Danske Bank Group

Interim Report January – June 2026

Danske Mortgage Bank Plc

Danske Mortgage Bank Plc's Interim Report for January – June 2026

Danske Mortgage Bank Plc's financial performance remained firm in January–June 2026. No covered bonds were issued during the period and no bonds matured. The housing loan portfolio amortised at a steady pace, and hence the cover pool was replenished through loan purchases. A sufficient amount of collateral eligible loans remains in Danske Bank Group's Finnish businesses. Therefore, the Bank is in a good position to issue covered bonds during the second half of the year.

Net profit for the period was EUR 10.2 million (EUR 12.6 million for January-June 2025).

Danske Mortgage Bank Plc in brief

Danske Mortgage Bank Plc is a Finnish bank and part of the Danske Bank Group. Danske Bank Group is one of the largest financial enterprises in the Nordic region. The Group has its headquarters in Copenhagen. Danske Bank A/S's share is quoted on Nasdaq Copenhagen.

Danske Mortgage Bank Plc operates as an issuer of covered bonds according to the Finnish Act on Mortgage Bank Operations (Act on Mortgage Credit Banks and Covered Bonds). The issuance of covered bonds is part of the Group's long-term funding and part of housing financing in Danske Bank's operations in Finland. The Bank does not grant housing loans, instead the loans used to cover the bonds are purchased from Danske Bank A/S, Finland Branch, which offers customers a full range of banking services. As part of loan pool management process, the Bank sells loans with lower quality back to the Finland Branch.

Throughout this Interim Report the term "Bank" refers to Danske Mortgage Bank Plc.

Operating environment

The Finnish economy returned to cautious growth in late 2025 and strengthened in the first half of 2026, while conditions relevant to household lending remained mixed. Private consumption picked up, supported by higher retail sales volumes, but household confidence stayed subdued. Weak labor market conditions, high unemployment and weaker employment continued to weigh on demand for durable goods and intentions to buy a home.

The housing market and residential construction remained weak. Housing market activity improved during 2025 but declined sharply in early 2026, and building permits were at a record low level, indicating subdued construction activity over the next 1–2 years. Prices of existing dwellings continued to fall year-on-year both in the Helsinki metropolitan area and elsewhere in Finland; in June 2026, prices for the country as a whole were 3.9% lower than a year earlier.

Financial review[1]

The Bank's profit before taxes for January–June 2026 was EUR 12.7 million (15.8 million). The result decreased to EUR 10.2 million (12.6 million). Annualized return on equity amounted to 6.3 per cent for the first half of 2026 (7.3 per cent).

Total operating income for the first half of 2026 decreased by 20.3 per cent compared to the same period in previous year totalling EUR 18.3 million (22.9 million). The net interest income developed as expected totalling to EUR 16.4 million (19.2 million) and decreased by 14.7 per cent compared to the same period last year. The development was due to decreasing lending rates. Net fee income was EUR 1.2 million (1.3 million). Net result from items at fair value was EUR 0.6 million (2.3 million).

Total operating expenses decreased to EUR 4.6 million (6.2 million). The expenses decreased more compared to total operating income, which caused the Cost to income ratio to strengthen to 25.4 per cent (26.9 per cent).

Impairment charges and final write-offs totalled to EUR 0.9 million (1.0 million) of which final write-offs totalled to EUR 1.7 million (EUR 1.4 million). Non-performing loans are sold regularly to Danske Bank A/S, Finland Branch and final-write offs are realized from loan sales.

Balance sheet and funding [2]

The Bank's balance sheet total was EUR 5,961.8 million (5,937.5 million) and loans and receivables from customers were EUR 5,533.9 million (5,657.2 million).

The financial and liquidity situation remained good and the short-term funding from Danske Bank A/S performed well during the period. The LCR liquidity buffer was EUR 368.0 million (167 million) and remained at a good level.

With a liquidity coverage ratio (LCR) of 8,159 per cent end of June 2026 (1,129 per cent), the Bank complies with the current regulatory minimum requirement of 100 per cent.

Net Stable Funding Ratio (NSFR) presents the available stable funding compared to required stable funding. The Bank's NSFR was 116.7 per cent end of June 2026 (116 per cent) which complies with the 100 per cent requirement. Available stable funding totalled to EUR 5,090.9 million end of June 2026 (5,284.8 million), which is EUR 728.4 million (737.9 million) above the required stable funding. Average remaining maturity of the funding received from the parent company was above one year at the end of June 2026.

Capital and solvency[2]

The Bank is using the internal rating based (IRB) approach for calculation of capital requirements for credit risk for retail exposures. Otherwise, standard method is applied for credit risk. For operational risk standard method is applied in calculating capital requirement.

Total capital consists of tier 1 capital that is common equity tier 1 capital after deductions. On 30 June 2026, the total capital amounted to EUR 304.4 million (303.9 million), and the total capital ratio was 34.7 (38.0) per cent. The common equity tier 1 capital ratio was 34.7 (38.0) per cent. The output floor under CRR3 increased to 55 at the beginning of 2026 and is the binding constraint for the capital ratio for the Bank. Profit after taxes for January-June 2026 is not included in Tier 1 distributable capital.

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[1] The comparison figures in parentheses refer to the first six months of 2025.

[2] The comparison figures in parentheses refer to December 2025 figures.

On 30 June 2026, Risk exposure amount (REA) was EUR 877.5 million (798.9 million).

Leverage ratio
The Bank´s leverage ratio was 5.1 per cent on 30 June 2026 (5.1 at the end of December 2025). The leverage ratio is calculated based on the second quarter end figures whereby the tier 1 capital was EUR 304.4 million (303.9 million) and leverage ratio exposure EUR 5,959.3 million (5,902.1 million).

Leverage ratio table is presented after the solvency table as per 30 June 2026.

Capital buffers
On 29 June 2026 the FIN-FSA decided to maintain the countercyclical capital buffer (CCyB) at 0 per cent and to maintain systemic risk buffer (SyRB) requirement at 1.0 per cent.

The minimum own funds requirements and capital buffers for the Bank are listed after the leverage ratio table.

Solvency

Own funds

EURm	30.6.2026	31.12.2025	30.6.2025
Common Equity Tier 1 capital before deductions	319.4	331.9	321.8
Share capital	70.0	70.0	70.0
Reserves for invested unrestricted equity	215.0	215.0	215.0
Retained earnings	24.2	24.2	24.2
Total comprehensive income for the period	10.2	22.7	12.6
Deductions from CET1 capital	-15.0	-28.0	-17.2
Proposed/paid dividends /part of profit not included in CET1	-10.2	-22.7	-12.6
Value adjustments due to the requirements for prudent valuation	0.0	0.0	-0.1
IRB shortfall of credit risk adjustments to expected losses	-4.7	-5.3	-4.5
Common Equity Tier 1 (CET1)	304.4	303.9	304.6
Additional Tier 1 capital (AT1)	-	-	-
Tier 1capital (T1 = CET1 + AT1)	304.4	303.9	304.6
Tier 2 capital (T2)	-	-	-
Total capital (TC = T1 + T2)	304.4	303.9	304.6
Total risk exposure amount (REA)	877.5	798.9	746.2
Unfloored total risk exposure amount (U-TREA) *)	758.3	782.4	746.2
Capital requirement (8% of risk exposure amount)	70.2	63.9	59.7
Credit and counterparty risk	54.9	56.9	54.3
Operational risk	5.7	5.7	5.4
Common equity tier 1 capital ratio (%)	34.7 %	38.0 %	40.8 %
Tier 1 capital ratio (%)	34.7 %	38.0 %	40.8 %
Total capital ratio (%)	34.7 %	38.0 %	40.8 %

Company's capital adequacy ratio has been calculated both in accordance with Credit Institutions Act Sect 9-10 and EU Capital Requirement Regulation (CRR).

*) Output floor was implemented as part of CRR3 in 2025

Leverage Ratio

EURm	30.6.2026	31.12.2025	30.6.2025
Total assets	5,961.8	5,937.5	6,245.3
Derivatives accounting asset value	-38.4	-75.1	-88.3
Derivatives exposure to counterparty risk ex. collateral	40.7	45.0	40.0
Adjustment to CET1 due to prudential filters	-4.7	-5.3	-4.5
Total exposure for leverage ratio calculation	**5,959.3**	**5,902.1**	**6,192.5**
Reported tier 1 capital (transitional rules)	304.4	303.9	304.6
Tier 1 capital (fully phased-in rules)	304.4	303.9	304.6
Leverage ratio (transitional rules)	**5.1 %**	**5.1 %**	**4.9 %**
Leverage ratio (fully phased-in rules)	**5.1 %**	**5.1 %**	**4.9 %**

Minimum Capital Requirements and Capital Buffers

Minimum requirements (% of total risk exposure amount):	30.6.2026	31.12.2025	30.6.2025
Common Equity Tier (CET) 1 capital ratio	4.5 %	4.5 %	4.5 %
Tier 1 capital ratio	6.0 %	6.0 %	6.0 %
Total capital ratio	8.0 %	8.0 %	8.0 %
Capital buffers (% of total risk exposure amount):			
Capital conservation buffer [1]	2.5 %	2.5 %	2.5 %
Institution-specific countercyclical capital buffer	0.0 %	0.0 %	0.0 %
Countercyclical buffer [2]	-	-	-
Systemic risk buffer [3]	1.0 %	1.0 %	1.0 %
Minimum requirement including capital buffers (% of total risk exposure amount):			
Common Equity Tier (CET) 1 capital ratio	8.0 %	8.0 %	8.0 %
Pillar 2 add-ons (EUR million)			
Interest rate risk in the banking book (IRRBB)	10.0	10.0	10.0
Leverage ratio requirement: [4]	3.0%	3.0 %	3.0%

1) Valid from 1.1.2015 onwards.
2) On 29 June 2026, the FIN-FSA decided not to set any countercyclical buffer.
3) On 26 June 2025, the FIN-FSA decided to maintain 1 percent systemic risk buffer requirement, which came to force on 1 April 2024.
4) Valid from 28.6.2021 onwards.

Credit ratings

Issued covered bonds are rated 'Aaa' by Moody's Investors Service and 'AAA' by Scope Ratings. In addition, Danske Mortgage Bank has AA-/Stable Issuer rating from Scope Ratings.

Employees and organisation

The Bank had 5 employees at the end of the reporting period (31 December 2025: 5). The average amount of personnel in January-June was 5 (financial period 2025: 5).

Danske Mortgage Bank Plc's Board of Directors and auditors

Justin Fox was elected to the Board of Directors on 16 February 2026.

The Annual General Meeting of the Bank was held on 18 March 2026, where Jens Wiklund was elected as the chairman of the Board of Directors. The composition of the Board remained unchanged, with Jens Wiklund (Chairman), Robert Wagner (Deputy Chairman), Justin Fox, Terese Dissing, Tomi Dahlberg and Rauni Haaranen continuing as members.

The Annual General Meeting chose Deloitte Ltd Audit Firm, as its auditor, with Sonja Suosalo, APA, as the Key audit partner.

Danske Mortgage Bank Plc's shares, ownership and group structure

Danske Mortgage Bank Plc is part of the Danske Bank Group. The parent company of the Danske Bank Group is Danske Bank A/S.

The Bank's share capital is EUR 70 million, divided into 106,000 shares. Danske Bank A/S holds the entire stock of Danske Mortgage Bank Plc's shares.

Material accounting policies

This interim report covers Danske Mortgage Bank Plc. The interim report has been drawn up mainly according to the same accounting principles as in the annual financial statements for 2025. Starting from 1 January 2026 the Bank transferred to IFRS hedge accounting. Accounting policies are further explained in the Notes to the Interim report and are presented in detail in the Notes to the 2025 financial statements.

Risk management

The Bank's principles for risk management are based on legislation for mortgage banks. The main objective of risk management is to ensure that the capital base is adequate in relation to the risks arising from the business activities. The Board of Directors of the Bank establishes the principles of risk management, risk limits and other general guidelines according to which risk management is organized at the Bank.

To ensure that the Bank's risk management organisation meets both the external and internal requirements, the Board of Directors has also set up a Risk Council composed of the operative management members. The Risk Council's main objective is to ensure that the Bank is compliant with the risk management guidelines issued by the Board of Directors and that the Bank monitors all types of risk and provides reports to concerned parties.

The main risks associated with the Bank's activities are credit risk, interest rate and liquidity risks of banking book, non-financial and various business risks. Credit risk has the largest impact on capital requirement. The majority of the operative risks are related to outsourced services and processes.

The Bank's risk position has been low. The main risks associate with the increased economic uncertainty and development in the general environment, investment market and future changes in financial regulations.

The Finnish Financial Stability Authority has determined the minimum requirement for own funds and eligible liabilities for the Bank. The internal MREL requirement consists of a requirement based on the total risk exposure amount (TREA), amounting to 18.37 per cent from 1 January 2026, and a requirement based on the leverage ratio exposure measure (LRE), amounting to 5.91 per cent.

The Bank's Definition of Default for accounting aligns with the regulatory purposes. All exposures in stage 3 are considered defaulted. As a result, all non-performing loans are considered defaulted, and hence equal to the total of stage 3 exposures. Non-performing loans over 90 days past due were at a low level in relation to the loan portfolio totalling EUR 1.0 million (EUR 0.6 million at the end of December 2025).

More detailed information of risks and risk management can be found in the 2025 Annual report. More information regarding credit exposures can be found in this interim report on page 11.

Events after the reporting period

There are no material events after the reporting period.

Outlook for 2026

There are signs of a gradual recovery in the Finnish economy. Growth is supported in particular by stronger private consumption, underpinned by rising earnings and a recovery in confidence. Investments will contribute somewhat to economic growth, but residential construction remains weak and house prices are still expected to decline. Inflation is expected to remain moderate, although higher energy prices are adding to inflationary pressures in the euro area. The ECB's policy rate is expected to rise further in the short term, but interest rates are expected to start declining during next year.

The Bank's operations are expected to remain stable, and the number of employees is expected to remain unchanged. The Bank's result for 2026 is expected to decline somewhat compared with 2025. Average lending rates are likely to remain below the previous year's level, while refinancing-related costs have increased. The Bank's solvency is expected to remain strong.

The outlook is subject to uncertainty relating to future macroeconomic and business developments.

Helsinki, 18 August 2026

Danske Mortgage Bank Plc

Board of Directors

Further information:

Janne Lassila, CEO
Tel. +358 40 515 8911

The figures in this interim report have not been audited.

Releases and other company information can be found on the Bank's website at danskebank.com/investor-relations/debt/danske-mortgage-bank.

Statement of comprehensive income

MEUR	Note	1-6/2026	1-6/2025	1-12/2025
Interest income calculated using the effective interest method	1	83.2	103.6	190.5
Other interest income	1	4.9	4.0	8.6
Interest expense	1	71.7	88.4	162.8
Net interest income	1	16.4	19.2	36.3
Fee income		1.2	1.3	2.5
Fee expenses		0.0	0.0	0.0
Net result from items at fair value		0.6	2.3	1.8
Other income		0.1	0.1	0.2
Total operating income		**18.3**	**22.9**	**40.8**
Staff costs		0.4	0.4	0.7
Other operating expenses		4.2	5.8	9.9
Total operating expenses		**4.6**	**6.2**	**10.6**
Loan impairment charges	2	0.9	1.0	1.9
Profit before taxes		**12.7**	**15.8**	**28.3**
Taxes		2.5	3.2	5.7
Net profit after tax		**10.2**	**12.6**	**22.7**
Total comprehensive income for the financial year		**10.2**	**12.6**	**22.7**

Balance sheet

MEUR	Note	30 June 2026	30 June 2025	31 December 2025
Assets				
Cash and balances with central banks		310.0	285.7	124.6
Loans and receivables to credit institutions	2	2.7	0.4	5.3
Trading portfolio assets	5, 6	38.4	88.3	75.1
Loans and receivables to customers	2	5,533.9	5,795.0	5,657.2
Tax assets		1.2	-	-
Other investment securities		68.6	68.5	68.6
Other assets		7.0	7.5	6.8
Total assets		**5,961.8**	**6,245.3**	**5,937.5**
Liabilities				
Due to credit institutions and central banks	7	692.6	913.3	617.8
Trading portfolio liabilities	5, 6	49.2	78.5	71.8
Debt securities in issue	8	4,688.1	4,726.8	4,700.0
Non-preferred senior securities	8	160.0	160.0	160.0
Tax liabilities		-	0.5	0.1
Other liabilities		52.4	44.3	55.9
Total liabilities		**5,642.4**	**5,923.4**	**5,605.6**
Equity				
Share capital		70.0	70.0	70.0
Reserves		215.0	215.0	215.0
Retained earnings		34.4	36.8	46.9
Total equity		**319.4**	**321.8**	**331.9**
Total equity and liabilities		**5,961.8**	**6,245.3**	**5,937.5**

Statement of changes in equity

EURm	Share capital	Reserves for invested unrestricted equity	Retained earnings	Total
Equity at 1 January 2025	70.0	215.0	83.8	368.8
Total comprehensive income			12.6	12.6
Dividend distribution			-59.6	-59.6
Equity at 30 June 2025	70.0	215.0	36.8	321.8
Equity at 1 January 2025	70.0	215.0	83.8	368.8
Total comprehensive income			22.7	22.7
Dividend distribution			-59.6	-59.6
Equit at 31 December 2025	70.0	215.0	46.9	331.9
Equity at 1 January 2026	70.0	215.0	46.9	331.9
Total comprehensive income			10.2	10.2
Dividend distribution			-22.7	-22.7
Equity 30 June 2026	70.0	215.0	34.4	319.4

Cash flow statement

EURm	1-6/2026	1-6/2025	1-12/2025
Cash flow from operations			
Profit before tax	12.7	15.8	28.3
Loan impairment charges	0.9	1.0	1.9
Tax paid	-3.8	-2.9	-5.8
Other non-cash operating items	-3.7	-10.2	2.1
Total	6.1	3.6	26.5
Changes in operating capital			
Due to credit institutions	74.8	-202.4	-497.8
Trading portfolio	14.1	-21.7	-15.2
Other financial instruments	-0.1	-22.5	-22.6
Loans and receivables	122.4	-101.2	35.7
Debt securities in issue net [1]	-11.8	526.4	499.5
Other assets/liabilities	0.0	0.0	0.0
Cash flow from operations	205.5	182.3	26.1
Cash flow from financing activities			
Non-preferred senior securities	0.0	90.0	90.0
Dividends	-22.7	-59.6	-59.6
Cash flow from financing activities	-22.7	30.4	30.4
Cash and cash equivalents, beginning of period	129.8	73.4	73.4
Change in cash and cash equivalents	182.8	212.7	56.5
Cash and cash equivalents, end of period	312.7	286.0	129.8
Cash in hand and demand deposits with central banks [2]	310.0	285.7	124.6
Amounts due from credit institutions and central banks within 3 months	2.7	0.4	5.3
Total	312.7	286.0	129.8

1) Debt securities in issue are presented separately including both debt securities issued and matured during the financial year. Comparison period corrected correspondingly.

2) The minimum reserve is not included in the amount.

Reconciliation of liabilities arising from financing activities: On 30th June 2026 there were no liabilities arising from financing activities.

Danske Mortgage Bank Plc's financial highlights

		1-6/2026	1-6/2025	1-12/2025
Net interest income	**EURm**	**16.4**	**19.2**	**36.3**
Total operating income	EURm	18.3	22.9	40.8
Total operating expenses	EURm	4.6	6.2	10.6
Impairment charges on loans and receivables 1)	EURm	0.9	1.0	1.9
Profit before taxes	EURm	12.7	15.8	28.3
Cost to income ratio	%	25.4	26.9	26.0
Total amount of balance sheet at the end of the period	EURm	5,961.8	6,245.3	5,937.5
Equity at the end of the period	EURm	319.4	321.8	331.9
Return on equity 2)	%	6.3	7.3	6.5
Solvency ratio	%	34.7	40.8	38.0
Number of staff (FTE) at the end of the period		5	5	5
Average number of staff		5	5	5
Return on assets 2)	%	0.3	0.4	0.4
Equity/assets ratio	%	5.4	5.2	5.6

Comparative period figures adjusted to be in line with the new presentation of Net interest income, Net fee income and Net result from items at fair value. More information can be found in the Accounting Policies.
1) Impairment on loans and receivables includes impairment charges, reversals of them, write-offs and recoveries. (-) net loss positive.
2) Annualized

Definition of Alternative Performance Measures:

Danske Mortgage Bank Plc's management believes that the alternative performance measures (APMs) used in the Board of Directors' report provide valuable information to readers of the financial statements. The APMs provide more consistent basis for assessing the performance of the Bank. The APM's play an important role when the Bank's management monitors performance.

There are no adjusting items, which means that net profit is the same in the financial highlights and in the IFRS income statement. The differences between the financial highlights and the IFRS financial statements relate only to additional figures being presented in Board of Directors' disclosure which are not required by the IFRS -standards.

Definitions of additional performance measures presented in Financial Highlights:

Cost to income ratio, % :

$$\frac{\text{Staff costs + other operating expenses + depreciations and impairments}}{\text{Net interest income + net trading income + net fee income + share profit from associated undertakings + other operating income}} \times 100$$

Return on equity, % :

$$\frac{\text{Profit before taxes - taxes}}{\text{Equity + non-controlling interests (average)}} \times 100$$

Return on assets, % :

$$\frac{\text{Profit before taxes - taxes}}{\text{Average total assets}} \times 100$$

Equity/assets ratio, % :

$$\frac{\text{Equity + non-controlling interests}}{\text{Total assets}} \times 100$$

Notes to the Interim Report

MATERIAL ACCOUNTING POLICIES AND ESTIMATES

General

Danske Mortgage Bank Plc prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS Accounting Standards), issued by the International Accounting Standards Board (IASB) and IFRIC Interpretations issued by IFRS Interpretations Committee, as adopted by the EU. In addition, certain requirements based on the Finnish Accounting Act, Finnish Act on Credit Institutions, Finnish Financial Supervisory Authority's regulations and guidelines as well as on the decision of the Ministry of Finance on financial statements of credit institutions have also been applied.

Danske Mortgage Bank Plc's Interim Report January - June 2026 has been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by EU. The report is condensed and should be read in conjunction with the Annual Report 2025.

With effect from 1 January 2026, Danske Mortgage Bank started to apply IFRS 9 for hedge accounting. Under IFRS 9, the retrospective 80-125% effectiveness test no longer applies; instead Danske Mortgage Bank assesses whether the hedging relationship continues to meet the prospective hedge effectiveness requirements. All hedging relations that qualified for hedge accounting under IAS 39 continue to qualify for hedge accounting under IFRS 9. There is no impact on net profit in 2026 on application of IFRS 9 hedge accounting.

On 1 January 2026, amendments to IFRS 9 and IFRS 7 and Annual Improvements to IFRS Accounting Improvements – Volume 11 became effective and have no impact on the financial statements. The accounting policies are unchanged from those applied in Annual Report 2025. Annual Report 2025 provides a full description of the material accounting policies.

Financial statements figures are stated in euro (EUR) and in whole millions with one decimal, unless otherwise stated. The figures in the notes are rounded so that combined individual figures might differ from the presented total amount.

Danske Mortgage Bank Plc has only one business segment and therefore separate segment report outlined in IFRS 8 is not presented.

Accounting estimates and assessments

The Management's estimates and assumptions of future events that will significantly affect the carrying amounts of assets and liabilities underlie the preparation of the financial statements. Management's judgement is also used with the adaption of accounting policies. The estimates and assumptions that are deemed critical to the financial statements are described in Notes to the Annual Report 2025.

Financial calendar

The interim report has not been audited. The financial statements for 2025 are available on Danske Mortgage Bank Plc's web site https://danskebank.com/investor-relations/debt/danske-mortgage-bank.

The Bank publishes one interim report during the financial year 2026.

Other notes

1. Net interest income

EURm	1-6/2026	1-12/2025	1-6/2025
Interest income calculated using effective interest method			
Loans and receivables to credit institutions	2.5	6.0	2.8
Loans and receivables to customers	80.8	184.4	100.8
Total	83.2	190.5	103.6
Other interest income			
Derivatives	4.9	8.6	4.0
Total	4.9	8.6	4.0
Interest expenses			
Amounts owed to credit institutions	8.7	31.0	17.4
Debt securities in issue	51.5	88.3	42.6
Derivatives	11.5	43.1	28.3
Other interest expenses	0.0	0.4	0.1
Total	71.7	162.8	88.4
Net interest income	16.4	36.3	19.2

2. Loans and other receivables and impairments

Loans and other receivables and impairment

EURm	6/2026	12/2025
Loans and receivables to customers		
Private customers	5,541.2	5,664.8
Impairment charges	-7.4	-7.6
Total	**5,533.9**	**5657.2**
Cash and balances at central banks and loans and receivables from credit institutions		
Balances with central banks*	310.0	124.6
Loans and receivables from credit institutions		
Other loans	2.7	5.3
Allowances	0.0	0.0
Total	**312.7**	**129.8**
Loans and receivables total	**5,846.5**	**5,787.0**

* Balances with central banks are placed in Stage 1 under the three-stage expected credit loss impairment model in IFRS 9.

Loan impairment charges

1000 EUR	1-6/2026	1-6/2025	1-12/2025
Impact of net remeasurement of ECL (incl. changes in models)	1,456.3	1,409.7	2,600.8
ECL on assets derecognised	-542.1	-405.3	-706.3
Decrease of provisions to cover realised loan losses	-1,735.3	-1,365.2	-2,730.8
Final write-offs	1,735.3	1,365.2	2,730.8
Interest income, effective interest method	0.0	-0.2	-0.5
Total	**914.2**	**1,004.2**	**1,893.9**

Reconciliation of total allowance account on loans

1000 EUR				6/2026
	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the period, 1.1.2026	1,785.0	5,464.0	363.2	7,612.2
Transferred to Stage 1 during the period	1,500.4	-1,490.6	-9.8	0.0
Transferred to Stage 2 during the period	-130.2	132.8	-2.6	0.0
Transferred to Stage 3 during the period	-8.5	-379.3	387.8	0.0
ECL on new assets	0.0	0.0	0.0	0.0
ECL on assets derecognised	-146.3	-336.4	-59.4	-542.1
Impact of net remeasurement of ECL (incl. changes in models)	-1,855.6	2,125.5	1,186.4	1,456.3
Write-offs debited to the allowance account	-17.2	-13.9	-1,704.2	-1,735.3
Foreing exchange adjustments	2.1	3.4	0.3	5.8
Other changes	424.8	130.4	14.3	569.5
Balance at end of period, 30.6.2026	**1,554.5**	**5,635.8**	**176.0**	**7,366.3**

1000 EUR				6/2025
	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of the period, 1.1.2025	2,164.4	4,787.2	341.8	7,293.5
Transferred to Stage 1 during the period	1,551.3	-1,530.4	-20.9	-
Transferred to Stage 2 during the period	-392.5	418.3	-25.7	-
Transferred to Stage 3 during the period	-218.1	-317.8	535.8	-
ECL on new assets	-59.5	8.7	0.0	-50.8
ECL on assets derecognised	-132.3	-250.9	-22.1	-405.3
Impact of net remeasurement of ECL (incl. changes in models)	-1,816.1	2,250.5	977.7	1,412.1
Write-offs debited to the allowance account	-19.4	-24.9	-1,320.9	-1,365.2
Foreign exchange adjustments	0.1	0.5	0.2	
Other changes	764.4	70.3	23.5	858.1
Balance at end of period, 30.6.2025	**1,842.2**	**5,411.6**	**489.4**	**7,742.5**

Credit exposure from lending activities

Credit exposure from lending activities in the Danske Mortgage Bank Plc's core banking business includes loans, amounts due from central banks and irrevocable loan commitments. The exposure is measured net of expected credit losses. For reporting purposes, all collateral values are net of haircuts and capped at the exposure amount. The table below breaks down the credit exposure by rating categories and stages. Further information on classification of customers from the Annual Report 2025 Risk Management Disclosure starting from page 10. Further information regarding Loan impairment charges is presented in the Annual Report 2025, note 6.

Credit portfolio broken down by rating category and stages in IFRS 9

EURm

	PD level		Gross exposure			Expected Credit Loss			Net exposure			Net exposure, ex collateral		
	Upper	Lower	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
1	0.00	0.01	0.0	-	-	0.0	-	-	0.0	-	-	0.0	-	-
2	0.01	0.03	377.2	-	-	0.0	-	-	377.2	-	-	310.0	-	-
3	0.03	0.06	575.0	-	-	0.0	-	-	574.9	-	-	3.3	-	-
4	0.06	0.14	1,768.5	0.5	-	0.1	0.0	-	1,768.4	0.5	-	65.1	0.0	-
5	0.14	0.31	1,552.5	4.6	-	0.4	0.0	-	1,552.1	4.6	-	63.9	0.3	-
6	0.31	0.63	931.4	62.5	-	0.5	0.3	-	930.9	62.3	-	56.9	5.3	-
7	0.63	1.90	232.1	134.8	-	0.4	0.9	-	231.7	133.9	-	15.5	8.0	-
8	1.90	7.98	12.1	21.1	-	0.0	0.3	-	12.1	20.8	-	0.9	0.8	-
9	7.98	25.70	41.0	40.9	-	0.1	0.6	-	40.9	40.3	-	1.8	1.3	-
10	25.70	99.99	8.8	83.7	-	0.0	3.5	-	8.8	80.1	-	0.6	-0.5	-
11 (default)	100.00	100.00	0.6	2.4	1.5	0.0	0.1	0.2	0.6	2.3	1.4	0.0	0.2	0.1
Total			**5,499.1**	**350.5**	**1.5**	**1.6**	**5.6**	**0.2**	**5,497.5**	**344.9**	**1.4**	**518.0**	**15.4**	**0.1**

12/2025	PD level		Gross exposure			Expected Credit Loss			Net exposure			Net exposure, ex collateral		
	Upper	Lower	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3	Stage 1	Stage 2	Stage 3
1	0.00	0.01	-	-	-	-	-	-	-	-	-	-	-	-
2	0.01	0.03	195.1	0.7	-	0.0	0.0	-	195.1	0.7	-	124.6	0.0	-
3	0.03	0.06	595.3	0.0	-	0.0	0.0	-	595.3	0.0	-	3.1	0.0	-
4	0.06	0.14	1,792.5	1.0	-	0.2	0.0	-	1,792.4	1.0	-	52.0	0.1	-
5	0.14	0.31	1,584.0	3.8	-	0.4	0.0	-	1,583.6	3.8	-	53.6	0.1	-
6	0.31	0.63	990.3	50.0	-	0.7	0.2	-	989.6	49.8	-	51.1	2.6	-
7	0.63	1.90	244.6	134.8	-	0.4	0.8	-	244.2	134.0	-	17.0	5.0	-
8	1.90	7.98	10.6	21.3	-	0.1	0.3	-	10.6	21.1	-	0.4	0.7	-
9	7.98	25.70	29.4	30.7	-	0.0	0.5	-	29.3	30.2	-	1.0	0.8	-
10	25.70	99.99	12.5	85.0	-	0.0	3.5	-	12.4	81.5	0.0	0.3	-0.2	-
11 (default)	100.00	100.00	1.0	2.7	4.0	0.0	0.1	0.4	1.0	2.7	3.6	0.1	0.0	0.1
Total			**5,455.3**	**330.1**	**4.0**	**1.8**	**5.4**	**0.4**	**5,453.5**	**324.6**	**3.6**	**303.3**	**9.2**	**0.1**

3. Balance sheet classification

EURm	Amortised cost		Fair value through profit or loss			
ASSETS	Held to collect finan-cial assets	Liabilities	Managed at fair value	Hedge	Non-financial as-sets and liabilities	Total
Cash and balances with central banks	310.0					310.0
Loans and receivables to credit institutions	2.7					2.7
Trading portfolio assets				38.4		38.4
Other investment securities			68.6			68.6
Loans and receivables to customers	5,533.2			0.6		5,533.9
Tax assets					1.2	1.2
Other assets					7.0	7.0
Total 30 June 2026	**5,845.9**	**-**	**68.6**	**39.1**	**8.2**	**5,961.8**
LIABILITIES						
Due to credit institutions and central banks		692.6				692.6
Trading porfolio liabilities				49.2		49.2
Debt securities in issue		4,637.0		51.1		4,688.1
Non-preferred senior securities		160.0				160.0
Other liabilities					52.4	52.4
Total 30 June 2026	**-**	**5,489.6**	**-**	**100.3**	**52.4**	**5,642.4**

EURm	Amortised cost		Fair value through profit or loss			
ASSETS	Held to collect finan-cial assets	Liabilities	Managed at fair value	Hedge	Non-financial as-sets and liabilities	Total
Cash and balances with central banks	124.6					124.6
Loans and receivables to credit institutions	5.3					5.3
Trading portfolio assets				75.1		75.1
Other investment securities			68.6			68.6
Loans and receivables to customers	5,653.4			3.8		5,657.2
Other assets					6.8	6.8
Total 31 December 2025	**5,783.2**	**-**	**68.6**	**78.9**	**6.8**	**5,937.5**
LIABILITIES						
Due to credit institutions and central banks		617.8				617.8
Trading porfolio liabilities				71.8		71.8
Debt securities in issue		4,662.5		37.5		4,700.0
Non-preferred senior securities		160.0				160.0
Tax liabilities					0.1	0.1
Other liabilities					55.9	55.9
Total 31 December 2025	**-**	**5,440.3**	**-**	**109.3**	**56.0**	**5,605.6**

4. Maturity analysis of the balance sheet

EURm	Total	< 1 year	> 1 year
Assets			
Cash and balances with central banks	310.0	310.0	-
Loans and receivables to credit institutions	2.7	2.7	-
Trading portfolio assets	38.4	6.9	31.5
Other investment securities	68.6	68.6	-
Loans and receivables to customers	5,533.9	543.9	4,989.9
Tax assets	1.2	1.2	-
Other assets	7.0	7.0	-
Total 30 June 2026	**5,961.8**	**940.3**	**5,021.4**

Liabilities	Total	< 1 year	> 1 year
Due to credit institutions and central banks	692.6	-	692.6
Derivatives and other financial liabilities held for trading	49.2	32.2	17.0
Debt securities in issue	4,688.1	1,079.6	3,608.5
Non-preferred senior securities	160.0	-	160.0
Other liabilities	52.4	52.4	-
Total 30 June 2026	**5,642.4**	**1,164.2**	**4,478.2**

Assets	Total	< 1 year	> 1 year
Cash and balances with central banks	124.6	124.6	-
Loans and receivables to credit institutions	5.3	5.3	-
Trading portfolio assets	75.1	16.3	58.8
Other investment securities	68.6	44.3	24.3
Loans and receivables to customers	5,657.2	384.5	5,272.7
Other assets	6.8	6.8	-
Total 31 December 2025	**5,937.5**	**581.7**	**5,355.8**

Liabilities	Total	< 1 year	> 1 year
Due to credit institutions and central banks	617.8	217.8	400.1
Derivatives and other financial liabilities held for trading	71.8	34.4	37.4
Debt securities in issue	4,700.0	567.6	4,132.3
Non-preferred senior securities	160.0	-	160.0
Tax liabilities	0.1	0.1	-
Other liabilities	55.9	55.9	-
Total 31 December 2025	**5,605.6**	**875.9**	**4,729.8**

Maturity analysis of past due financial assets, net

EURm	30 June 2026	31 December 2025
Assets past due 30-90 days	4.0	9.5
Unlikely to pay	3.0	6.7
Nonperforming assets past due at least 90 days but no more than 180 days	0.7	0.5
Nonperforming assets past due at least 180 days - 1 year	0.2	0.1
Nonperforming assets more than 1 year	-	-
Receivables with forbearance measures, gross carrying amount	66.3	75.1

5. Fair value information for financial instruments

Financial instruments are carried on the balance sheet at fair value or at amortised cost. There is more detailed description regarding classification of financial assets and liabilities by valuation type and measurement bases in Note 10 in the Annual Report 2025.

Financial instruments valued on the basis of quoted prices on an active market are recognised in the Quoted prices category (level 1). Financial instruments valued substantially on the basis of other observable input are recognised in the Observable input category (level 2). Other financial instruments are recognised in the Non-observable input category (level 3).

The classification of the instrument changes, if at the balance sheet date, a financial instrument's classification differs from its classification at the beginning of the year. Changes are considered to have taken place at the balance sheet date. During the reporting period ending 30 June 2025, there were no transfers between Level 1 (Quoted prices) and Level 2 (Observable input) fair value measurements, and no transfers into and out of Level 3 (Non-observable input) fair value measurement.

All financial assets and liabilities are measured at observable input. The company does not have any financial assets or liabilities that fall in the category non-observable input.

EURm				30 June 2026
	Quoted prices	Observable input	Non-observable input	Total
Financial assets				
Investment securities, bonds	68.6	-	-	68.6
Derivative financial instruments	-	38.4	-	38.4
Total	**68.6**	**38.4**	**-**	**107.1**
Financial liabilities				
Derivative financial instruments	-	49.2	-	49.2
Total	**-**	**49.2**	**-**	**49.2**

				31 December 2025
EURm	Quoted prices	Observable input	Non-observable input	Total
Financial assets				
Investment securities, bonds	68.6	-	-	68.6
Derivative financial instruments	-	75.1	-	75.1
Total	**68.6**	**75.1**	**-**	**143.7**
Financial liabilities				
Derivative financial instruments	-	71.8	-	71.8
Total	**-**	**71.8**	**-**	**71.8**

6. Derivative financial instruments

EURm			30 June 2026
	Fair value		Notional amount
Derivatives held for hedging	Assets	Liabilities	
Fair value hedges	**38.4**	**48.9**	**9,264.1**
Interest rate			
OTC derivatives	38.4	48.9	9,264.1
Total derivatives held for hedging	**38.4**	**48.9**	**9,264.1**
Nominal value of the underlying instrument			
Remaining maturity	Less than 1 year	1-5 years	Over 5 years
	1,003.3	7,510.8	750.0

			31 December 2025
	Fair value		Notional amount
Derivatives held for hedging	Assets	Liabilities	
Fair value hedges	**75.1**	**71.4**	**9,447.0**
Interest rate			
OTC derivatives	75.1	71.4	9,447.0
Total derivatives held for hedging	**75.1**	**71.4**	**9,447.0**
Nominal value of the underlying instrument			
Remaining maturity	Less than 1 year	1-5 years	Over 5 years
	796.0	7,901.0	750.0

All of the Company's derivatives held for hedging are contracts with Group companies. Notional amount of all derivatives at 30.6.2026 totalled to EUR 10,303.7 million (31.12.2025 EUR 10,425.8 million).

7. Amounts owed to credit institutions

EURm	6/2026	6/2025	12/2025
Amounts owed to credit institutions	692.6	913.3	617.8
Total	**692.6**	**913.3**	**617.8**

8. Debt securities in issue

EURm	30 June 2026	30 June 2025	31 December 2025
Finnish covered bonds	4,688.1	4,726.8	4,700.0

Debt securities in issue nominal value

EURm	1 January 2026	Issued	Redeemed	30 June 2026
Covered bonds	**4,750.0**	**-**	**-**	**4,750.0**

	1 January 2025	Issued	Redeemed	31 December 2025
Covered bonds	4,250.0	1,750.0	1,250.0	4,750.0

The fair value of Debt securities in issue amounted to EUR 4,759.32 million (2025: EUR 4,758,0 million) compared to the carrying amount of EUR 4,688.1 million (12/2025: EUR 4,700.0 million).

Milj. €	2026
At 1 January 2026	160.0
Issuance during the year	70.0
Repayments during the year	-70.0
Balance at 30 June 2026	**160.0**

	2025
At 1 January 2025	70.0
Issuance during the year	90.0
Balance at 31 December 2025	**160.0**

The Bank has two Senior non-preferred loans from Danske Bank A/S, which are eligible for fulfilling the MREL (Minimum Requirement for Own Funds and Eligible Liabilities) requirements set by the Financial Stability Authority. The first 90 MEUR loan was withdrawn 14 March 2025 and the second 70 MEUR was drawn on 23 June 2026. The interest basis for the loans are 3-month EURIBOR + 0.825% and 3-month EURIBOR + 0.575%, respectively. All loans mature on 23 March 2029. Loans lose their MREL eligibility one year prior to their maturity. Redemption of the loans are subject to regulatory approval.

9. Contingent liabilities and commitments

Danske Mortgage Bank Plc does not have significant off-balance sheet items or significant non-cancellable operating leases. The Bank's off-balance sheet items consist of undrawn loans, which the Bank did not have at 30 June 2026 and 31 December 2025.

10. Related party transactions with Group companies and other related parties

Related party comprises the parent company, the key management personnel and other related-party companies. Parties with significant influence include the parent company and its branches. The key management personnel comprise of the Board of Directors and executive management, including close family members and companies, in which the key management personnel or their close family members have considerable influence.

Related party transactions have not changed materially since 31.12.2025.