

Company AS LHV Group

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Attachments:

- LHV Group 2021-11-EN.pdf (<http://oam.fi.ee/en/download?id=5943>)
- LHV Group 2021-11-ET.pdf (<http://oam.fi.ee/en/download?id=5944>)

Currency

Title LHV Group results in November 2021

In November 2021, AS LHV Group earned EUR 4.6 million in consolidated net profit. AS LHV Pank earned EUR 5.4 million in net profit, EUR 0.9 million of which was from servicing clients related to the United Kingdom branch. The group's subsidiary LHV UK Limited earned a loss of EUR 0.3 million in November, AS LHV Varahaldus generated a net loss of EUR 68 thousand, AS LHV Kindlustus generated a net loss of EUR 48 thousand.

The volume of the Group's consolidated deposits increased by EUR 172 million in November, and crossed the EUR 6 billion threshold. The volume of the loan portfolio increased by EUR 30 million within the month. The volume of the funds managed by LHV grew by EUR 13 million in November. In November, the number of payments processed in relation to clients who are financial intermediaries reached 2.6 million payments.

November was characterised by higher-than-before business volumes and higher client activity, which generated higher fee and commission income for the bank. The number of bank clients increased by 6,300 in November; at that, 3,200 clients who settle their accounts in LHV were gained.

The activity of using investment services still remains high. In the last week of November, LHV Pank was the first bank in Estonia to introduce the opportunity of trading in crypto assets to its clients, starting with offering the eight most common crypto assets. The service was received with expectedly high interest, as by the end of November, 900 clients had conducted transactions in crypto assets in the volume of EUR 1.75 million.

Of the EUR 171 million increase in the volume of deposits of the bank, deposits of regular clients amounted to EUR 87 million, and deposits of financial intermediaries to EUR 84 million. Of the EUR 30 million increase in the loan portfolio, corporate loans amounted to EUR 9 million, and retail loans to EUR



21 million. Credit quality remains good.

The results of Varahaldus were affected by the deadline for applications regarding leaving the II pension pillar, which brought along the amortisation of assets related to the leaving clients. From August to November, slightly more than 5,400 clients of LHV pension funds decided to leave the II pillar, which remained low compared to other larger management companies. The number of active pension clients was 138 thousand as at the end of November.

In November, LHV Kindlustus started actively offering the travel insurance product. Also, LHV's vehicle insurance policies were integrated with the car sales platform provided by Modera. The number of insurance clients increased to 142 thousand. In the conditions of the seasonal increase of loss events and volume of indemnities, client satisfaction remained very high.

Activities in the United Kingdom in November still focused on hiring key people and preparing to apply for a credit institution licence.

In the consolidated view of the Group, the company's net profit is still ahead of the financial plan by EUR 2.9 million.

AS LHV Group reports are available at: <https://investor.lhv.ee/en/reports/>.

LHV Group is the largest domestic financial group and capital provider in Estonia. LHV Group's key subsidiaries are LHV Pank, LHV Varahaldus, and LHV Kindlustus. LHV employs over 650 people. As at the end of November, LHV's banking services are used by 316,000 clients, the pension funds managed by LHV have 138,000 active clients, and LHV Kindlustus protects a total of 142,000 clients. LHV's UK branch offers banking infrastructure to 180 international financial services companies, via which LHV's payment services reach clients around the world.

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