

Translation to English



# Liquidation Process Report

## 13.06.2018-30.09.2019

26-Nov-2019

# Timeline of key events

## 2018

- 13 February – FINCEN statement.
- 18 February – FCMC set restrictions on operations and authorised persons were appointed.
- 23 February – ECB decision on “failing or likely to fail”.
- 26 February – shareholders’ decision on voluntary liquidation of the Bank.
- 5 March – voluntary liquidation plan submitted to the FCMC.
- 12 June – voluntary liquidation approved by the FCMC.
- 11 July – licence withdrawn by the ECB.

## 2019

- 6 March – creditor review methodology approved by the FCMC.
- 28 May – ABLV Capital Markets, IBAS licence for rendering investment services withdrawn by the FCMC.
- 2 July – Luxembourg Commercial Court made the decision on initiating ABLV Bank Luxembourg, S.A. liquidation process.
- 3 July – beginning of ABLV Capital Markets, IBAS liquidation process registered with the Register of Enterprises.
- 4 October – first payments performed in accordance with the methodology.

# Statement of financial position

(EUR'000)

|   | Company<br>30.09.2019 | Company<br>30.06.2018 |
|---|-----------------------|-----------------------|
| <b>Assets</b>   |                       |                       |
| Cash on hand and balances due from credit institutions          | 1 689 509             | 1 090 033             |
| Investments in financial instruments                            | 34 938                | 284 936               |
| Loans   | 452 211               | 802 545               |
| Investments in subsidiaries and associates                      | 143 683               | 169 035               |
| Other assets  | 37 122                | 29 480                |
| <b>Total assets</b>   | <b>2 357 463</b>      | <b>2 376 029</b>      |
| <b>Liabilities</b>  |                       |                       |
| Creditor's claims   | 2 058 366             | 2 041 867             |
| Other liabilities   | 8 279                 | 23 808                |
| <b>Total liabilities</b>  | <b>2 066 645</b>      | <b>2 065 675</b>      |
| <b>Total shareholders' equity</b>                               | <b>290 818</b>        | <b>310 354</b>        |
| <b>Total liabilities and shareholders' equity</b>               | <b>2 357 463</b>      | <b>2 376 029</b>      |
| <b>Contingent liabilities and other off-balance sheet items</b> | <b>1 105</b>          | <b>36 606</b>         |
| <b>Assets under management/property of third parties</b>        | <b>522 597</b>        | <b>878 480</b>        |

*\*on 30.06.2018 a part of the assets under management (cash) was included in the Company's balance sheet*

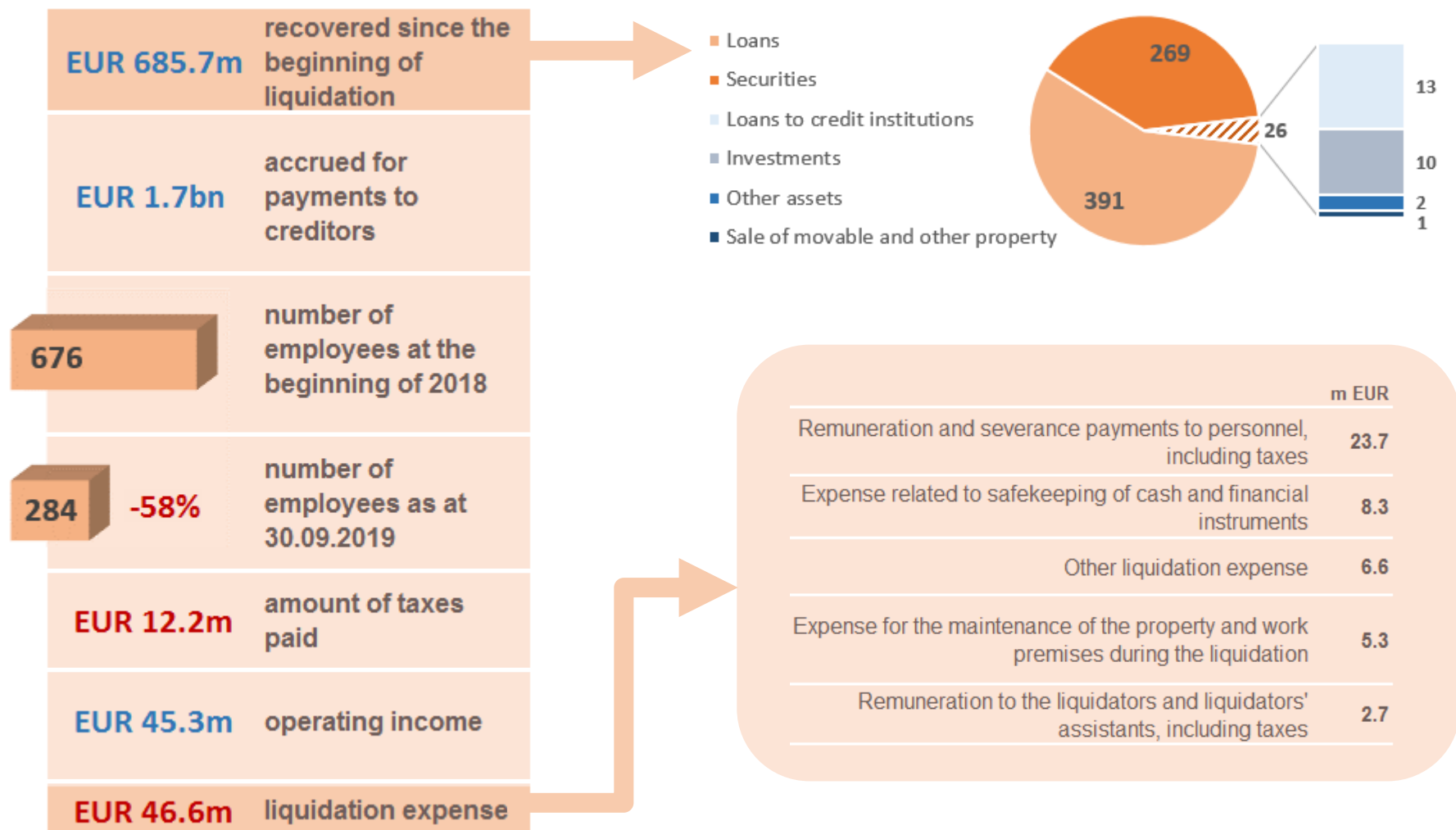
# Operating results

(EUR'000)

|   | 01.01.2019-<br>30.09.2019 | 01.01.2018-<br>30.09.2018 |
|---|---------------------------|---------------------------|
| Net interest income   | 17 510                    | 26 394                    |
| Net commission and fee income   | 1 060                     | 2 892                     |
| Dividend income   | 200                       | 72                        |
| Profit/loss from foreign currency trade and revaluation               | 1 168                     | 982                       |
| Net realized profit/loss from transactions with financial instruments | 1 816                     | -3 297                    |
| Other income  | 1 453                     | 2 344                     |
| Other expense   | -126                      | -721                      |
| Liquidation (administrative) expense                                  | -23 243                   | -31 407                   |
| Amortisation and depreciation   | -1 036                    | -2 196                    |
| Impairment loss   | -4 102                    | -15 094                   |
| <b>Profit/loss before corporate income tax</b>                        | <b>-5 300</b>             | <b>-20 031</b>            |
| Corporate income tax  | -7                        | -47                       |
| <b>Net profit/loss for the reporting period</b>                       | <b>-5 307</b>             | <b>-20 078</b>            |

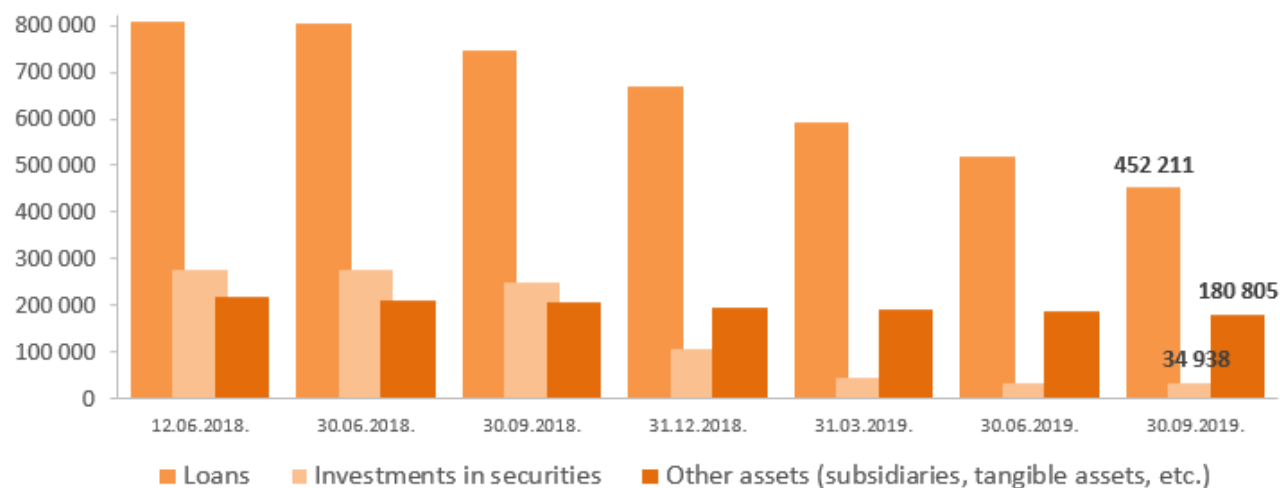
# Key indicators since the beginning of liquidation

12.06.2018 – 30.09.2019

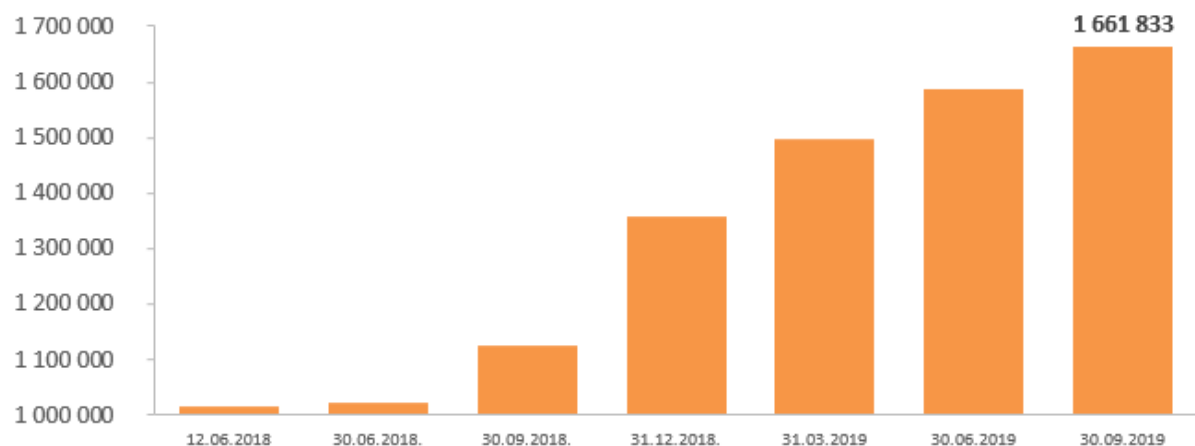


# Asset recovery since the beginning of liquidation

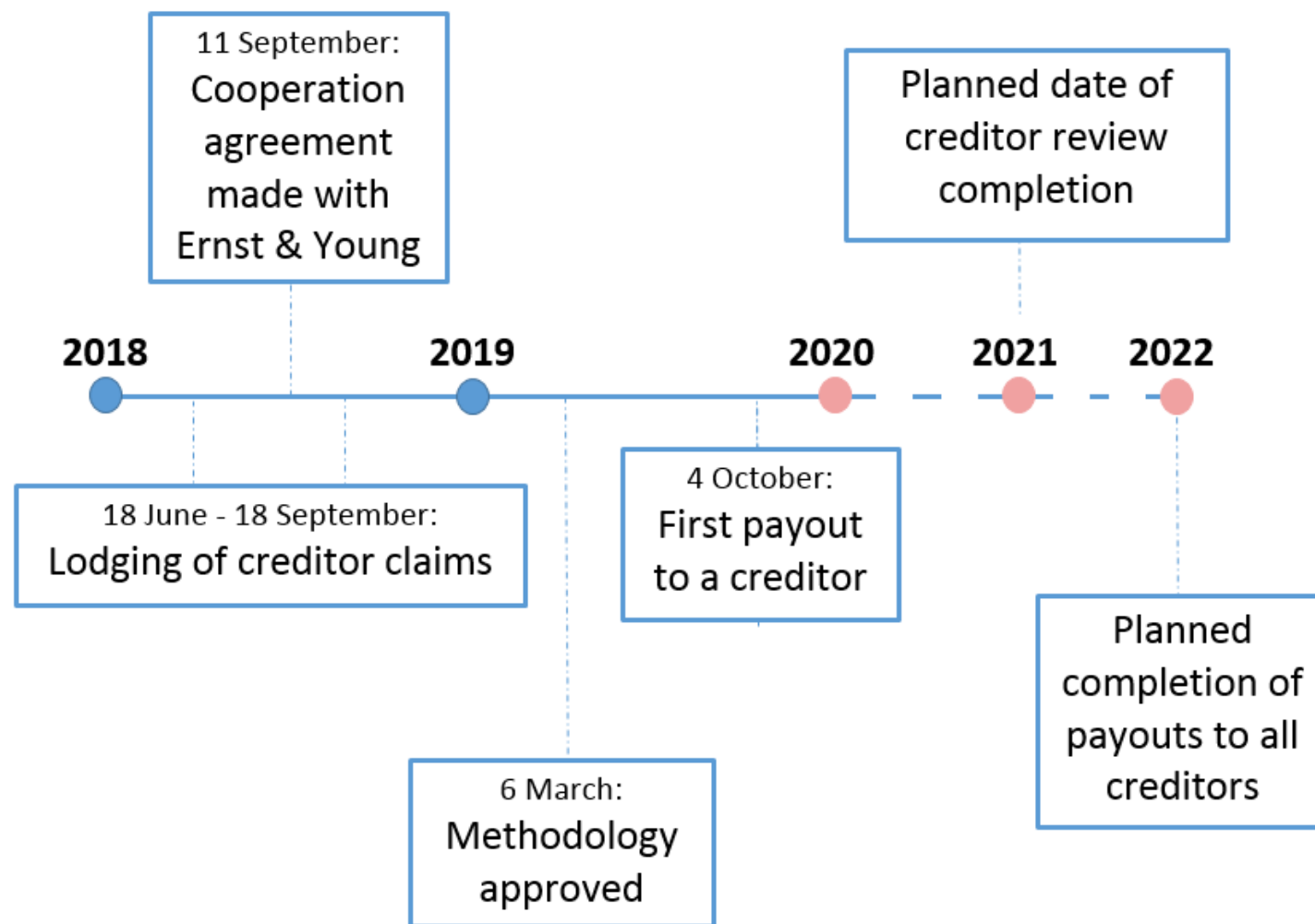
Recovered asset balances  
(EUR'ooo)



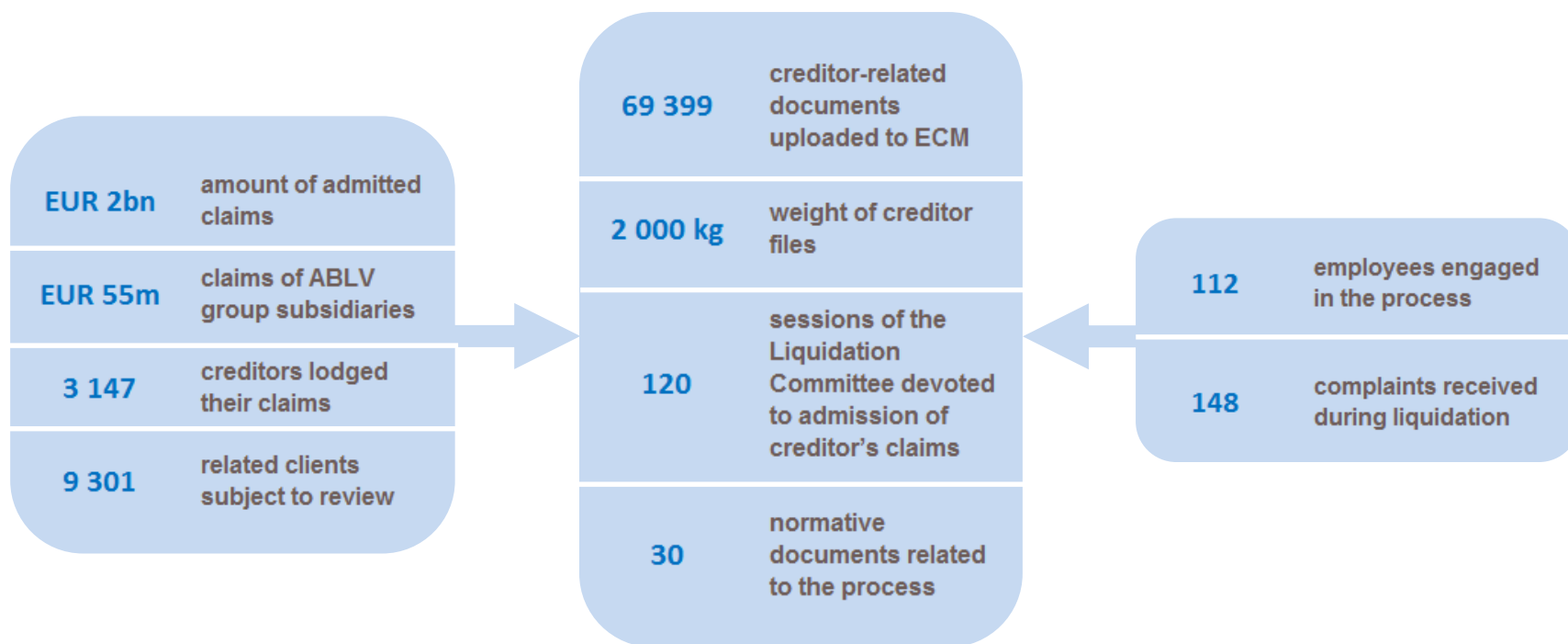
Funds available for satisfaction of creditor's claims  
(EUR'ooo)



# Processing of creditor's claims



# Key facts about creditors as at 30.09.2019.





# Creditor's claims

(EUR'ooo)

## Breakdown of creditor's claims according to group, 30.09.2019

|                        | Amount of claims | Average claim amount |
|------------------------|------------------|----------------------|
| 2 <sup>nd</sup> group  | 346 873          | 402                  |
| 4 <sup>th</sup> group  | 223              | 223                  |
| 7 <sup>th</sup> group  | 1 518 167        | 718                  |
| 8 <sup>th</sup> group  | 2 030            | 4                    |
| 9 <sup>th</sup> group  | 18 252           | 210                  |
| 10 <sup>th</sup> group | 135 387          | 382                  |
| <b>Total</b>           | <b>2 020 932</b> |                      |

- 100% payment of the creditor's claims of 2<sup>nd</sup> – 6<sup>th</sup> group has started.
- Payment of claims of 7<sup>th</sup> group is planned to commence in Q1 2020.
- Guaranteed deposit compensation received by more than 13 700 clients; payments amounted to EUR 440 million, i.e., 91% of the amount, which was transferred by the Company to the Deposit Guarantee Fund.

# Liquidation expense (based on cash flow principle) (EUR'ooo)

