%
Impairment charges etc.	216,191	950,204	959,550	171,579	2,297,524	
	As at 31 December 2022					
	Credit quality*					
High	58,193,355	51,430	0	0	58,244,785	74.0%
Medium	11,063,228	2,409,161	0	0	13,472,389	17.1%
Low	1,165,646	4,404,266	0	0	5,569,912	7.1%
Credit-impaired	-	-	1,214,455	229,610	1,444,065	1.8%
Total	70,422,229	6,864,857	1,214,455	229,610	78,731,151	100%
Impairment charges etc.	226,760	1,040,582	879,486	155,343	2,302,171	

*The categories 'high', 'medium' and 'low' credit quality do not translate directly into the Danish FSA's rating classes but, as a rule, 'high' credit quality can be viewed as FSA rating classes 3 and 2a, 'medium' credit quality as the best part of FSA rating class 2b, while 'low' credit quality covers the rest of FSA rating class 2b and rating class 2c as well as the customers with objective evidence of impairment where losses are not expected in the most probable scenario. Exposures which are credit-impaired on initial recognition are those where losses are expected in the most probable scenario.

Notes – continued

27	Miscellaneous comments Core earnings per DKK 1 share on page 6 are stated for the “old” Ringkjøbing Landbobank up to and including 2017, pro forma for 2018 and for the merged bank from 2019.
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Main figures

Summary of income statement (DKK million)	H1 2023	H1 2022	Full year 2022
Net interest income	1,175	766	1,681
Dividends from shares etc.	90	98	100
Net fee and commission income	458	485	947
Net interest and fee income	1,723	1,349	2,728
Value adjustments	+49	-6	+73
Other operating income	0	1	2
Staff and administration expenses	460	428	871
Amortisation, depreciation and write-downs on intangible and tangible assets	16	15	33
Other operating expenses	5	3	7
Impairment charges for loans and receivables etc.	-5	-7	-12
Profit before tax	1,286	891	1,880
Tax	306	184	385
Net profit	980	707	1,495

Main figures from the balance sheet (DKK million)	30 June 2023	30 June 2022	31 Dec. 2022
Loans and other receivables at amortised cost	49,996	46,681	48,342
Deposits and other debt including pooled schemes	50,799	46,144	48,700
Subordinated debt	1,543	2,038	2,037
Equity	9,647	8,864	9,295
Balance sheet total	71,012	65,226	68,980

The Danish FSA's official key figures/ratios etc. for Danish banks

		H1 2023	H1 2022	2022
Capital ratios:				
Total capital ratio	%	20.7	20.7	21.6
Tier 1 capital ratio	%	17.7	16.4	17.4
Individual solvency requirement	%	9.0	9.4	9.3
MREL requirement – fixed by the Danish FSA	%	17.9	17.8	17.8
MREL capital ratio	%	27.5	28.1	28.9
Earnings:				
Return on equity before tax	%	13.6	10.1	20.9
Return on equity after tax	%	10.4	8.0	16.6
Income/cost ratio	DKK	3.65	2.97	3.04
Cost/income ratio	%	26.2	32.1	31.1
Return on assets	%	1.4	1.1	2.2
Market risk:				
Interest rate risk	%	0.5	0.3	0.7
Foreign exchange position	%	0.7	0.6	1.1
Foreign exchange risk	%	0.0	0.0	0.0
Liquidity risk:				
Liquidity Coverage Ratio (LCR)	%	206.6	186.7	187.9
Net Stable Funding Ratio (NSFR)	%	121.2	115.0	118.9
Loans and impairments thereon relative to deposits	%	102.2	105.7	103.8
Credit risk:				
Loans relative to shareholders' equity		5.2	5.3	5.2
Growth in loans	%	20.7	13.3	17.5
Total large exposures (<175%)	%	124.7	119.5	118.0
Cumulative impairment ratio	%	4.0	3.8	4.0
Impairment ratio	%	0.01	0.01	0.02
Proportion of receivables at reduced interest	%	0.1	0.2	0.1
Share return:				
Earnings per share*/***	DK	3,529.8	2,506.2	5,340.4
Book value per share*/**	DK	35,584	31,665	33,734
Dividend per share*	DK	0	0	700
Market price relative to earnings per share*/***		27.7	30.8	17.8
Market price relative to book value per share*/**		2.75	2.44	2.81

* Calculated on the basis of a denomination of DKK 100 per share.

** Calculated on the basis of number of shares in circulation at the end of the period.

*** Calculated on the basis of the average number of shares. The average number of shares is calculated as a simple average of the shares at the beginning and the end of the period.

Management statement

The board of directors and the general management have today discussed and approved the interim report of Ringkjøbing Landbobank A/S for the period 1 January to 30 June 2023.

The interim report is drawn up in accordance with the provisions of the Danish Financial Business Act and other Danish disclosure requirements for listed financial companies. We consider the chosen accounting policies to be appropriate and the estimates responsible, so that the interim report provides a true and fair view of the bank's assets, liabilities and financial position as at 30 June 2023 and of the result of the bank's activities for the period 1 January to 30 June 2023. We also believe that the management's review contains a true and fair account of the development in the bank's activities and financial circumstances as well as a description of the most important risks and uncertainties which can affect the bank.

The interim report has not been audited or reviewed, but the bank's external auditors have verified the profit by carrying out procedures corresponding to those required for a review and have thereby checked that the conditions for ongoing recognition of the profit for the period in the common equity tier 1 capital have been met.

Ringkøbing, 2 August 2023

General management:

John Fisker
CEO

Claus Andersen
General Manager

Jørn Nielsen
General Manager

Carl Pedersen
General Manager

Board of directors:

Martin Krogh Pedersen
Chairman

Mads Hvolby
Deputy Chairman

Jens Møller Nielsen
Deputy Chairman

Morten Jensen

Jon Steingrim Johnsen

Anne Kaptain

Jacob Møller

Lone Rejkjær Söllmann

Lene Weldum

Lisa Munkholm
Employee board member

Nanna G. Snogdal
Employee board member

Martin Wilche
Employee board member

Finn Aaen
Employee board member