

2025 Unaudited



Q1 Interim report



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 Q1 2025

The financial statements of Møre Boligkreditt AS show a pre-tax profit of NOK 55 million in the first quarter of 2025 (NOK 53 million). Net interest income amounted to NOK 72 million (NOK 70 million), and costs ended at NOK 17 million (NOK 15 million).

The ECL amounted to NOK 1 million in the quarter (return on losses on loans of NOK 2 million). Profit after tax amounted to NOK 43 million (NOK 41 million).

Net loans to and receivables from customers decreased with NOK 654 million in the first quarter of 2025. Net mortgage lending to customers amounted to NOK 35,092 million at first quarter end 2025 (NOK 31,960 million).

One bond loan with outstanding debt of NOK 2,000 million at the start of the quarter, matured 24 February 2025. Møre Boligkreditt AS had 10 bond loans outstanding at 31 March 2025 with a total book value bond debt of NOK 29,365 million (NOK 29,375 million). Møre Boligkreditt AS reported Net Stable Funding Ratio (NSFR) of 108 per cent as at 31 March 2025.

Total assets at first quarter end 2025 amounted to NOK 37,134 million (NOK 35,488 million). The ECL calculation as at 31 March 2025 shows expected credit losses of NOK 6 million for Møre Boligkreditt AS (NOK 10 million).

At first quarter end 2025, the mortgages in the cover pool had an average loan-to-value ratio of 55.7 per cent, calculated as mortgage amount relative to the value of the property used as collateral (53.9 per cent).

The company's substitute assets included in the cover pool amounted to NOK 534 million at end-March 2025 (NOK 1,427 million). Over-collateralisation, calculated as the nominal value of the cover pool relative to the nominal value of outstanding covered bond loan debt was 23.7 per cent as at 31 March 2025 (17.7 per cent).

Møre Boligkreditt AS' Liquidity Coverage Ratio (LCR) eligible assets amount to NOK 242 million as of 31 March 2025, reporting total LCR of 982 per cent by first quarter end.

Capital strength

In the first quarter of 2025, Møre Boligkreditt AS increased its equity with NOK 500 million through a directed issue of 100,000 shares. The capital increase was fully paid in by Sparebanken Møre, the owner of all shares in Møre Boligkreditt AS. At the end of the first quarter, paid in equity and retained earnings amounted to NOK 2,157 million (NOK 1,674 million). Risk weighted assets amounted to NOK 8,140 million (NOK 7,785 million). Net equity and subordinated loan capital amounted to NOK 2,047 million at end-March 2025 (NOK 1,588 million). This corresponds to a Common Equity Tier 1 capital ratio of 25.1 per cent (20.4 per cent). Leverage ratio at end-March 2025 is 5.5 per cent (4.6 per cent). Møre Boligkreditt AS uses internal rating based (IRB) models to calculate capital requirements for credit risk.

Regulatory changes

In the first quarter, the Norwegian Financial Supervisory Authority (FSA) decided on a minimum Liquidity Coverage Ratio (LCR) requirement in foreign currency for institutions that have significant currencies

other than NOK. Currencies that account for minimum 5 per cent of an institution's total liabilities are considered to be significant currencies.

The Norwegian Ministry of Finance (MoF) adopted regulatory amendments that determined how CRR III is to be implemented in Norway. The Regulations will enter into force in Norway 1 April 2025. The increase of minimum average risk weight floor for mortgages secured by Norwegian residential real estate applicable to banks using the internal ratings-based approach (IRB) from 20 to 25 percent, with effect from 1 July 2025, will increase Møre Boligkreditt AS' risk exposure amount and reduce the capital ratio with 4.6 percentage points calculated with Q1-25 input.

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 parent bank Sparebanken Møre.

Outlook

From March 2024 to March 2025, the Norwegian Consumer Price Index (CPI) rose by 2.6 percent, while the CPI adjusted for tax changes and excluding energy products (CPI-ATE) increased by 3.4 percent. Although CPI levels have declined since the previous quarter, they remain above both Norges Bank's projections and its long-term inflation target of 2 percent. Strong wage growth and a weak krone exchange rate is contributing to more persistent inflationary pressures.

Unemployment in Norway remains low. In March 2025, the national registered unemployment rate stood at 2.1 percent, compared to 1.8 percent in the county of Møre og Romsdal. Unemployment is expected to rise slightly in the coming quarters, both nationally and regionally, but is projected to remain at relatively low levels.

The national twelve-month growth rate in household loan debt continues to trend upward, reaching 4.0 percent in February 2025. Seasonally adjusted national housing prices rose by 0.1 percent in March 2025 and have increased by 7.0 percent over the past year. The Board expects the strong housing price growth observed in the first quarter of 2025 to ease over the remainder of the year.

Norges Bank has held the policy rate steady at 4.5 percent so far this year. According to the central bank's projected rate path, the policy rate is expected to decline to 4.0 percent by the end of 2025. Nevertheless, uncertainty surrounding future economic developments remains elevated. The recently announced trade policies by the U.S. administration have caused great volatility in financial markets, as they could significantly impact the global economy. The Board anticipates that the uncertainty and volatility will persist well into the next quarter and perhaps even longer.

Ålesund, 31 March 2025

29 April 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 | Q1 2025 | Q1 2024 | 2024 |
|--|------------|---------|---------|-------|
| Interest income from assets assessed at amortised cost | <u>3</u> | 460 | 452 | 1 821 |
| Interest income from assets assessed at fair value | <u>3</u> | 49 | 41 | 166 |
| Interest expenses | <u>3</u> | 437 | 423 | 1 704 |
| Net interest income | <u>3 7</u> | 72 | 70 | 283 |
| Net gains/losses from financial instruments | | 1 | -4 | -12 |
| Total income | | 73 | 66 | 271 |
| Wages, salaries and general administration expenses | | 1 | 1 | 3 |
| Other operating expenses | <u>7</u> | 16 | 14 | 57 |
| Total operating expenses | | 17 | 15 | 60 |
| Profit before impairment on loans | | 56 | 51 | 211 |
| Impairment on loans | <u>4</u> | 1 | -2 | -6 |
| Pre-tax profit | | 55 | 53 | 217 |
| Taxes | | 12 | 12 | 48 |
| Profit after tax | | 43 | 41 | 169 |

STATEMENT OF COMPREHENSIVE INCOME

| (NOK million) | Q1 2025 | Q1 2024 | 2024 |
|--|---------|---------|------|
| Profit after tax | 43 | 41 | 169 |
| Items that may subsequently be reclassified to the income statement: | | | |
| Basis swap spreads - changes in value | 9 | -5 | -38 |
| Tax effect of basis swap spreads | -2 | 1 | 8 |
| Total comprehensive income for the period | 50 | 37 | 139 |

Balance sheet

ASSETS - compressed

| (NOK million) | Note | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|--|--------------|---------------|---------------|---------------|
| Loans to and receivables from credit institutions 1) | <u>5 7</u> | 983 | 2 243 | 1 911 |
| Loans to and receivables from customers | <u>3 4 5</u> | 35 092 | 31 960 | 35 746 |
| Certificates and bonds | <u>5 6</u> | 261 | 157 | 208 |
| Financial derivatives | <u>5 6</u> | 794 | 1 123 | 913 |
| Other assets | | 4 | 5 | 0 |
| Total assets | | 37 134 | 35 488 | 38 778 |

1) NOK 473 million of a total of NOK 983 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 | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|-------------------------------------|--------------|---------------|---------------|---------------|
| Loans from credit institutions 2) | <u>5 7</u> | 5 302 | 4 226 | 5 199 |
| Debt securities issued | <u>5 6 7</u> | 29 365 | 29 375 | 31 503 |
| Financial derivatives | <u>5 6</u> | 137 | 85 | 144 |
| Tax payable | | 14 | 10 | 0 |
| Incurred costs and prepaid income | | 4 | 2 | 1 |
| Deferred tax | | 155 | 116 | 155 |
| Total liabilities | | 34 977 | 33 814 | 37 002 |
| Share capital | | 1 525 | 1 400 | 1 400 |
| Share premium | | 625 | 250 | 250 |
| Paid-in equity | | 2 150 | 1 650 | 1 650 |
| Liability credit reserve | | -43 | -13 | -43 |
| Retained earnings | | 50 | 37 | 169 |
| Total equity | <u>2</u> | 2 157 | 1 674 | 1 776 |
| Total liabilities and equity | | 37 134 | 35 488 | 38 778 |

2) NOK 473 million of a of total NOK 5,302 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

31.03.2025

| (NOK million) | Total equity | Share capital | Share premium | Liability credit reserve | Retained earnings |
|---|--------------|---------------|---------------|--------------------------|-------------------|
| Equity as at 31 December 2024 | 1 776 | 1 400 | 250 | -43 | 169 |
| Dividend paid | -169 | | | | -169 |
| Share capital issue | 500 | 125 | 375 | | |
| Total comprehensive income for the period | 50 | | | | 50 |
| Equity as at 31 March 2025 | 2 157 | 1 525 | 625 | -43 | 50 |

The share capital consists of 1 220 000 shares at NOK 1 250, a total of NOK 1 525 million. All shares are owned by Sparebanken Møre. The NOK 500 million capital increase was fully paid in on 18 March 2025, and registered in the Norwegian Register of Business Enterprises on 24 March 2025.

31.03.2024

| (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 | 37 | | | | 37 |
| Equity as at 31 March 2024 | 1 674 | 1 400 | 250 | -13 | 37 |

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.

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.

Statement of cash flow

| (NOK million) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|--|------------|------------|------------|
| Cash flow from operating activities | | | |
| Interest, commission and fees received | 498 | 487 | 1 960 |
| Interest, commission and fees paid | -62 | -58 | -168 |
| Received interest, commission and fees related to certificates, bonds and other securities | 11 | 8 | 28 |
| Operating expenses paid | -17 | -15 | -60 |
| Income taxes paid/received | 0 | 0 | 0 |
| Net cash inflow/outflow from loans to and receivables from other financial institutions | 316 | -287 | -228 |
| Payment for acquiring loans from the parent bank | -1 732 | -1 873 | -13 004 |
| Payment related to installment loans and credit lines to customers | 2 386 | 2 272 | 9 621 |
| Proceeds from the sale and settlement of certificates, bonds and other securities | 1 943 | 1 232 | 3 754 |
| Purchases of certificates, bonds and other securities | -1 998 | -1 239 | -3 808 |
| Changes in other assets | 12 | -7 | -51 |
| Net cash flow from operating activities | 1 357 | 520 | -1 956 |
| Cash flow from financing activities | | | |
| Paid interest, commission and fees related to issued bonds | -380 | -368 | -1 530 |
| Net change in loans from credit institutions | 103 | -211 | 761 |
| Proceeds from issued covered bonds | 0 | 3 044 | 5 864 |
| Redemption of issued covered bonds | -2 003 | -2 358 | -3 502 |
| Dividend paid | -169 | -128 | -128 |
| Changes in other debt | -20 | -26 | 690 |
| Increase/reduction of share capital and premium | 500 | 100 | 100 |
| Net cash flow from financing activities | -1 969 | 53 | 2 255 |
| Net change in cash and cash equivalents | -612 | 573 | 299 |
| Cash balance, OB | 1 122 | 823 | 823 |
| Cash balance, CB 1) | 510 | 1 396 | 1 122 |

1) NOK 473 million of a total of NOK 983 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 31.03.2025 (NOK 847 million as at 31.03.2024 and NOK 789 million as at 31.12.2024).

Note 1

Accounting principles

Møre Boligkreditt AS' interim accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the EU as of 31 March 2025. 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 2024.

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 | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|--|------------|------------|------------|
| Share capital and share premium | 2 150 | 1 650 | 1 650 |
| Liability credit reserve | -43 | -13 | -43 |
| Other equity | 50 | 37 | 169 |
| Total equity | 2 157 | 1 674 | 1 776 |
| Value adjustments of financial instruments at fair value | -4 | -3 | -4 |
| Expected IRB-losses exceeding ECL | -56 | -46 | -53 |
| Dividends | 0 | 0 | -169 |
| Deductions for total comprehensive income for the period | -50 | -37 | 0 |
| Common Equity Tier 1 capital | 2 047 | 1 588 | 1 550 |
| Supplementary capital | 0 | 0 | 0 |
| Net equity and subordinated loan capital | 2 047 | 1 588 | 1 550 |

Risk-Weighted Assets (RWA) by exposure classes

| Credit risk - standardised approach | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---|------------|------------|------------|
| Regional governments or local authorities | 0 | 0 | 0 |
| Institutions (banks etc) | 195 | 421 | 319 |
| Covered bonds | 16 | 8 | 8 |
| Other items | 4 | 5 | 0 |
| Total credit risk - standardised approach | 215 | 434 | 327 |

Credit risk - IRB Foundation

| | | | |
|------------------------------------|-------|-------|-------|
| Retail - Secured by real estate | 7 360 | 6 695 | 7 483 |
| Retail - Other | 10 | 3 | 0 |
| Corporate lending | 7 | 3 | 7 |
| Total credit risk - IRB-Foundation | 7 377 | 6 701 | 7 490 |

Credit valuation adjustment risk (CVA) - market risk

| | | | |
|--|----|-----|----|
| Credit valuation adjustment risk (CVA) - market risk | 93 | 141 | 94 |
|--|----|-----|----|

Operational risk (Basic indicator Approach)

| | | | |
|---|-----|-----|-----|
| Operational risk (Basic indicator Approach) | 455 | 509 | 455 |
|---|-----|-----|-----|

Risk weighted assets (RWA)

| | | | |
|----------------------------|-------|-------|-------|
| Risk weighted assets (RWA) | 8 140 | 7 785 | 8 367 |
|----------------------------|-------|-------|-------|

Minimum requirement Common Equity Tier 1 capital (4.5 %)

| | | | |
|--|-----|-----|-----|
| Minimum requirement Common Equity Tier 1 capital (4.5 %) | 366 | 350 | 377 |
|--|-----|-----|-----|

| Buffer Requirement | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---|-------------------|-------------------|-------------------|
| Countercyclical buffer (2,5 %) | 204 | 195 | 209 |
| Capital conservation buffer (2.5 %) | 204 | 195 | 209 |
| Systemic risk buffer (4,5 %) | 366 | 350 | 377 |
| Total buffer requirements | 773 | 740 | 795 |
| Available Common Equity Tier 1 capital after buffer requirements | 907 | 498 | 379 |
| | | | |
| Capital adequacy as a percentage of the weighted asset calculation basis | 31.03.2025 | 31.03.2024 | 31.12.2024 |
| Capital adequacy ratio | 25.1 % | 20.4 % | 18.5 % |
| Tier 1 capital ratio | 25.1 % | 20.4 % | 18.5 % |
| Common Equity Tier 1 capital ratio | 25.1 % | 20.4 % | 18.5 % |
| | | | |
| Leverage ratio | 31.03.2025 | 31.03.2024 | 31.12.2024 |
| Leverage ratio | 5.5 % | 4.6 % | 4.0 % |

Møre Boligkreditt AS' capital requirements at 31 March 2025 are based on IRB-Foundation.

Note 3

Operating segments

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

| 31.03.2025 | 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 | 32 674 | -1 | -4 | -1 | 2 424 | 35 092 |

| 31.03.2024 | 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 | 29 815 | -2 | -7 | -1 | 2 155 | 31 960 |

| 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 |

Net interest income

| (NOK million) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---|------------|------------|------------|
| Interest income from: | | | |
| Loans to and receivables from credit institutions | 7 | 17 | 57 |
| Loans to and receivables from customers | 490 | 469 | 1 903 |
| Certificates, bonds and other interest-bearing securities | 12 | 7 | 27 |
| Interest income | 509 | 493 | 1 987 |
| Interest expenses in respect of: | | | |
| Loans from credit institutions | 56 | 53 | 167 |
| Debt securities issued | 379 | 368 | 1 530 |
| Other interest expenses | 2 | 2 | 7 |
| Interest expenses | 437 | 423 | 1 704 |
| Net interest income | 72 | 70 | 283 |

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) | Q1 2025 | Q1 2024 | 2024 |
|--|---------|---------|------|
| Changes in Expected Credit Loss (ECL) in stage 1 | 0 | 0 | -1 |
| Changes in Expected Credit Loss (ECL) in stage 2 | 1 | -2 | -6 |
| Changes in Expected Credit Loss (ECL) in stage 3 | 0 | 0 | 1 |
| Total impairments on loans in the period | 1 | -2 | -6 |

| Changes in ECL in the period (NOK million) - 31.03.2025 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|---------|---------|---------|-------|
| ECL 31.12.2024 | 1 | 3 | 1 | 5 |
| New loans | 0 | 0 | 0 | 0 |
| Disposal of loans | 0 | 0 | 0 | 0 |
| Changes in ECL in the period for loans which have not migrated | 0 | 1 | 0 | 1 |
| Migration to stage 1 | 0 | 0 | 0 | 0 |
| Migration to stage 2 | 0 | 0 | 0 | 0 |
| Migration to stage 3 | 0 | 0 | 0 | 0 |
| Other changes | 0 | 0 | 0 | 0 |
| ECL 31.03.2025 | 1 | 4 | 1 | 6 |

| Changes in ECL in the period (NOK million) - 31.03.2024 | Stage 1 | Stage 2 | Stage 3 | Total |
|--|---------|---------|---------|-------|
| ECL 31.12.2023 | 2 | 9 | 0 | 11 |
| New loans | 0 | 0 | 0 | 0 |
| Disposal of loans | 0 | -1 | 0 | -1 |
| Changes in ECL in the period for loans which have not migrated | 0 | -1 | 0 | -1 |
| Migration to stage 1 | 0 | -1 | 0 | -1 |
| Migration to stage 2 | 0 | 1 | 0 | 1 |
| Migration to stage 3 | 0 | 0 | 1 | 1 |
| Other changes | 0 | 0 | 0 | 0 |
| ECL 31.03.2024 | 2 | 7 | 1 | 10 |

| 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 |

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

| 31.03.2025 | Stage 1 | Stage 2 | Stage 3 | Total |
|---|---------|---------|---------|--------|
| Low risk (0 % - < 0.5 %) | 31 845 | 54 | 0 | 31 899 |
| Medium risk (0.5 % - < 3 %) | 893 | 1 220 | 0 | 2 113 |
| High risk (3 % - <100 %) | 35 | 514 | 0 | 549 |
| PD = 100 % | - | - | 11 | 11 |
| Total commitments before ECL | 32 773 | 1 788 | 11 | 34 572 |
| - ECL | -1 | -4 | -1 | -6 |
| Loans to and receivables from customers 31.03.2025 *) | 32 772 | 1 784 | 10 | 34 566 |

| 31.03.2024 | Stage 1 | Stage 2 | Stage 3 | Total |
|---|----------------|----------------|----------------|--------------|
| Low risk (0 % - < 0.5 %) | 28 440 | 596 | 0 | 29 036 |
| Medium risk (0.5 % - < 3 %) | 209 | 1 862 | 0 | 2 071 |
| High risk (3 % - <100 %) | 5 | 488 | 0 | 493 |
| PD = 100 % | - | - | 2 | 2 |
| Total commitments before ECL | 28 654 | 2 946 | 2 | 31 602 |
| - ECL | -2 | -7 | -1 | -10 |
| Loans to and receivables from customers 31.03.2024 *) | 28 652 | 2 939 | 1 | 31 592 |

| 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 |

*) 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 million on the valuation of the fixed rate loans as at 31.03.2025.

| Classification of financial instruments | Financial instruments at fair value through profit or loss | | | Financial instruments carried at amortised cost | | |
|---|--|--------------|--------------|---|---------------|---------------|
| | 31.03.2025 | 31.03.2024 | 31.12.2024 | 31.03.2025 | 31.03.2024 | 31.12.2024 |
| Loans to and receivables from credit institutions | | | | 983 | 2 243 | 1 911 |
| Loans to and receivables from customers | 2 424 | 2 155 | 2 625 | 32 668 | 29 805 | 33 121 |
| Certificates and bonds | 261 | 157 | 208 | | | |
| Financial derivatives | 794 | 1 123 | 913 | | | |
| Total financial assets | 3 479 | 3 435 | 3 746 | 33 651 | 32 048 | 35 032 |
| Loans from credit institutions | | | | 5 302 | 4 226 | 5 199 |
| Debt securities issued | | | | 29 365 | 29 375 | 31 503 |
| Financial derivatives | 137 | 85 | 144 | | | |
| Total financial liabilities | 137 | 85 | 144 | 34 667 | 33 601 | 36 702 |

| Fair value of financial instruments at amortised cost | 31.03.2025 | | 31.03.2024 | | 31.12.2024 | |
|---|---------------|---------------|---------------|---------------|---------------|---------------|
| | Fair value | Book value | Fair value | Book value | Fair value | Book value |
| Loans to and receivables from credit institutions | 983 | 983 | 2 243 | 2 243 | 1 911 | 1 911 |
| Loans to and receivables from customers | 32 668 | 32 668 | 29 805 | 29 805 | 33 121 | 33 121 |
| Total financial assets | 33 651 | 33 651 | 32 048 | 32 048 | 35 032 | 35 032 |
| Loans from credit institutions | 5 302 | 5 302 | 4 226 | 4 226 | 5 199 | 5 199 |
| Debt securities issued | 29 422 | 29 365 | 29 435 | 29 375 | 31 553 | 31 503 |
| Total financial liabilities | 34 724 | 34 667 | 33 661 | 33 601 | 36 752 | 36 702 |

| Financial instruments at fair value - 31.03.2025 | Based on prices in an active market | Observable market information | Other than observable market information | |
|--|---|-------------------------------------|---|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Loans to and receivables from customers | | | 2 424 | 2 424 |
| Certificates and bonds | 261 | | | 261 |
| Financial derivatives | | 794 | | 794 |
| Total financial assets | 261 | 794 | 2 424 | 3 479 |
| Financial derivatives | | 137 | | 137 |
| Total financial liabilities | - | 137 | - | 137 |

| Financial instruments at fair value - 31.03.2024 | Based on prices in an active market | Observable market information | Other than observable market information | |
|--|---|-------------------------------------|---|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| Loans to and receivables from customers | | | 2 155 | 2 155 |
| Certificates and bonds | 157 | | | 157 |
| Financial derivatives | | 1 123 | | 1 123 |
| Total financial assets | 157 | 1 123 | 2 155 | 3 435 |
| Financial derivatives | | 85 | | 85 |
| Total financial liabilities | - | 85 | - | 85 |

| Financial instruments at fair value - 31.12.2024 | Based on prices in an active market | Observable market information | Other than observable market information | |
|--|---|-------------------------------------|---|-------|
| | Level 1 | Level 2 | Level 3 | Total |
| 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 |

| Reconciliation of movements in Level 3 during the period | Loans to and receivables from customers |
|--|---|
| Book value as at 31.12.2024 | 2 625 |
| Purchase/increase | 9 |
| Sales/reduction | -215 |
| Transferred to Level 3 | 0 |
| Transferred out of Level 3 | 0 |
| Gains/losses during the period | 5 |
| Book value as at 31.03.2025 | 2 424 |

| 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 | 34 |
| Sales/reduction | -77 |
| Transferred to Level 3 | 0 |
| Transferred out of Level 3 | 0 |
| Gains/losses during the period | -9 |
| Book value as at 31.03.2024 | 2 155 |

| 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 |

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 31.03.2025 | Interest | Issued | Maturity | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|--|-------|--------------------------------|--------------------|--------|----------|------------|------------|------------|
| NO0010588072 | NOK | 1 050 | fixed NOK 4.75 % | 2010 | 2025 | 1 072 | 1 071 | 1 060 |
| XS0968459361 | EUR | 25 | fixed EUR 2.81 % | 2013 | 2028 | 296 | 298 | 299 |
| NO0010836489 | NOK | 1 000 | fixed NOK 2.75 % | 2018 | 2028 | 949 | 946 | 940 |
| NO0010853096 | NOK | - | 3M Nibor + 0.37 % | 2019 | 2025 | - | 3 014 | 2010 |
| XS2063496546 | EUR | - | fixed EUR 0.01 % | 2019 | 2024 | - | 2 859 | - |
| NO0010884950 | NOK | 3 000 | 3M Nibor + 0.42 % | 2020 | 2025 | 3 006 | 3 006 | 3 006 |
| XS2233150890 | EUR | 30 | 3M Euribor +0.75 % | 2020 | 2027 | 348 | 358 | 359 |
| NO0010951544 | NOK | 6 000 | 3M Nibor + 0.75 % | 2021 | 2026 | 6 056 | 6 079 | 6 063 |
| XS2389402905 | EUR | 250 | fixed EUR 0.01 % | 2021 | 2026 | 2 767 | 2 714 | 2 826 |
| XS2556223233 | EUR | 250 | fixed EUR 3.125 % | 2022 | 2027 | 2 959 | 2 987 | 2 965 |
| NO0012908617 | NOK | 6 000 | 3M Nibor + 0.54 % | 2023 | 2028 | 6 040 | 6 043 | 6 043 |
| XS2907263284 | EUR | 500 | fixed EUR 2,63 % | 2024 | 2029 | 5 872 | - | 5 932 |
| Total borrowings raised through the issue of securities (incl. accrued interest) | | | | | | 29 365 | 29 375 | 31 503 |

| Cover pool (NOK million) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|------------------------------|------------|------------|------------|
| Eligible mortgages (nominal) | 34 862 | 31 768 | 35 428 |
| Substitute assets | 534 | 1 427 | 1 147 |
| Total collateralised assets | 35 396 | 33 195 | 36 575 |

| Covered bonds issued (NOK million) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---------------------------------------|------------|------------|------------|
| Covered bonds (nominal) 1) | 28 603 | 28 207 | 30 603 |
| -of which own holding (covered bonds) | 0 | 0 | 0 |

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

| Over-collateralisation (in %) (Nominal calculation) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|--|------------|------------|------------|
| (Eligible mortgages + Substitute assets-Covered bonds) / Covered bonds | 23.7 | 17.7 | 19.5 |

| Liquidity Coverage Ratio (LCR) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|------------------------------------|------------|------------|------------|
| Liquid Assets | 242 | 150 | 200 |
| Net liquidity outflow next 30 days | 25 | 31 | 24 |
| LCR ratio -Total | 982% | 482% | 820% |
| LCR ratio - NOK | 982% | 482% | 820% |
| LCR ratio - EUR | N/A | N/A | N/A |

| Net Stable Funding Ratio (NSFR) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|------------------------------------|------------|------------|------------|
| Available amount of stable funding | 32 163 | 31 406 | 33 613 |
| Required amount of stable funding | 29 903 | 28 019 | 30 639 |
| NSFR ratio | 108% | 112% | 110% |

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 may experience as a result of the error. Sparebanken Møre and Møre Boligkreditt AS have formalised the settlement of interest for transaction days from the date of the transfer of the loan portfolio to the date of settlement of the consideration.

Mortgages with fixed interest rates constitute 7 per cent of the 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 Q1-2025, 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) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---|------------|------------|------------|
| Statement of income: | | | |
| Interest and credit commission income from Sparebanken Møre related to deposits | 7 | 17 | 57 |
| Interest and credit commission paid to Sparebanken Møre related to loan/credit facility | 56 | 53 | 167 |
| Interest paid to Sparebanken Møre related to bonded debt | 1 | 1 | 16 |
| Management fee paid to Sparebanken Møre | 13 | 12 | 50 |
| Balance sheet: | | | |
| Deposits in Sparebanken Møre 1) | 983 | 2 243 | 1 911 |
| Covered bonds held by Sparebanken Møre as assets | 0 | 0 | 281 |
| Loan/credit facility in Sparebanken Møre | 4 829 | 3 378 | 4 410 |
| Intragroup hedging | 422 | 483 | 465 |
| Accumulated transferred loan portfolio from Sparebanken Møre | 35 098 | 31 970 | 35 751 |

1) NOK 473 million of a total of NOK 983 million of deposits in Sparebanken Møre is the margin call balance on financial derivatives paid in by counterparties according to CSA as at 31.03.2025

Note 8

Events after the reporting date

No events of material significance for the financial statements for Q1-2025 have occurred after the reporting date. The company is not involved in any legal proceedings.

Profit performance

| QUARTERLY PROFIT (NOK million) | Q1 2025 | Q4 2024 | Q3 2024 | Q2 2024 | Q1 2024 |
|-----------------------------------|---------|---------|---------|---------|---------|
| Net interest income | 72 | 67 | 72 | 74 | 70 |
| Other operating income | 1 | 0 | -5 | -3 | -4 |
| Total operating expenses | 17 | 17 | 14 | 14 | 15 |
| Profit before impairment on loans | 56 | 50 | 53 | 57 | 51 |
| Impairment on loans | 1 | 0 | -1 | -3 | -2 |
| Pre-tax profit | 55 | 50 | 54 | 60 | 53 |
| Taxes | 12 | 11 | 12 | 13 | 12 |
| Profit after tax | 43 | 39 | 42 | 47 | 41 |

As a percentage of average assets:

| | | | | | |
|-----------------------------------|------|-------|-------|-------|-------|
| Net interest income | 0.78 | 0.71 | 0.82 | 0.86 | 0.79 |
| Other operating income | 0.01 | 0.00 | -0.05 | -0.04 | -0.05 |
| Total operating expenses | 0.18 | 0.18 | 0.15 | 0.17 | 0.17 |
| Profit before impairment on loans | 0.61 | 0.53 | 0.62 | 0.65 | 0.57 |
| Impairment on loans | 0.01 | -0.01 | 0.00 | -0.04 | -0.02 |
| Pre-tax profit | 0.60 | 0.54 | 0.62 | 0.69 | 0.59 |
| Taxes | 0.13 | 0.12 | 0.14 | 0.15 | 0.13 |
| Profit after tax | 0.47 | 0.42 | 0.48 | 0.54 | 0.46 |

| | | | | | |
|------------------------------------|--------|--------|--------|--------|--------|
| Average total assets (NOK million) | 37 184 | 37 918 | 34 771 | 34 258 | 35 808 |
|------------------------------------|--------|--------|--------|--------|--------|

| ACCUMULATED PROFIT FOR THE YEAR (NOK million) | 31.03.2025 | 31.03.2024 | 31.12.2024 |
|---|------------|------------|------------|
| Net interest income | 72 | 70 | 283 |
| Other operating income | 1 | -4 | -12 |
| Total operating expenses | 17 | 15 | 60 |
| Profit before impairment on loans | 56 | 51 | 211 |
| Impairment on loans | 1 | -2 | -6 |
| Pre-tax profit | 55 | 53 | 217 |
| Taxes | 12 | 12 | 48 |
| Profit after tax | 43 | 41 | 169 |

As a percentage of average assets:

| | | | |
|-----------------------------------|------|-------|-------|
| Net interest income | 0.78 | 0.79 | 0.79 |
| Other operating income | 0.01 | -0.05 | -0.03 |
| Total operating expenses | 0.18 | 0.17 | 0.17 |
| Profit before impairment on loans | 0.61 | 0.57 | 0.59 |
| Impairment on loans | 0.01 | -0.02 | -0.02 |
| Pre-tax profit | 0.60 | 0.59 | 0.61 |
| Taxes | 0.13 | 0.13 | 0.14 |
| Profit after tax | 0.47 | 0.46 | 0.47 |

| | | | |
|------------------------------------|--------|--------|--------|
| Average total assets (NOK million) | 37 184 | 35 808 | 35 689 |
|------------------------------------|--------|--------|--------|

Møre Boligkreditt AS

A company in the Sparebanken Møre Group

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