

Interim Report for first half 2024



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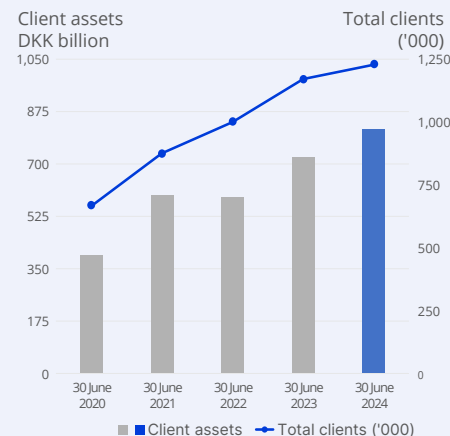


Performance highlights

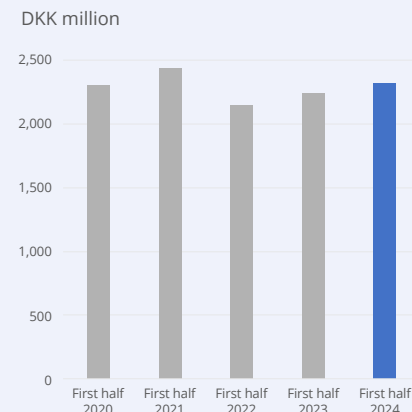
The first half of 2024 continued to be impacted by an uncertain macroeconomic environment and low market volatility. In the challenging environment, the Saxo Bank Group delivered an adjusted net profit of DKK 508 million, an increase of 35% compared to the same period last year.

- Lower trading and investment activity, as a result of low volatility across financial markets, was offset by higher interest income positively impacted by higher interest rates and positive inflow of client funding.
- Roll-out of new competitive pricing in all markets as well as improvement of the Saxo experience, leading to a new record level of more than 1.2 million end clients and rising equity values contributing to record high client assets of DKK 816 billion.
- Following the acquisition of BinckBank in 2019, the final step of the integration was completed with a merger between Saxo Bank A/S and BinckBank N.V. Consequently, BinckBank's three offices in the Netherlands, Belgium and France are now branches operating under Saxo Bank A/S and under the Danish banking license.
- To increase focus, strengthen compliance, reduce risk and enhance operational efficiency, we are restructuring our distribution model in the APAC region, looking into strategic opportunities for the offices in Hong Kong, Japan and Australia, while the office in China is in the process of being closed. This has led to recognition of restructuring costs of DKK 44 million in the first half of 2024.
- S&P upgraded Saxo Bank's rating to A- from BBB.
- The three major shareholders of Saxo Bank initiated a review of Saxo Bank's strategic opportunities. The objective is to provide Saxo Bank with the best possible foundation, including potential new shareholders, to continue its growth journey, serve clients and partners, and further develop its employees and company culture. Saxo Bank and the shareholders have collectively appointed Goldman Sachs International as financial advisor to assist them with the review.

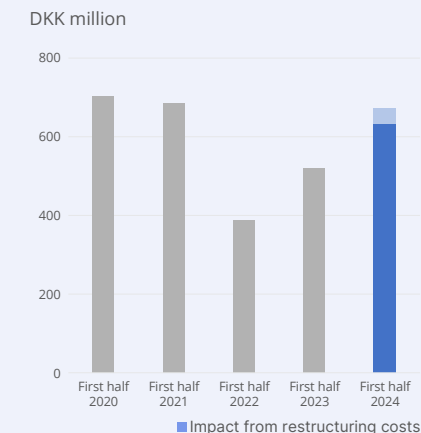
Client assets ¹⁾ DKK 816 billion
Total clients ²⁾ 1,228,000 clients



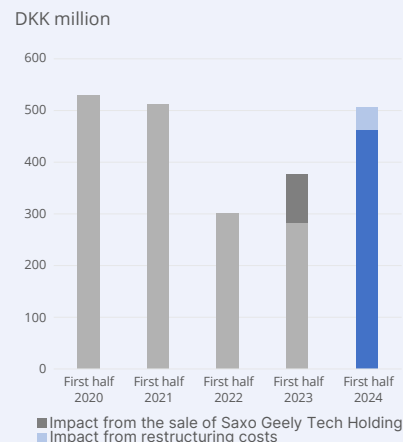
Total income ³⁾ DKK 2,318 million



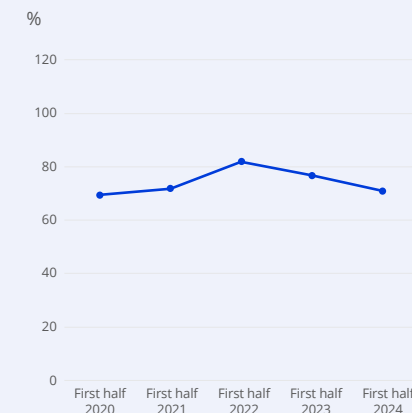
Operating profit DKK 632 million
Adj. operating profit ³⁾ DKK 671 million



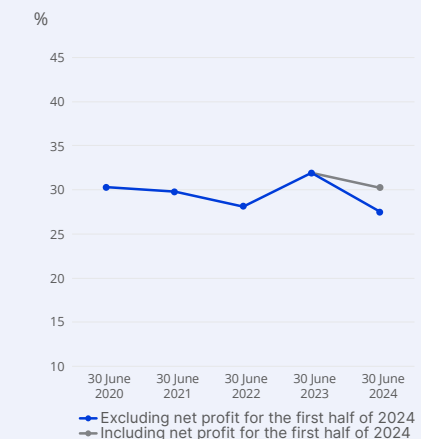
Net profit DKK 464 million
Adjusted net profit ³⁾ DKK 508 million



Adjusted cost/income ratio ³⁾ 71%



Total capital ratio ⁴⁾ 28%



¹⁾ Client assets are defined as value of client cash and value of open positions end of period for all clients.

²⁾ Clients are defined as number of active clients who have positive client assets end of period, including end clients of our institutional wholesale partners.

³⁾ These are Alternative Performance Measures. For definition, see note 17.2 in the Saxo Bank Group's financial statements.

⁴⁾ The net profit for the first half of 2024 has not been included in the regulatory capital. However, if including the net profit for the first half of 2024, the total capital ratio would stand at 30%.

Financial highlights

	First half 2024	First half 2023	Changes %	2023
Statement of profit or loss (DKK million)				
Net interest, fees and commissions	1,816	1,644	10.5%	3,308
Price and exchange rate adjustments	500	594	-15.8%	1,164
Total income ¹⁾	2,318	2,242	3.4%	4,481
Operating expenses	-1,647	-1,722	-4.3%	-3,579
Restructuring costs	-39	-	na.	-
Impairment of intangible assets	-	-	na.	-400
Operating profit	632	520	21.4%	502
Adjusted operating profit ¹⁾	671	520	28.9%	902
Share of net profit/loss from joint ventures	-	-108	na.	-108
Profit before tax	632	413	53.1%	395
Net profit	464	282	64.5%	260
Adjusted net profit ¹⁾	508	376	34.9%	653
Statement of financial position (DKK million)				
Loans and other receivables at amortised cost	3,017	4,179	-27.8%	3,217
Deposits	70,851	67,695	4.7%	70,108
Subordinated debt	1,558	790	97.1%	752
Total equity	6,284	6,666	-5.7%	6,366
Total assets	92,866	87,746	5.8%	89,381
Acquisition of intangible assets	204	266	-11.6%	508

	First half 2024	First half 2023	Changes %	2023
Employees				
Number of full-time equivalent staff (end of period)	2,353	2,460	-4.3%	2,332
Hereof employed in India	1,015	1,037	-2.1%	983
Clients				
Total clients (number of end clients ('000)) ²⁾	1,228	1,169	5.1%	1,159
Client assets (DKK billion)	816	721	13.3%	745
Hereof assets under management (DKK billion)	8	8	-5.3%	8
Trades (number of trades (million))	28	30	-6.7%	57
Financial ratios ³⁾				
Total capital ratio	27.5%	31.9%		31.8%
Tier 1 capital ratio	23.1%	27.3%		27.3%
Return on equity before tax ⁴⁾	19.3%	11.7%		5.9%
Return on equity after tax ⁴⁾	14.2%	8.0%		3.9%
Adjusted return on equity after tax ¹⁾	15.5%	10.7%		9.7%
Cost/income ratio ¹⁾	72.7%	80.7%		91.0%
Adjusted cost/income ratio ¹⁾	71.1%	76.8%		79.9%
Loans and other receivables proportional to total equity	0.48	0.63		0.51
Liquidity coverage ratio	301.0%	294.3%		326.4%
Sum of large exposures/CET1 capital	26.0%	11.9%		51.6%

¹⁾ These measures are Alternative Performance Measures. For definition, see note 17.2 in the Saxo Bank Group's financial statements.

²⁾ Clients are defined as number of active clients who have positive client assets end of period, including end clients of our institutional wholesale partners.

³⁾ For definitions, see note 17.2 in the Saxo Bank Group's financial statements.

⁴⁾ Annualised.

Outlook

Financial outlook 2024

The Saxo Bank Group operates in global financial markets, and income generation is besides the number of clients and client assets subject to volatility within the currency, equity, and commodity markets, as well as fluctuating interest rates.

The first half of 2024 has been characterised by a continued uncertain macro environment, which has lowered the trading and investment activity among our clients. However, the higher interest rate levels and positive client funding from the growing client base have resulted in higher net interest income from the liquidity and bond portfolios.

Our strategic focus remains unchanged with a continued emphasis on growing our client and client asset base, and on enhancing the product and platform offering to the benefit of our clients as well as focusing on core markets.

The focus on core business and markets has led to the decision to restructure our distribution model in the APAC region, looking into strategic opportunities for the offices in Hong Kong, Japan and Australia, while the office in China is in the process of being closed. This has resulted in the recognition of restructuring costs of DKK 44 million in the first half of 2024 and hence adjusted net profit ended at DKK 508 million¹⁾.

Given the short-term impact from the new global pricing and that the market conditions for 2024 remain uncertain with regards to volatility, inflation, and changes to central bank statements on financial markets, the Saxo Bank Group expects adjusted net profit²⁾ to be maintained in the range of DKK 850-1,000 million.

DKK million	2024
Expected net profit ²⁾	850-1,000

¹⁾ Net profit of DKK 464 million adjusted for restructuring costs of DKK 44 million.

²⁾ Net profit adjusted for restructuring costs.



Financial review

In the first six months of 2024, the Saxo Bank Group realised a net profit of DKK 508 million, adjusted for restructuring costs of DKK 44 million. The inflow of new clients continued leading to a new record level of more than 1.2 million clients while the positive development within the global equity markets contributed to record high client assets of DKK 816 billion at 30 June 2024.

Volatility across financial markets has been low in the first half of 2024 resulting in lower trading and investing activity, while the higher interest rates and positive inflow of client funding impacted the financial performance positively. In addition to the impact from the external market environment, the Saxo Bank Group has invested in future growth by roll-out of a new competitive pricing structure for all markets. As a result, net profit for the Group reached DKK 508 million after adjustment for restructuring costs of DKK 44 million, an increase of 35% compared to an adjusted net profit of DKK 376 million in the first half of 2023.

Statement of profit or loss

	First half 2024	First half 2023
DKK million		
Net interest, fees and commissions	1,816	1,644
Price and exchange rate adjustments	500	594
Total income	2,318	2,242
Staff costs and admin. expenses	-1,397	-1,380
Restructuring costs	-39	-
Amortisation, depreciation and impairment	-242	-329
Share of net loss from joint ventures	-	-108
Profit before tax	632	413
Net profit	464	282
Adjusted net profit¹⁾	508	376

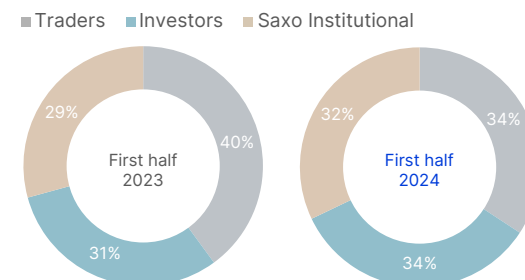
¹⁾ Net profit of DKK 464 million adjusted for restructuring costs of DKK 44 million, including tax expenses of DKK 5 million (H1 2023: Net profit of DKK 282 million adjusted for divestment loss of DKK 94 million).

Net interest, fees and commissions increased to DKK 1,816 million (H1 2023: DKK 1,644 million) driven by higher interest income from the liquidity and bond portfolios, mainly due to higher interest rates and continuous reinvestment of the bond portfolio at higher rates. The positive impact from the interest income was partly offset by marginally lower net fee and commission income following the low financial market volatility, the roll-out of new pricing as well as increased interest expenses. The increase in interest expenses was a result of the new interest rate model with a larger sharing of interest rates with the clients as well as the issuance of non-preferred senior notes and subordinated tier 2 notes in 2024.

Price and exchange rate adjustments amounted to an income of DKK 500 million in the first six months of 2024 (H1 2023: DKK 594 million), a decrease predominantly driven by lower exchange-rate revenue from trading in international stocks following the above mentioned price changes as well as lower trading in CFD and FX products compared to the same period last year.

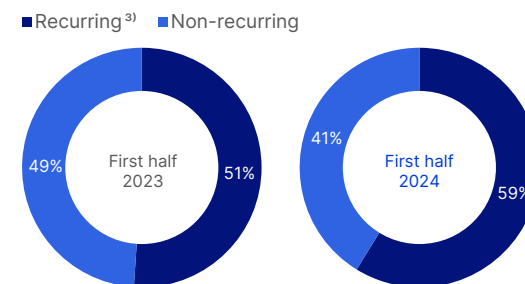
Total income increased slightly to DKK 2,318 million in the first half of 2024 (H1 2023: DKK 2,242 million) and was diversified almost equally between our business areas with trader clients accounting for 34%, investor clients 34% and Saxo Institutional 32%. The increase in total income was driven by the investor and Saxo Institutional business areas that benefitted the most from the increase in interest income and the positive development within global equity markets. In the first six months of 2024, traders experienced a decrease in total income mainly attributable to reduced client activity across margin products (CFDs and FX products) following the increase in interest rates and the low market volatility.

Split of total income by business areas



This development also led to an increase in the share of recurring revenue, which in the first half of 2024 accounted for 59% compared to 51% in the same period last year.

Split of total income (recurring vs. non-recurring)



³⁾ Recurring revenue constitutes income deriving from clients' cash and asset positions as opposed to transaction driven income, which is classified as non-recurring revenue.

Staff costs and administrative expenses adjusted for restructuring costs amounted to DKK 1,397 million in the first six months of 2024 and were stable compared to the same period last year. Increased costs as a consequence of inflationary pressure and investments in especially the compliance and onboarding areas has been offset by continued efficiency savings, resulting in a reduction since 30 June 2023 of 107 FTEs to 2,353 FTEs at 30 June 2024.

▸ In the first half of 2024, we made strategic choices to sharpen our focus even further and simplify our organisation, including reduction in the number of offices. **Restructuring costs** related to the restructuring of our distribution model in the APAC region, including the offices in Hong Kong, Japan, Australia and China amounted to DKK 44 million, which were recognised in staff costs and administrative expenses (DKK 39 million) and tax (DKK 5 million).

Amortisation, depreciation and impairment decreased to DKK 242 million (H1 2023: DKK 329 million) following the impairment of software in December 2023 of DKK 400 million.

Due to a slightly higher total income combined with lower expenses related to amortisation, depreciation and impairment, the **adjusted cost/income ratio** decreased to 71% in the first half of 2024 (H1 2023: 77%).

The **effective tax rate** decreased to 26.6% in the first six months of 2024 compared to 31.7% for the same period last year, primarily due to non-deductible loss from the divestment of the 50% interest in Saxo Geely Tech Holding A/S in June 2023.

Statement of financial position

DKK million	30 June 2024	31 December 2023
Cash in hand and demand deposits with central banks	37,914	38,766
Bonds at amortised cost	27,425	23,883
Loans and other receivables at amortised cost	3,017	3,217
Assets held for sale	101	-
Total assets	92,866	89,381
Deposits	70,851	70,108
Liabilities held for sale	98	-
Non-preferred senior bonds	1,142	-
Subordinated debt	1,558	752
Shareholders' equity	5,831	5,907

The continued positive cash inflow from clients' deposits were placed with counterparty banks, in bonds and other interest-bearing assets. **Cash in hand and demand deposits with central banks** amounted to DKK 38 billion at 30 June 2024 and were unchanged compared to 31 December 2023. **Bonds at amortised cost** amounted to DKK 27 billion at 30 June 2024 compared to DKK 24 billion at 31 December 2023.

Loans and other receivables at amortised cost amounted to DKK 3 billion at 30 June 2024 and 31 December 2023 and primarily relates to the Margin Lending offering.

Following the announcement of the plan to restructure our distribution model in the APAC region, our business in Australia was classified as held for sale at 30 June 2024. **Assets and liabilities held for sale** amounted to DKK 101 million and DKK 98 million, respectively.

In March 2024, Saxo Bank A/S issued for nominal EUR 150 mil-

lion **non-preferred senior notes**. The non-preferred senior debt issuance was followed up with a mandate of issuing a new tier 2 debt (**subordinated debt**) instrument to refinance the existing tier 2 issuance called in July. In May 2024, Saxo Bank A/S issued for nominal EUR 100 million subordinated tier 2 notes.

Total shareholders' equity amounted to DKK 5.8 billion at 30 June 2024 compared to DKK 5.9 billion at 31 December 2023. Total shareholders' equity was affected by the net profit in the first six months of 2024 of DKK 464 million and paid interim dividend of DKK 480 million in June 2024.

Saxo Bank's ownership in BG Saxo SIM decreased during the first half of 2024 from 80.1% to 51.0%. In the updated agreement with Banca Generali, Saxo Bank has an obligation to purchase Banca Generali's 49.0% share in BG Saxo SIM if Banca Generali exercises the put option, which has resulted in the recognition of a liability of DKK 39 million at 30 June 2024 and derecognition of non-controlling interests of DKK 17 million. The difference of DKK 21 million between the **non-controlling interests** and the liability is recognised in equity allocated to the shareholders of Saxo Bank A/S.

Changes to the Board of Directors

It was with great sadness we received the news of Xia Li's passing in April 2024. Xia Li played an instrumental role in shaping Saxo as a client centric organisation and will be missed for her kind personality and significant contributions to our business.

Events after the reporting date

EUR 100 million tier 2 subordinated debt was redeemed at first possible call in July 2024. The regulatory approval has been granted and the redeemed subordinated debt is not included in the regulatory capital as per end of 30 June 2024 in line with regulations.

After the reporting date, there have been no other events that materially affected the assessment of the Interim Report 2024.

Capital & liquidity

Capital

Licensed in an EU member state, Saxo Bank A/S is subject to the capital requirements set out in the Capital Requirement Regulation (CRR) as well as in the Capital Requirement Directive (CRD), the latter of which has been implemented into national regulation in Denmark.

As of 30 June 2024, the Saxo Bank Group continued to have a strong capital position with a comfortable buffer to the regulatory requirements.

DKK million	30 June 2024		31 December 2023	
Common equity tier 1 capital (CET1)	3,368	20.4%	3,973	24.5%
Total tier 1 capital	3,817	23.1%	4,422	27.3%
Total capital	4,556	27.5%	5,161	31.8%

The net profit for the first half of 2024 has not been included in the regulatory capital. However, if including the net profit for the first half of 2024, the CET1 and total capital ratios would stand at 23.1% and 30.2%, respectively.

As of 30 June 2024, the Saxo Bank Group's Internal Capital Adequacy Assessment Process (ICAAP) resulted in a capital requirement of 12.6% of the Risk Exposure Amount (REA), equivalent to DKK 2.1 billion. The total REA of the Saxo Bank Group was DKK 16.5 billion as of 30 June 2024.

The total capital buffer is defined as the capital which is held above the ICAAP requirement and the combined buffer requirement, measured as a percentage of REA.

%	30 June 2024	31 December 2023
CET 1 buffer	9.2	14.0
Total capital buffer	10.9	16.1

The CET1 buffer stands at DKK 2.0 billion, equivalent to 11.9% of REA when including the net profit for the first half of 2024.

The ICAAP Q2 2024 report provides additional information on Saxo Bank A/S's and the Saxo Bank Group's total capital, including regulatory capital disclosures, REA and capital requirements.

Liquidity

As of 30 June 2024, the Saxo Bank Group had a Liquidity Coverage Ratio (LCR) of 301.0% and a Net Stable Funding Ratio (NSFR) of 354.3% thereby meeting the regulatory minimum requirements as well as the internal Board approved requirement (ILAAP) by a safe margin. The LCR and NSFR for Saxo Bank A/S were 312.3% and 324.6%, respectively.

Rating

During the first half of 2024, Standard & Poor's upgraded Saxo Bank's credit rating to A- from BBB.

Saxo Bank Issuer Credit Rating:	A-
Outlook:	Negative
Rating Agency:	Standard & Poor's
Rating date:	8 May 2024

SIFI

Saxo Bank A/S was appointed Systemically Important Financial Institutions (SIFI) by the Danish FSA in June 2023.

As a SIFI institution, Saxo Bank A/S will be subject to a 1% SIFI capital buffer from 31 December 2024 and a SIFI MREL requirement phased-in during the period from 1 January 2024 to 1 January 2029. To cover the increased MREL requirement, a senior non-preferred (SnP) issuance of EUR 150 million was issued in March 2024 and the Group expects to issue more MREL eligible liabilities to cover the increasing requirement.

Saxo Bank receives an annual SIFI MREL requirement. Per 30 June 2024, Saxo Bank covered its phased-in MREL requirement using regulatory capital and SnP debt.

The Supervisory Diamond

The Danish FSA applies four specific risk indicators and guidance values for Danish banks, known as the Supervisory Diamond.

The liquidity measure in the Supervisory Diamond uses Liquidity Coverage Ratio (LCR) with a three-month forward-looking approach, as opposed to the 30-day outflow period in the LCR key figure.

Saxo Bank A/S	Guidance value	30 June 2024	31 December 2023 ¹⁾
Sum of large exposures ²⁾	<175	20.9	36.4
Lending growth	<20	-29.4	-24.6
Property exposure	<25	4.8	4.9
Liquidity requirement ratio ²⁾	>100	294.0	271.9

¹⁾ Comparative figures have been restated due to the merger between Saxo Bank A/S and BinckBank N.V., except from ratios also applied in regulatory reporting.

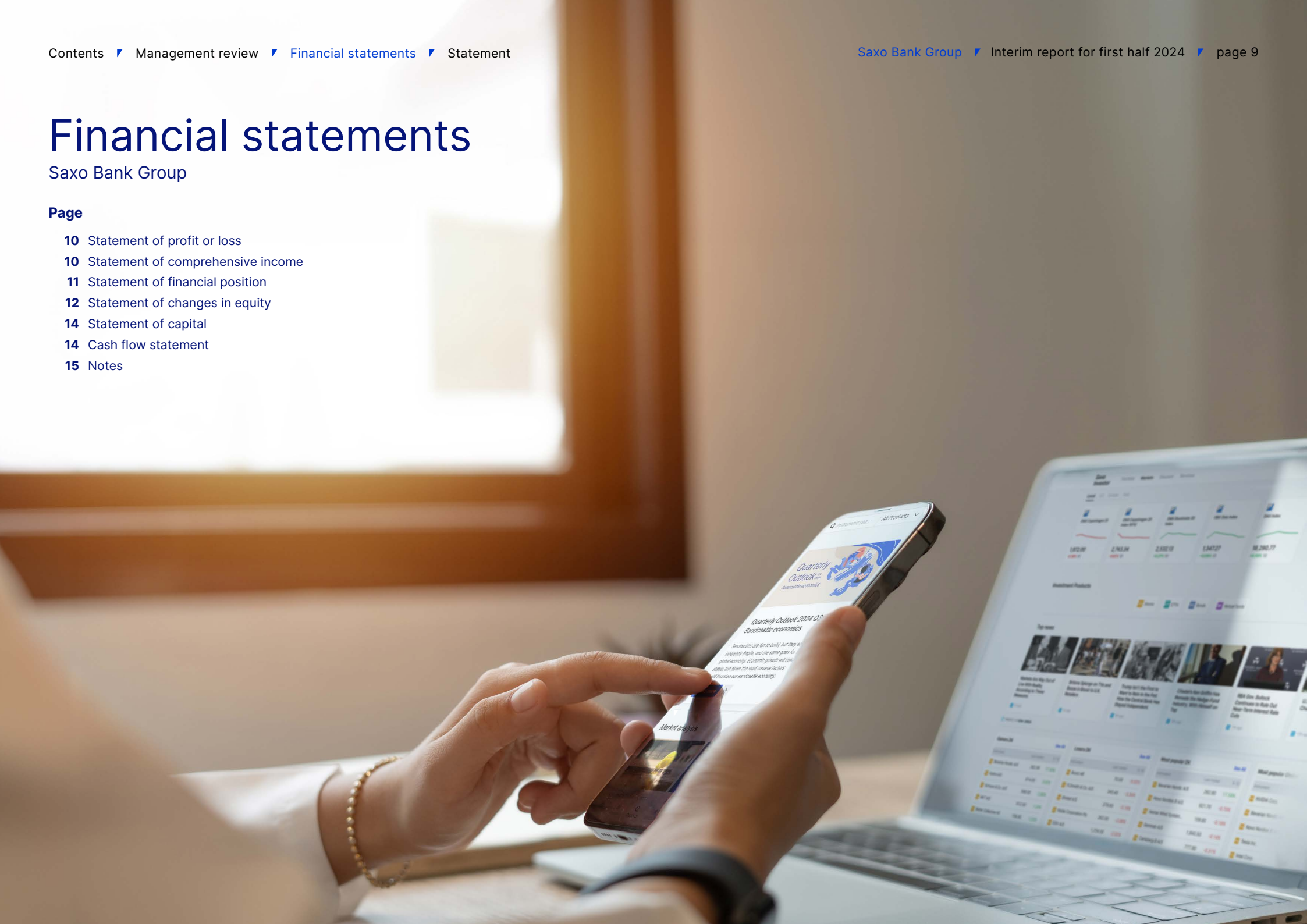
²⁾ Ratios applied in regulatory reporting.

Financial statements

Saxo Bank Group

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Statement of profit or loss

DKK million	Note	First half 2024	First half 2023
Interest income calculated using the effective interest method	1	1,497	971
Other interest income	1	907	807
Interest expense	2	-1,264	-824
Fee and commission income	3	1,456	1,353
Fee and commission expense	4	-781	-664
Price and exchange rate adjustments	5	500	594
Other income		2	4
Total income		2,318	2,242
Staff costs and administrative expenses		-1,436	-1,380
Amortisation, depreciation and impairment		-242	-329
Other expenses		-9	-18
Impairment charges financial assets etc.		2	5
Total operating expenses		-1,685	-1,722
Operating profit		632	520
Share of net profit/loss from joint ventures		-	-108
Profit before tax		632	413
Tax		-168	-131
Net profit		464	282
Attributable to:			
Shareholders of Saxo Bank A/S		446	266
Additional tier 1 capital holders		18	18
Non-controlling interests		0	-2
Net profit		464	282

Statement of comprehensive income

DKK million	First half 2024	First half 2023
Net profit	464	282
Other comprehensive income		
Remeasurement of defined benefit plans	-15	-4
Tax	3	1
Net total, that will not be reclassified to profit or loss in subsequent periods	-12	-3
Exchange rate adjustments foreign entities	-12	-23
Hedge of net investments in foreign entities	-7	46
Reclassification to statement of profit or loss due to divestment of joint venture	-	-2
Share of other comprehensive income in joint ventures, net of tax	-	-17
Tax	2	-12
Net total, that may be reclassified to profit or loss in subsequent periods	-17	-7
Total other comprehensive income	-29	-10
Total comprehensive income	435	272
Attributable to:		
Shareholders of Saxo Bank A/S	416	256
Additional tier 1 capital holders	18	18
Non-controlling interests	0	-2
Total comprehensive income	435	272

Statement of financial position

DKK million	Note	30 June 2024	31 December 2023
Assets			
Cash in hand and demand deposits with central banks	7	37,914	38,766
Receivables from credit institutions and central banks	7	4,339	5,177
Financial assets at fair value	6, 8	15,485	13,743
Bonds at amortised cost	7, 8	27,425	23,883
Loans and other receivables at amortised cost	7, 8	3,017	3,217
Current tax assets		281	217
Assets held for sale	9	101	-
Intangible assets		2,686	2,693
Tangible assets		1,158	1,206
Deferred tax assets		17	21
Other assets		444	459
Total assets		92,866	89,381

DKK million	Note	30 June 2024	31 December 2023
Liabilities			
Debt to credit institutions and central banks		3,571	3,543
Financial liabilities at fair value	6, 8	8,114	7,198
Deposits		70,851	70,108
Current tax liabilities		178	130
Other liabilities		740	867
Liabilities held for sale	9	98	-
Deferred tax liabilities		105	159
Provisions		226	257
Non-preferred senior bonds	10	1,142	-
Subordinated debt	11	1,558	752
Total liabilities		86,582	83,015
Equity			
Share capital		74	74
Reserves		1,364	1,382
Retained earnings		4,394	4,452
Equity, shareholders of Saxo Bank A/S		5,831	5,907
Additional tier 1 capital		452	452
Non-controlling interests		-	6
Total equity	12	6,284	6,366
Total liabilities and equity		92,866	89,381

Statement of changes in equity

DKK million

Shareholders of Saxo Bank A/S

2024	Share capital	Share premium reserve	Translation reserve	Revaluation reserve	Reserves	Retained earnings	Proposed dividend	Total	Additional tier 1 capital	Non-controlling interests	Total equity
Equity at 1 January	74	996	333	52	1,382	4,452	-	5,907	452	6	6,366
Net profit	-	-	-	-	-	446	-	446	18	0	464
Other comprehensive income											
Exchange rate adjustments foreign entities	-	-	-12	-	-12	-	-	-12	-	0	-12
Hedge of net investments in foreign entities	-	-	-7	-	-7	-	-	-7	-	-	-7
Revaluation of domicile properties	-	-	-	-0	-0	0	-	-	-	-	-
Remeasurement of defined benefit plans	-	-	-	-	-	-15	-	-15	-	-	-15
Tax	-	-	2	0	2	3	-	5	-	-	5
Total other comprehensive income	-	-	-18	-0	-18	-12	-	-29	-	0	-29
Total comprehensive income	-	-	-18	-0	-18	434	-	416	18	0	435
Transactions with owners											
Tier 1 interest payment	-	-	-	-	-	-	-	-	-18	-	-18
Declared and paid dividend	-	-	-	-	-	-480	-	-480	-	-	-480
Share-based payments	-	-	-	-	-	4	-	4	-	-	4
Transactions with non-controlling interests	-	-	-	-	-	5	-	5	-	10	15
Put option on non-controlling interests	-	-	-	-	-	-21	-	-21	-	-17	-39
Equity at 30 June	74	996	316	52	1,364	4,394	-	5,831	452	-	6,284

Statement of changes in equity

DKK million

Shareholders of Saxo Bank A/S

	Share capital	Share premium reserve	Translation reserve	Revaluation reserve	Reserves	Retained earnings	Proposed dividend	Total	Additional tier 1 capital	Non-controlling interests	Total equity
> 2023											
Equity at 1 January	75	996	303	52	1,352	4,818	411	6,656	452	10	7,118
Net profit	-	-	-	-	-	266	-	266	18	-2	282
Other comprehensive income											
Exchange rate adjustments foreign entities	-	-	-23	-	-23	-	-	-23	-	-	-23
Hedge of net investments in foreign entities	-	-	46	-	46	-	-	46	-	-	46
Reclassification to statement of profit or loss due to divestment of joint venture	-	-	-2	-	-2	-	-	-2	-	-	-2
Revaluation of domicile properties	-	-	-	-0	-0	0	-	-	-	-	-
Remeasurement of defined benefit plans	-	-	-	-	-	-4	-	-4	-	-	-4
Share of other comprehensive income in joint ventures, net of tax	-	-	-17	-	-17	-	-	-17	-	-	-17
Tax	-	-	-12	0	-12	1	-	-11	-	-	-11
Total other comprehensive income	-	-	-7	-0	-7	-3	-	-10	-	-	-10
Total comprehensive income	-	-	-7	-0	-7	263	-	256	18	-2	272
Transactions with owners											
Tier 1 interest payment	-	-	-	-	-	-	-	-	-18	-	-18
Treasury shares purchased ¹⁾	-	-	-	-	-	-300	-	-300	-	-	-300
Declared dividend	-	-	-	-	-	-	-411	-411	-	-	-411
Share-based payments	-	-	-	-	-	6	-	6	-	-	6
Equity at 30 June	75	996	297	52	1,345	4,786	-	6,206	452	8	6,666

¹⁾ The treasury shares were received from Geely Financials Denmark A/S as consideration for the divestment of the 50% interest in Saxo Geely Tech Holding A/S.

Statement of capital

DKK million	30 June 2024 ¹⁾	31 December 2023
Tier 1 capital		
Equity end of the reporting period	5,831	5,907
Adjustment net profit for shareholders of Saxo Bank A/S	-446	-
Intangible assets	-2,116	-2,025
Deferred tax liabilities, intangible assets	122	117
Deferred tax assets	-0	-4
Prudent valuation adjustments	-24	-21
Common equity tier 1 capital (net after deduction)	3,368	3,973
Additional tier 1 capital	448	448
Total tier 1 capital	3,817	4,422
Tier 2 capital		
Subordinated debt	740	740
Total tier 2 capital	740	740
Total capital	4,556	5,161
Risk exposure amounts		
Credit risk	7,326	7,021
Market risk	832	811
Operational risk	8,379	8,379
Total risk exposure amounts	16,538	16,212
Capital ratios		
Common equity tier 1 capital ratio	20.4%	24.5%
Tier 1 capital ratio	23.1%	27.3%
Total capital ratio	27.5%	31.8%

¹⁾ Net profit for the first half of 2024 is not included in the total capital base.

Total capital is calculated in accordance with the Capital Requirement Regulation (CRR).

Cash flow statement

DKK million	Note	First half 2024	First half 2023
Cash flow from operating activities			
Profit before tax		632	413
Taxes paid		-209	-134
Adjustment for non-cash operating items:			
Share of net profit/loss from joint ventures		-	108
Amortisation, depreciation and impairment		242	329
Impairment charges financial assets etc.		-2	-5
Other non-cash operating items		-87	81
Changes in operating capital	13	-3,382	11,412
Cash flow from operating activities		-2,805	12,203
Cash flow from investing activities			
Acquisition of intangible and tangible assets		-222	-278
Cash flow from investing activities		-222	-278
Cash flow from financing activities			
Paid interest on additional tier 1 capital		-18	-18
Dividends paid to shareholders		-480	-411
Transactions with non-controlling interests		10	-
Repayments on lease commitments		-21	-31
Issuance of non-preferred senior bonds, net of transaction costs	10	1,111	-
Issuance of tier 2 capital, net of transaction costs	11	740	-
Cash flow from financing activities		1,343	-461
Net increase/(decrease) in cash and cash equivalents		-1,684	11,464
Cash and cash equivalents at 1 January		43,937	24,054
Cash and cash equivalents at 30 June		42,252	35,518
Cash in hand and demand deposits with central banks		37,914	32,023
Amounts due from credit institutions and central banks within three months		4,339	3,494
Cash and cash equivalents at 30 June		42,252	35,518

Total income

Notes

DKK million	First half 2024	First half 2023
1 Interest income		
Credit institutions and central banks	1,164	654
Bonds at amortised cost	227	207
Loans and other receivables at amortised cost	105	110
Total interest income calculated using the effective interest method	1,497	971
Derivative financial instruments	907	807
Total other interest income	907	807
Total interest income	2,404	1,778
2 Interest expense		
Credit institutions and central banks	-23	-13
Deposits	-1,111	-613
Bonds at amortised cost	-	-5
Non-preferred senior bonds	-21	-
Subordinated debt	-46	-31
Interest expense leases	-4	-4
Total interest expense calculated using the effective interest method	-1,205	-666
Derivative financial instruments	-59	-158
Total other interest expense	-59	-158
Total interest expense	-1,264	-824

DKK million	First half 2024	First half 2023
3 Fee and commission income		
Trading with securities and derivative financial instruments	1,402	1,289
Asset management fees	18	18
Other fee and commissions income	36	46
Total fee and commission income	1,456	1,353
4 Fee and commission expense		
Trading with securities and derivative financial instruments	-776	-659
Other fee and commission expense	-5	-5
Total fee and commission expense	-781	-664
5 Price and exchange rate adjustments		
Listed securities	218	359
Foreign exchange	381	442
Derivative financial instruments ¹⁾	-99	-168
Disposal of bonds at amortised cost	-	-39
Total price and exchange rate adjustments	500	594

¹⁾ Other than foreign exchange.

Listed securities are used to economically hedge exposures on CFDs on single stocks issued by the Saxo Bank Group. As a result, fair value adjustments of listed securities are to a large extent offset by fair value adjustments of CFDs recognised in derivative financial instruments.

In 2023, the Saxo Bank Group disposed a portion of its bond portfolio, which was held at amortised cost, to enhance the Group's liquidity position. This was done after increased liquidity market turmoil in March 2023. Total bonds disposed amounted to DKK 13.3 billion and resulted in an immediate loss of DKK 39 million.

Statement of financial position

Notes

DKK million	30 June 2024	31 December 2023
6 Financial assets and financial liabilities at fair value		
Derivative financial instruments with positive fair value	10,767	9,712
Listed securities	4,639	3,986
Interest swaps (fair value hedge)	76	41
Investment securities	4	3
Total financial assets at fair value	15,485	13,743
Derivative financial instruments with negative fair value	7,618	6,967
Interest swaps (fair value hedge)	-	13
Obligation to repurchase securities	496	218
Total financial liabilities at fair value	8,114	7,198

Listed securities are used to economically hedge exposure on CFDs on single stocks issued by the Saxo Bank Group, see note 5, Price and exchange rate adjustments.

Statement of financial position

Notes

DKK million	30 June 2024				31 December 2023			
7 Impairment charges financial assets etc.	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Financial assets at amortised costs before allowance								
Demand deposits with central banks	37,917	-	-	37,917	38,770	-	-	38,770
Receivables from credit institutions and central banks	4,342	-	-	4,342	5,181	-	-	5,181
Loans and other receivables at amortised cost ¹⁾	3,017	-	10	3,027	3,217	-	8	3,225
Bonds at amortised cost	27,428	-	-	27,428	23,887	-	-	23,887
Guarantees	61	-	-	61	58	-	-	58
Total	72,765	-	10	72,775	71,113	-	8	71,121
Impairment allowance								
Demand deposits with central banks	4	-	-	4	4	-	-	4
Receivables from credit institutions and central banks	3	-	-	3	4	-	-	4
Loans and other receivables at amortised cost ¹⁾	-	-	10	10	-	-	8	8
Bonds at amortised cost	3	-	-	3	4	-	-	4
Total	9	-	10	19	13	-	8	21

¹⁾ Loans at amortised cost are fully collateralised by listed securities.

The Risk management note 6 in the Annual Report for 2023 contains a detailed description of the Group's credit risk.

Statement of financial position

Notes

DKK million

30 June 2024

31 December 2023

8 Classification and measurement of financial instruments

Fair value hierarchy

	Quoted market price Level 1	Observable input Level 2	Non- observable input Level 3	Total fair value	Total carrying amount	Quoted market price Level 1	Observable input Level 2	Non- observable input Level 3	Total fair value	Total carrying amount
Financial assets and liabilities recognised at fair value										
Listed securities	4,639	-	-	4,639	4,639	3,986	-	-	3,986	3,986
Derivative financial instruments with positive value ¹⁾	-	10,843	-	10,843	10,843	-	9,753	-	9,753	9,753
Investment securities	-	-	4	4	4	-	-	3	3	3
Derivative financial instruments with negative value ¹⁾	-	7,618	-	7,618	7,618	-	6,980	-	6,980	6,980
Obligation to repurchase securities	-	496	-	496	496	-	218	-	218	218
Financial assets and liabilities recognised at amortised cost for which the carrying amount is not a reasonable approximation of the fair value										
Bonds at amortised cost	-	27,230	-	27,230	27,425	-	23,534	-	23,534	23,883
Loans and other receivables at amortised cost	-	-	3,004	3,004	3,017	-	-	3,208	3,208	3,217
Non-preferred senior bonds	-	-	1,163	1,163	1,142	-	-	-	-	-
Subordinated debt	-	-	1,568	1,568	1,558	-	-	737	737	752

¹⁾ Including interest swaps used for fair value hedge.

Statement of financial position

Notes

DKK million	30 June 2024	31 December 2023
8 Classification and measurement of financial instruments		
Financial instruments measured at the basis of non-observable input level 3		
Fair value at 1 January	3	380
Disposals	-	-373
Gains and losses recognised in statement of profit or loss:		
Unrealised fair value adjustments	1	-3
Total fair value end of period - level 3	4	3

The fair value adjustments through statement of profit or loss are recognised in Price and exchange rate adjustments.

At 30 June 2024 and 31 December 2023, financial instruments (level 3) consisted of investment securities.

In 2023, loan notes of DKK 267 million were disposed as part of the divestment of the 50% interest in Saxo Geely Tech Holding A/S.

Financial instruments measured at fair value

Financial assets and liabilities traded in active markets for identical assets or liabilities are measured at fair value based on quoted market prices. Listed securities are measured based on quoted prices and classified as level 1.

Exchange traded products e.g. structured products, securities, ETO, futures are valued using interbank quoted prices, however, differentiation of whether the market is active or not, is not assessed and due to this, the instruments are classified as level 2.

For OTC derivatives, e.g. CFDs and FX instruments, quoted prices are not available, however the most significant input in the valuation is the quoted price for the underlying asset. Such derivatives are classified as level 2 as quoted prices are not available for identical products.

CFDs on Futures, CFDs on Indices, FX Forwards and FX Options are measured based on industry standard valuation models and classified as level 2.

If quoted prices are not available, fair value is established using interbank quoted prices or valuation techniques. Interbank quoted prices are generally provided by several other major financial institutions. Valuation techniques used are different standard option pricing models. In most cases, the valuation is substantially based on observable input, such as interbank quoted prices and implied volatility. If the elements of unobservable inputs constitute a significant part in the valuation of the financial assets or liabilities these are classified as level 3.

The Saxo Bank Group has an ongoing process of assessing the valuation technique and changes in the valuation process are implemented when relevant.

Financial instruments measured at amortised cost

For financial assets and liabilities measured at amortised costs, the fair value disclosed is based on quoted market prices, if available (classified as level 1). If quoted prices are not available, the value is approximated to reflect the price that would have been fixed had the terms been agreed at the reporting date (classified as level 2 or 3).

For bonds at amortised cost, fair value is based on quoted prices if traded in an active market. The fair value measurement for covered bonds, where quoted prices are not deemed an accurate market-based measurement, is based on a quote from the primary market maker.

The fair value of loans and receivables at amortised cost is based on measurement models such as discounted cash flow models. The significant variables in the measurement model are interest, expected early redemption rates and expected credit loss.

For non-preferred senior bonds and subordinated debt, an estimate of the current return required by the market is applied to measure the fair value.

Statement of financial position

Notes

9 Assets and liabilities held for sale

Businesses classified as held for sale

At 30 June 2024, one business (31 December 2023: none) was classified as held for sale comprising our office in Australia as a result of Saxo Bank's announcement of the intention to divest the business within 1 year.

DKK million	30 June 2024
Financial assets at fair value	82
Other assets	19
Assets held for sale	101
Financial liabilities at fair value	91
Other liabilities	7
Liabilities held for sale	98

10 Non-preferred senior bonds

In March 2024, Saxo Bank A/S issued for nominal EUR 150 million fixed to floating non-preferred senior notes with maturity on 25 March 2028. Non-preferred senior bonds rank senior to subordinated debt and junior to other debt. The notes can be optionally redeemed by Saxo Bank A/S on 25 March 2027. The interest rate is a fixed rate of 5.750% until the optional redemption date thereafter 3 months Euribor plus 2.750%.

Fair value hedge

The Saxo Bank Group uses interest rate swaps to manage the interest rate risk on non-preferred senior notes. At 30 June 2024, interest rate swaps were in place with a notional amount of DKK 1,119 million, whereby a fixed rate on the hedged items is swapped into a floating Euribor 3-month rate. The hedging instrument is entered into with same time to maturity and same notional amount as the hedged item.

11 Subordinated debt

In May 2024, Saxo Bank A/S issued for nominal EUR 100 million fixed to fixed subordinated notes with maturity on 2 August 2034. The tier 2 notes constitute direct, unsecured and subordinated debt obligation of Saxo Bank A/S. The tier 2 notes can be optionally redeemed by Saxo Bank A/S from 2 May 2029 to 2 August 2029. The interest rate is a fixed rate of 6.75% until first reset date after 5 years and 3 months after which the interest rate is fixed at the EUR mid-swap plus 3.816%.

Fair value hedge

The Saxo Bank Group uses interest rate swaps to manage the interest rate risk on tier 2 capital. At 30 June 2024, interest rate swaps were in place with a notional amount of DKK 1,492 million (2023: DKK 745 million), whereby a fixed rate on the hedged items is swapped into a floating Euribor 3-month rate. The hedging instrument is entered into with same time to maturity and same notional amount as the hedged item.

12 Equity

In June 2024, an interim dividend of DKK 6.51 per share equivalent to a total dividend of DKK 479,747,282 was declared (30 June 2023: DKK 0) for Saxo Bank A/S.

Cash flow statement

Notes

DKK million	First half 2024	First half 2023
13 Changes in operating capital		
Receivables from credit institutions and central banks	4	5
Financial assets/liabilities at fair value	-826	-1,279
Loans and other receivables at amortised cost	204	74
Bonds at amortised cost	-3,535	15,395
Other assets	-29	-139
Debt to credit institutions and central banks	30	-597
Deposits	898	-2,085
Other liabilities and provisions	-128	38
Total changes in operating capital	-3,382	11,412

Other disclosure requirements

Notes

DKK million	30 June 2024	31 December 2023
14 Assets deposited as collateral		
Cash in hand and demand deposits with central banks	389	372
Receivables from credit institutions and central banks	1,197	1,053
Bonds at amortised cost	9,194	7,364
Loans and other receivables at amortised cost	236	110

Receivables from credit institutions and bonds serve as collateral for the ongoing financial business with credit institutions. The actual demand for collateral varies from day to day in line with the fair value of the open positions against these credit institutions.

Bonds, loans and other receivables and receivable from credit institutions also serve as collateral for securities lending transactions with clients.

Other disclosure requirements

Notes

DKK million	30 June 2024	31 December 2023
15 Contingent and other contractual commitments		
Financial guarantees	61	58
Total guarantees, net of allowance	61	58
Purchase obligations	408	473
Total other contractual commitments	408	473

In the ordinary course of business, the Saxo Bank Group is party in certain disputes and legal proceedings, including tax matters and ongoing dialogue with local financial supervision authorities.

Management continuously assesses these risks and their likely outcome. It is management's assessment that these disputes and proceedings will not have a material impact on the financial position of the Group beyond what is already recognised in the statement of financial position.

Tax audits and other tax related cases are ongoing. Management has assessed that the provision made for uncertain tax positions not yet settled with the local tax authorities are adequate. However, the actual obligation may differ and is subject to the results of the cases with the relevant tax authorities.

Based on the Danish FSA's inspection in May 2023 focused on the anti-money laundering procedures and processes related to white label partners and financial clients within the institutional business area, Saxo Bank A/S has received 12 enforcement orders in February 2024. Whether or not a penalty will be imposed for this, and the amount of any such penalty, remains uncertain at present, and therefore no provision is allocated to this possibility.

Other dialogues with financial supervision authorities are ongoing in the Group's entities. Management has assessed that the provision made for uncertainties related to these dialogues are adequate, based on the Group's current knowledge. However, the actual obligation may differ and is subject to decisions made by the relevant authorities.

Saxo Bank A/S (former BinckBank N.V.) has as part of an acquisition in 2007 acquired the Alex Bottom-Line product, which is an agreement with the Dutch Investors' Association. If Saxo Bank A/S terminates this agreement, it will be liable to pay an amount equal to the custody fee and dividend commission paid by each client of Alex Bottom-Line on entry into the agreement, plus the amount of any custody fee and dividend commission additionally paid by each client on exceeding set limits. It is impractical to estimate the financial effect based on available information.

As required by Danish legislation, Saxo Bank A/S and its Danish subsidiaries entered from 14 September 2018 into a Danish joint taxation with Geely Financials Denmark A/S. Geely Financials Denmark A/S is the administration company. Saxo Bank A/S and its Danish subsidiaries are together with Geely Financials Denmark A/S jointly and severally liable for Danish corporate taxes and withholding taxes related to interests, royalties and dividends for the entities in the joint taxation.

16 Events after the reporting date

EUR 100 million tier 2 subordinated debt was redeemed at first possible call in July 2024. The regulatory approval has been granted and the redeemed subordinated debt is not included in the regulatory capital as per end of 30 June 2024 in line with regulations.

After the reporting date, there have been no other events that materially affected the assessment of the Interim Report 2024.

Key figures and ratios

Notes

	First half 2024	First half 2023		First half 2024	First half 2023
17.1 Key figures and ratios					
Statement of profit or loss (DKK million)					
Net interest, fees and commissions	1,816	1,644	Total capital ratio	27.5%	31.9%
Price and exchange rate adjustments	500	594	Tier 1 capital ratio	23.1%	27.3%
Other income	2	4	Return on equity before tax ¹⁾	19.3%	11.7%
Total income	2,318	2,242	Return on equity after tax ¹⁾	14.2%	8.0%
Staff costs and administrative expenses	-1,436	-1,380	Income/cost ratio	137.5%	124.0%
Amortisation, depreciation and impairment	-242	-329	Interest rate risk/tier 1 capital	3.0%	6.4%
Operating profit	632	520	Foreign exchange rate risk/tier 1 capital	6.7%	2.5%
Share of net profit/loss from joint ventures	-	-108	Value at risk of foreign exchange rate risk/tier 1 capital	0.2%	0.0%
Profit before tax	632	413	Loans and other receivables plus impairment charges/deposits	4.3%	6.2%
Net profit	464	282	Loans and other receivables proportional to total equity	0.48	0.63
Statement of financial position (DKK million)					
Loans and other receivables at amortised cost	3,017	4,179	Growth in loans and other receivables	-6.2%	-1.9%
Deposits	70,851	67,695	Liquidity coverage ratio	301.0%	294.3%
Non-preferred senior bonds	1,142	-	Sum of large exposures /CET1 capital	26.0%	11.9%
Subordinated debt	1,558	790	Loss and provisions ratio	-0.1%	-0.1%
Total equity	6,284	6,666	Return on assets ¹⁾	1.0%	0.6%
Total assets	92,866	87,746	¹⁾ Annualised.		
Other					
Client assets (DKK billion)	816	721			
Number of full-time equivalent staff (end of period)	2,353	2,460			

Definitions of key figures and ratios

Notes

17.2 Definitions of key figures and ratios

Common equity tier 1 capital (CET1)	Primarily paid-up share capital and retained earnings excluding intangible assets and other deductions.
Additional tier 1 capital	Issued capital instruments which are accounted for as equity instruments and are part of the tier 1 capital. Additional tier 1 capital ranks below tier 2 capital.
Tier 1 capital	Common equity tier 1 capital and additional tier 1 capital.
Tier 2 capital	Subordinated debt capital subject to certain restrictions.
Total capital	Tier 1 and tier 2 capital.
CET1 capital ratio	Common equity tier 1 capital as a percentage of risk exposure amounts.
Tier 1 capital ratio	Tier 1 capital as a percentage of risk exposure amounts.
Total capital ratio	Capital base as a percentage of risk exposure amounts.
Return on equity before tax	Profit before tax as a percentage of average total equity.
Return on equity after tax	Net profit as a percentage of average total equity.
Income/cost ratio	Total income, including share of net profit/loss from joint ventures, divided by expenses, including impairment charges.
Interest rate risk/tier1 capital	Interest rate risk under market risk as a percentage of tier 1 capital.
Foreign exchange rate risk/tier 1 capital	Foreign exchange rate risk as a percentage of tier 1 capital.
Value at risk of foreign exchange rate risk/tier 1 capital	Value at risk of foreign exchange rate risk as a percentage of tier 1 capital.
Loans and other receivables plus impairment charges/deposits	Loans and other receivables gross (before impairment charges) as a percentage of deposits.
Loans and other receivables proportional to total equity	Loans and other receivables proportional to total equity.
Growth in Loans and other receivables	Increase in loans and other receivables as a percentage of loans and other receivables the previous financial year.

Liquidity coverage ratio	Liquidity coverage ratio (LCR) measures the amount of high quality liquid assets as a percentage of the net liquidity outflow.
Sum of large exposures/CET1 capital	Large exposures as a percentage of CET1 capital.
Loss and provisions ratio	Loss and provisions for bad debt on Loans and other receivables as a percentage of Loans and other receivables plus Guarantees.
Return on assets	Net profit proportional to total assets.
Full-time-equivalent staff (end of period)	Number of full-time-equivalent staff (part-time staff calculated as full-time staff) end of period.

Alternative Performance Measures (APMs)

APMs are used by the Group when relevant to assess and describe the Group's financial position and provide additional relevant information and tools to enable analysis of the Group's performance. All these measures may not be comparable to similarly titled measures used by other companies.

Total income	Net interest, fees and commissions plus price and exchange rate adjustments plus other income.
Adjusted operating profit	Operating profit adjusted for restructuring costs, impairment charges on intangible assets, gains from disposal of IP rights and acquisition and integration costs.
Adjusted net profit	Net profit adjusted for restructuring costs, impairment charges on intangible assets, gains from disposal of IP rights, divestment gains and losses and acquisition and integration costs.
Cost/income ratio	Total operating expenses divided by total income and share of net profit/loss from joint ventures.
Adjusted cost/income ratio	Total operating expenses adjusted for restructuring costs, impairment charges on intangible assets, gains from disposal of IP rights and acquisition and integration costs divided by total income.
Adjusted return on equity after tax	Adjusted net profit as a percentage of average total equity.

Basis of preparation

Notes

18 Significant accounting estimates and judgements

In preparing Saxo Bank Group's financial statements, management makes various accounting estimates and judgements that form the basis of presentation, recognition and measurement of the Saxo Bank Group's assets, liabilities, income, and expenses. The estimates and judgements made are based on historical experience and other factors that management assesses to be reliable, but that, by nature, are associated with uncertainty and unpredictability and may therefore prove to be incomplete or incorrect. Uncertainty about these estimates and judgements could result in outcomes that require adjustments to the carrying amount of assets or liabilities in future periods.

Significant estimates and judgements are disclosed in note 11.1 in the Saxo Bank Group Annual Report for 2023 and are unchanged compared to 2023.

19 Accounting policies

Basis of preparation

The interim financial statements of Saxo Bank Group for the first half of 2024 have been prepared in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and additional Danish disclosure requirements for interim reports of financial institutions.

Saxo Bank Group's financial statements are presented in Danish kroner (DKK), which is the functional currency of Saxo Bank A/S. All amounts have been rounded to nearest DKK million, except otherwise stated. As a result, rounding discrepancies may occur because totals have been rounded off and the underlying decimals are not presented to financial statement users.

Note 11.2 in the Annual Report for 2023 contains a comprehensive description of Saxo Bank Group's accounting policies.

The accounting policies have not been changed compared to those applied in the Annual Report 2023, except that accounting policy for assets and liabilities held for sale and put option over non-controlling interests have been added.

Assets and liabilities held for sale

Assets and liabilities held for sale comprise assets and liabilities related to disposal groups held for sale, and are measured at the lower of their carrying amount and fair value less costs to sell. Once classified as held for sale, assets are not amortised or depreciated.

Assets held for sale are presented in separate lines of the statement of financial position and specified in the notes. Comparative figures are not restated.

Put option over non-controlling interests

Put options over non-controlling interests where the parent does not have a present ownership interest are at each reporting date recognised as a liability at present value of the expected payments on exercise of the put option and non-controlling interests are derecognised. Any difference between the liability and non-controlling interests is recognised directly in retained earnings in the equity allocated to the shareholders of Saxo Bank A/S.

Implementation of IFRS standards and amendments relevant and applicable from 1 January 2024:

- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback

Implementation of the amendments has not entailed any changes to the accounting policies.

Changes to comparative figures

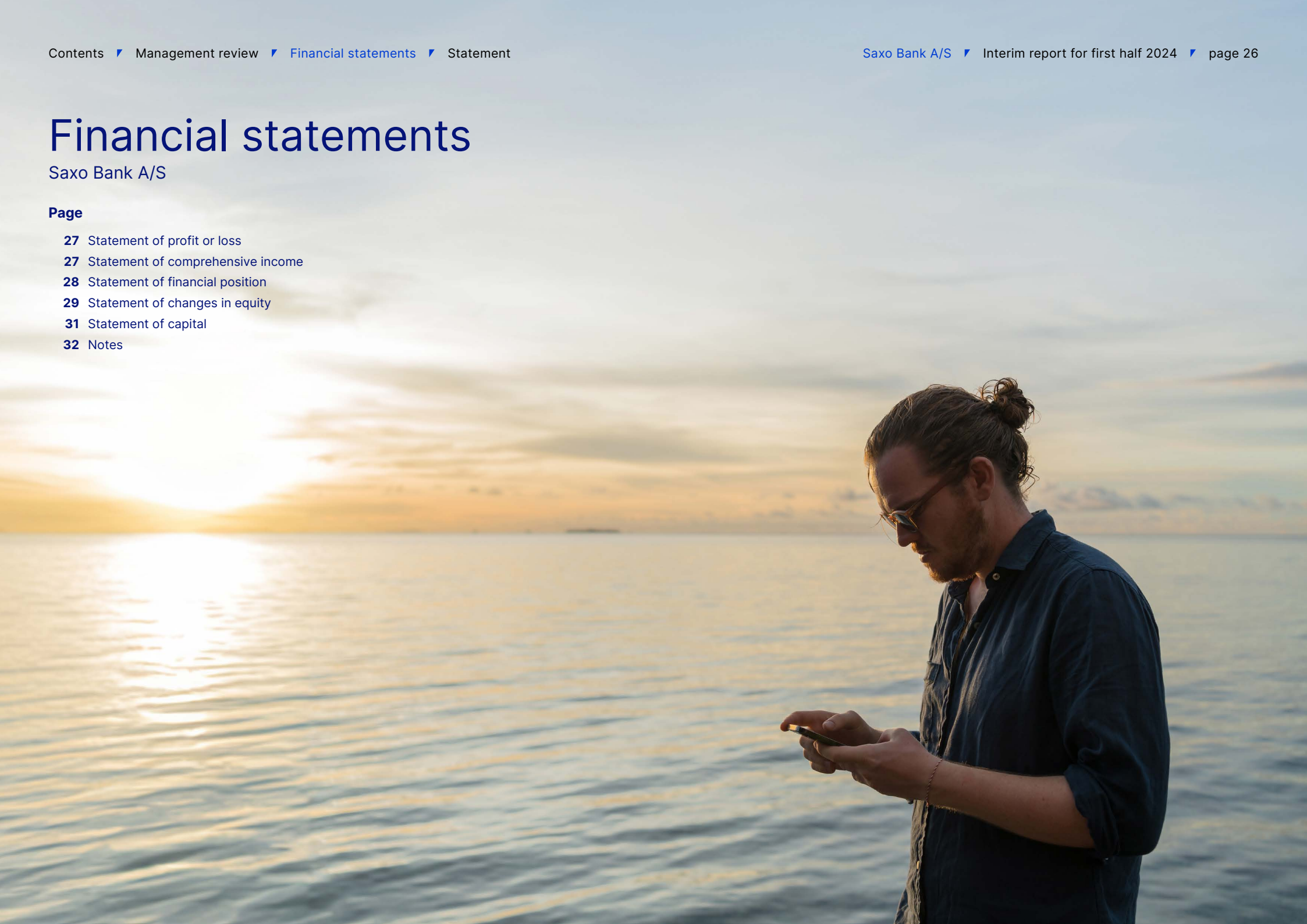
Certain insignificant changes have been made to the comparative figures for 2023 due to reclassifications.

Financial statements

Saxo Bank A/S

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Statement of profit or loss

DKK million	Note	First half 2024	First half 2023 ¹⁾
Interest income	1	2,006	1,459
Interest expense	2	-1,085	-711
Net interest income		920	748
Fee and commission income		1,417	1,310
Fee and commission expense		-1,031	-893
Net interest, fees and commissions		1,306	1,165
Price and exchange rate adjustments	3	514	589
Operating income		1,820	1,754
Other income		24	20
Staff costs and administrative expenses		-1,213	-1,198
Amortisation, depreciation and impairment		-227	-312
Other expenses		-8	-16
Impairment charges financial assets etc.	4	3	4
Result from subsidiaries and joint ventures		193	101
Profit before tax		591	353
Tax		-123	-69
Net profit		469	284
Attributable to:			
Equity method reserve		146	-29
Retained earnings		-176	295
Declared interim dividend		480	-
Additional tier 1 capital holders		18	18
Net profit		469	284

¹⁾ Comparative figures have been restated as described in note 15, Accounting policies.

Statement of comprehensive income

DKK million	First half 2024	First half 2023 ¹⁾
Net profit	469	284
Other comprehensive income		
Other comprehensive income in subsidiaries, net of tax	-12	-3
Net total that will not be reclassified to profit or loss in subsequent periods	-12	-3
Exchange rate adjustments foreign entities	-12	-23
Hedge of net investments in foreign entities	-7	46
Reclassification to statement of profit or loss due to divestment of joint venture	-	-2
Share of other comprehensive income in joint ventures, net of tax	-	-17
Tax	2	-12
Net total that may be reclassified to profit or loss in subsequent periods	-17	-7
Total other comprehensive income	-29	-10
Total comprehensive income	439	274
Attributable to:		
Equity method reserve	117	-41
Retained earnings	305	297
Additional tier 1 capital holders	18	18
Total comprehensive income	439	274

Statement of financial position

DKK million	Note	30 June 2024	31 December 2023 ¹⁾	31 December 2022 ¹⁾
Assets				
Cash in hand and demand deposits with central banks		35,595	36,490	16,906
Receivables from credit institutions and central banks		3,523	4,531	4,158
Loans and other receivables at amortised cost		3,091	3,393	4,501
Bonds at amortised cost	5	27,425	23,883	45,295
Securities		4,642	3,989	857
Investments in subsidiaries held for sale	6	209	-	-
Investments in subsidiaries		3,019	3,076	3,086
Investments in joint ventures		-	-	418
Intangible assets		2,810	2,794	3,273
Tangible assets		450	475	511
Current tax assets		278	216	175
Deferred tax assets		0	1	0
Other assets		11,127	9,931	10,761
Prepayments		221	213	208
Total assets		92,387	88,993	90,148

¹⁾ Comparative figures have been restated as described in note 15, Accounting policies.

DKK million	Note	30 June 2024	31 December 2023 ¹⁾	31 December 2022 ¹⁾
Liabilities				
Debt to credit institutions and central banks		4,922	5,006	6,322
Deposits		69,353	68,575	68,049
Current tax liabilities		98	39	37
Other liabilities		8,714	7,855	7,233
Non-preferred senior bonds	7	1,142	-	-
Total debt		84,229	81,475	81,641
Deferred tax liabilities		111	163	374
Provision for guarantees		-	-	9
Other provisions		183	244	287
Total provisions		294	407	670
Subordinated debt	8	1,558	752	729
Equity				
Share capital		74	74	75
Share premium reserve		996	996	996
Equity method reserve		1,878	1,761	1,862
Retained earnings		2,906	3,076	3,311
Proposed dividend		-	-	411
Shareholders of Saxo Bank A/S		5,854	5,907	6,656
Additional tier 1 capital		452	452	452
Total equity	9	6,306	6,360	7,109
Total liabilities and equity		92,387	88,993	90,148

Statement of changes in equity

DKK million

2024	Share capital	Share premium reserve	Equity method reserve	Retained earnings	Proposed dividend	Total	Additional tier 1 capital	Total
Equity at 1 January	74	996	1,761	3,076	-	5,907	452	6,360
Net profit	-	-	146	304	-	450	18	469
Other comprehensive income								
Exchange rate adjustments foreign entities	-	-	-14	2	-	-12	-	-12
Hedge of net investments in foreign entities	-	-	-6	-2	-	-7	-	-7
Other comprehensive income in subsidiaries, net of tax	-	-	-12	-	-	-12	-	-12
Tax	-	-	1	0	-	2	-	2
Total other comprehensive income	-	-	-30	1	-	-29	-	-29
Total comprehensive income	-	-	117	305	-	421	18	439
Transactions with owners								
Tier 1 interest payments	-	-	-	-	-	-	-18	-18
Declared and paid dividend	-	-	-	-480	-	-480	-	-480
Share-based payments	-	-	-0	4	-	4	-	4
Equity at 30 June	74	996	1,878	2,906	-	5,854	452	6,306

Statement of changes in equity

DKK million

> 2023	Share capital	Share premium reserve	Equity method reserve	Retained earnings	Proposed dividend	Total	Additional tier 1 capital	Total
Equity at 1 January	75	996	2,435	2,739	411	6,656	452	7,109
Reclassification of equity method reserve due to merger	-	-	-573	573	-	-	-	-
Restated equity at 1 January	75	996	1,862	3,311	411	6,656	452	7,109
Net profit	-	-	-29	295	-	266	18	284
Other comprehensive income								
Exchange rate adjustments foreign entities	-	-	-27	4	-	-23	-	-23
Hedge of net investments in foreign entities	-	-	50	-4	-	46	-	46
Reclassification to statement of profit or loss due to divestment of joint venture	-	-	-2	-	-	-2	-	-2
Other comprehensive income in subsidiaries, net of tax	-	-	-3	-	-	-3	-	-3
Share of other comprehensive income in joint ventures, net of tax	-	-	-17	-	-	-17	-	-17
Tax	-	-	-13	1	-	-12	-	-12
Total other comprehensive income	-	-	-12	1	-	-10	-	-10
Total comprehensive income	-	-	-41	297	-	256	18	274
Transactions with owners								
Tier 1 interest payments	-	-	-	-	-	-	-18	-18
Treasury shares purchased ¹⁾	-	-	-	-300	-	-300	-	-300
Declared dividend	-	-	-	-	-411	-411	-	-411
Share-based payments	-	-	1	5	-	6	-	6
Equity at 30 June	75	996	1,822	3,313	-	6,206	452	6,658

¹⁾ The treasury shares were received from Geely Financials Denmark A/S as consideration for the divestment of the 50% interest in Saxo Geely Tech Holding A/S.

Statement of capital

DKK million	30 June 2024 ¹⁾	31 December 2023 ²⁾
Tier 1 capital		
Equity end of the reporting period	5,854	5,907
Adjustment net profit for shareholders of Saxo Bank A/S	-450	
Intangible assets	-2,149	-1,846
Deferred tax liabilities, intangible assets	155	113
Deferred tax assets	-0	-0
Prudent valuation adjustments	-24	-20
Common equity tier 1 capital	3,385	4,155
Additional tier 1 capital	448	448
Total tier 1 capital	3,833	4,603
Tier 2 capital		
Subordinated debt	740	740
Total tier 2 capital	740	740
Total capital	4,573	5,343
Risk exposure amounts		
Credit risk	10,196	13,278
Market risk	798	811
Operational risk	6,602	4,386
Total risk exposure amounts	17,596	18,475
Capital ratios		
Common equity tier 1 capital ratio	19.2%	22.5%
Tier 1 capital ratio	21.8%	24.9%
Total capital ratio	26.0%	28.9%

¹⁾ Net profit for the first half of 2024 is not included in the total capital base.

²⁾ Comparative figures for the statement of capital have not been restated due to the merger between Saxo Bank A/S and BinckBank N.V., see note 15, Accounting policies.

Total capital is calculated in accordance with the Capital Requirement Regulation (CRR).

Operating income

Notes

DKK million	First half 2024	First half 2023
1 Interest income		
Credit institutions and central banks	794	352
Loans and other receivables at amortised cost	129	376
Bonds at amortised cost	227	207
Derivative financial instruments	856	525
Total interest income	2,006	1,459
2 Interest expense		
Credit institutions and central banks	-20	-16
Deposits	-946	-517
Bonds at amortised cost	-	-5
Non-preferred senior bonds	-21	-
Subordinated debt	-46	-31
Derivative financial instruments	-52	-142
Interest expense leases	-0	-0
Total interest expense	-1,085	-711

DKK million	First half 2024	First half 2023
3 Price and exchange rate adjustments		
Listed securities	218	359
Foreign exchange	372	446
Derivative financial instruments ¹⁾	-76	-176
Disposal of bonds at amortised cost	-	-39
Total price and exchange rate adjustments	514	589

¹⁾ Other than foreign exchange.

Listed securities are used to economically hedge exposures on CFDs on single stocks issued by the Saxo Bank Group. As a result, fair value adjustments of listed securities are to a large extent offset by fair value adjustments of CFDs recognised in derivative financial instruments.

In 2023, Saxo Bank A/S disposed a portion of its bond portfolio, which was held at amortised cost, to enhance Saxo Bank A/S's liquidity position. This was done after increased liquidity market turmoil in March 2023. Total bonds disposed amounted to DKK 13.3 billion and resulted in an immediate loss of DKK 39 million.

Statement of financial position

Notes

DKK million

30 June 2024

4 Impairment allowance for financial assets at amortised cost and guarantees

	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Impairment allowance 1 January	15	-	7	22
Impairment for the period	-	-	-	-
Reversal of impairment from previous years	-4	-	-	-4
Amounts written down	-	-	-7	-7
Impairment allowance end of reporting period	11	-	-0	11

DKK million

31 December 2023

	Stage 1 12 months ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Impairment allowance 1 January	24	-	10	34
Net changes due to merger	-7	-	11	4
Restated impairment allowance 1 January	17	-	21	38
Impairment for the period	0	-	-	0
Reversal of impairment from previous years	-3	-	-4	-7
Amounts written down	-	-	-10	-10
Impairment allowance end of reporting period	15	-	7	22

5 Bonds at amortised cost

The fair value of Bonds at amortised cost amounted to DKK 27,230 million at 30 June 2024 (31 December 2023: DKK 23,534 million).

6 Investments in subsidiaries held for sale

At 30 June 2024, one business (31 December 2023: none) was classified as held for sale comprising our subsidiary in Australia as a result of Saxo Bank's announcement of the intention to divest the business within 1 year.

	30 June 2024
DKK million	
Saxo Capital Markets Pty Ltd., Australia	209
Investments in subsidiaries held for sale	209

7 Non-preferred senior bonds

In March 2024, Saxo Bank A/S issued for nominal EUR 150 million fixed to floating non-preferred senior notes with maturity on 25 March 2028. Non-preferred senior bonds rank senior to subordinated debt and junior to other debt. The notes can be optionally redeemed by Saxo Bank A/S on 25 March 2027. The interest rate is a fixed rate of 5.750% until the optional redemption date thereafter 3 months Euribor plus 2.750%.

Fair value hedge

The Saxo Bank Group uses interest rate swaps to manage the interest rate risk on non-preferred senior notes. At 30 June 2024, interest rate swaps were in place with a notional amount of DKK 1,119 million, whereby a fixed rate on the hedged items is swapped into a floating Euribor 3-month rate. The hedging instrument is entered into with same time to maturity and same notional amount as the hedged item.

8 Subordinated debt

In May 2024, Saxo Bank A/S issued for nominal EUR 100 million fixed to fixed subordinated notes with maturity on 2 August 2034. The tier 2 notes constitute direct, unsecured and subordinated debt obligation of Saxo Bank A/S. The tier 2 notes can be optionally redeemed by Saxo Bank A/S from 2 May 2029 to 2 August 2029. The interest rate is a fixed rate of 6.75% until first reset date after 5 years and 3 months after which the interest rate is fixed at the EUR mid-swap plus 3.816%.

Fair value hedge

The Saxo Bank Group uses interest rate swaps to manage the interest rate risk on tier 2 capital. At 30 June 2024, interest rate swaps were in place with a notional amount of DKK 1,492 million (2023: DKK 745 million), whereby a fixed rate on the hedged items is swapped into a floating Euribor 3-month rate. The hedging instrument is entered into with same time to maturity and same notional amount as the hedged item.

9 Total equity

In June 2024, an interim dividend of DKK 6.51 per share equivalent to a total dividend of DKK 479,747,282 was declared (30 June 2023: DKK 0).

Other disclosure requirements

Notes

DKK million	30 June 2024	31 December 2023
10 Contingent and other contractual commitments		
Financial guarantees	39	36
Guarantees issued to subsidiaries	313	288
Total guarantees	353	323
Lease commitments towards subsidiaries	158	171
Purchase obligations	404	471
Total other contractual commitments	562	642

In the ordinary course of business, Saxo Bank A/S is party in certain disputes and legal proceedings, including tax matters and ongoing dialogue with local financial supervision authorities.

Management continuously assesses these risks and their likely outcome. It is management's assessment that these disputes and proceedings will not have a material impact on the financial position of Saxo Bank A/S beyond what is already recognised in the statement of financial position.

Tax audits and other tax related cases are ongoing. Management has assessed that the provision made for uncertain tax positions not yet settled with the local tax authorities are adequate. However, the actual obligation may differ and is subject to the results of the cases with the relevant tax authorities.

Based on the Danish FSA's inspection in May 2023 focused on the anti-money laundering procedures and processes related to white label partners and financial clients within the institutional business area, Saxo Bank A/S has received 12 enforcement orders in February 2024. Whether or not a penalty will be imposed for this, and the amount of any such penalty, remains uncertain at present, and therefore no provision is allocated to this possibility.

Other dialogues with financial supervision authorities are ongoing in Saxo Bank A/S's entities. Management has assessed that the provision made for uncertainties related to these dialogues are adequate, based on Saxo Bank A/S's current knowledge. However, the actual obligation may differ and is subject to decisions made by the relevant authorities.

Saxo Bank A/S (former BinckBank N.V.) has as part of an acquisition in 2007 acquired the Alex Bottom-Line product, which is an agreement with the Dutch Investors' Association. If Saxo Bank A/S terminates this agreement, it will be liable to pay an amount equal to the custody fee and dividend commission paid by each client of Alex Bottom-Line on entry into the agreement, plus the amount of any custody fee and dividend commission additionally paid by each client on exceeding set limits. It is impractical to estimate the financial effect based on available information.

As required by Danish legislation, Saxo Bank A/S and its Danish subsidiaries entered from 14 September 2018 into a Danish joint taxation with Geely Financials Denmark A/S. Geely Financials Denmark A/S is the administration company. Saxo Bank A/S and its Danish subsidiaries are together with Geely Financials Denmark A/S jointly and severally liable for Danish corporate taxes and withholding taxes related to interests, royalties and dividends for the entities in the joint taxation.

DKK million	30 June 2024	31 December 2023
11 Assets deposited as collateral		
Cash in hand and demand deposits with central banks	389	372
Receivables from credit institutions and central banks	1,197	1,053
Bonds at amortised cost	10,285	8,659
Loans and other receivables at amortised cost	236	110

Receivables from credit institutions and bonds serve as collateral for the ongoing financial business with credit institutions. The actual demand for collateral varies from day to day in line with the fair value of the open positions against these credit institutions.

Bonds, loans and other receivables and receivable from credit institutions also serve as collateral for securities lending transactions with clients.

12 Related parties

Related party transactions in the first half of 2024 were mainly with subsidiaries and were of the same nature as disclosed in note 6.1 in Saxo Bank A/S's Annual Report for 2023 (part of the Saxo Bank Group Annual Report).

13 Events after the reporting date

EUR 100 million tier 2 subordinated debt was redeemed at first possible call in July 2024. The regulatory approval has been granted and the redeemed subordinated debt is not included in the regulatory capital as per end of 30 June 2024 in line with regulations.

After the reporting date, there have been no other events that materially affected the assessment of the Interim Report 2024.

Key figures and ratios

Notes

	First half 2024	First half 2023 ¹⁾
14 Key figures and ratios		
Statement of profit or loss (DKK million)		
Net interest, fees and commissions	1,306	1,165
Price and exchange rate adjustments	514	589
Staff costs and administrative expenses	-1,213	-1,198
Impairment charges financial assets etc.	3	4
Result from subsidiaries and joint ventures	193	101
Profit before tax	591	353
Net profit	469	284
Statement of financial position (DKK million)		
Loans and other receivables at amortised cost	3,091	4,376
Deposits	69,353	66,062
Non-preferred senior bonds	1,142	-
Subordinated debt	1,558	790
Total equity	6,306	6,658
Total assets	92,387	85,778
Employees		
Number of full-time-equivalent staff (average)	1,078	1,126

	First half 2024	First half 2023 ¹⁾
Financial ratios		
Total capital ratio ²⁾	26.0%	32.6%
Tier 1 capital ratio ²⁾	21.8%	28.1%
Return on equity before tax ³⁾	18.0%	10.0%
Return on equity after tax ³⁾	14.3%	8.1%
Income/cost ratio	140.9%	123.2%
Interest rate risk/tier 1 capital ²⁾	2.9%	3.5%
Foreign exchange rate risk/tier 1 capital ²⁾	5.8%	1.8%
Value at risk of foreign exchange rate risk/tier 1 capital ²⁾	0.2%	0.0%
Loans and other receivables plus impairment charges/deposits	4.5%	6.6%
Loans and other receivables proportional to total equity	0.49	0.66
Growth in loans and other receivables	-8.9%	-2.8%
Liquidity coverage ratio ²⁾	312.3%	298.1%
Sum of large exposures /CET 1 capital ²⁾	20.9%	10.4%
Loss and provisions ratio	-0.1%	-0.1%
Return on assets ³⁾	1.0%	0.7%

¹⁾ Comparative figures have been restated due to the merger between Saxo Bank A/S and BinckBank N.V., except from key figures and ratios also applied in regulatory reporting, see note 15, Accounting policies.

²⁾ Key figures and ratios applied in regulatory reporting.

³⁾ Annualised.

Please refer to note 17.2 in Saxo Bank Group's financial statements for definitions of key figures and ratios.

Basis of preparation

Notes

15 Accounting policies

With effect from 1 January 2024, Saxo Bank A/S has completed a merger with its 100% owned subsidiary BinckBank N.V. (BinckBank). The merger is accounted for in accordance with the pooling of interest method applying book values per 1 January 2024. Comparative figures have been restated unless stated otherwise in the notes.

The impact of the merger is that BinckBank's business becomes part of Saxo Bank A/S resulting in assets and liabilities of BinckBank being presented line by line in the statement of financial position of Saxo Bank A/S compared to the presentation of a net investment in BinckBank N.V. in financial statements issued before the merger. The change of the presentation in the statement of financial position has not impacted the equity of Saxo Bank A/S.

Similarly, income and expenses of BinckBank are presented line by line in the statement of profit or loss of Saxo Bank A/S compared to the presentation of a net result from BinckBank (part of the line item result from subsidiaries) in financial statements issued before the merger. The change of the presentation in the statement of profit or loss has not impacted the net profit of Saxo Bank A/S.

A third statement of financial position is presented in the interim report for the first half of 2024 as the retrospective restatement has a material impact on the information in the statement of financial position.

The interim financial statements of Saxo Bank A/S for the first half of 2024 have been prepared in accordance with the Danish Financial Business Act and the Danish executive order on financial reports for credit institutions and investment companies, etc.

The accounting policies for recognition and measurement are unchanged compared to those applied in the Annual Report 2023, except that accounting policy for investments in subsidiaries held for sale has been added, see note 19 in Saxo Bank Group's financial statements.

Other changes to comparative figures

Certain minor changes have been made to the comparative figures for 2023 due to reclassifications.

Statement by the management

The Board of Directors and Board of Management have today reviewed and adopted the interim report for the first half of 2024 of the Saxo Bank Group.

The Saxo Bank Group's interim financial statements for the first half of 2024 are presented in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU. The Parent Company's interim financial statements are prepared in accordance with the Danish Financial Business Act and the Danish disclosure requirements for interim reports of financial institutions.

In our opinion, the Saxo Bank Group's interim financial statements and the Parent Company's interim financial statements give a true and fair view of the Group's and the Parent Company's assets, liabilities, shareholders' equity and financial position at 30 June 2024 and of the results of the Group's and the Parent Company's operations and the consolidated cash flows for the period 1 January - 30 June 2024.

Moreover, in our opinion, the management's review includes a fair review of developments in the Group's and the Parent Company's operations and financial position and describes the significant risks and uncertainty factors that may affect the Group and the Parent Company.

Copenhagen, 29 August 2024

Board of Management

Kim Fournais
CEO & Founder

Søren Kyhl
Deputy CEO and
Chief Operating Officer

Mads Dorf Petersen
Chief Financial Officer

John Carmichael
Chief Risk and
Compliance Officer

Board of Directors

Kari Stadigh
Chair

Henrik Normann
Vice Chair

Henrik Andersen

Patrick Lapveteläinen

Donghui Li

Independent auditor's review report

To the shareholders of Saxo Bank A/S

We have reviewed the consolidated and parent interim financial statements of Saxo Bank A/S for the period 01.01.2024 - 30.06.2024, which comprise the statement of profit or loss, statement of comprehensive income, statement of financial position, statement of changes in equity, statement of capital, cash flow statement and notes, for the Group and Parent Company, respectively, including a summary of material accounting policies.

Management's responsibility for the interim financial statements

Management is responsible for the preparation of interim financial statements in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for financial companies, and for such internal control as Management determines is necessary to enable the preparation of interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim financial statements. We conducted our review in accordance with the International Standard on Engagements to Review Interim Financial Information Performed by the Independent Auditor of the Entity and additional requirements under Danish audit regulation. This requires us to conclude whether anything has come to our attention that causes us to

believe that the financial statements, taken as a whole, are not prepared, in all material respects, in accordance with the applicable financial reporting framework. This also requires us to comply with relevant ethical requirements.

A review of financial statements in accordance with the International Standard on Engagements to Review Interim Financial Information Performed by the Independent Auditor of the Entity is a limited assurance engagement. The auditor performs procedures primarily consisting of inquiries of management and others within the entity, as appropriate, and applying analytical procedures, and evaluates the evidence obtained. The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing. Accordingly, we do not express an audit opinion on the interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements for the period 01.01.2024 - 30.06.2024 have not been prepared, in all material respects, in accordance with IAS 34, Interim Financial Reporting, as adopted by the EU, and Danish disclosure requirements for financial companies.

Statement on the management commentary

Management is responsible for the management commentary. Our conclusion on the consolidated and parent interim financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our review of the consolidated and parent interim financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the consolidated and parent interim financial statements or our knowledge obtained in the review or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the consolidated and parent interim financial statements and has been prepared in accordance with the required by relevant law and regulations. We did not identify any material misstatement of the management commentary.

Copenhagen, 29 August 2024

Deloitte

Statsautoriseret Revisionspartnerselskab
CVR no. 33 96 35 56

Anders Oldau Gjelstrup
State Authorised Public Accountant
MNE no 10777

Jens Ringbæk
State Authorised Public Accountant
MNE no 27735

