

# **Interim Report**

## **Q3 2022**

**3 November 2022**

## CONTENTS

## MANAGEMENT'S REPORT

• Financial highlights and ratios.....	3
• Financial review .....	4
- Q3 2022 highlights .....	4
- Income statement .....	4
- Balance sheet .....	5
- Capital ratios.....	6
- Compliance with the Danish FSA Supervisory Diamond .....	6
- Events after the balance sheet date .....	6
- Guidance for 2022.....	6
- Adjusted results.....	7
• Segments .....	8
- Personal Banking.....	9
- Corporate Banking.....	10
- Insurance: Trygd.....	11

## FINANCIAL STATEMENTS

• Income statement .....	12
• Balance sheet .....	14
• Statement of capital .....	16
• Capital and Solvency .....	18
• Cash flow statement .....	19
• Notes to the financial statements .....	20

Statement by the Executive Board and the Board of Directors .....	28
---	----

CONTACT DETAILS .....	29
-----------------------	----

## Financial highlights and ratios - BankNordik Group

Highlights	Q1-Q3	Q1-Q3	Index	Q3	Q2	Q1	Q4	Q3
	DKK 1,000	2022		2021	21/20	2022	2022	2022
Net interest income	194,349	200,285	97	69,597	60,405	64,346	66,244	68,557
Dividends from shares and other investments	6,475	3,429	189	0	6,111	364	0	7
Net fee and commission income	65,229	56,811	115	22,028	21,665	21,536	22,549	18,923
Net interest and fee income	266,053	260,525	102	91,626	88,181	86,246	88,794	87,486
Net insurance income	37,896	27,986	135	10,974	15,381	11,542	5,909	6,844
Interest and fee income and income from insurance activities, net	303,949	288,510	105	102,600	103,562	97,787	94,703	94,329
Market value adjustments	-35,159	-1,329	2,646	-28,904	-17,619	11,364	5,720	1,855
Other operating income	5,021	7,553	66	1,159	1,622	2,240	3,456	2,666
Staff costs and administrative expenses	179,394	188,227	95	60,211	60,371	58,812	43,698	57,215
Impairment charges on loans and advances etc.	-43,251	-36,344	119	-11,829	-21,716	-9,706	-40,216	-12,919
Net profit continuing operations	110,542	111,292	99	20,555	41,761	48,227	80,655	41,417
Net profit discontinued operations	0	83,117	0	0	0	0	-4,134	1,241
Net profit	110,542	194,409	57	20,555	41,761	48,227	76,521	42,658
Loans and advances	7,976,907	7,591,918	105	7,976,907	7,724,274	7,690,628	7,624,093	7,591,918
Bonds at fair value	1,614,329	2,225,511	73	1,614,329	816,577	1,306,122	1,880,565	2,225,511
Intangible assets	2,567	2,551	101	2,567	2,620	2,684	2,684	2,551
Assets held for sale	0	3,564		0	0	0	0	3,564
Assets in disposals groups classified as held for sale	0	0		0	0	0	0	0
Total assets	12,099,703	11,416,425	106	12,099,703	12,772,239	11,946,751	11,789,746	11,416,425
Amounts due to credit institutions and central banks	857,703	548,255	156	857,703	867,612	846,689	838,608	548,255
Issued bonds at amortised cost	551,868	349,008	158	551,868	555,601	562,870	348,938	349,008
Deposits and other debt	8,210,426	7,417,275	111	8,210,426	8,897,153	8,025,283	7,899,659	7,417,275
Liabilities directly associated with assets in disposal groups classified as held for sale	0	0		0	0	0	0	0
Total shareholders' equity	1,756,273	2,408,289	73	1,756,273	1,737,457	1,697,436	2,035,853	2,408,289
	<b>Sept. 30</b>	<b>Sept. 30</b>		<b>Sept. 30</b>	<b>June 30</b>	<b>March 31</b>	<b>Dec. 31</b>	<b>Sept. 30</b>
	<b>2022</b>	<b>2021</b>		<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2021</b>	<b>2021</b>
<b>Ratios and key figures</b>								
<b>Solvency</b>								
Total capital ratio, incl. MREL capital, %	31.4	31.7		31.4	32.0	32.9	29.6	31.7
Total capital ratio, %	26.4	29.6		26.4	26.9	27.5	27.5	29.6
Core capital ratio, %	25.0	28.2		25.0	25.5	26.1	26.0	28.2
CET 1 capital	22.9	26.1		22.9	23.3	23.8	23.8	26.1
RWA, DKK mill	7,096	7,035		7,096	7,002	6,800	6,841	7,035
<b>Profitability</b>								
Return on shareholders' equity after tax, %	5.8	8.3		1.2	2.4	2.6	3.4	1.8
Cost / income, %	51.1	53.3		67.6	44.0	46.0	4.9	46.9
Cost / income, % (excl. value adjustm. and impairments)	59.2	65.3		60.2	56.6	61.0	46.2	61.1
Return on assets	0.9	1.7		0.2	0.3	0.4	0.6	0.4
<b>Market risk</b>								
Interest rate risk, %	1.1	-0.3		1.1	1.2	-0.5	-0.4	-0.3
Foreign exchange position, %	0.9	0.6		0.9	1.3	0.7	0.8	0.6
Foreign exchange risk, %	0.0	0.0		0.0	0.0	0.0	0.0	0.0
<b>Liquidity</b>								
Liquidity Coverage Ratio (LCR), %	225.8	185.9		225.8	223.4	198.4	191.4	185.9
<b>Credit risk</b>								
Change in loans and advances, %	4.6	-0.2		3.3	0.4	0.9	0.4	-0.1
Gearing of loans and advances	4.5	3.2		4.5	4.4	4.5	3.7	3.2
Impairment and provisioning ratio, end of period, %	2.0	2.9		2.0	2.1	2.4	2.6	2.9
Write-off and provisioning ratio, %	-0.4	-0.4		-0.1	-0.2	-0.1	-0.4	-0.1
Share of amounts due on w hich interest rates have been reduced, end of period, %	0.6	0.3		0.6	0.2	0.2	0.3	0.3
<b>Shares</b>								
Earnings per share after tax (nom. DKK 20), DKK	11.5	20.3		2.1	4.4	5.0	8.0	4.5
Market price per share (nom. DKK 20), DKK	118.0	160.5		118.0	127.5	127.5	140.5	160.5
Book value per share (nom. DKK 20), DKK	183.5	251.6		183.5	181.5	177.3	212.7	251.8
<b>Other</b>								
Number of full-time employees, end of period	201	199		201	203	199	195	199

## Financial review

“The positive trend of recent quarters in our core banking operations continued in the third quarter, and we’re pleased to note that our operating profit before impairment charges improved by 15% in the first nine months of the year. The third quarter was marked by a high level of customer activity, rising interest and fee income, reversed impairment charges and increased employee costs during a transition period. The positive developments in the insurance business were offset by a high claims ratio for the quarter, but we continue to see good growth potential for the business area,” said BankNordik CEO Árni Ellefsen.

“The turbulence in the financial markets had a negative impact on our investment portfolio during the third quarter, and we responded in October by lowering our FY net profit guidance from DKK 160-190m to DKK 140-170m. We have a well-diversified and financially strong customer portfolio, but in light of the generally uncertain economic environment, we have decided to maintain the management estimated provision of DKK 52m,” said Ellefsen.

### Q3 2022 highlights

Adjusted Income statement, Group (Note: Other operating income in Q1 2022 has been corrected negatively by DKK 1.1m)

DKK m	Q3 2022	Q2 2022	Index	Q1 2022	Q4 2021	Q3 2021	Q1-Q3 2022	Q1 - Q3 2021	Index
Net interest income	67	65	103	66	66	65	197	194	102
Net fee and commission income	22	22	102	22	23	19	65	57	115
Net insurance income	11	15	71	12	6	7	38	28	135
Other operating income (less reclassification)	11	9	123	10	8	8	29	26	112
<b>Operating income</b>	<b>110</b>	<b>111</b>	<b>100</b>	<b>109</b>	<b>103</b>	<b>99</b>	<b>330</b>	<b>305</b>	<b>108</b>
Operating costs <sup>1</sup>	-62	-62	100	-61	-57	-59	-185	-178	104
Sector costs	0	0		0	0	0	-1	-1	83
<b>Profit before impairment charges</b>	<b>48</b>	<b>48</b>	<b>100</b>	<b>48</b>	<b>46</b>	<b>40</b>	<b>144</b>	<b>125</b>	<b>115</b>
Impairment charges, net	12	22	54	10	40	13	43	36	
<b>Operating profit</b>	<b>60</b>	<b>70</b>	<b>86</b>	<b>57</b>	<b>86</b>	<b>53</b>	<b>187</b>	<b>161</b>	<b>116</b>
Non-recurring items <sup>2</sup>	0	0		0	6	2	0	82	
<b>Profit before investment portfolio earnings and tax</b>	<b>60</b>	<b>70</b>	<b>86</b>	<b>57</b>	<b>93</b>	<b>54</b>	<b>187</b>	<b>244</b>	<b>77</b>
Investment portfolio earnings <sup>3</sup>	-36	-16		2	2	-1	-50	-9	
<b>Profit before tax, continuing operations</b>	<b>24</b>	<b>54</b>	<b>45</b>	<b>59</b>	<b>95</b>	<b>53</b>	<b>136</b>	<b>235</b>	<b>58</b>
<b>Profit before tax, discontinued operations</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>-</b>
<b>Profit before tax, total</b>	<b>24</b>	<b>54</b>	<b>45</b>	<b>59</b>	<b>95</b>	<b>53</b>	<b>136</b>	<b>245</b>	<b>56</b>
<b>Tax</b>	<b>4</b>	<b>10</b>	<b>36</b>	<b>12</b>	<b>17</b>	<b>11</b>	<b>26</b>	<b>50</b>	<b>52</b>
<b>Net profit</b>	<b>20</b>	<b>43</b>	<b>47</b>	<b>47</b>	<b>78</b>	<b>41</b>	<b>111</b>	<b>194</b>	<b>57</b>
Operating cost/income, %	56	56		56	55	59	56	59	
Number of FTE, end of period	201	203	99	199	195	199	201	199	101

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

2 Reclassified from Other operating income, Staff costs and administrative expenses and from Amortisation, depreciation and impairment charges.

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

### Income statement

The following comments are generally stated relative to Q2 2022. Due to seasonal variations, comments provided on the insurance segment relate to Q3 2021.

#### Operating income

The BankNordik Group generated operating income of DKK 110m in Q3 2022, DKK 1m less than in Q2 2022, mainly driven by a quarter-to-quarter decrease in net insurance income.

**Net interest income**

Net interest income was DKK 67m in Q3 2022, an increase of DKK 2m compared to Q2 2022.

**Net fee and commission income**

Net fee and commission income amounted to DKK 22m in Q3 2022, flat relative to Q2 2022.

**Net insurance income**

Net insurance income was DKK 11m in Q3 2022, DKK 4m higher than in Q3 2021.

**Operating and sector costs**

Operating costs amounted to DKK 62m in Q3 2022, flat compared to Q2 2022.

**Profit before impairment charges**

Profit before impairment charges was DKK 48m in Q3 2022, flat compared to Q2 2022.

**Impairment charges**

Net impairments were a reversal of DKK 12m in Q3 2022 compared to a reversal of DKK 22m in Q2 2022. The provision taken in relation to COVID-19 in 2020 is unchanged at DKK 52m due to continued economic uncertainty.

**Operating profit**

The resulting operating profit for the third quarter was DKK 60m in Q3 2022 compared to DKK 70m in Q2 2022.

**Non-recurring items**

No non-recurring items occurred in the first nine months of 2022.

**Investment portfolio earnings**

Investment portfolio earnings yielded a negative return of DKK DKK 36m in Q3 2022 compared to a negative return of DKK 16m in Q2 2022.

**Profit before tax**

Profit before tax in Q3 2022 was DKK 24m, DKK 30m less than the pre-tax profit of DKK 54m reported for Q2 2022.

Profit before tax for the first nine months of the year totalled DKK 136m compared to DKK 245m in the same period in 2021. The main reason for the large difference was non-recurring income of DKK 92m Q1 2021 as well as a difference of DKK 42m in investment portfolio earnings between the two periods.

**Balance sheet**

BankNordik's total assets at 30 September 2022 amounted to DKK 12.2bn, up by DKK 419m compared to 31 December 2021. Loans and advances were DKK 8.0bn, DKK 353m more than at 31 December 2021. Deposits were DKK 8.2bn, up by DKK 311m compared to 31 December 2021.

Liquidity invested in bonds, primarily in Danish mortgage bonds and Danish government bonds, amounted to

DKK 1.6bn, a decrease of DKK 266m compared to 31 December 2021. Liquidity invested in equities amounted to DKK 298m, an increase of DKK 46m relative to 31 December 2021. The Group's liquidity indicator was 225.8% at 30 September 2022, well above the requirement of 100%. The Group's LCR at 30 September 2022 was 225.8%, also well above the requirement of 100%. Shareholders' equity at 30 September 2022 amounted to DKK 1,756m, down by DKK 280m compared to 31 December 2021 due to the payment of dividend amounting to DKK 386m.

## Capital ratios

At 30 September 2022, the Group's CET1 capital ratio was 22.9%, the core capital ratio was 25.0% and the total capital ratio was 26.4%. The total capital ratio, incl. MREL capital, was 31.4%. The net result for the 9M 2022 period, amounting to DKK 110.5m, is not included in the calculation of the capital ratios.

## Compliance with the Danish FSA Supervisory Diamond

<b>The Supervisory Diamond</b>			
	<b>Q3 2022</b>	<b>Q3 2021</b>	<b>FSA limit</b>
Sum of large exposures	149.1%	147.8%	< 175%
Liquidity indicator	225.8%	189.1%	>100 %
Loan growth	5.1%	1.6%	< 20 %
Funding ratio	0.70	0.76	< 1.0
Property exposure	13.1%	11.0%	< 25 %

At 30 September 2022, the Group was in compliance with all Supervisory Diamond requirements set by the FSA.

## Events after the balance sheet date

No events have occurred since 30 September 2022 that are deemed to have a significant impact on the Group's financial position.

## Guidance for 2022

On 17 October 2022, the Bank lowered its financial guidance for its 2022 net profit from DKK 160-190m to DKK 140-170m. The adjustment was driven by the impact the uncertainty currently prevailing financial markets has had on the Group's market value adjustments.

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

## Adjusted results

Note	Adjusted Income statement Q1-Q3 2022, Group, DKK 1,000	Income statement	Restatement	Restated income statement
1	Net interest income	194,349	2,838	197,187
2	Net fee and commission income	71,704	-6,475	65,229
	Net insurance income	37,896	0	37,896
2, 5	Other operating income	5,021	24,347	29,368
	<b>Operating income</b>	<b>308,970</b>	<b>20,710</b>	<b>329,680</b>
3	Operating costs	185,033	0	185,033
	Sector costs	974	0	974
	<b>Profit before impairment charges</b>	<b>122,963</b>	<b>20,710</b>	<b>143,673</b>
	Impairment charges	-43,251	0	-43,251
	<b>Operating profit</b>	<b>166,214</b>	<b>20,710</b>	<b>186,924</b>
3, 4	Non-recurring items	0	0	0
	<b>Profit before investment portfolio earnings and tax</b>	<b>166,214</b>	<b>20,710</b>	<b>186,924</b>
1, 5	Investment portfolio earnings	-29,769	-20,710	-50,479
	<b>Profit before tax, continuing operations</b>	<b>136,445</b>	<b>0</b>	<b>136,445</b>
4	<b>Profit before tax, discontinued operations</b>	<b>0</b>	<b>0</b>	<b>0</b>
	<b>Profit before tax, total</b>	<b>136,445</b>	<b>0</b>	<b>136,445</b>
<b>Note Adjusted Income statement Q3 2021, Group, DKK 1,000</b>				
1	Net interest income	200,285	-6,668	193,617
2	Net fee and commission income	60,240	-3,429	56,811
	Net insurance income	27,986	0	27,986
2, 5	Other operating income	7,553	18,677	26,230
	<b>Operating income</b>	<b>296,064</b>	<b>8,580</b>	<b>304,644</b>
3	Operating costs	192,972	-14,627	178,345
	Sector costs	1,113	0	1,113
	<b>Profit before impairment charges</b>	<b>101,979</b>	<b>23,207</b>	<b>125,187</b>
	Impairment charges	-36,344	0	-36,344
	<b>Operating profit</b>	<b>138,324</b>	<b>23,207</b>	<b>161,531</b>
3, 4	Non-recurring items	0	82,437	82,437
	<b>Profit before investment portfolio earnings and tax</b>	<b>138,324</b>	<b>105,644</b>	<b>243,968</b>
1, 5	Investment portfolio earnings	-212	-8,580	-8,793
	<b>Profit before tax, continuing operations</b>	<b>138,111</b>	<b>97,064</b>	<b>235,175</b>
4	<b>Profit before tax, discontinued operations</b>	<b>106,560</b>	<b>-97,064</b>	<b>9,496</b>
	<b>Profit before tax, total</b>	<b>244,671</b>	<b>0</b>	<b>244,671</b>
<b>Note Restatements made to the income statement, DKK 1,000</b>				
1	Reclassification of interest income related to bonds from the item Interest income to Investment portfolio earnings.		2,838	6,668
2	Dividends reclassified from Net fee and commission income to Other operating income.		6,475	3,429
3	Reclassification of IT-costs, severance costs and other costs from Operating costs to Non-recurring items.		0	14,627
4	Reclassification of provenue regarding the sale of the Danish activities Non-recurring items.		0	97,064
5	Reclassification of value adjustments related to sector shares and of profit or loss from currency transactions to Other operating income.		17,872	15,248

# BankNordik Group by segment

Adjusted Income statement, Banking (Note: Other operating income in Q1 2022 has been corrected negatively by DKK 1.1m)

DKK m	Q3 2022	Q2 2022	Index	Q1 2022	Q4 2021	Q3 2021	Q1-Q3 2022	Q1 - Q3 2021	Index
Net interest income	67	65	103	66	66	64	197	193	102
Net fee and commission income	26	25	102	25	26	22	75	66	114
Other operating income	10	8	134	8	7	7	26	21	123
<b>Operating income</b>	<b>102</b>	<b>97</b>	<b>105</b>	<b>99</b>	<b>99</b>	<b>94</b>	<b>299</b>	<b>281</b>	<b>106</b>
Operating cost	-57	-57	101	-56	-51	-53	-170	-163	104
Sector costs	0	0		0	0	0	-1	-1	83
<b>Profit before impairment charges</b>	<b>45</b>	<b>40</b>	<b>112</b>	<b>43</b>	<b>48</b>	<b>40</b>	<b>128</b>	<b>116</b>	<b>110</b>
Impairment charges, net	12	22	54	10	40	13	43	36	
<b>Operating profit</b>	<b>57</b>	<b>62</b>	<b>92</b>	<b>52</b>	<b>89</b>	<b>53</b>	<b>171</b>	<b>153</b>	<b>112</b>
Non-recurring items	0	0		0	6	2	0	82	
<b>Profit before investment portfolio earnings and tax</b>	<b>57</b>	<b>62</b>	<b>92</b>	<b>52</b>	<b>95</b>	<b>54</b>	<b>171</b>	<b>235</b>	<b>73</b>
Investment portfolio earnings	-32	-12		3	2	-1	-41	-7	
<b>Profit before tax, continuing operations</b>	<b>25</b>	<b>50</b>	<b>50</b>	<b>55</b>	<b>97</b>	<b>53</b>	<b>130</b>	<b>228</b>	
<b>Profit before tax, discontinued operations</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>-</b>
<b>Profit before tax, total</b>	<b>25</b>	<b>50</b>	<b>50</b>	<b>55</b>	<b>97</b>	<b>53</b>	<b>130</b>	<b>237</b>	<b>55</b>
Loans and advances	7,977	7,724	103	7,684	7,624	7,594	7,977	7,594	105
Deposits and other debt	8,225	8,897	92	8,047	7,914	7,435	8,225	7,435	111
Mortgage credit	2,652	2,730	97	2,727	2,657	2,609	2,652	2,609	102
Operating cost/income, %	56	58		57	51	56	57	58	
Number of FTE, end of period	170	173	98	168	164	167	170	167	101



## Personal Banking

The Personal Banking segment reported operating income of DKK 60m for Q3 2022, an increase of DKK 3m compared to the previous quarter. Net interest income was up by DKK 1m in Q3 2022 compared to Q2 2022 to DKK 34m. Net fee and commission income was DKK 19m in Q3 2022, flat compared to Q2 2022. Other operating income amounted to DKK 8m in Q3 2022, an increase of DKK 2m relative to Q2 2022.

Operating costs were DKK 49m in Q3 2022, DKK 5m higher than in Q2 2022. Impairment charges amounted to a reversal of DKK 6m in Q3 2022 compared to a reversal of DKK 7m in Q2 2022.

As a result, operating profit for Q3 2022 was DKK 17m, DKK 3m less than in the previous quarter.

Investment portfolio earnings posted to the personal banking segment amounted to a loss of DKK 23m in Q3 2022 compared to a loss of DKK 13m in Q2 2022.

The result before tax was a loss of DKK 6m in Q3 2022, a decline of DKK 13m from the profit before tax of DKK 7m reported for Q2 2022. Profit before tax for the nine months of 2022 amounted to DKK 21m, which was markedly lower than the profit before tax of DKK 128m recorded for the first nine months of 2021. As mentioned in the financial review, this difference was mainly due to non-recurring items, profit from discontinued operations and a negative return on the investment portfolio.

Loans and advances to personal customers during the quarter rose by DKK 50m to DKK 3,626m, while brokered mortgage credit fell by DKK 16m to DKK 2,328m, both compared to 30 June 2022. Although the trend in recent years has been for Faroese households to increasingly embrace the traditional Danish financing model of 80% LTV mortgage funding with the residual in 2<sup>nd</sup> lien bank lending, interest rate conditions in the past nine months of 2022 have slightly affected the type of loans taken out by customers. The Bank does not expect the trend to reverse in coming quarters. Deposits held by personal customers fell by DKK 22m during the quarter to DKK 5,388m at 30 September 2022.

Adjusted Income statement, Personal banking (Note: Other operating income in Q1 2022 has been corrected negatively by DKK 0.55m)

DKKm	Q3 2022	Q2 2022	Index	Q1 2022	Q4 2021	Q3 2021	Q1-Q3 2022	Q1 - Q3 2021	Index
Net interest income	34	33	103	34	34	33	101	97	104
Net fee and commission income	19	18	103	18	19	15	54	46	119
Other operating income	8	6	136	6	5	5	20	15	132
<b>Operating income</b>	<b>60</b>	<b>57</b>	<b>106</b>	<b>58</b>	<b>58</b>	<b>54</b>	<b>175</b>	<b>158</b>	<b>111</b>
Operating costs	-49	-44	112	-44	-39	-44	-137	-133	104
Sector costs	0	0		0	0	0	-1	-1	
<b>Profit before impairment charges</b>	<b>11</b>	<b>13</b>	<b>86</b>	<b>13</b>	<b>19</b>	<b>9</b>	<b>37</b>	<b>24</b>	<b>152</b>
Impairment charges, net	6	7		5	5	3	18	17	110
<b>Operating profit</b>	<b>17</b>	<b>20</b>	<b>85</b>	<b>18</b>	<b>24</b>	<b>12</b>	<b>55</b>	<b>41</b>	<b>135</b>
Non-recurring items	0	0		0	-4	2	0	82	
<b>Profit before investment portfolio earnings and tax</b>	<b>17</b>	<b>20</b>	<b>85</b>	<b>18</b>	<b>21</b>	<b>13</b>	<b>55</b>	<b>123</b>	<b>45</b>
Investment portfolio earnings	-23	-13	180	2	2	-1	-34	-5	
<b>Profit before tax, continuing operations</b>	<b>-6</b>	<b>7</b>	<b>-80</b>	<b>20</b>	<b>23</b>	<b>13</b>	<b>21</b>	<b>118</b>	<b>18</b>
<b>Profit before tax, discontinued operations</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>-</b>
<b>Profit before tax, total</b>	<b>-6</b>	<b>7</b>	<b>-80</b>	<b>20</b>	<b>23</b>	<b>13</b>	<b>21</b>	<b>128</b>	<b>17</b>
Loans and advances	3,626	3,576	101	3,550	3,583	3,603	3,626	3,603	101
Deposits and other debt	5,388	5,410	100	5,264	5,105	5,125	5,388	5,125	105
Mortgage credit	2,328	2,344	99	2,344	2,292	2,252	2,328	2,252	103
Number of FTE, end of period	74	76	98	75	71	73	74	73	102

## Corporate Banking

Corporate Banking activities saw operating income of DKK 42m in Q3 2022, an increase of DKK 1m relative to Q2 2022. Net interest income increased by DKK 1m to DKK 33m. Net fee and commission income was flat at DKK 7m, and other operating income was also flat at DKK 2m.

Operating costs increased by DKK 2m in Q3 2022 to DKK 9m relative to Q2 2022. Impairment charges during Q3 2022 were a reversal of DKK 6m compared to a reversal of DKK 14m in Q2 2022.

Operating profit for Q3 2022 amounted to DKK 38m, down DKK 9m relative to Q2 2022.

Investment portfolio earnings posted to the corporate banking segment in Q3 2022 amounted to a loss of DKK 9m, following a loss in Q2 2022 of DKK 5m.

The resulting profit before tax for the quarter was DKK 29m, DKK 13m less than in Q2 2022. The profit before tax for the first nine months of 2022 was DKK 107m compared to DKK 110m in the first nine months of 2021.

Corporate loans and advances increased by DKK 203m in the third quarter of 2022 to DKK 4,351m at 30 September 2022, while deposits decreased by DKK 650m during the period to DKK 2,837m. Brokered mortgage credit fell by DKK 58m in the quarter to DKK 324m at 30 September 2022.

Adjusted Income statement, Corporate Banking (Note: Other operating income in Q1 2022 has been corrected negatively by DKK 0.55m)

DKKm	Q3 2022	Q2 2022	Index	Q1 2022	Q4 2021	Q3 2021	Q1-Q3 2022	Q1 - Q3 2021	Index
Net interest income	33	32	103	32	32	31	96	96	100
Net fee and commission income	7	7	101	7	7	7	21	20	104
Other operating income	2	2	116	2	2	2	6	6	100
<b>Operating income</b>	<b>42</b>	<b>41</b>	<b>104</b>	<b>41</b>	<b>41</b>	<b>40</b>	<b>124</b>	<b>123</b>	<b>101</b>
Operating costs	-9	-7	125	-12	-11	-9	-29	-30	94
Sector costs	0	0		0	0	0	0	0	
<b>Profit before impairment charges</b>	<b>33</b>	<b>33</b>	<b>99</b>	<b>29</b>	<b>30</b>	<b>31</b>	<b>95</b>	<b>92</b>	<b>103</b>
Impairment charges, net	6	14	40	5	35	10	25	20	127
<b>Operating profit</b>	<b>38</b>	<b>47</b>	<b>81</b>	<b>34</b>	<b>65</b>	<b>41</b>	<b>120</b>	<b>112</b>	<b>107</b>
Non-recurring items	0	0		0	0	0	0	0	
<b>Profit before investment portfolio earnings and tax</b>	<b>38</b>	<b>47</b>	<b>81</b>	<b>34</b>	<b>65</b>	<b>41</b>	<b>120</b>	<b>112</b>	<b>107</b>
Investment portfolio earnings	-9	-5		1	1	0	-13	-2	
<b>Profit before tax</b>	<b>29</b>	<b>42</b>	<b>69</b>	<b>35</b>	<b>66</b>	<b>41</b>	<b>107</b>	<b>110</b>	<b>97</b>
Loans and advances	4,351	4,148	105	4,133	4,041	3,960	4,351	3,960	110
Deposits and other debt	2,837	3,487	81	2,783	2,808	2,300	2,837	2,300	123
Mortgage credit	324	382	85	383	365	357	324	357	91
Number of FTE, end of period	15	15	100	15	13	14	15	14	107

## Insurance: Trygd

Trygd reported premium income of DKK 36m for Q3 2022, DKK 4m more than for Q3 2021. Claims were DKK 3m less than in the same period of 2021 at DKK 26m. Net income from investment activities amounted to a loss of DKK 6m in Q3 2022 compared to a loss of DKK 2m in the same quarter last year. As a result, operating income was DKK 5m in Q3 2022, DKK 4m more than in Q3 2021.

Operating costs were DKK 4m in Q3 2022, flat compared to Q3 2021. As a result, Trygd reported a profit before tax for the quarter of DKK 1m, compared to a loss before tax of DKK 3m in Q3 2021. Profit before tax during the first nine months of 2022 was DKK 5m, DKK 13m more than for the same period of 2021, in which Trygd saw a loss of DKK 8m.

Trygd continues to strengthen its market position as a leading provider of non-life insurance in the Faroe Islands. Premium increases are seen due to an increase in market share, optimisation of Trygds pricing structure as well as general market growth related to developments in the Faroese economy. Along with operating costs remaining low, these developments contribute to margin expansion.

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

Adjusted Income statement, Trygd

DKKm	Q3 2022	Q2 2022	Index	Q1 2022	Q4 2021	Q3 2021	Q1-Q3 2022	Q1 - Q3 2021	Index
Premium income, net of reinsurance	36	35	104	34	32	32	105	94	112
Claims, net of reinsurance	-26	-23	113	-25	-28	-28	-73	-82	89
<b>Net insurance income</b>	<b>11</b>	<b>12</b>	<b>86</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>32</b>	<b>12</b>	<b>274</b>
Net income from investment activities	-6	-5	106	-3	-2	-2	-15	-7	203
<b>Operating income</b>	<b>5</b>	<b>7</b>	<b>70</b>	<b>6</b>	<b>2</b>	<b>1</b>	<b>17</b>	<b>4</b>	<b>390</b>
Operating cost	-4	-4	93	-4	-5	-4	-12	-12	96
<b>Profit before tax</b>	<b>1</b>	<b>3</b>	<b>37</b>	<b>2</b>	<b>-3</b>	<b>-3</b>	<b>5</b>	<b>-8</b>	<b>-66</b>
Combined ratio	81	76		86	102	102	81	101	
Claims ratio	71	65		73	88	46	70	88	
Number of FTE, end of period	23	23	103	22	22	25	23	25	94

## Income statement

Note	DKK 1,000	Group		BankNordik	
		Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3
		2022	2021	2022	2021
3	Interest income	217,404	216,319	216,401	215,389
	- of which interest income from deposits	31,515	28,009	31,515	28,009
4	Interest expenses	23,055	16,035	23,136	16,035
	- of which interest expenses from assets	10,775	4,536	10,775	4,536
	<b>Net interest income</b>	<b>194,349</b>	<b>200,285</b>	<b>193,265</b>	<b>199,355</b>
	Dividends from shares and other investments	6,475	3,429	6,475	3,429
5	Fee and commission income	69,817	62,354	79,988	71,468
5	Fee and commissions paid	4,588	5,544	4,588	5,544
	<b>Net dividend, fee and commission income</b>	<b>71,704</b>	<b>60,240</b>	<b>81,875</b>	<b>69,354</b>
	<b>Net interest and fee income</b>	<b>266,053</b>	<b>260,525</b>	<b>275,141</b>	<b>268,709</b>
	Premium income, net of reinsurance	116,582	105,520		
	Claims, net of reinsurance	78,686	77,534		
	<b>Interest and fee income and income from insurance activities, net</b>	<b>303,949</b>	<b>288,510</b>	<b>275,141</b>	<b>268,709</b>
6	Market value adjustments	-35,159	-1,329	-24,868	1,107
7	Other operating income	5,021	7,553	1,744	2,503
8	Staff costs and administrative expenses	179,394	188,227	164,793	173,196
	Amortisation, depreciation and impairment charges	5,639	4,745	5,176	4,522
	Other operating expenses	974	1,113	974	1,113
9	Impairment charges on loans and advances etc.	-43,251	-36,344	-43,251	-36,344
	Income from investments accounted for under the equity method	5,390	1,116	10,909	6,974
	<b>Profit before tax from continuing operations</b>	<b>136,445</b>	<b>138,111</b>	<b>135,233</b>	<b>136,807</b>
	Tax	25,903	26,819	24,691	25,514
	<b>Net profit from continuing operations</b>	<b>110,542</b>	<b>111,292</b>	<b>110,542</b>	<b>111,292</b>
10	Discontinued operations, net of tax	0	83,117	0	83,117
	<b>Net profit</b>	<b>110,542</b>	<b>194,409</b>	<b>110,542</b>	<b>194,409</b>
	Portion attributable to				
	Shareholders of BankNordik P/F	110,542	194,409	110,542	194,409
	<b>Net profit</b>	<b>110,542</b>	<b>194,409</b>	<b>110,542</b>	<b>194,409</b>
	EPS Basic for the period, discontinuing operations, DKK*	0.00	8.68	0.00	8.68
	EPS Diluted for the period, discontinuing operations, DKK*	0.00	8.68	0.00	8.68
	EPS Basic for the period, continuing operations, DKK*	11.55	11.63	11.55	11.63
	EPS Diluted for the period, continuing operations, DKK*	11.55	11.63	11.55	11.63

\*Based on average number of shares outstanding, see the specification of shareholders equity

## Statement of comprehensive income - BankNordik

DKK 1,000	Group		BankNordik	
	2022	2021	2022	2021
Net profit	110,542	194,409	110,542	194,409
Other comprehensive income				
Items which will not subsequently be recycled:				
Revaluation of domicile property	0	-4,000	0	-4,000
Tax on other comprehensive income	0	880	0	880
Total other comprehensive income	0	-3,120	0	-3,120
<b>Total comprehensive income</b>	<b>110,542</b>	<b>191,289</b>	<b>110,542</b>	<b>191,289</b>
Portion attributable to				
Shareholders of BankNordik P/F	105,324	186,071	105,324	186,071
Additional Tier 1 capital holders	5,218	5,218	5,218	5,218
<b>Total comprehensive income</b>	<b>110,542</b>	<b>191,289</b>	<b>110,542</b>	<b>191,289</b>

## Balance Sheet

Note	DKK 1,000	Group		BankNordik	
		Sept. 30 2022	Dec. 31 2021	Sept. 30 2022	Dec. 31 2021
	<b>Assets</b>				
	Cash in hand and demand deposits with central banks	1,456,948	1,291,557	1,456,860	1,291,534
11	Amounts due from credit institutions and central banks	381,199	445,411	381,199	445,411
9	Loans and advances at fair value	350,998	415,170	350,998	415,170
9	Loans and advances at amortised cost	7,625,909	7,208,922	7,625,909	7,208,922
	Bonds at fair value	1,614,329	1,880,565	1,448,808	1,683,517
	Shares, etc.	297,832	251,423	251,508	251,423
	Assets under insurance contracts	13,633	8,831	0	0
	Holdings in associates	11,839	7,822	11,839	7,822
	Holdings in subsidiaries	0	0	101,583	99,064
	Assets under pooled schemes	21,758	0	21,758	0
	Intangible assets	2,567	2,684	2,567	2,684
	Total land and buildings	136,555	140,019	133,959	137,402
	Domicile property	72,102	72,565	69,506	69,948
	Domicile property (lease asset)	64,454	67,454	64,454	67,454
	Other property, plant and equipment	8,970	9,537	8,101	8,411
	Current tax assets	16,250	7,203	16,250	7,203
	Deferred tax assets	7,886	8,207	7,648	7,648
	Other assets	146,264	80,024	144,591	77,062
	Prepayments	6,765	32,370	5,547	31,291
	<b>Total assets</b>	<b>12,099,703</b>	<b>11,789,746</b>	<b>11,969,125</b>	<b>11,674,564</b>

## Balance Sheet

Note	DKK 1,000	Group		BankNordik		
		Sept. 30 2022	Dec. 31 2021	Sept. 30 2022	Dec. 31 2021	
		<b>Shareholders' equity and liabilities</b>				
		<b>Liabilities other than provisions</b>				
		Amounts due to credit institutions and central banks	857,703	838,608	857,703	838,608
		Deposits and other debt	8,210,426	7,899,659	8,225,388	7,914,185
		Deposits under pooled schemes	21,758	2	21,758	2
		Issued bonds at amortised cost	551,868	348,938	551,868	348,938
		Liabilities under insurance contracts	136,794	118,205	0	0
		Current tax liabilities	100,055	77,939	97,916	75,913
		Other liabilities	200,620	188,170	193,832	180,036
		Deferred income	4,151	5,379	4,332	4,038
		<b>Total liabilities other than provisions</b>	<b>10,083,374</b>	<b>9,476,901</b>	<b>9,952,797</b>	<b>9,361,720</b>
		<b>Provisions for liabilities</b>				
9		Provisions for losses on guarantees etc	4,850	12,186	4,850	12,186
		Provisions for other liabilities	6,146	14,320	6,146	14,320
		<b>Total provisions for liabilities</b>	<b>10,996</b>	<b>26,505</b>	<b>10,996</b>	<b>26,505</b>
		<b>Subordinated debt</b>				
		Subordinated debt	99,475	99,370	99,475	99,370
		<b>Total liabilities</b>	<b>10,193,846</b>	<b>9,602,776</b>	<b>10,063,268</b>	<b>9,487,595</b>
		<b>Equity</b>				
		Share capital	192,000	192,000	192,000	192,000
		Revaluation reserve	6,123	6,123	6,123	6,123
		Retained earnings	1,558,149	1,451,729	1,558,149	1,451,729
		Proposed dividends	0	386,000	0	386,000
		<b>Shareholders of the Parent Company</b>	<b>1,756,273</b>	<b>2,035,853</b>	<b>1,756,273</b>	<b>2,035,853</b>
		Additional tier 1 capital holders	149,585	151,117	149,585	151,117
		<b>Total equity</b>	<b>1,905,858</b>	<b>2,186,970</b>	<b>1,905,858</b>	<b>2,186,970</b>
		<b>Total liabilities and equity</b>	<b>12,099,703</b>	<b>11,789,746</b>	<b>11,969,125</b>	<b>11,674,564</b>

## Statement of capital - BankNordik Group

## Changes in equity:

DKK 1,000	Shareholders equity						
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total
<b>Shareholders' equity at January 1, 2022</b>	<b>192,000</b>	<b>6,123</b>	<b>386,000</b>	<b>1,451,730</b>	<b>2,035,853</b>	<b>151,117</b>	<b>2,186,970</b>
Net profit			0	105,324	105,324	5,218	110,542
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>105,324</b>	<b>105,324</b>	<b>5,218</b>	<b>110,542</b>
Paid interest on additional tier 1 capital				0	0	-6,750	-6,750
Dividends paid			-386,000	1,096	-384,904		-384,904
<b>Shareholders' equity at September 30, 2022</b>	<b>192,000</b>	<b>6,123</b>	<b>0</b>	<b>1,558,149</b>	<b>1,756,273</b>	<b>149,585</b>	<b>1,905,858</b>

DKK 1,000	Shareholders equity						
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total
<b>Shareholders' equity at January 1, 2021</b>	<b>192,000</b>	<b>9,243</b>	<b>48,000</b>	<b>2,021,781</b>	<b>2,271,024</b>	<b>150,909</b>	<b>2,421,933</b>
Revaluation of assets		-4,000		0	-4,000		-4,000
Tax on entries on income recognised as Other comprehensive income		880			880		880
Net profit			386,000	-120,618	265,382	6,958	272,340
<b>Total comprehensive income</b>		<b>-3,120</b>	<b>386,000</b>	<b>-120,618</b>	<b>262,262</b>	<b>6,958</b>	<b>269,220</b>
Paid interest on additional tier 1 capital				0	0	-6,750	-6,750
Acquisition of own shares				-952	-952		-952
Extraordinary dividend			450,000	-450,000			0
Dividends paid			-498,000	1,519	-496,481		-496,481
<b>Shareholders' equity at December 31, 2021</b>	<b>192,000</b>	<b>6,123</b>	<b>386,000</b>	<b>1,451,730</b>	<b>2,035,853</b>	<b>151,117</b>	<b>2,186,970</b>

Regarding 2021: Proposed dividend per share DKK 40,2. Dividend payed out per share DKK 51,9.

DKK 1,000	Shareholders equity						
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total
<b>Shareholders' equity at January 1, 2021</b>	<b>192,000</b>	<b>9,243</b>	<b>48,000</b>	<b>2,021,781</b>	<b>2,271,024</b>	<b>150,909</b>	<b>2,421,933</b>
Revaluation of assets		-4,000		0	-4,000		-4,000
Tax on entries on income recognised as Other comprehensive income		880			880		880
Net profit			0	189,191	189,191	5,218	194,409
<b>Total comprehensive income</b>		<b>-3,120</b>	<b>0</b>	<b>189,191</b>	<b>186,071</b>	<b>5,218</b>	<b>191,289</b>
Paid interest on additional tier 1 capital					0	-6,750	-6,750
Acquisition of own shares				-952	-952		-952
Dividends paid			-48,000	146	-47,854		-47,854
<b>Shareholders' equity at September 30, 2021</b>	<b>192,000</b>	<b>6,123</b>	<b>0</b>	<b>2,210,166</b>	<b>2,408,289</b>	<b>149,377</b>	<b>2,557,667</b>



## Statement of capital - BankNordik P/F

## Changes in equity:

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
<b>Shareholders' equity at January 1, 2022</b>	<b>192,000</b>	<b>6,123</b>	<b>386,000</b>	<b>1,451,729</b>	<b>2,035,853</b>	<b>151,117</b>	<b>2,186,970</b>	
Net profit				105,324	105,324	5,218	110,542	
<b>Total comprehensive income</b>		<b>0</b>	<b>0</b>	<b>105,324</b>	<b>105,324</b>	<b>5,218</b>	<b>110,542</b>	
Paid interest on additional tier 1 capital				0	0	-6,750	-6,750	
Dividends paid			-386,000	1,096	-384,904		-384,904	
<b>Shareholders' equity at September 30, 2022</b>	<b>192,000</b>	<b>6,123</b>	<b>0</b>	<b>1,558,149</b>	<b>1,756,273</b>	<b>149,585</b>	<b>1,905,858</b>	

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
<b>Shareholders' equity at January 1, 2021</b>	<b>192,000</b>	<b>9,243</b>	<b>48,000</b>	<b>2,021,781</b>	<b>2,271,024</b>	<b>150,909</b>	<b>2,421,933</b>	
Revaluation of assets		-4,000		0	-4,000		-4,000	
Tax on entries on income recognised as Other comprehensive income		880			880		880	
Net profit			386,000	-120,618	265,382	6,958	272,340	
<b>Total comprehensive income</b>		<b>-3,120</b>	<b>386,000</b>	<b>-120,618</b>	<b>262,262</b>	<b>6,958</b>	<b>269,220</b>	
Paid interest on additional tier 1 capital						-6,750	-6,750	
Acquisition of own shares				-952	-952		-952	
Extraordinary dividend			450,000	-450,000	0		0	
Dividends paid			-498,000	1,519	-496,481		-496,481	
<b>Shareholders' equity at December 31, 2021</b>	<b>192,000</b>	<b>6,123</b>	<b>386,000</b>	<b>1,451,729</b>	<b>2,035,853</b>	<b>151,117</b>	<b>2,186,970</b>	

Regarding 2021: Proposed dividend per share DKK 40,2. Dividend payed out per share DKK 51,9.

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
<b>Shareholders' equity at January 1, 2021</b>	<b>192,000</b>	<b>9,243</b>	<b>48,000</b>	<b>2,021,781</b>	<b>2,271,024</b>	<b>150,909</b>	<b>2,421,933</b>	
Revaluation of assets		-4,000		0	-4,000		-4,000	
Tax on entries on income recognised as Other comprehensive income		880			880		880	
Net profit			0	189,191	189,191	5,218	194,409	
<b>Total comprehensive income</b>		<b>-3,120</b>	<b>0</b>	<b>189,191</b>	<b>186,071</b>	<b>5,218</b>	<b>191,289</b>	
Paid interest on additional tier 1 capital					0	-6,750	-6,750	
Acquisition of own shares				-952	-952		-952	
Dividends paid			-48,000	146	-47,854		-47,854	
<b>Shareholders' equity at September 30, 2021</b>	<b>192,000</b>	<b>6,123</b>	<b>0</b>	<b>2,210,166</b>	<b>2,408,289</b>	<b>149,377</b>	<b>2,557,667</b>	

**Capital and Solvency - BankNordik**

Solvency DKK 1,000	Sept. 30 2022	Dec. 31 2021
Core capital	1,773,101	1,779,869
Total capital	1,872,576	1,879,239
Risk-weighted items not included in the trading portfolio	5,910,526	5,959,209
Risk-weighted items with market risk etc.	540,674	269,125
Risk-weighted items with operational risk	644,527	612,724
<b>Total risk-weighted items</b>	<b>7,095,727</b>	<b>6,841,058</b>
<b>CET 1 capital ratio</b>	<b>22.9%</b>	<b>23.8%</b>
<b>Core capital ratio</b>	<b>25.0%</b>	<b>26.0%</b>
<b>Total capital ratio</b>	<b>26.4%</b>	<b>27.5%</b>
<b>MREL capital ratio</b>	<b>31.4%</b>	<b>29.6%</b>
<b>Core Capital and Shareholders' equity</b>		
Share capital	192,000	192,000
Reserves	6,123	6,123
Net profit	110,542	272,340
Retained earnings, previous years	1,450,872	1,569,218
<b>Shareholders' equity, before deduction of holdings of own shares</b>	<b>1,759,538</b>	<b>2,039,681</b>
Deduction of ordinary dividend	0	136,000
Deduction of extraordinary dividend	0	250,000
Deduction of net profit Q1	110,542	0
Deduction due to excess holdings of shares in the financial sector	10,156	8,774
Deduction of holdings of own shares	3,265	3,828
Deduction of intangible assets	2,567	2,684
Deduction of deferred tax assets	7,648	7,648
Deduction regarding prudent valuation of financial instruments	1,843	1,993
<b>CET 1 capital</b>	<b>1,623,517</b>	<b>1,628,753</b>
Hybrid core capital	149,585	151,117
<b>Core capital</b>	<b>1,773,101</b>	<b>1,779,869</b>
<b>Total capital</b>		
Core capital	1,773,101	1,779,869
Subordinated loan capital	99,475	99,370
<b>Total capital</b>	<b>1,872,576</b>	<b>1,879,239</b>
MREL capital	354,387	149,016
<b>Total capital incl. MREL capital</b>	<b>2,226,964</b>	<b>2,028,255</b>

## Cash flow statement - BankNordik Group

DKK 1,000	Q1-Q3 2022	Full year 2021
<b>Cash flow from operations</b>		
Profit before tax	136,445	339,563
Amortisation and impairment charges for intangible assets	159	212
Interest expense on leasing liabilities	1,604	2,292
Depreciation and impairment charges of tangible assets	5,494	6,812
Impairment of loans and advances/guarantees	-41,137	-72,983
Paid tax	-779	-29,599
Other non-cash operating items	-18,450	16,177
<b>Total</b>	<b>83,336</b>	<b>262,474</b>
<b>Changes in operating capital</b>		
Change in loans at fair value	6,062	39,426
Change in loans at amortised cost	-375,850	-1,395
Change in holding of bonds	207,704	2,567,081
Change in holding of shares	-47,686	76,471
Change in deposits	310,766	98,142
Due to credit institutions and central banks	19,095	810,654
Change in other assets / liabilities	37,820	-6,758
Assets/liabilities under insurance contracts	13,787	20,698
Prepayments	24,377	7,303
<b>Cash flow from operations</b>	<b>279,412</b>	<b>3,874,096</b>
<b>Cash flow from investing activities</b>		
Divestment of businesses, net of cash	0	-3,309,712
Dividends received	6,475	3,429
Acquisition of intangible assets	-41	-225
Acquisition of tangible assets	-1,277	-4,692
Sale of tangible assets	19	5,207
<b>Cash flow from investing activities</b>	<b>5,176</b>	<b>-3,305,992</b>
<b>Cash flow from financing activities</b>		
Issued bonds at amortised cost	212,041	350,000
Change in subordinated debt	0	-125,000
Interest paid on additional tier 1 capital	-6,750	-6,750
Acquisition of own shares	0	-952
Payment of dividends	-386,000	-498,000
Payment of dividends, own shares	1,096	1,519
Principal portion of lessee lease payments	-3,796	-5,588
<b>Cash flow from financing activities</b>	<b>-183,409</b>	<b>-284,771</b>
<b>Cash flow</b>	<b>101,178</b>	<b>283,333</b>
Cash in hand and demand deposits with central banks, and due from Credit institutions, etc. at the beginning of the year	1,736,968	1,453,635
Cash flow	101,178	283,333
<b>Cash and due etc.</b>	<b>1,838,147</b>	<b>1,736,968</b>
<b>Cash and due etc.</b>		
Cash in hand and demand deposits with central banks	1,456,948	1,291,557
Due from credit institutions, etc.	381,199	445,411
<b>Total</b>	<b>1,838,147</b>	<b>1,736,968</b>

## Notes to the financial statements

### Note 1 Significant accounting policies

The consolidated financial statements for the first nine months of 2022 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 BankNordik, have been prepared in accordance with the Faroese Financial Business Act and with the executive order on financial reports of credit institutions etc. of the Danish FSA as applied in the Faroe Islands.

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

The Group's significant accounting policies are consistent with those applied in the Annual Report 2021. The Annual Report 2021 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 2021 for further information. Regarding the implementation of IFRS 17 'Insurance contracts' as of 1. January 2023 the management has estimated that the impact will not be significant on the result and equity.

### 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 2021 and the uncertainties prevailing at that time.

### Determination of fair value

The fair value of financial assets is measured on the basis of 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 on the basis of 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 - BankNordik Group

Note	Operating segments Q1-Q3 2022				Banking		Non-life Insurance	Elimination	Continuing operations	Discontinued operations	Group
	DKK 1,000	Private	Corporate	Other	Total	Faroe Islands		Total	Total	Total	
	External interest income, Net	99,668	93,967	-214	193,421	928		194,349		194,349	
	Internal interest	0	0	0	0	0		0		0	
	<b>Net interest income</b>	<b>99,668</b>	<b>93,967</b>	<b>-214</b>	<b>193,421</b>	<b>928</b>		<b>194,349</b>		<b>194,349</b>	
	<b>Net Fee and dividends income</b>	<b>60,322</b>	<b>21,821</b>	<b>-3,379</b>	<b>78,764</b>	<b>-7,061</b>		<b>71,704</b>		<b>71,704</b>	
	Premium income, net of reinsurance	0	0	12,490	12,490	104,921	-829	116,582		116,582	
	<b>Net premium income of reinsurance and claims</b>	<b>0</b>	<b>0</b>	<b>6,865</b>	<b>6,865</b>	<b>31,860</b>	<b>-829</b>	<b>37,896</b>		<b>37,896</b>	
	Other income	12,908	4,319	-30,922	-13,694	-8,480	-2,574	-24,748		-24,748	
	<b>Total income</b>	<b>172,899</b>	<b>120,107</b>	<b>-27,649</b>	<b>265,357</b>	<b>17,247</b>	<b>-3,402</b>	<b>279,201</b>		<b>279,201</b>	
	<b>Total operating expenses</b>	<b>54,560</b>	<b>14,395</b>	<b>108,532</b>	<b>177,486</b>	<b>11,923</b>	<b>-3,402</b>	<b>186,007</b>		<b>186,007</b>	
	<i>of which depreciation and amortisation</i>	<i>4,531</i>	<i>705</i>	<i>23</i>	<i>5,259</i>	<i>380</i>		<i>5,639</i>		<i>5,639</i>	
	<b>Profit before impairment charges on loans</b>	<b>118,338</b>	<b>105,712</b>	<b>-136,181</b>	<b>87,870</b>	<b>5,324</b>		<b>93,194</b>		<b>93,194</b>	
	Impairment charges	-13,194	-20,700	-9,357	-43,251	0		-43,251		-43,251	
	<b>Profit before tax</b>	<b>131,532</b>	<b>126,413</b>	<b>-126,824</b>	<b>131,121</b>	<b>5,324</b>		<b>136,445</b>		<b>136,445</b>	
	<b>Total assets</b>	<b>3,553,317</b>	<b>4,442,286</b>	<b>4,014,565</b>	<b>12,010,168</b>	<b>198,726</b>		<b>12,208,894</b>		<b>12,208,894</b>	
	<i>of which Loans and advances</i>	<i>3,621,393</i>	<i>4,355,514</i>		<i>7,976,907</i>			<i>7,976,907</i>		<i>7,976,907</i>	
	<b>Total liabilities</b>	<b>5,388,428</b>	<b>2,836,960</b>	<b>1,939,091</b>	<b>10,164,479</b>	<b>138,557</b>		<b>10,303,036</b>		<b>10,303,036</b>	
	<i>of which Deposits</i>	<i>5,388,428</i>	<i>2,836,960</i>		<i>8,225,388</i>		<i>-14,962</i>	<i>8,210,426</i>		<i>8,210,426</i>	
	<i>of which Insurance liabilities</i>			<i>5,944</i>		<i>130,850</i>		<i>136,794</i>		<i>136,794</i>	

  

Operating segments Q1-Q3 2021	Banking				Non-life Insurance	Elimination	Continuing operations	Discontinued operations	Group	
	DKK 1,000	Private	Corporate	Other	Total	Faroe Islands	Total	Total	Total	
	External interest income, Net	128,898	99,638	-29,186	199,351	934	200,285	8,554	208,838	
	Internal interest	0	0	0	0	0	0	0	0	
	<b>Net interest income</b>	<b>128,898</b>	<b>99,638</b>	<b>-29,186</b>	<b>199,351</b>	<b>934</b>	<b>200,285</b>	<b>8,554</b>	<b>208,838</b>	
	<b>Net Fee and dividends income</b>	<b>47,810</b>	<b>20,621</b>	<b>-1,994</b>	<b>66,436</b>	<b>-6,196</b>	<b>60,240</b>	<b>10,807</b>	<b>71,047</b>	
	Premium income, net of reinsurance	0	0	12,890	12,890	93,357	-727	105,520	0	105,520
	<b>Net premium income of reinsurance and claims</b>	<b>0</b>	<b>0</b>	<b>8,715</b>	<b>8,715</b>	<b>19,997</b>	<b>-727</b>	<b>27,986</b>	<b>0</b>	<b>27,986</b>
	Other income	10,775	4,327	-3,216	11,885	-1,979	-2,566	7,341	255,173	262,514
	<b>Total income</b>	<b>187,483</b>	<b>124,585</b>	<b>-25,681</b>	<b>286,387</b>	<b>12,757</b>	<b>-3,293</b>	<b>295,852</b>	<b>274,534</b>	<b>570,385</b>
	<b>Total operating expenses</b>	<b>47,622</b>	<b>12,706</b>	<b>124,916</b>	<b>185,245</b>	<b>12,134</b>	<b>-3,293</b>	<b>194,086</b>	<b>184,390</b>	<b>378,476</b>
	<i>of which depreciation and amortisation</i>	<i>3,973</i>	<i>639</i>	<i>6</i>	<i>4,618</i>	<i>126</i>		<i>4,745</i>	<i>528</i>	<i>5,272</i>
	<b>Profit before impairment charges on loans</b>	<b>139,860</b>	<b>111,879</b>	<b>-150,597</b>	<b>101,143</b>	<b>623</b>		<b>101,766</b>	<b>90,144</b>	<b>191,910</b>
	Impairment charges	-17,048	-4,035	-15,262	-36,344	0		-36,344	-16,415	-52,760
	<b>Profit before tax</b>	<b>156,908</b>	<b>115,913</b>	<b>-135,334</b>	<b>137,488</b>	<b>623</b>	<b>0</b>	<b>138,111</b>	<b>106,560</b>	<b>244,671</b>
	<b>Total assets</b>	<b>3,801,466</b>	<b>4,194,214</b>	<b>3,239,323</b>	<b>11,235,004</b>	<b>181,422</b>		<b>11,416,425</b>	<b>0</b>	<b>11,416,425</b>
	<i>of which Loans and advances</i>	<i>3,617,697</i>	<i>3,974,221</i>		<i>7,591,918</i>	<i>0</i>		<i>7,591,918</i>	<i>0</i>	<i>7,591,918</i>
	<b>Total liabilities</b>	<b>5,130,279</b>	<b>2,305,128</b>	<b>1,298,510</b>	<b>8,733,918</b>	<b>123,431</b>		<b>8,857,349</b>	<b>0</b>	<b>8,857,349</b>
	<i>of which Deposits</i>	<i>5,130,279</i>	<i>2,305,128</i>		<i>7,435,408</i>		<i>-18,133</i>	<i>7,417,275</i>	<i>0</i>	<i>7,417,275</i>
	<i>of which Insurance liabilities</i>			<i>4,905</i>		<i>112,615</i>		<i>117,520</i>	<i>0</i>	<i>117,520</i>

## BankNordik Group - Geographical revenue information

Note 2 DKK 1,000 (cont'd) Geographical segments	Total income		Non-current assets		Additions to tangible assets		Additions to intangible assets	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Faroe Islands	222,010	243,996	118,612	117,987	3,418	-3,827	-118	119
Denmark	15,134	5,124	0	0	0	0	0	0
Greenland	42,057	46,732	44,896	45,150	-84	155	0	0
<b>Total, continuing operations</b>	<b>279,201</b>	<b>295,852</b>	<b>163,508</b>	<b>163,137</b>	<b>3,334</b>	<b>-3,672</b>	<b>-118</b>	<b>119</b>
Denmark, discontinued operations	0	19,534	0	0	0	0	0	0
<b>Total</b>	<b>279,201</b>	<b>315,386</b>	<b>163,508</b>	<b>163,137</b>	<b>3,334</b>	<b>-3,672</b>	<b>-118</b>	<b>119</b>

Geographical segments	Impairments		Investment portfolio earnings	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Faroe Islands	18,277	6,969	-29,769	-212
Denmark	19,593	28,425	0	0
Greenland	5,381	951	0	0
<b>Total, continuing operations</b>	<b>43,251</b>	<b>36,344</b>	<b>-29,769</b>	<b>-212</b>
Denmark, discontinued operations	0	16,415	0	0
<b>Total</b>	<b>43,251</b>	<b>52,760</b>	<b>-29,769</b>	<b>-212</b>

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

Operational segments	Total income		Profit before tax		Tax		FTE	
	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021	Q3 2022	Q3 2021
Faroe Islands, Banking, Other	204,763	231,239	75,597	69,809	16,393	12,819	160	157
Faroe Islands, Insurance	17,247	12,757	5,324	623	959	128	23	24
Denmark, Banking	15,134	5,124	35,226	40,039	2,934	5,082	0	0
Greenland, Banking	42,057	46,732	20,297	27,641	5,617	8,790	17	18
<b>Total, continuing operations</b>	<b>279,201</b>	<b>295,852</b>	<b>136,445</b>	<b>138,111</b>	<b>25,903</b>	<b>26,819</b>	<b>201</b>	<b>199</b>
Denmark, Banking, discontinued operations	0	19,534	0	106,560	0	23,443	0	0
<b>Total</b>	<b>279,201</b>	<b>315,386</b>	<b>136,445</b>	<b>246,081</b>	<b>25,903</b>	<b>50,262</b>	<b>201</b>	<b>199</b>

## Notes

Note	DKK 1,000	Group		BankNordik	
		Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3
		2022	2021	2022	2021
3	<b>Interest income</b>				
	Credit institutions and central banks	572	1,096	571	1,096
	Loans and advances	182,457	181,832	182,457	181,832
	Deposits	31,515	28,009	31,515	28,009
	Bonds	6,586	10,797	5,585	9,868
	Total derivatives of w hich:	-3,823	-5,398	-3,823	-5,398
	<i>Currency contracts</i>	365	296	365	296
	<i>Interest rate contracts</i>	-4,188	-5,694	-4,188	-5,694
	Other interest income	96	-18	96	-18
	<b>Total interest income</b>	<b>217,404</b>	<b>216,319</b>	<b>216,401</b>	<b>215,389</b>
4	<b>Interest expenses</b>				
	Credit institutions and central banks	10,775	4,411	10,775	4,411
	Deposits	1,444	1,859	1,525	1,859
	Issued bonds	4,986	0	4,986	0
	Subordinated debt	4,256	7,374	4,256	7,374
	Bonds	0	125	0	125
	Lease liabilities	1,069	1,667	1,069	1,667
	Other interest expenses	525	600	525	600
	<b>Total interest expenses</b>	<b>23,055</b>	<b>16,035</b>	<b>23,136</b>	<b>16,035</b>
5	<b>Net fee and commission income</b>				
	Fee and commission income				
	Securities trading and custody accounts	11,430	7,795	11,430	7,795
	Credit transfers	16,339	12,051	16,339	12,051
	Loan commissions	3,606	2,915	3,606	2,915
	Guarantee commissions	23,055	20,730	23,055	20,730
	Other fees and commissions	15,387	18,864	25,558	27,978
	<b>Total fee and commission income</b>	<b>69,817</b>	<b>62,354</b>	<b>79,988</b>	<b>71,468</b>
	Fee and commissions paid				
	Securities trading and custody accounts	4,588	5,544	4,588	5,544
	<b>Net fee and commission income</b>	<b>65,229</b>	<b>56,811</b>	<b>75,400</b>	<b>65,925</b>
6	<b>Market value adjustments</b>				
	Loans and advances	-58,111	-16,646	-58,111	-16,646
	Bonds	-75,492	-23,691	-65,201	-21,255
	Shares	-1,276	11,894	-1,276	11,894
	Foreign exchange	5,848	5,575	5,848	5,575
	Total derivatives of w hich:	93,871	21,540	93,871	21,540
	<i>Currency Swaps</i>	85	732	85	732
	<i>Interest Swaps</i>	63,352	18,194	63,352	18,194
	<i>Other contracts</i>	30,434	2,614	30,434	2,614
	Assets under pooled schemes	-2,786	0	-2,786	0
	Deposits in pooled schemes	2,786	0	2,786	0
	<b>Total market value adjustments</b>	<b>-35,159</b>	<b>-1,329</b>	<b>-24,868</b>	<b>1,107</b>

Note	DKK 1,000	Group		BankNordik	
		Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3
		2022	2021	2022	2021
7	<b>Other operating income</b>				
	Profit on sale of properties	0	1,964	0	1,964
	Other income	5,021	5,589	1,744	539
	<b>Total other operating income</b>	<b>5,021</b>	<b>7,553</b>	<b>1,744</b>	<b>2,503</b>
8	<b>Staff costs and administrative expenses</b>				
	Staff costs:				
	Salaries	87,287	90,305	75,215	78,119
	Pensions	12,790	13,100	11,137	11,532
	Social security expenses	13,524	13,719	11,984	12,174
	<b>Total staff costs</b>	<b>113,600</b>	<b>117,125</b>	<b>98,335</b>	<b>101,825</b>
	Administrative expenses:				
	IT	41,789	41,464	38,118	38,015
	Marketing etc	5,649	6,107	4,939	4,929
	Education etc	2,052	1,372	1,759	1,141
	Advisory services	1,228	10,021	1,228	9,972
	Other expenses	22,242	17,913	20,413	17,314
	<b>Total administrative expenses</b>	<b>72,960</b>	<b>76,875</b>	<b>66,458</b>	<b>71,371</b>
	Total staff costs	113,600	117,125	98,335	101,825
	Employee costs included under the item "Claims, net of reinsurance"	-7,166	-5,774	0	0
	Total administrative expenses	72,960	76,875	66,458	71,371
	<b>Total staff costs and administrative expenses</b>	<b>179,394</b>	<b>188,227</b>	<b>164,793</b>	<b>173,196</b>
	<b>Number of employees</b>				
	Average number of full-time employees in the period	201	210	170	179
	<b>Executive remuneration:</b>				
	Board of Directors	1,450	1,700	1,450	1,700
	Executive Board:				
	Salaries	3,508	2,236	3,508	2,236
	- less fees received from directorships	40	37	40	37
	The Bank's expense, salaries	3,467	2,199	3,467	2,199
	Pension	525	335	525	335
	<b>Total executive board</b>	<b>3,992</b>	<b>2,535</b>	<b>3,992</b>	<b>2,535</b>
	<b>Total executive remuneration</b>	<b>5,442</b>	<b>4,235</b>	<b>5,442</b>	<b>4,235</b>



Note	DKK 1,000	Group		BankNordik	
		Q1-Q3	Q1-Q3	Q1-Q3	Q1-Q3
		2022	2021	2022	2021
9	<b>Impairment charges on loans and advances and provisions for guarantees etc.</b>				
	Impairment charges and provisions at 31 December	237,705	327,822	237,705	327,822
	New and increased impairment charges and provisions	65,389	79,071	65,389	79,071
	Reversals of impairment charges and provisions	105,672	110,090	105,672	110,090
	Written-off, previously impaired	5,954	12,878	5,954	12,878
	<i>Interest income on impaired loans</i>	<i>2,040</i>	<i>2,914</i>	<i>2,040</i>	<i>2,914</i>
	<b>Total impairment charges and provisions at 30 September</b>	<b>191,468</b>	<b>283,924</b>	<b>191,468</b>	<b>283,924</b>
	<b>Impairment charges and provisions recognised in the income statement</b>				
	Loans and advances at amortised cost	-35,915	-37,822	-35,915	-37,822
	Loans and advances at fair value	0	0	0	0
	Guarantees and loan commitments	-7,336	1,477	-7,336	1,477
	<b>Total individual impairment charges and provisions</b>	<b>-43,251</b>	<b>-36,344</b>	<b>-43,251</b>	<b>-36,344</b>
	<b>Stage 1 impairment charges</b>				
	Stage 1 impairment charges etc. at 31 December	45,089	33,844	45,089	33,844
	New and increased Stage 1 impairment charges	27,105	26,029	27,105	26,029
	Reversals, net of Stage 1 impairment charges	28,216	15,346	28,216	15,346
	<b>Stage 1 impairment charges at 30 September</b>	<b>43,979</b>	<b>44,527</b>	<b>43,979</b>	<b>44,527</b>
	<i>Total net impact recognised in the income statement</i>	<i>-1,110</i>	<i>10,683</i>	<i>-1,110</i>	<i>10,683</i>
	<b>Stage 2 impairment charges</b>				
	Stage 2 impairment charges etc. at 31 December	18,468	36,509	18,468	36,509
	New and increased impairment charges	15,421	17,327	15,421	17,327
	Reversals, net of impairment charges	11,164	31,234	11,164	31,234
	<b>Stage 2 impairment charges at 30 September</b>	<b>22,724</b>	<b>22,601</b>	<b>22,724</b>	<b>22,601</b>
	<i>Total net impact recognised in the income statement</i>	<i>4,257</i>	<i>-13,908</i>	<i>4,257</i>	<i>-13,908</i>
	<b>Weak Stage 2</b>				
	Weak Stage 2 impairment charges etc. at 31 December	33,720	39,548	33,720	39,548
	New and increased impairment charges	12,193	24,115	12,193	24,115
	Reversals, net of impairment charges	27,350	19,415	27,350	19,415
	<b>Weak Stage 2 impairment charges at 30 September</b>	<b>18,563</b>	<b>44,247</b>	<b>18,563</b>	<b>44,247</b>
	<i>Total net impact recognised in the income statement</i>	<i>-15,158</i>	<i>4,700</i>	<i>-15,158</i>	<i>4,700</i>

Note	DKK 1,000	Group		BankNordik	
		Q1-Q3 2022	Q1-Q3 2021	Q1-Q3 2022	Q1-Q3 2021
<b>9</b>	<b>Stage 3 impairment charges</b>				
(cont'd)	Stage 3 impairment charges etc. at 31 December	128,243	201,907	128,243	201,907
	New and increased impairment charges	7,664	5,709	7,664	5,709
	Reversals of impairment charges	28,600	39,681	28,600	39,681
	Written-off, previously impaired	5,954	12,878	5,954	12,878
	<i>Write-offs charged directly to the income statement</i>	1,186	192	1,186	192
	<i>Received on claims previously written off</i>	2,114	2,604	2,114	2,604
	<i>Interest income on impaired loans</i>	2,040	2,914	2,040	2,914
	<b>Stage 3 impairment charges at 30 September</b>	<b>101,353</b>	<b>155,057</b>	<b>101,353</b>	<b>155,057</b>
	<i>Total net impact recognised in the income statement</i>	-23,904	-39,296	-23,904	-39,296
	<b>Purchased credit-impaired assets included in stage 3 above</b>				
	<b>Provisions for guarantees and undrawn credit lines</b>				
	Individual provisions at 31 December	12,186	16,015	12,186	16,015
	New and increased provisions	3,006	5,891	3,006	5,891
	Reversals of provisions	10,342	4,414	10,342	4,414
	<b>Provisions for guarantees etc at 30 September</b>	<b>4,850</b>	<b>17,492</b>	<b>4,850</b>	<b>17,492</b>
	<i>Total net impact recognised in the income statement</i>	-7,336	1,477	-7,336	1,477
	<b>Provisions for guarantees and undrawn credit lines</b>				
	Stage 1 provisions	1,386	1,836	1,386	1,836
	Stage 2 provisions	1,424	2,689	1,424	2,689
	Weak Stage 2 provisions	0	200	0	200
	Stage 3 provisions	2,040	12,766	2,040	12,766
	<b>Provisions for guarantees etc at 30 September</b>	<b>4,850</b>	<b>17,492</b>	<b>4,850</b>	<b>17,492</b>
<b>10</b>	<b>Discontinued operations</b>				
	On 22 December 2020 BankNordik entered into a conditional agreement with Spar Nord on the sale of BankNordik's Danish activities. The sale has been approved by the Danish FSA and the Danish Competition and Consumer Authority, and the acquisition was completed with 1 February 2021 as the takeover date.				
	Interest income	0	7,911	0	7,911
	Interest expenses	0	-643	0	-643
	<b>Net interest income</b>	<b>0</b>	<b>8,554</b>	<b>0</b>	<b>8,554</b>
	Dividends from shares and other investments	0	0	0	0
	Fee and commission income	0	10,807	0	10,807
	Fee and commissions paid	0	0	0	0
	<b>Net dividend, fee and commission income</b>	<b>0</b>	<b>10,807</b>	<b>0</b>	<b>10,807</b>
	<b>Net interest and fee income</b>	<b>0</b>	<b>19,361</b>	<b>0</b>	<b>19,361</b>
	Market value adjustments	0	-1,361	0	-1,361
	Other operating income	0	256,535	0	256,535
	Staff costs and administrative expenses	0	183,799	0	183,799
	Amortisation, depreciation and impairment charges	0	528	0	528
	Other operating expenses	0	63	0	63
	Impairment charges on loans and advances etc.	0	-16,415	0	-16,415
	<b>Profit before tax</b>	<b>0</b>	<b>106,560</b>	<b>0</b>	<b>106,560</b>
	Tax	0	23,443	0	23,443
	<b>Net profit</b>	<b>0</b>	<b>83,117</b>	<b>0</b>	<b>83,117</b>

Note	DKK 1,000	Group		BankNordik	
		Sept. 30 2022	Dec. 31 2021	Sept. 30 2022	Dec. 31 2021
11	<b>Due from credit institutions etc. specified by maturity</b>				
	On demand	381,199	445,411	381,199	445,411
	3 months and below	0	0	0	0
	3 months to 1 year	0	0	0	0
	<b>Total due from credit institutions etc.</b>	<b>381,199</b>	<b>445,411</b>	<b>381,199</b>	<b>445,411</b>
12	<b>Contingent liabilities</b>				
	<b>Guarantees</b>				
	Financial guarantees	280,491	222,079	280,491	222,079
	Mortgage finance guarantees	598,237	585,483	598,237	585,483
	Registration and remortgaging guarantees	138,124	158,330	138,124	158,330
	Other guarantees	612,001	649,855	612,001	649,855
	<b>Total guarantees</b>	<b>1,628,852</b>	<b>1,615,746</b>	<b>1,628,852</b>	<b>1,615,746</b>
13	<b>Assets deposited as collateral</b>				
	At September 30 2022 the Group had deposited cash amounting to DKK 42m (Dec. 31 2021: 35m) w ith Danmarks Nationalbank (the Danish Central Bank) in connection w ith clearing. Deposits of cash to others in total amounting to DKK 12m (Dec. 31 2021: 75m).				

## Statement by the Executive Board and the Board of Directors

We have today considered and approved P/F BankNordik's interim report for the first nine months to 30 September 2022.

The consolidated financial statements for the first nine months to 30 September 2022 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 September 2022, 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 nine months ended 30 September 2022.

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 a whole, as well as a description of the significant risks and elements of uncertainty that may affect the Group.

Tórshavn, 3 November 2022

### *Executive Board*

Árni Ellefsen  
CEO

Turið F. Arge

Heini Thomsen

### *Board of Directors*

Birita Sandberg Samuelsen  
Chairman

Rúni Vang Poulsen  
Vice chairman

Birgir Durhuus

Kristian Reinert Davidsen

Marjun Eystberg

Anja Rein

Kenneth M. Samuelsen

Alexandur Johansen

## Contact details

### Head Office

P/F BankNordik  
Oknarvegur 5  
P.O. Box 3048  
FO-110 Tórshavn  
Faroe Islands  
Phone: +298 330 330  
Fax: +298 330 001  
E-mail: [info@banknordik.fo](mailto:info@banknordik.fo)  
[www.banknordik.fo](http://www.banknordik.fo)

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

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

The company is listed on Nasdaq Copenhagen.

### IR contact

Rúna N. Rasmussen  
E-mail: [rr@banknordik.fo](mailto:rr@banknordik.fo)  
Tel. +298 330 330

### Branches

#### Faroe Islands

**Tórshavn**  
Oknarvegur 5  
100 Tórshavn  
Phone: +298 330 330

**Miðvágur**  
Jatnavegur 26  
370 Miðvágur  
Phone: +298 330 330

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

**Saltangará**  
Heiðavegur 54  
600 Saltangará  
Phone: +298 330 330

**Tvøroyri**  
Sjógøta 2  
800 Tvøroyri  
Phone: +298 330 330

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

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

**Markets**  
Oknarvegur 5  
100 Tórshavn  
Phone: +298 330 330

**Ungdómsbankin**  
Oknarvegur 5  
100 Tórshavn  
Phone: +298 330 330

#### Greenland

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

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