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Statement of the board of directors of Spar Nord Bank A/S

concerning the voluntary takeover offer made by Nykredit Realkredit A/S on 8 January 2025

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Statement of the board of directors (the "**Statement**") of Spar Nord Bank A/S (the "**Board of Directors**") in accordance with section 22 of the Danish Executive Order no. 636 of 15 May 2020 on Takeover Bids (*overtagelsesbekendtgørelsen*) (the "**Takeover Order**") concerning the voluntary takeover offer made by Nykredit Realkredit A/S ("**Nykredit**" or the "**Offeror**") on 8 January 2025 (the "**Offer**").

1 INTRODUCTION

1.1 Offer

On 10 December 2024, the Offeror announced its decision to launch a voluntary takeover offer to the shareholders (the "**Shareholders**") in Spar Nord Bank A/S (CVR no. 13737584) ("**Spar Nord Bank**" or the "**Company**", and together with its consolidated subsidiaries, the "**Group**").

The Offeror is a public limited company incorporated under Danish law with company reg. no. (CVR) 12719280 and having its registered office at Sundkrogsgade 25, 2150 Nordhavn, Denmark. The Offeror is a mortgage credit institution and the market-leading player in the Danish mortgage credit market, holding a joint market share with its subsidiary Totalkredit A/S ("**Totalkredit**") of about 45.2 per cent. The Offeror and the Totalkredit subsidiary offer mortgage financing for personal and business customers, primarily in the Danish market. Totalkredit's mortgage loans are mediated in part through Nykredit, in part through 40 local and regional banks, with which Totalkredit has had a mediation partnership for a little over 20 years.

Through its subsidiary Nykredit Bank and affiliates thereof, the Offeror also operates banking business. Nykredit Bank is one of Denmark's largest banks with a market share of approximately 8.1 per cent (based on bank loans excl. reverse lending as at end of September 2024).

The Offer is made in accordance with Danish law, including section 47 of the Danish Capital Markets Act (Consolidated Act no. 198 of 26 February 2024) (*kapitalmarkedsløven*) (the "**Danish Capital Markets Act**") and the Takeover Order.

The Offer is made on the terms and conditions set out in the offer document prepared by the Offeror, approved by the Danish Financial Supervisory Authority (the "**Danish FSA**") and published by the Offeror on 8 January 5 (the "**Offer Document**"). Reference is made to the Offer Document for a detailed description of the terms and conditions applicable to the Offer. Subject to certain restrictions, the Offer Document is available on the Offeror's website, www.nykredit.com/en-gb/offer-spar-nord/, and on the Company's website, www.spar-nord.com/investor-relations/takeover-offer.¹

The Offer is valid from 8 January 2025 and expires on 19 February 2025 at 11:59pm (CET) or on expiry of any extension of the offer period under the Offer Document (the "**Offer Period**").

By way of the Offer, the Offeror offers the shareholders in Spar Nord Bank (the "**Shareholders**") to acquire their shares in Spar Nord Bank, excluding Shares already held by the Offeror or by Spar Nord Bank as treasury shares, (the "**Shares**") against a cash payment of DKK 210 per Share of a nominal value of DKK 10.00 (the "**Offer Price**"), adjusted for any dividend payments or other distributions made by the Company to the Shareholders during the period from the date of publication of the Offer Document until completion, including settlement, of the Offer ("**Completion**"). The Shares are admitted to trading and official listing on Nasdaq Copenhagen A/S ("**Nasdaq Copenhagen**").

¹ Reference is made to section 1.5 of the Offer Document for a description of the restrictions applicable to Shareholders residing or staying in certain jurisdictions in relation to acceptance of the Offer.

The Completion of the Offer is subject to the satisfaction of certain conditions (the "**Conditions**"). The Conditions are set out in section 6.6 of the Offer Document and include that:

- (1) The Offeror having received valid acceptances from the Shareholders with respect to Shares representing, together with Shares held by the Offeror, in aggregate at least 67 per cent of the Shares and the voting rights in the Company, exclusive of any treasury shares held by Spar Nord Bank at the time of Completion.
- (2) The Offeror receives approvals and clearances from the Danish Competition and Consumer Authority and the Danish FSA as set out in the Offer Document (the "**Regulatory Condition**").
- (3) No Material Adverse Change has occurred in the period until and including 1 April 2025, "Material Adverse Change" meaning an event or a series of related events specifically related to the Company which will have a permanent and material adverse effect on the operations, business activities or financial condition of the Company, taken as a whole, provided, however, that none of the following events, matters, circumstances or the immediate effects thereof shall be deemed to constitute a Material Adverse Change: (a) Any change in or event (including a series of events) affecting the general economic conditions or the credit, debt, financial or capital markets (including, but not limited to, global, regional or national wars, hostilities, civil or military disturbances, pandemics, epidemics or industry-specific crises or natural disasters); (b) any change in regulatory conditions or applicable Law, including changes in taxation, or the interpretation thereof; (c) any failure by the Company to meet its internal or published forecasts or budgets caused by an underlying Material Adverse Change covered by (a)-(b) above or (d)-(e) below; (d) the announcement, existence, or completion of the Offer, or any action taken by the Nykredit group or any of its representatives in connection with the Offer, including any adverse effects on relationships, contractual or otherwise, with the Company's employees, customers, suppliers, regulators or partners; and (e) events, matters or circumstances that were fairly disclosed to the Offeror prior to the date of signing the Publication Agreement.
- (4) The Board of Directors has published this Statement and has not subsequently withdrawn, conditioned or in any other way modified its recommendation in any manner adverse to the Offer or to the Offeror.
- (5) Other than laws, regulations and decisions falling within the scope of the Regulatory Condition, no legislation or other regulation has been issued and no decision has been made and remains in force by a competent court or a supervisory authority or other public authority, which would prohibit or otherwise prevent completion.
- (6) No insolvency or bankruptcy proceedings, receivership or equivalent process under applicable law has been opened in respect of the Company.
- (7) The Company has not materially breached its obligations to the Offeror under the Publication Agreement.

Assuming the Conditions are satisfied (or waived) at the time of expiry of the Offer Period and as at Completion, settlement of the Offer will take place latest 3 business days after the Offeror in accordance with section 21(3) of the Danish Takeover Order has announced the final result of the Offer.

The Offer is made in accordance with a publication agreement entered into between the Offeror and the Company on 10 December 2024 (the "**Publication Agreement**"), which sets out the parties' rights and obligations in connection with the Offer, including in relation to assistance in connection with the implementation of the Offer. Under the Publication Agreement, the Offeror has undertaken to make the Offer and publish the Offer Document. Under the Publication Agreement and subject to the Board of Directors' obligations under applicable law in relation to events occurring after entering into the agreement, the Company has undertaken to publish this Statement containing a unanimous recommendation from the Board of Directors to the Shareholders to accept the Offer. Under the Publication Agreement and subject to the Board of Directors' obligations under applicable law in relation to events occurring after entering into the agreement, the Company has undertaken not to initiate, encourage or intentionally solicit any form of contact concerning an alternative transaction. Under the Publication Agreement, the Company has also undertaken (i) subject to the Board of Directors' obligations under applicable law, not to take any action or omit to take any action which would make the satisfaction of the Conditions impossible or which could reasonably be expected to impede or substantially delay the satisfaction of any of the Conditions and (ii) subject to applicable law, to assist the Offeror in satisfying the Regulatory Condition. The Offeror has undertaken, for the benefit of the Company and the Board of Directors, to take all necessary steps to obtain approval from the Danish Competition and Consumer Authority and to offer and accept any foreseeable undertaking, both behavioural and structural, condition and/or restriction which may be necessary to obtain approval from the Danish Competition and Consumer Authority. During the period until the Completion or withdrawal of the Offer, the Company is obligated under the Publication Agreement (i) to continue the operations of the Company in all material respects consistently with past usual practice, (ii) not to pay any dividends to Shareholders or have the Board of Directors recommend to the general meeting that dividends be declared, (iii) not to issue shares, warrants, convertible debt instruments or other instruments convertible or exchangeable into shares in the Company, or to make any other changes to the Company's share capital, (iv) not to dispose of or cancel any treasury shares, except if required to satisfy the Company's obligations in respect of employee shares under the existing gross salary scheme, and (v) to provide reasonable assistance to the Offeror in connection with the launch and settlement of the Offer, including any assistance in sending the Offer Document to the Shareholders and obtaining certain information about Shareholders for the purpose of the Offeror obtaining acceptance of the Offer.

Under the Publication Agreement, the Offeror has undertaken, for the benefit of the Company, to extend the Offer Period in one or more cases if necessary to obtain approvals etc. required to satisfy the Regulatory Condition within the maximum period otherwise set out in the Takeover Order. If the Offeror extends the Offer to being completed on or after 1 May 2025 to satisfy the Regulatory Condition, the Offeror will increase the Offer Price by DKK 0.50 per Share per calendar month or part thereof as from 1 May 2025 until the Offer is completed. If the Offer is completed, the Offeror has undertaken to maintain for a period of time a run-off cover for the

benefit of the board members, directors and employees covered by the Company's existing directors' and officers' liability insurance.

Under the Publication Agreement, each party pays its own costs and expenses in connection with entering into the agreement and the transactions described in the agreement (including the Offer) except for any costs incurred by the Company in sending the Offer Document and other material relating to the Offer to the Shareholders, which will be covered by the Offeror.

If, in accordance with the Publication Agreement, the Offeror withdraws the Offer or refuses to complete the Offer on the basis that the Regulatory Condition in relation to the Danish Competition and Consumer Authority cannot be satisfied in spite of the parties' performance of their respective obligations under the Publication Agreement, the Offeror has undertaken to pay a cash compensation to the Company of DKK 500 million subject to certain conditions.

The Company has been informed that Spar Nord Fonden (the "**Foundation**"), on certain conditions, has signed an irrevocable undertaking to accept the Offer in respect of its Shares, representing 20.27 per cent of the share capital and voting rights in the Company, subject to certain conditions.

The current members of the Board of Directors (except for Mette Louise Kaagaard and Jannie Merete Thorsø Skovsen who are not Shareholders) and Lasse Nyby, Martin Kudsk Rasmussen, John Lundsgaard and Carsten Levring Jakobsen (the "**Executive Board**") have signed irrevocable undertakings to accept the Offer in respect of their respective Shares, subject to certain conditions. Such undertakings represent a total of approx. 0.3 per cent of the share capital and the voting rights in the Company.

1.2 Purpose of Statement

The Board of Directors has issued this Statement to satisfy the Board of Directors' obligations under section 22 of the Takeover Order stipulating that the board of directors of a company admitted to trading on a regulated market which is the subject of a takeover offer must prepare a statement setting out the board of directors' opinion on the offer and the reasons for such opinion, including the board of directors' opinion on the consequences of the offer for all the company's interests and on the offeror's strategic plans for the target company and the likely consequences of such plans for employment and the company's establishments.

2 REASON FOR THE STATEMENT

2.1 Spar Nord Bank's history and business

Spar Nord Bank was founded in 1824 and is now a nationwide bank with 58 branches. Spar Nord Bank offers all types of financial services, consultancy and products, focusing its business on retail customers and primarily small and medium-sized enterprises (SMEs) in the local areas in which the bank is represented. The bank is also focused on leasing operations and large corporate customers, which are both business areas handled by the head offices.

Spar Nord Bank has historically been rooted in northern Jutland and continues to be a market leader in this region. However, in the period from 2002 to 2024, Spar Nord Bank has established and acquired branches outside northern Jutland. Over the course of the years, the bank has adjusted its branch network in an ongoing process and now has a nationwide distribution network comprising 58 branches. These 58 branches are distributed on 32 banking areas, each of which is headed by a manager reporting directly to the bank's executive board.

The Spar Nord Bank Group consists of two earnings entities: Spar Nord Bank's branches and the Trading Division. As an entity, the Trading Division serves customers from Spar Nord Bank's branches as well as large retail customers and institutional clients in the field of equities, bonds, fixed income and forex products, asset management and international transactions. Finally, under the concept Sparxpres, the bank offers consumer loans to personal customers through Sparxpres' platform as well as debt consolidation loans and consumer financing via retail stores and gift voucher solutions via shopping centres and city associations.

In addition, it has a number of corporate and support functions, primarily located at the principal place of business in Aalborg. As at 31 December 2023, Spar Nord Bank had 1,703 employees. On 2 January 2019, the Danish FSA designated Spar Nord Bank as a systematically important financial institution (SIFI) in Denmark.

2.2 Spar Nord Bank's strategy

Spar Nord Bank is a bank built on strong customer relationships. This is based on the belief that relationships and business are best created and maintained through local presence and decentralised decision-making power. The core of Spar Nord Bank's business model is local autonomy in customer-centric areas and relations. This business model is inspired by the franchise concept, in which strongly anchored local ownership and responsibility help drive customer relations and business volume.

Spar Nord Bank's business model supports a high degree of local autonomy in terms of picking a team and processing the market through initiatives and marketing. This is the foundation for Spar Nord's work with 3-year strategy periods. The strategy for 2023-25 operates with a vision, a diagnosis, a strategic direction and specific actions – and largely aims to strengthen local presence and decentralised decision-making power as the bank's hallmark.

Autonomy in dealings with customers and relations is combined with an efficient in-house engine room. A consistent approach to underlying systems, processes and business procedures helps free up more time for customers while also ensuring quality in centrally managed areas such as credit policy, IT, AML and personal data.

In connection with the bank's 3-year strategy periods, Spar Nord Bank announces its financial targets and distribution policy. Based on an impairment ratio not expected to exceed 0.50 in the strategy period 2023-25, the bank expects to deliver financial results among the best in the sector with a return on equity of at least 11 per cent and a rate of cost below 55 per cent.

2.3 Financial information

2.3.1 Annual report 2023

The Company published its annual report for the financial year 2023 (the "**Annual Report 2023**") on 7 February 2024.²

In 2023, Spar Nord Bank achieved a historical net profit of DKK 2,421 million, corresponding to a return on equity of 19.7 per cent *p.a.* The profit was DKK 1,004 million or 71 per cent higher than in 2022 and was considered to be very satisfactory.

The total business volume amounted to DKK 358 billion at end 2023, a level which was DKK 9.5 billion higher than at end 2022. Bank and leasing loans grew by 4 per cent, driven primarily by growth in bank mortgage loans to retail customers and in leasing for business customers.

At end 2023, the common equity tier 1 ratio was 17.7 per cent, while the own funds ratio was 22.3 per cent. Viewed relative to a total capital requirement of 15.7 per cent, the bank had an excess capital coverage of 6.2 percentage points, equal to DKK 3.8 billion, at end 2023.

2.3.2 Interim report Q3 2024

The Company published its interim report for the first nine months of the financial year 2024 (the "**Q3 Report 2024**") on 31 October 2024.³

Spar Nord Bank's financial statements for the first nine months of 2024 showed a highly satisfactory net profit of DKK 1,779 million and a return on equity after tax of 18.0 per cent.

Overall, core income was 2 per cent higher than in the first nine months of 2023, supported both by higher net interest income and net fee income. Compared with the same period of last year, the total business volume increased by DKK 19 billion to DKK 372 billion, including a highly satisfactory increase in assets under management of DKK 11 billion, corresponding to 17 per cent, as well as satisfactory lending growth of DKK 3.5 billion, equal to 6 per cent.

² The Annual Report 2023 is available on the website <https://www.sparnord.com/investor-relations/accounting-risks>. The Annual Report 2023 does not form part of this Statement except for the contents included in this Statement.

³ The Q3 Report 2024 is available on the website <https://www.sparnord.com/investor-relations/accounting-risks>. The Q3 Report 2024 does not form part of this Statement except for the contents included in this Statement.

At end Q3 2024, the common equity tier 1 ratio was 16.8 per cent, while the own funds ratio was 21.1 per cent. Viewed relative to a total capital requirement of 16.0 per cent, the bank had an excess capital coverage of 5.0 percentage points, equal to DKK 3.2 billion, at end Q3 2024.

2.3.3 Guidance for 2024

In company announcement no. 64/2024 (23 October 2024), the Company upgraded its financial guidance for 2024, which was maintained in the Q3 Report 2024.

Based on expectations of a profit impact from loan impairment charges etc. of around DKK 0 million for the full year 2024, Spar Nord Bank upgraded its guidance for the profit for the year after tax to DKK 2,100-2,300 million and narrowed its guidance for core earnings before impairment to DKK 2,700-3,000 million.

2.3.4 Guidance for 2025

In company announcement no. 80/2024 (18 December 2024), the Company announced its financial guidance for 2025.

For 2025, Spar Nord Bank expects core earnings before impairment to the tune of DKK 2,200 – 2,600 million. This guidance is based on expectations of four rate cuts by Danmarks Nationalbank, the Danish central bank, during 2025, totalling 1.00 percentage point.

On the basis of expectations of continued, albeit moderate, economic growth in Denmark and high employment, impairment charges on loans, advances and guarantees are expected to remain low in 2025, to the tune of 10bp.

Profit after tax is subsequently expected to be in the DKK 1,600 – 1,900 million range

2.4 Share capital, shareholder base and corporate structure

The Company's share capital amounts to DKK 1,177,020,310, divided into 117,702,031 shares of DKK 10 each. The share capital is fully paid up. All the Company's shares are admitted to trading and official listing on Nasdaq Copenhagen under the symbol SPNO and ISIN DK0060036564.

As at the date of this Statement, Spar Nord Bank's shareholder base consisted of approximately 75 thousand shareholders.

As at 6 January 2025, the following Shareholders have notified the Company in accordance with part 7 of the Danish Capital Markets Act that they each hold Shares equal to 5 per cent or more of the share capital and/or the voting rights in the Company:

- The Foundation (20.27 per cent)
- Nykredit Realkredit A/S (the Offeror) (28.73 per cent)

The members of the Board of Directors and the Executive Board hold Shares in the Company as set out in [Appendix 1](#) to this Statement.

As at 2 January 2025, the Company holds 2,309,814 treasury shares, corresponding to 2.81 per cent of the Company's total outstanding share capital.

2.5 Process prior to launch of Offer

As a business partner and shareholder in the Company, the Offeror has followed the Company and its development over a number of years.

In the period since 9 October 2024, the Offeror has engaged in dialogue and negotiations with representatives of the Board of Directors concerning support for a potential Offer. On 29 October 2024, Spar Nord Bank and the Offeror entered into a non-disclosure agreement, and on 14 November an addendum to the non-disclosure agreement was agreed, involving a stand-still and exclusivity agreement. After further clarification and negotiations between the Offeror and the Spar Nord Bank concerning terms and conditions, the Board of Directors agreed to allow the Offeror access to holding a limited number of meetings with the Executive Board and certain key employees in order to verify certain preconditions with respect to certain commercial, operational and legal aspects relating to Spar Nord Bank.

In the period from 18 November 2024, the Offeror has been in negotiations with the Foundation on the Foundation's support for a potential takeover offer. Against this background, the Foundation gave, subject to certain conditions, an irrevocable undertaking on 9 December 2024, cf. section 1.1 above.

On 10 December 2024, the Offeror and Spar Nord Bank agreed on and signed the Publication Agreement. Immediately upon the conclusion of the Publication Agreement, the Offeror and Spar Nord Bank each published announcements regarding the conclusion of the Publication Agreement and the Offeror's decision to submit the Offer.

On 8 January 2025, the Danish FSA approved the Offer Document, which was subsequently published.

3 BOARD OF DIRECTORS' POSITION

The Board of Directors has considered a number of factors in relation to the Offer, which are set out below.

3.1 Offer Price

The table below shows the Offer Price offered compared to the Company's market price on Nasdaq Copenhagen on certain relevant historical dates and periods⁴:

Date/period	Share price (DKK)	Premium (%)
Closing price 9 December 2024 (last trading day prior to publication of the Offeror's decision to launch the Offer)	140.6	49
9 September 2024 to 9 December 2024 (volume-weighted average during the period)	133.2	58
10 June 2024 to 9 December 2024 (volume-weighted average during the period)	132.8	58

The Board of Directors assesses that the Offer Price represents an attractive price and premium for the Shareholders compared to the trading prices of the Shares over the past year.

3.2 Consequences of Offer for Shareholders' and Company's interests and for employees and customers

The Board of Directors has assessed a number of matters in connection with the Offer which have or may have consequences for the Group, the Shareholders and other stakeholders. The following is a non-exhaustive description of certain potential short-term and long-term consequences of the Offer for the Group, the Shareholders and other stakeholders, including the employees, which the Board of Directors considers to be of particular importance to the Shareholders' decision on the Offer.

3.2.1 Offeror's plans and intentions as stated in Offer Document⁵

The Offer Document contains a number of statements concerning the Offeror's intentions following Completion of the Offer.

The Board of Directors has based its assessment on the assumption, without verification, that the Offeror's intentions stated in the Offer Document are correct and do not constitute a misleading or deceptive representation of the Offeror's intentions.

⁴ All prices are stated in DKK per Share of a nominal value of DKK 10. The average price is calculated on the basis of daily volume-weighted closing prices for the Shares as quoted on Nasdaq Copenhagen in the relevant period.

⁵ In the part of the text below originating from the Offer Document, terms defined in the Offer Document are used.

Offeror's strategic plans with Company

In the Offer Document, the Offeror has provided the following information about the Offeror's strategic plans with the Company following Completion of the Offer:

"The objective of the Offer is to facilitate a combination of Nykredit Bank and Spar Nord Bank aimed at strengthening the banks' joint position, distribution capabilities and business and customer base for both personal and business customers, and to exploit potential synergies from the combination.

The Offeror has been a major shareholder of Spar Nord Bank since 2003 and as per 6 January 2025 owns 28.73 per cent of its share capital and voting rights. Nykredit Bank and Spar Nord Bank, respectively, were Denmark's fourth-largest and six-largest bank in terms of lending volume at the end of the third quarter of 2024. The contemplated combination of the banks will create Denmark's third-largest bank with total lending of approximately DKK 160 billion as per the third quarter of 2024 and a market share of approximately 13 per cent measured by lending volumes and approximately 11 per cent measured by deposit volumes. Through the combination, Nykredit Bank and Spar Nord Bank will jointly have a little over 100 branches, thereby offering a market-leading nationwide branch network with strong offerings for the two banks' complementary portfolios of personal customers, including homeowners, private banking clients and corporate customers.

The Nykredit Group and Spar Nord Bank have had a successful and close business collaboration for more than 20 years. This partnership encompasses joint IT operations and development through JN Data and BEC, mediation of mortgage loans through Totalkredit, insurance collaboration under the auspices of Privatsikring and mediation of pension products through nærpen-sion.

With the contemplated combination of the banks, the Offeror intends to build on this close collaboration and the strengths of each of the partners' business models in order to hold as strong a position as possible in the future competition space in a market where, among other things, increased regulation and increasing digitalisation make scale an important parameter.

The starting point for this goal will be a continued strong local presence with a nationwide branch network – and thus customer proximity and scalable back office functions with competence centres in both Aalborg and Copenhagen. After the combination, the Nykredit Group's new headquarters in Nordhavn in Copenhagen will also be the Group's headquarter facilities. Both the Nykredit Group and Spar Nord Bank today use BEC as their data processing centre. This will simplify the combination of the banks.

Nykredit does not plan to merge branches in 2025. The long-term objective is to create a good transition for customers and employees and to create growth and business development in both banks. Obviously, it may prove necessary to evaluate the branch network in some towns and cities with overlapping activities. In these endeavours, the focus will be on retaining a strong local presence and offering customers the best possible service. Also, the intention is to offer

Spar Nord Bank's customers the same attractive customer-based benefits currently enjoyed by Nykredit Bank customers.

Both Nykredit Bank and Spar Nord Bank have strong business brands that are well known to customers. Both brands will continue to be used, and therefore, following the combination, there will be branches and joint locations featuring both banks' names and logos. However, the banks will be combined as quickly as possible in order to optimise the underlying operations as much as possible. This means, among other things, that Spar Nord Bank's customers will have access to the Nykredit Group's products and services, including attractive prices and special customer benefits.

After the combination, the Nykredit Group's strategy will remain unchanged within the sphere of "Winning the Double". Since 2014, this strategy has set the direction for the Nykredit Group and is based on the development of the full-service customer base in its own distribution channel and the development of the Totalkredit collaboration. The strategy builds on three ambitions: (i) expanding Nykredit's position in the banking area through several full-service customer relationships, (ii) future-proofing Totalkredit's position as the market leader in home financing in Denmark and (iii) being a nationwide customer-owned and socially responsible financial enterprise in Denmark. On the expected Completion of the Offer, Nykredit will consolidate its position in the banking area.

Nykredit will remain strongly focused on, contribute with renewed strength to and invest in the strong collaboration relations in, among others, Totalkredit, Sparinvest, BEC, JN data, nærpen-sion and Privatsikring. For the Nykredit Group, these are extremely important partnerships, ensuring that the Nykredit Group and its partners will remain strong in the competition and in their engagement with customers.

On the expected Completion of the Offer, Nykredit will have better opportunities to offer attractive products and services to more customers owing to Nykredit's customer ownership structure. This includes customer discounts in the form of advantages offered through the association (in Danish: ForeningsFordele) within banking and asset management and special value offers in the field of sustainability. Nykredit has no intention of changing business activities and markets as a result of the combination of Nykredit Bank and Spar Nord Bank, and Nykredit's corporate values will also remain unchanged.

The Offer is made with a view to the Offeror obtaining a controlling interest in Spar Nord Bank, and it is the Offeror's intention to carry out a delisting and compulsory acquisition of any remaining minority shares as soon as possible, see sections 7.8 and 7.9. This will be done with a view to implementing an organisational and operational combination of Spar Nord Bank and Nykredit Bank. In this context, the Offeror attaches great importance to such a combination being effected with due consideration to the respective values and unique characteristics of the banks, such as visibility, a strong local presence, close customer relationships and a nationwide reach.

After Completion of the Offer, the Offeror will, together with the management of Spar Nord Bank, consider how the combination of Nykredit Bank and Spar Nord Bank can otherwise ensure the

best possible foundation for the future joint business for the benefit of customers, employees, shareholders, investors and society at large".

The Board of Directors expresses the following with respect to the Offeror's stated intentions:

The Board of Directors notes that the Offer shows the Offeror's acknowledgement of the Company's market position and sees a continued growth potential which will be further strengthened by the cash customer benefits that come from being part of the Nykredit Group. The Board of Directors further notes that the Offeror intends to maintain both brands, which means that business will continue to be conducted locally under the strong Spar Nord name and logo. Consequently, the Offeror acknowledges that local visibility and nationwide presence will continue to be a strength in the competition for customers.

Offeror's intentions with employees and employment conditions

In the Offer Document, the Offeror has provided the following information about the Offeror's intentions with the Company's employees and terms of employment following Completion of the Offer:

"The Offeror considers the management and employees of Spar Nord Bank to be crucial for the future development of the joint bank and aims to ensure that capabilities are retained and developed.

The intention is to realise earnings and cost synergies from the combination of the two banks. These include synergies in the form of savings through a reduction of the total number of employees across Spar Nord Bank and the Nykredit Group.

The Offeror aims to provide customers with the same good experience they are accustomed to. Consequently, the Offeror expects that directly customer-facing employees will not be affected by the combination. Furthermore, the plan is for customers to continue with the adviser they currently have and are familiar with.

In corporate and supporting functions, overlapping responsibilities and functions are expected to result in a reduction of employees across Nykredit Bank and Spar Nord Bank, primarily at the headquarter facilities in Aalborg and Copenhagen. With due consideration to ensuring the necessary qualifications, this will to the greatest extent possible take place through natural attrition and severance agreements and, ultimately, redundancies in corporate and supporting functions in both companies, where necessary. The focus, however, is on achieving the adjustments as far as possible by way of natural attrition, as well as assembling the best team in case of overlapping skills and experience. For corporate functions, the Group will have one corporate headquarters, which will be located at Nykredit Huset in Nordhavn in Copenhagen. Nykredit expects to maintain a number of corporate and job functions at other locations, including in Aalborg, where Spar Nord Bank has its current headquarters.

Other than the changes set out in this section 7.2, there are no plans about changes in the employment terms for the employees of Spar Nord Bank".

The Board of Directors expresses the following with respect to the Offeror's stated intentions:

The Board of Directors appreciates that the Offeror considers the Company's management and employees to be an extremely important asset for the future development of the combined bank and wants to ensure that skills and competences are retained and developed. The Board of Directors further notes that a reduction of the workforce is expected to take place essentially through natural wastage, taking into account the general employee turnover in the banks, and that the Offeror expects that the employees who are directly customer-facing will not be affected by the merger. The Board of Directors considers the managers and employees who are directly customer-facing to be crucial in maintaining a continued high level of customer loyalty and further strengthening and expanding the market position after a merger.

Offeror's intentions with respect to registered office and business areas

In the Offer Document, the Offeror has provided the following information about the Offeror's intentions with respect to the Company's registered office and business areas following Completion of the Offer:

"After the combination of Nykredit Bank and Spar Nord Bank, the Nykredit Group's new headquarters in Nordhavn in Copenhagen will continue to be the Group's headquarter facilities. Furthermore, the intention is to maintain a strong local presence with a nationwide branch network – and thus customer proximity and scalable back office functions with competence centres in both Aalborg and Copenhagen. Going forward, Spar Nord Bank's current headquarters are expected to house a number of activities and continue to be a significant workplace in Aalborg.

The existing business areas in Nykredit Bank and Spar Nord Bank are, in all material respects, the same, and they are expected to be maintained, but adjusted to avoid any duplicate functions to the extent possible".

The Board of Directors expresses the following with respect to the Offeror's stated intentions:

The Board of Directors considers it to be natural that Nykredit's headquarters in Copenhagen will be the headquarters facility following a merger of Nykredit Bank and the Company. The Board of Directors notes that the Offeror intends to continue to have a strong local presence with a nationwide branch network. Further, the Board of Directors emphasises the importance of continuing to operate with back-office functions and competence centres in both Aalborg and Copenhagen.

Offeror's intentions with respect to changes to Board of Directors and Executive Board

In the Offer Document, the Offeror has provided the following information about the Offeror's intentions with respect to changes to the Company's management:

"The Offeror considers Spar Nord Bank to be a well-driven bank with extensive banking expertise and the ability to generate profitable business based on local commitment and relationship-building. Capable advisers and the existing management team play a key role in this. Conse-

quently, it is the Offeror's clear intention for the management of Spar Nord Bank to be represented in leading positions both in relation to the preparation and completion of the combination of the banks, but also subsequently in the management of Nykredit Bank and the day-to-day operations of the combined bank. The Offeror believes that this is of special importance to ensure a smooth and successful integration of the banks and their respective managers and employees.

Following Completion of the Offer, the Offeror expects to change the composition of Spar Nord Bank's Board of Directors so that it reflects the Offeror's expected controlling ownership interest. The timing of an extraordinary general meeting to be held in Spar Nord Bank will be determined in consultation with Spar Nord Bank's Board of Directors".

The Board of Directors expresses the following with respect to the Offeror's stated intentions:

The Board of Directors notes that, in relation to both advisors and the current management, the Offeror acknowledges banking competences and the ability to create business based on local commitment and relationships. The Board of Directors further notes that it is the Offeror's clear intention that the Company's management is represented in senior positions in both the preparation and implementation of a merger as well as afterwards in order to develop a merged bank.

The Board of Directors finds it natural that the Offeror will seek to be represented on the Board of Directors following completion. It should be noted that, under the Danish Companies Act (*selskabsloven*) and the Company's articles of association, the Offeror will be able to nominate all members of the Board of Directors elected by the general meeting if the Offeror holds more than 50 per cent of the Shares following completion.

Offeror's intentions with respect to amendments to Company's articles of association

In the Offer Document, the Offeror has provided the following information about the Offeror's intentions with respect to amendments to the Company's articles of association:

"If, upon Completion, the Offeror holds the number of Spar Nord Bank Shares required under Danish Law, the Offeror intends to seek to have the Spar Nord Bank Shares removed from trading and listing on Nasdaq Copenhagen. This is subject to the Offeror either having the possibility of securing 100 per cent ownership of Spar Nord Bank through a compulsory acquisition or holding more than 90 per cent of the Spar Nord Bank Shares and the attaching voting rights, excluding Treasury Shares, present or represented at a general meeting resolving on the proposal to remove and delist Spar Nord Bank from trading and official listing on Nasdaq Copenhagen. If such a delisting is achieved, the Offeror will initiate amendments to the articles of association of Spar Nord Bank to reflect that Spar Nord Bank is no longer listed on Nasdaq Copenhagen.

If, upon Completion, the Offeror holds the requisite number of Spar Nord Bank Shares to amend Spar Nord Bank's articles of association, the Offeror intends to seek to amend Spar Nord Bank's articles of association to the effect that the provisions on shareholder regions, bank committees, electronic shareholder meetings, shareholder meetings, major shareholders and voting through

delegates are deleted. This would involve deleting articles 6, 7, 8, 9, 10 and 11 and amending articles 5(1), 13(4) and 18. The provision in the articles of association on major shareholders (article 11) is expected to be replaced by a provision according to which a shareholder who on the record date one week before the general meeting holds shares is entitled to exercise voting rights at the general meeting. A resolution to amend Spar Nord Bank's articles of association is subject to the proposal being adopted by two-thirds of the votes cast as well as of the voting stock represented at the general meeting".

The Board of Directors expresses the following with respect to the Offeror's stated intentions:

The Board of Directors considers it to be probable and natural that the Offeror will delist the Shares from Nasdaq Copenhagen and amend the Company's articles of association as set out above.

3.3 Certainty for Completion of Offer

In the process prior to entering into the Publication Agreement, the Board of Directors has not only focused on ensuring an Offer made to the Shareholders on attractive financial terms but also on ensuring that an Offer, if made, was made on terms which, to the greatest extent possible, ensure that the Offer will be completed if accepted by the Shareholders. This implies, among other things, that, in the Publication Agreement, the Board of Directors have made the Offeror take all necessary steps to obtain approval from the Danish Competition and Consumer Authority and to offer and accept any foreseeable undertaking, both behavioural and structural, condition and/or restriction which may be necessary to obtain approval from the Danish Competition and Consumer Authority.

In relation to the other Conditions, the Board of Directors notes that the No Material Adverse Change Condition only runs up to and including 1 April 2025 and only relates to Company-specific events and matters.

3.4 Advantages and disadvantages for Shareholders accepting Offer

Before deciding whether or not to accept the Offer, the Board of Directors advises each of the Shareholders to (i) go through the Offer Document and assess all advantages and disadvantages for each Shareholder and (ii) take into account all other facts, circumstances and considerations described in this Statement.

Subject to the above, the Board of Directors is of the opinion that acceptance of the Offer in particular implies the following advantages and disadvantages for the Shareholders:

3.4.1 Advantages for Shareholders

- The Offer Price represents an attractive price and premium compared to the trading prices of the Shares over the past year; see section 3.1 above.

- Completion of the Offer is subject only to the approval from the competition authorities, the Danish FSA and a number of other customary conditions as set out in the Offer Document.
- Completion of the Offer is not conditional on any other matters, including due diligence reviews or the Offeror obtaining financing or approval from the Offeror's shareholders.
- The Offer Price to the Shareholders is paid in cash.
- Acceptance of the Offer will not prevent the Shareholders from accepting (subject to the restrictions set out in the Offer Document) a competing offer if such an offer is made.

3.4.2 Disadvantages for Shareholders

- The Shareholders accepting the Offer will not receive a share of any future value creation in the Company with effect from Completion.
- Generally, the Shareholders will be taxed on the basis of the gain realised if they choose to sell their Shares. Acceptance of the Offer may accelerate such taxation. As the tax consequences of accepting the Offer is subject to the tax position of each individual Shareholder, the Board of Directors recommends that the Shareholders evaluate their own tax position and, if necessary, consult their own professional advisors.

3.5 Potential consequences for Shareholders not accepting Offer

Shareholders not accepting the Offer may experience materially changed terms for their investment in the Company if, following Completion, the Offeror is neither entitled nor obligated to redeem any remaining Shares. According to the Danish Companies Act, a shareholder holding more than 90 per cent of the shares and voting rights in the company is entitled and obligated to redeem the remaining shares.

The Shareholders should also note that, provided that the Offeror holds more than 50 per cent of the Shares following Completion, any increase of the Offeror's shareholding in the Company following Completion will not imply an obligation for the Offeror to make a new takeover offer to the remaining Shareholders to acquire their Shares.

Reference is also made to section 7.13 of the Offer Document in which the Offeror has described certain possible consequences for Shareholders not accepting the Offer:

- It is uncertain whether the market price of the Shares following completion of the Offer will increase, decrease or remain at the current level.
- If the Offer is completed without the Offeror waiving the condition of obtaining 67 per cent of the Shares and votes in the Company, the Offeror will have secured a qualified (two thirds) majority of the votes at the Company's general meeting, irrespective of attendance at the general meeting, which means that the Offeror will have a sufficient

majority of votes to pass resolutions on changes in the Company which may be passed by a simple majority of votes or a qualified (two thirds) majority of votes, including nominating and removing members of the Board of Directors elected by the general meeting and significant structural changes in the Company, including amendments to the articles of association, changes to the share capital, reorganisations, mergers and demergers of the Company.

- Following completion of the Offer, the Board of Directors is expected to be changed to consist of representatives nominated by the Offeror and elected at the general meeting.
- If, on completion or subsequently, the Offeror obtains the required number of Shares (more than 90 per cent of the Shares and their voting rights, excluding treasury shares), the Offeror will initiate and complete a compulsory redemption of any remaining shareholders. If, on completion, the Offeror does not obtain the required number of Shares to squeeze out the remaining shareholders, the Offeror will complete a subsequent compulsory redemption if the Offeror obtains a sufficient majority to complete a compulsory redemption at a later date through acquisitions of additional Shares or otherwise. If such compulsory redemption is initiated more than three (3) months after the expiry of the Offer Period, the question of whether the amount of the consideration is reasonable may be brought before the court. No later than at the time when a compulsory redemption has been completed and the Offeror thereby has obtained 100 per cent of the Company's share capital and voting rights, the Offeror intends to unite the interests of the Company and Nykredit Bank A/S through a merger under the Danish Companies Act.
- The Offeror's subsequent increase or reduction of its ownership interest in the Company will not impose an obligation on the Offeror to make a mandatory offer provided that the Offeror's holding of Shares continuously results in the Offeror controlling the Company under section 44 of the Danish Capital Markets Act.
- After Completion of the Offer or at a later date, the Offeror intends, subject to applicable law, to ensure that Spar Nord Bank applies for a delisting of the Shares from Nasdaq Copenhagen.

The Board of Directors recommends the Shareholders to go through and assess the statements and representations made by the Offeror in the Offer Document, including the above potential consequences, when deciding whether to accept the Offer and the additional comments below. In relation to these comments, the Board of Directors emphasises that it has no actual knowledge or expectation of the Offeror's intention to attempt to exercise its control over the Company following Completion in a manner detrimental to the minority shareholders. Against this background, the purpose of the description below is to make the Shareholders aware of a number of fundamental principles of current Danish law:

Although the Danish Companies Act provides the minority shareholders in a company with a number of protective rights and although (i) the board of directors of a company is obligated

under Danish law to safeguard the interests of the company and all shareholders; (ii) the individual members of the board of directors are excluded from participating in decisions if such member has or may have or represents a third party who has or may have a material interest contrary to the interests of the company in that decision; and (iii) neither the general meeting nor the board of directors may make or implement a decision that may give a third party (including a shareholder) an undue advantage at the expense of the company or its shareholders, there is no guarantee that the protective rights provide adequate protection for minority shareholders and, in any event, the enforcement of these rights may be costly and time-consuming. According to the general principles of Danish law, a shareholder has no duty of loyalty or similar obligations towards the company or the other shareholders.

4 INFORMATION ABOUT CERTAIN INTERESTS

4.1 Board of Directors' and Executive Board's ownership interests

The members of the Board of Directors and the Executive Board hold Shares in the Company as set out in Appendix 1 to this Statement. Subject to certain conditions, each member of the Board of Directors and the Executive Board holding Shares has undertaken to the Offeror to accept the Offer as made, which is further described in section 1.1 above.

4.2 Other incentives for Board of Directors and Executive Board in connection with Offer

The Board of Directors and the Executive Board will not receive any bonus, payment or compensation as a result of the Completion of the Offer.

5 MISCELLANEOUS

5.1 Governing law

This Statement is governed by Danish law.

5.2 Forward-looking statements

This Statement may contain forward-looking statements. Forward-looking statements are statements that are not historical facts and that are characterised by words such as "assess", "believe", "expect", "assume", "predict", "consider", "intend", "estimate", "will", "may", "continue to", "should" and other similar expressions. In this Statement, the forward-looking statements are based on a number of assumptions, many of which are based on additional assumptions. Although the Board of Directors believes that these assumptions were reasonable when made, they are inherently subject to significant known and unknown risks, uncertainties, unforeseen events and other important factors which are difficult or impossible to predict or which are beyond the Company's control. Such risks, uncertainties, unforeseen events and other important factors may cause actual events to differ materially from the expectations expressed or implied by such forward-looking statements. The Board of Directors has not verified, and expressly disclaims liability for, the forward-looking statements made by the Offeror in the Offer Document and as referenced in this Statement.

5.3 Target group of Statement

The Statement is addressed solely to such Shareholders at whom the Offer is directed and who are not restricted from accepting the Offer under the terms of the Offer Document. Reference is made to section 1.5 of the Offer Document. No other person is entitled to rely on this Statement.

5.4 Advisors

Spar Nord Bank and the Board of Directors are advised by Carnegie Investment Bank, filial af Carnegie Investment Bank AB ("**Carnegie**") as financial advisor and by Accura Advokatpartnerselskab as legal advisor.

5.5 Sources of information and references

The information provided in this Statement concerning the Offeror has been obtained from publicly available sources, including the Offer Document. This Statement also contains references to or quotes from the Offer Document. Neither the Company nor the Board of Directors assumes any liability for (i) the accuracy or completeness of such information or quotes or (ii) any non-disclosure by the Offeror of events which may have occurred or may affect the significance or accuracy of any such information.

This Statement provides certain references to information etc. available on the Company's website www.sparnord.dk. The contents of the Company's website are not an integral part of this Statement and are not incorporated herein by reference.

This statement contains certain references to the Annual Report 2023 and the Q3 Report 2024 (for the first nine months of 2024). The specific sections of these documents referred to in the Statement are incorporated into this Statement by reference.

The Offer Document is not an integral part of this Statement and is not incorporated herein by reference. Neither the Company nor the Board of Directors assumes any liability for the correctness, completeness or adequacy of the Offer Document, which is, therefore, the sole responsibility of the Offeror. The Offeror assumes no liability for the correctness, completeness or adequacy of this Statement, and, therefore, the sole liability for this rests with the Company.

Neither the Company nor the Board of Directors assumes any liability for any statements, opinions etc. concerning the Offer other than the statements, opinions etc. made by the Board of Directors in this Statement.

6 CONCLUSION

Based on the analysis of the Offer provided in this Statement and taking into account the advantages and disadvantages for the Shareholders associated with the Offer, the Board of Directors has unanimously decided to recommend that the Shareholders accept the Offer.

The Board of Directors' recommendation is supported by an assessment dated 6 December 2024 (the "**Fairness Opinion**") obtained by the Board of Directors from its financial advisor Carnegie. The Fairness Opinion confirms that, as at the date thereof and on the basis of, and subject to the procedures followed in the assessment, the assumptions made, the qualifications and limitations in the preparation, the Offer Price offered to the Shareholders (other than the Offeror) was fair from a financial point of view.

The above conclusion should be read in conjunction with the complete Statement and after the Shareholders have carefully gone through and assessed the terms and conditions applicable to the Offer as described in the Offer Document.

Aalborg, 8 January 2025

Board of Directors of Spar Nord Bank A/S

Kjeld Johannesen

Morten Bach Gaardboe

Per Nikolaj Bukh

Mette Louise Kaagaard

Henrik Sjøgreen

Michael Lundgaard Thom-
sen

Lisa Lund Holst

Jannie Merete Thorsø
Skovsen

Gitte Holmgaard Sørensen

Rikke Marie Jacobsen Chris-
tiansen

APPENDIX 1: SHARES HELD BY BOARD OF DIRECTORS AND EXECUTIVE BOARD

The members of the Board of Directors and the Executive Board hold the following shares (directly or indirectly) as at the date of this Statement:

Board of Directors

Name	Number of shares
Kjeld Johannesen	80,000
Morten Bach Gaardboe	9,435
Per Nikolaj Bukh	30,200
Mette Louise Kaagaard	0
Henrik Sjøgreen	33,500
Michael Lundgaard Thomsen	200
Lisa Lund Holst	350
Jannie Merete Thorsø Skovsen	0
Gitte Holmgaard Sørensen	2,847
Rikke Marie Jacobsen Christiansen	3,287

Executive Board

Name	Number of shares
Lasse Nyby	81,577
Martin Kudsk Rasmussen	18,689
John Lundsgaard	110,919
Carsten Levring Jakobsen	10,711