



## URBO BANKAS UAB

CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED  
FINANCIAL STATEMENTS OF THE BANK FOR THE NINE MONTHS PERIOD  
ENDING 30 SEPTEMBER 2024  
PREPARED IN ACCORDANCE WITH INTERNATIONAL ACCOUNTING  
STANDARD 34 *INTERIM FINANCIAL REPORTING* AS ADOPTED BY THE  
EUROPEAN UNION.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

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**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

<u>Group</u>				<u>Bank</u>	
<u>30 September 2024</u>	<u>31 December 2023</u>	<b>Assets</b>	<b>Notes</b>	<u>30 September 2024</u>	<u>31 December 2023</u>
		Cash, cash balances at central bank			
14,729	19,357	<i>Cash</i>		14,729	19,357
101,235	117,990	<i>Cash balances at central bank</i>		101,235	117,990
<u>115,964</u>	<u>137,347</u>			<u>115,964</u>	<u>137,347</u>
		Cash balances with banks and other credit, financial institutions			
14,990	14,541			14,990	14,538
		Financial assets at fair value through profit or loss			
2	9	<i>Derivatives</i>		2	9
<u>2</u>	<u>9</u>			<u>2</u>	<u>9</u>
58,618	55,952	Debt securities	3	58,618	55,952
		Loans and receivables	4		
352,536	304,329	<i>Loans to customers</i>		341,412	292,128
22,336	25,257	<i>Finance lease</i>		22,336	25,257
<u>374,872</u>	<u>329,586</u>			<u>363,748</u>	<u>317,385</u>
-	-	Investments in subsidiaries	5	12,342	12,342
27	27	Other equity instruments		27	27
-	47	Investment property		-	47
3,075	532	Tangible fixed assets		3,074	531
335	632	Intangible fixed assets		253	521
6,783	2,076	Leased assets		6,783	2,065
		Tax assets			
-	-	<i>Current tax</i>		-	-
95	101	<i>Deferred tax</i>		95	101
<u>95</u>	<u>101</u>			<u>95</u>	<u>101</u>
-	4,801	Assets held for sale	6	-	4,801
2,070	3,126	Other assets		1,525	2,404
<u><b>576,831</b></u>	<u><b>548,777</b></u>	<b>Total assets</b>		<u><b>577,421</b></u>	<u><b>548,070</b></u>

The explanatory notes on pages 13 to 46 are an integral part of these financial statements.

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**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (CONTINUED)**

<b>Group</b>		<b>Liabilities and shareholders' equity</b>	<b>Notes</b>	<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>			<b>30 September 2024</b>	<b>31 December 2023</b>
		<b>Liabilities</b>			
-	33	Liabilities to banks and other credit institutions		-	33
26	44	Derivatives		26	44
499,241	481,171	Liabilities to customers	7	501,325	481,609
2,226	2,252	Debt securities issued		2,226	2,252
214	164	Provisions		214	218
375	1,385	Tax liabilities		349	1,268
-	-	<i>Current tax</i>		-	-
375	1,385	<i>Deferred tax</i>		349	1,268
10,938	6,499	Other liabilities	8	10,553	5,914
<b>513,020</b>	<b>491,548</b>	<b>Total liabilities</b>		<b>514,693</b>	<b>491,338</b>
		<b>Shareholders' equity</b>			
43,492	35,468	Registered share capital	1, 9	43,492	35,468
7,539	9,449	Retained earnings (loss)		6,500	8,977
12,780	12,312	Other reserves	9	12,736	12,287
<b>63,811</b>	<b>57,229</b>	<b>Total shareholders' equity</b>		<b>62,728</b>	<b>56,732</b>
<b>576,831</b>	<b>548,777</b>	<b>Total liabilities and shareholders' equity</b>		<b>577,421</b>	<b>548,070</b>

The explanatory notes on pages 13 to 46 are an integral part of these financial statements.

Chairman of the Board and Head of Administration

M. Arlauskas



Director of Accounting and Reporting Department, Chief Financial Officer

L. Bertašienė



**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNTS**

<b>Group</b>				<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>		<b>Notes</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
27,886	19,602	Interest income	10	26,262	18,144
(9,488)	(2,898)	Interest expense	10	(9,515)	(2,898)
<b>18,398</b>	<b>16,704</b>	<b>Net interest income</b>		<b>16,747</b>	<b>15,246</b>
3,021	4,065	Fee and commission income	11	3,023	4,238
(488)	(551)	Fee and commission expense	11	(297)	(320)
<b>2,533</b>	<b>3,514</b>	<b>Net fee and commission income</b>		<b>2,726</b>	<b>3,918</b>
1,790	2,460	Net profit on foreign currency transactions	12	1,790	2,460
(18)	86	Net result from transactions in derivatives		(18)	86
16	(21)	Net result from transactions in investment property		16	(21)
-	-	Dividends from subsidiaries		452	-
978	27	Other revenue	6	980	36
<b>23,697</b>	<b>22,770</b>	<b>Total operating income</b>		<b>22,693</b>	<b>21,725</b>
(281)	(550)	Change in value of loans and other financial assets		(92)	(134)
<b>23,416</b>	<b>22,220</b>	<b>Operating income after impairment</b>		<b>22,601</b>	<b>21,591</b>
(8,423)	(7,933)	Salaries and benefits		(8,438)	(7,694)
(414)	(216)	Depreciation		(413)	(214)
(297)	(306)	Amortisation		(268)	(277)
(903)	(523)	Depreciation of leased assets		(899)	(513)
(4,635)	(4,468)	Other operating expenses	13	(4,526)	(4,351)
<b>(14,672)</b>	<b>(13,446)</b>	<b>Total operating expenses</b>		<b>(14,544)</b>	<b>(13,049)</b>
<b>8,744</b>	<b>8,774</b>	<b>Operating profit (loss)</b>		<b>8,057</b>	<b>8,542</b>
<b>(1,659)</b>	<b>(1,705)</b>	<b>Corporate income tax expenses</b>		<b>(1,558)</b>	<b>(1,618)</b>
<b>7,085</b>	<b>7,069</b>	<b>Profit (loss) for the reporting period</b>		<b>6,499</b>	<b>6,924</b>
<b>7,085</b>	<b>7,069</b>	<b>Attributable to: shareholders of the Bank</b>		<b>6,499</b>	<b>6,924</b>

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Chairman of the Board and Head of Administration

M. Arlauskas



Director of Accounting and Reporting Department, Chief Financial Officer

L. Bertašienė



**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED PROFIT AND LOSS ACCOUNTS FOR QUARTER**

<b>Group</b>			<b>Bank</b>	
<u>2024-07-01- 2024-09-30</u>	<u>2023-07-01- 2023-09-30</u>		<u>2024-07-01- 2024-09-30</u>	<u>2023-07-01- 2023-09-30</u>
9,452	7,588	Interest income	8,944	6,955
(3,264)	(1,456)	Interest expense	(3,278)	(1,456)
<b>6,188</b>	<b>6,132</b>	<b>Net interest income</b>	<b>5,666</b>	<b>5,499</b>
988	1,274	Fee and commission income	988	1,334
(169)	(175)	Fee and commission expense	(108)	(93)
<b>819</b>	<b>1,099</b>	<b>Net fee and commission income</b>	<b>880</b>	<b>1,241</b>
645	843	Net profit on foreign currency transactions	645	843
(41)	(34)	Net result from transactions in derivatives	(41)	(34)
-	(21)	Net result from transactions in investment property	-	(21)
-	-	Dividends from subsidiaries	-	-
3	5	Other revenue	5	8
<b>7,614</b>	<b>8,024</b>	<b>Total operating income</b>	<b>7,155</b>	<b>7,536</b>
114	(179)	Change in value of loans and other financial assets	185	(38)
<b>7,728</b>	<b>7,845</b>	<b>Operating income after impairment</b>	<b>7,340</b>	<b>7,498</b>
(2,734)	(2,547)	Salaries and benefits	(2,725)	(2,479)
(182)	(77)	Depreciation	(181)	(77)
(97)	(97)	Amortisation	(87)	(88)
(317)	(169)	Depreciation of leased assets	(317)	(165)
(1,384)	(1,897)	Other operating expenses	(1,355)	(1,863)
<b>(4,714)</b>	<b>(4,787)</b>	<b>Total operating expenses</b>	<b>(4,665)</b>	<b>(4,672)</b>
<b>3,014</b>	<b>3,058</b>	<b>Operating profit (loss)</b>	<b>2,675</b>	<b>2,826</b>
<b>(552)</b>	<b>(647)</b>	<b>Corporate income tax expenses</b>	<b>(560)</b>	<b>(592)</b>
<b>2,462</b>	<b>2,411</b>	<b>Profit (loss) for the reporting period</b>	<b>2,115</b>	<b>2,234</b>
<b>2,462</b>	<b>2,411</b>	<b>Attributable to: shareholders of the Bank</b>	<b>2,115</b>	<b>2,234</b>

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Chairman of the Board and Head of Administration

M. Arlauskas



Director of Accounting and Reporting Department, Chief Financial Officer

L. Bertašienė



## CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024

(All amounts are in EUR thousand, unless specified otherwise)

## CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

Bank	30 September 2024	30 September 2023
<b>Items that will never be reclassified to profit or loss</b>		
Change in revaluation of tangible fixed assets	-	-
Carry forward of depreciation of tangible fixed assets net of tax	-	-
Other	-	-
<b>Items that will never be reclassified to profit or loss</b>	-	-
<b>Other comprehensive income (expense), net tax result</b>	-	-
Profit (loss) for the reporting period	6,499	6,924
<b>Total comprehensive income for the reporting period</b>	<b>6,499</b>	<b>6,924</b>
<b>Attributable to:</b>		
<b>Shareholders of the Bank</b>	<b>6,499</b>	<b>6,924</b>
Group	30 September 2024	30 September 2023
<b>Items that will never be reclassified to profit or loss</b>		
Change in revaluation of tangible fixed assets	-	-
Carry forward of depreciation of tangible fixed assets net of tax	-	-
Other	-	-
<b>Items that will never be reclassified to profit or loss</b>	-	-
<b>Other comprehensive income (expense), net tax result</b>	-	-
Profit (loss) for the reporting period	7,085	7,069
<b>Total comprehensive income for the reporting period</b>	<b>7,085</b>	<b>7,069</b>
<b>Attributable to:</b>		
<b>shareholders of the Bank</b>	<b>7,085</b>	<b>7,069</b>

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**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR QUARTER**

<b>Bank</b>	<b>2024-07-01- 2024-09-30</b>	<b>2023-07-01- 2023-09-30</b>
<b>Items that will never be reclassified to profit or loss</b>		
Change in revaluation of tangible fixed assets	-	-
Carry forward of depreciation of tangible fixed assets net of tax	-	-
Other	-	-
<b>Items that will never be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income (expense), net tax result</b>	<b>-</b>	<b>-</b>
Profit (loss) for the reporting period	2,115	2,234
<b>Total comprehensive income for the reporting period</b>	<b>2,115</b>	<b>2,234</b>
<b>Attributable to:</b>		
<b>Shareholders of the Bank</b>	<b>2,115</b>	<b>2,234</b>
<b>Group</b>	<b>2024-07-01- 2024-09-30</b>	<b>2023-07-01- 2023-09-30</b>
<b>Items that will never be reclassified to profit or loss</b>		
Change in revaluation of tangible fixed assets	-	-
Carry forward of depreciation of tangible fixed assets net of tax	-	-
Other	-	-
<b>Items that will never be reclassified to profit or loss</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income (expense), net tax result</b>	<b>-</b>	<b>-</b>
Profit (loss) for the reporting period	2,462	2,411
<b>Total comprehensive income for the reporting period</b>	<b>2,462</b>	<b>2,411</b>
<b>Attributable to:</b>		
<b>shareholders of the Bank</b>	<b>2,462</b>	<b>2,411</b>

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Chairman of the Board and Head of Administration

M. Arlauskas



Director of Accounting and Reporting Department, Chief Financial Officer

L. Bertašienė





**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**
**Bank**

	Registered share capital	Retained earnings (loss)	Revaluation reserve of tangible fixed assets	Other reserves	Total
<b>Balance as of 31 December 2022</b>	<b>19,948</b>	<b>16,339</b>	<b>318</b>	<b>11,470</b>	<b>48,075</b>
Profit (loss)	-	6,924	-	-	6,924
Other comprehensive income (expense)	-	-	419	-	419
Reversal of revaluation reserve of tangible fixed assets		737	(737)		-
Share capital increase	15,520	(15,520)	-	-	-
Transfers to reserves	-	(817)	-	817	-
<b>Balance as of 30 October 2023</b>	<b>35,468</b>	<b>7,663</b>	<b>-</b>	<b>12,287</b>	<b>55,418</b>
Profit (loss)	-	1,314	-	-	1,314
Other comprehensive income (expense)	-	-	-	-	-
<b>Balance as of 31 December 2023</b>	<b>35,468</b>	<b>8,977</b>	<b>-</b>	<b>12,287</b>	<b>56,732</b>
Profit (loss)	-	6,499	-	-	6,499
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(449)	-	449	-
Payment of dividends	-	(503)	-	-	(503)
Share capital increase	8,024	(8,024)	-	-	-
<b>Balance as of 30 September 2024</b>	<b>43,492</b>	<b>6,500</b>	<b>-</b>	<b>12,736</b>	<b>62,728</b>

*(continued on the next page)*

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**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)**
**Group**

	Registered share capital	Retained earnings (loss)	Revaluation reserve of tangible fixed assets	Other reserves	Total
<b>Balance as of 31 December 2022</b>	<b>19,948</b>	<b>16,304</b>	<b>318</b>	<b>11,489</b>	<b>48,059</b>
Profit (loss)	-	7,069	-	-	7,069
Other comprehensive income (expense)	-	-	419	-	419
Reversal of revaluation reserve of tangible fixed assets	-	737	(737)	-	-
Share capital increase	15,520	(15,520)	-	-	-
Transfers to reserves	-	(823)	-	823	-
<b>Balance as of 30 October 2023</b>	<b>35,468</b>	<b>7,767</b>	<b>--</b>	<b>12,312</b>	<b>55,547</b>
Profit (loss)	-	1,682	-	-	1,682
Other comprehensive income (expense)	-	-	-	-	-
<b>Balance as of 31 December 2023</b>	<b>35,468</b>	<b>9,449</b>	<b>-</b>	<b>12,312</b>	<b>57,229</b>
Profit (loss)	-	7,085	-	-	7,085
Other comprehensive income (expense)	-	-	-	-	-
Transfer to reserves	-	(468)	-	468	-
Payment of dividends	-	(503)	-	-	(503)
Share capital increase	8,024	(8,024)	-	-	-
<b>Balance as of 30 September 2024</b>	<b>43,492</b>	<b>7,539</b>	<b>-</b>	<b>12,780</b>	<b>63,811</b>

The explanatory notes on pages 13 to 46 are an integral part of these financial statements.

 Chairman of the Board and Head  
of Administration

M. Arlauskas



 Director of Accounting and  
Reporting Department, Chief  
Financial Officer

L. Bertašienė



**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED CASH FLOW STATEMENTS**

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>	<b>Notes</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
		<b>Cash flows from operating activities</b>		
7,085	7,069	Profit (loss) for the reporting period	6,499	6,924
		<b>Reversals of non-cash income and expenses</b>		
1,614	1,045	Depreciation and amortisation	1,580	1,004
(971)	11	Gain (loss) on sale of tangible fixed assets, intangible fixed assets, assets held for sale and investment property	(971)	11
-	-	Dividends from subsidiaries	(452)	-
281	550	Impairment of loans	92	134
(22,589)	(17,683)	Interest income on loans to customers	(20,965)	(16,225)
9,488	2,898	Interest expense on liabilities	9,515	2,898
(11)	75	Revaluation of derivatives	(11)	75
124	(59)	Elimination of accrued holiday pay	119	(62)
1,659	1,705	Corporate income tax expenses	1,558	1,618
(113)	208	Elimination of other non-cash items	(118)	209
<b>(3,433)</b>	<b>(4,181)</b>	<b>Cash flow from (to) operating activities before changes in working capital and liabilities</b>	<b>(3,154)</b>	<b>(3,414)</b>
		<b>Change in working capital and liabilities</b>		
(620)	(356)	Changes in statutory reserves	(620)	(356)
(600)	-	Changes of funds in financial institutions	(600)	-
(48,188)	(55,792)	Loans to customers	(49,145)	(52,752)
2,929	(5,428)	Finance lease receivables	2,929	(5,428)
(33)	-	Changes in liabilities to banks and other credit institutions	(33)	-
16,893	78,121	Changes in liabilities to customers	18,539	78,232
861	1,324	Changes in other assets and liabilities	889	1,607
<b>(28,758)</b>	<b>17,869</b>	<b>Change</b>	<b>(28,041)</b>	<b>21,303</b>
22,331	16,988	Interest received on loans to customers and finance lease	20,722	15,598
(6,889)	(1,697)	Interest paid on liabilities	(6,916)	(1,697)
(2,663)	(1,443)	Corporate income tax paid	(2,472)	(1,358)
<b>(19,412)</b>	<b>27,536</b>	<b>Net cash flow from operating activities after corporate income tax</b>	<b>(19,861)</b>	<b>30,432</b>
		<b>Cash flows from investing activities</b>		
(2,997)	(2,385)	Acquisition of long-term investment property, tangible and intangible fixed assets	(2,997)	(2,284)
5,840	43	Proceeds from the sale of investment, tangible and intangible fixed assets	5,840	43
-	-	Investments in subsidiaries	-	(3,000)
-	-	Dividends from subsidiaries	452	-
19,073	27,649	Redemption of debt securities	19,073	27,649
(21,739)	(1,953)	Acquisition of debt securities	(21,739)	(1,953)
<b>177</b>	<b>23,354</b>	<b>Net cash flows from investing activities</b>	<b>629</b>	<b>20,455</b>

(continued on the next page)

The explanatory notes on pages 13 to 46 are an integral part of these financial statements.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)**

<u>Group</u>			<u>Bank</u>	
<u>30 September 2024</u>	<u>30 September 2023</u>		<u>30 September 2024</u>	<u>30 September 2023</u>
		<b>Cash flow from financing activities</b>		
(503)	-	Dividends paid	(503)	-
-	-	Bonds issued	-	-
(26)	(26)	Bonds redeemed	(26)	(26)
(968)	(571)	Part of the principal amount of lease payments	(968)	(560)
6,590	5,955	Loans received	6,590	5,955
(7,961)	(5,860)	Loans repaid	(7,961)	(5,860)
<b>(2,868)</b>	<b>(502)</b>	<b>Net cash flows from financing activities</b>	<b>(2,868)</b>	<b>(491)</b>
(51)	(130)	Effect of exchange rate changes on balance of cash and cash equivalents	(51)	(130)
<b>(22,154)</b>	<b>50,258</b>	<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(22,151)</b>	<b>50,266</b>
148,411	77,745	Cash and cash equivalents at 1 January	148,408	77,732
<b>126,257</b>	<b>128,003</b>	<b>Cash and cash equivalents at 30 September</b>	<b>126,257</b>	<b>127,998</b>

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The explanatory notes on pages 13 to 46 are an integral part of these financial statements.

 Chairman of the Board and Head  
of Administration

M. Arlauskas



 Director of Accounting and  
Reporting Department, Chief  
Financial Officer

L. Bertašienė



**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 1 Background information**

Urbo Bankas UAB (hereinafter referred to as the Bank) was established on 24 November 1992 (as KB Ancorobank) and on 16 January 1997 was reorganised into Medicinos Bankas.UAB On 1 February 2024, Medicinos Bankas UAB changed its name to Urbo Bankas UAB.

Its head office address is Konstitucijos pr. 18B, Vilnius, Lithuania.

The Bank accepts deposits, issues loans, carries out monetary and documentary settlements, exchanges currency and provides guarantees to its customers. The Bank also offers trading securities, advisory and custody services. The Bank provides services to both corporate and private customers.

At the end of the third quarter of 2024, the Bank had 25 customer service units in various regions of Lithuania.

The consolidated financial statements of the Group comprise the financial statements of the Bank and its subsidiaries TG Invest-1 UAB (active in real estate management and development) and Saugus Kreditas UAB (active in the issuing of consumer loans to private customers). TG Invest-1 UAB was acquired on 17 May 2013 and Saugus Kreditas UAB was acquired on 17 October 2017. Saugus kreditas UAB was merged with Urbo bankas UAB through reorganization, which took over all the rights and obligations of Saugus kreditas UAB according to the agreements concluded.

As at 30 September 2024, the Bank had 285 employees (299 employees as at 31 December 2023). As at 30 September 2024, the Group had 294 employees (309 employees as at 2023).

As at 30 September 2024, the Bank's shareholders were:

	<b>Number of ordinary shares held</b>	<b>Ownership interest (%)</b>
Konstantinas Karosas	78,395,759	90.13
Western Petroleum Ltd.	8,587,856	9.87
<b>Total</b>	<b>86,983,615</b>	<b>100.00</b>

As at 31 December 2023, the Bank's shareholders were:

	<b>Number of ordinary shares held</b>	<b>Ownership interest (%)</b>
Konstantinas Karosas	63,932,284	90.13
Western Petroleum Ltd.	7,003,456	9.87
<b>Total</b>	<b>70,935,740</b>	<b>100.00</b>

At the Annual General Meeting of Shareholders of Urbo bankas UAB, which has been held on 20 March 2024, a decision for the increase the authorized capital of the Urbo bankas UAB has been taken. The increase by EUR 8,024 thousand from the retained earnings has been made, issuing 16,047,875 ordinary registered shares with a nominal value of EUR 0.5 per share. A new version of Articles of Association has been registered on 23 May 2024.

At 30 September 2024 the Bank's share capital comprised 86,983,615 ordinary shares with a nominal value EUR 0.5 each (as at 31 December 2023: 70,935,740 ordinary shares with a nominal value EUR 0.5 each).

At 30 September 2024 and 31 December 2023, all shares were fully paid up.

By an agreement dated 12 March 2021, including amendment No. 1 dated 24 November 2023, Mr Konstantinas Karosas and Western Petroleum Limited transferred all voting rights at the Bank's General Meeting of Shareholders to MB Valdymas UAB. Following the transfer of voting rights, MB Valdymas UAB has the right to vote in respect of all of the Bank's shares at the Bank's General Meeting of Shareholders.

The capital and liquidity positions as at 30 September 2024 remain strong and prudential ratios are met with a buffer.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 1 Background information (continued)****Changes in the Management of the Bank**

At the meeting of the Bank's Supervisory Board on 19 March 2024, Julius Ivaška was elected as the fifth member of the Board. Permission to act as a Board member from Bank of Lithuania was received in May 2024. Since then, the Bank's Board consists of the Chairman of the Board Marius Arlauskas, Board members Igor Kovalčuk, Snieguolė Kudrevičienė, Andrius Bernotas and Julius Ivaška.

**Note 2 Basis of preparation and significant accounting policies****Statement of compliance**

The separate and consolidated financial statements are prepared in accordance with IAS 34 *Interim Financial Reporting* as adopted by the European Union (EU). The condensed interim separate and consolidated financial statements should be read in conjunction with the annual separate and consolidated financial statements for the year ended 31 December 2023, which have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. Except as disclosed below, the accounting policies applied in the preparation of this condensed interim financial information are consistent with those applied in the Bank's annual financial statements for 2023.

**New and amended standards and interpretations**

Management of the Bank and the Group does not expect that newly published standards, amendments and interpretations that will be mandatory for the Bank for reporting periods beginning on or after 1 January 2024 will have a material impact on the Bank's and the Group's financial information, nor there are any newly published standards, amendments and interpretations that are mandatory for the Bank and the Group from 2024 and that would have a material impact on the financial information of the Bank and the Group.

The preparation of condensed interim separate and consolidated financial statements in accordance with IFRSs involves making assumptions and estimates 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. While these estimates are based on management's knowledge of the current situation and actions, actual results may ultimately differ from these estimates. The significant assumptions and estimates used in the preparation of the condensed interim separate and consolidated financial statements are the same as those used in the preparation of the annual separate and consolidated financial statements for the year ended 31 December 2023.

These condensed interim financial statements include the Bank's separate financial statements and the Group's consolidated financial statements.

There are no significant amounts of income or expenses of the Bank and the Group that are subject to significant seasonality.

**Functional and presentation currency**

These financial statements are presented in EUR, which is the functional currency of the Bank and the Group, unless otherwise stated.

The official exchange rates of the main currencies used for the revaluation of the items in the statement of financial position at the end of the reporting period are presented below (the ratio of EUR to the unit of the original currency):

	<u>30 September 2024</u>	<u>31 December 2023</u>
USD	1.1158	1.105

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 3 Debt securities**

	<b>Bank / Group</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
Government bonds of the Republic of Lithuania	50,078	41,219
Government bonds of the Republic of Romania	3,893	4,317
Government bonds of the Republic of Poland	3,624	-
Government bonds of the Republic of Croatia	1,023	3,742
Government bonds of the Republic of Slovenia	-	5,841
Government bonds of the Republic of Hungary	-	833
<b>Total</b>	<b>58,618</b>	<b>55,952</b>

**Note 4 Loans and receivables**

Loans to customers and receivables consist of:

	<b>Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
Loans to customers, including short-term discounted bills	343,289	294,065
Overdrafts	537	412
Factoring	798	360
Finance lease	22,490	25,819
	<b>367,114</b>	<b>320,656</b>
Provisions	(3,366)	(3,271)
<b>Loans and receivables, net</b>	<b>363,748</b>	<b>317,385</b>

	<b>Group</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
Loans to customers, including short-term discounted bills	355,489	307,218
Overdrafts	537	412
Factoring	798	360
Finance lease	22,490	25,819
	<b>379,314</b>	<b>333,809</b>
Provisions	(4,442)	(4,223)
<b>Loans and receivables, net</b>	<b>374,872</b>	<b>329,586</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 5 Investments in subsidiaries**

The subsidiaries' main activities are the management and development of real estate and the issuing of consumer loans to private customers.

	2024	Bank	2023
<b>Balance at the beginning of the year</b>	<b>12,342</b>		<b>9,342</b>
Acquisitions	-		3,000
Change in the value of investments in subsidiaries	-		-
<b>Balance at the end of the reporting period</b>	<b>12,342</b>		<b>12,342</b>

	Ownership (%)	Direct ownership (%)	Nominal value	Impairment	Value shown in the statement of financial position
<b>30 September 2024</b>					
TG Invest-1 UAB	100	100	3,033	(1,261)	1,772
Saugus kreditas UAB	100	100	10,601	(31)	10,570
<b>Total</b>			<b>13,634</b>	<b>(1,292)</b>	<b>12,342</b>

	Ownership (%)	Direct ownership (%)	Nominal value	Impairment	Value shown in the statement of financial position
<b>31 December 2023</b>					
TG Invest-1 UAB	100	100	3,033	(1,261)	1,772
Saugus kreditas UAB	100	100	10,601	(31)	10,570
<b>Total</b>			<b>13,634</b>	<b>(1,292)</b>	<b>12,342</b>

In 2024, dividends in amount of EUR 452 thousand have been received from subsidiary Saugus kreditas UAB.



**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 6 Assets held for sale**

In 2023, after the decision to sell tangible assets, the fixed tangible assets revaluation reserve of EUR 737 thousand has been transferred to the line of retained earnings. As at 31 December 2023, in the statement of financial position, the net worth of assets held for sale was EUR 4,801 thousand (as at 31 March 2024 the net worth was EUR 3,811 thousand). The Bank received EUR 959 thousand profit from real estate objects held for sale.

On 30 June 2024 all real estate objects held for sale were sold.

**Note 7 Liabilities to customers**

Liabilities to customers consist of:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>		<b>30 September 2024</b>	<b>31 December 2023</b>
322,652	303,422	Term deposits	322,652	303,422
157,668	160,060	Current accounts	159,752	160,498
6,183	3,576	Customer funds in transit accounts	6,183	3,576
12,738	14,113	Loans from funds	12,738	14,113
<b>499,241</b>	<b>481,171</b>	<b>Total:</b>	<b>501,325</b>	<b>481,609</b>
<b>33,602</b>	<b>40,566</b>	<b>Of which held as collateral for guarantees and loans granted</b>	<b>33,602</b>	<b>40,566</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 8 Other liabilities**

Other liabilities consist of:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>		<b>30 September 2024</b>	<b>31 December 2023</b>
2,430	2,462	Accrued payments to employees	2,426	2,373
334	431	Prepayments	-	-
6,922	2,228	Lease obligations	6,922	2,216
196	153	Accrued expenses	196	153
159	357	Liabilities to the State Tax Inspectorate	159	357
178	-	Liabilities to the Board of the State Social Fund	177	-
89	-	Output VAT	89	-
167	91	Deferred income	167	91
-	28	Payable to the Latvian and Estonian Road Administration	-	28
174	418	Debts to suppliers	129	365
-	200	Advances received	-	200
289	131	Other	288	131
<b>10,938</b>	<b>6,499</b>	<b>Total:</b>	<b>10,553</b>	<b>5,914</b>

**Note 9 Shareholders' equity**

At 30 September 2024 the Bank's share capital comprised 86,983,615 ordinary shares with a nominal value EUR 0.5 each (as at 31 December 2023: 70,935,740 ordinary shares with a nominal value EUR 0.5 each). At 30 September 2024 and 31 December 2023, all shares were fully paid up.

Each share carries the same right to vote, to receive dividends and to participate in the distribution of residual assets in the event of liquidation.

*Legal reserve*

As at 30 September 2024, the Bank's legal reserve was EUR 2,711 thousand (EUR 2,262 thousand at 31 December 2023). That of the Group was EUR 2,755 thousand as at 30 September 2024 (EUR 2,287 thousand as at 31 December 2023). In 2024, the Bank transferred EUR 449 thousand to the legal reserve. EUR 468 thousand in the Group.

Legal reserve is mandatory according to the legislation of the Republic of Lithuania. At least 5% of net profits must be transferred to it each year until the reserve reaches 10% of the share capital. This legal reserve can be used to cover the Bank's operating losses and to increase share capital.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 10 Net interest income**

Net interest income consists of:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>		<b>30 September 2024</b>	<b>30 September 2023</b>
21,014	16,094	On loans granted to customers	19,390	14,636
1,575	1,589	On finance lease	1,575	1,589
1,393	266	On debt securities	1,393	266
3,497	1,349	On balances with central banks	3,497	1,349
407	304	On balances with banks and other credit institutions	407	304
<b>27,886</b>	<b>19,602</b>	<b>Interest income</b>	<b>26,262</b>	<b>18,144</b>
(8,969)	(2,459)	On liabilities to depositors, including letters of credit	(8,996)	(2,459)
(260)	(244)	Deposit and portfolio guarantee insurance	(260)	(244)
-	(15)	On subordinated loans	-	(15)
(129)	(129)	On debt securities issued	(129)	(129)
(8)	(12)	On liabilities to banks and other credit institutions	(8)	(12)
(122)	(39)	Lease right	(122)	(39)
<b>(9,488)</b>	<b>(2,898)</b>	<b>Interest expense</b>	<b>(9,515)</b>	<b>(2,898)</b>
<b>18,398</b>	<b>16,704</b>	<b>Total</b>	<b>16,747</b>	<b>15,246</b>

**Note 11 Net fee and commission income**

Net fee and commission income consist of:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>		<b>30 September 2024</b>	<b>30 September 2023</b>
1,243	1,482	Payment services	1,243	1,482
66	132	Income from foreign currency exchange	66	132
554	535	Servicing of bank accounts	554	535
320	883	Collection of payments	320	883
40	221	Brokerage income	42	394
530	566	Cash operations	530	566
268	246	Other	268	246
<b>3,021</b>	<b>4,065</b>	<b>Fee and commission income</b>	<b>3,023</b>	<b>4,238</b>
(128)	(182)	Cash transactions	(128)	(182)
(67)	(59)	Money transfer transactions	(67)	(59)
(190)	(230)	Brokerage costs	-	-
(103)	(80)	Other	(102)	(79)
<b>(488)</b>	<b>(551)</b>	<b>Fee and commission expense</b>	<b>(297)</b>	<b>(320)</b>
<b>2,533</b>	<b>3,514</b>	<b>Total</b>	<b>2,726</b>	<b>3,918</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 12 Net profit on foreign currency transactions**

	<b>Bank / Group</b>	
	<b>30 September 2024</b>	<b>30 September 2023</b>
Profit from foreign currency transactions	1,816	2,589
Unrealised exchange rate gains (losses)	(26)	(129)
<b>Total</b>	<b>1,790</b>	<b>2,460</b>

**Note 13 Operating costs**

Operating costs are as follows:

<b>Group</b>		<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
(423)	(421)	(393)	(415)
(309)	(254)	(307)	(251)
(170)	(171)	(170)	(171)
(1,199)	(844)	(1,199)	(844)
(827)	(515)	(826)	(514)
(556)	(1,349)	(530)	(1,308)
(458)	(298)	(450)	(284)
(124)	(130)	(84)	(94)
(149)	(132)	(149)	(129)
(88)	(72)	(88)	(72)
(332)	(282)	(330)	(269)
<b>(4,635)</b>	<b>(4,468)</b>	<b>(4,526)</b>	<b>(4,351)</b>
	<b>Total</b>		

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 14 Cash and cash equivalents**

Cash and cash equivalents in the cash flow statement consist of:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>30 September 2023</b>		<b>30 September 2024</b>	<b>30 September 2023</b>
14,729	16,611	Cash in hand	14,729	16,611
97,138	96,356	Current account with Central bank*	97,138	96,356
6,529	4,613	Current accounts with other credit institutions	6,529	4,608
7,861	10,423	Term deposits with credit institutions up to 90 days	7,861	10,423
<b>126,257</b>	<b>128,003</b>	<b>Total</b>	<b>126,257</b>	<b>127,998</b>

\*Current account with Central bank is presented without the amount for legal reserve requirement, which in 2024 September 30 amounted to EUR 4,097 thousand (2023 September 30 EUR 2,968 thousand).

**Note 15 Fair values of financial instruments**

Fair value is defined as the amount for which an instrument could be exchanged in a current transaction between willing parties under arm's length condition, excluding forced sale, involuntary liquidation, or speculative sale transactions. As trading in the majority of the financial assets and liabilities held by the Bank and the Group is not well-developed, fair value measurements require the use of assumptions based on current economic conditions and the risks inherent in the specific instrument.

The carrying amounts of financial assets and financial liabilities with short maturities (less than three months) are considered to approximate their fair values. This assumption also applies to floating rate financial instruments as the Group and the Bank have not identified any significant change in credit spreads.

The fair value of fixed rate assets and liabilities carried at amortised cost is estimated by comparing market interest rates with the interest rates offered for similar financial instruments at the time of initial recognition. The estimated fair value of fixed rate loans and deposits is based on discounted cash flows using interest rates prevailing in the market for debt with similar credit risk and maturity.

The following methods and assumptions were used to determine the fair value of these financial instruments:

**Cash.** This is cash in hand with a carrying amount equal to its fair value.

**Cash balances and debts to credit institutions.** The carrying amount of an asset with a maturity of less than 3 months approximates fair value because of the relatively short maturity of this financial instrument. For deposits with longer maturities, the prevailing interest rates reflect market rates (due to re-fixing of interest on assets based on market interest rates) and therefore the fair value approximates the carrying amount.

**Debt securities.** Their fair value was estimated based on the market price.

**Loans to customers.** The valuation was carried out by discounting the future cash flows for each loan over its life using 12-month average interest rates on the market at year-end.

**Liabilities to customers.** The carrying amount of balances with a maturity of less than 3 months approximates fair value because of the relatively short maturity of this financial instrument. The fair value of deposits and other liabilities with longer-term fixed interest rates was calculated by discounting the cash flows using interest rates applicable to new debt with similar maturities and credit quality.

**Debt securities issued and subordinated loans.** Fair value is calculated by discounting the estimated future cash flows using current market interest rates.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 15 Fair values of financial instruments (continued)**

The table below shows the carrying amounts and fair values of financial instruments that are not carried at fair value in the financial statements. This table does not include the fair values of non-financial assets and non-financial liabilities.

<b>Bank</b>	<b>30 September 2024</b>		<b>31 December 2023</b>	
	<b>Carrying value</b>	<b>Fair value</b>	<b>Carrying value</b>	<b>Fair value</b>
<b>Financial assets</b>				
Cash, cash balances at central bank	115,964	115,964	137,347	137,347
Cash balances with banks and other credit institutions	14,990	14,990	14,538	14,538
Debt securities	56,618	59,077	55,952	55,568
Loans and receivables	363,748	376,782	317,385	338,958
Other assets	-	-	-	-
<b>Total</b>	<b>553,318</b>	<b>566,812</b>	<b>525,222</b>	<b>546,411</b>
<b>Financial liabilities</b>				
Liabilities to banks and other credit institutions	-	-	33	33
Liabilities to customers, including letters of credit	501,325	509,959	481,609	491,533
Debt securities issued	2,226	2,307	2,252	2,405
Other liabilities	10,553	10,553	5,914	5,914
<b>Total</b>	<b>514,104</b>	<b>522,818</b>	<b>489,808</b>	<b>499,885</b>
<b>Group</b>				
	<b>30 September 2024</b>	<b>31 December 2023</b>		
	<b>Carrying value</b>	<b>Fair value</b>	<b>Carrying value</b>	<b>Fair value</b>
<b>Financial assets</b>				
Cash, cash balances at central bank	115,964	115,964	137,347	137,347
Cash balances with banks and other credit institutions	14,990	14,990	14,541	14,541
Debt securities	56,618	59,077	55,952	55,568
Loans and receivables	374,872	387,630	329,586	350,767
Other assets	-	-	-	-
<b>Total</b>	<b>564,442</b>	<b>577,660</b>	<b>537,426</b>	<b>519,589</b>
<b>Financial liabilities</b>				
Liabilities to banks and other credit institutions	-	-	33	33
Liabilities to customers, including letters of credit	499,241	507,875	481,171	491,171
Debt securities issued	2,226	2,307	2,252	2,405
Other liabilities	10,938	10,938	6,499	6,499
<b>Total</b>	<b>512,405</b>	<b>521,119</b>	<b>489,955</b>	<b>500,108</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 15 Fair values of financial instruments (continued)**

Financial instruments measured at fair value are presented in these financial statements at three fair value levels:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities;

Level 2: fair value estimated using valuation techniques, where all variables that have a significant effect on the recorded fair value are either directly or indirectly observable in the market;

Level 3: fair value estimated using valuation techniques for which the variables that have a significant effect on the recorded fair value are not based on observable market data.

A breakdown of financial instruments carried at fair value by fair value levels:

**Bank / Group**

30 September 2024	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Financial assets</b>				
Derivatives	-	2	-	2
<b>Financial liabilities</b>				
Derivatives	-	26	-	26

**Bank / Group**

31 December 2023	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
<b>Financial assets</b>				
Derivatives	-	9	-	9
<b>Financial liabilities</b>				
Derivatives	-	44	-	44

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 15 Fair values of financial instruments (continued)**

The table below shows the financial instruments that are not measured at fair value and their analysis by level of the fair value hierarchy.

**Bank**

<b>30 September 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
<b>Assets</b>				
Cash and balances at banks	130,954	-	-	130,954
Debt securities	58,618	-	-	58,618
Loans to customers	-	-	341,412	341,412
Finance lease	-	-	22,336	22,336
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>189,572</b>	<b>-</b>	<b>363,748</b>	<b>553,320</b>
<b>Liabilities</b>				
Liabilities to banks and other credit institutions	-	-	-	-
Liabilities to customers	-	501,325	-	501,325
Debt securities issued	-	2,226	-	2,226
Other liabilities	-	-	10,553	10,553
<b>Total financial liabilities</b>	<b>-</b>	<b>503,551</b>	<b>10,553</b>	<b>514,104</b>

**Bank**

<b>31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
<b>Assets</b>				
Cash and balances at banks	151,885	-	-	151,885
Debt securities	55,952	-	-	55,952
Loans to customers	-	-	292,128	292,128
Finance lease	-	-	25,257	25,257
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>207,837</b>	<b>-</b>	<b>317,385</b>	<b>525,222</b>
<b>Liabilities</b>				
Liabilities to banks and other credit institutions	-	33	-	33
Liabilities to customers	-	481,609	-	481,609
Debt securities issued	-	2,252	-	2,252
Other liabilities	-	-	5,914	5,914
<b>Total financial liabilities</b>	<b>-</b>	<b>483,894</b>	<b>5,914</b>	<b>489,808</b>



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(All amounts are in EUR thousand, unless specified otherwise)

**Note 15 Fair values of financial instruments (continued)**
**Group**

<b>30 September 2024</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
Cash and balances at banks	130,954	-	-	130,954
Debt securities	58,618	-	-	58,618
Loans to customers	-	-	352,536	352,536
Finance lease	-	-	22,336	22,336
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>189,572</b>	<b>-</b>	<b>374,872</b>	<b>564,444</b>
<b>Liabilities</b>				
Liabilities to banks and other credit institutions	-	-	-	-
Liabilities to customers	-	499,241	-	499,241
Debt securities issued	-	2,226	-	2,226
Other liabilities	-	-	10,938	10,938
<b>Total financial liabilities</b>	<b>-</b>	<b>501,467</b>	<b>10,938</b>	<b>512,405</b>

**Group**

<b>31 December 2023</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total carrying amount</b>
<b>Assets</b>				
Cash and balances at banks	151,888	-	-	151,888
Debt securities	55,952	-	-	55,952
Loans to customers	-	-	304,329	304,329
Finance lease	-	-	25,257	25,257
Other assets	-	-	-	-
<b>Total financial assets</b>	<b>207,840</b>	<b>-</b>	<b>329,586</b>	<b>537,426</b>
<b>Liabilities</b>				
Liabilities to banks and other credit institutions	-	33	-	33
Liabilities to customers	-	481,171	-	481,171
Debt securities issued	-	2,252	-	2,252
Other liabilities	-	-	6,499	6,499
<b>Total financial liabilities</b>	<b>-</b>	<b>483,456</b>	<b>6,499</b>	<b>489,955</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 16 Related party transactions**

Transactions between the Group and the Bank and their related parties were conducted at arm's length, i.e., as transactions with unrelated parties.

The balances of loans, term deposits and bonds issued at 30 September 2024 and 31 December 2023 and the related income and expenses included in the profit and loss accounts at 30 September 2024 and 30 September 2023 are shown below:

<b>Bank</b>			<b>Supervisory board and key management personnel</b>	<b>Other*</b>
<b>2024</b>	<b>Shareholders</b>	<b>Subsidiaries</b>		
Loans outstanding as at 30 September 2024, net	-	14,363	-	1,835
Interest rate, %	-	7.00	-	7.29-8.38
Impairment of loans	-	(192)	-	(8)
Term deposits as at 30 September 2024	-	1,827	325	2,078
Interest rate, %	-	3.5-3.8	2.5-4.5	0.45-4.25
Demand accounts as at 30 September 2024	104	257	142	1,898
Bonds issued as at 30 September 2024	100	-	-	-
Interest rate, %	7.0	-	-	-
Subordinated loans as at 30 September 2024	-	-	-	-
Interest rate, %	-	-	-	-
Dividends paid	(503)	-	-	-
For the nine month period ending 30 September 2024				
Interest income on loans	-	1,145	-	109
Interest expense on deposits	-	(27)	(6)	(43)
Interest expense on bonds	(5)	-	-	-
Interest expense on subordinated loans	-	-	-	-
Dividend income	-	452	-	-
Fee and commission income	-	10	-	7
Fee and commission expense	-	-	-	-
<b>Bank</b>			<b>Supervisory board and key management personnel</b>	<b>Other*</b>
<b>2023</b>	<b>Shareholders</b>	<b>Subsidiaries</b>		
Loans outstanding as at 31 December 2023, net	-	22,238	-	1,729
Interest rate, %	-	7.00	-	7.66-8.66
Impairment of loans	-	(297)	-	(7)
Term deposits as at 31 December 2023	-	-	160	2 121
Interest rate, %	-	-	0.85-4.5	0.45-4.25
Demand accounts as at 31 December 2023	1,225	438	118	2,975
Bonds issued as at 31 December 2023	100	-	-	-
Interest rate, %	7.0	-	-	-
Subordinated loans as at 31 December 2023	-	-	-	-
Interest rate, %	-	-	-	-
Dividends paid	-	-	-	-
For the nine period ending 30 September 2023				
Interest income on loans	-	1,513	-	42
Interest expense on deposits	-	-	(1)	(14)
Interest expense on bonds	(5)	-	-	-
Interest expense on subordinated loans	(15)	-	-	-
Dividend income	-	-	-	-
Fee and commission income	-	186	-	7
Fee and commission expense	-	-	-	-

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 16 Related party transactions (continued)**

<b>Group, 2024</b>	<b>Shareholders</b>	<b>Supervisory board and key management personnel</b>	<b>Other*</b>
Loans outstanding as at 30 September 2024, net	-	-	1,835
Interest rate, %	-	-	7.29-8.38
Impairment of loans	-	-	(8)
Term deposits as at 30 September 2024	-	325	2,078
Interest rate, %	-	2.5-4.5	0.45-4.25
Demand accounts as at 30 September 2024	104	150	, 890
Bonds issued as at 30 September 2024	100	-	-
Interest rate, %	7.0	-	-
Subordinated loans as at 30 September 2024	-	-	-
Interest rate, %	-	-	-
Dividends paid	(503)	-	-
For nine-month period ending 30 September 2024			
Interest income on loans	-	-	109
Interest expense on deposits	-	(6)	(43)
Interest expense on bonds	(5)	-	-
Interest expense on subordinated loans	-	-	-
Fee and commission income	-	-	7
Fee and commission expense	-	-	-
<b>Group, 2023</b>	<b>Shareholders</b>	<b>Supervisory board and key management personnel</b>	<b>Other*</b>
Loans outstanding as at 31 December 2023, net	-	-	1,729
Interest rate, %	-	-	7.66-8.66
Impairment of loans	-	-	(7)
Term deposits as at 31 December 2023	-	160	2,121
Interest rate, %	-	0.85-4.5	0.45-4.25
Demand accounts as at 31 December 2023	1 225	173	2,920
Bonds issued as at 31 December 2023	100	-	-
Interest rate, %	7.0	-	-
Subordinated loans as at 31 December 2023	-	-	-
Interest rate, %	-	-	-
Dividends oaid	-	-	-
For the nine-month period ending 30 September 2024			
Interest income on loans	-	-	42
Interest expense on deposits	-	(1)	(14)
Interest expense on bonds	(5)	-	-
Interest expense on subordinated loans	(15)	-	-
Fee and commission income	-	-	7
Fee and commission expense	-	-	-

\* Other related parties are companies controlled by members of the Bank's and Group's management or by the Bank's shareholders and other related parties.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

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**Note 17 Segment information**

The key indicators of the Group's business segments included in the profit and loss account as at 30 June 2024 and the statement of financial position as at 30 June 2023 are summarised below.

	<b>30 September 2024</b>				
	<b>Traditional banking and lending</b>	<b>Treasury</b>	<b>Other activities</b>	<b>Eliminations</b>	<b>Total</b>
Internal	1,216	-	(79)	(1,137)	-
External	22,556	5,251	79	-	27,886
<b>Interest income</b>	<b>23,772</b>	<b>5,251</b>	<b>-</b>	<b>(1,137)</b>	<b>27,886</b>
Internal	(1,216)	-	-	1,216	-
External	(9,351)	(137)	-	-	(9,488)
<b>Interest expense</b>	<b>(10,567)</b>	<b>(137)</b>	<b>-</b>	<b>1,216</b>	<b>(9,488)</b>
Internal	-	-	(79)	79	-
External	13,205	5,114	79	-	18,398
<b>Net interest income</b>	<b>13,205</b>	<b>5,114</b>	<b>-</b>	<b>79</b>	<b>18,398</b>
Internal	-	-	-	-	-
External	1,964	-	-	569	2,533
<b>Net fee and commission income</b>	<b>1,964</b>	<b>-</b>	<b>-</b>	<b>569</b>	<b>2,533</b>
Internal	-	-	(79)	79	-
External	15,169	5,114	79	569	20,931
<b>Net interest, fee and commission income</b>	<b>15,169</b>	<b>5,114</b>	<b>-</b>	<b>648</b>	<b>20,931</b>
Internal	-	-	-	-	-
External	(12,862)	(212)	16	-	(13,058)
<b>Operating costs</b>	<b>(12 862)</b>	<b>(212)</b>	<b>16</b>	<b>-</b>	<b>(13 058)</b>
Amortisation	(1,317)	-	-	-	(1,317)
Depreciation	(297)	-	-	-	(297)
Internal	-	-	-	-	-
External	(281)	-	-	-	(281)
<b>Impairment charges</b>	<b>(281)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(281)</b>
Internal	-	-	-	-	-
External	1,335	416	995	-	2,766
<b>Other net income</b>	<b>1,335</b>	<b>416</b>	<b>995</b>	<b>-</b>	<b>2,766</b>
<b>Profit (loss) before tax</b>	<b>1,768</b>	<b>5,317</b>	<b>1,011</b>	<b>648</b>	<b>8,744</b>
Corporate tax	(1,652)	-	(7)	-	(1,659)
<b>Profit (loss) per segment after tax</b>	<b>116</b>	<b>5,317</b>	<b>1,004</b>	<b>648</b>	<b>7,085</b>
Non-controlling interest	-	-	-	-	-
<b>Profit (loss) attributable to shareholders of the Bank</b>	<b>116</b>	<b>5,317</b>	<b>1,004</b>	<b>648</b>	<b>7,085</b>
Total assets per segment	428,785	174,842	2,043	(28,839)	576,831
Total liabilities per segment	526,267	3,401	44	(16,692)	513,020
<b>Net assets per segment (shareholders' equity)</b>	<b>(97,482)</b>	<b>171,441</b>	<b>1,999</b>	<b>(12,147)</b>	<b>63,811</b>

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**Note 17 Segment information (continued)**

The key indicators of the Group's business segments included in the profit and loss account as at 30 June 2023 and the statement of financial position as at 31 June 2023 are summarised below.

	<b>30 September 2023</b>				
	<b>Traditional banking and lending</b>	<b>Treasury</b>	<b>Other activities</b>	<b>Eliminations</b>	<b>Total</b>
Internal	1,620	-	(107)	(1,513)	-
External	17,369	1,856	107	-	19,602
<b>Interest income</b>	<b>19,259</b>	<b>1,856</b>	<b>-</b>	<b>(1,513)</b>	<b>16,602</b>
Internal	(1,620)	-	-	1,620	-
External	(2,886)	(12)	-	-	(2,898)
<b>Interest expense</b>	<b>(4,506)</b>	<b>(12)</b>	<b>-</b>	<b>1,620</b>	<b>(2,898)</b>
Internal	-	-	(107)	107	-
External	14,753	1,844	107	-	16,704
<b>Net interest income</b>	<b>14,753</b>	<b>1,844</b>	<b>-</b>	<b>107</b>	<b>16,704</b>
Internal	-	-	-	-	-
External	3,511	-	-	3	3,514
<b>Net fee and commission income</b>	<b>3,511</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>3,514</b>
Internal	-	-	(107)	107	-
External	18,264	1,844	107	3	20,218
<b>Net interest, fee and commission income</b>	<b>18,264</b>	<b>1,844</b>	<b>-</b>	<b>110</b>	<b>20,218</b>
Internal	-	-	-	-	-
External	(12,203)	(198)	-	-	(12,401)
<b>Operating costs</b>	<b>(12,203)</b>	<b>(198)</b>	<b>-</b>	<b>-</b>	<b>(12,401)</b>
Amortisation	(306)	-	-	-	(306)
Depreciation	(739)	-	-	-	(739)
Internal	-	-	-	-	-
External	(550)	-	-	-	(550)
<b>Impairment charges</b>	<b>(550)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(550)</b>
Internal	-	-	-	-	-
External	2,105	441	6	-	2,552
<b>Other net income</b>	<b>2,105</b>	<b>441</b>	<b>6</b>	<b>-</b>	<b>2,552</b>
<b>Profit (loss) before tax</b>	<b>6,571</b>	<b>2,087</b>	<b>6</b>	<b>110</b>	<b>8,774</b>
Corporate tax	(1,705)	-	-	-	(1,705)
<b>Profit (loss) per segment after tax</b>	<b>4,866</b>	<b>2,087</b>	<b>6</b>	<b>110</b>	<b>7,069</b>
Non-controlling interest	-	-	-	-	-
<b>Profit (loss) attributable to shareholders of the Bank</b>	<b>4,866</b>	<b>2,087</b>	<b>6</b>	<b>110</b>	<b>7,069</b>
Total assets per segment	364,677	173,322	1,968	(40,383)	499,584
Total liabilities per segment	466,730	5,445	53	(27,772)	444,456
<b>Net assets per segment (shareholders' equity)</b>	<b>(102,053)</b>	<b>167,877</b>	<b>1,915</b>	<b>(12,611)</b>	<b>55,128</b>

**Breakdown of the Group's assets and income by geographical segments**

All fixed assets of the Group, other than financial assets, are located in Lithuania. The Bank did not earn income in other countries.

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**Note 18 Risk management**
**Credit risk**

Credit risk is the risk that the Group and the Bank will incur losses as a result of the failure by their customers or other parties to meet their contractual obligations. The Group and the Bank manage and control credit risk by setting acceptable risk limits for individual borrowers and sectors of the economy, and by monitoring the potential for breaches of these limits. The Group and the Bank have credit quality review procedures in place to identify changes in the creditworthiness of counterparties in advance, including regular review of collateral. The credit quality review process allows the Group and the Bank to assess the potential losses that may occur and take appropriate action. The Bank issues guarantees to customers that require the Bank to make payments on their behalf. These create similar risks for the Bank as loans and these risks are mitigated using the same control processes and policies. Where the expected cash flow from problem loans is expected to come from the sale of collateral, the value of the collateral held is an important estimate in calculating loan impairment losses and receivables.

The Bank and the Group are also required to comply with the limit to large exposures (maximum exposure to a single customer) set out in Regulation (EU) No. 575/2013 of the European Parliament and of the Council. The exposure to a single customer or group of related customers may not exceed 25% of the eligible capital. According to the provisions of Regulation (EU) No. 2019/876 of the European Parliament and of the Council effective as of 28 June 2021, the maximum exposure ratio is calculated based on Tier 1 capital. Compliance to this requirement is disclosed in the table below:

Group			Bank	
30 September 2024	31 December 2023		30 September 2024	31 December 2023
10,816	10,367	Maximum exposure to a single customer or group of related customers	10,816	10,367
54,730	53,195	Eligible capital	54,512	53,850
<b>19.76</b>	<b>19.49</b>	<b>Maximum exposure ratio, %</b>	<b>19.84</b>	<b>19.25</b>

**Maximum credit risk excluding collateral or other credit protection**

The table below shows the maximum credit risk. The maximum risk is disclosed on a net basis before the impact of collateral agreements.

Group			Bank	
30 September 2024	31 December 2023		30 September 2024	31 December 2023
		<b>Items in the statement of financial position other than trading and investing activities</b>		
101,235	117,990	Balances with the Bank of Lithuania	101,235	117,990
14,990	14,541	Balances with banks	14,990	14,538
352,536	304,329	Loans granted to customers	341,412	292,128
22,336	25,257	Finance lease	22,336	25,257
<b>491,097</b>	<b>462,117</b>		<b>479,973</b>	<b>449,913</b>
		<b>Off-balance-sheet items</b>		
2,201	2,292	Guarantees	2,201	2,292
38,729	24,121	Loan commitments	38,729	28,167
<b>532,027</b>	<b>488,530</b>	<b>Total on-balance-sheet and off-balance-sheet items other than trading and investing activities</b>	<b>520,903</b>	<b>480,372</b>
		<b>Trading and investing activities</b>		
		Financial assets at fair value through profit or loss		
2	9	Derivatives	2	9
		Held-to-maturity investments		
58,618	55,952	Debt securities	58,618	55,952
<b>58,620</b>	<b>55,961</b>	<b>Trading and investing activities, total</b>	<b>58,620</b>	<b>55,961</b>
<b>590,647</b>	<b>544,491</b>	<b>Total credit risk</b>	<b>579,523</b>	<b>536,333</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Credit risk (continued)

The tables below provide a breakdown of trading and investing activities by type and grade:

	<b>Bank / Group</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
Government bonds	58,618	55,952
Derivatives	2	9
<b>Total</b>	<b>58,620</b>	<b>55,961</b>

**Bonds by rating class**

	<b>Bank / Group</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
High grade (AAA-A)	53,702	47,060
Standard grade (B-BBB+)	4,916	8,892
Not rated	-	-
<b>Total</b>	<b>58,618</b>	<b>55,952</b>

The debt securities held are purchased for investment purposes and are carried at amortised cost. The Group and the Bank did not have any overdue or impaired amounts in their investing activities.

The Group and the Bank have assigned to the high rating class debt securities whose issuers have a combined credit default rating of 'AAA' to 'A' according to the ratings of recognised international rating agencies (Moody's, Standard & Poor's or Fitch Ratings), and to the standard rating class bonds whose issuers have a rating between 'BBB' and 'B'.

Credit risk assessment

In assessing financial instruments, the Group and the Bank apply specific criteria and procedures for assessing debtors. Financial instruments are classified into three stages of credit risk based on the change in credit risk since initial recognition:

- Stage 1 includes performing financial instruments for which no significant increase in credit risk has been identified since the initial recognition of the loan and the borrower is expected to be able to meet its contractual obligations.
- Stage 2 includes financial instruments for which a significant increase in credit risk is identified after the initial recognition of the loan.
- Stage 3 includes all non-performing financial instruments with a recognised loss event and POCI (purchased or originated credit-impaired) financial instruments.

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**Note 18 Risk management (continued)**

Credit risk (continued)

Credit risk assessment of financial instruments other than trading activities and off-balance-sheet items:

<b>Bank 30 September 2024</b>	<b>Not overdue</b>	<b>1 to 59 days overdue</b>	<b>60 to 89 days overdue</b>	<b>More than 90 days overdue</b>	<b>Total</b>
Stage 1					
Loans and receivables	310,389	2,217	-	-	312,606
Balances with the Bank of Lithuania and other banks	116,225	-	-	-	116,225
Debt securities	58,618	-	-	-	58,618
	-	-	-	-	-
<b>Total</b>	<b>485,232</b>	<b>2,217</b>	<b>-</b>	<b>-</b>	<b>487,449</b>
Stage 2					
Loans and receivables	35,767	2,656	67	-	38,490
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>35,767</b>	<b>2,656</b>	<b>67</b>	<b>-</b>	<b>38,490</b>
Stage 3					
Loans and receivables	7,258	1,030	141	4,223	12,652
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>7,258</b>	<b>1,030</b>	<b>141</b>	<b>4,223</b>	<b>12,652</b>
<b>Total</b>	<b>528,257</b>	<b>5,903</b>	<b>208</b>	<b>4,223</b>	<b>538,591</b>



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(All amounts are in EUR thousand, unless specified otherwise)

## Note 18 Risk management (continued)

Credit risk (continued)

Bank 31 December 2023	Not overdue	1 to 59 days overdue	60 to 89 days overdue	More than 90 days overdue	Total
Stage 1					
Loans and receivables	262,878	3,091	-	-	265,969
Balances with the Bank of Lithuania and other banks	132,528	-	-	-	132,528
Debt securities	55,952	-	-	-	55,952
	-	-	-	-	-
<b>Total</b>	<b>451,358</b>	<b>3,091</b>	<b>-</b>	<b>-</b>	<b>454,449</b>
Stage 2					
Loans and receivables	41,970	1,661	81	-	43,712
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>41,970</b>	<b>1,661</b>	<b>81</b>	<b>-</b>	<b>43,712</b>
Stage 3					
Loans and receivables	6,807	436	0	461	7,704
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
	-	-	-	-	-
<b>Total</b>	<b>6,807</b>	<b>436</b>	<b>0</b>	<b>461</b>	<b>7,704</b>
<b>Total</b>	<b>500,135</b>	<b>5,188</b>	<b>81</b>	<b>461</b>	<b>505,865</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Credit risk (continued)

<b>Group</b> <b>30 September 2024</b>	<b>Not overdue</b>	<b>1 to 59 days overdue</b>	<b>60 to 89 days overdue</b>	<b>More than 90 days overdue</b>	<b>Total</b>
<b>Stage 1</b>					
Loans and receivables	317,365	2,581	-	-	<b>319,946</b>
Balances with the Bank of Lithuania and other banks	116,225	-	-	-	<b>116,225</b>
Debt securities	58,618	-	-	-	<b>58,618</b>
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>492,208</b>	<b>2,581</b>	<b>-</b>	<b>-</b>	<b>494,789</b>
<b>Stage 2</b>					
Loans and receivables	38,274	3,617	186	-	<b>42,077</b>
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>38,274</b>	<b>3,617</b>	<b>186</b>	<b>-</b>	<b>42,077</b>
<b>Stage 3</b>					
Loans and receivables	7,318	1,081	163	4,287	<b>12,849</b>
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>7,318</b>	<b>1,081</b>	<b>163</b>	<b>4,287</b>	<b>12,849</b>
<b>Total</b>	<b>537,800</b>	<b>7,279</b>	<b>349</b>	<b>4,287</b>	<b>549,715</b>

## CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024

(All amounts are in EUR thousand, unless specified otherwise)

## Note 18 Risk management (continued)

Credit risk (continued)

<b>Group</b> <b>31 December 2023</b>	<b>Not overdue</b>	<b>1 to 59 days overdue</b>	<b>60 to 89 days overdue</b>	<b>More than 90 days overdue</b>	<b>Total</b>
<b>Stage 1</b>					
Loans and receivables	271,087	3,651	-	-	274,738
Balances with the Bank of Lithuania and other banks	132,531	-	-	-	132,531
Debt securities	55,952	-	-	-	55,952
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>459,570</b>	<b>3,651</b>	<b>-</b>	<b>-</b>	<b>463,221</b>
<b>Stage 2</b>					
Loans and receivables	44,211	2,577	148	-	46,936
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>44,211</b>	<b>2,577</b>	<b>148</b>	<b>-</b>	<b>46,936</b>
<b>Stage 3</b>					
Loans and receivables	6,845	492	24	551	7,912
Balances with the Bank of Lithuania and other banks	-	-	-	-	-
Debt securities	-	-	-	-	-
Other financial assets	-	-	-	-	-
<b>Total</b>	<b>6,845</b>	<b>492</b>	<b>24</b>	<b>551</b>	<b>7,912</b>
<b>Total</b>	<b>510,626</b>	<b>6,720</b>	<b>172</b>	<b>551</b>	<b>518,069</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Estimated provisions by risk level

	30 September 2024					31 December 2023				
	Collectively assessed assets	Individually assessed assets	Loan commitments	Guarantees issued	Total	Collectively assessed assets	Individually assessed assets	Loan commitments	Guarantees issued	Total
<b>Bank</b>										
<b>Stage 1</b>	<b>1,625</b>	-	<b>204</b>	<b>9</b>	<b>1,838</b>	<b>1,304</b>	-	<b>201</b>	<b>10</b>	<b>1,515</b>
Loans and receivables	1,574	-	204	9	1,787	1,255	-	201	10	1,466
Balances with the Bank of Lithuania and other banks	15	-	-	-	15	15	-	-	-	15
Debt securities	36	-	-	-	36	34	-	-	-	34
<b>Stage 2</b>	<b>761</b>	-	<b>1</b>	-	<b>762</b>	<b>703</b>	-	<b>7</b>	-	<b>710</b>
Loans and receivables	761	-	1	-	762	703	-	7	-	710
<b>Stage 3</b>	-	<b>1,030</b>	-	-	<b>1,030</b>	-	<b>1,312</b>	-	-	<b>1,312</b>
Loans and receivables	-	1,030	-	-	1,030	-	1,312	-	-	1,312
<b>Total credit risk assets</b>	<b>2,386</b>	<b>1,030</b>	<b>205</b>	<b>9</b>	<b>3,630</b>	<b>2,007</b>	<b>1,312</b>	<b>208</b>	<b>10</b>	<b>3,537</b>
<b>Group</b>										
<b>Stage 1</b>	<b>1,798</b>	-	<b>204</b>	<b>9</b>	<b>2,011</b>	<b>1,525</b>	-	<b>147</b>	<b>10</b>	<b>1,682</b>
Loans and receivables	1,747	-	204	9	1,960	1,475	-	147	10	1,632
Balances with the Bank of Lithuania and other banks	15	-	-	-	15	16	-	-	-	16
Debt securities	36	-	-	-	36	34	-	-	-	34
<b>Stage 2</b>	<b>1,123</b>	-	<b>1</b>	-	<b>1,124</b>	<b>1,031</b>	-	<b>7</b>	-	<b>1,038</b>
Loans and receivables	1,123	-	1	-	1,124	1,031	-	7	-	1,038
<b>Stage 3</b>	-	<b>1,571</b>	-	-	<b>1,571</b>	-	<b>1,716</b>	-	-	<b>1,716</b>
Loans and receivables	-	1,571	-	-	1,571	-	1,716	-	-	1,716
<b>Total credit risk assets</b>	<b>2,921</b>	<b>1,571</b>	<b>205</b>	<b>9</b>	<b>4,706</b>	<b>2,556</b>	<b>1,716</b>	<b>154</b>	<b>10</b>	<b>4,436</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Change in provisions during the reporting period

<b>Group</b>					<b>Bank</b>					
Collectively assessed assets	Individually assessed assets	Loan commitments	Guarantees issued	Total		Collectively assessed assets	Individually assessed assets	Loan commitments	Guarantees issued	Total
					<b>30 September 2024</b>					
<b>275</b>	<b>-</b>	<b>57</b>	<b>(1)</b>	<b>331</b>	<b>Stage 1</b>	<b>322</b>	<b>-</b>	<b>3</b>	<b>(1)</b>	<b>324</b>
272	-	57	(1)	<b>328</b>	Loans and receivables	319	-	3	(1)	<b>321</b>
1	-	-	-	<b>1</b>	Balances with the Bank of Lithuania and other banks	1	-	-	-	<b>1</b>
2	-	-	-	<b>2</b>	Debt securities	2	-	-	-	<b>2</b>
<b>92</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>86</b>	<b>Stage 2</b>	<b>58</b>	<b>-</b>	<b>(6)</b>	<b>-</b>	<b>52</b>
92	-	(6)	-	<b>86</b>	Loans and receivables	58	-	(6)	-	<b>52</b>
<b>-</b>	<b>(145)</b>	<b>-</b>	<b>-</b>	<b>(145)</b>	<b>Stage 3</b>	<b>-</b>	<b>(282)</b>	<b>-</b>	<b>-</b>	<b>(282)</b>
-	(145)	-	-	<b>(145)</b>	Loans and receivables	-	(282)	-	-	<b>(282)</b>
-	-	-	-	-	Other financial assets	-	-	-	-	-
<b>367</b>	<b>(145)</b>	<b>51</b>	<b>(1)</b>	<b>272</b>	<b>Total credit risk assets</b>	<b>380</b>	<b>(282)</b>	<b>(3)</b>	<b>(1)</b>	<b>94</b>
-	11	-	-	<b>11</b>	Written off during the period	-	-	-	-	-
-	(2)	-	-	<b>(2)</b>	Received on repayment of loans written off during the period	-	(2)	-	-	<b>(2)</b>
<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>281</b>	<b>Total change in provisions</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>92</b>

A credit risk assessment of individual customers to determine their dependence on war-affected countries and the impact on credit risk did not show any increase in credit risk. Enhanced monitoring is applied in 2024 in respect of customers on the watch list.

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**
**Liquidity risk**

Liquidity risk is the risk that sufficient funds will not be available to meet maturing obligations on deposits and other financial instruments. To manage liquidity risk, the Group and the Bank monitor future expected cash flows from customers and banking activities on a daily basis as part of the asset/liability management process. The Board sets limits on the minimum amount of maturing funds to ensure that sufficient funds are available to pay out deposits, and sets a minimum level of inter-bank and other debt obligations to be drawn upon in the event of an unexpected increase in repayment demands.

The Bank and the Group are also required to comply with the liquidity coverage ratio requirements under Regulation (EU) No. 575/2013 of the European Parliament and of the Council. The liquidity coverage ratio (LCR) refers to the Bank's or Group's highly liquid assets that are held to meet short-term liabilities. The Bank or the Group must hold highly liquid assets such as treasury bonds or other liquid financial instruments in an amount at least equal to the net cash outflows over a 30-day period, i.e., the liquidity coverage ratio must not be less than 100%. The liquidity coverage ratios of the Bank and the Group are as follows:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>		<b>30 September 2024</b>	<b>31 December 2023</b>
170,914	183,643	Liquid assets	170,914	183,643
50,522	39,144	Short-term liabilities (up to 30 days)	51,663	41,146
<b>338</b>	<b>469</b>	<b>LCR, %</b>	<b>331</b>	<b>446</b>

As of 28 June 2021, the Bank and the Group are also required by Regulation (EU) No. 2019/876 of the European Parliament and of the Council to maintain a net stable funding ratio (NSFR) of at least 100%. The net stable funding ratios of the Bank and the Group are as follows:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>		<b>30 September 2024</b>	<b>31 December 2023</b>
493,835	480,252	Stable funding available	494,361	480,608
323,930	287,160	Stable funding required	323,450	283,449
<b>152</b>	<b>167</b>	<b>NSFR, %</b>	<b>153</b>	<b>170</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

## Liquidity risk (continued)

The table below presents an analysis of the carrying amounts of total assets and total liabilities grouped by the period from the date of the statement of financial position to the contractual maturity:

Bank	30 September 2024							Total
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	
Assets	28,983	107,828	27,381	42,534	138,472	205,851	26,372	<b>577,421</b>
Liabilities	166,066	24,603	58,177	173,864	71,001	20,706	276	<b>514,693</b>
<b>Net gap</b>	<b>(137,083)</b>	<b>83,225</b>	<b>(30,796)</b>	<b>(131,330)</b>	<b>67,471</b>	<b>185,145</b>	<b>26,096</b>	<b>62,728</b>
Loan commitments	-	38,729	-	-	-	-	-	<b>38,729</b>

  

	31 December 2023							Total
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	
Assets	36,745	127,646	15,611	63,700	108,304	172,796	23,268	<b>548,070</b>
Liabilities	164,133	20,550	32,441	180,887	64,566	28,464	296	<b>491,337</b>
<b>Net gap</b>	<b>(127,388)</b>	<b>107,096</b>	<b>(16,830)</b>	<b>(117,187)</b>	<b>43,738</b>	<b>144,332</b>	<b>22,972</b>	<b>56,733</b>
Loan commitments	-	28,167	-	-	-	-	-	<b>28,167</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Liquidity risk (continued)

Group	30 September 2024							Total
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	
Assets	28,984	108,415	14,198	47,385	148,901	214,197	14,751	<b>576,831</b>
Liabilities	163,982	24,988	58,177	173,864	71,001	20,706	302	<b>513,020</b>
<b>Net gap</b>	<b>(134,998)</b>	<b>83,427</b>	<b>(43,979)</b>	<b>(126,479)</b>	<b>77,900</b>	<b>193,491</b>	<b>14,449</b>	<b>63,811</b>
Loan commitments	-	38,729	-	-	-	-	-	<b>38,729</b>

  

Group	31 December 2023							Total
	On demand	Less than 1 month	1 to 3 months	3 months to 1 year	1 to 3 years	Over 3 years	Without maturity	
Assets	36,748	128,310	16,938	47,401	121,657	185,833	11,890	<b>548,777</b>
Liabilities	163,695	21,136	32,441	180,887	64,566	28,464	359	<b>491,548</b>
<b>Net gap</b>	<b>(126,947)</b>	<b>107,174</b>	<b>(15,503)</b>	<b>(133,486)</b>	<b>57,091</b>	<b>157,369</b>	<b>11,531</b>	<b>57,229</b>
Loan commitments	-	24,121	-	-	-	-	-	<b>24,121</b>

Overdue loans are disclosed under "Without maturity".

**Market risk**

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate as a result of changes in market variables such as interest rates, exchange rates and the prices of equity instruments. Market risk is managed and controlled through continuous market monitoring and analysis of forecast market developments.

**Interest rate risk**

Interest rate risk arises from a possible change in interest rates that would affect future cash flows or the fair values of financial instruments. The Board has set interest rate gap limits for specified periods. Exposures are monitored at a frequency determined by the Bank. Interest rate risk is forecasted using market interest rates and managed by matching the gap between assets and liabilities based on revaluation maturities. The Group and the Bank use interest rate risk management techniques that allow the sensitivity of the Bank and the Group to changes in interest rates to be determined by calculating the impact on annual net interest income if the yield curve changes.

The tables below summarise the Group's and the Bank's interest rate risk as at 30 September 2024 and 31 December 2023. The table includes the Group's and the Bank's assets and liabilities at their carrying amounts, broken down by the earlier of the interest rate reset or maturity date.



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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Interest rate risk (continued)

Bank	30 September 2024						Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	
<b>Assets:</b>							
Interest rate sensitive assets	59,428	134,219	152,119	9,644	54,511	10,661	420,582
Interest rate non-sensitive assets							156,839
<b>Liabilities</b>							
Interest rate sensitive liabilities	16,174	60,188	58,611	109,430	72,326	20,914	337,643
Interest rate non-sensitive liabilities and equity							239,778
<b>Interest rate sensitivity gap</b>	<b>43,254</b>	<b>74,031</b>	<b>93,508</b>	<b>(99,786)</b>	<b>(17,815)</b>	<b>(10,253)</b>	<b>-</b>

Bank	31 December 2023						Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	
<b>Assets:</b>							
Interest rate sensitive assets	68,121	96,094	145,747	13,938	33,533	4,557	361,990
Interest rate non-sensitive assets							186,080
<b>Liabilities</b>							
Interest rate sensitive liabilities	12,590	32,322	52,064	126,380	66,683	29,792	319,831
Interest rate non-sensitive liabilities and equity							228,239
<b>Interest rate sensitivity gap</b>	<b>55,531</b>	<b>63,772</b>	<b>93,683</b>	<b>(112,442)</b>	<b>(33,150)</b>	<b>(25,235)</b>	<b>-</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**

Interest rate risk (continued)

Group	30 September 2024						Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	
<b>Assets:</b>							
Interest rate sensitive assets	60,086	120,813	153,773	12,841	64,940	19,007	431,460
Interest rate non-sensitive assets							145,371
<b>Liabilities</b>							
Interest rate sensitive liabilities	16,174	60,188	58,611	109,430	72,326	20,914	337,643
Interest rate non-sensitive liabilities and equity							239,188
<b>Interest rate sensitivity gap</b>	<b>43,912</b>	<b>60,625</b>	<b>95,162</b>	<b>(96,589)</b>	<b>(7,386)</b>	<b>(1,907)</b>	<b>-</b>

Group	31 December 2023						Total
	Less than 1 month	1 to 3 months	3 to 6 months	6 months to 1 year	1 to 3 years	Over 3 years	
<b>Assets:</b>							
Interest rate sensitive assets	68,922	97,419	125,317	17,773	46,886	17,594	373,911
Interest rate non-sensitive assets							174,866
<b>Liabilities</b>							
Interest rate sensitive liabilities	12,590	32,322	52,064	126,380	66,683	29,792	319,831
Interest rate non-sensitive liabilities and equity							228,946
<b>Interest rate sensitivity gap</b>	<b>56,332</b>	<b>65,097</b>	<b>73,253</b>	<b>(108,607)</b>	<b>(19,797)</b>	<b>(12,198)</b>	<b>-</b>

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(All amounts are in EUR thousand, unless specified otherwise)

**Note 18 Risk management (continued)**
**Currency risk**

Currency risk is managed by controlling the risk limits set for individual currency positions. The positions are monitored daily. The Bank's policy is to keep the open currency position exposure as low as possible.

The Group and the Bank are exposed to the risk of fluctuations in prevailing foreign exchange rates affecting their financial position and cash flows. The Board sets limits on currency position exposures, both for divisions, subsidiaries and overall. These limits are also in line with the Bank of Lithuania's minimum requirements. The Bank's and the Group's foreign exchange exposure is:

<b>Group</b>			<b>Bank</b>	
<b>30 September 2024</b>	<b>31 December 2023</b>		<b>30 September 2024</b>	<b>31 December 2023</b>
200	349	Long positions	200	349
(200)	(209)	Short positions	(200)	(209)
55,092	53,899	Eligible capital	54,874	54,554
<b>0.36</b>	<b>0.65</b>	<b>Total net foreign currency exposure, %</b>	<b>0.37</b>	<b>0.64</b>

The impact of exchange rate changes, calculated on a linear basis, is shown below:

	<b>30 September 2024</b>	<b>31 December 2023</b>
Exchange rate appreciation of 10%	20	14
Exchange rate depreciation of 10%	(20)	(14)

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 19 Capital**

The Bank's and the Group's capital is calculated and allocated to risks in accordance with the requirements of the EU Capital Requirements Directive (CRD) and the EU Capital Requirements Regulation (CRR) No. 575/2013. Additional capital buffers are required to be built up in line with these requirements:

- conservation buffer equal to 2.5% of the total assessed risk;
- as of 30 June 2023, requirement for sectoral systemic risk reserve was introduced. The sectoral systemic risk buffer is set at 2% of the sum of risk-weighted retail exposures secured by residential real estate of natural persons resident in Lithuania;
- as of 1 October 2023, a 1% countercyclical capital buffer requirement for exposures in Lithuania came into force.

On 15 March 2022, following the Supervisory Review and Evaluation Process (SREP) carried out in 2021, the Board of the Bank of Lithuania decided to set an additional minimum own funds requirement (Pillar 2) of 1.7%.

In line with the requirements of Regulation (EU) No. 575/2013 of the European Parliament and of the Council and the capital adequacy requirements, the Bank's and the Group's total capital ratio must not be less than 13.38%. The capital adequacy ratio of the Bank and the Group exceeded the required minimum.

A leverage ratio requirement of 3% applies as of 28 June 2021. As at 30 September 2024, the Bank's leverage ratio stood at 8.82 % (8.86 % for the Group), above the minimum requirement.

The total capital ratio is shown in the table below:

	<b>Bank</b>		<b>Group</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
Capital adequacy ratio, %	<b>17.91</b>	<b>19.50</b>	<b>18.26</b>	<b>19.81</b>

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 20 Financial asset quality, profitability ratios and other information**

The quality indicators for financial assets as at 30 September 2024 are presented in the table below:

Group			Bank	
Impairment	Ratio of impairment to financial assets (%)		Impairment	Ratio of impairment to financial assets (%)
4,288	1.20	Loans to customers and receivables	3,212	0.93
154	0.68	Finance lease receivables	154	0.68
36	0.06	Debt securities	36	0.06
14	0.09	Balances with banks	14	0.09
<b>4,492</b>	<b>0.99</b>	<b>Total</b>	<b>3,416</b>	<b>0.77</b>

Financial asset quality indicators at 31 December 2023:

Group			Bank	
Impairment	Ratio of impairment to financial assets (%)		Impairment	Ratio of impairment to financial assets (%)
3,362	1.19	Loans to customers and receivables	2,709	0.92
562	2.18	Finance lease receivables	562	2.18
34	0.06	Debt securities	34	0.06
14	0.10	Balances with banks	14	0.10
<b>4,272</b>	<b>1.05</b>	<b>Total</b>	<b>3,319</b>	<b>0.84</b>

The Bank's and Group's key profitability indicators are shown in the table below in percentage:

Group			Bank	
30 September 2024	31 December 2023		30 September 2024	31 December 2023
1.65	1.87	Return on assets (ROA)	1.49	1.75
15.67	16.58	Return on equity (ROE)	14.45	15.47

**Sanctions imposed on the Bank**

During 2024, no sanctions were applied to Urbo bankas UAB.

**CONDENSED INTERIM SEPARATE AND CONSOLIDATED UNAUDITED FINANCIAL STATEMENTS FOR THE NINE MONTH PERIOD ENDING 30 SEPTEMBER 2024**

(All amounts are in EUR thousand, unless specified otherwise)

**Note 21 Events after the reporting period**Saugus kreditas UAB integration into the Bank

15 October 2024 the reorganization of Saugus kreditas UAB was completed. Saugus kreditas UAB was merged with Urbo bankas UAB through reorganization.

After the reorganization, Urbo bankas UAB took over all the rights, obligations and assets as well as right and obligations of loans and deposits.

Results of the Bank's supervisory review and evaluation process (SREP)

The Board of the Bank of Lithuania, taking into account the results of the 2024 supervisory review and evaluation process (SREP) of the Bank, on 31 October 2024 issued the resolution, setting the amount of the additional capital requirement in 2.42% of the aggregate amount of the risk-weighted exposures.

Considering the amount of the additional capital requirement set by the resolution of the Board of the Bank of Lithuania, the Bank has to meet the following minimum own funds requirements:

- Common Equity Tier 1 capital adequacy ratio of 5.86%;
- Tier 1 capital adequacy ratio of 7.81%;
- overall SREP capital adequacy ratio of 10.42%.

It is also recommended that the Bank has a Pillar 2 Guidance (P2G) capital of 1% which should be included in the capital planning and risk management frameworks of the Bank, including the risk appetite management framework and recovery planning.

The Bank and the Group did not have any other material post-balance-sheet events in the third quarter of 2024 that would require adjustment to these financial statements or disclosure.

**CONFIRMATION BY RESPONSIBLE PERSONS**

We, Marius Arlauskas, Chairman of the Board and Head of Administration of Urbo Bankas UAB, and Lina Bertašienė, Chief Financial Officer and Director of Accounting and Reporting Department of Urbo Bankas UAB, hereby confirm that, to the best of our knowledge and belief, the financial statements as at the end of the third quarter of 2024 have been prepared in accordance with the applicable accounting standards and give a true and fair view of the separate and total consolidated assets, liabilities, financial position, results of operations and cash flows of Urbo Bankas UAB and its subsidiaries.

Chairman of the Board and Head of  
Administration

M. Arlauskas



Director of Accounting and Reporting  
Department, Chief Financial Officer

L. Bertašienė

