



Interim report

2024 Unaudited

4



Møre
Boligkreditt

Interim report from the Board of Directors

About the Company

Møre Boligkreditt AS is a wholly owned subsidiary of Sparebanken Møre. The company is licensed to operate as a mortgage company, issuing covered bonds. Møre Boligkreditt AS is Sparebanken Møre's most important source of market funding and an important part of the parent bank's long term funding strategy. The accounts have been prepared in accordance with IFRS. Figures in brackets refer to the corresponding period last year.

Results for Q4 2024

The financial statements of Møre Boligkreditt AS show a pre-tax profit of NOK 50 million in the fourth quarter of 2024 (NOK 28 million). Net interest income amounted to NOK 67 million (NOK 57 million) and costs ended at NOK 17 million (NOK 15 million). Net losses from financial instruments amounted to NOK 0 million in the fourth quarter of 2024 (NOK 14 million).

The quarterly accounts were charged with NOK 0 million in model-based losses on loans (ECL) (NOK 0 million) in the fourth quarter.

Profit after tax in the fourth quarter amounts to NOK 39 million (NOK 22 million).

Basis swap spreads are charged to other comprehensive income (OCI) with NOK 22 million after tax, compared with charged to OCI with NOK 11 million in the fourth quarter of 2023.

Net loans to and receivables from customers decreased by NOK 197 million in the fourth quarter of 2024.

No new bond loan volume was issued in the fourth quarter of 2024. One EUR 250 million bond loan matured in the fourth quarter, and an early redemption of NOK 1,000 million was made in a NOK denominated bond loan maturing 24th of February 2025.

Fourth quarter end results

By fourth quarter end 2024, the financial statements show a pre-tax profit of NOK 217 million (NOK 164 million). Net interest income amounts to NOK 283 million by fourth quarter end 2024 (NOK 237 million). Costs by year-end 2024, amounted to NOK 60 million (NOK 58 million). Net losses from financial instruments ended at NOK 12 million (NOK 14 million).

NOK 6 million in return on losses on loans were added to the accounts by fourth quarter end 2024 (by fourth quarter end 2023 the accounts were charged with NOK 1 million).

As at 31 December 2024, taxes amount to NOK 48 million (NOK 36 million), and profit after tax amounts to NOK 169 million (NOK 128 million).

Changes in value of basis swap spreads are charged to other comprehensive income (OCI) with NOK 30 million after tax by fourth quarter year end 2024, compared with NOK 29 million being charged at fourth quarter end 2023.

Financial position

Møre Boligkreditt AS has 11 bond loans outstanding at 31 December 2024 with a total book value bond debt of NOK 31,503 million (NOK 28,311 million). Møre Boligkreditt AS reports Net Stable Funding Ratio (NSFR) of 110 per cent as at 31 December 2024.

Net mortgage lending to customers amounted to NOK 35,746 million at fourth quarter end 2024 (NOK 32,357 million).

Total assets at year-end 2024 amounted to NOK 38,778 million (NOK 34,600 million). The ECL calculation 31 December 2024 shows expected credit losses of NOK 5 million for Møre Boligkreditt AS (NOK 11 million).

At year-end 2024, the average loan-to-value ratio is 57.3 per cent, calculated as mortgage amount relative to the value of the property used as collateral (55.1 per cent).

The company's substitute assets included in the cover pool amounted to NOK 1,147 million at the end of 2024 (NOK 854 million). Over-collateralisation, calculated as the nominal value of the cover pool relative to the nominal value of outstanding covered bond loan debt is 19.5 per cent as at 31 December 2024 (19.8 per cent).

Møre Boligkreditt AS' Liquidity Coverage Ratio (LCR) eligible assets amount to NOK 205 million as of 31 December 2024, reporting total LCR of 820 per cent by fourth quarter end 2024 (493 per cent by fourth quarter end 2023).

Rating

The rating agency Moody's has assigned Aaa-rating to all covered bond loans issued by Møre Boligkreditt AS.

Moody's has assigned long-term and short-term issuer ratings of A1/Prime-1, and long-term and short-term Counterparty Risk Ratings of A1/Prime-1 to Møre Boligkreditt AS, aligned with ratings of the parent bank, Sparebanken Møre

Capital strength

Paid in equity and retained earnings amount to NOK 1,776 million by fourth quarter end 2024 (NOK 1,665 million). Risk weighted assets amount to NOK 8,367 million (NOK 7,640 million). Net equity and subordinated loan capital amount to NOK 1,550 million (NOK 1,489). This corresponds to a Common Equity Tier 1 capital ratio of 18.5 per cent as at 31 December 2024 (19.5 per cent). The leverage ratio as at 31 December 2024 was 4.0 per cent (4.3 per cent). Møre Boligkreditt AS uses internal rating based (IRB) models to calculate capital requirements for credit risk.

Outlook

From December 2023 to December 2024 the Norwegian Consumer Price Index (CPI) increased by 2.2 per cent, while the CPI adjusted for tax changes and excluding energy products (CPI-ATE) rose by 2.7 per cent, marginally below Norges Bank's expectations but still above the long-term inflation target of 2 per cent.

Unemployment levels in Norway remain low. In December 2024, the national level of registered unemployment was 2.0 per cent, compared to 1.8 per cent in the county of Møre og Romsdal.

Norges Bank kept the policy rate unchanged at 4.5 per cent in their December meeting, and the rate path from the central bank indicates three policy rate cuts in 2025, the first in March.

The twelve-month growth in household loan debt in Norway is picking up and reported at 3.9 per cent in November 2024. National housing prices increased by 1 per cent in December 2024, seasonally adjusted, and are up by 6.4 per cent the last twelve months. Prices in Møre og Romsdal increased by 8,3 per cent in the same period.

The Board expects housing prices to increase further due to prospects of gradually decreasing mortgage interest rates, increased household purchasing power and constrained housing supply. The Board also expects further growth in household debt going forward. Unemployment levels, both on a national level and in the county of Møre og Romsdal, are expected to stay at low levels in 2025.

Ålesund, 31 December 2024
29 January 2025

THE BOARD OF DIRECTORS OF MØRE BOLIGKREDITT AS

KJETIL HAUGE, Chair
ELISABETH BLOMVIK
KRISTIAN TAFJORD
SANDRA MYHRE HELSETH

OLE ANDRE KJERSTAD, Managing Director

Statement of income

STATEMENT OF INCOME

(NOK million)	Note	Q4 2024	Q4 2023	2024	2023
Interest income from assets assessed at amortised cost	<u>3</u>	482	446	1 821	1 514
Interest income from assets assessed at fair value	<u>3</u>	47	37	166	141
Interest expenses	<u>3</u>	462	426	1 704	1 418
Net interest income	<u>3</u> <u>7</u>	67	57	283	237
Net gains/losses from financial instruments		0	-14	-12	-14
Total income		67	43	271	223
Wages, salaries and general administration expenses		1	0	3	2
Other operating expenses	<u>7</u>	16	15	57	56
Total operating expenses		17	15	60	58
Profit before impairment on loans		50	28	211	165
Impairment on loans	<u>4</u>	0	0	-6	1
Pre-tax profit		50	28	217	164
Taxes		11	6	48	36
Profit after tax		39	22	169	128

STATEMENT OF COMPREHENSIVE INCOME

(NOK million)	Q4 2024	Q4 2023	2024	2023
Profit after tax	39	22	169	128
Items that may subsequently be reclassified to the income statement:				
Basis swap spreads - changes in value	-28	-14	-38	-37
Tax effect of basis swap spreads	6	3	8	8
Total comprehensive income for the period	17	11	139	99

Balance sheet

ASSETS - compressed

(NOK million)	Note	31.12.2024	31.12.2023
Loans to and receivables from credit institutions 1)	<u>5 7</u>	1 911	1 384
Loans to and receivables from customers	<u>3 4 5</u>	35 746	32 357
Certificates and bonds	<u>5 6</u>	208	154
Financial derivatives	<u>5 6</u>	913	705
Total assets		38 778	34 600

1) NOK 789 million of a total of NOK 1,911 million in Loans to and receivables from credit institutions is the margin call balance on financial derivatives paid in by counterparties according to CSA

LIABILITIES AND EQUITY - compressed

(NOK million)	Note	31.12.2024	31.12.2023
Loans from credit institutions 2)	<u>5 7</u>	5 199	4 437
Debt securities issued	<u>5 6 7</u>	31 503	28 311
Financial derivatives	<u>5 6</u>	144	70
Tax payable		0	0
Incurring costs and prepaid income		1	1
Deferred tax		155	116
Total liabilities		37 002	32 935
Share capital		1 400	1 375
Share premium		250	175
Paid-in equity		1 650	1 550
Liability credit reserve		-43	-13
Retained earnings		169	128
Total equity	<u>2</u>	1 776	1 665
Total liabilities and equity		38 778	34 600

2) NOK 789 million of a total of NOK 5,199 million in Loans from credit institutions is the margin call balance on financial derivatives paid in by counterparties according to CSA

Statement of changes in equity

31.12.2024

(NOK million)	Total equity	Share capital	Share premium	Liability credit reserve	Retained earnings
Equity as at 31 December 2023	1 665	1 375	175	-13	128
Dividend paid	-128				-128
Share capital issue	100	25	75		
Total comprehensive income for the period	139			-30	169
Equity as at 31 December 2024	1 776	1 400	250	-43	169

The share capital consists of 1 120 000 shares at NOK 1 250, a total of NOK 1 400 million. All shares are owned by Sparebanken Møre. The NOK 100 million capital increase was fully paid in 7 March 2024, and registered in the Norwegian Register of Business Enterprises on 8 March 2024.

Proposed dividend as at 31 December 2024 amounted to NOK 169 million.

31.12.2023

(NOK million)	Total equity	Share capital	Share premium	Liability credit reserve	Retained earnings
Equity as at 31 December 2022	1 712	1 375	175	16	146
Dividend paid	-146				-146
Total comprehensive income for the period	99			-29	128
Equity as at 31 December 2023	1 665	1 375	175	-13	128

The share capital consists of 1 100 000 shares at NOK 1 250, a total of NOK 1 375 million. All shares are owned by Sparebanken Møre.

Statement of cash flow

(NOK million)	31.12.2024	31.12.2023
Cash flow from operating activities		
Interest, commission and fees received	1 960	1 639
Interest, commission and fees paid	-168	-184
Received interest, commission and fees related to certificates, bonds and other securities	28	17
Operating expenses paid	-60	-58
Income taxes paid/received	0	-28
Net cash inflow/outflow from loans to and receivables from other financial institutions	-228	-283
Payment for acquiring loans from the parent bank	-13 004	-12 386
Payment related to installment loans and credit lines to customers	9 621	10 491
Proceeds from the sale and settlement of certificates, bonds and other securities	3 754	2 673
Purchases of certificates, bonds and other securities	-3 808	-2 706
Changes in other assets	-51	-50
Net cash flow from operating activities	-1 956	-875
Cash flow from financing activities		
Paid interest, commission and fees related to issued bonds	-1 530	-1 235
Net change in loans from credit institutions	761	655
Proceeds from issued covered bonds	5 864	3 996
Redemption of issued covered bonds	-3 502	-2 890
Dividend paid	-128	-146
Changes in other debt	690	-65
Increase/reduction of share capital and premium	100	0
Net cash flow from financing activities	2 255	315
Net change in cash and cash equivalents	299	-560
Cash balance, OB	823	1 383
Cash balance, CB 1)	1 122	823

1) NOK 789 million of a total of NOK 1,911 million in Loans to and receivables from credit institutions is the margin call balance on financial derivatives paid in by counterparties according to CSA, and thus should not be included as cash balance at 31.12.2024 (NOK 561 million as at 31.12.2023).

Note 1

Møre Boligkreditt AS' interim accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU as of 31 December 2024. The interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. The accounts are prepared using the same principles and with the same methodology as the annual accounts for 2023.

All amounts are stated in NOK million unless stated otherwise.

The interim financial statements are not audited.

Note 2

Equity and related capital

Tier 1 capital and supplementary capital	31.12.2024	31.12.2023
Share capital and share premium	1 650	1 550
Liability credit reserve	-43	-13
Other equity	169	128
Total equity	1 776	1 665
Value adjustments of financial instruments at fair value	-4	-3
Expected IRB-losses exceeding ECL	-53	-45
Proposed dividends	-169	-128
Common Equity Tier 1 capital	1 550	1 489
Supplementary capital	0	0
Net equity and subordinated loan capital	1 550	1 489

Risk-Weighted Assets (RWA) by exposure classes

Credit risk - standardised approach	31.12.2024	31.12.2023
Regional governments or local authorities	0	0
Institutions (banks etc)	319	255
Covered bonds	8	8
Other items	0	0
Total credit risk - standardised approach	327	263

Credit risk - IRB Foundation

Retail - Secured by real estate	7 483	6 773
Retail - Other	0	0
Corporate lending	7	4
Total credit risk - IRB-Foundation	7 490	6 777

Credit valuation adjustment risk (CVA) - market risk	94	91
Operational risk (Basic indicator Approach)	455	509
Risk weighted assets (RWA)	8 367	7 640

Minimum requirement Common Equity Tier 1 capital (4.5 %)	377	344
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Buffer Requirement	31.12.2024	31.12.2023
Countercyclical buffer (2,5 %)	209	191
Capital conservation buffer (2.5 %)	209	191
Systemic risk buffer (4,5 %)	377	344
Total buffer requirements	795	726
Available Common Equity Tier 1 capital after buffer requirements	379	419

Capital adequacy as a percentage of the weighted asset calculation basis	31.12.2024	31.12.2023
Capital adequacy ratio	18.5 %	19.5 %
Tier 1 capital ratio	18.5 %	19.5 %
Common Equity Tier 1 capital ratio	18.5 %	19.5 %

Leverage ratio	31.12.2024	31.12.2023
Leverage ratio	4.0 %	4.3 %

Møre Boligkreditt AS' capital requirements at 31 December 2024 are based on IRB-Foundation.

Note 3

Møre Boligkreditt AS' business mainly comprises operations within the retail banking market. Møre Boligkreditt AS has only one operating segment.

Loans to and receivables from customers

31.12.2024	Gross loans measured at amortised cost	ECL Stage 1	ECL Stage 2	ECL Stage 3	Loans measured at fair value	Net loans to and receivables from customers
Loans to and receivables from customers	33 126	-1	-3	-1	2 625	35 746

31.12.2023	Gross loans measured at amortised cost	ECL Stage 1	ECL Stage 2	ECL Stage 3	Loans measured at fair value	Net loans to and receivables from customers
Loans to and receivables from customers	30 161	-2	-9	0	2 207	32 357

Net interest income

(NOK million)	31.12.2024	31.12.2023
Interest income from:		
Loans to and receivables from credit institutions	57	42
Loans to and receivables from customers	1 903	1 596
Certificates, bonds and other interest-bearing securities	27	17
Interest income	1 987	1 655
Interest expenses in respect of:		
Loans from credit institutions	167	176
Debt securities issued	1 530	1 235
Other interest expenses	7	7
Interest expenses	1 704	1 418
Net interest income	283	237

Note 4

Impairment, losses and non-performance

Møre Boligkreditt AS applies a three-stage approach when assessing ECL on loans to customers in accordance with IFRS 9.

- Stage 1: At initial recognition and if there's no significant increase in credit risk, the commitment is classified in stage 1 with 12-months ECL.
- Stage 2: If a significant increase in credit risk since initial recognition is identified, but without evidence of loss, the commitment is transferred to stage 2 with lifetime ECL measurement.
- Stage 3: If the credit risk increases further and there's evidence of loss, the commitment is transferred to stage 3.

Staging is performed at account level and implies that two or more accounts held by the same customer can be placed in different stages.

Specification of credit loss expense (NOK million)	Q4 2024	Q4 2023	2024	2023
Changes in Expected Credit Loss (ECL) in stage 1	0	0	-1	0
Changes in Expected Credit Loss (ECL) in stage 2	-1	0	-6	1
Changes in Expected Credit Loss (ECL) in stage 3	1	0	1	0
Total impairments on loans in the period	0	0	-6	1

Changes in ECL in the period (NOK million) - 31.12.2024	Stage 1	Stage 2	Stage 3	Total
ECL 31.12.2023	2	9	0	11
New loans	1	1	0	2
Disposal of loans	-1	-2	0	-3
Changes in ECL in the period for loans which have not migrated	-1	-2	0	-3
Migration to stage 1	0	-3	0	-3
Migration to stage 2	0	0	0	0
Migration to stage 3	0	0	1	1
Other changes	0	0	0	0
ECL 31.12.2024	1	3	1	5

Changes in ECL in the period (NOK million) - 31.12.2023	Stage 1	Stage 2	Stage 3	Total
ECL 31.12.2022	2	8	0	10
New loans	1	2	0	3
Disposal of loans	0	-2	0	-2
Changes in ECL in the period for loans which have not migrated	0	0	0	0
Migration to stage 1	0	-2	0	-2
Migration to stage 2	0	2	0	2
Migration to stage 3	0	0	0	0
Other changes	0	0	0	0
ECL 31.12.2023	2	9	0	11

Commitments (exposure) divided into risk groups based on probability of default (NOK million)

31.12.2024	Stage 1	Stage 2	Stage 3	Total
Low risk (0 % - < 0.5 %)	32 202	112	0	32 314
Medium risk (0.5 % - < 3 %)	819	1 361	0	2 180
High risk (3 % - <100 %)	30	476	2	508
PD = 100 %	-	-	3	3
Total commitments before ECL	33 051	1 949	5	35 005
- ECL	-1	-3	-1	-5
Loans to and receivables from customers 31.12.2024 *)	33 050	1 946	4	35 000

31.12.2023	Stage 1	Stage 2	Stage 3	Total
Low risk (0 % - < 0.5 %)	27 888	1 480	0	29 367
Medium risk (0.5 % - < 3 %)	161	1 858	0	2 019
High risk (3 % - <100 %)	4	426	0	431
PD=100 %	-	-	9	9
Total commitments before ECL	28 054	3 763	9	31 826
- ECL	-2	-9	0	-11
Loans to and receivables from customers 31.12.2023 *)	28 052	3 754	9	31 815

*) The tables above show exposures (incl. undrawn credit facilities) and are not including fixed rate loans assessed at fair value. The figures are thus not reconcilable against balances in the statement of financial position.

Note 5

Financial instruments

CLASSIFICATION AND MEASUREMENT

The company's portfolio of financial instruments is at initial recognition classified in accordance with IFRS 9. Financial assets are classified in one of the following categories:

- Amortised cost
- Fair value with any changes in value through the income statement

The classification of the financial assets depends on two factors:

- The purpose of the acquisition of the financial instrument
- The contractual cash flows from the financial assets

Financial assets measured at amortised cost

The classification of the financial assets assumes that the following requirements are met:

- The asset is acquired to receive contractual cash flows
- The contractual cash flows consist solely of principal and interest

With the exception of fixed rate loans, all lending and receivables are recorded in the accounts at amortised cost, based on expected cash flows. The difference between the issue cost and the settlement amount at maturity, is amortised over the lifetime of the loan.

Financial liabilities measured at amortised cost

Debt securities, including debt securities included in fair value hedging and loans and deposits from credit institutions, are measured at amortised cost based on expected cash flows.

Financial instruments measured at fair value, any changes in value recognised through the income statement

The company's portfolio of bonds in the liquidity portfolio is classified at fair value with any value changes through the income statement, based on the business model of the company.

The portfolio of fixed interest rate loans is measured at fair value to avoid accounting mismatch in relation to the underlying interest rate swaps.

Financial derivatives are instruments used to mitigate any interest- or currency risk incurred by the company. Financial derivatives are recorded at fair value, with any changes in value through the income statement, and recognised gross per contract, as either asset or debt.

Changes in basis swaps effects for swaps included in fair value hedging are recognised in OCI.

Losses and gains as a result of value changes on assets and liabilities measured at fair value with any value changes being recognised in the income statement, are included in the accounts during the period in which they occur.

LEVELS IN THE VALUATION HIERARCHY

Financial instruments at fair value are classified into different levels based on the quality of market data for each type of instrument.

Level 1 – Valuation based on prices in an active market

Level 1 comprises financial instruments valued by using quoted prices in active markets for identical assets or liabilities. This category includes bonds and certificates in LCR-level 1, traded in active markets.

Level 2 – Valuation based on observable market data

Level 2 comprises financial instruments valued by using information which is not quoted prices, but where prices are directly or indirectly observable for assets or liabilities, including quoted prices in inactive markets for identical assets or liabilities. This category mainly includes derivatives and bonds which are not included in level 1.

Level 3 – Valuation based on other than observable market data

Level 3 comprises financial instruments which cannot be valued based on directly or indirectly observable prices. Loans to customers are included in this category.

A change of 10 basis points in the discount rate will have an effect of approximately NOK 5.7 million on the valuation of the fixed rate loans as at 31.12.2024.

Classification of financial instruments	Financial instruments at fair value through profit or loss		Financial instruments carried at amortised cost	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023
Loans to and receivables from credit institutions			1 911	1 384
Loans to and receivables from customers	2 625	2 207	33 121	30 150
Certificates and bonds	208	154		
Financial derivatives	913	705		
Total financial assets	3 746	3 066	35 032	31 534
Loans from credit institutions			5 199	4 437
Debt securities issued			31 503	28 311
Financial derivatives	144	70		
Total financial liabilities	144	70	36 702	32 748

Fair value of financial instruments at amortised cost	31.12.2024		31.12.2023	
	Fair value	Book value	Fair value	Book value
Loans to and receivables from credit institutions	1 911	1 911	1 384	1 384
Loans to and receivables from customers	33 121	33 121	30 150	30 150
Total financial assets	35 032	35 032	31 534	31 534
Loans from credit institutions	5 199	5 199	4 437	4 437
Debt securities issued	31 553	31 503	28 406	28 311
Total financial liabilities	36 752	36 702	32 843	32 748

Financial instruments at fair value - 31.12.2024	Based on prices in an active market	Observable market information	Other than observable market information	Total
	Level 1	Level 2	Level 3	
Loans to and receivables from customers			2 625	2 625
Certificates and bonds	208			208
Financial derivatives		913		913
Total financial assets	208	913	2 625	3 746
Financial derivatives		144		144
Total financial liabilities	-	144	-	144

Financial instruments at fair value - 31.12.2023	Based on prices in an active market	Observable market information	Other than observable market information	Total
	Level 1	Level 2	Level 3	
Loans to and receivables from customers			2 207	2 207
Certificates and bonds	154			154
Financial derivatives		705		705
Total financial assets	154	705	2 207	3 066
Financial derivatives		70		70
Total financial liabilities	-	70	-	70

Reconciliation of movements in Level 3 during the period	Loans to and receivables from customers
Book value as at 31.12.2023	2 207
Purchase/increase	858
Sales/reduction	-431
Transferred to Level 3	0
Transferred out of Level 3	0
Gains/losses during the period	-9
Book value as at 31.12.2024	2 625

Reconciliation of movements in Level 3 during the period	Loans to and receivables from customers
Book value as at 31.12.2022	2 446
Purchase/increase	232
Sales/reduction	-487
Transferred to Level 3	0
Transferred out of Level 3	0
Gains/losses during the period	16
Book value as at 31.12.2023	2 207

Note 6

Issued covered bonds

Securities issued at floating interest rates are measured at amortised cost. Fair value hedge accounting is used for the company's securities issued at fixed rate terms, and changes in fair value (due to the hedged risk) are recognized in profit and loss.

Covered bonds (NOK million)							
ISIN code	Curr.	Nominal value 31.12.2024	Interest	Issued	Maturity	31.12.2024	31.12.2023
NO0010588072	NOK	1 050	fixed NOK 4.75 %	2010	2025	1 060	1 066
XS0968459361	EUR	25	fixed EUR 2.81 %	2013	2028	299	289
NO0010819543	NOK	-	3M Nibor + 0.42 %	2018	2024	-	2 351
NO0010836489	NOK	1 000	fixed NOK 2.75 %	2018	2028	940	956
NO0010853096	NOK	2 000	3M Nibor + 0.37 %	2019	2025	2 010	3 015
XS2063496546	EUR	-	fixed EUR 0.01 %	2019	2024	-	2 734
NO0010884950	NOK	3 000	3M Nibor + 0.42 %	2020	2025	3 006	3 006
XS2233150890	EUR	30	3M Euribor +0.75 %	2020	2027	359	345
NO0010951544	NOK	6 000	3M Nibor + 0.75 %	2021	2026	6 063	5 074
XS2389402905	EUR	250	fixed EUR 0.01 %	2021	2026	2 826	2 625
XS2556223233	EUR	250	fixed EUR 3.125 %	2022	2027	2 965	2 823
NO0012908617	NOK	6 000	3M Nibor + 0.54 %	2023	2028	6 043	4 027
XS2907263284	EUR	500	fixed EUR 2,63 %	2024	2029	5 932	-
Total borrowings raised through the issue of securities (incl. accrued interest)						31 503	28 311

Cover pool (NOK million)	31.12.2024	31.12.2023
Eligible mortgages (nominal)	35 428	32 162
Substitute assets	1 147	854
Total collateralised assets	36 575	33 016

Covered bonds issued (NOK million)	31.12.2024	31.12.2023
Covered bonds (nominal) 1)	30 603	27 554
-of which own holding (covered bonds)	0	0

1) Swap exchange rates are applied for outstanding debt in currencies other than NOK

Over-collateralisation (in %) (Nominal calculation)	31.12.2024	31.12.2023
(Eligible mortgages + Substitute assets-Covered bonds) / Covered bonds	19.5	19.8

Liquidity Coverage Ratio (LCR)	31.12.2024	31.12.2023
Liquid Assets	200	147
Net liquidity outflow next 30 days	24	30
LCR ratio -Total	820%	493%
LCR ratio - NOK	820%	493%
LCR ratio - EUR	N/A	N/A

Net Stable Funding Ratio (NSFR)	31.12.2024	31.12.2023
Available amount of stable funding	33 613	30 030
Required amount of stable funding	30 639	27 615
NSFR ratio	110%	109%

Note 7

Transactions with related parties

Møre Boligkreditt AS purchases services from Sparebanken Møre. There are also transactions between the parties related to acquisition of loan portfolios and Sparebanken Møre providing loans and credits to the mortgage company.

Loans from Sparebanken Møre are transferred at market value. If the purchased mortgage loans have fixed interest rates, the purchase price is adjusted according to the value above/below par. Sparebanken Møre is responsible for ensuring that the loans transferred to Møre Boligkreditt AS are properly established and in accordance with the requirements specified in the agreement between the mortgage company and the parent bank. In case of a violation of these requirements, the parent bank will be liable for any losses that the mortgage company would experience as a result of the error. Sparebanken Møre and Møre Boligkreditt AS have formalised the settlement of interest for transaction days from date of transfer of loan portfolio to date of settlement of the consideration.

Mortgages with fixed interest rates constitutes 8 per cent of total mortgage volume and are hedged by interest rate swap agreements with the parent bank. The company can also hedge fixed rate, and/or borrowing in other currency than NOK, against the parent bank, using ISDA/CSA swap agreements. By end of Q4-2024, a covered bond loan volume of EUR 500 million was hedged against the parent bank.

The pricing of the services provided by Sparebanken Møre to Møre Boligkreditt AS distinguishes between fixed and variable expenses for the mortgage company. Fixed expenses are defined as expenses the mortgage company must bear regardless of the activity related to the issuance of covered bonds, the acquisition of portfolio, etc. Variable expenses are defined as expenses related to the size of the portfolio acquired from Sparebanken Møre and the work that must be exercised by the bank's employees to deliver satisfactory services given the number of customers in the portfolio.

Møre Boligkreditt AS is billed for expenses related to the lease of premises at Sparebanken Møre. It is assumed that regardless of operations, a certain area of the bank attributable to the mortgage company is utilised during the year. Regardless of the extent of the activity and the loan portfolio acquired by Møre Boligkreditt AS, charges related to accounting, financial reporting, risk management, cash management, financing, governance and general legal services will incur.

Sparebanken Møre bills the mortgage company based on actual salary expenses, including social security contribution, pension expense and other social expenses. Parts of the mortgage company's expenses related to services provided by Sparebanken Møre relates to the size of the portfolio acquired from Sparebanken Møre. Management fee is calculated and billed monthly, in which the month's average portfolio size forms the basis of billing.

The interest rate of the mortgage company's deposit and credit limit in Sparebanken Møre is based on 3 months NIBOR + a premium.

The most important transactions are as follows:

(NOK million)	31.12.2024	31.12.2023
Statement of income:		
Interest and credit commission income from Sparebanken Møre related to deposits	57	42
Interest and credit commission paid to Sparebanken Møre related to loan/credit facility	167	176
Interest paid to Sparebanken Møre related to bonded debt	16	6
Management fee paid to Sparebanken Møre	50	49
Balance sheet:		
Deposits in Sparebanken Møre 1)	1 911	1 384
Covered bonds held by Sparebanken Møre as assets	281	0
Loan/credit facility in Sparebanken Møre	4 410	3 876
Intragroup hedging	465	306
Accumulated transferred loan portfolio from Sparebanken Møre	35 751	32 368

1) NOK 789 million of a total of NOK 1,911 million of deposits in Sparebanken Møre is the margin call balance on financial derivatives paid in by counterparties according to CSA as at 31.12.2024

Note 8

Events after the reporting date

No events of material significance for the financial statements for Q4-2024 have occurred after the reporting date. The company is not involved in any legal proceedings.

Profit performance

QUARTERLY PROFIT (NOK million)	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Net interest income	67	72	74	70	57
Other operating income	0	-5	-3	-4	-14
Total operating expenses	17	14	14	15	15
Profit before impairment on loans	50	53	57	51	28
Impairment on loans	0	-1	-3	-2	0
Pre-tax profit	50	54	60	53	28
Taxes	11	12	13	12	6
Profit after tax	39	42	47	41	22

As a percentage of average assets:

Net interest income	0.71	0.82	0.86	0.79	0.64
Other operating income	0.00	-0.05	-0.04	-0.05	-0.15
Total operating expenses	0.18	0.15	0.17	0.17	0.17
Profit before impairment on loans	0.53	0.62	0.65	0.57	0.32
Impairment on loans	-0.01	0.00	-0.04	-0.02	0.00
Pre-tax profit	0.54	0.62	0.69	0.59	0.32
Taxes	0.12	0.14	0.15	0.13	0.07
Profit after tax	0.42	0.48	0.54	0.46	0.25

Average total assets (NOK million)	37 918	34 771	34 258	35 808	35 468
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ACCUMULATED PROFIT FOR THE YEAR (NOK million)	31.12.2024	31.12.2023
Net interest income	283	237
Other operating income	-12	-14
Total operating expenses	60	58
Profit before impairment on loans	211	165
Impairment on loans	-6	1
Pre-tax profit	217	164
Taxes	48	36
Profit after tax	169	128

As a percentage of average assets:

Net interest income	0.79	0.69
Other operating income	-0.03	-0.04
Total operating expenses	0.17	0.17
Profit before impairment on loans	0.59	0.48
Impairment on loans	-0.02	0.00
Pre-tax profit	0.61	0.48
Taxes	0.14	0.11
Profit after tax	0.47	0.37

Average total assets (NOK million)	35 689	34 524
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Møre Boligkreditt AS

A company in the Sparebanken Møre Group

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