


















LHV Group

August results
17 September 2024

Loan portfolio growth along with deposits keeps profitability high

Financial results, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Total net income, incl.		28,392	229,647	196,976	206,284	+23,362
Net interest income		22,538	184,558	163,171	162,174	+22,384
Net fee and commission income		5,451	43,090	32,519	42,913	+177
Total operating expenses		12,574	97,387	85,392	94,303	+3,085
Earnings before impairment		15,818	132,259	111,583	111,982	+20,278
Impairment losses		1,626	12,226	1,169	13,901	-1,675
Income tax expense		2,012	16,433	16,002	14,640	+1,793
Net profit, incl.		12,181	103,601	94,412	83,442	+20,159
attr. to shareholders		12,031	102,880	93,366	83,012	+19,868
Business volumes, EURm	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Deposits from customers		6,223	6,223	5,345	6,442	-219
Loans (net)		4,081	4,081	3,324	3,815	+266
Assets under management		1,558	1,558	1,501	1,610	-52
Fin. intermediaries' payments, thous. pcs		6,141	48,691	28,924	37,947	+10,744
Key figures	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Cost / income ratio (C/I)		44.3%	42.4%	43.4%	45.7%	- 3.3 pp
Net interest margin (NIM)		3.5%	3.7%	3.9%	3.2%	+ 0.5 pp
pre-tax ROE*		26.9%	30.6%	35.9%	25.5%	+ 5.1 pp
ROE*		23.1%	26.4%	30.7%	21.7%	+ 4.7 pp

- Results continue to be driven by a loan portfolio growing faster than planned, resulting in higher interest income. Other income and expenses largely in line with the plan
- Loan portfolio increased by 87 EURm
- Deposits from customers increased by 254 EURm
- Monthly net profit 12.2 EURm and ROE 23.1%
- Net profit ahead of the financial plan by 20.2 EURm. Financial plan holds

Customer activity contributed to strong results

Financial results, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Total net income, incl.		23,131	184,499	166,536	164,075	+20,425
Net interest income		20,006	160,833	148,831	138,734	+22,099
Net fee and commission income		2,712	22,130	16,446	24,611	-2,481
Total operating expenses		8,057	60,822	55,248	59,664	+1,159
Earnings before impairment		15,075	123,677	111,288	104,411	+19,266
Impairment losses		1,306	11,858	855	13,729	-1,872
Income tax expense		1,960	16,235	14,612	13,165	+3,071
Net profit		11,809	95,584	95,821	77,517	+18,067
Business volumes, EURm	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Deposits from customers		5,769	5,769	5,243	5,962	-193
incl. banking services' deposits		1,015	1,015	971	1,060	-45
Loans (net)		3,875	3,875	3,412	3,594	+280
Key figures	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Cost / income ratio (C/I)		34.8%	33.0%	33.2%	36.4%	- 3.4 pp
Net interest margin (NIM)		3.4%	3.5%	3.6%	3.0%	+ 0.5 pp

- The number of bank customers increased by 3,600
- Loan portfolio increased by 50 EURm, including retail loans by 36 EURm and corporate loans by 14 EURm
- Deposits increased by 172 EURm, incl. regular customers' deposits by 40 EURm and banking services customers' deposits by 93 EURm. We also ceased reducing the volume of platform deposits – monthly growth of 35 EURm
- Credit quality remains at a good level, therefore, impairment losses lower than planned

Historically fastest growth in loans and deposits

Financial results, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Total net income, incl.		3,434	29,895	20,477	32,506	-2,611
Net interest income		2,583	23,163	16,112	28,709	-5,546
Net fee and commission income		863	6,685	4,424	3,797	+2,888
Other net income		-12	48	-59	0	+48
Total operating expenses		3,096	24,686	19,815	22,302	+2,384
Earnings before impairment		337	5,209	662	10,204	-4,994
Impairment losses		320	368	134	171	+197
Income tax expense		4	-786	0	186	-971
Net profit		13	5,627	528	9,847	-4,220
Business volumes, EURm	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Deposits from customers		585	585	145	609	-24
Loans (net)		207	207	55	221	-14
Key figures	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Cost / income ratio (C/I)		90.2%	82.6%	96.8%	68.6%	+ 14.0 pp
Net interest margin (NIM)		4.9%	6.8%	12.8%	8.2%	- 1.4 pp














- Loan portfolio increased by 37 EURm. Projects approved by the Credit Committee amounting to 148 EURm. No overdue loans
- Deposits from platforms increased by 86 EURm. In total, 8,600 depositors
- Net interest income lower than planned due to a smaller loan portfolio and deposits from banking services' customers
- Expenses higher due to active development of retail banking offering. The mobile application launch for our employees in October

Net profit after eight months in accordance with the financial plan

Financial results, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Total net income		765	5,954	5,867	6,056	-102
Total operating expenses		510	4,756	4,587	4,770	-13
EBIT		255	1,197	1,281	1,286	-89
Net financial income		-15	455	204	369	+87
Income tax expense		0	801	488	801	-0
Net profit		240	852	996	854	-2
Business volumes	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Assets under management, EURm		1,558	1,558	1,501	1,610	-52
Active customers of PII funds, thous.		118	118	127	120	-2
Key figures	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Cost / income ratio (C/I)		68.0%	74.2%	75.5%	74.2%	- 0.0 pp
Funds average return		-0.3%	6.8%	3.8%	5.0%	+ 1.8 pp

- The month began with a slight scare on major markets but ended at a level similar to the previous month
- M and XL funds increased by 0.2% and 0.1% respectively, while L dropped by 0.3%. Indeks fell by 0.8%, and Roheline lost 3.6% in value. Strong month for conservative funds—both S and XS rose by 0.6%
- Benchmark index growth in 5.7% in August compared to year earlier
- The process of increasing second pillar contributions continues, with 7,300 customers having submitted applications by the end of August

Key indicators maintain a positive trend

Financial results, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Net earned premiums		3,005	22,601	16,105	21,625	+976
Commissions expense		394	2,922	1,853	2,625	+297
Gross incurred losses		1,964	14,746	10,847	13,615	+1,131
Operating expenses		413	3,576	3,005	3,929	-354
Insurance result without reinsurance		234	1,357	400	1,455	-98
Reinsurance result		138	690	655	897	-207
Total result from insurance activities		96	667	-255	559	+109
Net other income		33	265	0	46	+219
Net profit		129	932	-254	605	+327
Business volumes, EURt	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Contract premiums written		2,262	25,476	20,604	24,980	+495
No of customers (thous.)		168	168	160	na	na
Key figures	13 months	Aug 24	YTD24	YTD23	FP YTD	Δ YTD FP
Net loss ratio		67.4%	65.9%	70.0%	64.6%	+ 1.3 pp
Net expense ratio		28.7%	30.9%	32.3%	32.7%	- 1.9 pp

- 15,600 insurance contracts with a volume of 2.2 EURm were signed. Sales activity low in August
- The number of valid contracts continues to grow, 244,000 policies by month-end
- Claims were compensated in the amount of 1.8 EURm, with the number of incidents remaining stable
- The net loss ratio slightly higher in monthly comparison, while the expense ratio lower than planned. Surpassing the profitability targets

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