

Lombard Bank Malta p.l.c.



FINANCIAL RESULTS

H1 2024

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Profit Before Tax: *significant increase*

€m	Group		Bank	
	H1 2024	H1 2023	H1 2024	H1 2023
Net Interest Income	13.3	12.7	13.3	12.7
Net fee & commission income	2.8	2.6	2.3	2.1
Other operating income	21.2	20.0	2.3	2.1
Operating Income	37.3	35.3	17.8	16.9
Operating expenditure	-27.5	-27.8	-9.2	-8.7
Net movements in ECL	1.6	-1.9	1.8	-1.9
Profit Before Tax	11.4	5.4	10.5	6.3
Income tax expense	-4.2	-2.0	-3.7	-2.3
Profit After Tax	7.2	3.4	6.8	4.0



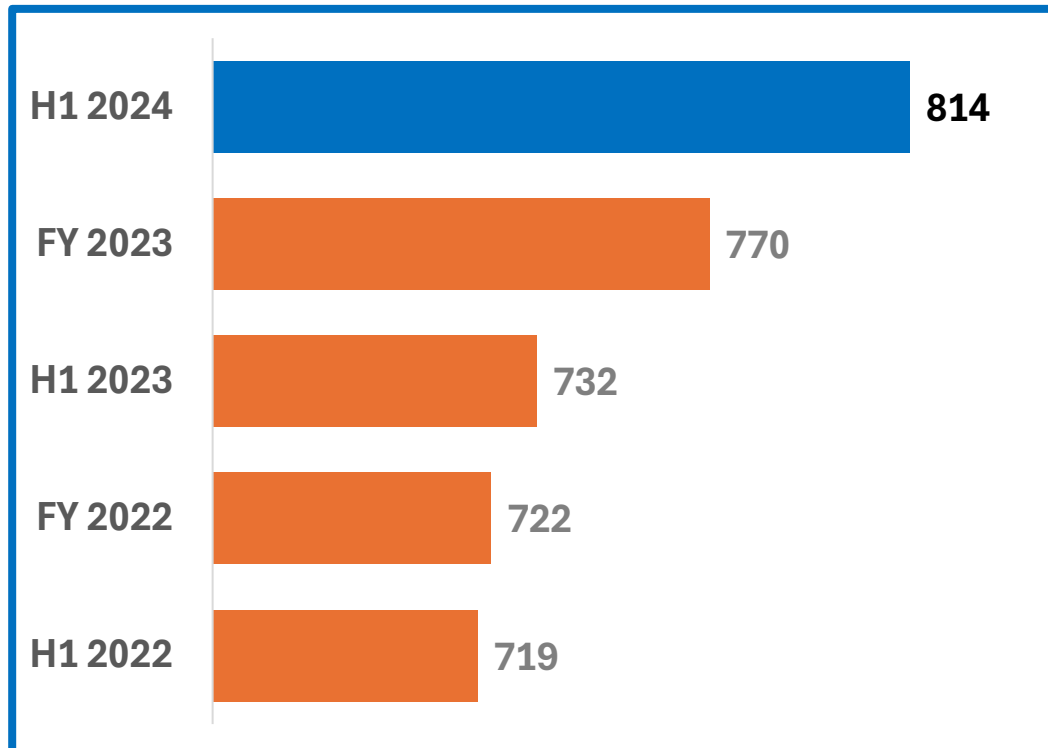
Lending and Customer Deposits: *steady growth*



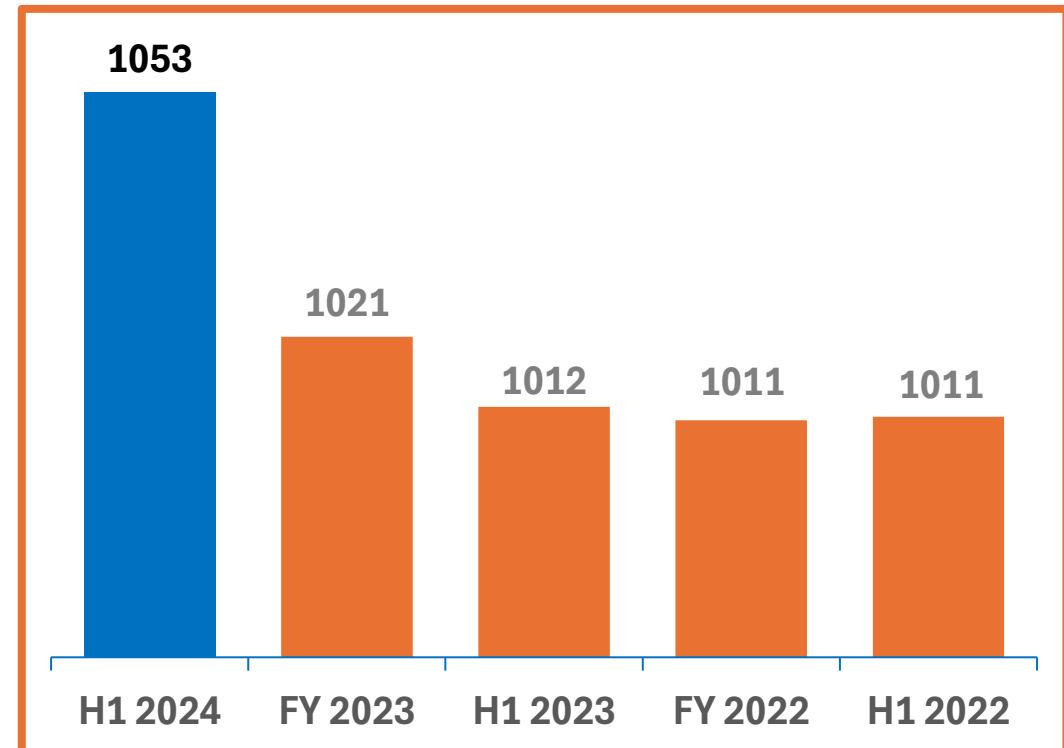
Loan to Deposit Ratio - 76.4%



Loans & Advances (€m) up by 5.7%



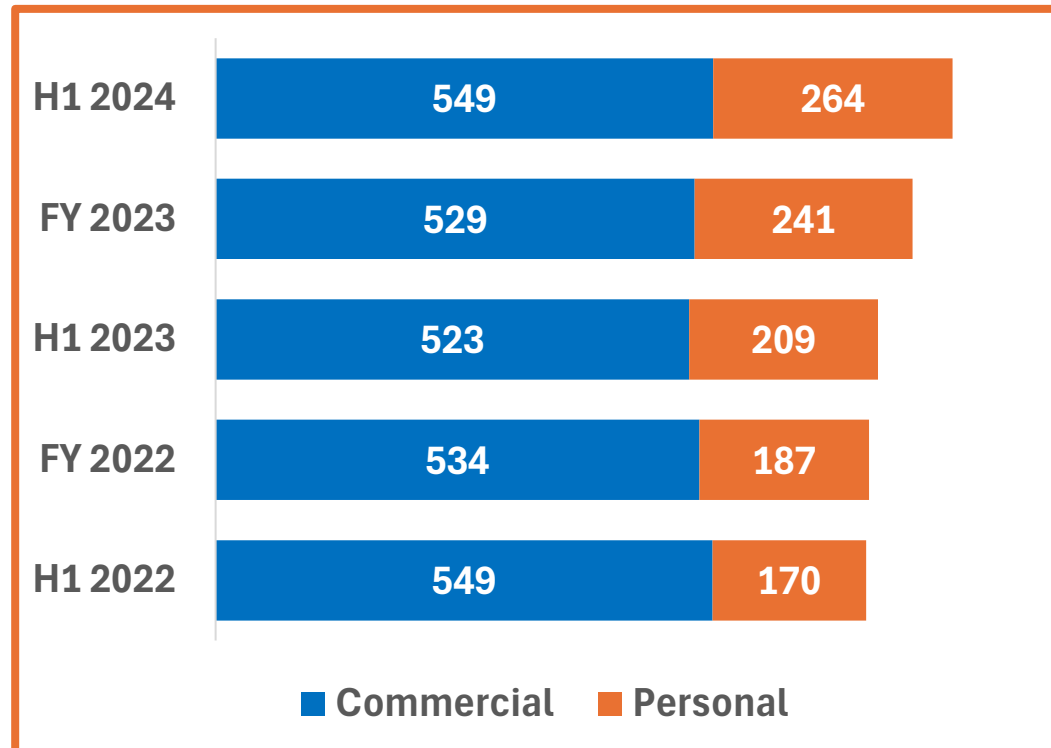
Customer Deposits (€m) up by 3.1%



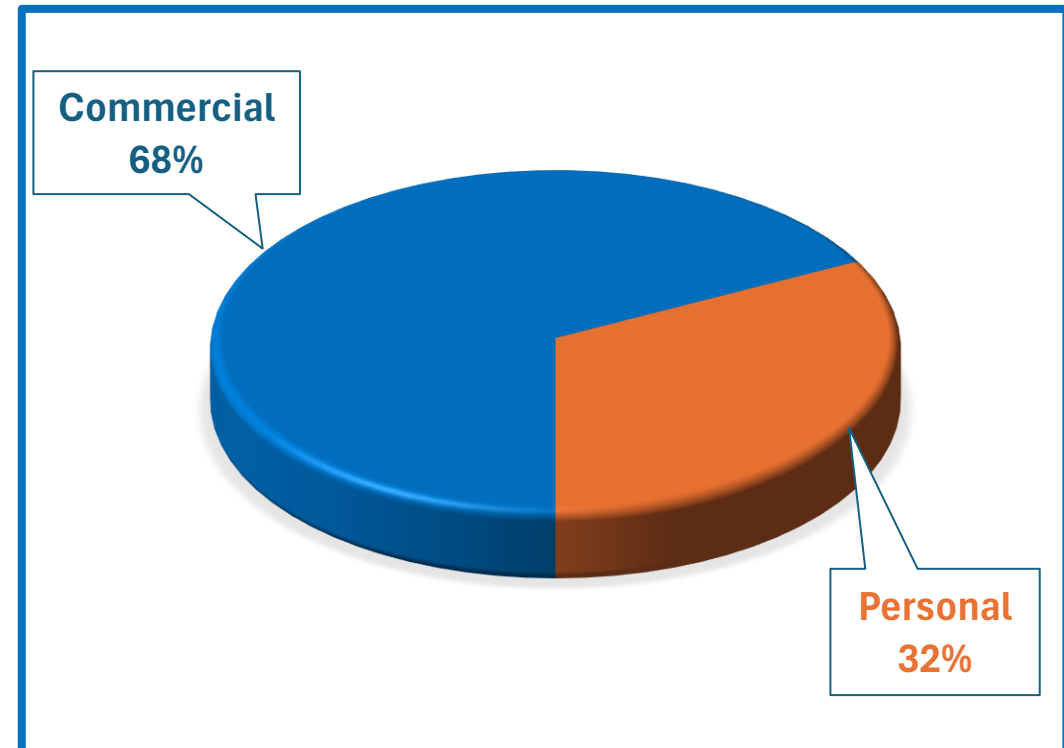
Diversification of Lending Profile



Net increase in Loans & Advances of €44m

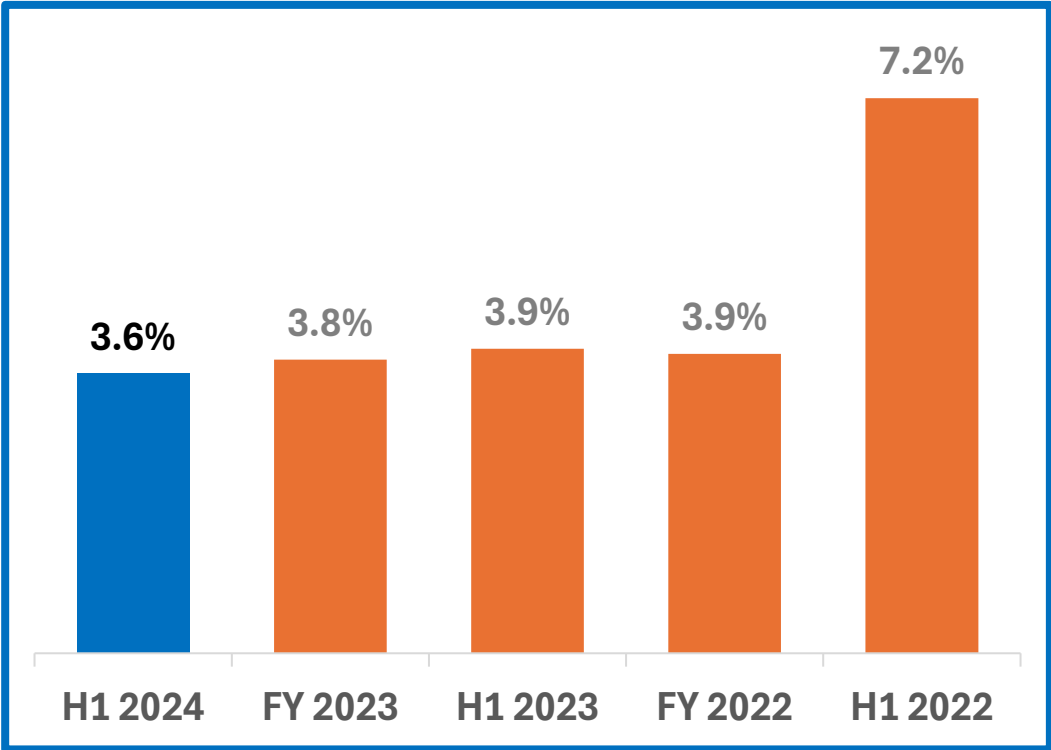


Lending Mix as at H1 2024

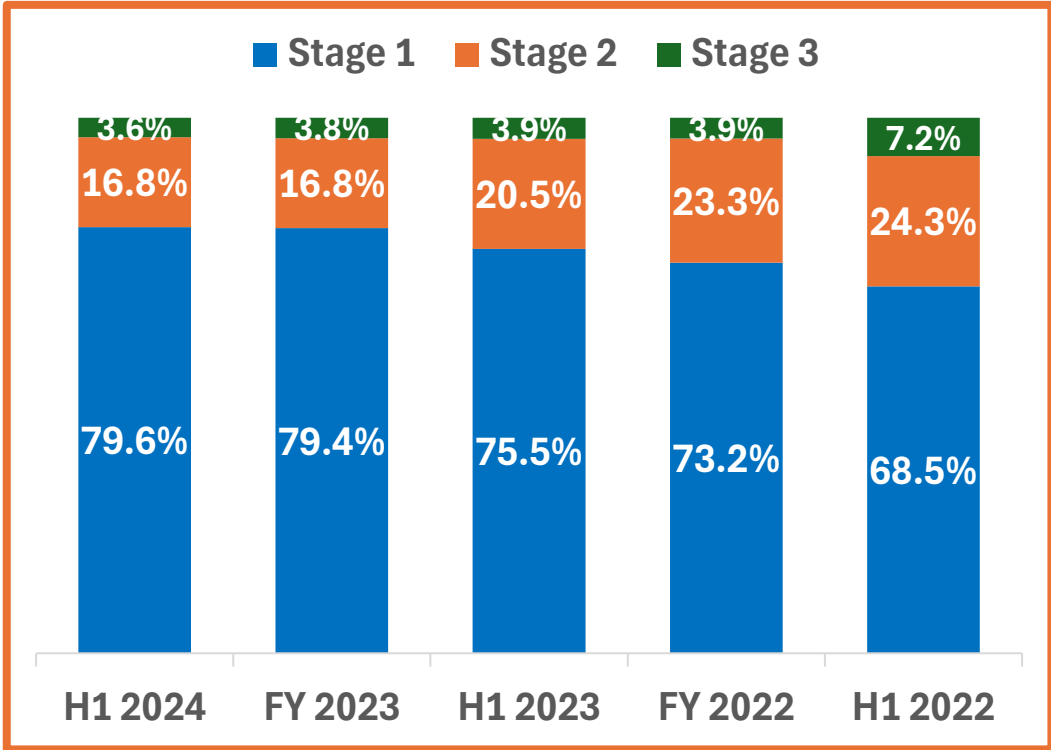


Non-Performing Loans (NPLs): *within regulatory expectations*

Reducing NPLs



Credit Staging (In Terms of IFRS 9)



Stage 1 - Performing facilities
 Stage 2 - Underperforming facilities
 Stage 3 - Defaulted/Non-performing facilities

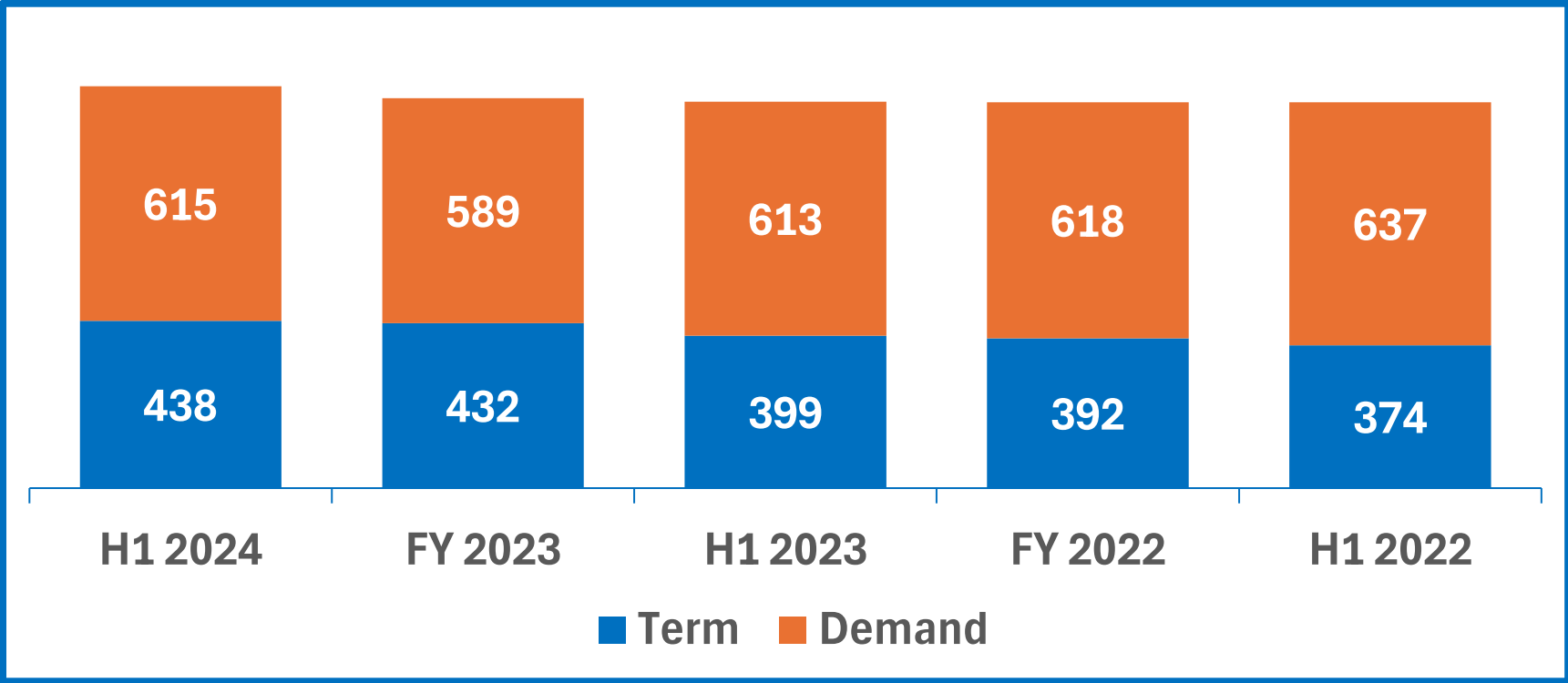


Customer Deposits: *growth also via a wider branch network*



Customer Deposits (€m) +€32m

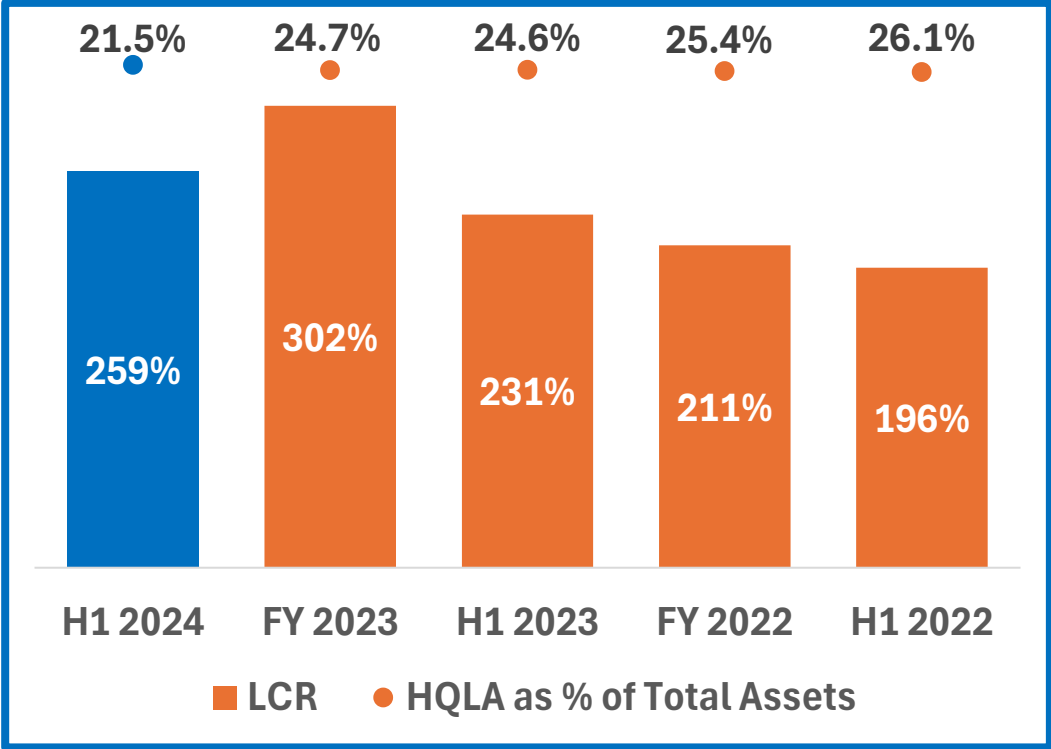
Deposit Mix - 42%/58%



Liquidity Ratios: well above regulatory requirements



Robust Liquidity Coverage Ratio



As per CRR, HQLA meets Net Stressed Outflows

€m	H1 2024	FY 2023	H1 2023	FY 2022	H1 2022
HQLA	277	306	290	298	305
Total Assets	1,290	1,236	1,180	1,171	1,171
%	21.5%	24.7%	24.6%	25.4%	26.1%

LCR @ 259%

LTD @ 76.4%

LCR - Liquidity Coverage Ratio
HQLA - High Quality Liquid Assets

LTD - Loan-to-Deposit Ratio
CRR - Capital Requirements Regulation



Net Interest Income: *main contributor to rise in Operating Income*

€m	Group			Bank		
	H1 2024	H1 2023	%Y-o-Y	H1 2024	H1 2023	%Y-o-Y
Interest receivable and similar income	18.4	16.3	13.0	18.3	16.2	12.9
Interest expense	-5.1	-3.6	41.8	-5.0	-3.5	42.1
Net Interest Income	13.3	12.7	4.8	13.3	12.7	4.7
Net fee & commission income	2.8	2.6	7.8	2.3	2.1	10.0
Postal sales & other revenues	20.3	19.8	2.7	0.1	0.1	1.6
Other operating income	0.6	0.1	790.1	0.5	0.3	102.8
Operating Income	37.3	35.3	5.7	17.8	16.9	5.6



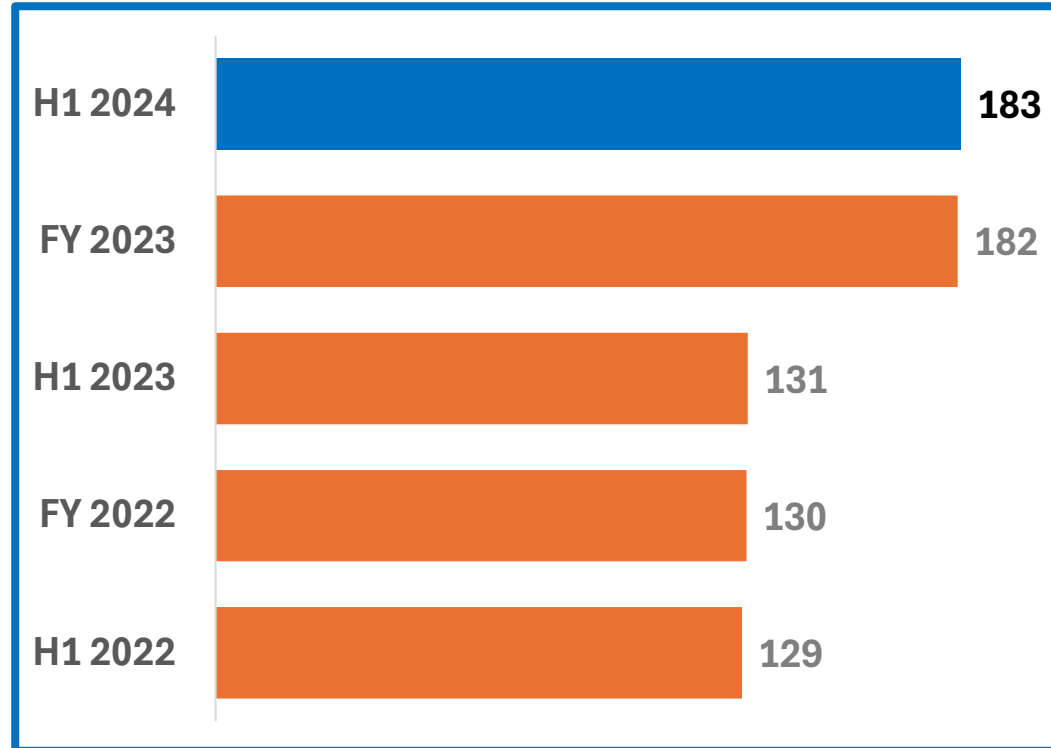
Cost-to-Income Ratios

€m	Group			Bank		
	H1 2024	H1 2023	%Y-o-Y	H1 2024	H1 2023	%Y-o-Y
Employee compensation and benefits	13.2	12.2	7.6	4.7	4.4	5.7
Other operating costs	12.8	14.0	-9.1	3.9	3.7	8.1
Depreciation and amortisation	1.6	1.5	1.6	0.6	0.6	-4.3
Op. expenditure exc. ECL movements	27.5	27.8	-1.2	9.2	8.7	6.0
Op. expenditure inc. ECL movements	25.9	29.7	-12.9	7.4	10.6	-30.3
Cost-to-Income Ratio	73.8%	78.9%		51.5%	51.3%	



Total Capital Ratio: *above current regulatory requirements*

Own Funds (€m) – No reliance on Bond Issues



Risk-Weighted Assets (€m)

€m	H1 2024	FY 2023	H1 2023	FY 2022	H1 2022
RWA	909	869	845	844	869
Total Assets	1,290	1,236	1,180	1,171	1,171
RWI %	70.5%	70.3%	71.6%	72.1%	74.2%

RWI – Risk-Weight Intensity

	H1 2024	FY 2023	H1 2023	FY 2022	H1 2022
Total Capital Ratio	20.1%	21.0%	15.5%	15.4%	14.9%



“...These mid-year results highlight the resilience of our business model, our prudent risk management and operational efficiency. While strengthening our commercial lending activity we also made encouraging inroads in home loans – a sector that is relatively new to us.

Our liquidity is strong and well above the regulatory minimum, allowing us to remain committed to supporting the Maltese community, while driving sustainable growth.

We are cautiously optimistic also in respect of the rest of this year. As the Maltese economy is forecast to continue performing well, so is our loan book, as we identify new business opportunities that allow us to deliver on our overall strategic objectives. Though challenges never lack, the Bank is well-positioned to navigate these and to grasp opportunities presented by the evolving economic landscape, always with a focus on growth, while also ensuring continued resilience ”

Joseph Said
Chief Executive Officer

29 August 2024

