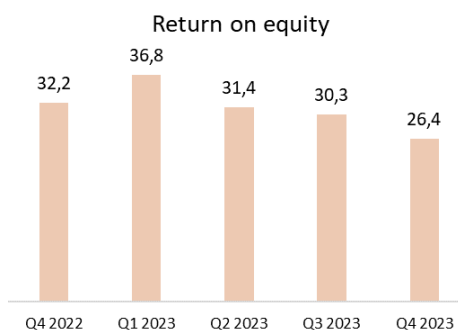
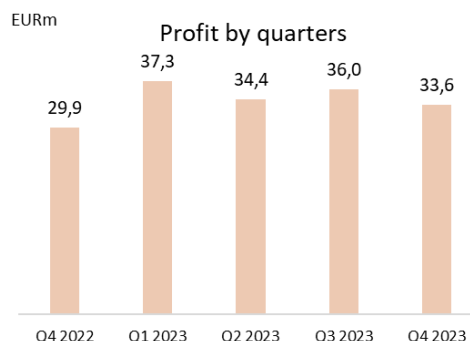


# Interim Report January – December 2023

## Summary of Results

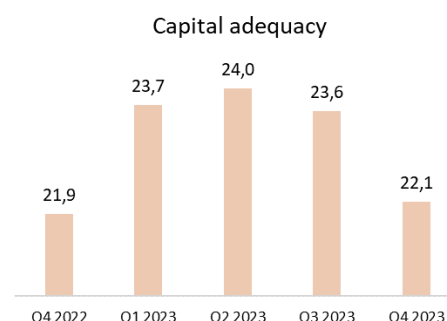
### Q4 2023 in comparison with Q3 2023

- Net profit EUR 33.6 m (36.0 m eurot), of which EUR 33.5 m (EUR 35.7 m) is attributable to owners of the parent
- Net income EUR 71.6 m (EUR 65.5 m)
- Operating expenses EUR 22.9 m (EUR 20.5 m)
- Loan and bond provisions EUR 9.6 m (EUR 2.8 m)
- Income tax expenses EUR 5.5 m (EUR 6.2 m)
- Return on equity 26.4% (30.3%)
- Capital adequacy 22.1% (23.6%)



### Q4 2023 in comparison with Q4 2022

- Net profit EUR 33.6 m (EUR 29.9 m), of which EUR 33.5 m (EUR 29.5 m) is attributable to owners of the parent
- Net income EUR 71.6 m (EUR 53.4 m)
- Operating expenses EUR 22.9 m (18.1 m)
- Loan and bond provisions EUR 9.6 m (EUR 0.4 m)
- Income tax expenses EUR 5.5 m (EUR 5.0 m)
- Return on equity 26.4% (32,2%)
- Capital adequacy 22.1% (21,9%)



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 10 100. Client activity levels remained good. Deposits increased by EUR 279 million during the quarter, and loans increased by EUR 97 million.

Ordinary clients' deposits grew by EUR 153 million during the quarter, deposits raised from the deposits platform rose by EUR 45 million, and financial intermediaries' deposits increased by EUR 82 million. Both in the fourth quarter and for the year as a whole, deposits saw significant growth in the market. The households' deposits balance set new records, and the respective figure for companies peaked in October. Interest rates reached their peak in September and stabilised by the end of Q4. Attractive interest rates on term deposits and the addition of new clients contributed to the higher deposits balance. In Q4, the balance of term deposits grew and accounted for about 40% of ordinary clients' deposits by the end of December. By the end of Q4, we had raised EUR 463 million from the deposits platform. Although the interest rates paid on platform deposits are slightly more advantageous 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 118 million and consumer loans increased by EUR 49 million. Q4 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. Competition is stiff and it is a customer's market. Bank margins on home loans have dropped to 1.7% across the market. As of the end of the year, we are offering refinancing of home loan agreements on preferential terms, compensating notary fees. Loan portfolios grew about 5% in our market in 2023. The LHV

loan portfolio outpaced the market's growth – 11% for the home loan portfolio, about 9% for the corporate loan portfolio.

The net profit for the quarter was EUR 33.6 million. The strong fourth-quarter result was positively influenced mainly by net service fee income and interest income. Service charge fees and expenses are as planned. We outpaced our projected profit in our updated financial plan by EUR 5 million by the end of the quarter.

Loan impairments increased by approximately EUR 6.8 million compared to the last quarter. Model-based forward-looking impairments contributed significant influence to the higher write-down figures. In addition, the macroeconomic environment worsened but we also made changes to our methods. Nevertheless, we see the quality of the bank's loan portfolio as staying strong and the share of overdue loans continues to be very low. A growth trend is continuing in consumer loans for a third quarter in a row, albeit with signs of slowing.

In Q4, there continued to be a major focus on deposits, with the interest rates payable on term deposits peaking and stabilising by year's end. In October, the annual stock trading simulation game Stock Shark drew a record number of participants. A total of 2 500 took part in a beginner investor course, and just under 200 participants passed the test and received a diploma. We closed LHV's UK branch. Our investment banking team, with new members as of early 2023, helped to successfully organise the IPO for Infotart and provided consultation to Enefit Green in the sale of a pellet plant in Brocēni, Latvia.

LHV was selected as the most desirable employer in an annual survey conducted by Estonia's biggest recruiting platform, CVKeskus.ee. In addition, LHV Pank was the preferred employer in CV.ee's annual Top Employer survey.

## Financial Summary

LHV Pank earned net interest income of EUR 59.6 million and EUR 8.4 million in net service fee income in Q4. Net financial income amounted to EUR 2.4 million in Q4. In total, the Bank's income was EUR 71.6 million and expenses were EUR 22.9 million. Net income rose by 34% and expenses increased by 26% over the year. The discounts of loans and bonds amounted to EUR 9.6 million in Q4. We made forward-looking discounts and the volume of the portfolio grew; we also made changes in methodology. We are keeping a very close eye on developments in the credit portfolio.

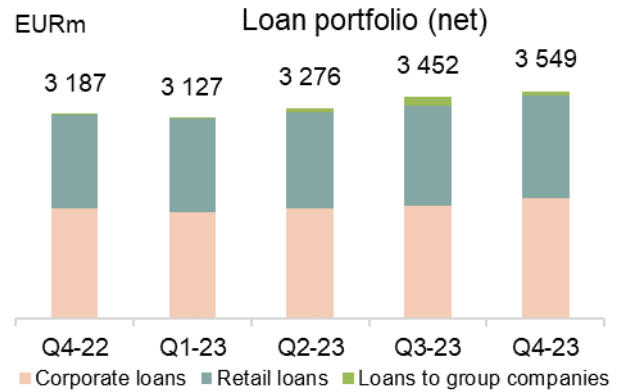
LHV Pank accounts for and recognises in expenses a 14% advance income tax which was EUR 5.4 million in Q4. Income tax expense on future disbursements of dividends by subsidiaries at the consolidated level was EUR 0.1 million in Q4.

The Bank's Q4 profit amounted to EUR 33.6 million, which is 7% less than in Q3 2023 (36.0) and 12% more than in Q4 2022 (29.9).

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 3,549 million by the end of Q4 (Q3 2023: EUR 3,452 million). The volume of the portfolio grew by 3% during the quarter. The volume of loans grew by EUR 97 million in Q4 (Q3 2023: a growth of EUR 176 million). The net retail loan portfolio grew by 3% during the quarter, reaching EUR 1,595 million (Q3 2023: EUR 1,546 million). The net corporate loan portfolio grew by 7% during the

quarter, reaching EUR 1,887 million (Q3 2023: EUR 1,769 million).



The volume of deposits at the Bank increased by EUR 279 million from the previous quarter and stood at EUR 5,535 million (Q3 2023: EUR 5,256 million). The volume of payment intermediaries' deposits grew by EUR 82 million during the quarter. Of the deposits, EUR 3,698 million were call deposits, EUR 1,374 million term deposits and EUR 463 million platform deposits. The volume of the deposits of private customers amounted to EUR 1,678 million as at the end of the quarter, having grown by 3% in a quarter.

The Bank's expense-income ratio was 32.0% in Q4, which was 1.9 percentage points lower than in Q4 2022 (33.9%).

Income statement EUR million	Q4 2023	Q3 2023	Quarter over quarter	Q4 2022	Year over year
Net interest income	59.58	59.90	-1%	44.39	34%
Net fee and commission income	8.44	5.72	48%	8.26	2%
Other financial income	2.37	-0.46	NA	0.69	243%
Total net operating income	70.39	65.16	8%	53.34	32%
Other income	1.16	0.33	254%	0.10	1 060%
Operating expenses	-22.87	-20.50	12%	-18.10	26%
Loan losses	-9.59	-2.77	246%	-0.43	2 130%
Income tax expenses	-5.52	-6.19	-11%	-4.99	11%
Net profit	33.57	36.03	-7%	29.92	12%

**Business volumes**

EUR million	31.12.2023	31.12.2022	Change
Loan portfolio	3 548.5	3 187.0	11%
Financial investments	328.8	364.6	-10%
Deposits of customers	5 534.7	4 956.9	12%
incl. deposits of financial institutions	1 229.5	1 556.8	-21%
Equity (including minority interest)	530.0	388.2	37%
Number of bank customers	417 460	377 949	10%

Ratios	Q4	Q3	Quarter	Q4	Year
EUR million	2023	2023	over quarter	2022	over year
Net profit	33.6	36.0	-2.4	29.9	3.7
Net profit attributable to owners of the parent	33.5	35.7	-2.2	29.5	4.0
Average equity	506.5	470.8	35.7	366.9	139.6
Return on equity (ROE), %	26.4	30.4	-4.0	32.2	-5.8
Return on assets (ROA), %	2.05	2.30	-0.25	1.95	0.1
Net interest income	59.6	59.9	-0.3	44.4	15.2
Interest-bearing assets, average	6 511.5	6 249.8	261.7	6 125.4	386.1
Net interest margin (NIM) %	3.7	3.8	-0.1	2.9	0.8
Price spread (SPREAD) %	3.5	3.7	-0.2	2.9	0.6
Cost/income ratio %	32.0	31.3	0.7	33.9	-1.9

**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 191.4% as at the end of December (31 December 2022: 135.6%). In the fourth quarter, the bank raised 42 million euros from deposit platforms for additional financing.

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 420.5% (31.12.2022: 219.3%). The Bank recognises cash and bond portfolios as liquidity buffers. These accounted for 47% of the balance sheet (31.12.2022: 47%). The ratio of loans to deposits stood at 64% as at the end of the fourth 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. At the moment, the European Central Bank has given permission to include the profits of the first three quarters.

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 December were EUR 547.7 million (31.12.2022: 484.6 mln euro).

Bank is adequately capitalized at end of the reporting period, capital adequacy was 22.07% (31.12.2022: 21.86%), calculated according to CRR IV directive. Banks capital adequacy exceeds internal capital targets, which is 18.7%.

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>31.12.2023</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)	-2 945	-2 881
Net profit for the reporting period (COREP)	70 142	78 656
Deductions	-9 300	-2 643
<b>Total Tier 1 capital</b>	<b>434 253</b>	<b>371 053</b>
Subordinated debt	53 000	53 000
<b>Total Tier 1 capital</b>	<b>487 253</b>	<b>424 053</b>
Subordinated debt	60 434	60 500
<b>Total Tier 2 capital</b>	<b>60 434</b>	<b>60 500</b>
<b>Net own funds for capital adequacy</b>	<b>547 687</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	23 951	11 355
Companies under standard method	1 293 686	1 202 058
Retail claims under standard method	225 907	218 342

Public sector under standard method	0	0
Housing real estate under standard method	583 503	506 767
Overdue claims under standard methods	19 759	8 004
Particularly high risk exposures	42 451	47 032
Other assets under standard method	50 473	39 247
<b>Total capital requirements for covering the credit risk and counterparty credit risk</b>	<b>2 239 730</b>	<b>2 032 805</b>
Capital requirement against foreign currency risk under standard method	2 514	7 167
Capital requirement against interest position risk under standard method	0	0
Capital requirement against equity portfolio risks under standard method	745	740
Capital requirement against credit valuation adjustment risks under standard method	1 966	2 888
Capital requirement for operational risk under base method	236 380	173 468
<b>Total capital requirements for adequacy calculation</b>	<b>2 481 335</b>	<b>2 216 408</b>
<b>Capital adequacy (%)</b>	<b>22.07</b>	<b>21.86</b>
<b>Tier 1 capital ratio (%)</b>	<b>19.64</b>	<b>19.13</b>
<b>Core Tier 1 capital ratio (%)</b>	<b>17.50</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	Q4 2023	12M 2023	Q4 2022	12M 2022
Interest income		89 574	305 507	49 535	152 168
Interest expense		-29 997	-77 036	-5 147	-22 679
<b>Net interest income</b>	7	<b>59 577</b>	<b>228 471</b>	<b>44 388</b>	<b>129 489</b>
Fee and commission income		12 606	47 917	13 528	52 889
Fee and commission expense		-4 163	-20 700	-5 269	-20 481
<b>Net fee and commission income</b>	8	<b>8 443</b>	<b>27 217</b>	<b>8 259</b>	<b>32 408</b>
Net gains/losses from financial assets measured at fair value		2 378	1 108	-241	-1 829
Foreign exchange gains/losses		-9	1 544	932	1 407
<b>Net gains from financial assets</b>		<b>2 369</b>	<b>2 652</b>	<b>691</b>	<b>-422</b>
Other income		1 163	1 737	98	199
<b>Total other income</b>		<b>1 163</b>	<b>1 737</b>	<b>98</b>	<b>199</b>
Staff costs		-12 140	-44 291	-9 803	-36 129
Administrative and other operating expenses		-10 730	-40 944	-8 295	-28 416
<b>Total expenses</b>	9	<b>-22 870</b>	<b>-85 235</b>	<b>-18 098</b>	<b>-64 545</b>
<b>Profit before impairment losses on loans and advances</b>		<b>48 682</b>	<b>174 842</b>	<b>35 338</b>	<b>97 129</b>
Income tax expense		-5 521	-22 107	-4 990	-13 260
Impairment losses on loans and bonds		-9 588	-11 372	-430	-2 996
<b>Net profit for the reporting period</b>		<b>33 573</b>	<b>141 363</b>	<b>141 363</b>	<b>80 873</b>
<b>Total profit and other comprehensive income for the reporting period</b>		<b>33 573</b>	<b>141 363</b>	<b>29 918</b>	<b>80 873</b>
<b>Total profit of the reporting period attributable to:</b>					
Owners of the parent		33 490	140 133	29 497	78 658
Non-controlling interest		83	1 230	421	2 215
<b>Total profit for the reporting period</b>		<b>33 573</b>	<b>141 363</b>	<b>29 918</b>	<b>80 873</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		33 490	140 133	29 497	78 658
Non-controlling interest		83	1 230	421	2 215
<b>Total comprehensive income for the reporting period</b>		<b>33 573</b>	<b>141 363</b>	<b>29 918</b>	<b>80 873</b>



## Condensed Consolidated Interim Statement of Financial Position

<i>(in thousands of euros)</i>	Note	31.12.2023	31.12.2022
<b>Assets</b>			
Due from central bank	10	2 789 752	2 390 964
Cash and cash equivalents	10	35 631	84 885
Due from investment companies	10	12 509	3 391
Financial assets at fair value through profit or loss	6	6 945	407
Financial assets measured at amortised cost	6	321 888	364 230
Loans and advances to customers	5	3 548 513	3 186 989
Receivables from customers		17 833	9 253
Other financial assets		100	124
Other assets		2 795	2 866
Tangible assets		15 732	10 960
Intangible assets		2 946	2 881
<b>Total assets</b>		<b>6 754 644</b>	<b>6 056 950</b>
<b>Liabilities</b>			
Loans received from Central Banks (TLTRO)	11	0	147 841
Deposits of customers	11	5 534 720	4 956 931
Loans received and debt securities in issue	11	486 568	384 149
Financial liabilities at fair value through profit or loss	6	1 843	3 850
Accounts payable and other liabilities		87 430	61 901
Subordinated debt		114 054	114 056
<b>Total liabilities</b>		<b>6 224 615</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		369 674	231 805
<b>Total equity attributable to owners of the parent</b>		<b>523 843</b>	<b>382 041</b>
Non-controlling interest		6 186	6 181
<b>Total equity</b>		<b>530 029</b>	<b>388 222</b>
<b>Total liabilities and equity</b>		<b>6 754 644</b>	<b>6 056 950</b>

## Condensed Consolidated Interim Statement of Cash Flows

<i>(in thousands of euros)</i>	Note	Q4 2023	12M 2023	Q4 2022	12M 2022
<b>Cash flow from operating activities</b>					
Interest received		86 634	297 525	47 542	148 992
Interest paid		-23 271	-51 337	-4 769	-20 545
Fees and commissions received		12 606	47 917	13 528	52 889
Fees and commissions paid		-4 163	-20 700	-5 269	-20 481
Other income		1 163	1 737	98	199
Staff costs paid		-10 649	-39 747	-8 711	-32 080
Administrative and other operating expenses paid		-13 674	-39 988	-7 055	-23 902
Income tax		-6 098	-22 103	-2 951	-11 639
<b>Cash flow from operating activities before change in operating assets and liabilities</b>		<b>42 548</b>	<b>173 304</b>	<b>32 413</b>	<b>93 433</b>
<b>Net increase/decrease in operating assets:</b>					
Net acquisition/disposal of trading portfolio		3 388	-264	2 830	-35
Loans and advances to customers		-105 773	-368 467	-98 390	-518 254
Mandatory reserve at central bank		-3 055	-7 211	2 392	8 609
Security deposits		0	24	0	2 112
Other assets		679	34	1 609	4 874
<b>Net increase/decrease in operating liabilities:</b>					
Demand deposits of customers		-56 962	-1 004 362	-409 144	-989 318
Term deposits of customers		327 345	1 558 745	143 020	97 695
Repayments of loans received		-27	-147 547	784	-49 216
Bonds issued		100 135	100 135	65 000	65 000
Bonds redeemed		0	0	0	-31 000
Financial liabilities at fair value through profit and loss		1 408	-2 007	3 843	3 693
Other liabilities		23 729	27 540	-8 007	6 697
<b>Net cash generated from/used in operating activities</b>		<b>333 412</b>	<b>329 924</b>	<b>-263 650</b>	<b>-1 305 710</b>
<b>Cash flow from investing activities</b>					
Purchase of current and non-current assets		-9 286	-12 494	-1 485	-7 548
Sold fixed assets		486	486	0	0
Net change of investment		-73 354	37 175	-2 624	-234 810
<b>Net cash flow from investing activities</b>		<b>-82 154</b>	<b>25 167</b>	<b>-4 109</b>	<b>-242 358</b>
<b>Cash flow from financing activities</b>					
Contribution in share capita		0	0	0	30 000
Subordinated loan received		0	0	15 000	30 000
Repayment of subordinated loan		0	0	0	-5 000
Dividends paid		0	-3 500	0	-6 000
Repayment of principal of lease liabilities		-417	-1 693	-416	-1 423
<b>Net cash from financing activities</b>		<b>-417</b>	<b>-5 193</b>	<b>14 584</b>	<b>47 577</b>
<b>Effect of exchange rate changes on cash and cash equivalents</b>		<b>-9</b>	<b>1 544</b>	<b>932</b>	<b>1 407</b>
<b>Net decrease/increase in cash and cash equivalents</b>		<b>250 834</b>	<b>351 442</b>	<b>-252 243</b>	<b>-1 499 084</b>
Cash and cash equivalents at the beginning of the period		2 531 161	2 430 551	2 682 794	3 929 635
<b>Cash and cash equivalents at the end of the period</b>	<b>10</b>	<b>2 781 993</b>	<b>2 781 993</b>	<b>2 430 551</b>	<b>2 430 551</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	3 944	3 944	0	<b>3 944</b>
<i>Profit for the year</i>	<i>0</i>	<i>0</i>	<i>140 133</i>	<i>140 133</i>	<i>1 230</i>	<b>141 363</b>
Total profit and other comprehensive income for the reporting period	0	0	140 133	140 133	1 230	<b>141 363</b>
<b>Balance as at 31.12.2023</b>	<b>141 500</b>	<b>12 669</b>	<b>369 674</b>	<b>523 843</b>	<b>6 186</b>	<b>530 029</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

31.12.2023	Estonia	Germany	Other EU	USA	UK	Other	Total
Due from banks and investment companies	2 440 148	0	367 348	27 363	2 887	146	2 837 892
Financial assets at fair value	319	6	6 586	29	1	4	6 945
Financial assets at amortized cost	166 205	0	155 683	0	0	0	321 888
Loans and advances to customers	3 448 834	845	25 917	560	67 346	5 011	3 548 513
Receivables from customers	17 833	0	0	0	0	0	17 833
Other financial assets	0	0	0	100	0	0	100
<b>Total financial assets</b>	<b>6 073 339</b>	<b>851</b>	<b>555 534</b>	<b>28 052</b>	<b>70 234</b>	<b>5 161</b>	<b>6 733 171</b>
Deposits of customers	4 023 689	132 432	985 299	72 933	220 184	100 183	5 534 720
Loans received and debt securities in issue	0	0	486 568	0	0	0	486 568
Subordinated debt	114 054	0	0	0	0	0	114 054
Financial liabilities at fair value	78 561	0	0	0	0	0	78 561
Accounts payable and other financial liabilities	1 843	0	0	0	0	0	1 843
<b>Total financial liabilities</b>	<b>4 218 147</b>	<b>132 432</b>	<b>1 471 867</b>	<b>72 933</b>	<b>220 184</b>	<b>100 183</b>	<b>6 215 746</b>

Unused loan commitments in the amount of EUR 495 653 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	2 479 240
Financial assets at fair value	62	7	308	21	3	6	407
Financial assets at amortized cost	236 130	4 966	123 134	0	0	0	364 230
Loans and advances to customers	3 162 295	612	17 867	622	900	4 693	3 186 989
Receivables from customers	9 253	0	0	0	0	0	9 253
Other financial assets	24	0	0	100	0	0	124
<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	147 841
Deposits of customers	3 656 847	5 292	794 101	14 891	452 415	33 385	4 956 931
Loans received and debt securities in issue	0	0	384 149	0	0	0	384 149
Subordinated debt	114 056	0	0	0	0	0	114 056
Financial liabilities at fair value	3 850	0	0	0	0	0	3 850
Accounts payable and other financial liabilities	54 838	0	0	0	0	0	54 838
<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

31.12.2023	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
<b>Liabilities by contractual maturity dates</b>						
Deposits from customers and loans received	3 697 523	578 906	1 223 758	70 035	339	5 570 561
Loans received and debt securities in issue	0	0	85 318	425 250	0	510 568
Subordinated debt	0	33 311	31 782	63 913	0	129 006
Accounts payable and other financial liabilities	0	78 561	0	0	0	78 561
Unused loan commitments	0	495 653	0	0	0	495 653
Financial guarantees by contractual amounts	0	55 061	0	0	0	55 061
Foreign exchange derivatives (gross settled)	0	148 397	0	0	0	148 397
Financial liabilities at fair value	0	1 843	0	0	0	1 843
<b>Total liabilities</b>	<b>3 697 523</b>	<b>1 391 732</b>	<b>1 340 858</b>	<b>559 198</b>	<b>339</b>	<b>6 989 650</b>
<b>Financial assets by contractual maturity dates</b>						
Due from banks and investment companies	2 837 892	0	0	0	0	2 837 892
Financial assets at fair value (debt securities)	0	96 722	153 577	77 944		328 243
Loans and advances to customers	0	233 162	538 946	2 606 400	1 692 834	5 071 342
Receivables from customers	0	17 833	0	0	0	17 833
Foreign exchange derivatives (gross settled)	0	148 397	0	0	0	148 397
Other financial assets	100	0	0	0	0	100
<b>Total financial assets</b>	<b>2 837 992</b>	<b>496 114</b>	<b>692 523</b>	<b>2 684 344</b>	<b>1 692 834</b>	<b>8 403 807</b>
<b>Maturity gap from financial assets and liabilities</b>	<b>-859 531</b>	<b>-895 618</b>	<b>-648 335</b>	<b>2 125 146</b>	<b>1 692 495</b>	<b>1 414 157</b>

31.12.2022	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
<b>Liabilities by contractual maturity dates</b>						
Loans received from Central Banks (TLTRO)	0	0	0	150 082	0	150 082
Deposits from customers	4 699 726	95 807	143 740	18 082	0	4 957 355
Loans received	0	0	6 790	396 890	0	403 680
Subordinated debt	0	2 311	16 932	118 843	0	138 086
Accounts payable and other financial liabilities	0	54 838	0	0	0	54 838
Unused loan commitments	0	601 093	0	0	0	601 093
Financial guarantees by contractual amounts	0	52 577	0	0	0	52 577
Foreign exchange derivatives (gross settled)	0	171 694	0	0	0	171 694
Financial liabilities at fair value	0	3 850	0	0	0	3 850
<b>Total liabilities</b>	<b>4 699 726</b>	<b>982 170</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	2 479 240
Financial assets at fair value (debt securities)	0	236 130	4 966	123 225		364 321
Loans and advances to customers	0	186 547	487 298	2 095 373	1 258 430	4 027 648
Receivables from customers	0	9 253	0	0	0	9 253
Foreign exchange derivatives (gross settled)	0	171 694	0	0	0	171 694
Other financial assets	124	0	0	0	0	124
<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>-378 546</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

31.12.2023	EUR	CHF	GBP	SEK	USD	Other	Total
<b>Assets bearing currency risk</b>							
Due from banks and investment companies	2 803 213	1 047	9 734	1 480	13 570	8 849	<b>2 837 892</b>
Financial assets at fair value and amortized cost	322 524	1	0	6 275	31	2	<b>328 833</b>
Loans and advances to customers	3 472 835	23	66 674	189	8 676	116	<b>3 548 513</b>
Receivables from customers	17 211	0	317	168	1 822	-1 685	<b>17 833</b>
Other financial assets	100	0	0	0	0	0	<b>100</b>
<b>Total assets bearing currency risk</b>	<b>6 615 883</b>	<b>1 071</b>	<b>76 725</b>	<b>8 112</b>	<b>24 099</b>	<b>7 281</b>	<b>6 733 171</b>
<b>Liabilities bearing currency risk</b>							
Deposits from customers	5 334 564	9 494	20 924	8 867	151 070	9 801	<b>5 534 720</b>
Loans received and debt securities in issue	486 568	0	0	0	0	0	<b>486 568</b>
Swaps	1 843	0	0	0	0	0	<b>1 843</b>
Accounts payable and other financial liabilities	68 067	30	1 380	479	6 574	2 031	<b>78 561</b>
Subordinated debt	114 054	0	0	0	0	0	<b>114 054</b>
<b>Total liabilities bearing currency risk</b>	<b>6 005 096</b>	<b>9 524</b>	<b>22 304</b>	<b>9 346</b>	<b>157 644</b>	<b>11 832</b>	<b>6 215 746</b>
Open gross position derivative assets at contractual value	0	8 359	0	1 334	133 071	5 633	<b>148 397</b>
Open gross position derivative liabilities at contractual value	94 218	0	54 179	0	0	0	<b>148 397</b>
<b>Open foreign currency position</b>	<b>516 569</b>	<b>-94</b>	<b>242</b>	<b>100</b>	<b>-474</b>	<b>1 081</b>	<b>517 425</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	<b>171 694</b>
Open gross position derivative liabilities at contractual value	162 291	0	0	0	9 403	0	<b>171 694</b>
<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>31.12.2023</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Provision</b>	<b>Total</b>	<b>%</b>
Individuals	1 266 071	89 683	7 593	-6 572	1 356 775	38,2%
Agriculture	96 489	4 410	6	-341	100 564	2,8%
Mining and Quarrying	915	583	54	-81	1 471	0,0%
Manufacturing	137 540	28 214	12 816	-5 035	173 535	4,9%
Energy	176 400	170	12	-1 078	175 504	4,9%
Water and Utilities	17 619	25	0	-209	17 435	0,5%
Construction	83 200	15 426	33	-1 603	97 056	2,7%
Wholesale and retail	182 818	14 518	1 336	-1 898	196 774	5,5%
Transport and logistics	66 531	9 586	0	-691	75 426	2,1%
Hotels and Restaurants	12 571	2 862	406	-153	15 686	0,4%
Information and communication	15 725	551	45	-61	16 260	0,5%
Financial services	170 081	174	0	-1 166	169 089	4,8%
Real estate	727 905	87 849	824	-7 186	809 392	22,8%
Professional, scientific and technical activities	81 198	3 307	376	-268	84 613	2,4%
Administrative activities	100 311	2 746	17	-584	102 490	2,9%
Public management	58 391	4 946	0	-275	63 062	1,8%
Education	2 487	3 300	3	-1 376	4 414	0,1%
Health	17 002	504	0	-92	17 414	0,5%
Art and entertainment	37 591	21 657	0	-1 309	57 939	1,6%
Other servicing activities	12 858	827	7	-78	13 614	0,4%
<b>Total</b>	<b>3 263 703</b>	<b>291 338</b>	<b>23 528</b>	<b>-30 056</b>		
Provision	-12 237	-9 766	-8 053			
<b>Total loan portfolio</b>	<b>3 251 466</b>	<b>281 572</b>	<b>15 475</b>		<b>3 548 513</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 31.12.2023 EUR 28 579 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	31.12.2023	Level 1	Level 2	Level 3	31.12.2022
<b>Financial assets at fair value through profit and loss</b>								
Shares and fund units	369	0	0	<b>369</b>	367	0	0	<b>367</b>
Bonds at fair value through profit and loss	6 275	0	0	<b>6 275</b>	0	0	0	<b>0</b>
Interest rate swaps and foreign exchange forwards	0	301	0	<b>301</b>	0	40	0	<b>40</b>
<b>Total financial assets</b>	<b>6 644</b>	<b>301</b>	<b>0</b>	<b>6 945</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	1 843	0	1 843	0	3 850	0	3 850
<b>Total financial liabilities</b>	<b>0</b>	<b>1 843</b>	<b>0</b>	<b>1 843</b>	<b>0</b>	<b>3 850</b>	<b>0</b>	<b>3 850</b>

As of December 31, 2023, the liquidity portfolio in the amount of EUR 321 888 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 31.12.2023 is EUR 316 603 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 31 December 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>Q4 2023</b>	<b>12M 2023</b>	<b>Q4 2022</b>	<b>12M 2022</b>
Business loans	39 427	135 465	24 200	78 909
including loans between related parties	409	1 155	27	78
Hire purchase	816	3 453	871	3 338
Leasing	3 275	11 362	1 963	6 407
including loans between related parties	11	41	2	9
Leverage loans and lending of securities	342	1 383	365	1 629
Bonds	2 414	7 799	229	-231
Creditcard loans	285	1 027	228	836
Consumer loans	3 137	12 126	2 763	9 607
Mortgage loans	18 215	62 885	9 471	28 144
including loans between related parties	72	172	8	42
Balances with credit institutions and investment companies	175	4 397	1 584	3 664
Balances with the central bank	18 336	56 664	6 828	8 594
Private loans	1 007	3 735	721	2 450
Including loans between related parties	10	49	2	7
Loans to other group companies	1 530	3 208	0	0
Other loans	615	2 003	312	8 821
<b>Total</b>	<b>89 574</b>	<b>305 507</b>	<b>49 535</b>	<b>152 168</b>
<b>Interest expense</b>				
Deposits of customers and loans received	-23 697	-58 434	-2 271	-5 696
Balances with the central bank	0	0	0	-7 661
Subordinated liabilities	-299	-698	-2 876	-9 322
<b>Total</b>	<b>-6 001</b>	<b>-17 904</b>	<b>-5 147</b>	<b>-22 679</b>
<b>Net interest income</b>	<b>-29 997</b>	<b>-77 036</b>	<b>44 388</b>	<b>129 489</b>
<b>Interest income on loans by customer location (interest on bank balances and bonds excluded):</b>	<b>Q4 2023</b>	<b>12M 2023</b>	<b>Q4 2022</b>	<b>12M 2022</b>
Estonia	67 128	233 482	40 494	140 141
Great Britain	1 521	3 165	0	0
<b>Total</b>	<b>68 649</b>	<b>236 647</b>	<b>40 494</b>	<b>140 141</b>

## NOTE 8 Net Fee and Commission Income

<b>Fee and commission income</b>	<b>Q4 2023</b>	<b>12M 2023</b>	<b>Q4 2022</b>	<b>12M 2022</b>
Security brokerage and commissions paid	1 310	4 400	949	4 329
Asset management and similar fees	1 737	6 696	1 524	5 807
Currency conversion revenues	1 756	5 868	2 003	8 462
Fees from cards and payments	5 790	23 286	7 281	27 498
Other fee and commission income	2 013	7 667	1 771	6 793
<b>Total</b>	<b>12 606</b>	<b>47 917</b>	<b>13 528</b>	<b>52 889</b>
<b>Fee and commission expense</b>				
Security brokerage and commissions paid	-664	-2 502	-559	-2 386
Expenses related to cards	-682	-7 397	-1 721	-6 312
Expenses related to acquiring	-2 490	-8 600	-1 931	-7 344
Other fee and commission income	-327	-2 201	-1 058	-4 439
<b>Total</b>	<b>-4 163</b>	<b>-20 700</b>	<b>-5 269</b>	<b>-20 481</b>
<b>Net fee and commission income</b>	<b>8 443</b>	<b>27 217</b>	<b>8 259</b>	<b>32 408</b>

<b>Fee and commission income by customer location:</b>	<b>Q4 2023</b>	<b>12M 2023</b>	<b>Q4 2022</b>	<b>12M 2022</b>
Estonia	10 875	39 912	11 768	45 537
Great Britain	1 731	8 005	1 760	7 352
<b>Total</b>	<b>12 606</b>	<b>47 917</b>	<b>13 528</b>	<b>52 889</b>

## NOTE 9 Operating Expenses

	<b>Q4 2023</b>	<b>12M 2023</b>	<b>Q4 2022</b>	<b>12M 2022</b>
Wages, salaries and bonuses	9 438	34 045	7 528	27 654
Social security and other taxes*	2 702	10 246	2 275	8 475
<b>Total personnel expenses</b>	<b>12 140</b>	<b>44 291</b>	<b>9 803</b>	<b>36 129</b>
IT expenses	2 007	6 458	1 261	4 943
Information services and bank services	284	1 418	310	1 297
Marketing expenses	859	2 823	914	2 583
Office expenses	396	1 534	446	1 358
Transportation and communication expenses	142	509	134	492
Staff training and business trip expenses	272	1 047	308	1 073
Other outsourced services	1 592	7 302	1 350	5 343
Other administrative expenses	291	11 556	2 281	6 964
Depreciation of non-current assets	4 547	7 170	823	3 091
Operational lease payments	-90	186	91	293
Other operating expenses	430	941	377	979
<b>Total other operating expenses</b>	<b>10 730</b>	<b>40 944</b>	<b>8 295</b>	<b>28 416</b>
<b>Total operating expenses</b>	<b>22 870</b>	<b>85 235</b>	<b>18 098</b>	<b>64 545</b>

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

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

	31.12.2023	31.12.2022
Term deposits with maturity less than 3 months*	48 140	88 276
Legal reserve with the central bank	55 899	48 689
Other receivables from central bank*	2 733 853	2 342 275
<b>Total</b>	<b>2 837 892</b>	<b>2 479 240</b>
*Cash and cash equivalents in the Statement of Cash Flows	2 781 993	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 12 509 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 31 December 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				31.12.2023
	Individuals	Financial entities	entities	Public sector	
Demand deposits	745 277	1 129 382	1 745 664	74 571	3 694 894
Term deposits	920 080	98 730	753 648	43 265	1 815 723
Accrued interest liability	13 047	1 419	9 063	574	24 103
<b>Total</b>	<b>1 678 404</b>	<b>1 229 531</b>	<b>2 508 375</b>	<b>118 410</b>	<b>5 534 720</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>

31.12.2023	TLTRO	Mortgage bonds	Preferred senior bonds	Total loans received and debt securities in issue
Loans received	0	249 577	233 907	483 484
Accrued interest liability	0	141	2 943	3 084
<b>Total</b>	<b>0</b>	<b>249 718</b>	<b>236 850</b>	<b>486 568</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 31.12.2023 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>31.12.2023</b>	<b>31.12.2022</b>
Cash balance of customers	13 780	13 609
Securities of customers	3 490 269	3 194 837
<i>Incl. parent company</i>	151 129	149 279
<i>Incl. shareholders of the parent company and related entities</i>	562 486	483 452
<b>Total</b>	<b>3 504 049</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 31 December 2023	56 217	55 061	3 732	495 653	<b>610 663</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