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28 April 2021

## Ringkjøbing Landbobank's report for the first quarter of 2021

With core earnings of DKK 368 million and profit before tax of DKK 354 million, the bank delivers a good start to 2021. The profit before tax is equivalent to a return of 17.4% p.a. on equity.

### Core earnings

(DKK million)	Q1 2021	Q1 2020	Q1 2020	Q1 2019	Q1 2018	Q1 2017	Q1 2016
Total core income	600	541	2,179	2,116	2,001	1,917	1,861
Total expenses and depreciation	203	198	788	805	866	845	815
<b>Core earnings before impairment charges for loans</b>	<b>397</b>	<b>343</b>	<b>1,391</b>	<b>1,311</b>	<b>1,135</b>	<b>1,072</b>	<b>1,046</b>
Impairment charges for loans etc.	-29	-75	-223	-100	-43	-70	-211
<b>Core earnings</b>	<b>368</b>	<b>268</b>	<b>1,168</b>	<b>1,211</b>	<b>1,092</b>	<b>1,002</b>	<b>835</b>
Result for the portfolio etc.	-10	-70	-9	+49	+77	+84	+78
Special costs	4	4	15	15	217	22	22
<b>Profit before tax</b>	<b>354</b>	<b>194</b>	<b>1,144</b>	<b>1,245</b>	<b>952</b>	<b>1,064</b>	<b>891</b>

### Highlights of the first quarter of 2021

- The profit before tax is DKK 354 million, equivalent to a return of 17.4% p.a. on equity
- Core income increases by 11% to DKK 600 million following a high level of activity
- Expenses increase by 3% to DKK 203 million
- The rate of costs decreases to 34% in the quarter
- A big increase in new customers and a high level of activity result in growth of 3% in the bank's loans, both compared to the end of March 2020 and in the first quarter of 2021
- Image in top 3 and customer satisfaction remains high

Yours sincerely  
Ringkjøbing Landbobank



John Fisker

## Management's review

### Core income

#### Interest

Net interest income was DKK 325 million in the first quarter of 2021, compared to DKK 305 million in the same quarter in 2020, an increase of 7%. The bank is highly satisfied with this development.

The development is partly attributable to a 3% increase in lending compared to the end of March 2020.

The increase in lending in the first quarter of 2021 is broadly based and relates to both niches and retail.

A further reason for the positive development in interest is that the bank lowered the threshold for negative interest on personal customers' deposits to DKK 100,000 with effect from the beginning of January 2021.

#### Fee, commission and foreign exchange income

Fee, commission and foreign exchange income amounted to DKK 231 million in the first quarter of 2021, compared to DKK 200 million in the same quarter in 2020, an increase of 16%. The bank is also highly satisfied with this development, and the increase reflects a very high level of activity.

The bank's focus on the private banking segment has had a positive effect on the "Securities trading", "Foreign exchange income" and "Asset management and custody accounts" lines in particular. "Guarantee commission and mortgage credit commission etc." and "Loan fees" also developed positively compared to the first quarter of 2020.

Income from "Payment handling" and "Other fees and commission" is slightly lower than in the first quarter of 2020. Initiatives aimed at increasing the income from payment handling activities have been announced with effect from 1 April 2021 and the bank also expects an increase in income from pension and insurance activities during 2021.

#### Sector shares and other operating income

Earnings of DKK 40 million from banking sector shares in the first quarter of 2021 were DKK 5 million higher than in the first quarter of 2020, when earnings were DKK 35 million. The earnings derive primarily from returns on the bank's ownership interests in DLR Kredit, BankInvest (BI Holding) and PRAS.

Other operating income stood at DKK 4 million in the first quarter of the year, in contrast to 2020, when the figure was DKK 0. The other operating income for the year relates to the sale of a property.

### Core income

Total core income increased by 11%, from DKK 541 million in the first quarter of 2020 to DKK 600 million in 2021.

### Expenses, depreciation and write-downs

Total expenses including depreciation and write-downs on tangible assets amounted to DKK 203 million in the first quarter of 2021, compared to DKK 198 million in 2020, an increase of 3%.

The cost level in the quarter relates to the high level of activity, but this is compensated by an even bigger increase in income.

The rate of costs was 33.8% in the first quarter of the year, compared to 36.6% in 2020.

### Impairment charges for loans etc.

The bank's expenditure for losses and impairment charges was DKK 29 million in the first quarter of 2021, compared to DKK 38 million and DKK 75 million respectively in the fourth quarter of 2020 and the first quarter of 2020.

The bank increased its management estimates for losses and impairment charges considerably during 2020, from DKK 126 million to DKK 566 million. In the first quarter of 2021, the management estimates increased to a total of DKK 590 million. A considerable part of the management estimates is attributable to the current economic risks associated with the coronavirus pandemic. So far, the great majority of the bank's customers have handled the economic situation relating to the coronavirus pandemic in a way which has limited the need for new individual impairment charges.

However, it continues to be the bank's assessment that considerable risks are associated with how the economy will develop as and when the many state aid schemes are scaled down and discontinued etc. The management estimates are therefore maintained at a relatively high cumulative level.

The credit quality of the bank's personal customers is judged to be good. The marked price increases on the housing market in the past few quarters have increased the wealth of many of the bank's customers. On the other hand, the bank is aware that rising house prices may increase its risk exposure – in particular in respect of first-time buyers.

In agriculture we have seen solid increases in the prices paid to pig producers in the first quarter of 2021. These price increases follow the marked drops in selling prices of, for instance, piglets in autumn 2020 due to the outbreak of African swine fever in Eastern Germany. The level of prices paid to farmers in general is now judged to be satisfactory. The bank's loans and guarantees to agriculture account for 7.9% of its total exposure.

Certain parts of the bank's loans to fisheries are affected by significant quota reductions primarily as a result of the political agreement with Great Britain in connection with Brexit. The economic framework conditions for large parts of Danish fisheries are now pending political clarification. The bank allocated management estimates related to this risk as early as 2020. The estimate was further increased in the first quarter of 2021. The bank's total exposure to the fisheries sector is 1.7% and the majority of our exposure is judged to be covered by first mortgages on fishing vessels and quotas.

The bank's total account for impairment charges was DKK 2,245 million at the end of the first quarter of 2021 compared to DKK 2,205 million at the end of the fourth quarter of 2020. At the end of the first quarter of 2021, 54% of the total account for impairment charges was classified as stage 1 or 2 exposures. In comparison, 30% of the bank's account for impairment charges was classified as stage 1 or 2 exposures at the end of the first quarter of 2020.

The bank's total loans to customers with suspended calculation of interest were DKK 211 million at the end of March 2021, a decrease relative to the end of December 2020, when the amount was DKK 265 million.

### Core earnings

Core earnings for the first quarter of the year were DKK 368 million compared to last year's DKK 268 million, an increase of 37%.

(DKK million)	Q1 2021	Q1 2020	2020	2019	2018	2017	2016
Total core income	600	541	2,179	2,116	2,001	1,917	1,861
Total expenses and depreciation	203	198	788	805	866	845	815
<b>Core earnings before impairment charges for loans</b>	<b>397</b>	<b>343</b>	<b>1,391</b>	<b>1,311</b>	<b>1,135</b>	<b>1,072</b>	<b>1,046</b>
Impairment charges for loans etc.	-29	-75	-223	-100	-43	-70	-211
<b>Core earnings</b>	<b>368</b>	<b>268</b>	<b>1,168</b>	<b>1,211</b>	<b>1,092</b>	<b>1,002</b>	<b>835</b>

Core earnings per share were thus DKK 12.7 for the first quarter of 2021 compared to DKK 9.2 in 2020.



### Result for the portfolio etc.

The result for the portfolio etc. including funding costs for the portfolio was negative by DKK 10 million net for the first quarter of the year. In the first quarter of 2020, the result for the portfolio etc. was negative by DKK 70 million net as a result of the turmoil on the financial markets due to the coronavirus pandemic.

The negative result for the portfolio in the first quarter of 2021 is attributable to the increase in the long-term interest rates.

### Amortisation and write-downs on intangible assets

The bank treats amortisation and write-downs on intangible assets as a special item as expensing them enhances the quality of equity and helps to reduce the deduction when computing total capital.

Amortisation and write-downs on intangible assets amounted to DKK 4 million in the first quarter of the year, unchanged relative to 2020.

### Profit before and after tax

The profit before tax was DKK 354 million, equivalent to a return of 17.4% p.a. on average equity.

The profit after tax was DKK 282 million, equivalent to a return of 13.9% p.a. on average equity.

### Balance sheet items and contingent liabilities

The bank's balance sheet total at the end of March 2021 stood at DKK 56,845 million, compared to DKK 51,531 million at the end of March 2020.

Relative to March 2020, the bank's deposits including pooled schemes increased by 13% from DKK 37,051 million to DKK 41,766 million at the end of March 2021, while its loans in the same period increased by 3%, from DKK 36,130 million to DKK 37,210 million. Loans also increased by 3% in the first quarter of 2021.

The bank's contingent liabilities including guarantees at the end of March 2021 amounted to DKK 10,370 million, compared to DKK 9,992 million at the end of March 2020.

### Credit intermediation

In addition to the traditional bank loans shown on its balance sheet, the bank also arranges mortgage loans on behalf of both Totalkredit and DLR Kredit.

The development in the bank's total credit intermediation is positive by 6% compared to the end of March 2020 and by 3% compared to the end of December 2020 as shown in the following summary:

	<b>31 Mar. 2021 DKK million</b>	<b>31 Mar. 2020 DKK million</b>	<b>31 Dec. 2020 DKK million</b>
<b>Total credit intermediation</b>			
Loans and other receivables at amortised cost	37,210	36,130	36,241
Arranged mortgage loans and funded home loans – Totalkredit	40,752	37,214	39,454
Arranged mortgage loans – DLR Kredit	9,615	9,211	9,511
<b>Total</b>	<b>87,577</b>	<b>82,555</b>	<b>85,206</b>

### Securities and market risk

The item "Shares, etc." amounted to DKK 1,410 million at the end of March 2021, with DKK 27 million in listed shares and investment fund certificates and DKK 1,383 million in sector shares etc., mainly in the companies DLR Kredit, BI Holding and PRAS. The bond portfolio amounted to DKK 6,032 million, of which the vast majority consisted of AAA-rated Danish government and mortgage credit bonds.

The total interest rate risk – impact on profit of a one percentage point change in interest level – was computed as 1.0% of the bank's tier 1 capital on 31 March 2021.

The bank's risk of losses calculated on the basis of a Value at Risk model (computed with a 10-day horizon and 99% probability) was as follows in the first quarter of 2021:

	Risk in DKK million	Risk relative to equity end of period in %
Highest risk of loss	15.0	0.18%
Lowest risk of loss	7.4	0.09%
Average risk of loss	10.9	0.13%
End-of-period risk of loss	11.7	0.14%

The bank's total market risk within exposures to interest rate risk, listed shares etc. and foreign currency remains at a moderate level, and this policy will continue.

## Liquidity

The bank's liquidity situation is good. The bank's short-term funding with term to maturity of less than 12 months thus amounts to DKK 1.3 billion, balanced by DKK 10.6 billion in short-term investments in Danmarks Nationalbank, the central bank of Denmark, and in liquid tradable securities.

The bank's deposits (excluding pooled schemes) and equity exceeded its loans by DKK 7.8 billion and these two items therefore more than fully finance the loan portfolio. In addition, part of the loan portfolio for renewable energy projects is financed back-to-back with KfW Bankengruppe, which means that DKK 1.2 billion can be disregarded in terms of liquidity.

In terms of liquidity coverage ratio (LCR), the bank must comply with the statutory requirement of at least 100%. On 31 March 2021, the bank's LCR was 188%, which thus met the statutory requirement by a good margin.

## Capital structure

The bank's equity at the beginning of 2021 was DKK 8,146 million. The profit for the period must be added to this, while the dividend paid, and the value of the bank's own shares bought must be subtracted. After this, equity at the end of the first quarter of 2021 was DKK 8,132 million.

The bank's total capital ratio was 20.4% at the end of March 2021, and the tier 1 capital ratio was 16.8%.

Capital ratios	Q1 2021	Q1 2020	2020	2019	2018
Common equity tier 1 capital ratio (%)	16.8	14.7	17.5	14.7	14.6
Tier 1 capital ratio (%)	16.8	14.7	17.5	14.7	14.6
Total capital ratio (%)	20.4	19.3	21.1	20.0	18.4
MREL requirement (%) – fixed by the Danish FSA	17.9	20.2	17.9	20.7	19.7
MREL capital ratio (%)	25.6	26.5	26.7	27.3	24.9

In the first quarter of 2021, the common equity tier 1 capital ratio fell by 0.7 percentage points, from 17.5% at the beginning of the quarter. The development was caused primarily by increases in the risk

exposure amount and level of activity and by the deduction for the launched share buy-back programme.

A new five-year phasing-in period for the dynamic component of the IFRS 9 transitional rules was introduced in 2020. The bank now uses both the static and the dynamic components of the IFRS 9 transitional rules, including the simplified approach to recalculation of capital requirements.

Calculated without the IFRS 9 transition programmes, the bank's total capital ratio was 19.1% and the common equity tier 1 capital ratio 15.6% on 31 March 2021.

The bank has calculated the individual solvency requirement at the end of March 2021 at 9.3%. To this should be added a capital conservation buffer of 2.5% and a countercyclical buffer of 0%. The total requirement for the bank's total capital was thus 11.8% at the end of the first quarter of 2021.

Compared with the actual total capital of DKK 8.6 billion, the bank thus had excess capital cover of DKK 4.7 billion relative to the individual solvency requirement, equivalent to 11.1 percentage points, at the end of March 2021, and excess capital cover of DKK 3.6 billion compared to the total requirement, equivalent to 8.6 percentage points.

In December 2020, the bank received an MREL requirement of 17.9% applicable from 28 December 2020.

The bank operates with three different capital targets. The capital targets specify that the common equity tier 1 capital ratio must be at least 13.5%, the total capital ratio at least 17% and the MREL capital ratio for covering the MREL requirement at least 23.5%, including the capital buffers.

All capital targets must be met at the end of the year, but there may be fluctuations in the capital ratios over the year. However, the MREL requirement must always be met.

To comply with the MREL requirement, the bank had established funding by the end of 2017 to meet the requirements for grandfathering of contractual senior capital. DKK 0.9 billion of this funding was included to meet the bank's MREL requirement at the end of March 2021. In addition, the bank has issued non-preferred senior capital totalling DKK 1.3 billion since December 2018.

The bank's capital for covering the MREL requirement totalled DKK 10.8 billion on 31 March 2021, equivalent to an MREL capital ratio of 25.6%. The excess cover relative to the MREL requirement on 31 March 2021 was thus 7.7 percentage points.

### **Share buy-back programme and capital reduction**

The bank's annual general meeting of 3 March 2021 renewed the previous authorisation of the board of directors to permit the bank, in accordance with applicable law, to acquire its own shares to a total nominal value of 10% of the bank's share capital. The DKK 255 million share buy-back programme for implementation in the period 4 February to 31 July 2021 is thus running to plan. On 31 March 2021, 156,700 shares had been bought back which the overview below shows.

The general meeting further decided to cancel the 160,600 of the bank's own shares that were bought in 2020. The capital reduction is expected to be finalised during May 2021.

On 31 March 2021, the bank's actual share capital was thus DKK 28,911,021 in nom. DKK 1 shares: see below.

	<b>Number of shares</b>
Beginning of 2021	29,228,321
Expected capital reduction by cancellation of own shares, May 2021	-160,600
After the expected capital reduction	29,067,721
DKK 255 million share buy-back programme	
Bought under the share buy-back programme at the end of March 2021	-156,700
	<b>28,911,021</b>

### The Supervisory Diamond

The bank complies with the Danish FSA's Supervisory Diamond which contains a number of benchmarks and associated limit values which Danish banks must observe.

The Supervisory Diamond benchmarks and limit values and the bank's key figures are given in the following table.

<b>Benchmark</b>	<b>Limit value</b>	<b>Q1 2021</b>	<b>Q1 2020</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
Funding ratio	< 1	0.7	0.8	0.7	0.7	0.7
Liquidity benchmark	> 100%	172.4%	178.4%	177.6%	193.2%	179.5%
Total large exposures	> 175%	110.7%	120.9%	99.8%	121.0%	106.0%
Growth in loans	< 20%	2.9%	5.7%	2.2%	6.3%	*72.3%
Real property exposure	< 25%	18.0%	17.3%	17.9%	17.5%	15.8%

\* The increase was mainly caused by the merger with Nordjyske Bank. The pro forma growth in loans for the full year 2018 was 7.0%.

As shown above, Ringkjøbing Landbobank meets all five current limit values by a good margin.

### Rating

The bank is rated by the international credit rating agency Moody's Investors Service.

Moody's confirmed the bank's ratings on 30 March 2021, including Aa3 for long-term bank deposits, P-1 for short-term bank deposits and A1 for long-term issuer – all with stable outlook.

### Image in top 3 and customer satisfaction high

In February 2021, the market research company Voxmeter published an image survey of Danish financial institutions. The survey is based on more than 39,000 interviews.

It places both of the bank's brands among the top 3, which is considered highly satisfactory. The "Ringkjøbing Landbobank" brand takes first place and the "Nordjyske Bank" brand is ranked third.

Voxmeter also published a customer satisfaction survey for Danish financial institutions in January 2021, based on more than 60,000 interviews.

It also places both brands close to the top with the “Ringkjøbing Landbobank” brand in second place and the “Nordjyske Bank” brand in sixth place.

### **The coronavirus situation**

We see support of our customers and business partners during the coronavirus pandemic as an important part of our task. From the start of the pandemic we have of course also placed great emphasis on protecting our employees to lessen the risk of transmission of the virus.

The bank has prepared for operating in an ever-changing environment due to the coronavirus situation, even if this may continue for a long time.

### **Expected results for 2021**

On publication of the 2020 annual report, the bank announced its expectations for core earnings for 2021 in the range DKK 1,100-1,300 million and profit before tax in the range DKK 1,000-1,300 million.

The bank’s core earnings and profit before tax for the first quarter of 2021 were realised at DKK 368 million and DKK 354 million respectively.

The expectations for core earnings in the DKK 1.100-1,300 million range and profit before tax in the DKK 1.000-1,300 million range are maintained for 2021.

### **Accounting policies**

The accounting policies are unchanged relative to those in the submitted and audited 2020 annual report.

## Key figures

	Q1 2021	Q1 2020	Full year 2020
<b>Key figures for the bank</b> (percent)			
Profit before tax as a percentage of average equity, per annum	17.4	10.3	14.5
Net profit as a percentage of average equity, per annum	13.9	8.4	11.7
Rate of costs	33.8	36.6	36.2
Common equity tier 1 capital ratio	16.8	14.7	17.5
Tier 1 capital ratio	16.8	14.7	17.5
Total capital ratio	20.4	19.3	21.1
MREL requirement – fixed by the Danish FSA	17.9	20.2	17.9
MREL capital ratio	25.6	26.5	26.7
<b>Key figures per DKK 1 share</b> (DKK)			
Core earnings	12.7	9.2	40.2
Net profit	12.2	5.4	31.6
Book value	281.3	253.9	280.2
Share price, end of period	620.0	382.0	554.0
Basis of calculation, number of shares	28,915,021	29,067,721	29,067,721

## Quarterly overviews

### Core earnings

	Q1 2021	Q4 2020	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019	Q1 2019
(DKK million)									
Net interest income	325	321	319	311	305	292	294	296	291
Net fee and commission income excluding securities trading	159	156	147	136	152	154	163	159	150
Income from sector shares etc.	40	43	38	35	35	36	36	36	37
Foreign exchange income	16	13	9	9	10	8	9	8	6
Other operating income	4	1	0	1	0	5	7	0	1
<b>Total core income excluding securities trading</b>	<b>544</b>	<b>534</b>	<b>513</b>	<b>492</b>	<b>502</b>	<b>495</b>	<b>509</b>	<b>499</b>	<b>485</b>
Securities trading	56	32	39	28	39	35	29	23	41
<b>Total core income</b>	<b>600</b>	<b>566</b>	<b>552</b>	<b>520</b>	<b>541</b>	<b>530</b>	<b>538</b>	<b>522</b>	<b>526</b>
Staff and administration expenses	198	206	179	190	191	202	180	198	198
Depreciation and write-downs on tangible assets	3	4	5	2	3	9	8	4	2
Other operating expenses	2	2	2	0	4	1	0	2	1
Total expenses etc.	203	212	186	192	198	212	188	204	201
<b>Core earnings before impairment charges for loans</b>	<b>397</b>	<b>354</b>	<b>366</b>	<b>328</b>	<b>343</b>	<b>318</b>	<b>350</b>	<b>318</b>	<b>325</b>
Impairment charges for loans and other receivables etc.	-29	-38	-44	-66	-75	-25	-26	-24	-25
<b>Core earnings</b>	<b>368</b>	<b>316</b>	<b>322</b>	<b>262</b>	<b>268</b>	<b>293</b>	<b>324</b>	<b>294</b>	<b>300</b>
Result for the portfolio etc.	-10	+15	+17	+29	-70	-4	+20	+7	+26
Amortisation and write-downs on intangible assets	4	4	3	4	4	4	3	4	4
<b>Profit before tax</b>	<b>354</b>	<b>327</b>	<b>336</b>	<b>287</b>	<b>194</b>	<b>285</b>	<b>341</b>	<b>297</b>	<b>322</b>
Tax	72	64	64	60	36	62	66	76	63
<b>Net profit</b>	<b>282</b>	<b>263</b>	<b>272</b>	<b>227</b>	<b>158</b>	<b>223</b>	<b>275</b>	<b>221</b>	<b>259</b>

## Quarterly overviews – continued

### Balance sheet items and contingent liabilities

	End of Q1 2021	End of Q4 2020	End of Q3 2020	End of Q2 2020	End of Q1 2020	End of Q4 2019	End of Q3 2019	End of Q2 2019	End of Q1 2019
(DKK million)									
Loans	37,210	36,241	35,479	35,260	36,130	35,465	34,757	34,528	34,195
Deposits including pooled schemes	41,766	39,639	39,204	39,670	37,051	38,128	38,554	39,070	37,439
Equity	8,132	8,146	7,884	7,612	7,380	7,610	7,426	7,231	7,071
Balance sheet total	56,845	54,862	53,956	53,984	51,531	52,941	53,601	52,426	50,266
Contingent liabilities	10,370	9,812	9,590	9,379	9,992	9,665	10,836	10,466	7,976

### Statement of capital

	End of Q1 2021	End of Q4 2020	End of Q3 2020	End of Q2 2020	End of Q1 2020	End of Q4 2019	End of Q3 2019	End of Q2 2019	End of Q1 2019
(DKK million)									
Common equity tier 1	7,122	7,277	7,049	6,973	6,109	6,072	5,624	5,441	5,284
Tier 1 capital	7,122	7,277	7,049	6,973	6,109	6,072	5,624	5,441	5,284
Total capital	8,614	8,774	8,553	8,507	8,009	8,242	7,786	6,854	6,667
MREL capital	10,836	11,112	11,587	11,580	10,985	11,248	10,790	9,551	9,033
Total risk exposure	42,271	41,561	39,682	38,900	41,444	41,223	39,547	40,106	38,308
(Percent)									
Common equity tier 1 capital ratio	16.8	17.5	17.8	17.9	14.7	14.7	14.2	13.6	13.8
Tier 1 capital ratio	16.8	17.5	17.8	17.9	14.7	14.7	14.2	13.6	13.8
Total capital ratio	20.4	21.1	21.6	21.9	19.3	20.0	19.7	17.1	17.4
MREL capital ratio	25.6	26.7	29.2	29.8	26.5	27.3	27.3	23.8	23.6

## Statements of income and comprehensive income

Note		Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
1	Interest income	352,799	341,631	1,373,215
2	Interest expenses	24,494	34,898	120,910
	<b>Net interest income</b>	<b>328,305</b>	<b>306,733</b>	<b>1,252,305</b>
3	Dividends from shares etc.	3,660	3,456	71,241
4	Fee and commission income	237,034	211,736	814,821
4	Fee and commission expenses	22,307	21,087	85,545
	<b>Net interest and fee income</b>	<b>546,692</b>	<b>500,838</b>	<b>2,052,822</b>
5	Value adjustments	+41,144	-27,375	+126,079
	Other operating income	4,106	193	2,054
6,7	Staff and administration expenses	197,373	190,880	765,933
	Amortisation, depreciation and write-downs on intangible and tangible assets	7,053	6,764	29,241
	Other operating expenses	1,938	4,464	8,110
8,12	Impairment charges for loans and other receivables etc.	-31,909	-77,983	-233,348
	Results from investments in associated companies and group undertakings	0	0	-13
	<b>Profit before tax</b>	<b>353,669</b>	<b>193,565</b>	<b>1,144,310</b>
9	Tax	71,187	36,187	224,596
	<b>Net profit</b>	<b>282,482</b>	<b>157,378</b>	<b>919,714</b>
	Other comprehensive income:			
	Value changes in pension liabilities	0	0	-561
	<b>Total comprehensive income for the period</b>	<b>282,482</b>	<b>157,378</b>	<b>919,153</b>

## Core earnings

Note	Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
	324,865	305,466	1,255,816
4	158,650	151,542	591,147
4	39,719	35,255	150,935
	16,094	9,725	40,759
	4,106	193	2,054
	<b>543,434</b>	<b>502,181</b>	<b>2,040,711</b>
4	56,077	39,107	138,129
	<b>599,511</b>	<b>541,288</b>	<b>2,178,840</b>
6,7	197,373	190,880	765,933
	3,303	3,014	14,241
	1,938	4,464	8,110
	202,614	198,358	788,284
	<b>396,897</b>	<b>342,930</b>	<b>1,390,556</b>
	-29,335	-75,409	-223,052
	<b>367,562</b>	<b>267,521</b>	<b>1,167,504</b>
	-10,143	-70,206	-8,194
	3,750	3,750	15,000
	<b>353,669</b>	<b>193,565</b>	<b>1,144,310</b>
9	71,187	36,187	224,596
	<b>282,482</b>	<b>157,378</b>	<b>919,714</b>

## Balance sheet

Note		31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
	<b>Assets</b>			
	Cash in hand and demand deposits with central banks	4,341,198	703,915	659,004
10	Receivables from credit institutions and central banks	285,844	3,461,052	3,376,233
11,12,13	Total loans and other receivables at amortised cost	37,209,900	36,130,393	36,241,166
	Loans and other receivables at amortised cost	36,028,543	34,931,145	35,088,380
	Wind turbine loans etc. with direct funding	1,181,357	1,199,248	1,152,786
14	Bonds at fair value	6,032,464	4,152,007	6,636,965
15	Shares etc.	1,410,004	1,330,963	1,385,807
	Investments in associated companies	482	457	482
	Investments in group undertakings	11,997	12,035	11,997
16	Assets linked to pooled schemes	4,915,267	3,893,581	4,700,080
17	Intangible assets	1,031,088	1,046,088	1,034,838
	Total land and buildings	214,538	229,627	215,910
	Investment properties	7,667	11,567	7,667
	Domicile properties	178,277	197,162	186,971
	Domicile properties (leasing)	28,594	20,898	21,272
	Other tangible assets	17,230	19,264	17,626
	Current tax assets	0	0	24,249
	Deferred tax assets	20,631	3,208	17,868
	Temporary assets	6,368	3,773	6,368
	Other assets	1,332,381	528,256	510,327
	Prepayments	15,834	16,500	23,209
	<b>Total assets</b>	<b>56,845,226</b>	<b>51,531,119</b>	<b>52,862,129</b>

## Balance sheet – continued

Note		31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
	<b>Liabilities and equity</b>			
18	Debt to credit institutions and central banks	2,464,501	2,277,397	2,448,918
	Total deposits and other debt	41,765,766	37,050,795	39,638,645
19	Deposits and other debt	36,850,499	33,157,214	34,938,565
	Deposits in pooled schemes	4,915,267	3,893,581	4,700,080
20	Issued bonds at amortised cost	2,343,424	2,229,192	2,361,796
	Preferred senior capital	1,027,449	1,034,093	1,032,489
	Non-preferred senior capital	1,315,975	1,195,099	1,329,307
	Current tax liabilities	40,341	19,475	0
	Other liabilities	428,478	578,340	591,109
	Deferred income	2,108	1,672	1,728
	<b>Total debt</b>	<b>47,044,618</b>	<b>42,156,871</b>	<b>45,042,196</b>
	Provisions for pensions and similar liabilities	2,419	2,260	2,560
12	Provisions for losses on guarantees	82,776	46,044	85,814
12	Other provisions for liabilities	34,738	21,356	36,534
	<b>Total provisions for liabilities</b>	<b>119,933</b>	<b>69,660</b>	<b>124,908</b>
	Tier 2 capital	1,548,222	1,924,763	1,549,150
21	<b>Total subordinated debt</b>	<b>1,548,222</b>	<b>1,924,763</b>	<b>1,549,150</b>
22	Share capital	29,228	29,662	29,228
	Net revaluation reserve under the equity method	406	419	406
	Retained earnings	8,102,819	7,349,744	7,909,643
	Proposed dividend etc.	-	-	206,598
	<b>Total shareholders' equity</b>	<b>8,132,453</b>	<b>7,379,825</b>	<b>8,145,875</b>
	<b>Total liabilities and equity</b>	<b>56,845,226</b>	<b>51,531,119</b>	<b>54,862,129</b>
23	Own shares			
24	Contingent liabilities etc.			
25	Assets provided as security			
	Credit risk			
26	Loans and guarantees in percent, by sector and industry			
27	Loans, guarantees and unutilised credit facilities and loan undertakings by credit quality and IFRS 9 stages			
28	Miscellaneous comments			

## Statement of changes in equity

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
<b>As at 31 March 2021:</b>					
<b>Shareholders' equity at the end of the previous financial year</b>	<b>29,228</b>	<b>406</b>	<b>7,909,643</b>	<b>206,598</b>	<b>8,145,875</b>
Dividend etc. paid				-206,598	-206,598
Dividend received on own shares			1,645		1,645
Purchase of own shares			-236,758		-236,758
Sale of own shares			141,892		141,892
Other equity transactions (employee shares)			3,915		3,915
Total comprehensive income for the period			282,482		282,482
<b>Shareholders' equity on the balance sheet date</b>	<b>29,228</b>	<b>406</b>	<b>8,102,819</b>	<b>0</b>	<b>8,132,453</b>

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
<b>As at 31 March 2020:</b>					
<b>Shareholders' equity at the end of the previous financial year</b>	<b>29,662</b>	<b>419</b>	<b>7,252,515</b>	<b>327,280</b>	<b>7,609,876</b>
Dividend etc. paid				-327,280	-327,280
Dividend received on own shares			4,966		4,966
Purchase of own shares			-266,005		-266,005
Sale of own shares			196,848		196,848
Other equity transactions (employee shares)			4,042		4,042
Total comprehensive income for the period			157,378		157,378
<b>Shareholders' equity on the balance sheet date</b>	<b>29,662</b>	<b>419</b>	<b>7,349,744</b>	<b>0</b>	<b>7,379,825</b>

## Statement of changes in equity – continued

DKK 1,000	Share capital	Net revaluation reserve under the equity method	Retained earnings	Proposed dividend etc.	Total shareholders' equity
<b>As at 31 December 2020:</b>					
<b>Shareholders' equity at the end of the previous financial year</b>	<b>29,662</b>	<b>419</b>	<b>7,252,515</b>	<b>327,280</b>	<b>7,609,876</b>
Reduction of share capital	-434		434		0
Dividend etc. paid				-327,280	-327,280
Dividend received on own shares			4,966		4,966
Purchase of own shares			-680,099		-680,099
Sale of own shares			611,241		611,241
Other equity transactions (employee shares)			8,018		8,018
Total comprehensive income for the year		-13	712,568	206,598	919,153
<b>Shareholders' equity on the balance sheet date</b>	<b>29,228</b>	<b>406</b>	<b>7,909,643</b>	<b>206,598</b>	<b>8,145,875</b>

## Statement of capital

	31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
Credit risk	35,767,513	36,671,588	35,080,095
Market risk	2,935,595	1,865,386	2,912,209
Operational risk	3.568.376	2,906,665	3,568,376
<b>Total risk exposure</b>	<b>42,271,484</b>	<b>41,443,639</b>	<b>41,560,680</b>
Shareholders' equity	8,132,453	7,379,825	8,145,875
Proposed dividend etc.	-	-	-206,598
Deduction for expected dividend	-96,892	-60,118	-
Addition for transition programme concerning IFRS 9	607,288	32,085	661,258
Deduction for the sum of equity investments etc. above 10%	-279,174	-160,061	-244,297
Deduction for prudent valuation	-17,814	-13,034	-16,284
Deduction for intangible assets	-1,031,088	-1,046,088	-1,034,838
Deferred tax on intangible assets	23,725	27,023	24,548
Deduction of amount of share buy-back programme	-255,000	-57,504	-57,504
Actual utilisation of amount of share buy-back programme	91,603	57,504	57,504
Deduction for trading limit for own shares	-55,000	-55,000	-55,000
Actual utilisation of the trading limit for own shares	2,316	4,847	2,794
<b>Common equity tier 1</b>	<b>7,122,417</b>	<b>6,109,479</b>	<b>7,277,458</b>
<b>Tier 1 capital</b>	<b>7,122,417</b>	<b>6,109,479</b>	<b>7,277,458</b>
Tier 2 capital	1,543,735	1,920,133	1,543,925
Deduction for the sum of equity investments etc. above 10%	-52,245	-20,838	-46,950
<b>Total capital</b>	<b>8,613,907</b>	<b>8,008,774</b>	<b>8,774,433</b>
Contractual senior funding (grandfathered)	917,627	1,795,046	1,031,852
Non-preferred senior capital	1,305,307	1,181,364	1,305,374
<b>MREL capital</b>	<b>10,836,841</b>	<b>10,985,184</b>	<b>11,111,659</b>

## Statement of capital – continued

	<b>31 Mar. 2021 DKK 1,000</b>	<b>31 Mar. 2020 DKK 1,000</b>	<b>31 Dec. 2020 DKK 1,000</b>
<b>Common equity tier 1 capital ratio (%)</b>	<b>16.8</b>	<b>14.7</b>	<b>17.5</b>
<b>Tier 1 capital ratio (%)</b>	<b>16.8</b>	<b>14.7</b>	<b>17.5</b>
<b>Total capital ratio (%)</b>	<b>20.4</b>	<b>19.3</b>	<b>21.1</b>
<b>MREL capital ratio (%)</b>	<b>25.6</b>	<b>26.5</b>	<b>26.7</b>
Pillar I capital requirements	3,381,719	3,315,491	3,324,854
Individual solvency requirement (%)	9.3	9.3	9.3
Capital conservation buffer (%)	2.5	2.5	2.5
Countercyclical buffer (%)	0.0	0.0	0.0
Total requirement for the bank's total capital (%)	11.8	11.8	11.8
Excess cover in percentage points relative to individual solvency requirement	11.1	10.0	11.8
Excess cover in percentage points relative to total requirement for total capital	8.6	7.5	9.3
MREL requirement (%) – fixed by the Danish FSA	17.9	20.2	17.9
Excess cover in percentage points relative to MREL requirement	7.7	6.3	8.8

## Notes

Note	Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
<b>1 Interest income</b>			
Receivables from credit institutions and central banks – net	-2,480	-3,419	-15,917
Loans and other receivables	306,658	315,392	1,251,394
Discounts – amortisation concerning loans taken over etc.	2,574	2,574	10,296
Loans – interest on the impaired part of loans	-12,721	-17,061	-59,678
Bonds – net	6,928	1,690	13,188
Total derivative financial instruments – net	6,568	7,713	20,424
of which currency contracts – net	3,273	6,652	9,740
of which interest-rate contracts – net	3,295	1,061	10,684
Other interest income	613	1,229	2,862
<b>Total interest income</b>	<b>308,140</b>	<b>308,118</b>	<b>1,222,569</b>
<b>Negative interest income transferred to interest expenses</b>			
Receivables from credit institutions and central banks	2,686	3,937	17,969
Bonds	1,253	2,882	10,883
Total derivative financial instruments	775	2,476	4,064
of which currency contracts	184	761	1,102
of which interest-rate contracts	591	1,715	2,962
<b>Total negative interest income transferred to interest expenses</b>	<b>4,714</b>	<b>9,295</b>	<b>32,916</b>
<b>Negative interest expenses transferred from interest expenses</b>			
Debt to credit institutions and central banks	341	57	161
Deposits and other debt	39,604	24,161	117,569
<b>Total negative interest expenses transferred from interest expenses</b>	<b>39,945</b>	<b>24,218</b>	<b>117,730</b>
<b>Total interest income</b>	<b>352,799</b>	<b>341,631</b>	<b>1,373,215</b>
of which interest income from collateralised repurchase agreements/reverse repo transactions booked under the item “Loans and other receivables”	-9	-	-

## Notes – continued

Note	Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
<b>2 Interest expenses</b>			
Debt to credit institutions and central banks – net	2,148	3,013	11,885
Deposits and other debt – net	-34,311	-17,665	-97,803
Issued bonds	5,152	5,077	21,538
Subordinated debt	6,633	10,755	32,003
Other interest expenses	213	205	2,641
<b>Total interest expenses</b>	<b>-20,165</b>	<b>1,385</b>	<b>-29,736</b>
<b>Negative interest expenses transferred to interest income</b>			
Debt to credit institutions and central banks	341	57	161
Deposits and other debt	39,604	24,161	117,569
<b>Total negative interest expenses transferred to interest income</b>	<b>39,945</b>	<b>24,218</b>	<b>117,730</b>
<b>Negative interest income transferred from interest income</b>			
Receivables from credit institutions and central banks	2,686	3,937	17,969
Bonds	1,253	2,882	10,883
Total derivative financial instruments	775	2,476	4,064
of which currency contracts	184	761	1,102
of which interest-rate contracts	591	1,715	2,962
<b>Total negative interest income transferred from interest income</b>	<b>4,714</b>	<b>9,295</b>	<b>32,916</b>
<b>Total interest expenses</b>	<b>24,494</b>	<b>34,898</b>	<b>120,910</b>
<b>3 Dividends from shares etc.</b>			
Shares	3,660	3,456	71,241
<b>Total dividends from shares etc.</b>	<b>3,660</b>	<b>3,456</b>	<b>71,241</b>
<b>4 Gross fee and commission income</b>			
Securities trading	61,261	43,193	154,196
Asset management and custody accounts	41,868	38,560	165,388
Payment handling	25,540	26,329	100,790
Loan fees	27,404	24,230	91,361
Guarantee commission and mortgage credit commission etc.	58,839	55,879	224,817
Other fees and commission	22,122	23,545	78,269
<b>Total gross fee and commission income</b>	<b>237,034</b>	<b>211,736</b>	<b>814,821</b>
<b>Net fee and commission income</b>			
Securities trading	56,077	39,107	138,129
Asset management and custody accounts	39,001	33,705	150,012
Payment handling	16,322	18,407	63,072
Loan fees	24,479	22,083	82,039
Guarantee commission and mortgage credit commission etc.	58,839	55,879	224,817
Other fees and commission	20,009	21,468	71,207
<b>Total net fee and commission income</b>	<b>214,727</b>	<b>190,649</b>	<b>729,276</b>
Foreign exchange income	16,094	9,725	40,759
<b>Total net fee, commission and foreign exchange income</b>	<b>230,821</b>	<b>200,374</b>	<b>770,035</b>

## Notes – continued

Note		Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
<b>5</b>	<b>Value adjustments</b>			
	Other loans and receivables, fair value adjustment	-1,315	629	1,292
	Bonds	-13,933	-61,198	10,658
	Shares etc.	37,487	26,436	76,441
	Foreign exchange	16,094	9,725	40,759
	Total derivative financial instruments	-16,374	12,427	24,106
	of which currency contracts	-15,562	13,684	22,235
	of which interest-rate contracts	-810	-1,320	1,870
	of which share contracts	-2	63	1
	Assets linked to pooled schemes	125,577	-507,654	124,574
	Deposits in pooled schemes	-125,577	507,654	-124,574
	Issued bonds etc.	19,185	-15,394	-27,177
	<b>Total value adjustments</b>	<b>41,144</b>	<b>-27,375</b>	<b>126,079</b>
<b>6</b>	<b>Staff and administration expenses</b>			
	Payments and fees to general management, board of directors and shareholders' committee			
	General management	4,514	3,736	17,174
	Board of directors	0	0	3,170
	Shareholders' committee	0	0	857
	Total	4,514	3,736	21,201
	Staff expenses			
	Salaries	92,019	87,321	344,570
	Pensions	9,385	10,141	41,958
	Social security expenses	1,335	1,853	5,244
	Costs depending on number of staff	14,869	14,948	60,840
	Total	117,608	114,263	452,612
	Other administration expenses	75,251	72,881	292,120
	<b>Total staff and administration expenses</b>	<b>197,373</b>	<b>190,880</b>	<b>765,933</b>
<b>7</b>	<b>Number of full-time employees</b>			
	Average number of employees during the period converted into full-time employees	<b>614</b>	<b>646</b>	<b>632</b>
	Number of full-time employees at the end of the period	<b>613</b>	<b>650</b>	<b>612</b>
<b>8</b>	<b>Impairment charges for loans and other receivables etc.</b>			
	Net changes in impairment charges for loans and other receivables, etc. and provisions for losses on guarantees and unutilised credit facilities	40,150	104,235	172,975
	Actual realised net losses	4,480	-9,191	120,051
	Interest on the impaired part of loans	-12,721	-17,061	-59,678
	<b>Total impairment charges for loans and other receivables etc.</b>	<b>31,909</b>	<b>77,983</b>	<b>233,348</b>

## Notes – continued

Note		Q1 2021 DKK 1,000	Q1 2020 DKK 1,000	Full year 2020 DKK 1,000
<b>9</b>	<b>Tax</b>			
	Tax calculated on income for the year	67,730	35,555	223,794
	Adjustment of deferred tax	-2,763	632	-3,689
	Adjustment of tax calculated for previous years	6,220	0	4,491
	<b>Total tax</b>	<b>71,187</b>	<b>36,187</b>	<b>224,596</b>
	<b>Effective tax rate (%):</b>			
	Tax rate currently paid by the bank	22.0	22.0	22.0
	Non-taxable income and non-deductible costs*	-2.9	-3.3	-2.5
	Adjustment of tax calculated for previous years	1.0	0.0	0.1
	<b>Total effective tax rate</b>	<b>20.1</b>	<b>18.7</b>	<b>19.6</b>

\* Primarily value adjustment of and dividends from sector shares.

Note		31 Mar. 2021 DKK 1,000	31 Mar. 2010 DKK 1,000	31 Dec. 2020 DKK 1,000
<b>10</b>	<b>Receivables from credit institutions and central banks</b>			
	Demand	235,844	233,920	114,751
	Up to and including 3 months	0	3,177,132	3,211,482
	More than 1 year and up to and including 5 years	5,000	5,000	5,000
	More than 5 years	45,000	45,000	45,000
	<b>Total receivables from credit institutions and central banks</b>	<b>285,844</b>	<b>3,461,052</b>	<b>3,376,233</b>
<b>11</b>	<b>Loans and other receivables at amortised cost</b>			
	Demand	3,627,318	3,722,724	3,859,843
	Up to and including 3 months	3,137,832	3,209,228	1,252,486
	More than 3 months and up to and including 1 year	6,064,241	6,685,429	7,954,602
	More than 1 year and up to and including 5 years	11,051,145	9,894,665	10,053,336
	More than 5 years	13,329,364	12,618,347	13,120,899
	<b>Total loans and other receivables at amortised cost</b>	<b>37,209,900</b>	<b>36,130,393</b>	<b>36,241,166</b>
	of which collateralised repurchase agreements/reverse repo transactions	20,753	-	-

## Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000
<b>12</b>				
<b>Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings</b>				
<b>Impairment charges and provisions – by stages</b>				
<b>As at 31 March 2021</b>				
Loans and other receivables at amortised cost	309,938	818,041	999,277	2,127,256
Guarantees	21,857	19,984	40,935	82,776
Unutilised credit facilities and loan undertakings	18,133	16,605	0	34,738
<b>Total impairment charges and provisions by stages</b>	<b>349,928</b>	<b>854,630</b>	<b>1,040,212</b>	<b>2,244,770</b>
of which management estimates	201,203	270,720	118,160	590,083
<b>As at 31 March 2020</b>				
Loans and other receivables at amortised cost	114,735	474,077	1,479,668	2,068,480
Guarantees	12,475	12,608	20,961	46,044
Unutilised credit facilities and loan undertakings	8,726	12,630	0	21,356
<b>Total impairment charges and provisions by stages</b>	<b>135,936</b>	<b>499,315</b>	<b>1,500,629</b>	<b>2,135,880</b>
of which management estimates				326,000
<b>As at 31 December 2020</b>				
Loans and other receivables at amortised cost	304,520	839,303	938,449	2,082,272
Guarantees	23,665	23,886	38,263	85,814
Unutilised credit facilities and loan undertakings	18,659	17,875	0	36,534
<b>Total impairment charges and provisions by stages</b>	<b>346,844</b>	<b>881,064</b>	<b>976,712</b>	<b>2,204,620</b>
of which management estimates	205,137	255,284	105,765	566,186

Note	31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
<b>12</b>			
<b>Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued</b>			
In addition to the above, a discount on loans and guarantees taken over from Nordjyske Bank amounted to	22,524	32,821	25,099
The above includes the following stage 3 impairment charges and provisions taken over from Nordjyske Bank:			
Cumulative stage 3 impairment charges and provisions at the end of the previous financial year	247,609	507,433	507,433
Change during the period	-31,965	-4,747	-259,824
<b>Total stage 3 impairment charges and provisions taken over</b>	<b>215,644</b>	<b>502,686</b>	<b>247,609</b>

## Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impair- ment charges etc. taken to income state- ment DKK 1,000
<b>12</b>					
<b>Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued</b>					
<b>Impairment charges and provisions</b>					
<b>As at 31 March 2021</b>					
Impairment charges and provisions at the end of the previous financial year	<b>346,844</b>	<b>881,064</b>	<b>976,712</b>	<b>2,204,620</b>	-
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	48,119	22,789	45,114	116,022	116,022
Reversed impairment charges and provisions for repaid accounts	-31,547	-34,077	-35,431	-101,055	-101,055
Transfer of impairment charges and provisions at beginning of period to stage 1	74,724	-71,614	-3,110	0	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-5,242	22,422	-17,180	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-1,230	-28,916	30,146	0	0
Impairment charges and provisions during the year resulting from credit risk change	-81,740	62,962	52,455	33,677	33,677
Previously written down, now definitively lost	-	-	-8,494	-8,494	-
Lost, not previously written down	-	-	-	-	5,755
Received on receivables etc. previously written off	-	-	-	-	-22,490
<b>Total impairment charges and provisions</b>	<b>349,928</b>	<b>854,630</b>	<b>1,040,212</b>	<b>2,244,770</b>	<b>31,909</b>
of which regarding credit institutions etc.	10,871	0	0	10,871	8,866

## Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impair- ment charges etc. taken to income state- ment DKK 1,000
<b>12</b>					
<b>Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued</b>					
<b>Impairment charges and provisions</b>					
<b>31 March 2020</b>					
Impairment charges and provisions at the end of the previous financial year	<b>136,729</b>	<b>404,006</b>	<b>1,490,910</b>	<b>2,031,645</b>	-
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	16,020	16,639	51,257	83,916	83,916
Reversed impairment charges and provisions for repaid accounts	-13,923	-32,651	-93,682	-140,256	-140,256
Transfer of impairment charges and provisions at beginning of period to stage 1	63,092	-20,842	-42,250	0	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-3,736	101,622	-97,886	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-873	-3,730	4,603	0	0
Impairment charges and provisions during the year resulting from credit risk change	-61,373	34,271	198,286	171,184	171,184
Previously written down, now definitively lost	-	-	-10,609	-10,609	-
Lost, not previously written down	-	-	-	-	1,699
Received on receivables etc. previously written off	-	-	-	-	-38,560
<b>Total impairment charges and provisions</b>	<b>135,936</b>	<b>499,315</b>	<b>1,500,629</b>	<b>2,135,880</b>	<b>77,983</b>
of which regarding credit institutions etc.	1,081	0	0	1,081	170

## Notes – continued

Note	Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Total DKK 1,000	Impairment charges etc. taken to income statement DKK 1,000
<b>12</b>					
<b>Impairment charges for loans and other receivables and provisions for losses on guarantees, unutilised credit facilities and loan undertakings – continued</b>					
<b>Impairment charges and provisions</b>					
<b>As at 31 December 2020</b>					
Impairment charges and provisions at the end of the previous financial year	<b>136,729</b>	<b>404,006</b>	<b>1,490,910</b>	<b>2,031,645</b>	-
Impairment charges and provisions for new exposures during the period, including new accounts for existing customers	110,102	86,720	122,077	318,899	318,899
Reversed impairment charges and provisions for repaid accounts	-35,138	-70,486	-180,189	-285,813	-285,813
Transfer of impairment charges and provisions at beginning of period to stage 1	147,307	-58,732	-88,575	0	0
Transfer of impairment charges and provisions at beginning of period to stage 2	-10,189	453,417	-443,228	0	0
Transfer of impairment charges and provisions at beginning of period to stage 3	-1,573	-17,205	18,778	0	0
Impairment charges and provisions during the year resulting from credit risk change	-394	83,344	153,320	236,270	236,270
Previously written down, now definitively lost	-	-	-96,381	-96,381	-
Lost, not previously written down	-	-	-	-	66,781
Received on receivables etc. previously written off	-	-	-	-	-102,789
<b>Total impairment charges and provisions</b>	<b>346,844</b>	<b>881,064</b>	<b>976,712</b>	<b>2,204,620</b>	<b>233,348</b>
of which regarding credit institutions etc.	2,005	0	0	2,005	1,094

## Notes – continued

Note	31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
<b>13</b>	<b>Suspended calculation of interest</b>		
	Loans and other receivables with suspended calculation of interest on the balance sheet date		
	<b>210,731</b>	<b>211,792</b>	<b>264,721</b>
<b>14</b>	<b>Bonds at fair value</b>		
	Listed on the stock exchange		
	6,032,464	4,152,007	6,636,965
	<b>6,032,464</b>	<b>4,152,007</b>	<b>6,636,965</b>
<b>15</b>	<b>Shares etc.</b>		
	Listed on Nasdaq Copenhagen		
	7,650	18,422	10,850
	Investment fund certificates		
	19,850	27,177	29,577
	Unlisted shares at fair value		
	11,357	12,204	14,186
	Sector shares at fair value		
	1,371,147	1,273,160	1,331,194
	<b>1,410,004</b>	<b>1,330,963</b>	<b>1,385,807</b>
<b>16</b>	<b>Assets linked to pooled schemes</b>		
	Cash deposits		
	18,821	31,260	101,854
	Bonds:		
	Other bonds		
	1,399,047	1,619,783	1,513,905
	Total bonds		
	1,399,047	1,619,783	1,513,905
	Shares:		
	Other shares		
	709,226	465,870	672,557
	Investment fund certificates		
	2,798,260	1,786,071	2,411,764
	Total shares		
	3,507,486	2,251,941	3,084,321
	Other items		
	-10,087	-9,403	0
	<b>4,915,267</b>	<b>3,893,581</b>	<b>4,700,080</b>
<b>17</b>	<b>Intangible assets</b>		
	<b>Goodwill</b>		
	Cost at the end of the previous financial year		
	923,255	923,255	923,255
	Total cost on the balance sheet date		
	923,255	923,255	923,255
	Write-downs at the end of the previous financial year		
	0	0	0
	Total write-downs on the balance sheet date		
	0	0	0
	<b>923,255</b>	<b>923,255</b>	<b>923,255</b>
	<b>Customer relationships</b>		
	Cost at the end of the previous financial year		
	150,000	150,000	150,000
	Total cost on the balance sheet date		
	150,000	150,000	150,000
	Amortisation at the end of the previous financial year		
	38,417	23,417	23,417
	Amortisation for the period		
	3,750	3,750	15,000
	Total amortisation on the balance sheet date		
	42,167	27,167	38,417
	<b>107,833</b>	<b>122,833</b>	<b>111,583</b>
	<b>1,031,088</b>	<b>1,046,088</b>	<b>1,034,838</b>

## Notes – continued

Note	31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
<b>18 Debt to credit institutions and central banks</b>			
Demand	756,583	910,130	711,366
Up to and including 3 months	250,000	30,442	292,643
More than 3 months and up to and including 1 year	281,549	183,053	385,258
More than 1 year and up to and including 5 years	544,797	657,563	562,413
More than 5 years	631,572	496,209	497,238
<b>Total debt to credit institutions and central banks</b>	<b>2,464,501</b>	<b>2,277,397</b>	<b>2,448,918</b>
<b>19 Deposits and other debt</b>			
Demand	32,001,338	27,005,522	29,973,193
Deposits and other debt with notice:			
Up to and including 3 months	615,740	566,791	418,740
More than 3 months and up to and including 1 year	1,213,512	1,961,692	1,395,528
More than 1 year and up to and including 5 years	612,222	1,242,882	668,580
More than 5 years	2,407,687	2,380,327	2,482,524
<b>Total deposits and other debt</b>	<b>36,850,499</b>	<b>33,157,214</b>	<b>34,938,565</b>
of which deposits covered by the Guarantee Fund	59.7%	65.3%	64.1%
Distributed as follows:			
Demand	31,872,208	26,867,459	29,849,983
With notice	1,248,984	2,021,787	1,328,132
Time deposits	360,926	212,075	277,918
Long-term deposit agreements	992,447	1,365,662	1,050,783
Special types of deposits	2,375,934	2,690,231	2,431,749
	<b>36,850,499</b>	<b>33,157,214</b>	<b>34,938,565</b>
<b>20 Issued bonds at amortised cost</b>			
More than 1 year and up to and including 5 years	1,675,013	1,550,244	1,675,470
More than 5 years	668,411	678,948	686,326
<b>Total issued bonds at amortised cost</b>	<b>2,343,424</b>	<b>2,229,192</b>	<b>2,361,796</b>
<b>21 Subordinated debt</b>			
Tier 2 capital:			
Floating-rate loan, principal of EUR 50 million, maturity date 20 May 2025 (redeemed on 20 May 2020)	-	373,378	-
Fixed-rate loan, principal of DKK 500 million, maturity date 13 June 2028	500,000	500,000	500,000
Floating-rate loan, principal of EUR 100 million, maturity date 22 August 2029	743,735	746,755	743,925
Floating-rate loan, principal of DKK 300 million, maturity date 13 June 2030	300,000	300,000	300,000
Adjustment to amortised cost and fair value adjustment	4,487	4,630	5,225
<b>Total subordinated debt</b>	<b>1,548,222</b>	<b>1,924,763</b>	<b>1,549,150</b>
<b>22 Share capital</b>			
Number of DKK 1 shares			
Beginning of period	29,228,321	29,661,796	29,661,796
Cancelled during the period	0	0	-433,475
<b>End of period</b>	<b>29,228,321</b>	<b>29,661,796</b>	<b>29,228,321</b>
of which reserved for subsequent cancellation	313,300	594,075	160,600
<b>Total share capital</b>	<b>29,228</b>	<b>29,662</b>	<b>29,228</b>

## Notes – continued

Note	31 Mar. 2021 DKK 1,000	31 Mar. 2020 DKK 1,000	31 Dec. 2020 DKK 1,000
<b>23 Own shares</b>			
Own shares included in the balance sheet at	0	0	0
Market value	196,562	231,783	91,767
Number of own shares:			
Beginning of period	165,644	433,721	433,721
Purchased during the period	400,157	478,890	1,525,629
Sold during the period	-248,766	-305,848	-1,360,231
Cancelled during the period	0	0	-433,475
End of period	317,035	606,763	165,644
of which reserved for subsequent cancellation	313,300	594,075	160,600
Nominal value of holding of own shares, end of period	317	607	166
Own shares' proportion of share capital, end of period (%)	1.1	2.0	0.6
<b>24 Contingent liabilities etc.</b>			
<b>Contingent liabilities</b>			
Financial guarantees	3,619,235	2,772,917	3,536,326
Guarantees against losses on mortgage credit loans	2,829,813	2,596,912	2,813,424
Registration and refinancing guarantees	3,106,365	3,829,909	2,684,855
Sector guarantees	104,802	104,802	104,802
Other contingent liabilities	709,693	687,454	672,423
<b>Total contingent liabilities</b>	<b>10,369,908</b>	<b>9,991,994</b>	<b>9,811,830</b>
<b>Other contractual obligations</b>			
Irrevocable credit commitments etc.	0	101,000	0
<b>Total other contractual obligations</b>	<b>0</b>	<b>101,000</b>	<b>0</b>
<b>25 Assets provided as security</b>			
First-mortgage loans are provided for renewable energy projects. The loans are funded directly by KfW Bankengruppe, to which security in the associated loans has been provided. Each reduction of the first-mortgage loans is deducted directly from the funding at KfW Bankengruppe.			
The balance sheet item is	<b>1,181,357</b>	<b>1,199,248</b>	<b>1,152,786</b>
As collateral for clearing and raising of loans, the bank has pledged securities to the central bank of Denmark at a market price of	<b>165,495</b>	<b>312,965</b>	<b>168,512</b>
Amount deposited in a cover-for-liabilities account as security for the Danish Growth Fund up to a specific limit of loss as a consequence of Ringkøbing Landbobank's ownership interest in Landbrugets Finansieringsbank	<b>0</b>	<b>378</b>	<b>0</b>
Collateral under CSA agreements etc.	<b>35,612</b>	<b>48,897</b>	<b>35,193</b>

## Notes – continued

Note	31 Mar. 2021 percent	31 Mar. 2020 percent	31 Dec. 2020 percent
<b>26</b>			
<b>Loans and guarantees in percent, by sector and industry</b>			
<b>Public authorities</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Business customers:</b>			
Agriculture, hunting and forestry			
Cattle farming etc.	1.3	1.5	1.3
Pig farming etc.	1.3	1.3	1.2
Other agriculture, hunting and forestry	5.3	5.5	5.4
Fisheries	1.7	2.2	1.8
Industry and raw materials extraction	2.7	3.0	2.7
Energy supply			
Renewable energy	7.0	6.5	7.2
Other energy supply	0.3	0.3	0.3
Building and construction	3.4	3.4	3.3
Trade	3.5	4.0	3.3
Transport, hotels and restaurants	2.1	1.8	2.0
Information and communication	0.5	0.5	0.5
Finance and insurance	8.1	8.4	8.1
Real property			
First mortgage without prior creditors	12.6	11.8	12.7
Other real property financing	4.3	4.6	4.2
Other business customers	7.2	6.6	7.1
<b>Total business customers</b>	<b>61.3</b>	<b>61.4</b>	<b>61.1</b>
<b>Private individuals</b>	<b>38.7</b>	<b>38.6</b>	<b>38.9</b>
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

## Notes – continued

Note		Stage 1 DKK 1,000	Stage 2 DKK 1,000	Stage 3 DKK 1,000	Credit- impaired on initial recogni- tion DKK 1,000	Total DKK 1,000	Total %
<b>27</b>	<b>Loans, guarantees and unutilised credit facilities and loan undertakings by credit quality and IFRS 9 stages</b>						
	<b>As at 31 March 2021</b>						
	<b>Credit quality</b>						
	High	49,412,315	139,217	0	0	<b>49,551,532</b>	<b>72%</b>
	Medium	10,065,280	1,613,290	0	0	<b>11,678,570</b>	<b>17%</b>
	Low	1,540,102	3,710,928	0	0	<b>5,251,030</b>	<b>8%</b>
	Credit-impaired	0	0	1,550,463	332,419	<b>1,882,882</b>	<b>3%</b>
	<b>Total</b>	<b>61,017,697</b>	<b>5,463,435</b>	<b>1,550,463</b>	<b>332,419</b>	<b>68,364,014</b>	<b>100%</b>
	Impairment charges etc.	349,928	854,630	824,568	215,644	2,244,770	
	<b>As at 31 March 2020</b>						
	<b>Credit quality</b>						
	High	47,078,943	192,033	0	0	<b>47,270,976</b>	<b>73%</b>
	Medium	8,518,369	1,507,448	0	0	<b>10,025,817</b>	<b>16%</b>
	Low	1,485,686	3,712,014	0	0	<b>5,197,700</b>	<b>8%</b>
	Credit-impaired	0	0	1,428,862	672,773	<b>2,101,635</b>	<b>3%</b>
	<b>Total</b>	<b>57,082,998</b>	<b>5,411,495</b>	<b>1,428,862</b>	<b>672,773</b>	<b>64,596,128</b>	<b>100%</b>
	Impairment charges etc.	135,936	499,315	997,943	502,686	2,135,880	
	<b>As at 31 December 2020</b>						
	<b>Credit quality</b>						
	High	47,043,274	123,728	0	0	<b>47,167,002</b>	<b>72%</b>
	Medium	9,525,618	1,630,433	0	0	<b>11,156,051</b>	<b>17%</b>
	Low	1,640,245	3,932,329	0	0	<b>5,572,574</b>	<b>8%</b>
	Credit-impaired	0	0	1,415,013	366,909	<b>1,781,922</b>	<b>3%</b>
	<b>Total</b>	<b>58,209,137</b>	<b>5,686,490</b>	<b>1,415,013</b>	<b>366,909</b>	<b>65,677,549</b>	<b>100%</b>
	Impairment charges etc.	346,844	881,064	729,103	247,609	2,204,620	

## Notes – continued

<b>28</b>	<p><b>Miscellaneous comments</b></p> <p>The statement of core earnings for 2016, 2017 and 2018 on pages 1 and 4 was calculated pro forma by adding up figures from Ringkjøbing Landbobank's statement of the alternative measure of performance "Core earnings" and pro forma figures from Nordjyske Bank, converted and adjusted to Ringkjøbing Landbobank's statement of the alternative performance measure "Core earnings".</p> <p>Core earnings per share on page 4 are stated for the "old" Ringkjøbing Landbobank up to and including 2017, pro forma for 2018 and for the merged bank from 2019.</p> <p>The various items presenting the bank's capital and capital ratios as stated on pages 7, 10, 12, 19, 20 and 36 were adjusted retrospectively in 2020 for the period from the end of the second quarter of 2018 to the end of the second quarter of 2020. The adjustment was made because the Danish FSA advised the bank in 2020 that it cannot include the IFRS 9 addition taken over from Nordjyske Bank in the calculation of the transition programme concerning IFRS 9. The change had a small effect on the various items presenting the bank's capital and capital ratios.</p>
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## Main figures

Summary of income statement (DKK million)	Q1 2021	Q1 2020	Full year 2020
Net interest income	328	307	1,252
Dividends from shares etc.	4	3	71
Net fee and commission income	215	191	730
Net interest and fee income	547	501	2,053
Value adjustments	+41	-27	+126
Other operating income	4	0	2
Staff and administration expenses	197	191	766
Amortisation, depreciation and write-downs on intangible and tangible assets	7	7	29
Other operating expenses	2	4	8
Impairment charges for loans and receivables etc.	-32	-78	-234
Profit before tax	354	194	1,144
Tax	72	36	224
Net profit	282	158	920

Main figures from the balance sheet (DKK million)	31 Mar. 2021	31 Mar. 2020	31 Dec. 2020
Loans and other receivables at amortised cost	37,210	36,130	36,241
Deposits and other debt including pooled schemes	41,766	37,051	39,639
Subordinated debt	1,548	1,925	1,549
Equity	8,132	7,380	8,146
Balance sheet total	56,845	51,531	54,862

## The Danish FSA's official key figures/ratios etc. for Danish banks

		Q1 2021	Q1 2020	2020
<b>Capital ratios:</b>				
Total capital ratio	%	16.8	19.3	21.1
Tier 1 capital ratio	%	16.8	14.7	17.5
Individual solvency requirement	%	9.3	9.3	9.3
MREL requirement – fixed by the Danish FSA	%	17.9	20.2	17.9
MREL capital ratio	%	25.6	26.5	26.7
<b>Earnings:</b>				
Return on equity before tax	%	4.3	2.6	14.5
Return on equity after tax	%	3.5	2.1	11.7
Income/cost ratio	DKK	2.48	1.69	2.10
Return on assets	%	0.5	0.3	1.7
<b>Market risk:</b>				
Interest rate risk	%	1.0	0.7	1.0
Foreign exchange position	%	1.4	1.4	0.1
Foreign exchange risk	%	0.0	0.0	0.0
<b>Liquidity risk:</b>				
Liquidity Coverage Ratio (LCR)	%	188	176	206
Loans and impairments thereon relative to deposits	%	94.1	103.1	96.7
<b>Credit risk:</b>				
Loans relative to shareholders' equity		4.6	4.9	4.4
Growth in loans	%	2.6	1.9	2.2
Total large exposures (<175%)	%	110.7	120.9	99.8
Cumulative impairment ratio	%	4.5	4.4	4.6
Impairment ratio	%	0.06	0.16	0.48
Proportion of receivables at reduced interest	%	0.4	0.4	0.5
<b>Share return:</b>				
Earnings per share*/***	DKK	974.5	540.0	3,155.6
Book value per share*/**	DKK	28,129	25,399	28,029
Dividend per share*	DKK	0	0	700
Market price relative to earnings per share*/***		63.6	70.7	17.6
Market price relative to book value per share*/**		2.20	1.50	1.98

\* Calculated on the basis of a denomination of DKK 100 per share.

\*\* Calculated on the basis of number of shares in circulation at the end of the period.

\*\*\* Calculated on the basis of the average number of shares. The average number of shares is calculated as a simple average of the shares at the beginning and the end of the period.

## Management statement

The board of directors and the general management have today discussed and approved the quarterly report of Ringkjøbing Landbobank A/S for the period 1 January to 31 March 2021.

The quarterly report is drawn up in accordance with the provisions of the Danish Financial Business Act and other Danish disclosure requirements for listed financial companies. We consider the chosen accounting policies to be appropriate and the estimates made responsible, so that the quarterly report provides a true and fair view of the bank's assets, liabilities and financial position as at 31 March 2021 and of the result of the bank's activities for the period 1 January to 31 March 2021. We also believe that the management's review contains a true and fair account of the development in the bank's activities and financial circumstances as well as a description of the most important risks and uncertainties which can affect the bank.

The quarterly report has not been audited or reviewed, but the bank's external auditors have verified the profit by carrying out procedures corresponding to those required for a review and have thereby checked that the conditions for ongoing recognition of the profit for the period in the common equity tier 1 capital have been met.

Ringkøbing, 28 April 2021

### General management:

John Fisker  
CEO

Claus Andersen  
General Manager

Jørn Nielsen  
General Manager

Carl Pedersen  
General Manager

### Board of directors:

Martin Krogh Pedersen  
Chairman

Mads Hvolby  
Deputy Chairman

Jens Møller Nielsen  
Deputy Chairman

Morten Jensen

Jon Steingrim Johnsen

Jacob Møller

Lone Rejkjær Söllmann

Sten Uggerhøj

Dan Junker Astrup  
Employee board member

Gitte E.S.H. Vigsø  
Employee board member

Arne Ugilt  
Employee board member

Finn Aaen  
Employee board member