

Coop Pank Group 2024 Q4 and yearly unaudited results

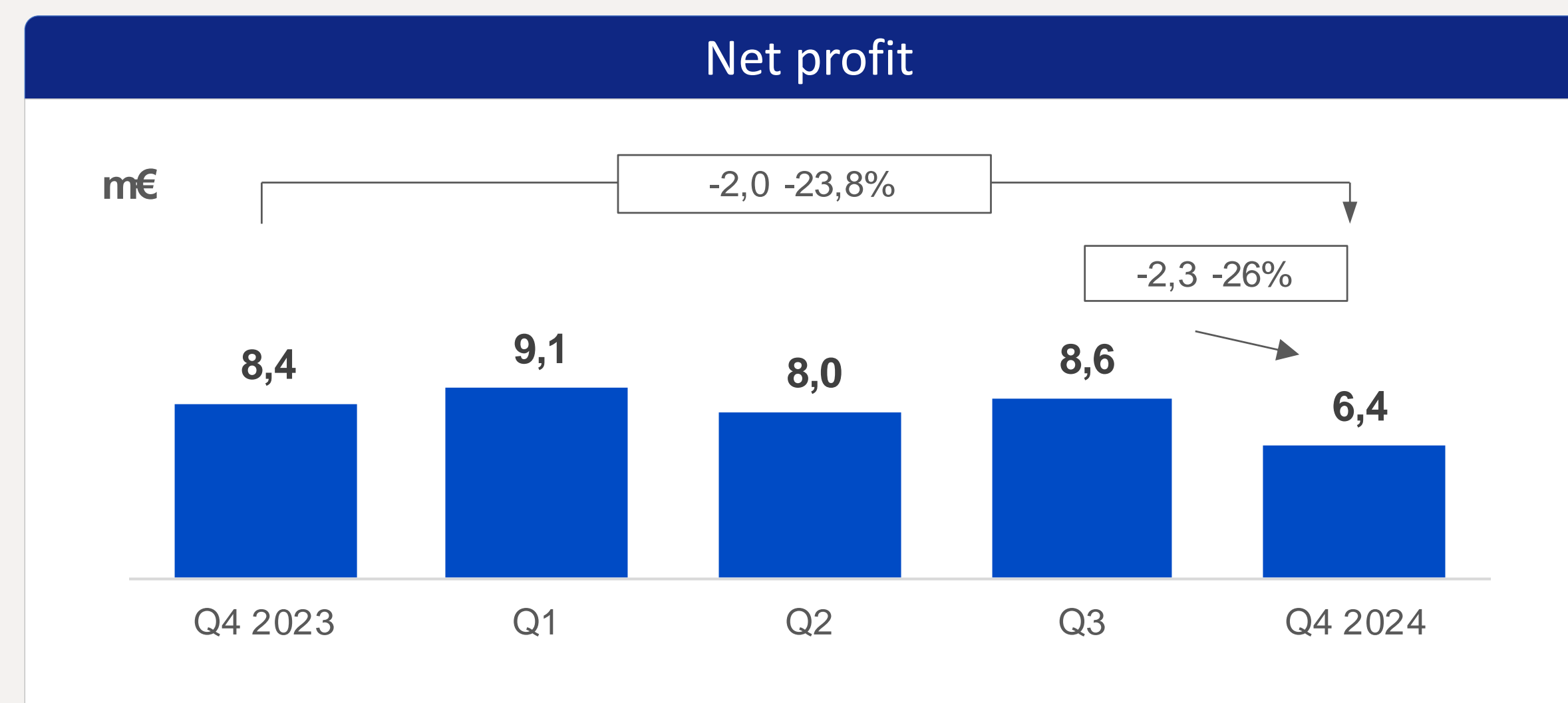
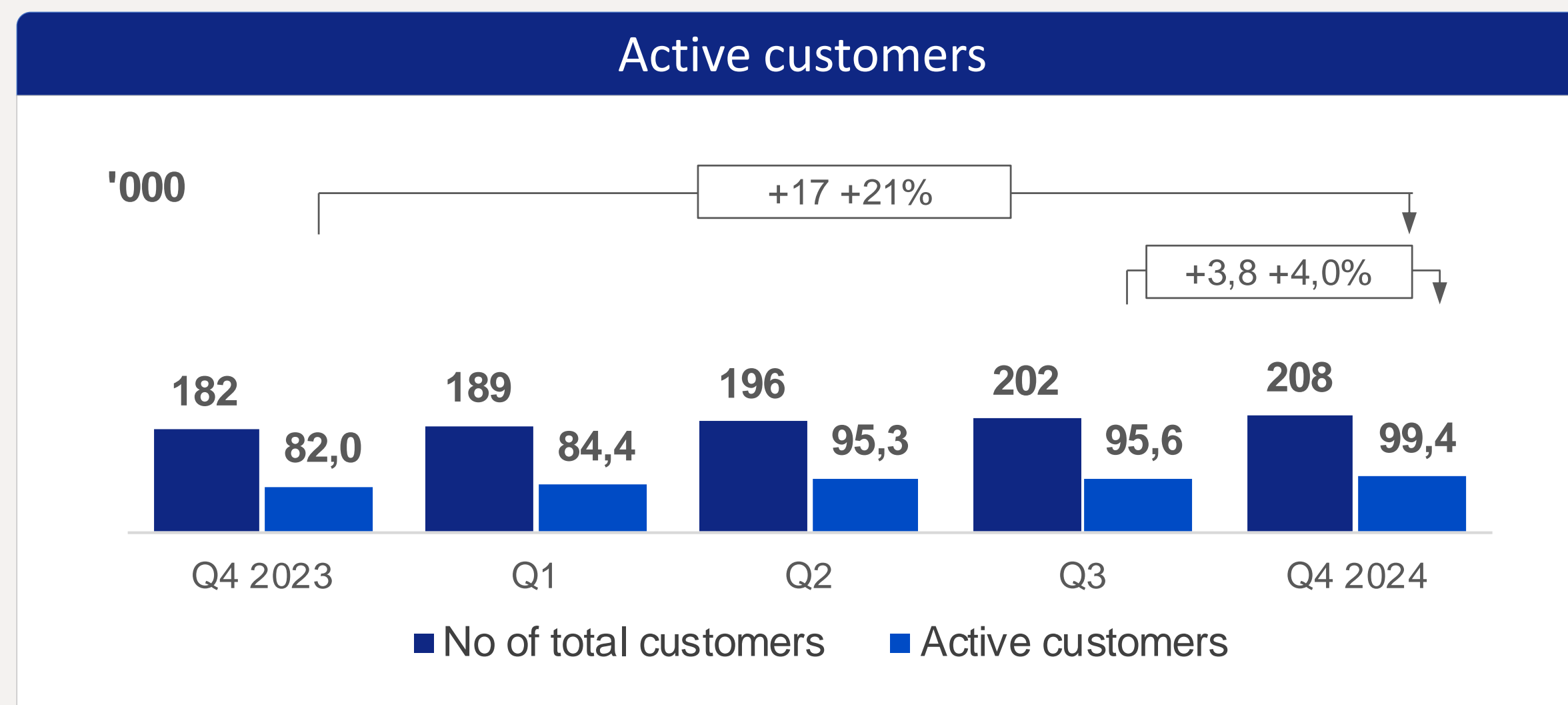
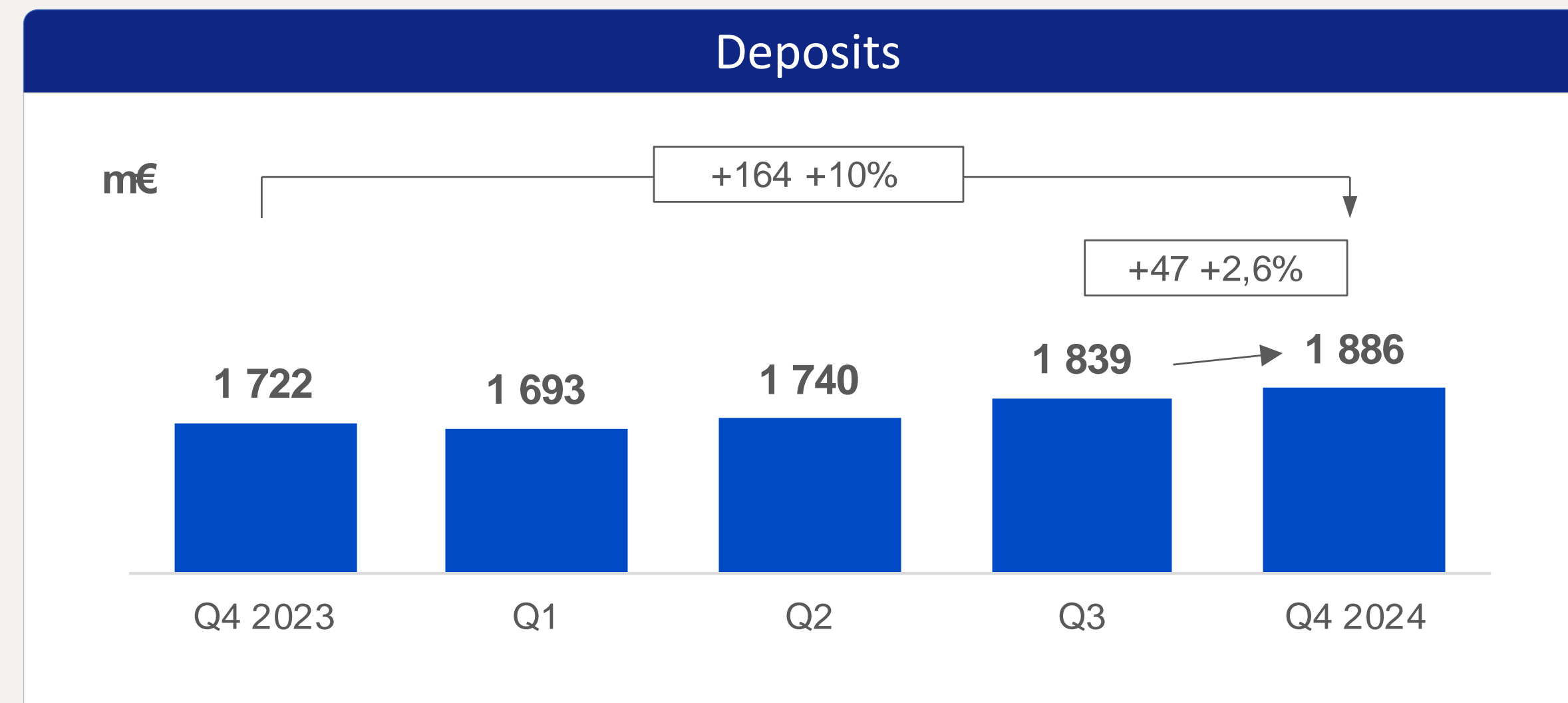
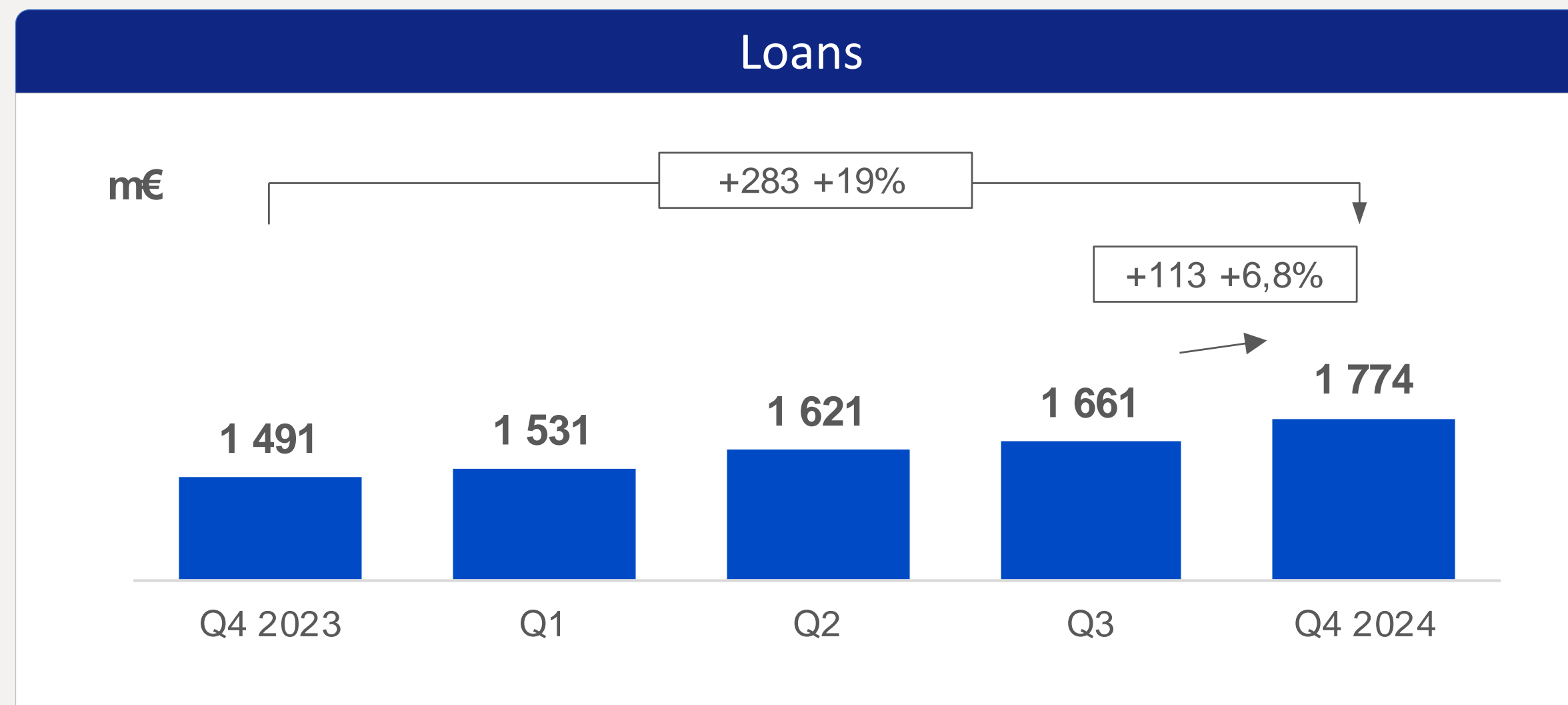
13.02.2025

Key notes from year 2024

- **Economic environment** shows positive signs
- **Falling interest rates.** The decline in interest income exceeds the decline in interest expenses
- **Business volumes** grow 2.5 times faster than the market as a whole: number of clients, loan portfolio
- **Quality of loan portfolio** remains high
- **License for covered bonds.** Issuance in the coming months
- **Systemically important credit institution** since 01/01/25
- **Moody's rating** Baa2 with a positive outlook
- **“Kaardivägi”** – our and our clients' contribution to Estonia's defense capability



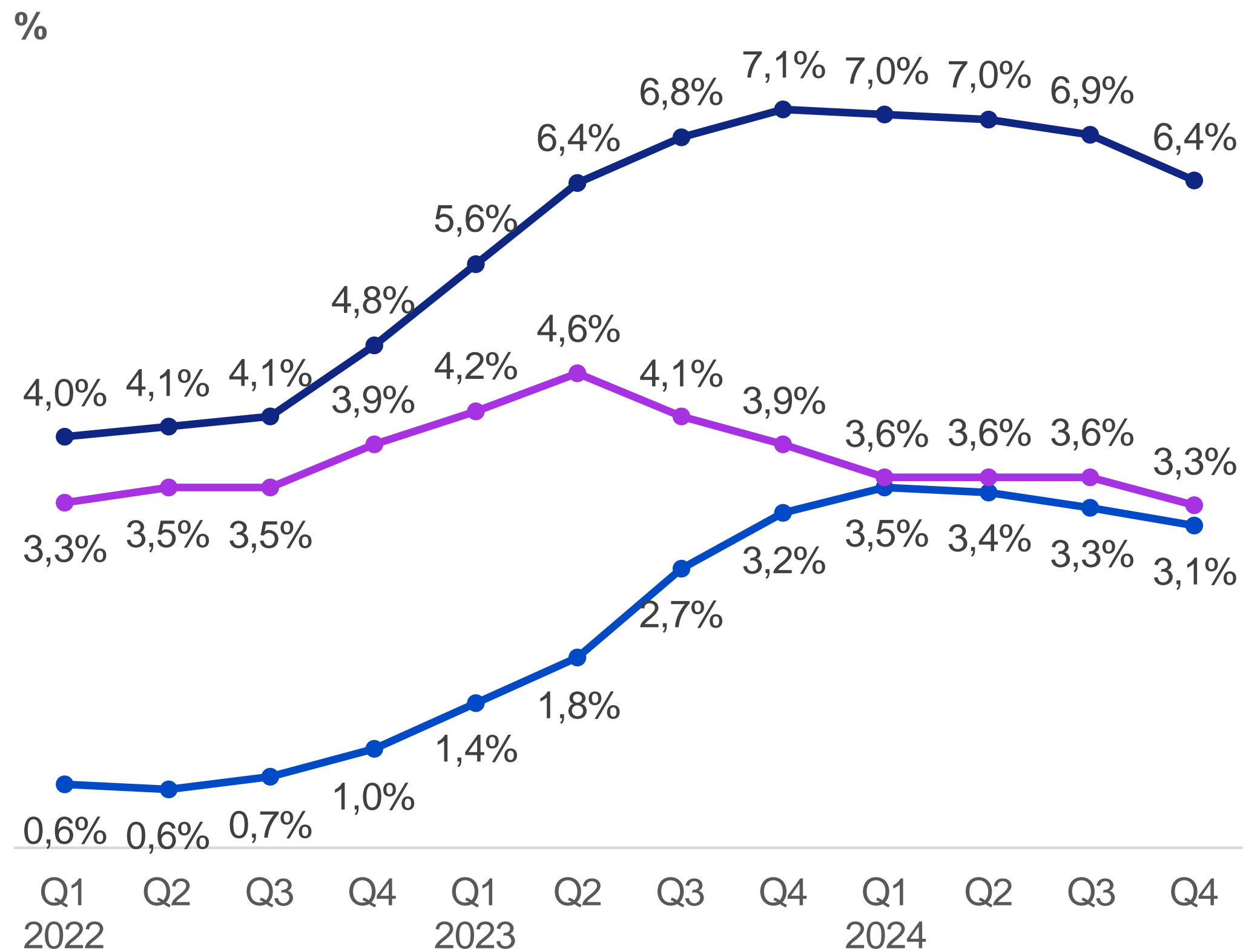
Business volumes in quarterly comparison



Increase calculations refer to active customers. Active client has made at least 4 transactions in the last 60 days

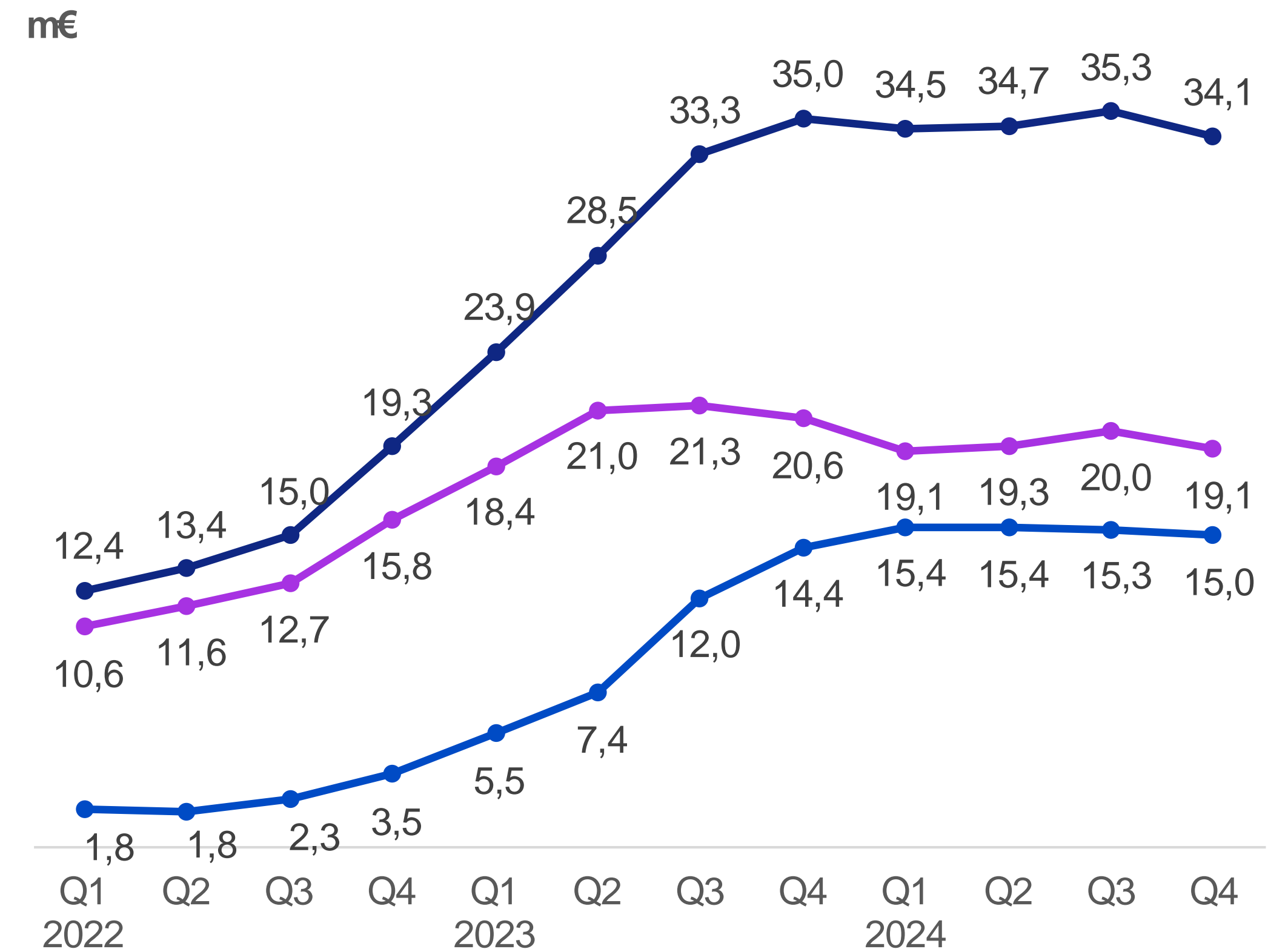
Interest income and financing cost

Interest margins



- Interest income / interest earning assets
- Interest expense / interest-bearing liabilities
- Net interest income margin

Interest income, expenses and net interest income



- Interest income
- Interest expense
- Net interest income

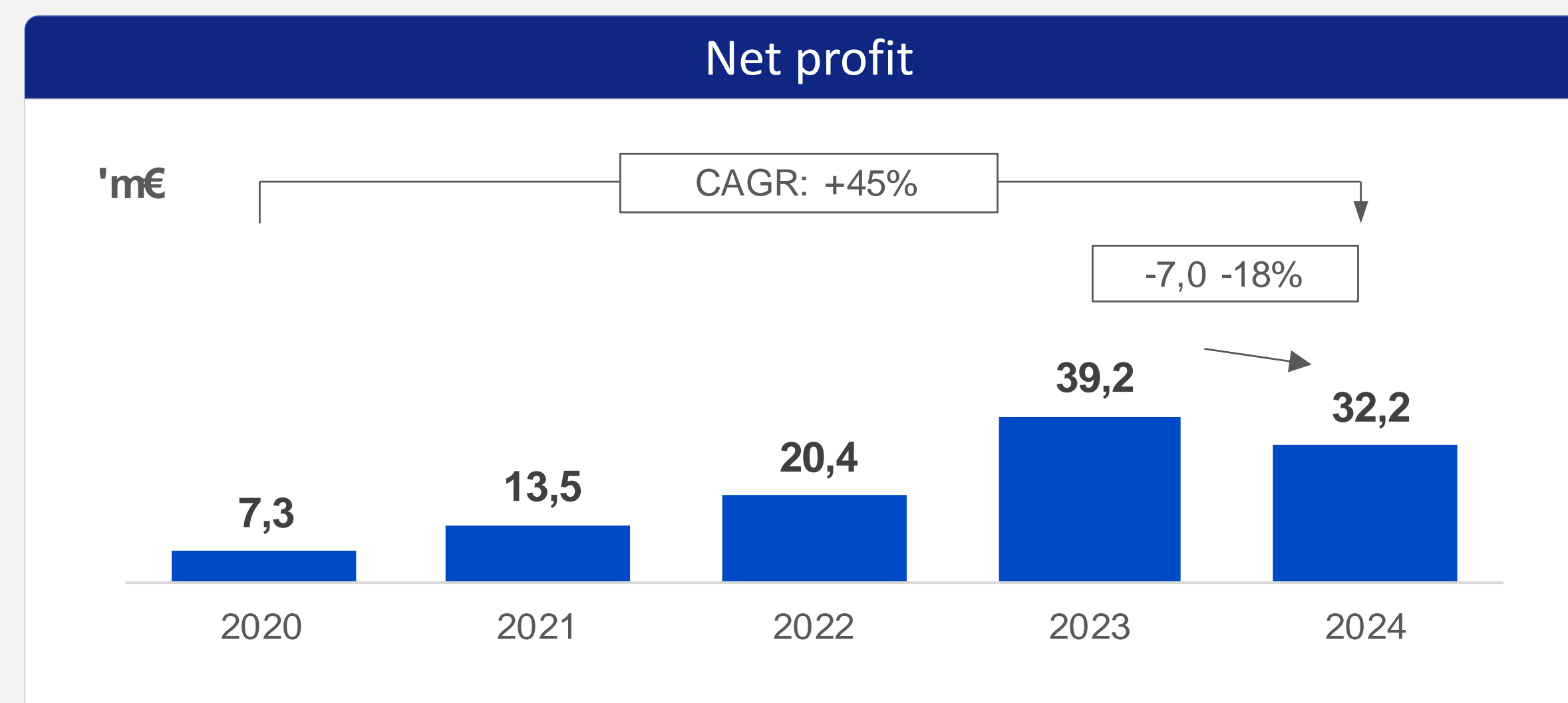
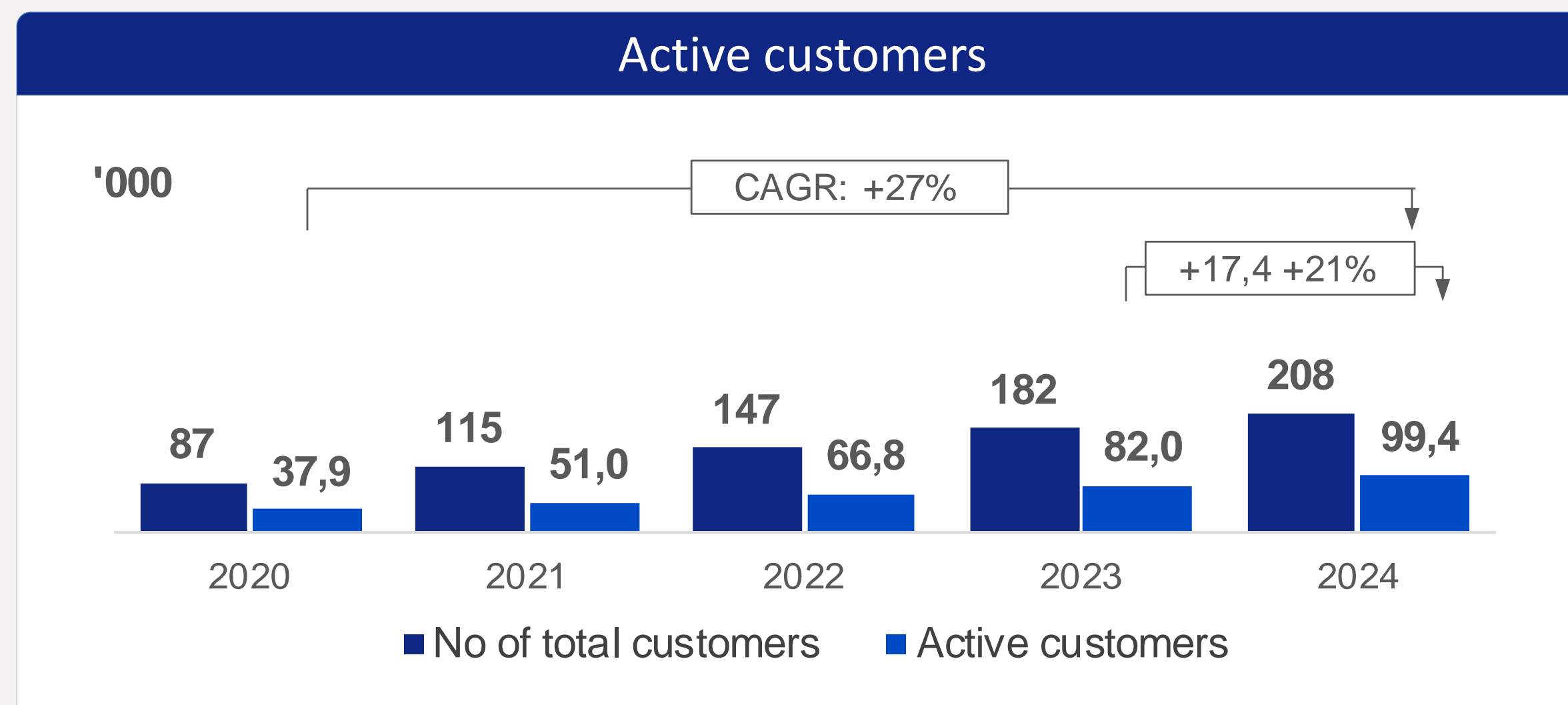
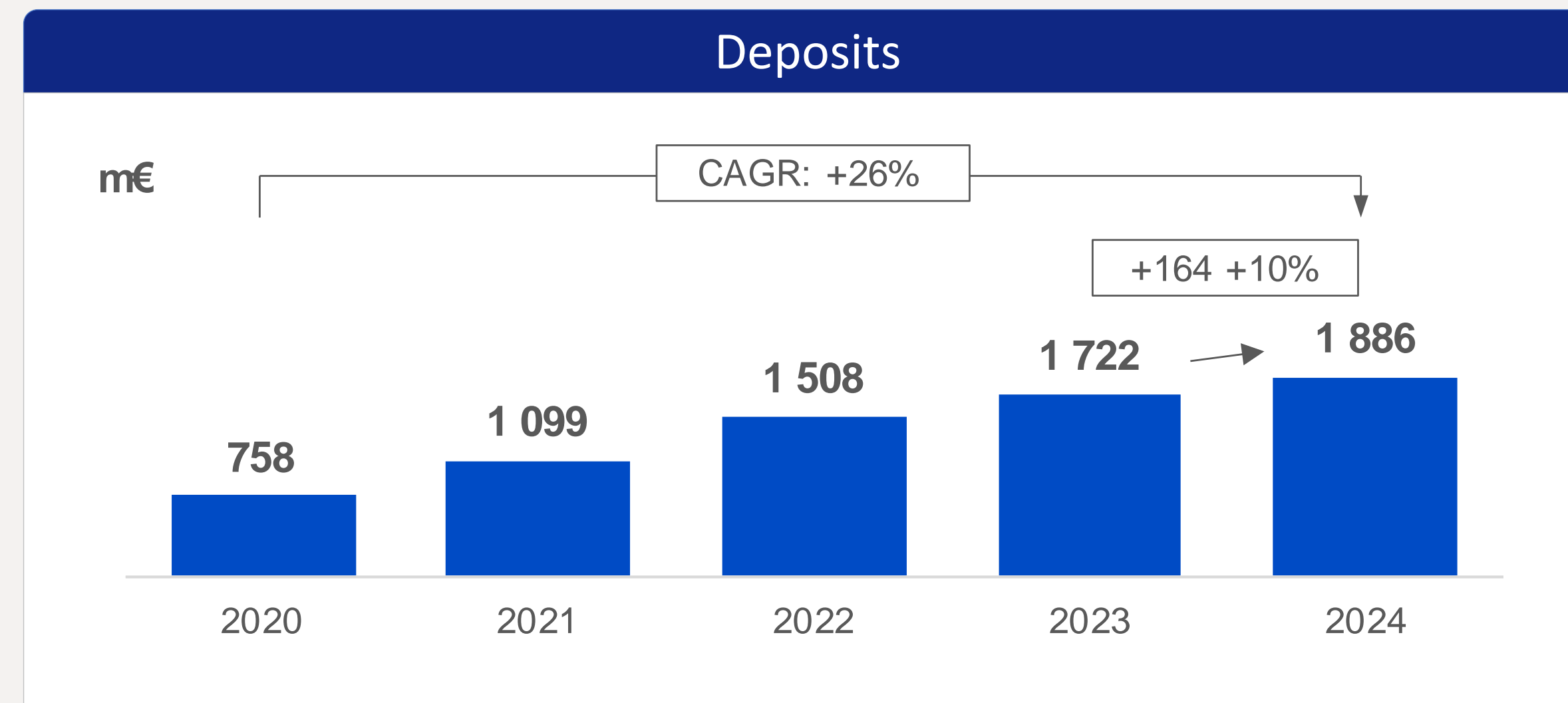
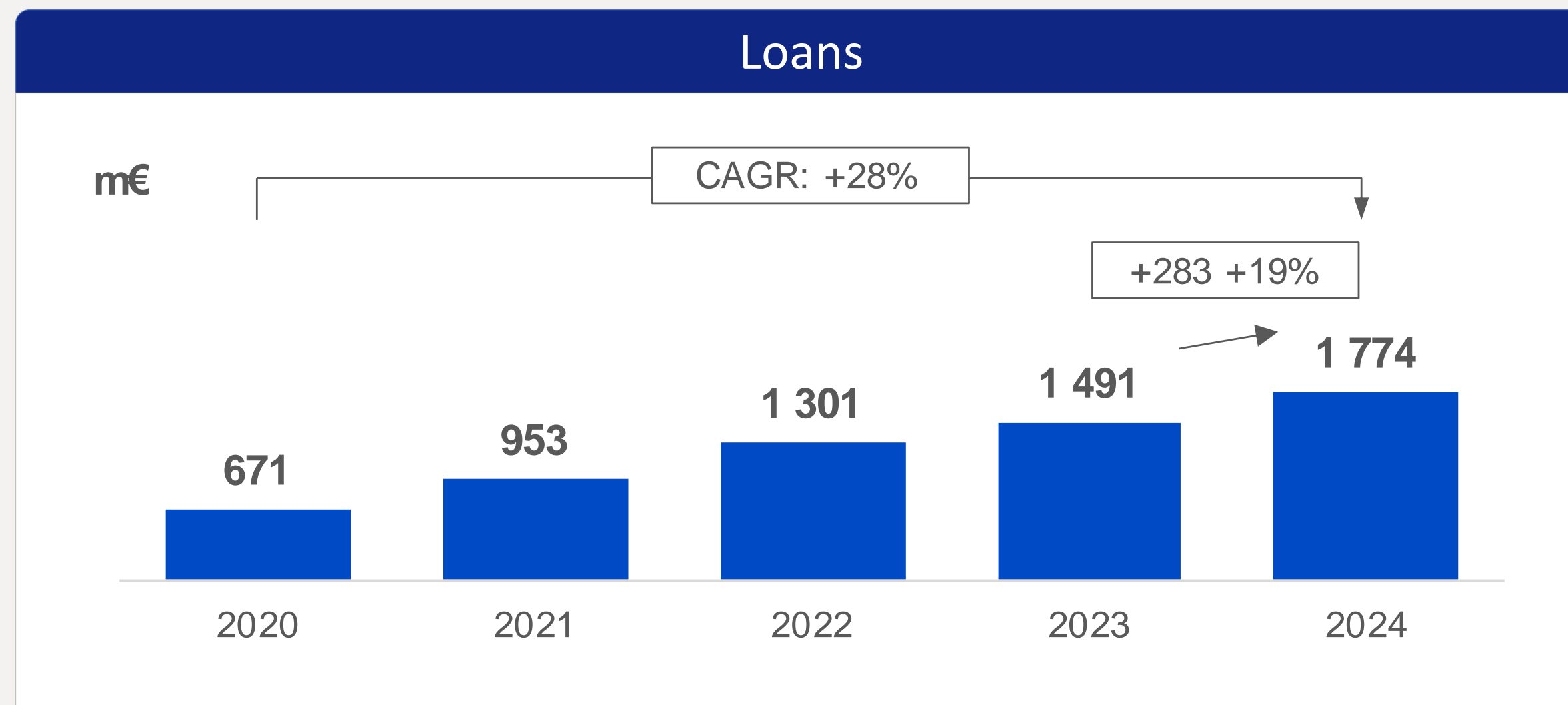
Results of Q4 2024 – compared to Q3 2024

Key indicators in quarterly comparison

	Q4 2024	Q3 2024	Quarterly change	
Net operating income ('000 €)	19 968	21 228	-1 260	-6%
Interest	19 148	20 021	-873	-4%
incl interest income	34 144	35 342	-1 197	-3%
incl interest expense	-14 996	-15 321	+326	-2%
Service fees and commissions	1 303	1 040	+263	+25%
Other	-483	167	-650	-389%
Operating expenses	-10 797	-10 261	-536	+5%
Operating profit	9 171	10 967	-1 796	-16%
Impairment costs	-1 821	-1 022	-799	+78%
Profit before income tax	7 350	9 945	-2 595	-26%
Income tax	-957	-1 296	+339	-26%
Net profit	6 393	8 649	-2 256	-26%
Net loan portfolio (m€)	1 774	1 661	+113	+7%
Deposits and loans received	1 886	1 839	+47	+3%
Equity	212	205	+7	+3%
ROE	12,3%	17,3%	-5,0%	
Net interest margin (NIM)	3,6%	3,9%	-0,3%	
Cost of financing	3,1%	3,3%	-0,2%	

- Record growth in business volumes: loan portfolio +113 m€ (+7%)
- Interest income decreased due to the decrease in Euribor and margins. The increase in the loan portfolio did not compensate for this
 - Total change -1.2 m€ incl. business volume growth +1.5 m€; interest rate impact -2.3 m€; other impacts -0.3 m€.
- Interest expenses decreased by 0.3 m€ incl. 1.0 m€ due to the decrease in interest rates. At the same time, with the growth in deposits, additional interest expense of 0.6 m€ was added
- Operating expenses in Q4 10.8 m€ (+0.5 m€, +5%)
 - The growth of operating costs has slowed down
- Cost of impairment of financial assets 1.8 m€ (+0.8 m€, +78%)
 - The increase in provisions is due to the growth in the loan portfolio
 - Loan portfolio quality remains high
- Net profit 6.4 m€ (-2.3 m€, -26%)

Business volumes in yearly comparison



Change calculations refer to active customers. Active client has made at least 4 transactions in the last 60 days

Results of 2024 – compared to 2023

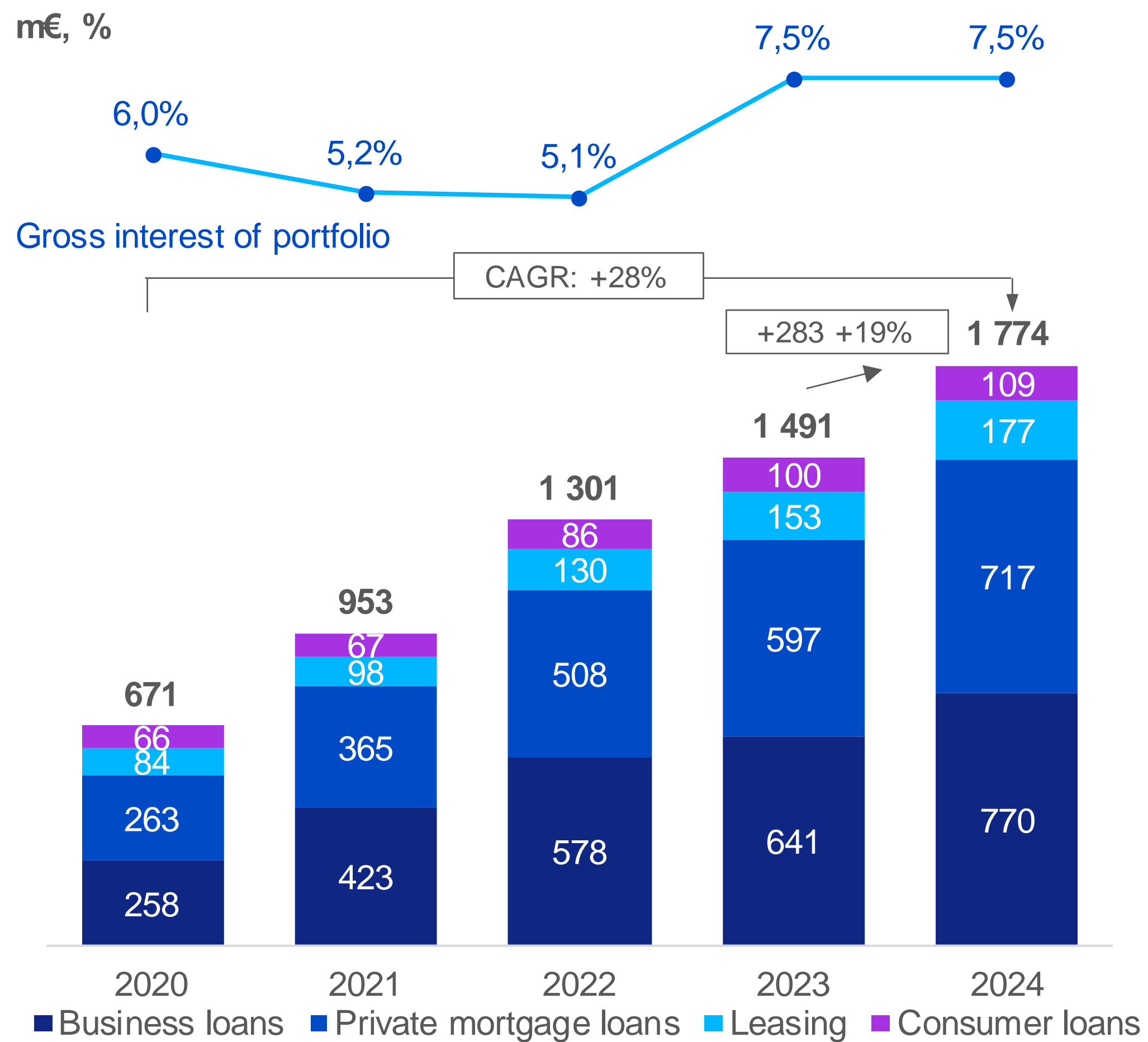
Key indicators in year on year comparison

	2024	2023	Year on Year change	
Net operating income ('000 €)	81 883	85 205	-3 322	-4%
Interest	77 570	81 265	-3 695	-5%
incl interest income	138 695	120 651	+18 043	+15%
incl interest expense	-61 125	-39 386	-21 739	+55%
Service fees and commissions	4 358	4 847	-489	-10%
Other	-45	-908	+863	-95%
Operating expenses	-40 576	-35 128	-5 448	+16%
Operating profit	41 307	50 076	-8 769	-18%
Impairment costs	-4 643	-6 302	+1 659	-26%
Profit before income tax	36 664	43 774	-7 110	-16%
Income tax	-4 486	-4 570	+84	-2%
Net profit	32 178	39 204	-7 026	-18%
Net loan portfolio (m€)	1 774	1 491	+283	+19%
Deposits and loans received	1 886	1 722	+164	+10%
Equity	212	186	+26	+14%
ROE	16,2%	23,5%	-7,3%	
Net interest margin (NIM)	3,8%	4,4%	-0,6%	
Cost of financing	3,3%	2,4%	+0,9%	

- Net income -3.3 m€ (-4%)
 - Interest income +18.0 m€ incl. business volume growth impact +14 m€; interest rate impact +2.4 m€; other impacts +1.7 m€.
 - Interest expenses increased by 21.7 m€ including volume impact of 2.7 m€; interest rate impact of 19.0 m€.
- Operating expenses +5.4 m€ (+16%)
 - Payroll expenses
 - IT expenses
- Financial assets of high quality
 - Impairment costs decreased by -1.7 m€ (-26%)
 - At the same time the loan portfolio grew by +19%
- Net profit decreased by -7.0 m€ (-18%)

Loan portfolio continues to grow

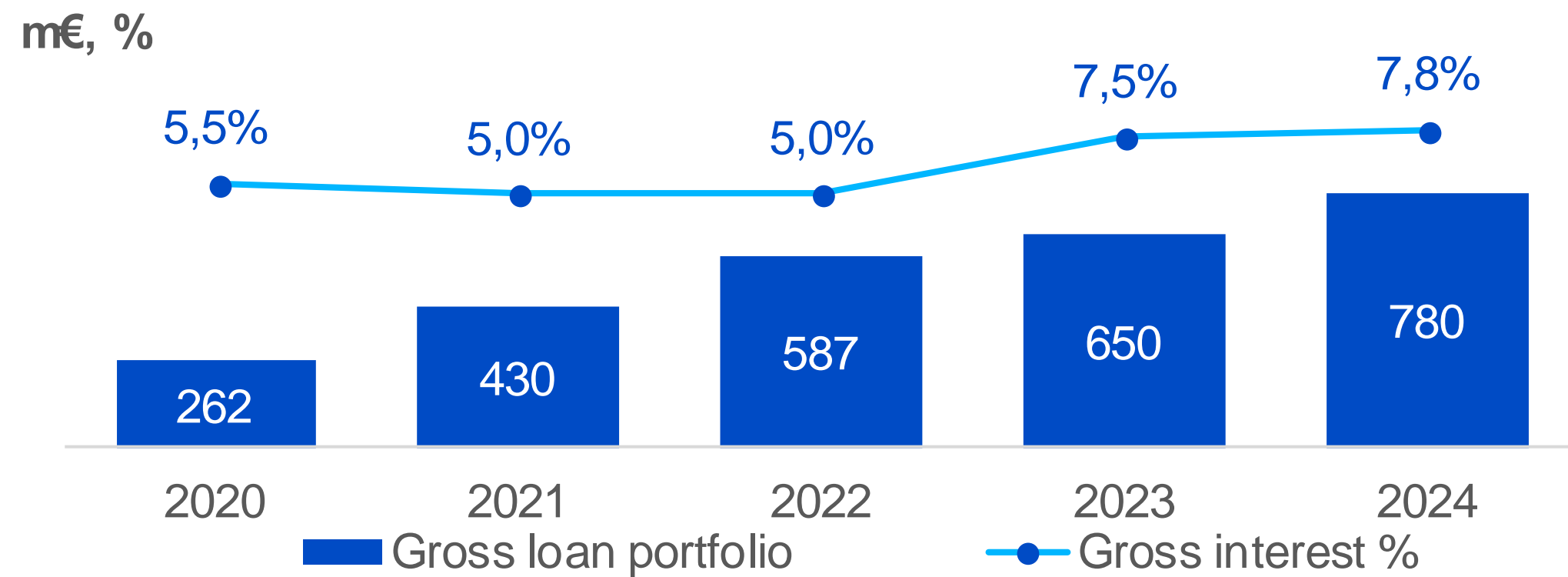
Net loan portfolio



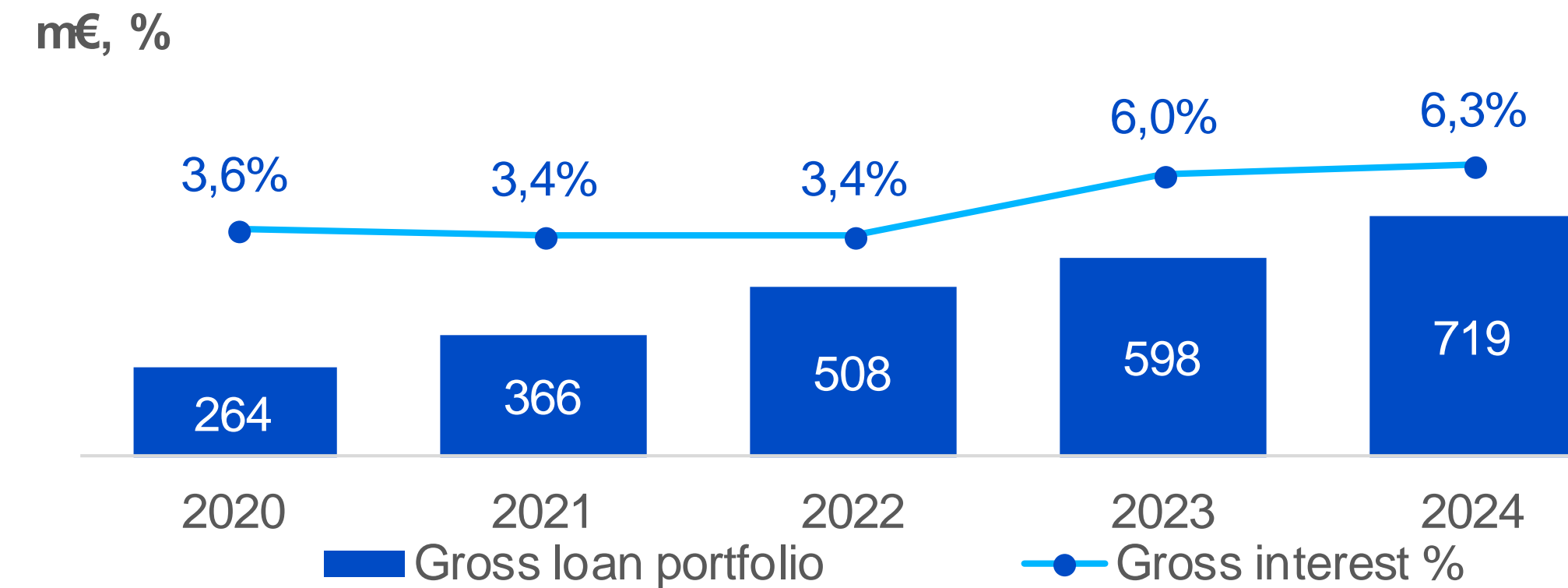
- Annual growth of loan portfolio +283 m€ (+19%)
 - Business loans +129 m€ (+20%)
 - Private mortgage loans +121 m€ (+20%)
 - Leasing +24 m€ (+16%)
 - Consumer loans +9 m€ (+9%)
- 2023 average 6-month Euribor 3.69%; 2024 average 3.53%
- Change in Euribor will be applied with a delay of up to 6 months

Loan portfolio interest by business lines

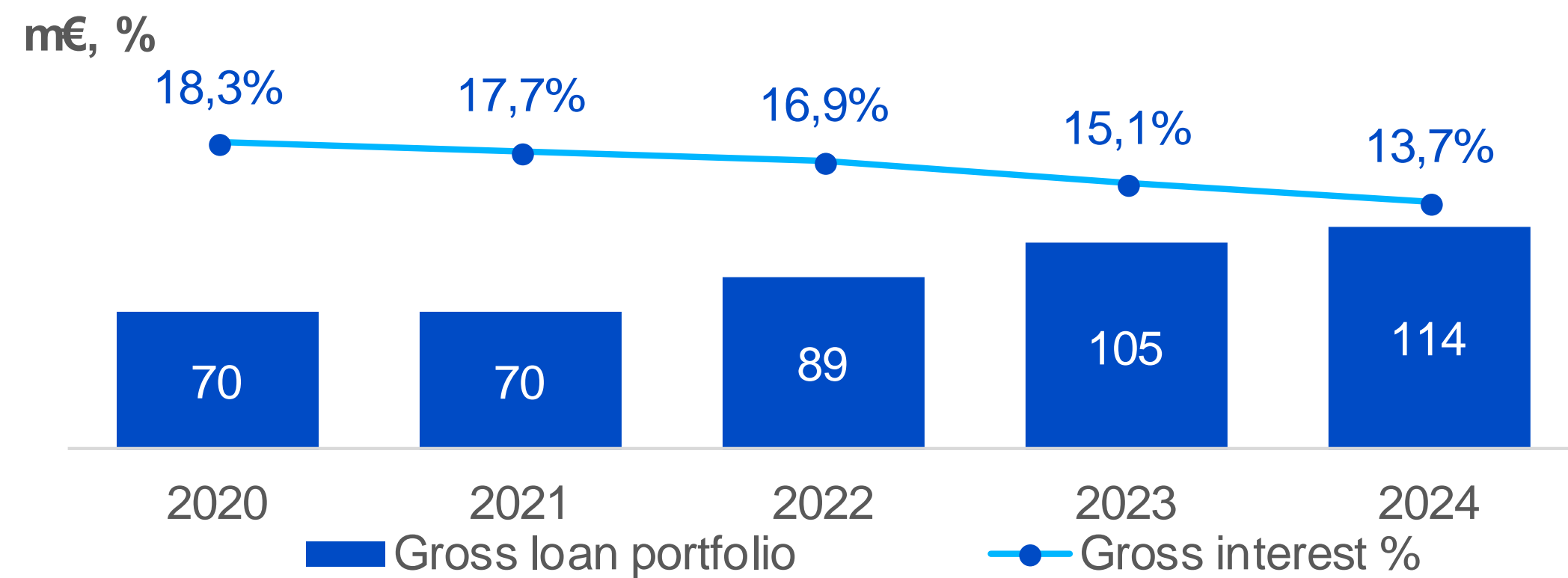
Business loans



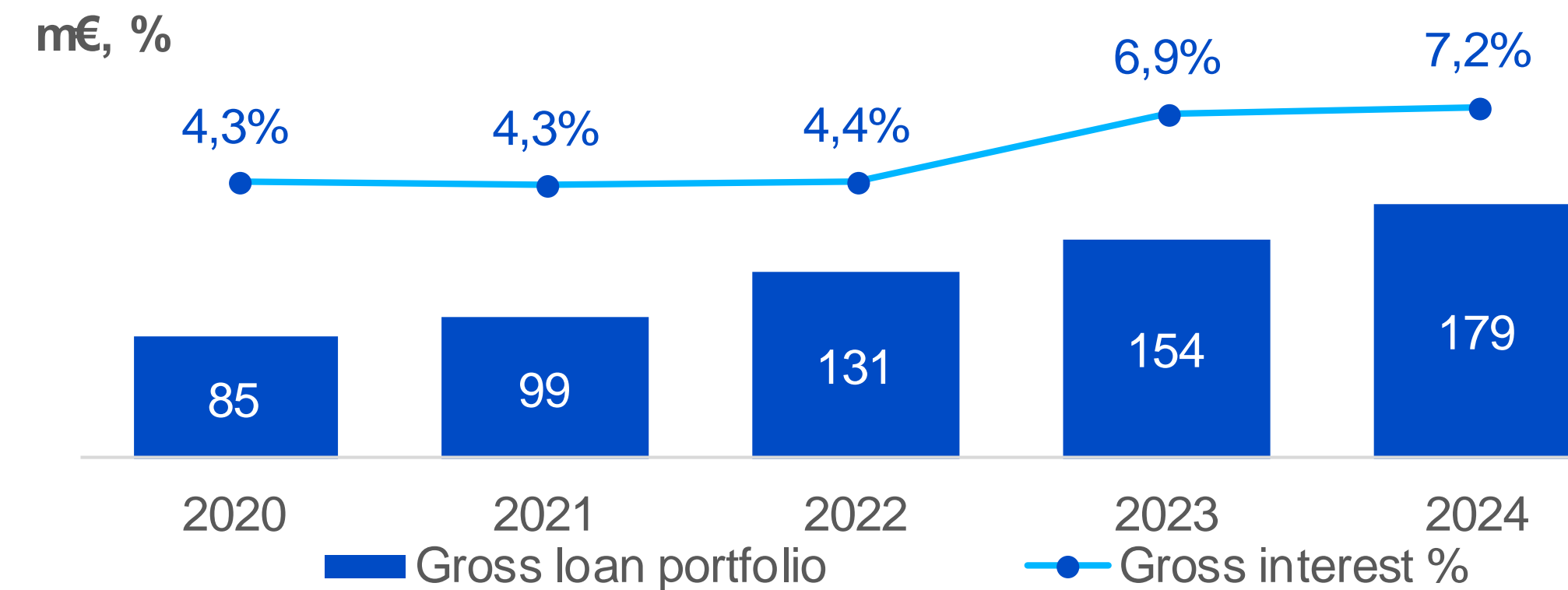
Private mortgage loans



Private consumer loans

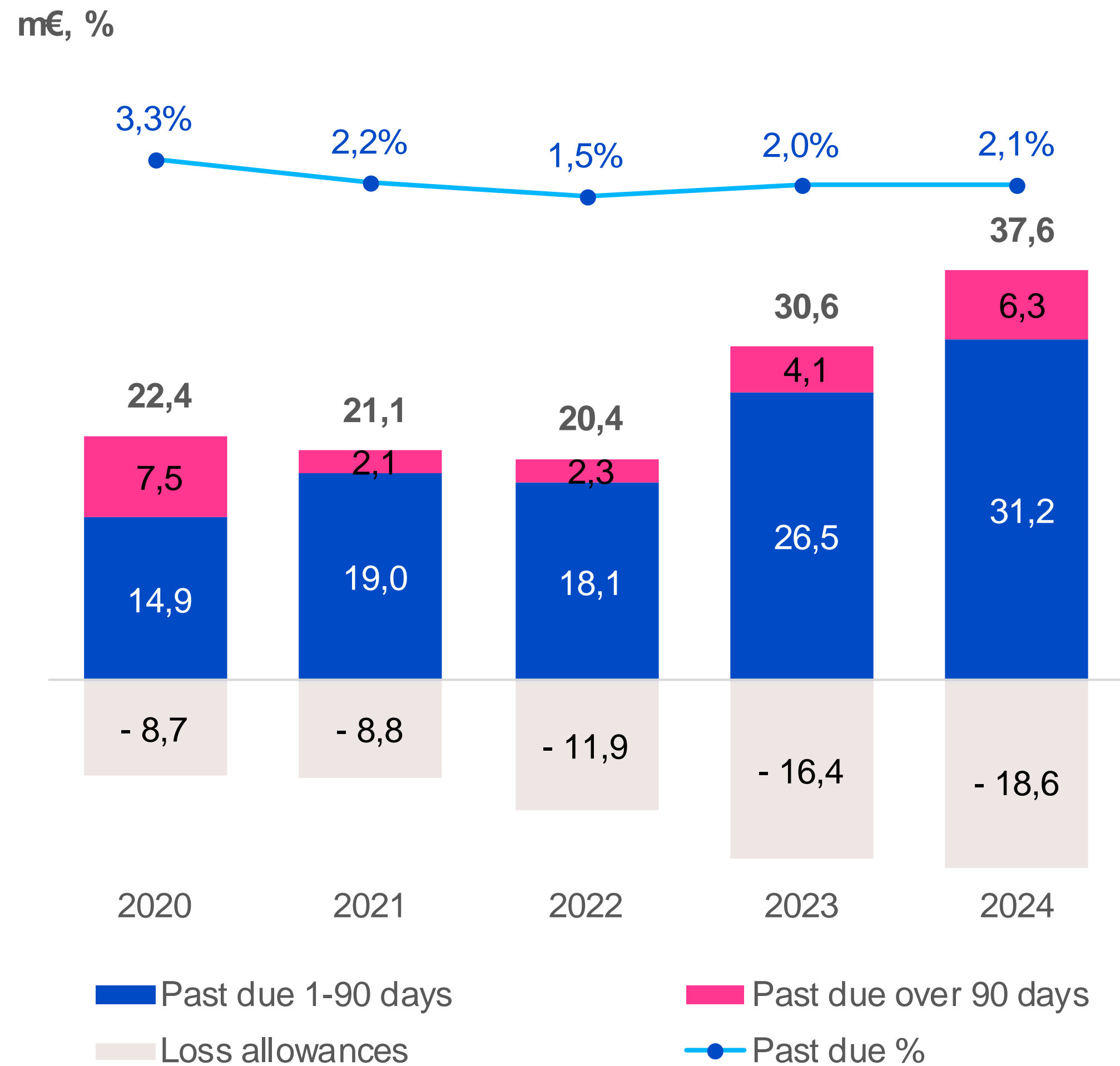


Leasing



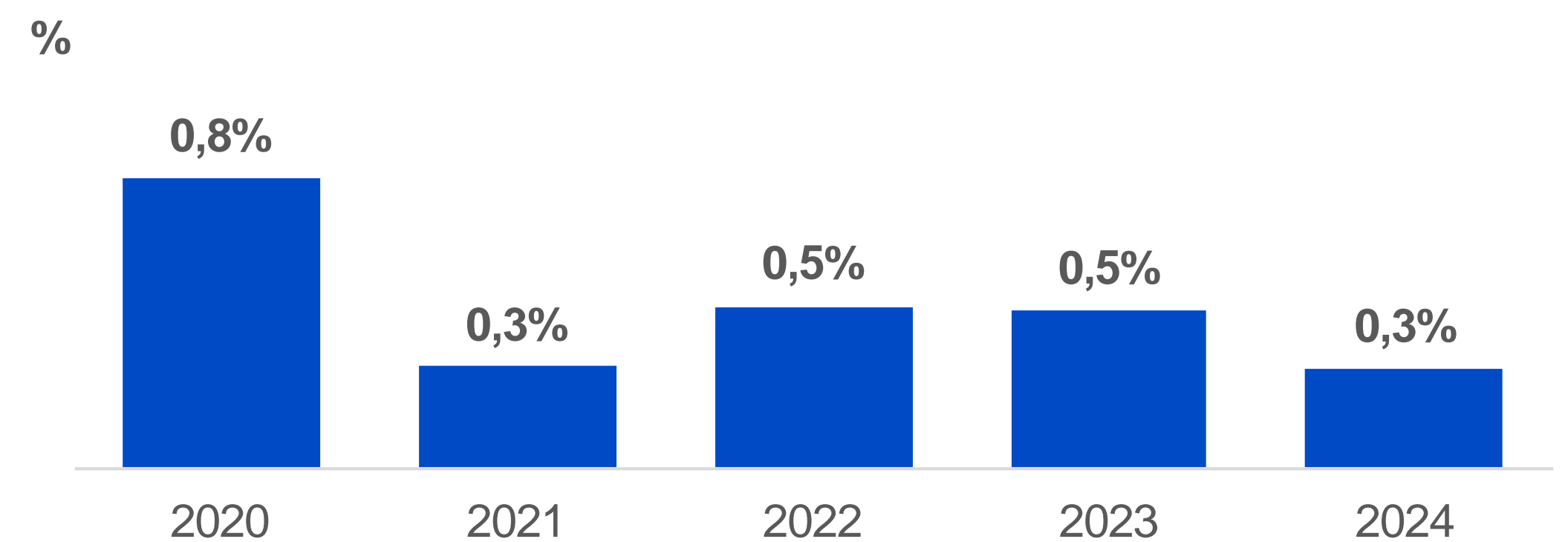
Quality of loan portfolio

Loans past due and loss allowances in balance sheet



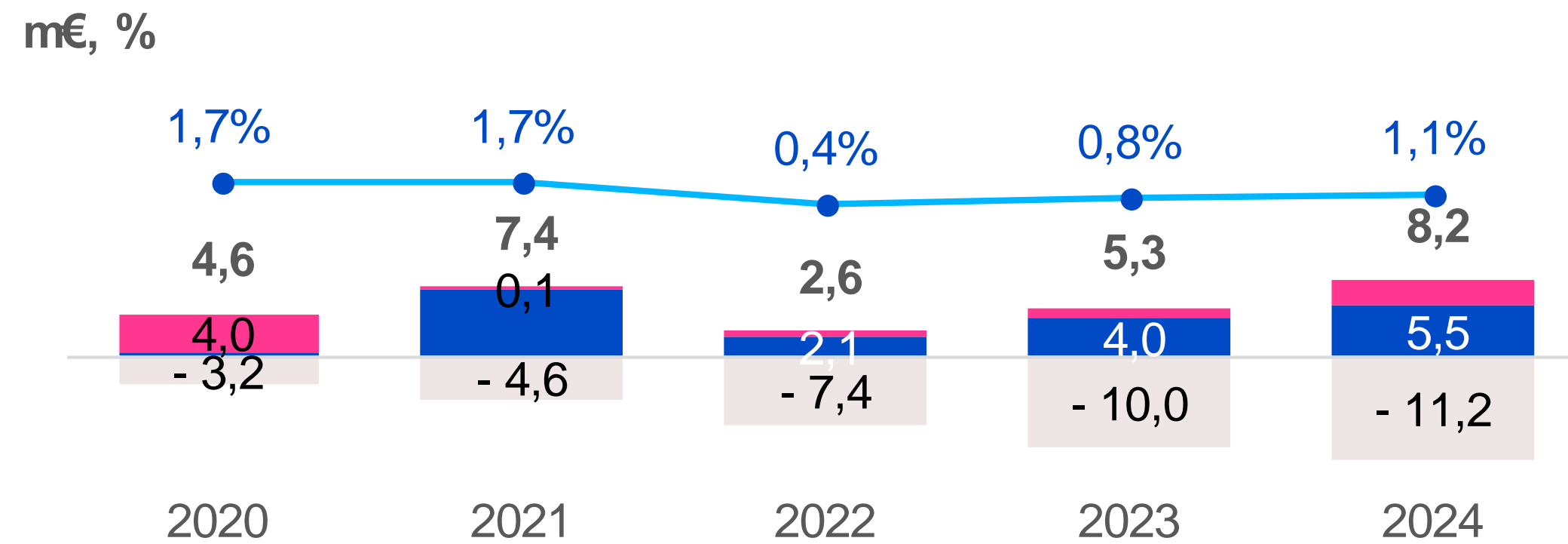
- Past due portfolio remains at a low 2.1%
- Credit risk cost ratio 0.3% in 2024

Credit risk cost ratio

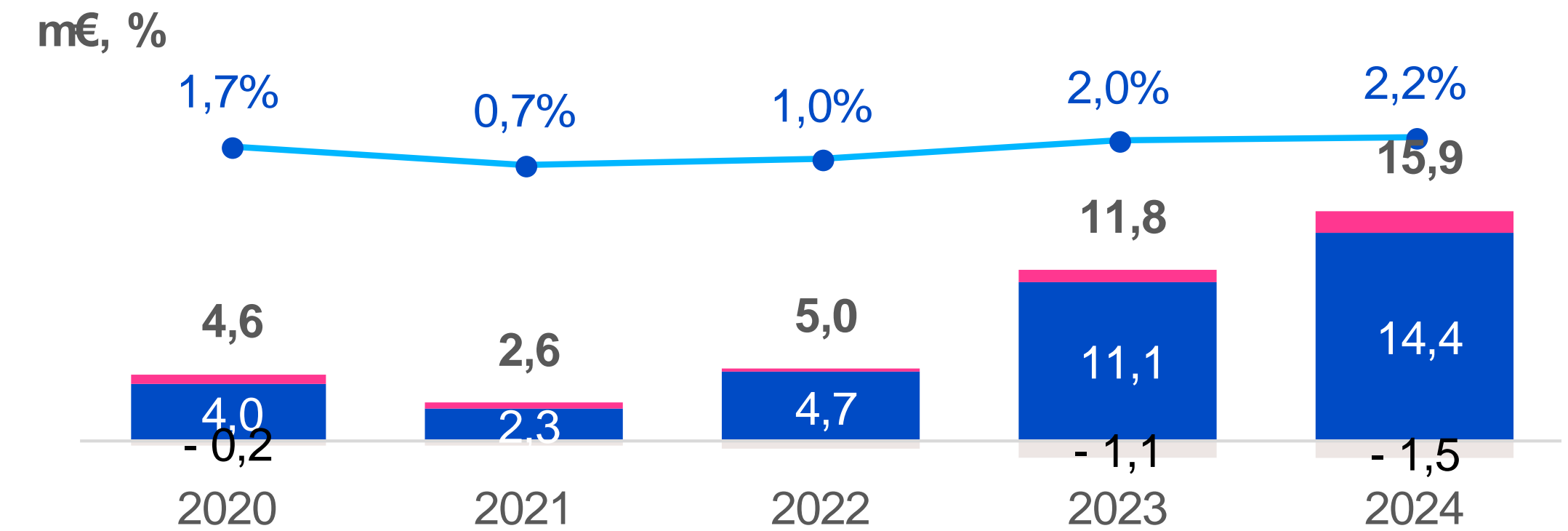


Loan portfolio quality by business lines

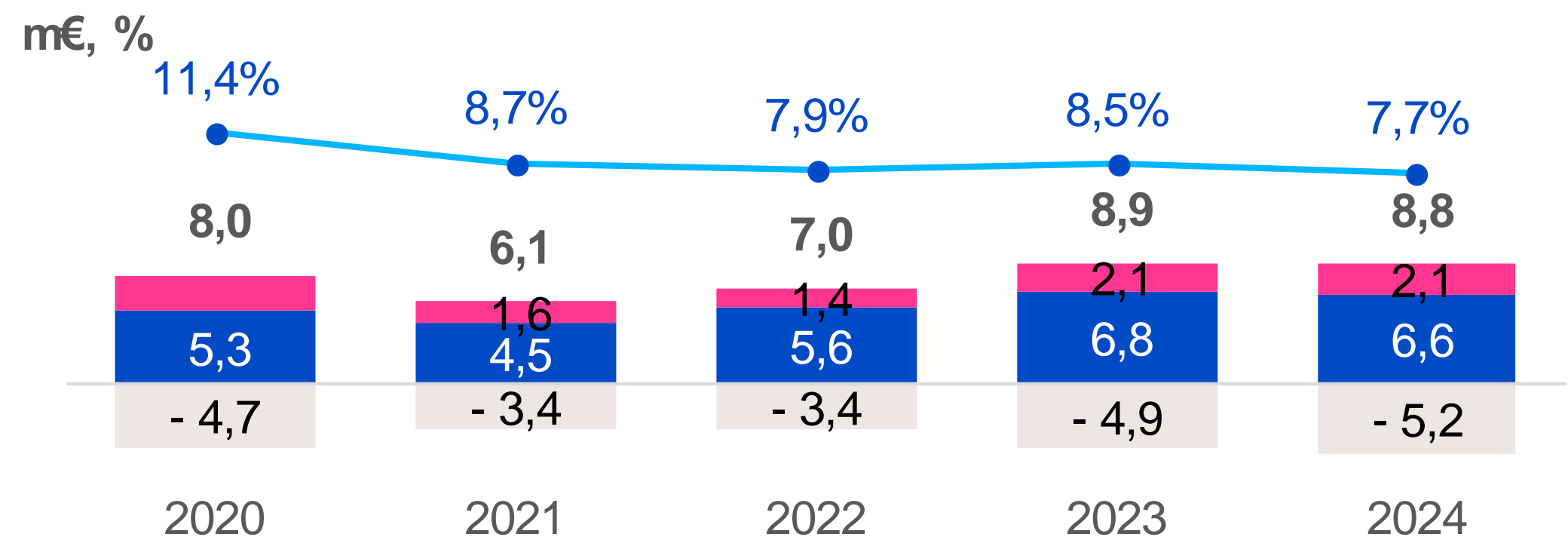
Business loans



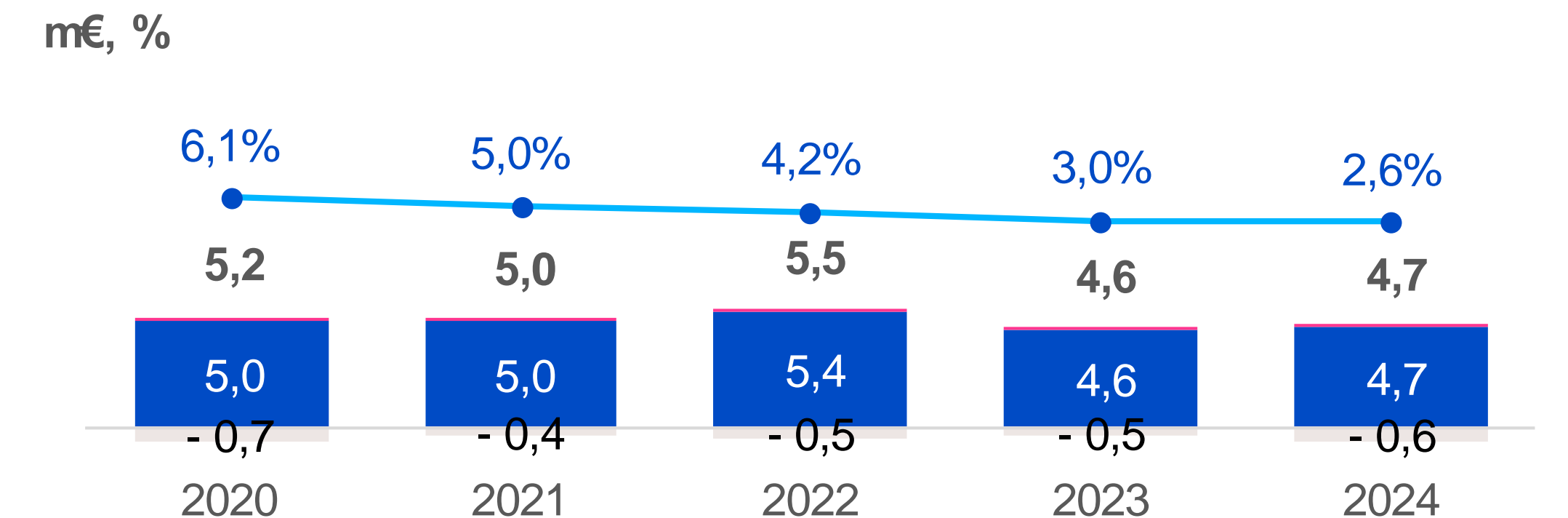
Private mortgage loans



Private consumer loans



Leasing

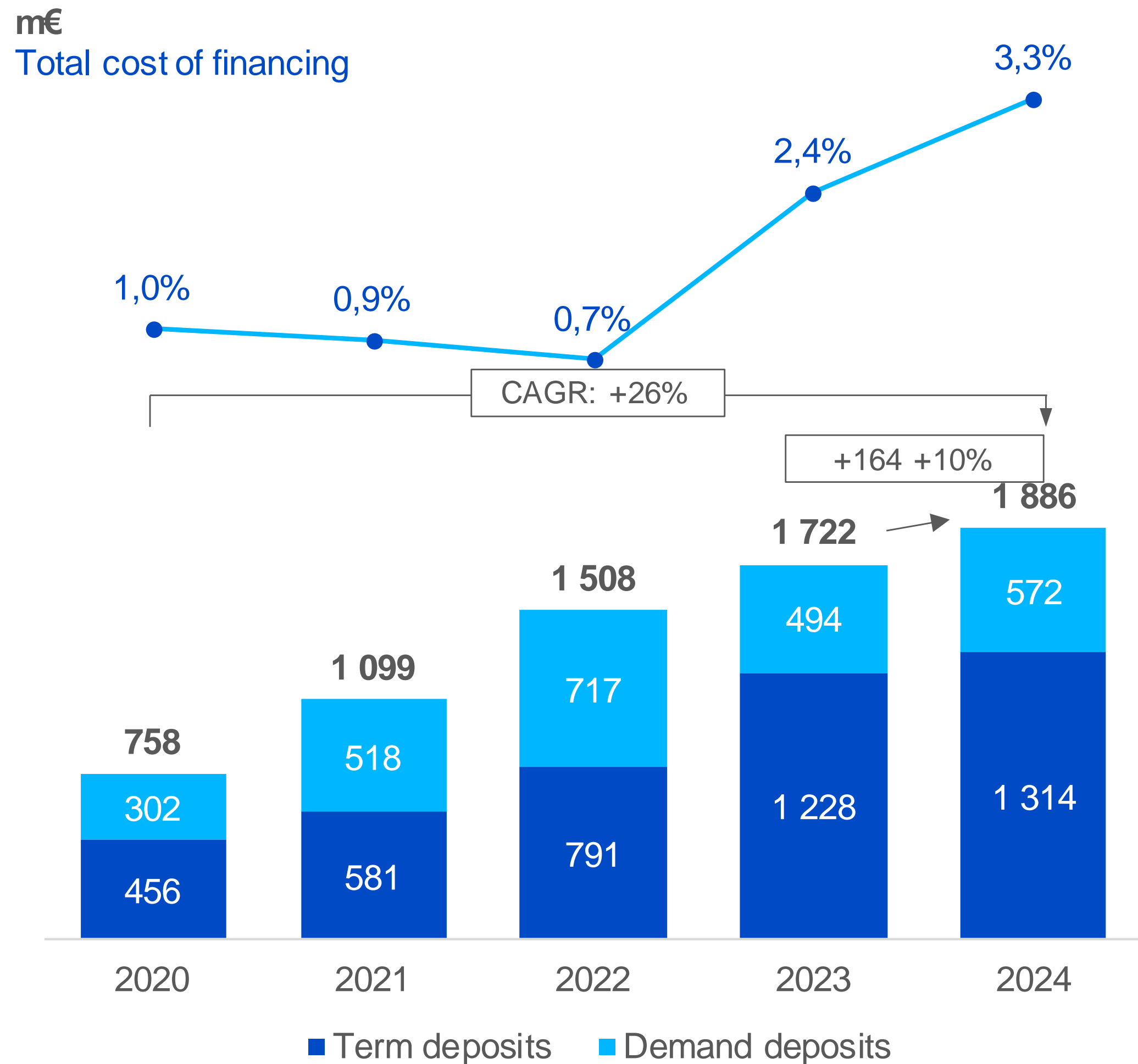


Total residual of loan principal amounts past due; loss allowances in balance sheet; share of overdue contracts in total (gross) portfolio

■ Past due 1-90 days
 ■ Past due over 90 days
 ■ Loss allowances
 ●— Past due %

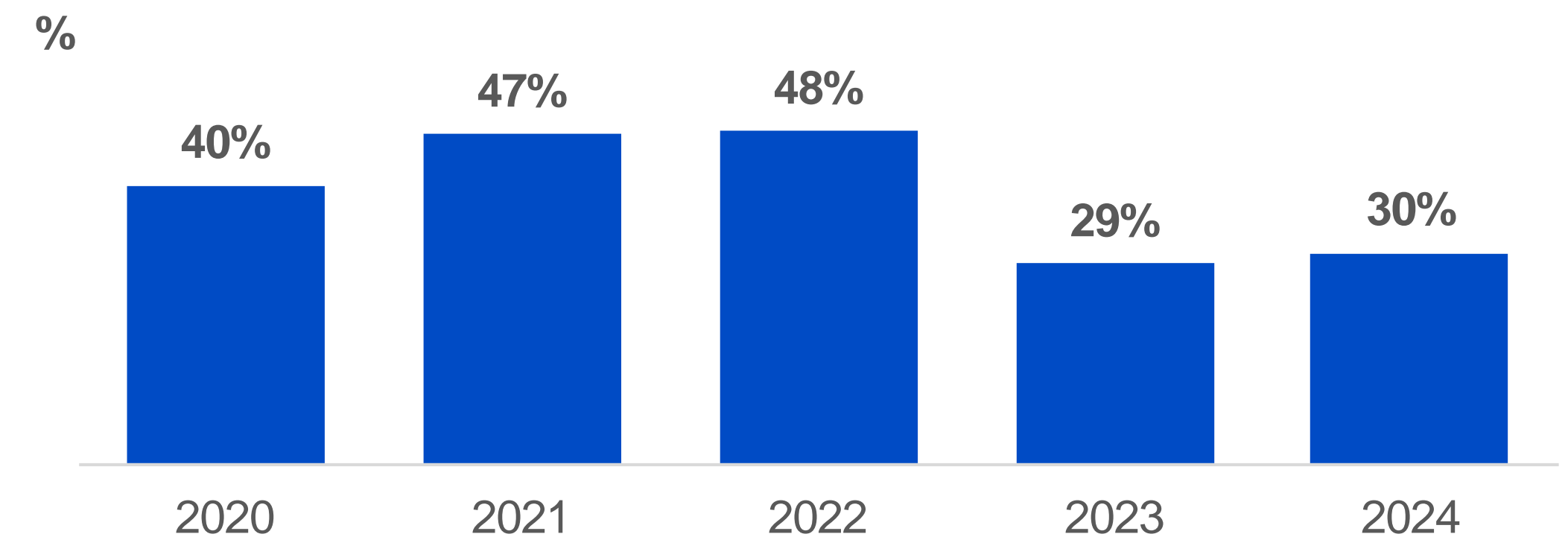
Interest costs of deposits increased

Deposits



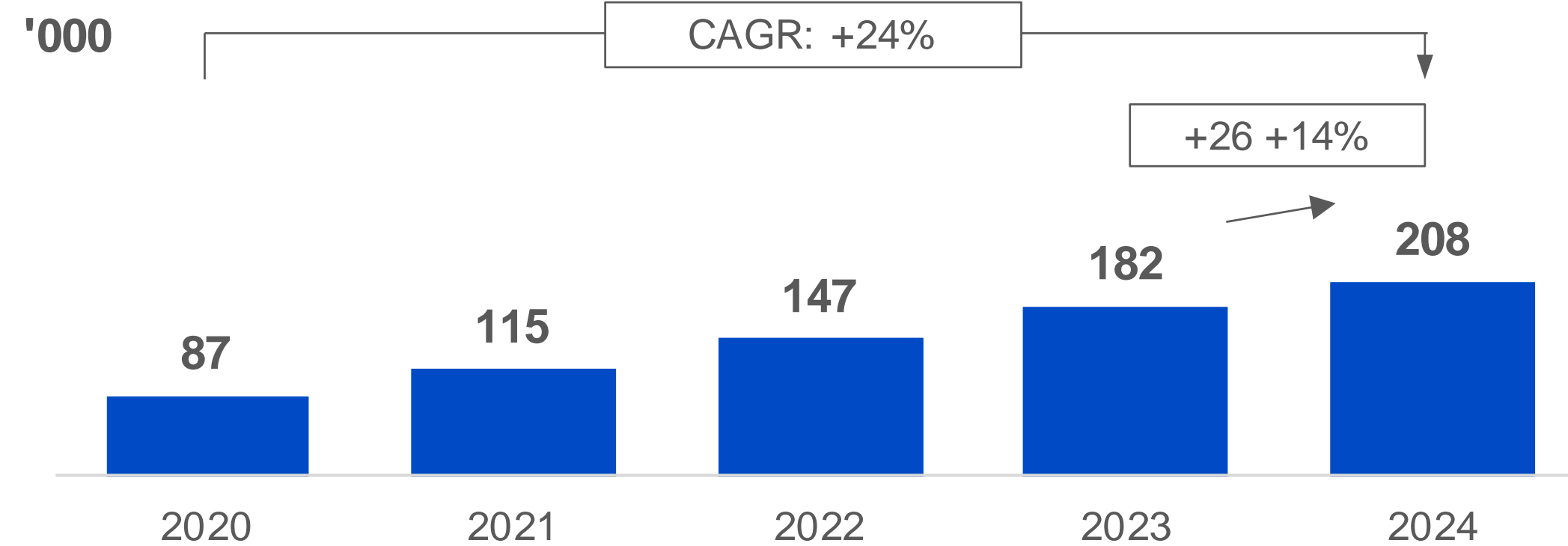
- Deposits grew by 164 m€ (+10%)
 - +44 m€ from private clients (+46 m€ demand deposits, -2 m€ term deposits)
 - +9 m€ from business clients (+29 m€ demand deposits, -20 m€ term deposits)
 - +111 m€ from Raisin platform and other financial institutions
- Cost of financing increased
- Proportion of demand deposits at 30%

Proportion of demand deposits in total deposits



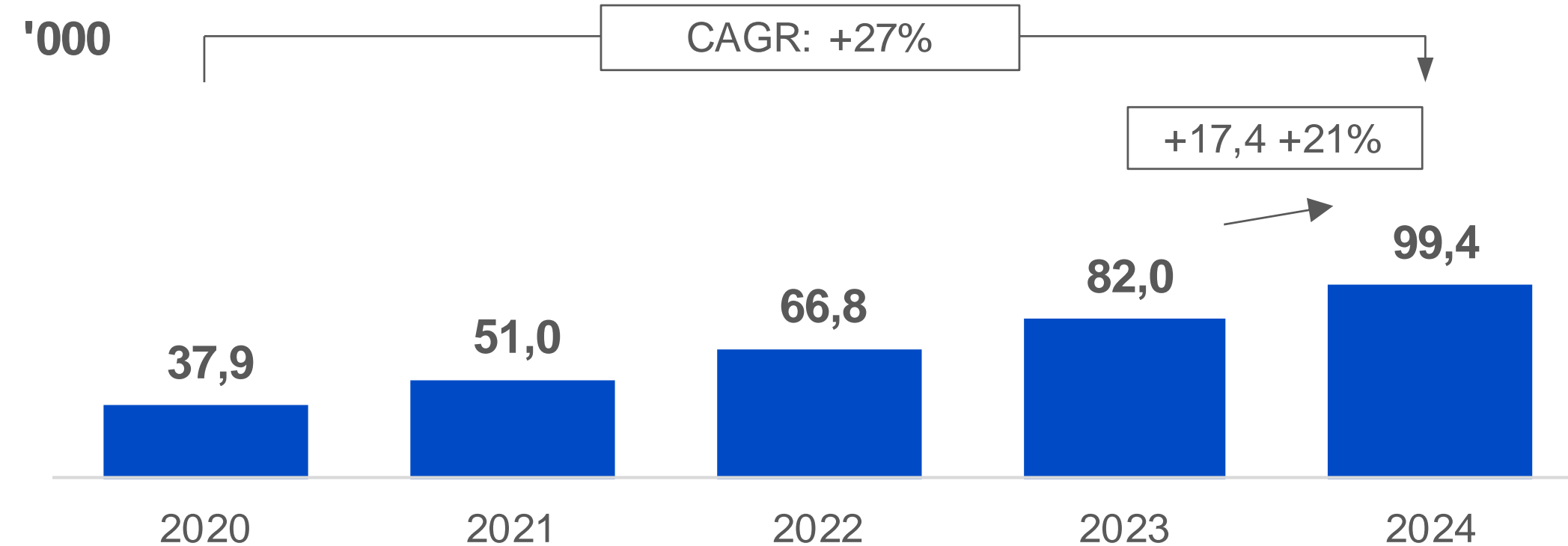
Client base and market share

Total no of clients with a bank account

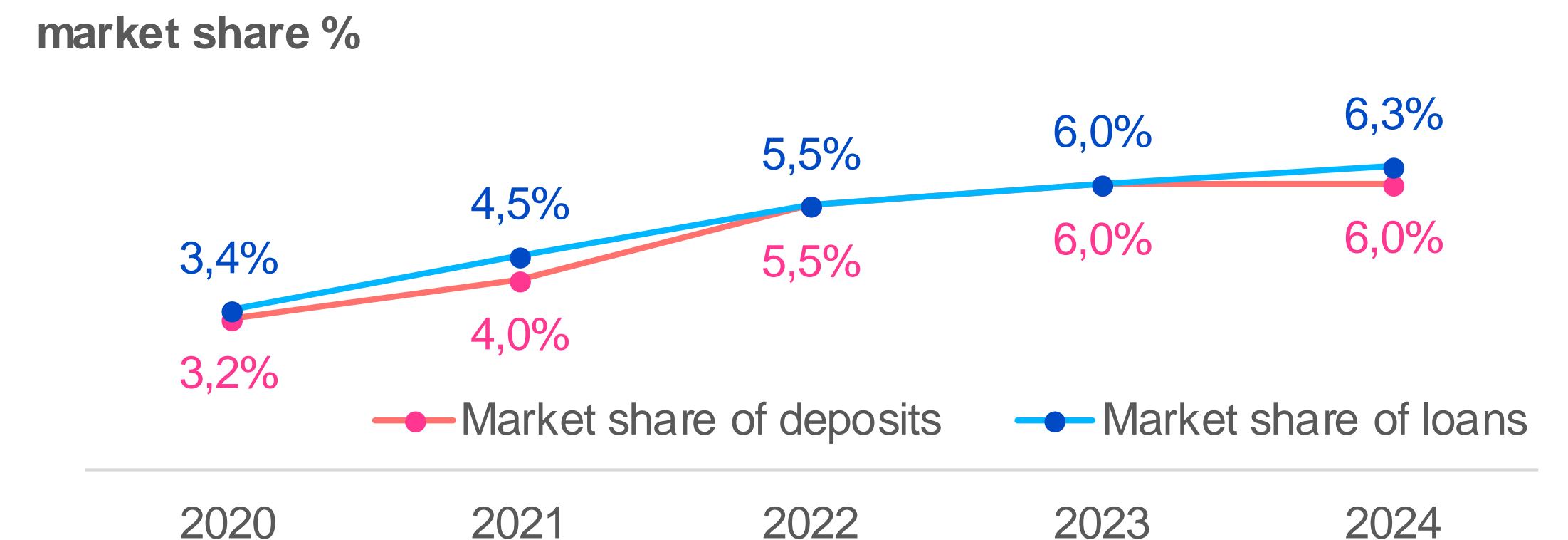


- Total no of clients increased by 26 000 (+14%) (+35 000 in 2023)
- 17 400 new active clients in 2024 (+21%) (+15 200 in 2023)
- Bank's market share changed in 2024*
 - Market share of loan portfolio 6.0% => 6.3%
 - Market share of deposits portfolio 6.0% => 6.0%

No of active clients



Market share



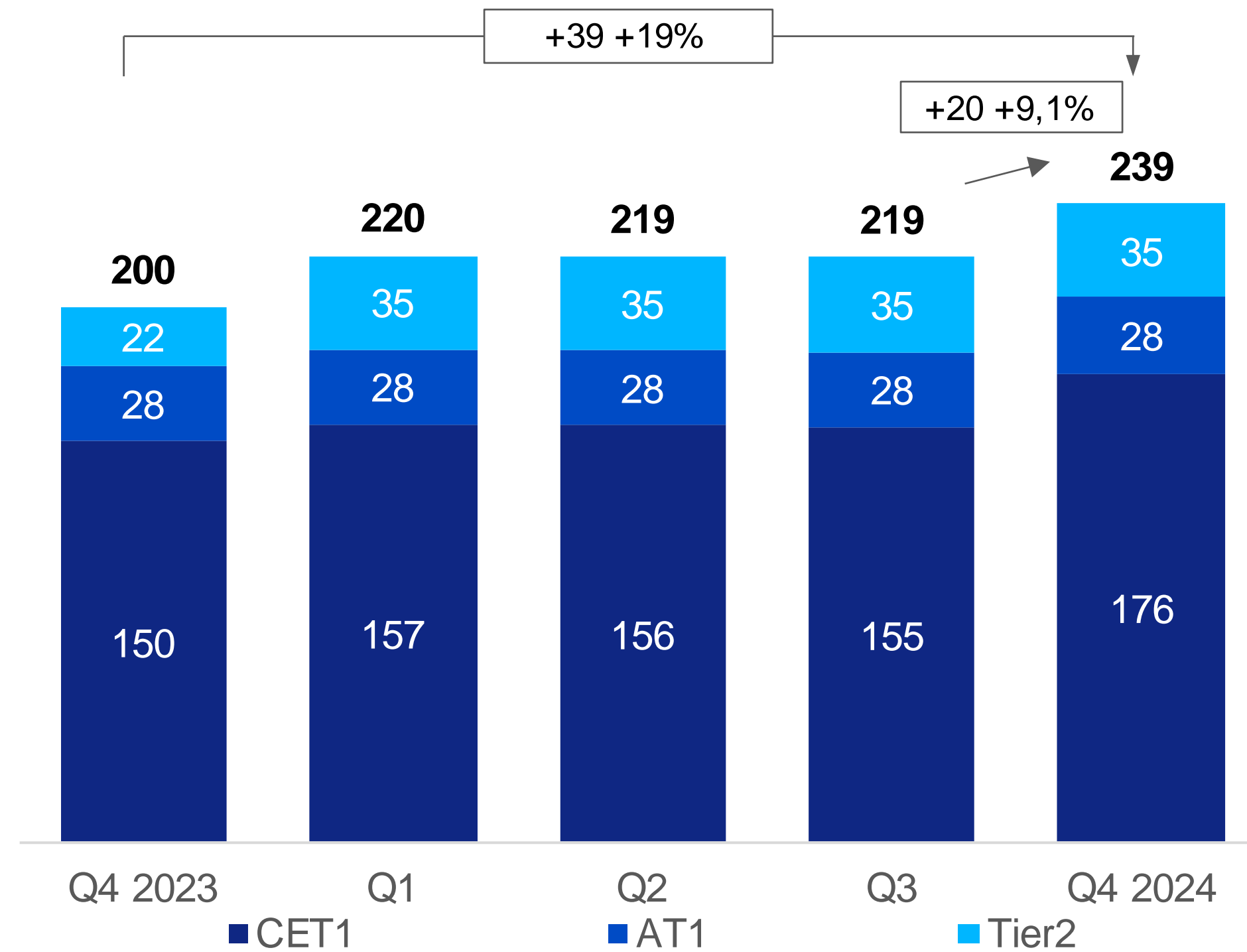
Clients with a bank account. Active client has made at least 4 transactions in the last 60 days

*Source: market share statistics as at December 2024

Capital base supports growth plans

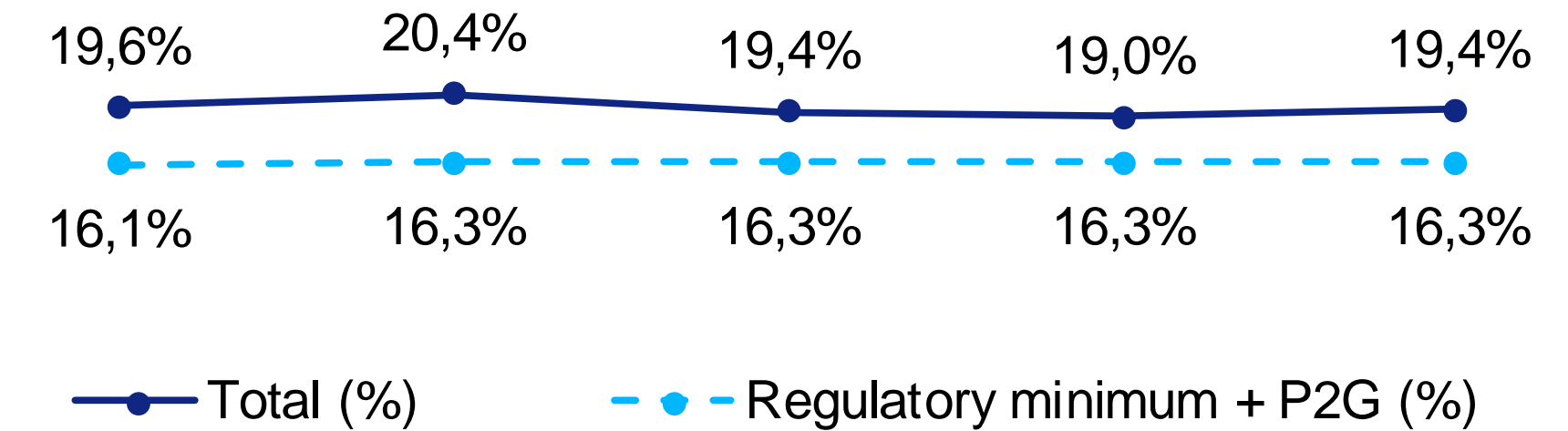
Quarterly capitalization

m€

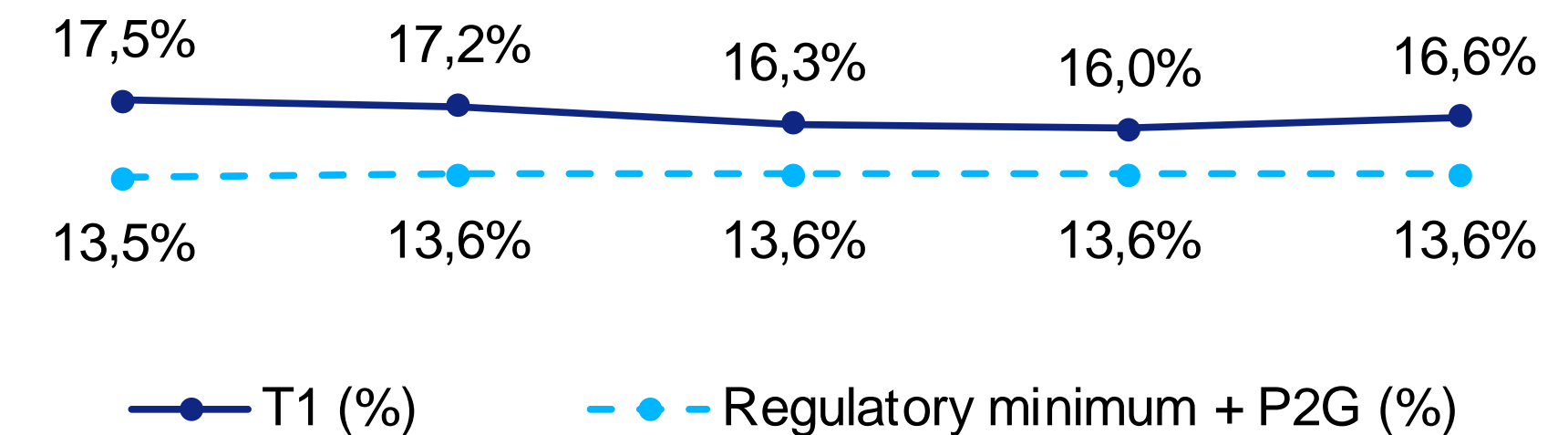


Capital adequacy

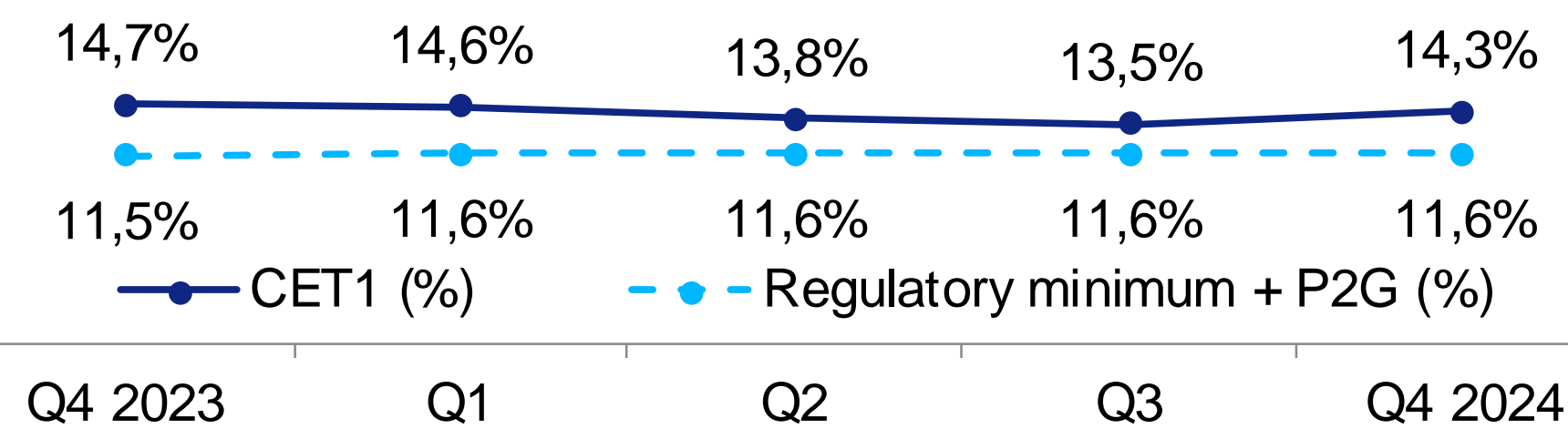
%



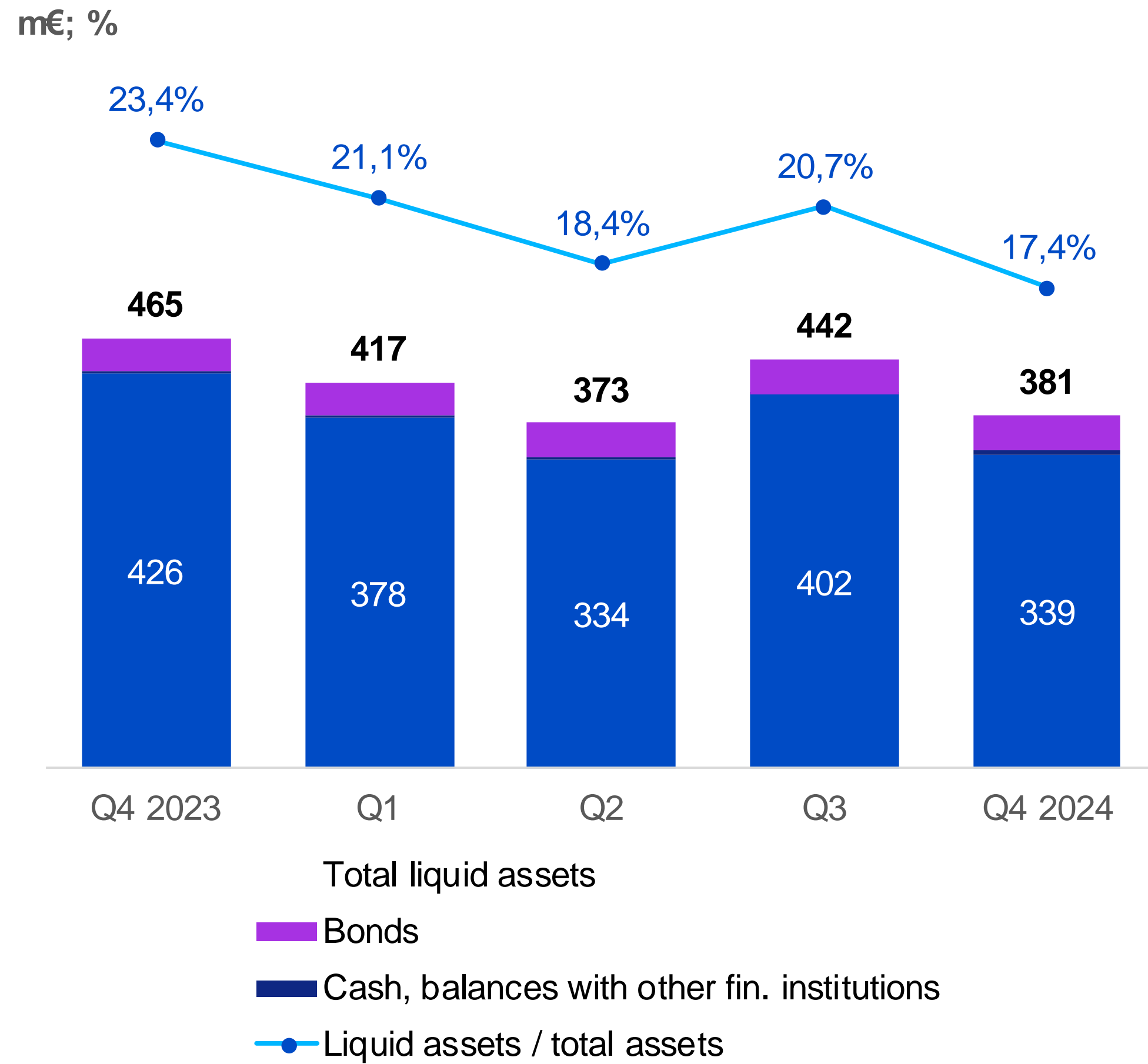
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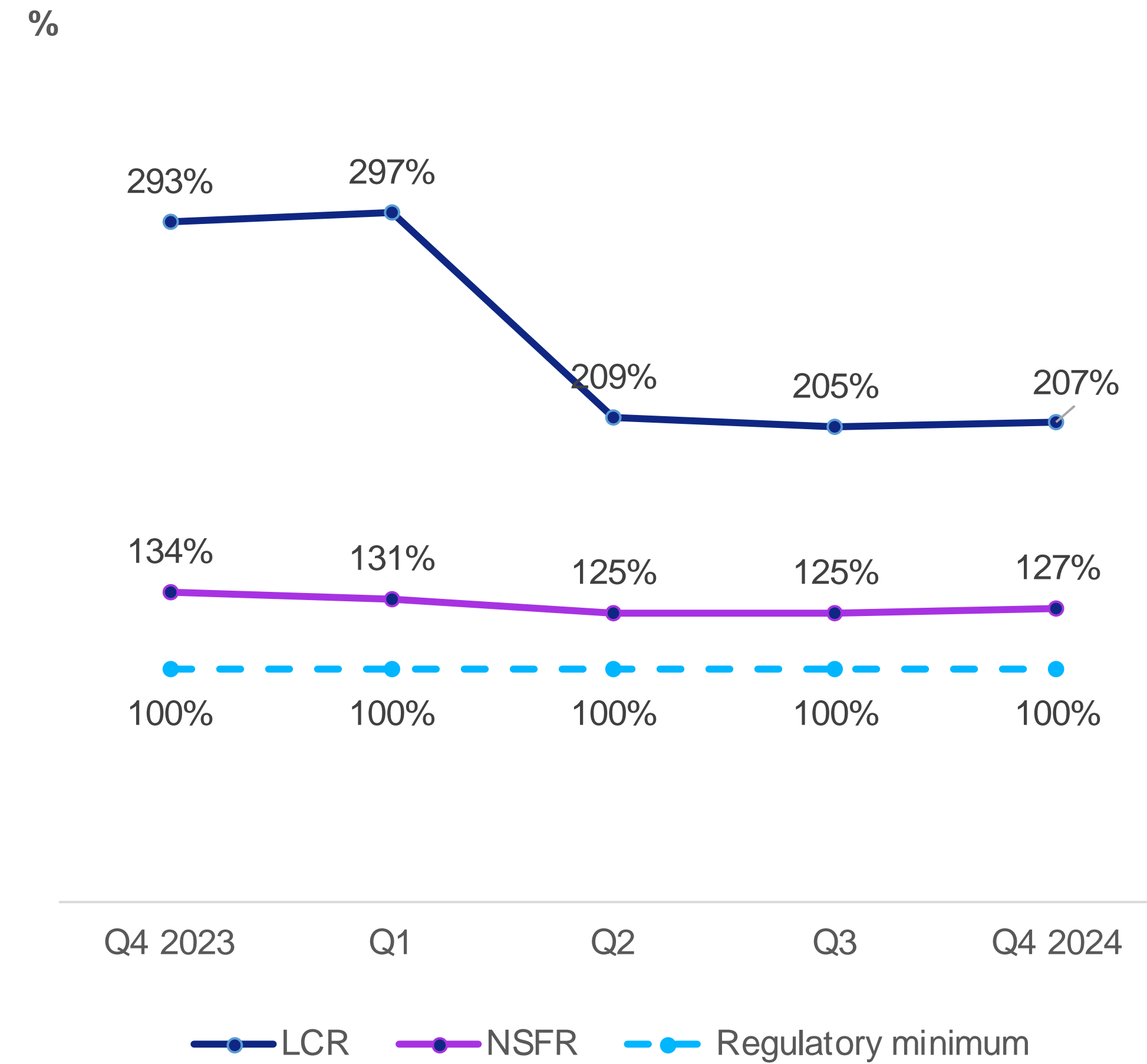
%



Liquid assets



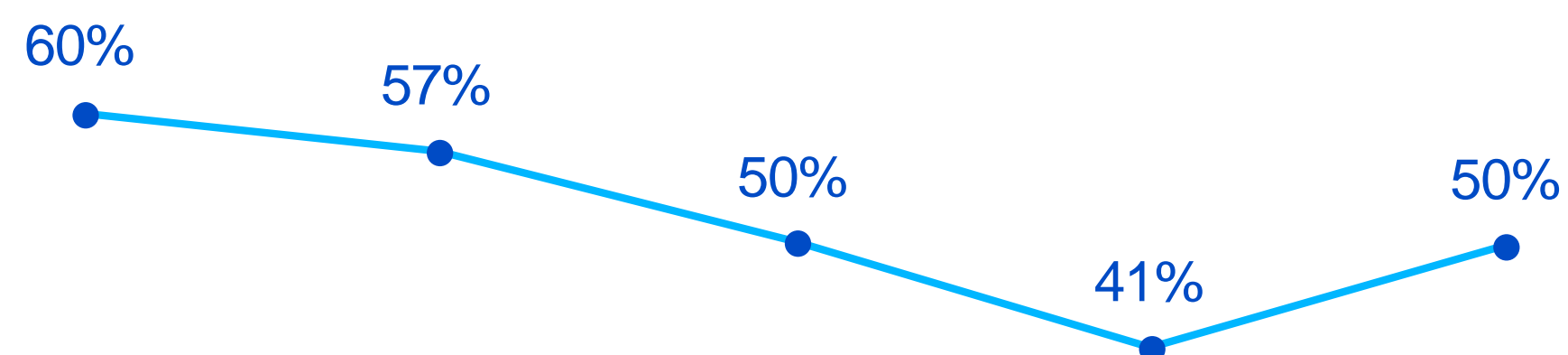
Liquidity coverage ratio (LCR)



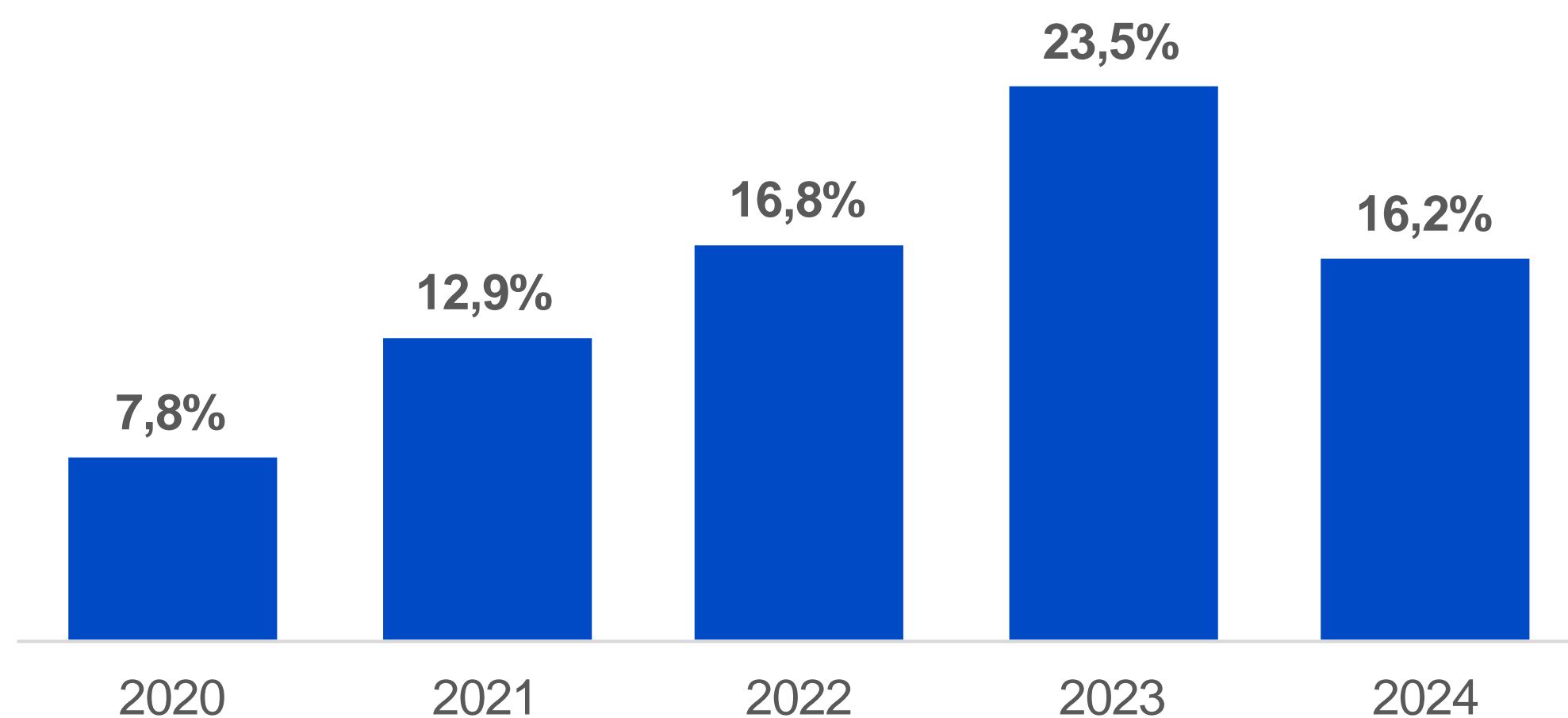
Performance indicators

Cost / income ratio (CIR) and ROE

Cost / Income ratio %



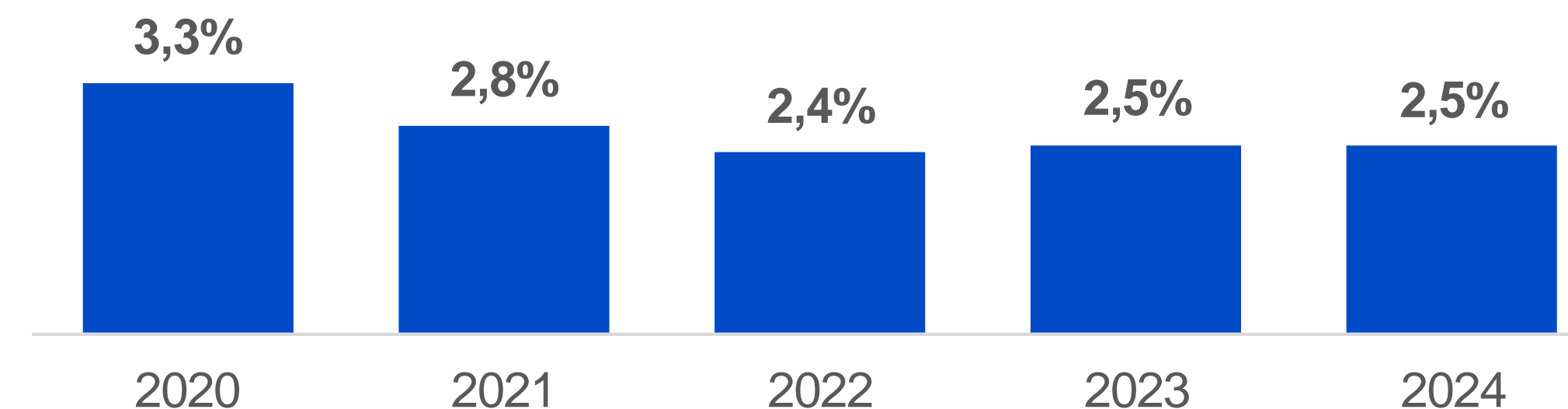
ROE %



- CIR 50% (long term goal <50%)
 - Net income 81.9 m€, -3.3 m€ (-4%)
 - Operating expenses 40.6 m€, +5.4 m€ (+16%)
- ROE 16.2% (long term goal >15%)
 - ROE is most affected by the interest rate environment, which was very favorable in 2023 and rather unfavorable in 2024...2025

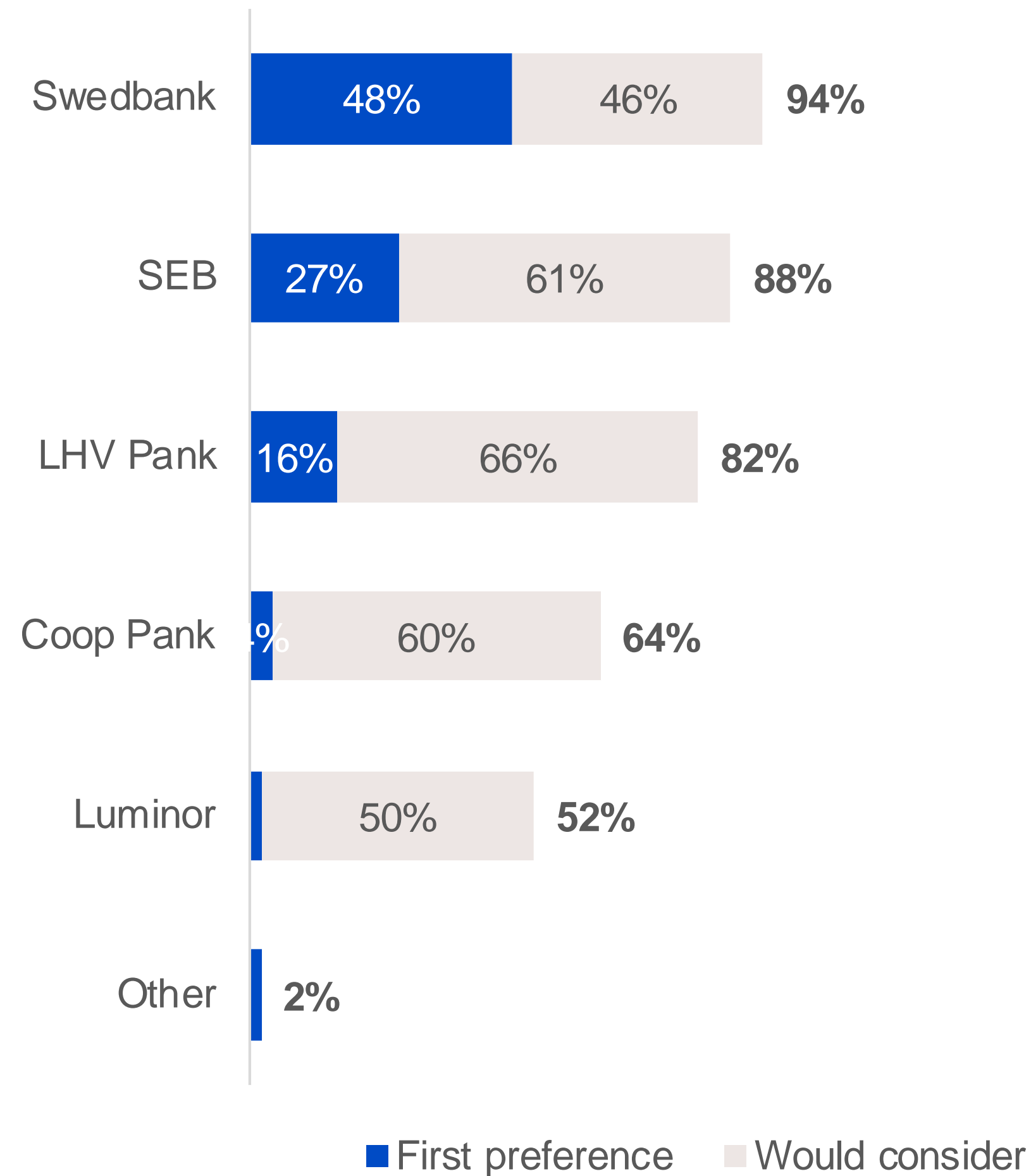
Operating expenses / average loan portfolio

%

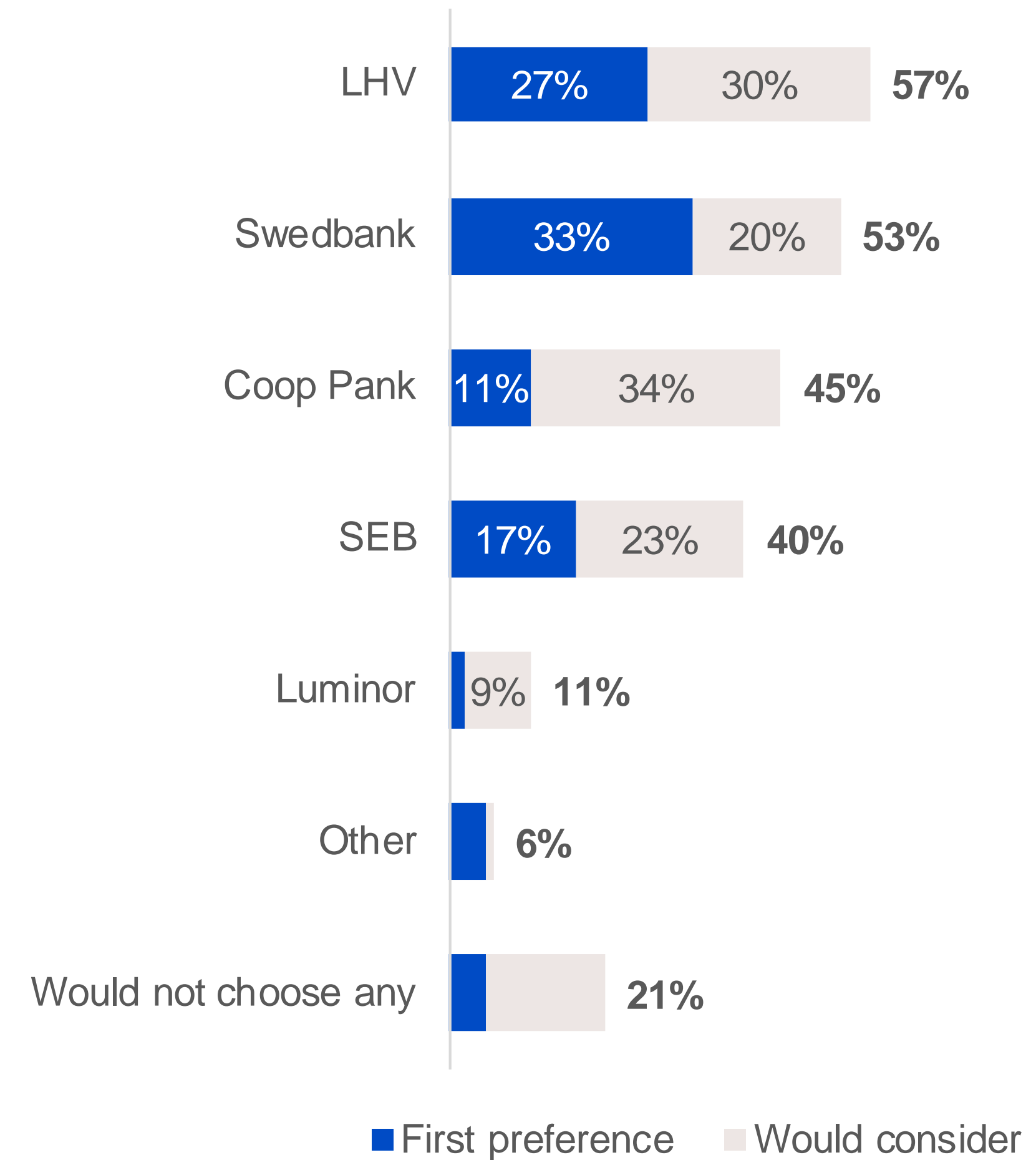


Brand awareness and preference as a financial partner

Brand awareness of Coop Pank



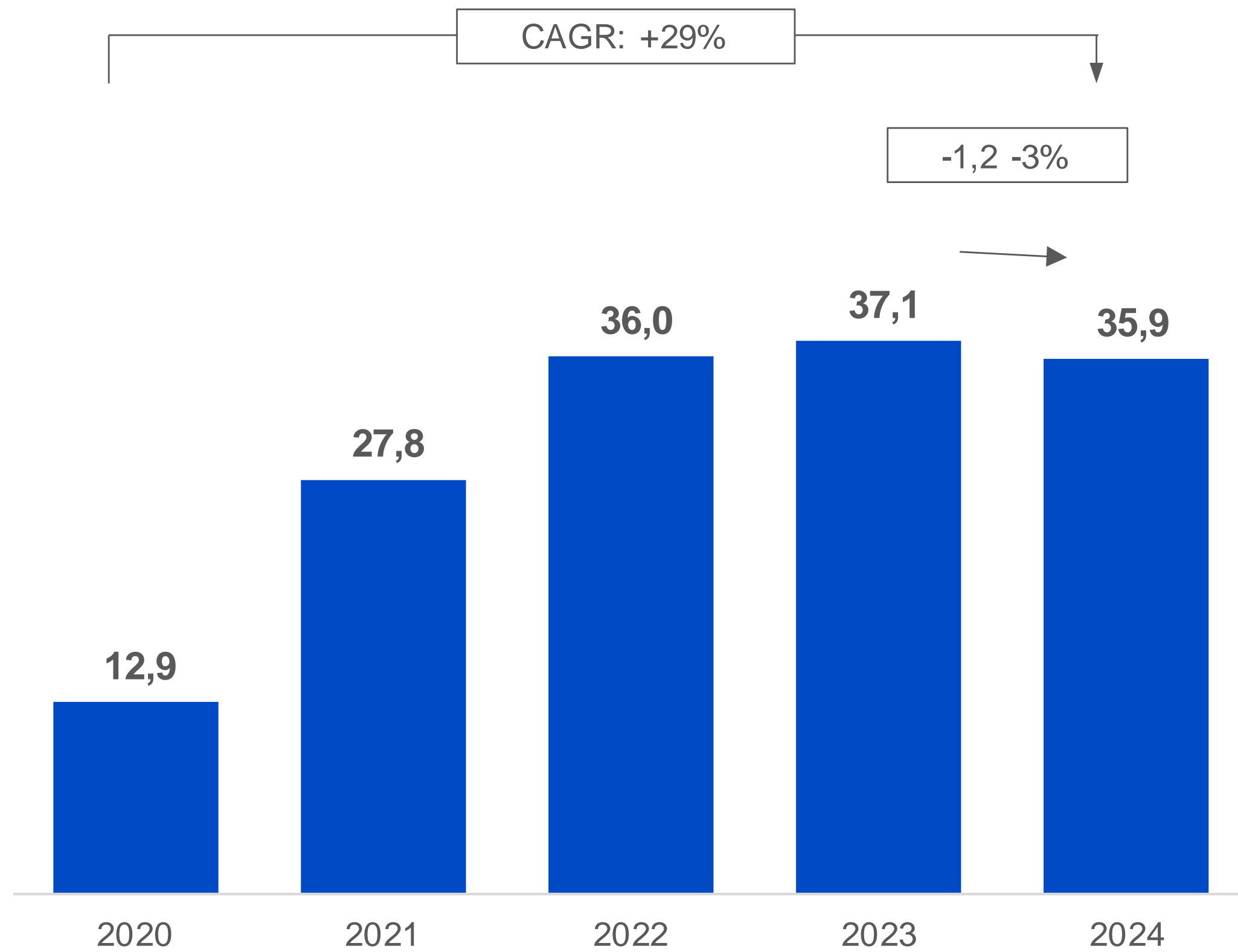
Preference as a financial partner



Shareholders

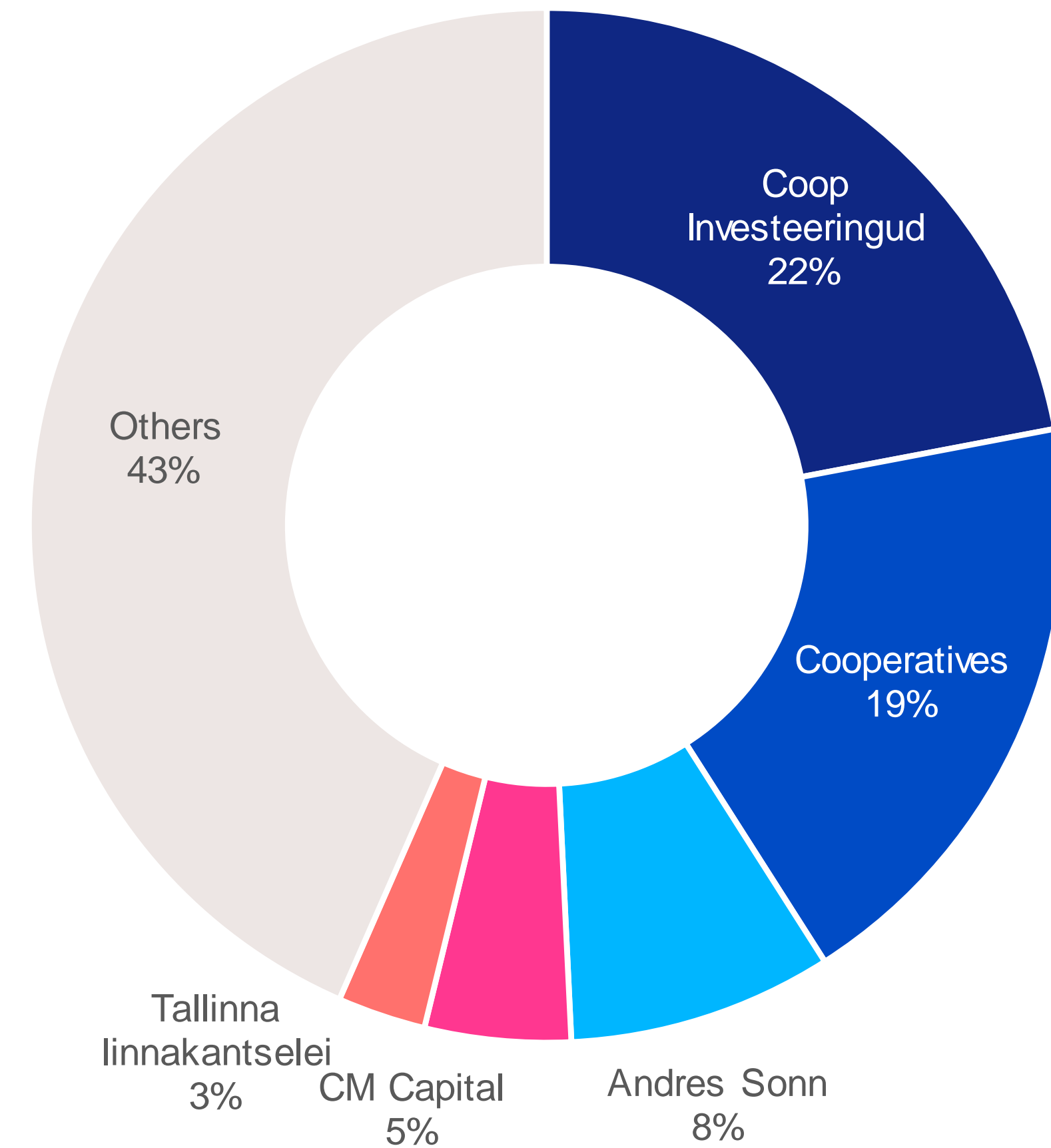
No of Coop Pank shareholders

'000



TOP shareholders

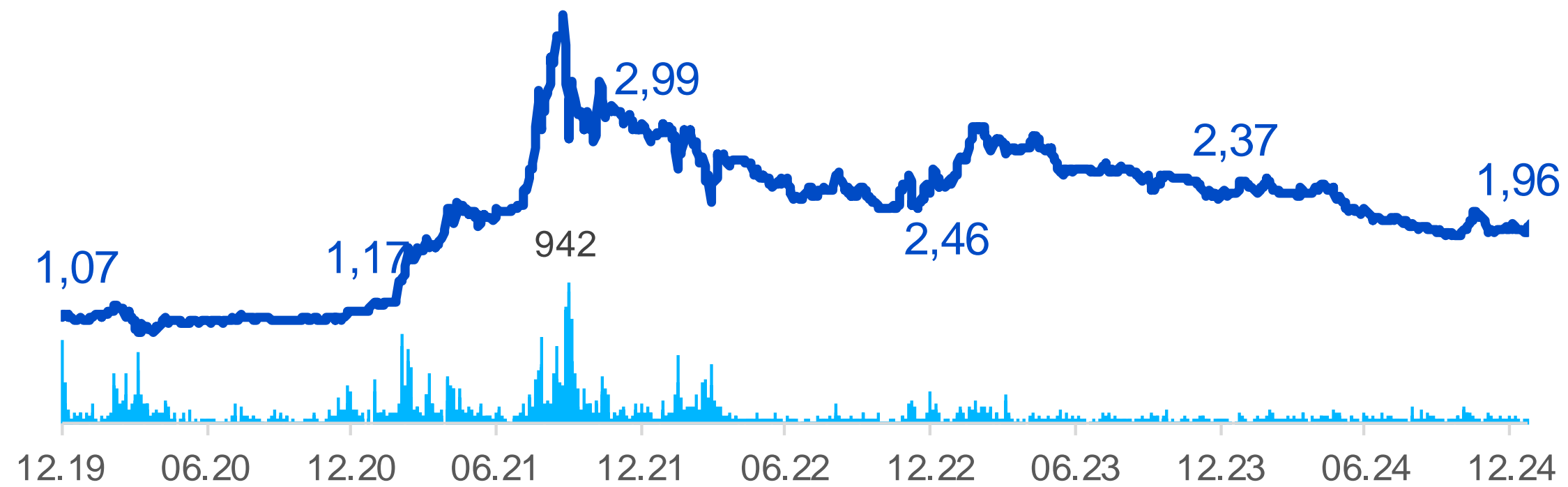
Shareholder distribution of Coop Pank as at 31.12.2024



Share price

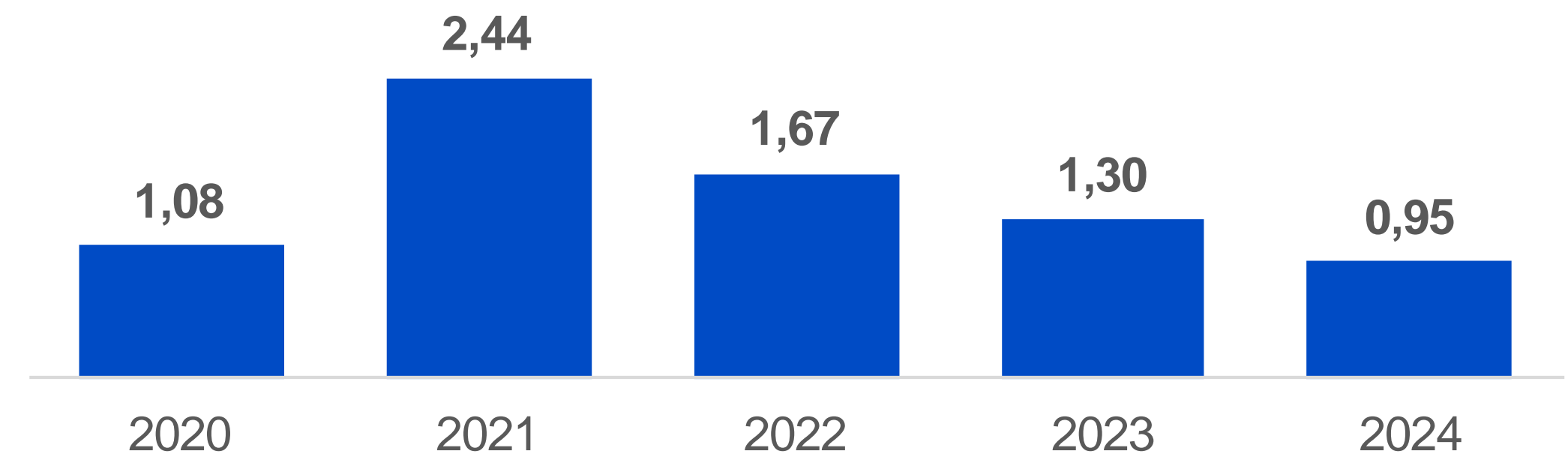
Coop Pank share price and trading volume by dates

Share price €, trading volume '000 shares



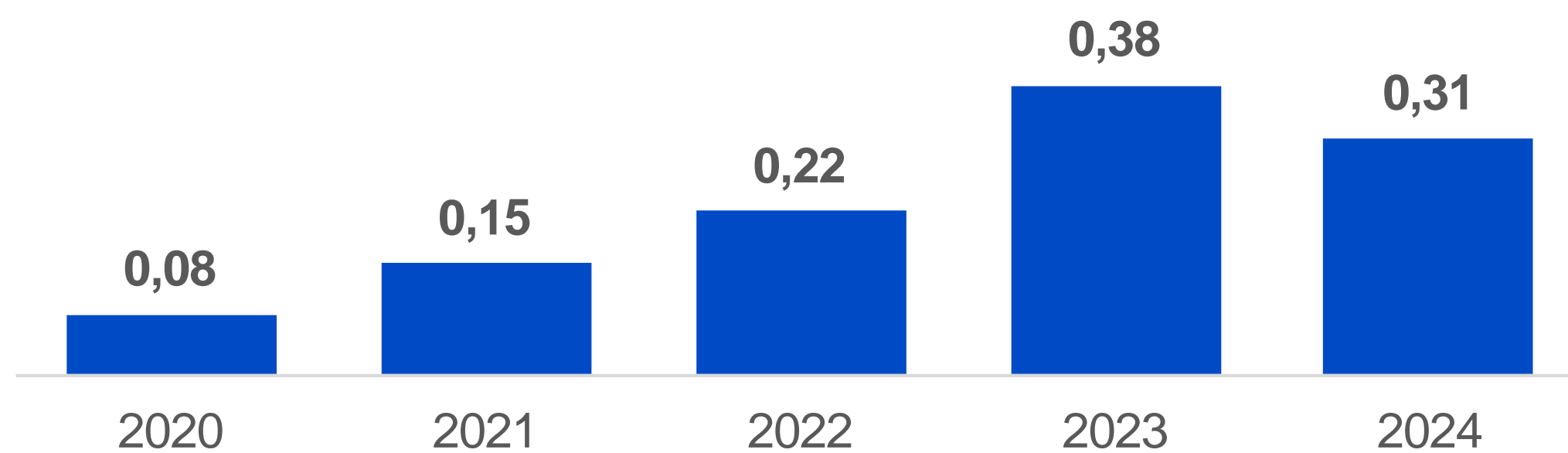
P/B ratio

P/B €



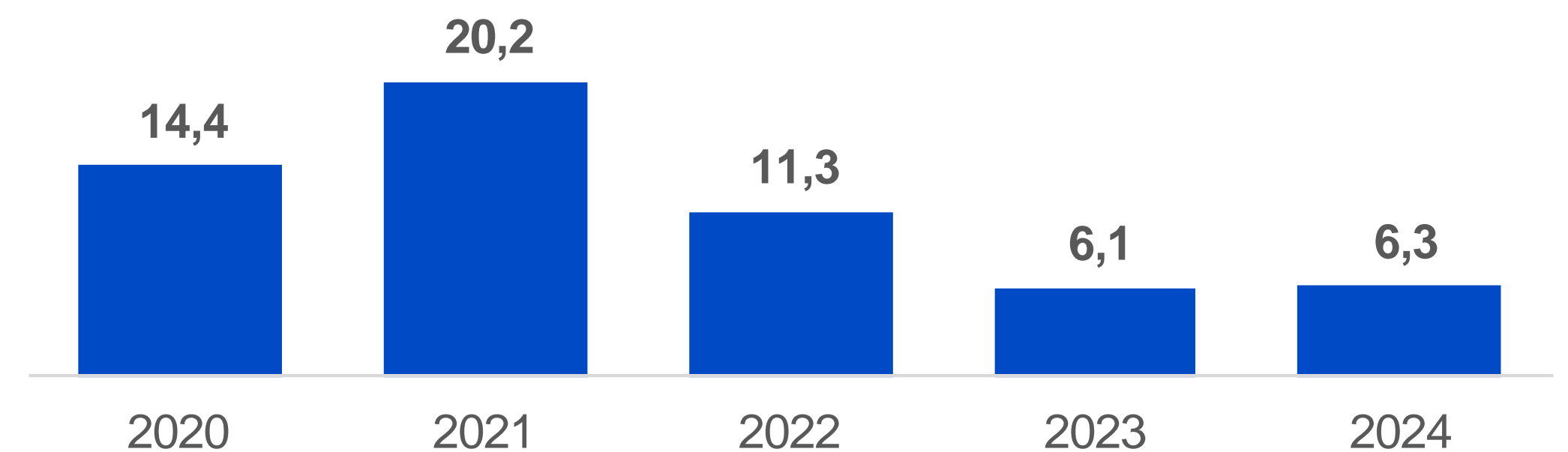
Net income per share (EPS)

EPS €



P/E ratio

P/E €



Summary: 2024 results

- Loan portfolio growth (+19% YoY)
- Growth of active customers (+21% YoY)
- Net profit 32.2 mln € (-18% YoY)
- CIR 50% (2023: 41%)
- ROE 16.2% (2023: 23.5%)

Loan portfolio
+19%



Results of 5 years

Financial results and key indicators

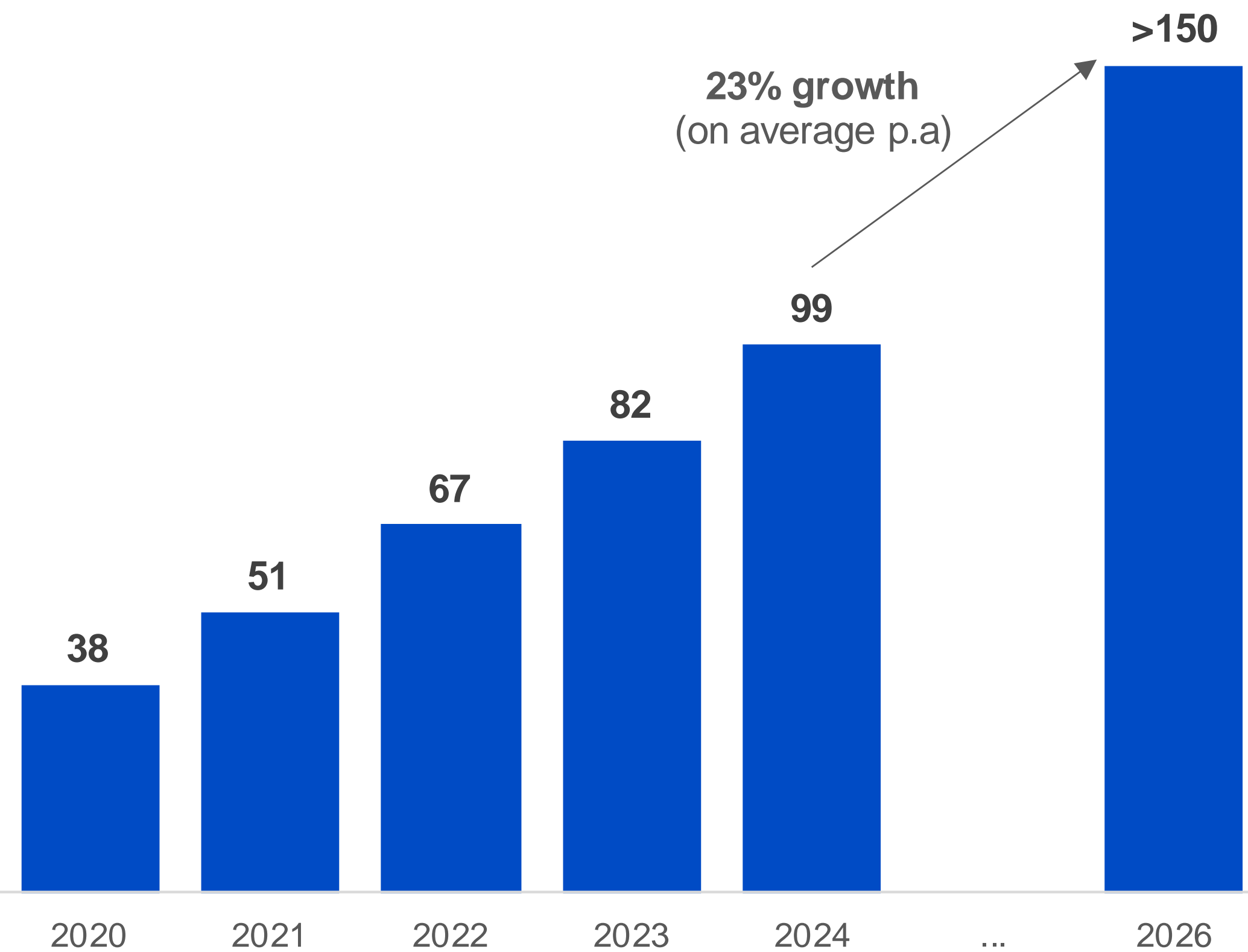
	2020	2021	2022	2023	2024
Net oper. income ('000 €)	31 089	39 238	54 631	85 205	81 883
Interest	28 371	35 538	50 709	81 265	77 570
incl interest income	34 640	43 040	60 090	120 651	138 695
incl interest expense	-6 269	-7 502	-9 381	-39 386	-61 125
Service fees and commissions	2 097	3 085	3 785	4 847	4 358
Other	621	615	137	-908	-45
Operating expenses	-18 796	-22 453	-27 177	-35 128	-40 576
Operating profit	12 293	16 785	27 454	50 076	41 307
Impairment costs	-4 789	-2 497	-5 245	-6 302	-4 643
Profit before income tax	7 504	14 288	22 209	43 774	36 664
Income tax	-245	-825	-1 859	-4 570	-4 486
Net profit	7 259	13 463	20 350	39 204	32 178
Net loan portfolio (m€)	671	953	1 301	1 491	1 774
Deposits and loans received	758	1 099	1 508	1 722	1 886
Equity	98	112	149	186	212
ROE	7,8%	12,9%	16,8%	23,5%	16,2%
Net interest margin (NIM)	3,9%	3,4%	3,4%	4,4%	3,8%
Cost of financing	1,0%	0,9%	0,7%	2,4%	3,3%
Cost / income ratio (CIR)	60%	57%	50%	41%	50%
Capital adequacy ratio	19,5%	16,6%	17,8%	19,6%	19,4%

- Strong business volume growth
- 2023 profitability was exceptional due to the interest rate cycle
- In long term, we intend to continue to maintain ROE at 15% and CIR below 50%

Target: increasing number of active clients

No of active clients of Coop Pank and target

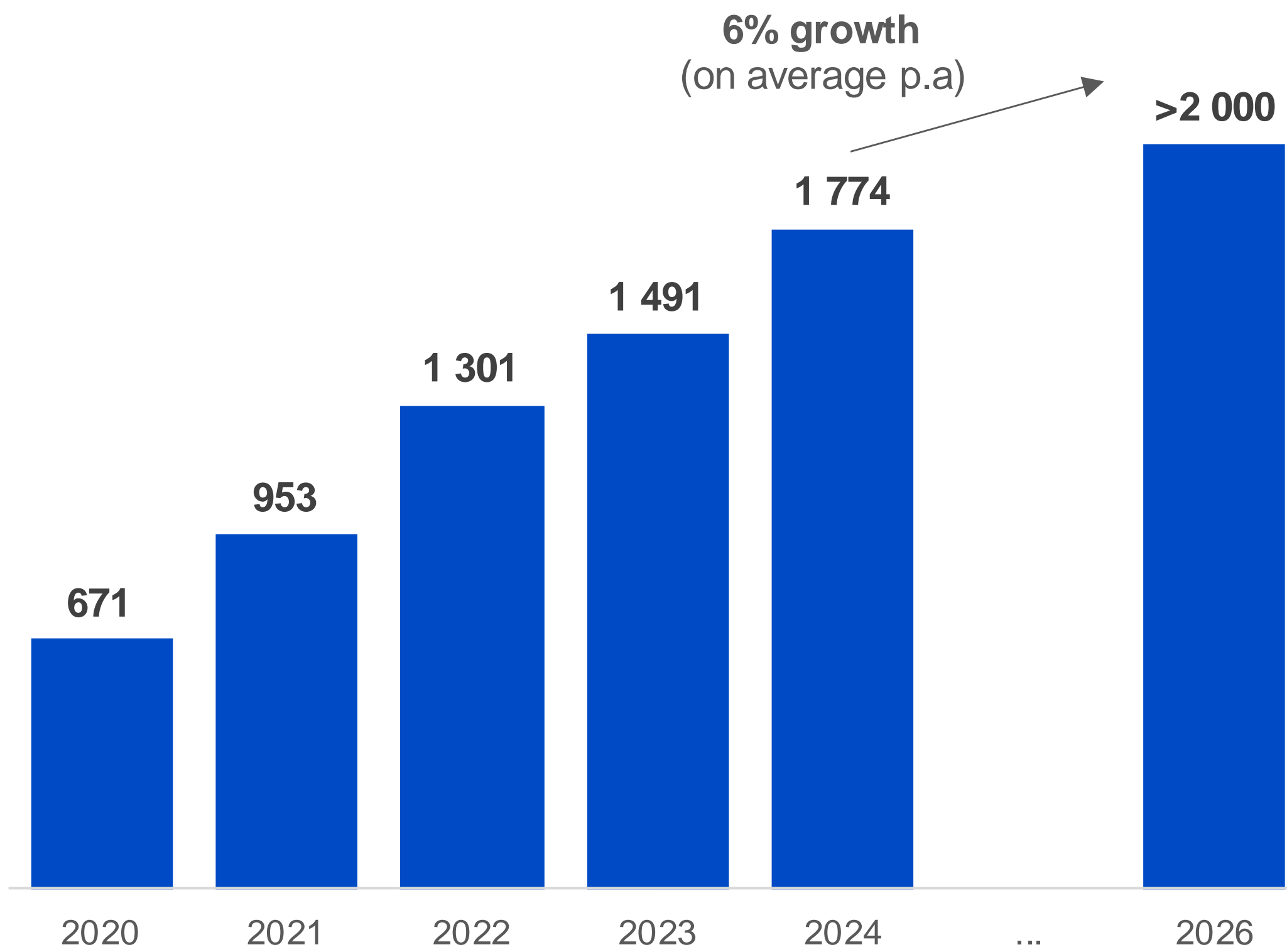
No of active customers of Coop Pank, thousand



Target: growth of loan portfolio

Coop Pank loan portfolio and target

Net loan portfolio of Coop Pank, m€



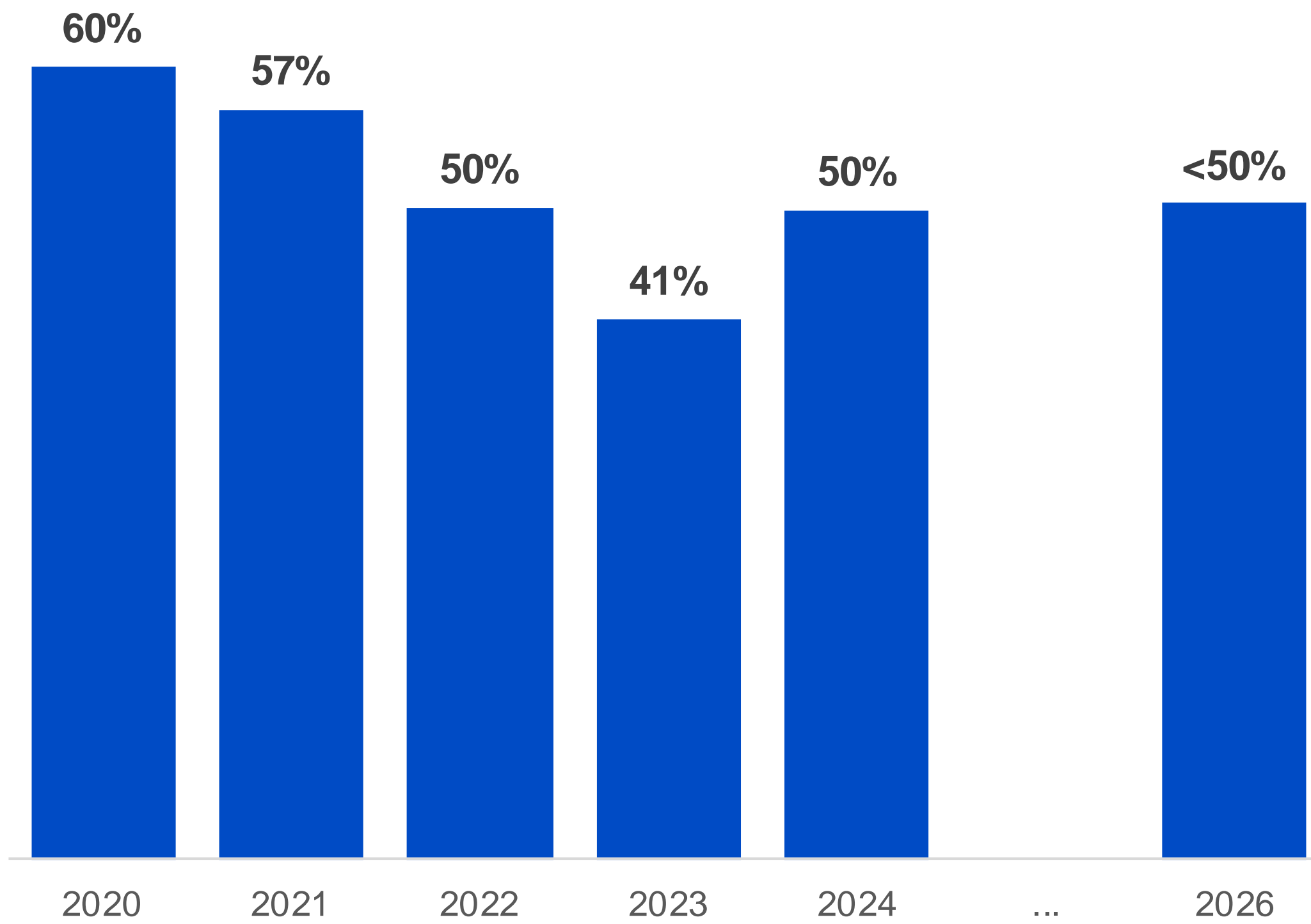
Loan portfolio
>2 bn €



Target: decreasing cost / income ratio

Cost / income ratio

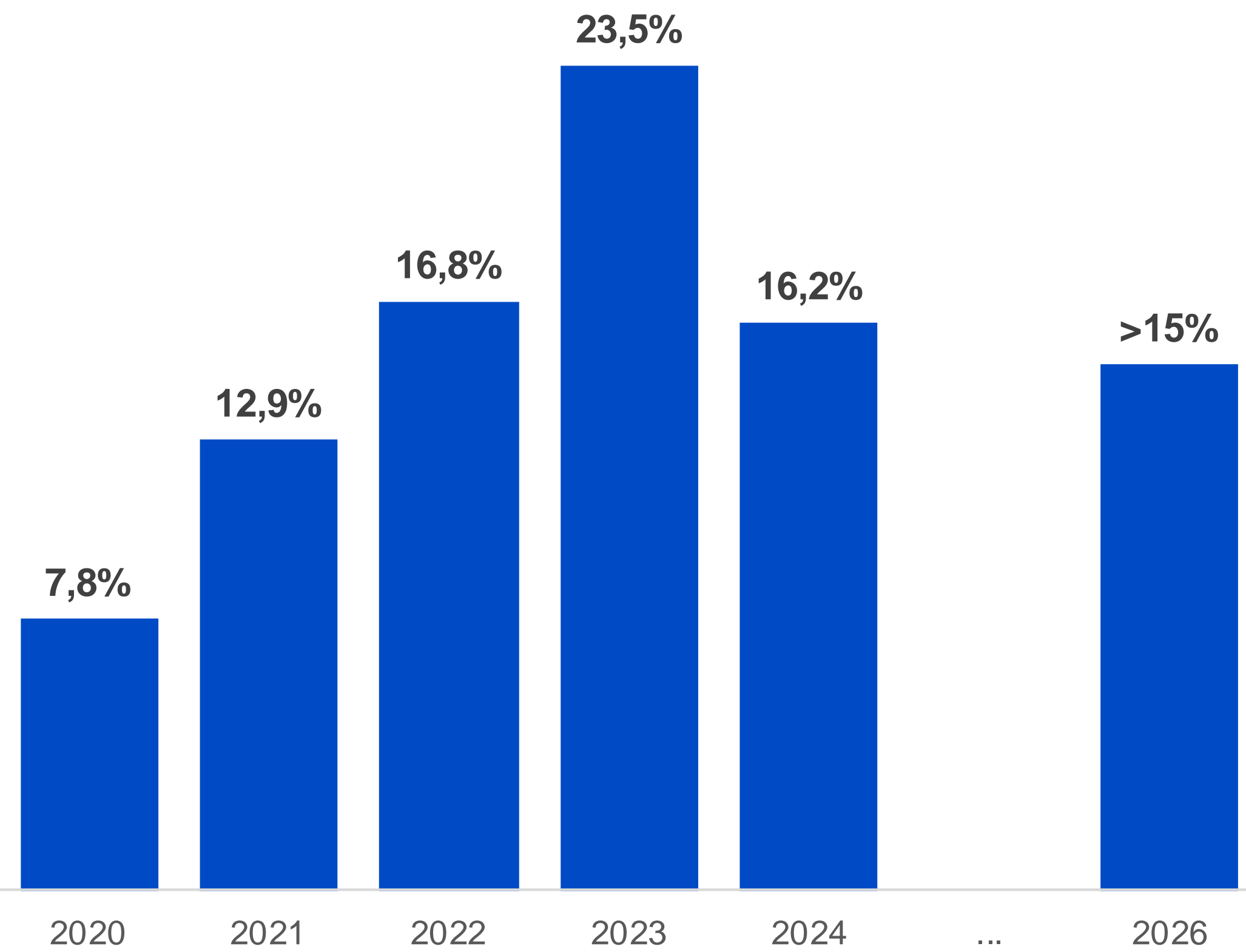
Cost / income ratio (CIR)



Target: increasing return on equity

Return on equity

Return on equity (ROE)



Return on equity
>15%



Margus Rink

Chairman of Board, CEO

margus.rink@cooppank.ee

Paavo Truu

Member of Board, CFO

paavo.truu@cooppank.ee

<https://www.cooppank.ee/en/for-investors>