



# Q1/2022

Oma Savings Bank Group  
Interim Report 31 March 2022



Interim Report 31 March 2022 is a translation of the original Finnish version "Osavuositarkastus 31.03.2022". If discrepancies occur, the Finnish version is dominant.


## Oma Savings Bank Group's Interim Report January-March 2022

- Net interest income increased by 28.3% in January-March compared to the same period last year.
- Home mortgage portfolio increased by a total of 27.9% over the previous 12 months. At the same time, corporate loan portfolio increased by 37.8%.
- Deposit stocks grew by 25.0% over the previous 12 months.
- Fee and commission income and expenses (net) item increased due to volume growth in January-March by 29.7%.
- Total operating income grew by 18.5% during the first quarter and came to a total of EUR 34.5 million.
- Impairment losses on financial assets (net) decreased compared to the comparison period and were EUR 2.5 (-2.8) million in January-March.
- Cost/income ratio for the first quarter increased and was 54.6 (49.9)%. The comparable cost/income ratio decreased and was 51.9 (52.4)%.
- For January-March, profit before taxes increased significantly compared to the comparison period of the previous year and was EUR 18.2 (11.7) million.
- Comparable profit before taxes for the early part of the year increased significantly compared with the comparative period and was EUR 20.0 (10.0) million.

## Outlook for the financial year 2022 (unchanged)

The Company estimates that profitable growth will continue to be strong. The Group's 2022 comparable profit before taxes will increase compared to the previous financial year. More about the outlook in the Interim Report on page 19.

The Group's key figures (1,000 euros)	1-3/2022	1-3/2021	Δ%	1-12/2021
Net interest income	23,086	17,999	28%	80,130
Fee and commission income and expenses, net	10,251	7,902	30%	33,686
Total operating expenses	-18,903	-14,412	31%	-65,294
Impairment losses on financial assets, net	2,498	-2,791	-190%	-7,294
Profit before taxes	18,227	11,672	56%	83,271
Cost/income ratio, %	54.6%	49.9%	9%	41.9%
Balance sheet total	5,518,011	4,459,307	24%	5,372,633
Equity	371,118	353,859	5%	401,294
Return on assets (ROA) %	1.1%	0.8%	36%	1.4%
Return on equity (ROE) %	15.3%	10.5%	46%	17.6%
Earnings per share (EPS), EUR	0.49	0.32	56%	2.22
Common Equity Tier 1 (CET1) capital ratio %	14.6%	15.0%	-3%	15.5 %
Comparable profit before taxes	20,013	10,043	99%	53,142
Comparable cost/income ratio, %	51.9%	52.4%	-1%	48.0%
Comparable return on equity (ROE) %	16.8%	9.0%	87%	11.2%



**Comparable profit  
before taxes EUR  
20.0 million**

## CEO's review

# Profitable growth continues - comparable profit before taxes increased by 100%

**OmaSp's early year performance was excellent and we can be very pleased with the development of the business. Demand in all key product areas has remained at a good level and volume growth has continued strong in the early part of the year. The business transferred from Eurajoen Savings Bank has been successfully integrated into OmaSp's operations during the first quarter.**

Main sources of income have continued to develop strongly, Net interest income increased by 28% and Fee and commission income and expenses by 30% compared to the previous year. Business efficiency also improved compared to the previous financial year and the comparable cost/income ratio was 51.9%.

The strong performance of the business is reflected in

return on equity as well as earnings per share. Return on equity (ROE%) rose to 15.3% and comparable return on equity (ROE%) to as much as 16.8%, both well above the target level of 10%. Earnings per share improved by 56% to EUR 0.49.

**Net interest income  
grew by 28% and  
Fee and commission  
income by 30%**

Profit before taxes increased by 56% to EUR 18.2 million. Comparable profit before tax doubled to EUR 20.0 million.

### **The year continues from an excellent starting point**

We have been preparing for the application of the IRB method in capital adequacy accounting for a long time and submitted an application for a permit to the Finnish Financial Supervisory Authority in early February. With the IRB method, OmaSp's use of capital will become even more efficient in the coming years. It is important to us that the

application of the IRB method brings new methods of credit risk management and puts OmaSp in a comparable position with the benchmark banks.

At the beginning of the year, we entered into a long-term collaboration with Kyndryl-Samlink for IT services. They have strong expertise in developing financial IT services and through long-term cooperation we aim to achieve for an even more modern and cost-effective IT environment.

The direct effects of the Russian invasion war have so far been limited on the bank's operations. The situation is generally reflected in the economic environment as accelerating inflation and rising interest rates. The war has highlighted the existence of cyber threats and we have updated our preparedness measures and policies.

We continue to invest strong in improving customer service and customer experience. We will open a new full-service branch in the city of Espoo during the current year to meet the increased demand in the metropolitan area.

We have continued to develop digital services and bring new features to mobile banking. We also launched a nationwide collaboration with Suomen Yrittäjät (an interest and service organization for SMEs in Finland). Entrepreneurs and their companies represent a significant part of our growing customer base in Finland.

The start to 2022 has been successful and we are continuing the current financial year from excellent starting points. In line with our earnings guidance, we expect OmaSp's profitable growth to continue.

**Comparable  
cost/income ratio  
51.9% and ROE 16.8%**

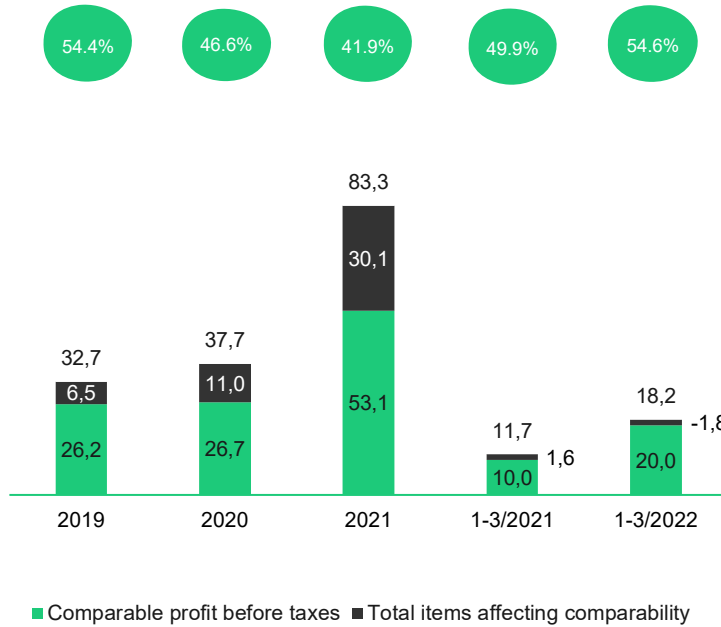


Pasi Sydänlammi  
CEO

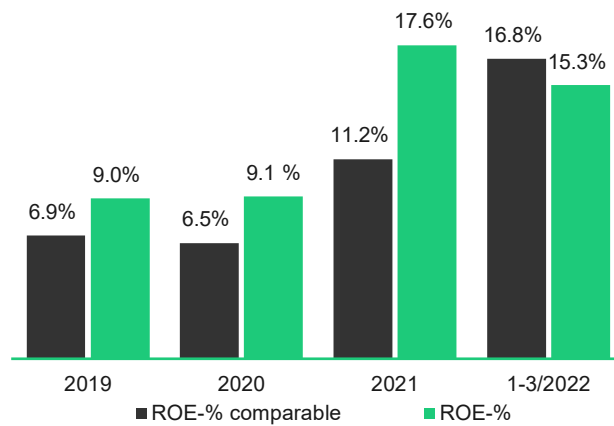
# A profitably growing Finnish bank

Profit before taxes, EUR mill.

Cost/income  
ratio

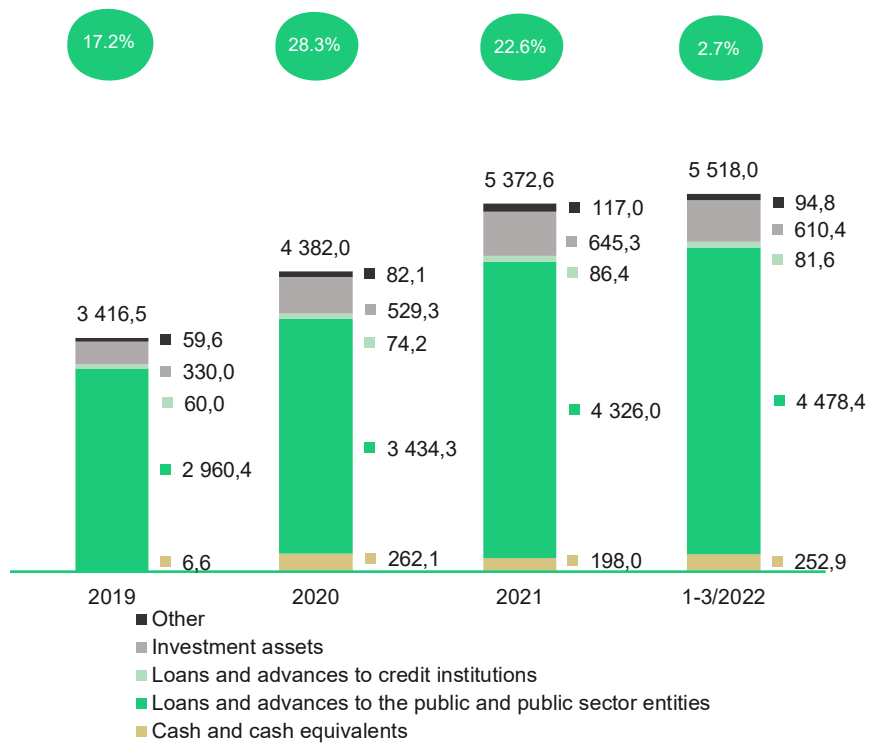


## Return on equity (ROE) %



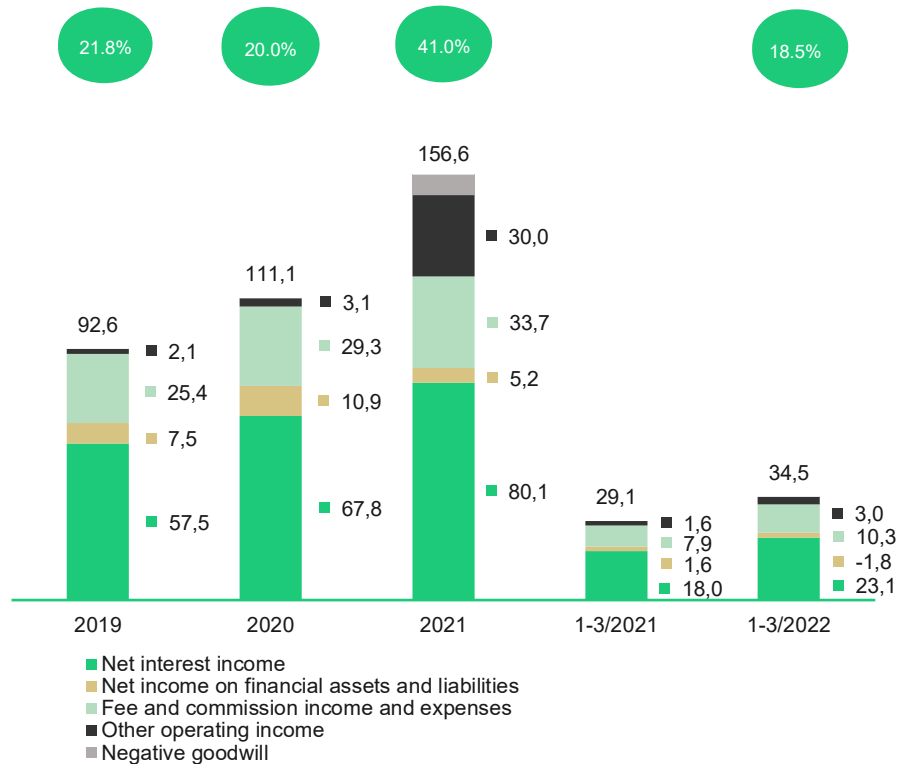
## Balance sheet total, EUR mill.

Growth



## Total operating income, EUR mill.

Growth



## Significant events during the period

- In February, the Company submitted an application to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of the IRB method in capital adequacy. In the first stage, the Company applies permission to apply an internal risk classification under the IRB method to calculate capital requirements for retail credit risk liabilities. Later, the Company will apply for a similar permit for corporate liabilities as well as renewable retail liabilities.
- In February, the Company agreed on a long-term partnership with Kyndryl-Samlink. Samlink went into ownership of Kyndryl in early 2022. The Company will develop its IT systems as reasonable entities and from the business needs. Through long-term cooperation, the Company aims for an even more modern and cost-effective IT environment.
- In February, the Company announced that it was responding to demand in the metropolitan area and opening a new full-service branch in Espoo, a major growth centre as Finland's second largest city. The Company's investment decision has emerged from rising demand.
- In February, the Company's Board of Directors confirmed the fulfilment of the 2020-2021 share-based incentive scheme's earning criteria and the payment of 336,150 shares, including the amount to be paid in cash. The share rewards will be paid in four installments within three years. The share-based incentive scheme 2020–2021 had one two-year earning period. The target group of the scheme included 10 key persons, including the Company's CEO and members of the Group's Management Team. The remuneration of the scheme was based on comparable cost-income ratio, an increase in operating in-come (in comparable figures) and customer and employee satisfaction.
- In February 2022, the Company's Board of Directors decided to establish a new share-based incentive scheme for key persons of the Group. The aim of the scheme is to combine the interests of owners and key persons in order to increase the value of the Company in the long term, and to commit the key persons to implement the Company's strategy, objectives and long-term interest and to provide them with competitive earnings of the Company's shares and a remuneration scheme based on accrual. The incentive scheme 2022-2023 has one two-year earning period and a commitment period of 1-5 years. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The possible reward is based on a comparative cost-income ratio, an increase in operating income (by comparable figures), and customer and employee satisfaction. The reward will be paid after the end of the earnings period in approximately six instalments within five years.
- The Company completed the repurchase programme of its own shares, which started on 17 September 2021 and ended on 24 February 2022. During this period, a total of 198,300 own shares were repurchased for an average price of EUR 16.2543 per share. The amount corresponds to approximately 0.7% of the Company's total share amount. The shares were repurchased on the basis of the authorisation given by the Annual General Meeting on 30 March 2021. The shares were acquired to implement a share-based incentive scheme for key persons.

## Oma Savings Bank Group's key figures

(1,000 euros)	1-3/2022	1-3/2021	Δ %	1-12/2021	2021 Q4	2021 Q3	2021 Q2
Net interest income	23,086	17,999	28%	80,130	21,873	20,588	19,669
Total operating income	34,543	29,142	19%	156,565	39,452	30,343	57,628
Total operating expenses	-18,903	-14,412	31%	-65,294	-19,518	-12,942	-18,422
<sup>1)</sup> Cost/income ratio, %	54.6%	49.9 %	9%	41.9%	49.9%	42.6%	32.0%
Impairment losses on financial assets, net	2,498	-2,791	190%	-7,294	-1,632	-2,058	-813
Profit before taxes	18,227	11,672	56%	83,271	17,967	15,348	38,284
Profit/loss for the accounting period	14,818	9,241	60%	66,252	14,244	12,239	30,528
Balance sheet total	5,518,011	4,459,307	24%	5,372,633	5,372,633	4,902,204	4,776,891
Equity	371,118	353,859	5%	401,294	401,294	384,963	383,434
<sup>1)</sup> Return on assets (ROA) %	1.1%	0.8%	36%	1.4%	1.1%	1.0%	2.6%
<sup>1)</sup> Return on equity (ROE) %	15.3%	10.5%	46%	17.6%	14.5%	12.7%	33.1%
<sup>1)</sup> Earnings per share (EPS), EUR	0.49	0.32	56%	2.22	0.48	0.41	1.03
<sup>1)</sup> Equity ratio %	6.7%	7.9%	-15%	7.5%	7.5%	7.9%	8.0%
<sup>1)</sup> Total capital (TC) ratio %	14.7%	15.3%	-4%	15.6%	15.6%	16.7%	16.7%
<sup>1)</sup> Common Equity Tier 1 (CET1) capital ratio %	14.6%	15.0%	-3%	15.5%	15.5%	16.5%	16.4%
<sup>1)</sup> Tier 1 (T1) capital ratio %	14.6%	15.0%	-3%	15.5%	15.5%	16.5%	16.4%
<sup>1)</sup> Liquidity coverage ratio (LCR) %	123.1%	139.4%	-12%	133.0%	133.0%	139.3%	160.6%
Average number of employees	331	299	11%	315	323	321	317
Employees at the end of the period	335	301	11%	344	344	315	329

### Alternative performance measures excluding items affecting comparability:

<sup>1)</sup> Comparable profit before taxes	20,013	10,043	99%	53,142	14,448	14,015	14,636
<sup>1)</sup> Comparable cost/income ratio, %	51.9%	52.4%	-1%	48.0%	47.9%	44.3%	47.0%
<sup>1)</sup> Comparable earnings per share (EPS), EUR	0.54	0.26	105%	1.41	0.38	0.37	0.40
<sup>1)</sup> Comparable return on equity (ROE) %	16.8%	9.0%	87%	11.2%	11.6%	11.6%	12.6%

1) The calculation principles of the key figures are presented in Note 15 of the Interim Report. Comparable profit calculation is presented in the Income Statement.



# Operating environment

The Finnish economy started to recover rapidly from the recession caused by the corona crisis, although the pandemic still continues to overshadow the outlook. Private consumption has started to grow despite inflation, which is weakening consumer purchasing power. Finnish exports are expected to return to pre-crisis levels, although global disruptions in supply chains and component availability are slowing recovery. However, Russia's invasion of Ukraine brings to recovery from corona completely new, gloomy nuances and a new kind of uncertainty about the economy. The economic sanctions imposed on Russia and Belarus by the war are slowing down the economic recovery. Energy and raw material prices have risen strongly. In February, the inflation in the euro area was 5.8% and is estimated to be accelerating for some time to come. <sup>(1)</sup>

Finland's GDP growth was strong in 2021 and strong growth was expected to continue in 2022 as well. According to Statistics Finland's preliminary data, total output grew slightly in 2021 by less than the Bank of Finland's December forecast of 3.3%. The magnitude of the economic impact of the war in Ukraine will depend crucially on the duration and extent of the war and how quickly Russia's trade and business can be replaced in other markets. According to preliminary calculations by the Bank of Finland, GDP growth in 2022 is projected to be 2% and growth in 2023 1.5%. If the war continues, growth would remain at 0.5% for both 2022 and 2023. <sup>(1)</sup>

The seasonally adjusted savings rate of households decreased clearly in October-December compared to the previous quarter and was -2.5%. Household disposable income was lower than consumption expenditure. The savings rate clearly decreased. The investment rate remained at the previous quarter's level. The majority of investments of households are in housing investments. The corporate investment rate remained at the previous quarter's level. <sup>(2)</sup>

According to Statistics Finland, there were 89,000 more employed and 40,000 fewer unemployed in February than a year ago. In February 2022, the employment rate was

72.7% (aged 15-64) and the average unemployment rate was 6.7%. <sup>(3)</sup>

According to Statistics Finland's preliminary data, the prices of old share dwellings rose in February compared to last year in all major cities and all major regions except Tampere and Western Finland. Of the large cities, Turku and Oulu saw the largest increases in house prices. Prices rose by 3.2% in Finland as a whole. The number of home sales in the whole country decreased by 6% from the corresponding period last year. <sup>(4)</sup> In the Company's view, the business environment in Finland is stable in terms of household indebtedness and house prices, but the Russian invasion and war in Ukraine is bringing a new kind of uncertainty to the market.

In February 2022, the annual growth rate of all loans to households was 3.9%. The annual growth rate of the mortgage loan portfolio was 3.8%. The amount of corporate loans increased by 2.9% during the same period. The amount of household deposits increased by a total of 5.2% over the 12-month period. <sup>(5)</sup>

The number of bankruptcies filed in January-February 2022 decreased by 3.1% compared to the previous year. The number of personnel in the companies filing for bankruptcy came to 1,808, i.e. 33.46% less than in the corresponding period in 2021. <sup>(6)</sup> The number of new building permits granted decreased by 15.0% in November-January compared to the previous year and was 7.4 million cubic meters. <sup>(7)</sup>

1) Bank of Finland, Russia's invasion and war in Ukraine are weakening economic growth and accelerating inflation. Published on 11 March 2022.

2) Statistics Finland, Household savings rate decline in the fourth quarter. Published on 15 March 2022.

3) Statistics Finland, Employment increased still in February. Published on 22 March 2022.

4) Statistics Finland, Prices of old share dwellings rose in February. Published on 1 April 2022.

5) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates, The amount of non-performing loans in agriculture is high. Published on 31 March 2022.

6) Statistics Finland, In January-February 2022, the number of bankruptcies decreased by 3.1 percent from the previous year. Published on 16 March 2022.

7) Statistics Finland, Cubic volume of granted building permits issued decreased in November-January from a year ago. Published on 22 March 2022.

# Impacts of the Russian invasion war and the corona pandemic on business

Russian invasion war to Ukraine has led to global sanctions on Russia and Belarus. The direct effects of the war on the Company's operations have so far been limited. Most significantly, Russia's invasion of Ukraine has affected financial markets and, by extension, the functioning of the refinancing markets in terms of access to financing and pricing. The war situation has further accelerated inflation and this has been reflected in, among other things, rising interest rates.

The war has also highlighted the existence of cyber threats in particular: a denial-of-service attack can disrupt or paralyze information systems. Cyber threats and other risks have been identified in cooperation with service providers to ensure that the bank is well prepared in the event of a possible disruption. The Company has updated its own preparedness measures and operating guidelines especially with respect to the control of sanctions.

The Company has closely monitored the development of the corona pandemic situation and made the necessary changes to its operating models. Although the news of the pandemic has been overshadowed by the Russian invasion war and the restrictions have been lifted, the corona situation in Finland has not yet eased during the first part of the year. During the pandemic, the guidelines and recommendations of the government and other authorities have been applied to customer service and to the personnel's work. The precautionary measures undertaken are intended to secure well-being of personnel and customers and guarantee safe banking. In customer service, remote banking opportunities and guidance for customers have been increased. Customers have been served throughout the pandemic, both in branches and through digital channels during extensive opening hours.

Neither the Russian invasion war nor the protracted corona pandemic have affected the growth of grace periods during the beginning of 2022, and there have been no short-term peaks in demand for them. Nearly all of the pandemic-related grace periods granted in 2020 have already expired as customers continue to service loans under normal shortening plans.

During 2020 and 2021, the Company's management has made additional credit loss allowances based on management's judgement in connection with the corona pandemic. The allowances anticipate an increase in credit risk in certain sectors and are intended to cover potential credit losses to the extent that they are not recognised in the expected credit loss model. The sectors were selected based on both their significance and the estimated size of the pandemic's impact. The quality of the Company's loan portfolio has remained at a good level throughout the pandemic, which is why allowances for corona have been released based on management's judgement of EUR 2.0 million. However, the Russian invasion war has brought a new kind of uncertainty to the financial markets and operating environment, and the Company's management has made an additional credit loss allowance of EUR 2.0 million. The sectors have been selected both for their significance and the estimated magnitude of the impact of war. On 31 March 2022, the amount of additional allowances remains at same level as in the financial statements, with a total of EUR 3.9 million remaining. The Company continues to monitor the situation and assess the situation on a monthly basis.

The impacts of the crises are described in more detail in Note 2.

## Credit rating and liquidity

Standard & Poor's confirmed a credit rating of BBB+ for Oma Savings Bank's long-term borrowing in June 2021, as well as a rating of A-2 for short-term borrowing. The outlook for a long-term credit rating has been confirmed as stable.

	31 Dec 2021	31 Dec 2020
LCR	123.1 %	133.0 %
NSFR*	115.8 %	115.2 %

The Group's Liquidity Coverage Ratio (LCR) remained at a good level, standing at 123.1% in the first quarter of 2022. The Net Stable Funding Ratio (NSFR) was 115.8%. The CRR2 regulation obliges to keep the permanent fundraising requirement at least 100%. Binding application of the requirement began on 28 June 2021.

The Russian invasion war that began in February 2022 as well as rising interest rates, appear as an increase in uncertainty in refinancing markets. The situation has been particularly evident in the investment certificate market, where the price of financing has risen. In terms of long-term funding, the market continues to perform well, especially for covered bonds, but uncertainty has moved investors' maturity preference shorter. The deposit portfolio has continued to grow during the first quarter of 2022, keeping the loan-deposit ratio stable.

## Related party disclosures

Related party is defined as key persons in a leading position at Oma Savings Bank Plc and their family members, subsidiaries, associated companies and joint ventures, joint operations and companies in which a key person in a leading position has control or significant influence, and organizations that have significant influence in Oma Savings Bank Plc. Key persons are members of the Board of Directors, the CEO and deputy to the CEO and the rest of the management team.

Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

More detailed information on related parties is given in Note G31 of the 2021 Financial Statements. No significant changes have occurred in related party transactions during the financial year 2022. More detailed information on the share-based remuneration scheme for the management is given in Note G32 of the Financial Statements and in Note 14 of the Interim Report.

# Financial statements

The corresponding period last year has been used as the year under comparison in income statement items, and the date 31 December 2021 as the comparative period for the balance sheet and capital adequacy.

## Result 1–3 / 2022

The Group's profit before taxes for the first quarter was EUR 18.2 (11.7) million and the profit for the period was EUR 14.8 (9.2) million. The cost/income ratio was 54.6 (49.9)%.

Comparable profit before taxes in the first quarter amounted to EUR 20.0 (10.0) million and the comparable cost/income ratio was 51.9 (52.4)%. The comparable profit has been adjusted for the net income on financial assets and liabilities.

### Income

Total operating income was EUR 34.5 (29.1) million. Total operating income increased 18.5% year-on-year.

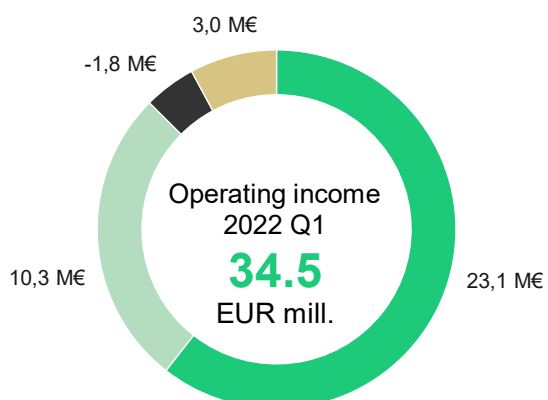
Net interest income grew by 28.3%, totalling EUR 23.1 (18.0) million. During the review period, interest income grew 24.9%, totalling EUR 24.1 (19.3) million. The growth in interest income is largely explained by the increase in the loan stock of EUR 853 million as of 31 March 2021. During the year, the average margin on the loan portfolio has slightly increased.

Interest expenses were in the first quarter EUR 1.0 (1.3) million. The average interest on deposits paid to the Company's customers was 0.01% (0.01%) at the end of the period.

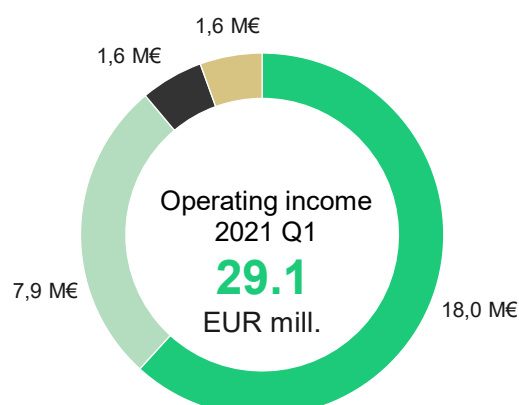
Fee and commission income and expenses (net) grew by 29.7% to EUR 10.3 (7.9) million. The total amount of fee and commission income was EUR 11.8 (9.1) million.

Net fee and commission income from cards and payment transactions was EUR 4.5 (3.4) million. The item increased by 31.3%. The increase is mainly explained by the increase in customer volume. The amount of commission income from lending was EUR 3.5 (2.8) million.

The net income on financial assets and liabilities was EUR -1.8 (1.6) million during the period. Other operating income was EUR 3.0 (1.6) million.



- Net interest income
- Fee and commission income and expenses, net
- Net income on financial assets and financial liabilities
- Other operating income



- Net interest income
- Fee and commission income and expenses, net
- Net income on financial assets and financial liabilities
- Other operating income

## Expenses

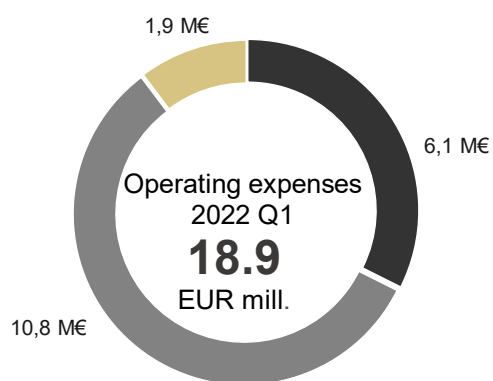
Operating expenses came to a total of EUR 18.9 (14.4) million and increased 31.2% compared to the previous year's corresponding period.

Personnel expenses increased 36.8%, totalling EUR 6.1 (4.5) million. The number of employees at the end of the period was 335 (301), of which 47 (35) were fixed-term. With the acquisition of the business, 33 people transferred from Eurajoen Savings Bank in December 2021.

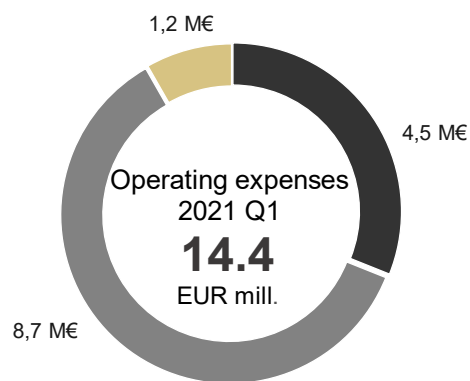
Other operating expenses increased 23.9% to EUR 10.8 (8.7) million. The item includes office, IT, PR and marketing costs and those stemming from the business premises in own use. The increase in expenses compared

to the comparison period was mainly due to the increase in the number of branches and personnel due to the acquisition of the Eurajoen Savings Bank's business at the end of 2021. In addition, the Financial Stability Authority's stability fee of EUR 1.4 million was recorded in the first quarter. The amount increased from the previous year, when EUR 0.7 million was recorded. In other operating expenses, there was also an increase in IT systems development expenses.

Depreciation, amortisation and impairments on tangible and intangible assets were EUR 1.9 (1.2) million. Depreciation of the IRB development project and money laundering prevention project and mobile banking development projects began during the period.



- Personnel expenses
- Other operating expenses
- Depreciations, impairments



- Personnel expenses
- Other operating expenses
- Depreciations, impairments

## Impairment losses on financial assets

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During the first quarter, impairment losses on financial assets (net) were EUR 2.5 (-2.8) million.

The net amount of realised credit losses increased compared to the comparison period and was EUR 2.2 (0.5) million during January-March. Credit losses recorded during the period are mainly related to corporate customers.

During the first quarter, the provision for expected credit losses decreased and was EUR 4.7 (-2.3) million. Of the change in expected credit losses, EUR 4.3 million was allocated to receivables from customers and off-balance sheet items. The change in the investment portfolio was EUR 0.4 million. As part of the transition to IRB credit risk models, the Company has developed ECL models and utilized the development of IRB credit risk models in ECL calculation models as appropriate. This reduced expected credit losses by EUR 2.6 million.

With the easing and lifting of restrictions on the corona pandemic, the Company released EUR 2.0 million of the additional loss allowances related to the corona pandemic. However, the Russian invasion war that began in February added economic uncertainty, so the Company made an additional loss allowance of EUR 2.0 million based on management's judgement. Additional loss allowances of EUR 3.9 million remain for use by the Company. A total of EUR 2.0 million of these additional loss allowances has been allocated to corporate customers and EUR 1.9 million to private customers. With the additional loss allowances the Company is prepared for the possible consequences of both the corona pandemic and Russian invasion war in the quality of the loan portfolio which cannot be predicted by the calculation rules. Additional allowances made are targeted to stage 2.

# Balance sheet

The Group's balance sheet total grew to EUR 5,518.0 (5,372.6) million during January-March 2022. The growth was 2.7%.

## Loans and other receivables

In total, loans and other receivables grew 3.3% to EUR 4,560.0 (4,412.3) million in January-March.

The average size of loans issued over the past 12 months has been approximately EUR 120 thousand.

**Loan portfolio by customer group (excl. credit institutions), before the expected credit losses**

Credit balance (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
Private customers	2,773,003	2,705,643	2,208,424
Business customers	948,883	882,817	688,822
Housing associations	406,563	388,306	345,491
Agricultural customers	278,458	277,743	269,026
Other	96,373	100,040	104,386
<b>Total</b>	<b>4,503,280</b>	<b>4,354,549</b>	<b>3,616,150</b>

## Investment assets

The Group's investment assets decreased -5.4% during the period, totalling EUR 610.4 (645.3) million. The decrease was due to changes in the value of the liquidity portfolio due to an increase in market interest rates during the first quarter. The primary purpose of managing investment assets is securing the Company's liquidity position.

## Intangible assets

At the end of the period, intangible assets totalled EUR 10.1 (10.0) million.

## Liabilities to credit institutions and to the public and public sector entities

Liabilities to credit institutions and to the public and public sector entities grew during the period by 4.0% to EUR 3,234.1 (3,110.5) million.

The item consists mostly of deposits received from the public, which came to EUR 3,018.3 (2,897.1) million at the end of March. Liabilities to the credit institutions were EUR 215.3 million (EUR 212.7 million).

## Debt securities issued to the public

Total debt securities issued to the public grew during the period by 2.1% to EUR 1,800.2 (1,762.3) million. The debt securities issued to the public are shown in more detail in Note 8.

Covered bonds are secured by loans to the value of EUR 1,690.1 (1,500.1) million.

## Equity

The Group's equity EUR 371.1 (401.3) million decreased by -7.5% during the period. The change results from the strong profit for reviewing period, the payment of dividends, the directed share issue and the decrease in the value of the fair value reserve.

The fair value reserve decreased by EUR 28.6 million during the period due to changes in market prices.

## Own shares

On 31 March 2022, the number of own shares held by Oma Savings Bank was 130,847.

The Company announced a repurchase programme related to the acquisition of the Company's own shares in the third quarter 2021. Under the repurchase program, 198,300 shares were repurchased, corresponding to approximately 0.7% of the Company's shares and votes. There was a weighty financial reason for the directed acquisition of own shares as they were acquired in relation to the implementation of a share-based incentive scheme for key personnel. The repurchase of own shares was completed on 24 February 2022. On 28 March 2022, the Company transferred a total of 79,153 shares held by the Company in connection with this share-based incentive program.

## Off-balance-sheet commitments

Off-balance-sheet commitments included commitments given to a third party on behalf of a customer and irrevocable commitments given to a customer.

Commitments given to a third party on behalf of a customer, EUR 33.2 (31.0) million, were mostly made up of bank guarantees and other guarantees. Irrevocable commitments given to a customer, which totalled EUR 340.9 (377.8) million at the end of March, consisted mainly of undrawn credit facilities.

Share capital	31 Mar 2022	31 Dec 2021
Average number of shares (excluding own shares)	29,990,687	29,773,517
Number of shares at the end of the year (excluding own shares)	30,019,341	29,962,033
Number of own shares	130,847	188,155
Share capital (1,000 euros)	24,000	24,000



## Progress of key development projects

In February 2022, the Company agreed to a long-term collaboration with Kyndryl-Samlink. Samlink went into ownership of Kyndryl in early 2022. The Company will develop its IT systems as reasonable entities and from the business needs. Through long-term cooperation, the Company aims for an even more modern and cost-effective IT environment.

Development of digital services has continued, and the Company introduced a new type of savings and investment services in mobile channels. At the same time, the Company launched for its customers an OmaVara functionality for asset monitoring.

The IRB preliminary study project has progressed as planned. At the beginning of February 2022, the Company submitted an application to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of IRB methods. In the first stage, the Company applies permission to apply an internal risk classification under the IRB method to calculate capital requirements for retail credit risk liabilities.

The system project to prevent money laundering and terrorist financing is progressing according to plan. The system will be put into production in stages and the first operations have been put in place in late 2021. The system will be fully operational during 2022. In addition, the Company has an ongoing project related to the development of data warehousing and data analytics solutions on the basis of which the Company will renew amongst other things areas of the regulatory reporting.

## Significant events after the period

Events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

## Dividend policy and dividend payment

The Company aims to pay a steady and growing dividend, at least 20% of net income. The Company's Board of Directors assesses the balance between the dividend or capital return to be distributed and the amount of own funds required by the Company's solvency requirements and target on an annual basis and makes a proposal on the amount of dividend or capital return to be distributed.

## Resolutions of the Annual General Meeting

On 30 March 2022, Oma Savings Bank Plc's Annual General Meeting was held by exceptional meeting procedure based on the temporary legislative act (375/2021) approved by the Finnish Parliament to limit spread of corona pandemic. The AGM confirmed the Company's financial statements and consolidated financial statements for the 2021 financial year, granted discharge to the members of the Company's Board of Directors and CEO from liability, and approved the remuneration report.

In accordance with the Board's proposal, the AGM decided to pay an actual dividend of EUR 0.30 per share and an additional dividend of EUR 0.20 per share for the financial year 2021. In total, a dividend of EUR 0.50 per share is paid for the financial year 2021. The dividend will be paid to a shareholder who is registered in the Company's shareholder register maintained by Euroclear Finland Ltd on the record date 1 April 2022. The dividend will be paid on 8 April 2022 in accordance with the rules of Euroclear Finland Ltd.

In accordance with the proposal of the Shareholders' Nomination Committee, the AGM decided to pay the following annual remuneration for the period ending at the AGM in 2023: EUR 55,000 per year to the Chairman, EUR 41,250 per year to the Vice Chairman and for other members EUR 27,500 per year. In addition, the meeting fees of EUR 1,000 for each Board meeting and EUR 500 for each single-issue email meeting and committee meeting will be paid.

A condition for obtaining and paying a fixed annual fee is that the Board Member commits to purchase Oma Savings Bank Plc shares amounting to 40% of the fixed annual remuneration on the regulated market (Nasdaq Helsinki Ltd) at a price determined by trading. The recommendation is that a member of the Board of Directors shall not transfer the shares awarded as annual remuneration until the membership in the Board has expired.

The number of members of the Board of Directors was confirmed to be seven. Aila Hemminki, Aki Jaskari, Timo Kokkala, Jyrki Mäkynen, Jarmo Partanen, Jarmo Salmi and Jaana Sandström were re-elected for a term ending at the end of the 2023 AGM.

KPMG Oy Ab, a firm of authorised public accountants, was elected to continue as auditor for a term ending at the 2023 AGM. M.Sc (Econ.), APA Fredrik Westerholm will continue as responsible auditor. The auditor's remuneration is paid against an invoice approved by the Company.

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to resolve on the issuance of shares or transfer of the Company's shares and the issuance of special rights entitled to shares as referred to in Chapter 10, Section 1 of the Finnish Companies Act, subject to the following conditions:

- Shares and special rights can be issued or disposed of in one or more instalments, either in return for payment or free of charge.
- The total number of shares to be issued under the authorisation, including shares acquired on the basis of special rights, cannot exceed 4,000,000 shares, which corresponds to approximately 13 per cent of the Company's total shares on the day of the AGM.
- The Board of Directors decides on all terms and conditions related to the issuance of shares. The authorisation concerns both the issuance of new shares and the transfer of own shares.

The authorisation is valid until the end of the next AGM, but not later than 30 June 2023. The authorisation revokes previous authorisations given by the AGM to decide on a share issue, as well as the option rights and the issuance of special rights entitling to shares.

The AGM decided, in accordance with the Board of Directors' proposal, to authorise the Board of Directors to decide on the repurchase of the Company's own shares with funds belonging to the Company's free equity under the following conditions:

- Maximum number of 1,000,000 own shares may be repurchased, representing approximately 3.3% of the Company's total shares according to the situation on the date of the notice of the meeting, however, that the number of own shares held by the Company does not exceed 10% of the Company's total shares of the Company at any time. This amount includes the own shares held by the Company itself and its subsidiaries within the meaning of Chapter 15, Section 11 (1) of the Finnish Companies Act.

The Board of Directors is authorised to decide how to acquire own shares. The authorisation is valid until the closing of the next AGM, but not later than 30 June 2023.

## Financial goals

The Company has financial goals set by the Board of Directors for growth, profitability, return on equity and capital adequacy.

Oma Savings Bank's Board of Directors has approved the following financial goals:

**Growth:** 10-15% annual growth in total operating income under the current market conditions.

**Profitability:** Cost/income ratio less than 45%.

**Return on equity (ROE):** Long-term return on equity (ROE) over 10%.

**Capital adequacy:** Common Equity Tier 1 (CET1) capital ratio at least 14%.

## Financial reporting in 2022

The Company will publish financial information in 2022 as follows:

1 August 2022 Interim Report January-June 2022

31 October 2022 Interim Report January-September 2022

## Outlook for the 2022 accounting period (unchanged)

The Company's business volumes will continue strong growth in FY2022. The Company's profitable growth is supported by efforts in recent years to improve the customer experience and the availability of customer service through new digital service channels and opening of new units.

Oma Savings Bank Plc provides earnings guidance on comparable profit before taxes for 2022. A verbal description is used to make a comparison with the comparative period. Earnings guidance is based on the forecast for the entire year, which takes into account the current market and business situation. Forecasts are based on the management's insight into the Group's business development.

**The Company estimates that profitable growth will continue to be strong. The Group's 2022 comparable profit before taxes will increase compared to the previous financial year.**

# Capital adequacy

The total capital (TC) ratio of Oma Savings Bank Group decreased 6,3% and was 14.7 (15.6)% at the end of the period. The Common Equity Tier 1 capital (CET1) ratio was 14.6 (15.5)% exceeding the minimum level for the financial goals approved by the Board of Directors (14%). Risk-weighted assets grew 1.2% to EUR 2,427.8 (2,398.1) million. Risk-weighted assets grew most significantly due to the strong growth in the loan portfolio for private and corporate customers. Oma Savings Bank Group applies in the capital requirement calculation for credit risk calculation the standardised approach and for operational risk the basic indicator approach. The basic method is applied when calculating the capital requirement for market risk for the foreign exchange position.

At the end of the review period, the capital structure of the Group remained strong and consisted mostly of Common Equity Tier 1 capital (CET1). The Group's own funds (TC) of EUR 355.9 (375.2) million exceeded by EUR 64.4 million the total capital requirement for own funds EUR 291.4 (287.9) million. Own funds were most significantly increased by retained earnings for the financial year 2022, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA). Decrease in fair value reserve EUR 28.6 million significantly reduced own funds. The binding minimum leverage ratio requirement of 3% entered into force on 28 June 2021 as part of the update of the Solvency Regulation. The Group's leverage ratio was 6.2 (6.7)% at the end of the period.

The main items in the capital adequacy calculation (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
Common Equity Tier 1 capital before regulatory adjustments	364,670	383,167	338,424
Regulatory adjustments on Common Equity Tier 1	-11,297	-11,244	-13,195
<b>Common Equity Tier 1 (CET1) capital, total</b>	<b>353,374</b>	<b>371,923</b>	<b>325,229</b>
Additional Tier 1 capital before regulatory adjustments	-	-	-
Regulatory adjustments on additional Tier 1 capital	-	-	-
<b>Additional Tier 1 (AT1) capital, total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Tier 1 capital (T1 = CET1 + AT1), total</b>	<b>353,374</b>	<b>371,923</b>	<b>325,229</b>
Tier 2 capital before regulatory adjustments	2,522	3,261	5,520
Regulatory adjustments on Tier 2 capital	-	-	-
<b>Tier 2 (T2) capital, total</b>	<b>2,522</b>	<b>3,261</b>	<b>5,520</b>
<b>Total capital (TC = T1 + T2), total</b>	<b>355,896</b>	<b>375,184</b>	<b>330,749</b>
<b>Risk-weighted assets</b>			
Credit and counterparty risk, standardised approach	2,211,993	2,179,689	1,978,632
Credit valuation adjustment risk (CVA)	6,484	8,513	2,764
Market risk (foreign exchange risk)	8,011	8,668	8,270
Operational risk, basic indicator approach	201,272	201,272	172,536
<b>Risk-weighted assets, total</b>	<b>2,427,760</b>	<b>2,398,141</b>	<b>2,162,202</b>
Common Equity Tier 1 (CET1) capital ratio, %	14.56%	15.51%	15.04%
Tier 1 (T1) capital ratio, %	14.56%	15.51%	15.04%
Total capital (TC) ratio, %	14.66%	15.64%	15.30%
Leverage ratio (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
Tier 1 capital	353,374	371,923	325,229
Total amount of exposures	5,664,657	5,527,533	4,560,548
<b>Leverage ratio</b>	<b>6.24%</b>	<b>6.73%</b>	<b>7.13%</b>

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements are among others the capital conservation buffer set by the Credit Institution Act (2.5%), the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement, and the systematic risk buffer.

The SREP requirement set by the Finnish Financial Supervisory Authority (FIN-FSA) for Oma Savings Bank Plc, based on the authority's assessment, 1.5%, is valid until further notice, however not later than 30 June 2023. The amendment to the Credit Institutions Act, which entered into force during the second quarter 2021, will enable the SREP claim to be partially covered by Tier 1 capital and Tier 2 capital in addition to Common Equity. FIN-FSA decides on the countercyclical buffer requirement quarterly and a countercyclical buffer requirement has thus far not been imposed on Finnish credit institutions. The FIN-FSA will introduce a renewed risk meter to guide

the setting of a variable additional capital requirement in the third quarter of 2022. As the corona pandemic significantly weakened global economic cyclical outlook and operating conditions of the financial sector, FIN-FSA decided on the removal of the systemic risk buffer requirement for all credit institutions on 6 April 2020. The systemic risk buffer is reviewed at least every two years.

The Financial Stability Authority has issued a decision to Oma Savings Bank Plc on the Minimum Requirement for Own Funds and Eligible Liabilities requirement (MREL) within the meaning of Chapter 8, Section 7 of the Resolution Act (1194/2014) on 6 April 2022. The requirement under the decision consists of an overall risk-based requirement (9.5%) and a requirement based on the total amount of liabilities used to calculate the leverage ratio (3%). MREL requirements must be fully met as of 30 June 2022. On 31 March 2022, Oma Savings Bank Plc meets the set requirement with own funds.

### Group's total capital requirement

31 Mar 2022

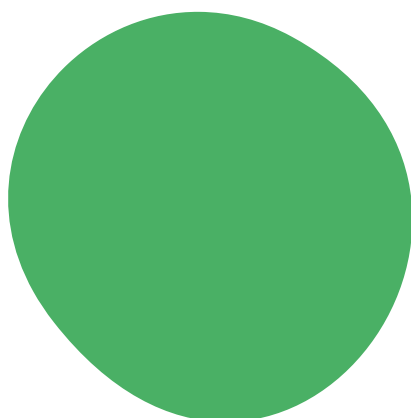
(1,000 euros)

### Buffer requirements

Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement*	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement	
CET1	4.50%	0.84%	2.50%	0.00%	0.00%	0.00%	7.84%	190,452
AT1	1.50%	0.29%					1.79%	43,336
T2	2.00%	0.38%					2.38%	57,659
<b>Total</b>	<b>8.00%</b>	<b>1.50%</b>	<b>2.50%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>12.00%</b>	<b>291,447</b>

\* AT1 and T2 capital requirements are possible to fill with CET1 capital

\*\*Taking into account the geographical distribution of the Group's exposures



The Group publishes information on capital adequacy and risk management compliant with Pillar III in its Capital and Risk Management Report. The document will be released as a separate report in connection with the Annual Report and it provides a more detailed description of Oma Savings Bank Group's capital adequacy and risk position. The substantial information in accordance with Pillar II will be published as a separate report alongside the Half-Year Financial Report.

# Tables and notes to the Interim Report

## Consolidated condensed income statement

Note	(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
	Interest income	24,055	19,255	84,908
	Interest expenses	-969	-1,255	-4,778
<b>9</b>	<b>Net interest income</b>	<b>23,086</b>	<b>17,999</b>	<b>80,130</b>
	Fee and commission income	11,825	9,099	39,438
	Fee and commission expenses	-1,574	-1,197	-5,752
<b>10</b>	<b>Fee and commission income and expenses, net</b>	<b>10,251</b>	<b>7,902</b>	<b>33,686</b>
<b>11</b>	Net income on financial assets and financial liabilities	-1,786	1,628	5,203
	Negative goodwill	-	-	7,535
	Other operating income	2,992	1,612	30,012
	<b>Total operating income</b>	<b>34,543</b>	<b>29,142</b>	<b>156,565</b>
	Personnel expenses	-6,122	-4,476	-20,631
	Other operating expenses	-10,836	-8,745	-34,396
	Depreciation, amortisations and impairment losses on tangible and intangible assets	-1,945	-1,191	-10,267
	<b>Total operating expenses</b>	<b>-18,903</b>	<b>-14,412</b>	<b>-65,294</b>
<b>12</b>	Impairment losses on financial assets, net	2,498	-2,791	-7,294
	Share of profit of equity accounted entities	89	-268	-706
	<b>Profit before taxes</b>	<b>18,227</b>	<b>11,672</b>	<b>83,271</b>
	Income taxes	-3,409	-2,431	-17,019
	<b>Profit for the accounting period</b>	<b>14,818</b>	<b>9,241</b>	<b>66,252</b>
	<b>Of which:</b>			
	Shareholders of Oma Savings Bank Plc	14,831	9,367	66,158
	Non-controlling interest	-14	-126	95
	<b>Total</b>	<b>14,818</b>	<b>9,241</b>	<b>66,252</b>
	<b>Earnings per share (EPS), EUR</b>	<b>0.49</b>	<b>0.32</b>	<b>2.22</b>
	<b>Earnings per share (EPS) after dilution, EUR</b>	<b>0.49</b>	<b>0.32</b>	<b>2.20</b>

## Profit before taxes excluding items affecting comparability

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Profit before taxes</b>	<b>18,227</b>	<b>11,672</b>	<b>83,271</b>
<b>Operating income:</b>			
Net income on financial assets and liabilities	1,786	-1,628	-5,203
Impact of contract termination regarding core banking project	-	-	-26,936
Negative goodwill	-	-	-7,535
<b>Operating expenses</b>			
Impact of contract termination regarding core banking project, impairment losses	-	-	4,629
Costs relating to business combinations	-	-	4,416
Real estate sales and impairment losses	-	-	500
<b>Comparable profit before taxes</b>	<b>20,013</b>	<b>10,043</b>	<b>53,142</b>
Income taxes in income statement	-3,409	-2,431	-17,019
Change of deferred taxes	-357	326	6,026
<b>Comparable profit/loss for the accounting period</b>	<b>16,247</b>	<b>7,938</b>	<b>42,149</b>

## Consolidated statement of comprehensive income

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Profit for the accounting period</b>	<b>14,818</b>	<b>9,241</b>	<b>66,252</b>
<b>Other comprehensive income before taxes</b>			
<b>Items that will not be reclassified through profit or loss</b>			
Gains and losses on remeasurements from defined benefit pension plans	-	-218	-359
<b>Items that may later be reclassified through profit or loss</b>			
Measured at fair value	-35,399	-6,520	-14,153
Transferred to Income Statement as a reclassification change	-382	-1	8
<b>Other comprehensive income before taxes</b>	<b>-35,781</b>	<b>-6,740</b>	<b>-14,504</b>
<b>Income taxes</b>			
<b>For items that will not be reclassified to profit or loss</b>			
Gains and losses on remeasurements from defined benefit pension plans	-	44	72
<b>Items that may later be reclassified to profit or loss</b>			
Measured at fair value	7,156	1,304	2,829
<b>Income taxes</b>	<b>7,156</b>	<b>1,348</b>	<b>2,901</b>
<b>Other comprehensive income for the accounting period after taxes</b>	<b>-28,625</b>	<b>-5,392</b>	<b>-11,603</b>
<b>Comprehensive income for the accounting period</b>	<b>-13,807</b>	<b>3,849</b>	<b>54,649</b>
<b>Attributable to:</b>			
Shareholders of Oma Savings Bank Plc	-13,794	3,975	54,554
Non-controlling interest	-14	-126	95
<b>Total</b>	<b>-13,807</b>	<b>3,849</b>	<b>54,649</b>



## Consolidated condensed balance sheet

Note	Assets (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
	Cash and cash equivalents	252,925	198,046	136,283
4	Loans and advances to credit institutions	81,609	86,371	80,804
4	Loans and advances to the public and public sector entities	4,478,360	4,325,950	3,588,543
5	Financial derivatives	899	2,240	1,405
6	Investment assets	610,358	645,275	543,881
	Equity accounted entities	22,974	22,884	23,519
	Intangible assets	10,076	10,025	12,045
	Tangible assets	29,011	27,887	28,882
	Other assets	18,140	46,880	39,024
	Deferred tax assets	13,018	7,077	4,921
	Current income tax assets	642	-	-
	<b>Assets, total</b>	<b>5,518,011</b>	<b>5,372,633</b>	<b>4,459,307</b>

Note	Liabilities (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
7	Liabilities to credit institutions	215,344	212,685	224,100
7	Liabilities to the public and public sector entities	3,018,791	2,897,865	2,414,584
8	Debt securities issued to the public	1,800,163	1,762,324	1,368,453
	Subordinated liabilities	15,500	15,500	15,500
	Provisions and other liabilities	64,726	42,512	53,611
	Deferred tax liabilities	32,370	31,122	27,943
	Current income tax liabilities	-	9,331	1,257
	<b>Liabilities, total</b>	<b>5,146,893</b>	<b>4,971,339</b>	<b>4,105,448</b>

Equity	31 Mar 2022	31 Dec 2021	31 Mar 2021
Share capital	24,000	24,000	24,000
Reserves	116,208	144,833	143,131
Retained earnings	230,402	231,939	186,427
<b>Shareholders of Oma Savings Bank Plc</b>	<b>370,610</b>	<b>400,772</b>	<b>353,558</b>
Shareholders of Oma Savings Bank Plc	370,610	400,772	353,558
Non-controlling interest	508	522	301
<b>Equity, total</b>	<b>371,118</b>	<b>401,294</b>	<b>353,859</b>

<b>Liabilities and equity, total</b>	<b>5,518,011</b>	<b>5,372,633</b>	<b>4,459,307</b>
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Group's off-balance sheet commitments (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
<b>Off-balance sheet commitments</b>			
Guarantees and pledges	33,016	30,818	27,089
Other commitments given to a third party	204	212	142
<b>Commitments given to a third party on behalf of a customer</b>	<b>33,220</b>	<b>31,030</b>	<b>27,231</b>

Undrawn credit facilities	340,854	377,826	320,151
<b>Irrevocable commitments given in favour of a customer</b>	<b>340,854</b>	<b>377,826</b>	<b>320,151</b>

<b>Group's off-balance sheet commitments, total</b>	<b>374,074</b>	<b>408,855</b>	<b>347,382</b>
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## Consolidated statement of changes in equity

(1,000 euros)

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
<b>31 Mar 2022</b>								
<b>Equity, 1 January 2022</b>	<b>24,000</b>	<b>-492</b>	<b>145,324</b>	<b>144,833</b>	<b>231,939</b>	<b>400,772</b>	<b>522</b>	<b>401,294</b>
<b>Comprehensive income</b>								
Profit for the accounting period	-	-	-	-	14,831	14,831	-14	14,818
Other comprehensive income	-	-28,625	-	-28,625	-	-28,625	-	-28,625
<b>Comprehensive income, total</b>	<b>-</b>	<b>-28,625</b>	<b>-</b>	<b>-28,625</b>	<b>14,831</b>	<b>-13,794</b>	<b>-14</b>	<b>-13,807</b>
<b>Transactions with owners</b>								
Emission of new shares	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-367	-367	-	-367
Distribution of dividends	-	-	-	-	-15,016	-15,016	-	-15,016
Share-based incentive scheme	-	-	-	-	-986	-986	-	-986
Other changes	-	-	-	-	-	-	-	-
<b>Transactions with owners, total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-16,369</b>	<b>-16,369</b>	<b>-</b>	<b>-16,369</b>
<b>Equity total, 31 March 2022</b>	<b>24,000</b>	<b>-29,117</b>	<b>145,324</b>	<b>116,208</b>	<b>230,402</b>	<b>370,610</b>	<b>508</b>	<b>371,118</b>

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
<b>31 Dec 2021</b>								
<b>Equity, 1 January 2021</b>	<b>24,000</b>	<b>10,824</b>	<b>137,530</b>	<b>148,354</b>	<b>180,712</b>	<b>353,066</b>	<b>427</b>	<b>353,493</b>
<b>Comprehensive income</b>								
Profit for the accounting period	-	-	-	-	66,158	66,158	95	66,252
Other comprehensive income	-	-11,316	-	-11,316	-288	-11,603	-	-11,603
<b>Comprehensive income, total</b>	<b>-</b>	<b>-11,316</b>	<b>-</b>	<b>-11,316</b>	<b>65,870</b>	<b>54,554</b>	<b>95</b>	<b>54,649</b>
<b>Transactions with owners</b>								
Emission of new shares	-	-	7,800	7,800	-	7,800	-	7,800
Repurchase of own shares	-	-	-	-	-2,863	-2,863	-	-2,863
Distribution of dividends	-	-	-	-	-12,699	-12,699	-	-12,699
Share-based incentive scheme	-	-	-	-	913	913	-	913
Other changes	-	-	-6	-6	6	-	-	-
<b>Transactions with owners, total</b>	<b>-</b>	<b>-</b>	<b>7,794</b>	<b>7,794</b>	<b>-14,643</b>	<b>-6,848</b>	<b>-</b>	<b>-6,848</b>
<b>Equity total, 31 December 2021</b>	<b>24,000</b>	<b>-492</b>	<b>145,324</b>	<b>144,833</b>	<b>231,939</b>	<b>400,772</b>	<b>522</b>	<b>401,294</b>

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Non-controlling interest	Equity, total
<b>31 Mar 2021</b>								
<b>Equity, 1 January 2021</b>	<b>24,000</b>	<b>10,824</b>	<b>137,530</b>	<b>148,354</b>	<b>180,712</b>	<b>353,066</b>	<b>427</b>	<b>353,493</b>
<b>Comprehensive income</b>								
Profit for the accounting period	-	-	-	-	9,367	9,367	-126	9,241
Other comprehensive income	-	-5,217	-	-5,217	-175	-5,392	-	-5,392
<b>Comprehensive income, total</b>	<b>-</b>	<b>-5,217</b>	<b>-</b>	<b>-5,217</b>	<b>9,193</b>	<b>3,975</b>	<b>-126</b>	<b>3,849</b>
<b>Transactions with owners</b>								
Emission of new shares	-	-	-	-	-	-	-	-
Repurchase of own shares	-	-	-	-	-	-	-	-
Distribution of dividends	-	-	-	-	-3,846	-3,846	-	-3,846
Share-based incentive scheme	-	-	-	-	363	363	-	363
Other changes	-	-	-	-	-	-	-	1
<b>Transactions with owners, total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-3,483</b>	<b>-3,483</b>	<b>-</b>	<b>-3,483</b>
<b>Equity total, 30 March 2021</b>	<b>24,000</b>	<b>5,607</b>	<b>137,530</b>	<b>143,137</b>	<b>186,421</b>	<b>353,558</b>	<b>301</b>	<b>353,859</b>

## Consolidated condensed cash flow statement

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Cash flow from operating activities</b>			
Profit/loss for the accounting period	14,818	9,241	66,252
Changes in fair value	1	-	-9
Share of profit of equity accounted entities	-89	268	706
Depreciation and impairment losses on investment properties	10	13	46
Depreciation, amortisation and impairment losses on tangible and intangible assets	1,945	1,191	10,267
Gains and losses on sales of tangible and intangible assets	-276	-75	54
Impairment and expected credit losses	-2,498	2,791	7,294
Negative goodwill	-	-	-7,535
Income taxes	3,409	2,431	17,019
Other adjustments	2,636	1,529	2,031
Adjustments to the profit/loss of the accounting period	5,137	8,146	29,872
<b>Cash flow from operations before changes in receivables and liabilities</b>	<b>19,955</b>	<b>17,387</b>	<b>96,124</b>
<b>Increase (-) or decrease (+) in operating assets</b>			
Debt securities	-2,283	-18,219	-120,976
Loans and advances to credit institutions	-205	-1,269	-5,288
Loans and advances to customers	-152,760	-158,957	-631,749
Derivatives in hedge accounting	-	-102	138
Investment assets	-	612	1,903
Other assets	28,879	-13,783	-2,413
<b>Total</b>	<b>-126,369</b>	<b>-191,718</b>	<b>-758,384</b>
<b>Increase (+) or decrease (-) in operating liabilities</b>			
Liabilities to credit institutions	2,659	590	-91,094
Deposits	122,305	37,317	298,605
Provisions and other liabilities	6,016	17,095	-7,721
<b>Total</b>	<b>130,979</b>	<b>55,002</b>	<b>199,790</b>
<b>Paid income taxes</b>	<b>-10,919</b>	<b>-4,680</b>	<b>-7,301</b>
<b>Total cash flow from operating activities</b>	<b>13,646</b>	<b>-124,009</b>	<b>-469,770</b>
<b>Cash flow from investments</b>			
Investments in tangible and intangible assets	-842	-1,199	-5,976
Proceeds from sales of tangible and intangible assets	400	75	5,797
<b>Total cash flow from investments</b>	<b>-442</b>	<b>-1,124</b>	<b>-180</b>
<b>Cash flows from financing activities</b>			
Repurchase of own shares	-367	-	-2,863
Debt securities issued to the public	37,681	8,984	384,937
Acquisition or sale of business	-	-	43,305
Payments of lease liabilities	-605	-480	-1,943
Dividends paid	-	-3,846	-12,699
<b>Total cash flows from financing activities</b>	<b>36,709</b>	<b>4,658</b>	<b>410,738</b>
<b>Net change in cash and cash equivalents</b>	<b>49,913</b>	<b>-120,476</b>	<b>-59,212</b>
<b>Cash and cash equivalents at the beginning of the accounting period</b>	<b>253,782</b>	<b>312,994</b>	<b>312,994</b>
<b>Cash and cash equivalents at the end of the accounting period</b>	<b>303,695</b>	<b>192,518</b>	<b>253,782</b>
<b>Cash and cash equivalents are formed by the following items</b>			
Cash and cash equivalents	252,925	136,283	198,046
Receivables from credit institutions repayable on demand	50,770	56,235	55,736
<b>Total</b>	<b>303,695</b>	<b>192,518</b>	<b>253,782</b>
<b>Received interest</b>	<b>25,883</b>	<b>20,859</b>	<b>84,177</b>
<b>Paid interest</b>	<b>-1,326</b>	<b>-738</b>	<b>-4,146</b>
<b>Dividends received</b>	<b>28</b>	<b>37</b>	<b>300</b>

## Consolidated condensed income statement, quarterly trend

Note	(1 000 euros)	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1
	Interest income	24,055	23,201	21,876	20,577	19,255
	Interest expenses	-969	-1,328	-1,287	-907	-1,255
<b>9</b>	<b>Interest income, net</b>	<b>23,086</b>	<b>21,873</b>	<b>20,588</b>	<b>19,669</b>	<b>17,999</b>
	Fee and commission income	11,825	10,730	9,586	10,023	9,099
	Fee and commission expenses	-1,574	-1,636	-1,479	-1,440	-1,197
<b>10</b>	<b>Fee and commission income and expenses, net</b>	<b>10,251</b>	<b>9,094</b>	<b>8,107</b>	<b>8,583</b>	<b>7,902</b>
<b>11</b>	<b>Net income on financial assets and financial liabilities</b>	<b>-1,786</b>	<b>735</b>	<b>1,498</b>	<b>1,341</b>	<b>1,628</b>
	Negative goodwill	-	7,535	-	-	-
	Other operating income	2,992	215	149	28,035	1,612
	<b>Operating income, total</b>	<b>34,543</b>	<b>39,452</b>	<b>30,343</b>	<b>57,628</b>	<b>29,142</b>
	Personnel expenses	-6,122	-6,532	-4,359	-5,264	-4,476
	Other operating expenses	-10,836	-11,110	-7,263	-7,279	-8,745
	Depreciation, amortisations and impairment losses on tangible and intangible assets	-1,945	-1,876	-1,320	-5,880	-1,191
	<b>Operating expenses, total</b>	<b>-18,903</b>	<b>-19,518</b>	<b>-12,942</b>	<b>-18,422</b>	<b>-14,412</b>
<b>12</b>	<b>Impairment losses on financial assets, net</b>	<b>2,498</b>	<b>-1,632</b>	<b>-2,058</b>	<b>-813</b>	<b>-2,791</b>
	Share of profit from joint ventures and associated companies	89	-334	5	-109	-268
	<b>Profit before taxes</b>	<b>18,227</b>	<b>17,967</b>	<b>15,348</b>	<b>38,284</b>	<b>11,672</b>
	Income taxes	-3,409	-3,723	-3,109	-7,756	-2,431
	<b>Profit for the accounting period</b>	<b>14,818</b>	<b>14,244</b>	<b>12,239</b>	<b>30,528</b>	<b>9,241</b>
<b>Of which:</b>						
	Shareholders of Oma Savings Bank Plc	14,831	14,258	12,133	30,399	9,367
	Non-controlling interest	-14	-14	106	130	-126
	<b>Total</b>	<b>14,818</b>	<b>14,244</b>	<b>12,239</b>	<b>30,528</b>	<b>9,241</b>
	<b>Earnings per share (EPS), EUR</b>	<b>0.49</b>	<b>0.48</b>	<b>0.41</b>	<b>1.03</b>	<b>0.32</b>
	<b>Earnings per share (EPS) after dilution, EUR</b>	<b>0.49</b>	<b>0.47</b>	<b>0.41</b>	<b>1.02</b>	<b>0.32</b>
<b>Profit before taxes excluding items affecting comparability:</b>						
	<b>Profit before taxes</b>	<b>18,227</b>	<b>17,967</b>	<b>15,348</b>	<b>38,284</b>	<b>11,672</b>
<b>Operating income:</b>						
	Net income on financial assets and liabilities	1,786	-735	-1,498	-1,341	-1,628
	Impact of contract termination regarding core banking project	-	-	-	-26,936	-
	Negative goodwill	-	-7,535	-	-	-
<b>Operating expenses</b>						
	Costs relating to business combinations	-	4,251	165	-	-
	Impact of contract termination regarding core banking project	-	-	-	4,629	-
	Sales and impairment losses of commercial premises in own use	-	500	-	-	-
	<b>Comparable profit before taxes</b>	<b>20,013</b>	<b>14,448</b>	<b>14,015</b>	<b>14,636</b>	<b>10,043</b>
	Income taxes in income statement	-3,409	-3,723	-3,109	-7,756	-2,431
	Change of deferred taxes	-357	704	267	4,730	326
	<b>Comparable profit/loss for the accounting period</b>	<b>16,247</b>	<b>11,428</b>	<b>11,173</b>	<b>11,610</b>	<b>7,938</b>

## Note 1 Accounting principles for the Interim Report

### 1. About the accounting principles

The Group's parent Company is Oma Savings Bank Plc, whose domicile is in Seinäjoki and head office is in Lappeenranta, Valtakatu 32, 53100 Lappeenranta. Copies of the financial statements and interim reports are available on the Bank's website [www.omasp.fi](http://www.omasp.fi).

Oma Savings Bank Group is formed as follows:

#### Subsidiaries

- Real estate company Lappeenrannan Säästökeskus holding 100%
- SAV-Rahoitus Oyj holding 50.7%

#### Associated companies

- GT Invest Oy holding 48.7%
- City Kauppapaikat Oy holding 42.1%

#### Joint ventures and joint operations

- Figure Taloushallinto Oy holding 25%
- Deleway Projects Oy holding 49%
- Housing company Seinäjoen Oma Savings Bank house holding 25.5%

The Interim Report is drawn up in accordance with the IAS 34 *Interim Financial Reporting* standard. The accounting principles for the Interim Report are the same as for the 2021 Financial Statements.

The figures of Interim Report are presented in thousands of euros unless otherwise specified. The figures in the notes are rounded off, so the combined sum of single figures may deviate from the grand total presented in a table or a calculation. The accounting and functional currency of the Group and its companies is the euro.

The Board of Directors has approved the Interim Report 1 January - 31 March 2022 in its meeting on 2 May 2022.

### 2. Changes to the accounting principles

No standard changes took effect at the beginning of the financial year which would have had impact on the Group's financial statements. Nor are future new standards or changes in standards published by IASB expected to have a material impact on the consolidated financial statements.

The calculation rules for expected credit losses used by the Company (according to IFRS9) are described in the accounting principles for financial statements 2021, section 4.5.3 "Expected credit losses - model inputs". The Company filed an IRB application with the Financial Supervisory Authority during the period. As part of the IRB application, the Company has updated the credit risk models of ECL-calculations to reflect the application's internal credit risk models. The model change changed the number of scenarios and introduced a macroeconomic model based on GDP change, real estate prices, employment and inflation.

### 3. Accounting principles and uncertainties related to estimates requiring management's judgement

The preparation of this Financial Statements Release in accordance with IFRS has required certain estimates and assumptions from the Group's management that affects the number of items presented in the interim report and the information provided in the notes. The management's key estimates concern the future and key uncertainties about the reporting date. They relate to, among other things, fair value assessment, impairment of financial assets, loans and other assets, investment assets and tangible and intangible assets. Although the estimates are based on the management's current best view, it is possible that the realisations differ from the estimates used in the Interim Report.

The uncertainties contained in the accounting principles that require management's judgement and those contained in the estimates are described in the 2021

Financial Statements. Uncertainty in the operating environment caused by the Russian invasion war and corona pandemic may bring changes to management's judgement estimates presented in the Financial Statements relative to the current financial statements. The application of the impairment losses on financial assets model under IFRS 9 requires the management to make estimates and assumptions about whether the credit risk associated with the financial instrument has increased significantly since the initial recognition and requires forward-looking information to be taken into account in the recognition of on-demand credit losses. The Company has updated calculation models during the first quarter. The Company's management has estimated that the calculation models and scenarios corresponding to the IRB application better reflect the Company's credit risk for residential and consumer loans to private customers and off-balance sheet items. The Company's management has assessed the effects of the Russian invasion war and the ongoing corona pandemic on an industry-by-industry basis and made a group-specific additional loss allowance to the corporate loan portfolio as well as for households. Further details of the impact of the Russian invasion war and the corona pandemic on the Company's risk position are provided in Note 2.

In business consolidation, the determination of fair values requires consideration from the Company's management regarding the recognition and valuation at fair value of the consideration given and identifiable assets, liabilities and contingent liabilities. In December 2021, in connection with the acquisition of Eurajoen Savings Bank's business, the Company recognised a liability of EUR 6.5 million at fair value through profit or loss for the five-year periodic concerning the liability of Eurajoen Savings Bank as a credit institution member leaving the consortium of Savings Banks. The amount of debt to be valued in profit or loss is unchanged during the review period.

## Note 2 Impacts of the Russian invasion war and the corona pandemic on the risk position

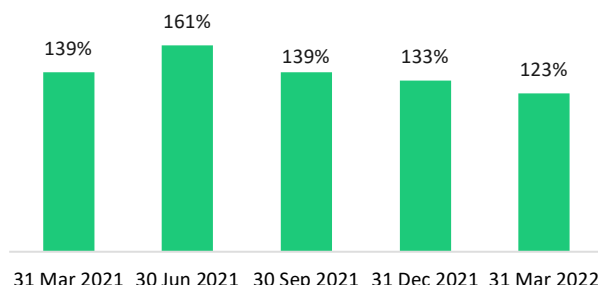
### 1. Liquidity risk

During the Russian invasion war and the corona pandemic, the Company has been monitoring changes in liquidity risk more effectively. In terms of liquidity, the Company's situation has been stable throughout and the effects of the Russian invasion war on the Company's liquidity have remained moderate. The Company's liquidity has remained strong through, among other things, covered and senior bond issuance and continued growth in the deposit stock.

The management of Oma Savings Bank's liquidity risk is based on the Company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, the planning of the liquidity reserve prepares for deteriorating economic conditions in the market and possible changes in legislation. The goal of the Company's liquidity reserve is to cover one month's outflows. Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The Company's liquidity is monitored daily by the Company's Treasury unit. The main objective of the Treasury unit is to ensure that the liquidity position always remains above the regulated and internally set threshold values. The unit monitors and measures the amount of incoming and outgoing cash flows and assesses the possible occurrence of liquidity shortfalls over the course of the day.

The Group's liquidity ratio (LCR), which describes short-term liquidity, was 123.1% on 31 March 2022. The Company's liquidity has remained strong despite the unstable market situation. In addition, the Company's deposit portfolio has continued to grow for the first quarter of 2022, maintaining a stable credit-deposit ratio. New lending has also continued to grow strongly.

LCR quarterly



### 2. Credit risk

Credit risk refers to the risk that a contracting party to a financial instrument is not to fulfil its obligations, thereby causing a financial loss to the other party. Oma Savings Bank's credit risk primarily consists of exposures secured by immovable property, retail exposures and corporate loans. The goal of credit risk management is to limit the profit and loss and capital adequacy effects of risks resulting from customer exposures to an acceptable level. Credit risk management and procedures have been described in Note G2 of the 2021 Financial Statements.

#### 2.1 Loan reliefs granted by the Company

Neither the Russian invasion war nor the corona pandemic has affected the growth of grace periods during the beginning of 2022, and there have been no short-term peaks in demand for them. Almost all of the grace periods granted in 2020 have already expired as customers continue to service loans under normal shortening plans. At the end of the reporting period, the total grace periods of the loans from the entire loan stock amounted to EUR 316.3 million. All grace periods in force at the end of the reporting period, regardless of the reason or start date, have been included in the capital.

## 2.2 Allowances based on the management's judgement

The Company's loan portfolio has grown strongly during the financial period. The quality of the loan portfolio has remained at a good level despite the corona pandemic, but the situation requires active monitoring due to the continuation of the pandemic and the Russian invasion war.

The Company has intensified its monitoring of the credit risk situation and its development based on credit risk management methods since the beginning of the corona pandemic. As a result of the Russian invasion war, the need for intensified monitoring has further increased, as a result of which the Company has analyzed the largest responsible customers. The analysis identified only a limited number of customers for whom credit risk has increased.

The Company made during 2020 and 2021 additional loss allowances based on management's judgement, totalling EUR 5.9 million, which predicted growth in credit risk in specific sectors. At the end of the first quarter, EUR 3.9 million remained which were expected to increase credit risk in certain sectors. The sectors were selected based on both their significance and the estimated size of the pandemic's impact. The quality of the Company's loan portfolio has remained at a good level throughout the pandemic, and therefore, based on management's estimates, allowances for the corona rate have been released by EUR 2.0 million.

Due to the uncertainty brought to the financial markets and operating environment by the Russian invasion war, the Company has decided to make an additional allowance of EUR 2.0 million based on management's judgement. The sectors have been selected according to both their importance and the estimated magnitude of the impact of the war. The allowances anticipate the effects of the prolongation of the corona pandemic and the effects of the Russian invasion war on Oma Savings Bank's loan portfolio and seeks to cover potential credit losses to the extent that the expected credit loss calculation model does not recognise them. The Company continues monitoring the situation monthly.

## 2.3 Distribution by risk class

The Company classifies its customers into risk classes based on information available on the counterparty. External credit rating data or an internal assessment is used for credit rating. Monitoring is continuous and can lead to a transfer from one risk class to another.

In lending, risk concentration may occur, for example, when the loan portfolio includes large amounts of loans and other liabilities:

- to a single counterparty
- to groups that are made up of individual counterparties or entities tied to them
- to specific sectors
- against specific collateral
- whose maturity is the same or
- whose product/instrument is the same.



## Distribution of financial assets by risk rating and credit risk concentrations

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA-AA level private customers, AAA-AA + level corporate, housing association and agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of A-B level private customers, AA-A + level corporate and housing associations and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of C-level private customers and A-level corporate and housing associations, as well as B-C-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, B-D-level corporate and housing associations, D-level agricultural customers and insolvent customers.

Other customers are based on the Company's internal assessment of the risk rating.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

### Households

Loans and receivables and off-balance sheet commitments	31 Mar 2022	31 Dec 2021
Risk rating 1	1,454,886	1,173,015
Risk rating 2	906,928	1,108,238
Risk rating 3	334,190	380,596
Risk rating 4	178,286	173,926
No rating	31,645	34,153
<b>Capital items by risk category, total</b>	<b>2,905,935</b>	<b>2,869,927</b>
Loss allowance	13,918	12,279
<b>Total</b>	<b>2,892,017</b>	<b>2,857,648</b>

### Corporates

Loans and receivables and off-balance sheet commitments	31 Mar 2022	31 Dec 2021
Risk rating 1	438,685	390,795
Risk rating 2	478,208	428,432
Risk rating 3	92,377	104,111
Risk rating 4	74,415	68,249
<b>Capital items by risk category, total</b>	<b>1,083,685</b>	<b>991,588</b>
Loss allowance	10,201	15,514
<b>Total</b>	<b>1,073,484</b>	<b>976,073</b>

### Housing association

Loans and receivables and off-balance sheet commitments	31 Mar 2022	31 Dec 2021
Risk rating 1	337,877	286,724
Risk rating 2	77,654	151,619
Risk rating 3	38,901	18,643
Risk rating 4	4,831	2,786
<b>Capital items by risk category, total</b>	<b>459,264</b>	<b>459,771</b>
Loss allowance	171	106
<b>Total</b>	<b>459,093</b>	<b>459,665</b>

## Agriculture, forestry, fishing industry

Loans and receivables and off-balance sheet commitments	31 Mar 2022	31 Dec 2021
Risk rating 1	63,783	40,372
Risk rating 2	137,583	136,276
Risk rating 3	60,791	85,082
Risk rating 4	24,781	22,894
No rating	374	75
<b>Capital items by risk category, total</b>	<b>287,313</b>	<b>284,699</b>
Loss allowance	825	1,390
<b>Total</b>	<b>286,487</b>	<b>283,310</b>

## Others

Loans and receivables and off-balance sheet commitments	31 Mar 2022	31 Dec 2021
Risk rating 1	51,599	40,829
Risk rating 2	44,950	63,716
Risk rating 3	8,007	449
Risk rating 4	30	3,697
No rating	-	44
<b>Capital items by risk category, total</b>	<b>104,586</b>	<b>108,735</b>
Loss allowance	115	236
<b>Total</b>	<b>104,471</b>	<b>108,499</b>

Debt securities	31 Mar 2022	31 Dec 2021
Risk rating 1	461,657	489,539
Risk rating 2	14,187	15,129
No rating	108,257	112,842
<b>Capital items by risk category, total</b>	<b>584,101</b>	<b>617,511</b>
Loss allowance	723	1,158
<b>Total</b>	<b>583,378</b>	<b>616,353</b>

Loans and receivables and off-balance sheet commitments by industry	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating	31 Mar 2022	31 Dec 2021
Enterprises	780,166	583,441	129,297	79,685	339	1,572,929	1,477,514
Real estate	482,572	274,440	62,565	37,607	-	857,184	855,433
Agriculture	4,284	37,672	1,712	2,528	339	46,534	43,417
Construction	46,711	58,532	8,524	4,551	-	118,318	95,983
Accommodation and food service activities	22,961	38,679	6,205	4,922	-	72,767	67,263
Wholesale and retail	33,608	56,665	19,960	6,584	-	116,816	99,639
Finance and insurance	43,367	12,830	1,451	870	-	58,518	37,288
Others	146,664	104,624	28,880	22,622	-	302,790	278,492
General government	567	2,852	-	-	-	3,419	4,280
Non-profit communities	922	18,564	618	-	-	20,104	19,764
Financial and insurance institutions	45,307	23,512	7,389	30	-	76,238	84,061
Households	1,519,868	1,016,953	396,963	202,628	31,680	3,168,093	3,129,101
<b>Total</b>	<b>2,346,831</b>	<b>1,645,322</b>	<b>534,268</b>	<b>282,343</b>	<b>32,019</b>	<b>4,840,782</b>	<b>4,714,720</b>

### 3. Measures to mitigate the risks caused by Russian invasion war and the corona pandemic

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The Company's customer service has operated uninterrupted throughout the corona pandemic, and this has ensured necessary banking services to customers. The company has continuously monitored the development of the corona virus situation and personnel has been notified concerning health-related matters, in accordance with the guidelines of the Finnish government and the authorities. Internal operating models have been adapted to the situation.

With regard to credit risk, preventive measures have included the above-mentioned grace periods granted to customers, increased monitoring of problem customers and loans in arrears, careful assessment of collateral values and monitoring. Due to the increased risk due to the Russian invasion war and sanctions, the company has performed a loan portfolio analysis. The review has identified only a limited number of customers who may be experiencing loan management difficulties. Additionally, when granting new loans, the applicant's repayment capacity and the value of collateral are monitored bearing in mind the above-mentioned crises and the financial uncertainty they cause.

In particular, the risk of cyber threats is increased: a denial-of-service attack can disrupt or paralyze information systems. Cyber threats and other risks have been identified in cooperation with service providers to ensure that the bank is well prepared in the event of a possible disruption. The Company has updated its own preparedness measures and operating guidelines by assessing various threat scenarios and their probabilities and impacts.

## Note 3 Classification of financial assets and liabilities

### Assets (1,000 euros)

31 Mar 2022	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	252,925	-	-	-	252,925	252,925
Loans and advances to credit institutions	81,609	-	-	-	81,609	81,609
Loans and advances to customers	4,478,360	-	-	-	4,478,360	4,478,360
Derivatives, hedge accounting	-	-	-	899	899	899
Debt instruments	-	583,378	907	-	584,285	584,285
Equity instruments	-	-	24,370	-	24,370	24,370
<b>Financial assets, total</b>	<b>4,812,894</b>	<b>583,378</b>	<b>25,277</b>	<b>899</b>	<b>5,422,448</b>	<b>5,422,448</b>
Investments in associated companies					22,974	22,974
Investment properties					1,703	1,784
Other assets					70,887	70,887
<b>Assets, total</b>	<b>4,812,894</b>	<b>583,378</b>	<b>25,277</b>	<b>899</b>	<b>5,518,011</b>	<b>5,518,092</b>

### Liabilities (1,000 euros)

31 Mar 2022	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	215,344	-	215,344	215,344
Liabilities to customers	3,018,791	-	3,018,791	3,018,791
Debt securities issued to the public	1,800,163	-	1,800,163	1,800,163
Subordinated liabilities	15,500	-	15,500	15,500
<b>Financial liabilities, total</b>	<b>5,049,798</b>	<b>-</b>	<b>5,049,798</b>	<b>5,049,798</b>
Non-financial liabilities			97,095	97,095
<b>Liabilities, total</b>	<b>5,049,798</b>	<b>-</b>	<b>5,146,893</b>	<b>5,146,893</b>

### Assets (1,000 euros)

31 Dec 2021	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	198,046	-	-	-	198,046	198,046
Loans and advances to credit institutions	86,371	-	-	-	86,371	86,371
Loans and advances to customers	4,325,950	-	-	-	4,325,950	4,325,950
Derivatives, hedge accounting	-	-	-	2,240	2,240	2,240
Debt instruments	-	616,353	995	-	617,349	617,349
Equity instruments	-	-	26,212	-	26,212	26,212
<b>Financial assets, total</b>	<b>4,610,366</b>	<b>616,353</b>	<b>27,208</b>	<b>2,240</b>	<b>5,256,167</b>	<b>5,256,167</b>
Investments in associated companies					22,884	22,884
Investment properties					1,713	1,787
Other assets					91,868	91,868
<b>Assets, total</b>	<b>4,610,366</b>	<b>616,353</b>	<b>27,208</b>	<b>2,240</b>	<b>5,372,633</b>	<b>5,372,707</b>

### Liabilities (1,000 euros)

31 Dec 2021	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	212,685	-	212,685	212,685
Liabilities to customers	2,897,865	-	2,897,865	2,897,865
Debt securities issued to the public	1,762,324	-	1,762,324	1,762,324
Subordinated liabilities	15,500	-	15,500	15,500
<b>Financial liabilities, total</b>	<b>4,888,374</b>	<b>-</b>	<b>4,888,374</b>	<b>4,888,374</b>
Non-financial liabilities			82,965	82,965
<b>Liabilities, total</b>	<b>4,888,374</b>	<b>-</b>	<b>4,971,339</b>	<b>4,971,339</b>

Assets (1,000 euros)						
31 Mar 2021	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	136,283	-	-	-	136,283	136,283
Loans and advances to credit institutions	80,804	-	-	-	80,804	80,804
Loans and advances to customers	3,588,543	-	-	-	3,588,543	3,588,543
Derivatives, hedge accounting	-	-	-	1,405	1,405	1,405
Debt instruments	-	513,163	129	-	513,292	513,292
Equity instruments	-	-	23,331	-	23,331	23,331
<b>Financial assets, total</b>	<b>3,805,630</b>	<b>513,163</b>	<b>23,461</b>	<b>1,405</b>	<b>4,343,659</b>	<b>4,343,659</b>
Investments in associated companies					23,519	23,519
Investment properties					7,257	7,304
Other assets					84,871	84,871
<b>Assets, total</b>	<b>3,805,630</b>	<b>513,163</b>	<b>23,461</b>	<b>1,405</b>	<b>4,459,307</b>	<b>4,459,353</b>

Liabilities (1,000 euros)				
31 Mar 2021	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	224,100	-	224,100	224,100
Liabilities to customers	2,414,584	-	2,414,584	2,414,584
Debt securities issued to the public	1,368,453	-	1,368,453	1,368,453
Subordinated liabilities	15,500	-	15,500	15,500
<b>Financial liabilities, total</b>	<b>4,022,637</b>	<b>-</b>	<b>4,022,637</b>	<b>4,022,637</b>
Non-financial liabilities			82,811	82,811
<b>Liabilities, total</b>	<b>4,022,637</b>	<b>-</b>	<b>4,105,448</b>	<b>4,105,448</b>

## Note 4 Loans and other receivables

(1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
<b>Loans and advances to credit institutions</b>			
Deposits	50,770	55,736	56,235
Other	30,839	30,634	24,568
<b>Loans and advances to credit institutions, total</b>	<b>81,609</b>	<b>86,371</b>	<b>80,804</b>
<b>Loans and advances to the public and public sector entities</b>			
Loans	4,366,806	4,218,377	3,485,359
Utilised overdraft facilities	74,384	70,504	75,290
Loans intermediated through the State's assets	45	48	66
Credit cards	36,726	36,813	27,689
Bank guarantee receivables	399	209	139
<b>Loans and advances to the public and public sector entities, total</b>	<b>4,478,360</b>	<b>4,325,950</b>	<b>3,588,543</b>
<b>Loans and advances, total</b>	<b>4,559,970</b>	<b>4,412,321</b>	<b>3,669,347</b>

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12  
 Impairment losses on financial assets.

## Note 5 Financial derivatives

Assets (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
<b>Fair value hedge</b>			
Interest rate derivatives	440	662	-
<b>Other hedging derivatives</b>			
Share and share index derivatives	459	1,578	1,405
<b>Derivative assets, total</b>	<b>899</b>	<b>2,240</b>	<b>1,405</b>
<b>Liabilities (1,000 euros)</b>	<b>31 Mar 2022</b>	<b>31 Dec 2021</b>	<b>31 Mar 2021</b>
<b>Fair value hedge</b>			
Interest rate derivatives	-	-	-
Share and share index derivatives	-	-	-
<b>Derivative liabilities, total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in the value of hedged object / Fair value hedge</b>	<b>-456</b>	<b>-688</b>	<b>-</b>
<b>Change in the value of hedged object / Other hedging derivatives</b>	<b>-20</b>	<b>-1,166</b>	<b>-777</b>

### Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Mar 2022	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
<b>Fair value hedge</b>	<b>5,000</b>	<b>5,000</b>	<b>-</b>	<b>10,000</b>	<b>440</b>	<b>-</b>
Interest rate swaps	5,000	5,000	-	10,000	454	-
Cva and Dva adjustments	-	-	-	-	-14	-
<b>Other hedging derivatives</b>	<b>32,906</b>	<b>27,490</b>	<b>-</b>	<b>60,396</b>	<b>459</b>	<b>-</b>
Share and share index derivatives	32,906	27,490	-	60,396	481	-
Cva and Dva adjustments	-	-	-	-	-22	-
<b>Derivatives, total</b>	<b>37,906</b>	<b>32,490</b>	<b>-</b>	<b>70,396</b>	<b>899</b>	<b>-</b>

### Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Dec 2021	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
<b>Fair value hedge</b>	<b>5,000</b>	<b>10,000</b>	<b>-</b>	<b>15,000</b>	<b>662</b>	<b>-</b>
Interest rate swaps	5,000	10,000	-	15,000	686	-
Cva and Dva adjustments	-	-	-	-	-24	-
<b>Other hedging derivatives</b>	<b>16,516</b>	<b>43,880</b>	<b>-</b>	<b>60,396</b>	<b>1,578</b>	<b>-</b>
Share and share index derivatives	16,516	43,880	-	60,396	1,628	-
Cva and Dva adjustments	-	-	-	-	-50	-
<b>Derivatives, total</b>	<b>21,516</b>	<b>53,880</b>	<b>-</b>	<b>75,396</b>	<b>2,240</b>	<b>-</b>

### Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Mar 2021	Remaining maturity			Fair values		
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
<b>Fair value hedge</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Interest rate swaps	-	-	-	-	-	-
Cva and Dva adjustments	-	-	-	-	-	-
<b>Other hedging derivatives</b>	<b>32,948</b>	<b>60,826</b>	<b>-</b>	<b>93,775</b>	<b>1,405</b>	<b>-</b>
Share and share index derivatives	32,948	60,826	-	93,775	1,479	-
Cva and Dva adjustments	-	-	-	-	-73	-
<b>Derivatives, total</b>	<b>32,948</b>	<b>60,826</b>	<b>-</b>	<b>93,775</b>	<b>1,405</b>	<b>-</b>

## Note 6 Investment assets

Investment assets (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
<b>Measured at fair value through profit or loss</b>			
Debt securities	907	995	129
Shares and other equity instruments	24,370	26,212	23,331
<b>Assets measured at fair value through profit or loss, total</b>	<b>25,277</b>	<b>27,208</b>	<b>23,461</b>
<b>Measured at fair value through other comprehensive income</b>			
Debt securities	583,378	616,353	513,163
Shares and other equity instruments	-	-	-
<b>Measured at fair value through other comprehensive income, total</b>	<b>583,378</b>	<b>616,353</b>	<b>513,163</b>
<b>Investment properties</b>	<b>1,703</b>	<b>1,713</b>	<b>7,257</b>
<b>Investment assets, total</b>	<b>610,358</b>	<b>645,275</b>	<b>543,881</b>

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12 Impairment losses on financial assets.

Changes in investment properties (1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
<b>Cost January 1</b>	<b>4,544</b>	<b>10,491</b>	<b>10,491</b>
+ Increases	-	5,390	-
- Decreases	-	-11,342	-
+/- Transfers	-	5	-
<b>Cost at the end of the period</b>	<b>4,544</b>	<b>4,544</b>	<b>10,491</b>
<b>Accumulated depreciation and impairment losses</b>	<b>-2,830</b>	<b>-3,221</b>	<b>-3,221</b>
+/- Accumulated depreciation of decreases and transfers	-	410	-
- Depreciation	-10	-21	-13
+/- Impairment loss and their return	-	25	-
<b>Accumulated depreciation and impairment at the end of the period</b>	<b>-2,841</b>	<b>-2,830</b>	<b>-3,233</b>
<b>Opening balance</b>	<b>1,713</b>	<b>7,270</b>	<b>7,270</b>
<b>Closing balance</b>	<b>1,703</b>	<b>1,713</b>	<b>7,257</b>



31 Mar 2022	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	160,326	-	-	160,326	160,326
From others	-	14,983	-	14,983	422,845	150	-	422,995	437,978
Non-quoted									
From others	-	9,387	-	9,387	206	757	-	963	10,350
<b>Total</b>	-	<b>24,370</b>	-	<b>24,370</b>	<b>583,378</b>	<b>907</b>	-	<b>584,285</b>	<b>608,655</b>
31 Dec 2021	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	171,122	-	-	171,122	171,122
From others	-	16,948	-	16,948	445,023	185	-	445,208	462,157
Non-quoted									
From others	-	9,264	-	9,264	208	638	-	846	10,110
<b>Total</b>	-	<b>26,212</b>	-	<b>26,212</b>	<b>616,353</b>	<b>823</b>	-	<b>617,176</b>	<b>643,389</b>
31 Mar 2021	Equity instruments				Debt-based				
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	All total
Quoted									
Public sector entities	-	-	-	-	173,066	-	-	173,066	173,066
From others	-	15,166	-	15,166	339,886	-	-	339,886	355,051
Non-quoted									
From others	-	8,166	-	8,166	211	129	-	340	8,506
<b>Total</b>	-	<b>23,331</b>	-	<b>23,331</b>	<b>513,163</b>	<b>129</b>	-	<b>513,292</b>	<b>536,624</b>

## Note 7 Liabilities to the public and public sector entities and liabilities to credit institutions

(1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
Liabilities to credit institutions			
Liabilities to Central Banks	150,000	150,000	150,000
Repayable on demand	13,441	10,784	12,057
Other than repayable on demand	51,902	51,901	62,043
<b>Liabilities to credit institutions, total</b>	<b>215,344</b>	<b>212,685</b>	<b>224,100</b>
Liabilities to the public and public sector entities			
Deposits	3,018,302	2,897,144	2,414,528
Repayable on demand	2,874,659	2,770,980	2,250,079
Other	143,643	126,164	164,449
Other financial liabilities	33	33	56
Other than repayable on demand	33	33	56
Changes in fair value in terms of borrowing	456	688	-
<b>Liabilities to the public and public sector entities, total</b>	<b>3,018,791</b>	<b>2,897,865</b>	<b>2,414,584</b>
<b>Liabilities to the public and public sector entities and liabilities to credit institutions, total</b>	<b>3,234,135</b>	<b>3,110,550</b>	<b>2,638,684</b>

The liabilities to Central Banks item is a TLTRO secured credit withdrawn on June 2020. The loan matures 30 June 2023 but repayment of it is possible as of 29 September 2021. The determination of the interest rate is influenced by the average of the European Central Bank's deposit rate over the course of the loan, as well as the increase in the OmaSp's credit portfolio approved for monitoring. The interest rate on the loan will be reviewed after the loan matures. The TLTRO loan has been treated as a debt under IFRS 9 standard. During the second quarter of 2021, the Company assessed the interest rate of the loan on a prudent basis, raising the interest rate. During the reporting period the assessment of interest rate remain unchanged.

## Note 8 Debt securities issued to the public

(1,000 euros)	31 Mar 2022	31 Dec 2021	31 Mar 2021
Bonds	1,557,538	1,557,380	1,206,672
Certificates of deposit	242,625	204,944	161,781
<b>Debt securities issued to the public, total</b>	<b>1,800,163</b>	<b>1,762,324</b>	<b>1,368,453</b>

					Closing balance		
Maturity of bonds	Nominal value	Interest	Year of issue	Due date	31 Mar 2022	31 Dec 2021	31 Mar 2021
OmaSp Plc 12.12.2022, covered bond	350,000	0,125 %/fixed	2017-2018	12/12/2022	349,645	349,520	349,140
OmaSp Plc 3.4.2024, covered bond	300,000	0,125 %/fixed	2019	4/3/2024	299,328	299,245	298,994
OmaSp Plc 6.4.2023, covered bond	250,000	0,125 %/fixed	2020	4/6/2023	249,549	249,440	249,107
OmaSp Plc 17.1.2024	55,000	margin 1 %/variable	2020	17.1.2024	54,998	54,997	54,996
OmaSp Plc 25.11.2027, covered bond	400,000	0,01 %/fixed	2020-2021	11/25/2027	404,512	404,710	254,435
OmaSp Plc 19.5.2025	200,000	margin 0,2 %/variable	2021	5/19/2025	199,506	199,468	-
					<b>1,557,538</b>	<b>1,557,380</b>	<b>1,206,672</b>

Maturity of deposit certificates	Less than 3 months	3-6 months	6-9 months	9-12 months	Closing balance, total
<b>31 Mar 2022</b>	125,992	59,970	40,676	15,986	<b>242,625</b>
<b>31 Dec 2021</b>	64,996	80,982	28,992	29,974	<b>204,944</b>
<b>31 Mar 2021</b>	63,333	47,492	40,970	9,987	<b>161,781</b>

## Note 9 Net interest income

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Interest income</b>			
Loans and advances to the public and public sector entities	21,764	17,480	76,981
Debt securities	749	640	2,812
Derivatives	895	736	3,039
Other interest income	647	399	2,076
<b>Interest income, total</b>	<b>24,055</b>	<b>19,255</b>	<b>84,908</b>
<b>Interest expenses</b>			
Liabilities to credit institutions	-160	-219	-761
Liabilities to the public and public sector entities	-98	-134	-692
Debt securities issued to the public	-629	-569	-2,750
Subordinated liabilities	-46	-47	-189
Other interest expenses	-35	-286	-387
<b>Interest expenses, total</b>	<b>-969</b>	<b>-1,255</b>	<b>-4,778</b>
<b>Net interest income</b>	<b>23,086</b>	<b>17,999</b>	<b>80,130</b>

## Note 10 Fee and commission income and expenses

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Fee and commission income</b>			
Lending	3,489	2,831	11,969
Deposits	23	18	67
Card and payment transactions	5,767	4,347	18,986
Intermediated securities	62	54	193
Funds	1,200	879	3,930
Legal services	108	108	499
Brokered products	556	377	1,725
Granting of guarantees	397	303	1,301
Other fee and commission income	223	181	768
<b>Fee and commission income, total</b>	<b>11,825</b>	<b>9,099</b>	<b>39,438</b>
<b>Fee and commission expenses</b>			
Card and payment transactions	-1,277	-929	-4,663
Securities	-12	-15	-84
Other fee and commission expenses	-285	-253	-1,004
<b>Fee and commission expenses, total</b>	<b>-1,574</b>	<b>-1,197</b>	<b>-5,752</b>
<b>Fee and commission income and expenses, net</b>	<b>10,251</b>	<b>7,902</b>	<b>33,686</b>

## Note 11 Net income on financial assets and financial liabilities

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
<b>Net income on financial assets measured at fair value through profit or loss</b>			
Debt securities			
Capital gains and losses	-	-45	-43
Valuation gains and losses	-88	3	66
<b>Debt securities, total</b>	<b>-88</b>	<b>-42</b>	<b>23</b>
Shares and other equity instruments			
Dividend income	175	37	300
Capital gains and losses	-	188	226
Valuation gains and losses	-1,883	1,207	4,331
<b>Shares and other equity instruments, total</b>	<b>-1,708</b>	<b>1,433</b>	<b>4,856</b>
<b>Net income on financial assets measured at fair value through profit or loss, total</b>	<b>-1,796</b>	<b>1,391</b>	<b>4,879</b>
<b>Net income on financial assets measured at fair value through other comprehensive income</b>			
Debt securities			
Capital gains and losses	-473	6	29
Difference in valuation reclassified from the fair value reserve to the income statement	382	1	-8
<b>Debt securities, total</b>	<b>-91</b>	<b>8</b>	<b>21</b>
<b>Net income on financial assets measured at fair value through other comprehensive income, total</b>	<b>-91</b>	<b>8</b>	<b>21</b>
<b>Net income from investment properties (1,000 euros)</b>			
Rent and dividend income	53	123	280
Capital gains and losses	-	75	-15
Other gains from investment properties	2	2	8
Maintenance expenses	-21	-25	-96
Depreciation and impairment on investment properties	-10	-13	-46
Rent expenses on investment properties	-	-	-9
<b>Net income from investment properties, total</b>	<b>23</b>	<b>162</b>	<b>123</b>
<b>Net gains on trading in foreign currencies</b>	<b>41</b>	<b>84</b>	<b>160</b>
<b>Net gains from hedge accounting</b>	<b>-1</b>	<b>-</b>	<b>8</b>
<b>Net income from trading</b>	<b>38</b>	<b>-17</b>	<b>12</b>
<b>Net income on financial assets and financial liabilities, total</b>	<b>-1,786</b>	<b>1,628</b>	<b>5,203</b>

## Note 12 Impairment losses on financial assets

(1,000 euros)	1-3/2022	1-3/2021	1-12/2021
ECL from advances to customers and off-balance sheet items	4,294	-1,780	-2,254
ECL from debt instruments	434	-513	-602
<b>Expected credit losses, total</b>	<b>4,728</b>	<b>-2,293</b>	<b>-2,856</b>
<b>Final credit losses</b>			
Final credit losses	-2,363	-900	-5,476
Refunds on realised credit losses	132	403	1,038
<b>Recognised credit losses, net</b>	<b>-2,231</b>	<b>-497</b>	<b>-4,438</b>
<b>Impairment on receivables, total</b>	<b>2,498</b>	<b>-2,791</b>	<b>-7,294</b>

Reconciliations from the opening and closing balances of the expected credit losses have been formed from 1 January 2022 and 31 March 2022 on the basis of changes in euro denominated loan exposures and expected credit losses.

### Expected credit losses, loans and advances

				1-3/2022	1-3/2021	1-12/2021
Loans and advances to credit institutions and to public and general government, at amortised cost (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total	Total
<b>Expected credit losses 1 January</b>	<b>1,981</b>	<b>6,535</b>	<b>20,083</b>	<b>28,599</b>	<b>25,858</b>	<b>25,858</b>
Transfer to stage 1	47	-161	-1	-115	-388	-175
Transfer to stage 2	-99	974	-286	589	-57	-369
Transfer to stage 3	-1	-65	364	298	1,336	3,810
New debt securities	100	96	31	228	490	3,067
Matured debt securities	-6	-195	-425	-626	-1,167	-4,990
Realised credit losses	6	-80	-2,286	-2,360	-584	-3,209
Recoveries on previous realised credit losses	-12	191	79	259	17	95
Changes in credit risk	-32	-490	559	37	1,703	1,816
Changes in the ECL model parameters	-1,299	1,410	-2,099	-1,988	-	-
Changes based on management estimates	-	-	-	-	398	2,696
<b>Expected credit losses period end</b>	<b>686</b>	<b>8,216</b>	<b>16,018</b>	<b>24,920</b>	<b>27,607</b>	<b>28,599</b>

The Company's management has assessed the effects of the corona pandemic on an industry-by-industry basis. The group-specific additional loss allowance was decreased from EUR 5.9 million to EUR 3.9 million in the third quarter 2021. During the reporting period, EUR 2.0 million was released from the corona allowance. Due to the uncertainty caused by the Russia's invasion of Ukraine, an additional loss allowance of EUR 2.0 million was recorded. A total of EUR 2.0 million of the additional loss allowance has been allocated to corporate customers and EUR 1.9 million for private customers. Allowances made are targeted to stage 2. The effect of the changes in the ECL calculation model for the reporting period is approximately EUR 2.6 million.

				1-3/2022	1-3/2021	1-12/2021
Off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	Total	Total	Total
<b>Expected credit losses 1 January</b>	<b>561</b>	<b>180</b>	<b>184</b>	<b>926</b>	<b>974</b>	<b>974</b>
Transfer to stage 1	1	-15	-	-14	-	-211
Transfer to stage 2	-4	50	-	46	-	38
Transfer to stage 3	-	-1	-	-1	-	40
New debt securities	52	42	-	94	304	477
Matured debt securities	-36	-35	-	-71	-234	-464
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-3	-18	-	-22	-38	73
Changes in the ECL model parameters	-426	-38	-185	-649	-	-
Changes based on management estimates	-	-	-	-	-	-
<b>Expected credit losses period end</b>	<b>145</b>	<b>166</b>	<b>-1</b>	<b>310</b>	<b>1,005</b>	<b>926</b>

# Expected credit losses, investment assets

Debt securities, at amortised cost (1,000 euros)	Stage 1	Stage 2	Stage 3	1-3/2022	1-3/2021	1-12/2021
				Total	Total	Total
<b>Expected credit losses 1 January</b>	<b>1,138</b>	<b>19</b>	-	<b>1,158</b>	<b>493</b>	<b>493</b>
Transfer to stage 1	-	-1	-	-1	-	-118
Transfer to stage 2	-1	7	-	5	-	-1
Transfer to stage 3	-	-	-	-	-	-
New debt securities	10	-	-	10	26	225
Matured debt securities	-123	-1	-	-124	-1	-112
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-321	-3	-	-324	-78	135
Changes in the ECL model parameters	-	-	-	-	-	-
Changes based on management estimates	-	-	-	-	566	536
<b>Expected credit losses period end</b>	<b>702</b>	<b>21</b>	-	<b>723</b>	<b>1,006</b>	<b>1,158</b>

## Note 13 Fair values in accordance with the valuation method

The determination of the fair value of financial instruments is set out in Note G1 Accounting principles under “Determining the fair value” of the Financial Statements for the year 2021.

Equity securities recorded to stage 3 include shares in unlisted companies.

### Financial assets and liabilities measured at fair value

	31 Mar 2022			Total
	Level 1	Level 2	Level 3	
<b>Financial assets (1,000 euros)</b>				
<b>At fair value through profit or loss</b>				
Equity securities	14,983	2,074	7,313	24,370
Debt securities	673	-	62	735
<b>Derivatives</b>	-	899	-	899
<b>At fair value through other comprehensive income</b>				
Debt securities	583,378	-	-	583,378
<b>Financial assets, total</b>	<b>599,034</b>	<b>2,973</b>	<b>7,374</b>	<b>609,381</b>

	31 Mar 2022			Total
	Level 1	Level 2	Level 3	
<b>Other liabilities (1,000 euros)</b>				
<b>At fair value through profit or loss</b>				
Payment liability, consortium of Savings Banks	-	-	6,500	6,500
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,500</b>	<b>6,500</b>

	31 Dec 2021			Total	31 Mar 2021			Total
	Level 1	Level 2	Level 3		Level 1	Level 2	Level 3	
<b>Financial assets (1,000 euros)</b>								
<b>Measured at fair value through profit or loss</b>								
Equity securities	16,948	1,987	7,277	26,212	15,166	1,878	6,288	23,331
Debt securities	726	-	96	823	45	-	84	129
<b>Derivatives</b>	-	2,240	-	2,240	-	1,405	-	1,405
<b>Measured at fair value through other comprehensive income</b>								
Debt securities	616,353	-	-	616,353	512,952	-	211	513,163
<b>Financial assets, total</b>	<b>634,028</b>	<b>4,227</b>	<b>7,374</b>	<b>645,628</b>	<b>528,163</b>	<b>3,284</b>	<b>6,582</b>	<b>538,029</b>

	31 Dec 2021			Total	31 Mar 2021			Total
	Level 1	Level 2	Level 3		-	-	-	
<b>Other liabilities (1,000 euros)</b>								
<b>At fair value through profit or loss</b>								
Payment liability, consortium of Savings Banks	-	-	6,500	6,500	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>6,500</b>	<b>6,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Investment transactions, categorised to Level 3

	31 Mar 2022			31 Dec 2021			31 Mar 2021		
Financial assets at fair value through profit or loss (1,000 euros)	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
<b>Opening balance</b>	<b>7,277</b>	<b>96</b>	<b>7,374</b>	<b>6,772</b>	<b>84</b>	<b>6,856</b>	<b>6,772</b>	<b>84</b>	<b>6,856</b>
+ Acquisitions	-	-	-	926	12	938	-	-	-
- Sales	-	-	-	-612	-	-612	-612	-	-612
- Matured during the year	-	-	-	-	-	-	-	-	-
Realised changes in value									
+/- recognised on the income statement	-	-	-	188	-	188	188	-	188
Unrealised changes in value									
+/- recognised on the income statement	35	-35	-	2	-	2	-62	-	-62
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	<b>7,313</b>	<b>62</b>	<b>7,374</b>	<b>7,277</b>	<b>96</b>	<b>7,374</b>	<b>6,288</b>	<b>84</b>	<b>6,372</b>

	31 Mar 2022			31 Dec 2021			31 Mar 2021		
At fair value through other comprehensive income (1,000 euros)	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
<b>Opening balance</b>	-	-	-	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	-	-	-	-	-
- Sales	-	-	-	-	-50	-50	-	-47	-47
- Matured during the year	-	-	-	-	-226	-226	-	-	-
Realised changes in value									
+/- recognised on the income statement	-	-	-	-	16	16	-	4	4
Unrealised changes in value									
+/- recognised on the income statement	-	-	-	-	7	7	-	-	-
+/- Changes in value recognised in other comprehensive income	-	-	-	-	-14	-14	-	-14	-14
+ Transfers to Level 3	-	-	-	-	268	268	-	268	268
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	-	-	-	-	-	-	-	<b>211</b>	<b>211</b>

## Transactions in other liabilities, categorised to Level 3

	31 Mar 2022			31 Dec 2021			31 Mar 2021		
Other liabilities at fair value through profit or loss (1,000 euros)	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
<b>Opening balance</b>	-	<b>6,500</b>	<b>6,500</b>	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	6,500	6,500	-	-	-
- Sales	-	-	-	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-	-	-	-
Realised changes in value									
+/- recognised on the income statement	-	-	-	-	-	-	-	-	-
Unrealised changes in value									
+/- recognised on the income statement	-	-	-	-	-	-	-	-	-
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
<b>Closing balance</b>	-	<b>6,500</b>	<b>6,500</b>	-	<b>6,500</b>	<b>6,500</b>	-	-	-



## Sensitivity analysis for financial assets on Level 3

(1,000 euros)	31 Mar 2022				31 Dec 2021			31 Mar 2021		
	Potential impact on equity				Potential impact on equity			Potential impact on equity		
	Hypo- thetical change	Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
<b>Equity securities</b>										
At fair value through profit or loss	+/- 15%	7,313	1,097	-1,097	7,277	1,092	-1,092	6,288	943	-943
At fair value through other comprehensive income	+/- 15%	-	-	-	-	-	-	-	-	-
<b>Total</b>		<b>7,313</b>	<b>1,097</b>	<b>-1,097</b>	<b>7,277</b>	<b>1,092</b>	<b>-1,092</b>	<b>6,288</b>	<b>943</b>	<b>-943</b>

(1,000 euros)	31 Mar 2022				31 Dec 2021			31 Mar 2021		
	Potential impact on equity				Potential impact on equity			Potential impact on equity		
	Hypo- thetical change	Market value	Positive	Negative	Market value	Positive	Negative	Market value	Positive	Negative
<b>Debt securities</b>										
At fair value through profit or loss	+/- 15%	62	9	-9	96	14	-14	84	13	-13
At fair value through other comprehensive income	+/- 15%	-	-	-	-	-	-	211	32	-32
<b>Total</b>		<b>62</b>	<b>9</b>	<b>-9</b>	<b>96</b>	<b>14</b>	<b>-14</b>	<b>295</b>	<b>44</b>	<b>-44</b>

## Note 14 Share-based incentive schemes

As of 31 March 2022, the Company has the following existing share-based incentive programs:

### Program 2020-2021

On 17 February 2020, Oma Savings Bank's Board of Directors decided to set up a share-based incentive scheme for the Group's management. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The program includes the earning period 2020-2021 and subsequent commitment periods, during which the shares will be disposed approximately in four installments within three years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a total of up to 420,000 Oma Savings Bank Plc shares. The target group of the scheme includes a maximum of 10 key persons.

### Program 2022-2023

On 24 February 2022, Oma Savings Bank's Board of Directors decided to set up a new share-based incentive scheme for key persons of the Group. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The possible reward is based on a comparative cost-income ratio, an increase in operating income (by comparable figures), and customer and employee satisfaction. The program includes a two-year long earning period, 2022-2023 and subsequent commitment periods, during which the shares will be disposed in approximately six instalments within five years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme corresponds to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The target group of the scheme includes a maximum of 30 key persons, including the Company's CEO and members of the Group's Management Team.

	Ohjelma 2022- 2023	Ohjelma 2020- 2021	Ohjelma 2020- 2021
Share-based incentive scheme	1-3/2022	1-3/2022	1-12/2021
Maximum estimated number of gross shares at the start of the scheme	400,000	420,000	420,000
Date of issue	1/1/2022	1/1/2020	1/1/2020
Share price at issue, weighted average fair value	18.05	8.79	8.79
Earning period begins	1/1/2022	1/1/2020	1/1/2020
Earning period ends	12/31/2023	12/31/2021	12/31/2021
Persons at the close of the financial year	28	10	11

Events for the financial year (pcs)	1-3/2022	1-3/2022	1-12/2021
1/1/2022	Program 2022- 2023	Program 2020- 2021	Program 2020- 2021
Those who were out at the beginning of the period	-	-	-
<b>Changes during the period</b>			
Granted during the period	-	336,150	-
Lost during the period	-	-	-
Implemented during the period	-	159,600	-
Expired during the period	-	-	-
<b>Out at the end of the period</b>	-	<b>176,550</b>	-

## Note 15 Alternative Performance Measures (APM) and calculation of the key figures

Oma Savings Bank Plc's financial reporting presents Alternative Performance Measures (APM) that describe the Company's historical financial result, financial position or cash flows. The APMs are drawn up in line with the guidelines set by the European Securities and Markets Authority (ESMA). APMs are not key figures defined or specified in compliance with IFRS standards, solvency, regulations (CRD/CRR) or Solvency II (SII) regulations. The Company presents APMs as supplementary information to the key figures that are presented in the Group's IFRS-compliant income statement, Group balance sheets and cash flow statements.

In the Company's view, alternative key figures provide meaningful and useful information to investors, securities market analysts and others concerning Oma Savings Bank Plc's performance, financial position and cash flows.

### **Oma Savings Bank Plc uses the following Alternative Performance Measures:**

- Comparable profit before taxes
- Cost/income ratio, %
- Total return on assets, ROA %
- Return on equity, ROE %
- Equity ratio, %
- Comparable cost/income ratio, %
- Comparable return on equity, ROE %
- Comparable earnings per share (EPS), EUR

## Calculation of key figures

### Operating income, total

Net interest income, net fee and commission income and expenses, net income on financial assets and liabilities, other operating income

### Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment losses on tangible and intangible assets

### Liquidity coverage ratio (LCR), %

Minimum liquidity buffer relative to net cash and collateral outflows in a 30-day stress scenario

### Net stable funding ratio (NSFR)%

$$\frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \times 100$$

### Cost/income ratio, %

$$\frac{\text{Total operating expenses}}{\text{Total operating income + share of profit from joint ventures and associated companies (net)}} \times 100$$

### Comparable cost/income ratio, %

$$\frac{\text{Total operating expenses without items affecting comparability}}{\text{Total operating income without items affecting comparability + share of profit from joint ventures and associated companies (net)}} \times 100$$

### Comparable profit before taxes

Profit/loss before taxes without net income from financial assets and liabilities and other items effecting comparability

### Return on equity, ROE %

$$\frac{\text{Profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

### Comparable return on equity, ROE %

$$\frac{\text{Comparable profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$$

### Total return on assets, ROA %

$$\frac{\text{Profit/loss of the accounting period}}{\text{Average balance sheet total (average of the beginning and the end of the year)}} \times 100$$

### Equity ratio, %

$$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$$

### Total capital (TC), %

$$\frac{\text{Own funds total (TC)}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

### Common Equity Tier 1 (CET1) capital ratio, %

$$\frac{\text{Common Equity Tier 1 (CET1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

### Tier 1 (T1), capital ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$$

### Leverage ratio, %

$$\frac{\text{Tier 1 (T1) capital}}{\text{Exposures total}} \times 100$$

### Earnings per share (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company owners}}{\text{Average number of shares outstanding}}$$

### Earnings per share after dilution (EPS), EUR

$$\frac{\text{Profit/loss for the accounting period belonging to the parent company}}{\text{Average number of shares outstanding after dilution of share-based rewarding}}$$

### Comparable earnings per share (EPS), EUR

$$\frac{\text{Comparable profit/loss – Share of non-controlling interests}}{\text{Average number of shares outstanding}}$$

# Independent Auditor's Report on Review of Consolidated Interim Financial Report of Oma Savings Bank Plc

To the Board of Directors of Oma Savings Bank Plc

## Introduction

We have reviewed the accompanying consolidated interim report of Oma Savings Bank Plc which comprise the condensed consolidated balance sheet as at 31 March 2022, condensed consolidated income statement, statement of comprehensive income, changes in equity, and cash flows for the three months ended 31 March 2022 and notes to the condensed interim information. The Board of Directors and the CEO are responsible for the preparation and presentation of the condensed consolidated interim report in accordance with IAS 34 "Interim Financial Reporting" standard and other regulations governing the preparation of interim financial statements in Finland. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

## Scope of review

We conducted our review in accordance with International Standards on Review Engagements ISRE 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information consists of making inquiries, primarily

of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim report of Oma Savings Bank Plc as at 31 March 2022 and for the three month period ended 31 March 2022 has not been prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting standard and other regulations governing the preparation of interim financial statements in Finland.

In Helsinki, 2 May 2022

KPMG OY AB

Fredrik Westerholm  
Authorised Public Accountant, KHT



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