



Interim Report

9 months 2023

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## Management Director's Statement

### Business volumes and financial results

By the end of the Q3 2023, Coop Pank had 175,000 customers, during the quarter the number of customers increased by 7,900 (+5%). The bank had 77,400 active customers, during the quarter the number of active customers increased by 1,200 (+2%).

In Q3 2023, volume of deposits in Coop Pank decreased by 48 million euros (-3%), reaching total of 1.71 billion euros. Deposits from private clients showed the fastest growth, increasing by 10 million euros: demand deposits decreased by 3 million euros and term deposits increased by 13 million euros. Deposits from domestic business customers decreased by 35 million euros: demand deposits decreased by 51 million euro and term deposits increased by 16 million euros. Deposits from international deposit platform Raisin and other financing decreased by 22 million euros. Compared to Q3 2022, volume of Coop Pank's deposits has increased by 353 million euros (+26%). In an annual comparison, share of term deposits of total deposits has increased from 50% to 69%. In Q3 2023, the bank's financing cost was 2.7%, at the same time last year the financing cost was 0.7%.

In Q3 2023, net loan portfolio of Coop Pank increased by 36 million euros (+2%), reaching 1.49 billion euros. Business loans portfolio and home loans portfolio showed the fastest growth. The volumes of business loan portfolio and home loan portfolio both increased by 20 million euros (+3%). Consumer finance portfolio decreased by 1 million euros (-1%) and leasing portfolio decreased by 3 million euros (-2%). Compared to Q3 2022, total loan portfolio of Coop Pank has grown by 286 million euros (+24%).

In Q3 2023, overdue loan portfolio of Coop Pank increased from the level of 2% to the level of 2.1%. A year ago, overdue loan portfolio was at the level of 1.4%.

Impairment costs of financial assets in Q3 2023 were 1.3 million euros, which is 0.6 million euros (+93%) more than in Q3 2022.

Net income of Coop Pank in Q3 2023 was 22.7 million euros, having grown 2% over the quarter and 64% over the year. Operating expenses reached 9 million euros in Q3 – operating expenses increased 5% in the quarterly comparison and 30% in the annual comparison.

In Q3 2023, net profit of Coop Pank was 11.1 million euros, which is 7% more than in the previous quarter and 93% more than a year ago. In Q3 2023, cost to income ratio of the bank was 40% and return on equity was 25.9%.

As of 30 September 2023, Coop Pank has 37,200 shareholders, 200 (+0.5%) shareholders have been added over the quarter.

### Key events and product developments

Starting from the third quarter, owners of Coop Pank bankcards can use Apple Pay, which is a convenient, fast and secure way of making payments both in the store and online. Google Pay is available to the bank's customers already from the second quarter of this year.

In addition, in third quarter, we made several important updates to our mobile app to make it even more convenient to use. For example, loan information can now be seen in the mobile app, where everyone can also submit loan applications, open new deposits, and conclude and change e-invoice fixed payment contracts. When confirming payments in the mobile app with Mobile-ID or Smart-ID, the payment amount and the payee

are also displayed to the person confirming the payment before entering the PIN-2, so that the user can once again make sure that the payment was initiated by him and he really wants to confirm it.

Coop Pank's digital solutions are developing rapidly, but at the same time we always value human contact with our customers. Our 15 offices are located in 12 cities across Estonia and are open to everyone every weekday without prior reservation. The possibility to withdraw cash from cash registers of Coop stores and other banks' ATMs free of charge, makes us the bank with the largest cash network in Estonia. Our customer support and customer managers are easily accessible to every private and business client. Due to the fact, that we make people's daily lives better with our services and have a broad social impact, Brand Capital, the largest brand and lifestyle survey in the Baltics, recognized Coop Pank with the title of the most humane brand in Estonia.

In order, to make communication with the bank even easier and more understandable, the Coop banking group decided to simplify its own structure and announced in the third quarter that Coop Pank AS signed a merger agreement with its 100% subsidiary Coop Finants AS. As a result of the merger, Coop Finants AS will dissolve, and Coop Pank AS will become its successor. As a result of the merger, Coop Pank's capital will be strengthened. The status of the group's consolidated financial position and rights and obligations will not change.

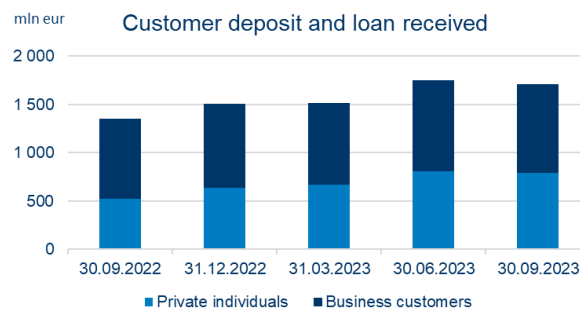
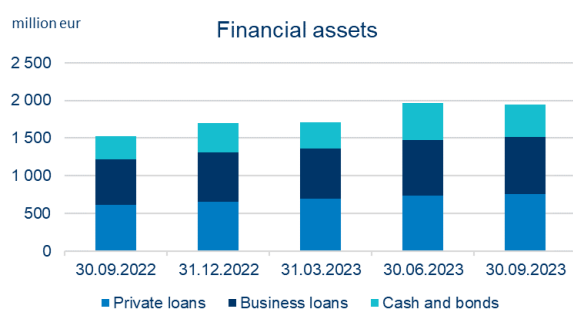
In the third quarter, Coop Pank also successfully conducted a targeted offering of bonds included in Tier 1 additional capital (AT1). The volume of the issue was almost doubled, and the bank provided a total of 12 million euros in additional capital.

Margus Rink  
Chairman of the Management Board

## Overview of financial results

Income statement EUR thousand	Q3 2023	Q2 2023	quarterly change	Q3 2022	annual change
Net interest income	21 257	21 044	1%	12 721	67%
Net fee and commissions income	1 147	1 183	-3%	978	17%
Other income	334	163	105%	148	126%
<b>Total net operating income</b>	<b>22 738</b>	<b>22 390</b>	<b>2%</b>	<b>13 847</b>	<b>64%</b>
Operating expenses	-9 022	-8 565	5%	-6 929	30%
Impairment costs on financial assets	-1 296	-2 232	-42%	-672	93%
Income tax	-1 344	-1 227	10%	-499	169%
<b>Net profit</b>	<b>11 076</b>	<b>10 366</b>	<b>7%</b>	<b>5 747</b>	<b>93%</b>

Business volumes, EUR thousand	Q3 2023	Q2 2023	quarterly change	Q3 2022	annual change
Net loan portfolio	1 493 985	1 458 201	2%	1 208 457	24%
Cash and bonds	436 676	487 508	-10%	301 698	45%
Customer deposits and loans received	1 707 214	1 754 746	-3%	1 354 345	26%
Owner´s equity	176 375	165 357	7%	122 820	44%



Ratios (quarterly ratios, expressed on annualised basis)	Q3 2023	Q2 2023	quarterly change	Q3 2022	annual change
Average equity (attributable to parent company), EUR thousand	170 866	161 953	8 913	120 053	50 813
Return on equity ROE % ( <i>net profit / average equity</i> )	25,9	25,6	0,3	19,1	6,8
Average total assets, EUR thousand	1 969 699	1 854 043	115 656	1 484 452	485 247
Return on assets ROA % ( <i>net profit / average total assets</i> )	2,2	2,2	0,0	1,5	0,7
Cash and interest-bearing assets, average, EUR thousand	1 953 617	1 837 311	116 306	1 467 001	486 617
Net interest margin NIM % ( <i>net interest income / interest-bearing assets, average</i> )	4,4	4,6	-0,2	3,5	0,9
Cost / income ratio % ( <i>total operating costs / total net operating income</i> )	39,7	38,3	1,4	50,0	-10,4
Liquidity Coverage Ratio LCR %	255	224	31	157	98
Net Stable Funding Ratio NSFR % ( <i>as defined by the CRD IV</i> )	150	153	-3	137	13

Key financial indicators in last three years as of the date of the interim report

EUR thousand	30.09.2023	30.09.2022	30.09.2021
Net loan portfolio	1 493 985	1 208 457	854 234
Customer deposits and loans received	1 707 214	1 354 345	986 777
Subordinated loans	50 148	43 211	17 111
Owner´s equity	176 375	122 820	108 386
Net interest income	60 672	34 945	25 714
Net fee and commission income	3 359	2 677	2 183
Other income	758	475	665
Total net operating income	64 789	38 097	28 562
Operating expenses	-25 182	-19 738	-16 248
Impairment losses on financial assets	-5 155	- 3 347	-1 534
Income tax	-3 634	-1 176	-612
Net profit	30 818	13 836	10 168

## Capitalisation

Capital base, EUR thousand	30.09.2023	31.12.2022
<b>Tier 1 capital</b>		
Paid-in share capital and share premium	95 452	94 583
Statutory reserve capital	4 855	3 838
Retained earnings	45 280	30 513
Eligible profit of the reporting period	15 165	10 769
Other accumulated comprehensive loss	-1 294	-883
Goodwill accounted for as intangible asset (-)	-6 757	-6 757
Intangible assets (-)	-10 261	-8 579
Adjustment of value arising from requirements of reliable measurement (-)	-32	-18
Other deductions from Tier 1 capital (-)	-1 296	-1 898
Other transitional adjustments of own funds	0	157
<b>Common Equity Tier 1 (CET1)</b>	<b>141 112</b>	<b>121 725</b>
Additional Tier 1 capital	28 100	16 100
<b>Total Tier 1 capital</b>	<b>169 212</b>	<b>137 825</b>
Subordinated debt	22 000	22 000
<b>Tier 2 capital</b>	<b>22 000</b>	<b>22 000</b>
<b>Eligible capital for capital adequacy calculation</b>	<b>191 212</b>	<b>159 825</b>
Risk-weighted assets RWA		
Central government and central banks using standardised approach	5 292	2 775
Credit institutions, investment companies using standardised approach	2 657	1 833
Companies using standardised approach	115 976	92 857
Retail claims using standardised approach	163 059	147 884
Claims secured by mortgage on real estate using standardised approach	530 625	463 540
Claims past due using standardised approach	9 168	4 355
Items subject to particularly high risk using standardised approach	159 547	111 056
Other assets using standardised approach	11 746	12 370
<b>Total credit risk and counter-party credit risk</b>	<b>998 070</b>	<b>836 670</b>
Operational risk using basic indicator approach	78 909	59 360
<b>Total risk-weighted assets (total risk exposure)</b>	<b>1 076 979</b>	<b>896 030</b>
CET 1 capital ratio %	13,10%	13,58%
Tier 1 capital ratio %	15,71%	15,38%
Capital adequacy ratio %	17,75%	17,84%

### Requirements to own funds:

Core Tier 1 capital ratio	4.50%	core Tier 1 capital / total risk exposure
Tier 1 capital ratio	6.00%	Tier 1 capital / total risk exposure
Total capital ratio (capital adequacy)	8.00%	total capital / total risk exposure
Capital conservation buffer	2.50%	of total risk exposure
Countercyclical capital buffer rate	1.00%	of total risk exposure

By the end of the reporting period, the Group is compliant with all regulative capital requirements. Coop Pank successfully conducted a targeted offering of bonds included in Tier 1 additional capital (AT1) during Q3. The bank provided a total of 12 million euros in additional capital, that was used to strengthen the capital base and support bank's growth strategy.

## Consolidated financial statements

### Consolidated statement of comprehensive income

EUR thousand	Note	Q3 2023	9 M 2023	Q3 2022	9 M 2022
Interest income calculated using the effective interest method		30 244	77 780	13 634	37 036
Other income similar to interest		3 042	7 843	1 377	3 782
Interest and similar expense		-12 029	-24 951	-2 290	-5 873
<b>Net interest and similar income</b>	<b>3</b>	<b>21 257</b>	<b>60 672</b>	<b>12 721</b>	<b>34 945</b>
Fee and commission income		1 905	5 495	1 651	4 496
Fee and commission expense		-758	-2 136	-673	-1 819
<b>Net fee and commission income</b>	<b>4</b>	<b>1 147</b>	<b>3 359</b>	<b>978</b>	<b>2 677</b>
Sale of assets		0	80	0	0
Cost of assets sold		0	-85	0	0
Direct property operating expenses		0	0	0	-1
Net gains/losses from non-financial asset realization		0	3	0	6
Net gains/losses from financial assets measured at fair value		0	57	0	4
Revenue from claims handling		125	417	125	332
Other income		209	286	23	134
<b>Net other income</b>		<b>334</b>	<b>758</b>	<b>148</b>	<b>475</b>
Payroll expense		-5 297	-14 739	-4 057	-11 286
Operating expense		-2 531	-6 999	-1 774	-5 245
Depreciation		-1 194	-3 444	-1 098	-3 207
<b>Total operating expense</b>		<b>-9 022</b>	<b>-25 182</b>	<b>-6 929</b>	<b>-19 738</b>
<b>Profit before loss allowances and tax</b>		<b>13 716</b>	<b>39 607</b>	<b>6 918</b>	<b>18 359</b>
Credit loss allowance		-1 296	-5 155	-672	-3 347
<b>Profit before income tax</b>		<b>12 420</b>	<b>34 452</b>	<b>6 246</b>	<b>15 012</b>
Income tax		-1 344	-3 634	-499	-1 176
<b>Net profit for the reporting period</b>	<b>2</b>	<b>11 076</b>	<b>30 818</b>	<b>5 747</b>	<b>13 836</b>
<b>Other comprehensive income / loss</b>					
Items that may subsequently be reclassified to income statement:					
Financial assets at fair value through other comprehensive income		-302	-411	-363	-411
<b>Other comprehensive income/loss</b>		<b>-302</b>	<b>-411</b>	<b>-363</b>	<b>-411</b>
<b>Comprehensive income for the reporting period</b>		<b>10 774</b>	<b>30 407</b>	<b>5 384</b>	<b>13 425</b>
Basic earnings per share (in euros)		0,11	0,30	0,06	0,15
Diluted earnings per share (in euros)		0,11	0,30	0,06	0,15



## Consolidated statement of financial position

EUR thousand	Note	30.09.2023	31.12.2022
<b>Assets</b>			
Cash, balances with central banks and other deposits	5	404 911	364 878
Debt securities at fair value through other comprehensive income	6	31 765	18 747
Equity instruments at fair value through other comprehensive income		13	13
Loans and advances to customers	7,8,9,10	1 493 985	1 300 775
Other financial assets		1 012	1 380
Other assets		848	697
Assets held for sale		3 349	3 412
Right-of-use assets		5 560	6 130
Tangible assets		2 727	2 808
Intangible assets		10 261	8 579
Goodwill		6 757	6 757
<b>Total assets</b>		<b>1 961 188</b>	<b>1 714 176</b>
<b>Liabilities</b>			
Customer deposits and loans received	11	1 707 214	1 508 126
Lease liabilities		5 572	6 142
Other financial liabilities		15 721	7 052
Other liabilities		6 158	5 601
Subordinated debt		50 148	38 139
<b>Total liabilities</b>		<b>1 784 813</b>	<b>1 565 060</b>
<b>Shareholder's equity</b>			
Share capital		69 673	69 148
Share premium		25 779	25 435
Statutory reserve capital		4 855	3 838
Retained earnings		76 098	50 863
Other reserves and assets revaluations		-30	-168
Shareholders' equity attributable to owners of the parent company		176 375	149 116
<b>Total shareholder's equity</b>		<b>176 375</b>	<b>149 116</b>
<b>Total liabilities and shareholders' equity</b>		<b>1 961 188</b>	<b>1 714 176</b>

## Consolidated statement of cash flows

EUR thousand	Note	9 M 2023	9 M 2022
<b>Cash flows from operating activities</b>			
Interest and other similar income received		83 282	40 188
Interest paid		-14 689	-5 845
Service fee and commission received		5 495	4 496
Service fee and commission paid		-2 136	-1 819
Other received income		772	483
Salaries paid		-14 246	-11 278
Other operating expenses paid		-6 999	-5 245
Income Tax paid		-2 972	-890
<b>Total cash flows from operating activities before changes in operating assets and liabilities</b>		<b>48 507</b>	<b>20 090</b>
<b>Change in operating assets:</b>			
Loans and advances to customers		-196 457	-257 883
Term deposits in credit institutions		0	2 001
Change of mandatory reserve in central bank		-2 098	-3 224
Other assets		260	-221
<b>Change in operating liabilities:</b>			
Change in client deposits and loans received		196 190	255 618
Other liabilities		2 389	5 531
<b>Net cash flows from operating activities</b>		<b>48 791</b>	<b>21 912</b>
<b>Cash flows from investment activities</b>			
Acquisition of property, plant and equipment		-4 527	-3 028
Sale of property, plant and equipment and investment properties		64	0
Acquisition of debt securities		-13 442	-10 339
Sale and redemption of debt instruments		1 527	1 472
<b>Total cash flows from investment activities</b>		<b>-16 378</b>	<b>-11 895</b>
<b>Cash flows from financing activities</b>			
Issue of subordinated bonds		12 000	26 100
Contribution to share capital		778	59
Dividends paid		-4 566	-2 738
Repayment of principal of lease liabilities		-578	-294
<b>Total cash flows from financing activities</b>		<b>7 634</b>	<b>23 127</b>
Effect on exchange rate changes on cash and cash equivalents		-14	-8
<b>Change in cash and cash equivalents</b>		<b>40 033</b>	<b>33 136</b>
Cash and cash equivalents at the beginning of period		348 544	241 286
<b>Cash and cash equivalents at the end of period</b>	<b>5</b>	<b>388 577</b>	<b>274 422</b>
<b>Cash and cash equivalents balance is comprised of:</b>			
Cash on hand		2 956	2 144
Demand deposits in central bank		371 345	258 250
Demand and short-term deposits in credit institutions and other financial institutions		14 276	14 028

## Consolidated statement of changes in equity

EUR thousand	Share capital	Share premium	Statutory reserve capital	Other reserves	Revaluation reserve	Retained earnings	Total equity
<b>Equity as at 31.12.2021</b>	<b>62 186</b>	<b>12 230</b>	<b>3 165</b>	<b>253</b>	<b>-15</b>	<b>33 924</b>	<b>111 743</b>
Contribution to share capital	47	30	0	-18	0	0	59
Dividends paid	0	0	0	0	0	-2 738	-2 738
Share options	0	0	0	331	0	0	331
Change in reserves	0	0	673	0	0	-673	0
Net profit 01.01-30.09.2022	0	0	0	0	0	13 836	13 836
Other comprehensive income 01.01-30.09.2022	0	0	0	0	-411	0	-411
Total comprehensive income	0	0	0	0	-411	13 836	13 425
<b>Equity as at 30.09.2022</b>	<b>62 233</b>	<b>12 260</b>	<b>3 838</b>	<b>566</b>	<b>-426</b>	<b>44 349</b>	<b>122 820</b>
Contribution to share capital	6 915	13 175	0	0	0	0	20 090
Dividends paid	0	0	0	0	0	0	0
Share options	0	0	0	149	0	0	149
Change in reserves	0	0	0	0	0	0	0
Net profit 01.10 – 31.12.2022	0	0	0	0	0	6 514	6 514
Other comprehensive income 01.10 – 31.12.2022	0	0	0	0	-457	0	-457
Total comprehensive income	0	0	0	0	-457	6 514	6 057
<b>Equity as at 31.12.2022</b>	<b>69 148</b>	<b>25 435</b>	<b>3 838</b>	<b>715</b>	<b>-883</b>	<b>50 863</b>	<b>149 116</b>
Contribution to share capital	525	344	0	-91	0	0	778
Dividends paid	0	0	0	0	0	-4 566	-4 566
Share options	0	0	0	640	0	0	640
Change in reserves	0	0	1 017	0	0	-1 017	0
Net profit 01.01 – 30.06.2023	0	0	0	0	0	30 818	30 818
Other comprehensive income 01.01 – 30.06.2023	0	0	0	0	-411	0	-411
Total comprehensive income	0	0	0	0	-411	30 818	30 407
<b>Equity as at 30.09.2023</b>	<b>69 673</b>	<b>25 779</b>	<b>4 855</b>	<b>1 264</b>	<b>-1 294</b>	<b>76 098</b>	<b>176 375</b>

## Notes to consolidated financial statements

### Note 1 Accounting principles

The interim report has been prepared in conformity with International Accounting Standard IAS 34 "Interim Financial Reporting" as approved by the EU. The accounting principles used in interim report are in conformity with accounting principles used in Annual Report 2022.

Subsidiaries are consolidated on a line-by-line basis, eliminating the intercompany transactions, receivables and liabilities, income and expense. The definition of group according to the Regulation (EU) No 575/2013 of the European Parliament and of the Council matches that of IFRS.

All figures in financial statements are in thousands of euros unless noted otherwise.

Structure of the Group	Country	Activity	Holding
Coop Pank AS	Estonia	banking	parent company
Coop Liising AS	Estonia	leasing	100%
Coop Finants AS	Estonia	consumer financing	100%
Coop Kindlustusmaakler AS	Estonia	insurance brokerage	100%
SIA Prana Property	Latvia	real estate management	100%

## Note 2 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the main operating decision-maker. The main decision-maker, responsible for resource distribution and evaluation of the activities of the segments, is the management board of the bank.

The Group divides its business into segments based on both the legal structure and the customer-specific distribution within the Bank. According to the legal structure, the Group has a consumer loan and leasing segment that provides consumer loans to private customers and leasing products to both private and corporate customers, respectively. Consumer financing segment earns interest incomes from lending and fee commissions from issuing hire-purchase cards. Leasing segment earns interest income from lending. At the end of 2019 the new segment insurance brokerage was added, which earns revenues on intermediating insurance contracts.

Due to the Bank's customer-based division, the Group owns corporate banking (legal entities) and retail banking (private individuals) segments. Both segments offer money transferring products and loan products to customers and gather deposits. The segments earn interest income from lending and commissions fees from settlement of payments and bank card transactions.

Segments are the basis for regular monitoring of business results by the Group's management and supervisory boards, and separate financial data are available for the segments. According to the group's structure, the group also divides the corporate banking and retail banking segments into more detailed business lines of loans and everyday banking (deposits, settlements). The Group also uses the division of business lines for planning and budgeting. The Management Board of the Group has been appointed as the chief decision maker for assessing financial allocations and the profitability of business.

Revenue reported by a segment consists of revenue from external customers and additional interest income or interest expense on inter-segment borrowing, which is based on the internal transfer pricing model in the Group and is shown as elimination in the tables below. The Group does not have any customers whose income would account for more than 10% of the respective type of income. All interest income is earned in Estonia. The geographical breakdown of commission fees is shown in Note 4.

Segment profits, Q3 2023, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	14 344	11 152	3 936	2 773	5 900	-4 819	33 286
Incl. external income	13 083	9 194	3 936	2 773	4 300	0	33 286
Incl. internal income	1 261	1 958	0	0	1 600	-4 819	0
Interest expense	-4 948	-4 294	-750	-1 136	-5 721	4 819	-12 029
<b>Net interest income</b>	<b>9 396</b>	<b>6 858</b>	<b>3 186</b>	<b>1 637</b>	<b>179</b>	<b>0</b>	<b>21 257</b>
Commission income	435	726	453	61	230	0	1 905
Commission expense	-157	-519	-57	-2	-22	0	-757
<b>Net commission income</b>	<b>278</b>	<b>207</b>	<b>396</b>	<b>59</b>	<b>208</b>	<b>0</b>	<b>1 147</b>
Other operating income	13	19	299	17	-14	0	334
<b>Net other income</b>	<b>9 687</b>	<b>7 084</b>	<b>3 881</b>	<b>1 713</b>	<b>373</b>	<b>0</b>	<b>22 738</b>
Total operating expenses	-2 913	-3 368	-1 414	-893	-434	0	-9 022
<b>Profit before loss allowances and tax</b>	<b>6 774</b>	<b>3 716</b>	<b>2 467</b>	<b>820</b>	<b>-61</b>	<b>0</b>	<b>13 716</b>
Credit loss allowance	-425	-160	-746	35	0	0	-1 296
Income tax expense	-860	-477	0	0	-7	0	-1 344
<b>Net profit</b>	<b>5 489</b>	<b>3 079</b>	<b>1 721</b>	<b>855</b>	<b>-68</b>	<b>0</b>	<b>11 076</b>

Segment profits, 9 M 2023, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimi- nation	Total
Interest income	37 484	28 775	11 397	7 158	13 118	-12 309	85 623
Incl. external income	33 890	23 681	11 397	7 158	9 497	0	85 623
Incl. internal income	3 594	5 094	0	0	3 621	-12 309	0
Interest expense	-10 892	-9 580	-1 677	-2 497	-12 614	12 309	-24 951
<b>Net interest income</b>	<b>26 592</b>	<b>19 195</b>	<b>9 720</b>	<b>4 661</b>	<b>504</b>	<b>0</b>	<b>60 672</b>
Commission income	1 335	2 039	1 341	184	596	0	5 495
Commission expense	-438	-1 441	-175	-5	-107	0	-2 136
<b>Net commission income</b>	<b>897</b>	<b>628</b>	<b>1 166</b>	<b>179</b>	<b>489</b>	<b>0</b>	<b>3 359</b>
Other operating income	53	78	552	58	17	0	758
<b>Net other income</b>	<b>27 542</b>	<b>19 901</b>	<b>11 438</b>	<b>4 898</b>	<b>1 010</b>	<b>0</b>	<b>64 789</b>
Total operating expenses	-8 110	-9 173	-4 202	-2 580	-1 117	0	-25 182
<b>Profit before loss allowances and tax</b>	<b>19 432</b>	<b>10 728</b>	<b>7 236</b>	<b>2 318</b>	<b>-107</b>	<b>0</b>	<b>39 607</b>
Credit loss allowance	-2 112	-527	-2 540	24	0	0	-5 155
Income tax expense	-2 276	-1 336	0	0	-22	0	-3 634
<b>Net profit</b>	<b>15 044</b>	<b>8 865</b>	<b>4 696</b>	<b>2 342</b>	<b>-129</b>	<b>0</b>	<b>30 818</b>

Assets and liabilities as a 30.09.2023 EUR million	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimi- nation	Total
Loan portfolio	822	585	96	149	367	-525	1 494
Other assets	186	165	37	42	37	0	467
Total assets	1 008	750	133	191	404	-525	1 961
Total liabilities	929	685	122	174	400	-525	1 785

\* "Other" includes *Treasury*, subsidiaries Prana Property, Coop Kindlustusmaakler.

Segment profits, Q3 2022, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimi- nation	Total
Interest income	7 387	4 011	3 418	1 262	304	-1 371	15 011
Incl. external income	6 535	3 673	3 418	1 262	123	0	15 011
Incl. internal income	852	338	0	0	181	-1 371	0
Interest expense	-1 558	-1 341	-240	-354	-168	1 371	-2 290
<b>Net interest income</b>	<b>5 829</b>	<b>2 670</b>	<b>3 178</b>	<b>908</b>	<b>136</b>	<b>0</b>	<b>12 721</b>
Commission income	411	613	419	62	146	0	1 651
Commission expense	-154	-438	-57	-3	-21	0	-673
<b>Net commission income</b>	<b>257</b>	<b>175</b>	<b>362</b>	<b>59</b>	<b>125</b>	<b>0</b>	<b>978</b>
Other operating income	23	15	93	18	-1	0	148
<b>Net other income</b>	<b>6 109</b>	<b>2 860</b>	<b>3 633</b>	<b>985</b>	<b>260</b>	<b>0</b>	<b>13 847</b>
Total operating expenses	-2 030	-2 515	-1 355	-722	-307	0	-6 929
<b>Profit before loss allowances and tax</b>	<b>4 079</b>	<b>345</b>	<b>2 278</b>	<b>263</b>	<b>-47</b>	<b>0</b>	<b>6 918</b>
Credit loss allowance	-439	-21	-238	26	0	0	-672
Income tax expense	-357	-135	0	0	-7	0	-499
<b>Net profit</b>	<b>3 283</b>	<b>189</b>	<b>2 040</b>	<b>289</b>	<b>-54</b>	<b>0</b>	<b>5 747</b>

Segment profits, 9 M 2022, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	19 926	10 852	9 695	3 458	638	-3 751	40 818
Incl. external income	17 596	9 879	9 695	3 458	190	0	40 818
Incl. internal income	2 330	973	0	0	448	-3 751	0
Interest expense	-4 112	-3 521	-642	-937	-412	3 751	-5 873
<b>Net interest income</b>	<b>15 814</b>	<b>7 331</b>	<b>9 053</b>	<b>2 521</b>	<b>226</b>	<b>0</b>	<b>34 945</b>
Commission income	1 096	1 666	1 191	179	364	0	4 496
Commission expense	-410	-1 148	-169	-8	-84	0	-1 819
<b>Net commission income</b>	<b>686</b>	<b>518</b>	<b>1 022</b>	<b>171</b>	<b>280</b>	<b>0</b>	<b>2 677</b>
Other operating income	64	82	262	72	-5	0	475
<b>Net other income</b>	<b>16 564</b>	<b>7 931</b>	<b>10 337</b>	<b>2 764</b>	<b>501</b>	<b>0</b>	<b>38 097</b>
Total operating expenses	-5 677	-7 141	-3 959	-2 122	-839	0	-19 738
<b>Profit before loss allowances and tax</b>	<b>10 887</b>	<b>790</b>	<b>9 378</b>	<b>642</b>	<b>-338</b>	<b>0</b>	<b>18 359</b>
Credit loss allowance	-2 027	-135	-1 223	38	0	0	-3 347
Income tax expense	-872	-297	0	0	-7	0	-1 176
<b>Net profit</b>	<b>7 988</b>	<b>358</b>	<b>5 155</b>	<b>680</b>	<b>-345</b>	<b>0</b>	<b>13 836</b>

Assets and liabilities as at 30.09.2022 EUR million	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Loan portfolio	769	471	80	123	373	-608	1 208
Other assets	133	118	30	31	20	0	332
Total assets	902	589	110	154	393	-608	1 540
Total liabilities	846	544	102	141	392	-608	-1 417

\* "Other" includes treasury, subsidiaries CP Varad (prev. Martinoza), Prana Property, Coop Kindlustusmaakler.

### Note 3 Net interest income

Interest income	Q3 2023	9 M 2023	Q3 2022	9 M 2022
Interest income calculated using the effective interest method:				
Loans to entities	12 789	33 130	6 396	17 198
Consumer loans and hire-purchase loans	3 936	11 397	3 417	9 695
Other loans to private individuals	9 194	23 681	3 673	9 879
Debt securities	283	692	68	184
Other assets	4 042	8 880	80	80
	30 244	77 780	13 634	37 036
Other similar interest income:				
Leasing	3 042	7 843	1 377	3 782
<b>Total interest revenues</b>	<b>33 286</b>	<b>85 623</b>	<b>15 011</b>	<b>40 818</b>
Customer deposits and loans received	-11 242	-22 718	-1 418	-3 933
Subordinated debt	-752	-2 158	-790	-1 464
Interest expense on assets	0	0	-62	-416
Lease liabilities	-35	-75	-20	-60
<b>Total interest expenses</b>	<b>-12 029</b>	<b>-24 951</b>	<b>-2 290</b>	<b>-5 873</b>
<b>Net interest income</b>	<b>21 257</b>	<b>60 672</b>	<b>12 721</b>	<b>34 945</b>

## Note 4 Net fee and commission income

Fee and commission income	Q3 2023	9 M 2023	Q3 2022	9 M 2022
Fees from consumer loans	481	1 419	437	1 233
Monthly account fees and transaction fees	334	1 006	344	995
Fees from cards	439	1 227	369	971
Insurance brokerage commission	190	473	117	293
Foreign exchange transactions	20	84	21	57
Other fee and commission income	441	1 287	363	946
<b>Total fee and commission income</b>	<b>1 905</b>	<b>5 495</b>	<b>1 651</b>	<b>4 495</b>
Expenses related to cards	-587	-1 576	-510	-1 332
Transaction costs	-61	-188	-68	-183
Other fee and commission expense	-110	-372	-95	-303
<b>Total fee and commission expense</b>	<b>-758</b>	<b>-2 136</b>	<b>-673</b>	<b>-1 818</b>
<b>Net fee and commission income</b>	<b>1 147</b>	<b>3 359</b>	<b>978</b>	<b>2 677</b>

In Q3 2023, the Group earned 87% of fee and commission income from Estonian residents and 13% from residents of other countries (mostly EU countries). This ratio remains unchanged QoQ. All fee and commission income are recognized point in time.

## Note 5 Cash, balances with central banks and other deposits

	30.09.2023	31.12.2022
Cash	2 956	3 598
Mandatory reserve at the central bank*	16 334	14 236
Demand deposits at central bank	371 345	333 305
Demand deposits at credit institutions and other financial institutions	14 276	13 739
<b>Total</b>	<b>404 911</b>	<b>364 878</b>

\* Not included in cash and cash equivalents in the consolidated statement of cash flows.

## Note 6 Financial investments

	30.09.2023	31.12.2022
Government debt securities	26 462	13 874
Credit institutions	3 552	2 173
Debt securities of other non-financial companies	1 751	2 700
<b>Total of debt securities</b>	<b>31 765</b>	<b>18 747</b>
Shares of other non-financial companies	13	13
<b>Total of equity instruments</b>	<b>13</b>	<b>13</b>
<b>Total of financial investments</b>	<b>31 778</b>	<b>18 760</b>

All debt securities and equity instruments in amount of 13 thousand euros are recognized at fair value through changes in other comprehensive income.



## Note 7 Loans and advances to customers

	30.09.2023	31.12.2022
Total receivables from private individuals	757 880	657 341
incl. consumers loans	100 542	89 068
incl. lease financing	70 084	61 448
incl. mortgage loans and other loans	587 254	506 825
Total receivables from legal entities	751 744	655 298
incl. lease financing	94 975	82 392
incl. other loans to legal entities	656 769	572 906
Total receivables	1 509 624	1 312 639
Loss allowances of loans and advances	-15 639	-11 864
Total	1 493 985	1 300 775

## Note 8 Loss allowances of loans and advances

	30.09.2023	31.12.2022
Balance at the beginning of the reporting period	-11 864	-8 827
Allowances during the reporting period	-5 155	-5 223
Derecognized during reporting period	1 380	2 186
Balance of allowance at the end of the reporting period	-15 639	-11 864

## Note 9 Allocation of past due loans

	30.09.2023			31.12.2022		
	Unsecured loans to private individuals	Secured loans to private individuals	Loans to legal entities	Unsecured loans to private individuals	Secured loans to private individuals	Loans to legal entities
1-30 days	5 265	10 132	7 522	4 487	5 791	3 112
31-60 days	1 087	1 782	1 774	1 023	1 301	1 342
61-90 days	590	592	113	517	313	338
over 90 days	2 102	719	959	1 721	216	525
Total	9 044	13 225	10 368	7 748	7 621	5 317

## Note 10 Loans and advances to customers by economic sector

	30.09.2023	%	31.12.2022	%
Private individuals	752 196	51,30%	653 271	50,22%
L – activities related to real estate	312 654	21,63%	285 983	21,99%
G – wholesale and retail	77 607	5,19%	71 145	5,47%
C – manufacturing	64 790	4,34%	54 435	4,18%
K – finance and insurance activities	51 355	3,44%	46 598	3,58%
D – power and heat generation	46 050	3,08%	42 035	3,23%
F – construction	42 493	2,84%	22 322	1,72%
H – transportation and storage	32 177	2,15%	23 598	1,81%
A – agriculture, forestry and fishing	31 073	2,08%	27 184	2,09%
M – professional, scientific and technical activities	30 108	2,02%	23 986	1,84%
N – administrative and support services	16 076	1,08%	11 576	0,89%
I – hospitality and food service	9 402	0,63%	8 599	0,66%
S – other services	3 355	0,22%	4 628	0,36%
Other	24 649	1,65%	25 415	1,96%
Total	1 493 985	100%	1 300 775	100%

## Note 11 Financial assets and liabilities by residual maturity

Undiscounted cash flows by residual maturity

30.09.2023	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
<b>Assets</b>					
Cash and cash equivalents	404 911	0	0	0	404 911
Debt securities at fair value	0	0	14 651	17 114	31 765
Equity instruments	0	0	0	13	13
Loans and advances to customers	69 929	200 240	908 688	747 498	1 926 355
Other financial assets	992	0	20	0	1 012
<b>Total financial assets</b>	<b>475 832</b>	<b>200 240</b>	<b>923 359</b>	<b>764 625</b>	<b>2 364 056</b>
<b>Liabilities</b>					
Customer deposits and loans received	882 397	510 405	127 121	2 411	1 522 334
Lease liabilities	233	674	3 497	2 132	6 536
Other financial liabilities	15 721	0	0	0	15 721
Subordinated debt	1 016	4 678	25 515	41 273	72 482
<b>Total financial liabilities</b>	<b>899 367</b>	<b>515 757</b>	<b>156 133</b>	<b>45 816</b>	<b>1 617 073</b>
<b>Off-balance sheet liabilities</b>					
Undrawn lines of credit and overdraft facilities	139 238	0	0	0	139 238
Financial guarantees	23 586	0	0	0	23 586
<b>Total on-balance / off-balance-sheet liabilities</b>	<b>1 062 191</b>	<b>515 757</b>	<b>156 133</b>	<b>45 816</b>	<b>1 779 897</b>
<b>Duration gap of financial assets and financial liabilities</b>	<b>-586 359</b>	<b>-315 517</b>	<b>767 226</b>	<b>718 809</b>	<b>584 159</b>

31.12.2022	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
<b>Assets</b>					
Cash and cash equivalents	364 878	0	0	0	364 878
Debt securities at fair value	852	0	6 653	11 242	18 747
Equity instruments	0	0	0	13	13
Loans and advances to customers	61 501	184 991	869 984	645 958	1 762 434
Other financial assets	1 360	0	20	0	1 380
<b>Total financial assets</b>	<b>428 591</b>	<b>184 991</b>	<b>876 657</b>	<b>657 213</b>	<b>2 147 452</b>
<b>Liabilities</b>					
Customer deposits and loans received	942 862	451 139	119 215	2 600	1 515 816
Lease liabilities	222	650	3 059	2 531	6 462
Other financial liabilities	6 666	0	386	0	7 052
Subordinated debt	703	2 111	10 450	42 176	55 440
<b>Total financial liabilities</b>	<b>950 453</b>	<b>453 900</b>	<b>133 110</b>	<b>47 307</b>	<b>1 584 770</b>
<b>Off-balance sheet liabilities</b>					
Undrawn lines of credit and overdraft facilities	139 330	0	0	0	139 330
Financial guarantees	15 419	0	0	0	15 419
<b>Total on-balance / off-balance-sheet liabilities</b>	<b>1 105 202</b>	<b>453 900</b>	<b>133 110</b>	<b>47 307</b>	<b>1 739 519</b>
<b>Duration gap of financial assets and financial liabilities</b>	<b>-676 611</b>	<b>-268 909</b>	<b>743 547</b>	<b>609 906</b>	<b>407 933</b>

## Note 12 Customer deposits and loans received

Due to customers	30.09.2023	31.12.2022
Private individuals	793 327	640 178
Legal entities	913 887	867 948
<b>Total</b>	<b>1 707 214</b>	<b>1 508 126</b>
Demand deposits	530 834	717 743
Term deposits	1 166 698	779 569
Special purpose loans	9 682	10 814
<b>Total</b>	<b>1 707 214</b>	<b>1 508 126</b>

## Note 13 Contingent liabilities

	30.09.2023	31.12.2022
Financial guarantees	23 586	15 419
Credit lines and overdrafts	139 238	139 330
<b>Total</b>	<b>162 824</b>	<b>154 749</b>

## Note 14 Related parties

Related parties are:

- a shareholder of significant influence and companies that are part of its group;
- management of the group: i.e. members of the Management Board and the Supervisory Board of parent company, head of internal audit and entities controlled by them;
- individuals, who have equal economic interest as management, and entities associated to them.

The terms of the loans issued to related parties do not differ from the loans issued to other customers regarding interest rates. Transactions with related parties are based on the price list and/or are carried out at market value. Maximum termination benefits payable to members of the management board on a contingent basis is 312 thousand euros (31.12.2022: 258).

Balances	30.09.2023	31.12.2022
Shareholders:		
Loans	0	0
Deposits	10 071	5 648
Members of the Management Board and Supervisory Board, and persons and entities associated with them:		
Loans	1 880	1 914
Deposits	1 649	606

Transactions	30.09.2023	31.12.2022
Shareholders:		
Interest expense	60	3
Members of the Management Board and Supervisory Board, and persons and entities associated with them:		
Interest income of the reporting period	69	52
Interest expense of the reporting period	8	5
Other goods and services sold	1	2
Compensation paid to members of the Management Board and Supervisory Board	635	698

## Note 15 Basic earnings and diluted earnings per share

In order to calculate basic earnings per share, net profit attributable to owners of the parent has been divided by the weighted average number of shares issued. Diluted earnings per share comes from the share options granted to key employees.

	Q3 2023	9 M 2023	Q3 2022	9 M 2022
Profit attributable to the owners of the parent (in thousands of euros)	11 076	30 818	5 747	13 836
Weighted average number of shares (in thousands of units)	102 241	101 856	91 324	91 289
Basic earnings per share (euros)	0,11	0,30	0,06	0,15
Adjustments for calculation of diluted earnings per share – share options (in thousands of units)	2 320	2 263	2 213	1 944
Weighted average number of shares used for calculating the diluted earnings per share (in thousands of units)	104 561	104 120	93 537	93 233
Diluted earnings per share (euros)	0,11	0,30	0,06	0,15

## Shareholders, Supervisory Board and Management Board of Coop Pank AS

As at 30.09.2023 shareholders with holding over 5% are:

Coop Investeeringud OÜ	22,17%
Andres Sonn	8,33%
CM Capital OÜ	4,60%

In addition, the member cooperatives of Coop Eesti Keskühistu hold the total of 19,10% of the total amount of shares, however, separately none of them holds over 5%.

Members of Supervisory Board hold 126 thousand shares of Coop Pank and Members of Management Board hold 919 thousand shares of Coop Pank, which in total accounts for 1,02% of the total amount of shares.

Members of the Supervisory board:

Rainer Rohtla (Chairman), Viljar Arakas, Jaan Marjundi, Raul Parusk, Roman Provotorov, Silver Kuus

Members of the Management board:

Margus Rink (Chairman), Paavo Truu, Heikko Mäe, Arko Kurtmann, Rasmus Heinla

## Statement of the Management Board of Coop Pank AS

The Management Board of Coop Pank is of the opinion, that information in this interim report, consisting of the management report and financial reports, is in conformity with requirements to interim reports and gives a true and fair view of the financial condition and economic results of Coop Pank Group, the presented data and additional information is true and comprehensive. Current interim report is not audited.

20.10.2023

Margus Rink

Chairman of the Management Board

Paavo Truu

Member of the Management Board

Heikko Mäe

Member of the Management Board

Arko Kurtmann

Member of the Management Board

Rasmus Heinla

Member of the Management Board

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