



First half year and
second quarter 2022

Main features group

(Numbers in MNOK and in % of average total assets)

PROFIT AND LOSS ACCOUNT (Amounts in NOK million)	Q2/22		Q1 /22		30.06.2022		30.06.2021		31.12.2021	
Net interest- and credit commission income	184	1,87 %	174	1,79 %	358	1,84 %	288	1,70 %	604	1,69 %
Net commission income and other operating income	39	0,38 %	48	0,47 %	87	0,43 %	50	0,29 %	111	0,30 %
Net profit from other financial investments	-27	-0,27 %	21	0,22 %	-6	-0,03 %	7	0,04 %	-3	-0,01 %
Staff cost (note 4)	40	0,41 %	44	0,45 %	84	0,43 %	74	0,44 %	158	0,44 %
Other operating expenses (note 4)	51	0,52 %	50	0,52 %	101	0,52 %	89	0,52 %	226	0,63 %
Losses on loans, guarantees etc. (note 10)	2	0,02 %	1	0,01 %	3	0,01 %	10	0,06 %	64	0,18 %
Result before tax	104	1,06 %	147	1,52 %	251	1,29 %	171	1,01 %	264	0,74 %
Tax payable on ordinary result	33	0,33 %	32	0,33 %	65	0,33 %	38	0,23 %	59	0,17 %
Net profit	71	0,72 %	115	1,19 %	186	0,96 %	133	0,78 %	205	0,57 %

Key numbers

Profitability	30.06.2022	30.06.2021	31.12.2021
ROE (excl. hybrid capital)	8,5 %	7,6 %	6,5 %
Net interest	1,84 %	1,70 %	1,69 %
Net interest including transferred loans	1,70 %	1,70 %	1,67 %
Costs as a percentage of income	42,2 %	47,3 %	53,9 %

Balance and liquidity

Total assets	39.189	34.808	39.433
Average total assets	39.118	34.150	35.740
Total asset including transferred loans	44.456	34.808	44.014
Average total assets including transferred loans	43.904	34.808	36.622
Total loans	31.600	27.328	32.424
Total loans including transferred loans	36.867	27.328	37.005
Lending growth including transferred loans	34,9 %	-0,8	33,6 %
Customer deposits	24.731	20.612	23.552
Customer deposits growth in percent	20,0 %	10,9	26,1 %
Customer deposits in percent of total loans	78,3 %	75,4 %	72,6 %

Solidity (including cooperative group)

Core tier one Capital ratio	19,1 %	20,8 %	18,0 %
Core Capital ratio	21,2 %	22,6 %	20,0 %
Total capital ratio	23,7 %	25,3 %	22,3 %
Core tier one Capital	3.851	3.490	3.853
Core Capital	4.280	3.789	4.283
Total net equity and related capital	4.783	4.240	4.778
Capital requirement	20.146	16.741	21.451
Leverage Ratio	9,1 %	10,6 %	9,4 %

ACCOUNTS SPAREBANK 1 HELGELAND 2nd QUARTER 2021

General information

SpareBank 1 Helgeland is an independent savings bank determined to be the leading bank and a driving force for growth in Helgeland. SpareBank 1 Helgeland is the only bank with a head office in the region. The bank's strong market position combined with professional expertise, competitive prices and solid capital makes the bank well prepared to meet increased competition and eventual after-effects of the corona pandemic. The bank has offices in 4 municipalities in Helgeland, and was at the start of the year the 11th largest savings bank in Norway.

The accounts are produced in line with IFRS, including IAS 34 on interim reporting. Further information on the accounting principles is given in the annotations to the annual accounts for 2021 and annotation 1 in the quarterly report. The numbers used are consolidated figures unless it is otherwise stated. Figures in brackets are the previous year's comparative figures. The financial report has not been audited.

Main features 2nd quarter

- Weak quarterly gross profit of MNOK 104 which is characterized by turmoil in the market
- Stable basic operation
- Net interest in the quarter of MNOK 184, an increase of MNOK 10 from last quarter.
- Profit from financial assets and commitments MNOK -27.
- Net commission income of MNOK 38, an increase of MNOK 1 from last quarter if the bonus commission is held out.
- Low write-downs in lending in the quarter of MNOK 2 against MNOK 1 last quarter.
- Costs in % of income was 46.3 % against 38.8 % last quarter.
- Annualized net ROE adjusted for hybrid capital and one-time effects of 6.7 %

Main features this quarter (MNOK)	Q2/22	Q1/22	Change
Net profit	104	147	-43
Net interest and comission income	184	174	10
Operating cost	91	94	-3
Yield per equity capital certificate	2.0	3.3	-1
Provision of loss	2	1	1
Profit from financial investments	-27	21	-48
Growth gross lending (this quarter)	-43	-95	52
Growth deposits (this quarter)	587	592	-5

Main features so far this year

- Stable basic operation
- Gross profit of MNOK 251 (171).
- Net interest income of MNOK 358 (288).
- Profit from financial assets and commitments MNOK -6 (7).
- Net commission income of MNOK 84 (49).
- Low write-downs on lending of MNOK 3 (10). 0.020 % of gross lending.
- Cost in % if income was 42.2 %
- Net ROE adjusted for hybrid capital of 8.5 %

Main features this year (MNOK)	30.06.2022	30.06.2021	Change
Net profit	251	171	80
Net interest and comission income	358	288	70
Operating cost	185	163	22
Profit from financial investments	-6	7	-13
Provision of loss	3	10	-8
Return on equity %	8.5 %	7.6 %	0.9 %
Yield per equity capital certificate	5.3	4.6	0.7
Core tier 1 ratio %	19.1 %	20.8 %	-1.7 %
Provision of loss % of gross leding	0.02 %	0.1 %	-0.1 %
Growth gross lending % this year	-2.5 %	-1.3 %	-1.2 %
Growth gross lending % this year	5.0 %	10.3 %	-5.3 %

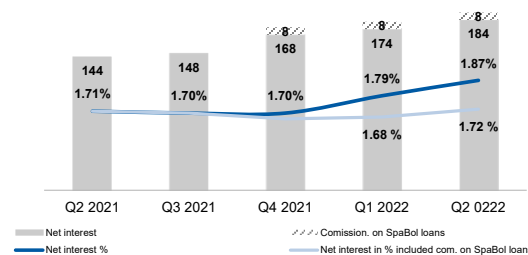
Profit

As for the second quarter, gross profit was MNOK 104 against MNOK 147 in the first quarter of 2022, a reduction of MNOK 43 compared to last quarter. The weak quarterly profit is mainly related to value change on financial instruments while increased net interest draws the profit slightly up.

So far this year gross profit is MNOK 251 (171), an increase of MNOK 80 against corresponding period last year. The increase is related to increased net interest and commission income, while operating costs and profit from financial assets draws the profit slightly down.

Net interest

Net interest and credit commission income amounted in the 2nd quarter MNOK 184, which is MNOK 10 higher than the last quarter. In % of average total assets net interest and credit commission income is 1.87 against 1.79 from the 1st quarter. The interest rate increase from February and May draws the net interest up, while lower higher funding costs draws the net interest significantly down. The implementation of the benefit program LO favør and other price drift is also factors that affects the net interest negatively in the quarter. Inclusive commission income for transferred loans to mortgage loan companies, the net interest and credit commission income amounts to MNOK 192 against 182 last quarter. In % of total assets included transferred loans, this amounts to 1.72 % by the end of the quarter against 1.68 % last quarter.



So far this year, net interest and credit commission income is MNOK 358 (288), an increase of MNOK 70. In % of average total assets, this amounts to 1.84 (1.70) %. Inclusive commission income from transferred loans to mortgage companies, net interest and credit commission

income amounts to MNOK 374 (288) pr 30.06.22. This equals a net interest in % of total assets included transferred loans of 1.70 (1.70) %.

So far this year the group has expensed MNOK 8 in contribution to the deposit guarantee fund and the emergency fund.

Net commission earnings.

For the quarter, the net commission earnings were MNOK 38 against MNOK 46 in the first quarter of 2022. In percentage of average total assets this amounts to 0.38 % for the second quarter, a decrease of 0.09 % from the first quarter of 2022. Deducted bonus commission from non-life insurance companies of MNOK 9 in the first quarter, the commission earnings are MNOK 1 higher than the last quarter.

Deducted commission income on loans transferred to SpareBank 1 Boligkreditt net commission earnings in % of average total assets amounts to 0.30 % against 0.39 in the first quarter of 2022.

So far this year, net commission earnings amount to MNOK 84 (49) or 0.43 (0.29) % of average total assets.

Net value change and profit/loss from financial investments

Income from financial investments was negative by MNOK -27 in the second quarter, a reduction of MNOK 48 compared to the first quarter in 2022. The loss on financial instruments in the quarter is mainly related to turmoil in the money market. In the quarter, this has resulted in a loss on the security paper portfolio of MNOK 20., while value change on fixes rate loans is negative by MNOK -21 in the quarter. Positive value change on derivatives not included in hedge accounting reduces the effect of value change on fixed rate loans by MNOK 12 in the PLA.

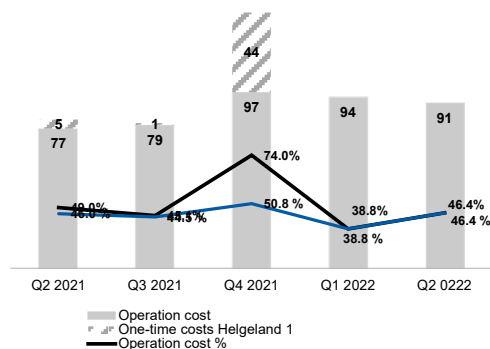
So far this year profit on financial investments is MNOK -6 (7). The decrease from 2021 is related to significant turmoil in the market in the current year, while recognition of dividend from the product companies draws it up.

In the parent bank, dividend from Helgeland Boligkreditt AS have been recognized as income with MNOK 56 in the first quarter of 2022.

Operating costs

This quarter, the operating costs were MNOK 91, a decrease of MNOK 3 compared to first quarter of 2022. In % of income, the costs amount to 46.3 % against 38.8 % in the first quarter of 2022. The costs are over the bank's target for cost level of 40 % of total income but is affected by low income related to financial assets and commitments. Loss on financial assets and commitments deducted, the cost percentage is 40.7 %.

Operating cost (mnok) and % of income



Per 30.06.22, the operating costs amounts to MNOK 185 (163), This is an increase of MNOK 22 compared to last year. So far this year the cost percentage is 42.2. Loss on financial assets and commitments deducted, the cost percentage is 41.6 %.

So far this year the bank's sick leave is 3.8 against 4.2 % in the corresponding period last year.

Write-downs on lending

MNOK 2 has been expensed in write-downs on loans this quarter against MNOK 1 in the first quarter. Annualized, this amounts to a percentage of gross lending of 0.02 %. This quarter.

MNOK 3 (10) has been expensed in write-downs on loans this year. This amounts to a percentage of gross lending of 0.02 (0.08).

Net non-performing and impaired commitments has this quarter increased by MNOK 25. Net non-performing and impaired commitments amounts to MNOK 241 by the end of the quarter against MNOK 216 in the first quarter of 2022. There are individual loss evaluations on large parts of the volume that in the first quarter is marked within non-performing and impaired commitments, and it is not expected further loss in these commitments.

It still lies uncertainty related to final consequences after the pandemic and the war in Ukraine, especially considering how companies and retail customers will cope with the economic losses as a consequence of the pandemic and the war. With background in this uncertainty, the changes in the loss model is maintained. By the end of the year, the additional provision amounts to MNOK 18.

The equity certificate – HELG

By the end of the quarter, the number of EC owners amounts to 2 733. The 20 largest owners are noted with 80.3 % of the EC capital. Of this, Sparebankstiftelsen owns 28.11 % and SpareBank 1 Nord-norge 19.99 %.

The number of total EC's is 27 000 130. As of 30.06.22 the bank owned 16.679 of our own EC's.

By the end of the quarter, the price of the bank ECs was NOK 119. This represents a decrease of NOK 12 or 9.2 % from 31.12.21.

Balance development per 30.06.22

Total assets amount to 39.2 bn. Over the last 12 months, total assets are increased by MNOK 4 381 (974) or 12.6 (2.9) %. Increased total assets is mainly related to high deposit growth and the acquisition of SpareBank 1 Nord-Norges portfolio in Helgeland in fourth quarter 2021.

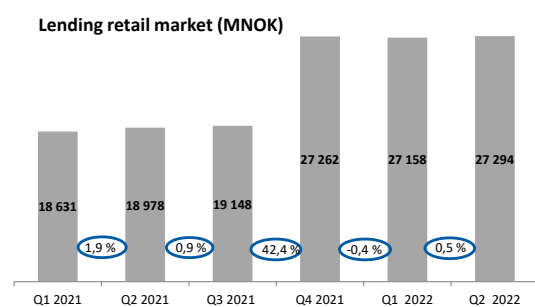
Commitments

In this quarter, lending growth inclusive loans to mortgage companies constituted MNOK -43 or -0.1 % where the retail market has a growth of MNOK 136 this quarter while the corporate market has a decrease of MNOK -179. Low lending growth in the period is mainly related to little activity related to housing sales.

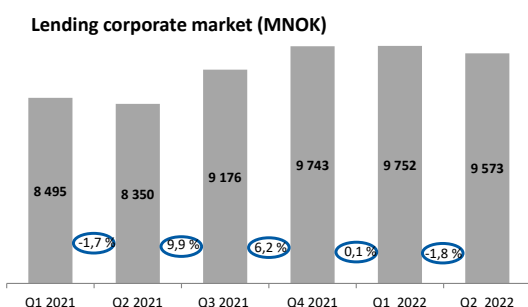
By the end of the quarter, gross lending included transferred loans to mortgage companies amounted to 36 867. Of the groups lending, 84.5 (83.5) % is lent to customers in Helgeland.

By the end of the year, gross lending included transferred loans to mortgage companies constituted MNOK 37 005. This equals a lending growth of MNOK 9 316 or 33.6 (0.1) % for 2021. Of the group's lending 84.6 (83.3) % is lent to customers in Helgeland.

Of total lending, MNOK 27 294, or 74.0 (69.4) % is lending to retail customers, of which MNOK 5 059 has been transferred to mortgage companies. Lending to the retail market has over the last 12 months increased by MNOK 7 853 (320), or 41.4 (1.7) %.



By the end of the quarter, the lending to the corporate market amounts to MNOK 9 573 (8 495). Hereof MNOK 208 transferred to SpareBank 1 Boligkreditt. In the corporate market, the development over the last 12 months was MNOK 1 219 (-548), or 14.5 (-6.2) %.



Deposits from customers

By the end of the second quarter, deposits from customers constituted MNOK 24 731. The deposits have over the last 12 months increased by MNOK 4 119 (2 027), or 20.0 (10.9) %.

In the second quarter, the deposits have increased by MNOK 587 against MNOK 592 in the first quarter of 2022.

The group has a local depositor mass where 90.9 (91.0) % are deposits from customers in Helgeland. Of total deposits of MNOK 24 731, MNOK 14 855 or 60.1 (57.8) % is deposits from retail customers. The 12-month deposit growth in the retail market was MNOK 2 931 (822), or 24.6 (7.4) %. In the corporate market, deposits have over the last 12 months increased by MNOK 1 188 (1 205) or 13.7 (16.1) %.

Deposit coverage in % of gross lending was per 30.06.22 78.1 (75.4) %.

Funding

Deposits from customers are an important funding source for the bank. The group is also funded in the Norwegian money- and securities market. Total capital market funding is amounted at the end of the quarter to MNOK 9 025 (9.657) and has a satisfying allocation of duration and lending sources. By the end of the quarter, the share of loans beyond one year was 78.6 (80.8) %. Per 30.06.22, the average remaining term for debt securities was 2.31 (2.31) years. Duration in the mortgage company is slightly lower with 2.22 (2.38) years.

The bank is continually preparing for the transferral of approved mortgages to mortgage companies. By the end of the quarter, the bank has transferred MNOK 5 267 to SpareBank 1 Boligkreditt, and 5 946 to the fully owned subsidiary Helgeland Boligkreditt. Totally, this amounts to MNOK 11 213, which is an increase of MNOK 4 785 compared to the corresponding quarter last year. Loans transferred to Helgeland Boligkreditt is included in the consolidation, while transferred loans to SpareBank 1 Boligkreditt is excluded from the consolidation.

The fixed maximum limit for transferring loans to Helgeland Boligkreditt AS is 35 % of gross lending and 50 % of gross lending RM. As of 30.06.22, the transfer level is 30.4 (23.5) % and 40.8 (33.9) %. Transferred loans to Helgeland Boligkreditt AS is expected to be reduced in line with the maturity dates of the loans in the company. This follows of the transfer to SpareBank 1-alliance, and use of funding through SpareBank 1 Boligkreditt.

Cash flow

The cash flow statement shows how SpareBank 1 Helgeland has received cash and how these are used. It is based on gross cash flows from operational activities, investment- and financing activities. The liquidity holding is increased by MNOK 52 since the beginning of the year.

Rating

SpareBank 1 Helgeland is rated by Moody's. The bank's rating is A3 with a "stable outlook". Bonds issued by Helgeland Boligkreditt AS are given an Aaa rating by Moody's.

Subsidiaries and joint ventures

The SBH group consists of SpareBank 1 Helgeland and the consolidated subsidiaries Helgeland Boligkreditt AS, Bankbygg Mo AS, AS Sparebankbygg, Helgeland Sparebanks Eiendomsselskap AS, Helgeland Utviklingsselskap AS, Storgata 73 AS and Strendene Utviklingsselskap AS. The subsidiaries Helgeland Utvikling AS and Strendene Utviklingsselskap AS is in its entirety written down.

The owner shares in Samarbeidende Sparebanker AS and Samarbeidende Sparebanker Uvikling DA is classified as jointly controlled companies. The bank has an owner share of 3 % in both companies, where the owner share in Samarbeidende Sparebanker AS dictates an indirect owner share in SpareBank 1 Gruppen AS of 0.6 %.

Risk and capital management

The SBH group's combined risk is governed through proxies, targets, and frames determined by the Board of Directors. The combined capital requirement is summarised in the bank's ICAAP.

Credit risk

The SBH group's strategy for the credit area is derived from the overall strategy and contains guidelines for the distribution of loans between the retail and corporate markets, exposure to industries (concentration risk) and geographical limitations. Lending to retail customers consists of a high level of secure mortgages that give a low risk in the portfolio.

The development in the bank's credit risk is monitored closely. The corporate customers are given individual close follow-up in addition to monitoring development of risk based on the bank's score models. Monitoring of development has been established in relation to approved management objectives for the portfolio.

As of 30.06.22 net non-performing (>90 days) and impaired commitment constitute MNOK 241 (336) which is a decrease of MNOK 95 from 30.06.21. In percentage of gross lending this amounts to 0.8 (1.2) %.

Market risk

The SBH group's interest rate risk is managed within frames approved by the Board, and is considered low. The bank takes on credit spread risk, primarily through the management of interest-bearing assets in the bank's liquidity portfolio. The portfolio mainly consist is securities issued by Norwegian banks, mortgage companies, municipalities, government, and non-financial institutions. The credit spread risk is within the approved frames.

The banks positions in shares are primarily strategically motivated through investments in shares in subsidiary companies, associated companies and product

companies. The market risk associated to these share investments are considered to be moderate.

Operational risk

The risk management is central in the daily operation and in the board's work. The risk is primarily managed through policy and guidelines, frameworks, power of attorney, reporting requirements and competence requirements. In 2021 it has not been revealed any conditions that are critical to the bank's activities.

Liquidity risk

The Board has approved a strategy for liquidity management that determine the purpose, management objectives, and risk tolerance for the management of liquidity risk. The bank's liquidity situation is considered satisfactory, and the share of long-term funding is well above the target.

The SBH group's combined liquidity reserves (cash, deposits, and interest-bearing assets) constitute NOK 6.6 (7.2) bn, or 16.8 (20.5) % of the group's total assets. The combined duration of the interest portfolio is 1.97 (1.48) years.

The banks liquidity reserve portfolio mainly consists of solid issuers of interest-bearing securities that qualify for LCR reporting. By the end of the quarter the SBH Group has an LCR of 185 (263) %.

Solidity

After proportionally consolidation, net equity, and related capital amounts to MNOK 4 783, hereby fund obligations by MNOK 398 and subordinated loan by MNOK 451.

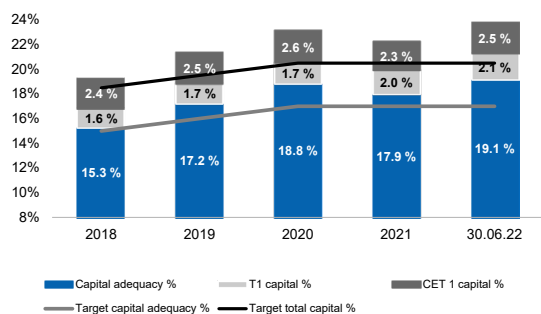
the SBH group has per 30.06.22 a CET1 capital ratio of 19.1 (20.9) % and a total capital ratio of 23.7 (25.3) %. The profit for 2nd quarter is deducted of the calculation. Inclusive 50 % of the profit, the CET1 and the total capital ratio is 19.5 % and 24.2 %

The increase in the capital adequacy coverage is mainly related to reduced calculation basis related to transferring loans to SpareBank 1 Boligkreditt, and the extension of the SMB discount. The increase in the capital adequacy coverage as a consequence of this amounts to around 0.30 and 0.65 %. The reduction in the calculation basis as a consequence of transferred loans are mainly transient and will be proportionately consolidated at the next regulation of the owners shares in the mortgage company.

Statutory minimum requirement for pure core capital adequacy is 11.5 %. The bank has a Pillar 2 addition of 2.2 %. The group's capital requirement including Pillar 2 addition amounts to 13.7 (13.2) %. The Group received a new decision around Pillar 2 addition the 26.04.22, The decision has effect from 30.04.22.

The target of CET1 is at 1 % over regulatory demands, and at this point this amount to 17.0 %, and 20.5 %. The bank has in its target considered increased system risk and countercyclical buffer requirements of 2.5 %.

Development capital adequacy



The Group has a risk weighted balance before proportionately consolidation of MNOK 20 146 (16 741).

The group's Leverage Ratio (unweighted core capital ratio) was 9.1 (10.6) % after proportionally consolidation.

Prospects ahead

SpareBank 1 Helgeland has started its first financial statement year as a part of the SpareBank 1 alliance. The bank has shown to be able to adapt and willing to learn and is now working to adapt to the tools and products available for the bank as a consequence of its entrance in the alliance. 2022 will still be a year where there is where there still is need for adjustment and change, and not least for that the bank is going to become a part of the forward leaning and development-oriented culture in the SpareBank 1 alliance. This provides that the groups long term profitability target cannot be expected fulfilled. In a longer perspective, the profitability is expected strengthened. The group has a long-term target of a ROE on level with comparable banks, pt. 11 % after tax from 2023.

The net interest is expected to strengthen after the interest rate increase in the second quarter and the expected interest rate increases in 2022. For the credit portfolio inclusive transferred loans to the mortgage companies, the interest rate increase in the second quarter isolated is expected to provide an annual strengthening of the net interest by MNOK 90 per balance date. Increased funding costs and price adaptations will draw this effect on the net interest significantly down. The interest rate increase in June 2022 has effect from medio August.

The level of commission income is stable. Established measures and an aggressive sales organization provide the basis for expecting this level deducted commission

from mortgage companies in 2022, to stabilize at around 0.30 % of total assets.

Operating costs for the basic operation are expected to maintain relative stable but slightly over target of 40 percent of total income. This is mainly related to increased costs in a transition phase after entering the SpareBank 1 alliance and the acquisition. It is expected that the cost level throughout 2022 will approach the target as a consequence of that employees in end packages processes and IT and operating deals that expires.

The bank has earlier guided the market on an expectation of normalized losses of around 0.18 % of gross lending. The level of expectation is also maintained into 2022. It is still an underlying uncertainty regarding future losses considering the pandemic and the war in Ukraine, but the bank has relatively little exposure against especially affected industries.

In the retail market, in near future, the board expect a moderate market growth. The groups growth ambitions suggest a lending growth minimum equivalent to the market on Helgeland (p.t. 5 %). The board will prioritize profitable growth. The government's decision around the building of a new large airport in Mo I Rana, investment decision related to battery fabric of up to 17 bn., several industry establishments in Vefsn municipality and more establishments of land-based fish farms in the region gives reason of optimism related to the long-term growth in the private market.

Even if in the first half the year has been weak growth in the corporate market, it is expected a significant increase of activity in Helgeland in the years to come. Significant infrastructure and industry projects as airport, battery fabric, deep water quay, hydrogen production, hospital and housing and road building will provide investments for up to 25 billion NOK in Helgeland. The investment need in the fish farm industry is also expected to be high because of smolt, green change and building of land-based fish farms. The bank is well proportioned to be an important contributor for the local business actors that is expected to contribute to the projects or in another way be a part of the ripple effects such investments provide.

The positive development in Helgeland gives the Board good faith in the future, and that SpareBank 1 Helgeland will be a central contributor for further growth in Helgeland.

Mo i Rana, August 12th 2022

Bjørn Krane
Chairman of the Board

Rolf Eigil Bygdnes
Deputy Chairman of the Board

Marianne Terese Steinmo

Siw Moxness

Jonny Berfjord

Linda Brennbakk
Permanent deputy member

Birgitte Lorentzen
Employee representative

Geir Pedersen
Employee representative

Hanne Nordgaard
CEO

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PROFIT AND LOSS ACCOUNT (amounts in NOK million)

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
702	167	244	336	466	Interest income and similar income (note 2.1)	537	405	279	202	840
161	38	69	79	126	Interest payable and similar costs	171	107	93	53	217
18	5	2	10	8	Hedge fund fees	8	10	2	5	18
523	124	174	247	333	Net interest- and credit commission income	358	288	184	144	604
118	23	41	53	91	Commissions receivable and income from banking services	91	53	41	23	118
11	2	3	4	7	Commissions payable and costs relating to banking services	7	4	3	2	11
9	2	3	4	6	Other operating income	3	1	2	0	4
116	23	42	53	91	Net commission income and other operating income	87	50	39	21	111
72	0	1	70	88	Dividend	32	2	0	0	2
8	2	1	2	2	Net profit from associates	2	2	1	2	11
-11	1	-29	4	-40	Net profit from other financial investments	-40	3	-28	1	-16
69	3	-27	76	50	Gains/losses on financial assets available for sale (note 3)	-6	7	-27	3	-3
157	36	39	74	83	Staff cost (note 4)	84	74	40	36	158
228	46	49	87	97	Other operating expenses (note 4)	101	89	51	46	226
385	82	88	161	180	Total operating expenses	185	163	91	82	384
323	68	100	215	293	Result before losses	254	182	106	86	328
60	9	3	12	4	Losses on loans, guarantees etc. (note 10)	3	10	2	7	64
263	59	98	203	290	Result before tax	251	171	104	79	264
47	12	31	30	60	Tax payable on ordinary result	65	38	33	16	59
216	47	129	173	230	Net profit	186	133	71	62	205
12			7	7	Attributable to additional tier 1 capital holders	7	7			12
158			132	178	Attributable to equity capital certificate holders	143	100			149
46			34	45	Attributable to the saving bank reserve	36	26			44
				0	Attributable to non-controlling interest	0				0
216			173	230	Net profit	186	133	71	62	205
5.8			6.1	6.6	Yield per equity capital certificate (note 5)	5.3	4.6			5.5
5.8			6.1	6.6	Diluted result per ECC in Norwegian currency (note 5)	5.3	4.6			5.5
Extended Income Statement										
216	47	67	173	230	Net profit	186	133	71	62	205
<u>Items that will not be reclassified through profit or loss:</u>										
-1	0	-1	0	0	Recognized deviations in pensions	0	0	-1	-1	-1
<u>Items that are subsequently reversed through profit or loss:</u>										
2	0	0	0	-1	Estimate variances, pensions will not be reversed over the income statement later	-1	0	-1	0	2
0	0	0	0	0	Tax on extended profit	0	0	0	0	0
2	0	0	0	-1	Net extended profit or loss items	-1	0	-2	-1	2
218	47	66	173	228	Total profit of the period	185	133	70	-61	207

BALANCE SHEET (amounts in NOK million)

Parent bank			Group			
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
ASSETS						
73	88	71	Cash and claims on central banks	71	88	73
1 886	1 830	2 083	Loans to and claims on credit institutions	910	1 120	857
25 213	20 655	25 607	Loans to and claims on customers (note 7,8,9,10)	31 422	27 036	32 194
39	63	52	Financial derivatives (note 16)	22	70	39
5 786	6 052	6 179	Certificates, bonds and shares	6 279	6 173	5 805
144	138	143	Investments in associated companies (note 12)	143	138	144
590	591	591	Investments in subsidiaries (note 12)	0	0	0
104	26	98	Immaterielle eiendeler	98	26	104
46	53	41	Fixed assets (note 13)	158	131	153
72	45	61	Other assets (note 13.1)	86	26	64
33 953	29 541	34 926	Total assets	39 189	34 808	39 433
LIABILITIES AND EQUITY CAPITAL						
302	550	312	Liabilities to credit institutions	312	551	303
24 144	21 124	25 378	Deposits from customers and liabilities to customers (note 17,18)	24 731	20 612	23 552
4 288	3 371	3 857	Borrowings through the issuance of securities (note 15)	8 713	9 106	10 271
9	22	23	Financial derivatives (note 16)	50	22	12
209	203	255	Other liabilities (note 13.1)	251	198	218
451	451	451	Subordinated loan capital	451	451	451
29 403	25 721	30 276	Total liabilities	34 508	30 940	34 807
Equity capital						
270	209	268	Equity share capital (note 5,6,20)	268	209	270
1 505	971	1 505	Premium Fund	1 505	971	1 505
1 439	1 354	1 439	Cohesion Fund	1 439	1 354	1 439
3 214	2 534	3 212	Total equity share capital	3 212	2 534	3 214
778	753	777	Primary capital	777	753	777
51	31	18	Gift fund	18	31	51
829	784	795	Total primary capital	795	784	828
21	38	22	Unrealized gains reserve	22	38	21
398	299	398	Hybrid Capital (Note 1,17)	398	299	398
86	165	222	Other equity capital	251	210	161
4 550	3 820	4 650	Total equity capital exclusive minority interest	4 678	3 865	4 622
			Non-controlling interest	3	3	3
4 550	3 820	4 650	Total equity capital	4 681	3 868	4 626
33 953	29 541	34 926	Total liabilities and equity capital	39 189	34 808	39 433

Conditional liabilities off balance sheet (note 11)

Mo i Rana, August 12th 2022

Bjørn Krane
Chairman of the Board

Rolf Eigil Bygdnes
Deputy Chairman of the Board

Marianne Terese Steinmo

Siw Moxness

Jonny Berfjord

Linda Brennbakk
Permanent deputy member

Birgitte Lorentzen
Employee representative

Geir Pedersen
Employee representative

Hanne Nordgaard
CEO

CHANGE IN EQUITY

Group

31.12.21

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal	Other Equ.cap.	Min. int.	Total
Equity as at 01.01.21	209	971	0	299	38	753	34	8	1 354	150	3	3 819
Profit				12	-19	24	4	21	85	77		205
OCI					2	0			0			2
Comprehensive income for the period	0	0	0	12	-16	24	4	21	85	77	0	207
Issued FO				398								398
Redeemed FO				-299	1	0			-1			-299
Paid interest FO				-12								-12
Emission	61	534										595
Gifts							-8	-8				-16
Other changes										-1		-1
Transactions with owners												0
Dividend paid/interests										-65		-65
Equity 31.12.21	270	1 505	0	398	21	777	30	21	1 439	161	3	4 626
Paid-in/accrued equity/retained earnings			1 775								2 851	4 626

30.06.22

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found. res.	Divid. Equal	Other Equ.cap.	Min. int.	Total
Equity as at 01.01.22	270	1 505	0	398	21	777	30	21	1 439	161	3	4 626
Result for the period				7						178		185
Extended profit or loss items												0
Comprehensive income for the period	0	0	0	7	0	0	0	0	0	178	0	185
Paid interest FO				-7								-7
Gift fund							-12					-12
Other changes			-2		0							-2
Transactions with owners												0
Dividend paid/interests								-21		-86		-107
Equity 31.12.22	270	1 505	-2	398	21	777	18	0	1 439	253	3	4 681
Paid-in/accrued equity/retained earnings			1 772								2 909	4 681

Parent bank

31.12.21

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal res.	Other Equ.cap.	Total	
Equity as at 01.01.21		209	971	0	299	38	753	34	8	1 354	65	3 731
Profit					12	-19	25	4	21	86	86	216
OCI						2	0			0		2
Comprehensive income for the period		0	0	0	12	-16	25	4	21	86	86	218
Issued FO					398							398
Redeemed FO					-299	1	0			-1		-299
Paid interest FO					-12							-12
Emission		61	534									595
Gift fund								-8				-8
Transactions with owners												0
Dividend paid/interests									-8		-65	-73
Equity 31.12.21		270	1 505	0	398	23	778	30	21	1 439	86	4 550
Paid-in/accrued equity/retained earnings				1 775							2 775	4 550

30.06.22

	ECC capital	Premium fund	Own ECCs	Additional tier 1 capital	Result for valuation variance	Savings bank's fund	Donation fund	Char. found.	Divid. Equal	Other Equ.cap.	Total	
Equity as at 01.01.22		270	1 505	0	398	23	778	30	21	1 439	86	4 550
Result for the period					7					223		230
Extended profit or loss items										-1		-1
Comprehensive income for the period		0	0	0	7	0	0	0	0	222		229
Paid interest FO					-7							-7
Other changes				-2			-1					-3
Gift fund								-12				-12
Transactions with owners												0
Dividend paid/interests									-21	-86		-107
Equity capital 31.03.22		270	1 505	-2	398	23	777	18	0	1 439	222	4 650
Paid-in/accrued equity/retained earnings				1 773							2 877	4 650

CASH FLOW STATEMENT

Parent bank			Group			
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
-5 009	-447	-341	Lending to customers	825	360	-4 803
636	306	410	Interest income lending to customers	493	381	788
5 043	2 023	1 234	Deposits from customers	1 180	1 928	4 868
-103	-52	-82	Interest cost deposit from customers	-81	-52	-102
-248	0	10	Receivables and liabilities to credit institutions	10	0	-248
-5	-3	-3	intrest on receivables and liabilities to credit institutions	-3	-3	-3
-7 304	-3 934	-1 945	Purchase certificates and bonds	-1 945	-4 034	-7 454
6 731	2 690	1 508	sale certificates and bonds	1 428	2 690	6 881
52	25	44	Interest income certificates and bonds	44	25	52
108	49	84	Comission income	84	49	108
-392	-169	-167	Payments relating to operations	-172	-172	-419
-62	-62	-49	Paid tax	-69	-77	-77
-53	-62	-13	Other cutoffs	-37	-75	-56
-606	364	690	A Net liquidity change from operating activities	1 757	1 020	-465
-132	-13	-4	Investment in long-term securities	-12	-13	-162
0	0	0	Income sale of long-term securities	0	0	0
-710	-211	-15	Long-term investments in shares	-15	-211	-710
168	154	0	Payment from sales long-term investments in shares	0	154	168
71	70	87	Dividend from long-term investments in shares	32	2	2
-603	-	68	B Net liquidity change from investments	5	-68	-702
2 356	734	251	New borrowing through issuanse of securities	774	1 849	5 090
-1 365	-692	-647	Repayments - issued securities	-2 273	-2 165	-4 203
595	0	0	Emisjon	0	0	595
-44	-20	-36	Interest payments borrowing through issuance of securities	-80	-48	-100
100	0	0	+ Liquid assets at the start of the period	0	0	100
-8	-7	-11	Interest payments on subordinated debt	-11	-7	-8
-8	-3	-12	payment gift fund	-12	-3	-8
-65	-65	-108	dividend to share owners	-108	-65	-65
1 561	-53	-563	C Net liquidity change financing	-1 710	-439	1 401
352	311	195	A+B+C Net liquidity change in the period	52	513	234
1 607	1 607	1 959	Liquid funds at the start of the period	929	695	695
1 959	1 918	2 154	Liquid funds at the end of the period	981	1 208	929
			Liquid funds specified			
73	68	71	Cash and balances with central banks	71	88	73
1 886	1 830	2 083	Balances with credit institutions without notice periods	910	1 120	856
1 959	1 918	2 154	Liquid funds	981	1 208	929

NOTE 1. ACCOUNTING PRINCIPLES

Both the consolidated financial statements and the parent bank's financial statements have been prepared in accordance with the IFRS standards, the accounting principles within the individual areas are described in the annual accounts for 2021. Interim reports are in accordance with IAS 34 and have not been audited.

NOTE 2. SEGMENT

The Group has defined its geographical segment as a main area of Norway – Helgeland and the Group only has minor exposure to credit risk in areas other than its geographically defined main area. The group has split the bank into two segments, corporate and retail banking.

<i>Parent bank</i>				<i>Group</i>				
30.06.22				30.06.22				
Retail	Corp.	Unallocated	Total	Segment information	Retail	Corp.	Unallocated	Total
154	159	20	333	Net interest and credit commission income	192	160	6	358
8	6	70	84	Net commission income	8	6	70	84
0	0	56	56	Other operating income	0	0	-3	-3
46	26	108	180	Operating costs	48	27	110	185
0	4	0	4	Losses on loans guaranteed	-1	4		3
116	136	38	290	Gross profit	153	135	-37	251
16 394	9 401	0	25 795	Loans to and claims on customers	22 235	9 365	0	31 600
-16	-172	0	-188	Provision of loss	-16	-162	0	-178
0	0	9 319	9 319	Other assets	0	0	7 767	7 767
16 378	9 229	9 319	34 926	Total assts per segment	22 219	9 203	7 767	39 189
14 855	10 523	0	25 378	Deposits from customers and liabilities	14 855	9 876	0	24 731
0	7	0	7	Provisions of loss, unutilized deductions and guarantees	0	7	0	7
0	0	9 541	9 541	Other liabilities and equity			14 451	14 451
14 855	10 530	9 541	34 926	Total liabilities and equity per segment	14 855	9 883	14 451	39 189

<i>Parent bank</i>				<i>Group</i>				
30.06.21				30.06.21				
Retail	Corp.	Unallocated	Total	Segment information	Retail	Corp.	Unallocated	Total
106	143	-2	247	Net interest and credit commission income	146	145	-3	288
7	11	31	49	Net commission income	7	11	31	49
0	0	80	80	Other operating income	0	0	7	7
37	23	101	161	Operating costs	40	23	100	163
4	8	0	12	Losses on loans guaranteed	4	6	0	10
72	123	8	203	Gross profit	109	127	-65	171
12 682	8 279	0	20 961	Loans to and claims on customers	18 978	8 350	0	27 328
-19	-287	0	-306	Provision of loss	-19	-273	0	-292
0	0	8 886	8 886	Other assets	0	0	7 772	7 772
12 663	7 992	8 886	29 541	Total assts per segment	18 959	8 077	7 772	34 808
11 923	9 201	0	21 124	Deposits from customers and liabilities	11 923	8 688	0	20 611
0	3	0	3	Provisions of loss, unutilized deductions and guarantees	0	3	0	3
0	0	8 414	8 414	Other liabilities and equity	0	0	14 194	14 194
11 923	9 204	8 414	29 541	Total liabilities and equity per segment	11 923	8 691	14 194	34 808

NOTE 2.1 NET INTEREST

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
					Interest from financial instruments at amortized cost					
14	3	8	6	14	Interest from credit institutions	3	1	2	0	2
334	84	99	174	193	Interest receivable on loans	195	360	98	179	610
348	87	107	180	207	Total interest from financial instruments at amortized cost	198	361	100	179	612
					Interest from financial instruments valued to fair value over net profit					
40	9	11	19	21	Interest receivable on loans (fair value loans)	21	19	11	9	40
52	14	25	25	44	Interest from bearer bonds and certificates	44	25	25	14	53
92	23	36	44	65	Total interest from financial instruments valued to fair value over net profit	65	44	36	23	93
					Interest from financial instruments valued to fair value OCI					
262	57	101	112	194	Interest receivable on loans (loans who can transfer to the bank's mortgage company)	274	0	143	0	135
262	57	101	112	194	Total interest from financial instruments valued to fair value OCI	274	0	143	0	135
702	167	244	336	466	Total interest income	537	405	279	202	840

NOTE 2.2 NET COMMISSION INCOME

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
					Commissions and income from banking services					
8	0	7	0	16	Provision knyttet til utlån overført til kreditforetak	16	0	8	0	8
69	15	20	30	39	Fees relating to payments transmission services	39	30	20	15	69
35	7	13	20	34	Fees insurance (general, life, saving and pension)	34	20	13	7	35
6	1	1	3	2	Guarantee commission	2	3	1	1	6
118	23	41	53	91	Total commissions and income from banking services	91	53	41	23	118
					Commissions payable and costs relating to banking services					
11	2	3	4	7	Payments transmission services	7	4	3	2	11
11	2	3	4	7	Total commissions and income from banking services	7	4	3	2	11
107	21	38	49	84	Net commission income	84	49	38	21	107

NOTE 3. SPECIFICATION OF NET CHANGE IN VALUE OF FINANCIAL INSTRUMENTS

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
-9	-1	-19	-2	-32	Value change in interest-bearing securities	-32	-2	-19	-1	-9
-10	-2	-1	-2	-4	Net gain/loss in interest-bearing securities	-4	-3	-1	-3	-12
10	0	0	5	0	Net gain/loss shares	0	5	0	0	10
72	0	1	70	88	Share dividend	32	2	1	0	2
11	11	1	11	2	Income from affiliated company	2	11	1	11	11
-29	-5	-21	-17	-41	Value change in value on lending fixed rate	-41	-17	-21	-5	-29
24	0	12	11	37	Value change on funding and swaps	37	11	12	1	24
69	3	-27	76	50	Total value change financial instruments	-6	7	-27	3	-3

NOTE 4. SPECIFICATION OF TOTAL OPERATING COSTS

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
157	36	39	74	83	Wages, salaries and social costs	84	74	40	36	158
102	23	27	46	51	General administration costs	51	45	26	22	102
45	7	10	14	20	Depreciation etc of fixed- and intangible assets	20	17	10	8	35
81	16	13	27	26	Other operating costs	30	27	15	16	89
385	82	88	161	180	Total operating costs	185	163	91	82	384

NOTE 5. LOSSES ON LOANS GUARANTEES, ETC

Parent bank						Group				
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
2	-2	-1	-1	-1	Period's change in write-downs step 1	-2	-1	-2	-2	2
-2	-7	-11	-16	-18	Period's change in write-downs step 2	-18	-17	-11	-8	-2
10	10	7	18	13	Period's change in write-downs step 3	13	16	7	8	13
55	15	9	13	13	Period's confirmed loss	13	14	9	16	55
-4	-7	-1	-2	-3	Period's recoveries from previous periods' conf. losses	-3	-2	-1	-7	-4
60	9	3	12	4	Total losses on loans, guarantees etc.	3	10	2	7	64

Provisions for losses and loss costs are calculated in accordance with IFRS 9, the method is described in the annual accounts note 22 and note 8 in the annual report.

NOTE 6. PROFIT PER PRIMARY CERTIFICATE

<i>Parent bank</i>				<i>Group</i>		
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
216	173	230	Net profit	186	133	205
			Non-controlling interest share of net profit			
-12	-7	-7	Interest fund bond	-7	-7	-12
204	166	223	Profit (excl. Interest fund bond)	179	126	193
77.3 %	76.3 %	79.9 %	ECC percentage	79.9 %	76.3 %	77.3 %
5.8	6.1	6.6	Yield per equity capital certificate	5.3	4.6	5.5
5.8	6.1	6.6	Diluted result per ECC in Norwegian currency	5.3	4.6	5.5

				<i>Parent bank</i>		
				30.06.22	30.06.21	31.12.21
Net profit				230	173	216
Interest fund bond				-7	-7	-12
Transferred reserve for valuation variances				0	-12	18
Basis dividend				223	154	222

Equity capital certificate ratio (parent bank)				30.06.22	30.06.21	31.12.21
ECC capital				268	209	270
Dividend equalisation reserve				1 439	1 354	1 439
Premium reserve				1 505	971	1 505
Unrealised gains reserve				18	29	17
Other equity capital				177	126	-
Sum equity capital certificate owners				3 407	2 689	3 231
Ownerless capital				777	753	777
Savings bank gift fund				18	31	30
Unrealised gains reserve				4	9	5
Other equity capital				45	39	-
The saving bank reserve				844	832	813
Savings bank gift foundation				-	-	21
Dividend declared				-	-	86
Equirt ex. Hybrid capital				4 251	3 521	4 151
Equity capital certificate ratio				80.1 %	76.4 %	79.9 %
Equity capital certificate ratio for distribution				79.9 %	76.3 %	77.3 %

NOTE 7. GEOGRAPHICAL EXPOSURE WITHIN THE LOAN PORTFOLIO

<i>Parent bank</i>				<i>Group</i>			
30.06.21	%	30.06.22	%	30.06.22	%	30.06.21	%
17 925	85.5 %	22 373	86.7 %	26 717	84.5 %	22 815	83.5 %
2 992	14.3 %	3 365	13.0 %	4 809	15.2 %	4 452	16.3 %
44	0.2 %	57	0.2 %	74	0.2 %	61	0.2 %
20 961	100.0 %	25 795	100.0 %	31 600	100 %	27 328	100.0 %

NOTE 8.1 COMMITMENTS SPLIT BY SECTOR/INDUSTRY

	30.06.22		30.06.21	
	Gross loans	%-stake	Gross loans	%-stake
	<i>Group</i>			
Municipalities and municipal enterp.	0	0.0 %	0	0.0 %
Insurance and finance	202	0.6 %	6	0.0 %
Agriculture and forestry	1 430	4.5 %	1 307	4.8 %
Fisheries and aquaculture	1 218	3.9 %	950	3.5 %
Mining and industry	635	2.0 %	517	1.9 %
Building and construction	825	2.6 %	926	3.4 %
Trade, hotel, restaurants.	537	1.7 %	464	1.7 %
Transport and services	1 204	3.8 %	1 327	4.9 %
Property	3 314	10.5 %	2 853	10.4 %
Total corporate market	9 365	29.6 %	8 350	30.6 %
Retail market	22 235	70.4 %	18 978	69.4 %
Total	31 600	100 %	27 328	100 %
Loans transferred to Helgeland Boligkreditt	0		0	
Loans transferred to SpareBank 1 Boligkreditt	5 267		0	
Total loans including tranferred to mortgage company	36 867		27 328	

	30.06.22		30.06.21	
	Gross loans	%-stake	Gross loans	%-stake
	<i>Parent bank</i>			
Municipalities and municipal enterp.	0	0.0 %	0	0.0 %
Insurance and finance	202	0.8 %	6	0.0 %
Agriculture and forestry	1 409	5.5 %	1 289	6.1 %
Fisheries and aquaculture	1 210	4.7 %	941	4.5 %
Mining and industry	634	2.5 %	519	2.5 %
Building and construction	812	3.1 %	910	4.3 %
Trade, hotel, restaurants.	533	2.1 %	459	2.2 %
Transport and services	1 156	4.5 %	1 257	6.0 %
Property	3 445	13.4 %	2 898	13.8 %
Total corporate market	9 401	36.4 %	8 279	39.5 %
Retail market	16 394	63.6 %	12 682	60.5 %
Total	25 795	100 %	20 961	100 %
Loans transferred to Helgeland Boligkreditt	5 946		6 428	
Loans transferred to SpareBank 1 Boligkreditt	5 267		0	
Total loans including tranferred to mortgage company	37 008		27 389	

NOTE 8.2 COMMITMENTS AND LOSSES SPLIT BY SECTOR/INDUSTRY

Expected losses for all accounts are calculated. All account commitments are entered into one of the three “steps” in the loss model, based on their risk change since granting (change in credit risk). For a description of the individual “steps”, see explanations below. All commitments that do not already have objective evidence of loss at the time of recognition are placed at the time of recognition in step 1, and are later moved to step 2; in cases where there has been a significant increase in credit risk, or step 3; in cases where there is objective evidence of loss.

Step 1: 12 months expected loss

This includes most cases of financial assets that are covered by the general loss model. Financial instruments that have similar credit risk (or better) to what it was at initial recognition, and which are therefore not classified under steps 2 and 3, are included in this step. The estimated expected loss attributable to the accounts corresponds to expected losses from default in the next 12 months.

Step 2: Expected loss of life.

In step 2, financial assets that have had a significant increase in credit risk are placed since initial recognition. If an account commitment is significantly worsened or not, it is defined as a function of probability of default (PD) at the time of calculation and the time of grant. The bank has chosen to define that assets with low credit risk (operationalized as assets with PD not exceeding 0.75%) remain in step 1. Expected loss for assets in step 2 is calculated over the residual maturity of the asset. The following events are always considered to have resulted in a significant increase in credit risk:

- Commitment where there is a 30-day cover. This applies to coverings from the first crown, but older than 30 days.
- Commitment where there is greater cover. This applies to overdrafts from the first day, where the balance is considerably larger than the grant.
- Commitment with changed payment obligations or refinancing (forbearance).

Step 3: Expected loss of life

In step 3 of the loss model, assets that have had significant increase in credit risk since initial recognition and where there is objective evidence of loss at the reporting date. Expected loss for assets in step 3 is calculated over the remaining maturity of the asset. Interest income is calculated on the assets' net book value.

The same model is used for the group, parent bank and wholly-owned mortgage companies, but with different data definition when it comes to initial recognition. For the group and the parent bank, the account's grant date must be used, while for the mortgage company the score is used at the transfer date. The model is further described in notes in the annual financial statements.

In first quarter 2020 some parameters in the loss model has been adjusted as a consequence of covid-19, and the associated repercussions in the economy and the future prospects. Parameters that mainly has been adjusted to catch future loss of covid-19 situation is PD. PD is increased by 25 percent for all customer commitments. In addition, especially exposed business groups have been given further increase in PD. Effect of the changes in the pre-assumptions in the model amounted to a model write-down of MNOK 25 on the time of change. The effects the changes have on the provision on losses on loans is by the end of the year MNOK 18.

With background in the information available with presentation of the accounts, the bank is of the opinion that the changes in the model adequate catches the changes in expected loss. It still lies uncertainty related to total effects of covid-19 in the corporate and retail market in Helgeland.

30.06.22

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Step 1	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	202	-	-0	-	-	-	202
Agriculture and forestry	1 284	131	-1	-5	-20	15	1 404
Fisheries and aquaculture	1 193	25	-2	-2	-0	-	1 214
Mining and industry	625	8	-0	-3	-32	2	599
Building and construction	766	48	-1	-3	-17	11	804
Trade, hotel, restaurants.	503	30	-0	-3	-1	4	533
Transport and services	1 000	195	-3	-2	-9	10	1 190
Property, property development	3 182	111	-3	-18	-37	21	3 256
Total corporate market	8 755	547	-11	-35	-117	62	9 202
Retail market	626	20 107	-1	-6	-10	1 502	22 218
Total	9 381	20 655	-12	-41	-127	1 564	31 420
Expected loss unutilized credit and guarantees RM			-0	-0	-		
Expected loss unutilized credit and guarantees CM			-1	-4	-		

30.06.21

Lending to amortized cost and fair value (OCI)

	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Step 1	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	6	-	-0	-0	-	-	6
Agriculture and forestry	1 297	-	-1	-5	-18	10	1 283
Fisheries and aquaculture	950	-	-1	-4	-0	-	944
Mining and industry	517	-	-0	-0	-4	-	513
Building and construction	911	-	-2	-2	-133	14	788
Trade, hotel, restaurants.	460	-	-0	-2	-0	4	461
Transport and services	1 301	-	-2	-8	-28	26	1 289
Property, property development	2 843	-	-4	-12	-55	9	2 781
Total corporate market	8 285	0	-11	-35	-237	63	8 066
Retail market	17 581	0	0	-8	0	1 397	18 970
Total	25 866	0	-11	-42	-237	1 459	27 036
Expected loss unutilized credit and guarantees RM			-	-	-		
Expected loss unutilized credit and guarantees CM			-1	-2	-		

	Lending to amortized cost and fair value (OCI)						
	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	202	-	-0	-	-	-	202
Agriculture and forestry	1 284	111	-1	-5	-20	15	1 384
Fisheries and aquaculture	1 193	17	-2	-2	-0	-	1 206
Mining and industry	626	7	-0	-3	-32	2	599
Building and construction	767	35	-1	-3	-17	11	791
Trade, hotel, restaurants.	503	26	-0	-3	-1	4	529
Transport and services	999	147	-3	-2	-9	10	1 142
Property, property development	3 321	103	-3	-17	-48	21	3 376
Total corporate market	8 895	445	-11	-34	-128	62	9 229
Retail market	589	14 305	-1	-6	-9	1 499	16 377
Total	9 484	14 749	-12	-40	-137	1 562	25 606
Expected loss unutilized credit and guarantees RM			0	0	0		
Expected loss unutilized credit and guarantees CM			-1	-4	0		

	Lending to amortized cost and fair value (OCI)						
	Gross lending		Loss deductions			Gross lending	Net lending
	Amortized cost	Fair value (FVOCI)	Step 1	Step 2	Step 3	Fair value over profit	Total
Municipalities and municipal enterp.	0	-	-	-	-	-	0
Insurance and finance	6	-	-0	-0	-	-	6
Agriculture and forestry	1 156	124	-1	-5	-18	10	1 265
Fisheries and aquaculture	926	16	-1	-4	-0	-	936
Mining and industry	507	13	-0	-0	-4	-	515
Building and construction	865	31	-2	-3	-133	14	773
Trade, hotel, restaurants.	440	15	-0	-2	-0	4	456
Transport and services	1 143	88	-2	-10	-28	26	1 217
Property, property development	2 756	133	-4	-12	-55	10	2 828
Total corporate market	7 798	419	-11	-36	-237	64	7 997
Retail market	454	10 833	0	-5	-17	1 395	12 659
Total	8 251	11 252	-11	-41	-254	1 459	20 655
Expected loss unutilized credit and guarantees RM			0	0	0		
Expected loss unutilized credit and guarantees CM			-1	-2	0		

NOTE 9. NET NON-PERFORMING AND IMPAIRED COMMITMENT

Parent bank			Group			
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
162	267	92	Default commitments over 90 days	92	279	162
-67	-162	-21	Step 3 write-downs	-21	-162	-67
95	104	71	Total net loans, guarantees etc. in default	71	117	95
267	328	286	Other non-performing and impaired commitments and guara., not in default ¹⁴	276	294	233
-106	-92	-116	Step 3 write-downs	-106	-76	-97
162	236	170	Total non-performing and impaired commitments and guara., not in default	170	219	137
257	341	241	Total non-performing and impaired commitments and guara¹⁵	241	336	232
1.0 %	1.6 %	0.9 %	In % of total loans	0.8 %	1.2 %	0.7 %

A default commitment is the total of the customer total commitment if a part of the commitment has been overdue in more than 90 days. Non-performing and impaired commitments are commitments that are not in default but has a loss deduction.

Note 22 in the annual report describe commitments placed in step 3 by calculating expected loss. In step 3 write-downs on default loans expected loss and individual write-downs are included. See also note 1 in the quarterly accounts.

NOTE 10. INDIVIDUAL AND COLLECTIVE WRITE DOWNS OF LOANS AND GUARANTEES

Change in balance posts in accordance to IFRS 9. Individual write-downs are included in step 3. In the tables under, write-downs on off balance sheet items (unused credit and guarantees) directed to the balance debt side are included.

	Step 1	Step 2	Step 3	Group 30.06.22
Gross lending	With expected loss over 12 months	With expected loss over the instruments life	With expected loss over the instruments life time	Total
Gross lending pr. 01.01.22	24 664	5 697	395	30 756
New loans / credits / guarantees	4 931	649	43	5 624
Transfers from step 1 to step 2	-1 334	1 160		-173
Transfers from step 1 to step 3	-29		30	1
Transfers from step 2 to step 3		-68	69	1
Transfers from step 3 to step 2		6	-6	0
Transfers from step 3 to step 3	5		-6	0
Transfers from step 2 to step 1	1 309	-1 397		-87
Reduced portfolio	-3 999	-996	-126	-5 121
Other adjustments	-853	-79	-31	-962
Gross lending pr. 31.03.22	24 695	4 973	368	30 036
IB unused drafts, guarantees etc.	2 384	290	54	2 728
UB unused drafts, guarantees etc.	2 568	281	23	2 873

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	Group 30.06.21
Gross lending	With expected loss over 12 months	With expected loss over the instruments life	With expected loss over the instruments life time	Total
Gross lending pr. 01.01.21	19 912	5 706	539	26 157
New loans / credits / guarantees	3 729	462	18	4 210
Transfers from step 1 to step 2	-1 169	1 142		-27
Transfers from step 1 to step 3	-45		43	-2
Transfers from step 2 to step 3		-83	76	-6
Transfers from step 3 to step 2		5	-5	0
Transfers from step 3 to step 3	12		-12	0
Transfers from step 2 to step 1	1 135	-1 131		4
Reduced portfolio	-3 146	-772	-38	-3 956
Other adjustments	-339	-124	-48	-511
Gross lending pr. 31.03.21	20 090	5 206	573	25 869
IB unused drafts, guarantees etc.	2 271	280	36	2 588
UB unused drafts, guarantees etc.	2 256	195	27	2 478

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	<i>Parent bank</i>			
	Step 1	Step 2	Step 3	30.06.22
Gross lending	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending pr. 01.01.22	18 675	4 680	429	23 784
New loans / credits / guarantees	5 050	703	50	5 803
Transfers from step 1 to step 2	-1 107	938		-169
Transfers from step 1 to step 3	-27		27	1
Transfers from step 2 to step 3		-59	60	1
				0
Transfers from step 3 to step 2		6	-6	0
Transfers from step 3 to step 3	5		-6	0
Transfers from step 2 to step 1	1 038	-1 118		-79
Reduced portfolio	-3 405	-836	-145	-4 387
				0
Other adjustments	-619	-69	-31	-719
Gross lending pr. 31.03.22	19 611	4 244	378	24 233
IB unused drafts, guarantees etc.	2 022	282	54	2 358
UB unused drafts, guarantees etc.	2 211	271	23	2 505

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	<i>Parent bank</i>			
	Step 1	Step 2	Step 3	30.06.21
Gross lending	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Gross lending pr. 01.01.21	13 800	4 608	573	18 981
New Loans / credits / guarantees	3 666	471	18	4 156
Transfers from step 1 to step 2	-899	877		-23
Transfers from step 1 to step 3	-44		42	-2
Transfers from step 2 to step 3		-71	64	-6
				0
Transfers from step 3 to step 2		5	-5	0
Transfers from step 3 to step 3	12		-12	0
Transfers from step 2 to step 1	800	-790		10
Reduced portfolio	-2 582	-638	-38	-3 258
				0
Other adjustments	-196	-111	-48	-354
Gross lending pr. 31.03.21	14 558	4 351	594	19 502
IB unused drafts, guarantees etc.	1 909	278	36	2 223
UB unused drafts, guarantees etc.	1 893	188	27	2 107

Transition between steps includes changes in lending from the beginning to the end of the period.

Lending fixed interest rate, which is measured at fair value with value change over profit, is not included.

	Step 1	Step 2	Step 3	<i>Group</i> 30.06.22
Loss provisions on gross loans and off-balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.22	15	64	163	242
New or increased loans / credits / guarantees	4	8	17	29
Transfers from step 1 to step 2	-1	8		7
Transfers from step 1 to step 3	-1		8	6
Transfers from step 2 to step 3		-3	14	11
				0
Transfers from step 3 to step 2		0	0	0
Transfers from step 3 to step 3	0		0	0
Transfers from step 2 to step 1	1	-11		-10
Reduced portfolio	-2	-11	-77	-90
				0
Other adjustments	-2	-10	4	-8
Loss deduction pr. 31.03.22	13	45	127	185

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

	Step 1	Step 2	Step 3	<i>Group</i> 30.06.21
Loss provisions on gross loans and off-balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.21	13	61	222	296
New or increased loans / credits / guarantees	2	5	1	8
Transfers from step 1 to step 2	-1	5		5
Transfers from step 1 to step 3	0		1	0
Transfers from step 2 to step 3		-4	16	12
				0
Transfers from step 3 to step 2		0	0	0
Transfers from step 3 to step 3	0		-1	-1
Transfers from step 2 to step 1	1	-7		-6
Reduced portfolio	-2	-6	-5	-12
				0
Other adjustments	-1	-11	5	-7
Loss deduction pr. 31.03.21	12	44	238	295

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

	<i>Parent bank</i>			
	Step 1	Step 2	Step 3	30.06.22
Loss provisions on gross loans and off-balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.22	15	62	173	250
New or increased loans / credits / guarantees	4	8	17	29
Transfers from step 1 to step 2	-1	7		6
Transfers from step 1 to step 3	-1		8	6
Transfers from step 2 to step 3		-3	14	11
Transfers from step 3 to step 2		0	0	0
Transfers from step 3 to step 3	0		0	0
Transfers from step 2 to step 1	1	-11		-10
Reduced portfolio	-2	-11	-77	-89
Other adjustments	-2	-10	4	-7
Loss deduction pr. 31.03.22	13	44	137	195

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

	<i>Parent bank</i>			
	Step 1	Step 2	Step 3	30.06.21
Loss provisions on gross loans and off-balance sheet items	Expected loss over 12 months	Expected loss over the instruments life time	Expected loss over the instruments life time	Total
Loss deduction pr. 01.01.21	13	59	236	308
New or increased loans / credits / guarantees	2	5	1	8
Transfers from step 1 to step 2	-1	5		4
Transfers from step 1 to step 3	0		3	2
Transfers from step 2 to step 3		-3	16	12
Transfers from step 3 to step 2		0	0	0
Transfers from step 3 to step 3	0		-1	-1
Transfers from step 2 to step 1	1	-7		-6
Reduced portfolio	-2	-6	-5	-12
Other adjustments	-1	-10	5	-6
Loss deduction pr. 31.03.21	12	43	254	310

Transition between steps includes changes in loss deduction from the beginning to the end of the period.

NOTE 11. CONTINGENT OFF-BALANCE SHEET COMMITMENTS

<i>Parent bank</i>			<i>Group</i>			
31.12.21	30.06.21	30.06.22	30.06.22	30.06.21	31.12.21	
2 039	1 773	2 246	Unutilized drawing rights	2 614	2 144	2 409
319	334	244	Guarantee obligations	244	334	319
470	789	327	Unutilized drawing rights Helgeland Boligkreditt AS			
2 828	2 896	2 817	Net guarantee and draw rights	2 858	2 478	2 728

In addition, the parent bank has a liability to Helgeland Boligkreditt AS which has a revolving credit facility to (with maturity > one year) which is intended to cover payment obligations in the cover for a rolling 12-month period.

NOTE 12. SUBSIDIARIES AND ASSOCIATED COMPANIES

Subsidiaries are consolidated and substantial interests are included under the equity method. Preliminary quarterly data from subsidiaries and associates have applied in the consolidated financial statements.

	Share capital	Number of shares	Equity stake	Parent bank	
				Book value	
				30.06.22	30.06.21
Bankbygg Mo AS	0.1		99.5 %	48	47
Helgeland Boligkreditt AS	540	540 000	100 %	540	540
AS Sparebankbygg	0.1	100	100 %	1	1
Helgeland Spb.eiend.selskap AS	0.1	100	100 %	0.4	0.4
Strendene Utviklingsseelskap AS	15	300	100 %	0	0
Storgata 73 AS	0.1	140	57 %	1	1
Total investment in AC				590	590

Associated companies (AC) and joint ventures (JV) is calculated at cost price with subsequent measuring in accordance to the equity method. The share of profit in associated companies is where there are no final accounting figures based on forecast figures.

	Share capital	Cost	Number of shares	Equity stake	Parent bank and group	
					Book value	
					30.06.22	30.06.21
Samarbeidende Sparebanker AS (FKV)	355	146	26 618	3.0 %	142	137
Samarbeidene Sparebanker Utvikling DA (FKV)	-	1	-	3.0 %	1	1
Investment in joint ventures and associated companies					143	138

Financial information associated companies and joint ventures, balance posts:

Balance 100 % ownership		Assets	Debt	Income	Parent bank and group	
					30.06.22	
					Cost	Result
Samarbeidende Sparebanker AS	100.0 %	2340	10	84	19	65
Samarbeidene Sparebanker Utvikling DA	100.0 %	0	0	1	0	0
Total		2340	10	85	19	65
The bank's share						
Samarbeidende Sparebanker AS	3.0 %	70	0	3	1	2
Samarbeidene Sparebanker Utvikling DA	3.0 %	0	0	0	0	0
Total		70	0	3	1	2

Balance 100 % ownership		Assets	Debt	Income	Parent bank and group	
					30.06.21	
					Cost	Result
Samarbeidende Sparebanker AS	100.0 %	2340	10	140	19	121
Samarbeidene Sparebanker Utvikling DA	100.0 %	30	0	0	0	0
Total		2370	10	140	19	121
The bank's share						
Samarbeidende Sparebanker AS	3.0 %	70	0	4	1	2
Samarbeidene Sparebanker Utvikling DA	3.0 %	1	0	0	0	0
Total		71	0	4	1	2

Financial information Associated companies and joint ventures, profit/loss posts

	<i>Parent bank and group</i>				
	30.06.22				
Specification joint ventures and associated companies	0	0	0	0	0
Samarbeidende Sparebanker AS	0	0	0	3	-4
Samarbeidene Sparebanker Utvikling DA	0	0	0	0	0
Specification joint ventures and associated companies	0	0	0	3	-4

	<i>Parent bank and group</i>				
	30.06.21				
Specification joint ventures and associated companies	0	0	0	0	0
Samarbeidende Sparebanker AS	146	0	0	2	-11
Samarbeidene Sparebanker Utvikling DA	1	0	0	0	0
Sum shares joint ventures and associated companies	147	0	0	2	-11

	<i>Parent bank and group</i>	
	30.06.22	30.06.21
Book value joint venture and associated companies		
Opening balance	144	0
Acquisition	0	147
Sales	0	0
Equity changes	0	0
Results	3	4
Other adjustments	0	-2
Dividends paid	-4	-11
Book value	143	138

NOTE 13. OPERATING FUNDS

<i>Parent bank</i>			<i>Group</i>		
31.12.21	30.06.21	30.06.22	30.06.22	30.06.21	31.12.21
46	53	41	158	131	153
46	53	41	158	131	153

NOTE 13.1 LEASES

IFRS 16 Leases

The new standard for accounting for leases requires the lessee to capitalize assets and liabilities for most leases. For the bank this applies to leases (mainly rental of office spaces). Usage rights and obligations are shown in the note below.

Parent bank			Group		
31.12.21	30.06.21	30.06.22	30.06.22	30.06.21	31.12.21
			Right of use		
45	45	32	18	16	16
20	3	0	0	3	20
-15	0	0	0	0	-15
-8	-7	1	1	1	1
42	41	34	19	20	22
10	5	6	4	1	5
32	37	28	15	19	18
			Lease commitment		
46	46	48	33	17	17
20	3	0	0	3	20
-12	-6	-7	-6	-1	-5
2	1	1	1	1	2
-8	-7	1	1	0	1
48	37	44	30	20	33
			PLA		
10	5	6	4	1	5
2	1	1	1	1	2
12	6	7	5	2	7

NOTE 14. DISCLOSURES OF RELATED PARTIES

The information is given in line with IAS 24 for "Information regarding close parties" (Transactions toward leading employees and representatives appear in a note in the annual accounts). SpareBank 1 Helgeland defines its subsidiaries and associated companies as close parties in relation to this accounting standard. The transactions between the parent bank, affiliated companies and associated companies are conducted in line with regular commercial terms and principles. Significant transactions with related parties:

Helgeland Boligkreditt AS (share of ownership 100 %)

Transferred loans as of 30.06.22 constitute a total of MNOK 5 946. Covered bonds in the housing mortgage company constitute MNOK 4 877. Credit line of NOK 1.5bn is drawn with MNOK 1 172. In addition, the bank has a revolving credit facility (with maturity > one year) provided by SpareBank 1 Helgeland, which will cover payment obligations in the security pool for a rolling 12-month period. The agreements are based on the principle of arm's length. In the consolidated accounts, the effects of the facilities are eliminated. SBH has received dividend of MNOK 55.5 in 2022.

NOTE 15. REAL VALUE OF FINANCIAL INSTRUMENTS

Measurement of fair value of financial instruments by level

The table shows financial instruments to fair value according to fair value measurement method (IFRS13). The changes demand presentation of fair value measurements per level with the following divisions into levels. The different levels are defined like this:

- Level 1 - Noted price in an active market for an identical asset or liability
- Level 2 – Valuation based on observable factors either direct (price) or indirect (derived from prices) other than noted priced (used in level 1) for the asset or liability
- Level 3 Valuation based on factors not obtained from observable markets (non-observable assumptions)

The fair value of financial instruments that are traded in an active market is based on the market price at the end of the reporting period. A market is considered active if the markets rates are simply and regularly available from a stock exchange, trader, broker, business group pricing service or regulatory authority, and these prices represent actual and regularly occurring arm's length market transactions. The market price used for financial assets is the current bid price, while for financial liabilities it is the current offer price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation methods. These valuation methods maximize the use of observable data where these are available, and are based as little as possible on the Group's own estimates. If all the significant data required to determine the fair value of an instrument are observable data, the instrument are included in level 2. Unlisted equities and fixed-rate loans are classified under level 3.

The fair value of shares where it's no active market, known market value or the last issue price is used. For papers without turnover, the value is set based on available financial information, etc. fixed rate loans are measured at fair value.

Principal fixed rate loans per 30.16.22 were MNOK 1 564 (1 459) MNOK. Net interest rate risk by a parallel interest rate shift of 1 %-point for fixed rate loans and derivatives, fixed rate loans was MNOK -4.5 (-4.6) per 30.06.22.

<i>Parent bank</i>			<i>Assets and liabilities measured at fair value</i>			<i>Group</i>		
30.06.22						30.06.22		
Level 1	Level 2	Level 3	Assets and liabilities measured at fair value	Level 1	Level 2	Level 3		
Financial assets at fair value through profit								
0	0	1 519	- Loans to and claims on customers at fair value	0	0	1 519		
0	5 570	609	- Certificates, bonds and equities at fair value	0	5 670	609		
Financial assets available for sale								
0	0	14 749	- Mortgages	0	0	20 655		
0	52	0	- Financial derivatives	0	52	0		
0	5 622	16 877	Total assets	0	5 722	22 783		
LIABILITIES								
Financial liabilities at fair value through profit								
0	23	0	- Debt issuance of securities	0	50	0		
0	23	0	Total liabilities	0	50	0		
Changes in instruments classified in Level 3								
Shares	Loans	Total	Changes in instruments classified in Level 3	Shares	Loans	Total		
595	15 923	16 518	Opening balance	595	22 961	23 556		
16	-279	-263	Payment loan/sale of shares	16	-989	-973		
0	622	622	New loans	0	202	202		
-3		0	Value change	-3		-3		
609	16 266	16 877	Financial instruments valued on Level 3	609	22 174	22 783		

<i>Parent bank</i>			<i>Assets and liabilities measured at fair value</i>			<i>Group</i>		
31.12.21						31.12.21		
Level 1	Level 2	Level 3	Assets and liabilities measured at fair value	Level 1	Level 2	Level 3		
Financial assets at fair value through profit								
0	0	1 666	- Loans to and claims on customers at fair value	0	0	1 666		
0	5 191	595	- Certificates, bonds and equities at fair value	0	5 210	595		
Financial assets available for sale								
0	0	14 257	- Mortgages	0	0	21 295		
0	39	0	- Financial derivatives	0	39	0		
0	5 230	16 518	Total assets	0	5 249	23 556		
LIABILITIES								
Financial liabilities at fair value through profit								
0	9	0	- Financial derivatives	0	12	0		
0	9	0	Total liabilities	0	12	0		
Changes in instruments classified in Level 3								
Shares	Loans	Total	Changes in instruments classified in Level 3	Shares	Loans	Total		
207	11 750	11 957	Opening balance	207	1 559	1 766		
-168	-404	-572	Payment loan/sale of shares	-168	-404	-572		
562	4 641	5 203	New loans	562	21 870	22 432		
-6	-64	-70	Value change	-6	-64	-70		
595	15 923	16 518	Financial instruments valued on Level 3	595	22 961	23 556		

NOTE 16. FINANCIAL DERIVATIVES

Parent bank				Group		
30.06.22				30.06.22		
Nominal value	Market value			Nominal value	Market value	
	Assets	Commitments			Assets	Commitments
Total				Total		
1 649	0	23	Interest rate swaps- fixed interest rate loans	1 649	0	50
55	0	0	Interest rate swaps- bank deposits with share yield	55	0	0
1 704	0	23	Total financial derivatives	1 704	0	50
2 000	52	0	Interest rate swaps – fixed interest rate with hedging	2 300	22	0
2 000	52	0	Total financial derivatives with hedging	2 300	22	0

Net presentation of financial assets and liabilities

Parent bank				Group		
30.06.21				30.06.21		
Nominal value	Market value			Nominal value	Market value	
	Assets	Commitments			Assets	Commitments
Total				Total		
1 234	0	22	Interest rate swaps- fixed interest rate loans	1 234	0	22
55	0	0	Interest rate swaps- bank deposits with share yield	55	0	0
1 289	0	22	Total financial derivatives	1 289	0	22
1 800	63	0	Interest rate swaps – fixed interest rate with hedging	2 100	70	0
1 800	63	0	Total financial derivatives with hedging	2 100	70	0

						Group
						30.06.22
	Gross financial assets	Financial assets that are recognized net	Net financial assets in the balance sheet	Financial instruments		Net
Derivaives carried as assets	22	0	22	-22		0
Derivaives carried as liabilities	50	0	50	-22		28

						Group
						30.06.21
	Gross financial assets	Financial assets that are recognized net	Net financial assets in the balance sheet	Financial instruments		Net
Derivaives carried as assets	70	0	70	-22		48
Derivaives carried as liabilities	22	0	22	-22		0

Relevant instruments for interest rate risk management will be primarily interest rate swaps. Trading in derivatives can be made with various counterparties. To differentiate counterparty structure used a selection of the major banks / brokerages that account for the bulk of turnover in interest-related products in the market. If the bank has the same counterparty derivatives on both the asset side and the liability side, these are offset.

NOTE 17. SECURITIES ISSUED

<i>Parent bank</i>				<i>Group</i>	
30.06.21	30.06.22	(MNOK)		30.06.22	30.06.21
3 307	3 857	Bonds, nominal value		8 733	9 032
41	-29	Value adjustments		-57	44
23	29	Accrued interest		37	30
3 371	3 857	Total securities		8 713	9 106

Change in securities issued					<i>Group</i>
	31.12.21	Issued	Matured/redeemed	Other change	30.06.22
Bonds, nominal value	10 229	774	-2 273	3	8 733
Value adjustments	14			-71	-57
Accrued interest	28			9	37
Total	10 271	774	-2 273	-59	8 713

Change in subordinated debt					<i>parent bank</i>
	31.12.21	Issued	Matured/redeemed	Other change	30.06.22
Bonds, nominal value	4 249	251	-647	4	3 857
Value adjustments	16			-45	-29
Accrued interest	23			6	29
Total	4 288	251	-647	-35	3 857

Change in securities issued					<i>Group/Parent bank</i>
	31.12.21	Issued	Matured/redeemed	Other change	30.06.22
equity and related capital, nominal value	451			0	451
Value adjustments	-1			0	-1
Accrued interest	1			0	1
Total	451	-	-	0	451

*) Hybrid instruments do not meet the definition of financial liability in accordance with IAS 32 and are classified as equity 01/01/16

Accounted value				<i>Group</i>	
				30.06.22	31.12.21
Bonds, amortized cost				6 466	7 955
Bonds, hedging				2 247	2 316
Total debt securities				8 713	10 271

Accounted value				<i>Parent bank</i>	
				30.06.22	31.12.21
Bonds, amortized cost				1 885	2 271
Bonds, hedging				1 972	2 017
Total debt securities				3 857	4 288

NOTE 18. GEOGRAPHICAL EXPOSURE DEPOSITS FROM AND LIABILITIES TO CUSTOMERS

<i>Parent bank</i>						<i>Group</i>			
%	30.06.21	%	30.06.22		30.06.22	%	30.06.21	%	
90.7 %	19 159	90.6 %	22 983	Helgeland	22 476	90.9 %	18 757	91.0 %	
8.5 %	1 793	8.7 %	2 198	Areas other than Helgeland	2 065	8.3 %	1 684	8.2 %	
0.8 %	172	0.8 %	197	International	190	0.8 %	171	0.8 %	
100 %	21 124	100 %	25 378	Total	24 731	100 %	20 612	100 %	

NOTE 19. DEPOSITS FROM CUSTOMERS SPLIT BY SECTOR/INDUSTRY

<i>Parent bank</i>				<i>Group</i>				
%	30.06.21	%	30.06.22		30.06.22	%	30.06.21	%
3.3 %	690	2.9 %	734	Financial institutions	157	0.6 %	209	1.0 %
13.6 %	2 866	12.5 %	3 183	Municipalities and municipal ente	3 183	12.9 %	2 866	13.9 %
2.1 %	447	2.0 %	513	Agriculture and forestry	513	2.1 %	447	2.2 %
2.0 %	422	2.7 %	685	Fisheries and aquaculture	685	2.8 %	422	2.0 %
0.9 %	189	0.8 %	207	Mining and industry	207	0.8 %	189	0.9 %
3.2 %	681	3.0 %	757	Building and construction	757	3.1 %	681	3.3 %
2.6 %	549	2.4 %	615	Trade, hotel, restaurants.	615	2.5 %	549	2.7 %
10.9 %	2 306	11.4 %	2 888	Transport and services	2 888	11.7 %	2 306	11.2 %
5.0 %	1 051	3.7 %	941	Property, property development	871	3.5 %	1 019	4.9 %
43.6 %	9 201	41.5 %	10 523	Total corporate market	9 876	39.9 %	8 688	42.2 %
56.4 %	11 923	58.5 %	14 855	Retail market	14 855	60.1 %	11 924	57.8 %
100 %	21 124	100 %	25 378	Total	24 731	100 %	20 612	100 %

NOTE 20. EQUITY CERTIFICATE CAPITAL HELG

<i>Per 30.06.22</i>	<i>Number</i>	<i>% share</i>	<i>Parent bank</i>		
			<i>Number</i>	<i>% share</i>	
Sparebankstiftelsen Helgeland	7 588 922	28.11 %	Kommunal Landspensjonskasse	323 970	1.2 %
SpareBank 1 Nord-Norge	5 397 325	20.0 %	Catilina Invest AS	252 646	0.9 %
Pareto Invest AS	2 118 691	7.8 %	VPF Nordea Avkastning	249 368	0.9 %
VPF Eika Egenkapital	1 214 789	4.5 %	Bergen kommunale pensjonskas	228 235	0.8 %
Verdipapirfondet Nordea Norge Verd	1 006 616	3.7 %	Lamoholmen invest AS	211 850	0.8 %
Spesialfondet Borea Utbytte	588 232	2.2 %	VPF Nordea Kapital	209 371	0.8 %
J.P. Morgan Bank Luxembourg S.A.	494 959	1.8 %	AF Kapital Managemet	188 552	0.7 %
Helgeland Kraft AS	390 925	1.4 %	VPF Nordea Norge Plus	167 650	0.6 %
MP Pensjon PK	388 399	1.4 %	Nima Invest AS	160 143	0.6 %
U.S Bank National Association	340 582	1.3 %	Vigner Olaisen AS	147 631	0.5 %
Total 10 largest owners	19 529 440	72.3 %	Total 20 largest owners	21 668 856	80.3 %

The bank has issued a total of 27 100 130 equity certificates value of NOK 10.-

NOTE 21. CAPITAL ADEQUACY

Parent bank				Group		
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
4 550	3 820	4 650	Total equity capital	4 678	3 865	4 622
-398	-299	-398	Hybrid capital classified as equity (CB)	-398	-299	-398
-36	-34	-36	Deduction investement in SpareBank 1 Betaling	-36	-34	-36
0	0	0	Deduction shares in financial institutions	0	0	0
-8	-10	-10	Deduction prudent valuation	-10	-10	-8
0	-31	-228	Deduction share of profit not eligible as common equity tier 1 capital	-185	-31	0
-105	0	-96	Deduction Intangible assets	-96	0	-105
-111	0	0	Deduction dividend classified as equity	0	0	-111
			Effect of proportionate consolidation on equity tier 1 capital	-102	0	-110
3 891	3 446	3 880	Total common equity tier one capital	3 851	3 490	3 853
0	0	0	Shares in financial institutions	0	0	0
398	299	398	Hybrid capital (CB)	398	299	398
			Effect of proportionate consolidation on other tier 1 capital	31	0	31
4 289	3 746	4 279	Total tier 1 capital	4 280	3 789	4 283
451	451	451	Subordinatet dept	451	451	451
0	0	0	Shares in financial institutions		0	0
			Effect of proportionate consolidation on additional capital	52	0	44
451	451	451	Total net additional capital	503	451	495
4 740	4 197	4 730	Total net equity and related capital	4 783	4 240	4 778
18 601	15 898	17 624	Risk-weighted balance (calculation basis)	20 146	16 741	21 451
20.92 %	21.68 %	22.02 %	Common equity tier one Capital ratio in%	19.11 %	20.85 %	17.96 %
23.06 %	23.56 %	24.28 %	Tier 1 capital ratio in%	21.25 %	22.63 %	19.96 %
25.48 %	26.40 %	26.84 %	Total capital ratio in%	23.74 %	25.33 %	22.27 %
11.00 %	11.00 %	11.50 %	Requirement common equity core tier one capital ratio in %	13.70 %	13.20 %	13.20 %
12.50 %	12.50 %	13.00 %	Requirement tier 1 capital ratio in %	15.20 %	14.70 %	14.70 %
14.50 %	14.50 %	15.00 %	Requirement capital ratio in %	17.20 %	16.70 %	16.70 %
2 697	2 305	2 644	Required capital incl. buffer and pilar II requirements	3 465	2 796	3 582
2 043	1 892	2 086	Excess capital incl. buffer and pilar II requirements	1 318	1 444	1 196
31.12.21	30.06.21	30.06.22	Calculation basis	30.06.22	30.06.21	31.12.21
2	2	15	States and central banks	15	2	2
247	386	311	Local and regional authorities (including municipalities)	311	386	247
462	719	510	Institutions	240	309	208
1 509	1 277	1 101	Enterprises	1 100	1 277	1 509
2 787	1 860	2 453	Mass market loans	2 552	1 924	2 912
9 186	7 742	9 019	Loans secured by real property	10 977	9 996	11 624
318	401	247	Loans overdue	253	392	290
863	788	757	Covered bonds	241	199	238
317	316	254	High risk exposures	254	316	317
0	0	0	Units in securities funds	0	0	0
1 402	920	1 450	Equity positions	858	329	801
130	127	133	Other loans and commitments	243	200	242
17 222	14 537	16 248	Capital requirement credit risk	17 043	15 330	18 389
1 363	1 347	1 363	Capital requirement operational risk	1 382	1 385	1 382
15	13	12	CVA addition	19	26	19
0	0	0	Other adjustment from capital requirement	0	0	0
18 601	15 898	17 624	Total capital requirement	18 444	16 741	19 791
			Proportionate share of risk-weighted balance cooperating groups	2 167	0	2 126
			Deduction internal eliminations cooperating groups	-466	0	-466
			Risk-weighted balance after proportionate consolidation	20 146	16 741	21 451

NOTE 22. FINANCIAL ESTIMATES AND ESTIMATIVE ASSESSMENTS

The group makes estimates and pre-assumptions that effects the reported balance numbers for the next accounting year. Estimates and evaluations is ever an item for evaluation and is based on historical experience and other factors, hereunder expectations in relation to future events that is considered fair. The group has as a consequence of the corona pandemic been challenged on estimating under uncertainty.

For write-downs in lending, the bank has estimated expected effect of the corona crisis through the model write-downs. This is by the end of the quarter resolved through adjusting the pre-assumptions in the model, primarily related to changed expectations in PD, and also change in PD on especially exposed business groups. The changes were completed by the end of 1st quarter 2020, and is regularly evaluated to include new information and expected corona effects. There is great uncertainty associated with the estimates.

Fair value of financial instruments is partly calculated based on observable data in the market, for positions where it doesn't lie market data it is used a combination of judgement and estimates based on market data in evaluation of fair value by the end of the year.

NOTE 23. SPAREBANK 1 BOLIGKREDITT

SpareBank 1 Helgeland have agreements of possible legal sale of loans with high security in real estate to SpareBank 1 Boligkredit. In accordance with the management agreement made, the bank manages the loans and maintain the customer contact. The bank receives a remuneration in form of commission for the responsibilities that follows with the management of the loans. By transferring the loans, the loans are deducted from SpareBank 1 Helgeland in its wholeness, this as a consequence of that transfer is evaluated to involve the most significant risks and benefits with ownership.

Remuneration for transferred loans equal accounted values, and equals in the most significant real value of the loans at the transfer point of time. At the end of the year, the bank has a transferred portfolio of MNOK 4 581. The portfolio is mainly related to the purchase of SpareBank 1 Nord-Norges business in Helgeland.

SpareBank 1 Helgeland has together with other owners of the mortgage company established a liquidity facility, which means that the bank is committed to buy mortgage obligations at a value limited to the banks relative owners share of the company's maturity over the next 12 months. By the end of this quarter this credit facility amounts to MNOK 511.

NOTE 24. EVENTS AFTER BALANCE SHEET DAY

There are no known events after the balance sheet date that have significant importance to the accounts.

PROFIT AND LOSS ACCOUNT ITEMS AS A PERCENTAGE OF AVERAGE ASSETS

Parent bank					Group					
31.12.21	Q2/21	Q2/22	30.06.21	30.06.22		30.06.22	30.06.21	Q2/22	Q2/21	31.12.21
2.34	2.32	2.80	2.38	2.72	Interest receivable and similar income	2.75	2.39	2.83	2.39	2.35
0.60	0.60	0.81	0.63	0.78	Interest payable and similar costs	0.92	0.69	0.96	0.69	0.66
1.74	1.72	1.99	1.75	1.94	Net interest- and credit commission income²	1.84	1.70	1.87	1.71	1.69
0.39	0.32	0.47	0.38	0.53	Commissions receivable and income from banking services	0.46	0.31	0.41	0.27	0.33
0.04	0.03	0.03	0.03	0.04	Commissions payable and costs relating to banking services	0.03	0.02	0.03	0.02	0.03
0.36	0.29	0.44	0.35	0.49	Net commission income	0.43	0.29	0.38	0.25	0.30
0.23	0.04	-0.31	0.54	0.29	Gains/losses on financial assets available for sale	-0.03	0.04	-0.27	0.03	-0.01
0.03	0.03	0.04	0.03	0.04	Other operating income	0.02	0.01	0.02	0.00	0.01
1.28	1.13	1.01	1.14	1.05	Operating costs	0.95	0.96	0.92	0.97	1.07
0.20	0.13	0.03	0.09	0.02	Losses on loans, guarantees etc. and fixed assets	0.01	0.06	0.02	0.09	0.18
0.88	0.83	1.12	1.44	1.69	Gross profit	1.29	1.01	1.06	0.93	0.74
0.16	0.17	0.36	0.21	0.35	Tax payable on ordinary profit	0.33	0.23	0.33	0.19	0.17
0.72	0.66	0.76	1.23	1.34	Net profit	0.96	0.78	0.72	0.73	0.57

PROFIT & LOSS ACCOUNT AND BALANCE SHEET DEVELOPMENT

Parent bank					Group					
Q2/21	Q3/21	Q4/21	Q1/22	Q2/22		Q2/22	Q1/22	Q4/21	Q3/21	Q2/21
167	165	201	222	244	Interest receivable and similar income	279	258	235.7	198.8	202
43	40	50	63	71	Interest payable and similar costs	95	84	67	51	58
124	126	150	159	174	Net interest- and credit commission income	184	174	168	148	144
23	25	40	50	41	Commissions receivable and income from banking service	41	50	40	25	23
2	3	4	4	3	Commissions payable and costs relating to banking service	3	4	4	3	2
21	22	36	46	39	Net commission income	38	46	36	22	21
3	5	-12	77	-27	Gains/losses on financial assets available for sale	-27	21	-13	3	3
2	2	3	3	3	Other operating income	2	2	-1	4	0
82	74	150	92	88	Operating costs	91	94	141	80	82
9	19	29	1	3	Losses on loans, guarantees etc.	2	1	35	19	7
59	61	-1	192	98	Gross profit	104	147	15	78	78
12	16	1	29	31	Tax payable on ordinary result	33	32	0	21	16
47	45	0	163	67	Net profit	71	115	15	58	62

Q2/21	Q3/21	Q4/21	Q1/22	Q2/22		Q2/22	Q1/22	Q4/21	Q3/21	Q2/21
2.32	2.20	2.38	2.64	2.80	Interest receivable and similar income	2.83	2.66	2.38	2.28	2.39
0.60	0.53	0.60	0.75	0.81	Interest payable and similar costs	0.96	0.87	0.68	0.59	0.69
1.72	1.67	1.79	1.89	1.99	Net interest- and credit commission income	1.87	1.79	1.70	1.70	1.71
0.32	0.33	0.48	0.59	0.47	Commissions receivable and income from banking service	0.41	0.52	0.41	0.28	0.27
0.03	0.04	0.05	0.05	0.03	Commissions payable and costs relating to banking service	0.03	0.04	0.04	0.03	0.02
0.29	0.29	0.43	0.55	0.44	Net commission income	0.38	0.47	0.37	0.25	0.25
0.04	0.07	-0.14	0.92	-0.31	Gains/losses on financial assets available for sale	-0.27	0.22	-0.13	0.04	0.03
0.03	0.03	0.04	0.04	0.04	Other operating income	0.02	0.02	-0.01	0.04	0.00
1.13	0.98	1.78	1.09	1.01	Operating costs	0.92	0.97	1.43	0.91	0.97
0.13	0.25	0.34	0.01	0.03	Losses on loans, guarantees etc.	0.02	0.01	0.35	0.22	0.09
0.83	0.82	-0.02	2.28	1.12	Gross profit	1.06	1.52	0.15	0.90	0.93
0.17	0.21	0.01	0.34	0.36	Tax payable on ordinary result	0.33	0.33	0.00	0.24	0.19
0.66	0.60	-0.03	1.94	0.76	Net profit	0.72	1.19	0.15	0.66	0.73

Q2/21	Q3/21	Q4/21	Q1/22	Q2/22		Q2/22	Q1/22	Q4/21	Q3/21	Q2/21
ASSETS										
88	83	73	71	71	Cash and claims on central banks	71	71	73	83	88
1 830	2 389	1 886	2 125	2 083	Loans to and claims on credit institutions	910	1 085	857	1 477	1 120
20 655	20 727	25 213	25 377	25 607	Loans to and claims on customers	31 422	31 943	32 194	28 027	27 036
63	52	39	40	52	Financial derivatives	22	40	39	56	70
6 052	6 543	5 786	5 910	6 179	Certificates, bonds and shares available for sale	6 279	6 009	5 805	6 618	6 173
138	143	144	146	143	Investments in associated companies	143	146	144	143	138
591	591	590	590	591	Investments in subsidiaries	0	0	0	0	0
26	26	104	101	98	Deferred tax benefit	98	101	104	26	26
53	57	46	43	41	Fixed assets	158	150	153	135	131
45	41	72	99	61	Other assets	86	91	64	23	26
29 541	30 652	33 953	34 502	34 926	Total assets*	39 189	39 636	39 433	36 588	34 808
LIABILITIES AND EQUITY CAPITAL										
550	300	302	305	312	Liabilities to credit institutions	312	306	303	301	551
21 124	21 224	24 144	24 826	25 378	Deposits from customers and liabilities to customers	24 731	24 144	23 552	20 816	20 612
3 371	4 310	4 288	4 009	3 857	Borrowings through the issuance of securities	8 713	9 775	10 271	10 596	9 106
22	13	9	19	23	Financial derivatives	50	38	12	13	22
203	191	209	306	255	Other liabilities	251	310	218	188	198
451	451	451	451	451	Fund bonds	451	451	451	451	451
25 721	26 489	29 403	29 916	30 276	Total liabilities	34 508	35 024	34 807	32 365	30 940
1 180	1 180	1 775	1 771	1 773	Paid-in equity capital	1 773	1 771	1 775	1 180	1 180
299	601	398	398	398	Hybrid capital	398	398	398	601	299
2 176	2 174	2 290	2 258	2 256	Accrued equity capital/retained earnings	2 256	2 258	2 288	2 174	2 176
165	208	86	159	222	Other equity capital	251	182	161	265	210
					Minority interest	3	3	3	3	3
3 820	4 163	4 550	4 586	4 650	Total equity capital	4 681	4 612	4 626	4 223	3 868
29 541	30 652	33 953	34 502	34 926	Total liabilities and equity capital	39 189	39 636	39 433	36 588	34 808

OTHER KEY FIGURES

Parent bank			Group			
31.12.21	30.06.21	30.06.22		30.06.22	30.06.21	31.12.21
BALANCE SHEET						
Development in the last 6 months						
	7.6	2.9	Total assets	-0.6	4.8	
	2.2	1.3	Gross lending	-2.5	-1.3	
	10.6	5.1	Customer deposits	5.0	10.3	
Development in the last 12 months						
23.7	7.3	18.2	Total assets ⁹	12.6	2.9	18.7
24.1	5.1	23.1	Gross lending ⁶	15.6	-0.8	17.1
26.4	11.2	20.1	Customer deposits ⁷	20.0	10.9	26.1
94.9	100.8	98.4	Deposit coverage as a percentage of gross loans ⁵	78.3	75.4	72.6
62.8	60.5	63.6	Lending to retail customers	70.4	69.4	70.6
30 037	28 434	34 366	Average assets ¹⁰	39 118	34 150	35 740
25 452	20 961	25 795	Gross loans ⁴	31 600	27 328	32 424
SOLIDITY						
20.9	21.7	22.0	Core tier one Capital ratio	19.1	20.8	18.0
23.1	23.6	24.3	Core Capital ratio	21.2	22.6	20.0
25.5	26.4	26.8	Total Capital ratio ²¹	23.7	25.3	22.3
			Core tier one Capital ratio, after proportionally consolidation in%	19.1	20.8	18.0
			Core capital ratio, after proportionally consolidation in%	21.2	22.6	20.0
			Total Capital ratio, after proportionally consolidation in%	23.7	25.3	22.3
			Leverage ratio ²² , after proportionally consolidation in%	9.1	10.6	9.4
5.4	9.3	10.0	Rate of return on equity ¹	8.0	7.0	5.0
5.9	10.1	10.6	Rate of return on equity (excl. hybrid capital)	8.5	7.6	5.4
0.6	1.2	1.3	Return on assets	1.0	0.8	0.5
KEY FIGURES PCC						
5.8	6.1	6.6	Yield per primary certificate ¹⁶	5.3	4.6	5.5
5.8	6.1	6.6	Diluted result per ECC, in Norwegian currency	5.3	4.6	5.5
76.3	76.3	76.3	ECCs split (01.01) ¹⁸	76.3	76.3	76.3
122	129	126	Equity capital per ECC ¹⁷	127	130	124
131.0	120.0	119.0	PCC price quoted on the stock exchange	119.0	120.0	131.0
22.4	9.8	9.0	P/E (price divided by profit per ECC) ¹⁹	11.2	12.9	23.7
1.1	0.9	0.9	P/B (price divided by book value of equity capital) ²⁰	0.9	0.9	1.1
54.4	42.8	38.0	Costs as a percentage of income ³	42.2	47.3	53.9
1.3	1.1	1.1	Cost in percent of average total assets	0.9	1.0	1.1
165	140	157	Number of man-years	157	140	165
LOSSES ON LOANS AND GROSS DEFAULTS						
As a percentage of gross lending:						
0.6	1.3	0.4	Gross defaults over 90 days ¹³	0.3	1.0	0.5
1.0	1.5	0.8	Total loan loss provision	0.59	1.1	0.7
0.24	0.12	0.03	Losses on lending ¹²	0.02	0.08	0.20

17) Percentage of equity excl. Hybrid capital

OTHER CALCULATIONS

Parent bank			Group			
31.12.21	30.06.21	30.06.22	(Figures in MNOK and %)	30.06.22	30.06.21	31.12.21
			Operating costs, adjusted for one-time effects			
385	161	180	Operating costs	185	163	384
-53	-8	0	One-time effects	0	-8	-53
332	153	180	Operating costs, adjusted for one-time effects²³	185	155	331
1.11 %	1.09 %	1.05 %	Operating costs in % of BTA, adjusted for one-time effects	0.95 %	0.92 %	0.93 %
46.9 %	40.7 %	38.0 %	Operating costs in % of income, adjusted for one-time effects	42.2 %	45.0 %	46.5 %
216	173	230	Profit	186	133	205
-12	-7	-7	Paid interests subordinated bonds	-7	-7	-12
204	166	223	Net profit, incl. Interests subordinated bonds	179	126	193
53	8	0	one-time effect pension	0	8	53
257	174	223	Profit, adjusted for one-time effects	179	134	246
216	350	460	Profit (annualized)	374	269	205
257	351	446	Profit (annualized), eks one-time effects and incl. interests subordinat	360	270	246
4 017	3 771	4 596	Average equity	4 653	3 843	4 097
-325	-299	-398	Average subordinated bonds	-398	-299	-325
3 692	3 472	4 198	Average equity adjusted for subordinated bonds	4 255	3 544	3 772
6.4 %	9.3 %	10.0 %	ROE adjusted for one-time effects	8.0 %	7.0 %	6.0 %
6.9 %	10.1 %	10.6 %	ROE adjusted for one-time effects and interests FO11	8.5 %	7.6 %	6.5 %
216	173	230	Profit	186	133	205
216	350	460	Profit (annualized)	374	269	205
257	351	446	Profit (annualized), eks one-time effects and subordinated bonds	360	270	246
30 037	28 434	34 366	Average assets	39 118	34 150	35 740
0.7 %	1.2 %	1.3 %	Return on assets (annualized)	1.0 %	0.8 %	0.6 %
0.9 %	1.2 %	1.3 %	Return on assets (annualized) adjusted for one-time effects	0.9 %	0.8 %	0.7 %
4 289	3 746	4 279	CET1	4 280	3 789	4 400
41 081	36 279	41 046	Unweighted calculation basis	40 270	35 773	40 481
10.4 %	10.3 %	10.4 %	Leverage ratio	10.6 %	10.6 %	10.9 %

APM (Alternative performance measures)

In the board's report and in accounting presentations, SpareBank 1 Helgeland uses alternative performance measures or APM (alternative performance measures) with the purpose of giving a true and fair view of the bank's financial development and position, in order to ensure the correct information. Key figures that are regulated in IFRS or other legislation are not defined as APM. The same applies to non-financial information. APMs presented as part of the accounting portion of the reports are basically exempt from the APM guidelines, but are included in the schedule below to the extent that they are not defined in the financial statements. The reason for presenting adjusted results is to bring out the underlying operations in a better way and is not intended to replace ordinary reporting.

Definitions key figures:

- 1) **Return on equity.** Reason for use: The key figure indicates the return on the Group's equity. The key figure reflects the Group's ability to turn the capital into profitable business. Definition: Return on equity (total profit after tax) is calculated by dividing the profit/loss for the period for the financial year by the average equity for the past year. For information on return on equity for more than one profit for the period, the profit for the period is annualized.
- 2) **Net interest.** Reason for use: Net interest income is a normal key figure within banking/finance and reflects the bank's net interest income as a percentage of average total assets. Definition: Net interest income is the difference between gross interest income and interest expenses – net interest income in the result summary. Net interest income is annualized in the interim reports.
- 3) **Expense ratio.** Reason for use: Cost percentage is a normal key figure in banking/finance. The key figure reflects how effectively the bank/group operates. Definition: The cost percentage reflects the bank's/group's ability to translate its operating expenses into revenue recovery. The cost percentage is calculated by dividing the total operating costs by total income.
- 4) **Gross lending, the Group (incl. transfer for mortgage companies):** Reason for use: The bank owns Helgeland Boligkreditt 100 % and key figures reflect the bank's total lending volume. Definition: loan volume including transferred from the mortgage company.
- 5) **Deposit coverage.** Reason for use: Deposit coverage is a normal key figure in banking/finance. The key figure shows the share of the bank's lending activities that are financed by deposits from customers. Definition: The deposit coverage reflects the bank's ability to finance lending to customers through deposits from customers. Deposits are calculated by dividing the total deposits

from customers by gross loans, excl. transfer to mortgage companies in the parent bank and including transfer to mortgage companies in the group.

- 6) **Lending growth last 12 months.** Reason for use: Lending growth over the last 12 months is a normal key figure in banking/finance. The key figure reflects the activity and growth of the bank's lending activities. The Group includes transfers from the mortgage company, growth in the parent bank excl. volume of the mortgage company. Definition: Lending growth is calculated from the corresponding period last year to this year. The group includes the volume of the mortgage company, while the parent bank is excl. volume of the mortgage company.
- 7) **Deposits growth last 12 months.** Reason for use: Deposit growth over the last 12 months is a normal key figure in banking/finance. The key figure reflects the activity and growth of the bank's deposit operations. Definition: Deposit growth over the last 12 months reflects the growth in deposits in the balance sheet from the corresponding period last year to this year.
- 8) **Total assets.** Reason for use: The key figure reflects the bank's total assets. Definition: Total assets in the balance sheet.
- 9) **Growth last 12 months in total assets.** Reason for use: The key figure reflects the growth in the bank's total assets including transferred to the mortgage company in the group and excl. volume transferred to the mortgage company in the parent bank. Definition: Growth assets in the balance sheet are calculated from the corresponding period last year to this year.
- 10) **Average total assets.** Reason for use: Several key figures are calculated on average total assets. Definition: Weighted average of total assets throughout the year.
- 11) **Equity excluding hybrid capital.** Reason for use: The key figure reflects part of the bank's capital that belongs to the owners excluding hybrid capital (fund bonds). Definition: The difference between the bank's equity (earned and paid-in equity) and the bank's hybrid capital (funded bonds).
- 12) **Loss ratio loans.** Reason for use: The key figure reflects a loss recognized as a function of gross lending in the balance sheet date. Definition: Loss provisions for the period on loans and guarantees divided by gross lending as a percentage. For information on loss-based loans for shorter periods than full financial years, the loss expense recognized in the income statement is annualized.
- 13) **Non-performing commitments.** Reason for use: The key figure indicates the proportion of the bank's gross non-performing loans. Definition: Non-performing loans (over 90 days) on loans and guarantees.
- 14) **Doubtful commitments.** Reason for use: The key figure indicates the proportion of the bank's gross loans that are subject to losses. Definition: Gross lending for the period that is doubtful (has an individual loss provision or risk class K, but which is not defaulted).
- 15) **Net Non-performing and doubtful commitments.** Reason for use: The key figure indicates how much the bank's net non-performing and doubtful commitments amount to gross loans. Definition: Net non-performing and doubtful commitments, less write-downs on these loans, divided by gross loans.
- 16) **Earnings per equity certificate.** Reason for use: The key figure gives readers information about earnings per equity certificate. Definition: The equity certificate holders' share of the result is calculated as profit before other income statement items in proportion to the average number of equity certificates in the period.
- 17) **Booked equity per equity certificate.** Reason for use: The key figure provides information on the value of the book equity per equity certificate. Definition: Equity certificate holders' share of equity divided by the number of equity certificates.
- 18) **Equity certificate fraction.** Reason for use: Basis for calculating dividends. Definition: The equity certificate holders' share of equity, e.g. Fund bonds.
- 19) **P/E.** Reason for use: The key figure provides information on earnings per equity certificate. Definition: Share price at end of period divided by profit (annualized) per equity certificate.
- 20) **P/B.** Reason for use: The key figure provides information on price per equity certificate. Definition: Share price at end of period divided by book equity per equity certificate.
- 21) **Capital adequacy.** Reason for use: Legal requirements for capital adequacy. Definition: subordinated capital divided by weighted balance sheet and excluding balance sheet items.
- 22) **Unweighted core capital adequacy.** Reason for use: Normal key figure in banking/finance. Provides more comparable capital regardless of the method of calculating capital adequacy. Definition: Tier 1 capital divided by capitalized items and non-capitalized items calculated without risk weighting.

STATEMENT UNDER THE SECURITIES TRADING ACT § 5-6

We declare that to the best of our knowledge the financial statements for the period January 1st to June 30th 2020 is prepared in accordance with the current accounting standards IAS 34 – interim reporting, and that the information in the financial statements give true and fair view of the company’s assets, liabilities, financial positions and result.

The interim report shows after our best conviction a true:

- Overview over important events during the accounting period and their influence on the interim report.
- Specifications of the most central risk- and uncertain factors the company faces during the next accounting period.
- Specification of intimate’s considerable transactions.

Mo i Rana, August 12th, 2022

Bjørn Krane
Chairman of the Board

Rolf Eigil Bygdnes
Deputy Chairman of the Board

Marianne Terese Steinmo

Siw Moxness

Jonny Berfjord

Linda Brennbakk
Permanent deputy member

Birgitte Lorentzen
Employee representative

Geir Pedersen
Employee representative

Hanne Nordgaard
CEO

INFORMATION CONCERNING SPAREBANK 1 HELGELAND

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Board of Directors of SpareBank 1 Helgeland

Bjørn Krane, Chair man
Rolf Eigil Bygdnes, Deputy Chair man
Marianne Terese Steinmo
Jonny Berfjord
Siw Moxness
Linda Brennbakk (permanent deputy member)
Birgitte Lorentzen
Geir Pedersen

Management

Hanne Nordgaard, Chief Executive Officer

Investor Relations

Sverre Klausen, Chief Financial Officer tel: + 47 916 88 286

Other sources of information

Annual reports

The annual report for SpareBank 1 Helgeland is available at www.sbh.no

Quarterly publications

Quarterly reports and presentations are available at www.sbh.no