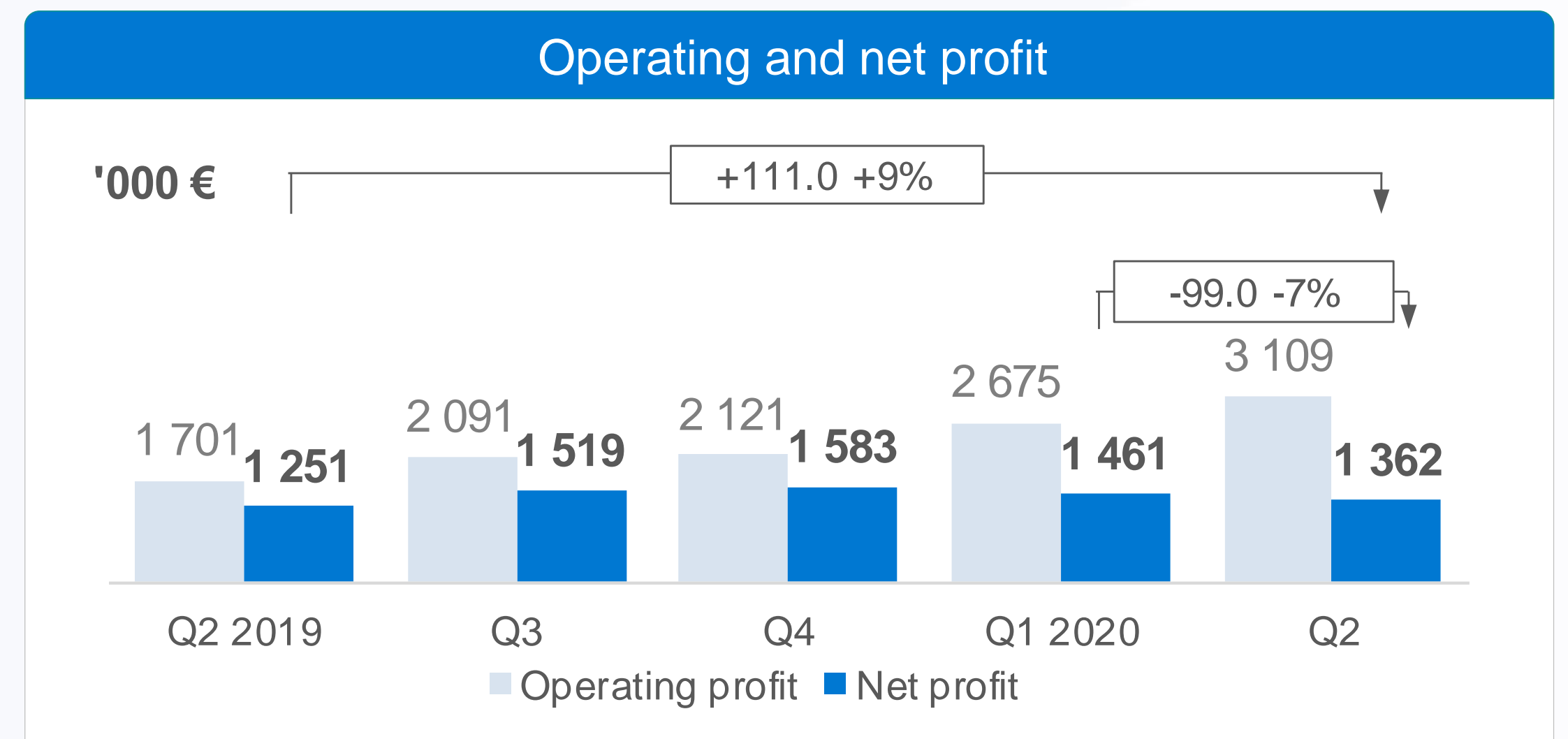
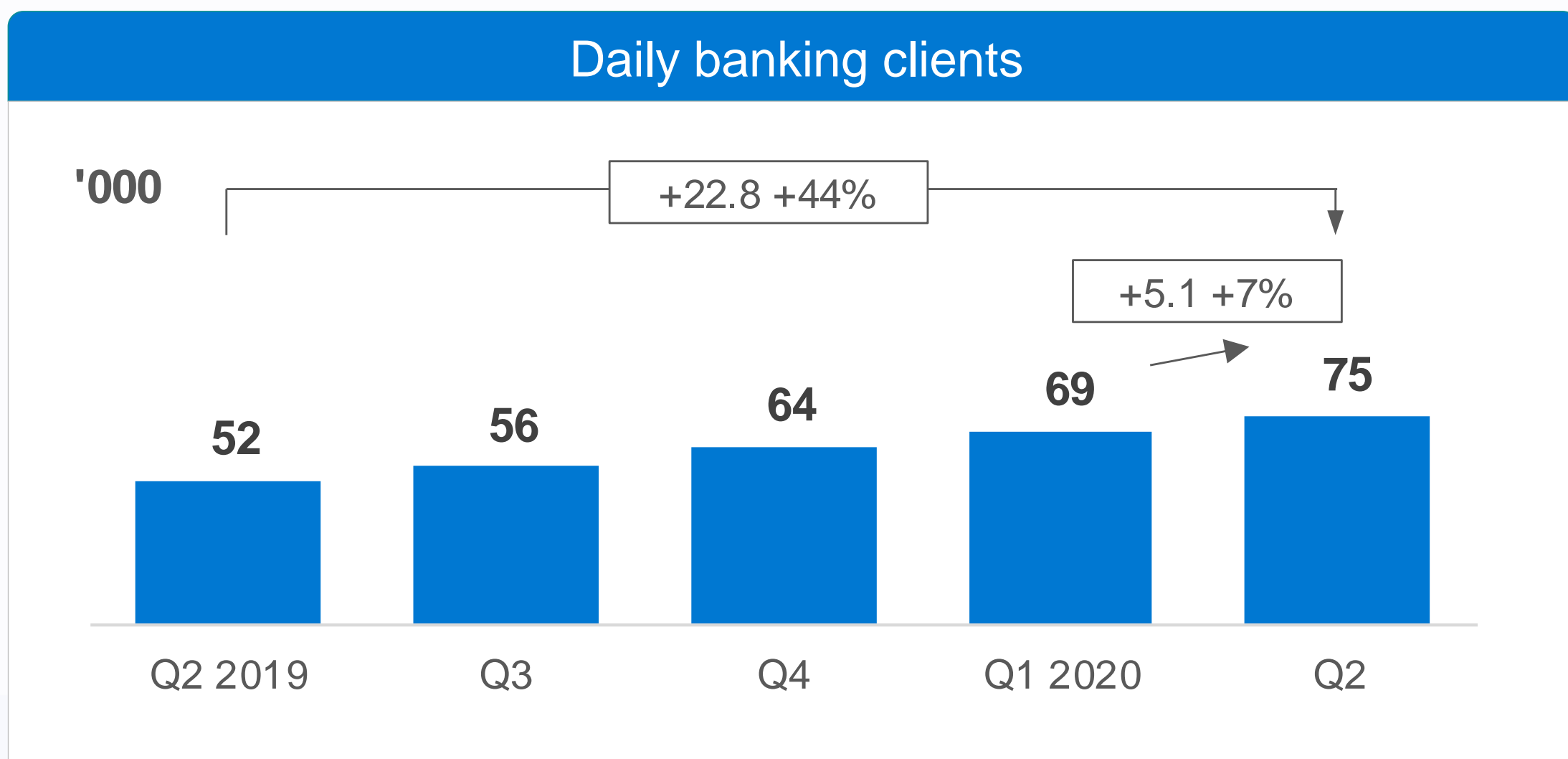
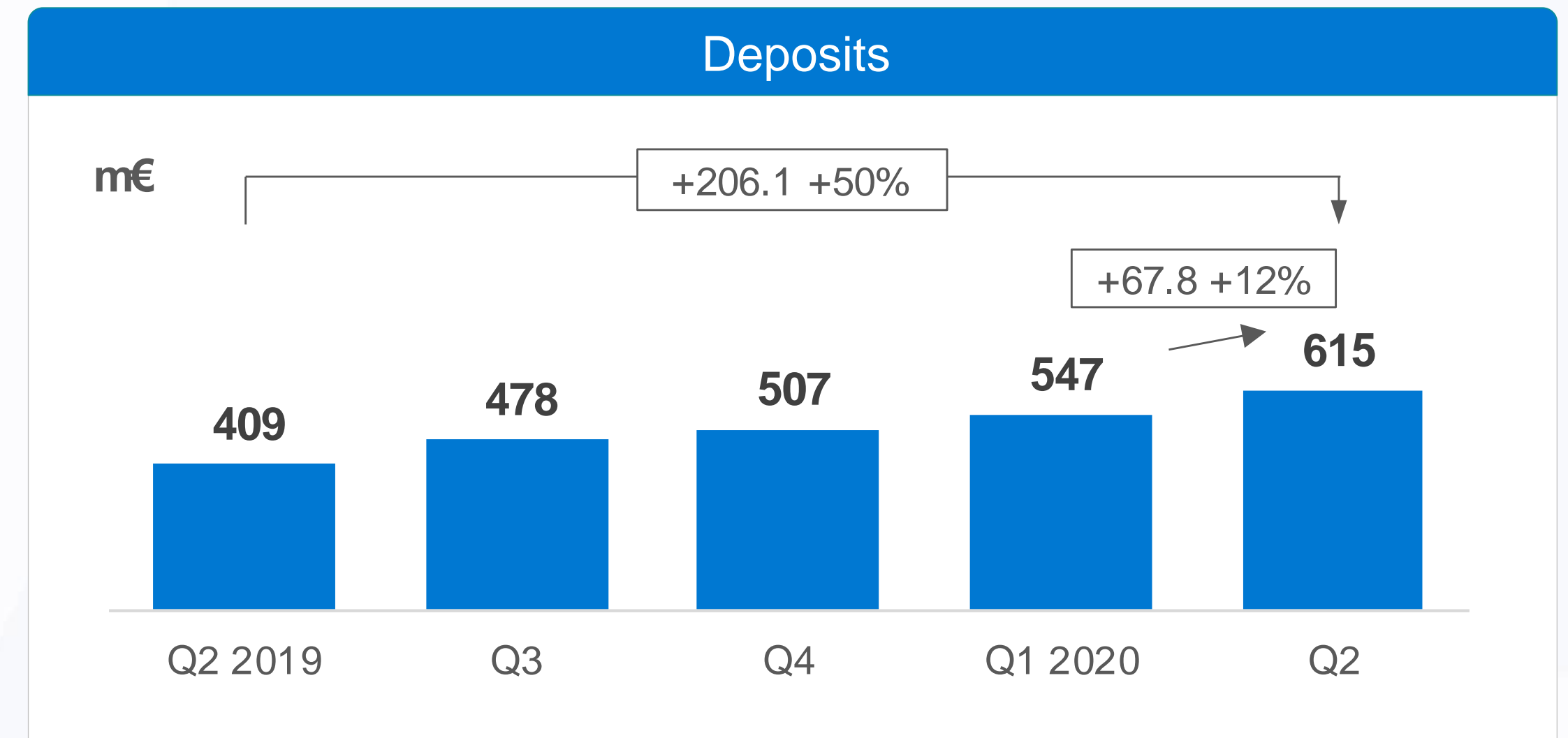
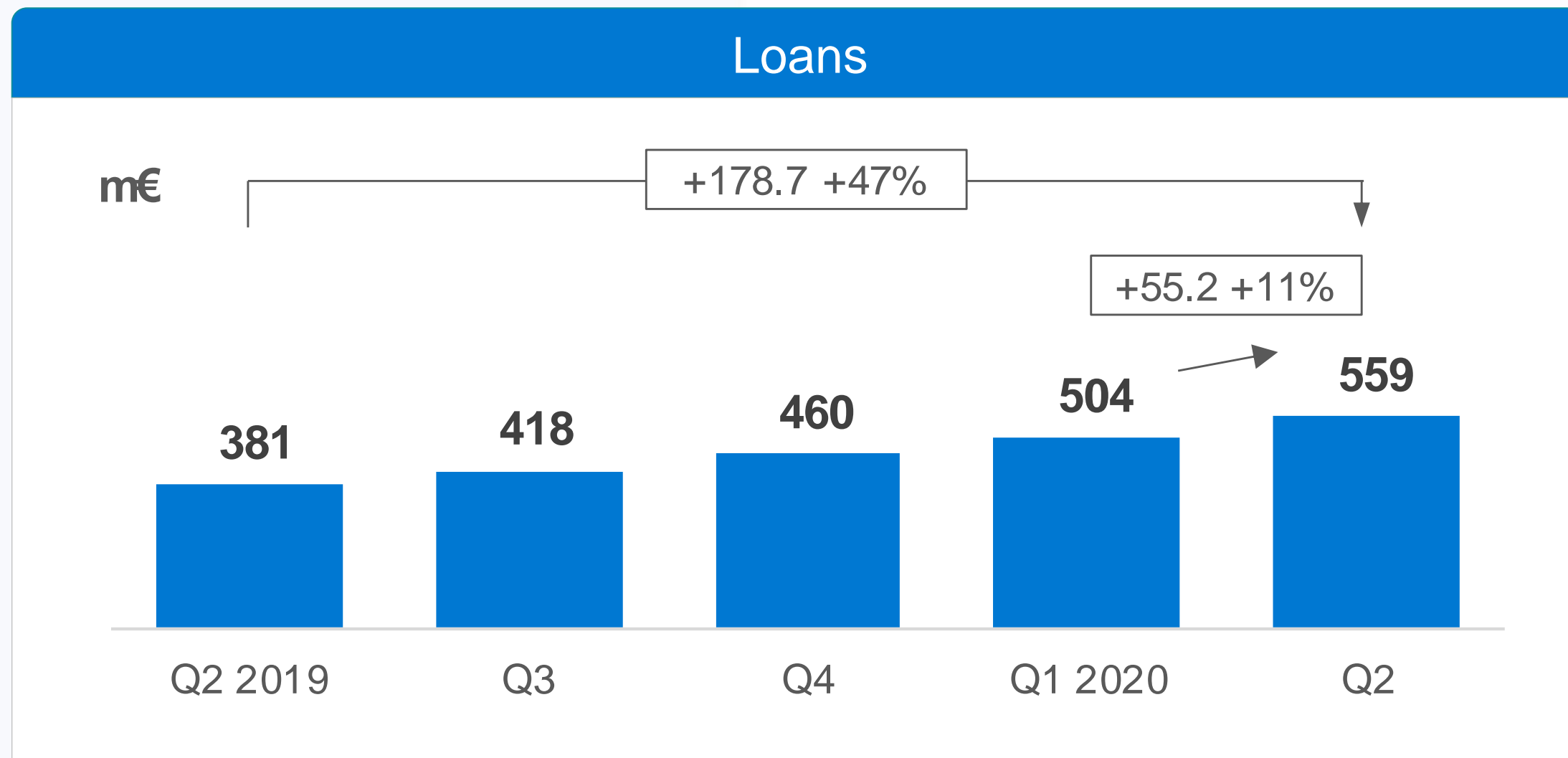




# Coop Pank Group Unaudited results of Q2 2020

21.07.2020

# Business volumes



Change reflects difference in net profit

# Results of Q2 2020 – compared to Q1 2020

## Key indicators in quarterly comparison

	Q2 2020	Q1 2020	Quarterly change	
<b>Net operating income ('000 €)</b>	<b>7 464</b>	<b>7 117</b>	<b>+347</b>	<b>+5%</b>
Interest	6 852	6 358	+494	+8%
Service fee and commissions	477	521	-44	-8%
Other	135	238	-103	-43%
Operating expenses	-4 355	-4 442	+87	-2%
<b>Operating profit</b>	<b>3 109</b>	<b>2 675</b>	<b>+434</b>	<b>+16%</b>
Impairment losses	-1 721	-1 214	-507	+42%
Profit before income tax	1 388	1 461	-73	-5%
Income tax	-26	0	-26	-
<b>Net profit</b>	<b>1 362</b>	<b>1 461</b>	<b>-99</b>	<b>-7%</b>
Net loan portfolio (m€)	559	504	+55	+11%
Deposits and loans received	615	547	+68	+12%
Equity	92	90	+2	+2%
ROE	6.0%	6.5%	-0.6%	
Net interest margin (NIM)	4.1%	4.1%	-0.1%	
Cost of financing	1.0%	1.0%	-0.0%	
Cost / income ratio (CIR)	58%	62%	-4.1%	
Capital adequacy ratio	20.8%	21.9%	-1.0%	

- Revenues +5%
  - Net interest increased +0.5m€ as loan portfolio grew by 55m€
  - Decrease of service fees related to temporary slowdown of client transaction activity
- Operating costs -2%
  - Cost cutting in the light of possible crisis
- Operating profit +16%
- Impairment losses +1.7m€
  - Incl. 0.7m€ additional impairment in relation to payment holidays arising from crisis situation
- Net profit -7% (impacted by loan impairments)

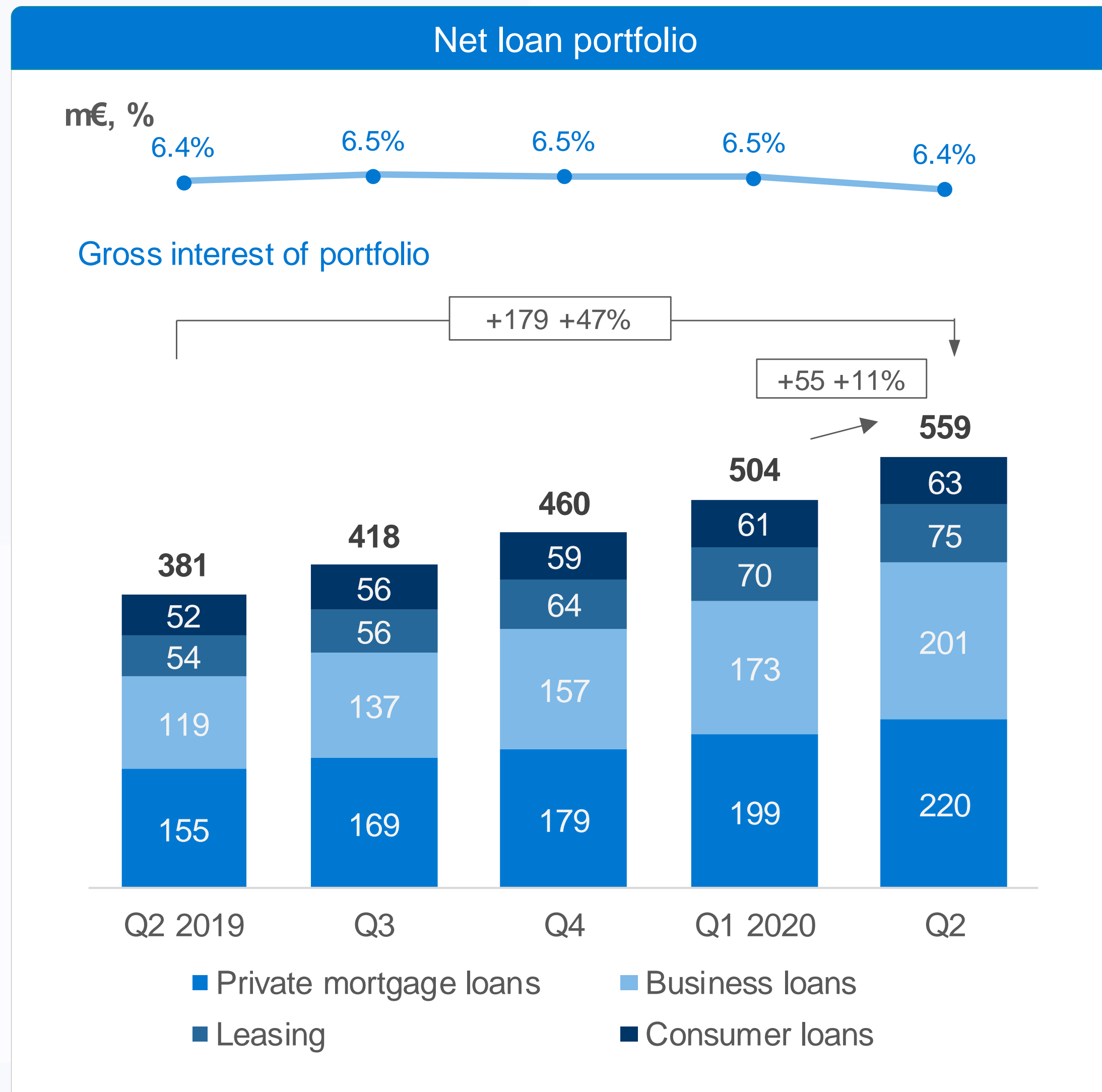
# Results of Q2 2020 – compared to Q2 2019

## Key indicators in year on year comparison

	Q2 2020	Q2 2019	Year on Year change	
<b>Net operating income ('000 €)</b>	<b>7 464</b>	<b>5 622</b>	<b>+1 842</b>	<b>+33%</b>
Interest	6 852	4 939	+1 913	+39%
Service fee and commissions	477	606	-129	-21%
Other	135	77	+58	+75%
Operating expenses	-4 355	-3 921	-434	+11%
<b>Operating profit</b>	<b>3 109</b>	<b>1 701</b>	<b>+1 408</b>	<b>+83%</b>
Impairment losses	-1 721	-448	-1 273	+284%
Profit before income tax	1 388	1 253	+135	+11%
Income tax	-26	-2	-24	+1200%
<b>Net profit</b>	<b>1 362</b>	<b>1 251</b>	<b>+111</b>	<b>+9%</b>
Net loan portfolio (m€)	559	381	+179	+47%
Deposits and loans received	615	409	+206	+50%
Equity	92	56	+36	+65%
ROE	6.0%	9.4%	-3.5%	
Net interest margin (NIM)	4.1%	4.3%	-0.2%	
Cost of financing	1.0%	1.0%	-0.1%	
Cost / income ratio (CIR)	58%	70%	-11.4%	
Capital adequacy ratio	20.8%	18.4%	+2.5%	

- Revenues +33%
  - Net interest grew +1.8m€ in relation to increased loan portfolio
  - Service fees lower due to exit from non resident business
- Operating costs +11%
  - Increased payroll expense and IT costs
- Operating profit +83%
- Impairment losses +1.3€
  - Incl. 0.7m€ additional impairment in relation to payment holidays arising from crisis situation
- Net profit +9%

# Increased loan portfolio in all business lines



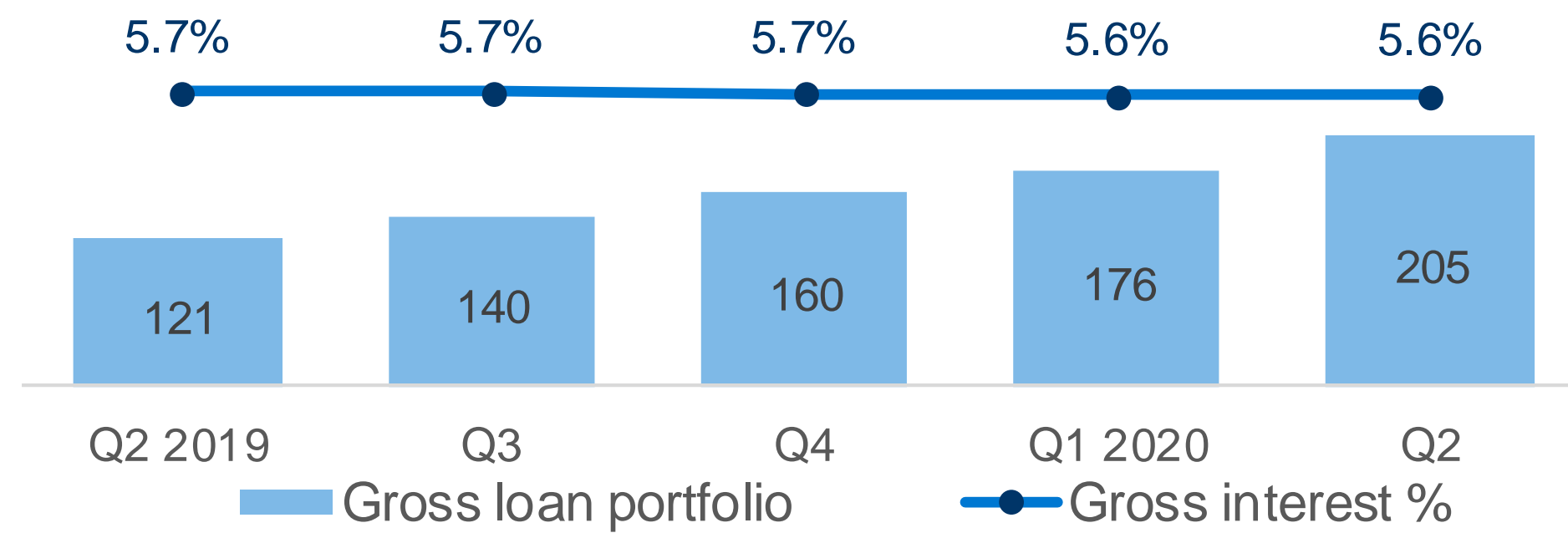
- Loan portfolio growth +55m€ (+11%) (+44m€ in Q1 2020)
- Business loans +28m€ (+16%)
- Private mortgage loans +20m€ (+10%)
- Leasing +5m€ (+7%)
- Consumer loans +2m€ (+3%)
- Gross interest of portfolio has decreased to 6.2%



# Loan portfolio interest by business lines

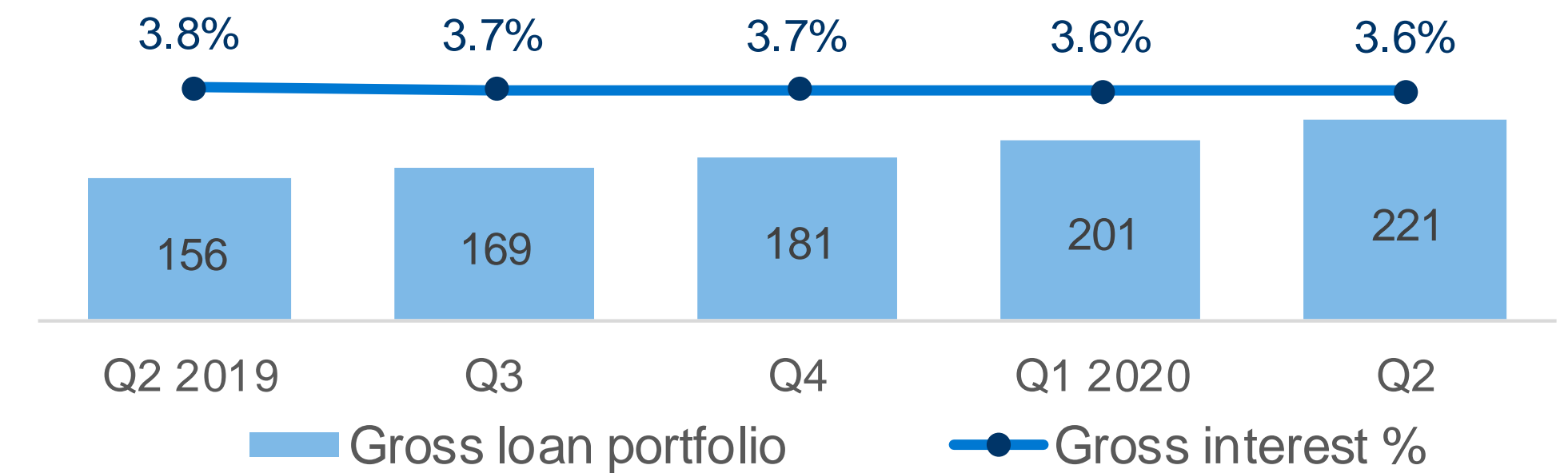
## Business loans

m€, %



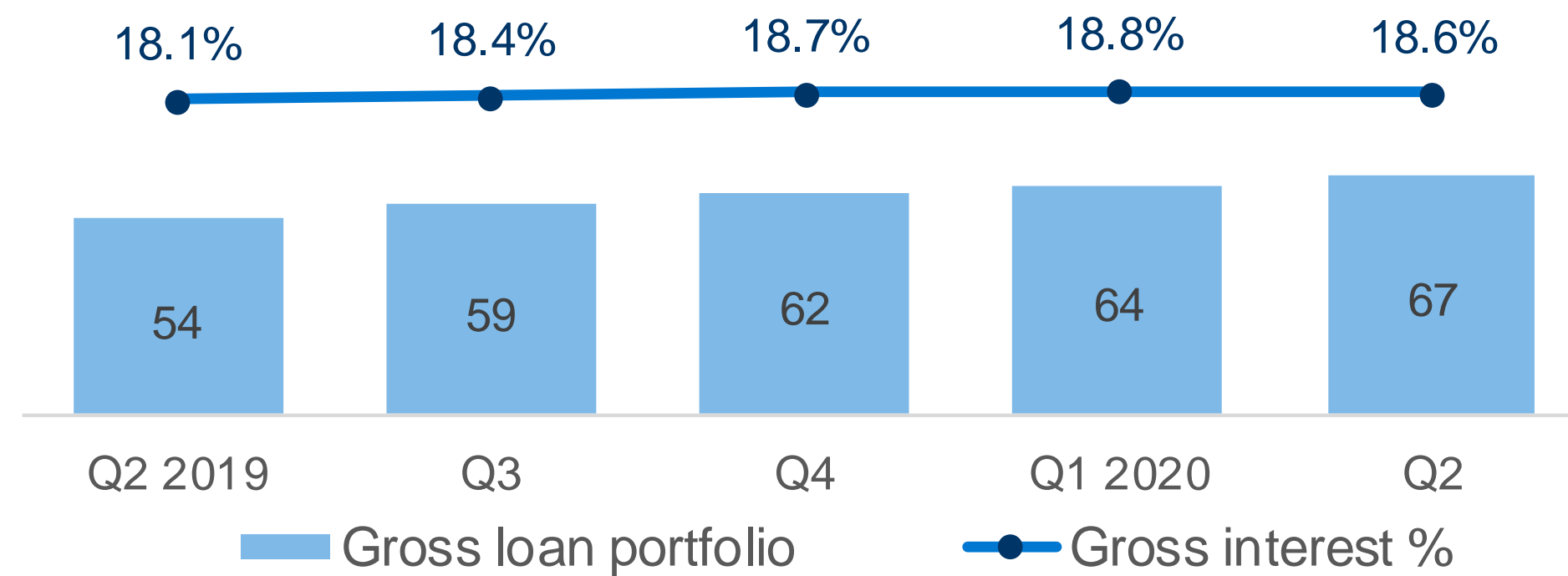
## Private mortgage loans

m€, %



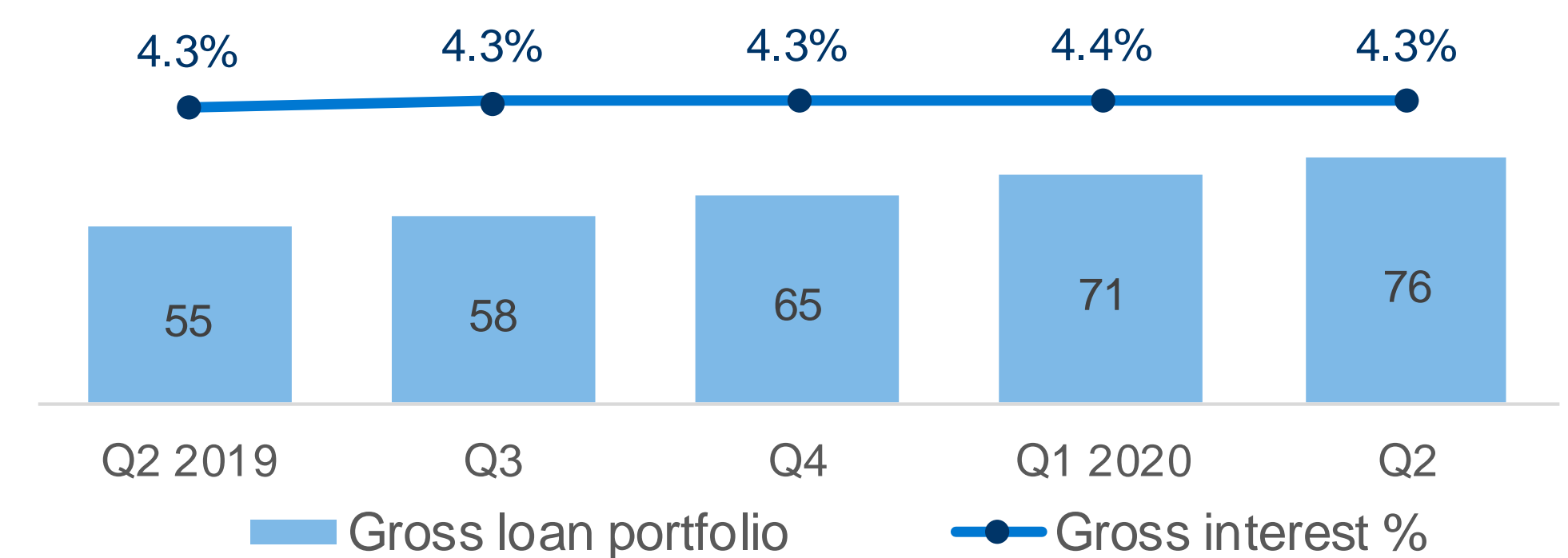
## Private consumer loans

m€, %



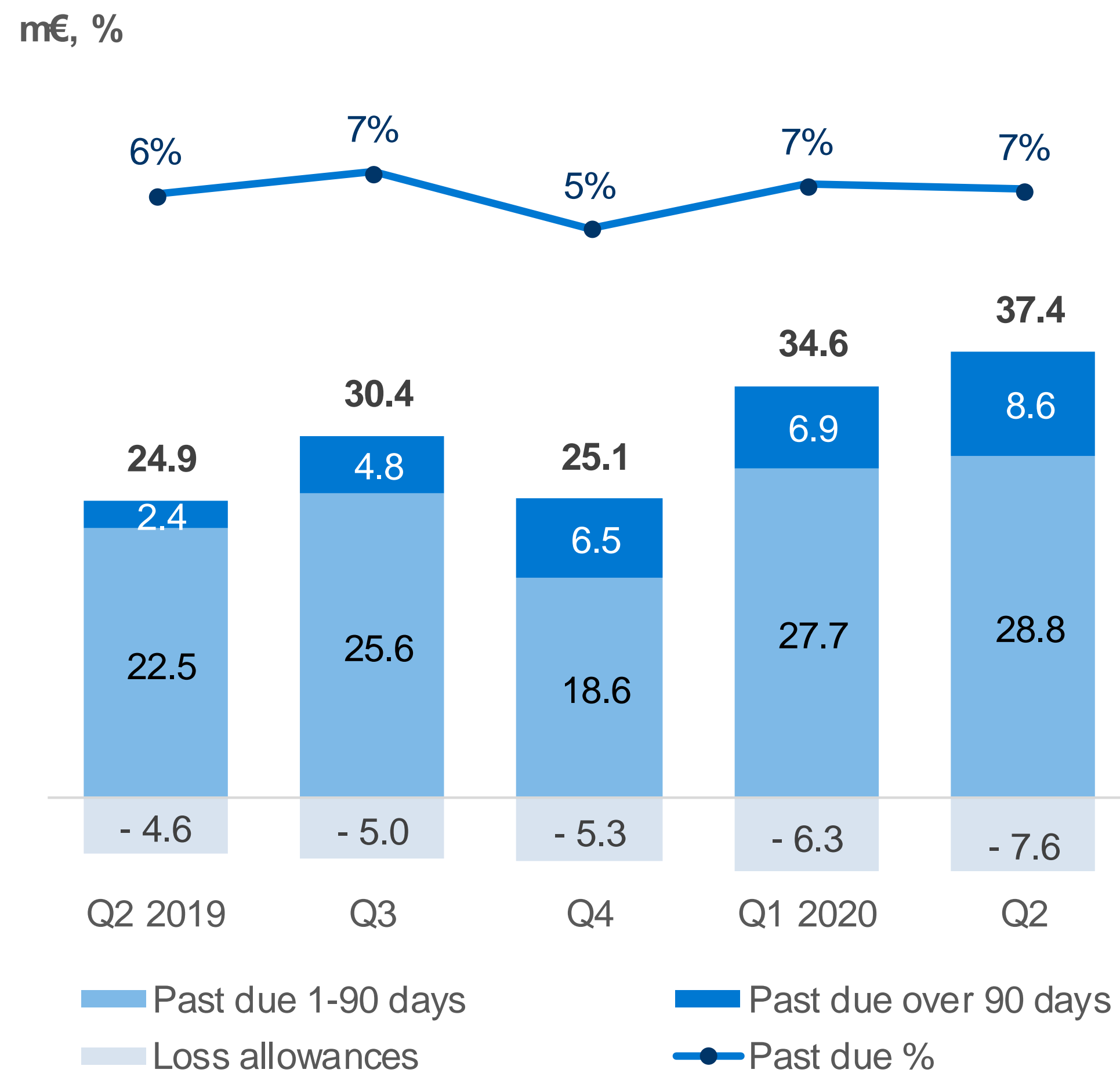
## Leasing

m€, %



# Payment grace periods caused additional loss allowances

## Loans past due and loss allowances in balance sheet

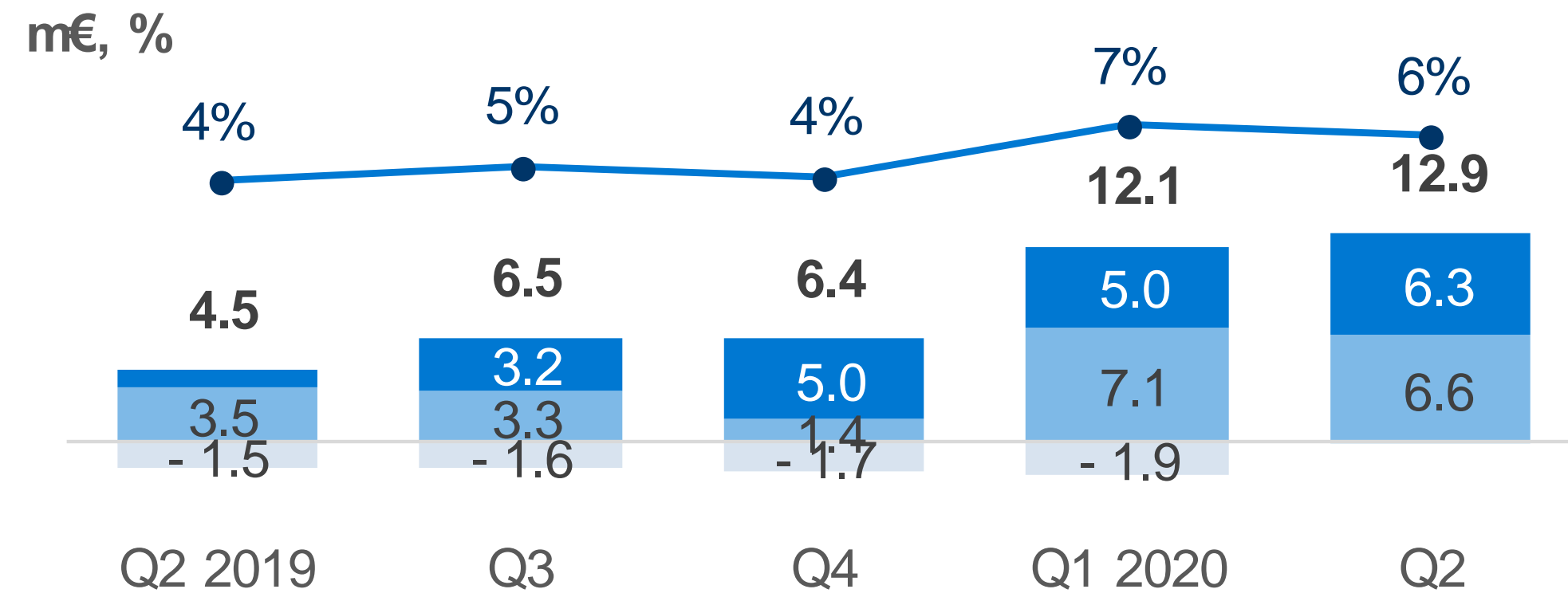


- Past due portfolio stays at 7%
- 70m€ of loan portfolio currently on payment holidays
- In relation of Coronavirus impact to economy, ca 1.1m€ of additional loss allowances were recognized in 6M of 2020
- Credit risk cost ratio 1.2% in Q2 2020 (1% in Q1 2020, 0.5% in Q4 2019)

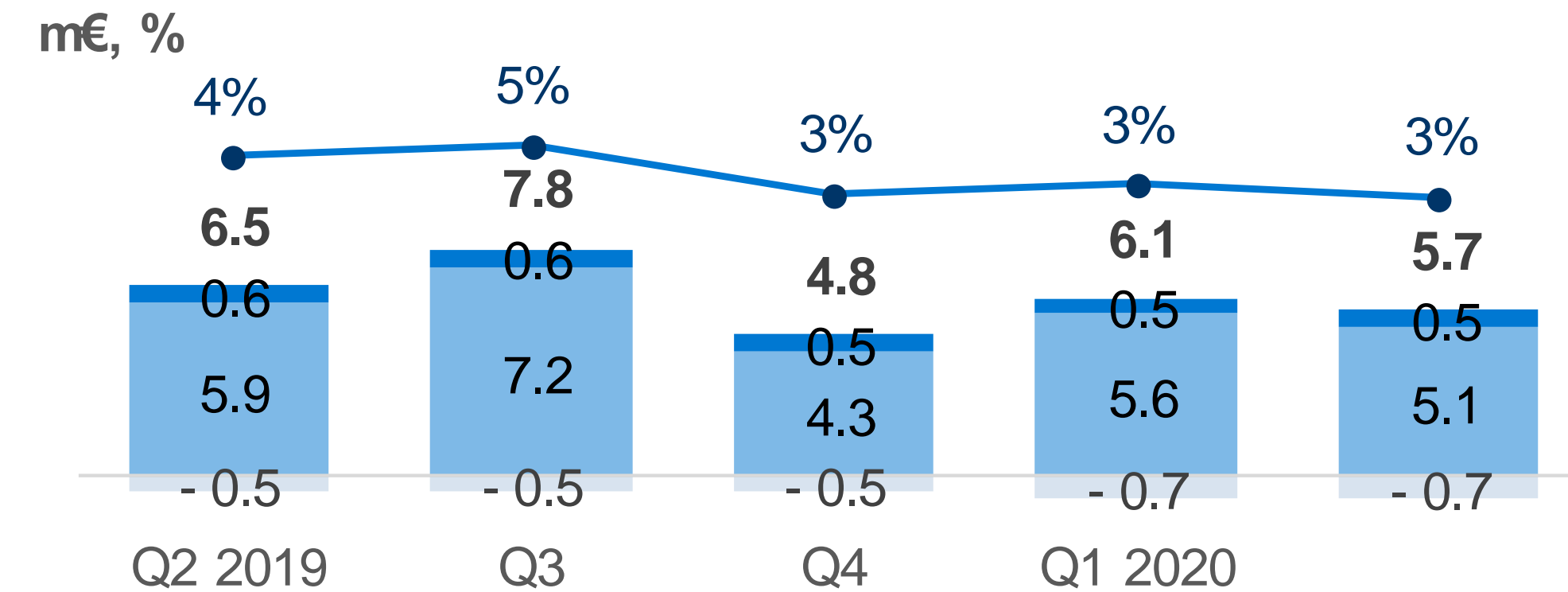
The chart shows total residual amount of loans past due; loss allowances in balance sheet; share of overdue contracts in total portfolio

# Loan portfolio quality by business lines

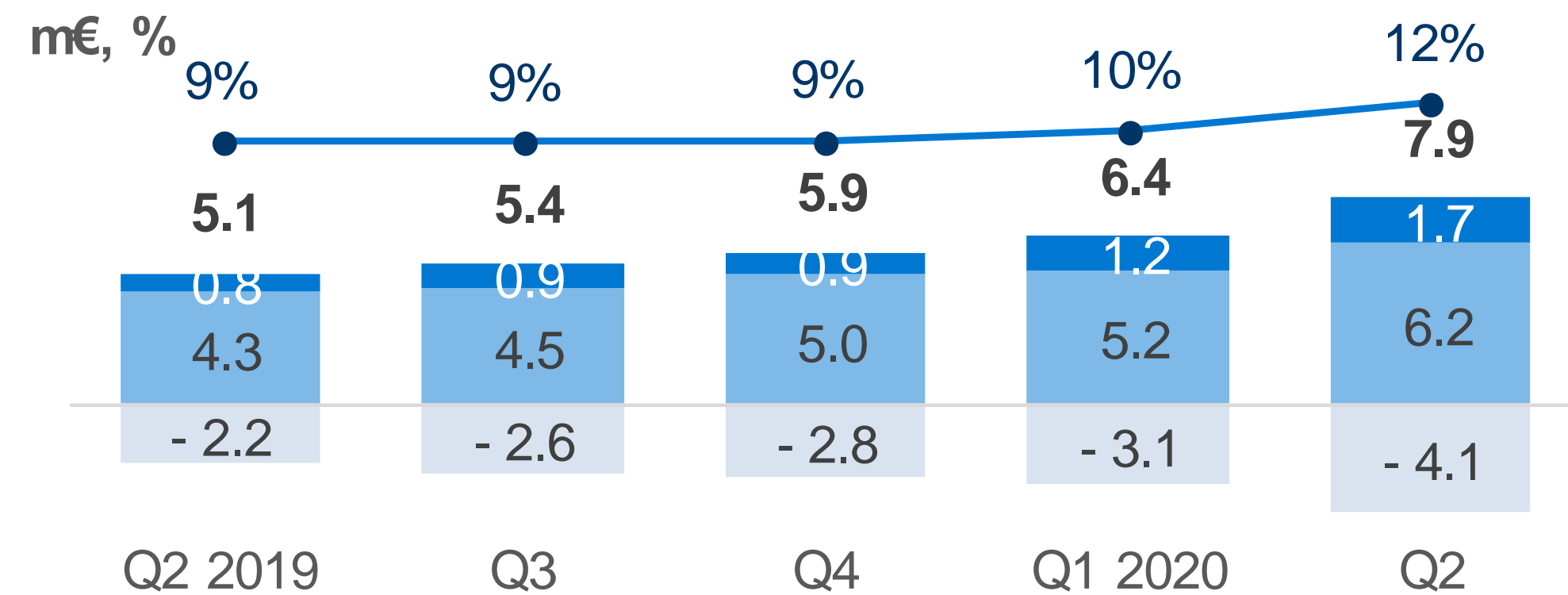
## Business loans



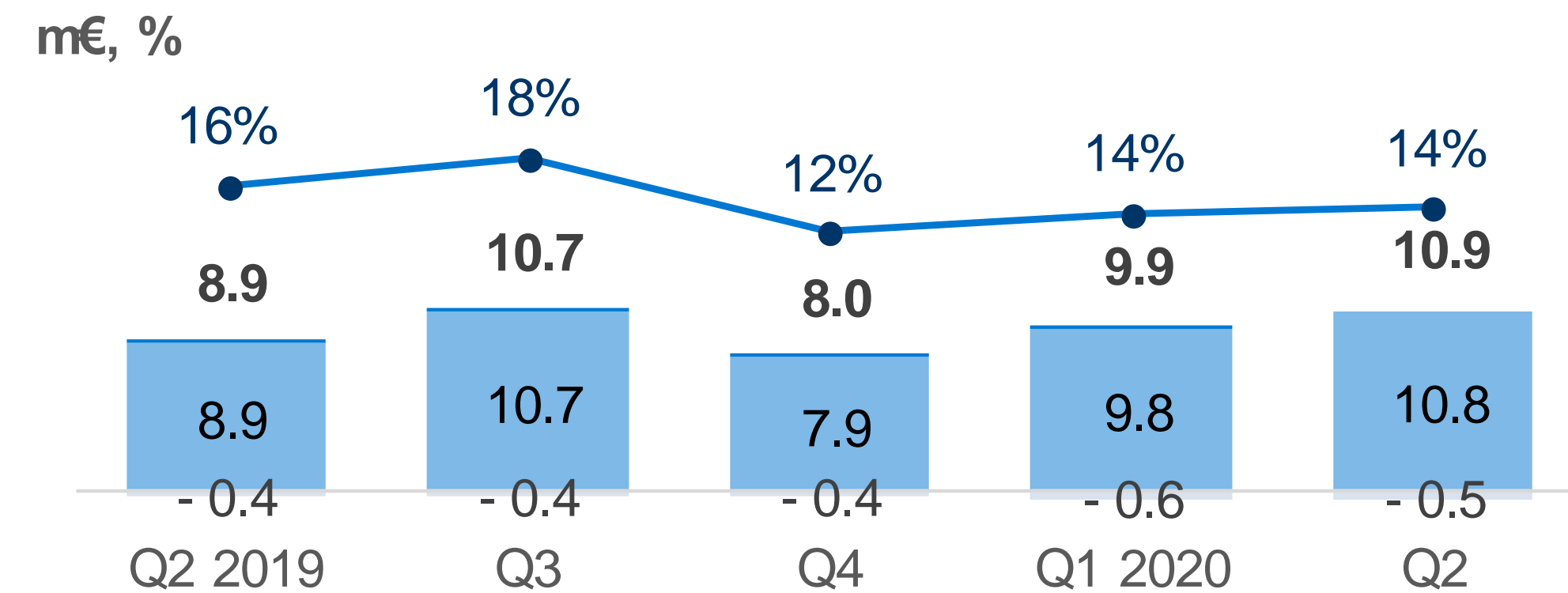
## Private mortgage loans



## Private consumer loans



## Leasing

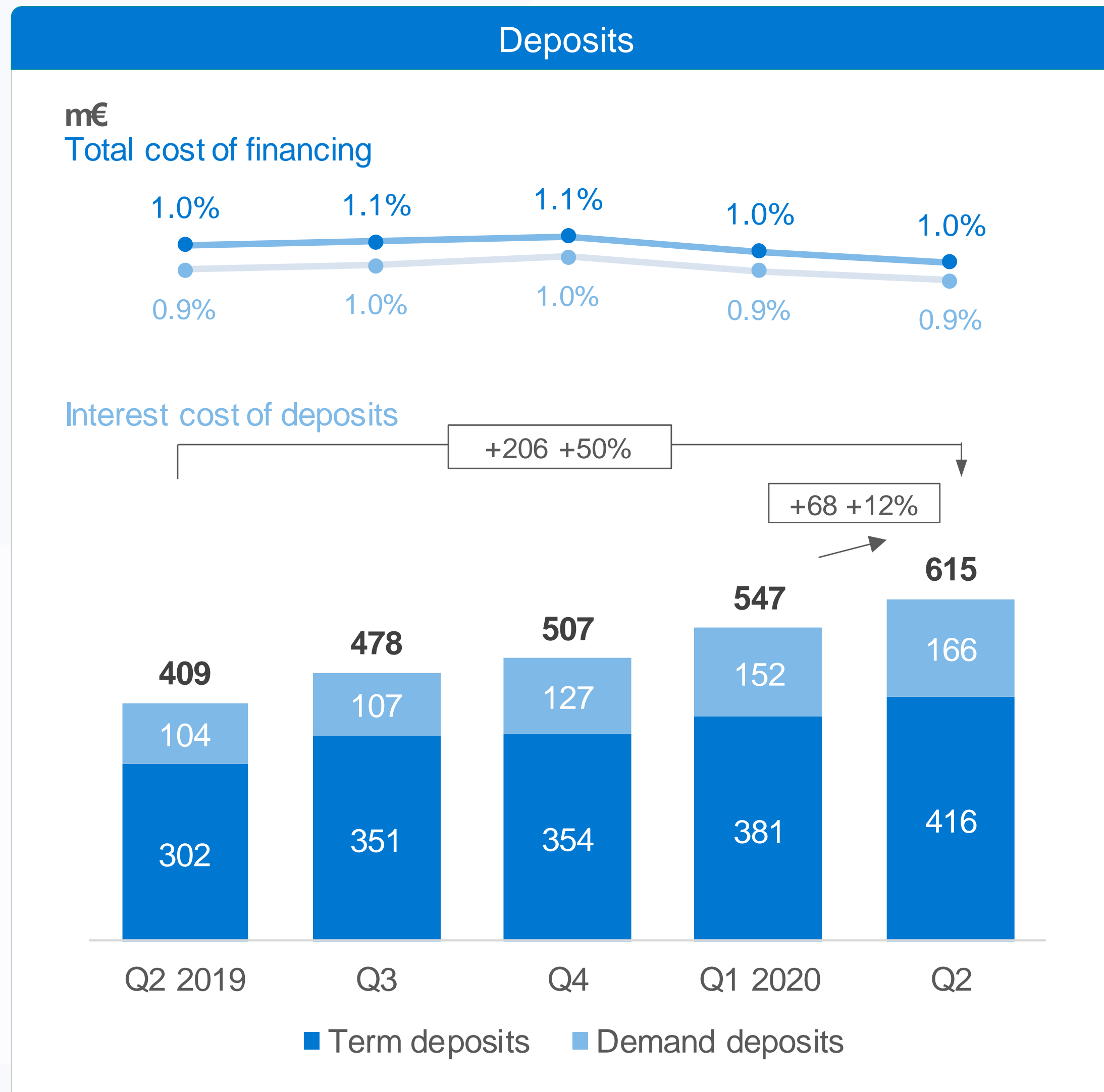


The chart shows total residual amount of loans past due; loss allowances in balance sheet; share of overdue contracts in total portfolio

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



# Amount of deposits increased, cost decreased



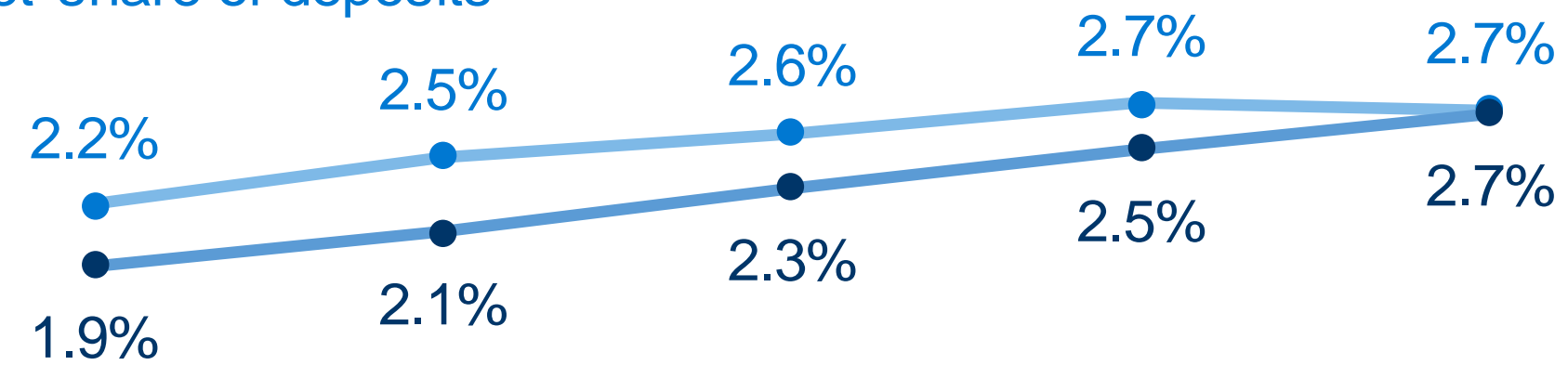
- Deposit growth +68m€ (+12%) (+41m€ in Q1 2020)
- Demand deposits grew +33m€ (+20%)
  - +23m€ from business clients
  - +10m€ from private clients
- Term deposits +35m€ (+9%)
  - +31m€ through Raisin platform
  - +3m€ from business clients
  - +1m€ from private clients
- Proportion of demand deposits in all deposits has increased QoQ: 32% in Q2 2020 (30% in Q1 2020, 26% in Q2 2019)
- Total cost of financing (1.0%) shows slight declining trend (favorable interest level in Raisin platform)

# We are growing client base and market share

## Market share and number of bank clients

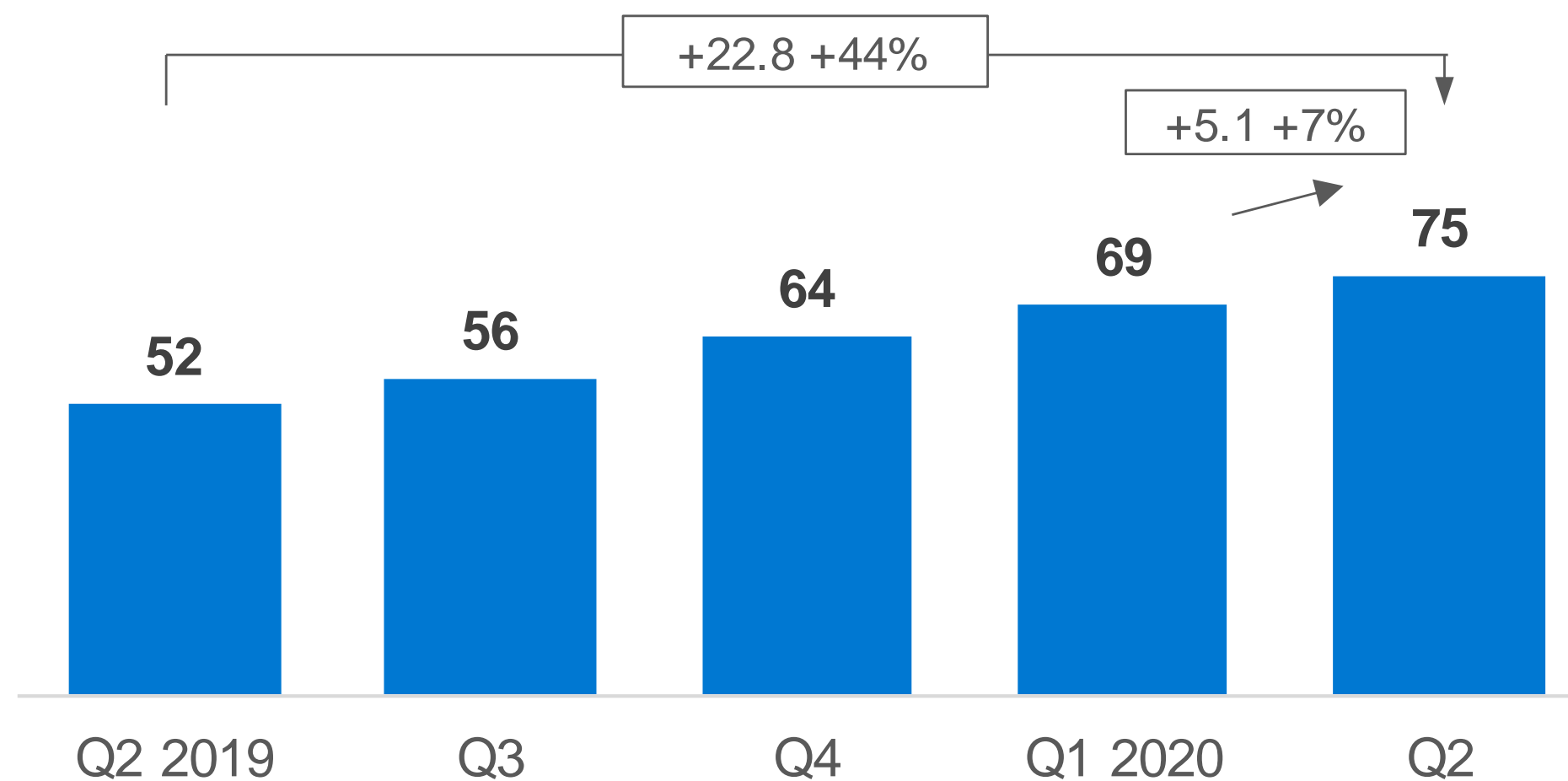
### Market share %

#### Market share of deposits



#### Market share of loans

### No of customers (thousand)



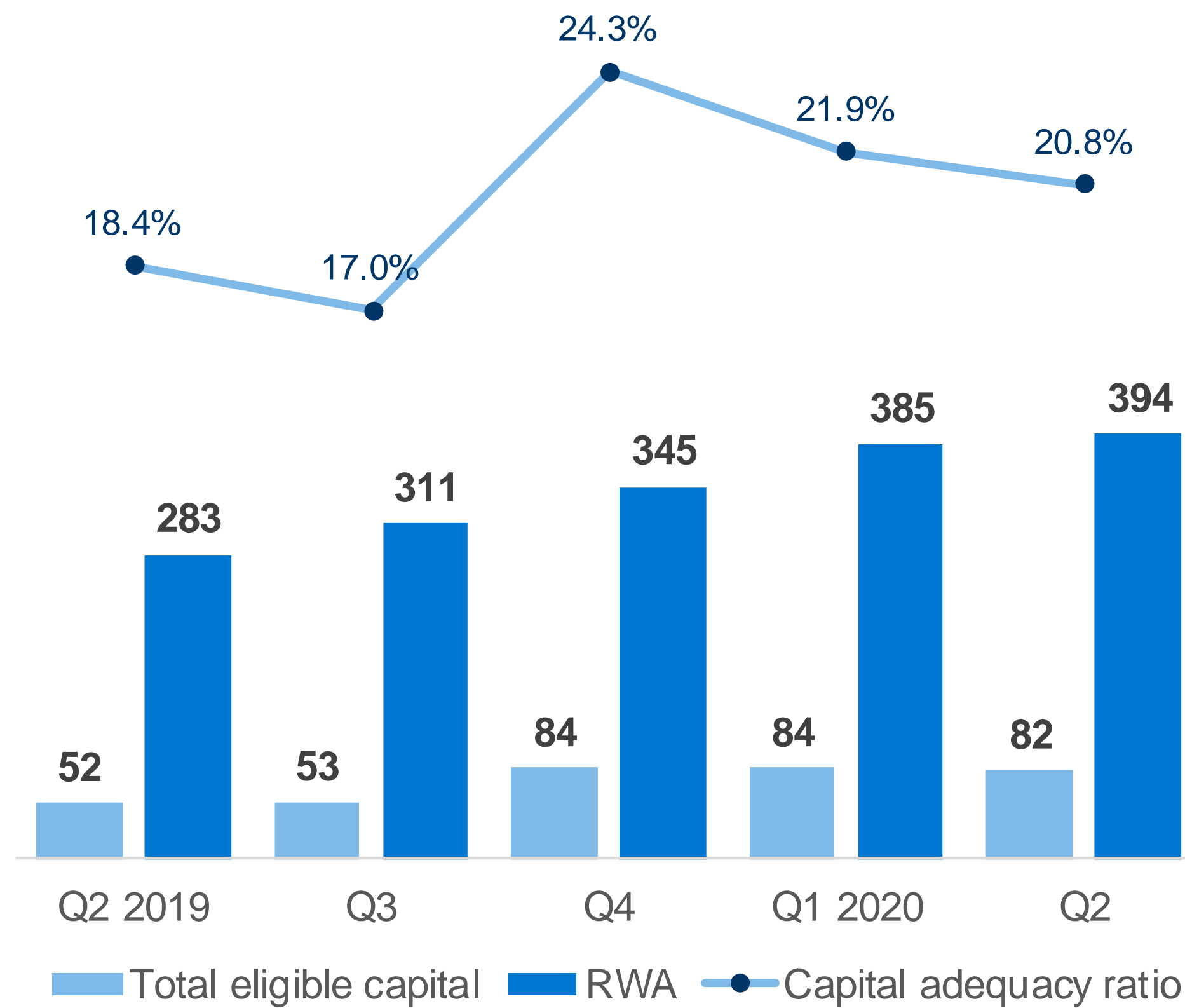
- 5 100 new clients with bank account in Q2 (+5 600 in Q1 2020)
  - +4 600 private clients
  - +500 business clients
- Market share growth in Q2\*:
  - Market share in loan portfolio 2.5%→2.7%
  - Market share in deposits 2.7%→2.7%

\*Q2 2020 market share data as of May

# Capital base supports growth plans

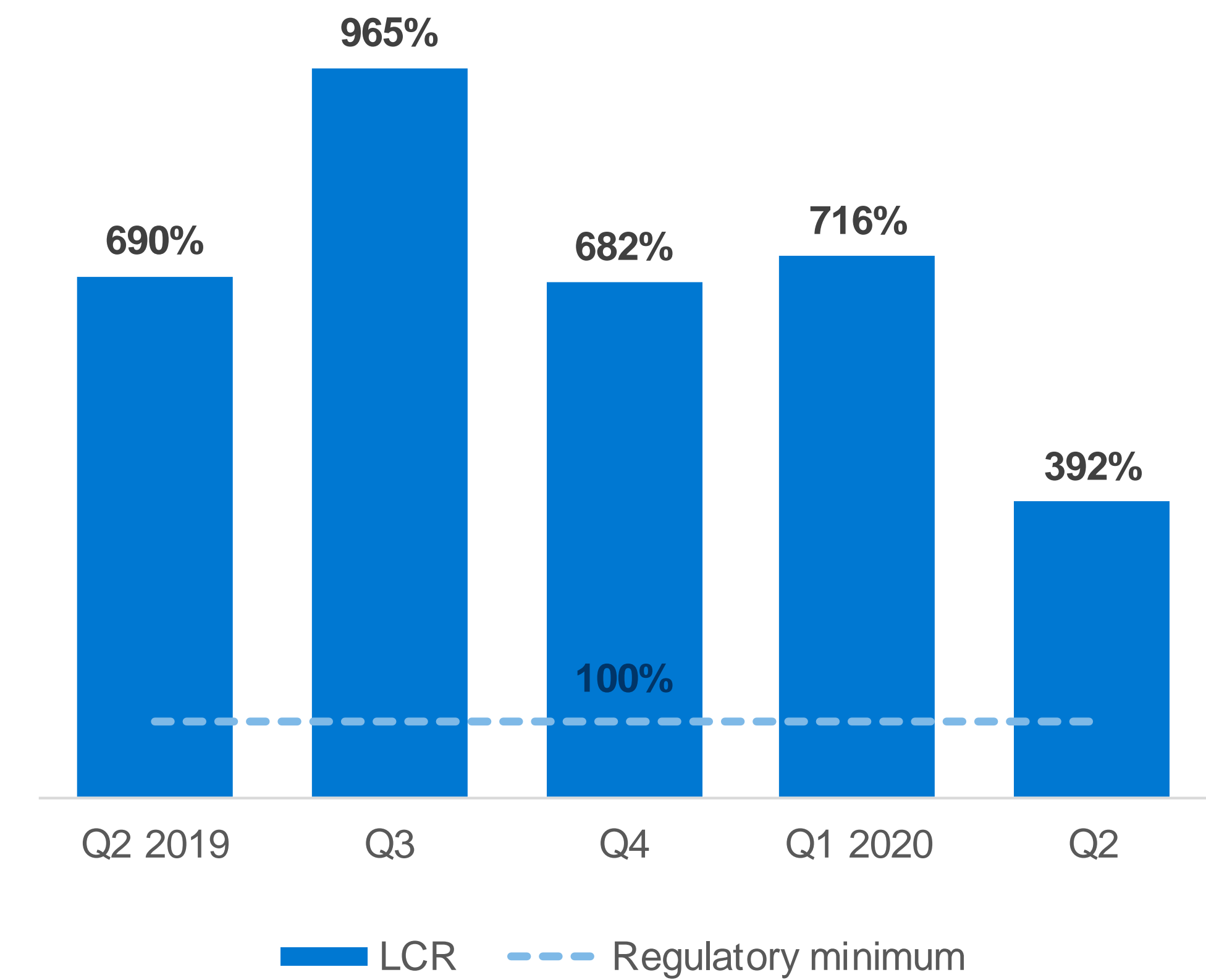
## Quarterly capitalization

m€, %



## Liquidity coverage ratio (LCR)

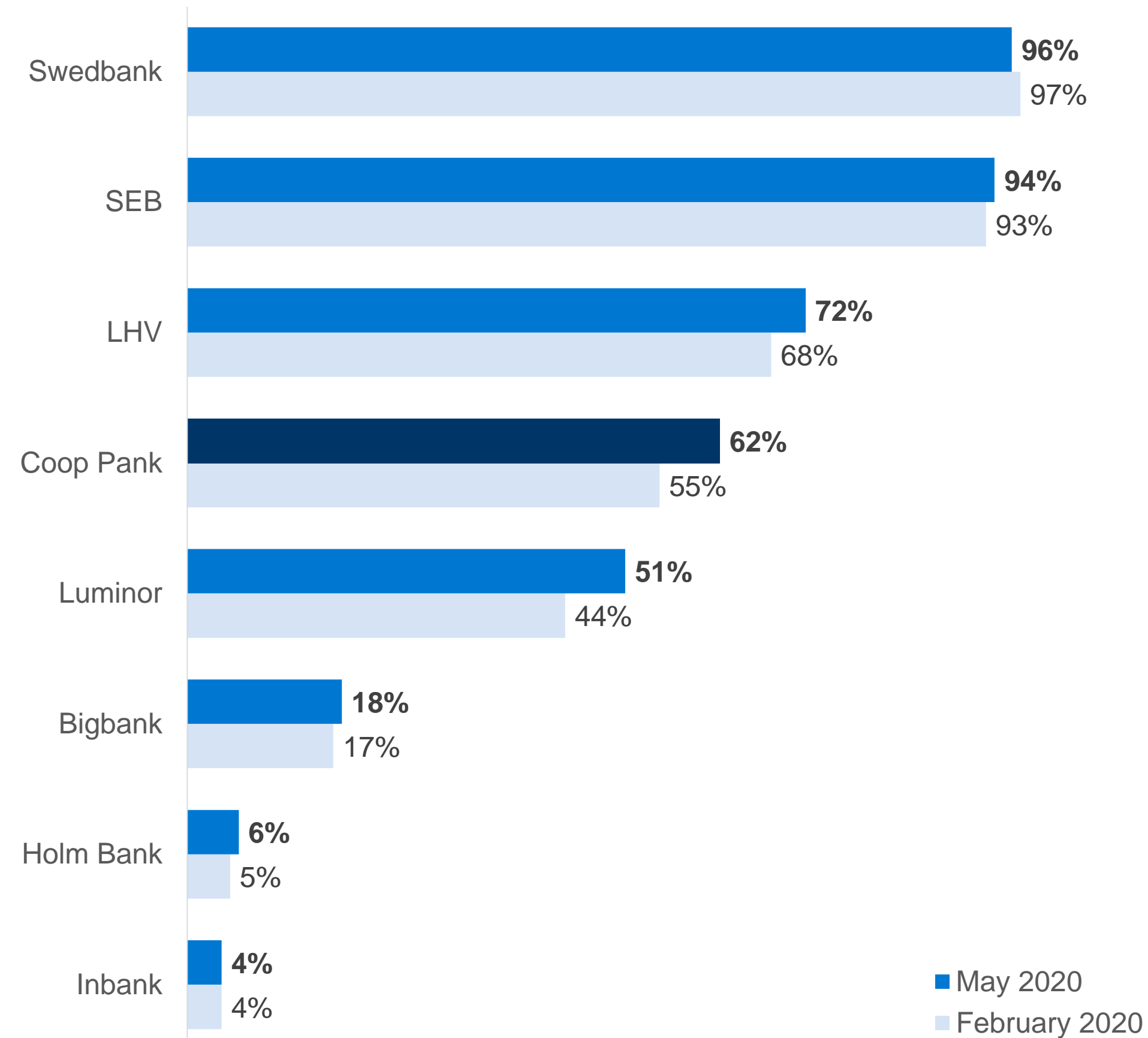
%



Eligible capital decrease due to deduction of impairment losses until audited interim profit

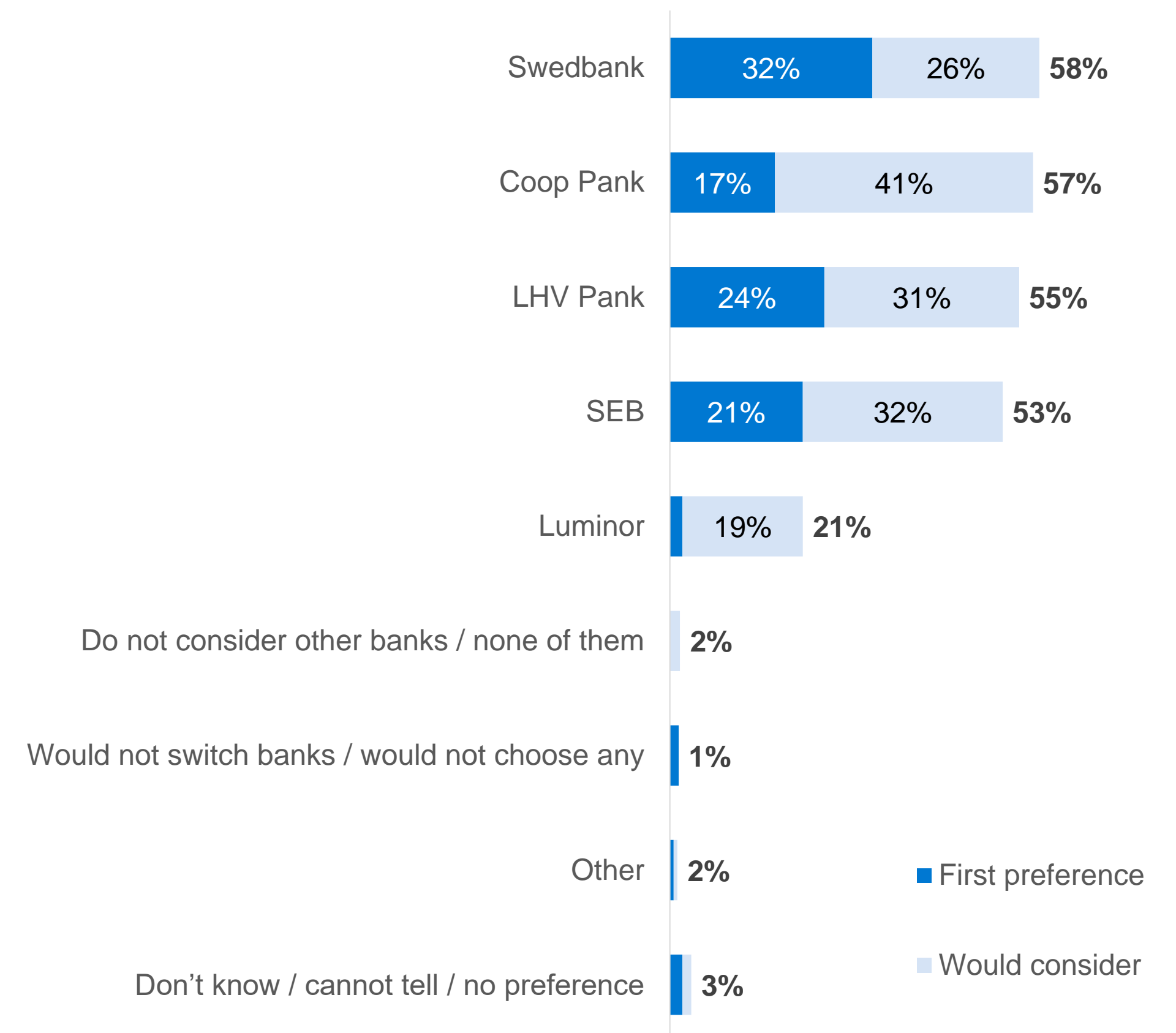
# Awareness of Coop Pank increased

## Brand awareness of Coop Pank



Source: reports of Initiative brand study, May 2020 and February 2020

## Preference and consideration of banks

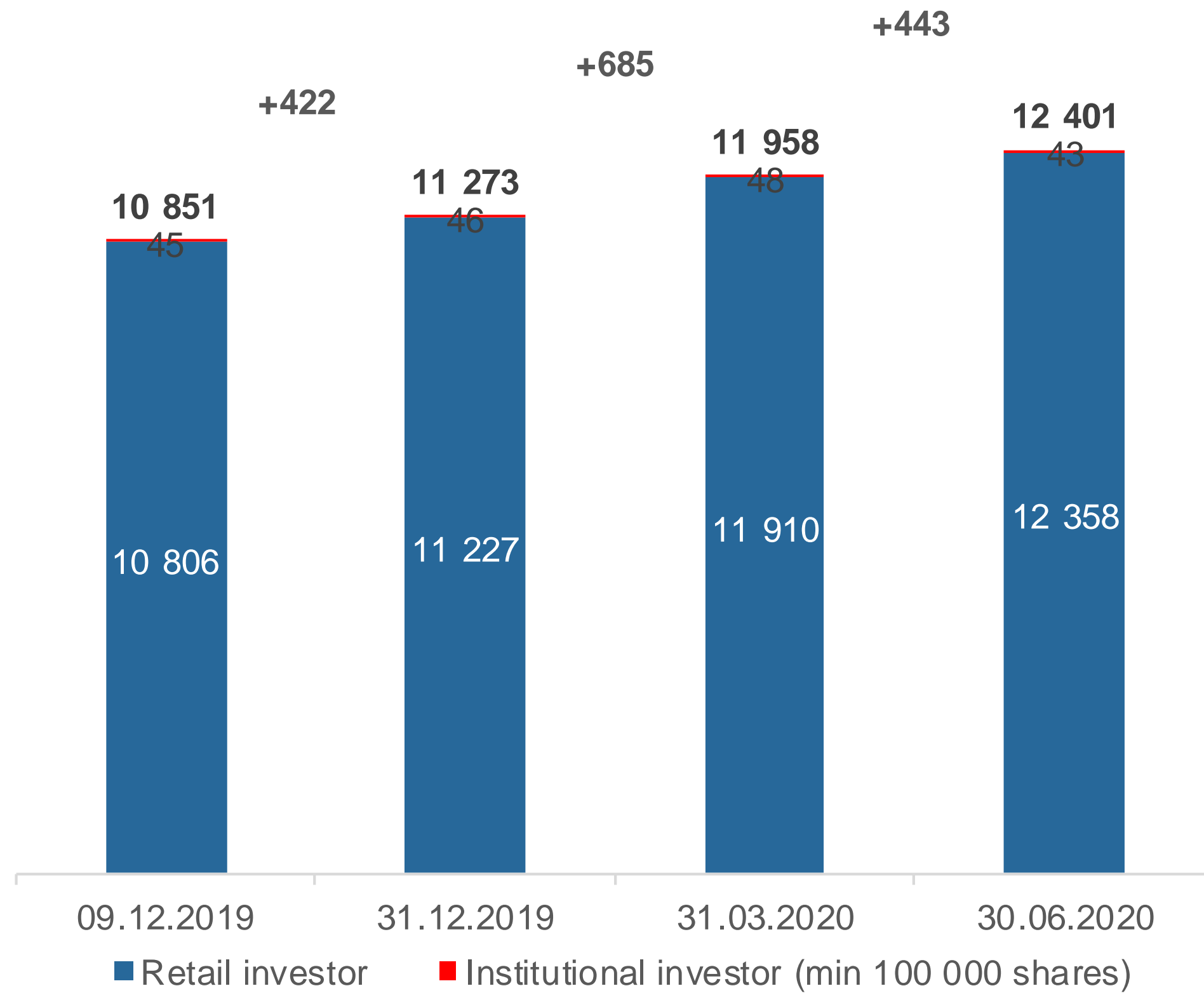


Source: reports of Initiative brand study, May 2020

# Amount of shareholders has increased

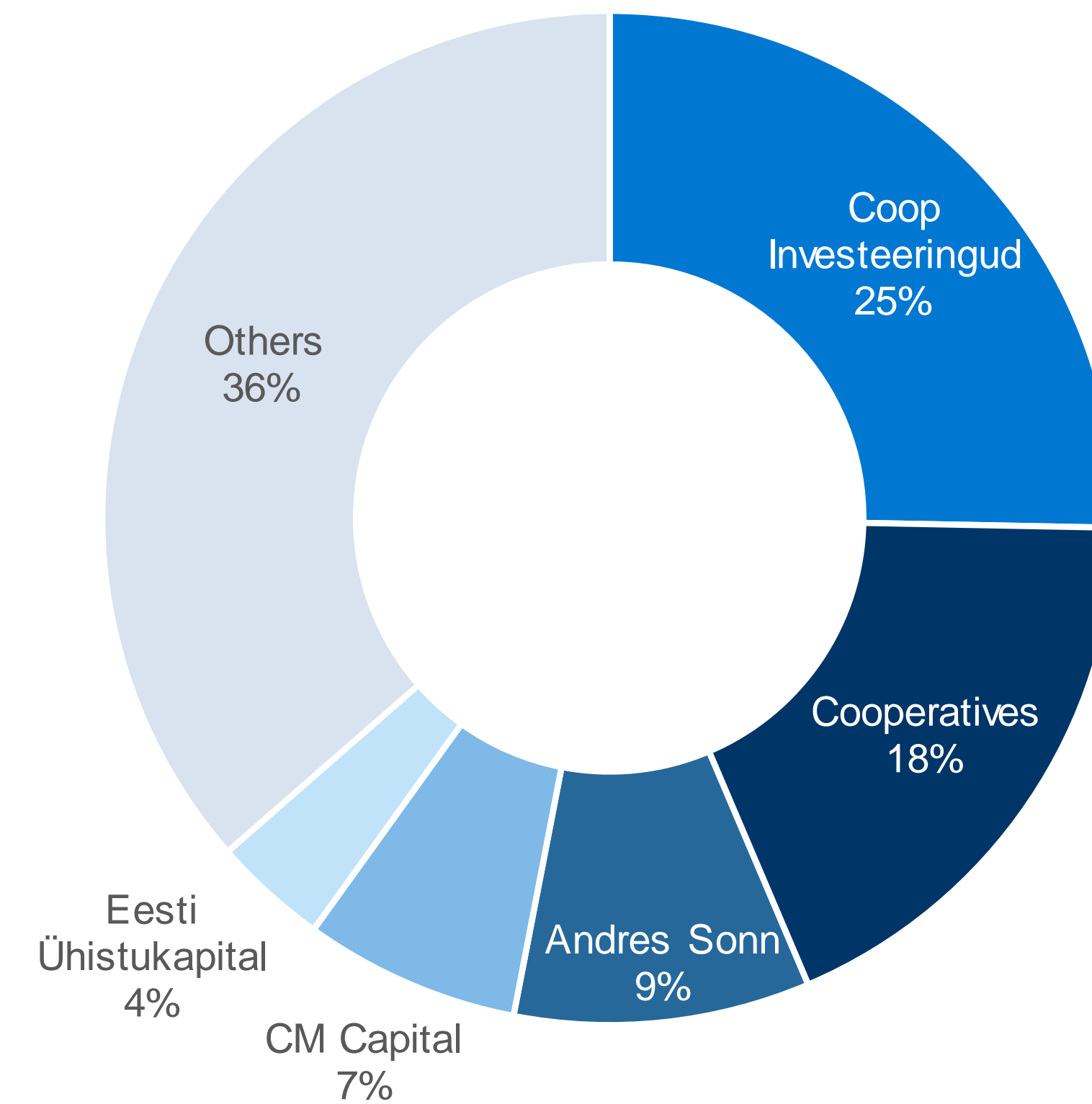
## Amount of Coop Pank shareholders

No of shareholders



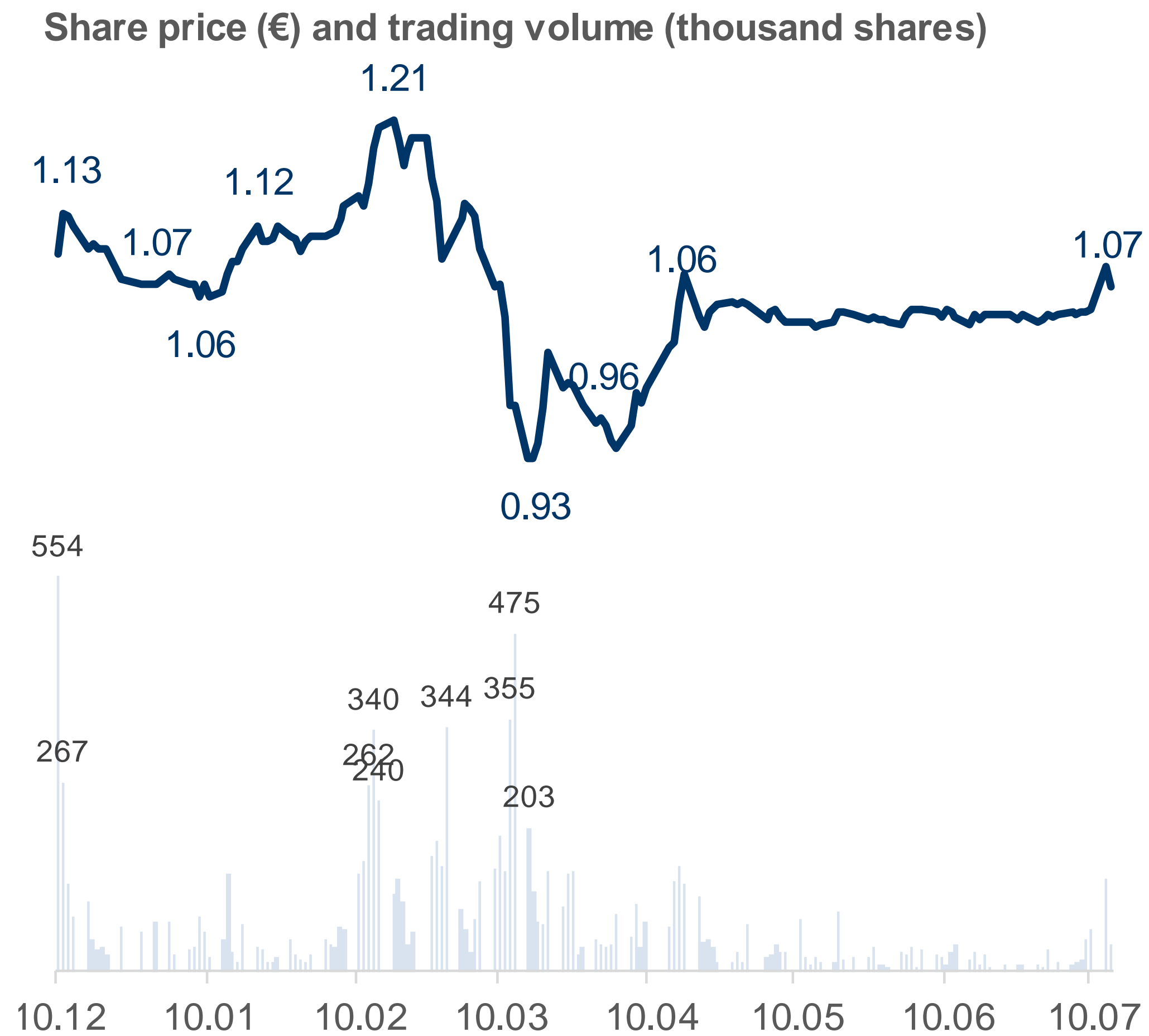
## TOP shareholders

Shareholder distribution of Coop Pank as at 30.06.2020

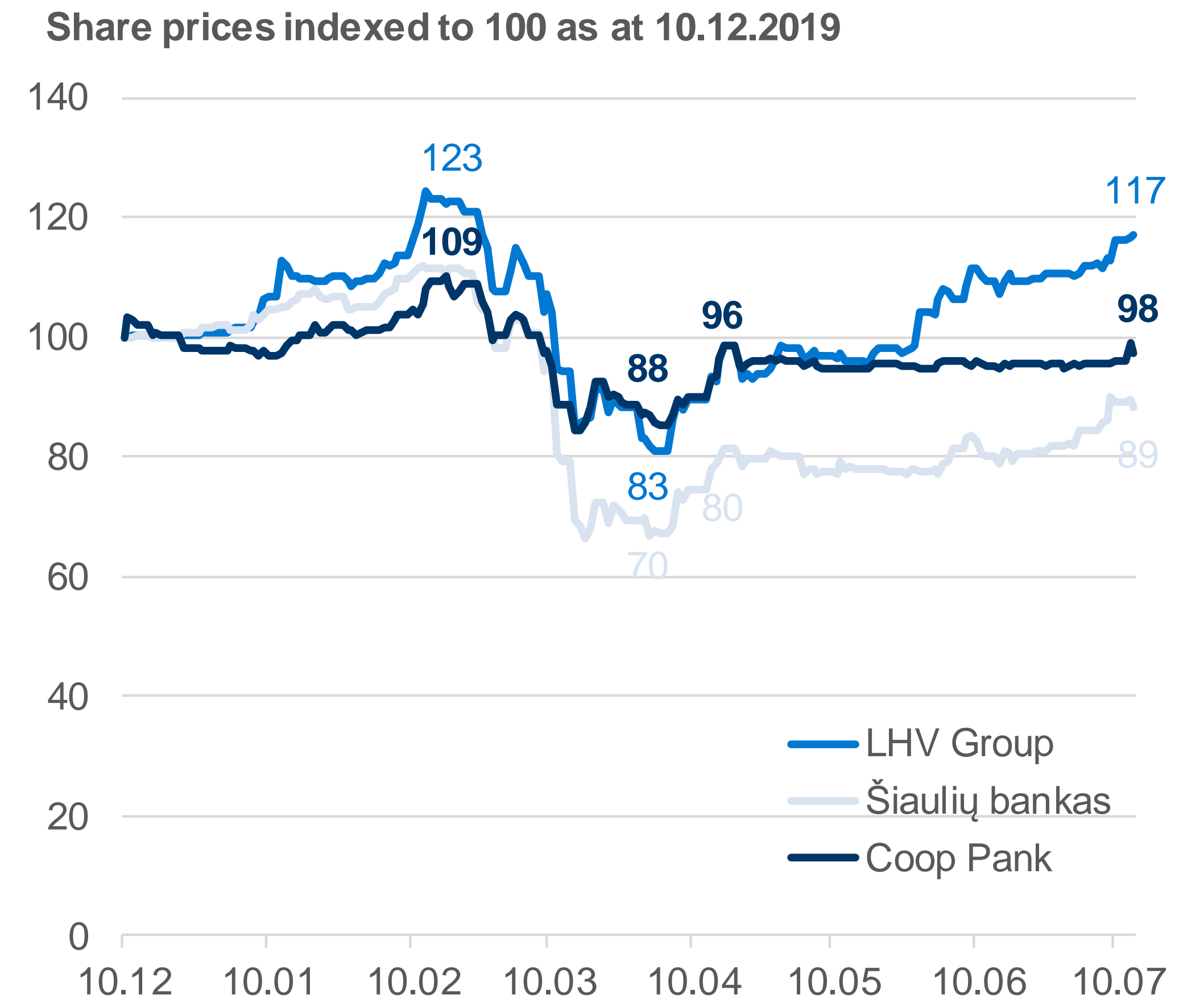




Coop Pank share price and trading volume by dates



Coop Pank share price compared to other banks



# Summary: Q2 2020 results

- Loan portfolio increased by 55m€, deposits by 68m€
- 5 100 new clients
- Increase of effectiveness: revenues up by 5%, costs down by 2%
- 0.7m€ of additional loan impairments due to payment grace periods
- Strong capital position
- 400 new shareholders in Q2 (totalling 12 400)
- Developments of new products:  
name payment, factoring, leasing e-shop

5 100 new clients  
1.4m€ profit  
400 new shareholders

**Margus Rink**

Chairman of Board, CEO  
margus.rink@cooppank.ee

**Kerli Lõhmus**

Member of Board, CFO  
kerli.lohmus@cooppank.ee  
<https://www.cooppank.ee/en/for-investors>