

FINAL TERMS

PROHIBITION OF SALES TO EEA AND UK RETAIL INVESTORS – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("EEA") or in the United Kingdom ("UK"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

MiFID II product governance / Professional investors and ECPs only target market – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate.. Any person subsequently offering, selling or recommending the Covered Bonds (a "distributor") should take into consideration the manufacturer's target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

Final Terms dated 25 August 2020

AS LHV PANK

Issue of EUR 100,000,000 0.010 per cent. Covered Bonds due 28 February 2024

EUR 1,000,000,000

Covered Bond Programme

PART A – CONTRACTUAL TERMS

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions (the "Conditions") set forth in the Base Prospectus dated 19 May 2020 and the supplemental Base Prospectus dated 20 August 2020 which together constitute a base prospectus (the "Base Prospectus") for the purposes of the Prospectus Regulation. This document constitutes the Final Terms of the Covered Bonds described herein for the purposes of the Prospectus Regulation and must be read in conjunction with the Base Prospectus.

Full information on the Issuer and the offer of the Covered Bonds is only available on the basis of the combination of these Final Terms and the Base Prospectus. The Base Prospectus is available for viewing on the website of The Irish Stock Exchange plc trading

as Euronext Dublin ("Euronext Dublin") (<http://www.ise.ie>) and is also available at the LHV Group's website <https://investor.lhv.ee/en/>. Copies may also be obtained from the registered office of AS LHV Pank.

The expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

1. (i) Issuer: AS LHV Pank
2. (i) Series Number: 2
(ii) Tranche Number: 1
(iii) Date on which the Covered Bonds become fungible: Not Applicable
3. Specified Currency or Currencies: Euros ("EUR")
4. Aggregate Nominal Amount:
 - (i) Series: EUR 100,000,000
 - (ii) Tranche: EUR 100,000,000
5. Issue Price: 100.845 per cent. of the Aggregate Nominal Amount
6. (i) Specified Denominations: EUR 100,000
(ii) Calculation Amount: EUR 100,000
7. (i) Issue Date: 28 August 2020
(ii) Interest Commencement Date: Issue Date
8. (i) Maturity Date: 28 February 2024
(ii) Extended Maturity Date: 28 February 2025

9. Interest Basis: In respect of the period from (and including) the Interest Commencement Date to (but excluding) the Maturity Date:
- 0.010 per cent. Fixed Rate
- (see paragraph 14 below)*
- In respect of the period from (and including) the Maturity Date to (but excluding) the Extended Maturity Date (if applicable):
- EURIBOR + 0.20 per cent. Floating Rate
- (see paragraph 18 below)*
10. Redemption/Payment Basis: Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Maturity Date at 100 per cent. of their nominal amount
11. Change of Interest or Redemption/Payment Basis: See paragraph 18 below
12. Call Options: Not Applicable
13. Date Board approval for issuance of Covered Bonds obtained: 19 August 2020

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

14. **Fixed Rate Covered Bond Provisions** Applicable
- (i) Rate(s) of Interest: The Initial Rate of Interest is 0.010 per cent. per annum payable in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 28 February annually, commencing on 28 February 2021 (first short) up to and including the Maturity Date
- (iii) Fixed Coupon Amount(s): EUR 10.00 per Calculation Amount
- (iv) Broken Amount(s): EUR 5.04

(v) Day Count Fraction: Actual/Actual (ICMA)

(vi) Party responsible for calculating the amount of interest payable for any interest period following any Rate Adjustment: Not Applicable

15. **Floating Rate Covered Bond Provisions** Not Applicable

16. **Zero Coupon Covered Bond Provisions** Not Applicable

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE FROM THE MATURITY DATE TO THE EXTENDED MATURITY DATE

17. **Fixed Rate Covered Bond Provisions** Not Applicable

18. **Floating Rate Covered Bond Provisions** Applicable

(i) Specified Period: From and including the Maturity Date to but excluding the earlier of the Extended Maturity Date or such Interest Payment Date (in the period between the Maturity Date and the Extended Maturity Date) where the Covered Bonds are redeemed in full

(ii) Specified Interest Payment Dates: 28th day of each month from and excluding the Maturity Date, to and including the Extended Maturity Date.

(iii) First Interest Payment Date: 28 March 2024

(iv) Business Day Convention: Modified Following Business Day Convention

(v) Additional Business Centre(s): Not Applicable

(vi) Manner in which the Rate(s) of Interest: Screen Rate Determination

is/are to be determined:

- (vii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Fiscal Agent): Not Applicable
- (viii) Screen Rate Determination:
- Reference Rate: 1 Month EURIBOR
 - Interest Determination Date(s): Two TARGET Business Days before the relevant Interest Payment Date
 - Relevant Screen Page: Reuters EURIBOR 01 (or any successor page thereto).
 - Relevant Time: 11:00 am (CET)
 - Relevant Financial Centre: London or Frankfurt
- (ix) ISDA Determination: Not Applicable
- (x) Linear interpolation: Not Applicable
- (xi) Margin(s): +0.20 per cent. per annum
- (xii) Minimum Rate of Interest: Not Applicable
- (xiii) Maximum Rate of Interest: Not Applicable
- (xiv) Day Count Fraction: Actual/360
- (xv) Party responsible for calculating the amount of interest payable for any: The Fiscal Agent shall be the Calculation Agent

interest period
following any Rate
Adjustment:

PROVISIONS RELATING TO REDEMPTION

19. **Call Option** Not Applicable
20. **Final Redemption Amount of each Covered Bond** EUR 100,000 per Calculation Amount
21. **Early Redemption Amount**
- Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption: Not Applicable

GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS

22. **Form of Covered Bonds:** **Bearer Covered Bonds:**
- Temporary Global Covered Bond exchangeable for a Permanent Global Covered Bond which is exchangeable for Definitive Covered Bonds in the limited circumstances specified in the Permanent Global Covered Bond
23. **New Global Note / New Safekeeping Structure:** Yes
24. **Additional Financial Centre(s) or other special provisions relating to payment dates:** Not Applicable
25. **Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature):** No

Signed on behalf of AS LHV Pank:


By: REELIS PAAKSPUU ERKI KILU
Duly authorised

PART B – OTHER INFORMATION

1. LISTING AND ADMISSION TO TRADING

- (i) Admission to Trading: Application will be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on the regulated market of Euronext Dublin with effect from 28 August 2020
- (ii) Estimate of total expenses related to admission to trading: EUR 1,000

2. RATINGS

The Covered Bonds to be issued are expected to be rated:

Ratings: Moody's Investors Service: Aa1

Moody's Investors Service is established in the EEA and registered under Regulation (EU) No 1060/2009, as amended

3. INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Joint Lead Managers, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Joint Lead Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and its affiliates in the ordinary course of business.

4. YIELD

Indication of yield: -0.230 per cent.

The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield

5. OPERATIONAL INFORMATION

ISIN: XS2225426936

Common Code: 222542693

FISN: See the website of the Association of National Numbering Agencies (ANNA) or alternatively

sourced from the responsible National Numbering Agency that assigned the ISIN

CFI Code: See the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN

Delivery: Delivery free of payment

Names and addresses of additional Paying Agent(s) (if any): Not Applicable

Intended to be held in a manner which would allow Eurosystem eligibility: Yes. Note that the designation "yes" simply means that the Covered Bonds are intended upon issue to be deposited with one of the ICSDs as common safekeeper and does not necessarily mean that the Covered Bonds will be recognised as eligible collateral for Eurosystem monetary policy and intra day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met

6. DERIVATE INSTRUMENTS

Derivative Instruments No applicable to issuance of Covered Bonds:

7. DISTRIBUTION

(i) Method of Non-syndicated Distribution:

(ii) If syndicated:

(A) Names of Not Syndicated Dealers

(B) Stabilisation Manager(s), if any: Not Applicable

- (iii) If non-syndicated, Nordea Bank Abp
name of Dealer:
- (iv) U.S. Selling Reg S Compliance Category 2; TEFRA D
Restrictions:
- (v) Prohibition of Sales to EEA and UK Retail
Investors: Applicable
- (vi) Prohibition of Sales to Belgian Consumers: Not Applicable
- (vii) Relevant Benchmarks EURIBOR is provided by the European Money
Markets Institute. As at the date hereof, the European
Money Markets Institute appears in the register of
administrators and benchmarks established and
maintained by ESMA pursuant to Article 36 (Register
of administrators and benchmarks) of the Benchmarks
Regulation

**8. REASONS FOR THE
OFFER AND ESTIMATED
NET AMOUNT OF
PROCEEDS**

Reasons for the offer: See "Use of Proceeds" in Base Prospectus

Estimated net proceeds: EUR 100,830,000