



ABLV

# ABLV Bank, AS in liquidation

## Interim Condensed Non-audited Consolidated and Separate Financial Statements

for the three-month period ended 31 March 2020

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# Liquidation Committee Report

Ladies and Gentlemen, Shareholders, Creditors and Employees of ABLV Bank, AS in liquidation,

Since 12 June 2018, liquidation of ABLV Bank, AS is managed by the Liquidation Committee. In the first quarter of 2020, the Liquidation Committee of ABLV Bank, AS in liquidation (hereinafter – the Company) continued the liquidation process and cooperation with stakeholders, including state institutions, thus ensuring professional management, transparency and openness of liquidation under the supervision of the Financial and Capital Market Commission (hereinafter – the FCMC).

In accordance with the Commercial Law, the Liquidation Committee has all the rights and obligations of the management board and the council of the Company, which do not contradict with the purpose of liquidation. Liquidators collect debts, sell Company's property and satisfy creditor claims; however, they are allowed only to carry out transactions that are necessary for the liquidation of the Company.

The objective of liquidation process is to satisfy claims of all recognised creditors of the Company to full extent, unless there are legal obstacles precluding the payout.

Creditor compliance review, as well as payouts, continued during the reporting period. The Company is obligated to carry out creditor compliance review in accordance with the applicable statutory requirements in the field of prevention of money laundering, as well as financing of terrorism and proliferation. Compliance reviews are carried out by a team of Ernst&Young (hereinafter – EY). By the end of March 2020, the compliance review had begun for 661 creditors with claims amounting to EUR 270 million.

Meanwhile, by the end of March 2020, guaranteed compensations had been paid to 13,992 clients. So far, EUR 447 million have been disbursed to clients in the form of guaranteed compensations, which is 93% of the total amount transferred by the Company to the Deposit Guarantee Fund.

Recovery of assets continued also during this reporting period with EUR 28.7 million recovered in the first quarter of 2020. Since the commencement of liquidation, the Liquidation Committee has recovered assets in the amount of EUR 778 million. The total amount of Company's assets is sufficient to cover all creditor claims in full, and it was the most significant prerequisite for the regulators (the European Central Bank and the FCMC) to approve its voluntary liquidation.

The key financial indicators as of 31 March 2020 are the following:

- total amount of assets: EUR 2.35 billion;
- creditor claims filed: EUR 2.02 billion;
- capital and reserves: EUR 279.2 million;
- total amount of recovered assets: EUR 778 million.

As part of the liquidation, in the beginning of 2020, further changes were made to Company's organisational structure and employment was terminated with more employees whose functions are no longer necessary in the liquidation process. At the end of March 2020, the number of Company's employees was 263.

On behalf of the Liquidation Committee, we would like to thank Company's creditors, shareholders and employees for their patience, understanding and support in this complicated process!

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020

## Non-financial Report on Impact of COVID-19

The Cabinet of Ministers of the Republic of Latvia has declared a nation-wide state of emergency since 13 March 2020 aimed at containing the spread of coronavirus COVID-19. The Company assesses the impact of COVID-19 pandemic and takes relevant measures to ensure safety of its clients, creditors and employees. All safety measures are introduced in line with decisions and recommendations of the Cabinet of Ministers, the Centre for Disease Prevention and Control, as well as other public institutions.

Although the Company remains fully functioning, person-to-person contacts are restricted as part of general preventive measures to contain the spread the virus. Clients and creditors of the Company are urged to use remote client services – to settle their liabilities with bank transfers and to use customer service line, online banking system or e-mail for communication with the Company. Likewise, majority of employees ensure the continuity of Company's activity by working from home.

So far, Company's financial indicators have not been significantly affected by the spread of COVID-19. Company's management continues assessing the developments and the possible impact of the emergency on Company's activity, as well as its financial and economic indicators.

When assessing the possible impact of COVID-19 pandemic on its financial situation, the Company considered various relevant macroeconomic factors, as well as analysed two possible scenarios of GDP changes based on the estimates of the Company and the International Monetary Fund. It analysed possible short-term impact with significant decrease in asset value, as well as possible long-term impact with recovery of national economy and restored value of Company's assets as a result of GDP growth and reopening of workplaces. Assessment of these scenarios led to conclusion that possible long-term impact of COVID-19 could range from EUR 14.5 to 19.1 million. Company's equity is sufficient to cover the impact of COVID-19, thus negative effect on Company's solvency is not expected.

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020

# Information about the Management

## Structure of the Liquidation Committee

### Liquidators

Andris Kovaļčuks	<b>term of office:</b> since 13.06.2018.
Lauma Bērziņa	since 06.02.2019.
Vineta Čukste-Jurjeva	since 26.11.2019.
Armands Smans	since 26.11.2019.

### Term of office from 06.02.2019 to 08.04.2020.:

Ringolds Balodis

On 7 April 2020, shareholders of the Company at their meeting decided to remove from office liquidator Ringolds Balodis as of 8 April.

## Statement of the Management's (Liquidators) Responsibility

The liquidators of ABLV Bank, AS in liquidation are responsible for preparation of the interim condensed financial statements for the three-month period of the Company as well as for preparation of the consolidated interim condensed financial statements of the Company and its subsidiaries (hereinafter – the Group).

The liquidators are responsible for ensuring of an appropriate accounting system, maintenance, preservation and protection of the Company's and the Group's assets and property, the development of policies for the Company's and the Group's operations, personnel, asset recovery as well as detection and prevention of violations committed within the Company and the Group. The liquidators are also responsible for supervision of compliance with the Credit Institutions Law of the Republic of Latvia, regulations of the Bank of Latvia, FCMC and other legislation of the Republic of Latvia applicable to the credit institution in liquidation, as well as binding European Union legislation.

The interim condensed financial statements for the three-month period and notes thereto set out on pages 12 to 30 are prepared in accordance with the source documents: they present truly and fairly the financial position of the Group and the Company as of 31 March 2020 and 31 December 2019, and the results of operations of the Group and the Company, changes in the shareholder's equity and cash flows for the three-month periods ended 31 March 2020 and 31 March 2019.

These interim condensed financial statements for the three-month period are prepared in conformity with IAS 34 International Financial Reporting Standards as adopted by the European Union, with the assumptions that the Company and accordingly the Group will not continue their operations in the future. The gone concern principle is applied due to the Company's liquidation approved by the FCMC on 12 June 2018. Meanwhile many Company's subsidiaries which are a part of the Group continue their operations and are included in these consolidated financial statements based on going concern principle. Explanatory information on recognition principles for all subsidiaries is provided in Note 8. Decisions taken by the liquidators in the preparation of these financial statements and estimates made to determine the financial position as of 31 March 2020 have been made to be prudent and reasonable.

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020

# Interim Condensed Statements of Comprehensive Income

EUR'000

	Note	Group	Group	Company	Company
		01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
Interest income		3,326	7,214	3,559	6,932
Interest expense		(147)	(291)	-	-
<b>Net interest income</b>		<b>3,179</b>	<b>6,923</b>	<b>3,559</b>	<b>6,932</b>
Commission and fee income		531	616	252	113
Commission and fee expense		(20)	(16)	(16)	-
<b>Net commission and fee income</b>		<b>511</b>	<b>600</b>	<b>236</b>	<b>113</b>
Net gain(loss) from transactions with financial instruments		(1,595)	2,268	(1,583)	1,667
Net result from transaction with repossessed real estate		240	(103)	-	-
Other income		9,706	3,186	709	395
Other expense		(6,984)	(1,141)	8	-
Dividend income		18	15	120	142
Impairment allowance for loans	3	(2,472)	(81)	(2,472)	(85)
Other impairment		15	3	14	4
Personnel expense	4	(6,063)	(5,932)	(4,254)	(4,499)
Other administrative expense	4	(6,476)	(3,513)	(5,670)	(2,875)
Amortisation and depreciation		(782)	(534)	(353)	(357)
<b>(Loss)/profit before corporate income tax</b>		<b>(10,703)</b>	<b>1,691</b>	<b>(9,686)</b>	<b>1,437</b>
Corporate income tax		(3)	(5)	(3)	(2)
<b>Net (loss)/profit for the reporting period</b>		<b>(10,706)</b>	<b>1,686</b>	<b>(9,689)</b>	<b>1,435</b>
Attributable to:					
Shareholders of the Company		(11,663)	1,525		
Non-controlling interests		957	161		
<b>Other comprehensive income which has been or is to be reclassified to profit or loss</b>					
Changes in revaluation reserve of financial assets at fair value through other comprehensive income		-	4	-	-
Reclassification result of financial assets at fair value through other comprehensive income		-	(23)	-	-
Change to income statement as a result of sale of financial assets at fair value through other comprehensive income		-	19	-	-
<b>Other comprehensive income which has been or is to be reclassified to profit or loss, total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other comprehensive income in the reporting period not recognized through profit / loss</b>					
Changes in revaluation reserve of capital securities measured at fair value through other comprehensive income		(935)	329	(935)	329
<b>Total other comprehensive income in the reporting period not recognized through profit / loss</b>		<b>(935)</b>	<b>329</b>	<b>(935)</b>	<b>329</b>
<b>Total amount of other comprehensive income</b>		<b>(935)</b>	<b>329</b>	<b>(935)</b>	<b>329</b>
<b>Total amount of comprehensive income</b>		<b>(11,641)</b>	<b>2,015</b>	<b>(10,624)</b>	<b>1,764</b>
Attributable to:					
Shareholders of the Company		(12,598)	1,854		
Non-controlling interests		957	161		

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020

# Interim Condensed Statements of Financial Position

		EUR'000			
Assets	Note	Group	Group	Company	Company
		31.03.2020.	31.12.2019.	31.03.2020.	31.12.2019.
Cash on hand		15,033	14,406	15,023	14,404
Balances due from credit institutions and central banks	5	1,884,462	1,843,625	1,739,300	1,720,836
Investments in financial instruments	6	53,122	70,742	31,623	33,470
Loans	7	372,311	393,447	372,195	397,325
Investments in subsidiaries and associates	8	9,643	9,507	144,084	144,084
Investment property		84,186	83,885	-	-
Property and equipment		16,316	16,528	1,259	1,442
Intangible assets		2,314	2,519	2,273	2,475
Corporate income tax asset		2,609	2,575	2,541	2,541
Repossessed real estate		19,203	19,821	-	-
Other assets	10	14,609	12,560	38,189	32,446
Non-current investments held for sale	9	1,585	17,872	1,568	1,573
<b>Total assets</b>		<b>2,475,393</b>	<b>2,487,487</b>	<b>2,348,055</b>	<b>2,350,596</b>
<b>Liabilities</b>					
Creditors' claims	11	2,135,879	2,130,746	2,051,961	2,048,089
Balances due to credit institutions		2,993	3,050	-	-
Issued securities	12	9,932	9,813	-	-
Corporate income tax liabilities		6	1	-	-
Other liabilities	14	33,721	35,588	16,895	12,684
Liabilities directly related to non-current investments held for sale	9	-	3,786	-	-
<b>Total liabilities</b>		<b>2,182,531</b>	<b>2,182,984</b>	<b>2,068,856</b>	<b>2,060,773</b>
<b>Shareholders' equity</b>					
Paid-in share capital	13	42,080	42,080	42,080	42,080
Share premium		179,295	179,295	179,295	179,295
Reserve capital		2,134	2,134	2,134	2,134
Revaluation reserve		4,800	5,735	4,800	5,735
Retained earnings		73,060	83,617	60,579	69,284
(Loss)/profit for the reporting period		(11,663)	(10,557)	(9,689)	(8,705)
<b>Attributable to the shareholders of the Company</b>		<b>289,706</b>	<b>302,304</b>	<b>279,199</b>	<b>289,823</b>
<b>Non-controlling interest</b>		<b>3,156</b>	<b>2,199</b>	<b>-</b>	<b>-</b>
<b>Total shareholders' equity</b>		<b>292,862</b>	<b>304,503</b>	<b>279,199</b>	<b>289,823</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,475,393</b>	<b>2,487,487</b>	<b>2,348,055</b>	<b>2,350,596</b>

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020



## Interim Condensed Statement of Changes in Shareholders' Equity of the Group

	EUR'000							
	Paid-in share capital	Share premium	Reserve capital	Other reserves	Retained earnings	Attributable to the shareholders of the Company	Non- controlling interest	Total shareholders' equity
<b>01.01.2019.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>3,073</b>	<b>83,547</b>	<b>310,129</b>	<b>4,345</b>	<b>314,474</b>
Net profit for the reporting period	-	-	-	-	1,525	1,525	161	1,686
Other comprehensive income for reporting period	-	-	-	329	-	329	-	329
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>329</b>	<b>1,525</b>	<b>1,854</b>	<b>161</b>	<b>2,015</b>
Trade result of equity securities measured at fair value through other comprehensive income	-	-	-	(70)	70	-	-	-
<b>31.03.2019.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>3,332</b>	<b>85,142</b>	<b>311,983</b>	<b>4,506</b>	<b>316,489</b>
<b>01.01.2020.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>5,735</b>	<b>73,060</b>	<b>302,304</b>	<b>2,199</b>	<b>304,503</b>
Net profit/(loss) for the reporting period	-	-	-	-	(11,663)	(11,663)	957	(10,706)
Other comprehensive income/(expense) for the reporting period	-	-	-	(935)	-	(935)	-	(935)
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(935)</b>	<b>(11,663)</b>	<b>(12,598)</b>	<b>957</b>	<b>(11,641)</b>
<b>31.03.2020.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>4,800</b>	<b>61,397</b>	<b>289,706</b>	<b>3,156</b>	<b>292,862</b>

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Riga, 22 May 2020

## Interim Condensed Statement of Changes in Shareholders' Equity of the Company

	EUR'000					
	Paid-in share capital	Share premium	Reserve capital	Other reserves	Retained earnings	Total shareholders' equity
<b>01.01.2019.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>3,073</b>	<b>69,214</b>	<b>295,796</b>
Net profit for the reporting period	-	-	-	-	1,435	1,435
Other comprehensive income for reporting period	-	-	-	329	-	329
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>329</b>	<b>1,435</b>	<b>1,764</b>
Trade result of equity securities measured at fair value through other comprehensive income	-	-	-	(70)	70	-
<b>31.03.2019.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>3,332</b>	<b>70,719</b>	<b>297,560</b>
<b>01.01.2020.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>5,735</b>	<b>60,579</b>	<b>289,823</b>
Net (loss) / profit for the reporting period	-	-	-	-	(9,689)	(9,689)
Other comprehensive income/(expense) for the reporting period	-	-	-	(935)	-	(935)
<b>Total comprehensive income for the reporting period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(935)</b>	<b>(9,689)</b>	<b>(10,624)</b>
<b>31.03.2020.</b>	<b>42,080</b>	<b>179,295</b>	<b>2,134</b>	<b>4,800</b>	<b>50,890</b>	<b>279,199</b>

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

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Riga, 22 May 2020

# Interim Condensed Statements of Cash Flows

	EUR'000			
	Group	Group	Company	Company
	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
<b>Cash flows from operating activities</b>				
(Loss)/profit before corporate income tax	(10,703)	1,691	(9,686)	1,437
Dividend income	(18)	(15)	(120)	(142)
Amortisation and depreciation	782	534	353	357
Impairment of assets	2,457	78	2,458	81
(Income) / expense on investment based on equity method	(136)	(8)	-	-
Los/(profit) on financial assets at fair value	(1,928)	(1,797)	1,973	(1,403)
Interest (income)	(3,326)	(7,214)	(3,559)	(6,932)
Interest expense	147	291	-	-
<b>Net cash flows from operating activities before changes in assets and liabilities</b>	<b>(12,725)</b>	<b>(6,440)</b>	<b>(8,581)</b>	<b>(6,602)</b>
Decrease/(increase) in due from credit institutions	-	915	-	915
Decrease/(increase) in loans	19,896	87,068	23,731	76,208
Decrease/(increase) in financial assets at fair value through profit or loss	19,747	61,547	-	61,158
(Increase)/decrease in other assets	(1,300)	(13,154)	(5,618)	(8,095)
Increase/(decrease) in balances due to credit institutions	(57)	(520)	-	(396)
(Decrease)/increase in creditors claims	(1,327)	2,383	(1,326)	1,902
(Decrease)/increase in other liabilities	(423)	(2,004)	4,396	(3,860)
<b>Net cash flows from operating activities before corporate income tax</b>	<b>23,811</b>	<b>129,795</b>	<b>12,602</b>	<b>121,230</b>
Interest received in the reporting period	2,644	8,039	3,078	6,695
Interest (paid) in the reporting period	(28)	(179)	-	-
Corporate income tax received/(paid)	(32)	192	-	-
<b>Net cash flows from operating activities</b>	<b>26,395</b>	<b>137,847</b>	<b>15,680</b>	<b>127,925</b>
<b>Cash flows from investing activities</b>				
Sale of financial assets at fair value through other comprehensive income	-	2,502	-	2,502
(Purchase) of intangible and tangible assets and investment properties	(730)	(5,972)	(5)	-
Sale of intangible and tangible assets	53	138	51	303
Dividends received	18	15	120	142
Decrease in investments in subsidiaries and associated companies	-	-	-	8,094
(Increase) in investments in subsidiaries and associated companies	-	-	-	-
<b>Net cash flows from investing activities</b>	<b>(659)</b>	<b>(3,317)</b>	<b>166</b>	<b>11,041</b>
<b>Cash flows from financing activities</b>				
<b>Net cash flows from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>25,736</b>	<b>134,530</b>	<b>15,846</b>	<b>138,966</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>1,858,031</b>	<b>1,399,809</b>	<b>1,735,240</b>	<b>1,387,332</b>
Result from revaluation of foreign currency positions	3,237	1,169	3,237	811
Increase of cash and cash equivalents related to reclassification result of non-current investments held for sale	12,491	(1,684)	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>1,899,495</b>	<b>1,533,824</b>	<b>1,754,323</b>	<b>1,527,109</b>

**Andris Kovaļčuks**  
Liquidator of ABLV Bank, AS in liquidation

**Lauma Bērziņa**  
Liquidator of ABLV Bank, AS in liquidation

Riga, 22 May 2020

## Notes to the Interim Condensed Financial Statements

### Note 1

#### General information

ABLV Bank, AS in liquidation Reg. No. 50003149401 was registered in Aizkraukle, Republic of Latvia, on 17 September 1993, as a joint stock company. The legal address of the Company is Building 1, 7 Skanstes St., Riga, LV-1013, Latvia.

FinCEN announcement of 13 February 2018 resulted in the Company's operation being hampered. FCMC Board made Decision "On the Unavailability of Deposits" on 23 February 2018. For protection of clients and creditors, on 26 February 2018 shareholders of the Company made the decision to go into the liquidation and on 12 June 2018, the FCMC approved the Company's liquidation. On 11 July 2018, the ECB adopted a decision to cancel the license of the Company. This decision came into force on 12 July 2018.

On 6 March 2019, the Council of FCMC approved review procedure of the creditors of the Company and the measures aimed at AML/CTPF and sanctions risk management.

Information on the Company's business activity is included in the Liquidation Committee Report, as well as on the Company's website <https://www.ablv.com/lv/legal-latest-news/ablv-bank-self-liquidation>.

These interim condensed consolidated and separate financial statements contain the financial information for three month period ended 31 March 2020 about ABLV Bank, AS in liquidation and its subsidiaries. The Company is the parent entity of the Group. The list of all group's subsidiaries is presented in Note 8.

The following abbreviations are used in the notes to these financial statements: International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), International Accounting Standards Board (IASB), International Financial Reporting Interpretations Committee (IFRIC), Financial and Capital Market Commission of the Republic of Latvia (FCMC), European Monetary Union (EMU), European Union (EU), Organisation for Economic Cooperation and Development (OECD), European Central Bank (ECB).

These interim condensed consolidated and separate financial statements for three-month period ended 31 March 2020 of the Group have not been audited.

### Note 2

#### Information on principal accounting policies

##### a) Basis of Preparation

These interim condensed consolidated and separate financial statements for the three-month period are based on the accounting records made pursuant to the legislative requirements and prepared based on the statutory accounting registers and in accordance with the IAS 34 approved in the European Union. Given that after the commencement of the liquidation of the Company on 12 June 2018 neither the Company, nor the Group is subject to going concern principle, which affects the principles of presentation of the financial data in these interim financial reports for interim period of the Group and the Company for the three-month period ended 31 March 2020.

The financial statements for three-month period ended 31 March 2020 are prepared in according to IFRS as adopted by the European Union, as long as upon applying them the information provided in the financial report can be assessed with maximum precision in accordance with the gone concern principle. Taken into account the gone concern principle the financial assets and financial liabilities of the Company are presented in accordance with the IFRS 9 requirement, while other assets and liabilities – in accordance with the historical cost, deducting the recognised impairment losses in order to present the estimated recoverable value of the assets that is planned to be recovered under normal market conditions assuming that the process of sale of the assets is open, transparent and participated by several parties. The value of assets is not recognized as fire sale value.

The financial data of the Company's subsidiaries regarding which there is a sale decision made are presented in these interim condensed consolidated and separate financial statements for the three-month ended 31 March 2020 as non-current investments held for sale in accordance with the IFRS 5 requirements as provided in paragraph e). Separate financial reports of other subsidiaries of the Company are included in these interim condensed consolidated and separate financial statements for the three-month ended 31 March 2020 in accordance with provisions of paragraph c) and Note 8.

## Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

The financial statements provide a structured overview of the financial position and financial results of the Group and the Company.

Reserve capital is a value of Group's/Company's property to cover according to a procedure previously unexpected accumulated losses and to fund other needs as they arise. There are no legal restrictions on utilization of the reserves. Decision on the use of reserve capital can be made by a shareholders' meeting.

Other reserves are fair value changes of the Group and Company's financial assets that are measured as fair value through other comprehensive income. These reserves can be recognized/transferred to retained earnings in the subsequent periods at the moment when the asset will be derecognised.

The accounting and functional currency of the Company and its subsidiaries is EUR. The reporting currency of the Group's and the Company's financial statements is EUR.

These consolidated financial statements of the Group and separate financial statements of the Company are prepared in thousands of euros (EUR'000) unless otherwise stated. The information in the brackets in the notes to the financial statements represents comparative figures as at 31 December 2019 presented in the consolidated and separate financial statements as at 31 December 2019 or financial indicators for the three-month period ended 31 March 2019.

### b) Significant Estimates and Assumptions

The preparation of financial statements in accordance with IFRS approved in the EU requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expense, and disclosure of contingencies. Future events may impact assumptions that were used as the basis for estimates. Estimates and assumptions made by the liquidators are based on most reliable information available to the management in respect of specific events and actions. The effect of any changes in estimates will be recorded in the financial statements when determinable.

The main objective of the liquidation process is to ensure that the claims and interests of all the creditors of the Company are satisfied. During the liquidation process, various measures will be taken to ensure that the Company fully fulfils its obligations to all creditors. In order to ensure the above, liquidators take strategic and operational decisions to sell or hold assets in order to recover them in the best possible way by restructuring or refinancing, depending on the expected recoverable amount of each type of recovery. The amounts actually recovered may not differ materially from the value initially estimated at market conditions at the time of recovery.

The significant areas of estimation and assumptions relate to determining the value of non-current investments held for sale (see paragraph e)), determining the value of assets repossessed for sale, commission income / expense included in the calculation of the effective interest rate, determining fair value of investment property (see paragraph d)), determining the impairment allowance for financial assets, determining the value of collateral (pledge), estimation of impairment of other assets, including investments in subsidiaries, calculation of the fair value of assets and liabilities (see paragraph d)), assumptions regarding control and material impact on subsidiaries and associations (see paragraph c)), as well as assumptions regarding the power that the Group has over open-end investment funds (see paragraph c)). Taking into account the commenced liquidation of the Company, the assets which the liquidators are planning to sell within upcoming 12 months shall be presented in accordance with IFRS 5 requirements.

### c) Consolidation

These consolidated financial statements include the financial reports of the Company separately and its subsidiaries listed in Note 8 controlled by the Company (the parent company of the Group), i.e. the Company has the power to govern the financial and operating policies of an entity so as to obtain economic benefits. Subsidiaries are consolidated from the date on which control is transferred to the parent and are no longer consolidated from the date that control ceases.

The Company's and its subsidiaries' financial statements are consolidated in the Group's financial statements using the full consolidation method, by adding together like items of assets and liabilities at the period end, as well as income and expense. The assets and liabilities of the subsidiaries upon which there is a sale decision made, after completion of all procedures of full consolidation, are presented in the Group's consolidated financial reports as non-current investments held for sale in accordance with IFRS 5 requirements.

The Company's subsidiaries comply with the Company's policies and risk management methods.

Investments in subsidiaries that are not subject to sell are presented in the Company's separate financial statements in accordance with the cost method, while the investment in subsidiaries that one is planning to sell is in accordance with IFRS 5 measured as non-current investments held for sale that complies to net sale revenue (see paragraph e)).

Non-controlling interest represents the portion of profit or loss and equity not owned, directly or indirectly, by the Company. Non-controlling interest is measured according to its proportionate interest in net assets.

## Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

Associates are the companies over which the Group has significant influence, however, there is no control over their financial and business policies. Investments in associates are presented in the Company's separate financial statements in accordance with the cost method, while the Group's interests in associates are accounted for using the equity method. They are initially recognized at cost, including transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI in equity-accounted investees, until the date on which significant influence ceases to exist.

The Company's investments in open-end investment funds as structured companies established as collective property and not recognized as a company, are presented in the separate financial statements in Note 6 as financial assets at fair value through profit or loss.

However, in the consolidated financial statements of the Group the investments in open-ended investment funds, managed by the Company's subsidiary ABLV Asset Management, IPAS, thus ensuring the Company's ability to exercise significant control over it and in which the Company owns a major part (at least 30% or above) of net assets, are consolidated according to the full consolidation method.

### d) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The best evidence of fair value of financial assets and liabilities is quoted prices in an active market. If the market for a financial asset or liability is inactive, fair value is established by using a valuation technique, including discounted cash flow analysis, recent transactions that are substantially the same, as well as management estimates and assumptions.

Fair value of financial instruments is mostly defined based on quoted prices in an active market. The Group and the Company use other valuation techniques for some financial assets which are not quoted in the market and for which no quoted prices for similar financial assets in active markets are available. Fair value of such assets is estimated based on valuation models which are based on the assumptions and estimates regarding the potential future financials of the investment subject, and the industry and geographical area risks in which investment subject operates.

Fair value of collateral is mainly determined based on publicly available information on prices of possible realization of real estate to third parties in the market.

The most credible market value of investment property was identified based on the evaluations presented by external real estate appraisers and/or the Company's real estate experts. Investment properties are valued applying market approach and/ or on the basis of discounted cash flows with a terminal value component at the end of the cash flow forecast period, as well as cost substitution method. According to this approach, fair value is calculated based on assumptions regarding expected future cash flows from income and expense resulting from the holding of real estate during its life cycle, including the value of the property at the date of sale. These cash flows are discounted at a discount rate, which is equal to the market return from similar assets, to determine the present value.

The gross value of investment property is derived by applying market yields to the estimated value of lease. Where the actual lease payment is significantly different from the estimated payment adjustments are made to reflect the actual lease payment. Comparable transaction approaches are based on the estimated market value for which property could be exchanged on the valuation date between a buyer and a seller in conditions of the transaction after proper marketing wherein the parties had each acted knowledgeably. The selling value of the investment properties may differ from the market value as defined, if the market of such kind of properties is not properly developed in Latvia.

Fair value of non-current investments held for sale is measured based on the estimated market price of the particular asset. The fair value of loans is estimated by discounting the expected cash flows at a discount rate calculated according to the money market rates at the end of the year and loan interest margins.

Fair value of the creditors' claims is the value approved by the Liquidation Committee that shall not be discounted. Regarding other assets and liabilities the Group/the Company assumes the fair value to be close to carrying amount.

Hierarchy of input data for determining the fair value of assets and liabilities.

The Group and the Company use the following hierarchy of three levels of input data for determining and disclosing the fair value of assets and liabilities:

- Level 1: Quoted prices in active markets;
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable;
- Level 3: Other techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

The comparison of carrying amounts and fair values of the Group's and Company's financial assets and liabilities is presented in Note 17.

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

e) Non-current Investments held for sale

The assets are reclassified as non-current investments held for sale only if it is not intended to use them in long-term and there is a decision made about starting the sale process of these assets (Note 9). Non-current assets are recognized at value below carrying amount or net sale revenue, except the financial assets which in accordance to IFRS 5 should be recognized at value that corresponds to IFRS 9 requirements. Net sale revenue is the estimated sale value/fair value of the asset minus the estimated cost to make the sale. For methods of determining fair values of the non-current investments held for sale (see paragraph d)).

f) Creditors' Claims

The principal aim of the liquidation process of the Company is to ensure that under the liquidation interests and claims of all creditors of the Company are satisfied to 100% unless there are legal obstacles precluding the disbursements. The admitted creditors' claims of the Company are satisfied in accordance with Section 192 and 193 of the Credit Institutions Law (taking into account Clause 78 of Transitional Provisions). More information can be found on the website of the Company: <https://www.ablv.com/en/legal-latest-news/lodging-creditors-claims/QA-liquidation-process>.

g) Cash and Cash Equivalents

Cash and cash equivalents comprise cash on hand, demand deposits, and balances due from central banks and other credit institutions with a contractual original maturity of three months or less. The cash balance is reduced by the amount of demand deposits from the above institutions. Cash and cash equivalents are highly liquid short term assets that are readily convertible to known amounts of cash and that are subject to an insignificant risk of change in value.

Note 3

**Impairment allowances for loans**

Category	EUR'000			
	Group		Company	
	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
Change in individual allowances, net	1,816	524	1,816	524
incl. Stage 1	(75)	(55)	(75)	(55)
incl. Stage 2	38	237	38	237
incl. Stage 3	1,853	342	1,853	342
Change in portfolio allowances, net	780	(242)	780	(238)
incl. Stage 1	(373)	(864)	(373)	(864)
incl. Stage 2	396	366	396	366
incl. Stage 3	757	256	757	260
<b>Increase/(decrease) in allowances for the reporting period</b>	<b>2,596</b>	<b>282</b>	<b>2,596</b>	<b>286</b>
(Recovery) of written-off assets/loss from asset write-offs	(124)	(201)	(124)	(201)
<b>Changes of impairment allowances during the reporting period, net</b>	<b>2,472</b>	<b>81</b>	<b>2,472</b>	<b>85</b>

As at 31 March 2020, the impairment allowances for loans represent 6.5% (5.6%) of the Group's/Company's loan portfolio.



Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

Note 4

Administrative expenses

Category	EUR'000			
	Group		Company	
	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
Remuneration to personnel invariable part	4,026	4,066	2,756	2,764
State compulsory social insurance contributions to personnel	836	874	749	774
Remuneration to liquidators (incl. SCSIC)	621	206	398	188
Remuneration to personnel variable part	-	75	-	75
Remuneration to liquidators' assistants	229	320	-	320
Severance pay*	351	391	351	378
<b>Total personnel expense</b>	<b>6,063</b>	<b>5,932</b>	<b>4,254</b>	<b>4,499</b>
Sworn auditor statutory audit	12	65	12	17
Sworn auditor other auditing tasks	-	-	-	-
Sworn auditor consultations	-	-	-	-
Expense for the maintenance of the property and work premises	1,034	1,152	764	937
<i>incl. rent and maintenance of work premises</i>	648	461	521	426
<i>incl. IT system maintenance</i>	232	419	141	330
<i>incl. maintenance of the property</i>	71	141	56	89
<i>incl. communications resources</i>	52	86	46	80
<i>incl. other expense for the maintenance of the property and work premises</i>	31	45	-	12
Supervisory and regulatory expense	2,373	418	2,373	418
Expense related to safekeeping of cash and financial instruments	2,407	1,401	2,405	1,393
Other liquidation expense	650	477	116	110
<i>incl. consulting and professional services</i>	412	275	42	39
<i>incl. expense for the placement of publications in media</i>	133	37	41	18
<i>incl. information resources</i>	16	48	1	13
<i>incl. expense for monetary operation</i>	59	12	18	14
<i>incl. other personnel expense</i>	1	23	1	2
<i>incl. other expense</i>	29	82	13	24
<b>Other administrative expense, total</b>	<b>6,476</b>	<b>3,513</b>	<b>5,670</b>	<b>2,875</b>
<b>Total administrative expense</b>	<b>12,539</b>	<b>9,445</b>	<b>9,924</b>	<b>7,374</b>

\* on a non-going concern basis, the severance payments have been recognized in profit/loss for 2017 (see the information in explanation cc) of the Group's consolidated and the Company's separate financial statements of ABLV Bank, AS in liquidation for 2018), whereas additional adjustments under severance payments have been recognized in profit/loss for the reporting period.

Note 5

Balances due from credit institutions and central banks

	EUR'000			
	Group		Company	
	31.03.2020.	31.12.2019.	31.03.2020.	31.12.2019.
Balances held with the Bank of Latvia	1,007,050	1,008,323	1,007,050	1,008,323
Demand deposits with other credit institutions registered in Latvia*	739,859	712,536	726,429	707,449
Demand deposits with other credit institutions registered in the EU	26,369	31,447	5,095	4,204
Demand deposits with credit institutions registered in other countries	732	867	726	860
<b>Total balances held with credit institutions and central banks</b>	<b>1,774,010</b>	<b>1,753,173</b>	<b>1,739,300</b>	<b>1,720,836</b>
Term deposits with other credit institutions registered in the EU	110,452	90,452	-	-
<b>Total term deposits with credit institutions</b>	<b>110,452</b>	<b>90,452</b>	<b>-</b>	<b>-</b>
<b>Total net balances held with credit institutions and central banks</b>	<b>1,884,462</b>	<b>1,843,625</b>	<b>1,739,300</b>	<b>1,720,836</b>

\* EUR 721.4 (702.1) millions are in custody with other banks with funds placement in Bank of Latvia.

In the Bank of Latvia there was deliberately accumulated available cash of high liquidity for the estimated satisfaction of the creditors' claims.

As of 31 March 2020 a part of Group's/Company's cash held with credit institutions in the amount of EUR 10.7 (4.7) million were pledged in order to secure transactions financial instruments.



Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

Note 6

Financial instruments

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
<b>Financial assets at fair value through profit or loss</b>				
Fixed-income debt securities	39,465	55,237	11,136	11,025
Investments in funds	5,588	7,146	12,440	14,108
Derivative contracts	645	-	645	-
Equity shares	22	22	-	-
<b>Total financial instruments at fair value through profit or loss</b>	<b>45,720</b>	<b>62,405</b>	<b>24,221</b>	<b>25,133</b>
<b>Financial instruments at fair value through other comprehensive income</b>				
Equity shares	7,402	8,337	7,402	8,337
incl. VISA INC	6,783	7,718	6,783	7,718
incl. Kredītinformācijas birojs, AS	463	463	463	463
incl. SWIFT SCRL	156	156	156	156
<b>Total financial instruments at fair value through profit or loss</b>	<b>7,402</b>	<b>8,337</b>	<b>7,402</b>	<b>8,337</b>
<b>Total investments in financial instruments</b>	<b>53,122</b>	<b>70,742</b>	<b>31,623</b>	<b>33,470</b>

At the end of the reporting period, the largest investments of the Group were in the securities Latvian 22.4% (16.9%), USA 19.5% (12.2%) and German 6.8% (26.2%) issuers; investments in securities of issuers of other countries were constituting a minor share.

At the end of the reporting period, the largest investments of the Company were in the securities of Latvian issuers 77.8% (82.1%), investments in securities of issuers of other countries were constituting a minor share.

Note 7

Loans

The breakdown of loans by customer profile:

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
<b>Type of borrower</b>				
Private companies	125,691	134,495	125,615	138,415
Private individuals	244,875	251,660	244,824	251,609
Other financial companies	27,569	30,490	27,569	30,490
<b>Total loans, gross</b>	<b>398,135</b>	<b>416,645</b>	<b>398,008</b>	<b>420,514</b>
Impairment allowances	(25,824)	(23,198)	(25,813)	(23,189)
<b>Total loans, net</b>	<b>372,311</b>	<b>393,447</b>	<b>372,195</b>	<b>397,325</b>

More detailed information about impairment allowances for loans is disclosed in Note 3.

Ten largest exposures of the Group as at 31 March 2020 amounted to 24.2% (23.8%) of the total Group's net loan portfolio, however, those of the Company amounted to 24.2% (23.6%) of the total Company's net loan portfolio. Individual impairment allowances EUR 9.1 (7.9) million has been established for these loans.

The breakdown of loans issued by the Group/Company by 5 largest countries of borrowers:

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
<b>Country</b>				
Latvia	339,199	354,195	339,195	358,179
Russia	21,263	27,033	21,250	27,021
Ukraine	11,059	11,430	11,056	11,427
Great Britain	347	337	323	314
Belarus	279	290	275	288
Total other countries	164	162	96	96
<b>Total net loans</b>	<b>372,311</b>	<b>393,447</b>	<b>372,195</b>	<b>397,325</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Credit type structure:

Category	EUR'000									
	31.03.2020.					31.12.2019				
	Mortgage	Business	Other	Consumer	Total gross loans	Mortgage	Business	Other	Consumer	Total gross loans
<b>Group</b>										
Ordinary loans	238,594	152,167	911	58	391,730	245,053	164,352	955	78	410,438
Credit lines	-	5,309	-	3	5,312	-	5,130	-	-	5,130
Balances on current accounts	-	930	-	92	1,022	-	923	-	89	1,012
Balances on payments cards	-	46	-	25	71	-	42	-	23	65
<b>Total gross loans</b>	<b>238,594</b>	<b>158,452</b>	<b>911</b>	<b>178</b>	<b>398,135</b>	<b>245,053</b>	<b>170,447</b>	<b>955</b>	<b>190</b>	<b>416,645</b>
Impairment allowance	(6,684)	(18,145)	(911)	(84)	(25,824)	(6,067)	(16,097)	(954)	(80)	(23,198)
<b>Total net loans</b>	<b>231,910</b>	<b>140,307</b>	<b>-</b>	<b>94</b>	<b>372,311</b>	<b>238,986</b>	<b>154,350</b>	<b>1</b>	<b>110</b>	<b>393,447</b>
<b>Company</b>										
Ordinary loans	238,594	152,169	911	58	391,732	245,052	168,343	955	79	414,429
Credit lines	-	5,303	-	-	5,303	-	5,128	-	-	5,128
Balances on current accounts	-	859	-	43	902	-	852	-	40	892
Balances on payments cards	-	46	-	25	71	-	42	-	23	65
<b>Total gross loans</b>	<b>238,594</b>	<b>158,377</b>	<b>911</b>	<b>126</b>	<b>398,008</b>	<b>245,052</b>	<b>174,365</b>	<b>955</b>	<b>142</b>	<b>420,514</b>
Impairment allowance	(6,684)	(18,139)	(911)	(79)	(25,813)	(6,067)	(16,093)	(954)	(75)	(23,189)
<b>Total net loans</b>	<b>231,910</b>	<b>140,238</b>	<b>-</b>	<b>47</b>	<b>372,195</b>	<b>238,985</b>	<b>158,272</b>	<b>1</b>	<b>67</b>	<b>397,325</b>

The breakdown of allowances established by the Group/Company by 3 largest countries of borrowers:

Country	EUR'000			
	Group		Company	
	31.03.2020.	31.12.2019.	31.03.2020.	31.12.2019.
Russia	12,659	10,427	12,658	10,426
Latvia	11,776	11,547	11,776	11,549
Ukraine	476	467	475	466
Total other countries	913	757	904	748
<b>Total impairment allowances for loans</b>	<b>25,824</b>	<b>23,198</b>	<b>25,813</b>	<b>23,189</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Collateral analysis for the Group's loans:

	EUR'000				
	Total gross loans	Securities	Real estate	Other collateral	Fair value of collateral, total*
<b>Category</b>	31.03.2020.				
<b>Mortgage</b>	<b>238,594</b>	-	<b>216,997</b>	<b>446</b>	<b>217,443</b>
LTV up to 100%	136,399	-	135,953	446	136,399
LTV over 100%	102,195	-	81,044	-	81,044
<b>Business</b>	<b>158,452</b>	<b>2,967</b>	<b>114,511</b>	<b>34,200</b>	<b>151,678</b>
LTV up to 100%	127,418	2,967	90,251	34,200	127,418
LTV over 100%	31,034	-	24,260	-	24,260
<b>Other</b>	<b>911</b>	-	-	<b>1</b>	<b>1</b>
LTV up to 100%	-	-	-	-	-
LTV over 100%	911	-	-	1	1
<b>Consumer</b>	<b>178</b>	-	-	-	-
LTV up to 100%	-	-	-	-	-
LTV over 100%	178	-	-	-	-
<b>Total gross loans</b>	<b>398,135</b>	<b>2,967</b>	<b>331,508</b>	<b>34,647</b>	<b>369,122</b>
Impairment allowances	(25,824)				
<b>Total net loans</b>	<b>372,311</b>				
<b>Category</b>	31.12.2019.				
<b>Mortgage</b>	<b>245,053</b>	-	<b>222,192</b>	<b>454</b>	<b>222,646</b>
LTV up to 100%	137,643	-	137,189	454	137,643
LTV over 100%	107,410	-	85,003	-	85,003
<b>Business</b>	<b>170,447</b>	<b>629</b>	<b>125,046</b>	<b>36,494</b>	<b>162,169</b>
LTV up to 100%	155,351	629	118,228	36,494	155,351
LTV over 100%	15,096	-	6,818	-	6,818
<b>Other</b>	<b>955</b>	-	-	<b>1</b>	<b>1</b>
LTV up to 100%	-	-	-	-	-
LTV over 100%	955	-	-	1	1
<b>Consumer</b>	<b>190</b>	-	-	-	-
LTV up to 100%	-	-	-	-	-
LTV over 100%	190	-	-	-	-
<b>Total gross loans</b>	<b>416,645</b>	<b>629</b>	<b>347,238</b>	<b>36,949</b>	<b>384,816</b>
Impairment allowances	(23,198)				
<b>Total net loans</b>	<b>393,447</b>				

\*for purpose of these financial statements, for loans whose gross carrying amount is less than fair value of collateral, fair value of collateral is disclosed as the gross value of the loan.

LTV<sup>1</sup> above 100% does not create significant risk as impairment allowances recognized.

For the loans having no substantial increase in credit risk since their initial recognition, impairment allowances are recognized for the expected losses within 12 months, while for the loans having significant increase of credit risk since their initial recognition the allowances are recognized for the expected losses within the life time of the loan. For mortgages and consumer loans, the need for allowances is assessed by taking into account the unsecured portion of a loan and the statistics collected on loan movements to lower quality groups. Allowances for corporate loans are recognized if the primary source of repayment or cash flows from operating activities of the customer and the secondary source of repayment, or potential income from the sale of collateral are insufficient for repayment of the loan.

<sup>1</sup> LTV- loan carrying amounts to the fair value of collateral, where LTV < 100%, if the carrying amount of the loan is lower than fair value of collateral, but LTV > 100%, if the carrying amount of the loan is higher than the fair value of collateral or loans are unsecured.

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Collateral analysis for the Company's loans:

	EUR'000				
	Total gross loans	Securities	Real estate	Other collateral	Fair value of collateral, total*
<b>Category</b>	31.03.2020.				
<b>Mortgage</b>	<b>238,594</b>	-	<b>216,997</b>	<b>446</b>	<b>217,443</b>
LTV up to 100%	136,399	-	135,953	446	136,399
LTV over 100%	102,195	-	81,044	-	81,044
<b>Business</b>	<b>158,377</b>	<b>2,967</b>	<b>114,511</b>	<b>34,200</b>	<b>151,678</b>
LTV up to 100%	127,418	2,967	90,251	34,200	127,418
LTV over 100%	30,959	-	24,260	-	24,260
<b>Other</b>	<b>911</b>	-	-	<b>1</b>	<b>1</b>
LTV up to 100%	-	-	-	-	-
LTV over 100%	911	-	-	1	1
<b>Consumer</b>	<b>126</b>	-	-	-	-
LTV up to 100%	-	-	-	-	-
LTV over 100%	126	-	-	-	-
<b>Total gross loans</b>	<b>398,008</b>	<b>2,967</b>	<b>331,508</b>	<b>34,647</b>	<b>369,122</b>
Impairment allowances	(25,813)				
<b>Total net loans</b>	<b>372,195</b>				
<b>Category</b>	31.12.2019.				
<b>Mortgage</b>	<b>245,052</b>	-	<b>222,192</b>	<b>454</b>	<b>222,646</b>
LTV up to 100%	137,643	-	137,189	454	137,643
LTV over 100%	107,409	-	85,003	-	85,003
<b>Business</b>	<b>174,365</b>	<b>629</b>	<b>129,037</b>	<b>36,494</b>	<b>166,160</b>
LTV up to 100%	159,342	629	122,219	36,494	159,342
LTV over 100%	15,023	-	6,818	-	6,818
<b>Other</b>	<b>955</b>	-	-	<b>1</b>	<b>1</b>
LTV up to 100%	-	-	-	-	-
LTV over 100%	955	-	-	1	1
<b>Consumer</b>	<b>142</b>	-	-	-	-
LTV up to 100%	-	-	-	-	-
LTV over 100%	142	-	-	-	-
<b>Total gross loans</b>	<b>420,514</b>	<b>629</b>	<b>351,229</b>	<b>36,949</b>	<b>388,807</b>
Impairment allowances	(23,189)				
<b>Total net loans</b>	<b>397,325</b>				

\*for the purpose of these financial statements, for loans whose gross carrying amount is less than fair value of collateral, fair value of collateral is disclosed as the gross value of the loan.

The principles for determining the fair value of collateral are described in paragraph d).

Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

Note 8

Investments in subsidiaries and associates

At the end of the reporting period, the Group had investments in associates amounted to EUR 9.6 (9.5) million. The Company's investments in subsidiaries and associates amounted to EUR 144.1 (144.1) million, including investments in associates of EUR 8.6 (8.6) million and investments in subsidiaries of EUR 135.5 (135.5) million.

The Group / Company have investment in associated company AmberStone Group, AS:

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
Share capital	37,000	37,000	37,000	37,000
Equity*	41,998	41,845	41,998	41,845
Share of total share capital, (%)*	22.96	22.96	22.96	22.96
<b>Carrying amount under cost method</b>	<b>x</b>	<b>x</b>	<b>8,635</b>	<b>8,635</b>
<b>Carrying amount under equity method</b>	<b>9,643</b>	<b>9,507</b>	<b>x</b>	<b>x</b>

\* - referred to the Company.

Movements in the investments in associates:

	EUR'000			
	Group 01.01.2020.– 31.03.2020.	Group 01.01.2019.– 31.03.2019.	Company 01.01.2020.– 31.03.2020.	Company 01.01.2019.– 31.03.2019.
<b>Gross investments at the beginning of the year</b>	<b>9,507</b>	<b>9,180</b>	<b>8,635</b>	<b>8,635</b>
Change in investments in associates under equity method	136	135	-	-
Dividends paid by associates	-	(127)	-	-
<b>Total investments at the end of the year</b>	<b>9,643</b>	<b>9,188</b>	<b>8,635</b>	<b>8,635</b>

Consolidated assets/liabilities and operating results of associated company AmberStone Group, AS:

	EUR'000	
	31.03.2020. (non-audited)	31.12.2019. (non-audited)
Position		
Non-current assets	51,369	50,161
Current assets	9,485	10,467
<b>Total assets</b>	<b>60,854</b>	<b>60,628</b>
Non-current liabilities	6,594	8,283
Current liabilities	8,868	7,358
<b>Total liabilities</b>	<b>15,462</b>	<b>15,641</b>
Capital and reserves	41,998	41,845
incl. profit/(loss) for the reporting period	(178)	2,590
Non-controlling interest	3,394	3,142
<b>Total liabilities, capital and reserves</b>	<b>60,854</b>	<b>60,628</b>
<b>Net turnover</b>	<b>5,588</b>	<b>18,438</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

The Group entities (the Company's direct and indirect ownership):

Company	Country of incorporation	Registration number	Business profile	31.03.2020.		31.12.2019.	
				Share in the entity's capital (%)	Share in the entity's capital with voting rights (%)	Share in the entity's capital (%)	Share in the entity's capital with voting rights (%)
ABLV Bank, AS in liquidation*	LV	50003149401	Financial services	100.00	100.00	100.00	100.00
ABLV Bank Luxembourg, S.A.in judicial liquidation*	LU	B 162048	Financial services	100.00	100.00	100.00	100.00
ABLV Consulting Services, AS*	LV	40003540368	Consulting services	100.00	100.00	100.00	100.00
ABLV Asset Management, IPAS	LV	40003814724	Financial services	90.00	100.00	90.00	100.00
REDDebitum, SIA	LV	40103964811	Other activities auxiliary to financial services	100.00	100.00	100.00	100.00
PEM, SIA	LV	40103286757	Investment project management	51.00	51.00	51.00	51.00
PEM 1, SIA***	LV	40103551353	Wholesale of other machinery and equipment	51.00	51.00	51.00	51.00
New Hanza Capital, AS	LV	50003831571	Holding company	97.40	97.40	97.40	97.40
NHC 2, SIA	LV	40103963977	Investments in real estate	97.40	97.40	97.40	97.40
NHC 4, SIA	LV	40203032424	Investments in real estate	97.40	97.40	97.40	97.40
NHC 5, SIA	LV	50203032411	Investments in real estate	97.40	97.40	97.40	97.40
Hanzas perons, SIA	LV	40203032439	Investments in real estate	97.40	97.40	97.40	97.40
Hanzas Dārzs, SIA	LV	40203078059	Territory management	97.40	97.40	97.40	97.40
Pillar, SIA	LV	40103554468	Holding company	97.40	97.40	97.40	97.40
Pillar Holding Company, KS**	LV	40103260921	Holding company	97.40	97.40	97.40	97.40
Pillar 3, SIA**	LV	40103193067	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 4 & 6, SIA**	LV	40103210494	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 11, SIA**	LV	40103258310	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 2, 12 & 14, SIA**	LV	50103313991	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 18, SIA (prev.Pillar Technologies, SIA)**	LV	40103492079	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 19, SIA**	LV	40103766952	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 20, SIA**	LV	40103903056	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 21, SIA**	LV	40103929286	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 22, SIA	LV	50103966301	Real estate transactions	97.40	97.40	97.40	97.40
Pillar 23, SIA**	LV	40203107574	Real estate transactions	97.40	97.40	97.40	97.40
Pillar Management, SIA	LV	40103193211	Real estate management and administration	97.40	97.40	97.40	97.40
Pillar RE Services, SIA	LV	40103731804	Parking management	97.40	97.40	97.40	97.40
Pillar Contractor, SIA	LV	40103929498	Management and coordination of construction processes	97.40	97.40	97.40	97.40
Pillar Architekten, SIA	LV	40103437217	Designing and designer's supervision	97.40	97.40	97.40	97.40
Pillar Development, SIA	LV	40103222826	Infrastructure maintenance	97.40	97.40	97.40	97.40
New Hanza Centre, SIA	LV	40203037667	Investments in real estate	97.40	97.40	97.40	97.40
NHC 1, SIA	LV	50103247681	Investments in real estate	-	-	97.40	97.40
NHC 3, SIA	LV	50103994841	Investments in real estate	-	-	97.40	97.40

\* - gone concern principle is applied; \*\* - principal activity is related to the realization of company's assets; \*\*\* - during the reporting period, a decision was made to commence liquidation; all other subsidiaries are included in these consolidated financial statements are included based on going concern principle.

Open-end investment funds included in the Group:

Open-end investment fund	Country of registration	ISIN	Fund type	31.03.2020.		31.12.2019.	
				Group's share (%)	Group's share (%)	Group's share (%)	Group's share (%)
ABLV Multi-Asset Total Return USD Fund	LV	LV0000400919	Total return fund	59.1	59.1	59.1	59.1
ABLV Emerging Markets Corporate USD Bond Fund	LV	LV0000400935	Corporate bond fund	39.4	39.4	39.4	39.4
ABLV European Industry EUR Equity Fund	LV	LV0000400844	Equity fund	38.3	38.3	38.3	38.3

The Company's investments in subsidiaries:

Name	Country of incorporation	Share capital	Equity	Company's share of total share capital, (%)	31.03.2020.		31.12.2019.		
					Gross carrying amount	Share capital	Equity	Company's share of total share capital, (%)	Gross carrying amount
ABLV Bank Luxembourg, S.A.in judicial liquidation	LU	25,000	6,638	100.0	25,000	25,000	8,168	100.0	25,000
New Hanza Capital, AS	LV	115,317	143,420	97.4	132,187	115,317	139,967	97.4	132,187
ABLV Consulting services, AS	LV	1,800	276	100.0	1,800	1,800	284	100.0	1,800
ABLV Asset Management, IPAS	LV	650	1,313	90.0	585	650	1,321	90.0	585
PEM, SIA	LV	100	269	51.0	51	100	321	51.0	51
REDDebitum SIA	LV	3	(3)	100.0	3	3	(3)	100.0	3
<b>Total investments in subsidiaries, gross</b>		<b>142,870</b>	<b>151,913</b>	<b>x</b>	<b>159,626</b>	<b>142,870</b>	<b>150,058</b>	<b>x</b>	<b>159,626</b>
Impairment allowances					(24,177)				(24,177)
<b>Total investments in subsidiaries, net</b>					<b>135,449</b>				<b>135,449</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

According to the provisions of the Credit Institutions Law on returning property of third parties, the Company is independently executing orders on outgoing transfers of securities that are in its custody. Customers' financial instruments held by Company at the end of reporting period amounted to EUR 440.8 (459.5) million, including bonds issued by Company amounting to EUR 300.9 (303.0) million and ABLV Asset Management, IPAS open investment funds amounting to EUR 18.0 (48.7) million.

Customers' assets of the open investment funds managed by ABLV Asset Management, IPAS at the end of the reporting period amounted to EUR 136.0 (150.0) million.

During the reporting period, the Group's investments in the subsidiaries NHC 1, SIA and NHC 3, SIA, which were recognised as non-current investments held for sale during the previous reporting period, were disposed of.

Movements in the Company's investments in subsidiaries:

	EUR'000	
	Group	Group
	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
<b>Investments at the beginning of period, gross</b>	<b>159,626</b>	<b>195,049</b>
(Decrease) in investments due to the loss of control	-	(8,094)
<b>Investments at the end of the period, gross</b>	<b>159,626</b>	<b>186,955</b>
Impairment allowances	(24,177)	(43,215)
<b>Investments at the end of the period, net</b>	<b>135,449</b>	<b>143,740</b>

Changes in non-controlling interest:

	EUR'000	
	Group	Group
	01.01.2020.– 31.03.2020.	01.01.2019.– 31.03.2019.
<b>Non-controlling interest at the beginning of the period</b>	<b>2,199</b>	<b>4,345</b>
Profit share attributable to non-controlling interest	957	161
<b>Non-controlling interest at the end of the period</b>	<b>3,156</b>	<b>4,506</b>

## Note 9

### Non-current investments held for sale and liabilities directly related to non-current investments held for sale

The Group/Company reclassified those non-current assets, which the Group/Company had no intention to use in the long-term, to non-current investments held for sale.

During the reporting period, Group's investments in subsidiaries NHC 1, SIA and NHC 3, SIA, were derecognised; in consolidated financial statements of 31 December 2019 assets of these subsidiaries were respectively classified as non-current investments held for sale, but liabilities - directly related to non-current investments held for sale.

Non-current investments held for sale:

Position	EUR'000			
	Group	Group	Company	Company
	31.03.2020.	31.12.2019.	31.03.2020.	31.12.2019.
Balances due from credit institutions	-	134	-	-
Investment property	-	15,800	-	-
Real estate	2,019	2,019	2,019	2,019
Other tangible assets	56	409	39	44
<b>Total assets, gross</b>	<b>2,075</b>	<b>18,362</b>	<b>2,058</b>	<b>2,063</b>
Impairment allowances	(490)	(490)	(490)	(490)
<b>Total assets, net</b>	<b>1,585</b>	<b>17,872</b>	<b>1,568</b>	<b>1,573</b>
Liabilities to credit institutions	-	3,267	-	-
Other liabilities	-	519	-	-
<b>Total liabilities</b>	<b>-</b>	<b>3,786</b>	<b>-</b>	<b>-</b>

Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

Note 10

Other assets

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
Receivables from financial institutions	6,454	6,401	6,454	6,383
Settlements for financial instruments	2,423	215	2,423	215
Receivables	2,301	1,956	1,250	1,255
Uncompleted settlements for payment card transactions	501	489	501	489
Other financial assets	113	158	113	158
Financial assets at amortized cost	-	-	9,863	9,866
<b>Total other financial assets</b>	<b>11,792</b>	<b>9,219</b>	<b>20,604</b>	<b>18,366</b>
Inventory	1,929	2,457	994	994
Deferred expenses and accrued income	1,483	1,224	71	165
Other assets	500	127	504	133
Overpaid tax	284	1,004	17	761
Settlements with subsidiaries	-	-	17,378	13,372
<b>Total other non-financial assets</b>	<b>4,196</b>	<b>4,812</b>	<b>18,964</b>	<b>15,425</b>
Impairment allowances	(1,379)	(1,471)	(1,379)	(1,345)
<b>Total other assets, net</b>	<b>14,609</b>	<b>12,560</b>	<b>38,189</b>	<b>32,446</b>

Note 11

Creditors' claims

	EUR'000			
	Group 31.03.2020.	Group 31.12.2019.	Company 31.03.2020.	Company 31.12.2019.
<b>Lodged creditors' claims</b>				
<b>Total lodged creditors' claims</b>	<b>2,088,662</b>	<b>2,083,250</b>	<b>2,016,117</b>	<b>2,012,257</b>
<b>Other creditors' claims, which previously disclosed as</b>				
as balances due to credit institutions	1	1	1	1
as deposits	39,460	39,769	28,087	28,105
as ordinary bonds	728	706	728	706
as subordinated liabilities	6,224	6,215	6,224	6,215
as other liabilities	804	805	804	805
<b>Total other creditors' claims</b>	<b>47,217</b>	<b>47,496</b>	<b>35,844</b>	<b>35,832</b>
<b>Total creditors' claims</b>	<b>2,135,879</b>	<b>2,130,746</b>	<b>2,051,961</b>	<b>2,048,089</b>

Information on the order of satisfaction of creditors' claims is available on the website of the Company: <https://www.ablv.com/en/legal-latest-news/lodging-creditors-claims/QA-liquidation-process>.

Information about ABLV Bank Luxembourg S.A. in judicial liquidation creditors' statements of claim is available on the website: <https://www.ablv.lu/en/legal-latest-news/legal-latest-news-liq>.

By 31 March 2020, 3,350 creditors have filed their claims against the Company in the total amount of EUR 2.02 billion. EY has begun compliance review of 661 creditors with claims amounting to EUR 270 million. So far, EY has issued recommendations on 223 creditors, and by the end of the reporting period payouts have been made in the amount of EUR 5,5 million, including EUR 0.7 million to the State Treasury.

Note 12

Issued securities

On 12 June 2018, the FCMC decided to approve the liquidation. Consequently, all the Company's securities issues will be subject to redemption at the same time as the claims of the respective creditors and the principal will be paid to all securities holders within the framework of certain groups of creditors, in compliance with the requirements set out in the Credit Institution Law regarding the settlement procedure with creditors.

Thus, no redemption terms set by the Company for issued securities are relevant, additional information is available on Nasdaq Riga AS website:

<https://cns.omxgroup.com/cdsPublic/viewDisclosure.action?disclosureId=847392&messageId=1065862>.

Information on changing face value of issued bonds is available on website: <https://www.ablv.com/en/press/2019-07-12-on-changing-face-value-of-ablv-bonds>.



## Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

The principal information about the bonds issued by the Company is available here:  
<https://www.ablv.com/lv/services/investments/bonds>.

In 2017 New Hanza Capital, AS, the subsidiary of the Group, issued straight bonds ISIN LV0000802312 in the amount of EUR 10.0 million. The annual interest rate of the bonds is fixed: 4.9% with semi-annual interest income payment. The issue date was 16 October 2017, and the maturity date is 16 October 2022. The issuer may redeem the bonds before maturity starting from 16 October 2019.

On 19 October 2017, these bonds were admitted to regulated market — included in the Baltic Bond List of Nasdaq Riga. Their initial placement price is 100% of the face value. The principles of recognition and accounting of these bonds have not changed in the reporting period.

At the end of the reporting period the value of the securities issued by New Hanza Capital, AS amounted to EUR 10.1 (10.1) million, but in the Group – EUR 9.9 (9.8) million.

### Note 13

#### Paid-in share capital

As at 31 March 2020, the paid-in share capital of the Company amounted to EUR 42.1 (42.1 million). The par value of each share is EUR 1.0 (1.0).

The Company's share capital consists of 38 250 000 (38 250 000) ordinary registered voting shares and 3 830 000 (3 830 000) registered non-voting shares (personnel shares).

All registered voting shares ensure equal rights to dividends, liquidation quota and voting rights at the shareholders' meeting. All personnel shares ensure equal rights to dividends. Holders of personnel shares have no voting rights and no rights to liquidation quota.

As at 31 March 2020, the Company had 137 (137) voting shareholders.

The major shareholders of the Company are as follows:

Shareholders	31.03.2020.		31.12.2019.	
	Share of capital, EUR'000	Share of voting rights, %	Share of capital, EUR'000	Share of voting rights, %
<b>Ernests Bernis and Nika Berne (indirect ownership)</b>				
ASG Resolution Capital, AS	11,000	28.76	11,000	28.76
Cassandra Holding Company, SIA	5,646	14.76	5,646	14.76
<b>Ernests Bernis and Nika Berne (indirect ownership) total</b>	<b>16,646</b>	<b>43.52</b>	<b>16,646</b>	<b>43.52</b>
<b>Oļegs Fiļs (indirect ownership)</b>				
OF Holding, SIA	16,646	43.52	16,646	43.52
<b>Oļegs Fiļs (indirect ownership) total</b>	<b>16,646</b>	<b>43.52</b>	<b>16,646</b>	<b>43.52</b>
Other shareholders, total	4,958	12.96	4,958	12.96
<b>Total voting shares</b>	<b>38,250</b>	<b>100.00</b>	<b>38,250</b>	<b>100.00</b>
Non-voting shares (personnel shares)	3,830		3,830	
<b>Total share capital</b>	<b>42,080</b>		<b>42,080</b>	

### Note 14

#### Off-balance sheet items

Off-balance sheet item type	EUR'000			
	Group		Company	
	31.03.2020.	31.12.2019.	31.03.2020.	31.12.2019.
Agreements signed on non-financial asset acquisitions	4,784	3,130	-	-
Guarantees	709	806	888	980
<b>Contingent liabilities and other off-balance sheet items, total</b>	<b>5,493</b>	<b>3,936</b>	<b>888</b>	<b>980</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Note 15

**Related party disclosures**

Related parties of the Group and the Company are defined as shareholders who have a significant ownership share, liquidators, head of Internal Audit Department and spouses, children and other persons of the individuals referred to previously, Company's subsidiaries and companies in which the Group/Company has an interest, companies in which abovementioned individuals have a significant ownership share as well as other legal entities.

Group's transactions with related parties:

	EUR'000									
	31.03.2020.					31.12.2019.				
<b>Assets</b>	Share-holders	Liquidators	Related companies	Associated companies	Other related individuals	Share-holders	Liquidators	Related companies	Associated companies	Other related individuals
Loans	-	-	-	4,978	-	-	-	-	5,146	-
<b>Liabilities</b>										
Creditors' claims	2,757	-	983	3,918	43	2,757	-	252	3,891	43
<b>Income/expense</b>					01.01.2020.– 31.03.2020.					01.01.2019.– 31.03.2019.
Interest income	-	-	-	56	-	-	-	-	71	-
Dividend income	-	-	-	-	-	-	-	-	127	-
Commission income	10	-	-	-	-	-	-	-	-	1
Other ordinary income	-	1	11	-	-	13	1	54	12	-
Other administrative expense	-	-	-	-	-	-	-	-	(1)	-
Impairment allowances, net	-	-	-	(1)	-	-	-	-	(2)	-

In the process of recognition of creditor claims, excluding those that have been admitted with a suspensive condition, in the reporting period the Company has registered assignments of creditor claims in favour of the Company's shareholders in the amount of EUR 342.8 (316.8) million on the grounds of agreements concluded between the creditors and the Company's shareholders.

Company's transactions with related parties:

	EUR'000									
	31.03.2020.					31.12.2019.				
<b>Assets</b>	Share-holders	Liqui-dators	Related companies	Subsidiaries and associated companies	Other related individuals	Share-holders	Liqui-dators	Related companies	Subsidiaries and associated companies	Other related individuals
Investments in financial instruments	-	-	-	12,734	-	-	-	-	14,397	-
Loans	-	-	-	4,978	-	-	-	-	9,135	-
Other assets	-	-	-	27,598	-	-	-	-	23,620	-
<b>Liabilities</b>										
Creditors' claims	2,757	-	983	56,220	43	2,757	-	252	56,159	43
<b>Memorandum items</b>										
Guarantees	-	-	-	179	-	-	-	-	174	-
<b>Income/ expense</b>					01.01.2020.– 31.03.2020.					01.01.2019.– 31.03.2019.
Interest income	-	-	-	178	-	-	-	-	163	-
Dividend income	-	-	-	102	-	-	-	-	127	-
Commission income	10	-	-	19	-	-	-	-	84	1
Other ordinary income	-	1	11	47	-	13	1	54	351	-
Other administrative expense	-	-	-	(18)	-	-	-	-	(27)	-
Impairment allowances, net	-	-	-	(1)	-	-	-	-	(2)	-

Information on remuneration of the Company's liquidators is disclosed in Note 4. Information on changes in investments in subsidiaries and associates is disclosed in Note 8.

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Note 16

**Segment information**

The Group defines its operating segments based on its organizational structure. The Company views its operations as one single segment, without making any separate disclosures:

- financial services (services was terminated/limited): ABLV Bank, AS in liquidation, ABLV Bank Luxembourg, S.A. in judicial liquidation, REDDebitum, SIA, ABLV Asset Management, IPAS, open-end investment fund included in the Group consolidation;
- real estate development: New Hanza Centre, SIA, Pillar Holding Company, KS, Pillar, SIA, Pillar 3, SIA, Pillar 4 & 6, SIA, Pillar 11, SIA, Pillar 2, 12 & 14 SIA, Pillar 18, SIA (prev. Pillar Technologies, SIA), Pillar 19, SIA, Pillar 20, SIA, Pillar 21, SIA, Pillar 22, SIA, Pillar 23, SIA, Pillar Development, SIA, Hanzas Dārzs, SIA, Pillar Management, SIA, Pillar RE Services, SIA, Pillar Contractor, SIA, Pillar Architekten, SIA and New Hanza Capital, AS, NHC 2, SIA, NHC 4, SIA, NHC 5, SIA, Hanzas Perons, SIA;
- real estate development and management, which were disposed of during the reporting period: NHC 1, SIA, NHC 3, SIA;
- other subsidiaries: ABLV Consulting Services AS, PEM, SIA, PEM 1, SIA.

Operating segment information is prepared on the basis of internal reports.

Analysis of the operating segments of the Group:

	EUR'000						
	01.01.2020.-31.03.2020.						
	Financial services	Real estate development and management	Real estate development and management*	Other activities	Total Group before consolidated adjustments	Eliminated or corrected on consolidation	Group, total
Net interest income	3,464	(189)	(96)	-	3,179	-	3,179
External transactions	3,330	(134)	(17)	-			
Internal transactions	134	(55)	(79)	-			
Net commission income	542	-	-	(1)	541	(30)	511
External transactions	512	-	-	(1)			
Internal transactions	30	-	-	-			
Net result of transactions with securities and foreign exchange, dividends received	(1,506)	-	-	(1)	(1,507)	(70)	(1,577)
External transactions	(1,576)	-	-	(1)			
Internal transactions	70	-	-	-			
Net other income/expense	875	1,519	229	(44)	2,579	383	2,962
External transactions	826	1,391	229	(44)			
Internal transactions	49	128	-	-			
Personnel and other administrative expense	(11,645)	(1,005)	(25)	(9)	(12,684)	145	(12,539)
Depreciation	(359)	(420)	-	-	(779)	(3)	(782)
Impairment allowance and other provisions	(2,458)	-	-	148	(2,310)	(147)	(2,457)
Corporate income tax	(3)	-	-	-	-	-	(3)
<b>Total segment profit/(loss)</b>	<b>(11,090)</b>	<b>(95)</b>	<b>108</b>	<b>93</b>	<b>(10,981)</b>	<b>278</b>	<b>(10,706)</b>
Additions of property and equipment, intangible assets and investment property	5	753	-	-	758	(28)	730
							31.03.2020.
<b>Total segment assets</b>	<b>2,521,320</b>	<b>357,606</b>	<b>-</b>	<b>1,223</b>	<b>2,880,149</b>	<b>(404,756)</b>	<b>2,475,393</b>
<b>Total segment liabilities</b>	<b>2,234,173</b>	<b>74,506</b>	<b>-</b>	<b>671</b>	<b>2,309,350</b>	<b>(126,819)</b>	<b>2,182,531</b>

\* - disposed of during the reporting period.

Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020

EUR'000

01.01.2019.-31.03.2019.

	Financial services	Financial services*	Financial services**	Real estate development and management	Real estate development and management**	Other activities**	Other activities***	Total Group before consolidated adjustments	Eliminated or corrected on consolidation	Group, total
Net interest income	6,932	109	-	(37)	(78)	(3)	-	6,923	-	6,923
External transactions	6,846	109	-	-	(32)	-	-	-	-	-
Internal transactions	86	-	-	(37)	(46)	(3)	-	-	-	-
Net commission income	116	501	(3)	(5)	(5)	-	-	604	(4)	600
External transactions	72	538	-	(5)	(5)	-	-	-	-	-
Internal transactions	44	(37)	(3)	-	-	-	-	-	-	-
Net result of transactions with securities and foreign exchange, and dividends received	1,809	591	-	-	5	-	4	2,409	(126)	2,283
External transactions	1,683	591	-	-	5	-	4	-	-	-
Internal transactions	126	-	-	-	-	-	-	-	-	-
Net other income/expenses	1,363	12	2	769	512	(2)	-	2,656	(714)	1,942
External transactions	48	981	(2)	419	498	(2)	-	-	-	-
Internal transactions	1,315	(969)	4	350	14	-	-	-	-	-
Personnel and other administrative expense	(7,375)	(1,115)	(182)	(1,189)	(112)	(40)	(9)	(10,022)	577	(9,445)
Depreciation	(357)	(103)	-	(72)	(3)	-	-	(535)	1	(534)
Impairment allowance and other provisions	(80)	3	-	(406)	-	(202)	-	(685)	607	(78)
Corporate income tax	(2)	-	-	-	-	(3)	-	(5)	-	(5)
<b>Total segment profit/(loss)</b>	<b>2,406</b>	<b>(2)</b>	<b>(183)</b>	<b>(940)</b>	<b>319</b>	<b>(250)</b>	<b>(5)</b>	<b>1,345</b>	<b>341</b>	<b>1,686</b>
Additions of property and equipment, intangible assets and investment property	-	-	-	5,131	841	-	-	5,972	-	5,972
										31.12.2019.
<b>Total segment assets</b>	<b>2,350,596</b>	<b>177,165</b>	<b>8</b>	<b>161,608</b>	<b>208,768</b>	<b>585</b>	<b>954</b>	<b>2,899,684</b>	<b>(412,197)</b>	<b>2,487,487</b>
<b>Total segment liabilities</b>	<b>2,060,772</b>	<b>167,808</b>	<b>11</b>	<b>39,089</b>	<b>48,061</b>	<b>172</b>	<b>670</b>	<b>2,316,583</b>	<b>(133,599)</b>	<b>2,182,984</b>

\* - which in the reporting period reclassified from non-current investments held for sale; \*\* - previously classified as investment management; \*\*\* - previously classified as advisory services.

Information on geographical segments of Group's financial instruments and issued loans is provided in Note 6 and Note 7, major part (90%) of other Group's assets are located in Latvia.

## Note 17

### Fair value

The carrying amounts and fair values of the Group's assets and liabilities are as follows:

	EUR'000			
	31.03.2020		31.12.2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets at fair value</b>				
Investment property	84,186	84,186	83,885	83,885
Financial assets at fair value through profit or loss	45,720	45,720	62,405	62,405
Financial assets at fair value through other comprehensive income	7,402	7,402	8,337	8,337
<b>Total assets at fair value</b>	<b>137,308</b>	<b>137,308</b>	<b>154,627</b>	<b>154,627</b>
<b>Assets not measured at fair value</b>				
Cash	15,033	15,033	14,406	14,406
Balances due from credit institutions	1,884,462	1,884,462	1,843,625	1,843,625
Loans	372,311	372,407	393,447	393,614
Other financial assets	11,792	11,792	9,219	9,219
<b>Total assets not measured at fair value</b>	<b>2,283,598</b>	<b>2,283,694</b>	<b>2,260,697</b>	<b>2,260,864</b>
<b>Liabilities at fair value</b>				
Derivatives	377	377	576	576
Group's consolidated fund shares owned by 3rd parties	14,724	14,724	17,228	17,228
<b>Total liabilities at fair value</b>	<b>15,101</b>	<b>15,101</b>	<b>17,804</b>	<b>17,804</b>
<b>Liabilities not valued at fair value</b>				
Liabilities not valued at fair value	2,151,342	2,151,342	2,151,045	2,151,045
<b>Total liabilities not valued at fair value</b>	<b>2,151,342</b>	<b>2,151,342</b>	<b>2,151,045</b>	<b>2,151,045</b>

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

The carrying amounts and fair values of the Company's assets and liabilities are as follows:

	31.03.2020.		31.12.2019	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Assets at fair value</b>				
Financial assets at fair value through profit or loss	24,221	24,221	25,133	25,133
Financial assets at fair value through other comprehensive income	7,402	7,402	8,337	8,337
<b>Total assets at fair value</b>	<b>31,623</b>	<b>31,623</b>	<b>33,470</b>	<b>33,470</b>
<b>Assets not measured at fair value</b>				
Cash	15,023	15,023	14,404	14,404
Balances due from credit institutions	1,739,300	1,739,300	1,720,836	1,720,836
Loans	372,195	372,291	397,325	397,492
Other financial assets	20,604	20,602	18,029	18,121
<b>Total assets not measured at fair value</b>	<b>2,147,122</b>	<b>2,147,216</b>	<b>2,150,594</b>	<b>2,150,853</b>
<b>Liabilities at fair value</b>				
Derivatives	377	377	576	576
<b>Total liabilities at fair value</b>	<b>377</b>	<b>377</b>	<b>576</b>	<b>576</b>
<b>Liabilities not valued at fair value</b>				
Liabilities not valued at fair value	2,053,090	2,053,090	2,049,827	2,049,827
<b>Total liabilities not valued at fair value</b>	<b>2,053,090</b>	<b>2,053,090</b>	<b>2,049,827</b>	<b>2,049,827</b>

The Group's assets and liabilities according to the hierarchy of input data for determining the fair value:

	31.03.2020.				31.12.2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>								
Financial assets at fair value through profit or loss	34,024	11,627	69	45,720	50,509	11,827	69	62,405
Financial assets at fair value through other comprehensive income	-	-	7,402	7,402	-	-	8,337	8,337
Investment property	-	-	84,186	84,186	-	-	83,885	83,885
<b>Total assets at fair value</b>	<b>34,024</b>	<b>11,627</b>	<b>91,657</b>	<b>137,308</b>	<b>50,509</b>	<b>11,827</b>	<b>92,291</b>	<b>154,627</b>
<b>Assets not measured at fair value</b>								
Loans	-	-	372,311	372,311	-	-	393,447	393,447
<b>Total assets not measured at fair value</b>	<b>-</b>	<b>-</b>	<b>372,311</b>	<b>372,311</b>	<b>-</b>	<b>-</b>	<b>393,447</b>	<b>393,447</b>
<b>Liabilities at fair value</b>								
Derivatives	-	377	-	377	-	576	-	576
Group's consolidated fund shares owned by third parties	-	14,724	-	14,724	-	17,228	-	17,228
<b>Total liabilities at fair value</b>	<b>-</b>	<b>15,101</b>	<b>-</b>	<b>15,101</b>	<b>-</b>	<b>17,804</b>	<b>-</b>	<b>17,804</b>
<b>Liabilities not valued at fair value</b>								
Liabilities not valued at fair value	-	-	2,151,342	2,151,342	-	-	2,151,045	2,151,045
<b>Total liabilities not valued at fair value</b>	<b>-</b>	<b>-</b>	<b>2,151,342</b>	<b>2,151,342</b>	<b>-</b>	<b>-</b>	<b>2,151,045</b>	<b>2,151,045</b>

This analysis of input data hierarchy for determining the fair value does not include cash on hand, balances due from credit institutions and other financial assets, because of the short residual maturity no difference exists between the carrying amount and fair value for these assets.

The Company's assets and liabilities according to the hierarchy of input data for determining the fair value:

	31.03.2020.				31.12.2019			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
<b>Assets at fair value</b>								
Financial assets at fair value through profit or loss	-	23,859	362	24,221	-	24,775	358	25,133
Financial assets at fair value through other comprehensive income	-	-	7,402	7,402	-	-	8,337	8,337
<b>Total assets at fair value</b>	<b>-</b>	<b>23,859</b>	<b>7,764</b>	<b>31,623</b>	<b>-</b>	<b>24,775</b>	<b>8,695</b>	<b>33,470</b>
<b>Assets not measured at fair value</b>								
Loans	-	-	372,195	372,195	-	-	397,325	397,325
<b>Total assets not measured at fair value</b>	<b>-</b>	<b>-</b>	<b>372,195</b>	<b>372,195</b>	<b>-</b>	<b>-</b>	<b>397,325</b>	<b>397,325</b>
<b>Liabilities at fair value</b>								
Derivatives	-	377	-	377	-	576	-	576
<b>Total liabilities at fair value</b>	<b>-</b>	<b>377</b>	<b>-</b>	<b>377</b>	<b>-</b>	<b>576</b>	<b>-</b>	<b>576</b>
<b>Liabilities not valued at fair value</b>								
Liabilities not valued at fair value	-	-	2,053,090	2,053,090	-	-	2,049,827	2,049,827
<b>Total liabilities not valued at fair value</b>	<b>-</b>	<b>-</b>	<b>2,053,090</b>	<b>2,053,090</b>	<b>-</b>	<b>-</b>	<b>2,049,827</b>	<b>2,049,827</b>

During the reporting period securities amounting EUR 1.3 (0) million were reclassified between Level 1 and Level 2.

**Notes to the interim condensed consolidated and separate financial statements of ABLV Bank, AS in liquidation for the three-month period ended 31 March 2020**

Analysis of changes in the Group's/Company's financial instruments of hierarchy Level 3:

	EUR'000					
	31.03.2020.	Derecognition	Recognition	Change in revaluation reserve	Reclassification	31.12.2019.
<b>Assets at fair value</b>						
Group						
Financial assets at fair value through profit or loss	69	-	-	-	-	69
Financial assets at fair value through other comprehensive income	7,402	-	-	(935)	-	8,337
Investment property	84,186	-	301	-	-	83,885
<b>Total assets at fair value</b>	<b>91,657</b>	<b>-</b>	<b>301</b>	<b>(935)</b>	<b>-</b>	<b>92,291</b>
Company						
Financial assets at fair value through profit or loss	362	-	4	-	-	358
Financial assets at fair value through other comprehensive income	7,402	-	-	(935)	-	8,337
<b>Total assets at fair value</b>	<b>7,764</b>	<b>-</b>	<b>4</b>	<b>(935)</b>	<b>-</b>	<b>8,695</b>

During the reporting period and previous reporting period there have been no reclassifications of financial instruments between Level 2 and 3 of the hierarchy for sources of determining the fair value.

	EUR'000					
	31.03.2019.	Derecognition	Redemption	Recognition	Reclassification	31.12.2018.
<b>Assets at fair value</b>						
Group						
Financial assets at fair value through profit or loss	69	-	-	-	-	69
Financial assets at fair value through other comprehensive income	5,934	-	-	-	-	5,934
Investment property	108,330	-	5,932	-	1,109	101,289
<b>Total assets at fair value</b>	<b>114,333</b>	<b>-</b>	<b>5,932</b>	<b>-</b>	<b>1,109</b>	<b>107,292</b>
Company						
Financial assets at fair value through profit or loss	361	-	-	3	-	358
Financial assets at fair value through other comprehensive income	5,934	-	-	-	-	5,934
<b>Total assets at fair value</b>	<b>6,295</b>	<b>-</b>	<b>-</b>	<b>3</b>	<b>-</b>	<b>6,292</b>

## Note 18

### Litigation and claims

The Company has been involved in a number of legal proceedings to recover outstanding credit balances for good to the Company and maintain collateral in specific Company loan agreements with the Company borrower's. The liquidators believes that any legal proceedings pending as at 31 March 2020 will not result in material losses for the Company and/or the Group exceeding recognized provisions in these financial statements.

## Note 19

### Subsequent events

Between the last day of the reporting period and the date of signing of these consolidated and separate financial statements there have been no events requiring adjustment or disclosure of in these consolidated and separate financial statements or notes thereto.