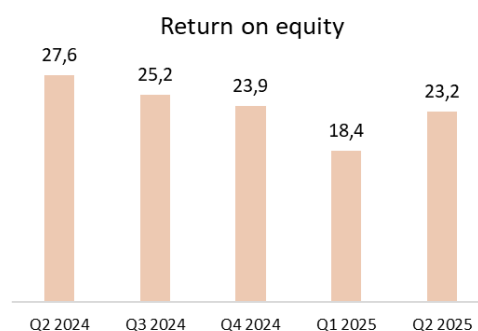
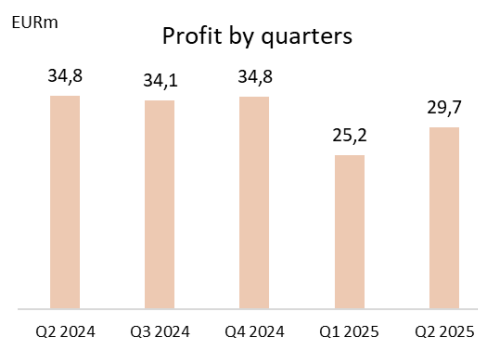


Interim Report January – June 2025

Summary of Results

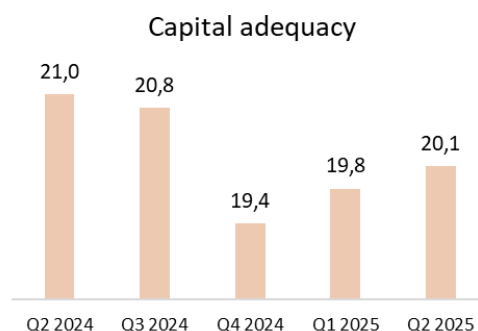
Q2 2025 in comparison with Q1 2025

- Net profit EUR 29.7 m (EUR 25.2 m), of which EUR 29.2 m (EUR 24.9 m) is attributable to owners of the parent
- Net income EUR 56.5 m (EUR 60.0 m)
- Operating expenses EUR 24.5 m (EUR 23.7 m)
- Impairment losses on loans and bonds EUR -4.1 m (EUR 4.9 m)
- Income tax expenses EUR 6.6 m (EUR 6.2 m)
- Return on equity 23.2% (18.4%)
- Capital adequacy 20.1% (19.8%)



Q2 2025 in comparison with Q2 2024

- Net profit EUR 29.7 m (EUR 34.8 m), of which EUR 29.3 m (EUR 34.7 m) is attributable to owners of the parent
- Net income EUR 56.5 m (EUR 68.8 m)
- Operating expenses EUR 24.5 m (EUR 23.2 m)
- Impairment losses on loans and bonds EUR -4.1 m (EUR 4.9 m)
- Income tax expenses EUR 6.6 m (EUR 5.9 m)
- Return on equity 23.2% (27.6%)
- Capital adequacy 20.1% (20.6%)



The calculated capital adequacy is in line with COREP, where only the part of profit received permission from ECB is included into own funds. Permission has not yet been received for the profit for the second quarter, therefore the balance as of 30.06.2025 will be recalculated during the third quarter.

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

During the quarter, the number of the bank's clients grew by 8 300. Their activity level during Q2 was at a high level, but business volumes saw very strong growth. Deposits increased by EUR 576 million during the quarter; loans, by EUR 190 million.

Ordinary clients' deposits increased by EUR 332 million, deposits raised from platforms by EUR 113 million, and financial intermediaries' deposits by EUR 113 million. Households' deposit growth on the banking market overall slowed but remained rapid – 9.7% year-over-year in May. On the other hand, businesses' deposits continued their declining trend, falling an average of 0.1% year-over-year. Our goal is to raise deposits from the Estonian market, by making targeted offers and growing our customer base through our value offer and trustworthy partnership for our clients. The strong second-quarter growth in deposit base shows we are succeeding in doing so. Since 2024, the European Central Bank has cut interest rates on eight occasions by 25 base points each time. This has a direct influence on the interest rates we offer clients on term deposits, which in turn reduces the appeal of placing savings in term deposits.

There has effectively been growth in loan volumes in all segments. The loan portfolio of small and medium-sized companies was moved between retail banking and corporate banking. Taking into account the new definition, loans to companies grew by EUR 95 million during the quarter and retail loans increased by EUR 95 million. It is worth noting that Q2 was a strong quarter for home loans, as the portfolio grew by EUR 91 million. Activity on the loan market was primarily influenced by the impending increase in the VAT rate to 24% in July. On the households' loan market, the portfolio grew by 8.8% year-over-year; we have increased the portfolio by 28% since this time last year, which shows our growth is coming both from a supportive market and at the expense of competitors. The growth of the non-financial companies' loan portfolio also sped up, seeing a 13.1% increase in May year-over-year; LHV's growth is outpacing the market slightly. In general, activity has picked up somewhat on the market, availability of loans remained good and interest rates were stable.

Net profit for the quarter was EUR 29.7 million. The result for the quarter was mainly influenced by higher than planned growth of volumes, which offset the change in the interest rate environment at a more aggressive pace, and smaller write-downs. Net profit as of the end of Q2 was EUR 1.1 million more than planned.

In Q2, we performed EUR 4.1 million less write-downs of loans. The main reason was that we found a solution for a corporate client group declared insolvent in Q1. As for the rest of the portfolio, quality tends to be improving and the share of loans in default is low.

In May, Eesti Energia's voluntary takeover offer for Enefit Green shares concluded, resulting in the majority shareholder acquiring a 97.2% stake in the company and thus soon delisting it from the stock exchange. The transaction totalled EUR 180 million, with 88% of the free-floating shares being tendered. In addition, Invego's Latvian subsidiary carried out a bond offering with a 4-year term and an annual interest rate of 11%. Demand exceeded supply by a factor of four, reaching EUR 15.8 million. LHV acted as the lead manager for the offering.

We updated to the securities trading price list for clients. The new pricing applies to LHV growth Account, securities accounts, pension investment account and Trader clients. The most significant change concerns the transaction fees. The fee for a purchase transaction for LHV Growth Account clients was lowered from 1% to 0.5% and the minimum sales fee from 9 euros to 5 euros. LHV Growth Account purchase transactions are now completely free for young people up to 26 years of age.

We introduced to the market a novel banking service called LHV Premium, which will improve the banking experience for more demanding private clients, fusing everyday banking, insurance and investment with convenience-oriented travel services. LHV Premium replaces the Au-package.

Moody's Ratings raised the ratings for LHV Pank's covered bond programme and covered bonds to the highest level, Aaa. The Moody's Investors Service ratings agency left AS LHV Pank's long-term deposits rating at A3 (with a positive outlook) and LHV Group's long-term issuer rating at Baa3 (positive outlook).

We issued 300 million euros' worth of covered bonds with a four-year maturity. The offering attracted 44 institutional investors and was oversubscribed 2.5 times. The final interest rate on the covered bonds was set at 2.68%.

In collaboration with the Estonian Composers' Union, we have since 2016 handed out an award for new compositions. This year, it went to Rasmus Puur and Marianna Liik.

Financial Summary

LHV Pank earned a net interest income of EUR 46.7 million and EUR 10.0 million in net service fee income in Q2. Net financial income amounted to EUR -0.2 million in Q2. In total, the Bank's income was EUR 56.6 million and expenses were EUR 24.5 million. Net income decreased by 18% and expenses increased by 5% over the year. The discounts of loans and bonds amounted to EUR 4.1 million in Q2. We are keeping a very close eye on the developments in the credit portfolio, paying special attention to changes in payment behaviour, area-specific risks, and the dynamics of the clients' financial standing.

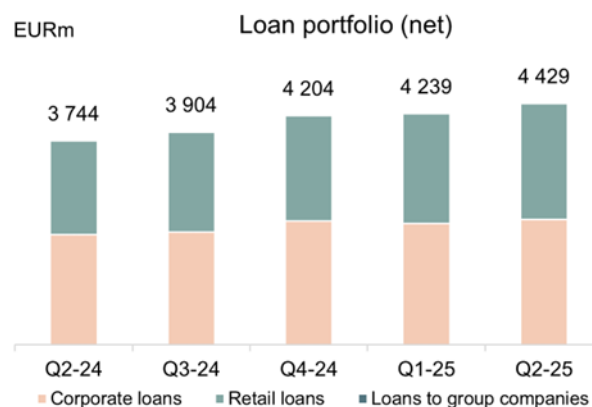
LHV Pank calculates an 18% advance income tax and the respective income tax expenses was EUR 6.3 million in Q2. Income tax expense on future disbursements of dividends by subsidiaries at the consolidated level was EUR 0.3 million in Q2.

The Bank's Q2 profit amounted to EUR 29.7 million, which is 18% less than in Q1 2025 (25.2) and 15% less than in Q2 2024 (34.8).

Income from settlements, currency exchange, investment banking services and investment services contribute the most into service fees.

The total volume of the Bank's loan portfolio reached EUR 4,429 million by the end of Q2 (Q1 2025: EUR 4,239 million). The volume of the portfolio grew by 4% during the quarter. The volume of loans grew by EUR 190 million in Q2 (Q1 2025: a growth of EUR 35 million). There was a change in the definition of retail loans and corporate loans. On the basis of the new definition, the net retail loan portfolio grew by 5% in the quarter, amounting to EUR 1,970 million (Q1 2025: EUR 1,875 million). The net

corporate loan portfolio grew by 4% in the quarter, amounting to EUR 2,459 million (Q1 2025: EUR 2,364 million).



The volume of deposits at the Bank increased by EUR 576 million from the previous quarter and stood at EUR 6,560 million (Q1 2025: EUR 5,984 million). The volume of payment intermediaries' deposits grew by EUR 113 million during the quarter. Of the deposits, EUR 4,744 million were call deposits, EUR 1,496 million term deposits and EUR 321 million platform deposits. The volume of the deposits of private persons amounted to EUR 1,957 million as at the end of the quarter, having increased by 10.8% in the quarter.

The Bank's expense-income ratio was 43.2% in Q2, increasing by 9.5 percentage points from Q2 2024 (33.8%).

Income statement EUR million	Q2 2025	Q1 2025	Quarter over quarter	Q2 2024	Year over year
Net interest income	46,72	50.65	-8%	60.06	-22%
Net fee and commission income	10,01	8.29	21%	8.23	22%
Other financial income	-0,20	1.02	NA	-0.17	12%
Total net operating income	56,53	59.96	-6%	68.12	-17%
Other income	0,06	0.02	220%	0.66	-90%
Operating expenses	-24,46	-23.65	3%	-23.23	5%
Loan losses	4,08	-4.92	NA	-4.86	NA
Income tax expenses	-6,56	-6.17	6%	-5.86	12%
Net profit	29,66	25.24	18%	34.84	-15%

Business volumes

EUR million	30.06.2025	31.12.2024	Change
Loan portfolio	4 429.2	4 203.8	5%
Financial investments	435.7	291.0	50%
Deposits of customers	6 560.5	6 293.5	4%
incl. deposits of financial institutions	1 726.8	1 664.3	4%
Equity (including minority interest)	526.9	598.4	-12%
Number of bank customers	473 542	455 534	4%

Ratios	Q2	Q1	Quarter	Q2	Year
EUR million	2025	2025	over quarter	2024	over year
Net profit	29.7	25.2	4.5	34.8	-5.1
Net profit attributable to owners of the parent	29.3	24.9	4.4	34.7	-5.4
Average equity	506.6	541.7	-35.1	503.3	3.3
Return on equity (ROE), %	23.2	18.4	4.8	27.6	-4.4
Return on assets (ROA), %	1.50	1.30	0.2	2.04	-0.54
Net interest income	46.7	50.6	-3.9	60.1	-13.4
Interest-bearing assets, average	7 889.5	7 753.3	136.2	6 808.0	1 081.5
Net interest margin (NIM) %	2.37	2.61	-0.24	3.5	-1.13
Price spread (SPREAD) %	2.2	2.4	-0.2	3.3	-1.1
Cost/income ratio %	43.2	39.4	3.8	33.8	9.4

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 (annualised)

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

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

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

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 172.9% as at the end of June (31 December 2024: 178.4%). In the second quarter, deposits received from deposit platforms increased by 112 million euros.

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 349.8% (31.12.2024: 400.7%). The Bank recognises cash and bond portfolios as liquidity buffers. These accounted for 46% of the balance sheet (31.12.2024: 47%). The ratio of loans to deposits stood at 68% as at the end of the second quarter (31.12.2024: 67%).

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

In capital adequacy calculation 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. Obtaining permission is done with the referrer, but applies retrospectively also for already reported quarter, 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 profit of the first quarter of 2025.

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

Banks own funds based on CAD calculations at the end of March were EUR 610.9 million (31.12.2024: 587.8 EUR million).

Bank is adequately capitalized at end of the reporting period, capital adequacy was 20.12% (31.12.2024: 19.43%). Banks capital adequacy exceeds internal capital targets, which is 18.0%.

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.

Capital base <i>(in thousands of euros)</i>	30.06.2025	31.12.2024
Paid-in share capital	141 500	141 500
Legal reserves transferred from net profit	14 150	14 150
Accumulated profit	305 296	287 288
Intangible assets (subtracted)	-2 399	-2 596
Net profit for the reporting period (COREP)	2 499	139 604
Dividends to be distributed	0	-126 770
Deductions	-10	-4
Total Tier 1 capital	461 036	453 172
Tier 1 additional funds	68 621	53 380
Total Tier 1 capital	529 657	506 552
Subordinated debt	81 265	81 275
Total Tier 2 capital	81 265	81 275
Net own funds for capital adequacy	610 922	587 827
Capital requirements		
Central governments and central bank under standard method	0	0
Credit institutions and investment companies under standard method	21 597	13 411
Companies under standard method	569 860	1 585 329
Retail claims under standard method	186 539	225 213

Public sector under standard method	0	0
Exposures secured by mortgages on immovable property	0	744 943
Exposures secured by mortgages on immovable property and ADC	1 822 477	0
Overdue claims under standard methods	76 871	23 074
Particularly high risk exposures	0	52 764
Other assets under standard method	33 349	31 167
Total capital requirements for covering the credit risk and counterparty credit risk	2 710 693	2 675 901
Capital requirement against foreign currency risk under standard method	3 110	2 778
Capital requirement against interest position risk under standard method	0	0
Capital requirement against equity portfolio risks under standard method	1 215	1 176
Capital requirement against credit valuation adjustment risks under standard method	5 557	3 522
Capital requirement for operational risk under base method	315 970	342 354
Total capital requirements for adequacy calculation	3 036 545	3 025 731
Capital adequacy (%)	20.12	19.43
Tier 1 capital ratio (%)	17.44	16.74
Core Tier 1 capital ratio (%)	15.18	14.98

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

<i>(in thousands of euros)</i>	Note	Q2 2025	6M 2025	Q2 2024	6M 2024
Interest income		82 060	169 079	96 804	191 815
Interest expense		-35 345	-71 717	-36 744	-71 506
Net interest income	7	46 715	97 362	60 060	120 309
Fee and commission income		16 373	30 485	13 683	26 703
Fee and commission expense		-6 360	-12 183	-5 451	-10 601
Net fee and commission income	8	10 013	18 302	8 232	16 102
Net gains from financial assets measured at fair value		235	1 716	103	215
Foreign exchange gains/losses		-430	-893	-277	-14
Net gain/loss from financial assets		-195	823	-174	201
Other income		64	87	662	954
Staff costs		-14 747	-29 422	-13 867	-26 646
Administrative and other operating expenses		-9 714	-18 692	-9 358	-19 382
Profit before impairment losses on loans and advances		32 136	68 460	45 555	91 538
Impairment losses on financial instruments		4 081	-841	-4 858	-7 665
Net profit for the reporting period		36 217	67 619	40 697	83 873
Income tax expense		-6 559	-12 726	-5 861	-12 243
Net profit for the reporting period		29 658	54 893	34 836	71 630
Total profit and other comprehensive income for the reporting period		29 658	54 893	34 836	71 630
Total profit of the reporting period attributable to:					
Owners of the parent		29 319	54 195	34 683	71 409
Non-controlling interest		339	698	153	221
Total profit for the reporting period		29 658	54 893	34 836	71 630

Condensed Consolidated Interim Statement of Financial Position

(in thousands of euros)

	Note	30.06.2025	31.12.2024
Assets			
Cash and balances with central bank	10	3 263 257	3 360 516
Due from banks and investment companies	10	55 871	58 241
Financial assets at fair value through profit or loss	6	6 266	7 474
Investments in debt securities at amortised cost	6	429 427	283 533
Loans and advances to customers	5	4 429 214	4 203 799
Other receivables		15 501	2 689
Other financial assets		101	100
Other assets		4 441	3 518
Property and equipment		11 619	14 061
Intangible assets		2 399	2 596
Total assets		8 218 096	7 936 527
Liabilities			
Deposits of customers	11	6 560 488	6 293 525
Loans received and debt securities in issue	11	900 883	840 300
Financial liabilities at fair value through profit or loss	6	4 248	24
Accounts payable and other liabilities		75 659	69 654
Subordinated debt		149 885	134 656
Total liabilities		7 691 163	7 338 159
Owner's equity			
Share capital		141 500	141 500
Statutory reserve capital		14 150	14 150
Retained earnings		366 213	436 316
Total equity attributable to owners of the parent		521 863	591 966
Non-controlling interest		5 070	6 402
Total equity		526 933	598 368
Total liabilities and equity		8 218 096	7 936 527

Condensed Consolidated Interim Statement of Cash Flows

<i>(in thousands of euros)</i>	Note	Q2 2025	6M 2025	Q2 2024	6M 2024
Cash flow from operating activities					
Interest received		82 584	171 768	96 904	192 190
Interest paid		-32 793	-64 604	-32 580	-52 244
Fees and commissions received		16 373	30 485	14 080	27 520
Fees and commissions paid		-6 360	-12 183	-5 848	-11 418
Other income		64	87	662	954
Staff costs paid		-13 052	-26 111	-12 240	-23 224
Administrative and other operating expenses paid		-8 032	-15 326	-7 701	-15 888
Income tax paid		-5 314	-12 362	-6 169	-11 922
Cash flow from operating activities before change in operating assets and liabilities		33 470	71 754	47 108	105 968
Net increase/decrease in operating assets:					
Net acquisition/disposal of trading portfolio		4 309	2 924	-2 012	-1 192
Loans and advances to customers		-193 032	-241 353	-191 651	-198 109
Net change in debt and equity securities		-16 577	-145 894	97 697	187 472
Mandatory reserve at central bank		-6 041	-3 122	2 066	853
Other assets		-225	-1 238	1 205	93
Net increase/decrease in operating liabilities:					
Demand deposits of customers		492 252	405 415	-56 941	-20 805
Term deposits of customers		87 819	-133 845	-152 763	-63 334
Loans received/repayments		49 050	49 050	100 000	100 000
Financial liabilities at fair value through profit and loss		1 462	4 224	-310	-1 801
Other liabilities		-32 929	5 967	-35 671	-10 617
Net cash generated from/used in operating activities		-419 558	13 882	-191 199	98 767
Cash flow from investing activities					
Purchase of non-current assets		-445	-727	-792	-1 535
Net cash flow from/used in investing activities		-445	-727	-792	-1 535
Cash flow from financing activities					
Subordinated debt received		15 000	15 000	0	0
Dividends paid		0	-128 800	0	-77 000
Repayment of principal of lease liabilities		-598	-1 213	-490	-977
Net cash from/used in financing activities		14 402	-115 013	-490	-77 977
Effect of exchange rate changes on cash and cash equivalents		-430	-893	-277	-14
Net decrease/increase in cash and cash equivalents		433 085	-102 751	-192 758	19 241
Cash and cash equivalents at the beginning of the period		2 819 682	3 355 518	2 993 992	2 781 993
Cash and cash equivalents at the end of the period		3 252 767	3 252 767	2 801 234	2 801 234
<i>incl balances with central bank</i>	10	3 196 896	3 196 896	2 750 337	2 750 337
<i>incl balances with banks and investment companies</i>		55 871	55 871	50 897	50 897

Condensed Consolidated Interim Statement of Changes in Equity

<i>(in thousands of euros)</i>	Share capital	Statutory reserve capital	Retained earnings	Total equity attributable to owners	Non-controlling interest	Total equity
Balance as at 01.01.2024	141 500	12 669	369 674	523 843	6 186	530 029
Transfer to statutory reserve capital	0	1 481	-1 481	0	0	0
Dividends paid	0	0	-76 300	-76 300	-700	-77 000
Share options	0	0	2 269	2 269	0	2 269
<i>Profit for the period</i>	<i>0</i>	<i>0</i>	<i>71 409</i>	<i>71 409</i>	<i>221</i>	<i>71 630</i>
Total profit and other comprehensive income for the reporting period	0	0	71 409	71 409	221	71 630
Balance as at 30.06.2024	141 500	14 150	365 571	521 221	5 707	526 928
Balance as at 01.01.2025	141 500	14 150	436 316	591 966	6 402	598 368
Dividends paid	0	0	-126 770	-126 770	-2 030	-128 800
Share options	0	0	2 472	2 472	0	2 472
<i>Profit for the period</i>	<i>0</i>	<i>0</i>	<i>54 195</i>	<i>54 195</i>	<i>698</i>	<i>54 893</i>
Total profit and other comprehensive income for the reporting period	0	0	54 195	54 195	698	54 893
Balance as at 30.06.2025	141 500	14 150	366 213	521 863	5 070	526 933

Notes to the Condensed Consolidated Interim Financial Statements

NOTE 1 Accounting Policies

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting", as adopted by the European Union. The condensed consolidated interim financial statements does not contain all the information necessary to be presented in the annual report.

These condensed consolidated interim financial statements should be read in conjunction with the group's annual financial statements as at 31 December 2024. The same accounting policies and methods of computation are followed in the condensed consolidated interim financial statements as compared with the most recent annual financial statements.

There are no significant changes in risk policies of the group, all the results including estimates and judgement of expected credit

losses are in line with principles described in group's annual financial statements as at 31 December 2024.

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

NOTE 2 Segments

LHV Pank divides its business activities by 3 main segments: retail banking, corporate banking and financial intermediates. In addition, a separate segment is hire-purchase and consumer finance in the subsidiary AS LHV Finance. Financial intermediates segment also includes the fee sharing on the basis of the cooperation agreement concluded with LHV Bank Ltd. Other

activities (not allocated to any segments) include Treasury and the result of activities related to companies belonging to AS LHV Group consolidation Group. LHV Pank is the largest company in LHV Group, meaning that many teams like HR, internal audit, IT maintenance etc are handled centrally by Pank for all or most of the LHV Group's companies.

Q2 2025	Retail banking	Corporate banking	Hire- purchase and consumer finance	Financial inter- mediates	Other activities	Elimi- nations	Total
Interest income	22 488	38 551	3 594	-4 407	23 341	-1 508	82 060
Interest expense	-11 436	-15 594	-1 750	-2 377	-5 695	1 508	-35 345
Intrabank interest income/- expense	8 780	-4 269	1	7 486	-11 998	0	0
Net interest income	19 832	18 688	1 845	702	5 648	0	46 715
Fee and commission income	8 041	6 237	127	970	997	0	16 373
Fee and commission expense	-4 768	-1 216	-79	-255	-42	0	-6 360
Net fee and commission income	3 273	5 021	48	715	955	0	10 013
Other income	18	11	0	0	35	0	64
Net gains/losses from financial assets	39	8	0	44	-285	0	-195
Administrative and other operating expenses, staff costs	-11 303	-7 966	-884	-2 340	-1 968	0	-24 461
Operating profit	11 859	15 761	1 010	-879	4 385	0	32 136
Impairment losses on loans and advances	45	4 652	-205	0	-411	0	4 081
Income tax	-2 659	-3 020	0	-461	-157	-261	-6 559
Net profit	9 245	17 393	804	-1 340	3 817	-261	29 658

6M 2025	Retail banking	Corporate banking	Hire- purchase and consumer finance	Financial inter- mediates	Other activities	Elimi- nations	Total
Interest income	45 699	79 350	7 220	-9 850	49 630	-2 970	169 079
Interest expense	-24 217	-31 486	-3 439	-4 997	-10 547	2 970	-71 717
Intrabank interest income/- expense	20 802	-9 043	0	16 752	-28 511	0	0
Net interest income	42 283	38 820	3 781	1 906	10 571	0	97 362
Fee and commission income	16 035	10 334	252	1 753	2 110	0	30 485
Fee and commission expense	-8 998	-2 418	-146	-471	-149	0	-12 183
Net fee and commission income	7 037	7 916	106	1 282	1 961	0	18 302
Other income	22	13	0	1	52	0	87
Net gains from financial assets	1 028	6	0	34	-245	0	823
Administrative and other operating expenses, staff costs	-22 386	-15 646	-1 731	-4 608	-3 743	0	-48 114
Operating profit	27 984	31 109	2 156	-1 384	8 595	0	68 460
Impairment losses on loans and advances	-97	-385	86	0	-445	0	-841
Income tax	-4 907	-5 352	0	-1 074	-1 915	522	-12 726
Net profit	22 979	25 373	2 242	-2 459	6 236	522	54 893
Total assets 30.06.2025	3 506 140	4 568 045	85 881	7	127 316	-69 294	8 218 096
Total liabilities 30.06.2025	4 003 637	2 019 900	70 505	1 436 171	229 398	-68 447	7 691 163

Q2 2024	Retail banking	Corporate banking	Hire- purchase and consumer finance	Financial inter- mediates	Other activities	Elimi- nations	Total
Interest income	24 371	42 793	3 725	-6 008	33 627	-1 703	96 804
Interest expense	-13 369	-16 560	-1 936	-2 606	-3 975	1 703	-36 744
Intrabank interest income/- expense	16 458	-2 126	2	10 451	-24 785	0	0
Net interest income	27 459	24 107	1 791	1 837	4 866	0	60 060
Fee and commission income	7 801	3 812	215	1 088	768	0	13 683
Fee and commission expense	-4 098	-931	-176	-255	9	0	-5 451
Net fee and commission income	3 703	2 881	38	832	778	0	8 232
Other income	10	591	0	0	61	0	662
Net gains from financial assets	-35	0	0	-1	-138	0	-174
Administrative and other operating expenses, staff costs	-11 857	-7 823	-926	-2 479	-141	0	-23 225
Operating profit	19 280	19 756	903	190	5 426	0	45 555
Impairment losses on loans and advances	-138	-3 968	-779	0	27	0	-4 858
Income tax	-2 422	-2 241	-241	-558	-138	-261	-5 861
Net profit	16 720	13 547	-116	-368	5 314	-261	34 836

6M 2024	Retail banking	Corporate banking	Hire- purchase and consumer finance	Financial inter- mediates	Other activities	Elimi- nations	Total
Interest income	48 353	84 134	7 567	-11 938	67 122	-3 422	191 815
Interest expense	-25 941	-32 063	-3 895	-5 018	-8 012	3 422	-71 506
Intrabank interest income/- expense	31 899	-3 812	4	21 254	-49 345	0	0
Net interest income	54 312	48 259	3 676	4 298	9 765	0	120 309
Fee and commission income	15 553	7 206	443	2 071	1 430	0	26 703
Fee and commission expense	-7 825	-1 904	-367	-491	-13	0	-10 601
Net fee and commission income	7 727	5 302	76	1 580	1 417	0	16 102
Other income	0	843	0	0	111	0	954
Net gains from financial assets	-36	-1	0	-1	1 538	-1 300	201
Administrative and other operating expenses, staff costs	-22 291	-14 874	-1 831	-4 692	-2 340	0	-46 028
Operating profit	39 712	39 528	1 922	1 185	10 491	-1 300	91 538
Impairment losses on loans and advances	-390	-6 031	-1 916	0	673	0	-7 665
Income tax	-5 017	-4 629	-566	-1 291	-692	-47	-12 243
Net profit	34 306	28 867	-561	-105	10 472	-1 347	71 631
Total assets 30.06.2024	2 707 522	3 923 848	87 941	0	125 173	-69 446	6 775 038
Total liabilities 30.06.2024	3 476 811	1 670 602	70 795	975 954	122 548	-68 600	6 248 110

NOTE 3 Breakdown of Assets and Liabilities by Maturity Dates (undiscounted contractual cash flows)

30.06.2025	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total	Carrying amount
Liabilities by contractual maturity dates							
Deposits from customers	4 743 590	1 008 583	811 881	10 589	30	6 574 673	6 007 267
Loans received and debt securities in issue	0	2 886	98 423	881 186	0	982 495	900 883
Subordinated debt	0	41 154	16 466	124 173	0	181 793	149 885
Lease liability	0	646	1 907	3 498	0	6 051	6 051
Accounts payable and other financial liabilities (excluding lease liability)	0	57 307	0	0	0	57 305	57 307
Unused loan commitments	516 638	0	0	0	0	516 638	0
Financial liabilities at fair value	0	4 248	0	0	0	4 248	4 248
Financial guarantees by contractual amounts	80 158	0	0	0	0	80 158	0
Foreign exchange derivatives liabilities notional (gross settled)	0	154 972	0	0	0	154 972	0
Foreign exchange derivatives assets notional (gross settled)	0	-154 972	0	0	0	-154 972	0
Total liabilities	5 340 386	1 114 824	928 677	1 019 446	30	8 403 363	7 125 641

Assets held for managing liquidity risk by contractual maturity dates

Due from central bank, banks and investment companies	3 319 128	0	0	0	0	3 319 128	3 319 128
Investments in debt and equity securities	0	142 690	39 329	131 042	121 384	434 445	429 427
Loans and advances to customers	0	217 105	641 226	2 874 712	2 106 779	5 839 822	4 429 214
Receivables from customers	0	15 501	0	0	0	15 501	15 501
Other financial assets	101	0	0	0	0	101	101
Total financial assets	3 319 229	375 296	680 555	3 005 754	2 228 163	9 608 997	8 193 371
Maturity gap from financial assets and liabilities	-2 021 157	-739 528	-248 122	1 986 308	2 228 133	1 205 634	

31.12.2024	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total	Carrying amount
Liabilities by contractual maturity dates							
Deposits from customers	4 338 090	948 616	1 021 326	8 211	419	6 316 662	6 293 525
Loans received and debt securities in issue	0	3 281	341 737	565 697	0	910 715	840 300
Subordinated debt	0	25 779	31 285	106 575	0	163 639	134 656
Lease liability	0	615	1 873	4 776	0	7 264	7 264
Accounts payable and other financial liabilities (excluding lease liability)	0	50 190	0	0	0	50 190	50 190
Unused loan commitments	561 981	0	0	0	0	561 981	0
Financial liabilities at fair value	0	24	0	0	0	24	24
Financial guarantees by contractual amounts	55 525	0	0	0	0	55 525	0
Foreign exchange derivatives liabilities notional (gross settled)	0	157 710	0	0	0	157 710	0
Foreign exchange derivatives assets notional (gross settled)	0	-157 710	0	0	0	-157 710	0
Total liabilities	4 955 596	1 028 505	1 396 221	685 259	419	8 066 000	7 325 959

Financial assets by contractual maturity dates

Due from central bank, banks and investment companies	3 418 757	0	0	0	0	3 418 757	3 418 757
Investments in debt and equity securities	0	5 368	161 268	80 257	40 182	287 075	291 007
Loans and advances to customers	0	242 451	704 914	2 781 476	2 036 792	5 765 633	4 203 799
Receivables from customers	0	2 689	0	0	0	2 689	2 689
Other financial assets	100	0	0	0	0	100	100
Total financial assets	3 418 857	250 508	866 182	2 861 733	2 076 974	9 474 254	7 916 352
Maturity gap from financial assets and liabilities	-1 536 739	-777 997	-530 039	2 176 474	2 076 555	1 408 254	

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. Fair value of the derivative contracts is presented in balance sheet and remaining of notional cashflows in off-balance.

NOTE 4 Open Foreign Currency Positions

30.06.2025	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from central bank, banks and investment companies	3 273 112	8 130	26 535	790	5 879	4 682	3 319 128
Financial assets at fair value	1 019	0	336	4 911	0	0	6 266
Investments in debt securities at amortised	429 427	0	0	0	0	0	429 427
Loans and advances to customers	4 421 430	13	215	373	6 806	377	4 429 214
Receivables from customers	8 464	0	208	779	5 814	237	15 501
Other financial assets	101	0	0	0	0	0	101
Total assets bearing currency risk	8 133 553	8 143	27 294	6 852	18 499	5 296	8 199 637
Liabilities bearing currency risk							
Deposits from customers	6 351 168	8 050	36 505	6 576	145 972	12 218	6 560 488
Loans received and debt securities in issue	900 883	0	0	0	0	0	900 883
Financial liabilities at fair value through profit or loss	4 218	0	30	0	0	0	4 248
Accounts payable and other financial liabilities	51 566	29	2 457	217	7 748	1 081	63 098
Subordinated debt	149 885	0	0	0	0	0	149 885
Total liabilities bearing currency risk	7 457 720	8 079	38 992	6 793	153 720	13 298	7 678 602
Open gross position derivative assets at contractual value	879	0	11 533	165	135 078	7 317	154 972
Open gross position derivative liabilities at contractual	153 956	0	0		850	166	154 972
Open foreign currency position	522 496	65	-165	225	-993	-851	520 775

31.12.2024	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from central bank, banks and investment	3 368 906	2 657	32 759	1 586	6 040	6 809	3 418 757
Financial assets at fair value	3 696	1	1	3 472	30	2	7 474
Investments in debt securities at amortised	283 533	0	0	0	0	0	283 533
Loans and advances to customers	4 194 563	18	220	198	8 572	228	4 203 799
Receivables from customers	4 634	-181	-1 328	421	-490	-367	2 689
Other financial assets	100	0	0	0	0	0	100
Total assets bearing currency risk	7 855 705	2 495	31 652	5 676	14 152	6 672	7 916 352
Liabilities bearing currency risk							
Deposits from customers	6 087 303	7 458	31 083	7 208	148 864	11 610	6 293 525
Loans received and debt securities in issue	840 300	0	0	0	0	0	840 300
Financial liabilities at fair value through profit or loss	24	0	0	0	0	0	24
Accounts payable and other financial liabilities	43 732	39	1 929	1 448	9 972	334	57 454
Subordinated debt	134 656	0	0	0	0	0	134 656
Total liabilities bearing currency risk	7 106 014	7 497	33 012	8 656	158 836	11 944	7 325 959
Open gross position derivative assets at contractual	0	4 983	0	3 054	144 384	5 289	157 710
Open gross position derivative liabilities at contractual	157 710	0	0	0	0	0	157 710
Open foreign currency position	591 981	-19	-1 360	74	-300	17	590 393

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

30.06.2025	Stage 1	Stage 2	Stage 3	Provision	Total	%
Individuals	1 672 117	148 725	9 571	-6 049	1 824 364	41.2%
Agriculture	45 159	10 815	23	-136	55 860	1.3%
Mining and Quarrying	155	792	36	-53	930	0.0%
Manufacturing	166 011	14 475	47 952	-11 705	216 733	4.9%
Energy	208 090	1 273	0	-1 364	207 999	4.7%
Water and Utilities	37 693	253	0	-401	37 545	0.8%
Construction	105 067	4 300	113	-569	108 911	2.5%
Wholesale and retail	105 148	45 151	1 932	-1 230	151 001	3.4%
Transport and logistics	111 116	2 527	42	-1 054	112 631	2.5%
Hotels and Restaurants	32 518	1 622	124	-92	34 171	0.8%
Information and communication	19 890	2 585	126	-179	22 421	0.5%
Financial services	134 045	904	0	-667	134 283	3.0%
Real estate	1 046 945	100 777	32 339	-10 171	1 169 890	26.4%
Professional, scientific and technical activities	90 021	6 113	219	-343	96 010	2.2%
Administrative activities	85 051	18 568	112	-500	103 231	2.3%
Public management	37 960	3 649	0	-103	41 507	0.9%
Education	2 609	3 020	39	-882	4 786	0.1%
Health	22 882	1 193	100	-127	24 049	0.5%
Art and entertainment	47 522	32 340	9	-2 705	77 166	1.7%
Other servicing activities	4 733	1 005	11	-25	5 724	0.1%
Total	3 974 732	400 086	92 750	-38 354		
Provision	-11 105	-8 616	-18 633			
Total loan portfolio	3 963 627	391 470	74 117		4 429 214	100%

31.12.2024	Stage 1	Stage 2	Stage 3	Provision	Total	%
Individuals	1 459 694	190 727	7 146	-7 235	1 650 332	39.3%
Agriculture	42 577	14 996	31	-185	57 419	1.4%
Mining and Quarrying	105	1 022	36	-28	1 135	0.0%
Manufacturing	131 634	49 937	18 336	-13 277	186 630	4.4%
Energy	215 498	2 391	0	-1 249	216 640	5.2%
Water and Utilities	27 882	314	0	-307	27 889	0.7%
Construction	95 190	4 191	47	-684	98 744	2.3%
Wholesale and retail	155 804	12 691	616	-1 411	167 700	4.0%
Transport and logistics	66 802	1 890	8	-623	68 077	1.6%
Hotels and Restaurants	21 498	1 157	150	-70	22 735	0.5%
Information and communication	22 183	3 773	102	-176	25 882	0.6%
Financial services	154 092	1 525	0	-782	154 835	3.7%
Real estate	982 112	128 858	8 197	-8 636	1 110 531	26.4%
Professional, scientific and technical activities	133 581	9 309	331	-329	142 892	3.4%
Administrative activities	96 100	18 651	73	-647	114 177	2.7%
Public management	46 572	4 086	0	-98	50 560	1.2%
Education	2 625	3 356	0	-1 022	4 959	0.1%
Health	26 117	819	0	-102	26 834	0.6%
Art and entertainment	40 160	31 525	0	-2 182	69 503	1.7%

Other servicing activities	5 726	611	14	-26	6 325	0.2%
Total	3 725 952	481 829	35 087	-39 069		
Provision	-10 640	-14 303	-14 126			
Total loan portfolio	3 715 312	467 526	20 961		4 203 799	100%

Loans to related parties were 30.06.2025 EUR 52 948 thousand (31.12.2024: 52 522). Loans have been given out on market terms.

ECL has decreased in second quarter by EUR 5 789 thousand, mostly related to Stage 3 loans.

NOTE 6 Fair Value of Financial Assets and Liabilities

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:

	IFRS 9 measurement	Level 1	Level 2	Level 3	Total fair value	Total carrying value
30.06.2025						
Cash and balances with central bank	AC	629 452	2 633 805	0	3 263 257	3 263 257
Due from banks and investment companies	AC	55 871	0	0	55 871	55 871
Debt securities	FVTPL	4 911	0	0	4 911	4 911
Shares and fund units	FVTPL	596	0	0	596	596
Debt securities	AC	0	429 856	0	429 856	429 427
Loans and advances to customers	AC	0	0	4 535 515	4 535 515	4 429 214
Receivables from customers	AC	0	15 501	0	15 501	15 501
Derivatives	FVTPL	0	759	0	759	759
Other financial assets	AC	0	0	101	101	101
Total assets		690 830	3 079 921	4 535 616	8 306 367	8 199 637
Deposits from customers	AC	0	6 584 762	0	6 584 762	6 560 488
Loans received and debt securities in issue	AC	0	911 694	0	911 694	900 883
Subordinated debt	AC	0	155 026	0	155 026	149 885
Derivatives	FVTPL	0	4248	0	4 248	4 248
Accounts payable and other liabilities	AC	0	57 307	0	57 307	57 307
Total liabilities		0	7 713 037	0	7 713 037	7 672 811
31.12.2024						
Cash and balances with central bank	AC	463 278	2 897 238	0	3 360 516	3 360 516
Due from banks and investment companies	AC	58 241	0	0	58 241	58 241
Debt securities	FVTPL	3 471	0	0	3 471	3 471
Shares and fund units	FVTPL	588	0	0	588	588
Debt securities	AC	0	283 902	0	283 902	283 533
Loans and advances to customers	AC	0	0	4 347 569	4 347 569	4 203 799
Receivables from customers	AC	0	2 689	0	2 689	2 689
Derivatives	FVTPL	0	3 415	0	3 415	3 415
Other financial assets	AC	0	0	100	100	100
Total assets		525 578	3 187 244	4 347 669	8 060 491	7 916 352
Deposits from customers	AC	0	6 331 916	0	6 331 916	6 293 525
Loans received and debt securities in issue	AC	0	848 367	0	848 367	840 300
Subordinated debt	AC	0	139 531	0	139 531	134 656
Derivatives	FVTPL	0	24	0	24	24
Accounts payable and other liabilities	AC	0	50 190	0	50 190	50 190
Total liabilities		0	7 370 028	0	7 370 028	7 318 695

As of June 30, 2025, the liquidity portfolio includes only bonds in the amount of EUR 429 427 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 4 thousand. The fair value of the bonds reflected in the amortised cost as of 30.06.2025 is EUR 429 121 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

Cash and balances with central banks are treated as Level 2 and as their duration is very short, then there is no difference between balance sheet and fair value.

Bonds in FVTPL are included under Level 1, as these are accounted based on market rates, but others in Level 2 as reference rates are used for calculating fair value.

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 June 2025 and 31 December 2024. 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 2.

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. Customer deposits are thus categorised under hierarchy level 2.

All the Loans received, securities issued and subordinated loans are received in 2019-2024. All instruments 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 loans or the maturity/call date is so close, that the fair value of the loans does not materially differ from their net book value. Loans issued are thus categorised under hierarchy level 2.

Swaps and forwards 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

NOTE 7 Net Interest Income

Interest income	Q2 2025	6M 2025	Q2 2024	6M 2024
Corporate loans	39 065	80 125	42 424	83 717
Consumer financing	3 924	7 866	4 022	8 158
Investment financing	410	831	409	806
Private lending	18 599	37 915	20 639	40 789
Due from central banks	12 935	27 957	24 034	46 803
From debt securities at amortized cost	3 234	6 738	1 157	3 337
Due from credit institutions and investment companies	270	528	263	615
Subtotal	78 437	161 960	92 948	184 225
Other similar interest income				
Leasing	2 639	5 536	3 358	6 612
From debt securities at fair value through profit or loss	984	1 583	498	978
Subtotal	3 623	7 119	3 856	7 590
Total	82 060	169 079	96 804	191 815

Interest expense

Deposits from customers and loans received	-31 788	-65 086	-34 333	-66 626
Other interest	-534	-844	-116	-279
Subordinated debt	-3 023	-5 787	-2 295	-4 601
Total	-35 345	-71 717	-36 744	-71 506
Net interest income	46 715	97 362	60 060	120 309

NOTE 8 Net Fee and Commission Income

2Q 2025	Retail	Corporate	Hire-purchase	Financial	Other	
Fee and commission income	banking	banking	and consumer	inter-	activities	Total
Security brokerage and commission fees	1 204	411	0	0	2	1 618
Asset management and similar fees	676	824	0	2	22	1 524
Currency conversion revenues	1 071	491	0	171	651	2 384
Fees from cards and payments	4 294	1 078	0	2 622	8	8 001
Other fee and commission income	796	3 434	127	-1 825	314	2 846
Total	8 041	6 237	127	970	997	16 373
Fee and commission expense						
Security brokerage and commission expenses	-577	-174	0	-1	-28	-780
Expenses related to cards	-2 416	-53	0	-1	-1	-2 471
Expenses related to acquiring	-1 405	-749	0	-48	-2	-2 204
Other fee and commission expense	-371	-240	-79	-205	-11	-905
Total	-4 768	-1 216	-79	-255	-42	-6 360
Net fee and commission income	3 273	5 021	48	715	955	10 013

6M 2025	Retail	Corporate	Hire-purchase	Financial	Other	
Fee and commission income	banking	banking	and consumer	inter-	activities	Total
Security brokerage and commission fees	2 671	803	0	0	3	3 478
Asset management and similar fees	1 412	1 651	0	5	40	3 109
Currency conversion revenues	1 956	844	0	426	1 437	4 662
Fees from cards and payments	8 259	2 078	0	5 324	15	15 676
Other fee and commission income	1 737	4 958	252	-4 002	616	3 560
Total	16 035	10 334	252	1 753	2 110	30 485
Fee and commission expense						
Security brokerage and commission expenses	-1 175	-346	0	-2	-70	-1 593
Expenses related to cards	-4 633	-105	0	-3	-2	-4 742
Expenses related to acquiring	-2 507	-1 496	0	-122	-4	-4 129
Other fee and commission expense	-684	-470	-146	-345	-74	-1 719
Total	-8 998	-2 418	-146	-471	-149	-12 183
Net fee and commission income	7 037	7 916	106	1 283	1 961	18 302

2Q 2024	Retail	Corporate	Hire-purchase	Financial	Other	
Fee and commission income	banking	banking	and consumer	inter-	activities	Total
Security brokerage and commission fees	1 132	344	0	8	3	1 487
Asset management and similar fees	723	750	0	3	11	1 487
Currency conversion revenues	874	451	0	253	651	2 229

Fees from cards and payments	4 294	897	0	821	7	6 020
Other fee and commission income	778	1 369	215	2	96	2 460
Total	8 192	3 817	215	1 088	768	13 683
Fee and commission expense						
Security brokerage and commission expenses	-637	-88	0	-1	-8	-734
Expenses related to cards	-2 322	-46	0	-1	-1	-2 370
Expenses related to acquiring	-1 148	-563	0	-41	0	-1 752
Other fee and commission expense	10	-234	-176	-211	18	-595
Total	-4 489	-936	-176	-255	10	-5 451
Net fee and commission income	3 703	2 881	38	832	778	8 232

6M 2024	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial inter-mediate	Other activities	Total
Fee and commission income						
Security brokerage and commission fees	2 586	638	0	11	9	3 243
Asset management and similar fees	1 400	1 448	0	12	15	2 875
Currency conversion revenues	1 872	855	0	449	1 203	4 378
Fees from cards and payments	8 131	1 717	0	1 607	16	11 472
Other fee and commission income	1 564	2 549	443	-9	188	4 735
Total	15 553	7 206	443	2 071	1 430	26 703
Fee and commission expense						
Security brokerage and commission expenses	-1 282	-238	0	-3	-18	-1 542
Expenses related to cards	-4 430	-101	0	-2	-2	-4 535
Expenses related to acquiring	-2 169	-1 102	0	-95	-1	-3 366
Other fee and commission expenses	55	-464	-367	-390	8	-1 160
Total	-7 826	-1 905	-367	-491	-13	-10 601
Net fee and commission income	7 727	5 302	76	1 580	1 417	16 102

Fee and commission income by customer location:	Q2 2025	6M 2025	Q2 2024	6M 2024
Estonia	14 877	27 313	11 858	23 145
Great Britain	1 496	3 172	1 825	3 558
Total	16 373	30 485	13 683	26 703

NOTE 9 Operating Expenses

	Q2 2025	6M 2025	Q2 2024	6M 2024
Wages, salaries and bonuses	11 402	22 723	10 794	20 766
Social security and other taxes*	3 345	6 699	3 073	5 880
Total personnel expenses	14 747	29 422	13 867	26 646
IT expenses	2 589	4 758	1 885	3 474
Information services and bank services	433	941	435	872
Marketing expenses	877	1 818	647	1 130
Office expenses	353	753	391	814
Transportation and communication expenses	194	365	144	299
Staff training and business trip expenses	192	386	258	485
Other outsourced services	715	1 638	1 269	2 493
Other administrative expenses	2 387	4 055	2 249	5 593

Depreciation of non-current assets	1 681	3 366	1 657	3 493
Short term rental payments	-42	-95	37	71
Other operating expenses	335	707	386	658
Total other operating expenses	9 714	18 692	9 358	19 382
Total operating expenses	24 461	48 114	23 225	46 028
<i>*lump-sum payment of social, health and other insurances</i>				

NOTE 10 Balances with the Central Bank

	30.06.2025	31.12.2024
Cash and balances with central bank	3 319 128	3 418 757
Total	3 319 128	3 418 757
Incl. legal reserve with the central bank	66 361	63 239
Total balance with central bank less legal reserve	3 252 767	3 355 518

The minimum reserve requirement as at 30 June 2025 was 1% (31 December 2024: 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 and Debt Securities in issue

Deposits by type	Individuals	Financial entities	Non-financial		30.06.2025
			entities	Public sector	
Demand deposits	1 190 610	1 625 513	1 846 317	81 150	4 743 590
Term deposits	766 123	101 325	868 315	81 135	1 816 898
Total	1 956 733	1 726 838	2 714 632	162 285	6 560 488

Deposits by type	Individuals	Financial entities	Non-financial		31.12.2024
			entities	Public sector	
Demand deposits	1 051 550	1 506 018	1 678 459	102 062	4 338 089
Term deposits	835 370	158 265	918 197	43 604	1 955 436
Total	1 886 920	1 664 283	2 596 656	145 666	6 293 525

Loans from financial institutions and debt securities in issue	30.06.2025	31.12.2024
Debt securities in issue	347 662	340 139
Covered bonds	553 221	500 161
Total	900 883	840 300

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:

	30.06.2025	31.12.2024
Cash balance of customers	14 322	16 986
Securities of customers	3 998 177	3 707 623
<i>Incl. parent company</i>	151 702	151 129
<i>Incl. shareholders of the parent company and related entities</i>	570 246	506 250
Total	4 012 499	3 724 609

LHV has a cooperation with IB, providing our customers access to IB's trading platform. This collaboration allows our customers to leverage their investment portfolios by using equities as collateral to obtain loans, which can then be reinvested into additional equities. IB employs sophisticated monitoring systems that closely tracks customer's positions. These systems are designed with pre-emptive thresholds to ensure proactive measures are taken well before the collateral's value approaches critical levels. Specifically, the system intervenes before the collateral value falls below the outstanding loan balance, prompting customers to either reduce their loan balance or provide additional collateral. If customer does not take the necessary corrective action, the system is programmed to automatically liquidate the collateral to satisfy the outstanding loan.

The loans extended to our customers, are managed with a high degree of prudence, including the application of a "haircut" to the collateral value, ensuring that the collateral always exceeds the loan amount. LHV has entered into an agreement with IB, wherein we assume responsibility for any shortfall. Should the proceeds

from collateral liquidation be insufficient to cover the loan, the platform charges the deficit to LHV. This arrangement underscores our commitment to safeguarding the financial integrity of our clients' leveraged investments.

To date, there has not been any instance where LHV has been required to cover a loss under this arrangement.

The fair value of these guarantees is considered to be zero, based on the following methodology:

The fair value of the guarantee is calculated as the discounted value of the Expected Loss (EL), where:

$$EL = \text{Probability of Default (PD)} \times \text{Loss Given Default (LGD)}$$

LHV considers the LGD for these loans to be zero euros, due to the highly automated processes employed by IB. If either the PD or LGD is considered zero in this calculation, the resulting fair value of the guarantee is also zero.

NOTE 13 Contingent Liabilities

Irrevocable transactions	Performance guarantees	Financial guarantees	Letter of credit	Unused loan commitments	Total
Liability in the contractual amount as at 30 June 2025	185 660	80 158	6 491	516 638	788 947
Liability in the contractual amount as at 31 December 2024	110 674	55 525	1 071	561 981	729 251

NOTE 14 Transactions with related parties

Transactions	Q2 2025	6M 2025	Q2 2024	6M 2024
<i>euro thousand</i>				
Interest income	843	1 725	727	1 420
<i>Incl. management</i>	18	38	65	135
Interest expenses	55	113	109	171
<i>Incl. management</i>	7	14	12	31
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	48	99	97	140

Fee and commission income	32	53	47	105
<i>Incl. management</i>	1	2	3	7
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	31	51	44	98
Key management personnel				
<i>Personnel expenses</i>	383	750	767	1 552

Balances

<i>euro thousand</i>	30.06.2025	31.12.2024
Loans and receivables	52 948	52 522
<i>Incl. management</i>	1 991	2 031
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	50 957	50 469
Deposits	211 777	73 424
<i>Incl. management</i>	2 729	2 071
<i>Incl. parent company</i>	177 067	34 866
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	31 981	36 487

General information

Legal name	AS LHV Pank
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Phone	(372) 6800400
BIC / Swift	LHVBEE22
E-mail	lhv@lhv.ee
Web page	www.lhv.ee
Main activities	banking, finance lease and other lending, security brokerage
Auditor	PricewaterhouseCoopers AS
Supervisory board	Madis Toomsalu, Raivo Hein, Rain Lõhmus, Heldur Meerits, Tiina Mõis, Andres Viisemann, Liisi Znatokov
Management board	Kadri Kiisel, Jüri Heero, Annika Goroško, Indrek Nuume, Kadri Haldre, Meelis Paakspuu