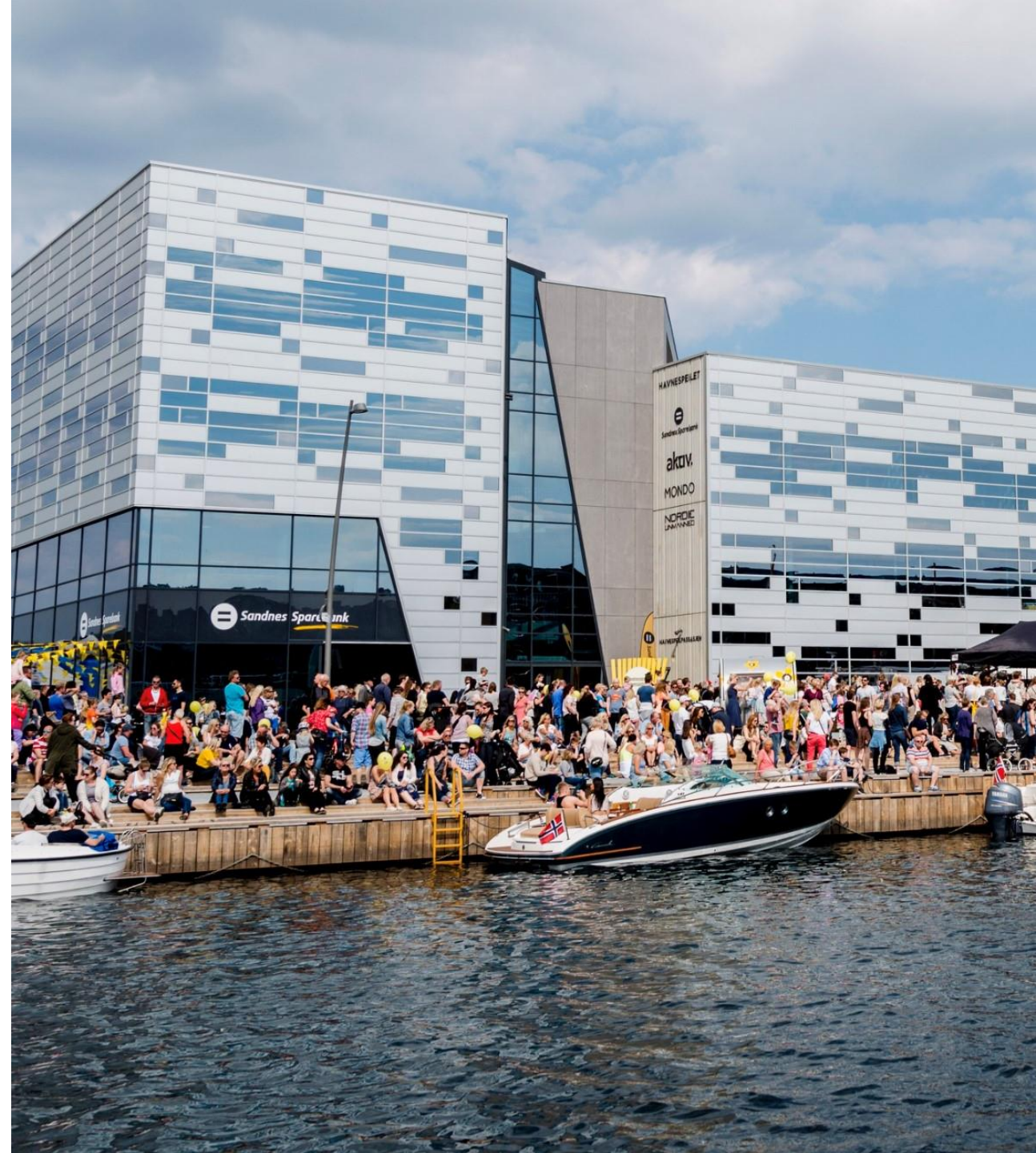


4th Quarter Results and Preliminary Results for 2021



Content:

Summary of Q4 and 2021

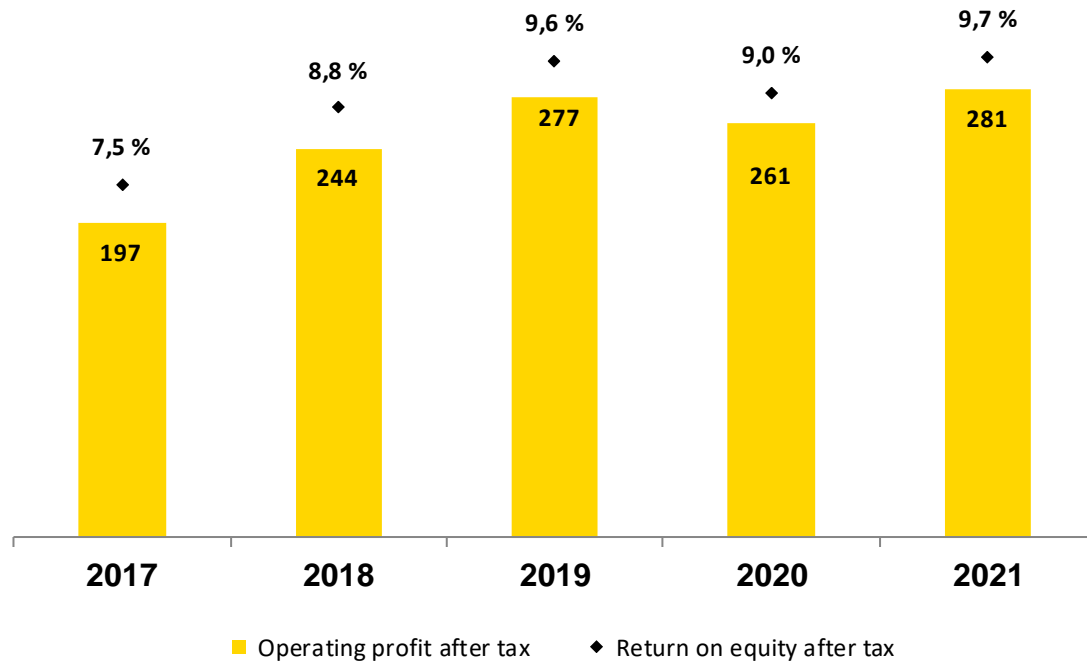
Customers and Market

Key Figures



Sandnes Sparebank continues the good trend

ROE



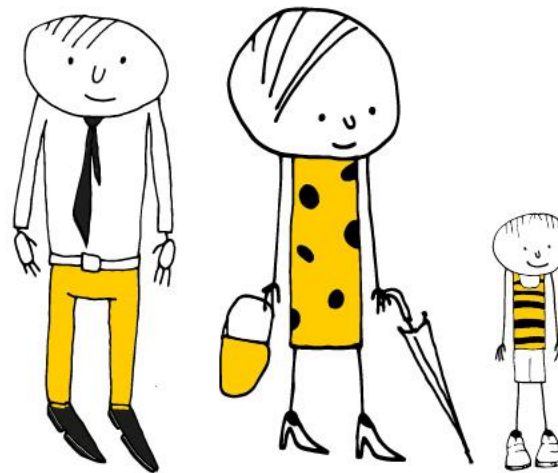
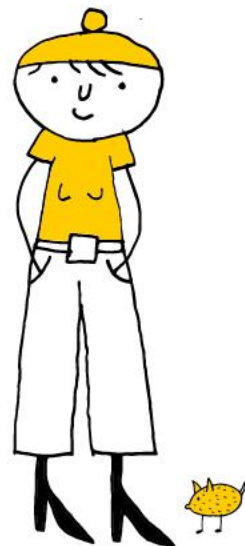
YTD Summary:

- Profit after tax MNOK 281 (261)
- Return on equity after tax of 9.7% (9.0%)
- Profit per EK certificate (EPS) of NOK 8.5 (7.9)
- Lending growth of 5.5% (4.9%)
- Net interest margin of 1.56% (1.64%)
- Net reversal of losses of MNOK -32 (25). Good credit quality.
- Good cost control - Costs related to conversion 29 MNOK
- Solid bank with 16,6 % CET1 (after distribution of profits)
- Proposed dividend of NOK 5.35 (5.9), 62,5 % payout ratio

Customer dividend for the fifth year in a row - a differentiator

Kunde uten boliglån, men med kr 1 million i innskudd.

2021	2 150
2020	2 600
2019	2 250
2018	2 500
2017	1 000
Totalt	kr 10 500



Familie med kr 4 millioner i lån* og kr 50 000 i innskudd.

2021	8 707
2020	10 530
2019	9 113
2018	10 125
2017	4 050
Totalt	kr 42 525

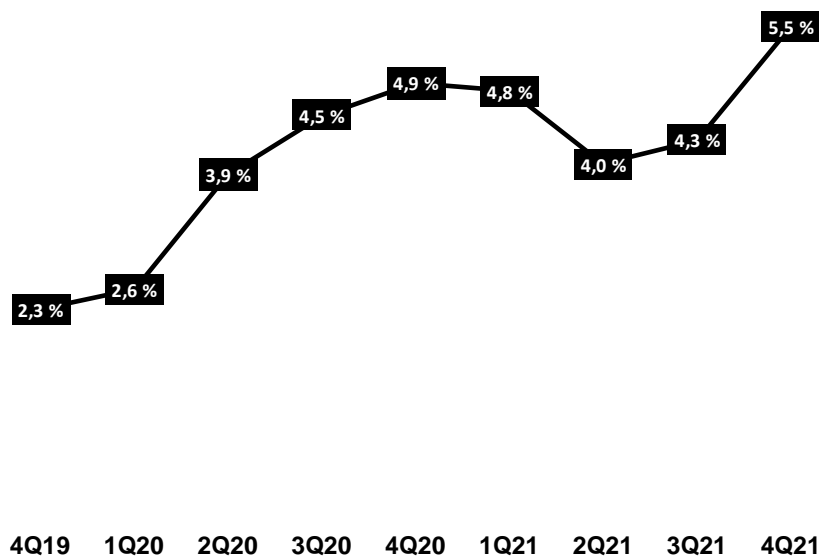
*medlåntaker på lånet.

- Deposits and loans up to 2 MNOK qualify for the calculation of customer dividends.
- Customer dividends will vary from year to year as a result of the bank's earnings trend and dividend ratio
- The final dividend for 2021 will be approved by the board of trustees on March 23, 2022

Loan Growth at 5,5 % YoY

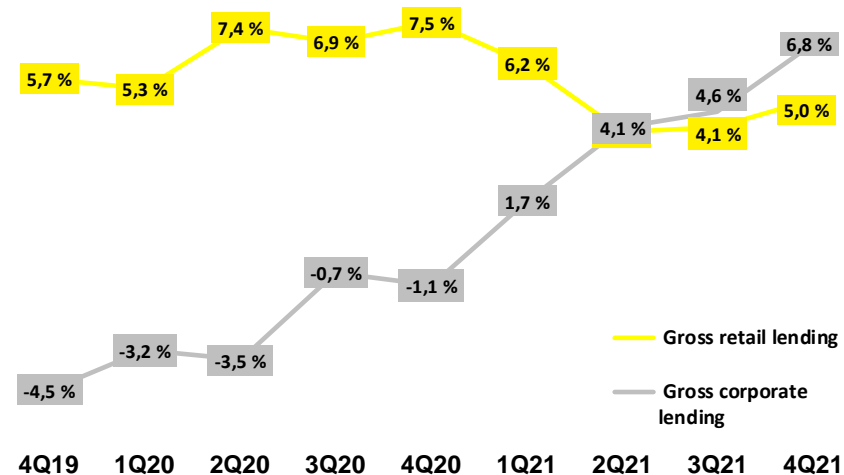
Solid growth in both retail and corporate segment

Group Level



- Total lending increased by NOK 1,3 billion (5.5 %) YOY
- Lending increased by MNOK 340 (1.4 %) QOQ

Growth by Division



- Retail lending increased by MNOK 860 (5.0 %) YOY vs. market growth of 2,6%*. Last quarter retail lending increased by MNOK 410 (2.3 %).
- Corporate lending increased by MNOK 475 (6,8 %) YOY. Last quarter lending volume decreased by MNOK 70 (- 0.9 %)

Content:

Summary of Q4 and 2021

Customers and Market

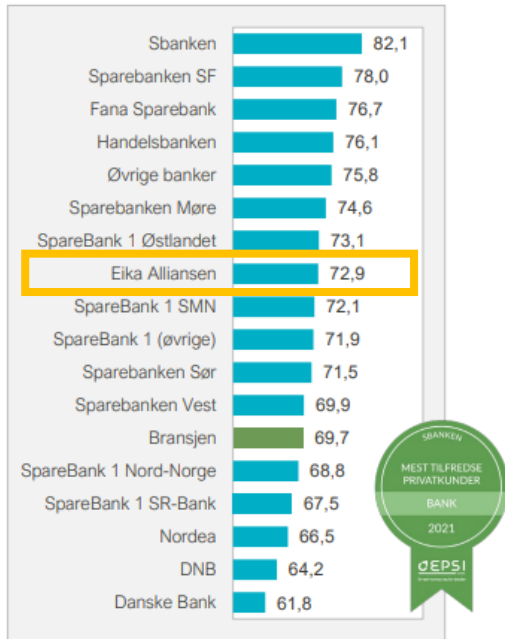
Key Figures



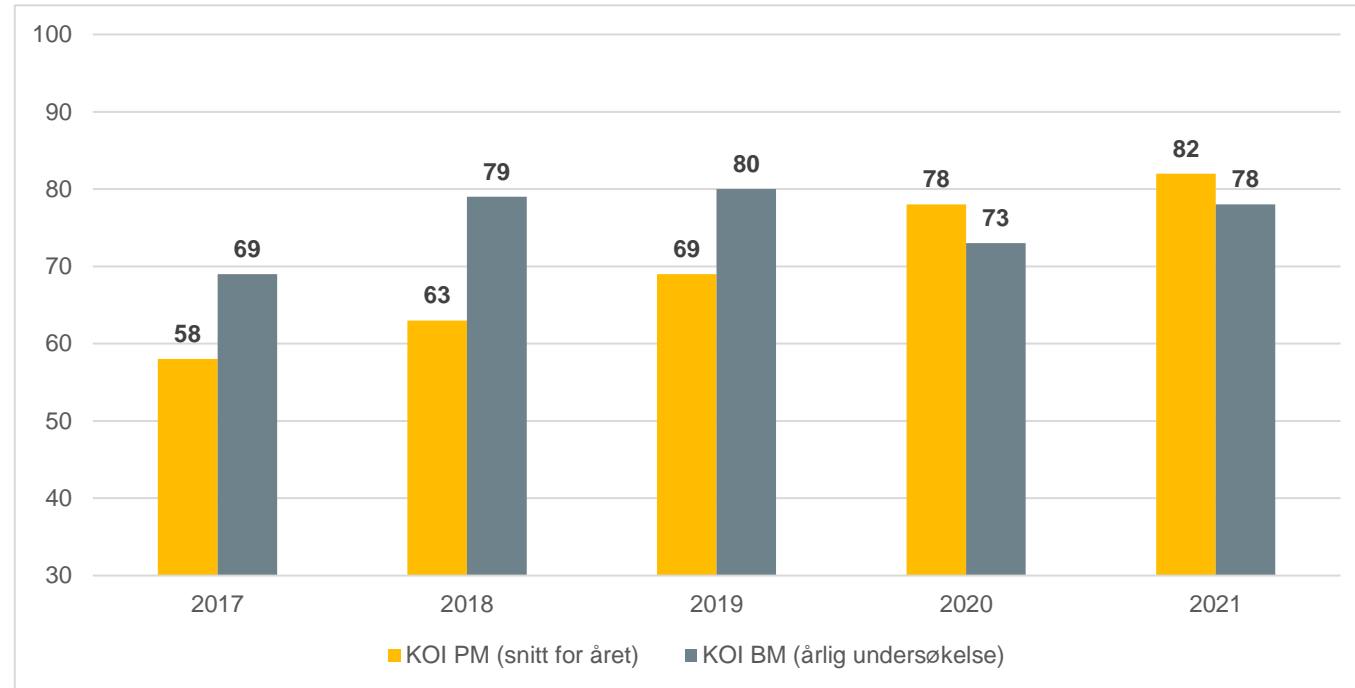
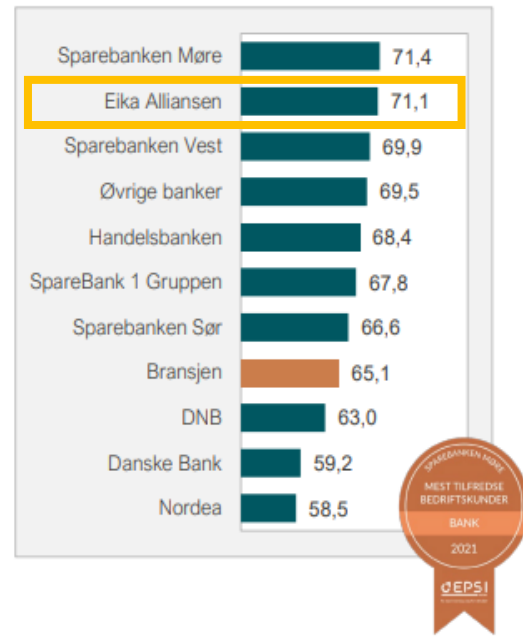
KOI – «Customer Satisfaction Index»

Not translated

FIGUR 1 Kundetilfredshet 2021
privatmarked



FIGUR 1 Bedriftsmarked 2021



- Kundetilfredshet EPSI måles noe annerledes enn KOI
- Den Gule banken, Sandnes Sparebank inngår i Eikagrupperingen i nasjonale undersøkelser
- Eika kommer svært godt ut i undersøkelsen for BM og godt over snittet på PM.

Local Presence

Not translated

Flytt boliglånet til oss!

Ingvild er på 40Femti for deg



Vi spanderer etablering og tinglysning
for nye lån ut mars måned.

Ta kontakt med Ingvild på tlf 917 17 922

Priseks: Nom. 1,99 %, eff. 2,08 % 2 mill.
0/30 år, kost. 683.253. Totalt: kr 2.683.253

Flytt boliglånet til oss!

Daniel er på 40Femti for deg



Vi spanderer etablering og tinglysning
for nye lån ut mars måned.

Ta kontakt med Daniel på tlf 928 19 154

Priseks: Nom. 1,99 %, eff. 2,08 % 2 mill.
0/30 år, kost. 683.253. Totalt: kr 2.683.253

Folk 2021

The bank invited to a business conference about people for the third time

Not translated

- Om dyktige folk, inspirerende folk, annerledes-tenkende folk og talentfulle folk
- Hvordan vi bygger god kultur og gjør folk enda bedre
- 300 lokale ledere
- Kompetanse
- Nettverksbygging



Bent Høie innledet Folk 2021 med å fortelle om ledelse gjennom pandemien, og få har kjent på kroppen hvordan det har vært mer enn den tidligere helseministeren. Foto: Lars Idar Waage

Endelig samlet til Folk 2021!

Endelig kunne Folk arrangeres igjen, og med over 300 i salen ble det en kjekk dag i Sandnes med temaet kulturbygging og ledelse.

<https://www.naeringsforeningen.no/nyheter/endelig-folk-2021/>

Sandnes Sparebank Arena

Roller ski arena that puts Sandnes on the map

Not translated

SANDNESPOSTEN TORSDAG 24. OKTOBER 2021

NYHETER 17

■ Slik blir Sandnes Sparebank Arena:

Fikk nylig million- beløp til å ferdigstille prosjektet

Det som etter alle solemerker blir Norges flotteste rulleskiarena har for alvor begynt å ta form i Melshei, men prosjektet har hatt sine utfordringer. Torsdag sist uke mottok arenaen sårt tiltrengte millioner fra Det gule gavefondet i Sandnes Sparebank.

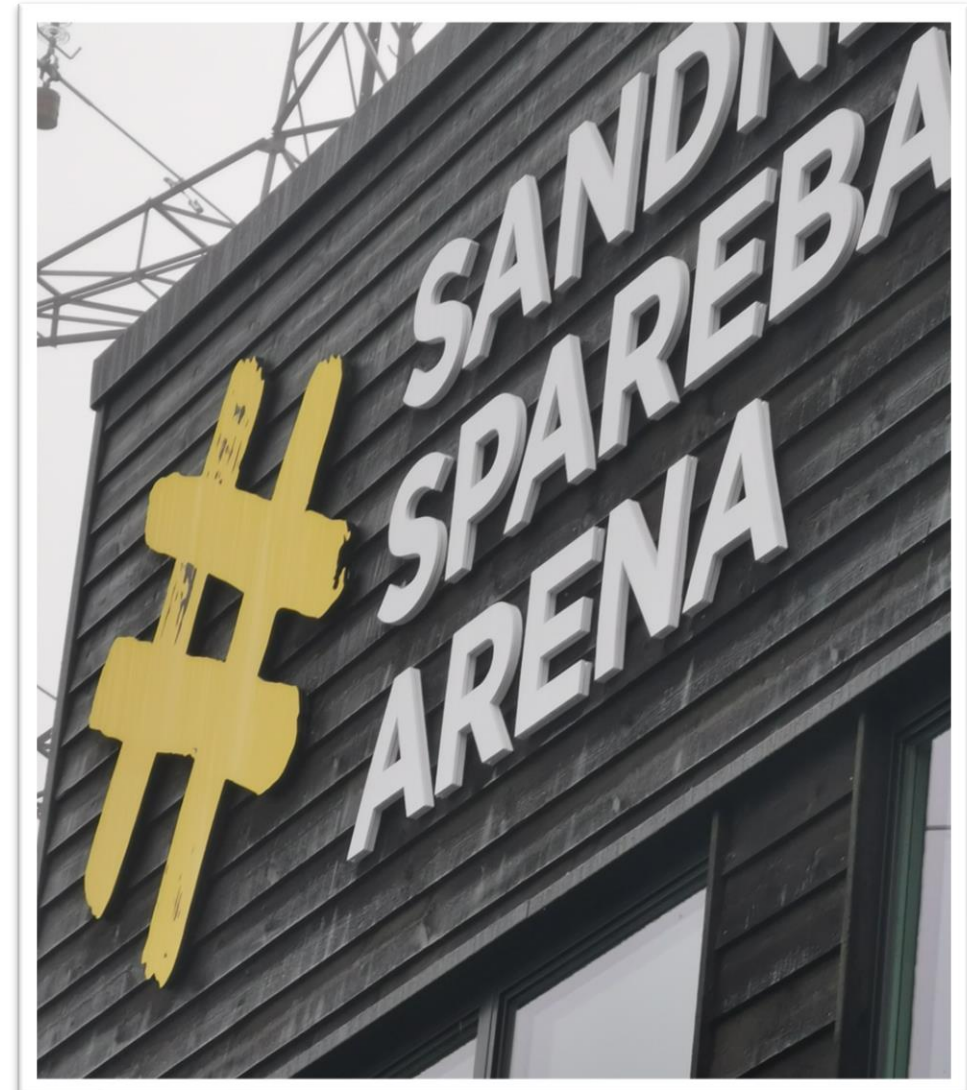
DANIEL SKUTLE ULLOA
daniel.ulloa@sandnesposten.no

MELSHEI. Det nye arenahuset rett ved rulleskiområdet nærmer seg innflyttingsklart. Med fire kilometer rulleskiløype, startplass for skiskyting, mangler nå kun arenahuset.

Prosjektet med nytt arenahus skulle i utgangspunktet vært ferdig for flere måneder siden, men etter at Sandnes kommune valgte bort gang- og sykkelveien i området fra prioriteringslisten, ble arbeidet med nytt hus satt på vent. Nå



FIKK 2 MILL.: Daglig leder i Sandnes Arena Bjørn Folkvord, Administrerende direktør i Sandnes Sparebank, Trine Stangeland, og styreleder i Sand-



Stavanger

New advisers and solid lending growth over the last three months

Not translated



«New» Corporate Department

- New way of working
- Raised competence, sharpened responsibility
- Increased customer orientation in all roles
- Efficient workflow
- Interaction across
- Leverage synergies



Lars Kristiansen, direktør bedriftsmarked

Content:

Summary of Q4 and 2021

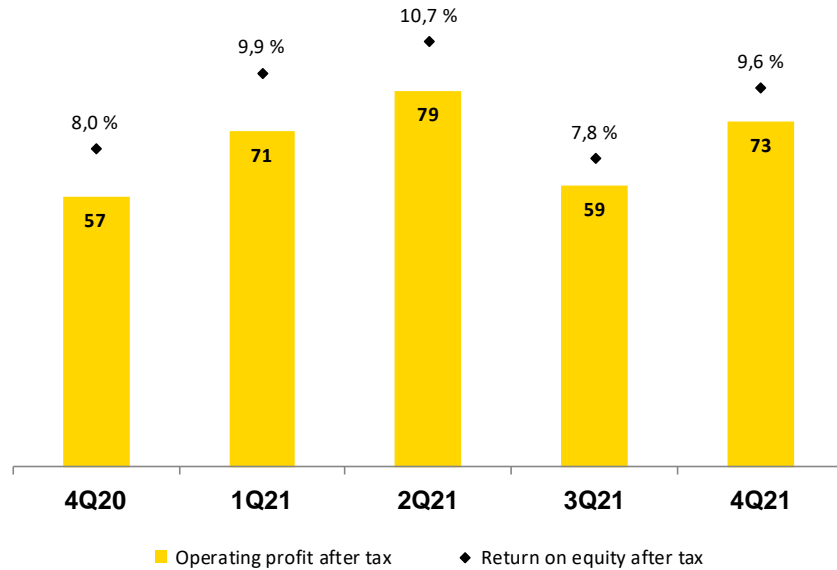
Customers and Market

Key Figures

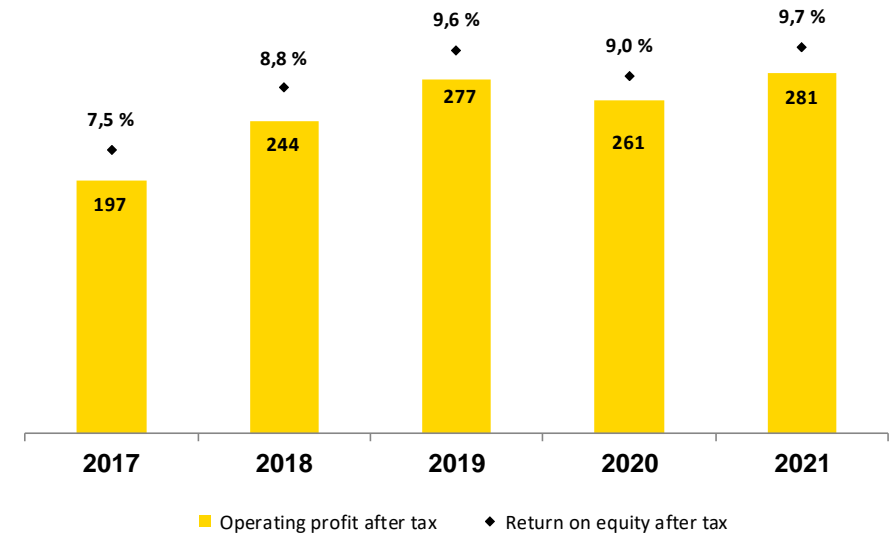


Profitability

ROE, Quarterly



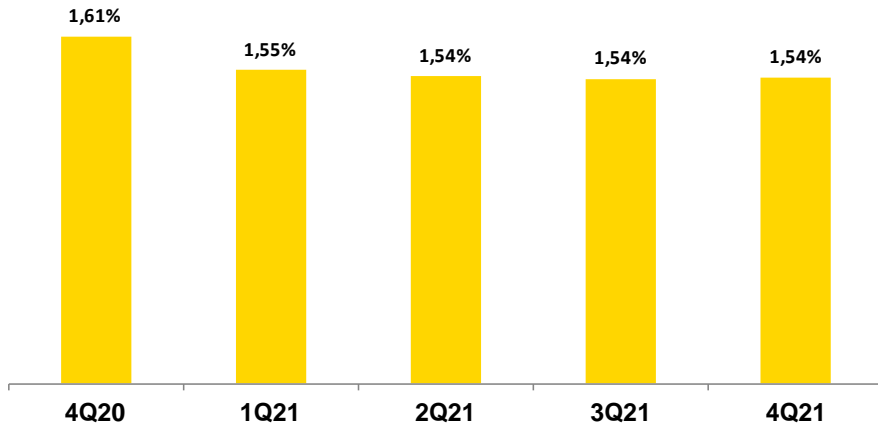
ROE, YOY/YTD



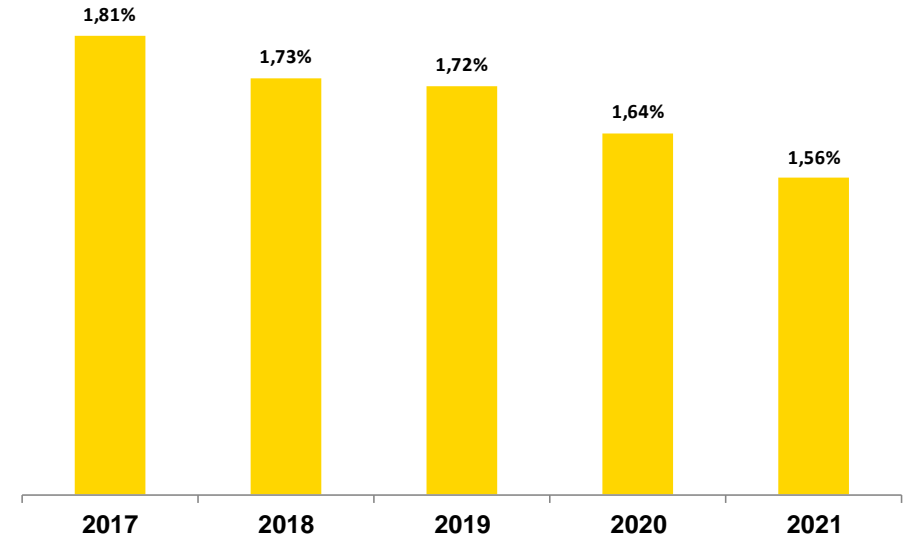
Net Interest Margin

Margin pressure due to low policy rate

Net Interest Margin, quarterly



Net Interest Margin, EOY/YTD

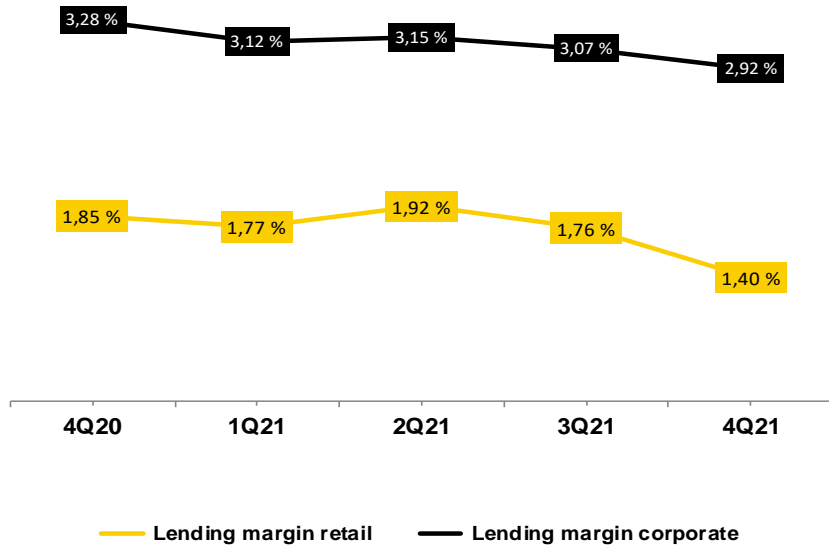


- Interest rate changes effective from mid-November and mid-February for private customers

Margins on Loans and Deposits

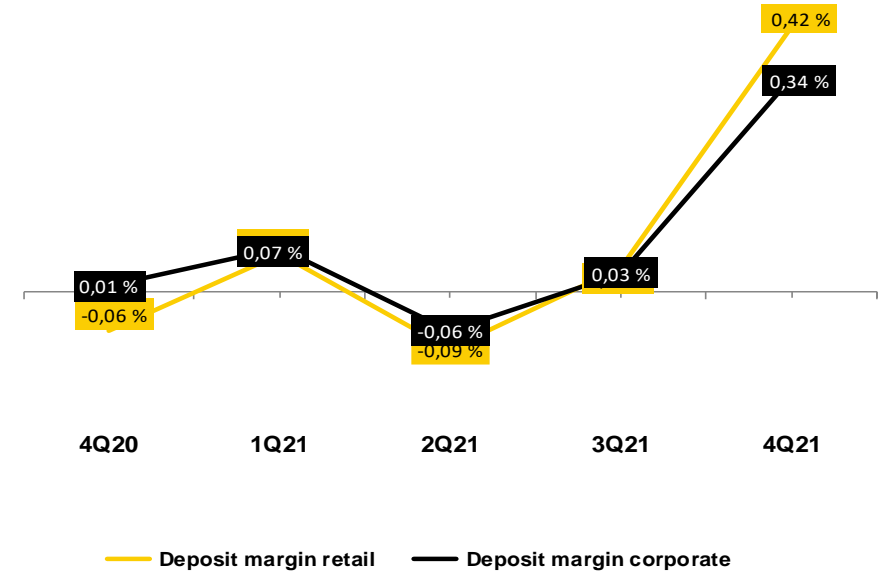
Strong competition and increased NIBOR influences margins

Lending Margins



- Stable customer interest rates, higher Nibor interest rates result in a weaker lending margin in PM
- The corporate market is less sensitive to Nibor fluctuations

Deposit Margins

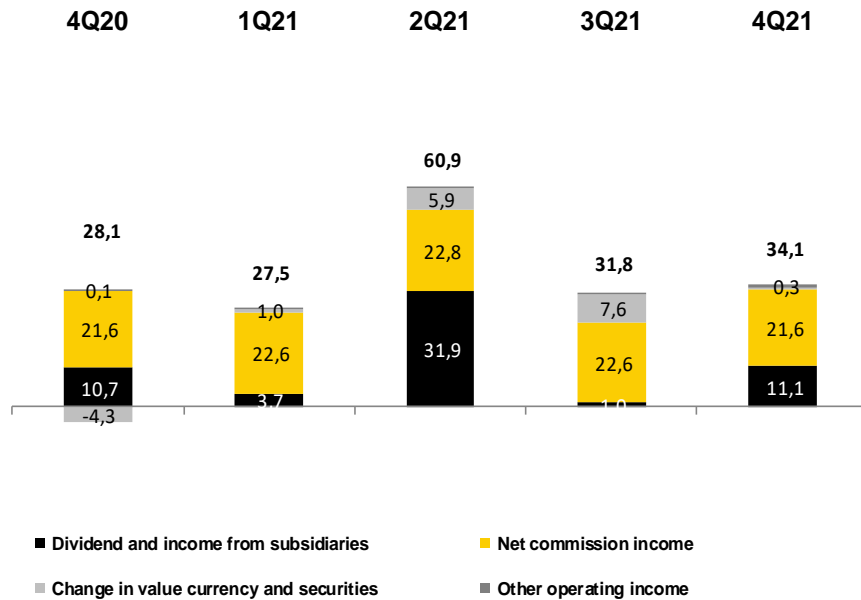


- Higher Nibor strengthens the deposit margin

Other Income

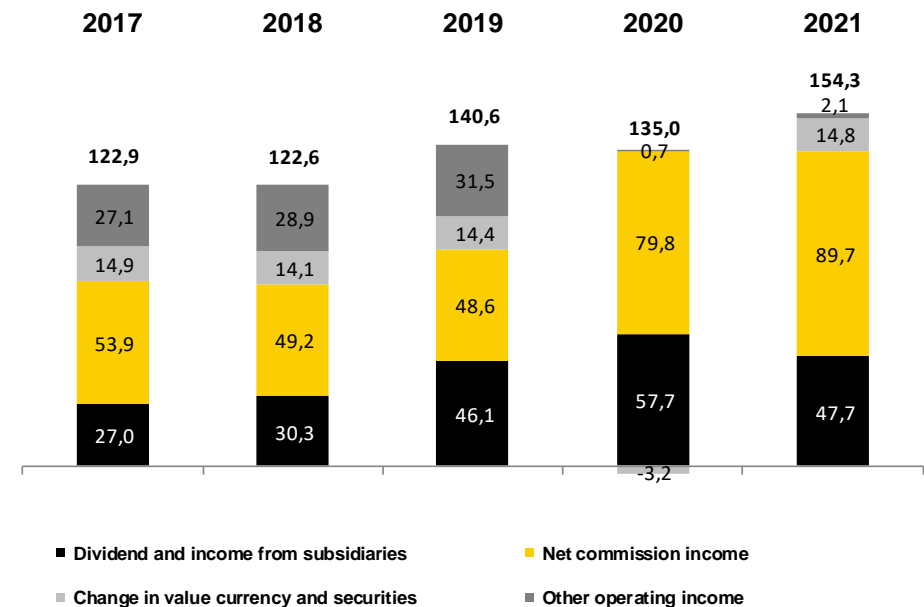
Stable increase in other income over time

Other Income, quarterly



- Increase in net commission income, primarily driven by better results from Aktiv Eiendomsmegling

Other Income, EOY/YTD

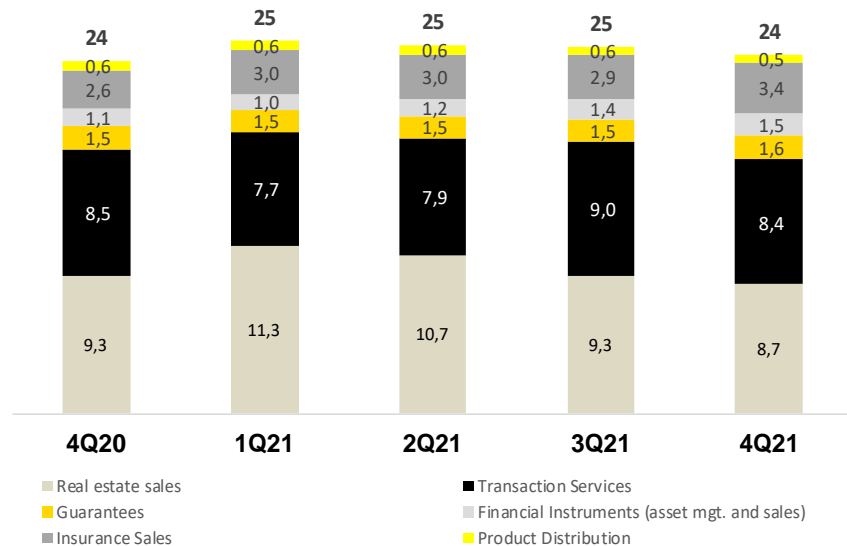


- Dividend from the Eika Group amounts to MNOK 40,8 (41,3)

Gross Commission Income

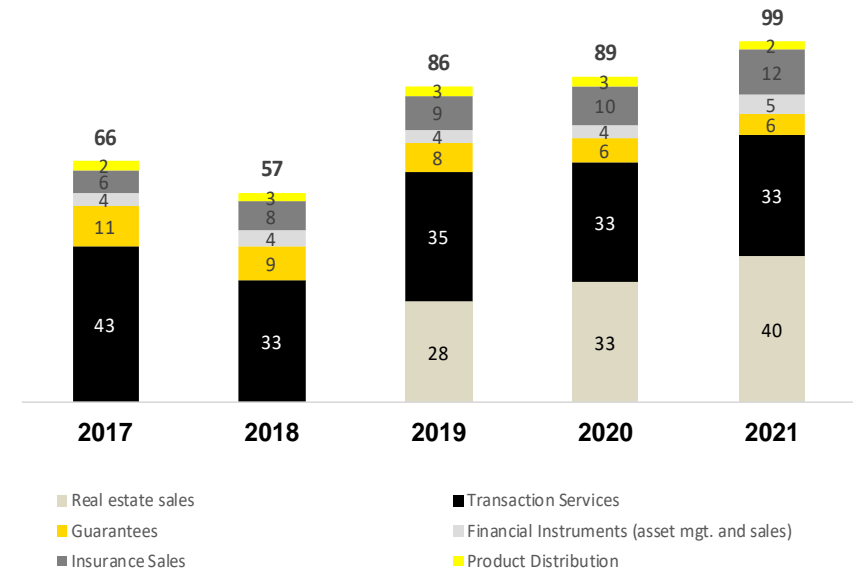
Increased activity in Aktiv Eiendom, continuous improvement in the sale of insurance and mutual funds

Gross commission, quarterly



- Stable development in payment processing revenues despite reduced travel activity
- Increasing income from insurance sales and savings

Gross commissions, EOY/YTD.

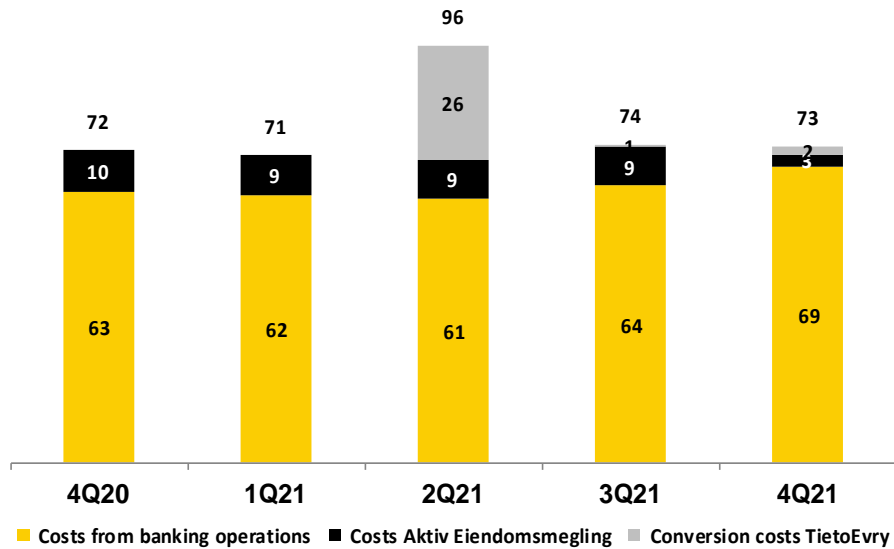


- The change in principle for bookkeeping of the real estate business has not been made for 2017-2018.
- Solid growth in Aktiv Eiendom

Operating Costs

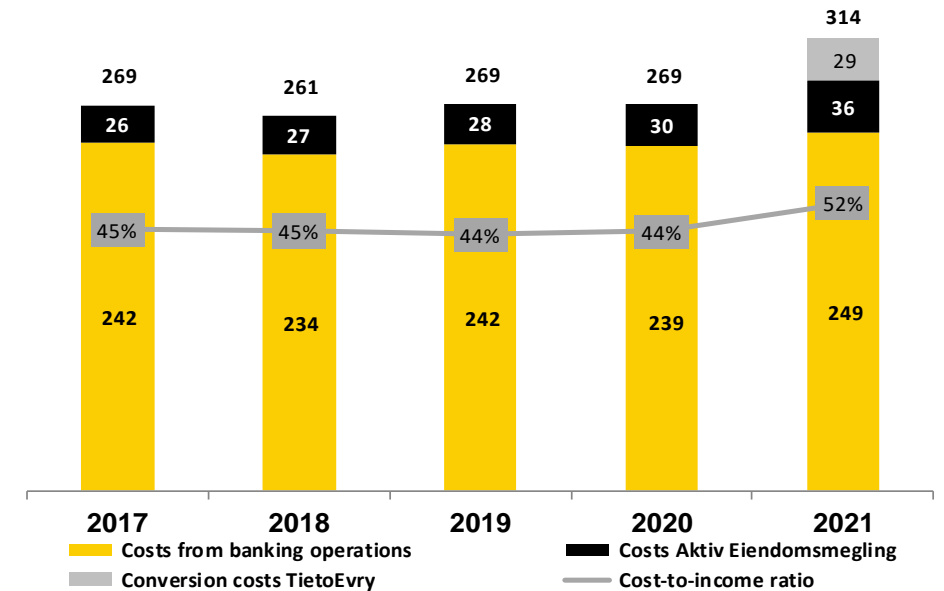
Strong cost control | One-off costs related to replacement of core banking system

Other Operating Costs, quarterly



- Increased efforts the Stavanger market in the private market entails somewhat increased costs in the second half of the year
- Replacement of core system from SDC to TietoEvry entails investments of between 50-60 MNOK which will be expensed in 2021 and 2022

Other Operating Costs, EOY / YTD

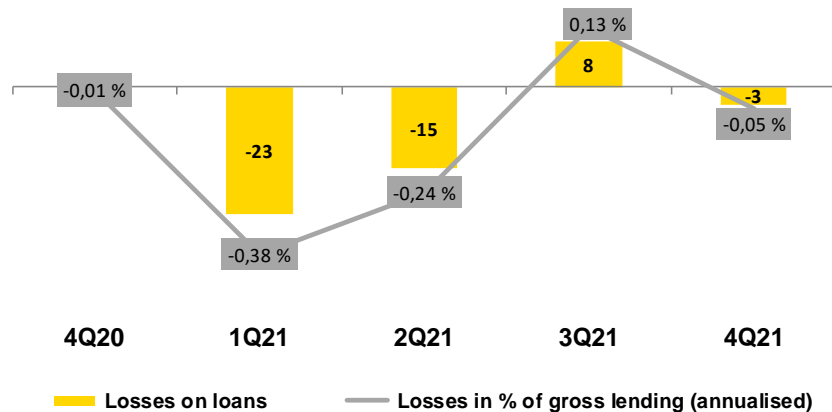


- The increase in costs within banking operations in 2021 is due to increased personnel costs, ie. salary settlements and an increased number of advisers in the private market.
- The increase in costs for Aktiv Eiendom is due to record sales and record profit. Active Real Estate has a Cost / Income of 90%

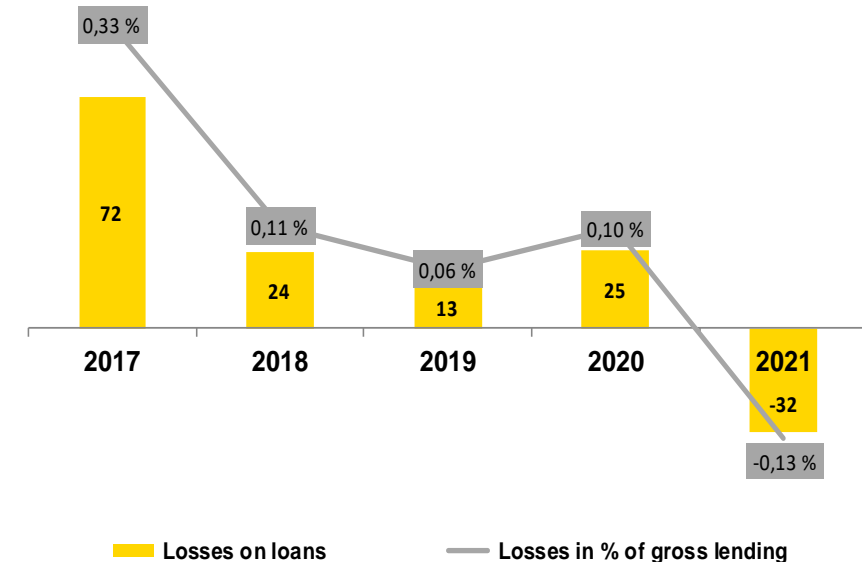
Losses on Loans and Guarantees

Reversal in loss provisions, change of credit model and clarification of individual commitments affects 2021

Losses on loans and guarantees, quarterly



Losses on loans and guarantees, EOY/YTD



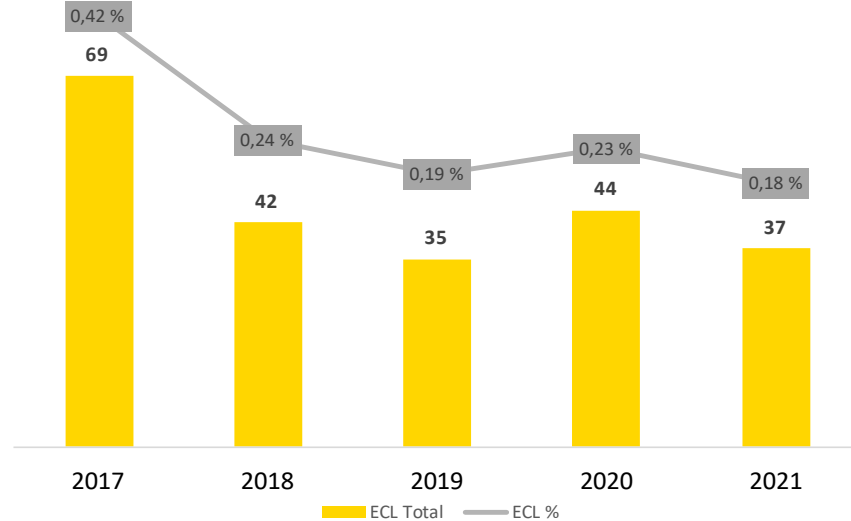
- On 01.04.21, the bank changed its credit model to the Eika Alliance's joint credit model.
- The self-developed was based on 12-15 year old data and outdated
- New model is based on all the banks in the alliance's credit history and better suited for Sandnes Sparebank's loan portfolio
- The transition resulted in a reversal of 12.3 MNOK, mainly within Step 1

- Distribution of provisions – a total of MNOK 32.3 reversed
 - 11,7 MNOK Step 1
 - 7,9 MNOK Step 2
 - 12,7 MNOK Step 3

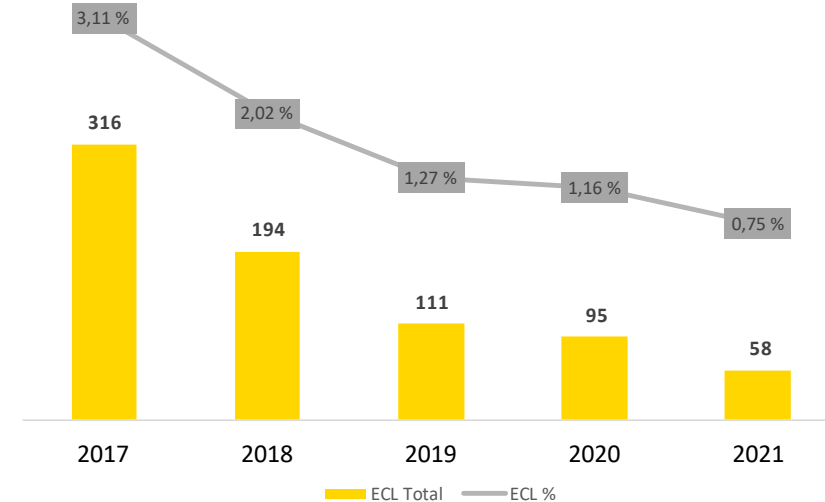
Loans to Customers by Division, Credit Risk

Risk expressed by expected credit loss (ECL, PDxLGD)

Retail



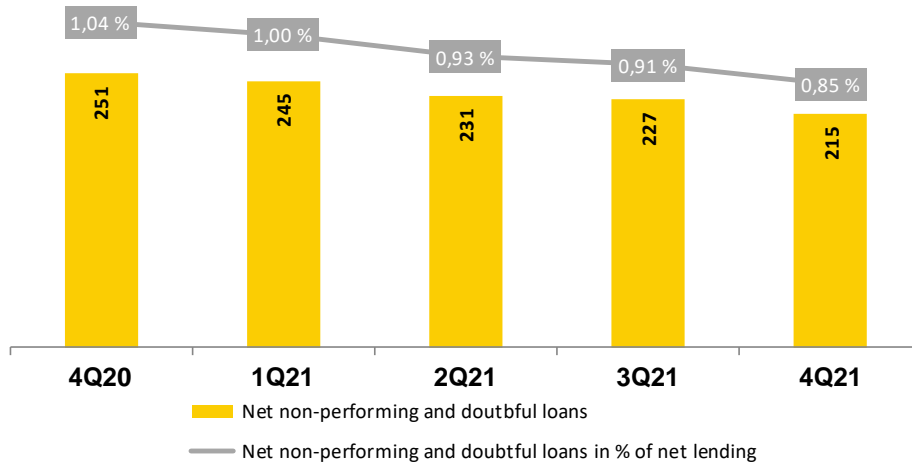
Corporate



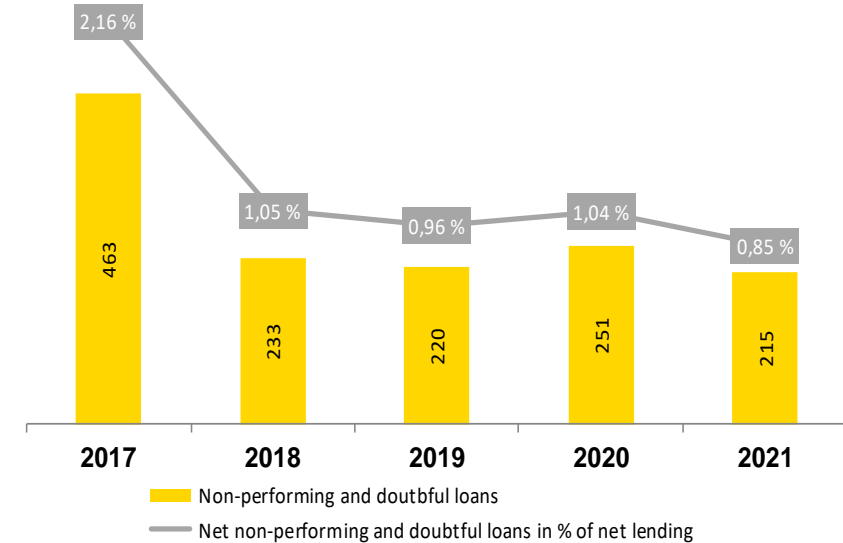
Non-Performing and Doubtful Loans

Stable and declining levels

Non-performing and doubtful loans, quarterly



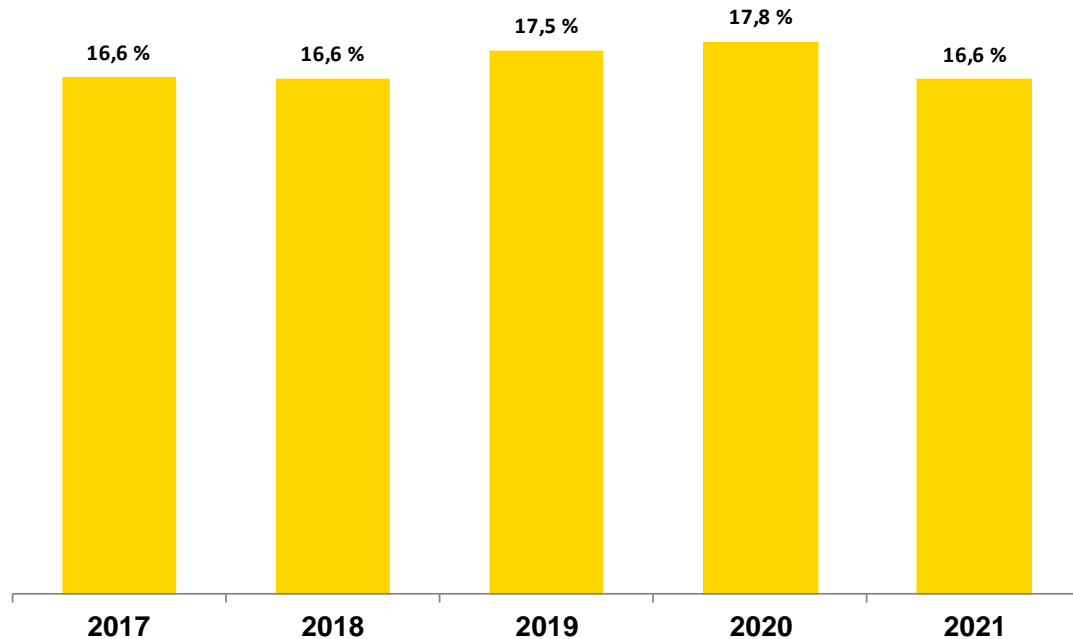
Non-performing and doubtful loans, quarterly



Well Capitalized and Equipped for Further Growth

Common equity tier 1 capital ratio of 16.6 % | Leverage ratio 9.8 %

Common Equity Tier 1 Ratio (CET1)

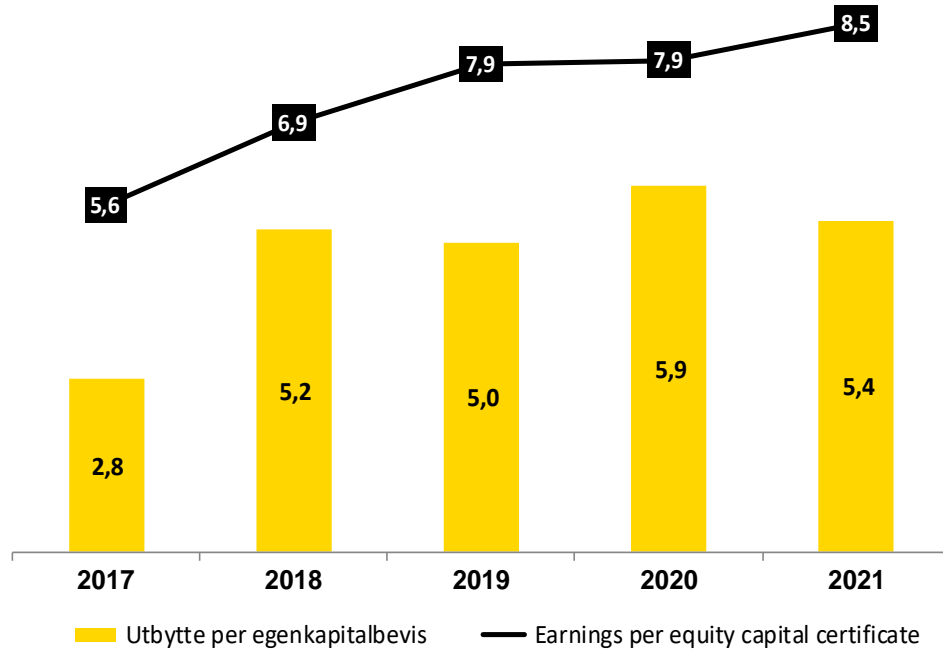


A well-capitalized bank

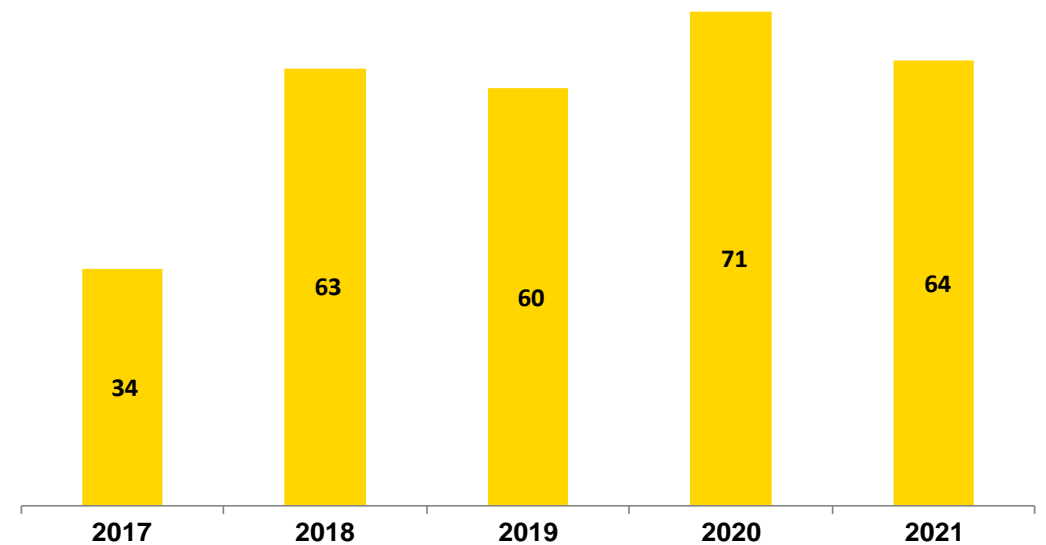
- Counter-Cyclical Buffer increased from 1.0 % to 1.5 % from 30.06.2022 and further to 2.0% from 31.12.2022
- Systemic Risk Buffer increases from 3 % to 4,5 % from 31.12.2022
- Regulatory CET1-requirement at 13.1% per 31.12.2021
- Expected CET1-requirement of 15.6% by year-end
- **Internal target of + 1.0% management buffer above the regulatory requirements**

Dividends to Investors and Customers

Inntjening og utbytte per egenkapitalbevis (kr)



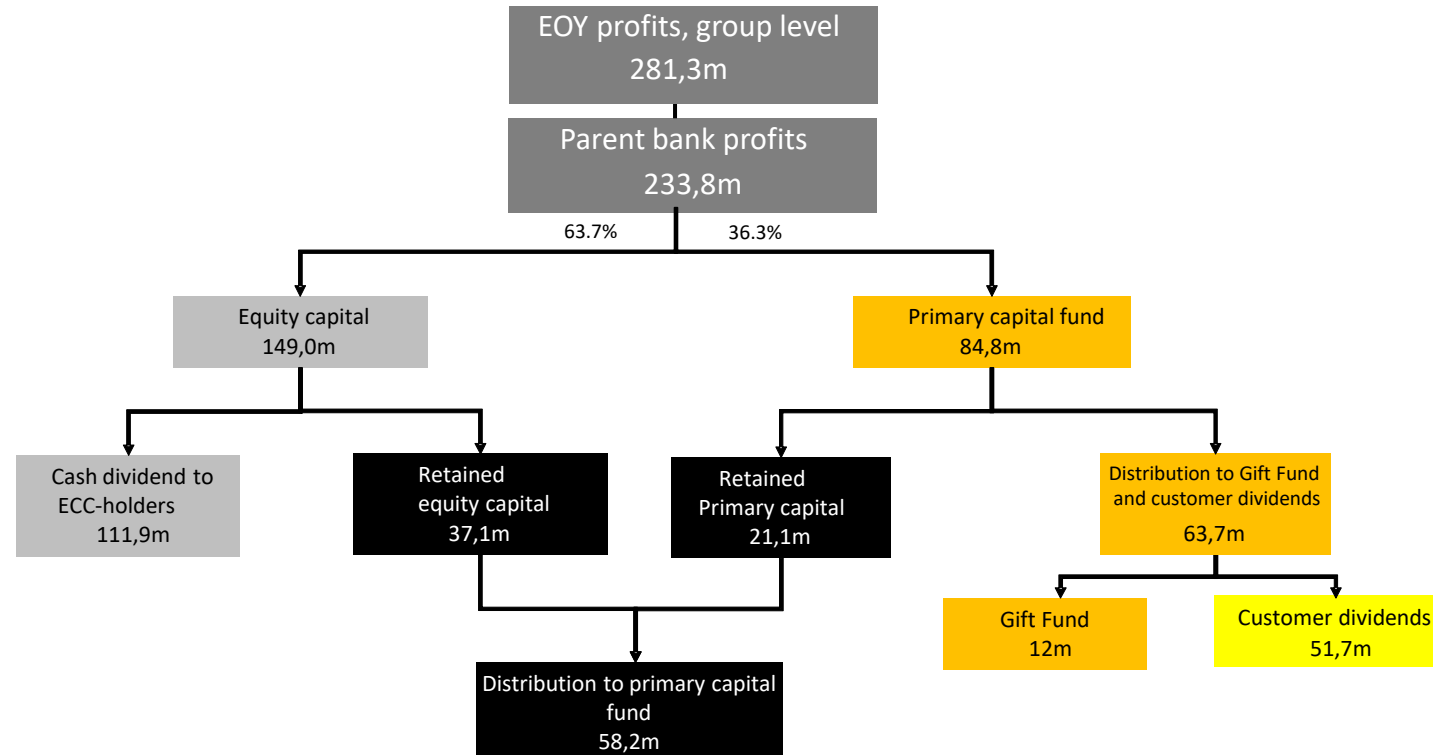
Utbytte til gaver og kunder



- Samlet inntjening i løpet av perioden utgjør 36,9 kr per egenkapitalbevis
- Samlet utbytte i løpet av perioden 24,3 kr per egenkapitalbevis

- Totalt 292 MNOK overført til samfunnskapitalen i perioden fordelt på kundefordeling og gavefond

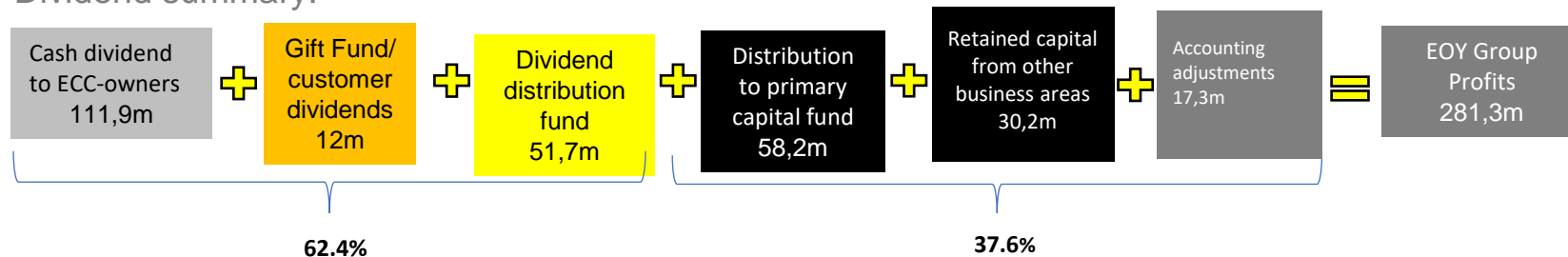
Distribution of profits



- Dividend policy allows for a dividend rate of up to 75% of the group's profit after tax.
- The group's profit after tax was 281.3 million, of which profit in the parent bank amounts to 251.1 million and 30.2 million in net contributions from other subsidiaries.
- Of the group's profit, 175.6 million (62.4%) is allocated to dividends and gift funds / customer dividends, while the remaining 105.7 million (37.6%) is retained in the business.
- As a result of the disposition, the equity certificate holders' shareholding was reduced from 63.7% to 63.4%, will be stabilized throughout the year.

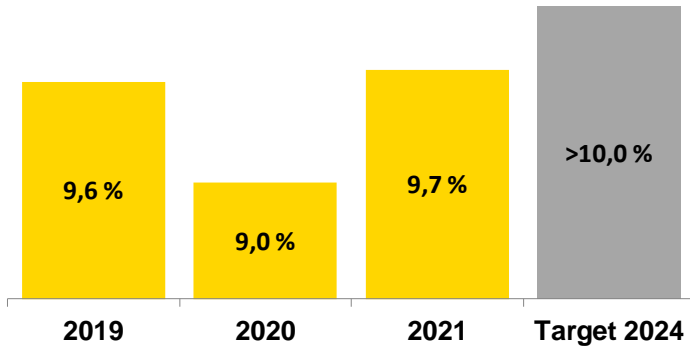
- The final dividend for 2021 will be approved by the board of trustees on March 23, 2022
 - Please note that Finanstilsynet may order not to distribute dividends, or distribute less than proposed

Dividend summary:

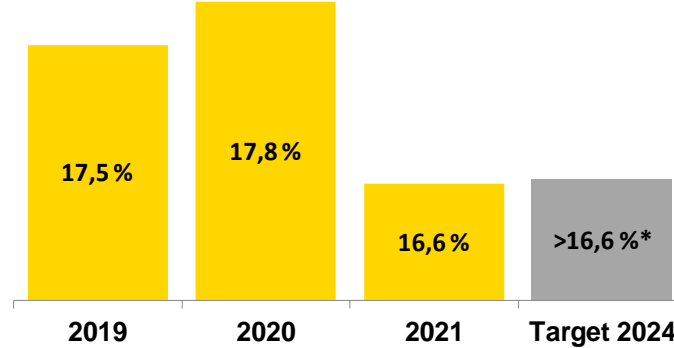


Financial Targets for 2021-2024

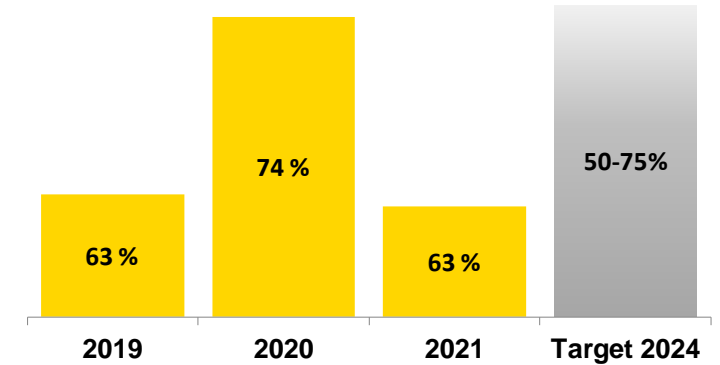
ROE



CET1

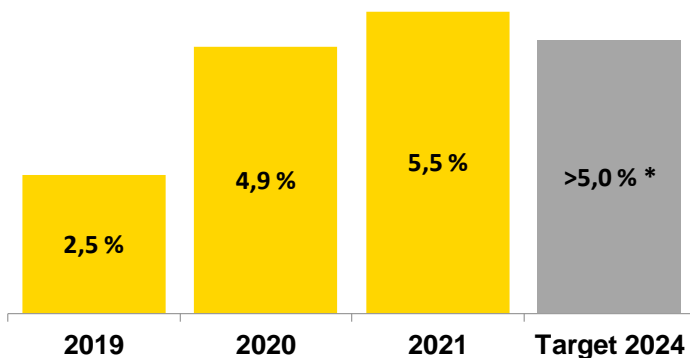


Dividends

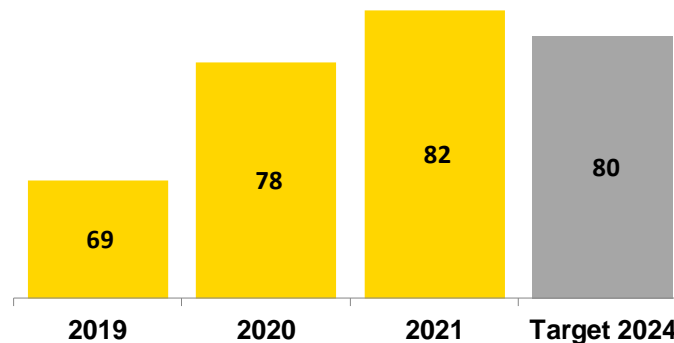


* Internt mål om + 1 % management buffer over det til enhver tid gjeldende myndighetskrav

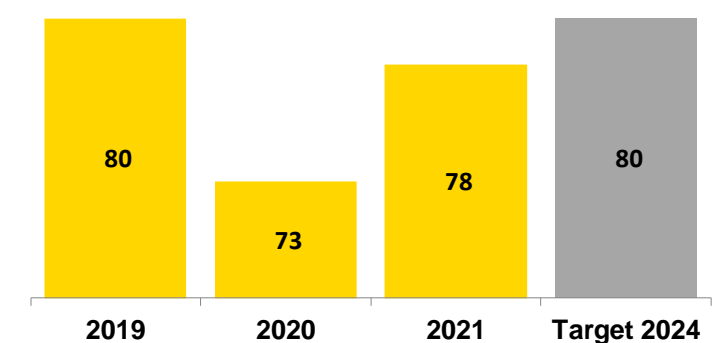
Profitable Growth



Customer Satisfaction Retail

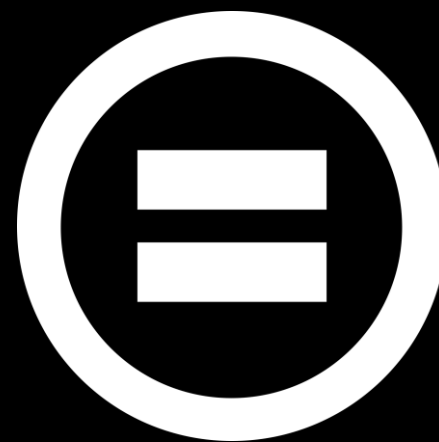


Customer Satisfaction Corporate



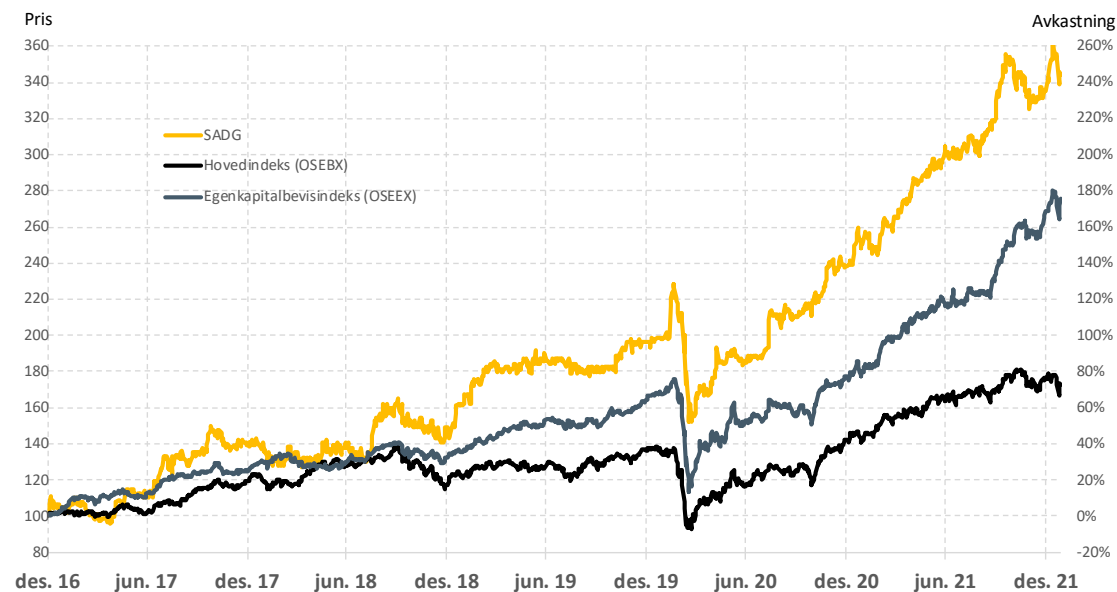
*Vil være avhengig i kredittveksten i markedsområdet

TAKK.



The Equity Capital Certificate

SADG

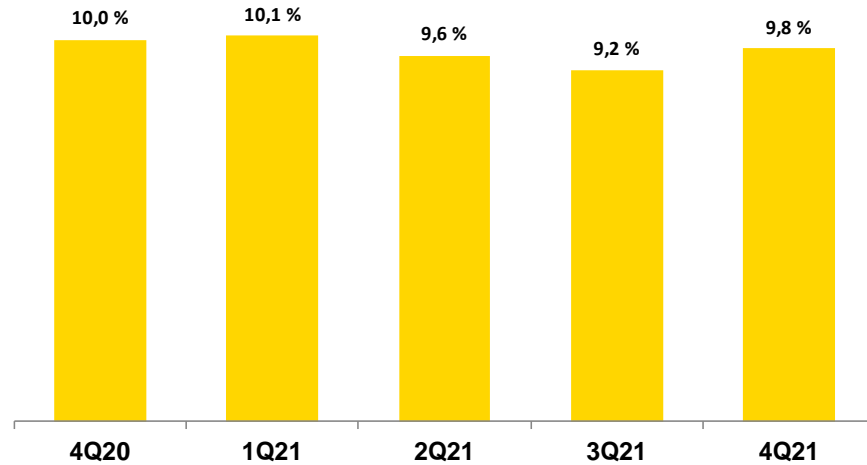


ECC-ownership

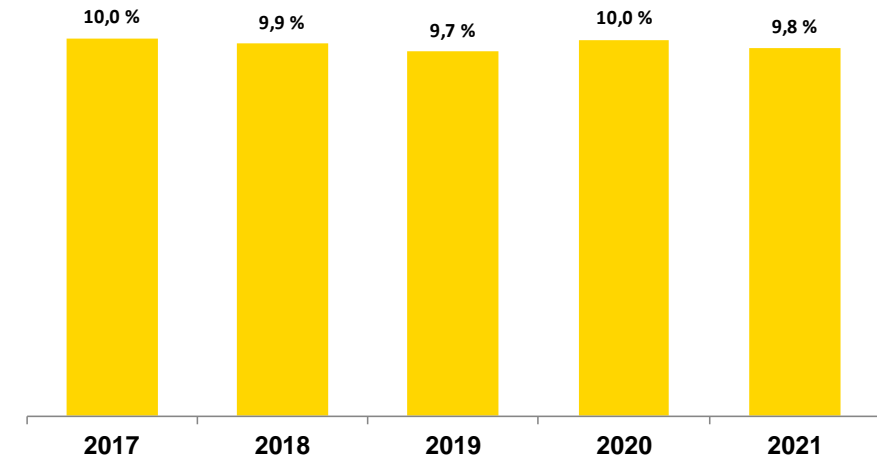
20 largest owners of equity certificates as at 31.12.2021	No. of equity certificates	Share
1. SPAREBANK 1 SR-BANK ASA	3.485.009	15,14 %
2. SANDNES SPAREBANK	2.095.171	9,10 %
3. HOLMEN SPESIALFOND	1.359.823	5,91 %
4. VPF EIKA EGENKAPITALBEVIS	1.125.589	4,89 %
5. AS CLIPPER	1.088.738	4,73 %
6. ESPEDAL & CO AS	886.861	3,85 %
7. SALT VALUE AS	680.000	2,95 %
8. WENAASGRUPPEN AS	650.000	2,82 %
9. SKAGENKAIEN INVESTERING AS	500.000	2,17 %
10. SPAREBANKEN VEST	370.659	1,61 %
11. SPESIALFONDET BOREA UTBYTTE	285.099	1,24 %
12. HAUSTA INVESTOR AS	220.000	0,96 %
13. INNOVEMUS AS	185.000	0,80 %
14. NORDHAUG INVEST AS	184.374	0,80 %
15. BARQUE AS	159.651	0,69 %
16. TIRNA HOLDING AS	156.255	0,68 %
17. KRISTIAN FALNES AS	149.794	0,65 %
18. ELGAR KAPITAL AS	133.000	0,58 %
19. METEVA AS	131.881	0,57 %
20. CATILINA INVEST AS	124.000	0,54 %
Sum	13.970.904	60,7 %
Totalt	23.014.902	100,00 %

Solidity – Leverage Ratio

Leverage (Equity/Total assets), quarterly



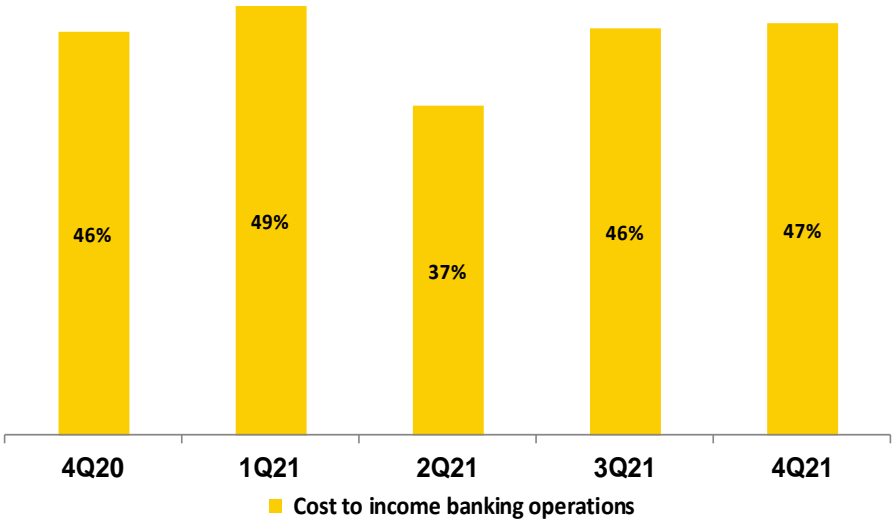
Leverage (Equity/Total assets), EOY / YTD



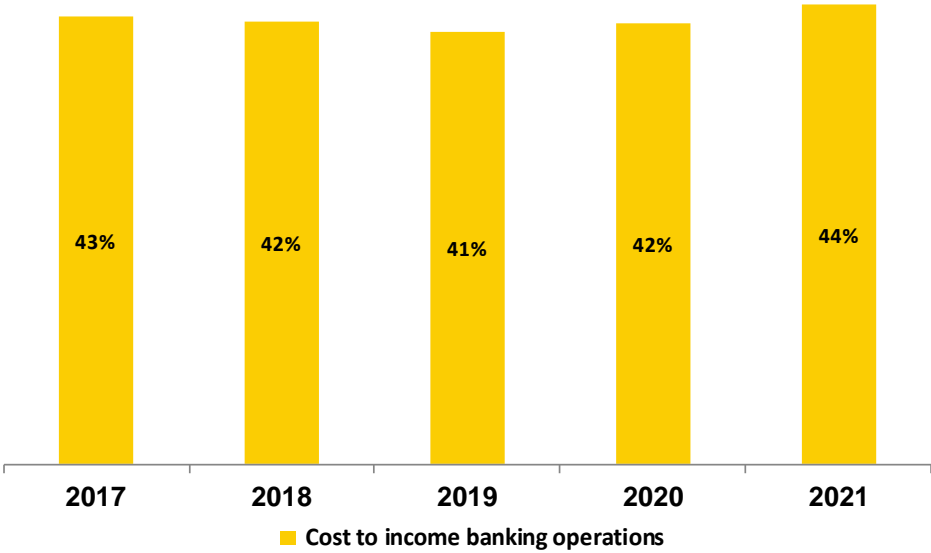
Cost to Income Banking Operations

Cost ratio without real estate and conversion costs related to core banking systems

Cost to income, quarterly



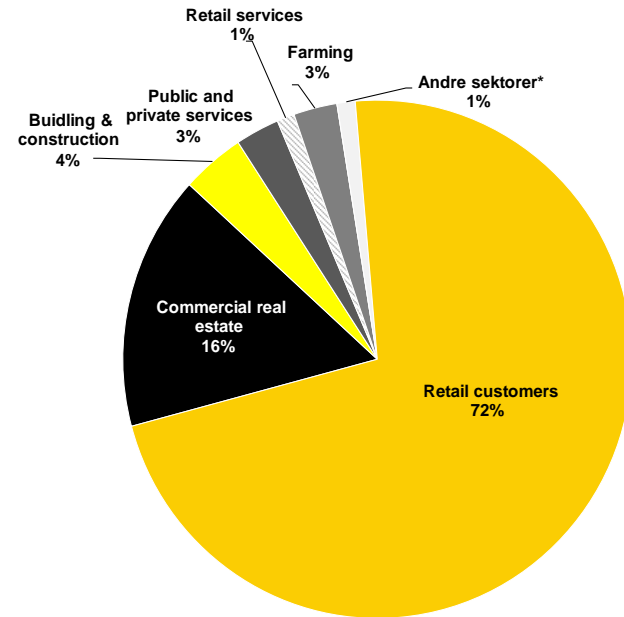
Cost to income, EOY/YTD



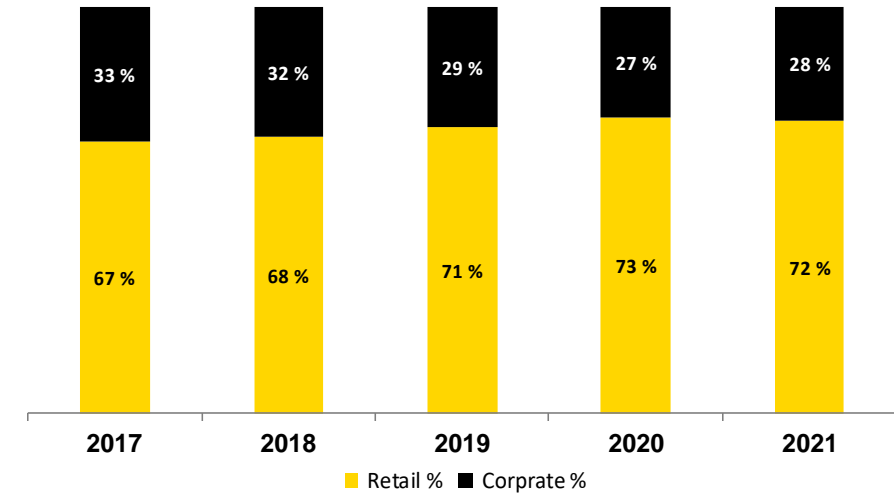
Loans to Customers by Division

Loans to Customers by Division

Distribution by sector



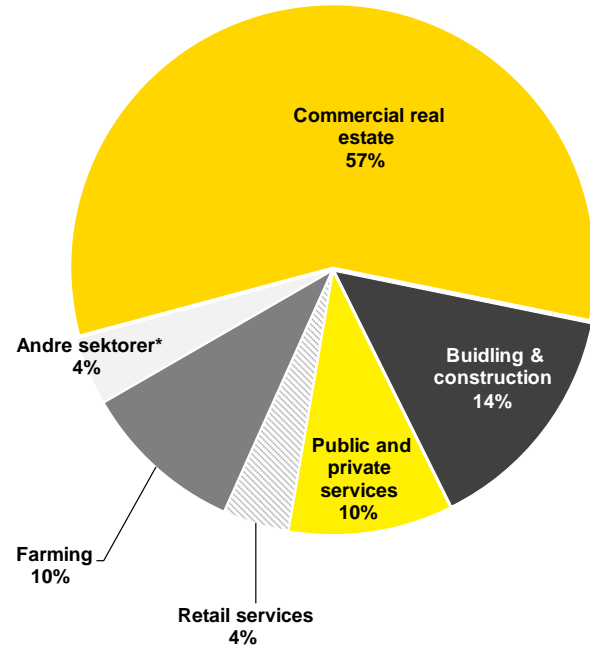
Distribution by division



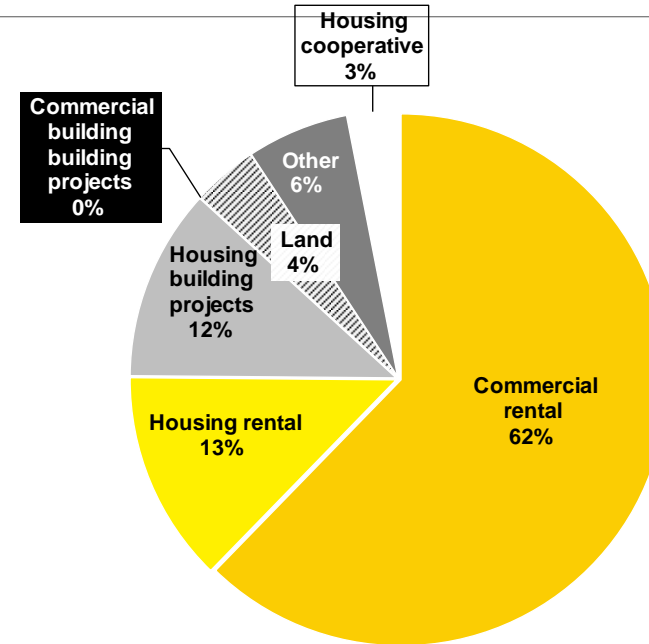
Loans to Corporate Customers by Sector - 28% of total lending

Focus on reducing risk over time | Strongest growth in farming and SME

Distribution by sector

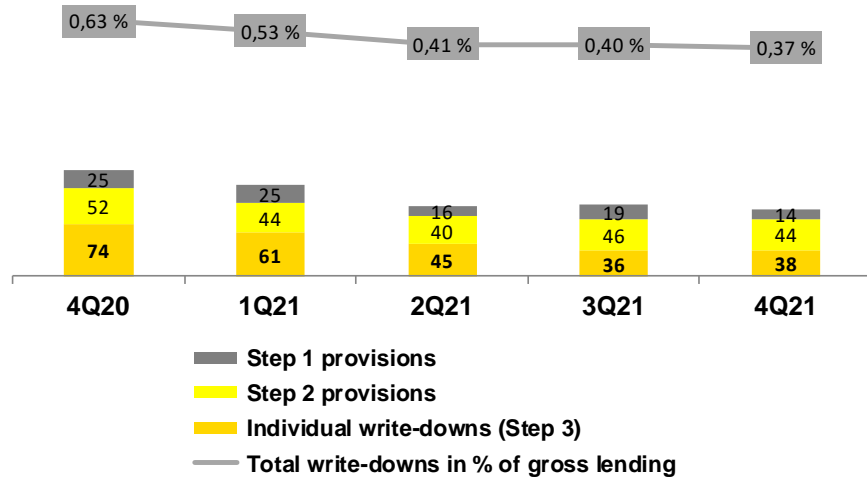


Corporate loans to real estate

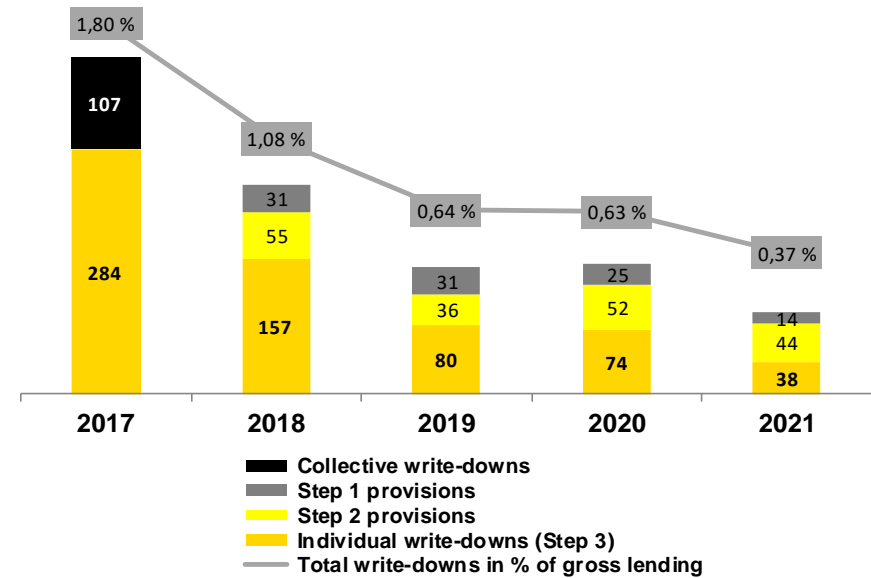


Write-downs on Loans

Write-downs, quarterly

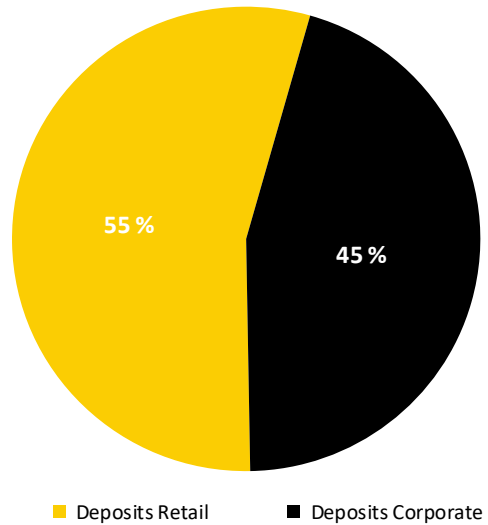


Write-downs, EOY/YTD

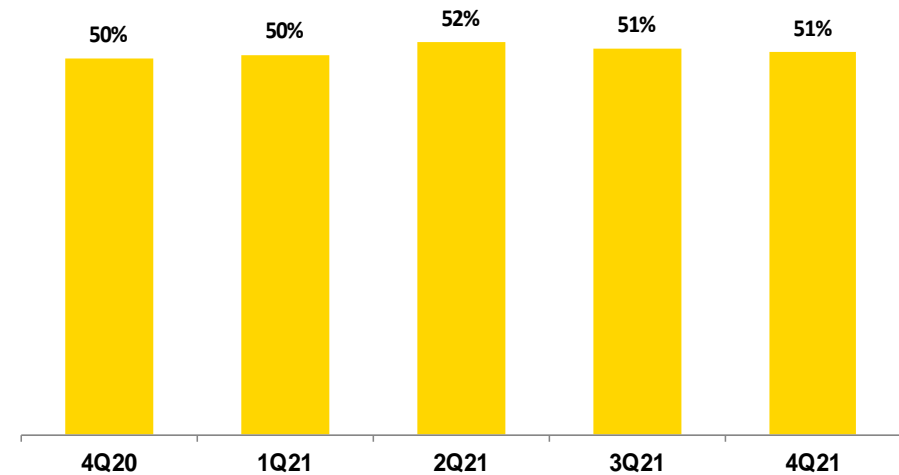


Deposits From Customers

By division



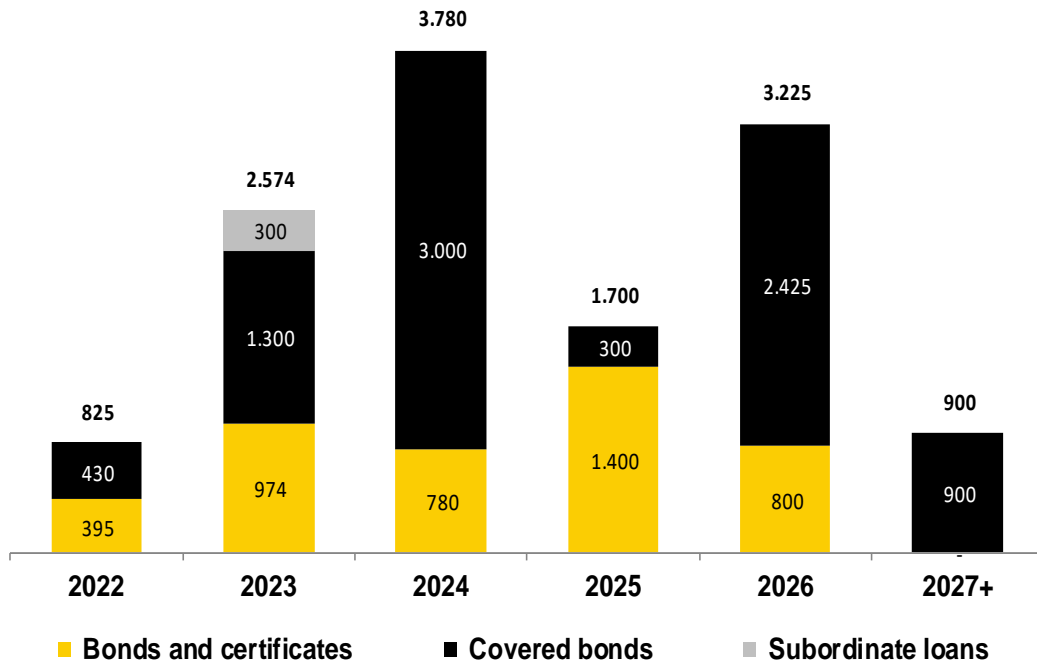
Deposit-to-loan ratio



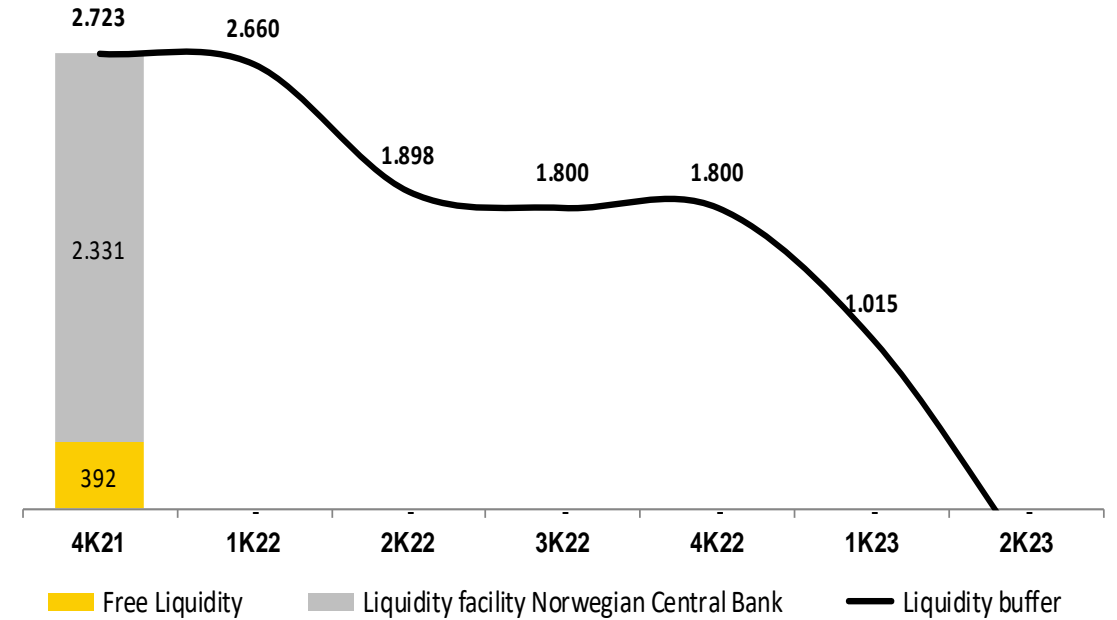
Liquidity

LCR at 198 % | NSFR at 128 %

Funding (MNOK)



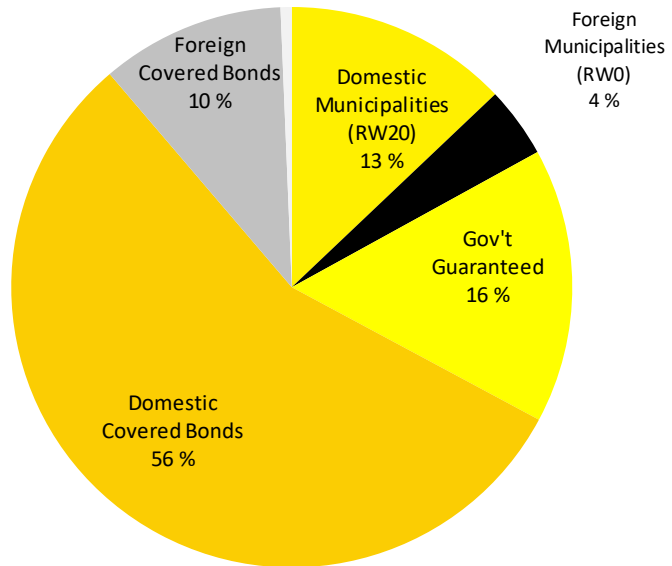
Liquidity reserve, (MNOK)



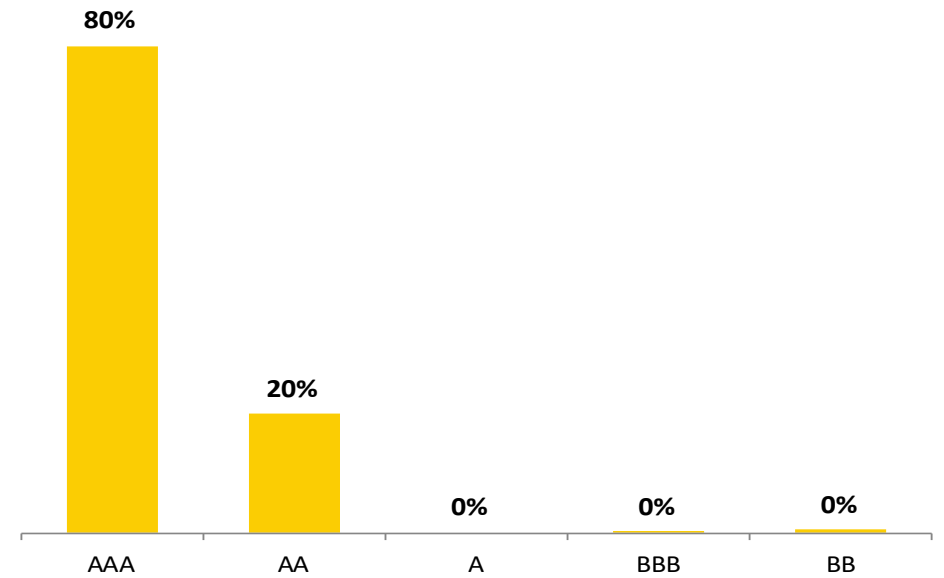
Liquidity

NOK 2,8 bn. ex. cash | 100 % AA-rated or above

Composition of portfolio



Rating distribution



Key Figures

	1Q20	2Q20	3Q20	4Q20	1Q21	2Q21	3Q21	4Q21	2020	2021
Growth assets	4,5 %	5,8 %	-6,2 %	0,1 %	-0,9 %	5,2 %	-2,6 %	-1,1 %	3,8 %	0,5 %
Growth lending (net)	1,6 %	2,0 %	1,0 %	0,1 %	1,5 %	1,2 %	1,3 %	1,4 %	4,9 %	5,5 %
Growth deposits	-1,2 %	6,2 %	-4,3 %	0,4 %	2,7 %	4,7 %	-0,3 %	0,4 %	0,8 %	7,7 %
Net interest margin	1,73 %	1,48 %	1,52 %	1,61 %	1,55 %	1,54 %	1,54 %	1,54 %	1,64 %	1,56 %
Other income % of total income	-3,5 %	42,8 %	19,2 %	19,2 %	19,8 %	34,8 %	21,5 %	23,0 %	22,3 %	25,3 %
Cost-to-income ratio	55,5 %	32,7 %	46,4 %	49,4 %	51,3 %	55,2 %	49,7 %	49,2 %	44,5 %	51,5 %
Costs as % of av. total assets	0,9 %	0,8 %	0,9 %	1,0 %	1,0 %	1,3 %	1,0 %	1,0 %	0,9 %	1,1 %
Return on equity before tax	4,8 %	18,6 %	11,2 %	10,5 %	12,7 %	12,6 %	8,7 %	10,3 %	10,8 %	11,3 %
Return on equity after tax	4,7 %	16,6 %	8,5 %	8,0 %	9,9 %	10,7 %	7,8 %	9,6 %	9,0 %	9,7 %
Capital adequacy ratio	18,1 %	18,0 %	18,4 %	19,8 %	19,2 %	18,9 %	17,8 %	18,5 %	19,8 %	18,5 %
Tier 1 capital ratio	16,8 %	16,7 %	17,1 %	18,5 %	17,9 %	17,6 %	16,5 %	17,2 %	18,5 %	17,2 %
CET1	16,1 %	16,0 %	16,4 %	17,8 %	17,3 %	17,0 %	15,9 %	16,6 %	17,8 %	16,6 %
Risk-weighted assets	15.665	16.055	15.709	15.982	16.460	16.706	16.706	16.689	15.982	16.689
Number of man-years	132	133	132	132	134	132	133	138	132	138
Stock exchange price	57	58	66	74	83	95	100	99	74	99
Equity capital certificate % of equity	63,3	63,4	63,4	63,6	63,7	63,7	63,8	63,4	63,6	63,4
Earnings per equity capital certificate	1,0	3,4	1,8	1,7	2,1	2,4	1,8	2,2	7,9	8,5
Book value per equity capital certificate	79,9	83,3	85,1	86,8	88,9	91,3	93,1	90,2	86,8	90,2
Individual write-downs in % of gross lending	0,35 %	0,35 %	0,31 %	0,31 %	0,25 %	0,18 %	0,14 %	0,15 %	0,31 %	0,15 %
Coll. write-downs in % lending after ind. wr.-d.	0,36 %	0,34 %	0,33 %	0,32 %	0,28 %	0,22 %	0,26 %	0,23 %	0,32 %	0,23 %
Deposits to loans ratio	50,3 %	52,4 %	49,6 %	49,7 %	50,2 %	51,9 %	51,1 %	50,6 %	49,7 %	50,6 %
Deposits to loans ratio parent bank	79,2 %	84,4 %	79,8 %	79,1 %	81,1 %	86,0 %	84,5 %	82,5 %	79,1 %	82,5 %

Definition of Key Figures

Rate of deposits to loans

OB net loans to customers / OB deposits from customers

Liquidity coverage ratio (LCR)

Liquid assets / net liquidity output within 30 days in a stress scenario

Net Interest Income (NII)

Interest income – interest expenses

Interest margin

$((\text{Net interest income} / \text{days in the period}) \times \text{days in a year}) / \text{average total assets}$

Lending margin

Average loan rate – rolling average of 3month NIBOR rate

Deposit Margin

Rolling average of 3month NIBOR rate – average deposit rate

Cost / income ratio

Total operating costs / (net interest income + total other operating revenues)

Costs as a percentage of average total assets

$((\text{Total operating costs} / \text{days in the period}) \times \text{days in a year}) / \text{average total assets}$

Return on equity before tax

$(\text{Operating profit before taxes} / \text{days in the period} \times \text{days in a year}) / ((\text{OB total equity} + \text{IB total equity}) / 2)$ [excl. T1 hybrid instruments]

Return on equity after tax

$(\text{Operating profit after taxes} / \text{days in the period} \times \text{days in a year}) / ((\text{OB total equity} + \text{IB total equity}) / 2)$ [excl. T1 hybrid instruments]

Equity certificate capital in % of equity

$(\text{Equity certificate capital} + \text{own equity certificate} + \text{share premium} + \text{dividend equalisation reserve}) / (\text{Equity certificate capital} + \text{own equity certificate} + \text{share premium} + \text{dividend equalisation reserve} + \text{savings bank`s fund} + \text{gift fund})$

Earnings per equity certificate

$(\text{Operating profit after taxes} \times \text{equity certificate capital in \% of equity}) / \text{number of equity certificates}$ **Book value per equity certificate**

OB total equity x equity certificate capital in % of equity / number of equity certificates

Price / Book (P/B)

Market price / book value per equity certificate

Operating profit before write downs and taxes

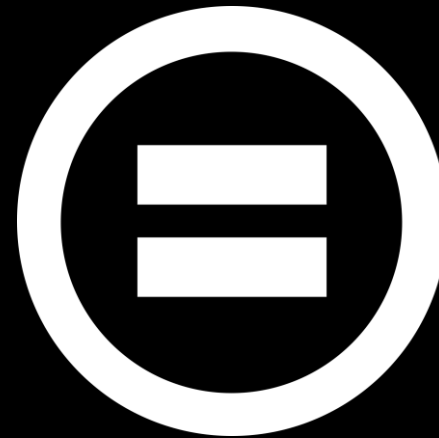
Operating profit after tax + tax cost + write downs on lending and guarantees

Contacts

Trine Karin Stangeland
CEO
Phone: +47 934 88 117
E-mail: trine.stangeland@sandnes-sparebank.no

Tomas Nordbø Middelthun
Deputy CEO/CFO
Phone: +47 922 11 865
E-mail: tnm@sandnes-sparebank.no

Carl Fredrik Hjelle
Head of Treasury
Phone: +47 5120 72 96
E-mail: cfh@sandnes-sparebank.no



This presentation has been prepared solely for promotion purposes of Sandnes Sparebank. The presentation is intended as general information and should not be construed as an offer to sell or issue financial instruments. The presentation shall not be reproduced, redistributed, in whole or in part, without the consent of Sandnes Sparebank. Sandnes Sparebank assumes no liability for any direct or indirect losses or expenses arising from an understanding of and/or use of the presentation.