

Investor Conference Webinar

Results for Q4 and 2021

2 March 2022

Presenters

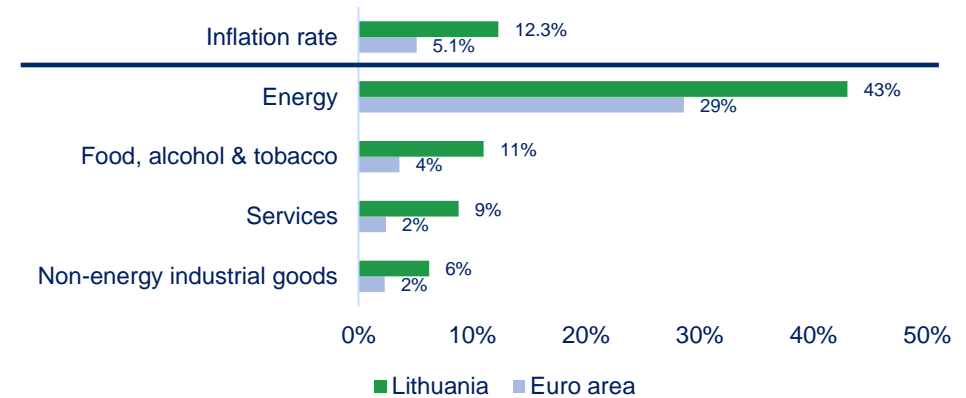
VYTAUTAS SINIUS, CEO

DONATAS SAVICKAS, CFO

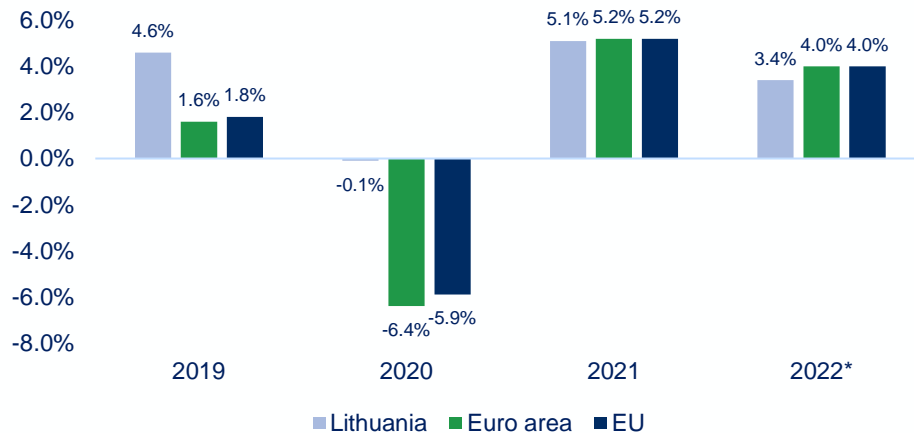
Macroeconomic situation update

- Strong economy growth continued with a rate of 4.8% in Q4 and 5.2% for the year 2021
- Inflation still on the rise and exceeded 12% in January (most in EU) with soaring energy prices
- Labor costs are rising at the fastest pace in EU with 15% y-y change in 2021, while unemployment rate in line with EU average of 7%
- Uncertainty due to the pandemic has decreased and is succeeded by the geopolitical escalation in the region

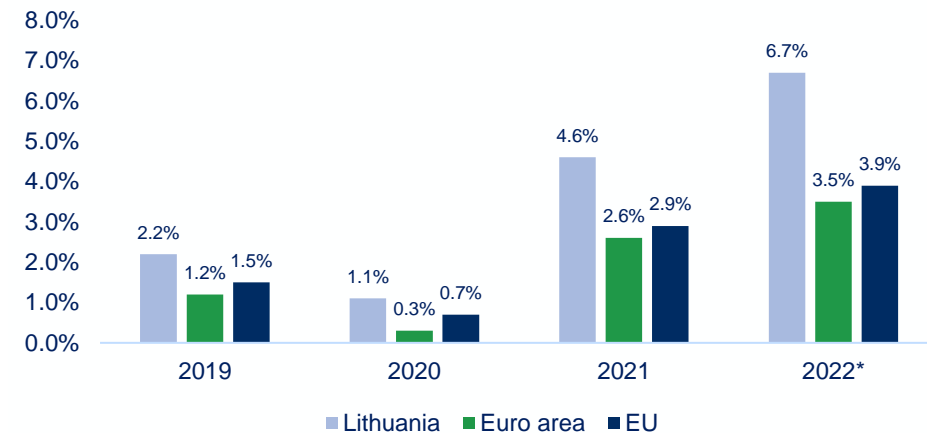
INFLATION AND ITS MAIN COMPONENTS, JAN 2022



REAL GDP CHANGE, y-y



INFLATION CHANGE, y-y



* - Eurostat forecast
 Graphs sources: Eurostat

Y2021

- Net profit for 2021 reached EUR 55.2 million
- Growth in corporate and private client financing
- Strong capital and funding structure
- The Bank was recognized as the best customer service bank in Lithuania
- KPIs are above the targets set for 2021, new targets for 2022 to be approved

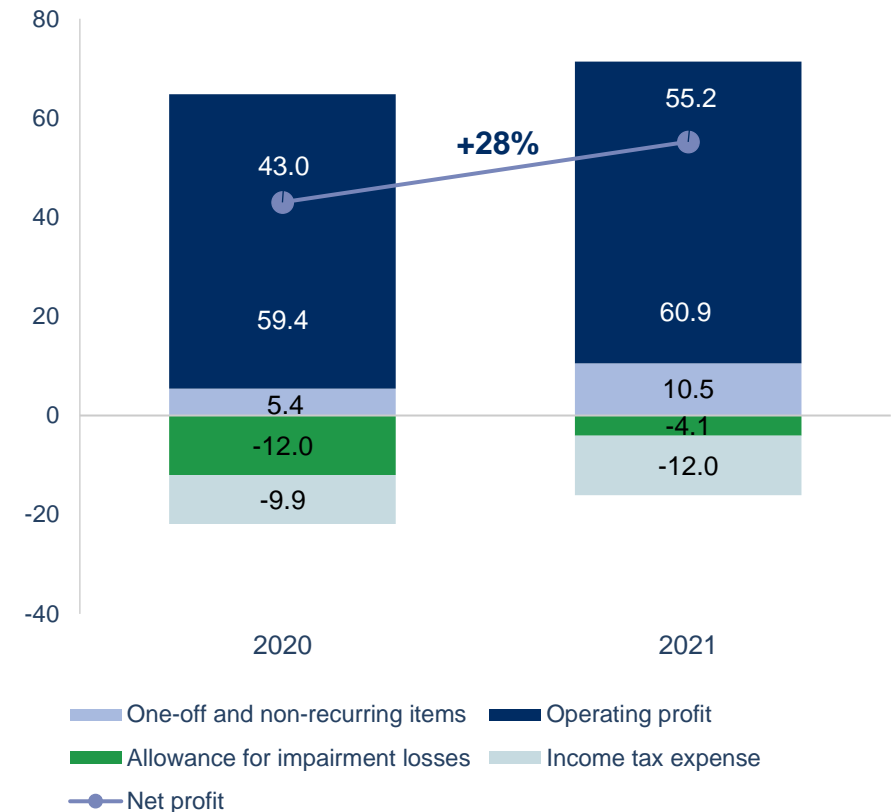
KEY PERFORMANCE INDICATORS

		Targets for 2021	2021
Efficiency	ROE	>12.2%	14.3%
	Cost / Income *	<44.7%	44.1%
Risk management	CAR **	>15.5%	19.6%
	CoR	0.6%	0.2%

*- 42.8%, if excluding the impact from the investment result of the SB draudimas assets under unit-linked contracts

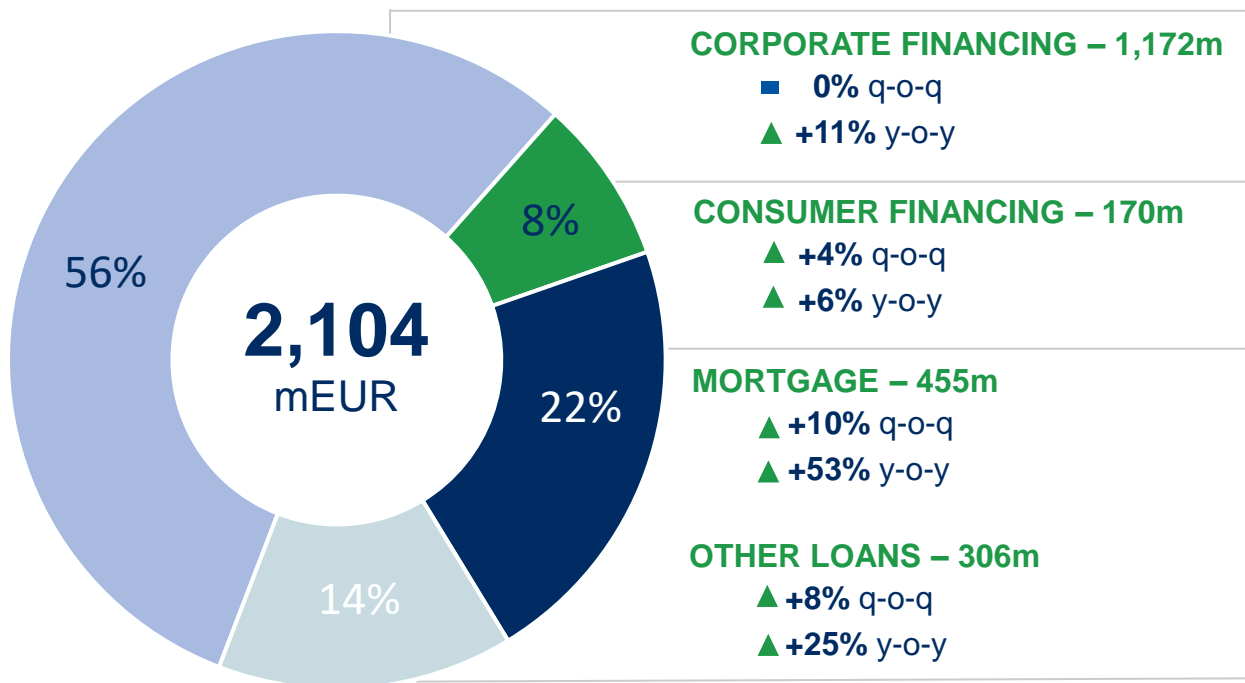
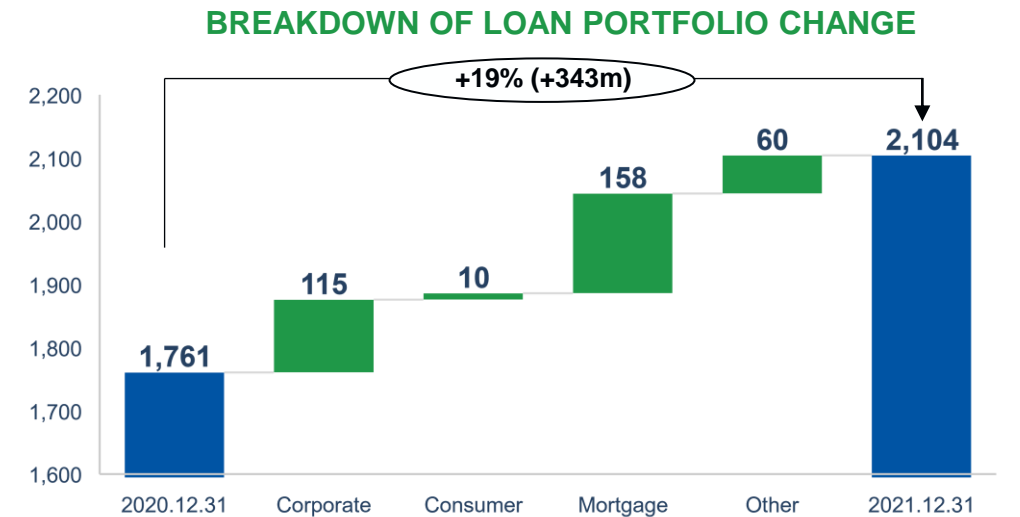
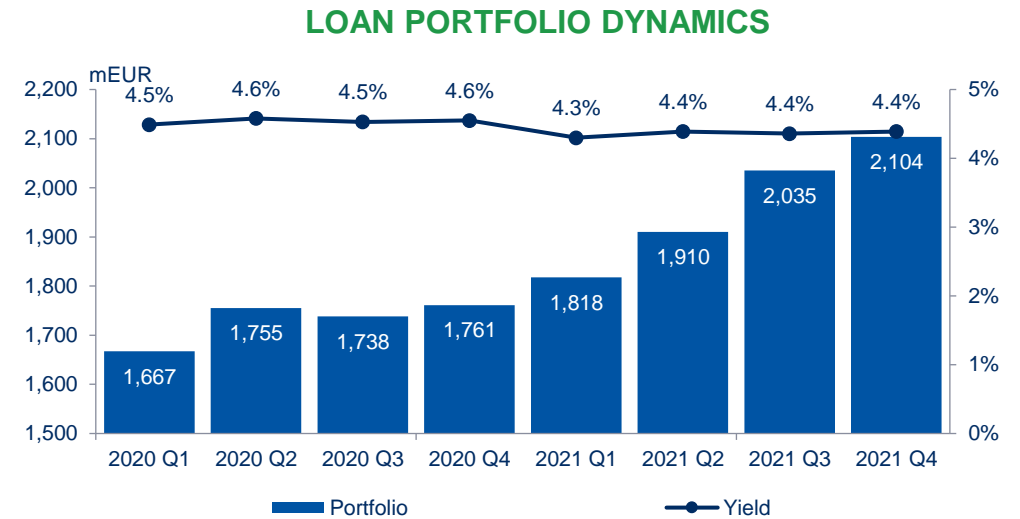
**- Y2021 profit included, forecast data

NET PROFIT STRUCTURE, mEUR



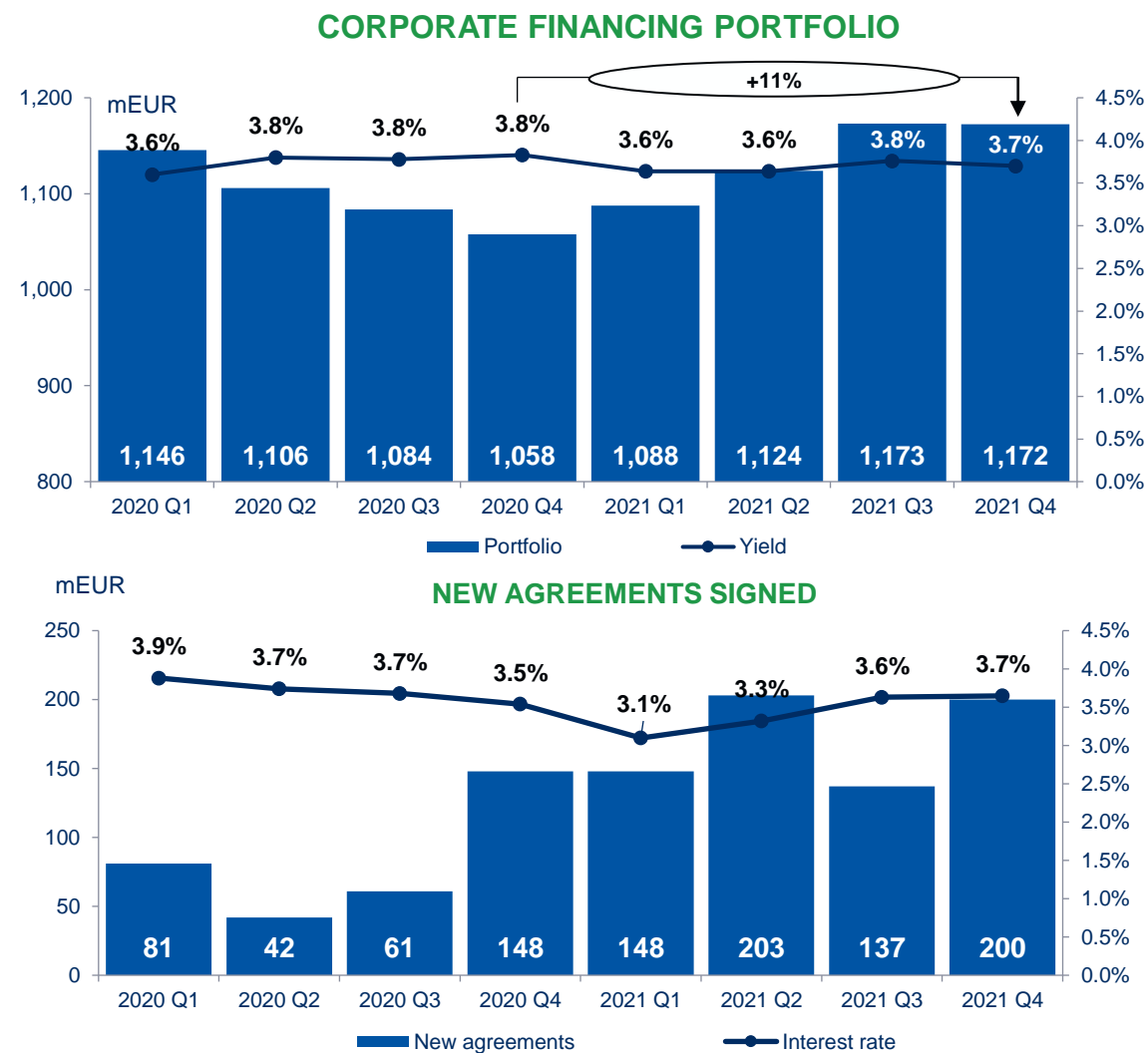
Loan portfolio dynamics

- Strong growth in both corporate and private client financing - the loan portfolio increased by 3% in Q4 and by 19% in 2021
- Q4 one of the best quarter by the new agreements signed in 2021
- Multi-apartment buildings modernization fund is expected to start operating in Q2 2022
- Over the last 12M loan market increased by 6.9%, while Bank's market share increased by 0.8 p.p. to 9.0% (market data as of Q3 2021)



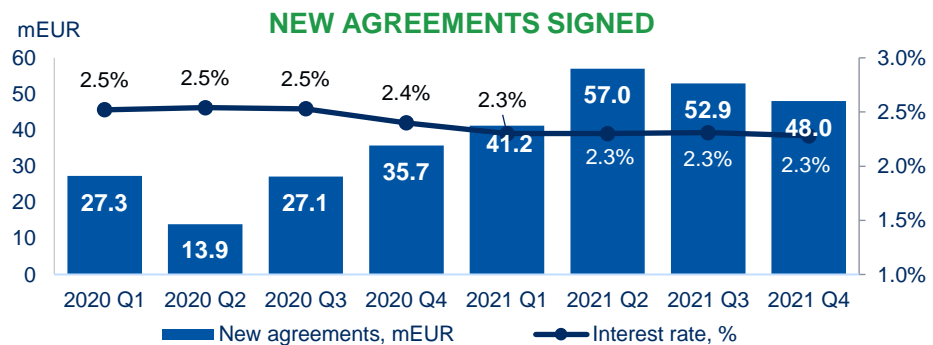
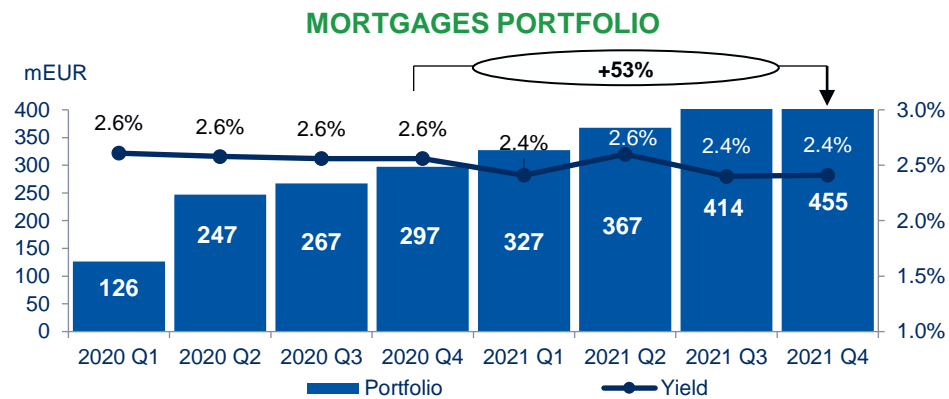
Corporate financing

- High volume of business loan agreements signed was maintained throughout the year, which is more than 2x higher than in 2020, and their value reaches EUR 688m
- Loan portfolio yield is being kept at the same level for the last few years
- The non-performing loan portfolio continues its downward trend, amounting to EUR 64 million at the end of the year (down by EUR 48 million, or 42% year-on-year)
- Banking sector corporate loan market increased by 1.2% over last 12M, while Bank's market share increased by 0.9 p.p. to 13.9% (market data as of Q3 2021)



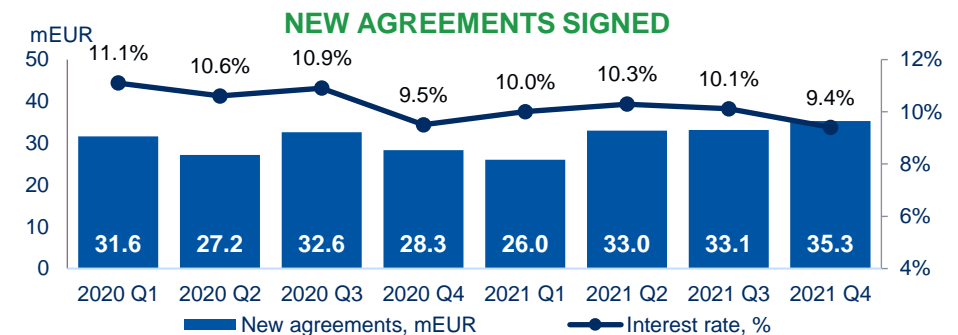
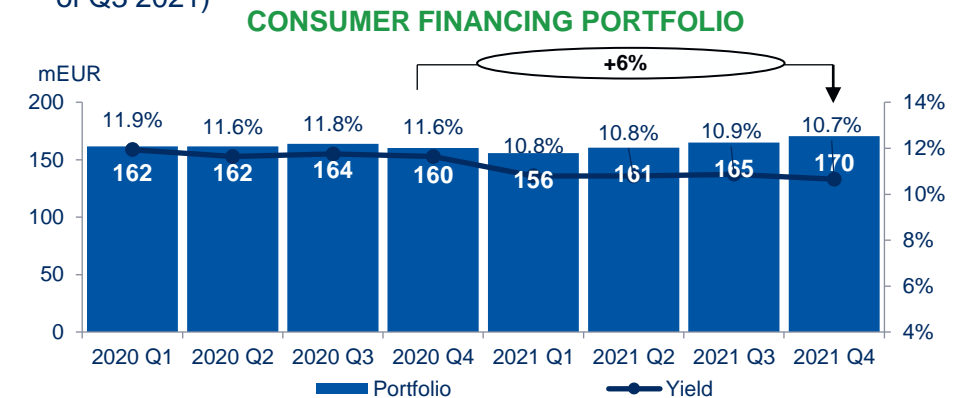
Mortgages

- With a continued high level of new applications, the mortgage portfolio grew by 10% in the Q4 and by 53% year-to-date to over EUR 455 million
- Over last 12M the mortgage market increased by 10.2%, while Bank's market share increased by 1.3 p.p. to 4.4% (market data as of Q3 2021)



Consumer financing

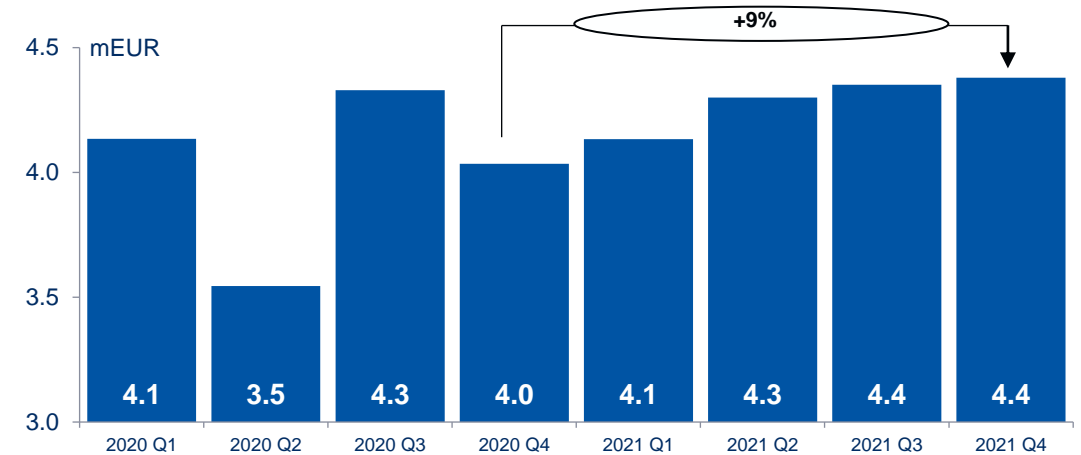
- Loan portfolio growth rate is increasing - up by 4% in Q4 and by 6% in 12M
- New loan yield declined due to intense competition and promotion campaigns in the year end
- Over last 12M the consumer credit market increased by 5.7%, while Bank's market share decreased by 0.6 p.p. to 11.3% (market data as of Q3 2021)



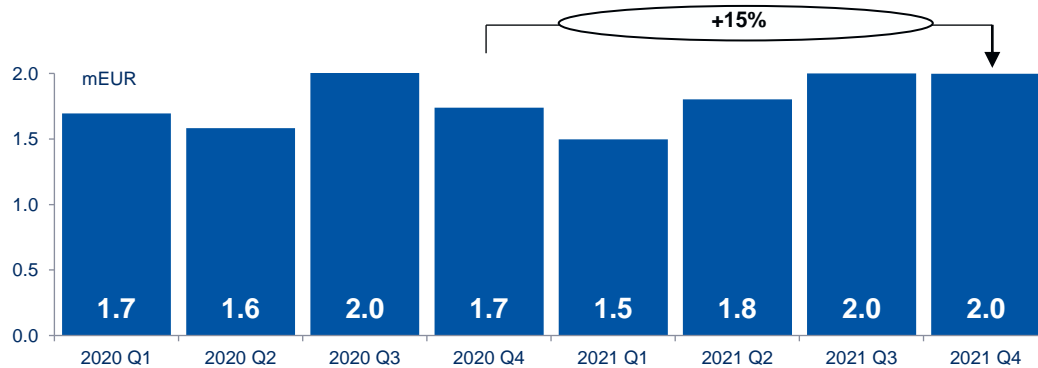
Daily banking

- NFCI grew consistently each quarter to reach EUR 17.2 million, up 7% y-y
- More than 15 thousand new private and corporate clients started using the Bank's services in 2021, bringing the total number of clients to 326 thousand
- Number of clients subscribing to service plans grew by 7% to 173 thousand
- The increasing number of clients use card payments and shop online; the number of credit cards increased by 25% and reached 173 thousand
- In cooperation with SB draudimas, the Bank's clients were offered two new products – mortgage borrowers' insurance and unit-linked investment life insurance

NET FEE AND COMMISSION INCOME (NFCI)

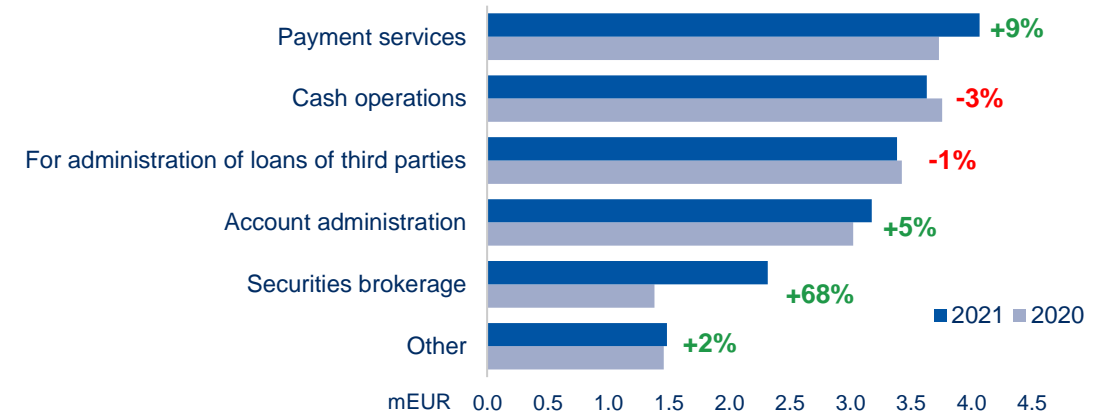


REVENUE FROM FOREIGN EXCHANGE OPERATIONS*



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

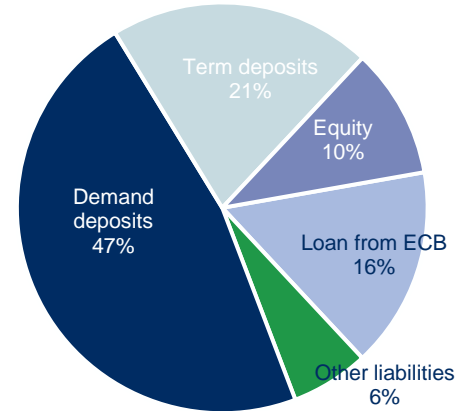
FEE AND COMMISSION INCOME, Y-Y CHANGE



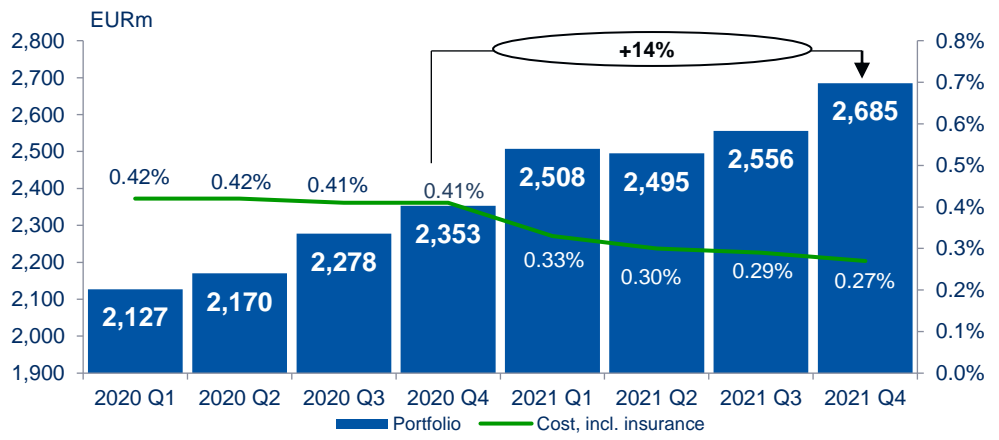
Funding & liquidity

- In 2021, total deposit portfolio increased by 14% (EUR 332m) to EUR 2.6bn:
 - Term deposits EUR -61m
 - Demand deposits EUR +394m
- LTD ratio 79% vs 75% (2021 vs 2020)
- LCR increased to 247%* (forecast date)
- The Bank achieved net lending threshold to receive an interest rate of -1.0% until 23 June 2022 for the loans received under the TLTRO operations (total of EUR 628.8m is borrowed)

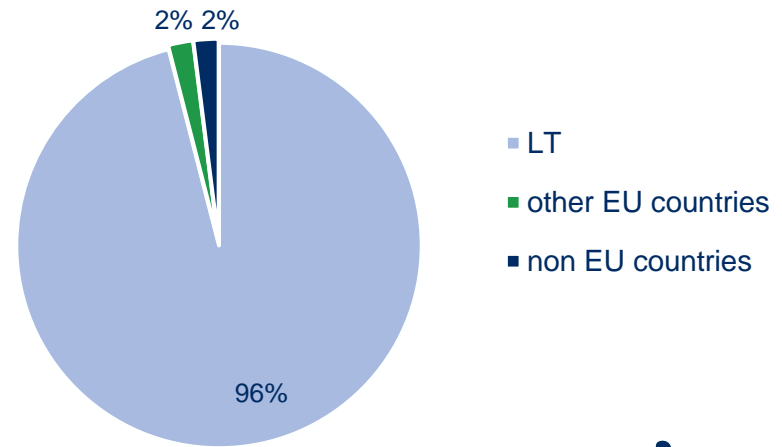
FUNDING STRUCTURE



DEPOSIT PORTFOLIO



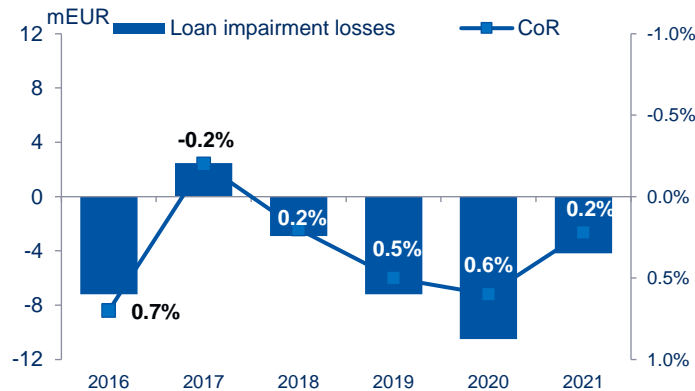
DEPOSITS PORTFOLIO SPLIT BY CUSTOMER COUNTRY AS OF END 2021



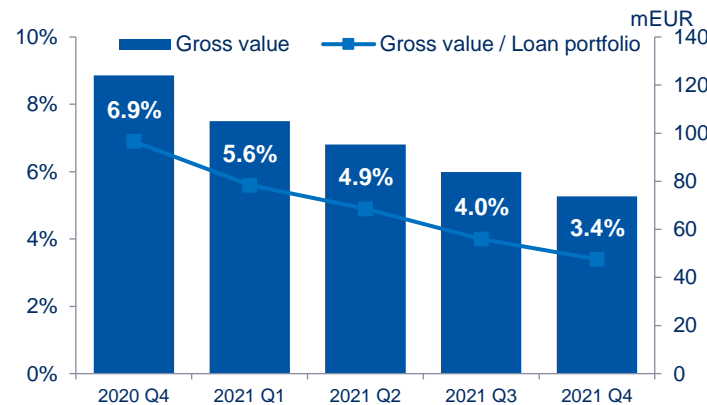
Capital & risk management

- After SREP assessment, P2R capital requirements will not change, a P2G requirement of 1.75% is set
- Capital substantially above requirements
- Management proposal on dividends will be announced on 9th March
- Provisions for possible impairment losses amounted to EUR 4.2m in 2021 and is mainly a result of impact of individual assessment
- NPE's portfolio decreased by EUR 50m in 2021
- Improving governance and risk management practices, with a particular focus on the application of the principles of ESG

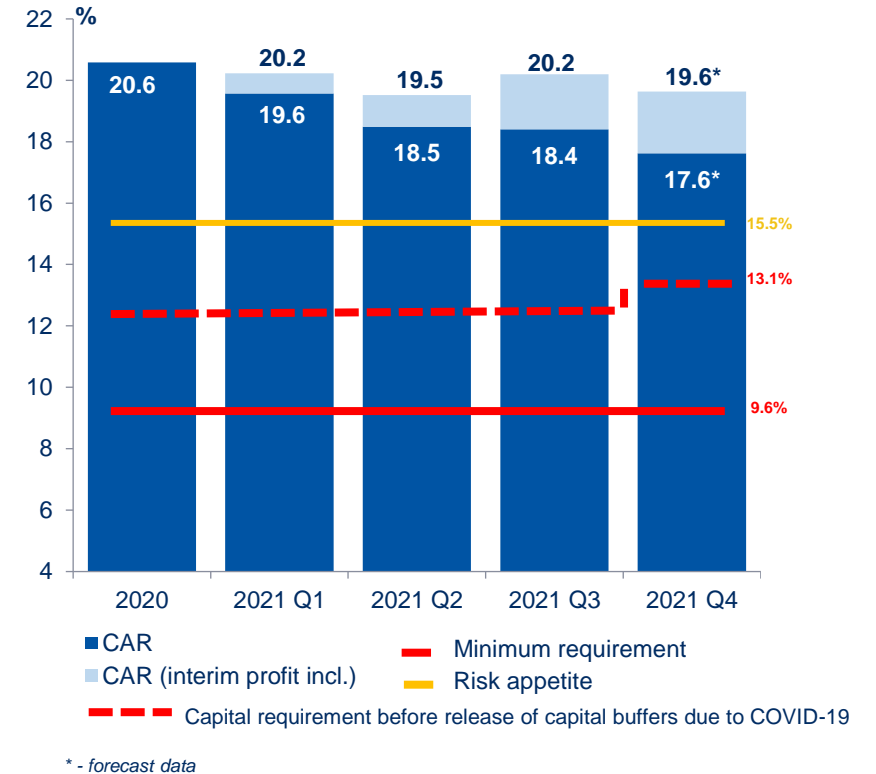
COST OF RISK (COR)



NPE (LOANS)



CAPITAL ADEQUACY RATIO

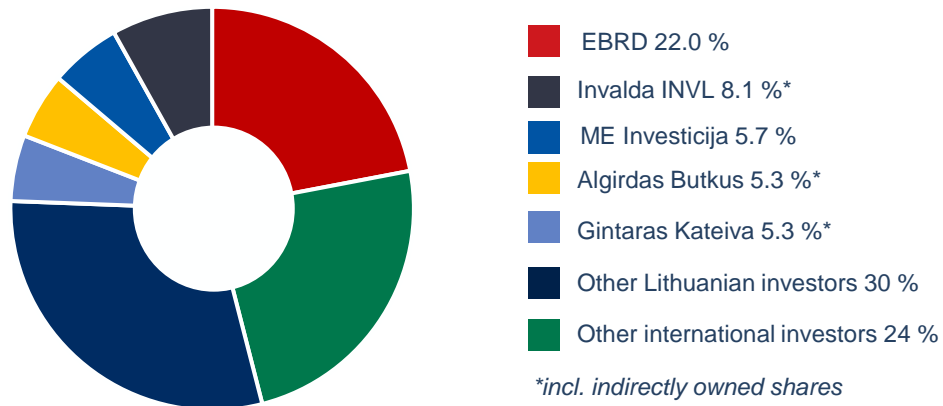


Share valuation data & ratios

SHARE PRICE DYNAMICS



SHAREHOLDERS, AS OF END 2021



SHARE DATA

	2016	2017	2018	2019	2020	2021	2022-03-01
Capitalization, mEUR	170	267	241	304	299	457	394
Average daily turnover, mEUR	0.09	0.18	0.14	0.19	0.34	0.56	0.75
P/BV	1.0	1.3	0.9	1.0	0.8	1.1	1.0
P/E	3.9	8.3	4.6	5.9	7.0	8.3	7.1
Number of shareholders *	3 401	4 496	4 992	5 391	9 053	16 573*	N/A

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

TARGET PRICE

EUR 1.00 / 0.88 / 0.79 (1.00 / 0.79 / 0.65)
(bull / base / bear) (2021-11-15)



EUR 1.00 (0.95)
(2021-11-05)



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

Q&A

Investor Conference Webinar



Annex I

KEY RATIOS

	2015	2016	2017	2018	2019	2020	2021
Net profit, mEUR	23.8	43.7	32.1	52.6	51.5	43.0	55.2
NIM, %	2.9	2.9	3.1	3.1	3.2	3.0	2.9
ROAA,%	1.4	2.5	1.6	2.4	2.1	1.5	1.6
ROAE,%	19.0	27.6	16.1	22.3	17.6	12.7	14.3
C / I,%	52.2	42.3	52.1	37.3	42.5	42.7	44.1
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
CET1 ratio,%	12.1	15.0	13.9	15.0	15.0	16.1	16.7*
CAR,%	14.2	17.0	15.5	15.0	16.2	17.2	17.6*
CAR,% (interim profit incl.)	15.7	19.2	18.6	18.0	18.9	20.6	19.6*
RWA, mEUR	968	1.015	1.212	1.471	1.654	1.917	2.118
L/D ratio, %	63.3	68.5	72.2	75.1	82.2	75.0	78.6

* - forecast data