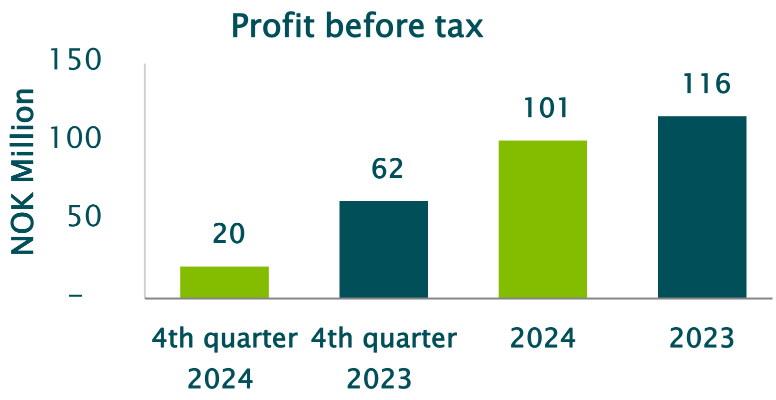
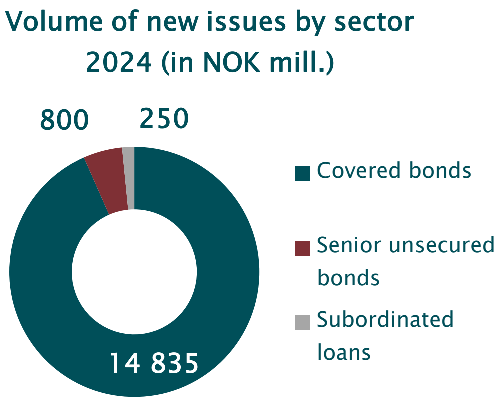
Eika Boligkreditt AS

Interim report for the fourth quarter 2024

Unaudited

Highlights





Fourth quarter 2024

- Pre-tax profit of NOK 20,4 million (2023: profit of NOK 61.9 million)
- Total comprehensive loss of NOK 87.5 million (2023: loss of NOK 86.7 million)
- Mark-to-market effect of basis swaps negative at NOK 129.0 million (2023: negative at NOK 194.8 million)
- Funding of the Eika banks, excluding the Local Bank Alliance (LBA) and Totens Sparebank rose by 3.0 per cent, corresponding to an annualised growth rate of 12.0 per cent
- Commissions to owner banks of NOK 173.2 million (2023: NOK 76.5 million)
- NOK 3.6 billion in bonds issued (2023: NOK 0.5 billion)

2024 (full year)

- Pre-tax profit of NOK 100.7 million (2023: profit of NOK 116.2 million)
- Total comprehensive loss of NOK 222.1 million (2023: loss of NOK 71.5 million)
- Mark-to-market effect of basis swaps negative at NOK 419.0 million (2023: negative at NOK 262.4 million)
- Funding of the Eika banks, excluding the Local Bank Alliance (LBA) and Totens Sparebank rose by 11.3 per cent (2023: 7.7 per cent)
- Commissions to owner banks of NOK 665.9 million (2023: NOK 459.7 million)
- NOK 15.9 billion in bonds issued (2023: NOK 14.4 billion)

No full or limited external auditing of the figures for the quarter has been undertaken.

REPORT FOR THE FOURTH QUARTER AND FULL-YEAR 2024

Introduction

Eika Boligkreditt’s main purpose is to ensure that the local banks in the Eika Alliance have access to long-term and competitive funding by issuing covered bonds. An important part of the company’s business concept is to increase the competitiveness of the owner banks by improving their access to external funding in the Norwegian and international financial markets, with regard to the tenor of loans, their terms and the depth of access. The object of the company’s business is to reduce risk for the owner banks. At 31 December 2024, the owner banks had NOK 104.7 billion in total financing with Eika Boligkreditt and had thereby reduced the need for their own market and deposit financing by a corresponding amount.

Eika Boligkreditt is licensed as a credit institution and entitled to raise debt in the market through the issuance of covered bonds. Norwegian regulations for covered bonds were adopted in 2007, and this type of bond has become an important source of financing for the lending activities of banks and credit institutions. By concentrating financing activities relating to covered bonds in Eika Boligkreditt, the owner banks have secured a player in the bond market with the necessary wherewithal to secure competitive terms and depth of access to financing, both in Norway and internationally.

Income statement for the fourth quarter and full year 2024

Amount in NOK thousand	4th quarter 2024	4th quarter 2023	2024	2023
Total interest income	1 680 878	1 605 559	6 725 547	5 574 890
Net interest income	193 074	140 046	775 794	600 982
Commission costs	163 858	70 172	631 353	432 293
Total gain and losses on financial instruments at fair value	8 262	11 233	18 993	8 006
Profit before tax	**20 419**	**61 881**	**100 743**	**116 201**
Comprehensive income (taking account of fair value changes in basis swaps)	**(87 499)**	**(86 705)**	**(222 103)**	**(71 497)**

The company’s interest income in the fourth quarter 2024 was 4.7 per cent higher than in the same period the year before. The increase is attributable to higher interest rates on residential mortgages and a higher lending volume compared with the same period in 2023. Net interest income in the fourth quarter was up by 37.9 per cent from the same period last year because of higher margins on residential mortgages, with interest rates paid by mortgagees rising more than borrowing rates. Net interest income was reduced by a NOK 6.9 million contribution to the Norwegian Banks Guarantee Fund’s resolution fund, which is recognised as an interest expense. Total commission (portfolio and arrangement) payments to the owner banks in the fourth quarter came to NOK 173.2 million. This is 126.4 per cent more than in the same period in 2023. The increase is attributable to the banks’ higher lending margins, which result from developments in the money market interest rate, an improved competitive situation, and increased lending volumes. The mark-to-market effect of financial instruments recognised at fair value in profit and loss was positive at NOK 8.3 million. This is a decrease of NOK 3.0 million compared with the same period last year and is attributable to changes in value resulting from interest rate adjustments. Pre-tax profit for the fourth quarter 2024 totalled NOK 20.4 million, NOK 41.5 million less than in the same period in 2023.

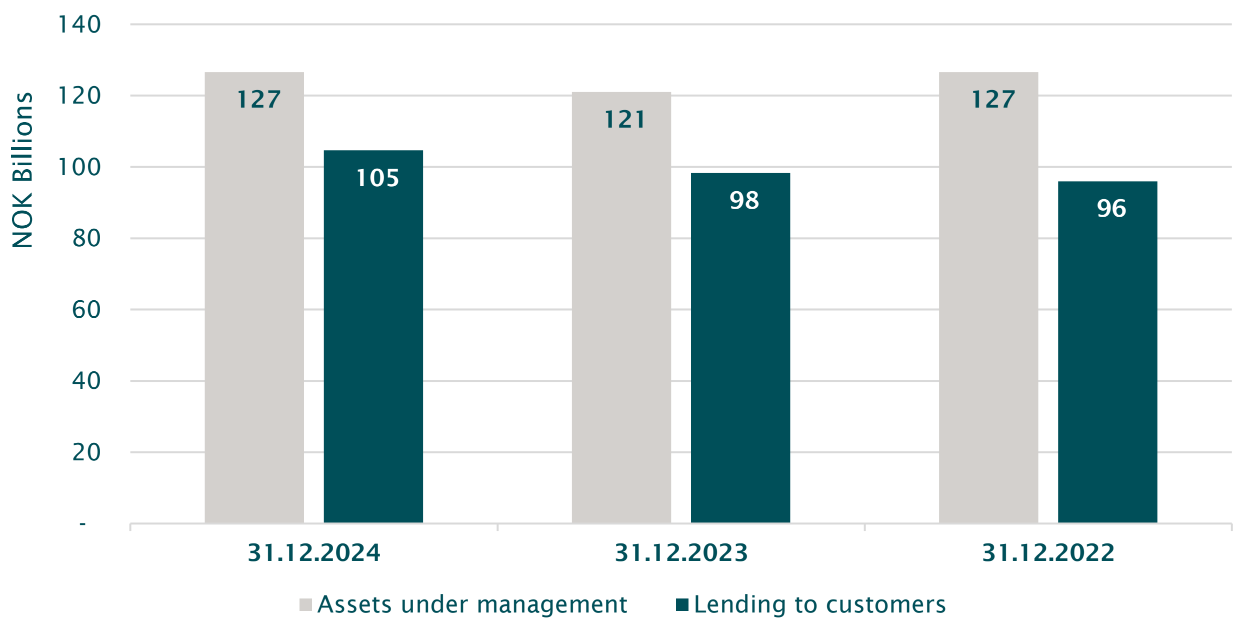
The 20.6 per cent increase in the company’s interest income in 2024, compared with the same period in 2023, is attributable primarily to the company applying higher interest rates on its residential mortgages in line with the higher level in the money market, combined with a higher lending volume. Net interest income in 2024 as a whole is 29.1 per cent up on the corresponding period last year. The increase is attributable to higher lending margins as a result of interest rates on residential mortgages payable by customers increasing more than the rates payable on the company's borrowings. Net interest income was also affected by a NOK 27.7 million contribution to the Norwegian Banks Guarantee Fund’s resolution fund, which is recognised as an interest expense. Total commission (portfolio and arrangement) payments rose by 44.8 per cent in 2024, compared with the same period in 2023. The increase is attributable to the banks’ higher lending margins, which result from developments in the money market interest rate, an improved competitive situation, and increased lending volumes. The mark-to-market effect of financial instruments was positive at NOK 19.0 million, up NOK 11.0

million from the same period last year. Pre-tax profit in 2024 came to NOK 100.7 million, NOK 15.5 million less than the same period in 2023.

Interest on tier 1 perpetual bonds totalled NOK 13.1 million in the fourth quarter and NOK 51.9 million in 2024 as a whole. This cost is not presented as an interest expense in the profit and loss account, but as a reduction in equity in the balance sheet.

Total comprehensive loss includes mark-to-market effects of basis swaps for the fourth quarter that were negative at NOK 129.0 million (2023: negative at NOK 194.8 million). For 2024 as a whole, they were negative at NOK 419.0 million (2023: negative at NOK 262.4 million). Over the term of the derivatives, the effect of such value changes will be zero. The accounting effects will thereby reverse until the derivatives mature. This means that the mark-to-market effect of basis swaps only impacts accruals relating to unrealised gains and losses in the financial statements. Unless Eika Boligkreditt realises the derivative agreement prematurely, such mark-to-market effects do not result in realised gains or losses over the term of the derivative.

Balance sheet and liquidity



Assets under management by Eika Boligkreditt amounted to NOK 126.6 billion at the close of the fourth quarter 2024, up by NOK 5.5 billion from the close of 2023. Financing of the owner banks (residential mortgage lending to customers at nominal value excluding accrued interest and changes to the fair value of residential mortgages) totalled NOK 104.7 billion, representing a net increase of NOK 2.0 billion in the fourth quarter and NOK 6.4 billion for the past 12 months. This is equivalent to a net growth in lending of 6.5 per cent year-on-year. Looking exclusively at the Eika banks and excluding running-down by the Local Bank Alliance (LBA), the portfolio showed net growth of NOK 2.5 billion in the fourth quarter and NOK 8.5 billion over the past 12 months, excluding accrued interest and changes in the fair value of residential mortgages. This is equivalent to a net growth in lending of 9.4 per cent year-on-year.

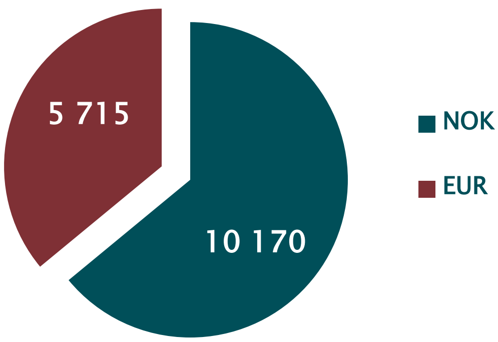
Borrowing

Eika Boligkreditt issued bonds with a nominal value of NOK 3.6 billion in the fourth quarter 2024, compared with NOK 0.5 billion in the same period in 2023. The borrowing volume in the fourth quarter comprised NOK 3.1 billion in covered bonds and NOK 500 million in senior unsecured bonds.

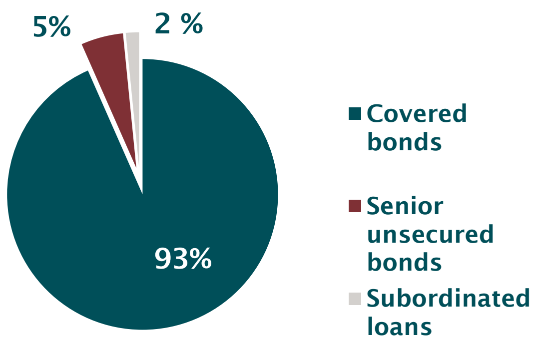
In 2024 as a whole, the company issued bonds (excluding tier 1 perpetual bonds) with a nominal value of NOK 15.9 billion, compared with NOK 14.4 billion in 2023. The borrowing volume in 2024 as a whole comprised

NOK 14.8 billion in covered bonds, NOK 800 million in senior unsecured bonds and NOK 250 million in subordinated loans.

Issuance by currency (in NOK mill) in 2024



Issuance by sector (in %) in 2024



Of the bonds issued in 2024, 64.0 per cent were denominated in Norwegian kroner (NOK) and 36.0 per cent in euro (EUR). Covered bonds accounted for 93.4 per cent of the total volume issued.

The table below shows the issues (excluding tier 1 perpetual bonds) undertaken in 2024, 2023 and 2022.

New issues (amounts in NOK million)	2024	2023	2022
Covered bonds (issued in EUR)	5 715	5 922	10 194
Covered bonds (issued in NOK)	9 120	7 500	14 200
Senior unsecured bonds and certificates (issued in NOK)	800	1 000	-
Subordinated loans (issued in NOK)	250	-	375
Total issued	**15 885**	**14 422**	**24 769**

The average tenor for the covered bonds issued in 2024 was 5.6 years. At 31 December, the average tenor for the company's borrowing portfolio was 3.62 years, compared with 3.89 years at 1 January.

The table below shows a breakdown of the company's borrowing in various instruments.

Carrying value in NOK million	31.12.2024	31.12.2023	31.12.2022
Covered bonds	110 962	106 573	109 617
Senior unsecured bonds	2 592	3 303	2 819
Senior unsecured certificates	-	-	-
Subordinated loans	779	779	813
Total borrowing including accrued interest	**114 333**	**110 655**	**113 249**

Total borrowing by the company at 31 December came to NOK 114.3 billion, an increase of NOK 3.7 billion from 1 January.

Liquidity

At 31 December 2024, the company had a liquidity portfolio of NOK 16.3 billion. The liquidity portfolio includes cash collateral of NOK 5.0 billion received from counterparties to derivative contracts. Cash collateral received is held as bank deposits, repo agreements and various high-quality securities.

New developments in the alliance

The Financial Supervisory Authority of Norway has approved Haugesund Sparebank and Tysnes Sparebank's application to merge. Both banks are members of the Eika Alliance. The merger process remains ongoing. Renegotiating a satisfactory swap ratio that serves the interests of the owners of both Tysnes Sparebank and Haugesund Sparebank, will take slightly longer than originally anticipated. Renegotiation of the swap ratio and other parts of the merger agreement complies with the principles agreed therein. The parties expect the merger to be completed during the second or third quarter of 2025.

SpareBank 1 Østlandet and Totens Sparebank merged as planned on 1 November 2024, with SpareBank 1 Østlandet as the acquiring bank.

On 9 December 2024, the Financial Supervisory Authority of Norway consented to the merger of Marker Sparebank and Eidsberg Sparebank. The merged bank will be called Marker og Eidsberg Sparebank. The banks merged on 3 February 2025. Both banks are members of the Eika Alliance. The merged bank will have business capital of close to NOK 19 billion.

On 15 May 2024, Skudenes & Aakra Sparebank and Eika Gruppen signed an agreement that will result in the bank joining the Eika Alliance by the end of 2025. The agreement is contingent on the approval of the Financial Supervisory Authority of Norway. The bank is currently affiliated with DSS and is the second bank to leave DSS and join Eika in the past year.

On 19 December 2024, the general meetings of Sunndal Sparebank and Romsdal Sparebank voted in favour of the plan to merge the banks that had been adopted by their boards of directors on 14 November. The merger is contingent on the approval of the Financial Supervisory Authority of Norway. Both banks are members of the Eika Alliance. Based on figures at the close of the second quarter 2024, the merged bank will have business capital of around NOK 18 billion.

On 7 January 2025, Eika Kredittbank changed its name to Eika Digitalbank. At the same time, the credit card and consumer lending business will be transferred to the newly established Kredittbanken ASA in partnership with Sparebank 1 Kreditt. Eika Digitalbank will continue to provide services relating to vehicle financing to the banks and their customers. In addition, the business is expanded with a new digital banking concept (Penni). Penni was launched 29 January 2025.

Risk management and capital adequacy

At the close of the fourth quarter 2024, the company had primary capital totalling NOK 7.7 billion, a net increase of approx. NOK 0.4 billion since the start of the year, taking into account the allocation of funds. In addition to the allocation of funds, the change in primary capital is attributable to an equity issue in the amount of NOK 300 million, which was carried out in the second quarter 2024, the issue of a NOK 250 million subordinated loan in the same quarter, and the maturing of a subordinated loan of NOK 250 million in the third quarter.

Capital adequacy is calculated in accordance with the standardised method specified in the Capital Requirements Regulation (CRR).

The basis for calculating the capital adequacy ratio at 31 December amounted to NOK 39.9 billion. After accounting for growth in overall lending and changes in the company’s liquidity portfolio, operational risk and Credit Valuation Adjustment (CVA) risk, the calculation basis for capital adequacy at the close of the fourth quarter was NOK 1.3 billion higher than at 1 January. Eika Boligkreditt’s primary capital ratio is calculated as a proportion of this basis.

The table below presents developments in the capital adequacy ratio.

Amounts in NOK million	31 Dec 2024	31 Dec 2023	31 Dec 2022
Risk-weighted assets	39 918	38 644	38 758
Total primary capital (tier 2 capital)	7 738	7 327	7 493
Capital adequacy ratio in per cent	**19.4 %**	**19.0 %**	**19.3 %**

The requirement for a countercyclical buffer stands at 2.5 per cent. This buffer is intended to improve the capital adequacy of the banks and prevent their credit practice from strengthening an economic downturn. The company's systemic risk buffer was increased from 3 per cent to 4.5 per cent with effect from 31 December 2023.

The company’s capital targets are specified as follows:

- Core tier 1 capital ratio: 14.78% (16.0% at 31 December 2024)
- Tier 1 capital ratio: 16.37% (17.4% at 31 December 2024)
- Tier 2 capital ratio: 18.50% (19.4% at 31 December 2024)

These targets are adequate in relation to legal requirements, the company’s Pillar II requirement of 0.5 per cent and its Pillar II guidance of 0.5 per cent. As shown above, the applicable buffer requirements were fulfilled at 31 December 2024, with a core tier 1 capital ratio of 16.0 per cent.

Allocation of funds

Taking account of mark-to-market currency swaps that were negative at NOK 419 million, the total comprehensive loss for 2024 came to NOK 222.1 million. Since the company made a total comprehensive loss, the board is proposing that no dividend be paid to the owner banks for 2024. The total comprehensive loss of NOK 222.1 million is transferred from other equity. NOK 51.9 million is attributable to the tier 1 perpetual bond investors. A provision of NOK 18.9 million has been made to the fund for valuation differences in respect of a positive difference between the book value of investments in associated companies and the investments’ cost price. Furthermore, the company has received dividends from associated companies in the amount of NOK 17.4 million. Other equity decreased by NOK 275.5 million in 2024.

Outlook

The company's net financing of the owner banks increased by NOK 2.0 billion in the fourth quarter 2024, and by NOK 6.4 billion over the past four quarters. Net portfolio growth in the past year corresponds to 6.5 per cent. The credit indicator for December 2024 from Statistics Norway showed a 12-month increase of 3.7 per cent in Norwegian household debt, slightly up from 3.4 per cent at 31 December 2023. The growth in debt marks a clear increase from the low point of 3.0 per cent noted in March/April 2024.

In Norges Bank's latest lending survey, the banks reported that demand for residential mortgages in the fourth quarter 2024 remained unchanged after rises in the previous two quarters. Demand for fixed-interest mortgages continued to rise in the fourth quarter, after a substantial increase in the third quarter. The banks expect demand for residential mortgages to remain largely unchanged in the first quarter 2025, while demand for fixed-interest mortgages is expected to fall slightly. Lending practices with respect to households and the use of interest-only repayments remained largely unchanged in the fourth quarter. While the banks expect no change in the first quarter 2025, they do anticipate a slight easing of lending practices relating to first-time buyers due to changes in the Regulations on Financial Institutions' Lending Practices (Lending Regulations) which reduced the equity requirement for borrowers. Overall, the banks reported unchanged financial expenses, interest rates and interest margins on residential mortgages in the fourth quarter. They expect the situation to remain unchanged in the first quarter 2025. In keeping with the second and third quarters in 2024, the banks reported slightly increased competition in the fourth quarter. They expect this to continue in the first quarter 2025.

The house price report published by Real Estate Norway (Eiendom Norge) showed that the average price for residential property in Norway increased by 0.1 per cent in December. Adjusted for seasonal variations, prices rose by 1.0 per cent. In 2024, house prices in Norway rose by 6.4 per cent, which exceeded what most analysts had envisaged at the start of the year. Prises rose most in Bergen, with an increase of 13.1 per cent in 2024. Prices rose least in Fredrikstad/Sarpsborg, with an increase of 1.8 per cent in 2024. A total of 99,295 homes were sold in Norway in 2024, up 8.8 per cent on 2023. The volume of sales in the second-hand market was exceptionally high. An equivalent level has not been seen since 2021, when the pandemic was at its height. A record number of homes came onto the market in 2024, with the number of homes sold not quite reaching the record set in 2021. This demonstrates that the second-hand market for residential property is both strong and stable. We expect that house prices will continue to rise in 2025, driven primarily by expected interest-rate reductions, good growth in real wages and a continued low level of housebuilding.

The credit spread for the company's covered bonds with a five-year tenor in Norwegian kroner narrowed by 9 basis points in 2024 to a level 0.45 percentage points above the three-month Nibor. Credit spreads indicated by potential arrangers for a new-issue transaction with a similar tenor in the euro market narrowed by an estimated 8 basis points in 2024, giving a spread of 0.44 percentage points at 31 December. The currency basis for a five-year tenor to hedge the amount from euro back to Norwegian kroner is approx. -8 basis point, a narrowing of 19 basis points in 2024.

For 2024, it was expected that the credit spreads for covered bonds in euro could widen slightly more. Credit spreads were more or less as expected at the start of the year. Expectations indicate that credit spreads, especially those for covered bonds in euro with longer tenors, could continue to widen in 2025. This is because these covered bonds have acquired a weaker relative value compared with alternative investments, such as government bonds and national and multinational banks. In particular, German and French government bonds, which were previously priced considerably lower than the swap rates, fared poorly through 2024. This has been driven by expectations of higher borrowing levels, political turbulence and that the ECB is steadily reducing its holdings of government bonds. The credit spreads for covered bonds in euro with a tenor of up to five years are not expected to widen significantly from the levels noted at the start of 2025.

Economic growth has been moderate since mid-2022. Repeated interest-rate rises, high inflation and weak demand from abroad have dampened activity levels. At the same time, unemployment has risen from a low level to just under 4 per cent at the moment, the same level as the average for the 2010s. The rate of inflation, which peaked at 7.5 per cent in October 2022, has subsequently more than halved. The 12-month inflation rate stood at 2.4 per cent in November. Going forward, Statistics Norway expects that higher growth in real wages, lower interest rates and continued growth in public sector demand will boost activity in the Norwegian economy. Based on this, Statistics Norway expects that GDP in mainland Norway will rise to what it considers a cyclically neutral position with effect from 2026.

There has been an active market for new covered-bond issues in both euro and Norwegian kroner in 2024. About NOK 202 billion in covered bonds was issued in the Norwegian market, with EUR 156 billion issued in the euro market. Norwegian residential mortgage lenders issued covered bonds worth EUR 6.25 billion in 2024. This means that just over 70 per cent of the covered bonds issued by Norwegian residential mortgage companies was in NOK. Compared with 2024, activity relating to the issue of covered bonds in both EUR and NOK is expected to be slightly higher in 2025. In 2025, NOK 161 billion is due to mature in the Norwegian market, while EUR 136 billion is due to mature in the euro market. The level of issues denominated in NOK in 2025 is expected to end somewhere between NOK 210 billion and NOK 220 billion, compared with EUR 165 billion in the euro market.

In 2024, Eika Boligkreditt, issued covered bonds in the amount of EUR 500 million and NOK 6 billion in the first quarter 2024; NOK 250 in subordinated loans and NOK 300 million in senior unsecured bonds in the second quarter; and NOK 3.12 billion in covered bonds and NOK 500 million in senior unsecured bonds in the fourth quarter. In 2023, it issued NOK 13.4 billion in covered bonds, NOK 1 billion in senior unsecured bonds and NOK 275 million in tier 1 perpetual bonds. In total, the company issued NOK 14,835 billion in covered bonds, NOK 800 million in senior unsecured bonds and NOK 250 million in subordinated loans in 2024.

Oslo, 6 February 2025

The board of directors of Eika Boligkreditt AS

Rune Iversen Chair	Geir Magne Tjåland
Kristin Steenfeldt-Foss	Lena Jørundland
Gro Furunes Skårsmoen	Terje Svendsen
	Odd-Arne Pedersen CEO

Statement of comprehensive income

Amounts in NOK 1 000	Notes	4Q 2024	4Q 2023	2024	2023
INTEREST INCOME					
Interest from loans to customers at amortised cost		**1 383 375**	1 238 062	**5 375 830**	4 269 825
Interest from loans to customers at fair value		**109 540**	111 753	**423 683**	399 891
Interest from loans and receivables on credit institutions		**15 020**	15 953	**106 837**	79 689
Interest from bonds, certificates and financial derivatives		**163 461**	227 879	**781 389**	789 111
Other interest income at amortised cost		**8 884**	11 320	**35 417**	33 888
Other interest income at fair value		**598**	591	**2 391**	2 487
Total interest income		**1 680 878**	1 605 559	**6 725 547**	5 574 890
INTEREST EXPENSES					
Interest on debt securities issued		**1 430 595**	1 414 311	**5 742 193**	4 812 138
Interest on subordinated loan capital		**12 984**	12 895	**54 017**	45 437
Contribution to the Norwegian Banks' Guarantee Fund's Resolution Fund		**6 926**	5 757	**27 706**	23 242
Other interest expenses		**37 298**	32 550	**125 837**	93 091
Total interest expenses		**1 487 804**	1 465 513	**5 949 753**	4 973 908
Net interest income		**193 074**	140 046	**775 794**	600 982
Commission costs		**163 858**	70 172	**631 353**	432 293
Net interest income after commissions costs		**29 215**	69 874	**144 441**	168 689
Income from portfolio sale	Note 3	–	–	–	5 358
Total income from shares	Note 4	**3 813**	**3 155**	**18 938**	15 991
NET GAINS AND LOSSES ON FINANCIAL INSTRUMENTS AT FAIR VALUE					
Net gains and losses on bonds and certificates	Note 5	**2 564**	66	**30 838**	(1 941)
Net gains and losses on fair value hedging on debt securities issued	Note 5, 6	**1 111**	1 049	**(305)**	5 038
Net gains and losses on financial derivatives	Note 5	**61 683**	(186 390)	**(676)**	(74 774)
Net gains and losses on loans at fair value	Note 5	**(57 097)**	196 508	**(10 863)**	79 682
Total gains and losses on financial instruments at fair value		**8 262**	11 233	**18 993**	8 006
SALARIES AND GENERAL ADMINISTRATIVE EXPENSES					
Salaries, fees and other personnel expenses		**9 046**	9 040	**35 509**	33 135
Administrative expenses		**10 005**	11 666	**39 084**	41 202
Total salaries and administrative expenses		**19 051**	20 706	**74 593**	74 337
Depreciation		**894**	951	**3 613**	3 754
Other operating expenses		**925**	724	**3 422**	3 752
Losses on loans and guarantees		-	-	-	-
PROFIT BEFORE TAXES		**20 419**	61 881	**100 743**	116 201
Taxes		**1 039**	11 430	**7 647**	11 941
PROFIT FOR THE PERIOD		**19 380**	50 451	**93 096**	104 260
ITEMS TRANSFERRABLE TO PROFIT AND LOSS					
Net gains and losses on bonds and certificates	Note 5	**(13 483)**	10 695	**(1 295)**	28 065
Net gains and losses on basis swaps	Note 5	**(129 022)**	(194 796)	**(418 971)**	(262 407)
Taxes on other comprehensive income		**35 626**	46 945	**105 067**	58 586
COMPREHENSIVE INCOME FOR THE PERIOD		**(87 499)**	(86 705)	**(222 103)**	(71 497)
Price per share				**4.01628**	4.20184

The total comprehensive loss of NOK 222.1 million is transferred from other equity. NOK 51.9 million is attributable to the tier 1 perpetual bond investors, while NOK 18.9 million is attributable to the fund for valuation differences.

Balance sheet

Amounts in NOK 1 000	Notes	31.12.2024	31.12.2023
ASSETS			
Lending to and receivables from credit institutions		1 169 415	1 032 100
Lending to customers	Note 6, 7	104 638 294	98 261 282
Other financial assets	Note 8	36 637	90 488
Bonds and certificates at fair value	Note 6,9	15 138 786	17 939 199
Financial derivatives	Note 6,10	5 349 407	3 578 984
Shares	Note 4,11	1 650	1 650
Shares in associated company	Note 4	61 171	59 673
Deferred tax assets		161 289	63 869
Intangible assets		141	392
Right-of-use assets	Note 12	9 032	11 643
TOTAL ASSETS		126 565 822	121 039 280
LIABILITIES AND EQUITY			
Liabilities			
Loans from credit institutions	Note 13	5 054 806	2 750 578
Financial derivatives	Note 6,10	480 095	962 500
Debt securities issued	Note 14	113 554 108	109 875 931
Other liabilities		84 448	82 460
Pension liabilities		1 177	605
Lease obligations	Note 12	9 379	11 746
Subordinated loan capital	Note 15	779 280	779 252
TOTAL LIABILITIES		119 963 293	114 463 071
Equity			
Share capital		1 501 040	1 428 559
Share premium		4 309 343	4 081 824
Other paid-in equity		477 728	477 728
Fund for unrealised gains		-	-
Fund for valuation differences		17 641	16 143
Other equity		(278 222)	(3 044)
Tier 1 perpetual bonds		575 000	575 000
TOTAL EQUITY	Note 16	6 602 530	6 576 209
TOTAL LIABILITIES AND EQUITY		126 565 822	121 039 280

Statement of changes in equity

Amounts in NOK 1 000	Share capital [1]	Share premium [1]	Other paid in equity [2]	Fund for unrealised gains [3]	Fund for valuation differences [4]	Retained earnings: other equity [5]	Tier 1 perpetual bonds [6]	Total equity
Balance sheet as at 31 December 2022	**1 405 153**	**4 005 230**	**477 728**	**123 706**	**14 255**	**7 979**	**692 000**	**6 726 050**
Result for the period	-	-	-	-	-	69 661	11 031	80 692
Other income and expenses	-	-	-	-	-	(10 756)	-	(10 756)
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	78	(11 031)	(10 953)
Disbursed dividends for 2022	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	(117 000)	(117 000)
Balance sheet as at 31 March 2023	**1 405 153**	**4 005 230**	**477 728**	**123 706**	**14 255**	**66 963**	**575 000**	**6 668 035**
Result for the period	-	-	-	-	(14 104)	23 557	12 161	21 614
Other income and expenses	-	-	-	-	-	47 626	-	47 626
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	(861)	(12 161)	(13 022)
Disbursed dividends for 2022	-	-	-	-	-	(7 728)	-	(7 728)
Hybrid capital	-	-	-	-	-	-	160 000	160 000
Balance sheet as at 30 June 2023	**1 405 153**	**4 005 230**	**477 728**	**123 706**	**152**	**129 558**	**735 000**	**6 876 526**
Result for the period	-	-	-	-	-	(64 185)	15 686	(48 499)
Other income and expenses	-	-	-	-	-	(75 471)	-	(75 471)
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	102	(15 686)	(15 584)
Disbursed dividends for 2022	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	-	-
Balance sheet as at 30 September 2023	**1 405 153**	**4 005 230**	**477 728**	**123 706**	**152**	**(9 995)**	**735 000**	**6 736 973**
Result for the period	-	-	-	(123 706)	15 991	36 307	14 145	(57 262)
Other income and expenses	-	-	-	-	-	(29 443)	-	(29 443)
Equity issue	23 406	76 594	-	-	-	-	-	100 000
Interest tier 1 capital	-	-	-	-	-	86	(14 145)	(14 059)
Disbursed dividends for 2022	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	(160 000)	(160 000)
Balance sheet as at 31 December 2023	**1 428 559**	**4 081 824**	**477 728**	**-**	**16 143**	**(3 044)**	**575 000**	**6 576 209**
Result for the period	-	-	-	-	-	8 586	12 890	21 476
Other income and expenses	-	-	-	-	-	(98 329)	-	(98 329)
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	77	(12 890)	(12 813)
Disbursed dividends for 2023	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	-	-
Balance sheet as at 31 March 2024	**1 428 559**	**4 081 824**	**477 728**	**-**	**16 143**	**(92 709)**	**575 000**	**6 486 544**
Result for the period	-	-	-	-	(16 143)	33 348	12 880	30 085
Other income and expenses	-	-	-	-	-	(69 659)	-	(69 659)
Equity issue	72 481	227 519	-	-	-	-	-	300 000
Interest tier 1 capital	-	-	-	-	-	77	(12 880)	(12 803)
Disbursed dividends for 2023	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	-	-
Balance sheet as at 30 June 2024	**1 501 040**	**4 309 343**	**477 728**	**-**	**-**	**(128 942)**	**575 000**	**6 734 167**
Result for the period	-	-	-	-	-	9 092	13 061	22 153
Other income and expenses	-	-	-	-	-	(40 333)	-	(40 333)
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	78	(13 061)	(12 983)
Disbursed dividends for 2023	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	-	-
Balance sheet as at 30 September 2024	**1 501 040**	**4 309 343**	**477 728**	**-**	**-**	**(160 103)**	**575 000**	**6 703 006**
Result for the period	-	-	-	-	17 641	(11 319)	13 058	19 380
Other income and expenses	-	-	-	-	-	(106 879)	-	(106 879)
Equity issue	-	-	-	-	-	-	-	-
Interest tier 1 capital	-	-	-	-	-	82	(13 058)	(12 976)
Disbursed dividends for 2023	-	-	-	-	-	-	-	-
Hybrid capital	-	-	-	-	-	-	-	-
Balance sheet as at 31 December 2024	**1 501 040**	**4 309 343**	**477 728**	**-**	**17 641**	**(278 218)**	**575 000**	**6 602 532**

The specification of equity comprises accounting items pursuant to the provisions in the Norwegian Private Limited Liability Companies Act:

[1]Share capital and the share premium comprises paid-in capital.

[2]Other paid-in capital comprises paid-in capital which has earlier been taken from the share premium reserve.

[3]The fund for unrealised gains comprises value changes on financial instruments at fair value.

[4] The fund for valuation differences comprises the positive difference between the carried amount in the balance sheet and the acquisition price for investments in shares in associated companies.

[5]Other equity comprises earned and retained profits.

[6]Tier 1 perpetual bonds form part of tier 1 capital pursuant to section 3a of the Norwegian regulations concerning the calculation of regulatory capital. A regulatory right of redemption also exists. Should government regulations introduce changes which affect the extent to which the capital can be regarded as tier 1 capital, the bonds can be redeemed at a price equal to 100 per cent plus accrued interest. The company has recognised the following tier 1 perpetual bonds as equity:

- Tier 1 perpetual bond, issued NOK 100 million in 2022, with interest terms of three months Nibor plus 3.15 per cent. The loan provides for a call at 11 May 2027, and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date.
- Tier 1 perpetual bond, issued NOK 200 million in 2022, with interest terms of three months Nibor plus 4.40 per cent. The loan provides for a call at 14 September 2027, and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date.
- Tier 1 perpetual bond, issued NOK 275 million in 2023, with interest terms of three months Nibor plus 4.25 per cent. The loan provides for a call at 21 September 2028, and thereafter on each banking day in the subsequent interest period to 21 December 2028, and thereafter on each interest payment date.

Eika Boligkreditt has the right to pay no interest to the investors. Interest is not recognised as interest expense in the profit and loss account, but as a reduction to equity.

Statement of cash flows

Amounts in NOK 1 000	**2024**	2023
CASH FLOW FROM OPERATING ACTIVITIES		
Profit for the period	(222 103)	(71 497)
Taxes	(97 420)	(46 645)
Income taxes paid	(12 299)	(13 063)
Ordinary depreciation	251	437
Non-cash pension costs	572	605
Change in loans to customers	(6 377 012)	(2 290 236)
Change in bonds and certificates	2 800 413	6 581 873
Change in financial derivatives and debt securities issued	297 157	488 626
Interest expenses	5 771 858	4 837 034
Paid interest	(5 666 494)	(4 848 199)
Interest income	(6 687 738)	(5 538 504)
Received interests	6 652 822	5 654 145
Changes in other assets	88 766	(177 761)
Changes in short-term liabilities and accruals	(90 833)	33 361
Net cash flow relating to operating activities	**(3 542 061)**	4 610 175
INVESTING ACTIVITIES		
Payments related to acquisition of fixed assets	-	-
Share of profit/loss in associated companies	(18 938)	(15 991)
Payments from shares in associated companies	17 440	14 104
Net cash flow relating to investing activities	**(1 498)**	(1 887)
FINANCING ACTIVITIES		
Gross receipts from issuance of bonds and commercial paper	15 762 237	14 622 882
Gross payments of bonds and commercial paper	(14 634 044)	(18 566 553)
Gross receipts on issue of subordinated loan capital	-	-
Gross payments of subordinated loan capital	28	(34 004)
Gross receipts from issue of loan from credit institution	2 304 228	-
Gross payments from loan from credit institution	-	(363 295)
Gross receipts from issuing tier 1 perpetual bonds	-	275 000
Gross payments from issuing tier 1 perpetual bonds	-	(392 000)
Interest to the hybrid capital investors	(51 578)	(53 615)
Payments of dividend	-	(7 728)
Paid-up new share capital	300 000	100 000
Net cash flow from financing activities	**3 680 871**	(4 419 313)
Net changes in lending to and receivables from credit institutions	137 312	188 975
Lending to and receivables from credit institutions at 1 January	1 032 100	843 126
Lending to and receivables from credit institutions at end of period	**1 169 415**	1 032 100

Notes

Note 1 – Accounting policies

General

Eika Boligkreditt will prepare financial statements for 2024 in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union (EU). Financial assets and liabilities are measured at amortised cost, at fair value through profit or loss or at fair value through other comprehensive income. Note 1 in the annual financial statements for 2023 provides more details about accounting principles pursuant to the IFRS.

The financial statements for the fourth quarter of 2024 have been prepared in accordance with IAS 34 Interim financial reporting.

Note 2 – Use of estimates and discretion

In the application of the accounting policies described in note 1 in the annual financial statements for 2023, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities which are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors which are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other key sources of uncertainty at the end of the reporting period, which have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Lending, non-performing/doubtful loans and writedowns

Pursuant to IFRS 9, provisions for losses will be recognised on the basis of expected credit losses in the light of relevant information available at the reporting date. The combination of low loan-to-value ratio in the residential mortgage portfolio and the credit guarantees provided by the owner banks implies that the company does not expect significant effects on EBK's profit or equity. See note 13 and 13.2.2 in the annual financial statements for 2023 for further information.

No loans were written down at 31 December 2024.

Fair value of financial instruments

Eika Boligkreditt applies various measurement methods to determine the fair value of financial instruments which are not traded in an active market. The chosen methods are based on market conditions at the end of the reporting period. This means that, if observable market data are not available, the company will make assumptions and apply discretion as to what the market will base its evaluation of corresponding financial instruments on. More information about the financial instruments can be found in notes 4, 5, 6, 7, 9 and 11.

Note 3 – Income from portfolio sale

Amounts in NOK 1 000	2024	2023
Total income from portfolio sale	**-**	**5 358**

On 13 September 2023, the board of Eika Boligkreditt approved an agreement with OBOS-banken and OBOS BBL on the purchase of the residential mortgage portfolio held by OBOS-banken in Eika Boligkreditt AS. At its meeting of 9 February 2016, Eika Boligkreditt resolved to terminate its distribution agreement with OBOS-banken following the decision by OBOS to establish a wholly-owned residential mortgage company. In addition to the principal of the residential mortgages corresponding to NOK 931 million, the bank paid NOK 5.4 million in compensation for early redemption of its financing with Eika Boligkreditt.

Note 4 – Shares at fair value recognised in profit and loss and shares in associated company

Shares classified at fair value recognised in profit and loss

Amounts in NOK 1 000	Number of shares	Cost price	Book value 31 des 2024	Owner share
Nordic Credit Rating AS	10 000	2 500	1 650	1.67 %
Total	**10 000**	**2 500**	**1 650**	

Shares in associated company

Assets in associated companies are recognised using the equity method.

Amounts in NOK 1 000	Number of shares	Owner share
Eiendomsverdi AS	470 125	25.0 %
Total	**470 125**	

Amounts in NOK 1 000	2024	2023
Carrying amount at 1 January	59 673	57 785
Addition/disposal	-	-
Revalulation at acquisition cost	-	-
Share of profit/loss	18 938	15 991
Dividend	(17 440)	(14 104)
Carrying amount	**61 171**	**59 673**

EBK's investment in Eiendomsverdi is treated as an associated company calculated in accordance with the equity method. The shares in Eiendomsverdi are valued at the overall acquisition price on the basis of a staged acquisition adjusted for EBK's share of the profit and dividend received. The positive difference between the carried amount in the balance sheet and the acquisition price is recognised in fund for valuation differences.

Note 5 – Net gain and loss on financial instruments at fair value

Net gains and losses on financial instruments at fair value recognised through profit and loss

Amounts in NOK 1 000	4th quarter 2024	4th quarter 2023	2024	2023
Net gains and losses on bonds and certificates including currency effects [1]	2 564	66	30 838	(1 941)
Net gains and losses on loans at fair value	(57 097)	196 508	(10 863)	79 682
Net gains and losses on financial debts, hedged [2]	60 710	(2 164 076)	(2 131 013)	(1 121 617)
Net gains and losses on interest swaps related to lending	61 683	(186 390)	(676)	(74 774)
Net gains and losses on interest and currency swaps related to liabilities [2]	(59 599)	2 165 125	2 130 707	1 126 655
Net gains and losses on financial instruments at fair value	**8 262**	**11 233**	**18 993**	**8 006**

[1] The accounting line comprises net realised gain and loss on bonds and certificates, and currency effects related to cash collateral received and reinvested cash collateral in foreign currencies.

[2] The company utilises hedge accounting for long-term borrowing in foreign currency, where the cash flow arising from the derivative contract is matched 1:1 with the hedging object.

Net gains and losses on financial instruments at fair value recognised through comprehensive income

Amounts in NOK 1 000	4th quarter 2024	4th quarter 2023	2024	2023
Net gains and losses on bonds and certificates	(16 698)	20 550	(1 983)	45 755
Net gains and losses on interest-rate swaps related to bonds and certificates	3 214	(9 855)	688	(17 690)
Net gains and losses on basis swaps [3]	(129 022)	(194 796)	(418 971)	(262 407)
Net gains and losses on financial instruments at fair value	**(142 506)**	**(184 101)**	**(420 266)**	**(234 343)**

[3] Total comprehensive loss for 2024 includes negative NOK 419.0 million related to changes in fair value of basis swaps.

Basis swaps are derivative contracts used in connection with long-term borrowing in foreign currency, whereby the foreign currency is converted to Norwegian kroner. These are hedging instruments, and the value is zero over the term of the instrument. As a rule, the company holds both its borrowings and hedging instruments until maturity. This means that changes to margins only have accrual effects with respect to unrealised gains or losses in the accounts, and no realised gains or losses over the tenor of the derivative unless Eika Boligkreditt terminates the derivative early. Gain or loss related to basis swaps will be reclassified to profit and loss if the hedge is terminated early.

Eika Boligkreditt utilises interest-rate and currency swaps in order to convert borrowing in foreign currencies to Norwegian kroner. A typical example is when a loan raised in euros is converted to Norwegian kroner through an interest-rate and currency swap which includes a basis swap. In this case, Eika Boligkreditt would pay a Norwegian interest rate with a margin of three months Nibor in the swap and receive a euro interest rate in the swap which corresponds to the coupon it pays on the loan in euros. Derivatives are valued at fair value, while the hedged bond is valued in accordance with the principles which apply for hedge accounting.

Note 6 – Derivatives and hedging

The purpose of all derivative transactions in Eika Boligkreditt is to reduce the interest rate and currency risk. Interest rate swaps, where Eika Boligkreditt receives a fixed interest rate and pays a floating interest rate, are used to convert issued bonds and certificates from a fixed rate to a floating rate exposure. Financing at a floating rate would reduce the risk for the company, since most lending is done at a floating interest rate. Interest rate swaps where Eika Boligkreditt receives a floating interest rate and pays a fixed interest rate are used to hedge the interest rate margin from lending at a fixed interest rate.

Assets Amounts in NOK 1 000	31 Dec 2024 Nominal amount	31 Dec 2024 Fair value	31 Dec 2023 Nominal amount	31 Dec 2023 Fair value
Interest rate swap lending[1]	6 678 100	284 640	6 236 527	303 732
Interest rate and currency swap[2]	53 647 750	5 051 204	35 540 225	3 262 324
Interest swap placement	276 727	13 563	268 188	12 928
Total financial derivative assets including accrued interest	**60 602 577**	**5 349 407**	**42 044 940**	**3 578 984**

Liabilities Amounts in NOK 1 000	31 Dec 2024 Nominal amount	31 Dec 2024 Fair value	31 Dec 2023 Nominal amount	31 Dec 2023 Fair value
Interest rate swap lending[1]	469 000	1 523	849 565	18 227
Interest rate and currency swap[2]	10 270 500	472 067	25 990 925	943 221
Interest swap placement	217 963	6 505	39 244	1 052
Total financial derivative liabilities including accrued interest	**10 957 463**	**480 095**	**26 879 734**	**962 500**

[1] The hedging instruments related to the lending portfolio with fixed interest rate are rebalanced when necessary.

[2] The nominal amount is converted to the historical currency exchange rate.

Fair value and cash flow hedging on debt securities issued

Eika Boligkreditt applies fair value hedging on fixed-rate financial liabilities. The hedge object is the swap interest element of the financial liabilities. Interest and currency swaps are used as hedging instruments.

The basis margin related to foreign currency from financial instruments is separated out by excluding this earmarking of the fair-value hedge and the currency element in the hedge is identified as a cash flow hedge. This implies that changes in the basis swap, which arise when entering a currency swap to convert the company's borrowing in foreign currency to Norwegian kroner, are recognised as a cash flow hedge. Changes in fair value related to the basis margin will therefore be recognised in other comprehensive income.

Amounts in NOK 1 000	31 Dec 2024 Nominal amount	31 Dec 2024 Value recognised in balance sheet	31 Dec 2023 Nominal amount	31 Dec 2023 Value recognised in balance sheet
Hedging instruments: interest rate and currency swaps[1,2]	63 918 250	4 266 791	61 531 150	2 153 715
Hedged items: financial commitments incl foreign exchange[2]	63 918 250	(4 768 404)	61 531 150	(2 218 419)
Net capitalised value without accrued interest	**-**	**(501 612)**	**-**	**(64 705)**

[1] The nominal amount is converted to historical currency exchange rate.

[2] The book value of the hedging instruments is their net market value less accrued interest. The book value of the hedged objects is less accrued interest and the cumulative change in value associated with the hedged risk is an adjustment of financial liabilities at amortised cost.

Gains and losses on fair value hedging recorded in profit and loss

Amounts in NOK 1 000	4th quarter 2024	4th quarter 2023	2024	2023
Hedging instruments	(59 599)	2 165 125	2 130 707	1 126 654
Hedged items	60 710	(2 164 076)	(2 131 013)	(1 121 617)
Net gains/losses (inefffectiveness) recorded in profit and loss[3]	**1 111**	**1 049**	**(305)**	**5 038**

[3] Changes in the value of financial instruments related to changes in basis swaps are recognized in other comprehensive income. See note 5 for more information.

Note 7 – Lending to customers

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Instalment loans - retail market	101 648 426	95 143 338
Instalment loans - housing cooperatives	3 056 175	3 183 494
Accrued interest instalment loans	254 127	259 995
Adjustment fair value lending to customers[1]	(320 434)	(325 545)
Total lending before specific and general provisions for losses including accrued interest	**104 638 294**	**98 261 282**
Impairments on lending to customers	-	-
Total lending to and receivables from customers including accrued interest	**104 638 294**	**98 261 282**

[1]The table below shows fair value lending to customers.

With effect from 10 December 2019, the company increased its maximum loan-to-value (LTV) ratio for residential mortgages from 60 per cent to 75 per cent of the property's value at origination.

Provision for losses

Pursuant to IFRS 9, provision for losses must be recognised on the basis of the expected credit loss indicated by relevant information available at the reporting date.

Eika Boligkreditt had no non-performing engagements at 31 December 2024 where instalments due remained unpaid beyond 90 days. According to the EBA recommendation regarding the definition of default, the company is required to carry out various supplementary evaluations related to the probability of default. This evaluation must take account of the client's overall indebtedness, possible infection between agreements with the same debtor, the level of materiality limits and the duration of quarantine after being declared healthy.

Loss in the accounts is calculated on the basis of the loss model pursuant to IFRS 9. Non-performing engagements are presented in step 3, where an individual impairment is to be carried out per customer without the use of models. Credit guarantees provided by the owner banks in combination with the low LTV ratio for the mortgage portfolio, reduce provision for loss. The company has calculated that expected loss on residential mortgages will amount to NOK 2.7 million at 31 December 2024, compared to NOK 4.4 million at 31 December 2023. This assessment rests on new assumptions about the development of house prices in the time to come. As a result of credit guarantees of NOK 1.7 billion from the owner banks at 31 December 2024, this implies no accounting loss for the company in the fourth quarter of 2024.

See note 13.2.2 in the annual financial statements for 2023 for further information.

31 Dec 2024

Amounts in NOK 1 000	Nominal value	Fair value
Variable rate loans	97 554 037	97 554 037
Fixed rate loans	7 404 691	7 084 257
Toal lending including accrued interest	**104 958 728**	**104 638 294**

31 Dec 2023

Amounts in NOK 1 000	Nominal value	Fair value
Variable rate loans	91 118 736	91 118 736
Fixed rate loans	7 468 090	7 142 545
Toal lending including accrued interest	**98 586 827**	**98 261 282**

Calculation of fair value of loans: The margin on the loans is considered to be on market terms. The market value of variable rate loans is therefore measured as equal to amortised cost. The market value of fixed-rate loans is correspondingly measured as equal to amortised cost adjusted for the present value of the difference between the loans' fixed rate of interest and the applicable offered fixed rate at the balance sheet date.

Note 8 – Other financial assets

Amounts in NOK 1 000	31.12.2024	31.12.2023
Prepaid expenses	938	1 165
Defined contribution pension schemes	988	389
Short-term receivables	34 711	88 934
Total other financial assets	**36 637**	**90 488**

Note 9 – Bonds and certificates at fair value

31 December 2024
Amounts in NOK 1 000

Bonds broken down by issuer sector	Nominal value	Cost price	Fair Value
Municipalities	4 060 000	4 087 431	4 087 647
Credit institutions	3 920 000	3 950 358	3 958 891
Government bonds	7 088 152	7 098 856	7 092 249
Total bonds and certificates at fair value including accrued interest	**15 068 152**	**15 136 645**	**15 138 786**
Change in value charged recognised through profit and loss to other comprehensive income [1]			**2 141**

The average effective interest rate is 5.16 per cent annualised. The calculation is based on a weighted fair value of NOK 15.6 billion. The calculation takes account of a return of NOK 809.4 million on bank deposits, bonds and certificates. The return on reinvested cash collateral received is excluded from the calculation.

31 December 2023
Amounts in NOK 1 000

Bonds broken down by issuer sector	Nominal value	Cost price	Fair value
Municipalities	5 171 674	5 217 302	5 218 282
Credit institutions	8 475 000	8 536 742	8 546 464
Government bonds	4 263 533	4 284 177	4 174 454
Total bonds and certificates at fair value including accrued interest	**17 910 207**	**18 038 221**	**17 939 199**
Change in value charged recognised through profit and loss to other comprehensive income [1]			**(99 021)**

The average effective interest rate is 4.26 per cent annualised. The calculation is based on a weighted fair value of NOK 19.2 billion. The calculation takes account of a return of NOK 817 million on bank deposits, bonds and certificates. The return on reinvested cash collateral received is excluded from the calculation.

[1] The change in value is primarily related to agio effects on bonds denominated in euros (reinvested cash collateral received) recognised through profit and loss. Corresponding agio effects on loans to credit institutions are also recognised through profit and loss as net gains and losses on bonds and certificates.

	31 Dec 2024	31 Dec 2023
Average term to maturity	**1.6**	**2.0**
Average duration	**0.1**	**0.1**

All the bonds are rated AA-/Aa3 or better if the maturity exceeds 100 days, and A-/A3 if the maturity is 100 days or fewer. The rating is performed by an internationally recognised rating agency.

Note 10 – Coverpool

Section 11-7 of the Regulations relating to Financial Institutions, which came into effect on 8 July 2022, requires overcollateralisation of at least 5 per cent of the value of covered bonds in the cover pool. The 5 per cent requirement is calculated on the basis of nominal values (nominal value of hedged foreign exchange rates, not including accrued interest), while the company's own holding of covered bonds is also taken into account. Eika Boligkreditt has pledged to maintain an overcollateralisation of at least 2.75 per cent in their EMTCN-programme. But the precondition for an overcollateralisation below five per cent is that the Aaa rating for the bonds is maintained. An overcollateralisation of 2 per cent is also necessary to maintain the Aaa rating from Moody's Investor Service. In the calculation of overcollateralisation in accordance with the rating and the loan programme nominal values have been used.

Calculation of overcollateralisation at nominal value (calculated in accordance with section 11-7 of the financial institutions regulations)

	Nominal values including retained bonds	
Amounts in NOK 1 000	**31 Dec 2024**	**31 Dec 2023**
Loans to customers without accrued interest	104 704 601	98 327 079
Loans not qualified for the cover pool [1]	(836 200)	(1 023 913)
Substitute assets:		
Substitute assets [2]	11 194 972	16 107 448
Substitute assets excluded from calculation of overcollateralisation for LCR purposes [3]	(300 000)	(250 000)
Total cover pool	**114 763 374**	**113 160 614**
The cover pool's overcollateralisation	108.88%	109.24%

Covered bonds issued

	31 Dec 2024	31 Dec 2023
Covered bonds	105 404 250	103 589 150
Retained bonds (covered bonds) [4]	-	-
Total covered bonds	**105 404 250**	**103 589 150**

[1] Residential mortgages without legal protection, non-performing engagements and any share of loans with a loan-to-value (LTV) ratio in excess of 80% are excluded when calculating the carrying amount in the balance sheet.

[2] Substitute assets include loans to and receivables from credit institutions, including underlying security in repo agreements as well as bonds and certificates at nominal value.

[3] Pursuant to the Financial Supervisory Authority's guidance for reporting LCR, the liquidity cover ratio is excluded when calculating the cover pool's overcollateralisation.

[4] When calculating the 5 per cent requirement, account has been taken of the company's retained covered bonds.

Calculation of overcollateralisation using nominal values (calculated in accordance with the requirements in the company's borrowing programme and Moody's Investors Service methodology)

	Nominal values	
Amounts in NOK 1 000	**31 Dec 2024**	**31 Dec 2023**
Lending to customers without accrued interest	104 704 601	98 327 079
Loans not qualified for the cover pool [5]	(810 382)	(976 976)
Substitute assets:		
Substitute assets [2]	11 194 972	16 107 448
Total cover pool	**115 089 191**	**113 457 551**
The cover pool's overcollateralisation	109.19%	109.53%

Covered bonds issued

	31 Dec 2024	31 Dec 2023
Covered bonds	105 404 250	103 589 150
Total covered bonds	**105 404 250**	**103 589 150**

[5] Residential mortgages without legal protection have been excluded when calculating the carrying amount in the balance sheet.

Note 11 – Fair value hierarchy

Eika Boligkreditt measures financial instruments at fair value and classifies the related fair value at three different levels which are based on the market conditions at the balance sheet date.

Level 1: Financial instruments where the value is based on quoted prices in an active market
Included in Level 1 are financial instruments where the value is based on quoted prices in active markets for identical assets. Quoted prices are obtained from Bloomberg. The company's investments in government bonds are included in this category.

Level 2: Financial instruments where the value is based on observable market data
Level 2 comprises financial instruments which are valued using market information not consisting of quoted prices but which may be either directly or indirectly observable. Indirectly observable market data entail that the price is derived from corresponding financial instruments and commitments on which the market has based its valuation. This category consists of the fair value of interest and currency swaps based on swap curves and investments in bonds and certificates not issued by a national state. Market data are obtained from an acknowledged provider of market data.

Level 3: Financial instruments where the value is based on information other than observable market data
Level 3 includes fixed-interest mortgages and shares at fair value over profit and loss. The fair value of the fixed-interest mortgages is their amortised cost adjusted for the present value of the difference between the mortgage's fixed interest rate and the applicable fixed interest rate offered on the balance sheet date. Shares are valued on the basis of discounted cash flows.

31 December 2024

Amounts in NOK 1 000	Level 1	Level 2	Level 3
Financial assets			
Lending to customers (fixed rate)	-	-	7 084 257
Bonds and certificates	5 242 319	9 896 467	-
Financial derivatives	-	5 349 407	-
Shares classified at fair value recognised in profit or loss	-	-	1 650
Total financial assets	**5 242 319**	**15 245 874**	**7 085 907**
Financial liabilities			
Financial derivatives	-	480 095	-
Total financial liabilities	**-**	**480 095**	**-**

No significant transactions between the different levels took place in 2024.

31 December 2023

Amounts in NOK 1 000	Level 1	Level 2	Level 3
Financial assets			
Lending to customers (fixed rate)	-	-	7 142 545
Bonds and certificates	2 686 804	15 252 395	-
Financial derivatives	-	3 578 984	-
Shares classified as available for sale	-	-	1 650
Total financial assets	**2 686 804**	**18 831 380**	**7 144 195**
Financial liabilities			
Financial derivatives	-	962 500	-
Total financial liabilities	**-**	**962 500**	**-**

No significant transactions between the different levels took place in 2023.

Detailed statement of assets classified as level 3 assets

2024 Amounts in NOK 1 000	01 Jan 2024	Purchases/ issues	Disposals/ settlements	Transfers in/out of level 3	Allocated to profit or loss 2024	Other comprehensive income	31 Dec 2024
Lending to customers (fixed-rate loans)	7 142 545	1 598 121	(1 645 546)	-	(10 863)	-	7 084 257
Shares at fair value over profit or loss	1 650	-	-	-	-	-	1 650
Total	**7 144 195**	**1 598 121**	**(1 645 546)**	**-**	**(10 863)**	**-**	**7 085 907**

2023 Amounts in NOK 1 000	01 Jan 2023	Purchases/ issues	Disposals/ settlements	Transfers in/out of level 3	Allocated to profit or loss 2023	Other comprehensive income	31 Dec 2023
Lending to customers (fixed-rate loans)	7 941 705	935 321	(1 814 164)	-	79 682	-	7 142 545
Shares at fair value over profit or loss	1 650	-	-	-	-	-	1 650
Total	**7 943 355**	**935 321**	**(1 814 164)**	**-**	**79 682**	**-**	**7 144 195**

Interest rate sensitivity of assets classified as Level 3 at 31 December 2024
A one-percentage point increase in all interest rates would reduce the value of the company's fixed-rate loans at fair value by NOK 171.5 million. The effect of a decrease in interest rates would be an increase of NOK 171.5 million in the value of fixed-rate loans at fair value. The amounts are calculated by duration, which is the remaining portion of the fixed interest period.

Changes in fair value of fixed-rate loans attributable to a change in credit risk
Since the company's fixed-rate lending at fair value has an unchanged credit spread, no change in fair value is attributable to a change in the credit risk. That applies both for 31 December 2024 and cumulatively.

Detailed statement of changes in debt related to currency changes

2024 Amounts in NOK 1 000	01 Jan 2024	Issued/matured	Currency changes	31 Dec 2024
Change in debt securities issued [1]	56 903 438	727 100	2 162 097	59 792 635
Total	**56 903 438**	**727 100**	**2 162 097**	**59 792 635**

2023 Amounts in NOK 1 000	01 Jan 2023	Issued/matured	Currency changes	31 Dec 2023
Change in debt securities issued 1	63 891 383	(6 137 300)	(850 646)	56 903 438
Total	**63 891 383**	**(6 137 300)**	**(850 646)**	**56 903 438**

[1]The table shows currency changes related to bonds issued in foreign currencies. Currency changes related to liabilities with credit institutions are not shown.

Note 12 – Leases

IFRS 16 on lease accounting requires that all leases are recognised in the balance sheet by recognising the beneficial use of an asset as an asset, while making provision for the lease obligation as a liability. Eika Boligkreditt has leases, covering office premises and car leasing which is subject to this standard. The beneficial use and lease obligation are recognised as NOK 9.0 million and NOK 9.4 million respectively, in the company's balance sheet at 31 December 2024, representing the present value of future rent payments over the duration of the lease. The lease duration which forms the basis for calculating future rent payments corresponds to the remaining period until the termination of the lease (as of 31 December 2024 this was about 2.5 years for leasing of office premises and about 1.5 years for car leasing). Possible options are not added to the lease duration. In January 2025 leasing of office premises was extended to 2032. In addition, the beneficial use is depreciated over the duration of the lease while interest on the lease obligation is expensed. Depreciation is presented together with other depreciation in the statement of comprehensive income, while interest is included in financial expenses in the statement of comprehensive income. Interest costs are calculated by applying the discount rate (the company's incremental borrowing rate) to the lease obligation.

Note 13 – Loans from credit institutions

Agreements with counterparties regulating trades in OTC derivatives require collateral to be provided in certain cases. Eika Boligkreditt has been provided with such collateral in the form of cash. The cash is managed by Eika Boligkreditt for the duration of the collateral provision and are recognised on the balance sheet as an asset with an associated liability. At 31 December 2024, Eika Boligkreditt had received cash collateral of NOK 5.0 billion posted by counterparties in derivative contracts. Cash collateral received is held in bank deposits, repo agreements and in various high-quality bonds.

Note 14 – Debt securities issued

Covered bonds - amounts in NOK 1 000

ISIN	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010625346	1 500 000	NOK	Fixed	4.60 %	2011	2026	1 515 113	1 515 204
NO0010669922	1 000 000	NOK	Fixed	4.00 %	2013	2028	1 037 290	1 036 984
NO0010687023	150 000	NOK	Fixed	4.10 %	2013	2028	151 965	151 965
NO0010763022	850 000	NOK	Fixed	2.25 %	2016	2031	859 820	859 279
NO0010780687	700 000	NOK	Fixed	2.60 %	2016	2027	711 418	711 351
NO0010815376	1 600 000	NOK	Fixed	2.67 %	2018	2033	1 631 597	1 630 766
NO0010863178	7 250 000	NOK	Floating	3M Nibor + 0.25 %	2019	2024	-	6 676 002
NO0010881162	6 000 000	NOK	Floating	3M Nibor + 0.41%	2020	2025	4 113 186	6 039 914
NO0010921067	10 500 000	NOK	Floating	3M Nibor + 0.75 %	2021	2026	10 599 203	10 651 773
NO0011135105	6 000 000	NOK	Floating	3M Nibor + 0.50 %	2021	2026	6 035 259	6 053 125
NO0012475609	6 000 000	NOK	Floating	3M Nibor + 0.42 %	2022	2027	6 004 988	6 004 786
NO0012708827	2 000 000	NOK	Fixed	4.00 %	2022	2032	2 013 145	2 012 144
NO0012728643	1 700 000	NOK	Fixed	4.33 %	2022	2034	1 771 199	1 776 962
NO0012807421	7 500 000	NOK	Floating	3M Nibor + 0.48 %	2023	2028	7 580 477	7 581 679
NO0013135301	6 000 000	NOK	Floating	3M Nibor + 0.57%	2024	2029	8 010 700	-
NO0013386680	500 000	NOK	Fixed	4.15 %	2024	2036	503 512	-
NO0013401935	620 000	NOK	Floating	3M Nibor + 0.57%	2024	2039	625 152	-
XS1566992415	500 000	EUR	Fixed	0.375 %	2017	2024	-	5 623 910
XS1725524471	500 000	EUR	Fixed	0.375 %	2017	2025	5 908 710	5 617 586
XS1869468808	500 000	EUR	Fixed	0.50 %	2018	2025	5 897 252	5 606 708
XS1945130620	500 000	EUR	Fixed	0.875 %	2019	2029	5 914 934	5 623 707
XS1969637740	10 000	EUR	Fixed	1.245 %	2019	2039	118 939	113 189
XS1997131591	60 000	EUR	Fixed	1.112 %	2019	2039	711 770	677 358
XS2085864911	5 000	EUR	Fixed	0.56 %	2019	2039	58 881	56 032
XS2133386685	500 000	EUR	Fixed	0.01 %	2020	2027	5 918 498	5 644 322
XS2234711294	500 000	EUR	Fixed	0.01 %	2020	2028	5 937 574	5 664 344
XS2353312254	500 000	EUR	Fixed	0.125 %	2021	2031	5 869 936	5 582 597
XS2482628851	500 000	EUR	Fixed	1.625 %	2022	2030	5 920 139	5 628 551
XS2536806289	500 000	EUR	Fixed	2.50 %	2022	2028	5 906 652	5 614 732
XS2636611332	500 000	EUR	Fixed	3.25 %	2023	2033	5 944 276	5 650 898
XS2787826382	500 000	EUR	Fixed	2.875 %	2024	2029	6 003 100	-
Value adjustments							(2 312 409)	(3 233 051)
Total covered bonds including accrued interest [1]							**110 962 274**	**106 572 817**

[1] For covered bonds linked to the company's cover pool, an overcollateralisation requirement of 2.75 per cent applies in accordance with the company's borrowing programme (Euro Medium Term Covered Note Programme). But the precondition for an overcollateralisation below five per cent is that the Aaa rating for the bonds is maintained. An overcollateralisation of 2 per cent is required to maintain the Aaa rating that Moody's Investors Service has accorded to the company's bonds.

Senior unsecured bonds - amounts in NOK 1 000

ISIN	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010834716	500 000	NOK	Fixed	3.01 %	2018	2025	301 650	301 581
NO0010841620	300 000	NOK	Fixed	2.87 %	2019	2026	308 073	308 017
NO0010845936	500 000	NOK	Floating	3M Nibor + 0.78 %	2019	2024	-	300 937
NO0010849433	500 000	NOK	Floating	3M Nibor + 0.74 %	2019	2024	-	300 194
NO0010874944	300 000	NOK	Floating	3M Nibor + 0.58 %	2020	2025	186 358	302 101
NO0010904642	500 000	NOK	Floating	3M Nibor + 0.65 %	2020	2024	-	504 101
NO0010918113	300 000	NOK	Floating	3M Nibor + 0.45 %	2021	2024	-	302 997
NO0012899915	250 000	NOK	Floating	3M Nibor + 1.25 %	2023	2028	252 594	252 628
NO0013013979	250 000	NOK	Floating	3M Nibor + 1.24 %	2023	2028	250 636	250 579
NO0013101576	500 000	NOK	Floating	3 M Nibor + 0.87%	2023	2026	500 883	500 797
NO0013251207	300 000	NOK	Floating	3 M Nibor + 0.60%	2024	2027	301 135	-
NO0013383380	500 000	NOK	Floating	3M Nibor + 0.81%	2024	2029	504 077	-
Value adjustments							(13 572)	(20 817)
Total senior unsecured bonds including accrued interest							**2 591 834**	**3 303 114**

Total debt securities issued including accrued interest	**113 554 108**	**109 875 931**

Note 15 – Subordinated loan capital

Subordinated loan capital - amounts in NOK 1 000

ISIN	Nominal amounts	Local currency	Interest rate terms	Interest rate	Establishment	Maturity	31 Dec 2024	31 Dec 2023
NO0010864333	250 000	NOK	Floating	3M Nibor + 1.55% [1]	2019	2029	-	250 145
NO0010917735	150 000	NOK	Floating	3M Nibor + 1.04% [2]	2021	2031	151 653	151 617
NO0012618927	375 000	NOK	Floating	3M Nibor + 2.20% [3]	2022	2032	377 747	377 491
NO0013265900	250 000	NOK	Floating	3M Nibor + 1.65% [4]	2024	2034	249 881	-
Total subordinated loan capital including accrued interest							**779 280**	**779 252**

[1] Subordinated loan of NOK 250 million maturing on 27 September 2029, with a redemption right (call) on 27 September 2024 and thereafter quarterly at each interest date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest. Eika Boligkreditt has redeemed the bond in full as of 27 September 2024 (call).

[2] Subordinated loan of NOK 150 million maturing on 20 January 2031, with a redemption right (call) on 20 January 2026 and thereafter quarterly at each interest date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest.

[3] Subordinated loan of NOK 375 million maturing on 18 November 2032, with a redemption right (call) on 18 August 2027 and thereafter on each banking day in the subsequent interest period and thereafter on each interest payment date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest.

[4] Subordinated loan of NOK 250 million maturing on 27 December 2034, with a redemption right (call) on 27 September 2029 and thereafter on each banking day (including the next interest payment date) in the subsequent interest period and thereafter on each interest payment date. A regulatory and a tax related call are also provided. Should official regulation lead to changes which affect how far the capital can be regarded as tier 2 capital, the bond can be redeemed at a price equal to 100 per cent plus accrued interest.

Note 16 – Capital adequacy ratio

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Share capital	1 501 040	1 428 559
Share premium	4 309 343	4 081 824
Other paid-in equity	477 728	477 728
Other equity [1]	(278 222)	(343)
Total equity recognised in the balance sheet (without tier 1 perpetual bonds)	**6 009 889**	**5 987 768**
Cash flow hedge reserve [1]	384 230	-
Fund for unrealised gains	-	-
Fund for valuation differences	17 641	16 143
Intangible assets	(141)	(392)
Deferred tax assets [2]	-	-
Prudent valuation adjustments of fair valued positions without accrued interest	(23 084)	(25 371)
Total core tier 1 capital	**6 388 534**	**5 978 147**

Core capital adequacy ratio (core tier 1 capital)	31 Dec 2024	31 Dec 2023
Risk-weighted assets	39 918 094	38 644 408
Core tier 1 capital	6 388 534	5 978 147
Core tier 1 capital ratio	**16.0%**	**15.5%**

Total core tier 1 capital	6 388 534	5 978 147
Tier 1 perpetual bonds	575 000	575 000
Total tier 1 capital	**6 963 534**	**6 553 147**

Capital adequacy ratio (tier 1 capital)	31 Dec 2024	31 Dec 2023
Risk-weighted assets	39 918 094	38 644 408
Tier 1 capital	6 963 534	6 553 147
Tier 1 capital ratio	**17.4%**	**17.0%**

Total tier 1 capital	6 963 534	6 553 147
Subordinated loans	774 186	774 249
Total primary capital (tier 2 capital)	**7 737 720**	**7 327 396**

Capital adequacy ratio (tier 2 capital)	31 Dec 2024	31 Dec 2023
Risk-weighted assets	39 918 094	38 644 408
Total primary capital (tier 2 capital)	7 737 720	7 327 397
Capital adequacy ratio	**19.4%**	**19.0%**

Required capital corresponding to eight per cent of calculation basis	3 193 448	3 091 553
Surplus equity and subordinated capital	4 544 272	4 235 844

The capital adequacy ratio is calculated using the standard method in Basel II.

31 December 2024

Risk-weighted assets	Risk-weighted assets	Capital requirement
Credit risk [3]	38 683 438	3 094 675
Operational risk	323 042	25 843
CVA risk [4]	911 614	72 929
Total	**39 918 094**	**3 193 448**

Leverage ratio	31 Dec 2024	31 Dec 2023
Total leverage ratio exposure	128 735 504	120 787 645
Tier 1 capital	6 963 534	6 553 147
Levereage ratio	**5.4 %**	**5.4 %**

The company applies the standardised approach for calculating credit risk and the basic indicator approach for calculating operational risk.

[1]Pursuant to the rules for hedge accounting set out in IFRS 9, changes in fair value relating to cross-currency interest rate swaps may be recognised as cash-flow hedging. Because it is possible to disaggregate the basis spread as cash-flow hedging under IFRS 9, changes in value relating to the basis spread are neutralised in line with Article 33(1) of the CRR when calculating core tier 1 capital. This is the same as was the case for cash-flow hedging under IAS 39.

[2]Deferred tax assets attributable to temporary differences and amounting to less than 10 per cent of core tier 1 capital are not deducted from core tier 1 capital, but risk-weighted by 250 per cent. See the changes to the calculation regulations which came into force on 30 September 2014.

[3]Eika Boligkreditt had no non-performing engagements at 31 December 2024 where instalments due remained unpaid beyond 90 days. According to the EBA recommendation regarding the definition of default, the company is required to carry out various supplementary evaluations related to the probability of default. This evaluation must take account of the client's overall indebtedness, possible infection between agreements with the same debtor, the level of materiality limits and the duration of quarantine after being declared healthy.

On the basis of this new standard for assessing defaults, these are estimated to amount to NOK 7.6 million at 31 December 2024. This definition of default will affect the company's calculation of capital adequacy, where mortgages defined as in default have their risk weighting in the calculation base changed from 35 to 100 per cent, assuming that the LTV for the defaulting mortgages is below 100 per cent. The mortgages can also be deducted from tier 1 capital pursuant to article 47c of the CRR if the mortgage is entered into after 26 April 2019.

[4]At 31 December 2024, Eika Boligkreditt accounts for the risk of credit valuation adjustment (CVA) when calculating capital requirements for credit risk. This represents a supplement to the capital requirement for credit risk related to counterparty risk for derivatives.

The risk-weighted assets at 31 December amounted to NOK 39.9 billion and represents a quantification of the company's risk. After accounting for growth in overall lending and changes in the company's liquidity portfolio, operational risk and CVA risk, the calculation basis for capital adequacy at 31 December 2024 was NOK 1.3 billion higher than at 1 January.

At all times, the company must have a buffer in relation to the minimum capital adequacy requirement of eight per cent. This buffer must be sufficient to cover relevant risks which could affect the company. The company's Internal Capital Adequacy Assessment Process (ICAAP) is pursued to ensure that it has an adequate buffer in relation to the minimum requirement. The company plans to capitalise continued growth in the residential mortgage portfolio and capital requirements. The company's capital targets are a core tier 1 capital ratio of 14.78 per cent, a tier 1 capital ratio of 16.37 per cent and a tier 2 capital ratio of 18.5 per cent. These targets are adequate in relation to the legal requirements, the company's Pillar 2 demands, and capital requirements based on the company's internal assessment of risk (0.5 per cent). As can be seen above, the applicable buffer requirement was met at 31 December 2024 with a core tier 1 capital ratio of 16.0 per cent.

The company has a shareholder agreement which commits the owner banks, under given circumstances, to provide Eika Boligkreditt with necessary capital. More information on the shareholder agreement can be found in note 27 in the annual financial statements for 2023.

With the introduction of the capital requirements regulation (CRR3) being introduced to Norwegian law, a new standard method for calculating capital requirements for credit risk will be implemented. This method is more risk sensitive compared to the current method, resulting in lower capital requirements for loans with a low loan-to-value ratio. Additionally, CRR3 will change the method for calculating the CVA risk and operational risk. CRR3 will be incorporated into Norwegian law through amendments to the CRR/CRD regulation established by the Norwegian Ministry of Finance. However, the amendments cannot enter into force until CRR3 is incorporated and effective within the European Economic Area (EEA) agreement. The regulation is still awaiting potential constitutional reservations in Liechtenstein and Iceland.

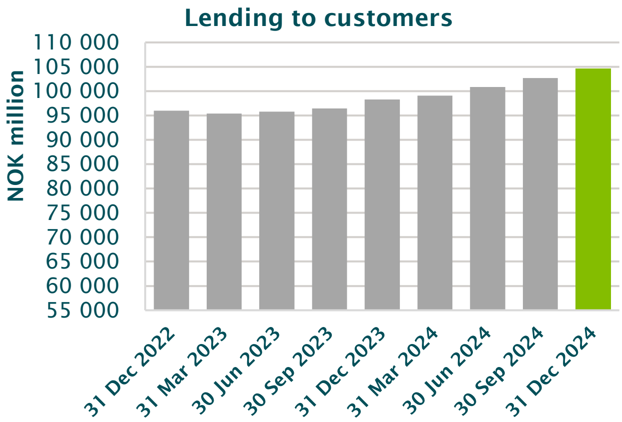
Note 17 – Contingency and overdraft facilities

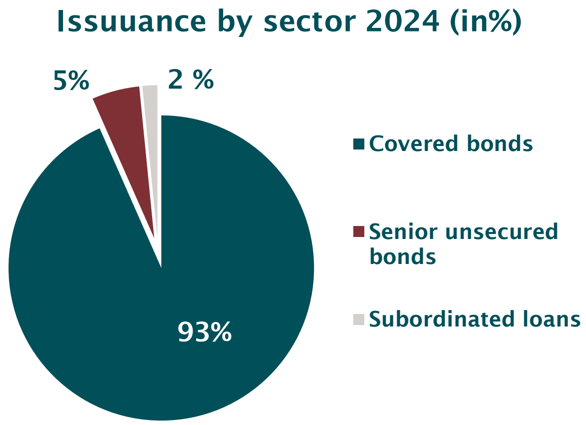
The company has an overdraft facility with DNB Bank ASA (DNB). Note 23 in the annual financial statements for 2023 provides a more detailed presentation of the overdraft with DNB. In 2012, the company established a Note Purchase Agreement (NPA) with the owner banks concerning the purchase of covered bonds, whereby the owner banks have accepted a liquidity obligation towards Eika Boligkreditt. Under the terms of this agreement, the owner banks have an obligation to purchase covered bonds issued by Eika Boligkreditt if the company's liquidity situation indicates that such purchases are necessary. During the second quarter of 2024, the terms of the agreement with the owner banks were renegotiated in order to ensure that the purchase obligation does not actually increase the owner banks' future capital requirement. In the revised agreement, the secondary liability has been removed and the owner banks' primary liability is limited such that the total amount of covered bonds issued under the NPA cannot exceed 20 per cent of the total amount of the covered bonds issued by the company. More information on the note purchase agreement can be found in note 23 to the annual financial statements for 2023.

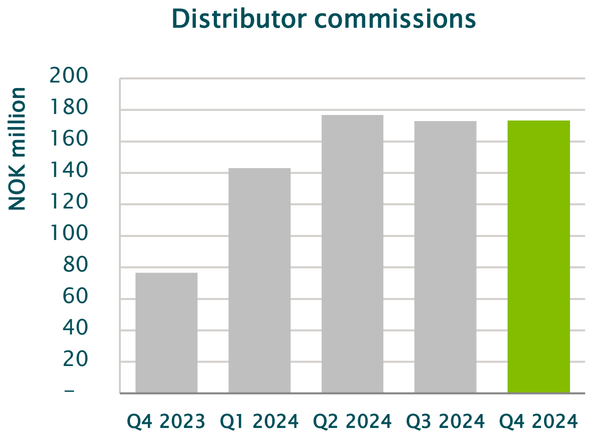
Note 18 – Risk management

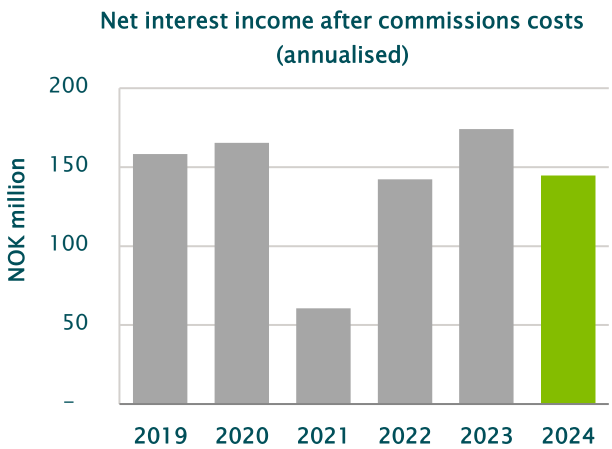
Eika Boligkreditt AS has established a framework for risk management and control in the company, which defines risk willingness and the principles for managing risk and capital. The value of financial assets and liabilities fluctuates as a result of risk in the financial markets. Note 3 in the annual report for 2023 describes the company's financial risk, which also applies to financial risk in 2024.

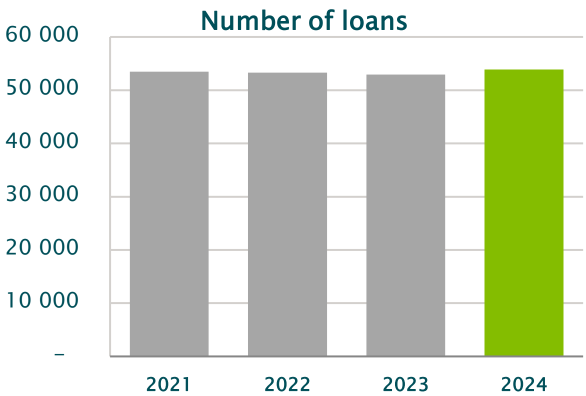
Key figures – Development

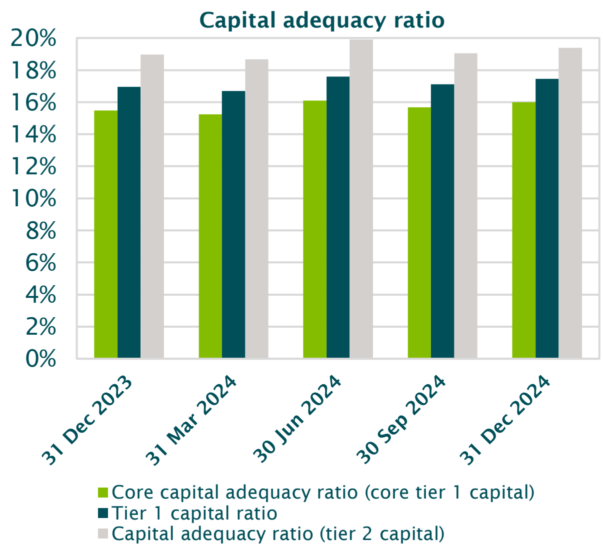












Key figures - Unaudited

Amounts in NOK 1 000	31 Dec 2024	31 Dec 2023
Balance sheet development		
Lending to customers	104 638 294	98 261 282
Debt securities issued	113 554 108	109 875 931
Subordinated loan capital	779 280	779 252
Equity	6 602 530	6 576 209
Equity in % of total assets	5.2	5.4
Average total assets[1]	123 986 686	122 256 092
Total assets	126 565 822	121 039 280
Rate of return/profitability		
Fee and commission income in relation to average total assets, annualised (%)	0.5	0.4
Sum operating expenses in relation to average lending to customers (%)	0.080	0.085
Return on equity before tax, annualised (%) [2]	1.6	2.0
Total assets per full-time position	6 328 291	6 370 488
Cost/income ratio (%) [3]	56.5	48.5
Financial strength		
Core tier 1 capital	6 388 534	5 978 147
Tier 1 capital	6 963 534	6 553 147
Total primary capital (tier 2 capital)	7 737 720	7 327 397
Risk-weighted assets	39 918 094	38 644 408
Core tier 1 capital ratio (%)	16.0	15.5
Tier 1 capital ratio (%)	17.4	17.0
Capital adequacy ratio % (tier 2 capital)	19.4	19.0
Leverage ratio (%) [4]	5.4	5.4
NSFR total indicator in % [5]	115	115
Defaults in % of gross loans	0.01	0.02
Loss in % of gross loans	-	-
Staff		
Number of full-time positions at end of period	20.0	19.0

Liquidity Coverage Ratio (LCR) [6]:

31 Dec 2024	Total	NOK	EUR
Stock of HQLA	4 813 303	300 000	382 645
Net outgoing cash flows next 30 days	941 894	156 484	209 317
LCR indicator (%)	**511 %**	**192 %**	**183 %**

31 Dec 2023	Total	NOK	EUR
Stock of HQLA	2 359 377	250 000	187 659
Net outgoing cash flows next 30 days	1 696 792	266 074	161 418
LCR indicator (%)	**139 %**	**94 %**	**116 %**

[1] Total assets are calculated as a quarterly average for the last period.

[2] Annualised profit before tax as a percentage of average equity on a quarterly basis (return on equity).

[3] Total operating expenses in % of net interest income after commissions costs.

[4] Leverage ratio is calculated in accordance with the CRR/CRD IV regulatory.

[5] NSFR total indicator: Is calculated in accordance with the CRR/CRD IV regulations and is based on the Basel Committee recommendations.

[6] Liquidity coverage ratio (LCR): $\frac{High-quality\ liquid\ assets}{Net\ outgoing\ cash\ flows\ next\ 30\ days}$

LCR indicators: Pursuant to the Financial Supervisory Authority's guidance for reporting LCR, the liquidity cover ratio is excluded when calculating the cover pool's overcollateralisation. At 31 December 2024, liquid assets totalling NOK 300 million in the form of bonds and certificates were excluded from the calculation of the cover pool's overcollateralisation.

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