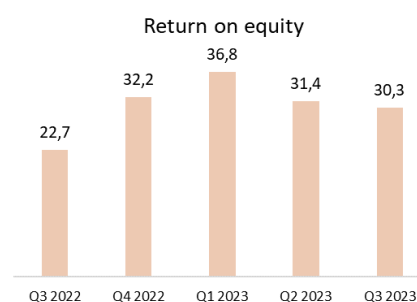
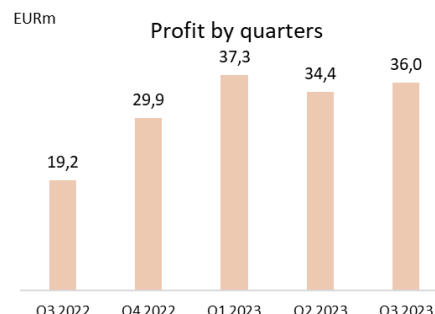


# Interim Report January – September 2023

## Summary of Results

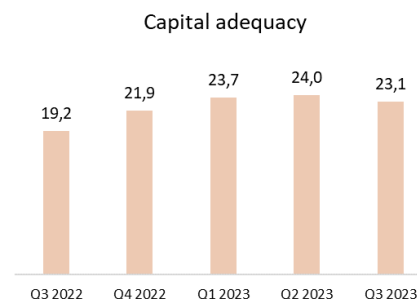
### Q3 2023 in comparison with Q2 2023

- Net profit EUR 36.0 m (34.4 m eurot), of which EUR 35.7 m (EUR 34.2 m) is attributable to owners of the parent
- Net income EUR 65.5 m (EUR 61.4 m)
- Operating expenses EUR 20.5 m (EUR 21.1 m)
- Loan and bond provisions EUR 2.8 m (EUR 0.6 m)
- Income tax expenses EUR 6.2 m (EUR 5.2 m)
- Return on equity 30.3% (31.4%)
- Capital adequacy 23.1% (24.0%)



### Q3 2023 in comparison with Q3 2022

- Net profit EUR 36.0 m (EUR 19.2 m), of which EUR 35.7 m (EUR 18.6 m) is attributable to owners of the parent
- Net income EUR 65.5 m (EUR 40.9 m)
- Operating expenses EUR 20.5 m (16.4 m)
- Loan and bond provisions EUR 2.8 m (EUR 2.2 m)
- Income tax expenses EUR 6.2 m (EUR 3.2 m)
- Return on equity 30.3% (22.7%)
- Capital adequacy 23.1% (19.2%)



The return on equity ratio is based on the profit and equity attributed to the owners of AS LHV Pank and do not include any non-controlling interest.

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## Business activities

Over the quarter, the number of the bank's clients grew by 6600. Client activity levels remained good. Deposits increased by EUR 123 million during the quarter, and loans increased by EUR 176 million.

Ordinary clients' deposits grew by EUR 83 million during the quarter, deposits raised from the deposits platform grew EUR 140 million, and financial intermediaries' deposits decreased by EUR 100 million. In Q3, a slowing of the growth of the households' deposits' balance could be seen. The declining trend in the companies' deposits' balance continued. This is a fertile substrate for a rise in interest rates, since all banks are looking to provide high-quality term deposits. Attractive interest rates on term deposits, addition of new clients, and subscription of bonds in September have had a positive influence on deposits. In Q3, the balance of term deposits grew, making up more than 27% of ordinary clients' deposits by late September. By the end of Q3, we have raised EUR 418 million from the deposits platform. Although the interest rates paid on platform deposits are slightly better than the level on the Estonian market, we prefer to raise deposits from the local market.

Loans to non-LHV-Group companies grew by EUR 55 million and retail loans increased by EUR 38 million. Q3 was very similar to the previous one in terms of demand for loans. Interest in loans has grown but there is more deliberation given to decisions, which is expressed in activity remaining stable at a low level. In Q3, the Green Home Loan campaign continued. In the course of the campaign, a 0%+ 6-month Euribor applies during the first year after a loan agreement is concluded for buying energy class A real estate and from there on, the usual Green Home Loan rate applies. As usual September is more active – it is the start of the period for applying for student loans, plus credit card and consumer loan applications have increased.

The net profit for the quarter was EUR 36 million. The strong Q3 result was positively influenced mainly by interest income and lower write-downs on loans. Service charge fees and expenses are as planned. We will outpace the profit in our updated financial plan by EUR 4 million by the end of September.

Loan impairments increased by EUR 2.2 million during the quarter. We also made model-based forward-looking write-downs in the Q3, part of the influence coming from the macroeconomic environment, part from changes in methodology. As a whole, the bank's loan portfolio quality has remained strong and the share of overdue loans continues to be very low. The growth trend is continuing for a second quarter in a row in consumer loans where we have made some changes to the terms on which loans are issued.

The greatest focus during Q3 continued to be on deposits and we repeatedly increased interest rates offered on the term deposits in order to be the best bank for clients to save and grow their money. Starting from the end of August, the traditional brand campaign started, with the message of "Freedom to move forward", which kept our visibility high through the end of the quarter. Client activity levels were impacted positively by record results in regard to subscription of LHV Group subordinated bonds. In August, financial intermediaries were successfully transferred from the LHV Pank UK branch to the UK-licensed LHV Bank, we are continuing the closing of the branch.

The Instar employer branding agency conducted the annual job expectations and employer reputation survey for the 14th year, and LHV Pank was rated the most attractive employer by students and experienced employees.

## Financial Summary

LHV Pank earned EUR 59.9 million in net interest income and EUR 5.7 million in net service fee income in Q3. Net loss on financial assets amounted to EUR 0.5 million in Q3. In total, the Bank's income was EUR 65.5 million and expenses were EUR 20.5 million. Net income grew by 60% and expenses increased by 25% over the year. The discounts of loans and bonds increased by EUR 2.8 million in Q3. We made forward-looking discounts and the volume of the portfolio grew. We are keeping a very close eye on developments in the credit portfolio.

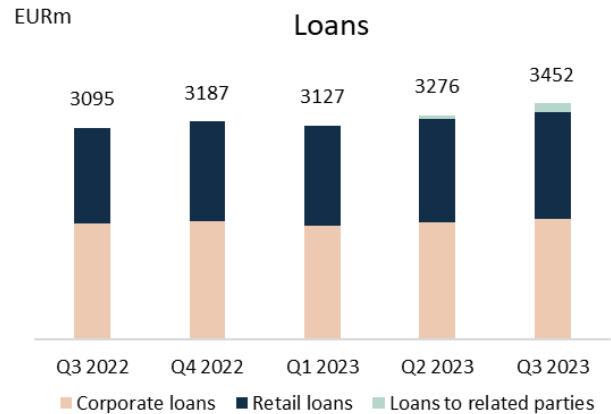
LHV Pank accounts for a 14% advance income tax and the respective income tax expenses was EUR 6.1 million in Q3. Income tax expense on future disbursements of dividends by subsidiaries at the consolidated level was EUR 0.1 million in Q3.

The Bank's Q3 profit amounted to EUR 36.0 million, which is 5% more than in Q2 2023 (34.4) and 88% more than in Q3 2022 (19.2).

Of the various service fees, income from settlements, currency exchange, cards and the receipt of card payments contributed the largest amount.

The total volume of the Bank's loan portfolio reached EUR 3 452 million by the end of Q3 (Q2 2023: EUR 3 276 million). The volume of the portfolio grew by 5% during the quarter. The volume of loans grew by EUR 176 million in Q3 (a growth of EUR 149 million in Q2 2023). The net retail loan portfolio grew by 3% during the quarter, reaching EUR 1 546 million (Q2 2023: EUR 1 508 million). The net corporate loan portfolio grew by 3% during the

quarter, reaching EUR 1 769 million (Q2 2023: EUR 1 714 million).



The volume of deposits at the Bank increased by EUR 123 million from the previous quarter and stood at EUR 5 256 million (Q2 2023: EUR 5 133 million). The volume of payment intermediaries' deposits dropped by EUR 100 million during the quarter. That was influenced by the transfer of the business activities of LHV Bank's UK branch to LHV Bank. Of the deposits, EUR 3 754 million were call deposits, EUR 1 083 million term deposits and EUR 418 million platform deposits. The volume of the deposits of private clients amounted to EUR 1 622 million as at the end of the quarter, having grown by 11% in a quarter.

The Bank's expense-income ratio was 31.3% in Q3, decreasing by 8.8 percentage points from Q3 2022 (40.1%).

Income statement	Q3	Q2	Quarter	Q3	Year
EUR million	2023	2023	over	2022	over
			quarter		year
Net interest income	59.90	56.09	7%	31.99	87%
Net fee and commission income	5.72	5.51	4%	8.72	-34%
Other financial income	-0.46	-0.44	5%	0.23	NA
Total net operating income	65.16	61.17	7%	40.94	59%
Other income	0.33	0.22	52%	0.05	629%
Operating expenses	-20.50	-21.08	-3%	-16.43	25%
Loan losses	-2.77	-0.60	359%	-2.17	28%
Income tax expenses	-6.19	-5.25	18%	-3.21	93%
Net profit	36.03	34.45	5%	19.17	88%

**Business volumes**

EUR million	30.09.2023	31.12.2022	Change
Loan portfolio	3 451.7	3 187.0	8%
Financial investments	256.5	364.6	-30%
Deposits of customers	5 255.5	4 956.9	6%
incl. deposits of financial institutions	1 231.0	1 556.8	-21%
Equity (including minority interest)	495.2	388.2	28%
Number of bank customers	407 398	377 949	8%

Ratios	Q3	Q2	Quarter over quarter	Q3	Year over year
EUR million	2023	2023		2022	
Net profit	36.0	34.4	1.6	19.2	16.8
Net profit attributable to owners of the parent	35.7	34.2	1.5	18.6	17.1
Average equity	470.8	434.9	35.9	327.0	143.8
Return on equity (ROE), %	30.4	31.4	-1.0	22.7	7.7
Return on assets (ROA), %	2.30	2.25	0.05	1.21	1.09
Net interest income	59.9	56.1	3.8	32.0	27.9
Interest-bearing assets, average	6 249.8	6 093.3	156.5	6 342.0	-92.2
Net interest margin (NIM) %	3.8	3.7	0.1	2.02	1.8
Price spread (SPREAD) %	3.7	3.6	0.1	2.00	1.7
Cost/income ratio %	31.3	34.3	-3.0	40.1	-8.8

**Explanations to ratios** (quarterly ratios have been expressed on an annualised basis)

Average equity (attributable to owners of the parent) = (equity as at the end of the reporting period + equity as at the end of the previous reporting period) / 2

Return on equity (ROE) = net profit for the quarter (share of owners of the parent) / average equity (attributable to owners of the parent) \* 100

Return on assets (ROA) = net profit for the quarter (share of owners of the parent) / average assets \* 100

Net interest margin (NIM) = net interest income / interest-bearing assets, average \* 100

Price spread (SPREAD) = interest yield from interest-bearing assets – cost of external capital

Interest yield from interest-bearing assets = interest income / interest-bearing assets, average \* 100

Cost of external capital = interest expenses / interest-bearing liabilities, average \* 100

Cost/income ratio = total operating cost / total income \* 100

## Liquidity and capitalisation

The Bank's liquidity coverage ratio (LCR), as defined by the Basel Committee, stood at 172.7% as at the end of September (31 December 2022: 135.6%). In the third quarter, the bank raised 137 million euros from deposit platforms for additional financing. In the third quarter LHV Bank repaid the loan from ECB in the amount of EUR 50 000 thousand similar to second quarter and as of the end of the quarter the entire loan was repaid.

The bank has a significant amount of financial intermediary deposits, which are fully covered by liquid assets and result in 100% in the LCR calculation. Thus, such deposits bring the LCR arithmetically lower without changing the actual liquidity situation. Excluding the financial intermediates' deposits the LCR is 353.1% (31.12.2022: 219.3%). The Bank recognises cash and bond portfolios as liquidity buffers. These accounted for 45% of the balance sheet (31.12.2022: 47%). The ratio of loans to deposits stood at 66% as at the end of the third quarter (31.12.2022: 64%).

LHV Bank includes as part of its own funds only that part of current year's profit, which the European Central Bank has given permission. Obtainment permission is done with the referrer, but is also applied to reported quarter afterwards, which is why the capitalization ratios will also change and bank reflects them in the next report.

Bank runs every year internal liquidity assessment process (ILAAP), which is done both on static and dynamical balance sheet modelling.

In assessment bank follows both regulative and internal liquidity ratios dynamics and fulfillment of limits. In dynamic assessment bank is following its own risk scenario.

Banks own funds based on CAD calculations at the end of September were EUR 544.4 million (31.12.2022: 484.6 mln euro).

Bank is adequately capitalized at end of the reporting period, capital adequacy was 23.06% (31.12.2022: 21.86%), calculated according to CRR IV directive. Banks capital adequacy exceeds internal capital targets, which is 18.9%.

Both AS LHV Bank and its subsidiary AS LHV Finance are included into capital adequacy calculation.

Bank uses standard methodology for calculating credit and market risk capital charges and basic indicator approach calculating operational risk capital requirement. Bank has fulfilled all capital requirements in current reporting period.

Each year, an internal capital adequacy assessment process (ICAAP) is performed, the goal of which is to identify potential capital needs in addition to regulatory capital requirements.

<b>Capital base</b> (in thousands of euros)	<b>30.09.2023</b>	<b>31.12.2022</b>
Paid-in share capital	141 500	141 500
Legal reserves transferred from net profit	12 669	8 736
Accumulated profit	222 187	147 685
Intangible assets (subtracted)	-3 251	-2 881
Net profit for the reporting period (COREP)	60 416	78 656
Deductions	-2 661	-2 643
<b>Total Tier 1 capital</b>	<b>430 860</b>	<b>371 053</b>
Subordinated debt	53 000	53 000
<b>Total Tier 1 capital</b>	<b>483 860</b>	<b>424 053</b>
Subordinated debt	60 500	60 500
<b>Total Tier 2 capital</b>	<b>60 500</b>	<b>60 500</b>
<b>Net own funds for capital adequacy</b>	<b>544 360</b>	<b>484 553</b>
<b>Capital requirements</b>		
Central governments and central bank under standard method	0	0
Credit institutions and investment companies under standard method	39 626	11 355
Companies under standard method	1 206 392	1 202 058
Retail claims under standard method	226 202	218 342

Public sector under standard method	0	0
Housing real estate under standard method	52 462	506 767
Overdue claims under standard methods	10 533	8 004
Particularly high risk exposures	42 722	47 032
Other assets under standard method	41 481	39 247
<b>Total capital requirements for covering the credit risk and counterparty credit risk</b>	<b>2 119 438</b>	<b>2 032 805</b>
Capital requirement against foreign currency risk under standard method	562	7 167
Capital requirement against interest position risk under standard method	0	0
Capital requirement against equity portfolio risks under standard method	795	740
Capital requirement against credit valuation adjustment risks under standard method	3 011	2 888
Capital requirement for operational risk under base method	236 380	173 468
<b>Total capital requirements for adequacy calculation</b>	<b>2 360 186</b>	<b>2 216 408</b>
<b>Capital adequacy (%)</b>	<b>23.06</b>	<b>21.86</b>
<b>Tier 1 capital ratio (%)</b>	<b>20.50</b>	<b>19.13</b>
<b>Core Tier 1 capital ratio (%)</b>	<b>18.26</b>	<b>16.74</b>

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## Condensed Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

<i>(in thousands of euros)</i>	Note	Q3 2023	9M 2023	Q3 2022	9M 2022
Interest income		82 548	215 933	36 290	102 633
Interest expense		-22 648	-47 039	-4 296	-17 532
Net interest income	7	<b>59 900</b>	<b>168 894</b>	<b>31 994</b>	<b>85 101</b>
Fee and commission income		11 639	35 311	13 228	39 361
Fee and commission expense		-5 924	-16 537	-4 512	-15 212
<b>Net fee and commission income</b>	8	<b>5 715</b>	<b>18 774</b>	<b>8 716</b>	<b>24 149</b>
Net gains/losses from financial assets measured at fair value		-457	-1 270	-84	-1 588
Foreign exchange gains/losses		-2	1 553	312	475
<b>Net gains from financial assets</b>		<b>-459</b>	<b>283</b>	<b>228</b>	<b>-1 113</b>
Other income		328	574	45	101
<b>Total other income</b>		<b>328</b>	<b>574</b>	<b>45</b>	<b>101</b>
Staff costs		-10 444	-32 151	-8 688	-26 326
Administrative and other operating expenses		-10 051	-30 214	-7 746	-20 121
<b>Total expenses</b>	9	<b>-20 495</b>	<b>-62 365</b>	<b>-16 434</b>	<b>-46 447</b>
<b>Profit before impairment losses on loans and advances</b>		<b>44 989</b>	<b>126 160</b>	<b>24 549</b>	<b>61 791</b>
Income tax expense		-6 191	-16 586	-3 209	-8 270
Impairment losses on loans and bonds		-2 773	-1 784	-2 172	-2 566
<b>Net profit for the reporting period</b>		<b>36 025</b>	<b>107 790</b>	<b>107 790</b>	<b>50 955</b>
<b>Total profit and other comprehensive income for the reporting period</b>		<b>36 025</b>	<b>107 790</b>	<b>19 168</b>	<b>50 955</b>
<b>Total profit of the reporting period attributable to:</b>					
Owners of the parent		35 711	106 643	18 576	49 161
Non-controlling interest		314	1 147	592	1 794
<b>Total profit for the reporting period</b>		<b>36 025</b>	<b>107 790</b>	<b>19 168</b>	<b>50 955</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		35 711	106 643	18 576	49 161
Non-controlling interest		314	1 147	592	1 794
<b>Total comprehensive income for the reporting period</b>		<b>36 025</b>	<b>107 790</b>	<b>19 168</b>	<b>50 955</b>



## Condensed Consolidated Interim Statement of Financial Position

<i>(in thousands of euros)</i>	Note	30.09.2023	31.12.2022
<b>Assets</b>			
Due from central bank	10	2 537 296	2 390 964
Due from credit institutions	10	35 441	84 885
Due from investment companies	10	11 268	3 391
Financial assets at fair value through profit or loss	6	4 059	407
Financial assets measured at amortised cost	6	252 431	364 230
Loans and advances to customers	5	3 451 717	3 186 989
Receivables from customers		15 544	9 253
Other financial assets		100	124
Other assets		3 480	2 866
Tangible assets		11 174	10 960
Intangible assets		3 251	2 881
<b>Total assets</b>		<b>6 325 761</b>	<b>6 056 950</b>
<b>Liabilities</b>			
Loans received from Central Banks (TLTRO)	11	0	147 841
Deposits of customers	11	5 255 527	4 956 931
Loans received and debt securities in issue	11	388 607	384 149
Financial liabilities at fair value through profit or loss	6	435	3 850
Accounts payable and other liabilities		71 915	61 901
Subordinated debt		114 036	114 056
<b>Total liabilities</b>		<b>5 830 520</b>	<b>5 668 728</b>
<b>Owner's equity</b>			
Share capital		141 500	141 500
Statutory reserve capital		12 669	8 736
Retained earnings		334 969	231 805
<b>Total equity attributable to owners of the parent</b>		<b>489 138</b>	<b>382 041</b>
Non-controlling interest		6 103	6 181
<b>Total equity</b>		<b>495 241</b>	<b>388 222</b>
<b>Total liabilities and equity</b>		<b>6 325 761</b>	<b>6 056 950</b>

## Condensed Consolidated Interim Statement of Cash Flows

<i>(in thousands of euros)</i>	Note	Q3 2023	9M 2023	Q3 2022	9M 2022
<b>Cash flow from operating activities</b>					
Interest received		80 564	210 891	35 436	101 450
Interest paid		-13 868	-28 066	-3 184	-15 776
Fees and commissions received		11 639	35 311	13 228	39 361
Fees and commissions paid		-5 924	-16 537	-4 512	-15 212
Other income		328	574	45	101
Staff costs paid		-9 969	-29 098	-8 306	-23 369
Administrative and other operating expenses paid		-8 724	-26 314	-6 683	-16 847
Income tax		-5 188	-16 005	-4 622	-8 688
<b>Cash flow from operating activities before change in operating assets and liabilities</b>		<b>48 858</b>	<b>130 756</b>	<b>21 402</b>	<b>50 906</b>
<b>Net increase/decrease in operating assets:</b>					
Net acquisition/disposal of trading portfolio		-3 050	-3 652	599	-2 865
Loans and advances to customers		-183 234	-262 694	-172 576	-419 864
Mandatory reserve at central bank		-2 231	-4 156	2 282	6 217
Security deposits		24	24	0	2 112
Other assets		-344	-645	-410	3 265
<b>Net increase/decrease in operating liabilities:</b>					
Demand deposits of customers		-319 861	-947 400	-168 922	-580 174
Term deposits of customers		435 170	1 231 400	-33 862	-45 325
Repayments of loans received		-49 864	-147 520	479	-50 000
Financial liabilities at fair value through profit and loss		-123	-3 415	0	0
Financial liabilities held for trading at fair value through profit and loss		0	0	-284	-150
Other liabilities		-4 619	3 814	-83 367	14 704
<b>Net cash generated from/used in operating activities</b>		<b>-79 274</b>	<b>-3 488</b>	<b>-434 659</b>	<b>-1 011 060</b>
<b>Cash flow from investing activities</b>					
Purchase of current and non-current assets		-690	-3 208	-1 746	-6 063
Net change of investments at fair value through profit or loss		0	0	0	-340 818
Net change of investments at amortized cost		69 108	110 529	118 310	108 632
<b>Net cash flow from investing activities</b>		<b>68 418</b>	<b>107 321</b>	<b>116 564</b>	<b>-238 249</b>
<b>Cash flow from financing activities</b>					
Contribution in share capita		0	0	30 000	30 000
Subordinated loan received		0	0	0	15 000
Repayment of subordinated loan		0	0	-30 000	-36 000
Dividends paid		0	-3 500	0	-6 000
Repayment of principal of lease liabilities		-431	-1 276	-263	1 007
<b>Net cash from financing activities</b>		<b>-431</b>	<b>-4 776</b>	<b>-263</b>	<b>1 993</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>-2</b>	<b>1 553</b>	<b>312</b>	<b>475</b>
<b>Net decrease/increase in cash and cash equivalents</b>		<b>-11 289</b>	<b>100 610</b>	<b>-318 046</b>	<b>-1 246 841</b>
Cash and cash equivalents at the beginning of the period		2 545 450	2 430 551	3 000 840	3 929 635
<b>Cash and cash equivalents at the end of the period</b>	<b>10</b>	<b>2 531 161</b>	<b>2 531 161</b>	<b>2 682 794</b>	<b>2 682 794</b>

## Condensed Consolidated Interim Statement of Changes in Equity

<i>(in thousands of euros)</i>	Share capital	Statutory reserve capital	Accumulated deficit/ retained earnings	Total equity attributable to owners	Non-controlling interest	Total equity
<b>Balance as at 01.01.2022</b>	<b>111 500</b>	<b>5 648</b>	<b>156 745</b>	<b>273 893</b>	<b>6 066</b>	<b>279 959</b>
Paid in share capital	30 000	0	0	30 000	0	<b>30 000</b>
Transfer to statutory reserve capital	0	3 088	-3 088	0	0	<b>0</b>
Dividends paid	0	0	-3 900	-3 900	-2 100	<b>-6 000</b>
Share options	0	0	3 390	3 390	0	<b>3 390</b>
<i>Profit for the year</i>	<i>0</i>	<i>0</i>	<i>78 658</i>	<i>78 658</i>	<i>2 215</i>	<b>80 873</b>
Total profit and other comprehensive income for the reporting period	0	0	78 658	78 658	2 215	<b>80 873</b>
<b>Balance as at 31.12.2022</b>	<b>141 500</b>	<b>8 736</b>	<b>231 805</b>	<b>382 041</b>	<b>6 181</b>	<b>388 222</b>
<b>Balance as at 01.01.2023</b>	<b>141 500</b>	<b>8 736</b>	<b>231 805</b>	<b>382 041</b>	<b>6 181</b>	<b>388 222</b>
Paid in share capital	0	3 933	-3 933	0	0	<b>0</b>
Dividends paid	0	0	-2 275	-2 275	-1 225	<b>-3 500</b>
Share options	0	0	2 729	2 729	0	<b>2 729</b>
<i>Profit for the year</i>	<i>0</i>	<i>0</i>	<i>106 643</i>	<i>106 643</i>	<i>1 147</i>	<b>107 790</b>
Total profit and other comprehensive income for the reporting period	0	0	106 643	106 643	1 147	<b>107 790</b>
<b>Balance as at 30.09.2023</b>	<b>141 500</b>	<b>12 669</b>	<b>334 969</b>	<b>489 138</b>	<b>6 103</b>	<b>495 241</b>

## Notes to the Condensed Consolidated Interim Financial Statements

### NOTE 1 Accounting Policies

The interim financial statements have been prepared in accordance with the international financial reporting standard IAS 34 "Interim Financial Reporting", as adopted in the European Union and accordance with International Financial Reporting Standards as adopted in European Union. The interim financial statements should be read in conjunction with the group's annual financial statements as at 31 December 2022. The accounting

policies adopted are consistent with those of the previous financial year.

The financial figures of the interim financial statements have been presented in thousands of euros, unless otherwise indicated. The interim financial statements have been consolidated and include the results of AS LHV Pank and its subsidiaries AS LHV Finance (65% interest).

### NOTE 2 Breakdown of Financial Assets and Liabilities by Countries

30.09.2023	Estonia	Germany	Other EU	USA	UK	Other	Total
Due from banks and investment companies	2 279 351	0	280 682	22 622	1 199	151	<b>2 584 005</b>
Financial assets at fair value	3 688	9	317	36	2	7	<b>4 059</b>
Financial assets at amortized cost	92 318	5 000	155 113	0	0	0	<b>252 431</b>
Loans and advances to customers	3 427 268	868	17 265	556	963	4 797	<b>3 451 717</b>
Receivables from customers	15 544	0	0	0	0	0	<b>15 544</b>
Other financial assets	0	0	0	100	0	0	<b>100</b>
<b>Total financial assets</b>	<b>5 818 169</b>	<b>5 877</b>	<b>453 377</b>	<b>23 314</b>	<b>2 164</b>	<b>4 955</b>	<b>6 307 856</b>
Deposits of customers	3 881 186	150 491	877 512	41 532	202 407	102 399	<b>5 255 527</b>
Loans received and debt securities in issue	388 607	0	0	0	0	0	<b>388 607</b>
Subordinated debt	114 036	0	0	0	0	0	<b>114 036</b>
Financial liabilities at fair value	435	0	0	0	0	0	<b>435</b>
Accounts payable and other financial liabilities	63 919	0	0	0	0	0	<b>63 919</b>
<b>Total financial liabilities</b>	<b>4 448 183</b>	<b>150 491</b>	<b>877 512</b>	<b>41 532</b>	<b>202 407</b>	<b>102 399</b>	<b>5 822 524</b>

Unused loan commitments in the amount of EUR 496 579 thousand are for the residents of Estonia.

31.12.2022	Estonia	Germany	Other EU	USA	UK	Other	Total
Due from banks and investment companies	1 935 474	0	329 496	24 727	189 442	101	<b>2 479 240</b>
Financial assets at fair value	62	7	308	21	3	6	<b>407</b>
Financial assets at amortized cost	236 130	4 966	123 134	0	0	0	<b>364 230</b>
Loans and advances to customers	3 162 295	612	17 867	622	900	4 693	<b>3 186 989</b>
Receivables from customers	9 253	0	0	0	0	0	<b>9 253</b>
Other financial assets	24	0	0	100	0	0	<b>124</b>
<b>Total financial assets</b>	<b>5 343 238</b>	<b>5 585</b>	<b>470 805</b>	<b>25 470</b>	<b>190 345</b>	<b>4 800</b>	<b>6 040 243</b>
Loans received from Central Banks (TLTRO)	147 841	0	0	0	0	0	<b>147 841</b>
Deposits of customers	3 656 847	5 292	794 101	14 891	452 415	33 385	<b>4 956 931</b>
Loans received and debt securities in issue	0	0	384 149	0	0	0	<b>384 149</b>
Subordinated debt	114 056	0	0	0	0	0	<b>114 056</b>
Financial liabilities at fair value	3 850	0	0	0	0	0	<b>3 850</b>
Accounts payable and other financial liabilities	54 838	0	0	0	0	0	<b>54 838</b>
<b>Total financial liabilities</b>	<b>3 977 432</b>	<b>5 292</b>	<b>1 178 250</b>	<b>14 891</b>	<b>452 415</b>	<b>33 385</b>	<b>5 661 665</b>

Unused loan commitments in the amount of EUR 601 093 thousand are for the residents of Estonia.

### NOTE 3 Breakdown of Assets and Liabilities by Contractual Maturity Dates

<b>30.09.2023</b>	<b>On demand</b>	<b>0-3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>Liabilities by contractual maturity dates</b>						
Deposits from customers and loans received	3 754 370	537 138	929 214	62 689	651	<b>5 284 062</b>
Loans received and debt securities in issue	0	5 850	69 940	326 950	0	<b>402 740</b>
Subordinated debt	0	12 311	46 614	72 229	0	<b>131 154</b>
Accounts payable and other financial liabilities	0	63 919	0	0	0	<b>63 919</b>
Unused loan commitments	0	496 579	0	0	0	<b>496 579</b>
Financial guarantees by contractual amounts	0	50 147	0	0	0	<b>50 147</b>
Foreign exchange derivatives (gross settled)	0	152 985	0	0	0	<b>152 985</b>
Financial liabilities at fair value	0	435	0	0	0	<b>435</b>
<b>Total liabilities</b>	<b>3 754 370</b>	<b>1 166 379</b>	<b>1 045 768</b>	<b>461 868</b>	<b>651</b>	<b>6 582 021</b>
<b>Financial assets by contractual maturity dates</b>						
Due from banks and investment companies	2 584 005	0	0	0	0	<b>2 584 005</b>
Financial assets at fair value (debt securities)	0	9 989	162 952	79 553		<b>252 494</b>
Loans and advances to customers	0	208 292	540 439	2 490 275	1 600 849	<b>4 839 855</b>
Receivables from customers	0	9 017	0	0	0	<b>9 017</b>
Foreign exchange derivatives (gross settled)	0	152 985	0	0	0	<b>152 985</b>
Other financial assets	100	0	0	0	0	<b>100</b>
<b>Total financial assets</b>	<b>2 584 105</b>	<b>380 283</b>	<b>703 391</b>	<b>2 569 828</b>	<b>1 600 849</b>	<b>7 838 456</b>
<b>Maturity gap from financial assets and liabilities</b>	<b>-1 170 265</b>	<b>-786 096</b>	<b>-342 377</b>	<b>2 107 960</b>	<b>1 600 198</b>	<b>1 256 435</b>

<b>31.12.2022</b>	<b>On demand</b>	<b>0-3 months</b>	<b>3-12 months</b>	<b>1-5 years</b>	<b>Over 5 years</b>	<b>Total</b>
<b>Liabilities by contractual maturity dates</b>						
Loans received from Central Banks (TLTRO)	0	0	0	150 082	0	<b>150 082</b>
Deposits from customers	4 699 726	95 807	143 740	18 082	0	<b>4 957 355</b>
Loans received	0	0	6 790	396 890	0	<b>403 680</b>
Subordinated debt	0	2 311	16 932	118 843	0	<b>138 086</b>
Accounts payable and other financial liabilities	0	54 838	0	0	0	<b>54 838</b>
Unused loan commitments	0	601 093	0	0	0	<b>601 093</b>
Financial guarantees by contractual amounts	0	52 577	0	0	0	<b>52 577</b>
Foreign exchange derivatives (gross settled)	0	171 694	0	0	0	<b>171 694</b>
Financial liabilities at fair value	0	3 850	0	0	0	<b>3 850</b>
<b>Total liabilities</b>	<b>4 699 726</b>	<b>810 476</b>	<b>167 462</b>	<b>683 897</b>	<b>0</b>	<b>6 533 255</b>
<b>Financial assets by contractual maturity dates</b>						
Due from banks and investment companies	2 479 240	0	0	0	0	<b>2 479 240</b>
Financial assets at fair value (debt securities)	0	236 130	4 966	123 225		<b>364 321</b>
Loans and advances to customers	0	186 547	487 298	2 095 373	1 258 430	<b>4 027 648</b>
Receivables from customers	0	9 253	0	0	0	<b>9 253</b>
Foreign exchange derivatives (gross settled)	0	171 694	0	0	0	<b>171 694</b>
Other financial assets	124	0	0	0	0	<b>124</b>
<b>Total financial assets</b>	<b>2 479 364</b>	<b>603 624</b>	<b>492 264</b>	<b>2 218 598</b>	<b>1 258 430</b>	<b>7 052 280</b>
<b>Maturity gap from financial assets and liabilities</b>	<b>-2 220 362</b>	<b>-206 852</b>	<b>324 802</b>	<b>1 534 701</b>	<b>1 258 430</b>	<b>519 025</b>

It is possible to take a short-term loan from the central bank against the security of the majority of instruments in the bond portfolio. All cashflows from financial assets and –liabilities except derivatives include all contractual cash flows.

## NOTE 4 Open Foreign Currency Positions

30.09.2023	EUR	CHF	GBP	SEK	USD	Other	Total
<b>Assets bearing currency risk</b>							
Due from banks and investment companies	2 550 879	1 794	4 566	3 495	15 965	7 306	<b>2 584 005</b>
Financial assets at fair value and amortized cost	256 445	1	2	1	39	2	<b>256 490</b>
Loans and advances to customers	3 306 723	21	137 455	141	7 157	220	<b>3 451 717</b>
Receivables from customers	8 063	7	4 327	171	2 948	28	<b>15 544</b>
Other financial assets	100	0	0	0	0	0	<b>100</b>
<b>Total assets bearing currency risk</b>	<b>6 122 210</b>	<b>1 823</b>	<b>146 349</b>	<b>3 808</b>	<b>26 109</b>	<b>7 556</b>	<b>6 307 856</b>
<b>Liabilities bearing currency risk</b>							
Deposits from customers	5 062 137	6 607	17 729	10 619	149 639	8 796	<b>5 255 527</b>
Loans received and debt securities in issue	388 607	0	0	0	0	0	<b>388 607</b>
Swaps	435	0	0	0	0	0	<b>435</b>
Accounts payable and other financial liabilities	55 355	2	3 074	242	5 065	181	<b>63 919</b>
Subordinated debt	114 036	0	0	0	0	0	<b>114 036</b>
<b>Total liabilities bearing currency risk</b>	<b>5 620 570</b>	<b>6 609</b>	<b>20 803</b>	<b>10 861</b>	<b>154 704</b>	<b>8 976</b>	<b>5 822 524</b>
Open gross position derivative assets at contractual value	7 952	4 778	0	7 125	127 997	1 573	149 425
Open gross position derivative liabilities at contractual value	23 378	0	125 846	0	0	201	149 425
<b>Open foreign currency position</b>	<b>486 214</b>	<b>-8</b>	<b>-300</b>	<b>73</b>	<b>-598</b>	<b>-48</b>	<b>485 332</b>

31.12.2022	EUR	CHF	GBP	SEK	USD	Other	Total
<b>Assets bearing currency risk</b>							
Due from banks and investment companies	2 252 513	1 466	197 147	2 538	17 806	7 769	<b>2 479 240</b>
Financial assets at fair value	364 567	0	2	1	26	42	<b>364 637</b>
Loans and advances to customers	3 180 990	74	232	385	5 068	241	<b>3 186 989</b>
Receivables from customers	14 099	5	751	241	-4 512	-1 330	<b>9 253</b>
Other financial assets	124	0	0	0	0	0	<b>124</b>
<b>Total assets bearing currency risk</b>	<b>5 812 293</b>	<b>1 545</b>	<b>198 132</b>	<b>3 164</b>	<b>18 388</b>	<b>6 721</b>	<b>6 040 243</b>
<b>Liabilities bearing currency risk</b>							
Loans received from Central Banks (TLTRO)	147 841	0	0	0	0	0	<b>147 841</b>
Deposits from customers	4 590 049	5 323	193 442	10 968	148 058	9 089	<b>4 956 931</b>
Loans received	384 149	0	0	0	0	0	<b>384 149</b>
Accounts payable and other financial liabilities	0	0	0	0	3 849	1	<b>3 850</b>
Swaps	41 563	19	4 006	172	8 987	91	<b>54 838</b>
Subordinated debt	114 056	0	0	0	0	0	<b>114 056</b>
<b>Total liabilities bearing currency risk</b>	<b>5 277 658</b>	<b>5 343</b>	<b>197 448</b>	<b>11 140</b>	<b>160 895</b>	<b>9 181</b>	<b>5 661 665</b>
Open gross position derivative assets at contractual value	9 403	3 757	0	8 001	148 162	2 371	171 694
Open gross position derivative liabilities at contractual value	162 291	0	0	0	9 403	0	171 694
<b>Open foreign currency position</b>	<b>381 747</b>	<b>-40</b>	<b>684</b>	<b>25</b>	<b>-3 748</b>	<b>-89</b>	<b>378 578</b>

## NOTE 5 Breakdown of Loan Portfolio by Economic Sectors and by Stages

<b>30.09.2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Provision</b>	<b>Total</b>	<b>%</b>
Individuals	1 232 048	81 922	6 609	-4 967	1 315 612	38,1%
Agriculture	57 081	4 705	8	-244	61 550	1,8%
Mining and Quarrying	1 025	664	60	-98	1 651	0,0%
Manufacturing	117 789	39 287	1 927	-2 188	156 815	4,5%
Energy	206 599	354	0	-842	206 111	6,0%
Water and Utilities	27 695	242	0	-292	27 645	0,8%
Construction	80 107	12 099	71	-1 478	90 799	2,6%
Wholesale and retail	166 807	5 341	1 553	-1 709	171 992	5,0%
Transport and logistics	17 563	9 609	0	-642	26 530	0,8%
Hotels and Restaurants	10 874	2 808	397	-179	13 900	0,4%
Information and communication	12 826	1 439	55	-65	14 255	0,4%
Financial services	231 169	176	0	-1 607	229 738	6,7%
Real estate	736 474	16 879	833	-3 398	750 788	21,8%
Professional, scientific and technical activities	105 398	3 153	2	-266	108 287	3,1%
Administrative activities	106 467	2 260	20	-495	108 252	3,1%
Public management	68 183	107	0	-149	68 141	2,0%
Education	4 754	533	4	-321	4 970	0,1%
Health	14 359	1 044	0	-143	15 260	0,4%
Art and entertainment	45 283	18 410	0	-1 157	62 536	1,8%
Other servicing activities	17 232	769	9	-1 125	16 885	0,5%
<b>Total</b>	<b>3 259 733</b>	<b>201 801</b>	<b>11 548</b>	<b>-21 365</b>		
Provision	-10 859	-6 974	-3 532			
<b>Total loan portfolio</b>	<b>3 248 874</b>	<b>194 827</b>	<b>8 016</b>		<b>3 451 717</b>	<b>100%</b>

<b>31.12.2022</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Provision</b>	<b>Total</b>	<b>%</b>
Individuals	1 127 635	115 433	5 446	-3 156	1 245 358	39.1%
Agriculture	76 817	2 743	0	-112	79 448	2.5%
Mining and Quarrying	1 039	519	122	-50	1 630	0.1%
Manufacturing	126 670	28 626	81	-1 308	154 069	4.8%
Energy	92 186	1 305	0	-321	93 170	2.9%
Water and Utilities	29 314	90	0	-275	29 129	0.9%
Construction	104 812	5 243	58	-1 712	108 401	3.4%
Wholesale and retail	142 811	6 599	69	-919	148 560	4.7%
Transport and logistics	15 198	10 323	1	-691	24 831	0.8%
Hotels and Restaurants	8 775	23 446	43	-1 522	30 742	1.0%
Information and communication	11 330	3 004	1	-34	14 301	0.4%
Financial services	119 435	9 337	0	-822	127 950	4.0%
Real estate	744 928	34 577	1 558	-3 233	777 830	24.4%
Professional, scientific and technical activities	68 002	7 313	30	-171	75 174	2.4%
Administrative activities	115 072	4 563	32	-3 116	116 551	3.7%
Public management	79 272	0	0	-127	79 145	2.5%
Education	5 151	596	0	-302	5 445	0.2%
Health	11 077	541	0	-76	11 542	0.4%
Art and entertainment	27 619	30 225	15	-2 588	55 271	1.7%
Other servicing activities	6 970	1 503	11	-42	8 442	0.3%

<b>Total</b>	<b>2 914 113</b>	<b>285 986</b>	<b>7 467</b>	<b>-20 577</b>		
Provision	-10 874	-7 632	-2 071			
<b>Total loan portfolio</b>	<b>2 903 239</b>	<b>278 354</b>	<b>5 396</b>		<b>3 186 989</b>	<b>100%</b>

Loans to related parties were 30.09.2023 EUR 8 287 thousand (31.12.2022: 7 570). Loans have been given out on market terms.

## NOTE 6 Fair Value of Financial Assets and Liabilities

The Management Board of the Group has determined the fair value of assets and liabilities recognised at amortised cost in the balance sheet. To determine the fair value, future cash flows are discounted based on the market interest curve.

The below table provides an overview of the assessment techniques, which depend on the hierarchy of assets and liabilities measured at fair value:

	Level 1	Level 2	Level 3	30.09.2023	Level 1	Level 2	Level 3	31.12.2022
<b>Financial assets at fair value through profit and loss</b>								
Shares and fund units	395	0	0	<b>395</b>	367	0	0	<b>367</b>
Bonds at fair value through profit and loss	0	0	0	<b>0</b>	0	0	0	<b>0</b>
Interest rate swaps and foreign exchange forwards	0	3 664	0	<b>3 664</b>	0	40	0	<b>40</b>
<b>Total financial assets</b>	<b>395</b>	<b>3 664</b>	<b>0</b>	<b>4 059</b>	<b>367</b>	<b>40</b>	<b>0</b>	<b>407</b>
<b>Financial liabilities at fair value through profit and loss</b>								
Interest rate swaps and foreign exchange forwards	0	435	0	435	0	3 850	0	3 850
<b>Total financial liabilities</b>	<b>0</b>	<b>435</b>	<b>0</b>	<b>435</b>	<b>0</b>	<b>3 850</b>	<b>0</b>	<b>3 850</b>

As of September 30, 2023, the liquidity portfolio in the amount of EUR 252 431 thousand is reflected in the amortised cost and the loss from the revaluation of the portfolio is reflected in the income statement in the line Impairment losses on loans and bonds in the amount of EUR 17 thousand. The fair value of the liquidity portfolio as of 30.09.2023 is EUR 254 718 thousand.

Hierarchy levels:

1. Level 1 – the price quoted on active market
2. Level 2 – a technique which uses market information as input (rates and interest curves of arms-length transactions)
3. Level 3 – other methods (e.g. discounted cash flow method) with estimations as input

Interest rate swaps are instruments, where the fair value is determined via the model-based approach by using the inputs available on the active market. The fair value of such non-market derivatives is calculated as a theoretical net present value (NPV), by using independent market parameters and without assuming the presence of any risks or uncertainties. The NPV is discounted by using the risk-free profitability rate available on the market.

Loans are issued in the bank's business segments on market conditions. Therefore, the fair value of loans does not materially differ from their carrying amount as at 30 September 2023 and 31 December 2022. In determining the fair value of loans, considerable management judgements are used (discounted cash flow method with current market interest is used for the valuation). Loans issued are thus categorised under hierarchy level 3.

Other receivables from customers, along with accrued expenses and other current receivables have been generated in the course of ordinary business and are subject to payment over a short period of time. Their fair value does not thus differ from the carrying amount. These receivables and payables do not bear any interest. The fair value of accounts payable, accrued expenses and other payables is determined based on hierarchy level 3.

Customer deposits with fixed interest rates are mostly short-term with the deposits priced pursuant to market conditions. The fair value of the deposits determined via discounting future cash flows does not thus materially differ from the carrying amount. In determining the fair value of customer deposits, considerable management judgements are used. Customer deposits are thus categorised under hierarchy level 3.

All the subordinated loans are received in 2018-2022. Subordinated loans were issued on market terms and considering the movements in loan and interest market, we can say that the market conditions are similar as they were when issuing the subordinated loans so that the fair value of the loans does not materially differ from their net book value. In determining the fair value of loans, considerable management judgements are used. Loans issued are thus categorised under hierarchy level 3.



## NOTE 7 Net Interest Income

<b>Interest income</b>	<b>Q3 2023</b>	<b>9M 2023</b>	<b>Q3 2022</b>	<b>9M 2022</b>
Business loans	35 653	96 038	19 503	54 684
including loans between related parties	44	117	17	51
Hire purchase	855	2 637	852	2 467
Leasing	3 098	8 087	1 563	4 444
including loans between related parties	14	30	2	7
Leverage loans and lending of securities	362	1 041	401	1 264
Bonds	2 318	5 385	-112	-460
Creditcard loans	265	742	214	608
Consumer loans	3 109	8 989	2 551	6 854
Mortgage loans	17 045	44 670	6 956	18 673
including loans between related parties	41	100	12	34
Balances with credit institutions and investment companies	775	4 222	1 146	2 080
Balances with the central bank	16 212	38 328	778	1 766
Private loans	982	2 728	607	1 729
Including loans between related parties	4	12	2	5
Loans to other group companies	1 357	1 678	0	0
Other loans	517	1 388	1 831	8 524
<b>Total</b>	<b>82 548</b>	<b>215 933</b>	<b>36 290</b>	<b>102 633</b>

### Interest expense

Deposits of customers and loans received	-18 563	-34 737	-1 202	-3 425
Balances with the central bank	0	0	-929	-7 661
Other interest expenses	-89	-3 99	0	0
Subordinated liabilities	-3 996	-11 903	-2 165	-6 446
<b>Total</b>	<b>-22 648</b>	<b>-47 039</b>	<b>-4 296</b>	<b>-17 532</b>

<b>Net interest income</b>	<b>59 900</b>	<b>168 894</b>	<b>31 994</b>	<b>85 101</b>
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### Interest income on loans by customer location

<b>(interest on bank balances and bonds excluded):</b>	<b>Q3 2023</b>	<b>9M 2023</b>	<b>Q3 2022</b>	<b>9M 2022</b>
Estonia	61 899	166 354	34 478	99 247
Great Britain	1 344	1 644	0	0
<b>Total</b>	<b>63 243</b>	<b>167 998</b>	<b>34 478</b>	<b>99 247</b>

## NOTE 8 Net Fee and Commission Income

<b>Fee and commission income</b>	<b>Q3 2023</b>	<b>9M 2023</b>	<b>Q3 2022</b>	<b>9M 2022</b>
Security brokerage and commissions paid	536	2 690	935	3 380
Asset management and similar fees	1 704	4 959	1 469	4 283
Currency conversion revenues	1 408	4 112	1 954	6 459
Fees from cards and payments	5 714	17 496	6 554	19 373
Other fee and commission income	2 277	6 054	2 316	5 866
<b>Total</b>	<b>11 639</b>	<b>35 311</b>	<b>13 228</b>	<b>39 361</b>
<b>Fee and commission expense</b>				
Security brokerage and commissions paid	-608	-1 838	-590	-1 827
Expenses related to cards	-2 416	-6 715	-972	-4 591
Expenses related to acquiring	-2 367	-6 110	-1 933	-5 413
Other fee and commission income	-533	-1 874	-1 017	-3 381
<b>Total</b>	<b>-5 924</b>	<b>-16 537</b>	<b>-4 512</b>	<b>-15 212</b>
<b>Net fee and commission income</b>	<b>5 715</b>	<b>18 774</b>	<b>8 716</b>	<b>24 149</b>

<b>Fee and commission income by customer location:</b>	<b>Q3 2023</b>	<b>9M 2023</b>	<b>Q3 2022</b>	<b>9M 2022</b>
Estonia	9 556	29 037	11 476	33 769
Great Britain	2 083	6 274	1 752	5 592
<b>Total</b>	<b>11 639</b>	<b>35 311</b>	<b>13 228</b>	<b>39 361</b>

## NOTE 9 Operating Expenses

	<b>Q3 2023</b>	<b>9M 2023</b>	<b>Q3 2022</b>	<b>9M 2022</b>
Wages, salaries and bonuses	7 888	24 607	6 502	20 126
Social security and other taxes*	2 556	7 544	2 186	6 200
<b>Total personnel expenses</b>	<b>10 444</b>	<b>32 151</b>	<b>8 688</b>	<b>26 326</b>
IT expenses	1 549	4 451	1 277	3 682
Information services and bank services	349	1 134	371	983
Marketing expenses	600	1 964	411	1 669
Office expenses	332	1 138	317	912
Transportation and communication expenses	111	367	117	358
Staff training and business trip expenses	209	775	261	765
Other outsourced services	2 522	5 710	1 274	3 997
Other administrative expenses	3 278	11 265	2 603	4 683
Depreciation of non-current assets	896	2 623	800	2 268
Operational lease payments	91	276	93	202
Other operating expenses	114	511	222	602
<b>Total other operating expenses</b>	<b>10 051</b>	<b>30 214</b>	<b>7 746</b>	<b>20 121</b>
<b>Total operating expenses</b>	<b>20 495</b>	<b>62 365</b>	<b>16 434</b>	<b>46 447</b>

\*lump-sum payment of social, health and other insurances

## NOTE 10 Balances with the Central Bank, Credit Institutions and Investment Companies

	30.09.2023	31.12.2022
Term deposits with maturity less than 3 months*	202 684	88 276
Legal reserve with the central bank	52 844	48 689
Other receivables from central bank*	2 328 477	2 342 275
<b>Total</b>	<b>2 584 005</b>	<b>2 479 240</b>
*Cash and cash equivalents in the Statement of Cash Flows	2 531 161	2 430 551

The breakdown of receivables by countries has been presented in Note 2. Demand deposits include receivables from investment companies in the total amount of EUR 11 268 thousand (31 December 2022: EUR 3 391 thousand). All other demand and term deposits are held with credit institutions and the central bank.

The minimum reserve requirement as at 30 September 2023 was 1% (31 December 2022: 1%) of all financial resources (customer deposits and loans received). The reserve requirement is to be fulfilled as a monthly average in euros or in the foreign financial assets approved by the central bank.

## NOTE 11 Deposits of Customers, Loans Received and Debt Securities in issue

	Non-financial				30.09.2023
	Individuals	Financial entities	entities	Public sector	
Demand deposits	824 209	1 150 410	1 690 650	86 589	3 751 858
Term deposits	790 153	79 259	597 295	21 670	1 488 377
Accrued interest liability	7 759	1 312	5 784	437	15 292
<b>Total</b>	<b>1 622 121</b>	<b>1 230 981</b>	<b>2 293 729</b>	<b>108 696</b>	<b>5 255 527</b>

	Non-financial				31.12.2022
	Individuals	Financial entities	entities	Public sector	
Demand deposits	1 065 135	1 533 598	2 042 117	58 406	4 699 256
Term deposits	63 208	23 046	146 137	24 587	256 978
Accrued interest liability	336	192	156	13	697
<b>Total</b>	<b>1 128 679</b>	<b>1 556 836</b>	<b>2 188 410</b>	<b>83 006</b>	<b>4 956 931</b>

30.09.2023	TLTRO	Mortgage bonds	Preferred senior bonds	Total loans received and debt securities in issue
Loans received	0	249 503	133 872	383 375
Accrued interest liability	0	78	5 154	5 232
<b>Total</b>	<b>0</b>	<b>249 581</b>	<b>139 026</b>	<b>388 607</b>
31.12.2022	TLTRO	Mortgage bonds	Preferred senior bonds	Total loans received and debt Securities in issue
Loans received	150 000	249 284	133 771	383 055
Accrued interest liability	-2 159	141	953	1 094
<b>Total</b>	<b>147 841</b>	<b>249 425</b>	<b>134 724</b>	<b>384 149</b>

In 2020, LHV Pank issued EUR 250 million in five-year mortgage bonds in June. In the fourth quarter, a self-directed issue of EUR 100 million was added, which was used as collateral by the European Central Bank to raise funds from the TLTRO III program. In 2022, LHV Bank returned the loan received from the European Central Bank in the amount of 50 000 thousand euros and in first, second and third quarter 2023 another 50 000 thousand euros was returned.

As of 30.09.2023 the loan received from European Central Bank (TLTRO) was fully repaid (balance 31.12.2022: 150 000 thousand).

The nominal interest rate of the deposits of customers and loans granted equals to their effective interest rate, as no other significant fees have been implemented.

## NOTE 12 Assets Under management

AS LHV Pank, operating as an account manager for its customers, has custody of or intermediates the following customer assets:	<b>30.09.2023</b>	<b>31.12.2022</b>
Cash balance of customers	10 301	13 609
Securities of customers	3 541 774	3 194 837
<i>Incl. parent company</i>	151 129	149 279
<i>Incl. shareholders of the parent company and related entities</i>	589 937	483 452
<b>Total</b>	<b>3 552 075</b>	<b>3 208 446</b>

## NOTE 13 Contingent Liabilities

<b>Irrevocable transactions</b>	<b>Performance guarantees</b>	<b>Financial guarantees</b>	<b>Letter of credit</b>	<b>Unused loan commitments</b>	<b>Total</b>
Liability in the contractual amount as at 30 September 2023	44 224	50 147	3 768	496 579	<b>594 718</b>
Liability in the contractual amount as at 31 December 2022	30 174	52 577	6 605	601 093	<b>690 449</b>

## General information

<b>Legal name</b>	AS LHV Pank
<b>Commercial Registry no</b>	10539549
<b>Legal address</b>	Tartu mnt. 2, 10145 Tallinn
<b>Phone</b>	(372) 6800400
<b>Fax</b>	(372) 6800410
<b>BIC / Swift</b>	LHVBEE22
<b>E-mail</b>	lhv@lhv.ee
<b>Web page</b>	www.lhv.ee
<b>Main activities</b>	banking, finance lease and other lending, security brokerage
<b>Auditor</b>	OÜ KPMG Baltics
<b>Supervisory board</b>	Madis Toomsalu, Raivo Hein, Rain Lõhmus, Heldur Meerits, Tiina Mõis, Andres Viisemann
<b>Management board</b>	Kadri Kiisel, Jüri Heero, Andres Kitter, Indrek Nuume, Martti Singi, Meelis Paakspuu