REPORT ON RISK AND CAPITAL MANAGEMENT
PILLAR3 OF THE BASEL
FOR THE THIRD QUARTER OF THE YEAR 2025

DISCLOSURE OF INFORMATION UNDER PART EIGHT OF REGULATION (EU) No 575/2013

CONTENTS

DISCLOSURE OF KEY METRICS

Template EU OV1 – Overview of total risk exposure amounts

		Total risk exposure amounts (TREA)		Total own funds requirements
		30-09-2025	**30-06-2025**	**30-09-2025**
1	Credit risk (excluding CCR)	2,358,125	2,291,620	188,650
2	Of which the standardised approach	2,358,125	2,291,620	188,650
3	Of which the Foundation IRB (F-IRB) approach			
4	Of which slotting approach			
EU 4a	Of which equities under the simple risk weighted approach			
5	Of which the Advanced IRB (A-IRB) approach			
6	Counterparty credit risk - CCR	28,169	24,378	2,254
7	Of which the standardised approach			
8	Of which internal model method (IMM)			
EU 8a	Of which exposures to a CCP			
9	Of which other CCR	23,250	24,378	1,860
10	Not applicable	6,449	611	516
EU 10a	Of which the standardised approach (SA)			
EU 10b	Of which the basic approach (F-BA and R-BA)	6,449	611	516
EU 10c	Of which the simplified approach			
11	Not applicable			
12	Not applicable			
13	Not applicable			
14	Not applicable			
15	Settlement risk			
16	Securitisation exposures in the non-trading book (after the cap)	187,018	184,636	14,961
17	Of which SEC-IRBA approach			
18	Of which SEC-ERBA (including IAA)			
19	Of which SEC-SA approach			
EU 19a	Of which 1250% / deduction			
20	Position, foreign exchange and commodities risks (Market risk)	17,854	13,421	1,428
21	Of which the Alternative standardised approach (A-SA)			
EU 21a	Of which the Simplified standardised approach (S-SA)	17,854	13,421	1,428
22	Of which the Alternative Internal Models Approach (A-IMA)			
EU 22a	Large exposures			
23	Reclassifications between trading and non-trading books			
24	Operational risk	209,700	209,700	16,776
EU 24a	Exposures to crypto-assets			
25	Amounts below the thresholds for deduction (subject to 250% risk weight)			
26	Output floor applied (%)			
27	Floor adjustment (before application of transitional cap)			
28	Floor adjustment (after application of transitional cap)			
29	Total	2,807,314	2,724,366	224,585

Template EU KM1 - Key metrics template

		a	b	c	d	e
		30-09-2025	30-06-2025	31-03-2025	31-12-2024	30-09-2024
	Available own funds (amounts)					
1	Common Equity Tier 1 (CET1) capital	475,801	481,729	489,152	511,905	476,134
2	Tier 1 capital	527,037	531,820	540,296	562,050	476,134
3	Total capital	603,727	607,156	619,667	660,034	571,134
	Risk-weighted exposure amounts					
4	Total risk exposure amount	2,807,314	2,724,366	2,636,515	2,706,609	2,692,077
4a	Total risk exposure pre-floor	2,807,314	2,724,366	2,636,515		
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio (%)	16.95%	17.68%	18.55%	18.91%	17.69%
5a	Not applicable					
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	16.95%	17.68%	18.55%		
6	Tier 1 ratio (%)	18.77%	19.52%	20.49%	20.77%	17.69%
6a	Not applicable					
6b	Tier 1 ratio considering unfloored TREA (%)	18.77%	19.52%	20.49%		
7	Total capital ratio (%)	21.51%	22.29%	23.50%	24.39%	21.22%
7a	Not applicable					
7b	Total capital ratio considering unfloored TREA (%)	21.51%	22.29%	23.50%		
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	2.56%	2.56%	2.56%	2.05%	2.05%
EU 7e	of which: to be made up of CET1 capital (percentage points)	0.014	0.014	0.014	0.012	0.012
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	0.019	0.019	0.019	0.015	0.015
EU 7g	Total SREP own funds requirements (%)	10.56%	10.56%	10.56%	10.05%	10.05%
	Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8	Capital conservation buffer (%)	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer (%)	1.00%	1.00%	1.00%	1.00%	1.00%
EU 9a	Systemic risk buffer (%)	0.24%	0.24%	0.23%	0.22%	0.21%
10	Global Systemically Important Institution buffer (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer (%)	1.00%	1.00%	1.00%	1.00%	1.00%
11	Combined buffer requirement (%)	4.74%	4.74%	4.73%	4.71%	4.71%
EU 11a	Overall capital requirements (%)	15.30%	15.30%	15.29%	14.76%	14.76%
12	CET1 available after meeting the total SREP own funds requirements (%)	10.85%	11.60%	12.57%	13.23%	10.15%
	Leverage ratio					
13	Total exposure measure	5,641,852	5,351,464	5,311,035	5,008,786	5,235,475
14	Leverage ratio (%)	9.34%	9.94%	10.17%	11.22%	9.09%
	Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.0000	0.0000	0.0000	0.0000	0.0000
EU 14c	Total SREP leverage ratio requirements (%)	3.00%	3.00%	3.00%	3.00%	3.00%
	Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d	Leverage ratio buffer requirement (%)	0%	0%	0%	0%	0%
EU 14e	Overall leverage ratio requirement (%)	3%	3%	3%	3%	3%

	Liquidity Coverage Ratio					
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	1,225,209	1,113,283	1,032,150	964,617	929,794
EU 16a	Cash outflows - Total weighted value	681,789	623,342	573,410	554,112	548,570
EU 16b	Cash inflows - Total weighted value	66,896	68,554	70,544	71,577	73,735
16	Total net cash outflows (adjusted value)	614,893	554,788	502,867	482,535	474,835
17	Liquidity coverage ratio (%)	204.23%	203.47%	206.47%	202.24%	198.25%
	Net Stable Funding Ratio					
18	Total available stable funding	4,277,605	4,231,979	4,393,073	4,144,310	3,909,179
19	Total required stable funding	2,979,798	2,967,141	2,842,150	2,783,559	2,768,577
20	NSFR ratio (%)	143.55%	142.63%	154.57%	148.89%	141.20%

DISCLOSURE OF LIQUIDITY REQUIREMENTS

Template EU LIQ1 - Quantitative information of LCR

Scope of consolidation (consolidated)

		Total unweighted value (average)			
EU 1a	Quarter ending on 30 September 2025	**2025.09.30**	**2025.06.30**	**2025.03.31**	**2024.12.31**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS					
1	Total high-quality liquid assets (HQLA)				
CASH – OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	2,823,414	2,785,440	2,725,183	2,644,498
3	*Stable deposits*	1,274,336	1,231,386	1,186,059	1,138,156
4	*Less stable deposits*	779,536	769,334	748,520	729,770
5	Unsecured wholesale funding	737,410	632,768	577,175	563,207
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-	-	-
7	*Non-operational deposits (all counterparties)*	734,756	630,336	575,481	563,207
8	*Unsecured debt*	2,654	2,432	1,694	-
9	Secured wholesale funding				
10	Additional requirements	395,415	377,058	361,484	368,654
11	*Outflows related to derivative exposures and other collateral requirements*	23,155	10,172	3,548	2,909
12	*Outflows related to loss of funding on debt products*	-	-	-	-
13	*Credit and liquidity facilities*	372,260	366,886	357,936	365,745
14	Other contractual funding obligations	23,994	42,308	41,136	41,043
15	Other contingent funding obligations	112,691	104,351	102,874	130,391
16	**TOTAL CASH OUTFLOWS**				
CASH – INFLOWS					
17	Secured lending (e.g. reverse repos)	2,902	3,293	3,372	2,738
18	Inflows from fully performing exposures	97,998	99,464	96,842	94,925
19	Other cash inflows	6,572	6,922	9,441	11,139
ES-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)				
ES-19b	(Excess inflows from a related specialised credit institution)				
20	**TOTAL CASH INFLOWS**	**107,471**	**109,679**	**109,654**	**108,802**
ES-20a	***Fully exempt inflows***	**-**	**-**	**-**	**-**
ES-20b	***Inflows subject to 90% cap***	**-**	**-**	**-**	**-**
ES-20c	***Inflows subject to 75% cap***	**107,471**	**109,679**	**109,654**	**108,802**
TOTAL ADJUSTED VALUE					
21	**LIQUIDITY BUFFER**				
22	**TOTAL NET CASH OUTFLOWS**				
23	**LIQUIDITY COVERAGE RATIO (%)**				

(continued)

		Total **weighted** value (average)			
EU 1a	Quarter ending on 31 September 2025	**2025.09.30**	**2025.06.30**	**2025.03.31**	**2024.12.31**
EU 1b	Number of data points used in the calculation of averages	12	12	12	12
HIGH-QUALITY LIQUID ASSETS					
1	Total high-quality liquid assets (HQLA)	1,225,209	1,113,283	1,032,150	964,617
CASH – OUTFLOWS					
2	Retail deposits and deposits from small business customers, of which:	267,311	259,745	246,211	232,529
3	*Stable deposits*	63,717	61,569	59,303	56,908
4	*Less stable deposits*	98,146	97,368	94,862	92,713
5	Unsecured wholesale funding	328,141	272,945	245,290	238,379
6	*Operational deposits (all counterparties) and deposits in networks of cooperative banks*	-	-	-	-
7	*Non-operational deposits (all counterparties)*	325,487	270,513	243,596	238,379
8	*Unsecured debt*	2,654	2,432	1,694	-
9	Secured wholesale funding	-	-	-	-
10	Additional requirements	56 708	43 127	35 630	35 642
11	*Outflows related to derivative exposures and other collateral requirements*	23,155	10,172	3,548	2,909
12	*Outflows related to loss of funding on debt products*	-	-	-	-
13	*Credit and liquidity facilities*	33,553	32,955	32,083	32,733
14	Other contractual funding obligations	23,994	42,308	41,136	41,043
15	Other contingent funding obligations	5,635	5,218	5,144	6,520
16	**TOTAL CASH OUTFLOWS**	**681,789**	**623,342**	**573,410**	**554,112**
CASH – INFLOWS					
17	Secured lending (e.g. reverse repos)	2,837	3,230	3,372	2,738
18	Inflows from fully performing exposures	57,488	58,402	57,731	57,700
19	Other cash inflows	6,572	6,922	9,441	11,139
ES-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)	-	-	-	-
ES-19b	(Excess inflows from a related specialised credit institution)	-	-	-	-
20	**TOTAL CASH INFLOWS**	**66,896**	**68,554**	**70,544**	**71,577**
ES-20a	***Fully exempt inflows***	-	-	-	-
ES-20b	***Inflows subject to 90% cap***	-	-	-	-
ES-20c	***Inflows subject to 75% cap***	**66,896**	**68,554**	**70,544**	**71,577**
TOTAL ADJUSTED VALUE					
21	**LIQUIDITY BUFFER**	**1,225,209**	**1,113,283**	**1,032,150**	**964,617**
22	**TOTAL NET CASH OUTFLOWS**	**614,893**	**554,788**	**502,867**	**482,535**
23	**LIQUIDITY COVERAGE RATIO (%)**	**204.23%**	**203.47%**	**206.47%**	**202.24%**

Table EU LIQB on qualitative information on LCR, which complements template EU LIQ1

The main factors influencing the Group's LCR are changes in the liquidity buffer, which is largely made up of highly liquid government securities and funds held with the central bank, and cash outflows, primarily related to unsecured wholesale funding.

The Financial Group uses Retail deposits as the main source of financing. More detailed information on the concentration of funding sources in note 4 to Interim financial report Šiaulių bankas AB and the bank's Group for 3 quarter 2025.

Liquidity buffer is formed of high-quality assets that can easily be converted into cash without any restrictions and with minimal losses. Due to that fact the Financial Group possesses a significant debt securities portfolio, which is highly liquid.

The Group has insignificant derivative positions consisting of forward foreign exchange contracts and derivatives linked to the prices of financial instruments. Their share of total assets is 0.32%.

The Financial Group's 100% of assets are accounted for in euro and 99 % of liabilities. Therefore it not gives rise to an inherent risk of currency mismatch in the LCR.