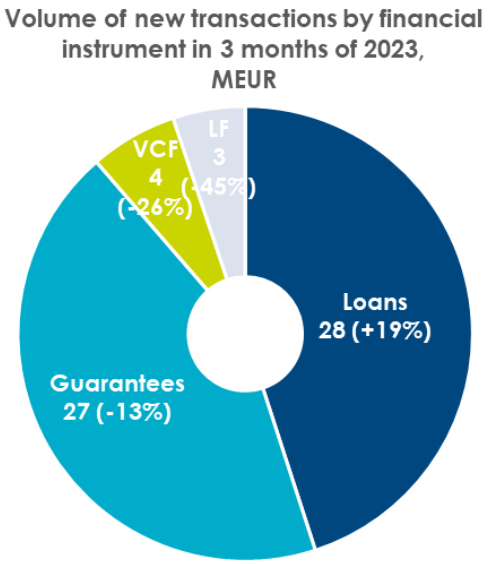
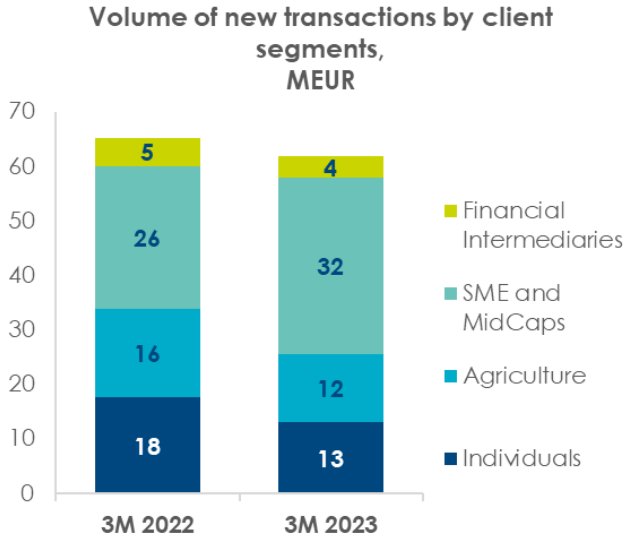
JSC Development Finance Institution Altum operational volumes for the three months period ending 31 March 2023

In the 3 months of 2023, JSC Development Finance Institution Altum (hereinafter – Company) newly issued financial instruments amounted to EUR 62 million (-5% compared to the 3 months of 2022), which consisted of 1,567 (+4% compared to the 3 months of 2022) new projects.

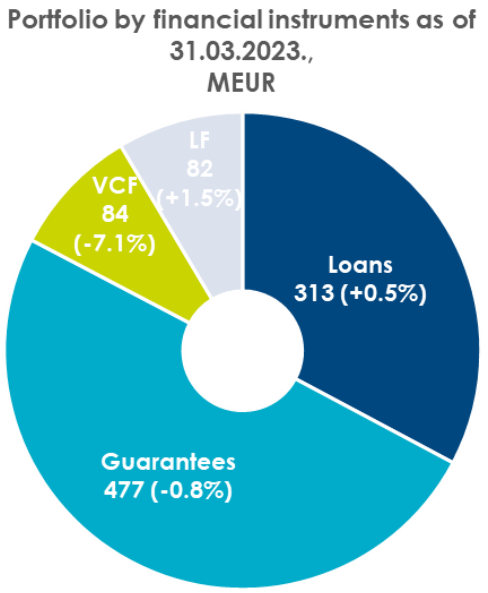


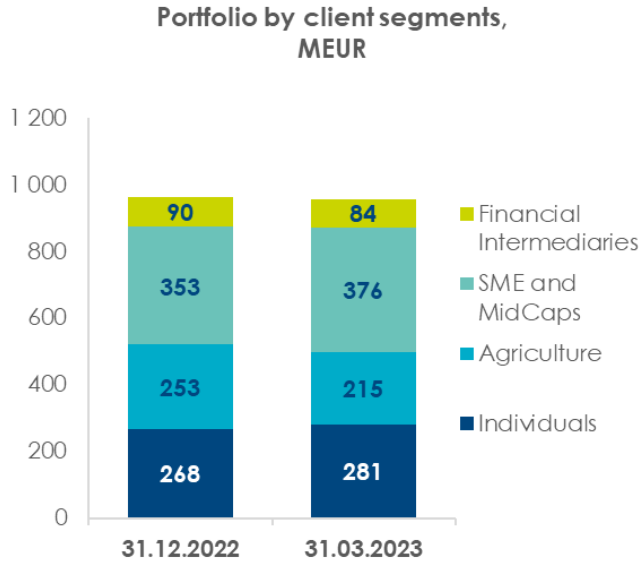


VCF - investments in venture capital funds
LF - Land Fund transactions

The volume of new transactions in the 3 months of 2023 compared to the same period in 2022 was lower in all financial instruments and segments, except for the SMEs and MidCap segment, where the increase in the volume of new transactions was ensured by the new loan support program for mitigating the consequences of the Russian Federation's military aggression against Ukraine. A lower volume of new transactions in the first months of the year has historically been associated with lower business activity and seasonality, the high interest rates have also had an impact, which encouraged company to reduce existing credit obligations (loans for current assets and bank guarantees were affected) from their own resources and wait with decision on taking on new credit obligations. Also in the Agriculture segment, there was a lower demand for support instruments (loans for working capital and reverse lease transactions were affected), which was influenced by the good harvest results of 2022 and the increase in food prices, which made it possible to reduce existing credit obligations and, similarly to the SMEs and MidCaps segment, to wait with decision on taking on new credit obligations.

As of 31 March 2023, the Company's gross portfolio of support instruments was EUR 1,023 million (-4.0% compared to 31 December 2022), of which the gross portfolio of financial instruments amounted to EUR 956 million (-0.8% compared to 31 December 2022).





VCF - investments in venture capital funds
LF - Land Fund transactions

The portfolio of financial instruments at the end of March 2023 compared to the end of 2022 did not change significantly practically in all financial instruments, which was affected by lower volumes of new transactions in all financial instruments and segments, except for the SME and MidCap segment and the Individuals segment, in which the growth of the portfolio was ensured by housing guarantees and support tools for apartment buildings. Likewise, the financial instrument portfolio continued to be affected by the rapid amortization of the existing Covid-19 support instrument portfolio (-24% compared to 31.12.2022).

JSC Development Finance Institution Altum is a Latvian state-owned company providing enterprises and households access to financial resources by means of support financial instruments - loans, guarantees, investments in venture capital funds - in the areas defined as important and to be supported by the state, thus developing the national economy and enhancing mobilization of the private capital and financial resources. On 16 December 2022 Moody's Investors Service (Moody's) affirmed the Company's Baa1 long-term issuer rating, with outlook stable, same as affirmed on 25 March 2019. The baseline credit assessment (BCA) is also affirmed at Baa3, together with the short-term issuer rating at P-2. The assigned Moody's rating of Altum is one of the highest credit ratings assigned to corporate entities in Latvia. On 24 October 2017 the bonds issued by Altum were listed on a regulated market – Baltic Bond List of Nasdaq Riga.

Laura Lapkovska
AS Attīstības finanšu institūcija Altum Investors Relationships Division
Tel.: +371 67774023, +371 26165699
E-mail: Laura.Lapkovska@altum.lv