



Interim Report
6 months 2021

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Management Director´s Statement

Business volumes and financial results

Coop Pank has 100 200 clients by the end of Q2 2021, the number of clients has increased by 7 000 over the quarter (8%). Number of private clients with current account in the bank increased by 6 500 and number of business clients by 500 over the quarter. Over the year, client base of Coop Pank increased 34%, i.e. by 25 500 clients.

In Q2 2021, volume of deposits in Coop Pank increased by 43 million euros (+5%), reaching total of 891 million euros. Deposits from domestic companies showed the fastest growth, increasing by 79 million euros, of which 46 million were demand deposits and 33 million were term deposits. Deposits from private clients grew by 18 million euros, of which 16 million were demand deposits and 2 million were term deposits. Deposits from international deposit platform Raisin and other financing decreased by 54 million euros. Compared to Q2 2020, volume of Coop Pank's deposits has increased by 276 million euros (+45%). In an annual comparison, share of demand deposits to total deposits has increased from 32% to 44% and the bank's financing cost decreased from 1% to 0.8%.

In Q2 2021, net loan portfolio of Coop Pank grew by 77 million euros (+11%), reaching 773 million euros. Business loans portfolio showed the fastest growth, increasing the volume by 36 million euros (+14%). Home loans portfolio increased by 29 million euros (+10%), leasing portfolio by 10 million euros (+11%) and consumer finance portfolio increased by 2 million euros (+3%). Compared to Q2 2020, total loan portfolio of Coop Pank has grown by 213 million euros, i.e. 38%.

In Q2 2021, overdue loan portfolio of Coop Pank was at the level of 3%, which has remained at the same level since Q4 2020. In an annual comparison, overdue loan portfolio decreased from the level of 7% to 3%, which is the lowest level in last four years.

Impairment costs of financial assets in Q2 2021 were 0.8 million euros, which is at same level as in Q1 2021, but 56% lower than a year ago, when extraordinary loan provisions were made due to the health crisis.

Net income of Coop Pank in Q2 2021 was 9.3 million euros, having grown 5% over the quarter and 25% over the year. Operating expenses reached 5.3 million euros in Q2, having increased by 4% over the quarter and 23% over the year.

In Q2 2021, net profit of Coop Pank was 3 million euros, which is 7% more than in Q1 2021 and 123% more than a year ago. In Q2 2021, cost to income ratio of the bank was 57% and return on equity was 11.9%.

As of 30 June 2021, Coop Pank has 18 462 shareholders, 2577 shareholders have been added over the quarter.

Key events and product developments

The two most important events of Coop Pank in the second quarter of 2021 were making customer settlement packages more customer-friendly and meeting the target of 100 000 customers.

From April 1, we started offering a new free settlement package Väikerahn to private customers. The package is intended for those who do not need a bank card or cash services. In addition, we lost the service fee for the package Rahn, which includes all the main everyday banking services, for people up to 26 years of age and over 55 years of age. All private bank cards now come with free purchase insurance, and Rahn and Rändrahn customers can purchase monthly payment based travel insurance for the whole family.

At the end of the quarter, the 100 000th customer joined us. When our shares were listed, we promised to grow our customer base to 100 000 customers by the end of 2022 at the latest, but we now met this goal a year and

a half earlier, which shows that although competition in the banking market is intense, we have been able to offer different solutions that suit Estonian people.

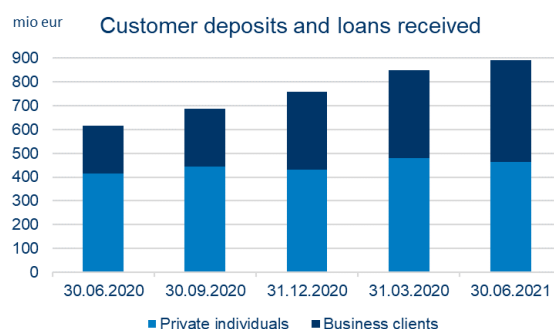
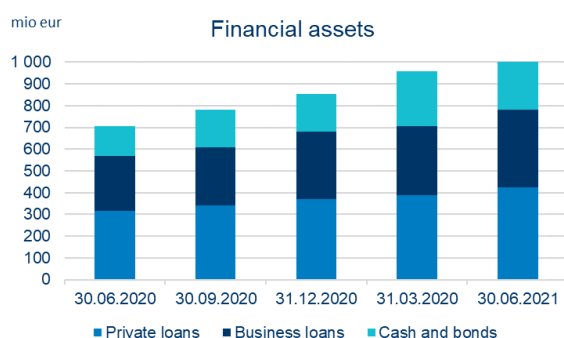
With the consistent and rapid growth of the bank, the number of our employees has also increased and the need to expand our premises. That's why we are moving the main office to a bigger, more modern and energy-efficient building. As of August, the legal address of Coop Pank AS is Maakri 30, Tallinn, where the downtown office will also serve customers.

Margus Rink
Chairman of the Management Board

Overview of financial results

Income statement EUR thousand	Q2 2021	Q1 2021	quarterly change	Q2 2020	annual change
Net interest income	8 325	8 043	4%	6 852	21%
Net fee and commissions income	783	648	21%	477	64%
Other income	233	202	16%	135	73%
Total net operating income	9 341	8 893	5%	7 464	25%
Operating expenses	-5 336	-5 123	4%	-4 355	23%
Impairment costs on financial assets	-753	-771	-2%	-1 721	-56%
Income tax	-220	-164	34%	-26	746%
Net profit	3 032	2 835	7%	1 362	123%

Business volumes, EUR thousand	Q2 2021	Q1 2021	quarterly change	Q2 2020	annual change
Net loan portfolio	772 516	695 721	11%	559 295	38%
Cash and bonds	225 344	252 490	-11%	137 587	64%
Customer deposits and loans received	891 397	848 755	5%	615 153	45%
Owner's equity	103 930	100 419	3%	92 232	13%



Ratios (quarterly ratios, expressed on annualised basis)	Q2 2021	Q1 2021	quarterly change	Q2 2020	annual change
Average equity (attributable to parent company), EUR thousand	102 174	98 993	3 182	91 352	10 822
Return on equity ROE % (net profit / average equity)	11,9	11,5	0,4	6,0	5,9
Average total assets, EUR thousand	999 642	922 410	77 232	687 253	312 389
Return on assets ROA % (net profit / average total assets)	1,2	1,2	0	0,8	0,4
Cash and interest-bearing assets, average, EUR thousand	984 127	906 991	77 136	671 003	313 124
Net interest margin NIM % (net interest income / interest-bearing assets, average)	3,4	3,5	-0,2	4,1	-0,7
Cost / income ratio % (total operating costs / total net operating income)	57,1	57,6	-0,5	58,3	-1,2

Group's liquidity position is strong. At 30.06.2021 the Liquidity Coverage Ratio (LCR) was 180% (31.12.2020 was 275%), the regulatory minimum requirement is 100%.

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

EUR thousand	30.06.2021	30.06.2020	30.06.2019
Net loan portfolio	772 516	559 295	380 642
Customer deposits and loans received	891 397	615 153	409 036
Subordinated loans	17 064	7 064	7 064
Owner´s equity	103 930	92 232	55 807
Net interest income	16 368	13 210	9 439
Net fee and commission income	1 431	998	1 157
Other income	435	373	238
Total net operating income	18 234	14 581	10 834
Operating expenses	-10 459	-8 797	-7 588
Impairment losses on financial assets	-1 524	-2 935	-821
Income tax	-384	-26	0
Net profit	5 867	2 823	2 425

Capitalisation

Capital base, EUR thousand	30.06.2021	30.06.2021 adjusted *	31.12.2020
Tier 1 capital			
Paid-in share capital and share premium	74 317	74 317	73 817
Statutory reserve capital	3 165	3 165	2 802
Retained earnings	20 461	20 461	13 564
Eligible profit of the reporting period	0	5 867	7 259
Other accumulated comprehensive loss	-22	-22	-18
Goodwill accounted for as intangible asset (-)	-6 757	-6 757	-6 757
Intangible assets (-)	-6 843	-6 843	-5 930
Adjustment of value arising from requirements of reliable measurement (-)	-4	-4	-3
Other deductions from Tier 1 capital (-)	-1 524	0	0
Other transitional adjustments of own funds	315	315	441
Total Tier 1 capital	83 108	90 499	85 175
Subordinated debt	17 000	17 000	7 000
Tier 2 capital	17 000	17 000	7 000
Eligible capital for capital adequacy calculation	100 108	107 499	92 175
Risk-weighted assets RWA			
Central government and central banks using standardised approach	628	628	624
Credit institutions, investment companies using standardised approach	3 270	3 270	451
Companies using standardised approach	66 384	66 384	72 962
Retail claims using standardised approach	126 141	126 141	110 660
Claims secured by mortgage on real estate using standardised approach	240 870	240 870	195 622
Claims past due using standardised approach	6 605	6 605	6 612
Items subject to particularly high risk using standardised approach	27 094	27 094	22 417
Other assets using standardised approach	11 154	11 154	10 928
Total credit risk and counter-party credit risk	482 146	482 146	420 276
Operational risk using basic indicator approach	47 007	47 007	36 423
Total risk-weighted assets (total risk exposure)	529 153	529 153	456 699
Capital adequacy ratio %	18,92%	20,32%	20,18%
Tier 1 capital ratio %	15,71%	17,10%	18,65%

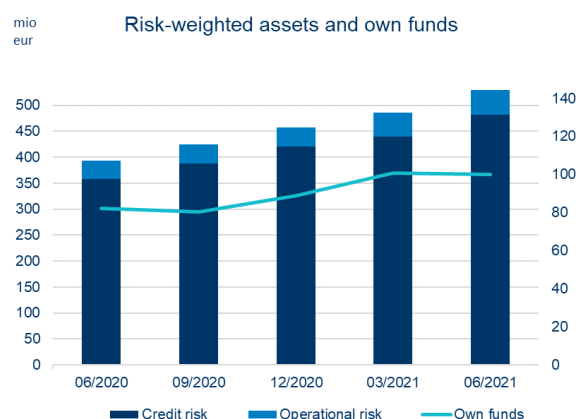
* Includes unaudited profit for Q1 2021, which will be added to regulatory Tier 1 capital after approval of the interim profit by independent auditor and the Financial Supervisory Authority.

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

Systemic risk buffer was changed 01.05.2020 from 1% to 0%.

By the end of the reporting period, the Group is compliant with all regulative capital requirements. In Q1, to support the growth of business volumes the Bank included subordinated debt in the amount of EUR 10 million in Tier 2 capital.



Consolidated financial statements

Consolidated statement of comprehensive income

EUR thousand	Note	Q2 2021	6 M 2021	Q2 2020	6 M 2020
Interest income calculated using the effective interest method		9 343	18 183	7 554	14 595
Other similar income		973	1 909	794	1 528
Interest expense		-1 991	-3 724	-1 496	-2 913
Net interest income	3	8 325	16 368	6 852	13 210
Fee and commission income		1 237	2 332	845	1 737
Fee and commission expense		-454	-901	-368	-739
Net fee and commission income	4	783	1 431	477	998
Revenue from sale of assets		0	0	0	146
Cost of assets sold		0	0	0	-146
Rental income from investment properties		1	3	5	10
Direct property operating expenses		-13	-22	-11	-28
Change in fair value of investment property		-14	-14	0	0
Net gains/losses from non-financial asset realization		0	0	0	39
Net gains/losses from financial assets measured at fair value		-46	-59	-46	-46
Revenue from claims handling		120	320	127	255
Other income		185	207	60	143
Other net income		233	435	135	373
Payroll expense		-3 065	-5 944	-2 603	-5 265
Operating expense		-1 399	-2 850	-1 120	-2 295
Depreciation		-872	-1 665	-632	-1 237
Total operating expense		-5 336	-10 459	-4 355	-8 797
Net profit before impairment costs		4 005	7 775	3 109	5 784
Impairment costs		-753	-1 524	-1 721	-2 935
Profit before income tax		3 252	6 251	1 388	2 849
Income tax		-220	-384	-26	-26
Net profit for the reporting period	2	3 032	5 867	1 362	2 823
Financial assets at fair value through other comprehensive income		-3	-4	360	-9
Comprehensive income for the reporting period		3 029	5 863	1 722	2 814
Net profit attributable to:					
Owners of parent company		3 032	5 867	1 362	2 823
Net profit for the reporting period		3 032	5 867	1 362	2 823
Comprehensive income attributable to:					
Owners of parent company		3 029	5 863	1 722	2 814
Comprehensive income for the reporting period		3 029	5 863	1 722	2 814
Basic earnings per share (in euros)		0,03	0,06	0,01	0,03
Diluted earnings per share (in euros)		0,03	0,06	0,01	0,03

Consolidated statement of financial position

EUR thousand	Note	30.06.2021	31.12.2020
Assets			
Cash and cash equivalents	5	221 666	170 750
Debt securities at fair value through other comprehensive income	6	3 678	3 011
Equity instruments at fair value through profit or loss		8	67
Equity instruments at fair value through other comprehensive income		13	13
Loans and advances to customers	7,8,9,10	772 516	670 593
Other financial assets		1 173	999
Assets held for sale		6 674	6 734
Other assets		1 345	1 117
Investment property		161	594
Right-of-use assets		867	1 017
Tangible assets		2 672	2 327
Intangible assets		6 843	5 930
Goodwill		6 757	6 757
Total assets		1 024 373	869 909
Liabilities			
Customer deposits and loans received	11	891 397	757 835
Lease liabilities		819	1 018
Other financial liabilities		4 049	1 509
Other liabilities		7 114	4 916
Subordinated debt		17 064	7 064
Total liabilities		920 443	772 342
Shareholder's equity			
Share capital		62 124	61 756
Share premium		12 193	12 061
Statutory reserve capital		3 165	2 802
Retained earnings		26 328	20 824
Other reserves		120	124
Shareholders' equity attributable to owners of the parent company		103 930	97 567
Total shareholder's equity		103 930	97 567
Total liabilities and shareholders' equity		1 024 373	869 909

Consolidated statement of cash flows

EUR thousand	Note	6 M 2021	6 M 2020
Cash flows from operating activities			
Interest received		20 039	15 745
Interest paid		-3 357	-2 490
Service fee and commission received		2 332	1 737
Service fee and commission paid		-901	-739
Other received income		506	422
Salaries paid		-6 547	-5 846
Other operating expenses paid		-2 850	-2 295
Income tax paid		-272	0
Cash flows from operating activities before change in assets and liabilities related to operating activities		8 950	6 534
Change in operating assets:			
Loan receivables from customers		-103 391	-101 376
Term deposits in credit institutions		-15 000	0
Change of statutory reserve in central bank		-1 240	-521
Other assets		-431	343
Change in operating liabilities:			
Change in client deposits and loans received		133 195	108 199
Other liabilities		4 944	-106
Net cash flows from operating activities		27 027	13 073
Cash flows from investment activities			
Acquisition of property, plant and equipment		-2 714	-1 937
Sale of property, plant and equipment		523	52
Acquisition of debt securities		-825	0
Sale and redemption of debt instruments		448	308
Total cash flows from investment activities		-2 568	-1 577
Cash flows from financing activities			
Issue of subordinated bonds		10 000	0
Contribution to share capital		414	0
Repayment of principal of lease liabilities		-199	-381
Total cash flows from financing activities		10 215	-381
Effect of exchange rate fluctuations to cash and cash equivalents		2	-3
Change in cash and cash equivalents		34 676	11 112
Cash and cash equivalents at the beginning of period		164 439	118 002
Cash and cash equivalents at the end of period	5	199 115	129 114
Cash and cash equivalents balance is comprised of:			
Cash on hand		26 749	26 559
Demand deposits in central bank		166 399	99 427
Demand and short-term deposits in credit institutions and other financial institutions		5 967	3 128

Consolidated statement of changes in equity

EUR thousand	Share capital	Share premium	Statutory reserve capital	Other reserves	Revaluation reserve	Retained earnings	Total equity
Equity as at 31.12.2019	60 960	11 797	2 526	226	1	13 841	89 351
Change in reserves	0	0	276	0	0	-276	0
Share options	0	0	0	67	0	0	67
Net profit 01.01. – 30.06.2020	0	0	0	0	0	2 823	2 823
Other comprehensive income 01.01. – 30.06.2020	0	0	0	0	-9	0	-9
Total comprehensive income	0	0	0	0	-9	2 823	2 814
Equity as at 30.06.2020	60 960	11 797	2 802	293	-8	16 388	92 232
Contribution to share capital	796	264	0	-207	0	0	853
Share options	0	0	0	56	0	0	56
Net profit 01.07. – 31.12.2020	0	0	0	0	0	4 436	4 436
Other comprehensive income 01.07. – 31.12.2020	0	0	0	0	-10	0	-10
Total comprehensive income	0	0	0	0	-10	4 436	4 426
Equity as at 31.12.2020	61 756	12 061	2 802	142	-18	20 824	97 567
Contribution to share capital	368	132	0	-86	0	0	414
Share options	0	0	0	86	0	0	86
Change in reserves	0	0	363	0	0	-363	0
Net profit 01.01. – 30.06.2021	0	0	0	0	0	5 867	5 867
Other comprehensive income 01.01. – 30.06.2021	0	0	0	0	-4	0	-4
Total comprehensive income	0	0	0	0	-4	5 867	5 863
Equity as at 30.06.2021	62 124	12 193	3 165	142	-22	26 328	103 930

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 2020.

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%
AS Martinoza	Estonia	real estate management	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, Q2 2021, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	4 243	2 846	3 126	931	384	-1 214	10 316
Incl. external income	3 696	2 538	3 126	931	25	0	10 316
Incl. internal income	547	308	0	0	359	-1 214	0
Interest expense	-1 110	-1 150	-276	-341	-328	1 214	-1 991
Net interest income	3 133	1 696	2 850	590	56	0	8 325
Commission income	361	419	365	39	53	0	1 237
Commission expense	-111	-280	-61	-2	0	0	-454
Net commission income	250	139	304	37	53	0	783
Other net income	157	10	74	20	-28	0	233
Net income	3 540	1 845	3 288	647	81	0	9 341
Total operating expense	-1 349	-1 998	-1 162	-605	-222	0	-5 336
Profit before credit losses and income tax	2 191	-153	2 066	42	-141	0	4 005
Impairment losses (-) or reversals (+)	-110	-95	-513	-35	0	0	-753
Income tax expense	-220	0	0	0	0	0	-220
Net profit	1 861	-248	1 553	7	-141	0	3 032

Segment profits, 6M 2021, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	8 144	5 298	6 211	1 837	802	-2 200	20 092
Incl. external income	7 147	4 850	6 211	1 837	47	0	20 092
Incl. internal income	997	448	0	0	755	-2 200	0
Interest expense	-2 013	-2 064	-512	-626	-709	2 200	-3 724
Net interest income	6 131	3 234	5 699	1 211	93	0	16 368
Commission income	629	813	727	72	91	0	2 332
Commission expense	-208	-565	-123	-5	0	0	-901
Net commission income	421	248	604	67	91	0	1 431
Other net income	206	61	167	48	-47	0	435
Net income	6 758	3 543	6 470	1 326	137	0	18 234
Total operating expense	-2 609	-3 949	-2 279	-1 173	-449	0	-10 459
Profit before credit losses and income tax	4 149	-406	4 191	153	-312	0	7 775
Impairment losses (-) or reversals (+)	-507	-112	-941	36	0	0	-1 524
Income tax expense	-384	0	0	0	0	0	-384
Net profit	3 258	-518	3 250	189	-312	0	5 867

Assets and liabilities as at 30.06.2021, EUR million	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Loan portfolio	383	307	68	90	214	-290	772
Other assets	90	91	31	28	12	0	252
Total assets	473	398	99	118	226	-290	1 024
Total liabilities	430	360	90	105	225	-290	920

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

Segment profits, Q2 2020, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	2 837	2 063	3 023	794	509	-878	8 348
Incl. external income	2 626	1 890	3 023	794	15	0	8 348
Incl. internal income	211	173	0	0	494	-878	0
Interest expense	-669	-744	-232	-260	-469	878	-1 496
Net interest income	2 168	1 319	2 791	534	40	0	6 852
Commission income	110	319	384	26	6	0	845
Commission expense	-92	-215	-59	-2	0	0	-368
Net commission income	18	104	325	24	6	0	477
Other net income	17	32	84	37	-35	0	135
Net income	2 203	1 455	3 200	595	11	0	7 464
Total operating expense	-991	-1 735	-938	-501	-190	0	-4 355
Profit before credit losses and income tax	1 212	-280	2 262	94	-179	0	3 109
Impairment losses	-297	-17	-1 348	41	-100	0	-1 721
Income tax expense	-26	0	0	0	0	0	-26
Net profit	889	-297	914	135	-279	0	1 362

Segment profits, 6M 2020, EUR thousand	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Interest income	5 371	4 005	5 965	1 528	985	-1 731	16 123
Incl. external income	4 965	3 610	5 965	1 528	55	0	16 123
Incl. internal income	406	395	0	0	930	-1 731	0
Interest expense	-1 311	-1 472	-472	-518	-871	1 731	-2 913
Net interest income	4 060	2 533	5 493	1 010	114	0	13 210
Commission income	235	643	790	56	13	0	1 737
Commission expense	-188	-425	-121	-5	0	0	-739
Net commission income	47	218	669	51	13	0	998
Other net income	56	80	184	91	-38	0	373
Net income	4 163	2 831	6 346	1 152	89	0	14 581
Total operating expense	-2 028	-3 447	-1 960	-969	-393	0	-8 797
Profit before credit losses and income tax	2 135	-616	4 386	183	-304	0	5 784
Impairment losses	-511	-215	-1 960	-149	-100	0	-2 935
Income tax expense	-26	0	0	0	0	0	-26
Net profit	1 598	-831	2 426	34	-404	0	2 823

Assets and liabilities as at 30.06.2020, EUR million	Corporate banking	Retail banking	Consumer financing	Leasing	Other*	Elimination	Total
Loan portfolio	202	239	63	74	213	-232	559
Other assets	50	56	26	20	11	0	163
Total assets	252	295	89	94	224	-232	722
Total liabilities	217	262	78	81	224	-232	630

* "Other" includes treasury, subsidiaries Martinoza, Prana Property, Coop Kindlustusmaakler.

Note 3 Net interest income

Interest income	Q2 2021	6 M 2021	Q2 2020	6 M 2020
Interest income calculated using the effective interest method:				
Consumer loans and hire-purchase loans	3 126	6 211	3 023	5 965
Loans to legal entities	3 653	7 073	2 624	4 963
Loans to private individuals	2 538	4 850	1 891	3 611
Bonds	24	46	15	53
Interest income on liabilities	1	2	1	2
Other assets	0	0	0	1
Other similar interest income:				
Leasing	974	1 910	794	1 528
Total	10 316	20 092	8 348	16 123
Customer deposits and loans received	-1 501	-2 943	-1 285	-2 498
Subordinated debt	-261	-383	-123	-247
Interest expense on assets	-226	-392	-83	-158
Lease liabilities	-3	-6	-5	-10
Total	-1 991	-3 724	-1 496	-2 913
Net interest income	8 325	16 368	6 852	13 210

Note 4 Net fee and commission income

Fee and commission income	Q2 2021	6 M 2021	Q2 2020	6 M 2020
Fees on card transactions	365	696	319	641
Monthly fees on cards	214	430	226	451
Account opening and management fees	211	432	179	362
Bank transfer fees	63	118	58	123
Gains from foreign exchange transactions	12	20	11	25
Other fee and commission income	372	636	52	135
Total	1 237	2 332	845	1 737
Charges on card transactions	-338	-657	-253	-513
Bank transfer fees	-42	-88	-55	-105
Other fee and commission expense	-74	-156	-60	-121
Total	-454	-901	-368	-739
Net fee and commission income	783	1 431	477	998

In Q2 2021, the Group earned 88% of fee and commission income from Estonian residents and 12% from residents of other countries (mainly from residents of EU countries); This ratio remains unchanged QoQ. All fee and commission income is recognized as incurred.

Note 5 Cash and cash equivalents

	30.06.2021	31.12.2020
Cash	26 749	26 199
Mandatory reserve at the central bank *	7 351	6 111
Demand deposits at central bank	166 399	130 589
Demand deposits at credit institutions and other financial institutions	5 967	7 651
Term deposits at credit institutions *	15 200	200
Total	221 666	170 750

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

Note 6 Financial investments

	30.06.2021	31.12.2019
Government debt securities	1 256	1 249
Debt securities of other non-financial companies	2 422	1 762
Total of debt securities	3 678	3 011
Shares of other non-financial companies	21	80
Total of equity instruments	21	80
Total of financial investments	3 699	3 091

All debt securities and equity instruments in amount of 13 thousand euros are recognized at fair value through changes in other comprehensive income. Listed equity instruments in amount of 8 thousand euros are recognized at fair value through profit or loss.

Note 7 Loans and advances to customers

	30.06.2021	31.12.2020
Total receivables from private individuals	424 670	370 649
incl. consumers loans	72 795	70 881
incl. lease financing	43 910	37 307
incl. mortgage loans and other loans	307 965	262 461
Total receivables from legal entities	357 093	308 687
incl. lease financing	50 840	47 104
incl. other loans to legal entities	306 253	261 583
Total receivables	781 763	679 336
Loss allowances of loans and advances	-9 247	-8 743
Total	772 516	670 593

Note 8 Loss allowances of loans and advances

	30.06.2021	31.12.2020
Balance at the beginning of the reporting period	-8 743	-5 340
Allowances during the reporting period	-1 658	-4 851
Derecognized during reporting period	1 154	1 448
Balance of allowance at the end of the reporting period	-9 247	-8 743

Note 9 Allocation of past due loans

	30.06.2021			31.12.2020		
	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	4 250	6 292	3 849	4 146	4 233	3 963
31-60 days	818	771	1 328	903	560	224
61-90 days	366	299	337	512	147	298
over 90 days	3 030	257	2 892	3 189	525	4 273
Total	8 464	7 619	8 406	8 750	5 465	8 758

Note 10 Financial assets and liabilities by residual maturity

Undiscounted cash flows by residual maturity

30.06.2021	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash and cash equivalents	174 899	15 204	0	0	190 103
Debt securities at fair value	0	1 764	1 914	0	3 678
Equity instruments	0	8	0	13	21
Loans and advances to customers	52 419	113 827	482 004	331 652	979 902
Other financial assets	847	20	0	306	1 173
Total financial assets	228 165	130 823	483 918	331 971	1 174 877
Liabilities					
Customer deposits and loans received	531 885	244 179	109 288	8 834	894 186
Lease liabilities	153	441	234	0	828
Other financial liabilities	3 615	434	0	0	4 049
Subordinated debt	262	783	4 185	20 525	25 755
Total financial liabilities	535 915	245 837	113 707	29 359	924 818
Off-balance sheet liabilities					
Undrawn lines of credit and overdraft facilities	98 243	0	0	0	98 243
Financial guarantees	13 624	0	0	0	13 624
Total on-balance / off-balance-sheet liabilities	647 782	245 837	113 707	29 359	1 036 685
Duration gap of financial assets and financial liabilities	-419 617	-115 014	370 211	302 612	138 192

31.12.2020	Up to 3 months	3-12 months	1-5 years	Over 5 years	Total
Assets					
Cash and cash equivalents	170 550	200	0	0	170 750
Debt securities at fair value	0	407	2 604	0	3 011
Equity instruments	67	0	0	13	80
Loans and advances to customers	45 660	106 394	419 936	281 524	853 514
Other financial assets	677	0	22	300	999
Total financial assets	216 954	107 001	422 562	281 837	1 028 354
Liabilities					
Customer deposits and loans received	435 377	205 291	100 649	13 557	754 874
Lease liabilities	147	417	467	0	1 031
Other financial liabilities	1 433	497	0	0	1 930
Subordinated debt	122	374	1 984	8 158	10 638
Total financial liabilities	437 079	206 579	103 100	21 715	768 473
Off-balance sheet liabilities					
Undrawn lines of credit and overdraft facilities	65 691	0	0	0	65 691
Financial guarantees	10 545	0	0	0	10 545
Total on-balance / off-balance-sheet liabilities	513 315	206 579	103 100	21 715	844 709
Duration gap of financial assets and financial liabilities	-296 361	-99 578	319 462	260 122	183 645

Note 11 Customer deposits and loans received

Due to customers	30.06.2021	31.12.2020
Private individuals	462 163	431 343
Legal entities	429 234	326 492
Total	891 397	757 835
Demand deposits	394 079	302 179
Term deposits	487 585	435 363
Issued debt securities	0	9 712
Special purpose loans	9 733	10 581
Total	891 397	757 835

Note 12 Contingent liabilities

	30.06.2021	31.12.2020
Financial guarantees	13 624	10 545
Credit lines and overdrafts	98 243	65 691
Total	111 867	76 236

Note 13 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 237 thousand euros (31.12.2020: 237).

Balances	30.06.2021	31.12.2020
Shareholders:		
Loans	4	4
Deposits	23 676	15 827
Members of the Management Board and Supervisory Board, and persons and entities associated with them:		
Loans	925	458
Deposits	1 659	503

Transactions	30.06.2021	31.12.2020
Shareholders:		
Interest expense	39	19
Members of the Management Board and Supervisory Board, and persons and entities associated with them:		
Interest income of the reporting period	32	22
Interest expense of the reporting period	9	6
Other goods and services sold	1	4
Compensation paid to members of the Management Board and Supervisory Board	369	639

Note 14 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.

	Q2 2021	6 M 2021	Q2 2020	6 M 2020
Profit attributable to the owners of the parent (in th. euros)	3 032	5 867	1 362	2 823
Weighted average number of shares (in th. of units)	90 894	90 804	89 456	89 456
Basic earnings per share (euros)	0,03	0,06	0,01	0,03
Adjustments for calculation of diluted earnings per share – share options (in th. of units)	1 698	1 647	2 763	2 225
Weighted average number of shares used for calculating the diluted earnings per share (in th. of units)	92 592	92 451	92 219	91 681
Diluted earnings per share (euros)	0,03	0,06	0,01	0,03

Shareholders, Supervisory Board and Management Board of Coop Pank AS

As at 30.06.2021 shareholders with holding over 5% are:

Coop Investeeringud OÜ	24,83%
Andres Sonn	9,01%
CM Capital OÜ	6,76%

In addition, the member cooperatives of Coop Eesti Keskühistu hold the total of 17,95% of the total amount of shares, however, separately none of them holds over 5%.

Members of Supervisory Board hold 72 thousand shares of Coop Pank and Members of Management Board hold 826 thousand shares of Coop Pank, which in total accounts for 0,99% of the total amount of shares.

Chairman of the Supervisory Board: Alo Ivask

Members of the Supervisory Board: Jaan Marjundi, Roman Provotorov, Raul Parusk, Silver Kuus, Viljar Arakas

Chairman of the Management Board: Margus Rink

Members of the Management Board: Kerli Lõhmus, 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.

20.07.2021

Margus Rink

Chairman of the Management Board

Kerli Lõhmus

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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