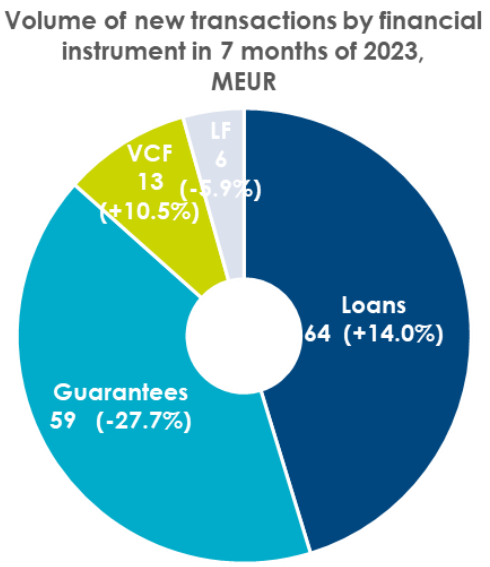
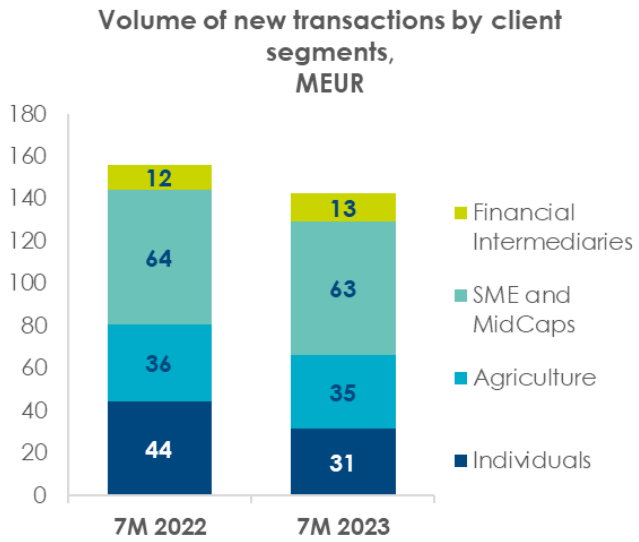
JSC Development Finance Institution Altum operational volumes for the seven months period ending 31 July 2023

New volumes

In the 7 months of 2023, the ALTUM's newly issued support instruments amounted to 145 million EUR (-21.1% compared to the corresponding period of 2022), of which 142 million EUR were financial instruments (-8.8% compared to the corresponding period of 2022), financing 2,805 new projects (-25.1% compared to 7 months of 2022).





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

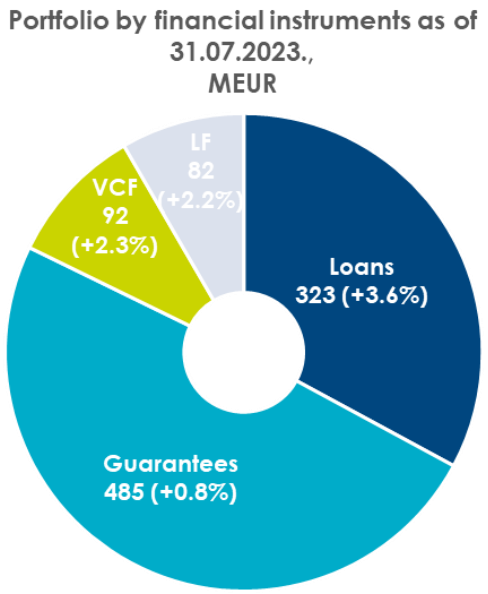
The pace of the volume of new transactions has started to recover compared to 6 months of this year, with a slight increase in the volume in July 2023 compared to July 2022, despite the still cautious and wait-and-see attitude of entrepreneurs and individuals towards new investments and taking on credit obligations.

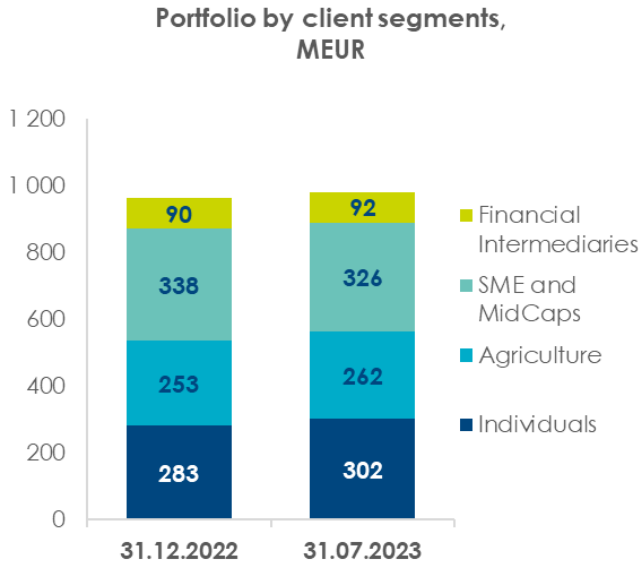
There was a significant increase in the volume of new transactions in the Individuals segment in the energy efficiency loan programme for multi-apartment buildings (+4.7 million EUR compared to the corresponding period in 2022), as well as in the loan programme for renovation of multi-apartment buildings (+2 million EUR compared to the relevant period in 2022), in which financing is available for the needs of multi-apartment buildings that cannot be financed in the energy efficiency programme for multi-apartment buildings, thus supplementing this programme.

An increase in the volume of new transactions can also be observed in the SMEs and Mid-caps segment - in July of this year, the volume of new transactions was by 3 million EUR higher than in July 2022 (8 million EUR), as a result of which the volume of new transactions in this segment in the 7 months of this year was similar to the volume of new transactions in the corresponding period in 2022. The largest volumes of new transactions were in the loan programme for mitigating the consequences of Russian military aggression in Ukraine (+9.7 million EUR compared to 7 months of 2022), in the loan programme for increasing the companies' energy efficiency and sustainability (+7.1 million EUR compared to 7 months of 2022), as well as in the investment loan programme for Mid-caps with capital rebate (+1.1 million EUR compared to 7 months of 2022) and energy efficiency loan programme for companies (+1.4 million EUR compared to 7 months of 2022) under the Renewal and Resilience Fund (RRF). In July of this year, the first projects in 2 more programmes under the RRF were also approved - the loan programme for the companies' digitalization and the guarantees programme for the purchase of electric cars. The support instruments are available with a capital rebate in both programmes.

Portfolio of support instruments

ALTUM's gross portfolio of support instruments was 1,065 million EUR on 31 July 2023, reaching the amount that was at the end of 2022 after the drop in the 1st quarter of this year, of which the gross portfolio of financial instruments amounted to 983 million EUR (+2% compared to 31.12.2022).





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The portfolio of financial instruments at the end of July 2023, compared to the corresponding period of 2022, maintained growth trend in all financial instruments and segments, except for the SMEs and Mid-caps segment, in which the volume of the portfolio, which had fallen since the beginning of the year, stabilized at the end of July this year. This was affected by higher volumes of new transactions, which were able to offset the amortization of the existing portfolio, especially in the Covid-19 support programmes.

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.

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