Interim Report January – March 2025
Summary of Results

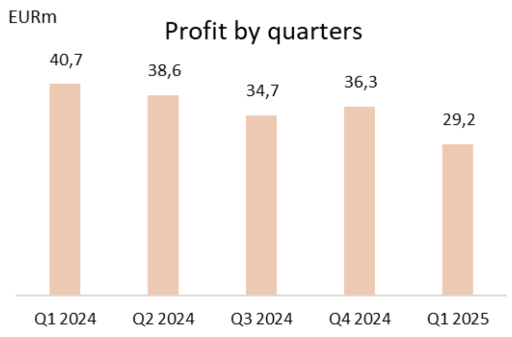
Q1 2025 in comparison with Q4 2024

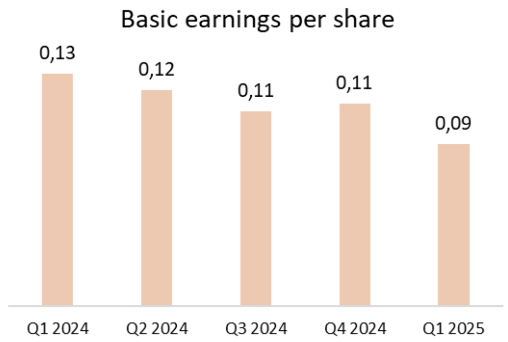
- Net profit EUR 29.2 m (EUR 36.3 m), of which EUR 28.6 m (EUR 35.8 m) is attributable to owners of the parent
- Earnings per share EUR 0.09 (EUR 0.11)
- Net income EUR 79.4 m (EUR 84.9 m)
- Operating expenses EUR 37.5 m (EUR 40.8 m)
- Loan and bond provisions EUR 5.7 m (EUR 1.1 m)
- Income tax expenses EUR 7.1 m (EUR 6.7 m)
- Return on equity 16.7% (22.0%)
- Capital adequacy 20.8% (21.9%)

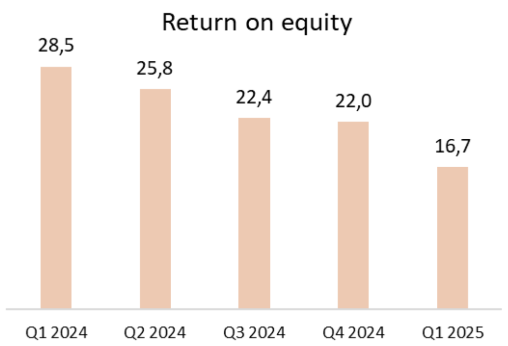
Q1 2025 in comparison with Q1 2024

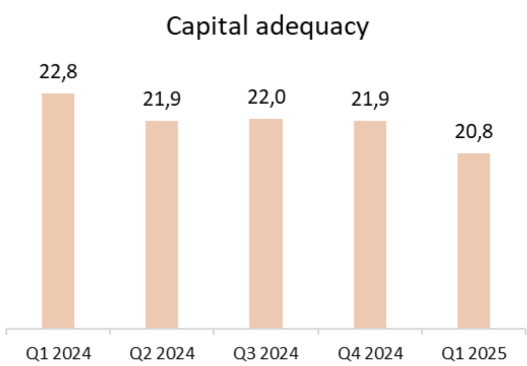
- Net profit EUR 29.2 m (EUR 40.7 m), of which EUR 28.6 m (EUR 40.5 m) is attributable to owners of the parent
- Earnings per share EUR 0.09 (EUR 0.13)
- Net income EUR 79.4 m (EUR 85.4 m)
- Operating expenses EUR 37.5 m (EUR 35.5 m)
- Loan and bond provisions EUR 5.7 m (EUR 2.9 m)
- Income tax expenses EUR 7.1 m (EUR 6.3 m)
- Return on equity 16.7% (28.5%)
- Capital adequacy 20.8% (22.8%)

Earnings per share and return on equity ratios are based on the profit attributed to the shareholders and equity of AS LHV Group and do not include non-controlling interest.









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Financial Summary

The Group's Q1 2025 consolidated net income was EUR 29.2 million, which decreased by EUR 7.2 million compared to Q4 2024 and by EUR 11.5 million compared to Q1 2024. The profit for the Group's shareholders was EUR 28.6 million in Q1 2025, which was EUR 7.2 million less than in Q4 2024.

The Group's Q1 2025 consolidated net income was EUR 79.4 million, which decreased by EUR 5.5 million compared to Q4 2024 and by EUR 4.6 million compared to Q1 2024.

The Group's net interest income decreased by 7% in Q1 2025 compared to Q4 2024, amounting to EUR 62.0 million (EUR 66.6 million in Q4 2024). The Group's net interest income decreased by 10% compared to Q1 2024.

Net service fee income decreased by 19%, amounting to EUR 14.1 million (EUR 17.3 million in Q4 2024). The Group's net service fee income remained on the same level compared to Q1 2024. In total, the Group's net income decreased by 6.5% in Q1 2025 compared to Q4 2024, amounting to EUR 79.4 million (EUR 84.9 million in Q4 2024).

Operating expenses amounted to EUR 37.5 million in Q1, having decreased by EUR 3.2 million compared to Q4 2024 and increased by EUR 3.4 million compared to Q1 2024.

The Group's Q1 operating profit was EUR 41.9 million (EUR 44.1 million in Q4 2024). Write-downs were increased by EUR 5.7 million in Q1 (an increase of EUR 1.1 million in Q4 2024).

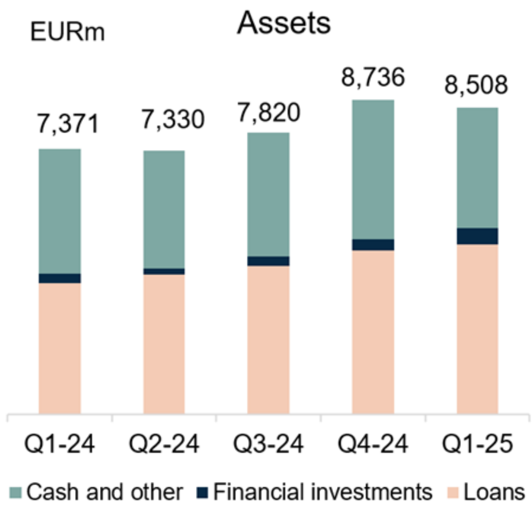
Income tax expense on future disbursements of dividends by subsidiaries at the consolidated level was EUR 0.4 million in Q1.

The Group's Q1 net profit was EUR 29.2 million (EUR 36.3 million in Q4 2024).

Return on equity owned by LHV shareholders was 16.7% in Q1 2025, which decreased by 5.3 percentage points from Q4 2024 (22%) and by 11.8 percentage points compared to Q1 2024 (28.5%).

The Group's loan volume grew to EUR 4,729 million by the end of Q1 (EUR 4,552 million in Q4 2024), having grown by 4% or EUR 177 million in a quarter (a growth of EUR 426 million in Q4 2024). Compared to Q1 2024, the Group's loan volume has grown by 30%.

The volume of deposits decreased by EUR 306 million in a quarter (an increase of EUR 624 million in Q4 2024). The volume of deposits of clients who are financial intermediaries decreased by EUR 281.2 million. The volume of deposits of ordinary clients decreased by EUR 104.7 million and the volume of platform deposits increased by EUR 80.4 million. Of the deposits, EUR 4,188 million (EUR 4,433 million in Q4 2024) were call deposits, EUR 1,525 million (EUR 1,667 million in Q4) term deposits and EUR 891 million (EUR 810 million in Q4) platform deposits.

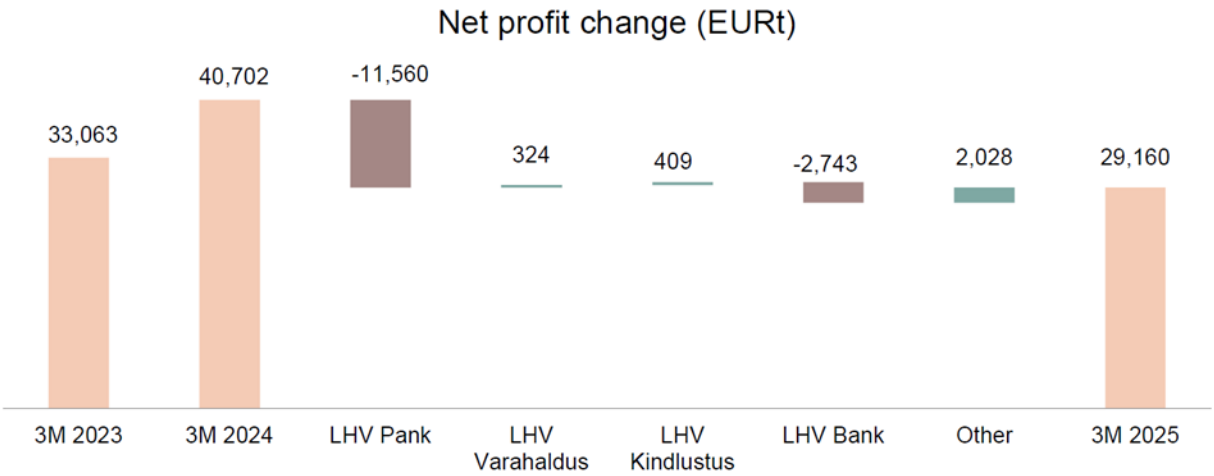


By business units, AS LHV Pank's consolidated net profit amounted to EUR 25.2 million in Q1 and that of AS LHV Varahaldus amounted to EUR 0.1 million. AS LHV Kindlustus earned a net profit of EUR 0.7 million. The net profit of LHV Bank was EUR 2.1 million. The net profit of LHV Paytech was EUR 0.2 million. Viewed separately, LHV Group made a net profit of EUR 129.2 million which was largely due to dividends received from subsidiaries.

In the view of the management, the first quarter was mediocre, with different performances among companies. The UK business went better than planned, while in Estonian banking, the movement of a couple of large clients into the non-performing portfolio led to a temporary increase in impairments. In terms of Insurance and Asset Management, the results are as planned. We fell slightly short of plans as a group, due to larger impairments. In this case, we believe that these impairments related to a couple of clients are temporary and, in the future, we will reduce them by the same amount.

The macroeconomic situation is improving on the other hand, the decline in interest rates has a traditionally negative impact on banking. If we compare intra-quarter changes, January and February were noticeably weaker, and in March, the business results contained a significantly more positive trend.

LHV management acknowledges that maintaining the quality of the loan portfolio during rapid growth is the most important thing, and on the other hand, we can only grow based on local deposits. The quality of the loan portfolio is the biggest variable that creates volatility in profitability. The second biggest variable is deposit attraction; we want to increase the number of active customers, which will allow us to use less expensive financing sources from foreign markets.



The Bank's net profit at the consolidated level was EUR 25.2 million in Q1 2025, which is EUR 9.6 million less than the result in the previous quarter (EUR 34.8 million in Q4 2024) and EUR 11.6 million less than the net profit of Q1 2024. The number of the Bank's clients grew by 9 700 during the quarter (10 900 in Q4 2024) and the total number of the Bank's clients is 465 000.

The Bank's loan portfolio grew by EUR 35 million in Q1 (EUR 300 million in Q4 2024), reaching EUR 4,239 million.

The deposits of the Bank's clients decreased by EUR 309 million in Q1, while the balance of the deposits of payment intermediaries decreased by EUR 243 million, platform deposits decreased by EUR 79 million, and the deposits of the remaining clients grew by EUR 12 million. The total volume of deposits was EUR 5,984 million at the end of Q1.

As at the end of Q1 2025, the net loan portfolio of LHV Bank amounted to EUR 490 million and the volume of deposits was EUR 820 million. The net profit of LHV Bank was EUR 2.1 million in Q1 2025 (EUR 0.6 million in Q4 2024). The net income of LHV Bank was EUR 14.6 million in Q1 2025 (EUR 11.7 million in Q4 2024).

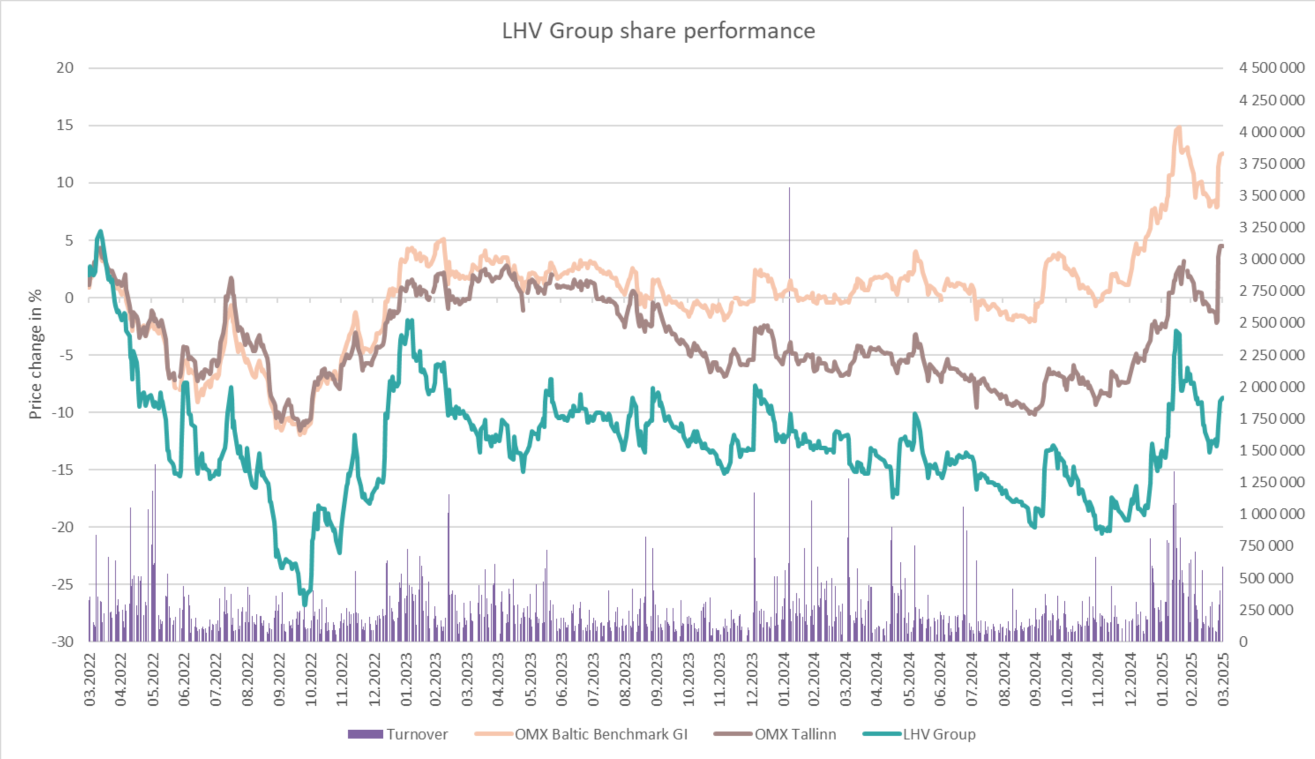
The net profit of LHV Varahaldus was EUR 0.1 million in Q1 2025 (a profit of EUR 0.5 million in Q4 2024). The service fee income of LHV Varahaldus amounted to EUR 2.2 million (EUR 2.3 million in Q4 2024). The operating expenses of LHV Varahaldus were EUR 1.4 million in Q1 2025 (EUR 1.5 million in Q4 2024). Expenses related to non-current assets (including depreciation on client agreements) were EUR 0.3 million in Q1 2025 (EUR 0.3 million in Q4 2024).

The total volume of funds managed by LHV decreased by EUR 0.9 million in a quarter (an increase of EUR 37 million in Q4 2024). The number of active 2nd pillar clients decreased by 1 000 in a quarter (a decrease of 1 900 in Q4 2024).

The net profit of LHV Kindlustus was EUR 0.7 million in Q1 2025 (EUR 0.07 million in Q4 2024). The volume of gross premiums increased by EUR 3 million in the quarter, reaching EUR 12.9 million. Income from insurance activities at LHV Kindlustus increased by EUR 0.4 million in the quarter, to EUR 1.9 million.

There is only one class of shares issued by LHV, each share gives 1 voting right. The shares of LHV Group is traded on NASDAQ Tallinn main list since May 2016. Graph below presents LHV Group share performance against OMX Tallinn index and OMX Baltics benchmark index over last three years. LHV Group share has not performed good against both indexes and has dropped by 8.76%, when comparison indexes have increased by 4.52% and 12.56% respectively.

LHV Group share price has been 3.675 euros in the end of first quarter and based on the stock price, LHV's market value was EUR 1 191 million. LHV Group market cap has increased EUR 144 million within last quarter.



Business volumes EUR million	**Q1 2025**	**Q4 2024**	**Quarter over quarter**	**Q1 2024**	**Year over year**
Loan portfolio	4 729.3	4 552.1	4%	3 644.6	30%
Financial investments	434.3	307.3	41%	245.8	77%
Deposits of customers	6 604.5	6 910.1	-4%	5 934.4	11%
incl. deposits of financial intermediates	1 464.8	1 747.5	-16%	1 375.5	6%
Equity (including minority interest)	706.8	678.7	4%	598.7	18%
Equity (owners' share)	699.7	670.1	4%	591.3	18%
Volume of funds managed	1 559.0	1 558.3	0%	1 539.8	1%
Client securities	3 833.7	3 724.6	3%	3 640.1	5%

Income statement EUR million	**Q1 2025**	**Q4 2024**	**Quarter over quarter**	**Q1 2024**	**Year over year**	**3M 2025**	**3M 2024**	**Year over year**
Net interest income	62.01	66.56	-7%	68.92	-10%	62.01	68.92	-10%
Net fee and commission income	14.07	17.32	-19%	1.,0	1%	14.07	1.,0	1%
Other financial income	2.75	-0.20	NA	0.54	409%	2.75	0.54	409%
Net insurance income	0.60	0.05	1 100%	0.14	329%	0.60	0.14	329%
Total net operating income	79.43	83.73	-5%	83.6	-5%	79.43	83.6	-5%
Other income	0.00	1.19	-100%	0.42	-100%	0.00	0.42	-100%
Operating expenses	-37.54	-40.78	-8%	-34.13	10%	-37.54	-34.13	10%
Loan and bond portfolio gains/(-losses)	-5.67	-1.09	420%	-2.85	99%	-5.67	-2.85	99%
Income tax expenses	-7.05	-6.73	5%	-6.34	11%	-7.05	-6.34	11%
Net profit	29.47	36.32	-19%	40.70	-28%	29.47	40.70	-28%
Including attributable to owners of the parent	28.57	35.75	-20%	40.54	-30%	28.57	40.54	-30%

Ratios EUR million	**Q1 2025**	**Q4 2024**	**Quarter over quarter**	**Q1 2024**	**Year over year**	**3M 2025**	**3M 2024**	**Year over year**
Average equity (attributable to owners of the parent)	684.9	650.9	34.0	569.9	115.0	684.9	569.9	115.0
Return on equity (ROE), %	16.7	22.0	-5.3	28.5	-11.8	16.7	28.5	-11.8
Return on assets (ROA), %	1.4	1.8	-0.4	2.2	-0.8	1.4	2.2	-0.8
Interest-bearing assets, average	8 583.5	8 238.2	345.3	7 167.7	1 415.7	8 583.5	7 167.7	1 415.7
Net interest margin (NIM) %	2.89	3.23	-0.34	3.85	-0.96	2.89	3.85	-0.96
Price spread (SPREAD) %	2.65	2.97	-0.32	3.56	-0.91	2.65	3.56	-0.91
Cost/income ratio %	47.3	48.0	-0.7	41.6	6.7	47.3	41.6	6.7
Profit attributable to owners before income tax	35.3	42.4	-7.1	46.8	-11.5	35.3	46.8	-11.5

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

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

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

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

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

Operating Environment

(Geo)political tensions continued to weigh on the global economy in Q1 2025. Heightened policy uncertainty and sharp shifts in trade policy, including the imposition of new tariffs, have dampened business and consumer confidence, adversely affecting growth prospects across regions. Inflationary pressures remain persistent, with the threat of additional trade barriers contributing to upward risks. Headline inflation has recently picked up in an increasing number of economies, while services inflation remains elevated, with a median rate of 3.6% across OECD countries. In the G20, headline inflation is projected to decline from 3.8% in 2025 to 3.2% in 2026, though underlying inflation is expected to remain above central bank targets in many countries. Global GDP growth is expected to moderate from 3.2% in 2024 to 3.1% in 2025, and 3.0% in 2026. The moderation reflects the impact of increased trade and policy uncertainty, which are constraining investment and household spending.[i] The pace of global recovery will depend heavily on developments related to deglobalization and evolving trade patterns.

The United States economy grew by 2.8% in 2024, supported by increases in consumer spending, investment, government expenditure, and exports[ii]. However, the outlook for 2025 is less optimistic. Annual real GDP growth in the US is projected to slow to 2.2% in 2025 and further to 1.6% in 2026. Annual real GDP growth in the European Union was broadly stable in 2024, with GDP rising 0.9%. However, contractions in key economies – namely France and Germany – in the final quarter, driven by a decline in exports, signalled underlying fragility[iii]. Emerging markets displayed divergent growth trends. Economic activity decelerated in Mexico, while growth remained robust in Brazil and India. In China, the economy expanded by 5.0% in 2024[iv], with strong momentum continuing into Q1 2025 as GDP grew by 5.4%[v]. This surge appears to be driven by temporary factors, including a spike in manufacturing output and export activity ahead of anticipated U.S. tariffs. Nevertheless, the outlook for the year has been revised downward to 3.4%, reflecting concerns over escalating trade tensions with the United States.

Financial markets experienced heightened volatility in Q1 2025, driven primarily by escalating trade policy tensions. Major stock indices showed divergent performance across regions. The S&P 500 declined by 4.6% during the first quarter, followed by a broader market sell-off in the early days of Q2. European markets fared better, supported by expectations of increased defence spending. The Euro Stoxx 50 gained 7.8%, while the London-based FTSE 100 rose by 5% by quarter-end. However, both indices entered correction territory at the start of Q2. In Asia, Japan's Nikkei 225 dropped 10.7%, weighted down by weak performance among large-cap stocks, particularly in the technology and export-oriented sectors. Meanwhile, Hong Kong's Hang Seng Index surged 15.3%, fuelled by strong inflows from Chinese investors seeking diversification. The Shanghai SSE Composite Index remained largely flat, ending the quarter with no significant gains.

The UK economy grew by 1.1% in 2024 but showed modest expansion in the first quarter of 2025, with real GDP increasing by 0.2% quarter-on-quarter. February contributed significantly to this performance, with GDP rising by 0.5%, surpassing expectations. The services sector expanded by 0.3%, while manufacturing output grew by 2.2%, led by strong performance in electronics, pharmaceuticals, and automotive production.[vi] Despite these gains, the economic outlook remains challenging. The introduction of new U.S. tariffs, including a 10% levy on UK goods, threatens export-dependent sectors. Domestically, rising employer costs – driven by higher National Insurance Contributions and a 6.7% increase in the minimum wage – are putting additional pressure on businesses. In response to these headwinds, the Bank of England cut the base interest rate by 25 basis points, bringing it down to 4.5%, aiming to support economic activity. However, inflation remains elevated, with projections indicating a rise to nearly 3.7% in 2025, delaying the return to Bank's 2% inflation target until late 2027.[vii]

The euro area economy posted modest growth in the first quarter of 2025, supported by easing inflation and a resilient labour market. In 2024, GDP expanded by 0.8%, and the subdued growth trajectory is expected to persist into 2025. Annual GDP growth for 2025 is projected at 0.9%, as weak external demand, ongoing trade tensions, and restrained consumer spending continued to weigh on the outlook. Furthermore, persistent geopolitical and policy uncertainty is likely to hinder the pace of recovery across the region. Among major euro area economies, Germany showed signs of stagnation, with GDP growth projected at just 0.1% in 2025[viii]. Ongoing industrial weakness and concerns over global trade policies, including the impact of new U.S. tariffs, are key factors dampening economic activity. France recorded modest growth in early 2025, with the Bank of France estimating quarterly GDP growth between 0.1% and 0.2% in Q1[ix]. While the services sector remained a key driver of growth, the construction and manufacturing sectors continued to face headwinds.

The labor market in the euro area remained resilient, with the unemployment rate falling to 6.1% in February, the lowest level since the introduction of the euro. This improvement was driven by continued job creation in the services sector and a gradual recovery in manufacturing employment. Inflationary pressures continued to ease. Annual headline inflation declined to 2.2% in March 2025, down from 2.5% in January, marking the lowest level since November 2024. Core inflation, which excludes energy and food, also moderated to 2.4%, reflecting a slowdown in services inflation.[x]

In response to a subdued economic outlook and easing inflation, the European Central Bank (ECB) cut its key interest rates by 25 basis points in both February and March 2025, bringing the deposit facility rate down to 2.5%. These moves marked the sixth consecutive rate cut since June 2024, reflecting the ECB's continued accommodative stance. The Governing Council reaffirmed its commitment to a data-dependent approach, aiming to support economic recovery while ensuring price stability. Monetary easing has translated into lower market interest rates. The 6-month Euribor, widely used in loan agreements, declined from 2.57% in December to 2.3% by the end of March. Similarly, the 12-month Euribor fell to 2.3%, indicating a broader downward trend in interbank rates. While these developments have gradually reduced borrowing costs, investment activity remains muted, held back by persistent trade uncertainty and geopolitical risks.

In Q1 2025, the Nordic and Baltic economies followed divergent recovery paths, offering a mixed outlook for Estonian exporters. Sweden's economy returned to growth in the second half of 2024; however, the annual GDP forecast was revised downward to 2.1%, largely due to the negative impact of new U.S. tariffs on exports—particularly in the automotive sector[xi]. While increased public spending has supported domestic demand, business sentiment remains cautious. Finland is emerging from recession, with GDP expected to grow by 0.8% in 2025[xii]. The recovery is being driven by lower inflation and rising real wages, which are boosting household consumption. Nonetheless, the economy faces ongoing risks from weak investment activity and global trade uncertainty. Latvia entered a period of economic stagnation, with GDP declining by 0.4% in 2024[xiii]. Into Q1 2025, industrial production and construction output remained subdued, underperforming expectations. Strongest growth in the region: GDP grew by approximately 3.1%, driven by a faster-than-expected rebound in private consumption. Lithuania recorded the strongest growth in the region, with GDP expanding by 2.7% in 2024, supported by a faster-than-expected rebound in private consumption, alongside positive contributions from exports and investment, signalling a broad-based recovery. For Estonian exporters, this regional landscape presents both challenges and opportunities. Export activity has faced headwinds in Sweden and Finland due to external shocks and investment weakness. However, stronger domestic demand in Lithuania and, to a lesser extent, in Latvia, has provided some positive momentum for Estonian trade.

After two consecutive years of recession, Estonia[xiv] entered a slow recovery phase in Q4 2024, with quarterly GDP growing by 1.2%. However, the annual GDP growth for 2024 remained negative at -0.2%, reflecting the prolonged economic downturn earlier in the year. A gradual rebound in foreign demand supported a modest improvement in exports, which grew by over 12% year-over-year in January and February 2025. The manufacturing sector has entered a slow growth cycle, with output increasing approximately 1.5% year-over-year in Q1. Retail sales also began to improve gradually, although sales of food products remained weak, reflecting continued pressure on household purchasing power in essential consumption categories. Nevertheless, overall economic activity remains subdued, as the inflation shock of previous years has significantly elevated price levels and eroded the international competitiveness of Estonian companies.

In Q1 2025, the consumer price index in Estonia increased rapidly, averaging 4.5% year-over-year. Price growth was primarily driven by services and energy inflation, alongside a continued rise in food prices. Inflation is expected to remain elevated throughout 2025, reflecting ongoing cost pressures in key categories. The unemployment rate remained stable at 7.4% in Q1 2025, in line with forecasts, signalling a period of relative stability in the labour market. Despite global economic uncertainties, Estonia's steady unemployment rate reflects a degree of resilience and moderation amid broader regional volatility.

Consumer confidence remained subdued in Q1 2025, falling to levels last seen at the end of 2022. The decline reflects ongoing concerns about elevated inflation, tax increases, and weak purchasing power. In contrast, business confidence improved across most sectors, signalling cautious optimism. A notable development was seen in the construction sector, where sentiment in March rebounded to mid-2023 levels. The retail trade sector was the exception, with confidence levels remaining unchanged—understandably so, given the persistent weakness in consumption and the anticipated impact of forthcoming tax hikes.

In Q1 2025, the loan market showed renewed momentum for both households and non-financial corporations. The household loan portfolio expanded at an average annual growth rate of 8.9%, returning to its spring 2023 level. The corporate loan portfolio, which had already begun to accelerate in late 2024, recorded year-on-year growth of 10.7%, marking the strongest quarterly expansion since early 2023. Borrowing conditions remained favourable. The average interest margin for loans to non-financial companies declined to 2.7%, while the margin for housing loans remained stable at approximately 1.5%, reflecting ongoing credit accessibility. On the deposit side, household deposits grew robustly, with an annual growth rate of 11% in Q1. In contrast, corporate deposits continued to contract, posting a -0.4% year-on-year decline. Credit quality remained stable. By the end of Q1, the average share of household loans overdue by more than 60 days remained low at 0.36%, while the figure for non-financial corporations was slightly higher at 0.4%, both consistent with historical norms.

Bank of Estonia forecasts GDP growth of 1.5% in 2025, supported by improving foreign demand and gradual competitiveness gains. However, the short-term outlook remains vulnerable to external risks, including geopolitical tensions and shifts in global trade policies, which may weigh on export performance. The pace of recovery will depend significantly on the performance.

[i] OECD. *Economic Outlook, Interim Report March 2025*. Available: https://www.oecd.org/en/publications/oecd-economic-outlook-interim-report-march-2025_89af4857-en.html

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[xii] Bank of Finland. *March 2025 interim forecast*. Available: https://www.bofbulletin.fi/en/2025/1/grey-clouds-hanging-over-finnish-economy-s-recovery/#:~:text=Finland's%20gross%20domestic%20product%20(GDP,growth%20will%20slow%20to%201.3%25.

[xiii] Official statistics of Latvia. *In 2024 drop of GDP comprised 0.4 % and in the 4th quarter – also 0.4 %*. Available: https://stat.gov.lv/en/statistics-themes/economy/gross-domestic-product-quarterly-data/press-releases/22347-gross-domestic?themeCode=IS

[xiv] Data for Estonia originates from the databases of Statistics Estonia, Bank of Estonia, and Estonian Institute of Economic Research.

The Group's Liquidity, Capitalisation and Asset Quality

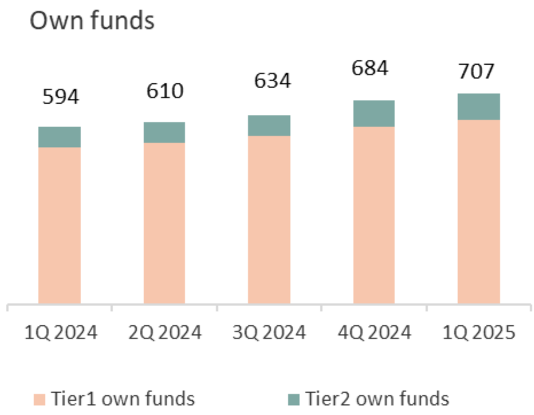
As at 31 March 2025, the Group's own funds stood at EUR 707.4 million (31 December 2024: EUR 684.4 million). LHV Group own funds are calculated based on regulative requirements.

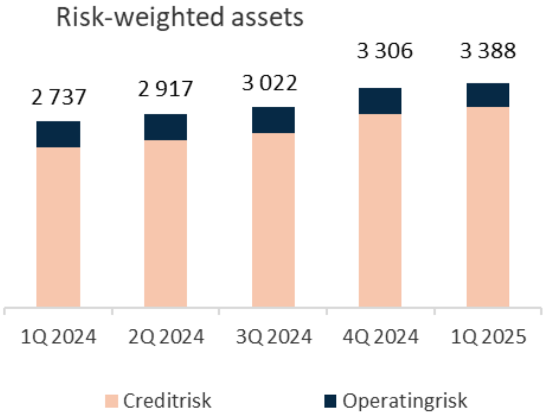
Compared to Group's internal capital adequacy ratio target 20.0%, the Group is capitalised good enough as at the end of the reporting period, with the capital adequacy ratio is amounting to 20.9% (31 December 2024: 20.7%). In addition to total capital adequacy targets the Group has also set internal targets for the core Tier 1 capital adequacy ratio to 15.0% and Tier 1 capital adequacy ratio to 17.15%. The internal targets were approved in December 2024 by the Group's Supervisory Board, after the completion of the annual supervisory assessment by the ECB. LHV Group includes only that part of the current year's profit for which the European Central Bank has given permission as part of its own funds. Obtaining the permit is done with the referrer, but it is also applied to the reporting quarter afterwards, which is why the capitalization ratios also change, and the Group reflects them in the next report.

The minimum requirement for own funds and eligible liabilities (MREL) is a building block of the resolution plan and LHV has to maintain sufficient own funds and qualifying liabilities which can be used to cover losses in resolution planning. On 21st of June 2021 Estonian FSA set two separate MREL ratios on the consolidation group level for LHV Group. MREL-TREA is calculated based on total risk weighted assets. MREL-LRE is calculated based on total assets. Each year regulator reviews the targets and recalibrates the requirements, if needed. As at the end of Q1 2025 the regulatory targets are 26.30% (MREL-TREA) and 5.91% (MREL-LRE). Group needs to meet higher MREL-TREA target to distribute dividends. This target is equal to sum of regulatory minimum requirement and combined buffer which is 32.30%. As at 31 March 2025, MREL-TREA ratio was 33.10% (31.12.2024: 34.48%) and MREL-LRE was 12.98% (31.12.2024: 12.88%).

The Group's liquidity coverage ratio (LCR), as defined by the Basel Committee, stood at 186.2% as at the end of March (31 December 2024: 187.5%).

Financial intermediates' deposits in Bank are covered 100% with liquid assets. Excluding the financial intermediates deposits the Groups LCR is 392.4% (31.12.2024: 469.5%). The Group recognises cash and bond portfolios as liquidity buffers. These accounted for 41% of the balance sheet (31 December 2024: 47%). The ratio of loans to deposits stood at 67% as at the end of the first quarter (31 March 2024: 62%). Group's maturity structure is presented in Note 5.





Capital base	31.03.2025	31.12.2024	31.12.2023
Paid-in share capital	32 419	32 419	31 983
Share premium	146 958	146 958	143 372
Statutory reserves transferred from net profit	4 713	4 713	4 713
Other reserves	1 806	2 440	-996
Retained earnings	469 726	320 757	229 287
Intangible assets (subtracted)	-21 604	-21 834	-21 278
Net profit for the reporting period (COREP)	0	148 969	129 740
Other adjustments	-12	-4	-8
Dividends to be distributed	-29 177	-29 177	-41 578
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	-971	0
CET1 capital elements or deductions	-18 204	0	-382
CET1 instruments of financial sector entities where the institution has a significant investment	-4 754	-4 313	-3 496
CET1 instruments of financial sector entities where the institution has not a significant investment	0	0	0
Tier 1 capital	**581 871**	**599 957**	**471 357**
Additional Tier 1 capital	35 307	35 314	55 000
Total Tier 1 capital	**617 178**	**635 271**	**526 357**
Subordinated debt	90 193	90 196	70 000
Total Tier 2 capital	**90 193**	**90 196**	**70 000**
Net own funds for capital adequacy	**707 371**	**725 467**	**596 357**
Risk weighted assets			
Central governments and central bank under standard method	0	0	0
Credit institutions and investment companies under standard method	10 167	9 760	12 316
Companies under standard method	527 658	1 611 717	1 300 707
Retail claims under standard method	188 876	227 524	226 592
Public sector under standard method	0	0	0
Housing real estate under standard method	0	857 765	610 181
Secured by mortgages on immovable property and ADC	2 051 636	0	0
Overdue claims under standard methods	100 431	23 074	19 759
Investment funds' shares under standard method	0	189	188
Other assets under standard method	49 652	99 646	109 295
Total capital requirements for covering the credit risk and counterparty credit risk	**2 928 220**	**2 829 675**	**2 279 038**
Foreign currency risk	103 613	89 260	1 793
Interest position risk	0	0	0
Equity portfolio risk	1 196	1 176	746
Credit valuation adjustment risk	5 670	3 526	1 966
Operational risk under base method	354 508	385 580	259 437
Total risk weighted assets	**3 393 207**	**3 309 217**	**2 542 980**

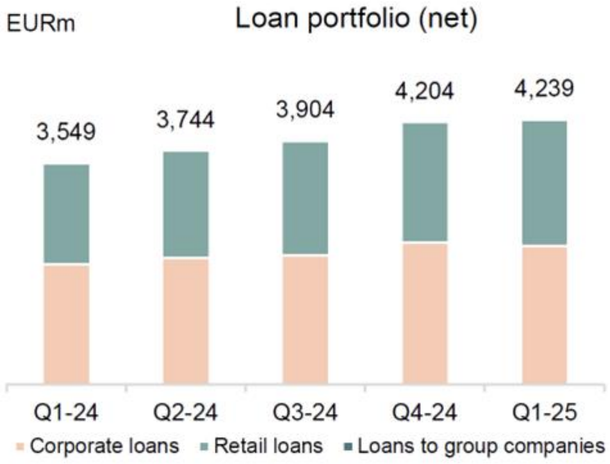
Capital adequacy (%)	**20.85**	**21.92**	**23.45**
Tier 1 capital ratio (%)	**18.19**	**19.20**	**20.70**
Core Tier 1 capital ratio (%)	**17.15**	**18.13**	**18.54**

The credit quality of the group remained at a good level. A loan discount reserve of 45.6 million euros was formed in the balance sheet at the end of March to cover estimated loan losses. As of the end of the first quarter, the fair value of the collateral of the loan portfolio is 8% lower than the book value of the loan portfolio.

Loan portfolio distribution	**Over-collateralized loans**		**Under-collateralized loans**		**Total**	
	Carrying value	**Fair value of collateral**	**Carrying value**	**Fair value of collateral**	**Carrying value**	**Fair value of collateral**
Stage 1	**1 524 091**	**2 387 813**	**2 694 934**	**1 512 530**	**4 219 025**	**3 900 342**
Corporate Lending	454 787	677 532	2 108 081	1 056 353	2 562 868	1 733 885
Consumer Financing	0	0	64 666	0	64 666	0
Investment Financing	7 417	32 743	2 724	2 309	10 142	35 052
Leasing	20 297	30 128	132 752	97 244	153 049	127 372
Private Lending	1 041 589	1 647 410	386 711	356 624	1 428 300	2 004 034
Stage 2	**219 416**	**426 824**	**196 980**	**128 354**	**416 396**	**555 178**
Corporate Lending	79 951	107 596	123 441	94 043	203 392	201 639
Consumer Financing	0	0	31 709	0	31 709	0
Investment Financing	4	4	87	71	91	75
Leasing	3 427	5 247	16 568	12 934	19 994	18 182
Private Lending	136 034	313 976	25 175	21 306	161 209	335 282
Stage 3	**9 778**	**16 904**	**84 143**	**70 557**	**93 921**	**87 461**
Corporate Lending	7 200	9 478	80 566	68 464	87 766	77 943
Consumer Financing	0	0	1 272	0	1 272	0
Investment Financing	0	0	0	0	0	0
Leasing	248	476	2 096	1 897	2 344	2 373
Private Lending	2 330	6 949	210	196	2 540	7 145

Overview of AS LHV Pank Consolidation Group

- Net profit EUR 25.1 million
- Loan portfolio increased by 35 million euros in the quarter
- Number of business account users exceeded 30 000
- Title of the best service bank in Estonia
- Covered bond rating raised to Aaa



EUR million	Q1 2025	Q4 2024	Change %	Q1 2024	Change %	From the beginning of 2025	From the beginning of 2024	Change %
Net interest income	50.65	56.75	-11%	60.25	-16%	50.65	60.25	-16%
Net fee and commission income	8.29	11.60	-29%	7.87	5%	8.29	7.87	5%
Other financial income	1.02	-0,.27	NA	0.38	168%	1.02	0.38	168%
Total net operating income	59.96	68.08	-12%	68.50	-12%	59.96	68.50	-12%
Other income	0.02	0.70	-97%	0.29	-93%	0.02	0.29	-93%
Operating expenses	-23.65	-26.51	-11%	-22.79	4%	-23.65	-22.79	4%
Loan and bond portfolio gains/(-losses)	-4.92	-1.02	382%	-2.81	75%	-4.92	-2.81	75%
Income tax expenses	-6.17	-6.46	-4%	-6.38	-3%	-6.17	-6.38	-3%
Net profit	25.24	34.79	-27%	36.81	-31%	25.24	36.81	-31%
Loan portfolio	4 239	4 204	8%	3 549	19%			
Financial investments	414	291	42%	233	78%			
Deposits of customers	5 984	6 294	-5%	5 671	6%			
incl. deposits of financial entities	1 538	1 664	-8%	1 341	15%			
Subordinated liabilities	135	135	0%	114	18%			
Equity	496	598	-17%	491	1%			

LHV Pank earned a net interest income of EUR 50.6 million and EUR 8.3 million in net service fee income in Q1. Net financial income amounted to EUR 1 million in Q1. In total, the Bank's income was EUR 60 million and expenses were EUR 23.7 million. Net income decreased by 13% and expenses increased by 4% over the year. The discounts of loans and bonds amounted to EUR 4.9 million in Q1. We made forward-looking specific and general discounts. 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 5.3 million in Q1. Income tax expense on future disbursements of dividends by subsidiaries at the consolidated level was EUR 0.3 million in Q1.

The Bank's Q1 profit amounted to EUR 25.2 million, which is 27% less than in Q4 2024 (34.8) and 31% less than in Q1 2024 (36.8).

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

During the quarter, the number of the bank's clients grew by 9 700. Their activity level at the beginning of the year was more modest than in previous periods. The first months of the year were, as usual, calmer, but in March, activity levels picked up again. Deposits decreased by EUR 309 million during the quarter and loans grew by EUR 35 million.

The total volume of the Bank's loan portfolio reached EUR 4 239 million by the end of Q4 (Q4 2024: EUR 4 204 million). The volume of the portfolio grew by 1% during the quarter. The volume of loans grew by EUR 35 million in Q1 (Q4 2024: a growth of EUR 300 million). The net retail loan portfolio grew by 4% during the quarter, reaching EUR 2 013 million (Q4 2024: EUR 1 930 million). The net corporate loan portfolio decreased by 2% during the quarter, reaching EUR 2 226 million (Q4 2024: EUR 2 274 million).

The corporate credit portfolio, which includes loans and guarantees, grew EUR 372.0 million over the year (+18%) with a quarter-over-quarter growth of EUR 10.8 million (+0%).

Loans granted to companies in the sector of real estate related activities were the largest source of growth, growing by EUR 209.1 million (+27%) in a year. Next came loans to companies in the construction sector, which grew EUR 66.5 million from the year before (+88%) and loans issued to companies (including holding companies) in the finance and insurance sector, which grew EUR 45.2 million (+32%) over the year.

Loans to businesses were up by EUR 48 million and retail loans by EUR 83 million. In Q1, the loan market picked up steam for both households and companies. The households' loan portfolio grew an average of 8.9% a year; returning to the level of spring 2023. The businesses' loan portfolio, which had been ramping up as early as late 2024, grew 10.7% year over year, which was the strongest performance in any quarter since early 2023. At LHV, growth was driven in Q1 by home loans, which increased 27% year over year. However, the business loan portfolio likewise outperformed the market and posted strong 16% growth. We are still market takers and remain ambitious. The portfolio continues to grow bolstered by the home loan refinancing campaign launched in 2024, but new real estate transactions have also become active. Although consumer confidence remains low, the uptick in market activity tends to signal a positive trend.

Compared to Q4 2024, the business loans portfolio growth was most influenced by the construction sector (quarterly growth EUR 14.5 million; +11%), followed by the manufacturing industry (EUR 7.0 million; +4%) and HoReCa sector (EUR 6.9 million; +11%).

The majority of corporate loans were granted to the real estate sector, which makes up 41% of the Bank's corporate loan portfolio. Of real estate loans, the principal part was issued to projects with high-quality rental streams, with real estate developments making up a much smaller share. Most of the financed real estate developments are located in Tallinn, while projects located in other major Estonian cities and in the vicinity of Tallinn made up about 30% of development projects. LHV's market share of new development financing in Tallinn made up about one-fifth by estimate at the end of Q1 2025. The LHV real estate development portfolio is well-positioned in case market trends should change – the financed developments are in good locations and the risk to planned sales price ratio averages 50%.

After the real estate sector, the largest amount of credit has been issued to companies in the power, gas, steam and conditioned air sector (8%) and to manufacturing industry companies (8%). Of sectors that usually run a higher credit risk, construction makes up 6%, transport and warehousing 3% and HoReCa 3% of the total volume of the portfolio.

The volume of deposits at the Bank decreased by EUR 309 million from the previous quarter and stood at EUR 5 984 million (Q4 2024: EUR 6 294 million). The volume of payment intermediaries' deposits dropped by EUR 243 million during the quarter. Of the deposits, EUR 4 251 million were call deposits, EUR 1 525 million term deposits and EUR 208 million platform deposits. The volume of the deposits of private persons amounted to EUR 1 766 million as at the end of the quarter, having decreased by 6.4% in a quarter.

During Q1, ordinary clients' deposits decreased by EUR 107 million and financial intermediaries' deposits decreased by EUR 243 million. Households' deposits on the market grew in Q1, setting a new record; the annual growth rate was 11%. On the other hand, businesses' deposits continued a declining trend, falling an average of 0.4% year-over-year. This trend could also be seen in our deposits portfolio and the focus remains on deposits. At the end of 2024, we decided to reduce the share of platform deposits, and by the end of March, we had reached EUR 207 million. The decrease in deposits in Q1 does not pose a problem for us; we are consciously optimising costs and are capable of responding flexibly and rapidly. The objective is to attract deposits from the Estonian market, and we are making targeted offers to this end. The rapid changes in the interest rate environment has dampened enthusiasm for term deposits, and we are now offering 1.75% interest rates on one-year deposits, compared to 3.75% just a year ago. For that reason, demand deposits have increased 13% year-over-year while term deposits have seen modest 2% growth.

The Bank's expense-income ratio was 39.4%% in Q1, increasing by 6.3 percentage points from Q1 2024 (33.2%).

Net profit for the quarter was EUR 25 million. That modest result for the quarter was mainly influenced by major write-downs – as a result, the net profit was EUR 3.5 million less than planned.

In Q1, we performed write-downs of loans amounting to EUR 4.9 million. The main reason was that we categorised two corporate client groups as insolvent. As for the rest of the portfolio, quality tends to be improving and the share of loans in default is low.

In January, we brought the LHV Euro Bond Fund – developed by LHV Varahaldus – to the market, also offering it actively to LHV's bank clients. In the fund's IPO, units were subscribed by more than 1000 investors in a value of EUR 9.6 million.

We launched a solution called 'Request money 2.0' for clients, which allows them to request money also from other banks. We also launched the Mastercard Click to Pay solution for clients. Modern, secure and user-friendly Click to Pay streamlines online payment without having to reenter card details each time and functions similarly to a digital wallet. On the tech side, we are on track in regard to our cloud migration project and moved incoming payments to a new platform.

In February, a collective redundancy started in December was completed, with a total of 44 people from different departments laid off.

In March, we acted as sales agent in Eleving Group's tap issue of bonds, which raised EUR 40 million from investors.

LHV Park was selected the Top Employer in the financial sector in the annual survey conducted by CV.ee (CV online) – for the seventh time. The bank customer service survey DIVE rated us the bank with the best customer service, with record high results.

Overview of LHV Bank Limited

The first quarter proved to be a period of very rapid growth for the bank. Deposits grew by EUR 115 million over the quarter to EUR 820 million – an increase of 16% – and loans were up by EUR 142 million to EUR 490 million – 41%.

In the retail banking sector, the bank had more than 17,800 depositors by the end of the quarter from three deposit platforms. The first several hundred clients had started using the mobile app introduced on the market in the last days of the previous year. During the quarter, the account opening process was improved significantly and the product portfolio was expanded. Term deposits were introduced to the market and card payments as a trial offer for the first clients. Preparations were launched for a broader retail banking communication and marketing campaign in the second half of Q2. During the quarter, the staffing of the in-house mobile banking team was completed and external developer services were discontinued.

On the corporate banking side, the total in loans approved by the Credit Committee but yet to be issued stood at EUR 167 million as of the end of the quarter, which promises continued rapid growth in Q2 as well. The quality of the loan portfolio remained strong. As of the end of the quarter two loans were classified as Stage 3 under IFRS 9.

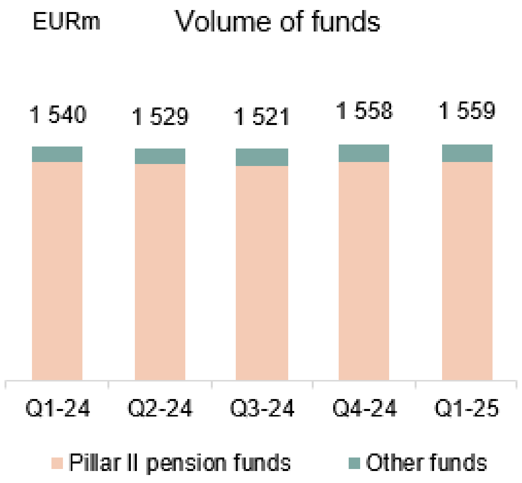
In the financial intermediaries business area, the main focus lay on integrating and activating new large clients to lay the foundation for increasing the number of GBP payments in the second half of the year. Additional attention was devoted in the first line of defence to improving the process of analysing payment monitoring reports and eliminating the backlog.

Net profit for the quarter was EUR 2.1 million and ROE was 9.2%. Profitability for the quarter significantly exceeded the planned level due to additional financial income from the bond portfolio in the first half of the quarter and due to greater interest income on more rapid growth of the loan portfolio in the second half of the quarter. To support the rapid growth of the loan portfolio, the bank's share capital was increased by EUR 12 million in Q1.

EUR million	Q1 2025	Q4 2024	change %
Net interest income	10.73	9.08	18%
Net fee and commission income	2.40	2.14	12%
Other financial income	1.46	0.51	186%
Total net operating income	14.59	11.73	24%
Other income	0.00	0.00	NA
Operating expenses	-11.0	-10.89	1%
Loan and bond portfolio gains/(-losses)	-0.75	-0.07	971%
Income tax expenses	-0.71	-0.13	446%
Net profit	2.13	0.64	233%
Loan portfolio	490.1	348.3	41%
Deposits of customers	819.8	704.9	16%
Equity	99.68	86.04	16%

Overview of AS LHV Varahaldus

- Profit before income tax in Q1 – EUR 0.7 million
- Net loss – EUR 0.1 million, due to the EUR 0.6 million income tax expense paid on EUR 2 million in dividends
- 113 thousand active second-pillar clients by the end of the quarter
- The volume of assets of second-pillar funds was more than EUR 1.4 billion, a minimally negative change in a quarter due to payments made in January
- The number of third-pillar clients – 36 thousand, the volume of third-pillar funds EUR 108 million by the end of March



EUR million	Q1 2025	Q4 2024	Change %	Q1 2024	Change %	From the beginning of 2025	From the beginning of 2024	Change %
Net fee and commission income	2.20	2.26	-3%	2.19	0%	2.20	2.19	0%
Net financial income	0.2	0.05	300%	0.22	-9%	0.2	0.22	-9%
Operating expenses	-1.40	-1.47	-5%	-1.46	-4%	-1.40	-1.46	-4%
Depreciation of non-current assets	-0.33	-0.33	0%	-0.37	-11%	-0.33	-0.37	-11%
Profit	0.67	0.51	31%	0.58	16%	0.67	0.58	16%
Financial investments	6.0	6.0	0%	6.0	0%			
Equity	18	20	-10%	18.0	0%			
Assets under management	1 559.0	1 558.0	0%	1 540.0	12%			

In Q1, the operating income of LHV Varahaldus amounted to EUR 2.2 million and profit before income tax was EUR 0.7 million. Operating income was almost the same as in the previous quarter, largely meeting the financial plan, the somewhat higher than expected second-pillar management fee was related to strong yields in January. Net financial income or income earned from the increase of value of own shares was EUR 0.2 million in Q1, the yields of major funds largely met expectations after Q1. The net profit was strongly affected by the EUR 2 million paid as dividend to the shareholder in March, and the related income tax expense of EUR 0.6 million.

The year has started negatively for major equity markets. Measured in euros, SP500 decreased by 8.7%, MSCI World by 5.9% and Nasdaq Composite as much as 14.3% in the first three months. The major European equity markets did significantly better, with EuroStoxx growing by 7.5% in the three months. As the equity investments of LHV's larger pension funds are tilted towards Europe and exposure to the US equity markets is low, the beginning of the year has been significantly more positive compared to other funds in the market.

The positive yield in Q1 was mainly achieved by actively managed LHV pension funds that invest in various asset classes. The values of the shares of M, L and XL pension funds grew in Q1 by 3.0%, 3.8% and 4.5%, respectively. The more conservative S and ZX grew by 2.1% and 1.5% in the three months. Pension fund Indeks decreased by 4.1% and pension fund Roheline by 5.2% in a quarter. The yields of the major actively managed funds either correspond to the budget or exceed it a little. The yields of third-pillar funds remained similar to those of the second-pillar funds of similar strategy – Indeks III decreased by 4.1%, Roheline III dropped by 5.1%, and LHV's pension fund Aktiivne III grew by 3.8% in a quarter.

The number of LHV's active second-pillar clients was negatively influenced by the second-pillar exits in January (nearly 1,200 people withdrew their money). The number of active clients dropped by about a thousand people in the quarter, with more than 113 thousand people making regular payments by the end of March. The volume of assets of second-pillar funds was more than EUR 1.4 billion by the end of the quarter.

As of 1 January, the increase in the clients' monthly second-pillar contributions entered into force on the basis of applications made in the previous year. Nearly every fifth client of LHV's client base now makes monthly contributions of 4% or 6% of their gross salary instead of the former 2%. The submission of applications to increase contributions has continued also in Q1 2025.

The LHV Euro Bond Fund was launched at the end of January. This is a bond fund focused on major liquid bonds with a high credit rating, traded in euros. With this fund, all retail investors can invest in the largely inaccessible bond market, while retaining the often important liquidity which bonds do not sometimes offer.

March also saw the end of the marketing of LHV's pension funds through field sales which was carried out for 17 years. Clients have increasingly moved to digital channels, and the aim is to deliver all the relevant information concerning LHV's pension funds to the client independently of field sales and external partners.

By the end of the quarter, the portfolio of the actively managed funds M, L and XL as well as the distribution of asset classes largely correspond to the long-term goal – private capital, real estate and unlisted bonds primarily to Estonian enterprises make up a large part of the M, L and XL portfolio, while the rest is distributed between listed shares and bonds. We shall continue making investments into unlisted asset classes also in the coming quarters, while also taking into account changes in fund volumes and the necessary liquidity.

Overview of AS LHV Kindlustus

The Q1 2025 sales results of AS LHV Kindlustus grew from the previous quarter, which is quite ordinary, as the clients' activity across the entire insurance market has always been higher in Q1 than in Q4. Q1 was strongly impacted by the price changes of competitors, which were largely due to a decline in car sales figures caused by car tax. As vehicle insurance makes up 50% of the Estonian insurance market, the impact on volumes was noticeable. The volumes of all-risks and motor TPL insurance dropped by approximately 10%, largely due to price reductions. In the light of this, the results of LHV Kindlustus were very good, with results growing in a year-on-year comparison. Home and travel insurance are showing a very positive sales trend, with sales volumes having grown for several consecutive quarters. The volume of insurance premiums from the health insurance product solution marketed in cooperation with Confido was EUR 5,820 thousand in Q1. The Q1 sales plan was not fulfilled, but the deficit was minimal. The company is ahead of the sales plan in terms of profit and other essential key indicators.

In the development of information systems, several important updates were completed in the claims adjustment programme, the most important one of which is the automatic claims file creation solution. The development of IT systems continues in 2025, with a greater emphasis on the development of the data warehouse. A great focus continues to be on improving cooperation and making processes more efficient with other LHV Group companies. New travel insurance terms and conditions entered into force in Q1, and changes were made to the terms and conditions of all-risks insurance.

As at 31 March 2025, LHV Kindlustus had 266 thousand valid insurance contracts and 174 thousand customers. Both figures have grown from Q4 2024.

The volume of gross insurance premiums was EUR 12,860 thousand and the net earned insurance premiums totalled EUR 8,993 thousand in Q1. The proportions of the products in the insurance portfolio remained the same as in the previous quarter.

During Q1, 34,218 new loss events were registered and as at 31 March, 3,255 claims files were open. The net losses incurred in the period amounted to EUR 6,216 thousand. Compared to the previous quarter, there was an increase both in the number of loss events and the disbursed loss amounts.

The quarterly loss frequency of insurance products corresponded to the financial plan. There were a few major loss events. Of insurance products, home insurance continues to have a good gross loss ratio, and the motor TPL insurance loss ratio improved significantly. The company's Q1 profit was EUR 665 thousand, while the net operating expenses were well below the planned level.

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EUR thousand	**Q1 2025**	**Q4 2024**	**Change %**	**Q1 2024**	**Change %**
Gross insurance premiums	12 860	9 821	31%	10 789	19%
Net earned insurance premiums	8 993	8 394	7%	7 237	24%
Net losses incurred	-6 216	-5 766	8%	-4 873	28%
Total net operating expenses	-2 274	-2 658	-14%	-2 259	1%
Underwriting result	581	-30	NA	106	448%
Net profit	665	67	893%	256	160%

As of the end of Q1, LHV Kindlustus employed 65 people.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

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

(in thousands of euros)	Note	Q1 2025	3M 2025	Q1 2024 corrected	3M 2024 corrected
Interest income		105 487	105 487	106 762	106 762
Interest expense		-43 477	-43 477	-37 843	-37 843
Net interest income	9	**62 010**	**62 010**	**68 919**	**68 919**
Fee and commission income		19 434	19 434	18 592	18 592
Fee and commission expense		-5 363	-5 363	-4 595	-4 595
Net fee and commission income	10	**14 071**	**14 071**	**13 997**	**13 997**
Insurance service revenue		9 708	9 708	8 124	8 124
Insurance service expenses		-8 762	-8 762	-7 694	-7 694
Net result from reinsurance contracts held		-349	-349	-286	-286
Net insurance income		**597**	**597**	**144**	**144**
Net gains/losses from financial assets measured at fair value		3 284	3 284	321	321
Foreign exchange gains/losses		-537	-537	215	215
Net gain/loss from financial assets		**2 747**	**2 747**	**536**	**536**
Other income		0	0	425	425
Other expense		-4	-4	-7	-7
Staff costs		-22 655	-22 655	-19 565	-19 565
Administrative and other operating expenses		-14 887	-14 887	-14 561	-14 561
Profit before impairment losses on loans and advances		**41 879**	**41 879**	**49 888**	**49 888**
Impairment losses on financial instruments	21	-5 667	-5 667	-2 851	-2 851
Income tax expense		-7 052	-7 052	-6 335	-6 335
Net profit for the reporting period	2	**29 160**	**29 160**	**40 702**	**40 702**
Other comprehensive income/loss:					
Items that may be reclassified subsequently to profit or loss:					
Unrealized exchange differences arising on the translation of the financial statements of foreign operations		-636	-636	874	874
Total profit and other comprehensive income for the reporting period		**28 524**	**28 524**	**41 576**	**41 576**
Total profit of the reporting period attributable to:					
Owners of the parent		28 568	28 568	40 544	40 544
Non-controlling interest		592	592	158	158
Total profit for the reporting period	2	**29 160**	**29 160**	**40 702**	**40 702**
Total profit and other comprehensive income attributable to:					
Owners of the parent		27 934	27 934	41 418	41 418
Non-controlling interest		592	592	158	158
Total profit and other comprehensive income for the reporting period		**28 568**	**28 568**	**41 576**	**41 576**
Basic earnings per share (in euros)	16	0.09	0.09	0.13	0.13
Diluted earnings per share (in euros)	16	0.09	0.09	0.12	0.12

The Notes on pages 24 to 40 are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Financial Position

(in thousands of euros)	Note	31.03.2025	31.12.2024
Assets			
Due from central bank	4, 5, 6, 12	3 234 711	3 775 554
Cash and cash equivalents	4, 5, 6, 12	37 645	35 813
Due from investment companies	4, 6, 12	5 415	5 938
Due from credit institutions		1 500	1 000
Financial assets at fair value through profit or loss	4, 6, 7	29 613	26 272
Investments in debt securities at amortised cost	7	412 850	283 533
Loans and advances to customers	4, 6, 8, 21	4 729 341	4 552 093
Receivables from customers		9 439	4 736
Reinsurance contract assets		1 074	2 044
Insurance contract assets		0	89
Other financial assets		281	281
Other assets		5 970	6 559
Financial investment		1 000	1 000
Property and equipment	19	16 568	18 206
Intangible assets	19	13 728	14 043
Goodwill		9 150	9 150
Total assets	2	**8 508 285**	**8 736 311**
Liabilities			
Deposits of customers	13	6 604 492	6 910 110
Loans received and debt securities in issue	13	936 215	927 686
Financial liabilities at fair value through profit or loss	7	2 786	24
Accounts payable and other liabilities	14	116 140	76 818
Insurance contract liabilities		15 588	16 757
Subordinated debt	6, 20	126 256	126 256
Total liabilities	2	**7 801 467**	**8 057 651**
Owner's equity			
Share capital		32 419	32 419
Share premium		146 958	146 958
Statutory reserve capital		4 713	4 713
Other reserves		17 299	16 271
Retained earnings		498 295	469 727
Total equity attributable to owners of the parent		**699 684**	**670 088**
Non-controlling interest		7 134	8 572
Total equity		**706 818**	**678 660**
Total liabilities and equity		**8 508 285**	**8 736 311**

The Notes on pages 24 to 40 are an integral part of the condensed consolidated interim financial statements.

Condensed Consolidated Interim Statement of Cash Flows

(in thousands of euros)	Note	Q1 2025	3M 2025	Q1 2024 corrected	3M 2024 corrected
Cash flows from operating activities					
Interest received		103 296	103 296	107 031	107 031
Interest paid		-31 340	-31 340	-20 722	-20 722
Fees and commissions received		19 412	19 412	18 589	18 589
Fees and commissions paid		-5 363	-5 363	-4 504	-4 504
Other income received		-113	-113	154	154
Staff costs paid		-20 648	-20 648	-17 431	-17 431
Administrative and other operating expenses paid		-12 212	-12 212	-10 133	-10 133
Income tax paid		-7 804	-7 804	-5 930	-5 930
Net insurance income		2 055	2 055	406	406
Cash flows from operating activities before change in operating assets and liabilities		**47 283**	**47 283**	**67 460**	**67 460**
Net increase/decrease in operating assets:					
Net increase/(decrease) in financial assets at fair value through profit or loss		-1 615	-1 615	820	820
Loans and advances to customers		-194 438	-194 438	-88 405	-88 405
Mandatory reserve at central bank		2 919	2 919	-1 213	-1 213
Security deposits		-1	-1	0	0
Other assets		773	773	25 340	25 340
Net changes of investment securities at fair value through profit or loss and of investment securities at amortized cost		-129 317	-129 317	89 911	89 911
Deposits with more than 3 months maturity		-500	-500	1 000	1 000
Net increase/decrease in operating liabilities:					
Demand deposits of customers		-243 101	-243 101	-27 109	-27 109
Term deposits of customers		-56 377	-56 377	213 976	213 976
Subordinated loans received		0	0	0	0
Prepayments of subordinated loans received		0	0	0	0
Financial liabilities held for trading at fair value through profit and loss		2 762	2 762	-1 491	-1 491
Other liabilities		42 597	42 597	1 115	1 115
Net cash generated from/used in operating activities		**-529 015**	**-529 015**	**281 404**	**281 404**
Cash flows from investing activities					
Purchase of non-current assets		-884	-884	-1 154	-1 154
Net cash flows from/used in investing activities		**-884**	**-884**	**-1 154**	**-1 154**
Cash flows from financing activities					
Dividends paid		-2 030	-2 030	-700	-700
Repayments of the principal of lease liabilities		-895	-895	-1 620	-1 620
Net cash flows from/used in financing activities		**-2 925**	**-2 925**	**-2 320**	**-2 320**
Effect of exchange rate changes on cash and cash equivalents	6	**-3 791**	**-3 791**	**4 801**	**4 801**
Net increase/decrease in cash and cash equivalents		**-536 615**	**-536 615**	**282 731**	**282 731**
Cash and cash equivalents at the beginning of the period		3 754 006	3 754 006	3 061 645	3 061 645
Cash and cash equivalents at the end of the period	12	**3 217 451**	**3 217 451**	**3 344 376**	**3 344 376**

The Notes on pages 24 to 40 are an integral part of the condensed consolidated interim financial statements

Condensed Consolidated Interim Statement of Changes in Equity

(in thousands of euros)	Share capital	Share premium	Statutory reserve capital	Other reserves	Retained earnings	**Total equity attributable to owners of LHV Group**	Non-controlling interest	**Total equity**
Balance as at 01.01.2024	**31 983**	**143 372**	**4 713**	**9 333**	**359 029**	**548 430**	**7 936**	**556 366**
Paid in share capital	436	3 586	0	0	0	**4 022**	0	**4 022**
Dividends paid	0	0	0	0	-41 578	**-41 578**	-700	**-42 278**
Share options	0	0	0	3 501	3 308	**6 809**	0	**6 809**
Profit for the reporting period	0	0	0	0	148 968	**148 968**	1 336	**150 304**
Other comprehensive income/loss	0	0	0	3 437	0	**3 437**	0	**3 437**
Total profit and other comprehensive income for the reporting period	0	0	0	3 437	148 968	**152 405**	1 336	**153 741**
Balance as at 31.12.2024	**32 419**	**146 958**	**4 713**	**16 271**	**469 727**	**670 088**	**8 572**	**678 660**
Balance as at 01.01.2025	**32 419**	**146 958**	**4 713**	**16 271**	**469 727**	**670 088**	**8 572**	**678 660**
Share options	0	0	0	1 664	0	**1 664**	0	**1 664**
Profit for the reporting period	0	0	0	0	28 568	**28 568**	592	**29 160**
Other comprehensive income/loss	0	0	0	-636	0	**-636**	0	**-636**
Total profit and other comprehensive income for the reporting period	0	0	0	-636	28 568	**27 932**	592	**28 524**
Balance as at 31.03.2025	**32 419**	**146 958**	**4 713**	**17 299**	**498 295**	**699 684**	**7 134**	**706 818**

The Notes on pages 24 to 40 are an integral part of the condensed consolidated interim financial statements

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 interim financial statements have been consolidated and include the results of AS LHV Group and its subsidiaries AS LHV Varahaldus (100% interest), AS LHV Pank (100% interest), LHV Bank Ltd (100% interest), AS LHV Paytech (100% interest) and AS LHV Finance (65% interest) and AS LHV Kindlustus (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:

	Q1 2024	Increase/(Decrease)	Q1 2024 restated
Fees and commissions received	20 040	-1 451	18 589
Staff costs paid	-18 057	626	-17 431
Administrative and other operating expenses paid	-10 552	419	-10 133
Net insurance income	0	406	406
Net change in debt and equity securities	0	89 911	89 911
Net cash generated from/used in operating activities	**191 493**	**89 911**	**281 404**
Net change in debt and equity securities	89 911	-89 911	0
Net cash flow from/used in investing activities	**88 757**	**-89 911**	**-1 154**

	3M 2024	Increase/(Decrease)	3M 2024 restated
Fees and commissions received	20 040	-1 451	18 589
Staff costs paid	-18 057	626	-17 431
Administrative and other operating expenses paid	-10 552	419	-10 133
Net insurance income	0	406	406
Net change in debt and equity securities	0	89 911	89 911
Net cash generated from/used in operating activities	**191 493**	**89 911**	**281 404**
Net change in debt and equity securities	89 911	-89 911	0
Net cash flow from/used in investing activities	**88 757**	**-89 911**	**-1 154**

NOTE 2 Business Segments

The Group divides its business activities into segments according to its legal structure. The segments form a part of the Group, with a separate access to financial data and which are subject to regular monitoring of operating profit by the Group's decision-maker. The Management Board of AS LHV Group has been designated as the decision-maker responsible for allocation of funds and assessment of the profitability of the business activities. The result posted by a segment includes revenue and expenditure directly related to the segment.

The revenue of a reported segment includes gains from transactions between the segments, i.e. loans granted by AS LHV Pank to other group companies. The division of interest income and fee and commission income by customer location has been presented in Notes 9 and 10. The breakdown of interest income by customer location does not include the income from current accounts, deposits and investments in securities. The Group does not have any customers, whose income would account for more than 10% of the corresponding type of revenue.

Q1 2025 *(in thousands of euros)*	**LHV Pank**	**LHV Bank**	**LHV Varahaldus**	**LHV Kindlustus**	**Other activities**	**Eliminations**	**Total**
Interest income	87 019	18 362	27	79	9 990	-9 990	105 487
Incl. intragroup	*-5 192*	*5 443*	*1*	*4*	*9 734*	*-9 990*	*0*
Interest expense	-36 372	-7 633	0	-75	-9 387	9 990	-43 477
Net interest income	**50 647**	**10 729**	**27**	**4**	**603**	**0**	**62 010**
Fee and commission income	14 112	2 947	2 203	0	1 618	-1 446	19 434
Incl. intragroup	*-1 892*	*2 181*	*73*	*0*	*1 084*	*-1 446*	*0*
Fee and commission expense	-5 823	-547	0	-23	-56	1 086	-5 363
Net fee and commission income	**8 289**	**2 400**	**2 203**	**-23**	**1 562**	**-360**	**14 071**
Net insurance income	**0**	**0**	**0**	**597**	**0**	**0**	**597**
Other income	**23**	**0**	**0**	**-4**	**0**	**-23**	**-4**
Net gains/(-losses) from financial assets	1 018	1 458	171	100	128 770	-128 770	2 747
Administrative and other operating expenses, staff costs	-23 653	-11 008	-1 734	-9	-1 520	382	-37 542
Operating profit	**36 324**	**3 579**	**667**	**665**	**129 415**	**-128 771**	**41 879**
Impairment gains/(-losses) on loans and bond portfolio	-4 922	-745	0	0	0	0	-5 667
Income tax	-6 167	-709	-564	0	0	388	-7 052
Net profit	**25 235**	**2 125**	**103**	**665**	**129 415**	**-128 383**	**29 160**

3 months 2025 *(in thousands of euros)*	**LHV Pank**	**LHV Bank**	**LHV Varahaldus**	**LHV Kindlustus**	**Other activities**	**Eliminations**	**Total**
Interest income	87 019	18 362	27	79	9 990	-9 990	105 487
Incl. intragroup	*-5 192*	*5 443*	*1*	*4*	*9 734*	*-9 990*	*0*
Interest expense	-36 372	-7 633	0	-75	-9 387	9 990	-43 477
Net interest income	**50 647**	**10 729**	**27**	**4**	**603**	**0**	**62 010**
Fee and commission income	14 112	2 947	2 203	0	1 618	-1 446	19 434
Incl. intragroup	*-1 892*	*2 181*	*73*	*0*	*1 084*	*-1 446*	*0*
Fee and commission expense	-5 823	-547	0	-23	-56	1 086	-5 363
Net fee and commission income	**8 289**	**2 400**	**2 203**	**-23**	**1 562**	**-360**	**14 071**

Net insurance income	**0**	**0**	**0**	**597**	**0**	**0**	**597**
Other income	**23**	**0**	**0**	**-4**	**0**	**-23**	**-4**
Net gains/(-losses) from financial assets	1 018	1 458	171	100	128 770	-128 770	2 747
Administrative and other operating expenses, staff costs	-23 653	-11 008	-1 734	-9	-1 520	382	-37 542
Operating profit	**36 324**	**3 579**	**667**	**665**	**129 415**	**-128 771**	**41 879**
Impairment gains/(-losses) on loans and bond portfolio	-4 922	-745	0	0	0	0	-5 667
Income tax	-6 167	-709	-564	0	0	388	-7 052
Net profit	**25 235**	**2 125**	**103**	**665**	**129 415**	**-128 383**	**29 160**
Total assets 31.03.2025	**7 570 888**	**929 725**	**19 694**	**25 931**	**921 926**	**-959 879**	**8 508 285**
Total liabilities 31.03.2025	**7 074 822**	**830 042**	**1 472**	**18 774**	**561 978**	**-685 620**	**7 801 467**

Q1 2024 *(in thousands of euros)*	**LHV Pank**	**LHV Bank**	**LHV Varahaldus**	**LHV Kindlustus**	**Other activities**	**Eliminations**	**Total**
Interest income	95 011	11 822	48	182	7 243	-7 544	106 762
Incl. intragroup	*-5 563*	*5 930*	*0*	*42*	*7 135*	*-7 544*	*0*
Interest expense	-34 762	-3 025	0	-65	-7 535	7 544	-37 843
Net interest income	**60 249**	**8 797**	**48**	**117**	**-292**	**0**	**68 919**
Fee and commission income	13 020	3 044	2 187	0	1 550	-1 209	18 592
Incl. intragroup	*-2 264*	*2 365*	*65*	*0*	*1 043*	*-1 209*	*0*
Fee and commission expense	-5 150	-482	0	-12	0	1 049	-4 595
Net fee and commission income	**7 870**	**2 562**	**2 187**	**-12**	**1 550**	**-160**	**13 997**
Net insurance income	**0**	**0**	**0**	**144**	**0**	**0**	**144**
Other income	**292**	**157**	**0**	**-4**	**0**	**-27**	**418**
Net gains/(-losses) from financial assets	375	-33	171	37	81 186	-81 200	536
Administrative and other operating expenses, staff costs	-22 803	-8 390	-1 825	-26	-1 270	188	-34 126
Operating profit	**45 983**	**3 093**	**581**	**256**	**81 174**	**-81 199**	**49 888**
Impairment gains/(-losses) on loans and bond portfolio	-2 807	-44	0	0	0	0	-2 851
Income tax	-6 382	1 819	-801	0	-1 319	348	-6 335
Net profit	**36 794**	**4 868**	**-220**	**256**	**79 855**	**-80 851**	**40 702**

3 months 2024 *(in thousands of euros)*	**LHV Pank**	**LHV Bank**	**LHV Varahaldus**	**LHV Kindlustus**	**Other activities**	**Eliminations**	**Total**
Interest income	95 011	11 822	48	182	7 243	-7 544	106 762
Incl. intragroup	*-5 563*	*5 930*	*0*	*42*	*7 135*	*-7 544*	*0*
Interest expense	-34 762	-3 025	0	-65	-7 535	7 544	-37 843
Net interest income	**60 249**	**8 797**	**48**	**117**	**-292**	**0**	**68 919**
Fee and commission income	13 020	3 044	2 187	0	1 550	-1 209	18 592
Incl. intragroup	*-2 264*	*2 365*	*65*	*0*	*1 043*	*-1 209*	*0*
Fee and commission expense	-5 150	-482	0	-12	0	1 049	-4 595
Net fee and commission income	**7 870**	**2 562**	**2 187**	**-12**	**1 550**	**-160**	**13 997**
Net insurance income	**0**	**0**	**0**	**144**	**0**	**0**	**144**
Other income	**292**	**157**	**0**	**-4**	**0**	**-27**	**418**
Net gains/(-losses) from financial assets	375	-33	171	37	81 186	-81 200	536
Administrative and other operating expenses, staff costs	-22 803	-8 390	-1 825	-26	-1 270	188	-34 126
Operating profit	**45 983**	**3 093**	**581**	**256**	**81 174**	**-81 199**	**49 888**
Impairment gains/(-losses) on loans and bond portfolio	-2 807	-44	0	0	0	0	-2 851
Income tax	-6 382	1 819	-801	0	-1 319	348	-6 335
Net profit	**36 794**	**4 868**	**-220**	**256**	**79 855**	**-80 851**	**40 702**
Total assets 31.03.2024	**6 880 800**	**475 023**	**19 122**	**24 096**	**704 228**	**-732 697**	**7 370 572**
Total liabilities 31.03.2024	**6 389 913**	**391 180**	**1 520**	**18 589**	**445 695**	**-475 059**	**6 771 838**

NOTE 3 Risk Management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk. The condensed interim financial statements do not include all financial risk management information and disclosures required in the annual financial statements; they should be read in conjunction with the group's annual financial statements as at 31 December 2024. There have been no major changes in the risk management department or in any risk management policies since the year end.

To reduce liquidity risk, LHV Pank has issued mortgage bonds and involved funds from deposit platforms.

The escalated conflict in Ukraine in early 2022, did not have direct impact to LHV credit portfolio, because of historical restrictive lending to customers exposed to risks outside EU. However, changed environment needs to be considered, when issuing credits both to corporates and retail clients going forward.

The Estonian economy has been in recession for 3 years and only in the last quarter of 2024 did the economy turn around. So far, the cooling economy has had no significant negative impact on the credit portfolio quality. The slowdown in the economic downturn led to a decrease in model-based loan impairments in the first quarter, while we defined a few customer loans as non-performing and led to temporarily higher specific impairments.

LHV is continuously monitoring credit portfolio quality and is in close dialog with customers, so that in case of a need, potential risks could be mitigated.

NOTE 4 Breakdown of Financial Assets and Liabilities by Countries

31.03.2025	Estonia	Germany	Other EU	USA	UK	Other	Total
Due from banks and investment companies	2 510 442	0	333 460	11 685	423 464	220	3 279 271
Financial assets at fair value	8 766	502	19 912	27	401	5	29 613
Financial assets at amortized cost	316 579	0	96 271	0	0	0	412 850
Loans and advances to customers	4 189 764	1 151	40 763	656	491 125	5 882	4 729 341
Receivables from customers	9 439	0	0	0	0	0	9 439
Reinsurance contract assets	1 074	0	0	0	0	0	1 074
Insurance contract assets	0	0	0	0	0	0	0
Other financial assets	181	0	0	100	0	0	281
Total financial assets	**7 036 245**	**1 653**	**490 406**	**12 468**	**914 990**	**6 107**	**8 461 869**
Deposits of customers	4 460 287	10 017	1 025 496	34 767	1 023 234	50 691	6 604 492
Loans received and debt securitioes in issue	0	0	936 215	0	0	0	936 215
Subordinated debt	126 246	0	0	0	0	0	126 246
Financial liabilities at fair value	91 810	0	0	0	7 502	0	99 312
Insurance contract liabilities	15 588	0	0	0	0	0	15 588
Reinsurance contract liabilities	0	0	0	0	0	0	0
Accounts payable and other financial liabilities	2 786	0	0	0	0	0	2 786
Total financial liabilities	**4 696 717**	**10 017**	**1 961 711**	**34 767**	**1 030 736**	**50 691**	**7 784 639**

Unused loan commitments in the amount of EUR 520 571 thousand are for the residents of Estonia.

31.12.2024	Estonia	Germany	Other EU	USA	UK	Other	Total
Due from banks and investment companies	2 965 435	0	412 219	14 143	425 221	1 287	**3 818 305**
Financial assets at fair value	8 094	896	16 452	427	401	2	**26 272**
Financial assets at amortized cost	201 148	0	82 385	0	0	0	**283 533**
Loans and advances to customers	4 156 287	1 164	38 344	660	349 333	6 305	**4 552 093**
Receivables from customers	4 736	0	0	0	0	0	**4 736**
Reinsurance contract assets	2 044	0	0	0	0	0	**2 044**
Insurance contract assets	89	0	0	0	0	0	**89**
Other financial assets	181	0	0	100	0	0	**281**
Total financial assets	**7 338 014**	**2 060**	**549 400**	**15 330**	**774 955**	**7 594**	**8 687 353**
Deposits of customers	4 557 895	8 798	1 332 356	34 694	915 475	60 892	**6 910 110**
Loans received and debt securitioes in issue	0	0	927 686	0	0	0	**927 686**
Subordinated debt	126 256	0	0	0	0	0	**126 256**
Financial liabilities at fair value	50 015	0	0	0	4 778	0	**54 793**
Insurance contract liabilities	15 258	0	0	0	0	0	**15 258**
Reinsurance contract liabilities	1 499	0	0	0	0	0	**1 499**
Accounts payable and other financial liabilities	24	0	0	0	0	0	**24**
Total financial liabilities	**4 750 947**	**8 798**	**2 260 042**	**34 694**	**920 253**	**60 892**	**8 035 626**

Unused loan commitments in the amount of EUR 561 981 thousand are for the residents of Estonia.

NOTE 5 Breakdown of Assets and Liabilities by Maturity Dates (undiscounted contractual cash flows)

31.03.2025	On demand	0-3 months	3-12 months	1-5 years	Over 5 years	Total
Liabilities by contractual maturity dates						
Deposits from customers	4 189 062	1 080 339	1 212 247	8 580	183	**6 490 411**
Loans received and debt securities in issue	0	250 250	7 500	749 363	0	**1 007 113**
Subordinated debt	0	15 356	36 050	99 338	0	**150 744**
Lease libility	0	897	2 734	5 572	0	**9 203**
Accounts payable and other financial liabilities (excluding lease liability)	0	90 109	0	0	0	**90 109**
Insurance contract liabilities	0	15 588	0	0	0	**15 588**
Unused loan commitments	520 571	0	0	0	0	**520 571**
Financial liabilities at fair value	0	2 786	0	0	0	**2 786**
Financial guarantees by contractual amounts	56 169	0	0	0	0	**56 169**
Foreign exchange derivatives liabilities notional (gross settled)	0	145 927	0	0	0	**145 927**
Foreign exchange derivatives assets notional (gross settled)	0	-145 927	0	0	0	**-145 927**
Total liabilities	**4 765 802**	**1 455 325**	**1 258 531**	**862 853**	**183**	**8 342 694**
Financial assets by contractual maturity dates						
Due from central bank, banks and investment companies	3 277 771	0	1 500	0	0	**3 279 271**
Financial assets at fair value and at amortised cost (debt securities)	0	63 392	111 868	101 815	157 485	**434 560**
Loans and advances to customers	0	259 631	648 410	3 412 497	2 052 685	**6 373 223**
Receivables from customers	0	9 439	0	0	0	**9 439**
Insurance contract assets	0	1 074	0	0	0	**1 074**
Other financial assets	281	0	0	0	0	**281**
Total financial assets	**3 278 052**	**333 536**	**761 778**	**3 514 312**	**2 210 170**	**10 097 848**
Maturity gap from financial assets and liabilities	**-1 487 750**	**-1 121 789**	**-496 753**	**2 651 459**	**2 209 987**	**1 755 154**

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	4 432 899	1 022 778	1 476 702	8 211	419	**6 941 009**
Loans received and debt securities in issue	0	318	283 578	723 535	0	**1 007 431**
Subordinated debt	0	2 625	56 638	94 106	0	**153 369**
Rendikohustised	0	10 119	0	0	0	**10 119**
Accounts payable and other financial liabilities (excluding lease liability)	0	44 674	0	0	0	**44 674**
Insurance contract liabilities	0	15 258	0	0	0	**15 258**
Reinsurance contract liabilities	0	1 499	0	0	0	**1 499**
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	**5 050 405**	**1 097 295**	**1 816 918**	**825 852**	**419**	**8 790 889**

Financial assets by contractual maturity dates						
Due from central bank, banks and investment companies	3 817 305	0	1 000	0	0	**3 818 305**
Financial assets at fair value and at amortised cost (debt securities)	0	6 465	164 985	86 597	41 227	**299 274**
Loans and advances to customers	0	251 006	732 376	3 218 878	2 036 792	**6 239 052**
Receivables from customers	0	4 736	0	0	0	**4 736**
Reinsurance contract assets	0	2 044	0	0	0	**2 044**
Insurance contract assets	0	89	0	0	0	**89**
Other financial assets	281	0	0	0	0	**281**
Total financial assets	**3 817 586**	**264 340**	**898 361**	**3 305 475**	**2 078 019**	**10 363 781**
Maturity gap from financial assets and liabilities	**-1 232 819**	**-832 955**	**-918 557**	**2 479 623**	**2 077 600**	**1 572 892**

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 6 Open Foreign Currency Positions

31.03.2025	**EUR**	**CHF**	**GBP**	**SEK**	**USD**	**Other**	**Total**
Assets bearing currency risk							
Due from banks and investment companies	2 823 159	7 633	436 827	1 324	5 479	4 849	**3 279 271**
Financial assets at fair value	20 456	1	0	9 124	30	1	**29 613**
Financial assets at amortised cost	412 850	0	0	0	0	0	**412 850**
Loans and advances to customers	4 230 260	18	490 290	379	8 161	233	**4 729 341**
Receivables from customers	4 330	1	1 252	121	3 700	36	**9 439**
Reinsurance contract assets	1 074	0	0	0	0	0	**1 074**
Insurance contract assets	0	0	0	0	0	0	**0**
Other financial assets	101	0	180	0	0	0	**281**
Total assets bearing currency risk	**7 492 230**	**7 653**	**928 550**	**10 948**	**17 370**	**5 118**	**8 461 869**
Liabilities bearing currency risk							
Deposits from customers	5 609 900	11 557	824 655	15 975	131 743	10 662	**6 604 492**
Loans received and bonds issued	936 215	0	0	0	0	0	**936 215**
Financial liabilities at fair value	2 786	0	0	0	0	0	**2 786**
Accounts payable and other financial liabilities	81 292	305	9 443	454	7 147	671	**99 312**
Insurance contract liabilities	15 588	0	0	0	0	0	**15 588**
Reinsurance contract liabilities	0	0	0	0	0	0	**0**
Subordinated debt	126 246	0	0	0	0	0	**126 246**
Total liabilities bearing currency risk	**6 772 026**	**11 862**	**834 098**	**16 429**	**138 890**	**11 334**	**7 784 639**
Open gross position derivative assets at contractual value	3 696	4 197	0	6 314	124 827	6 893	**145 927**
Open gross position derivative liabilities at contractual value	140 673	0	0	781	3 697	776	**145 927**
Open foreign currency position	**583 227**	**-12**	**94 452**	**52**	**-390**	**-98**	**677 230**

31.12.2024	**EUR**	**CHF**	**GBP**	**SEK**	**USD**	**Other**	**Total**
Assets bearing currency risk							
Due from banks and investment companies	3 365 275	2 744	435 820	1 593	6 041	6 832	**3 818 305**
Financial assets at fair value and at amoritsed cost	306 300	1	1	3 472	30	2	**309 805**
Loans and advances to customers	4 194 563	18	348 514	198	8 572	228	**4 552 093**
Receivables from customers	5 394	-181	-41	421	-490	-367	**4 736**

Reinsurance contract assets	2 044	0	0	0	0	0	**2 044**
Insurance contract assets	89	0	0	0	0	0	**89**
Other financial assets	100	0	181	0	0	0	**281**
Total assets bearing currency risk	**7 873 765**	**2 582**	**784 475**	**5 683**	**14 153**	**6 695**	**8 687 353**
Liabilities bearing currency risk							
Deposits from customers	6 032 987	7 485	701 956	7 208	148 864	11 610	**6 910 110**
Loans received and bond issued	927 685	0	0	0	0	0	**927 686**
Financial liabilities at fair value	24	0	0	0	0	0	**24**
Accounts payable and other financial liabilities	33 983	39	8 993	1 448	9 996	334	**54 793**
Insurance contract liabilities	15 258	0	0	0	0	0	**15 258**
Reinsurance contract liabilities	1 499	0	0	0	0	0	**1 499**
Subordinated debt	126 256	0	0	0	0	0	**126 256**
Total liabilities bearing currency risk	**7 137 692**	**7 524**	**710 949**	**8 656**	**158 860**	**11 944**	**8 035 626**
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	**578 363**	**41**	**73 526**	**81**	**-323**	**40**	**651 727**

NOTE 7 Fair Value of Financial Assets and Liabilities

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

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

	IFRS 9 measurement	Level 1	Level 2	Level 3	Total fair value	Carrying value
31.03.2025						
Cash and balances with central bank	AC	798 218	2 436 493	0	**3 234 711**	**3 234 711**
Due from banks and investment companies	AC	43 060	0	0	**43 060**	**43 060**
Due from credit institutions	AC	0	1 500	0	**1 500**	**1 500**
Debt securities	FVTPL	21 608	0	0	**21 608**	**21 608**
Shares and fund units	FVTPL	7 379	0	0	**7 379**	**7 379**
Debt securities	AC	0	409 671	0	**409 671**	**412 850**
Loans and advances to customers	AC	0	0	4 872 167	**4 872 167**	**4 729 341**
Receivables from customers	AC	0	9 439	0	**9 439**	**9 439**
Strategic financial investment	FVTPL	0	0	1 000	**1 000**	**1 000**
Derivatives	FVTPL	0	626	0	**626**	**626**
Other financial assets	AC	0	0	281	**0**	**281**
Total assets		**870 265**	**2 857 729**	**4 873 448**	**8 601 442**	**8 461 795**
Deposits from customers	AC	0	6 642 138	0	**6 642 138**	**6 604 492**
Loans received and debt securities in issue	AC	0	957 748	0	**957 748**	**936 215**
Subordinated debt	AC	0	132 129	0	**132 129**	**126 246**
Derivatives	FVTPL	0	2786	0	**2 786**	**2 786**
Accounts payable and other liabilities	AC	0	90 109	0	**90 109**	**90 109**
Total liabilities		**0**	**7 824 910**	**0**	**7 824 910**	**7 759 848**
31.12.2024						
Cash and balances with central bank	AC	878 316	2 897 238	0	**3 775 554**	**3 775 554**
Due from banks and investment companies	AC	41 751	0	0	**41 751**	**41 751**
Due from credit institutions	AC	0	1 000	0	**1 000**	**1 000**
Debt securities	FVTPL	15 671	0	0	**15 671**	**15 671**
Shares and fund units	FVTPL	7 186	0	0	**7 186**	**7 186**

Debt securities	AC	0	283 902	0	**283 902**	**283 533**
Loans and advances to customers	AC	0	0	4 728 259	**4 728 259**	**4 552 093**
Receivables from customers	AC	0	4 736	0	**4 736**	**4 736**
Strategic financial investment	FVTPL	0	0	1 000	**1 000**	**1 000**
Derivatives	FVTPL	0	3 415	0	**3 415**	**3 415**
Other financial assets	AC	0	0	281	**281**	**281**
Total assets		**942 924**	**3 190 291**	**4 729 540**	**8 862 755**	**8 686 220**
Deposits from customers	AC	0	6 955 717	0	**6 955 717**	**6 910 110**
Loans received and debt securities in issue	AC	0	940 488	0	**940 488**	**927 686**
Subordinated debt	AC	0	132 506	0	**132 506**	**126 256**
Derivatives	FVTPL	0	24	0	**24**	**24**
Accounts payable and other liabilities	AC	0	44 674	0	**44 674**	**44 674**
Total liabilities		**0**	**8 073 409**	**0**	**8 073 409**	**8 008 750**

As of March 31, 2025, the liquidity portfolio in the amount of EUR 412 850 thousand is reflected in the amortised cost and the loss from the revaluation of the portfolio is refleced in the income statement in the line Impairment losses on loans and bonds in the total amount of EUR 32 thousand. The estimated market value of the securites recorded in the amortised cost as of March 31, is EUR 409 793 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

As at 31.03.20245 the fair value of corporate loans and overdraft is EUR 122 895 thousand (4.46%) higher than their carrying amount (31.12.2024: 125 312 thousand, 4.67% higher). Loans are issued in the bank's business segments on market conditions. Therefore, the fair value of retail loans does not materially differ from their carrying amount as at 31 March 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.

Lease interest rates offered to customers generally correspond to interest rates prevailing in the market for such products. Considering that the interest rate environment has been relatively stable since the Group started to provide leasing, consequently the fair value of lease agreements does not materially differ from their carrying amount. As significant management judgment is required to determine fair value, leases are classified as level 3 in the fair value hierarchy.

Leveraged loans, hire-purchase and credit cards granted to customers are of sufficiently short-term nature and they have been issued at market terms, therefore the fair market rate of interest and also the fair value of loans do not change significantly during the loan term. The fair value level of leveraged loans, hirepurchase, credit cards and consumer loans is 3 as significant judgmental assumptions are used for the valuation process.

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

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

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

Swaps are instruments, where the fair value is determined via the model-based approach by using the inputs available on the active market. The fair value of such non-market derivatives is calculated as a 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 8 Breakdown of Loan Portfolio by Economic Sectors and by Stages

31.03.2025	Stage 1	Stage 2	Stage 3	Provision	Total	%
Individuals	1 531 719	197 469	7 392	-7 607	1 728 973	36,6%
Agriculture	43 572	12 535	1	-158	55 950	1,2%
Mining and Quarrying	11 785	870	36	-55	12 636	0,3%
Manufacturing	140 789	12 872	52 750	-11 849	194 562	4,1%
Energy	203 557	5 675	0	-1 612	207 620	4,4%
Water and sewerage	34 678	250	0	-358	34 570	0,7%
Construction	104 968	3 697	43	-555	108 153	2,3%
Wholesale and retail trade	147 149	15 309	1 838	-1 191	163 105	3,4%
Transportation and storage	101 897	1 551	27	-739	102 736	2,2%
Accommodation and catering	54 806	1 406	3 948	-508	59 652	1,3%
Information and communication	21 689	3 420	101	-168	25 042	0,5%
Financial activities	128 473	1 012	0	-631	128 854	2,7%
Real estate activities	1 350 470	103 355	53 098	-16 146	1 490 777	31,5%
Professional, scientific and technical activities	80 818	9 417	226	-261	90 200	1,9%
Administrative and support service activities	91 418	16 020	102	-563	106 977	2,3%
Local municipalities	43 628	4 489	0	-97	48 020	1,0%
Education	5 000	3 170	0	-956	7 214	0,2%
Health care	72 056	548	101	-210	72 495	1,5%
Arts and entertainment	45 217	31 226	0	-1 911	74 532	1,6%
Other service activities	16 200	1 113	13	-53	17 273	0,4%
Total	**4 229 889**	**425 404**	**119 676**	**-45 628**		
Provision	-10 864	-9 010	-25 754			
Total loan portfolio	**4 219 025**	**416 394**	**93 922**		**4 729 341**	**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	36.3%
Agriculture	42 577	14 996	31	-185	57 419	1.3%
Mining and Quarrying	105	1 022	36	-28	1 135	0.0%
Manufacturing	131 634	49 937	18 336	-13 277	186 630	4.1%
Energy	215 497	2 391	0	-1 248	216 640	4.8%
Water and sewerage	27 882	314	0	-307	27 889	0.6%
Construction	100 869	4 191	47	-702	104 405	2.3%
Wholesale and retail trade	157 574	12 691	616	-1 418	169 463	3.7%
Transportation and storage	68 223	1 890	8	-625	69 496	1.5%
Accommodation and catering	58 599	1 157	150	-311	59 595	1.3%
Information and communication	22 808	3 773	102	-177	26 506	0.6%
Financial activities	154 091	1 525	0	-782	154 834	3.4%
Real estate activities	1 222 762	128 858	8 197	-8 986	1 350 831	29.7%
Professional, scientific and technical activities	137 097	9 309	331	-334	146 403	3.2%
Administrative and support service activities	96 100	18 651	73	-647	114 177	2.5%
Local municipalities	46 572	4 086	0	-98	50 560	1.1%
Education	5 156	3 356	0	-1 029	7 483	0.2%
Health care	68 976	819	0	-200	69 595	1.5%
Arts and entertainment	40 160	31 525	0	-2 182	69 503	1.5%
Other service activities	18 614	611	14	-42	19 197	0.4%

Total	**4 074 990**	**481 829**	**35 087**	**-39 813**		
Provision	-11 384	-14 303	-14 126			
Total loan portfolio	**4 063 606**	**467 526**	**20 961**		**4 552 093**	**100%**

NOTE 9 Net Interest Income

Interest income	**Q1 2025**	**3M 2025**	**Q1 2024**	**3M 2024**
From balances with credit institutions and investment	432	432	368	368
From central bank	24 951	24 951	32 508	32 508
From debt securities	4 153	4 153	2 738	2 738
Leasing	2 896	2 896	3 254	3 254
Leverage loans and lending of securities	422	422	397	397
Consumer loans	2 957	2 957	3 054	3 054
Hire purchase	668	668	788	788
Corporate loans	49 375	49 375	43 211	43 211
Credit card loans	317	317	294	294
Mortgage loans	18 340	18 340	18 543	18 543
Private loans	854	854	1 004	1 004
Other loans	122	122	603	603
Total	**105 487**	**105 487**	**106 762**	**106 762**
Interest expense				
Deposits of customers and loans received	-40 503	-40 503	-34 904	-34 904
Other interest expense	-343	-343	-217	-217
Subordinated liabilities	-2 631	-2 631	-2 722	-2 722
including loans between related parties	-58	-58	-76	-76
Total	**-43 477**	**-43 477**	**-37 843**	**-37 843**
Net interest income	**62 010**	**62 010**	**68 919**	**68 919**

Interest income on loans by customer location (interest on bank balances and bonds excluded):	**Q1 2025**	**3M 2025**	**Q1 2024**	**3M 2024**
Estonia	67 637	67 637	69 080	69 080
Great Britain	8 314	8 314	2 068	2 068
Total	**75 951**	**75 951**	**71 148**	**71 148**

NOTE 10 Net Fee and Commission Income

Fee and commission income	**Q1 2025**	**3M 2025**	**Q1 2024**	**3M 2024**
Security brokerage and commissions paid	1 859	1 859	1 757	1 757
Asset management and similar fees	3 716	3 716	3 930	3 930
Currency exchange fees conversion revenues	2 278	2 278	2 148	2 148
Fees from cards and payments	8 967	8 967	9 012	9 012
Other fee and commission income	2 614	2 614	1 745	1 745
Total	**19 434**	**19 434**	**18 592**	**18 592**
Fee and commission expense				
Security brokerage and commissions paid	-898	-898	-813	-813
Expenses related to cards	-2 271	-2 271	-1 744	-1 744
Expenses related to acquiring	-1 871	-1 871	-1 568	-1 568

Other fee and commission expense	-323	-323	-470	-470
Total	**-5 363**	**-5 363**	**-4 595**	**-4 595**
Net fee and commission income	**14 071**	**14 071**	**13 997**	**13 997**

Fee and commission income by customer location:	**Q1 2025**	**3M 2025**	**Q1 2024**	**3M 2024**
Estonia	16 998	16 998	16 176	16 176
Great Britain	2 436	2 436	2 416	2 416
Total	**19 434**	**19 434**	**18 592**	**18 592**

NOTE 11 Operating Expenses

	Q1 2025	**3M 2025**	**Q1 2024 corrected**	**3M 2024 corrected**
Wages, salaries and bonuses	15 979	15 979	14 322	14 322
Social security and other taxes*	6 676	6 676	5 243	5 243
Total personnel expenses	**22 655**	**22 655**	**19 565**	**19 565**
IT expenses	3 576	3 576	2 892	2 892
Information services and bank services	557	557	463	463
Marketing expenses	1 259	1 259	620	620
Office expenses	666	666	530	530
Transportation and communication expenses	183	183	171	171
Staff training and business trip expenses	328	328	375	375
Other outsourced services	2 644	2 644	2 690	2 690
Other administrative expenses	2 726	2 726	3 808	3 808
Depreciation of non-current assets	2 572	2 572	2 733	2 733
Operational lease payments	-7	-7	-17	-17
Other operating expenses	383	383	296	296
Total other operating expenses	**14 887**	**14 887**	**14 561**	**14 561**
Total operating expenses	**37 542**	**37 542**	**34 126**	**34 126**

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

NOTE 12 Balances with the Central Bank, Credit Institutions and Investment Companies

	31.03.2025	**31.12.2024**
Demand and term deposits with maturity less than 3 months*	37 645	35 813
Statutory reserve capital with the central bank	60 320	63 239
Due from investment companies*	5 415	5 938
Demand deposit from central bank*	3 174 391	3 712 315
Total	**3 277 771**	**3 817 305**
*Cash and cash equivalents in the Statement of Cash Flows	3 217 451	3 754 066

The breakdown of receivables by countries has been presented in Note 4. The minimum reserve requirement as at 31 March 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 13 Deposits of Customers and Debt Securities in issue

Deposits by type	Individuals	Financial entities	Non-financial entities	Public sector	31.03.2025
Demand deposits	1 064 925	1 334 162	1 722 236	67 739	4 189 062
Term deposits	1 389 764	130 646	841 127	53 893	2 415 430
Total	**2 454 689**	**1 464 808**	**2 563 363**	**121 632**	**6 604 492**

Deposits by type	Individuals	Financial entities	Non-financial entities	Public sector	31.12.2024
Demand deposits	1 055 141	1 591 310	1 684 385	102 063	4 432 899
Term deposits	1 359 221	156 189	918 197	43 604	2 477 211
Total	**2 414 362**	**1 747 499**	**2 602 582**	**145 667**	**6 910 110**

Loans from financial institutions and debt securities in issue	31.03.2025	31.12.2024
Debt securities in issue	433 978	427 525
Covered bonds	502 237	500 161
Total	**936 215**	**927 686**

In the spring of 2024, LHV Group issued MREL eligible bonds in the amount of 300 million euros, and in the fall, LHV Pank issued covered bonds in the amount of 250 million euros. In April, Moody's raised the rating of LHV Pank's covered bonds to the highest level of Aaa.

The nominal interest rate of customer deposits and received loans is equal to their internal interest rate, as no other significant fees have been applied.

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NOTE 14 Accounts payable and other liabilities

Financial liabilities	31.03.2025	31.12.2024
Trade payables and payables to merchants	1 618	4 961
Other short-term financial liabilities	7 361	1 982
Lease liabilities	9 203	10 119
Payments in transit	5 815	30 207
Financial guarantee contracts issued	74 435	6 368
Liabilities from insurance services	880	1 156
Subtotal	**99 312**	**54 793**
Not financial liabilities		
Performance guarantee contracts issued	2 016	1 943
Tax liabilities	7 716	12 916
Payables to employees	6 085	6 178
Other short-term liabilities	1 011	988
Subtotal	**16 828**	**22 025**
Total	**116 140**	**76 818**

Payables to employees consist of unpaid salaries; bonus accruals and vacation pay accrual for the reporting period and the increase in liabilities is caused by the increase in the number of employees during the year. Payments in transit consist of foreign payments and payables to customers related to intermediation of securities transactions. All liabilities, except for financial guarantees, are payable within 12 months and are therefore recognised as current liabilities.

NOTE 15 Contingent Liabilities

Irrevocable transactions	Performance guarantees	Financial guarantees	Letter of credit	Unused loan commitments	Total
Liability in the contractual amount as at 31 March 2025	168 854	56 169	2 890	520 571	**748 484**
Liability in the contractual amount as at 31 December 2024	110 674	55 525	1 071	561 981	**729 251**

NOTE 16 Basic Earnings and Diluted Earnings Per Share

In order to calculate basic earnings per share, net profit attributable to owners of the parent has been divided by the weighted average number of shares issued. The dilution effect when calculating the Diluted earnings per share comes from the share options granted to management and key employees.

	Q1 2025	3M 2025	Q1 2024	3M 2024
Total profit attributable to owners of the parent (EUR thousand)	28 568	28 568	40 544	40 544
Weighted average number of shares (in thousands of units)	324 189	324 189	319 833	319 833
Basic earnings per share (EUR)	0.09	0.09	0.13	0.13
Weighted average number of shares used for calculating the diluted earnings per shares (in thousands of units)	330 056	330 056	325 416	325 416
Diluted earnings per share (EUR)	0.09	0.09	0.12	0.12

NOTE 17 Capital Management

The goal of the Group's capital management is to:

- ✓ ensure continuity of the Group's business and ability to generate return for its shareholders;
- ✓ maintain a strong capital base supporting the development of business;
- ✓ comply with capital requirements as established by supervision authorities.

The amount of capital that the Group managed as of 31.03.2025 was 707 371 thousand euros (31.12.2024 725 467 thousand euros). The goals of the Group's capital management are set based on both the regulative requirements and additional internal buffer.

The Group follows the general principles in its capital management:

- The Group must be adequately capitalized at all times, ensuring the necessary capital to ensure economic preservation in all situations;
- The main focus of the capital management is on tier 1 own funds, because only tier 1 own funds can absorb losses. All other capital layers in use are dependent of tier 1 own funds volume;
- Capital of the Group can be divided in two: 1) regulative minimum capital and 2) capital buffer held by the Group. In order to reach its long-term economic goals the Group must on one hand strive towards proportional lowering of the regulative minimumcapital (through minimizing risks and high transparency). On the other hand, the Group must strive towards sufficient and conservative capital reserve, which will ensure economic preservation even in the event of severe negative risk scenario;
- The risk appetite set by the Group is an important input to capital management planning and capital goal setting. Higher risk appetite requires marinating higher capital buffer.

Capital base	31.03.2025	31.12.2024
Paid-in share capital	32 419	32 419
Share premium	146 958	146 958
Reserves	4 713	4 713
Other reserves	1 806	2 440
Accumulated loss	469 726	320 757
Intangible assets (subtracted)	-21 604	-21 834
Profit for the reporting period (COREP)	0	148 969
Other adjustments	-12	-4
Dividends to be distributed	-29 177	-29 177
Deferred tax assets that rely on future profitability and do not arise from temporary differences net of associated tax liabilities	0	-971
CET1 capital elements or deductions	-18 204	0
CET1 instruments of financial sector entities where the institution has a significant investment	-4 754	-4 313
CET1 instruments of financial sector entities where the institution has not a significant investment	0	0
Total Core Tier 1 capital	**581 871**	**599 957**
Additional Tier 1 capital	35 307	35 314
Total Tier 1 capital	**617 178**	**635 271**
Subordinated liabilities	90 193	90 196
Total Tier 2 capital	**90 193**	**90 196**
Total net own funds	**707 371**	**725 467**

The Group has complied with all regulative capital requirements during the financial year and in previous year.

NOTE 18 Transactions with related parties

In preparing the financial statements of the Group, the following entities have been considered related parties:

- owners that have significant impact on the Group and the entities related to them;
- members of the management board and legal entities controlled by them (together referred to as management);
- members of the supervisory board;
- close relatives of the persons mentioned above and the entities related to them.

Transactions	Q1 2025	3M 2025	Q1 2024	3M 2024
Interest income	**882**	**882**	**705**	**705**
incl. management	23	23	68	68
incl. shareholders that have significant influence	859	859	637	637
Fee and commission income	**21**	**21**	**69**	**69**
Incl. management	1	1	9	6
incl. shareholders that have significant influence	20	20	60	60
Interest expenses from deposits	**58**	**58**	**34**	**34**
incl. management	7	7	21	21
incl. shareholders that have significant influence	51	51	13	13
Interest expenses from subordinated loans	**58**	**58**	**76**	**76**
incl. management	2	2	1	1
incl. shareholders that have significant influence	56	56	75	75

Balances	31.03.2025	31.12.2024
Loans and receivables as at the year-end	**53 003**	**52 500**
incl. management	305	770
incl. shareholders that have significant influence	52 698	51 730
Deposits as at the year-end	**9 814**	**28 558**
incl. management	1 246	917
incl. shareholders that have significant influence	8 568	37 641
Subordinated loans as at the year-end	**2 594**	**1 904**
incl. management	96	96
incl. shareholders that have significant influence	2 498	1 808

The table provides an overview of the material balances and transactions involving related parties. All other transactions involving the close relatives and the entities related to members of the management board and supervisory board and the minority shareholders of the parent company AS LHV Group have occurred according to the overall price list. The management and shareholders with significant influence include also their related entities and persons.

Loans granted to related parties are issued at market conditions.

In Q1, salaries and other compensations paid to the management of the parent AS LHV Group and its subsidiaries totalled EUR 671 thousand (Q4 2024: EUR 935 thousand), including all taxes. As at 31.03.2025, remuneration for March and accrued holiday pay in the amount of EUR 178 thousand (31.12.2024: EUR 234 thousand) is reported as a payable to management. The Group did not have any long-term payables or commitments to the members of the Management Board and the Supervisory Board as at 31.03.2025 and 31.12.2024 (pension liabilities, termination benefits, etc.). In Q1 2025, the remuneration paid to the members of the Group's Supervisory Board totalled EUR 33 thousand (Q4 2024: EUR 42 thousand).

Management is related to the share-based compensation plan. In Q1 2025 the share-based compensation to management amounted to EUR 496 thousand (Q4 2024: EUR 560 thousand).

The Group has signed contracts with the members of the Management Board, which do not provide for severance benefits upon termination of the contract. In any matters not regulated by the contract, the parties adhere to the procedure specified in the legislation of the Republic of Estonia.

NOTE 19 Tangible and intangible assets

(in thousands of euros)	Tangible assets	Right of use assets	Total tangible assets	Intangible assets	Costs incurred for the acquisition of customer contracts	Total intangible assets
Balance as at 31.12.2023						
Cost	19 181	21 047	40 228	19 060	18 470	37 530
Accumulated depreciation and amortisation	-7 931	-10 188	-18 119	-12 234	-11 453	-23 687
Carrying amount 31.12.2023	**11 250**	**10 859**	**22 109**	**6 826**	**7 017**	**13 843**
Purchase of non-current assets	1 209	1 621	2 830	3 268	0	3 268
Depreciation/amortisation charge	-3 396	-1 371	-4 767	-3 843	-1 332	-5 175
Recalculation of the accumulated amortisation	-177	-1 789	-1 966	953	0	953
Capitalised selling costs	0	0	0	0	1 154	1 154
Balance as at 31.12.2024						
Cost	20 213	20 879	41 092	23 281	19 624	42 905
Accumulated depreciation and amortisation	-11 327	-11 559	-22 886	-16 077	-12 785	-28 862
Carrying amount 31.12.2024	**8 886**	**9 320**	**18 206**	**7 204**	**6 839**	**14 043**
Purchase of non-current assets	20	0	20	455	0	455
Depreciation/amortisation charge	-856	-760	-1 616	-867	-312	-1 179
Exchange rate differences	0	-42	-42	0	0	0

Capitalised selling costs	0	0	0	0	409	409
Balance as at 31.03.2025						
Cost	20 233	20 839	41 070	23 736	20 033	43 769
Accumulated depreciation and amortisation	-12 183	-12 319	-24 502	-16 944	-13 097	-30 041
Carrying amount 31.03.2025	**8 050**	**8 520**	**16 568**	**6 792**	**6 936**	**13 728**

NOTE 20 Subordinated debts

Subordinated debts (in thousands of euros)

	Year of issue	Amount	Interest rate	Maturity date
Subordinated Tier 2 liabilities	2020	35 000	6.0%	September 30 2030
Subordinated Tier 2 liabilities	2023	35 000	10.5%	September 29 2033
Subordinated Tier 2 liabilities	2024	20 000	6,0%	September 29 2033
Additional subordinated Tier 2 liabilites	2020	15 000	9.5%	Perpetual
Additional subordinated Tier 2 liabilites	2022	20 000	10.5%	Perpetual
Subordinated debt as at 31.03.2025		125 000		
Subordinated debt as at 31.12.2024		125 000		

NOTE 21 Changes in impairments

Changes in impairments	**Balance as at 01.01**	**Impairment provisions/reversals set up during the year**	**Written off during the reporting perion**	**Balance as at 31.03**
Corporate loans	-31 004	-13 212	7 477	-36 739
Consumer loans	-4 911	-1 109	979	-5 041
Investment financing	-5	-3	3	-5
Leasing	-1 589	-191	479	-1 301
Private loans	-2 304	-627	389	-2 542
Total 2025	**-39 813**	**-15 142**	**9 327**	**-45 628**

Changes in impairments	**Balance as at 01.01**	**Impairment provisions/reversals set up during the year**	**Written off during the reporting perion**	**Balance as at 31.12**
Corporate loans	-21 068	-17 763	7 827	-31 004
Consumer loans	-4 310	-3 238	2 637	-4 911
Investment financing	-11	-1	7	-5
Leasing	-2 107	-939	1 457	-1 589
Private loans	-2 229	-1 324	1 249	-2 304
Total 2024	**-29 725**	**-23 265**	**13 177**	**-39 813**

Shareholders of AS LHV Group

AS LHV Group has a total of 324 188 933 ordinary shares, with a nominal value of 0.1 euro.

As at 31 March 2025, AS LHV Group has 38 833 shareholders:

- 141 253 609 aktsiat (43.57%) were held by members of the Supervisory Board and Management Board, and related parties.
- 182 935 324 aktsiat (56.43%) were held by Estonian entrepreneurs and investors, and related parties.

Top ten shareholders as at 31 March 2025:

Number of	Participation	Name of shareholder
37 162 070	11.5%	AS Lõhmus Holdings
35 210 370	10.9%	Viisemann Investments AG
25 449 470	7.9%	Rain Lõhmus
12 446 070	3.8%	Krenno OÜ
11 310 000	3.5%	AS Genteel
10 725 470	3.3%	Ambient Sound Investments OÜ
7 188 990	2.2%	SIA Krugmans
6 691 020	2.1%	Bonaares OÜ
6 037 590	1.9%	OÜ Merona Systems
5 437 640	1.7%	AS Amalfi

Shares held by members of the Management Board and Supervisory Board

Madis Toomsalu holds 1 568 980 shares.
Kadri Haldre holds 51 540 shares.
Meelis Paakspuu holds 766 140 shares.
Jüri Heero holds 980 530 shares and Heero Invest OÜ holds 306 820 shares.
Rain Lõhmus holds 25 449 470 shares, AS Lõhmus Holdings 37 162 070 shares and OÜ Merona Systems 6 037 590 shares.
Andres Viisemann holds 564 760 shares and Viisemann Investment AG holds 35 210 370 shares.
Tauno Tats does not hold shares. Ambient Sound Investments OÜ holds 10 725 470 shares.
Tiina Mõis holds 49 880 shares. AS Genteel holds 11 310 000 shares.
Heldur Meerits does not hold shares. AS Amalfi holds 5 437 640 shares.
Raivo Hein does not hold shares. OÜ Kakssada Kakskümmend Volti holds 5 026 370 shares, Astrum OÜ holds 3 890 shares and Lame Maakera OÜ holds 483 120 shares.
Liisi Znatokov does not hold shares.

Supervisory Boards and Management Boards of AS LHV Group and its Subsidiaries

AS LHV Group
Supervisory board: Rain Lõhmus, Andres Viisemann, Tiina Mõis, Heldur Meerits, Raivo Hein, Tauno Tats, Liisi Znatokov
Management board: Madis Toomsalu, Kadri Haldre, Meelis Paakspuu, Jüri Heero

AS LHV Varahaldus
Supervisory board: Madis Toomsalu, Andres Viisemann, Kadri Kiisel
Management board: Vahur Vallistu, Eve Sirel

AS LHV Pank
Supervisory board: Madis Toomsalu, Rain Lõhmus, Andres Viisemann, Tiina Mõis, Heldur Meerits, Raivo Hein, Liisi Znatokov
Management board: Kadri Kiisel, Jüri Heero, Annika Goroško, Meelis Paakspuu, Indrek Nuume, Kadri Haldre

AS LHV Finance
Supervisory board: Kadri Kiisel, Madis Toomsalu, Veiko Poolgas, Jaan Koppel
Management board: Heidy Kütt

AS LHV Kindlustus
Supervisory board: Madis Toomsalu, Erki Kilu, Veiko Poolgas, Jaan Koppel
Management board: Martti-Sten Merilai, Taavi Lehemaa

LHV UK Limited
Directors: Madis Toomsalu, Erki Kilu, Paul Hancock, Keith Butcher, Sally Veitch, Gill Lungley, Rachelle Frewer

AS LHV Paytech
Supervisory board: Kadri Kiisel, Madis Toomsalu, Erki Kilu
Management board: Lauri Teder

Signatures of the Management Board to the Condensed Consolidated Interim Report

The Management Board has prepared the summary of results for January to March 2025 period the condensed consolidated interim financial statements of AS LHV Group for the 3-months period ended 31 March 2025.

The management board confirms that according to their best knowledge the interim report presents a fair view of LHV Group AS's assets, liabilities, financial position and profit or loss of the issuer and the entities involved in the consolidation as a whole and contains a description of the main risks and doubts.

22.04.2025

Madis Toomsalu

Kadri Haldre

Meelis Paakspuu

Jüri Heero