

LHV Group

Q2 results
22 July 2025



Strong business volume growth combined with improving efficiency

LHV Group's loan portfolio reached 5 EURb, including UK portfolio exceeding 500 EURm

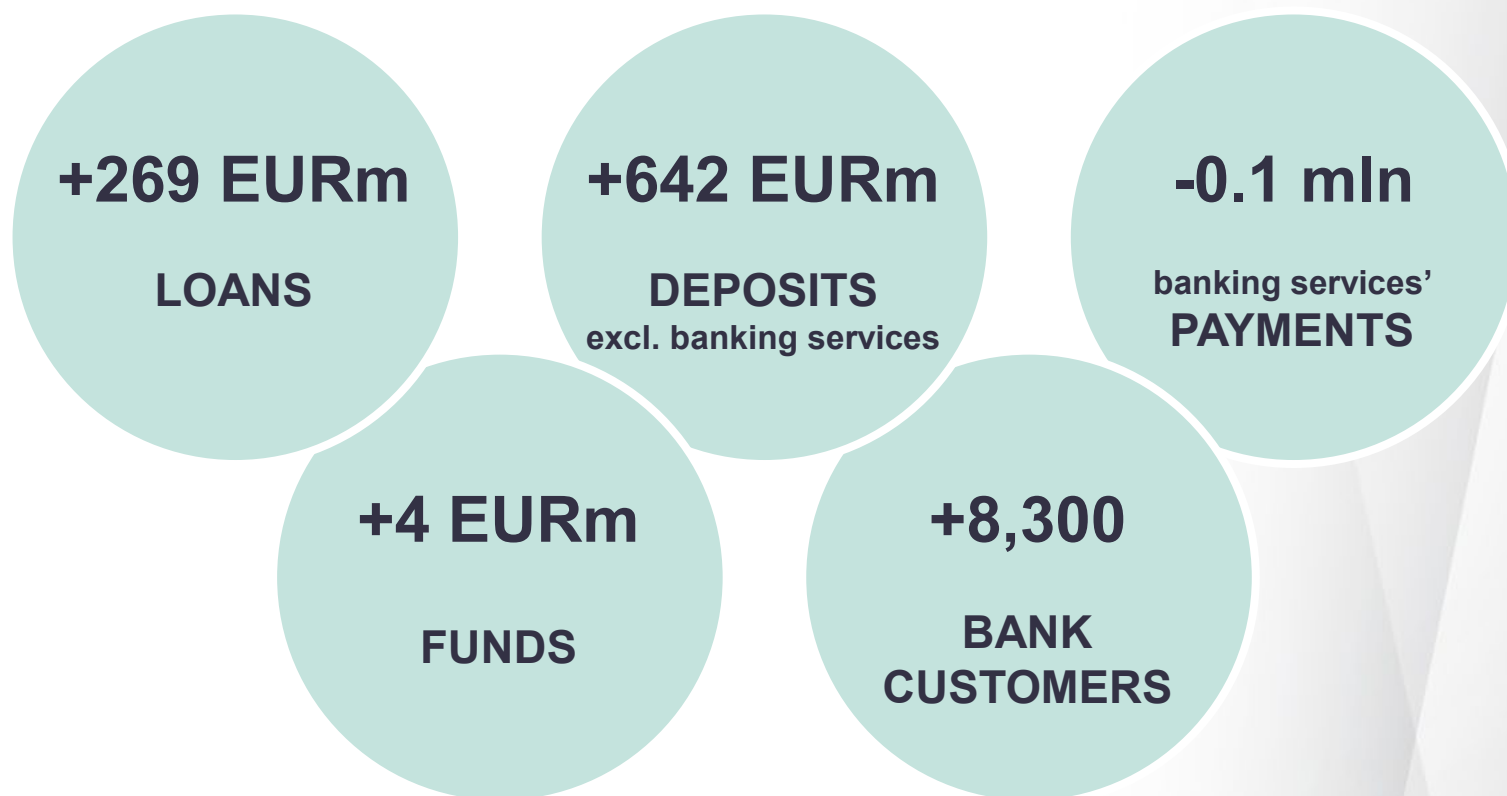
New innovative banking service, LHV Premium, was launched in Estonia

Pension funds under name Roheline will be discontinued in autumn and Pillar II pension funds will be renamed

LHV Group issued 50 EURm AT1 bonds and 60 EURm senior unsecured bonds

LHV Pank issued 300 EURm covered bonds

Moody's upgraded LHV covered bond rating to the highest Aaa level



LHV Group

Record business volumes

| Financial results, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
|---|------------|---------------|---------------|---------------|
| Net interest income | | 57,643 | 62,010 | -4,366 |
| Net fee and commission income | | 15,580 | 14,071 | +1,510 |
| Other income | | 683 | 3,341 | -2,658 |
| Total net income | | 73,907 | 79,422 | -5,515 |
| Total operating expenses | | 40,509 | 37,543 | +2,966 |
| Earnings before impairment | | 33,398 | 41,879 | -8,481 |
| Impairment losses | | -4,152 | 5,667 | -9,818 |
| Income tax expense | | 6,785 | 7,052 | -267 |
| Net profit | | 30,765 | 29,160 | +1,605 |
| Business volumes, EURm | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Loans portfolio (net) | | 4,999 | 4,729 | +269 |
| Deposits from customers | | 7,364 | 6,604 | +760 |
| Assets under management | | 1,563 | 1,559 | +4 |
| No of customers, thous. | | 624 | 620 | +4 |
| Fin. intermediaries' payments, thous. pcs | | 19,912 | 20,055 | -143 |
| Key figures | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Cost / income ratio (C/I) | | 54.8% | 47.3% | + 7.5 pp |
| Net interest margin (NIM) | | 2.6% | 2.9% | - 0.3 pp |
| pre-tax ROE* | | 21.3% | 21.1% | + 0.3 pp |
| ROE* | | 17.4% | 17.0% | + 0.4 pp |

- Number of customers increased, customer activity at good level
- Loan portfolio increased by 269 EURm, growth remains strong. Portfolio quality remains good with an improvement during the quarter coupled with improving macroeconomic conditions, this enabled reduction in impairments
- Deposits from customers increased by 760 EURm, of which only 118 EURm are related to financial intermediaries
- Quarterly net profit amounted to 30.8 EURm

LHV Group – comparison with financial plan

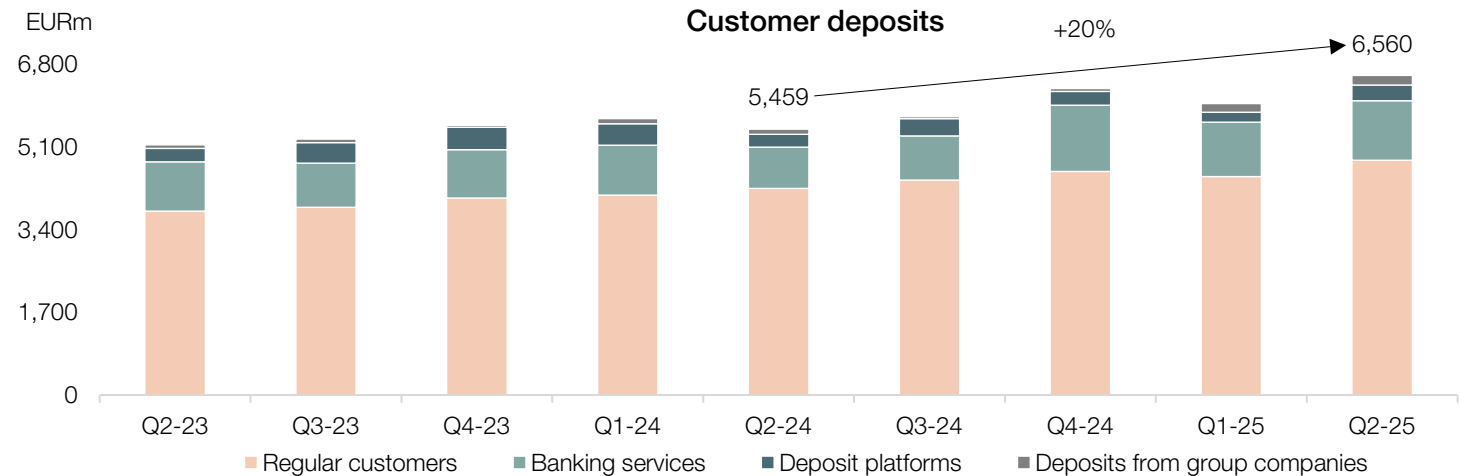
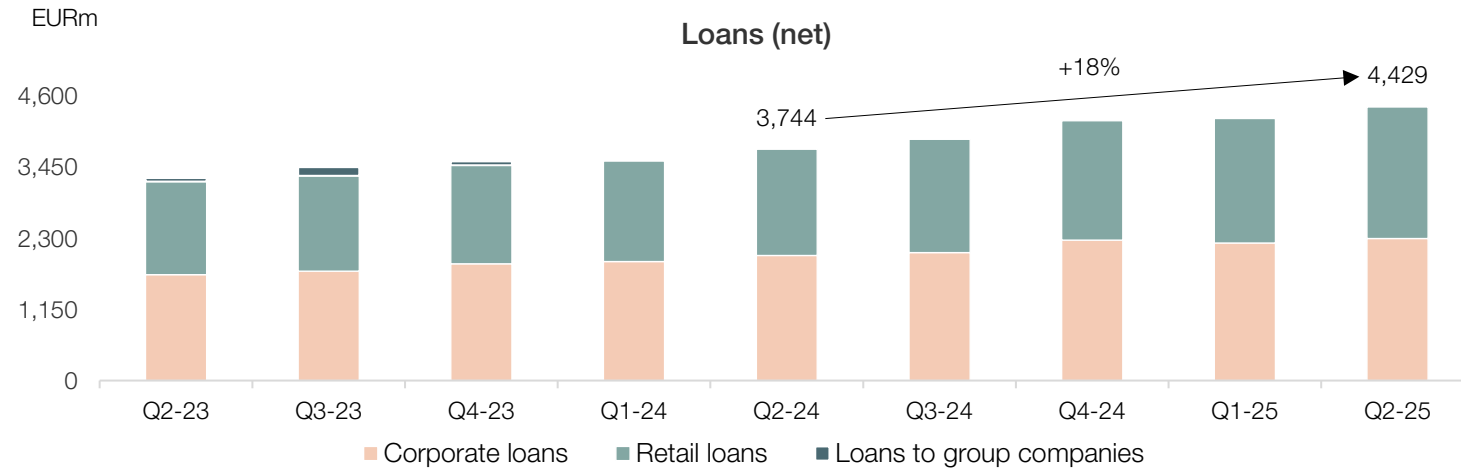
Exceeding financial plan

| Financial results, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
|---|------------------|---------------|----------------|----------------|----------------|-----------------|
| Total net income, incl. | | 24,331 | 153,329 | 169,813 | 151,323 | +2,007 |
| Net interest income | | 18,590 | 119,653 | 139,343 | 120,149 | -496 |
| Net fee and commission income | | 5,722 | 29,651 | 28,349 | 29,949 | -298 |
| Total operating expenses | | 13,608 | 78,053 | 70,225 | 75,985 | +2,067 |
| Earnings before impairment | | 10,723 | 75,277 | 99,588 | 75,338 | -61 |
| Impairment losses | | -979 | 1,515 | 7,894 | 4,533 | -3,018 |
| Income tax expense | | 2,035 | 13,837 | 12,406 | 13,198 | +639 |
| Net profit, incl. | | 9,667 | 59,925 | 79,288 | 57,607 | +2,318 |
| attr. to shareholders | | 9,324 | 58,617 | 78,830 | 56,543 | +2,074 |
| Business volumes, EURm | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Loans (net) | | 4,999 | 4,999 | 3,891 | 4,891 | +107 |
| Deposits from customers | | 7,364 | 7,364 | 5,784 | 7,105 | +260 |
| Assets under management | | 1,563 | 1,563 | 1,529 | 1,608 | -46 |
| Fin. intermediaries' payments, thous. pcs | | 6,708 | 39,966 | 36,136 | 37,322 | +2,644 |
| Key figures | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Cost / income ratio (C/I) | | 55.9% | 50.9% | 41.4% | 50.2% | + 0.7 pp |
| Net interest margin (NIM) | | 2.4% | 2.7% | 3.9% | 2.7% | - 0.1 pp |
| pre-tax ROE* | | 19.6% | 20.9% | 31.9% | 20.9% | + 0.0 pp |
| ROE* | | 16.1% | 17.0% | 27.6% | 17.1% | - 0.0 pp |

- Both revenues and expenses slightly above plan, balancing each other
- Loan, payment and deposit volumes ahead of plan, while fund volumes remained slightly below
- Quality of loan portfolio remains strong, improving macroeconomic conditions enabled reduction in model-based impairments during the quarter
- Quarterly cost/income ratio 54.8% and ROE 17.4%
- Net profit exceeds financial plan by 2.3 EURm, financial plan holds

LHV Pank

Strong deposit growth



- Number of bank customers increased by 8,300. Customer activity in payments and card usage is good
- Loans increased by 190 EURm
- Deposits increased by 576 EURm, of which 113 EURm was from financial intermediaries and 113 EURm from platform deposits
- 300 EURm covered bonds were issued, replacing previous 250 EURm issuance
- Focus remains on deposits

Profitability is driven by interest rates

| Financial results, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
|-----------------------------------|-------------------|---------------|---------------|------------------|
| Net interest income | | 46,715 | 50,647 | -3,932 |
| Net fee and commission income | | 10,013 | 8,289 | +1,724 |
| Other income | | -131 | 1,041 | -1,172 |
| Total net income | | 56,597 | 59,977 | -3,380 |
| Total operating expenses | | 24,460 | 23,654 | +806 |
| Earnings before impairment | | 32,137 | 36,323 | -4,186 |
| Impairment losses | | -4,081 | 4,922 | -9,002 |
| Income tax expense | | 6,559 | 6,167 | +392 |
| Net profit | | 29,659 | 25,235 | +4,424 |
| Business volumes, EURm | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Loans (net) | | 4,429 | 4,239 | +190 |
| Deposits from customers | | 6,560 | 5,984 | +576 |
| incl. banking services' deposits | | 1,225 | 1,112 | +113 |
| No of customers, thous. | | 474 | 465 | +8 |
| Key figures | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Cost / income ratio (C/I) | | 43.2% | 39.4% | + 3.8 pp |
| Net interest margin (NIM) | | 2.4% | 2.6% | - 0.2 pp |
| pre-tax ROE* | | 28.3% | 22.7% | + 5.6 pp |
| ROE* | | 23.2% | 18.4% | + 4.8 pp |

- Income base remains well diversified. Interest income dynamics on the liabilities being key driver
- Customer activity remains high
- Resolution of major problematic credit case, together with improving economic conditions, contributed to reduction in impairments
- Quarterly net profit 29.7 EURm and ROE 23.2%

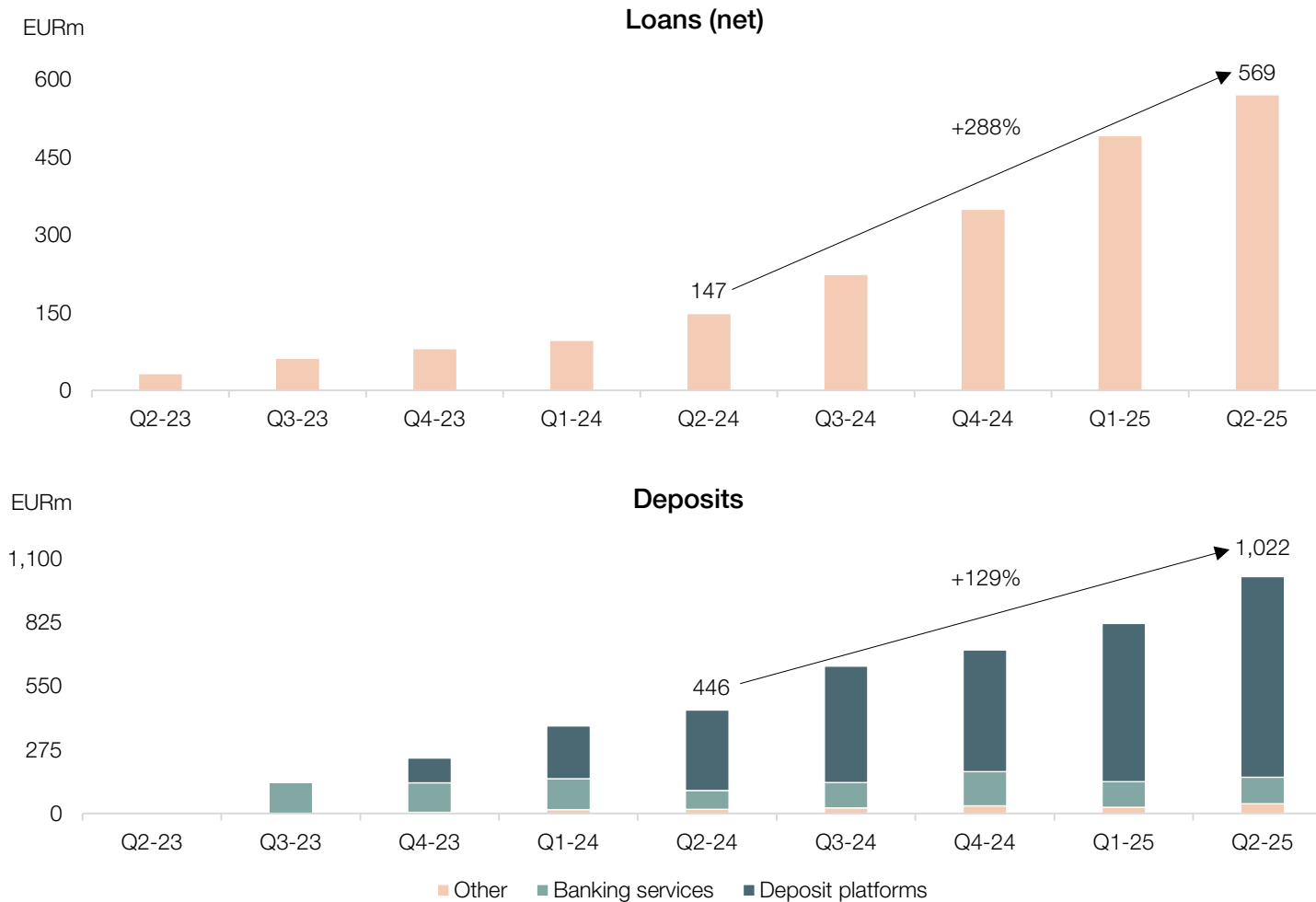
LHV Pank – comparison with financial plan

Volumes and profitability as planned

| Financial results, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
|-----------------------------------|------------------|---------------|----------------|----------------|----------------|-----------------|
| Total net income, incl. | | 19,015 | 116,575 | 137,566 | 117,448 | -874 |
| Net interest income | | 15,207 | 97,362 | 120,309 | 99,613 | -2,251 |
| Net fee and commission income | | 3,949 | 18,302 | 16,103 | 17,488 | +815 |
| Total operating expenses | | 8,697 | 48,115 | 46,029 | 47,837 | +277 |
| Earnings before impairment | | 10,319 | 68,460 | 91,538 | 69,611 | -1,151 |
| Impairment losses | | -759 | 841 | 7,665 | 3,354 | -2,513 |
| Income tax expense | | 1,964 | 12,726 | 12,243 | 12,475 | +251 |
| Net profit | | 9,113 | 54,893 | 71,630 | 53,783 | +1,111 |
| Business volumes, EURm | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Loans (net) | | 4,429 | 4,429 | 3,744 | 4,401 | +28 |
| Deposits from customers | | 6,560 | 6,560 | 5,459 | 6,400 | +161 |
| incl. banking services' deposits | | 1,225 | 1,225 | 853 | 1,201 | +25 |
| Key figures | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Cost / income ratio (C/I) | | 45.7% | 41.3% | 33.5% | 40.7% | + 0.5 pp |
| Net interest margin (NIM) | | 2.3% | 2.4% | 3.6% | 2.5% | - 0.1 pp |

- Declining interest rates reduced interest income, as asset-side yields are decreasing faster than liabilities-side costs. Share of term deposits remains above plan
- Expenses in line with plan
- Loans according to plan. Deposit volumes grew strongly during the quarter, focus remains on deposits and customer activation
- Net profit exceeds financial plan by 1.1 EURm
















Deposit and loan volumes significantly ahead of plan



- Loan portfolio increased by 79 EURm. Loans approved by Credit Committee but not yet disbursed amount to 204 EURm. In corporate loans, the goal is to continue with rapid growth
- Deposits increased by 202 EURm. In total 25,500 depositors from three platforms
- In financial intermediaries segment, the goal is to increase volumes from new major customers
- Decision was made to discontinue the card acquiring service

LHV Bank

Retail mobile bank launched to the public

| Financial results, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
|-----------------------------------|---|---------------|---------------|------------------|
| Total net income, incl. |  | 12,417 | 14,588 | -2,171 |
| Net interest income |  | 10,533 | 10,729 | -196 |
| Net fee and commission income |  | 2,213 | 2,401 | -187 |
| Other net income |  | -329 | 1,458 | -1,787 |
| Total operating expenses |  | 12,313 | 11,009 | +1,303 |
| Earnings before impairment |  | 105 | 3,579 | -3,474 |
| Impairment losses |  | -71 | 745 | -816 |
| Income tax expense |  | 49 | 709 | -659 |
| Net profit |  | 126 | 2,125 | -1,999 |
| Business volumes, EURm | | Q2-25 | Q1-25 | Δ quarter |
| Deposits from customers |  | 1,022 | 820 | +202 |
| Loans (net) |  | 569 | 490 | +79 |
| Key figures | | Q2-25 | Q1-25 | Δ quarter |
| Cost / income ratio (C/I) |  | 99.2% | 75.5% | + 23.7 pp |
| Net interest margin (NIM) |  | 4.1% | 5.0% | - 0.9 pp |
| pre-tax ROE |  | 0.7% | 12.2% | - 11.5 pp |
| ROE |  | 0.5% | 9.2% | - 8.7 pp |

- Retail mobile bank was launched to the market together with larger marketing campaign. First 1,000 customers have opened accounts and deposited 17 EURm
- In retail banking, the goal is to add additional everyday banking services (Apple Pay, direct debits) and deposit products to the mobile bank in order to grow customer numbers and deposit volumes
- Application for credit product license to begin offering overdrafts was submitted

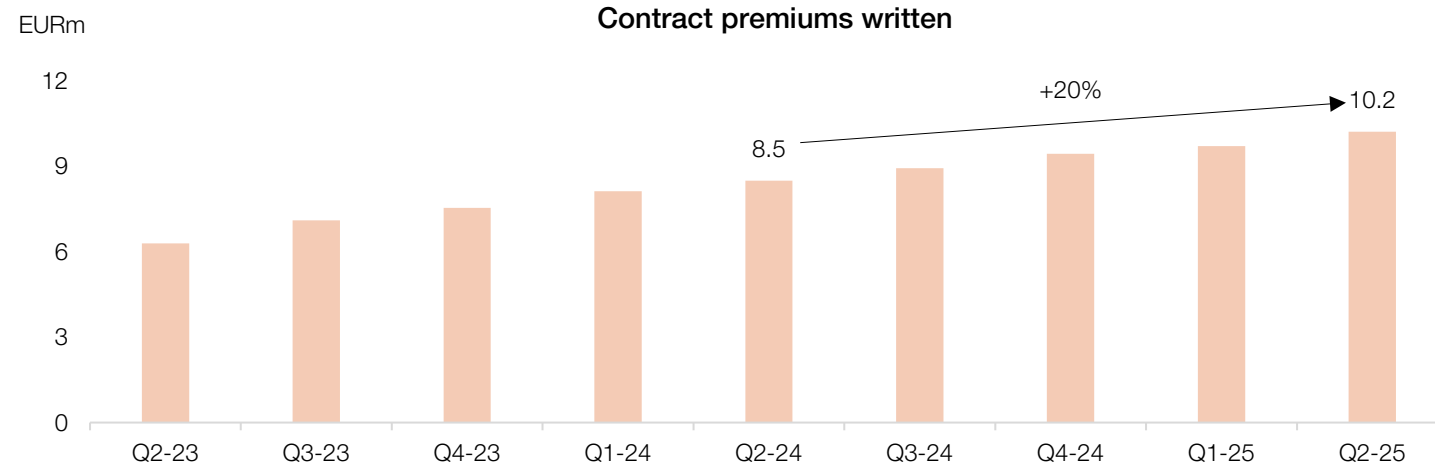
LHV Bank – comparison with financial plan

Business volumes and profitability exceeded financial plan

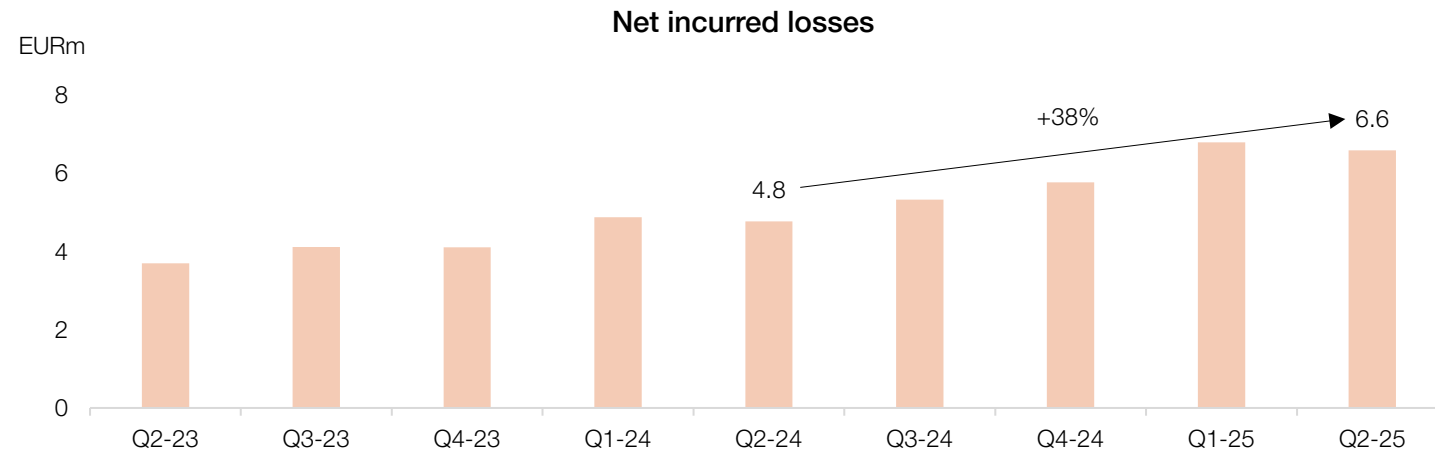
| Financial results, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
|-----------------------------------|------------------|---------------|---------------|---------------|---------------|-----------------|
| Total net income, incl. | | 3,696 | 27,005 | 23,520 | 25,102 | +1,903 |
| Net interest income | | 3,274 | 21,261 | 18,425 | 19,643 | +1,618 |
| Net fee and commission income | | 685 | 4,614 | 5,004 | 5,458 | -844 |
| Other net income | | -263 | 1,129 | 90 | 0 | +1,129 |
| Total operating expenses | | 3,889 | 23,322 | 18,211 | 22,442 | +880 |
| Earnings before impairment | | -193 | 3,683 | 5,309 | 2,660 | +1,023 |
| Impairment losses | | -220 | 674 | 229 | 1,180 | -505 |
| Income tax expense | | 12 | 758 | -726 | 370 | +388 |
| Net profit | | 15 | 2,251 | 5,806 | 1,111 | +1,140 |
| Business volumes, EURm | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Deposits from customers | | 1,022 | 1,022 | 446 | 851 | +171 |
| Loans (net) | | 569 | 569 | 147 | 490 | +79 |
| Key figures | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Cost / income ratio (C/I) | | 105.2% | 86.4% | 77.4% | 89.4% | - 3.0 pp |
| Net interest margin (NIM) | | 3.5% | 4.4% | 8.3% | 4.5% | - 0.1 pp |

- Net profit for quarter amounted to 0.1 EURm. Net profit was lower due to higher-than-planned marketing expenses, participation in conferences, allocated costs, and changes in the value of interest rate hedging contracts
- To support the rapid growth of the loan portfolio, share capital was increased by 12 EURm and 12 EURm subordinated bonds were issued

Stable sales and low claims ratio during the quarter



- Q2 sales fell short of financial plan. Across the market, insurance premium volumes declined significantly compared to the same quarter last year
- Quarterly sales increased by 1.7 EURm year-on-year. Strong sales performance in home and travel insurance
- There were no major claims during the quarter, and the number of medium-sized claims was also lower than usual. Net incurred losses were significantly lower than in Q1 2025



Quarterly loss ratio at record low

| Financial results, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
|---|------------|--------------|------------|-------------|
| Net earned premiums | | 10,213 | 9,708 | +504 |
| Commissions expense | | 1,136 | 947 | +189 |
| Gross incurred losses | | 6,258 | 6,499 | -241 |
| Operating expenses | | 1,385 | 1,316 | +69 |
| Insurance result without reinsurance | | 1,434 | 946 | +488 |
| Reinsurance result | | 370 | 349 | +21 |
| Total result from insurance activities | | 1,064 | 597 | +467 |
| Net other income | | 13 | 67 | -55 |
| Net profit | | 1,077 | 665 | +412 |
| Business volumes, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Contract premiums written | | 10,214 | 12,860 | -2,646 |
| No of customers (thous.) | | 176 | 174 | +2 |
| Key figures | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Net loss ratio | | 63.0% | 69.1% | - 6.1 pp |
| Net expense ratio | | 26.6% | 24.6% | + 2.0 pp |
| pre-tax ROE | | 55.9% | 39.0% | + 16.9 pp |
| ROE | | 55.9% | 39.0% | + 16.9 pp |

- Net earned premiums continued to grow, while operating expenses remained at the same level compared to the previous quarter. Strongest quarter in terms of net profit
- Number of active policies and customers continued to grow steadily
- Net loss ratio declined quarter-over-quarter, while expense ratio showed slight increase
- ROE 55.9% and net profit 1.1 EURm at quarter-end. Both indicators exceeded financial plan

LHV Kindlustus – comparison with financial plan

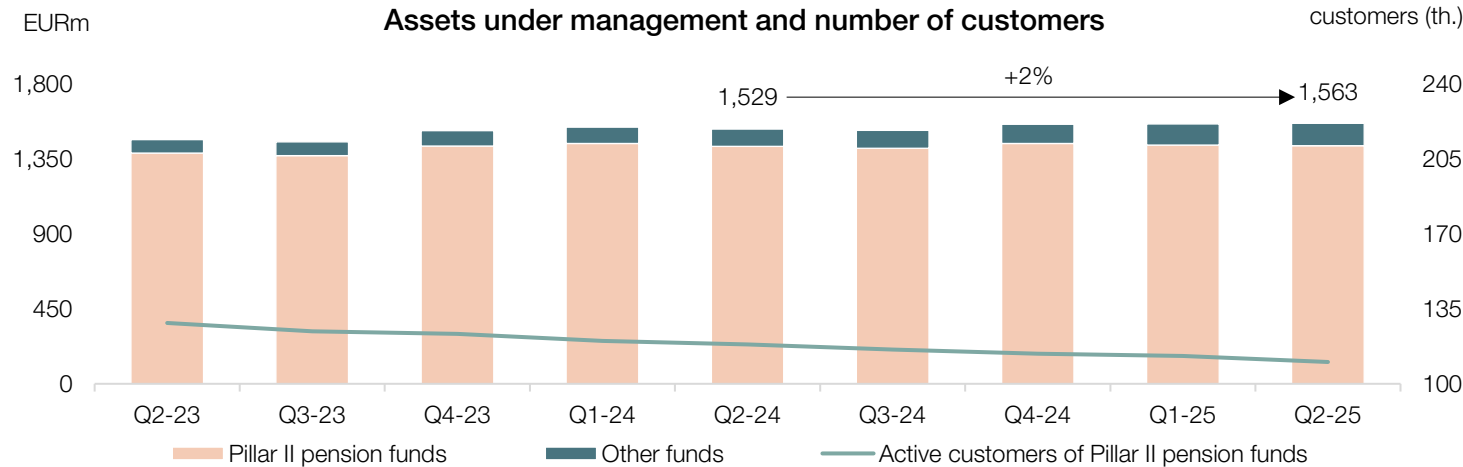
Solid monthly profitability

| Financial results, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
|---|------------------|---------------|--------------|--------------|---------------|-----------------|
| Insurance service revenue | | 3,395 | 19,921 | 16,610 | 20,182 | -261 |
| Commissions expense | | 396 | 2,083 | 2,138 | 2,690 | -608 |
| Gross incurred losses | | 1,948 | 12,757 | 10,711 | 13,129 | -373 |
| Operating expenses | | 462 | 2,701 | 2,694 | 2,832 | -131 |
| Insurance result without reinsurance | | 588 | 2,381 | 1,066 | 1,531 | +850 |
| Reinsurance result | | 178 | 719 | 501 | 521 | +199 |
| Total result from insurance activities | | 410 | 1,661 | 565 | 1,010 | +651 |
| Net other income | | 8 | 80 | 113 | 2 | +79 |
| Net profit | | 418 | 1,742 | 678 | 1,012 | +730 |
| Business volumes, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Contract premiums written | | 3,351 | 23,074 | 19,752 | 23,378 | -304 |
| No of customers (thous.) | | 176 | 176 | 168 | na | na |
| Key figures | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Net loss ratio | | 60.0% | 66.0% | 65.1% | 66.3% | - 0.3 pp |
| Net expense ratio | | 28.6% | 25.7% | 31.7% | 29.3% | - 3.6 pp |

- Insurance contracts signed in June amounted to 3.4 EURm
- Claims paid totalled 1.9 EURm, with 10,300 new claims registered
- As of the end of June, number of active insurance contracts stood at 278,000. Portfolio grew by 12,000 contracts during the quarter
- Net loss ratio in June was 60%, which is the lowest result on record
- Solvency ratio at end of June was 148.7%

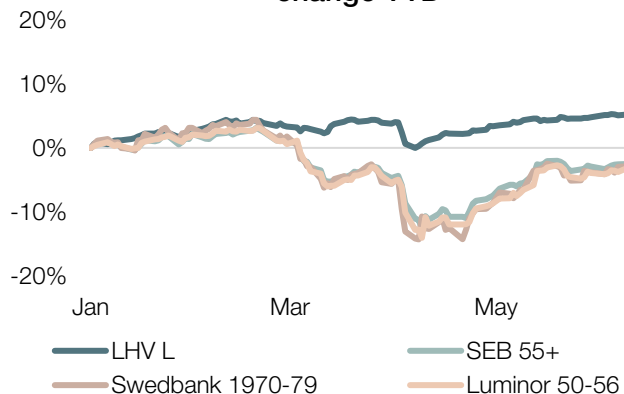
LHV Varahaldus

Stronger equity performance, with the US dollar weakening further

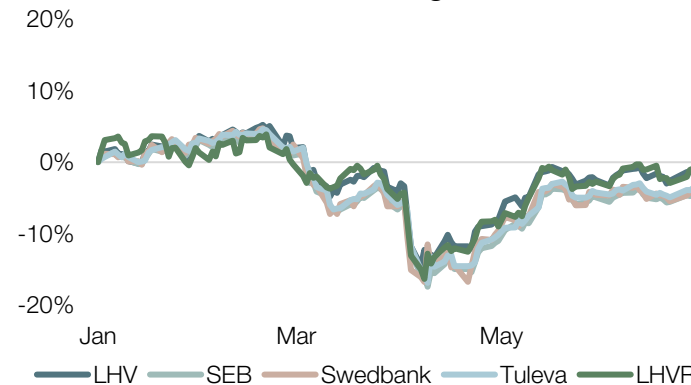


- Assets under management was nearly 1.6 EURb by end of quarter
- Strong recovery in the markets after weak first quarter. The weakening dollar continues to set the tone. Currency risk is hedged in LHV's larger funds
- LHV pension funds M, L and XL returned 1.2%, 1.0% and 2.8%, respectively. More conservative funds XS and S achieved returns of 0.7% and 0.8%
- Pension fund Indeks rose by 3.0%, and Roheline increased by 4.4% over quarter

Pillar II comparable pension funds NAV change YTD














Index funds and pension fund Roheline NAV change YTD



LHV Varahaldus











Quarterly net profit 0.5 EURm

| Financial results, EURt | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
|---------------------------|---|-------|-------|-----------|
| Total net income |  | 2,214 | 2,203 | +11 |
| Total operating expenses |  | 1,790 | 1,734 | +56 |
| EBIT |  | 424 | 469 | -45 |
| Net financial income |  | 108 | 199 | -91 |
| Income tax expense |  | 0 | 564 | -564 |
| Net profit |  | 532 | 103 | +428 |
| Business volumes, EURm | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Pillar II pension funds |  | 1,430 | 1,433 | -4 |
| Pillar III pension funds |  | 115 | 108 | +7 |
| Key figures | 9 quarters | Q2-25 | Q1-25 | Δ quarter |
| Cost / income ratio (C/I) |  | 77.1% | 72.2% | + 4.9 pp |
| pre-tax ROE |  | 11.5% | 14.0% | - 2.5 pp |
| ROE |  | 11.5% | 2.2% | + 9.3 pp |

- Operating income and expenses remained broadly in line with previous quarter. Typical quarter without major one-off effects
- Volume of Pillar II pension funds was affected by withdrawals in May
- Number of active Pillar II customers making monthly contributions reached 110,000 by end of quarter

LHV Varahaldus – comparison with financial plan

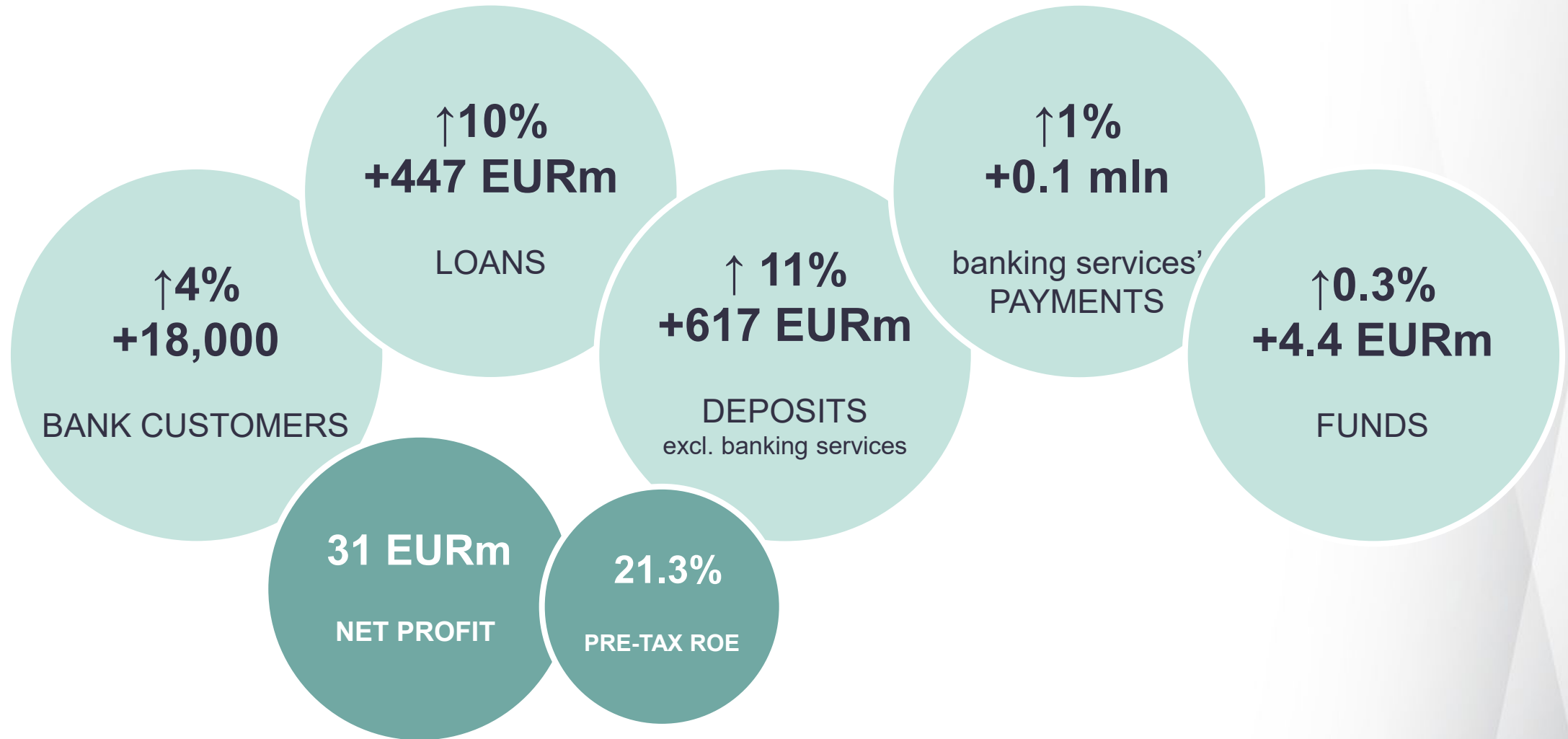
Net profit largely in line with plan

| Financial results, EURt | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
|---------------------------------------|---|--------|-------|-------|--------|----------|
| Total net income |  | 737 | 4,417 | 4,422 | 4,435 | -17 |
| Total operating expenses |  | 604 | 3,525 | 3,499 | 3,459 | +66 |
| EBIT |  | 133 | 892 | 923 | 976 | -83 |
| Net financial income |  | 34 | 306 | 401 | 270 | +37 |
| Income tax expense |  | 0 | 564 | 801 | 564 | -0 |
| Net profit |  | 167 | 635 | 524 | 681 | -47 |
| Business volumes | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Assets under management, EURm |  | 1,563 | 1,563 | 1,529 | 1,608 | -46 |
| Active customers of PII funds, thous. |  | 110 | 110 | 118 | 114 | -3 |
| Key figures | 13 months | Jun 25 | YTD25 | YTD24 | FP YTD | Δ YTD FP |
| Cost / income ratio (C/I) |  | 78.3% | 74.6% | 72.5% | 73.5% | + 1.1 pp |
| Funds average return |  | 0.6% | 4.1% | 6.1% | 3.7% | + 0.4 pp |

- Minimal shortfall after Q2, financial plan holds
- Expectations for customer numbers and consequently fund volumes are higher for the second half of the year, with focus on more effective sales
- From September, changes in pension funds – Roheline will merge with the current XL fund, Roheline III will be merged into the Aktiivne III fund, and S will merge with the M fund
- From September, new fund names will be introduced – the current XS will be Rahulik, M will be Tasakaalukas, L will be Ettevõtlik, and XL will be Julge

LHV Group

6 months

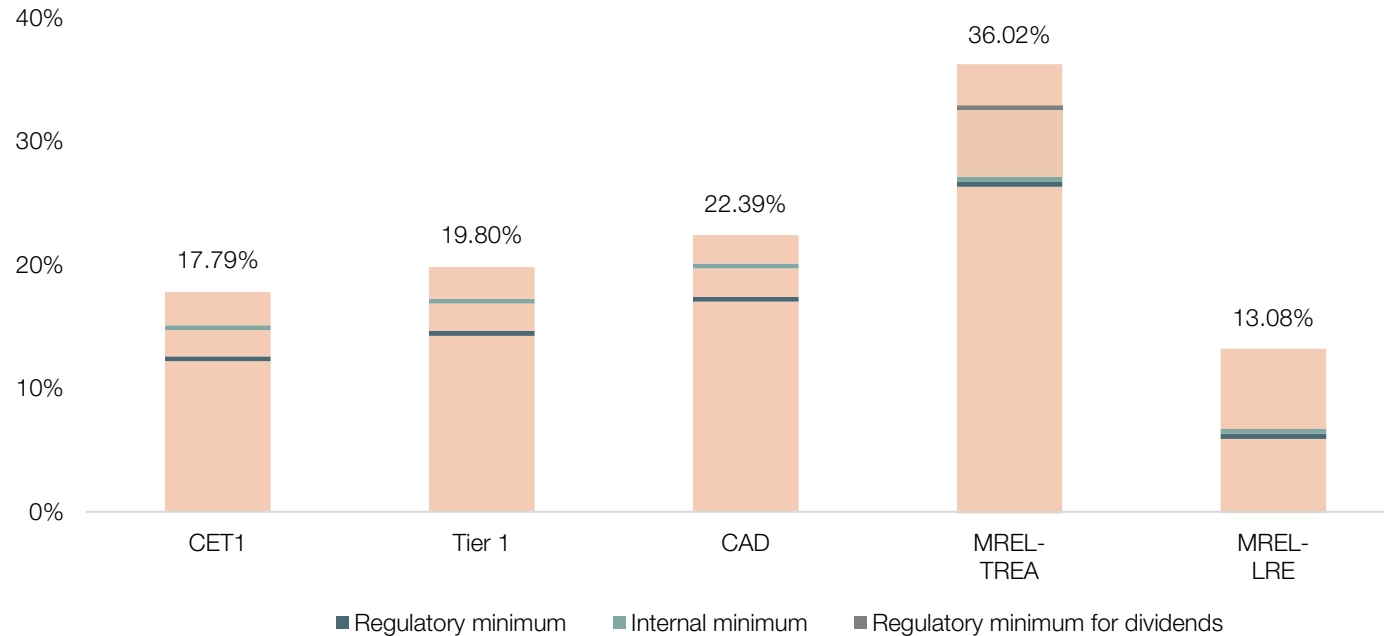


Risks and capitalisation

LHV Group

Capitalisation

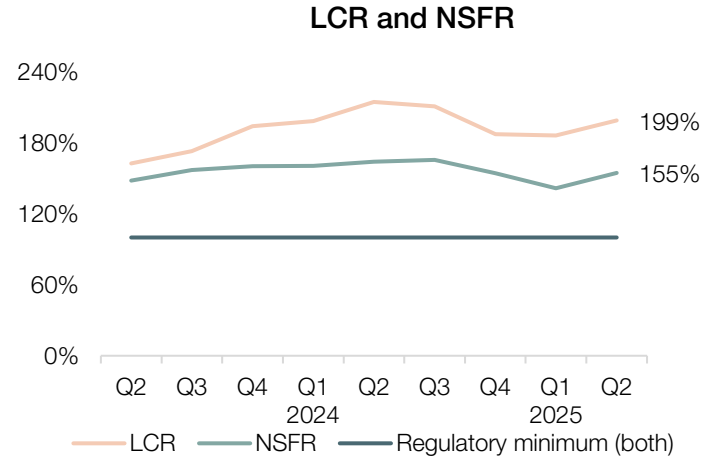
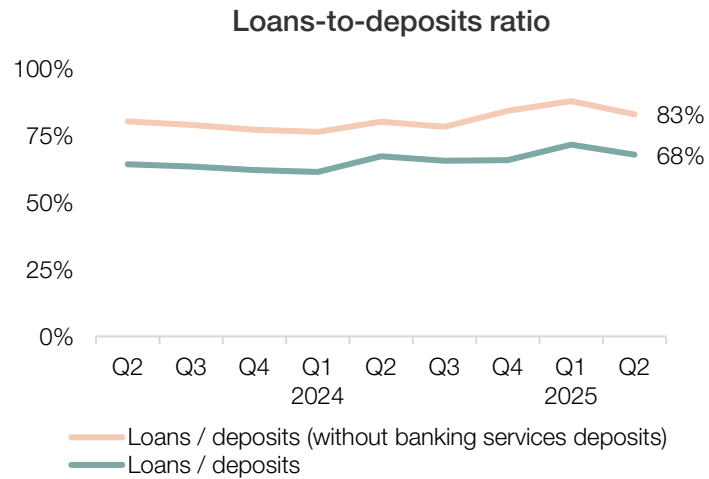
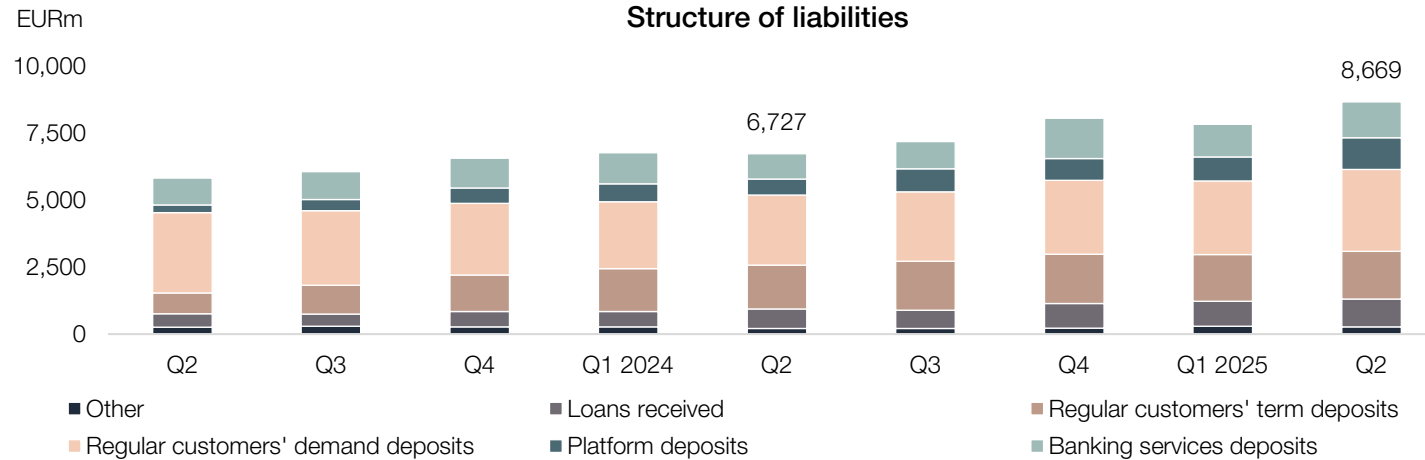
Capital ratios and minimum requirements as of June 2025



- LHV Group well-capitalised and all capital targets have been met with solid buffer
- Strongest buffer in own funds is at CET1 level, exceeding the requirement by 2.7 percentage points
- Q2 net profit is not included in own funds
- MREL-TREA requirements were reduced in April due to LHV's strong performance in resolution-related matters

LHV Group

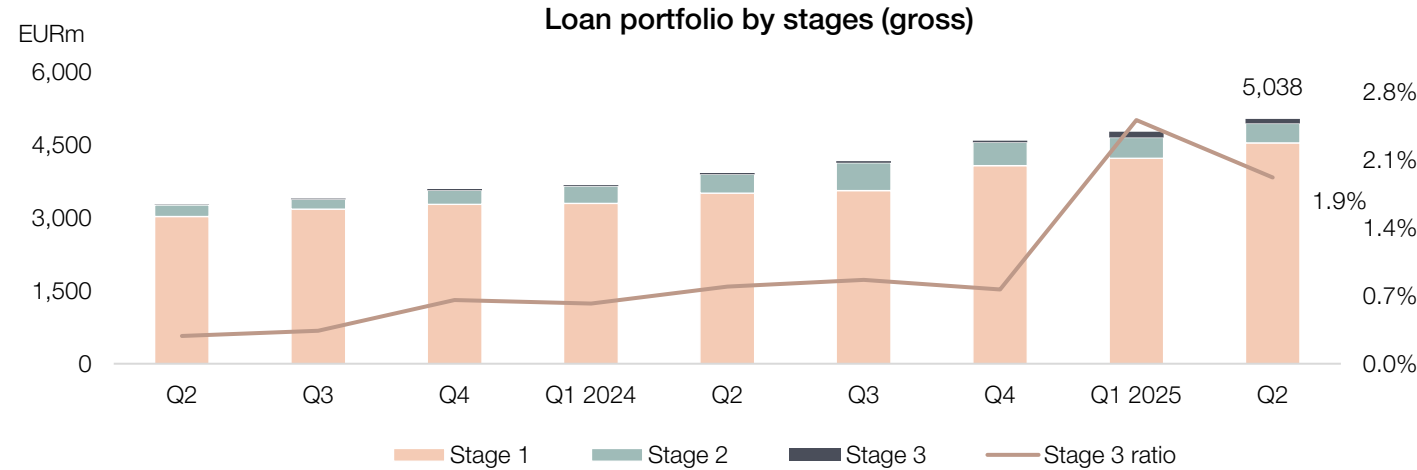
Liquidity and funding



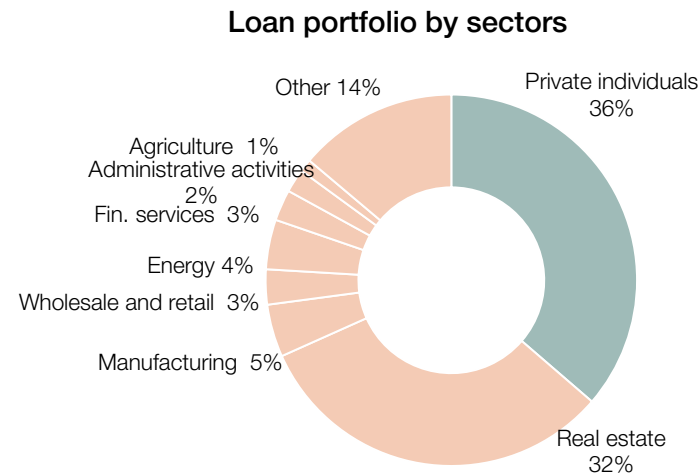
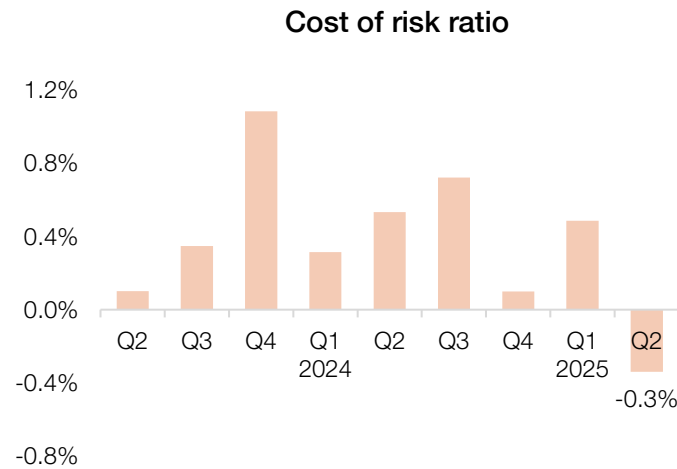
- Liquidity remains strong, with a loans-to-deposits ratio of 68%
- Liquidity coverage ratio (LCR) 199%
- Net Stable Funding Ratio (NSFR) remains very high - at 155%. Both ratios improved due to covered bond issuance
- LHV Bank is primarily funded by local deposits, while other sources are kept available as a buffer for risk or project financing
- LHV Bank is funded via platform deposits and has been actively raising direct deposits since May

LHV Group

Loan portfolio quality



- Loan portfolio is well diversified across sectors
- Overall portfolio quality remains strong, although the cost of risk and the share of Stage 3 loans remains high. Loans have prescribed waiting period before they exit Stage 3
- Specific impairments were made for a few individual customers, while model-based provisions continue to decline



Madis Toomsalu

LHV Group CEO

madis.toomsalu@lhv.ee

Meelis Paakspuu

LHV Group CFO

meelis.paakspuu@lhv.ee