

INTERIM INFORMATION

for the six months period ended 30 June 2024

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CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)

for the six months period ended 30 June 2024

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF FINANCIAL POSITION

	30 June 2024			31 December 2023	
	Notes	Group	Bank	Group	Bank
ASSETS					
Cash and cash equivalents		675,846	667,095	751 499	742 969
Securities in the trading book	2	218,793	14,745	207 677	20 402
Due from other banks		3,354	3,354	3 013	3 013
Derivative financial instruments		856	856	251	241
Loans to customers	1	2,874,480	2,864,084	2 645 104	2 633 482
Finance lease receivables	1	313,542	313,542	286 533	286 451
Investment securities at fair value	2	59,455	55,770	74 500	74 382
Investment securities at amortized cost	2	797,902	786,996	751 227	739 869
Investments in subsidiaries and associates	2	200	80,056	100	76 672
Intangible assets		44,846	8,489	45 138	8 149
Property, plant and equipment		15,389	14,633	15 781	14 702
Investment property		976	-	993	-
Current income tax prepayment		224	-	35	-
Deferred income tax asset		6,805	3,003	7 577	3 658
Other assets	3	23,314	20,808	19 743	18 970
Assets held for sale	3	150	150	150	150
Total assets		5,036,132	4,833,581	4 809 321	4 623 110
LIABILITIES					
Due to other banks and financial institutions	5	576,629	578,618	569 994	576 316
Derivative financial instruments		213	213	1 041	1 041
Due to customers	4	3,322,711	3,326,691	3 162 657	3 166 908
Special and lending funds	5	17,518	17,518	15 718	15 718
Debt securities in issue		305,169	305,169	276 480	276 480
Current income tax liabilities		2,702	2,702	6 412	6 412
Deferred income tax liabilities		6,149	-	6 125	-
Liabilities related to insurance activities	17	189,053	-	179 318	-
Other liabilities		60,516	45,530	48 448	35 794
Total liabilities		4,480,660	4,276,441	4 266 193	4 078 669
EQUITY					
Share capital	6	192,269	192,269	192 269	192 269
Share premium		25,534	25,534	25 534	25 534
Treasury shares (-)	6	(900)	(900)	(1 500)	(1 500)
Reserve capital		756	756	756	756
Statutory reserve	6	61,027	60,805	47 803	47 605
Reserve for acquisition of own shares	6	20,000	20,000	20 000	20 000
Financial instruments revaluation reserve		(4,368)	(4,368)	(5 426)	(5 426)
Other equity	6	1,480	1,019	1 697	1 209
Retained earnings		259,674	262,025	261 995	263 994
Non-controlling interest		-	-	-	-
Total equity		555,472	557,140	543 128	544 441
Total liabilities and equity		5,036,132	4,833,581	4 809 321	4 623 110

The notes on pages 10 - 33 constitute an integral part of these financial statements.

Deputy Chief Executive Officer, acting on behalf Chief Executive Officer

Chief Financial Officer

29 July 2024



Donatas Savickas

THE GROUP'S AND THE BANK'S CONDENSED INCOME STATEMENTS

	Notes	30 June 2024		30 June 2023	
		Group	Bank	Group	Bank
<i>Interest revenue calculated using the effective interest method</i>	7	120,647	112,800	86,953	80,071
<i>Other similar income</i>	7	13,027	12,104	9,526	9,438
<i>Interest expense and similar charges</i>	7	(53,044)	(53,113)	(21,112)	(21,121)
Net interest income		80,630	71,791	75,367	68,388
<i>Fee and commission income</i>	8	18,140	15,560	13,311	13,822
<i>Fee and commission expense</i>	8	(4,403)	(3,981)	(3,559)	(3,498)
Net fee and commission income		13,737	11,579	9,752	10,324
<i>Net gain from trading activities</i>	11	10,893	3,209	6,275	3,785
<i>Net gain (loss) from derecognition of financial assets</i>		(91)	5	319	36
<i>Net gain (loss) from disposal of tangible assets</i>		23	9	721	37
<i>Revenue related to insurance activities</i>		6,975	-	2,347	-
<i>Other operating income</i>		305	606	256	314
<i>Salaries and related expenses</i>		(23,174)	(20,428)	(16,838)	(15,478)
<i>Depreciation and amortization expenses</i>		(3,676)	(2,870)	(2,612)	(2,505)
<i>Expenses related to insurance activities</i>	11	(11,436)	-	(4,046)	-
<i>Other operating expenses</i>	9	(17,130)	(14,316)	(11,406)	(9,105)
Operating profit before impairment losses		57,056	49,585	60,135	55,796
<i>Allowance for impairment losses on loans and other assets</i>	10	(3,916)	24	(5,339)	(3,831)
<i>Allowance for impairment losses on investments in subsidiaries</i>		-	-	-	-
<i>Share of the profit or loss of investments in subsidiaries accounted for using the equity method</i>	12	-	3,284	-	2,370
Profit before income tax		53,140	52,893	54,796	54,335
<i>Income tax expense</i>		(10,148)	(9,567)	(13,338)	(12,739)
Net profit for the period		42,992	43,326	41,458	41,596
<i>Profit (loss) from discontinued operations, net of tax</i>		-	-	-	-
Net profit for the period		42,992	43,326	41,458	41,596
Net profit attributable to:					
<i>Owners of the Bank</i>		42,992	43,326	41,458	41,596
<i>From continuing operations</i>		42,992	43,326	41,458	41,596
<i>From discontinued operations</i>		-	-	-	-
<i>Non-controlling interest</i>		-	-	-	-
<i>Basic earnings per share (in EUR per share) attributable to owners of the Bank</i>		0,07		0,07	
<i>Diluted earnings per share (in EUR per share) attributable to owners of the Bank</i>		0,07		0,07	

The notes on pages 10 - 33 constitute an integral part of these financial statements.

THE GROUP'S AND THE BANK'S CONDENSED INCOME STATEMENTS FOR QUARTER

	for the three months period				
	Notes	1 April - 30 June 2024		1 April - 30 June 2023	
		Group	Bank	Group	Bank
<i>Interest revenue calculated using the effective interest method</i>		61,106	57,400	46,943	43,507
<i>Other similar income</i>		7,087	6,201	5,373	5,329
<i>Interest expense and similar charges</i>		(27,143)	(27,176)	(12,343)	(12,355)
Net interest income		41,050	36,425	39,973	36,481
<i>Fee and commission income</i>		9,430	8,187	6,980	7,270
<i>Fee and commission expense</i>		(2,176)	(1,949)	(1,866)	(1,836)
Net fee and commission income		7,254	6,238	5,114	5,434
<i>Net gain from trading activities</i>		3,706	1,585	3,450	2,165
<i>Net gain (loss) from derecognition of financial assets</i>		(76)	1	53	-
<i>Net gain (loss) from disposal of tangible assets</i>		(9)	(9)	83	39
<i>Revenue related to insurance activities</i>		2,977	-	(231)	-
<i>Other operating income</i>		142	284	110	154
<i>Salaries and related expenses</i>		(11,885)	(10,410)	(8,034)	(7,550)
<i>Depreciation and amortization expenses</i>		(1,874)	(1,471)	(1,266)	(1,263)
<i>Expenses related to insurance activities</i>		(3,865)	-	(774)	-
<i>Other operating expenses</i>		(10,376)	(8,852)	(5,679)	(4,624)
Operating profit before impairment losses		27,044	23,791	32,799	30,836
<i>Allowance for impairment losses on loans and other assets</i>		(1,723)	(18)	(2,577)	(1,946)
<i>Allowance for impairment losses on investments in subsidiaries</i>		-	-	-	-
<i>Share of the profit or loss of investments in subsidiaries accounted for using the equity method</i>		-	949	-	978
Profit before income tax		25,321	24,722	30,222	29,868
<i>Income tax expense</i>		(4,795)	(4,554)	(7,917)	(7,696)
Net profit for the period		20,526	20,168	22,305	22,172
<i>Profit (loss) from discontinued operations, net of tax</i>		-	-	-	-
Net profit for the year		20,526	20,168	22,305	22,172
Net profit attributable to:					
<i>Owners of the Bank</i>		20,526	20,168	22,305	22,172
<i>From continuing operations</i>		20,526	20,168	22,305	22,172
<i>From discontinued operations</i>		-	-	-	-
<i>Non-controlling interest</i>		-	-	-	-

The notes on pages 10 - 33 constitute an integral part of these financial statements.

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF COMPREHENSIVE INCOME

	for the six months period ended			
	30 June 2024		30 June 2023	
	Group	Bank	Group	Bank
Net profit for the period	42,992	43,326	41,458	41,596
Other comprehensive income				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Gain from revaluation of financial assets	1,322	1,322	404	406
Deferred income tax on gain from revaluation of financial assets	(264)	(264)	(79)	(81)
<i>Items that may not be subsequently reclassified to profit or loss:</i>				
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk	-	-	-	-
Other comprehensive income, net of deferred tax	1,058	1,058	325	325
Total comprehensive income for the period	44,050	44,384	41,783	41,921
Total comprehensive income (loss) attributable to:				
Owners of the Bank	44,050	44,384	41,783	41,921
Non-controlling interest	-	-	-	-
	44,050	44,384	41,783	41,921

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF COMPREHENSIVE INCOME FOR QUARTER

	for the three months period			
	1 April - 30 June 2024		1 April - 30 June 2023	
	Group	Bank	Group	Bank
Net profit for the period	20,526	20,168	22,305	22,172
Other comprehensive income (loss)				
<i>Items that may be subsequently reclassified to profit or loss:</i>				
Gain (loss) from revaluation of financial assets	495	498	(327)	(310)
Deferred income tax on gain (loss) from revaluation of financial assets	(96)	(99)	64	62
<i>Items that may not be subsequently reclassified to profit or loss:</i>				
Fair value changes of financial liabilities at fair value through profit or loss attributable to changes in their credit risk	-	-	-	-
Other comprehensive income (loss), net of deferred tax	399	399	(263)	(248)
Total comprehensive income for the period	20,925	20,567	22,042	21,924
Total comprehensive income (loss) attributable to:				
Owners of the Bank	20,925	20,567	22,042	21,924
Non-controlling interest	-	-	-	-
	20,925	20,567	22,042	21,924

The notes on pages 10 - 33 constitute an integral part of these financial statements.

THE GROUP'S CONDENSED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Treasury shares (-)	Reserve capital	Financial instruments revaluation	Statutory reserve	Reserve for acquisition of own shares	Other equity	Retained earnings	Total	Non-controlling interest	Total equity
Attributable to Bank shareholders													
1 January 2023		174,211	3,428	-	756	(8,111)	37,113	20,000	2,355	213,154	442,906	-	442,906
Transfer to statutory reserve		-	-	-	-	-	10,690	-	-	(10,690)	-	-	-
Acquisition of own shares	6	-	-	(1,868)	-	-	-	-	-	-	(1,868)	-	(1,868)
Share-based payment	6	-	-	1,868	-	-	-	-	153	-	2,021	-	2,021
Payment of dividends	6	-	-	-	-	-	-	-	-	(15,919)	(15,919)	-	(15,919)
Total comprehensive income		-	-	-	-	340	-	-	-	41,429	41,769	-	41,769
30 June 2023		174,211	3,428	-	756	(7,771)	47,803	20,000	2,508	227,974	468,909	-	468,909
Increase of share capital	6	18,058	22,106	-	-	-	-	-	-	-	40,164	-	40,164
Acquisition of own shares	6	-	-	(1,500)	-	-	-	-	-	-	(1,500)	-	(1,500)
Share-based payment	6	-	-	-	-	-	-	-	(811)	75	(736)	-	(736)
Total comprehensive income		-	-	-	-	2,345	-	-	-	33,946	36,291	-	36,291
31 December 2023		192,269	25,534	(1,500)	756	(5,426)	47,803	20,000	1,697	261,995	543,128	-	543,128
Transfer to statutory reserve		-	-	-	-	-	13,222	-	-	(13,222)	-	-	-
Acquisition of own shares	6	-	-	(900)	-	-	-	-	-	-	(900)	-	(900)
Share-based payment	6	-	-	1,500	-	-	2	-	(217)	4	1,289	-	1,289
Payment of dividends	6	-	-	-	-	-	-	-	-	(32,095)	(32,095)	-	(32,095)
Total comprehensive income		-	-	-	-	1,058	-	-	-	42,992	44,050	-	44,050
30 June 2024		192,269	25,534	(900)	756	(4,368)	61,027	20,000	1,480	259,674	555,472	-	555,472

THE BANK'S CONDENSED STATEMENT OF CHANGES IN EQUITY

	Notes	Share capital	Share premium	Treasury shares (-)	Reserve capital	Financial instruments revaluation reserve	Statutory reserve	Reserve for acquisition of own shares	Other equity	Retained earnings	Total equity
1 January 2023		174,211	3,428	-	756	(8,111)	36,922	20,000	1,917	214,888	444,011
Transfer to statutory reserve		-	-	-	-	-	10,683	-	-	(10,683)	-
Acquisition of own shares	6	-	-	(1,868)	-	-	-	-	-	-	(1,868)
Share-based payment	6	-	-	1,868	-	-	-	-	(708)	-	1,160
Payment of dividends	6	-	-	-	-	-	-	-	-	(15,919)	(15,919)
Total comprehensive income		-	-	-	-	325	-	-	-	41,596	41,921
30 June 2023		174,211	3,428	-	756	(7,786)	47,605	20,000	1,209	229,882	469,305
Increase of share capital	6	18,058	22,106	-	-	-	-	-	-	-	40,164
Acquisition of own shares	6	-	-	(1,500)	-	-	-	-	-	-	(1,500)
Total comprehensive income		-	-	-	-	2,360	-	-	-	34,112	36,472
31 December 2023		192,269	25,534	(1,500)	756	(5,426)	47,605	20,000	1,209	263,994	544,441
Transfer to statutory reserve		-	-	-	-	-	13,200	-	-	(13,200)	-
Acquisition of own shares	6	-	-	(900)	-	-	-	-	-	-	(900)
Share-based payment	6	-	-	1,500	-	-	-	-	(190)	-	1,310
Payment of dividends	6	-	-	-	-	-	-	-	-	(32,095)	(32,095)
Total comprehensive income		-	-	-	-	1,058	-	-	-	43,326	44,384
30 June 2024		192,269	25,534	(900)	756	(4,368)	60,805	20,000	1,019	262,025	557,140

The notes on pages 10 - 33 constitute an integral part of these financial statements.

THE GROUP'S AND THE BANK'S CONDENSED STATEMENTS OF CASH FLOWS

	Notes	for the six months period ended			
		30 June 2024		30 June 2023	
		Group	Bank	Group	Bank
Operating activities					
Interest received on loans and advances		120,893	112,631	86,247	79,785
Interest received on securities in the trading book		748	667	979	907
Interest paid		(48,801)	(48,984)	(15,256)	(15,258)
Fees and commissions received		18,140	15,560	13,311	13,822
Fees and commissions paid		(4,403)	(3,981)	(3,706)	(3,645)
Net cash inflows from trade in securities in the trading book		3,296	5,410	(5,079)	(5,982)
Net inflows from foreign exchange operations		2,607	2,606	3,059	3,059
Net inflows from derecognition of financial assets		(91)	5	319	36
Net inflows from derecognition of non-financial assets		23	9	721	37
Cash inflows related to other activities of Group companies		7,280	606	2,603	314
Cash outflows related to other activities of Group companies		(11,436)	-	(4,046)	-
Recoveries on loans previously written off		153	78	134	91
Salaries and related payments to and on behalf of employees		(22,599)	(19,853)	(17,215)	(15,855)
Payments related to operating and other expenses		(17,130)	(14,316)	(11,526)	(9,225)
Income tax paid		(12,859)	(12,730)	(5,337)	(4,991)
Net cash flow from operating activities before change in operating assets and liabilities		35,821	37,708	45,208	43,095
Change in operating assets and liabilities:					
Decrease (increase) in due from other banks		(341)	(341)	(8)	(8)
(Increase) in loans to customers and finance lease receivables		(229,359)	(229,259)	(121,437)	(131,512)
(Increase)/decrease in finance lease receivables		(28,570)	(28,652)	(31,387)	(31,398)
Decrease (increase) in other assets		6,841	12,196	(5,698)	(6,430)
Decrease (increase) in due to banks and financial institutions		1,796	(2,537)	(134,348)	(135,079)
Increase (decrease) increase in due to customers		160,781	160,510	67,777	67,733
Increase in special and lending funds		1,800	1,800	3,276	3,276
Increase (decrease) in other liabilities		15,835	9,339	(2,337)	1,791
Change		(71,217)	(76,944)	(224,162)	(231,627)
Net cash flow from (used in) from operating activities		(35,396)	(39,236)	(178,954)	(188,532)
Investing activities					
Acquisition of property, plant and equipment, investment property and intangible assets		(3,155)	(2,957)	(1,264)	(1,046)
Disposal of property, plant and equipment, investment property and intangible assets		(254)	20	2,016	523
Acquisition of debt securities at amortized cost		(327,546)	(291,281)	(45,987)	(44,032)
Proceeds from redemption of debt securities at amortized cost		278,325	246,071	208,025	207,254
Interest received on debt securities at amortized cost		4,908	4,108	5,115	4,899
Dividends received		110	12	11	10,011
Acquisition of investment securities at fair value		-	-	-	-
Sale or redemption of investment securities at fair value		20,000	20,000	15,221	15,221
Interest received on investment securities at fair value		252	252	251	251
Acquisition of shares in subsidiaries		(100)	(100)	(400)	(400)
Net cash flow (used in) from investing activities		(27,460)	(23,875)	182,988	192,681
Financing activities					
Payment of dividends		(32,030)	(32,030)	(15,883)	(15,883)
Interest payment for issued of debt securities		(4,038)	(4,038)	-	-
Issue of debt securities		25,000	25,000	50,000	50,000
Acquisition of own shares		(900)	(900)	(1,868)	(1,868)
Principal elements of lease payments		(829)	(795)	(434)	(447)
Net cash flow (used in) financing activities		(12,797)	(12,763)	31,815	31,802
Net increase (decrease) in cash and cash equivalents		(75,653)	(75,874)	35,849	35,951
Cash and cash equivalents at 1 January		(751,499)	742,969	384,758	383,518
Cash and cash equivalents at 30 June		675,846	667,095	420,607	419,469

The notes on pages 10 - 33 constitute an integral part of these financial statements.

GENERAL INFORMATION

Šiaulių Bankas AB was registered as a public company in the Enterprise Register of the Republic of Lithuania on 4 February 1992. The Bank is licensed by the Bank of Lithuania to perform all banking operations provided for in the Law on Banks of the Republic of Lithuania and the Charter of the Bank. In this document, Šiaulių Bankas AB is referred to as the Bank, Šiaulių Bankas AB and its subsidiaries (described in more detail in Note 2) - the Group.

The Head Office of the Bank is located in Šiauliai, Tilžės str. 149, LT-76348. At the end of the reporting period the Bank had 54 customer service outlets (31 December 2023: 54 outlets). As at 30 June 2024 the Bank had 1 039 employees (31 December 2023: 981). As at 30 June 2024 the Group had 1 194 employees (31 December 2023: 1 137 employees).

The Bank accepts deposits, issues loans, makes money transfers and documentary settlements, exchanges currencies for its clients, issues and processes debit and credit cards, is engaged in trade finance and is investing and trading in securities, as well as performs other activities set forth in the Law on Banks of the Republic of Lithuania and the Charter of the Bank.

The Bank's shares are listed on the Baltic Main List of the Nasdaq Stock Exchange.

This condensed interim financial information for the six months period ended 30 June 2024 has been prepared in accordance with IAS 34, "Interim Financial Reporting" as adopted by the EU. The condensed interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by EU. Except for the points described below, all the accounting policies applied in the preparation of this condensed interim financial information are consistent with those of the annual financial statements of the Bank for the year ended 31 December 2023.

Income tax

Income tax in the interim periods is accrued using the tax rate that would be applicable to expected total annual earnings. The income tax expense for Q2 2024 included a reversal of the income tax charge for 2023 (EUR 0.4 million) due to the correction of the temporary solidarity contribution for 2023, which was booked in Q2 2024 in operating expenses.

New and amended standards, and interpretations

The Bank's management do not believe that except for new and adopted for the first time standards, described below, the newly published standards, amendments and interpretations that are mandatory for the Bank's reporting periods beginning on or after 1 January 2024 will have a material impact on the Bank's financial statements, also there are no new standards, amendments and interpretations that are mandatory for the Bank with effect from 2024, and that would have a material impact on the Bank's financial information.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current event and actions, actual results ultimately may differ from those estimates. In preparing these condensed interim financial statements, the significant judgements made in applying Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements as at and for the year ended 31 December 2023, except for judgements and estimations used for calculation of impairment, which were revised to reflect the most recent economic forecasts. These judgements and estimates are described in more detail in Notes 1 and 10. These interim financial statements also include specific estimates and judgements applied for calculation of temporary solidarity contribution which calculation and payment order were set in provisions of Law on temporary solidarity contribution of Republic of Lithuania adopted in 2nd quarter of 2023. According to clarifications received from tax authorities regarding calculation of this contribution, amount of temporary solidarity contribution calculated for 2nd quarter of 2024 by the Bank is equal to 0 Eur, and an adjustment of 2.2 Eur million has been booked in Q2 2024 Operating Expenses related to the recalculation of the annual solidarity contribution for 2023.

These financial statements combine the consolidated financial statements for the Group and stand-alone financial statements of the Bank. Such format of reporting was adopted to ensure consistency of presentation with the format prescribed by the Bank of Lithuania and applied for statutory reporting.

No significant amounts of the Group's and the Bank's income or expenses are of a substantial seasonal nature.

NOTE 1

LOANS TO CUSTOMERS AND FINANCE LEASE RECEIVABLES

Credit risk is defined as the risk for the Group to incur losses due to the Group's customers' failure to fulfil their financial obligations towards the Group. Credit exposures arise principally in lending activities and it is the most significant risk in the Group's banking activities. There is also credit risk in investment activities that arise from debt securities and in the Group's asset portfolio as well as in the off-balance sheet financial instruments, such as loan commitments, guarantees and letters of credit.

The Bank regularly reviews its credit risk management policies which include lending policies, credit risk limit control, other credit risk mitigation measures as well as the internal control and internal audit of credit risk management.

The Bank takes risks only in the fields, which are well known to it and where it has long-term experience, trying to avoid excessive risk in transactions that can have negative influence to the big portion of shareholders' equity but seeks the sufficient profitability which, in terms of increasing competition, would ensure the stable Bank's position in the market and would increase the Bank's value. In assessing exposure to credit risk, the Bank adheres to the principle of prudence.

The aim of the Bank's credit risk management policy is to ensure that the conflict between interests of staff or structural units is avoided. With respect to provision of credits to clients, the principle stating that profit should not be earned at the expense of excessive credit risk is observed.

Maximum exposure to credit risk before collateral held or other credit enhancements:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Cash equivalents</i>	601,745	593,071	679 810	671 390
<i>Loans and advances to banks</i>	3,354	3,354	3 013	3 013
<i>Loans and advances to customers:</i>	2,874,480	2,864,084	2 645 104	2 633 482
<i>Loans and advances to financial institutions</i>	-	315,173	-	274 106
<i>Loans to individuals (Retail)</i>	1,364,845	1,069,635	1 258 203	999 029
<i>Loans to business customers</i>	1,509,635	1,479,276	1 386 901	1 360 347
<i>Finance lease receivables</i>	313,542	313,542	286 533	286 451
<i>Debt securities at fair value through profit or loss</i>	61,181	14,620	65 761	20 240
<i>Derivative financial instruments</i>	856	856	251	241
<i>Debt securities at fair value through other comprehensive income</i>	56,527	53,085	71 740	71 740
<i>Debt securities at amortized cost</i>	797,902	786,996	751 227	739 869
<i>Other assets subject to credit risk</i>	6,880	6,263	7 351	8 289
<i>Credit risk exposures relating to off-balance sheet items are as follows:</i>				
<i>Financial guarantees</i>	53,042	53,042	59 216	59 256
<i>Letters of credit</i>	2,549	2,549	538	538
<i>Loan commitments and other credit related liabilities</i>	532,958	569,077	482 027	489 655
Total	5,305,016	5,260,539	5 052 571	4 984 164

NOTE 1

LOANS TO CUSTOMERS AND FINANCE LEASE RECEIVABLES (CONTINUED)

Loans to customers

Loans and advances are summarized as follows:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Gross loans at amortized cost</i>	2,913,144	2,887,256	2,685,454	2,661,035
<i>Less: allowance for impairment</i>	(44,480)	(28,988)	(43,558)	(30,761)
<i>Net loans at amortized cost</i>	2,868,664	2,858,268	2,641,896	2,630,274
<i>Gross loans at fair value</i>	5,816	5,816	3,208	3,208
<i>Total loans</i>	2,874,480	2,864,084	2,645,104	2,633,482

The Bank has provided loans as investment to securitization vehicle through Banks's subsidiary SB Modernizavimo Fondas UAB and SB Modernizavimo Fondas 2 UAB for financing multiapartment buildings renovation projects. Bank's investments in securitization are provided in several tranches to different investment layers bearing different risk levels. Part of investments made so far were made into layer bearing highest level of risk, therefore according to clauses in IFRS 9 applicable to contractually linked instruments, loans to SB Modernizavimo Fondas UAB are accounted at fair value through profit and loss and are disclosed in statement of financial position within line "Loans to customers". At initial recognition it was considered that fair value of these loans is equal to its acquisition value. During six months period ended 30 June 2024 losses from fair value change of such loans of EUR 37 thousand were recognized.

The distribution of loans by stages and days past due:

	30 June 2024					31 December 2023				
	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total
Group										
<i>Stage 1:</i>										
<i>Gross amount</i>	2,610,043	34,305	-	-	2,644,348	2,364,705	45,340	135	4	2,410,184
<i>Allowance for impairment</i>	(21,992)	(65)	-	-	(22,057)	(20,982)	(278)	(3)	-	(21,263)
<i>Net amount</i>	2,588,051	34,240	-	-	2,622,291	2,343,723	45,062	132	4	2,388,921
Stage 2:										
<i>Gross amount</i>	131,904	46,989	13,936	-	192,829	165,301	20,976	14,397	64	200,738
<i>Allowance for impairment</i>	(835)	(3,949)	(1,274)	-	(6,058)	(2,106)	(2,827)	(1,333)	(18)	(6,284)
<i>Net amount</i>	131,069	43,040	12,662	-	186,771	163,195	18,149	13,064	46	194,454
Stage 3:										
<i>Gross amount</i>	17,466	8,975	5,721	49,621	81,783	36,775	5,455	5,263	30,247	77,740
<i>Allowance for impairment</i>	(3,765)	(1,270)	(870)	(10,460)	(16,365)	(3,936)	(1,345)	(1,896)	(8,834)	(16,011)
<i>Net amount</i>	13,701	7,705	4,851	39,161	65,418	32,839	4,110	3,367	21,413	61,729
Total:										
<i>Gross amount</i>	2,759,413	90,269	19,657	49,621	2,918,960	2,566,781	71,771	19,795	30,315	2,688,662
<i>Allowance for impairment</i>	(26,592)	(5,284)	(2,144)	(10,460)	(44,480)	(27,024)	(4,450)	(3,232)	(8,852)	(43,558)
<i>Net amount</i>	2,732,821	84,985	17,513	39,161	2,874,480	2,539,757	67,321	16,563	21,463	2,645,104

	30 June 2024					31 December 2023				
	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total
Bank										
<i>Stage 1:</i>										
<i>Gross amount</i>	2,332,374	34,303	-	-	2,366,677	2,130,579	35,340	-	4	2,165,923
<i>Allowance for impairment</i>	(15,603)	(65)	-	-	(15,668)	(15,888)	(67)	-	-	(15,955)
<i>Net amount</i>	2,316,771	34,238	-	-	2,351,009	2,114,691	35,273	-	4	2,149,968
Stage 2:										
<i>Gross amount</i>	416,211	27,650	9,607	-	453,468	412,309	6,877	8,965	4	428,155
<i>Allowance for impairment</i>	(795)	(175)	(69)	-	(1,039)	(2,059)	(147)	(71)	(1)	(2,278)
<i>Net amount</i>	415,416	27,475	9,538	-	452,429	410,250	6,730	8,894	3	425,877
Stage 3:										
<i>Gross amount</i>	15,233	7,762	4,952	44,980	72,927	35,119	4,065	1,929	29,052	70,165
<i>Allowance for impairment</i>	(2,728)	(715)	(518)	(8,320)	(12,281)	(3,157)	(710)	(374)	(8,287)	(12,528)
<i>Net amount</i>	12,505	7,047	4,434	36,660	60,646	31,962	3,355	1,555	20,765	57,637
Total:										
<i>Gross amount</i>	2,763,818	69,715	14,559	44,980	2,893,072	2,578,007	46,282	10,894	29,060	2,664,243
<i>Allowance for impairment</i>	(19,126)	(955)	(587)	(8,320)	(28,988)	(21,104)	(924)	(445)	(8,288)	(30,761)
<i>Net amount</i>	2,744,692	68,760	13,972	36,660	2,864,084	2,556,903	45,358	10,449	20,772	2,633,482

NOTE 1

LOANS TO CUSTOMERS AND FINANCE LEASE RECEIVABLES (CONTINUED)

Loans are assigned to stages using the following principles (a deviation from these principles is allowed in the process of individual loan assessment based on contract-specific circumstances if it would result in more precise assessment of the risk of the contract):

Stage 1 loans: loans with no increase in credit risk observed.

Stage 2 loans: loans with an increase in credit risk observed. Main reasons for determining an increase in credit risk are: deterioration of borrower's financial status from the initial (this criteria is not applicable to the low credit risk loans, i.e. loans that have internal borrower's financial status assessment grades "very good" or "good" or investment grade credit ratings by external credit rating agencies), payment delay of over 30 days, and other objective criteria showing an increase in credit risk.

Stage 3 loans: defaulted loans. Main reasons for determining a default are: payment delay of over 90 days, bankruptcy of the borrower, termination of the contract, start of the foreclosure procedures and other objective criteria.

As lending activities are oriented to Lithuanian market, the Bank and the Group held no significant direct loan positions in Russia, Belarus and Ukraine. Potential risk assessment for separate sectors has not demonstrated economic sectors for which risk would be increased. Due to potential increase in credit risk the Bank has individually assessed clients with loans and finance lease contracts which have medium or high dependency from countries mentioned above through supply or sales chains or through shareholders structure and if increase in risk was determined credit stages for certain clients were reduced.

Finance lease receivables

Information on finance lease receivables is summarized in the tables below:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Business customers</i>	277,095	276,293	254,058	253,170
<i>Individuals</i>	45,604	45,604	40,049	40,049
Gross	322,699	321,897	294,107	293,219
<i>Less: Allowance for impairment</i>	(9,157)	(8,355)	(7,574)	(6,768)
Net	313,542	313,542	286,533	286,451

NOTE 1

LOANS TO CUSTOMERS AND FINANCE LEASE RECEIVABLES (CONTINUED)

The distribution of finance lease receivables by stages and days past due:

	30 June 2024					31 December 2023				
	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total
Group										
Stage 1:										
Gross amount	250,511	44,889	-	-	295,400	240 529	26 934	-	-	267 463
Allowance for impairment	(3,323)	(755)	-	-	(4,078)	(2 563)	(379)	-	-	(2 942)
Net amount	247,188	44,134	-	-	291,322	237 966	26 555	-	-	264 521
Stage 2:										
Gross amount	13,277	1,663	2,138	-	17,078	17 132	895	1 065	-	19 092
Allowance for impairment	(613)	(68)	(33)	-	(714)	(1 024)	(25)	(28)	-	(1 077)
Net amount	12,664	1,595	2,105	-	16,364	16 108	870	1 037	-	18 015
Stage 3:										
Gross amount	1,082	6,164	203	2,772	10,221	4 089	211	1 143	2 109	7 552
Allowance for impairment	(372)	(2,653)	(37)	(1,303)	(4,365)	(2 101)	(33)	(150)	(1 271)	(3 555)
Net amount	710	3,511	166	1,469	5,856	1 988	178	993	838	3 997
Total:										
Gross amount	264,870	52,716	2,341	2,772	322,699	261 750	28 040	2 208	2 109	294 107
Allowance for impairment	(4,308)	(3,476)	(70)	(1,303)	(9,157)	(5 688)	(437)	(178)	(1 271)	(7 574)
Net amount	260,562	49,240	2,271	1,469	313,542	256 062	27 603	2 030	838	286 533

	30 June 2024					31 December 2023				
	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total	Not past due	Past due <= 30 days	Past due 31-90 days	Past due >90 days	Total
Bank										
Stage 1:										
Gross amount	250,510	44,890	-	-	295,400	240 529	26 934	-	-	267 463
Allowance for impairment	(3,323)	(755)	-	-	(4,078)	(2 563)	(379)	-	-	(2 942)
Net amount	247,187	44,135	-	-	291,322	237 966	26 555	-	-	264 521
Stage 2:										
Gross amount	13,277	1,663	2,138	-	17,078	17 055	895	1 057	-	19 007
Allowance for impairment	(613)	(68)	(33)	-	(714)	(1 021)	(25)	(27)	-	(1 073)
Net amount	12,664	1,595	2,105	-	16,364	16 034	870	1 030	-	17 934
Stage 3:										
Gross amount	1,082	6,164	203	1,970	9,419	4 089	211	1 143	1 306	6 749
Allowance for impairment	(372)	(2,653)	(37)	(501)	(3,563)	(2 101)	(33)	(150)	(469)	(2 753)
Net amount	710	3,511	166	1,469	5,856	1 988	178	993	837	3 996
Total:										
Gross amount	264,869	52,717	2,341	1,970	321,897	261 673	28 040	2 200	1 306	293 219
Allowance for impairment	(4,308)	(3,476)	(70)	(501)	(8,355)	(5 685)	(437)	(177)	(469)	(6 768)
Net amount	260,561	49,241	2,271	1,469	313,542	255,988	27,603	2,023	837	286,451

**NOTE 2
SECURITIES**

Securities in the trading book

Securities in the trading book are comprised of trading securities and other securities that cover insurance contract liabilities under unit-linked insurance contracts of life insurance subsidiary. These securities are measured at fair value through profit or loss.

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Debt securities:	61,181	14,620	65,761	20,240
Government bonds	24,707	-	24,839	2,637
Corporate bonds	36,474	14,620	40,922	17,603
Equity securities	157,612	125	141,916	162
Total	218,793	14,745	207,677	20,402
	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Trading securities:				
Debt securities	25,384	14,620	27,663	20,240
from AA- to AAA	5,027	-	1,588	-
from A- to A+	5,483	-	8,016	2,637
from BBB- to BBB+	-	-	204	-
from BB- to BB+	95	95	-	-
lower than BB-	-	-	-	-
no rating	14,779	14,525	17,855	17,603
Equity securities	125	125	162	162
listed	125	125	162	162
unlisted	-	-	-	-
units of investment funds	-	-	-	-
Total trading securities	25,509	14,745	27,825	20,402
Other trading book securities:				
Debt securities	36,246	-	38,098	-
from AA- to AAA	-	-	106	-
from A- to A+	3,763	-	12,296	-
from BBB- to BBB+	10,480	-	17,826	-
from BB- to BB+	5,103	-	7,804	-
lower than BB-	-	-	-	-
no rating	16,900	-	66	-
Equity securities	157,038	-	141,754	-
listed	3,305	-	2,843	-
unlisted	121	-	121	-
units of investment funds	153,612	-	138,790	-
Total other trading book securities	193,284	-	179,852	-
TOTAL	218,793	14,745	207,677	20,402

NOTE 2
SECURITIES (CONTINUED)

Investment securities

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Securities at fair value:				
Debt securities:	56,527	53,085	71,740	71,740
Government bonds	36,985	36,985	53,949	53,949
Corporate bonds	19,542	16,100	17,791	17,791
Equity securities	2,928	2,685	2,760	2,642
Total	59,455	55,770	74,500	74,382
Securities at amortized cost:				
Debt securities:	797,902	786,996	751,227	739,869
Government bonds	741,993	736,251	663,211	657,445
Corporate bonds	55,909	50,745	88,016	82,424
Total	797,902	786,996	751,227	739,869

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Securities at fair value:				
Debt securities	56,527	53,085	71,740	71,740
from AA- to AA+	3,442	-	-	-
from A- to A+	42,052	42,052	58,981	58,981
from BBB- to BBB+	5,674	5,674	5,591	5,591
from BB- to BB+	4,487	4,487	4,345	4,345
lower than BB-	-	-	-	-
no rating	872	872	2,823	2,823
Equities	2,928	2,685	2,760	2,642
listed	229	229	241	241
unlisted	526	406	501	383
units of investment funds	2,173	2,050	2,018	2,018
Total	59,455	55,770	74,500	74,382
Securities at amortized cost:				
Debt securities	797,902	786,996	751,227	739,869
from AA- to AA+	205	-	2,271	2,067
from A- to A+	747,824	742,763	670,920	664,946
from BBB- to BBB+	48,766	44,233	76,919	72,856
from BB- to BB+	1,107	-	1,117	-
lower than BB-	-	-	-	-
no rating	-	-	-	-
Total	797,902	786,996	751,227	739,869

Credit stages of investment debt securities:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Stage 1:				
Gross amount	853,616	839,261	820,227	808,860
Allowance for impairment	(59)	(52)	(84)	(75)
Net amount	853,557	839,209	820,143	808,785
Stage 2:				
Gross amount	941	941	2,969	2,969
Allowance for impairment	(69)	(69)	(145)	(145)
Net amount	872	872	2,824	2,824
Stage 3:				
Gross amount	1,020	-	1,020	-
Allowance for impairment	(1,020)	-	(1,020)	-
Net amount	-	-	-	-

During six months periods ended 30 June 2024 and 30 June 2023 no material reclassifications between portfolios of securities were performed.

NOTE 2
SECURITIES (CONTINUED)

Investments in subsidiaries

As of 30 June 2024 the Bank owned the following directly controlled subsidiaries:

1. SB Draudimas UAB (name changed Bonum Publicum GD UAB; life insurance activities),
2. SB Lizingas UAB (consumer financing activities),
3. SB Turto Fondas UAB (real estate management activities),
4. SB Modernizavimo Fondas (multiapartment buildings renovation financing activities),
5. SB Modernizavimo Fondas 2 (multiapartment buildings renovation financing activities)
6. SB Asset Management UAB (funds management activities).

As of 31 December 2023 the Bank owned the following directly controlled subsidiaries:

1. SB Draudimas UAB (life insurance activities),
2. SB Lizingas UAB (consumer financing activities),
3. Šiaulių Banko Lizingas UAB (lease activities),
4. Šiaulių Banko Turto Fondas UAB (real estate management activities),
5. SB Modernizavimo Fondas UAB (multiapartment buildings renovation financing activities),
6. SB Asset Management UAB (funds management activities).

On March 21, 2024 the Bank established a special purpose entity - SB Modernizavimo Fondas 2 UAB which signed financing agreements with the European Investment Bank (EIB), which administers Lithuanian state funds, Swedbank, the European Bank for Reconstruction and Development (EBRD), Šiaulių Bankas, and Šiaulių Bankas Group's asset management company, SB Asset Management. The Bank's investment in the authorised capital of UAB SB Modernization Fund 2 is EUR 100 thousand. In accordance with the agreements with investors and the provisions of IFRS 10, the Bank does not have control over SB Modernization Fund 2 UAB, and therefore this company is not consolidated in the Group's consolidated financial statements. In accordance with the provisions of IFRS 9 applicable to contractually linked instruments, the investment in SB Modernization Fund UAB is carried at fair value through profit (loss) and disclosed in the statement of financial position under the caption 'Investments in subsidiaries and associates at fair value'. The fair value of this investment was determined at initial recognition to be the same as its cost. Since initial recognition, there have been no circumstances that would have resulted in a material change in the fair value of the investment in SB Modernisation Fund 2 UAB

During six months period ended 30 June 2024 Bank's directly controlled subsidiary Šiaulių Banko Lizingas UAB was liquidated.

Bank's investments in subsidiaries consisted of:

	Share in equity	30 June 2024	31 December 2023
<i>SB draudimas GD UAB</i>	100%	35 905	32 528
<i>SB lizingas UAB</i>	100%	2 136	2 964
<i>Šiaulių Banko Lizingas UAB</i>	100%	-	-
<i>SB Turto Fondas UAB</i>	100%	5 195	5 083
<i>SB Asset Management UAB</i>	100%	36 620	35 997
Total investments in subsidiaries using equity method		79 856	76 572
<i>SB Modernizavimo Fondas UAB</i>	100%	100	100
<i>SB Modernizavimo Fondas 2 UAB</i>	100%	100	-
Total investments in subsidiaries at fair value		200	100

NOTE 3
SIGNIFICANT INFORMATION ON CHANGES IN OTHER ASSET ITEMS

Other assets

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Amounts receivable</i>	6,880	6,263	7,351	8,289
<i>Inventories</i>	113	-	114	-
<i>Deferred charges</i>	3,709	3,512	3,529	3,424
<i>Assets under reinsurance and insurance contracts</i>	811	-	153	-
<i>Prepayments</i>	1,693	952	2,225	1,000
<i>Foreclosed assets</i>	129	125	168	164
<i>Other</i>	9,979	9,956	6,203	6,093
Total	23,314	20,808	19,743	18,970

NOTE 3
SIGNIFICANT INFORMATION ON CHANGES IN OTHER ASSET ITEMS
(CONTINUED)

Assets held for sale

Assets held for sale consist of:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Real estate classified as held for sale</i>	150	150	150	150
Total assets classified as held for sale	150	150	150	150

NOTE 4
DUE TO CUSTOMERS

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
<i>Demand deposits:</i>				
<i>National government institutions</i>	49,836	49,836	56,135	56,135
<i>Local government institutions</i>	190,800	190,800	121,886	121,886
<i>Governmental and municipal companies</i>	26,007	26,007	38,209	38,209
<i>Corporate entities</i>	599,260	603,240	628,408	632,159
<i>Non-profit organizations</i>	33,949	33,949	35,780	35,780
<i>Individuals</i>	667,344	667,344	711,184	711,184
<i>Unallocated amounts due to customers</i>	15,853	15,853	16,214	16,714
Total demand deposits	1,583,049	1,587,029	1,607,816	1,612,067
<i>Term deposits:</i>				
<i>National government institutions</i>	6,991	6,991	2,519	2,519
<i>Local government institutions</i>	4,451	4,451	2,316	2,316
<i>Governmental and municipality companies</i>	5,946	5,946	3,831	3,831
<i>Corporate entities</i>	361,539	361,539	336,944	336,944
<i>Non-profit organizations</i>	16,211	16,211	8,278	8,278
<i>Individuals</i>	1,344,524	1,344,524	1,200,953	1,200,953
Total term deposits	1,739,662	1,739,662	1,554,841	1,554,841
Total	3,322,711	3,326,691	3,162,657	3,166,908

NOTE 5

SIGNIFICANT INFORMATION ON CHANGES IN OTHER LIABILITIES ITEMS

Due to other banks and financial institutions

On 28th June 2023 the Bank has repaid a EUR 150 million loan borrowed under the ECB's TLTRO III programme. After this repayment outstanding borrowing on the balance sheet under third series of the targeted longer-term refinancing operations (TLTRO-III) program of the European Central Bank amounted to EUR 479 million as at 30 June 2023. On 29 September 2021 Bank has borrowed additional EUR 479 million via ECB's latest TLTRO III.9 operation. Loan maturity date is on 25 September 2024 with early repayment option started on 29 June 2022. The Bank has not used early repayment option. Interest rate on TLTRO III was -0.5% from June 2020 to June 2021 and for banks meeting the lending thresholds, the interest rate can be as low as -1%. The Bank has met the lending thresholds during first two quarters of 2022 therefore has included the bonus on the special interest period in its effective interest recognition. Based on an internal assessment, part of the inflow of economic benefits from TLTRO-III borrowing with negative effective interest rate, which may be justified as market rate, was recognised within the income statement line "Interest income". The remainder is a benefit of the below-market rate of interest and was recognised within the income statement line "Other income" as a support or compensation for the fulfilment of the required obligations. Since 14th September 2022 interest rates for TLTRO-III borrowings are positive, TLTRO-III positive interest recorded in 2024, 2023 and 2022 income statement line "Interest expenses". As of 30 June 2024 a carrying value of the loan was EUR 501 376 thousand Securities with a carrying value of EUR 519,333 thousand were placed as a collateral for these borrowings.

Special and lending funds

The special funds consist of the funds from the mandatory social and health insurance funds. The special funds should be returned to the institutions which have placed them upon the first requirement of the latter. The increase in special and lending funds from EUR 15,718 thousand in the beginning of the year to EUR 17,518 thousand in the end of the reporting period is attributable to routine fluctuations in these funds.

NOTE 6
CAPITAL

As of 30 June 2023 and 31 December 2022 the Banks's share capital amounted to EUR 174,210,616.27, it comprised 600,726,263 ordinary registered shares with par value of EUR 0.29 each.

At 31 May 2024 The European Bank for Reconstruction and Development (EBRD), together with asset management group Invalda INVL, Tesonet Global, a member of the Tesonet group of companies, and Willgrow, the holding company that manages Girteka Logistics, have finalised a series of planned transactions, which together dispose of a total of 16.33% of the shares of Šiaulių bankas. 31 December 2020 The European Bank for Reconstruction and Development (EBRD) held 26.02% of the Bank's share capital and votes. On 22 December 2021, the EBRD announced its decision to sell its 18% stake in the Bank. The EBRD has signed 3 separate agreements for the sale of the Bank's shares: with the asset management group Invalda INVL, Tesonet Global belonging to the Tesonet group of companies, and Willgrow, a holding company managed by Girteka Logistics. The respective shareholdings to be sold are 5,87 %, 5,87 % and 6,29 %. The acquisition process was carried out through a series of transactions which lasted until June 2024. 29 December 2021. "Willgrow announced the acquisition of a 5.71% stake in the Bank. On 30 June 2024, following the completion of the transaction milestones, Invalda INVL's shareholding in Šiaulių Bankas increased to 19.63%, Willgrow's to 8.97% and Tesonet Global's to 5.32%. As a result of these transactions, the EBRD held 7.25% of the Bank's share capital and voting rights as at 30 June 2024.

As at 30 June 2024, the Bank had 19,154 shareholders (as at 31 December 2023: 19,087).

Dividends:

On 29 March 2024 ordinary general meeting of shareholders made a decision to pay EUR 0.0485 (i.e. 16.7%) dividends per one ordinary registered share with EUR 0.29 nominal value each.

Reserve for acquisition of own shares:

On 28 March 2019 ordinary general meeting of shareholders made a decision to form a reserve for acquisition of own shares from retained earnings. On 30 March 2022 ordinary general meeting of shareholders made a decision to increase reserve for acquisition of own shares by EUR 10,000 thousand. The reserve can be used for two purposes – to preserve the market price of Bank's shares and to acquire the shares that will be granted to Group's employees as part of variable remuneration. As of 30 June 2024 carrying value of reserve for own shares acquisition amounts to EUR 20,000 thousand (as at 31 December 2023: EUR 20,000 thousand).

NOTE 6
CAPITAL (CONTINUED)

On 11 April 2024, Šiaulių bankas submitted a request to the European Central Bank (ECB) for permission to acquire its own shares in order to increase shareholder value and to exercise options for the bank's employees. At the beginning of this year, Šiaulių bankas has already bought back 1,250,000 treasury shares for EUR 0.9 million and has also requested the ECB's permission to cancel them in the

above request. Employee options granted for 2020 performance were exercised on 12 April 2024. As of 30 June 2024 the Bank held 1,250 thousand own shares with carrying value of EUR 900 thousand

Other equity:

Other equity consists of amount that corresponds to the obligation to present Bank's shares to Group's employees as part of variable remuneration.

The Group's remuneration policy prescribes two main elements of remuneration – fixed remuneration and variable remuneration, and various additional benefits. Employees whose professional activities and/or decisions might have a significant impact on the risk accepted by the Group, receive deferred variable remuneration. The remuneration amounts are accrued as staff expenses in income statement. Until 2018, Group's incentive scheme included deferred payments in shares and cash of not less than 40% of variable remuneration being paid in equal instalments during three-year period. From 2019 under the Group's incentive scheme employees whose professional activities and/or decisions may have a significant impact on the risk assumed by the Group receive 50% of the annual long-term incentive program in cash and 50% in form of Bank's shares options executable after 3 years. From 2023 Bank's shares options are executable after 4-5 years. The number of share options is based on the currency value of the achieved results divided by the weighted average price at which the Bank's shares are traded on Nasdaq Vilnius during the period of five months prior the approval of remuneration. Each option is convertible into one ordinary share.

The Group has assessed fair value of shares option by the Black-Scholes model which is attributable to Level 3 in fair value hierarchy. The model inputs include:

- For the option granted 31 March 2024: grant date (31 March 2023), expiry days (14 April 2028 and 29 April 2029), share price 0.709 on grant day, exercise price 0.577422, expected price volatility of the bank's shares 25%, risk free interest rates – 3,5% and 2.3%;
- For the option granted 31 March 2023: grant date (31 March 2023), expiry days (9 April 2027 and 14 April 2028), share price 0.747 on grant day, exercise price 0.65, expected price volatility of the bank's shares 26%, risk free interest rates - 5% and 2.3%;
- For the option granted 30 March 2022: grant date (30 March 2022), expiry day (11 April 2025), share price 0.656 on grant day, exercise price 0.588, expected price volatility of the bank's shares 28%, risk free interest rate - 0.1%;
- For the option granted 31 March 2021: grant date (31 March 2021), expiry day (12 April 2024), share price 0.538 on grant day, exercise price 0.498, expected price volatility of the bank's shares 25%, risk free interest rate - 0.1%;

The value of the option is included in other equity line in the statement of financial position. Other equity consists of:

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
Options	1,480	1,019	1 697	1 209
Shares distributable to employees	-	-	-	-
Total	1,480	1,019	1 697	1 209

No options were forfeited or expired during periods ended 30 June 2024 and 31 December 2023. During six months period ended 30 June 2023 2,273 thousand units of share options were exercised for benefit of Group's defined employees (for benefit of Bank's defined employees – 1,991 thousand units) on exercise date at weighted average share price of 0.67 EUR. Weighted average option exercise price was 0 EUR.

Basic earnings per share:

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period. There were no potential ordinary shares at 30 June 2024 and 30 June 2023, therefore the Group had no dilutive potential ordinary shares and diluted earnings per share are equal to basic earnings per share.

The number of shares in issue ended 30 June 2024 was 662,997 thousand. Weighted average number of shares in issue for the period ended 30 June 2024 was 642,766 thousand (30 June 2023: 600,194 thousand).

Group

	30 June 2024	30 June 2023
Net profit from continuing operations attributable to equity holders	42 992	43,256
Net profit (loss) from discontinued operations attributable to equity holders	-	-
Net profit attributable to equity holders	42 992	43,256
Weighted average number of shares in issue during the period (thousand units)	618 095	600,194
Basic earnings per share (EUR)	0,07	0,07
Basic earnings per share (EUR) from continuing operations	0,07	0,07
Basic earnings per share (EUR) from discontinued operations	-	-

NOTE 7
NET INTEREST INCOME

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
Interest revenue calculated using the effective interest method (on financial assets at amortized cost and fair value through other comprehensive income):	120,647	112,800	86,953	80,071
<i>on loans to other banks and financial institutions and placements with credit institutions</i>	12,927	19,249	4,313	8,265
<i>on loans to customers</i>	101,453	87,370	78,474	67,739
<i>on debt securities at amortized cost</i>	6,068	5,982	3,810	3,713
<i>on debt securities at fair value through other comprehensive income</i>	199	199	356	354
Other similar income:	13,027	12,104	9,526	9,438
<i>on debt securities at fair value through profit or loss</i>	1,588	667	979	907
<i>on loans at fair value through profit or loss</i>	359	359	321	321
<i>on finance leases</i>	11,080	11,078	8,226	8,210
<i>other interest income</i>	-	-	-	-
Total interest income	133,674	124,904	96,479	89,509
Interest expense:				
<i>on financial liabilities designated at fair value through profit or loss</i>	-	-	-	-
<i>on financial liabilities measured at amortized cost</i>	(53,036)	(53,111)	(21,100)	(21,116)
<i>on other liabilities</i>	(8)	(2)	(12)	(5)
Total interest expense	(53,044)	(53,113)	(21,112)	(21,121)
Net interest income	80,630	71,791	75,367	68,388

NOTE 8
NET FEE AND COMMISSION INCOME

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
Fee and commission income:				
<i>for administration of loans of third parties</i>	3,398	3,398	2,329	2,329
<i>for settlement services</i>	2,474	2,479	2,718	2,726
<i>for cash operations</i>	2,034	2,034	2,454	2,454
<i>for account administration</i>	3,333	3,334	3,151	3,151
<i>for guarantees, letters of credit, documentary collection</i>	481	481	412	412
<i>for collection of utility and similar payments</i>	112	112	113	113
<i>for services related to securities</i>	2,307	2,339	1,682	1,722
<i>Pension and investment fund management</i>	3,797	-	-	-
<i>other fee and commission income</i>	204	1,383	452	915
Total fee and commission income	18,140	15,560	13,311	13,822
Fee and commission expense:				
<i>for payment cards</i>	(2,678)	(2,676)	(2,289)	(2,289)
<i>for cash operations</i>	(355)	(355)	(371)	(371)
<i>for correspondent bank and payment system fees</i>	(285)	(221)	(263)	(206)
<i>for services of financial data vendors</i>	-	-	-	-
<i>for services related to securities</i>	(497)	(498)	(423)	(423)
<i>Pension and investment fund management</i>	(30)	-	-	-
<i>other fee and commission expenses</i>	(558)	(231)	(213)	(209)
Total fee and commission expense	(4,403)	(3,981)	(3,559)	(3,498)
Net fee and commission income	13,737	11,579	9,752	10,324

NOTE 9
OTHER OPERATING EXPENSES

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
<i>Rent of buildings and premises</i>	(195)	(190)	(143)	(145)
<i>Utility services for buildings and premises</i>	(659)	(647)	(724)	(711)
<i>Other expenses related to buildings and premises</i>	(401)	(399)	(386)	(386)
<i>Transportation expenses</i>	(229)	(187)	(194)	(158)
<i>Legal costs</i>	(97)	(97)	(474)	(474)
<i>Personnel and training expenses</i>	(733)	(725)	(473)	(444)
<i>IT and communication expenses</i>	(6,772)	(6,047)	(4,773)	(4,425)
<i>Marketing and charity expenses</i>	(2,231)	(1,068)	(1,847)	(600)
<i>Service organization expenses</i>	(1,860)	(1,617)	(1,345)	(1,269)
<i>Non-income taxes, fines</i>	(2,559)	(2,264)	(303)	(32)
<i>Costs incurred due to debt recovery</i>	(605)	(472)	(223)	(100)
<i>Other expenses</i>	(790)	(604)	(521)	(361)
Total	(17,130)	(14,316)	(11,406)	(9,105)

NOTE 10
IMPAIRMENT LOSSES

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
<i>(Impairment losses) / reversal of impairment losses on loans</i>	(2,804)	1,217	(4,543)	(3,009)
<i>Recoveries of loans previously written-off</i>	85	78	93	91
<i>Reversal of impairment losses / (impairment losses) on finance lease receivables</i>	(1,587)	(1,591)	(490)	(484)
<i>Recovered previously written-off finance lease receivables</i>	-	-	-	-
<i>(Impairment losses) on debt securities</i>	102	100	71	82
<i>Reversal of impairment losses on due from banks</i>	12	12	-	-
<i>Reversal of impairment losses / (impairment losses) on other financial assets</i>	208	208	(511)	(511)
<i>(Impairment losses) on subsidiaries</i>	-	-	-	-
<i>(Impairment losses) / reversal of impairment losses on other non-financial assets</i>	-	-	-	-
<i>Recoveries of other non-financial assets previously written-off</i>	-	-	-	-
<i>Provisions for other liabilities</i>	68	-	41	-
Total	(3,916)	24	(5,339)	(3,831)

NOTE 10
IMPAIRMENT LOSSES (CONTINUED)

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
Allowance for impairment of loans				
As at 1 January	43,558	30,761	34,229	26,705
Change in allowance for loan impairment	2,804	(1,217)	4,543	3,009
Loans written off during the period	(1,881)	(555)	(1,316)	(411)
Other factors (reclassification, FX rate shift, etc.)	(1)	(1)	-	1
As at 30 June	44,480	28,988	37,456	29,304
Allowance for impairment of finance lease receivables				
As at 1 January	7,574	6,768	5,300	4,494
Change in allowance for impairment of finance lease receivables	1,587	1,591	490	484
Finance lease receivables written off during the period	-	-	-	-
Other factors (reclassification, FX rate shift, etc.)	(4)	(4)	-	-
As at 30 June	9,157	8,355	5,790	4,978
Allowance for impairment of debt securities				
As at 1 January	1,249	220	1,632	598
Change in allowance for impairment of debt securities	(102)	(100)	(71)	(82)
Debt securities written off during the period	-	-	-	-
Other factors (reclassification, FX rate shift, etc.)	1	1	(14)	-
As at 30 June	1,148	121	1,547	516
Allowance for impairment of due from banks				
As at 1 January	46	46	39	39
Change in allowance for impairment of due from banks	(12)	(12)	-	-
Due from banks written off during the period	-	-	-	-
Other factors (reclassification, FX rate shift, etc.)	1	1	-	-
As at 30 June	35	35	39	39
Allowance for impairment of other financial assets				
As at 1 January	1,118	1,101	506	490
Change in allowance for impairment of other financial assets	(208)	(208)	511	511
Other financial assets written off during the period	(16)	-	(3)	(3)
Other factors (reclassification, FX rate shift, etc.)	-	-	(1)	(2)
As at 30 June	894	893	1,013	996

As environmental factors changed, assumptions and estimates used in probability of default (PD) estimations were changed. The scenarios used to calculate PDs were based on the latest available economic change scenarios published by institutions, Group's management assigned judgement-based probabilities to these scenarios. It should be noted that economic forecasts used took into account ongoing Russia's invasion to Ukraine but without knowing result scenario of it significant uncertainties existed on how it will impact further global, country and sectors development trends. Due to such circumstances there is a significant probability that actual results may deviate from the estimated.

Scenario probabilities and weighted average GDP growth:

	2024		2025		2026		2027		2028	
	GDP	Probability	GDP	Probability	GDP	Probability	GDP	Probability	GDP	Probability
At 30 June 2024:										
Base scenario	1.90 %	60 %	3.10 %	60 %	3.30 %	60 %	2.23 %	60 %	2.20 %	60 %
Optimistic scenario	2.90 %	15 %	3.80 %	15 %	4.00 %	15 %	3.50 %	15 %	3.10 %	15 %
Pessimistic scenario	1.00 %	25 %	1.90 %	25 %	2.00 %	25 %	1.50 %	25 %	1.50 %	25 %
Weighted average GDP growth	1.34%		2.91%		3.08%		2.23%		2.13%	
At 31 December 2023:										
Base scenario	1,80%	60 %	3,10%	60 %	3,30%	60 %	2,30%	60 %	2,30%	60 %
Optimistic scenario	2,50%	15 %	3,80%	15 %	4,00%	15 %	3,10%	15 %	3,10%	15 %
Pessimistic scenario	0,20%	25 %	1,90%	25 %	2,00%	25 %	0,10%	25 %	0,10%	25 %
Weighted average GDP growth	1,51%		2,91%		3,08%		1,87%		1,87%	

Recovery rates used to derive LGD parameters were also revised to take into account latest available collateral sales data. Group's impairment expenses due to changes in accounting estimates amounted to: for the six months period ended 30 June 2024 – impairment loss of EUR 813 thousand (all attributable to change in calculation parameters), for the six months period ended 30 June 2023 – a reversal of impairment loss of EUR 286 thousand (all attributable to change in calculation parameters).

The Bank and the Group do not have any significant direct lending exposures in Russia, Belarus and Ukraine. As a result of the Russian war in Ukraine, EUR 16,391 thousand (gross) of loans as at 30 June 2022 have been placed on the Watch List. Of these, EUR 181 thousand (1 customer) remained on the list at 30 June 2024, for which an impairment charge of EUR 378 was recognised. Of the EUR 9 629 thousand (gross) added to the NPE List, no such positions remained at 30 June 2024 due to the removal of the Customer's non-performing status or the repayment of loans.

NOTE 11

SIGNIFICANT INFORMATION ON OTHER INCOME STATEMENT ITEMS

Net gain from trading activities

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
<i>Net gain from operations with securities</i>	7,839	156	2,614	124
<i>Net gain from foreign exchange and related derivatives</i>	(324)	(325)	4,806	4,806
<i>Net gain (loss) from other derivatives</i>	3,378	3,378	(1,145)	(1,145)
Total	10,893	3,209	6,275	3,785

Net gain from trading activities includes investment result of the insurance company assets under unit-linked contracts (see below): a net profit of EUR 7 911 thousand for the six months period ended 30 June 2024; a net profit of EUR 2,487 thousand for the six months period ended 30 June 2023.

Expenses related to insurance activities

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
<i>Part of the change of insurance contract liabilities that covers the result of investment of assets under unit-linked contracts*</i>	(7,911)	-	(2,487)	-
<i>Other changes of insurance contract liabilities and other expenses related to insurance activities</i>	(3,525)	-	(1,559)	-
Total expenses related to insurance activities	(11,436)	-	(4,046)	-

* The investment result of the insurance company assets under unit-linked contracts is included in the following income statement lines:

	1 January - 30 June 2024		1 January - 30 June 2023	
	Group	Bank	Group	Bank
<i>Interest and similar income</i>	840	-	2	-
<i>Net gain (loss) from operations with securities</i>	7,071	-	2,485	-
<i>Net gain (loss) from foreign exchange</i>	-	-	-	-
Total	7,911	-	2,487	-

NOTE 12

RELATED-PARTY TRANSACTIONS

Related parties with the Bank are classified as follows:

- members of the Bank's Supervisory Council and Board (which also are the main decision makers of the Group), their close family members and companies that are controlled, jointly controlled over by these related parties;
- subsidiaries of the Bank;
- the shareholders holding over 20% of the Bank's share capital or being a part of a voting group acting in concert that holds over 20% of voting rights therefore presumed to have a significant influence over the Group.

During 2024 and 2023, a certain number of banking transactions were entered into with related parties in the ordinary course of business. These transactions include settlements, loans, deposits and foreign currency transactions. According to the local legislation, the information on executed material transactions with related parties is published on Bank's website (www.sb.lt) > About bank > Information > Reports regarding the transactions with related parties).

NOTE 12

RELATED-PARTY TRANSACTIONS (CONTINUED)

The balances of loans granted to and deposits accepted from the Bank's related parties, except for subsidiaries, were as follows:

	30 June 2024		31 December 2023	
	Balances of deposits	Balances of loans (incl. off-balance sheet credit commitments)	Balances of deposits	Balances of loans and debt securities (incl. off-balance sheet credit commitments)
<i>Members of the Council and the Board</i>	682	707	483	302
<i>Other related parties (excluding subsidiaries of the Bank)</i>	679	8 948	999	9 384
Total	1 361	9 655	1 482	9 686

As of 30 June 2024, the balance of individual allowance for impairment losses on loans to related parties, except subsidiaries, amounted to EUR 12 thousand (31 December 2023: EUR 10 thousand).

Remuneration of the management of the Bank:

According to the Bank's Remuneration Policy, the members of the management bodies are paid a fixed and annual variable remuneration. The annual variable remuneration fund is formed based on the Bank's performance, taking into account current and future risks. During 6 months period ended 30 June 2024 the total amount of fixed and annual variable remuneration (total of payments in cash and in shares of the Bank) to the Bank's Board members amounted to EUR 1,254 thousand (2023: EUR 1,350 thousand).

Transactions with subsidiaries:

Balances of transactions with the subsidiaries are presented below:

	30 June 2024		31 December 2023	
	Balances of deposits	Balances of loans (incl. off-balance sheet credit commitments)	Balances of deposits	Balances of loans (incl. off-balance sheet credit commitments)
<i>Non-financial institutions</i>	59,536	75,441	35 155	43 820
<i>Financial institutions</i>	33	298,681	52	263 192
	59,569	374,122	35 207	307 012

Bank's total balances with subsidiaries:

	30 June 2024	31 December 2023
Assets		
<i>Loans</i>	330,255	277 623
<i>Other assets</i>	-	-
<i>Bank's investment in subsidiaries</i>	80,056	76 672
Liabilities and shareholders' equity		
<i>Deposits</i>	59,569	35 207
<i>Other liabilities</i>	-	-

Income and expenses arising from transactions with subsidiaries:

	1 January – 30 June 2024	1 January – 30 June 2023
Income		
<i>Interest</i>	7 583	4 401
<i>Commission income</i>	2 710	1 040
<i>FX gain (loss)</i>	-	-
<i>Share of the profit or loss of investments in subsidiaries accounted for using the equity method</i>	3 284	2 370
<i>Other income</i>	413	189
Expenses		
<i>Interest</i>	(75)	(16)
<i>Operating expenses</i>	492	17
<i>(Impairment losses)/ reversal of impairment losses on loans</i>	427	15
<i>Allowance for impairment losses on investments in subsidiaries</i>	-	-

As of 30 June 2024, the balance of individual allowance for impairment losses on loans to subsidiaries amounted to EUR 1 081 thousand (31 December 2023: EUR 109 thousand).

NOTE 13

LIQUIDITY, MARKET AND OPERATIONAL RISKS

Liquidity risk

Liquidity risk means the risk that the Bank is unable to meet its financial obligations in time or that it will not manage to receive financial resources during a short time by borrowing or selling the assets.

Liquidity risk management process

The liquidity risk management depends on the Bank's ability to cover the cash shortage by borrowing from the market and the liquidity of the market itself. Liquidity risk management is regulated by the Procedures for Liquidity Risk Management approved by the Board of the Bank. The management of the current and non-current liquidity risk is distinguished in the mentioned procedures. The current liquidity is based on the control of the incoming and outgoing cash flow. The non-current liquidity is managed on the limit system basis.

No Bank's liquidity situation deterioration was observed during Covid-19 epidemic situation.

Tables below present the assets and liabilities according to their remaining maturity defined in the agreements. However, actual maturity of the particular types of assets and liabilities may be longer as, for example a portion of loans and deposits is extended and thus the real repayment terms of short-term loans and demand deposits move forward.

The structure of the Group's assets and liabilities by maturity as at 30 June 2024 was as follows:

	Less than 1 month	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	More than 3 years	Maturity undefined	Total
<i>Total assets</i>	154,683	641,025	139,398	193,556	311,861	1,524,883	1,820,759	249,967	5,036,132
<i>Total liabilities and shareholders' equity</i>	1,674,428	138,605	858,244	596,730	754,619	240,745	217,455	555,306	5,036,132
<i>Net liquidity gap</i>	(1,519,745)	502,420	(718,846)	(403,174)	(442,758)	1,284,138	1,603,304	(305,339)	-

The structure of the Group's assets and liabilities by maturity as at 31 December 2023 was as follows:

	Less than 1 month	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	More than 3 years	Maturity undefined	Total
<i>Total assets</i>	182 584	718 798	143 559	332 814	347 088	1 271 834	1 586 170	226 474	4 809 321
<i>Total liabilities and shareholders' equity</i>	1 783 550	119 671	223 317	452 168	1 261 637	233 444	192 415	543 119	4 809 321
<i>Net liquidity gap</i>	(1 600 966)	599 127	(79 758)	(119 354)	(914 549)	1 038 390	1 393 755	(316 645)	-

The structure of the Bank's assets and liabilities by maturity as at 30 June 2024 was as follows:

	Less than 1 month	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	More than 3 years	Maturity undefined	Total
<i>Total assets</i>	145,932	627,195	121,430	169,626	548,995	1,398,895	1,699,824	121,684	4,833,581
<i>Total liabilities and shareholders' equity</i>	1,676,468	123,197	764,241	595,968	752,694	235,877	127,996	557,140	4,833,581
<i>Net liquidity gap</i>	(1,530,536)	503,998	(642,811)	(426,342)	(203,699)	1,163,018	1,571,828	(435,456)	-

NOTE 13

LIQUIDITY, MARKET AND OPERATIONAL RISKS (CONTINUED)

The structure of the Bank's assets and liabilities by maturity as at 31 December 2023 was as follows:

	Less than 1 month	Less than 1 month	1 to 3 months	3 to 6 months	6 to 12 months	1 to 3 years	More than 3 years	Maturity undefined	Total
<i>Total assets</i>	174 054	711 067	368 211	309 951	313 680	1 163 511	1 472 432	110 204	4 623 110
<i>Total liabilities and shareholders' equity</i>	1 697 259	108 893	223 678	455 836	1 255 860	228 600	108 543	544 441	4 623 110
<i>Net liquidity gap</i>	(1 523 205)	602 174	144 533	(145 885)	(942 180)	934 911	1 363 889	(434 237)	-

Operational risk

Operational risk is the risk of experiencing losses due to improper or unimplemented internal control processes, employee errors and/or illegal actions, disruptions in information system operations, or the influence of external events. Operational risk, unlike other types of risks (credit, market, liquidity), is not intentionally assumed with the expectation of gaining benefits; it arises naturally in the course of the Bank's activities.

In the year 2024, the Bank continued to enhance the operational and reputational risk management systems, as well as incident recording systems for the Bank and its Group. Starting from December 1, 2023, operational risk incidents are recorded in the Service Bank. The decision to migrate to the Service Bank was made for the convenience of JIRA functionalities and a unified registration location. From now on, operational risk incidents in the Service Bank can be recorded by all employees of the Bank, SB Leasing UAB, Life Insurance SB Draudimas, and SB Asset Management UAB. The Operational Risk and Reputational Risk Management Procedures have also been updated to regulate the management of operational and reputational risks on a Group-wide basis, and new instructions have been drafted for the recording of Operational Risk events in the OR Register. At the beginning of 2024, e-learning modules on Operational Risk were updated for the entire Group.

During the six month period ended 30 June 2024, significant attention will continue to be given to Business Continuity Management, with Comprehensive Testing planned. Significant attention will also be paid to Risk Management and monitoring of Critical Outsourced Services, as well as strengthening the operational and reputational risk culture across the entire Bank Group.

NOTE 14

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

Types of inputs used in valuation techniques determine the following fair value hierarchy:

- Level I – Quoted prices (unadjusted) or public price quotations in active markets for identical assets or liabilities;
- Level II – Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level III – inputs for the asset or liability that are not based on observable market data (unobservable inputs).

During the six months period ended 30 June 2023, the process of fair value measurement did not change significantly as compared to the process described in the annual financial statements for the year 2023. For the valuation of financial assets and liabilities purposes, estimates, valuation techniques and inputs used to develop those measurements have not changed significantly during the six months period ended 30 June 2024.

NOTE 14

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE (CONTINUED)

Measurement of financial assets and liabilities according to the fair value hierarchy

	30 June 2024		31 December 2023	
	Group	Bank	Group	Bank
LEVEL I				
Trading book securities	158,880	8,394	140,317	5,413
Investment securities at fair value	53,315	53,315	70,054	70,054
Total Level I financial assets	212,195	61,709	210,371	75,467
LEVEL II				
Derivative financial instruments - assets	856	856	251	241
Derivative financial instruments - liabilities	(213)	(213)	(1,041)	(1,041)
	40,657	-	-	-
LEVEL III				
Trading book securities	19,256	6,351	67,360	14,989
Investment securities at fair value	6,140	2,455	4,446	4,328
Total Level III financial assets	25,396	8,806	71,806	19,317

Changes in Level III instruments during the six months period ended 30 June:

Group	Trading book securities		Investment securities at fair value	
	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023
As at 31 December	67,360	46,335	4,446	6,602
Impact of change in accounting principles	-	-	-	-
As at 1 January	67,360	46,335	4,446	6,602
Additions	3,528	15,810	3,565	-
Disposals / redemption / derecognition	(11,706)	(10,194)	(2,000)	(837)
Reclassifications	(39,972)	-	-	-
Changes due to interest accrued/paid	241	43	73	23
Changes in fair value	(195)	(219)	56	(211)
As at 30 June	19,256	51,775	6,140	5,577

Bank	Trading book securities		Investment securities at fair value	
	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023	1 Jan - 30 Jun 2024	1 Jan - 30 Jun 2023
As at 31 December	14,989	17,906	4,328	6,602
Impact of change in accounting principles	-	-	-	-
As at 1 January	14,989	17,906	4,328	6,602
Additions	3,197	10,655	-	-
Disposals / redemption / derecognition	(11,696)	(9,423)	(2,000)	(837)
Changes due to interest accrued/paid	203	259	73	23
Changes in fair value	(342)	(223)	54	(211)
As at 30 June	6,351	19,174	2,455	5,577

	1 January – 30 June 2024		1 January – 30 June 2023	
	Group	Bank	Group	Bank
Total result from revaluation of Level III instruments included in the income statement	(139)	(288)	(430)	(434)

Fair value of investment securities held to collect cash flows:

The fair value for Group's investment securities at amortized cost is based on market prices or broker/dealer price quotations – i.e. it is estimated using valuation technique attributable to Level 1 in the fair value hierarchy.

	30 June 2024		31 December 2023	
	Carrying value	Fair value	Carrying value	Fair value
Investment securities at amortized cost	797,902	780,368	751,227	712,594

NOTE 15
SEGMENT INFORMATION

Business segments

In relation to adjusted strategy of the Bank, business model and strategic decisions are divided into three business lines – corporate, private and investment. Due to such reasons Group's segment information is provided in different form if compared to previous periods starting from 1 January 2024. Comparable segmentation information for 2023 is also provided using new form.

A summary of major indicators for the main business segments of the Group included in the Statement of financial position as at 30 June 2024 and in the Statement of comprehensive income for three months period then ended is presented in the table below.

	2024-06-30			
	Segmentation by profit centres			
	Corporate	Private	Investment	Total
<i>Net interest income</i>	42,900	23,576	14,155	80,630
<i>Net fee and commission income</i>	6,388	3,825	3,524	13,737
<i>Net gain from insurance activities</i>	-	371	3,073	3,443
<i>Other income</i>	1,143	327	1,748	3,217
<i>Salaries and related expenses</i>	(10,092)	(9,487)	(3,595)	(23,174)
<i>Other expenses</i>	(7,233)	(10,097)	(3,468)	(20,798)
<i>Impairment expenses</i>	125	(4,162)	122	(3,916)
<i>Income tax</i>	(6,386)	(1,291)	(2,471)	(10,147)
Net profit centre result	26,845	3,061	13,087	42,992
<i>Total segment assets</i>	1,943,636	1,235,957	1,856,539	5,036,132

A summary of major indicators (restated) for the main business segments of the Group included in the Statement of financial position as at 30 June 2023 and in the Statement of comprehensive income for the twelve months period then ended is presented in the table below.

	2023-06-30			
	Segmentation by profit centres			
	Corporate	Private	Investment	Total
<i>Net interest income</i>	31,512	17,049	26,805	75,367
<i>Net fee and commission income</i>	5,594	2,729	1,428	9,752
<i>Net gain from insurance activities</i>	-	1,291	(463)	828
<i>Other income</i>	969	1,255	2,862	5,086
<i>Salaries and related expenses</i>	(7,597)	(7,419)	(1,822)	(16,838)
<i>Other expenses</i>	(5,086)	(7,448)	(1,525)	(14,059)
<i>Impairment expenses</i>	(3,104)	(2,224)	(11)	(5,339)
<i>Income tax</i>	(5,460)	(997)	(6,881)	(13,338)
Net profit centre result	16,828	4,237	20,393	41,458
<i>Total segment assets</i>	1,720,398	1,016,192	1,473,907	4,210,497

NOTE 16
SELECTED INFORMATION OF FINANCIAL GROUP

According to local legislation the Bank is required to disclose certain information for the Financial group. As of 30 June 2024 the Bank owned the following subsidiaries included in the prudential scope of consolidation (the Bank and three subsidiaries comprised the Financial group, all of the entities attributable to Financial Group operate in Lithuania):

1. SB Turto Fondas UAB (real estate management activities),
2. SB Lizingas UAB (consumer financing activities),
3. SB Asset Management UAB (investment management activities).

As of 31 December 2023 the Bank owned the following subsidiaries included in the prudential scope of consolidation (the Bank and three subsidiaries comprised the Financial group, all of the entities attributable to Financial Group operate in Lithuania):

1. Šiaulių Banko Lizingas UAB (finance and operating lease activities),
2. SB Turto Fondas UAB (real estate management activities),
3. SB Lizingas UAB (consumer financing activities).

In the Financial Group financial statements, the subsidiaries of the Bank that are not included in the Financial Group are not consolidated in full as would be required by IFRS 10 but presented on the consolidated balance sheet of the Financial Group as investments in subsidiaries at cost less impairment, in the same way as presented on the balance sheet of the Bank. This presentation is consistent with the regulatory reporting made by the Bank according to the Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms (CRR).

Financial Group's condensed statement of financial position

	30 June 2024	31 December 2023
ASSETS		
<i>Cash and cash equivalents</i>	667,987	743,733
<i>Securities in the trading book</i>	14,745	20,522
<i>Due from other banks</i>	3,354	3,013
<i>Derivative financial instruments</i>	856	241
<i>Loans to customers</i>	2,874,480	2,645,104
<i>Finance lease receivables</i>	313,542	286,533
<i>Investment securities at fair value</i>	59,455	74,500
<i>Investment securities at amortized cost</i>	786,996	739,869
<i>Investments in subsidiaries and associates</i>	36,105	32,628
<i>Intangible assets</i>	41,790	41,919
<i>Property, plant and equipment</i>	14,943	15,116
<i>Investment property</i>	976	993
<i>Current income tax prepayment</i>	180	9
<i>Deferred income tax asset</i>	6,803	7,575
<i>Other assets</i>	22,628	20,014
Total assets	4,844,840	4,631,769
LIABILITIES		
<i>Due to other banks and financial institutions</i>	578,276	571,750
<i>Derivative financial instruments</i>	213	1,041
<i>Due to customers</i>	3,322,711	3,163,157
<i>Special and lending funds</i>	17,518	15,718
<i>Debt securities in issue</i>	305,169	276,480
<i>Current income tax liabilities</i>	2,702	6,412
<i>Deferred income tax liabilities</i>	6,149	6,125
<i>Other liabilities</i>	55,275	46,603
Total liabilities	4,288,013	4,087,286
EQUITY		
<i>Share capital</i>	192,269	192,269
<i>Share premium</i>	25,534	25,534
<i>Treasury shares (-)</i>	(900)	(1,500)
<i>Reserve capital</i>	756	756
<i>Statutory reserve</i>	60,904	47,682
<i>Reserve for acquisition of own shares</i>	20,000	20,000
<i>Financial instruments revaluation reserve</i>	(4,368)	(5,426)
<i>Other equity</i>	1,404	1,603
<i>Retained earnings</i>	261,228	263,565
<i>Non-controlling interest</i>	-	-
Total equity	556,827	544,483
Total liabilities and equity	4,844,840	4,631,769

NOTE 16

SELECTED INFORMATION OF FINANCIAL GROUP (CONTINUED)

Financial Group's condensed income statement

	for the six months period ended	
	30 June 2024	30 June 2023
<i>Interest revenue calculated using the effective interest method</i>	120,905	86,901
<i>Other similar income</i>	11,747	9,454
<i>Interest expense and similar charges</i>	(53,043)	(21,111)
Net interest income	79,609	75,244
<i>Fee and commission income</i>	18,324	13,364
<i>Fee and commission expense</i>	(4,375)	(3,546)
Net fee and commission income	13,949	9,818
<i>Net gain from trading activities</i>	3,219	3,785
<i>Net gain (loss) from derecognition of financial assets</i>	(91)	319
<i>Net gain (loss) from disposal of tangible assets</i>	23	721
<i>Revenue related to insurance activities</i>	-	-
<i>Other operating income</i>	405	256
<i>Salaries and related expenses</i>	(22,862)	(16,639)
<i>Depreciation and amortization expenses</i>	(3,620)	(2,583)
<i>Expenses related to insurance activities</i>	-	-
<i>Other operating expenses</i>	(17,015)	(11,226)
Operating profit before impairment losses	53,617	59,695
<i>Allowance for impairment losses on loans and other assets</i>	(3,918)	(5,328)
<i>Allowance for impairment losses on investments in subsidiaries</i>	-	-
<i>Share of the profit or loss of investments in subsidiaries accounted for using the equity method</i>	3,424	427
Profit before income tax	53,123	54,794
<i>Income tax expense</i>	(10,147)	(13,338)
Net profit for the period	42,976	41,456
<i>Profit (loss) from discontinued operations, net of tax</i>	-	-
Net profit for the year	42,976	41,456
Net profit attributable to:		
<i>Owners of the Bank</i>	42,976	41,456
<i>From continuing operations</i>	42,976	41,456
<i>From discontinued operations</i>	-	-
<i>Non-controlling interest</i>	-	-

Financial Group's condensed statement of comprehensive income

	for the six months period ended	
	30 June 2024	30 June 2023
Net profit for the period	42,976	41,456
Other comprehensive income		
<i>Items that may be subsequently reclassified to profit or loss:</i>		
<i>Gain from revaluation of financial assets</i>	1,322	406
<i>Deferred income tax on gain from revaluation of financial assets</i>	(264)	(81)
Other comprehensive income, net of deferred tax	1,058	325
Total comprehensive income for the period	44,034	41,781
Total comprehensive income (loss) attributable to:		
<i>Owners of the Bank</i>	44,034	41,781
<i>Non-controlling interest</i>	-	-
	44,034	41,781

NOTE 17
LIABILITIES RELATED TO INSURANCE ACTIVITIES

Insurance contract liabilities

Bank's subsidiary SB draudimas UAB is engaged in life insurance business. For the periods ended 30 June 2024 and 31 December 2023 the liabilities from insurance contracts and their changes were as follows:

	<i>Best estimate of liabilities</i>	<i>Risk adjustment for non-financial risks</i>	<i>Contractual service margin</i>	<i>Investment units</i>	<i>Total</i>
Gross:					
<i>At 1 January 2023</i>	23 025	2 571	4 360	6 229	36 185
<i>Change during period</i>	16 697	14 443	25 899	86 092	143 132
<i>At 31 December 2023</i>	39 722	17 014	30 259	92 322	179 317
<i>Change during period</i>	8 211	698	(686)	1 512	9 736
<i>At 30 June 2024</i>	47 934	17 712	29 573	93 834	189 053
Reinsurance share:					
<i>At 1 January 2023</i>	0	-	-	-	0
<i>Change during period</i>	1	-	-	-	1
<i>At 31 December 2023</i>	1	-	-	-	1
<i>Change during period</i>	-1	-	-	-	-1
<i>At 30 June 2024</i>	0	-	-	-	0
Net value					
<i>At 31 December 2023</i>	39 724	17 014	30 013	89 780	176 530
<i>At 30 June 2024</i>	47 934	17 712	29 573	93 834	189 053

NOTE 18
SUBSEQUENT EVENTS

After end of reporting period there were no significant events which would have impact to these financial statements.

ADDITIONAL INFORMATION

for the six month period ended 30 June 2024

The present additional information of Šiaulių Bankas AB (hereinafter — the Bank) covers the period 01 January 2024 to 30 June 2024.

The description of alternative performance indicators is available on the Bank's website at:

[Homepage](#) › [Bank Investors](#) › [Financial Information](#) › [Alternative Performance Measures](#)

ACTIVITY RESULTS

- **Profit.** Šiaulių Bankas earned a net profit of €43.0 million
- **Return on capital.** Achieved a return on equity (RoE) of 16.2%
- **Loan portfolio.** New loan financing contract volumes grew rapidly, with the loan portfolio exceeding €3 billion
- **Asset quality.** The cost of risk (CoR) of the loan portfolio was 0.29%
- **Net fee and commission income.** Net fee and commission income amounted to €13.7 million, an increase of 41% compared to the same period last year

„Following the ambitious strategy outlined earlier this year, we've gained a significant momentum. We achieved robust growth across all business segments, from increased lending to both corporate and private clients to expanded investment opportunities. Customers appreciate our efforts, as evidenced by our highest customer satisfaction and reputation scores in five years,“ says Vytautas Sinius, CEO.

Šiaulių Bankas Group earned an unaudited net profit of €43.0 million in the first half of 2024, which is 4% more than in the corresponding period of 2023. Operating profit before impairment and income tax amounted to €57.1 million, a 5% decrease compared to operating profit of €60.1 million in the first half of 2023.

Net interest income grew by 7% compared to the first half of 2023 to €80.6 million, while net fee and commission income grew by 41% to €13.7 million.

All loan book segments grew in the first half of the year, with the total loan portfolio increasing by 9% (€256 million) to €3.19 billion (growth of 5% or €143 million in Q2). New credit agreements worth €791 million were signed during the half-year, 7% more than in the corresponding period of 2023 (€740 million).

The quality of the loan portfolio remains strong with provisions of €3.9 million made in the first half of the year due to the revision of the parameters in line with updated macroeconomic forecasts, compared to provisions of €5.3 million in the first half of 2023. The Cost of Risk (CoR) of the loan portfolio for H1 2024 was 0.29% (0.36% in H1 2023).

The deposit portfolio grew by 5% (€162 million) over the half-year period and exceeded €3.34 billion at the end of June (growth of 2% or €80 million in Q2). The share of time deposits continued to increase. At the end of June, term deposits exceeded 53% of the total portfolio.

The capital structure of the bank was strengthened by the issue of subordinated bonds of €25 million in the second quarter of this year with oversubscription of almost 4 times. Investor confidence is reinforced by the Bank's Baa1 credit rating, the highest in its history, and its stable outlook, as confirmed by Moody's.

Šiaulių Bankas maintained a high level of operational efficiency in line with the target level. The Group's cost-to-income ratio reaching 45.4%¹ (35.0%¹ in the first half of 2023). Cost-to-income ratio was affected by the €2.2 million one-off adjustment of windfall tax for 2023, which was added to other operating expenses in the second quarter of the year.

Return on equity of 16.2% achieved (18.6% in the first half of 2023) and the capital and liquidity position remained strong and prudential ratios were met by a wide margin. The capital adequacy ratio (CAR) stood at 20.0%² and the liquidity coverage ratio (LCR) at 198.9%².

¹ eliminating the impact of the client portfolio if SB draudimas

² preliminary data

Overview of Business Segments

This year Šiaulių Bankas recorded the highest reputational growth among major banks operating in Lithuania. The bank's reputation index has reached its highest level in the last five years, according to Civitta consultancy which provide nationwide business reputation survey together with its partners. Šiaulių Bankas enjoys strong support from both decision-makers and the general public, according to the survey The bank is perceived as an organized business with a strong management team and significant contribution to the prosperity of Lithuania.

Corporate Client Segment

The volume of new business financing contracts increased by 5% to €461 million in the first half of this year. A record €253 million of new business financing contracts were concluded in the second quarter alone, 12% more than in the same period in 2023. The total corporate lending portfolio grew by 10% (€145 million) over the half-year to reach €1.7 billion.

The €200 million SB Modernization Fund 2, set up to finance the renovation of apartment buildings, which started its operations this year, concluded new modernization contracts worth €123 million in the second quarter of this year.

Private Client Segment

Demand for mortgages is showing a positive trend in the market, with new contract volumes increasing by 15% to €111 million in the first half of this year. The bank's total housing loan portfolio grew by 9% (€69 million) to over €0.8 billion.

Consumer finance is also active, with the volume of new contracts increasing by 12% to €126 million in the first half of the year. The total consumer loan portfolio grew by 15% (€43 million) to over €0.3 billion.

Investment Client Segment

Population in Lithuania is increasingly focusing on investing: the value of investments held in the bank amounted to €1.9 billion at the end of June, 10% higher than at the end of the first half of 2023. Debt capital markets (DCM) services surged, with the bank organizing €92 million in corporate bond issues for 14 clients in Q2.

Assets under management by SB Asset Management exceeded EUR 1.32 billion at the end of the second quarter of 2024 and grew by EUR 57 million in the Q2 of this year alone. Most of the gain was driven by the return on investments of the funds under management, which generated a profit of €35 million for clients. Tier II pension funds generated 2.8% return in the second quarter of this year and have maintained a very high average annual return rate of 10.1% in the last five years since the start of the pension reform of 2019.

SB Asset Management launched the third alternative investment fund in its series, SB Alternative Investment Fund III, with initial investments made in June. Unlike previous funds, this open-ended fund allows investors to both contribute and withdraw capital throughout its lifecycle.

Šiaulių Bankas has started offering its clients convenient access to SB Asset Management funds through its securities trading platform. Clients can now buy and sell fund units without additional fees or minimum investment amounts, streamlining the investment process.

REGARDING EXTERNAL ENVIRONMENT FACTORS

The Bank monitors the tense geopolitical situation in order to properly and timely assess and identify the potential impact of Russia's invasion of Ukraine on the Bank's operations and the quality of its portfolio due to the risks it poses to clients. The Bank has no operations in Russia, Belarus or Ukraine and does not have significant direct exposures in these countries. The Bank considers the secondary risk of direct insolvency of clients operating in Lithuania due to the geopolitical situation to be low: the Bank's largest clients are aware of the threats, the number of clients dependent on business relations with Ukraine and Russia is low, and clients with business relations in the countries mentioned above are reducing their dependence of their income on business transactions. To identify in a timely manner a potential increase in the risk of its clients, the Bank applies the procedures set out in the Bank's internal regulations, records Early Warning Indicators (EWI) for the impact of the geopolitical situation on the clients that have a moderate or greater dependence on the aforementioned countries through their supply or sales chains, or through their shareholding structure, and, in the event of a potentially significant risk, puts the client on the Watch List and implements enhanced monitoring for these clients, and approves action plans for the mitigation of risk. The greatest uncertainties and potential negative impacts arise from tertiary effects, i.e., the impact of Russia's invasion of Ukraine on the overall state of the economy. The Bank uses scenario assessments and stress testing to assess these impacts. These assessments indicate that the Bank's capital position is strong and that the Bank would be able to withstand significant shocks related to economic downturns.

The increased monitoring is not limited to credit risk, but also includes a stronger monitoring of the bank's liquidity position (except for the increased cash withdrawals a few days after the start of the invasion, there were no negative trends related to the invasion), increased focus on business continuity and IT security (business continuity plans have been updated with a number of additional scenarios, cybersecurity status is constantly being monitored, additional cyber-protection measures have been implemented, and testing of measures and plans is ongoing). Also, due to the rapidly changing situation and the introduction of new sanction packages, the processes and procedures for complying with the sanctions for clients and payments are under considerable scrutiny, which may in some cases lead to longer process time.

The Russian invasion of Ukraine may further contribute to increased market volatility. The Bank has no direct investments (securities or other financial instruments) in Russia, Belarus or Ukraine. The Bank has no or close to zero open currency exposure in these countries.

The Bank is closely monitoring the situation regarding problems of some US and Swiss banks. The Bank has no direct positions in these credit institutions and does not notice any material second or third order effects to Bank's activities. Events unfolding in the Middle East also do not have a material direct impact on Bank's activities.

On June 7 2023 the international rating agency Moody's Investor Service has upgraded Šiaulių Bankas long-term deposit ratings from Baa2 to Baa1. The outlook on the long-term deposit ratings is affirmed as stable. This is the highest rating in the bank's history. Moody's has also upgraded the long-term Counterparty Risk Ratings from Baa1 to A3. The long-term Counterparty Risk Assessments (CR Assessments) were upgraded from Baa1(cr) to A3(cr). Moody's has affirmed short-term deposit ratings of Šiaulių Bankas at P-2 and the short-term CR Assessments at P-2(cr). The Baseline Credit Assessment has also been upgraded from Ba1 to Baa3. On May 22 2024 the international rating agency Moody's Investor Service has affirmed Šiaulių Bankas long-term deposit ratings of Baa1. The outlook on the long-term deposit ratings remains stable.

COMPLIANCE WITH PRUDENTIAL REQUIREMENTS

Šiaulių Bankas maintained high operational efficiency. Capital and liquidity position remain robust - prudential requirements are implemented with adequate reserve. According to the data as of 30 June 2024 the Bank complied with all the prudential requirements set out by the supervisory authority.

The main financial indicators of the Group:

	31/12/2020	31/12/2021	31/12/2022	30/06/2023	31/12/2023	30/06/2024
ROAA, %	1.5	1.6	1.6	2.0	1.7	1.8
ROAE, %	12.7	14.3	15.2	18.6	15.5	16.2
Cost to income ratio, %	42.7	44.1	42.9	36.8	43.5	49.3
Cost to income ratio (adjusted due to the impact of the SB draudimas clients' portfolio), %	42.9	42.8	43.2	35.1	41.2	45.4
Loan to deposit ratio, %	75.0	78.6	94.6	97.7	92.7	96.0

At the end of Q1 2024 MREL requirement at Financial group level approved in February, 2023 were effective and have been met from 1 January 2024. Updated the MREL requirements which will be effective from May, 2024 was approved in March, 2024 including the following MREL requirements:

- The minimum requirement for own funds and eligible liabilities of the resolution entity with which the Financial group shall comply is 22.67% of total risk exposure (MREL-TREA) and 7.09% of leverage ratio exposure (MREL-LRE);
- Subordinated instruments shall comprise 13.50% of total risk exposure (MREL-TREA, subordinated) and 5.95% of leverage ratio exposures (MREL-LRE, subordinated).

The levels of MREL requirements are revised by the supervisory authorities of the bank each year. The MREL targets for Financial group can be summarised as follows:

	01/01/2024	05/2024
	(requirement)	(requirement)
MREL-TREA	21.49%	22.67%
MREL-LRE	7.16%	7.09%
MREL-TREA, subordinated	13.50%	13.50%
MREL-LRE, subordinated	5.99%	5.95%

In November 2023, in the international financial markets, Šiaulių Bankas AB successfully supplemented the 4-year issue made in 2021 with an additional nominal value of EUR 50 million. Before this addition, this issue amounted to EUR 160 million, now it is EUR 210 million. The bond issue was aimed at meeting future MREL requirements set by the supervisory authorities of the bank. In June 2023, the Bank successfully placed a 10-year subordinated bond issue of EUR 50 million in the international financial markets, which attracted more investor attention than expected. In May 2024, the Bank successfully placed a 10-year subordinated bond issue of EUR 25 million in the international financial markets. The funds raised will help the Bank to maintain its lending volumes to Lithuanian businesses, to achieve an efficient capital structure, to meet the requirements of the supervisory authority and to maintain the continuity of its dividend policy.

Data on indicators are also available on the website of Šiaulių Bankas:

- on operating profitability indicators:
[Homepage](#) > [Bank Investors](#) > [Financial Information](#) > [Profitability Ratios](#)
- prudential requirements:
[Homepage](#) > [Bank Investors](#) > [Financial Information](#) > [Prudential Standards](#)
- the description of alternative performance indicators:
[Homepage](#) > [Bank Investors](#) > [Financial Information](#) > [Alternative Performance Measures](#)

AUTHORIZED CAPITAL, SHAREHOLDERS

As of 30 June 2024, the authorized capital of the Bank totalled to EUR 192,269,027.34 and is divided into 662,996,646 units of ordinary registered shares with a nominal value of EUR 0.29 each (ISIN LT0000102253 Nasdaq CSD Lithuanian branch). The Charter of the Bank were registered in the Register of Legal Entities on 15 December 2023 after the last increase of the authorized capital by additional contributions.

The rights granted by the Bank's shares are specified in the Bank's Charter, which is available on the Bank's website at:

[Homepage](#) › [About Us](#) › [Important Documents](#)

Authorized capital:

	26/05/2015	14/09/2015	26/05/2016	06/06/2017	01/06/2018	13/12/2018	15/12/2023
Capital, EUR	85,033,800	91,226,381.99	109,471,658.33	131,365,989.88	157,639,187.74	174,210,616.27	192,269,027.34

As of 30 June 2024 the number of the Bank's shareholders was 19,154 (as of 30 June 2023 – 19,737). All issued shares grant the shareholders equal rights foreseen by the Law on Companies of the The Republic of Lithuania of Lithuania and the Charter of the Bank:

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Shareholders owning more than 5% of the Bank's shares and votes as of 30 June 2024:

	Share of shares and votes, %
Invalda INVL AB, c.c. 121304349	19.93*
Willgrow UAB, c.c. 302489393	8.97
EBRD, LEI code 549300HTGDOVDU60GK19	7.25
Tesonet Global UAB, c.c. 305475420	5.32
Algirdas Butkus	5.05**

* Pursuant to the Law on Securities of the Republic of Lithuania, the shareholder's votes are counted together with the controlled company: INVL Asset Management UAB, c.c. 126263073 - 0.30% of the votes

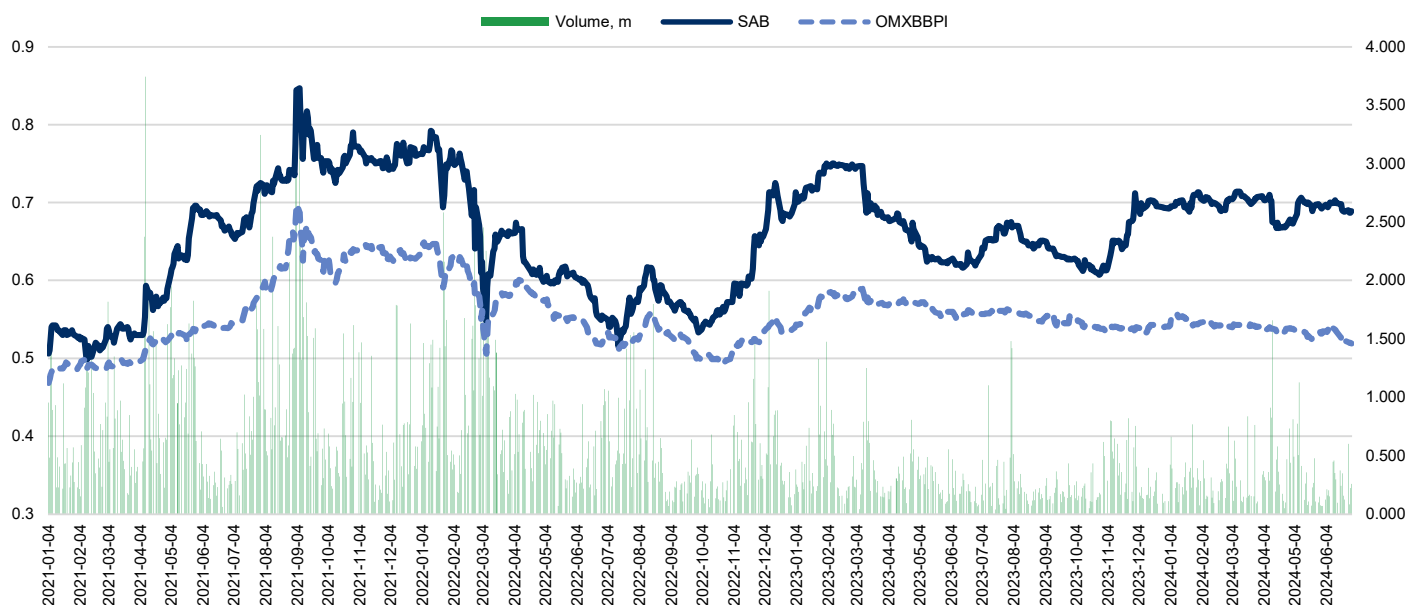
** Votes are counted together with controlled companies: Prekybos namai AIVA UAB, c.c. 144031190 – 1.81%, Mintaka UAB, c.c. 144725916 - 0.79%

Information on shares

	31/12/2020	31/12/2021	31/12/2022	30/06/2023	31/12/2023	30/06/2024
Capitalization, m EUR	299.2	457.2	412.1	376.7	459.5	456.8
Turnover, mln. Eur	84.5	134.8	101.9	29.6	52.1	26.7
Share price on the last trading session day	0.498	0.761	0.686	0.627	0.693	0.689
Lowest share price during the reporting period	0.320	0.493	0.511	0.614	0.606	0.658
Highest share price during the reporting period	0.558	0.890	0.794	0.754	0.754	0.714
Average share price during the reporting period	0.442	0.663	0.624	0.683	0.667	0.690
Share book value	0.592	0.678	0.737	0.783	0.822	0.840
P/BV	0.8	1.1	0.9	0.80	0.84	0.82
P/E	7.0	8.3	6.5	4.54	6.10	5.31
Capital increase from retained earnings, %	-	-	-	-	-	-

*description of indicators is provided on the Bank's website: [Homepage](#) › [Bank Investors](#) › [Financial Information](#) › [Alternative Performance Measures](#)

Turnover and price of the Bank's shares 2021-2024



The shares of the Bank are traded on the regulated market. They are traded on the Nasdaq Baltic Market and admitted to official listing. All 662,996,646 registered ordinary shares of the Bank with a nominal value of EUR 0.29 per share and total nominal value of EUR 192,269,027.34 are admitted to the listing.

The shares issued by the Bank are included in the Nasdaq indexes:

- *OMX Baltic Benchmark (OMXBGI, OMXBBPI, OMXBBCAPGI, OMXBBCAPPI)* - the Baltic benchmark index consists of the largest and most traded stocks on the Nasdaq Baltic Market representing all sectors;
- *OMX Baltic 10 (OMXB10, OMXB10EXP)* - is a tradable index of the Baltic states consisting of the 10 most actively traded stocks on the Baltic exchanges;
- *OMX Baltic (OMXBGI, OMXBPI)* – is an all-share index consisting of all the shares listed on the Main and Secondary lists of the Baltic exchanges with exception of the shares of the companies where a single shareholder controls at least 90% of the outstanding shares;
- *OMX Vilnius (OMXVGI)* – is an all-share index which includes all the shares listed on the Main and Secondary lists on the Nasdaq Vilnius with exception of the shares of the companies where a single shareholder controls at least 90% of the outstanding shares;
- *OMX Baltic Financials (B8000GI, B8000PI, B40PI)* – an index of the Baltic financial institutions;
- *OMX Baltic Banks (B300GI, B8300PI)* - an index of the Baltic banks.

Return indices (RIs) represent the total return on the shares included in the index and reflect not only stock price movements but also the dividends paid, making these indices a more complete measure of market performance than price indices. Price indices (PIs) only reflect changes in the price of shares included in the index, regardless of dividends. There is a cap on the weight of the shares (CAP) forming indices of a limited number of shares above which the number of shares included in the index is reduced to a cap.

Besides, the Bank's shares are included into such indices as *STOXX All Europe Total Market, STOXX EU Enlarged TMI, STOXX Eastern Europe 300, STOXX Eastern Europe 300 Banks, STOXX Eastern Europe Mid 100, STOXX Eastern Europe TMI, STOXX Eastern Europe TMI Small, STOXX Global Total Market, STOXX Lithuania Total Market, Bloomberg ESG Data Index, Bloomberg ESG Coverage Index, S&P Frontier BMI Index, MSCI Frontier and Emerging Markets Select Index, FCI EMU MIDSMLLCAP MKTCAP-CONSTRAINED (FREE-FLOAT UNADJUSTED) 400 (NET) Index* and in some FTSE Russell Frontier indices.

ACQUISITION OF OWN SHARES

Employee options granted for 2020 performance were exercised on 12 April 2024. Thirty-five employees of the Bank Group were granted 2 272 571 Bank shares upon exercise of these options. On 30 June 2024 Bank has 1,250,000 units of its own shares.

AGREEMENTS WITH INTERMEDIARIES IN PUBLIC CIRCULATION

Agreements with public circulation intermediaries regarding the accounting of securities issued by the Bank are, not concluded, this accounting is managed by the Bank's Securities Accounting Department. The Bank has not entered into market-making agreements with respect to securities issued by the Bank.

According to data as of 30 June 2024 the Bank itself, as an intermediary of public trading, under agreements with the companies issuing securities conducted accounting of 750 companies which totalled to 1100 securities issues (including shares of public and private companies, debt securities, investment fund units). The Bank also conducts market making on the Nasdaq Baltic under a market making programme and under agreements with issuers. As of 30 June 2024, the Bank was the market maker of 10 securities issues.

INFORMATION ON DETRIMENTAL TRANSACTIONS

During the reporting period no detrimental transactions inconsistent with the Bank's objectives, normal market conditions, violating the interests of shareholders or other groups of persons and which had or could have a negative impact on the Bank's activities or performance results were concluded. Moreover, there were no transactions entered in terms of conflict of interest among the senior managers of the Bank, controlling shareholders or other related parties' positions to the Bank and their private interests and (or) positions.

DIVIDENDS

In 2018, the Supervisory Council approved the dividend policy. Carrying out its activities and planning the capital the Bank seeks to ensure a competitive return on investment through dividends and increasing stock value. The Bank shall pay dividends on two assumptions - when external and internal capital and liquidity requirements will be sustained, and the level of capital after dividends will remain sufficient to carry out all approved investment and development plans and other capital-intensive activities. Taking into account the above-mentioned principles and assumptions, the Bank shall seek to allocate at least 25 per cent of the earned annual profit to dividends.

The Ordinary general meeting of shareholders held on 29 March 2024 approved allocation of the profit of Šiaulių Bankas AB which included a pay-out of dividends - 0.0485 euro shall be paid for each ordinary registered share with a nominal value of 0.29 euro.

Information on the dividends paid:

The year for which the dividends are allocated and paid	2019	2020	2021	2022	2023
Per cent from nominal value	-	1.90	11.72	9.14	16.72
Dividend amount per share, Eur	-	0.0055	0.0340	0.0265	0.0485
Dividend amount, Eur	-	3,303,994	20,424,693	15,919,246	32,094,723
Yields from dividends, %	-	1.1	4.5	3.9	7.0
Dividends to Group net profit, per cent	-	7.7	37.0	25.0	42.4

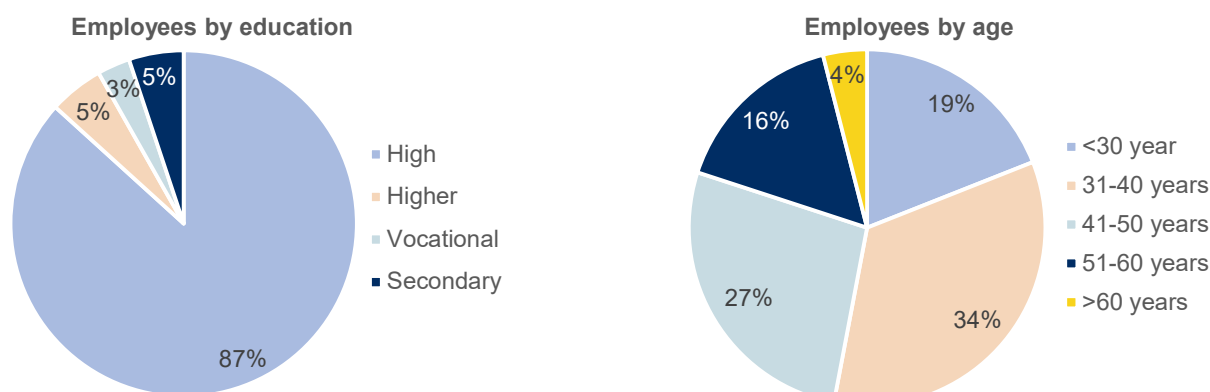
The description of alternative performance indicators is available on the Bank's website at:

[Homepage](#) > [Bank Investors](#) > [Financial Information](#) > [Alternative Performance Measures](#)

EMPLOYEES

As on 30 June 2024, the Bank had 1,039 employees and the Group had 1,194 employees (compared to 30 June 2023 the Bank had 857 employees and the Group had 950 employees).

As on 30 June 2024, the Group had 78.4 percent female and 21.6 percent male employees (compared to 30 June 2023 – 79.7 percent female and 20.3 percent male employees)



Average monthly salary of the employees, before taxes:

	Bank				Group			
	Leading Employees		Other Employees		Leading Employees		Other Employees	
	Average number of employees	Average salary per month, EUR	Average number of employees	Average salary per month, EUR	Average number of employees	Average salary per month, EUR	Average number of employees	Average salary per month, EUR
2024 H1	81	10,854	883	2,799	112	10,147	983	2,783

Information on the annual variable remuneration, before taxes, of the Bank's and some of the Group's companies' nominated employees whose professional activities have a significant impact on the Bank's and the Group's risk profile:

	Bank	Group
31/12/2023 outstanding deferred annual variable remuneration:		
- in cash, thou EUR	-	-
- in shares, thou units	4,888	5,719
Annual variable remuneration allocated in 2024 for 2023:		
- in cash, thou EUR	570	732
- in shares, thou units	1,925	2,128
Annual variable remuneration paid in the first half of 2024:		
- in cash, thou EUR	570	732
- in shares, thou units	1,991	2,273
30/06/2024 outstanding deferred annual variable remuneration:		
- in cash, thou EUR	-	-
- in shares, thou units	4,822	5,574

THE COMMITTEES FORMED WITHIN THE BANK, AREAS OF THEIR ACTIVITIES

Functions, procedures of formation and the policy of activities of the bank's committees are defined by the legal acts of the Republic of Lithuania, legal acts of the Bank of Lithuania as well as provisions of the certain committees approved by the Management Board or Supervisory Council of the Bank.

COMMITTEES UNDER AUTHORITY OF THE BANK'S SUPERVISORY COUNCIL

For the effective exercise of the functions and duties of the Supervisory Council, the Bank shall establish standing committees of the Supervisory Council: (i) the Risk Committee; (ii) the Audit Committee; (iii) the Nomination Committee; (iv) the Remuneration Committee; (v) Corporate Affairs Committee, which is established as of 1 January 2024. The members of the committees of the Bank's Supervisory Council shall be appointed by decision of the Supervisory Council.

The Bank's Supervisory Council, elected for a new four-year term (2024 - 2028), approved the new composition of the Bank's Supervisory Council Committees at the Supervisory Council meeting held on 29 March 2024.

Information on the committee members as of 30 June 2024 (the composition of the Committees were unchanged from their approval on 29 March 2024 to 30 June 2024):

The Risk Committee advises the management bodies of the Bank on the overall current and future risk acceptable to the Bank and strategy and assist in overseeing the implementation of the strategy at the Bank, verifies whether prices of liabilities and assets offered to clients take fully into account the Bank's business model and risk strategy and shall also carries out other functions provided for in its provisions.

	Name, surname	
<i>Chairman</i>	Susan Gail Buyske	Independent member of the Supervisory Council
<i>Members:</i>	Valdas Vitkauskas	Independent member of the Supervisory Council
	Darius Šulinis	Member of the Supervisory Council

The Internal Audit Committee shall address the matters related with improving of the internal control system of the Bank and work improvement of the internal audit subdivision, shall ensure independence of performance of the internal audit subdivision, organize the selection of an external audit firm, co-ordinate allocation of the auditable fields between the internal and external auditors, consider other matters provided for in the legal acts of supervision authorities and regulations of the audit committee. In compliance with the legal acts of supervisory authorities, the audit committee shall be formed, its competence and performance shall be defined, regulations approved and performance supervised by the Council.

	Name, surname	
<i>Chairwoman</i>	Monika Nachyla	Independent member of the Supervisory Council
<i>Members:</i>	Valdas Vitkauskas	Independent member of the Supervisory Council
	Susan Gail Buyske	Independent member of the Supervisory Council

The Nomination Committee shall nominate and recommend, for the approval of the bodies of the Bank or for the approval of the General Meeting of Shareholders, candidates to fill the vacancies in the Bank's bodies, shall evaluate the balance of the skills, evaluate the target number of the underrepresented gender within the Bank's bodies, knowledge and experience of the members of the bodies of the Bank and suitability for the position, shall submit respective comments and findings, shall assess the structure, size, composition, performance results and shall carry out other functions provided for in its regulations.

	Name, surname	
<i>Chairman</i>	Valdas Vitkauskas	Independent member of the Supervisory Council
<i>Members:</i>	Darius Šulnis	Member of the Supervisory Council
	Monika Nachyla	Independent member of the Supervisory Council

The Remuneration Committee shall assess the variable remuneration policy, practices and incentives established for the management of the Bank's risks, capital and liquidity, supervise the independent control functions including remuneration to managers in charge of risk management and compliance function, draft resolutions on variable remuneration, advise the Council on the gender neutrality of remuneration policies and perform other functions provided for in its regulations.

	Name, surname	
<i>Chairman</i>	Valdas Vitkauskas	Independent member of the Supervisory Council
<i>Members:</i>	Gintaras Kateiva	Member of the Supervisory Council
	Tomas Okmanas	Independent member of the Supervisory Council

The Corporate Affairs Committee The main responsibilities of the Corporate Affairs Committee are to participate in the development/review of the annual objectives of the Group, of the annual budget (condensed form) of the Group, also participate in the preparation/review of the strategy of the Group and provide comments and proposals to the Council and to perform other functions set forth in its regulations.

	Name, surname	
<i>Chairman</i>	Darius Šulnis	Member of the Supervisory Council
<i>Members:</i>	Valdas Vitkauskas	Independent member of the Supervisory Council
	Tomas Okmanas	Independent member of the Supervisory Council
	Mindaugas Raila	Member of the Supervisory Council

COMMITTEES UNDER AUTHORITY OF THE BANK'S MANAGEMENT BOARD

Information on the committee members as of 30 June 2024:

The Loan Committee evaluates loan granting material / documents and loan risk, approves / rejects lending decisions and / or amendments to terms and conditions, suggests regarding loan granting, loan interest rates, improvement of loan administration procedures and performs other functions foreseen by its provisions.

	Name, surname	Position
<i>Chairman</i>	Edas Mirijauskas	Director of Credit Department
<i>Deputy</i>	Diana Leonavičienė	Director of Regional Lending Unit
<i>Members:</i>	Dominykas Gesevičius	Director of Corporate Clients management Department
	Denis Zubovas	Director of Credit Risk Management and Control Department
	Ramūnas Dešukas	Director of the Special Assets Department
	Aurelija Geležūnė	Director of the Legal Department

The Risk Management Committee performs functions related to the organization, coordination and control of the Bank's risk management system, determines and controls risk measurement indicators corresponding to the risk appetite acceptable to the Bank, as well as performs other functions provided for in its regulations.

	Name, surname	Position
<i>Chairman</i>	Algimantas Gaulia	Head of Risk Management Division
<i>Deputy</i>	Dalia Udrienė	Director of Risk Department
<i>Members:</i>	Tomas Dautoras	Director of Non-Financial Risk Department
	Agnė Dukšienė	Head of Legal, Compliance and Prevention Division
	Edas Mirijauskas	Director of Credit Department
	Donatas Savickas	Head of Finance Division
	Daiva Šorienė	Head of Corporate Clients Division
	Denis Zubovas	Director of Credit Risk Management & Control Department

NPE (angl. Non-Performing Exposures) Committee's main purpose is to address issues related to NPE restructuring, additional funding, recovery, etc., to ensure the proper implementation of the NPE strategy, to actively reduce the Bank's NPE portfolio, and to carry out other functions set out in its regulations.

	Name, surname	Position
<i>Chairman</i>	Ramūnas Dešukas	Director of the Special Assets Department
<i>Deputy</i>	Aušra Laurinavičienė	Head of Debt Recovery Unit
<i>Members:</i>	Daiva Šorienė	Head of Corporate Clients Division
	Denis Zubovas	Director of Credit Risk Management and Control Department
	Edas Mirijauskas	Director of Credit Department
	Justina Stuknienė	Head of Asset Restructuring & Realization Unit
	Asta Rasiulienė	Deputy Director of the Special Assets Department

The Asset and Liability Management Committee's main purpose is to ensure sustainable management of the Bank's and its subsidiaries assets, liabilities, and capital, implementing the Bank's Group strategic business plan.

	Name, surname	Position
<i>Chairman</i>	Donatas Savickas	Head of Finance Division
<i>Deputy</i>	Tomas Varenbergas	Head of Investments Management Division
<i>Members:</i>	Dalia Udrienė	Director of Risk Department
	Algimantas Gaulia	Head of Risk Management Division
	Mantas Valukonis	Head of Financial Risk Management Unit
	Kristina Lazdauskė	Director of Management Reporting & Planning Department
	Mantas Lapinskas	Group Head of Financial Markets Department

MANAGEMENT OF THE BANK

The bodies of the Bank are as follows: the General Meeting of the Shareholders of the Bank, Supervisory Council of the Bank, Management Board of the Bank and Chief Executive Officer (CEO).

29 March 2024 The General Meeting of Shareholders of Šiaulių Bankas AB elected the Supervisory Council of the Bank for a new four-year term of office (2024-2028). Valdas Vitkauskas, Susan Gail Buyske, Tomas Okmanas, Mindaugas Raila, Darius Šulnis, Gintaras Kateiva were re-elected to the Supervisory Council of Šiaulių Bankas and a new independent member of the Supervisory Council, Monika Nachyla was elected, and took up her duties on 26 June 2024, after obtaining the permission of the Bank's supervisory authority. Valdas Vitkauskas was elected Chairman of the newly elected Supervisory Council. The selection of the eighth member of the Supervisory Council continues.

The Bank's Supervisory Council, whose term of office expires on the day of the Ordinary General Meeting of Shareholders of the Bank in 2028, composition for 30/06/2024 date was:

Name, Surname	Duties at the Supervisory Council	Share of capital under the right of ownership, % (30/06/2024)	Share of votes together with the related persons, % (30/06/2024)
<i>Valdas Vitkauskas</i>	Independent member since 01/06/2022 Chairman since 05/08/2022	-	-
<i>Gintaras Kateiva</i>	Member since 2008	4.89	4.91*
<i>Darius Šulnis</i>	Member since 2016	-	19.93**
<i>Susan Gail Buyske</i>	Independent member since 2020	-	-
<i>Mindaugas Raila</i>	Member since 18/01/2023	-	8.97***
<i>Tomas Okmanas</i>	Independent member since 02/02/2023	-	5.32****
<i>Monika Nachyla</i>	Independent member since 2024-06-26	-	-

* Pursuant to the Law on Securities of the Republic of Lithuania, votes are counted together with the votes held by the spouse

** Mr. Šulnis is the CEO and indirect shareholder of Invalda INVL AB. Under the right of ownership Invalda INVL AB holds 19.63% of the shares of Šiaulių Bankas AB, together with the controlled company INVL Asset Management UAB it holds 19.93% of the shares and voting rights of Šiaulių Bankas AB.

*** Pursuant to the Law on Securities of the Republic of Lithuania, votes are counted together with the votes held by the controlled company Willgrow UAB

**** Mr. Okmanas is member of the Management Board, CEO and indirect shareholder of Tesonet Global UAB, which owns 5.32% of Šiaulių bankas AB shares and voting rights

At the first meeting of the newly elected Supervisory Council on 29 March 2024, a new Management Board was also elected for a new four-year term of office (2024-2028). The General Meeting of Shareholders approved amendments to the Bank's Articles of Association according to which the Bank's Management Board will consist of 8 members instead of 7, as before. Vytautas Sinius, Mindaugas Rudys, Donatas Savickas, Daiva Šorienė, Algimantas Gaulia and Agnė Dukšienė were re-elected to the Šiaulių bankas Management Board. Two new members have also been elected to the Management Board - Tomas Varenbergas, Head of the Bank's Investment Management Division, who took up his duties on 4 June 2024, after obtaining permission from the Bank's Supervisory Authority, and Laura Križinauskienė, Head of the Private Clients' Division, who took up her duties on 7 June 2024, after obtaining permission from the Supervisory Authority.

Vytautas Sinius was elected Chairman of the newly elected Management Board.

The Bank's Board, whose term of office expires on the day of the Ordinary General Meeting of Shareholders of the Bank in 2028, composition for 30/06/2024 date was:

<i>Name, Surname</i>	<i>Duties at the Board</i>	<i>Other current leading positions at the Bank</i>	<i>Share of capital under the right of ownership, % (30/06/2024)</i>	<i>Share of votes together with the related persons, % (30/06/2024)</i>
<i>Vytautas Sinius</i>	Chairman since 19/08/2022	Chief Executive Officer	0.29	0.29
<i>Donatas Savickas</i>	Deputy Chairman since 1995	Deputy Chief Executive Officer, Head of Finance Division	0.14	0.14
<i>Daiva Šorienė</i>	Member since 2005	Deputy Chief Executive Officer, Head of Corporate Clients Division	0.05	0.05
<i>Mindaugas Rudys</i>	Member since 2020	Head of Service Development Division	0.07	0.07
<i>Algimantas Gaulia</i>	Member since 30/07/2021	Head of Risk Management Division	0.01	0.01
<i>Agnė Dukšienė</i>	Member since 08/05/2023	Head of Legal, Compliance and Prevention Division	-	-
<i>Tomas Varenbergas</i>	Member since 04/06/2024	Head of Investment Management Division	0.01	0.01
<i>Laura Križinauskienė</i>	Member since 07/06/2024	Head of Private Clients Division	-	-

BANK'S COMPANY GROUP

	<i>Nature of activities</i>	<i>Registration date</i>	<i>Company code</i>	<i>Address</i>	<i>Tel.</i>	<i>e-mail, website</i>
<i>Šiaulių Bankas AB</i>	commercial banking	04/02/1992	112025254	Tilžės str. 149 LT-76348 Šiauliai	+370 41 595 607	info@sb.lt , www.sb.lt

The Bank directly controls the following subsidiaries

<i>SB Lizingas UAB</i>	finance lease, consumer credits.	14/07/1997	234995490	Laisvės al. 80, LT-44249 Kaunas	+370 37 407 200	info@sbl.lt , www.sblizingas.lt
<i>SB Turto Fondas UAB</i>	real estate management	13/08/2002	145855439	Vilniaus str. 167, LT-76352 Šiauliai	+370 41 525 322	turfondas@sb.lt , www.sbp.lt
<i>Life insurance SB draudimas UAB</i>	life insurance	31/08/2000	110081788	Laisvės pr. 3, LT-04215 Vilnius	+370 5 236 2723	info@sbdraudimas.lt , www.sbdraudimas.lt
<i>SB modernizavimo fondas UAB*</i>	multi-apartment renovation financing	05/04/2022	306057616	Tilžės g. 149, LT-76348 Šiauliai	+370 41 595 607	sbfondas@sb.lt
<i>SB Asset Management UAB</i>	fund management	07/02/2023	306241274	Gynėjų g. 14, LT-01109 Vilnius	+370 41 595 607	https://info@sbam.lt
<i>SB modernizavimo fondas 2 UAB*</i>	multi-apartment renovation financing	21/02/2024	306682354	Tilžės g. 149, LT-76348 Šiauliai	+370 41 595 607	sbfondas@sb.lt

*not consolidated under IFRS 10 requirements

OTHER INFORMATION, PUBLISHED INFORMATION AND MAJOR EVENTS

In accordance with the procedures set by the Charter of the Bank and the legal acts of the Republic of Lithuania reports on material events are announced in the Central regulated information base and on the Bank's website at:

[Homepage](#) › [Bank Investors](#) › [Reports on Stock Events](#).

Other important events are available on the Bank's website at:

[Homepage](#) › [About Us](#) › [News](#).

Deputy Chief Executive Officer, acting on behalf Chief Executive Officer

Chief Financial Officer



Donatas Savickas

29 July 2024

CONFIRMATION FROM THE RESPONSIBLE PERSONS

I, Deputy Chief Executive Officer, acting on behalf Chief Executive Officer, Chief Financial Officer of Šiaulių bankas AB Donatas Savickas, confirm that as far as we know, the financial statements for six months of 2024 are formed in compliance with the applicable accounting standards, correspond the reality and correctly reflect the total assets, liabilities, financial status, activity result and cash flow of Šiaulių bankas AB and consolidated companies.

Deputy Chief Executive Officer, acting on behalf Chief Executive Officer,
Chief Financial Officer



Donatas Savickas

29 July 2024