



*sparebanken  
sogn og fjordane*



# Interim report

Q3 2024 (unaudited)

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FRONT COVER: Lene Neverdal

GRAPHIC DESIGN: Sparebanken Sogn og Fjordane • E. Natvik Prenteverk AS

ENGLISH TRANSLATION: Språkverkstaden AS

# Key figures, consolidated

AMOUNTS IN MILLIONS OF NOK

	30.09.24	30.09.23	31.12.23
<b>INCOME STATEMENT</b>			
Net interest income	1 186	1 085	1 466
Dividends and gains/losses on financial instruments	274	45	34
Other operating income	127	127	167
Operating expenses	497	396	546
<b>Profit/loss before impairment loss (incl. securities)</b>	<b>1 089</b>	<b>862</b>	<b>1 121</b>
<b>Profit/loss before impairment loss (excl. securities)</b>	<b>815</b>	<b>817</b>	<b>1 088</b>
Impairment loss	4	14	13
<b>Profit/loss before taxation</b>	<b>1 085</b>	<b>848</b>	<b>1 108</b>
Tax expense	201	202	261
<b>Profit/loss after taxation</b>	<b>884</b>	<b>646</b>	<b>847</b>
Other comprehensive income	0	0	0
<b>Comprehensive income</b>	<b>884</b>	<b>646</b>	<b>847</b>
<b>BALANCE SHEET</b>			
<b>Assets</b>			
Gross loans and advances to customers	66 066	63 482	64 286
Loss allowance	- 289	- 314	- 316
Security investments (shares, associates, commercial paper and bonds)	9 605	8 744	8 361
<b>Debt and equity</b>			
Deposits from and debt to customers	38 013	36 359	35 796
Debt securities and debt to credit institutions	29 266	27 793	28 542
Equity	7 759	7 122	7 316
Total assets	77 090	73 485	73 556
Average total assets	75 613	72 307	72 573
<b>KEY FIGURES</b>			
<b>Profitability</b>			
Net interest margin	2,09 %	2,01 %	2,02 %
Other operating income (excl. inc. from fin. instr.) as a % of average total assets	0,22 %	0,23 %	0,23 %
Operating expenses as a % of average total assets	0,88 %	0,73 %	0,75 %
Profit/loss before impairment loss as a % of average total assets	1,92 %	1,59 %	1,55 %
Profit/loss before tax as a % of average total assets	1,91 %	1,56 %	1,53 %
Profit/loss after tax as a % of average total assets	1,56 %	1,19 %	1,17 %
Comprehensive income as a % of average total assets	1,56 %	1,19 %	1,17 %
Oper. exp. as a % of oper. income excl. inc. from fin. instr.	37,90 %	32,63 %	33,41 %
Oper. exp. as a % of oper. income incl. inc. from fin. instr.	31,35 %	31,46 %	32,73 %
Impairment loss as a % of gross loans	0,01 %	0,02 %	0,02 %
Return on equity before tax 1)	20,55 %	17,17 %	16,57 %
Return on equity after tax 1)	16,66 %	13,08 %	12,56 %
Pre-tax return on equity (comprehensive income) 1)	16,66 %	13,08 %	12,56 %
Consolidated comprehensive income per equity certificate, in NOK	39,09	28,81	37,79
Dividend payable per equity certificate, in NOK	10,00	0	25,00
1) Return on equity is calculated based on average equity excl. hybrid capital. The way it is calculated has been changed as of Q1 2024 and figures for previous periods have been restated.			
<b>Capital and liquidity position</b>			
Capital adequacy ratio	21,15 %	20,25 %	21,03 %
Core capital adequacy ratio	18,95 %	18,24 %	19,04 %
Core Tier 1 capital adequacy ratio	17,46 %	16,94 %	17,75 %
Leverage ratio	8,22 %	8,38 %	8,84 %
Liquidity Coverage Ratio (LCR)	152 %	158 %	165 %
NSFR, consolidated	125 %	122 %	122 %
NSFR, parent company	131 %	134 %	135 %
MREL total	40 %	45 %	37 %
MREL eligible liabilities	31 %	29 %	29 %
<b>Balance sheet history</b>			
Growth in total assets (year-on-year)	4,91 %	4,25 %	3,86 %
Growth in gross customer lending (year-on-year)	4,07 %	4,98 %	4,53 %
Growth in customer deposits (year-on-year)	4,55 %	4,86 %	2,72 %
Deposits as a % of consolidated gross lending	57,54 %	57,28 %	55,68 %
Deposits as a % of parent company's gross lending	93,80 %	95,22 %	91,49 %
<b>Employees</b>			
Full-time equivalent employees	299	289	286

# Interim report

## 30 September 2024

All of the figures specified below refer to the consolidated accounts unless otherwise stated. The figures in brackets are the figures for the same period of 2023.

### Q3 2024 highlights

- NOK 405 million (379 million) of net interest income
- Net gain of NOK 222 million (loss of 29 million) on financial instruments
- Operating expenses of NOK 181 million (141 million)
- Impairment gain of NOK 5 million (loss of NOK 30 million)
- Pre-tax profit of NOK 492 million (225 million)
- Profit after tax of NOK 431 million (166 million)
- Profit after tax per equity certificate of NOK 19.05 (7.42)
- Return on equity after tax of 24.1% (9.7%)

### Q1-Q3 2024 highlights

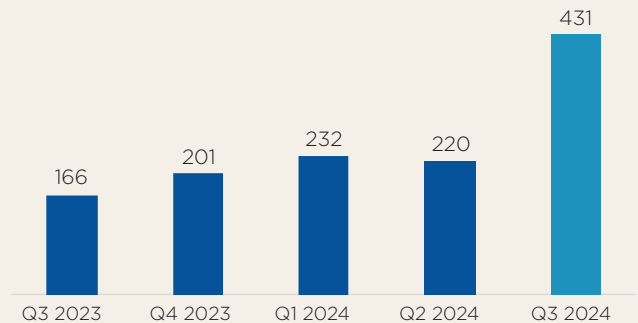
- NOK 1,186 million (1,085 million) of net interest income
- Net gain on financial instruments of NOK 274 million (45 million)
- Operating expenses of NOK 497 million (396 million)
- Impairment loss of NOK 4 million (14 million)
- Pre-tax profit of NOK 1,085 million (848 million)
- Profit after tax of NOK 884 million (646 million)
- Profit per equity certificate of NOK 39.09 (28.81)
- Return on equity of 16.7% (13.1%)
- Capital adequacy ratio of 21.1 % (20.3%)

### Q3 financial results

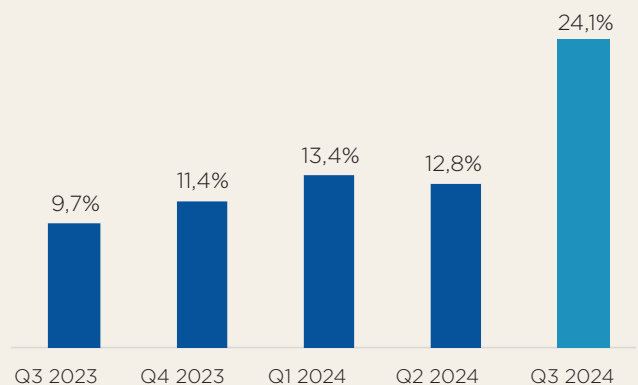
The Group made a pre-tax profit of NOK 492 million, compared with NOK 225 million in the same quarter of 2023. The improvement was due to a very strong contribution from financial investments, mainly on account of the sale of our shares in Frende Holding, an impairment gain on loans and healthy growth in net interest income. Meanwhile, operating expenses are rising, mainly as a result of migrating to the SpareBank 1 alliance.

The Group made a profit after tax of NOK 431 million in the third quarter, compared with NOK 166 million in the same quarter last year. That corresponds to a return on equity of 24.1% in the third quarter of this year, against 9.7% in the same quarter of 2023.

Graph of profit after taxation by quarter:



Post-tax return on equity by quarter:

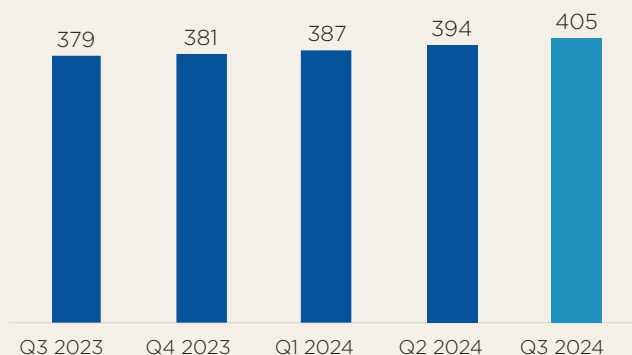


### Net interest income in Q3

Net interest income totalled NOK 405 million, which was an improvement of NOK 25 million (6.7%) over the same quarter of 2023.

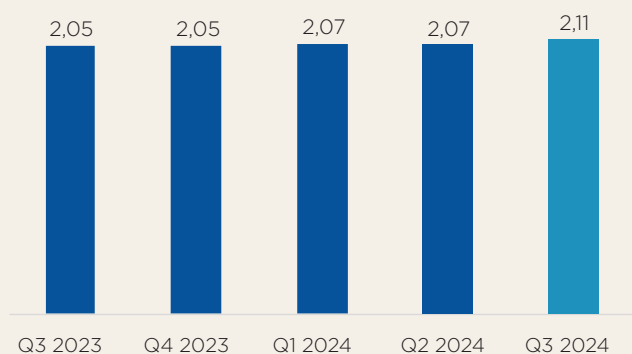
Loan growth came to 4.1% over the past 12 months, and deposits grew by 4.5%. The most important reasons for the improvement in net interest income were a higher customer margin and loan growth. The cost of funding through debt securities was higher than in the third quarter of 2023, due to an increase in the 3-month Nibor, and viewed in isolation that had a negative impact on net interest income. Over the past three quarters, the 3-month Nibor rate has been stable. The most recent adjustments to the interest rates on customer loans and deposits were implemented in January/February this year, and at the current time we have not announced any further changes to interest rates.

Graph of quarterly net interest income in millions of NOK:



The graph below shows the net interest margin (net interest income measured as a percentage of average total assets). The net interest margin was 2.11% in the third quarter of 2024, which was 0.06 percentage points higher than in the third quarter of 2023.

Graph of net interest margin:

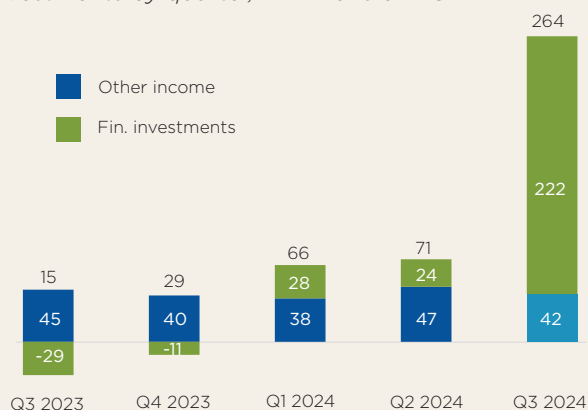


### Net other operating income in Q3

In the third quarter, net other operating income came to NOK 264 million, compared with NOK 15 million in the year-earlier period. The increase was due to a strong contribution from financial instruments totalling NOK 222 million in the third quarter of 2024, compared with a loss of NOK 29 million in the year-earlier period. The most important factors behind the gain in the third quarter of 2024 were a gain on the sale of shares of 148 million in Frende Holding and a revaluation gain and share of profit of 65 million relating to Samarbeidende Sparebanker.

Other income (excluding gains on financial instruments) totalled NOK 42 million, NOK 3 million lower than in the third quarter of 2023. This reduction was partly due to lower prices for the sale of investment funds. Meanwhile, income from insurance services performed well.

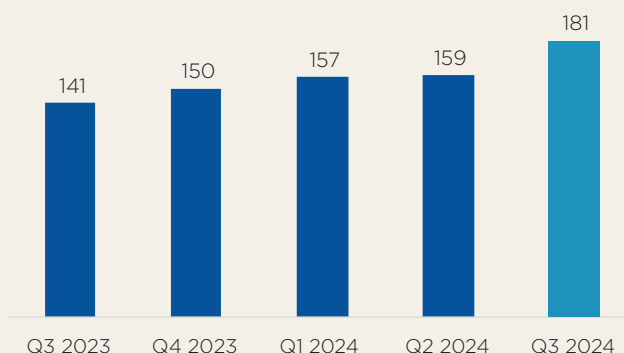
Graph of other income and gains/losses on financial investments by quarter, in millions of NOK:



### Q3 operating expenses

Third quarter operating expenses were NOK 181 million, up NOK 40 million (29%) from the same quarter of last year. The increase in expenses was mainly due to the cost of migrating and adapting to the SpareBank 1 alliance. In the third quarter, around NOK 17 million of project costs were expensed in relation to the migration. In addition, there was an expense of around NOK 10 million for new ordinary costs relating to the SpareBank 1 alliance.

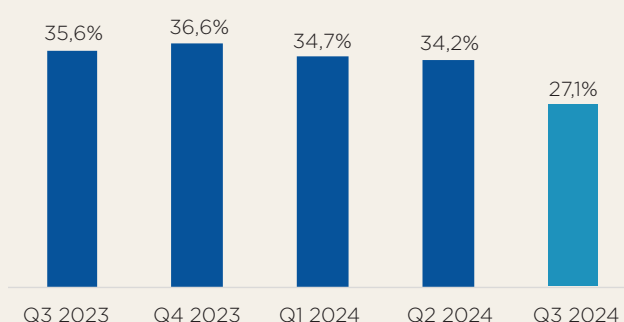
Graph of quarterly operating expenses in millions of NOK:



Operating expenses in the third quarter of 2024 were equivalent to 0.95% of average total assets, against 0.76% in the year-earlier quarter.

The cost-to-income ratio including financial instruments was 27.1%, against 35.6% in the third quarter of 2023. Our aim is to keep the cost-to-income ratio below 40%.

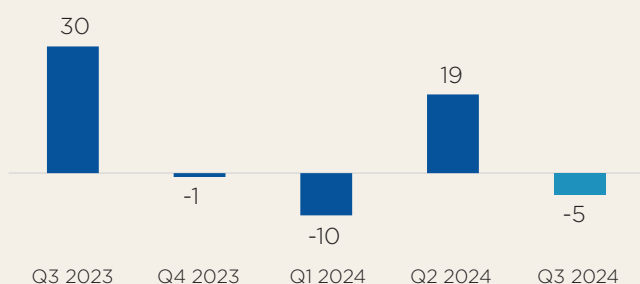
Graph of cost-to-income ratio including contribution from financial instruments by quarter:



## Q3 impairment loss

There was a net impairment gain of NOK 5 million on loans and guarantees in the third quarter of this year, compared with a NOK 30 million loss in the same quarter of last year. The impairment loss on individually assessed assets was NOK 1 million, whereas the model-based allowance fell by NOK 6 million.

Graph of impairment loss by quarter in millions of NOK:



## Year-to-date net interest income

Net interest income totalled NOK 1,186 million, which was NOK 100 million, or 9.2%, higher than last year. The increase was mainly due to a higher customer margin and growth in loans and deposits. The 3-month Nibor and our cost of funding have remained relatively stable during 2024, and interest rates for customers have not been adjusted since the start of 2024. Overall, net interest income is showing healthy growth.

The net interest margin was 2.09%, compared with 2.01% in the year-earlier period.

## Year-to date net other operating income

Other operating income totalled NOK 401 million, compared with NOK 172 million in the same period of last year.

The increase in net other operating income was due to a strong NOK 274 million contribution from financial instruments in the first nine months of the year, compared with 45 NOK million in the year-earlier period. Of this year's income, NOK 245 million came from long-term shareholdings and ownership interests in joint ventures, compared with NOK 39 million in the year-earlier period. The disposal of our shares in Frende Holding and our share of profit from Samarbeidende Sparebanker made particularly important contributions to the good performance. For further details see Note 3.

Net commission income and other income (excl. gains/losses on financial instruments) came to NOK 127 million, which was unchanged from the year-earlier period. Income from estate agency and insurance services saw healthy growth, whereas net income from payment services fell.

## Year-to-date operating expenses

Operating expenses totalled NOK 497 million, which was NOK 102 million, or 25.7%, higher than in the equivalent period last year.

The main expense items that rose were IT expenses, consultancy fees and employee benefits.

The increase in expenses reflects extraordinary one-off expenses in conjunction with joining the SpareBank 1 alliance and the renovation of the Bank's Førde branch. In addition, there were new ordinary operating costs relating to the SpareBank 1 alliance. 2024 has been affected by high one-off costs and some doubling up of ordinary costs. In 2025, most of the one-off costs will wind down and the Bank will work to strip out doubled up costs, as and when agreements are signed with the SpareBank 1 alliance and old agreements expire.

Operating expenses were equivalent to 0.88% of average total assets, against 0.73% for the same period last year. The full-year expense figure for 2023 was 0.75%.

Including financial instruments, the cost-to-income ratio was 31.4%, against 31.5% in the first nine months of last year.

Excluding financial instruments, the cost-to-income ratio was 37.9%, against 32.6% in the same period of last year.

## Year-to-date impairment loss for loans and guarantees

In the first nine months of the year, a NOK 4 million impairment loss was recognised on loans and guarantees, against NOK 14 million in the year-earlier period. The year-to-date impairment loss is relatively low, being equivalent to 0.01 % of gross loans.

The loss allowance on the balance sheet for expected credit losses on loans, guarantees and undrawn credit facilities was NOK 319 million at 30 September 2024, compared with NOK 337 million at 30 September 2023. Of the loss allowance at 30 September 2024, NOK 289 million was for loans. This was equivalent to 0.44% of gross loans, compared with NOK 314 million (0.49%) a year earlier. At 31 December 2023, the loss allowance for loans and guarantees was NOK 336 million. For further details, see notes 5 and 6.

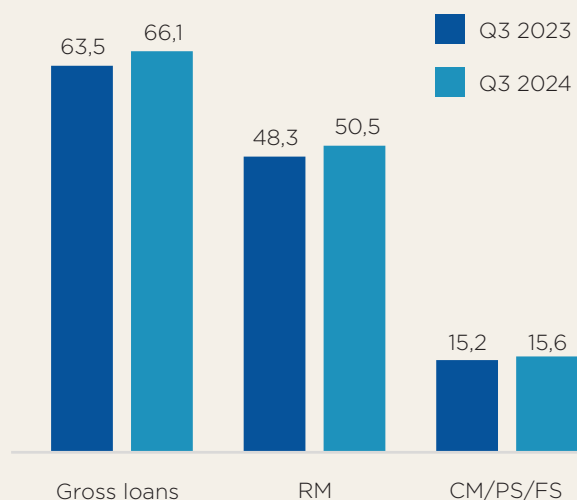
## Balance sheet

The Group had total assets of NOK 77.1 billion at 30 September 2024. This represented an increase of NOK 3.6 billion (4.9%) over the previous 12 months. The increase in total assets was primarily due to an increase in lending to customers, a larger liquidity buffer held as bonds, and investments in joint ventures through the SpareBank 1 alliance.

## Loans to customers

Gross loans to customers totalled NOK 66.1 billion at the end of the quarter. Growth over the past year was NOK 2.6 billion (4.1%).

Graph of gross loans by sector in billions of NOK:



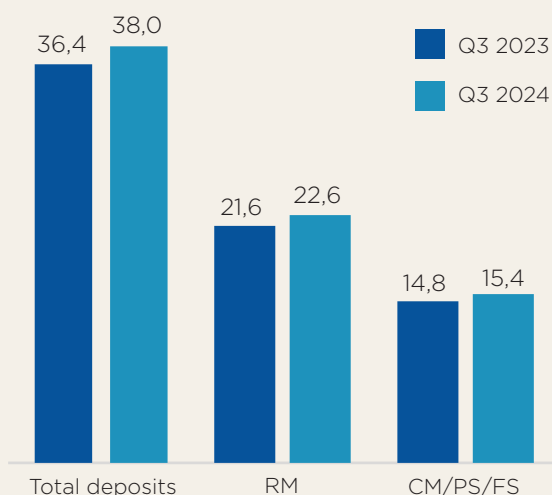
Over the past 12 months, lending to the retail market (RM) rose by 4.6%, while lending to the corporate market (CM) (including loans to the public and financial sectors) was up 2.5%.

In the year to date, there has been a 3.7% increase in loans to the RM and a 0.2% decline in loans to the CM.

## Deposits

Customer deposits totalled NOK 38.0 billion at the end of the quarter. Growth over the past 12 months was NOK 1.7 billion (4.5%).

Graph of deposits by sector in billions of NOK:



Over the past 12 months, RM deposits increased by 5.1%, while CM deposits (incl. deposits from the public and financial sectors) rose 3.8%.

So far this year, the volume of deposits has risen 4.3% in the RM and 9.0% in the CM.

The Group's deposit/loan ratio was 57.5%, against 57.3% at 30 September 2023.

## Credit risk

The outstanding balance of loans that were over 90 days past due reached NOK 220 million, up NOK 11 million from the equivalent figure at 31 December 2023.

Stable interest rates, lower inflation and relatively strong wage growth mean that most of our retail customers are on top of their own finances. This is reflected in the Bank's portfolio through customers having less need for capital repayment holidays and higher savings rates. Payment defaults remain stable at a low level. As long as unemployment remains low, the Bank considers that most of its customers will manage to cope well with the financial situation. Over 99 % of loans to the retail market are secured with a mortgage on a property, and we consider the Bank's credit risk in the retail market to be low.

The Bank is noticing a reduction in activity and lower investment in the corporate market compared with past years. Activity levels in certain industries, and particularly the construction industry, have stabilised at a lower level. A big reduction in white fish quotas is squeezing liquidity and reducing investment capacity in that sector. We closely monitor the business community in Sogn og Fjordane, and our assessment is that, overall, the operations of local businesses are performing satisfactorily. We consider credit risk in the corporate market to be moderate.

As a proportion of outstanding loans, exposure to the corporate market was 23.6% at 30 September 2024, compared with 24.0% at 30 September 2023.

## Liquidity and financing

In managing its liquidity, the Bank focuses on its deposit/loan ratio, liquidity buffer and the maturity structure of its funding. The liquidity buffer was NOK 9.4 billion at 30 September 2024. The liquidity buffer is invested in short-term deposits with Norges Bank and other banks, as well as in freely negotiable bonds/commercial paper. The Liquidity Coverage Ratio (LCR) was at a satisfactory 152%, compared with 158% at 30 September 2023.

The Bank uses mortgages as a basis for issuing covered bonds through its wholly-owned subsidiary Bustadkreditt Sogn og Fjordane AS.

At 30 September 2024, the latter company had covered bonds with a face value of NOK 21.9 billion trading on the market. The total value of its cover pool was NOK 25.3 billion. At 30 September 2024, the company's cover pool was worth NOK 3.4 billion more than the loans it was being used to secure.

## Subsidiaries

### *Bustadkreditt Sogn og Fjordane AS*

Bustadkreditt Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. At 30 September 2024, the company had a NOK 25.5 billion loan portfolio. That represented a 0.9% increase over the previous 12 months. The company had NOK 2.3 billion of equity. Year-to-date, the company made a profit before tax of NOK 205 million, against NOK 131 million during the same period last year. The improvement was mainly due to higher net interest income and lower impairment losses on loans.

The strategic shift to collaborating with the SpareBank 1 alliance will involve the parent company transferring some of its mortgage loans to SpareBank 1 Boligkreditt. Bustadkreditt Sogn og Fjordane will remain in business, but the amount of business it does will be reduced.

### *Bankeigedom Sogn og Fjordane AS*

Bankeigedom Sogn og Fjordane AS is a wholly-owned subsidiary, which owns the Group's bank buildings. Year-to-date, it made a pre-tax profit of NOK 5.0 million, compared with NOK 4.8 million in the same period last year.

### *Eigedomsmekling Sogn og Fjordane AS*

The estate agency Eigedomsmekling Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. Operating expenses in the first nine months of 2024 came to NOK 24.8 million, which was NOK 0.9 million higher than in the year-earlier period. Year-to-date, the company made a pre-tax profit of NOK 2.1 million, compared with NOK 1.9 million in the same period last year.

## Financial strength and return on equity

The Group's equity at 30 September 2024 totalled NOK 7.8 billion, NOK 637 million (8.9%) higher than the figure at 30 September 2023. The increase came from profit over the past year less dividends and gifts disbursed. In conjunction with adopting the interim report for the third quarter, the Board of Directors adopted an extra dividend of NOK 10 per equity certificate, which is planned to be disbursed in November.

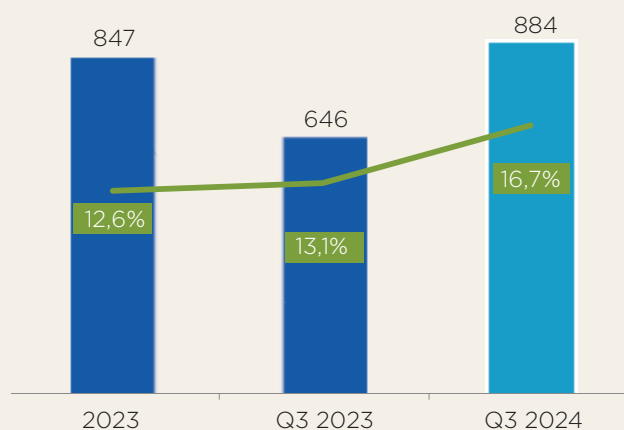
The Group's capital adequacy ratio at 30 September 2024 was 21.1%, compared with 20.3% at 30 September 2023. The core Tier 1 capital adequacy ratio was 17.5%, against 16.9% a year earlier. The capital adequacy ratio is included the profit for 2024, less a proportionate share of expected dividends and gifts.

In the third quarter of 2024, the Financial Supervisory Authority of Norway set the Bank a new Pillar 2 requirement of 1.8% and a capital requirement margin of 1.0%. From the turn of the year, the Bank may meet part of the Pillar 2 requirement with core capital and

supplementary capital, which will make the regulatory requirement with respect to its core Tier 1 capital adequacy ratio around 15.0%, and including the capital requirement margin the expected minimum is 16.0%. The Bank's own goals are to have a Core Tier 1 capital adequacy ratio of over 17%, and to distribute at least 50% of its annual profit in dividends and gifts.

In the year to date, the Bank made a profit after taxation of NOK 884 million, compared with NOK 646 million in the same period last year. This corresponds to a return on equity of 16.7%, against 13.1% in the first nine months of 2023. Our aim is to keep the return on equity above 11%. Sparebanken Sogn og Fjordane has consistently managed to achieve a satisfactory return on equity. The Board of Directors is extremely satisfied with the Group's financial results and return on equity.

*Graph of profit/loss after taxation in millions of NOK and return on equity in percent by year and year-to-date compared with the equivalent period last year:*



## Rating

As of 30 September 2024, Sparebanken Sogn og Fjordane had a long-term rating of A1 from Moody's. Bustadkreditt Sogn og Fjordane's covered bond programme has a long-term rating of Aaa and an issuer rating of A1.

## Collaborations with other banks

In April 2023, Sparebanken Sogn og Fjordane announced that it had entered into a strategic partnership with the SpareBank 1 alliance.

As a result, Sparebanken Sogn og Fjordane has bought an ownership interest in the SpareBank 1 alliance through SamSpar, and as of 30 September 2024 it had paid NOK 624 million for shares and ownership interests in SpareBank 1 SamSpar AS, Samarbeidende Sparebanker Utvikling DA and Samarbeidende Sparebanker AS. The shares in the former two of these were bought in the second quarter, while in the case of the latter, Samarbeidende Sparebanker AS, the investment was made in September 2024. In the long term, these investments



will improve the Bank's revenue potential by enabling it to offer a better and wider range of products and services, as well as reducing its costs. Joining the alliance has resulted in the sale of shareholdings in various product suppliers. In September 2024, the Bank sold its shares in Frende Holding, which generated a significant accounting gain this quarter. In the future, it will buy shares in various product suppliers in the SpareBank 1 alliance, such as SpareBank 1 Boligkreditt.

The project to migrate and adapt to the SpareBank 1 alliance began at the end of August 2023, and the technical conversion process is due to take place in November 2024. Currently, around 500 people from Sparebanken Sogn og Fjordane, the alliance and various suppliers are working on the project.

The amount budgeted for the project to become part of SpareBank 1 is around NOK 70 million in external costs spread across 2023 and 2024. In the year to date, around NOK 39 million of external project costs have been accrued, in addition to lots of work put in by the Bank's employees. No provision has been made for future project expenses. The process of ending our partnership with Frende took longer and was more challenging than anticipated, and NOK 5 million of the NOK 39 million of project expenses accrued relate to this process.

The Bank strongly believes that the partnership with SpareBank 1 will benefit its customers, owners, employees and the Sogn og Fjordane region. After the transition to the SpareBank 1 alliance, the new name of the bank will be SpareBank 1 Sogn og Fjordane. The change of name was approved by the general meeting on the 3 of October 2024.

## Summary and outlook

In the third quarter of 2024, the Group made a profit after tax of NOK 431 million, compared with NOK 166 million in the third quarter of last year. The improvement was due to a very strong contribution from financial investments, low impairment losses and healthy growth in net interest income. Return on equity in the third quarter of 2024 was 24.1%, compared with 9.7% in the third quarter of 2023.

In the year to date, the Bank made a profit after taxation of NOK 884 million, compared with NOK 646 million in the same period last year. Return on equity for the first nine months of 2024 was 16.7%, compared with 13.1% in the first nine months of 2023.

Total loan growth came to 4.1% over the past 12 months, and deposits grew by 4.5%. Loan growth in the retail market is particularly strong.

Our cost-to-income ratio was 31.4% in the third of 2024, compared with 31.5% in the year-earlier period.

We had a capital adequacy ratio of 21.1% at 30 September 2024, and a core Tier 1 ratio of 17.5%.

The Bank has a strong capital adequacy ratio, cost-efficient operations and a solid market position in Sogn og Fjordane. It is also achieving healthy growth in the retail market outside Sogn og Fjordane.

The Board is extremely satisfied with the Group's financial performance and believes that it is in a strong position to continue growing and developing its business.

Sparebanken Sogn og Fjordane has entered into a partnership with the SpareBank 1 alliance. This is an important strategic venture for the bank, which will strengthen its revenue potential and help it to remain strongly profitable in the future. The Board is looking forward to a successful and long-lasting partnership with the SpareBank 1 alliance.

Førde, 30 October 2024

Lise Mari Haugen  
Chair

Magny Øvrebø  
Deputy Chair

Silje Skaar Sunde

Johnny Haugsbakk

Vegard Strand

Kristian Skibenes

Helene Gåsemyr

Ole-Hermann Rognsøy

Trond Teigene  
CEO

# Consolidated income statement

AMOUNTS IN MILLIONS OF NOK	Note	Q3 2024	Q3 2023	01.01.–30.09. 2024	01.01.–30.09. 2023	2023
Interest income		1 153	1 010	3 418	2 701	3 789
Interest expenses		749	631	2 232	1 615	2 323
<b>Net interest income</b>		<b>405</b>	<b>379</b>	<b>1 186</b>	<b>1 085</b>	<b>1 466</b>
Commission income		44	46	130	127	170
Commission expenses		11	10	28	24	34
Net gains/losses on financial instruments		222	- 29	274	45	34
Other income		8	8	25	24	31
<b>Net other operating income</b>	<b>3</b>	<b>264</b>	<b>15</b>	<b>401</b>	<b>172</b>	<b>201</b>
<b>Total revenues</b>		<b>669</b>	<b>395</b>	<b>1 586</b>	<b>1 257</b>	<b>1 667</b>
Wages, salaries, etc.		86	79	236	215	294
Other expenses		88	55	243	165	229
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets		7	7	18	15	23
<b>Total operating expenses</b>		<b>181</b>	<b>141</b>	<b>497</b>	<b>396</b>	<b>546</b>
<b>Profit/loss before impairment loss</b>		<b>487</b>	<b>254</b>	<b>1 089</b>	<b>862</b>	<b>1 121</b>
Impairment loss	<b>4</b>	- 5	30	4	14	13
<b>Profit/loss before taxation</b>		<b>492</b>	<b>225</b>	<b>1 085</b>	<b>848</b>	<b>1 108</b>
Tax expense		61	58	201	202	261
<b>Profit/loss for the reporting period</b>		<b>431</b>	<b>166</b>	<b>884</b>	<b>646</b>	<b>847</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>						
<b>Profit/loss for the reporting period</b>		<b>431</b>	<b>166</b>	<b>884</b>	<b>646</b>	<b>847</b>
<b>Other comprehensive income</b>						
<b>Other items that will never be reclassified to profit or loss, after tax</b>						
Remeasurements, pensions		0	0	0	0	0
<b>Total other comprehensive income for the year, after tax</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive income</b>		<b>431</b>	<b>166</b>	<b>884</b>	<b>646</b>	<b>847</b>
Comprehensive income per equity certificate (weighted), in NOK		19,05	7,42	39,09	28,81	37,79

# Consolidated balance sheet

AMOUNTS IN MILLIONS OF NOK

	Note	30.09.24	30.09.23	31.12.23
<b>ASSETS</b>				
Cash and cash equivalents		10	20	18
Loans and advances to credit institutions/central banks	<b>13</b>	821	542	534
Loans to customers	<b>4-7, 13</b>	65 776	63 168	63 970
Commercial paper and bonds measured at fair value		8 576	8 016	7 627
Financial derivatives		376	494	413
Shares and other securities with variable returns		369	728	734
Investments in associates and joint ventures		660	0	0
Intangible assets and goodwill		9	11	9
Fixed assets		94	102	101
Deferred tax assets		16	21	16
Other assets		381	382	132
<b>Total assets</b>		<b>77 090</b>	<b>73 485</b>	<b>73 556</b>
<b>DEBT AND EQUITY</b>				
Debt to credit institutions	<b>13</b>	506	503	502
Deposits from and debt to customers	<b>8, 13</b>	38 013	36 359	35 796
Debt securities in issue	<b>9, 13</b>	28 760	27 291	28 040
Financial derivatives		591	1 009	614
Tax payable		200	202	256
Other liabilities and provisions		458	295	326
Subordinated debt instruments		803	705	705
<b>Total liabilities</b>		<b>69 330</b>	<b>66 363</b>	<b>66 240</b>
Equity share capital	<b>12</b>	4 747	4 649	4 943
Primary capital		798	700	798
Other equity		1 475	1 323	618
Hybrid capital		544	450	450
Proposed allocation for dividends and gifts		195	0	507
<b>Total equity</b>		<b>7 759</b>	<b>7 122</b>	<b>7 316</b>
<b>Total debt and equity</b>		<b>77 090</b>	<b>73 485</b>	<b>73 556</b>

Førde, 30 October 2024

Lise Mari Haugen  
Chair

Magny Øvrebø  
Deputy Chair

Silje Skaar Sunde

Johnny Haugsbakk

Vegard Strand

Kristian Skibenes

Helene Gåsemyr

Ole-Hermann Rognsøy

Trond Teigene  
CEO

# Consolidated cash flow statement

	30.09.24	30.09.23	31.12.23
Profit/loss before taxation	1 085	848	1 108
Increase/(reduction) in customer deposits	2 210	1 517	953
Reduction/(increase) in loans to customers	- 1 766	- 2 050	- 2 786
Depreciation and impairment of assets	18	15	26
Impairment loss	4	14	13
Losses/(gains) on disposal of fixed assets	0	- 4	- 3
Tax paid	- 257	- 187	- 187
Other non-cash transactions	- 54	- 281	42
Adjustment for other items	- 140	90	53
<b>A) Net cash flow from operating activities</b>	<b>1 100</b>	<b>- 38</b>	<b>- 781</b>
Reduction/(increase) in shares and other securities with variable returns	- 295	32	24
Reduction/(increase) in investments in commercial paper and bonds	- 926	- 537	- 143
Investments in fixed assets, intangible assets and goodwill	- 11	- 31	- 41
Sale of fixed assets	0	5	5
<b>B) Net cash flow from investment activities</b>	<b>- 1 232</b>	<b>- 531</b>	<b>- 154</b>
Increase/(decrease) in loans from credit institutions	4	- 1	- 1
Increase/(reduction) in debt securities in issue	714	439	796
Increase/(reduction) in subordinated debt	98	102	102
Increase/(reduction) in equity share capital	- 1	- 1	- 1
Increase in hybrid capital	94	100	100
Dividends and gifts	- 497	- 239	- 242
<b>C) Net cash flow from financing activities</b>	<b>412</b>	<b>398</b>	<b>754</b>
<b>D) Net cash flow during the year (A+B+C)</b>	<b>279</b>	<b>- 171</b>	<b>- 181</b>
Opening balance of cash and cash equivalents	552	733	733
<b>Closing balance of cash and cash equivalents</b>	<b>831</b>	<b>562</b>	<b>552</b>
<b>Breakdown of cash and cash equivalents</b>			
Cash and cash equivalents	10	20	18
Deposits at other financial institutions and central banks	821	542	534
<b>Total</b>	<b>831</b>	<b>562</b>	<b>552</b>

# Consolidated statement of changes in equity

## EQUITY SHARE CAPITAL

	Equity certificates	Dividend equalisation reserve	Own equity certificates	Share premium account	Primary capital	Hybrid capital	Reserve for unrealised gains	Other equity	Allocated dividends and gifts	Total
<b>Balance at 31.12.22</b>	<b>1 948</b>	<b>2 689</b>	<b>- 3</b>	<b>16</b>	<b>700</b>	<b>350</b>	<b>569</b>	<b>127</b>	<b>248</b>	<b>6 645</b>
Allocated for dividends and gifts	0	0	0	0	0	0	0	0	- 248	- 248
Change in hybrid capital	0	0	0	0	0	100	0	0	0	100
Interest paid to investors in hybrid capital	0	0	0	0	0	- 19	0	0	0	- 19
Purchase and sale of own equity certificates	0	0	- 1	0	0	0	0	0	0	- 1
Proposed allocation of profit/loss for reporting period	0	0	0	0	0	19	0	626	0	646
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 30.09.23</b>	<b>1 948</b>	<b>2 690</b>	<b>- 4</b>	<b>16</b>	<b>700</b>	<b>450</b>	<b>569</b>	<b>753</b>	<b>0</b>	<b>7 122</b>
<b>Balance at 31.12.22</b>	<b>1 948</b>	<b>2 689</b>	<b>- 3</b>	<b>16</b>	<b>700</b>	<b>350</b>	<b>569</b>	<b>127</b>	<b>248</b>	<b>6 645</b>
Allocated for dividends and gifts	0	0	0	0	0	0	0	0	- 248	- 248
Change in hybrid capital	0	0	0	0	0	100	0	0	0	100
Interest paid to investors in hybrid capital	0	0	0	0	0	- 28	0	0	0	- 28
Purchase and sale of own equity certificates	0	0	- 1	0	0	0	0	0	0	- 1
Proposed allocation of profit/loss for reporting period	0	293	0	0	97	28	- 94	15	507	847
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31.12.23</b>	<b>1 948</b>	<b>2 982</b>	<b>- 3</b>	<b>16</b>	<b>798</b>	<b>450</b>	<b>476</b>	<b>142</b>	<b>507</b>	<b>7 316</b>
<b>Balance at 31.12.23</b>	<b>1 948</b>	<b>2 982</b>	<b>- 3</b>	<b>16</b>	<b>798</b>	<b>450</b>	<b>476</b>	<b>142</b>	<b>507</b>	<b>7 316</b>
Allocated for dividends and gifts	0	1	0	0	0	0	0	0	- 507	- 506
Proposed allocation for dividends	0	- 195	0	0	0	0	0	0	195	0
Change in hybrid capital	0	0	0	0	0	94	0	0	0	94
Interest paid to investors in hybrid capital	0	0	0	0	0	- 27	0	0	0	- 27
Purchase and sale of own equity certificates	0	0	- 1	0	0	0	0	0	0	- 1
Proposed allocation of profit/loss for reporting period	0	0	0	0	0	27	0	857	0	884
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 30.09.24</b>	<b>1 948</b>	<b>2 788</b>	<b>- 5</b>	<b>16</b>	<b>798</b>	<b>544</b>	<b>476</b>	<b>1 000</b>	<b>195</b>	<b>7 759</b>

# Statement of changes in equity (cont.)

## **Explanation of the various types of equity:**

### **Equity share capital:**

Equity share capital comprises capital that in accordance with the articles of association is linked to equity certificates. Profit after taxation attributable to equity share capital is allocated to the dividend equalisation reserve in proportion to the ownership ratio, after deducting dividends and a proportionate share of interest paid to investors in hybrid capital. The dividend equalisation reserve may be used to maintain the payment of dividends to the equity certificate holders, if the Bank's equity position allows it.

### **Primary capital:**

Primary capital comprises capital that is not equity share capital. Profit after taxation attributable to primary capital is allocated to primary capital, after deducting gifts and a proportionate share of interest paid to investors in hybrid capital.

### **Hybrid capital:**

Hybrid capital consists of hybrid debt that meets the criteria for being defined as equity and core capital under rules on capital adequacy. Interest on hybrid capital is split between the dividend equalisation reserve and primary capital in proportion to the ownership ratio, and is in practice allocated together with profit.

### **Reserve for unrealised gains:**

The reserve for other unrealised gains comprises unrealised gains on financial instruments whose valuation is different under IFRS and Norwegian accounting principles. Amongst other things, it includes unrealised gains on shares.

### **Other equity:**

Other equity comprises retained earnings from various subsidiaries and unallocated profit.

### **Dividends and gifts:**

Proposed dividends and gifts are included under equity until their disbursement is adopted by the AGM.

# Notes to the financial statements

## Note 1 Accounting principles and critical accounting estimates

### **BASIS OF PRESENTATION**

Sparebanken Sogn og Fjordane's parent company and consolidated accounts have been prepared in accordance with international accounting standards (IFRS). These interim financial statements have been presented in accordance with IAS 34 "Interim Financial Reporting".

All figures are stated in millions of NOK, unless otherwise specified.

### **GENERAL**

For more detailed information about accounting policies and for information about critical accounting estimates, please see Sparebanken Sogn og Fjordane's 2023 annual report on our website: [www.ssf.no](http://www.ssf.no).

### **CHANGES TO ACCOUNTING STANDARDS**

There have been no changes to accounting standards or interpretations in the third quarter of 2024 that have affected the financial statements of Sparebanken Sogn og Fjordane.

## Note 2 Segment reporting

### **Geographic segments**

All of the segments operate in Norway.

### **General information about segments**

Segments reflect the organisational structure of the Group.

### **Finance**

- Responsible for financing and for managing liquidity

### **Corporate banking market/public sector/financial sector**

- Offers a wide range of financial products and services, such as various types of financing, deposits, investments, insurances, foreign currency services and interest rate instruments to small and medium-sized enterprises, the public sector and financial sector

### **Retail market including Bustadkreditt**

- Offers a wide range of financial products and services, such as various types of financing, deposits, investments, insurances, foreign currency services and interest rate instruments to retail customers

### **Other**

- Includes the supply of services to Sparebankstiftinga Sogn og Fjordane and managing various properties

### **Estate agency**

- Offers estate agency services in conjunction with the purchase and sale of properties

### **Property management**

- Manages the Group's largest properties

## Note 2 Segment reporting (cont.)

	Total for group	Fin- ance	Corp. Market/ PS/FS	Retail market including Bustad- kreditt	Other	Estate agency	Prop- erty man- age- ment	Elimina- tions
<b>INCOME STATEMENT 30.09.24</b>								
Net interest income and credit commissions	1 186	0	456	731	- 2	0	0	0
Net other operating income	401	258	48	76	3	25	6	- 15
<b>Total operating income</b>	<b>1 586</b>	<b>257</b>	<b>505</b>	<b>806</b>	<b>2</b>	<b>25</b>	<b>6</b>	<b>- 15</b>
Operating expenses	497	15	153	307	12	23	1	- 14
<b>Profit/loss before impairment loss</b>	<b>1 089</b>	<b>243</b>	<b>351</b>	<b>499</b>	<b>- 10</b>	<b>2</b>	<b>5</b>	<b>- 1</b>
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	4	0	7	- 3	0	0	0	0
<b>Profit/loss before taxation</b>	<b>1 085</b>	<b>243</b>	<b>345</b>	<b>502</b>	<b>- 10</b>	<b>2</b>	<b>5</b>	<b>- 1</b>
<b>BALANCE SHEET AT 30.09.24</b>								
Net loans and advances to customers	65 776	0	15 095	50 681	0	0	0	0
Other assets	11 313	10 832	3 226	2 780	0	25	49	- 5 596
<b>Total assets</b>	<b>77 090</b>	<b>10 832</b>	<b>18 321</b>	<b>53 461</b>	<b>0</b>	<b>25</b>	<b>49</b>	<b>- 5 596</b>
Deposits from and debt to customers	38 013	0	15 404	22 642	0	0	0	- 34
Other liabilities	31 318	7 845	115	26 695	0	9	6	- 3 349
Equity (incl. profit/loss for the period)	7 759	2 987	2 802	4 125	0	16	43	- 2 214
<b>Total debt and equity</b>	<b>77 090</b>	<b>10 832</b>	<b>18 321</b>	<b>53 461</b>	<b>0</b>	<b>25</b>	<b>49</b>	<b>- 5 596</b>
<b>INCOME STATEMENT 30.09.23</b>								
Net interest income and credit commissions	1 085	3	445	637	- 1	0	0	0
Net other operating income	172	30	49	75	3	24	6	- 16
<b>Total operating income</b>	<b>1 257</b>	<b>34</b>	<b>495</b>	<b>712</b>	<b>2</b>	<b>24</b>	<b>6</b>	<b>- 16</b>
Operating expenses	396	12	125	245	7	22	1	- 16
<b>Profit/loss before impairment loss</b>	<b>862</b>	<b>22</b>	<b>370</b>	<b>468</b>	<b>- 4</b>	<b>2</b>	<b>5</b>	<b>0</b>
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	14	0	- 11	25	0	0	0	0
<b>Profit/loss before taxation</b>	<b>848</b>	<b>22</b>	<b>381</b>	<b>442</b>	<b>- 4</b>	<b>2</b>	<b>5</b>	<b>0</b>
<b>BALANCE SHEET AT 30.09.23</b>								
Net loans and advances to customers	63 168	0	14 689	48 479	0	0	0	0
Other assets	10 317	9 321	3 206	3 802	0	23	45	- 6 079
<b>Total assets</b>	<b>73 485</b>	<b>9 321</b>	<b>17 894</b>	<b>52 281</b>	<b>0</b>	<b>23</b>	<b>45</b>	<b>- 6 079</b>
Deposits from and debt to customers	36 359	0	14 833	21 553	0	0	0	- 27
Other liabilities	30 004	6 549	270	27 006	0	8	7	- 3 836
Equity (incl. profit/loss for the period)	7 122	2 772	2 792	3 721	0	15	38	- 2 216
<b>Total debt and equity</b>	<b>73 485</b>	<b>9 321</b>	<b>17 894</b>	<b>52 281</b>	<b>0</b>	<b>23</b>	<b>45</b>	<b>- 6 079</b>



## Note 2 Segment reporting (cont.)

	Total for group	Fin- ance	Corp. Market/ PS/FS	Retail market including Bustad- kreditt	Other	Estate agency	Pro- perty man- age- ment	Elimina- tions
<b>2023 INCOME STATEMENT</b>								
Net interest income and credit commissions	1 466	3	592	872	- 1	1	0	0
Net other operating income	201	13	64	102	4	31	8	- 21
<b>Total operating income</b>	<b>1 667</b>	<b>15</b>	<b>656</b>	<b>974</b>	<b>3</b>	<b>32</b>	<b>8</b>	<b>- 21</b>
Operating expenses	546	16	167	339	12	30	2	- 21
<b>Profit/loss before impairment loss</b>	<b>1 121</b>	<b>0</b>	<b>489</b>	<b>635</b>	<b>- 9</b>	<b>1</b>	<b>6</b>	<b>0</b>
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	13	0	- 16	29	0	0	0	0
<b>Profit/loss before taxation</b>	<b>1 108</b>	<b>0</b>	<b>505</b>	<b>606</b>	<b>- 9</b>	<b>1</b>	<b>6</b>	<b>0</b>
<b>BALANCE SHEET AT 31.12.23</b>								
Net loans and advances to customers	63 970	0	15 081	48 889	0	0	0	0
Other assets	9 585	9 171	2 196	3 643	0	22	46	- 5 493
<b>Total assets</b>	<b>73 556</b>	<b>9 171</b>	<b>17 277</b>	<b>52 533</b>	<b>0</b>	<b>22</b>	<b>46</b>	<b>- 5 493</b>
Deposits from and debt to customers	35 796	0	14 128	21 699	0	0	0	- 32
Other liabilities	30 444	6 427	265	26 983	0	8	7	- 3 245
Equity (incl. profit/loss for the period)	7 316	2 744	2 884	3 851	0	14	39	- 2 217
<b>Total debt and equity</b>	<b>73 556</b>	<b>9 171</b>	<b>17 277</b>	<b>52 533</b>	<b>0</b>	<b>22</b>	<b>46</b>	<b>- 5 493</b>

## Note 3 Other operating income

<b>NET COMMISSION INCOME</b>	30.09.24	30.09.23	31.12.23
Payment services	65	62	82
Security trading	22	22	30
Guarantee commissions	12	12	16
Foreign payment fee	4	4	5
Insurance services	15	14	19
Other commission income	11	13	17
<b>Total charges and commission income</b>	<b>130</b>	<b>127</b>	<b>170</b>
Interbank fees	0	1	1
Payment services	24	20	28
Cash back Visa credit	4	4	5
<b>Total commission expenses</b>	<b>28</b>	<b>24</b>	<b>34</b>
<b>Net commission income</b>	<b>102</b>	<b>103</b>	<b>136</b>
<b>NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS</b>			
Net gains/losses on foreign currency	13	8	13
Net gains/losses on financial derivatives	- 45	- 280	21
Net gains/losses on loans measured at fair value	44	- 52	14
Net gains/losses on deposits measured at fair value	- 7	4	4
Net gains/losses on commercial paper and bonds	30	8	15
Net gains/losses on shares	179	39	42
Net gains/losses on financial liabilities	- 6	317	- 75
Net gains/losses on associates and joint ventures	66	0	0
<b>Net gains/losses on financial instruments measured at fair value</b>	<b>274</b>	<b>45</b>	<b>34</b>
<b>OTHER INCOME</b>			
Income from property	1	1	1
Estate agency	23	22	29
Other operating income	1	1	1
<b>Total other income</b>	<b>25</b>	<b>24</b>	<b>31</b>
<b>TOTAL NET OTHER OPERATING INCOME</b>	<b>401</b>	<b>172</b>	<b>201</b>

## Note 4 Impairment loss on loans, guarantees and undrawn credit facilities

	Q3 2024	Q3 2023	Year-to-date 2024	Year-to-date 2023	Full-year 2023
Increase (+)/reduction (-) in individually assessed allowances	- 11	0	- 24	8	19
Increase (+)/reduction (-) in model-based expected credit losses	- 6	24	9	- 1	- 13
Losses realised during period for which a loss allowance had previously been made	13	5	20	8	8
Losses realised during period for which a loss allowance had not previously been made	0	1	1	1	1
Recoveries against previous years' realised losses	0	- 1	- 2	- 2	- 3
<b>Impairment loss for the period</b>	<b>- 5</b>	<b>30</b>	<b>4</b>	<b>14</b>	<b>13</b>

## Note 5 Loss allowance

When calculating expected credit losses, loans are split into three stages in line with the requirements in IFRS 9. When a loan is recognised, as a general rule it is allocated to Stage 1. If its credit risk has increased significantly since initial recognition, it is transferred to Stage 2. Assets in default are allocated to Stage 3. Where an individually assessed allowance has been made, this takes precedence over the impairment calculated by the model. Individually assessed allowances are included in Stage 3.

### Consolidated

	Stage 1	Stage 2	Stage 3	Total
<b>2024</b>				
<b>Opening loss allowance for loans at amortised cost at 01.01.24</b>	<b>58</b>	<b>123</b>	<b>130</b>	<b>311</b>
Transferred to Stage 1	8	- 26	- 3	- 21
Transferred to Stage 2	- 5	38	- 3	30
Transferred to Stage 3	- 1	- 4	20	15
New financial assets issued or acquired	13	34	2	49
Derecognised financial assets	- 14	- 22	- 44	- 80
Changes to model/macroeconomic parameters	- 5	- 13	- 2	- 20
Actual losses covered by previous provisions	0	0	- 20	- 20
Other changes	- 6	- 9	32	17
<b>Loss allowance for loans at amortised cost at 30.09.24</b>	<b>48</b>	<b>119</b>	<b>113</b>	<b>280</b>
<b>Loss allowance for loans at fair value at 30.09.24</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>10</b>
<b>Total loss allowance for loans at 30.09.24</b>	<b>50</b>	<b>124</b>	<b>115</b>	<b>289</b>
<i>Of which in the retail market</i>	15	26	29	70
<i>Of which in the corporate and public sector markets</i>	35	99	86	219
	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for undrawn credit facilities and guarantees at 01.01.24</b>	<b>11</b>	<b>4</b>	<b>5</b>	<b>20</b>
Changes during the reporting period	- 4	12	1	10
<b>Loss allowance for undrawn credit facilities and guarantees at 30.09.24</b>	<b>7</b>	<b>17</b>	<b>6</b>	<b>29</b>
<i>Of which in the retail market</i>	1	0	0	1
<i>Of which in the corporate and public sector markets</i>	7	16	5	28
	Stage 1	Stage 2	Stage 3	Total
<b>2023</b>				
<b>Opening loss allowance for loans at amortised cost at 01.01.23</b>	<b>58</b>	<b>136</b>	<b>112</b>	<b>306</b>
Transferred to Stage 1	2	- 15	- 1	- 14
Transferred to Stage 2	- 9	61	- 5	46
Transferred to Stage 3	0	- 29	33	4
New financial assets issued or acquired	12	20	3	34
Derecognised financial assets	- 9	- 23	- 23	- 55
Changes to model/macroeconomic parameters	- 4	- 25	9	- 20
Actual losses covered by previous provisions	0	0	- 8	- 8
Other changes	6	- 3	13	15
<b>Loss allowance for loans at amortised cost at 30.09.23</b>	<b>55</b>	<b>122</b>	<b>132</b>	<b>309</b>
<b>Loss allowance for loans at fair value at 30.09.23</b>	<b>1</b>	<b>3</b>	<b>1</b>	<b>5</b>
<b>Loss allowance for loans at 30.09.2023</b>	<b>57</b>	<b>124</b>	<b>133</b>	<b>314</b>
<i>Of which in the retail market</i>	15	30	24	70
<i>Of which in the corporate and public sector markets</i>	41	94	109	244
	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for undrawn credit facilities and guarantees at 01.01.23</b>	<b>12</b>	<b>8</b>	<b>1</b>	<b>20</b>
Changes during the reporting period	- 3	- 2	8	3
<b>Loss allowance for undrawn credit facilities and guarantees at 30.09.23</b>	<b>9</b>	<b>6</b>	<b>9</b>	<b>23</b>
<i>Of which in the retail market</i>	1	0	0	1
<i>Of which in the corporate and public sector markets</i>	8	5	9	22

## Note 5 Loss allowance (cont.)

### Future scenarios in the impairment model under IFRS 9

Under IFRS 9, impairment allowances shall take into account expectations for future defaults and impairment losses. In 2018 and 2019, the bank used a statistical model to estimate how expected changes in macro-economic parameters will affect the future probability of default amongst the bank's customers. During the Covid-19 pandemic and subsequently, there have been such great fluctuations in macroeconomic variables used as independent variables in the model that the model is no longer suitable for predicting future defaults. We have therefore performed a qualitative assessment of what is likely to happen to the probability of default and house prices over the coming five years, based on the outlook in Norges Bank's monetary policy report. Expected credit losses are calculated using a weighted average of the losses under the 3 different scenarios; see below.

Future scenarios for retail market used to measure estimated expected credit losses at 30.09.24	Probability of default starting from 30.09.2024					House prices	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Optimistic scenario for retail market	1,50	1,50	1,35	1,20	1,00	6,2 %	25,0 %
Scenario 2: Base scenario for retail market	2,00	2,00	1,80	1,60	1,40	5,2 %	50,0 %
Scenario 3: Pessimistic scenario for retail market	2,70	2,70	2,43	2,16	1,89	2,4 %	25,0 %

Future scenarios for corporate market used to measure estimated expected credit losses at 30.09.24	Probability of default starting from 30.09.2024					Collateral values	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Optimistic scenario for corporate market	1,28	1,23	1,23	1,15	1,00	2,7 %	25,0 %
Scenario 2: Base scenario for corporate market	1,50	1,45	1,45	1,35	1,25	1,2 %	50,0 %
Scenario 3: Pessimistic scenario for corporate market	2,03	1,96	1,96	1,82	1,69	- 2,0 %	25,0 %

## Note 6 Changes in gross loans and exposures

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at amortised cost at 01.01.24</b>	<b>50 850</b>	<b>9 254</b>	<b>784</b>	<b>60 888</b>
Transferred to Stage 1	2 593	- 2 561	- 32	0
Transferred to Stage 2	- 2 196	2 227	- 31	0
Transferred to Stage 3	- 67	- 137	205	0
New financial assets issued or acquired	12 364	1 612	39	14 015
Derecognised financial assets	- 13 448	- 2 137	- 328	- 15 913
Other changes	1 574	119	- 21	1 672
<b>Gross loans at amortised cost at 30.09.24</b>	<b>51 668</b>	<b>8 377</b>	<b>616</b>	<b>60 661</b>
Loss allowance for loans at amortised cost at 30.09.24	48	119	113	280
<b>Net loans at amortised cost at 30.09.24</b>	<b>51 621</b>	<b>8 257</b>	<b>503</b>	<b>60 382</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at fair value at 30.09.24</b>	<b>4 594</b>	<b>771</b>	<b>39</b>	<b>5 404</b>
Loss allowance for loans at fair value at 30.09.24	2	5	3	10
<b>Net loans at fair value at 30.09.24</b>	<b>4 592</b>	<b>766</b>	<b>36</b>	<b>5 395</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at 30.09.24</b>	<b>56 263</b>	<b>9 148</b>	<b>655</b>	<b>66 066</b>
<i>Of which in the retail market</i>	44 569	5 499	406	50 474
<i>Of which in the corporate and public sector markets</i>	11 694	3 649	249	15 592
Loss allowance for loans at 30.09.24	50	124	115	289
<b>Net loans at 30.09.24</b>	<b>56 213</b>	<b>9 024</b>	<b>540</b>	<b>65 776</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Undrawn credit facilities and guarantees at 30.09.24</b>	<b>8 138</b>	<b>1 103</b>	<b>17</b>	<b>9 258</b>
<i>Of which in the retail market</i>	5 254	108	3	5 364
<i>Of which in the corporate and public sector markets</i>	2 884	995	15	3 894
Loss allowance for guarantees and undrawn credit facilities at 30.09.24	7	17	6	29
<b>Net exposure to undrawn credit facilities and guarantees at 30.09.24</b>	<b>8 130</b>	<b>1 086</b>	<b>12</b>	<b>9 228</b>

## Note 6 Changes in gross loans and exposures (cont.)

<b>2023</b>	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at amortised cost at 01.01.23</b>	<b>51 529</b>	<b>5 692</b>	<b>583</b>	<b>57 805</b>
Transferred to Stage 1	1 281	- 1 253	- 28	0
Transferred to Stage 2	- 4 153	4 215	- 62	0
Transferred to Stage 3	- 40	- 335	375	0
New financial assets issued or acquired	12 014	1 727	28	13 769
Derecognised financial assets	- 10 724	- 1 321	- 142	- 12 187
Other changes	380	395	- 9	766
<b>Gross loans at amortised cost at 30.09.23</b>	<b>50 288</b>	<b>9 120</b>	<b>745</b>	<b>60 153</b>
Loss allowance for loans at amortised cost at 30.09.23	55	122	132	309
<b>Net loans at amortised cost at 30.09.23</b>	<b>50 233</b>	<b>8 998</b>	<b>614</b>	<b>59 845</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at fair value at 30.09.23</b>	<b>2 860</b>	<b>454</b>	<b>15</b>	<b>3 328</b>
Loss allowance for loans at fair value at 31.03.23	1	3	1	5
<b>Net loans at fair value at 30.09.23</b>	<b>2 858</b>	<b>451</b>	<b>13</b>	<b>3 323</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Total gross loans at 30.09.23</b>	<b>53 148</b>	<b>9 574</b>	<b>760</b>	<b>63 482</b>
<i>Of which in the retail market</i>	<i>42 073</i>	<i>5 861</i>	<i>336</i>	<i>48 270</i>
<i>Of which in the corporate and public sector markets</i>	<i>11 075</i>	<i>3 713</i>	<i>424</i>	<i>15 211</i>
Loss allowance for loans at 30.09.23	57	124	133	314
<b>Net loans at 30.09.23</b>	<b>53 091</b>	<b>9 450</b>	<b>627</b>	<b>63 168</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Undrawn credit facilities and guarantees at 30.09.23</b>	<b>7 042</b>	<b>460</b>	<b>34</b>	<b>7 536</b>
<i>Of which in the retail market</i>	<i>3 827</i>	<i>121</i>	<i>3</i>	<i>3 952</i>
<i>Of which in the corporate and public sector markets</i>	<i>3 214</i>	<i>338</i>	<i>31</i>	<i>3 584</i>
Loss allowance for guarantees and undrawn credit facilities at 30.09.23	9	6	9	23
<b>Net exposure to undrawn credit facilities and guarantees at 30.09.23</b>	<b>7 033</b>	<b>454</b>	<b>25</b>	<b>7 513</b>

### Payment default

#### Retail loans and residential mortgage loans

Accounts are considered to be in payment default when they are past due or overdrawn by an amount of at least NOK 1,000 and by at least 1% of the customer's total balance. If an account is in payment default, all of the customer's other accounts in the same product group are also considered in payment default. If an account that is in payment default represents over 20% of the total exposure to the customer, all of the customer's other accounts are considered in payment default.

For these purposes, the definition of retail loans covers mortgage loans that do not qualify for a 35% risk-weighting, building loans, consumer loans and advances to SMEs.

#### Other advances

Customers are considered in payment default when at least one of their accounts is past due or overdrawn by an amount of at least NOK 2,000 and by at least 1% of the customer's total balance. The number of days that a customer is considered to have been in payment default is determined by the account that has been past due for longest.

CONSOLIDATED	Gross loans			Guarantees and undrawn credit facilities			Loss allowance		
	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23
11-30 days past due	137	82	83	3	1	1	5	4	5
31-90 days past due	38	102	56	0	5	0	1	3	2
More than 90 days past due	216	141	204	4	2	5	71	50	75
<b>Total assets more than 10 days past due</b>	<b>391</b>	<b>325</b>	<b>343</b>	<b>7</b>	<b>8</b>	<b>5</b>	<b>76</b>	<b>57</b>	<b>82</b>

## Note 6 Changes in gross loans and exposures (cont.)

### Assets in default

#### Retail loans and residential mortgage loans

An account is considered in default if it is more than 90 days past due and the amount overdue is material. The threshold for being considered material has been set at NOK 1,000 and at least 1% of the customer's total balance. If an account is in default, all of the customer's other accounts in the same product group are also considered in default.

A customer is considered in default if the customer has an account in default that represents over 20% of the total exposure to the customer, or if there is an indication of unlikelihood to pay unless the collateral is realised.

#### Other advances

A customer is considered in default if at least one of their accounts is more than 90 days past due and the amount overdue is material, or if there is an indication of unlikelihood to pay unless the collateral is realised. The threshold for being considered material has been set at NOK 2,000 and at least 1% of the customer's total balance.

The following may be indications of unlikelihood to pay

- An individually assessed allowance has been made for the customer
- Insolvency/Bankruptcy
- Debt restructuring
- Debt restructuring/relief that reduces the value of the asset by more than 1%
- Realisation of the collateral
- Expectation of insolvency/bankruptcy or payment default

Customers or accounts in payment default have a probation period of at least 3 months.

Customers or accounts in default in conjunction with debt restructuring have a probation period of at least 12 months.

Assets in default shall be considered equivalent to credit-impaired assets as defined in IFRS 9.

CONSOLIDATED	Gross loans			Guarantees and undrawn credit facilities			Loss allowance		
	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23
More than 90 days past due	216	141	204	4	2	5	71	50	75
Other assets in default	439	619	592	13	33	23	50	92	61
<b>Total assets in default</b>	<b>655</b>	<b>760</b>	<b>796</b>	<b>17</b>	<b>34</b>	<b>27</b>	<b>121</b>	<b>142</b>	<b>135</b>
<i>Of which in the retail market</i>	406	336	285	3	3	2	29	24	19
<i>Of which in the corporate and public sector markets</i>	249	424	316	15	31	35	91	117	97

## Note 7 Loans to customers and exposures by sector and industry

	Gross loans			Guarantees and undrawn credit facilities		
	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23
<b>CONSOLIDATED</b>						
Wage and salary earners and pensioners	50 474	48 270	48 666	5 364	3 952	3 803
Public sector	14	19	4	144	94	119
Farming and forestry	1 688	1 629	1 690	282	216	187
Fishing and hunting	2 069	2 073	2 092	158	158	137
Aquaculture and hatcheries	570	533	549	135	81	127
Industry and mining	756	791	802	902	855	936
Power/water supply	579	623	739	450	27	344
Building and construction	1 601	1 623	1 603	565	497	618
Commerce/retail	590	854	993	430	455	426
Transport	715	570	563	158	143	122
Hotels and tourism	537	450	471	54	51	52
Services	819	826	835	134	556	116
Property management	5 654	5 222	5 280	483	449	293
Other	0	0	0	0	0	0
<b>Total</b>	<b>66 066</b>	<b>63 482</b>	<b>64 286</b>	<b>9 258</b>	<b>7 536</b>	<b>7 280</b>
<i>Of which in the retail market</i>	<i>50 474</i>	<i>48 270</i>	<i>48 666</i>	<i>5 364</i>	<i>3 952</i>	<i>3 803</i>
<i>Of which in the corporate and public sector markets</i>	<i>15 592</i>	<i>15 211</i>	<i>15 621</i>	<i>3 893</i>	<i>3 584</i>	<i>3 477</i>
	Loans in default and at risk of default			Loss allowance		
<b>CONSOLIDATED</b>	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23
Wage and salary earners and pensioners	409	339	394	70	71	74
Public sector	0	0	0	0	0	0
Farming and forestry	6	5	9	11	6	11
Fishing and hunting	8	171	163	19	21	20
Aquaculture and hatcheries	1	3	1	5	4	7
Industry and mining	31	10	11	25	11	12
Power/water supply	3	3	3	9	12	10
Building and construction	105	110	131	74	80	85
Commerce/retail	10	38	11	6	16	7
Transport	0	1	4	1	1	1
Hotels and tourism	2	1	3	2	4	4
Services	37	93	48	27	35	30
Property management	60	20	45	70	77	75
Other	0	0	0	0	0	0
<b>Total</b>	<b>673</b>	<b>794</b>	<b>823</b>	<b>319</b>	<b>337</b>	<b>336</b>
<i>Of which in the retail market</i>	<i>409</i>	<i>339</i>	<i>394</i>	<i>70</i>	<i>71</i>	<i>74</i>
<i>Of which in the corporate and public sector markets</i>	<i>263</i>	<i>455</i>	<i>429</i>	<i>249</i>	<i>266</i>	<i>262</i>

## Note 8 Customer deposits by sector and industry

	30.09.24	30.09.23	31.12.23
Retail market	22 642	21 553	21 699
Corporate Market	12 917	12 445	11 940
Public sector/other	2 454	2 361	2 157
<b>Customer deposits</b>	<b>38 013</b>	<b>36 359</b>	<b>35 796</b>
<b>Breakdown of customer deposits, consolidated</b>			
Deposits from and debt to customers at amortised cost	33 672	33 634	32 327
Deposits from and debt to customers at fair value	4 341	2 725	3 469
<b>Customer deposits</b>	<b>38 013</b>	<b>36 359</b>	<b>35 796</b>
<b>Breakdown of customer deposits, parent company</b>			
Deposits from and debt to customers at amortised cost	33 706	33 661	32 358
Deposits from and debt to customers at fair value	4 341	2 725	3 469
<b>Customer deposits</b>	<b>38 046</b>	<b>36 386</b>	<b>35 827</b>

## Note 9 Debt securities in issue

CONSOLIDATED	FACE VALUE			CARRYING AMOUNT		
	30.09.24	30.09.23	31.12.23	30.09.24	30.09.23	31.12.23
Bonds in issue	20 013	18 417	18 717	20 206	18 608	18 911
- of which own bonds, not amortised	- 583	- 254	- 354	- 589	- 257	- 358
<b>Debt securities in issue at amortised cost</b>	<b>19 430</b>	<b>18 163</b>	<b>18 363</b>	<b>19 617</b>	<b>18 350</b>	<b>18 553</b>
Bonds in issue (MRELS)	500	1 400	1 400	504	1 412	1 413
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities in issue (MRELS) at amortised cost</b>	<b>500</b>	<b>1 400</b>	<b>1 400</b>	<b>504</b>	<b>1 412</b>	<b>1 413</b>
Bonds in issue (MRELS)	2 450	1 100	1 350	2 486	958	1 282
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities (MRELS) measured at fair value</b>	<b>2 450</b>	<b>1 100</b>	<b>1 350</b>	<b>2 486</b>	<b>958</b>	<b>1 282</b>
Bonds in issue	6 425	7 145	7 025	6 153	6 570	6 793
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities measured at fair value</b>	<b>6 425</b>	<b>7 145</b>	<b>7 025</b>	<b>6 153</b>	<b>6 570</b>	<b>6 793</b>
<b>Total debt securities in issue</b>	<b>28 805</b>	<b>27 808</b>	<b>28 138</b>	<b>28 760</b>	<b>27 291</b>	<b>28 040</b>

### MATURITY STRUCTURE OF DEBT SECURITIES (NET FACE VALUE)

	30.09.24	30.09.23	31.12.23
2023	0	120	0
2024	613	3 363	3 263
2025	8 317	6 800	6 800
2026	5 000	5 000	5 000
2027	7 200	6 200	6 500
2028	1 100	1 100	1 100
2029	2 350	1 000	1 250
2030	1 000	1 000	1 000
2031	200	200	200
2032	525	525	525
2033	1 000	1 000	1 000
2034	1 000	1 000	1 000
2037	500	500	500
<b>Total debt securities (net face value)</b>	<b>28 805</b>	<b>27 808</b>	<b>28 138</b>
<b>New debt securities issued in 2024</b>	<b>4 800</b>		
<b>Net repayment of debt securities in 2024</b>	<b>3 745</b>		

### PARENT COMPANY

Debt securities in issue by valuation method (carrying amount)

	30.09.24	30.09.23	31.12.23
Debt securities in issue at amortised cost	3 134	2 516	2 818
Debt securities in issue (MRELS) at amortised cost	504	1 412	1 413
Debt securities measured at fair value	1 404	2 060	2 006
Debt securities (MRELS) measured at fair value	2 486	958	1 282
<b>Total debt securities in issue</b>	<b>7 528</b>	<b>6 946</b>	<b>7 519</b>

The Bank uses hedge accounting for six fixed-rate covered bonds issued by its subsidiary Bustadkreditt Sogn og Fjordane AS. There is a ratio of virtually 1:1 between the hedged item (the bond) and the hedging instrument (the interest rate swap).



## Note 10 Capital adequacy

<b>EQUITY AND SUBORDINATED DEBT</b>	<b>30.09.24</b>	<b>30.09.23</b>	<b>31.12.23</b>
Equity share capital	1 948	1 948	1 948
Deduction for own equity certificates	- 5	- 4	- 3
Primary capital	798	700	798
Share premium account	16	16	16
Dividend equalisation reserve	2 788	2 690	2 982
Allocated dividends and gifts	195	0	507
Reserve for unrealised gains	449	550	476
Other equity	142	127	142
Profit/loss for the reporting period	884	646	0
<b>Equity excluding hybrid capital</b>	<b>7 215</b>	<b>6 672</b>	<b>6 866</b>
<b>Other core capital</b>			
Hybrid capital	544	450	450
<b>Equity</b>	<b>7 759</b>	<b>7 122</b>	<b>7 316</b>
<b>Deductions</b>			
Deferred tax assets	- 16	- 21	- 16
Other intangible assets	- 7	- 8	- 7
Deduction for ownership interests in other companies in financial sector	- 95	- 95	- 95
Adjustment to comply with prudent valuation rules	- 23	- 19	- 19
Dividends and gifts	- 195	0	- 507
Other deductions	- 3	0	0
Profit/loss for the reporting period	- 516	- 646	0
<b>Net core capital</b>	<b>6 904</b>	<b>6 333</b>	<b>6 671</b>
<b>Core Tier 1 capital</b>	<b>6 361</b>	<b>5 883</b>	<b>6 221</b>
<b>Supplementary capital</b>			
Subordinated debt instruments	800	700	700
<b>Net supplementary capital</b>	<b>800</b>	<b>700</b>	<b>700</b>
<b>Net equity and subordinated debt</b>	<b>7 704</b>	<b>7 033</b>	<b>7 371</b>
<b>BASIS FOR CALCULATION</b>			
<b>Credit risk</b>	<b>30.09.24</b>	<b>30.09.23</b>	<b>31.12.23</b>
Local and regional authorities	7	7	5
Institutions	370	324	274
Enterprises	2 621	2 479	2 512
Retail loans	4 181	4 521	4 457
Residential mortgage loans	23 454	21 365	21 924
Overdue advances	585	737	783
Particularly high-risk assets (property development projects)	250	250	259
Equity investments	1 497	1 867	1 330
Covered bonds	622	574	535
Other advances	26	125	122
<b>Total calculation basis for credit risk</b>	<b>33 613</b>	<b>32 249</b>	<b>32 202</b>
Currency risk	0	0	0
Operational risk	2 659	2 300	2 659
CVA	161	182	180
<b>Total calculation basis</b>	<b>36 434</b>	<b>34 731</b>	<b>35 041</b>
<b>CAPITAL ADEQUACY</b>			
Capital adequacy ratio	21,15 %	20,25 %	21,03 %
Core capital adequacy ratio	18,95 %	18,24 %	19,04 %
Core Tier 1 capital adequacy ratio	17,46 %	16,94 %	17,75 %
Unweighted core capital ratio	8,22 %	8,38 %	8,84 %

The capital adequacy ratio has been calculated using the Basel II capital adequacy regulations. The standardised approach has been used for credit risk, whilst the basic indicator approach has been used for operational risk. The original exposure method has been used for derivatives.

## Note 11 Transactions with related parties

Agreements and transactions between the parties have been made on market terms, as if they had been agreed between two totally independent parties.

In the consolidated financial statements, transactions between the parent and its subsidiaries have been eliminated.

## Note 12 Equity share capital and organisational structure

### Parent company

#### The equity share capital was raised as follows:

Year	Equity share capital (NOK)	Face value of each equity certificate (NOK)	Number of equity certificates
2010 Initial issue of equity certificates	1 894 953 000	100	18 949 530
2016 Equity certificates issued to existing shareholders	50 000 000	100	500 000
2016 Equity certificates issued to employees and Board	3 365 700	100	33 657
	<b>1 948 318 700</b>		<b>19 483 187</b>

*Figures in NOK '000s unless otherwise specified*

<b>Equity share capital</b>		<b>30.09.24</b>	<b>30.09.23</b>	<b>31.12.23</b>
Equity certificates		1 948 319	1 948 319	1 948 319
Share premium account		15 608	15 608	15 608
Dividend equalisation reserve		2 788 057	2 689 515	2 982 203
Own equity certificates		- 4 564	- 4 301	- 3 401
<b>Total equity share capital (A)</b>		<b>4 747 420</b>	<b>4 649 141</b>	<b>4 942 729</b>
<b>Primary capital (B)</b>		<b>797 730</b>	<b>700 305</b>	<b>797 730</b>
Reserve for unrealised gains		475 652	569 237	475 652
Hybrid capital		543 789	450 000	450 000
Proposed allocation for dividends and gifts		194 832	0	507 080
Other equity		832 282	651 437	0
<b>Total equity</b>		<b>7 591 704</b>	<b>7 020 120</b>	<b>7 173 191</b>
<b>Equity share capital ratio A / (A+B) after disbursal of dividends</b>		<b>85,61 %</b>	<b>86,91 %</b>	<b>86,10 %</b>
Parent company's earnings per equity certificate (weighted), in NOK		37,97	29,92	37,10
Consolidated earnings per equity certificate (weighted), in NOK		39,09	28,81	37,79
Consolidated book equity per equity certificate in NOK (excl. hybrid capital)		318,88	297,64	303,41
<b>Proposed allocation for dividends</b>				
Dividend payable per equity certificate, in NOK		10,00	0,00	25,00
<b>Total dividends</b>		<b>194 832</b>		<b>487 080</b>
<b>Proposed allocation for gifts</b>				
Charitable donations		0		20 000
<b>Total proposed allocation for dividends and gifts</b>		<b>194 832</b>		<b>507 080</b>
<b>Dividends and gifts as a % of consolidated profit after taxation</b>				<b>59,9 %</b>
<b>Dividends and gifts as a % of parent company profit after taxation</b>				<b>61,0 %</b>

## Note 12 Equity share capital and organisational structure (cont.)

### 20 largest holders of equity certificates with an interest of at least 1%

	30.09.24	
	Number of equity certificates	Percentage
Sparebankstiftinga Sogn og Fjordane	18 074 372	92,77 %
Sparebankstiftinga Fjaler	1 152 992	5,92 %
Other *)	227 960	1,17 %
Own equity certificates	27 863	0,14 %
<b>Total</b>	<b>19 483 187</b>	<b>100,00 %</b>

\*) Other owners of equity certificates comprise employees, Board members and former employees at Sparebanken Sogn og Fjordane.

### Equity certificates held by key personnel

Equity certificates held by the CEO, senior management team, members of the Board of Directors and their personal related parties, as defined by Section 7-26 of the Norwegian Accounting Act.

	Number of equity certificates
Harald Slettvoll, Director of Risk Management and Compliance	4 632
Trond Teigene, CEO	4 075
Vasseth AS and Frode Vasseth, CFO	3 825
Advokatfirmaet Hvidsten v/ Jan Nikolai Hvidsten, Deputy member of the board	3 100
RLK Holding AS represented by Johnny Haugsbakk, Board member	3 000
Eirik Rostad Ness, Director of Human Resources	2 072
Mar Invest AS represented by Kristian Skibenes, Board member	2 000
Linda Marie Vøllestad Westbye, Retail Banking Director	1 900
Roy Stian Farsund, Corporate Banking Director	1 400
Helene Gåsemyr, Deputy member of the board, employee representative	1 180
Ole Hermann Rognsøy, Board member employee representative	1 060
Reiel Haugland, Director of Strategic Projects	798
Jill Aasen Hole, Acting Technology Director	535
Bjørn-Egil Holmøyvik, Deputy member of the board, employee representative	463
Lise Mari Haugen, Chair	450
Johanne Viken Sandnes, Director of Communications	399
<b>Total equity certificates held by key personnel and Board members</b>	<b>30 889</b>

### Information about voting rights, etc.

Representatives elected by the equity certificate owners shall have 40% of the votes at the AGM.

Representatives elected by and from our customers shall have 36% of the votes at the AGM.

Representatives elected by and from our employees shall have 24% of the votes at the AGM.

As well as requiring majority support at the AGM in the same way as for changes to the articles of association the following matters require the support of at least 2/3 of the votes representing the equity certificate holders:

- Buying back equity certificates (Financial Institutions Act, Section 10-5)
- Any reduction or increase in the equity share capital (Financial Institutions Act, Sections 10-21 and 10-22)
- Establishing subscription rights (Financial Institutions Act, Section 10-23)
- Loans with a right to require that equity certificates be issued (Financial Institutions Act, Section 10-24)
- Decisions relating to mergers and demergers (Financial Institutions Act, Section 12-3))
- Decisions about restructuring (Financial Institutions Act, Section 12-14)

The articles of association entitle the Bank to issue negotiable equity certificates

## Note 13 Fair value of financial instruments

### FAIR VALUE OF FINANCIAL INSTRUMENTS MEASURED AT AMORTISED COST

	Carrying amount 30.09.24	Fair value 30.09.24	Carrying amount 30.09.23	Fair value 30.09.23	Carrying amount 31.12.23	Fair value 31.12.23
<b>CONSOLIDATED</b>						
<b>Assets</b>						
Cash and cash equivalents	10	10	20	20	18	18
Loans and advances to credit institutions/central banks	821	821	542	542	534	534
Loans to customers	60 382	60 382	59 845	59 845	60 577	60 577
<b>Total financial assets measured at amortised cost</b>	<b>61 213</b>	<b>61 213</b>	<b>60 407</b>	<b>60 407</b>	<b>61 129</b>	<b>61 129</b>
<b>Liabilities</b>						
Debt to credit institutions	506	506	503	503	502	502
Deposits from and debt to customers	33 672	33 672	33 634	33 634	32 327	32 327
Debt securities in issue	20 120	20 177	19 763	19 749	19 965	20 003
Subordinated debt instruments	803	803	705	705	705	705
<b>Total financial liabilities measured at amortised cost</b>	<b>55 102</b>	<b>55 159</b>	<b>54 605</b>	<b>54 591</b>	<b>53 500</b>	<b>53 538</b>

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

#### Classification by level

#### CONSOLIDATED

	Level 1	Level 2	Level 3	Total
<b>Assets at 30.09.24</b>				
Loans to customers	0	0	5 395	<b>5 395</b>
Commercial paper and bonds	0	8 576	0	<b>8 576</b>
Financial derivatives	0	376	0	<b>376</b>
Shares	0	9	360	<b>369</b>
<b>Total financial assets measured at fair value</b>	<b>0</b>	<b>8 961</b>	<b>5 755</b>	<b>14 716</b>
<b>Liabilities at 30.09.24</b>				
Deposits from and debt to customers	0	0	4 341	<b>4 341</b>
Debt securities in issue	0	3 890	0	<b>3 890</b>
Debt securities in issue used as hedging instruments	0	4 749	0	<b>4 749</b>
Financial derivatives	0	591	0	<b>591</b>
<b>Total financial liabilities measured at fair value</b>	<b>0</b>	<b>9 230</b>	<b>4 341</b>	<b>13 570</b>

Assets and liabilities measured at fair value shall be classified according to how reliable the fair value estimate is.

There are three classification levels:

- Level 1: Prices quoted in active markets
- Level 2: Valuation is directly or indirectly based on observable prices for similar assets
- Level 3: Valuation is not based on observable prices, and instead relies on e.g. our own valuation models.

#### Breakdown of fair value, level 3

<b>CONSOLIDATED</b>	Financial assets		Financial liabilities
	Loans to customers	Shares	Customer deposits
<b>At 30.09.24</b>			
Nominal value/cost	5 497	260	4 341
Fair value adjustment	- 102	100	0
<b>Total fair value</b>	<b>5 395</b>	<b>360</b>	<b>4 341</b>

## Note 13 Fair value of financial instruments (cont.)

### Breakdown of changes in level 3:

	Financial assets Loans to customers	Shares	Financial liabilities Deposits from and debt to customers
<b>CONSOLIDATED</b>			
<b>Carrying amount at 30.06.24</b>	<b>3 874</b>	<b>350</b>	<b>4 127</b>
Net gains/losses on financial instruments through profit or loss	45	10	0
Acquisitions over the period	1 476	0	214
Sales/redemptions over the period	0	0	0
Moved into level 3	0	0	0
Moved out of level 3	0	0	0
<b>Carrying amount at 30.09.24</b>	<b>5 395</b>	<b>360</b>	<b>4 341</b>

Loans to customers and customer deposits measured at fair value comprise fixed-rate loans and deposits. The acquisitions/purchases or sales/redemptions shown for the period represent the net change excluding changes in market value. Fixed-rate deposits and fixed-rate loans are valued based on discounted cash flows. The discount rate that we use is supposed to represent the interest rate on an equivalent new product issued at the reporting date. To help us value retail loans, we use the fixed rates offered by a representative sample of our competitors. For the corporate market we use our own internal calculation models for those products.

### Sensitivity analysis, level 3

For fixed-rate deposits the average remaining term is approximately 0.3 years. Using a simple duration-based approach, a 1% fall in interest rates will increase the value of our fixed-rate deposits by approximately NOK 12.7 million. For fixed-rate loans the weighted average remaining term is approx. 3 years. Calculated simply, a 1% rise in the discount rate will reduce the value of our fixed-rate loans by approximately NOK 164 million.

Shares defined as level 3 assets are not listed on a stock exchange, have no known transactions and are shares for which the Bank has no observable assets that can be used for valuation purposes. In such cases we use our own valuations based on discounted cash flows or an analysis of key figures. For companies valued using a cash flow model, a required rate of return on equity of 10.7 % has been used. A 10% reduction in the price to book ratio of a company valued using key figures and a 1 percentage point increase in the required rate of return in the cash flow models would cut the value by approx. NOK 36.9 million.

### Method used to calculate fair value of financial instruments

For more information about how the fair value of financial instruments is calculated, please see our 2023 annual report.

## Note 14 Off-balance-sheet items

<b>Guarantees</b>	<b>30.09.24</b>	<b>30.09.23</b>	<b>31.12.23</b>
Payment guarantees	841	584	691
Contract guarantees	266	297	277
Other guarantee liabilities	68	62	62
<b>Total in NOK</b>	<b>1 175</b>	<b>943</b>	<b>1 030</b>

# Income statement, parent company

AMOUNTS IN MILLIONS OF NOK	Note	01.01. - 30.09.24	01.01. - 30.09.23	2023
Interest income		2 432	1 889	2 658
Interest expenses		1 450	962	1 401
<b>Net interest income</b>		<b>982</b>	<b>926</b>	<b>1 257</b>
Commission income		129	126	167
Commission expenses		28	24	34
Net gains/losses on financial instruments		412	178	160
Other income		9	10	13
<b>Net other operating income</b>		<b>521</b>	<b>290</b>	<b>307</b>
<b>Total revenues</b>		<b>1 503</b>	<b>1 216</b>	<b>1 564</b>
Wages, salaries, etc.		222	201	274
Other expenses		235	157	219
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets		20	18	26
<b>Total operating expenses</b>		<b>476</b>	<b>376</b>	<b>519</b>
<b>Profit/loss before impairment loss</b>		<b>1 026</b>	<b>840</b>	<b>1 045</b>
Impairment loss		13	- 3	- 6
<b>Profit/loss before taxation</b>		<b>1 013</b>	<b>843</b>	<b>1 051</b>
Tax expense		154	172	219
<b>Profit/loss for the reporting period</b>		<b>859</b>	<b>671</b>	<b>832</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>Profit/loss for the reporting period</b>		<b>859</b>	<b>671</b>	<b>832</b>
<b>Other comprehensive income</b>				
<b>Other items that will never be reclassified to profit or loss, after tax</b>				
Remeasurements, pensions		0	0	0
<b>Total other items that will never be reclassified to profit or loss, after tax</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive income</b>		<b>859</b>	<b>671</b>	<b>832</b>

# Balance sheet, parent company

AMOUNTS IN MILLIONS OF NOK

	30.09.24	30.09.23	31.12.23
<b>ASSETS</b>			
Cash and cash equivalents	10	20	18
Loans and advances to credit institutions/central banks	3 356	3 483	3 140
Loans to customers	40 308	37 942	38 888
Commercial paper and bonds measured at fair value	8 002	7 352	7 194
Financial derivatives	724	1 084	741
Shares and other securities with variable returns	369	728	734
Investments in associates and joint ventures	658	0	0
Investments in subsidiaries	2 212	2 212	2 212
Intangible assets and goodwill	7	9	8
Fixed assets	81	89	88
Deferred tax assets	26	29	26
Other assets	367	370	124
<b>Total assets</b>	<b>56 120</b>	<b>53 320</b>	<b>53 173</b>
<b>DEBT AND EQUITY</b>			
Debt to credit institutions	910	747	731
Deposits from and debt to customers	38 046	36 386	35 827
Debt securities in issue	7 528	6 946	7 519
Financial derivatives	627	1 042	669
Tax payable	153	171	216
Other liabilities and provisions	460	301	333
Subordinated debt instruments	803	705	705
<b>Total liabilities</b>	<b>48 528</b>	<b>46 300</b>	<b>46 000</b>
Equity share capital	4 747	4 649	4 943
Primary capital	798	700	798
Other equity	1 308	1 221	476
Hybrid capital	544	450	450
Proposed allocation for dividends and gifts	195	0	507
<b>Total equity</b>	<b>7 592</b>	<b>7 020</b>	<b>7 173</b>
<b>Total debt and equity</b>	<b>56 120</b>	<b>53 320</b>	<b>53 173</b>

# Consolidated income statement

As a % of average total assets

	30.09.24	30.09.23	31.12.23
Interest income	6,04 %	4,99 %	5,22 %
Interest expenses	3,94 %	2,99 %	3,20 %
<b>Net interest income</b>	<b>2,09 %</b>	<b>2,01 %</b>	<b>2,02 %</b>
Commission income	0,23 %	0,23 %	0,23 %
Commission expenses	0,05 %	0,04 %	0,05 %
Net gains/losses on financial instruments	0,48 %	0,08 %	0,05 %
Other income	0,04 %	0,04 %	0,04 %
<b>Net other operating income</b>	<b>0,71 %</b>	<b>0,32 %</b>	<b>0,28 %</b>
<b>Total revenues</b>	<b>2,80 %</b>	<b>2,32 %</b>	<b>2,30 %</b>
Wages, salaries, etc.	0,42 %	0,40 %	0,41 %
Other expenses	0,43 %	0,30 %	0,32 %
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets	0,03 %	0,03 %	0,03 %
<b>Total operating expenses</b>	<b>0,88 %</b>	<b>0,73 %</b>	<b>0,75 %</b>
<b>Profit/loss before impairment loss</b>	<b>1,92 %</b>	<b>1,59 %</b>	<b>1,55 %</b>
Impairment loss	0,01 %	0,03 %	0,02 %
<b>Profit/loss before taxation</b>	<b>1,91 %</b>	<b>1,56 %</b>	<b>1,53 %</b>
Tax expense	0,35 %	0,37 %	0,36 %
<b>Profit/loss for the reporting period</b>	<b>1,56 %</b>	<b>1,19 %</b>	<b>1,17 %</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>Profit/loss for the reporting period</b>	<b>1,56 %</b>	<b>1,19 %</b>	<b>1,17 %</b>
<b>Other comprehensive income</b>			
Remeasurements, pensions	0,00 %	0,00 %	0,00 %
<b>Total other comprehensive income for the year, after tax</b>	<b>0,00 %</b>	<b>0,00 %</b>	<b>0,00 %</b>
<b>Comprehensive income</b>	<b>1,56 %</b>	<b>1,19 %</b>	<b>1,17 %</b>
<b>AVERAGE TOTAL ASSETS</b>	<b>75 613</b>	<b>72 307</b>	<b>72 573</b>



# Consolidated financial results by quarter

	Q3 24	Q2 24	Q1 24	Q4 23	Q3 23
<b>Net interest income</b>	<b>405</b>	<b>394</b>	<b>387</b>	<b>381</b>	<b>379</b>
Other operating income	42	47	38	40	45
Dividends and gains/losses on financial instruments	222	24	28	- 11	- 29
<b>Net other operating income</b>	<b>264</b>	<b>71</b>	<b>66</b>	<b>29</b>	<b>15</b>
<b>Total revenues</b>	<b>669</b>	<b>464</b>	<b>453</b>	<b>410</b>	<b>395</b>
Operating expenses	181	159	157	150	141
<b>Profit/loss before impairment loss</b>	<b>487</b>	<b>306</b>	<b>296</b>	<b>259</b>	<b>254</b>
Impairment loss	- 5	19	- 10	- 1	30
<b>Profit/loss before taxation</b>	<b>492</b>	<b>287</b>	<b>306</b>	<b>260</b>	<b>225</b>
Tax expense	61	66	74	59	58
<b>Profit/loss after taxation</b>	<b>431</b>	<b>221</b>	<b>232</b>	<b>201</b>	<b>166</b>
Remeasurements, pensions	0	0	0	0	0
<b>COMPREHENSIVE INCOME</b>	<b>431</b>	<b>221</b>	<b>232</b>	<b>201</b>	<b>166</b>
	Q2 23	Q1 23	Q4 22	Q3 22	
<b>Net interest income</b>	<b>356</b>	<b>350</b>	<b>332</b>	<b>291</b>	
Other operating income	45	37	46	43	
Dividends and gains/losses on financial instruments	60	14	1	- 18	
<b>Net other operating income</b>	<b>105</b>	<b>51</b>	<b>47</b>	<b>25</b>	
<b>Total revenues</b>	<b>462</b>	<b>401</b>	<b>379</b>	<b>315</b>	
Operating expenses	128	127	128	128	
<b>Profit/loss before impairment loss</b>	<b>334</b>	<b>274</b>	<b>250</b>	<b>187</b>	
Impairment loss	- 11	- 4	30	2	
<b>Profit/loss before taxation</b>	<b>345</b>	<b>278</b>	<b>220</b>	<b>185</b>	
Tax expense	75	69	51	42	
<b>Profit/loss after taxation</b>	<b>270</b>	<b>210</b>	<b>169</b>	<b>143</b>	
Remeasurements, pensions	0	0	0	0	
<b>COMPREHENSIVE INCOME</b>	<b>270</b>	<b>210</b>	<b>169</b>	<b>143</b>	

# Consolidated financial results by quarter

As a % of average total assets

	Q3 24	Q2 24	Q1 24	Q4 23	Q3 23
<b>Net interest income</b>	<b>2,11 %</b>	<b>2,07 %</b>	<b>2,07 %</b>	<b>2,05 %</b>	<b>2,05 %</b>
Other operating income	0,22 %	0,25 %	0,20 %	0,22 %	0,24 %
Dividends and changes in the value of fin. instr.	1,16 %	0,12 %	0,15 %	- 0,06 %	- 0,16 %
<b>Net other operating income</b>	<b>1,38 %</b>	<b>0,37 %</b>	<b>0,35 %</b>	<b>0,16 %</b>	<b>0,08 %</b>
<b>Total revenues</b>	<b>3,50 %</b>	<b>2,43 %</b>	<b>2,42 %</b>	<b>2,23 %</b>	<b>2,15 %</b>
Operating expenses	0,95 %	0,83 %	0,84 %	0,82 %	0,76 %
<b>Profit/loss before impairment loss</b>	<b>2,55 %</b>	<b>1,60 %</b>	<b>1,58 %</b>	<b>1,41 %</b>	<b>1,38 %</b>
Impairment loss	- 0,02 %	0,10 %	- 0,05 %	0,00 %	0,16 %
<b>Profit/loss before taxation</b>	<b>2,57 %</b>	<b>1,50 %</b>	<b>1,63 %</b>	<b>1,42 %</b>	<b>1,22 %</b>
Tax expense	0,32 %	0,34 %	0,39 %	0,32 %	0,32 %
<b>Profit/loss after taxation</b>	<b>2,26 %</b>	<b>1,16 %</b>	<b>1,24 %</b>	<b>1,10 %</b>	<b>0,91 %</b>
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
<b>COMPREHENSIVE INCOME</b>	<b>2,26 %</b>	<b>1,16 %</b>	<b>1,24 %</b>	<b>1,10 %</b>	<b>0,91 %</b>
	Q2 23	Q1 23	Q4 22	Q3 22	
<b>Net interest income</b>	<b>1,97 %</b>	<b>1,99 %</b>	<b>1,86 %</b>	<b>1,65 %</b>	
Other operating income	0,25 %	0,21 %	0,26 %	0,25 %	
Dividends and changes in the value of fin. instr.	0,33 %	0,08 %	0,00 %	- 0,10 %	
<b>Net other operating income</b>	<b>0,58 %</b>	<b>0,29 %</b>	<b>0,27 %</b>	<b>0,14 %</b>	
<b>Total revenues</b>	<b>2,54 %</b>	<b>2,25 %</b>	<b>2,14 %</b>	<b>1,80 %</b>	
Operating expenses	0,71 %	0,71 %	0,73 %	0,73 %	
<b>Profit/loss before impairment loss</b>	<b>1,84 %</b>	<b>1,54 %</b>	<b>1,42 %</b>	<b>1,07 %</b>	
Impairment loss	- 0,06 %	- 0,02 %	0,17 %	0,01 %	
<b>Profit/loss before taxation</b>	<b>1,90 %</b>	<b>1,56 %</b>	<b>1,25 %</b>	<b>1,06 %</b>	
Tax expense	0,41 %	0,39 %	0,29 %	0,24 %	
<b>Profit/loss after taxation</b>	<b>1,49 %</b>	<b>1,18 %</b>	<b>0,96 %</b>	<b>0,82 %</b>	
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %	
<b>COMPREHENSIVE INCOME</b>	<b>1,49 %</b>	<b>1,18 %</b>	<b>0,96 %</b>	<b>0,82 %</b>	

To the board of SpareBank 1 Sogn og Fjordane

## REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

### **Introduction**

We have reviewed the accompanying consolidated balance sheet of SpareBank 1 Sogn og Fjordane as of 30 September 2024 and the related consolidated statements of income, changes in equity and cash flows for the three-month period then ended, and a summary of significant accounting policies and other explanatory notes.

Management is responsible for the preparation of this interim financial information that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU. Our responsibility is to express a conclusion on this interim financial information based on our review.

### **Scope of Review**

We conducted our review in accordance with International Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not give a true and fair view of the financial position of the entity as at 30 September 2024, and of its financial performance and its cash flows for the nine-month period then ended in accordance with IFRS Accounting Standards as adopted by the EU.

Florø, 30 October 2024  
Deloitte AS

Hallgeir A. Bruvik  
State Authorised Public Accountant

# Information about the company

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