

Landshypotek Bank

Investor presentation

- third quarter 2023

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Landshypotek Bank

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Executive summary:

- Low-risk agriculture and forestry bank with sustainability integrated in the strategy with a market share of 23%
- Sustainable governance where profit is reinvested or returned to the agriculture and forestry sectors
- The bank for the conscious choice of mortgage loans and savings
- Low-risk business model
 - 99.8% of the loan portfolio is first-lien mortgages
 - Average LTV is 43%
 - 99% of the customers have a personal liability
 - Total losses since 1985 SEK 354m, average per year 0.025%
- Very well capitalised with a leverage ratio of 5.0%, despite big deductions

Working for a richer countryside

In short:

- Landshypotek Bank's vision is to enhance life in the countryside
- A leading low risk bank in the agriculture and forestry sectors and challenger in mortgage market
- Strategy

Treasure our position in the market and value what it stands for

Grow with new and existing customers, primarily within in the retail market (agriculture and residential)

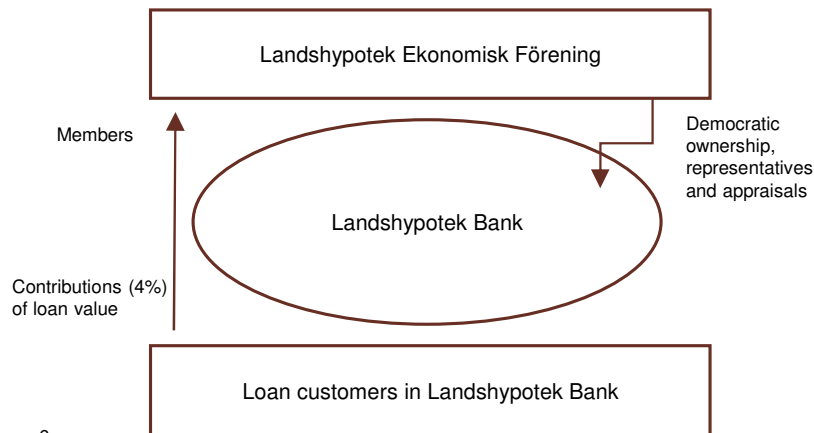
Become a larger bank with better profitability and higher efficiency for us and our customers

With the same purpose since 1836. Boring? Never.

- It all started in 1836 with the very first building society. Our main task is to provide competitive financing and to offer financial services to Sweden's farmers and foresters
- Since 2017, we have challenged the mortgage market by offering competitive interest rates that enables people to live well across the country. Structural changes within the agricultural landscape made it even more natural for us to take this step
- Our main focus is mortgages and we understand the importance of the place where people chose to live or develop their business within agriculture and forestry
- We strive to be a sustainable bank offering solid and long term financial services and competitive terms for savings
- We offer mortgages for agriculture, forestry and residential as well as savings accounts
- Collaborations are actively chosen and part of our future

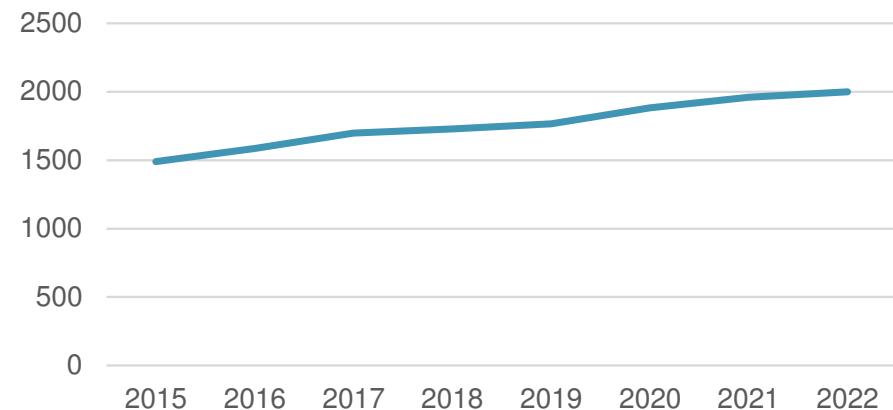
Landshypotek is more than just a bank

- 36,000 loan customers are members of Landshypotek Ekonomisk Förening, the foundation of a long term governance structure
- Landshypotek Ekonomisk Förening is sole owner of Landshypotek Bank
- All business is conducted in the bank



- Purpose: Provide competitive financing and to offer financial services to Sweden's farmers and foresters. Focus for 120 elected representatives:
 - Owning the bank
 - Representing the members in a democratic organization
 - Represent Landshypotek in the market
 - Execute real estate appraisals

Members contributions



Position, focus and strategy

Market leader and challenger

- One of the 10 largest banks in Sweden and market leading in agriculture and forestry with approx. 23% of total lending to the sectors
- Considered a systemically important bank by the Swedish National Debt Office (Sw. *Riksgäldskontoret*)
- Loans outstanding to the agriculture and forestry sectors of SEK 79bn and residential mortgages SEK 26bn
- 243 employees 19 offices

Low risk actor

- 99.8% of the loan portfolio is first-lien mortgages, low average LTV 43%
- 99% of our customers conduct business as sole proprietorship, which is a private individual with personal liability
- S&P Covered Bond rating AAA, S&P issuer rating (long) A, Fitch issuer rating (long) A

Circular economy

- Long term governance structure being owned by 36,000 loan customers, members of Landshypotek Ekonomisk Förening
- Profit is reinvested or returned to the agriculture and forestry sectors

Treasure our position in the market and value what it stands for

Grow with new and existing customers but primarily within in the retail market (agriculture and residential)

Become a larger bank with better profitability and higher efficiency for us and our customers

Sustainability and ESG

In short:

- Sustainability embedded in the business model
- Limited direct impact, greater impact within our lending portfolio
- Increase customer dialogue in order to reduce emissions and secure adaptation to a changing climate

ESG: Direct impact

Environmental

- Limited to premises and business travels
- Emissions according to GHG Protocol amount to 0.44 ton CO₂e per FTE

Social

- Employees in 19 branches all over Sweden with job opportunities and living outside the main cities in Sweden
- Strives to be a popular employer both regard to terms and conditions and work environment
- eNPS +26 (scale -100 - +100) (most recent assessment 2023)
- Gender balance is overall meeting the target of 40/60, except on manager level:
 - In total 50/50
 - Managers 35/65
 - Board 43/57

Governance

- Stakeholders' confidence of the bank is fundamental
- High ethical standards and zero tolerance for corruption, money laundering or conflicts of interest
- Increased transparency in credit process and accessible information and governing policies
- Member-owned association, one member one vote
- Liquidity reserve comprises interest-bearing securities, either covered bonds in SEK issued by Nordic credit institutions or securities issued by Swedish municipalities or regions. We exclude investments that include direct operations in fossil-based energy production, nuclear power, research or development of weapons, potentially environmentally harmful extraction of resources (for example, rare earths or fossil fuel), gambling or tobacco

ESG: Indirect impact

Environmental

- The forest is a key link in the transition to a fossil-free society (raw materials are renewable, recyclable and biodegradable)
- Forests have a positive climate effect through photosynthesis
- Arable land are carbon sinks with a considerable potential to contribute to store even more carbon
- Swedish farms maintain high standards for animal husbandry, environmental adjustment and food quality
- Cultivated land and grazing animals are essential for a biological diversity and diversified landscapes
- Greenhouse gas emissions from soils and livestock represent two of the major emissions sources from agriculture. Agriculture and forestry often rely on fossil fuels and fertilizers which also cause emissions

Social

- A living countryside, where fields and forests are cultivated, creates growth, jobs and opportunities for a well-developed business community and living across the country
- This lays the foundation for a future for the cities and the countryside
- Long-term customer relationships following one generation to next, making long-term investments possible in a capital intensive business

ESG: Lending portfolio

Agriculture and Forestry – challenges and opportunities

When society is to be transformed at system level, more biogenic raw materials and biological processes will be required and demanded. Large amounts of carbon are stored in arable land and woodland. Agriculture and forestry result in a diverse landscape with biodiversity if practiced with respect to nature

Climate indicators and physical risks

- **Temperature** - will lead to other risk like drought and heatwaves
- **Length of growing season** - opportunity for higher yields and crop variation but higher risk of increased pressure from vermin
- **Heatwaves** - stress for growing crops and livestock and risk of lower yields
- **Extreme precipitation** - flooding and extreme rainfall can destroy crops and might lead to challenges for using machinery
- **Fire risk** - risk of destroyed forests and lost growth

Transition risks

- Political decisions e.g. usage of fertilizers and fossil fuels

Landshypotek Bank's impact

- Through customer dialogue inform and discuss methods and investments for adaption and emission reduction
- Credit analysis and appraisals include sustainability aspects from a climate and environmental perspective
- Credit analysis includes ESG risks and opportunities as part of SWOT analysis
- Finance projects and investments which adapt the business to a changing climate or reduce their impact on the climate

Housing – challenges and opportunities

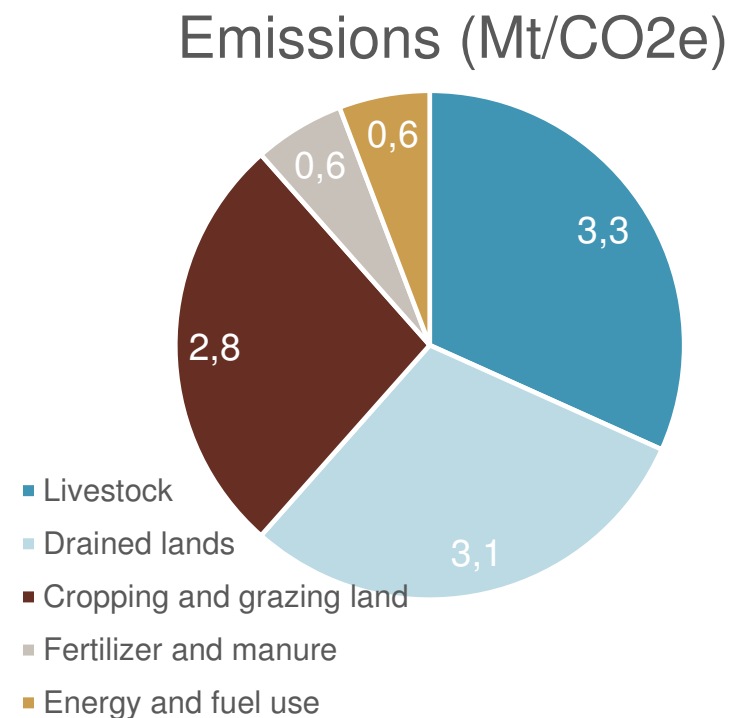
Emissions from housing are a large amount of Sweden's total emissions. Emissions are primarily driven by energy source and consumption (driven by efficiency). Elevated sea levels is a direct physical risk for customers and the bank

Landshypotek Bank's impact

- Through customer dialogue inform and discuss methods and investments for emission reduction

Agriculture's greenhouse gas emissions

- Agriculture accounts for 18% of Sweden's total greenhouse gas emissions
- Agriculture emitted 10.4 million tonnes during 2021
- The major emissions sources are:
 - emissions from livestock's digestion of feed
 - emissions from drained lands
 - emissions from cropping and grazing land
- Other major emissions sources are:
 - the spreading of artificial fertiliser
 - manure from livestock
 - fossil fuels used in agricultural machines and vehicles



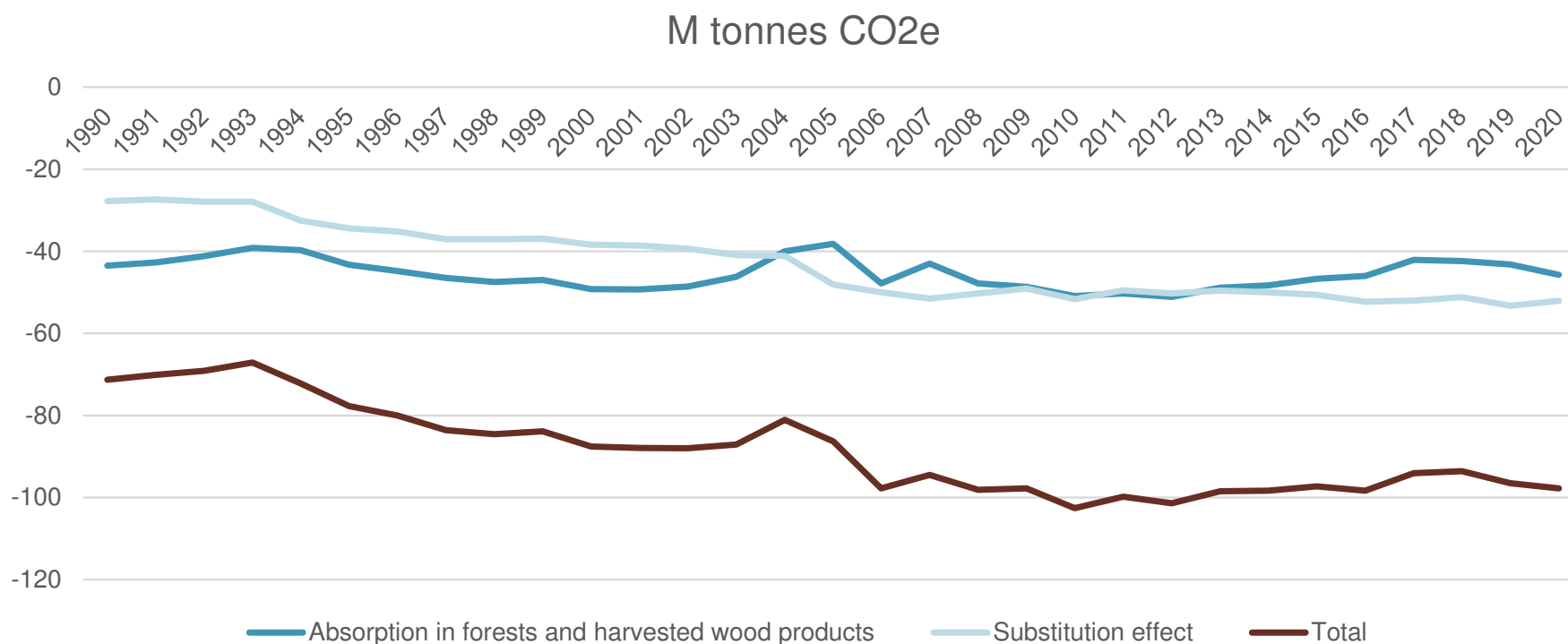
Agriculture's greenhouse gas emissions

- The Swedish Board of Agriculture (Jordbruksverket) published a detailed report in August 2023 about agriculture's role in achieving net zero emissions in Sweden by 2045 at the latest
- The report concludes that there are few targeted policies to reduce emissions within agriculture at present
- The European Union's Common Agriculture Policy (CAP) contains some support for the establishment of wetlands on agricultural lands to reduce emissions from drained lands
- Research is being conducted into various feed sources to reduce methane emissions from livestock, in particular cattle
- Emissions from soils require a holistic approach, such as the use of multi-year crops to keep the ground covered as much as possible
- Agriculture is a complex sector. For example, cropping and grazing land can be an emissions source or a carbon sink under the right conditions
- The process of photosynthesis is essential for agriculture. Greenhouse gases are emitted and absorbed constantly to produce the agricultural products that we need
- There is a significant political challenge in developing appropriate policies which reduce emissions whilst acknowledging the diversified role of agriculture in food production and other environmental objectives, e.g. biodiversity

The greenhouse gas contribution of forests

- Sweden's forests and harvested wood products absorb approximately 45 million tonnes of carbon dioxide annually
- The exact volume of carbon dioxide absorbed varies from year to year due to factors such as:
 - harvesting rates
 - forest fires
 - storms
 - pests such as bark beetle and other damage caused by wildlife
- Bio-based materials from forests are also used in many different applications which replace or substitute the use of fossil fuels and fossil-based materials
- This substitution of fossil fuels and fossil-based materials with bio-based alternatives from forests provides an additional climate benefit
- This is often described as the "substitution effect" of bio-based materials

Climate benefit of Swedish forests between 1990-2020



Green Bonds



[°]CICERO
Dark Green



Green Bonds at Landshypotek

- Total volume issued: SEK 11.5bn
- Green Bond Framework aligns with Green Bond Principles as of 2017
- Addressing the UN Sustainable Development Goals (SDG) affordable and clean energy (7), sustainable cities and communities (11), climate action (13) and life on land (15)
- Green Assets means loans provided by Landshypotek, financing or refinancing investment relates to three categories of Green Assets - *Sustainable Forestry*, *Renewable Energy* and *Green Buildings*
- Substantial contribution to lowering carbon dioxide levels in the atmosphere through carbon sequestration as opposed to merely reducing emissions
- Reported in a yearly updated Impact Report
- Upcoming EU Taxonomy regulation under evaluation

Green Bond Assets

- Approx. 2,700 underlying projects are categorized as Sustainable Forestry fulfilling condition A (Green forestry management plan) or B (certified forest)
- Projects cover approx. 2% of Swedish woodland
- 240 tons CO₂ has been absorbed and avoided for every SEK 1 million invested

ESG: focus and ambitions

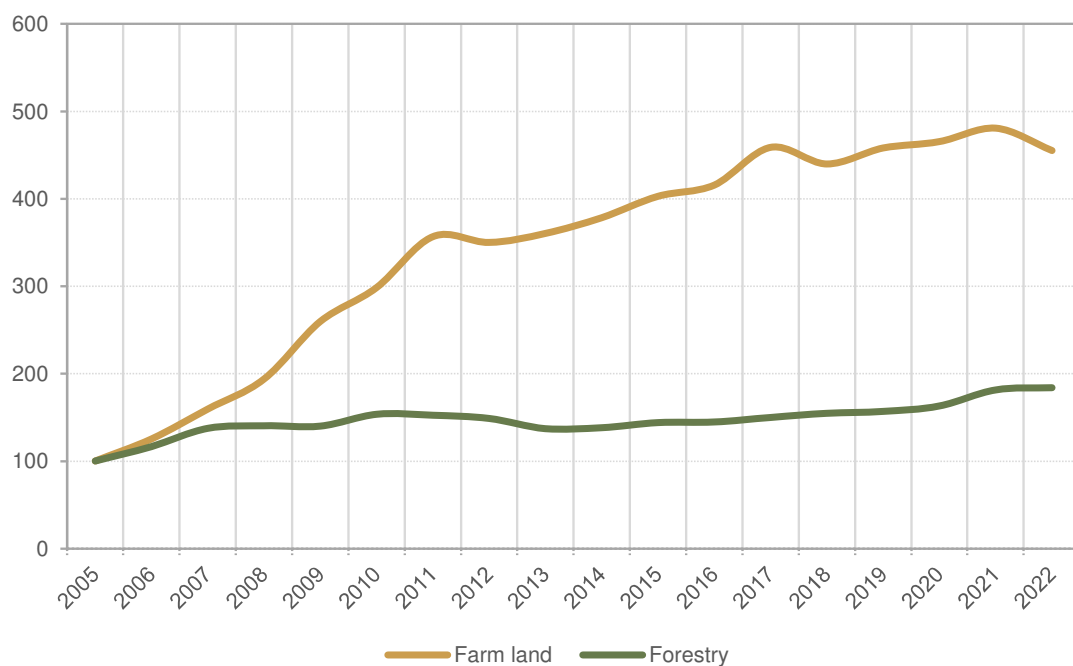
- A climate strategy has been adopted by the board and will be implemented in 2023 where targets in line with Paris Agreement and the Swedish Banker's Association's framework for climate action will be addressed
- Landshypotek Bank became a signatory to the Principles for Responsible Banking (2022) and will work with implementing the principles during 2023 and beyond
- Focus on upcoming financial regulations (EU Taxonomy, CSRD)
- Focus on implementation of regulations with relevance for the forestry and agriculture sectors (LULUCF, EU Taxonomy, REDIII, EU Nature Restoration Law)
- Continue to develop and increase ESG as part of risk assessment on portfolio and customer level
- Continue dialogue with customers and other stakeholders in order to take further steps towards more sustainable farms, forests and houses
- **Analysis of the bank's lending portfolio's carbon footprint has been completed**
- **The analysis is based initially on proxy values due to data availability issues but actual data might be collected from a select group of customers within different agricultural sectors to further refine the portfolio analysis**
- **The results from the first analysis based on the assumptions used indicate that the bank's lending portfolio is climate positive**

Agriculture market overview

In short:

- Farmers risk have increased due to poor harvest, higher costs and volatile prices
- In general profitability in agriculture is under pressure. High prices for input goods, a weak exchange rate and rising interest rates are now taking full effect on farmers' results. This in combination with a poor harvest, due to challenging weather conditions
- Farmers will be able to deal with the liquidity difficulties that is expected to arise thanks to good results in 2022
- New investments have been significantly dampened due to poor harvest and increased risk
- Prices for sawn sawlogs and pulpwood have continued to rise, as a result of lower stocks of timber and pulpwood, increased export value of forest raw materials, driven by a weak currency and reduced supply from Central Europe, Russia and North America. Prices are expected to fall due to weaker outlook in wood industry
- It is likely that prices for land and forest properties will continue to be moderate as an effect of higher interest rates

Property price development 2005-2022

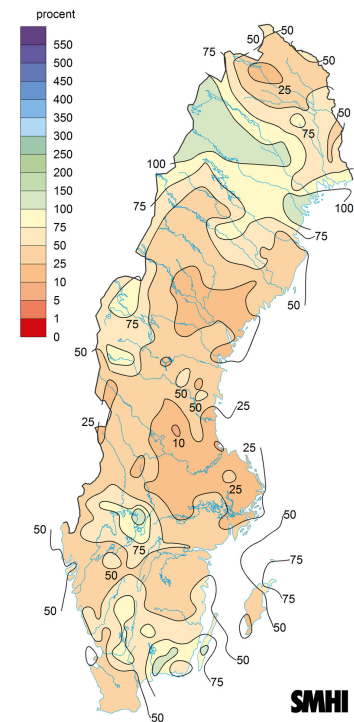


	1Y	5Y
Farmland	-5%	-1%
Forestry	+1%	+23%

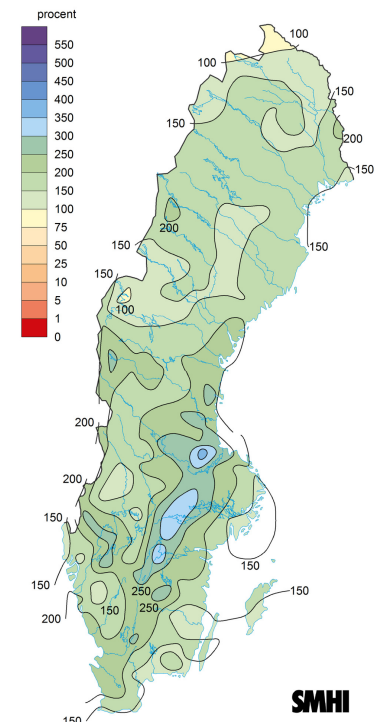
- Property prices for farmland had a slight decline in 2022, possibly as a result of higher interest rates. The long-term trend are increasing price levels
- Average price for forestry properties had a slight increase in 2022. The five year-trend is increased price levels for all areas in Sweden
- Except in northern Sweden, the price level for forest land is generally lower during the first half of 2023 compared to the previous year

Challenging weather conditions

- Monthly precipitation in June 2023 was lower than normal. Normal period is 1991-2020. June is a month when temperature and rain are of great importance to the growth and quality of the crops. Drought and heat stress limited the yield potential
- The weather in August was dominated by record amounts of rain and flooding, leading to difficult harvest conditions
- Challenging weather resulted in poor harvest
- The wet and cool summer has dampened the damage in the forest caused by bark beetle



- June 2023 – Monthly precipitation as a percentage of normal

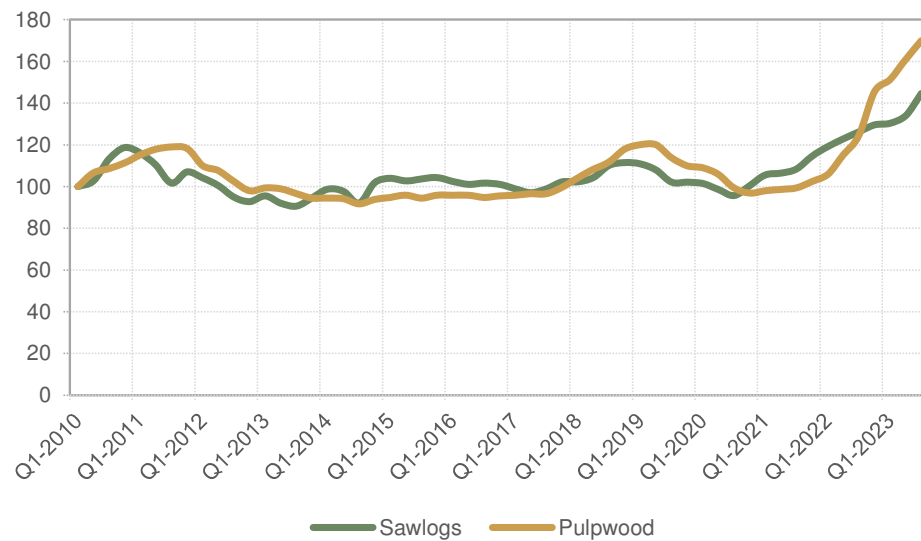


- August 2023 – Monthly precipitation as a percentage of normal

Data source: SMHI

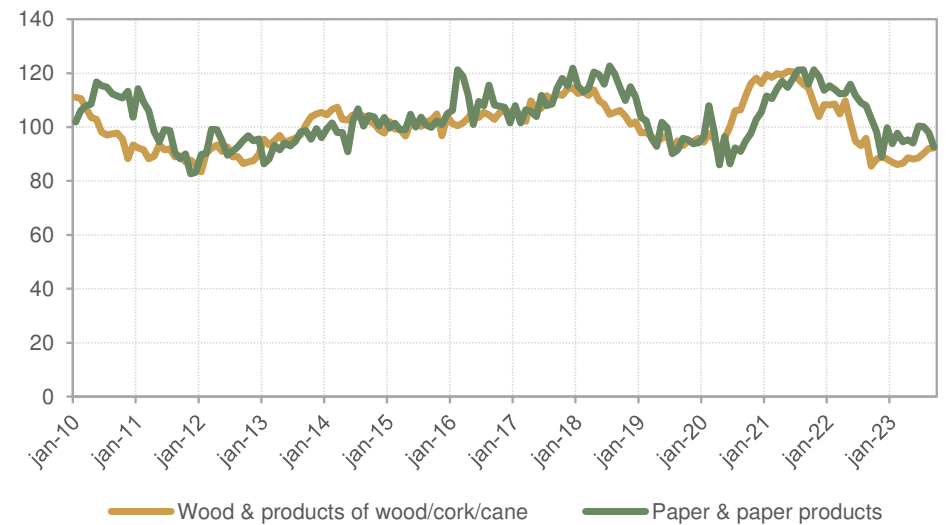
Forestry

Roundwood prices (Q1 2010 - Q3 2023)



- In Q3 2023 the roundwood prices on delivery timber increased for sawlogs by 7.8% and for pulpwood by 5.6%
- Weaker outlook for forest industry imply that timber prices are expected to fall

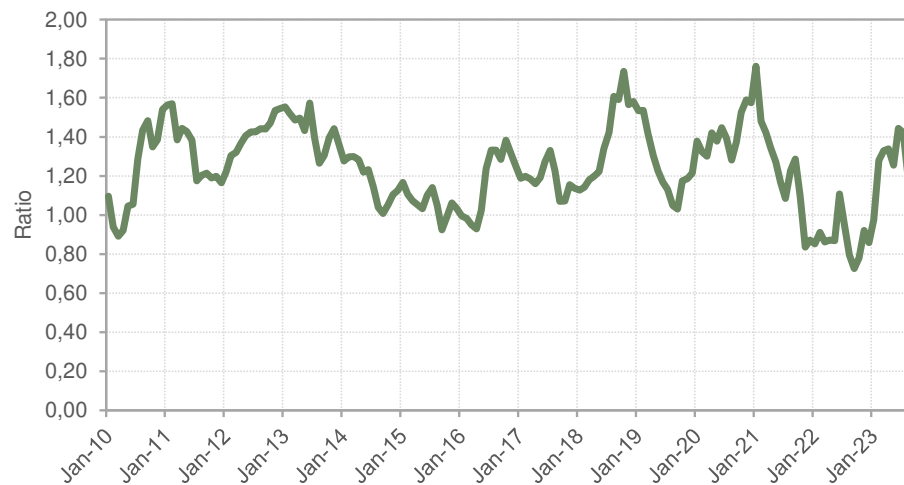
Economic tendency Forest Industry (Jan 2010 - Sep 2023)



Data source: The Swedish Forest Agency, National Institute of Economic Research

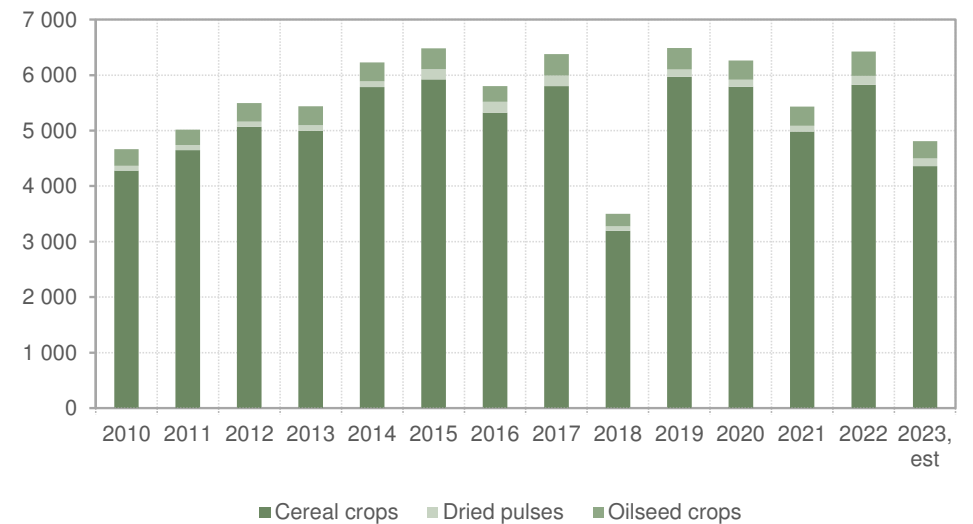
Crops

Development grain / fertilizer price ratio (Jan 2010 - Aug 2023)



- High and volatile prices due to geopolitical factors, increased interest rates, high energy prices and tight international supply
- Grain prices in Sweden are approx. 18% lower in August 2023 compared to August 2022. Fertilizer prices are approx. 45% lower compared twelve months

Production (1,000 tonnes)

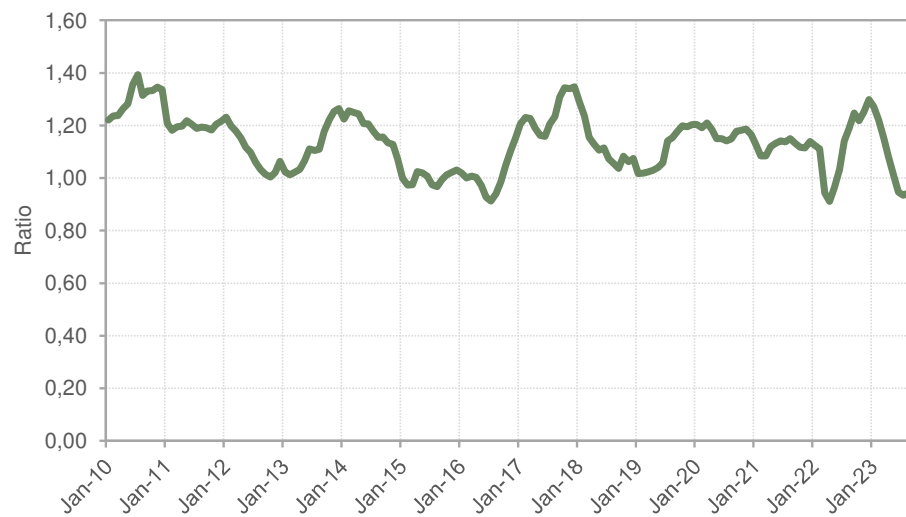


- Production 2023 is estimated to be among the poorest in 30 years, due to unfavorable weather conditions. The volume is lower, and the quality is significantly worse than normal. Poorer quality also affects payment

Data source: Swedish Board of Agriculture, Lantmännen, Foder & Spannmål

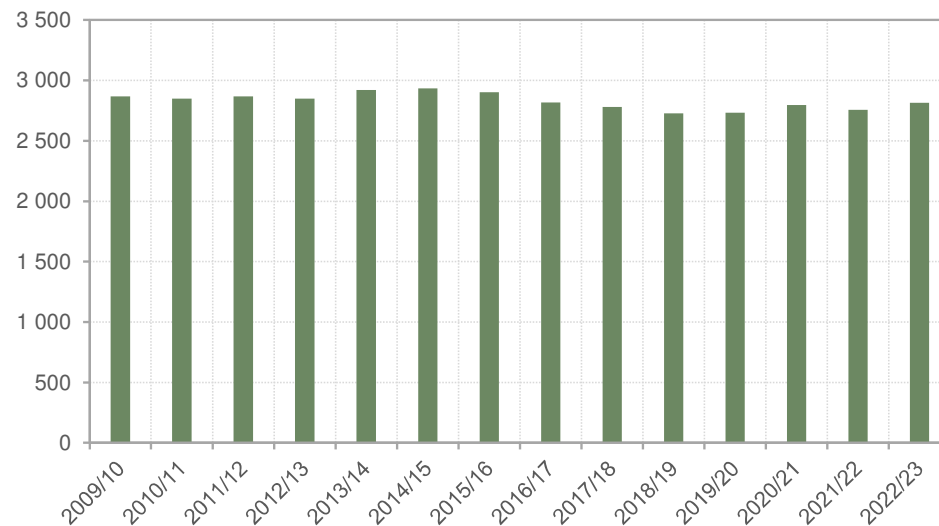
Dairy

Development milk / feed price ratio (Jan 2010 - Aug 2023)



- Milk price has been stable past three months. Average price in September is approx. 25% lower than September 2022 and 2% higher than the average for the previous five years. Feed costs have been stable
- Dairy farms had a historically strong result in 2022

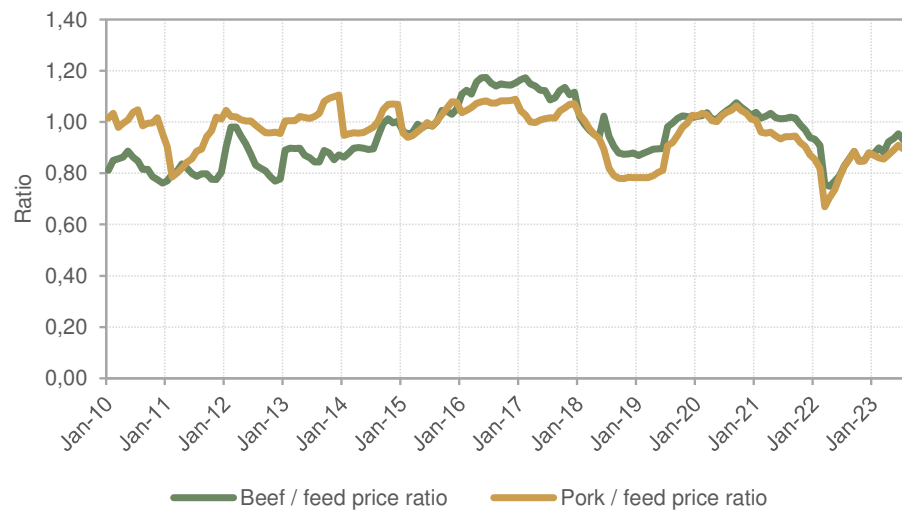
Production, Apr - Aug (1,000 tonnes)



- Total production has increased by 2.1% past 12 months due to larger shift from organic to conventional milk production and stable number of dairy cows

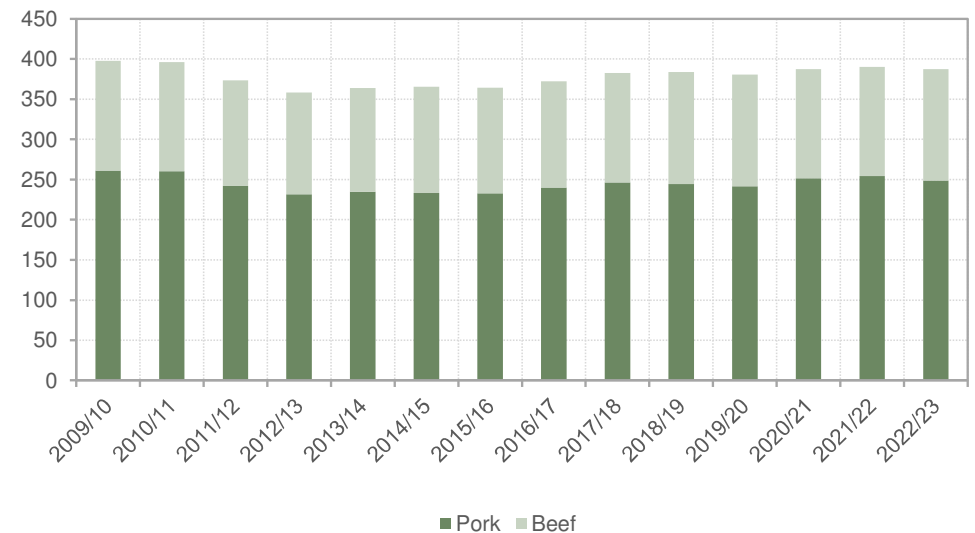
Beef and Pork

Development beef/pork / feed price ratio (Jan 2010 - Aug 2023)



- Beef and pork prices in Sweden have been stable in past months and are higher year on year
- Feed costs have been stable

Production, Jun - Aug (1,000 tonnes)



- Weaker pork and increasing beef production in Sweden. Slaughter volume for pork has decreased by 5.5% and increased by 5.3% past three months compared to 2022
- Demand is weaker but still there is a production deficit for both pork and beef

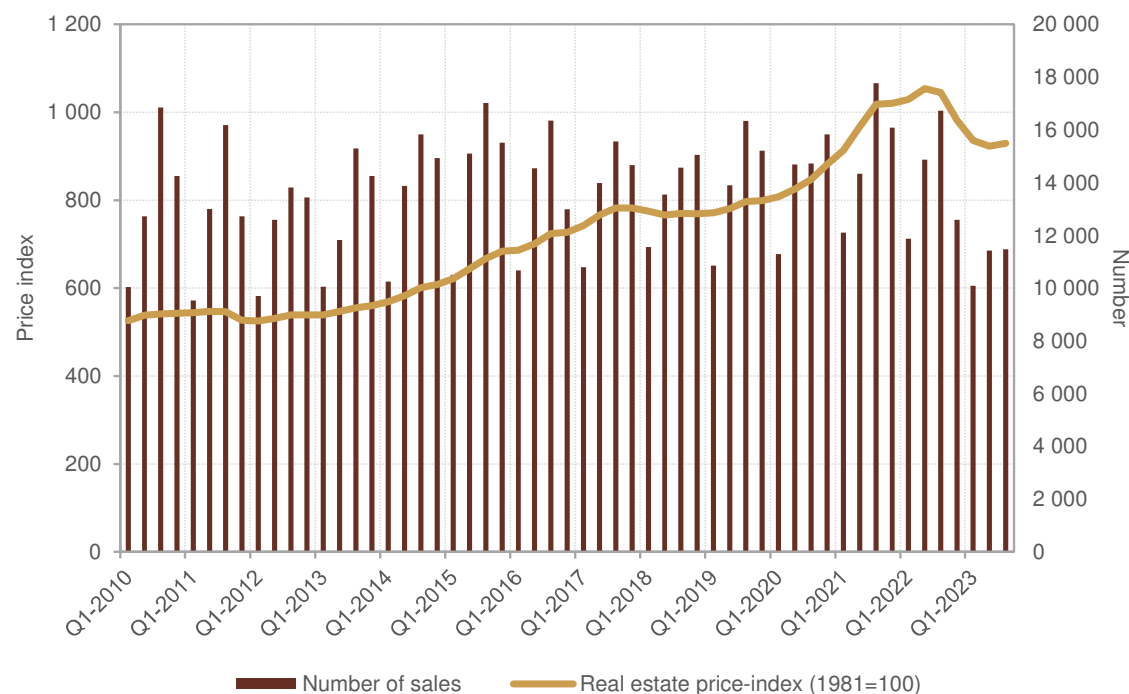
Data source: Swedish Board of Agriculture

Housing market overview

In short:

- The drop in housing prices from 2022 have dulled during 2023, with a smaller recovery in recent months
- Consumers has become more pessimistic during the past months. The confidence indicator dropped from 1.5 pints to 69.1 in September. There is a gap between how consumers view their own situation and the country's situation as the consumer macro index remains at higher levels compared to consumer micro index
- During first nine months of 2023, less objects have been sold compared to same period 2022. The decline in sold objects accounts -24.1 %

House price development Q1 2010 – Q3 2023

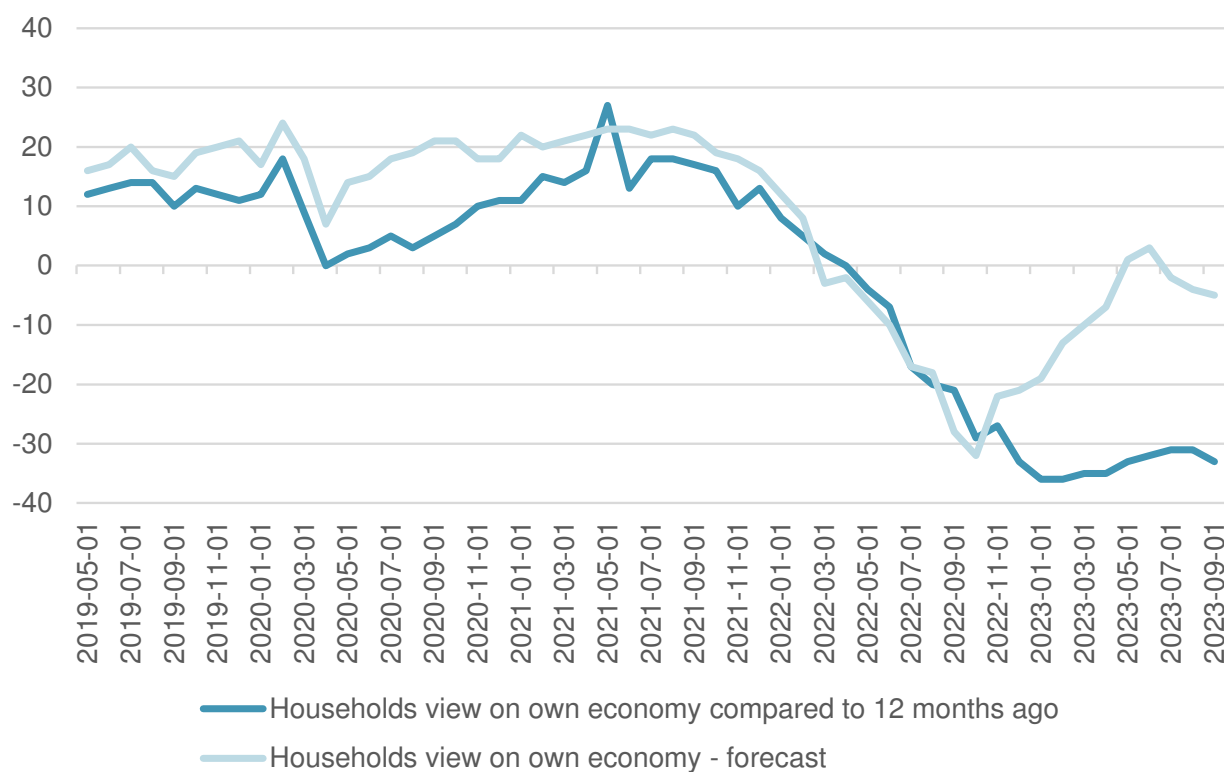


	1Y	5Y
Houses	-4.5%	+20.6%

- Tendencies that the price drop from spring 2022 have dulled off above pre-pandemic price levels
- Past three months, Sweden have a +0.7 % price development
- Less objects have been sold past months compared to historical numbers

Data source: SCB, Svensk Mäklarstatistik, 6 October 2023

Consumer confidence indicator 2019-2023



- Consumer confidence indicator are dropping again from the recovery in spring and summer 2023
- Swedish households have more a pessimistic forecast about their upcoming 12-month situation compared to historical measures

Financial update

In short:

- Higher net interest income in 2023 compared with 2022
- Higher performance as a result of higher interest rates and increased deposit volumes
- Cost development is according to investment plan
- Credit losses still on low levels

5-year financial KPI development

Financial KPIs, SEKm	2018	2019	2020	2021	2022	2021vs2022 Δ	%
Total lending	72 511	76 367	83 036	93 968	105 647	11 679	12%
Lending to Agriculture	68 607	69 183	71 471	75 195	78 440	3 245	4%
Lending to Mortgage	3 904	7 184	11 565	18 773	27 207	8 434	45%
Savings	14 150	14 449	14 672	15 254	23 496	8 242	54%
Net interest income	799	815	872	972	1087	115	
Total expenses	426	461	478	498	551	53	
Operating profit	386	418	397	471	544	73	
Credit impairments	-8	3	13	5	4	-1	
Cost income ratio	0.52	0.53	0.55	0.52	0.50	-0.02	
Leverage ratio (consolidated situation)	6.2%	6.1%	5.9%	5.6%	5.1%	-0.53%	
CET1 ratio (consolidated situation)	13.9%*	13.9%	15.2%	14.4%	14.0%	-0.40%	
ROA	0.3%	0.4%	0.3%	0.4%	0.4%	0.01%	
ROE	5.6%	6.2%	5.5%	6.4%	7.1%	0.71%	
ROREA	1.2%*	1.0%	0.9%	1.0%	1.1%	0.06%	
LTV	42.6%	42.5%	42.7%	43.0%	43.2%	0.20%	

*Lower due to implementation of a new IRB approach permission

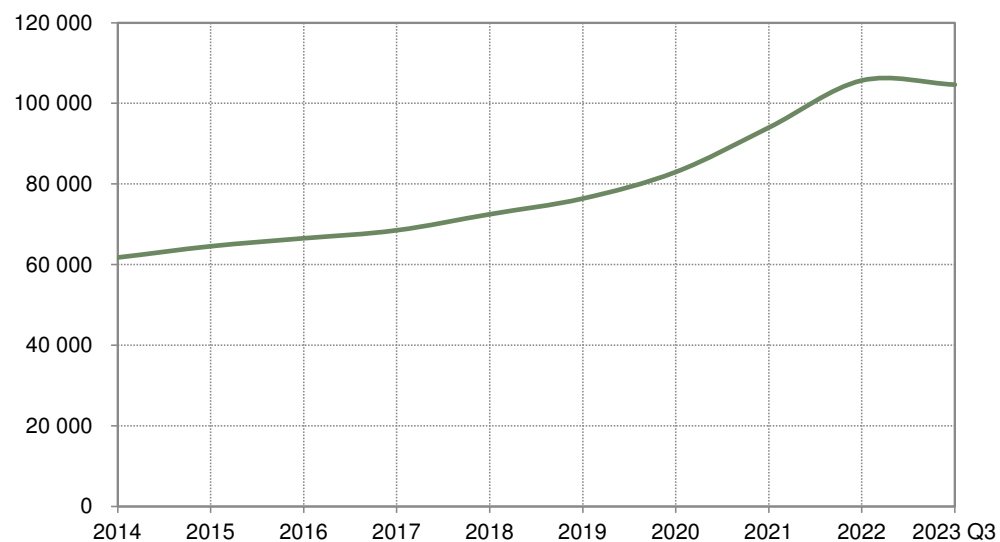
Strong result

Landshypotek AB						
SEKm	2023 Q3	2023 Q2	Δ QoQ	YTD 2023	YTD 2022	Δ YoY
Net interest income	299	317	-18	928	765	163
Net gain financial items	1	-2	3	-2	23	-25
Other income	1	1	0	2	4	-1
Total income	301	316	-14	929	791	137
Total expenses	-124	-149	25	-425	-397	-28
Profit before impairments	177	166	11	503	395	109
Credit impairments	-1	6	-7	6	11	-5
Operating profit	176	172	4	510	405	104
Tax expense for the period	-38	-34	-3	-107	-84	-24
Net profit	138	137	0	403	322	81

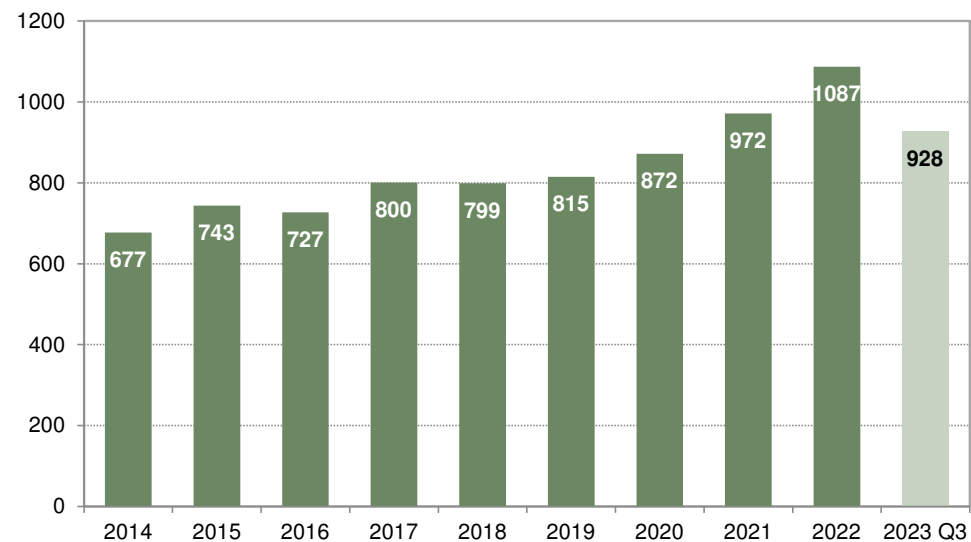
- Net interest income is higher compared with 2022. The increase is mainly derived from the effect of higher interest rates but also driven by higher deposit volumes
- Expenses are higher than 2022, primarily pertained to planned investments and personnel increases as well as to generally higher prices compared with 2022
- Credit losses generated a positive net earnings impact of SEK 6.3 m for the first three quarters

Long term growth in loan portfolio

Loan portfolio, SEKm

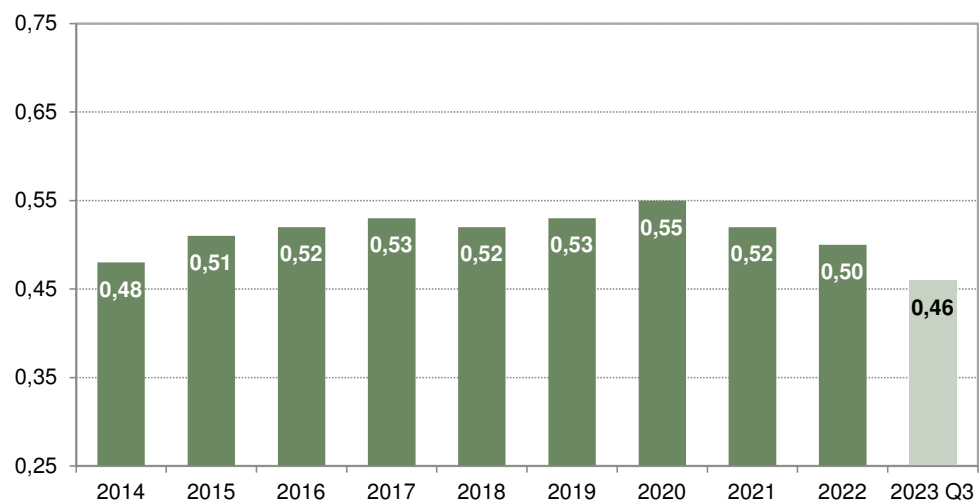


Net interest income, SEKm

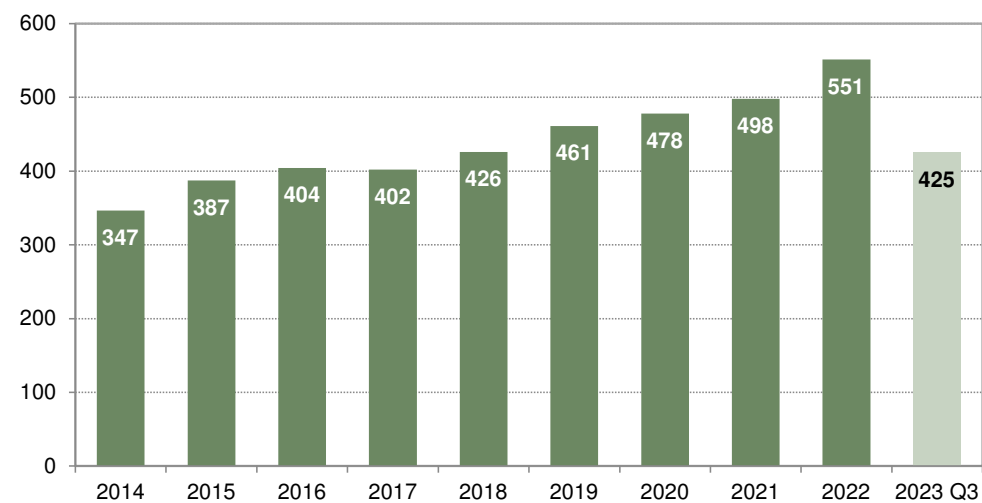


Stable cost levels

Cost income ratio excl loan losses



Total expenses



Asset quality

In short:

- Landshypotek Bank has 3 lines of defence that work together at different stages in order to mitigate risks. Risk organisation is the second line that is in charge of risk governance and control
- 99% of customers have personal liability and 99.8% have post collateral with mortgage deed in real estate
- Loan portfolio is collateralized with low LTV assets (43%)
- The value of arable land and forestry compose the majority of the collateral
- Well diversified portfolio in terms of geographical and business distribution
- Exposures are classified out of loan size, turnover and income
- Excellent performance

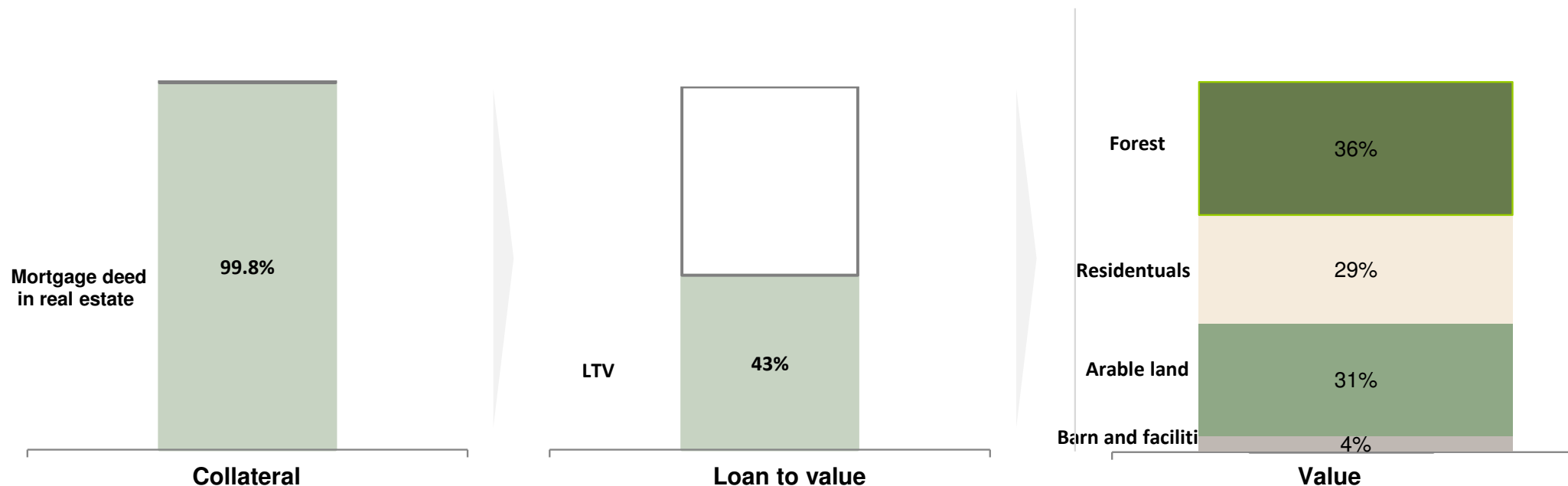


Landshypotek Bank

99% of customers have personal liability and 99.8 % post collateral with mortgage deed in real estate

- Business is conducted as sole proprietorship (Sw. *enskild näringsidkare*) – due to Swedish legislation on land ownership
- Sole proprietorship is a private individual with personal liability
- Exposure weighted LTV 43%
- Customers post collateral with mortgage deed in real estate
- Capital intense in relation to turnover and earnings
- Structural changes lead to larger units
- The structural changes have been gradual

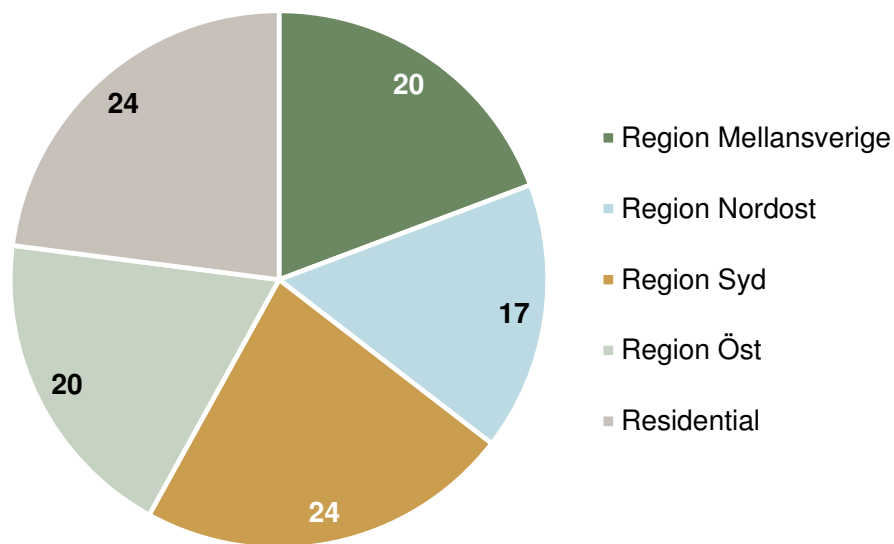
Loan portfolio is collateralised with low LTV assets



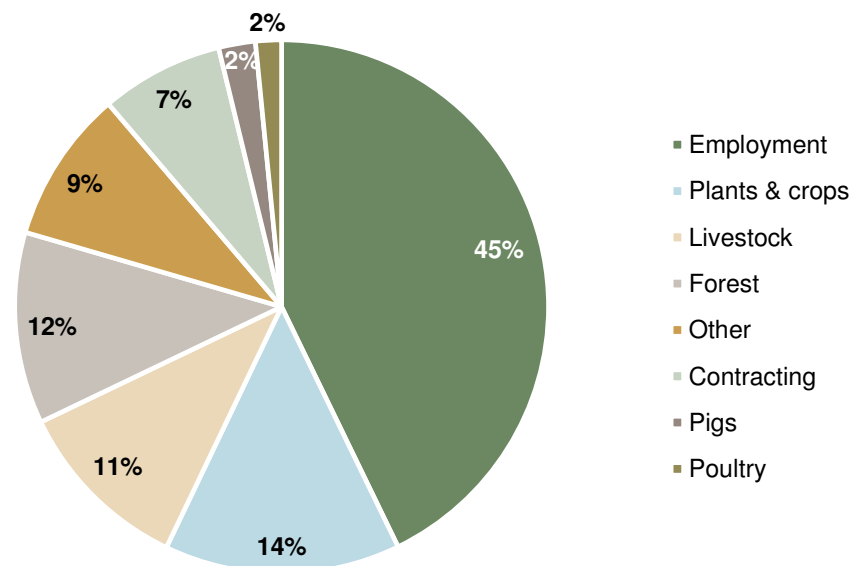
99.8% of the loan portfolio is first-lien mortgages with LTV of 43%

Well diversified portfolio in terms of geographical and business distribution

Asset portfolio per business unit, SEKbn

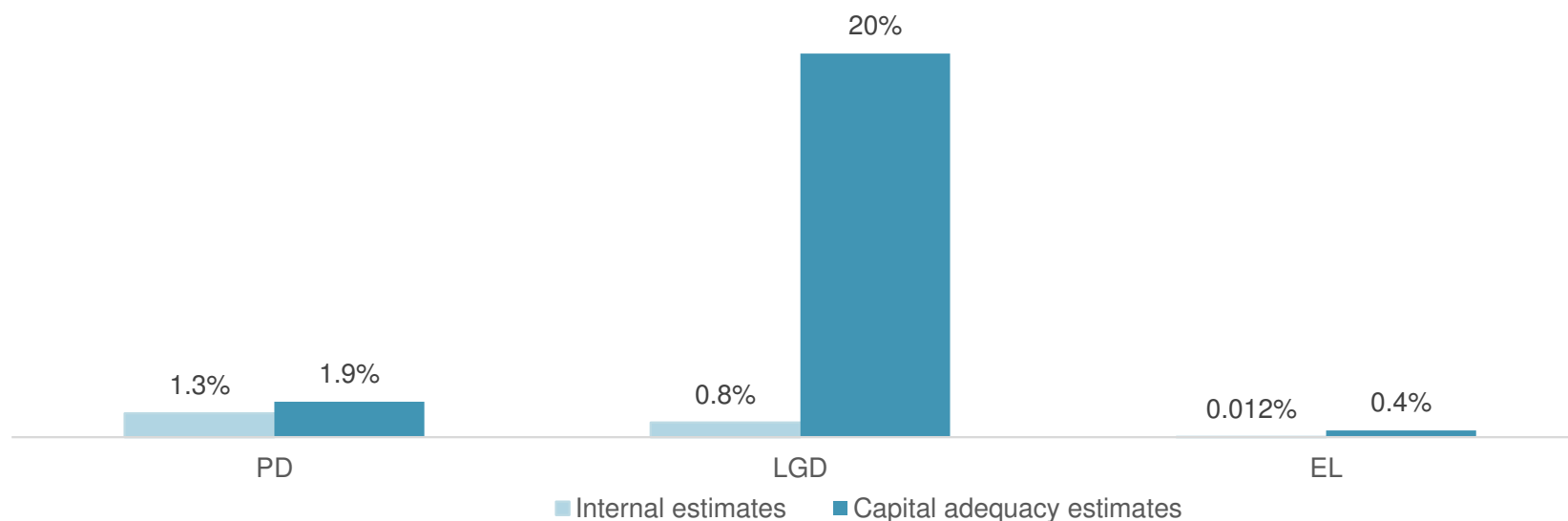


Asset portfolio, business distribution, %



Average loan per customer is SEK 1.9m

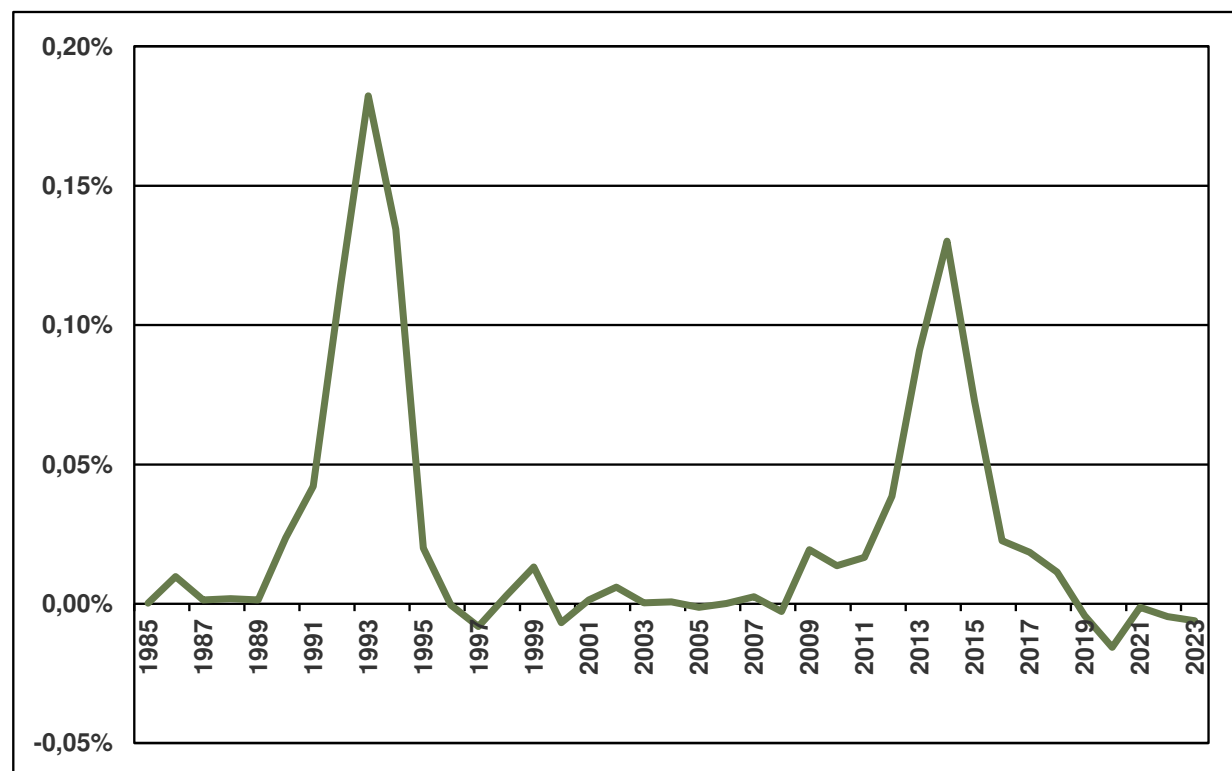
Internally used estimates are significantly lower than estimates for capital adequacy



Internally used estimates are significantly lower for PD, LGD and consequently EL. Exposure weighted LTV ratio is 43%

Great performance in credit losses due to high asset quality and improved processes

- Losses in 2022 amounted to SEK -4.5m in reversals (-0.01%), compared with SEK -1.0m in reversals for the same period 2021 (-0.00%)
 - YTD for 2023 account reversals of -6.3m
- Total credit losses since 1985 amounts to SEK 354m which makes an average per year of 0.024% (in comparison: EL deduction of SEK 349m for a year)
- Continuous review of processes in identifying, monitoring and controlling credit risk in order to avoid potential credit loss
- The insolvency department and the workout unit are proactively handling customer insolvency

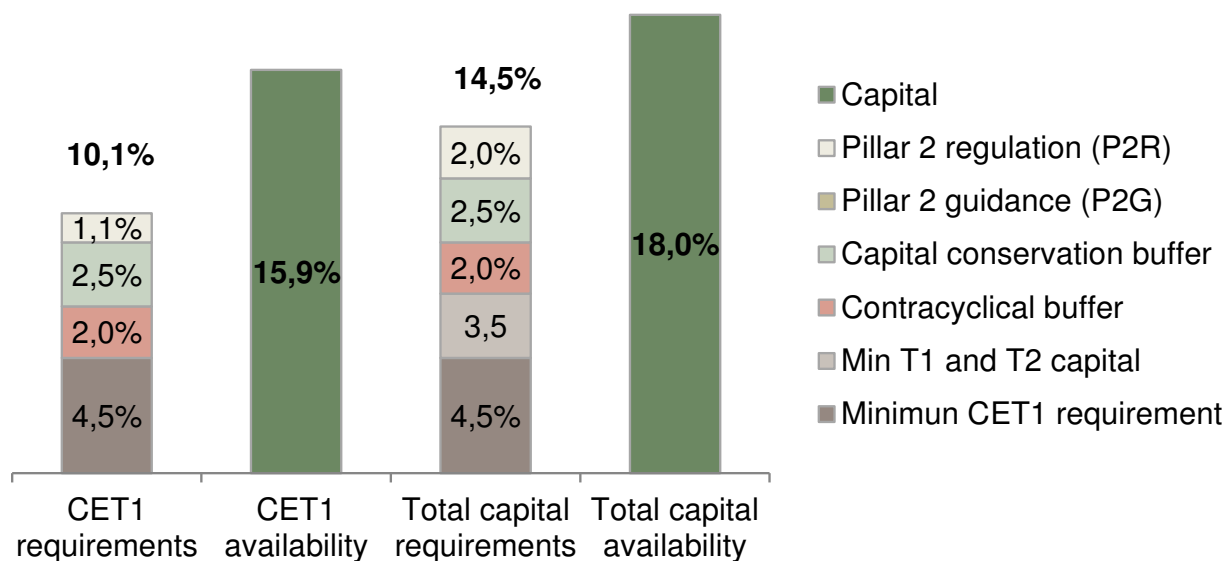


Capital adequacy

In short:

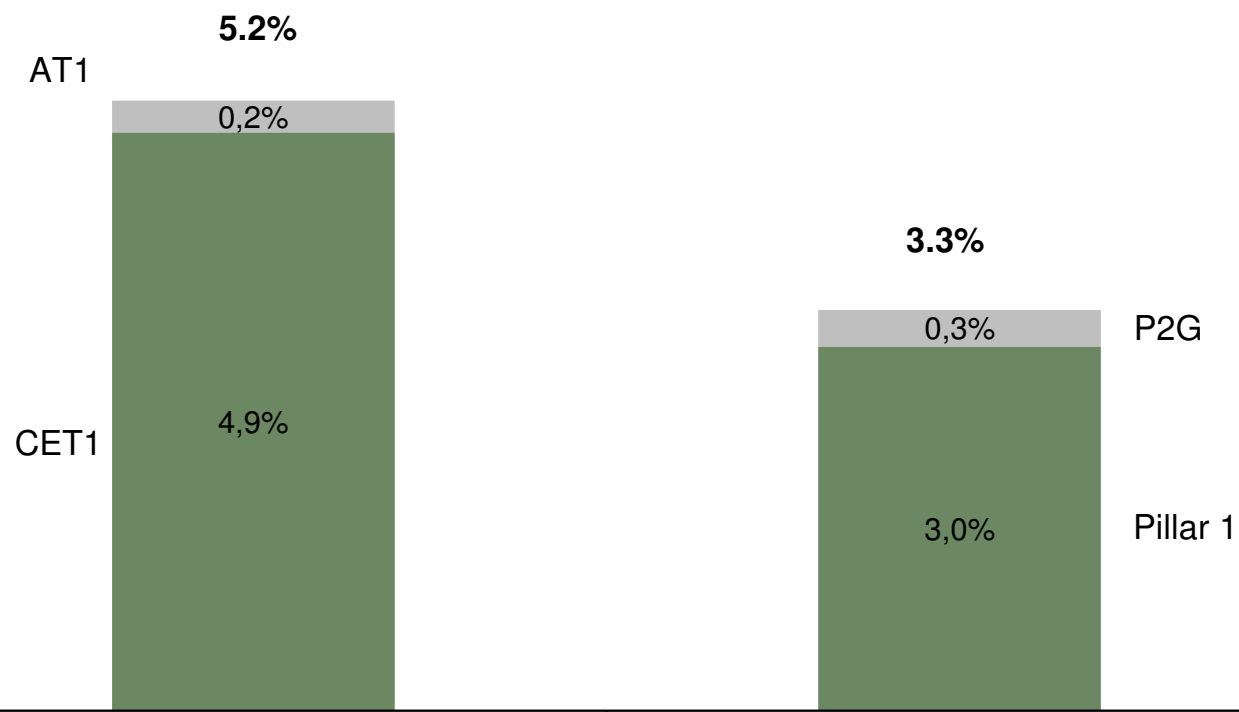
- CET1 capital ratio strong compared to requirements
- Landshypotek Bank has high leverage ratio
- Cover pool has lower LTV than other banks

Total capital and capital requirements- Consolidated situation

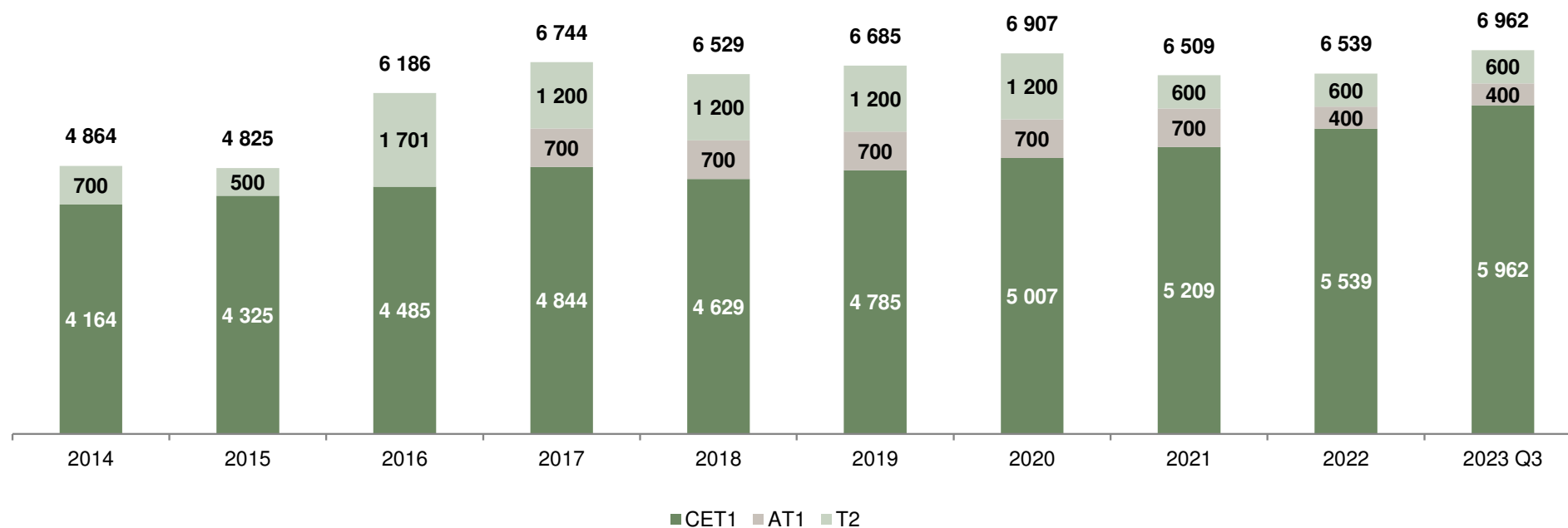


- The CET1 capital target is to have a CET1 ratio of at least 12.1%. The margin to the capital target as of Q2 2023 is 3.8%
- The Total capital target is to have a Total capital ratio of at least 15.5%. The margin to the capital target as of Q2 2023 is 2.5%
- The stress tests performed by the bank for recovery planning and ICAAP confirms that the bank is very well capitalized and can sustain its business operations also under extremely adverse macro conditions

Leverage ratio and capital requirements- Consolidated situation

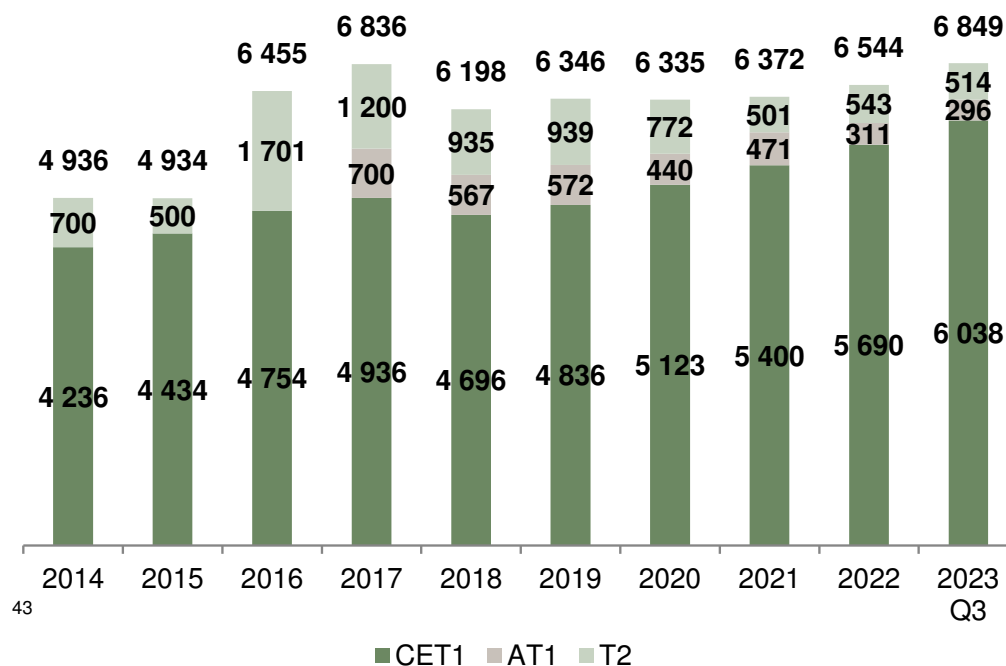


Capital development over the years, (total capital Landshypotek Bank AB, SEKm)



Capital development over the years

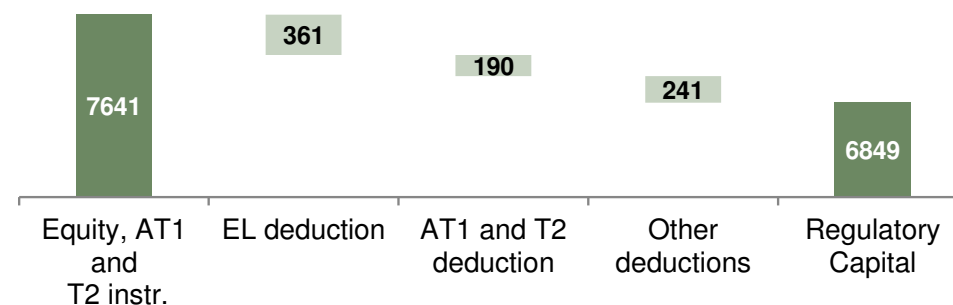
Total capital, SEKm - Consolidated situation



The EL deduction from CET1 is a consequence of using IRBF for corporate exposures. The EL calculation for corporate exposures is very conservative since it is calculated using IRBF regulatory prescribed LGD estimates as opposed to IRBA LGD estimates.

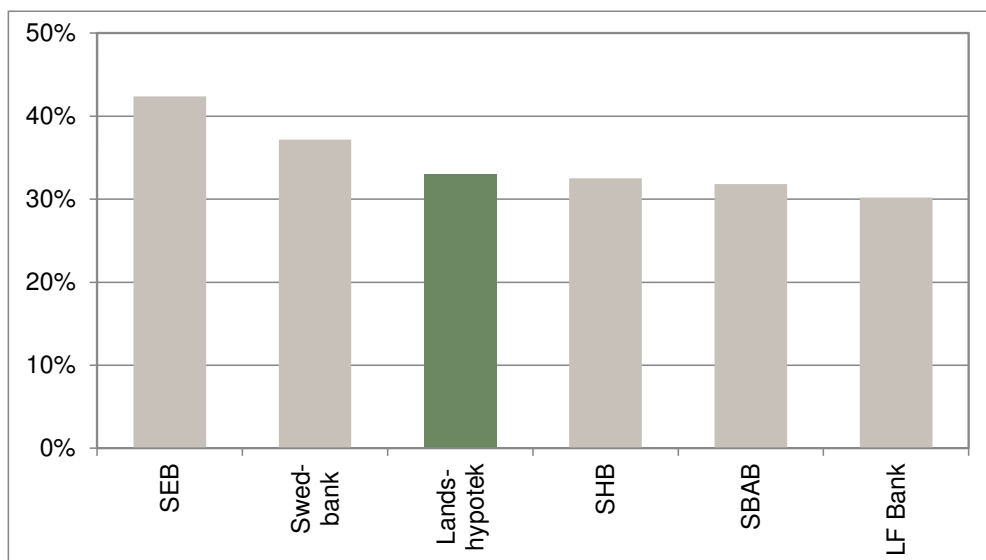
The deduction regarding AT1 and T2 capital at the consolidated situation is explained by the fact that subordinated loans issued by Landshypotek Bank cannot be fully utilized in the calculation of capital at the consolidated situation. However, as the utilization rate is calculated based on the surplus of capital compared to capital requirement (sum of pillar 1, pillar 2 and buffers), if the capital requirement were to be identical with the capital base, the subordinated loans would be fully included also at the consolidated situation.

Deductions, SEKm

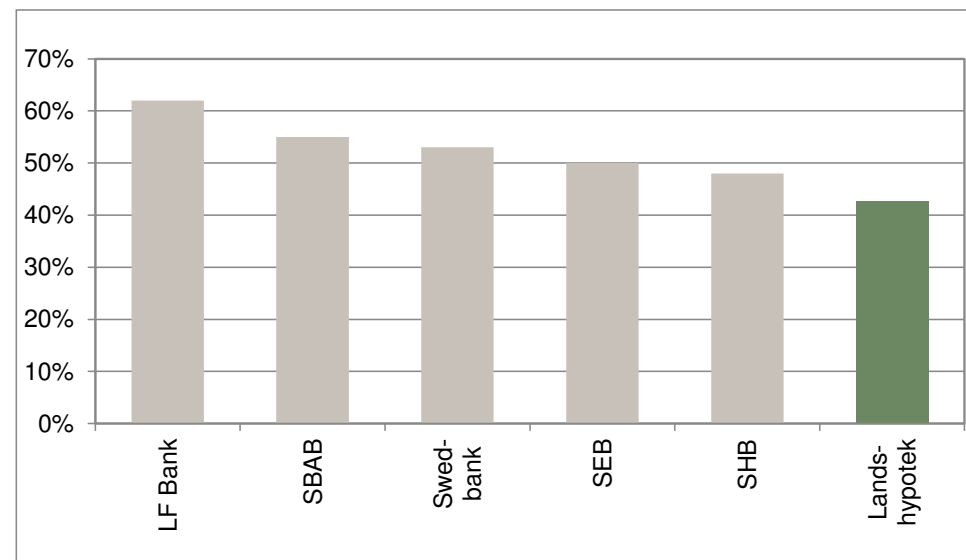


Higher riskweights despite lower LTV

Riskweights

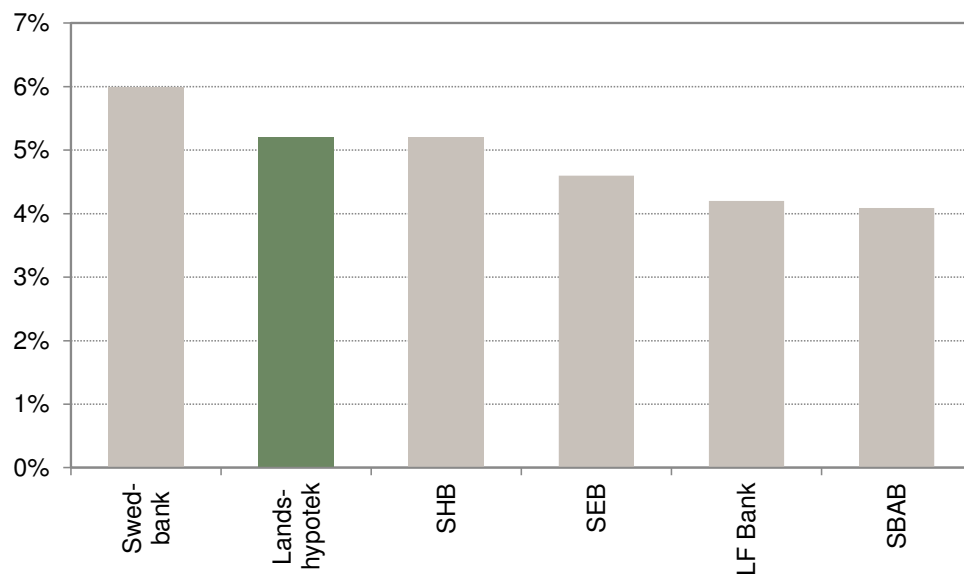


Cover Pool LTV

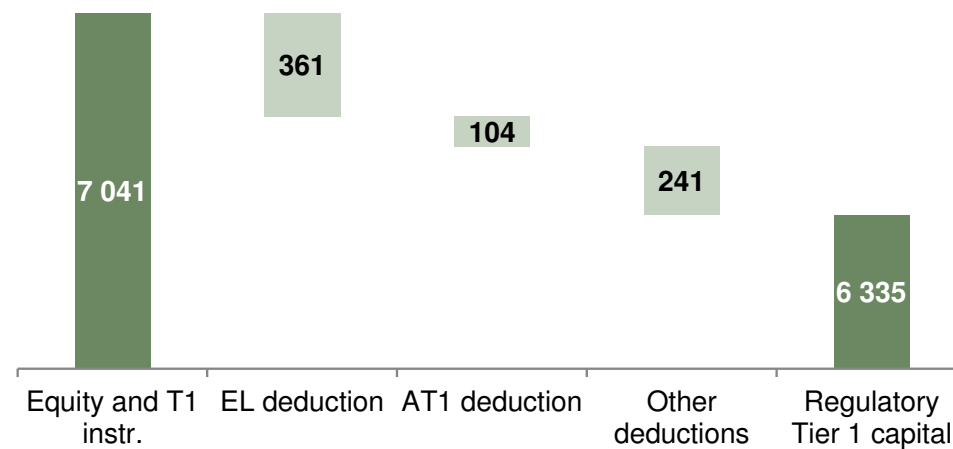


High leverage ratio despite large deductions

Leverage ratio



Deductions



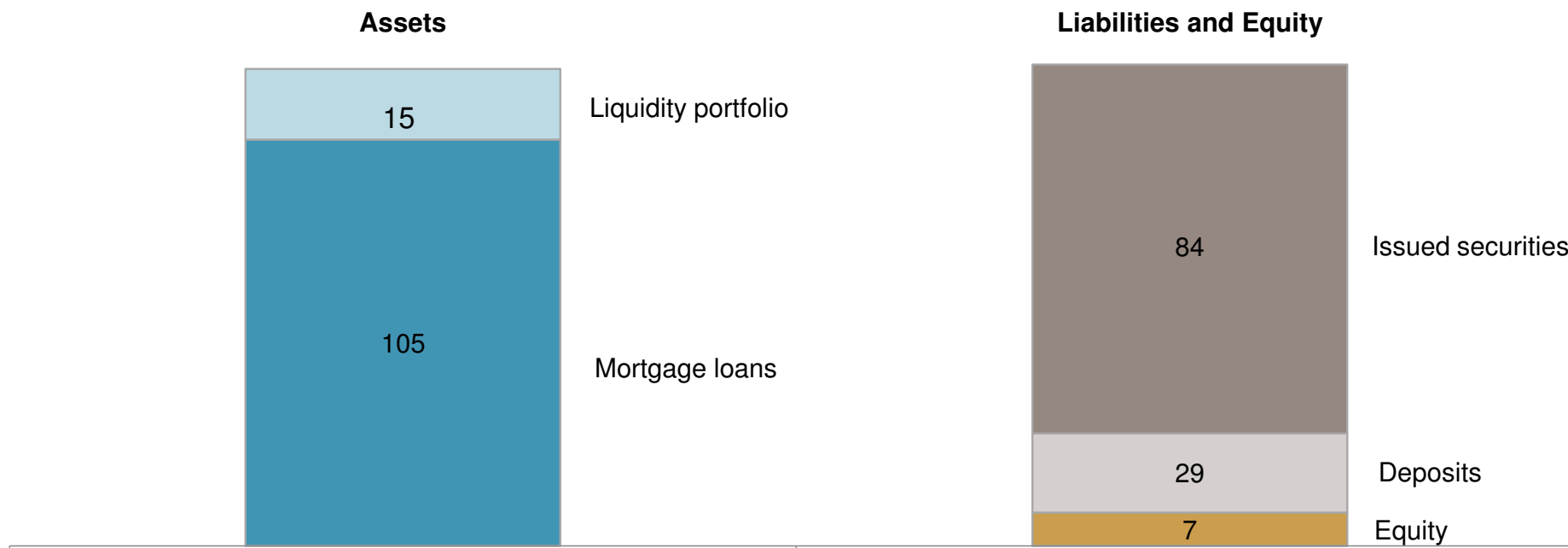
Funding, liquidity and cover pool

In short:

- Landshypotek Bank's low risk business model is reflected in the balance sheet structure
- Landshypotek Bank is subject to full resolution planning and MREL requirement
- Landshypotek Bank takes a conservative funding position
- The cover pool has very low LTV, long seasoning and is geographically well diversified

Core balance sheet structure SEKbn

- Landshypotek Bank's low risk business model also reflected in the balance structure



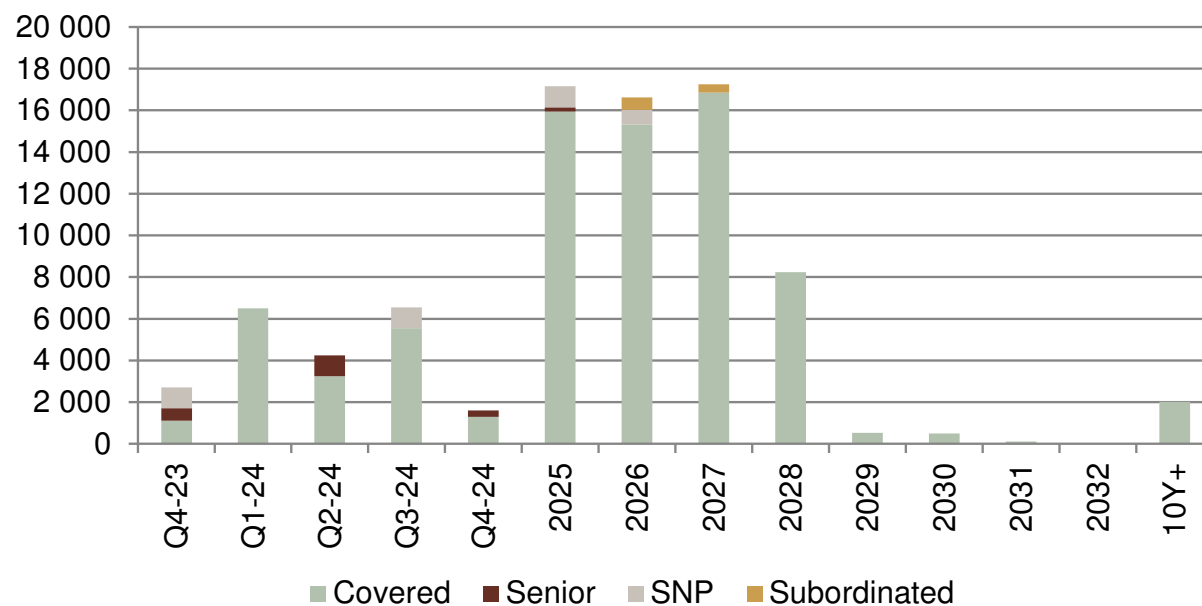
BRRD implementation

- Landshypotek Bank is critical to financial system

- Swedish National Debt Office (the Resolution Authority) has decided that Landshypotek Bank is subject to full resolution planning and MREL requirement
- SNDO preferred resolution strategy: (i) bail in combined with restructuring or (ii) bail in combined with bridge institution
- MREL requirement 2023
 - Total risk weighted 21.29% of REA
 - Total leverage 5.50% of TEA
 - Subordinated risk weighted 16.77% of REA
 - Subordinated leverage 5.50% of TEA
- The bank have four outstanding SNP-loans
- The plan is to have one outstanding issue per calendar year to have a good balance between granularity and liquidity
- MREL fulfilment Q3
 - Total risk weighted 22.25% of REA
 - Total leverage 8.34% of TEA
 - Subordinated risk weighted 20.93% of REA
 - Subordinated leverage 7.92% of TEA

Conservative funding profile

Average maturity	2.7 years
Covered bonds	68%
Senior + Subordinated	6%
Deposits	26%



Funding 2023

Funding plan for 2023 Funding need SEKm		Funding plan for 2023 Funding plan SEKm		Funding plan for 2023 Executed SEKm
Maturing covered	11,010	Covered	8,400	8,400
Maturing and callable senior	1,700	Senior	600	700
Callable senior Non-preferred	1,000	Senior Non-preferred	1,500	1,500
Callable subordinated	0	Subordinated	0	0
Increased liquidity portfolio	2,890	Deposits	6,600	5,966
Credit growth	800	Equity	300	382
Total	17,400	Total	17,400	16,948

Conservative liquidity and funding position

- LCR 297%
- NSFR 120%
- Stressed liquidity coverage is 319 days, internal limit 180 days
- Liquid assets SEK 15.6 bn. Duration 2.7 years
- High quality assets AAA and AA+ rated Swedish Covered Bonds and Swedish Municipalities
- Eligible as collateral for transactions with the Swedish Central Bank

Growing level of deposits, currently SEK 28.9bn

Focus on stickiness

- Target members and smaller deposits included in deposit insurance
- Closed for new corporate deposits
- Higher interest rate environment has sharply increased deposit inflow and also improved margins
- The aim is to improve loans/deposit ratio as long as it makes economic sense

Deposit portfolio

	Member	Non member
Included in deposit insurance	18%	62%
Excluded from deposit insurance	9%	11%

Cover pool

Rating S&P	AAA
Lending volume	SEK 100,640m
Geographic distribution	Sweden 100%
Average loan size	SEK 937,867
Number of loans	107,307
Number of properties	40,517
Substitute Assets	SEK 2,763m
Swedish Covered Bonds, AAA	SEK 1200m
Municipalities	SEK 1,563m
Cover bonds	SEK -77,194m
Over Collateralisation	SEK 26,098m
Over Collateralisation	33.81%

Interest	
Floating	70%
Fixed	30%
Amortisation	
Amortising	98%
Non amortising	2%
Mortgage type	
Agriculture properties	73%
Residential properties	27%
Average LTV	
Volume weighted	43,98%

Cover pool and geographical distribution

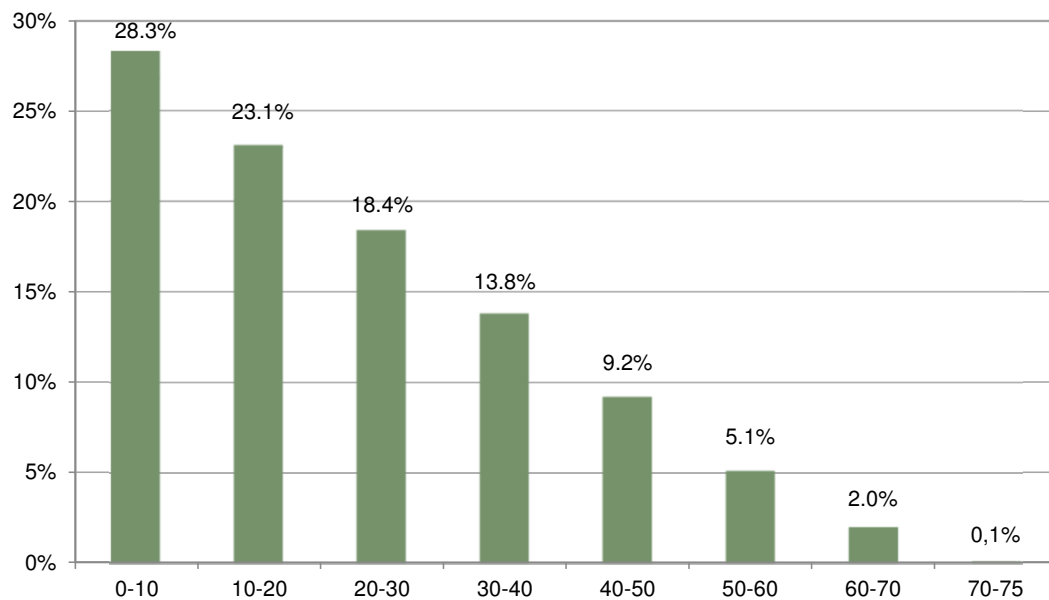
Seasoning	Years	Month
Loan level	5.65	68
Customer level	13.94	167
Property level	20,08	241
Concentration (borrowers)	Volume	% of volume
Top 5	SEK 1,066m	1.06%
Top 10	SEK 1,885m	1.87%
Top 20	SEK 3,265m	3.24%



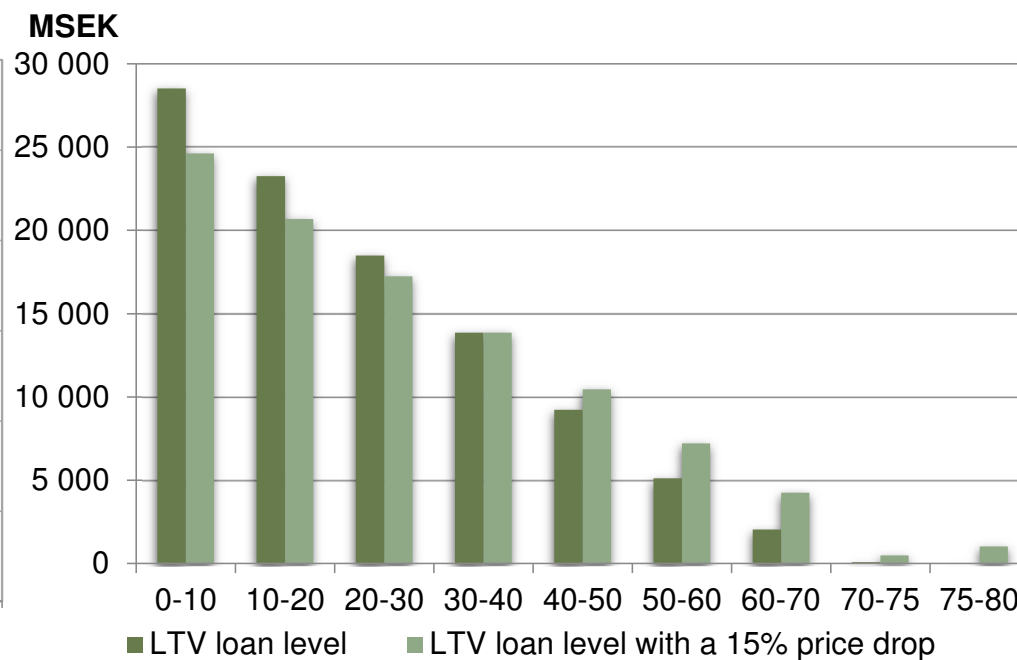
County	% of total volume
Stockholm	10%
Uppsala	4%
Södermanland	5%
Östergötland	10%
Jönköping	4%
Kronoberg	3%
Kalmar	4%
Gotland	3%
Blekinge	1%
Skåne	15%
Halland	4%
Västra Götaland	14%
Värmland	4%
Örebro	6%
Västmanland	2%
Dalarna	2%
Gävleborg	2%
Västernorrland	2%
Jämtland	2%
Västerbotten	2%
Norrbotten	1%

Cover pool

Loan amount by LTV bucket



Stress test LTV -15% price drop

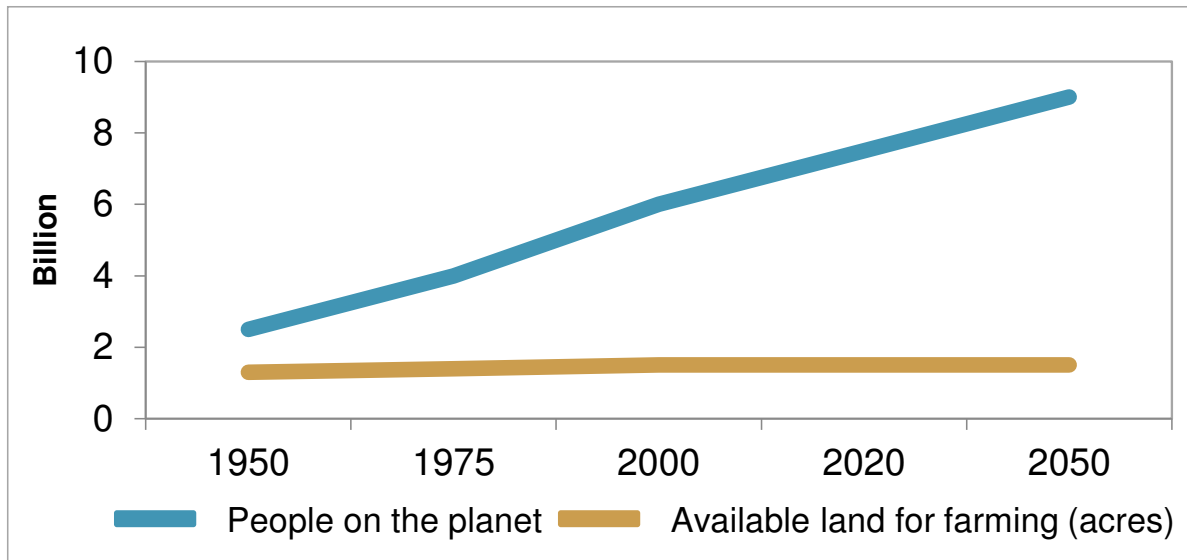


Total change in cover pool -0.80%

Executive summary:

- Low-risk agriculture and forestry bank with sustainability integrated in the strategy with a market share of 23%
- Sustainable governance where profit is reinvested or returned to the agriculture and forestry sectors
- The bank for the conscious choice of mortgage loans and savings
- Low-risk business model
 - 99.8% of the loan portfolio is first-lien mortgages
 - Average LTV is 43,98%
 - 99% of the customers have a personal liability
 - Total losses since 1985 SEK 354m, average per year 0.025%
- Very well capitalised with a leverage ratio of 5.0%, despite big deductions

Just a reminder! Long-term trend for population and farm land



Source: UN

- The need for food the coming 20-25 years is double the amount that has been produced during the last 10,000 years
- The demand of agricultural commodities for biofuels use will increase
- Production improvements have compensated for growing population
- Restrictions on pesticides and plant breeding as well as shortage of water put pressure on further efficiency improvements
- There are also higher demands on global production to be more sustainable from an economic, social, environmental and climate perspective
- “Buy land, they’re not making it anymore” (Mark Twain)

Contact and financial calendar

Financial calendar:

Q4 report	7 th of February 2023
Q1 report	3 rd of May 2024

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Landshypotek Bank

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