

## Sydbank's Interim Report – Q1-Q3 2024

### Bigger Sydbank – new 3-year strategy plan

On the back of the highly satisfactory results achieved during the present strategy period, which will expire at the end of 2024, Sydbank is announcing today a new 3-year strategy plan to ensure that the Bank will continue the positive momentum demonstrated since 2014. The strategy is called: “**Bigger Sydbank** – value for all through advice and relationships”.

### Q1-Q3 2024 – highlights

- Profit for the period of DKK 2,396m equals a return on equity of 21.7% p.a. after tax
- Core income of DKK 5,447m is 4% higher compared to the same period in 2023
- Trading income of DKK 223m compared to DKK 240m in the same period in 2023
- Costs (core earnings) of DKK 2,453m compared to DKK 2,335m in the same period in 2023
- Core earnings before impairment of DKK 3,217m are 3% higher compared to the same period in 2023
- Impairment charges for loans and advances etc represent an expense of DKK 87m
- Bank loans and advances have risen by DKK 8.0bn, equal to an increase of 11% compared to year-end 2023
- The CET1 ratio stands at 18.0%, equal to a decrease of 0.9pp compared to year-end 2023

CEO Mark Luscombe comments on the result:

- It is positive that we were able to lift core income and total income in the first 9 months of the year from their all-time high levels last year. Costs have risen by 3% – excl Coop Bank – compared with a year ago. Thanks to the Bank's constant focus on becoming increasingly efficient, the increase in costs is smaller than the effects of the agreed overall pay rises and the abolition of Great Prayer Day. Profit for the first 9 months of the year is on the same level as that of the record year 2023 and equals a return on equity of 21.7%, which is highly satisfactory.

Mark Luscombe comments on developments in business volume:

- We are pleased that the continued effect of our strong focus on providing value-creating advice to our customers has boosted our business volume in terms of bank loans and advances, deposits and the investment area. Bank loans and advances constitute DKK 82.5bn – an increase of DKK 8.0bn during the period. Deposits make up DKK 114.8bn – – and are thus at a historically all-time high.

Board chairman Lars Mikkellaard-Jensen comments on Sydbank's new 3-year strategy plan:

As a natural next step for the current strategy “Growing our business” we will be raising the bar and we will create a **Bigger Sydbank** in the next strategy period. This means that we will maintain our starting point as **Denmark's Corporate Bank** and increase our market share in the corporate segment. Our ambition is to have more satisfied retail clients and significantly more retail clients and Private Banking clients. Assets under management will increase as a result of our customer focus within Wealth Management.

Mark Luscombe elaborates:

Our strategy “**Bigger Sydbank**” centres on 5 themes: “Customer-focused”, “Bigger and efficient”, “Attractive and cooperating”, “Data, digitization, AI and security”, and “ESG integrated in core business”. The themes must go hand in hand with a level of profitability at the very top of the Danish banking industry. We will continue to focus on the customer and be the workplace for some of the industry's brightest and most dedicated employees.

**Outlook for 2024**

- Moderate growth is projected for the Danish economy.
- Profit after tax is expected to be in the range of DKK 2,800-3,100m.
- The outlook is subject to uncertainty and depends on financial market developments and macroeconomic factors which may affect eg the level of impairment charges.

**Additional information**

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