

Annual Report 2024

Please observe that the Danish version of this Annual Report prevails.

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Financial Highlights

Core profit and net profit for the year, DKKm

	2024	2023	Index 24/23	2022	2021	2020
Administration margin income, etc.	2,460	2,496	99	2,356	2,343	2,332
Other net interest income	1,028	795	129	160	15	36
Net fee and commission income, etc.	-183	-556	33	-653	-706	-603
Value adjustments, etc.	216	370	58	2	107	218
Other income	0	0	0	0	5	14
Core income	3,521	3,106	113	1,865	1,764	1,997
Core expenses	443	445	100	394	389	345
Core profit before loan impairment charges	3,078	2,661	116	1,471	1,375	1,652
Loan impairment charges (- is income)	-17	-12	142	-272	64	485
Core profit/Pre-tax profit	3,095	2,673	116	1,743	1,311	1,168
Tax	806	643	125	383	283	259
Profit for the year	2,289	2,030	113	1,361	1,028	908

Relationships between income statement items under financial highlights and the income statement appear from note 2 in the financial statements.

Summary of Balance Sheet, end of period, DKKm

	2024	2023	Index 24/23	2022	2021	2020
Mortgage loans, nominal value	381,530	373,677	102	365,595	338,965	334,168
Mortgage loans, fair value	365,853	352,663	104	333,728	340,969	344,965
Bonds and shares, etc.	20,683	19,160	108	12,728	15,960	17,533
Total assets	399,976	383,021	104	359,621	369,035	377,132
Issued bonds, fair value	367,941	351,790	105	329,529	344,817	353,357
Equity	26,478	24,189	109	22,159	20,798	19,769

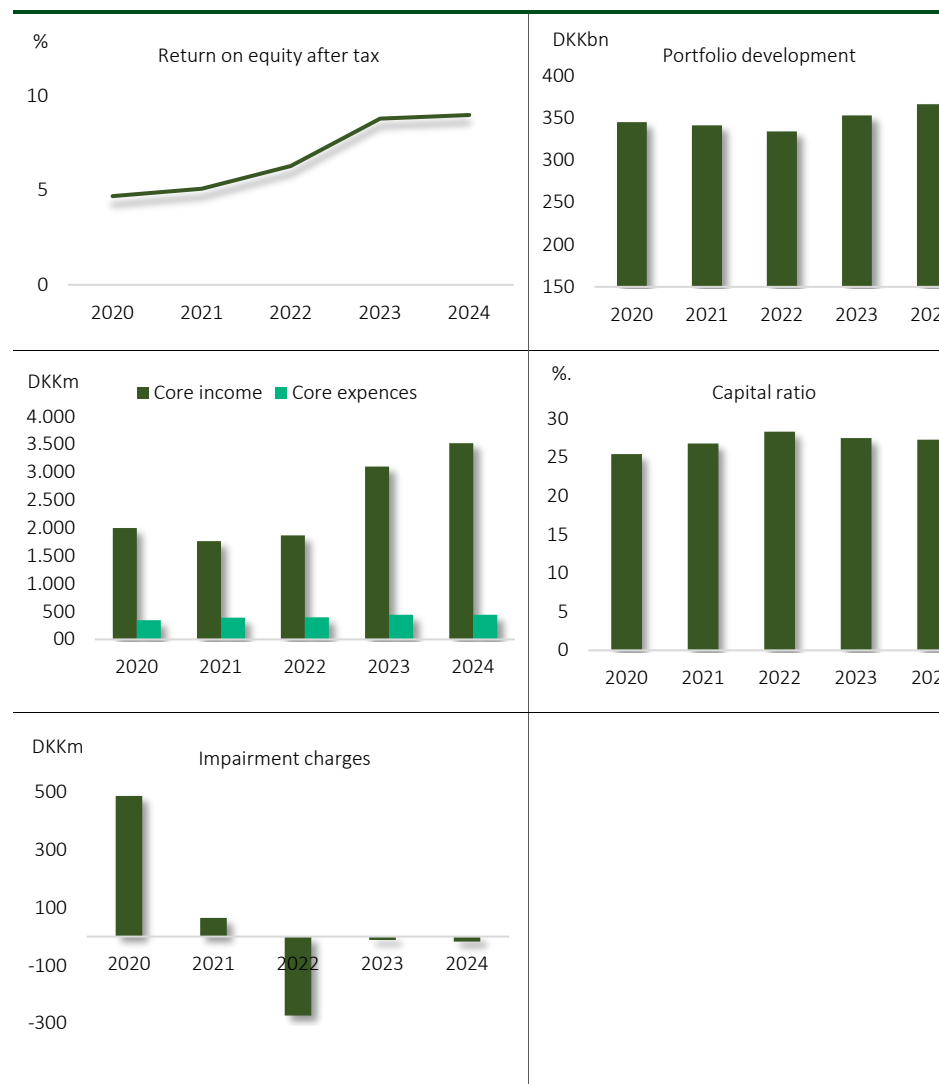
Key figures and ratios

	2024	2023	Index 24/23	2022	2021	2020
Pre-tax profit as a percentage of average equity	12.2	11.5	-	8.1	6.5	6.0
Net profit as a percentage of average equity	9.0	8.8	-	6.3	5.1	4.7
Expenses as a percentage of income	12.6	14.3	-	21.1	22.1	17.3
Capital ratio (%)	27.3	27.5	-	28.3	26.8	25.4
Common Equity Tier 1 capital ratio (CET1 %)	27.3	27.5	-	28.3	26.8	25.4
Individual solvency requirement (%)	10.2	9.9	-	9.7	10.0	10.0
Capital base (DKKm)	26,379	24,053	-	22,096	20,769	19,743
Weighted risk exposure (DKKm)	96,526	87,469	-	78,193	77,621	77,787
No. of employees at year-end	29	27	-	25	25	25
No. of employees split between the companies, at year-end ¹	671	725	-	594	561	496
No. of employees split between the companies converted to full-time equivalent	256	253	-	239	238	201

¹ Employees split between the companies are included in the number of employees stated in the Annual Report of Jyske Bank A/S, and their remuneration is paid through Jyske Bank A/S. Jyske Realkredit A/S pays this expense for employees split between the companies through a service agreement with Jyske Bank A/S, and it is recognised under the item 'Core expenses'.

Summary

- Profit before tax amounted to DKK 3,095m (2023: DKK 2,673m) corresponding to a return of 12.2% on average equity (2023: 11.5%).
- Net profit for the year amounted to DKK 2,289m (2023: DKK 2,030m) corresponding to a return of 9.0% on average equity (2023: 8.8%).
- Core expenses: DKK 443m (2023: DKK 445m).
- Impairment charges affected core profit by an income of DKK 17m (2023: an income of DKK 12m).
- The loan portfolio at nominal value amounted to DKK 382bn. (2023: DKK 374bn), and at a fair value of DKK 366bn (2023: DKK 353bn).
- At the end of 2024, the capital ratio and the core capital ratio amounted to 27.3% (end of 2023: 27.5).



Comments by management

In connection with the presentation of the Annual Report 2024, Carsten Tirsbæk Madsen, Chief Executive Officer, states:

‘Today Jyske Realkredit announces a profit of DKK 2,289m - the best in the history of the company. The net profit for the year was satisfactory and better than expected at the release of the annual report for 2023. Relative to 2023, the profit increased by DKK 259m or 13%. The higher profit was due, among other things, to a higher level of interest rates and a resultant higher return on Jyske Realkredit’s portfolio of securities and a lower distribution fee to Jyske Bank.

We still see a low level of recognised losses and arrears, and consequently the losses recognised in the income statement and loan impairment charges were at a sustained low level in 2024.

The capital base of Jyske Realkredit is at a high level, and the credit quality is good. Therefore, the company is well prepared also in more demanding times.’

Determined at nominal value, Jyske Realkredit's loans and advances rose by DKK 7.9bn in 2024. Hence, nominal loans and advances amounted to DKK 381.5bn at the end of 2024. Determined at fair value, loans and advances rose by DKK 13.2bn, which was caused by rising prices of mortgage bonds at the end of 2024 that are used for the valuation of mortgage loans. Hence, loans and advances at fair value amounted to DKK 365.9bn at the end of 2024.

Capital structure

Jyske Realkredit's equity rose by the net profit for the year of DKK 2,289m and amounted to DKK 26,478m at end-2024. The capital base, exclusive of various deductions, amounted to DKK 26,379m, an increase of DKK 2,326m.

Jyske Realkredit's capital base is solid with a capital ratio of 27.3% and a capital buffer of DKK 10.2bn. It is assessed that the current financial resources can withstand even severe stress scenarios.

Green transition

Jyske Realkredit continues its focus on improving investors' insight into the sustainability of loans and advances through our continuous work on refining the reporting. During the first half of 2025, Jyske Realkredit will initiate discussions with the organization behind the 'Science Based Target initiative' (SBTi) with a view to possibly joining it during 2025. In addition, Jyske Realkredit endeavours on an ongoing basis to meet borrowers' requests for green financing solutions, for instance through the financing of loans through the issue of green bonds.

In 2024, the Jyske Bank Group updated Jyske Bank Green Finance Framework. With this update, the definitions of green lending in the Group are aligned with the definitions in the EU Taxonomy. Among other things, this update has meant that a newly constructed property is no longer automatically considered green, but that it requires that the property owner has implemented energy-reducing measures that have lowered energy consumption to below the requirements of the Danish building regulations.

In 2024, Jyske Realkredit introduced a new option for corporate clients who finance green properties but do not wish to use Jyske Kort interest rate loans funded through green bonds. Instead, these clients can now receive a Green Certificate as proof that their property financing qualifies as green.

In the financial statements and at www.jyskerealkredit.dk/sustainable-transparency-template, a breakdown of loans at ISIN code level by Energy Performance Certificate, the estimated CO2e emission, as well as the distribution of loans according to the UN Sustainable Development Goals and the EU taxonomy are available to investors in Jyske Realkredit's bonds. In addition, as the first issuer in Europe, Jyske Realkredit has published an 'Energy Efficient Mortgage Label Harmonised Disclosure template' designed to increase the transparency of energy-efficient loans for borrowers and investors.

The antitrust authorities' decision opens up new opportunities

Jyske Realkredit was pleased to note the antitrust authorities' commitment decision in the so-called Totalkredit case. Although the decision does not fundamentally change anything in the competitive landscape in the short term, the commitment agreement opens up for keener competition in the mortgage credit area in the long term.

Evaluation of the Systemic Risk Buffer

Last year, the Systemic Risk Council recommended to the Minister for Industry, Business and Financial Affairs that credit institutions should hold an extra buffer for 'unhedged

risks' in the real estate sector. The buffer was introduced on 30 June 2024 and is due to be evaluated in 2025. Jyske Realkredit has not agreed with the assessment that there were or are unhedged risks in the real estate sector. The buffer results in higher costs for borrowers and that otherwise sound real estate projects, which may increase the supply of housing, are not implemented. Jyske Realkredit will engage constructively in the discussions with Finansielt Stabilitet (the Danish resolution authority) and will argue for a removal of the buffer.

Jyske Realkredit moves head office to Copenhagen

In 2025, the Jyske Bank Group will gather its activities from Jyske Bank's office at Vesterbrogade, Jyske Realkredit's head office at Kgs. Lyngby and the head office of the former Handelsbanken Danmark at Havneholmen. For this purpose, a tenancy agreement has been signed on the large glass building "Glass Cube" located at Kalvebod Brygge in Copenhagen. The re-location is expected to create a strong professional environment and a good foundation for the Group's activities in Eastern Denmark. The removal has been planned to take place in the third quarter of 2025.

Changes to the Executive Board of Jyske Realkredit

In November 2024, it was announced that Jyske Realkredit's Managing Director, Carsten Tirsbæk Madsen, will retire which will happen at the end of May 2025

Anders Lund Hansen will be appointed as new CEO on 1 June 2025. Anders Lund Hansen has been with Jyske Realkredit for 16 years and has since June 2023 been a member of the Executive Board. He has broad experience with balance sheet management at Jyske Realkredit and has previously held a wide range of functions in the investment and trading area.

In addition, Jyske Realkredit will appoint Lisbeth Arentzen as new member of its Executive Board with effect as from 1 June 2025. Lisbeth Arentzen has until now held the position as Head of Jyske Bank's credit function and has been with Jyske Bank for 20 years. During her more than 30 years in the financial sector she has held managerial positions in the credit area.

With effect from 1 June 2025, Jyske Realkredit's Executive Board will consist of Anders Lund Hansen, CEO, Lisbeth Arentzen, Director and Torben Hansen, Director.

Future expectations

Jyske Realkredit anticipates a profit in the range of DKK 1.9 bn to 2.2 bn in 2025. The decline relative to the realised profit for 2024 can be attributed to a lower expected return on the portfolio of securities due to expectations of a declining interest-rate level in 2025.

The largest element of uncertainty relating to profit expectations for 2025 is the future development of the interest-rate level as well as of losses and impairment charges.

Financial Review

Income statement

Core profit and net profit for the year, DKKm

	2024	2023	Index 24/23	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Administration margin income, etc.	2,460	2,496	99	615	611	620	615	627
Other net interest income	1,028	795	129	238	272	262	256	249
Net fee and commission income, etc.	-183	-556	33	-59	-82	55	-97	-133
Value adjustments, etc.	216	370	58	19	100	43	55	143
Other income	0	0	0	0	-	-	-	0
Core income	3,521	3,106	113	813	901	980	828	886
Core expenses	443	445	100	112	109	110	112	113
Core profit before loan impairment charges	3,078	2,661	116	701	792	869	716	774
Loan impairment charges, etc. (- is income)	-17	-12	142	33	-6	-66	21	11
Core profit/Pre-tax profit	3,095	2,673	116	668	798	935	695	763
Tax	806	643	125	174	208	243	181	162
Profit for the year	2,289	2,030	113	494	590	692	514	601

Profit for the year

For the year, Jyske Realkredit generated a pre-tax profit of DKK 3,095m against DKK 2,673m in 2023. The primary reason behind the higher profit is higher interest income from Jyske Realkredit's portfolios of securities due to the rising interest-rate level and a lower distribution fee to Jyske Bank.

Calculated tax was DKK 806m (2023: DKK 643m), and hence the net profit for the year amounted to DKK 2,289m against DKK 2,030m for the previous year. Net profit for the year corresponds to a return on average equity of 9.0%, compared to 8.8% in 2023.

Core income

Core income, consisting primarily of administration margin income, etc. as well as other net interest income, amounted to DKK 3,521m against DKK 3,106m in 2023.

Administration margin income, etc. amounted to DKK 2,460m against DKK 2,496m the year before. Administration margin income was affected by slightly falling average administration margin rates.

Other net interest income consists of interest on the portfolio of securities as well as various interest income and amounted to an income of DKK 1,028m against an income of DKK 795m in 2023. The increase can be attributed to the interest yield from Jyske Realkredit's fixed portfolio of securities.

Net fee and commission income, etc. amounted to an expense of DKK 183m against an expense of DKK 556m in 2023. The difference can primarily be attributed to a reduction of Jyske Realkredit's distribution fee payable to Jyske Bank. In 2024, fee income from lending activity was in line with 2023.

Value adjustments, etc. amounted to an income of DKK 216m against an income of DKK 370m in the previous year and relate primarily to Jyske Realkredit's portfolios of

securities. Especially in the fourth quarter of the year, value adjustments were at a lower level due to the interest-rate development.

Core expenses

Core expenses amounted to DKK 443m against DKK 445m in 2023 and are hence at an unchanged level.

Loan impairment charges

Loan impairment charges and provisions for guarantees amounted to an income of DKK 17m against an income of DKK 12m in 2023.

The income in 2024 was due partly to reversal of loan impairment charges on individual corporate commitments and partly to the decline in model-calculated impairment charges. The decline in model-calculated impairment charges can, for instance, be attributed to an improved credit quality of the clients, including continued low arrears and high collateral coverage.

Recognised losses were also at a low level in 2024. In 2024, we saw a single recognised loss on a major corporate client. This exposure had been fully written off and has therefore not had any material operational impact.

The management's estimates had in 2024 declined by DKK 78m (2023: expense at DKK 92m) and are now at DKK 599m at the end of 2024 (end of 2023: DKK 677m). The change in 2024 primarily related to the personal client area. The most significant part of the management's estimates related to macroeconomic risks as the trend in interest rates and impacts due to conditions relating to ESG etc. account for the most material factors. The macroeconomic estimate amounted to DKK 475m (2023: DKK 550m) distributed between DKK 350m (end of 2023: DKK 350m) in the corporate client area and DKK 125m (end of 2023: DKK 200m) in the personal client area. For a detailed description of the management's estimates and the uncertainty associated with these, please see Note 10 in the financial statements.

The total operational impact from loan impairment charges was in 2024 distributed with an income at DKK 70m (2023: income of DKK 25m) on personal clients and an expense of DKK 53m (2023: expense at DKK 13m) on corporate clients.

The balance of impairment charges amounted to DKK 1,177m at the end of 2024 (end of 2023: DKK 1,441m) corresponding to 0.3% of total loans and advances (2023: 0.4%).

Jyske Realkredit's holding of assets held temporarily amounted to DKK 183m at the end of 2024 against DKK 40m the previous year. Of the assets taken over, DKK 145m relate to the value of one property company with a single property taken over by Jyske Realkredit in 2024 whereas properties acquired through foreclosure accounted for DKK 38m at the end of 2024 (end-2023: DKK 40m). In 2024, we alone saw few inflows and outflows of properties acquired through foreclosure. The properties acquired through foreclosure consist primarily of residential rental property, from which sales of owner-occupied flats take place on an ongoing basis when the original tenants move out.

Fourth quarter of 2024 compared with third quarter 2024

Profit before tax for the fourth quarter amounted to DKK 668m against DKK 798m for the third quarter.

Administration margin income etc. rose to DKK 615m in the fourth quarter from DKK 611m in the third quarter. The increase is due, among other things, to a larger lending volume in the fourth quarter.

Other net interest income amounted to DKK 238m in the fourth quarter against DKK 272m in the previous quarter. The decline was due to lower interest income from Jyske Realkredit's permanent portfolio of securities which can be attributed to a lower interest-rate level in the fourth quarter of the year.

Net fee and commission income, etc. amounted to an expense of DKK 59m in the fourth quarter against an expense of DKK 82m in the preceding quarter. The difference is, among other things, due to higher fee income especially from refinancing activity in the fourth quarter of the year.

Value adjustments, relating to Jyske Realkredit's fixed portfolio of securities, among others, amounted to an income of DKK 19m in the fourth quarter against an income of DKK 100m in the third quarter of the year. The decline can be attributed to lower value adjustments of Jyske Realkredit's fixed portfolio of securities as well as lower value adjustments in connection with bond issues.

Core expenses rose marginally from DKK 109m in the third quarter to DKK 112m in the fourth quarter of 2024.

Losses and impairment charges amounted to an expense of DKK 33m in the fourth quarter against an income of DKK 6m in the third quarter. The fourth quarter saw a minor increase in the individually and model-calculated impairment charges.

Balance sheet

At the end of 2024, Jyske Realkredit's balance sheet amounted to DKK 400bn (end of 2023: DKK 383bn).

Mortgage loans at nominal value increased by DKK 7.9bn from DKK 373.7bn at the end of 2023 to DKK 381.5bn, at the end of 2024, corresponding to an increase of 2.1%. Of the increase, DKK 7.4bn related to corporate clients whereas nominal loans to personal clients were up by DKK 0.4bn.

Loans and advances at fair value rose from DKK 352.7bn at the end of 2023 to DKK 365.9bn at the end of 2024 or an increase of 3.7%, of which DKK 5.2bn related to value adjustment of the loan portfolio due to changed interest-rate conditions.

Summary of Balance Sheet, end of period, DKKm

	2024	2023	Index 24/23	31 Dec. 2024	30 Sept. 2024	30 June 2024	31 March 2024	31 Dec. 2023
Assets / equity and liabilities	399,976	383,021	104	399,976	397,355	382,249	385,161	383,021
Mortgage loans, nominal value	381,530	373,677	102	381,530	376,784	375,965	373,147	373,677
Loans, fair value	365,853	352,663	104	365,853	361,205	353,302	351,542	352,663
Issued bonds, fair value	367,941	351,790	105	367,941	365,534	350,266	353,275	351,790
Equity	26,478	24,189	109	26,478	25,984	25,394	24,702	24,189

Fourth quarter of 2024 compared with third quarter of 2024

In the fourth quarter, nominal loans rose by DKK 4.7bn of which DKK 3.3bn primarily related to corporate clients, and DKK 1.4bn related to personal clients. Loans at fair value rose by DKK 4.6bn.

Equity

Equity was affected by the net profit for the year by DKK 2,289m and amounted to DKK 26,478m at the end of 2024 (DKK 24,189m at the end of 2023).

Over the past five years, Jyske Realkredit's equity rose from DKK 18,861m to DKK 26,478m. The increase can alone be attributed to the results for the individual years totalling DKK 7,617m.

No dividend was distributed over the period.

Changes in equity, end of period, DKKm

	2024	2023	2022	2021	2020	2020-2024
Shareholders' funds at the beginning of the period	24,189	22,159	20,798	19,769	18,861	18,861
Profit for the year	2,289	2,030	1,361	1,028	908	7,617
Equity, end of period	26,478	24,189	22,159	20,798	19,769	26,478

Profit for the year relative to outlook

The net profit for the year amounted to DKK 2,289m against the expected profit for 2024 in the range of DKK 1.6bn to DKK 1.9bn as stated in the Annual Report for 2023.

The reason behind the better-than-expected results is a better return on Jyske Realkredit's portfolio of securities. In addition, net fee and commission income etc. was better than expected, and losses and loan impairment charges contributed with an income against an expected minor expense.

Business volume

The mortgage credit market 2024

In economic terms, 2024 was expected with some uncertainty from the perspective of housing finance. This can be attributed to several factors. Firstly, the new property taxes for private homeowners came into effect at the beginning of 2024. Secondly, an economic reaction to the rising interest rates was to be expected.

However, reality turned out to be better than anticipated, as 2024 ended up being a year with favourable framework conditions for the housing market. Employment levels were high and continued to rise throughout 2024, interest rates dropped significantly, and real wages increased. These factors collectively ensured that the housing market did not slow down - rather the opposite.

Still, the new public property valuations initially caused confusion about homeowners' future financial situations, but already a few months into the year, this uncertainty no longer led to the expected slowdown in the housing market.

The other economic factors offset any potential negative consequences. Additionally, it played a role that four out of five properties under the new property tax regime were actually set to receive a tax reduction, meaning that only a smaller proportion of the housing market was affected by new and higher taxes.

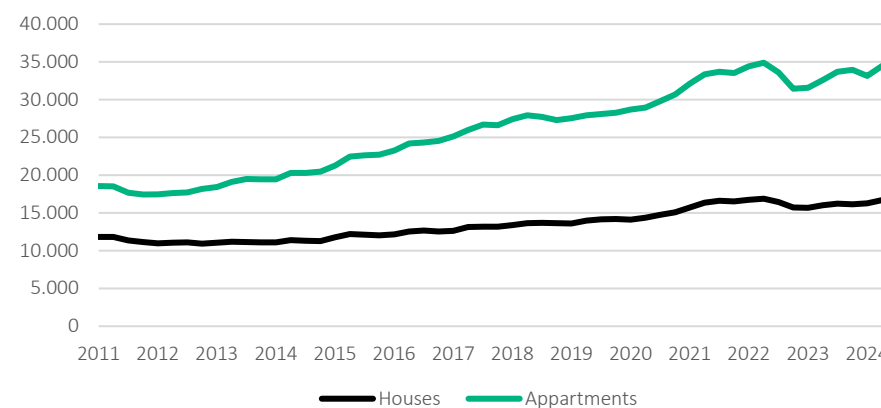
The fact that 2023 was marked by advanced home purchases – especially in the last quarter of the year before the new property taxes took effect – meant that the housing market got off to a slow start to 2024. However, this eventually had limited significance for the housing market as a whole. The market was thus able to absorb the new taxes without any significant economic consequences. Only a few sub-segments, such as luxury properties, seem to have been affected.

Overall, we have seen solid activity in the housing market, leading to increased trading activity in the private market.

On the commercial market, property values also held steady. However, uncertainty regarding the new property taxes is greater than in the private market, as the basis for assessment has been significantly altered. The implementation of the new property taxes is also scheduled later than in the private market. Since the economic conditions are obviously the same, there have been few transactions and an increase in the

required rate of return, but we have by no means seen a major property crisis. The required rate of return rose by approximately 50 basis points, based on a low number of transactions. In the fourth quarter, the number of transactions appeared to be increasing.

Development in housing prices, DKK per m²



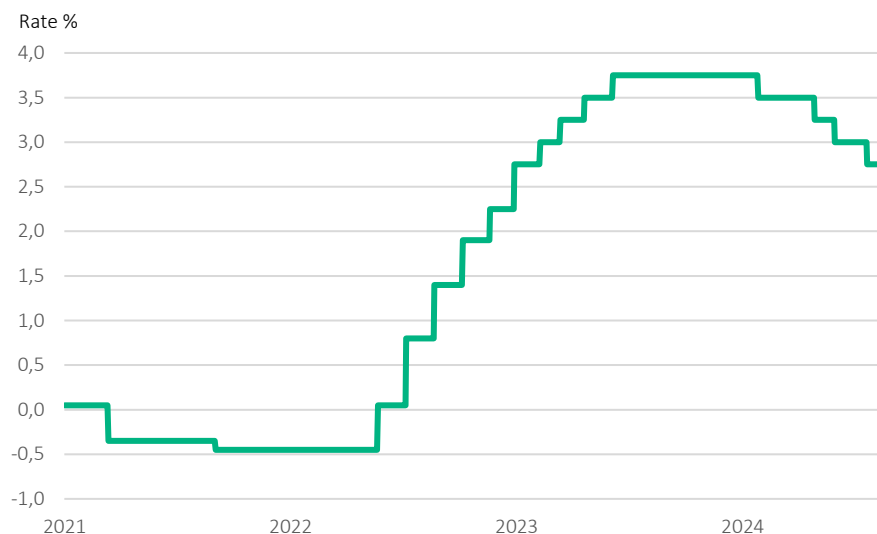
Due to the developments in the property market, we saw an increasing number of ownership transfer cases, primarily driven by the private housing market. This resulted in an increase in the overall mortgage market throughout 2024.

However, the market for additional loans has been smaller since Danes have been more cautious due to the economic situation. Specifically, uncertainty about the geopolitical situation and higher interest rates compared to previous years led to a more subdued borrowing requirement. Interest in home improvements, such as climate renovations and similar upgrades, is, however, on the rise.

The interest rate developments throughout 2024 did not result in a high volume of mortgage refinancing. This is due to the fact that long-term mortgage rates have been more subdued in 2024 compared to 2023. Interest rate changes in 2024 primarily occurred at the short end of the yield curve. Short-term rates declined in step with central banks reducing their key interest rates.

In 2024, inflation fell, allowing central banks to ease monetary policy again. As a result, there were four rate cuts of 0.25 percentage points each during the year. Danmarks Nationalbank followed the European Central Bank's actions on a one-to-one basis.

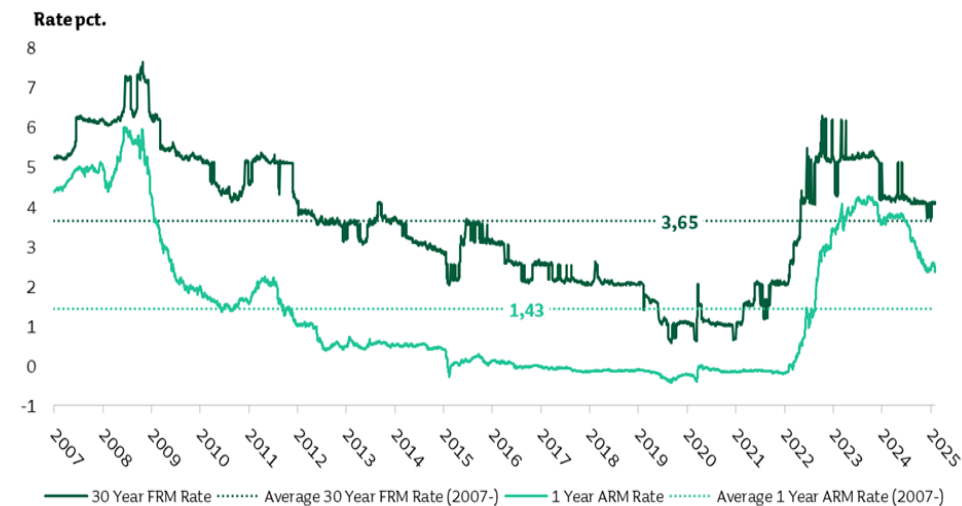
Development in Danmarks Nationalbank's lending rate, 2021–2024



When looking at mortgage interest rates, the movement throughout 2024 was primarily concentrated at the short end of the yield curve as rates on variable-rate loans declined significantly. In contrast, long-term mortgage rates exhibited a different pattern. Long-term rates declined based on expectations of central bank actions, whereas short-term rates fell when central banks actually implement policy changes.

On an ongoing basis, homeowners with variable-rate loans benefited from lower rates throughout 2024 as their loans were adjusted to the new interest-rate levels. This is also one of the reasons why the housing market did not experience a more significant slowdown. There is a relatively long reaction time for borrowers with fixed-rate periods of 3 and 5 years. As a result, some borrowers have not yet been fully impacted by the sharp rate increases that monetary policy has otherwise signalled.

Development of interest rates



The development in market-driven interest rates led to an increasing interest in variable-rate loans throughout 2024. This trend is unsurprising as it makes sense to opt for variable rates when monetary policy is being eased.

One reason why long-term rates have not decreased further is the uncertainty that has characterized the global economy in 2024. For instance, the US presidential election, including the election campaign and its outcome, generated uncertainty about the future world order and economic policies. Specifically, 2025 is expected to be influenced by economic policies that are more inflationary than before. Such uncertainty impacts long-term interest rates, which are to a higher degree influenced by expectations than by immediate policy actions.

As a result, the yield curve steepened throughout 2024, creating a more significant gap between variable and fixed interest rates. Naturally, this impacts loan choices for both private and professional borrowers.

Loan mix

At the of 2024, Jyske Realkredit's mortgage loans totalled nominally DKK 382 bn compared to DKK 374 bn at the end of 2023. Jyske Realkredit's loans to the private market increased by DKK 0.4bn to DKK 183bn whereas loans to the corporate client market rose by DKK 7bn to a total of DKK 199bn.

Breakdown of loans by property category (%)

	2024	2023	2022	2021	2020
Personal clients	47.9	48.8	51.0	50.0	51.3
- of which owner-occupied homes	45.2	46.1	48.1	47.5	48.8
- of which vacation homes	2.7	2.7	2.9	2.5	2.5
Corporate Clients	52.1	51.2	49.0	50.0	48.7
- of which subsidised housing	13.5	13.4	13.0	14.1	14.7
- of which private rental properties (rental housing)	20.7	20.2	19.0	18.3	16.2
- of which cooperative housing	3.6	3.7	3.8	4.2	4.1
- of which office and commercial properties	10.3	10.1	9.9	10.1	10.8

Loans to private residential rental properties represent an increasing share of the total loan portfolio although growth in 2024 has slowed compared to 2023. Home loans and loans for vacation homes declined and now account for 47.9% of total loans. On the whole, 85.6% of Jyske Realkredit's loan portfolio still consists of properties for residential purposes.

	2024	2023	2022	2021	2020
Adjustable-rate loans etc.	57.7	61.2	59.6	50.8	51.5
- without instalment-free option	26.1	28.0	27.1	23.5	24.8
- with instalment-free option	31.6	33.2	32.5	27.3	26.7
Fixed-rate loans	28.6	29.4	30.9	38.7	35.8
- without instalment-free option	19.7	20.0	21.0	26.7	26.4
- with instalment-free option	8.9	9.3	9.9	12.0	9.5
Money market loans etc.	11.7	7.2	7.3	8.1	10.0
- without instalment-free option	5.5	3.2	3.1	3.4	4.2
- with instalment-free option	6.2	4.0	4.2	4.7	5.8
Other loans, including index-linked loans	2.0	2.2	2.2	2.4	2.6
Mortgage loans, total	100.0	100.0	100.0	100.0	100.0
- without instalment-free option	53.2	53.4	53.4	56.0	58.1
- with instalment-free option	46.8	46.6	46.6	44.0	41.9

The majority of the clients still select short-term interest rate loans. Hence, adjustable-rate loans and money market loans etc. accounted for 69.4% of the portfolio in 2024 compared to 68.4% in 2023. The clients' selection of products depends on market rates and the difference between short-term and long-term yields.

Average loan-to-value ratio by property category

	2024	2023	2022	2021	2020
Personal clients	52.1	53.4	48.1	52.7	59.9
- of which owner-occupied	52.5	53.9	48.5	53.2	60.4
- of which vacation homes	44.9	46.1	41.3	44.1	50.6
Corporate Clients	49.8	48.3	46.8	53.0	55.8
- of which private rental	53.7	52.0	50.1	57.4	60.7
- of which cooperative housing	39.1	37.9	36.5	46.9	51.2
- of which office and	48.9	47.7	46.8	50.9	53.4
Subsidised Housing (rental)	18.9	18.4	18.1	21.4	24.2
Mortgage loans, total	46.7	46.8	42.3	48.0	52.8

The loan-to-value ratio declined marginally in 2024 to 46.7% (2023: 46.8%). This reflects a period where interest rates have been declining, but property values have been increasing in certain segments.

For loans financing owner-occupied homes and vacation homes the average loan-to-value ratio declined by 1,3 percentage point in 2024 following an increase in 2023 of 5,3 percentage points.

For loans to the corporate client segment, we have both in 2023 and in 2024 seen an increase in the average loan-to-value ratio of 1.5 percentage points.

Jyske Realkredit remains well equipped if, contrary to expectations, we see a possible fall in house prices. By comparison, the financial crisis in 2008-2010 resulted in increases of just above 10 percentage points in the average loan-to-value ratio for Jyske Realkredit's loans within the most severely affected property categories.

Credit Quality

The breakdown of Jyske Realkredit's loans and impairment charges by IFRS 9 impairment category:

Mortgage loans at fair value exclusive of loan impairment charges, DKKm

	2024	2023	Index 24/23	Q4 2024	Q3 2024	Q2 2024	Q1 2024	Q4 2023
Loans and advances	366,645	353,628	104	366,645	361,990	354,077	352,513	353,628
Stage 1	352,138	340,180	104	352,138	347,450	339,815	336,737	340,180
Stage 2	11,086	9,996	111	11,086	11,208	11,022	12,341	9,996
Stage 3	3,420	3,452	99	3,420	3,331	3,239	3,435	3,452
Balance of impairment charges	1,177	1,441	82	1,177	1,159	1,187	1,455	1,441
Stage 1	634	738	86	634	616	638	673	738
Stage 2	235	220	107	235	256	265	304	220
Stage 3	307	483	64	307	287	285	478	483
Arrears	75	74	101	75	56	68	88	74
Operational loan impairment charges (minus is income)	-17	-12	142	34	-6	-66	21	11
Operating losses	258	34	759	15	26	204	13	10

The majority of Jyske Realkredit's portfolio is still classified at stage 1. Apart from price effects, we have for a minor part of the portfolio in the personal and corporate client area seen a change of the credit quality in the first quarter of 2024. This part of bank loans and advances has been moved from stage 1 (loans and advances without a material increase in the credit risk) to stage 2 (loans with a significant increase in the credit risk). Subsequently, we saw an improvement in credit quality in Q2 so the proportion of lending in stage 2 has declined again.

The above-mentioned migration of loans to and from stage 2 led to an increase in stage 2 impairments in Q1 with a subsequent decrease in Q2. Loan impairment charges on the individually treated exposures in stage 3 decreased in the second quarter as Jyske Realkredit took over the collateral on a non-performing corporate exposure and in that connection reversed the impairment and realized a recognised loss.

Other recognised losses are still at a historically low level which can be attributed to a record-low number of non-performing loans and properties subject to foreclosures.

The table below shows loans and advances and loan impairment charges specified on property category:

Mortgage loans at fair value exclusive of loan impairment charges - by property category

	Home loans DKKm		Impairment ratio	
	2024	2023	2024	2023
Owner-occupied homes	167,543	164,518	0.3	0.4
Vacation homes	9,901	9,691	0.3	0.4
Subsidised	49,483	47,549	0.0	0.0
Cooperative housing	11,736	11,791	0.5	0.4
Private rental properties	75,042	70,826	0.4	0.4
Manual and manufacturing	6,969	5,072	0.1	0.1
Office and commercial properties	38,156	36,274	0.6	1.0
Agriculture, etc.	155	180	0.1	0.1
Properties for social, cultural and educational purposes	7,450	7,688	0.1	0.1
Other properties	210	39	0.0	0.2
Total	366,645	353,628	0.3	0.4

Jyske Realkredit's total impairment ratio amounted to 0.3 at the end of 2024 - a decline from 0.4 at the end of 2023. The decline can be related to the improved credit quality of the loan portfolio and relates to all property categories except for cooperative housing where the impairment ratio rose to 0.5 from 0.4 at end-2023 (cooperative housing accounted for 3% of total mortgage loans).

Arrears and losses, etc.

Despite the rising interest rates on home loans, Jyske Realkredit has generally in 2024 not seen any credit quality deterioration.

Arrears rate

	Dec. 2024	Sept. 2024	June 2024	March 2024	Dec. 2023	Sept. 2023
After 90 days	-	0.07	0.06	0.07	0.07	0.08
After 15 days	0.32	0.39	0.31	0.42	0.47	0.33

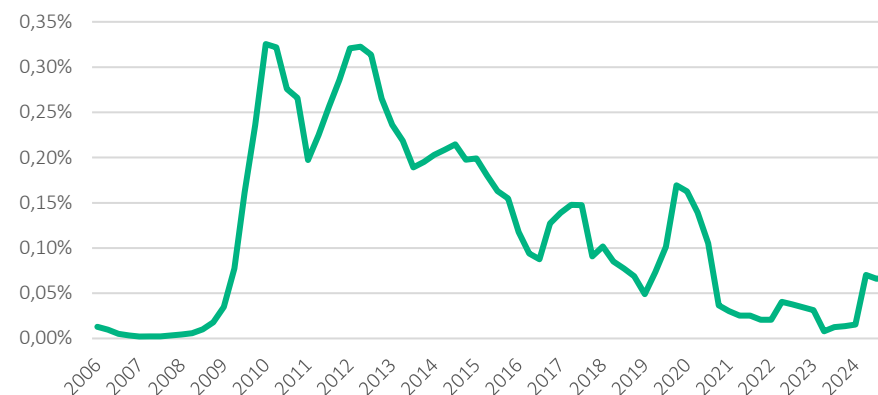
Generally, the level of arrears was low throughout 2024 for personal as well as corporate loans.

Jyske Realkredit's arrears rate measured 15 days after the December 2024 repayment date came to 0.32, which is a decline in relation to the corresponding repayment date in 2023. The arrears rate is still low in a historical perspective.

The arrears rate measured 90 days after the September 2024 repayment date was 0.07% against 0.08% for the same repayment date in 2023. This is one of the lowest 90-day arrears rates ever observed at Jyske Realkredit.

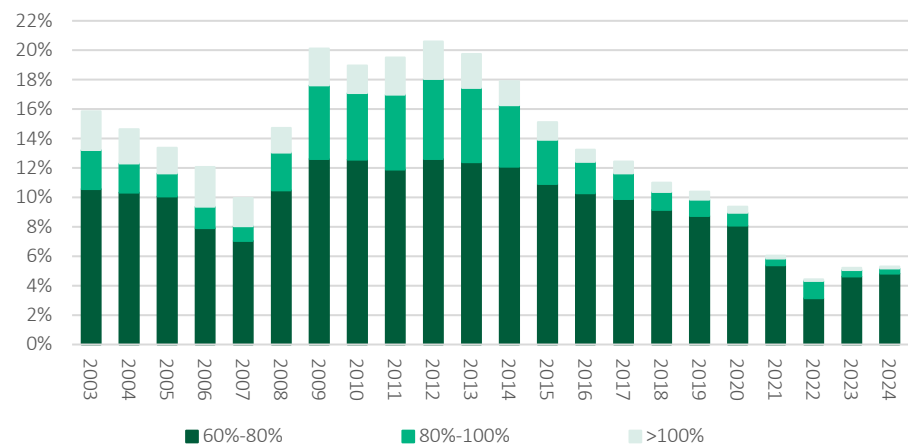
The recognised losses are still at a low level. Yet, we saw an increase in 2024 relative to 2023. This increase was due to one single commercial property and is not a general impression of a rising loss level for the portfolio. Exclusive of this single property, the level is the same as at end-2023.

Loss as a percentage of loans – 12-month moving average



The proportion of loans with an LTV ratio above 60% is still at a very low level at Jyske Realkredit.

Proportion of loans with a loan-to-value ratio above 60%



Capital structure

Capital management

The purpose of Jyske Realkredit's capital management is to ensure and optimise mortgage activities on the basis of the strategy defined by the Supervisory Board. Jyske Realkredit's desired risk profile aims to reach a solvency ratio sufficient for Jyske Realkredit to continue its lending activities during a period of difficult business conditions. The available capital must be such that regulatory and internal capital requirements are met during such a period, and it must be possible for Jyske Realkredit to weather heavy unexpected losses.

Capital base

Jyske Realkredit's capital base amounts to DKK 26.4bn (end of 2023: DKK 24.1bn) and consists solely of Common Equity Tier 1, i.e. paid-up equity as well as retained profits. Hence, Jyske Realkredit's capital base does not include any loan capital, which is in line with Jyske Realkredit's wish to have a high quality of its capital base.

Capital requirement

The regulatory capital requirement (Tier I) is based on the measurement of the risk exposure for the risk types of credit risk, market risk and operational risk, for which various methods of accounting can be applied. As regards the majority of Jyske Realkredit's loan portfolio, Jyske Realkredit has obtained permission to use internally developed risk models (AIRB) for the determination of the credit risk. However, basic risk models (FIRB) are used for large corporate clients whereas the standardised approach is used for the remaining loans. When determining market risk and operational risk, the standardised approach is applied to the two risk types.

The total risk exposure amounted to DKK 96.5 bn at the end of 2024 against DKK 87.5 bn at the end of 2023. The development of the total risk exposure in the amount of DKK 9.1bn is a composition of several issues. The most important contributions were due to: the increase in nominal loans, the shift to FIRB for large corporate clients and from operational risk. Operational risk is measured according to the standardised approach so changes to REA derive from improved earnings over the past three years.

At the end of 2024, the capital ratio at 27.3 (end of 2023: 27.5%) constituted a solid level relative to Jyske Realkredit's capital management objective of 20%. The capital ratio level

is identical to the level of the Common Equity Tier 1 capital ratio and hence the core capital ratio.

Capital base, risk exposure and solvency, DKKm

	2024	2023
Equity	26,478	24,189
Prudent valuation	-19	-31
Other deductions	-79	-104
Common Equity Tier 1 capital / Core capital	26,379	24,053
Capital base	26,379	24,053
Credit risk	92,153	83,760
Operational risk	4,376	3,709
Total risk exposure ¹	96,529	87,469
Common Equity Tier 1 capital ratio (%)	27.3	27.5
Tier 1 Capital ratio (%)	27.3	27.5
Capital ratio (%)	27.3	27.5

¹ The risk exposure for market risk was nil at the end of 2024 because Jyske Realkredit has since the third quarter of 2022 applied the option set out in Article 351 of CRR permitting an institution to choose not to calculate a capital requirement for foreign-exchange risk if its overall net foreign-exchange position amounts to less than 2% of the capital base.

ICAAP and individual solvency requirement

Jyske Realkredit's ICAAP (Internal Capital Adequacy Assessment Process) forms the basis of the assessment of Jyske Realkredit's capital structure and hence the determination of Jyske Realkredit's adequate capital base as well as its individual solvency requirement. The assessment is based on the current relationship between Jyske Realkredit's risk profile and capital structure as well as forward-looking considerations that may affect this.

Adequate capital base

The determination of the adequate capital base (Pillar I + Pillar II) for Jyske Realkredit takes place according to the 8+ method based on the capital requirement of 8% of the total risk exposure with additions to cover further risks that are assessed not to be covered by the capital requirement. These may be either risks that are assessed not to be covered by the capital requirement or risks that are assessed to be above normal in relation to the capital requirement for the risk type in question.

When assessing the adequate capital base, all circumstances as mentioned in appendix 1 in the Executive Order on Calculation of Risk Exposures, Own Funds and Solvency Need are included. Based on Jyske Realkredit's business model and risk profile, the importance of the individual circumstances on Jyske Realkredit's capital structure is assessed. For the circumstances that are assessed to be most material, the size of the capital addition is quantified, among other things based on the guidelines in the instructions on adequate capital base and solvency requirements.

At the end of 2024, Jyske Realkredit was exposed to credit risks, market risks and operational risks that necessitated a separate addition to the Pillar I capital requirement.

The adequate capital base for Jyske Realkredit amounted to DKK 9.8bn at the end of 2024, corresponding to an individual solvency requirement of 10.2%, i.e. an increase by 0.2 percentage point relative to the end of 2023.

Buffer requirements and excess capital adequacy

The combined capital buffer requirement consists of the statutory buffers in the form of the capital conservation buffer, the countercyclical buffer as well as the systemic risk buffer. The two former amounted to 2.5% and 1.5%, respectively, of the total risk exposure amount whereas the size of the countercyclical buffer depends on the economic trends and currently accounts for 2.5% of the total risk exposure. The systemic risk buffer is computed as 7% of the risk exposure for loans and advances to property companies and can be computed at 1.7% of the total risk exposure.

Add to this a systemic risk buffer of 2.0% of the total risk exposure and a countercyclical buffer at 1.0% of the total risk exposure relating to limited lending in the Faroe Islands.

Jyske Realkredit's adequate capital base plus the combined capital buffer requirement amounts to DKK 17.8bn, corresponding to an individual solvency requirement, inclusive of statutory buffers of 18.4% of the total risk exposure amount. Given the capital base of DKK 26.4 bn, Jyske Realkredit's excess capital adequacy amounts to DKK 8.6 bn.

Adequate capital base, combined capital buffer requirement and excess capital adequacy

	2024		2023	
	DKKm	%	DKKm	%
Credit risk	7,372	7.6	6,701	7.7
Market risk	0	0.0	0	0.0
Operational risk	350	0.4	297	0.3
Capital requirement, Pillar I	7,722	8.0	6,997	8.0
Credit risk	1,664	1.7	1,339	1.5
Market risk	304	0.3	205	0.2
Operational risk	115	0.1	150	0.2
Capital requirement, Tier II	2,083	2.2	1,694	1.9
Adequate capital base	9,805	10.2	8,692	9.9
Capital conservation buffer	2,413	2.5	2,187	2.5
SIFI buffer	1,448	1.5	1,312	1.5
Countercyclical buffer	2,410	2.5	2,184	2.5
Systemic risk buffer	1,688	1.7	-	-
Total buffer requirement, the Faroe Islands	3	0.0	3	0.0
Combined capital buffer requirement	7,963	8.2	5,685	6.5
Adequate capital base, incl. combined capital buffer requirement	17,768	18.4	14,378	16.4
Excess capital adequacy	8,611	8.9	9,675	11.1

Debt buffer requirement

Mortgage credit institutions are exempt from the minimum requirement for own funds and eligible liabilities (MREL), but on the other hand, they must meet a debt buffer requirement, amounting to 2% of non-weighted loans. In addition to applying the unused part of the capital base, the debt buffer requirement can be met by issuing senior debt.

Jyske Realkredit is part of the Jyske Bank Group, which as a consolidated company has been appointed a systemically important financial institution (SIFI). For the Jyske Bank Group, a requirement must be set for the size of the Group's eligible liabilities at a consolidated level, where Jyske Realkredit's debt buffer is set at a level, minimum 2%, to ensure that the overall requirement of the Group's debt buffer, capital base and eligible liabilities amount to at least 8% of the Group's total liabilities.

At the end of 2024, the debt buffer requirement amounted to DKK 7.3bn, for which DKK 8.6bn was available to cover the requirement.

Leverage Ratio

The leverage ratio is defined as the ratio between Jyske Realkredit's core capital and total non-weighted exposures (inclusive of off-balance sheet items) and must amount to at least 3%. The leverage ratio, which does not include the risk relating to the exposures, may be a significant limitation for an institution with a large proportion of loans with a low-risk weighting. At the end of 2024, the leverage ratio for Jyske Realkredit was 6.51%, a minor increase from 6.20% computed at the end of 2023.

Leverage Ratio

	2024	2023
Core capital (DKKm)	26,379	24,053
Total exposure value (DKKm)	405,415	388,068
Leverage Ratio (%)	6.51	6.20

Other capital requirements

In addition to the regulatory capital requirements, there are further requirements as to the size of Jyske Realkredit's capital in the form of the requirement from Standard & Poor's as to overcollateralisation (OC requirement) as well as the requirement as to supplementary collateral for covered bonds (SDO requirement).

To maintain the AAA rating for all Jyske Realkredit's capital centres (B, E and General Capital Centre), Jyske Realkredit must meet the overcollateralisation from Standard & Poor's. The individual capital centres must meet various requirements depending on the composition of the portfolios. At the end of 2024, the OC requirement amounted to DKK 8.8bn which is practically unchanged relative to the end of 2023 and can be met through liquid assets financed with both debt instruments and capital instruments.

Issuance of covered bonds (SDO) for the financing of loans takes place in Jyske Realkredit via capital centres E and S. Loans based on the issuance of covered bonds (SDO) must be monitored on an on-going basis to ensure that the LTV limit is complied with for each individual property. If the LTV limit is exceeded, for instance, due to a decline in the value of the property value, Jyske Realkredit must provide supplementary collateral. In addition, supplementary security calculated as 2% of the issued amount of

SDO bonds will be required. At the end of 2024, the SDO requirement amounted to DKK 9.9bn. (2023: DKK 10.1bn), hereof DKK 2.6bn (2023: DKK 3.1bn) related to declining property values etc.

New capital adequacy rules

The Regulation (EU) 2024/1623 of 31 May 2024 of the European Parliament and the Council on amendment of Regulation (EU) 575/2013 with respect to requirements concerning credit risk, credit valuation adjustment risk, operational risk, market risk and the output floor formally took effect on 9 July 2024. As most measures have in actual practice only been in effect from 1 January 2025, the first quarter of 2025 will be the first quarter in which Jyske Realkredit's capital requirements must be calculated under the new rules.

Therefore, there will be a number of changes to the calculation of the total risk exposure amount (REA) at the end of Q1 2025, and based on current information, Jyske Realkredit expects an overall impact from both new legislation as well as changes in calculation methods. The effect of the changes will be fully manageable based on Jyske Realkredit's current capital base.

Stress test and capital requirements

Jyske Realkredit performs a series of stress tests of the capital structure and overcollateralisation on the basis of various scenarios. Jyske Realkredit conducts stress tests according to internal scenarios as well as scenarios defined by the FSA. These stress tests analyse on a continuous basis the development of the capital structure under an economic downturn involving steep price declines in the property markets. The stress tests must demonstrate that Jyske Realkredit's capital is in compliance with the capital requirements and the related capital buffers. Therefore, Jyske Realkredit must maintain a level of capital somewhat in excess of the capital requirement plus capital buffers, otherwise the capital level would not suffice to meet the requirements of the demanding capital stress tests. The ongoing capital stress tests form a key part of Jyske Realkredit's capital planning and form part of the Jyske Bank Group's capital planning. The stress tests conducted show that the capital structures are robust.

Liquidity and Market Conditions

Liquidity Coverage Ratio (LCR)

In connection with the determination of LCR, Jyske Realkredit has obtained permission to offset interdependent incoming and outgoing cash flows relating to mortgage loans, cf. Article 26 of the LCR regulation. In addition, a Pillar II liquidity requirement has been imposed on Jyske Realkredit.

The binding requirement on Jyske Realkredit's holding of liquid assets (HQLA) is based on the sum of the net outflow from LCR at DKK 1.8bn (2023: DKK 13m) and the pillar II liquidity requirement at DKK 0.8bn (2023: DKK 1.4bn) corresponding to a total requirement of DKK 2.6bn at the end of 2024 (2023: DKK 1.4bn) which must be met with HQLA. HQLA amounted to DKK 16.9bn (2023: DKK 13.7bn), corresponding to an overcollateralisation of DKK 14.4bn (2023: 12.3bn). The LCR where the pillar II requirement is not included in the calculation was at the end of 2024 calculated at 954% (2023: 101,387%). According to regulation, the LCR must be at least 100%.

Net stable funding ratio (NSFR)

The NSFR must ensure that the credit institutions' funding profile is of a sufficiently long-term and stable nature relative to lending on the assets side. It is calculated with a time horizon of one year. Parallel to the LCR statement, interdependent assets and liabilities can be exempt from the NSFR calculation. The NSFR amounted to 227% at the end of 2024 (2023: 262%) and must according to regulation amount to at least 100%.

The supervisory diamond for mortgage credit institutions

The supervisory diamond defines a number of special risk areas stating the threshold limits that financial institutions should generally not exceed. At the end of 2024, Jyske Realkredit met all benchmarks of the supervisory diamond.

Supervisory diamond – benchmarks, %

	2024	2023
Concentration risk <100 %	43.3	45.6
Increase in loans <15 % annually in the segment		
- Residential property and vacation homes	0.2	-1.5
- Residential rental properties	3.9	7.4
- Other sectors	5.8	6.6
Borrower's interest-rate risk <25 %		
- Residential properties	18.6	18.5
Instalment-free option <10 %		
- Residential property and vacation homes	3.8	4.3
Loans with frequent interest-rate fixing:		
- Refinancing (annually) <25 %	16.6	18.3*
- Refinancing (quarterly) <12.5%	5.6	5.2*

* The comparative figures as at 31 December 2023 have been adjusted due to recalculation.

On an on-going basis, Jyske Realkredit reviews its positions relative to the benchmarks.

Market risk

Market risk is the risk of loss following movements in the financial markets (interest rate, share price and foreign currency risks). Jyske Realkredit's market risks relate to the securities portfolio for which the interest-rate risk and the spread risk on the bond portfolio are the most important ones. Jyske Realkredit's currency risk is limited, and the funding denominated in euro is hedged through currency swaps. Market risks that stem from the other part of the balance sheet are modest due to the balance principle and the close correlation between loans and funding.

Interest-rate risk expresses the risk of loss following changes in interest rates corresponding to a parallel shift of the yield curve by 1 percentage point and is measured on a daily basis. Jyske Realkredit's interest-rate instruments, etc. are chiefly placed in bonds with a short time to maturity with a limited interest-rate sensitivity. At the end of 2024, Jyske Realkredit's interest-rate risk was computed at DKK 121m (2023: DKK 89m), which is considerably below the limit defined by the Supervisory Board and far below the statutory requirement of DKK 2.1bn.

Jyske Realkredit's shareholding consisted solely of infrastructure shares and strategic shares outside the trading portfolio. If share prices in general fall by 10%, Jyske Realkredit will suffer an investment loss of DKK 6m (2023: of DKK 6m).

The currency positions are very modest in Jyske Realkredit's balance sheet and amounted to 0.1% of the capital base (2023: 0.0%).

Group recovery plan

Being part of the Jyske Bank Group, Jyske Realkredit is covered by the Group's recovery plan, which can be used in the event that the Group or one of the companies gets into critical financial problems.

The recovery plan specifies a number of qualitative and quantitative recovery indicators. The purpose of the indicators is, at an early point in time, to identify an adverse development in the Group's or Jyske Realkredit's capital, liquidity, profitability, or asset quality as well as in relevant macroeconomic and market-based indicators.

The recovery plan aims to ensure continuation of the Group's critical business processes in a situation of significant financial stress. Also, the recovery plan includes a series of recovery options that can be initiated with a view to improvement of solvency, etc. The Group recovery plan is revised annually and is submitted to the FSA in October.

In addition, as other Danish credit institutions, Jyske Realkredit pays an annual contribution to the Resolution Fund, which is administered by Finansielt Stabilitet (the Danish resolution authority).

Risk and capital management

Additional information about Jyske Realkredit's internal risk and capital management as well as the regulatory capital requirements is available in Jyske Bank's report 'Risk and Capital Management 2024', available on jyskebank.dk/ir/rating.

Funding and bond issues

In 2024, Jyske Realkredit implemented several measures in order to comply with national and international regulation while at the same time still being able to offer the clients the products they demand.

Mortgage bond issues

Again in 2024, Jyske Realkredit issued a green bond. The bond was issued in order to offer finance to corporate clients who mortgage buildings that meet the criteria of the Jyske Bank Green Finance Framework. The green bonds are another addition to Jyske Realkredit's contribution to the green transition. The green bonds can, among other things, be applied to finance properties with a low energy consumption, to finance energy renovation, or to finance production of renewable energy such as wind turbines and solar cells.

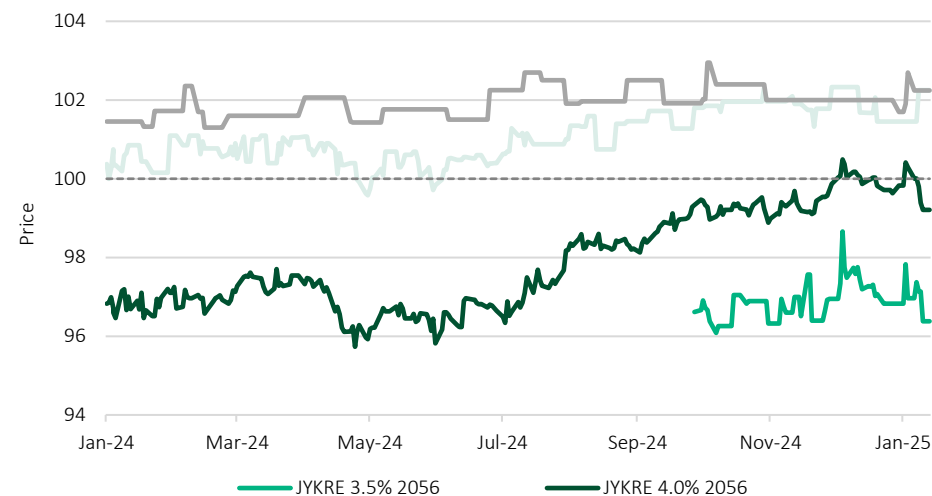
Price performance

In the first half of 2024, a minor decline in bond prices was observed whereas the opposite was the case in the second half of 2024 when we generally saw rising bond prices.

Throughout 2024, the open fixed-rate 30-year bond closest to 100 was practically fixed at 4%. Still, the 5% bond was briefly open at the end of April and in periods in May, and the interest-rate decline at the end of the year resulted in a re-opening of the 3.5% bond.

The continued low prices of the callable bonds issued before 2023 prompted borrowers with fixed-rate loans to remortgage their properties with new fixed-rate loans with a higher coupon or to remortgage their properties with floating rate loans.

Prices of certain Jyske Realkredit 30-year callable SDO bonds without interest-only option



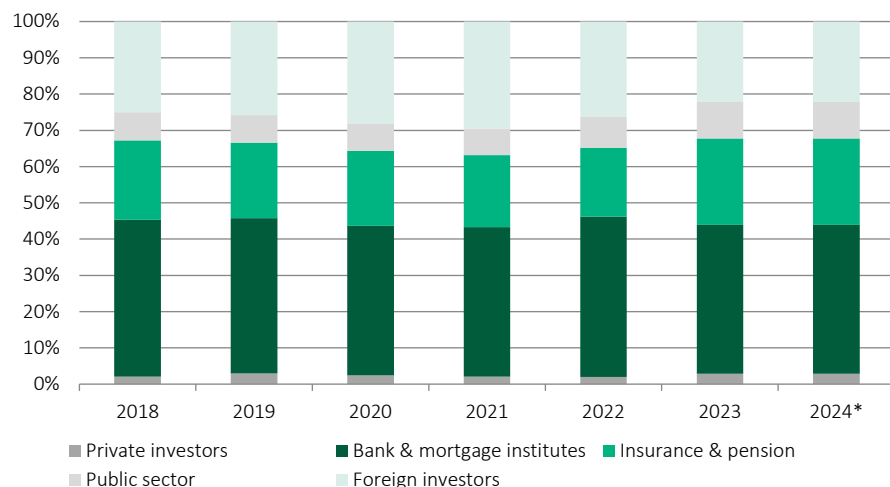
Source: Bloomberg

Investor distribution

Jyske Realkredit's mortgage bonds are mainly owned by Danish institutional investors – banks, investment associations, pension funds and insurance companies, etc. The breakdown of investors in Jyske Realkredit's bonds has been practically unchanged since 2023.

Yet in 2024, foreign investors expressed sustained great interest in buying mortgage bonds issued by Jyske Realkredit. The proportion of foreign investors of Jyske Realkredit's bonds is, however, lower than observed in the years before 2023. The change was primarily due to fewer investments from especially Japanese investors. Japanese investors have previously invested primarily in callable bonds and with the higher proportion of borrowers selecting adjustable-rate mortgage loans which are financed in non-callable bonds, the proportion of Japanese investors has also declined.

Distribution of investors in Jyske Realkredit's bond issues



* October 2024.

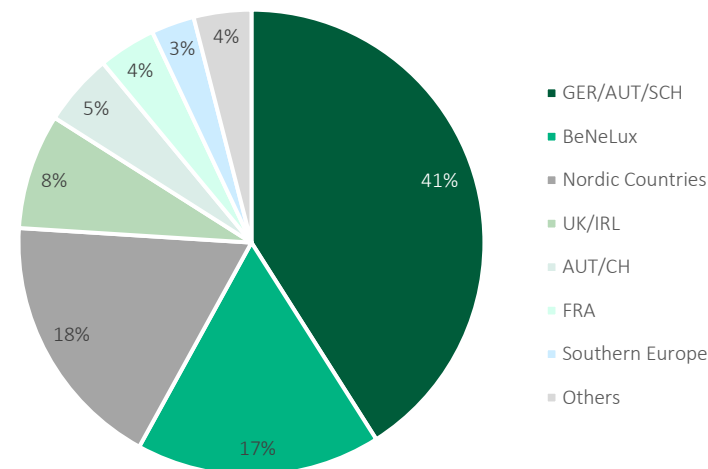
Source: Nationalbanken.dk and own calculations

Issues in euro

Since 2016, Jyske Realkredit has issued bonds denominated in euro to be used for the funding of loans in Danish kroner. Issues take place at fixed benchmark sizes of minimum EUR 500m. It was chosen to make issues in euro to obtain greater diversification of investors who buy mortgage bonds from Jyske Realkredit. In connection with the issues in euro, Jyske Realkredit has entered into derivatives agreements with a number of national and international banks to hedge the currency and interest-rate risk in full.

In January 2024, Jyske Realkredit issued yet another benchmark bond in the amount of EUR 750m. Once again, we saw demand for bonds from international investors, and the issue was oversubscribed more than four times.

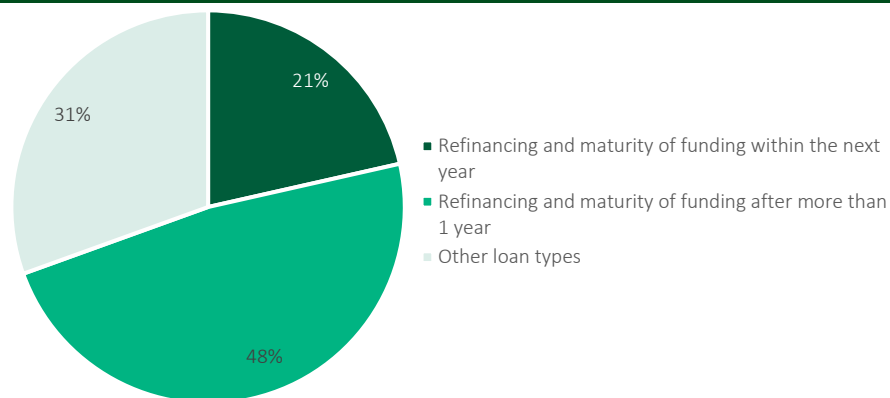
Investors split up on area for Jyske Realkredit's issue in euro in January 2024



Funding of home loans

The proportion of other loan types, which primarily consist of 30-year fixed-rate loans, was constant in 2024 relative to the year before. In 2024, clients with adjustable-rate loans moved from loans with longer refinancing periods (F3 and F5 loans) to loans with shorter refinancing periods (F1 loans). As a result, the proportion of loans maturing within the next year increased in 2024 compared to 2023.

Jyske Realkredit's loan portfolio by time of refinancing

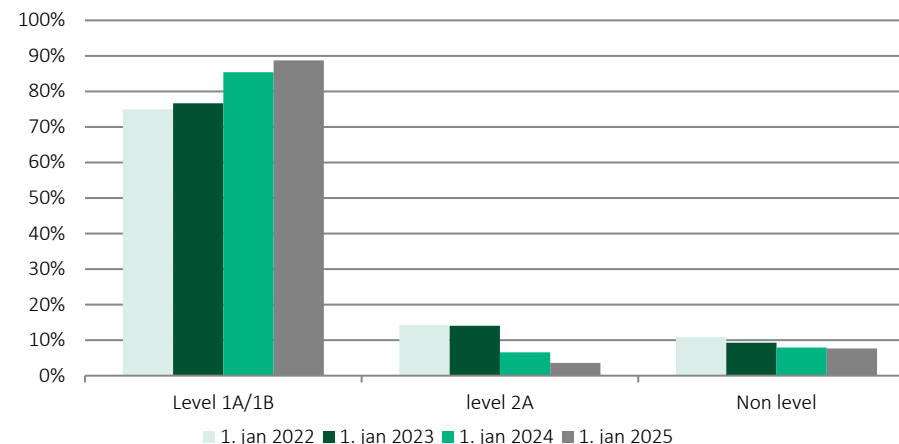


Sizes of series under LCR

To ensure that the issued bond series are of a sufficient size to be categorised as High-Quality Liquid Assets (HQLA) in the LCR statement, Jyske Realkredit has chosen to carry out the financing of F2 - F10 loans in April; the financing of F1 loans in January and October; and the loans funded by CIBOR bonds in July.

By gathering the refinancing of loans and issuing euro-denominated bonds in benchmark size, Jyske Realkredit ensures that a high proportion of the issued bonds will qualify for Level 1A/1B. The proportion of Level 1A/1B bonds rose in 2024. Apart from the initiatives taken by Jyske Realkredit to create large series, part of the increase is due to borrowers having refinanced their fixed-rate loans into floating-rate loans.

Proportion of issued open bonds by LCR level for open Capital Centres (B, E and S)



Due to the 100% guarantee against losses issued by the Danish government, bonds issued by Capital Centre S are classified as Level 1A according to LCR.

Rating

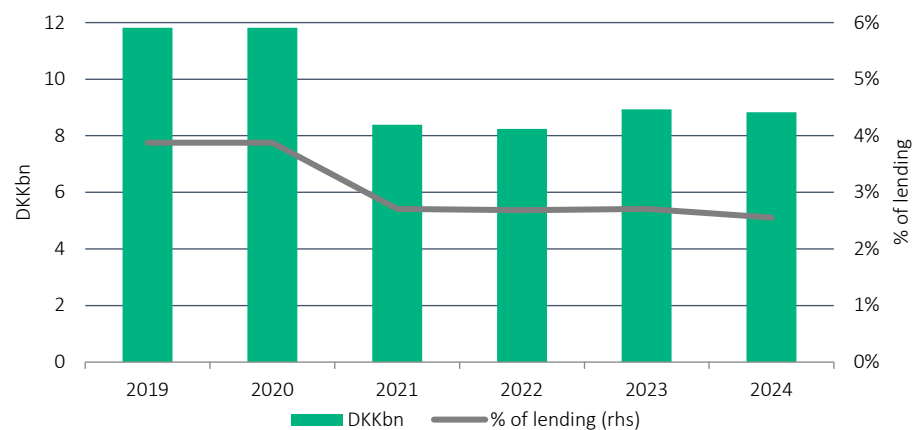
Jyske Bank's and Jyske Realkredit's joint issuer rating by Standard and Poor's was unchanged in 2024. Jyske Realkredit's bonds issued out of Capital Centre E, Capital Centre B and the General Capital Centre have still been assigned a triple A (AAA) rating (Stable).

Ratings

As at 31 December 2024	Rating	Date of rating/change of rating
Covered bonds		
- issued out of Capital Centre E	AAA	17 October 2011
Mortgage credit bonds		
- issued out of Capital Centre B	AAA	17 October 2011
- issued out of the General Capital Centre	AAA	27 December 2013
Issuer rating (long-term rating)	A+	21 July 2023
Issuer rating (short-term rating)	A-1	23-10-2019

Standard & Poor's percentage requirement of supplementary collateral to achieve an AAA rating of Jyske Realkredit's bonds was at a stable level throughout 2024.

Supplementary security requirement to achieve an AAA rating from Standard & Poor's



Standard & Poor's average requirement in percentage terms for supplementary security to maintain the AAA rating for mortgage bonds issued by Jyske Realkredit was practically unchanged relative to the end of 2023. Standard & Poor's assesses that the credit quality of collateral at Jyske Realkredit's Capital Centre E is so good that the collateral requirement to achieve a rating of AAA is at the minimum requirement. The level has not been lower since Standard & Poor's began to rate Jyske Realkredit's bonds in 2011.

Standard & Poor's overcollateralisation requirement for the capital centres is mainly met through funds from Jyske Realkredit's equity. The overcollateralisation relative to Standard & Poor's AAA rating requirements is so high that Jyske Realkredit's issuer rating can be downgraded by three notches without this having any effect on the rating of Jyske Realkredit's bonds. Jyske Realkredit anticipates stable requirements of overcollateralisation in 2025 and is therefore expected, with the current level of liquid assets to meet the AAA requirement.

Green transition

In 2024, Jyske Realkredit still focused on financing of sustainable properties, including renewable energy, and we see continued growth in the financing of green properties.

In 2024, Jyske Bank published a new Green Finance Framework for the Group. In the new framework, the definitions of green lending are rather aligned with the definitions of green lending in the EU Taxonomy of Sustainable Activities. The harmonization with the EU taxonomy has led to a stricter interpretation of when properties can be considered green. This stricter interpretation especially applies to properties built after 2021, where it is no longer enough for properties to meet the minimum energy requirements in the building regulations but must now also have a lower expected energy consumption than required by law.

Targets for emission of greenhouse gasses

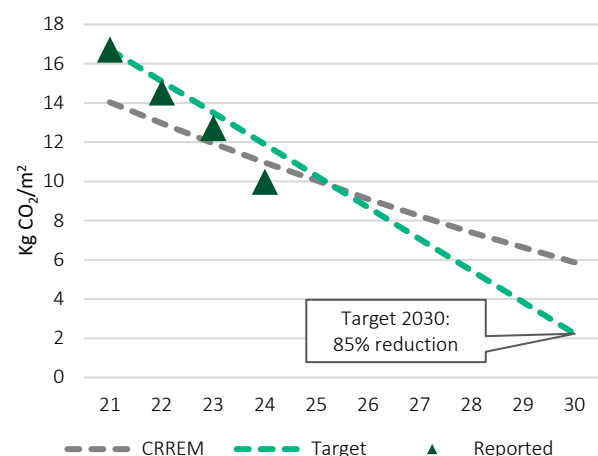
The Jyske Bank Group has set up a target for a reduction of the emission of greenhouse gasses for sectors in which the Group can, through financing and advice to the sector, contribute to a reduction of emissions. As part of the overall Group targets of a reduction of greenhouse gasses, reduction targets for the emission of greenhouse gasses have been set up for loans to owner-occupied homes, residential rental properties and properties for offices and stores. The targets have been determined on

the basis of the Jyske Bank Group's own initiatives of financing a reduction of the emission of greenhouse gasses for the properties, financed by the Jyske Bank Group and the Danish Energy Agency's projection of emission factors and pipeline gas (as a larger share of the gas used will consist of bio-natural gas), shift of energy sources to more renewable types of energy and the natural renovation of properties.

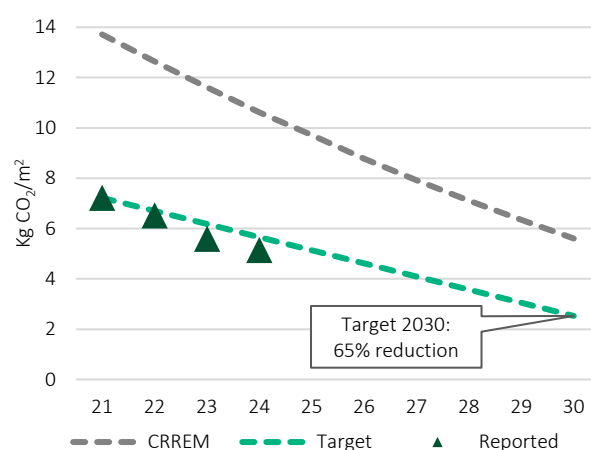
To ensure that Jyske Bank's property targets are ambitious enough to ensure a reduction in greenhouse gases, the targets are compared with a development in greenhouse gases that ensures compliance with the Paris Agreement's 1.5 degrees target. For this purpose, Jyske Realkredit uses the internationally recognized Carbon Risk Real Estate Monitor's (CRREM) 1.5 degrees scenario. By setting a reduction target that is higher than CRREM, Jyske Realkredit ensures that the loan portfolio meets the 1.5 degrees target.

In order to verify Jyske Realkredit's target, Jyske Realkredit has chosen to start a discussion with the organization behind the Science Based Target initiative, with a view to possibly having a validation of Jyske Realkredit's target for reduction of CO₂e emissions from Jyske Realkredit's lending. It is expected that this validation will be implemented in the course of 2025.

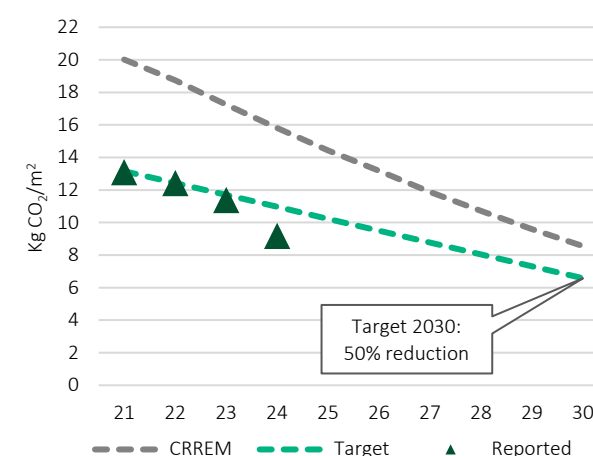
Development in emission intensity of private property



Development in emission intensity of residential rental property



Development in emission intensity of property for office and business properties



Reduction targets have been set on the basis of the 2021 level of emission intensities. In 2024, Jyske Realkredit's loans and advances follow the expected development to attain the 2030 target.

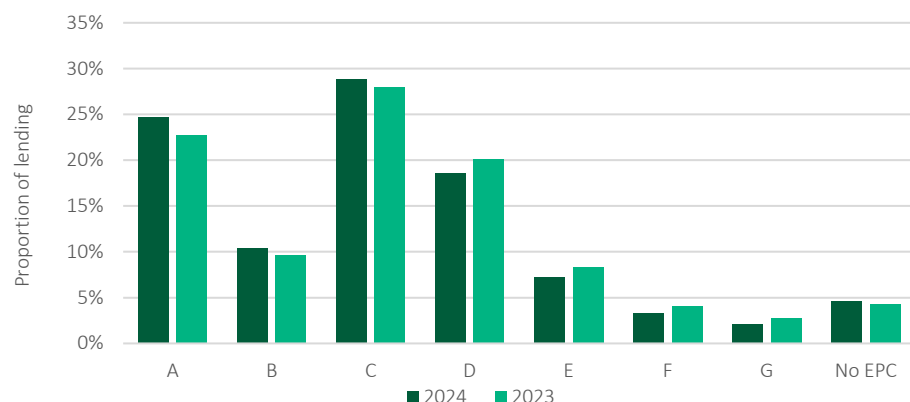
With respect to loans at Jyske Bank and Jyske Realkredit the targets will be followed up on an ongoing basis.

Transparency of the green transition

Jyske Realkredit is the first financial institution to launch a Sustainable Transparency Template. The template was prepared by Jyske Realkredit to offer investors insight into both the energy standard of the homes for which Jyske Realkredit has granted loans and the energy used in the homes broken down by resource. The template is available at jyskerealkredit.dk.

In the Sustainable Transparency Template, Jyske Realkredit publishes the distribution of Energy Performance Certificates for the properties it has financed. For the properties for which no valid Energy Performance Certificate has been issued, Jyske Realkredit estimates Energy Performance Certificates based on characteristics of the properties.

Jyske Realkredit's loan portfolio by energy rating



Relative to the statement for 2023, the proportion of properties with low energy consumption has increased. This increase is due to Jyske Realkredit financing more properties with low energy consumption and the Danish Energy Agency's focus on updating and publishing Energy Performance Certificates.

As of January 2024, public registrations of buildings transitioned from BBR to BFE. This transition has also been implemented in Jyske Realkredit's building data. The transition to BFE has led to greater precision in building data, including data for energy labels and CO₂e emissions.

In its attempts to increase the transparency for investors of how Jyske Realkredit through its lending contributes to the green transition, Jyske Realkredit also publishes the total CO₂e emission from properties financed through Jyske Realkredit.

Estimated CO₂e emission per year relating to Jyske Realkredit's lending

Property type	31 December 2024		31 December 2023	
	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	73,921	9.9	96,039	12.1
Subsidised housing	23,983	5.2	24,931	5.4
Cooperative housing	3,636	5.6	4,054	6.1
Residential rental properties	18,272	4.9	20,833	5.6
Office and commercial properties	34,303	9.2	37,321	11.0
Other	8,542	4.0	14,329	8.3
Total	162,657	7.2	197,507	8.5

The estimated CO₂e emission is based on the Energy Performance Certificate, heating source and total floor area of the property. If the property has not been assigned an energy classification, the energy consumption and CO₂e emission will be estimated on the basis of the characteristics of the property. The estimated CO₂e emission offers a good idea of which properties offer potential for lowering their emission by renovating the properties.

Relative to the statement last year, the proportion of properties with low energy consumption has increased. In addition, the proportion of renewable energy in the total energy production in Denmark has increased, and also a higher proportion of gas delivered to households consists of bio-natural gas (bio methane). All this contributes to reducing CO₂ emission. As Jyske Realkredit finances new properties with a low energy consumption, and at the same time also finances energy retrofitting of existing properties, it is expected that the average emission will fall over time. Jyske Realkredit will on an ongoing basis report on this development.

As part of Jyske Realkredit's Sustainable Transparency Template, it is also reported how much of the loans supports one or more of the UN's Sustainable Development Goals and the proportion of lending complying with the criteria for positive contribution to climate change mitigation in the EU taxonomy.

Loans supporting the UN's Sustainable Development Goals and loans delivering a substantial contribution in line with the EU Taxonomy Regulation's criteria for climate change mitigation

Loan type	FN SDG	EU taxono my criteria	31 December 2024		31 December 2023	
			Loans, nominal (DKKkM)	Proportion of total loans (%)	Loans, nominal (DKKkM)	Proportion of total loans (%)
Electricity from the sun	7.2	4.1	782	0.2	645	0.2
Electricity from the wind	7.2	4.3	754	0.2	710	0.2
Distribution of electricity	9.4	4.9	2,015	0.5	1,116	0.3
Distribution of district heating	9.4	4.15	1,042	0.3	558	0.1
Ownership of existing buildings	7.3	7.7	101,471	27.6	96,254	25.8
Total positive contribution relative to EU Taxonomy			110,064	28.8	99,283	26.6
Subsidised housing	11.3	-	24,064	6.3	24,210	6.5
All in all, UN supports the SDGs			134,128	35.2	123,493	33.1

The figures from 31 December 2023 have changed compared to the annual report for 2023 due to the update of the Jyske Bank Group's definition of green loans.

Due to the update of the Jyske Bank Green Finance Framework in 2024 the proportion of loans complying with the updated criteria in Jyske Bank Green Finance has decreased.

In total, 35.2% of Jyske Realkredit's loans support one or more of the UN Sustainable Development Goals whereas 28.8% of Jyske Realkredit's loans, in addition to supporting the UN Sustainable Development Goals, also comply with the EU Taxonomy Regulation's criteria for positive contribution to climate change mitigation.

The table above shows the proportion of loans at Jyske Realkredit that meet the criteria for positive contribution in accordance with the EU Taxonomy Regulation's climate change mitigation targets. For an activity to be fully compliant with the EU taxonomy, in

addition to the positive contribution criterion, it must also meet the other two screening criteria: Do No Significant Harm and Minimum Safeguards criteria.

Loans in line with the technical screening criteria of the EU taxonomy regulation's targets for climate change mitigation

Loan type	Criterion	31 December 2024		31 December 2023	
		Loans, nominal (DKKkM)	Proportion of total loans (%)	Loans, nominal (DKKkM)	Proportion of total loans (%)
Ownership of existing buildings	7.7	101,888	26.7	93,092	24.9
Total		101,888	26.7	93,092	24.9

For a building to meet the Do No Significant Harm criteria, a climate stress test must be carried out for the building, testing, among other things, how rising water levels and extreme rainfall can affect the building. If the property could be affected by a climate event in a stressed scenario, the activity does not meet the criteria unless actions have been taken to protect the building.

In relation to minimum safeguards, it is not the activity itself that must meet the criteria, but the owner of the building, if the owner is a business. In the above, it has not been assessed whether each individual company meets the criteria. Instead, it is based on a general assessment and based on Danish legislation in combination with Jyske Bank's own lending guidelines. In their assessment of Jyske Bank's Green Finance Framework, the external company 'Sustainalytics' has assessed that the activities in the framework will comply with the minimum safeguard criteria as long as loans are made to Danish companies.

Apart from the above, Sustainable Transparency Template also includes sustainability data, such as CO_{2e} emissions at a level corresponding to each bond.

Corporate Governance

Organisation and management

Jyske Realkredit A/S is 100% owned by Jyske Bank A/S.

The Supervisory Board consists of six members, of which two are elected by the employees. The Executive Board has three members. The Supervisory Board and the Executive Board are independent of each other, and no person is a member of both the Supervisory Board and the Executive Board.

Jyske Realkredit's employees are either employed directly by Jyske Realkredit or their employment is split between Jyske Bank and Jyske Realkredit. The employees split between the companies are paid by Jyske Bank, and Jyske Realkredit's proportion of their salaries, etc. is settled through a service agreement between the two companies. At the end of 2024, 29 (2023: 27) persons were employed directly by Jyske Realkredit, and there were 671 (2023: 725) whose employment was split between the two companies, where the proportion relating to Jyske Realkredit was calculated at 256 (2023: 253) full-time equivalents.

The guidelines for corporate governance and data ethics are available on www.jyskebank.dk/ir/governance.

Business management

The statutory report on business management, cf. Articles 150 of the Danish Executive Order on the Preparation of Financial Statements, is included in the Jyske Bank Group's Annual Report.

Outsourcing

Jyske Realkredit and Jyske Bank cooperate across staff and business functions. Jyske Realkredit has outsourced a number of material areas of activity to Jyske Bank, including:

- Sales, advisory services, credit assessment and granting of mortgage loans for personal clients as well as client relationship management and servicing of these borrowers.
- Sales, advisory services, and credit-improving work when granting mortgage loans secured on commercial properties as well as client relationship management of these borrowers.

- Operation of Jyske Realkredit's system areas.
- Operation and maintenance of the statutory whistleblower programme for Jyske Realkredit, which is operated jointly with Jyske Bank.

Jyske Realkredit has an outsourcing service with an outsourcing officer in charge of management, monitoring and control of outsourcing at Jyske Realkredit. The outsourcing officer reports to the Executive Board of Jyske Realkredit.

Internal control and risk-management systems relating to financial reporting

The Supervisory Board and the Executive Board have overall responsibility for Jyske Realkredit's financial reporting. The financial reporting process is based on the assumption that all relevant financial transactions are entered correctly in the financial management system. To ensure that all financial transactions are entered correctly in the financial management system, and for the purpose of preventing, detecting and correcting any errors, deviations and omissions, daily, monthly and quarterly internal controls are performed as described in various procedures.

Controls comprise both system controls and manual controls. Internal controls are performed regularly through reconciliation and proof on a balance of probability for all financial accounts, and the finance function checks and verifies the reconciliation made. The extent of reconciliation and control is based on an assessment of the risk of errors, deviations and omissions in the financial transactions and accounting items. Special focus is on the financial transactions and accounting items where estimates and assessments can have a significant impact on the value of assets and liabilities. See note 51 in the financial statements for a detailed specification.

Reporting to the Supervisory Board, the Executive Board and business area managements takes place on an on-going basis. This reporting includes, among other financial data:

- Income statement and balance sheet with comments on main items
- Review of assets
- Risks on Jyske Realkredit's securities portfolio, including interest rate and foreign currency risk
- Credit risks, loan losses and impairment charges
- Counterparty risks
- Operational risks
- Capital adequacy and solvency requirement

- Liquidity
- Outsourced activities
- IT security
- Data quality reporting
- Prevention of money laundering

All reporting is based on joint data. Jyske Realkredit monitors developments in relevant legislation and regulations with a view to ensuring full compliance. In connection with the financial reporting process, detailed checklists are also filled in to ensure that all requirements are met.

The Internal Audit Department continuously reviews and reports on significant areas relating to internal controls, risk management and reporting. Moreover, the Group Audit Committee of the Jyske Bank Group, to which Jyske Realkredit belongs, will also review accounting, auditing and security matters.

Risk Management function

The purpose of the risk management function is to assist the Executive Board of Jyske Realkredit in gaining an overview of all material risks, ensuring a clear and unambiguous allocation of responsibility for proactive risk management, assessing the adequacy of the risk targets, reports and models employed in risk management and communicating its positions on the material risks and their size. Risk management at Jyske Realkredit forms part of the Jyske Bank Group's overall risk management. The function is an entity in Risk Management at Jyske Bank, with which professional interaction has been established.

The Executive Board of Jyske Realkredit has appointed a risk officer (CRO), who is responsible for the risk-management functions at Jyske Realkredit. The CRO reports to the Executive Board of Jyske Realkredit.

For a more detailed description of Jyske Realkredit's risk management, reference is made to the report 'Risk and Capital Management 2024' for Jyske Bank which is available on jyskebank.dk/ir/governance.

Compliance function

According to legislation, Jyske Realkredit has a Compliance function with the purpose of identifying and minimising the risks of violating current legislation, rules, ethical standards in an area, or internal guidelines. The compliance activities are primarily

those of carrying out reviews of selected areas on the basis of a multi-year plan and a risk assessment. The Compliance function must report on this and assess whether any measures taken to address shortcomings are effective. The Compliance function reports on an ongoing basis to the Executive Board of Jyske Realkredit on the results of the reviews performed. Likewise, ongoing reporting takes place to the business areas that have been reviewed. In addition, three times a year, the Compliance function prepares a report to the Executive Board and the Supervisory Board of Jyske Realkredit, stating the material compliance risks of Jyske Realkredit.

Internal control procedures

The Supervisory Board sets policies and limits for the conduct of business, and the Supervisory Board and the Executive Board lay down and approve the overall requirements for business procedures and internal controls in key business areas. The internal control system is based on a separation of functions between client-oriented functions, authorisation, and control. Controls are performed at several levels and are initiated through self-reviews in the business areas and the securities area as well as regular controls performed by the credit function, the compliance function and the finance function.

The finance function collects and checks financial data on a monthly basis and reports this to Jyske Realkredit's Executive Board.

The Group Audit Committee and the Executive Board continuously monitor compliance with business procedures, internal controls, relevant legislation and other rules and regulations in connection with financial reporting and submit reports to the entire Supervisory Board.

Company auditors

The Annual General Meeting elects an independent auditor on the recommendation of the Supervisory Board. Prior to the election, the Group Audit Committee has evaluated the skills, the independence, etc. of the nominated auditor.

In addition, Jyske Realkredit is covered by the Jyske Bank Group's Internal Audit, which reports to the Supervisory Board. Up to and including 2023, the division of work between Internal Audit and the auditors appointed by the general meeting was changed to the effect that it is now only auditors appointed by the general meeting who endorse the annual report.

Internal Audit performs operational audits of selected areas in accordance with an audit plan approved and submitted to the Group Audit Committee and the Supervisory Board.

As part of the audit, the auditors will report any weaknesses identified in business procedures and internal controls etc. to the Executive Board and the Supervisory Board, and also Internal Audit will regularly follow up on the implementation of recommendations made. The heads of the internal and external audit participate in Group Audit Committee meetings.

Prevention of money laundering and financing of terrorism

Efforts to prevent money laundering and the financing of terrorism have top priority at the Jyske Bank Group. Jyske Realkredit has appointed a MLRO (money-laundering reporting officer), who is in charge of the overall reporting to the Executive and Supervisory Boards.

As part of the ongoing endeavours to prevent and fight money laundering and financing of terrorism, the employees of Jyske Realkredit participate in ongoing training programmes targeting the individual employee's function, among other things. Moreover, a whistleblower programme has been created under which employees can anonymously file reports in the event of – or suspicion of – violation of EU law, the financial regulation including Danish legislation on measures to prevent money laundering and financing of terrorism etc. There is ongoing monitoring of clients' transactions and behaviour to ensure that Jyske Realkredit is not misused for money laundering and terrorist financing.

As part of the Jyske Bank Group, Jyske Realkredit is subject to the Group's governance for the area. For further information about the Jyske Bank Group's handling of money laundering legislation etc. reference is made to jyskebank.dk/ir/governance/hvidvask.

Target figures and policy for the gender composition of management

At the end of the year, Jyske Realkredit's Supervisory Board consisted of a total of six members, hereof four members elected by the general meeting and two members elected by the employees. Despite the resignation of one board member during the year, there was still no member of the underrepresented gender among the shareholder-elected members at the end of the year. The reason is, that when electing a new board member, priority was given to ensuring that the member had similar credit competencies as the member being replaced.

Replacements on the Supervisory Board are also expected during 2025. The target figure is therefore still 25% which Jyske Realkredit endeavours to attain before the end of 2025.

The members of Jyske Realkredit's Supervisory Board elected by members in general meeting have traditionally been appointed from the top management levels at Jyske Bank, primarily among members of the Group Executive Board. As a result, the gender composition of Jyske Realkredit's Supervisory Board reflects this structure. The prioritized efforts established to increase the proportion of the underrepresented gender at top management levels in Jyske Bank have had a positive effect. This is expected to be reflected in Jyske Realkredit's Supervisory Board. Otherwise, it may be necessary to search in a wider circle than previously in connection with the election of members to the Supervisory Board.

For Jyske Realkredit's other management levels – defined as the Executive Board and persons with managerial responsibility, referring to the Executive Board - the underrepresented gender accounts for 14.8%. A large part of the managers of the other management levels are employees split between companies and hence also employees of Jyske Bank. Therefore, the increase at the top management levels at Jyske Bank has also had an effect on the other management levels at Jyske Realkredit.

	2024	2023
Senior management body		
Total number of members	4	4
Underrepresented gender (%)	-	-
Target figure (%)	25	25
Year of attaining target	2025	2025
Other management levels		
Total number of members	27	25
Underrepresented gender (%)	14.8	4
Target figure (%)	15	15
Year of attaining target	2025	2025

Only comparative figures for 2023 have been included, cf. the transitional provision.

Efforts are being made to achieve an equal gender distribution at the other management levels through a number of different initiatives. The 'Policy for the

underrepresented gender' defines a number of methods to achieve an equal gender distribution. During the year, there was stronger focus on:

- The work with strategic potential and structural succession planning.
- The underrepresented gender in recruitment efforts, and
- Inclusion and awareness of bias for instance through the work in the Jyske Bank Group's Diversity Committee.

It is still our intention to attain a target figure of 15% before the end of 2025. This will be done through a prioritization of the following activities:

- Continued focus on the issue on the part of the Group's senior management. This is created through a demand for formalised reporting and follow-up on gender diversity.
- Increased focus on mandatory performance evaluation and potential assessment to ensure a consistent and timely process for identifying and developing potential leaders of both genders.
- Continued work with structural succession planning and development of strategic potential to Jyske Bank's senior management levels.
- Continued work with attitudes, knowledge and communication about diversity and inclusion.

In addition, previously launched activities to promote gender balance in the recruitment and selection process will continue.

Other information

For further information, please see jyskerealkredit.dk, which website gives detailed financial information about Jyske Realkredit.

Dividend

At the Annual General Meeting, the Supervisory Board will propose that no dividend be distributed for 2024.

General Meetings

The Annual General Meeting will be held on 24 March 2025 at the company's address in Kgs. Lyngby.

Financial calendar

Jyske Realkredit anticipates releasing financial statements on the following dates in 2025:

7 May	Interim Financial Statement, first quarter of 2025
19 August	Interim Financial Report, first half of 2025
29 October	Interim Financial Statement, first nine months of 2025

Events after the end of the financial year

No events have occurred after the balance sheet date that would in any material way influence the income statement or balance sheet set out in these financial statements.

Directorships of the Members of the Supervisory Board and the Executive Board

Directorships held by members of the Supervisory Board in other commercial enterprises on 31 December 2024:

Member of the Supervisory Board	Date of birth	Appointed a Board member	Directorships held in other commercial enterprises
Niels Erik Jakobsen, Managing Director, Chairman	1958	2014	<ul style="list-style-type: none"> Board member (deputy chairman), Letpension Forsikringsformidling A/S Board member, BI Holding A/S as well as the fully owned subsidiary BI Asset Management Fondsmæglerselskab A/S
Lars Waalen Sandberg, Director, Deputy Chairman	1970	2019	<ul style="list-style-type: none"> Board member, E-Nettet A/S
Peter Schleidt, Managing Director	1964	2018	<ul style="list-style-type: none"> Board member (deputy chairman), JN Data A/S
Morten Lykke, Director	1973	2024	-
Employee representatives:			
Kim Henriksen	1960	2015	-
Steen Brastrup Clasen	1967	2019	-

Directorships held by members of the Executive Board in other commercial enterprises on 31 December 2024:

Member of the Executive Board	Directorships held in other commercial enterprises
Carsten Tirsbæk Madsen	-
Torben Hansen	-
Anders Lund Hansen	-

Income Statement and Statement of Comprehensive Income

DKKm

Note		2024	2023
	Income statement		
4	Interest income	12,485	11,470
5	Interest expenses	8,937	8,090
	Net interest income	3,548	3,380
6	Fees and commission received	486	496
	Fees and commission expenses	669	1,052
	Net interest and fee income	3,365	2,824
7	Value adjustments	156	281
	Other operating income	0	0
8.9	Employee and administrative expenses	414	407
	Other operating expenses	29	38
10	Loan impairment charges (- is income)	-17	-12
	Pre-tax profit	3,095	2,673
11	Tax	806	643
	Profit for the year	2,289	2,030
	Distributed to:		
	Jyske Realkredit A/S shareholders	2,289	2,030
	Total	2,289	2,030
	Statement of Comprehensive Income		
	Profit for the year	2,289	2,030
	Comprehensive income for the year	2,289	2,030
	Distributed to:		
	Jyske Realkredit A/S shareholders	2,289	2,030
	Total	2,289	2,030

Balance Sheet

DKKm

Note		2024	2023
	Assets		
	Cash balance and demand deposits with central banks	9,377	6,397
13	Due from credit institutions and central banks	2,633	3,415
14.15	Loans at fair value	365,853	352,663
17	Bonds at fair value	20,626	19,101
	Shares, etc.	57	59
18	Deferred tax assets	69	133
19	Assets in temporary possession	183	40
20	Other assets	1,168	1,201
	Prepayments	10	11
	Assets, total	399,976	383,021
	Equity and liabilities		
	Liabilities		
21	Due to credit institutions and central banks	151	79
22	Issued bonds at fair value	367,941	351,790
	Issued bonds at amortised cost	-	750
	Current tax liabilities	742	583
23	Other liabilities	4,648	5,610
	Deferred income	13	18
	Liabilities, total	373,495	358,830
	Provisions		
24	Other provisions	3	2
	Total provisions	3	2
	Equity		
	Share capital	500	500
	Share premium	102	102
	Retained profit	25,876	23,587
	Total equity	26,478	24,189
	Total equity and liabilities	399,976	383,021
25	Off-balance sheet items		
	Guarantees, etc.	0	0
	Other contingent liabilities, etc. (loan offers, etc.)	13,452	12,337
	Total guarantees and other contingent liabilities	13,452	12,337

Statement of Changes in Equity

DKK m

	Share capital	Share premium	Retained profit	Total equity
Equity at 1 January 2024	500	102	23,587	24,189
Profit/loss for the year	-	-	2,289	2,289
Comprehensive income for the year	-	-	2,289	2,289
Equity at 31 December 2024	500	102	25,876	26,478
Equity at 1 January 2023	500	102	21,557	22,159
Profit for the year	-	-	2,030	2,030
Comprehensive income for the year	-	-	2,030	2,030
Equity at 31 December 2023	500	102	23,587	24,189

All shares are owned by Jyske Bank A/S, and the share capital consists of 5,000,000 shares of DKK 100 each.

Of the equity an amount of DKK 24,254m (2023: DKK 23,499m) was allocated to meet the capital requirement of Capital Centre E, Capital Centre B, Capital Centre S, Jyske Realkredit's series with joint and several liability and Husejernes Kreditkasse. The remaining equity of DKK 2,224m (DKK 689m) was allocated to meet the capital requirement of the General Capital Centre. Reference is also made to the section, Summary of series financial statements.

Capital statement

DKKkm

	2024	2023
Equity	26,478	24,189
Prudent valuation	-19	-31
Other deductions	-79	-104
Common Equity Tier 1 capital / Core capital	26,379	24,053
Capital base	26,379	24,053
Weighted risk exposure involving credit risk, etc.	92,153	83,760
Weighted risk exposure involving operational risk	4,376	3,709
Total weighted risk exposure	96,529	87,469
Capital requirement, Pillar I	7,722	6,997
Capital requirement, Pillar II	2,083	1,694
Adequate capital base	9,805	8,692
Capital ratio (%)	27.3	27.5
Core capital ratio (%)	27.3	27.5
Common Equity Tier 1 capital ratio (%)	27.3	27.5

For further information on the individual solvency requirement, please see the section in the management's review on 'Capital structure'.

Notes

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1 **Key figures and ratios**

	2024	2023	2022	2021	2020
Net interest and fee income	3,365	2,824	1,870	1,654	1,779
Value adjustment (- is an expense)	156	281	-6	110	218
Employee and administrative expenses	414	407	364	360	320
Loan impairment charges (- is income)	-17	-12	-272	64	485
Profit/loss for the year	2,289	2,030	1,361	1,028	908
Loans at fair value	365,853	352,663	333,728	340,969	344,965
Equity	26,478	24,189	22,159	20,798	19,769
Total assets	399,976	383,021	359,621	369,035	377,132
Capital ratio (%)	27.3	27.5	28.3	26.8	25.4
Core capital ratio (%)	27.3	27.5	28.3	26.8	25.4
Common Equity Tier 1 capital ratio (%)	27.3	27.5	28.3	26.8	25.4
Pre-tax profit as a percentage of average equity	12.2	11.5	8.1	6.5	6.0
Net profit as a percentage of average equity	9.0	8.8	6.3	5.1	4.7
Income/cost ratio (%)	8.3	7.2	15.4	3.9	2.4
Currency position (%)	0.1	0.0	0.4	0.3	0.5
Accumulated impairment ratio (%)	0.3	0.4	0.4	0.5	0.5
Impairment ratio for the year (%)	-0.01	0.00	-0.08	0.02	0.14
Increase in loans for the year (%)	2.1	2.2	7.9	1.4	1.6
Loans relative to equity	13.8	14.6	15.1	16.4	17.4
Return on capital employed	0.57	0.53	0.38	0.28	0.24

Reference is made to definitions of financial ratios, cf. note 52.

2 **Alternative performance targets**

	2024			2023		
	Core profit (Mortgage loans)	Reclassificat ion	Total	Core profit (Mortgage loans)	Reclassificat ion	Year-end
Administration margin income, etc.	2,460	-	2,460	2,496	-	2,496
Other net interest income, etc.	1,028	60	1,088	795	89	884
Net interest income	3,488	60	3,548	3,291	89	3,380
Net fee and commission income	-183	-	-183	-556	-	-556
Net interest and fee income	3,305	60	3,365	2,736	89	2,824
Value adjustments	216	-60	156	370	-89	281
Other income	0	-	0	0	-	0
Income	3,521	-	3,521	3,106	-	3,106
Expenses	443	-	443	445	-	445
Profit before loan impairment charges	3,078	-	3,078	2,661	-	2,661
Loan impairment charges and provisions for guarantees	-17	-	-17	-12	-	-12
Pre-tax profit	3,095	-	3,095	2,673	-	2,673

The alternative performance targets applied in the management's review constitute valuable information for readers of financial statements as they provide a more uniform basis for comparison of accounting periods. No adjusting entries are made, and therefore the pre-tax profit for the year will be the same in the alternative performance targets of the management's review and in the profit calculated according to the provisions of the Danish Executive Order on the Preparation of Financial Statements.

The above table illustrates relationships between income statement items under Jyske Realkredit (key financial data), page 2, and income statement items on page 36 prepared according to the Danish Executive Order on the Preparation of Financial Statements. Expenses in the above table relate to Employee and administrative expenses as well as Other operating expenses in the income statement according to the Danish Executive Order on the Preparation of Financial Statements.

Reclassification relates to the following:

- Expenses of DKK 60m (2023: expenses of DKK 89m) due to value adjustments relating to the balance principle was reclassified from value adjustments to other interest income etc.

 3 **Segments - sales, geography and public subsidies**

In 2024, Jyske Realkredit's total sales amounted to DKK 12,972m (2023: DKK 11,967m).

The only activity of Jyske Realkredit is the sale of mortgage loans, which takes place solely in Denmark.

Neither in 2023 nor in 2024, did Jyske Realkredit receive any special subsidies related to mortgage banking activities.

Notes

DKKm

	2024	2023
4 Interest income		
Due from credit institutions and central banks ¹	210	191
Loans	9,174	8,465
Administration margin	2,116	2,011
Bonds	899	730
Derivatives	204	200
Other interest income	96	99
Interest income before offsetting of interest on own bonds	12,699	11,696
Interest on own mortgage bonds, set off against interest on issued bonds	213	226
Total	12,485	11,470
¹ Of which interest income on reverse repos carried under 'Due from credit institutions and central banks'	14	19
5 Interest expenses		
Due to credit institutions and central banks ¹	25	27
Issued bonds	8,291	7,620
Derivatives	834	669
Other interest expenses	-	0
Interest expenses before offsetting of interest on own bonds	9,150	8,316
Interest on own mortgage bonds, set off against interest on issued bonds	213	226
Total	8,937	8,090
¹ Of which interest expenses on repos carried under 'Due to credit institutions and central banks'	0	0

Notes

DKKm

	2024	2023
6 Fees and commission income		
Securities trading	317	307
Loan application fees	169	189
Other fees and commissions	0	0
Total	486	496
7 Value adjustments		
Mortgage loans ¹	4,925	10,365
Other loans and receivables at fair value	2	7
Bonds	299	565
Shares, etc.	-2	-1
Currency	1	1
Currency, interest-rate and other contracts as well as other derivatives ¹	512	661
Issued mortgage bonds ¹	-5,582	-11,316
Total	156	281

¹ Value adjustments of the balance principle for Jyske Realkredit totalled an expense of DKK 21,000. (2023: DKK +0.2m), resulting from a net value adjustment of the following items: Mortgage loans by DKK +4,917m (DKK +10,469m), issued mortgage bonds by DKK -5,582m (DKK -11,316m) and derivatives by DKK +664m (DKK +847m), recognised under 'Currency, interest-rate and other contracts as well as other derivatives'.

	2024	2023
8 Employee and administrative expenses		
Employee expenses		
Wages and salaries, etc.	28	25
Pensions	3	3
Payroll tax	5	4
Social security	0	0
Total	36	32
Salaries, etc. to the Executive Board and the Supervisory Board		
Executive Board	9	7
Supervisory Board	0	0
Total	9	8
Other administrative expenses		
IT	17	17
Other administrative expenses inclusive of intra-group service agreement	352	351
Total	369	368
Employee and administrative expenses, total	414	407
Wages and salaries, etc.		
Wages, salaries and short-term employee benefits	28	25
Total	28	25

In 2024 and in the period 1 June - 31 December 2023, the Executive Board consisted of three members, and in the period 1 January - 31 May 2023, it consisted of two members. In both 2023 and 2024, the Supervisory Board consisted of six members. Information about the Executive Board's and the Supervisory Board's remuneration is available on Jyske Realkredit's website via the following link:
<https://www.jyskerealkredit.dk/om-jyske-realkredit/organisation/vederlag>

Remuneration of risk-takers

Number of members	35	31
Contractual remuneration	17.2	15.8
Variable remuneration	0.0	0.5
Defined contribution pensions	2.0	1.9

The Group comprises employees (exclusive of the Executive Board and the Supervisory Board) with a special impact on Jyske Realkredit's risk profile. Of the above-mentioned 35 (2023: 31) persons, 25 persons (2023: 20) are employees split between the companies and remunerated by Jyske Bank A/S, and settlement with Jyske Realkredit takes place through an intra-group service agreement. Salaries of employees split between the companies are recognised with the proportion that relate to Jyske Realkredit. The Group does not participate in incentive programmes. For further information of the Jyske Bank Group's remuneration policy, reference is made to:
<https://www.jyskebank.dk/ir/governance/adfaerd-og-ledelse>

Notes

DKK m

	2024	2023
9 Number of employees		
Average number of employees for the financial year (full-time employees)	29	26
No. of employees at year-end	29	27
No. of employees split between the companies, end of the year	671	725
No. of employees split between the companies converted to full-time equivalent	256	253
10 Loan impairment charges (- is income)		
Loan impairment for the year	-58	-27
Recognised as a loss, not covered by impairment charges	52	24
Recoveries	-12	-9
Total	-17	-12
Balance of impairment charges		
Balance of impairment charges, beginning of period	1,441	1,384
Loan impairment for the year	-58	-27
Other adjustments	-	95
Recognised as a loss, covered by impairment charges	-207	-11
Balance of impairment charges, end of period	1,177	1,441
Loan impairment charges have been divided as follows:		
Mortgage loan impairment charges	1,097	1,321
Impairment charges on other loans and receivables, etc.	80	120
Balance of impairment charges, end of period	1,177	1,441

10 **Loan impairment charges - cont.**

	2024				2023			
Breakdown of balance of impairment charges by stage	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Balance at the beginning of period	738	220	483	1,441	668	216	500	1,384
Transfer of impairment charges at the beginning of the period to stage 1	101	-90	-11	-	135	-68	-67	-
Transfer of impairment charges at the beginning of the period to stage 2	-57	71	-14	-	-12	30	-18	-
Transfer of impairment charges at the beginning of the period to stage 3	-3	-10	13	-	-5	-5	10	-
Impairment charges relating to new loans	131	33	2	166	140	34	17	192
Decline in the balance of impairment charges due to repayment of loans	-93	-27	-31	-151	-52	-25	-21	-98
Effect from recalculation	-184	40	72	-72	-136	40	71	-26
Previously recognised as impairment charges, now losses	0	0	-206	-207	0	-2	-8	-11
Balance of impairment charges, end of period	634	236	307	1,177	738	220	483	1,441

2024:

The decline in loan impairment charges under stage 1 was due primarily to 'the effect from recalculation'. The effect from recalculation was impacted by changes of: losses in the event of default (LGD), probability of default (PD) and management's estimates. Recognised as a loss, covered by loan impairment charges was affected by a loan commitment as Jyske Realkredit realised the loss in connection with the take-over of the security.

2023:

A large part of the increase in loan impairment charges under stage 1 was due to the development in new loans and advances. In addition, 'the decline in the balance of impairment charges due to repayment of loans' was affected by the refinancing of loans as the refinanced loan has been recognised under 'Impairment charges relating to new loans'. The year 2023 saw a net migration to stage 1 from stages 2 and 3. The migration to stage 1 can be attributed to the improvement of the credit quality of the clients. The effect from recalculation is declining loan impairment charges for stage 1 and rising loan impairment charges for stages 2 and 3. The reason is a shift in the credit quality of the clients.

10 **Loan impairment charges and provisions for guarantees - cont.**
Management's estimates

In addition to the calculated impairment charges, a management's assessment is performed of the impairment models and the ability of the expert-assessed impairment calculations to take expectations of the future development into consideration. To the extent that it is assessed that circumstances and risks are not included in the models, an addition to the impairment charges is made which is based on a management's estimate. This estimate is based on specific observations and is calculated on the basis of the expected risks of the loan portfolio.

The total additions for loan impairment charges and provisions for guarantees estimated by management amounted to DKK 599m against DKK 677m at the end of 2023 and are distributed as stated in the below table.

Specification of management's estimates	2024	2023
Retail clients		
Macroeconomic risks	125	200
Process-related risks	35	40
Total	160	240
Corporate clients		
Macroeconomic risks	350	350
Process-related risks	89	87
Total	439	437
Total	599	677

It is essential that the basis of the management's estimates is well-founded on realistic circumstances and expectations that are not fully recognized in the impairment charges calculated. Documentation and determination will always consist of a coherent chain of reasoning between the well-founded circumstances and the expectation of loss. The determination is usually supported by data and is based on the specific sub-portfolio, yet it may also be based on an estimate of the effect. On a quarterly basis, the management's estimates are reassessed on the basis of updated controls and analyses of the specific areas. The table below elaborates on the rationale as well as the method of the individual estimate, also including a statement of which sub-portfolios the management's estimates relate to.

Notes

10 Loan impairment charges and provisions for guarantees - cont.

Area	Rationale	Method of measurement, material assumptions and method	Sub-portfolio
Macroeconomic risks	<p>The impairment allowance for macroeconomic and ESG risks. This is based on the following:</p> <ul style="list-style-type: none"> - interest rate increases, rising return requirements in valuations and increasing housing burden, etc. - environmental, social and governance risks. - social incidents such as unemployment, divorce, illness, etc. <p>In continuation of the above issue, it has been taken into account how this affects the collateral values and the clients' risk of defaulting.</p>	<p>The effect on impairment charges has for Jyske Realkredit been computed by assessing the scope of commercial property with LTV>100 in a middle stress scenario in which interest rates increase to 5%, and the required rate of return rises by 1.5 percentage points</p> <p>For loans and advances to private homes at Jyske Realkredit the evaluation of the effect on impairment charges is based on expert estimates of the number of clients who may land in financial difficulties.</p>	<p>Jyske Realkredit's portfolio of corporate and personal clients in stages 1, 2 and 3.</p>
Process-related risks	<p>At the end of 2024, the impairment allowance to process-related risks covered expected losses relating to:</p> <ul style="list-style-type: none"> - Uncertainties relating to the assumptions of the base line scenario by not quantifying impairment effects in several economic scenarios. - Expiry of instalment-free periods where the models cannot to a sufficient degree handle the higher risk at the time of the expiry of the instalment-free period. - Scenario calculations for asset-finance clients. 	<p>The quantification of scenario effects is for clients in stages 1 and 2 calculated by stressing input parameters for PD and the value of the collateral. The macroeconomic expectations form the basis for the PDs and property values used and the scenarios are probability weighted.</p> <p>The scenario calculation for asset finance clients with OEI is subject to a tough scenario with a 30% decrease in collateral values and an equal weighting of the tough scenario and the sales scenario.</p> <p>The impairment allowance for expiry of interest-only periods covers four years of calculated losses due to the expiry of the interest-only period.</p>	<p>Jyske Realkredit's portfolio of corporate and personal clients in stages 1 and 2 as well as asset financing in stage 3.</p>

Notes

DKKm

	2024	2023
11 Tax		
Current tax	742	583
Change in deferred tax	65	91
Changes in deferred tax due to a change to the tax rate ¹	-	-0
Adjustment of tax for previous years ²	0	-31
Total	806	643
Effective tax rate		
Corporation tax rate in Denmark	22.0	22.0
Surtax for financial services companies in Denmark	4.0	3.2
Adjustments as regards previous years	-0.0	-1.2
Non-taxable income and non-deductible expenses, etc.	0.1	0.0
Effect of the change to the corporation tax rate ¹	-	-0.0
Effective tax rate	26.0	24.1

¹ The corporation tax rate for financial services companies was raised from 25.2 in 2023 to 26.0 for 2024 and onwards.

² Adjustment of tax for previous years for 2023 primarily relates to a change of the time of taxation for the proportion of the purchase sum relating to the take-over of loans and advances from Handelsbanken.

Notes

DKKm

	2024	2023
12 Contractual time to maturity		
Assets		
Due from credit institutions and central banks		
Demand deposits	809	957
Up to 3 months	1,825	2,459
Over 3 months and up to 1 year	-	-
Over 1 year and up to 5 years	-	-
Over 5 years	-	-
Total	2,633	3,415
Loans at fair value ¹		
Up to 3 months	1,895	1,974
Over 3 months and up to 1 year	6,730	6,484
Over 1 year and up to 5 years	42,941	40,594
Over 5 years	314,287	303,612
Total	365,853	352,663
Bonds at fair value		
Up to 3 months	2,479	3,017
Over 3 months and up to 1 year	6,425	8,588
Over 1 year and up to 5 years	11,685	7,458
Over 5 years	37	39
Total	20,626	19,101
Liabilities		
Due to credit institutions and central banks		
Demand deposits	-	-
Up to 3 months	151	79
Over 3 months and up to 1 year	-	-
Over 1 year and up to 5 years	-	-
Over 5 years	-	-
Total	151	79

Notes

DKKm

	2024	2023
12 Contractual time to maturity – cont.		
Issued bonds at fair value ¹		
Up to 3 months	9,247	7,308
Over 3 months and up to 1 year	64,923	76,408
Over 1 year and up to 5 years	178,247	157,490
Over 5 years	115,524	110,583
Total	367,941	351,790
Issued bonds at amortised cost		
Up to 3 months	-	-
Over 3 months and up to 1 year	-	750
Over 1 year and up to 5 years	-	-
Over 5 years	-	-
Total	-	750

The above amounts are exclusive of interest.

¹ The cash flow imbalance between mortgage loans (the main item of loans at fair value) and issued bonds at fair value is due to the fact that 30-year adjustable rate mortgage loans (ARM) are financed by bonds with maturities of 1-10 years.

For further details on Jyske Realkredit's liquidity risk, please see note 42.

Notes

DKKm

	2024	2023
13 Due from credit institutions and central banks		
Due from credit institutions	881	1,017
Reverse repos	1,753	2,398
Total	2,633	3,415

The major part of amounts due from credit institutions was reduced in connection with the mortgage payments due on 2 January 2025. Cash is deposited with Danmarks Nationalbank, the central bank of Denmark, and Danish banks with ratings between A- and AA- (Standard & Poor's).

14 Loans at fair value		
Mortgage loans, nominal value	381,530	373,677
Adjustment for interest-rate risk, etc.	-14,885	-20,049
Adjustment for credit risk	-1,097	-1,321
Mortgage loans at fair value	365,548	352,307
Arrears before loan impairment charges	75	74
Arrears and outlays, total	75	74
Other loans and receivables	231	283
Total	365,853	352,663

15 Mortgage loans at fair value broken down by property category		
Owner-occupied homes	167,057	163,915
Vacation homes	9,876	9,654
Subsidised housing (rental housing)	49,483	47,547
Cooperative housing	11,684	11,739
Private rental properties (rental housing)	74,760	70,578
Industrial properties	6,962	5,065
Office and business properties	37,917	35,911
Agricultural properties, etc.	154	180
Properties for social, cultural and educational purposes	7,444	7,678
Other properties	210	39
Total	365,548	352,307

Notes

DKKm

	2024	2023
16 Collateral by type		
Guarantees	41,028	41,251
Real property, residential	174,778	171,433
Real property, commercial	149,722	139,791
Total	365,527	352,475

The amounts are determined at fair value.

Jyske Realkredit has not seen any significant changes to the quality of the collateral or other credit protection due to deterioration or changes to the company's policy on provision of collateral during the accounting period.

In addition to mortgage on real property, the collateral consists primarily of guarantees from the central government, local government and/or financial counterparties. The collateral values have been reduced in order of priority according to liquidity if the collateral values exceed loans, advances and guarantees at property level. Consequently, surplus collateral values from exposures that have been fully guaranteed are not included in the values. For properties with fully guaranteed exposures in all impairment scenarios, the calculated indication of impairment will generally be DKK 0.

The collateral value of a charge on real property is calculated on the basis of the expected fair value of the property less sales costs and any senior mortgages. Loan values are assessed individually depending on the characteristics of the real property in question, such as type of property, location, and size, less expenses for realisation. The loan value relating to real property was calculated at Jyske Realkredit's current assessment of the mortgaged properties less a haircut of 5%. For impairment calculations, a higher haircut may have been applied.

17 Bonds at fair value		
Own mortgage bonds	31,047	26,872
Other mortgage bonds	20,626	19,101
Total before offsetting of own mortgage bonds	51,673	45,973
Own bonds (offset against issued bonds)	-31,047	-26,872
Total	20,626	19,101

An important part of the holding of securities is included in Jyske Realkredit's fixed portfolio of securities.

Other securities relate to the investment of temporary excess liquidity resulting from bonds for refinancing of ARM loans, immediate redemptions at par where the bonds have not yet been drawn as well as advance issues of bonds in connection with hedging of fixed-price agreements with loan clients. Investment is solely made in bonds where the issuer's credit rating is within the limits of Jyske Realkredit's risk policy.

18 **Deferred tax assets**

	Loans and advances at fair value	Property, plant and equipment	Provisions for liabilities	Total
Broken down into the following balance sheet items:				
Carrying amount at beginning of 2023	-	2	1	3
Adjustment change to corporation tax rate ¹	-	0	-	0
Adjustment of deferred tax for previous years ²	221	1	-	221
Adjustment in income statement	-90	0	-1	-91
Carrying amount at end of 2023	130	2	1	133
Adjustment in income statement	-64	-1	0	-65
Carrying amount at end of 2024	67	1	1	69

¹ The corporation tax rate for financial services companies was raised from 25.2 in 2023 to 26.0 for 2024 and onwards.

² 'Adjustment of deferred tax for previous years' is included in the note relating to tax in the line 'readjustments of tax for previous years'.

 19 **Assets in temporary possession**

	2024	2023
Properties acquired through foreclosure	38	40
Subsidiary in possession with a view to sale	145	-
Total	183	40

The sales strategy for all assets held temporarily by Jyske Realkredit is to ensure that active efforts are made to sell these assets as quickly as possible at a realistic price and within 12 months.

This item includes properties and a property company held temporarily in connection with loan facilities.

At end of 2024, Jyske Realkredit had 12 (2023: 12) properties acquired through foreclosure, of which 2 (2023: 2) was acquired within the last 12 months.

The properties held over the past 12 months consist primarily of residential rental property, from which sales of owner-occupied flats take place on an ongoing basis when the original tenants move out.

At the end of 2024, Jyske Realkredit had a property company with a single property taken over in 2024.

Notes

DKKbn

	2024	2023
20 Other assets		
Positive fair value of derivatives, etc. ¹	733	775
Interest and commission receivable	224	225
Loan applications in process	93	150
Other assets	117	51
Total	1,168	1,201

¹ Financial derivatives are used for hedging transactions solely where the counterparty's credit rating is within the limits defined by Jyske Realkredit's risk policy.

21 Due to credit institutions and central banks		
Due to credit institutions	108	79
Repos	43	-
Total	151	79

22 Issued bonds at fair value		
Issued mortgage bonds, nominal value	415,205	400,674
Adjustment to fair value	-16,216	-22,012
Own mortgage bonds, fair value	-31,047	-26,872
Total	367,941	351,790
Of 'issued mortgage bonds, nominal value':		
Pre-issued	22,226	19,813
Drawn for redemption at next repayment date	27,248	22,404

On a daily basis, Jyske Realkredit issues and redeems a large number of mortgage bonds. Consequently to some extent the change in the fair value of the issued mortgage bonds attributable to the change in credit risk can only be stated subject to some estimation. The model applied performs the calculation on the basis of the change in the option-adjusted spread (OAS) relative to the swap curve. The calculation allows for, among other things, the maturity of the issued bonds as well as the nominal holding at the beginning and at the end of the year, and also a set-off is effected for Jyske Realkredit's own holding of Jyske Realkredit bonds.

The change in the fair value of issued mortgage bonds that can be attributed to credit risk is then calculated so it implies an increase in the fair value by DKK 0.3 bn in 2024 (2023: a decline by DKK 3.0 bn). Since the issue, the accumulated change in fair value of the issued mortgage bonds at the end of 2024 attributable to credit risk is estimated to be an increase of DKK 0.2 bn (2023: an increase of DKK 0.5 bn).

22 Issued bonds at fair value - cont.

The change in fair value of the issued mortgage bonds that can be attributed to credit risk can also be stated relative to corresponding mortgage bonds with the same rating (AAA) from other Danish issuers. In recent years, these bonds have traded at prices showing no measurable price differences between the various issuers' bonds with similar characteristics. Stated according to this method, no changes have taken place to the fair value that can be attributed to credit risk, neither in the course of the year, nor since issue.

Net profit for the year or equity was not affected by the change, since the value of mortgage loans changed correspondingly.

The difference between the fair value of the issued bonds of DKK 368bn (2023: DKK 352bn) and the nominal value of the issued bonds at DKK 384bn (2023: DKK 373bn), corresponding to the value which is to be repaid via redemptions and/or maturity of the bonds amount to DKK -16bn. (2023: DKK -21 bn).

	2024	2023
23 Other equity and liabilities		
Negative fair value of derivatives, etc. ¹	994	1,700
Interest and commission payable	2,620	2,448
Other liabilities ²	1,035	1,462
Total	4,648	5,610

¹ Financial derivatives are used for hedging transactions solely where the counterparty's credit rating is within the limits defined by Jyske Realkredit's risk policy.

² Other liabilities consist of intermediates bills relating to pending loan cases, payable expenses, etc.

24 Other provisions

Beginning of period	2	5
Additions	1	-
Provisions used	0	2
Provisions reversed	-	0
End of period	3	2
Other provisions are expected to fall due:		
Within 1 year	-	-
Over 1 year	3	2

Other provisions relate to payable expenses, liabilities in the form of commitments of support and other liabilities where either the size of the amount or the due date is uncertain. The uncertainty of the provisions made is considered limited.

Notes

DKKm

	2024	2023
25 Off-balance sheet items		
Guarantees, etc.		
Other guarantees	0	0
Total	0	0
Other contingent liabilities, etc.		
Irrevocable loan commitments (mortgage offers)	13,445	12,329
Other contingent liabilities	7	8
Total	13,452	12,337

Irrevocable loan commitments (mortgage offers)

Irrevocable loan commitments relate materially to the obligation to pay out loans according to offers for mortgage loans with a term of up to six months made by Jyske Realkredit (the term may be longer within the subsidised housing sector). All offers were made in accordance with Jyske Realkredit's credit policy and constitute a customary part of the process of paying out mortgage loans. However, in the event that a client is subsequently registered with the RKI debtor register, etc., Jyske Realkredit shall not be bound by the loan offer.

Other data

Jyske Realkredit is jointly taxed with the Jyske Bank Group, of which Jyske Bank A/S is the administration company. Therefore, Jyske Realkredit is liable according to the rules of the Danish Corporation Tax Act on income tax, etc. for jointly taxed companies.

Jyske Realkredit a/s is registered jointly with the Jyske Bank Group for settlement of VAT and payroll tax. The companies are jointly and severally liable for such settlement.

Jyske Realkredit has entered into an agreement with Danmarks Nationalbank, the central bank of Denmark, on the establishment of T2S Auto collateralisation.

At the balance sheet date, Jyske Realkredit was not a party to any pending lawsuits.

26 Collateral		
Margin accounts, derivatives, etc.	72	61
Total	72	61

Repo transactions involve an arrangement where bonds are provided as collateral for the amount borrowed. See note 27 for further details.

27 Security provided for financial assets and liabilities

	2024				2023			
	Carrying amount	Offsetting, master netting agreement	Collateral	Net value	Carrying amount	Offsetting, master netting agreement	Collateral	Net value
Financial assets								
Derivatives with positive fair value	733	668	77	-11	775	774	-	1
Reverse repos	1,753	-	1,753	-	2,398	-	2,398	-
Total	2,486	668	1,829	-11	3,173	774	2,398	1
Financial liabilities								
Derivatives with negative fair value	994	668	-31	357	1,700	774	-79	1,005
Repo transactions	43	-	43	-	-	-	-	-
Total	1,037	668	12	357	1,700	774	-79	1,005

On the balance sheet, reverse repo transactions are classified as 'due from credit institutions and central banks'. On the balance sheet, repo transactions are classified as 'due to credit institutions and central banks'.

Master netting agreements and similar agreements will entitle a party to offsetting if a counterparty is in default. This lowers the exposure further when a counterparty is in default. It does not, however, meet the conditions for accounting offsetting on the balance sheet.

Mortgage loans at fair value at DKK 365,548m (2023: DKK 352,307m) and other assets worth DKK 46,446m (2023: DKK 40.156m) were at the end of 2024 registered as collateral for issued mortgage bonds, including covered bonds (SDO).

According to the Danish mortgage legislation, the issued mortgage bonds, including covered bonds, are secured against the underlying mortgage loans.

28 **Notes on fair value**
Methods for measuring fair value

Fair value is the price which can be obtained at the time of measurement by selling an asset or which must be paid for transferring a liability in an ordinary transaction between independent market participants (exit value).

For all assets listed on active markets, fair values are measured at official prices. Where no price is quoted, a different official price is used, which is taken to reflect most closely the fair value. Financial assets and liabilities of which quoted prices or other official prices are not available or are not taken to reflect the fair value are measured at fair value according to other evaluation techniques and other observable market information. In cases where observable prices based on market information are not available or are not taken to be useful for measuring fair value, the fair value is measured by recognised techniques, including discounted future cash flows, and our own expertise. The basis of the measurement may be recent transactions involving comparable assets or liabilities, interest rates, exchange rates, volatility, credit spreads, etc.

Generally, quoted prices and observable data are obtained in the form of interest rates, share and bond prices, exchange rates, forward premiums, volatilities, etc. from recognised stock exchanges and providers.

Specific details on methods for measuring fair value

Bonds at fair value, shares, derivatives, loans at fair value and issued bonds are measured at fair value in the financial statements.

Generally bonds are measured at prices quoted on a recognised stock exchange. If such listed price is not available for the past 5 business days, a calculated price based on the official market rate will be applied for determining the value. The calculated price is received from SIX Financial Information.

Jyske Realkredit's shareholding consists solely of unlisted shares, where the value is measured, among other things, on the basis of the companies' most recent financial statements available.

Derivatives are valued on the basis of discounted future interest payments. Interest payments are calculated by taking into account payment frequencies and market conventions. Variable interest payments are estimated on the basis of market expectations for future values of the benchmark interest rate.

Loans at fair value comprise mortgage loans. These are generally measured at prices of the underlying issued bonds quoted on a recognised stock exchange. If such a market price is not available for the preceding 5 business days, a calculated price based on the official market rate will be applied for determining the value. The calculated price is received from SIX Financial Information. If derivatives are part of the funding of the loans, the value of these will be integrated in the valuation of the loans.

Generally, issued bonds at fair value are measured at prices quoted on a recognised stock exchange. If such a market price is not available for the preceding 5 business days, a calculated price based on the official market rate will be applied for determining the value. The calculated price is received from SIX Financial Information.

28 **Notes on fair value, cont.**
Information about differences between recognised value and measurement of fair value

A small part of the holding of the issued bonds was in 2023 measured at amortised cost. The difference to fair value was calculated on the basis of own-issue prices obtained externally. This part of the holding matured in 2024.

For the items cash in hand and demand deposits with central banks, amounts due from credit institutions and central banks, and amounts due to credit institutions and central banks, the carrying amount is assessed to amount to a reasonable approximation of fair value.

	2024	2023
29 Recognised financial instruments		
Financial assets at fair value adjusted through the income statement		
Bonds	20,626	19,101
Other assets - derivatives	733	775
Shares, etc.	57	59
Loans	365,853	352,663
Financial assets at amortised cost		
Cash balance and demand deposits with central banks	9,377	6,397
Due from credit institutions and central banks	2,633	3,415
Financial liabilities at fair value adjusted through the income statement		
Other liabilities - derivatives	994	1,700
Issued bonds	367,941	351,790
Financial liabilities at amortised cost		
Due to credit institutions and central banks	151	79
Issued bonds	-	750

30 The fair value hierarchy

	2024					2023				
	Quoted prices	Observable prices	Non-observable prices	Fair value, total	Recognised value	Quoted prices	Observable prices	Non-observable prices	Fair value, total	Recognised value
Financial assets										
Loans at fair value	-	365,853	-	365,853	365,853	-	352,663	-	352,663	352,663
Bonds at fair value	19,225	1,401	-	20,626	20,626	19,088	14	-	19,101	19,101
Shares, etc.	-	-	57	57	57	-	-	59	59	59
Derivatives	1	733	-	733	733	1	775	-	775	775
Total	19,226	367,987	57	387,270	387,270	19,088	353,452	59	372,599	372,599
Financial liabilities										
Derivatives	17	976	-	994	994	71	1,628	-	1,700	1,700
Issued bonds at fair value	275,398	92,543	-	367,941	367,941	251,631	100,159	-	351,790	351,790
Total	275,416	93,519	-	368,935	368,935	251,702	101,787	-	353,490	353,490

	2024	2023
Non-observable prices		
Fair value, beginning of period	59	60
Capital gain and loss recognised in the income statement	-2	-1
Sales or redemption	-0	-
Fair value, end of year	57	59

No considerable transfers took place between the three levels in 2023 and in 2024.

Non-observable prices

Non-observable prices at the end of 2024 referred to unlisted shares recognised at DKK 57m (2023: DKK 59m). At the end of 2024, Jyske Realkredit's shareholding consisted solely of unlisted shares, where the value is measured on the basis of the companies' most recent financial statements available. Individual assessment of the individual financial statements is regarded as the best valuation technique, and therefore the shares are valued based on book value with a few corrections. The majority of the companies' assets most often consist of properties and the measurement of the fair value of a property will, however, be subject to some uncertainty, and it is therefore assessed that there is an uncertainty of +/-10% in connection with the price determination.

Jyske Realkredit finds it of little probability that the application of alternative prices in the measurement of fair value would result in a material deviation from the recognised fair value.

31 Fair value of non-financial assets and liabilities

	2024				2023			
	Quoted prices	Observable prices	Non-observable prices	Total	Quoted prices	Observable prices	Non-observable prices	Total
Non-financial assets								
Assets held temporarily	-	-	183	183	-	-	40	40
Total	-	-	183	183	-	-	40	40

No transfers took place between the three levels in 2023 and in 2024.

Assets held temporarily

Assets held temporarily comprise properties (primarily commercial property) and in 2024 also one property company acquired temporarily in connection with loan facilities. The value of this group of assets is determined according to the returns method where the operating income of the property is set in relation to the required return on the property. Valuations are made by Jyske Realkredit's internal valuers who have specialised in property valuation. The valuations are less of estimated sales costs.

32 Fair value of financial assets and liabilities recognised at amortised cost

The determination at fair value of financial assets and liabilities recognised at amortised cost shows that for 2023 there was no total non-recognised unrealised loss.

	2024		2023	
	Recognised value	Fair value	Recognised value	Fair value
Financial liabilities				
Issued bonds at amortised cost	-	-	750	750
Total	-	-	750	750

The fair value is calculated at the most recently traded market price.

For other financial assets and liabilities that are not recognised at fair value, primarily amounts due from and due to credit institutions, the carrying amount corresponds in essence to fair value.

33 Risk exposure

The risk involved in Jyske Realkredit's activities is materially related to credit risks on loans granted. The market risk assumed by Jyske Realkredit consists primarily of interest-rate risk from the portfolio of securities. Risk management in Jyske Realkredit is a central element of day-to-day operations and contributes actively to ensuring that the Supervisory Board and Executive Board have the necessary decision-making basis for conducting Jyske Realkredit's business. Focus is continuously on the quality of risk management, particularly on the credit risk models. This is a natural step in Jyske Realkredit's continued ambition to develop tools and establish procedures for valid quantification of the various risks to which Jyske Realkredit is exposed.

Credit risk

By credit risk is understood the risk of a loss resulting from a counterparty's failure to meet its payment obligation to the company. Jyske Realkredit's business model is lending secured against real property. Therefore loans will always be secured by mortgages on immovable property and, also, in a number of cases guarantees are provided by third parties. In connection with loans for social housing, guarantees are provided by municipalities and the state.

Jyske Realkredit's credit risk is calculated on the basis of internal models approved by the FSA. Jyske Realkredit's definition of default is defined as clients with a high or full risk (unlikely to pay) and clients past due more than 90 days on payment of contractual interest and instalments. The definition of default is based on the requirements set forth in Article 178 of the EU Regulation No. 575/2013. For instance, clients are considered associated with high or full risk (defaulted clients) in the event of forced sale, deficit trading, bankruptcy, restructuring, debt rescheduling, indication of current or expected future challenges establishing a balance between income and expenditure, etc. The principles and the definitions of the risk classification have been applied for many years and are assessed to be a well-defined and robust element in the Jyske Bank Group's risk management practice. At Jyske Realkredit, part of the risk classification will be performed automatically due to the business model for mortgage loans (asset financing), where insight into the clients' ongoing finances for the entire portfolio is not offered to the same extent.

Credit policy and responsibility

The Supervisory Board determines the general lending limits at Jyske Realkredit, including requirements of the types of properties that can be mortgaged with a view to ensuring that only properties of a good quality are mortgaged. Moreover, the Supervisory Board delegates authority to the members of the Executive Board Board.

Credit risk is managed through the credit policy, of which the objective is to keep Jyske Realkredit's risk at an acceptable level in relation to the capital base and business volume of Jyske Realkredit, given the general trend in the Danish economy. Client transactions with Jyske Realkredit must generate a satisfactory long term-return according to RAROC principles. Specific credit policies have been formulated for all areas in which Jyske Realkredit assumes a credit risk.

The credit policies define the credit risk levels and identify undesirable business and property types.

Limits and authorisation

Jyske Realkredit attaches importance to its decentralised credit-authorisation process. The limit structure states which amounts, instances and segments are covered by the limit. The main principle is that regularly occurring credit cases can be authorised locally, and credit-related decisions for major or more complicated cases are authorised centrally.

Credit risk and property price models

Jyske Realkredit uses the advanced internal rating-based method (AIRB) to calculate the capital requirement for the majority of the credit risk. For other exposures, including government exposures and exposures to financial institutions, the standardised approach is used.

The use of the AIRB approach means that Jyske Realkredit calculates credit risk for the individual client on the basis of internally developed credit models. The models estimate the client's probability of default (PD), loss given default (LGD) and exposure at default (EAD) to Jyske Realkredit.

Many factors are relevant for the calculation of a client's PD. Specific factors relating to the client but also factors relating to the situation of the client are taken into account. The calculation of PD therefore takes into account financial data, changes in transaction data, management and market circumstances, sector assessments etc. Also included in the calculation are special danger signals in relation to the client's credit quality, payment profile and loss history.

Notes

34 Credit risk, cont.

At Jyske Realkredit, the PD is translated into 9 rating classes, where rating class 9 designates clients in default. In order to reach the best possible overview of client credit quality across the Jyske Bank Group, PD is mapped into internal credit ratings ("STY"), cf. the below mapping.

Internal rating and PD band				
Jyske Bank STY	Jyske Realkredit rating	PD band (%)	External rating equivalence	
1	1	0.00-0.10	Aaa-A3	
2	1	0.10-0.15	Baa1	
3	2	0.15-0.22	Baa2	
4	2	0.22-0.33	Baa3	
5	2	0.33-0.48	Ba1	
6	3	0.48-0.70	Ba2	
7	3	0.70-1.02	Ba3	
8	4	1.02-1.48	B1	
9	4	1.48-2.15	B1-B2	
10	5	2.15-3.13	B2	
11	6	3.13-4.59	B3	
12	6	4.59-6.79	Caa1	
13	7 and 8 ¹	6.79-10.21	Caa2	
14	7 and 8 ¹	10.21-25.00	Caa3/Ca/C	

¹ Jyske Realkredit rating 8 includes PDs above 25%.

In the calculation of the capital requirement, LGD estimates are used which reflect the expected loss rates of the Jyske Bank Group in the event of an economic slowdown. The levels of loss have been calibrated to the period at the end of the 1980s and the beginning of the 1990s.

The models are used for various purposes, including advisory services for Jyske Realkredit's clients, automatic approval of properties for mortgaging, compliance with covered bond requirements and reporting to management.

Risk categories

At Jyske Realkredit exposures with objective evidence of impairment are divided into three categories: exposures with low, high and full risk. The latter two risk categories consist of defaulted clients. Exposures with low risk are exposures for which it is assessed more probable that the exposure will again become sound, while exposures with high risk are exposures for which it is assessed more probable that the exposure will result in losses and/or forced sale of assets provided as security.

The loan-to-value (LTV) ratio is a key risk management element for Jyske Realkredit as LTV expresses the ratio between the unpaid principal amount of a home loan and the market value of the mortgaged property. In addition to physical surveys, Jyske Realkredit uses property price models in its on-going monitoring of market values.

Notes

34 Credit risk, cont.

Mortgage loans by LTV band and per property category (DKKbn)

2024	0-20%	20%-40%	40%-60%	60%-80%	>80%	Total	LTV
Owner-occupied homes	68.6	57.0	32.0	8.8	0.7	167.1	80%
Vacation homes	4.9	3.4	1.4	0.2	0.0	9.9	75%
Cooperative housing	6.0	3.4	1.8	0.4	0.0	11.7	80%
Private rental properties (rental housing)	25.4	24.1	18.9	6.1	0.2	74.8	80%
Industrial properties	3.2	2.2	1.3	0.2	0.0	7.0	60%
Office and business properties	15.2	13.1	7.9	1.3	0.4	37.9	60%-70%
Other property categories	3.9	2.8	0.8	0.2	0.1	7.8	60%-80%
Total excl. subsidised housing (rental housing)	127.2	106.0	64.1	17.3	1.4	316.1	
2023							
Owner-occupied homes	65.4	55.4	32.6	9.5	1.0	163.9	80%
Vacation homes	4.7	3.4	1.3	0.2	0.0	9.7	75%
Cooperative housing	6.2	3.5	1.7	0.3	0.1	11.7	80%
Private rental properties (rental housing)	24.8	23.4	17.6	4.5	0.2	70.6	80%
Industrial properties	2.4	1.7	0.9	0.1	0.0	5.1	60%
Office and business properties	14.7	12.8	7.0	1.0	0.3	35.9	60%-70%
Other property categories	3.9	2.9	0.8	0.2	0.1	7.9	60%-80%
Total excl. subsidised housing (rental housing)	122.0	103.1	62.0	15.9	1.7	304.8	

Loans for Subsidised Housing (residential housing) are not included in the statement of LTV bands as the loans are guaranteed in full or in part by central and/or local government.

Loan impairment charges

Jyske Realkredit recognises loan impairment charges and provisions for guarantees already as of the first recognition. All loans are divided into four stages, depending on the credit-impairment of the individual loans relative to the initial recognition:

1. Loans with no significant increase in credit risk
2. Loans with significant increase in credit risk
3. Credit-impaired loans
4. Loans that are credit-impaired at first recognition.

On an on-going basis, account managers secure that the credit assessment and the credit rating are true and fair, and they assess on an on-going basis - and at least every quarter - the risk classification of the largest exposures, including whether objective evidence of impairment has been established for Jyske Realkredit's clients. For small clients, some of the monitoring takes place automatically. Where easier conditions have been granted to clients with financial problems, this will be regarded as individual objective evidence of impairment.

Notes

34 **Credit risk, cont.**

At Jyske Realkredit, all loans are assessed for objective evidence of impairment. Objective evidence of impairment exists if one or more of the following events have occurred:

- The borrower is facing considerable financial difficulties.
- The borrower is in serious breach of contract, for instance by failing to observe its liability to pay instalments and interest.
- The borrower is granted easier terms that would not have been considered if the borrower was not facing financial difficulties.
- The borrower is likely to go bankrupt or undergo some other financial restructuring.

Foreclosures

Jyske Realkredit acquires properties by forced sale if it turns out that no buyers are willing to pay a reasonable market price. In essence, Jyske Realkredit's strategy for selling the foreclosed properties is to sell them within a relatively short period of time, but with due regard to the importance of obtaining a reasonable market price for the property.

35 **Credit exposures by rating class**

At Jyske Realkredit, there is correlation between the segmentation to capital statements and loan impairment charges on the weakest clients. Loans with ratings (STY) 1-3 are practically all ranked in stage 1. For loans with ratings 4-9 a very small proportion has been ranked outside stage 1. The proportion was 0.4% (2023: 0.1%) and they are all ranked in stage 2.

Mortgage loans at fair value		2024				2023			
DKKbn	PD level	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Rating category (STY)	(%)								
1	0.00-0.10	48.6	-	-	48.6	43.5	-	-	43.5
2	0.10-0.15	0.7	0.0	-	0.7	1.0	-	-	1.0
3	0.15-0.22	9.0	0.0	-	9.0	9.5	-	-	9.5
4	0.22-0.33	13.6	0.0	-	13.6	13.3	0.0	-	13.3
5	0.33-0.48	107.4	0.0	-	107.4	97.6	0.0	-	97.6
6	0.48-0.70	62.5	0.0	-	62.5	62.7	0.0	-	62.7
7	0.70-1.02	55.5	0.4	-	55.8	62.8	0.0	-	62.8
8	1.02-1.48	18.7	0.1	-	18.9	18.8	0.1	-	18.9
9	1.48-2.15	19.8	0.7	-	20.5	18.7	0.1	-	18.8
10	2.15-3.13	4.7	0.9	-	5.5	4.1	1.0	-	5.1
11	3.13-4.59	4.9	1.8	-	6.7	3.1	2.2	0.0	5.4
12	4.59-6.79	1.6	2.1	-	3.7	1.0	1.3	-	2.3
13	6.79-10.21	0.6	2.3	0.0	2.8	0.5	2.4	0.1	2.9
14	10.21-25.00	0.5	2.9	-	3.5	0.4	2.7	0.0	3.1
Non performing loans	0.00-100.00	0.0	0.2	3.5	3.7	0.1	0.3	3.5	3.9
Loans not calculated according to the IRB model		2.4	0.1	0.1	2.7	1.5	0.2	0.0	1.7
Total		350.5	11.5	3.6	365.5	338.4	10.3	3.6	352.3

All irrevocable credit commitments are loan offers to clients. Usually, loan offers are only issued to clients with good credit quality and hence clients with good ratings. But in certain instances it may be necessary to issue loan offers to existing clients with inferior ratings in order to minimise the risk of incurring losses. At the end of 2024, the loan offers in STY 1 to STY 5 amounted to 91.0%. (2023: 93.0%).

35 Credit exposures by rating class - cont.

Irrevocable credit commitments		2024				2023			
DKKbn	PD level	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Rating category (STY)	(%)								
1	0.00-0.10	10.1	-	-	10.1	-	-	-	-
2	0.10-0.15	-	-	-	-	2.5	-	-	2.5
3	0.15-0.22	1.0	-	-	1.0	-	-	-	-
4	0.22-0.33	0.0	-	-	0.0	-	-	-	-
5	0.33-0.48	1.0	-	-	1.0	8.9	-	-	8.9
6	0.48-0.70	0.2	-	-	0.2	-	-	-	-
7	0.70-1.02	0.4	-	-	0.4	0.4	-	-	0.4
8	1.02-1.48	0.1	-	-	0.1	-	-	-	-
9	1.48-2.15	0.1	-	-	0.1	0.3	-	-	0.3
10	2.15-3.13	0.1	-	-	0.1	-	-	-	-
11	3.13-4.59	0.1	-	-	0.1	-	-	-	-
12	4.59-6.79	0.0	-	-	0.0	0.2	-	-	0.2
13	6.79-10.21	0.0	-	-	0.0	-	-	-	-
14	10.21-25.00	0.2	-	-	0.2	0.0	-	-	0.0
Total		13.4	-	-	13.4	12.3	-	-	12.3

Neither in 2023 nor in 2024, did Jyske Realkredit make loan offers that were credit-impaired at initial recognition.

36 Maximum credit exposure

Jyske Realkredit's maximum credit exposure consisted of the following:

- Jyske Realkredit's cash in hand and demand deposits with central banks amounted to DKK 9.4 bn (2023: DKK 6.4 bn).
- Jyske Realkredit's receivables from credit institutions and central banks amounted to DKK 2.6 bn (2023: DKK 3.4 bn).
- Jyske Realkredit's loans and other receivables at fair value amounted to DKK 365.9 bn (2023: DKK 352.7 bn).
- Jyske Realkredit' irrevocable loan commitments (mortgage offers) amounted to DKK 13.4 bn. (2023: DKK 12.3 bn).
- Jyske Realkredit's guarantees amounted to DKK 142,000 (2023: DKK 148,000).
- Jyske Realkredit's interest-bearing investments in bonds, etc. amounted to DKK 20.6 bn (2023: DKK 19.1 bn).
- Jyske Realkredit's shareholding amounted to DKK 57m (2023: DKK 59m).

The calculation of maximum gross credit risk theoretically corresponds to the carrying amounts of the financial assets listed above. In practice, the credit risk is significantly lower, among other things, the value of collateral and guarantees reduces the risk. The capital requirement, which must cover the risk that is unexpected, the risk that is not hedged, is considerably lower and calculated on the basis of the capital requirement according to pillar 1 (8%), it amounts to DKK 7.4bn. (2023: DKK 6.7 bn).

Notes

DKKm

	2024	2023
37 Financial assets credit-impaired on the balance sheet date		
Balance before impairment charges:		
Personal clients	1,474	1,497
Corporate clients	2,133	2,101
Total	3,606	3,598
Collateral:		
Real property, residential	1,436	1,418
Real property, commercial	1,978	1,764
Total	3,414	3,182

38 Market risk

Market risk is the risk of loss following movements in the financial markets (interest rate, share price and foreign currency risks). The most material market risks relate to Jyske Realkredit's securities portfolio for which the interest-rate risk and the price risk on the bond portfolio are the most important ones. Jyske Realkredit has practically no exposure to foreign currencies. Market risks that stem from the other part of the balance sheet are modest due to the balance principle and the close correlation between loans and funding.

Legislation and market risk policy limits ensure that Jyske Realkredit's market risks are at a moderate level, and the on-going close monitoring of risks, combined with short decision-making paths at Jyske Realkredit, means that a reduction of market risks can quickly be implemented if considered necessary in the interests of Jyske Realkredit's general risk profile and capital requirements.

For the determination of market risk relative to solvency, Jyske Realkredit's portfolio of securities is classified as being outside the trading portfolio, and therefore credit risk has been calculated in connection with the portfolio of securities. At the end of 2023, risk-weighted assets caused by the portfolio of securities amounted to DKK 2,331m. (2023: DKK 2,080m) in credit risk as well as DKK 0m (2023: DKK 0m) due to foreign-currency risk.

	2024	2023
39 Interest-rate risk		
Interest-rate risk, the FSA's method	135	90
Interest-rate risk, internal method	121	89

Interest-rate risk expresses the risk of loss following changes in interest rates corresponding to a parallel shift of the yield curve by 1 percentage point and is measured daily. In line with legislation, an interest-rate risk of 8% of the capital base is allowed. At the end of 2024, this amounted to DKK 2,110m (2023: DKK 1,924m). In this statement, partial offsetting between risks in Danish kroner and euros is allowed. As price fluctuations are most limited, the interest-rate risk of Jyske Realkredit is also measured on the basis of an internal method allowing full offsetting between Danish kroner and euros. Jyske Realkredit's Supervisory Board has chosen to reduce the limits in the internal method considerably relative to the statutory provisions.

Notes

39 Interest-rate risk - cont.

The scope of responsibilities delegated by the Supervisory Board to the Executive Board has also been delegated to the securities area with additional restrictions. For risk management purposes, daily updated option-adjusted risk ratios are used to calculate the interest rate risk on Jyske Realkredit's portfolio of mortgage bonds. Interest-rate risk is managed on the basis of measurement of net interest-rate risk as well as risk measurements that limit Jyske Realkredit's interest-rate risk across currencies and maturities. In addition, supplementary limits have been set for other types of risk, such as gamma risk.

Jyske Realkredit's interest-rate risk is primarily caused by Jyske Realkredit's portfolio of securities, consisting mainly of Danish mortgage bonds. Moreover, financial instruments are used to manage the overall interest-rate risk. Jyske Realkredit's activities are close to being risk neutral to general changes in interest rates, but due to the large proportion in Danish mortgage bonds, Jyske Realkredit has a certain exposure to changes in the mortgage yield spread. To manage interest-rate risk, Jyske Realkredit uses derivatives, and to limit counterparty risk Jyske Realkredit has entered into relevant netting agreements.

40 Currency risk

Jyske Realkredit's currency risk on its securities portfolio is limited as most investments are denominated in Danish kroner. As a result of its trading in euro-denominated interest rate swaps, Jyske Realkredit has a small exposure in euro.

The currency exposure for other items that are not included in the portfolio of securities was also very limited. Jyske Realkredit's funding denominated in euro is fully hedged and does not, therefore, involve any foreign-currency risk. Overall, at the end of 2024, Jyske Realkredit's foreign exchange risk was calculated at 0.1% of the capital base (2023: 0.0%).

41 Share price risk

The share price risk expresses the risk of loss caused by changing share prices. Jyske Realkredit's shareholding consists solely of infrastructure shares and strategic positions. At the end of 2024, Jyske Realkredit's shareholding measured at market value amounted to DKK 57m (2023: DKK 59m) corresponding to 0.2% (2023: 0.3%) of the capital base. If share prices in general fall by 10%, Jyske Realkredit will suffer an investment loss of DKK 6m (2023: of DKK 6m).

42 Liquidity risk

The Danish mortgage legislation prescribes a balance within a narrow range between payments on issued bonds and mortgage loans granted. Hence the ongoing flows are within fixed limits, and the risk relates to somewhat possible funding challenges in connection with remortgaging and supplementary collateral. In addition there is a risk relating to arrears, which, however, in relation to liquidity is small, as well as a risk relating to open remortgaging, which is also of a rather limited nature.

43 Operational risk

By operational risk is understood the risk of a loss arising from inappropriate or inadequate internal procedures, human or system errors as well as external events, including legal risks. Losses arising from operational risks are thus due to non-financial events.

As a natural part of its business management, Jyske Realkredit is focused on identifying and managing operational risks. Hence, Jyske Realkredit pays particular attention to minimising the risk of losses arising from system errors, computer breakdowns, procedural mistakes, fraud, wrong advice, etc. Jyske Realkredit continuously updates business procedures and work routines and has also established emergency plans and safety procedures to ensure swift resumption of operations in case of errors, computer break-downs or the like.

To meet operational risks, Jyske Realkredit's Supervisory Board has adopted a policy on how to manage operational risks.

The risk management function of Jyske Realkredit reviews the company once a year to identify operational risks. Jyske Realkredit calculates the capital requirements for operational risk on the basis of the standardised approach.

For further information about Jyske Realkredit's risks, management of risks as well as capital structure, see the report on the Jyske Bank Group's Risk and Capital Management 2024, available at investor.jyskebank.com/investorrelations/capitalstructure.

44 Derivatives

	Net fair value				Gross fair value			Principal amount
	Up to 3 months	Over 3 months and up to 1 year	Over 1 year and up to 5 years	Over 5 years	Positive	Negative	Net	Nominal value
2024								
Currency contracts								
Swaps	-	-0	-76	401	427	-102	325	27,890
Total	-	-0	-76	401	427	-102	325	27,890
Interest-rate contracts								
Forwards/futures, bought	-	-	-	-	-	-	-	-
Forwards/futures, sold	-17	-	-	-	1	-17	-17	14,452
Swaps	-14	-228	-464	31	202	-877	-675	82,483
Caps	-	-	106	-	106	-	106	14,190
Total	-31	-228	-359	31	308	-895	-586	111,126
Total	-31	-228	-434	431	735	-997	-262	139,016
Outstanding spot transactions					1	-1	1	517
2023								
Currency contracts								
Swaps	-	5	-32	29	212	-209	2	26,000
Total	-	5	-32	29	212	-209	2	26,000
Interest-rate contracts								
Forwards/futures, bought	0	-	-	-	0	-0	0	522
Forwards/futures, sold	-120	-	-	-	0	-120	-120	11,261
Swaps	14	-232	-1,062	127	217	-1,371	-1,154	58,831
Caps	-	39	199	108	346	-	346	15,854
Total	-106	-193	-863	235	563	-1,490	-928	86,468
Total	-106	-188	-895	264	774	-1,700	-926	112,468
Outstanding spot transactions					3	-2	1	1,043

Notes

45 Transactions involving related parties

Jyske Realkredit A/S is 100% owned by Jyske Bank A/S.

Jyske Realkredit's related parties comprise:

- the parent company, Jyske Bank.
- subsidiaries and associates of Jyske Bank.
- Byggeriets Realkreditfonds Understøttelsesfond.
- The subsidiary Esbjerg Storcenter A/S (Asset held temporarily)
- Jyske Realkredit's Supervisory Board and Executive Board and the parent company's Supervisory Board and Executive Board and also their related parties.

Jyske Realkredit has, on an on-going basis transactions with a number of related parties, characterised as regular financial transactions and services of an operational nature.

Jyske Realkredit has concluded agreements on joint administrative tasks with the parent company, Jyske Bank A/S, and Byggeriets Realkreditfond's Understøttelsesfond.

Transactions between Jyske Realkredit and related parties were executed on an arm's length basis.

The management's remuneration is published on Jyske Realkredit's website, cf. Note 8.

45 **Transactions involving related parties, cont.**

The following transactions have been concluded with related parties:

	Interest income	Interest expenses	Fees and commission expenses	Value adjust- ments	Other ordinary income	Employee and administra- tive
2024						
The parent company	205	582	570	-11	-	334
Subsidiaries	3	-	-	-	0	-
Supervisory Board and Executive Board, etc.	2	-	-	-	-	9
Other related parties	-	5	-	2	0	0
Total	209	587	570	-9	0	344
2023						
The parent company	217	632	956	119	-	336
Supervisory Board and Executive Board, etc.	1	-	-	-	-	8
Other related parties	0	2	-	7	0	0
Total	219	634	956	126	0	344

Jyske Realkredit did not distribute dividend to the parent company Jyske Bank A/S neither in 2023 nor in 2024.

The following outstanding balances with related parties existed at year-end:

	Due from credit institutions, etc.	Loans at fair value	Other assets	Due to credit institutions, etc.	Issued bonds at fair value	Issued bonds at amortised cost	Other liabilities, etc.
2024							
The parent company	804	-	324	75	5,545	-	594
Subsidiaries	-	-	0	-	-	-	-
Supervisory Board and Executive Board, etc.	-	68	-	-	-	-	-
Other related parties	-	-	-	-	119	-	0
Total	804	68	325	75	5,663	-	594
2023							
The parent company	952	-	543	57	6,034	750	1,033
Supervisory Board and Executive Board, etc.	-	48	-	-	-	-	-
Other related parties	-	-	-	-	131	-	1
Total	952	48	543	57	6,165	750	1,033

45 Transactions involving related parties, cont.

Supervisory Board and Executive Board, etc. comprise Jyske Realkredit's Supervisory Board and Executive Board as well as the Supervisory Board and Executive Board of the parent company Jyske Bank and their related parties.

In 2024, Jyske Realkredit bought loans in the amount of DKK 3,163m from the parent Jyske Bank (2023: DKK 4,057m).

In 2024, a joint taxation contribution in the amount of DKK 584m was paid to companies in the Jyske Bank Group (2023: DKK 555m).

Jyske Realkredit did not grant mortgage loans to Jyske Bank in 2023 and 2024.

In June 2024, Jyske Realkredit acquired the company Esbjerg Storcenter A/S for DKK 1 in connection with the realization of collateral for a non-performing exposure. In connection with the acquisition of the company, Jyske Realkredit has waived loans and interest receivable of DKK 196m. . In December 2024, the company received new share capital of DKK 40m. Also in December 2024, the company reduced loans to Jyske Realkredit by DKK 22m. The company is a legal subsidiary of Jyske Realkredit. The value of the company incl. Jyske Realkredit's loans to the company are included in Jyske Realkredit's balance sheet under the item "Assets in temporary possession"

Jyske Realkredit granted mortgage loans to members of its Supervisory Board and Executive Board and their related parties with an outstanding loan balance of DKK 16m as at 31 December 2024 (2023: DKK 13m). All the loans have been granted on normal business terms. Floating-rate loans amounted to DKK 11m (2023: DKK 8m) at a carrying interest of 0.54% to 4.40%, and fixed-rate loans amounted to DKK 5m (2023: DKK 4m), carrying interest at 4.00%.

Jyske Realkredit granted mortgage loans to members of Jyske Bank's Supervisory Board and Executive Board (exclusive of the members of Jyske Realkredit's Supervisory Board) and their related parties with an outstanding loan balance of DKK 52m at 31 December 2024 (2023: DKK 35m). All the loans have been granted on normal business terms. Floating-rate loans amounted to DKK 52m (2023: DKK 35m) at a carrying interest of -0.15% to 3.67%.

Jyske Realkredit has not provided guarantees to its Supervisory Board and Executive Board, the parent company Jyske Bank's Supervisory Board and Executive Board or their related parties.

	2024	2023
46 Loan portfolio by EPC (%)		
EPC A	24.7	22.8
EPC B	10.5	9.9
EPC C	28.9	28.5
EPC D	18.6	19.7
EPC E	7.3	8.1
EPC F	3.3	4.0
EPC G	2.1	2.7
No emission/no data	4.7	4.3
Total	100.0	100.0

For properties without a valid Energy Performance Certificate (EPC), an estimated EPC has been applied to each individual property on the basis of the characteristics of the property.

47 Estimated CO₂e emission relating to Jyske Realkredit's loans

Loan type	2024		2023	
	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²	Tonnes CO ₂ e (LTV-adjusted)	Kg CO ₂ e/m ²
Private owner-occupied homes and flats	73,921	9.9	96,039	12.1
Subsidised housing	23,983	5.2	24,931	5.4
Cooperative housing	3,636	5.6	4,054	6.1
Residential rental properties	18,272	4.9	20,833	5.6
Office and commercial properties	34,303	9.2	37,321	11.0
Others	8,542	4.0	14,329	8.3
Total	162,657	7.2	197,507	8.5

48 Loans supporting the UN's Sustainable Development Goals and loans delivering a substantial contribution in line with the EU Taxonomy Regulation's criteria for climate change mitigation

Loan type	2024		2023			
	FN SDG	EU taksonomi kriterie	Loans (DKKm)	Proportion of total loans (%)	Loans (DKKm)	Proportion of total loans (%)
Electricity from the sun	7.2	4.1	782	0.2	645	0.2
Electricity from the wind	7.2	4.3	754	0.2	710	0.2
Distribution of electricity	9.4	4.9	2,015	0.5	1,116	0.3
Distribution of district heating	9.4	4.15	1,042	0.3	558	0.1
Ownership of existing buildings	7.3	7.7	105,471	27.6	96,254	25.8
Positive contribution relative to EU Taxonomy			110,064	28.8	99,283	26.6
Subsidised housing	11.3	-	24,064	6.3	24,210	6.5
All in all, UN supports the SDGs			134,128	35.2	123,493	33.1

The lending meets the criteria of the Jyske Bank Green Finance Framework (GFF), except for lending to subsidised housing, which is not covered by the GFF. Subsidised housing does not necessarily make a positive contribution to the EU Taxonomy Regulation's climate change mitigation targets.

49 **Loans in line with the technical screening criteria of the EU taxonomy regulation's targets for climate change mitigation**

Loan type	Criterion	2024		2023	
		Loans (DKKm)	Proportion of total loans (%)	Loans (DKKm)	Proportion of total loans (%)
Ownership of existing buildings	7.7	101,888	26.7	93,092	24.9
Total		101,888	26.7	93,092	24.9

Jyske Realkredit reports the technical screening criteria voluntarily. The calculation is based on the activity and does not relate to whether the owner in question must report in accordance with CSRD/NFRD. For the minimum safeguard criterion, Jyske Realkredit does not use verification from the individual companies but uses a general assessment based on the Danish legislation in the area and Jyske Bank's own guidelines. In their assessment of Jyske Bank's Green Finance Framework, Sustainalytics has stated that they also assess that lending from Jyske Realkredit in Denmark meets the criteria for minimum safeguard.

50 **Group overview**

Name and registered office	Activity	Share capital, year-end (DKKm)	Ownership interest (%)	Voting share (%)	Assets (DKKm)	Liabilities (DKKm)	Equity, year-end (DKKm)	Profit or loss, DKKm
Subsidiaries held temporarily								
Esbjerg Storcenter A/S, Lyngby-Taarbæk	Property	1	100	100	136	352	-217	-6

Financial data for subsidiary held temporarily are stated according to annual reports as at 31 December 2023. In 2024, the company had debts of DKK 225m forgiven and received additional share capital of DKK 40m, so the company's equity was positive at the end of 2024. As at 31 December 2024, the company was recognised in Jyske Realkredit's balance sheet at its expected sales price, exclusive of financing from Jyske Realkredit, cf. note 19.

Parent company prepares consolidated financial statements

Jyske Realkredit A/S is a subsidiary 100% owned by Jyske Bank A/S, which is domiciled in Silkeborg.

Jyske Realkredit is included in the consolidated financial statements of the Jyske Bank Group, which are the largest and smallest consolidated financial statements in which the company is included.

51 **Accounting policies**
BASIS OF ACCOUNTING

The Annual Report of Jyske Realkredit has been prepared in accordance with the Danish Financial Business Act, including the Danish Executive Order on Financial Reports for Credit Institutions, Stockbrokers, etc., which is consistent with IFRS.

The financial statements are presented in Danish kroner (DKK), which is Jyske Realkredit's functional currency and presentation currency.

All figures in the financial statements are presented in millions of DKK rounded to zero decimal places. Grand totals in the financial statements are based on actual figures, which is the most correct method of calculation from a mathematical point of view. A control check to verify the correctness of the grand totals will in some cases result in a rounding difference, which indicates that the hidden decimals are not visible to the reader of the financial statements. Where figures stated in single inverted commas, ' ', in the financial statements, the actual figure for the relevant accounting item is DKK 0.00, whereas '0' means that the figure for the item is between DKK 0.01 and DKK 499,999.99 and, therefore, has been rounded to '0'.

Measurement of mortgage loans, etc., own bond portfolio and issued mortgage bonds

Mortgage loans etc., own bond portfolio and issued mortgage bonds in Jyske Realkredit are recognised in the category of fair value recognized through the income statement according to the provisions of the Danish Executive Order on the Preparation of Financial Statements (corresponding to the exemption clause in IFRS 9 on accounting mismatch). This is so to avoid the accounting mismatch, which will arise if the above-mentioned financial assets and liabilities are recognised at amortised cost while at the same time continuous purchases and sales of own issued bonds take place, for instance in Jyske Realkredit's own securities portfolio.

No changes relative to last year were made in the accounting policies.

Future standards and interpretations

At the time of the publication of the Annual Report, no new rules have been adopted that will have an impact on Jyske Realkredit's future financial statements.

Accounting estimates

When preparing the annual report in accordance with generally accepted accounting principles, management needs to make estimates and set assumptions affecting the financial reporting. Management bases its estimate on experience and various other assumptions considered reasonable and relevant by management under the given circumstances. The management of Jyske Realkredit considers the following estimates and related assessments to be material to the preparation of the financial statements:

51 **Accounting Policies, cont.**
Loans at fair value

Mortgage lending is Jyske Realkredit's most important asset. Mortgage loans are measured at fair value, which is determined on the basis of the market price of the bonds as well as related derivatives issued to finance loans. Despite a difference in the credit risk of the mortgage loans and the issued bonds etc., the opinion is that the additional earnings on mortgage loans in the form of administration margins, etc. have been determined in an efficient market and hedge the higher credit risk in relation to the issued bonds, administrative expenses, capital adequacy costs and an appropriate profit. Consequently, management is of the opinion that the method applied gives a true and fair view.

In addition, for mortgage loans and other loans, adjustment takes place for credit risk (impairment charges), which is measured as described in the section on 'loans at fair value'. Loans with objective evidence of impairment (OEI) are subject to significant uncertainty as regards the value that the mortgaged property might fetch in the event of compulsory realisation, meaning that the impairment in such cases is subjectively estimated. Valuation of the mortgage includes an assessment of the value of the mortgaged properties, the realisable value of the claim, time-on-market expenses in an estimated settlement period and sales costs. Valuation is made by valuers specialised in assessing properties. In addition to the impairment charges calculated by models and individually determined, impairment charges based on management's estimates are recognised to allow for special risks of loss that have not yet been reflected in the registrations, including the rising interest-rate level, for instance. By nature, such management's additions are associated with significant uncertainty. "For a detailed description of the calculation of impairment charges, please see the section on "loans at fair value".

Assets held temporarily

Assets held temporarily comprise properties that have been acquired through foreclosure and a property company and which Jyske Realkredit actively endeavours to sell. There is significant uncertainty about the value the properties etc. might fetch in the event of a sale, as the valuation of such assets is subjectively estimated, see the description under the section on 'loans at fair value' above.

Intra-group transactions

Transactions between Jyske Realkredit and companies which are directly or indirectly affiliated to Jyske Realkredit are settled according to written guidelines on an arm's length basis or at cost.

Foreign currency transactions

Transactions in currencies other than Danish kroner are translated at the official exchange rates on the day of the transactions.

Gains and losses arising from the translation of balance sheet items in foreign currencies are translated into Danish kroner at the official rates of exchange on the balance sheet date.

All currency translation adjustments are recognised in the income statement.

Offsetting

Assets and liabilities are offset when Jyske Realkredit has a legal right to offset the recognised amounts and also intends to net or realise the asset and settle the liability at the same time.

Financial instruments

Financial instruments comprise demand deposits with central banks, receivables from credit institutions and central banks, loans at fair value, bonds at fair value, shares, derivatives, debt to credit institutions and central banks and issued bonds.

51 **Accounting Policies, cont.**

Financial instruments are recognised either at the trade date or at the settlement date. When recognition takes place at the trade date, recognition is subsequently said to have taken place according to the trade date approach. When recognition takes place at the settlement date, recognition is subsequently said to have taken place according to the settlement approach. Recognition of financial instruments ceases when the right to receive or deliver cash flows from the financial instrument has expired, or if the financial instrument has been transferred, and Jyske Realkredit has essentially transferred all risks and returns associated with the ownership.

Financial instruments are measured at fair value or amortised cost.

Fair value means the amount at which an asset can be sold or a liability transferred at in a transaction between informed, willing and mutually independent parties. The publicly available market price is used for financial instruments traded in a marketplace. Different accepted valuation methods, depending on the type of instrument, are used for financial instruments that are not traded in a marketplace. The valuation of fixed-income instruments is based on the zero-coupon yield curve at the balance sheet date.

Amortised cost means the amount at which a financial asset or a financial liability is measured for the first time, less principal payments and plus or less accumulated amortisation by application of the effective interest method to any premium or discount.

Tax

Jyske Realkredit A/S is assessed for Danish tax purposes jointly with Jyske Bank A/S and its Danish subsidiaries. Full intercompany allocation of tax takes place, and tax is allocated between the individual companies on a pro-rata basis. Domestic tax is paid in accordance with the Danish tax prepayment scheme.

The calculated tax on profit or loss for the year is charged to the income statement. The following elements are recognised in tax on profit or loss for the year:

- Current tax on taxable income for the year.
- Changes in all timing differences between accounting and taxation treatment (deferred tax).
- Changes in deferred tax due to a change to the corporation tax rate.
- Any difference between the amount of tax actually paid and calculated tax for prior years.

Deferred tax is recognised in respect of all timing differences between the carrying amount and the tax base of assets and liabilities. Deferred tax is measured on the basis of the statutory tax rules and tax rates that apply on the balance sheet date and when the deferred tax liability is expected to crystallise as current tax.

Changes in deferred tax as a result of changed tax rates are recognised in the income statement.

Deferred tax linked to items recognised as an expense or income, other comprehensive income is recognised in other comprehensive income.

Deferred tax assets and liabilities are offset where attributable to tax levied by the same tax authority, and where it is the intention of the Jyske Bank Group to net its current tax assets and liabilities.

51 **Accounting Policies, cont.**
BALANCE SHEET
Demand deposits at central banks and amounts due from credit institutions and central banks

Demand deposits at central banks, money market investments (deposits) and demand deposits with credit institutions are measured on initial recognition at fair value plus directly attributable transaction costs less fees and commissions received which are directly associated with the amount due. Subsequently, money market investments (deposits) and demand deposits with credit institutions are measured at amortised cost in accordance with the effective interest method.

The item also includes reverse transactions in the form of securities purchased, where, at the time of the purchase, a sell-back at a specific price at a later time is agreed.

Furthermore, the item includes margins receivable in connection with financial instruments where the counterparty is a credit institution.

Loans at fair value

Mortgage loans are recognised according to the trade date approach and classified as ‘loans at fair value’. Mortgage loans are measured at fair value on initial and subsequent recognition through the income statement. Index-linked loans are measured on the basis of the index value at the end of the year. The loan is initially computed at a market value which is generally measured at prices of the underlying issued bonds quoted on a recognised stock exchange. If no market price is available for the past 5 business days, a calculated price based on the official market rate will be applied to determine the value. If derivatives are part of the funding of the mortgage loans, the value of these will be integrated in the valuation of the loans.

The market value is subsequently reduced by a calculated credit impairment charge to find the fair value. This impairment charge for loans at fair value is calculated according to the same principles that apply to impairments of loans at amortised cost. The impairment charges at Jyske Realkredit are calculated by a joint impairment model used in the Jyske Bank Group.

Other loans related to mortgage operations are measured at fair value on the initial and subsequent recognition through the income statement.

Stages for development of credit risk

The Jyske Bank Group’s impairment model is based on calculations of expected losses where the loans are divided into four stages depending on the individual loan’s credit impairment relative to the initial recognition:

1. Loans with no significant increase in credit risk
2. Loans with significant increase in credit risk
3. Credit-impaired loans
4. Loans that were credit-impaired at first recognition.

For loans in stage 1, impairment charges corresponding to the expected loss over the following 12 months are recognised, while for loans in stages 2 and 3, impairment charges corresponding to expected losses over the remaining life of the exposures are recognised. Loans that were credit-impaired at first recognitions are, with respect to impairment charges, ranked in stages 1, 2, or 3 according to a principle corresponding to the one attributed to the loan on the balance sheet date, while the loan and the impairment are reported under the category “Loans that were credit-impaired at first recognition”.

At the initial recognition, the individual loans are generally placed in stage 1, which means that impairment charges corresponding to the expected losses over the following 12 months are recognised.

51 **Accounting Policies, cont.**

Loans with a very low probability of default (PD below 0.2%) and without any other indications of significant increases in the credit risk are considered having a low credit risk and are placed in stage 1 regardless of the probability of default since the initial recognition.

Assessment of whether the credit risk has increased for individual loans and advances, the ranking of loans and advances into stages and the determination of expected losses take place on an on-going basis.

The ranking in the various stages will affect the calculation method applied, and it is determined, among other things, on the basis of the change in the probability of default (PD) over the expected remaining life of the loans. Loans and advances in stage 3 are considered credit-impaired and are classified with risk code 2 or 3, as, under the most likely scenario, a loss is expected.

The risk classification concepts are applied generally in the Jyske Bank Group's risk reports, and there are only minor differences between the Jyske Bank Group's accounting definition of credit-impaired loans (stage 3), the use of the default definition and the definition of non-performing. As the Jyske Bank Group has aligned the entry criteria for stage 3 default and non-performing, only the different exit criteria and quarantine periods associated with the individual risk classification concepts constitute the difference. The concepts of default and non-performing are used in the Jyske Bank Group's capital statement and in its reporting to the authorities.

See note 34 for detailed descriptions of default, credit deterioration and risk classifications used.

Assessment of changes in credit risk

Assessment of whether any significant increase in credit risk has taken place since the first recognition is based on the following circumstances:

- a) An increase in the PD for the expected remaining life of the financial asset by 100% and an increase in the 12-month PD by 0.5 percentage point when, at the initial recognition, the 12-month PD was below 1.0%.
- b) An increase in the PD for the expected remaining life of the financial asset by 100% or an increase in the 12-month PD by 2.0 percentage points when, at the first recognition, the 12-month PD was 1.0% or above.
- c) Loans in arrears by 30 days or more.
- d) The account manager's risk assessment (risk classification), which, among other things, is based on an assessment of the client's ability and will to honour his payment obligations, possible arrears and/or changes to the initial assumptions on which the client relationship rests.

Clients for which the credit risk has increased significantly and with a probability of default (PD above 5%) will be placed in the weak part of stage 2. If the Jyske Bank Group's most likely scenario points to losses, the client is considered credit-impaired and will be ranked in stage 3. Clients in stage 3 are typically characterised by being in considerable financial difficulties, by breach of contract or by probable bankruptcy. A client is in considerable financial difficulties when, due to changes in its earnings, cash flow or capital/net assets, the most likely scenario assumes that the client cannot meet its obligations to the Jyske Bank Group. In addition, a client may be in considerable financial difficulties if other negative information implies that the Jyske Bank Group or other creditors must expect losses.

Hence, the Jyske Bank Group's most important credit management tools are used directly in the segmentation and the determination of the expected future credit loss. Please see note 34 on risk classification, credit rating process and monitoring.

51 **Accounting Policies, cont.**
Statement of expected credit loss

The expected future credit loss is calculated on the basis of the probability of default (PD), the exposure at default (EaD) and the loss given default (LGD). These parameters rest on the Jyske Bank Group's advanced IRB set-up, which is based on the Group's experience of loss history and early repayment, among other things. These parameters are adjusted to the Danish accounting rules/IFRS 9 in a number of specific areas. The purpose of the adjustments is to ensure that the parameters reflect a true and fair picture, which comprises available information and expectations of the future, including the Group's expectations of the real economy trends in GDP, unemployment, house prices, etc. Hence the parameters are adjusted to cover a longer time horizon. The projection allows for client-specific circumstances such as client segment, credit rating, industry, etc. Advanced quantitative credit models are applied to all clients in stages 1 and 2 for which there is no evidence of credit impairment.

For most loans in stages 2 and 3, the expected time to maturity is limited to the contractual time to maturity. If a loan is secured in full in all scenarios, the impairment charge will generally be zero. This will typically be the case with exposures with a high overcollateralisation and/or fixed-value collaterals such as real property.

The assessment of the indication of impairment for the weakest exposures in stages 2 and 3 is based on individual expert assessments of the probability-weighted expected loss. In connection with the most important loans, an individual assessment of the scenarios are made, including definition of cash flows, security values and scenario probability. At the individual assessment, up to 13 scenarios are applied.

Write-offs

Loans are written off as a loss when there are no reasonable prospects of collecting the debt. Indications of this are, for instance bankruptcy and debt rescheduling. Jyske Realkredit still seeks to collect debts even if they are written off as losses.

Impairment charges determined in this manner are deducted from the respective asset items whereas the shifts in impairment charges over the year and losses realised over the year are charged to the income statement.

Bonds at fair value

All listed bonds and other claims priced in active markets are recognised under bonds at fair value the exception being own mortgage bonds, which are set off against the item under equity and liabilities 'issued bonds at fair value'. Recognition takes place according to the settlement approach.

The bonds are measured at fair value on initial and subsequent recognition through the income statement. The fair value is generally measured at prices of the underlying issued bonds quoted on a recognised stock exchange. If no market price is available for the past 5 business days, a calculated price based on the official market rate will be applied to determine the value. The calculated price is received from SIX Financial Information.

Bonds drawn for redemption and repayable immediately after the financial year end are measured at pari.

Index-linked bonds are measured at index values on 31 December.

Notes

51 Accounting Policies, cont.

Shares, etc.

All shares are recognised according to the settlement approach.

Shares are measured at fair value on initial and subsequent recognition through the income statement.

Currently Jyske Realkredit's shareholding consists only of unlisted shares. Unlisted shares are recognised at an estimated fair value on the basis of the available accounting or expected cash flows, etc. of the issuer in question or at management's best estimate.

Assets held temporarily

Assets held temporarily primarily comprise properties acquired through foreclosure, etc. that are only held temporarily by Jyske Realkredit and where a sale is very likely.

Properties held temporarily are recognised at the lower of fair value less costs of sale and the carrying amount.

Liabilities relating to the assets in question are presented in the balance sheet as liabilities relating to assets held temporarily.

Other assets

Interest receivable and balances with clients in connection with loan applications in process etc. are recognised in other assets. These assets are measured at amortised cost.

The item also includes positive market values of fixed-rate agreements with clients and derivatives (swap transactions, etc.), which are measured at fair value through the income statement on the initial and subsequent recognition.

Due to credit institutions and central banks

Money market loans and other debt due to credit institutions are on initial recognition measured at fair value equal to payments received less directly attributable transaction costs incurred. Subsequently, they are measured at amortised cost according to the effective interest method.

The item also includes repo transactions in the form of securities sold, where, at the time of the sale, a buy-back at a specific price at a later time is agreed. The amount received is recognised as due to credit institutions and central banks, whereas the 'lent' securities remain recognised in the balance sheet.

Issued bonds at fair value

Issued mortgage bonds are recognised according to the settlement approach and measured at fair value through the income statement (inclusive of the fair value adjustment of own credit risk) on initial and subsequent recognition. As mentioned above, recognition at fair value through the income statement is made to avoid the accounting mismatch, which will arise if mortgage loans and the issued mortgage bonds are recognised at amortised cost while at the same time continuous purchases and sales of own issued bonds take place, for instance in Jyske Realkredit's own securities portfolio.

The fair value is generally measured at prices of the underlying issued bonds quoted on a recognised stock exchange. If no market price is available for the past 5 business days, a calculated price based on the official market rate will be applied to determine the value. The calculated price is received from SIX Financial Information.

51 **Accounting Policies, cont.**
Issued bonds at amortised cost

Issued senior debt is on the initial recognition measured according to the settlement approach at fair value equal to payments received less directly attributable transaction costs incurred. Subsequently, the senior debt is measured at amortised cost according to the effective interest method.

Other liabilities

Interest payable and balances in connection with loan applications in process are recognised in other liabilities. These liabilities are measured at amortised cost.

Negative bond portfolios (bonds received as collateral for a reverse transaction and sold) are also recognised. These negative portfolios, which equal the repurchase obligation, are recognised according to the settlement approach and measured at fair value on initial and subsequent recognition.

The item also includes negative market values of derivatives (swap transactions, etc.), which are measured at fair value through the income statement on the initial and subsequent recognition.

Finally, liabilities relating to assets held temporarily are recognised.

Provisions

Provisions are recognised when as a result of an event occurred on or before the balance sheet date a legal or factual obligation exists, and it is probable that an outflow of economic benefits will be required to settle the obligation, and that a reliable estimate of the liability can be made. Provisions for debt expected to be payable later than 12 months after the balance sheet date are measured at present value, if this is considered of material importance, otherwise at cost.

Provisions are measured at management's best estimate of the amount which is expected to be required to settle the liability.

Equity

Share capital is classified as equity where there is no obligation to transfer cash or other assets. A proposed dividend is recognised as a liability when the motion has been approved at the Annual General Meeting. Dividend for the year is stated separately under equity.

Share premium comprises amounts paid as share premium when subscribing for the shares.

Reserves in series relate to capital set aside to meet the capital requirement in 'series not subject to reimbursement/repayment obligation'.

INCOME STATEMENT

Income is recognised in the income statement as earned. This includes recognition of value adjustments of financial assets and liabilities measured at fair value through the income statement. All costs and expenses incurred to generate earnings for the year are also recognised in the income statement.

51 **Accounting Policies, cont.**
Interest income and interest expenses

All interest and interest-like items that are determined according to the effective interest method are recognised in interest income and interest expenses. All interest income and expenses as well as administrative contributions are recognised on an accruals basis, i.e. taken to the income statement for the financial year to which they relate.

Interest on mortgage loans and issued mortgage bonds that are governed by the specific balance principle is recognised at the nominal rate of interest on the outstanding bond debt.

Interest on mortgage loans, issued mortgage bonds and relating derivatives that are governed by the general balance principle is recognised at the yield to maturity. Interest relating to the related derivatives is presented together with the interest on the issued mortgage bonds so that the net interest expenses on these are recognised as a whole under Interest expenses.

Dividends, etc.

Dividends on investments in shares are recognised as income in the income statement in the financial year in which the dividends are declared.

Fees and commission income

Income from fees, charges and commissions and expenses from fees and charges are recognised in the income statement as paid. Fees, charges, etc. that are part of transaction costs in connection with financial assets and financial liabilities, which are measured at amortised cost, are included in the calculation by application of the effective interest method.

Value adjustments

Value adjustments comprise realised and unrealised value adjustments of loans at fair value, bonds at fair value and issued bonds at fair value. Moreover, currency translation adjustment and realised and unrealised gains and losses regarding financial derivatives are included.

Exceptions are value adjustment of credit risk on loans recognised in the income statement under 'loan impairment charges'.

Other operating income

Other operating income includes administration fees for Byggeriets Realkreditfond Understøttelsesfond and Esbjerg Storcenter A/S.

Employee and administrative expenses

All payroll costs as well as expenses for administration, sales activities, etc., including expenses resulting from intra-group service agreements, are included in 'employee and administrative expenses'.

Other operating expenses

Other operating expenses include contributions to the Resolution Fund.

Loan impairment charges and provisions for guarantees

Value adjustments of loans, etc. that can be attributed to changes in the credit risk of the loan as well as recognised losses are recognised under loan impairment charges and provisions for guarantees. Here also recoveries of claims previously written off as well as value adjustments of properties acquired through foreclosure are recognised.

51 Accounting Policies, cont.

Notes 46-49 on sustainability

EPC distributions

The table with Energy Performance Certificate (EPC) shows the EPC distribution for properties financed by Jyske Realkredit. The Energy Performance Certificates (EPCs) are distributed on the categories A - G as well as loans without any energy consumption, such as parking garages and wind turbines. For properties with a valid EPC, the entire loan is categorised under the EPC in question. For properties without a valid EPC, an EPC is estimated based on the year of construction, source of heating, type of building and geographical area of the property. Estimation of EPC is based on data for valid EPCs for all properties in Denmark.

EPCs for properties are obtained from the Danish Energy Agency's database, while other building-specific data are obtained from the Danish Building and Housing Register (BBR).

CO₂e emission

The method is in line with Finance Denmark's CO₂ model section 7 'Realkredit (udlån med pant i fast ejendom)' [Mortgage loans (loans secured against real property)]

Generally, the determination of CO₂e emission can be divided into three scopes:

- Scope 1 - direct CO₂e emissions from activity, such as CO₂ emission from vehicles being operated.
- Scope 2 - indirect CO₂e emissions from activity, such as consumption of electricity where the CO₂ emissions take place when the electricity is produced.
- Scope 3 - external CO₂e emissions financed by a company, yet originating from activities not owned or controlled by the company.

The ratios describe the scope 1 and scope 2 CO₂e emissions for the properties financed by Jyske Realkredit. Hence, Jyske Realkredit's own emissions are not included in the determinations.

Based on a property's actual Energy Performance Certificate or an estimate of this, a building's annual energy consumption for heating is calculated. This is combined with the source of heating of the property and the CO₂e emissions associated with the consumption of one unit of energy. This is calculated on the basis of emission factors based on the annual energy report from the Danish Energy Agency.

The CO₂e emissions financed by Jyske Realkredit are calculated by weighing the total emission from the property in relation to the loan-to-value ratio calculated on the basis of property value and mortgage loans at 31 December. The determination of kg CO₂e/m² is based on the consumption of the entire property.

Since there is no EPC requirement for vacation homes in connection with for instance sales, all properties are given a fixed CO₂e emission. This emission is based on data from the Danish Energy Agency and Statens Byggeforskningsinstitut.

No CO₂e emissions are offset when Jyske Realkredit finances production of renewable energy. Renewable energy is included in the determination with CO₂e emissions of zero, as no direct energy consumption will take place for the building (for instance a wind turbine).

51 **Accounting Policies, cont.**
Loans supporting the UN's Sustainable Development Goals and loans delivering a positive contribution relative to the EU Taxonomy Regulation's climate change mitigation targets

Jyske Realkredit states the part of its loan portfolio that supports one or more of the 17 UN Sustainable Development Goals. The definition of green loans supporting the UN Sustainable Development Goals is given in Jyske Bank Green Finance Framework (jyskebank.dk/gff). Sustainalytics has given an external 2nd party opinion on the Jyske Bank Group's framework and confirmed those of the UN Sustainable Development Goals that are supported by the loans. The lending for renewable energy, utilities and green buildings also meets the criteria for positive contribution in the EU Taxonomy Regulation's climate change mitigation targets. Loans supporting the UN Sustainable Development Goals are mainly loans for the subsidised housing sector.

- Renewable energy - 7.2. By 2030, the proportion of renewable energy in the global energy mix must be increased significantly.
- Green buildings - 7.3 By 2030, the global pace for the improvement of energy efficiency must be doubled.
- Utilities – 9.4. By 2030, infrastructure must be upgraded and industries developed to make them sustainable.
- Subsidised housing – 11.3. By 2030, urban development must be more inclusive and sustainable.

Jyske Realkredit indicates the part of the loan portfolio that makes a positive contribution according to the EU Taxonomy Regulation's climate change mitigation targets. The definition of green loans delivering a positive contribution is given in Jyske Bank Green Finance Framework (jyskebank.dk/gff).

Loans fulfilling the technical screening criteria for material contribution of the EU taxonomy regulation's climate change mitigation targets

Jyske Realkredit states the proportion of the loans that meet the technical screening criteria (material contribution, minimum safeguards and Do No Significant Harm) of the EU taxonomy regulation's climate change mitigation targets (2021).

The assessment of minimum safeguard is based on the fact that Jyske Realkredit provides loans for buildings in Denmark that meet the requirements of Jyske Bank's Green Finance Framework. Sustainalytics has through verification of Jyske Bank's Green Finance Framework verified that activities financed under the framework also meet the minimum safeguard criteria.

To determine if the activities meet the Do No Significant Harm criteria, a climate stress test must be performed on the building. The RCP 8.5 scenario is used, where all properties with a probability of flooding or coastal erosion above 5% are excluded.

The statement includes loans for properties owned by private individuals and associations and buildings owned by companies (both for NFRD and non-NFRD companies). The loans included in the calculation are all for buildings, plants and properties established. The statement is based on actual data and not on estimates. For properties without a valid energy performance certificate, the building regulations (BR08, BR10, BR15) under which the building was built are used to determine the top-15%, see top-15% analysis at <https://jyskerealkredit.dk/analyser>.

The following activities from the EU taxonomy regulation's climate change mitigation targets are financed:

- Ownership of existing buildings (7.7) - Properties that meet the following criteria:
 - Properties built after 2021 for which the primary energy consumption is at least 10% lower than NZEB in Denmark. The NZEB requirements in Denmark correspond to the upper limit of the Energy Performance Certificate A2015.
 - Properties that were built before 2021 with the Energy Performance Certificate A (A2010, A2015, A2020) or that are part of the 15% most energy-efficient properties in terms of primary energy demand (please see jyskerealkredit.dk for a definition of 'Top 15%').
 - Large commercial properties built before 2018 with no residential use are excluded from the statement.

51 **Accounting Policies, cont.****OTHER REMARKS****Comprehensive income**

Comprehensive income comprises the profit or loss for the year plus other comprehensive income.

Alternative performance targets

The information relating to the alternative performance targets of Jyske Realkredit were prepared in accordance with Jyske Realkredit's internal reporting. The presentation of the performance targets is based on the on-going reporting to Jyske Realkredit's management and thus the principles used in the internal financial planning and control. The distribution reflects performance and risks at Jyske Realkredit. The distribution of costs and expenses between the performance targets is based on a qualified estimate.

Since Jyske Realkredit only operates in Denmark, no geographical segmentation was made.

Publication

The Annual Report is published in the XHTML format in accordance with the Commission Delegated Regulation (EU) 2019/815 with regard to the single electronic reporting format (ESEF regulation).

Notes

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Definition of financial ratios

Financial ratios and key figures

Definition

Capital ratio (%)	Capital base divided by weighted risk exposure
Tier 1 Capital ratio (%)	Tier 1 Capital after deductions divided by weighted risk exposure.
Common Equity Tier 1 capital ratio (%)	Tier 1 Capital after deductions divided by weighted risk exposure.
Pre-tax profit as a percentage of average Equity	Pre-tax profit divided by average equity during the year
Net profit as a percentage of average equity	Net profit divided by average equity during the year
Income/cost ratio (%)	Income divided by expenses inclusive of loan impairment charges
Currency position (%)	Currency exposure indicator 1 at year-end divided by core capital after deductions at year-end
Accumulated impairment ratio (%)	Total of loan impairment charges and provisions for loss on guarantees at year-end divided by total loans, advances, guarantees, provisions and impairment charges at year-end Discount for acquired loans and advances is not included.
Impairment ratio for the year (%)	The year's loan impairments charges and provisions for loss on guarantees divided by total loans, advances, guarantees, provisions and impairment charges at year-end
Increase in loans for the year (%)	The increase in loans divided by opening loans.
Loans relative to equity	Loans at year-end divided by equity at year-end
Return on capital employed	Net profit for the year divided by total assets

The above financial ratios are used in note 1 and are based on the definitions and guidelines laid down by the Danish Financial Supervisory Authority.

Summary of series financial statements

DKKm

The series financial statements of Jyske Realkredit have been prepared in compliance with the FSA's Order of 20 November 1995 on series financial statements of mortgage credit institution. The series financial statements have been summarised below at 'association level', cf. section 30(3) of the Order.

The summary and the transfers between the series have been prepared in compliance with the Supervisory Board's proposal for distribution of net profit. The full and complete series financial statements are available from Jyske Realkredit on demand.

Summary of series financial statements is unaudited.

	Husejernes Kredit-kasse	Jyske Realkredit Series with joint and several liability	Jyske Realkredit Capital Centre B	Jyske Realkredit Capital Centre E	Jyske Realkredit Capital Centre S	General Capital Centre	Total
2024							
Income statement for the financial year							
Income from lending	0	10	16	1,956	127	7	2,116
Interest, etc. net	0	2	108	1,680	64	52	1,906
Administrative expenses, etc. net	0	1	50	782	86	24	943
Loan impairment charges and provisions (- is income)	-0	-1	-50	32	-0	1	-17
Tax (- is income)	0	3	32	735	27	9	806
Profit	0	8	91	2,087	78	25	2,289
Balance sheet at 31 December							
Assets ¹							
Mortgage loans, etc.	4	5,867	10,671	315,179	30,389	4,075	366,185
Other assets	2	245	1,556	59,462	1,480	2,364	65,110
Total assets	6	6,112	12,227	374,641	31,869	6,439	431,295
Equity and liabilities							
Issued mortgage bonds, etc.	5	6,063	11,080	350,456	30,847	4,183	402,635
Other liabilities	0	31	62	1,894	163	32	2,182
Equity	0	18	1,085	22,292	860	2,224	26,478
Total equity and liabilities	6	6,112	12,227	374,641	31,869	6,439	431,295

¹ The difference between the total assets in the series financial statements and Jyske Realkredit can be specified in this way:

Assets in the financial statements	399,976
Assets in series financial statements	431,295
Difference	-31,319
The difference is due to:	
Offsetting of own issued mortgage bonds - note 22	-31,047
Offsetting of interest receivable on own issued bonds	-271
Total	-31,319

Summary of series financial statements

DKKm

Summary of series financial statements	Husejernes Kredit-kasse	Jyske Realkredit Series with joint and several	Jyske Realkredit Capital Centre B	Jyske Realkredit Capital Centre E	Jyske Realkredit Capital Centre S	Capital Centre	Total
2023							
Income statement for the financial year							
Income from lending	0	10	18	1,853	122	8	2,011
Interest, etc. net	0	2	116	1,718	65	56	1,957
Administrative expenses, etc. net	0	1	74	1,100	96	36	1,307
Loan impairment charges and provisions (- is income)	0	3	46	-58	-0	-2	-12
Tax (- is income)	0	2	3	608	22	7	643
Profit	0	6	11	1,921	70	23	2,030
Balance sheet at 31 December							
Assets ¹							
Mortgage loans, etc.	6	6,228	13,153	300,212	29,065	4,265	352,929
Other assets	1	254	1,779	52,174	1,416	1,589	57,213
Total assets	7	6,482	14,932	352,385	30,481	5,854	410,141
Equity and liabilities							
Issued mortgage bonds, etc.	7	6,422	13,443	328,827	29,503	5,127	383,329
Other liabilities	0	42	96	2,254	196	37	2,624
Equity	0	18	1,393	21,305	782	689	24,189
Total equity and liabilities	7	6,482	14,932	352,385	30,481	5,854	410,141
¹ The difference between the total assets in the series financial statements and Jyske Realkredit can be specified in this way:							
Assets in the financial statements							383,021
Assets in series financial statements							410,141
Difference							-27,120
The difference is due to:							
Offsetting of own issued mortgage bonds - note 22							-26,872
Offsetting of interest receivable on own issued bonds							-248
Total							-27,120

Statement by the Management and Supervisory Boards on the Annual Report

The Supervisory Board and the Executive Board have today considered and approved the Annual Report 2024 of Jyske Realkredit A/S.

The financial statements and the Management's Review for Jyske Realkredit A/S have been prepared in accordance with the requirements of the law, including the Danish Financial Business Act. Furthermore, the Annual Report was prepared in accordance with the additional Danish disclosure requirements for financial reports of issuers of listed bonds.

In our opinion, the financial statements give a true and fair view of the company's financial position on 31 December 2024 and of its financial performance for the financial year 1 January to 31 December 2024.

In our opinion, the Management's Review gives a fair presentation of the development in the company's performance and financial position as well as a description of the most material risks and elements of uncertainty that may affect the company.

In our opinion, the annual report for the financial year 1 January – 31 December 2024, with the file name 'Jyske Realkredit-2024-12-31.xhtml', has been prepared, in all material respects, in compliance with the ESEF Regulation.

The Annual Report is recommended for adoption at the Annual General Meeting.

Kgs. Lyngby, 26 February 2025

Executive Board

Carsten Tirsbæk Madsen
Managing Director

Torben Hansen
Director

Anders Lund Hansen
Director

Supervisory Board

Niels Erik Jakobsen
Chairman

Lars Waalen Sandberg
Deputy Chairman

Morten Lykke

Peter Schleidt

Kim Henriksen
Employee Representative

Steen Brastrup Clasen
Employee Representative

Independent Auditors' Report

To the shareholder of Jyske Realkredit A/S

Auditor's report on the financial statements

Audit opinion

We have audited the financial statements of Jyske Realkredit A/S for the financial year 1 January – 31 December 2024, which comprise income statement, statement of comprehensive income, balance sheet, statement of changes in equity and notes, including information on accounting policies. The financial statements are prepared in accordance with the Danish Financial Business Act, and additional Danish disclosure requirements for issuers of listed bonds.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company's operations for the financial year 1 January – 31 December 2024 in accordance with the Danish Financial Business Act and additional Danish disclosure requirements for issuers of listed bonds.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

We were initially appointed as auditor of Jyske Realkredit A/S on 24 March 2020 for the financial year 2020. We have been reappointed annually by resolution of the general meeting for a total consecutive period of 5 years up until the financial year 2024.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 2024. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the below key audit matters. Our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Key audit matters

Matters of loans

A material part of the Company's assets consists of loans, which are associated with risks of loss in event of the client's inability to pay.

The Company's total loans amounted to DKK 365,853m at 31 December 2024 (DKK 352,663m at 31 December 2023) and provisions for credit losses on loans amounted to DKK 1,177m at 31 December 2024 (DKK 1,441m at 31 December 2023).

We consider the measurement of loans and provisions for credit losses a key audit matter as the measurement of expected losses involves management judgement and is subject to significant uncertainty. This concerns in particular determination of probability of default, staging assessment and an assessment of indications of credit impairment, realizable value of collateral received as well as the customer's ability to pay in case of default.

Major exposures and high risk exposures are assessed individually, whereas minor exposures and low risk exposures are stated on the basis of models for expected credit losses where methods and assumptions used to state the expected credit loss are based on management estimates. The Company recognizes additional impairment losses based on management estimates in situations where the model-calculated and individually assessed impairment losses are not yet assessed to reflect a specific loss risk.

Reference is made to the accounting policies and notes 10, 34 and 51 to the financial statements for a description of the Company's credit risks, uncertainties and estimates where circumstances that may affect the statement of expected credit losses are described.

How or audit addressed the key audit matters

Based on our risk assessment and knowledge of the industry, we performed the below audit procedures regarding measurement of lending:

- Assessment of the Company's methods for stating expected credit losses, including an assessment as to whether methods applied for model-based and individual statements of expected credit losses comply with the accounting rules.
- Test of the Company's procedures and internal controls among others relating to the monitoring of exposures, staging assessment, recording of indications of credit impairment and recording and valuation of values of collaterals.
- Sample testing among the largest and most risky exposures, including credit-impaired exposures, for i.a. correct risk classification and identification of objective evidence of credit impairment as well as test of the methods applied, values of security and future cash flows in impairment calculations.
- For model-calculated impairments, we tested completeness and accuracy of input data, determination of model assumptions, adjustment for expectations of future financial conditions, the models' calculations of expected credit losses and the Company's validation of models and methods for the statement of expected credit losses.
- For management overlays to the individual and model-calculated impairments, we assessed whether the methods applied are relevant and suitable and assessed and tested the Company's basis for assumptions used and whether they are fair and well-founded compared to relevant bases of comparison.

We also assessed whether the note disclosures related to exposures, impairment losses and credit risks comply with the relevant accounting rules and tested the figures included (notes 10, 14, 15 and 34).

Statement on the Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review meets the requirements of the relevant legislation.

Based on the work we have performed; we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the relevant legislation. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Business Act and additional Danish disclosure requirements for issuers of listed bonds.

Moreover, Management is responsible for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will

always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards or actions taken to eliminate those threats.

Based on the matters communicated to those charged with governance, we determine which matters were of most importance in our audit of the financial statements for the current period and therefore are key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure.

Report on compliance with the ESEF Regulation

As part of our audit of the financial statements of Jyske Realkredit A/S, we performed procedures to express an opinion as to whether the annual report for the financial year 1 January – 31 December 2024, with the file name 'Jyske Realkredit-2024-12-31.xhtml', is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation), which includes requirements related to the preparation of an annual report in XHTML format.

Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes preparing an annual report in XHTML format.

Our responsibility is to obtain reasonable assurance as to whether the annual report has been prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained and to express an opinion. The procedures include testing whether the annual report has been prepared in XHTML format.

In our opinion, the annual report for the financial year 1 January – 31 December 2024, with the file name 'Jyske Realkredit-2024-12-31.xhtml', has been prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 26. February 2025
EY Godkendt Revisionspartnerselskab
CVR-nr. 30 70 02 28

Thomas Hjortkjær Petersen
State Authorised Public Accountant
mne33748

Michael Laursen
State Authorised Public Accountant
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