

Interim Report

First Half of 2024

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Management's Review

Interim Report in headlines

Fine first half-year for the Bank

The BANK of Greenland's profit before tax amounts to DKK 120.1 million for the first half of 2024, compared to DKK 103.0 million for the first half of 2023. The profit before value adjustments and write downs is satisfactory at DKK 127.5 million, compared to DKK 98.3 million for the previous year.

Lending has increased by DKK 284 million since the end of 2023, amounting to DKK 5,097 million at the end of the first half-year. It was expected that the continued favourable economic development in Greenland would result in positive, but more subdued growth in the Bank's lending in 2024. Guarantees decreased by DKK 41 million from DKK 1,774 million at the end of 2023 to DKK 1,733 million at the end of the first half of 2024.

Net interest and fee income increased by DKK 38.4 million to DKK 242.4 million in the first half of 2024 compared to the same period in 2023. The increase is primarily due to the record-high lending volume and the development in the level of interest rates in 2023 and 2024. Compared to the first half of 2023, total loans and guarantees increased by DKK 361 million up to the end of the first half of 2024.







Total expenses including depreciation amounted to DKK 117.5 million at the end of the first half of 2024, compared to DKK 108.7 million for the same period in 2023.

The increase concerns staff expenses as a consequence of collective agreement-based adjustments and continued investment in more employees, as well as other administration expenses, where the increase can be attributed primarily to IT expenses.

At the end of the first half of 2024, value adjustments showed a capital gain of DKK 3.9 million, compared to a capital gain of DKK 11.0 million for the same period in 2023. Interest rate trends resulted in weak positive development in the Bank's bond holdings, while the currency area also performed positively. In terms of value adjustment alone, the Bank's holdings of sector equities performed negatively, even though sector equities yielded extraordinarily high dividends in 2024.

Impairments of loans and guarantees amounted to DKK 11.3 million in the first half of 2024, compared to DKK 6.3 million in the first half of 2023. The Bank sees continued satisfactory creditworthiness in the loan portfolio. In addition to the Bank's individual impairment models, a management supplement of DKK 44.8 million is allocated. In particular, the supplement covers the risks associated with increasing inflation and interest rates, and greater cyclical uncertainty.

In the stock exchange announcement of 24 July 2024, the forecast profit before tax for 2024 was adjusted upwards to a range of DKK 200-240 million, which remains unchanged.

-  The profit before tax gives a return of 17.1 per cent p.a. on opening equity after disbursement of dividend.
-  An increase in loans totalling over DKK 5 billion.
-  Deposits increased to DKK 6.6 billion.
-  Core earnings per krone in costs of 1.93 in the first half of 2024, compared to 1.90 in the first half of 2023.
-  Write-downs and provisions of 0.2 per cent for the period.
-  Solvency ratio of 25.9 and a capital requirement of 11.0 per cent.

 **The BANK of Greenland is the main**
sponsor and partner of Future Greenland 2024

Your investments **start with us**



 **GrønlandsBANKEN**

Financial Highlights for the first half of 2024

	First half- year 2024	First half- year 2023	Full year 2023	First half- year 2022	First half- year 2021	First half- year 2020
Net interest and fee income	242,363	203,990	435,012	167,808	168,148	161,110
Value adjustments	3,917	10,992	40,058	-25,195	5,115	-7,330
Other operating income	2,617	3,005	5,803	3,049	2,179	2,221
Staff and administration expenses	110,806	102,828	211,166	92,437	93,229	85,566
Depreciation and impairment of tangible assets	4,316	4,035	8,158	3,636	3,486	3,449
Other operating expenses	2,363	1,866	2,815	1,696	1,602	1,416
Write-downs on loans and receivables, etc.	11,272	6,279	14,160	2,112	2,331	9,845
Profit before tax	120,140	102,979	244,574	45,781	74,794	55,725
Tax	5,285	16,746	52,179	-5,893	7,882	14,754
Profit for the period	114,855	86,233	192,395	51,674	66,912	40,971
Selected balance sheet items:						
Lending	5,097,302	4,638,998	4,812,975	4,009,541	3,824,443	3,736,894
Deposits	6,553,883	6,062,029	6,413,469	5,673,324	5,879,878	6,016,314
Equity	1,497,207	1,370,904	1,479,123	1,249,277	1,200,414	1,120,137
Total assets	9,056,827	8,222,783	8,840,981	7,544,633	7,537,865	7,507,427
Contingent liabilities	1,733,133	1,830,345	1,774,426	1,972,396	1,914,893	1,521,275
Key figures:						
Capital ratio	25.9	24.0	26.0	22.8	22.7	23.3
Core capital ratio	24.7	22.9	24.9	22.8	22.7	23.3
Return on equity before tax for the period	8.1	7.7	17.5	3.6	6.3	5.1
Return on equity after tax for the period	7.7	6.4	13.8	4.1	5.6	3.7
Income per cost krone	1.9	1.9	2.0	1.5	1.7	1.6
Rate of return	1.3	1.0	2.2	0.7	0.9	0.5
Interest risk rate	0.6	1.3	0.7	1.4	1.5	1.0
Foreign exchange position	0.4	0.3	0.4	0.3	0.9	0.7
Liquidity coverage ratio	234.4	217.2	259.0	207.9	259.6	183.7
Net stable funding ratio	129.4	129.6	134.0	-	-	-
Lending plus write-downs as a ratio of deposits	74.6	74.4	72.3	68.9	65.1	63.2
Lending as a ratio of equity	3.4	3.4	3.3	3.2	3.2	3.3
Growth in lending for the period	5.9	6.6	10.6	6.0	-4.5	-0.6
Sum of large exposures	151.7	166.5	150.0	164.0	163.1	167.6
Write-down ratio for the period	0.2	0.0	0.2	0.0	0.0	0.2
Accumulated write-down ratio	3.2	3.0	3.1	3.1	3.2	3.5
Profit per share after tax for the period	66.7	47.9	106.9	28.7	37.2	22.8
Net book value per share	831.8	761.6	821.7	694.0	666.9	622.3
Stock exchange quotation/net book value per share	0.8	0.8	0.8	0.9	0.9	0.8

Management's Review, first half of 2024

Statement of income

At TDKK 184,019, compared to TDKK 150,522 in the first half of 2024, net interest income increased by more than 22%. The rising level of interest rates during 2023, and the high level of lending, are driving the growth.

The rising level of interest rates in 2023 fell back a little in June 2024, but the level of interest rates in the first half of 2024 was higher than in the first half of 2023. Lending also increased by TDKK 458,304 or 9.9% in the period from 30 June 2023 until 30 June 2024.

As expected, the Bank also saw shifts in deposits in favour of savings and high-interest accounts, thereby reducing the deposit margin.

Share dividends increased by TDKK 6,704 to TDKK 8,859 as of 30 June 2024. This significant increase is due in particular to DLR Kredit's payment of dividend for the first time.

Fee and commission income decreased by TDKK 1,889 compared to the same period of 2024. Lower investment activity, a lower level of guarantees and insurance brokerage commission affected this item negatively.

Net interest and fee income increased overall by TDKK 38,373 to TDKK 242,363 for the first half of 2024.

Other operating income amounted to TDKK 2,617, which is a decrease of TDKK 388 from the first half of 2023. The difference primarily concerns the lower external rental value of the Bank's staff home properties.

Staff and administration expenses amounted to TDKK 110,806, which is an increase of TDKK 7,978 compared to the first half of 2023. Staff expenses increased by TDKK 5,915 as a result of staff increases and salary increases under collective agreements. Administration expenses increased by TDKK 2,063. The increase primarily reflects IT expenses.

Other operating expenses, which concern operation and maintenance of the Bank's office buildings, increased by TDKK 497 to TDKK 2,363 in the first half of 2024, compared to the same period of 2023. The increase is due to timing differences in the payment of costs.

Depreciation of properties and fixtures and fittings amounted to TDKK 4,316, compared to TDKK 4,035 for the same period in 2023.

The profit before value adjustments and write-downs is a satisfactory TDKK 127,495, compared to TDKK 98,266 in the first half of 2023.

Value adjustments present a total capital gain of TDKK 3,917, compared to a capital gain of TDKK 10,992 for the same period in 2023. In terms of value adjustments alone, the Bank's holdings of sector equities performed negatively, although this should be viewed against share dividends, as described above. The currency area performed favourably in the first half-year. Based on the level of interest rates, the Bank's bond holdings also gave capital gains in the first half of 2024, although lower than for the same period in 2023.

Selected Highlights and Key Figures (not audited)

DKK 1,000

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022
Net interest and fee income	122,734	119,629	119,981	111,043	99,933	104,056	96,307	87,370
Costs, depreciation and amortisation	58,299	59,186	61,918	51,492	51,814	56,914	59,254	48,059
Other operating income	1,316	1,301	1,346	1,451	1,613	1,392	2,025	1,514
Profit before value adjustments and write-downs	65,751	61,744	59,409	61,002	49,732	48,534	39,078	40,825
Value adjustments	-1,450	5,367	20,248	8,817	3,085	7,907	6,316	-20,477
Write-downs on loans, etc.	5,946	5,326	5,907	1,974	-713	6,992	1,483	928
Profit before tax	58,355	61,785	73,750	67,845	53,530	49,449	43,911	19,420

Impairment of loans, etc. amounted to TDKK 11,272, compared to TDKK 6,279 for the same period in 2023. The Bank sees continued satisfactory creditworthiness in the loan portfolio. The impairment level is still modest and the impairment ratio for the period is 0.2%.

Despite uncertain macroeconomic prospects as a consequence of rising inflation, a higher interest rate level and geopolitical instability, Greenland and the BANK of Greenland's customers are not significantly challenged so far. However, the future economic development is subject to uncertainty.

In addition to the individual write-downs, on this basis the Bank has maintained a significant management reserve of DKK 44.8 million to counter risks.

The profit before tax is TDKK 120,140, having increased by TDKK 17,161 from the same period of 2023.

Development during the quarter

Net interest and fee income amounted to TDKK 119,629 in Q1, and TDKK 122,734 in Q2. This can primarily be related to the continued positive development in the Bank's lending.

Total costs in Q1 amounted to TDKK 59,186 and in Q2 to TDKK 58,299. Staff expenses decreased in Q2, since in Q1 there is payment of holiday allowance, etc., which is not paid in the subsequent quarters. Other administration costs were by and large unchanged between the quarters.

The profit before value adjustments and write-downs thereby increased to TDKK 65,751 in Q2, which is TDKK 4,007 higher than in Q1 2024. The profit before tax declined to DKK 58.4 million in Q2 2024, from DKK 61.8 million in Q1 2024.

Lending increased by TDKK 78,749 in Q1, and by TDKK 205,578 in Q2, which overall corresponds to an increase of 5.9% from the end of 2023. At the start of the year, it was expected that the favourable economic development in Greenland would increase the Bank's lending.

Deposits increased by TDKK 268,070 in Q1 2024, but decreased by TDKK 127,656 in Q2. In overall terms, the increase in deposits from the end of 2023 thus amounts to TDKK 140,414.

Balance sheet and equity

During the first half-year, the Bank's lending showed a satisfactory increase of TDKK 284,327 to TDKK 5,097,302, while the Bank's guarantees to customers decreased by TDKK 41,293 from the end of 2023 and amounted to TDKK 1,796,756 at

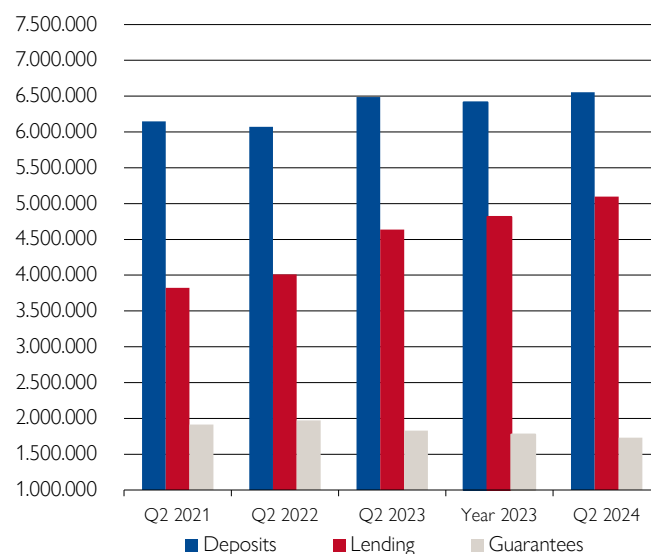
the end of June 2024. The Bank has entered into a new guarantee agreement with DLR Kredit, which entails lower guarantee provision than before. The agreement has a partial effect in Q2 2024 and the rest of the effect in Q3 2024.

In the first half of 2024 the Bank acquired five new staff homes, increasing the value of domicile properties to TDKK 310,998.

At the end of June 2024, the Bank's deposits, which predominantly comprise on-demand deposits, amounted to TDKK 6,553, which is an increase of TDKK 268,070 from the end of 2023. The Bank continues to have a stable deposit/lending ratio of approximately 137%.

After payment of the dividend of TDKK 99,000 for 2023 adopted by the Annual General Meeting, the Bank's equity increased from TDKK 1,479,123 to TDKK 1,497,207.

Total assets thereby increased by TDKK 215,846 to TDKK 9,056,827.



Uncertainty of recognition and measurement

The principal uncertainties concerning recognition and measurement are related to write-downs on lending, provisions on guarantees and non-utilised credit facilities, together with the valuation of properties, unlisted securities and financial instruments. The management assesses that the presentation of the accounts is subject to an appropriate level of uncertainty.

On 29 November 2023, the Danish Financial Supervisory Authority published the memorandum "Loss levels on exposures secured by mortgages in real estate", in which the Authority assesses whether there is a well-developed and well-

established real estate market in Denmark, the Faroe Islands and Greenland.

Particularly with regard to the Faroe Islands and Greenland, according to the memorandum it was not possible for the Danish FSA, on the basis of the established criteria, to assess whether there is a well-developed and well-established market for residential and commercial properties on the Faroe Islands and in Greenland. The assessment has an impact on the capital burden of exposures secured by mortgages on real estate.

The Danish FSA therefore subsequently sent the memorandum for consultation and contacted the North Atlantic banks, including the BANK of Greenland, as well as mortgage credit institutes with North Atlantic property exposures, for further investigation of the real estate market in Greenland.

On this basis, the BANK of Greenland provided the Danish FSA with a supplementary basis of experience based on local knowledge of Greenland's real estate market, in order to support an assessment of whether a well-developed and well-established real estate market exists in Greenland.

Clarification of the property market's status in Greenland is not expected until Q3 2024.

Financial risks

The BANK of Greenland is exposed to various financial risks, which are managed at different levels of the organisation. The Bank's financial risks consist of:

Credit risk: Risk of loss as a consequence of debtors' or counterparties' default on actual payment obligations.

Market risk: Risk of loss as a consequence of fluctuation in the fair value of financial instruments and derivative financial instruments due to changes in market prices. The BANK of Greenland classifies three types of risk within the market risk area: interest rate risk, foreign exchange risk and share risk.

Liquidity risk: Risk of loss as a consequence of the financing costs increasing disproportionately, the risk that the Bank is prevented from maintaining the adopted business model due to a lack of financing/funding, or ultimately, the risk that the Bank cannot fulfil agreed payment commitments when they fall due, as a consequence of the lack of financing/funding.

Operational risk: The risk that the Bank in full or in part incurs financial losses as a consequence of inadequate or inappropriate internal procedures, human errors, IT systems, etc.

Capital requirement

The BANK of Greenland must by law have a capital base that supports the risk profile. The BANK of Greenland compiles the credit and market risk according to the standard method and the operational risk according to the basic indicator method.

MREL requirement

The requirement concerning own funds and eligible liabilities must be viewed as an element of the recovery and resolution of banks. This entails that banks which are subject to this requirement must maintain a ratio of capital instruments and debt obligations that, in a resolution situation, can be written down or converted before simple claims.

On 30 November 2023, a revised MREL requirement was determined for the BANK of Greenland, at 30.2% of the Bank's risk-weighted assets at the end of 2022. The MREL requirement is being phased in during the period from 2022 to 2027. The linear phasing-in means that by 2024, the Bank must fulfil an MREL requirement of 7.55%. This means that in the course of the coming years, the Bank must fulfil the phased-in requirement by issuing capital instruments and consolidation of equity capital.

In continuation of the established MREL requirement, the Bank made issues in 2021, 2022 and 2023. A total of DKK 175 million was issued in Senior Non-Preferred and DKK 65 million in subordinated debt.

In 2024, the Bank also expects to issue securities.

	First half-year 2024	Year 2023
Capital requirement		
Pillar I	8.00%	8.00%
Pillar II	3.00%	3.06%
Solvency requirement	11.00%	11.06%
SIFI buffer requirement	1.50%	1.50%
Capital reserve buffer requirement	2.50%	2.50%
Capital requirement	15.00%	15.06%
MREL requirement (phased in linearly as from 1 January 2022)	7.55%	4.90%
Total capital requirement	22.55%	19.96%
Capital base, cf. Note 18	1,450,360	1,450,158
SNP issue	174,133	173,969
MREL capital base	1,624,493	1,624,127
MREL capital ratio	29.00%	29.10%
Surplus capital cover	6.45%	9.14%

Solid capital base

In accordance with the Danish Financial Business Act, the Board of Directors and the Executive Management must ensure that the BANK of Greenland has an adequate capital base. The capital requirement is the capital which, according to the management's assessment, as a minimum is needed to cover all risks.

The BANK of Greenland was designated as an SIFI institution in April 2017.

Based on the requirements concerning own funds and eligible liabilities, the Board of Directors expects that the total capital reserves must be increased during the coming years. The aim of the Board of Directors is that there must be sufficient capital for growth in the Bank's business activities, just as there must be sufficient capital to cover ongoing fluctuations in the risks assumed by the Bank.

In 2021, the Bank's Board of Directors therefore adopted a capital objective with a set target for CET1 of 24%. The BANK of Greenland's core capital ratio was 24.7 at the end of the first half of 2024, and the capital ratio was 25.9. Taking account of the uncertainties described above concerning exposures secured by mortgages on real estate, the Bank considers it essential that the core capital ratio is at a higher level than the target set

The result for the first half of 2024 has not been verified by the Bank's auditor and is therefore not included in the capital ratio. Including the result for the first half of 2024, the core capital ratio is calculated at 26.4% and the capital ratio at 27.6%.

As at the end of June 2024, the Bank's individual solvency requirement was compiled at 11.0%. The BANK of Greenland thereby has surplus capital cover before the buffer requirements of 14.9%, or TDKK 832,434. After deductions for the capital reserve buffer requirement of 2.5% and the SIFI buffer requirement of 1.5%, the surplus cover is 10.9%

The BANK of Greenland's reported individual solvency requirement according to the 8+ model

	First half-year 2024		Full year 2023	
	Capital requirement	Solvency requirement	Capital requirement	Solvency requirement
Pillar I requirement	448,812	8.0	445,843	8.0
Credit risk	117,936	2.1	120,061	2.2
Market risk	23,777	0.4	22,404	0.4
Operational risk	15,820	0.3	15,646	0.3
Other risk	11,581	0.2	12,256	0.2
Capital and solvency requirement	617,926	11.0	616,210	11.1

The BANK of Greenland has published further details of the calculated solvency requirement in a report on its website <http://www.banken.gl/report/>

Liquidity

The liquidity coverage ratio (LCR) is a minimum requirement of the ratio between current assets and liabilities, to ensure a satisfactory liquidity ratio.

At the end of Q2, the Bank had an LCR of 234.4% and thereby fulfils the LCR requirement of at least 100%.

The Bank's required funding is based solely on deposits.

The Supervisory Diamond for banks

The BANK of Greenland has considered the benchmarks set out in the Danish FSA's Supervisory Diamond for banks. The

The Supervisory Diamond	First half-year 2024	Limit
Sum of large exposures	151.7%	< 175%
Property exposure	19.2%	< 25%
Growth in lending	9.90%	< 20%
Liquidity-benchmark	237.0%	> 100%

Supervisory Diamond states five benchmarks for banking activities which the Bank aims to fulfil. It should be noted that total large exposures comprise publicly owned companies at a ratio of 44% points.

The property exposure amounts to 19.2%. This exposure is subject to considerable subordinate public financing. In addition, some of the exposure is based on lease contracts with the state, the Government of Greenland or municipalities. The Bank assesses that both of these factors contribute to stabilising the overall sector exposure.

Investor Relations

The BANK of Greenland's overall financial objective is to achieve a competitive return for the shareholders. At a price of 660 at the end of the first half of 2024, the price of the BANK of Greenland's shares has increased from the end of 2023, when the price was 625.

At the Bank's Annual General Meeting on 20 March 2024, a dividend payment of DKK 55 per share, or a total of DKK 99 million, to the Bank's shareholders was adopted, and this was paid out on 25 March 2024.

In accordance with Section 28a of the Danish Companies Act, six shareholders have notified shareholdings in excess of 5%. The Bank has no holdings of own shares.

The BANK of Greenland's mission, values and corporate governance

The BANK of Greenland conducts banking activities in Greenland in open competition with domestic and foreign banks and provides advice and services in the financial area to all citizens and businesses in Greenland.

The Bank's mission should be viewed in a broader perspective whereby the BANK of Greenland can be seen as the BANK for all of Greenland. This entails an enhanced responsibility to participate positively and actively in society's development and to help to create opportunities for the benefit of Greenland, while also ensuring sound financial activities. The BANK of Greenland is highly aware of this vital role.

The BANK of Greenland's values are firmly anchored in the Bank and its employees. The values are Commitment, Decency, Customer-oriented and Development-oriented. These values serve as a guide for how we act and wish to be seen within and outside the Bank.

The BANK of Greenland considers all of the Corporate Governance recommendations and the Danish Executive

Order on Management and Control of Banks, etc. and it is the Bank's objective to observe these recommendations at all times and to the greatest possible extent. The Bank's Corporate Governance Statement can be found on the Bank's website www.banken.gl.

Outlook for the remainder of 2024

Despite inflation and interest rate increases, the BANK of Greenland expects moderate economic growth in Greenland in 2024, as described in the 2023 Annual Report.

On this basis lending is expected to develop positively in 2024, but with lower growth than in the preceding two years. It is not unlikely that up to the end of 2024 lending may decline slightly from the level at the end of the first half of 2024. Deposits are expected to be at the end-2023 level, or moderately increasing.

The Bank will be affected negatively if inflation and cyclical trends are exacerbated to any significant degree.

Total core income is expected to increase in 2024, for which the primary reasons are the increased lending volume and the development in interest rates.

Total expenses including depreciation and amortisation are expected to be higher than in 2023. A few staff increases and the full effect of staff increases are expected in 2023. Administration expenses are also expected to increase, primarily in the IT area and for supplementary staff training.

The Bank assesses that the quality of the loan portfolio is satisfactory. Write-downs on loans are therefore still expected to be at a low, but normalised, level.

On the basis of the level of interest rates, gains must be expected on the Bank's listed securities. Capital gains are expected from the currency area and sector equities.

In the stock exchange announcement of 24 July 2024, the forecast profit before tax for the year was adjusted upwards to a range of DKK 200-240 million, which remains unchanged.

Management Statement

The Board of Directors and Executive Management have today considered and approved the Interim Report for the period from 1 January to 30 June 2024, for the public limited liability company, GrønlandsBANKEN A/S..

The interim report was prepared in accordance with the Danish Financial Business Act, and the Management's Review was drawn up in accordance with the Danish Financial Business Act. The interim report is furthermore prepared in accordance with additional Danish disclosure requirements for listed financial companies.

It is our opinion that the Interim Report gives a true and fair view of the Bank's assets, liabilities and financial position at 30 June 2024, and of the result of the Bank's activities for the first half of 2024.

It is our opinion that the Management's Review gives a true and fair review of the development in the Bank's activities and financial affairs, as well as a description of the significant risks and uncertainties to which the BANK of Greenland is subject.

Nuuk, 21 August 2024

Executive Management

Martin Birkmose Kviesgaard

Board of Directors

Gunnar í Liða

Chair

Kristian Frederik Lennert

Vice Chair

Maliina Bitsch Abelsen

Lars Holst

Pilunnguaq Frederikke Johansen Kristiansen

Tulliaq Angutimmarik Olsen

Niels Peter Fleischer Rex

Peter Angutinguaq Wistoft

Ellen Dalsgaard Zdravkovic



Income Statement and Statement of Comprehensive Income

DKK 1,000

Notes		First half-year 2024	Full year 2023	First half-year 2023
3	Interest income	244,737	417,162	186,541
4	Interest expenses	60,718	87,468	36,019
	Net interest income	184,019	329,694	150,522
	Share dividend, etc.	8,859	2,155	2,155
5	Fees and commission income	49,588	103,932	51,477
	Fees paid and commission expenses	103	769	164
	Net interest and fee income	242,363	435,012	203,990
6	Value adjustments	3,917	40,058	10,992
	Other operating income	2,617	5,803	3,005
7	Staff and administration expenses	110,806	211,166	102,828
	Depreciation and impairment of tangible assets	4,316	8,158	4,035
	Other operating expenses	2,363	2,815	1,866
16	Write-downs on loans and receivables, etc.	11,272	14,160	6,279
	Profit before tax	120,140	244,574	102,979
8	Tax	5,285	52,179	16,746
	Profit for the period	114,855	192,395	86,233
	COMPREHENSIVE INCOME			
	Profit for the period	114,855	192,395	86,233
	Other comprehensive income:			
	Value adjustment of properties	2,972	5,643	2,772
	Value adjustment of defined-benefit severance/pension scheme	0	-96	0
	Tax on value adjustment of properties	-743	-1,411	-693
	Other comprehensive income	2,229	4,136	2,079
	Comprehensive income for the period	117,084	196,531	88,312

Balance Sheet

DKK 1,000

Notes	Assets	30 June 2024	31 December 2023	30 June 2023
	Cash balance and demand deposits with central banks	1,452,389	1,552,747	1,253,559
9	Receivables from credit institutions and central banks	92,494	120,150	122,634
16	Loans and other receivables at amortised cost	5,097,302	4,812,975	4,638,998
10	Bonds at fair value	1,295,749	1,303,120	1,270,572
	Shares, etc.	143,436	135,614	129,587
11	Assets connected to pool schemes	564,213	513,822	423,716
	Land and buildings in total, domicile properties	310,998	298,142	290,842
	- Domicile properties	310,998	298,142	290,842
	Other tangible assets	8,085	6,781	6,425
	Other assets	87,018	93,202	81,303
	Accruals and deferred income	5,143	4,428	5,147
	Total assets	9,056,827	8,840,981	8,222,783
	Liabilities			
	Liabilities to credit institutions and central banks	15,427	22,105	20,063
12	Deposits and other liabilities	6,553,883	6,413,469	6,062,029
	Deposits in pool schemes	564,213	513,822	423,716
13	Issued bonds at amortised cost	174,133	173,969	74,633
	Current tax liabilities	28,272	11	44,108
	Other liabilities	76,068	63,274	75,495
	Prepayments and deferred expenses	6,441	5,451	6,266
	Total debt	7,418,437	7,192,101	6,706,310
	Provisions for pensions and similar obligations	2,662	2,506	2,246
	Provisions for deferred tax	60,755	84,762	58,819
	Provisions for losses on guarantees	6,604	9,733	11,331
	Other provisions	6,752	8,427	8,926
	Total provisions	76,773	105,428	81,322
14	Subordinated debt	64,410	64,329	64,247
	Total subordinated debt	64,410	64,329	64,247
	Equity			
15	Share capital	180,000	180,000	180,000
	Revaluation reserves	68,112	65,883	63,730
	Retained earnings	1,249,095	1,134,240	1,127,174
	Proposed dividend	0	99,000	0
	Total equity	1,497,207	1,479,123	1,370,904
	Total liabilities	9,056,827	8,840,981	8,222,783

1 Accounting policies applied

2 Accounting estimates

17 Contingent liabilities

18 Capital conditions and solvency

Statement of Changes in Equity

DKK 1,000

	Share capital	Revaluation reserves	Retained earnings	Proposed dividend	Total equity capital
Equity, 01 January 2023	180,000	61,651	1,040,941	36,000	1,318,592
Dividend paid	0	0	0	-36,000	-36,000
Other comprehensive income	0	2,079	0	0	2,079
Profit for the period	0	0	86,233	0	86,233
Equity, 30 June 2023	180,000	63,730	1,127,174	0	1,370,904
Other comprehensive income	0	2,153	-96	0	2,057
Profit for the period	0	0	7,162	99,000	106,162
Equity, 31 December 2023	180,000	65,883	1,134,240	99,000	1,479,123
Equity, 01 January 2024	180,000	65,883	1,134,240	99,000	1,479,123
Dividend paid	0	0	0	-99,000	-99,000
Other comprehensive income	0	2,229	0	0	2,229
Profit for the period	0	0	114,855	0	114,855
Equity, 30 June 2024	180,000	68,112	1,249,095	0	1,497,207



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Notes to the Interim Report

1. Accounting policies applied etc.

The Interim Report has been prepared in accordance with the Danish Financial Business Act, the statutory order on financial reports for credit institutions and investment service companies, etc. and the Danish disclosure requirements for the interim reports of listed financial companies.

The accounting policies applied are unchanged from the Annual Report for 2023.

Tax, which consists of current tax and changes in deferred tax, is recognised in the income statement when it relates to the

profit for the period, and directly in equity when it can be attributed to items carried directly to equity.

On calculating the taxable income, Greenland allows tax deduction of dividends for the dividend-paying company. The taxation value of this is therefore added to equity at the time of the Annual General Meeting's approval of the dividend.

Deferred tax assets are recognised in the balance sheet at the value at which the asset is expected to be realised. The interim report has not been audited or reviewed.

2. Significant accounting estimates

The calculation of the accounting value of certain assets and liabilities is subject to a degree of uncertainty and an estimate of how future events will affect the value of these assets and liabilities. The most significant estimates relate to:

- measurement of loans, guarantees and non-utilised credit facilities;
- financial instruments;
- fair value of domicile properties; and
- provisions.

Non-listed financial instruments that primarily concern sector equities and that are measured at estimated fair values.

The measurement of the fair value of the Bank's head office properties is subject to significant accounting estimates and assessments, including expectations of the properties' future returns and the fixed yield ratios.

For provisions, there are significant estimates related to the determination of the future employee turnover rate, as well as determining the interest obligation for tax-free savings accounts.

DKK 1,000	First half-year 2024	Full year 2023	First half-year 2023
3. Interest income			
Lending and other receivables	193,213	336,767	153,490
Bonds	18,229	29,770	12,912
Foreign exchange, interest rate, equity, commodity and other contracts, as well as derivative financial instruments	571	1,177	576
Total interest income	244,737	417,162	186,541
4. Interest expenses			
Credit institutions and central banks	37	151	81
Deposits and other liabilities	60,681	87,256	35,938
Issued Bonds	0	61	0
Total interest expenses	60,718	87,468	36,019
5. Fee and commission income			
Securities and securities accounts	1,234	7,780	1,404
Payment settlement	18,079	37,456	18,301
Loan transaction fees	1,914	4,968	2,604
Guarantee commission	15,360	31,134	15,999
Other fees and commission	13,001	22,594	13,169
Total fee and commission income	49,588	103,932	51,477
6. Value adjustments			
Lending at fair value	1	1,983	480
Bonds	2,097	23,654	4,134
Shares	-1,192	10,178	3,967
Currency	3,008	6,253	2,966
Foreign exchange, interest rate, equity, commodities and other contracts, as well as derivative financial instruments	3	-2,010	-555
Assets connected to pool schemes	37,221	42,371	23,901
Deposits in pool schemes	-37,221	-42,371	-23,901
Total value adjustments	3,917	40,058	10,992

DKK 1,000	First half-year 2024	Full year 2023	First half-year 2023
7. Staff and administration expenses			
Staff expenses			
Salaries	49,824	93,862	44,909
Other staff expenses	2,110	3,068	1,654
Pensions	6,224	11,613	5,591
Social security expenses	195	569	284
In total	58,353	109,112	52,438
Other administration expenses	52,453	102,054	50,390
Average number of FTEs	153.7	143.5	140.2
Of which salaries and remuneration to the Board of Directors and the Executive Management	3,332	6,345	3,176
Six other employees (Q2 2023: 5 employees) whose activities have a significant influence on the Bank's risk profile:			
Salaries including free car and other benefits	3,988	7,373	3,210
8. Tax			
25-% of the profit before tax	30,035	61,144	25,746
Discount for dividend tax paid	-1,982	-498	-498
6-%-supplement	0	0	0
Total tax on ordinary profit	28,053	60,646	25,248
Paid dividend tax	1,982	498	498
Other changes	0	35	0
Taxation value of dividend paid	-24,750	-9,000	-9,000
Tax in total	5,285	52,179	16,746
Deferred tax	743	16,225	693
Taxation value of dividend paid	-24,750	0	-9,000
Tax to be paid	29,292	35,954	25,053
No company tax was paid in the period.			
9. Amounts receivable from credit institutions and central banks			
Receivables from credit institutions	92,494	120,150	122,634
Total amounts receivable	92,494	120,150	122,634
10. Bonds			
Of the bond portfolio, a nominal amount of TDKK 50,000 is pledged as collateral for accounts with Danmarks Nationalbank.			

DKK 1,000	First half-year 2024	Full year 2023	First half-year 2023
11. Assets connected to pool schemes			
Investment associations	564,149	513,734	423,623
Non-invested funds	64	88	93
Total	564,213	513,822	423,716
12. Deposits			
On demand	5,389,805	5,265,508	5,409,658
On terms of notice	872,785	858,360	378,619
Special deposit conditions	291,293	289,601	273,752
Total deposits	6,553,883	6,413,469	6,062,029
13. Issued bonds at amortised cost			
Bond issue	174,133	173,969	74,633
Total	174,133	173,969	74,633
Loan raised as Senior Non-Preferred, nominally The loan was raised as Senior Non-Preferred on 27 October 2021 and falls due for full redemption on 27 October 2026. The Bank has the option of early redemption as from 27 October 2025.	50,000	50,000	50,000
Loan raised as Senior Non-Preferred, nominally The loan was raised as Senior Non-Preferred on 2 September 2022 and falls due for full redemption on 2 September 2027. The Bank has the option of early redemption as from 2 September 2026.	25,000	25,000	25,000
Loan raised as Senior Non-Preferred, nominally The loan was raised as Senior Non-Preferred on 1 December 2023 and falls due for full redemption on 1 December 2030. The Bank has the option of early redemption as from 1 December 2027.	100,000	100,000	0

DKK 1,000	First half-year 2024	Full year 2023	First half-year 2023
14. Subordinated debt			
Capital certificate as below	64,410	64,329	64,247
In total	64,410	64,329	64,247
Subordinated debt included in the capital base according to CRR	64,410	64,329	64,247
Loan raised as subordinated debt, nominally	25,000	25,000	25,000
Interest rate, fixed rate	6.197%	6.197%	6.197%
The loan was raised on 2 September 2022 and falls due for full redemption on 2 september 2032. The Bank has the option of early redemption as from 2 September 2027.			
Loan raised as subordinated debt, nominally	40,000	40,000	40,000
Interest rate, floating rate (CIBOR 6 with an addition of 400bp.)	7.827%	8.113%	7.800%
The loan was raised on 1 June 2023 and falls due for full redemption on 1 June 2033. The Bank has the option of early redemption as from 1 June 2028.			
15. Share capital			
Share capital consists of 1,800,000 shares of DKK 100.			
Own shares			
Number of own shares	0	0	0
16. Loans			
Write-downs on loans, guarantees and non-utilised credit facilities:			
New write-downs concerning new facilities during the period	5,602	16,292	9,410
Reversal of write-downs concerning redeemed facilities	-5,763	-16,688	-7,267
Net write-downs during the period as a consequence of changes in the credit risk	11,739	14,998	4,568
Losses without preceding write-downs	95	158	94
Received for claims previously written off	-401	-600	-526
Recognised in the statement of income	11,272	14,160	6,279

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
Write-downs on loans				
30.06.2024				
Start of the period	27,301	78,003	90,562	195,866
New write-downs concerning new facilities during the year	1,014	4,021	351	5,386
Reversal of write-downs concerning redeemed facilities	-986	-826	-1,843	-3,655
Change in write-downs at the beginning of the year – transfer to stage 1	6,501	-4,995	-1,506	0
Change in write-downs at the beginning of the year – transfer to stage 2	-1,011	3,184	-2,173	0
Change in write-downs at the beginning of the year – transfer to stage 3	-8	-221	229	0
Net write-downs as a consequence of changes in the credit risk	-7,705	21,342	304	13,941
Previously written down, now finally lost			-287	-287
Interest on written-down facilities			2,872	2,872
Write-downs in total	25,106	100,508	88,509	214,123

Write-downs on guarantees**30.06.2024**

Start of the period	1,096	2,695	5,942	9,733
New write-downs concerning new facilities during the year	78	116	0	194
Reversal of write-downs concerning redeemed facilities	-1	-3	-13	-17
Change in write-downs at the beginning of the year – transfer to stage 1	1,897	-347	-1,550	0
Change in write-downs at the beginning of the year – transfer to stage 2	-4	78	-74	0
Change in write-downs at the beginning of the year – transfer to stage 3	-2	0	2	0
Net write-downs as a consequence of changes in the credit risk	-2,095	-748	-463	-3,306
Write-downs in total	969	1,791	3,844	6,604

Write-downs on non-utilised drawing rights**30.06.2024**

Start of the period	345	517	1,847	2,709
New write-downs concerning new facilities during the year	20	2	0	22
Reversal of write-downs concerning redeemed facilities	-112	-372	-1,607	-2,091
Change in write-downs at the beginning of the year – transfer to stage 1	204	-87	-117	0
Change in write-downs at the beginning of the year – transfer to stage 2	-15	15	0	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	0	0	0
Net write-downs as a consequence of changes in the credit risk	8	471	626	1,104
Write-downs in total	450	546	749	1,744

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
Write-downs on loans				
31.12.2023				
Start of the period	28,826	64,706	86,477	180,009
New write-downs concerning new facilities during the year	5,007	9,510	1,016	15,533
Reversal of write-downs concerning redeemed facilities	-3,019	-2,942	-7,625	-13,586
Change in write-downs at the beginning of the year – transfer to stage 1	6,524	-5,889	-635	0
Change in write-downs at the beginning of the year – transfer to stage 2	-1,354	7,445	-6,091	0
Change in write-downs at the beginning of the year – transfer to stage 3	-136	-1,229	1,365	0
Net write-downs as a consequence of changes in the credit risk	-8,547	6,402	15,215	13,070
Previously written down, now finally lost			-3,593	-3,593
Interest on written-down facilities			4,433	4,433
Write-downs in total	27,301	78,003	90,562	195,866

Write-downs on guarantees**31.12.2023**

Start of the period	1,239	1,025	5,772	8,036
New write-downs concerning new facilities during the year	201	414	16	631
Reversal of write-downs concerning redeemed facilities	-2	-3	-68	-73
Change in write-downs at the beginning of the year – transfer to stage 1	2,070	-154	-1,916	0
Change in write-downs at the beginning of the year – transfer to stage 2	-117	179	-62	0
Change in write-downs at the beginning of the year – transfer to stage 3	-7	-48	55	0
Net write-downs as a consequence of changes in the credit risk	-2,288	1,282	2,145	1,139
Write-downs in total	1,096	2,695	5,942	9,733

Write-downs on non-utilised drawing rights**31.12.2023**

Start of the period	498	547	3,776	4,821
New write-downs concerning new facilities during the year	21	107	0	128
Reversal of write-downs concerning redeemed facilities	-159	-34	-2,836	-3,029
Change in write-downs at the beginning of the year – transfer to stage 1	28	-3	-25	0
Change in write-downs at the beginning of the year – transfer to stage 2	-6	497	-491	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	-1	1	0
Net write-downs as a consequence of changes in the credit risk	-37	-596	1,422	789
Write-downs in total	345	517	1,847	2,709

DKK 1,000	Stage 1	Stage 2	Stage 3	Total
Write-downs on loans				
30.06.2023				
Start of the period	28,826	64,706	86,477	180,009
New write-downs concerning new facilities during the year	2,795	5,068	884	8,747
Reversal of write-downs concerning redeemed facilities	-2,229	-1,680	-2,582	-6,491
Change in write-downs at the beginning of the year – transfer to stage 1	4,701	-3,134	-1,567	0
Change in write-downs at the beginning of the year – transfer to stage 2	-954	6,004	-5,050	0
Change in write-downs at the beginning of the year – transfer to stage 3	-130	-420	550	0
Net write-downs as a consequence of changes in the credit risk	-6,862	2,145	6,565	1,848
Previously written down, now finally lost	0	0	-655	-655
Interest on written-down facilities	0	0	2,350	2,350
Write-downs in total	26,147	72,689	86,972	185,808

Write-downs on guarantees**30.06.2023**

Start of the period	1,239	1,025	5,772	8,036
New write-downs concerning new facilities during the year	178	133	0	311
Reversal of write-downs concerning redeemed facilities	-1	-5	-43	-49
Change in write-downs at the beginning of the year – transfer to stage 1	454	-38	-416	0
Change in write-downs at the beginning of the year – transfer to stage 2	-91	173	-82	0
Change in write-downs at the beginning of the year – transfer to stage 3	-10	-48	58	0
Net write-downs as a consequence of changes in the credit risk	-689	224	3,498	3,033
Write-downs in total	1,080	1,464	8,787	11,331

Write-downs on non-utilised drawing rights**30.06.2023**

Start of the period	498	547	3,776	4,821
New write-downs concerning new facilities during the year	13	318	21	352
Reversal of write-downs concerning redeemed facilities	-51	-25	-651	-727
Change in write-downs at the beginning of the year – transfer to stage 1	10	-1	-9	0
Change in write-downs at the beginning of the year – transfer to stage 2	-5	12	-7	0
Change in write-downs at the beginning of the year – transfer to stage 3	0	-1	1	0
Net write-downs as a consequence of changes in the credit risk	282	-79	-516	-313
Write-downs in total	747	771	2,615	4,133

DKK 1,000	First half-year 2024	Full year 2023	First half-year 2023
17. Contingent liabilities			
Mortgage finance guarantees	930,587	1,042,320	1,013,262
Registration and remortgaging guarantees	278,852	182,870	220,673
Other guarantees	523,694	549,236	596,410
Guarantees, etc. in total	1,733,133	1,774,426	1,830,345
Provision balance for guarantees	6,604	9,733	11,331
Provision balance for non-utilised credit facilities	1,744	2,709	4,133
<p>The Bank is a member of BEC (BEC Financial Technologies a.m.b.a.). On any withdrawal the Bank will be obliged to pay a withdrawal fee to BEC equivalent to the preceding three years' IT costs. Like the rest of the Danish banking sector, the Bank has an obligation to make payments to the Guarantee Fund and the Resolution Fund.</p>			
18. Capital conditions and solvency			
Credit risk	4,673,441	4,607,677	4,619,682
CVA risk	10,146	10,267	13,915
Market risk	204,957	233,494	266,011
Operational risk	721,601	721,601	628,793
Total risk exposure	5,610,145	5,573,039	5,528,401
Equity at the beginning of the period	1,479,123	1,318,592	1,318,592
Comprehensive income for the period	0	196,531	0
Proposed dividend, accounting effect	24,750	-74,250	9,000
Paid dividend	-99,000	-36,000	-36,000
Framework for ratio of own shares	-5,985	-11,250	-11,250
Deduction for capital shares in the financial sector	-2,848	0	-570
Deductions for prudent valuation	-1,443	-1,443	-1,406
Deductions for Non-Performing Exposures	-8,647	-6,351	-13,548
Actual core capital	1,385,950	1,385,829	1,264,818
Supplementary capital	64,410	64,329	64,247
Capital base	1,450,360	1,450,158	1,297,225
Actual core capital ratio	25.9	26.0	24.0
Capital ratio	24.7	24.9	22.9
Statutory capital ratio requirements	8.0	8.0	8.0

