

Interim Report – First Half

2022

Sydbank Group

Sydbank

Sydbank
Denmark's Corporate Bank

Sydbank's Interim Report – First Half 2022

Significant growth in core earnings before impairment

H1 2022 – highlights

- Profit for the period of DKK 748m equals a return on equity of 11.9% p.a. after tax
- Core income of DKK 2,399m is 9% higher compared to the same period in 2021
- Trading income constituted DKK 116m in H1 2022 – DKK 16m of which concerns Q2 2022
- Costs (core earnings) of DKK 1,574m are 4% lower compared to the same period in 2021
- Core earnings before impairment of DKK 941m are 37% higher compared to the same period in 2021
- Impairment charges for loans and advances etc represent an income of DKK 84m – DKK 23m of which concerns Q2 2022
- Bank loans and advances have risen by DKK 12.8bn, equal to an increase of 21% compared to end-June 2021
- The CET1 ratio stands at 16.6%, equal to a decrease of 1.3pp compared to year-end 2021
- A share buyback of DKK 425m was commenced on 7 March 2022

CEO Karen Frøsig comments on Sydbank's H1 result:

- It is highly satisfactory to note that profitability expressed by core earnings before impairment has risen by DKK 254m, equivalent to 37%. The reason is that we have succeeded in increasing income while at the same time reducing costs.

Board chairman Lars Mikkjelgaard-Jensen comments on the result:

- It is positive that the Bank has increased its earnings capacity in recent years and consequently delivers a very competitive performance – even at a time when financial markets are recording large price drops in bonds as well as shares.

Karen Frøsig elaborates:

- We are following our current strategy “**Growing our business**”. We are attracting new customers and our existing customers are drawing more on their facilities. This means that lending continues to grow at a high pace. Loans and advances went up by DKK 7.2bn in H1 and rose by DKK 12.8bn – equivalent to 21% – over the past 12 months.

Outlook for 2022

- Growth is projected in the Danish economy in 2022
- Core income is expected to be higher than in 2021
- Costs (core earnings) are projected to be lower than in 2021
- Impairment charges for 2022 are forecast to be at a low level
- Profit after tax is expected to be in the upper end of the range of DKK 1,350-1,550m
- The outlook for 2022 is subject to uncertainty and depends on financial market developments and macroeconomic factors

Contents

| | |
|--|----|
| Group Financial Highlights..... | 4 |
| Highlights | 5 |
| Financial Review – performance in H1 2022..... | 8 |
| Income Statement..... | 16 |
| Statement of Comprehensive Income | 16 |
| Balance Sheet..... | 17 |
| Financial Highlights – Quarterly | 18 |
| Financial Highlights – Half-yearly | 19 |
| Statement of Changes in Equity | 20 |
| Capital Statement | 21 |
| Cash Flow Statement | 22 |
| Segment Reporting etc..... | 23 |
| Notes..... | 25 |
| Management Statement | 43 |
| Supplementary Information..... | 44 |

Group Financial Highlights

| | H1 2022 | H1 2021 | Index 22/21 | Q2 2022 | Q2 2021 | Full year 2021 |
|---|--------------|--------------|----------------|--------------|--------------|-------------------|
| Income statement (DKKm) | | | | | | |
| Core income | 2,399 | 2,193 | 109 | 1,199 | 1,088 | 4,436 |
| Trading income | 116 | 141 | 82 | 16 | 68 | 291 |
| Total income | 2,515 | 2,334 | 108 | 1,215 | 1,156 | 4,727 |
| Costs, core earnings | 1,574 | 1,647 | 96 | 775 | 814 | 3,177 |
| Core earnings before impairment | 941 | 687 | 137 | 440 | 342 | 1,550 |
| Impairment of loans and advances etc | (84) | (206) | 41 | (23) | (125) | (415) |
| Core earnings | 1,025 | 893 | 115 | 463 | 467 | 1,965 |
| Investment portfolio earnings | (91) | (19) | 479 | (62) | 2 | (21) |
| Profit before non-recurring items | 934 | 874 | 107 | 401 | 469 | 1,944 |
| Non-recurring items, net | 25 | (49) | - | (12) | (17) | (180) |
| Profit before tax | 959 | 825 | 116 | 389 | 452 | 1,764 |
| Tax | 211 | 180 | 117 | 86 | 98 | 353 |
| Profit for the period | 748 | 645 | 116 | 303 | 354 | 1,411 |
| Balance sheet highlights (DKKbn) | | | | | | |
| Loans and advances at amortised cost | 74.2 | 61.4 | 121 | 74.2 | 61.4 | 67.0 |
| Loans and advances at fair value | 12.9 | 20.3 | 64 | 12.9 | 20.3 | 16.9 |
| Deposits and other debt | 100.2 | 98.1 | 102 | 100.2 | 98.1 | 93.9 |
| Bonds issued at amortised cost | 9.6 | 9.6 | 100 | 9.6 | 9.6 | 13.3 |
| Subordinated capital | 1.1 | 1.9 | 58 | 1.1 | 1.9 | 1.9 |
| AT1 capital | 0.8 | 0.8 | 100 | 0.8 | 0.8 | 0.8 |
| Shareholders' equity | 12.2 | 12.2 | 100 | 12.2 | 12.2 | 12.4 |
| Total assets | 169.1 | 169.8 | 100 | 169.1 | 169.8 | 168.2 |
| Financial ratios per share (DKK per share of DKK 10) | | | | | | |
| Profit for the period | 12.5 | 10.4 | | 5.0 | 5.8 | 23.0 |
| Share price at end of period | 217.2 | 193.1 | | 217.2 | 193.1 | 206.8 |
| Book value | 212.3 | 205.1 | | 212.3 | 205.1 | 212.6 |
| Share price/book value | 1.02 | 0.94 | | 1.02 | 0.94 | 0.97 |
| Average number of shares outstanding (in millions) | 58.2 | 59.3 | | 58.0 | 59.3 | 59.2 |
| Dividend per share | - | - | | - | - | 12.00 |
| Dividend for 2019 (paid out) | - | - | | - | - | 5.70 |
| Other financial ratios and key figures | | | | | | |
| CET1 ratio | 16.6 | 17.7 | | 16.6 | 17.7 | 17.9 |
| T1 capital ratio | 17.8 | 19.1 | | 17.8 | 19.1 | 19.3 |
| Capital ratio | 19.1 | 22.5 | | 19.1 | 22.5 | 22.8 |
| Pre-tax profit as % p.a. of average equity | 15.3 | 13.4 | | 12.4 | 14.7 | 14.1 |
| Post-tax profit as % p.a. of average equity | 11.9 | 10.4 | | 9.6 | 11.4 | 11.2 |
| Costs (core earnings) as % of total income | 62.6 | 70.6 | | 63.8 | 70.4 | 67.2 |
| Return on assets (%) | 0.4 | 0.4 | | 0.2 | 0.2 | 0.8 |
| Interest rate risk | 1.4 | 1.7 | | 1.4 | 1.7 | 1.6 |
| Foreign exchange position | 3.3 | 1.2 | | 3.3 | 1.2 | 1.1 |
| Foreign exchange risk | 0.0 | 0.0 | | 0.0 | 0.0 | 0.0 |
| Liquidity, LCR (%) | 170 | 235 | | 170 | 235 | 200 |
| Loans and advances relative to deposits | 0.6 | 0.5 | | 0.6 | 0.5 | 0.6 |
| Loans and advances relative to equity | 6.1 | 5.0 | | 6.1 | 5.0 | 5.4 |
| Growth in loans and advances during the period | 10.7 | 1.9 | | 3.6 | (0.3) | 11.3 |
| Total large exposures | 154 | 141 | | 154 | 141 | 140 |
| Accumulated impairment ratio | 2.0 | 2.4 | | 2.0 | 2.4 | 2.2 |
| Impairment ratio for the period | (0.09) | (0.24) | | (0.02) | (0.15) | (0.47) |
| Number of full-time staff at end of period | 2,017 | 2,126 | 95 | 2,017 | 2,126 | 2,077 |

When calculating financial ratios AT1 capital is considered a liability regardless of the fact that it is accounted for as equity. Reference is made to financial ratio definitions in the 2021 Annual Report (page 116).

Highlights

Significant growth in core earnings before impairment

Sydbank's financial statements for H1 2022 show a profit before tax of DKK 959m compared with DKK 825m in the same period in 2021. Profit before tax equals a return of 15.3% p.a. on average equity.

Profit before tax shows an increase of DKK 134m, which is primarily attributable to a rise in earnings and a decline in costs (core earnings).

Core income constitutes DKK 2,399m compared with DKK 2,193m in 2021 – an increase of DKK 206m, equivalent to 9%. The increase is primarily attributable to higher activity and a rise in loans and advances to corporate clients. Corporate clients' drawings under credit facilities have been affected for instance by the repayment of the government's relief packages, which included a deferral of VAT and tax payments. Core income is higher compared with the expectations presented in the 2021 Annual Report.

Trading income in H1 2022 constitutes DKK 116m compared with DKK 141m in 2021. Given the considerable interest rate increases and the volatility of bond and share markets in H1 2022, the income is considered satisfactory.

Total income amounts to DKK 2,515m, which is an increase of 8% compared to the same period in 2021.

Costs (core earnings) constituted DKK 1,574m in H1 2022 – a drop of DKK 73m compared to the same period in 2021.

Core earnings before impairment total DKK 941m for H1 2022 – an increase of DKK 254m, equivalent to 37%.

Impairment charges for loans and advances represent an income of DKK 84m compared with an income of DKK 206m in the same period in 2021.

Core earnings for H1 2022 represent DKK 1,025m – an increase of DKK 132m compared with 2021.

Non-recurring items etc total a net income of DKK 25m compared to a net expense of DKK 49m in the same period in 2021. The item includes costs related to the development of housing loan processes, the development of the bank/insurance partnership as well as income by way of extraordinary realised capital gains from the lending portfolio acquired from Alm. Brand Bank.

Profit for the period before tax represents DKK 959m compared to DKK 825m in 2021 – an increase of DKK 134m. Tax represents DKK 211m, equal to an effective tax rate of 22.0%.

Profit for the period amounts to DKK 748m compared with DKK 645m in 2021, equal to a return of 11.9% p.a. on average equity.

Sydbank's strategy for 2022-2024: "Growing our business"

Growing our business centres on 3 themes:

- Better known and bigger
- Sound business
- Stronger competitive position

Better known and bigger – profitable growth
Sydbank has a good reputation – and needs to be better known. On the back of Denmark's Corporate Bank we will increase awareness of Sydbank focusing in particular on large towns and cities. Our growth is profitable and organic and we are in good shape for friendly takeovers. We will incorporate ESG and sustainability in the Bank's products and processes.

Sound business – higher earnings
At Sydbank focus is on banking and sound business. Our employees are highly qualified, proactive and value-creating. We work on the principle of quid pro quo and will increase the Bank's earnings.

Stronger competitive position – efficient bank
We will prioritise the Bank's efforts and reduce costs. We will optimise working procedures and processes to reduce time spent, enhance quality and shorten response times to customers. As a decent and responsible bank our constant focus is on compliance, including IT security.

Strategic goals represent the values from the Bank's underlying philosophy and its core story with promises to its customers, to its employees and to its shareholders.

The strategic goals cover these areas:

- Awareness
- Return on equity
- Rate of costs

Awareness
By means of targeted efforts we will increase awareness of Sydbank and our qualities. We will elevate unaided brand awareness from its current level of around 20% to around 40% by the end of the strategy period.

Return on equity

We will continue to deliver competitive returns to the Bank's shareholders and our goal is a return on equity in the region of 10% in 2024. The expectation of a return on equity in the region of 10% is based on a normalised level of impairment charges in 2024.

Rate of costs

We will continue to work on striking a better balance between income and costs. This will be achieved by continuing to increase income while lowering costs. Lower costs will be achieved by prioritising our initiatives, gaining a better understanding of costs throughout the organisation and continuing to ensure a powerful engine room.

The rate of costs – 67% in 2021 – is expected to have improved to around 60% by the end of the strategy period.

Sydbank – Denmark's Corporate Bank

Sydbank is the bank for the backbone of the Danish corporate sector. With a market share of more than 10% among small and medium-sized enterprises, Sydbank is Denmark's 3rd largest corporate bank.

Sydbank has a unique size. Sufficiently large and competent to match the professional expectations of businesses – yet sufficiently small to be attentive and know their needs and requirements.

H1 2022 performance

Net interest income has risen by DKK 142m to DKK 1,007m, equal to 16%. The increase is primarily attributable to higher activity and a rise in loans and advances to corporate clients. Corporate clients' drawings under credit facilities have been affected by for instance the repayment of the government's relief packages, which included a deferral of VAT and tax payments.

Total core income has risen by DKK 206m to DKK 2,399m. The increase is primarily attributable to higher activity and a rise in corporate lending.

Trading income constituted DKK 116m in H1 2022 compared with DKK 141m in the same period in 2021.

Total income has increased by DKK 181m to DKK 2,515m.

Costs (core earnings) have declined by DKK 73m to DKK 1,574m.

Core earnings before impairment for H1 2022 represent DKK 941m – an increase of DKK 254m compared with 2021.

Impairment charges for loans and advances represent an income of DKK 84m compared with an income of DKK 206m in the same period in 2021.

Core earnings for H1 2022 represent DKK 1,025m – an increase of DKK 132m compared with 2021.

Together the Group's position-taking and liquidity handling generated negative earnings of DKK 91m in H1 2022 compared with negative earnings of DKK 19m a year ago.

Non-recurring items etc total a net income of DKK 25m compared to a net expense of DKK 49m in the same period in 2021. The item includes costs of DKK 19m related to the development of housing loan processes and DKK 7m related to the development of the bank/insurance partnership. In addition DKK 51m has been recognised as income as regards extraordinary realised capital gains from the lending portfolio acquired from Alm. Brand Bank.

Profit before tax for H1 2022 amounts to DKK 959m compared with DKK 825m in 2021. Tax represents DKK 211m, equal to an effective tax rate of 22.0%.

Profit for the period amounts to DKK 748m compared with DKK 645m in 2021.

Return on shareholders' equity before and after tax constitutes 15.3% and 11.9% respectively against 13.4% and 10.4% respectively in the same period in 2021.

Bank loans and advances

Bank loans and advances represented DKK 74.2bn at 30 June 2022 – an increase of DKK 12.8bn since 30 June 2021 and an increase of DKK 7.2bn since year-end 2021.

| Bank loans and advances (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|---------------------------------|-------------|-------------|-------------|
| Corporate clients | 60.7 | 52.8 | 46.8 |
| Retail clients | 13.4 | 14.1 | 14.5 |
| Public authorities | 0.1 | 0.1 | 0.1 |
| Total | 74.2 | 67.0 | 61.4 |

Bank loans and advances to retail clients represent DKK 13.4bn – a decrease of DKK 0.7bn in H1 2022. One of the reasons for the decline is that an increasing share of customers' total housing debt is financed by way of mortgage loans. However arranged mortgage loans – Totalkredit have declined because customers are refinancing their fixed-rate bond loans. Refinancing of bond loans enables customers to significantly reduce their outstanding debt and consequently arranged mortgage loans recorded a limited rise of DKK 0.1bn in H1 2022.

Bank loans and advances to corporate clients represent DKK 60.7bn – an increase of DKK 7.9bn in H1 2022.

The repayment of funds received under the government's relief packages, which included a deferral of VAT and tax payments, has affected corporate lending.

| Credit facilities to corporate clients (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|---|-------------|-------------|-------------|
| Drawn facilities = loans/advances before impairment charges | 62.1 | 54.2 | 48.2 |
| Undrawn facilities | 37.3 | 39.9 | 40.3 |
| Total | 99.4 | 94.1 | 88.5 |

Credit facilities to corporate clients rose by DKK 5.3bn to DKK 99.4bn in H1 2022.

During H1 2022 corporate clients drew a further DKK 7.9bn under their credit facilities.

Credit intermediation

In addition to traditional bank loans and advances the Group arranges for mortgage loans from Totalkredit and DLR Kredit. The Group's total credit intermediation comprises bank loans and advances, mortgage-like loans funded by Totalkredit as well as mortgage loans arranged through Totalkredit and DLR Kredit.

| Total credit intermediation (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|---------------------------------------|--------------|--------------|--------------|
| Bank loans and advances | 74.2 | 67.0 | 61.4 |
| Funded mortgage-like loans | 5.3 | 5.6 | 6.2 |
| Arranged mortgage loans – Totalkredit | 89.3 | 89.2 | 88.2 |
| Arranged mortgage loans – DLR | 13.7 | 13.5 | 13.1 |
| Total | 182.5 | 175.3 | 168.9 |

The Group's total credit intermediation represents DKK 182.5bn – an increase of DKK 7.2bn, equal to 4% compared to year-end 2021. The change is attributable to a rise in bank loans and advances of DKK 7.2bn, a decline in funded mortgage-like loans of DKK 0.3bn and an increase in arranged mortgage loans of DKK 0.3bn.

Outlook for 2022

Growth is projected in the Danish economy in 2022.

Core income is expected to be higher than in 2021.

Costs (core earnings) are projected to be lower than in 2021.

Impairment charges for 2022 are forecast to be at a low level.

Profit after tax is expected to be in the upper end of the range of DKK 1,350-1,550m.

In connection with the release of the 2021 Annual Report, profit after tax was expected to be in the range of DKK 1,150-1,450m in 2022.

On 25 April 2022 the Bank revised its expectations upwards to a profit after tax in the range of DKK 1,350-1,550m in 2022. Profit after tax is now expected to be in the upper end of the range.

The outlook for 2022 is subject to uncertainty and depends on financial market developments and macroeconomic factors.

Sydbank's core story

Banking

Sydbank's mission is to be a bank that is close to its customers. We find solutions where they are – quickly and efficiently. We build on relationships between people. And we focus on what is important – banking and sound business. Banking – pure and simple.

Our bank

Rooted in Southern Jutland, Sydbank is a strong and independent nationwide bank operating on its own terms. For the backbone of the Danish corporate sector and for retail clients who value professional advice we are a bank for most people but not the same bank for everyone. Good old-fashioned attentiveness, new technology – we use what works. We know our customers and we are close to them providing advice tailored to their individual needs. Backed by the best business partners our competitive strength is increased. Our bank – excellence and relationships create value.

Sydbank

Our bank makes 3 promises – to our customers, to our employees and to our shareholders. You will know us for the value we create for our customers. You will know us for our belief that excellent and committed employees are our most important asset. And you will know us for always having a level of profitability that will enable us to remain an independent and resourceful bank. Sydbank – what can we do for you?

Financial Review – performance in H1 2022

The Sydbank Group has recorded a profit before tax of DKK 959m compared to DKK 825m in 2021. Profit before tax equals a return of 15.3% p.a. on average equity.

Profit for the period after tax represents DKK 748m compared with DKK 645m in 2021, equal to a return of 11.9% p.a. on average equity.

Profit for H1 2022 exceeds expectations at the beginning of the year.

The financial statements are characterised by the following:

- a rise in core income of DKK 206m, equal to 9%
- a drop in trading income of DKK 25m
- a decline in costs (core earnings) of DKK 73m
- impairment charges for loans and advances represent an income of DKK 84m
- a rise in core earnings of DKK 132m to DKK 1,025m
- negative investment portfolio earnings of DKK 91m
- non-recurring items etc represent a net income of DKK 25m
- bank loans and advances of DKK 74.2bn (year-end 2021: DKK 67.0bn)
- bank deposits of DKK 100.2bn (year-end 2021: DKK 93.9bn)
- a CET1 ratio of 16.6% (2021: 17.9%)
- an individual solvency need of 10.8% (2021: 10.6%)

| Income statement – H1 (DKKm) | 2022 | 2021 |
|--|--------------|--------------|
| Core income | 2,399 | 2,193 |
| Trading income | 116 | 141 |
| Total income | 2,515 | 2,334 |
| Costs, core earnings | 1,574 | 1,647 |
| Core earnings before impairment | 941 | 687 |
| Impairment of loans and advances etc | (84) | (206) |
| Core earnings | 1,025 | 893 |
| Investment portfolio earnings | (91) | (19) |
| Profit before non-recurring items | 934 | 874 |
| Non-recurring items, net | 25 | (49) |
| Profit before tax | 959 | 825 |
| Tax | 211 | 180 |
| Profit for the period | 748 | 645 |

Core income

Total core income has risen by DKK 206m or 9% to DKK 2,399m. The increase is primarily attributable to higher activity and a rise in loans and advances to corporate clients.

Net interest income has gone up by DKK 142m to DKK 1,007m. The rise is due to a higher demand for loans by corporate clients. Corporate clients' drawings under credit facilities have been affected by for instance the repayment of the government's relief packages, which included a deferral of VAT and tax payments.

Net income from the cooperation with Totalkredit represents DKK 287m (2021: DKK 277m) after a set-off of loss of DKK 4m (2021: DKK 6m).

The cooperation with DLR Kredit has generated an income of DKK 70m (2021: DKK 70m).

Compared to 2021 total mortgage credit income represents DKK 358m – an increase of DKK 10m.

Income from remortgaging and loan fees has gone up by DKK 26m to DKK 120m – an increase of 28% compared to 2021. The rise is attributable to a higher level of activity.

The remaining income components have increased by DKK 28m – an increase of 3% compared to 2021.

| Core income – H1 (DKKm) | 2022 | 2021 |
|--|--------------|--------------|
| Net interest etc | 1,007 | 865 |
| Mortgage credit | 358 | 348 |
| Payment services | 109 | 97 |
| Remortgaging and loan fees | 120 | 94 |
| Commission and brokerage | 241 | 241 |
| Commission etc investment funds and pooled pension plans | 162 | 171 |
| Asset management | 179 | 185 |
| Custody account fees | 65 | 49 |
| Other operating income | 158 | 143 |
| Total | 2,399 | 2,193 |

Trading income

Compared with a year ago trading income has gone down by DKK 25m to DKK 116m. Given the considerable interest rate increases and the volatility of bond and share markets in H1 2022, the income is considered satisfactory.

Costs and depreciation

The Group's costs and depreciation total DKK 1,604m – a decrease of DKK 96m compared to the same period in 2021.

| Costs and depreciation – H1 (DKKm) | 2022 | 2021 |
|---|--------------|--------------|
| Staff costs | 910 | 994 |
| Other administrative expenses | 614 | 632 |
| Amortisation/depreciation and impairment of intangible assets and property, plant and equipment | 66 | 59 |
| Other operating expenses | 14 | 15 |
| Total | 1,604 | 1,700 |
| Distributed as follows: | | |
| Costs, core earnings | 1,574 | 1,647 |
| Costs, investment portfolio earnings | 4 | 4 |
| Non-recurring costs | 26 | 49 |

Costs (core earnings) represent DKK 1,574m against DKK 1,647m in 2021.

At 30 June 2022 the Group's staff numbered 2,017 (full-time equivalent) compared to 2,126 at 30 June 2021 and 2,077 at 31 December 2021.

Compared to year-end 2021 the number of branches is unchanged and is 55 in Denmark and 3 in Germany at end-June 2022.

Core earnings before impairment of loans and advances

Core earnings before impairment charges for loans and advances represent DKK 941m – an increase of DKK 254m or 37% compared to the same period in 2021.

Impairment of loans and advances etc

Impairment charges for loans and advances represent an income of DKK 84m compared with an income of DKK 206m in the same period in 2021.

The Group's impairment charges for loans and advances include a management estimate of DKK 325m (2021: DKK 325m) to cover the consequences of covid-19 on the Group's lending portfolio.

At 30 June 2022 Sydbank's unsecured loans and advances in the weakest rating categories (excluding agriculture) amounted to DKK 531m. These loans and advances are not subject to objective evidence of credit impairment but in the short term they are the most critical in terms of credit impairment due to covid-19. The impairment charges include a management estimate of DKK 125m to hedge the risk of these loans and advances, equal to 24%.

Furthermore impairment charges include a management estimate of DKK 200m to cover unforeseen events as a result of covid-19 as regards

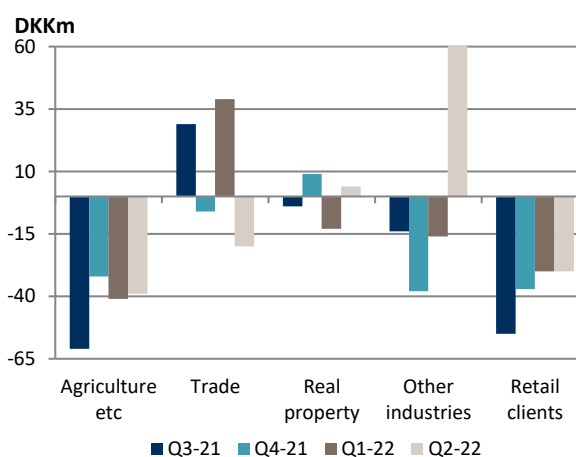
the remaining part of the lending portfolio in rating categories 1-6, the credit risk of which is satisfactory or normal.

Consequently management estimates as a result of covid-19 total DKK 325m, which is unchanged compared to year-end 2021. Impairment charges for loans and advances to pig farming comprise a management estimate of DKK 60m (2021: DKK 60m).

The chart below shows impairment charges for loans and advances in the last 4 quarters as regards agriculture etc, trade, real property, other industries as well as retail clients.

During Q3 2022 the Bank will assess the need for a management estimate as a result of problems with supply chains, high energy prices, high inflation as well as the risk of a recession. It is expected that the management estimate concerning covid-19 will be cancelled in Q3 2022.

Impairment charges – quarterly



At 30 June 2022 accumulated impairment and provisions amounted to DKK 1,952m (2021: DKK 1,974m).

In H1 2022 reported losses amounted to DKK 23m (H1 2021: DKK 94m). Of the reported losses an impairment charge of DKK 16m has previously been recorded.

At 30 June 2022 the impairment ratio for the period represented minus 0.09% relative to bank loans and advances and guarantees.

Impairment charges are made for expected credit losses as regards all financial assets measured at amortised cost and similar provisions are made for expected credit losses as regards undrawn credit commitments and financial guarantees. Impairment charges for expected credit losses depend on whether the credit risk of a financial asset has increased

significantly since initial recognition and follow a 3-stage model. The portfolio in stage 3 acquired from Alm. Brand Bank is recognised under “credit impaired at initial recognition”:

- **Stage 1** – facilities with no significant increase in credit risk. The asset is written down by an amount equal to the expected credit loss as a result of the probability of default over the coming 12 months
- **Stage 2** – facilities with a significant increase in credit risk. The asset is transferred to stage 2 and is written down by an amount equal to the expected credit loss over the life of the asset
- **Stage 3** – facilities where the financial asset is in default or is otherwise credit impaired
- **Credit impaired at initial recognition (POCI)** – facilities which were credit impaired at the time of acquisition of Alm. Brand Bank. They are recognised on acquisition at the fair value of the debt acquired

The Group's loans and advances and impairment charges at 30 June 2022 allocated to these stages are shown below.

| Loans/advances and impairment charges – 30 Jun 2022 | | | | | |
|---|---------------|--------------|------------|------------|---------------|
| (DKKm) | Stage 1 | Stage 2 | Stage 3 | POCI | Total |
| Loans/advances before impairment charges | 71,230 | 3,491 | 1,104 | 148 | 75,973 |
| Impairment charges | 506 | 660 | 617 | - | 1,783 |
| Total loans/advances | 70,724 | 2,831 | 487 | 148 | 74,190 |

| 30 Jun 2022 | Stage 1 | Stage 2 | Stage 3 | POCI | Total |
|--|---------|---------|---------|------|-------|
| Impairment charges as % of bank loans/advances | 0.7 | 18.9 | 55.9 | - | 2.3 |
| Share of bank loans/advances before impairment charges (%) | 93.8 | 4.6 | 1.4 | 0.2 | 100.0 |
| Share of bank loans/advances after impairment charges (%) | 95.3 | 3.8 | 0.7 | 0.2 | 100.0 |

Credit impaired bank loans and advances – stage 3 – represent 1.4% (year-end 2021: 1.6%) of total bank loans and advances before impairment charges and 0.7% (year-end 2021: 0.8%) of total bank loans and advances after impairment charges.

Credit impaired bank loans and advances from the acquisition of Alm. Brand Bank – credit impaired at

initial recognition – amount to 0.2% of total bank loans and advances before impairment charges and 0.2% of total bank loans and advances after impairment charges.

Impairment charges concerning credit impaired bank loans and advances as a percentage of credit impaired bank loans and advances at 30 June 2022 stand at 55.9% (year-end 2021: 53.8%).

Core earnings

Core earnings for H1 2022 represent DKK 1,025m – an increase of DKK 132m compared with 2021.

Investment portfolio earnings

Together the Group's position-taking and liquidity handling generated negative earnings of DKK 91m in H1 2022 compared to negative earnings of DKK 19m a year ago.

The negative result for H1 2022 is due to a combination of the effects of interest rate increases and widening credit spreads.

| Investment portfolio earnings – H1 (DKKm) | 2022 | 2021 |
|---|-------------|-------------|
| Position-taking | (55) | (9) |
| Liquidity generation and liquidity reserves | (33) | (12) |
| Strategic positions | 1 | 6 |
| Costs | (4) | (4) |
| Total | (91) | (19) |

The interest rate risk at end-H1 2022 has been composed with the aim of making position-taking neutral to interest rate changes.

Non-recurring items, net

Non-recurring items total a net income of DKK 25m compared to a net expense of DKK 49m in H1 2021.

In 2022 the item included costs of DKK 19m related to the development of housing loan processes and DKK 7m related to the development of the bank/insurance partnership. In addition DKK 51m has been recognised as income as regards extraordinary realised capital gains from the lending portfolio acquired from Alm. Brand Bank.

In 2021 the item included costs of DKK 19m related to “A stronger bank” and DKK 30m related to the integration of Alm. Brand Bank.

Profit for the period

Profit before tax for H1 2022 amounts to DKK 959m compared with DKK 825m in 2021. Tax represents DKK 211m, equal to an effective tax rate of 22.0%.

Profit for the period amounts to DKK 748m compared with DKK 645m in 2021.

Return

Return on shareholders' equity after tax constitutes 11.9% against 10.4% in H1 2021.

Earnings per share stands at DKK 12.5 compared with DKK 10.4 in 2021.

Subsidiaries

Profit after tax of the subsidiaries represents DKK 15m (H1 2021: DKK 14m).

Group – Q2 2022 compared with Q1 2022

The Group's profit before tax for the quarter represents DKK 389m (Q1 2022: DKK 570m).

Compared to Q1 2022 profit before tax reflects:

- a core income of DKK 1,199m (Q1: DKK 1,200m)
- a trading income of DKK 16m (Q1: DKK 100m)
- costs (core earnings) of DKK 775m (Q1: DKK 799m)
- impairment charges for loans and advances represent an income of DKK 23m (Q1: income of DKK 61m)
- investment portfolio earnings of minus DKK 62m (Q1: minus DKK 29m)

| Quarterly results (DKKm) | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
|--|--------------|--------------|--------------|--------------|--------------|--------------|
| Core income | 1,199 | 1,200 | 1,156 | 1,087 | 1,088 | 1,105 |
| Trading income | 16 | 100 | 103 | 47 | 68 | 73 |
| Total income | 1,215 | 1,300 | 1,259 | 1,134 | 1,156 | 1,178 |
| Costs, core earnings | 775 | 799 | 782 | 748 | 814 | 833 |
| Core earnings before impairment | 440 | 501 | 477 | 386 | 342 | 345 |
| Impairment of loans and advances etc | (23) | (61) | (104) | (105) | (125) | (81) |
| Core earnings | 463 | 562 | 581 | 491 | 467 | 426 |
| Investment portfolio earnings | (62) | (29) | 5 | (7) | 2 | (21) |
| Profit before non-recurring items | 401 | 533 | 586 | 484 | 469 | 405 |
| Non-recurring items, net | (12) | 37 | (104) | (27) | (17) | (32) |
| Profit before tax | 389 | 570 | 482 | 457 | 452 | 373 |
| Tax | 86 | 125 | 84 | 89 | 98 | 82 |
| Profit for the period | 303 | 445 | 398 | 368 | 354 | 291 |

Total assets

At 30 June 2022 the Group's total assets made up DKK 169.1bn against DKK 168.2bn at year-end 2021.

| Assets (DKKbn) | 30 Jun 2022 | 31 Dec 2021 |
|--|--------------|--------------|
| Amounts owed by credit institutions etc | 21.2 | 22.3 |
| Loans and advances at fair value (reverse transactions) | 12.9 | 16.9 |
| Loans and advances at amortised cost (bank loans and advances) | 74.2 | 67.0 |
| Securities and holdings etc | 31.6 | 31.6 |
| Assets related to pooled plans | 20.4 | 22.2 |
| Other assets etc | 8.8 | 8.2 |
| Total | 169.1 | 168.2 |

The Group's bank loans and advances totalled DKK 74.2bn at 30 June 2022. Compared to year-end 2021 this is an increase of DKK 7.2bn.

| Equity and liabilities (DKKbn) | 30 Jun 2022 | 31 Dec 2021 |
|---|--------------|--------------|
| Amounts owed to credit institutions etc | 5.8 | 6.9 |
| Deposits and other debt | 100.2 | 93.9 |
| Deposits in pooled plans | 20.4 | 22.2 |
| Bonds issued | 9.6 | 13.3 |
| Other liabilities etc | 18.6 | 16.4 |
| Provisions | 0.4 | 0.4 |
| Subordinated capital | 1.1 | 1.9 |
| Equity | 13.0 | 13.2 |
| Total | 169.1 | 168.2 |

The Group's deposits make up DKK 100.2bn. Compared to year-end 2021 this is an increase of DKK 6.3bn.

Equity

At 30 June 2022 shareholders' equity constituted DKK 12,246m – a decrease of DKK 167m since the beginning of the year. The change comprises additions from comprehensive income for the period of DKK 710m, net purchases of own shares of DKK 166m as well as dividend paid of DKK 711m.

Capital

On 2 March 2022 the Bank announced a new share buyback programme of DKK 425m, however a maximum of 4 million shares. The share buyback is part of the adjustment to optimise the capital structure in accordance with the Bank's capital targets and capital policy.

The share buyback programme was initiated on 7 March 2022 and will be completed by 30 December

2022. At 30 June 2022, 739,000 shares had been repurchased under the programme at a transaction value of DKK 173m.

In March 2022 the Group redeemed T2 capital amounting to EUR 100m.

AT1 capital of EUR 75m issued in 2004 can no longer be included in the determination of total capital.

The Group has included 50% of profit for the period in the capital statement.

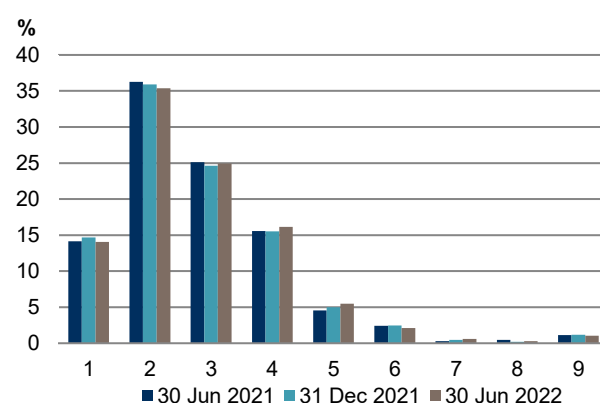
Risk exposure amount

The risk exposure amount represents DKK 60.7bn (year-end 2021: DKK 57.4bn) – an increase of DKK 3.3bn. Credit risk has gone up by DKK 2.9bn, which is predominantly attributable to the increase in bank loans and advances of DKK 7.2bn compared with year-end 2021. Market risk has gone up by DKK 0.6bn. Other exposures have gone down by DKK 0.2bn.

| REA (DKKbn) | 30 Jun 2022 | 31 Dec 2021 |
|--------------------------|-------------|-------------|
| Credit risk | 41.7 | 38.8 |
| Market risk | 6.1 | 5.5 |
| Operational risk | 7.2 | 7.2 |
| Other exposures incl CVA | 5.7 | 5.9 |
| Total | 60.7 | 57.4 |

The development in the gross exposure by rating category at 30 June 2022, 31 December 2021 and 30 June 2021 appears below.

Gross exposure by rating category



The gross exposure consists of loans and advances, undrawn credit commitments, interest receivable, guarantees and counterparty risk on derivatives. The graph comprises exposures treated according to IRB. Exposures relating to clients in default are not included in the breakdown of rating categories. Impairment charges for exposures have not been deducted from the exposure.

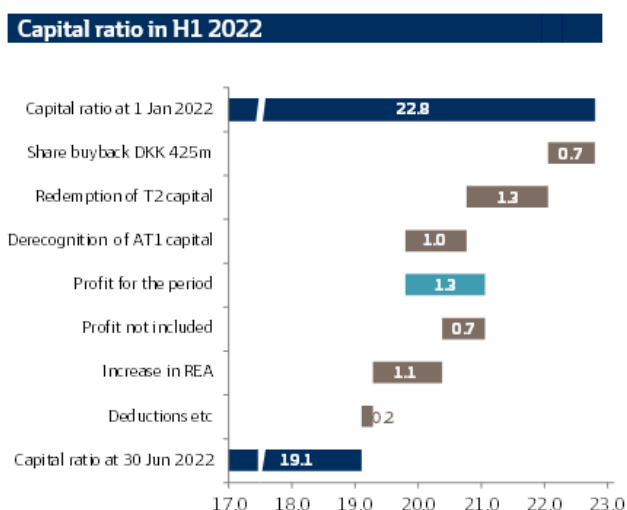
The gross exposure by rating category shows that a large share continues to be in the 4 best rating categories.

Solvency

| Solvency (DKKm) | 30 Jun 2022 | 31 Dec 2021 |
|------------------|-------------|-------------|
| REA | 60,720 | 57,415 |
| CET1 capital | 10,093 | 10,277 |
| T1 capital | 10,837 | 11,076 |
| Total capital | 11,617 | 13,082 |
| CET1 ratio | 16.6 | 17.9 |
| T1 capital ratio | 17.8 | 19.3 |
| Capital ratio | 19.1 | 22.8 |

At 30 June 2022 the CET1 ratio and the capital ratio stood at 16.6% and 19.1% respectively compared to 17.9% and 22.8% respectively at year-end 2021.

The development in the capital ratio in H1 2022 is shown below.



Half of profit for the period is included in the calculation of capital ratios at 30 June 2022.

The capital ratio declined by 3.7pp in H1, which was due to the initiated share buyback programme, the redemption of T2 capital, the derecognition of AT1 capital as well as a rise in REA.

At 30 June 2022 the individual solvency need represented 10.8% (31 December 2021: 10.6%).

Solvency of the parent

At 30 June 2022 the CET1 ratio and the capital ratio of the parent stood at 16.1% and 18.5% respectively (2021: 17.3% and 22.0% respectively).

Advanced IRB – corporate exposures

Today Sydbank uses the foundation IRB approach to calculate the capital requirement as regards corporate exposures. The Bank has developed new models and an application was submitted to the Danish FSA on 30

June 2021 to gain approval to use the advanced IRB approach as regards corporate exposures. Its approval is expected in 2022.

Capital and solvency and capital requirements

The Group's capital management is anchored in the Internal Capital Adequacy Assessment Process (ICAAP), a review conducted to identify risks and determine the individual solvency need.

At end-June 2022 the individual solvency need represented 10.8%. The solvency need consists of a minimum capital requirement of 8% under Pillar I and a capital add-on under Pillar II. Approximately 56% of the solvency need must be covered by CET1 capital, equivalent to 6.0% of the risk exposure amount.

In addition to the solvency need the Group must meet a combined buffer requirement of 3.5% at 30 June 2022.

| Capital and solvency and capital requirements (% of REA) | 30 Jun 2022 | 31 Dec 2021 |
|--|-------------|-------------|
| Capital and solvency | | |
| CET1 ratio | 16.6 | 17.9 |
| T1 capital ratio | 17.8 | 19.3 |
| Capital ratio | 19.1 | 22.8 |
| Capital requirements (incl buffers)* | | |
| Total capital requirement | 14.3 | 14.1 |
| CET1 capital requirement | 9.6 | 9.5 |
| - of which SIFI buffer | 1.0 | 1.0 |
| - of which capital conservation buffer | 2.5 | 2.5 |
| - of which countercyclical capital buffer | 0.0 | 0.0 |
| Excess capital | | |
| CET1 capital | 7.0 | 8.4 |
| Total capital | 4.8 | 8.7 |

* The total capital requirement consists of an individual solvency need and a combined buffer requirement. The countercyclical buffer is determined by the Danish Ministry of Industry, Business and Financial Affairs and may not exceed 2.5%. The rate makes up 0.0% at 30 June 2022 but it will rise by 1pp at 30 September 2022, another 1pp at 31 December 2022 and an additional 0.5 pp at 31 March 2023.

Market risk

At 30 June 2022 the Group's interest rate risk represented DKK 154m. The Group's exchange rate risk continues to be very low and its equity position modest.

Funding and liquidity

The guidelines for calculating the Liquidity Coverage Ratio (LCR) specify a run-off of exposures while taking into account counterparties, funding size, hedging and maturity. Consequently the most stable deposits are favoured relative to large deposits, in particular from businesses and financial counterparties.

The Group's LCR constituted 170% at 30 June 2022 (31 December 2021: 200%).

| LCR (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|------------------------|-------------|-------------|-------------|
| Total liquidity buffer | 45.7 | 50.4 | 48.1 |
| Net cash outflows | 26.9 | 25.2 | 20.5 |
| LCR (%) | 170 | 200 | 235 |

The Group meets the LCR requirement of 100% and its excess cover is significant at 30 June 2022.

NSFR

The guidelines for calculating the Net Stable Funding Ratio (NSFR) require that the available stable funding exceeds the required stable funding. The required stable funding is calculated on the basis of the balance sheet values and degree of stability of assets where the strictest requirements in terms of degree of stability are imposed on long-term illiquid assets. The available stable funding is calculated on the basis of the balance sheet values and degree of stability of the funding where the highest degrees of stability apply to equity and long-term funding.

The Group's NSFR constituted 127% at 30 June 2022 (2021: 132%).

| NSFR (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|--------------------------|-------------|-------------|-------------|
| Required stable funding | 88.8 | 83.4 | 81.2 |
| Available stable funding | 112.4 | 110.4 | 107.1 |
| NSFR (%) | 127 | 132 | 132 |

The Group meets the NSFR requirement of 100% and its excess cover is significant at 30 June 2022.

Funding ratio

| Funding ratio (DKKbn) | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|------------------------------------|-------------|-------------|-------------|
| Equity and subordinated capital | 14.2 | 15.1 | 14.8 |
| SNP loans with maturities > 1 year | 9.6 | 9.6 | 5.9 |
| Stable deposits | 93.7 | 85.5 | 88.0 |
| Total stable funding | 117.5 | 110.2 | 108.7 |
| Bank loans and advances | 74.2 | 67.0 | 61.4 |
| Funding ratio (%) | 158 | 164 | 177 |

The Group's stable funding exceeded the Group's bank loans and advances by DKK 43.3bn at 30 June 2022 (2021: DKK 43.2bn).

Rating

Moody's most recent rating of Sydbank:

- Outlook: Stable
- Long-term deposit: A1
- Baseline Credit Assessment: Baa1
- Senior unsecured: A1
- Short-term deposit: P-1

Supervisory Diamond benchmarks

The Supervisory Diamond sets up a number of benchmarks to indicate banking activities that initially should be regarded as involving a higher risk. Any breach of the Supervisory Diamond is subject to reactions by the Danish FSA.

At 30 June 2022 the Group does not comply with the lending growth benchmark of the Supervisory Diamond. Growth in lending stands at 21% compared to the benchmark threshold of 20%. Lending is affected by eg the repayment of funds received under the government's relief packages, which included a deferral of VAT and tax payments.

It is expected that the benchmark will drop below 20% in the course of H2 2022.

| Supervisory Diamond benchmarks | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|------------------------------------|-------------|-------------|-------------|
| Sum of 20 largest exposures < 175% | 154 | 140 | 141 |
| Lending growth < 20% annually | 21 | 11 | 11 |
| Commercial property exposure < 25% | 8 | 8 | 9 |
| Excess liquidity coverage > 100% | 190 | 221 | 257 |

MREL

Once a year the Danish FSA sets the minimum requirement for own funds and eligible liabilities (MREL) for Danish institutions, including Sydbank, which as SIFIs are under an obligation to meet the minimum requirement.

The Group's MREL is based on the risk exposure amount using a factor which has been set at the sum of twice the solvency need plus the combined capital buffer requirement, excluding the countercyclical buffer.

The MREL at 30 June 2022 is as follows:

| MREL and excess cover at 30 Jun 2022 | Requirement (%) | DKKm |
|--|-----------------|---------------|
| REA | | 60,720 |
| Total requirement | 24.4 | 14,816 |
| Total capital | | 11,617 |
| SNP loans with maturities exceeding 1 year | | 9,557 |
| Cover of combined buffer requirement | | (2,127) |
| Total MREL | 31.4 | 19,047 |
| MREL excess cover | 7.0 | 4,231 |

At 30 June 2022 the Group met the MREL with an excess cover of DKK 4,231m. The excess cover corresponds to an increase in the solvency need of 3.5pp or a rise in the risk exposure amount of DKK 17,300m.

In connection with the ongoing refinancing of the Group's subordinated capital and MREL capital the Bank will look into the possibilities of potential new issues in the course of H2 2022.

Leverage ratio

The CRR2 Regulation, which entered into force on 28 June 2021, stipulates a leverage ratio requirement of 3%, which is defined as T1 capital as a percentage of total exposure.

The Group's leverage ratio constituted 5.8% at 30 June 2022 (year-end 2021: 6.2%) taking into account the transitional rules.

SIFI

Sydbank has been designated as a SIFI in Denmark and there is an additional buffer requirement of 1% as regards CET1 capital. The intention is to bring Danish SIFI capital requirements on a par with the requirements in other comparable European countries.

IFRS 9 – transitional effect

To counter an unintended impact on regulatory capital and hence banks' possibilities of supporting lending, a transitional arrangement has been adopted so that any adverse impact from the new impairment model will be phased in over a period. As a result of covid-19 the arrangement has been prolonged until 2024. Sydbank uses the transitional arrangement.

Bank Recovery and Resolution Directive

The directive, including the bail-in provisions, was implemented in Danish law on 1 June 2015. According to legislation each credit institution must meet a minimum requirement for own funds and

eligible liabilities (MREL). In December 2021 the Danish FSA set the MREL for Sydbank at 24.4% of the risk exposure amount for the year ahead.

The general resolution principle for SIFIs is that it should be possible to restructure them and send them back to the market with adequate capitalisation to ensure market confidence. The Group's MREL is based on the risk exposure amount using a factor which has been set at the sum of twice the solvency need plus the combined capital buffer requirement, excluding the countercyclical buffer.

The establishment of a resolution fund is underway. Credit institutions must make contributions to the fund according to their relative size and risk in Denmark. The resolution fund must be established and have assets at its disposal equal to at least 1% of the covered deposits of all Danish credit institutions by 31 December 2024.

The Group's contribution to the resolution fund for 2022 is expected to represent DKK 29m.

Basel IV

Since the Basel Committee on Banking Supervision published its recommendations regarding changes to the calculation of capital requirements – Basel IV – in 2017, the EU has worked on implementing these changes into CRR (regulation) or CRD (directive). Some of the proposed changes have already been implemented and at the end of 2021 the EU proposed implementing the remaining elements. It is expected that this implementation will take place on 1 January 2025 at the earliest and that it will take place over an extended period of time and with significant transitional rules. The Group expects that the proposed changes will have a limited impact on the Group's capital requirements.

New definition of default

As of 1 January 2021 the definition of default was changed, which involves a broadening of the concept – and consequently more defaults.

As a result of the Group's use of the foundation IRB approach to calculate the capital requirement as regards corporate clients, the risk exposure amount went up by DKK 5bn. The foundation IRB approach applies a standard LGD rate which was not reduced at the same time. The Group expects that it will achieve a reduction in the risk exposure amount as a consequence of a lower LGD at a later date – either as a result of approval to use the advanced IRB approach or as a result of a reduction in the standard rate of the foundation IRB approach.

Income Statement

| DKKm | Note | Sydbank Group | | Sydbank A/S | |
|--|------|---------------|--------------|--------------|--------------|
| | | H1 2022 | H1 2021 | H1 2022 | H1 2021 |
| Interest income calculated using the effective interest method | | 1,139 | 1,037 | 1,142 | 1,040 |
| Other interest income | | 154 | 156 | 154 | 156 |
| Interest income | 2 | 1,293 | 1,193 | 1,296 | 1,196 |
| Interest expense | 3 | 198 | 232 | 196 | 230 |
| Net interest income | | 1,095 | 961 | 1,100 | 966 |
| Dividends on shares | | 29 | 20 | 42 | 20 |
| Fee and commission income | 4 | 1,374 | 1,313 | 1,310 | 1,238 |
| Fee and commission expense | | 165 | 154 | 152 | 136 |
| Net interest and fee income | | 2,333 | 2,140 | 2,300 | 2,088 |
| Market value adjustments | 5 | 135 | 162 | 103 | 261 |
| Other operating income | | 12 | 14 | 13 | 15 |
| Staff costs and administrative expenses | 6 | 1,524 | 1,626 | 1,498 | 1,600 |
| Amortisation, depreciation and impairment of intangible assets and property, plant and equipment | | 66 | 59 | 65 | 59 |
| Other operating expenses | 8 | 14 | 15 | 14 | 15 |
| Impairment of loans and advances etc | 9 | (81) | (205) | (81) | (205) |
| Profit/(Loss) on holdings in associates and subsidiaries | 10 | 2 | 4 | 13 | 18 |
| Profit before tax | | 959 | 825 | 933 | 913 |
| Tax | 11 | 211 | 180 | 203 | 197 |
| Profit for the period | | 748 | 645 | 730 | 716 |
| Distribution of profit for the period | | | | | |
| Shareholders of Sydbank A/S | | 724 | 619 | 710 | 696 |
| Holders of AT1 capital | | 20 | 20 | 20 | 20 |
| Minority shareholders | | 4 | 6 | - | - |
| Total amount to be allocated | | 748 | 645 | 730 | 716 |
| Interest paid to holders of AT1 capital | | 20 | 20 | 20 | 20 |
| Minority shareholders | | 4 | 6 | - | - |
| Transfer to equity | | 724 | 619 | 710 | 696 |
| Total amount allocated | | 748 | 645 | 730 | 716 |
| EPS Basic for the period (DKK)* | | 12.5 | 10.4 | 12.2 | 11.7 |
| EPS Diluted for the period (DKK)* | | 12.5 | 10.4 | 12.2 | 11.7 |
| Dividend per share (DKK) | | - | - | - | - |

* Calculated on the basis of average number of shares outstanding, see page 20.

Statement of Comprehensive Income

| | | | | |
|--|-------------|------------|------------|------------|
| Profit for the period | 748 | 645 | 730 | 716 |
| Other comprehensive income | | | | |
| <u>Items that may not be reclassified to the income statement:</u> | | | | |
| Value adjustment of certain strategic shares | (14) | 77 | - | - |
| Other comprehensive income after tax | (14) | 77 | - | - |
| Comprehensive income for the period | 734 | 722 | 730 | 716 |

Balance Sheet

| DKKm | Note | Sydbank Group | | Sydbank A/S | |
|--|------|----------------|----------------|----------------|----------------|
| | | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |
| Assets | | | | | |
| Cash and balances on demand at central banks | | 7,758 | 5,513 | 7,758 | 5,513 |
| Amounts owed by credit institutions and central banks | 12 | 13,456 | 16,798 | 13,456 | 16,798 |
| Loans and advances at fair value | | 12,940 | 16,918 | 12,940 | 16,918 |
| Loans and advances at amortised cost | 13 | 74,190 | 67,041 | 74,685 | 67,540 |
| Bonds at fair value | | 28,714 | 28,703 | 28,714 | 28,703 |
| Shares etc | | 2,743 | 2,790 | 2,743 | 2,790 |
| Holdings in associates etc | | 164 | 174 | 164 | 174 |
| Holdings in subsidiaries etc | | - | - | 2,116 | 2,219 |
| Assets related to pooled plans | | 20,445 | 22,180 | 20,445 | 22,180 |
| Intangible assets | | 385 | 405 | 385 | 405 |
| Owner-occupied property | | 1,125 | 1,131 | 901 | 905 |
| Owner-occupied property (leasing) | | 96 | 105 | 96 | 105 |
| Total land and buildings | | 1,221 | 1,236 | 997 | 1,010 |
| Other property, plant and equipment | | 36 | 53 | 35 | 53 |
| Current tax assets | | 642 | 349 | 654 | 357 |
| Deferred tax assets | | 6 | 6 | 11 | 11 |
| Other assets | 14 | 6,316 | 5,955 | 5,880 | 5,522 |
| Prepayments | | 64 | 64 | 63 | 64 |
| Total assets | | 169,080 | 168,185 | 171,046 | 170,257 |
| Equity and liabilities | | | | | |
| Amounts owed to credit institutions and central banks | 15 | 5,848 | 6,907 | 5,848 | 6,907 |
| Deposits and other debt | 16 | 100,190 | 93,877 | 102,320 | 96,120 |
| Deposits in pooled plans | | 20,445 | 22,180 | 20,445 | 22,180 |
| Bonds issued at amortised cost | | 9,557 | 13,313 | 9,557 | 13,313 |
| Current tax liabilities | | 19 | 19 | 19 | 19 |
| Other liabilities | 17 | 18,485 | 16,447 | 18,360 | 16,320 |
| Deferred income | | 6 | 6 | 6 | 6 |
| Total liabilities | | 154,550 | 152,749 | 156,555 | 154,865 |
| Provisions | 18 | 375 | 366 | 374 | 364 |
| Subordinated capital | 19 | 1,115 | 1,858 | 1,115 | 1,858 |
| Equity: | | | | | |
| Share capital | | 584 | 597 | 584 | 597 |
| Revaluation reserves | | 132 | 132 | 132 | 132 |
| Other reserves: | | | | | |
| Reserves according to articles of association | | 425 | 425 | 425 | 425 |
| Reserve for net revaluation according to equity method | | 2 | 2 | 2 | 2 |
| Retained earnings | | 11,103 | 10,544 | 11,065 | 10,544 |
| Proposed dividend etc | | - | 713 | - | 713 |
| Shareholders of Sydbank A/S | | 12,246 | 12,413 | 12,208 | 12,413 |
| Holders of AT1 capital | | 757 | 757 | 757 | 757 |
| Minority shareholders | | 37 | 42 | 37 | - |
| Total equity | | 13,040 | 13,212 | 13,002 | 13,170 |
| Total equity and liabilities | | 169,080 | 168,185 | 171,046 | 170,257 |

Financial Highlights - Quarterly

| | Sydbank Group | | | | | |
|---|---------------|--------------|--------------|--------------|--------------|--------------|
| | Q2 2022 | Q1 2022 | Q4 2021 | Q3 2021 | Q2 2021 | Q1 2021 |
| Income statement (DKKm) | | | | | | |
| Core income | 1,199 | 1,200 | 1,156 | 1,087 | 1,088 | 1,105 |
| Trading income | 16 | 100 | 103 | 47 | 68 | 73 |
| Total income | 1,215 | 1,300 | 1,259 | 1,134 | 1,156 | 1,178 |
| Costs, core earnings | 775 | 799 | 782 | 748 | 814 | 833 |
| Core earnings before impairment | 440 | 501 | 477 | 386 | 342 | 345 |
| Impairment of loans and advances etc | (23) | (61) | (104) | (105) | (125) | (81) |
| Core earnings | 463 | 562 | 581 | 491 | 467 | 426 |
| Investment portfolio earnings | (62) | (29) | 5 | (7) | 2 | (21) |
| Profit before non-recurring items | 401 | 533 | 586 | 484 | 469 | 405 |
| Non-recurring items, net | (12) | 37 | (104) | (27) | (17) | (32) |
| Profit before tax | 389 | 570 | 482 | 457 | 452 | 373 |
| Tax | 86 | 125 | 84 | 89 | 98 | 82 |
| Profit for the period | 303 | 445 | 398 | 368 | 354 | 291 |
| Balance sheet highlights (DKKbn) | | | | | | |
| Loans and advances at amortised cost | 74.2 | 71.6 | 67.0 | 64.3 | 61.4 | 61.5 |
| Loans and advances at fair value | 12.9 | 21.5 | 16.9 | 19.1 | 20.3 | 18.2 |
| Deposits and other debt | 100.2 | 93.1 | 93.9 | 94.1 | 98.1 | 93.0 |
| Bonds issued at amortised cost | 9.6 | 9.6 | 13.3 | 9.6 | 9.6 | 9.6 |
| Subordinated capital | 1.1 | 1.1 | 1.9 | 1.9 | 1.9 | 1.9 |
| AT1 capital | 0.8 | 0.7 | 0.8 | 0.8 | 0.8 | 0.8 |
| Shareholders' equity | 12.2 | 12.2 | 12.4 | 12.5 | 12.2 | 11.8 |
| Total assets | 169.1 | 163.1 | 168.2 | 164.5 | 169.8 | 164.8 |
| Financial ratios per share (DKK per share of DKK 10) | | | | | | |
| Profit for the period | 5.0 | 7.4 | 6.6 | 6.0 | 5.8 | 4.7 |
| Share price at end of period | 217.2 | 230.8 | 206.8 | 192.0 | 193.1 | 170.9 |
| Book value | 212.3 | 208.7 | 212.6 | 210.8 | 205.1 | 198.5 |
| Share price/book value | 1.02 | 1.11 | 0.97 | 0.91 | 0.94 | 0.86 |
| Average number of shares outstanding (in millions) | 58.0 | 58.4 | 59.2 | 59.3 | 59.3 | 59.3 |
| Dividend per share | - | - | 12.0 | - | - | - |
| Dividend for 2019 (paid out) | - | - | - | 5.70 | - | - |
| Other financial ratios and key figures | | | | | | |
| CET1 ratio | 16.6 | 16.5 | 17.9 | 16.8 | 17.7 | 18.1 |
| T1 capital ratio | 17.8 | 17.8 | 19.3 | 18.1 | 19.1 | 19.5 |
| Capital ratio | 19.1 | 19.1 | 22.8 | 21.5 | 22.5 | 23.0 |
| Pre-tax profit as % p.a. of average equity | 12.4 | 18.1 | 15.2 | 14.4 | 14.7 | 12.3 |
| Post-tax profit as % p.a. of average equity | 9.6 | 14.1 | 12.5 | 11.5 | 11.4 | 9.5 |
| Costs (core earnings) as % of total income | 63.8 | 61.5 | 62.1 | 66.0 | 70.4 | 70.7 |
| Return on assets (%) | 0.2 | 0.3 | 0.2 | 0.2 | 0.2 | 0.2 |
| Interest rate risk | 1.4 | 1.2 | 1.6 | 0.5 | 1.7 | 1.2 |
| Foreign exchange position | 3.3 | 1.6 | 1.1 | 2.5 | 1.2 | 2.0 |
| Foreign exchange risk | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Liquidity, LCR (%) | 170 | 171 | 200 | 202 | 235 | 211 |
| Loans and advances relative to deposits | 0.6 | 0.6 | 0.6 | 0.6 | 0.5 | 0.6 |
| Loans and advances relative to equity | 6.1 | 5.9 | 5.4 | 5.3 | 5.0 | 5.2 |
| Growth in loans and advances during the period | 3.6 | 6.8 | 4.2 | 4.8 | (0.3) | 2.1 |
| Total large exposures | 154 | 150 | 140 | 146 | 141 | 151 |
| Accumulated impairment ratio | 2.0 | 2.1 | 2.2 | 2.2 | 2.4 | 2.6 |
| Impairment ratio for the period | (0.02) | (0.06) | (0.12) | (0.12) | (0.15) | (0.10) |
| Number of full-time staff at end of period | 2,017 | 2,059 | 2,077 | 2,109 | 2,126 | 2,166 |

When calculating financial ratios AT1 capital is considered a liability regardless of the fact that it is accounted for as equity. Reference is made to financial ratio definitions in the 2021 Annual Report (page 116).

Financial Highlights - Half-yearly

| | Sydbank Group | | | | |
|---|---------------|--------------|--------------|--------------|--------------|
| | H1 | H1 | H1 | H1 | H1 |
| | 2022 | 2021 | 2020 | 2019 | 2018 |
| Income statement (DKKm) | | | | | |
| Core income | 2,399 | 2,193 | 1,829 | 1,805 | 2,040 |
| Trading income | 116 | 141 | 116 | 136 | 100 |
| Total income | 2,515 | 2,334 | 1,945 | 1,941 | 2,140 |
| Costs, core earnings | 1,574 | 1,647 | 1,418 | 1,429 | 1,397 |
| Core earnings before impairment | 941 | 687 | 527 | 512 | 743 |
| Impairment of loans and advances etc | (84) | (206) | 42 | (34) | (57) |
| Core earnings | 1,025 | 893 | 485 | 546 | 800 |
| Investment portfolio earnings | (91) | (19) | (33) | (28) | (78) |
| Profit before non-recurring items | 934 | 874 | 452 | 518 | 722 |
| Non-recurring items, net | 25 | (49) | (37) | (39) | 92 |
| Profit before tax | 959 | 825 | 415 | 479 | 814 |
| Tax | 211 | 180 | 91 | 90 | 146 |
| Profit for the period | 748 | 645 | 324 | 389 | 668 |
| Balance sheet highlights (DKKbn) | | | | | |
| Loans and advances at amortised cost | 74.2 | 61.4 | 55.5 | 60.9 | 62.5 |
| Loans and advances at fair value | 12.9 | 20.3 | 19.1 | 7.0 | 6.1 |
| Deposits and other debt | 100.2 | 98.1 | 84.2 | 89.1 | 84.1 |
| Bonds issued at amortised cost | 9.6 | 9.6 | 7.4 | 7.4 | - |
| Subordinated capital | 1.1 | 1.9 | 1.9 | 1.9 | 1.9 |
| AT1 capital | 0.8 | 0.8 | 0.8 | 0.8 | 0.8 |
| Shareholders' equity | 12.2 | 12.2 | 11.2 | 10.7 | 11.3 |
| Total assets | 169.1 | 169.8 | 150.4 | 152.1 | 136.1 |
| Financial ratios per share (DKK per share of DKK 10) | | | | | |
| Profit for the period | 12.5 | 10.4 | 5.1 | 6.0 | 10.0 |
| Share price at end of period | 217.2 | 193.1 | 123.0 | 125.1 | 219.4 |
| Book value | 212.3 | 205.1 | 190.2 | 176.1 | 173.1 |
| Share price/book value | 1.02 | 0.94 | 0.65 | 0.71 | 1.27 |
| Average number of shares outstanding (in millions) | 58.2 | 59.3 | 59.1 | 61.0 | 66.5 |
| Dividend per share | - | - | - | - | - |
| Other financial ratios and key figures | | | | | |
| CET1 ratio | 16.6 | 17.7 | 20.2 | 16.6 | 15.5 |
| T1 capital ratio | 17.8 | 19.1 | 22.0 | 18.3 | 17.2 |
| Capital ratio | 19.1 | 22.5 | 25.9 | 21.6 | 20.4 |
| Pre-tax profit as % p.a. of average equity | 15.3 | 13.4 | 7.1 | 8.7 | 14.3 |
| Post-tax profit as % p.a. of average equity | 11.9 | 10.4 | 5.4 | 7.0 | 11.7 |
| Costs (core earnings) as % of total income | 62.6 | 70.6 | 72.9 | 73.6 | 65.3 |
| Return on assets (%) | 0.4 | 0.4 | 0.2 | 0.3 | 0.5 |
| Interest rate risk | 1.4 | 1.7 | 0.9 | 1.3 | 1.6 |
| Foreign exchange position | 3.3 | 1.2 | 1.3 | 1.6 | 3.6 |
| Foreign exchange risk | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 |
| Liquidity, LCR (%) | 170 | 235 | 232 | 207 | 154 |
| Loans and advances relative to deposits | 0.6 | 0.5 | 0.6 | 0.6 | 0.6 |
| Loans and advances relative to equity | 6.1 | 5.0 | 5.1 | 5.8 | 5.5 |
| Growth in loans and advances during the period | 10.7 | 1.9 | (8.3) | (0.2) | (2.8) |
| Total large exposures | 154 | 141 | 152 | 149 | 146 |
| Accumulated impairment ratio | 2.0 | 2.4 | 3.0 | 3.4 | 3.6 |
| Impairment ratio for the period | (0.09) | (0.24) | 0.06 | (0.04) | (0.07) |
| Number of full-time staff at end of period | 2,017 | 2,126 | 1,979 | 2,069 | 2,102 |

When calculating financial ratios AT1 capital is considered a liability regardless of the fact that it is accounted for as equity. Reference is made to financial ratio definitions in the 2021 Annual Report (page 116).

Statement of Changes in Equity

| DKK m | Share capital | Revaluation reserves | Reserves acc to articles of association* | Reserve for net revaluation acc to equity method | Retained earnings | Proposed dividend etc | Shareholders of Sydbank A/S | Sydbank Group | | |
|--|---------------|----------------------|--|--|-------------------|-----------------------|-----------------------------|---------------|-----------------------|---------------|
| | | | | | | | | AT1 capital** | Minority shareholders | Total equity |
| Equity at 1 Jan 2022 | 597 | 132 | 425 | 2 | 10,544 | 713 | 12,413 | 757 | 42 | 13,212 |
| Profit for the period | | | | | 724 | | 724 | 20 | 4 | 748 |
| Other comprehensive income | | | | | (14) | | (14) | | | (14) |
| Comprehensive income for the period | - | - | - | - | 710 | - | 710 | 20 | 4 | 734 |
| Transactions with owners | | | | | | | | | | |
| Purchase of own shares | | | | | (691) | | (691) | | | (691) |
| Sale of own shares | | | | | 525 | | 525 | | | 525 |
| Reduction of share capital | (13) | | | | 13 | | - | | | - |
| Interest paid on AT1 capital | | | | | | | | (20) | | (20) |
| Exchange rate adjustment | | | | | 0 | | 0 | 0 | | - |
| Dividend etc paid | | | | | | (713) | (713) | | (9) | (722) |
| Dividend, own shares | | | | | 2 | | 2 | | | 2 |
| Total transactions with owners | (13) | - | - | - | (151) | (713) | (877) | (20) | (9) | (906) |
| Equity at 30 Jun 2022 | 584 | 132 | 425 | 2 | 11,103 | - | 12,246 | 757 | 37 | 13,040 |
| Equity at 1 Jan 2021 | 597 | 104 | 425 | 2 | 10,336 | 248 | 11,712 | 757 | 37 | 12,506 |
| Profit for the period | | | | | 619 | | 619 | 20 | 6 | 645 |
| Other comprehensive income | | | | | 77 | | 77 | | | 77 |
| Comprehensive income for the period | - | - | - | - | 696 | - | 696 | 20 | 6 | 722 |
| Transactions with owners | | | | | | | | | | |
| Purchase of own shares | | | | | (604) | | (604) | | | (604) |
| Sale of own shares | | | | | 604 | | 604 | | | 604 |
| Interest paid on AT1 capital | | | | | | | | (19) | | (19) |
| Exchange rate adjustment | | | | | 1 | | 1 | (1) | | - |
| Dividend etc paid | | | | | | (248) | (248) | | (7) | (255) |
| Dividend, own shares | | | | | 1 | | 1 | | | 1 |
| Sale of holdings in subsidiaries | | | | | | | | | 3 | 3 |
| Total transactions with owners | - | - | - | - | 2 | (248) | (246) | (20) | (4) | (270) |
| Equity at 30 Jun 2021 | 597 | 104 | 425 | 2 | 11,034 | - | 12,162 | 757 | 39 | 12,958 |

* Reserves according to the articles of association equal the undistributable savings bank reserve in accordance with Article 4 of the Articles of Association.

* AT1 capital has no maturity date. Payment of interest and repayment of principal are voluntary. Therefore AT1 capital is accounted for as equity. In May 2018 Sydbank issued EUR 100m with optional redemption on 28 August 2025. The issue carries interest at the Mid-Swap Rate + a margin of 4.62%, a total of 5.25%. Under the issue the loan will be written down if the CET1 ratio of Sydbank A/S or the Sydbank Group drops below 7%.

| The Sydbank share | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
|---|-------------|-------------|-------------|
| Share capital (DKK) | 583,873,200 | 596,763,200 | 596,763,200 |
| Shares issued (number) | 58,387,320 | 59,676,320 | 59,676,320 |
| Shares outstanding at end of period (number) | 57,673,601 | 58,384,311 | 59,290,464 |
| Average number of shares outstanding (number) | 58,165,181 | 59,186,746 | 59,290,954 |

The Bank has only one class of shares as all shares carry the same rights.

Capital Statement

| DKKm | Sydbank Group | | |
|---|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2021 |
| Solvency | | | |
| CET1 ratio | 16.6 | 17.9 | 17.7 |
| T1 capital ratio | 17.8 | 19.3 | 19.1 |
| Capital ratio | 19.1 | 22.8 | 22.5 |
| Total capital | | | |
| Equity, shareholders of Sydbank A/S | 12,246 | 12,413 | 12,162 |
| Not included share in profit for the period | (391) | - | (639) |
| Prudent valuation | (71) | (73) | (88) |
| Actual or contingent obligations to purchase own shares | (268) | (9) | (8) |
| Proposed dividend | - | (713) | - |
| Intangible assets and capitalised deferred tax assets | (331) | (351) | (383) |
| Significant investments in financial sector | (1,123) | (1,073) | (884) |
| Transitional arrangement IFRS 9 | 42 | 89 | 84 |
| Insufficient coverage for non-performing exposures | (11) | (6) | - |
| CET1 capital | 10,093 | 10,277 | 10,244 |
| AT1 capital – equity | 744 | 744 | 744 |
| AT1 capital – debt | - | 55 | 55 |
| T1 capital | 10,837 | 11,076 | 11,043 |
| T2 capital | 557 | 1,802 | 1,801 |
| Difference between expected losses and impairment for accounting purposes | 223 | 204 | 159 |
| Total capital | 11,617 | 13,082 | 13,003 |
| Credit risk* | 41,702 | 38,849 | 38,156 |
| Market risk | 6,091 | 5,467 | 6,538 |
| Operational risk | 7,195 | 7,195 | 6,708 |
| Other exposures incl CVA | 5,732 | 5,904 | 6,397 |
| REA | 60,720 | 57,415 | 57,799 |
| Pillar I capital requirements | 4,858 | 4,593 | 4,624 |
| * Credit risk | | | |
| Corporate clients, IRB | 31,373 | 28,508 | 26,023 |
| Retail clients, IRB | 5,832 | 5,414 | 5,817 |
| Corporate clients, STD | 548 | 560 | 1,422 |
| Retail clients, STD | 3,218 | 3,561 | 3,545 |
| Credit institutions etc | 731 | 806 | 1,349 |
| Total | 41,702 | 38,849 | 38,156 |

Cash Flow Statement

| DKKm | Sydbank Group | | |
|--|---------------|-------------------|--------------|
| | H1 2022 | Full year 2021 | H1 2021 |
| Operating activities | | | |
| Pre-tax profit for the period | 959 | 1,764 | 825 |
| Taxes paid | (500) | (790) | (547) |
| <u>Adjustment for non-cash operating items:</u> | | | |
| Profit/(Loss) on holdings in associates | 2 | 0 | 0 |
| Amortisation and depreciation of intangible assets and property, plant and equipment | 66 | 138 | 59 |
| Impairment of loans and advances/guarantees | (81) | (415) | (205) |
| Other non-cash operating items | 10 | (149) | (32) |
| | 456 | 548 | 100 |
| <u>Changes in working capital:</u> | | | |
| Credit institutions and central banks | 2,002 | (5,819) | (5,687) |
| Trading portfolio | 16 | 7,925 | 2,804 |
| Other financial instruments at fair value | 268 | 241 | 187 |
| Loans and advances | (3,090) | (5,354) | (3,248) |
| Deposits | 6,314 | (2,042) | 2,146 |
| Other assets/liabilities | 1,324 | 1,209 | 3,858 |
| Cash flows from operating activities | 7,290 | (3,292) | 160 |
| Investing activities | | | |
| Purchase of holdings in associates | 8 | (2) | (8) |
| Sale of holdings in associates | - | 0 | - |
| Purchase of equity investments | (43) | (206) | - |
| Sale of equity investments | 63 | 139 | - |
| Purchase of holdings in subsidiaries | - | - | 3 |
| Sale of holdings in subsidiaries | - | 3 | - |
| Purchase/sale of intangible assets | (1) | (1) | - |
| Purchase of property, plant and equipment | (13) | (152) | (46) |
| Sale of property, plant and equipment | - | 17 | (1) |
| Cash flows from investing activities | 14 | (202) | (52) |
| Financing activities | | | |
| Purchase and sale of own holdings | (166) | (198) | 1 |
| Dividend etc | (711) | (584) | (247) |
| Redemption of subordinated capital | (744) | - | - |
| Redemption/issue of bonds | (3,718) | 3,719 | - |
| Cash flows from financing activities | (5,339) | 2,937 | (246) |
| Cash flows for the period | 1,965 | (557) | (138) |
| Cash and cash equivalents at 1 Jan | 6,324 | 6,881 | 6,881 |
| Cash flows for the period | 1,965 | (557) | (138) |
| Cash and cash equivalents at end of period | 8,289 | 6,324 | 6,743 |
| Cash and cash equivalents at end of period | | | |
| Cash and balances on demand at central banks | 7,758 | 5,513 | 5,674 |
| Fully secured cash and cash equivalent balances on demand with credit institutions and insurance companies | 531 | 811 | 1,069 |
| Unencumbered certificates of deposit | - | - | - |
| Cash and cash equivalents at end of period | 8,289 | 6,324 | 6,743 |

Segment Reporting etc

| DKKkm | Sydbank Group | | | | | |
|--|---------------|------------------|-----------------|-------------|-------------|--------------|
| | Banking | Asset Management | Sydbank Markets | Treasury | Other | Total |
| Operating segments | | | | | | |
| H1 2022 | | | | | | |
| Core income | 2,166 | 178 | 55 | - | - | 2,399 |
| Trading income | - | - | 116 | - | - | 116 |
| Total income | 2,166 | 178 | 171 | - | - | 2,515 |
| Costs, core earnings | 1,390 | 63 | 83 | - | 38 | 1,574 |
| Impairment of loans and advances etc | (84) | - | - | - | - | (84) |
| Core earnings | 860 | 115 | 88 | - | (38) | 1,025 |
| Investment portfolio earnings | (1) | - | - | (90) | - | (91) |
| Profit before non-recurring items | 859 | 115 | 88 | (90) | (38) | 934 |
| Non-recurring items, net | 25 | - | - | - | - | 25 |
| Profit before tax | 884 | 115 | 88 | (90) | (38) | 959 |
| H1 2021 | | | | | | |
| Core income | 1,964 | 172 | 57 | - | - | 2,193 |
| Trading income | - | - | 141 | - | - | 141 |
| Total income | 1,964 | 172 | 198 | - | - | 2,334 |
| Costs, core earnings | 1,457 | 69 | 83 | - | 38 | 1,647 |
| Impairment of loans and advances etc | (206) | - | - | - | - | (206) |
| Core earnings | 713 | 103 | 115 | - | (38) | 893 |
| Investment portfolio earnings | 6 | - | - | (25) | - | (19) |
| Profit before non-recurring items | 719 | 103 | 115 | (25) | (38) | 874 |
| Non-recurring items, net | (49) | - | - | - | - | (49) |
| Profit before tax | 670 | 103 | 115 | (25) | (38) | 825 |

Operating segments

The Group's segment statements are divided into the following business units: Banking, Asset Management, Sydbank Markets, Treasury and Other.

Banking serves all types of retail and corporate clients.

Asset Management primarily comprises the Bank's advisory-related income from clients and investment funds.

Sydbank Markets comprises trading income as well as a share of the income from clients with decentral affiliation calculated on the basis of the market price thereof. The share represents the payment by Banking for Sydbank Markets' facilities, including advisory services and administration.

Treasury comprises the Group's return on positions handled by Treasury, including liquidity allocation.

Other includes non-recurring items, costs to the Group Executive Management etc as well as return on strategic shareholdings that are not allocated to Banking or Sydbank Markets.

Inter-segment transactions are settled on an arm's length basis. Centrally incurred costs are allocated to the business units in accordance with their estimated proportionate share of overall activities.

Excess liquidity is settled primarily at short-term money market rates whereas other balances are settled on an arm's length basis.

Segment Reporting etc

| DKKkm | Sydbank Group | | | | | | | |
|--|---------------|----------------|----------------------|-----------------------------------|---------------|-------------------------------|--------------------------|-------------------|
| | Core income | Trading income | Costs, core earnings | Impairment of loans/ advances etc | Core earnings | Investment portfolio earnings | Non-recurring items, net | Profit before tax |
| Correlation between the Group's performance measures and the income statement according to IFRS | | | | | | | | |
| H1 2022 | | | | | | | | |
| Net interest and fee income | 2,199 | 137 | | | 2,336 | (3) | | 2,333 |
| Market value adjustments | 186 | (22) | | 3 | 167 | (84) | 52 | 135 |
| Other operating income | 12 | | | | 12 | | | 12 |
| Income | 2,397 | 116 | - | 3 | 2,516 | (87) | 52 | 2,480 |
| Staff costs and administrative expenses | | | (1,493) | | (1,493) | (4) | (27) | (1,524) |
| Amortisation, depreciation and impairment of intangible assets and property, plant and equipment | | | (66) | | (66) | | | (66) |
| Other operating expenses | | | (14) | | (14) | | | (14) |
| Impairment of loans and advances etc | | | | 81 | 81 | | | 81 |
| Profit/(Loss) on holdings in associates and subsidiaries | 2 | | | | 2 | | | 2 |
| Profit before tax | 2,399 | 116 | (1,574) | 84 | 1,025 | (91) | 25 | 959 |
| H1 2021 | | | | | | | | |
| Net interest and fee income | 2,010 | 116 | | | 2,126 | 14 | | 2,140 |
| Market value adjustments | 165 | 25 | | 1 | 191 | (29) | | 162 |
| Other operating income | 14 | | | | 14 | | | 14 |
| Income | 2,189 | 141 | - | 1 | 2,331 | (15) | - | 2,316 |
| Staff costs and administrative expenses | | | (1,573) | | (1,573) | (4) | (49) | (1,626) |
| Amortisation, depreciation and impairment of intangible assets and property, plant and equipment | | | (59) | | (59) | | | (59) |
| Other operating expenses | | | (15) | | (15) | | | (15) |
| Impairment of loans and advances etc | | | | 205 | 205 | | | 205 |
| Profit/(Loss) on holdings in associates and subsidiaries | 4 | | | | 4 | | | 4 |
| Profit before tax | 2,193 | 141 | (1,647) | 206 | 893 | (19) | (49) | 825 |

The Sydbank Group's internal reporting is not made on the basis of products and services. Reference is made to notes 2 and 4 for the distribution of interest income as well as fee and commission income.

Notes

Note 1

Accounting policies

The interim report covers the period from 1 January to 30 June 2022 and is prepared in compliance with IAS 34 “Interim Financial Reporting” as adopted by the EU and in compliance with Danish disclosure requirements for interim reports of listed financial companies. As a result of the use of IAS 34, the presentation is less complete compared with the presentation of an annual report and the recognition and measurement principles are in compliance with IFRS.

The accounting policies are consistent with those adopted in the 2021 Annual Report, to which reference is made.

The 2021 Annual Report provides a comprehensive description of the accounting policies applied.

Accounting estimates and judgements

The measurement of certain assets and liabilities requires that management makes accounting estimates as to how future events will affect the value of such assets, liabilities, income and costs. Actual results may deviate from such estimates.

The significant estimates made by management in the use of the Group's accounting policies and the inherent considerable uncertainty of such estimates used in the preparation of the interim report are identical to those used in the preparation of the 2021 Annual Report.

Impairment of loans and advances and provisions for guarantees and undrawn credit commitments are made to take into account the expected losses on conclusion as well as any credit impairment after initial recognition. The determination of impairment charges for expected losses is subject to a number of estimates, including which loans and advances or portfolios of loans and advances are subject to credit impairment as well as calculation of expected losses.

Assessing the degree of credit impairment of exposures involves a number of estimates which may be subject to uncertainty.

To a large extent the determination of expected losses at exposure level is based on risk registrations, models and past experience but it also involves a number of estimates of risks and expected developments in the individual exposure, including the future ability to pay and the value of collateral which in particular comprises mortgages on property. During periods of uncertain economic trends or significant demographic or structural changes uncertainty is greater. This is reflected in the need for management adjustments that by their nature are subject to uncertainty.

The Group's models to calculate impairment of exposures in stages 1 and 2 include expectations as to economic developments. The outlook is based on estimates of the probability of different outcomes of economic growth. The outlook results in a determination of the probability of the scenarios baseline, upturn and downturn.

At 30 June 2022 the probability of the downturn scenario was fixed at 95%, which is unchanged compared with 31 December 2021.

Impairment of exposures in stage 3 and the weak part of stage 2 is based on individual assessments which include expectations of future changes in collateral value etc.

In addition to the calculated impairment charges, management estimates whether there is a need for special impairment charges as regards exposed industries, customer segments or other elements that are estimated as having not yet been reflected in the Bank's registrations.

At 30 June 2022 management's impairment charges of DKK 325m (2021: DKK 325m) have been recorded to cover losses as a result of the economic consequences of covid-19. Management's impairment charges may change in the coming quarters. The impairment charges are described in more detail in the financial review on page 9.

Impairment charges for loans and advances to pig farming comprise a management estimate of DKK 60m (2021: DKK 60m).

The Group's significant risks and the external elements which may affect the Group are described in greater detail in the 2021 Annual Report.

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|---|---------------|--------------|--------------|--------------|
| | H1 2022 | H1 2021 | H1 2022 | H1 2021 |
| Note 2 | | | | |
| Interest income calculated using the effective interest method | | | | |
| Amounts owed by credit institutions and central banks | 3 | 7 | 3 | 8 |
| Loans and advances and other amounts owed | 867 | 811 | 870 | 813 |
| Other interest income | 0 | 1 | 0 | 1 |
| Interest on amounts owed to credit institutions* | 4 | 6 | 4 | 6 |
| Interest on deposits* | 265 | 212 | 265 | 212 |
| Total | 1,139 | 1,037 | 1,142 | 1,040 |
| Other interest income | | | | |
| Repo transactions with credit institutions and central banks and repo deposits* | 14 | 16 | 14 | 16 |
| Bonds | 23 | 69 | 23 | 69 |
| Total derivatives | 117 | 71 | 117 | 71 |
| comprising: | | | | |
| Foreign exchange contracts | 22 | 15 | 22 | 15 |
| Interest rate contracts | 94 | 56 | 94 | 56 |
| Total | 154 | 156 | 154 | 156 |
| Total interest income | 1,293 | 1,193 | 1,296 | 1,196 |
| * Negative interest expense | | | | |
| Fair value, designated at initial recognition | 14 | 16 | 14 | 16 |
| Fair value, held for trading | 140 | 140 | 140 | 140 |
| Assets recognised at amortised cost | 1,139 | 1,037 | 1,142 | 1,040 |
| Total | 1,293 | 1,193 | 1,296 | 1,196 |

The Group's cash resources are primarily placed in Danish mortgage bonds. The interest rate risk concerning these positions has been reduced via derivatives. As a result the Group's external income statement is affected in terms of interest income and the market value adjustment of bonds and derivatives. The same applies to the Group's position-taking as regards bonds as well as shares. The breakdown by income statement item does not disclose income independently and consequently these items must be regarded as one as they are in "Segment Reporting" as well as in the Group's financial review, which also takes funding of the positions into account.

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|------|---------------|------------|-------------|------------|
| | H1 2022 | H1 2021 | H1 2022 | H1 2021 |

Note 3

Interest expense

| | | | | |
|---|------------|------------|------------|------------|
| Reverse transactions with credit institutions and central banks and reverse loans and advances* | 52 | 48 | 52 | 48 |
| Amounts owed to credit institutions and central banks | 1 | 5 | 1 | 5 |
| Deposits and other debt | 40 | 52 | 38 | 50 |
| Bonds* | 0 | 8 | 0 | 8 |
| Bonds issued | 56 | 64 | 56 | 64 |
| Interest on amounts owed by credit institutions and central banks* | 38 | 41 | 38 | 41 |
| Subordinated capital | 9 | 12 | 9 | 12 |
| Other interest expense | 2 | 2 | 2 | 2 |
| Total | 198 | 232 | 196 | 230 |

* Negative interest income

| | | | | |
|---|------------|------------|------------|------------|
| Fair value, designated at initial recognition | 52 | 48 | 52 | 48 |
| Fair value, held for trading | 0 | 8 | 0 | 8 |
| Liabilities recognised at amortised cost | 146 | 176 | 144 | 174 |
| Total | 198 | 232 | 196 | 230 |

Note 4

Fee and commission income

| | | | | |
|--|--------------|--------------|--------------|--------------|
| Securities trading and custody accounts | 443 | 457 | 379 | 382 |
| Advisory fee, asset management | 186 | 204 | 186 | 204 |
| Payment services | 164 | 142 | 164 | 142 |
| Loan fees | 135 | 110 | 135 | 110 |
| Guarantee commission | 89 | 78 | 89 | 78 |
| Income concerning funded mortgage-like loans | 45 | 46 | 45 | 46 |
| Other fees and commission | 312 | 276 | 312 | 276 |
| Total fee and commission income | 1,374 | 1,313 | 1,310 | 1,238 |
| Fee expense, asset management | 7 | 5 | 7 | 5 |
| Other fee and commission expense | 158 | 149 | 145 | 131 |
| Total fee and commission expense | 165 | 154 | 152 | 136 |
| Net fee and commission income | 1,209 | 1,159 | 1,158 | 1,102 |

Except for guarantee commission recognised according to IFRS 9, fee and commission income is recognised according to IFRS 15. The set-off of loss concerning arranged mortgage loans represented DKK 4m in H1 2022 (H1 2021: DKK 6m) and has been deducted from commission received which is included under other fees and commission.

Notes

| DKK m | Sydbank Group | | Sydbank A/S | |
|-------|---------------|------------|-------------|------------|
| | H1 2022 | H1 2021 | H1 2022 | H1 2021 |

Note 5

Market value adjustments

| | | | | |
|---|------------|------------|------------|------------|
| Other loans and advances and amounts owed at fair value | 76 | 13 | 76 | 13 |
| Bonds | (301) | (77) | (301) | (77) |
| Shares etc | 47 | 85 | 16 | 184 |
| Foreign exchange | 114 | 98 | 113 | 98 |
| Derivatives | 199 | 43 | 199 | 43 |
| Assets related to pooled plans | (2,855) | 1,094 | (2,855) | 1,094 |
| Deposits in pooled plans | 2,855 | (1,094) | 2,855 | (1,094) |
| Other assets/liabilities | 0 | 0 | 0 | 0 |
| Total | 135 | 162 | 103 | 261 |

Note 6

Staff costs and administrative expenses

| | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|
| Salaries and remuneration: | | | | |
| Group Executive Management | 14 | 11 | 14 | 11 |
| Board of Directors | 3 | 3 | 3 | 3 |
| Shareholders' Committee | 2 | 2 | 2 | 2 |
| Total | 19 | 16 | 19 | 16 |
| Staff costs: | | | | |
| Wages and salaries | 709 | 788 | 689 | 767 |
| Pensions | 76 | 79 | 74 | 77 |
| Social security contributions | 9 | 8 | 8 | 8 |
| Payroll tax | 97 | 103 | 94 | 101 |
| Total | 891 | 978 | 865 | 953 |
| Other administrative expenses: | | | | |
| IT | 401 | 427 | 396 | 422 |
| Rent etc | 41 | 38 | 47 | 44 |
| Marketing and entertainment expenses | 35 | 29 | 31 | 27 |
| Other costs | 137 | 138 | 140 | 138 |
| Total | 614 | 632 | 614 | 631 |
| Total | 1,524 | 1,626 | 1,498 | 1,600 |

Note 7

Staff

| | | | | |
|--|-------|-------|-------|-------|
| Average number of staff (full-time equivalent) | 2,078 | 2,202 | 2,011 | 2,125 |
|--|-------|-------|-------|-------|

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|--|---------------|--------------|--------------|--------------|
| | H1 2022 | H1 2021 | H1 2022 | H1 2021 |
| Note 8 | | | | |
| Other operating expenses | | | | |
| Contribution to the Resolution Fund | 14 | 15 | 14 | 15 |
| Total | 14 | 15 | 14 | 15 |
| Note 9 | | | | |
| Impairment of loans and advances recognised in the income statement | | | | |
| Impairment and provisions | (19) | (162) | (19) | (162) |
| Write-offs | 7 | 17 | 7 | 17 |
| Recovered from debt previously written off | 69 | 60 | 69 | 60 |
| Impairment of loans and advances etc | (81) | (205) | (81) | (205) |
| Impairment and provisions at end of period (allowance account) | | | | |
| Stage 1 | 334 | 357 | 334 | 357 |
| Stage 2 | 589 | 520 | 589 | 520 |
| Stage 3 | 704 | 806 | 859 | 963 |
| Management estimates | 325 | 325 | 325 | 325 |
| Impairment and provisions at end of period | 1,952 | 2,008 | 2,107 | 2,165 |
| Impairment and provisions | | | | |
| Impairment and provisions at 1 Jan | 1,974 | 2,229 | 2,129 | 2,386 |
| New impairment charges and provisions during the period, net | (6) | (144) | (6) | (144) |
| Impairment charges previously recorded, now finally written off | 16 | 77 | 16 | 77 |
| Impairment and provisions at end of period | 1,952 | 2,008 | 2,107 | 2,165 |
| Impairment charges for loans and advances | 1,783 | 1,839 | 1,938 | 1,996 |
| Provisions for undrawn credit commitments | 47 | 61 | 47 | 61 |
| Provisions for guarantees | 122 | 108 | 122 | 108 |
| Impairment and provisions at end of period | 1,952 | 2,008 | 2,107 | 2,165 |

Losses recognised for the period constitute DKK 23m. As regards losses recognised for the period a legal claim of DKK 23m has been upheld. As regards losses recognised a legal claim of DKK 182m has been upheld at year-end 2021.

Notes

| DKKm | Loans/advances and guarantees | | Impairment charges and provisions | | Impairment of loans and advances etc for the period | | Sydbank Group Loss for the period | |
|--|-------------------------------|---------------|-----------------------------------|--------------|---|--------------|--------------------------------------|-----------|
| | 30 Jun | 31 Dec | 30 Jun | 31 Dec | H1 | H1 | H1 | H1 |
| | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 | 2022 | 2021 |
| Note 9 – continued | | | | | | | | |
| Loans and advances and guarantees as well as impairment of loans and advances etc by industry | | | | | | | | |
| Agriculture, hunting, forestry and fisheries | 4,355 | 3,894 | 252 | 283 | (80) | (158) | 0 | 19 |
| <i>Pig farming</i> | 1,008 | 815 | 103 | 92 | (6) | 1 | 0 | 8 |
| <i>Cattle farming</i> | 1,188 | 1,216 | 76 | 122 | (62) | (25) | (1) | 10 |
| <i>Crop production</i> | 1,146 | 865 | 19 | 22 | (16) | (32) | 1 | 1 |
| <i>Other agriculture</i> | 1,013 | 998 | 54 | 47 | 4 | (102) | 0 | 0 |
| Manufacturing and extraction of raw materials | 12,700 | 10,416 | 280 | 261 | 17 | (39) | 2 | 2 |
| Energy supply etc | 2,850 | 3,671 | 20 | 26 | (4) | 3 | 0 | 0 |
| Building and construction | 6,292 | 5,666 | 172 | 130 | 62 | 31 | 2 | 1 |
| Trade | 20,900 | 16,341 | 393 | 364 | 19 | (24) | 1 | 42 |
| Transportation, hotels and restaurants | 3,650 | 3,362 | 93 | 99 | (11) | 7 | 0 | 0 |
| Information and communication | 578 | 485 | 33 | 6 | 27 | 5 | 0 | 0 |
| Finance and insurance | 7,537 | 6,769 | 73 | 95 | (10) | 0 | 0 | 2 |
| Real property | 6,096 | 5,919 | 70 | 106 | (9) | (35) | 0 | 11 |
| <i>Leasing of commercial property</i> | 2,002 | 1,992 | 24 | 8 | (15) | (29) | 0 | 7 |
| <i>Leasing of residential property</i> | 1,036 | 1,043 | 20 | 20 | 4 | (7) | 0 | 4 |
| <i>Housing/cooperative associations</i> | 2,428 | 1,935 | 17 | 15 | 2 | 5 | 0 | 0 |
| <i>Purchase, development and sale on own account</i> | 535 | 899 | 6 | 61 | (1) | (4) | 0 | 0 |
| <i>Other related to real property</i> | 95 | 50 | 3 | 2 | 1 | 0 | 0 | 0 |
| Other industries | 4,289 | 4,248 | 115 | 146 | (32) | 13 | 0 | 0 |
| Total corporate | 69,247 | 60,771 | 1,501 | 1,516 | (21) | (197) | 5 | 77 |
| Public authorities | 87 | 119 | - | - | - | - | - | - |
| Retail | 27,542 | 27,703 | 451 | 458 | (60) | (8) | 18 | 17 |
| Total | 96,876 | 88,593 | 1,952 | 1,974 | (81) | (205) | 23 | 94 |

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|------|---------------|------------|-------------|------------|
| | H1 2022 | H1 2021 | H1 2022 | H1 2021 |

Note 10

Profit/(Loss) on holdings in associates and subsidiaries

| | | | | |
|---|----------|----------|-----------|-----------|
| Profit/(Loss) on holdings in associates etc | 2 | 4 | 2 | 4 |
| Profit/(Loss) on holdings in subsidiaries etc | - | - | 11 | 14 |
| Total | 2 | 4 | 13 | 18 |

Note 11

Effective tax rate

| | | | | |
|--------------------------------------|-------------|-------------|-------------|-------------|
| Current tax rate of Sydbank | 22.0 | 22.0 | 22.0 | 22.0 |
| Permanent differences | - | 0.0 | - | 0.0 |
| Adjustment of prior year tax charges | - | (0.2) | - | (0.5) |
| Effective tax rate | 22.0 | 21.8 | 22.0 | 21.5 |

| DKKm | Sydbank Group | | Sydbank A/S | |
|------|----------------|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |

Note 12

Amounts owed by credit institutions and central banks

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Amounts owed at notice by central banks | 7,439 | 12,478 | 7,439 | 12,478 |
| Amounts owed by credit institutions | 6,017 | 4,320 | 6,017 | 4,320 |
| Total | 13,456 | 16,798 | 13,456 | 16,798 |
| Of which reverse transactions | 4,525 | 2,932 | 4,525 | 2,932 |

Notes

| DKKm | Sydbank Group | | | | | |
|--|---------------|--------------|--------------|--|-------------------|-------------------|
| | Stage 1 | Stage 2 | Stage 3 | Credit impaired at initial recognition | 30 Jun 2022 Total | 31 Dec 2021 Total |
| Note 13 | | | | | | |
| Loans and advances, guarantees and allowance account by stage | | | | | | |
| Loans and advances before impairment charges | 71,230 | 3,491 | 1,104 | 148 | 75,973 | 68,871 |
| Guarantees | 20,150 | 539 | 214 | | 20,903 | 19,722 |
| Total loans and advances and guarantees | 91,380 | 4,030 | 1,318 | 148 | 96,876 | 88,593 |
| % | 94.3 | 4.2 | 1.4 | 0.1 | 100.0 | 100.0 |
| Impairment charges for loans and advances | 506 | 660 | 617 | | 1,783 | 1,830 |
| Provisions for undrawn credit commitments | 27 | 18 | 2 | | 47 | 48 |
| Provisions for guarantees | 15 | 22 | 85 | | 122 | 96 |
| Total allowance account | 548 | 700 | 704 | - | 1,952 | 1,974 |
| Allowance account at 1 Jan | 525 | 803 | 646 | | 1,974 | 2,229 |
| New impairment charges and provisions during the period, net | 23 | (103) | 74 | | (6) | (158) |
| Impairment charges previously recorded, now finally written off | | | (16) | | (16) | (97) |
| Total allowance account at end of period | 548 | 700 | 704 | - | 1,952 | 1,974 |
| Impairment charges as % of loans and advances | 0.7 | 18.9 | 55.9 | | 2.3 | 2.7 |
| Provisions as % of guarantees | 0.1 | 4.1 | 39.9 | | 0.6 | 0.5 |
| Allowance account as % of loans and advances and guarantees | 0.6 | 17.4 | 53.5 | | 2.0 | 2.2 |
| Loans and advances before impairment charges | 71,230 | 3,491 | 1,104 | 148 | 75,973 | 68,871 |
| Impairment charges for loans and advances | 506 | 660 | 617 | | 1,783 | 1,830 |
| Loans and advances after impairment charges | 70,724 | 2,831 | 487 | 148 | 74,190 | 67,041 |
| % | 95.3 | 3.8 | 0.7 | 0.2 | 100.0 | 100.0 |

Notes

| DKKm | | | | | | Sydbank Group | |
|---|---------------|--------------|--------------|--|-------------------|-------------------|--|
| | Stage 1 | Stage 2 | Stage 3 | Credit impaired at initial recognition | 30 Jun 2022 Total | 31 Dec 2021 Total | |
| Note 13 - continued | | | | | | | |
| Loans and advances before impairment charges | | | | | | | |
| Rating category | | | | | | | |
| 1 | 6,171 | 3 | | | 6,174 | 5,793 | |
| 2 | 22,123 | 3 | | | 22,126 | 19,629 | |
| 3 | 20,393 | 7 | | | 20,400 | 18,108 | |
| 4 | 12,025 | 9 | | | 12,034 | 10,428 | |
| 5 | 4,866 | 650 | | | 5,516 | 4,640 | |
| 6 | 1,585 | 617 | | | 2,202 | 2,290 | |
| 7 | 199 | 375 | | | 574 | 393 | |
| 8 | | 355 | | | 355 | 232 | |
| 9 | | 1,354 | | | 1,354 | 1,517 | |
| Default | | | 1,064 | | 1,064 | 1,076 | |
| NR/STD | 3,868 | 118 | 40 | 148 | 4,174 | 4,765 | |
| Total | 71,230 | 3,491 | 1,104 | 148 | 75,973 | 68,871 | |
| Impairment of loans and advances | | | | | | | |
| Rating category | | | | | | | |
| 1 | 42 | | | | 42 | 38 | |
| 2 | 118 | | | | 118 | 112 | |
| 3 | 91 | | | | 91 | 88 | |
| 4 | 86 | | | | 86 | 81 | |
| 5 | 34 | 27 | | | 61 | 58 | |
| 6 | 60 | 41 | | | 101 | 75 | |
| 7 | 25 | 80 | | | 105 | 54 | |
| 8 | | 69 | | | 69 | 38 | |
| 9 | | 367 | | | 367 | 506 | |
| Default | | | 580 | | 580 | 569 | |
| NR/STD | 50 | 76 | 37 | | 163 | 211 | |
| Total | 506 | 660 | 617 | | 1,783 | 1,830 | |
| Loans and advances after impairment charges | | | | | | | |
| Rating category | | | | | | | |
| 1 | 6,129 | 3 | | | 6,132 | 5,755 | |
| 2 | 22,005 | 3 | | | 22,008 | 19,517 | |
| 3 | 20,302 | 7 | | | 20,309 | 18,020 | |
| 4 | 11,939 | 9 | | | 11,948 | 10,347 | |
| 5 | 4,832 | 623 | | | 5,455 | 4,582 | |
| 6 | 1,525 | 576 | | | 2,101 | 2,215 | |
| 7 | 174 | 295 | | | 469 | 339 | |
| 8 | | 286 | | | 286 | 194 | |
| 9 | | 987 | | | 987 | 1,011 | |
| Default | | | 484 | | 484 | 507 | |
| NR/STD | 3,818 | 42 | 3 | 148 | 4,011 | 4,554 | |
| Total | 70,724 | 2,831 | 487 | 148 | 74,190 | 67,041 | |

Notes

| DKKm | Sydbank Group | | | | | |
|---|---------------|--------------|--------------|--|-------------------|-------------------|
| | Stage 1 | Stage 2 | Stage 3 | Credit impaired at initial recognition | 30 Jun 2022 Total | 31 Dec 2021 Total |
| Note 13 - continued | | | | | | |
| Loans and advances before impairment charges | | | | | | |
| 1 Jan | 64,296 | 3,306 | 1,098 | 171 | 68,871 | 62,278 |
| Transfers between stages | | | | | | |
| Transferred to stage 1 | 795 | (783) | (12) | | | |
| Transferred to stage 2 | (1,077) | 1,158 | (81) | | | |
| Transferred to stage 3 | (99) | (107) | 206 | | | |
| New exposures | 11,631 | 278 | 98 | | 12,007 | 17,788 |
| Redeemed exposures | (6,741) | (318) | (90) | | (7,149) | (11,952) |
| Changes in balances | 2,425 | (43) | (82) | (23) | 2,277 | 894 |
| Write-offs | | | (33) | | (33) | (137) |
| End of period | 71,230 | 3,491 | 1,104 | 148 | 75,973 | 68,871 |
| Impairment of loans and advances | | | | | | |
| 1 Jan | 482 | 757 | 591 | | 1,830 | 2,049 |
| Transfers between stages | | | | | | |
| Transferred to stage 1 | 153 | (149) | (4) | | | |
| Transferred to stage 2 | (19) | 46 | (27) | | | |
| Transferred to stage 3 | (2) | (30) | 32 | | | |
| New exposures | 94 | 75 | 41 | | 210 | 882 |
| Redeemed exposures | (70) | (139) | 84 | | (125) | (870) |
| Changes in balances | (132) | 100 | (70) | | (102) | (134) |
| Write-offs | | | (30) | | (30) | (97) |
| End of period | 506 | 660 | 617 | - | 1,783 | 1,830 |
| Loans and advances after impairment charges | | | | | | |
| 1 Jan | 63,814 | 2,549 | 507 | 171 | 67,041 | 60,229 |
| Transfers between stages | | | | | | |
| Transferred to stage 1 | 642 | (634) | (8) | | | |
| Transferred to stage 2 | (1,058) | 1,112 | (54) | | | |
| Transferred to stage 3 | (97) | (77) | 174 | | | |
| New exposures | 11,537 | 203 | 57 | | 11,797 | 16,906 |
| Redeemed exposures | (6,671) | (179) | (174) | | (7,024) | (11,082) |
| Changes in balances | 2,557 | (143) | (12) | (23) | 2,379 | 1,028 |
| Write-offs | | | (3) | | (3) | (40) |
| End of period | 70,724 | 2,831 | 487 | 148 | 74,190 | 67,041 |

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|--|----------------|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |
| Note 14 | | | | |
| Other assets | | | | |
| Positive market value of derivatives etc | 4,491 | 3,399 | 4,491 | 3,399 |
| Sundry debtors | 870 | 1,105 | 434 | 672 |
| Interest and commission receivable | 110 | 121 | 110 | 121 |
| Cash collateral provided, CSA agreements | 845 | 1,330 | 845 | 1,330 |
| Other assets | 0 | 0 | 0 | 0 |
| Total | 6,316 | 5,955 | 5,880 | 5,522 |
| Note 15 | | | | |
| Amounts owed to credit institutions and central banks | | | | |
| Amounts owed to central banks | 4 | 5 | 4 | 5 |
| Amounts owed to credit institutions | 5,844 | 6,902 | 5,844 | 6,902 |
| Total | 5,848 | 6,907 | 5,848 | 6,907 |
| Of which repo transactions | 3,249 | 2,790 | 3,249 | 2,790 |
| Note 16 | | | | |
| Deposits and other debt | | | | |
| On demand | 92,862 | 85,717 | 94,992 | 87,960 |
| At notice | 131 | 144 | 131 | 144 |
| Time deposits | 2,240 | 3,877 | 2,240 | 3,877 |
| Special categories of deposits | 4,957 | 4,139 | 4,957 | 4,139 |
| Total | 100,190 | 93,877 | 102,320 | 96,120 |
| Of which repo transactions | 1,260 | 3,363 | 1,260 | 3,363 |
| Note 17 | | | | |
| Other liabilities | | | | |
| Negative market value of derivatives etc | 4,499 | 3,520 | 4,499 | 3,520 |
| Sundry creditors | 6,091 | 4,806 | 5,966 | 4,679 |
| Negative portfolio, reverse transactions | 7,209 | 7,317 | 7,209 | 7,317 |
| Lease liability | 96 | 105 | 96 | 105 |
| Interest and commission etc | 58 | 183 | 58 | 183 |
| Cash collateral received, CSA agreements | 532 | 516 | 532 | 516 |
| Total | 18,485 | 16,447 | 18,360 | 16,320 |

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|------|----------------|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |

Note 18

Provisions

| | | | | |
|---|------------|------------|------------|------------|
| Provisions for pensions and similar obligations | 2 | 3 | 2 | 3 |
| Provisions for deferred tax | 202 | 202 | 201 | 200 |
| Provisions for guarantees | 122 | 112 | 122 | 112 |
| Other provisions | 49 | 49 | 49 | 49 |
| Total | 375 | 366 | 374 | 364 |

Note 19

Subordinated capital

| Interest rate | Note | | Nominal (m) | Maturity | | | | |
|-----------------------------------|------|-----------|-------------|------------|--------------|--------------|--------------|--------------|
| 2.125 (fixed) | 1) | Bond loan | EUR 100 | - | - | 744 | - | 743 |
| 1.421 (floating) | 2) | Bond loan | EUR 75 | 2 Nov 2029 | 557 | 556 | 557 | 556 |
| 1.925 (floating) | 3) | Bond loan | EUR 75 | Perpetual | 558 | 558 | 558 | 558 |
| Total T2 capital | | | | | 1,115 | 1,858 | 1,115 | 1,858 |
| Total subordinated capital | | | | | 1,115 | 1,858 | 1,115 | 1,858 |

1) Redeemed on 11 March 2022.

2) Optional redemption from 2 November 2024 after which the interest rate will be fixed at 1.85% above 3M EURIBOR.

3) The interest rate follows the 10Y Mid-Swap plus a margin of 0.2%.

| | | | | |
|--|---|---|---|---|
| Costs relating to the raising and redemption of subordinated capital | 0 | 0 | 0 | 0 |
|--|---|---|---|---|

Note 20

Contingent liabilities and other obligating agreements

Contingent liabilities

| | | | | |
|--|---------------|---------------|---------------|---------------|
| Financial guarantees | 6,972 | 6,802 | 6,972 | 6,802 |
| Mortgage finance guarantees | 5,513 | 5,329 | 5,513 | 5,329 |
| Funded mortgage-like loan guarantees | 885 | 945 | 885 | 945 |
| Registration and remortgaging guarantees | 5,757 | 4,797 | 5,757 | 4,797 |
| Other contingent liabilities | 1,776 | 1,849 | 1,776 | 1,849 |
| Total | 20,903 | 19,722 | 20,903 | 19,722 |

Other obligating agreements

| | | | | |
|--|------------|------------|--------------|------------|
| Irrevocable credit commitments | 967 | 867 | 967 | 867 |
| Other liabilities | 7 | 7 | 64 | 67 |
| Total | 974 | 874 | 1,031 | 934 |
| Including intra-group liabilities in relation to rented premises | - | - | 57 | 60 |

Notes

| DKK m | Sydbank Group | | Sydbank A/S | |
|-------|----------------|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |

Note 20 – continued

Totalkredit loans arranged for by Sydbank are comprised by an agreed right of set-off against future current commission which Totalkredit may invoke in the event of losses on the loans arranged.

Sydbank does not expect that this set-off will have a significant impact on Sydbank's financial position.

As a result of the Bank's membership of Bankdata, the Bank is obligated to pay an exit charge in the event of exit.

As a result of the statutory participation in the deposit guarantee scheme, the industry paid an annual contribution of 2.5‰ of covered net deposits until the Banking Department's capital exceeded 1% of total covered net deposits, which was reached at year-end 2015. The Banking Department will cover the direct losses in connection with the winding-up of distressed financial institutions under Bank Package III and Bank Package IV which are attributable to covered net deposits. Any losses as a result of the final winding-up will be covered by the Guarantee Fund via the Winding-up and Restructuring Department as regards which Sydbank is currently liable for 6.6% of any losses.

As a result of the statutory participation in the resolution financing arrangement (the Resolution Fund), credit institutions pay an annual contribution over a 10-year period to reach a target funding level totalling 1% of covered deposits. Credit institutions must make contributions to the fund according to their relative size and risk in Denmark. Sydbank expects that contributions will total approximately DKK 220m over a 10-year period.

The Group is party to legal actions. These legal actions are under continuous review and the necessary provisions made are based on an assessment of the risk of loss. Pending legal actions are not expected to have any significant impact on the financial position of the Group.

Note 21

Collateral

At 30 June 2022 the Group had deposited as collateral securities at a market value of DKK 250m with Danish and foreign exchanges and clearing centres etc in connection with margin calls and securities settlements etc. In addition the Group has provided cash collateral of DKK 845m and deposited as collateral securities at a market value of DKK 244m in connection with CSA agreements.

In connection with repo transactions, which involve selling securities to be repurchased at a later date, the securities remain on the balance sheet and consideration received is recognised as a debt. Repo transaction securities are treated as assets provided as collateral for liabilities. Counterparties are entitled to sell the securities or deposit them as collateral for other loans.

In connection with reverse transactions, which involve purchasing securities to be resold at a later date, the Group is entitled to sell the securities or deposit them as collateral for other loans. The securities are not recognised in the balance sheet and consideration paid is recognised as a receivable.

Assets received as collateral in connection with reverse transactions may be sold to a third party. In such cases a negative portfolio may arise as a result of the accounting rules. This is recognised under "Other liabilities".

Assets sold as part of repo transactions

| | | | | |
|---------------------|-------|-------|-------|-------|
| Bonds at fair value | 4,572 | 6,139 | 4,572 | 6,139 |
|---------------------|-------|-------|-------|-------|

Assets purchased as part of reverse transactions

| | | | | |
|---------------------|--------|--------|--------|--------|
| Bonds at fair value | 17,940 | 19,923 | 17,940 | 19,923 |
|---------------------|--------|--------|--------|--------|

Notes

| DKKm | H1 | H1 | Sydbank Group | |
|------|------|------|---------------|--------|
| | 2022 | 2021 | Index | 31 Dec |
| | | | 22/21 | 2021 |

Note 22

Related parties

Sydbank is the bank of a number of related parties. Transactions with related parties are settled on an arm's length basis.

No unusual transactions took place with related parties in H1 2022. Reference is made to the Group's 2021 Annual Report for a more detailed description of related party transactions.

Note 23

Reporting events occurring after the balance sheet date

After the expiry of H1 no matters of significant impact on the financial position of the Sydbank Group have occurred.

Note 24

Large shareholders

Dimensional Holdings Inc., USA, owns more than 5% of Sydbank's share capital.

Note 25

Core income

| | | | | |
|--|--------------|--------------|------------|--------------|
| Net interest etc | 1,007 | 865 | 116 | 1,776 |
| Mortgage credit* | 358 | 348 | 103 | 693 |
| Payment services | 109 | 97 | 112 | 203 |
| Remortgaging and loan fees | 120 | 94 | 128 | 169 |
| Commission and brokerage | 241 | 241 | 100 | 470 |
| Commission etc investment funds and pooled pension plans | 162 | 171 | 95 | 340 |
| Asset management | 179 | 185 | 97 | 380 |
| Custody account fees | 65 | 49 | 133 | 115 |
| Other operating income | 158 | 143 | 110 | 290 |
| Total | 2,399 | 2,193 | 109 | 4,436 |

* Mortgage credit

| | | | | |
|------------------------------|------------|------------|------------|------------|
| Totalkredit cooperation | 291 | 283 | 103 | 557 |
| Totalkredit, set-off of loss | 4 | 6 | 67 | 13 |
| Totalkredit cooperation, net | 287 | 277 | 104 | 544 |
| DLR Kredit | 70 | 70 | 100 | 147 |
| Other mortgage credit income | 1 | 1 | 100 | 2 |
| Total | 358 | 348 | 103 | 693 |

Notes

| DKKm | FVPL | Fair value option | | Sydbank Group 30 Jun 2022 | |
|--|---------------|-------------------|--------------|------------------------------|----------------|
| | | FVOCI | | Total fair value | Amortised cost |
| Note 26 | | | | | |
| Fair value disclosure | | | | | |
| Financial instruments are included in the balance sheet either at fair value or at amortised cost. The table below breaks down financial instruments by valuation technique. | | | | | |
| Financial assets | | | | | |
| Cash and balances on demand at central banks | | | | - | 7,758 |
| Amounts owed by credit institutions and central banks | 4,525 | | | 4,525 | 8,931 |
| Loans and advances at fair value | 12,940 | | | 12,940 | - |
| Loans and advances at amortised cost | | | | - | 74,190 |
| Bonds at fair value | 12,766 | 15,948 | | 28,714 | - |
| Shares etc | 155 | 2,204 | 384 | 2,743 | - |
| Assets related to pooled plans | | 20,445 | | 20,445 | - |
| Land and buildings | | | 1,221 | 1,221 | - |
| Other assets | 4,512 | 20 | | 4,532 | 1,783 |
| Total | 34,898 | 38,617 | 1,605 | 75,120 | 92,662 |
| Undrawn credit commitments | | | | - | 50,569 |
| Maximum credit risk, collateral not considered | 34,898 | 38,617 | 1,605 | 75,120 | 143,231 |
| Financial liabilities | | | | | |
| Amounts owed to credit institutions and central banks | 3,249 | | | 3,249 | 2,599 |
| Deposits and other debt | 1,260 | | | 1,260 | 98,930 |
| Deposits in pooled plans | | 20,445 | | 20,445 | - |
| Bonds issued at amortised cost | | | | - | 9,557 |
| Other liabilities | 11,710 | | | 11,710 | 588 |
| Subordinated capital | | | | - | 1,115 |
| Total | 16,219 | 20,445 | - | 36,664 | 112,789 |

Notes

| DKKm | FVPL | Fair value option | FVOCI | Sydbank Group | |
|---|---------------|-------------------|--------------|------------------|-------------------------------|
| | | | | Total fair value | 31 Dec 2021 Amortised cost |
| Note 26 – continued | | | | | |
| Financial assets | | | | | |
| Cash and balances on demand at central banks | | | | - | 5,513 |
| Amounts owed by credit institutions and central banks | 2,932 | | | 2,932 | 13,866 |
| Loans and advances at fair value | 16,918 | | | 16,918 | - |
| Loans and advances at amortised cost | | | | - | 67,041 |
| Bonds at fair value | 28,703 | | | 28,703 | - |
| Shares etc | 2,381 | | 409 | 2,790 | - |
| Assets related to pooled plans | | 22,180 | | 22,180 | - |
| Land and buildings | | | 1,236 | 1,236 | - |
| Other assets | 3,451 | | | 3,451 | 1,399 |
| Total | 54,385 | 22,180 | 1,645 | 78,210 | 87,819 |
| Undrawn credit commitments | | | | - | 53,320 |
| Maximum credit risk, collateral not considered | 54,385 | 22,180 | 1,645 | 78,210 | 141,139 |
| Financial liabilities | | | | | |
| Amounts owed to credit institutions and central banks | 2,790 | | | 2,790 | 4,117 |
| Deposits and other debt | 3,363 | | | 3,363 | 90,514 |
| Deposits in pooled plans | | 22,180 | | 22,180 | - |
| Bonds issued at amortised cost | | | | - | 13,313 |
| Other liabilities | 10,831 | | | 10,831 | 594 |
| Subordinated capital | | | | - | 1,858 |
| Total | 16,984 | 22,180 | - | 39,164 | 110,396 |

To take into account changes in credit risk concerning derivatives with positive fair value, an adjustment is made – CVA. CVA is a function of the risk of counterparty default (PD), the expected positive exposure and the loss ratio in the event of default. PD is determined on the basis of the Group's credit models – default probability in 12 months. PD beyond 12 months is adjusted on the basis of market data of exposures with a similar PD level. At 30 June 2022 CVA constituted DKK 16m compared to DKK 19m at year-end 2021.

Client margins recognised in connection with derivatives are amortised over the life of the transaction. At 30 June 2022 client margins presently not recognised as income totalled DKK 14m compared to DKK 19m at year-end 2021.

Financial instruments recognised at fair value

Measurement of financial instruments is based on quoted prices from an active market, on generally accepted valuation models with observable market data or on available data that only to a limited extent are observable market data.

Measurement of financial instruments for which prices are quoted in an active market or which is based on generally accepted valuation models with observable market data is not subject to significant estimates.

As regards financial instruments where measurement is based on available data that only to a limited extent are observable market data, measurement is subject to estimates. Such financial instruments appear from the column unobservable inputs below and include primarily unlisted shares, including shares in DLR Kredit A/S.

The fair value of unlisted shares and other holdings is calculated on the basis of available information on trades etc – including to a very significant extent on shareholders' agreements based on book value. To an insignificant extent fair value is calculated on the basis of expected cash flows.

A 10% change in the calculated market value of financial assets measured on the basis of unobservable inputs will affect profit before tax by DKK 340m (31 December 2021: DKK 340m).

Notes

| DKKm | Quoted prices | Observable inputs | Unobservable inputs | Total fair value | Sydbank Group Carrying amount |
|---|---------------|-------------------|---------------------|------------------|-------------------------------|
| Note 26 – continued | | | | | |
| 30 Jun 2022 | | | | | |
| Financial assets | | | | | |
| Amounts owed by credit institutions and central banks | | 4,525 | | 4,525 | 4,525 |
| Loans and advances at fair value | | 12,940 | | 12,940 | 12,940 |
| Bonds at fair value | | 28,714 | | 28,714 | 28,714 |
| Shares etc | 518 | 50 | 2,175 | 2,743 | 2,743 |
| Assets related to pooled plans | 13,522 | 6,923 | | 20,445 | 20,445 |
| Land and buildings | | | 1,221 | 1,221 | 1,221 |
| Other assets | 394 | 4,138 | | 4,532 | 4,532 |
| Total | 14,434 | 57,290 | 3,396 | 75,120 | 75,120 |
| Financial liabilities | | | | | |
| Amounts owed to credit institutions and central banks | | 3,249 | | 3,249 | 3,249 |
| Deposits and other debt | | 1,260 | | 1,260 | 1,260 |
| Deposits in pooled plans | | 20,445 | | 20,445 | 20,445 |
| Other liabilities | 398 | 11,312 | | 11,710 | 11,710 |
| Total | 398 | 36,266 | - | 36,664 | 36,664 |
| 31 Dec 2021 | | | | | |
| Financial assets | | | | | |
| Amounts owed by credit institutions and central banks | | 2,932 | | 2,932 | 2,932 |
| Loans and advances at fair value | | 16,918 | | 16,918 | 16,918 |
| Bonds at fair value | | 28,703 | | 28,703 | 28,703 |
| Shares etc | 554 | 53 | 2,183 | 2,790 | 2,790 |
| Assets related to pooled plans | 14,802 | 7,378 | | 22,180 | 22,180 |
| Land and buildings | | | 1,236 | 1,236 | 1,236 |
| Other assets | 197 | 3,254 | | 3,451 | 3,451 |
| Total | 15,553 | 59,238 | 3,419 | 78,210 | 78,210 |
| Financial liabilities | | | | | |
| Amounts owed to credit institutions and central banks | | 2,790 | | 2,790 | 2,790 |
| Deposits and other debt | | 3,363 | | 3,363 | 3,363 |
| Deposits in pooled plans | | 22,180 | | 22,180 | 22,180 |
| Other liabilities | 214 | 10,617 | | 10,831 | 10,831 |
| Total | 214 | 38,950 | - | 39,164 | 39,164 |

| DKKm | 30 Jun 2022 | 31 Dec 2021 |
|--|--------------|--------------|
| Assets measured on the basis of unobservable inputs | | |
| Carrying amount at 1 Jan | 2,183 | 2,092 |
| Additions | 1 | 60 |
| Disposals | 63 | 113 |
| Market value adjustment | 49 | 144 |
| Carrying amount at end of period | 2,175 | 2,183 |
| Recognised in profit for the period | | |
| Dividend | 21 | 17 |
| Market value adjustment | 49 | 145 |
| Total | 70 | 162 |

Notes

| DKKm | Sydbank Group | | Sydbank A/S | |
|------|----------------|----------------|----------------|----------------|
| | 30 Jun 2022 | 31 Dec 2021 | 30 Jun 2022 | 31 Dec 2021 |

Note 27

Leverage ratio

Leverage ratio exposures

| | | | | |
|---|----------------|----------------|----------------|----------------|
| Total assets | 169,080 | 168,185 | 171,046 | 170,257 |
| Of which pooled assets | (20,445) | (22,180) | (20,445) | (22,180) |
| Correction derivatives etc | 7,607 | 5,053 | 7,607 | 5,053 |
| Guarantees etc | 20,903 | 19,722 | 20,903 | 19,722 |
| Undrawn credit commitments etc | 10,228 | 10,348 | 10,228 | 10,363 |
| Other adjustments | (1,769) | (2,425) | (1,771) | (2,425) |
| Total | 185,604 | 178,703 | 187,568 | 180,790 |
| T1 capital – current (transitional rules) | 10,837 | 11,076 | 10,837 | 11,076 |
| T1 capital – fully loaded | 10,794 | 10,932 | 10,794 | 10,932 |
| Leverage ratio (%) – current (transitional rules) | 5.8 | 6.2 | 5.8 | 6.1 |
| Leverage ratio (%) – fully loaded | 5.8 | 6.1 | 5.8 | 6.0 |

| 30 Jun 2022 | Activity | Share capital (DKKm) | Equity (DKKm) | Profit/(Loss) (DKKm) | Sydbank Group Ownership share (%) |
|-------------|----------|-------------------------|------------------|-------------------------|---|
|-------------|----------|-------------------------|------------------|-------------------------|---|

Note 28

Group holdings and enterprises

| | | | | | |
|---|----------------|-----|-----|-------|------|
| Sydbank A/S | | DKK | 584 | | |
| Consolidated subsidiaries | | | | | |
| Ejendomsselskabet af 1. juni 1986 A/S, Aabenraa | Real property | DKK | 11 | 30 | 4 |
| Syd Administration A/S, Aabenraa | Invt & admin. | DKK | 300 | 2,017 | (1) |
| Syd Fund Management A/S, Aabenraa | Administration | DKK | 100 | 112 | 12 |
| Held for sale | | | | | |
| Green Team Group A/S, Sønder Omme* | Wholesale | DKK | 101 | 25 | (4) |
| Holdings in associates | | | | | |
| Foreningen Bankdata, Fredericia* | IT | DKK | 472 | 451 | (14) |
| Komplementarselskabet Core Property Management A/S, Copenhagen* | Real property | DKK | 1 | 1 | 0 |
| Core Property Management P/S, Copenhagen* | Real property | DKK | 5 | 54 | 32 |

* Financial information according to the companies' most recently published annual reports.

Management Statement

We have reviewed and approved the Interim Report – First Half 2022 of Sydbank A/S.

The consolidated interim financial statements are prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU. Furthermore the consolidated financial statements are prepared in compliance with Danish disclosure requirements for listed financial companies. The interim financial statements (of the parent company) are prepared in compliance with the Danish Financial Business Act.

The Interim Report has not been audited or reviewed. However the Bank's external auditor has conducted a verification of profit for the period, including audit procedures consistent with the requirements as regards a review and has thus verified that the conditions for ongoing recognition of profit for the period in CET1 capital were met.

In our opinion the interim financial statements give a true and fair view of the Group's and the parent company's assets, equity and liabilities and financial position at 30 June 2022 and of the results of the Group's and the parent company's operations and consolidated cash flows for the period 1 January – 30 June 2022.

Moreover it is our opinion that the management's review includes a fair review of the developments in the Group's and the parent company's operations and financial position as well as a description of the most significant risks and elements of uncertainty which may affect the Group and the parent company.

Aabenraa, 24 August 2022

Group Executive Management

Karen Frøsig
CEO

Bjarne Larsen

Jørn Adam Møller

Board of Directors

Lars Mikkelsen-Jensen
Chairman

Jacob Chr. Nielsen
Vice-Chairman

Carsten Andersen

Henrik Hoffmann

Søren Holm

Janne Moltke-Leth

Jarl Oxlund

Gitte Poulsen

Susanne Schou

Jon Stefansson

Jørn Krogh Sørensen

Pia Wrang

Supplementary Information

Financial calendar

In 2022 and 2023 the Group's preliminary announcement of financial statements will be released as follows:

- Interim Report – Q1-Q3 2022
2 November 2022
- Announcement of the 2022 Financial Statements
1 March 2023
- Annual General Meeting 2023
23 March 2023
- Interim Report – Q1 2023
3 May 2023
- Interim Report – First Half 2023
23 August 2023
- Interim Report – Q1-Q3 2023
1 November 2023

Sydbank contacts

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Relevant links

sydbank.dk
sydbank.com

For further information reference is made to Sydbank's 2021 Annual Report at sydbank.com