

Company AS LHV Group
Type Company Release
Category New loan issues
Disclosure time 17 Nov 2022 08:00:00 +0200

Currency

Title Issue of Additional Tier 1 Temporary Write-Down Notes

AS LHV Group will organise a private placement of additional Tier 1 temporary write-down notes (AT1 bonds) to financial institutions and proficient investors with a larger investment portfolio at the end of November. Due to the complexity of the AT1 bonds, the instruments will not be put on public offer.

Subscription of AT1 bonds will take place from 21 November to 25 November 2022. 100 AT1 bonds with a nominal value of 100,000 euros and an interest rate of 10.5% will be offered. LHV Group has the right to increase or decrease the issue volume, i.e., issue fewer or more AT1 bonds than described above, which may result in the number of the AT1 bonds offered being lower or higher than 100. The AT1 bonds represent an unsecured debt obligation of LHV Group before the investor. The AT1 bonds are perpetual. After receiving permission from the Estonian Financial Supervision and Resolution Authority, LHV Group will have the right to redeem the AT1 bonds in part or in full as of 2 December 2027. The bonds will be offered at a price of 100,000 euros per one bond.

In order to subscribe for AT1 bonds, the investor submits to LHV Group a duly completed subscription order by no later than on 25 November 2022 at 16:00, by which the AT1 bonds are considered to be subscribed. By submitting the order, the investor undertakes to acquire the AT1 bonds allotted to the investor in accordance with the terms and conditions of the AT1 bonds up to the maximum amount specified in the subscription order and to pay for the allotted AT1 bonds on the terms and conditions agreed with the issuer. After the AT1 bonds allocation decided and the issue price has been received on the account of LHV Group, the AT1 bonds shall be transferred to the securities account of the AT1 bondholder presumably on 2 December 2022.

LHV Group is the largest domestic financial group and capital provider in Estonia. LHV Group's key subsidiaries are LHV Pank, LHV Varahaldus, and LHV Kindlustus. The Group employs more than 860 people. As at the end of October, LHV's banking services are used by 369,000 clients, the pension funds managed by LHV have 130,000 active clients, and LHV Kindlustus protects a total of 150,000 clients. LHV's UK branch offers banking infrastructure to 200 international



financial services companies, via which LHV's payment services reach clients around the world.

Priit Rum
Communication manager
Phone: +372 502 0786
Email: priit.rum@lhv.ee

