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Ringkjøbing Landbobank's report for the first quarter of 2023

The bank delivers core earnings of DKK 621 million and net profit of DKK 455 million in the first quarter of the year. The net profit is equivalent to a 20% p.a. return on equity.

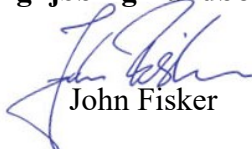
Core earnings

(DKK million)	Q1 2023	Q1 2022	2022	2021	2020	2019
Total core income	849	674	2,862	2,433	2,179	2,116
Total expenses and depreciation	227	210	891	817	788	805
Core earnings before impairment charges for loans	622	464	1,971	1,616	1,391	1,311
Impairment charges for loans etc.	-1	-1	-2	-68	-223	-100
Core earnings	621	463	1,969	1,548	1,168	1,211
Result for the portfolio etc.	-21	-9	-69	+7	-9	+49
Amortisation and write-downs on intangible assets	5	5	20	17	15	15
Tax	140	90	385	309	224	267
Net profit	455	359	1,495	1,229	920	978

Highlights of the first quarter of 2023

- The profit after tax is DKK 455 million, equivalent to a 20% p.a. return on equity
- Core income increases by 26% to DKK 849 million
- Costs increase by 8%, and the cost/income ratio decreases to 26.7%
- Credit quality remains high, resulting in impairment charges of DKK 1 million in the quarter, which coincide with a DKK 54 million increase in management estimates
- Continued highly satisfactory increase in customer numbers, which is underlined by increases in deposits and loans of 15% and 13% respectively compared to the end of March 2022
- The bank's brands are both placed at the top in Voxmeter's Image survey
- The upwardly adjusted expected results for 2023 are maintained

Yours sincerely
Ringkjøbing Landbobank



John Fisker

Management's review

Core income

Interest

Net interest income was DKK 561 million in the first quarter of 2023, compared to DKK 366 million in 2022, an increase of 53%.

This development is partly attributable to rising interest rates as Danmarks Nationalbank, the central bank of Denmark, has increased interest rates six times by a total of 3.2 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 13% and deposits by 15% compared to the end of March 2022. The increase in lending was broadly based and relates to both niches and retail.

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 113 million in the first quarter of 2023, compared to DKK 115 million in 2022. The marginal decrease is attributable to lower income from securities trading, but an increase in foreign exchange income partly compensated for this.

Income from "Guarantee and mortgage credit commission etc." amounted to DKK 59 million in the quarter, compared to DKK 65 million the year before. 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 DKK 2,288 million in the full year 2022 and for DKK 404 million in the first quarter 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. Income from this item is expected to increase during the second half of 2023 as the 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 8 million decrease in income in the quarter.

Income of DKK 25 million from payment handling in the first quarter of 2023 was marginally higher than the income of DKK 24 million from this source in 2022.

Overall, fee, commission and foreign exchange income amounted to DKK 247 million in the first quarter of 2023, compared to DKK 263 million in 2022.

Sector shares and other operating income

Total earnings from banking sector shares amounted to DKK 41 million in the first quarter of the year, compared to DKK 44 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 quarter amounted to DKK 0 million, compared to DKK 1 million in the first quarter of 2022.

Core income

Total core income in the first quarter of the year increased by 26% from a total of DKK 674 million in 2022 to DKK 849 million in 2023.

Expenses, depreciation, and write-downs

Total expenses including depreciation and write-downs on tangible assets amounted to DKK 227 million in the first quarter of 2023, compared to DKK 210 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 a higher number of employees since the takeover of SEB's Danish private banking branch, higher IT expenses resulting from the bank's growth, and other factors.

The cost/income ratio was 26.7% in the first quarter of the year, compared to 31.2% in 2022.

Impairment charges for loans etc.

The bank's expenditure for losses and impairment charges was DKK 1 million in the first quarter of 2023, which is unchanged from the same quarter of 2022. The very low level of impairment charges throughout 2022 thus continued in the first quarter of this year.

Despite an uncertain macroeconomic outlook due to high rates of inflation and interest, the proportion of businesses facing substantial financial challenges remains modest. The need for new individual impairment charges thus remained low in the first quarter of 2023.

In general, the bank's personal customers are satisfactorily managing their financial challenges, which also result from high inflation and rising interest rates. A continued very strong labour market supports the situation.

The bank still believes, however, that future economic development remains extraordinarily uncertain. The rising interest rates are expected to negatively affect the prices of housing and other investment assets, and the risk of low growth will presumably have a negative impact on the earnings of businesses.

In total, the bank increased the cumulative account for impairment charges from DKK 2,302 million to DKK 2,339 million during the first quarter of 2023. The total management estimates were increased from DKK 794 million at the end of 2022 to DKK 849 million at the end of the first quarter of 2023. The management estimates account for 37% of the total account for impairment charges.

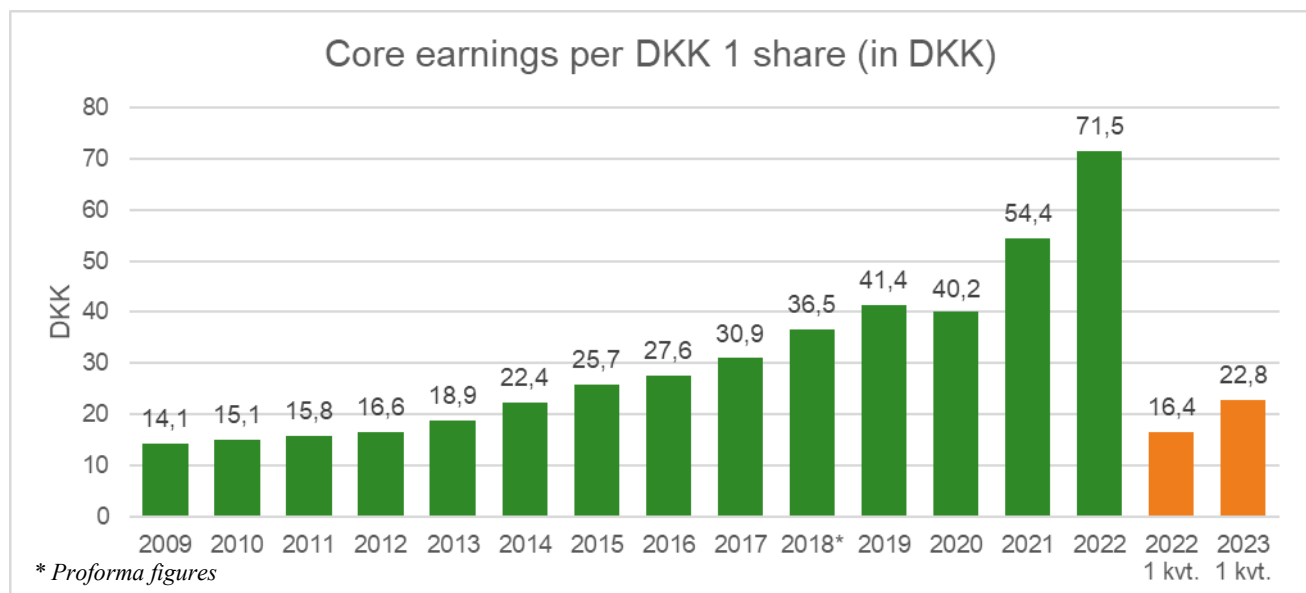
Loans with suspended interest amounted to DKK 81 million at the end of March 2023, unchanged relative to the end of 2022.

Core earnings

Core earnings for the first quarter of 2023 were DKK 621 million compared to last year's DKK 463 million, an increase of 34%.

(DKK million)	Q1 2023	Q1 2022	2022	2021	2020	2019
Total core income	849	674	2,862	2,433	2,179	2,116
Total expenses and depreciation	227	210	891	817	788	805
Core earnings before impairment charges for loans	622	464	1,971	1,616	1,391	1,311
Impairment charges for loans etc.	-1	-1	-2	-68	-223	-100
Core earnings	621	463	1,969	1,548	1,168	1,211

Core earnings per DKK 1 share were DKK 22.8 for the first quarter of 2023 compared to DKK 16.4 in 2022.



Result for the portfolio etc.

The result for the portfolio etc. including funding costs for the portfolio was negative by DKK 21 million net for the first three months of the year, compared to a negative result of DKK 9 million net for the first three months of 2022.

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

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 5 million in the first quarter of 2023, unchanged relative to 2022.

Profit before and after tax

The profit before tax was DKK 595 million, equivalent to a 25.6% p.a. return on average equity.

The profit after tax was DKK 455 million, equivalent to a 19.6% p.a. return on average equity.

Tax in this quarter was calculated at the increased corporate tax rate for the first time. The corporate tax rate for financial companies increased from 22% to 25.2% on 1 January 2023.

The effective tax rate was 23.6% in the first quarter of 2023, compared to 20.1% in the first quarter of 2022.

Balance sheet items and contingent liabilities

The bank's balance sheet total stood at DKK 69,649 million at the end of March 2023, compared to DKK 60,157 million the year before.

Loans in the period March 2022 to March 2023 increased from DKK 43,352 million to DKK 48,842 million, an increase of 13%. In 2023, loans increased by DKK 500 million, equivalent to 1%, after home loans totalling DKK 404 million were sold off at the end of the first quarter of 2023.

Deposits including pooled schemes increased by 15%, from DKK 42,599 million at the end of March 2022 to DKK 48,786 million at the end of March 2023. The bank's deposits are marginally higher than at the end of 2022.

The bank's contingent liabilities including guarantees amounted to DKK 6,993 million at the end of March 2023, compared to DKK 12,432 million at the end of March 2022 and DKK 7,570 million at the end of December 2022. The decrease 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.

As in 2022, the development in the bank's total credit intermediation was positive, increasing by 7% compared to the end of March 2022 and by 1% since the end of 2022.

The development is shown in the following summary:

	31 March 2023 DKK million	31 March 2022 DKK million	31 Dec. 2022 DKK million
Total credit intermediation			
Loans and other receivables at amortised cost	48,842	43,352	48,342
Arranged mortgage loans and funded home loans – Totalkredit	45,900	44,530	45,248
Arranged mortgage loans – DLR Kredit and others	10,100	10,376	10,256
Total	104,842	98,258	103,846

Securities and market risk

The bank measures its portfolio of securities at fair value.

The item “Shares, etc.” amounted to DKK 1,314 million at the end of March 2023, with DKK 46 million in listed shares and investment fund certificates and DKK 1,268 million in sector shares etc., mainly in the companies DLR Kredit, BI Holding and PRAS.

The bond portfolio amounted to DKK 7,789 million on 31 March 2023, of which the majority consisted of AAA-rated Danish mortgage credit bonds – primarily short-duration bonds.

The total interest rate risk – impact on profit of a one percentage point change in interest level – was computed as 0.6% of the bank’s tier 1 capital on 31 March 2023.

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

	Risk in DKK million	Risk relative to equity end of period in %
Highest risk of loss:	65.2	0.70%
Lowest risk of loss	28.2	0.31%
Average risk of loss	48.9	0.53%
End-of-period risk of loss	30.1	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 2.6 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 9.7 billion.

The bank’s deposits (excluding pooled schemes) and equity exceeded its loans by DKK 4.1 billion on 31 March 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 two liquidity ratios LCR and NSFR.

On 31 March 2023 the bank’s LCR was 237% and its NSFR 120%. 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 period 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 March 2023 was DKK 9,310 million.

The bank's total capital ratio and the tier 1 capital ratio were 21.0% and 16.9% respectively at the end of March 2023.

Capital ratios	Q1 2023	Q1 2022	2022	2021	2020
Common equity tier 1 capital ratio (%)	16.9	16.6	17.4	17.6	17.5
Tier 1 capital ratio (%)	16.9	16.6	17.4	17.6	17.5
Total capital ratio (%)	21.0	21.1	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 (%)	28.5	27.7	28.9	27.8	26.7

Calculated without the IFRS 9 transition programmes, the bank's total capital ratio was 20.5% and the tier 1 capital ratio 16.3% on 31 March 2023.

The individual solvency requirement at the end of March 2023 was calculated as 9.2%. A capital conservation buffer of 2.5% and a countercyclical buffer, also of 2.5%, should be added to this. The total requirement for the bank's total capital was thus 14.2% at the end of March 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 totalling the equivalent of DKK 3.5 billion since January 2019. Of this amount, the equivalent of DKK 112 million was issued in the first quarter of 2023.

The bank's capital for covering the MREL requirement totalled DKK 13.4 billion on 31 March 2023, equivalent to an MREL capital ratio of 28.5%. The excess cover relative to the MREL requirement on 31 March 2023 was thus 10.6 percentage points.

The bank has obtained the Danish FSA's approval of early redemption of tier 2 capital totalling DKK 500 million which was issued on 13 June 2018. The board of directors has decided to conduct the early redemption on 13 June 2023.

Refinancing of the tier 2 capital to be redeemed 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 next twelve months.

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 applicable law, to acquire its own shares to a total nominal value of 10% of the bank's share capital.

The initiated DKK 385 million share buyback programme for implementation in the period 2 February to 27 July 2023 is running to plan. On 31 March 2023, 198,200 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 is expected to be finalised during May 2023.

On 31 March 2023, the bank's actual share capital was thus DKK 27,293,139 in nom. DKK 1 shares: see below.

	Number of shares
Number of shares at beginning of 2023	28,379,666
Expected capital reduction by cancellation of own shares, May 2023	-888,327
Number of shares after the expected capital reduction	27,491,339
Bought under the DKK 385 million share buyback programme at the end of March 2023	-198,200
Actual number of shares on 31 March 2023	27,293,139

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 and limit values and the bank's key figures are given in the following table.

Benchmark	Limit value	Q1 2023	Q1 2022	2022	2021	2020
Liquidity benchmark	>100%	201.6%	151.1%	143.4%	161.1%	177.6%
Total large exposures	<175%	127.6%	121.6%	118.0%	109.8%	99.8%
Growth in loans	<20%	12.7%	16.4%	17.5%	13.5%	2.2%
Real property exposure	<25%	21.2%	18.1%	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 on 24 February 2023 with stable outlook.

Image survey

In February 2023, Voxmeter published its Image and Reputation survey. The survey is by far the biggest in Denmark and based on more than 39,000 respondents.

As in previous years' surveys, both of the bank's brands are placed high in the survey: the "Ringkjøbing Landbobank" brand takes first place, and the "Nordjyske Bank" brand takes third place.

Combination of branches

The personal customer branches in Vestbjerg and Nørresundby will be combined with effect from 22 May 2023. The two branches are approximately 9 km apart and the aim of combining them is to form the basis for a continued strong professional environment which supports the bank's strategy of being a competent advisory bank.

The branch in Nørresundby will in future be one of the bank's biggest personal customer branches. The new combined branch will focus both on serving all existing customers and on winning new customers to continue the positive development in customer numbers and business volume.

Expected results for 2023

The bank announced its expectations for 2023 on 18 January 2023. The bank's expectations for 2023 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.

The background to the upward adjustment was primarily a more satisfactory income flow than expected, due to rising interest rates and a continued satisfactory increase in customer numbers.

In addition, the credit quality of the bank's loans portfolio remains high, and a very satisfactory loss level was also noted in the first quarter of 2023.

The upwardly adjusted expectations for core earnings and net profit for 2023 are maintained.

Accounting policies

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

Key figures

	Q1 2023	Q1 2022	Full year 2022
Key figures for the bank (percent)			
Profit before tax as a percentage of average equity, per annum	25.6	20.7	20.9
Net profit as a percentage of average equity, per annum	19.6	16.5	16.6
Cost/income ratio	26.7	31.2	31.1
Common equity tier 1 capital ratio	16.9	16.6	17.4
Tier 1 capital ratio	16.9	16.6	17.4
Total capital ratio	21.0	21.1	21.6
MREL requirement – fixed by the Danish FSA	17.9	17.8	17.8
MREL capital ratio	28.5	27.7	28.9
Key figures per DKK 1 share (DKK)			
Core earnings	22.8	16.4	71.5
Net profit	16.7	12.7	54.3
Book value	341.0	307.7	337.3
Share price, end of period	967.0	859.0	948.0
Basis of calculation, number of shares	27,303,139	28,180,689	27,553,139

Quarterly overviews

Core earnings

	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	561	511	410	390	366	355	336	327	325	321	319	311	305
Fee and commission income	185	190	199	196	199	182	170	166	159	156	147	136	152
Sector shares etc.	41	46	38	41	44	47	49	43	40	43	38	35	35
Foreign exchange income	20	17	18	16	15	15	14	13	16	13	9	9	10
Other operating income	0	1	0	0	1	0	0	1	4	1	0	1	0
Total core income excluding securities	807	765	665	643	625	599	569	550	544	534	513	492	502
Securities trading	42	34	40	41	49	52	34	29	56	32	39	28	39
Total core income	849	799	704	684	674	651	603	579	600	566	552	520	541
Staff and administration expenses	222	229	214	221	207	206	191	195	198	206	179	190	191
Depreciation and write-downs on tangible assets	3	5	3	4	1	9	3	4	3	4	5	2	3
Other operating expenses	2	2	2	1	2	2	2	2	2	2	2	0	4
Total expenses etc.	227	236	219	226	210	217	196	201	203	212	186	192	198
Core earnings before impairment charges for loans	622	563	486	458	464	434	407	378	397	354	366	328	343
Impairment charges for loans etc.	-1	0	0	-1	-1	-7	-13	-19	-29	-38	-44	-66	-75
Core earnings	621	563	486	457	463	427	394	359	368	316	322	262	268
Result for the portfolio etc.	-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	4	4	4	4	3	4	4
Profit before tax	595	569	420	442	449	433	389	362	354	327	336	287	194
Tax	140	110	91	94	90	79	87	71	72	64	64	60	36
Net profit	455	459	329	348	359	354	302	291	282	263	272	227	158

Quarterly overviews – continued

Balance sheet items and contingent liabilities

	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	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 pooled schemes	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	9,310	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	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	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 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	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	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	9,894	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	13,411	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	47,043	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	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	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	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	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		Q1 2023 DKK 1,000	Q1 2022 DKK 1,000	Full year 2022 DKK 1,000
1	Interest income	671,372	399,558	1,865,848
2	Interest expenses	127,633	29,141	185,174
	Net interest income	543,739	370,417	1,680,674
	Dividends from shares etc.	89,914	1,615	99,637
3	Fee and commission income	250,822	269,110	1,038,855
3	Fee and commission expenses	23,584	21,068	91,602
	Net interest and fee income	860,891	620,074	2,727,564
4	Value adjustments	-30,582	+47,733	+73,493
	Other operating income	299	640	2,055
5,6	Staff and administration expenses	221,839	206,742	870,847
	Amortisation, depreciation, and write-downs on intangible and tangible assets	8,251	6,440	33,035
	Other operating expenses	2,000	2,000	6,607
7,11	Impairment charges for loans and other receivables etc.	-3,287	-3,898	-12,450
	Results from investments in associated companies and subsidiaries	0	0	-37
	Profit before tax	595,231	449,367	1,880,136
8	Tax	140,413	90,485	385,239
	Net profit	454,818	358,882	1,494,897
	Other comprehensive income:			
	Value changes in pension liabilities	0	0	+2,111
	Total comprehensive income for the period	454,818	358,882	1,497,008

Core earnings

Note		Q1 2023 DKK 1,000	Q1 2022 DKK 1,000	Full year 2022 DKK 1,000
	Net interest income	561,009	366,249	1,677,409
3	Net fee and commission income excluding securities trading	184,993	199,315	783,728
	Income from sector shares etc.	41,145	43,981	168,922
3	Foreign exchange income	19,805	15,437	66,262
	Other operating income	299	640	2,055
	Total core income excluding securities trading	807,251	625,622	2,698,376
3	Securities trading	42,245	48,727	163,525
	Total core income	849,496	674,349	2,861,901
5,6	Staff and administration expenses	221,839	206,742	870,847
	Depreciation and write-downs on tangible assets	3,374	1,563	13,526
	Other operating expenses	2,000	2,000	6,607
	Total expenses etc.	227,213	210,305	890,980
	Core earnings before impairment charges for loans	622,283	464,044	1,970,921
	Impairment charges for loans and other receivables etc.	-713	-1,324	-2,154
	Core earnings	621,570	462,720	1,968,767
	Result for the portfolio etc.	-21,462	-8,476	-69,122
	Amortisation and write-downs on intangible assets	4,877	4,877	19,509
	Profit before tax	595,231	449,367	1,880,136
8	Tax	140,413	90,485	385,239
	Net profit	454,818	358,882	1,494,897

Balance sheet

Note		31 March 2023 DKK 1,000	31 March 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
	Assets			
	Cash in hand and demand deposits with central banks	3,824,914	3,509,150	4,750,398
9	Receivables from credit institutions and central banks	685,021	200,595	776,039
10,11,12	Total loans and other receivables at amortised cost	48,842,255	43,351,904	48,341,941
	Loans and other receivables at amortised cost	47,842,460	42,190,948	47,300,816
	Wind turbine loans etc. with direct funding	999,795	1,160,956	1,041,125
13	Bonds at fair value	7,788,959	4,321,196	6,775,872
14	Shares etc.	1,313,796	1,503,691	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	5,124,608	5,291,034	4,972,840
16	Intangible assets	1,038,286	1,057,795	1,043,163
	Total land and buildings	218,981	197,875	220,579
	Investment properties	3,667	8,667	3,667
	Domicile properties	195,746	167,927	196,048
	Domicile properties (leasing)	19,568	21,281	20,864
	Other tangible assets	14,668	16,138	14,731
	Current tax assets	0	0	20,056
	Deferred tax assets	31,722	1,199	23,033
	Temporary assets	2,000	7,368	2,000
	Other assets	734,492	670,461	677,490
	Prepayments	17,070	16,030	17,185
	Total assets	69,649,235	60,156,937	68,979,581

Balance sheet – continued

Note		31 March 2023 DKK 1,000	31 March 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
	Liabilities and equity			
17	Debt to credit institutions and central banks	3,186,317	2,323,695	3,567,758
	Total deposits and other debt	48,785,901	42,598,897	48,699,778
18	Deposits and other debt	43,661,292	37,307,863	43,726,938
	Deposits in pooled schemes	5,124,609	5,291,034	4,972,840
19	Issued bonds at amortised cost	5,264,664	3,925,879	4,255,498
	Preferred senior capital	1,881,362	1,001,543	966,492
	Non-preferred senior capital	3,383,302	2,924,336	3,289,006
	Current tax liabilities	100,263	4,555	0
	Other liabilities	873,145	479,541	1,033,971
	Deferred income	212	882	579
	Total debt	58,210,502	49,333,449	57,557,584
	Provisions for pensions and similar liabilities	0	2,330	0
11	Provisions for losses on guarantees	65,395	81,827	66,596
11	Other provisions for liabilities	22,228	27,011	24,113
	Total provisions for liabilities	87,623	111,168	90,709
	Tier 2 capital	2,040,812	2,041,603	2,036,526
20	Total subordinated debt	2,040,812	2,041,603	2,036,526
21	Share capital	28,380	29,068	28,380
	Net revaluation reserve under the equity method	391	428	391
	Retained earnings	9,281,527	8,641,221	9,065,333
	Proposed dividend etc.	-	-	200,658
	Total shareholders' equity	9,310,298	8,670,717	9,294,762
	Total liabilities and equity	69,649,235	60,156,937	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 31 March 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			454,818		454,818
Total comprehensive income	0	0	454,818	0	454,818
Transactions with shareholders					
Dividend etc. paid				-200,658	-200,658
Dividend received on own shares			6,714		6,714
Purchase of own shares			-737,221		-737,221
Sale of own shares			485,950		485,950
Other equity transactions (employee shares)			5,933		5,933
Total transactions with shareholders	0	0	-238,624	-200,658	-439,282
Shareholders' equity on the balance sheet date	28,380	391	9,281,527	0	9,310,298

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 March 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		0	358,882	0	358,882
Total comprehensive income	0	0	358,882	0	358,882
Transactions with shareholders					
Dividend etc. paid				-205,474	-205,474
Dividend received on own shares			5,638		5,638
Purchase of own shares			-546,112		-546,112
Sale of own shares			329,714		329,714
Other equity transactions (employee shares)			5,396		5,396
Total transactions with shareholders	0	0	-205,364	-205,474	-410,838
Shareholders' equity on the balance sheet date	29,068	428	8,641,221	0	8,670,717

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

	31 March 2023 DKK 1,000	31 March 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
Credit risk	40,757,015	39,896,605	40,843,152
Market risk	1,757,038	872,104	1,483,592
Operational risk	4,528,649	4,111,013	4,528,649
Total risk exposure	47,042,702	44,879,722	46,855,393
Shareholders' equity	9,310,298	8,670,717	9,294,762
Proposed dividend etc.	0	0	-200,658
Deduction for expected dividend	-79,593	-86,849	0
Addition for IFRS 9 transition programme	299,060	433,117	469,846
Deduction for insufficient coverage of non-performing exposures	-24,528	-1,725	-25,341
Deduction for the sum of equity investments etc. above 10%	-229,254	-240,309	-194,192
Deduction for prudent valuation	-15,043	-11,419	-13,924
Deduction for intangible assets	-1,038,286	-1,057,795	-1,043,163
Deferred tax on intangible assets	17,626	21,451	18,855
Deferred tax on tangible assets etc.	-49,347	0	-41,888
Deduction of amount of share buyback programme	-385,000	-866,500	-738,000
Actual utilisation of amount of share buy-back programme	200,230	665,141	682,262
Deduction for trading limit for own shares	-55,000	-55,000	-55,000
Actual utilisation of the trading limit for own shares	178	251	0
Common equity tier 1	7,951,341	7,471,080	8,153,559
Tier 1 capital	7,951,341	7,471,080	8,153,559
Tier 2 capital	2,044,850	2,043,780	2,043,645
Deduction for the sum of equity investments etc. above 10%	-102,600	-39,026	-90,606
Total capital	9,893,591	9,475,834	10,106,598
Non-preferred senior capital	3,517,764	2,969,317	3,426,434
MREL capital	13,411,355	12,445,151	13,533,032

Statement of capital – continued

	31 March 2023	31 March 2022	31 Dec. 2022
Common equity tier 1 capital ratio (%)	16.9	16.6	17.4
Tier 1 capital ratio (%)	16.9	16.6	17.4
Total capital ratio (%)	21.0	21.1	21.6
MREL capital ratio (%)	28.5	27.7	28.9
Pillar I capital requirements (DKK 1,000)	3,763,416	3,590,378	3,748,431
Individual solvency requirement (%)	9.2	9.4	9.3
Capital conservation buffer (%)	2.5	2.5	2.5
Countercyclical buffer (%)	2.5	0.0	2.0
Total requirement for the bank's total capital (%)	14.2	11.9	13.8
Excess cover in percentage points relative to individual solvency requirement	11.8	11.7	12.3
Excess cover in percentage points relative to total requirement for total capital	6.8	9.2	7.8
MREL requirement (%) – fixed by the Danish FSA	17.9	17.8	17.8
Excess cover in percentage points relative to MREL requirement	10.6	9.9	11.1

Notes

Note	Q1 2023 DKK 1,000	Q1 2022 DKK 1,000	Full year 2022 DKK 1,000
1 Interest income			
Receivables from credit institutions and central banks – net	18,789	-3,972	-1,136
Loans and other receivables	616,984	326,178	1,581,790
Discounts – amortisation concerning loans taken over etc.	2,574	2,574	10,296
Loans – interest on the impaired part of loans	-14,865	-11,713	-49,059
Bonds – net	42,984	7,154	59,503
Total derivative financial instruments – net	4,796	16,196	82,373
of which currency contracts – net	5,542	2,070	27,665
of which interest-rate contracts – net	-746	14,126	54,708
Other interest income	110	283	1,285
Total interest income	671,372	336,700	1,685,052
of which interest income from collateralised repurchase agreements/reverse repo transactions booked under the item “Loans and other receivables”	28	-60	808
Negative interest income transferred to interest expenses			
Receivables from credit institutions and central banks	-	3,766	13,452
Bonds	-	1,639	2,497
Total derivative financial instruments	-	905	1,344
of which currency contracts	-	483	554
of which interest-rate contracts	-	422	790
Total negative interest income transferred to interest expenses	-	6,310	17,293
Negative interest expenses transferred from interest expenses			
Debt to credit institutions and central banks	-	54	57
Deposits and other debt	-	56,494	163,446
Total negative interest expenses transferred from interest expenses	-	56,548	163,503
Total interest income	671,372	399,558	1,865,848

Notes – continued

Note	Q1 2023 DKK 1,000	Q1 2022 DKK 1,000	Full year 2022 DKK 1,000
2			
Interest expenses			
Debt to credit institutions and central banks – net	7,878	2,194	18,736
Deposits and other debt – net	62,803	-50,740	-100,778
Issued bonds	35,429	6,928	49,980
Subordinated debt	21,429	7,574	35,542
Other interest expenses	94	327	898
Total interest expenses	127,633	-33,717	4,378
Negative interest expenses transferred to interest income			
Debt to credit institutions and central banks	-	54	57
Deposits and other debt	-	56,494	163,446
Total negative interest expenses transferred to interest income	-	56,548	163,503
Negative interest income transferred from interest income			
Receivables from credit institutions and central banks	-	3,766	13,452
Bonds	-	1,639	2,497
Total derivative financial instruments	-	905	1,344
of which currency contracts	-	483	554
of which interest-rate contracts	-	422	790
Total negative interest income transferred from interest income	-	6,310	17,293
Total interest expenses	127,633	29,141	185,174
3			
Gross fee and commission income			
Securities trading	46,595	52,755	175,681
Asset management and custody accounts	54,554	54,058	221,355
Payment handling	37,451	34,441	151,053
Loan fees	21,690	30,474	126,221
Guarantee commission and mortgage credit commission etc.	59,216	64,956	256,622
Other fees and commission	31,316	32,426	107,923
Total gross fee and commission income	250,822	269,110	1,038,855
Net fee and commission income			
Securities trading	42,245	48,727	163,525
Asset management and custody accounts	50,748	50,560	207,436
Payment handling	25,454	24,215	103,569
Loan fees	19,982	27,886	114,527
Guarantee commission and mortgage credit commission etc.	59,216	64,956	256,622
Other fees and commission	29,593	31,698	101,574
Total net fee and commission income	227,238	248,042	947,253
Foreign exchange income	19,805	15,437	66,262
Total net fee, commission, and foreign exchange income	247,043	263,479	1,013,515

Notes – continued

Note	Q1 2023 DKK 1,000	Q1 2022 DKK 1,000	Full year 2022 DKK 1,000
4 Value adjustments			
Other loans and receivables	393	-6,182	-28,775
Bonds	12,202	-52,304	-166,484
Shares etc.	-49,380	41,207	65,409
Foreign exchange	19,805	15,438	66,262
Total derivative financial instruments	-3,933	-16,139	-79,598
of which currency contracts	-3,567	-42,886	-130,997
of which interest-rate contracts	-366	26,747	51,399
Assets linked to pooled schemes	-122,669	-400,750	-864,971
Deposits in pooled schemes	122,669	400,750	864,971
Issued bonds etc.	-8,296	65,713	198,702
Other liabilities	-1,373	0	17,977
Total value adjustments	-30,582	47,733	73,493
Value adjustment for hedging in the period is distributed as follows:			
Currency contracts	-1,562	-13,992	-140,792
Interest-rate contracts	10,238	-45,540	-54,196
Other loans and receivables	993	-6,182	-21,692
Other liabilities	-1,373	0	17,978
Issued bonds	-5,600	62,276	189,168
Tier 2 capital	-2,696	3,430	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	5,592	4,676	19,172
Board of directors	0	0	4,367
Shareholders' committee	0	0	898
Total	5,592	4,676	24,437
Staff expenses			
Salaries	98,139	95,878	389,689
Pensions	11,492	10,734	43,876
Social security expenses	2,218	1,001	5,727
Costs depending on number of staff	16,871	14,221	62,268
Total	128,720	121,834	501,560
6 Number of full-time employees			
Average number of employees during the period converted into full-time employees	648	628	641
Number of full-time employees at the end of the period	648	631	646
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	37,271	9,421	18,851
Actual realised net losses	-19,119	6,190	42,658
Interest on the impaired part of loans	-14,865	-11,713	-49,059
Total impairment charges for loans and other receivables etc.	3,287	3,898	12,450

Notes – continued

Note	31 March 2023 DKK 1,000	31 March 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
8 Tax			
Tax calculated on income for the year	149,102	80,414	374,752
Adjustment of deferred tax	-7,713	10,064	11,928
Effect on deferred tax of change in tax rate	-976	0	-2,925
Adjustment of tax calculated for previous years	0	7	1,484
Total tax	140,413	90,485	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*	-1.4	-1.9	-1.4
Effect of change in tax rate	-0.2	0.0	-0.2
Adjustment regarding previous years etc.	0.0	0.0	0.1
Total effective tax rate	23.6	20.1	20.5
<i>* Primarily value adjustment of and dividends from sector shares.</i>			
9 Receivables from credit institutions and central banks			
Demand	685,021	200,595	776,039
Total receivables from credit institutions and central banks	685,021	200,595	776,039
10 Loans and other receivables at amortised cost			
Demand	6,763,947	5,163,895	7,353,370
Up to and including 3 months	4,747,985	3,274,016	2,475,978
More than 3 months and up to and including 1 year	8,314,497	7,998,580	9,815,126
More than 1 year and up to and including 5 years	12,230,427	11,643,338	11,945,344
More than 5 years	16,785,399	15,272,075	16,752,123
Total loans and other receivables at amortised cost	48,842,255	43,351,904	48,341,941
of which collateralised repurchase agreements/reverse repo transactions	43,654	68,983	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 31 March 2023				
Loans and other receivables at amortised cost	231,135	1,076,278	944,406	2,251,819
Guarantees	5,126	13,986	46,283	65,395
Unutilised credit facilities and loan undertakings	8,766	13,462	0	22,228
Total impairment charges and provisions by stages	245,027	1,103,726	990,689	2,339,442
of which management estimates	121,039	453,098	274,489	848,626
As at 31 March 2022				
Loans and other receivables at amortised cost	212,773	884,343	1,086,788	2,183,904
Guarantees	8,543	15,901	57,383	81,827
Unutilised credit facilities and loan undertakings	10,879	16,132	0	27,011
Total impairment charges and provisions by stages	232,195	916,376	1,144,171	2,292,742
of which management estimates	96,939	343,583	222,474	662,996
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	31 March 2023 DKK 1,000	31 March 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	1,932	12,228	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	-16,853	-11,330	-35,276
Total stage 3 impairment charges and provisions taken over	138,490	179,289	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 31 March 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	24,203	48,493	24,105	96,801	96,801
Reversed impairment charges and provisions for repaid accounts	-16,716	-58,413	-45,778	-120,907	-120,907
Transfer of impairment charges and provisions at beginning of period to stage 1	69,401	-65,846	-3,555	0	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-5,640	27,655	-22,015	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-133	-11,724	11,857	0	0
Impairment charges and provisions during the year resulting from credit risk change	-52,848	122,979	-1,890	68,241	68,241
Previously written down, now definitively lost	-	-	-6,864	-6,864	-
Lost, not previously written down	-	-	-	-	1,298
Received on receivables previously written off	-	-	-	-	-27,281
Interest on the impaired part of loans	-	-	-	-	-14,865
Total impairment charges and provisions	245,027	1,103,726	990,689	2,339,442	3,287
of which regarding credit institutions etc.	500	0	0	500	109

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					
31 March 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	33,378	30,349	56,826	120,553	120,553
Reversed impairment charges and provisions for repaid accounts	-25,469	-57,488	-55,635	-138,592	-138,592
Transfer of impairment charges and provisions at beginning of period to stage 1	60,380	-48,913	-11,467	0	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-5,981	14,226	-8,245	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-69	-15,840	15,909	0	0
Impairment charges and provisions during the year resulting from credit risk change	-81,085	135,545	-15,249	39,211	39,211
Previously written down, now definitively lost	-	-	-11,750	-11,750	-
Lost, not previously written down	-	-	-	-	1,183
Received on receivables previously written off	-	-	-	-	-6,744
Interest on the impaired part of loans	-	-	-	-	-11,713
Total impairment charges and provisions	232,195	916,376	1,144,171	2,292,742	3,898
of which regarding credit institutions etc.	3,282	0	0	3,282	-20

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	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-18,592	108,600	-90,008	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-429	-20,717	21,146	0	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	31 March 2023 DKK 1,000	31 March 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	81,335	102,082	81,176
13			
Bonds at fair value			
Government bonds	692,793	0	0
Mortgage credit bonds	6,146,796	3,135,183	5,578,166
Other bonds	949,370	1,186,013	1,197,706
Total bonds at fair value	7,788,959	4,321,196	6,775,872
Bonds at fair value by rating classes			
Aaa/AAA	87	73	82
A3/A-	4	7	4
Baa1/BBB+	1	1	1
Baa2/BBB	1	3	2
Ba1/BB+	0	2	0
Not rated	7	14	11
Total	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.			
Listed on Nasdaq Copenhagen	37,253	16,102	26,449
Investment fund certificates	9,125	16,803	10,012
Unlisted shares at fair value	8,798	6,838	8,798
Sector shares at fair value	1,258,620	1,463,948	1,286,532
Total shares etc.	1,313,796	1,503,691	1,331,791
15			
Assets linked to pooled schemes			
Cash deposits	15,040	35,054	103,301
Bonds:			
Other bonds	1,387,954	1,540,955	1,394,342
Total bonds	1,387,954	1,540,955	1,394,342
Shares:			
Other shares	833,898	740,777	815,830
Investment fund certificates	2,898,676	2,986,026	2,659,367
Total shares	3,732,574	3,726,803	3,475,197
Other items	-10,960	-11,778	0
Total assets linked to pooled schemes	5,124,608	5,291,034	4,972,840

Notes – continued

Note	31 March 2023 DKK 1,000	31 March 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	4,877	4,877	19,509
	Total amortisation on the balance sheet date	80,057	60,548	75,180
	Total customer relationships on the balance sheet date	115,031	134,540	119,908
	Total intangible assets on the balance sheet date	1,038,286	1,057,795	1,043,163
17	Debt to credit institutions and central banks			
	Demand	489,972	1,013,983	758,592
	Up to and including 3 months	295,908	153,219	331,075
	More than 3 months and up to and including 1 year	1,063,182	54,171	1,128,099
	More than 1 year and up to and including 5 years	753,657	377,271	758,383
	More than 5 years	583,598	725,051	591,609
	Total debt to credit institutions and central banks	3,186,317	2,323,695	3,567,758
18	Deposits and other debt			
	Demand	35,338,097	31,839,385	35,665,320
	Deposits and other debt with notice:			
	Up to and including 3 months	2,014,531	763,470	2,190,631
	More than 3 months and up to and including 1 year	2,926,226	1,750,152	2,577,901
	More than 1 year and up to and including 5 years	613,635	534,579	621,464
	More than 5 years	2,768,803	2,420,277	2,671,622
	Total deposits and other debt	43,661,292	37,307,863	43,726,938
	of which deposits covered by the Guarantee Fund	56.4%	60.1%	55.6%
	Distributed as follows:			
	Demand	33,709,514	31,692,270	34,739,640
	With notice	3,095,255	1,013,136	2,185,866
	Time deposits	3,013,056	1,271,921	3,106,657
	Long-term deposit agreements	739,908	902,960	758,090
	Special types of deposits	3,103,559	2,427,576	2,936,685
	43,661,292	37,307,863	43,726,938	

Notes – continued

Note	31 March 2023 DKK 1,000	31 March 2022 DKK 1,000	31 Dec. 2022 DKK 1,000
19			
Issued bonds at amortised cost			
Up to and including 3 months	371,167	0	259,405
More than 3 months and up to and including 1 year	372,425	631,511	368,799
More than 1 year and up to and including 5 years	3,982,138	2,659,041	2,450,260
More than 5 years	538,934	635,327	1,177,034
Total issued bonds at amortised cost	5,264,664	3,925,879	4,255,498
Distributed as follows:			
Preferred senior capital	1,916,245	1,004,103	1,003,921
Adjustment to amortised cost and fair value adjustment	-34,883	-2,560	-37,429
Total preferred senior capital	1,881,362	1,001,543	966,492
Non-preferred senior capital	3,517,764	2,969,317	3,426,434
Adjustment to amortised cost and fair value adjustment	-134,462	-44,981	-137,428
Total non-preferred senior capital	3,383,302	2,924,336	3,289,006
Total issued bonds at amortised cost	5,264,664	3,925,879	4,255,498
20			
Subordinated debt			
Tier 2 capital:			
Fixed-rate loan, principal of DKK 500 million, maturity date 13 June 2028	500,000	500,000	500,000
Floating-rate loan, principal of EUR 100 million, maturity date 22 August 2029	744,850	743,780	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	-4,038	-2,177	-7,119
Total subordinated debt	2,040,812	2,041,603	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	0	0	-688,055
End of period	28,379,666	29,067,721	28,379,666
of which reserved for subsequent cancellation	1,070,527	887,032	826,527
Total share capital	28,380	29,068	28,380

Notes – continued

Note	31 March 2023 DKK 1,000	31 March 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	1,035,379	762,211	783,548
Number of own shares:			
Beginning of period	826,527	635,988	635,988
Purchased during the period	731,705	636,887	1,781,303
Sold during the period	-487,520	-385,551	-902,709
Cancelled during the period	0	0	-688,055
End of period	1,070,712	887,324	826,527
of which reserved for subsequent cancellation	1,070,527	887,032	826,527
Nominal value of holding of own shares, end of period	1,071	887	827
Own shares' proportion of share capital, end of period (%)	3.8	3.1	2.9
23 Contingent liabilities etc.			
Contingent liabilities			
Financial guarantees	2,390,363	4,364,852	2,345,714
Guarantees against losses on mortgage credit loans	2,096,527	2,873,030	2,199,287
Registration and refinancing guarantees	1,621,977	4,363,241	2,163,492
Sector guarantees	104,485	105,626	104,485
Other contingent liabilities	779,871	725,499	756,701
Total contingent liabilities	6,993,223	12,432,248	7,569,679
Other contractual obligations			
Irrevocable credit undertakings etc.	133,415	75,000	84,055
Total other contractual obligations	133,415	75,000	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	999,795	1,160,956	1,041,125
Pledged to Danmarks Nationalbank as collateral for clearing etc.:			
Securities	0	111,561	0
Balance in current account with Danmarks Nationalbank	35,531	0	35,531
Collateral under CSA agreements etc.	226,418	34,483	226,293

Notes – continued

Note	31 March 2023		31 March 2022		31 December 2022		
	DKK million	%	DKK million	%	DKK million	%	
25	Loans and guarantees by sector and industry						
	2.6	0.0	3.1	0.0	2.4	0.0	
	Public authorities						
	Business customers:						
	Agriculture, hunting and forestry						
	Cattle farming etc.	537.7	1.0	575.7	1.0	588.0	1.1
	Pig farming etc.	565.9	1.0	588.5	1.1	501.9	0.9
	Other agriculture, hunting and forestry	2,564.6	4.6	2,183.6	3.9	2,518.2	4.5
	Fisheries	782.5	1.4	750.6	1.4	759.7	1.4
	Industry and raw materials extraction	1,976.1	3.5	1,961.3	3.5	2,001.4	3.6
	Energy supply						
	Renewable energy	3,793.7	6.8	3,308.4	5.9	4,213.6	7.5
	Other energy supply	105.2	0.2	268.0	0.5	88.2	0.2
	Building and construction	2,208.8	4.0	1,879.8	3.4	2,065.5	3.7
	Trade	2,478.3	4.5	2,121.7	3.8	2,311.7	4.1
	Transport, hotels, and restaurants	798.4	1.4	981.1	1.8	808.5	1.4
	Information and communication	139.7	0.3	297.1	0.5	173.7	0.3
	Finance and insurance	6,255.2	11.2	5,163.7	9.3	6,005.5	10.8
	Real property						
	Real property financing without prior creditors	8,292.4	14.9	6,932.9	12.5	8,061.1	14.4
	Other real property financing	2,701.3	4.8	2,748.2	4.9	2,419.1	4.3
	Other business customers	3,804.7	6.8	3,710.5	6.7	3,796.5	6.8
	Total business customers	37,004.5	66.4	33,471.1	60.2	36,312.6	65.0
	Private individuals	18,741.8	33.6	22,201.1	39.8	19,530.0	35.0
	Total	55,748.9	100.0	55,675.3	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 recog- nition 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 31 March 2023						
Credit quality*						
High	59,460,818	115,988	0	0	59,576,806	74.4%
Medium	11,277,207	2,378,500	0	0	13,655,707	17.0%
Low	1,173,662	4,245,384	0	0	5,419,046	6.8%
Credit-impaired	0	0	1,224,632	227,004	1,451,636	1.8%
Total	71,911,687	6,739,872	1,224,632	227,004	80,103,195	100%
Impairment charges etc.	245,027	1,103,726	852,199	138,490	2,339,442	
As at 31 March 2022						
Credit quality*						
High	60,594,004	287,616	0	0	60,881,620	76.1%
Medium	10,636,328	1,895,628	0	0	12,531,956	15.7%
Low	1,289,823	3,469,969	0	0	4,759,792	6.0%
Credit-impaired	0	0	1,503,562	272,015	1,775,577	2.2%
Total	72,520,155	5,653,213	1,503,562	272,015	79,948,945	100%
Impairment charges etc.	232,195	916,376	964,882	179,289	2,292,742	
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	0	0	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 4 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)	Q1 2023	Q1 2022	Full year 2022
Net interest income	544	370	1,681
Dividends from shares etc.	90	2	100
Net fee and commission income	227	248	947
Net interest and fee income	861	620	2,728
Value adjustments	-31	+48	+73
Other operating income	0	1	2
Staff and administration expenses	222	207	871
Amortisation, depreciation, and write-downs on intangible and tangible assets	8	7	33
Other operating expenses	2	2	7
Impairment charges for loans and receivables etc.	-3	-4	-12
Profit before tax	595	449	1,880
Tax	140	90	385
Net profit	455	359	1,495

Main figures from the balance sheet (DKK million)	31 March 2023	31 March 2022	31 December 2022
Loans and other receivables at amortised cost	48,842	43,352	48,342
Deposits and other debt including pooled schemes	48,786	42,599	48,700
Subordinated debt	2,041	2,042	2,037
Equity	9,310	8,671	9,295
Balance sheet total	69,649	60,157	68,980

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

		Q1 2023	Q1 2022	2022
Capital ratios:				
Total capital ratio	%	21.0	21.1	21.6
Tier 1 capital ratio	%	16.9	16.6	17.4
Individual solvency requirement	%	9.2	9.4	9.3
MREL requirement – fixed by the Danish FSA	%	17.9	17.8	17.8
MREL capital ratio	%	28.5	27.7	28.9
Earnings:				
Return on equity before tax	%	6.4	5.2	20.9
Return on equity after tax	%	4.9	4.1	16.6
Income/cost ratio	DKK	3.53	3.05	3.04
Cost/income ratio	%	26.7	31.2	31.1
Return on assets	%	0.7	0.6	2.2
Market risk:				
Interest rate risk	%	0.6	0.4	0.7
Foreign exchange position	%	1.5	0.6	1.1
Foreign exchange risk	%	0.0	0.0	0.0
Liquidity risk:				
Liquidity Coverage Ratio (LCR)	%	236.6	151.7	187.9
Net Stable Funding Ratio (NSFR)	%	120.3	114.7	118.9
Loans and impairments thereon relative to deposits	%	104.6	106.7	103.8
Credit risk:				
Loans relative to shareholders' equity		5.2	5.0	5.2
Growth in loans	%	18.7	5.2	17.5
Total large exposures (<175%)	%	127.6	121.6	118.0
Cumulative impairment ratio	%	4.0	3.9	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*/***	DKK	1,631.9	1,267.9	5,340.4
Book value per share**	DKK	34,092	30,769	33,734
Dividend per share*	DKK	0	0	700
Market price relative to earnings per share*/***		59.3	67.8	17.8
Market price relative to book value per share*/**		2.84	2.79	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 quarterly report of Ringkjøbing Landbobank A/S for the period 1 January to 31 March 2023.

The quarterly 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 made responsible, so that the quarterly accounts provide a true and fair view of the bank's assets, liabilities and financial position as at 31 March 2023 and of the result of the bank's activities for the period 1 January to 31 March 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 quarterly 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, 26 April 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