

Interim report

Q1-Q3 2025

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DLR Kredit

DLR finances customers' agricultural and commercial properties in collaboration with 39 national and local banks, which also represent the largest part of DLR's shareholders. The business model is based on a daily and close interaction with loan officers at the loan-mediating shareholder banks, which have branches in Denmark, the Faroe Islands and Greenland. The shareholder banks own shares that generally equate to their shares of DLR's lending.

The banks advise customers on DLR loans. They have insight into their customers' finances and can provide the best individual advice. The bank is remunerated for providing advice, loans, customer care and risk hedging of the mediated loans. The risk hedging, which comprises guarantees and offsetting of losses in commissions, ensures that any loss generally does not affect DLR.

DLR is responsible for property valuations, credit processing, calculation, disbursement and administration of loans and procuring funding for DLR's lending by the issuance and sale of bonds listed on the stock exchange in Copenhagen (Nasdaq Copenhagen). Furthermore, DLR acts as a professional sounding board for loan officers in the banks in connection with financing of real property, including about sustainability and ESG matters.

DLR is furthermore responsible for the management and risk monitoring of the loan portfolio and supports the loan-mediating banks through system solutions for the collaborative process, including for advisory services to customers, loan applications, fixed-price agreements, guarantee provisions, remortgaging, portfolio overviews. DLR has been designated a SIFI (Systemically Important Financial Institution) since the first SIFI designations in Denmark in 2014.

Financial highlights¹

	Q1-Q3 2025	Q1-Q3 2024	Ratio 25/24	Q3 2025	Q2 2025	Q1 2025
Income statement, DKKm						
Administration margin income	1,532	1,471	104	517	514	501
Other core income, net	82	63	130	26	27	28
Interest expenses, senior debt and subordinated debt	-102	-83	123	-36	-35	-32
Fee and commission income, net	-461	-449	103	-169	-139	-153
Core income (mortgage credit income)	1,051	1,002	105	339	367	344
Staff costs and administrative expenses, etc.	-301	-281	107	-94	-98	-110
Other operating expenses	-1	-13	5	0	-1	0
Core earnings before losses and impairment	749	709	106	245	269	234
Impairment of loans, advances, receivables etc.	-213	-27		-199	-7	-7
Portfolio earnings	416	634	66	135	124	157
Profit before tax	952	1,315	72	181	387	384
Profit after tax	709	973	73	137	288	284

	Q1-Q3 2025	Q1-Q3 2024	Ratio 25/24	Q3 2025	Q2 2025	Q1 2025
Balance sheet at 30 June						
Assets						
Loans and advances	203,999	190,289	107	203,999	200,369	196,829
Bonds and shares	8,823	9,165	96	8,823	8,947	10,276
Other assets	2,942	3,843	77	2,942	3,703	2,776
Total assets	215,763	203,298	106	215,763	213,019	209,882
Liabilities and equity						
Issued bonds	194,215	181,942	107	194,215	191,675	187,341
Other debt and payables	2,247	2,684	84	2,247	2,184	2,902
Subordinated debt	1,721	1,299	132	1,721	1,715	1,733
Equity	17,580	17,373	101	17,580	17,443	17,906
Total liabilities and equity	215,763	203,298	106	215,763	213,019	209,882

¹ The figures in the interim report are presented in whole millions of DKK with no decimals unless decimals are considered essential.

Totals in the financial statements have been calculated on the basis of actual amounts. A recalculation of total amounts may in certain cases result in a rounding difference, which reflects that the underlying decimals are not stated in the financial statements.

Financial ratios *	Q1-Q3 2025	Q1-Q3 2024	Q3 2025	Q2 2025	Q1 2025
Return on equity (ROE)					
Profit before tax in pct. of equity *	5.4%	7.6%	1.0%	2.2%	2.2%
Profit after tax in pct. of equity *	4.0%	5.6%	0.7%	1.7%	1.6%
Solvency					
Capital ratio **	23.1%	23.2%	23.1%	23.1%	23.5%
Lending Activity					
Growth in loan portfolio, pct. (nominal) *	5.0%	3.2%	1.6%	1.7%	1.7%
New loans, gross (DKKm)	25,539	20,097	8,085	8,537	8,917

* The financial ratios have been calculated in accordance with the definitions of the Danish Financial Supervisory Authority.

** The capital ratio for Q1, Q2 and Q3 is calculated before recognition of profit/loss for the period as the financial statements have not been reviewed by the auditors.

Q1-Q3 2025 - Highlights

- DLR generated administration margin income of DKK 1,532m in Q1-Q3 2025.
- Pre-tax profit amounted to DKK 952m.
- Profit was positively impacted by portfolio earnings of DKK 416m.
- Gross lending activities amounted to DKK 25.5bn in Q1-Q3 2025, which is DKK 5.4bn higher than in Q1-Q3 2024.
- Net lending amounted to DKK 9.9bn (nominal value) in Q1-Q3 2025, against DKK 6.0bn in the same period of 2024.
- Impairment losses increased by DKK 213m in Q1-Q3 2025. The vast majority was a management overlay to cushion DLR against future setbacks in customer finances.
- For 2025, DLR narrows its guidance for core earnings before impairment to a range of DKK 950m - 1,000m, while the pre-tax profit guidance is expected to amount to around DKK 1,300m.

CEO statement

Statement by CEO Jens Kr. A. Møller on the release of the interim report for Q1-Q3 of 2025:

DLR generated a pre-tax profit of DKK 952m in Q1-Q3 2025.

Core income rose to DKK 1,051m from DKK 1,002m in the same period last year. The increase was driven by the higher level of lending activity.

Portfolio earnings reached DKK 416m in the first three quarters of the year, against DKK 634m in the same period last year. The decrease in portfolio earnings was anticipated and can solely be attributed to general interest rate developments, with lower inflation resulting in lower interest rates. DLR expects that a slightly declining level of interest rates will help stabilise portfolio earnings in the remaining part of the year.

In Q3, primarily in the form of a management overlay, DLR increased its impairment losses by DKK 200m, mainly on agricultural loans.

DLR has not observed any specific signs of weakness among its customers and generally assesses that both its agricultural and commercial real estate customers are well positioned to manage additional risks after several years of satisfactory earnings. However uncertainty surrounding the implementation of a new nitrogen regulation model for agriculture and the implementation of the Energy Performance of Buildings Directive (EPBD) for urban industries, DLR has chosen to make further write-downs in order to strengthen its buffer against potential future setbacks in customer finances. DLR does not expect to recognise additional impairment losses in the coming quarters.

The level of lending activity in the first three quarters of the year was highly satisfactory. Gross lending was DKK 25.5bn, while net lending amounted to DKK 9.9bn. By comparison, gross and net lending amounted to DKK 20.1bn and DKK 6.0bn, respectively, in the year-earlier period. The substantial increase in lending activity was broadly distributed on DLR's significant loan segments, demonstrating that the banks, in collaboration with DLR, have established a strong position in the market.

DLR expects to come out of 2025 with a profit before tax around DKK 1,300m.

Jens Kr. A. Møller

Managing Director & CEO



Comments on the result for Q1-Q3 2025

Income statement

DLR's earnings primarily stem from:

- Core earnings: Earnings from mortgage credit activity in the form of administration margins, fees and commission income, etc. less administrative expenses, losses and impairment losses
- Portfolio earnings: Return on the securities portfolio

The income statement for Q1-Q3 2025 is set out below:

Income statement, DKKm	Q3 2025	Q3 2024
Administration margin income	1,532	1,471
Other core income, net	82	63
Interest expenses subordinated debt	-44	-34
Interest expenses senior debt	-58	-49
Fee and commission income, net	164	147
Fee and commission income, loan intermediaries	-607	-580
Fee and commission income, other	-18	-16
Core income (mortgage credit income)	1,051	1,002
Staff costs and pensions expenses	-208	-197
Administrative expenses	-94	-84
Other operating expenses	-1	-13
Core income before losses and impairment	749	709
Impairment of loans, advances, receivables, etc.	-213	-27
Portfolio earnings, net	416	634
Profit before tax	952	1,315
Tax	-243	-342
Profit after tax	709	973

Core earnings

Administration margin income amounted to DKK 1,532m, an increase of DKK 61m relative to the same period of last year. The increase was driven by loan portfolio growth.

Other core income primarily concerns income from loan origination fees and various other income. This income amounted to DKK 82m in Q1-Q3 2025.

Fees and commission income comprises fee income in connection with the disbursement and repayment of mortgage loans plus spread income stemming from loan refinancing and disbursement. This income amounted to DKK 164m, which was DKK 17m higher than in the year-earlier period.

Fees and commissions paid – loan intermediaries concerns commission payable to the banks that have mediated loans to DLR. Expenses include both agency commission and commission for the provision of loss guarantees, etc. The expenses amounted to DKK 607m, which was DKK 27m higher than in the year-earlier period. In addition, various other commission expenses amounted to DKK 18m.

This brought core income to DKK 1,051m, an increase of DKK 49m relative to the same period of 2024.

Staff costs and administrative expenses, etc. amounted to DKK 302m, which is DKK 21m more than in the same period of last year. The higher costs partly reflect a small increase in the number of employees, partly the agreed pay increases under collective agreements and price increases for a number of expense items. The line item Other operating expenses concerns DLR's contribution to the Resolution Fund, amounting to DKK 1m in Q1-Q3 2025, against an expense of DKK 13m in 2024.

Impairment on loans, advances and receivables (profit impact) amounted to an expense of DKK 213m, against an expense of DKK 27m in the same period of 2024. The higher impairment loss was predominantly due to DLR increasing its management overlay in Q3 by DKK 200m to cover risks of a future setback in customer finances. The DKK 200m overlay breaks down into DKK 143m for the agricultural sector, among other things to cover risks associated with the implementation of the new nitrogen regulation model, DKK 50m for the commercial real estate segment, among other things to cover risks associated with the implementation of the Energy Performance of Buildings Directive (EPBD), and DKK 7m related to other segments.

DLR will continue to be protected against de-facto losses by its guarantee concept, including the possibility of offsetting losses in commission payments to the loan-mediating banks for up to ten years. Therefore, DLR does not expect to incur higher losses than previously. The higher impairment losses indicate that DLR is strengthening its buffer to address the risk associated with the implementation of the green tripartite agreement and a general economic downturn.

Portfolio earnings

Portfolio earnings amounted to DKK 416m in Q1-Q3 2025, which was DKK 218m lower than in the same period of 2024 and consistent with DLR's guidance due to the lower level of interest rates.

DLR's securities portfolio is placed primarily in floating-rate mortgage bonds based on a CIBOR rate plus a small premium, as well as in short-term fixed-rate mortgage bonds.

Profit and allocation of comprehensive income

Profit before tax for the period was DKK 952m, which was 363m lower than in Q1-Q3 2024.

In 2025, the current tax is calculated based on a tax percentage for 2025 of 26 pct. and is calculated at DKK 243m.

Profit for the period after tax is subsequently DKK 709m.

Balance sheet

Mortgage lending at fair value amounted to DKK 204.0bn at the end of Q3 2025, which was an increase of DKK 10.4bn relative to the end of 2024.

Bond holdings amounted to DKK 25.7bn (note 14). Of this amount, the portfolio of DLR bonds amounted to DKK 16.9bn, which is netted in "Issued bonds at fair value", while DKK 8.8bn was attributable to positions in government securities and other mortgage bonds.

In addition to the bond holding of DKK 25.7bn, DLR held other securities in the form of receivables for DKK 2.6bn with central banks and credit institutions and interest receivable on the bond portfolio. The total securities portfolio subsequently amounted to DKK 28.3bn (gross) at the end of Q3 2025.

DLR applies the balance principle, ensuring that there is at all times a match between the mortgage loans granted and the mortgage bonds issued. The difference between the two balance sheet items relates to temporary positions, primarily arising from refinancing, redemptions, scheduled repayments and forward rate agreements.

DLR's total assets amounted at DKK 215.8bn at the end of Q3 2025.

Capital and solvency

DLR's capital and solvency figures at the end of Q3 2025 are shown in the table below.

	30-Sep 2025	31-Dec 2024
Capital and solvency (DKKm)		
Equity	17,580	17,622
Result etc. that cannot be recognised in core capital	-709	0
Proposed dividends on shares owned by parties other than DLR	0	-750
Deduction of bond holdings secured by own shares	-289	-290
Deductions as a consequence of prudent valuation	-26	-23
Deductions as a consequence of non-performing exposures	-26	-24
Difference between expected losses and impairment losses	-8	-63
Common equity tier 1 capital	16,523	16,471
Subordinated capital (tier 2 capital)	1,721	1,694
Own funds	18,243	18,165
Risk-weighted exposure with credit risk etc.	72,157	70,210
Risk-weighted exposure with market risk	1,950	2,911
Risk-weighted exposure with operational risk	4,797	3,460
Total risk-weighted exposure	78,905	76,581
Common equity tier 1 capital ratio	20.9%	21.5%
Total capital ratio	23.1%	23.7%

The capital ratio was calculated according to the CRR3 rules at the end of Q3, while the figures for 2024 were calculated according to the former CRR rules. This has affected both the calculation of own funds and the weighted risk exposures.

Own funds

At 30 September 2025, own funds amounted to DKK 18.2bn. The profit for Q1-Q3 2025 has not been recognised in own funds because the auditors have not performed a review of the financial statements. The changes compared to end-2024 relate in particular to the line item *Difference between expected losses and impairment losses*.

Weighted risk exposure

Weighted risk exposures amounted to DKK 78.9bn at 30 September 2025, which was DKK 2.3bn higher than at year-end 2024.

Weighted exposures with credit risk increased by DKK 1.9bn in Q1-Q3 2025, driven by the transition to CRR3. For DLR, the main changes related to the introduction of

an LGD floor of 10 pct. and an increase in the conversion factor for loan offers and loan commitments from 20 pct. to 40 pct.

The combination of the CRR3-effect and a growing loan portfolio resulted in risk-weighted exposures increasing by DKK 1.9bn.

Weighted exposures with market risk fell by DKK 1.0bn, driven by a change in the composition of the bond portfolio, resulting in a slightly shorter duration.

Weighted exposures with operational risk increased by DKK 1.3bn compared to the end of 2024, partly due to the introduction of CRR3 and the fact that DLR's profit has increased in recent years. The rules stipulate that this increases the risk exposure.

Capital ratios

DLR's total capital ratio was 23.1 pct. at 30 September 2025, against 23.7 pct. at year-end 2024.

The common equity tier 1 capital ratio was 20.9 pct., against 21.5 pct. at year-end 2024.

If the profit for Q1-Q3 2025 had been recognised, the total capital ratio would have been 24.0 pct., and the common equity tier 1 capital ratio would have been 21.8 pct.

Capital target

DLR's capital target for the capital ratio is 21.5 pct., which means that the excess coverage relative to the target is 1.6 percentage points.

Risk factors

DLR's credit and market risks are assessed to be limited. This is due to the combination of the regulatory foundation and the defined internal credit and market policy guidelines. To this should be added measures to mitigate losses, including the guarantees and loss-offsetting measures established for DLR's lending areas in accordance with agreements with DLR's partner banks.

For a more detailed description of market risk and credit risk, please see our report on Risk and Capital Management for 2024, which is available on <https://dlr.dk/investor/regnskaber-rapporter/>.

Arrears and forced sales

At 30 September 2025, outstanding mortgage payments amounted to DKK 51m, against DKK 58m at year-end 2024. Of the amount in arrears, the bulk stems from mortgage payments that are less than 3½ months overdue.

DLR recorded a loss on 10 properties in Q1-Q3 2025, against 17 in the same period of 2024. The loss on the 10 loss-making properties amounted to a total of around DKK 5.3m.

DLR had one repossessed property at 30 September 2025, valued at DKK 0. This is the same property that DLR owned at year-end 2024.

Outlook for 2025

In its Annual Report 2024, DLR guided for core earnings before impairment in the order of DKK 950m – 1,050m and a pre-tax profit of around DKK 1,300 – 1,500m for the full-year 2025.

The guidance for core earnings before impairment is narrowed to a range of DKK 950m – 1,000m, while the pre-tax profit guidance is expected to amount to around DKK 1,300m.

Accounting policies

DLR's interim report has been prepared in accordance with legislative requirements, including the Danish Financial Business Act and the provisions of the Danish Financial Supervisory Authority on financial reports of mortgage credit institutions and the requirements of Nasdaq Copenhagen as regards the financial statements of issuers of listed bonds.

The accounting policies are consistent with those applied in Annual Report 2024.

The financial statements have neither been audited nor reviewed.

Events after the balance sheet date

There are no events that occurred after the reporting date that would changed the income statement or balance sheet in the interim report.

Additional information

For further information on DLR, please refer to <https://dlr.dk/investor/regnskaber-rapporter/>, where Annual Report 2024 and DLR's Risk and Capital Management Report, etc. are available for download.

You will also find further information here on DLR's cover pools and ratings.

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Income statement and statement of comprehensive income (DKKm)

Note		Q1-Q3 2025	Q1-Q3 2024
1	Interest income	5,118	5,968
2	Interest expenses	-3,288	-4,080
	Net interest income	1,830	1,888
	Share dividends etc.	0	0
	Fees and commission income	164	147
	Fees and commission paid	-625	-596
	Net interest and fee income	1,369	1,440
3	Market value adjustments	93	196
	Other operating income	4	0
4-5	Staff costs and administrative expenses	-299	-279
	Depreciation and impairment of property, plant and equipment	-2	-2
	Other operating expenses	-1	-13
6	Impairment of loans, advances, receivables, etc.	-213	-27
	Profit before tax	952	1,315
	Tax	-243	-342
	Profit after tax	709	973
	Appropriation of profit		
	Proposed dividends on shares owned by parties other than DLR	0	0
	Proposed dividends on DLR's holding of treasury shares	0	0
	Transferred to undistributable reserve	20	13
	Transferred to retained earnings	689	960
	Total amount appropriated	709	973
	Statement of comprehensive income		
	Profit after tax	709	973
	Comprehensive income after tax	709	973

Balance sheet

(DKKm)

Note		30-Sep 2025	31-Dec 2024
	Assets		
	Cash balance and demand deposits with central banks	2,440	2,479
7	Due from credit institutions and central banks	177	167
8,10-12	Loans, advances and other receivables at fair value	203,995	193,623
9	Loans, advances and other receivables at amortised cost	3	4
14	Bonds at fair value	8,773	9,630
	Shares etc.	50	46
15	Land and buildings, domicile properties	149	149
	Other property, plant and equipment	8	6
	Leasing assets	0	0
	Current tax assets	0	49
16	Other assets	141	369
	Prepayments	26	30
	Total assets	215,763	206,552
	Equity and liabilities		
17	Issued bonds at fair value	190,208	180,677
18	Issued bonds at amortised cost	4,007	3,995
	Current tax liabilities	117	0
19	Other liabilities	2,085	2,523
	Deferred income	2	3
	Total liabilities	196,419	187,198
	Provisions for deferred tax	44	38
	Total provisions	44	38
	Subordinated debt	1,721	1,694
	Total subordinated debt	1,721	1,694
	Share capital	570	570
	Revaluation reserve	86	86
	Undistributable reserve	2,419	2,399
	Retained earnings etc.	14,505	13,750
	Proposed dividends on shares owned by parties other than DLR	0	750
	Proposed dividends on DLR's holding of treasury shares	0	66
	Total equity	17,580	17,622
	Total equity and liabilities	215,763	206,552
20	Off-balance sheet items		
	Guarantees	0	0
	Contingent liabilities (loan offers, other contingent liabilities, etc.)	11,822	12,068
21	Contingent assets	0	0

Statement of changes in equity

(DKKm)

	Share capital 1)	Revalua- tion re- serve	Undistrib- utable re- serve	Proposed dividend 2)	Retained earnings	Total
2024						
Equity at 1 January	570	86	2,355	816	13,322	17,149
Distributed dividends on shares owned by parties other than DLR	0	0	0	-750	0	-750
Distributed dividends on DLR's holding of treasury shares	0	0	0	-66	66	0
Profit for the year	0	0	44	816	362	1,222
Equity at 31 December	570	86	2,399	816	13,750	17,622
2025						
Equity at 1 January	570	86	2,399	816	13,750	17,622
Distributed dividends on shares owned by parties other than DLR	0	0	0	-750	0	-750
Distributed dividends on DLR's holding of treasury shares	0	0	0	-66	66	0
Profit for the year	0	0	20	0	689	709
Equity at 30 September	570	86	2,419	0	14,505	17,580

1) The share capital is divided into shares of DKK 1.00 each. The total number of shares is 569,964,023. DLR has only one share class, and all shares carry equal rights. DLR held 46,122,083 (2024: 46,122,083) treasury shares at 30 September 2025, corresponding to a nominal value of DKK 46.1m (2024: DKK 46.1m). The portfolio of treasury shares represents 8.1 pct. (2024: 8.1 pct.) of the total share capital. In addition, there is a portfolio of bonds secured by own shares with a market value of DKK 267m.

Capital and solvency

(DKKm)

	30-Sep 2025	31-Dec 2024
Capital and solvency (DKKm)		
Equity	17,580	17,622
Result etc. that cannot be recognised in core capital	-709	0
Proposed dividends on shares owned by parties other than DLR	0	-750
Deduction of bond holdings secured by own shares	-289	-290
Deductions as a consequence of prudent valuation	-26	-23
Deductions as a consequence of non-performing exposures	-26	-24
Difference between expected losses and impairment losses	-8	-63
Common equity tier 1 capital	16,523	16,471
Subordinated capital (tier 2 capital)	1,721	1,694
Own funds	18,243	18,165
Risk-weighted exposure with credit risk etc.	72,157	70,210
Risk-weighted exposure with market risk	1,950	2,911
Risk-weighted exposure with operational risk	4,797	3,460
Total risk-weighted exposure	78,905	76,581
Common equity tier 1 capital ratio	20.9%	21.5%
Total capital ratio	23.1%	23.7%
Statement of excess capital adequacy		
Own funds after deductions	18,243	18,165
Capital adequacy	-7,321	-7,133
SIFI buffer	-789	-766
Capital conservation buffer	-1,973	-1,915
Countercyclical buffer	-1,973	-1,915
Systemic buffer Denmark (property companies)	-1,224	-943
Systemic buffer Faroe Islands	-12	-15
Reserved debt buffer	-73	0
Excess capital adequacy	4,879	5,480

Notes

Notes - Income statement

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Income statement

(DKKm)

Note		Q1-Q3 2025	Q1-Q3 2024
1	Interest income		
	Due from credit institutions and central banks	8	12
	Loans and advances *	3,370	4,251
	Administration margin income	1,532	1,471
	Bonds **	424	572
	Other interest income	67	57
	Total	5,401	6,363
	Interest on own mortgage bonds offset against interest on issued bonds	-284	-395
	Total	5,118	5,968
	Of which interest income from reverse repo transactions	0	0

* DLRs mortgage loans at fair value are granted under the specific balance principle (match funding). The declining interest income on mortgage loans at fair value is offset by a corresponding decline in interest expenses on issued bonds at fair value. See note 2.

** DLRs bond portfolio is primarily invested in mortgage bonds that are either variable-rate based on CIBOR 6 or short-term adjustable-rate bonds.

		Q1-Q3 2025	Q1-Q3 2024
2	Interest expenses		
	Issued bonds at fair value *	-3,366	-4,245
	Issued bonds at amortised cost	-126	-159
	Subordinated debt	-75	-71
	Other interest expenses	-5	0
	Total	-3,572	-4,475
	Interest on own mortgage bonds offset against interest on issued bonds	284	395
	Total	-3,288	-4,080
	Of which interest expenses on repo transactions	0	0

DLR has not issued mortgage loans with reserve fund shares.

* Interest expenses on issued bonds at fair value declined in Q1-Q3 2025 as a result of lower average interest rates in 2025. As DLR's issued bonds at fair value are granted under the specific balance principle (match funding), the decrease in interest expense on bonds at fair value was offset by a corresponding decrease in interest income on loans at fair value, see note 1.

Note		Q1-Q3 2025	Q1-Q3 2024
3	Market value adjustments		
	Mortgage loans *	683	2,347
	Bonds	86	215
	Shares etc.	3	0
	Foreign currency	3	0
	Derivative financial instruments **	1	-20
	Other assets	0	0
	Issued mortgage bonds *	-683	-2,347
	Total	93	196

* DLR's Mortgage loans and the corresponding Issued mortgage bonds are granted under the specific balance principle. According to the Danish Financial Supervisory Authority's executive order on the presentation of financial statements, both the mortgage loan and the issued mortgage bonds must be measured at fair value. The fair value of these items is calculated based on the bond prices of the listed bonds. This means that value adjustment of mortgage loans and issued bonds can each represent relatively high amounts, but the application of the specific balance principle, however, means that the net value adjustment of mortgage loans and issued bonds will be close to DKK 0.

** Value adjustments of derivative financial instruments mainly relate to value adjustments on forward sales in connection with refinancing auctions. As the refinancing transaction is fully hedged, there was a corresponding negative value adjustment on bonds, so that the net effect of refinancing is DKK 0.

	Q1-Q3 2025	Q1-Q3 2024
4	Staff costs and administrative expenses	
	Staff costs:	
	Salaries	-163
	Pension costs	-156
	Social security costs	-16
	Total	-208
	Other administrative expenses:	
	IT expenses	-38
	Miscellaneous staff expenses	-15
	Audit, financial supervision and industry association	-9
	Internal service and domicile property	-8
	Other expenses	-12
	Total	-92
	Total staff costs and administrative expenses	-279

DLRs remuneration policy is available at [www.dlr.dk/om os/Governance](https://www.dlr.dk/om-os/Governance).

In addition to the above-mentioned expenses of DKK 299m, depreciation was charged on various assets (separate accounting item), after which expenses for staff, administration and depreciation amounted to DKK 301m in 2025 and DKK 280m in 2024.

Note		Q1-Q3 2025	Q1-Q3 2024
5	Remuneration of members of the Executive Board		
	Fixed remuneration *	6.8	6.3
	Variable remuneration	0.0	0.0
	Total	6.8	6.3
	Number of members of the Executive Board	2	2

* The fixed remuneration is calculated as the total value of salary, holiday allowance, company car, multimedia, etc.

		Q1-Q3 2025	Q1-Q3 2024
6	Impairment of loans, advances, receivables, etc.		
	Losses in the period	-5	-6
	Amounts received on claims previously written off	1	1
	Adjustment of acquired properties	0	-2
	Impairment losses in the period *	-303	-87
	Reversal of impairment losses	90	61
	Losses offset against commission payments to banks	4	5
	Total	-213	-27

* The impairment losses were increased by DKK 200m in Q3 2025, reflecting a higher management overlay. This amount has been allocated by DLR as a buffer against potential future setbacks in customer finances.

Assets

(DKKm)

Note		30-Sep 2025	31-Dec 2024
7	Due from credit institutions and central banks		
	Due from credit institutions	177	167
	Total amount due from credit institutions and central banks	177	167

DLR did not enter into any reverse repo transactions in 2025 or 2024.

		30-Sep 2025	31-Dec 2024
8	Loans, advances and other receivables at fair value		
	Mortgage loans, nominal value	209,091	199,181
	Adjustment to fair value of underlying bonds *	-4,550	-5,232
	Adjustment for credit risk	-595	-380
	Mortgage loans at fair value	203,946	193,569
	Arrears before impairment losses	51	58
	Other loans and outlays before impairment losses	1	0
	Impairment losses on arrears and outlays	-2	-5
	Total	203,995	193,623

* DLR's mortgage loans and the corresponding issued mortgage bonds are granted under the specific balance principle. Pursuant to the Danish FSA's executive order on the presentation of financial statements, the mortgage loan (assets) and the issued mortgage bonds (liability) must be measured at fair value. The fair value of these items is calculated on the basis of the prices of the listed issued bonds. However, the use of the specific balance principle means the net effect was close to DKK 0 in all financial periods.

		30-Sep 2025	31-Dec 2024
9	Loans, advances and other receivables at amortised cost		
	Loans and advances	3	4
	Adjustment for credit risk	0	0
	Total	3	4

Note		30-Sep	31-Dec
10	Mortgage loans (nominal value) by property category	2025	2024
	Owner-occupied dwellings	4.5%	4.8%
	Recreational dwellings	0.4%	0.4%
	Subsidised rental housing properties	0.0%	0.0%
	Co-operative housing	1.8%	2.0%
	Private rental housing properties	23.0%	22.7%
	Properties for manufacturing and manual industries	1.4%	1.2%
	Office and business properties	18.5%	18.0%
	Agricultural properties	49.3%	50.0%
	Properties for social, cultural and educational purposes	0.9%	0.8%
	Other properties	0.0%	0.0%
	Total	100%	100%

11	Number of loans - end of period	30-Sep	31-Dec
		2025	2024
	Number of loans - end of period	75,022	73,715

Note**12 Impairment losses by stage**

Impairment of loans and advances at fair value and amortised cost	30 September 2025			Total
	Stage 1	Stage 2	Stage 3	
Specification of impairment losses at the end of the period:				
Loans and advances in stage 1 at beginning of year	26	31	1	58
Loans and advances in stage 2 at beginning of year	2	34	19	55
Loans and advances in stage 3 at beginning of year	0	1	31	32
New loans and advances	10	7	0	17
Management overlay	386	48	2	436
Total	424	121	52	597

DLR's total impairment losses at the end of Q3 2025 consisted of individual impairment losses of DKK 44m, modelled calculated impairment losses of DKK 117m and a management overlay of DKK 436m.

The management overlay must consider factors that may not be captured by either individual or modelled impairment calculations. In this context, DLR conducts a review of the loan portfolio, including both the various production lines within agricultural properties and the different segments of commercial properties. Overall, DLR's portfolio is assessed to be relatively robust, and the level of arrears remains very low.

However, it is the management's assessment that there is still considerable uncertainty surrounding the future risk picture for DLR's borrowers, and that this may result in a higher risk of loss than that reflected in the individual and model-calculated write-downs. In this connection, the starting point is loss history from the financial crisis, just as scenario calculations have been made in relation to the risks of storm surges and cloudbursts, uncertainty surrounding the implementation of the "Agreement on a green Denmark", including in particular the implementation of a new nitrogen regulation model, as well as uncertainty around the implementation of the Energy Performance of Buildings Directive (EPBD). In relation to the two last-mentioned uncertainties, respectively the implementation of the new nitrogen regulation model and the implementation of the building directive, DLR has chosen to take a cautious approach, which is why further write-downs of DKK 200 million have been made in the 3rd quarter to withstand the risk of a future unfavorable development in the customers' finances. For an elaboration of the methods, reference is made to DLR's annual report for 2024 note 50 (Applied accounting practices).

Impairment of loans and advances at fair value and amortised cost	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Specification of impairment losses at year-end:				
Loans and advances in stage 1 at beginning of year	23	29	1	53
Loans and advances in stage 2 at beginning of year	2	24	23	49
Loans and advances in stage 3 at beginning of year	0	0	39	39
New loans and advances	14	13	0	27
Management overlay	193	23	1	217
Total	232	89	64	385

DLR's total impairment losses at the end of 2024 consisted of individual impairment losses of DKK 57m, modelled impairment losses of DKK 111m and a management overlay of DKK 217m. In the accounting policies section of Annual Report 2024, the methods that form the basis for calculating the impairment losses are explained in more detail.

No loans, advances or other receivables were credit-impaired on initial recognition in 2024 or 2025. Impairment losses on loans and advances at fair value and impairment losses on loans and advances at amortised cost have been aggregated as the amount of impairment of loans and advances at amortised cost represents less than 1 pct. of the total impairment loss.

Note

13 Impairment - other financial assets

	30 September 2025			Total
	Stage 1	Stage 2	Stage 3	
Impairment of cash and demand deposits with central banks	0	0	0	0
Impairment of receivables with credit institutions and central banks	0	0	0	0

All assets in the above table have been classified as stage 1, meaning that impairment losses of less than DKK 0.5m have been recognised. This was also the case at 1 January 2025.

	31 December 2024			Total
	Stage 1	Stage 2	Stage 3	
Impairment of cash and demand deposits with central banks	0	0	0	0
Impairment of receivables with credit institutions and central banks	0	0	0	0

No other financial assets were credit-impaired on initial recognition in 2024 or 2025.

Note		30-Sep	31-Dec
14	Bonds at fair value	2025	2024
	Own mortgage bonds	16,882	21,384
	Other mortgage bonds	7,774	8,678
	Government bonds	999	952
	Bonds - gross	25,655	31,013
	Own mortgage bonds offset against issued bonds	-16,882	-21,384
	Total	8,773	9,630

		30-Sep	31-Dec
15	Land and buildings - domicile properties	2025	2024
	Fair value, beginning of year	149.5	150.0
	Additions during the year	0.0	0.0
	Depreciation	-0.4	-0.5
	Value changes recognised in other comprehensive income	0.0	0.0
	Fair value, end of year	149.1	149.5

Domicile properties are valued on an annual basis by DLR's in-house valuation expert, who specialises in commercial property valuation.

		30-Sep	31-Dec
16	Other assets	2025	2024
	Positive market value of derivative financial instruments etc.	1	4
	Interest and commission receivable	75	96
	Other receivables	65	268
	Total	141	369

Positive market value of derivative financial instruments consists of forward transactions and market value adjustment of pre-issued bonds with a positive market value. These transactions are a direct consequence of DLR's refinancing of mortgage loans.

Equity and liabilities

(DKKm)

Note		30-Sep 2025	31-Dec 2024
17	Issued bonds at fair value		
	Mortgage bonds - nominal value	211,638	207,377
	Fair value adjustment	-4,549	-5,316
	Issued bonds - gross	207,089	202,061
	Offsetting of own mortgage bonds - fair value	-16,882	-21,384
	Total	190,208	180,677
	Of which pre-issued, market value	0	4,349
	Cash value of bonds drawn for redemption at next repayment date (settlement price)	1,304	1,586

DLR's mortgage loans and the corresponding issued mortgage bonds are granted in accordance with the specific balance principle.

Both the mortgage loan and the issued mortgage bonds (balance principle) must, according to the Danish FSA's accounting executive order, be measured at fair value. The fair value of these items is calculated on the market prices of the listed issued bonds. The net impact of the balance principle is disclosed in note 3 and amounts to DKK 0m in Q1-Q3 2025.

		30-Sep 2025	31-Dec 2024
18	Issued bonds at amortised cost		
	Issues in connection with senior debt	4,007	3,995
	Offsetting of own bonds	0	0
	Total	4,007	3,995

Issued bonds measured at amortised cost relate to issued senior debt established to meet various legal requirements, including the debt buffer requirement and the requirement for supplementary collateral in connection with the issuance of mortgage bonds, as well as requirements imposed by DLR's external rating agency.

Note		30-Sep	31-Dec
19	Other liabilities	2025	2024
	Negative market value of derivative financial instruments etc. *	1	3
	Interest and commission payable	1,731	2,351
	Other liabilities **	354	170
	Total	2,085	2,523

* Negative fair value of derivative financial instruments consists of forward transactions and value adjustments on pre-issued bonds with a negative fair value.

** Other liabilities relate to loan disbursements in process amounting to DKK 285m (2024: DKK 97m) and various accrued items including holiday pay and employees time banks, accrued expenses, as well as various items.

20	Off-balance sheet items - guarantees etc.	30-Sep	31-Dec
	Financial guarantees	0.2	0.2
	Total	0.2	0.2
	Other contingent liabilities		
	Irrevocable credit commitments (loan offers)	11,822	12,068
	Total	11,822	12,068

In addition to the above guarantees and contingent liabilities, DLR's bond portfolio is used as intraday collateral in connection with settlement of interest and drawings on DLR's outstanding bonds. This is not expected to entail an outflow of DLR's financial resources.

21 Contingent assets

Loss set-off agreements have been established between DLR and the loan-mediating shareholder banks, under which DLR may offset any loss incurred against commission payable to the banks. Set-off can be made for a number of years, which means that DLR is expected to be able to offset any losses against future commission to the extent that impairment losses on exposures materialise as actual losses.

Key figures and financial ratios

(DKK m)

Note						
22	Key figures Q1-Q3	2025	2024	2023	2022	2021
	Income statement					
	Net interest and fee income	1,369	1,440	1,388	1,162	1,074
	Other operating income etc.	4	0	1	13	16
	Staff costs and administrative expenses etc.	-302	-294	-269	-259	-244
	Earnings	1,071	1,146	1,119	916	846
	Impairment of loans, advances and receivables	-213	-27	4	-9	78
	Market value adjustments	93	196	125	-353	-76
	Profit before tax	952	1,315	1,248	555	848
	Profit after tax	709	973	937	430	662
	Balance sheet	2025	2024	2023	2022	2021
	Assets					
	Loans and advances	203,999	190,289	174,485	165,512	171,342
	Bonds, shares, etc.	8,823	9,165	8,048	10,419	7,958
	Other assets	2,942	3,843	3,581	5,148	3,513
	Total assets	215,763	203,298	186,114	181,080	182,812
	Equity and liabilities					
	Issued bonds	194,215	181,942	165,679	162,392	165,051
	Other liabilities	2,247	2,684	2,409	1,887	1,617
	Subordinated debt	1,721	1,299	1,298	1,300	1,300
	Equity	17,580	17,373	16,728	15,501	14,844
	Total equity and liabilities	215,763	203,298	186,114	181,080	182,812

Note						
23	Financial ratios Q1-Q3	2025	2024	2023	2022	2021
	Return on equity					
	Profit before tax in per cent of equity *	5.4	7.6	7.7	3.6	5.8
	Profit after tax in per cent of equity *	4.0	5.6	5.8	2.8	4.6
	Return on capital employed					
	Return on capital employed *	0.3	0.5	0.5	0.2	0.4
	Costs					
	Costs in per cent of loan portfolio	0.2	0.2	0.2	0.2	0.1
	Income/cost ratio *	2.8	5.1	5.7	3.1	6.1
	Income/cost ratio, excl. impairment losses	4.9	5.6	5.6	3.2	4.2
	Solvency					
	Total capital ratio *	23.1	23.2	23.6	21.5	18.1
	Tier 1 capital ratio *	20.9	21.4	21.7	19.7	16.5
	Common equity tier 1 capital ratio *	20.9	21.4	21.7	19.7	16.5
	Arrears and impairment losses					
	Arrears, end of period (DKKm)	51	64	65	57	64
	Impairment ratio for the period *	0.10	0.01	0.00	0.01	-0.05
	Accumulated impairment ratio	0.28	0.20	0.20	0.23	0.24
	Lending activity					
	Growth in loan portfolio, per cent (nominal) *	5.0	3.2	2.0	2.7	5.2
	Loans, gross (DKKm)	25,539	20,097	19,431	35,775	27,608
	Number of new loans	5,786	4,902	5,293	9,661	8,493
	Loan/equity ratio *	11.6	11.0	10.4	10.7	11.5
	Margins					
	Profit before tax in pct. of average loan portfolio	0.47	0.68	0.68	0.31	0.50
	Administration margin income in pct. of average loan portfolio	0.75	0.77	0.79	0.79	0.80
	Foreign exchange position as a percentage of tier 1 capital after deductions	1.3	1.5	2.2	1.1	1.3

* The financial ratios have been calculated in accordance with the definitions of the Danish Financial Supervisory Authority.

Other notes

(DKKm)

Note

24 Reconciliation of income statement for "core and portfolio earnings" against "official statements" Q1-Q3 2025

	Core earnings Q1-Q3 2025	Portfolio earnings Q1-Q3 2025	Total Q1-Q3 2025
Interest income	4,686	432	5,118
Interest expenses	-3,179	-109	-3,288
Net interest income	1,507	323	1,830
Share dividends etc.	0		0
Fees and commission received	164		164
Fees and commission paid	-625		-625
Net interest and fee income	1,046	323	1,369
Market value adjustments	0	93	93
Other operating income	4		4
Staff costs and administrative expenses	-299		-299
Depreciation and impairment of property, plant and equipment	-2		-2
Other operating expenses	-1		-1
Impairment of loans, advances, receivables, etc.	-213		-213
Profit before tax	536	416	952
Tax	-135	-108	-243
Profit after tax	401	308	709

Interest income from portfolio earnings represents net earnings that only includes the part of the bond yield that corresponds to a return in addition to an internal net interest rate. This cannot directly be reconciled with note 1.

Note

25	Supervisory diamond for mortgage credit institutions	End of Q3 2025	End of H1 2025	Threshold
	1. Lending growth			
	Private homeowners	2.8	2.1	<15%
	Residential rental property	9.2	8.6	<15%
	Agriculture	5.1	4.8	<15%
	Other business lending	10.3	8.5	<15%
	2. Borrower interest-rate risk	22.3	22.4	<25%
	3. Interest-only lending to private home owners	1.0	1.0	<10%
	4. Loans with short-term funding (quarterly) *			
	Refinancing quarterly	5.2	6.7	<12,5%
	Refinancing annually	15.5	12.9	<25%
	5. Large exposures	52.8	54.9	< 100%

1. Lending growth

Lending growth in the segment must be less than 15 pct.

2. Borrower Interest-rate risk

The proportion of loans in the extended housing segment where the loan-to-value exceeds 75 pct. of the loan limit, and where the interest rate is fixed for no more than two years, must be less than 25 pct.

3. Interest -only lending to private home owners

The proportion of interest-only loans for owner-occupied homes and holiday homes where the loan-to -value exceeds 75 pct of the loan limit in relation to the total lending secured by owner-occupied and holiday homes, must be less than 10 pct.

4. Loans with short-term funding

The proportion of loans that are refinanced must be less than 12.5 pct. per quarter and less than 25 pct. annually of the total loan portfolio.

5. Large exposures

The sum of the 20 largest exposures must be less than the actual core capital.

Management's statement

The Board of Directors and Executive Board have today reviewed and approved the interim report for the period 1 January – 30 September 2025 of DLR Kredit A/S.

The interim report has been prepared in accordance with legal requirements, including the Financial Business Act and the accounting regulations of the Danish Financial Supervisory Authority for mortgage credit institutions, as well as the requirements that Nasdaq Copenhagen imposes on the financial reporting of issuers of listed bonds.

In our opinion, the management's report provides a fair and accurate account of the matters covered in the report, as well as a description of the principal risks and uncertainties that DLR may be affected by.

We consider the chosen accounting policies to be appropriate, ensuring that the interim financial statements give a true and fair view of the DLR's assets, liabilities, and financial position as of 30 September 2025, as well as the results of DLR's activities for the period 1 January – 30 September 2025. The financial statements have not been subject to audit or review by DLR's auditor.

Copenhagen, 29 October 2025

Executive Board

Jens Kr. A. Møller
Managing Director & CEO

Pernille Lohmann
Managing Director

Board of Directors

Ole Beith
Chairman

Stig Westergaard
Vice Chairman

Claus Andersen

Frank Mortensen

Kim Mouritsen

Lars Petersson

Lars Faber

Randi Holm Franke

Håkan Johansen

