

Company Coop Pank AS
Type Company Release
Category Half-yearly financial report
Disclosure time 21 Jul 2021 08:00:00 +0300

Attachments:

- Coop Pank 2021 Q2 results_EN.pdf (<http://oam.fi.ee/en/download?id=5645>)
- Coop Pank 2021-06_EN.pdf (<http://oam.fi.ee/en/download?id=5646>)
- Interim report_6m 2021_EN.pdf (<http://oam.fi.ee/en/download?id=5647>)
- Coop Pank 2021 Q2 tulemused_ET.pdf (<http://oam.fi.ee/en/download?id=5648>)
- Coop Pank 2021-06_ET.pdf (<http://oam.fi.ee/en/download?id=5649>)
- Vahearuanne_6k 2021_ET.pdf (<http://oam.fi.ee/en/download?id=5650>)

Currency

Title Coop Pank unaudited financial results for Q2 2021

Coop Pank has 100,200 clients by the end of Q2 2021, the number of clients has increased by 7,000 over the quarter (8%). Number of private clients with current account in the bank increased by 6,500 and number of business clients by 500 over the quarter. Over the year, client base of Coop Pank increased 34%, i.e. by 25,500 clients.

In Q2 2021, volume of deposits in Coop Pank increased by 43 million euros (+5%), reaching total of 891 million euros. Deposits from domestic companies showed the fastest growth, increasing by 79 million euros, of which 46 million were demand deposits and 33 million were term deposits. Deposits from private clients grew by 18 million euros, of which 16 million were demand deposits and 2 million were term deposits. Deposits from international deposit platform Raisin and other financing decreased by 54 million euros. Compared to Q2 2020, volume of Coop Pank's deposits has increased by 276 million euros (+45%). In an annual comparison, share of demand deposits to total deposits has increased from 32% to 44% and the bank's financing cost decreased from 1% to 0.8%.

In Q2 2021, net loan portfolio of Coop Pank grew by 77 million euros (+11%), reaching 773 million euros. Business loans portfolio showed the fastest growth, increasing the volume by 36 million euros (+14%). Home loans portfolio increased by 29 million euros (+10%), leasing portfolio by 10 million euros (+11%) and consumer finance portfolio increased by 2 million euros (+3%). Compared to Q2 2020, total loan portfolio of Coop Pank has grown by 213 million euros, i.e. 38%.

In Q2 2021, overdue loan portfolio of Coop Pank was at the level of 3%, which



has remained at the same level since Q4 2020. In an annual comparison, overdue loan portfolio decreased from the level of 7% to 3%, which is the lowest level in last four years.

Impairment costs of financial assets in Q2 2021 were 0.8 million euros, which is at same level as in Q1 2021, but 56% lower than a year ago, when extraordinary loan provisions were made due to the health crisis.

Net income of Coop Pank in Q2 2021 was 9.3 million euros, having grown 5% over the quarter and 25% over the year. Operating expenses reached 5.3 million euros in Q2, having increased by 4% over the quarter and 23% over the year.

In Q2 2021, net profit of Coop Pank was 3 million euros, which is 7% more than in Q1 2021 and 123% more than a year ago. In Q2 2021, cost to income ratio of the bank was 57% and return on equity was 11.9%.

As of 30 June 2021, Coop Pank has 18,462 shareholders, 2577 shareholders have been added over the quarter.

Margus Rink, Chairman of the Management Board of Coop Pank, comments the results:

"The most significant result of the last quarter for Coop Pank was crossing the milestone of 100,000 customers. This was one of the five strategic goals we promised investors when we came to the stock market, and we fulfilled it a lot faster than expected. Over the past year, our customer base has grown more than by one third and there are more and more customers who name Coop Pank as their home bank.

The growth of the customer base has led to a significant increase in the volume of domestic deposits and enabled us to reduce the share of more expensive deposits attracted from the international deposit platform. The increase in the share of demand deposits also contributes to the decrease in financing costs.

The growth of the loan portfolio, which slowed down in the first quarter due to the market cool down, picked up again and showed a good result in the second quarter of the year. This was mainly driven by business loans and home loans. Although competition in the loan market has increased over the year, we see that our positioning allows us to increase our market share. We are also glad to see that, with rapid growth, the quality of our loan portfolio remains at a very high level.

An increase in the number of customers, a decrease in financing costs and an increase in the loan portfolio is improving our performance from month to month. In the second quarter, we earned a decent profit and return on equity (ROE) continued to grow. At the end of the second quarter, Coop Pank was on Tallinn Stock Exchange with more than 18,000 shareholders on the second place."



Income statement, in thousands of euros	Q2 2021	Q1 2021	Q2 2020	6M 2021	6M 2020
Net interest income	8 325	8 043	6 852	16 368	13 210
Net fee and commission income	783	648	477	1 431	998
Net other income	233	202	135	435	373
Total net income	9 341	8 893	7 464	18 234	14 581
Payroll expenses	-3 065	-2 879	-2 603	-5 944	-5 265
Marketing expenses	-313	-306	-201	-619	-427
Rental and office expenses, depreciation of tangible assets	-576	-579	-552	-1 155	-1 115
IT expenses and depreciation of intangible assets	-809	-740	-565	-1 549	-1 055
Other operating expenses	-573	-619	-434	-1 192	-935
Total operating expenses	-5 336	-5 123	-4 355	-10 459	-8 797
Net profit before impairment losses	4 005	3 770	3 109	7 775	5 784
Impairment costs on financial assets	-753	-771	-1 721	-1 524	-2 935
Net profit before income tax	3 252	2 999	1 388	6 251	2 849
Income tax expenses	-220	-164	-26	-384	-26
Net profit for the financial year	3 032	2 835	1 362	5 867	2 823
Basic earnings per share (in euros)	0.03	0.03	0.01	0.06	0.03
Diluted earnings per share (in euros)	0.03	0.03	0.01	0.06	0.03



Statement of financial
position, in thousands of
euros

	30.06.2021	31.03.2021	31.12.2020	30.06.2020
Cash and cash equivalents	221 666	249 416	170 750	133 905
Debt securities	3 678	3 074	3 011	3 682
Loans to customers	772 516	695 721	670 593	559 295
Other assets	26 513	26 700	25 555	24 948
Total assets	1 024 373	974 911	869 909	721 830
Customer deposits and loans received	891 397	848 755	757 835	615 153
Other liabilities	11 982	8 626	7 443	7 381
Subordinated debt	17 064	17 111	7 064	7 064
Total liabilities	920 443	874 492	772 342	629 598
Equity	103 930	100 419	97 567	92 232
Total liabilities and equity	1 024 373	974 911	869 909	721 830

The reports of Coop Pank are available at: <https://www.cooppank.ee/en/reporting>

Coop Pank will organise a webinar on 21 July 2021 at 09:00 AM, to present the financial results of Q2 2021. For participation, please register in advance at: <https://register.gotowebinar.com/register/3348165054750841360>

The webinar will be recorded and published on the company's website www.cooppank.ee (<http://www.cooppank.ee>) as well as on the Nasdaq Baltic youtube.com channel.

Coop Pank, based on Estonian capital, is one of the five universal banks operating in Estonia. The bank has 100,200 daily banking clients. Coop Pank aims to put the synergy generated by the interaction of retail business and banking to good use and to bring everyday banking services closer to people's homes. The strategic shareholder of the bank is the domestic retail chain Coop Eesti, comprising of 330 stores.



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