

Quarterly report 2025

Q3

SR-Boligkreditt

Statement of the Board of Directors.....	3
<i>Statement of changes in equity.....</i>	6
<i>Cash flow statement</i>	7
<i>Notes to The Financial statements</i>	8
<i>Note 1 Accounting policies</i>	8
<i>Note 2 Amounts arising from ECL</i>	9
<i>Note 3 Lending to customers</i>	9
<i>Note 4 Capital adequacy</i>	10
<i>Note 6 Asset coverage</i>	12
<i>Note 7 Financial derivatives</i>	13
<i>Note 8 Net income from financial instruments</i>	13
<i>Note 9 Events after the balance sheet date.....</i>	14

Statement of the Board of Directors

SR-Boligkreditt AS is a wholly owned subsidiary of SpareBank 1 Sør-Norge ("the Bank"). The company issues covered bonds backed by home mortgages acquired from the Bank. Moody's rates SR-Boligkreditt AS's covered bond programme Aaa.

Income statement as of 30 September 2025

Net income totalled NOK 908.7 million as of 30 September 2025.

(Amounts in NOK millions)	01.01.25 - 30.09.25	01.01.24 - 30.09.24
Total income	908,7	393,7
Net interest income	731,4	682,9
Net commission cost	52,6	49,6
Net income on financial investments	229,8	-239,7

Operating expenses are kept low due to effective operation and synergies with the Bank. Net income on financial investments is volatile due to changes in value of basis swaps.

Balance sheet

At end of September 2025, total assets stood at NOK 142.9 billion. SR-Boligkreditt AS has issued covered bonds amounting to NOK 122.7 billion.

Risk

SR-Boligkreditt AS has established guidelines and limits for management and control of the different types of risk. Currency and interest rate risk is eliminated using derivatives. Liquidity risk is managed in accordance with regulatory requirements and limits approved by the board. The company's overall financial risk is low. The servicing agreement with the Bank comprises administration, bank production, IT operations, and financial and liquidity management. Operational risk is assessed as low. Negative developments in the housing market will affect the company. A decline in house prices will reduce the value of the company's cover pool relative to the statutory asset coverage requirement. Quarterly stress tests are carried out to estimate effects of a negative development in house prices. One short-term measure to meet a significant fall in house prices would be to supply SR-Boligkreditt with home mortgages from the Bank. The board considers the company's total risk

exposure to be low. At the end of September 2025, the company's equity totalled NOK 7.7 billion. The capital adequacy ratio was 17.75%.

Outlook

Norges Bank reduced the policy rate to 4.00 percent in September and signals further cuts towards 3.2 percent by the end of 2028.

Low unemployment rate and growth in real wages will support the Norwegian economy and lead to moderate to high growth in house prices.

SR-Boligkreditt will continue to build the company's funding curve and to provide funding diversification for the parent bank. The volume of covered bond issues in 2025 is expected to be approximately NOK 20 billion, and to provide a sound basis for lending activities. Defaults are expected to be low and SR-Boligkreditt AS's activities are expected to generate satisfactory profitability in 2025.

The board would like to emphasise that there is considerable uncertainty associated with all assessments of future conditions.

Statement pursuant to the Securities Trading Act

Statement pursuant to Section 5-6 of the Securities Trading Act.

These interim financial statements for SR-Boligkreditt AS cover the period 1 January – 30 September 2025. The financial statements were prepared in accordance with IAS 34 Interim Financial Reporting and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company taken. To the best of our knowledge, the third quarter report gives a true and fair:

- overview of important events that occurred during the accounting period and their impact on the financial statements
- description of the principal risks and uncertainties facing the company over the next accounting period
- description of major transactions with related parties

Stavanger, 29 October 2025

The Board of Directors of SR-Boligkreditt AS

Income statement

NOK 1 000	Note	Q3 2025	Q3 2024	01.01.25 - 30.09.25	01.01.24 - 30.09.24	2024
Interest income effective interest method		1 681 797	1 548 112	4 866 420	4 571 473	6 100 423
Other interest income		24 093	28 571	73 438	84 893	113 316
Interest expense		1 452 355	1 351 999	4 208 414	3 973 433	5 313 825
Net interest income		253 535	224 684	731 444	682 933	899 914
Commission and fee expenses		18 302	16 960	52 553	49 602	66 338
Net commission expense		18 302	16 960	52 553	49 602	66 338
Net gains/losses on financial instruments	8	116 210	-49 430	229 833	-239 666	-429 018
Net income on financial investments		116 210	-49 430	229 833	-239 666	-429 018
Total net income		351 443	158 294	908 724	393 665	404 558
Other operating expense		851	1 093	3 784	2 913	3 891
Total operating expense before impairment losses on loans		851	1 093	3 784	2 913	3 891
Operating profit before impairment losses on loans		350 592	157 201	904 940	390 751	400 667
Impairment losses on loans and guarantees	2	-191	-1 022	-18 090	5 777	12 157
Pre-tax profit		350 783	158 223	923 030	384 974	388 510
Tax expenses		77 172	34 809	203 067	84 694	85 493
Profit after tax		273 611	123 414	719 963	300 280	303 017
Other comprehensive income						
Adjustments		0	0	0	0	0
Comprehensive Income		273 611	123 414	719 963	300 280	303 017

Balance sheet

NOK 1 000	Note	30.09.25	30.09.24	31.12.24
Assets				
Balances with credit institutions		7 690 444	5 044 757	32 293
Loans to customers	2, 3	121 704 449	105 649 371	106 483 616
Bonds		2 247 718	2 457 714	2 452 728
Financial derivatives	7	11 136 428	12 718 690	11 624 675
Deferred tax assets		117 311	67 598	117 311
Other assets		3 655	4 054	-0
Total assets		142 900 005	125 942 184	120 710 623
Liabilities and equity				
Liabilities				
Listed debt securities	5	122 749 523	100 893 778	104 117 572
Balances with credit institutions		7 276 843	12 644 079	4 557 851
Financial derivatives	7	4 945 612	6 012 989	5 584 929
Taxes payable		203 067	84 694	135 206
Deferred tax		0	0	0
Other liabilities		3 973	5 359	11 042
Total liabilities		135 179 019	119 640 899	114 406 601
Equity				
Share capital		7 000 000	6 000 000	6 000 000
Premium reserve		150	150	150
Retained earnings		720 836	301 135	303 872
Total equity		7 720 986	6 301 285	6 304 022
Total liabilities and equity		142 900 005	125 942 184	120 710 623

Statement of changes in equity

NOK 1 000	Share capital	Premium reserve	Other equity	Total equity
Equity as of 31 December 2023	6 000 000	150	138 855	6 139 005
Dividend 2023, resolved in 2024			-138 000	-138 000
Profit for the period			300 280	300 280
Equity as of 30 September 2024	6 000 000	150	301 135	6 301 285
Equity as of 31 December 2024	6 000 000	150	303 872	6 304 022
Dividend 2024, resolved in 2025			-303 000	-303 000
Share issue	1 000 000			1 000 000
Profit for the period			719 963	719 963
Equity as of 30 September 2025	7 000 000	150	720 836	7 720 986

Cash flow statement

NOK 1 000	30.09.25	30.09.24	31.12.24
Interest receipts from lending to customers	4 941 290	4 669 121	6 220 683
Provisions	-52 553	-49 602	-66 338
Payments for operations	-13 125	-7 224	1 742
Taxes paid	-135 206	-140 189	-140 189
Net cash flow relating to operations	4 740 406	4 472 106	6 015 898
Net purchase of loan portfolio	-15 205 552	-5 442 810	-6 277 803
Net payments on the acquisition of bonds	209 559	-94 669	-93 824
Net cash flow relating to investments	-14 995 993	-5 537 479	-6 371 627
Debt raised by issuance of securities	25 108 605	11 636 350	19 946 520
Redemption of issued securities	-6 533 421	0	-5 886 250
Net change in loans from credit institutions	2 718 992	-1 875 749	-9 961 977
Paid in capital equity	1 000 000	0	0
Interest payments on debt raised by issuance of securities	-4 077 438	-3 884 118	-5 189 218
Proceeds from settlement of other securities		0	1 245 300
Dividend paid	-303 000	-138 000	-138 000
Net cash flow relating to funding activities	17 913 737	5 738 483	16 376
Net cash flow during the period	7 658 150	4 673 111	-339 353
Balance of cash and cash equivalents start of period	32 293	371 646	371 646
Balance of cash and cash equivalents end of period	7 690 444	5 044 757	32 293

Notes to The Financial statements

Note 1 Accounting policies

1.1. Basis of preparation

These interim financial statements for SR-Boligkreditt AS cover the period 1 January – 30 September 2025. The interim financial statements were prepared in accordance with IAS 34 Interim Financial Reporting. The interim financial statements were also prepared in accordance with the applicable IFRS standards and IFRIC interpretations. The interim financial statements are unaudited. All amounts are stated in NOK thousands unless stated otherwise.

The interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual accounts for 2024.

New Standards that have not yet been adopted

There are no new standards or interpretations that are not currently in effect and could be expected to have a material effect on the financial statements.

New Standards that have been adopted

There are no new standards or interpretations as of 30 September 2025.

1.2. Critical accounting estimates and judgements

The preparation of financial information pursuant to IFRS entails the executive management making estimates, judgements and assumptions that affect the effect of the application of the accounting policies and thus the amounts recognized as assets, liabilities, income, and costs. Note 3 of the annual accounts for 2024 explains in more detail the use of critical estimates and judgements when applying the accounting policies.

Losses on loans and guarantees

There has not been any significant increase in credit losses during the year. Measurement of expected credit losses is described in Note 2 in the Annual Report 2024 and Note 2 and 3 in the interim report.

Note 2 Amounts arising from ECL

The following table show reconciliations from the opening to the closing balance of the loss allowance. Explanation of the terms 12-month ECL and lifetime ECL (stage 1-3) are included in note 2 in the annual account 2024.

NOK 1 000

ECL on loans and advances to customers at amortized cost	Stage 1	Stage 2	Stage 3	Total
Balance 1 January 2025	9 713	42 373	0	52 086
Transfer from stage 1	-292	292	0	0
Transfer from stage 2	9 936	-9 936	0	0
Transfer from stage 3	0	0	0	0
Net remeasurement of loss allowance	-10 190	3 535	0	-6 655
New financial assets originated or purchased	3 544	4 521	0	8 064
Change due to reduced portfolio	-2 630	-17 079	0	-19 709
Change in models/ risk parameters	0	0	0	0
Other movements	0	0	0	0
Balance 30 September 2025	10 081	23 706	0	33 786

NOK 1 000

ECL on remaining credit lines (flexible loans)	Stage 1	Stage 2	Stage 3	Total
Balance 1 January 2025	283	81	0	364
Transfer from stage 1	-4	4	0	0
Transfer from stage 2	43	-43	0	0
Transfer from stage 3	0	0	0	0
Net remeasurement of loss allowance	23	91	0	115
New financial assets originated or purchased	123	9	0	132
Change due to reduced portfolio	-31	-6	0	-37
Change in models/ risk parameters	0	0	0	0
Other movements	0	0	0	0
Balance 30 September 2025	438	137	0	575

Note 3 Lending to customers

Lending to customers are residential mortgages only. The mortgages generally have a low loan-to-value and losses have been very low. The total amount of lending to customers at the end of the period were NOK 121.7 billion. All mortgages carry a variable interest rate.

NOK 1 000	30.09.25	30.09.24	31.12.24
Flexible loans - retail market	28 842 008	23 306 464	23 196 786
Amortising loans - retail market	92 688 716	82 185 337	83 129 972
Accrued interest	207 512	203 133	208 944
Gross loans	121 738 236	105 694 934	106 535 703
Impairment provisions	-33 786	-45 563	-52 086
Loans to customers	121 704 449	105 649 371	106 483 616

Liability			
Remaining credit lines (flexible loans)	12 594 231	10 020 857	10 084 060
Total	12 594 231	10 020 857	10 084 060
Expected credit loss on remaining credit lines (flexible loans)	-575	-508	-364

Gross loans	Stage 1	Stage 2	Stage 3	Total
Balance 1 January 2025	100 278 806	6 256 896	0	106 535 702
Transfer from stage 1	-1 778 473	1 778 473	0	0
Transfer from stage 2	1 893 795	-1 893 795	0	0
Transfer from stage 3	0	0	0	0
Net increase/decrease balance existing loans	6 669 002	137 598	0	6 806 600
Originated or purchased during the period	41 793 301	870 020	0	42 663 321
Loans that have been derecognised	-32 018 377	-2 249 010	0	-34 267 387
Balance 30 September 2025	116 838 055	4 900 181	0	121 738 236

Note 4 Capital adequacy

Capital adequacy is calculated and reported in accordance with the EU's capital requirements for banks and securities undertakings (CRD IV/ CRR).

SR-Boligkreditt AS has permission from the Financial Supervisory Authority of Norway to use internal measurement methods (Internal Rating Based Approach) for quantifying credit risk. The use of IRB requires the company to comply with extensive requirements relating to organisation, expertise, risk models and risk management systems.

NOK 1 000	30.09.25	30.09.24	31.12.24
Share capital	7 000 000	6 000 000	6 000 000
Premium reserve	150	150	150
Other equity	720 836	301 135	303 872
Total equity	7 720 986	6 301 285	6 304 022
Deductions			
Proposed dividend	0	0	-303 000
IRB shortfall of credit risk adjustments to expected losses	-82 726	-133 572	-131 650
Profit for the period that cannot be included in total Tier 1 capital	-719 963	-300 280	
Value adjustment due to requirements concerning proper valuation	-2 330	-2 560	-2 732
Common equity Tier 1 capital	6 915 967	5 864 874	5 866 640
Other paid in capital	0	0	0
Net primary capital	6 915 967	5 864 874	5 866 640

Credit risk, IRB approach	14 185 238	21 294 978	21 759 502
Credit risk, standardised approach	3 606 141	3 779 462	2 720 813
Operational risk	1 804 499	1 299 605	1 253 324
Other risk exposure *	19 368 453	1 807 464	1 515 465
Total risk exposure amount	38 964 332	28 181 509	27 249 104
Minimum requirement for CET 1 capital ratio 4,5 %	1 753 395	1 268 168	1 226 210
Buffer requirements:			
Capital conservation buffer 2,5 %	974 108	704 538	681 228
Systemic risk buffer 4,5 %	1 753 395	1 268 168	1 226 210
Countercyclical capital buffer 2,5 %	974 108	704 538	681 228
Total buffer requirement to CET 1 capital ratio	3 701 612	2 677 243	2 588 665
Available CET 1 capital ratio after buffer requirement	1 460 961	1 919 462	2 051 766
Capital ratio	17,75 %	20,81 %	21,53 %
Tier 1 Capital ratio	17,75 %	20,81 %	21,53 %
CET 1 capital ratio	17,75 %	20,81 %	21,53 %
Leverage ratio	4,78 %	4,96 %	4,85 %

* Risk weights for residential mortgages are subject to a regulatory floor of 20%. Without this floor, the risk weight for residential mortgages would have been 10,3 % as of 30 September.2025.

Note 5 Debt securities issued

NOK 1 000	Total	NOK	Currency
Covered bonds	125 757 515	39 378 192	86 379 323
Value adjustments	-3 697 309	-336 914	-3 360 395
Accrued interests	689 317	257 813	431 505
Total securities issued	122 749 523	39 299 091	83 450 433

Securities issued by maturity date

Public covered bonds		Total	NOK	Currency
	2025	8 864 547	0	8 864 547
	2026	5 747 664	0	5 747 664
	2027	21 604 003	12 055 565	9 548 439
	2028	17 149 083	0	17 149 083
	2029	26 242 510	17 628 107	8 614 403
	2030	20 607 293	6 536 941	14 070 352
	2031	10 390 623	0	10 390 623
	2032	9 125 251	3 078 479	6 046 772
	2038	2 831 864	0	2 831 864
	2041	186 686	0	186 686
Total debt		122 749 523	39 299 091	83 450 433

Change in debt raised through issuance of securities

	Balance 30.06.25	Issued 2025	Matured/ redeemed 2025	Exchange rate and other changes 2025	Balance 31.12.24
Covered bonds	119.927.497	18.611.335	-6.533.421	503.965	107.345.618
Adjustments	-3.540.125			355.527	-3.895.653
Accrued interests	536.559			-131.048	667.606
Total debt raised through issuance of securities	116.923.931	18.611.335	-6.533.421	728.445	104.117.572

Note 6 Asset coverage

Asset coverage is calculated according to the Act on Financial Institutions, section 11-11. There is a discrepancy between the balance sheet amounts, partly because lending will be reduced due to non-performing loans (no occurrences of non-performance as of 30 September 2025), loans with a loan-to-value ratio in excess of 80 percent (60 percent for holiday homes) and the use of market values.

NOK 1 000	30.09.25	30.09.24	31.12.24
Covered bonds	115 437 295	93 344 375	96 203 425
Total covered bonds	115 437 295	93 344 375	96 203 425
Loans to customers	121 330 793	105 189 072	106 166 255
Substitute collateral	9 910 444	7 464 757	2 452 293
Total cover pool	131 241 237	112 653 830	108 618 548
Asset coverage	113,7 %	120,7 %	112,9 %

Note 7 Financial derivatives

At fair value through profit and loss NOK 1 000	Contract amount 30.09.25	Fair value at 30.09.25	
		Assets	Liabilities
Currency instruments			
Currency swaps (basis swaps)	87 046 168	10 946 128	428 135
Total currency instruments	87 046 168	10 946 128	428 135
Interest rate instruments, hedging			
Interest rate swaps	90 347 384	190 300	4 517 478
Total interest rate instruments, hedging	90 347 384	190 300	4 517 478
Total financial derivatives	177 393 552	11 136 428	4 945 612

SR-Boligkreditt AS has an ISDA agreement with a CSA supplement with the counterparty for derivatives. The agreement is one-way, which means only the counterparty must pledge security when the market value of derivatives fluctuates.

Note 8 Net income from financial instruments

NOK 1 000	30.09.25	30.09.24	31.12.24
Net gains for bonds and certificates	1 413	1 253	-2 801
Net change in value, basis swap spread	203 212	-232 514	-408 659
Net change in value, other financial investments	25 209	-8 405	-17 557
Net change in value, currency effect	0	0	0
Net income from financial instruments	229 833	-239 666	-429 018

Note 9 Events after the balance sheet date

No material events that affect the prepared interim financial statements have been recorded after 30 September 2025.

Contact Information

Address

Christen Tranes gate 35
Postboks 250
N-4066 Stavanger

Tel. (+47) 915 02 002

www.sr-bank.no/sr-boligkreditt

Chief Executive Officer

Dag A. Hjelle
Tel. (+47) 51 50 94 37
(+47) 909 500 88

Email: dag.hjelle@sb1sornorge.no