

**QUARTERLY
FINANCIAL
STATEMENTS,**
for the period
ended
March 31, 2024



I N D U S T R A
BANK

**A BANK THAT
UNDERSTANDS
ENTREPRENEURS**

industria.finance



Balance Sheet
as of March 31, 2024
(Last date of the reporting period)

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Name of the Item	Bank; Reported period	Group; Reported period	Bank; Previous financial year*	Group; Previous financial year*
Cash and demand deposits with central banks	103 152	103 152	92 838	92 838
Demand deposits with credit Institutions	351	351	461	461
Financial assets designated at fair value through profit or loss	2 193	2 193	2 005	2 005
of which loans	-	-	-	-
Financial assets at fair value through other comprehensive income	31	31	24	24
Financial assets at amortised cost	130 877	115 400	145 944	130 854
of which loans	99 012	83 535	96 801	81 711
Derivatives - hedge accounting	-	-	-	-
Changes in fair value of portfolio part hedged against interest rate risk	-	-	-	-
Investments in subsidiaries, joint ventures and associates	-	-	-	-
Tangible assets	9 128	9 158	9 074	9 107
Intangible assets	302	302	354	354
Tax receivables	-	1	-	0
Other Assets	3 584	4 434	3 735	4 558
Non-current assets and disposal groups classified as held for sale	1 020	14 468	1 020	14 473
Total assets	250 638	249 490	255 455	254 674
Liabilities to central banks	-	-	-	-
Demand deposits from credit institutions	-	-	-	-
Financial liabilities designated at fair value through profit or loss	-	-	-	-
of which deposits	-	-	-	-
Financial liabilities at amortised cost	222 278	221 555	227 339	227 117
of which deposits	219 437	218 714	224 413	224 192
Derivatives - hedge accounting	-	-	-	-
Changes in fair value of portfolio part hedged against interest rate risk	-	-	-	-
Provisions	761	785	1 042	1 058
Tax liabilities	1 209	1 217	1 314	1 317
Other liabilities	205	658	182	502
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total liabilities	224 452	224 215	229 877	229 995
Shareholders' equity	26 186	25 275	25 578	24 679
Total liabilities and shareholders' equity	250 638	249 490	255 455	254 674
Contingent Liabilities	608	401	378	378
Off-Balance-Sheet Commitments to Customers	4 312	2 469	3 686	3 686
Total Off-Balance-Sheet Items	4 920	2 870	4 064	4 064

*) audited

Income Statement
as of March 31, 2024
(Last date of the reporting period)

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Name of the Item	Bank; Reported period	Group; Reported period	Bank; Previous financial year appropriate period	Group; Previous financial year appropriate period
Interest income	2 862	2 892	2 083	2 095
Interest expense	(812)	(812)	(333)	(333)
Dividend income	3	3	3	3
Fee and commission income	1 754	1 754	2 216	2 216
Fee and commission expense	(333)	(333)	(477)	(477)
Gains or losses from derecognition of financial assets and liabilities not measured at fair value through profit or loss, net	-	-	-	-
Gains or losses from financial assets and liabilities measured at fair value through net profit or loss, net	158	158	149	149
Gains or losses from hedge accounting, net	-	-	-	-
Gains or losses from foreign exchange difference, net	18	(9)	22	31
Gains or losses from derecognition of non-financial assets, net	-	-	-	-
Other income	84	149	152	241
Other expense	(74)	(105)	(103)	(130)
Administrative expense	(2 835)	(2 919)	(2 270)	(2 321)
Depreciation	(188)	(191)	(101)	(103)
Modification gains or losses, net	-	-	-	-
Provisions or reversal of provisions	114	153	(4)	145
Impairment or reversal of impairment	-	-	-	-
Negative goodwill recognised in profit or loss	-	-	-	-
Gains or loss from investments in subsidiaries, joint ventures and associates measured using the equity method	-	-	-	-
Profit or loss from long-term assets and disposal groups classified as held for sale	-	-	-	-
Profit before corporate income tax	751	739	1 337	1 516
Corporate income tax	150	150	-	-
Net profit for the period	601	589	1 337	1 516
Other comprehensive income for the period	-	-	-	-

*) audited

Profitability ratios
as of March 31, 2024
(Last date of the reporting period)

Name of the Item	Bank; Reported period	Group; Reported period	Bank; Previous financial year appropriate period	Group; Previous financial year appropriate period
Return on equity (ROE) (%)	9.05%	9.43%	25.62%	28.55%
Return on assets (ROA) (%)	0.90%	0.92%	1.91%	2.17%

Consolidated group
as of March 31, 2024
(Last date of the reporting period)

Nr.	The name of the commercial company	Registration place code, address	Company type *	Portion of a holding in share capital (%)	Portion of voting rights in the company (%)	Motivation for inclusion in the group**
1	INDUSTRA INVEST AS	LV, Rīga, Muižas iela 1	CFI	100	100	MS
2	SIA Talsu grants	LV, Rīga, Dzirnavu iela 62 - 20	PLS	100	100	MMS
3	MULT YATIRIM VE DANISMANLIK EMLAK TURIZM INSAAT ITHALAT IHRACAT SANAYI TICARET LIMITED SIRKETI	TR, Jenica, Kumlucas raj.	PLS	100	100	MMS
4	SIA Slokas 60	LV, Rīga, Muižas iela 1	PLS	100	100	MMS
5	SIA Jāņogu iela	LV, Rīga, Dzirnavu iela 62 - 20	PLS	100	100	MMS
6	SIA Brīvības 439	LV, Rīga, Muižas iela 1	PLS	100	100	MMS
7	SIA Pirmais Industriālais parks	LV, Rīga, Muižas iela 1	PLS	100	100	MMS

* BNK - bank, ENI - electronic money institution, IBS - investment firm, IPS - investment management company, PFO - pension fund, LIZ - leasing company, CFI - other financial institution, PLS - ancillary services undertaking, FPS - financial management company, JFPS - mixed financial holding company.

** MS - subsidiary; MMS - subsidiary of subsidiary; MT - parent company; MRM - subsidiary of parent company; CT - other company.

I. Summary report of equity and capital adequacy ratio

as of March 31, 2024

(Last date of the reporting period)

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Nr.	Name of the Item	Bank; Reported period	Group; Reported period
1	Own funds (1.1.+1.2.)	23 900	21 085
1.1.	Tier 1 capital (1.1.1.+1.1.2.)	22 884	20 068
1.1.1.	Common equity Tier 1 capital	22 884	20 068
1.1.2.	Additional Tier 1 capital	-	-
1.2.	Tier 2 capital	1 016	1 016
2	Total risk exposure amount (2.1.+2.2.+2.3.+2.4.+2.5.+2.6.+2.7.)	129 562	127 375
2.1.	Risk weighted exposure amounts for credit, counterparty credit and dilution risks and free deliveries	105 898	103 538
2.2.	Total risk exposure amount for settlement/delivery	-	-
2.3.	Total risk exposure amount for position, foreign exchange and commodities risks	0	682
2.4.	Total risk exposure amount for operational risk (OpR)	23 663	23 154
2.5.	Total risk exposure amount for credit valuation adjustment	1	1
2.6.	Total risk exposure amount related to large exposures in the trading book	-	-
2.7.	Other risk exposure amounts	-	-
3	Capital ratios and capital levels	-	-
3.1.	CET1 Capital ratio (1.1.1./2.*100)	17.66%	15.76%
3.2.	Surplus(+)/Deficit(-) of CET1 capital (1.1.1.-2.*4.5%)	17 053	14 336
3.3.	T1 Capital ratio (1.1./2.*100)	17.66%	15.76%
3.4.	Surplus(+)/Deficit(-) of T1 capital (1.1.-2.*6%)	15 110	12 426
3.5.	Total capital ratio (1./2.*100)	18.45%	16.55%
3.6.	Surplus(+)/Deficit(-) of total capital(1./2.*100)	13 535	10 895
4	Capital buffers (4.1.+4.2.+4.3.+4.4.+4.5.)	3 244	3 189
4.1.	Capital conservation buffer	3 239	3 184
4.2.	Institution specific countercyclical capital buffer	5	5
4.3.	Systemic risk buffer	-	-
4.4.	Systemically important institution buffer	-	-
4.5.	Other Systemically Important Institution buffer	-	-
5	Capital ratios due to Pillar II adjustments	-	-
5.1.	Asset value adjustments for prudential purposes	-	-
5.2.	CET1 capital ratio including Pillar II adjustments	17.66%	15.76%
5.3.	T1 capital ratio including Pillar II adjustments	17.66%	15.76%
5.4.	Total capital ratio including Pillar II adjustments	18.45%	16.55%

Liquidity coverage ratio

as of March 31, 2024

(Last date of the reporting period)

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No	Name of the Item	Bank; Reported period	Group; Reported period
1.A	Liquidity buffer	103 135	103 135
1.1.A	Net liquidity outflow	8 627	8 654
1.1.1.A	Liquidity coverage ratio (%)	1196%	1192%

Additional information:

1. As of 31 March 2024, breakdown of the debt securities portfolio of the Bank by countries.

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Issuer state	Total	% of the Bank's Own Funds	incl. Central Government	% of the Bank's Own Funds	Other issuers
LV	28 053	117%	28 053	117%	-
LT	3 812	16%	3 812	16%	-
Total securities portfolio	31 865	X	31 865	X	-

During the 1st quarter of the year 2024 provisions for financial assets at amortized cost have not been made. As at 31 March 2024 the market value of the financial assets at amortized cost amounted to EUR 31 659 thousand.

During the 1st quarter of the year 2024 an impairment for financial assets designated at fair value through other comprehensive income has not been recognized.

2. Total expected losses split by stages (*Stage 1, 2, 3 POCI - purchased or originated credit-impaired financial assets*) according to IFRS 9 "Financial Instruments"

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Financial instrument	Stage 1	Stage 2	Stage 3	POCI	Total
Financial assets at amortised cost	892	659	5 030	1 109	7 688
Off-Balance-Sheet Commitments to Customers	33	4	-	-	37
Total	925	663	5 030	1 109	7 726

3. During the reporting period, sworn auditors have audited AS "Industra Bank" Annual report for the year ended 31 December 2023 (hereinafter referred to as the Bank).

4. Information on risks, associated with the activities of the Bank, was published in the Annual report for the year ended 31 December 2023 on pages 30-87 (<https://industria.finance/data/2023-gada-parskati/industria-bank-annual-report-2023-eng.pdf>) and in the Information Disclosure Statement for the year 2023 on pages 1-20 (<https://industria.finance/data/2023-gada-parskati/2023-12-31-info-atklasana-lat.pdf>) and has not changed materially since publishing.

5. During the reporting period, the shareholders structure has been changed. The latest information about shareholders of the Bank is published on the Bank's home page in the section "Bank" subsection "Shareholders" (<https://industria.finance/en/bank/shareholders>).

6. During the reporting period, there have been changes in the Board of directors or Council of the Bank. The latest information about management of the Bank is published on the Bank's home page in the section "Bank" subsection "Leadership" (<https://industria.finance/en/bank/leadership>).

7. During the reporting period, Bank's customer service offices structure has been changed in Latvia. Information on location of customer service offices of the Bank is published on the Bank's home page in the section "Bank" - "Contacts and details" (<https://industria.finance/en/bank/contacts-and-details>).

8. Information on the strategy of the Bank's business activities and goals is published on the Bank's home page in the section "Bank" - <https://industria.finance/en/bank/> and in the Annual report for the year 2023 on page 4-7, 87 and has not been changed significantly since publishing.

9. Information about Remuneration policies and practices of the Bank is published in the Information Disclosure Statement for the year 2022 on pages 3 - 10 and has not been changed significantly since publishing (<https://industria.finance/data/2022-gada-parskati/industria-atalgojuma-politika-2022.pdf>).

10. The shareholders of the Bank voted on December 28, 2023, to reduce the Bank's share capital and accordingly allocate these funds to cover losses from previous years. These changes were registered in the Commercial Register on February 15, 2024. Prior to the reduction, the Bank's share capital was EUR 27,601,020, consisting of 388,200 fully paid registered shares with a nominal value of EUR 71.1 each. After the reduction, the Bank's share capital is EUR 20,000,064, consisting of 388,200 fully paid registered shares with a nominal value of EUR 51.52 each.

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