Quarterly presentation 2025

Q3

SpareBank 1 SØR-NORGE

Financial targets

Long-term target ROE

> 14%

Cost- and capital effective	Customer growth in South of Norway	Growth in other income	Joint effort in the SpareBank 1 alliance	Diversified portfolio
> 17,53%	< 40%	> 50%	> NOK 450 million	
CET 1 Capital ratio	Cost to income	**Dividend share**	**Operational synergies**	

SpareBank 1 SØR-NORGE

Well positioned for strong capital distribution

Dividend policy

The group's dividend policy has been to distribute around 50% of the profit for the year

New dividend policy

The group's dividend policy is to distribute **above 50% in cash dividend** of the profit for the year

Established a share buyback program as a supplement to cash dividends

SpareBank 1 SØR-NORGE

Successful integration

1 October 2024

SpareBank 1 Sør-Norge

- ✓ Legal merger 1 October 2024
- ✓ Technical merger in September
- ✓ **335,000** customers migrated

1 April 2025

ForretningsPartner Sør-Norge

- ✓ Legal merger 1 April 2025
- ✓ Technical merger in May

1 October 2025

EiendomsMegler 1 Sør-Norge

- ✓ Legal merger 1 October 2025
- ✓ Technical merger in December

Next step →

SpareBank 1 Sør-Norge

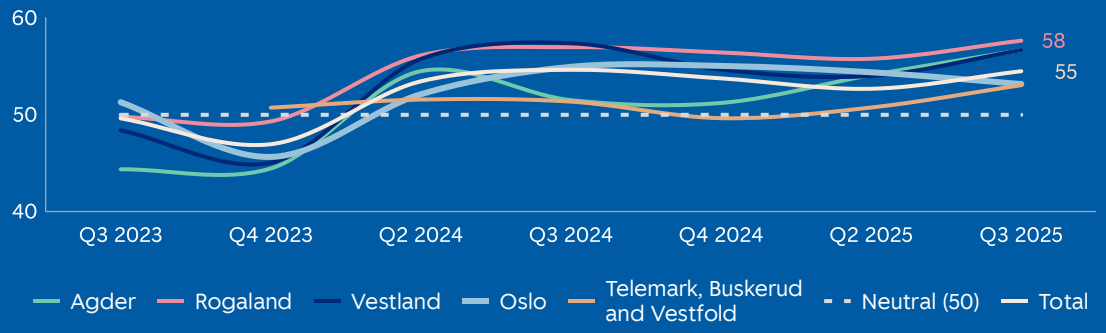
- Realization of synergies
- Harmonization of products and work processes
- Increase efficiency and competitiveness

SpareBank 1 SØR-NORGE

Businesses expects increased growth

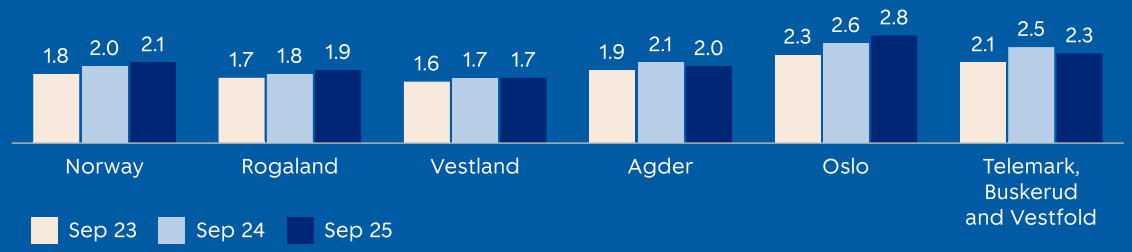
- Expects growth, but reduced investments
- Corporates expect growth and more employees
- Unemployment remains low
- Trade policies and global tensions linked to Trump continue to create uncertainty

SpareBank 1 Sør-Norge's business survey



Unemployment rate

(Percent)

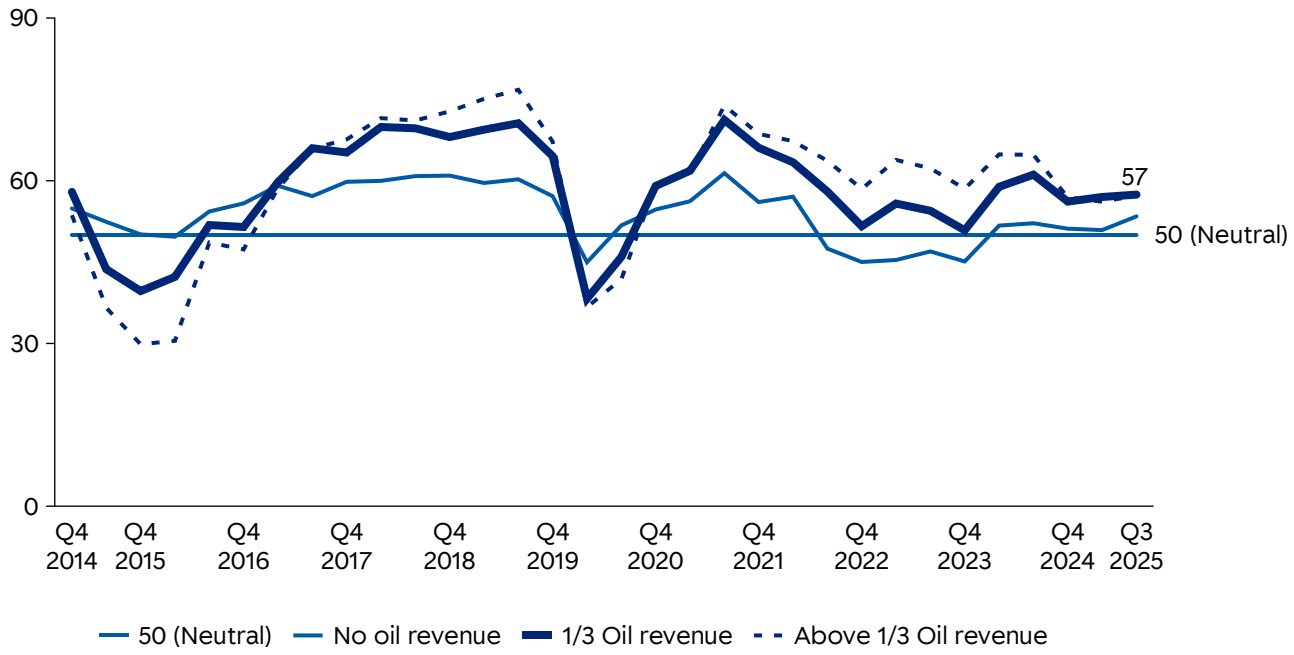


Expectations among oil companies

- High optimism among oil companies over the next 12 months
- Most oil companies expect to hire
- Investments on the Norwegian continental shelf remain at a high level
- Companies are better prepared than they were during the 2014 crisis

Expectations among companies with higher vs lower oil-related revenue

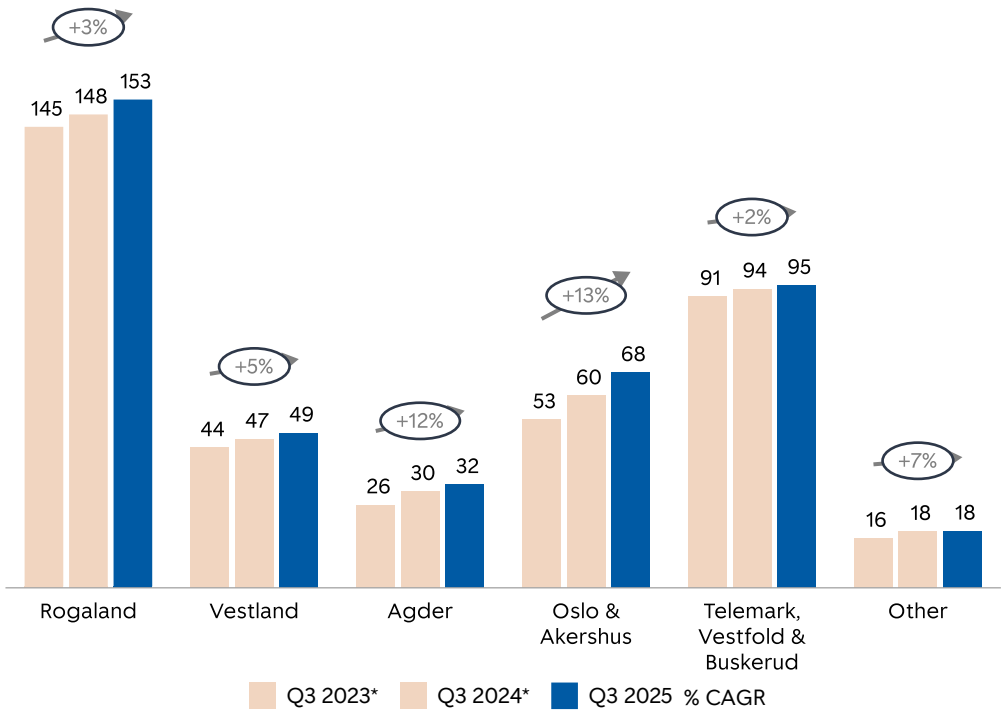
Main index: Share of positive companies in percent



Source: SpareBank 1 Sør-Norge Business Survey

SpareBank 1 Sør-Norge

Lending volume in NOK billion



*Pro forma

Synergy estimate raised after solid quarter

Result 30 September 2025

13.1%

14.7% excl. one-off effects**
Return on equity after tax

MNOK 6,356

Pre-tax profit

Result 3. quarter 2025

13.0%

14.5% excl. one-off effects*
Return on equity after tax

4.4%

12 months lending growth

Retail market	6.1%
Corporate market	-2.3%
SME and Agriculture	9.1%

37.0%

Cost to income ratio

MNOK 115

Impairments on lending and financial commitments

0.12% of gross lending

10.9%**

12 months deposit growth

Retail market	10.4%
Corporate market	14.6%
SME and Agriculture	5.9%

18.5%

CET 1 capital ratio

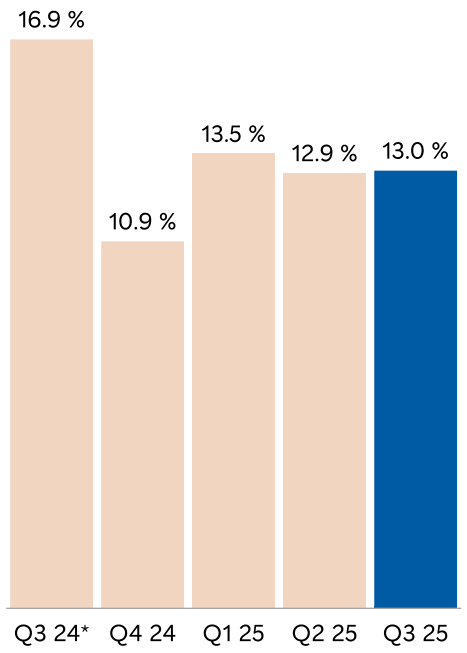
**Adjusted for merger costs (MNOK 78) and goodwill from merger (3.6 NOK billion)*
***Adjusted for cost related to verdict in legal case against Tietoevry Norway AS (MNOK 74), merger costs (YTD MNOK 168) and goodwill from merger (3.6 NOK billion)*
***12 month deposit growth including deposits in treasury is 9.7%*

SpareBank 1 SØR-NORGE

Key figures – quarterly development

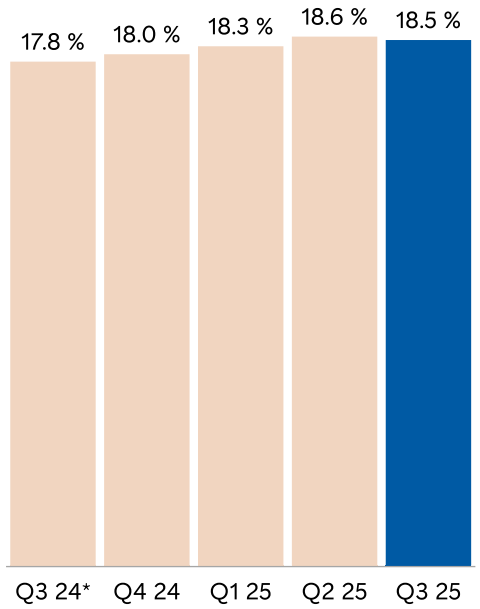
Return on equity

Target: > 14.0%



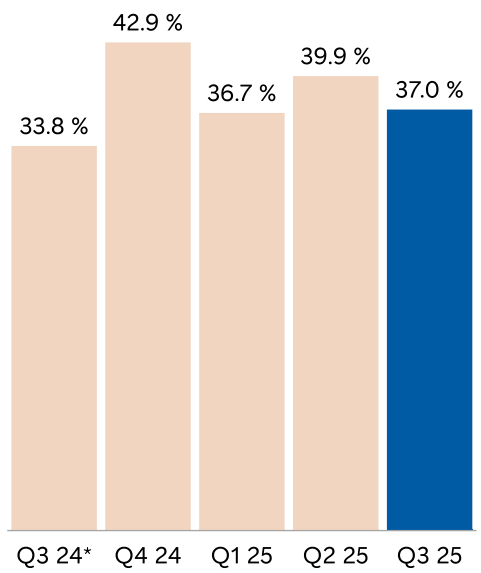
CET 1 capital ratio

Target: > 17.53%



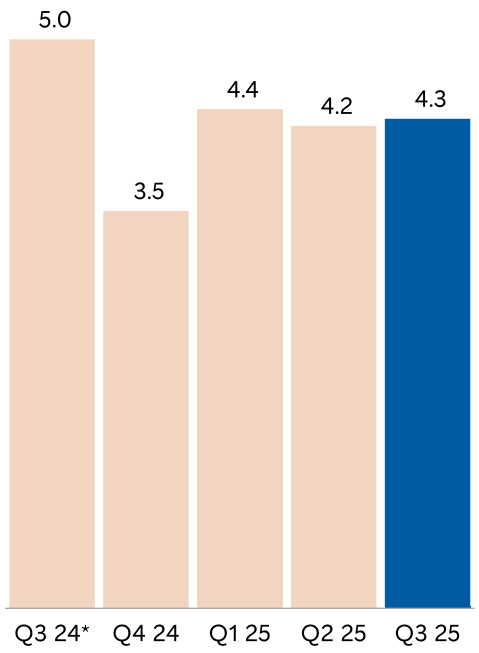
Cost to income ratio

Target: < 40%



Earnings per share (NOK)

Target: > 50% dividend share



** Pro forma*
**CET 1 capital ratio SpareBank 1 SR-Bank ASA.*

SpareBank 1 SØR-NORGE

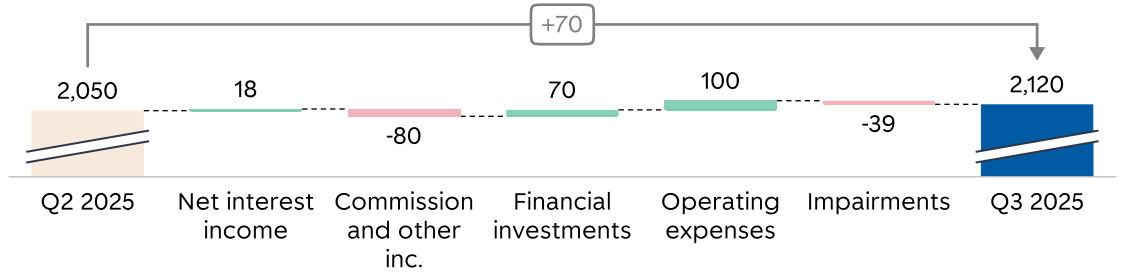
Good underlying operations

Group Income statement

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Net interest income	2,328	2,310	2,310	2,293	2,308
Net commission and other income	778	858	787	789	694
Net income on financial investments	443	373	394	125	743
Total income	**3,549**	**3,540**	**3,492**	**3,206**	**3,745**
Total operating expenses	**1,314**	**1,414**	**1,282**	**1,376**	**1,268**
Operating profit before impairments	2,235	2,126	2,209	1,830	2,478
Impairments on loans and financial commitments	115	76	23	90	166
Pre-tax profit	**2,120**	**2,050**	**2,186**	**1,741**	**2,312**
Tax expense	423	382	449	350	353
Profit after tax	**1,697**	**1,668**	**1,737**	**1,390**	**1,959**

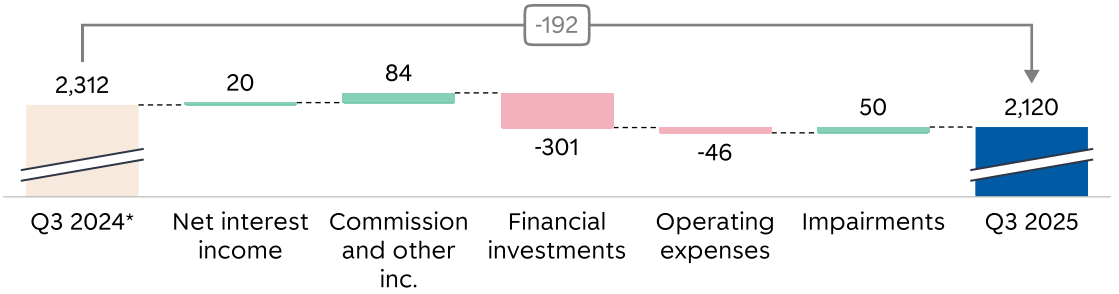
Change from last quarter

(MNOK)



Change from Q3 2024

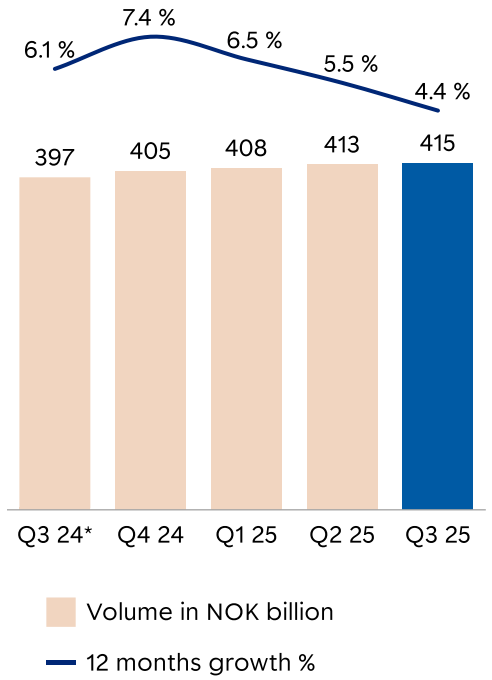
(MNOK)



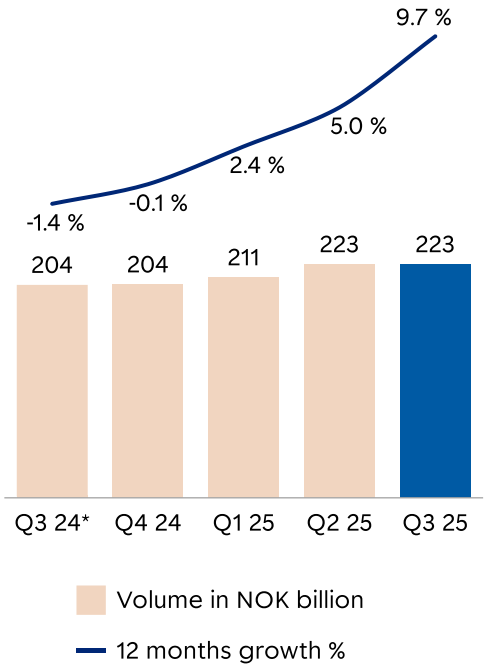
Pro forma

Group

Lending volume

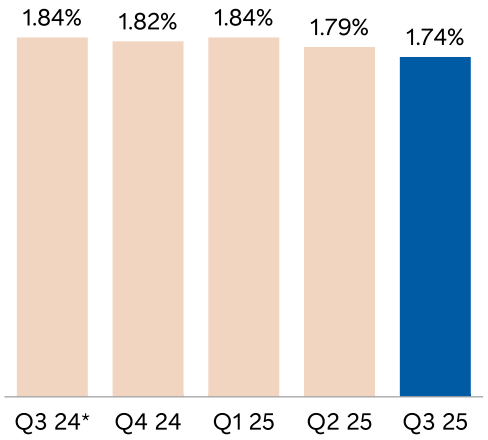


Deposit volume



Margins in customer-segments

Net interest margin



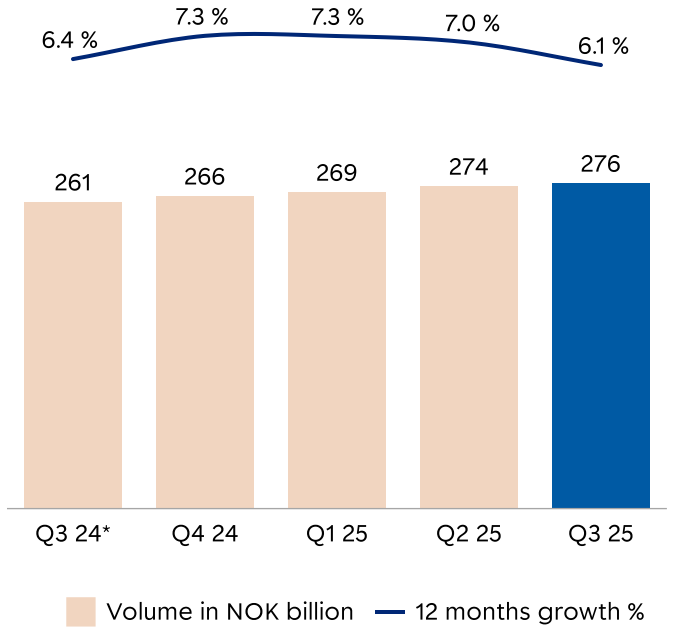
**Pro forma*

Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

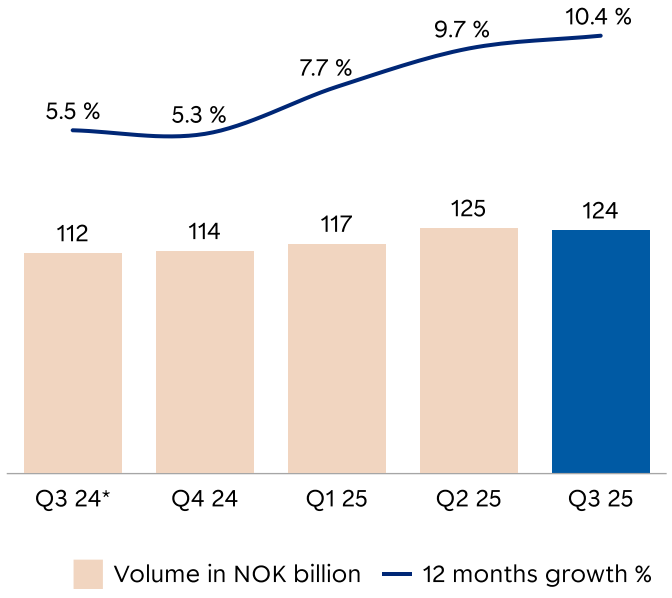
SpareBank 1 SØR-NORGE

Retail market

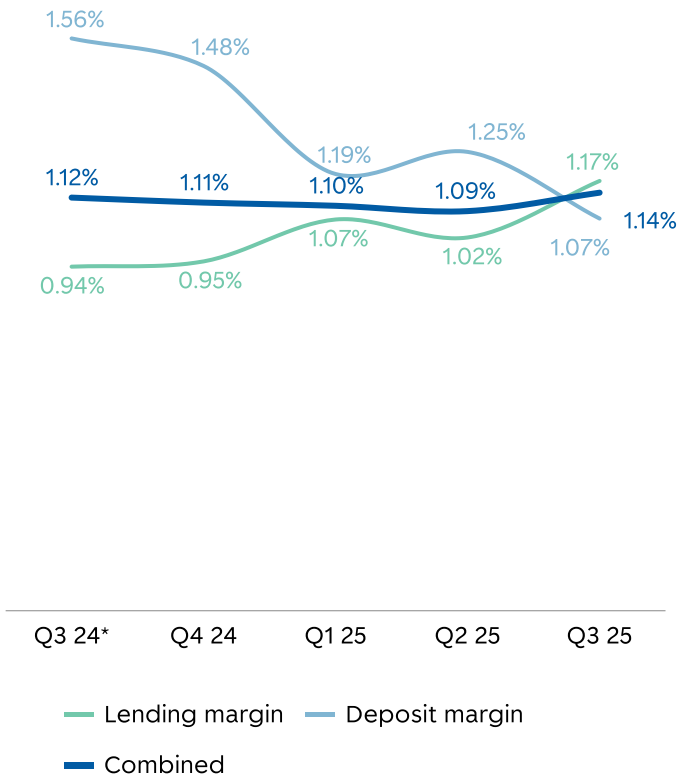
Lending volume**



Deposit volume**



Margins



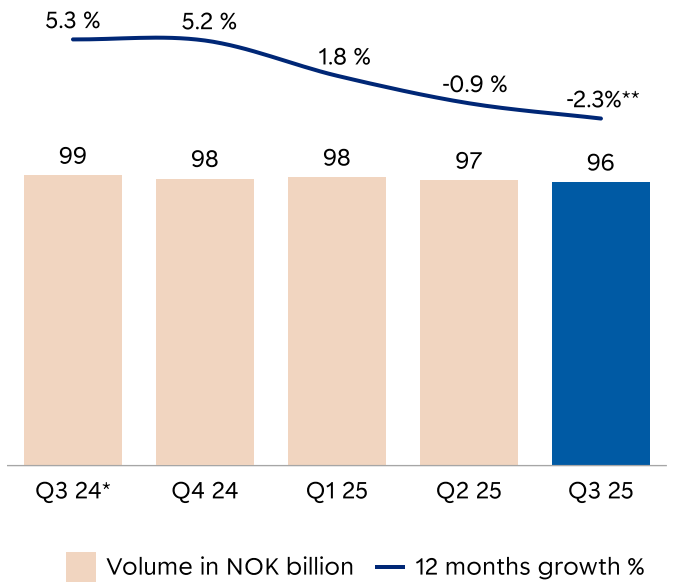
*Pro forma

**Including loans and deposits to employees.

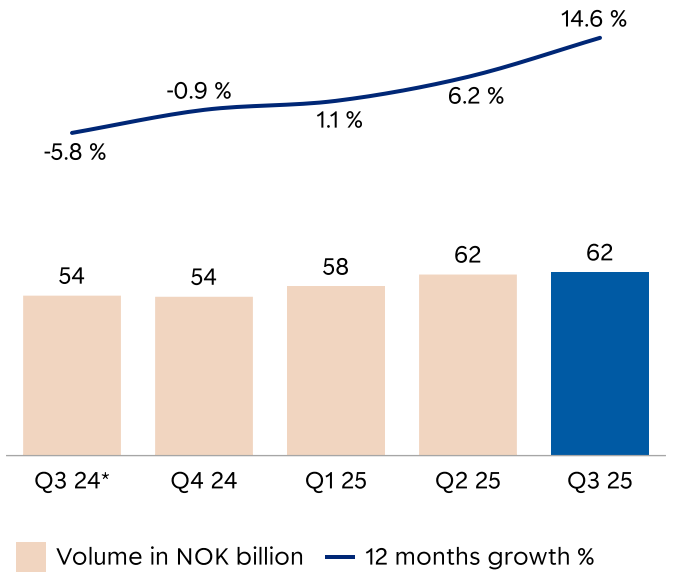
Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

Corporate market

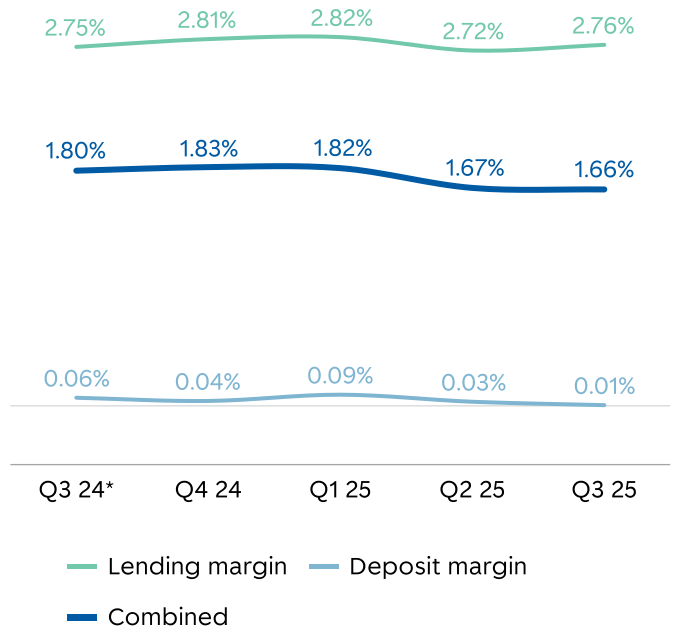
Lending volume



Deposit volume



Margins



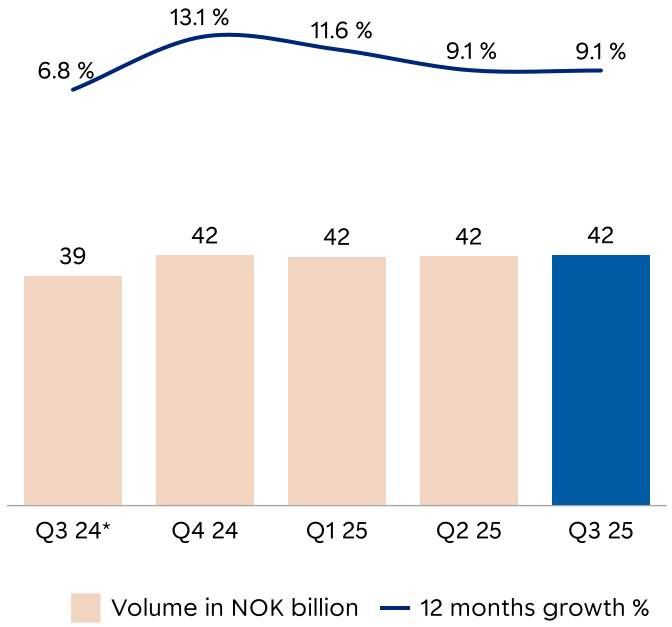
*Pro forma

**12 months lending growth in Corporate market excluding currency effect is -1.8%.

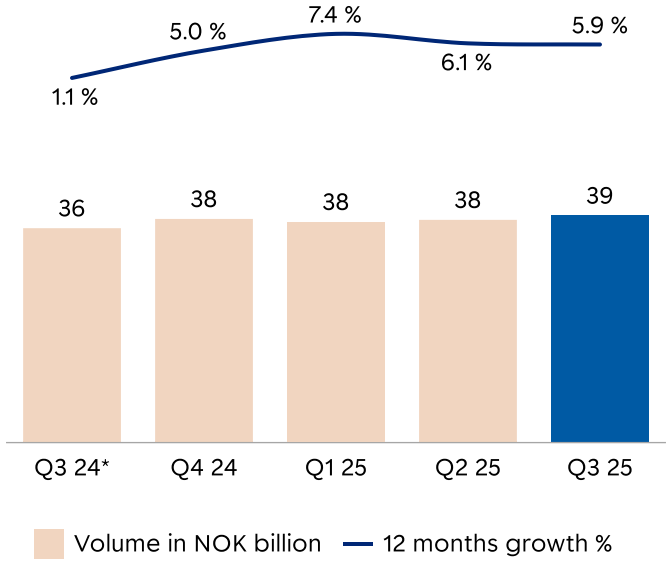
Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

SME and Agriculture

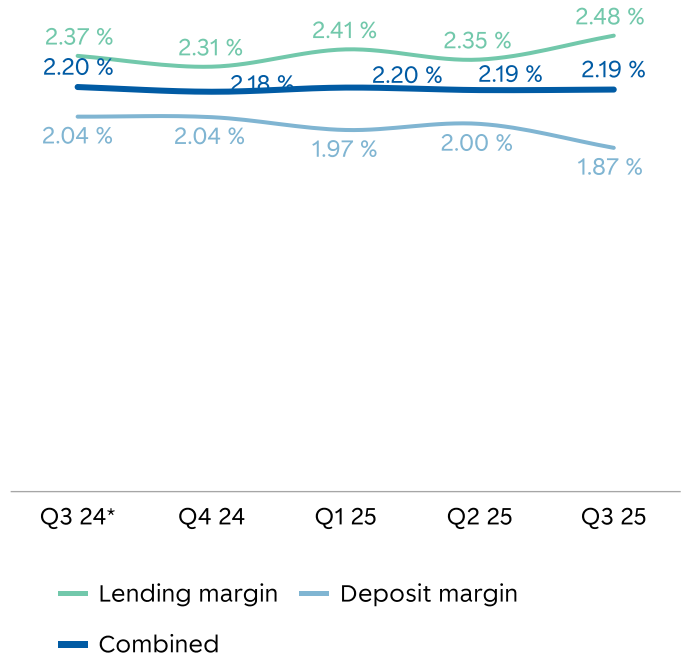
Lending volume



Deposit volume



Margins

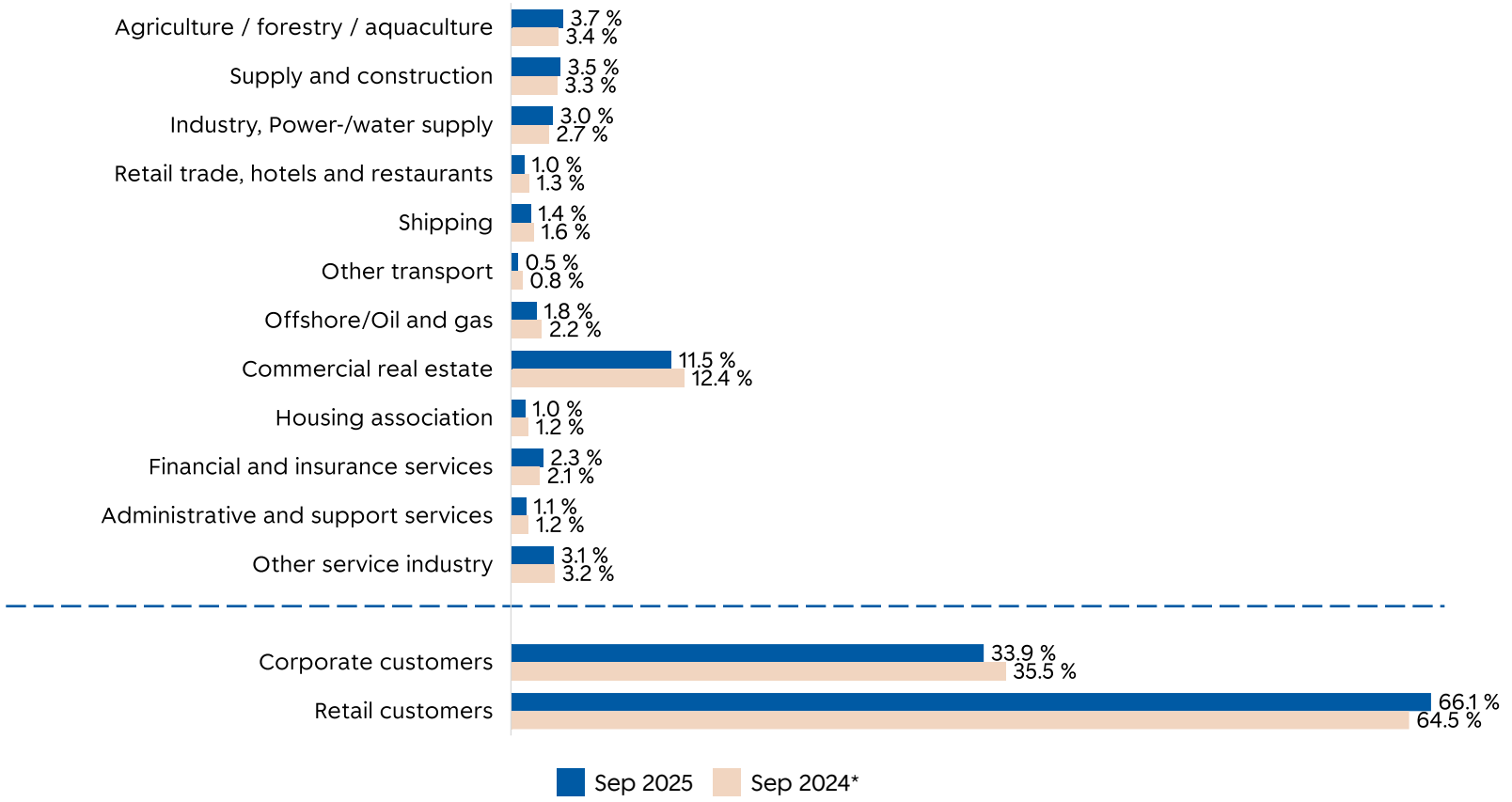


Pro forma

Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

Well-diversified lending portfolio

- Gross loans increased to NOK 415 billion from NOK 397 billion year over year
- 12 months lending growth is 4.4%
- Low offshore, oil and gas exposure
- Commercial real estate – low concentration risk and good credit quality



Loans before impairments, nominal amounts.

**Pro forma*

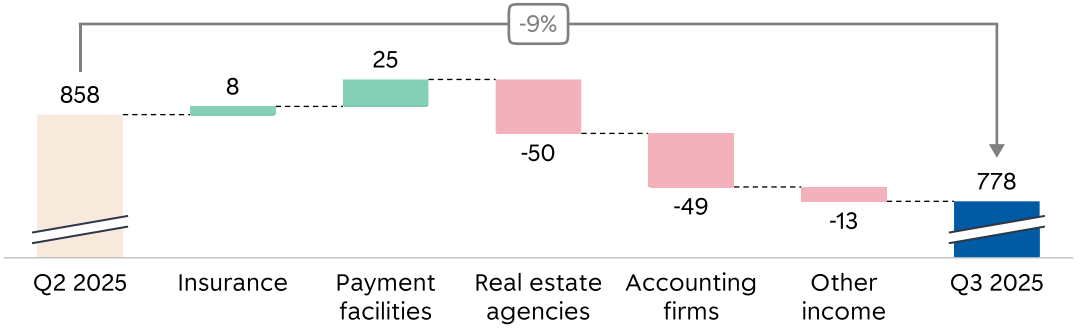
Industry distribution based on standard division from Statistics Norway (SSB).

Net commission and other income

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Payment facilities	142	117	122	161	153
Insurance products	125	118	109	104	103
Savings/placements	46	51	46	45	37
Guarantee commission	30	29	27	32	32
Commitment fee	26	29	31	34	27
Arrangement- and customer fees	27	28	35	37	30
Commission income - Real estate agencies	242	292	217	207	171
Commission income - Accounting firms	90	139	147	128	91
Commission income - Credit institutions	35	42	37	29	31
Other	14	13	16	12	19
Net commission and other income	**778**	**858**	**787**	**789**	**694**

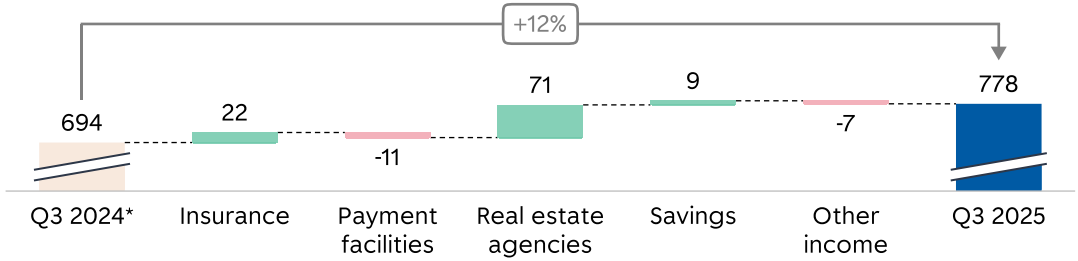
Change from previous quarter

(MNOK)



Change from Q3 2024

(MNOK)



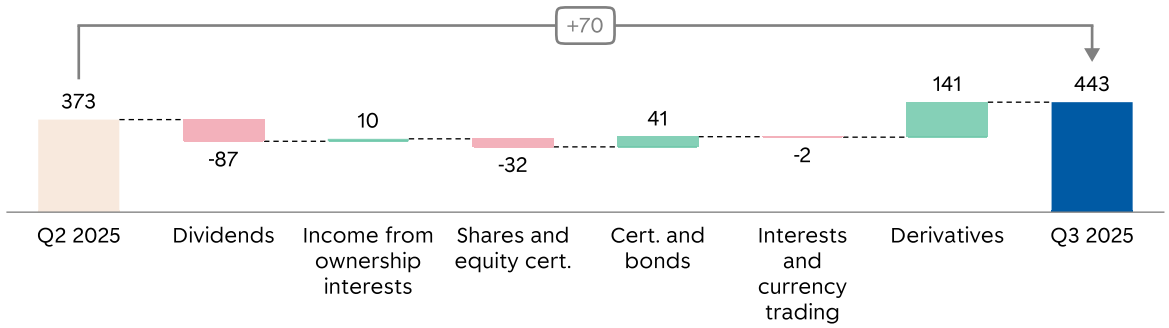
Pro forma

Net income on financial investments

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Dividends	**11**	**99**	**0**	**26**	**23**
Income from ownership interests	**266**	**256**	**193**	**223**	**242**
Gain merger Eika/Fremtind					**577**
Net gains/losses on financial instruments	**165**	**18**	**201**	**-124**	**-99**
• Shares and equity certificates	19	52	47	16	-42
• Certificates and bonds	9	-32	6	-97	-44
• Interests and currency trading	37	38	40	35	37
• Derivatives	101	-40	109	-78	-50
Net income on financial investments	**443**	**373**	**394**	**125**	**743**

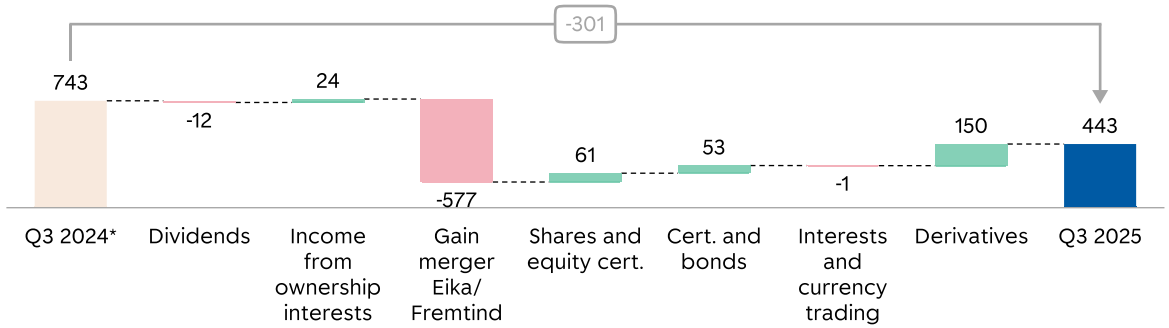
Change from previous quarter

(MNOK)



Change from Q3 2024

(MNOK)



When a basisswap is defined as a hedging instrument, changes in "basis spread" is recognized through other comprehensive income.

**Pro forma*

Income from ownership interests

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
SpareBank 1 Gruppen AS	136	114	59	99	686
BN Bank AS	85	104	89	83	93
SpareBank 1 Forvaltning AS	27	27	27	34	22
SB1 Markets AS	11	16	17	16	17
Kredittbanken ASA	4	4	-1	-7	-3
SpareBank 1 Betaling AS	3	-9	-5	-5	-1
Others	1	1	7	2	4
Total income from ownership interests	**266**	**256**	**193**	**223**	**819**

Ownership interests

Pro forma

SpareBank 1 SØR-NORGE

Operating expenses

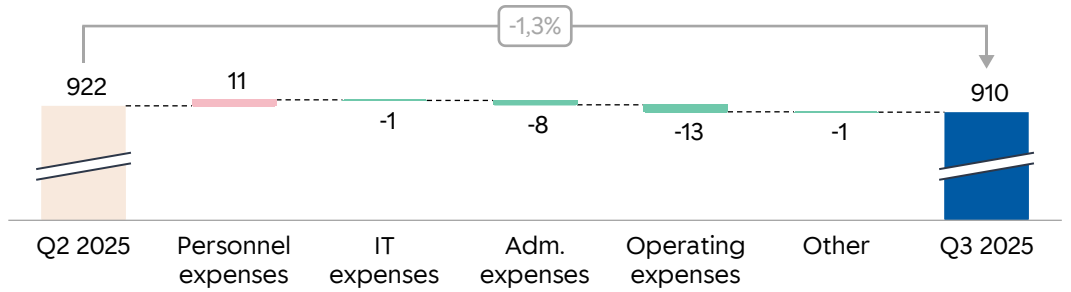
Operating expenses

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Personnel expenses	548	536	531	545	538
IT expenses	174	175	167	164	165
Marketing	33	34	33	41	32
Administrative expenses	66	74	97	101	76
Operating expenses	40	53	46	51	49
Depreciation and impairments	50	49	47	49	47
Sum operating expenses	**910**	**922**	**922**	**951**	**908**
Merger expenses	78	69	22	90	96
Provision Tietoevry case		74			
Total operating expenses parent bank	**989**	**1,065**	**944**	**1,042**	**1,005**
Operating expenses	325	349	339	334	263
Total operating expenses group	**1,314**	**1,414**	**1,282**	**1,376**	**1,268**

*Pro forma

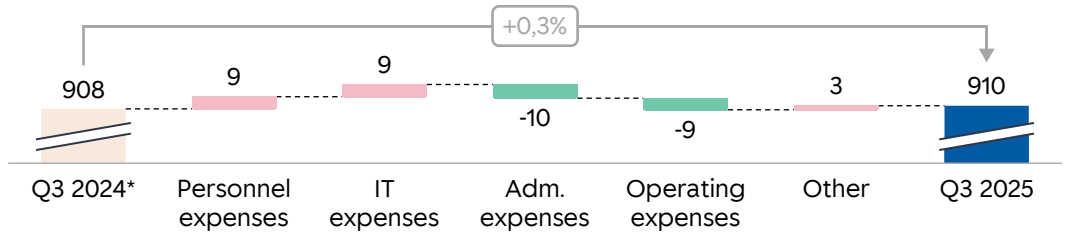
Change from previous quarter (parent bank)

(MNOK)



Change from Q3 2024 (parent bank)

(MNOK)



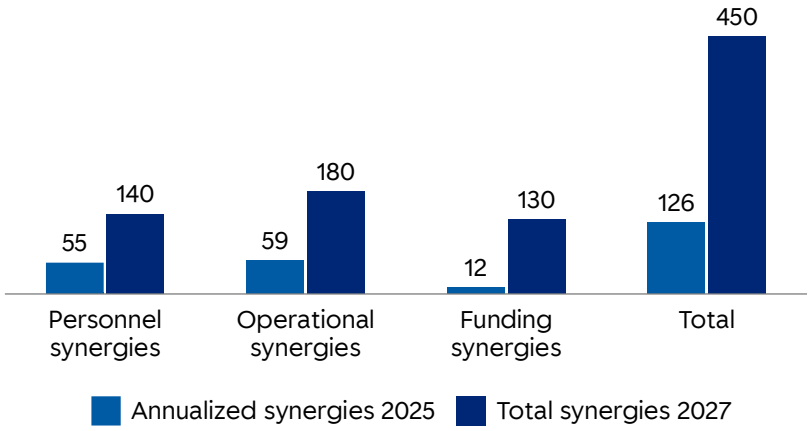
Synergies

Capital synergies

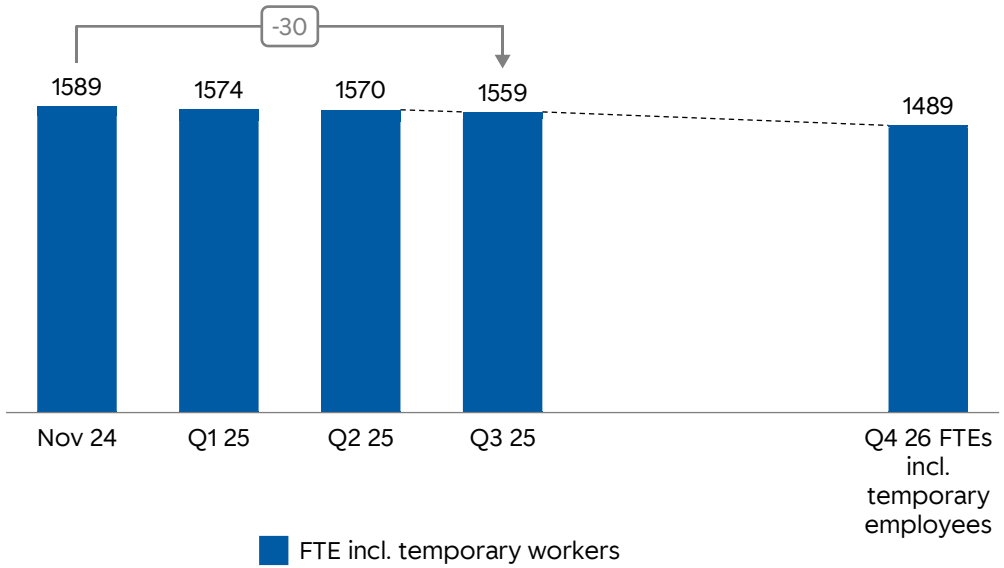
Capital synergies from the merger are approximately NOK 1.7 billion. Approval of IRB for previous portfolios from SpareBank 1 Sørøst-Norge amounted to approximately NOK 0,9 billion in the third quarter.

Synergies

The Group is on track in realisation of funding, operational and personnel synergies. Total synergies are updated and estimated at NOK 450 million annually by 2027.



Personnel synergies

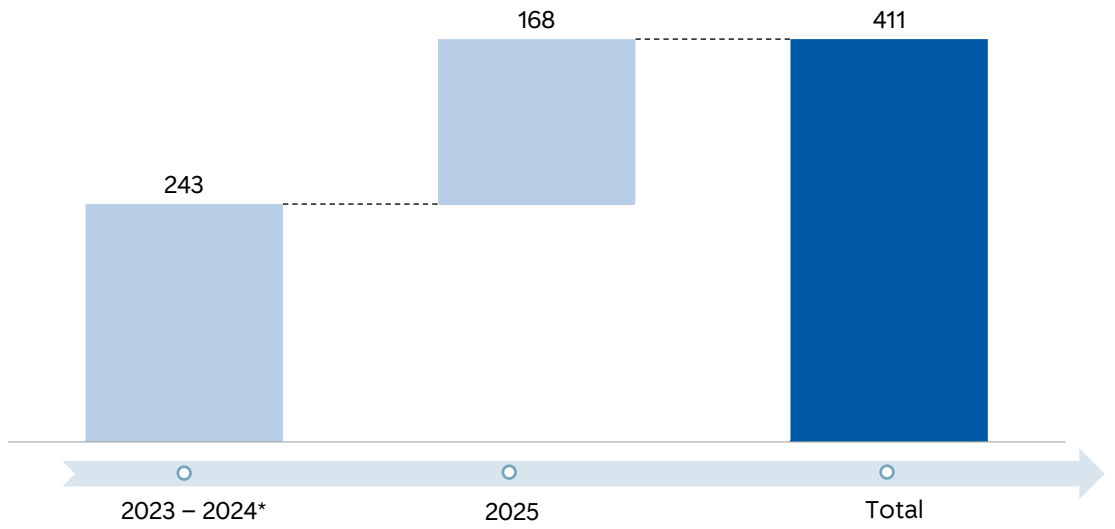


Excl. Temporary summer employees

Successful technical merger – a major milestone

- Successful technical merger completed in mid-September
- 335,000 customers migrated to a shared banking system
- The bank is now positioned for the future
  - A unified platform
  - Improved scalability
  - Increased efficiency

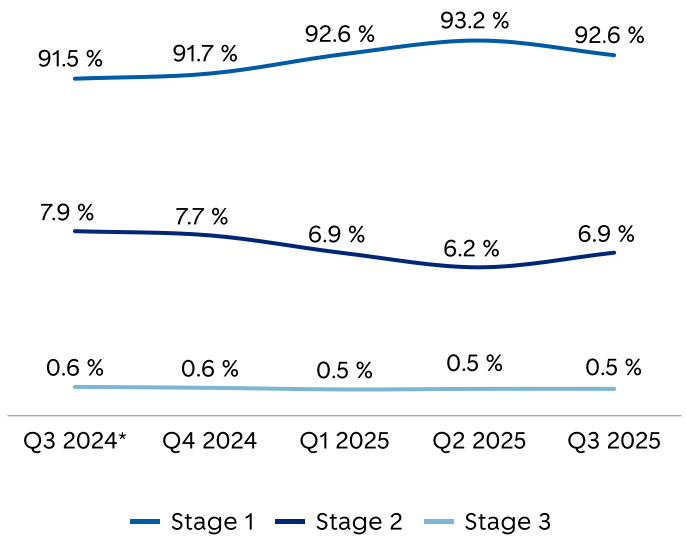
Total merger cost
(MNOK)



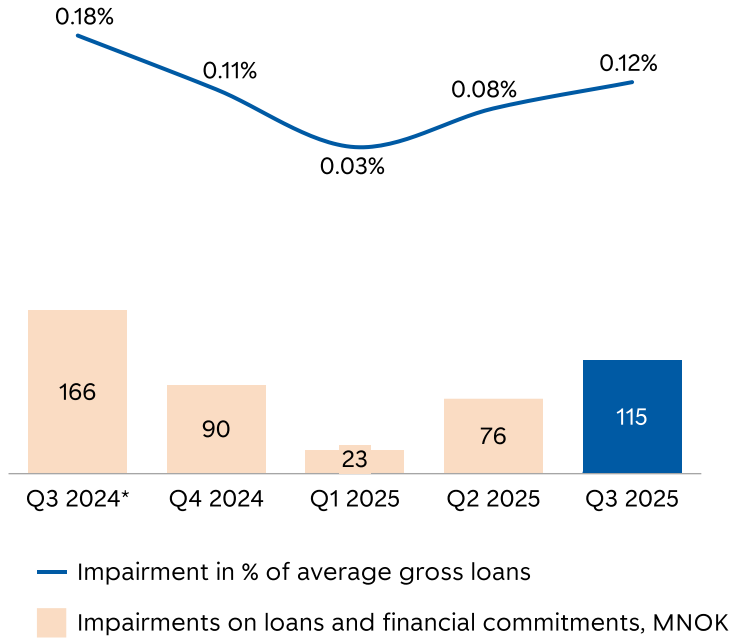
*Pro forma

Loans and financial commitments

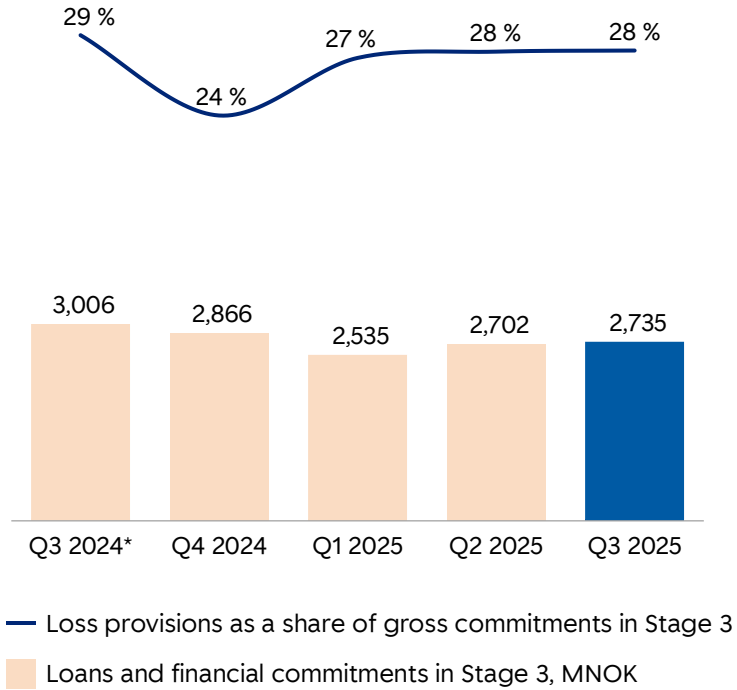
Change in gross loans and financial commitments



Impairments on loans and financial commitments



Changes in gross loans and financial commitments defined as Stage 3



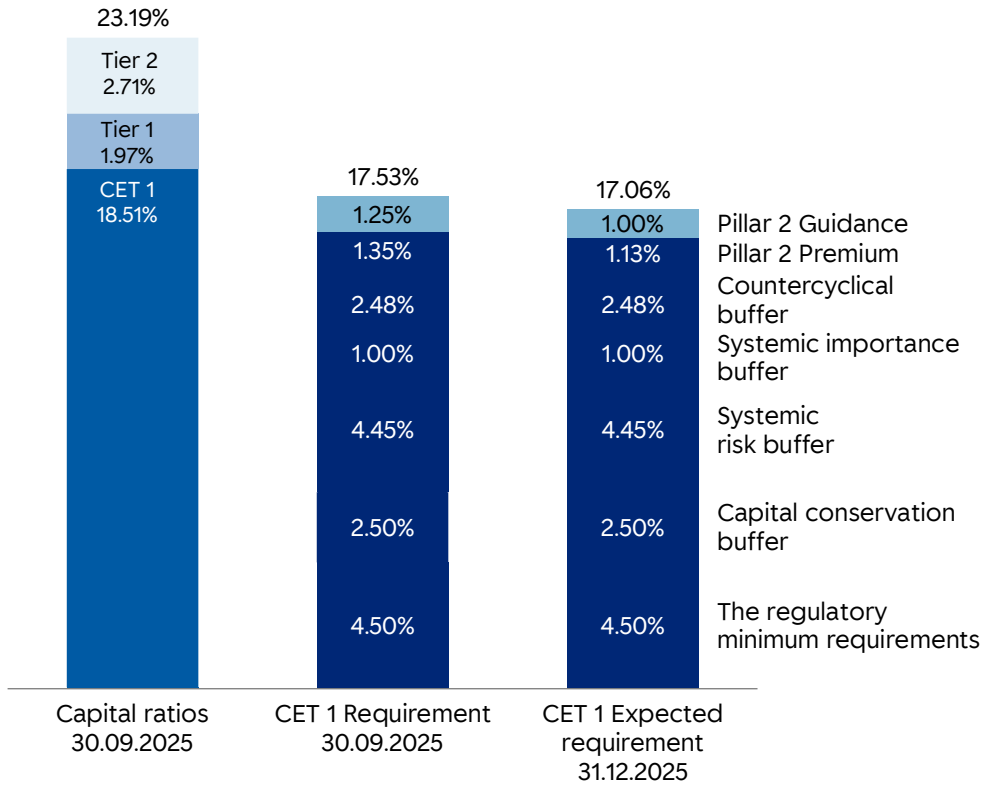
Pro forma

Capital adequacy

Solid capital ratio

- The CET 1 capital ratio is 18.51% as of 30 September 2025
- The minimum requirement for the CET 1 capital ratio is 17.53% as of 30 September 2025, including a temporary Pillar 2 requirement of 0.28% and a Pillar 2 guidance requirement of 1.25%
- The leverage ratio is 7.44% as of 30 September 2025, well above the minimum requirement at 3.0%
- In connection with this year's SREP process, the Norwegian FSA's preliminary assessment is that the Pillar 2 Premium in the CET 1 capital will be reduced from 1.35 to 1.13 percent and the expectation for the Pillar 2 Guidance will be changed from 1.25 to 1.00 percent
- Based on expected effects of regulatory changes, SpareBank 1 Sør-Norge ASA is well positioned for profitable growth and strong capital distribution

Capital ratios

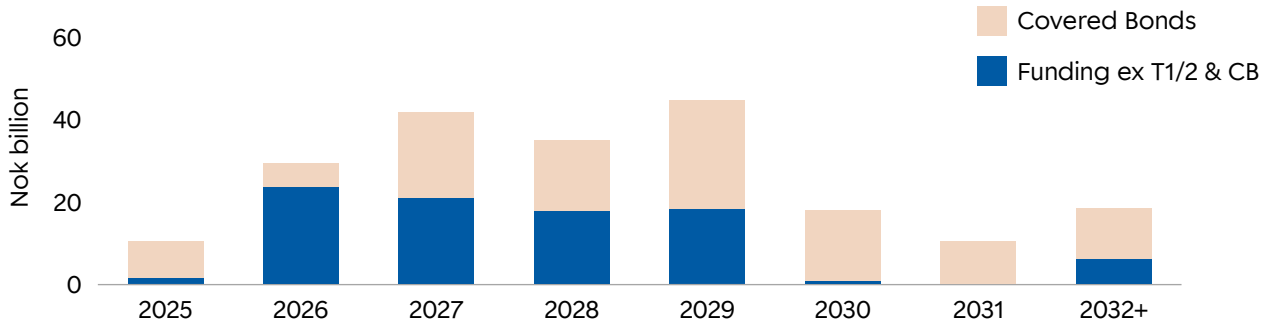


Solid liquidity

Key figures

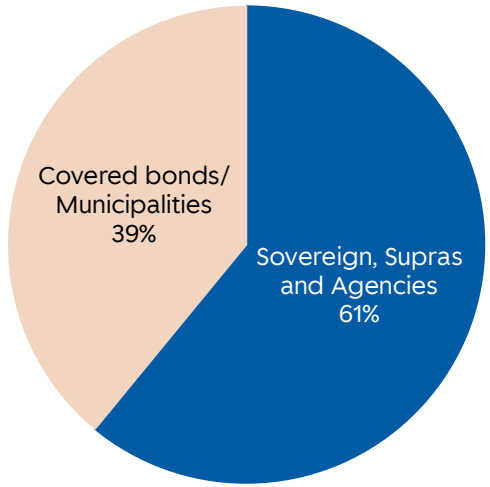
- LCR 148%
- NSFR 133%
- Average duration of funding is 3.3 years
- NOK 24.5 billion net refinancing need over the next 12 months
- Deposit to loan incl. transfers to credit institutions ratio 53.9%
- MREL-requirement 39.2%, MREL-subordination requirement 31.3%
    - As of 30 September 2025, SpareBank 1 Sør-Norge has issued NOK 21.8 billion in senior non-preferred

Annual funding maturity



Bonds and certificates

- The average duration of the portfolio is 2 years
- All fixed interest exposure is hedged to floating rate



Outlook

- Strong position in Southern Norway with growth opportunities
- Good prospects for the group
- Solid underlying credit quality
- Uncertainty related to trade policy and geopolitical tension

APPENDIX

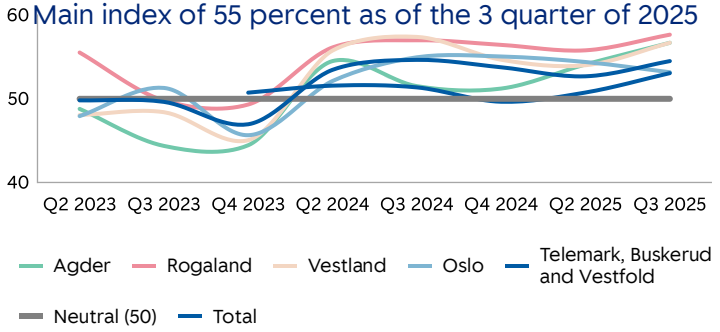
1) **Macro**
2) Loan portfolio
3) Risk
4) SB1NO

SpareBank 1 SØR-NORGE

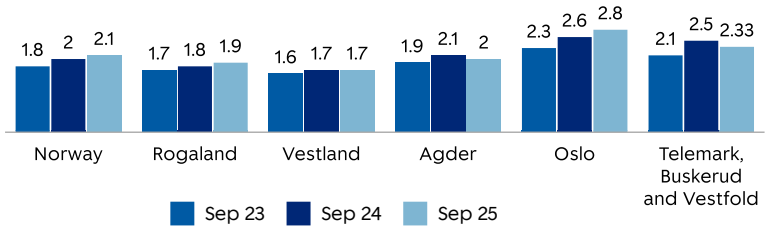
Macro in Southern Norway

SpareBank 1 Sør-Norges's business survey

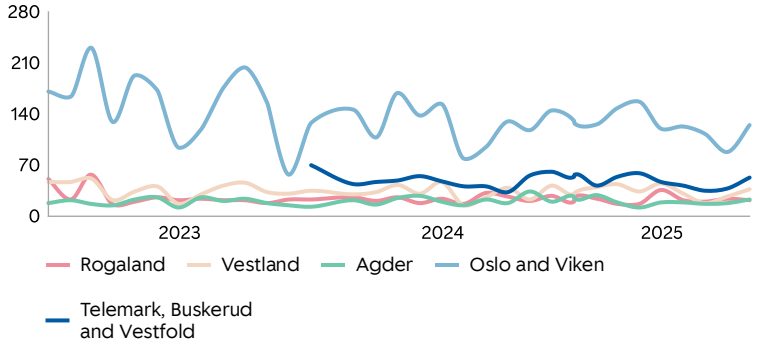
Main index of 55 percent as of the 3 quarter of 2025



Unemployment rate

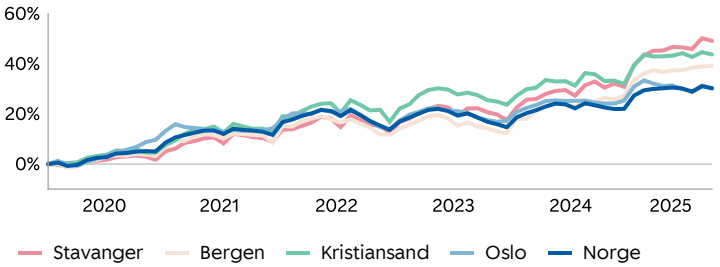


Number of bankruptcies

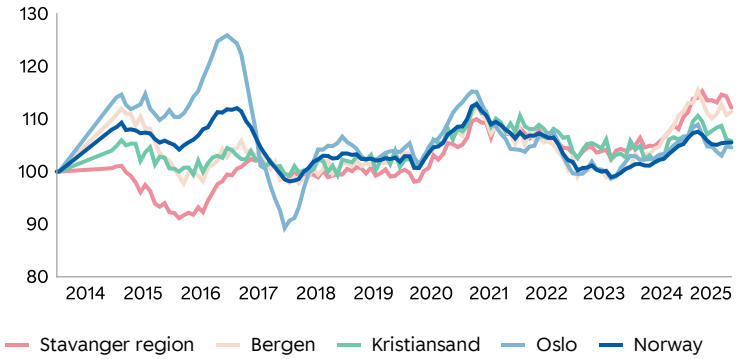


House price development

Norwegian house prices have increased by 5.5 % the last 12 months

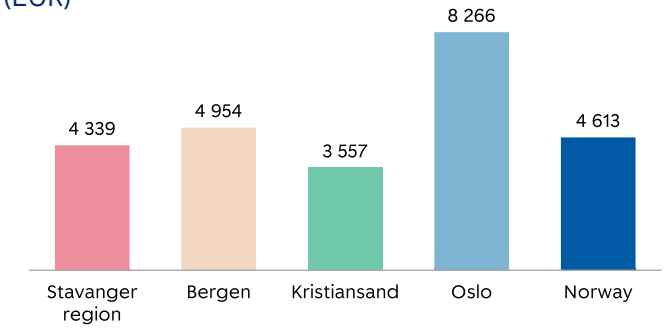


Index change 12 month (%)



Prices by city per square meter

(EUR)



Sources: Eiendom Norge, Eiendomsverdi, NAV, Brønnøysundregisteret, SB1 Sør-Norge Business survey

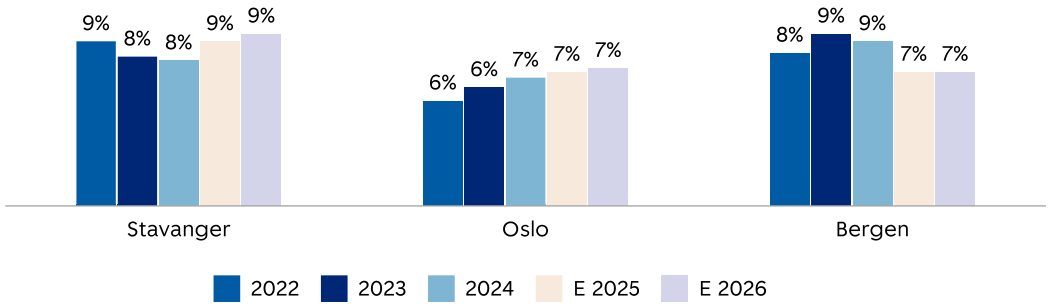
APPENDIX

1) Macro
2) **Loan portfolio**
3) Risk
4) SB1NO

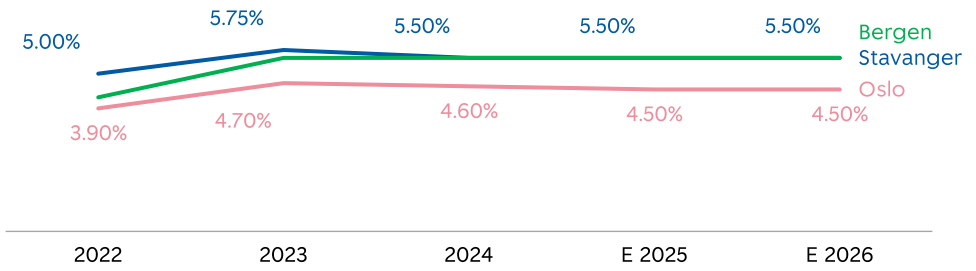
SpareBank 1 SØR-NORGE

Market – Commercial real estate

Office vacancy

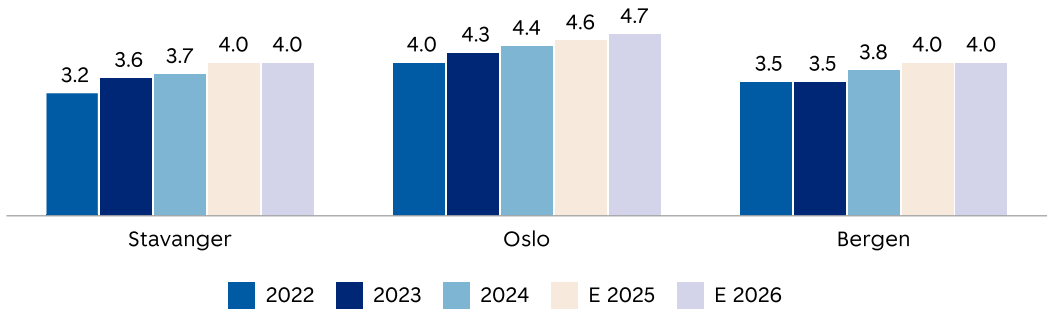


Prime yield



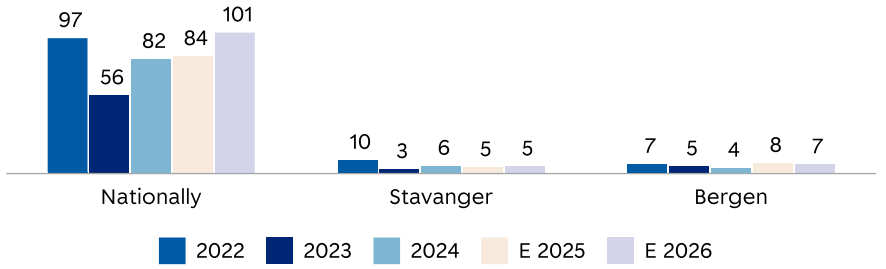
Rental prices

(TNOK per sq.m)



Transaction volume

(NOK billion)

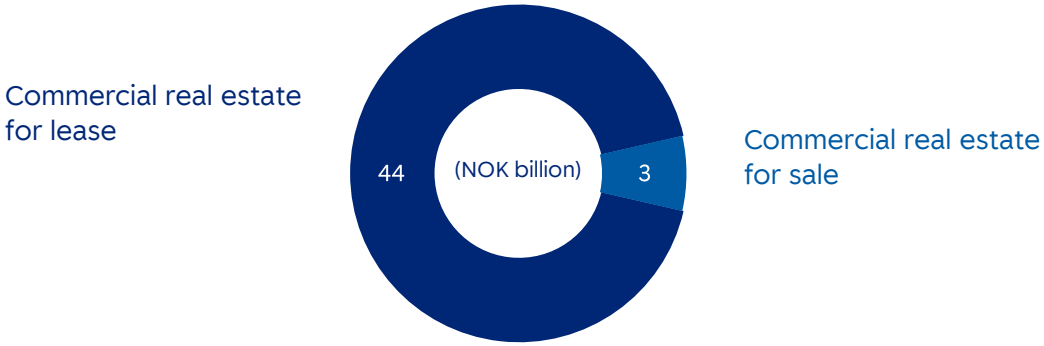


Source: Entra, WPS, og EM1 SR-Eiendom AS

SpareBank 1 SØR-NORGE

Lending to commercial real estate

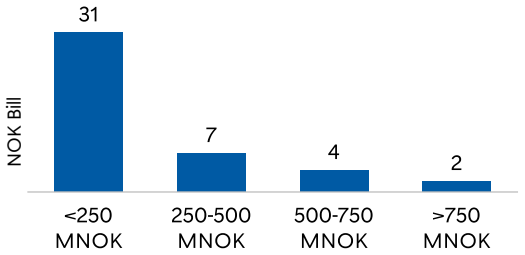
Commercial real estate portfolio 11.5% of total lending volum



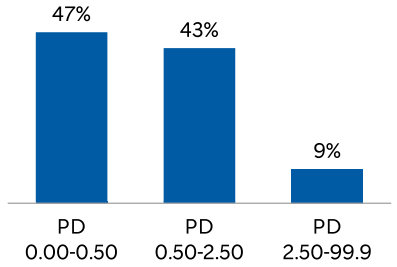
- Lending volume for commercial real estate for lease is NOK 44 billion, 10.7% of the bank's total lending volume
- The portfolio is characterized by lending to commercial properties for lease with long-term conctracts and financially solid tenants.

Commercial real estate for lease

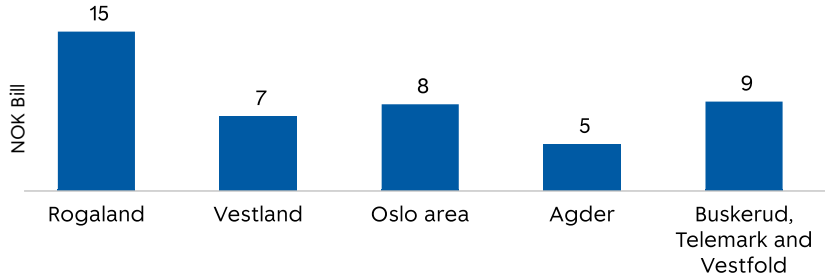
Low concentration risk



91% of volume has a PD under 2.5%



Well differentiated across regions



APPENDIX

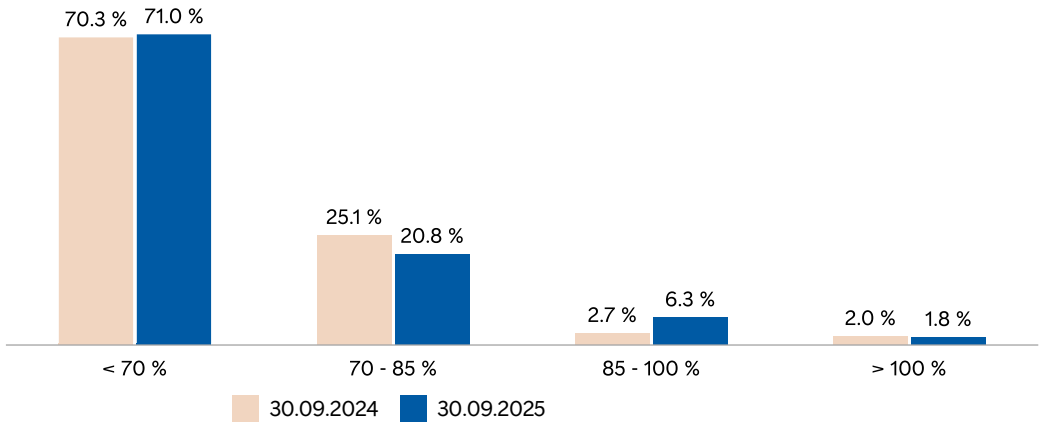
1) Macro
2) Loan portfolio
3) **Risk**
4) SB1NO

SpareBank 1 SØR-NORGE

Loan to value ratio and RWA on home mortgage loans

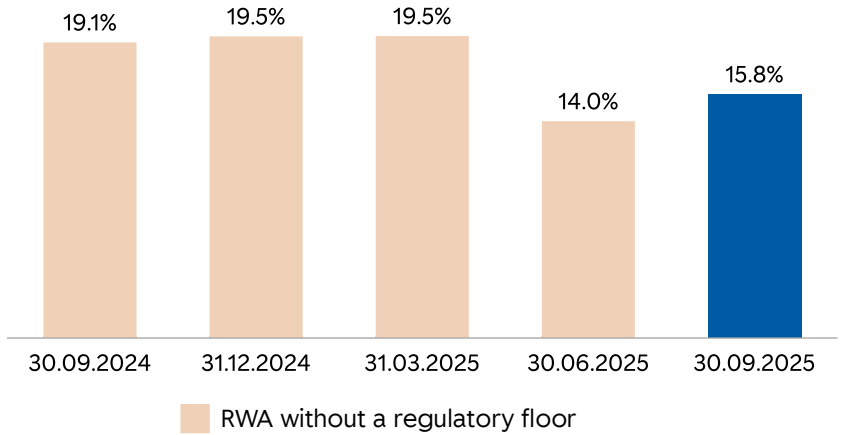
Loan to value ratio on home mortgage loans

- The proforma figures for SpareBank 1 Sør-Norge show that 91.9% of the exposure is within 85% of the assessed value of collateral.



Risk weight home mortgages

- RWA on home mortgages reflects a solid portfolio with a moderate loan-to-value ratio and low potential loss.
- Risk weights on home mortgage loans are subject to a regulatory floor of 25%.

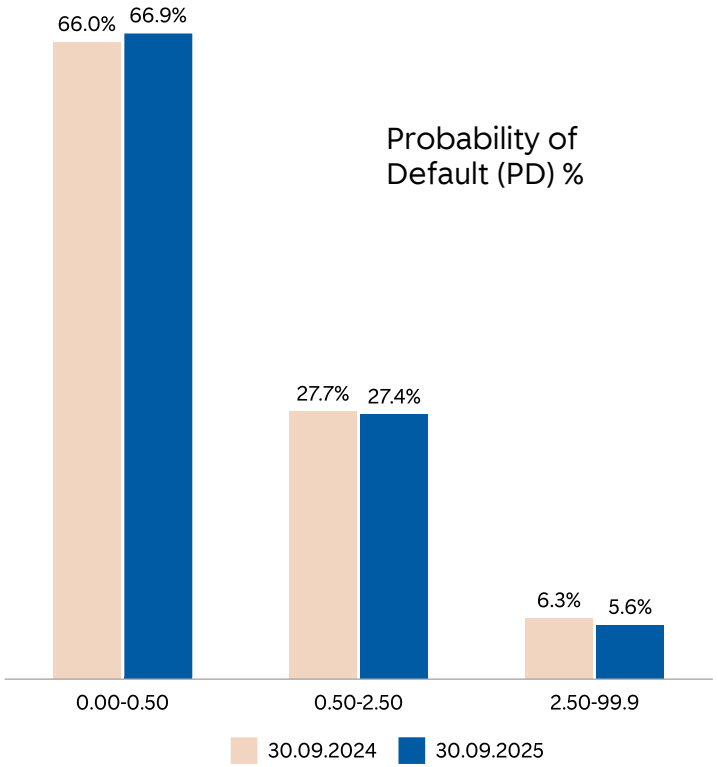


In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; the value of the residential property must be at least 30% of a loan's security.
Historical figures before 31.12.2024 are pro forma

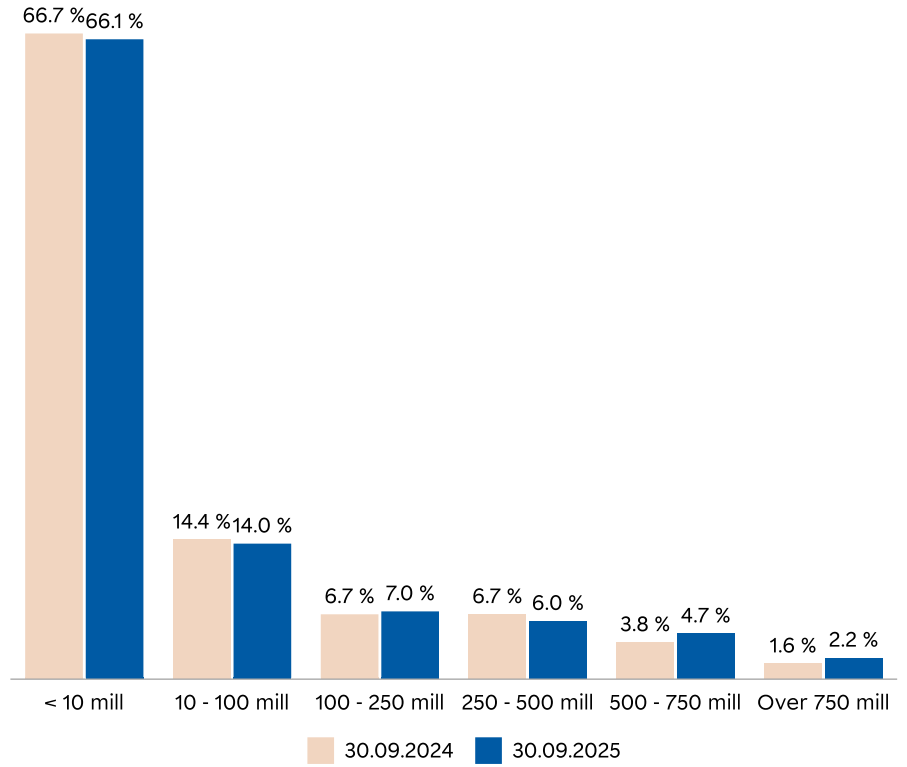
Profile of the loan portfolio

- SpareBank 1 Sør-Norge has a solid loan portfolio.
- The loan portfolio consists mainly of small and medium-sized loans.

Loan portfolio distributed by risk class



Loan portfolio distributed by size of loan

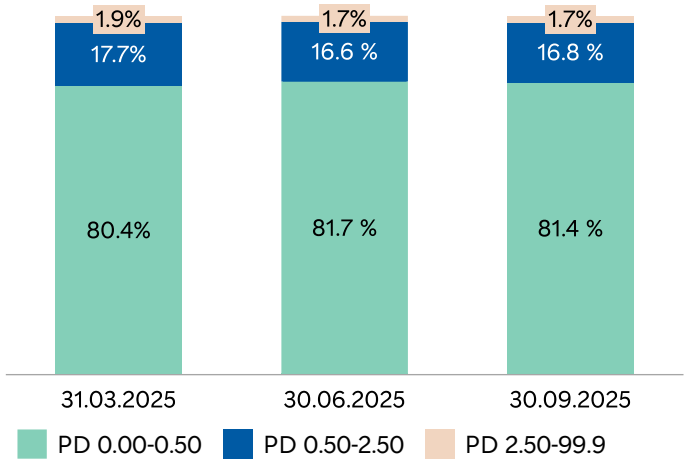


Probability of default (PD) through a full cycle of loss.

Risk profile

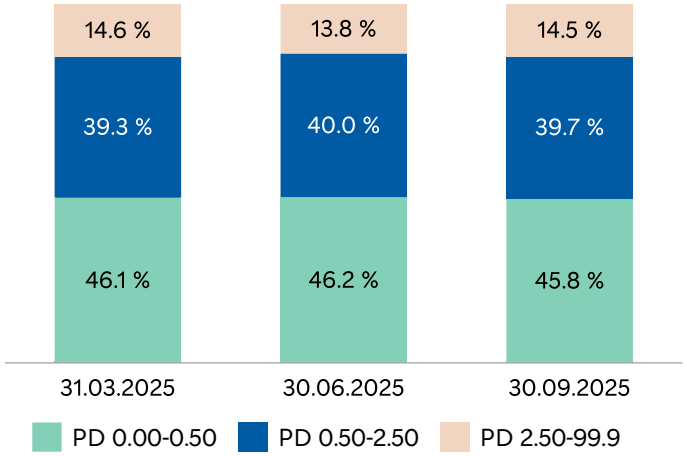
- Portfolio distributed by risk class

Retail



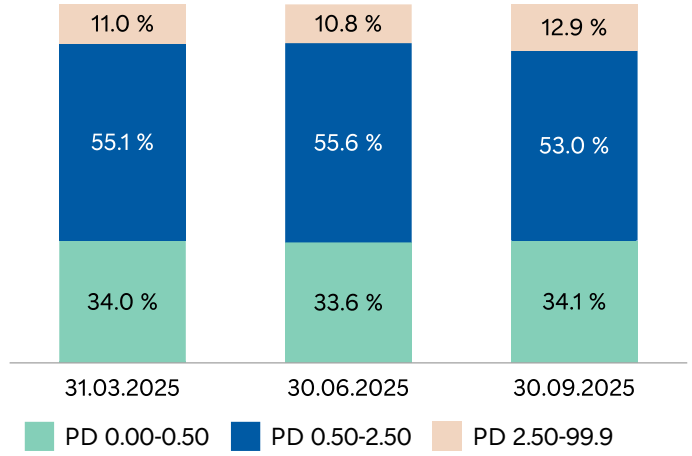
- The quality of the retail market portfolio is considered to be very good and has low potential losses.
- The low risk profile is achieved through prudent costumer selection and requirements for moderate LTV. Most of the portfolio is secured against a mortgage on real estate, and lending is overall moderate compared to asset value.

SME & Agriculture



- The quality of the SME and Agriculture market portfolio is considered to be good.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

Corporate



- The quality of the corporate market portfolio is good.
- There is a clearly defined framework that sets limits on what is funded and conditions for particular funding purposes. This ensures a robust portfolio.

Probability of default (PD) through a full cycle of loss.

Impairments on loans and financial commitments

Impairments on loans and financial commitments in the income statement

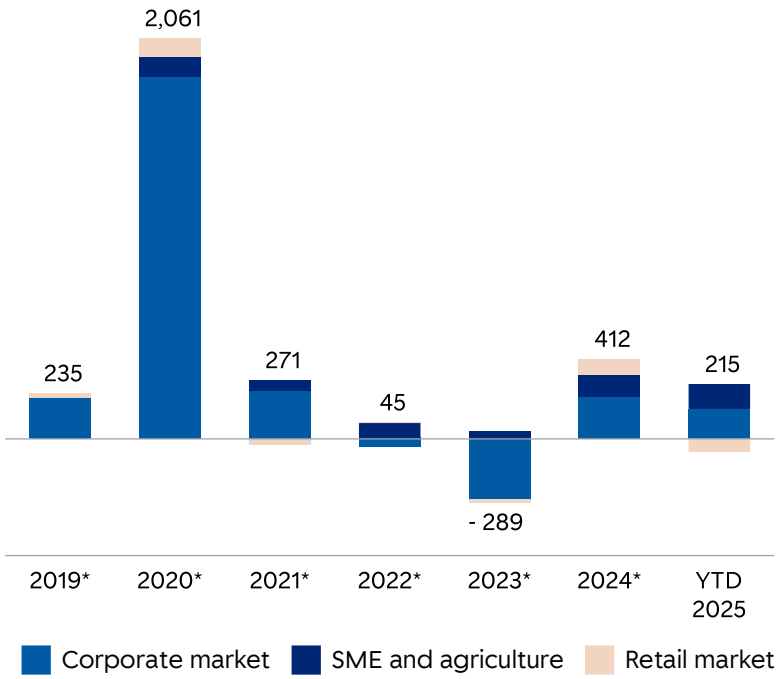
(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Corporate Market	84	33	37	85	86
SME and agriculture	28	52	48	- 35	85
Retail market	3	- 8	- 62	41	- 5
Total impairments	**115**	**76**	**23**	**90**	**166**

Impairments on loans and financial commitments in the balance sheet

(MNOK)	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024*
Corporate Market	891	852	848	873	923
SME and agriculture	538	554	515	495	503
Retail market	234	234	248	313	254
Total impairments	**1,662**	**1,639**	**1,611**	**1,681**	**1,680**

Impairments on loans and financial commitments in the income statement

(MNOK)



*Pro forma

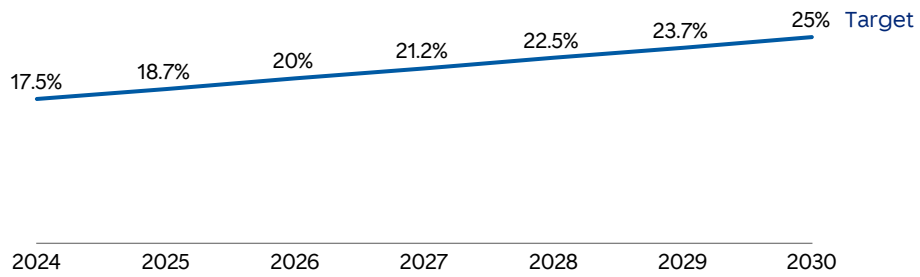
APPENDIX

1) Macro
2) Loan portfolio
3) Risk
4) **SB1NO**

SpareBank 1 SØR-NORGE

Sustainable financing

Target: Sustainable lending constitutes 25% of the group's total lending volume by the end of 2030*



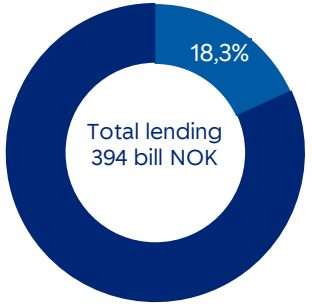
Retail market

- Green residential buildings
- Green car loans

Corporate market

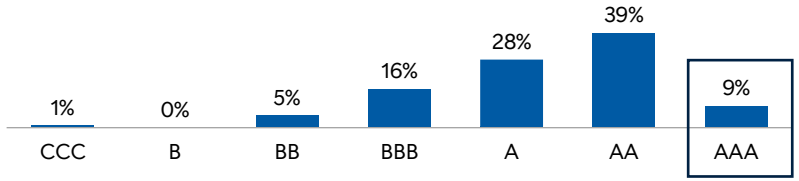
- Lending to the corporate market which qualifies as sustainable according to the internal sustainable product framework
- Sustainability-linked lending

Sustainable lending constitutes 18.3% of total lending volume



SpareBank 1 Sør-Norge among top 9 % of banks globally

MSCI has maintained SpareBank 1 Sør-Norge's AAA ESG rating



(MSCI ACWI Index constituents, Banks, n=203)

*Sustainable lending according to the internal sustainable product framework

SpareBank 1 Sør-Norge ASA

Fully owned companies

EiendomsMegler 1 Sør-Norge
Real estate agency

SpareBank 1 Sør-Norge ForretningsPartner
Accounting and advisory

SR-Boligkreditt
Covered Bond Funding

EiendomsMegler 1 Sørøst-Norge
Real estate agency

FinStart Nordic
Investmentportfolio FinTec

EiendomsMegler 1 Telemark
Real estate agency

Partly owned companies

BN Bank 42.5%

SB1 Markets 28.1%

Kreditt-banken ASA 23.3%

SpareBank 1 Forvaltning 42.0%

SpareBank 1 Betaling* 26.7%

SpareBank 1 Gruppen 19.5%

**Owns 25 % in Vipps AS*

SpareBank 1 SØR-NORGE

Balance sheet

Balance sheet (MNOK)	30.09.2025	30.09.2024*
Cash and balances with central banks	785	787
Balances with credit institutions	11,093	9,954
Loans to customers	392,208	366,283
Certificates and bonds	73,554	65,201
Financial derivatives	10,015	11,881
Shares, ownership stakes and other securities	2,286	3,182
Investment in associates	8,329	8,276
Other	9,498	6,563
Total assets	**507,768**	**472,127**
Balances with credit institutions	3,578	588
Deposits from customers	223,294	203,514
Listed debt securities	186,197	177,757
Financial derivatives	8,403	8,894
Other liabilities	3,981	3,586
Senior non-preferred bonds	22,481	22,460
Subordinated loan capital	5,774	5,786
Total liabilities	**453,708**	**422,585**
Total equity	**54,060**	**49,542**
Total liabilities and equity	**507,768**	**472,127**

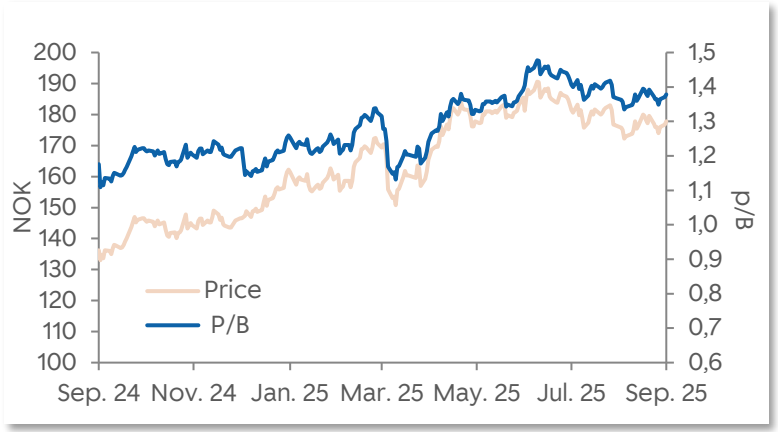
Pro forma

SpareBank 1 SØR-NORGE

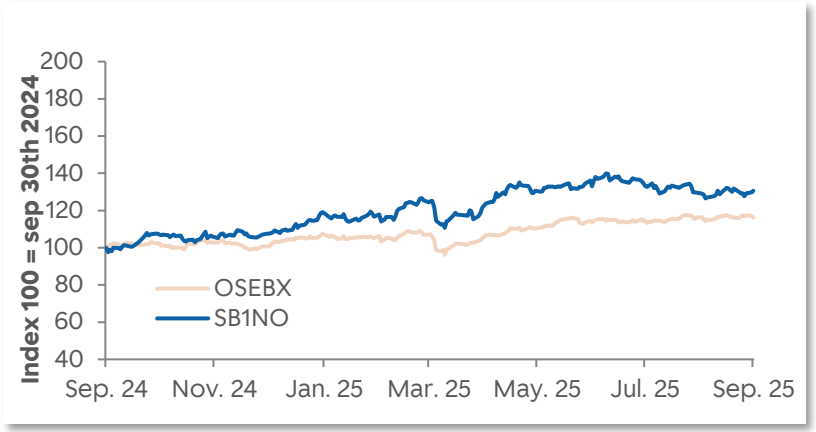
SB1NO

- International ownership is 16.8% per 3. quarter 2025
- Total market value at 3. quarter 2025 is NOK 66,8 billion

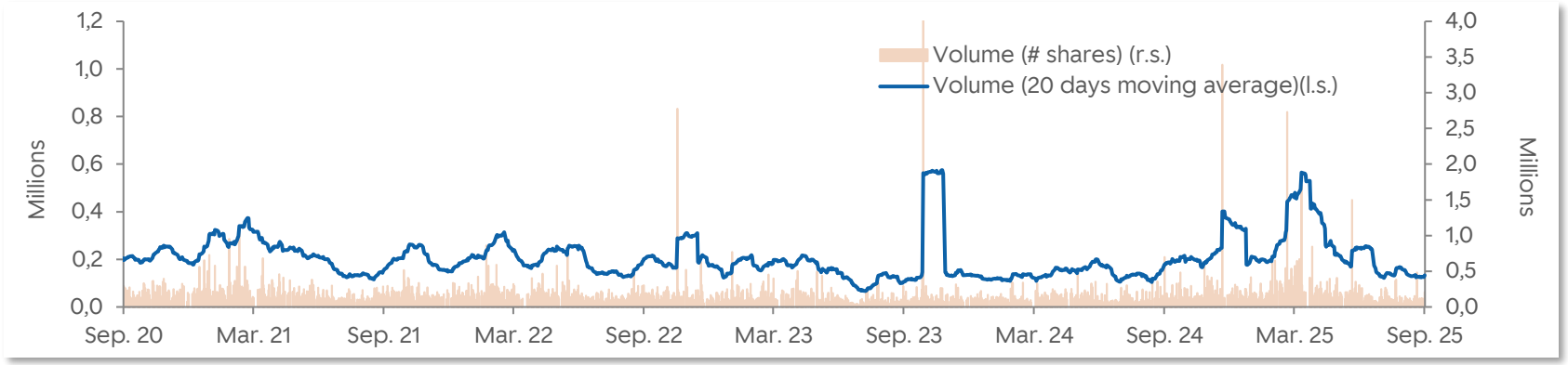
Development in Price/Book



Relative share price development



Trading volume development



SB1NO

- Number of shares issued 375.46 million
- Trading volume in Q3 2025: 2.5% (3.5%)

SB1NO	30.09.2025	2024	2023	2022	2021
Share price	177.80	146.60	128.90	120.70	133.20
Stock value (MNOK)	66,756	55,042	34,064	30,869	34,066
Book value per share (incl. Dividends) (group)	133.34	128.77	115.07	106.32	99.05
Earnings per share	12.89	13.08	16.27	12.88	12.08
Dividend per share	-	8.50	7.50	7.00	6.00
P/E	10.31	11.21	7.92	9.37	11.03
P/BV	1.33	1.14	1.12	1.14	1.34

Figures in parentheses as at 30 September 2024.

20 largest shareholders as at 30 September 2025

- Ownership interests:
  - International: 16.8% (22.7%)
  - 10 largest: 54.9% (50.5%)
  - 20 largest: 63.0% (59.5%)
- Number of shareholders: 22.791 (19.504)
- Employees owning 1.5% (1.8%) as at 30 September 2025

Investor	Number	Stake
Sparebankstiftelsen SR-Bank	78,677	21.0%
SpareBank 1 Stiftelsen BV	32,667	8.7%
Folketrygdfondet	26,125	7.0%
Sparebankstiftelsen Telemark	25,034	6.7%
Sparebankstiftelsen Modum	15,624	4.2%
Swedbank AB	7,507	2.0%
SpareBank 1-stiftinga Kvinnherad	6,527	1.7%
Sparebankstiftelsen Nøtterøy-Tønsberg	5,263	1.4%
Sparebankstiftelsen Nome	4,949	1.3%
Skandinaviska Enskilda Banken AB	3,865	1.0%
State Street Bank and Trust Co, U.S.A.	3,525	0.9%
Verdipapirfondet Alfred Berg Gambak	3,523	0.9%
J.P.Morgan SE, Luxembourg	3,100	0.8%
J.P.Morgan SE, Luxembourg	3,099	0.8%
Verdipapirfondet KLP AksjeNorge	3,068	0.8%
JPMorgan Chase Bank, N.A., London	3,027	0.8%
Pareto Aksje Norge Verdipapirfond	2,965	0.8%
Verdipapirfond Odin Norge	2,836	0.8%
State Street Bank and Trust Co, U.S.A.	2,638	0.7%
State Street Bank and Trust Co, U.S.A.	2,561	0.7%
Top 5	178,126	47.4%
Top 10	206,237	54.9%
Top 20	236,577	63.0%

Figures in parentheses as at 30 September 2024.

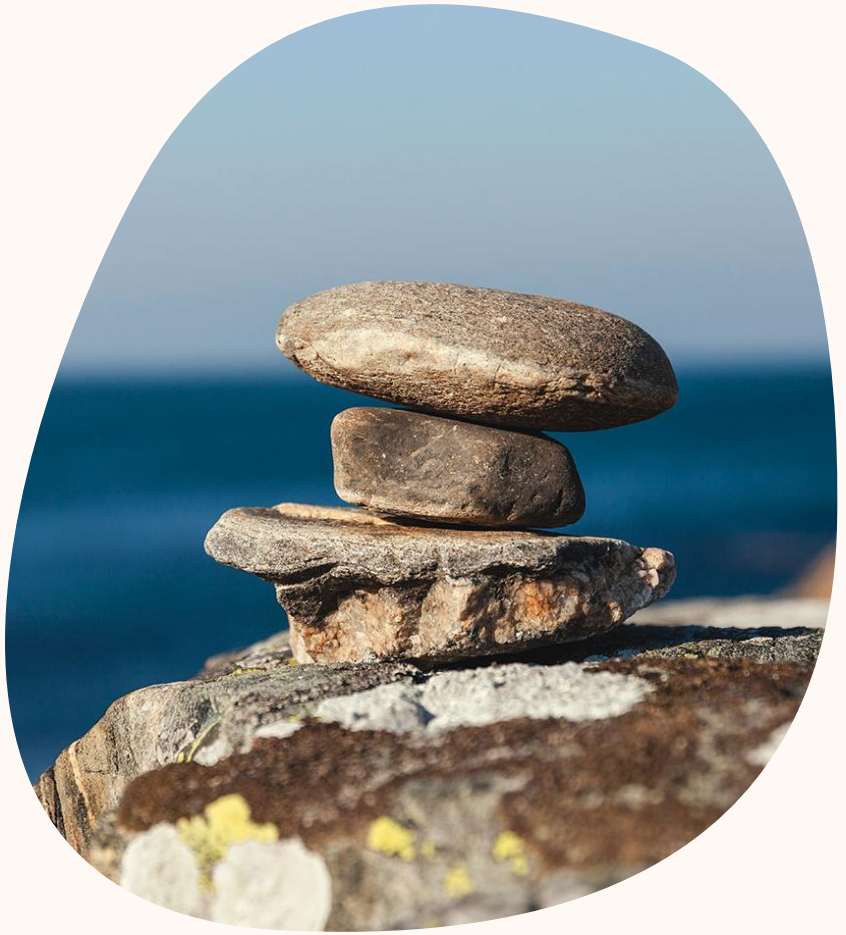
Disclaimer

This presentation contains forward looking statements that reflect management's current views with respect to certain future events and potential financial performance.

Although SpareBank 1 Sør-Norge believes that the expectations reflected in such forward looking statements are reasonable, no assurance can be given that such expectations will prove to have been correct. Accordingly, results could differ materially from those set out in the forward looking statements as a result of various factors.

Important factors that may cause such a difference for SpareBank 1 Sør-Norge include, but are not limited to: (i) the macroeconomic development, (ii) change in the competitive climate, (iii) change in the regulatory environment and other government actions and (iv) change in interest rate and foreign exchange rate levels.

This presentation does not imply that SpareBank 1 Sør-Norge has undertaken to revise these forward looking statements, beyond what is required by applicable law or applicable stock exchange regulations if and when circumstances arise that will lead to changes compared to the date when these statements were provided.



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