

Ringkjøbing Landbobank's annual report for 2023

The bank's board of directors and general management today approved the annual report for 2023.

War, interest rate increases, and a slowdown of the economy were issues that marked 2023. However, the bank's customers have adapted in the most distinguished way, so the credit quality in the lending portfolio remains high. The bank's growth combined with a higher interest rate level has thus ensured a strong net result of DKK 2,155 million, which ensures that we can continue to help our customers and continue growth.

Core earnings

(DKK million)	2023	2022	2021	2020	2019
Total core income	3,828	2,862	2,433	2,179	2,116
Total expenses and depreciation	963	891	817	788	805
Core earnings before impairment charges for loans	2,865	1,971	1,616	1,391	1,311
Impairment charges for loans etc.	-1	-2	-68	-223	-100
Core earnings	2,864	1,969	1,548	1,168	1,211
Result for the portfolio etc.	-7	-69	+7	-9	+49
Special costs	20	20	17	15	15
Profit before tax	2,837	1,880	1,538	1,144	1,245
Profit after tax	2,155	1,495	1,229	920	978

2023 – highlights

- Net profit for the year is DKK 2,155 million, equivalent to a 22% return on equity
- Earnings per share (EPS) - measured on core earnings and net profit for the year - increase by 50% and 48% respectively
- Core income increases by 34% to DKK 3,828 million
- Costs increase by 8%, and the cost/income ratio decreases to 25.2%
- Strong credit quality results in impairment charges of only DKK 1 million and coincides with an increase in management estimates to DKK 950 million
- Highly satisfactory increase in new customers and growth of 5% in loans, 8% in deposits and 11% in custody account holdings
- The pay-out ratio increases from 65 to 84, achieved through dividend of DKK 10 and doubling of the share buyback programme to DKK 1,525 million
- Positive expectations for 2024 with expected net profit for the year in the range DKK 1.8-2.2 billion.

Yours faithfully

Ringkjøbing Landbobank



John Fisker
CEO