

Quarterly report 2025

Q4

SR-Boligkreditt

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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 31 December 2025

Net income totalled NOK 1 138.3 million as of 31 December 2025.

(Amounts in NOK millions)	01.01.25 - 31.12.25	01.01.24 - 31.12.24
Total income	1 138.3	404.6
Net interest income	981.2	899.9
Net commission cost	70.8	66.3
Net income on financial investments	227.8	-429.0

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 December 2025, total assets stood at NOK 131.8 billion. SR-Boligkreditt AS has issued covered bonds amounting to NOK 117.4 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 December 2025, the company's equity totaled NOK 8.9 billion. The capital adequacy ratio was 21.00%.

Allocation

Profit after depreciation and tax for the year 2025 amounted to NOK 907. The Board of Directors proposes to issue the profit of NOK 907 million as dividend to Sør-Norge.

Outlook

Norges Bank kept the policy rate unchanged at 4,00 percent in January, but signals future reductions 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 2026 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 emphasize 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 – 31 December 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, 11 February 2026

The Board of Directors of SR-Boligkreditt AS

Income statement

NOK 1 000	Note	Q4 2025	Q4 2024	01.01.25 - 31.12.25	01.01.24 - 31.12.24
Interest income effective interest method		1.563.380	1.528.950	6.429.800	6.100.423
Other interest income		22.979	28.423	96.418	113.316
Interest expense		1.336.560	1.340.392	5.544.974	5.313.825
Net interest income		249.800	216.981	981.244	899.914
Commission and fee expenses		18.211	16.736	70.764	66.338
Net commission expense		18.211	16.736	70.764	66.338
Net gains/losses on financial instruments	8	-2.037	-189.352	227.796	-429.018
Net income on financial investments		-2.037	-189.352	227.796	-429.018
Total net income		229.552	10.893	1.138.276	404.558
Other operating expense		1.089	978	4.873	3.891
Total operating expense before impairment losses on loans		1.089	978	4.873	3.891
Operating profit before impairment losses on loans		228.463	9.916	1.133.403	400.667
Impairment losses on loans and guarantees	2	-11.267	6.379	-29.357	12.157
Pre-tax profit		239.730	3.536	1.162.760	388.510
Tax expenses		52.746	799	255.812	85.493
Profit after tax		186.984	2.737	906.948	303.017
Other comprehensive income					
Adjustments		0	0	0	0
Comprehensive Income		186.984	2.737	906.948	303.017

Balance sheet

NOK 1 000	Note	31.12.25	31.12.24
Assets			
Balances with credit institutions		1.695.006	32.293
Loans to customers	2, 3	117.945.356	106.483.616
Bonds		2.245.859	2.452.728
Financial derivatives	7	9.874.685	11.624.675
Deferred tax assets		0	117.311
Other assets		0	0
Total assets		131.760.906	120.710.623
Liabilities and equity			
Liabilities			
Listed debt securities	5	114.409.116	104.117.572
Balances with credit institutions		3.484.237	4.557.851
Financial derivatives	7	4.818.421	5.584.929
Taxes payable		136.336	135.206
Deferred tax		2.165	0
Other liabilities		2.661	11.042
Total liabilities		122.852.936	114.406.601
Equity			
Share capital		8.000.000	6.000.000
Premium reserve		150	150
Retained earnings		907.820	303.872
Total equity		8.907.970	6.304.022
Total liabilities and equity		131.760.906	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			303.017	303.017
Equity as of 31 December 2024	6.000.000	150	303.872	6.304.022
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	2.000.000			2.000.000
Profit for the period			906.948	906.948
Equity as of 31 December 2025	8.000.000	150	907.820	8.907.970

Cash flow statement

NOK 1 000	31.12.25	31.12.24
Interest receipts from lending to customers	6.531.120	6.220.683
Provisions	-70.764	-66.338
Payments for operations	-10.560	1.742
Taxes paid	-135.206	-140.189
Net change in loans from credit institutions	-1.073.615	-9.961.977
Net payments on the acquisition of bonds	210.405	-93.824
Net cash flow relating to operations	5.451.380	-4.039.903
Net purchase of loan portfolio	-11.439.973	-6.277.803
Net cash flow relating to investments	-11.439.973	-6.371.627
Debt raised by issuance of securities	25.108.605	19.946.520
Redemption of issued securities	-15.350.421	-5.886.250
Paid in capital equity	2.000.000	0
Interest payments on debt raised by issuance of securities	-5.529.479	-5.189.218
Proceeds from settlement of other securities	1.725.600	1.245.300
Dividend paid	-303.000	-138.000
Net cash flow relating to funding activities	7.651.306	9.978.353
Net cash flow during the period	1.662.712	-339.353
Balance of cash and cash equivalents start of period	32.293	371.646
Balance of cash and cash equivalents end of period	1.695.006	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 – 31 December 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 31 December 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 shows 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	-253	253	0	0
Transfer from stage 2	9.685	-9.685	0	0
Transfer from stage 3	0	0	0	0
Net remeasurement of loss allowance	-10.833	-1.365	0	-12.198
New financial assets originated or purchased	3.825	3.936	0	7.761
Change due to reduced portfolio	-3.375	-21.194	0	-24.569
Change in models/ risk parameters	0	0	0	0
Other movements	0	0	0	0
Balance 31 December 2025	8.763	14.318	0	23.080

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	-2	2	0	0
Transfer from stage 2	41	-41	0	0
Transfer from stage 3	0	0	0	0
Net remeasurement of loss allowance	-269	-21	0	-290
New financial assets originated or purchased	2	0	0	2
Change due to reduced portfolio	-42	-20	0	-62
Change in models/ risk parameters	0	0	0	0
Other movements	0	0	0	0
Balance 31 December 2025	14	0	0	14

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 was NOK 117.9 billion. All mortgages carry a variable interest rate.

NOK 1 000	31.12.25	31.12.24
Flexible loans - retail market	27.533.975	23.196.786
Amortising loans - retail market	90.230.419	83.129.972
Accrued interest	204.042	208.944
Gross loans	117.968.436	106.535.703
Impairment provisions	-23.080	-52.086
Loans to customers	117.945.356	106.483.616

NOK 1 000	31.12.25	31.12.24
Liability		
Remaining credit lines (flexible loans)	12.279.518	10.084.060
Total	12.279.518	10.084.060
Expected credit loss on remaining credit lines (flexible loans)	-14	-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	-1.094.553	1.094.553	0	0
Transfer from stage 2	2.480.903	-2.480.903	0	0
Transfer from stage 3	0	0	0	0
Net increase/decrease balance existing loans	7.910.551	167.782	0	8.078.333
Originated or purchased during the period	45.150.490	809.014	0	45.959.504
Loans that have been derecognised	-39.939.120	-2.665.983	0	-42.605.104
Balance 31 December 2025	114.787.077	3.181.359	0	117.968.436

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	31.12.25	31.12.24
Share capital	8.000.000	6.000.000
Premium reserve	150	150
Other equity	907.820	303.872
Total equity	8.907.970	6.304.022
Deductions		
Proposed dividend	-907.000	-303.000
IRB shortfall of credit risk adjustments to expected losses	-85.904	-131.650
Profit for the period that cannot be included in total Tier 1 capital		
Value adjustment due to requirements concerning proper valuation	-2.304	-2.732
Common equity Tier 1 capital	7.912.762	5.866.640
Other paid in capital	0	0
Net primary capital	7.912.762	5.866.640

Credit risk, IRB approach	13.261.305	21.759.502
Credit risk, standardized approach	3.213.750	2.720.813
Operational risk	1.930.948	1.253.324
Other risk exposure *	19.271.066	1.515.465
Total risk exposure amount	37.677.069	27.249.104
Minimum requirement for CET 1 capital ratio 4,5 %	1.695.468	1.226.210
Buffer requirements:		
Capital conservation buffer 2,5 %	941.927	681.228
Systemic risk buffer 4,5 %	1.695.468	1.226.210
Countercyclical capital buffer 2,5 %	941.927	681.228
Total buffer requirement to CET 1 capital ratio	3.579.322	2.588.665
Available CET 1 capital ratio after buffer requirement	2.637.972	2.051.766
Capital ratio	21,00 %	21,53 %
Tier 1 Capital ratio	21,00 %	21,53 %
CET 1 capital ratio	21,00 %	21,53 %
Leverage ratio	5,64 %	4,85 %

* Risk weights for residential mortgages are subject to a regulatory floor of 25%. Without this floor, the risk weight for residential mortgages would have been 10,2% as at 31 December 2025.

Note 5 Debt securities issued

NOK 1 000	Total	NOK	Currency
Covered bonds	117.399.708	39.384.424	78.015.284
Value adjustments	-3.794.106	-329.632	-3.464.474
Accrued interests	803.514	268.999	534.515
Total securities issued	114.409.116	39.323.791	75.085.324

Securities issued by maturity date

Public covered bonds	Total	NOK	Currency
2026	5.810.325	0	5.810.325
2027	21.688.452	12.054.871	9.633.581
2028	17.316.725	0	17.316.725
2029	26.310.766	17.624.372	8.686.395
2030	20.700.973	6.535.002	14.165.972
2031	10.433.377	0	10.433.377
2032	9.181.619	3.109.547	6.072.072
2038	2.787.899	0	2.787.899
2041	178.979	0	178.979
Total debt	114.409.116	39.323.791	75.085.324

Change in debt raised through issuance of securities

	Balance 31.12.25	Issued 2025	Matured/ redeemed 2025	Exchange rate and other changes 2025	Balance 31.12.24
Covered bonds	117.399.708	25.108.605	-15.350.421	295.905	107.345.618
Adjustments	-3.794.106			101.547	-3.895.653
Accrued interests	803.514			135.908	667.606
Total debt raised through issuance of securities	114.409.116	25.108.605	-15.350.421	533.360	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 31 December 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	31.12.25	31.12.24
Covered bonds	108.345.895	96.770.655
Total covered bonds	108.345.895	96.770.655
Loans to customers	117.565.865	106.166.255
Substitute collateral	3.915.006	2.452.293
Total cover pool	121.480.871	108.618.548
Asset coverage	112,1 %	112,2 %

Note 7 Financial derivatives

At fair value through profit and loss NOK 1 000	Contract amount 31.12.25	Fair value at 31.12.25	
		Assets	Liabilities
Currency instruments			
Currency swaps (basis swaps)	82.014.115	147.817	4.445.421
Total currency instruments	82.014.115	147.817	4.445.421
Interest rate instruments, hedging			
Interest rate swaps	78.714.317	9.726.868	373.001
Total interest rate instruments, hedging	78.714.317	9.726.868	373.001
Total financial derivatives	160.728.431	9.874.685	4.818.421

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	31.12.25	31.12.24
Net gains for bonds and certificates	825	-2.801
Net change in value, basis swap spread	229.000	-408.659
Net change in value, other financial investments	-2.029	-17.557
Net income from financial instruments	227.796	-429.018

Note 9 Events after the balance sheet date

No material events that affect the prepared interim financial statements have been recorded after 31 December 2025

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