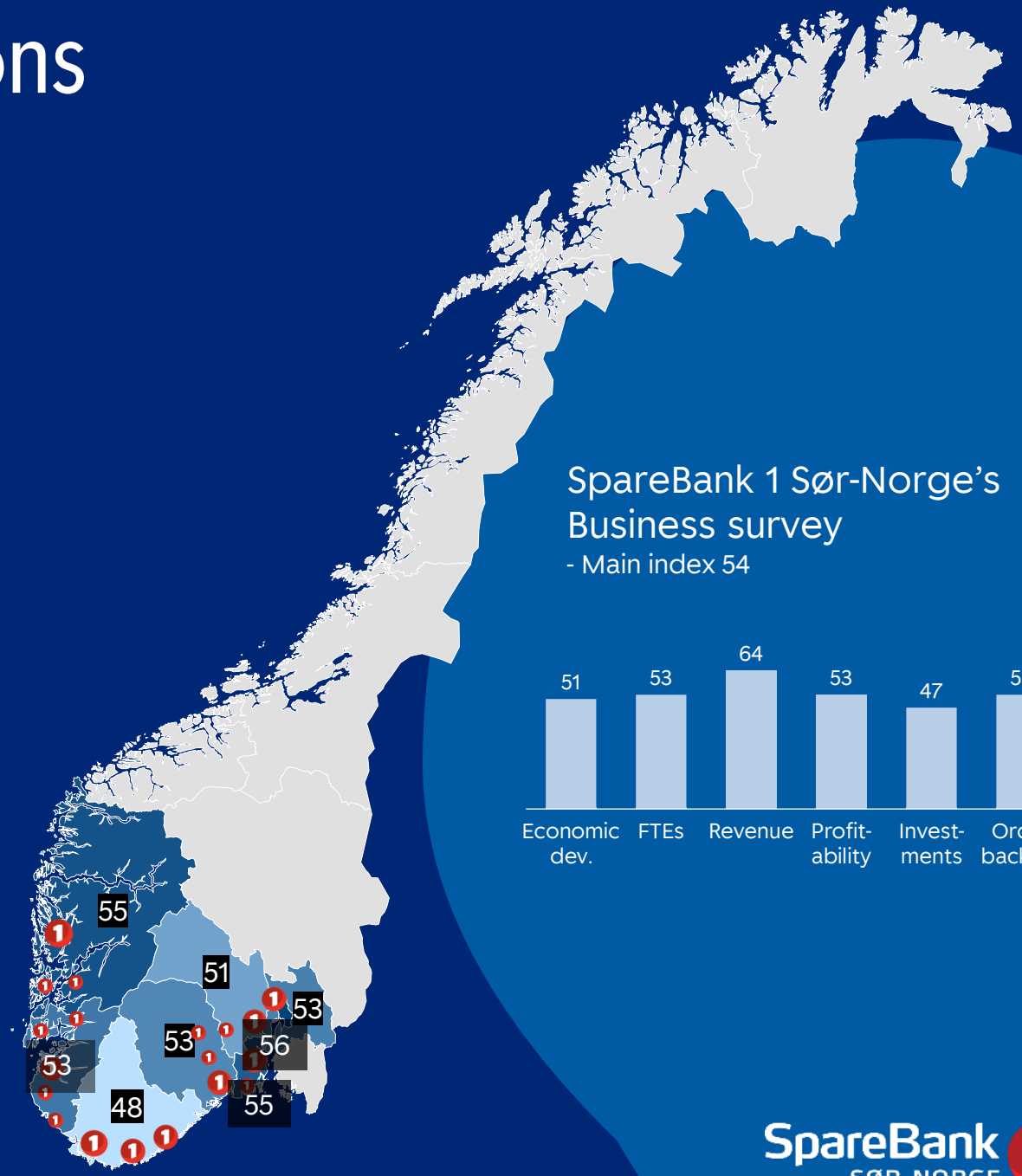
Quarterly presentation 2025

Q4

SpareBank 1 SØR-NORGE

Positive growth expectations

- Companies anticipate higher employment and larger order backlogs
- Increased activity and improved profitability
- Unemployment remains low
- Subdued investment appetite
- Trump's trade policies remain a source of ongoing global uncertainty



SpareBank 1 Sør-Norge's Business survey

- Main index 54

SpareBank 1 SØR-NORGE

New Group management

Inge Reinertsen
CEO

Eirik B. Monsen
CFO

Per Halvorsen
PEOPLE AND ORGANISATION

Ella Skjørestad
MARKET AND TECHNOLOGY

Marianne Bakke
RETAIL MARKET

Roger L. Antonesen
CORPORATE MARKET

Frode Bø
RISK

Signe Helliesen
COMPLIANCE

SpareBank 1 SØR-NORGE

A efficient, flexible and decisive group

Target

- ✓ Increased competitiveness and improved financial performance
- ✓ More responsibility consolidated under fewer leaders
- ✓ Stronger strategic and operational leadership
- ✓ Professional and structured people management

Result

- ✓ We are the **customers' preferred choice** and will deliver strong financial results
- ✓ **An efficient organisation**, with reduced coordination costs and fewer duplicated functions
- ✓ **The reduction in FTEs** by the end of 2026 is increased from 100 to 150

SpareBank 1 SØR-NORGE

Taking action for the future

Q1-Q2

SpareBank 1 and Swedbank joined forces to create a leading Nordic investment bank: **SB1 Markets**

Generative AI was launched in the mobile bank in May and will provide customers with **more insight and better oversight**

New **credit workspace** for corporate advisers

Legal merger in SpareBank 1 Sør-Norge Forretningspartner

SpareBank 1 signed **a new sponsorship agreement** with the Norwegian Ski Association

Q3-Q4

Received **IRB approval** for SpareBank 1 Sørøst-Norge's portfolios.

In September, we completed **the largest technical merger in the history of the Norwegian banking sector**.

Launched a **share buyback program** for own shares.

EiendomsMegler 1 Sør-Norge and **SpareBank 1 Sør-Norge Forretningspartner** completed legal and technical mergers.

SpareBank 1 Sør-Norge became a **NIBOR panel bank**, and as of January contributes to setting the NIBOR rate.

Approved and implemented **IRB leasing** and **IRB corporate**.

Operational efficiency

Increased synergies from NOK 450 million to NOK 550 million

Personnel synergies

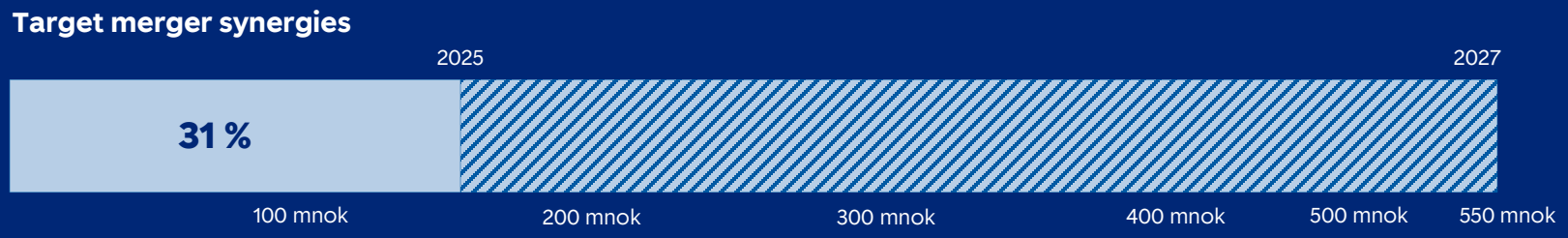
- The Group is on track with the planned FTE reduction
- Release of additional 50 full-time equivalents related to management, staff and support functions
- Automation/efficiency

Operational synergies

- Cost efficiency
- Product harmonisation

Funding synergies

- SR-Boligkreditt
- Senior debt
- Commercial paper program



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
> 16.72%	< 35%	> 50%	> NOK 550 million	
CET 1 Capital ratio	**Cost to income Long-term target**	Dividend share	**Operational synergies**	

SpareBank 1 SØR-NORGE

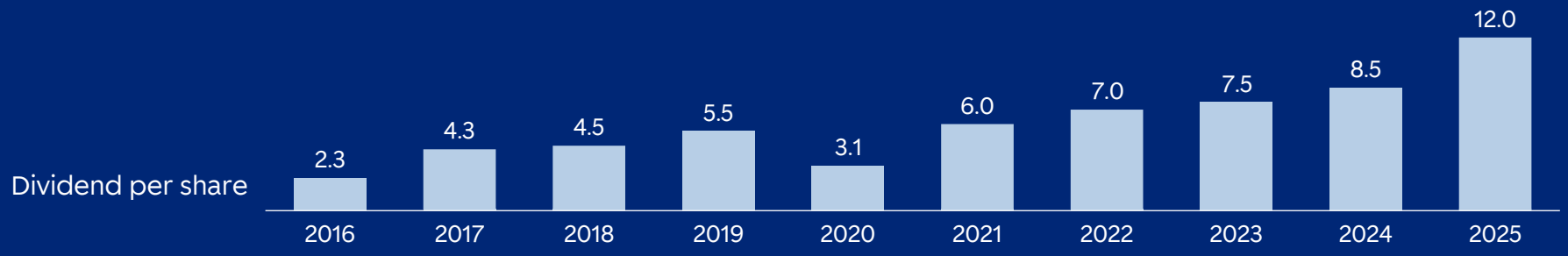
Proposed dividend for 2025: NOK 12 per share

71 % payout ratio

Well positioned for strong capital distribution

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

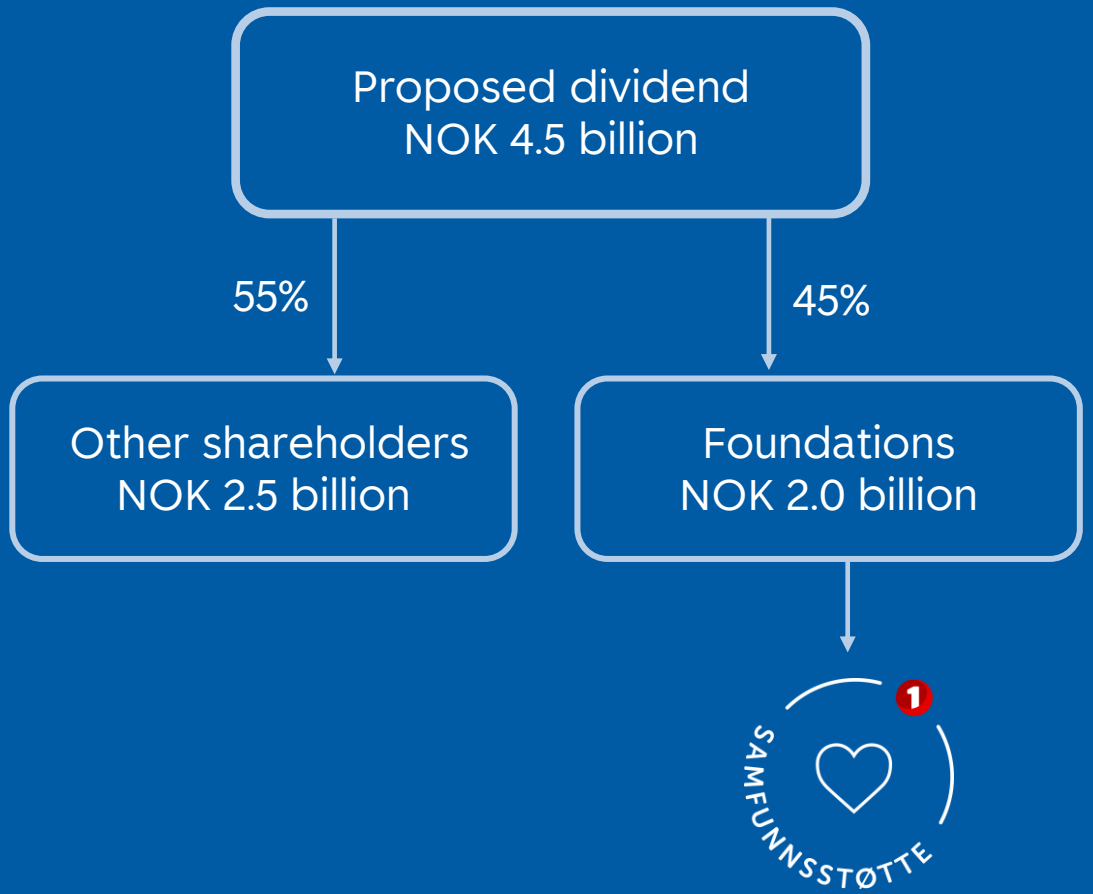
2. Established a share buyback program as a supplement to cash dividends



SpareBank 1 SØR-NORGE

NOK 2.0 billion to our local communities

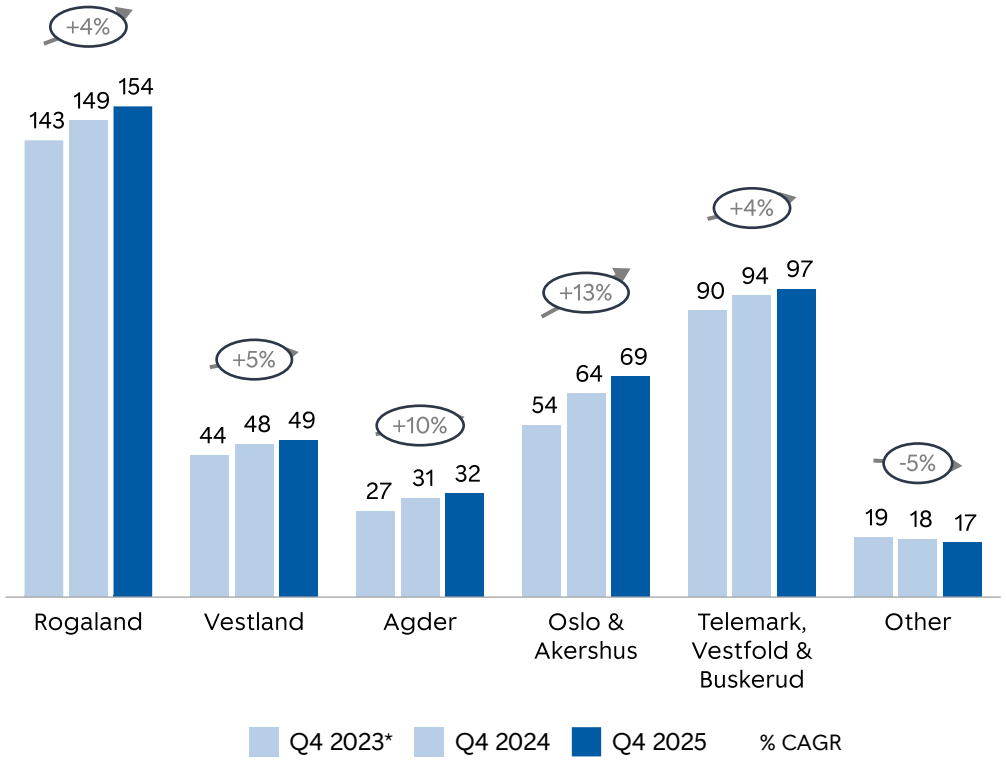
- The savings bank model ensures that the value created benefits local communities
- 7 foundations that enable and accelerate growth and development for people and businesses in Southern Norway



SpareBank 1 SØR-NORGE

SpareBank 1 Sør-Norge

Lending volume in NOK billion



*Pro forma

Solid result in turbulent times

Result 4. quarter 2025

11.9 %

12.8% excl. goodwill from merger
Return on equity after tax

MNOK 1,993

Pre-tax profit

Result 31 December 2025

12.8 %

14.1% excl. one-off effects*
Return on equity after tax

38.0 %

Cost to income ratio

17.57 %

CET 1 capital ratio

MNOK 8,349

Pre-tax profit

NOK 17.0

Earnings per share

NOK 12.0

Proposed dividend

**Merger costs (MNOK 168) and goodwill from merger (3.6 NOK billion)*

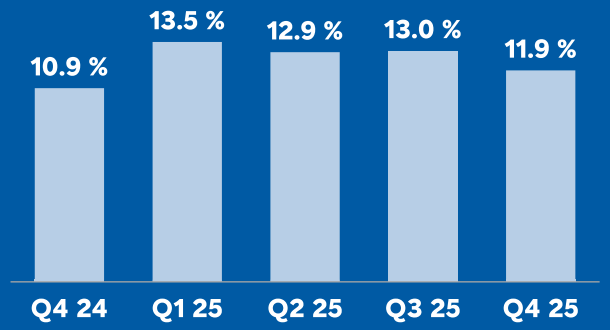
SpareBank 1 SØR-NORGE

Solid year and quarter results

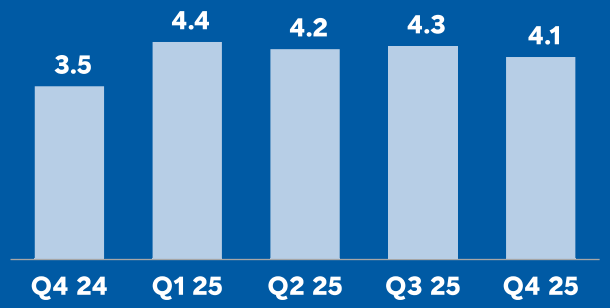
(MNOK)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	2025	2024*
Net interest income	2,323	2,328	2,310	2,310	2,293	9,271	9,119
Net commission and other income	818	778	858	787	789	3,241	2,941
Net income on financial investments	319	443	373	394	125	1,528	1,307
Total income	**3,459**	**3,549**	**3,540**	**3,492**	**3,206**	**14,040**	**13,367**
Total operating expenses	1,330	1,314	1,414	1,282	1,376	5,340	4,997
Operating profit before impairments	**2,130**	**2,235**	**2,126**	**2,209**	**1,830**	**8,701**	**8,370**
Impairments on loans and financial commitments	137	115	76	23	90	352	412
Pre-tax profit	**1,993**	**2,120**	**2,050**	**2,186**	**1,741**	**8,349**	**7,957**
Tax expense	402	423	382	449	350	1,655	1,518
Profit after tax	**1,591**	**1,697**	**1,668**	**1,737**	**1,390**	**6,694**	**6,439**

Pro forma

Return on equity



Earnings per share

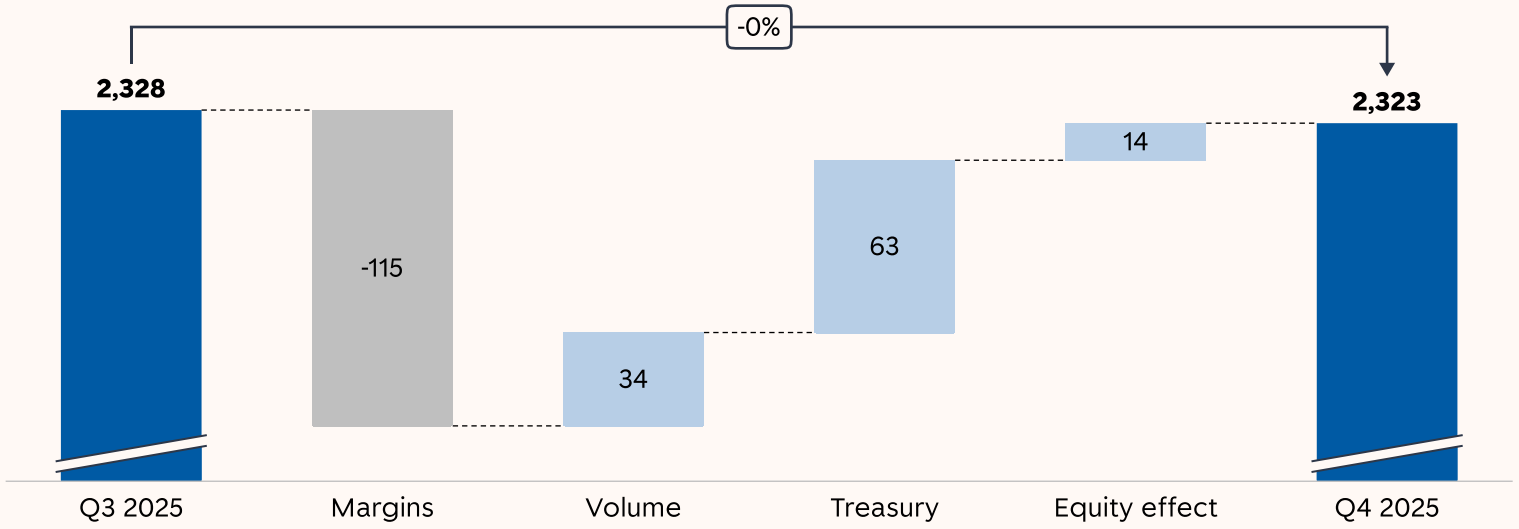


SpareBank 1 SØR-NORGE

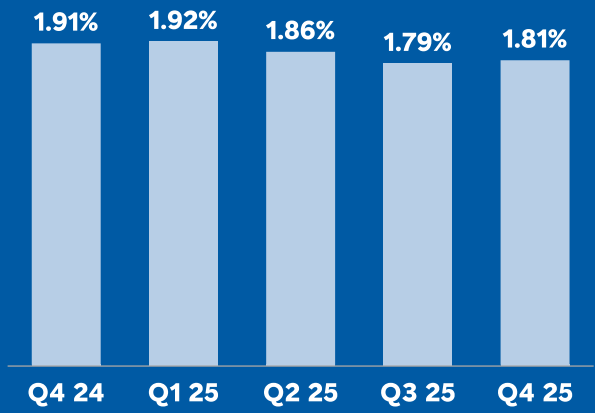
Net interest income

Change from previous quarter

(MNOK)

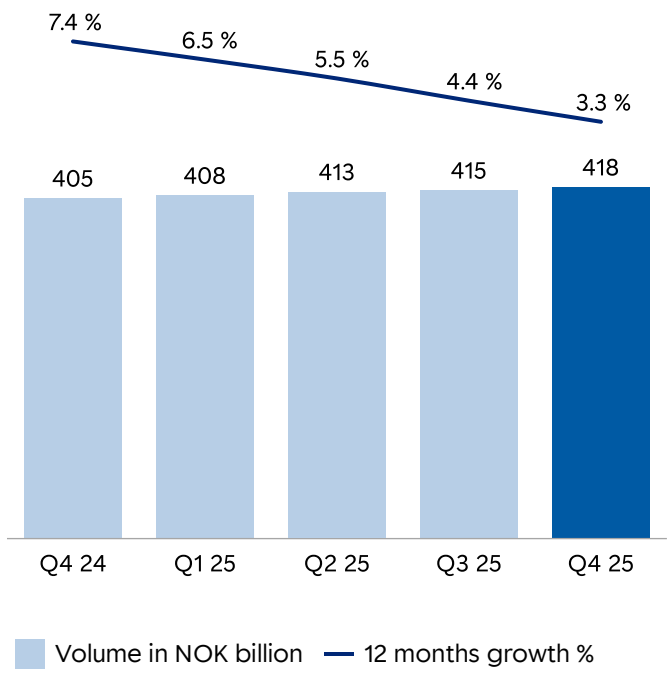


Net interest margin

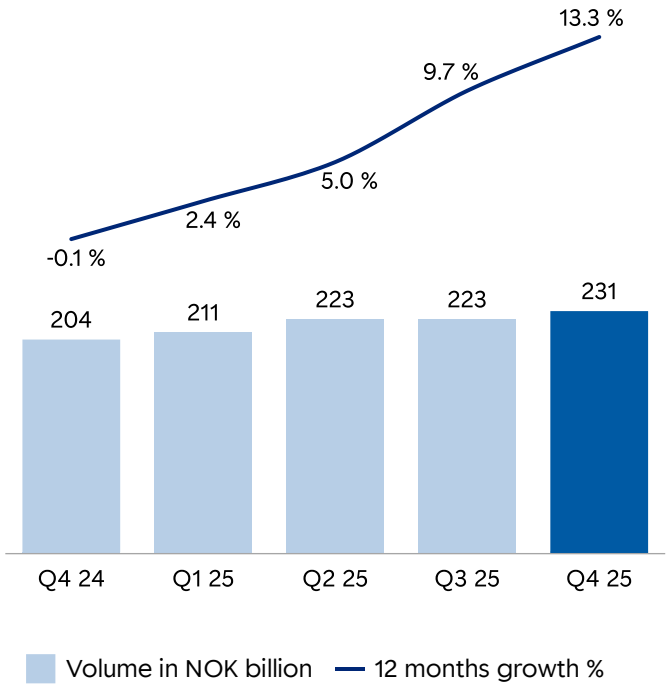


Group

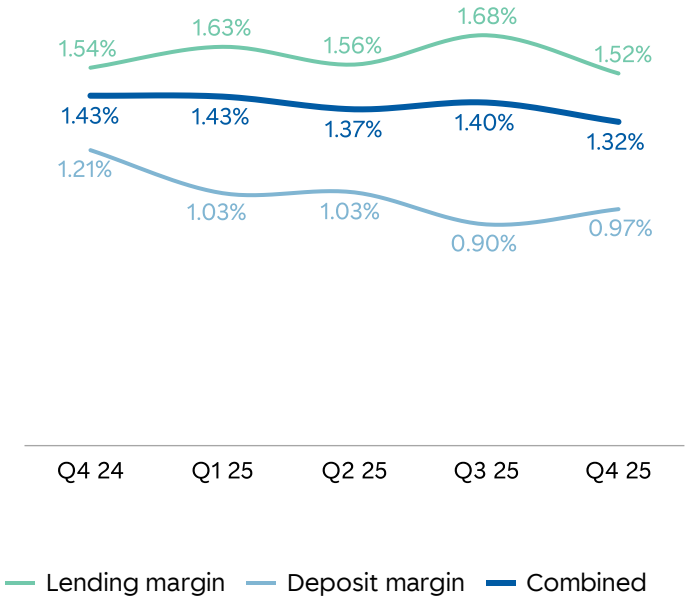
Lending volume



Deposit volume



Margins

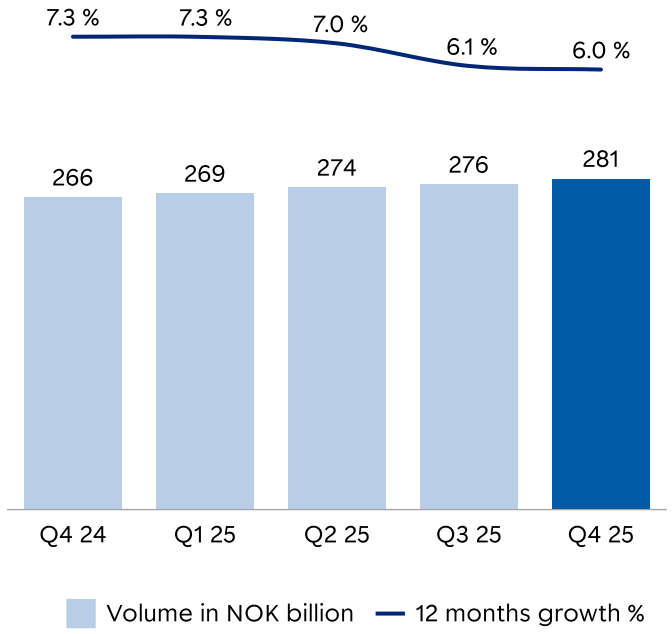


Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

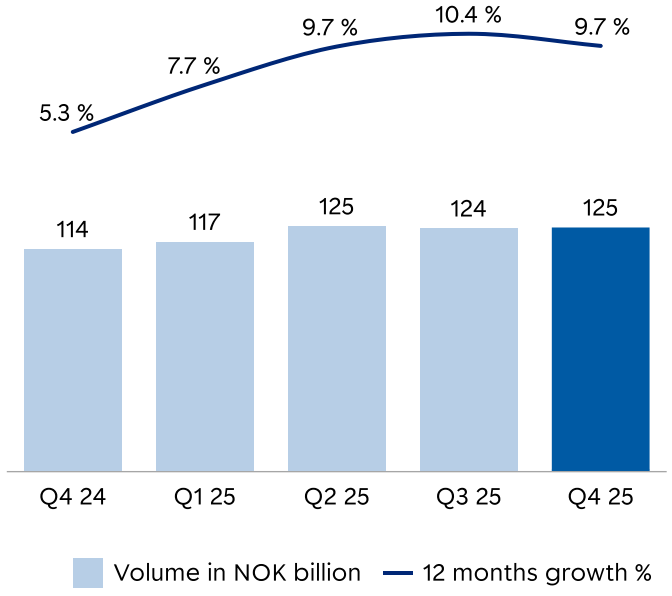
SpareBank 1 SØR-NORGE

Retail market*

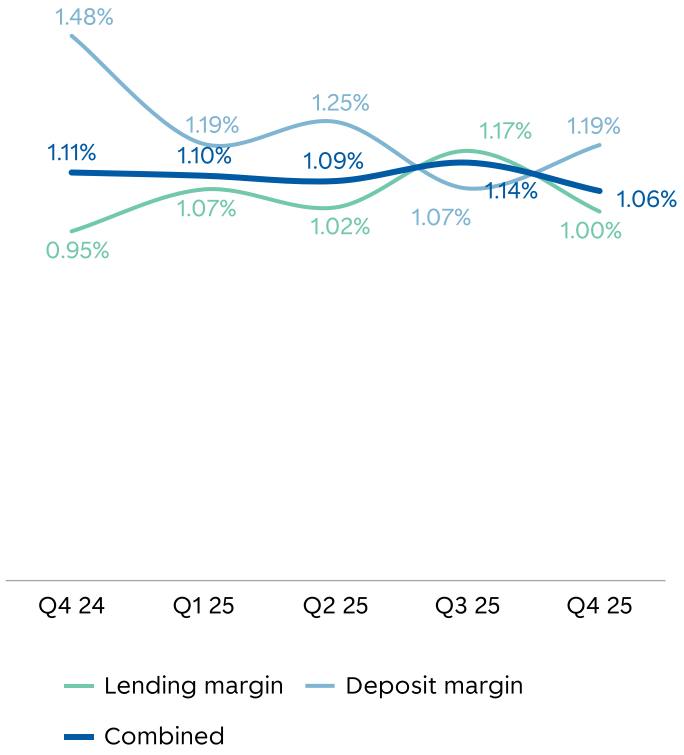
Lending volume



Deposit volume



Margins

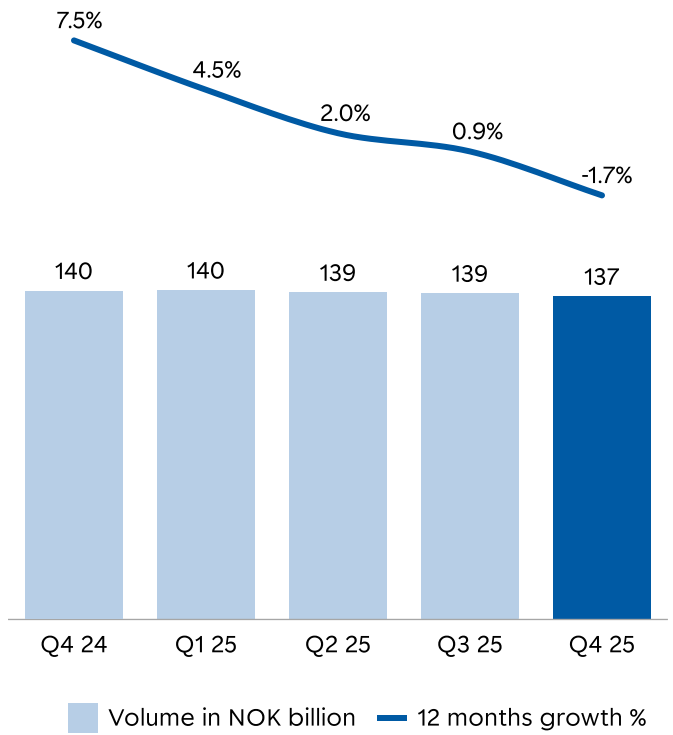


*Including loans and deposits to employees

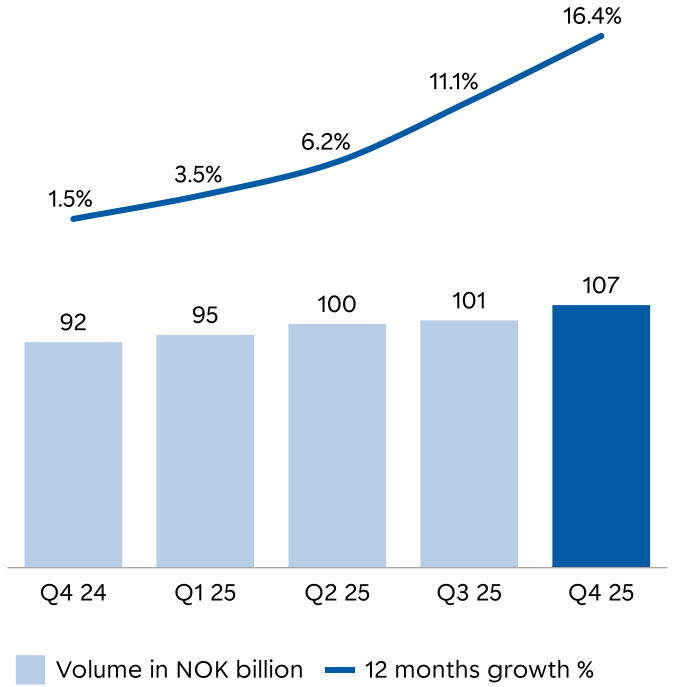
Definition margins: Average customer rate measured against money market rates. The figures include loans transferred to credit institutions and commission recevied.

Corporate market*

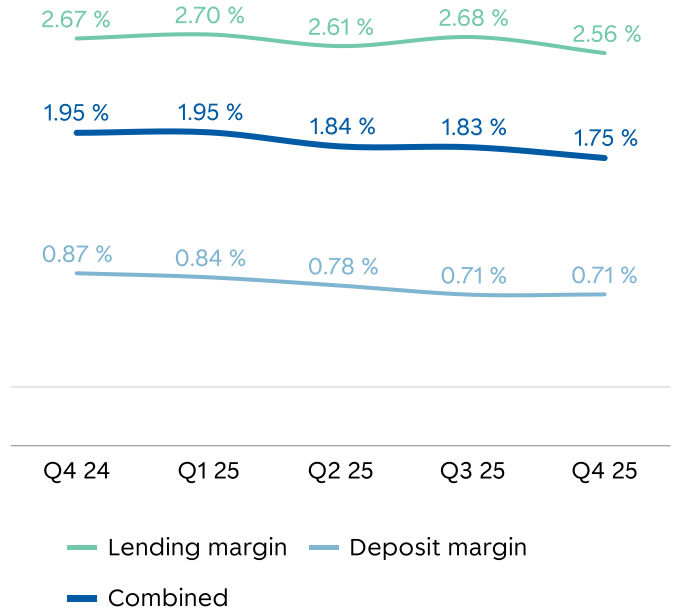
Lending volume



Deposit volume



Margins



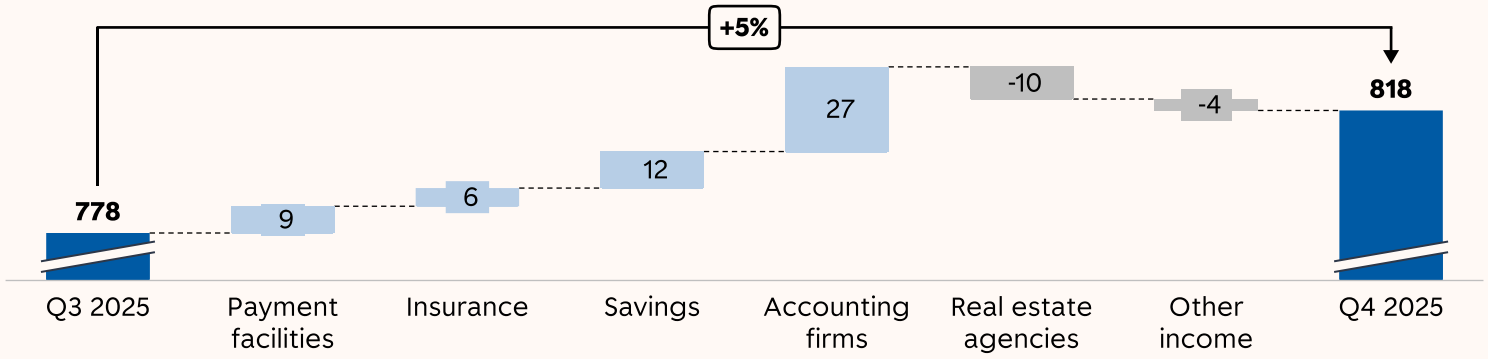
Corporate market include SME and Agriculture and Corporate market.

Definition margins: Average customer rate measured against money market rates.

Net commission and other income

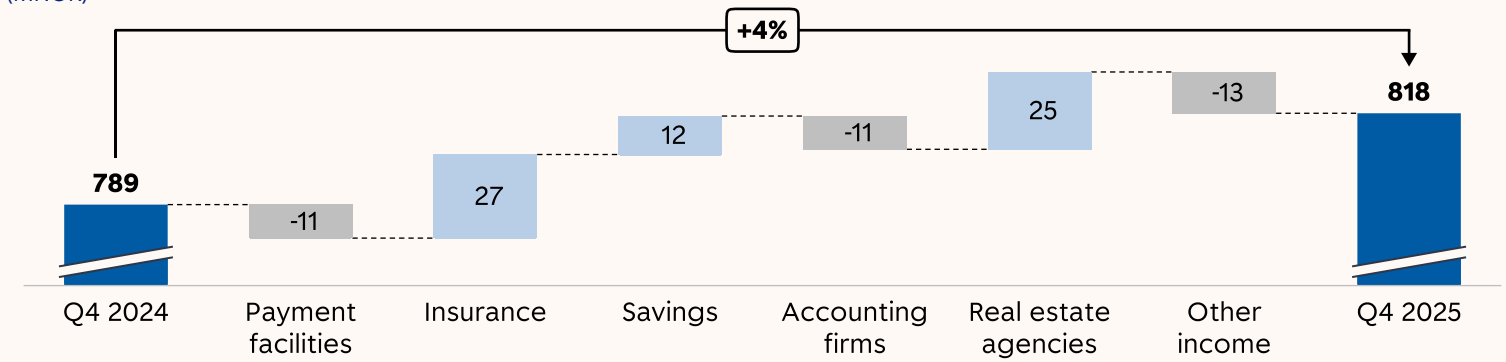
Change from previous quarter

(MNOK)



Change from Q4 2024

(MNOK)



Solid growth and high level of activity

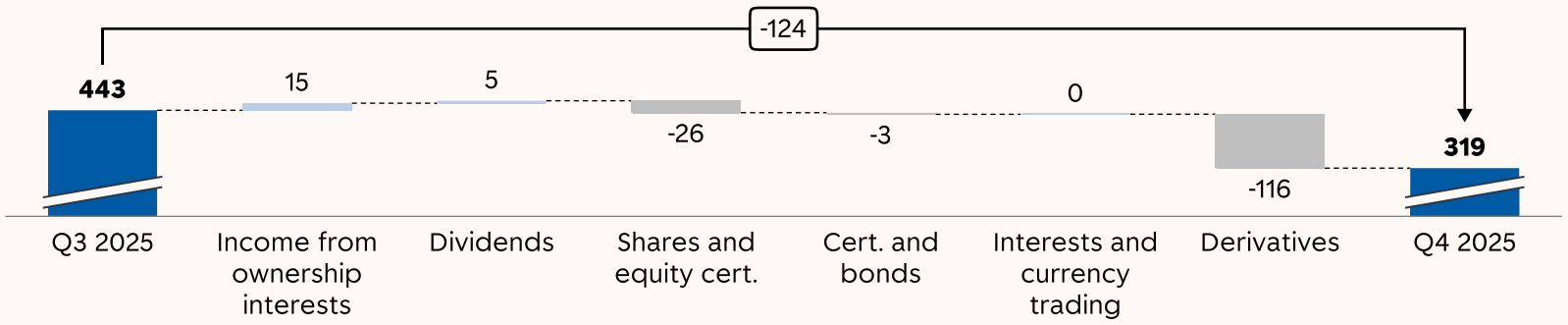
Strong performance in Eiendoms-Megler 1

- A clear ambition to become the market leader in Southern Norway

Net income on financial investments

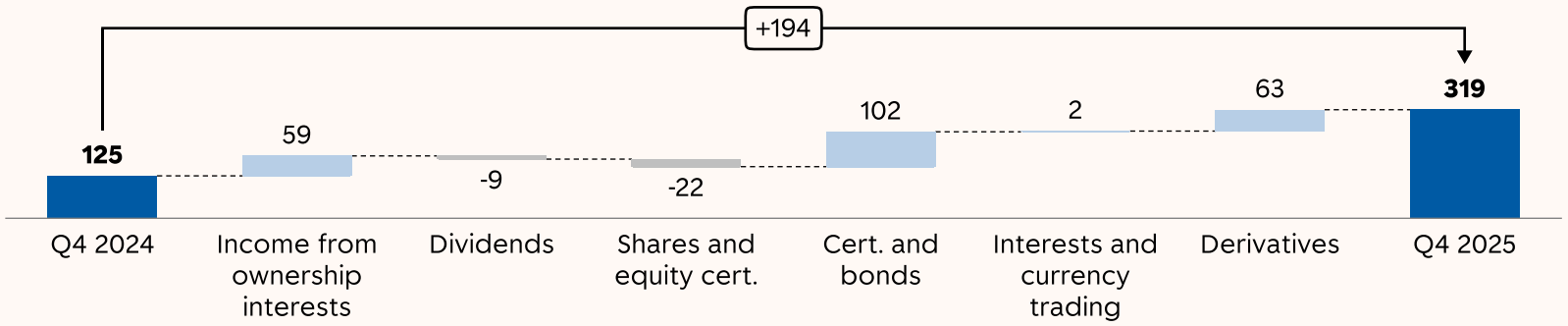
Change from previous quarter

(MNOK)



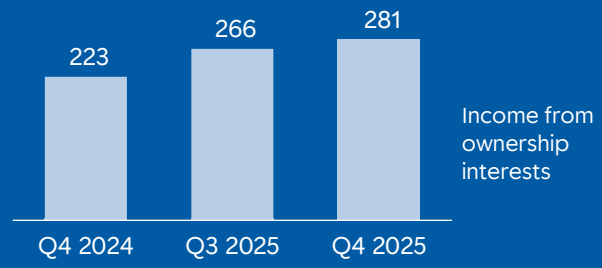
Change from Q4 2024

(MNOK)



Income from ownership interests

Increased profits from SpareBank 1 Gruppen and SB1 Markets



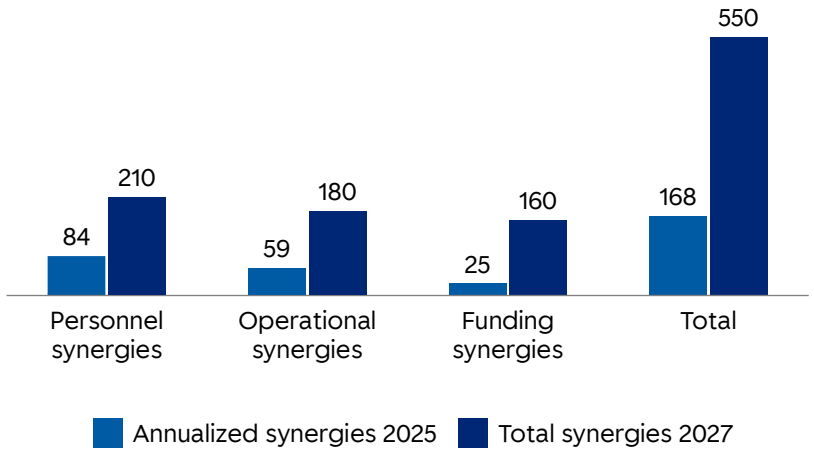
Income from financial instruments

Negative value change on basisswaps and other derivatives reduces the finance result in the 4th quarter

Significant synergies

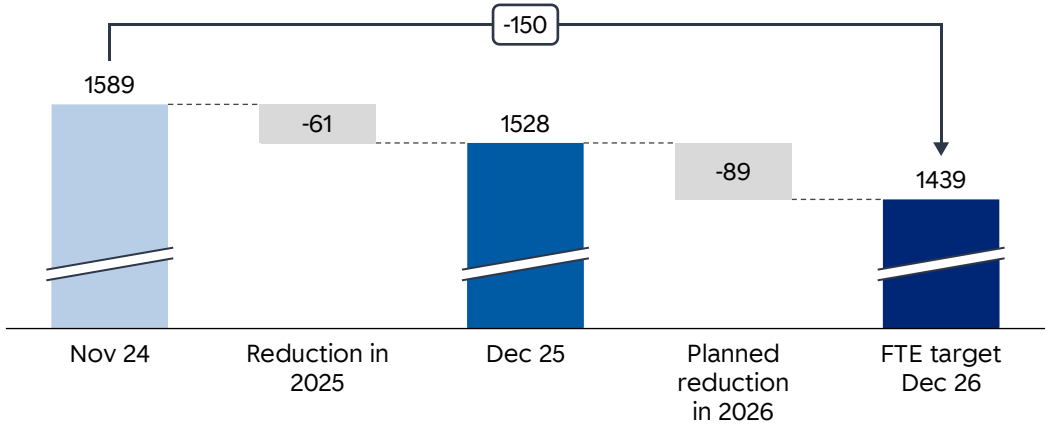
The Group is on track in realisation of funding, operational and personnel synergies.

Total synergies are updated and estimated at NOK 550 million annually by 2027.



Personnel synergies

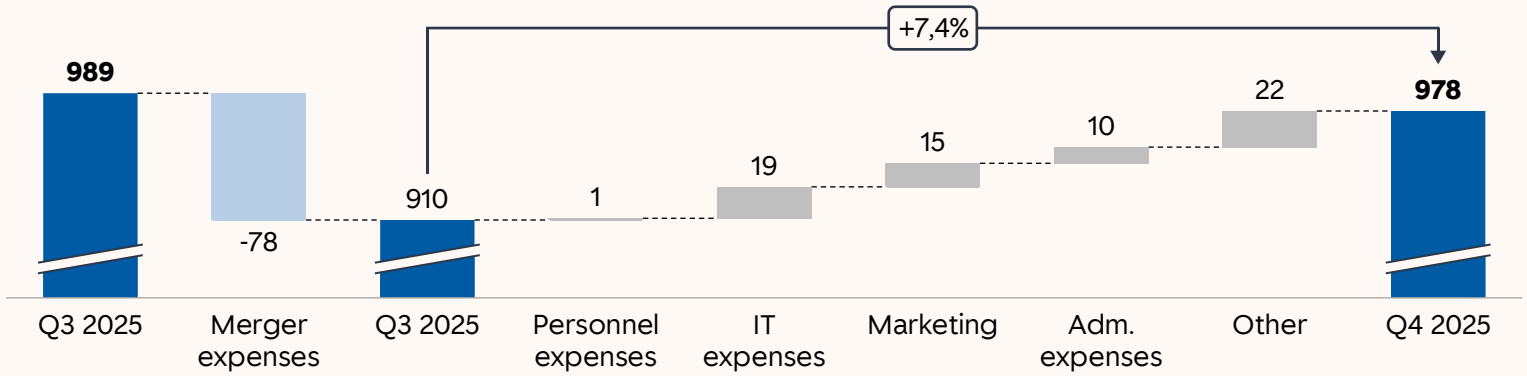
The organisational changes are expected to release additional 50 full-time equivalents related to management, staff and support functions. The FTE reduction has been revised from 100 to 150.



Operating expenses

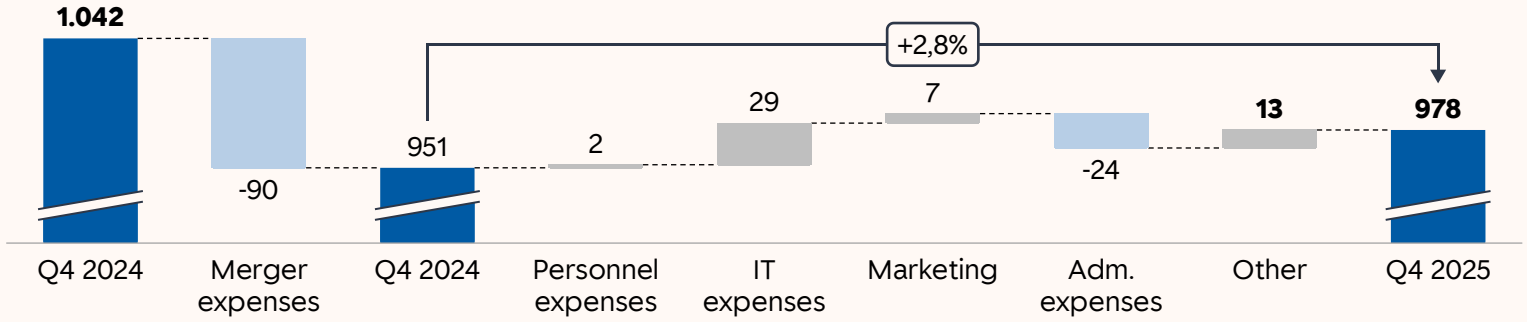
Change from previous quarter (parent bank)

(MNOK)



Change from Q4 2024 (parent bank)

(MNOK)

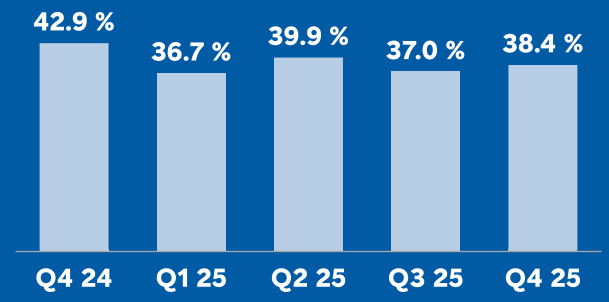


Effective cost management after the merger

- Seasonally higher activity

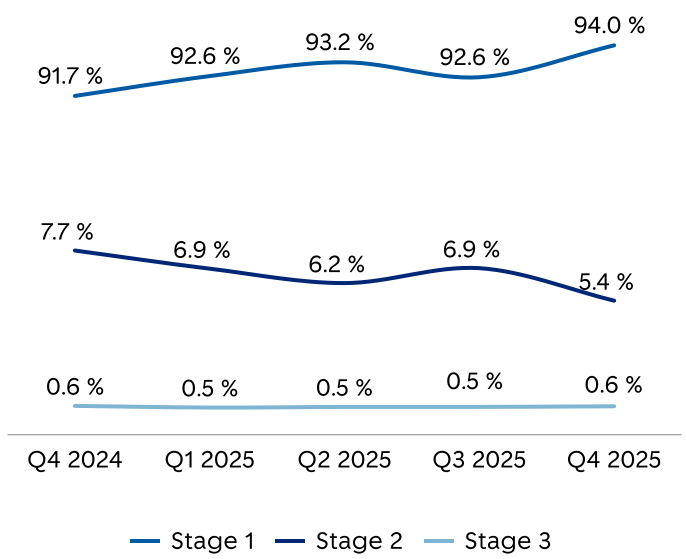
The Group is on track with the planned FTE reduction

Cost to income ratio (Group)

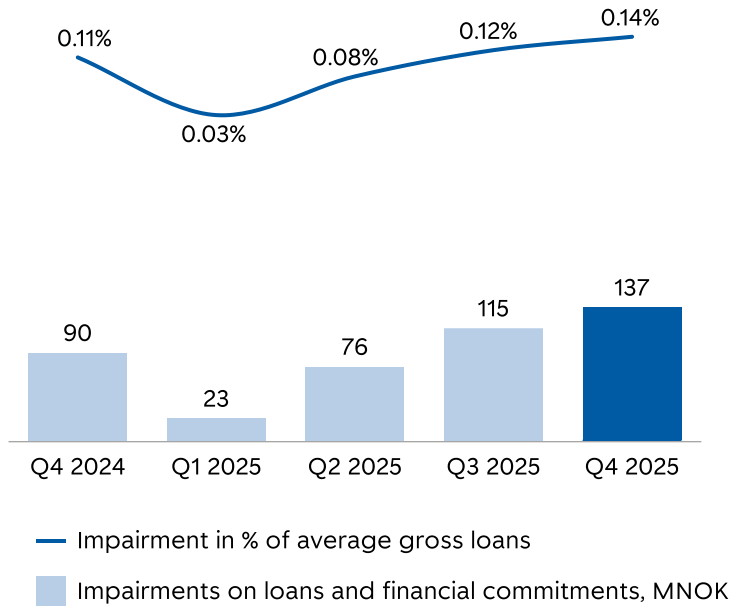


Loans and financial commitments

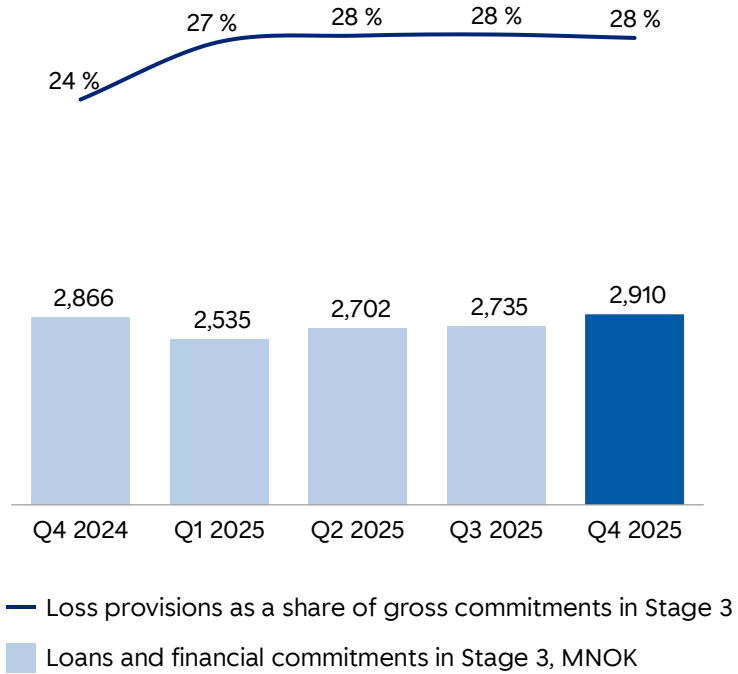
Change in gross loans and financial commitments



Impairments on loans and financial commitments



Changes in gross loans and financial commitments defined as Stage 3

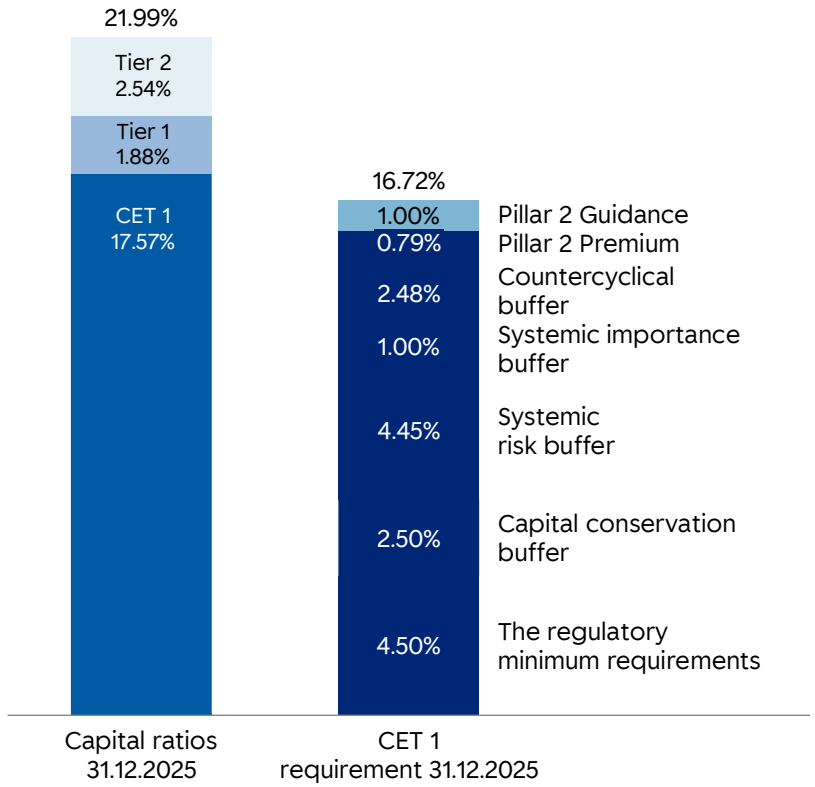


Capital adequacy

Solid capital ratio

- The CET 1 capital ratio is 17.57% as of 31 December 2025
- The minimum requirement for the CET 1 capital ratio is 16.72% as of 31 December 2025, including Pillar 2 guidance requirement of 1.00%
- SpareBank 1 Sør-Norge ASA implemented revised IRB models for the corporate market in the fourth quarter of 2025. As a result of this implementation, the temporary Pillar 2 requirement of 0.50% has been removed
- The leverage ratio is 7.30% as of 31 December 2025, well above the minimum requirement at 3.0%
- Following this year's SREP process, the Pillar 2 Premium requirement has been reduced from 1.90 to 1.40 percent and the Pillar 2 Guidance has been adjusted from 1.25 to 1.00 percent
- SpareBank 1 Sør-Norge ASA is well positioned for profitable growth and strong capital distribution

Capital ratios

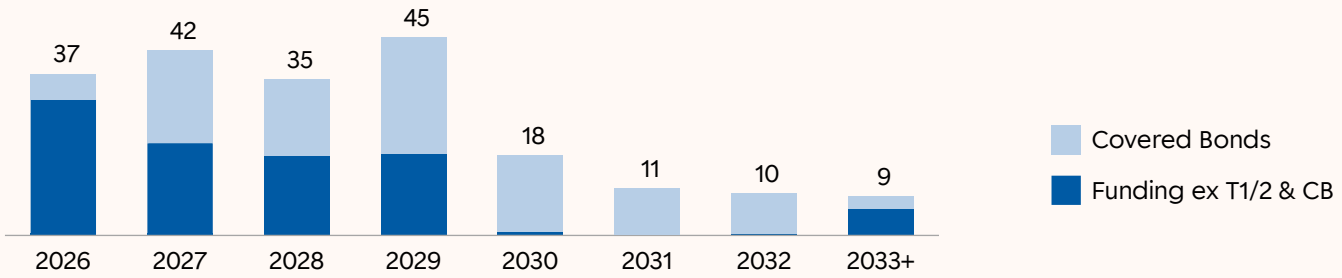


Solid liquidity

SB1 Sør-Norge **Ticker: SRBANK** Moodys: **Aa3 & P-1** S&P: **A-1**	EMTN € 20 mrd. ECP € 5 mrd. Annual issuance ~ € 1,5 mrd.
SR-Boligkreditt **Ticker: SRBANK** Moodys: **Aaa**	EMTN € 20 mrd. OMF (Covered Bonds) Annual issuance ~ € 2,0 mrd.

Annual funding maturity

- Average duration of funding is 3.3 years
- NOK 37 billion net refinancing need over the next 12 months



182%
Liquidity coverage ratio

132%
Net stable funding ratio

55.2%
Deposit to loan ratio

SpareBank 1 SØR-NORGE

Outlook

- Financial ambitions to rank among the top three banks
- Increasing optimism in Southern Norway supports further growth
- Strong consumer purchasing power and a constrained housing market
- Uncertainty related to trade policy and geopolitical tension

APPENDIX

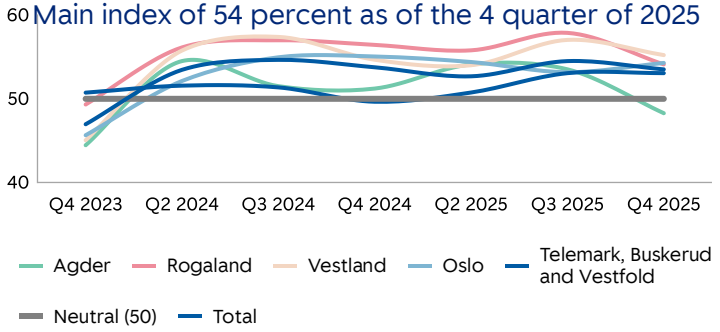
1) **Macro**
2) Loan portfolio
3) Risk
4) SB1NO

SpareBank 1 SØR-NORGE

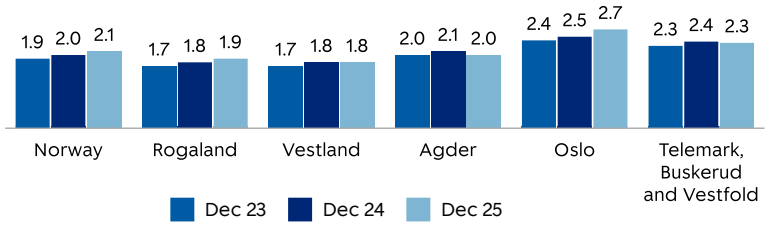
Macro in Southern Norway

SpareBank 1 Sør-Norges's business survey

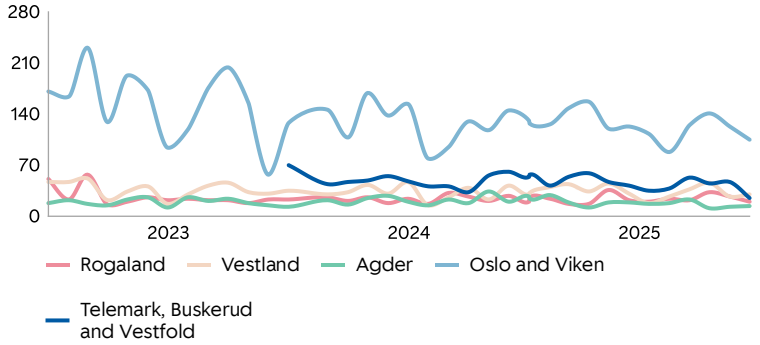
Main index of 54 percent as of the 4 quarter of 2025



Unemployment rate

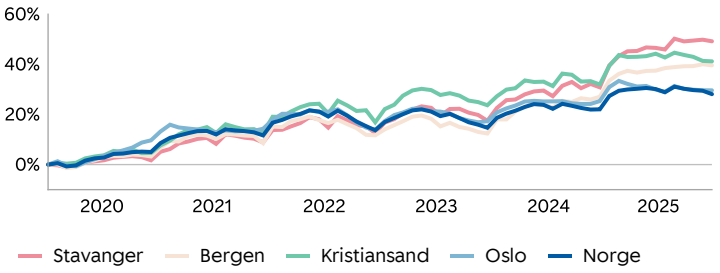


Number of bankruptcies

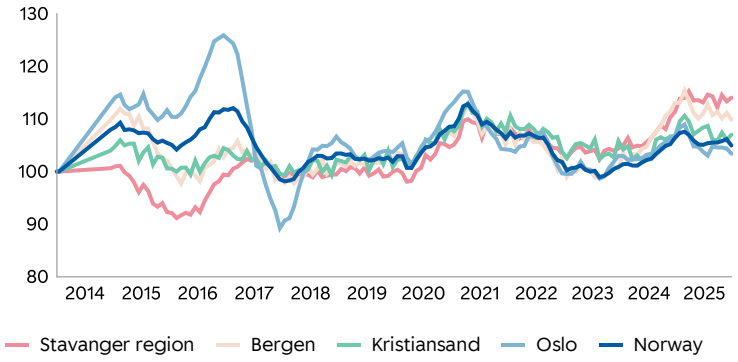


House price development

Norwegian house prices have increased by 5.0 % the last 12 months

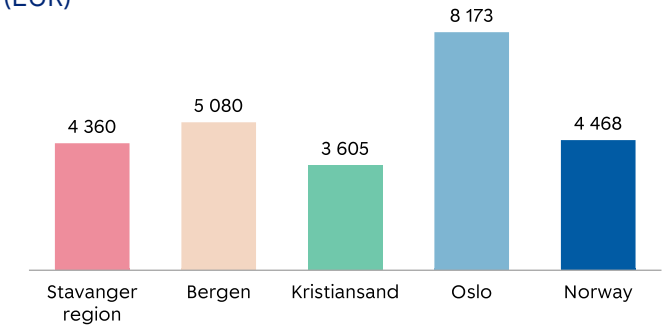


Index change 12 month (%)



Prices by city per square meter

(EUR)



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

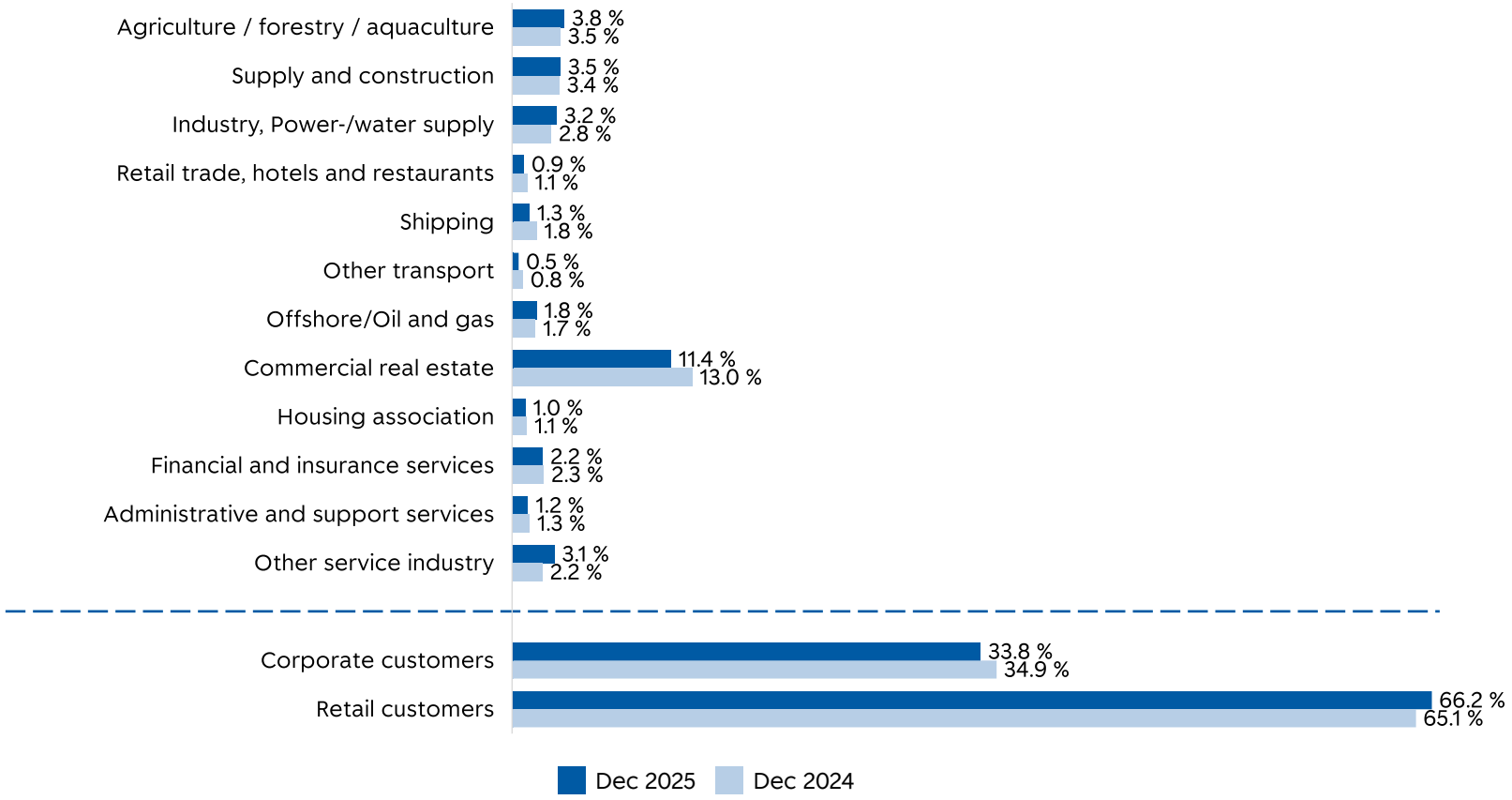
APPENDIX

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

SpareBank 1 SØR-NORGE

Well-diversified lending portfolio

- Gross loans increased to NOK 418 billion from NOK 405 billion year over year
- 12 months lending growth is 3.3%
- Low offshore, oil and gas exposure
- Commercial real estate – low concentration risk and good credit quality

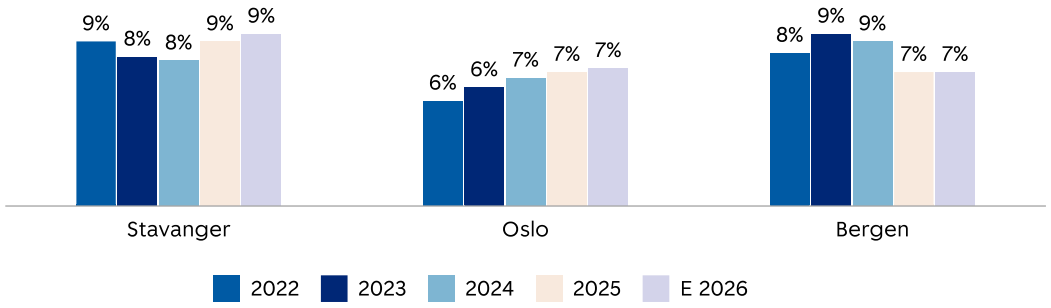


Loans before impairments, nominal amounts.

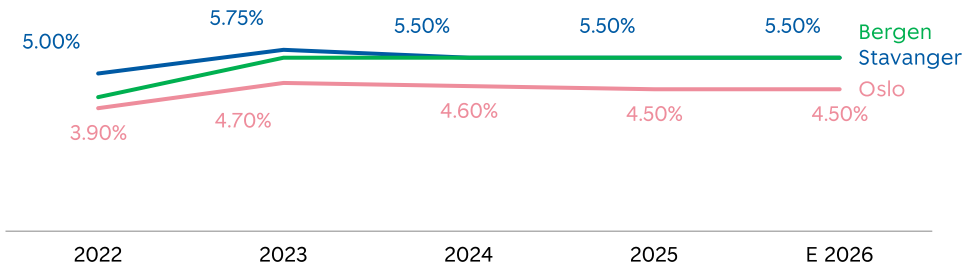
Industry distribution based on standard division from Statistics Norway (SSB).

Market – Commercial real estate

Office vacancy

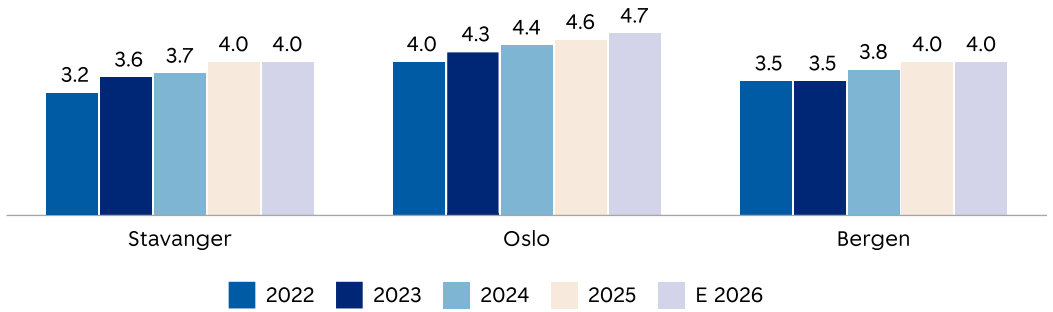


Prime yield



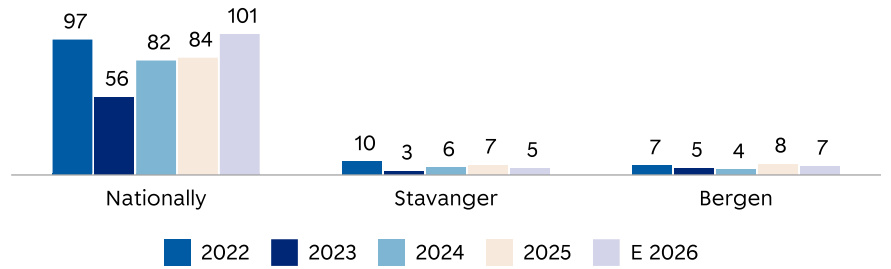
Rental prices

(TNOK per sq.m)



Transaction volume

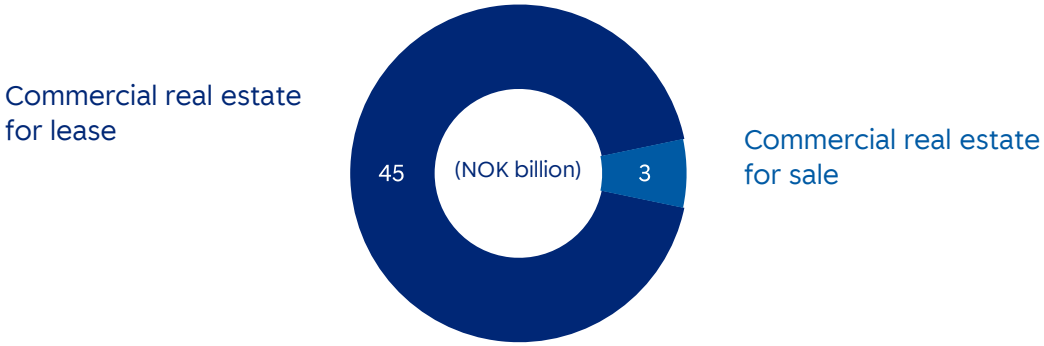
(NOK billion)



Source: Entra, WPS, og EM1 Sør-Norge AS

Lending to commercial real estate

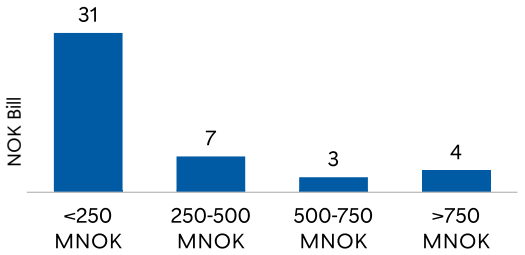
Commercial real estate portfolio 11.4% of total lending volum



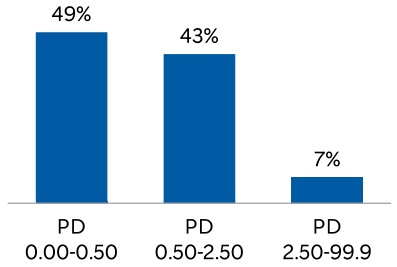
- Lending volume for commercial real estate for lease is NOK 45 billion, 10.7% of the bank's total lending volume
- The portfolio is characterized by lending to commercial properties for lease with long-term conctracts and financially solid tenants.

Commercial real estate for lease

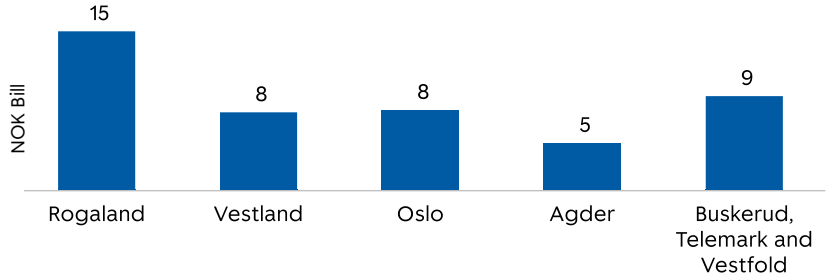
Low concentration risk



93% of volume has a PD under 2.5%



Well differentiated across regions



APPENDIX

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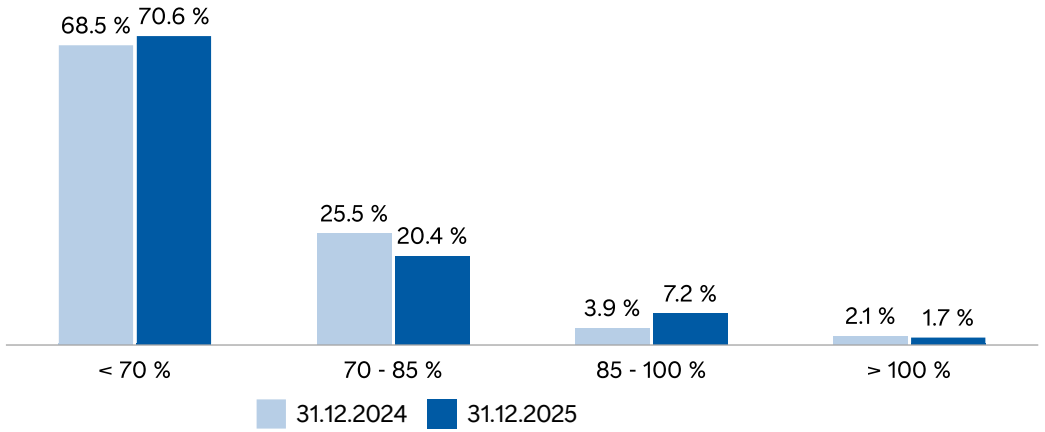
SpareBank 1 SØR-NORGE

Loan to value ratio and RWA on home mortgage loans

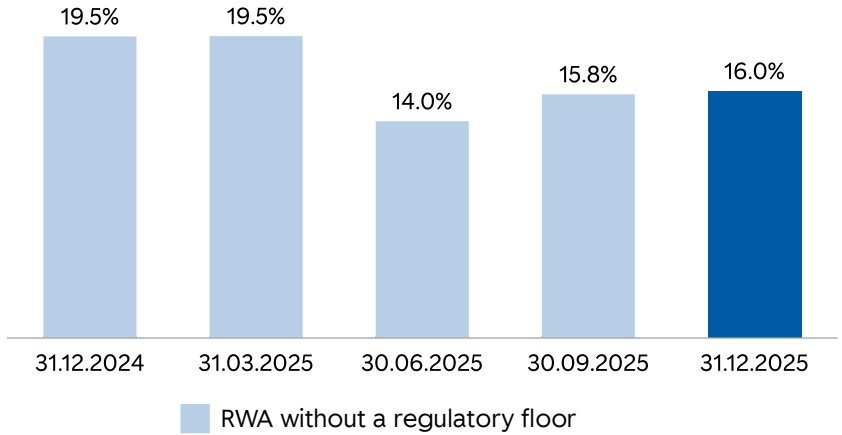
Loan to value ratio on home mortgage loans

- The proforma figures for SpareBank 1 Sør-Norge show that 91.1% 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%.

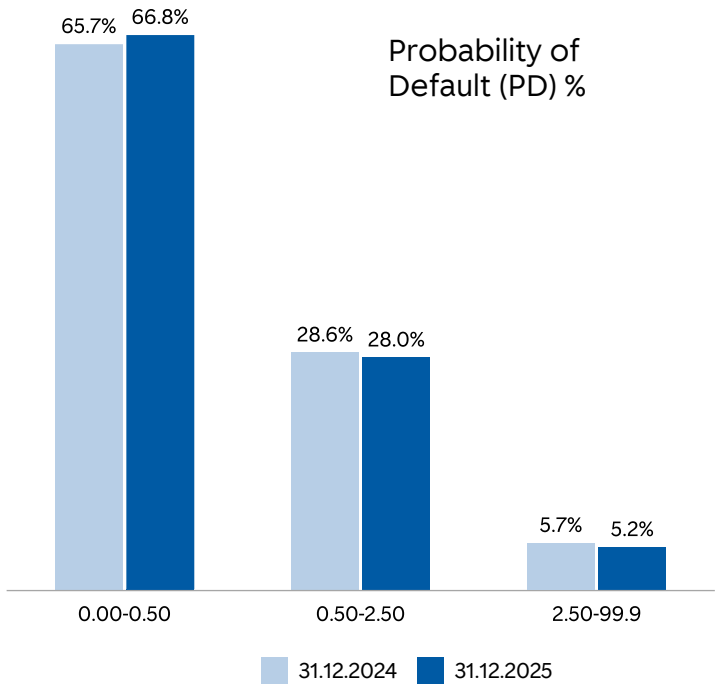


In a total-distributed loan to value ratio, the entire loan is allocated to one and the same interval.
Home mortgages as defined in the Norwegian IRB framework; the value of the residential property must be at least 30% of a loan's security.
Historical figures before 31.12.2024 are pro forma

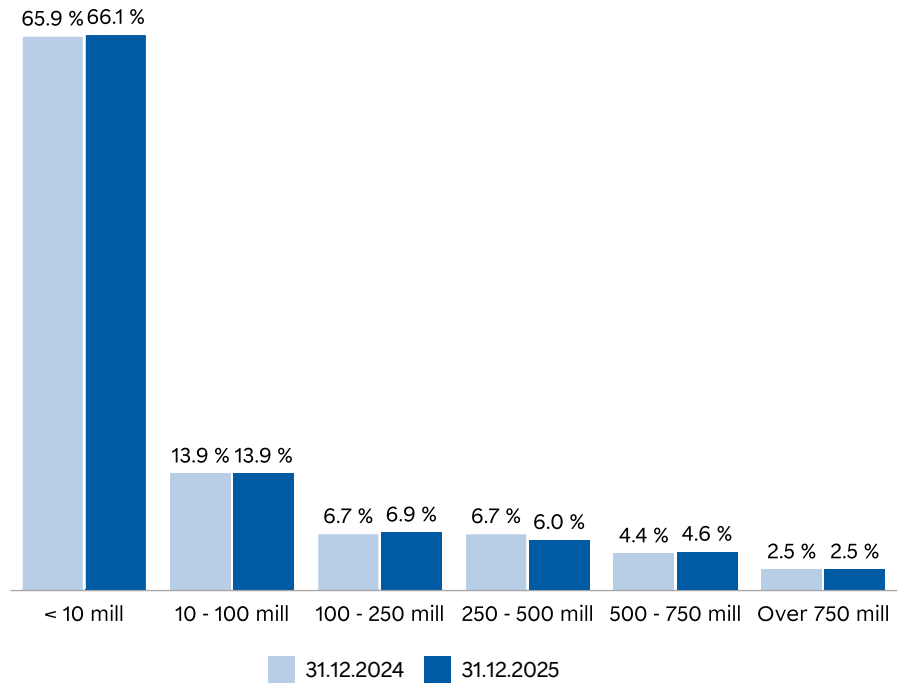
Profile of the loan portfolio

- 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

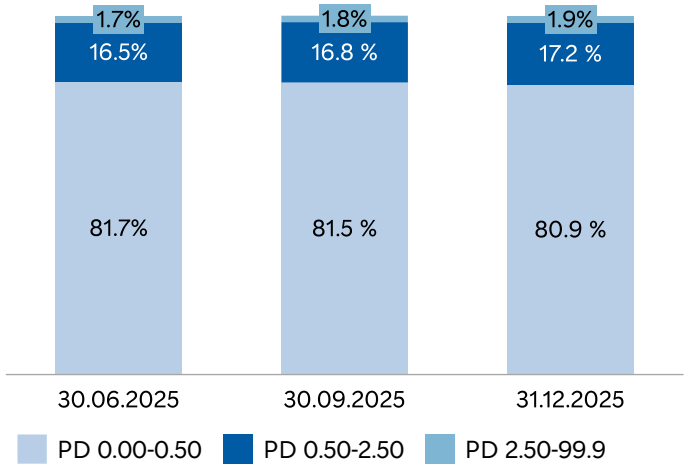


Probability of default (PD) through a full cycle of loss.

Risk profile

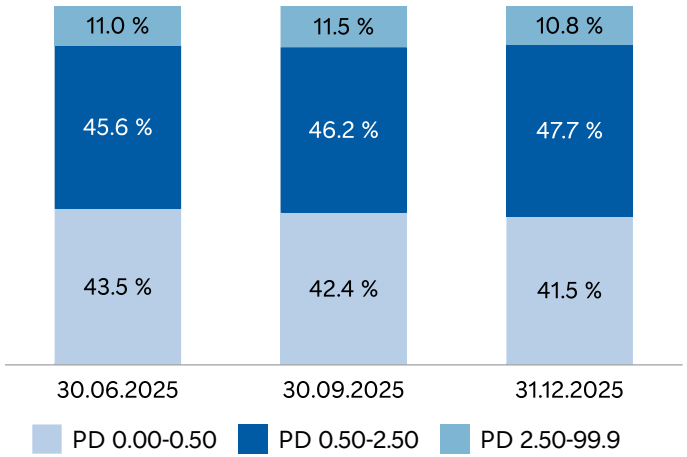
- Portfolio distributed by risk class

Retail



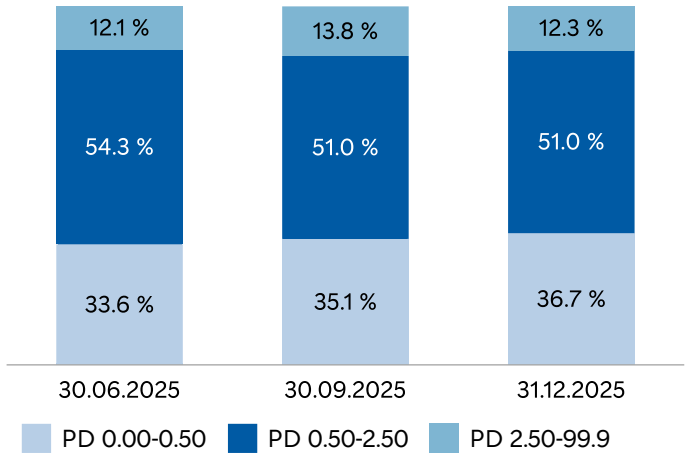
- The quality of the retail market portfolio is considered to be very good and has low potential losses.
- The low risk profile is achieved through prudent costumer selection and requirements for moderate LTV. Most of the portfolio is secured against a mortgage on real estate, and lending is overall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

Historical figures have been recalculated using the revised IRB-models for the corporate market

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

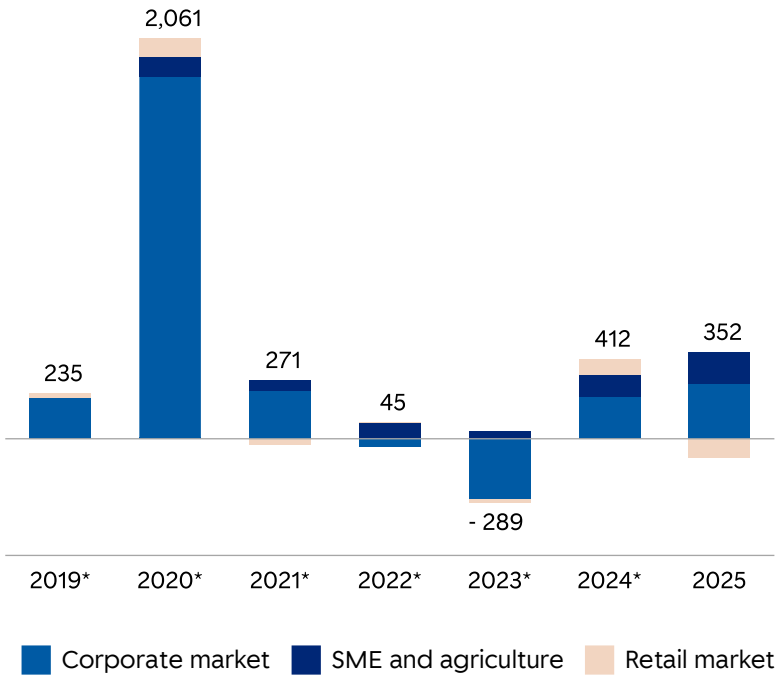
(MNOK)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Corporate Market	130	84	33	37	85
SME and agriculture	35	28	52	48	- 35
Retail market	- 28	3	- 8	- 62	41
Total impairments	**137**	**115**	**76**	**23**	**90**

Impairments on loans and financial commitments in the balance sheet

(MNOK)	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024
Corporate Market	893	891	852	848	873
SME and agriculture	555	538	554	515	495
Retail market	207	234	234	248	313
Total impairments	**1,654**	**1,662**	**1,639**	**1,611**	**1,681**

Impairments on loans and financial commitments in the income statement

(MNOK)



*Pro forma

APPENDIX

1) Macro
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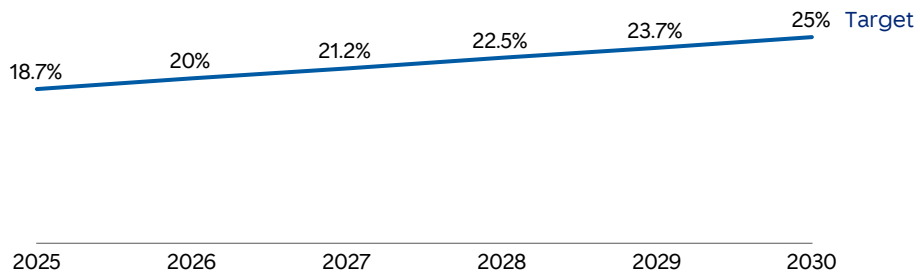
SpareBank 1 SØR-NORGE

Sustainable financing

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



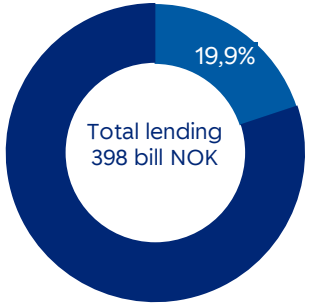
Retail market

- Green residential buildings
- Green car loans

Corporate market

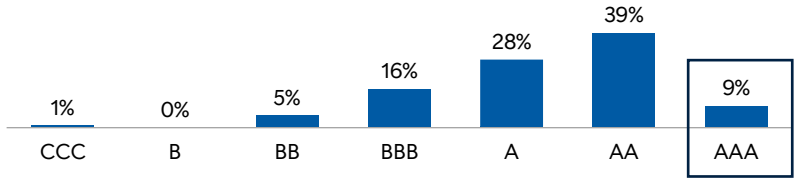
- Lending to the corporate market which qualifies as sustainable according to the internal sustainable product framework
- Sustainability-linked lending

Sustainable lending constitutes 19.9% 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 Telemark
Real estate agency

FinStart Nordic
Investmentportfolio FinTec

Partly owned companies

BN Bank 42.5%

SB1 Markets 28.1%

Kreditt-banken ASA 23.3%

SpareBank 1 Forvaltning 41.9%

SpareBank 1 Betaling* 26.2%

SpareBank 1 Gruppen 19.5%

**Owns 25 % in Vipps AS*

SpareBank 1 SØR-NORGE

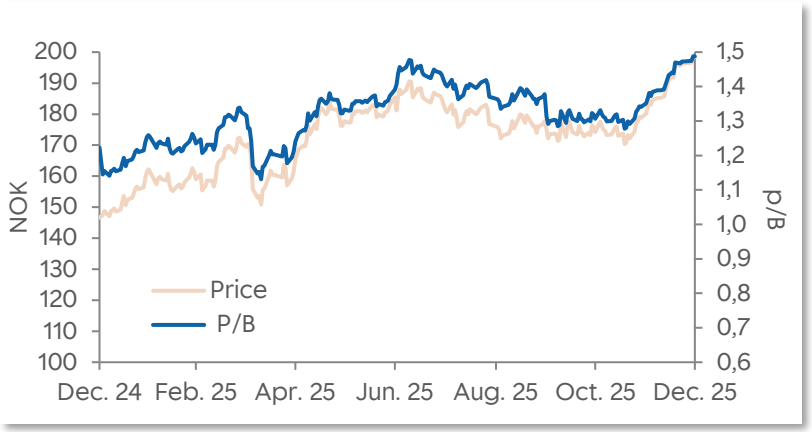
Balance sheet

Balance sheet (MNOK)	31.12.2025	31.12.2024
Cash and balances with central banks	121	119
Balances with credit institutions	8,314	12,711
Loans to customers	395,926	374,119
Certificates and bonds	79,512	60,825
Financial derivatives	8,776	11,444
Shares, ownership stakes and other securities	2,173	2,643
Investment in associates	8,648	8,144
Other	9,582	9,330
Total assets	**513,054**	**479,336**
Balances with credit institutions	3,694	695
Deposits from customers	231,112	204,006
Listed debt securities	182,906	180,850
Financial derivatives	7,743	9,339
Other liabilities	3,715	3,494
Senior non-preferred bonds	22,612	22,539
Subordinated loan capital	5,776	5,776
Total liabilities	**457,558**	**426,699**
Total equity	**55,496**	**52,637**
Total liabilities and equity	**513,054**	**479,336**

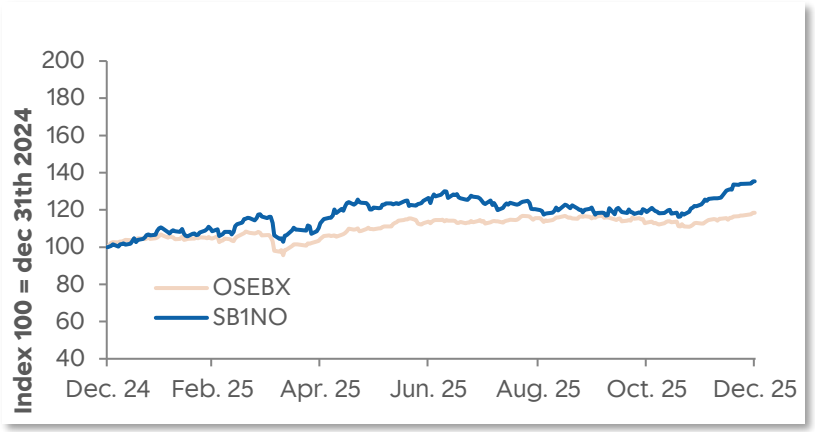
SB1NO

- International ownership is 17.2% per 4. quarter 2025
- Total market value at 4. quarter 2025 is NOK 74,5 billion

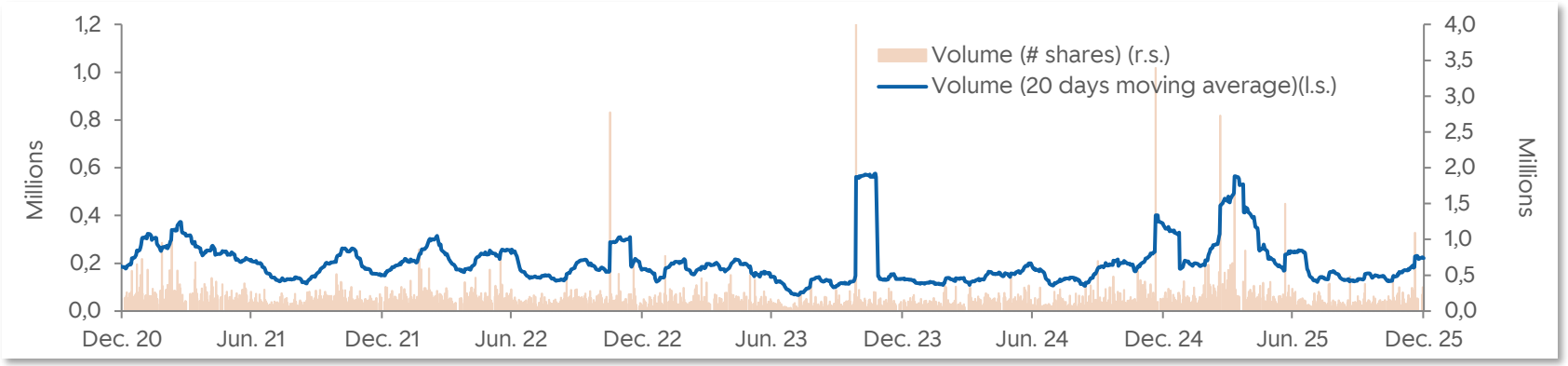
Development in Price/Book



Relative share price development



Trading volume development



SB1NO

- Number of shares issued 375.46 million
- Trading volume in Q4 2025: 3.0% (4.2%)

SB1NO	2025	2024	2023	2022	2021
Share price	198.40	146.60	128.90	120.70	133.20
Stock value (MNOK)	74,491	55,042	34,064	30,869	34,066
Book value per share (incl. Dividends) (group)	137.24	128.77	115.07	106.32	99.05
Earnings per share	16.98	13.08	16.27	12.88	12.08
Dividend per share	12.00	8.50	7.50	7.00	6.00
P/E	11.68	11.21	7.92	9.37	11.03
P/BV	1.44	1.14	1.12	1.14	1.34

Figures in parentheses as at 31 December 2024.

20 largest shareholders as at 31 December 2025

- Ownership interests:
  - International: 17.2% (17.4%)
  - 10 largest: 55.0% (53.1%)
  - 20 largest: 62.9% (62.4%)
- Number of shareholders: 22.538 (23.524)
- Employees owning 1.5% (1.5%) as at 31 December 2025

Investor	Number	Stake
Sparebankstiftelsen SR-Bank	78,677	21.0%
SpareBank 1 Stiftelsen BV	32,667	8.7%
Folketrygdfondet	26,068	6.9%
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	4,057	1.1%
State Street Bank and Trust Co, U.S.A.	3,492	0.9%
Verdipapirfondet KLP AksjeNorge	3,100	0.8%
J.P.Morgan SE, Luxembourg	3,099	0.8%
J.P.Morgan SE, Luxembourg	3,049	0.8%
Pareto Aksje Norge Verdipapirfond	3,022	0.8%
JPMorgan Chase Bank, N.A., London	3,018	0.8%
Verdipapirfondet Alfred Berg Gambak	2,983	0.8%
Verdipapirfondet DNB Norge Indeks	2,706	0.7%
J.P.Morgan SE, Luxembourg	2,697	0.7%
State Street Bank and Trust Co, U.S.A.	2,673	0.7%
Top 5	178,069	47.4%
Top 10	206,371	55.0%
Top 20	236,210	62.9%

Figures in parentheses as at 31 December 2024.

SpareBank 1 SØR-NORGE

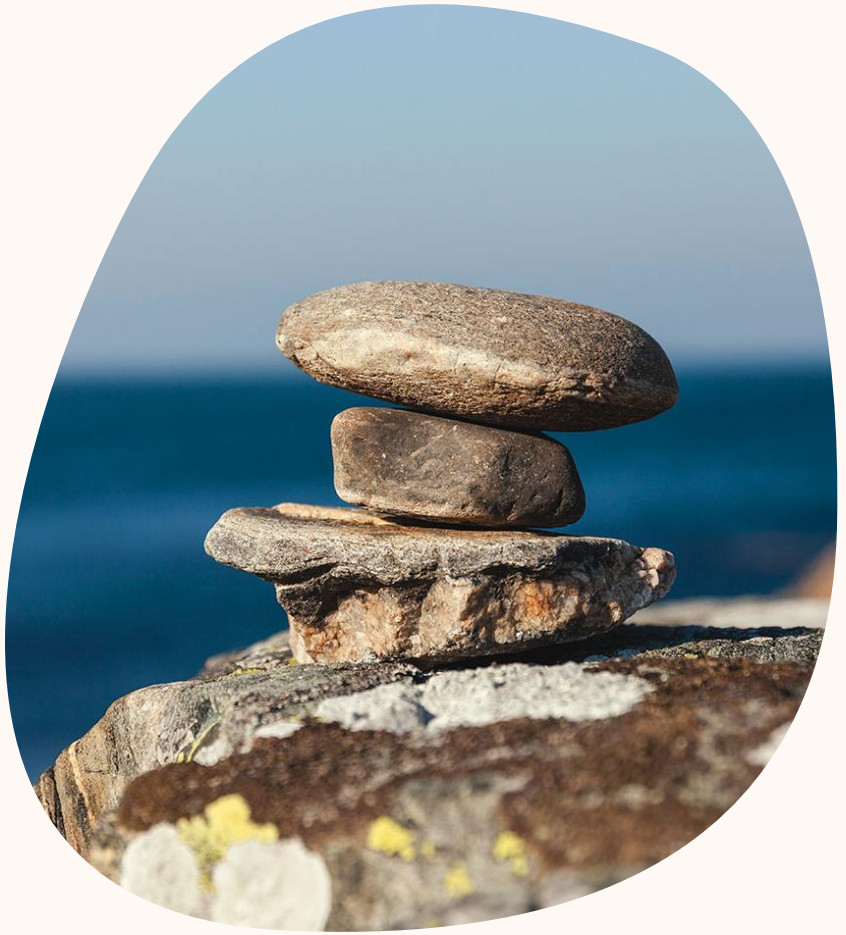
Disclaimer

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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SpareBank 1 SØR-NORGE