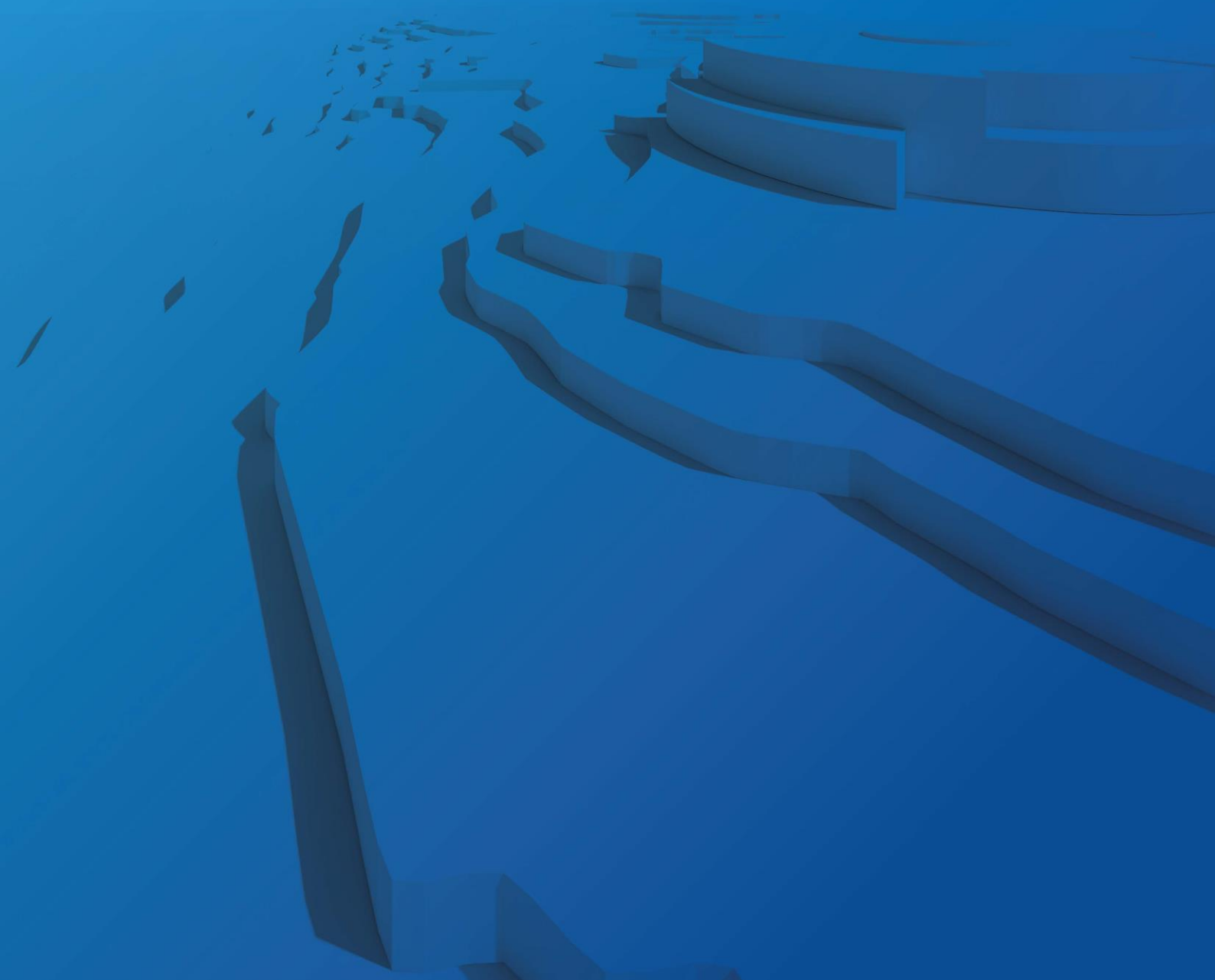


BANKNORDIK

Interim Report

H1 2023



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Financial Review

“Reporting a pre-tax profit of DKK 162m against DKK 113m in the year-earlier period, we are pleased to announce solid results for the first six months of the year. The positive performance was driven especially by the improved interest rate setting and by the persistently sound credit quality and resilience to inflationary pressures of our customer portfolio, which resulted in reversals of impairment charges in both Q1 and Q2 this year. Despite the sound performance in our core operations and positive outlook for the rest of the year, we have decided to raise the management estimated provision from DKK 65m to DKK 75m. The decision was based on the persistently uncertain economic environment,” said BankNordik CEO Turið F. Arge.

H1 2023 Highlights

Adjusted Income statement, Group

DKKm	Q2 2023	Q1 2023	Index	Q4 2022	Q3 2022	Q2 2022	H1 2023	H1 2022	Index
Net interest income	86	78	111	72	67	65	164	130	126
Net fee and commission income	19	21	88	23	22	22	40	43	93
Net insurance income	19	5	399	14	11	15	24	27	89
Other operating income (less reclassification)	11	8	129	8	11	9	19	19	103
Operating income	135	112	120	117	110	111	247	219	113
Operating costs ¹	-64	-63	101	-58	-62	-62	-127	-123	104
Sector costs	0	0		0	0	0	-1	-1	123
Profit before impairment charges	71	49	145	59	48	48	119	96	125
Impairment charges, net	7	8	86	3	12	22	16	31	
Operating profit	78	57	137	62	60	70	135	127	106
Non-recurring items ²	-6	-3		0	0	0	-9	0	
Profit before investment portfolio earnings and tax	72	54	135	62	60	70	126	127	99
Investment portfolio earnings ³	15	22		8	-36	-16	37	-14	
Profit before tax	87	75	115	70	24	54	162	113	144
Tax	17	14	122	16	4	10	31	22	141
Net profit	70	61	114	54	20	43	131	90	145
Operating cost/income, %	47	56		49	56	56	51	56	
Number of FTE, end of period	203	203	100	200	201	203	203	203	100

1 Comprises staff costs, administrative expenses and amortisation, depreciation and impairment charges (less reclassification to non-recurring items).

2 Reclassified from Other operating income, Staff costs and administrative expenses and from Amortisation, depreciation and impairment charges.

3 Incl. net income from investments accounted for under the equity method (excl. sector shares).

Income statement

The following comments are generally stated relative to Q1 2023. Due to seasonal variations, comments provided on the insurance segment relate to Q2 2022. The comments on H1 2023 are stated relative to H1 2022.

Operating income

The BankNordik Group generated operating income of DKK 135m in Q2 2023, an increase of DKK 23m compared to Q1 2023, driven by quarter-on-quarter increases in net interest income and net insurance income.

Net interest income

Net interest income was DKK 86m in Q2 2023, an increase of DKK 9m compared to Q1 2023.

Net fee and commission income

Net fee and commission income amounted to DKK 19m in Q2 2023, DKK 2m less than in Q1 2023.

Net insurance income

Net insurance income was DKK 19m in Q2 2023, DKK 4m higher than in Q2 2022.

Operating and sector costs

Operating costs amounted to DKK 64m in Q2 2023, a slight increase of DKK 1m compared to Q1 2023.

Profit before impairment charges

Profit before impairment charges was DKK 71m in Q2 2023, an increase of DKK 22m compared to Q1 2023.

Impairment charges

Net impairments were a reversal of DKK 7m in Q2 2023 compared to a reversal of DKK 8m in Q1 2023. Included in this figure is an increase of the management provision from DKK 65m to DKK 75m taken in relation to the ongoing economic uncertainty as well as uncertainty in relation to the Bank's impairment calculation and modelling. Management believes that despite some significant reversals of impairments seen in certain sectors, the overall economic uncertainty remains a risk to the bank's customers.

Operating profit

The resulting operating profit was DKK 78m in Q2 2023 compared to DKK 57m in Q1 2023.

Non-recurring items

Non-recurring items amounted to DKK 6m in Q2 2023 related to changes in the Bank's management. The figure in Q1 2023 was DKK 3m.

Investment portfolio earnings

Investment portfolio earnings were an income of DKK 15m in Q2 2023 compared to DKK 22m in Q1 2023.

Profit before tax

Profit before tax in Q2 2023 was DKK 87m, DKK 11m higher than the pre-tax profit of DKK 75m reported for Q1 2023.

Profit before tax for the first half of the year totalled DKK 162m. This is significantly higher than the figure for H1 2022 of DKK 113m. The two factors driving the increased profit were net interest income, which has increased owing to the changed interest rate environment, and investment portfolio earnings, for which the Bank has recorded significant income compared to the losses recorded in H1 2022.

Balance sheet

BankNordik's total assets at 30 June 2023 amounted to DKK 12.5bn, up by DKK 260m compared to 31 December 2022. Loans and advances were DKK 8.7bn, DKK 572m more than at 31 December 2022. Deposits were DKK 8.4bn, up by DKK 80m compared to 31 December 2022.

Liquidity invested in Danish mortgage bonds and Danish government bonds amounted to DKK 1.5bn, a decrease of DKK 140m compared to 31 December 2022. Liquidity invested in equities amounted to DKK 263m,

a decrease of DKK 35m relative to 31 December 2022. Shareholders' equity at 30 June 2023 amounted to DKK 1,694m, down by DKK 123m compared to 31 December 2022 due to the payment of dividend in the amount of DKK 250m.

Capital and Liquidity

At 30 June 2023, the Group's CET1 capital ratio was 22.1%, the core capital ratio was 24.2% and the total capital ratio was 25.6%. The total capital ratio, incl. MREL capital, was 30.4%. The net result for the H1 2023 period, amounting to DKK 131.1m, is not included in the calculation of the capital ratios. The Group's liquidity indicator was 186.0% at 30 June 2023, well above the requirement of 100%. The Group's LCR at 30 June 2023 was 183.7%, also well above the requirement of 100%. The Group's Net Stable Funding Ratio (NSFR) was 141.0% at 30 June 2023, well above the requirement of 100%.

Compliance with the Danish FSA Supervisory Diamond

The Supervisory Diamond			
	H1 2023	H1 2022	FSA limit
Sum of large exposures	146.1%	141.2%	< 175%
Liquidity indicator	186.0%	223.4%	>100 %
Loan growth	12.1%	1.6%	< 20 %
Property exposure	13.9%	12.4%	< 25 %

At 30 June 2023, the Group was in compliance with all Supervisory Diamond requirements set by the FSA.

Events after the balance sheet date

No events have occurred since 30 June 2023 that are deemed to have a significant impact on the Group's financial position.

Guidance for 2023

On 16 June 2023, the Bank raised its financial guidance for the second time since the initial guidance for the year in February. The original guidance was for net profit of DKK 190-220m. This was raised to DKK 210-240m on 18 April. The current guidance is for net profit for 2023 in the range DKK 235-265m. The drivers of the increase in expected net profit remain rising policy and market rates and the fact that the Bank's customer remain resilient in the face of inflationary pressures, keeping impairments low. In addition, the Bank's return on its investment portfolio continues to exceed expectations.

The guidance is subject to uncertainty, including impairments on loans and advances, market value adjustments, and macroeconomic developments in the markets in which the Group operates.

Adjusted results

Note	Adjusted Income statement H1 2023, Group, DKK 1,000	Income statement	Restatement	Restated income statement
1	Net interest income	194,994	-31,059	163,935
2	Net fee and commission income	46,308	-6,216	40,092
	Net insurance income	24,053	0	24,053
2, 4	Other operating income	3,392	15,743	19,135
	Operating income	268,748	-21,532	247,216
3	Operating costs	136,238	-8,928	127,310
	Sector costs	812	0	812
	Profit before impairment charges	131,697	-12,604	119,093
	Impairment charges	-15,588	0	-15,588
	Operating profit	147,286	-12,604	134,682
	Non-recurring items	0	-8,928	-8,928
	Profit before investment portfolio earnings and tax	147,286	-21,532	125,754
1, 4	Investment portfolio earnings	15,131	21,532	36,663
	Profit before tax	162,417	0	162,417
Note Adjusted Income statement H1 2022, Group, DKK 1,000				
1	Net interest income	124,751	5,691	130,442
2	Net fee and commission income	49,676	-6,475	43,200
	Net insurance income	26,922	0	26,922
2, 4	Other operating income	3,862	14,761	18,623
	Operating income	205,211	13,977	219,188
3	Operating costs	122,895	0	122,895
	Sector costs	659	0	659
	Profit before impairment charges	81,657	13,977	95,634
	Impairment charges	-31,422	0	-31,422
	Operating profit	113,079	13,977	127,056
	Non-recurring items	0	0	0
	Profit before investment portfolio earnings and tax	113,079	13,977	127,056
1, 4	Investment portfolio earnings	-865	-13,977	-14,842
	Profit before tax	112,214	0	112,214
Note Restatements made to the income statement, DKK 1,000				
		H1 2023	H1 2022	
1	Reclassification of interest income related to bonds from the item Interest income to Investment portfolio earnings.	31,059	-5,691	
2	Dividends reclassified from Net fee and commission income to Other operating income.	6,216	6,475	
3	Reclassification of severance costs to Non-recurring items.	8,928	0	
4	Reclassification of value adjustments related to sector shares and of profit or loss from currency transactions to Other operating income.	9,527	8,286	

Segments

Adjusted Income statement, Banking

DKKm	Q2 2023	Q1 2023	Index	Q4 2022	Q3 2022	Q2 2022	H1 2023	H1 2022	Index
Net interest income	86	78	111	72	67	65	164	130	126
Net fee and commission income	23	25	93	26	26	25	48	50	95
Other operating income	9	8	123	6	10	8	17	16	106
Operating income	118	110	108	105	102	97	228	196	116
Operating cost	-58	-58	99	-53	-57	-57	-116	-113	103
Sector costs	0	0		0	0	0	-1	-1	123
Profit before impairment charges	60	51	118	52	45	40	111	83	134
Impairment charges, net	7	8	86	3	12	22	16	31	
Operating profit	67	60	113	55	57	62	127	114	111
Non-recurring items	-6	-3		0	0	0	-9	0	
Profit before investment portfolio earnings and tax	62	56	110	55	57	62	118	114	103
Investment portfolio earnings	14	20		3	-32	-12	34	-9	
Profit before tax	76	76	100	58	25	50	152	105	
Loans and advances	8,655	8,354	104	8,083	7,977	7,724	8,655	7,724	112
Deposits and other debt	8,426	8,524	99	8,351	8,225	8,897	8,426	8,897	95
Mortgage credit	2,567	2,634	97	2,648	2,652	2,730	2,567	2,730	94
Operating cost/income, %	49	53		50	56	58	51	57	
Number of FTE, end of period	173	172	100	169	170	173	173	173	100

Personal Banking

The Personal Banking segment reported operating income of DKK 58m for Q2 2023, DKK 2m less than in the previous quarter. Net interest income was down DKK 1m in Q2 2023 compared to Q1 2023 to DKK 35m. Net fee and commission income was DKK 16m in Q2 2023, DKK 2m lower than in the preceding quarter. Other operating income amounted to DKK 7m in Q2 2023, an increase of DKK 1m relative to Q1 2023.

Operating costs were DKK 49m in Q2 2023, DKK 2m higher than in Q1 2023. Impairment charges amounted to a reversal of DKK 1m in Q2 2023 compared to a reversal of DKK 5m in Q1 2023. As a result, operating profit for Q1 2023 was DKK 10m, DKK 8m less than in the previous quarter.

Investment portfolio earnings posted to the personal banking segment amounted to DKK 10m in Q2 2023 compared to DKK 11m in Q1 2023. Non-recurring items in the Personal Banking segment amounted to a cost of DKK 5m in Q2 2023 compared to DKK 3m in Q1 2023.

Profit before tax thus amounted to DKK 15m in Q2 2023, DKK 10m less than the DKK 25m posted in Q1 2023.

Profit before tax for H1 2023 were DKK 41m. This is significantly higher than the DKK 27m posted in H1 2022. The driver behind the difference is investment portfolio earnings, where the difference between the two periods was DKK 32m.

Loans and advances to personal customers during Q2 2023 rose by DKK 98m to DKK 3,771m, while brokered mortgage credit fell by DKK 47m to DKK 2,285m, both compared to 31 March 2023. Although the trend in recent years has been for Faroese households to increasingly embrace the traditional Danish financing model of 80% LTV mortgage funding with the residual in 2nd lien bank lending, interest rate conditions of the past year or so have affected the type of loans taken out by customers. In the long run, the Group expects this trend to reverse. Deposits held by personal customers rose by DKK 192m during Q2 2023 to DKK 5,584m at 30 June 2023.

Adjusted Income statement, Personal banking

DKKm	Q2 2023	Q1 2023	Index	Q4 2022	Q3 2022	Q2 2022	H1 2023	H1 2022	Index
Net interest income	35	36	99	35	34	33	71	67	106
Net fee and commission income	16	18	91	19	19	18	34	36	94
Other operating income	7	6	107	5	8	6	13	12	111
Operating income	58	60	97	60	60	57	118	115	103
Operating costs	-49	-47	104	-48	-49	-44	-96	-88	109
Sector costs	0	0		0	0	0	-1	0	
Profit before impairment charges	9	12	70	11	11	13	21	26	81
Impairment charges, net	1	5		-3	6	7	6	12	49
Operating profit	10	18	55	8	17	20	27	38	71
Non-recurring items	-5	-3		0	0	0	-8	0	
Profit before investment portfolio earnings and tax	5	15	34	8	17	20	20	38	51
Investment portfolio earnings	10	11	98	6	-23	-13	21	-11	
Profit before tax	15	25	61	14	-6	7	41	27	149
Loans and advances	3,771	3,673	103	3,645	3,626	3,576	3,771	3,576	105
Deposits and other debt	5,584	5,392	104	5,412	5,388	5,410	5,584	5,410	103
Mortgage credit	2,285	2,331	98	2,338	2,328	2,344	2,285	2,344	97
Number of FTE, end of period	74	74	100	71	74	76	74	76	97

Corporate Banking

Corporate Banking activities saw operating income of DKK 60m in Q2 2023, an increase of DKK 10m relative to Q1 2023. Net interest income increased by DKK 9m to DKK 51m. Net fee and commission income was flat at DKK 7m, and other operating income increased by DKK 1m to DKK 2m in Q2 2023 compared to Q1 2023.

Operating costs increased by DKK 2m in Q2 2023 to DKK 8m from DKK 6m in Q1 2023. Impairment charges during Q2 2023 were a reversal of DKK 6m compared to a reversal of DKK 3m in Q1 2023.

Operating profit for Q2 2023 amounted to DKK 58m, up by DKK 11m relative to Q1 2023.

Investment portfolio earnings posted to the corporate banking segment in Q2 2023 amounted to DKK 4m, the same level as in the previous quarter.

The resulting profit before tax for the quarter was DKK 61m, DKK 10m higher than in the first quarter of 2023.

Profit before tax for the first half of 2023 were DKK 112m, which compares favourably to the DKK 78m reported in the first half of 2022. The main difference between the two periods was that net interest income in H1 2023 was DKK 29m higher than in the same period of 2022.

Corporate loans and advances increased by DKK 203m in Q2 2023 to DKK 4,884m at 30 June 2023, while deposits fell by DKK 308m during the period to DKK 2,824m. Brokered mortgage credit fell by DKK 20m to DKK 282m at 30 June 2023 compared to 31 March 2023.

Adjusted Income statement, Corporate Banking

DKKm	Q2 2023	Q1 2023	Index	Q4 2022	Q3 2022	Q2 2022	H1 2023	H1 2022	Index
Net interest income	51	42	122	37	33	32	93	63	146
Net fee and commission income	7	7	97	7	7	7	14	14	98
Other operating income	2	1	211	1	2	2	4	4	90
Operating income	60	50	120	45	42	41	110	82	135
Operating costs	-8	-6	137	-3	-9	-7	-15	-19	76
Sector costs	0	0		0	0	0	0	0	
Profit before impairment charges	51	44	118	42	33	33	95	62	153
Impairment charges, net	6	3	188	6	6	14	10	19	50
Operating profit	58	47	123	48	38	47	105	81	129
Non-recurring items	-1	0		0	0	0	-1	0	
Profit before investment portfolio earnings and tax	57	47	122	48	38	47	103	81	127
Investment portfolio earnings	4	4		-3	-9	-5	8	-4	
Profit before tax	61	51	120	46	29	42	112	78	144
Loans and advances	4,884	4,681	104	4,438	4,351	4,148	4,884	4,148	118
Deposits and other debt	2,824	3,132	90	2,939	2,837	3,487	2,824	3,487	81
Mortgage credit	282	302	93	310	324	382	282	382	74
Number of FTE, end of period	15	15	100	15	15	15	15	15	100

Insurance: Trygd

Trygd reported premium income of DKK 35m in Q2 2023, flat compared to Q2 2022. In Q2 2023 claims were DKK 4m lower than in Q2 2022 at DKK 19m. Net income from investment activities amounted to DKK 0m in Q2 2023 compared to a loss of DKK 3m in Q2 2022. As a result, operating income was DKK 16m in Q2 2023, DKK 7m more than in Q2 2022.

Operating costs were DKK 8m in Q2 2023, DKK 2m more than in the second quarter of 2022. As a result, Trygd reported a profit before tax for the quarter of DKK 8m, compared to a profit before tax of DKK 3m in Q2 2022.

Profit before tax in the first half of 2023 totalled DKK 6m, DKK 1m higher than in the same period of 2022.

Trygd continues to consolidate its market position as a leading provider of non-life insurance in the Faroe Islands. An increase in market share, optimisation of Trygd's pricing structure as well as general market growth related to developments in the Faroese economy have driven an increase in premiums. As operating costs remain low, these developments contribute to margin improvements.

Trygd's claims vary significantly from one period to the next due to the limited size of the Faroese insurance market as well the timing and severity of weather events, which adds volatility to the financial results.

Adjusted Income statement, Trygd

DKKm	Q2 2023	Q1 2023	Index	Q4 2022	Q3 2022	Q2 2022	H1 2023	H1 2022	Index
Premium income, net of reinsurance	35	34	103	36	36	35	69	69	101
Claims, net of reinsurance	-19	-32	60	-24	-26	-23	-51	-47	108
Net insurance income	16	2	744	12	11	12	18	21	84
Net income from investment activities	0	2	7	4	-3	-3	2	-4	
Operating income	16	4	414	16	7	9	20	17	116
Operating cost	-8	-7	113	-6	-6	-6	-14	-13	111
Profit before tax	8	-3	-297	10	1	3	6	4	
Combined ratio	76	113		85	88	83	95	88	
Claims ratio	55	94		68	71	65	74	69	
Number of FTE, end of period	22	23	98	23	23	23	22	23	99

Income statement

Note	DKK 1,000	Group		BankNordik	
		H1 2023	H1 2022	H1 2023	H1 2022
3	Interest income	234,792	141,993	233,642	141,378
	- of which interest income from deposits	1,302	21,778	1,302	21,778
4	Interest expenses	39,798	17,241	39,798	17,308
	- of which interest expenses from assets	13,510	10,507	13,510	10,507
	Net interest income	194,994	124,751	193,845	124,071
	Dividends from shares and other investments	6,216	6,475	6,105	6,475
5	Fee and commission income	42,936	45,822	50,390	52,554
5	Fee and commissions paid	2,844	2,622	2,844	2,667
	Net dividend, fee and commission income	46,308	49,676	53,651	56,362
	Net interest and fee income	241,303	174,427	247,496	180,432
	Premium income, net of reinsurance	79,123	76,271		
	Claims, net of reinsurance	55,070	49,349		
	Interest and fee income and income from insurance activities, net	265,356	201,349	247,496	180,432
6	Market value adjustments	10,023	-6,255	8,945	-447
7	Other operating income	3,392	3,862	1,111	1,099
8	Staff costs and administrative expenses	132,313	119,183	121,461	109,324
	Amortisation, depreciation and impairment charges	3,925	3,712	3,604	3,416
	Other operating expenses	812	659	812	659
9	Impairment charges on loans and advances etc.	-15,588	-31,422	-15,588	-31,422
	Income from investments accounted for under the equity method	5,108	5,390	13,346	11,718
	Profit before tax from continuing operations	162,417	112,214	160,609	110,826
	Tax	31,329	22,227	29,521	20,838
	Net profit	131,088	89,988	131,088	89,988
	Portion attributable to				
	Shareholders of BankNordik P/F	127,609	89,988	127,609	89,988
	Owners of additional Tier 1 capital	3,479	0	3,479	0
	Net profit	131,088	89,988	131,088	89,988
	EPS Basic for the period, total, DKK*	13.70	5.04	13.70	5.04
	EPS Diluted for the period, total, DKK*	13.70	5.04	13.70	5.04

*Based on average number of shares outstanding, see the specification of shareholders equity

Statement of comprehensive income - BankNordik

	Group		BankNordik	
	H1 2023	H1 2022	H1 2023	H1 2021
DKK 1,000				
Net profit	131,088	89,988	131,088	89,988
Other comprehensive income				
Items which will not subsequently be recycled:				
Revaluation of domicile property	-1,656	0	-1,656	0
Tax on other comprehensive income	298	0	298	0
Total other comprehensive income	-1,358	0	-1,358	0
Total comprehensive income	129,730	89,988	129,730	89,988

Balance Sheet

Note	DKK 1,000	Group		BankNordik	
		June 30 2023	Dec. 31 2022	June 30 2023	Dec. 31 2022
	Assets				
	Cash in hand and demand deposits with central banks	1,344,974	1,442,769	1,334,791	1,442,643
10	Amounts due from credit institutions and central banks	361,134	389,894	361,134	389,894
9	Loans and advances at fair value	332,956	357,641	332,956	357,641
9	Loans and advances at amortised cost	8,322,352	7,725,702	8,322,352	7,725,702
	Bonds at fair value	1,451,887	1,591,453	1,292,018	1,449,713
	Shares, etc.	263,436	298,478	180,168	228,572
	Assets under insurance contracts	8,169	6,901	0	0
	Holdings in associates	14,887	11,839	14,887	11,839
	Holdings in subsidiaries	156	0	112,664	109,426
	Assets under pooled schemes	26,572	24,078	26,572	24,078
	Intangible assets	1,987	2,402	1,987	2,402
	Total land and buildings	122,737	124,975	120,162	122,386
	Domicile property	61,284	61,522	58,709	58,933
	Domicile property (lease asset)	61,453	63,453	61,453	63,453
	Other property, plant and equipment	9,400	8,826	8,195	7,821
	Current tax assets	40,923	40,167	40,923	40,167
	Deferred tax assets	6,904	6,888	6,666	6,666
	Assets held for sale	19,000	24,200	19,000	24,200
	Other assets	114,090	118,597	110,042	117,466
	Prepayments	8,664	15,421	7,412	14,070
	Total assets	12,450,228	12,190,232	12,291,926	12,074,686

Balance Sheet

Note	DKK 1,000	Group		BankNordik	
		June 30 2023	Dec. 31 2022	June 30 2023	Dec. 31 2022
Shareholders' equity and liabilities					
Liabilities other than provisions					
	Amounts due to credit institutions and central banks	1,074,332	858,172	1,074,332	858,172
	Deposits and other debt	8,415,165	8,335,662	8,426,470	8,351,065
	Deposits under pooled schemes	26,572	24,078	26,572	24,078
	Issued bonds at amortised cost	556,176	547,584	556,176	547,584
	Liabilities under insurance contracts	153,282	120,864	0	0
	Current tax liabilities	72,181	40,837	67,285	37,764
	Other liabilities	195,242	183,709	183,957	177,244
	Deferred income	2,590	4,774	2,447	4,227
	Total liabilities other than provisions	10,495,540	10,115,679	10,337,238	10,000,133
Provisions for liabilities					
	Provisions for losses on guarantees etc	5,678	4,353	5,678	4,353
	Provisions for other liabilities	990	2,699	990	2,699
	Total provisions for liabilities	6,668	7,052	6,668	7,052
Subordinated debt					
	Subordinated debt	99,580	99,510	99,580	99,510
	Total liabilities	10,601,788	10,222,241	10,443,487	10,106,696
Equity					
	Share capital	192,000	192,000	192,000	192,000
	Revaluation reserve	13,034	14,392	13,034	14,392
	Retained earnings	1,488,603	1,360,275	1,488,603	1,360,275
	Proposed dividends	0	250,000	0	250,000
	Shareholders of the Parent Company	1,693,637	1,816,666	1,693,637	1,816,666
	Additional tier 1 capital holders	154,803	151,324	154,803	151,324
	Total equity	1,848,440	1,967,991	1,848,440	1,967,991
	Total liabilities and equity	12,450,228	12,190,232	12,291,926	12,074,686

Statement of capital - BankNordik Group

Changes in equity:

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2023	192,000	14,392	250,000	1,360,275	1,816,666	151,324	1,967,991	
Revaluation of assets		-1,656			-1,656		-1,656	
Tax on entries on income recognised as Other comprehensive income.		298			298		298	
Net profit			0	127,609	127,609	3,479	131,088	
Total comprehensive income		-1,358	0	127,609	126,251	3,479	129,730	
Dividends paid			-250,000	719	-249,281		-249,281	
Shareholders' equity at June 30, 2023	192,000	13,034	0	1,488,603	1,693,637	154,803	1,848,440	

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2022	192,000	6,123	386,000	1,451,730	2,035,853	151,117	2,186,970	
Revaluation of assets		10,083			10,083		10,083	
Tax on entries on income recognised as Other comprehensive income		-1,815			-1,815		-1,815	
Net profit			250,000	-92,550	157,450	6,958	164,407	
Total comprehensive income		8,268	250,000	-92,550	165,718	6,958	172,675	
Paid interest on additional tier 1 capital				0	0	-6,750	-6,750	
Dividends paid			-386,000	1,096	-384,904		-384,904	
Shareholders' equity at December 31, 2022	192,000	14,392	250,000	1,360,275	1,816,666	151,324	1,967,991	

DKK 1,000	Shareholders equity						Additional tier 1 capital	Total
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total			
Shareholders' equity at January 1, 2022	192,000	6,123	386,000	1,451,730	2,035,853	151,117	2,186,970	
Net profit			0	86,509	86,509	3,479	89,988	
Total comprehensive income		0	0	86,509	86,509	3,479	89,988	
Dividends paid			-386,000	1,096	-384,904		-384,904	
Shareholders' equity at June 30, 2022	192,000	6,123	0	1,539,334	1,737,457	154,596	1,892,053	

Statement of capital - BankNordik P/F

Changes in equity:

	Shareholders equity							
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total	
DKK 1,000								
Shareholders' equity at January 1, 2023	192,000	14,392	250,000	1,360,275	1,816,666	151,324	1,967,991	
Revaluation of assets		-1,656			-1,656		-1,656	
Tax on entries on income recognised as Other comprehensive income.		298			298		298	
Net profit			0	127,609	127,609	3,479	131,088	
Total comprehensive income		-1,358	0	127,609	126,251	3,479	129,730	
Dividends paid			-250,000	719	-249,281		-249,281	
Shareholders' equity at June 30, 2023	192,000	13,034	0	1,488,603	1,693,637	154,803	1,848,440	

	Shareholders equity							
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total	
DKK 1,000								
Shareholders' equity at January 1, 2022	192,000	6,123	386,000	1,451,729	2,035,853	151,117	2,186,970	
Revaluation of assets		10,083			10,083		10,083	
Tax on entries on income recognised as Other comprehensive income		-1,815			-1,815		-1,815	
Net profit			250,000	-92,550	157,450	6,958	164,407	
Total comprehensive income		8,268	250,000	-92,550	165,718	6,958	172,675	
Paid interest on additional tier 1 capital						-6,750	-6,750	
Dividends paid			-386,000	1,096	-384,904		-384,904	
Shareholders' equity at December 31, 2022	192,000	14,392	250,000	1,360,275	1,816,666	151,324	1,967,991	

	Shareholders equity							
	Share capital	Revaluation Reserve	Proposed dividends	Retained earnings	Total	Additional tier 1 capital	Total	
DKK 1,000								
Shareholders' equity at January 1, 2022	192,000	6,123	386,000	1,451,729	2,035,853	151,117	2,186,970	
Net profit				86,509	86,509	3,479	89,988	
Total comprehensive income		0	0	86,509	86,509	3,479	89,988	
Dividends paid			-386,000	1,096	-384,904		-384,904	
Shareholders' equity at June 30, 2022	192,000	6,123	0	1,539,334	1,737,457	154,596	1,892,053	

Capital and Solvency - BankNordik

Solvency	June 30	Dec. 31
DKK 1,000	2023	2022
Core capital	1,701,866	1,705,429
Total capital	1,801,446	1,804,939
Risk-weighted items not included in the trading portfolio	5,865,086	6,044,057
Risk-weighted items with market risk etc.	500,590	506,894
Risk-weighted items with operational risk	662,873	644,527
Total risk-weighted items	7,028,549	7,195,479
CET 1 capital ratio	22.1%	21.6%
Core capital ratio	24.2%	23.7%
Total capital ratio	25.6%	25.1%
MREL capital ratio	30.4%	29.9%
Core Capital and Shareholders' equity		
Share capital	192,000	192,000
Reserves	13,034	14,392
Net profit	131,088	164,407
Retained earnings, previous years	1,361,679	1,449,624
Shareholders' equity, before deduction of holdings of own shares	1,697,801	1,820,423
Deduction of ordinary dividend	0	115,000
Deduction of extraordinary dividend	0	135,000
Deduction of net profit H1	131,088	0
Deduction due to excess holdings of shares in the financial sector	168	0
Deduction of holdings of own shares	4,164	3,757
Deduction of intangible assets	1,987	2,402
Deduction of deferred tax assets	6,666	6,666
Deduction regarding prudent valuation of financial instruments	1,602	1,806
CET 1 capital	1,552,126	1,555,792
Hybrid core capital	149,741	149,637
Core capital	1,701,866	1,705,429
Total capital		
Core capital	1,701,866	1,705,429
Subordinated loan capital	99,580	99,510
Total capital	1,801,446	1,804,939
MREL capital	338,617	349,954
Total capital incl. MREL capital	2,140,063	2,154,893

The BankNordik Group holds a license to operate as a bank and is therefore subject to a capital requirement under the Faroese Financial Business Act and to CRR. The Faroese provisions on capital requirements apply to both the Parent Company and the Group. The capital requirement provisions stipulate a minimum capital of 8% of the identified risks. A detailed body of rules determines the calculation of capital as well as risks (risk-weighted items). The capital comprises CET 1 capital, hybrid core capital and subordinated loan capital. The CET 1 capital corresponds to the carrying amount of equity, after deductions of holdings of own shares, tax assets and other minor deductions.

Cash flow statement - BankNordik Group

DKK 1,000	Group H1 2023	Group Full year 2022
Cash flow from operations		
Profit before tax	119,706	206,579
Amortisation and impairment charges for intangible assets	415	364
Interest expense on leasing liabilities	1,025	2,138
Depreciation and impairment charges of tangible assets	3,511	3,579
Impairment of loans and advances/guarantees	-14,033	-43,940
Paid tax	0	-96,726
Other non-cash operating items	23,740	13,092
Total	134,364	85,087
Changes in operating capital		
Change in loans at fair value	28,516	-4,401
Change in loans at amortised cost	-582,617	-472,839
Change in holding of bonds	142,489	227,637
Change in holding of shares	36,106	-47,972
Change in deposits	79,503	436,002
Due to credit institutions and central banks	216,160	19,564
Change in other assets / liabilities	10,452	15,875
Assets/liabilities under insurance contracts	31,150	4,590
Prepayments	4,573	16,343
Cash flow from operations	100,695	279,886
Cash flow from investing activities		
Dividends received	1,105	6,475
Acquisition of intangible assets	0	-82
Acquisition of tangible assets	-1,719	-1,646
Sale of tangible assets	5,200	19
Cash flow from investing activities	4,586	4,767
Cash flow from financing activities		
Issued bonds at amortised cost	220,000	207,757
Redemption of issued bonds at amortised cost	-200,000	0
Interest paid on additional tier 1 capital	0	-6,750
Payment of dividends	-250,000	-386,000
Payment of dividends, own shares	719	1,096
Principal portion of lessee lease payments	-2,556	-5,061
Cash flow from financing activities	-231,836	-188,958
Cash flow	-126,555	95,695
Cash in hand and demand deposits with central banks, and due from Credit institutions, etc. at the beginning of the year	1,832,663	1,736,968
Cash flow	-126,555	95,695
Cash and due etc.	1,706,108	1,832,663
Cash and due etc.		
Cash in hand and demand deposits with central banks	1,344,974	1,442,769
Due from credit institutions, etc.	361,134	389,894
Total	1,706,108	1,832,663

Notes to the financial statements

Note 1 Significant accounting policies

The consolidated financial statements for the first six months of 2023 have been prepared in accordance with IAS 34 "Interim Financial Reporting" supplemented by additional Faroese disclosure requirements for quarterly reports of listed financial companies and in accordance with the financial reporting requirements of the Nasdaq exchange in Copenhagen. The financial statements of the Parent Company, P/F BankNordik, have been prepared in accordance with the Faroese Financial Business Act and with the executive order on financial reports of credit institutions etc. of the Danish FSA as applied in the Faroe Islands.

The application of IAS 34 means that the disclosure of figures is less detailed than the disclosure in a full annual report and that the valuation principles laid down by the international financial reporting standards (IFRS) are applied.

The Group's significant accounting policies are consistent with those applied in the Annual Report 2022. The Annual Report 2022 provides a full description of the Group's significant accounting policies. Regarding the implementation of IFRS 17 'Insurance contracts' as of 1. January 2023 there has not been any significant impact on the income statement, assets, liabilities and equity in prior periods or in 2023.

Future financial reporting standards and interpretations

The International Accounting Standards Board (IASB) has issued a number of new accounting standards (IAS and IFRS) and interpretations (IFRIC) that have not yet entered into force. Please refer to the Annual Report 2022 for further information.

Accounting estimates

The measurement of certain assets and liabilities requires management to estimate how future events will impact on the value of such assets and liabilities. Estimates of significance to the financial reporting are made in connection with determining the impairment of loans and advances, the fair value of unlisted financial instruments, provisions, business acquisitions etc. Estimates are based on assumptions that management considers appropriate but which are inherently uncertain.

The most significant estimates that management makes in applying the Group's accounting policies and the most important uncertainty affecting estimates made when preparing the condensed interim report are unchanged from the estimates made in connection with the preparation of the Annual Report 2022 and the uncertainties prevailing at that time.

Determination of fair value

The fair value of financial assets is measured on the basis of quoted market prices of financial instruments traded in active markets. If an active market exists, fair value is based on the most recently observed market price at the balance sheet date.

If a financial instrument is quoted in a market that is not active, the Group bases its measurement on the most recent transaction price. Adjustment is made for subsequent changes in market conditions, for instance by including transactions in similar financial instruments that are assumed to be motivated by normal business considerations.

If no active market for standard and simple financial instruments, such as interest rate and currency swaps and unlisted bonds, exists, generally accepted valuation techniques rely on market-based parameters for measuring fair value. The results of calculations made on the basis of valuation techniques are often estimates because exact values cannot be determined from market observations. Consequently, additional parameters, such as liquidity risk and counterparty risk, are sometimes used for measuring fair value.

Notes - BankNordik Group

Note	Operating segments H1 2023	Banking			Total	Non-life	Elimination	Group
		Personal	Corporate	Other		Insurance		
2	DKK 1,000					Faroe Islands		Total
	External interest income, Net	48,338	56,122	89,379	193,839	1,156		194,994
	Internal interest	0	0	0	0			0
	Net interest income	48,338	56,122	89,379	193,839	1,156		194,994
	Net Fee and dividends income	38,687	14,509	-2,027	51,169	-4,860		46,309
	Premium income, net of reinsurance	0	0	10,888	10,888	69,130	-894	79,123
	Net premium income of reinsurance and claims	0	0	7,042	7,042	17,906	-894	24,053
	Other income	7,869	2,946	8,978	19,793	687	-1,956	18,523
	Total income	94,894	73,576	103,372	271,842	14,888	-2,851	283,879
	Total operating expenses	38,314	10,357	81,914	130,586	9,316	-2,851	137,051
	<i>of which depreciation and amortisation</i>	3,301	526	-149	3,677	248		3,925
	Profit before impairment charges on loans	56,580	63,219	21,458	141,256	5,572		146,829
	Impairment charges	-2,350	-3,373	-9,865	-15,588	0		-15,588
	Profit before tax	58,930	66,592	31,323	156,845	5,572		162,417
	Total assets	3,677,335	5,010,199	3,530,329	12,217,863	232,365		12,450,228
	<i>of which Loans and advances</i>	3,766,725	4,888,582		8,655,308			8,655,308
	Total liabilities	5,593,303	2,833,167	2,014,278	10,440,748	161,040		10,601,788
	<i>of which Deposits</i>	5,593,303	2,833,167		8,426,470		-11,305	8,415,165
	<i>of which Insurance liabilities</i>			5,192		148,090		153,282

Operating segments H1 2022	Banking			Total	Non-life	Elimination	Group
	Personal	Corporate	Other		Insurance		
DKK 1,000					Faroe Islands		Total
External interest income, Net	67,371	63,775	-6,997	124,149	603		124,751
Internal interest	0	0	0	0			0
Net interest income	67,371	63,775	-6,997	124,149	603		124,751
Net Fee and dividends income	41,743	14,814	-2,269	54,289	-4,613		49,676
Premium income, net of reinsurance	0	0	8,458	8,458	68,620	-806	76,271
Net premium income of reinsurance and claims	0	0	6,483	6,483	21,246	-806	26,922
Other income	5,182	2,323	1,971	9,476	-4,764	-1,716	2,997
Total income	114,296	80,913	-813	194,396	12,472	-2,522	204,346
Total operating expenses	35,265	11,454	71,188	117,906	8,169	-2,522	123,554
<i>of which depreciation and amortisation</i>	2,970	461	37	3,468	244		3,712
Profit before impairment charges on loans	79,032	69,459	-72,001	76,490	4,303		80,793
Impairment charges	-9,250	-18,886	-3,287	-31,422	0		-31,422
Profit before tax	88,281	88,345	-68,715	107,911	4,303		112,214
Total assets	3,494,084	4,198,532	4,879,382	12,571,998	200,241		12,772,239
<i>of which Loans and advances</i>	3,571,647	4,152,627		7,724,274			7,724,274
Total liabilities	5,418,623	3,495,597	1,825,057	10,739,277	140,909		10,880,186
<i>of which Deposits</i>	5,418,623	3,495,597		8,914,220		-17,067	8,897,153
<i>of which Insurance liabilities</i>			5,964		132,835		138,799

BankNordik Group - Geographical revenue information

Note 2 DKK 1,000 (cont'd) Geographical segments	Total income		Non-current assets		Additions to tangible assets		Additions to intangible assets	
	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022
Faroe Islands	233,504	178,887	111,571	120,336	1,940	3,456	-415	-65
Denmark	6,590	-8,076	0	0	0	0	0	0
Greenland	43,786	33,166	37,441	44,896	0	-210	0	0
Total	283,879	203,977	149,012	165,232	1,940	3,245	-415	-65

Geographical segments	Impairments		Investment portfolio earnings	
	H1 2023	H1 2022	H1 2023	H1 2022
Faroe Islands	13,699	6,394	15,131	-865
Denmark	10,104	19,258	0	0
Greenland	-8,215	5,770	0	0
Total	15,588	31,422	15,131	-865

Income from external customers are divided into activities related to the customers's domiciles. Assets include all non-current assets, i.e. intangible assets, material assets, investment properties and holdings in associates.

Operational segments	Total income		Profit before tax		Tax		FTE	
	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022	H1 2023	H1 2022
Faroe Islands, Banking, Other	218,616	166,415	126,029	76,953	22,685	12,316	164	164
Faroe Islands, Insurance	14,888	12,472	5,572	4,303	1,003	774	22	23
Denmark, Banking	6,590	-8,076	11,668	10,830	2,567	3,725	0	0
Greenland, Banking	43,786	33,166	19,148	19,759	5,074	5,412	17	17
Total	283,879	203,977	162,417	111,845	31,329	22,227	203	203

Note	DKK 1,000	Group		BankNordik	
		H1	H1	H1	H1
		2023	2022	2023	2022
3	Interest income				
	Credit institutions and central banks	804	365	804	364
	Loans and advances	197,489	119,740	197,489	119,740
	Deposits	1,302	21,778	1,302	21,778
	Bonds	7,740	2,801	6,590	2,188
	Total derivatives of w hich:	7,045	-2,789	7,045	-2,789
	<i>Currency contracts</i>	706	142	706	142
	<i>Interest rate contracts</i>	6,339	-2,931	6,339	-2,931
	Other interest income	20,412	96	20,412	96
	Total interest income	234,792	141,993	233,642	141,378
4	Interest expenses				
	Credit institutions and central banks	13,510	10,507	13,510	10,507
	Deposits	12,687	428	12,687	494
	Issued bonds	10,780	2,075	10,780	2,075
	Subordinated debt	2,070	3,275	2,070	3,275
	Bonds	0	0	0	0
	Lease liabilities	1,025	1,069	1,025	1,069
	Other interest expenses	-273	-113	-273	-113
	Total interest expenses	39,798	17,241	39,798	17,308
5	Net fee and commission income				
	Fee and commission income				
	Securities trading and custody accounts	6,430	7,136	6,430	7,136
	Credit transfers	10,835	10,792	10,835	10,792
	Loan commissions	2,270	2,132	2,270	2,132
	Guarantee commissions	14,776	15,202	14,776	15,202
	Other fees and commissions	8,625	10,561	16,079	17,292
	Total fee and commission income	42,936	45,822	50,390	52,554
	Fee and commissions paid				
	Securities trading and custody accounts	2,844	2,622	2,844	2,667
	Net fee and commission income	40,092	43,200	47,546	49,887
6	Market value adjustments				
	Loans and advances	3,830	-42,870	3,830	-42,870
	Bonds	4,296	-30,892	3,218	-25,083
	Shares	1,065	-716	1,065	-716
	Foreign exchange	4,346	3,580	4,346	3,580
	Total derivatives of w hich:	-3,515	64,643	-3,515	64,643
	<i>Currency Swaps</i>	85	85	85	85
	<i>Interest Swaps</i>	63,352	63,352	63,352	63,352
	<i>Other contracts</i>	-66,952	1,206	-66,952	1,206
	Assets under pooled schemes	2,059	-700	2,059	-700
	Deposits in pooled schemes	-2,059	700	-2,059	700
	Deposits in pooled schemes	0	0	0	0
	Total market value adjustments	10,023	-6,255	8,945	-447

Note	DKK 1,000	Group		BankNordik	
		H1	H1	H1	H1
		2023	2022	2023	2022
7	Other operating income				
	Profit on sale of properties	70	0	70	0
	Other income	3,322	3,862	1,041	1,099
	Total other operating income	3,392	3,862	1,111	1,099
8	Staff costs and administrative expenses				
	Staff costs:				
	Salaries	67,969	56,600	59,753	48,626
	Pensions	8,773	8,419	7,661	7,323
	Social security expenses	9,412	8,854	8,358	7,842
	Total staff costs	86,153	73,873	75,772	63,791
	Administrative expenses:				
	IT	30,376	30,076	27,672	27,448
	Marketing etc	4,422	4,302	3,882	3,714
	Education etc	1,241	1,316	895	1,071
	Advisory services	1,616	694	1,600	694
	Other expenses	13,882	13,056	11,640	12,608
	Total administrative expenses	51,537	49,444	45,689	45,533
	Total staff costs	86,153	73,873	75,772	63,791
	Employee costs included under the item "Claims, net of reinsurance"	-5,378	-4,133	0	0
	Total administrative expenses	51,537	49,444	45,689	45,533
	Total staff costs and administrative expenses	132,313	119,183	121,461	109,324
	Number of employees				
	Average number of full-time employees in the period	203	199	172	173
	Executive remuneration:				
	Board of Directors	990	1,000	990	1,000
	Executive Board:				
	Salaries	2,288	1,494	2,288	1,494
	- less fees received from directorships	0	40	0	40
	The Bank's expense, salaries	2,288	1,454	2,288	1,454
	Pension	340	224	340	224
	Total executive board	2,628	1,678	2,628	1,678
	Total executive remuneration	3,618	2,678	3,618	2,678

Note	DKK 1,000	Group		BankNordik	
		H1	H1	H1	H1
		2023	2022	2023	2022
9	Impairment charges on loans and advances and provisions for guarantees etc.				
	Impairment charges and provisions at 31 December	185,981	237,705	185,981	237,705
	New and increased impairment charges and provisions	56,835	63,858	56,835	63,858
	Reversals of impairment charges and provisions	69,543	93,613	69,543	93,613
	Written-off, previously impaired	370	3,581	370	3,581
	<i>Interest income on impaired loans</i>	1,343	1,407	1,343	1,407
	Total impairment charges and provisions at 30 June	172,904	204,371	172,904	204,371
	Impairment charges and provisions recognised in the income statement				
	Loans and advances at amortised cost	-16,913	-26,335	-16,913	-26,335
	Loans and advances at fair value	0	0	0	0
	Guarantees and loan commitments	1,325	-5,087	1,325	-5,087
	Total individual impairment charges and provisions	-15,588	-31,422	-15,588	-31,422
	Stage 1 impairment charges				
	Stage 1 impairment charges etc. at 31 December	43,128	45,089	43,128	45,089
	New and increased Stage 1 impairment charges	29,614	21,528	29,614	21,528
	Reversals, net of Stage 1 impairment charges	14,562	27,512	14,562	27,512
	Stage 1 impairment charges at 30 June	58,180	39,104	58,180	39,104
	<i>Total net impact recognised in the income statement</i>	15,052	-5,984	15,052	-5,984
	Stage 2 impairment charges				
	Stage 2 impairment charges etc. at 31 December	32,535	18,468	32,535	18,468
	New and increased impairment charges	16,083	26,965	16,083	26,965
	Reversals, net of impairment charges	16,899	10,783	16,899	10,783
	Stage 2 impairment charges at 30 June	31,719	34,650	31,719	34,650
	<i>Total net impact recognised in the income statement</i>	-816	16,183	-816	16,183
	Weak Stage 2				
	Weak Stage 2 impairment charges etc. at 31 December	25,792	33,720	25,792	33,720
	New and increased impairment charges	2,353	6,983	2,353	6,983
	Reversals, net of impairment charges	18,455	20,299	18,455	20,299
	Weak Stage 2 impairment charges at 30 June	9,690	20,404	9,690	20,404
	<i>Total net impact recognised in the income statement</i>	-16,102	-13,316	-16,102	-13,316
	Stage 3 impairment charges				
	Stage 3 impairment charges etc. at 31 December	80,172	128,243	80,172	128,243
	New and increased impairment charges	4,601	3,613	4,601	3,613
	Reversals of impairment charges	16,768	25,162	16,768	25,162
	Written-off, previously impaired	370	3,581	370	3,581
	<i>Write-offs charged directly to the income statement</i>	18	1,180	18	1,180
	<i>Received on claims previously written off</i>	1,555	1,442	1,555	1,442
	<i>Interest income on impaired loans</i>	1,343	1,407	1,343	1,407
	Stage 3 impairment charges at 30 June	67,636	103,113	67,636	103,113
	<i>Total net impact recognised in the income statement</i>	-15,047	-23,217	-15,047	-23,217
	Purchased credit-impaired assets included in stage 3 above				
	Provisions for guarantees and undrawn credit lines				
	Individual provisions at 31 December	4,353	12,186	4,353	12,186
	New and increased provisions	4,184	4,770	4,184	4,770
	Reversals of provisions	2,859	9,856	2,859	9,856
	Provisions for guarantees etc at 30 June	5,678	7,099	5,678	7,099
	<i>Total net impact recognised in the income statement</i>	1,325	-5,087	1,325	-5,087
	Provisions for guarantees and undrawn credit lines				
	Stage 1 provisions	851	2,673	851	2,673
	Stage 2 provisions	3,925	2,159	3,925	2,159
	Weak Stage 2 provisions	0	0	0	0
	Stage 3 provisions	901	2,267	901	2,267
	Provisions for guarantees etc at 30 June	5,678	7,099	5,678	7,099

Note	DKK 1,000	Group		BankNordik	
		June 30	Dec. 31	June 30	Dec. 31
		2023	2022	2023	2022
10	Due from credit institutions etc. specified by maturity				
	On demand	361,134	389,894	361,134	389,894
	3 months and below	0	0	0	0
	3 months to 1 year	0	0	0	0
	Total due from credit institutions etc.	361,134	389,894	361,134	389,894
11	Contingent liabilities				
	Guarantees				
	Financial guarantees	282,638	253,976	282,638	253,976
	Mortgage finance guarantees	579,840	607,015	579,840	607,015
	Registration and remortgaging guarantees	78,883	141,803	78,883	141,803
	Other guarantees	226,552	632,125	226,552	632,125
	Total guarantees	1,167,912	1,634,919	1,167,912	1,634,919
12	Assets deposited as collateral				
	At June 30 2023 the Group had deposited cash amounting to DKK 55m (Dec. 31 2022: 55m) with Danmarks Nationalbank (the Danish Central Bank) in connection with clearing. Deposits of cash to others in total amounting to DKK 12m (Dec. 31 2022: 5.6m).				

Statement by the Executive Board and the Board of Directors

We have today considered and approved P/F BankNordik's interim report for the first six months to 30 June 2023.

The consolidated financial statements for the first six months to 30 June 2023 have been prepared in accordance with IAS 34, Interim Financial Reporting as adopted by the EU, while the interim financial statements of the Parent Company have been prepared in accordance with the Faroese Financial Business Act. Furthermore, the Interim Report has been prepared in accordance with additional Faroese disclosure requirements for interim reports of listed financial companies and in accordance with the financial reporting requirements of Nasdaq Copenhagen.

The interim financial statements have not been audited or reviewed.

We consider the accounting policies applied to be appropriate, such that the Interim Financial Report gives a true and fair view of the Group's and the Parent Company's assets, shareholders' equity and liabilities and financial position at 30 June 2023, and of the results of the Group's and the Parent Company's operations and the Group's and Parent Company's cash flows for the first six months ended 30 June 2023.

In addition, we consider the Management's report to give a fair presentation of the development in the Group's activities and financial affairs, the profit for the period and the Group's financial position as a whole, as well as a description of the significant risks and elements of uncertainty that may affect the Group.

Tórshavn, 3 August 2023

Executive Board

Turið F. Arge
CEO

Board of Directors

Birita Sandberg Samuelsen
Chairman

Rúni Vang Poulsen
Vice chairman

Birgir Durhuus

Kristian Reinert Davidsen

Marjun Eystberg

Tom Ahrenst

Rúna Hentze

Kenneth M. Samuelsen

Alexandur Johansen

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BankNordik is a limited liability
company incorporated and
domiciled in the Faroe Islands.

The company is listed on
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