



ABLV

Progress Report on Liquidation

30.09.2019-31.12.2019

April 2020

Events Since End of Q3 2019

- October 2019 – first creditor claim payout.
- 05.12.2019 – restructuring of the subsidiary company New Hanza Capital, AS.
- 18.12.2019 – completion of the liquidation process of the subsidiary company ABLV Capital Markets, AS and its exclusion from the commercial register.
- By the end of 2019, 749m EUR worth of assets have been recovered and 1,71b EUR have been accumulated for creditor payouts.
- Off-balance loan sale: 2 transactions with the total amount of 1,2m EUR.
- In 2019, 488 creditor reviews have been initiated with the total amount of claims reaching over 100m EUR.

Profit / Loss Statement

(EUR'000)

	2018	2019	Changes	
Net interest income	34 585	21 605	-12 980	↓
Net commission and fee income	3 295	1 451	-1 844	↓
Dividend income	86	345	259	
Net gain/(loss) from transactions with financial instruments	-433	3 420	3 853	↑
Other income	2 899	9 642	6 743	↑
Other expenses	-896	-118	778	
Administrative expenses and depreciation	-44 823	-37 932	6 891	↑
Impairment loss	-22 380	-7 105	15 275	↑
Profit/(loss) before corporate income tax	-27 667	-8 692	18 975	
Corporate income tax	154	-13	-167	
Net profit/(loss) for the reporting period	-27 513	-8 705	18 808	

Balance Sheet Overview

(EUR'000)

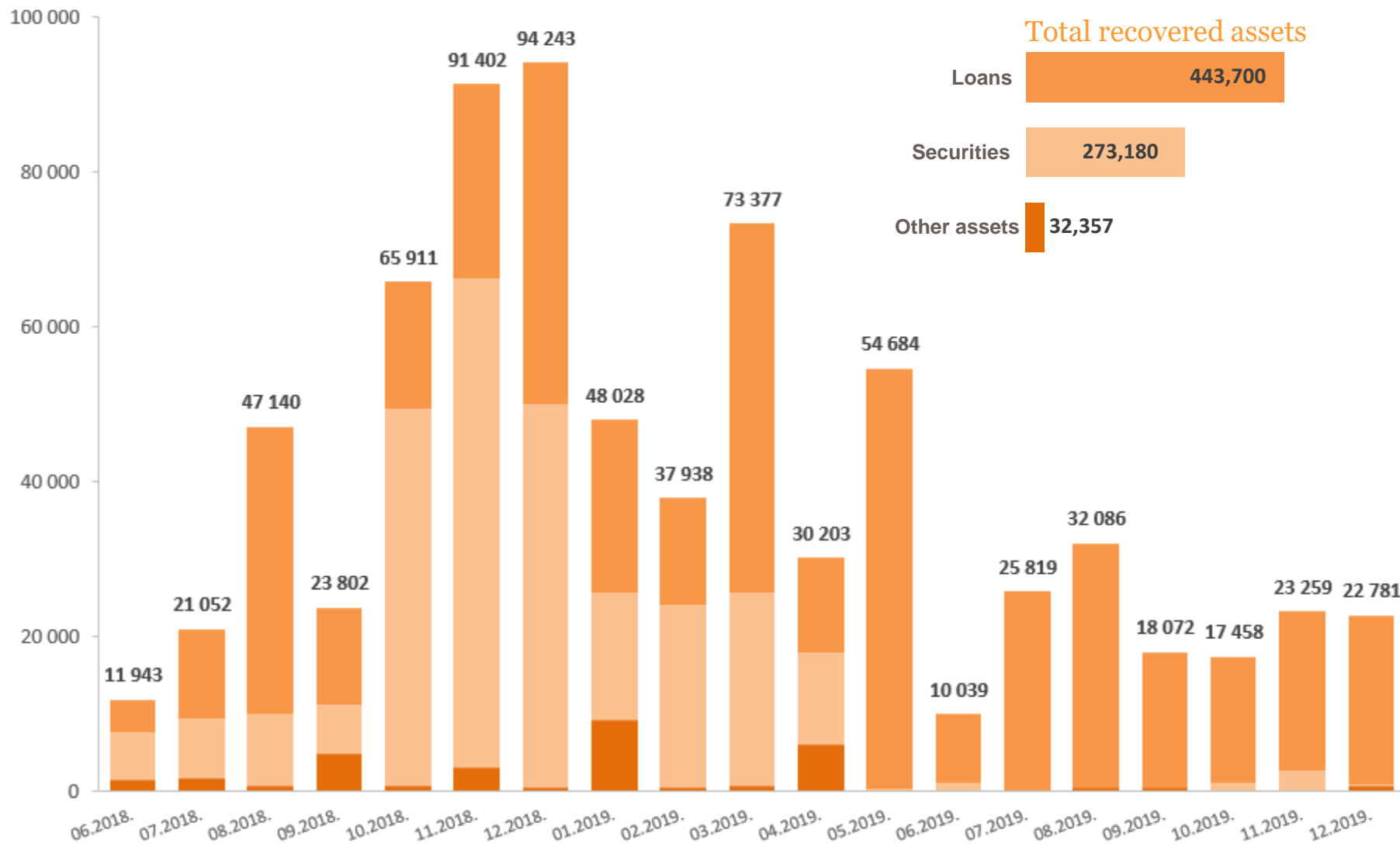
Assets	31.12.2018	31.12.2019	Changes
Cash on hand and balance due from credit institutions	1 388 247	1 735 240	346 993
Loans	662 037	397 325	-264 712
Investments in financial instruments	107 446	33 470	-73 976
Investments in subsidiaries and associates	160 469	144 084	-16 385
Non-current investments held for sale*	9 362	1 573	-7 789
Other assets**	29 277	38 904	9 627
Total assets	2 356 838	2 350 596	-6 242
Liabilities	31.12.2018	31.12.2019	Changes
Creditors' claims	2 047 395	2 048 089	694
Other liabilities	13 647	12 684	-963
Total liabilities	2 061 042	2 060 773	-269
Shareholders' equity	295 796	289 823	-5 973
Total liabilities and shareholders' equity	2 356 838	2 350 596	-6 242
Off-balance sheet financial commitments and contingent liabilities	12 896	980	-11 916
Third party property	5 244	9 030	3 786

* Changes due to the fact that in the Annual Report for 2018 ABLV ASSET MANAGEMENT, IPAS and ABLV BANK LUXEMBOURG, S.A. were classified as assets for sale

** In 2019, a part of the investment in the company New Hanza Centre, SIA was reclassified to other assets as a claim for share capital return

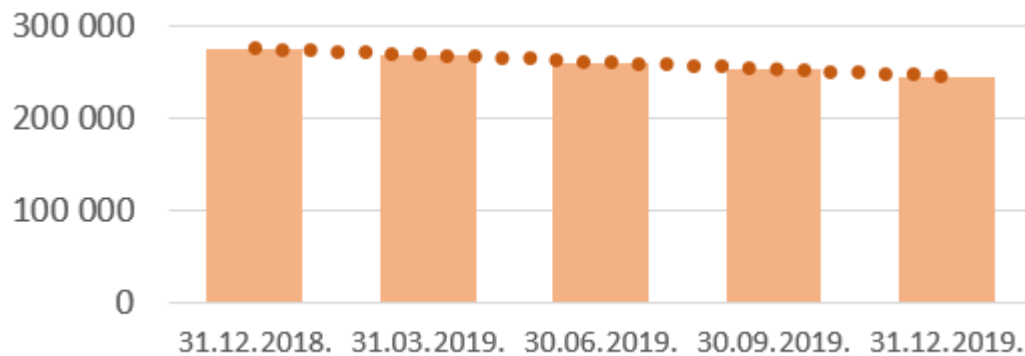
Recovered Funds and Volume Dynamics

13.06.2018-31.12.2019 (EUR'000)



Loan Portfolio – Amortization

Dynamics of mortgage loan portfolio (EUR'ooo)



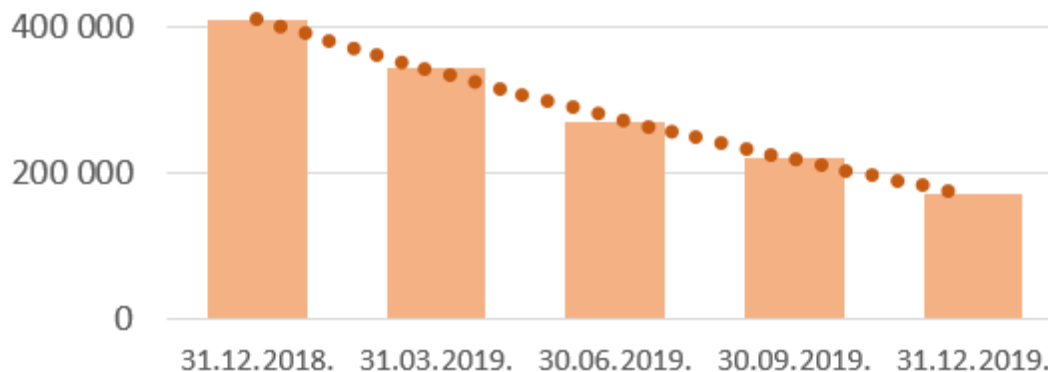
~2,5m

Average
repayment per
month

36%

Early
repayment

Dynamics of commercial loan portfolio
(EUR'ooo)



~18,6m

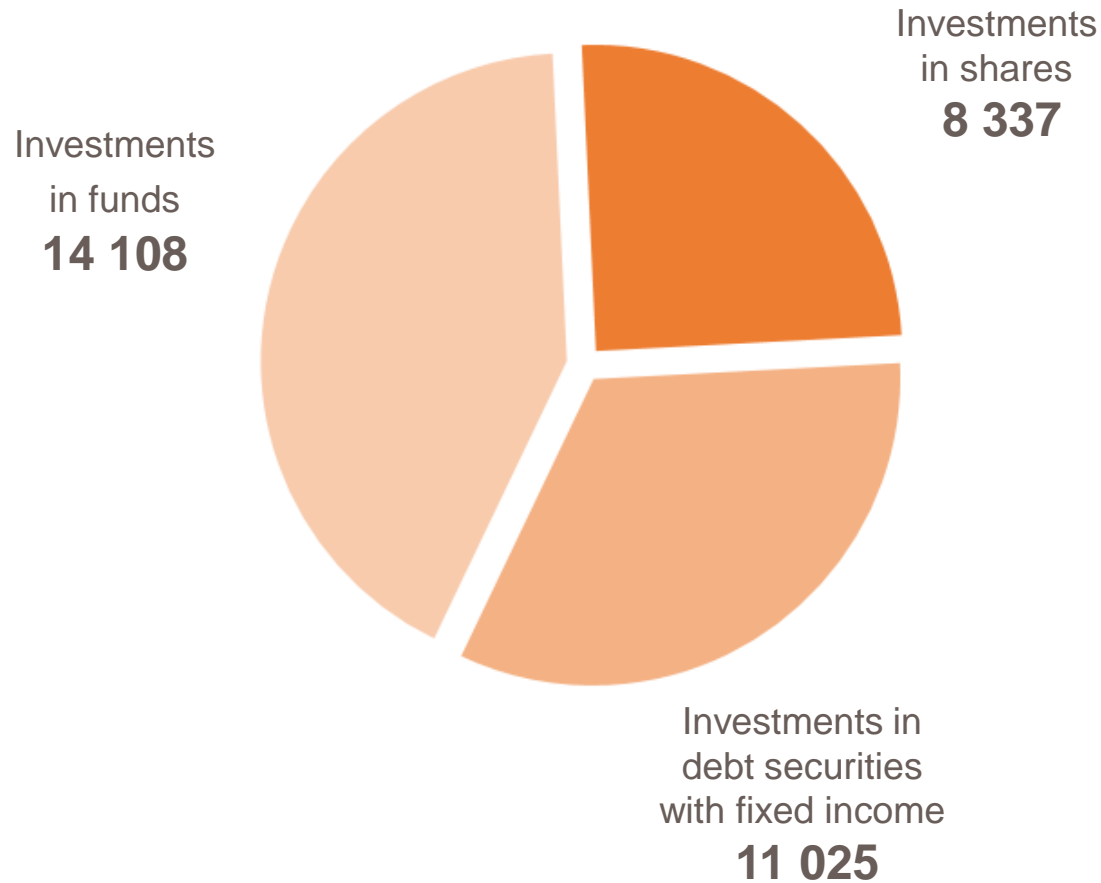
Average
repayment per
month

84%

Early
repayment

Division of the Securities Portfolio 31.12.2019.

(EUR'000)



Liquidation Expenses

(EUR'000)

	2018 <i>from 13.06.2018.</i>	2019 H1	2019 H2
Remuneration to liquidators and their assistants, including tax	751	1 477	1 071
Employee salaries and severance pay, including tax	11 768	8 258	7 385
Expense for the maintenance of the property and work premises	2 505	1 718	2 060
Publication expenses	19	1	1
Expense related to safekeeping of cash and financial instruments	2 779	3 635	4 171
Supervisory, regulative and other liquidation expenses	3 224	2 608	4 488
Total liquidation expenses*	21 046	17 697	19 176

* On cash flow basis

KPI – Income/Expenses

Work Efficiency – Expenditure Coverage Ratio (ECR)

2018		2019	
90%	94%	63%	100%
ECR	ECRcor	ECR	ECRcor

Operating income since the beginning of liquidation
(by the end of 2019)

57,3m EUR

Liquidation expenses since the beginning of
liquidation (by the end of 2019)

57,9m EUR

*ECR – interest and commission income (net) ratio to liquidation
expenses (until 12.06.2018 – administrative expenses)*

ECRcor – operating income ratio to liquidation expenses