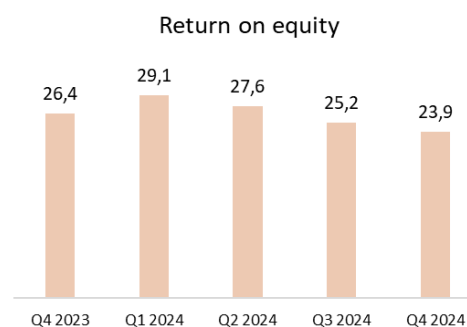
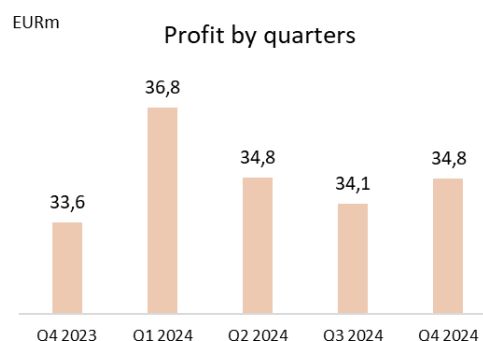


Interim Report January – December 2024

Summary of Results

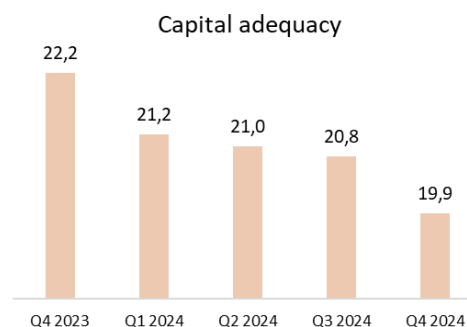
Q4 2024 in comparison with Q3 2024

- Net profit EUR 34.8 m (EUR 34.1 m), of which EUR 34.3 m (EUR 33.9 m) is attributable to owners of the parent
- Net income EUR 68.8 m (EUR 69.8 m)
- Operating expenses EUR 26.5 m (EUR 22.8 m)
- Impairment losses on loans and bonds EUR 1.0 m (EUR 7.1 m)
- Income tax expenses EUR 6.5 m (EUR 5.7 m)
- Return on equity 23.9% (25.2%)
- Capital adequacy 19.9% (20.8%)



Q4 2024 in comparison with Q4 2023

- Net profit EUR 34.8 m (EUR 33.6 m), of which EUR 34.3 m (EUR 33.5 m) is attributable to owners of the parent
- Net income EUR 68.8 m (EUR 71.6 m)
- Operating expenses EUR 26.5 m (22.9 m)
- Impairment losses on loans and bonds EUR 1.0 m (EUR 9.6 m)
- Income tax expenses EUR 6.5 m (EUR 5.5 m)
- Return on equity 23.9% (26.4%)
- Capital adequacy 19.9% (22.2%)



The calculated capital adequacy is in line with COREP, where only the part of profit received permission from ECB is included into own funds. After approving the annual report by shareholders, the 31.12.2024 capital adequacy will be recalculated. 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 close to 10,900. New clients were attracted at a good rate and their activity levels were high as well. Deposits grew by EUR 577 million and loans increased by EUR 300 million over the quarter.

Ordinary clients' deposits saw quarterly growth of EUR 180 million and financial intermediaries' deposits increased by EUR 450 million. The proportion of households' deposits on the market has reached record highs, being 12% higher in December than in the previous December. The growth was mainly influenced by the anticipated tax hikes. The growth of businesses' deposits were more modest: year-over-year growth was about 3% in October and November but fell to 0% in December. Our aim is to attract deposits from the Estonian market, which also proved successful in Q4 due to a salary direct deposit promotion and allowed us to reduce platform deposits by EUR 66 million by the end of the year. Deposits remain in the focus.

Loans to businesses grew by EUR 203 million and retail loans grew by EUR 98 million. The loan market in Q4 of 2024 was mainly driven by individuals – households' loan portfolio grew by an average of 8.3% year-over-year. Businesses' loan portfolio began growing faster toward the end of the year, achieving an average annual growth of 8.1% in Q4. Our market share of new loans granted to businesses stood at about 30% throughout last year. We also continued with a strong commitment to issuing home loans, and although client activity on the market fell somewhat at the end of the year, we managed to maintain a strong result.

Net profit for the quarter was approximately EUR 34.8 million. The strong result in Q4 was impacted mainly by interest rates rising due to larger than planned volumes in the loan portfolio. On the other hand, pressure on interest rates continues. The 6-month Euribor, which is linked to many loan contracts, began declining faster in the Q4, from 3.1% in September to 2.6% by December. Longer-term interbank lending rates fell as well, with the 12-month Euribor dropping to 2.5% in December. That provides relief for clients, but also has a noteworthy impact on profitability since interest rates paid on deposits are locked in at a high level. Income from service fees was higher than planned, and the solid result was additionally supported by investment banking consultation, which were realised at the end of the year.

Loan impairments decreased during the quarter mainly due to model-based changes implemented at the end of the year. Loans in default remained at a historical low throughout 2024, although mild growth did take place during the year. By the end of the year,

the average share of loans more than 60 days past due was 0.3%, which indicates continued stability on the credit market. At the same time, the proportion of non-financial sector companies' loans in default has nearly doubled since January 2024, rising to 0.41% in December. Our portfolio also includes clients whose ratings have worsened, but as a whole the bank's loan portfolio quality has remained stable and the share of loans past due continues to be low. The deterioration of quality in the consumer loan portfolio has stabilised as well.

In Q4, we completed the acquisition of part of TBB Bank's loan portfolio. The final size of the portfolio was EUR 23 million and the write-down was nearly EUR 4 million. For merchants, we introduced a new solution – LHV Wallet, which allows for convenient acceptance of payments over electronic channels.

With the help of the investment banking team, the privatisation of the state company Operail to the company Tiigi Keskus was completed and we helped to organise an IPO for Eleving Group and a bond issue for BluOr Bank.

We issued EUR 250 million worth of covered bonds with a four-year term. We are selling the covered bonds, which are secured by home loans, to European institutional investors. A total of 32 institutional investors took part in the issue and it was oversubscribed twofold. The covered bonds were listed on the Dublin exchange. The expected rating for the covered bonds from Moody's Investors Service Ltd is Aa1.

In Q4, we carried out significant changes in our organisation. For the purpose of structural changes and cost-cutting, we reduced the number of positions, laying off 44 people. The expenses related to the layoffs were recognised in the results for December, and the employees' contracts will expire on 3 February 2025. In November, there was a change in Bank's management board member and head of risk as Kadri Haldre joined us, replacing Martti Singi.

Providing broad-based support for Estonian sport and athletes is very important for us. We renewed our cooperation with the Estonian Biathlon Union and the Estonian Football Association by three and five years, respectively.

Q4 also brought outside acclaim for LHV. In a survey held by the online recruitment portal CV Keskus.ee, employees once again selected LHV Bank as Estonia's most attractive employer. The Financial Times' international banking magazine The Banker picked LHV as the best bank in Estonia for 2024 – the sixth time LHV has won this honour.

Financial Summary

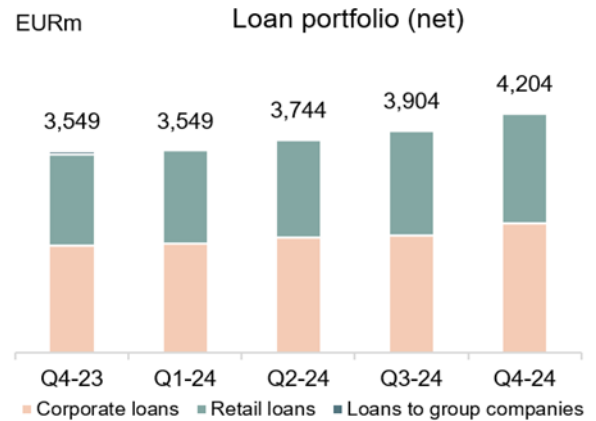
LHV Pank earned net interest income of EUR 56.8 million and EUR 11.6 million in net service fee income in Q4. Net financial income amounted to EUR -0.3 million in Q4. In total, the Bank's income was EUR 68.8 million and expenses were EUR 26.5 million. Net income decreased by 4% and expenses increased by 16% over the year. The discounts of loans and bonds amounted to EUR 1.0 million in Q4. We made forward-looking specific and general discounts. The macroeconomic view improved and reduced model-based impairments. We are keeping a very close eye on developments in the credit portfolio.

LHV Pank accounts for and recognises in expenses a 18% 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 0.3 million in Q4.

The Bank's Q4 profit amounted to EUR 34.8 million, which is 2% more than in Q3 2024 (34.1) and 4% more than in Q4 2023 (33.6).

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

The total volume of the Bank's loan portfolio reached EUR 4 204 million by the end of Q4 (Q3 2024: EUR 3 904 million). The volume of loans grew by EUR 300 million in Q4 (Q3 2024: a growth of EUR 160 million). The net retail loan portfolio grew by 5% during the quarter, reaching EUR 1,930 million (Q3 2024: EUR 1 832 million). The net corporate loan portfolio grew by 10% during the quarter, reaching EUR 2 274 million (Q3 2024: EUR 2 072 million). Part of business loan growth comes from short-term loans, which will be repaid over next 6 months.



The volume of deposits at the Bank increased by EUR 577 million from the previous quarter and stood at EUR 6 294 million (Q3 2024: EUR 5 716 million). The volume of payment intermediaries' deposits grew by EUR 450 million during the quarter. Of the deposits, EUR 4 338 million were call deposits, EUR 1 669 million term deposits and EUR 286 million platform deposits. The volume of the deposits of private customers amounted to EUR 1 887 million as at the end of the quarter, having grown by 11% in a quarter.

The Bank's expense-income ratio was 38.5% in Q4, increasing by 6.5 percentage points from Q4 2023 (32.0%).

Income statement	Q4	Q3	Quarter	Q4	Year
EUR million	2024	2024	over quarter	2023	over year
Net interest income	56.75	59.99	-5%	59.58	-5%
Net fee and commission income	11.60	8.74	33%	8.44	37%
Other financial income	-0.27	0.65	NA	2.37	NA
Total net operating income	68.08	69.38	-2%	70.39	-3%
Other income	0.70	0.39	81%	1.16	-40%
Operating expenses	-26.51	-22.83	16%	-22.87	16%
Loan losses	-1.02	-7.09	-86%	-9.59	-89%
Income tax expenses	-6.46	-5.74	13%	-5.52	17%
Net profit	34.79	34.10	2%	33.57	4%

Business volumes

EUR million	31.12.2024	31.12.2023	Change
Loan portfolio	4 203.8	3 548.5	18%
Financial investments	291.0	328.8	-12%
Deposits of customers	6 293.5	5 534.7	14%
incl. deposits of financial institutions	1 664.3	1 229.5	35%
Equity (including minority interest)	598.4	530.0	13%
Number of bank customers	455 534	417 460	9%

Ratios	Q4	Q3	Quarter	Q4	Year
EUR million	2024	2024	over quarter	2023	over year
Net profit	34.8	34.1	0.7	33.6	1.2
Net profit attributable to owners of the parent	34.3	33.9	0.4	33.5	0.8
Average equity	574.1	538.8	35.3	506.5	67.6
Return on equity (ROE), %	23.9	25.2	-1.3	26.4	-2.5
Return on assets (ROA), %	1.85	1.97	-0.12	2.05	-0.2
Net interest income	56.8	60.0	-3.2	59.6	-2.8
Interest-bearing assets, average	7 507.5	6 920.6	586.9	6 511.5	996
Net interest margin (NIM) %	3.02	3.47	-0.45	3.7	-0.68
Price spread (SPREAD) %	2.8	3.2	-0.4	3.5	-0.7
Cost/income ratio %	38.5	32.7	5.8	32.0	6.5

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 178.4% as at the end of December (31 December 2023: 191.4%). In the fourth quarter, deposits received from deposit platforms decreased by 66 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 400.7% (31.12.2023: 420.5%). The Bank recognises cash and bond portfolios as liquidity buffers. These accounted for 47% of the balance sheet (31.12.2023: 47%). The ratio of loans to deposits stood at 67% as at the end of the fourth quarter (31.12.2023: 64%).

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 three quarters of 2024.

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 December were EUR 601.9 million (31.12.2023: 550.7 mln euro).

Bank is adequately capitalized at end of the reporting period, capital adequacy was 19.89% (31.12.2023: 22.19%). Banks capital adequacy exceeds internal capital targets, which is 19.2%.

Both AS LHV Pank 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 (in thousands of euros)	31.12.2024	31.12.2023
Paid-in share capital	141 500	141 500
Legal reserves transferred from net profit	14 150	12 669
Accumulated profit	287 288	222 187
Intangible assets (subtracted)	-2 596	-2 945
Net profit for the reporting period (COREP)	27 480	140 133
Dividends to be distributed	0	-76 300
Deductions	-580	-9
Total Tier 1 capital	467 242	437 235
Tier 1 additional funds	53 380	53 000
Total Tier 1 capital	520 622	490 235
Subordinated debt	81 275	60 434
Total Tier 2 capital	81 275	60 434
Net own funds for capital adequacy	601 897	550 669
Capital requirements		
Central governments and central bank under standard method	0	0
Credit institutions and investment companies under standard method	13 411	23 951
Companies under standard method	1 585 329	1 293 686
Retail claims under standard method	225 213	225 907

Public sector under standard method	0	0
Exposures secured by mortgages on immovable property	744 943	583 503
Overdue claims under standard methods	23 074	19 759
Particularly high risk exposures	52 764	42 451
Other assets under standard method	31 167	50 473
Total capital requirements for covering the credit risk and counterparty credit risk	2 675 901	2 239 730
Capital requirement against foreign currency risk under standard method	2 778	2 514
Capital requirement against interest position risk under standard method	0	0
Capital requirement against equity portfolio risks under standard method	1 176	745
Capital requirement against credit valuation adjustment risks under standard method	3 522	1 966
Capital requirement for operational risk under base method	342 354	236 380
Total capital requirements for adequacy calculation	3 025 731	2 481 335
Capital adequacy (%)	19.89	22.19
Tier 1 capital ratio (%)	17.21	19.76
Core Tier 1 capital ratio (%)	15.44	17.62

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 2024	12M 2024	Q4 2023	12M 2023
Interest income		96 858	386 906	89 574	305 507
Interest expense		-40 108	-149 857	-29 997	-77 036
Net interest income	7	56 750	237 049	59 577	228 471
Fee and commission income		15 156	56 476	12 202	46 234
Fee and commission expense		-3 555	-20 033	-3 759	-19 017
Net fee and commission income	8	11 601	36 443	8 443	27 217
Net gains from financial assets measured at fair value		55	158	2 378	1 108
Foreign exchange gains/losses		-323	423	-9	1 544
Net gain/loss from financial assets		-268	581	2 369	2 652
Other income		699	2 039	1 163	1 737
Staff costs		-14 919	-54 108	-12 140	-44 291
Administrative and other operating expenses		-11 594	-41 265	-10 730	-40 944
Profit before impairment losses on loans and advances		42 269	180 739	48 682	174 842
Impairment losses on financial instruments		-1 019	-15 776	-9 588	-11 372
Income tax expense		-6 459	-24 443	-5 521	-22 107
Net profit for the reporting period		34 791	140 520	33 573	141 363
Other comprehensive income:					
Items that may be reclassified subsequently to other profit or loss		0	0	0	0
Total profit and other comprehensive income for the reporting period		34 791	140 520	33 573	141 363
Total profit of the reporting period attributable to:					
Owners of the parent		34 250	139 604	33 490	140 133
Non-controlling interest		541	916	83	1 230
Total profit for the reporting period		34 791	140 520	33 573	141 363
Total comprehensive income attributable to:					
Owners of the parent		34 250	139 604	33 490	140 133
Non-controlling interest		541	916	83	1 230
Total comprehensive income for the reporting period		34 791	140 520	33 573	141 363

Condensed Consolidated Interim Statement of Financial Position

<i>(in thousands of euros)</i>	Note	31.12.2024	31.12.2023
Assets			
Cash and balances with central bank	10	3 360 516	2 789 752
Due from banks and investment companies	10	58 241	48 140
Financial assets at fair value through profit or loss	6	7 474	6 945
Investments in debt securities at amortised cost	6	283 533	321 888
Loans and advances to customers	5	4 203 799	3 548 513
Other receivables		2 689	17 833
Other financial assets		100	100
Other assets		3 518	2 795
Property and equipment		14 061	15 732
Intangible assets		2 596	2 946
Total assets		7 936 527	6 754 644
Liabilities			
Deposits of customers	11	6 293 525	5 534 720
Loans received and debt securities in issue	11	840 300	486 568
Financial liabilities at fair value through profit or loss	6	24	1 843
Accounts payable and other liabilities		69 654	87 430
Subordinated debt		134 656	114 054
Total liabilities		7 338 159	6 224 615
Owner's equity			
Share capital		141 500	141 500
Statutory reserve capital		14 150	12 669
Retained earnings		436 316	369 674
Total equity attributable to owners of the parent		591 966	523 843
Non-controlling interest		6 402	6 186
Total equity		598 368	530 029
Total liabilities and equity		7 936 527	6 754 644

Condensed Consolidated Interim Statement of Cash Flows

<i>(in thousands of euros)</i>	Note	Q4 2024	12M 2024	Q4 2023* restated	12M 2023* restated
Cash flow from operating activities					
Interest received		94 606	386 054	86 634	297 525
Interest paid		-53 626	-142 731	-23 271	-51 337
Fees and commissions received		15 598	58 138	12 606	47 917
Fees and commissions paid		-3 997	-21 695	-4 163	-20 700
Other income		699	2 039	1 163	1 737
Staff costs paid		-13 282	-48 603	-10 649	-39 747
Administrative and other operating expenses paid		-11 487	-36 055	-6 183	-33 773
Income tax paid		-5 480	-23 002	-6 098	-22 103
Cash flow from operating activities before change in operating assets and liabilities		23 031	174 145	50 039	179 519
Net increase/decrease in operating assets:					
Net acquisition/disposal of trading portfolio		-874	-528	3 388	-264
Loans and advances to customers		-293 889	-655 062	-105 773	-373 761
Net change in debt and equity securities		-45 380	38 513	-73 354	37 175
Mandatory reserve at central bank		-5 646	-7 340	-3 055	-7 211
Security deposits		0	0	0	24
Other assets		-49	-656	679	34
Net increase/decrease in operating liabilities:					
Demand deposits of customers		624 709	640 112	-56 962	-1 004 362
Term deposits of customers		-43 073	116 403	327 345	1 558 745
Received loans		250 000	250 000	0	0
Repayments of loans received		0	0	-27	-147 547
Bonds issued		0	100 000	100 000	100 000
Financial liabilities at fair value through profit and loss		-1 148	-1 819	1 408	-2 007
Other liabilities		-17 785	-19 399	16 370	26 754
Net cash generated from/used in operating activities		489 896	624 369	260 058	367 099
Cash flow from investing activities					
Purchase of non-current assets		-1 389	-3 975	-9 286	-12 494
Sell of non-current assets		0	0	486	486
Net cash flow from/used in investing activities		-1 389	-3 975	-8 800	-12 008
Cash flow from financing activities					
Subordinated bonds issued		20 000	56 000	0	0
Subordinated bonds redeemed		0	-35 500	0	0
Dividends paid		0	-77 000	0	-3 500
Repayment of principal of lease liabilities		222	-792	-417	-1 693
Net cash from/used in financing activities		20 222	-57 292	-417	-5 193
Effect of exchange rate changes on cash and cash equivalents		-323	423	-9	1 544
Net decrease/increase in cash and cash equivalents		508 406	573 525	250 832	351 442
Cash and cash equivalents at the beginning of the period		2 847 112	2 781 993	2 531 161	2 430 551
Cash and cash equivalents at the end of the period		3 355 518	3 355 518	2 781 993	2 781 993
<i>incl balances with central bank</i>	10	3 297 277	3 297 277	2 733 853	2 733 853
<i>incl balances with banks and investment companies</i>		58 241	58 241	48 140	48 140

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 01.01.2023	141 500	8 736	231 805	382 041	6 181	388 222
Transfer to statutory reserve capital	0	3 933	-3 933	0	0	0
Dividends paid	0	0	-2 275	-2 275	-1 225	-3 500
Share options	0	0	3 944	3 944	0	3 944
<i>Profit for the period</i>	<i>0</i>	<i>0</i>	<i>140 133</i>	<i>140 133</i>	<i>1 230</i>	<i>141 363</i>
Total profit and other comprehensive income for the reporting period	0	0	140 133	140 133	1 230	141 363
Balance as at 31.12.2023	141 500	12 669	369 674	523 843	6 186	530 029
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	4 819	4 819	0	4 819
<i>Profit for the period</i>	<i>0</i>	<i>0</i>	<i>139 604</i>	<i>139 604</i>	<i>916</i>	<i>140 520</i>
Total profit and other comprehensive income for the reporting period	0	0	139 604	139 604	916	140 520
Balance as at 31.12.2024	141 500	14 150	436 316	591 966	6 402	598 368

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 2023. 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 2023.

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).

Correction in classification of investing and operating cash flows

Management identified a classification misstatement related to financial investments. Such purchased and sales have been previously classified under net cash flow from/used in investing activities but as these assets are operating activities in nature then the cash flows from purchases and sales should be classified under net cash generated from/used in operating activities. The presentation has been corrected by reclassifying the affected cash flow statement line items for the prior periods as follows:

	Q4 2023	Increase/(Decrease)	Q4 2023 restated
Administrative and other operating expenses paid	-13 674	7 491	-6 183
Cash flow from operating activities before change in operating assets and liabilities	42 548	7 491	50 039
Net change in debt and equity securities	0	-73 354	-73 354
Other liabilities	23 726	-7 491	16 235
Net cash generated from/used in operating activities	333 412	-73 354	260 058
Net change in debt and equity securities	-73 354	73 354	0
Net cash flow from/used in investing activities	-82 154	73 354	-8 800
	12M 2023	Increase/(Decrease)	12M 2023 restated
Administrative and other operating expenses paid	-39 988	6 215	-33 773
Cash flow from operating activities before change in operating assets and liabilities	173 304	6 215	179 519
Loans and advances to customers	-368 467	-5 294	-373 761
Net change in debt and equity securities	0	37 175	37 175
Other liabilities	27 540	-921	26 619
Net cash generated from/used in operating activities	329 924	37 175	367 099
Net change in debt and equity securities	37 175	-37 175	0
Net cash flow from/used in investing activities	25 167	-37 175	-12 008

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 ise 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.

Q4 2024	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Eliminations	Total
Interest income	24 583	44 412	3 717	-4 654	30 412	-1 611	96 858
Interest expense	-14 223	-17 454	-1 845	-2 829	-5 368	1 611	-40 108
Intrabank interest income/- expense	14 468	-3 238	2	9 113	-20 345	0	0
Net interest income	24 828	23 719	1 874	1 631	4 699	0	56 750
Fee and commission income	8 671	4 899	-193	1 309	469	0	15 156
Fee and commission expense	-2 405	-1 110	241	-261	-20	0	-3 555
Net fee and commission income	6 267	3 789	47	1 048	450	0	11 601
Other income	-9	673	0	0	35	0	699
Net gains/losses from financial assets	14	2	0	9	-292	0	-268
Administrative and other operating expenses, staff costs	-12 914	-8 433	-980	-2 529	-1 657	0	-26 513
Operating profit	18 185	19 749	941	160	3 235	0	42 269
Impairment losses on loans and advances	335	-1 717	364	0	-2	0	-1 019
Income tax	-2 271	-2 582	0	-443	-902	-261	-6 459
Net profit	16 249	15 450	1 305	-283	2 331	-261	34 791

12 M 2024	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Eliminations	Total
Interest income	97 514	172 197	15 041	-20 065	128 935	-6 716	386 906
Interest expense	-53 772	-66 748	-7 657	-10 543	-17 853	6 716	-149 857
Intrabank interest income/- expense	63 246	-9 471	8	39 691	-93 474	0	0
Net interest income	106 989	95 979	7 391	9 083	17 608	0	237 049
Fee and commission income	32 106	16 898	471	4 579	2 422	0	56 476
Fee and commission expense	-14 440	-4 245	-315	-996	-36	0	-20 033
Net fee and commission income	17 666	12 653	155	3 583	2 386	0	36 443
Other income	-6	1 874	0	1	170	0	2 039
Net gains from financial assets	-22	1	0	7	1 895	-1 300	581
Administrative and other operating expenses, staff costs	-46 457	-30 478	-3 808	-9 472	-5 158	0	-95 373

Operating profit	78 170	80 029	3 738	3 201	16 901	0	180 739
Impairment losses on loans and advances	-149	-14 026	-2 247	0	646	0	-15 776
Income tax	-9 954	-9 325	-566	-2 277	-1 652	-669	-24 443
Net profit	68 067	56 678	925	924	15 895	-1 969	140 520
Total assets 31.12.2024	3 212 978	4 578 425	87 080	3	124 017	-65 976	7 936 527
Total liabilities 31.12.2024	3 781 696	1 905 728	67 402	1 579 464	68 476	-64 607	7 338 159

Q4 2023	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Eliminations	Total
Interest income	24 464	38 791	3 954	-6 905	30 956	-1 685	89 574
Interest expense	-13 349	-7 671	-1 821	-1 906	-6 935	1 685	-29 997
Intrabank interest income/-expense	22 063	-9 088	0	9 085	-22 059	0	0
Net interest income	33 177	22 031	2 133	273	1 963	0	59 577
Fee and commission income	8 828	1 837	236	984	316	0	12 202
Fee and commission expense	-2 919	-978	-162	366	-66	0	-3 759
Net fee and commission income	5 911	859	74	1 350	249	0	8 443
Other income	27	1 069	1	0	65	0	1 163
Net gains from financial assets	-5	-1	0	-3	2 378	0	2 369
Administrative and other operating expenses, staff costs	-12 877	-6 484	-1 058	-2 452	0	0	-22 870
Operating profit	26 232	17 475	1 151	-832	4 655	0	48 682
Impairment losses on loans and advances	-607	-8 229	-1 239	0	486	0	-9 588
Income tax	-2 780	-1 583	-178	-597	-289	-94	-5 521
Net profit	22 846	7 663	-265	-1 429	4 853	-94	33 573

12M 2023	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Eliminations	Total
Interest income	85 829	132 615	15 580	-22 996	100 167	-5 688	305 507
Interest expense	-34 893	-21 393	-6 216	-6 054	-14 167	5 688	-77 036
Intrabank interest income/-expense	75 679	-33 917	2	34 983	-76 747	0	0
Net interest income	126 615	77 306	9 366	5 933	9 253	0	228 471
Fee and commission income	32 648	6 489	951	5 815	331	0	46 234
Fee and commission expense	-15 179	-3 367	-740	387	-118	0	-19 017
Net fee and commission income	17 469	3 122	212	6 202	212	0	27 217
Other income	18	1 513	2	0	204	0	1 737
Net gains from financial assets	14	-1	0	-3	4 918	-2 275	2 652

Administrative and other operating expenses, staff costs	-43 728	-20 521	-3 767	-13 553	-3 667	0	-85 236
Operating profit	100 385	61 419	5 813	-1 422	10 922	-2 275	174 842
Impairment losses on loans and advances	-812	-6 187	-3 746	0	-627	0	-11 372
Income tax	-10 175	-7 323	-689	-1 890	-809	-1 220	-22 107
Net profit	89 399	47 910	1 377	-3 312	9 485	-3 495	141 363
Total assets 31.12.2023	2 742 899	3 726 731	93 549	0	265 551	-74 085	6 754 644
Total liabilities 31.12.2023	4 180 348	885 028	75 203	1 114 526	42 897	-73 387	6 224 615

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

31.12.2024	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities by contractual maturity dates						
Deposits from customers	4 338 090	948 616	1 021 326	8 211	419	6 316 662
Loans received and debt securities in issue	0	3 281	341 737	565 697	0	910 715
Subordinated debt	0	25 779	31 285	106 575	0	163 639
Lease liability	0	7 264	0	0	0	7 264
Accounts payable and other financial liabilities (excluding lease liability)	0	50 190	0	0	0	50 190
Unused loan commitments	561 981	0	0	0	0	561 981
Financial liabilities at fair value	0	24	0	0	0	24
Financial guarantees by contractual amounts	55 525	0	0	0	0	55 525
Foreign exchange derivatives liabilities notional (gross settled)	0	157 710	0	0	0	157 710
Foreign exchange derivatives assets notional (gross settled)	0	-157 710	0	0	0	-157 710
Total liabilities	4 955 596	1 035 154	1 394 348	680 483	419	8 066 000
Financial assets by contractual maturity dates						
Due from central bank, banks and investment companies	3 418 757	0	0	0	0	3 418 757
Financial assets at fair value and amortized cost	0	5 368	161 268	80 257	40 182	287 075
Loans and advances to customers	0	242 451	704 914	2 781 476	2 036 792	5 765 633
Receivables from customers	0	2 689	0	0	0	2 689
Other financial assets	100	0	0	0	0	100
Total financial assets	3 418 857	250 508	866 182	2 861 733	2 076 974	9 474 254
Maturity gap from financial assets and liabilities	-1 536 739	-784 646	-528 166	2 181 250	2 076 555	1 408 254

31.12.2023	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities by contractual maturity dates						
Deposits from customers	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
Lease liability	0	8 057	0	0	0	8 057

Accounts payable and other financial liabilities (excluding lease liability)	0	70 504	0	0	0	70 504
Unused loan commitments	0	495 653	0	0	0	495 653
Financial liabilities at fair value	0	1 843	0	0	0	1 843
Financial guarantees by contractual amounts	0	55 061	0	0	0	55 061
Foreign exchange derivatives liabilities notional (gross settled)	0	148 397	0	0	0	148 397
Foreign exchange derivatives assets notional (gross settled)	0	-148 397	0	0	0	-148 397
Total liabilities	4 193 176	747 682	1 340 858	559 198	339	6 841 253

Financial assets by contractual maturity dates						
Due from central bank, banks and investment companies	2 837 892	0	0	0	0	2 837 892
Financial assets at fair value and amortized cost	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
Other financial assets	100	0	0	0	0	100
Total financial assets	2 837 992	347 717	692 523	2 684 344	1 692 834	8 255 410
Maturity gap from financial assets and liabilities	-1 355 184	-399 965	-648 335	2 125 146	1 692 495	1 414 157

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

31.12.2024	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from central bank, banks and investment companies	3 368 906	2 657	32 759	1 586	6 040	6 809	3 418 757
Financial assets at fair value and amortized cost	287 502	1	1	3 472	30	2	291 007
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 value	0	4 983	0	3 054	144 384	5 289	157 710
Open gross position derivative liabilities at contractual value	157 710	0	0	0	0	0	157 710
Open foreign currency position	591 981	-19	-1 360	74	-300	17	590 393

31.12.2023	EUR	CHF	GBP	SEK	USD	Other	Total
Assets bearing currency risk							
Due from central bank, banks and investment companies	2 803 213	1 047	9 734	1 480	13 570	8 849	2 837 892
Financial assets at fair value and amortized cost	322 524	1	0	6 275	31	2	328 833
Loans and advances to customers	3 472 835	23	66 674	189	8 676	116	3 548 513
Receivables from customers	17 211	0	317	168	1 822	-1 685	17 833

Other financial assets	100	0	0	0	0	0	100
Total assets bearing currency risk	6 615 883	1 071	76 725	8 112	24 099	7 281	6 733 171
Liabilities bearing currency risk							
Deposits from customers	5 334 564	9 494	20 924	8 867	151 070	9 801	5 534 720
Loans received and debt securities in issue	486 568	0	0	0	0	0	486 568
Financial liabilities at fair value through profit or loss	1 843	0	0	0	0	0	1 843
Accounts payable and other financial liabilities	68 067	30	1 380	479	6 574	2 031	78 561
Subordinated debt	114 054	0	0	0	0	0	114 054
Total liabilities bearing currency risk	6 005 096	9 524	22 304	9 346	157 644	11 832	6 215 746
Open gross position derivative assets at contractual value	0	8 359	0	1 334	133 071	5 633	148 397
Open gross position derivative liabilities at contractual value	94 218	0	54 179	0	0	0	148 397
Open foreign currency position	516 569	-94	242	100	-474	1 081	517 425

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

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%

31.12.2023	Stage 1	Stage 2	Stage 3	Provision	Total	%
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%
Total	3 263 703	291 338	23 528	-30 056		
Provision	-12 237	-9 766	-8 053			
Total loan portfolio	3 251 466	281 572	15 475		3 548 513	100%

Loans to related parties were 31.12.2024 EUR 52 500 thousand (31.12.2023: 28 579). Loans have been given out on market terms.

ECL has increased by EUR 2 812 thousand, mostly related to Stage 3 loans. Several manufacturing companies financials have weakened and we have decided to reclassify them into Stage 3 despite they are servicing the loans without issues.

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
31.12.2024					
Cash and balances with central bank	AC	0	3 360 516	0	3 360 516
Due from banks and investment companies	AC	0	58 241	0	58 241
Debt securities	FVTPL	3 471	0	0	3 471
Shares and fund units	FVTL	588	0	0	588
Debt securities	AC	0	283 533	0	283 533
Loans and advances to customers	AC	0	0	4 203 799	4 203 799
Receivables from customers	AC	0	2 689	0	2 689
Derivatives	FVTPL	0	3 415	0	3 415
Other financial assets	AC	0	0	100	100
Total assets		4 059	3 708 394	4 203 899	7 916 352
Deposits from customers	AC	0	6 293 525	0	6 293 525
Loans received and debt securities in issue	AC	0	840 300	0	840 300
Subordinated debt	AC	0	134 656	0	134 656
Derivatives	FVTPL	0	24	0	24
Accounts payable and other liabilities	AC	0	0	57 454	57 454
Total liabilities		0	7 268 505	57 454	7 325 959
31.12.2023					
Cash and balances with central bank	AC	0	2 789 752	0	2 789 752
Due from banks and investment companies	AC	0	48 140	0	48 140
Debt securities	FVTPL	6 275	0	0	6 275
Shares and fund units	FVTPL	369	0	0	369
Debt securities	AC	0	321 888	0	321 888
Loans and advances to customers	AC	0	0	3 548 513	3 548 513
Receivables from customers	AC	0	17 833	0	17 833

Derivatives	FVTPL	0	301	0	301
Other financial assets	AC	0	0	100	100
Total assets		6 644	3 177 914	3 548 613	6 733 171
Deposits from customers	AC	0	5 534 720	0	5 534 720
Loans received and debt securities in issue	AC	0	486 567	0	486 567
Subordinated debt	AC	0	114 054	0	114 054
Derivatives	FVTPL	0	1 843	0	1 843
Accounts payable and other liabilities	AC	0	0	78 561	78 561
Total liabilities		0	6 137 184	78 561	6 215 745

As of December 31, 2024, the liquidity portfolio includes only bonds in the amount of EUR 283 533 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 11 thousand. The fair value of the bonds reflected in the amortised cost as of 31.12.2024 is EUR 283 963 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 31 December 2024 and 31 December 2023. 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	Q4 2024	12M 2024	Q4 2023	12M 2023
Business loans	42 865	169 534	39 427	135 465
Hire purchase	698	2 942	816	3 453
Leasing	4 217	14 221	3 275	11 362
Leverage loans and lending of securities	439	1 682	342	1 383
Debt securities	2 311	8 288	2 414	7 799
Creditcard loans	328	1 239	285	1 027
Consumer loans	3 019	12 099	3 137	12 126
Mortgage loans	19 414	76 485	18 215	62 885
Balances with credit institutions and investment companies	232	1 130	175	4 397
Balances with the central bank	21 598	92 719	18 336	56 664
Private loans	922	3 847	1 007	3 735
Loans to other group companies	0	0	1 530	3 208
Other loans	815	2 720	615	2 003
Total	96 858	386 906	89 574	305 507
<i>incl calculated based on effective interest rate</i>	84 468	364 397	86 292	286 346
Interest expense				
Deposits of customers and loans received	-37 358	-139 806	-27 370	-67 098
Other interest expenses	-125	-506	-299	-698
Subordinated liabilities	-2 625	-9 545	-2 328	-9 240
Total	-40 108	-149 857	-29 997	-77 036
Net interest income	56 750	237 049	59 577	228 471

NOTE 8 Net Fee and Commission Income

4Q 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	1 748	294	0	5	3	2 050
Asset management and similar fees	720	803	0	3	15	1 542
Currency conversion revenues	1 091	492	0	451	339	2 374
Fees from cards and payments	4 258	1 069	0	2 798	7	8 133
Other fee and commission income	854	2 241	-193	-1 948	105	1 057
Total	8 671	4 899	-193	1 309	469	15 156
Fee and commission expense						
Security brokerage and commission expenses	-664	-165	0	-1	-12	-842
Expenses related to cards	-245	5	0	0	0	-240
Expenses related to acquiring	-1 114	-708	0	-61	-1	-1 884
Other fee and commission expense	-381	-242	241	-199	-7	-589
Total	-2 405	-1 110	241	-261	-20	-3 555
Net fee and commission income	6 267	3 789	47	1 048	450	11 601

12M 2024						
Fee and commission income	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Total
Security brokerage and commission fees	5 405	2 010	0	24	13	7 452
Asset management and similar fees	2 859	3 029	0	18	45	5 951
Currency conversion revenues	3 815	1 786	0	1 051	1 935	8 586
Fees from cards and payments	16 799	3 867	0	3 513	31	24 210
Other fee and commission income	3 231	6 205	471	-27	398	10 277
Total	32 108	16 897	471	4 579	2 421	56 476
Fee and commission expense						
Security brokerage and commission expenses	-2 371	-551	0	-7	-39	-2 968
Expenses related to cards	-5 851	-124	0	-3	-3	-5 981
Expenses related to acquiring	-4 699	-2 607	0	-201	-2	-7 509
Other fee and commission expense	-1 520	-962	-315	-786	9	-3 575
Total	-14 441	-4 245	-315	-996	-36	-20 033
Net fee and commission income	17 668	12 653	155	3 583	2 385	36 443

4Q 2023						
Fee and commission income	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Total
Security brokerage and commission fees	1 035	275	0	0	0	1 310
Asset management and similar fees	628	701	0	2	1	1 333
Currency conversion revenues	1 010	279	0	261	206	1 756
Fees from cards and payments	4 043	855	0	885	7	5 790
Other fee and commission income	2 112	-273	236	-164	102	2 013
Total	8 828	1 837	236	984	316	12 202
Fee and commission expense						
Security brokerage and commission expenses	-528	-124	0	-2	-10	-664
Expenses related to cards	-265	-14	0	0	0	-278
Expenses related to acquiring	-1 571	-786	0	-130	-2	-2 490
Other fee and commission expense	-555	-55	-162	498	-54	-327
Total	-2 919	-978	-162	366	-66	-3 759
Net fee and commission income	5 911	859	74	1 350	249	8 443

12M 2023						
Fee and commission income	Retail banking	Corporate banking	Hire-purchase and consumer finance	Financial intermediates	Other activities	Total
Security brokerage and commission fees	3 943	442	0	7	8	4 400
Asset management and similar fees	4 187	805	0	11	10	5 013
Currency conversion revenues	2 834	518	0	2 466	49	5 868
Fees from cards and payments	16 279	2 829	0	4 152	27	23 286
Other fee and commission income	5 404	1 895	951	-820	235	7 667
Total	32 648	6 489	951	5 816	331	46 234
Fee and commission expense						
Security brokerage and commission expenses	-2 255	-185	0	-11	-52	-2 502
Expenses related to cards	-5 665	-45	0	-3	-1	-5 714
Expenses related to acquiring	-5 531	-2 452	0	-614	-3	-8 600
Other fee and commission expenses	-1 729	-685	-740	1 016	-63	-2 201
Total	-15 180	-3 367	-740	387	-118	-19 017
Net fee and commission income	17 469	3 122	211	6 203	212	27 217

Fee and commission income by customer location:	Q4 2024	12M 2024	Q4 2023	12M 2023
Estonia	13 314	49 457	10 471	38 229
Great Britain	1 842	7 019	1 731	8 005
Total	15 156	56 476	12 202	46 234

NOTE 9 Operating Expenses

	Q4 2024	12M 2024	Q4 2023	12M 2023
Wages, salaries and bonuses	11 583	41 795	9 438	34 045
Social security and other taxes*	3 336	12 313	2 702	10 246
Total personnel expenses	14 919	54 108	12 140	44 291
IT expenses	2 386	8 084	2 007	6 458
Information services and bank services	418	1 752	284	1 418
Marketing expenses	1 593	3 854	859	2 823
Office expenses	445	1 654	396	1 534
Transportation and communication expenses	181	646	142	509
Staff training and business trip expenses	657	1 455	272	1 047
Other outsourced services	2 514	6 259	1 592	7 302
Other administrative expenses	2 210	10 051	291	11 556
Depreciation of non-current assets	894	5 996	4 547	7 170
Short term rental payments	-170	-54	-90	186
Other operating expenses	466	1 568	430	941
Total other operating expenses	11 594	41 265	10 730	40 944
Total operating expenses	26 513	95 373	22 870	85 235

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

NOTE 10 Balances with the Central Bank

	31.12.2024	31.12.2023
Cash and balances with central bank	3 418 757	2 837 892
Total	3 418 757	2 837 892
incl legal reserv with the central bank	63 239	55 899
Total balance with central bank less legal reserv	3 355 518	2 781 993

The minimum reserve requirement as at 31 December 2024 was 1% (31 December 2023: 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		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

Deposits by type	Individuals	Financial entities	Non-financial		31.12.2023
			entities	Public sector	
Demand deposits	745 430	1 130 125	1 747 191	74 778	3 697 524
Term deposits	932 974	99 406	761 184	43 632	1 837 196
Total	1 678 404	1 229 531	2 508 375	118 410	5 534 720

Debt securities in issue	Mortgage bond	Preferred senior bond	31.12.2024
Debt securities in issue	500 161	340 139	840 300
Total	500 161	340 139	840 300

Debt securities in issue	Mortgage bond	Preferred senior bond	31.12.2023
Debt securities in issue	249 718	236 850	486 568
Total	249 718	236 850	486 568

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:

	31.12.2024	31.12.2023
Cash balance of customers	16 986	13 780
Securities of customers	3 707 623	3 490 269
<i>Incl. parent company</i>	151 129	151 129
<i>Incl. shareholders of the parent company and related entities</i>	506 250	562 486
Total	3 724 609	3 504 049

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					
31 December 2024	110 674	55 525	1 071	561 981	729 251
Liability in the contractual amount as at					
31 December 2023	56 217	55 061	3 732	495 653	610 663

NOTE 14 Transactions with related parties

Transactions

<i>euro thousand</i>	Q4 2024	12M 2024	Q4 2023	12M 2023
Interest income	272	1 223	1 059	1 338
<i>Incl. management</i>	25	127	13	62
Interest expenses	79	346	25	109
<i>Incl. management</i>	8	47	15	27
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	71	299	10	82
Fee and commission income	27	171	11	82
<i>Incl. management</i>	1	7	1	9
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	26	164	10	73
Key management personnel				
<i>Personnel expenses</i>	935	3 338	715	2 979

Balances

<i>euro thousand</i>	31.12.2024	31.12.2023
Loans and receivables	52 522	28 579
<i>Incl. management</i>	2 031	2 104
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	50 469	26 475
Deposits	73 424	47 452
<i>Incl. management</i>	2 071	1 519
<i>Incl. parent company</i>	34 866	25 946
<i>Incl. shareholders with significant influence, companies related to them and their close family members</i>	36 487	19 987

General information

Legal name	AS LHV Pank
Commercial Registry no	10539549
Legal address	Tartu mnt. 2, 10145 Tallinn
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