

# Coop Pank Group 2024 Q3 unaudited results

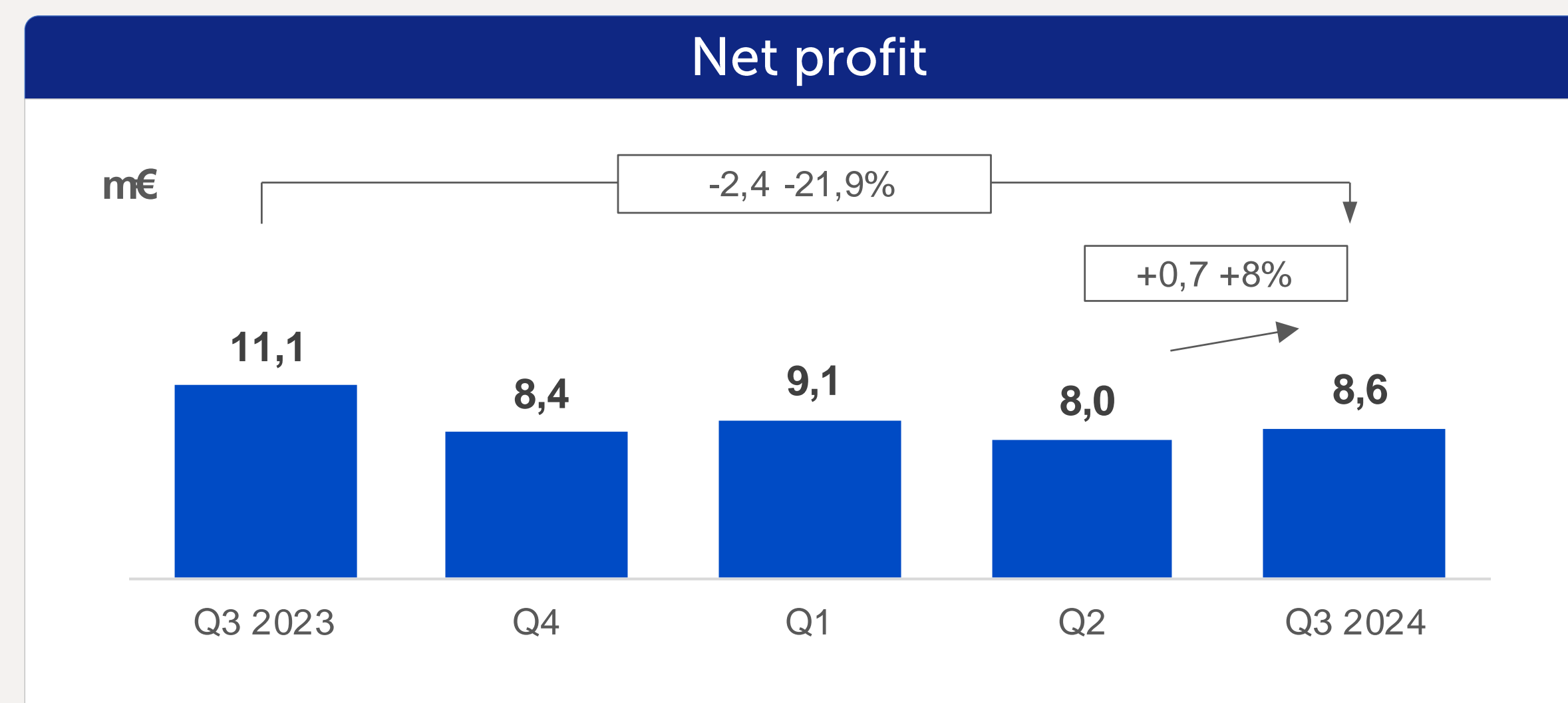
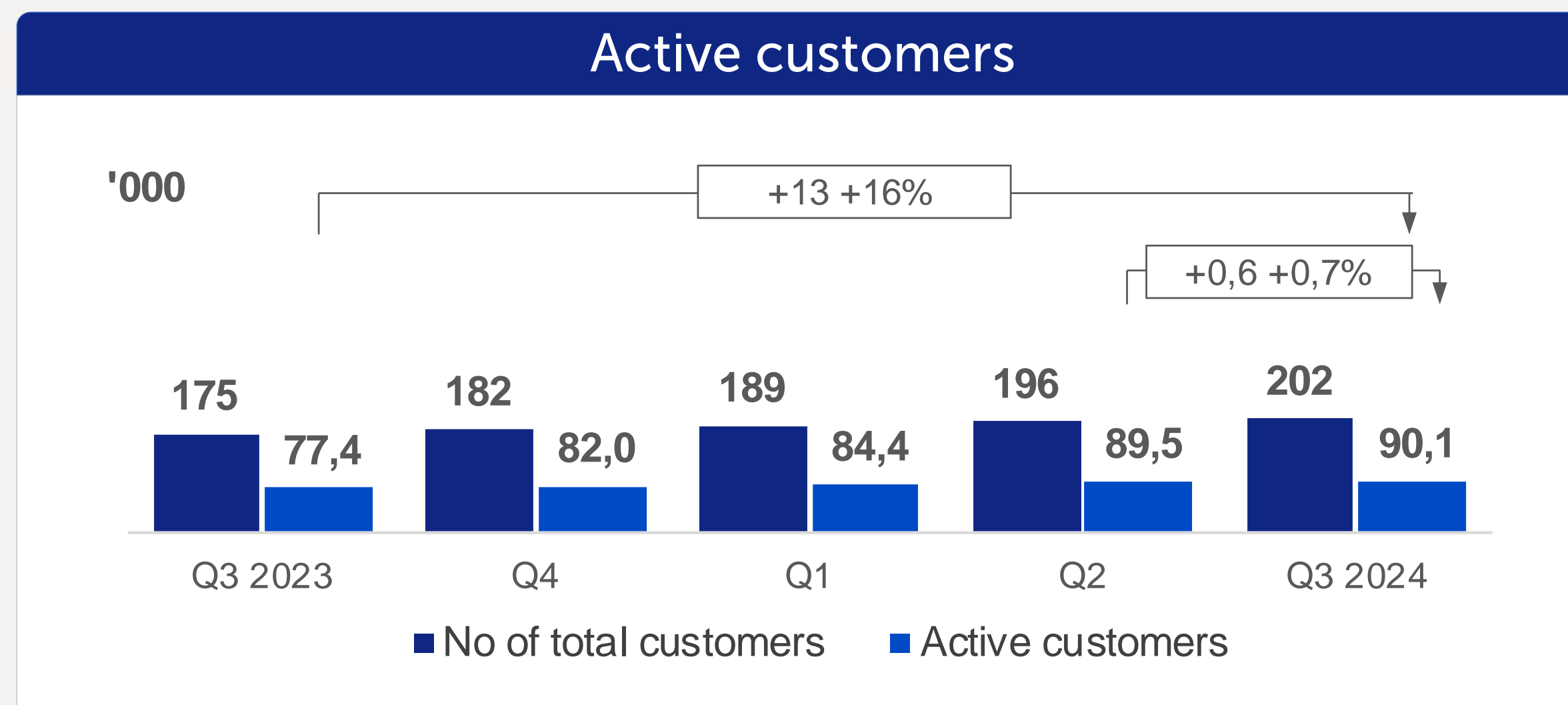
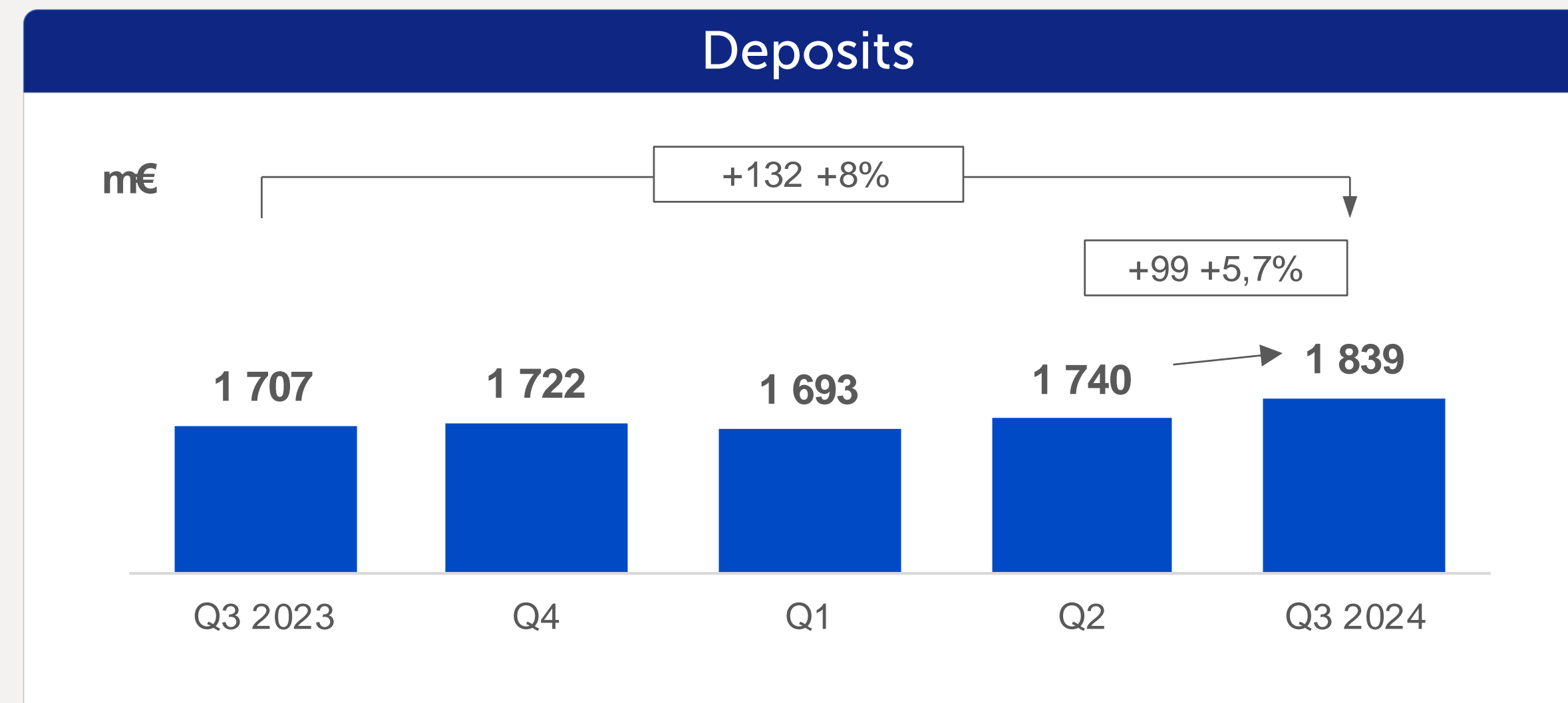
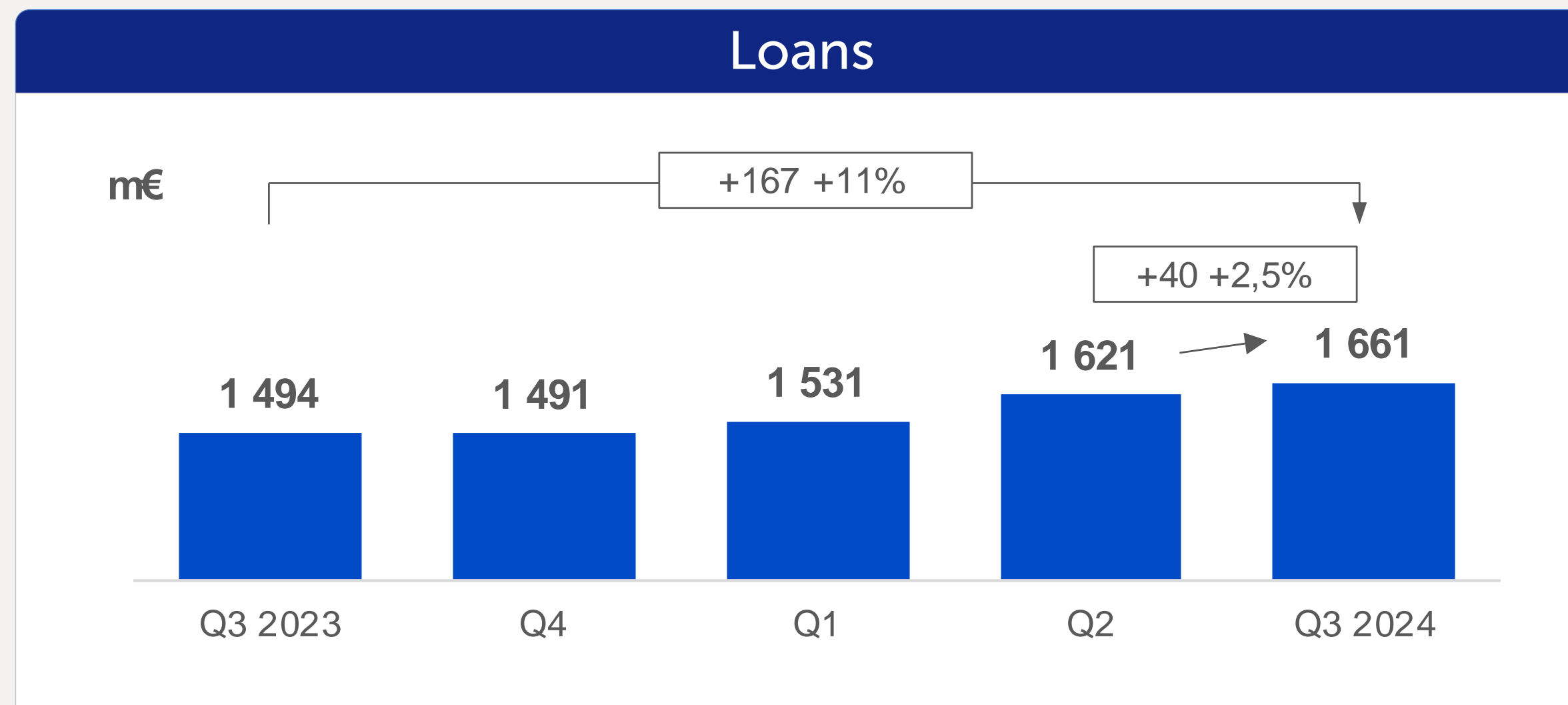
18.10.2024

## Key notes from Q3

- Good growth in number of clients. Challenge is to initiate full switch of bank relationship
- Growth of loan portfolio very good in private lending, business loan growth moderate
- Interest rates with a falling trend both in loans and deposits
- The quality of the loan portfolio remains at a good level
- Net profit compared to last quarter slightly growing – business growth outperformed decline of interest rates



# Business volumes in quarterly comparison



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

# Results of Q3 2024 – compared to Q2 2024

## Key indicators in quarterly comparison

	Q3 2024	Q2 2024	Quarterly change	
<b>Net operating income ('000 €)</b>	<b>21 228</b>	<b>20 465</b>	<b>+763</b>	<b>+4%</b>
Interest	20 021	19 319	+702	+4%
incl interest income	35 342	34 691	+651	+2%
incl interest expense	-15 321	-15 372	+51	-0%
Service fees and commissions	1 040	1 000	+40	+4%
Other	167	146	+21	+14%
Operating expenses	-10 261	-10 091	-170	+2%
<b>Operating profit</b>	<b>10 967</b>	<b>10 374</b>	<b>+593</b>	<b>+6%</b>
Impairment costs	-1 022	-1 224	+202	-17%
Profit before income tax	9 945	9 150	+795	+9%
Income tax	-1 296	-1 152	-144	+13%
<b>Net profit</b>	<b>8 649</b>	<b>7 998</b>	<b>+651</b>	<b>+8%</b>
Net loan portfolio (m€)	1 661	1 621	+40	+2%
Deposits and loans received	1 839	1 740	+99	+6%
Equity	205	195	+10	+5%
ROE	17,3%	16,4%	+0,9%	
Net interest margin (NIM)	3,9%	3,9%	-0,0%	
Cost of financing	3,3%	3,4%	-0,2%	

- Business volumes increased: loan portfolio +€40 m€ (+2.5%)
- Interest income is growing due to growth of loan portfolio
- Interest expenses at the same level of 15.3 m€ (-0.1 m€, -0%)
  - The effects of a slight increase in the volume of deposits and decrease of interest rates offset each other
- Operating expenses in Q3 10.3 m€ (+0.2 m€, +2%)
  - The growth of operating costs has slowed down
- Cost of impairment of financial assets 1.0 m€ (-0.2 m€, -7%)
  - Loan portfolio quality remains high
- Net profit 8.6 m€ (+0.7 m€, +8%)
  - NIM has been stable, business is growing and cost increase slowed down, as a result the net profit is growing

# Results of Q3 2024 – compared to Q3 2023

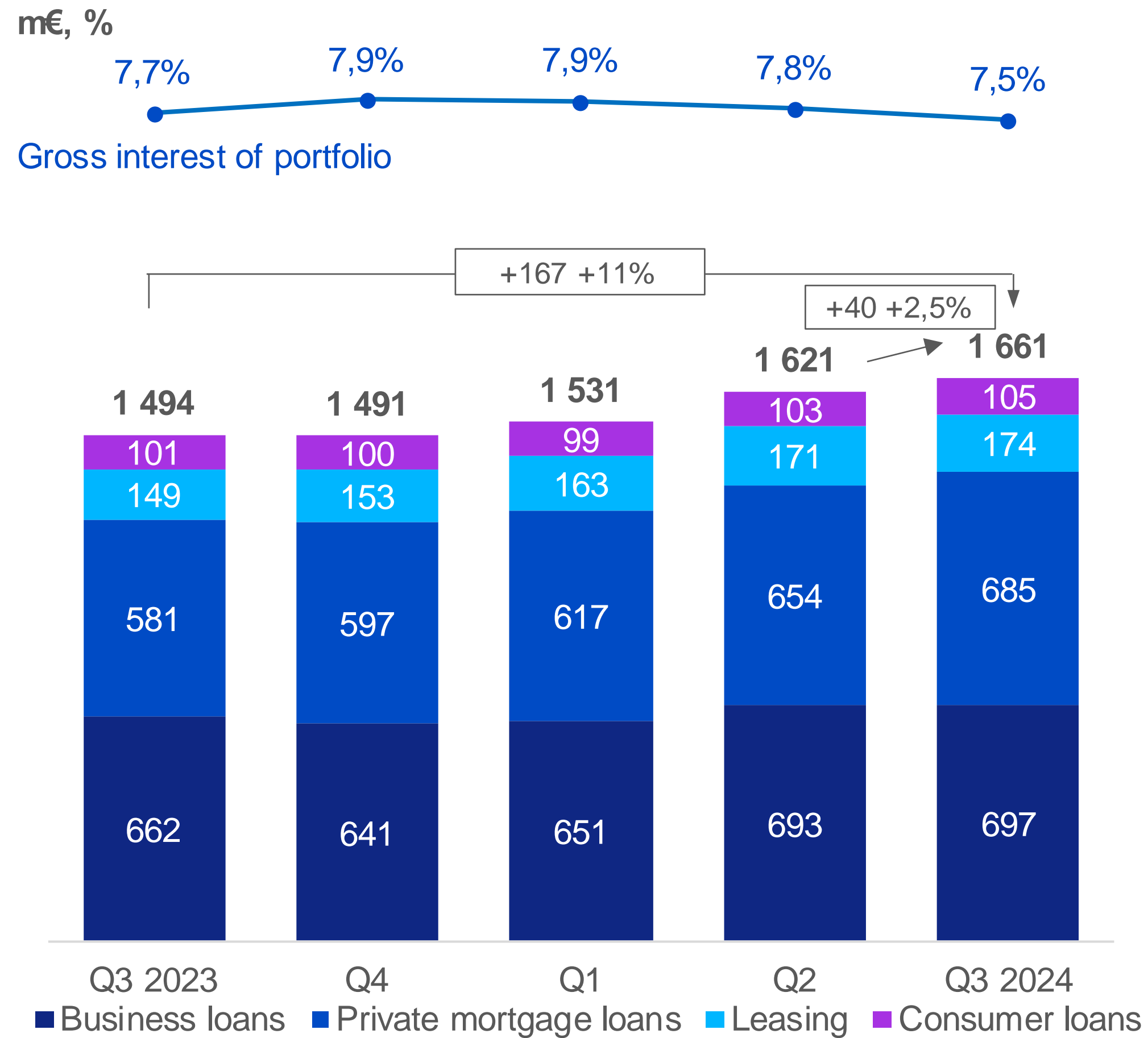
## Key indicators in year on year comparison

	Q3 2024	Q3 2023	Year on Year change	
<b>Net operating income ('000 €)</b>	<b>21 228</b>	<b>22 738</b>	<b>-1 510</b>	<b>-7%</b>
Interest	20 021	21 257	-1 236	-6%
incl interest income	35 342	33 286	+2 056	+6%
incl interest expense	-15 321	-12 029	-3 292	+27%
Service fees and commissions	1 040	1 147	-107	-9%
Other	167	334	-167	-50%
Operating expenses	-10 261	-9 022	-1 239	+14%
<b>Operating profit</b>	<b>10 967</b>	<b>13 716</b>	<b>-2 749</b>	<b>-20%</b>
Impairment costs	-1 022	-1 296	+274	-21%
Profit before income tax	9 945	12 420	-2 475	-20%
Income tax	-1 296	-1 344	+48	-4%
<b>Net profit</b>	<b>8 649</b>	<b>11 076</b>	<b>-2 427</b>	<b>-22%</b>
Net loan portfolio (m€)	1 661	1 494	+167	+11%
Deposits and loans received	1 839	1 707	+132	+8%
Equity	205	176	+29	+16%
ROE	17,3%	25,9%	-8,6%	
Net interest margin (NIM)	3,9%	4,4%	-0,5%	
Cost of financing	3,3%	2,9%	+0,4%	

- Growth in business volumes: loan portfolio +167 m (+11%)
- Net income 21.2 m€ (-1.5 m€, -7%)
  - Interest income 35.3 m€, (+2.1 m€, +6%). The increase in interest income by increase in business volumes (+1.4 m€) and higher Euribor (+0.7 m€)
  - Interest expenses 15.3 m €, (+3.3 m €, +27%). The increase in interest costs is most affected by the increase in interest rates on deposits.
- Operating expenses 10.3 m € (+1.2 m €, +14%)
  - Personnel costs
  - IT costs
- Cost of impairment of financial assets 1.0 m € (-0.3 m €, -21%)
- Net profit 8.6 m € (-2.4 m €, -22%)
  - In yearly comparison interest expense growth is outpacing interest income growth in the current interest rate environment despite growth in business volumes

# Loan portfolio continues to grow

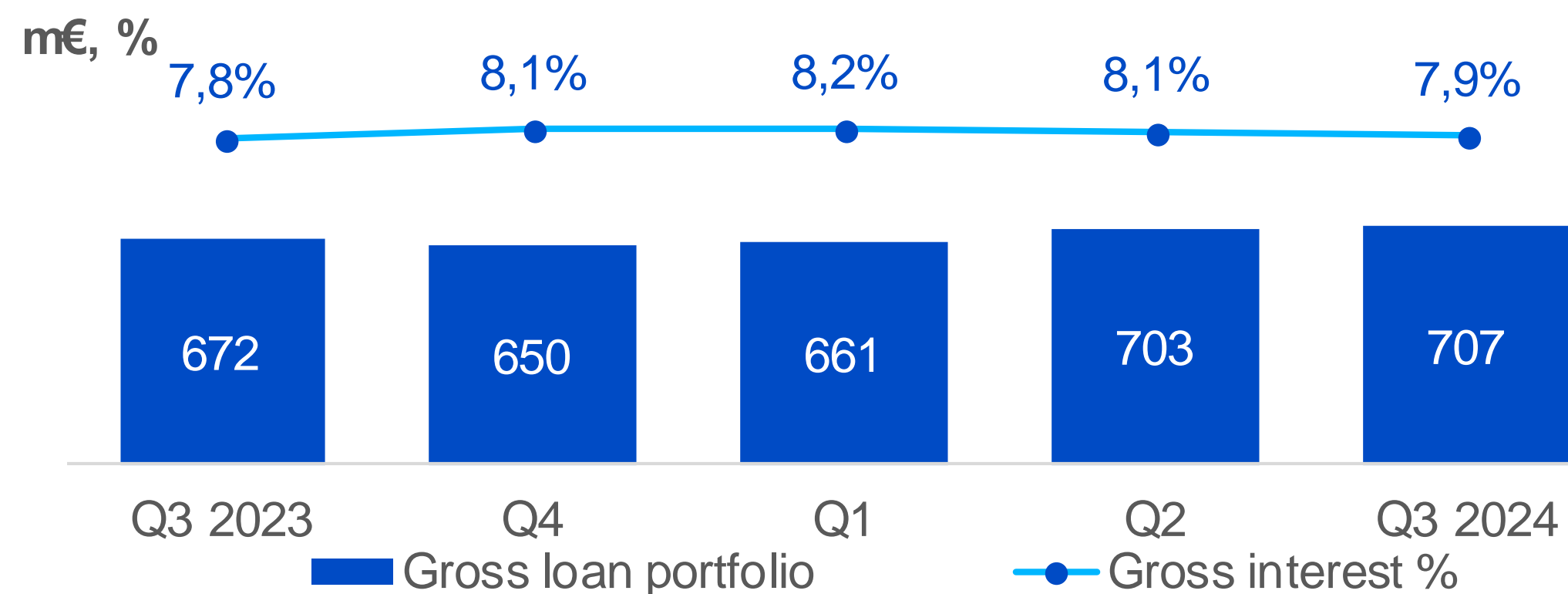
## Net loan portfolio



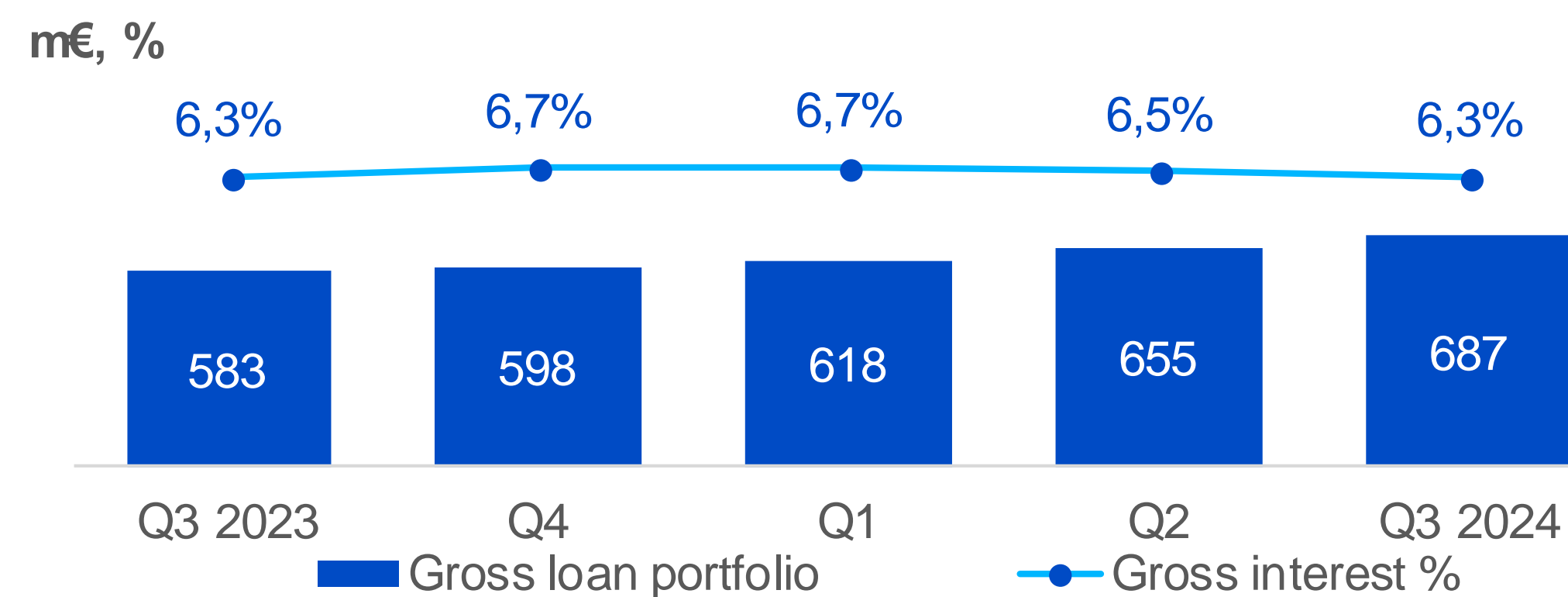
- Quarterly growth of loan portfolio +40 m€ (+2%)
  - Business loans +4 m€ (+1%)
  - Private mortgage loans +31 m€ (+5%)
  - Consumer loans +1 m€ (+1%)
  - Leasing +3 m€ (+2%)

# Loan portfolio interest by business lines

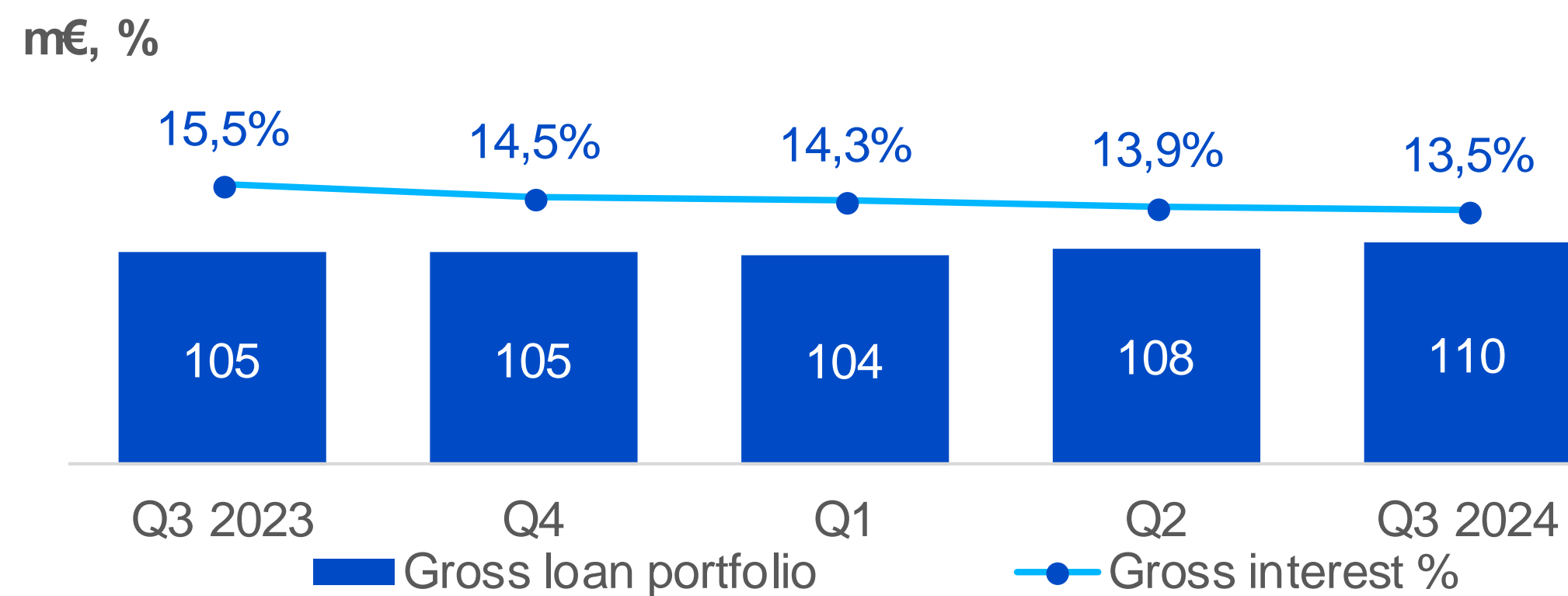
## Business loans



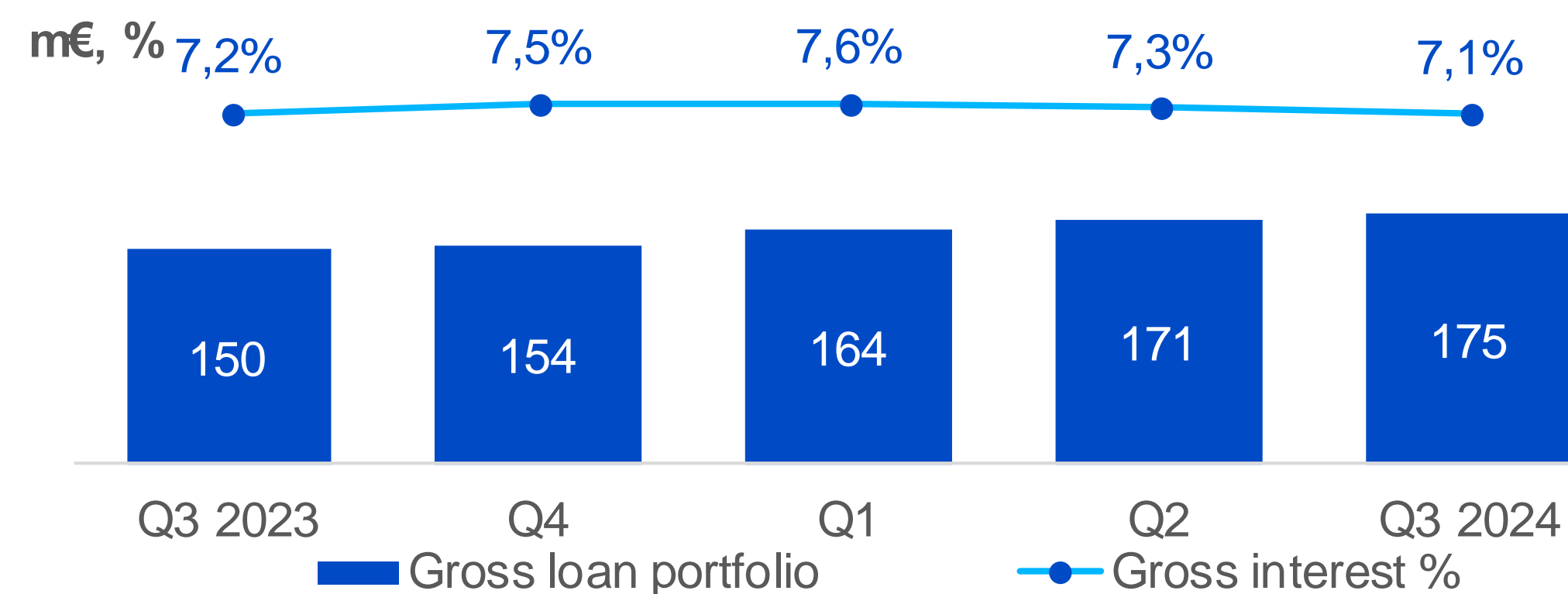
## Private mortgage loans



## Private consumer loans

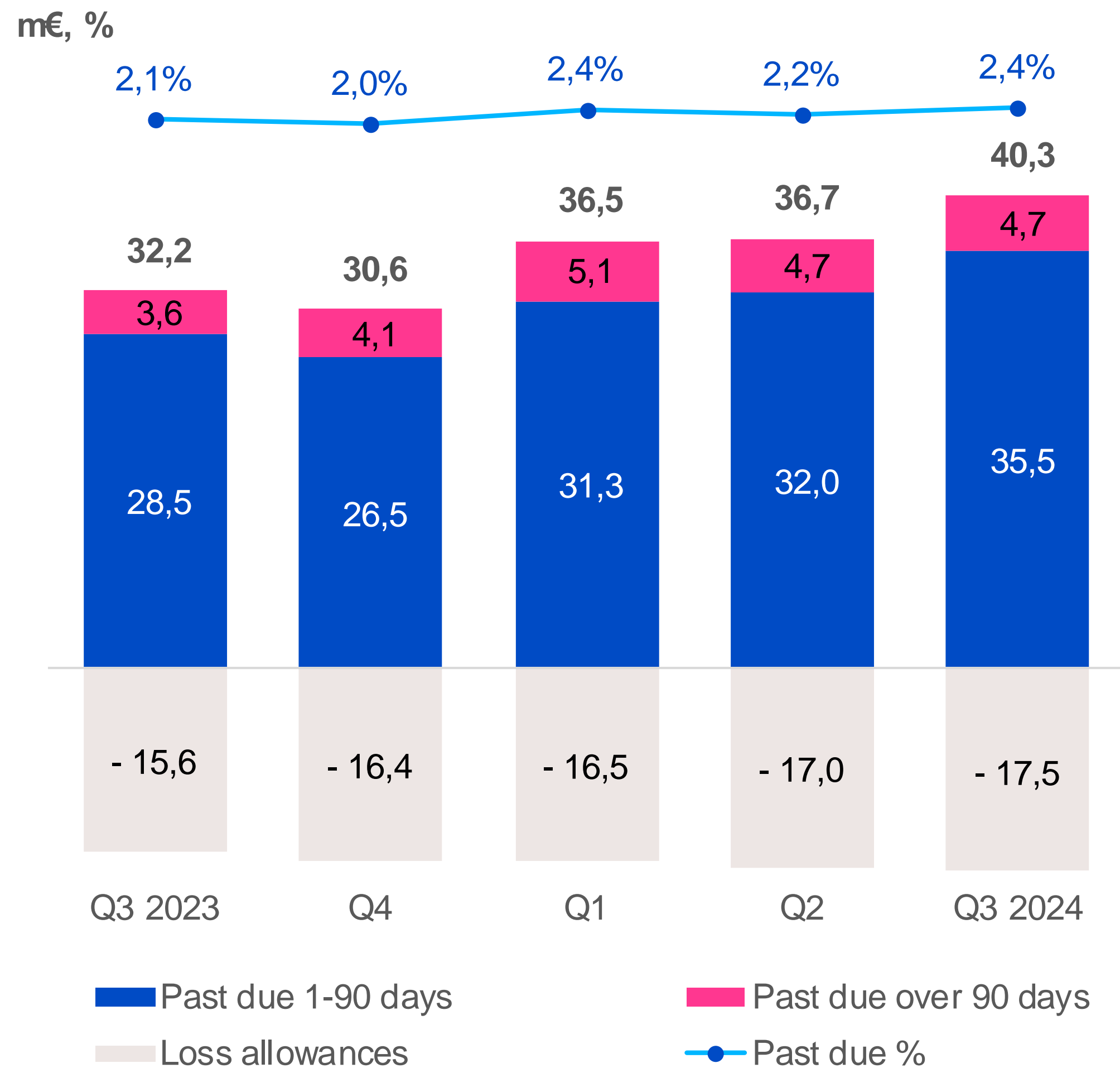


## Leasing



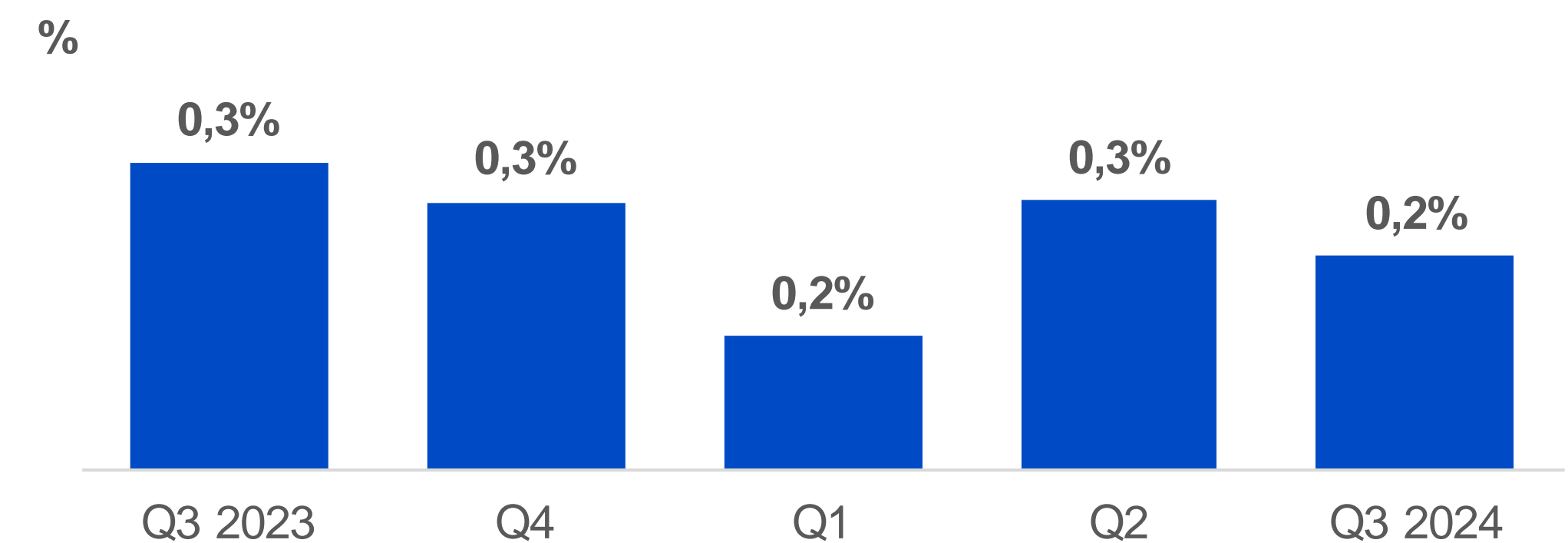
# Quality of loan portfolio

## Loans past due and loss allowances in balance sheet



- Past due portfolio rather stable at the 2.4% level
- Credit risk cost ratio 0.2% in Q3 2024
  - Several previously heavily provisioned loans have been resolved during Q1 and Q2 of 2024.

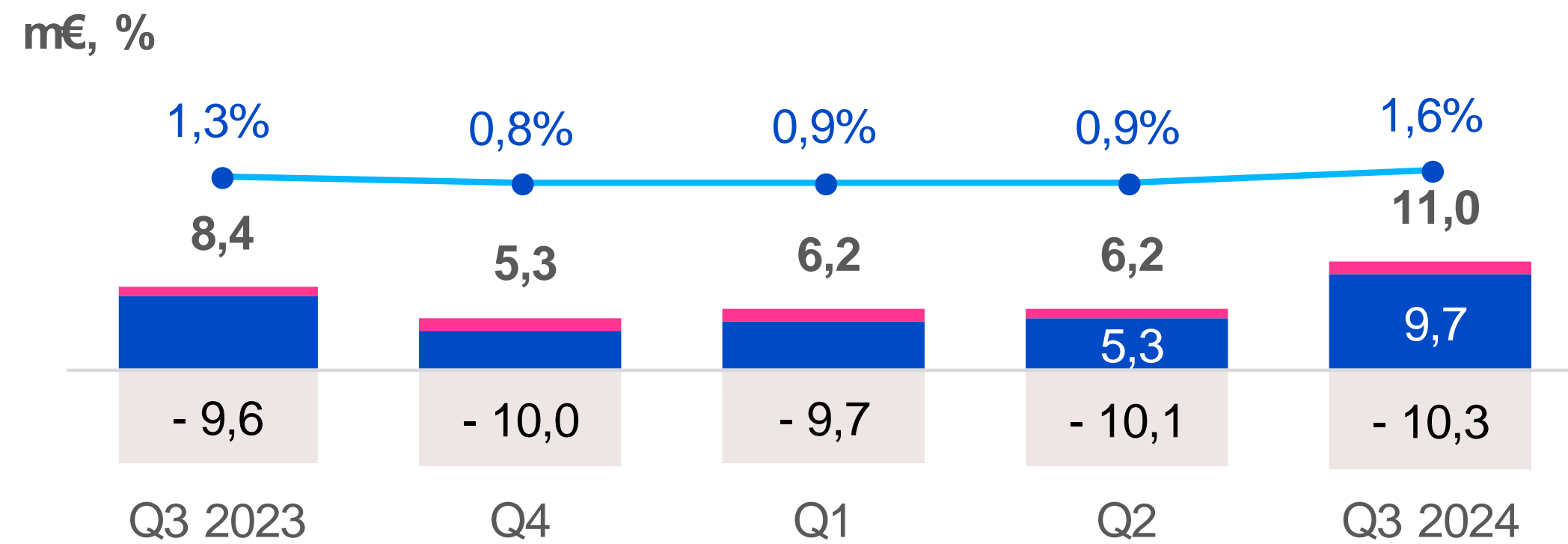
## Credit risk cost ratio



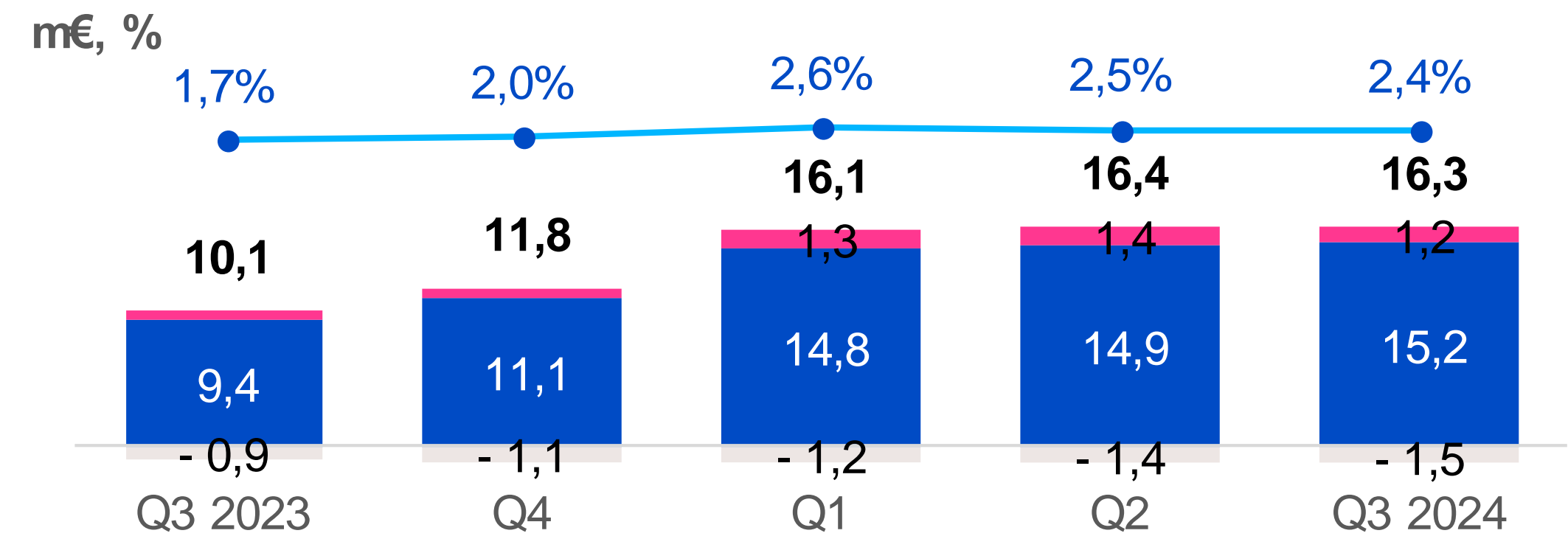


# Loan portfolio quality by business lines

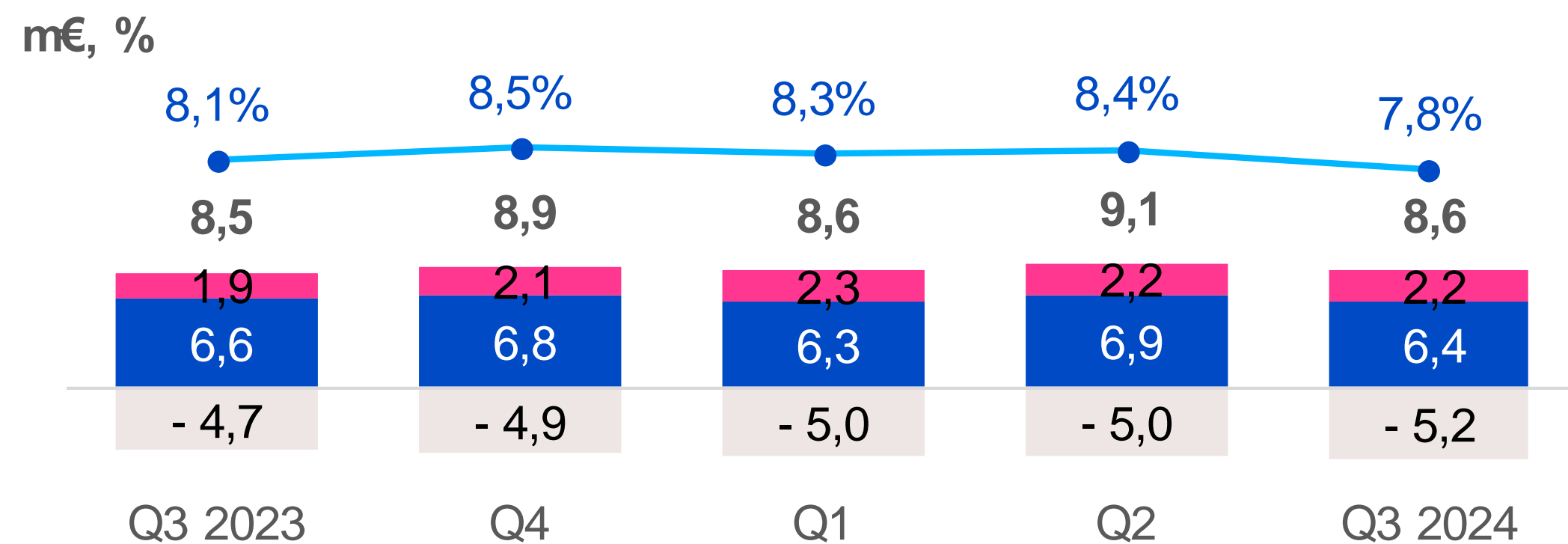
## Business loans



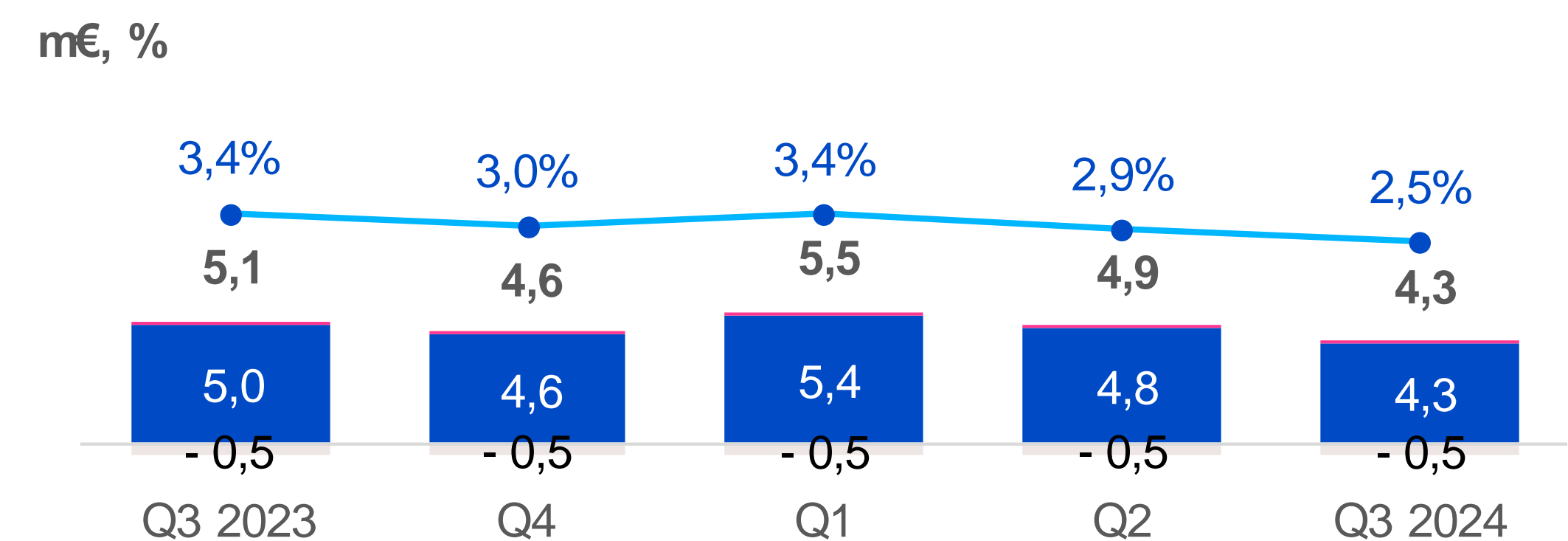
## Private mortgage loans



## Private consumer loans



## Leasing

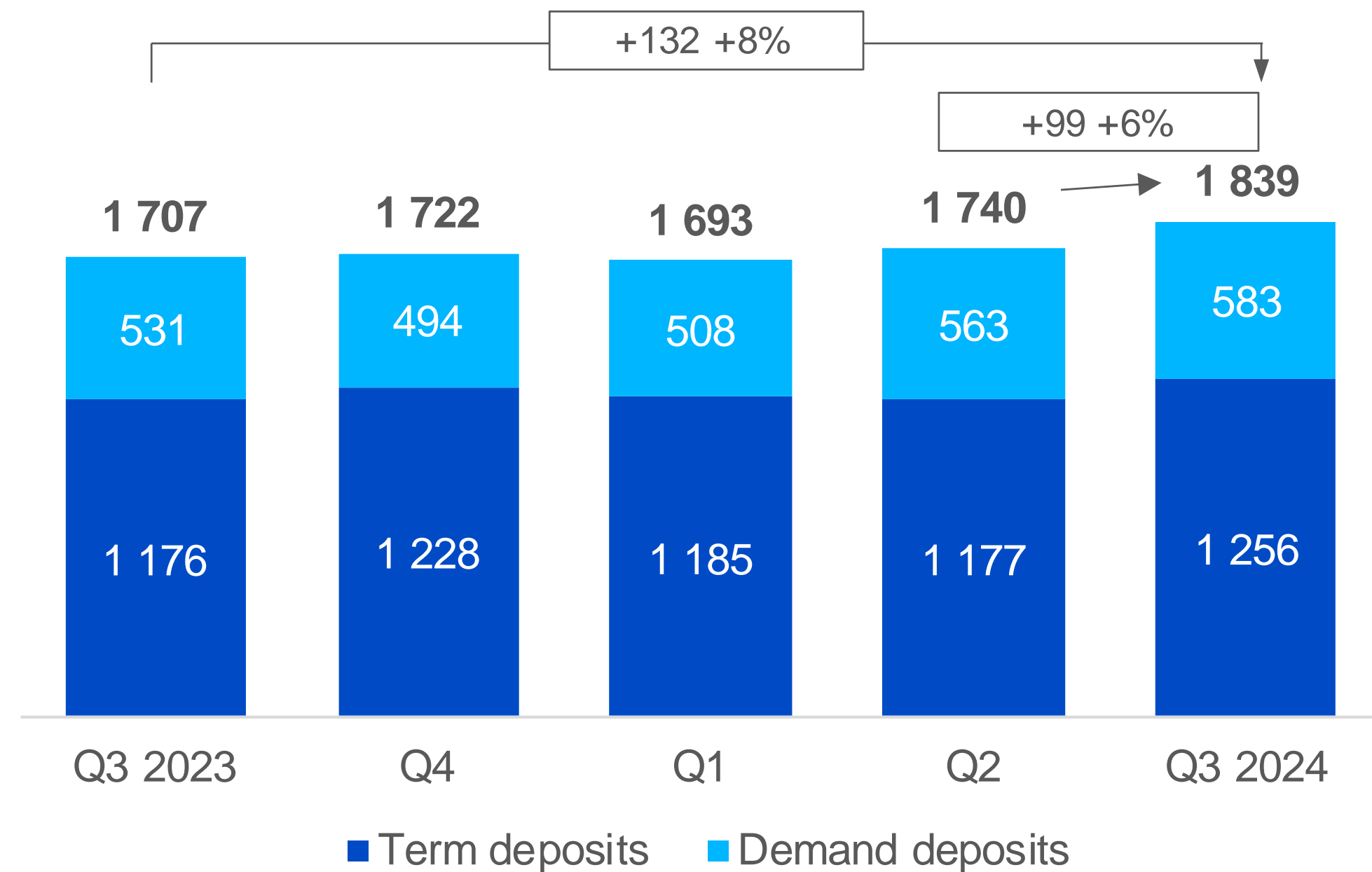
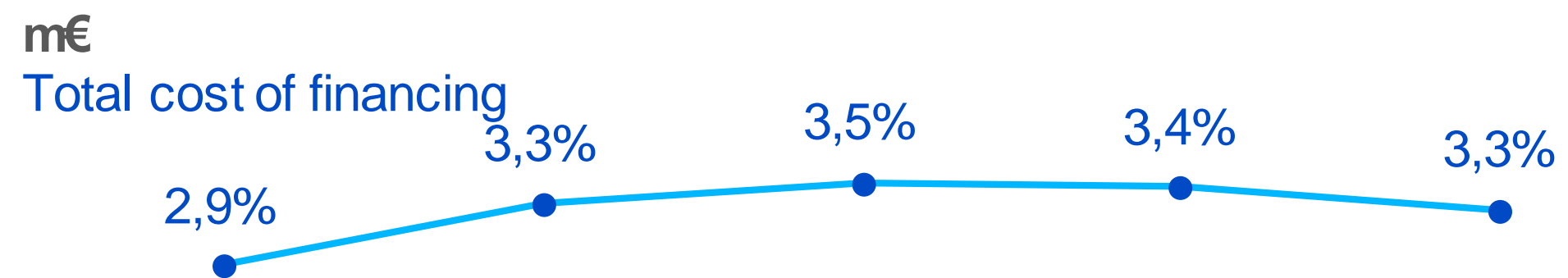


Total residual of loan principal amounts past due; loss allowances in balance sheet; share of overdue contracts in total (gross) portfolio

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

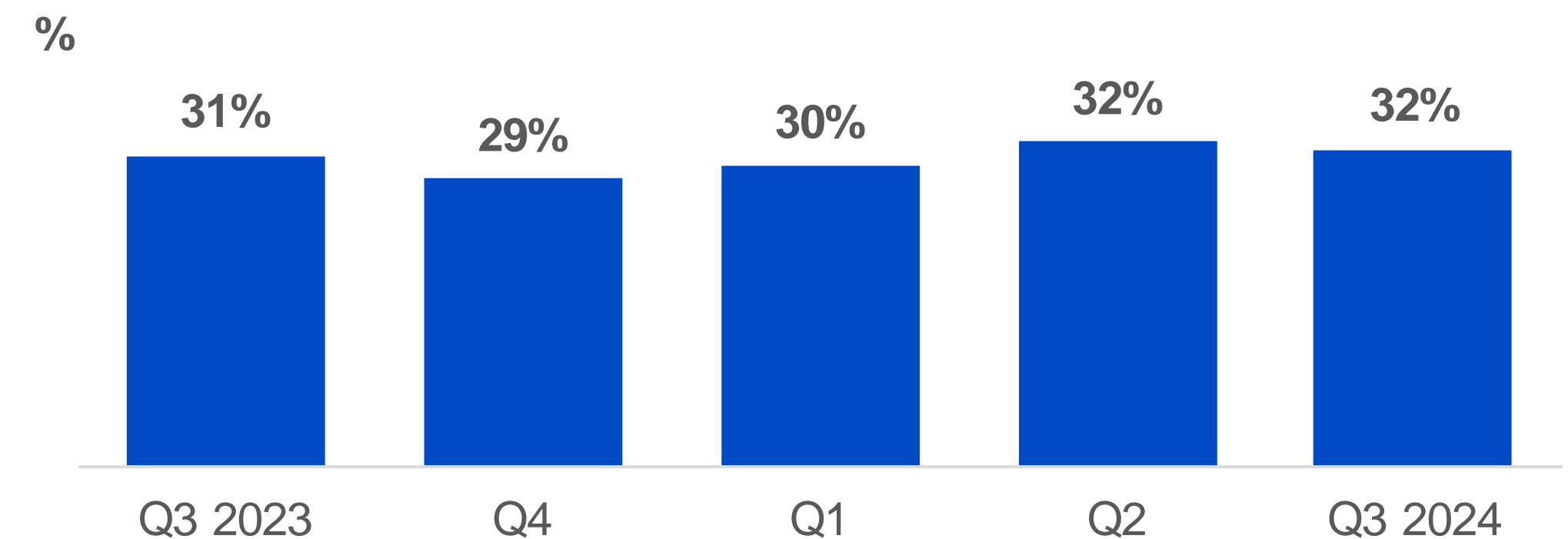
# Deposits

## Deposits



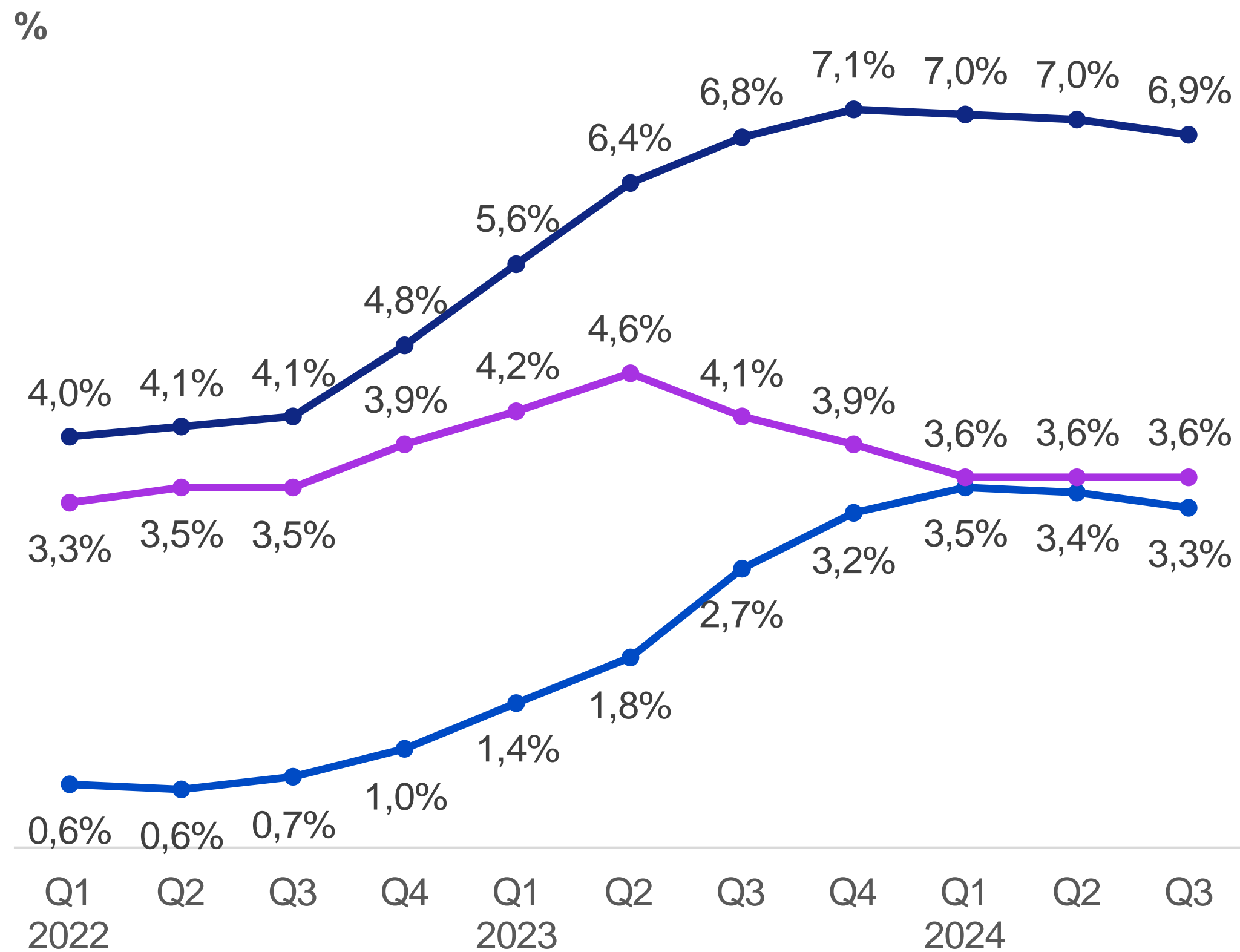
- Deposits increased by 99 m€ (+6%) in Q3
  - +9m € from private clients (+3 m€ demand deposits, +6 m€ term deposits)
  - +11 m€ from business clients (+17 m€ demand deposits, -6m€ term deposits)
  - +79m€ from Raisin platform and other financial institutions
- The cost of financing has started to decline
- Proportion of demand deposits at 32% level

## Proportion of demand deposits in total deposits



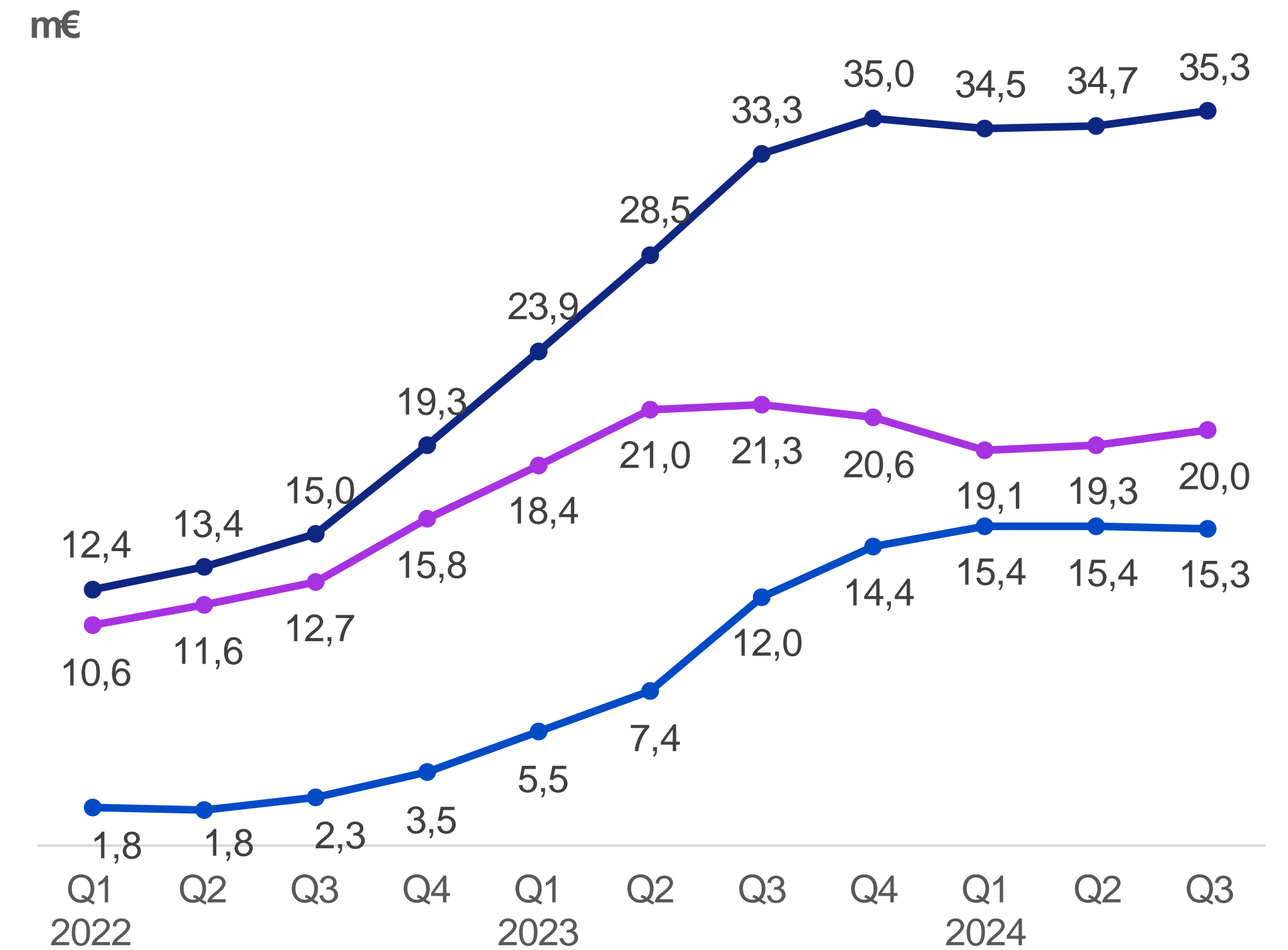
# Interest income and financing cost

## Interest margins



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

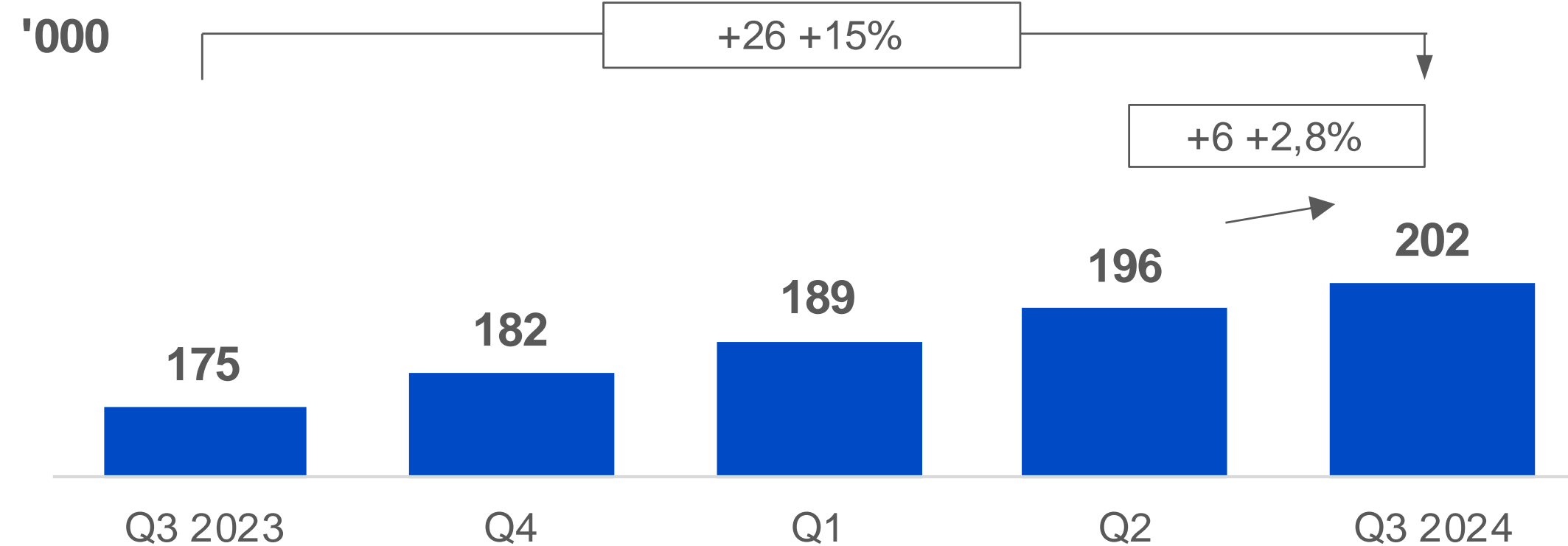
## Interest income, expenses and net interest income



- Interest income
- Interest expense
- Net interest income

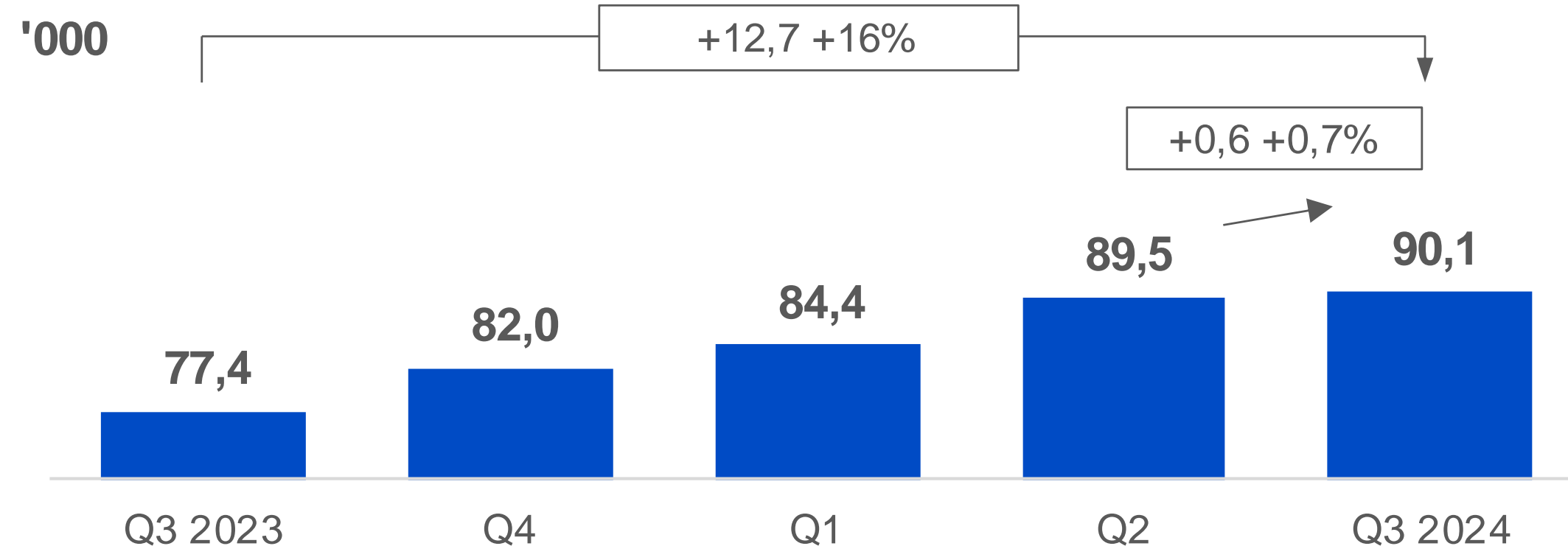
# Client base and market share

## Total no of clients with bank account

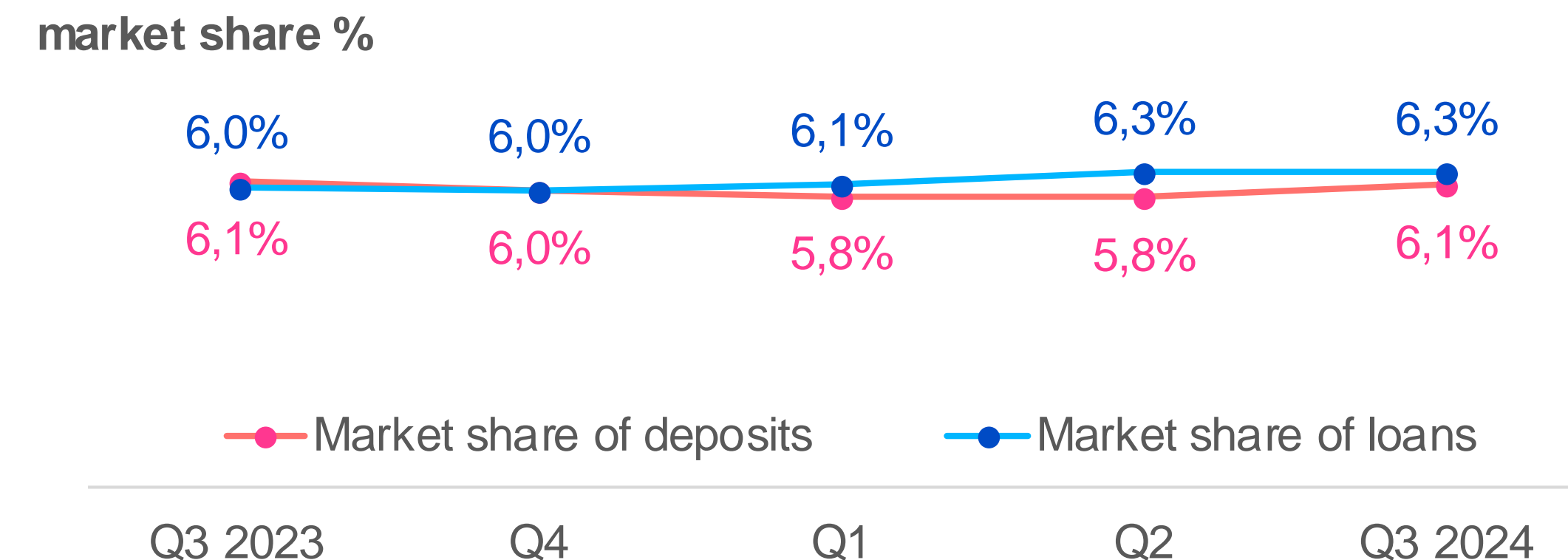


- No of clients increased by 6 000 (+2.8%) (+7 000 in Q2 2024)
- 600 (+0.6%) new active clients in Q3 2024 (+5 100 in Q2 2024)
- Bank's market share changed in Q3 2024\*
  - Market share of loan portfolio 6.3% => 6.3%
  - Market share of deposits portfolio 5.8% => 6.1%

## No of active clients



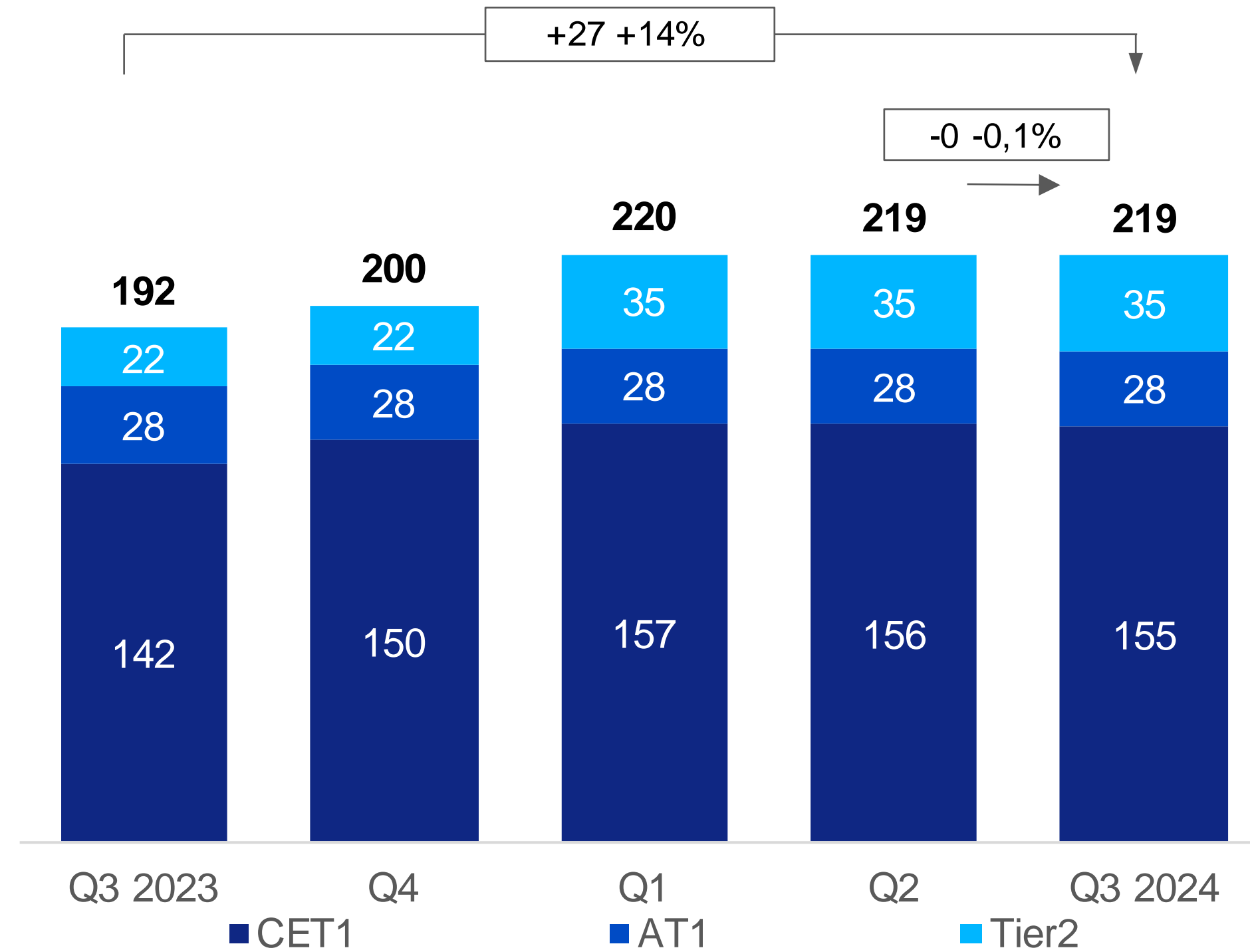
## Market share



# Capital base supports growth plans

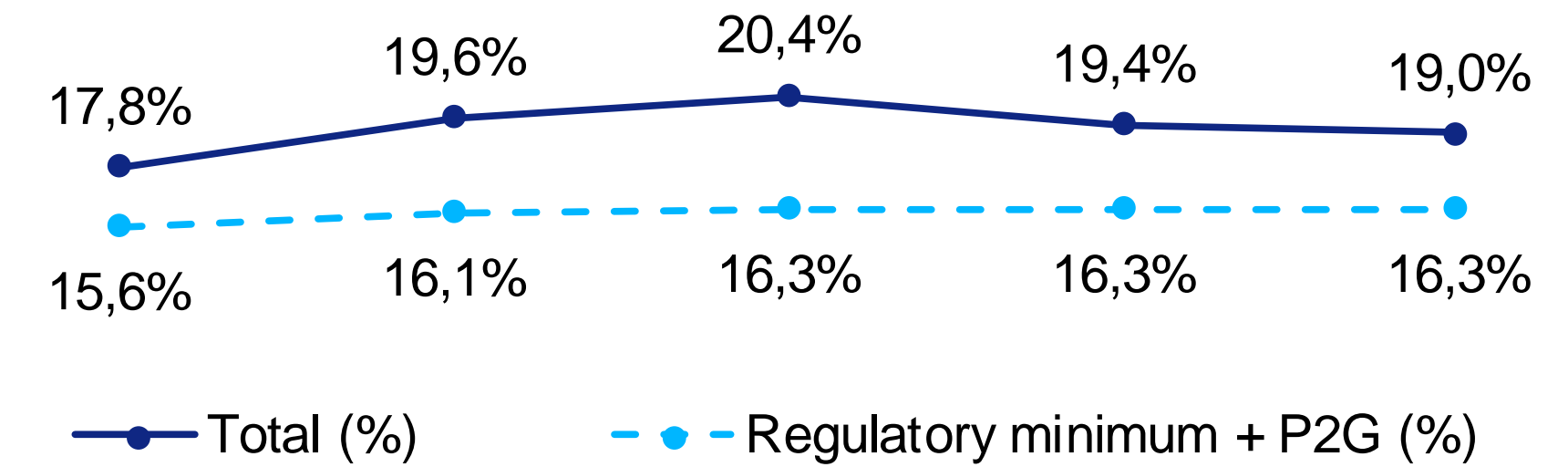
## Quarterly capitalization

m€

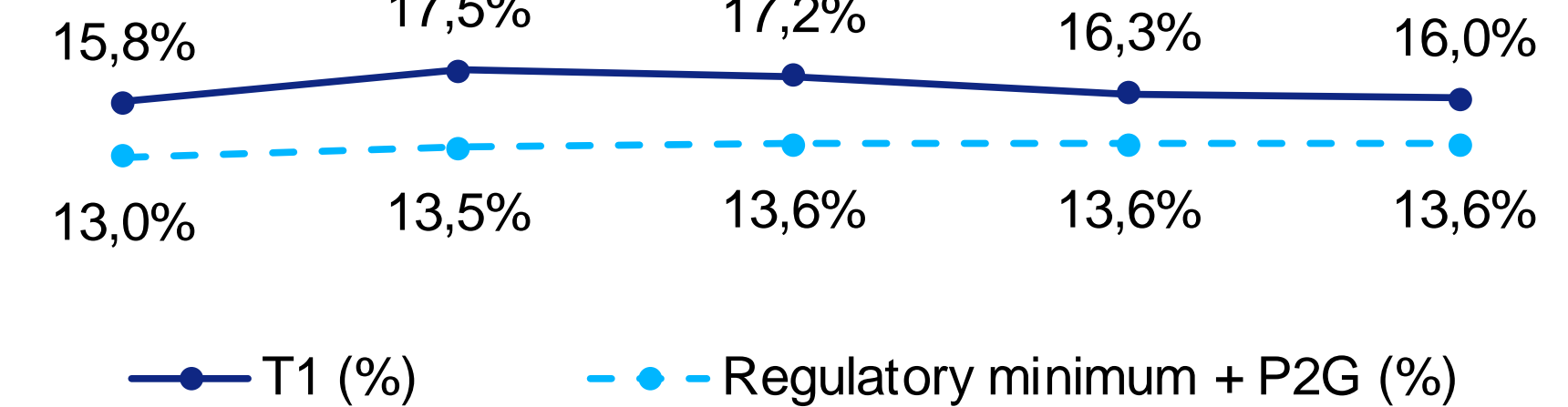


## Capital adequacy

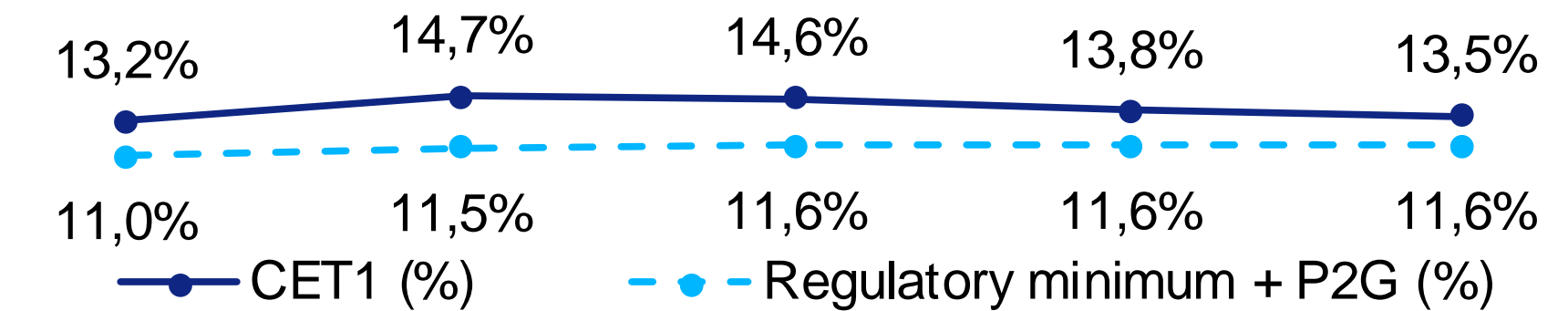
%



%



%



Q3 2023

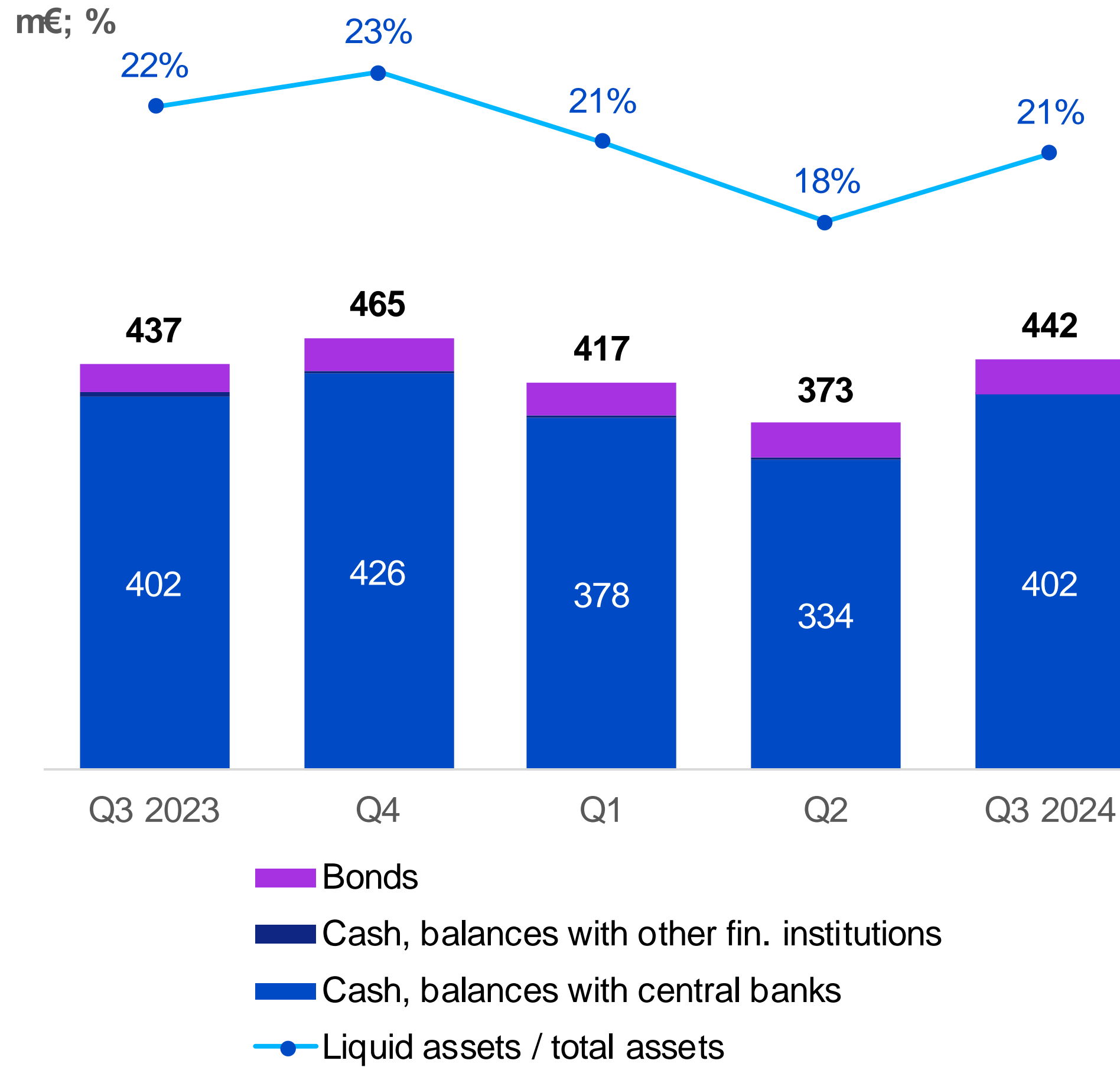
Q4

Q1

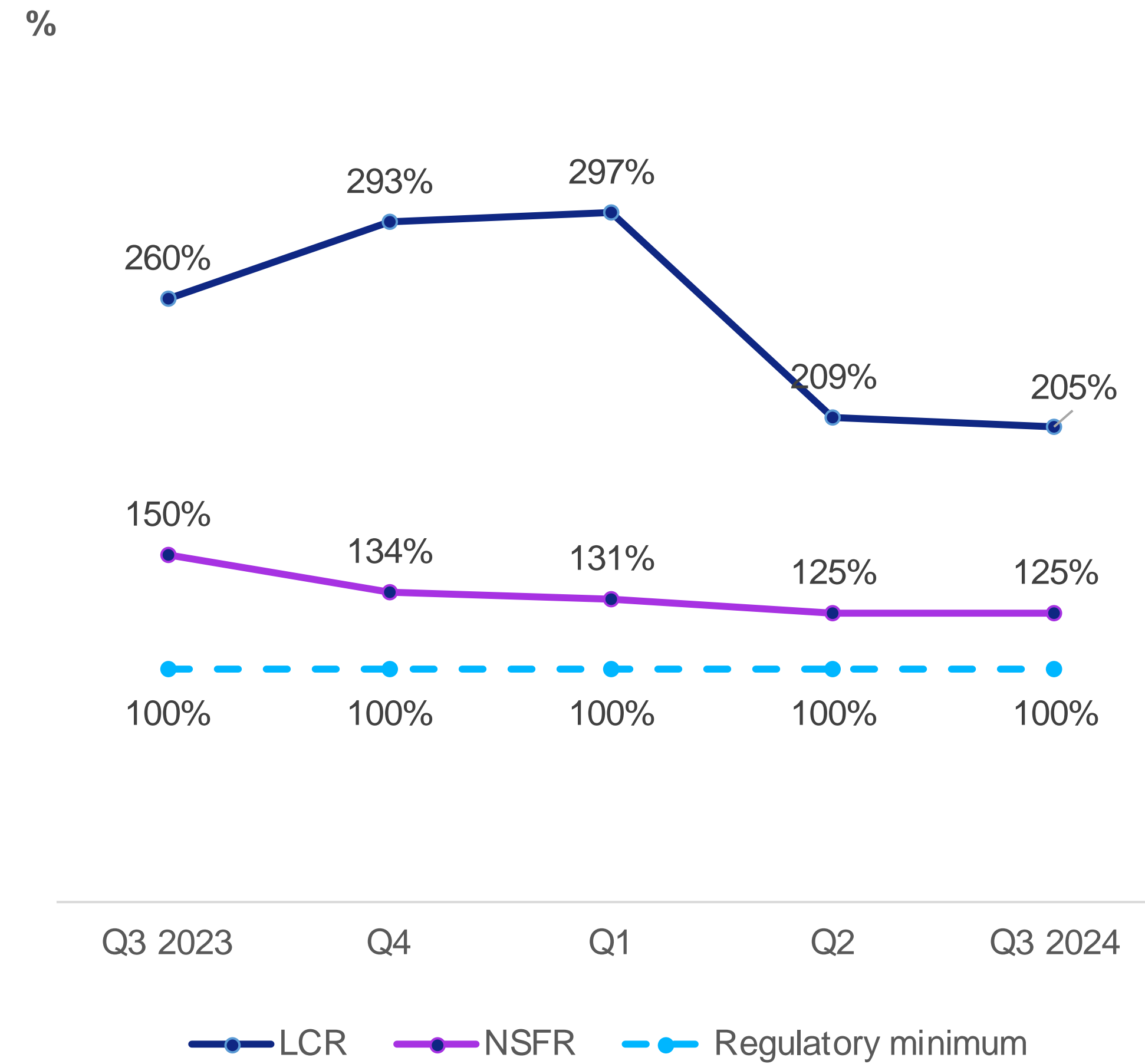
Q2

Q3 2024

## Liquid assets



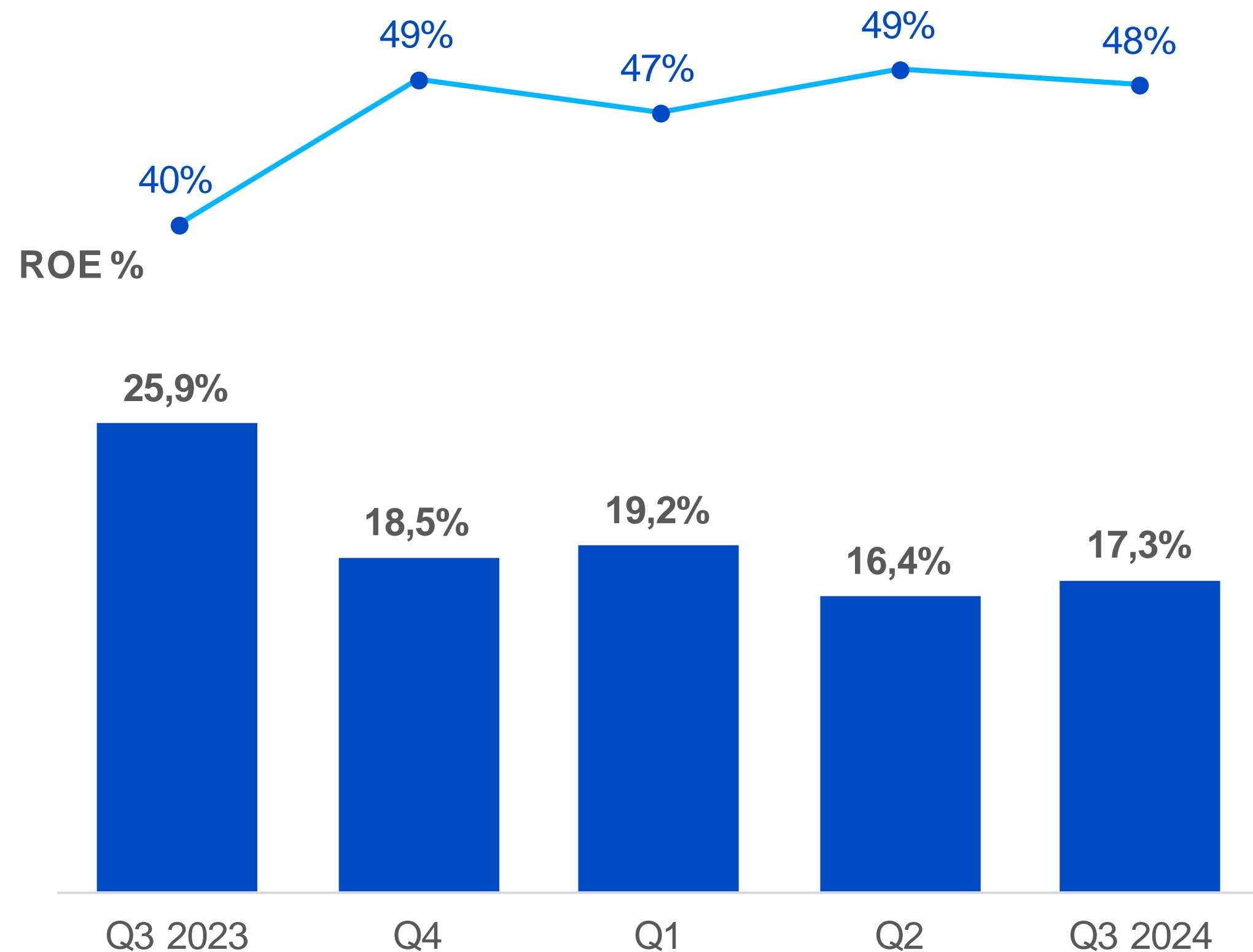
## Liquidity coverage ratio (LCR)



# Performance indicators

## Cost / income ratio (CIR) and ROE

Cost / Income ratio %

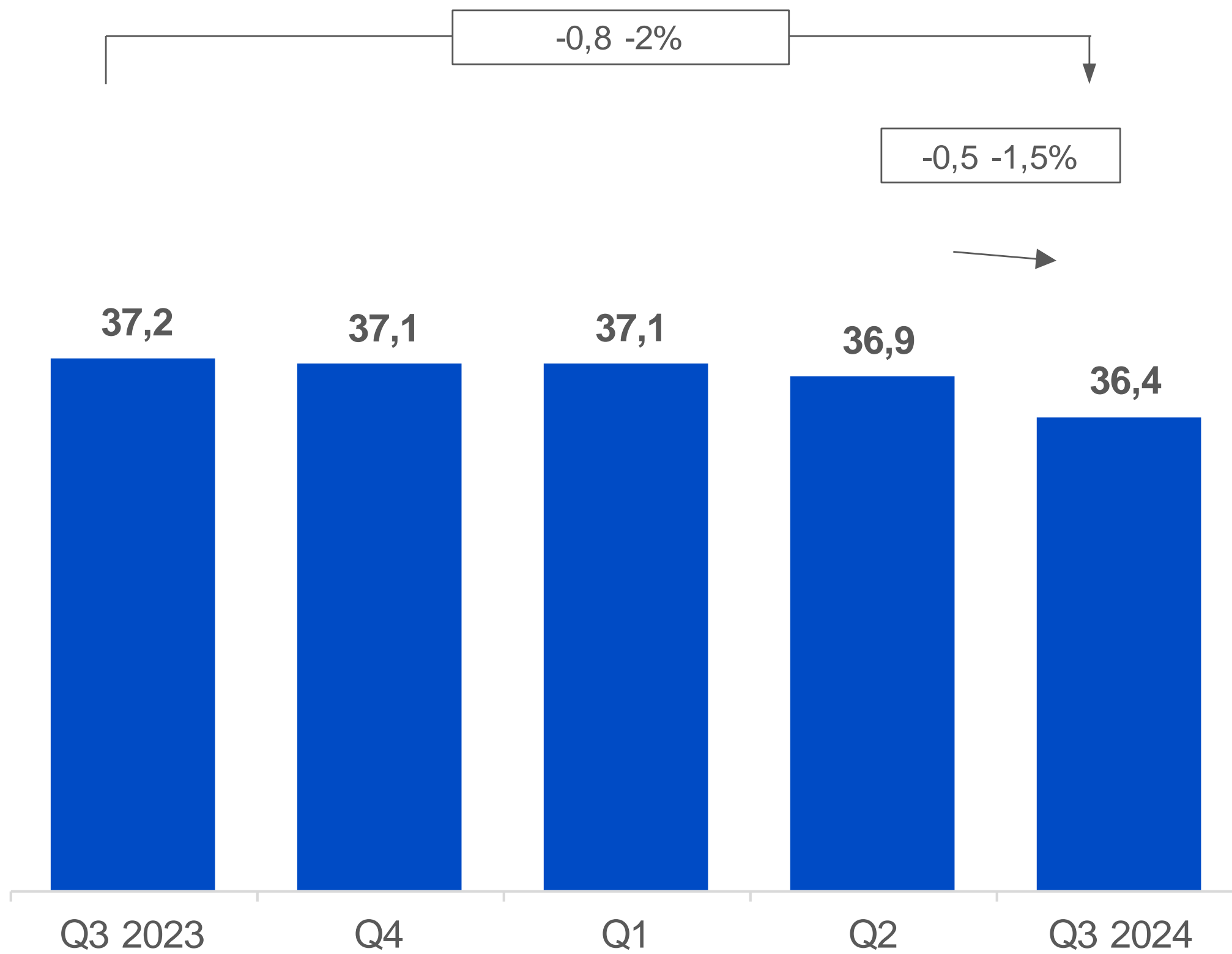


- CIR 48% (long term goal <50%)
  - Revenues 21.2 m€, +0.8m€ (+4%)
  - Costs 10.3 m€, +0.2m€ (+2%)
- ROE 17.3% (long term goal >15%)
  - Growth in business volumes increases the revenue base
  - Base rates and interest margins on the decline
  - Quality of loan portfolio remains high

# Shareholders

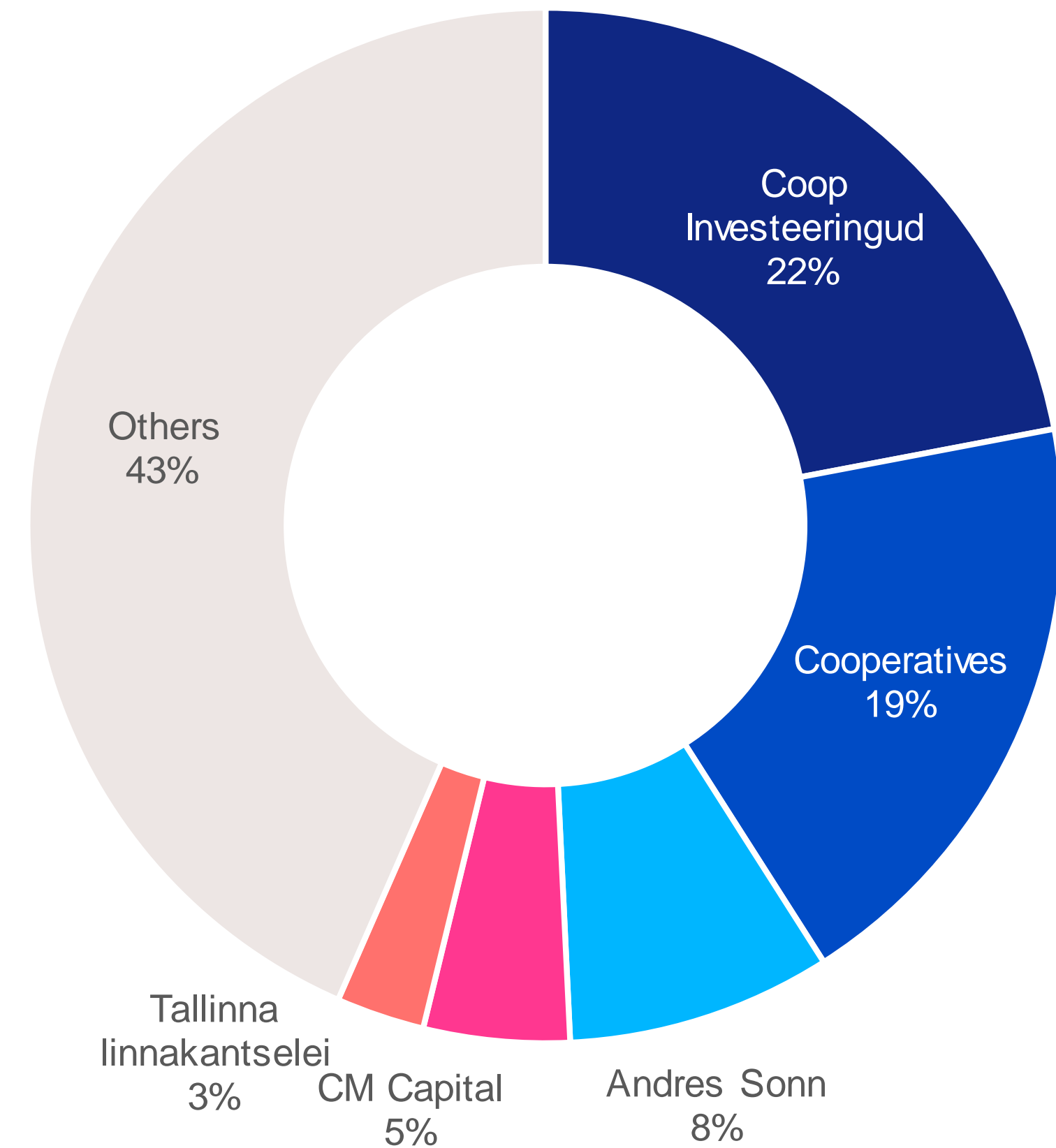
## No of Coop Pank shareholders

'000



## TOP shareholders

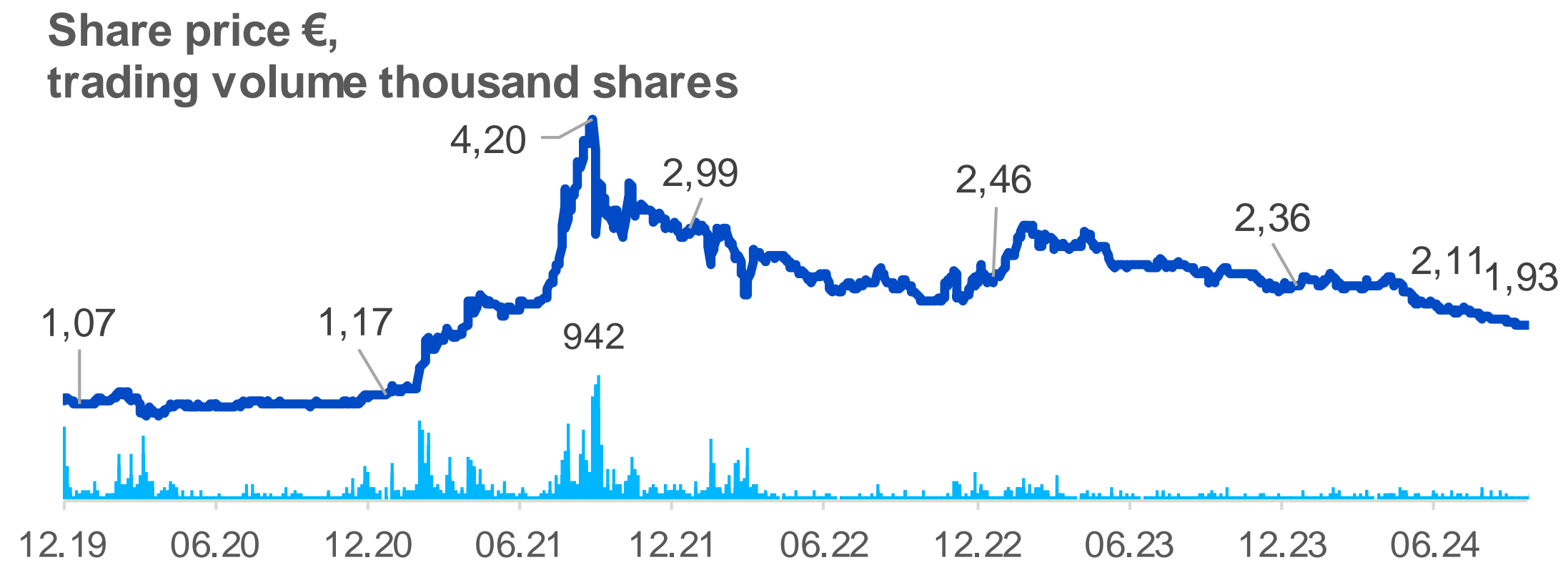
Shareholder distribution of Coop Pank as at 30.09.2024





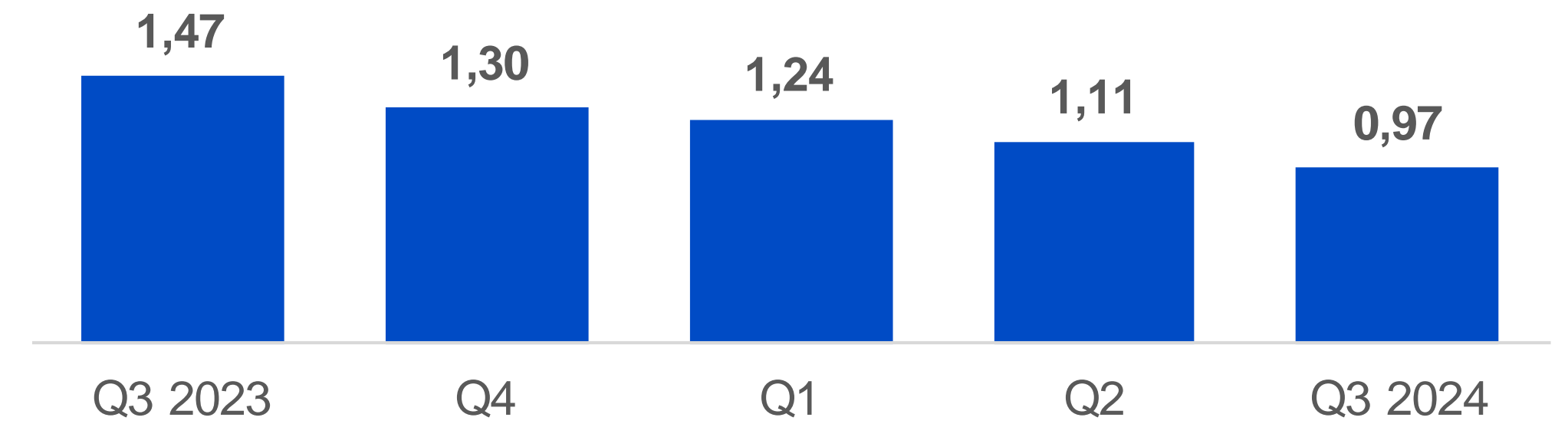
# Share price

## Coop Pank share price and trading volume by dates



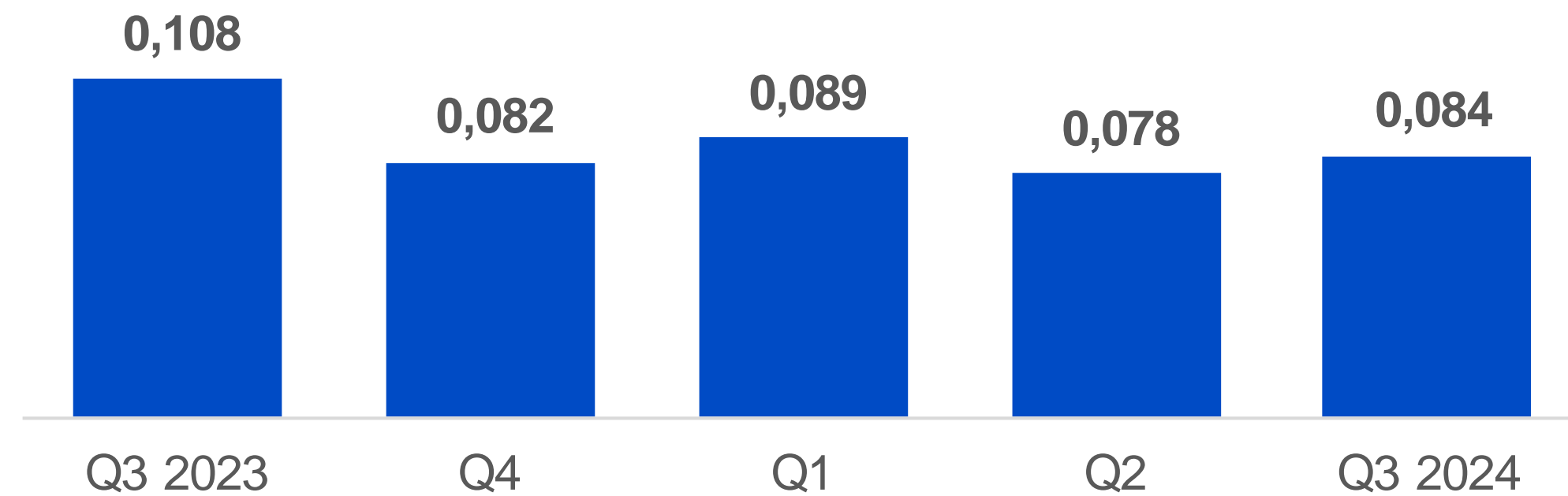
## P/B ratio

P/B €



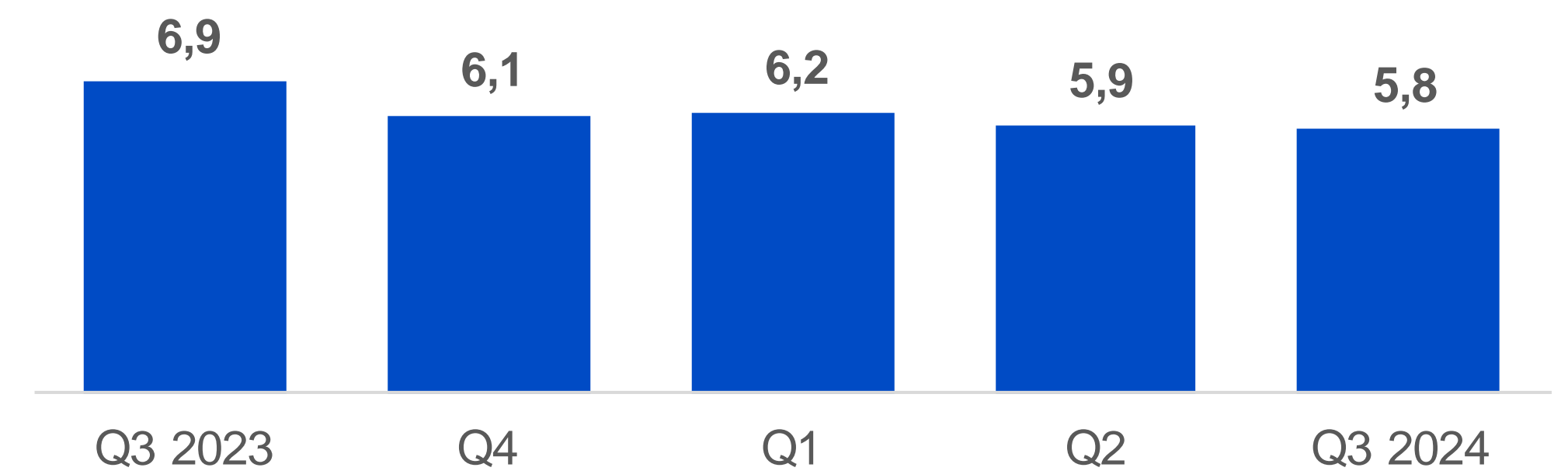
## Net income per share (EPS)

EPS € (quarterly)



## P/E ratio

P/E € (TTM)



# Summary: Q3 2024 results

- Increased business volumes (+11% YoY)
- Growth of active customers (+16% YoY)
- Net profit 8.6 mln € (-22% YoY)
- CIR 48% (2023 Q3 40%)
- ROE 17.3% (2023 Q2 25.9%)

8.6 m€ profit  
ROE 17%



## Margus Rink

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