












INTERIM REPORT 2025



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	30/6 2025	Profit before tax of DKK 168.7 million, compared to DKK 188.8 million as of 30/6/2024
	RETURN IN EQUITY	Profit after tax yielded a return of 13.1% p.a. on the opening equity
	CORE EARNINGS	Core earnings decreased by 6.2% to DKK 178.1 million
	VALUE ADJUSTMENTS	Exchange rate adjustments of DKK 2.8 million compared with DKK 10.3 million as of 30/6/2024
	NET INTEREST AND FEE INCOME	Net interest and fee income increased by 2.9 % to DKK 337,5 million
	IMPAIRMENT	Impairment of DKK 5.5 million compared with DKK 5.1 million as of 30/6/2024. Management's estimate remains unchanged at DKK 100 million
	LENDING	Lending growth of 5.9 % to DKK 7,022 million and deposit growth of 12.6 % to DKK 9,469 million since 30/6/2024
	CAPITAL	Capital ratio of 24.8 % and core capital ratio of 23.8 %. Solvency requirement is 9.9%
	FINANCIAL INSTITUTION OF THE YEAR	In the second quarter of 2025, the bank received the Financial Institution of the year for smaller banks
	EXPECTATIONS	Expectations for core earnings for the entire year are unchanged in the range of DKK 290 – 310 million
	CORE EARNING EXPECTATIONS	Expectations for earnings for the entire year is specified to the top of the range of DKK 280 – 310 million

5 YEARS IN SUMMARY

1,000 DKK	YEAR					
	2025	2024	2023	2022	2021	2024
PROFIT AND LOSS ACCOUNT						
Net income from interest	201.195	211.917	185.525	114.582	101.742	422.148
Div. on shares and other holdings	24.675	16.364	5.518	1.276	2.370	16.452
Charges and commissions (net)	111.596	99.523	94.071	107.716	87.398	196.418
Net inc. from int. & charges	337.466	327.804	285.114	223.574	191.510	635.018
Value adjustments	2.847	10.294	16.126	-33.654	8.953	38.034
Other ordinary income	1.150	1.032	1.309	965	996	4.785
Staff costs and administrative expenses	163.216	137.756	120.950	111.069	101.466	280.467
Depreciation of intangible and tangible assets	4.061	6.751	4.798	2.714	2.673	13.885
Other operating expenses	23	665	625	477	480	665
Write-downs on loans etc. (net)	5.479	5.117	6.395	-3.523	-9.768	18.176
Operating profit	168.684	188.841	169.781	80.148	106.608	364.644
Taxes	49.945	47.963	45.199	16.668	23.454	90.532
Profit for the period	118.739	140.878	124.582	63.480	83.154	274.112
Of which are holders of shares of hybrid core capital instruments etc.	2.578	2.578	2.578	2.578	2.578	5.287
BALANCE SHEET summary						
Total assets	14.454.475	12.459.236	11.172.055	10.653.001	9.557.875	13.249.767
Loans and other debtors	7.022.290	6.629.336	5.713.982	5.252.989	4.461.647	6.962.528
Guarantees etc.	1.977.716	1.653.101	1.899.282	2.895.000	3.149.016	1.816.350
Bonds	763.537	676.686	815.665	889.315	991.440	612.087
Shares etc.	308.762	283.706	269.933	226.288	204.146	297.765
Deposits	9.469.135	8.406.207	7.781.919	7.260.609	6.553.784	8.893.150
Subordinated cap. investments	74.565	99.502	99.085	98.585	98.084	99.836
Capital funds	1.875.777	1.676.315	1.455.062	1.279.158	1.169.454	1.806.672
Dividends						33.740
Capital Base	1.769.600	1.619.603	1.413.230	1.287.782	1.183.088	1.718.889
Total weighted items	7.136.565	6.564.576	5.807.507	6.059.713	5.822.997	6.974.629
CORE EARNINGS						
Core income	345.413	335.023	292.028	228.731	195.435	652.623
Total costs etc.	-167.300	-145.172	-126.373	-114.260	-104.619	-295.017
Core earnings	178.113	189.851	165.655	114.471	90.816	357.606

FINANCIAL RATIOS - JUNE 30

Figures in pct.

	2025	2024	2023	2022	2021
Solvency ratio	24,8	24,7	24,3	21,2	20,3
Core capital ratio	23,8	23,2	22,6	19,6	18,6
Return on own funds before tax*	9,6	11,9	12,4	6,5	9,7
Return on own funds after tax*	6,7	8,8	9,1	5,1	7,5
Earning/expense ratio in DKK	1,98	2,26	2,28	1,72	2,12
Interest rate risk	0,8	0,4	0,6	0,9	1,3
Foreign currency position	0,1	0,1	0,1	0,1	0,3
Foreign currency risk	0,0	0,0	0,0	0,0	0,0
Advances against deposits	61,9	37,7	64,8	62,6	61,1
NSFR	1,39	1,35	1,32	1,29	-
LCR	389	390	395	333	290
Total large commitments	124,7	113,3	102,8	116,9	132,4
Accumulated impairment ratio	3,5	3,7	3,7	3,4	3,8
Impairment ratio for the period	0,1	0,1	-0,1	-0,1	-0,1
Increase in loans etc. for the period	0,9	-1,4	4,6	11,3	5,6
Ratio between loans etc. and capital funds	3,7	4,0	3,9	4,1	3,8
(value pr share 100 DKK)					
Earnings per share (result period)*	60,3	71,7	63,3	31,6	41,8
Book value pr share*	949	838	724	632	575
Market value/earning per share	3,4	2,8	2,0	3,4	2,3
Market value/book value*	1,09	1,21	0,88	0,84	0,84
(value pr share 20 DKK)					
Earnings per share (result period)*	12,1	14,3	12,7	6,3	8,4
Book value pr share*	189,7	167,6	144,7	126,4	115,1
Market value	206,0	202,0	128,0	106,5	96,8

*) Financial ratios are calculated as if the hybrid core capital were treated as an obligation for accounting purposes, whereby the financial ratios are calculated based on the shareholders' share of profit and equity. The shareholders' share of profit and equity is shown in the Statement of Changes in Equity.

QUARTERLY OVERVIEWS

1,000 DKK	2Q 2025	1Q 2025	4Q 2024	3Q 2024	2Q 2024
PROFIT AND LOSS ACCOUNT					
Net income from interest	101.027	100.168	104.836	105.395	104.354
Div. on shares and other holdings	24.607	68	54	34	16.242
Charges and commissions (net)	50.094	61.502	50.297	46.598	44.048
Net inc. from int. & charges	175.728	161.738	155.187	152.027	164.644
Value adjustments	-8.273	11.120	10.163	17.577	-4.922
Other ordinary income	886	264	3.086	667	570
Staff costs and administrative expenses	82.613	80.603	76.107	66.604	66.467
Depreciation of intangible and tangible assets	2.030	2.031	3.166	3.968	5.026
Other operating expenses	23	0	0	0	665
Write-downs on loans etc. (net)	687	4.792	8.783	4.276	2.026
Operating profit	82.988	85.696	80.380	95.423	86.108
Taxes	22.116	27.829	17.759	24.810	21.252
Profit for the period	60.872	57.867	62.621	70.613	64.856
Of which are holders of shares of hybrid core capital instruments etc.	1.288	1.290	1.420	1.289	1.288
BALANCE					
Loans and other debts	7.022.290	6.994.406	6.962.528	6.959.592	6.629.336
Totalkredit	15.711.925	15.421.975	14.915.477	14.643.447	14.294.497
DLR	5.387.669	5.358.820	5.387.245	5.366.228	5.151.052
Deposits	9.469.135	8.935.345	8.893.150	8.410.976	8.406.207
Deposits in pooled schemes	2.385.855	2.305.482	1.992.993	1.886.968	1.840.844
Subordinated cap. investments	74.565	99.961	99.836	99.711	99.502
Customer depots	6.494.289	6.286.238	6.622.129	6.498.611	6.575.169
Equity	1.875.777	1.829.422	1.806.672	1.744.327	1.676.315
Total assets	14.454.475	13.771.104	13.249.767	12.690.529	12.459.236
Guarantees etc.	1.977.716	1.884.066	1.816.350	1.620.496	1.653.101
CORE EARNINGS					
Core income	179.930	165.483	161.825	155.775	168.282
Total costs	-84.666	-82.634	-79.273	-70.572	-72.158
Core earnings	95.264	82.849	82.552	85.203	96.124

MANAGEMENT REPORT

A profit before tax of DKK 168.7 million compared with DKK 188.8 million as of 30 June 2024 is a decrease of DKK 20.2 million or 10.7 % but is still a satisfactory result when taking into account the decrease in interest rate over the period.

Per Munck, the Bank's Managing Director for many years, retired on 30 June 2025. Thomas Baun, former co-Director of the Bank, has been appointed as new Managing Director as of 1 July 2025. He has been employed at the Bank in various positions for at least 16 years and has been deputy/co-Director since August 2020. A process will be initiated to find a new co-Director in the second half of 2025. Severance pay and salary during the severance period for the former Managing Director have been expensed in Q2 2025.

The influx of new customers and the increasing level of activity are very satisfactory. The increase of the business volume on both balance sheet items and the statement of financial position is still very satisfactory. Lending increased by DKK 393.0 million compared to 30 June 2024, corresponding to 5.9 %, lending increased by a total of DKK 1,062.9 million or 12.6 % and at the same time the provision of credit union loans via Totalcredit and DLR-kredit increased by a total of DKK 1,654.0 million or 8.5 % compared to 30 June 2024.

The increase in business volume leads to an increase in fee income, despite a decrease in interest income, ensuring a growth of DKK 9.7 million or 2.9 % in net interest and fee income, which is very satisfactory.

The profit before tax for the first six months is as expected, as the general decline in interest rates in society reduces the Bank's earnings on both the Bank's lending to customers and the Bank's surplus liquidity. In addition to the declining interest income, the decline in profit is also due to lower earnings from exchange rate adjustments and increasing dividend payments, as well as increasing costs for IT, marketing and salaries as a result of the Bank's strategy of increasing the business volume in the Bank organically.

Expectations for profit before tax for the entire year is specified to the top of the range of DKK 280 – 310 million.

The core earnings have also greatly improved and amount to DKK 178.1 million compared with DKK 189.9 million in 2024, a growth of DKK 11.7 million or 6.2 %. The decline is in line with expectations and expectations for core earnings for the entire year are maintained in the range of DKK 290 – 310 million.

The exchange rate adjustments were positive by DKK 2.8 million, compared with DKK 10.3 million in 2024. The lower exchange rate adjustments are due to higher dividends received from the Bank's shareholdings in sector companies, which have increased by DKK 8.3 million compared to 30 June 2024.

The costs for staff and administration have increased by DKK 25.5 million or 18.5 %, as a result of the number of employees increasing by 19, primarily for the newest branches, in addition to the expensed severance pay and salary during the severance period, as well as increased costs for marketing and IT.

Marketing expenses have increased as a result of the Bank having 10 branches entering partnerships with local associations etc. on an ongoing basis, which contributes to the Bank being rooted in the local communities. The increased IT expenses are naturally related to the Bank's solid growth, as well as the general development of solid, well-functioning IT systems for the Bank's customers and employees, including the mobile bank "Min Skjern Bank", which is rated one of Denmark's best mobile banks in user satisfaction surveys. The Bank also invests in automation of processes where data is used to minimise administrative work, freeing up time to advise the Bank's many customers.

Impairment

Impairment was realised at DKK 5.5 million, compared with DKK 5.1 million as of 30 June 2024.

The management estimate has been maintained at DKK 100 million to address the uncertainty surrounding war in Europe, tensions in the world and the US' introduction of a tariff wall against the rest of the world, including the EU and Denmark.

The derivative effects of geopolitical uncertainties continue to give rise to increased uncertainty for both the business community and private households, but the creditworthiness of the lending and guarantee portfolio is solid and continually reinforced.

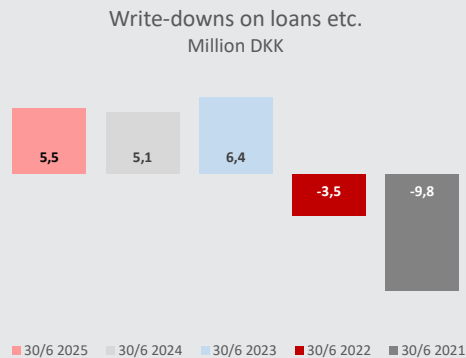
The Bank is in close dialogue with all business customers and it is positive that the aforementioned negative factors have not significantly influenced the credit quality of the business portfolio. The increased risk factors may cause certain industries to be affected, which is why the bank has taken a cautious approach in calculating the risks in the business segments.

The private customer segment is robust and we have almost always succeeded in finding solutions when individual customers experience challenges in their finances. The Bank's general policy has been to make every effort to find solutions to temporary problems experienced by business and private customers.

Lending growth

Lending growth as of 30 June 2025 compared to 30 June 2024 amounted to 5.9 %, which is fully in line with the Bank's expectations. The lending volume increased in 2025 by DKK 59.8 million or 0.9 %, but lending growth for the full year is still expected to be 4 – 6 %.

The limited lending growth in 2025 is due to minor withdrawals on already established credits and ordinary and extraordinary repayments on loan facilities. The influx of customers and establishment of loan facilities continued to increase, which is very satisfactory.



As can be seen from the industry breakdown below, the proportion of lending and guarantees to private customers has been maintained at the same level as last year. The Bank's strategic goal is a private segment of around 50 % and that the exposure to individual business segments must not exceed 15 %. Exposure to the 2 largest business segments, agriculture and real estate, were respectively 10.3 % and 6.7 % at the end of the half year. The Bank's guarantee volume has increased to DKK 1,978 million as of 30 June 2025 compared with DKK 1,653 million as of 30 June 2024. The increase is due in particular to guarantees in connection with private real estate transactions.

LOANS AND GUARANTEES DISTRIBUTED ON SECTORS

	30.06.2025	31.12.2024	30.06.2024
Public authorities	0,0%	0,0%	0,0%
Agriculture, hunting, forestry & fishing	10,3%	8,2%	8,9%
Plant production	1,3%	1,2%	2,5%
Cattle farming	4,5%	3,8%	4,1%
Pig farming	0,9%	2,5%	1,7%
Mink production	0,0%	0,1%	0,1%
Other agriculture	3,6%	0,6%	0,5%
Industry and mining	6,2%	5,8%	5,6%
Energy	0,8%	0,8%	0,9%
Building and constructions	4,1%	5,4%	6,6%
Wholesale	7,0%	6,7%	7,5%
Transport, hotels and restaurants	2,4%	2,9%	1,1%
Information and communication	0,6%	0,5%	0,1%
Financial and insurance business	3,7%	3,2%	5,1%
Real-estate	6,7%	7,4%	6,0%
Other business	2,1%	2,3%	2,3%
Private	56,1%	56,8%	55,9%

The Bank offers financial leasing to business customers via Skjern Bank Leasing. The activity is increasing and there are 650 active leases as of 30 June 2025, with a residual lease debt of DKK 274.6 million.

The Bank's overall credit provision has increased satisfactorily by DKK 2,047.0 million in the past year. There is an increase in activity in both the Bank's lending and the arrangement of mortgage credit via Totalkredit and DLR Kredit.

CAPITAL CONDITIONS AND DIVIDEND POLICY

The capital base comprises DKK 1,769.6 million and the capital ratio 24.8 % compared to 24.6 % at the end of 2024. The capital ratio has increased satisfactorily after recognition of the profit for the period, while the risk-weighted assets have increased by DKK 161.9 million. The core capital ratio increased to 23.8 % compared to 23.2 % as of 31 December 2024.

The individual solvency requirement is calculated at 9.9 %, and the solvency coverage relative to the solvency requirements comprises 14.9 percentage points. Compared with the capital base of DKK 1,769.6 million, the Bank had a surplus of DKK 1,062 million at the end of the first half of 2025.

Relative to the necessary capital ratio of 21.0 %, expressed as the Bank's calculated solvency requirements plus buffer requirements, the coverage can be calculated at 3.8 percentage points, corresponding to a solvency coverage of DKK 270 million. The actual core capital has been increased through the recognition of realised profit. The NEP supplement has now been fully phased in and the Bank's requirements for this amounted to 5.7 percentage points as of 1 January 2025. The 7 % requirement for the real estate segment remains unchanged and amounted to 0.4 percentage points as of 30 June 2025.

The management will have the utmost focus on ensuring that the Bank has a solid capital base to support the continued development of the Bank's activities and implementation of current and future regulatory capital requirements. The CRR3 capital requirements came into effect at the beginning of 2025, which has led to a slight increase in risk-weighted assets, which, as expected, the Bank has covered through current earnings.

As a result of solid capital coverage and with the approval of the Danish Financial Supervisory Authority in May 2025, the Bank has issued supplementary capital for a nominal amount of DKK 75 million to replace the early repayment of supplementary capital of nominally DKK 100 million. The capital base will continue to be primarily based on actual core capital, but raising foreign capital may also be included in the future capital structure.

Based on the financial statements for 2024, in Q1 2025 dividends of DKK 3.5 per share were paid, and a share buy-back program of an additional DKK 3.5 per share was initiated. The current share buy-back program follows the "safe harbour" rules and is going according to plan.

The Bank's management has decided to maintain the following capital goals and distribution policy:

Capital goals

It is the Bank's goal to be well capitalised to ensure the Bank's strategic goals and also to accommodate regulatory requirements in future recessions. The management will continuously assess the adequacy of the capital base, including the distribution between equity and foreign capital, to ensure the optimal distribution between returns to shareholders and sufficient increase of the Bank's actual core capital.

Dividend policy

With regard to its capital goal, the Bank wants to be stable in distributions. The goal is for distributions, either as share buy-backs, cash dividends or a combination thereof, to amount to 30-50 % of the annual profit after tax, which exceeds a return on equity of 6 %.

In Q4, the Bank's Board makes the final assessment of the level of dividends for each year in question based on the dividend policy. During the year, the share of expected dividends for the period is withdrawn from the calculated capital base based on the dividend policy, and as of 30 June 2025, DKK 30.8 million has been deducted from the capital base. It is believed that the capital goal and distribution policy meet the long-term interests of shareholders and the Bank optimally. The shareholders achieve a reasonable distribution and the Bank's capital foundation is strengthened by consolidation.

THE BANK'S IMPORTANT STAKEHOLDERS

The Bank's management considers the cooperation with and involvement of the Bank's many stakeholders and the running of a well-functioning local Bank to be equally important.

The focus has always been on creating value for the Bank's stakeholders, which is considered to have been the most important factor in the solid business development.

The Bank's strategic objective is primarily a controlled organic growth based on long-term relations with all stakeholders.

When the customers choose the way the Bank is run, it increases the profits to the benefit of the shareholders. The local community benefits from this in the form of the Bank's local backing as well as product distribution to local businesses and private customers. The employees benefit from this in the form of job retention and an exciting job where they can develop. The customers clearly express that it is valuable to have a local bank that knows their needs and where they have an adviser who knows them and who back the local community's activities.



Shareholders

The management recognises the importance of a stable and loyal shareholder community and aims to give them competitive returns. The shareholders' loyalty and continued backing, from small shareholders to major professional investors, is extremely important to the continued development of the Bank.

Customers

It is highly satisfactory that the private customer business is growing rapidly and that the Bank is being chosen by new customers from most of the country, primarily on the recommendation of existing customers. The corporate client business is also in solid development with a focus on small and medium-sized business customers in the Bank's local areas.

In the annual customer satisfaction surveys, the Bank's customers unanimously declare that it is the close personal relationships they enjoy with their advisers that are key to their choice of bank. This combined with

good product solutions and solid advice, as well as the electronic options, such as online meetings and mobile banking, make daily operations smooth and flexible.

The annual unbiased survey of the customers' satisfaction, which is crucial to the Bank, is conducted by Finanssektorens Uddannelsescenter and for a number of years has clearly shown that the Bank's customers are very satisfied with the Bank on all parameters, which we are very proud of and humbled by. It is very gratifying to note that customer satisfaction with the Bank is extremely high and in particular that nearly 9 out of 10 of the Bank's customers would recommend the Bank to others. The Bank is very grateful and humbled by the trust shown by the customers as they refer their business contacts, family and acquaintances to the Bank in large numbers.

Employees

As of 30 June 2025, the Bank employed 230 employees, which is an increase of 19 employees in the last year. All employees are offered employment terms that conform to the market as well as relevant training and continuing education in order to always ensure a high level of professionalism.

Employee job satisfaction is important to the Bank, and annual job satisfaction surveys are conducted. The latest survey from September 2024 showed that 95.2 % of the Bank's employees consider the Bank to be a very good place to work and that they are also proud to work at the Bank. It is a strategic goal to have employees who find the Bank to be a good workplace, which is considered crucial to the low staff turnover and significant interest from qualified applicants for vacant positions.

Local communities

The goal is to play an important role in all of the Bank's local communities, both as a partner for the business owners, but of course also for the local population in general. It is important for the Bank to back local initiatives and the Bank assists a great number of businesses – entrepreneurs and existing customers - with counselling and financing, so that ideas and investment goals have the best chance of being realised. The Bank is also a partner for many local community associations and organisations and supports both sports and culture and associations in general. The commitment to and support for local communities is largely based on reciprocity and in expectation and under the assumption that the Bank will be rewarded with customer referrals and a generally positive attitude towards the Bank.

The foundation of Skjern Bank is the many shareholders, customers, employees and the local communities of the Bank's market areas. The Bank is aware that all stakeholders play an important role both now and in the future and views it as an important community role to encourage the many stakeholders to work together for the benefit of both the stakeholders and the Bank.

SUSTAINABLE DEVELOPMENT

The financial sector has a key role in ensuring that society develops in a more sustainable direction. The Bank is aware of this responsibility and fully supports the points from the Forum for Sustainable Finance (Forum for Bæredygtig Finans), which the Bank is actively working to comply with. In the Bank's ESG report for 2024, the Bank's status on compliance with the points is presented, and the goals for the future work are described.

As of 31 December 2024, the Bank is expected to be covered by the sustainability reporting requirements for 2025, cf. the EU's reporting directive, CSRD. Since the publication of the Bank's annual report for 2024, the EU Commission and the Council, as part of a larger Omnibus package, have adopted a "stop the clock" proposal, which essentially aims to postpone the requirement for sustainability reporting for small and medium-sized enterprises, including the Bank. When the proposal is implemented in Danish legislation, it will mean that the Bank will not be covered by the reporting requirements, cf. CSRD.

However, the Bank will continue to produce annual reporting on ESG issues and at least at a reporting level similar to previous years. In the Bank, the focus on sustainability can generally be divided into two main tracks:

- The Bank's influence on stakeholders, especially customers.
- The Bank as a company.

The influence on customers must take place via positive customer dialogue, which must also include a dialogue on opportunities and threats related to sustainability to a greater extent.

Private customers must be presented with relevant opportunities, such as: making their properties more energy efficient, getting attractive financing for electric cars and placing investments to influence sustainable development in line with the customer's sustainability preferences. Business customers must be made aware of issues relating to the concept of sustainability (ESG), which concerns: Environmental conditions (E – Environment), Social conditions (S – Social) and Management conditions (G – Governance).

For several years, the Bank has worked to reduce electricity consumption through energy reduction measures. In the summer of 2023, the Bank installed solar cells at its head office in Skjern, which in 2024 led to the Bank's purchase of electricity from the grid being reduced by about one third compared to before the installation of the solar cells. The Bank also compensates for the rest of the power consumption via purchase of certificates of origin for power from Danish wind turbines. The Bank's most recent ESG report can be read in full on the Bank's website.

www.skjernbank.dk/aarsrapport2024/esg-rapport

NET INTEREST INCOME

Interest expenses amounted to DKK 233.0 million and have been reduced by DKK 28.6 million, corresponding to 10.9 %. Interest expenses for deposits amount to DKK 28.7 million and have been reduced by DKK 16.9 million. Total interest expenses amounted to DKK 31.8 million Net interest income during the period decreased by DKK 10.7 million compared to 30 June 2024, corresponding to 5.1 %, and amounts to DKK 201.2 million.

In the coming quarters, there is expected to be a continued increasing pressure on interest rate margins, primarily with increasing pressure on the lending rates as a result of the competition in both the private and commercial sectors, while the deposit interest rates are also expected to decrease in line with any interest rate reductions from Danmarks Nationalbank. In July 2025, the certificate of deposit interest rate was reduced to 1.60 %, and Danmarks Nationalbank is expected to reduce the interest rate further by 0.25 percentage points in the second half of 2025.

NET FEE AND COMMISSION INCOME

Net income from fees and commissions amounted to DKK 111.6 million, compared to DKK 99.5 million in 2024, and thus increased by DKK 12.1 million. The Bank notes increasing income on all types of fees. There is increasing activity in the housing and investment area, while the many new customers means other fees will increase. Lending fees increased by DKK 4.6 million, whilst earnings from securities trading and deposits increased by DKK 1.6 million. Guarantee provisions decreased by DKK 0.1 million, while payment services and other fees increased by DKK 6.0 million. Fees are at the same level as last year.

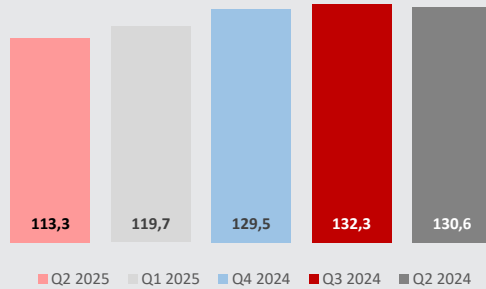
DIVIDENDS

The Bank's received dividends were DKK 24.7 million as of 30 June 2025 compared with DKK 16.4 million as of 30 June 2024. The increase is primarily due to dividends received from BankInvest in connection with the Bank's significantly increased business volume in BankInvest.

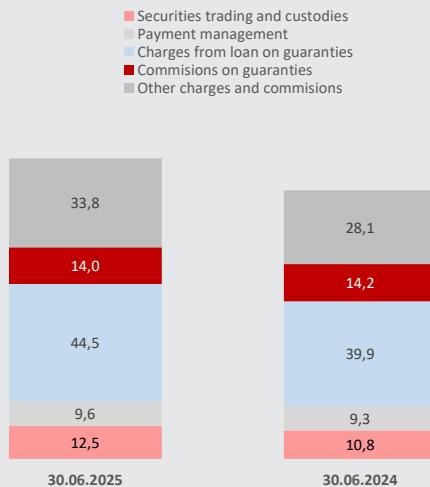
NET INTEREST AND FEE INCOME

Net interest and fee income increased by DKK 9.7 million, corresponding to 2.9 %, and amounts to DKK 337.5 million.

Interest income
Million DKK



Charges and commissions receivable
Million DKK



EXCHANGE RATE ADJUSTMENTS

The total exchange rate adjustments were positive by DKK 2.8 million, compared with DKK 10.3 million as of 30 June 2024. The exchange rate adjustments were divided into DKK 2.6 million in the bond portfolio and DKK -6.5 million in the shareholdings, of which sectoral shares comprise DKK -5.9 million. Exchange rate adjustments on shares in the trading portfolio are thus negative by DKK 0.6 million. In addition, satisfactory income of DKK 6.7 million has been achieved on currency and derivative financial instruments, compared with DKK 6.2 million as of 30 June 2024.

The Bank's strategy in the securities area is structurally cautious and the significant fluctuations on the markets did not lead to changes in the overall strategy.

EXPENSES

Costs for personnel and administration etc. increased by DKK 25.5 million and amount to DKK 163.2 million. Personnel costs rose by DKK 16.8 million compared to 30 June 2024 and administration costs rose by DKK 8.7 million, broken down between IT costs, marketing and other administration costs.

The increase in staff costs is primarily due to the number of employees increasing by 19, primarily customer advisors to service the Bank's many current and new customers, but also general collective agreement wage increases.

PROFIT FOR THE PERIOD

Profit before tax amounted to DKK 168.7 million compared with DKK 188.8 million as of 30 June 2024.

Profit for the period after tax amounts to DKK 118.7 million, a return of DKK 22.1 million, which is not unsatisfactory in itself, but is expected as a result of the interest rate development in society. Internally, the Bank is focused on the activity level, and it is satisfactory here that the business volume in all branches and business areas, including distribution of products such as mortgages, insurance, investments and pensions, is increasing.

Core earnings of DKK 178.1 million were realised, which is DKK 11.7 million lower than 30 June 2024:

CORE EARNINGS 1 JANUARY - 30 JUNE

1,000 DKK	2025	2024	1.1-31.12 2024
Net income from interest	201.195	211.917	422.148
Net charges and commission	111.596	99.523	196.418
Dividend on shares and other holdings	24.675	16.364	16.452
Foreign currency value adjustments*	6.797	6.187	12.820
Other ordinary income	1.150	1.032	4.785
Core income	345.413	335.023	652.623
Staff costs and administrative expenses	163.216	137.756	280.467
Depreciation and write-downs on intangible and tangible assets	4.061	6.751	13.885
Other operating expenses	23	665	665
Costs	167.300	145.172	295.017
Core earnings	178.113	189.851	357.606
Write-downs	-5.479	-5.117	-18.176
Value adjustments*	-3.950	4.107	25.214
Result before tax	168.684	188.841	364.644
Tax	49.945	47.963	90.532
Net-result for the financial year	118.739	140.878	274.112

*) Foreign currency value adjustments and value adjustments specificeres i noten "Value adjustments" on page 26.

MAJOR SHAREHOLDERS

As of 30 June 2025, the Bank has four major shareholders, all of whom have 5% of the voting rights:

Investeringsselskabet af 15. maj (AP Pension Livsforsikringsaktieselskab, Copenhagen Ø.), which as of the most recent ownership report held 20.75% of the share capital, Heine Delbing, who personally and via the companies Olalde Holding ApS, Evostate Invest ApS and Storegade ApS, who as of the last ownership report held 10.01 % of the share capital, EURO STEEL 1988 APS, which as of the most recent ownership report held 5.15% of the share capital, and Kim Pedersen, who both personally and via his wholly-owned company Immoinvest.dk ApS held 5.0% of the share capital as of the most recent ownership report.

LIQUIDITY

Pure customer deposits amounted to DKK 9,469.1 million, including pool schemes accounting for DKK 11,855.0 million, of which DKK 8,986.8 million is covered by the Danish Deposit Guarantee Scheme. The deposits are considered stable, since most of them come from core customer relationships.

The bank's liquidity reserves are solid. The LCR (Liquidity Coverage Ratio) of DKK 3.184 million exceeds both the regulatory requirements and the stricter liquidity goals established by the Bank's Board of Directors. The liquidity coverage ratio shows how the bank is able to meet its payment obligations for an upcoming 30-day period without access to market funding. The ratio is calculated by comparing the Bank's cash reserves and liquid assets with the Bank's payment obligations for the next 30 days calculated according to certain rules.

The Bank has established an internal limit for the minimum liquidity reserves of 175 %, which exceeds the minimum requirements of 100 % from the Danish Financial Supervisory Authority. The Bank achieved the goal and as of 30 June 2025 has an LCR financial ratio of 389 %.

The liquidity reserve ratio measured according to NSFR (Net Stable Funding Ratio) is 137 %, while the Bank's internal limit for this is set to 120 %, and the minimum requirement from the Danish Financial Supervisory Authority is 100 %. The ratio indicates the required amount of stable funding that the Bank must hold at the current liquidity profile for the assets it finances and the potential liquidity withdrawals that may arise from credit commitments and other off-balance sheet items.

SKJERN BANK SHARES

The bank is owned by 14,091 shareholders. The share price was 206.0 on 30 June 2025, compared with 210.0 at the beginning of the year. Market value amounts to DKK 1,985.8 million, corresponding to a rate/intrinsic value of 1.09.

EXPECTATIONS

For the year as a whole, expectations for core earnings are maintained in the range of DKK 290 – 310 million, while expectations for profit before tax have been narrowed to the top of the range of DKK 280 – 310 million.

“THE SUPERVISORY DIAMOND”

The Danish Financial Supervisory Authority’s mandatory Supervisory Diamond specifies four indicators for banking activities with increased risk.

The Bank’s status on the individual benchmarks as at 30 June 2025 is set out below.

Liquidity reserve (minimum 100 %):

The liquidity reserve is still sufficient and amounts to 389 % as of 30 June 2025 compared to 360 % as of 31 December 2024.

Property exposure (maximum 25 %):

Property exposure is 6.7 %, compared with 8.7 % at the end of 2024.

Large exposures (maximum of 175 %):

Large exposures are defined as the total of the Bank’s 20 largest exposures compared to the actual core capital, and the financial ratio was 124.7% compared with 118.2% at the end of 2024.

Lending growth (maximum 20 %):

The Bank has realised a growth in lending of 5.9 % as of 30 June 2025 compared with an increase in lending of 3.5% at the end of 2024.

TRANSACTIONS WITH RELATED PARTIES

There have not been any major transactions between Skjern Bank and the Bank’s related parties during the period.

LITIGATION

The Bank is involved in disputes and litigation as part of its normal operations. The Bank’s risk in these cases is regularly assessed by the Bank’s lawyers and management. Provisions are made based on an assessment of risk of loss.

CONTRIBUTION TO THE SETTLEMENT FUND

The Bank’s annual contribution to the Settlement Fund amounts to DKK 23 thousand and was paid during Q2 2025.

ACCOUNTING POLICIES USED

The semi-annual report was prepared in accordance with the Danish Financial Business Act, including the Danish Financial Supervisory Authority's Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for interim reports for listed companies.

The accounting policies used are unchanged compared to the annual report for 2024.

EVENTS AFTER 30 JUNE 2025

No events have occurred after the balance date that are of significance for the assessment of the profit for the period.

MANAGEMENT STATEMENT

We have on today's date discussed and approved the interim report for the period of 1 January – 30 June 2025 for Skjern Bank A/S.

The interim report was prepared in accordance with the Danish Financial Business Act, including the Executive Order on financial reports for credit institutions and investment companies, etc. and additional Danish disclosure requirement for interim reports for listed financial institutions.

We consider the accounting policies chosen to be appropriate such that the accounts provide a true and fair view of the Bank's assets and liabilities, financial position and profit.

We consider the management's review to contain a true and fair view of the development in the Bank's activities and economic conditions and a description of the significant risks and uncertainty factors by which the bank may be affected.

No audit or review of the interim report has been conducted, but an external audit has verified that the conditions for recognition of the period's earnings in core capital are met.

Skjern, 14 August 2025

Skjern Bank A/S

Thomas Baun
Managing Director

BOARD OF SKJERN BANK A/S

Hans Ladekjær Jeppesen
Chairman

Bjørn Jepsen
Vice Chairman

Finn Erik Kristiansen

Niels Erik Kjærgaard
Lars Skov Hansen

Ole Strandbygaard
Carsten Jensen

Merete Lundøe Hillmann
Michael Tang Nielsen

PROFIT AND LOSS ACCOUNT AND STATEMENT OF COMPREHENSIVE INCOME JANUARY 1ST - JUNE 30

1,000 DKK	2025	2024	1.1-31.12 2024
Interest receivable	233.027	261.639	523.365
Interest receivable	31.832	49.722	101.217
Net income from interest	201.195	211.917	422.148
Dividend on shares and other holdings	24.675	16.364	16.452
Charges and commission receivable	114.450	102.340	201.931
Charges and commission payable	2.854	2.817	5.513
Net income from interest and charges	337.466	327.804	635.018
Value adjustments	2.847	10.294	38.034
Other ordinary income	1.150	1.032	4.785
Staff costs and administrative expenses	163.216	137.756	280.467
Depreciation and write-downs on intangible and tangible assets	4.061	6.751	13.885
Other operating expenses	23	665	665
Write-downs	5.479	5.117	18.176
Result before tax	168.684	188.841	364.644
Tax	49.945	47.963	90.532
Net-result for the financial year	118.739	140.878	274.112
Of which are holders of shares of hybrid core capital instruments etc.	2.578	2.578	5.287
STATEMENT OF COMPREHENSIVE INCOME			
Profit for the financial year	118.739	140.878	274.112
Other comprehensive income after tax	0	0	0
Total comprehensive income	118.739	140.878	274.112

BALANCE BY JUNE 30

1,000 DKK	2025	2024	1.1-31.12 2024
ASSETS			
Cash in hand and demand deposits with central banks	3.708.960	2.759.045	3.082.942
Receivables at credit institutions and central banks	79.527	81.689	79.480
Loans and other receivables at amortised cost	7.022.290	6.629.336	6.962.528
Bonds at fair value	763.537	676.686	612.087
Shares etc.	308.762	283.706	297.765
Shares associated with pool schemes	2.385.855	1.840.844	1.992.993
Land and buildings (total)	79.027	80.745	81.045
Investment properties	3.086	3.019	3.085
Owner-occupied properties	59.893	59.907	60.334
Owner-occupied properties, leasing	16.048	17.819	17.626
Other tangible assets	6.653	6.187	7.555
Current tax assets	0	0	14.818
Other assets	99.824	100.948	118.418
Prepayments	40	50	136
Total assets	14.454.475	12.459.236	13.249.767

1,000 DKK	2025	2024	1.1-31.12 2024
LIABILITIES			
DEBT			
Debt to credit institutions and central banks	154.138	3.398	2.977
Deposits and other debts	9.469.135	8.406.207	8.893.150
Deposits in pooled schemes	2.385.855	1.840.844	1.992.993
Current tax obligations	20.807	32.356	0
Other liabilities	456.051	383.406	437.774
Prepayments	3.070	1.702	327
Total debt	12.489.056	10.667.913	11.327.221
PROVISIONS			
Provisions for deferred tax	4.524	5.430	4.524
Provisions for loss on guarantees	10.553	10.076	11.514
Total provisions	15.077	15.506	16.038
SUBORDINATED DEBT			
Subordinated loan capital	74.565	99.502	99.836
Total subordinated debt	74.565	99.502	99.836
EQUITY			
Share capital	192.800	192.800	192.800
Retained earnings	1.621.629	1.422.301	1.518.851
Dividend	-	-	33.740
Capital owners share of equity	1.814.429	1.615.101	1.745.391
Holders of hybrid capital Total equity	61.348 1.875.777	61.214 1.676.315	61.281 1.806.672
Total liabilities	14.454.475	12.459.236	13.249.767

OFF-BALANCE-SHEET ITEMS BY JUNE 30

1,000 DKK	2025	2024	1.1-31.12 2024
CONTINGENT LIABILITIES			
Contingent liabilities			
Finance guarantees	945.160	797.655	864.294
Guarantees against losses on mortgage credit loans	218.238	212.833	216.545
Registration and conversion guarantees	634.895	467.912	563.192
Other contingent liabilities	179.423	174.701	172.319
Total	1.977.716	1.653.101	1.816.350
Other binding engagements			
Irrevocable credit-undertakings	727.837	249.220	350.510
Total	727.837	249.220	350.510

INFORMATION ON CHANGES IN EQUITY

	Share capital	Proposed dividends	Hybrid capital	Retained earnings	Total
Equity 31 December 2023	192.800	48.200	61.148	1.283.918	1.586.066
Purchase of own funds				80	80
Dividend own shares				3	3
Dividends proposed 2023		-48.200			-48.200
Paid interest hybrid capital			-2.512		-2.512
Profit or loss			2.578	138.300	140.878
Equity 30 June 2024	192.800	0	61.214	1.422.301	1.676.316
Purchase of own funds				-155	-155
Dividend own shares				3	3
Dividends paid 2023					-48.200
Amortization hybrid capital			-131		-131
Paid interest hybrid capital			-5.023		-5.023
Profit or loss		33.740	5.287	235.085	274.112
Equity 31 December 2024	192.800	33.740	61.281	1.518.851	1.806.672
Purchase of own shares				-68.621	-68.621
Sale of own shares				47.940	47.940
Employer share scheme				7.295	7.295
Dividend own shares				3	3
Dividends paid 2024		-33.740			-33.740
Amortization hybrid capital					0
Paid interest hybrid capital			-2.511		-2.511
Profit or loss			2.578	116.161	118.739
Equity 30 June 2025	192.800	0	61.348	1.621.629	1.875.777

NOTES PER JUNE 30

1,000 DKK	2025	2024	1.1-31.12 2024
INTEREST INCOME			
Centralbanks	30.777	38.972	80.144
Loans and other receivables	192.110	210.456	420.107
Bonds	7.903	10.461	19.494
Other derivative financial instruments, total	2.171	1.743	3.549
of which			
Currency contracts	-7	-212	-358
Interest-rate contracts	2.178	1.955	3.907
Other interest income	66	7	71
Total	233.027	261.639	523.365
INTEREST EXPENSES			
Deposits	28.730	45.645	92.792
Subordinated debt	2.566	3.237	6.583
Other interest expenses	536	840	1.842
Total	31.832	49.722	101.217
FEES AND COMMISSION INCOME			
Securities trading and custody accounts	12.467	10.854	24.887
Payment services	9.665	9.346	19.114
Loan fees	44.475	39.900	81.927
Guarantee commission	14.066	14.190	28.458
Other fees and commission	33.777	28.050	47.545
Total	114.450	102.340	201.931
VALUE ADJUSTMENTS			
Bonds	2.550	992	8.736
Total shares	-6.461	3.078	16.476
Shares in sectorcompanies etc.	-5.872	0	13.095
Other shares	-589	3.078	3.381
Foreign currency	6.797	6.187	12.820
Other financial instruments	-39	37	2
Assets linked to pooled schemes	45.713	-89.125	-273.029
Deposits in pooled schemes	-45.713	89.125	273.029
Total	2.847	10.294	38.034

1,000 DKK	2025	2024	1.1-31.12 2024
STAFF COSTS AND ADMINISTRATIVE EXPENSES			
SALARIES AND REMUNERATION OF MANAGEMENT BOARD ETC.			
Management, incl. pensions	8.615	2.788	5.629
Of which fixed remuneration, incl. pensions	2.843	2.788	5.629
Management board	1.170	1.133	2.303
Audit Committee (3 members for the management board)	0	0	140
Risk Committee (3 members for the management board)	0	0	140
Nomination Committee (3 members for the management board)	0	0	40
Committee of representatives	0	0	182
Total salaries and remuneration of board etc.	9.785	3.921	8.434
STAFF COSTS			
Wages and salaries	68.710	60.835	126.485
Pensions	8.031	7.184	14.749
Social security costs	882	795	1.898
Payroll tax	10.655	8.554	17.735
Total staff costs	88.278	77.368	160.867
OTHER ADMINISTRATIVE EXPENSES	65.153	56.467	111.166
Total staff costs and administrative expenses	163.216	137.756	280.467
EMPLOYEES			
Average number of employees converted into full-time employees	215	196	199
WRITE-DOWNS ON LOANS AND RECEIVABLES			
Write-downs and provisions during the year	97.463	109.902	194.040
Reversal of write-downs made in previous years	-84.888	-102.210	-164.851
Finally lost, not previously written down	2.835	1.126	2.072
Interest on the written-down portion of loans	-4.849	-3.561	-7.699
Recoveries of previously written off debt	-5.082	-140	-5.386
Total	5.479	5.117	18.176

1,000 DKK	2025	2024	1.1-31.12 2024
DEVELOPMENT IN WRITE-DOWNS AND PROVISIONS RELATING TO FINANCIAL ASSETS AT AMORTIZED COST AND OTHER CREDIT RISKS, ASSETS INCLUDED IN IFRS9			
STAGE 1 IMPAIRMENT CHARGES			
Stage 1 impairment charges at the end of the previous financial year	19.761	44.907	44.907
Stage 1 impairment charges / value adjustment during the period	7.645	11.736	11.174
Stage 1 impairment reversed during the period	-7.103	-19.644	-36.320
Cumulative stage 1 impairment total	20.303	36.999	19.761
STAGE 2 IMPAIRMENT CHARGES			
Stage 2 impairment charges at the end of the previous financial year	123.918	117.214	117.214
Stage 2 impairment charges / value adjustment during the period	47.033	50.653	84.345
Stage 2 impairment reversed during the period	-50.128	-48.679	-77.641
Cumulative stage 2 impairment total	120.823	119.188	123.918
STAGE 3 IMPAIRMENT CHARGES			
Stage 3 impairment charges at the end of the previous financial year	169.798	147.647	147.647
Stage 3 and impairment charges / value adjustment during the period	39.742	46.920	94.614
Reversal of stage 3 impairment charges during the period	-23.800	-29.954	-45.081
Recognised as a loss, covered by stage 3 impairment charges	-5.348	-10.702	-27.382
Cumulative stage 3 impairment total	180.392	153.911	169.798
Total cumulative impairment charges IFRS9	321.518	310.098	313.477
GUARANTEES			
Provisions beginning of the year	11.514	13.416	13.416
Loss on guarantees	2.881	593	3.907
Reversal of provisions	-3.694	-3.933	-5.809
Provisions for losses	-148	0	0
Guarantees end of year	10.553	10.076	11.514
Total cumulative impairment charges IFRS9 and guarantees	332.071	320.174	324.991

The development can be explained by the following development in the distribution in stages of the maximum credit risk and development in the weighted average of the rating:

	Stage 1	Stage 2	Stage 3
Beginning			
Impairment	19.761	123.917	169.798
- in % of total impairment	6%	40%	54%
Maximum credit risk	13.442.037	1.318.561	367.200
- in % of maximum credit risk	89%	9%	2%
Rating, weighted average	2,3	6,3	10,0
End			
Impairment	20.302	120.823	180.393
- in % of total impairment	6%	38%	56%
Maximum credit risk	13.353.738	1.253.006	379.518
- in % of maximum credit risk	89%	8%	3%
Rating, weighted average	2,3	6,5	10

As a result of the geopolitical and macroeconomic situation, including the wars in Ukraine and between Israel and Hamas, the uncertainty about the consequences of the introduction of the CO2 tax for agriculture and the outcome of USA's tariff wall, the bank has maintained a management estimate of DKK 100 million as of June 30, 2025.

The bank has made an estimate of increased impairment rates for the private, commercial and agricultural segments in the event of a cyclical downturn, which includes, among other things, that the bank has updated macro factors, benchmark calculations, etc.

The total management estimates are divided by DKK 10.0 million in stage 1 (30/6 2024: DKK 32.1 million), by DKK 70 million in stage 2 (30/6 2024: DKK 54.5 million) and by DKK 20.0 in stage 3 (30/6 2024: DKK 13.4 million).

1,000 DKK	2025	2024	1.1-31.12 2024
LOANS ETC. WITH SUSPENDED CALCULATION OF INTEREST	41.663	67.713	53.480
SHARE CAPITAL			
Number of shares at 20 DKK each	9.640.000	9.640.000	9.640.000
Share capital	192.800	192.800	192.800
OWN CAPITAL SHARES			
Number of shares (pcs)	77.380	5.333	7.586
Nominal value hereof	1.548	107	152
Market value hereof	15.940	1.077	1.593
Own shares proportion of share capital (pct.)	0,80%	0,06%	0,08%

CAPITAL REQUIREMENT 30 JUNE

Beløb i 1.000 kr.	2025	2024	1.1-31.12 2024
Equity	1.873.199	1.673.738	1.801.515
Holders of hybrid capital	-61.348	-61.214	-61.281
Proposed dividend	-30.781	-36.849	-33.740
Share buyback framework	-33.740	0	-33.740
Current utilization of share buyback framework	14.053	0	0
Deduction for the sum of equity investments etc. above 10 %	-98.704	-93.694	-91.432
NPE	-22.952	-16.700	-17.576
CVA deduction	-1.075	-963	-913
Deduction of trading framework for own sharers	-4.965	-4.868	-5.061
Core tier 1 capital	1.633.687	1.459.450	1.557.772
Holders of hybrid capital	61.348	61.214	61.281
Tier 1 capital	1.695.035	1.520.664	1.619.053
Subordinated loan capital	74.565	99.502	99.836
Deduction for the sum of equity investments etc. above 10 %	0	-563	0
Capital base	1.769.600	1.619.603	1.718.889
Credit risk	6.160.077	5.404.813	5.637.100
Market risk	255.727	233.420	239.999
Operational risk	720.761	926.343	1.097.530
Weighed items total	7.136.565	6.564.576	6.974.629
Core tier 1 capital ratio (excl. hybrid core capital)	22,9	22,2	22,3
Tier 1 capital ratio	23,8	23,2	23,2
Solvency ratio - Tier 2	24,8	24,7	24,6

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