

Investor Conference Webinar

Results for Q1 2022

4 May 2022

Presenters

VYTAUTAS SINIUS, CEO
DONATAS SAVICKAS, CFO

Q1 2022

- Net profit for Q1 2022 reached EUR 11.5 million
- Operating profit up by 16% compared to 2021 Q1
- Growth in corporate and private client financing
- Multi-apartment buildings modernization fund was launched
- New KPIs for 2022 are set*

KEY PERFORMANCE INDICATORS

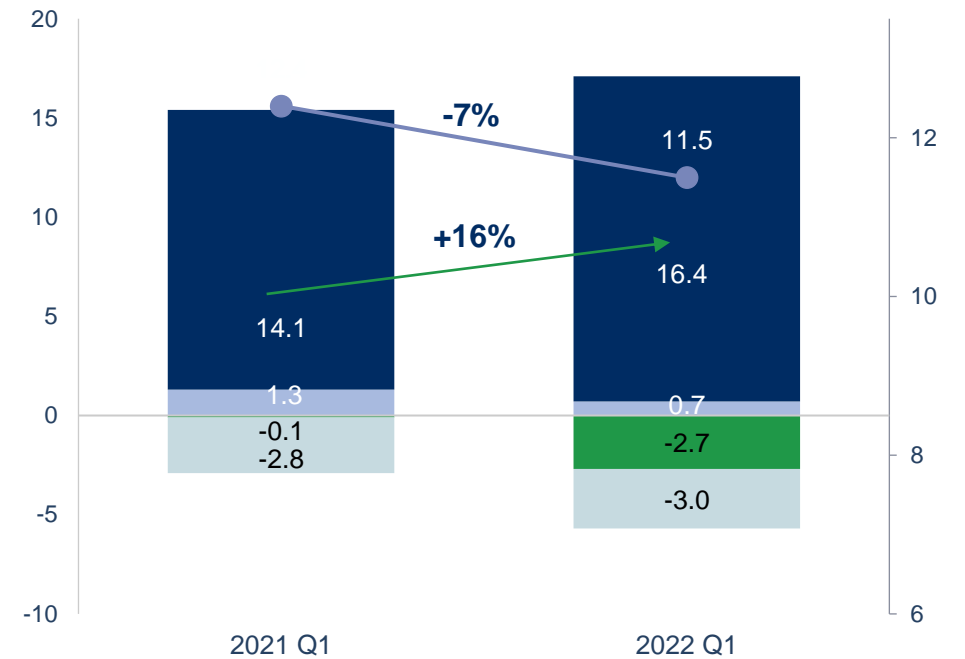
| | | Targets for 2022* | 2022 Q1 |
|---------------------------|------------------|-------------------|---------|
| Efficiency | ROE | >12.1% | 11.5% |
| | Cost / Income ** | <46.5% | 45.4% |
| Capital & Risk management | CAR *** | >17% | 20% |
| | CoR | <0.4% | 0.5% |

* - KPIs are subject to the Supervisory Council approval; in case approved, no additional information will be provided by the Bank

** - excluding the impact from the investment result of the SB draudimas assets under unit-linked contracts

*** - forecast data

NET PROFIT STRUCTURE, mEUR

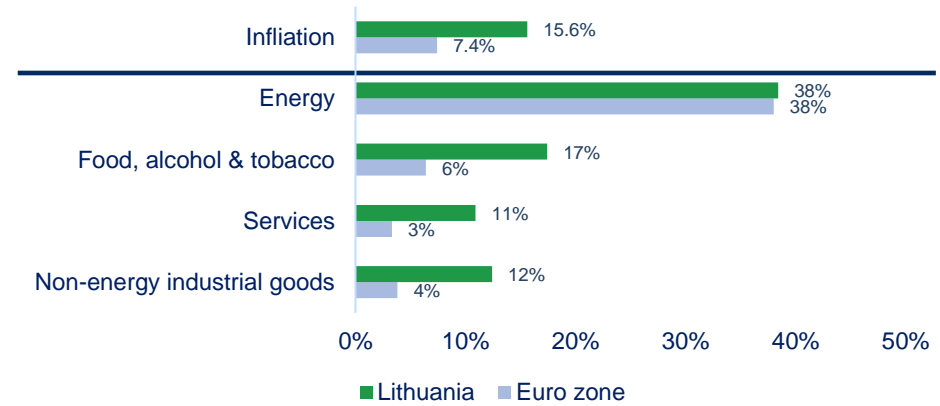


■ One-off and non-recurring items ■ Operating profit
■ Allowance for impairment losses ■ Income tax expense
● Net profit

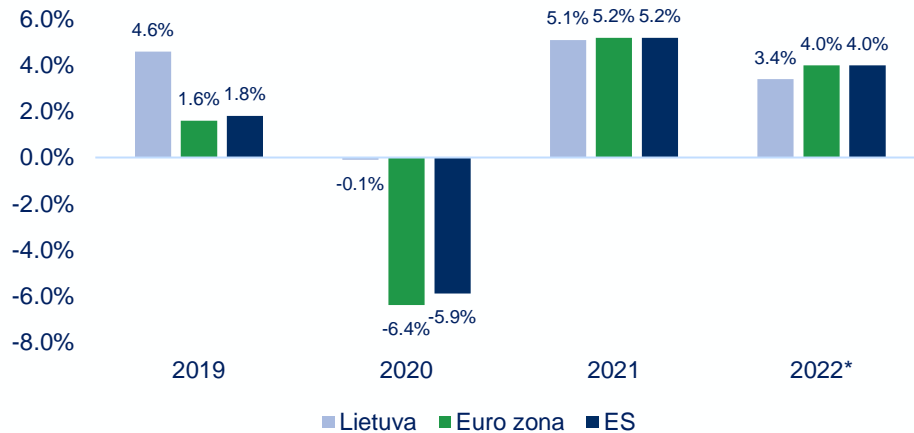
Macroeconomic situation update

- Strong economy growth continued with a rate of 4.1% in Q1
- Provisional estimate of inflation exceeded 16.5% in April, up from 15.6% in March with still soaring energy prices
- Labor costs raised at the fastest pace in EU with 15% y-y change in 2021, while unemployment rate in line with EU average of 7%
- Due to geopolitical tensions GDP forecast was reviewed downwards and inflation - upwards

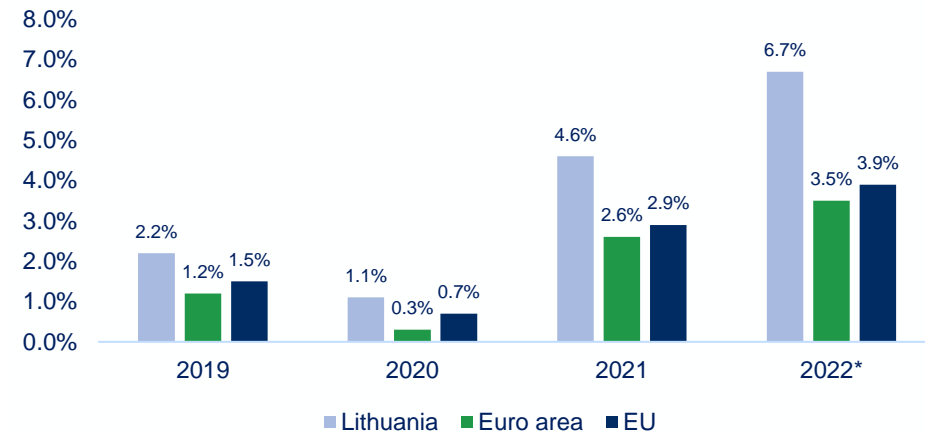
INFLATION AND ITS MAIN COMPONENTS, MAR 2022



REAL GDP CHANGE, y-y



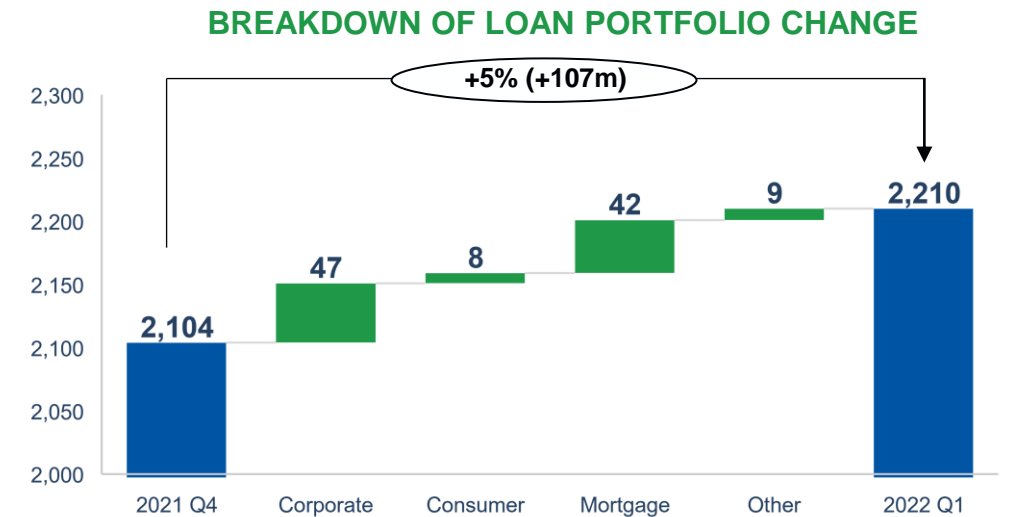
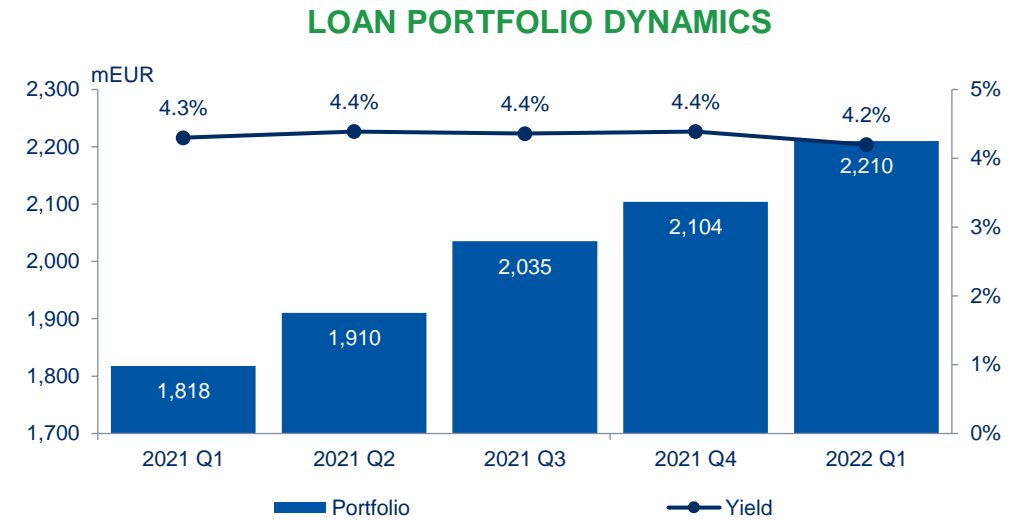
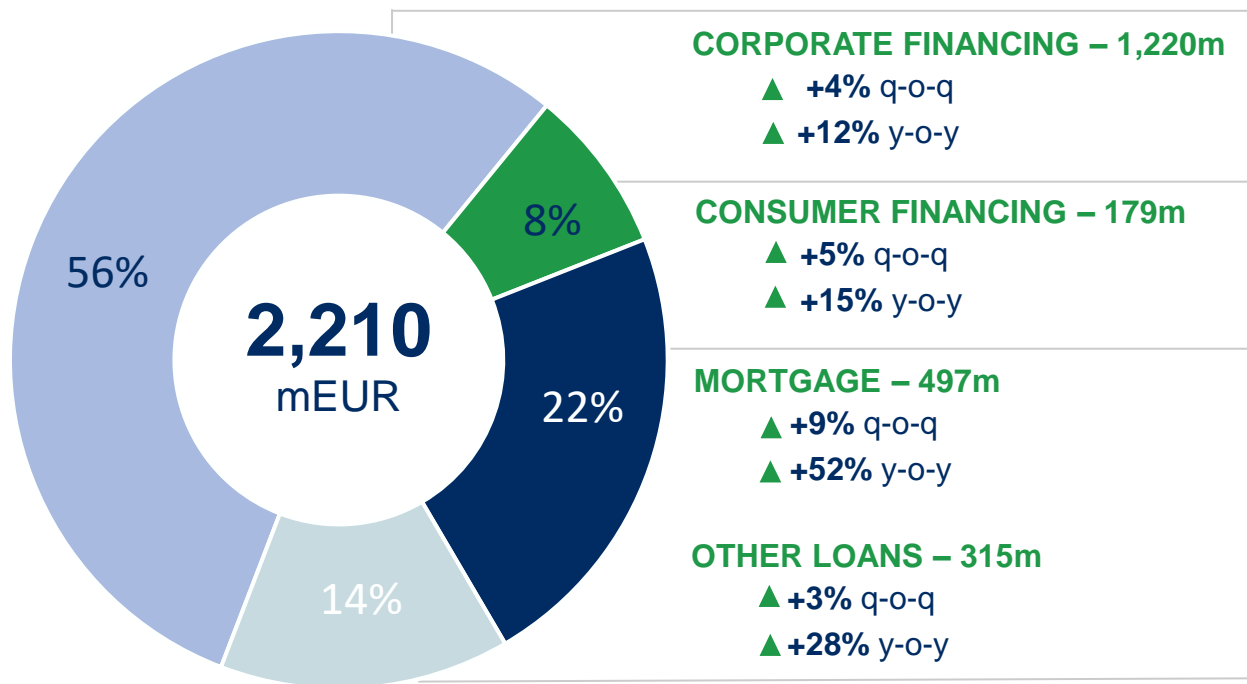
INFLATION CHANGE, y-y



* - Eurostat forecast
 Graphs sources: Eurostat

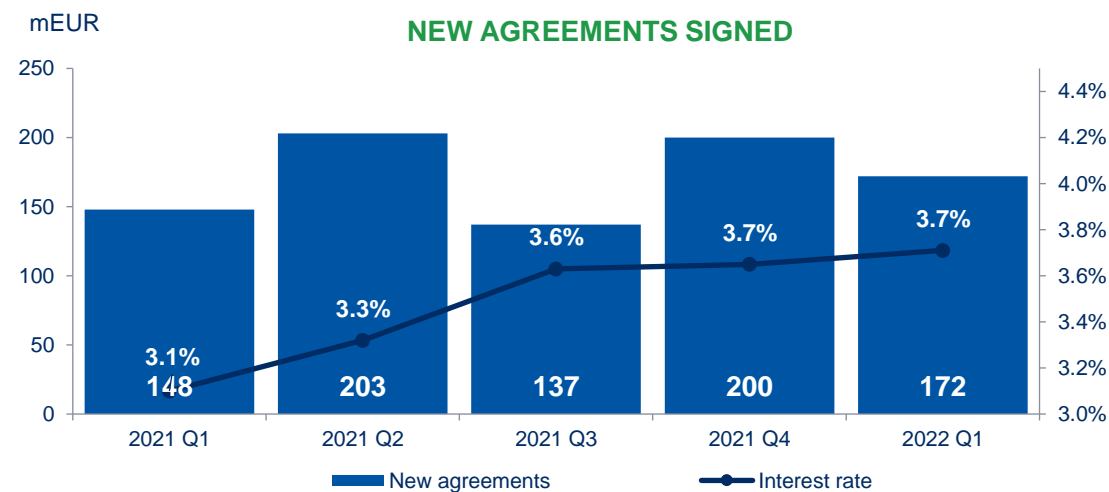
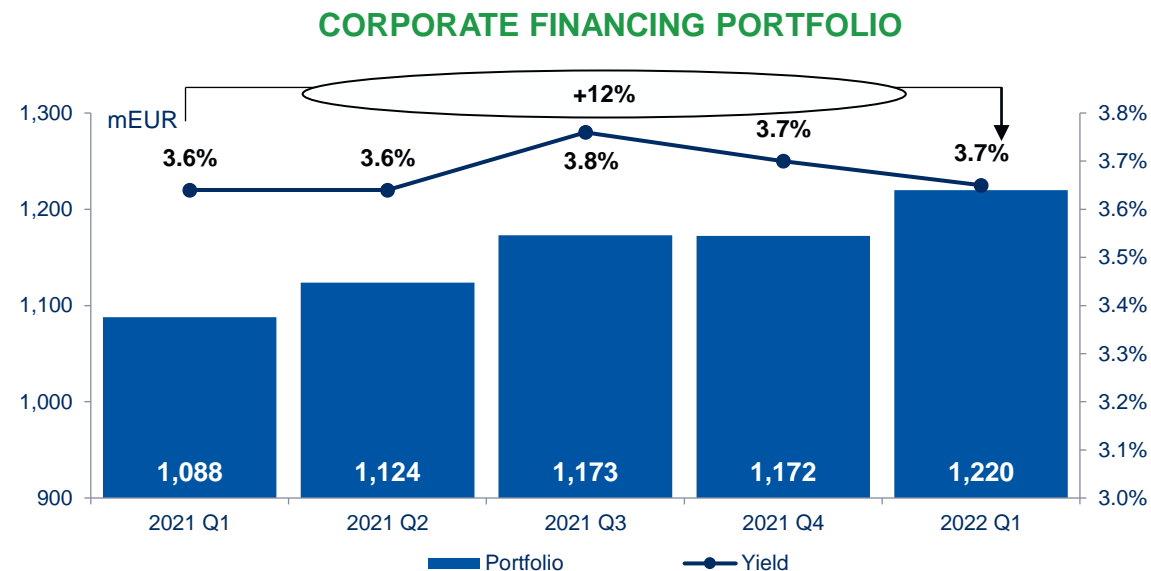
Loan portfolio dynamics

- Strong growth in both corporate and private client financing - the loan portfolio increased by 5% in Q4 and by 22% YoY
- EUR 309 million worth of new credit agreements were signed, an increase of 24% YoY
- Over the last 12M loan market increased by 15.2%, while Bank's market share increased by 0.3 p.p. to 8.8% (market data as of Q4 2021)



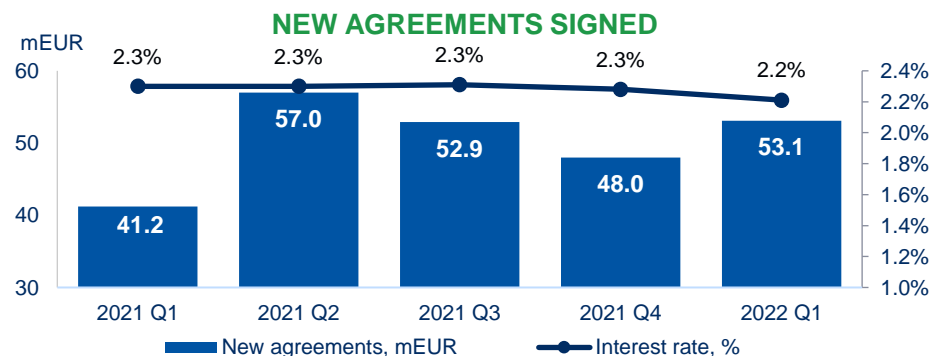
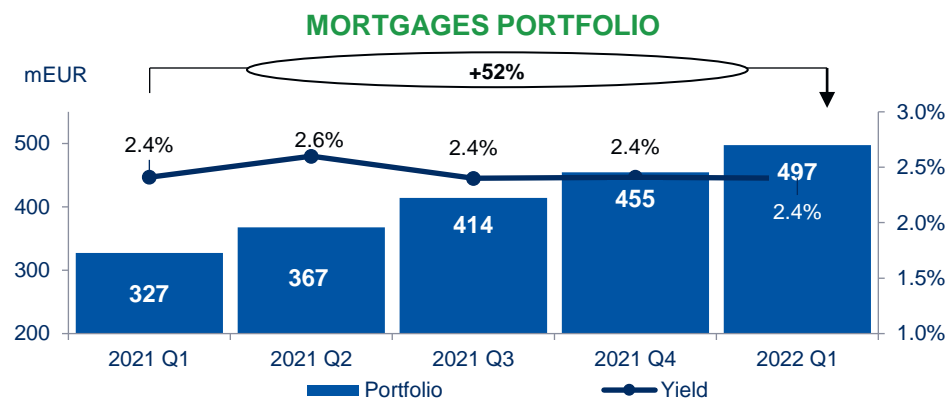
Corporate financing

- Portfolio grew by 4% in the Q1 and by 12% in the year
- The amount of new loans signed was 16% higher than in the Q1 of last year
- Loan portfolio yield is being kept at the same level for the last few years
- Clients with medium or higher historical dependence on business relations with war-affected countries account for 5% of the loan portfolio
- Banking sector corporate loan market increased by 18.4% over last 12M, while Bank's market share decreased by 0.9 p.p. to 12.7% (market data as of Q4 2021)



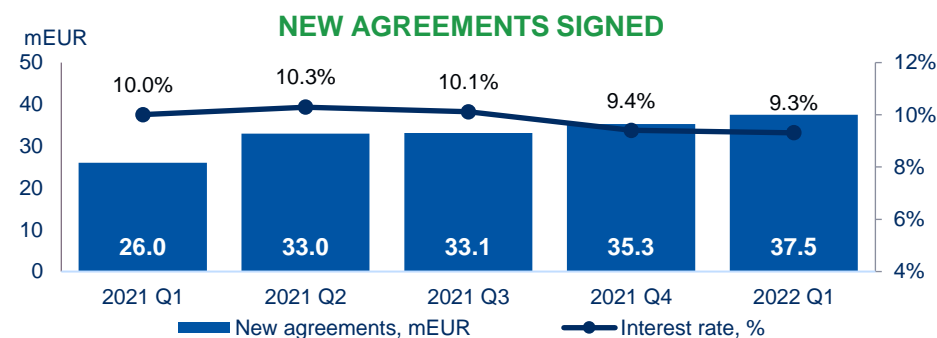
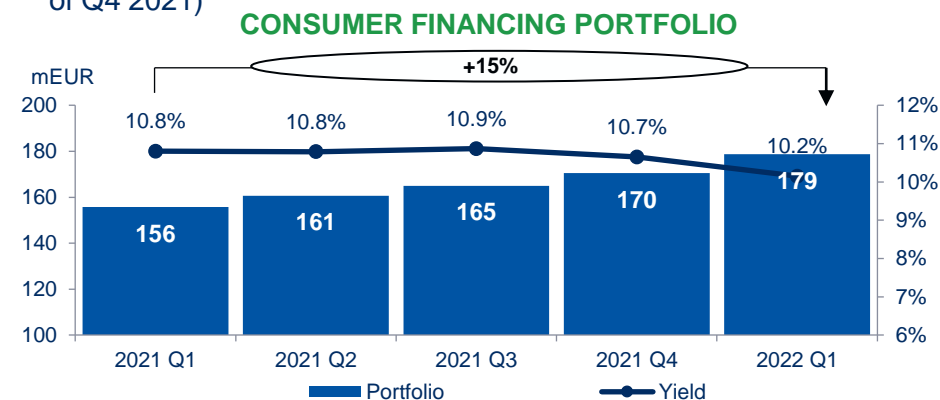
Mortgages

- All-time record of new housing loan contracts was reached in March
- EUR 53 million of new contracts signed during the whole quarter (29% more than in Q1 2021)
- Over last 12M the mortgage market increased by 11.4%, while Bank's market share increased by 1.3 p.p. to 4.6% (market data as of Q4 2021)



Consumer financing

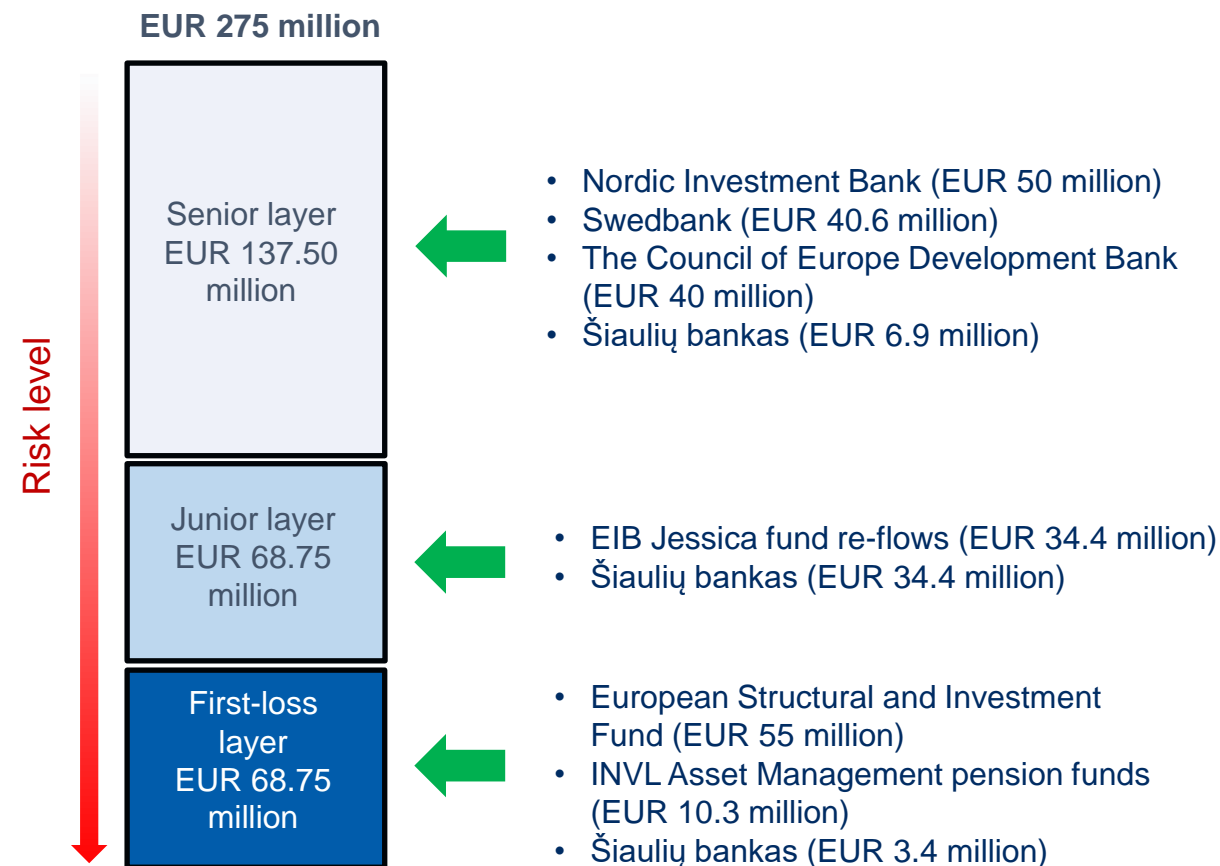
- Rising inflation encouraged clients not to postpone planned purchases, home repairs or improvements
- The amount of new loans signed was 42% higher than in the Q1 of last year and amounted to EUR 37 million
- Over last 12M the consumer credit market increased by 13.4%, while Bank's market share decreased by 0.7 p.p. to 11.2% (market data as of Q4 2021)



Modernization financing

- The amount of new loan agreements for the modernization of multi-apartment buildings was signed almost the same as a year ago - more than EUR 25 million
- The newly established EUR 275 million multi-apartment building modernization Fund was launched
- The first loans from the Fund will be signed in May and the fund will be disbursed within two years
- The Fund plans to renovate 600 old apartment buildings improving the living conditions of 16,000 households
- The Bank has provided loans in amount of EUR 45 million to the fund and will act as the fund's manager

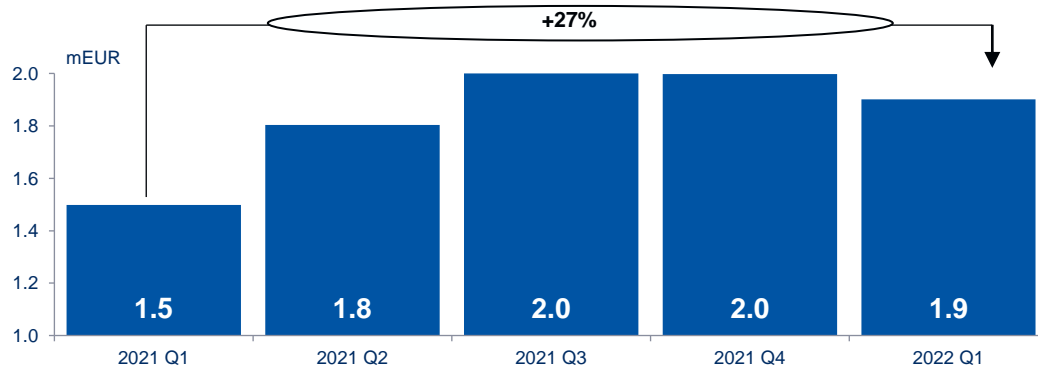
MODERNISATION FUND STRUCTURE



Daily banking

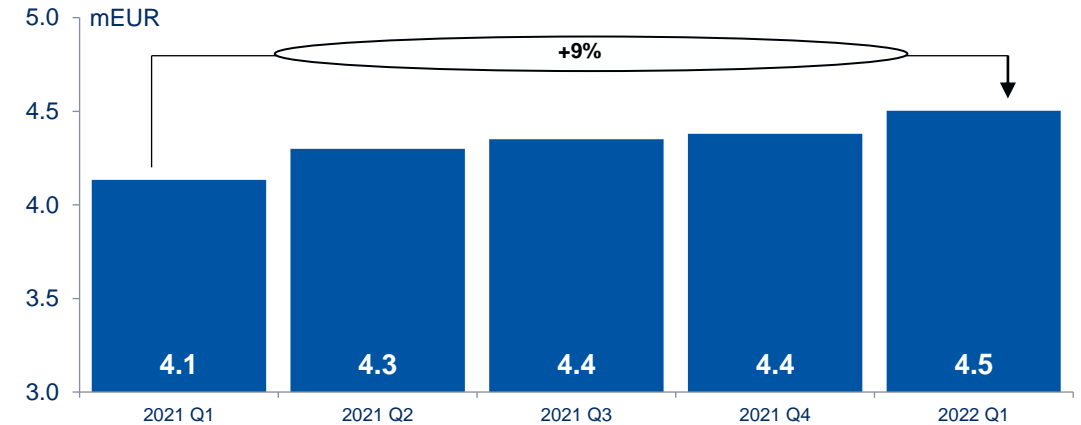
- NFCI growing consistently each quarter to reach EUR 4.5 million, up 9% y-y
- The quarter was particularly marked by increased client demand for cash transactions and currency exchange operations
- New service packages were offered to Ukrainian individuals
- Clients continue to actively direct their savings into the Bank's investment products
- Demand for credit cards is high - with a 7% q-q and 36% y-y increase in the number of credit cards issued
- The number of clients subscribing to service plans is growing constantly and reaching 176 thousand (+7% y-y)

REVENUE FROM FOREIGN EXCHANGE OPERATIONS*

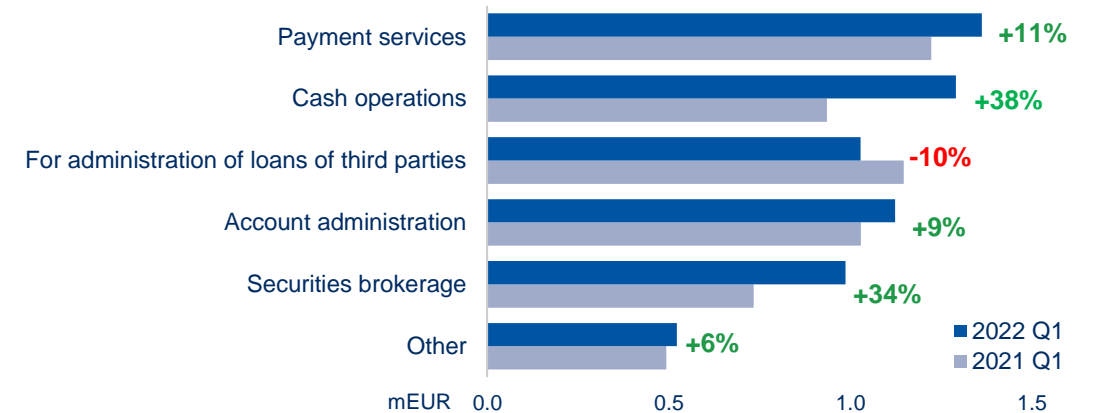


* excluding the impact from the investment result of the SB draudimas assets under unit-linked contracts

NET FEE AND COMMISSION INCOME (NFCI)



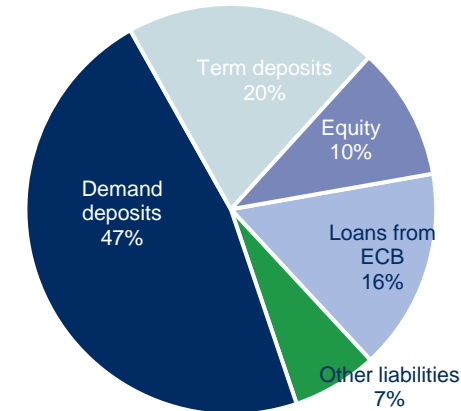
FEE AND COMMISSION INCOME, Y-Y CHANGE



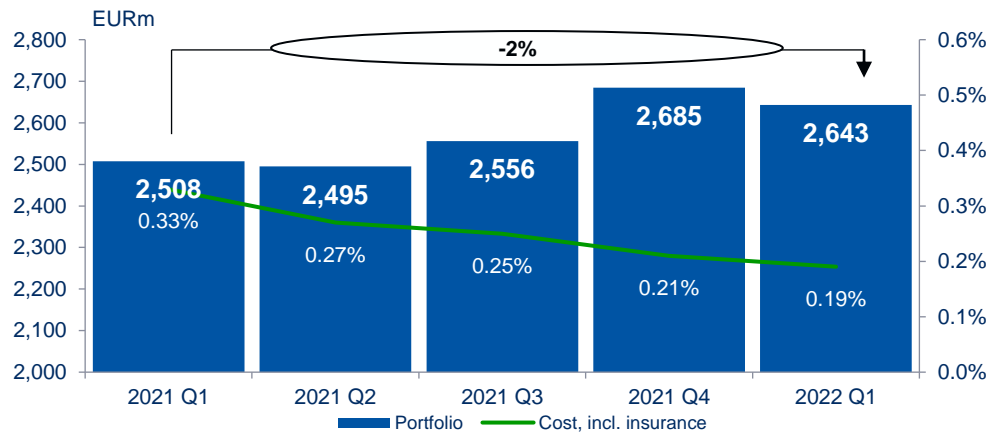
Funding & liquidity

- In 2022 Q1, total deposit portfolio decreased by 2% (EUR 42m) to EUR 2.6bn:
 - Term deposits EUR -35m
 - Demand deposits EUR -7m
- LTD ratio 85% vs 79% (2022 Q1 vs 2021 Q4)
- LCR increased to 204% (forecast data)
- TLTRO loans is expected not to be repaid at early repayment date (June 2022)
- In March 2022, Moody's affirmed the Banks' previous long-term deposit rating Baa2 and its positive outlook

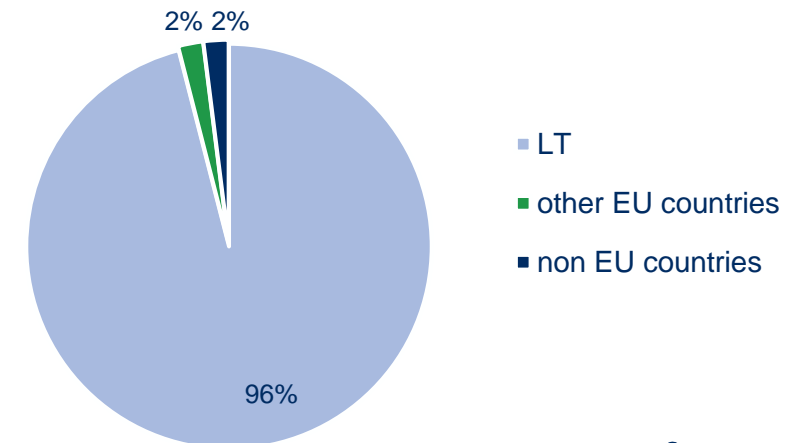
FUNDING STRUCTURE



DEPOSIT PORTFOLIO

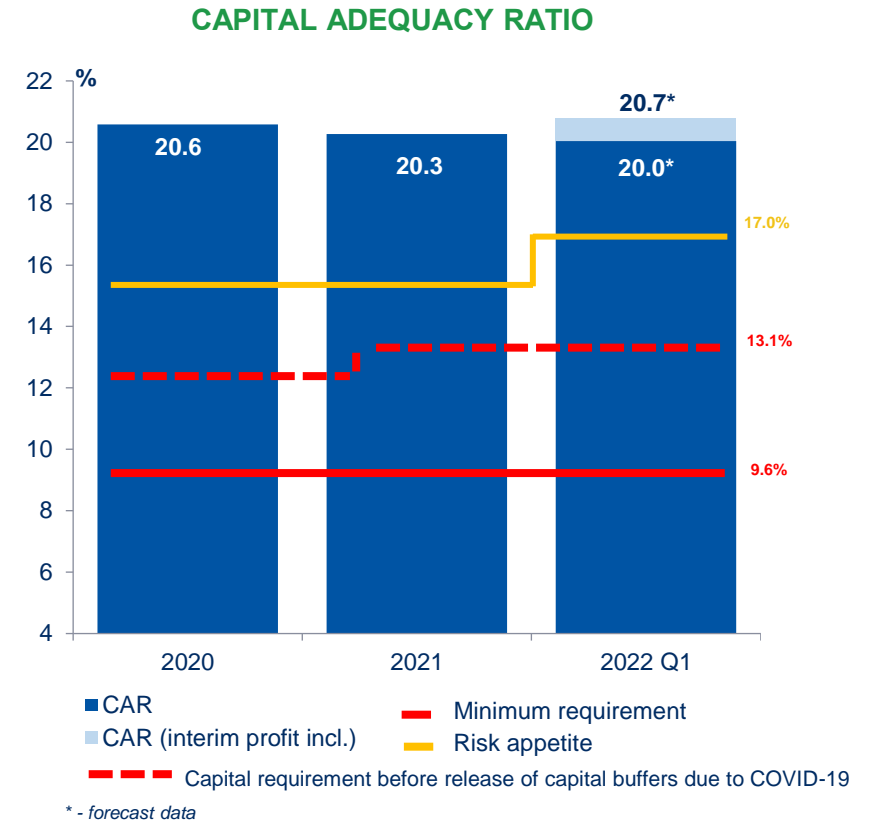
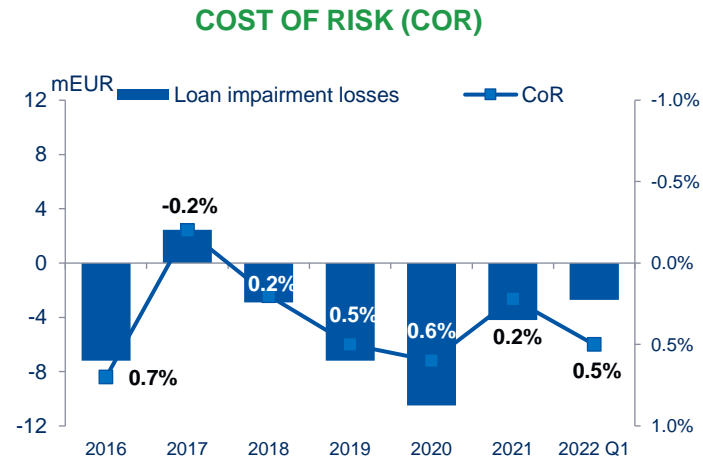
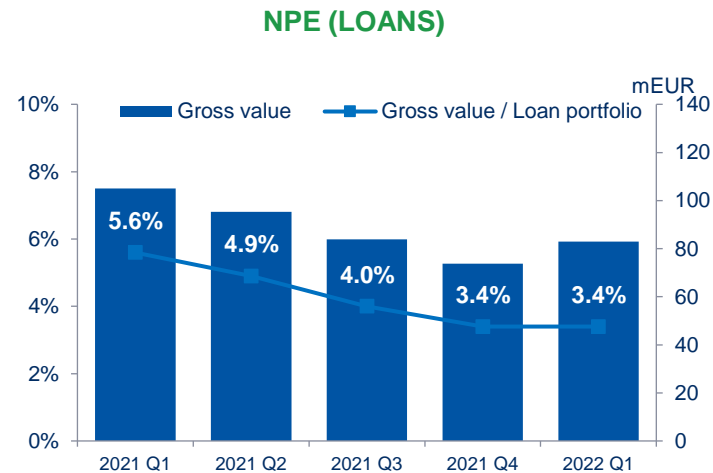


DEPOSITS PORTFOLIO SPLIT BY CUSTOMER COUNTRY AS OF END 2022 Q1



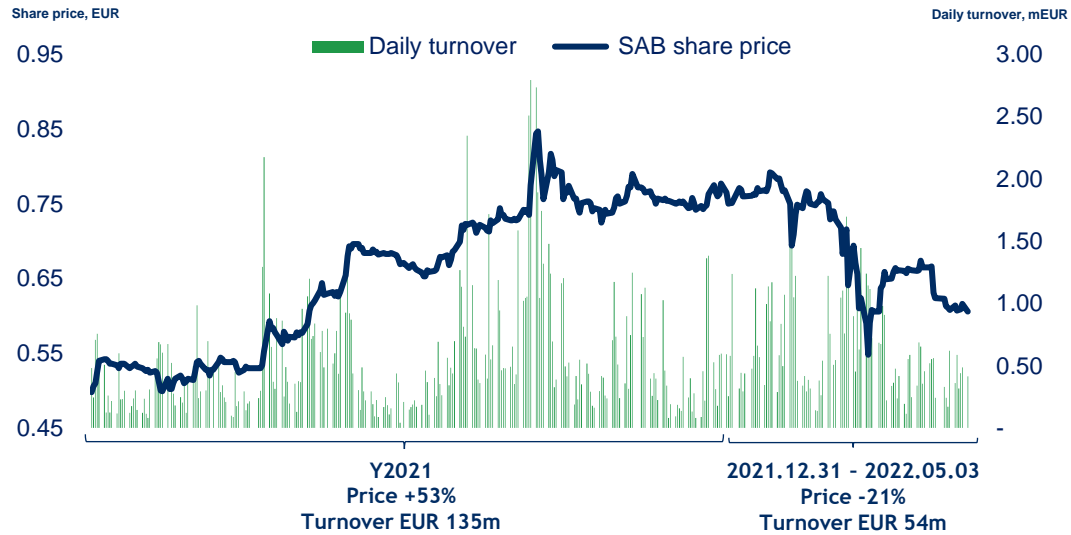
Capital & risk management

- Capital substantially above requirements
- Stress testing program focused on potential geopolitical consequences revealed that the Bank's capital and liquidity base is sufficiently strong to withstand potential shocks
- AGM approved dividends in amount of EUR 20.4 million (dividend yield 5%)
- NPE's portfolio increased by EUR 7.5m in 2022 Q1
- Provisions for impairment losses amounted to EUR 2.7m in 2022 Q1



Share valuation data & ratios

SHARE PRICE DYNAMICS



SHARE DATA

| | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022-05-03 |
|------------------------------|-------|-------|-------|-------|-------|--------|------------|
| Capitalization, mEUR | 170 | 267 | 241 | 304 | 299 | 457 | 361 |
| Average daily turnover, mEUR | 0.09 | 0.18 | 0.14 | 0.19 | 0.34 | 0.56 | 0.65 |
| P/BV | 1.0 | 1.3 | 0.9 | 1.0 | 0.8 | 1.1 | 0.9 |
| P/E | 3.9 | 8.3 | 4.6 | 5.9 | 7.0 | 8.3 | 6.65 |
| Number of shareholders | 3 401 | 4 496 | 4 992 | 5 391 | 9 053 | 16 573 | 17 175* |

*- The actual number is higher (Bank has no detailed information about the number of small shareholders that accounted on intermediary (omnibus) account), data as of end 2022 Q1

TARGET PRICE

EUR 0.92 / 0.81 / 0.72 (1.00 / 0.88 / 0.79)
(bull / base / bear) (2022-03-25)



EUR 0.80 (1.00)
(2022-03-09)



EUR 0.85 (0.80)
(2021-11-08)



EUR 0.80 (0.57)
(2021-05-11)

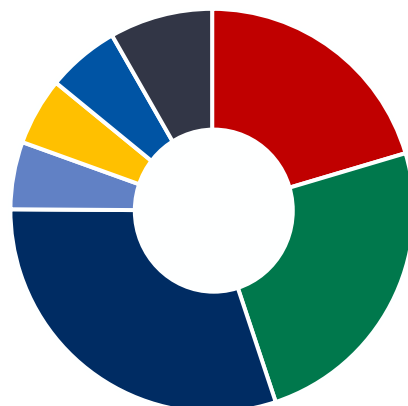


EUR 0.68 - 0.64
(2020-11-16)



ŠIAULIŲ BANKAS

SHAREHOLDERS, AS OF END Q1 2021



- EBRD 20.0 %
- Invalida INVL 8.1 %*
- ME Investicija 5.7 %
- Algirdas Butkus 5.3 %*
- Gintaras Kateiva 5.3 %*
- Other Lithuanian investors 31 %
- Other international investors 25 %

*incl. indirectly owned shares

Q&A



Annex I

KEY RATIOS

| | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 Q1 |
|---|------|-------|-------|-------|-------|-------|-------|---------|
| Net profit, mEUR | 23.8 | 43.7 | 32.1 | 52.6 | 51.5 | 43.0 | 55.2 | 11.5 |
| NIM, % | 2.9 | 2.9 | 3.1 | 3.1 | 3.2 | 3.0 | 2.9 | 3.1 |
| ROAA,% | 1.4 | 2.5 | 1.6 | 2.4 | 2.1 | 1.5 | 1.6 | 1.2 |
| ROAE,% | 19.0 | 27.6 | 16.1 | 22.3 | 17.6 | 12.7 | 14.3 | 11.5 |
| C / I,% | 52.2 | 42.3 | 52.1 | 37.3 | 42.5 | 42.7 | 44.1 | 42.0 |
| C / I,% (excl. the impact of the SB draudimas clients' portfolio) | 51.6 | 41.4 | 51.7 | 37.9 | 40.8 | 42.9 | 42.8 | 45.4 |
| CET1 ratio,% | 12.1 | 15.0 | 13.9 | 15.0 | 15.0 | 16.1 | 16.7 | 19.1* |
| CAR,% | 14.2 | 17.0 | 15.5 | 15.0 | 16.2 | 17.2 | 17.6 | 20.0* |
| CAR,% (interim profit incl.) | 15.7 | 19.2 | 18.6 | 18.0 | 18.9 | 20.6 | 19.6 | 20.8* |
| RWA, mEUR | 968 | 1.015 | 1.212 | 1.471 | 1.654 | 1.917 | 2.118 | 2.043* |
| L/D ratio, % | 63.3 | 68.5 | 72.2 | 75.1 | 82.2 | 75.0 | 78.6 | 83.9 |

* - forecast data