



*sparebanken  
sogn og fjordane*

# Interim report

Q1 2024 (unaudited)

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FRONT COVER: Lene Neverdal

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

ENGLISH TRANSLATION: Språkverkstaden AS

# Key figures, consolidated

AMOUNTS IN MILLIONS OF NOK

INCOME STATEMENT	31.03.24	31.03.23	31.12.23
Net interest income	387	350	1 466
Dividends and gains/losses on financial instruments	28	14	34
Other operating income	38	37	167
Operating expenses	157	127	546
<b>Profit/loss before impairment loss (incl. securities)</b>	<b>296</b>	<b>274</b>	<b>1 121</b>
<b>Profit/loss before impairment loss (excl. securities)</b>	<b>268</b>	<b>260</b>	<b>1 088</b>
Impairment loss	- 10	- 4	13
<b>Profit/loss before taxation</b>	<b>306</b>	<b>278</b>	<b>1 108</b>
Tax expense	74	69	261
<b>Profit/loss after taxation</b>	<b>232</b>	<b>210</b>	<b>847</b>
Other comprehensive income	0	0	0
<b>Comprehensive income</b>	<b>232</b>	<b>210</b>	<b>847</b>

## BALANCE SHEET

### Assets

Gross loans and advances to customers	64 266	62 128	64 286
Loss allowance	- 302	- 305	- 316
Security investments (shares, fixed income funds, commercial paper and bonds)	10 835	8 545	8 361
<b>Debt and equity</b>			
Deposits from and debt to customers	37 220	36 020	35 796
Debt securities and debt to credit institutions	29 509	27 126	28 542
Equity	7 033	6 602	7 316
Total assets	76 512	71 738	73 556
Average total assets	74 982	71 165	72 573

## KEY FIGURES

### Profitability

Net interest margin	2,07 %	1,99 %	2,02 %
Other operating income (excl. inc. from fin. instr.) as a % of average total assets	0,20 %	0,21 %	0,23 %
Operating expenses as a % of average total assets	0,84 %	0,71 %	0,75 %
Profit/loss before impairment loss as a % of average total assets	1,58 %	1,54 %	1,55 %
Profit/loss before tax as a % of average total assets	1,63 %	1,56 %	1,53 %
Profit/loss after tax as a % of average total assets	1,24 %	1,18 %	1,17 %
Comprehensive income as a % of average total assets	1,24 %	1,18 %	1,17 %
Oper. exp. as a % of oper. income excl. inc. from fin. instr.	36,99 %	32,82 %	33,41 %
Oper. exp. as a % of oper. income incl. inc. from fin. instr.	34,73 %	31,68 %	32,73 %
Impairment loss as a % of gross loans	- 0,02 %	- 0,01 %	0,02 %
Return on equity before tax 1)	17,68 %	17,41 %	16,57 %
Return on equity after tax 1)	13,42 %	13,11 %	12,67 %
Pre-tax return on equity (comprehensive income) 1)	13,42 %	13,11 %	12,67 %
Consolidated comprehensive income per equity certificate, in NOK	10,36	9,35	37,79
Dividend payable per equity certificate, in NOK			25,00

1) Return on equity is calculated based on average equity excl. hybrid capital. The way it is calculated has been changed as of Q1 2024 and figures for previous periods have been restated.

### Capital and liquidity position

Capital adequacy ratio	20,60 %	20,35 %	21,03 %
Core capital adequacy ratio	18,85 %	18,21 %	19,04 %
Core Tier 1 capital adequacy ratio	17,57 %	17,19 %	17,75 %
Leverage ratio	8,49 %	8,53 %	8,84 %
Liquidity Coverage Ratio (LCR)	210 %	153 %	165 %
NSFR, consolidated	128 %	123 %	122 %
NSFR, parent company	137 %	142 %	135 %

### Balance sheet history

Growth in total assets (year-on-year)	6,65 %	6,56 %	3,86 %
Growth in gross customer lending (year-on-year)	3,44 %	6,78 %	4,53 %
Growth in customer deposits (year-on-year)	3,33 %	8,41 %	2,72 %
Deposits as a % of consolidated gross lending	57,92 %	57,98 %	55,68 %
Deposits as a % of parent company's gross lending	96,57 %	106,60 %	91,49 %

### Employees

Full-time equivalent employees	291	275	286
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# Interim report 31.03.2024

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

## Q1 2024 highlights

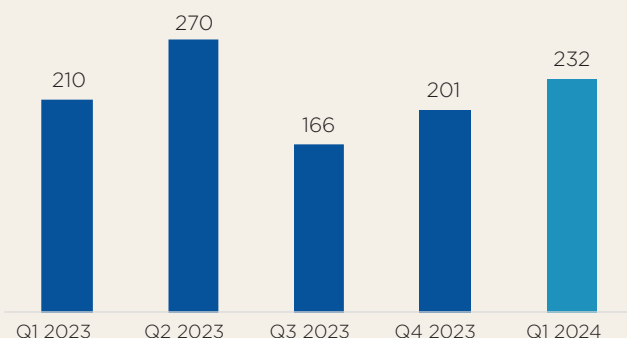
- NOK 387 million (350 million) of net interest income
- Net gain on financial instruments of NOK 28 million (14 million)
- Operating expenses of NOK 157 million (127 million)
- Impairment gain of NOK 10 million (4 million)
- Pre-tax profit of NOK 306 million (278 million)
- Profit after tax of NOK 232 million (210 million)
- Profit after tax per equity certificate of NOK 10.36 (9.35)
- Return on equity after tax of 13.4% (13.1%)
- Capital adequacy ratio of 21.6% (20.4%)

## Q1 financial results

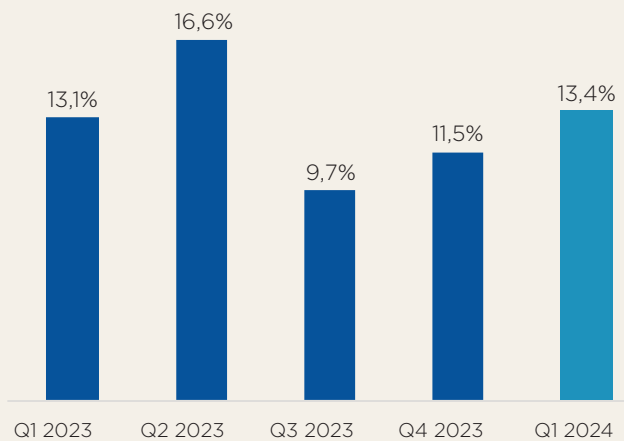
The Group made a pre-tax profit of NOK 306 million, compared with NOK 278 million in the same quarter of 2023. The improvement was due to a solid increase in net interest income, a good contribution from financial instruments and an impairment gain on loans. However, operating expenses rose relatively quickly compared with the equivalent quarter of last year.

The Group made a profit after tax of NOK 232 million in the first quarter, compared with NOK 210 million in the same quarter last year. That corresponds to a return on equity of 13.4% in the first quarter of this year, against 13.1% in the same quarter of 2023.

*Graph of profit after taxation by quarter:*



*Post-tax return on equity by quarter:*

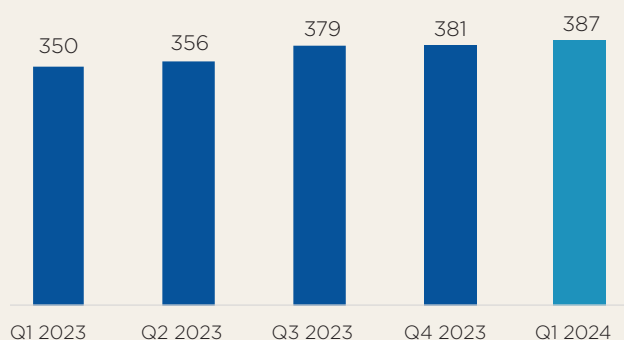


## Net interest income in Q1

Net interest income totalled NOK 387 million, which was an improvement of NOK 38 million (10.8%) over the same quarter of 2023.

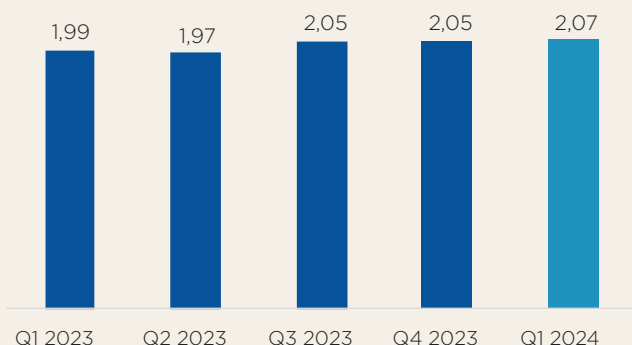
Loan growth came to 3.4% over the past 12 months, and deposits grew by 3.3%. Net interest income rose thanks to the combination of a higher customer margin and growth in deposits and loans. The cost of funding through debt securities was higher than in the first quarter of 2023, due to the increase in the 3-month Nibor, and viewed in isolation that had a negative impact on net interest income. The most recent adjustments to the interest rates on customer loans and deposits were implemented in January and February, and at the current time we have not announced any further changes.

*Graph of quarterly net interest income in millions of NOK:*



The graph below shows the net interest margin (net interest income measured as a percentage of average total assets). The net interest margin was 2.07% in the first quarter of 2024, which was 0.08 percentage points higher than in the first quarter of 2023.

Graph of net interest margin:

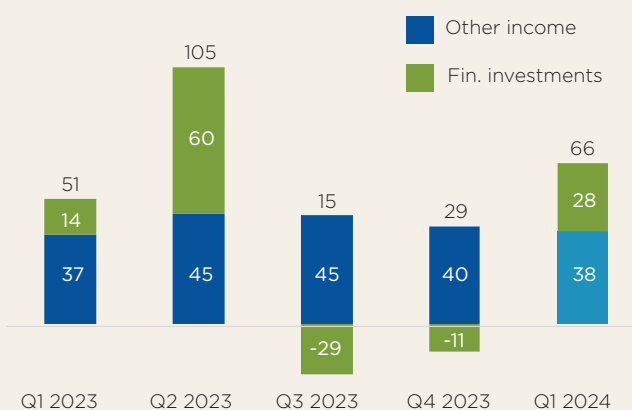


## Net other operating income in Q1

In the first quarter, net other operating income came to NOK 66 million, compared with NOK 51 million in the year-earlier period. This increase was due to a stronger contribution from financial instruments: a gain of NOK 28 million in the first quarter of 2024, compared with a gain of NOK 14 million in the year-earlier period. The gain in the first quarter of this year was mainly due to gains on interest items, but there were also gains on shares and foreign currency items.

Other income (excluding gains on financial investments) totalled NOK 38 million, NOK 1 million higher than in the first quarter of 2023. Income from investment funds saw healthy growth, while there were only small changes in the other income items compared with the first quarter of last year.

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

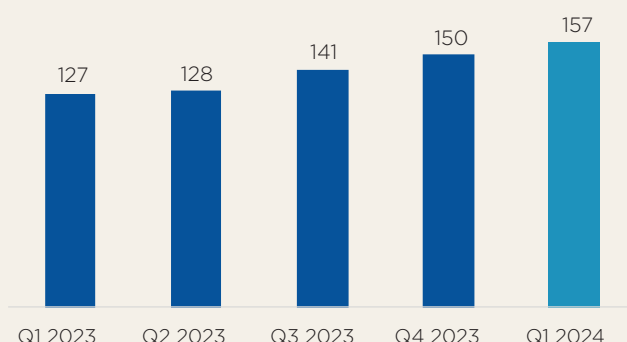


## Operating expenses in Q1

First quarter operating expenses were NOK 157 million, up NOK 30 million (23.9%) from the same quarter of the last year. The increase in expenses is mainly due to higher consultancy fees, higher employee benefits and high inflation.

Part of the increase in expenses is related to the process of converting to, and aligning with, the SpareBank 1 alliance, and in the first quarter NOK 10.2 million of external project costs were expensed in relation to this.

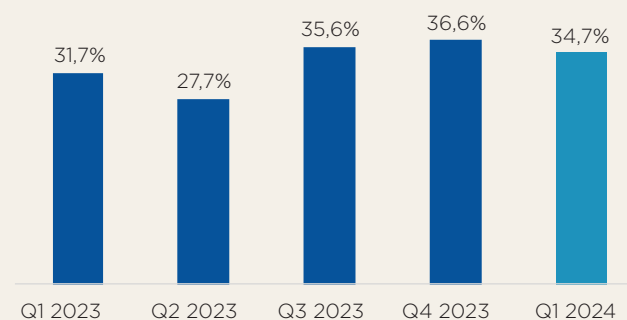
Graph of quarterly operating expenses in millions of NOK:



Operating expenses in the first quarter of 2024 were equivalent to 0.84% of average total assets, against 0.71% in the year-earlier quarter.

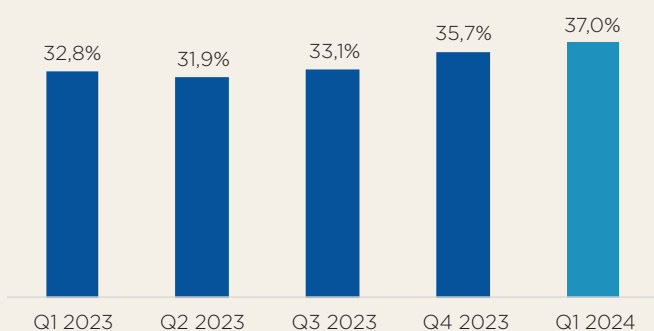
The cost-to-income ratio including financial instruments was 34.7%, against 31.7% in the first quarter of 2023. Our aim is to keep the cost-to-income ratio below 40%.

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



Since the contribution from financial instruments varies significantly over time, the cost-to-income ratio excluding financial instruments is a better reflection of how our cost-efficiency is evolving. The cost-to-income ratio was 37.0% in Q1 2024, compared with 32.8% in the same quarter of last year.

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

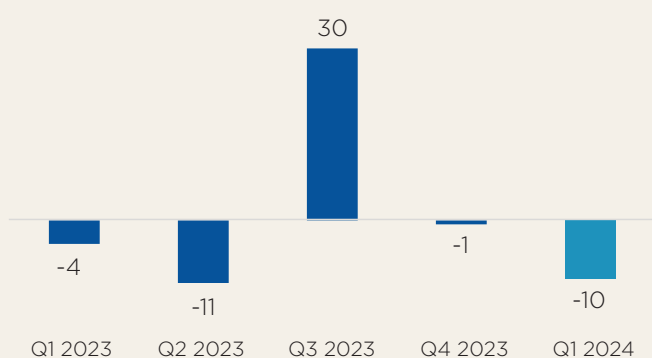


## Q1 impairment gain/loss

There was a NOK 10 million impairment gain on loans and guarantees in the first quarter, compared with a gain of NOK 4 million in the same quarter of last year. The loss allowance for individually assessed assets fell by NOK 12 million, while the model-based allowance rose by NOK 2 million.

The loss allowance on the balance sheet for expected credit losses on loans was NOK 302 million, equivalent to 0.47% of gross loans at 31 March 2024, compared with 0.49% at 31 March 2023.

Graph of impairment loss by quarter in millions of NOK:



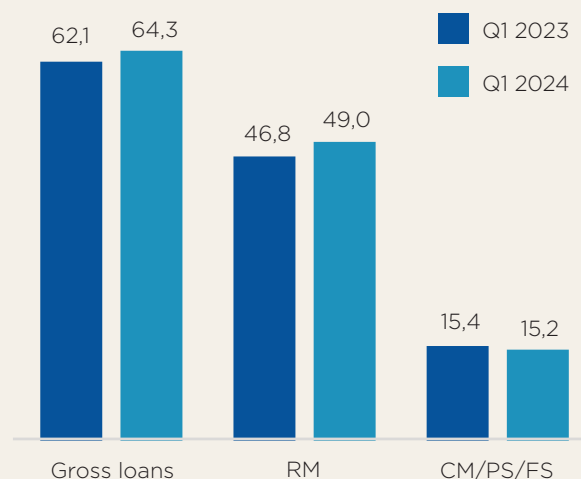
## Balance sheet

The Group had total assets of NOK 76.5 billion at 31 March 2024. This represented an increase of NOK 4.8 billion (6.7%) over the previous 12 months. The increase in total assets was primarily due to an increase in lending to customers and an increased liquidity buffer held as bonds.

## Loans to customers

Gross loans to customers totalled NOK 64.3 billion at the end of the year. Growth over the past year was NOK 2.1 billion (3.4%).

Graph of gross loans by sector in billions of NOK:



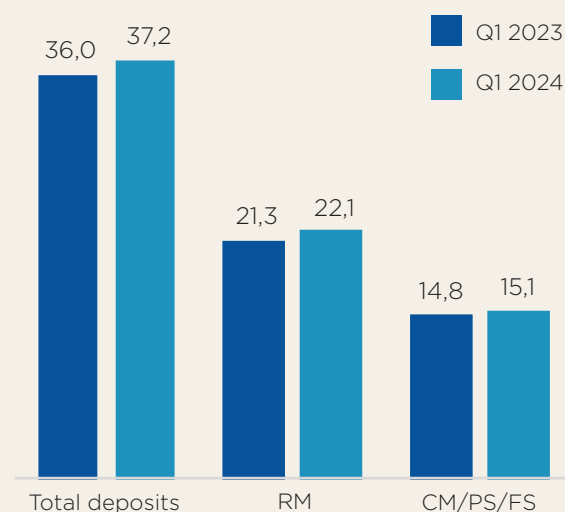
Over the past 12 months, lending to the retail market (RM) rose by 4.9%, while lending to the corporate market (CM) (including loans to the public and financial sectors) was down 0.9% over the same period.

In the year to date, there has been a 0.8% increase in loans to the RM and a 2.5% decline in loans to the CM.

## Deposits

Customer deposits totalled NOK 37.2 billion at the end of the quarter. Growth over the past 12 months was NOK 1.2 billion, or 3.3%.

Graph of deposits by sector in billions of NOK:



Over the past 12 months, RM deposits increased by 4.0%, while CM deposits (incl. deposits from the public and financial sectors) rose 2.4%.

So far this year, the volume of deposits has risen 1.9% in the RM and 7.2% in the CM.

The Group's deposit/loan ratio was 57.9%, down from 58.0% at 31 March 2023.

## Credit risk

The outstanding balance of loans that were over 90 days past due reached NOK 201 million, up NOK 60 million from the equivalent figure at 31 March 2023.

Since 2022, the number of people converting to interest-only payments or extending their mortgage terms has risen, but so far in 2024 the rate of increase appears to be slowing. Most customers appear to have adjusted their consumption in response to higher costs. Our assessment is that most of our customers are able to cope with higher costs and that this will remain the case going forward provided unemployment remains low. Over 99% of loans to retail customers are secured with a mortgage on a property, so even if the risk of payment defaults has increased somewhat as a result of interest rate rises, we consider the Bank's credit risk to be low

The Bank is noticing a slightly reduction in activity and lower investment in the CM due to the rapid increase in costs. Some industries, and particularly the construction industry, are experiencing falling demand. We closely monitor the business community in Sogn og Fjordane, and our assessment is that, overall, local businesses are in a strong position to deal with a more uncertain macro-economic environment. Consequently, we consider credit risk in the corporate market to be moderate.

As a proportion of outstanding loans, exposure to the corporate market was 23.7% at 31 March 2024, compared with 24.7% at 31 March 2023.

The amount of equity and subordinated debt required to meet credit risk reached NOK 2,601 million, NOK 42 million higher than at 31 March 2023.

## Liquidity and financing

In managing its liquidity, the Bank focuses on its deposit/loan ratio, liquidity buffer and the maturity structure of its funding. The liquidity buffer was NOK 11.1 billion at 31 March 2024. The liquidity buffer is invested in short-term deposits with Norges Bank and other banks, as well as in freely negotiable bonds/commercial paper. The Liquidity Coverage Ratio (LCR) was at a satisfactory 210%, compared with 153% at 31 March 2023.

The Bank uses mortgages to issue covered bonds through its wholly-owned subsidiary Bustadkreditt Sogn og Fjordane AS.

At 31 March 2024, the latter company had covered bonds with a face value of NOK 22.4 billion trading on the market. The total value of its cover pool was

NOK 25.6 billion. At 31 March 2024, the company's cover pool was worth NOK 2.8 billion more than the loans it was being used to secure.

## Subsidiaries

### *Bustadkreditt Sogn og Fjordane AS*

Bustadkreditt Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. At 31 March 2024, the company had a NOK 25.7 billion loan portfolio. That represented a 9.2% decline over the previous 12 months. The company had NOK 2.2 billion of equity. The company made a profit before tax of NOK 60 million in the first quarter of 2024, against NOK 49 million during the same period last year. The improvement was due to higher net interest income.

The decline in the volume of loans was due to the Bank's strategic decision to cooperate with the SpareBank 1 alliance. Over time, this change will involve the parent company transferring some of its mortgage loans to SpareBank 1 Boligkreditt. Bustadkreditt Sogn og Fjordane will remain in business, but the amount of business it does will be reduced.

### *Bankeigedom Sogn og Fjordane AS*

Bankeigedom Sogn og Fjordane AS is a wholly-owned subsidiary, which owns the Group's bank buildings. It made a pre-tax profit of NOK 1.7 million in the first quarter of 2024, compared with NOK 1.6 million in the first quarter last year.

### *Eigedomsmekling Sogn og Fjordane AS*

The estate agency Eigedomsmekling Sogn og Fjordane AS is a wholly-owned subsidiary of the Bank. Operating revenues in the first quarter of 2024 totalled NOK 6.4 million, around the same as in the first quarter of last year. It made a pre-tax loss of NOK 1.0 million in the first quarter of 2024, which is unchanged from the year-earlier period.

## Financial strength and return on equity

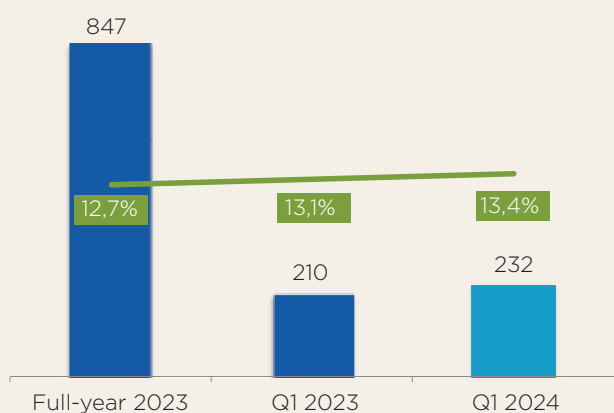
The Group's equity at 31 March 2024 totalled NOK 7.0 billion, NOK 431 million (6.5%) higher than the figure at 31 March 2023. The increase came from profit over the past year less dividends and gifts disbursed.

The Group's capital adequacy ratio at 31 March 2024 came to 21.6%, compared with 20.4% at 31 March 2023. The core Tier 1 capital adequacy ratio was 17.6%, against 17.2% a year earlier. Including profit for the first quarter of 2024, less a proportionate share of expected dividends and gifts, the core Tier 1 capital adequacy ratio at 31 March 2024 is

estimated to have been 17.9%. In the first quarter, the Financial Supervisory Authority of Norway set the Bank a new Pillar 2 requirement of 1.8%, as well as a capital requirement margin of 1.0%. From the turn of the year, the Bank may meet part of the Pillar 2 requirement with core capital and supplementary capital, which makes the regulatory requirement with respect to its core Tier 1 capital adequacy ratio around 15.0%, and including the capital requirement margin the expected minimum is 16.0%. The Bank's own goals are to have a Core Tier 1 capital adequacy ratio of over 17%, and to distribute at least 50% of its annual profit in dividends and gifts.

In the first quarter of 2024, the Group made a profit after tax of NOK 232 million, compared with NOK 210 million in the first quarter of 2023. This corresponds to a return on equity of 13.4%, against 13.1% in the first quarter of 2023. Our aim is to keep the return on equity above 11%. Sparebanken Sogn og Fjordane has consistently managed to achieve a satisfactory return on equity. The Board of Directors is satisfied with the Group's financial results and return on equity.

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



## Rating

At 31 March 2024, Sparebanken Sogn og Fjordane had a long-term rating of A1 from Moody's. Bustadkreditt Sogn og Fjordane's covered bond programme has a long-term rating of Aaa and an issuer rating of A1.

## Collaborations with other banks

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

In conjunction with this, Sparebanken Sogn og Fjordane is buying an ownership interest in the SpareBank 1 alliance through SamSpar. Sparebanken

Sogn og Fjordane will invest NOK 630 million to become a joint owner of the SpareBank 1 alliance. In the long term, this investment will improve the Bank's revenue potential by enabling it to offer a better and wider range of products and services, as well as reducing its costs. The partnership means that the Bank intends to sell its shareholdings in its current product suppliers while also buying shares and ownership interests in product suppliers in the SpareBank 1 alliance.

Sparebanken Sogn og Fjordane will become part of the SpareBank 1 alliance during 2024. The project to migrate and adapt to the SpareBank 1 alliance began at the end of August 2023. Currently, around 160 people from Sparebanken Sogn og Fjordane and the alliance are working on the project. It has not been resolved when the technical conversion process will be completed.

The amount budgeted for the project to become part of SpareBank 1 is just over NOK 60 million in external costs spread across 2023 and 2024. In the first quarter of 2024, NOK 10.2 million of external project costs were accrued, in addition to lots of work put in by the Bank's employees. No provision has been made for future project expenses.

The Bank strongly believes that the partnership will benefit its customers, owners, employees and the Sogn og Fjordane region. After the transition to the SpareBank 1 alliance, the new name of the bank will be SpareBank 1 Sogn og Fjordane.

## Summary and outlook

In the first quarter of 2024, the Group made a profit after tax of NOK 232 million, compared with NOK 210 million in the first quarter of 2023. The improvement was due to healthy growth in net interest income, a positive contribution from financial instruments and an impairment gain on loans. However, operating expenses rose compared with the first quarter of last year.

Return on equity in the first quarter of 2024 was 13.4%, compared with 13.1% in the first quarter of 2023.

Total loan growth came to 3.4% over the past 12 months, and deposits grew by 3.3%. This growth is slower than it has been in the past, but it remains healthy in the retail banking market.

Our cost-to-income ratio was 34.7% in the first quarter of 2024, compared with 31.7% in the year-earlier period.

We had a capital adequacy ratio of 21.6% at 31 March 2024, and a core Tier 1 ratio of 17.6%.



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

The outlook has become more uncertain over the past year on account of rapidly rising interest rates and high general inflation. The Bank's customers are in a strong position to cope with higher interest rates and higher prices. The number of loans that are past due has increased, but it remains relatively low. We are prepared for the fact that some customers may face a challenging situation, due to rising expenses, and that is taken into account in our loss allowance for loans and guarantees.

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

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

Førde, 30 April 2024

Lise Mari Haugen  
Chair

Magny Øvrebø  
nestleiar

Silje Skaar Sunde

Johnny Haugsbakk

Vegard Strand

Kristian Skibenes

Camilla C. Holvik

Ole-Hermann Rognsøy

Trond Teigene  
CEO

# Consolidated income statement

AMOUNTS IN MILLIONS OF NOK	Note	Q1 2024	Q1 2023	Full-year 2023
Interest income		1 123	814	3 789
Interest expenses		735	464	2 323
<b>Net interest income</b>		<b>387</b>	<b>350</b>	<b>1 466</b>
Commission income		41	39	170
Commission expenses		9	8	34
Net gains/losses on financial instruments		28	14	34
Other income		6	6	31
<b>Net other operating income</b>	<b>3</b>	<b>66</b>	<b>51</b>	<b>201</b>
<b>Total revenues</b>		<b>453</b>	<b>401</b>	<b>1 667</b>
Wages, salaries, etc.		77	70	294
Other expenses		75	54	229
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets		6	3	23
<b>Total operating expenses</b>		<b>157</b>	<b>127</b>	<b>546</b>
<b>Profit/loss before impairment loss</b>		<b>296</b>	<b>274</b>	<b>1 121</b>
Impairment loss	<b>4</b>	- 10	- 4	13
<b>Profit/loss before taxation</b>		<b>306</b>	<b>278</b>	<b>1 108</b>
Tax expense		74	69	261
<b>Profit/loss for the reporting period</b>		<b>232</b>	<b>210</b>	<b>847</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>				
<b>Profit/loss for the reporting period</b>		<b>232</b>	<b>210</b>	<b>847</b>
<b>Other comprehensive income</b>				
<b>Other items that will never be reclassified to profit or loss, after tax</b>				
Remeasurements, pensions		0	0	0
<b>Total other comprehensive income for the year, after tax</b>		<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive income</b>		<b>232</b>	<b>210</b>	<b>847</b>
Comprehensive income per equity certificate (weighted), in NOK		10,36	9,35	37,79

# Consolidated balance sheet

AMOUNTS IN MILLIONS OF NOK

	Note	31.03.24	31.03.23	31.12.23
<b>ASSETS</b>				
Cash and cash equivalents		15	13	18
Loans and advances to credit institutions/central banks	<b>13</b>	927	621	534
Loans to customers	<b>4-7, 13</b>	63 965	61 823	63 970
Commercial paper and bonds measured at fair value		10 112	7 782	7 627
Financial derivatives		464	442	413
Shares and other securities with variable returns		723	763	734
Investments in associates		0	3	0
Intangible assets and goodwill		9	13	9
Fixed assets		97	85	101
Deferred tax assets		16	20	16
Other assets		184	173	132
<b>Total assets</b>		<b>76 512</b>	<b>71 738</b>	<b>73 556</b>
<b>DEBT AND EQUITY</b>				
Debt to credit institutions	<b>13</b>	502	503	502
Deposits from and debt to customers	<b>8, 13</b>	37 220	36 020	35 796
Debt securities in issue	<b>9, 13</b>	29 007	26 623	28 040
Financial derivatives		727	554	614
Tax payable		236	162	256
Other liabilities and provisions		806	536	326
Subordinated debt instruments		981	739	705
<b>Total liabilities</b>		<b>69 479</b>	<b>65 136</b>	<b>66 240</b>
Equity share capital	<b>12</b>	4 944	4 651	4 943
Primary capital		798	700	798
Other equity		842	901	618
Hybrid capital		450	350	450
Proposed allocation for dividends and gifts		0	0	507
<b>Total equity</b>		<b>7 033</b>	<b>6 602</b>	<b>7 316</b>
<b>Total debt and equity</b>		<b>76 512</b>	<b>71 738</b>	<b>73 556</b>

Førde, 30 April 2024

Lise Mari Haugen  
Chair

Magny Øvrebø  
Deputy chair

Silje Skaar Sunde

Johnny Haugsbakk

Vegard Strand

Kristian Skibenes

Camilla C. Holvik

Ole-Hermann Rognsøy

Trond Teigene  
CEO

# Consolidated cash flow statement

	31.03.24	31.03.23	31.12.23
Profit/loss before taxation	306	278	1 108
Increase/(reduction) in customer deposits	1 423	1 170	953
Reduction/(increase) in loans to customers	9	- 606	- 2 786
Depreciation and impairment of assets	6	3	26
Impairment loss	- 10	- 4	13
Losses/(gains) on disposal of fixed assets	0	- 4	- 3
Tax paid	- 94	- 86	- 187
Other non-cash transactions	- 145	32	42
Adjustment for other items	- 24	- 98	53
<b>A) Net cash flow from operating activities</b>	<b>1 470</b>	<b>684</b>	<b>- 781</b>
Reduction/(increase) in shares and other securities with variable returns	11	- 4	24
Reduction/(increase) in investments in commercial paper and bonds	- 2 474	- 321	- 143
Investments in fixed assets, intangible assets and goodwill	- 2	- 1	- 41
Sale of fixed assets	0	4	5
<b>B) Net cash flow from investment activities</b>	<b>- 2 464</b>	<b>- 321</b>	<b>- 154</b>
Increase/(decrease) in loans from credit institutions	0	- 1	- 1
Increase/(reduction) in debt securities in issue	1 109	- 597	796
Increase/(reduction) in subordinated debt	276	135	102
Increase/(reduction) in equity share capital	1	0	- 1
Increase in hybrid capital	0	0	100
Dividends and gifts	- 2	- 1	- 242
<b>C) Net cash flow from financing activities</b>	<b>1 384</b>	<b>- 463</b>	<b>754</b>
<b>D) Net cash flow during the year (A+B+C)</b>	<b>389</b>	<b>- 99</b>	<b>- 181</b>
Opening balance of cash and cash equivalents	552	733	733
<b>Closing balance of cash and cash equivalents</b>	<b>942</b>	<b>634</b>	<b>552</b>
<b>Breakdown of cash and cash equivalents</b>			
Cash and cash equivalents	15	13	18
Deposits at other financial institutions and central banks	927	621	534
<b>Total</b>	<b>942</b>	<b>634</b>	<b>552</b>

# Consolidated statement of changes in equity

## EQUITY SHARE CAPITAL

	Equity certificates	Dividend equalisation reserve	Own equity certificates	Share premium account	Primary capital	Hybrid capital	Reserve for unrealised gains	Other equity	Allocated dividends and gifts	Total
<b>Balance at 31.12.22</b>	<b>1 948</b>	<b>2 689</b>	<b>- 3</b>	<b>16</b>	<b>700</b>	<b>350</b>	<b>569</b>	<b>127</b>	<b>248</b>	<b>6 645</b>
Allocated for dividends and gifts	0	0	0	0	0	0	0	0	- 248	- 248
Change in hybrid capital	0	0	0	0	0	0	0	0	0	0
Interest paid to investors in hybrid capital	0	0	0	0	0	- 5	0	0	0	- 5
Purchase and sale of own equity certificates	0	0	0	0	0	0	0	0	0	0
Proposed allocation of profit/loss for reporting period	0	0	0	0	0	5	0	204	0	210
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31.03.23</b>	<b>1 948</b>	<b>2 689</b>	<b>- 2</b>	<b>16</b>	<b>700</b>	<b>350</b>	<b>569</b>	<b>331</b>	<b>0</b>	<b>6 602</b>
<b>Balance at 31.12.22</b>	<b>1 948</b>	<b>2 689</b>	<b>- 3</b>	<b>16</b>	<b>700</b>	<b>350</b>	<b>569</b>	<b>127</b>	<b>248</b>	<b>6 645</b>
Allocated for dividends and gifts	0	0	0	0	0	0	0	0	- 248	- 248
Change in hybrid capital	0	0	0	0	0	100	0	0	0	100
Interest paid to investors in hybrid capital	0	0	0	0	0	- 28	0	0	0	- 28
Purchase and sale of own equity certificates	0	0	- 1	0	0	0	0	0	0	- 1
Proposed allocation of profit/loss for reporting period	0	293	0	0	97	28	- 94	15	507	847
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31.12.23</b>	<b>1 948</b>	<b>2 982</b>	<b>- 3</b>	<b>16</b>	<b>798</b>	<b>450</b>	<b>476</b>	<b>142</b>	<b>507</b>	<b>7 316</b>
<b>Balance at 31.12.23</b>	<b>1 948</b>	<b>2 982</b>	<b>- 3</b>	<b>16</b>	<b>798</b>	<b>450</b>	<b>476</b>	<b>142</b>	<b>507</b>	<b>7 316</b>
Allocated for dividends and gifts	0	0	0	0	0	0	0	0	- 507	- 507
Change in hybrid capital	0	0	0	0	0	0	0	0	0	0
Interest paid to investors in hybrid capital	0	0	0	0	0	- 9	0	0	0	- 9
Purchase and sale of own equity certificates	0	0	1	0	0	0	0	0	0	1
Proposed allocation of profit/loss for reporting period	0	0	0	0	0	9	0	224	0	232
Other comprehensive income	0	0	0	0	0	0	0	0	0	0
<b>Balance at 31.03.24</b>	<b>1 948</b>	<b>2 982</b>	<b>- 3</b>	<b>16</b>	<b>798</b>	<b>450</b>	<b>476</b>	<b>366</b>	<b>0</b>	<b>7 033</b>

# Statement of changes in equity (cont.)

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

### **Equity share capital:**

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

### **Primary capital:**

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

### **Hybrid capital:**

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

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

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

### **Other equity:**

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

### **Dividends and gifts:**

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

# Notes to the financial statements

## Note 1 Accounting principles and critical accounting estimates

### **BASIS OF PRESENTATION**

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

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

### **GENERAL**

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

### **CHANGES TO ACCOUNTING STANDARDS**

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

## Note 2 Segment reporting

### **Geographic segments**

All of the segments operate in Norway.

### **General information about segments**

Segments reflect the organisational structure of the Group.

### **Finance**

- Responsible for financing and for managing liquidity

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

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

### **Retail market including Bustadkreditt**

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

### **Other**

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

### **Estate agency**

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

### **Property management**

- Manages the Group's largest properties

## Note 2 Segment reporting (cont.)

	Total for group	Fin- ance	Corp. Market/ PS/FS	Retail market including Bustad- kreditt	Other	Estate agency	Prop- erty man- age- ment	Elimina- tions
<b>INCOME STATEMENT Q1 2024</b>								
Net interest income and credit commissions	387	0	151	237	0	0	0	0
Net other operating income	66	24	15	22	1	6	2	- 5
<b>Total operating income</b>	<b>453</b>	<b>24</b>	<b>165</b>	<b>259</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>- 5</b>
Operating expenses	157	4	46	96	8	8	0	- 5
<b>Profit/loss before impairment loss</b>	<b>296</b>	<b>20</b>	<b>119</b>	<b>164</b>	<b>- 7</b>	<b>- 1</b>	<b>2</b>	<b>0</b>
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	- 10	0	- 13	3	0	0	0	0
<b>Profit/loss before taxation</b>	<b>306</b>	<b>20</b>	<b>132</b>	<b>161</b>	<b>- 7</b>	<b>- 1</b>	<b>2</b>	<b>0</b>
<b>BALANCE SHEET AT 31.03.24</b>								
Net loans and advances to customers	63 965	0	14 729	49 236	0	0	0	0
Other assets	12 547	11 990	3 222	3 546	0	21	47	- 6 279
<b>Total assets</b>	<b>76 512</b>	<b>11 990</b>	<b>17 951</b>	<b>52 782</b>	<b>0</b>	<b>21</b>	<b>47</b>	<b>- 6 279</b>
Deposits from and debt to customers	37 220	0	15 146	22 104	0	0	0	- 30
Other liabilities	32 259	9 299	162	26 817	0	8	7	- 4 033
Equity (incl. profit/loss for the period)	7 033	2 692	2 643	3 861	0	14	40	- 2 216
<b>Total debt and equity</b>	<b>76 512</b>	<b>11 990</b>	<b>17 951</b>	<b>52 782</b>	<b>0</b>	<b>21</b>	<b>47</b>	<b>- 6 279</b>
<b>INCOME STATEMENT Q1 2023</b>								
Net interest income and credit commissions	350	0	146	203	0	0	0	0
Net other operating income	51	12	14	22	1	6	2	- 5
<b>Total operating income</b>	<b>401</b>	<b>12</b>	<b>160</b>	<b>225</b>	<b>1</b>	<b>6</b>	<b>2</b>	<b>- 5</b>
Operating expenses	127	4	40	80	0	8	0	- 5
<b>Profit/loss before impairment loss</b>	<b>274</b>	<b>8</b>	<b>120</b>	<b>145</b>	<b>1</b>	<b>- 1</b>	<b>2</b>	<b>0</b>
Net gain on fixed assets	0	0	0	0	0	0	0	0
Impairment loss	- 4	0	- 24	20	0	0	0	0
<b>Profit/loss before taxation</b>	<b>278</b>	<b>8</b>	<b>145</b>	<b>125</b>	<b>1</b>	<b>- 1</b>	<b>2</b>	<b>0</b>
<b>BALANCE SHEET AT 31.03.23</b>								
Net loans and advances to customers	61 823	0	14 833	46 990	0	0	0	0
Other assets	9 915	10 592	2 732	4 396	0	20	43	- 7 868
<b>Total assets</b>	<b>71 738</b>	<b>10 592</b>	<b>17 565</b>	<b>51 386</b>	<b>0</b>	<b>20</b>	<b>43</b>	<b>- 7 868</b>
Deposits from and debt to customers	36 020	0	14 786	21 259	0	0	0	- 24
Other liabilities	29 116	7 927	165	26 637	0	7	8	- 5 627
Equity (incl. profit/loss for the period)	6 602	2 666	2 614	3 490	0	13	36	- 2 216
<b>Total debt and equity</b>	<b>71 738</b>	<b>10 592</b>	<b>17 565</b>	<b>51 386</b>	<b>0</b>	<b>20</b>	<b>43</b>	<b>- 7 868</b>



## Note 2 Segment reporting (cont.)

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

## Note 3 Other operating income

<b>NET COMMISSION INCOME</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.12.23</b>
Payment services	19	19	82
Security trading	8	7	30
Guarantee commissions	4	4	16
Currency services and international payments	1	1	5
Insurance services	5	5	19
Other commission income	3	5	17
<b>Total charges and commission income</b>	<b>41</b>	<b>39</b>	<b>170</b>
Interbank fees	0	0	1
Payment services	8	7	28
Cash back Visa credit	1	1	5
<b>Total commission expenses</b>	<b>9</b>	<b>8</b>	<b>34</b>
<b>Net commission income</b>	<b>32</b>	<b>31</b>	<b>136</b>
<b>NET GAINS/LOSSES ON FINANCIAL INSTRUMENTS</b>			
Net gains/losses on foreign currency	4	1	13
Net gains/losses on financial derivatives	- 128	52	21
Net gains/losses on loans measured at fair value	- 7	16	14
Net gains/losses on deposits measured at fair value	- 1	- 4	4
Net gains/losses on commercial paper and bonds	11	- 5	15
Net gains/losses on shares	6	4	42
Net gains/losses on financial liabilities	143	- 51	- 75
<b>Net gains/losses on financial instruments measured at fair value</b>	<b>28</b>	<b>14</b>	<b>34</b>
<b>OTHER INCOME</b>			
Income from property	0	0	1
Estate agency	6	6	29
Other operating income	0	0	1
<b>Total other income</b>	<b>6</b>	<b>6</b>	<b>31</b>
<b>TOTAL NET OTHER OPERATING INCOME</b>	<b>66</b>	<b>51</b>	<b>201</b>

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

	Q1 2024	Q1 2023	Full-year 2023
Increase (+)/reduction (-) in individually assessed allowances	- 17	0	19
Increase (+)/reduction (-) in model-based expected credit losses	2	- 3	- 13
Losses realised during period for which a loss allowance had previously been made	5	0	8
Losses realised during period for which a loss allowance had not previously been made	0	0	1
Recoveries against previous years' realised losses	- 1	- 1	- 3
<b>Impairment loss for the period</b>	<b>- 10</b>	<b>- 4</b>	<b>13</b>

## Note 5 Loss allowance

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

### Consolidated

#### 2024

	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for loans at amortised cost at 01.01.24</b>	<b>58</b>	<b>123</b>	<b>130</b>	<b>311</b>
Transferred to Stage 1	2	- 11	- 1	- 9
Transferred to Stage 2	- 2	15	- 1	11
Transferred to Stage 3	0	- 3	5	2
New financial assets issued or acquired	5	16	3	24
Derecognised financial assets	- 9	- 11	- 25	- 45
Changes to model/macroeconomic parameters	- 1	- 2	2	- 1
Actual losses covered by previous provisions	0	0	- 5	- 5
Other changes	1	- 7	12	7
<b>Loss allowance for loans at amortised cost at 31.03.24</b>	<b>55</b>	<b>120</b>	<b>120</b>	<b>295</b>
<b>Loss allowance for loans at fair value at 31.03.24</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>7</b>
<b>Total loss allowance for loans at 31.03.24</b>	<b>56</b>	<b>123</b>	<b>122</b>	<b>302</b>
<i>Of which in the retail market</i>	<i>16</i>	<i>31</i>	<i>29</i>	<i>77</i>
<i>Of which in the corporate and public sector markets</i>	<i>40</i>	<i>92</i>	<i>93</i>	<i>225</i>

	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for undrawn credit facilities and guarantees at 01.01.24</b>	<b>11</b>	<b>4</b>	<b>5</b>	<b>20</b>
Changes during the reporting period	- 2	1	0	- 1
<b>Loss allowance for undrawn credit facilities and guarantees at 31.03.24</b>	<b>8</b>	<b>5</b>	<b>5</b>	<b>19</b>
<i>Of which in the retail market</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Of which in the corporate and public sector markets</i>	<i>8</i>	<i>5</i>	<i>5</i>	<i>18</i>

#### 2023

	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for loans at amortised cost at 01.01.23</b>	<b>58</b>	<b>136</b>	<b>112</b>	<b>306</b>
Transferred to Stage 1	2	- 8	- 1	- 6
Transferred to Stage 2	- 3	14	- 4	7
Transferred to Stage 3	0	- 2	4	2
New financial assets issued or acquired	5	3	0	8
Derecognised financial assets	- 3	- 4	- 2	- 9
Changes to model/macroeconomic parameters	2	- 19	8	- 8
Actual losses covered by previous provisions	0	0	0	0
Other changes	8	- 14	4	- 2
<b>Loss allowance for loans at amortised cost at 31.03.23</b>	<b>71</b>	<b>105</b>	<b>122</b>	<b>298</b>
<b>Loss allowance for loans at fair value at 31.03.23</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>7</b>
<b>Loss allowance for loans at 31.03.23</b>	<b>73</b>	<b>108</b>	<b>124</b>	<b>305</b>
<i>Of which in the retail market</i>	<i>19</i>	<i>24</i>	<i>26</i>	<i>70</i>
<i>Of which in the corporate and public sector markets</i>	<i>54</i>	<i>84</i>	<i>98</i>	<i>235</i>

	Stage 1	Stage 2	Stage 3	Total
<b>Opening loss allowance for undrawn credit facilities and guarantees at 01.01.23</b>	<b>12</b>	<b>8</b>	<b>1</b>	<b>20</b>
Changes during the reporting period	2	2	1	5
<b>Loss allowance for undrawn credit facilities and guarantees at 31.03.23</b>	<b>13</b>	<b>10</b>	<b>2</b>	<b>25</b>
<i>Of which in the retail market</i>	<i>1</i>	<i>0</i>	<i>0</i>	<i>1</i>
<i>Of which in the corporate and public sector markets</i>	<i>13</i>	<i>10</i>	<i>2</i>	<i>24</i>

## Note 5 Loss allowance (cont.)

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

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

Future scenarios for retail market used to measure estimated expected credit losses at 31.03.24	Probability of default starting from 31.03.2024					House prices	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Optimistic scenario for retail market	1,65	1,50	1,35	1,20	1,00	5,2 %	25 %
Scenario 2: Base scenario for retail market	2,20	2,00	1,80	1,60	1,40	4,2 %	50 %
Scenario 3: Pessimistic scenario for retail market	2,97	2,70	2,43	2,16	1,89	1,4 %	25 %

Future scenarios for corporate market used to measure estimated expected credit losses at 31.03.24	Probability of default starting from 31.03.24					Collateral values	
	Year 1	Year 2	Year 3	Year 4	Year 5	Annual average growth	Weighting of scenario
Scenario 1: Optimistic scenario for corporate market	1,28	1,23	1,23	1,15	1,00	- 0,3 %	25 %
Scenario 2: Base scenario for corporate market	1,50	1,45	1,45	1,35	1,25	- 1,8 %	50 %
Scenario 3: Pessimistic scenario for corporate market	2,03	1,96	1,96	1,82	1,69	- 5,0 %	25 %

## Note 6 Changes in gross loans and exposures

2024	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at amortised cost at 01.01.24</b>	<b>50 850</b>	<b>9 254</b>	<b>784</b>	<b>60 888</b>
Transferred to Stage 1	1 524	- 1 515	- 8	0
Transferred to Stage 2	- 1 487	1 502	- 15	0
Transferred to Stage 3	0	- 69	69	0
New financial assets issued or acquired	4 182	586	29	4 797
Derecognised financial assets	- 5 871	- 908	- 247	- 7 027
Other changes	1 653	10	- 1	1 663
<b>Gross loans at amortised cost at 31.03.24</b>	<b>50 851</b>	<b>8 859</b>	<b>611</b>	<b>60 322</b>
Loss allowance for loans at amortised cost at 31.03.24	55	120	120	295
<b>Net loans at amortised cost at 31.03.24</b>	<b>50 797</b>	<b>8 739</b>	<b>491</b>	<b>60 027</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at fair value at 31.03.24</b>	<b>3 341</b>	<b>586</b>	<b>17</b>	<b>3 945</b>
Loss allowance for loans at fair value at 31.03.24	2	4	2	7
<b>Net loans at fair value at 31.03.24</b>	<b>3 339</b>	<b>583</b>	<b>16</b>	<b>3 938</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at 31.03.24</b>	<b>54 192</b>	<b>9 445</b>	<b>629</b>	<b>64 266</b>
<i>Of which in the retail market</i>	42 950	5 713	376	49 039
<i>Of which in the corporate and public sector markets</i>	11 242	3 733	253	15 228
Loss allowance for loans at 31.03.24	56	123	122	302
<b>Net loans at 31.03.24</b>	<b>54 136</b>	<b>9 322</b>	<b>507</b>	<b>63 965</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Undrawn credit facilities and guarantees at 31.03.24</b>	<b>8 367</b>	<b>507</b>	<b>20</b>	<b>8 895</b>
<i>Of which in the retail market</i>	4 969	99	3	5 071
<i>Of which in the corporate and public sector markets</i>	3 398	408	17	3 823
Loss allowance for guarantees and undrawn credit facilities at 31.03.24	8	5	5	19
<b>Net exposure to undrawn credit facilities and guarantees at 31.03.24</b>	<b>8 359</b>	<b>502</b>	<b>15</b>	<b>8 876</b>

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

<b>2023</b>	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at amortised cost at 01.01.23</b>	<b>51 529</b>	<b>5 692</b>	<b>583</b>	<b>57 805</b>
Transferred to Stage 1	1 319	- 1 303	- 16	0
Transferred to Stage 2	- 4 372	4 402	- 31	0
Transferred to Stage 3	- 7	- 65	72	0
New financial assets issued or acquired	4 569	303	11	4 883
Derecognised financial assets	- 5 073	- 532	- 30	- 5 635
Other changes	1 522	97	2	1 620
<b>Gross loans at amortised cost at 31.03.23</b>	<b>49 488</b>	<b>8 594</b>	<b>592</b>	<b>58 674</b>
Loss allowance for loans at amortised cost at 31.03.23	71	105	122	298
<b>Net loans at amortised cost at 31.03.23</b>	<b>49 417</b>	<b>8 489</b>	<b>470</b>	<b>58 376</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Gross loans at fair value at 31.03.23</b>	<b>3 053</b>	<b>377</b>	<b>24</b>	<b>3 454</b>
Loss allowance for loans at fair value at 31.03.23	2	3	2	7
<b>Net loans at fair value at 31.03.23</b>	<b>3 051</b>	<b>374</b>	<b>22</b>	<b>3 447</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Total gross loans at 31.03.23</b>	<b>52 541</b>	<b>8 971</b>	<b>616</b>	<b>62 128</b>
<i>Of which in the retail market</i>	<i>40 754</i>	<i>5 694</i>	<i>309</i>	<i>46 758</i>
<i>Of which in the corporate and public sector markets</i>	<i>11 787</i>	<i>3 277</i>	<i>307</i>	<i>15 371</i>
Loss allowance for loans at 31.03.23	73	108	124	305
<b>Net loans at 31.03.23</b>	<b>52 468</b>	<b>8 863</b>	<b>492</b>	<b>61 823</b>
	Stage 1	Stage 2	Stage 3	Total
<b>Undrawn credit facilities and guarantees at 31.03.23</b>	<b>5 569</b>	<b>675</b>	<b>22</b>	<b>6 266</b>
<i>Of which in the retail market</i>	<i>3 629</i>	<i>85</i>	<i>3</i>	<i>3 717</i>
<i>Of which in the corporate and public sector markets</i>	<i>1 940</i>	<i>590</i>	<i>19</i>	<i>2 549</i>
Loss allowance for guarantees and undrawn credit facilities at 31.03.23	13	10	2	25
<b>Net exposure to undrawn credit facilities and guarantees at 31.03.23</b>	<b>5 555</b>	<b>665</b>	<b>21</b>	<b>6 241</b>

### Payment default

#### Retail loans and residential mortgage loans:

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

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

#### Other advances:

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

CONSOLIDATED	Gross loans			Guarantees and undrawn credit facilities			Loss allowance		
	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23
11-30 days past due	109	159	83	2	0	1	3	8	5
31-90 days past due	128	26	56	47	0	0	6	1	2
More than 90 days past due	197	139	204	4	2	5	73	54	75
<b>Total assets more than 10 days past due</b>	<b>434</b>	<b>325</b>	<b>343</b>	<b>53</b>	<b>2</b>	<b>5</b>	<b>82</b>	<b>64</b>	<b>82</b>

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

### Assets in default

#### Retail loans and residential mortgage loans:

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

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

#### Other advances:

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

The following may be indications of unlikelihood to pay:

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

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

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

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

CONSOLIDATED	Gross loans			Guarantees and undrawn credit facilities			Loss allowance		
	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23
More than 90 days past due	197	139	204	4	2	5	73	54	75
Other assets in default	432	477	592	16	21	23	54	71	61
<b>Total assets in default</b>	<b>629</b>	<b>616</b>	<b>796</b>	<b>20</b>	<b>22</b>	<b>27</b>	<b>127</b>	<b>126</b>	<b>135</b>
<i>Of which in the retail market</i>	376	309	285	3	3	2	29	26	19
<i>Of which in the corporate and public sector markets</i>	252	307	316	17	19	35	98	99	97

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

Consolidated	Gross loans			Guarantees and undrawn credit facilities		
	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23
Wage and salary earners and pensioners	49 039	46 758	48 666	5 071	3 717	3 803
Public sector	8	4	4	69	69	119
Farming and forestry	1 594	1 535	1 690	300	249	187
Fishing and hunting	2 128	2 160	2 092	119	156	137
Aquaculture and hatcheries	581	494	549	140	108	127
Industry and mining	782	824	802	859	405	936
Power/water supply	628	730	739	352	24	344
Building and construction	1 546	1 586	1 603	636	566	618
Commerce/retail	901	885	993	398	307	426
Transport	608	568	563	157	129	122
Hotels and tourism	496	479	471	50	40	52
Services	860	960	835	121	109	116
Property management	5 095	5 145	5 280	621	387	293
Other	0	0	0	0	0	0
<b>Total</b>	<b>64 266</b>	<b>62 128</b>	<b>64 286</b>	<b>8 895</b>	<b>6 266</b>	<b>7 280</b>
<i>Of which in the retail market</i>	<i>49 039</i>	<i>46 758</i>	<i>48 666</i>	<i>5 071</i>	<i>3 717</i>	<i>3 803</i>
<i>Of which in the corporate and public sector markets</i>	<i>15 228</i>	<i>15 371</i>	<i>15 621</i>	<i>3 823</i>	<i>2 549</i>	<i>3 477</i>

Consolidated	Loans in default and at risk of default			Loss allowance		
	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23
Wage and salary earners and pensioners	379	313	394	77	71	74
Public sector	0	0	0	0	0	0
Farming and forestry	6	2	9	8	10	11
Fishing and hunting	16	5	163	17	12	20
Aquaculture and hatcheries	1	41	1	6	9	7
Industry and mining	6	19	11	10	14	12
Power/water supply	3	3	3	9	11	10
Building and construction	126	111	131	78	82	85
Commerce/retail	11	30	11	7	8	7
Transport	4	0	4	1	2	1
Hotels and tourism	3	4	3	2	3	4
Services	38	46	48	28	34	30
Property management	55	66	45	78	74	75
Other	0	0	0	0	0	0
<b>Total</b>	<b>649</b>	<b>639</b>	<b>823</b>	<b>320</b>	<b>330</b>	<b>336</b>
<i>Of which in the retail market</i>	<i>379</i>	<i>313</i>	<i>394</i>	<i>77</i>	<i>71</i>	<i>74</i>
<i>Of which in the corporate and public sector markets</i>	<i>269</i>	<i>326</i>	<i>429</i>	<i>244</i>	<i>259</i>	<i>262</i>

## Note 8 Customer deposits by sector and industry

	31.03.24	31.03.23	31.12.23
Retail market	22 104	21 259	21 699
Corporate market	12 209	11 893	11 940
Public sector/other	2 907	2 868	2 157
<b>Customer deposits</b>	<b>37 220</b>	<b>36 020</b>	<b>35 796</b>
<b>Breakdown of customer deposits, consolidated</b>			
Deposits from and debt to customers at amortised cost	33 193	33 827	32 327
Deposits from and debt to customers at fair value	4 027	2 193	3 469
<b>Customer deposits</b>	<b>37 220</b>	<b>36 020</b>	<b>35 796</b>
<b>Breakdown of customer deposits, parent company</b>			
Deposits from and debt to customers at amortised cost	33 223	33 852	32 358
Deposits from and debt to customers at fair value	4 027	2 193	3 469
<b>Customer deposits</b>	<b>37 250</b>	<b>36 045</b>	<b>35 827</b>

## Note 9 Debt securities in issue

CONSOLIDATED	FACE VALUE			CARRYING AMOUNT		
	31.03.24	31.03.23	31.12.23	31.03.24	31.03.23	31.12.23
Bonds in issue	20 885	17 911	18 717	21 079	18 070	18 911
- of which own bonds, not amortised	- 2 000	- 209	- 354	- 2 004	- 210	- 358
<b>Debt securities in issue at amortised cost</b>	<b>18 885</b>	<b>17 702</b>	<b>18 363</b>	<b>19 075</b>	<b>17 860</b>	<b>18 553</b>
Bonds in issue (MRELS)	1 400	1 400	1 400	1 412	1 409	1 413
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities in issue (MRELS) at amortised cost</b>	<b>1 400</b>	<b>1 400</b>	<b>1 400</b>	<b>1 412</b>	<b>1 409</b>	<b>1 413</b>
Bonds in issue (MRELS)	1 850	800	1 350	1 804	725	1 282
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities (MRELS) measured at fair value</b>	<b>1 850</b>	<b>800</b>	<b>1 350</b>	<b>1 804</b>	<b>725</b>	<b>1 282</b>
Bonds in issue	7 025	6 825	7 025	6 715	6 629	6 793
- of which own bonds, not amortised	0	0	0	0	0	0
<b>Debt securities measured at fair value</b>	<b>7 025</b>	<b>6 825</b>	<b>7 025</b>	<b>6 715</b>	<b>6 629</b>	<b>6 793</b>
<b>Total debt securities in issue</b>	<b>29 160</b>	<b>26 727</b>	<b>28 138</b>	<b>29 007</b>	<b>26 623</b>	<b>28 040</b>

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

	31.03.24	31.03.23	31.12.23
2023	0	2 402	0
2024	3 085	4 100	3 263
2025	6 800	4 800	6 800
2026	5 000	4 000	5 000
2027	7 200	5 400	6 500
2028	1 100	800	1 100
2029	1 750	1 000	1 250
2030	1 000	1 000	1 000
2031	200	200	200
2032	525	525	525
2033	1 000	1 000	1 000
2034	1 000	1 000	1 000
2037	500	500	500
<b>Total debt securities (net face value)</b>	<b>29 160</b>	<b>26 727</b>	<b>28 138</b>
<b>New debt securities issued in 2024</b>	<b>3 200</b>		
<b>Net repayment of debt securities in 2024</b>	<b>537</b>		

### PARENT COMPANY

Debt securities in issue by valuation method (carrying amount)

	31.03.24	31.03.23	31.12.23
Debt securities in issue at amortised cost	3 526	1 509	2 818
Debt securities in issue (MRELS) at amortised cost	1 412	1 409	1 413
Debt securities measured at fair value	2 008	1 755	2 006
Debt securities (MRELS) measured at fair value	1 804	725	1 282
<b>Total debt securities in issue</b>	<b>8 751</b>	<b>5 397</b>	<b>7 519</b>

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



## Note 10 Capital adequacy

<b>EQUITY AND SUBORDINATED DEBT</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.12.23</b>
Equity share capital	1 948	1 948	1 948
Deduction for own equity certificates	- 3	- 2	- 3
Primary capital	798	700	798
Share premium account	16	16	16
Dividend equalisation reserve	2 982	2 689	2 982
Allocated dividends and gifts	0	0	507
Reserve for unrealised gains	467	564	476
Other equity	142	127	142
Profit/loss for the reporting period	232	210	0
<b>Equity excluding hybrid capital</b>	<b>6 583</b>	<b>6 252</b>	<b>6 866</b>
<b>Other core capital</b>			
Hybrid capital	450	350	450
<b>Equity</b>	<b>7 033</b>	<b>6 602</b>	<b>7 316</b>
<b>Deductions</b>			
Deferred tax assets	- 16	- 20	- 16
Other intangible assets	- 7	- 10	- 7
Deduction for ownership interests in other companies in financial sector	- 95	- 94	- 95
Adjustment to comply with prudent valuation rules	- 22	- 18	- 19
Dividends and gifts	0	0	- 507
Profit/loss for the reporting period	- 232	- 210	0
<b>Net core capital</b>	<b>6 660</b>	<b>6 250</b>	<b>6 671</b>
<b>Core Tier 1 capital</b>	<b>6 210</b>	<b>5 900</b>	<b>6 221</b>
<b>Supplementary capital</b>			
Subordinated debt instruments	975	735	700
<b>Net supplementary capital</b>	<b>975</b>	<b>735</b>	<b>700</b>
<b>Net equity and subordinated debt</b>	<b>7 635</b>	<b>6 985</b>	<b>7 371</b>
<b>BASIS FOR CALCULATION</b>	<b>31.03.24</b>	<b>31.03.23</b>	<b>31.12.23</b>
<b>Credit risk</b>			
Local and regional authorities	122	3	5
Institutions	292	307	274
Enterprises	2 313	2 725	2 512
Retail loans	4 639	4 910	4 457
Residential mortgage loans	22 109	20 628	21 924
Overdue advances	561	560	783
Particularly high-risk assets (property development projects)	249	316	259
Equity investments	1 335	1 841	1 330
Covered bonds	719	561	535
Other advances	173	133	122
<b>Total calculation basis for credit risk</b>	<b>32 512</b>	<b>31 984</b>	<b>32 202</b>
Currency risk	0	0	0
Operational risk	2 659	2 300	2 659
CVA	169	34	180
<b>Total calculation basis</b>	<b>35 340</b>	<b>34 319</b>	<b>35 041</b>
<b>Excess equity and subordinated debt</b>	<b>4 808</b>	<b>4 239</b>	<b>4 568</b>
<b>CAPITAL ADEQUACY</b>			
Capital adequacy ratio	21,60 %	20,35 %	21,03 %
Core capital adequacy ratio	18,85 %	18,21 %	19,04 %
Core Tier 1 capital adequacy ratio	17,57 %	17,19 %	17,75 %
Unweighted core capital ratio	8,49 %	8,53 %	8,84 %

The capital adequacy ratio has been calculated using the Basel II capital adequacy regulations.

The standardised approach has been used for credit risk, whilst the basic indicator approach has been used for operational risk. The original exposure method has been used for derivatives.

## Note 11 Transactions with related parties

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

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

## Note 12 Equity share capital and organisational structure

### Parent company

The equity share capital was raised as follows:

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

Figures in NOK '000s unless otherwise specified

<b>Equity share capital</b>	31.03.24	31.03.23	31.12.23
Equity certificates	1 948 319	1 948 319	1 948 319
Share premium account	15 608	15 608	15 608
Dividend equalisation reserve	2 982 203	2 689 343	2 982 203
Own equity certificates	- 2 501	- 2 361	- 3 401
<b>Total equity share capital (A)</b>	<b>4 943 629</b>	<b>4 650 909</b>	<b>4 942 729</b>
<b>Primary capital (B)</b>	<b>797 730</b>	<b>700 305</b>	<b>797 730</b>
Reserve for unrealised gains	475 652	569 237	475 652
Hybrid capital	450 000	350 000	450 000
Proposed allocation for dividends and gifts	0	0	507 080
Other equity	318 779	298 042	0
<b>Total equity</b>	<b>6 985 790</b>	<b>6 568 493</b>	<b>7 173 191</b>
<b>Equity share capital ratio A / (A+B) after disbursement of dividends</b>	<b>86,11 %</b>	<b>86,91 %</b>	<b>86,10 %</b>
Parent company's earnings per equity certificate (weighted), in NOK	14,61	13,53	37,10
Consolidated earnings per equity certificate (weighted), in NOK	10,36	9,35	37,79
Consolidated book equity per equity certificate in NOK (excl. hybrid capital)	290,92	278,89	303,41
<b>Proposed allocation for dividends</b>			
Dividend payable per equity certificate, in NOK			25,00
<b>Total dividends</b>			<b>487 080</b>
<b>Proposed allocation for gifts</b>			
Charitable donations			20 000
<b>Total proposed allocation for dividends and gifts</b>			<b>507 080</b>
<b>Dividends and gifts as a % of consolidated profit after taxation</b>			<b>59,9 %</b>
<b>Dividends and gifts as a % of parent company profit after taxation</b>			<b>61,0 %</b>

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

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

	31.03.24	
	Number of equity certificates	Percentage
Sparebankstiftinga Sogn og Fjordane	18 119 496	93,00 %
Sparebankstiftinga Fjaler	1 152 992	5,92 %
Other *)	182 663	0,94 %
Own equity certificates	28 036	0,14 %
<b>Total</b>	<b>19 483 187</b>	<b>100,00 %</b>

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

### Equity certificates held by key personnel

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

	Number of equity certificates
Harald Slettvoll, Director of Risk Management and Compliance	4 057
Trond Teigene, CEO	3 800
Vasseth AS and Frode Vasseth, CFO	3 100
RLK Holding AS represented by Johnny Haugsbakk, Board member	3 000
Advokatfirmaet Hvidsten represented by Jan Nikolai Hvidsten, deputy Board member	2 100
Linda Marie Vøllestad Westbye, Retail Banking Director	1 650
Eirik Rostad Ness, Director of Human Resources	1 597
Roy Stian Farsund, Corporate Banking Director	1 150
Mar Invest AS represented by Kristian Skibenes, Board member	1 000
Ole-Hermann Rognsøy, Board member, employee representative	835
Reiel Haugland, Director of Strategic Projects	698
Jill Aasen Hole, Acting Technology Director	335
Lise Mari Haugen, Chair	300
Johanne Viken Sandnes, Director of Communications	274
Bjørn-Egil Holmøyvik, deputy Board member, employee representative	250
Camilla C. Holvik, Board member, employee representative	147
<b>Total equity certificates held by key personnel and Board members</b>	<b>24 293</b>

### Information about voting rights, etc.

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

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

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

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

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

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

## Note 13 Fair value of financial instruments

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

	Carrying amount 31.03.24	Fair value 31.03.24	Carrying amount 31.03.23	Fair value 31.03.23	Carrying amount 31.12.23	Fair value 31.12.23
<b>CONSOLIDATED</b>						
<b>Assets</b>						
Cash and cash equivalents	15	15	13	13	18	18
Loans and advances to credit institutions/ central banks	927	927	621	621	534	534
Loans to customers	60 027	60 027	58 376	58 376	60 577	60 577
<b>Total financial assets measured at amortised cost</b>	<b>60 968</b>	<b>60 968</b>	<b>59 009</b>	<b>59 009</b>	<b>61 129</b>	<b>61 129</b>
<b>Liabilities</b>						
Debt to credit institutions	502	502	503	503	502	502
Deposits from and debt to customers	33 193	33 193	33 827	33 827	32 327	32 327
Debt securities in issue	20 487	20 550	19 269	19 216	19 965	20 003
Subordinated debt instruments	981	981	739	739	705	705
<b>Total financial liabilities measured at amortised cost</b>	<b>55 163</b>	<b>55 226</b>	<b>54 338</b>	<b>54 285</b>	<b>53 500</b>	<b>53 538</b>

### FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

#### Classification by level

<b>CONSOLIDATED</b>	Level 1	Level 2	Level 3	Total
<b>Assets at 31.03.24</b>				
Loans to customers	0	0	3 938	<b>3 938</b>
Commercial paper and bonds	0	10 112	0	<b>10 112</b>
Financial derivatives	0	464	0	<b>464</b>
Shares	0	377	347	<b>723</b>
<b>Total financial assets measured at fair value</b>	<b>0</b>	<b>10 952</b>	<b>4 284</b>	<b>15 237</b>
<b>Liabilities at 31.03.24</b>				
Deposits from and debt to customers	0	0	4 027	<b>4 027</b>
Debt securities in issue	0	3 812	0	<b>3 812</b>
Debt securities in issue used as hedging instruments	0	4 707	0	<b>4 707</b>
Financial derivatives	0	727	0	<b>727</b>
<b>Total financial liabilities measured at fair value</b>	<b>0</b>	<b>9 246</b>	<b>4 027</b>	<b>13 274</b>

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

There are three classification levels:

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

#### Breakdown of fair value, level 3

<b>CONSOLIDATED</b>	Financial assets		Financial liabilities	
<b>At 31.03.24</b>	Loans to customers	Shares	Customer deposits	
Nominal value/cost	4 091	252	4 028	
Fair value adjustment	- 153	94	- 0,4	
<b>Total fair value</b>	<b>3 938</b>	<b>347</b>	<b>4 027</b>	

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

### Breakdown of changes in level 3:

	Financial assets Loans to customers	Shares	Financial liabilities Deposits from and debt to customers
<b>CONSOLIDATED</b>			
<b>Carrying amount at 31.12.23</b>	<b>3 393</b>	<b>359</b>	<b>3 469</b>
Net gains/losses on financial instruments through profit or loss	- 7	- 12	1,1
Acquisitions over the period	552	0	557
Sales/redemptions over the period	0	0	0
Moved into level 3	0	0	0
Moved out of level 3	0	0	0
<b>Carrying amount at 31.03.24</b>	<b>3 938</b>	<b>347</b>	<b>4 027</b>

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

### Sensitivity analysis, level 3

For fixed-rate deposits the average remaining term is approximately 0.5 years. Using a simple duration-based approach, a 1% fall in interest rates will increase the value of our fixed-rate deposits by approximately NOK 19 million. For fixed-rate loans the weighted average remaining term is approx. 3.3 years. Calculated simply, a 1% rise in the discount rate will reduce the value of our fixed-rate loans by approximately NOK 128 million.

Shares defined as level 3 assets are not listed on a stock exchange, have no known transactions and are shares for which the Bank has no observable assets that can be used for valuation purposes. In such cases we use our own valuations based on discounted cash flows or an analysis of key figures. For companies valued using a cash flow model, a required rate of return on equity of 10.8% has been used. A 10% reduction in the price to book ratio of a company valued using key figures and a 1 percentage point increase in the required rate of return in the cash flow models would cut the value by approx. NOK 77.3 million.

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

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

## Note 14 Off-balance-sheet items

Guarantees	31.03.24	31.03.23	31.12.23
Payment guarantees	600	639	691
Contract guarantees	271	263	277
Other guarantee liabilities	65	61	62
Commitments to investments in shares	0	3	0
<b>Total in NOK</b>	<b>936</b>	<b>966</b>	<b>1 030</b>

# Income statement, parent company

AMOUNTS IN MILLIONS OF NOK	Q1 2024	Q1 2023	Full-year 2023
Interest income	795	557	2 658
Interest expenses	472	266	1 401
<b>Net interest income</b>	<b>323</b>	<b>291</b>	<b>1 257</b>
Commission income	41	39	167
Commission expenses	9	8	34
Net gains/losses on financial instruments	173	136	160
Other income	3	3	13
<b>Net other operating income</b>	<b>207</b>	<b>170</b>	<b>307</b>
<b>Total revenues</b>	<b>530</b>	<b>461</b>	<b>1 564</b>
Wages, salaries, etc.	72	65	274
Other expenses	72	52	219
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets	6	3	26
<b>Total operating expenses</b>	<b>150</b>	<b>120</b>	<b>519</b>
<b>Profit/loss before impairment loss</b>	<b>379</b>	<b>341</b>	<b>1 045</b>
Impairment loss	- 9	- 21	- 6
<b>Profit/loss before taxation</b>	<b>388</b>	<b>361</b>	<b>1 051</b>
Tax expense	60	58	219
<b>Profit/loss for the reporting period</b>	<b>327</b>	<b>303</b>	<b>832</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>Profit/loss for the reporting period</b>	<b>327</b>	<b>303</b>	<b>832</b>
<b>Other comprehensive income</b>			
<b>Other items that will never be reclassified to profit or loss, after tax</b>			
Remeasurements, pensions	0	0	0
<b>Total other items that will never be reclassified to profit or loss, after tax</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Comprehensive income</b>	<b>327</b>	<b>303</b>	<b>832</b>

# Balance sheet, parent company

AMOUNTS IN MILLIONS OF NOK

	31.03.24	31.03.23	31.12.23
<b>ASSETS</b>			
Cash and cash equivalents	15	13	18
Loans and advances to credit institutions/central banks	4 161	5 632	3 140
Loans to customers	38 314	33 549	38 888
Commercial paper and bonds measured at fair value	9 679	7 575	7 194
Financial derivatives	882	750	741
Shares and other securities with variable returns	723	763	734
Investments in associates	0	3	0
Investments in subsidiaries	2 212	2 212	2 212
Intangible assets and goodwill	7	12	8
Fixed assets	83	75	88
Deferred tax assets	26	29	26
Other assets	314	161	124
<b>Total assets</b>	<b>56 417</b>	<b>50 773</b>	<b>53 173</b>
<b>DEBT AND EQUITY</b>			
Debt to credit institutions	650	649	731
Deposits from and debt to customers	37 250	36 045	35 827
Debt securities in issue	8 751	5 397	7 519
Financial derivatives	790	686	669
Tax payable	199	150	216
Other liabilities and provisions	811	540	333
Subordinated debt instruments	981	739	705
<b>Total liabilities</b>	<b>49 431</b>	<b>44 205</b>	<b>46 000</b>
Equity share capital	4 944	4 651	4 943
Primary capital	798	700	798
Other equity	794	867	476
Hybrid capital	450	350	450
Proposed allocation for dividends and gifts	0	0	507
<b>Total equity</b>	<b>6 986</b>	<b>6 568</b>	<b>7 173</b>
<b>Total debt and equity</b>	<b>56 417</b>	<b>50 773</b>	<b>53 173</b>

# Consolidated income statement

As a % of average total assets

	31.03.24	31.03.23	31.12.23
Interest income	6,01 %	4,64 %	5,22 %
Interest expenses	3,93 %	2,64 %	3,20 %
<b>Net interest income</b>	<b>2,07 %</b>	<b>1,99 %</b>	<b>2,02 %</b>
Commission income	0,22 %	0,22 %	0,23 %
Commission expenses	0,05 %	0,05 %	0,05 %
Net gains/losses on financial instruments	0,15 %	0,08 %	0,05 %
Other income	0,03 %	0,03 %	0,04 %
<b>Net other operating income</b>	<b>0,35 %</b>	<b>0,29 %</b>	<b>0,28 %</b>
<b>Total revenues</b>	<b>2,42 %</b>	<b>2,25 %</b>	<b>2,30 %</b>
Wages, salaries, etc.	0,41 %	0,40 %	0,41 %
Other expenses	0,40 %	0,30 %	0,32 %
Depreciation and impairment of assets, valuation changes and gains/losses on non-financial assets	0,03 %	0,01 %	0,03 %
<b>Total operating expenses</b>	<b>0,84 %</b>	<b>0,71 %</b>	<b>0,75 %</b>
<b>Profit/loss before impairment loss</b>	<b>1,58 %</b>	<b>1,54 %</b>	<b>1,55 %</b>
Impairment loss	- 0,05 %	- 0,02 %	0,02 %
<b>Profit/loss before taxation</b>	<b>1,63 %</b>	<b>1,56 %</b>	<b>1,53 %</b>
Tax expense	0,39 %	0,39 %	0,36 %
<b>Profit/loss for the reporting period</b>	<b>1,24 %</b>	<b>1,18 %</b>	<b>1,17 %</b>
<b>STATEMENT OF COMPREHENSIVE INCOME</b>			
<b>Profit/loss for the reporting period</b>	<b>1,24 %</b>	<b>1,18 %</b>	<b>1,17 %</b>
<b>Other comprehensive income</b>			
Remeasurements, pensions	0,00 %	0,00 %	0,00 %
<b>Total other comprehensive income for the year, after tax</b>	<b>0,00 %</b>	<b>0,00 %</b>	<b>0,00 %</b>
<b>Comprehensive income</b>	<b>1,24 %</b>	<b>1,18 %</b>	<b>1,17 %</b>
<b>AVERAGE TOTAL ASSETS</b>	<b>74 982</b>	<b>71 165</b>	<b>72 573</b>



# Consolidated financial results by quarter

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Net interest income</b>	<b>387</b>	<b>381</b>	<b>379</b>	<b>356</b>	<b>350</b>
Other operating income	38	40	45	45	37
Dividends and gains/losses on financial instruments	28	- 11	- 29	60	14
<b>Net other operating income</b>	<b>66</b>	<b>29</b>	<b>15</b>	<b>105</b>	<b>51</b>
<b>Total revenues</b>	<b>453</b>	<b>410</b>	<b>395</b>	<b>462</b>	<b>401</b>
Operating expenses	157	150	141	128	127
<b>Profit/loss before impairment loss</b>	<b>296</b>	<b>259</b>	<b>254</b>	<b>334</b>	<b>274</b>
Impairment loss	- 10	- 1	30	- 11	- 4
<b>Profit/loss before taxation</b>	<b>306</b>	<b>260</b>	<b>225</b>	<b>345</b>	<b>278</b>
Tax expense	74	59	58	75	69
<b>Profit/loss after taxation</b>	<b>232</b>	<b>201</b>	<b>166</b>	<b>270</b>	<b>210</b>
Remeasurements, pensions	0	0	0	0	0
<b>COMPREHENSIVE INCOME</b>	<b>232</b>	<b>201</b>	<b>166</b>	<b>270</b>	<b>210</b>

	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Net interest income</b>	<b>332</b>	<b>291</b>	<b>268</b>	<b>257</b>
Other operating income	46	43	43	34
Dividends and gains/losses on financial instruments	1	- 18	- 11	29
<b>Net other operating income</b>	<b>47</b>	<b>25</b>	<b>32</b>	<b>63</b>
<b>Total revenues</b>	<b>379</b>	<b>315</b>	<b>300</b>	<b>320</b>
Operating expenses	128	128	125	118
<b>Profit/loss before impairment loss</b>	<b>250</b>	<b>187</b>	<b>175</b>	<b>203</b>
Impairment loss	30	2	- 13	17
<b>Profit/loss before taxation</b>	<b>220</b>	<b>185</b>	<b>188</b>	<b>186</b>
Tax expense	51	42	45	39
<b>Profit/loss after taxation</b>	<b>169</b>	<b>143</b>	<b>143</b>	<b>147</b>
Remeasurements, pensions	0	0	0	0
<b>COMPREHENSIVE INCOME</b>	<b>169</b>	<b>143</b>	<b>143</b>	<b>147</b>

# Consolidated financial results by quarter

As a % of average total assets

	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Net interest income</b>	<b>2,07 %</b>	<b>2,05 %</b>	<b>2,05 %</b>	<b>1,97 %</b>	<b>1,99 %</b>
Other operating income	0,20 %	0,22 %	0,24 %	0,25 %	0,21 %
Dividends and changes in the value of fin. instr.	0,15 %	- 0,06 %	- 0,16 %	0,33 %	0,08 %
<b>Net other operating income</b>	<b>0,35 %</b>	<b>0,16 %</b>	<b>0,08 %</b>	<b>0,58 %</b>	<b>0,29 %</b>
<b>Total revenues</b>	<b>2,42 %</b>	<b>2,23 %</b>	<b>2,15 %</b>	<b>2,54 %</b>	<b>2,25 %</b>
Operating expenses	0,84 %	0,82 %	0,76 %	0,71 %	0,71 %
<b>Profit/loss before impairment loss</b>	<b>1,58 %</b>	<b>1,41 %</b>	<b>1,38 %</b>	<b>1,84 %</b>	<b>1,54 %</b>
Impairment loss	- 0,05 %	0,00 %	0,16 %	- 0,06 %	- 0,02 %
<b>Profit/loss before taxation</b>	<b>1,63 %</b>	<b>1,42 %</b>	<b>1,22 %</b>	<b>1,90 %</b>	<b>1,56 %</b>
Tax expense	0,39 %	0,32 %	0,32 %	0,41 %	0,39 %
<b>Profit/loss after taxation</b>	<b>1,24 %</b>	<b>1,10 %</b>	<b>0,91 %</b>	<b>1,49 %</b>	<b>1,18 %</b>
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %	0,00 %
<b>COMPREHENSIVE INCOME</b>	<b>1,24 %</b>	<b>1,10 %</b>	<b>0,91 %</b>	<b>1,49 %</b>	<b>1,18 %</b>
	Q4 2022	Q3 2022	Q2 2022	Q1 2022	
<b>Net interest income</b>	<b>1,86 %</b>	<b>1,65 %</b>	<b>1,58 %</b>	<b>1,57 %</b>	
Other operating income	0,26 %	0,25 %	0,25 %	0,21 %	
Dividends and changes in the value of fin. instr.	0,00 %	- 0,10 %	- 0,06 %	0,17 %	
<b>Net other operating income</b>	<b>0,27 %</b>	<b>0,14 %</b>	<b>0,19 %</b>	<b>0,38 %</b>	
<b>Total revenues</b>	<b>2,14 %</b>	<b>1,80 %</b>	<b>1,77 %</b>	<b>1,93 %</b>	
Operating expenses	0,73 %	0,73 %	0,73 %	0,71 %	
<b>Profit/loss before impairment loss</b>	<b>1,42 %</b>	<b>1,07 %</b>	<b>1,03 %</b>	<b>1,22 %</b>	
Impairment loss	0,17 %	0,01 %	- 0,08 %	0,10 %	
<b>Profit/loss before taxation</b>	<b>1,25 %</b>	<b>1,06 %</b>	<b>1,11 %</b>	<b>1,12 %</b>	
Tax expense	0,29 %	0,24 %	0,26 %	0,24 %	
<b>Profit/loss after taxation</b>	<b>0,96 %</b>	<b>0,82 %</b>	<b>0,84 %</b>	<b>0,88 %</b>	
Remeasurements, pensions	0,00 %	0,00 %	0,00 %	0,00 %	
<b>COMPREHENSIVE INCOME</b>	<b>0,96 %</b>	<b>0,82 %</b>	<b>0,84 %</b>	<b>0,88 %</b>	

# Information about the company

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