

**Interim Financial Statements
for the period
1st January – 30th June, 2023**

The information contained in these Interim Financial Statements has been translated from the original Interim Financial Statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language Interim Financial Statements, the Greek language Interim Financial Statements will prevail over this document.

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I. Interim Board of Directors' Report

Global economic environment

The global environment continued to operate under uncertainty during the first half of the year, with a continued aggressive tightening of monetary policy by central banks and a relatively slow de-escalation of inflation with negative effects on consumer purchasing power. Moreover, crises in the banking systems of the United States and Switzerland have created turmoil in the financial markets, but these have been smoothed after strong intervention by the authorities in these two countries.

The International Monetary Fund (IMF) expects global gross domestic product (GDP) to grow by 3 % in 2023 (World Economic Outlook July 2023), slightly higher than its forecast of 2.9% in April. The IMF expects further GDP growth of 3 % in 2024, while for developed markets, the forecast is for GDP growth of 1.5% and 1.4% in 2023 and 2024 respectively, compared with growth of 2.7% in 2022.

In the field of inflation, continued interest rate increases by central banks coupled with lower fuel prices and the relative mild winter helped de-escalate inflation, with IMF forecasts of 6.8% worldwide in 2023, down from 8.2 %. According to the IMF, global inflation risks remain as: a) a possible further escalation of the war in Ukraine, b) a new shock to the global banking system, and c) the effects of aggressive central bank increases pass on to the real economy and may lead inflation to higher levels. Against this background, the IMF increased its 2024 inflation forecast by 30 basis points to 5.2%.

In the euro area, seasonally adjusted GDP increased by 1% year-on-year during the first quarter, while compared with the 4th quarter of 2022, GDP declined marginally by 0.1%. The IMF expects GDP growth of 0.9% in 2023 and 1.5% in 2024.

The European Central Bank (ECB) continued the aggressive tightening of its monetary policy with 4 interest rate increases during the 1st half of 2023, and continued with another increase by 25 basis points in July 2023 to 3.75 %. Overall, the ECB has raised its intervention interest rate by 4.25 % in one year, the highest growth rate in its relatively short history¹.

In the United States, GDP grew by 2% year-on-year in the first quarter of 2023, while initial estimates for the 2nd quarter published on July 27 indicate an expansion rate of 2.4%. The IMF expects GDP growth of 1.8% this year and 1% in 2024. The Federal Reserve proceeded to three interest rate rises during the first half of 2023, by 75 basis points, while the market expects at least one additional increase in 2023.

(https://www.ecb.europa.eu/stats/policy_and_exchange_rates/key_ecb_interest_rates/html/index.en.html)

Developments in the Greek economy

Based on the provisional data of ELSTAT, GDP grew by 2.1% in the 1st quarter of 2023 compared to the corresponding period of 2022. The increase in exports by 8.9% compared to the 1st quarter of 2022 was notable, while imports increased by 5.6%. A significant boost to GDP came from fixed capital investment, which increased by 8.2% while consumption increased by 2.3% year-on-year. Overall, GDP is expected to grow by 2.3% in 2023 and by 3% in 2024 based on the latest estimates of the Bank of Greece (BoG). The

Ministry of Finance and the European Commission (EU) expect GDP to grow in 2023 by 2.3% and 2.4% respectively, while in 2024 their estimates point to an increase of 3% and 1.9% respectively.

The projected growth is expected to be supported by revenue from tourism, an increase in investment activity, supported by the funds of the Recovery & Resiliency Fund (RRF) and increased liquidity in the banking system and less by consumption, which is expected to show lower growth rates than in the previous period. Export growth is expected to continue and outweigh the projected increase in imports reflecting increased investment activity and moderate private consumption. The course of tourism is upward with arrivals at Athens International Airport "Eleftherios Venizelos" recording an increase of 30.1% year-on-year in the period January-July 2023.

Inflation declined significantly during the first half of the year, from 7 % in January to 1.8% in June 2023. The decline in fuel demand with the advent of spring combined with downward base effects (high base of the previous year due to the war in Ukraine) led to a rapid de-escalation in inflation. However, non-energy elements of inflation remain high, especially food price levels that affect consumption. For 2023, the BoG expects inflation to move around 4.3% and to de-escalate further in 2024 to 3.8%. The Ministry of Finance and the EU expect 2023 inflation to move around levels of 4.5% and 4.2% respectively, while for 2024 both expect inflation to move to an even lower level of 2.4 %. The 9.4% increase in the minimum wage that took place on April 1st 2023 could support consumption and thus GDP growth. On the other hand, raising the minimum wage may help maintain high levels of inflation.

The Economic Sentiment Index in Greece in the 2nd quarter stood at 109.0 points, up from 106.9 points in the 1st quarter of the year and 105.1 points in the second quarter of 2022. It is noteworthy that the corresponding index at European Union level has decreased.

In the labour market, in June 2023, based on seasonally adjusted data, the unemployment rate stood at 11.1%, compared with 12.3% in the corresponding month of 2022, with employment rising by 1.1%.

The prospects of the Greek economy are subject to downside risks related to the possible impact of geopolitical tensions on international and especially Greek tourism. The geopolitical risk may affect raw material and fuel prices with a negative impact on inflation and growth.

Developments in the Greek banking sector

The Greek banking system continued its upward path during the 1st quarter 2023, boosting its liquidity and with further efforts to reduce non-performing exposures. The high interest rate environment significantly facilitated Greek banks' efforts to boost their profitability, which in turn fueled the strengthening of regulatory capital.

Greek banks have repaid a significant part of their TLTRO III funding as a result of the ECB's decision to adjust the terms of this programme with effect from November 2022. As a result, total ECB funding to the Greek banking system via TLTRO III decreased to EUR 20.3 billion in June 2023 from EUR 50.9 billion in December 2022.

For the next period the Greek economy's lending from the Greek banking system is expected to increase due to particularly increased liquidity, with the loan-to-deposit ratio standing at 60 %, as well as due to the funding from the Recovery and Resilience Fund, which is expected to further assist the recovery in economic activity.

Deposits

Private sector deposits (businesses and households) in June 2023 increased by 3.5 % year-on-year to EUR 189.3 billion. In the total economy, growth amounted to 3.4 % with total deposits (domestic residents) standing at EUR 198.1 billion. Overall, in the second quarter, net inflows from the private sector amounted to EUR 3.8 billion.

Loans

Total private sector financing (households and businesses) in the Greek banking system amounted to EUR 113.9 billion in June 2023, rising by 2.7 % year-on-year but decreasing by 1.5 % compared to the balances of December 2022. The cumulated net flow of financing to the private sector during the 2nd quarter of 2023 amounted to EUR 0.7 billion. Home lending decreased by 3.8 % year-on-year in June 2023, while consumer loans increased slightly by 1.5 %. Loans to non-financial corporations increased by 5.8 % year-on-year to EUR 63.5 billion.

Interest rates

The weighted average interest rate on all new deposits increased by 3 basis points in June 2023 compared with the previous month and stood at 0.31 %.

In particular, the average interest rate on overnight deposits from households remained unchanged at 0.02 %, while the corresponding rate on corporate deposits remained almost unchanged at 0.12 %. On existing deposits, the weighted average interest rate increased by 4 basis points to 0.37 %.

The average interest rate on new deposits with an agreed maturity of up to 1 year by households increased by 11 basis points to 1.42 %. The corresponding interest rate on corporate deposits increased by 18 basis points to 2.28 %. The average interest rate on existing balances on deposits with an agreed maturity of up to 2 years by households increased by 11 basis points to 1.36 %. The corresponding interest rate on corporate deposits increased by 22 basis points and stood at 2.20 %.

Non-performing loans

The decrease in the stock of non-performing loans (NPLs) of Greek banks led to a significant decrease in credit risk provisions in 2022, which continued in the first quarter of 2023, thereby boosting their profitability. The increase in net interest and commission income on an annual basis also contributed to the same development. In the first quarter of 2023, net income from financial operations and other income declined compared to the first quarter of 2022, as the previous year had been affected by non-recurring earnings.

The balance of NPLs decreased by 1.3 %, but the ratio of NPLs to total loans increased marginally (March 2023: 8.8 %, December 2022: 8.7 %), due to a small decrease in the balances of total loans. The improvement in asset quality in recent years should not lead to complacency, taking into account that the NPL ratio remains significantly above the average of euro area banks. It should be noted that during the first quarter of 2023 a net inflow of new NPLs was observed in all loan portfolios (65 % corporate, 25 % residential and the rest in consumer loans), as the combination of increased interest rates and inflation seems to have negatively affected the financial situation of some businesses and households.¹

Capital adequacy ratios

For Greek banks, the Common Equity Tier 1 (CET1 ratio) on a consolidated basis decreased to 13.4 % in March 2023 (from 14.4 % in December 2022), with the Total Capital Ratio (TCR) also decreasing to 16.5 % (from 17.4 % in December 2022), both remaining below the respective euro area averages. The decline in the Total Capital Ratio is mainly due to the integration of the full impact of International Financial Reporting Standard 9.²

Evolution of aggregates and results of Optima bank Group

The most important corporate operations in the first half of 2023 were the following:

Non-financial information:

Extraordinary General Meeting of the Bank's Shareholders (March 2023)

The Board of Directors of the Bank convened an extraordinary general meeting on 22 March 2023, on the preparation of the Bank, in view of the listing of its shares in the Main Market of the Athens Stock Exchange. The meeting's agenda also included a decrease of share capital (through a decrease in the nominal value of each share) for offsetting losses in past years, as well as a reduction in the nominal value of the shares while increasing their total number (split).

The decision of the extraordinary general meeting of the shareholders of Optima bank for the listing of all the shares of Optima bank in an organised stock market marked the automatic conversion of convertible bonds, amounting to EUR 60 million, into shares, as the events triggering the compulsory conversion included the listing of Optima bank's shares on the Athens Stock Exchange.

Ordinary General Meeting of the Bank's Shareholders (June 2023)

The Ordinary Annual General Meeting of Optima Bank's shareholders, held on Wednesday, June 7, 2023, presented the official financial results for 2022, as well as the evolution of key indicators for the first four months of 2023.

¹ Bank of Greece Monetary Policy Report | June 2023

² Bank of Greece Monetary Policy Report | June 2023, on the whole banking system

The bank's deposits for 2022 recorded an annual increase of 61.7%, reaching EUR 2.2 billion, while by May 2023 they had exceeded EUR 2.5 billion, confirming the growing confidence of depositors in the bank's strategic planning.

The loan portfolio in 2022 also showed a significant annual increase of 64.5% to EUR 1.7 billion, while the total loans in May 2023 reach EUR 2 billion, contributing to the implementation of sustainable investment projects, as well as to the growth of the Greek economy.

Optima Bank's annual core profitability quadrupled from 2021, reaching EUR 40.3 million at bank level and EUR 42.4 million at group level. The Bank's equity followed the same path, showing an annual increase of 61.8% to EUR 253 million in 2022, while in the first four months of 2023 there is an increase of more than 75%. These figures allow the management to plan the next steps of the bank, driven by high profitability and increased equity.

Financial information:

During the period 01.01.2023-30.06.2023, the key aggregates and results of Optima Bank Group and their change were as follows:

Balance sheet

On 30.6.2023, the total assets of Optima Bank Group amounted to EUR 3.2 billion from EUR 2.6 billion increased by EUR 601 million compared to 31.12.2022. This increase is reflected in the interim statement of financial position, namely in the account of credit receivables from customers, as a result of the increase of financing from deposits and the increase in Optima bank's investment portfolio.

On 30.6.2023, total loans and receivables from customers before provisions amounted to EUR 2.0 billion (amount including margin accounts credits) increased by a total of EUR 351 million compared to EUR 1.7 billion on 31.12.2022. Provisions for impairments of loans and other claims by customers increased by EUR 5.2 million compared to 31.12.2022 and amounted to EUR 24.1 million on 30.6.2022 compared to EUR 18.9 million in 2022, due to the growth of the Bank's loan portfolio.

Regarding liabilities, on 30.6.2023 total customer liabilities amounted to EUR 2.8 billion, an increase of EUR 602 million compared to 31.12.2022.

The loans (net of provisions)-to-deposits ratio on 30.6.2023 stood at 72.7% (compared with 76.91 % on 31.12.2022).

On 30.6.2023 the Group's total net worth amounted to EUR 298.5 million compared to EUR 252.9 million on 31.12.2022. The improvement is due to (a) the formation of profits in the first half of 2023, and (b) the convertible bond loan issued in 2022 and converted into equity in the first half of 2023, following the decision of the extraordinary general meeting in March 2023, which approved, inter alia, the listing of the Bank's shares in the Main Market of the Athens Stock Exchange.

Profit and loss

Regarding the Group's profit and loss:

Optima Bank's **net interest income** in the first half of 2023 amounted to EUR 60.7 million from EUR 25.6 million, an increase of 136.9 % compared to the first half of 2022, mainly due to an increase in interest income from loans (loan increase).

Optima Bank's **net commission income** in the first half of 2023 amounted to EUR 14.3 million from EUR 9.0 million, showing an increase of 59.0 % compared to the first half of 2022, mainly due to the increase in net commissions related to the granting/renewal of loans as well as letters of guarantee.

Optima Bank Group's **total operating expenses** amounted to EUR 24.1 million in the first half of 2023 from EUR 19.8 million in the first half of 2022, an increase of 21.9%. The increase in operating expenses was primarily driven by the increase in staff fees and costs (+ 17.1%) due to the increase in human resources (the number of employees gradually increased from 417 persons at the end of the first half of 2022 to 469 persons at the end of the first half of 2023 at Group level) which were necessary to cover the Bank's operational needs and the increase in general operating costs (+ 33.5%) resulting from the operation of the branch network and the overall increase in operating costs due to the implementation of the business plan. Annual depreciation is also higher in the first half of 2023 compared to the first half of 2022 and amounted to EUR 3.4 million from EUR 2.9 million, mainly due to the operation of the network of 27 branches for at least 6 months and other technological investments.

As a result of the above, profit and loss before provisions and tax for the first half of 2023 amounted to EUR 59.3 million compared to EUR 18.1 million in the first half of 2022. Taking into account the credit risk provisions, the profit/loss before tax for the first half of the year ended 30.6.2023 amounted to EUR 53.9 million compared to profit/loss before tax of the first half of 2022, which amounted to EUR 15.8 million. The net profit/loss after tax for the first half of 2023 of the Optima Bank Group amounts to EUR 44.1 million compared to EUR 16.8 million in the first half of 2022.

Regulatory ratios

At the end of the first half of 2023, the Bank's total regulatory capital amounted to EUR 271.8 million (EUR 281,3 million for the Group) while the risk-weighted assets (RWAs) amounted to EUR 2.088.7 million (EUR 2.141.7 million for the Group) resulting in Optima Bank's total capital adequacy ratio (TRCR) of 13.01% (13.13 % for the Group), influenced both by the issuance of the EUR 60 million convertible bond loan completed by Optima bank in 2022, the expansion of the Bank's loan and investment portfolio and the overall results of this financial year.

At Bank level, the liquidity coverage ratio (LCR) was 221.78% (against the minimum permissible limit: 100%) and the net stable funding ratio (NSFR) was 126.75% (against the threshold: 100 %) on 30.6.2023.

Regulatory ratios for both the Bank and the Group are summarised in the table below both for the period ending 30.6.2023 and for the corresponding period in the previous financial year (end of 30.6.2022):

	Bank		Group	
	30.06.2023*	30.06.2022	30.06.2023*	30.06.2022
CET1 (%)	13.01%	10.93%	13.13%	11.48%
TRCR (%)	13.01%	10.93%	13.13%	11.48%
LCR (%)	221.78%	344.24%	229.12%	375.09%
NSFR (%)	126.75%	118.89%**	129.58%	119.89%**

Source: Finance Direction of Optima bank

* The amounts have been calculated by including profits for the period.

** The NSFR ratio on 30.06.2022 at bank level was adjusted for comparability purposes to 118.89 % from the submitted 102.54 %. At Group level, it was adjusted to 119.89 % from 102.89 %.

Going concern

The management has assessed the ability of the Optima Bank Group to continue its business.

The management taking into account the following:

- Stable economic growth in 2022 and the continuing improvement in the first half of 2023 and the outlook for sustainable GDP growth in the future;
- The effective management of the Group's liquidity risk, as reflected in the LCR and NSFR ratios on 30.6.2023;
- The recovery in the economic sentiment as most of the shocks of geopolitical developments (Ukraine/Russia war) and the Covid-19 pandemic have been absorbed;
- The profit presented by Optima Bank Group in the first half of 2023 and the continued improvement in the fundamentals;
- The decision of the shareholders of the Bank to increase share capital by listing all its shares in the Athens Stock Exchange Main Market within the 3rd quarter of 2023;

has concluded that there are no material uncertainties that would raise significant doubts about the ability of the Optima Bank Group to continue its operations in the future from the date of approval of the Interim Financial Statements. For this reason, the Group and the Bank continue to adopt the going concern accounting principle for the preparation of financial statements.

Personnel

An important asset for the course and growth of Optima bank is its employees. The Bank constantly ensures that it employs the appropriate staff in order to have the critical mass to achieve its business objectives and to establish long-term and mutually beneficial cooperation with them.

The number of employees of Optima bank on 30.6.2023 amounted to 449 persons (469 for the Group) compared to 426 on 31.12.2022 (445 for the Group).

Out of this number, 48 % are women and 84% of employees have a higher education and post graduate diploma.

Number of branches/Central services

On 30.6.2023, the Bank operated 27 branches, of which 21 operate in the prefecture of Attica, 3 in Thessaloniki, 1 branch in Corinth, 1 branch in Larissa and 1 branch in Heraklion, Crete. In relation to new branches, the Bank's competent department has already proceeded to rent a branch in Patras and is expected to rent branches in Ioannina and Chania within the second half of 2023.

In terms of central services, in the first half of 2023 there was no need to rent a new space. The central services remain at 32 Aigialias Street Building in Marousi, Attica and on the 4th floor of the Paradise Building also in Marousi, Attica.

Share capital

On 30 June 2023, Optima bank's share capital amounted to EUR 178.394.790,75 divided into 51.708.635 ordinary shares with voting rights and a nominal value of EUR 3.45 each. The shares of the company are registered and not admitted to trading on a regulated market.

It should also be noted that the Bank does not hold own shares.

Significant corporate events after 30.06.2023

- The process of finalising the Prospectus, which has been submitted as a draft to the Securities and Exchange Commission, is progressing according to the timetable along with the submission of an application for admission to trading of all the shares of Optima bank on the Athens Stock Exchange's Main Market, which concerns the offer to the public of new shares of the Bank and their admission to trading on the regulated market of the Athens Exchange.
- Following a recommendation from Optima Bank's Remuneration Committee and in accordance with the decision of the Ordinary General Meeting of Shareholders dated 07.06.2023 and after receiving the required approvals from the Regulatory Authorities, an increase in the Bank's Share Capital was carried out on 26.07.2023, through the capitalisation of part of the profits for 2022, an amount of EUR 3.399.999,15, divided by the amount of the increase, to 985.507 new nominal, ordinary shares with voting rights, with nominal value of each share EUR 3.45, so that the new shares can be made available free of charge, under the conditions of the law, to members of the Board of Directors, the Executive Board and the staff of the Bank. At the meeting of the Board of Directors on 27.07.2023, the specific conditions and the beneficiaries of the free distribution of the shares were laid down.

- On 20.07.2023 was held the Ordinary General Meeting of the Shareholders of the subsidiary under the name "IBG Investment Services Provider under Liquidation" (IBG Investment Firm), during which, among other things, the Liquidation Balance Sheet was approved. Therefore, the closing of the liquidation, as well as the definitive cessation of the operations of the company in question were approved. On 27.07.2023, notice of removal Α.Π. 3007406 of the company from the General Commercial Registry (GEMI) was published. IBG Investment Firm, in which the Investment Bank of Greece SA participated (renamed Optima bank) with a stake of 79.31 % dealt with the provision of investment services, was in liquidation procedure and is not consolidated by Optima bank.

Transactions with related parties

All related parties' transactions are carried out in the ordinary course of business, are carried out under market conditions and on market terms, approved by the competent bodies and beyond those detailed below (note 36 of the financial statements) are not considered significant for the Group's aggregates and results.

Marousi, August 10, 2023

FOR THE BOARD of DIRECTORS

The Chairman of the
Board of Directors

The CEO

Georgios Taniskidis

Dimitrios Kyparissis

ESMA ALTERNATIVE PERFORMANCE MEASURES ("APMs") AT GROUP LEVEL

In addition to the financial information that is reported under IFRS, this BoD Annual Report contains also financial metrics that constitute alternative performance measures which aim to follow the guidelines of APMs issued by the European Securities and Markets Authority ("ESMA"). According to the ESMA definition, a non-IFRS financial measure is a metric that measures historical or future financial performance, financial position or cash flows but which excludes or includes amounts that would not be so adjusted in the most comparable IFRS measure.

The below APMs include or exclude amounts, which are not defined under IFRS, aiming at consistency and comparability among financial periods or years and provision of information regarding non-recurring events.

However, the presented measures not defined under IFRS are not considered as substitute for IFRS measures.

Amounts in 000, Euro

APM	Περιγραφή	30/06/2023	31/12/2022
Loan and advances to customers before provisions	Loan and advances to customers at amortized cost before provisions for impairment losses.	2.044.780	1.693.430
Provisions for impairment losses on loans and advances to customers.	Provisions for impairment losses on loans and advances to customers.	24.132	18.907
Due to customers	Deposits and check deposits.	2.778.775	2.177.209
Loans-to-Deposits Ratio (LDR)	Loan and advances to customers at amortized cost before provisions over due to customers.	72,72%	76,91%
Risk Weighted Assets (RWAs)	Assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013.	2.141.742	1.831.581
Common Equity Tier 1 (CET 1) Ratio	Common Equity Tier 1, as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs, including the period Profit after tax.	13,13%	10,49%
Total Capital Ratio (TRCR)	Total capital as defined by Regulation (EU) No 575/2013, with the application of the regulatory transitional arrangements for IFRS 9 impact over RWAs, including the period profits after taxes.	13,13%	13,77%
Liquidity Coverage Ratio (LCR)	The Liquidity Coverage Ratio as defined by Regulation (EU) 2015/61 (amended by Regulation (EU) 2018/1620) is the value of the stock of unencumbered High Quality Liquid Assets (HQLA) held by a credit institution, over its projected total net cash outflows, under a severe 30-day stress scenario.	229,12%	191,11%
Net Stable Funding Ratio (NSFR)	The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding.	129,58%	122,36%

Amounts in 000, Euro

APM	Definition	1/1/2023 - 30/06/2023	1/1/2022 - 30/06/2022
Total operating expenses	Total expenses.	24.120	19.786
Profit / (Loss) before provisions & taxes	Total Profit / (Loss) before provisions & taxes.	59.345	18.065

I Independent Auditor's Report

TRUE TRANSLATION OF THE ORIGINAL IN GREEK LANGUAGE

Review Report on Interim Condensed Financial Statements

To the Board of Directors of banking société anonyme «Optima Bank S.A.»

Introduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of banking société anonyme «Optima Bank S.A.» as of 30 June 2023 and the related condensed separate and consolidated statements of income and other comprehensive income, changes in equity and cash flow for the six-month period then ended, as well as the selective explanatory notes, which together comprise the interim condensed financial statements.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with the International Financial Reporting Standards as endorsed by the European Union and applicable to Interim Financial Reporting (International Accounting Standard “IAS” 34). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements (ISRE) 2410, “Review of Interim Financial Information performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as transposed in Greek legislation, and consequently it does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34.

Athens, 10 August 2023

The Certified Public Accountant

Konstantinos Kakoliris

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II. Interim Financial Statements for the period 1st January -30th June, 2023

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GROUP

INTERIM CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts in Eur '000</i>	Note	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Interest and similar income	6	71,012	26,821
Interest and similar expense	6	(10,316)	(1,205)
Net interest income		60,697	25,616
Fee and commission income	7	17,542	11,070
Fee and commission expense	7	(3,216)	(2,061)
Net fee and commission income		14,326	9,009
Dividend income		69	45
Net trading income	8	7,616	3,159
Other operating income		757	22
Total operating income		83,465	37,851
Personnel expenses		(12,336)	(10,534)
General operating expenses	9	(8,402)	(6,296)
Depreciation		(3,382)	(2,956)
Total expenses		(24,120)	(19,786)
Profit/(loss) before provisions and taxes		59,345	18,065
Provision for expected credit losses	10	(5,352)	(2,284)
Total provisions		(5,352)	(2,284)
Profit/Loss before tax		53,992	15,780
Income tax	11	(9,896)	987
Profit/Loss after tax (a)		44,096	16,768
Other comprehensive income			
Items that may be reclassified subsequently to the Income Statement			
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI")		2,403	(6,868)
Deferred tax on reserve from valuation of debt instruments measured at fair value through other comprehensive income ("FVTOCI")		(529)	1,452
Provision for expected credit losses for instruments measured at fair value through other comprehensive income ("FVTOCI")		(42)	267
Total items that may be reclassified subsequently to the Income Statement		1,833	(5,149)
Total other comprehensive income after tax (b)		1,833	(5,149)
Total comprehensive income after tax (a)+(b)		45,929	11,618
Profits attributable to:			
Shareholders of the parent company		44,096	16,768
Non-controlling interests		0	0
		44,096	16,768
Total comprehensive income attributable to:			
Shareholders of the parent company		45,929	11,618
Non-controlling interests		0	0
		45,929	11,618
Earnings after tax per share - basic and adjusted (in EUR)	12	1.02	0.43

The notes on pages 11 - 65 form an integral part of these interim financial statements.

BANK

INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts in Eur '000</i>	Note	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Interest and similar income	6	70,034	26,391
Interest and similar expense	6	(10,093)	(1,196)
Net interest income		59,941	25,195
Fee and commission income	7	16,037	9,870
Fee and commission expense	7	(3,222)	(2,046)
Net fee and commission income		12,815	7,824
Dividend income		69	19
Net trading income	8	7,796	3,122
Other operating income		843	85
Total operating income		81,463	36,245
Personnel expenses		(11,889)	(10,091)
General operating expenses	9	(8,054)	(6,048)
Depreciation		(3,184)	(2,640)
Total expenses		(23,126)	(18,779)
Profit/(loss) before provisions and taxes		58,337	17,465
Provision for expected credit losses	10	(5,387)	(2,269)
Total provisions		(5,387)	(2,269)
Profit/Loss before tax		52,950	15,196
Income tax	11	(9,654)	1,054
Profit/Loss after tax (a)		43,296	16,250
Other comprehensive income			
Items that may be reclassified subsequently to the Income Statement			
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI")		2,403	(6,868)
Deferred tax on reserve from valuation of debt instruments measured at fair value through other comprehensive income ("FVTOCI")		(529)	1,452
Provision for expected credit losses for instruments measured at fair value through other comprehensive income ("FVTOCI")		(42)	267
Total items that may be reclassified subsequently to the Income Statement		1,833	(5,149)
Total other comprehensive income after tax (b)		1,833	(5,149)
Total comprehensive income after tax (a)+(b)		45,129	11,101
Earnings after tax per share - basic and adjusted (in EUR)	12	1.00	0.42

The notes on pages 11 - 65 form an integral part of these interim financial statements.

GROUP

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

<i>Amounts in Eur '000</i>	Note	30/06/2023	31/12/2022
ASSETS			
Cash and balances with central bank	13	419,094	215,240
Due from banks	14	92,561	94,642
Financial assets at fair value through profit or loss	15	255,731	211,653
Derivative financial instruments	16	1,140	8,084
Loans and advances to customers	17	2,020,648	1,674,523
Financial assets at fair value through other comprehensive income	18	86,615	93,256
Debt instruments at amortized cost	19	201,262	174,464
Investment in associates	20	448	448
Property, plant and equipment		10,955	11,841
Intangible assets		10,498	10,324
Right of use assets		18,884	19,436
Deferred tax assets	21	6,584	6,353
Receivables from margin and brokerage settlement accounts	22	37,391	61,051
Hellenic Deposit and Investment Guarantee Fund and investment product guarantees	23	14,148	12,495
Current tax assets	24	646	223
Other assets	25	32,591	13,704
Total assets		3,209,196	2,607,737
EQUITY AND LIABILITIES			
Due to Central Bank	26	0	64,284
Due to banks	27	45,400	20,066
Due to customers	28	2,778,775	2,177,209
Payables from margin and brokerage settlement accounts	29	12,767	39,411
Derivative financial instruments	16	299	6,958
Lease Liability		19,864	20,259
Retirement benefit obligations		621	550
Income tax liability		11,770	4,064
Other liabilities	30	38,427	19,259
Provisions	31	2,802	2,724
Total liabilities		2,910,725	2,354,784
Shareholders equity			
Share capital	32	178,395	160,279
Share premium		11,409	0
Convertible bond loan	33	0	60,000
Fair value through other comprehensive income reserve		(4,895)	(6,727)
Other reserves	34	19,810	19,810
Retained earnings/(losses)		93,732	19,573
Total equity attributable to the Company's shareholders		298,452	252,935
Non-controlling interests		18	18
Total equity		298,470	252,953
Total liabilities and equity		3,209,196	2,607,737

The notes on pages 11 - 65 form an integral part of these interim financial statements.

BANK

INTERIM STATEMENT OF FINANCIAL POSITION

Amounts in Eur '000

		30/6/2023	31/12/2022
	Note	<hr/>	<hr/>
ASSETS			
Cash and balances with central bank	13	419,093	215,239
Due from banks	14	90,210	91,512
Financial assets at fair value through profit or loss	15	253,773	210,114
Derivative financial instruments	16	1,140	8,084
Loans and advances to customers	17	2,002,624	1,657,471
Financial assets at fair value through other comprehensive income	18	86,615	93,256
Debt instruments at amortized cost	19	201,262	174,464
Investment in subsidiaries and associates	20	9,133	9,133
Property, plant and equipment		10,781	11,664
Intangible assets		7,010	6,733
Right of use assets		18,863	19,411
Deferred tax assets	21	7,624	7,410
Receivables from margin and brokerage settlement accounts	22	37,391	61,051
Hellenic Deposit and Investment Guarantee Fund and investment product guarantees	23	13,898	12,245
Current tax assets	24	45	47
Other assets	25	32,499	13,166
Total assets		<u>3,191,961</u>	<u>2,590,999</u>
EQUITY AND LIABILITIES			
Due to Central Bank	26	0	64,284
Due to banks	27	40,289	15,029
Due to customers	28	2,782,868	2,179,580
Payables from margin and brokerage settlement accounts	29	12,767	39,411
Derivative financial instruments	16	299	6,958
Lease Liability		19,842	20,233
Retirement benefit obligations		584	514
Income tax liability		11,156	3,830
Other liabilities	30	35,169	16,984
Provisions	31	2,763	2,666
Total liabilities		<u>2,905,736</u>	<u>2,349,491</u>
Shareholders equity			
Share capital	32	178,395	160,279
Share premium		11,409	0
Convertible bond loan	33	0	60,000
Fair value through other comprehensive income reserve		(4,895)	(6,727)
Other reserves	34	19,027	19,027
Retained earnings/(losses)		82,289	8,930
Total equity		<u>286,225</u>	<u>241,508</u>
Total liabilities and equity		<u>3,191,961</u>	<u>2,590,999</u>

The notes on pages 11 - 65 form an integral part of these interim financial statements.

GROUP

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in Eur '000

	Share Capital	Share Premium	Fair value through other comprehensive income reserve	Other reserves	Retained earnings	Convertible bond loan	Total	Non-controlling interests	Total
Balance at 1 January 2022	160,279	0	(946)	18,859	(21,889)	0	156,304	0	156,304
Net result for the year	0	0	0	0	16,768	0	16,768	0	16,768
Other comprehensive income									
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	(6,868)	0	0	0	(6,868)	0	(6,868)
Profit/ (Loss) transferred directly to equity	0	0	267	0	0	0	267	0	267
Minus: proportional tax	0	0	1,452	0	0	0	1,452	0	1,452
Total Income (After Taxes)	0	0	(5,149)	0	16,768	0	11,618	(0)	11,618
Balance at 30 June 2022	160,279	0	(6,095)	18,859	(5,121)	0	167,922	(0)	167,922
Balance at 1 July 2022	160,279	0	(6,095)	18,859	(5,121)	0	167,922	(0)	167,922
Net result for the year	0	0	0	0	25,657	0	25,657	2	25,659
Other comprehensive income									
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	(241)	0	0	0	(241)	0	(241)
Profit/ (Loss) transferred directly to equity	0	0	(628)	0	0	0	(628)	0	(628)
Minus: proportional tax	0	0	237	0	0	0	237	0	237
Actuarial loss recognized in other comprehensive income	0	0	0	4	0	0	4	0	4
Total Income (After Taxes)	0	0	(632)	4	25,657	0	25,029	2	25,031
Issuance of convertible bond loan	0	0	0	0	60,000	60,000	0	60,000	0
Statutory Reserve	0	0	418	(418)	0	0	0	0	0
Reclassification	0	0	530	(546)	0	(16)	16	0	0
Balance at 31 December 2022	160,279	0	(6,727)	19,810	19,573	60,000	252,935	18	252,953
Balance at 1 January 2023	160,279	0	(6,727)	19,810	19,573	60,000	252,935	18	252,953
Net result for the year	0	0	0	0	44,096	0	44,096	0	44,096
Other comprehensive income									
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	2,403	0	0	0	2,403	0	2,403
Profit/ (Loss) transferred directly to equity	0	0	(42)	0	0	0	(42)	0	(42)
Minus: proportional tax	0	0	(529)	0	0	0	(529)	0	(529)
Total Income (After Taxes)	0	0	1,833	0	44,096	0	45,929	0	45,929
Share capital decrease	(30,476)	0	0	0	30,476	0	0	0	0
Expenses of share capital increase	0	0	0	0	(412)	0	(412)	0	(412)
Bond loan conversion	48,591	11,409	0	0	0	(60,000)	0	0	0
Total transactions with owners	18,116	11,409	0	0	30,063	(60,000)	(412)	0	(412)
Balance at 30 June 2023	178,395	11,409	(4,895)	19,810	93,733	0	298,452	18	298,470

The notes on pages 11 - 65 form an integral part of these interim financial statements.

INTERIM STATEMENT OF CHANGES IN EQUITY

Amounts in Eur '000

	Share Capital	Share Premium	Fair value through other comprehensive income reserve	Other reserves	Retained earnings	Convertible bond loan	Total
Balance at 1 January 2022	160,279	0	(946)	18,177	(30,568)	0	146,941
Net result for the year	0	0	0	0	16,250	0	16,250
Other comprehensive income							
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	(6,868)	0	0	0	(6,868)
Profit/ (Loss) transferred directly to equity	0	0	267	0	0	0	267
Minus: proportional tax	0	0	1,452	0	0	0	1,452
Total Income (After Taxes)	0	0	(5,149)	0	16,250	0	11,101
Balance at 30 June 2022	160,279	0	(6,095)	18,177	(14,318)	0	158,042
Balance at 1 July 2022	160,279	0	(6,095)	18,177	(14,318)	0	158,042
Net result for the year	0	0	0	0	24,093	0	24,093
Other comprehensive income							
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	(241)	0	0	0	(241)
Profit/ (Loss) transferred directly to equity	0	0	(628)	0	0	0	(628)
Minus: proportional tax	0	0	237	0	0	0	237
Actuarial loss recognized in other comprehensive income	0	0	0	5	0	0	5
Total Income (After Taxes)	0	0	(632)	5	24,093	0	23,466
Issuance of convertible bond loan	0	0	0	0	0	60,000	60,000
Statutory Reserve	0	0	0	383	(383)	0	0
Reclassification	0	0	0	462	(462)	0	0
Balance at 31 December 2022	160,279	0	(6,727)	19,027	8,930	60,000	241,508
Balance at 1 January 2023	160,279	0	(6,727)	19,027	8,930	60,000	241,508
Net result for the year	0	0	0	0	43,296	0	43,296
Other comprehensive income							
Gain/ (loss) from valuation of financial assets measured at fair value through other comprehensive income recognised directly in equity	0	0	2,403	0	0	0	2,403
Profit/ (Loss) transferred directly to equity	0	0	(42)	0	0	0	(42)
Minus: proportional tax	0	0	(529)	0	0	0	(529)
Total Income (After Taxes)	0	0	1,833	0	43,296	0	45,129
Share capital decrease	(30,476)	0	0	0	30,476	0	0
Expenses of share capital increase	0	0	0	0	(412)	0	(412)
Bond loan conversion	48,591	11,409	0	0	0	(60,000)	0
Total transactions with owners	18,116	11,409	0	0	30,063	(60,000)	(412)
Balance at 30 June 2023	178,395	11,409	(4,895)	19,027	82,289	0	286,225

The notes on pages 11 - 65 form an integral part of these interim financial statements.

GROUP

INTERIM CONSOLIDATED CASH FLOW STATEMENT

Amounts in Eur '000

	Note	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
<u>Cash flows from operating activities</u>			
Profit/ (loss) before tax		53,992	15,780
<i>Adjustments for:</i>			
Depreciation		3,382	2,956
Fair value (gain)/loss of financial assets		(6,252)	5,115
Interest and non-cash expenses		718	356
Dividend Income		(69)	(45)
(Gain)/ loss from derivatives valuation		297	(5,711)
Provision for Retirement benefit obligations		72	61
Provision for expected credit losses	10	5,352	2,284
Fair value (gain)/loss from carbon emission inventory		(173)	3,698
Foreign exchange differences		1	(40)
(Gains)/losses from sale of financial assets at fair value		(4)	17
		57,315	24,473
<u>Changes in operating assets and liabilities</u>			
Trading Portfolio		(37,222)	(50,021)
Loans and advances to customers		(351,397)	(260,235)
Due from banks		669	(1,176)
Other assets		223	30,761
Due to banks		(39,025)	44,631
Due to customers		601,566	423,558
Other liabilities		(7,311)	7,600
		224,818	219,591
<u>Cash flows from operating activities before income tax</u>			
<i>Less:</i>			
Income Tax paid		(304)	(38)
Interest paid		(1)	(1)
Net cash flows from operating activities		224,513	219,552
<u>Investing activities</u>			
Purchase of investment securities		(29,314)	(250,151)
Disposal/maturity of investment securities		6,290	198,233
Interest received from investment securities		4,710	1,412
Dividends received		69	45
Purchase of PPE		(624)	(623)
Purchase of intangible assets		(1,227)	(1,040)
Net cash flow from investing activities		(20,096)	(52,124)
<u>Financing activities</u>			
Share capital increase expenses		(412)	0
Receipts/(repayment) from loans issued/underwritten		75	0
Payment of lease liabilities		(1,541)	(1,404)
Net cash flow from financing activities		(1,878)	(1,404)
Effect of foreign exchange changes on cash and cash equivalents		(40)	115
Net increase/(decrease) in cash and cash equivalents		202,499	166,138
Cash and cash equivalents at beginning of year		290,892	129,915
Cash and cash equivalents at end of year		493,390	296,053

The notes on pages 11 - 65 form an integral part of these interim financial statements.

BANK

INTERIM CASH FLOW STATEMENT

Amounts in Eur '000

	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022 (as reclassified)
Note		
<u>Cash flows from operating activities</u>		
Profit/ (loss) before tax	52,950	15,196
<i>Adjustments for:</i>		
Depreciation	3,184	2,640
Fair value (gain)/loss of financial assets	(6,436)	5,170
Interest and non-cash expenses	717	353
Dividend Income	(69)	(19)
(Gain)/ loss from derivatives valuation	297	(5,711)
Provision for Retirement benefit obligations	69	59
Provision for expected credit losses	5,387	2,269
Fair value (gain)/loss from carbon emission inventory	(173)	3,698
Foreign exchange differences	(0)	(40)
	55,925	23,616
<u>Changes in operating assets and liabilities</u>		
Trading Portfolio	(37,222)	(50,021)
Loans and advances to customers	(350,460)	(260,136)
Due from banks	669	(1,176)
Other assets	(223)	30,970
Due to banks	(39,025)	44,631
Due to customers	603,287	419,368
Other liabilities	(8,275)	7,852
<u>Changes in operating assets and liabilities</u>	224,676	215,104
<u>Investing activities</u>		
Purchase of investment securities	(28,664)	(250,151)
Disposal/maturity of investment securities	6,239	197,456
Interest received from investment securities	4,710	1,412
Dividends received	0	4,470
Purchase of PPE	69	19
Purchase of intangible assets	(619)	(620)
Net cash flow from investing activities	(1,144)	(1,016)
<u>Investing activities</u>	(19,409)	(48,429)
<u>Financing activities</u>		
Share capital increase expenses	(412)	0
Receipts/(repayment) from loans issued/underwritten	(1,537)	(1,395)
Payment of lease liabilities	(1,949)	(1,395)
Effect of foreign exchange changes on cash and cash equivalents	(40)	115
Net increase/(decrease) in cash and cash equivalents	203,279	165,394
Cash and cash equivalents at beginning of year	287,760	128,777
Cash and cash equivalents at end of year	491,038	294,171

The notes on pages 11 - 65 form an integral part of these interim financial statements.

NOTES TO THE INTERIM FINANCIAL STATEMENTS as of 30 JUNE 2023**1. General Information**

Optima Bank S.A. emerged as a result of the rename of INVESTMENT BANK OF GREECE S.A.

The Bank offers a wide range of banking and brokerage services as well as investment banking services. It operates in accordance with the provisions of Law 4261/2014 as in force, under the supervision of the Bank of Greece, while being a member of the Athens Exchange and the Cyprus Stock Exchange. As of 30.06.2023 it employed 449 persons in total, while its registered office is located in the Municipality of Maroussi, Attica (32 Aigialias St.)

The Investment Bank of Greece was established in 2000; since 2012 its majority shareholder was Cyprus Popular Bank, the remaining assets of which have been passed to the National Resolution Authority (NRA) of Cyprus and was under special liquidation.

In 2013, within the context of the plan to rescue the banks of Cyprus, all banking operations of Cyprus Popular Bank in Greece were transferred to Piraeus Bank, while the Investment Bank of Greece was excluded and remained an independent banking, investment and financial institution which continued its operation as a Greek financial institution holding a banking license.

In March 2018, Cyprus Popular Bank hired an advisor marking the beginning of the procedure to sell the Investment Bank of Greece by conducting an international tender; such procedure was completed in October 2018 with the signature of the SPA between the seller (Cyprus Popular Bank) and the buyer (Ireon Investments, a 100% subsidiary of Motor Oil Hellas Group). The transfer procedure was completed in July 2019, following the receipt of the relevant approvals of the regulatory authorities. The participation percentage of Ireon Investments amounted to 97.08%

Following its acquisition by Ireon Investments, Investment Bank of Greece SA was renamed to Optima Bank S.A., in August 2019.

On March 26, 2020, the Board of Directors of Motor Oil (Hellas) SA granted a special permission to its subsidiary IREON INVESTMENTS LTD so that the latter could proceed with a partial disinvestment by selling shares of "Optima Bank S.A.". From September to December 2020, IREON INVESTMENTS LTD transferred in total 2,546,006 shares issued by OPTIMA BANK S.A. to parties related to MOTOR OIL (HELLAS) and third parties.

Following the above transactions and in association with the share capital increase conducted by Optima Bank S.A., in accordance with the resolution dated 25.11.2020 of the Extraordinary General Meeting of its Shareholders, the participation percentage of IREON INVESTMENTS LTD in Optima Bank amounted to 15.77% on 31.12.2020.

On 13.1.2021, MOTOR OIL (HELLAS) S.A. announced that its subsidiary IREON INVESTMENTS LTD transferred another 61,500 shares issued by Optima Bank SA to individuals related to the company and 25,000 shares to third parties.

On 15.1.2021, the Bank's share capital increase by cash of EUR 80,139,546, was certified by the Board of Directors. IREON INVESTMENTS LTD did not participate in the aforementioned share capital increase.

As a result of the above corporate acts, the participation of IREON INVESTMENTS LTD in Optima Bank was formed to less than 15%.

The duration of the Bank is ninety nine (99) years and its scope, according to its Articles of Association, is the provision of all banking services permitted by Law for its own or third parties' account.

Branches operating in Greece:

A/A	BRANCH	ADDRESS
1	PSYCHIKO	Olympionikon & 1 El. Venizelou St. - 154 51
2	ILIOUPOLI	A. Papandreou & 1 Gladstonos St. - 163 45
3	AGHIA PARASKEVI	4 D. Gounari & 6 Chalandriou St. - 153 43
4	MAROUSSI	46 Thisseos & 2 D. Rali St.- 151 24
5	ABELOKIKPI, ATHENS	124 Vas. Sofias Ave, 115 26
6	NEA SMIRNI	55 El. Venizelou St. - 171 23
7	PALEO FALIRO	4 Ag. Alexandrou St. - 175 61
8	KALITHEA	2 Fornezi & El. Venizelou St - 176 75
9	KALAMARIA - THESSALONIKI	51 Ethnikis Antistasseos St - 551 34
10	PANEPISTIMIOU, ATHENS	15 El. Venizelou Ave. - 105 64
11	CHALANDRI	1 Kosta Varnali St. - 152 33
12	NIKEA	232 Petrou Rali St. - 184 53
13	KORINTHOS	21 Ethnikis Antistasseos St - 201 00
14	ANO PATISSIA	376 Patission St. - 111 41
15	GLYFADA	8-10 Andrea Papandreou St. - 166 75
16	TSIMISKI - THESSALONIKI	17 I. Tsimiski St. - 546 24
17	KIFISSIA	242 Kifissias Ave. & 1 Panagitsas St. - 145 62
18	PIRAEUS - Vas. Georgiou	11 Vas. Georgiou St. - 185 32
19	MAROUSSI - ANAVRYTA	221 Kifissias Ave., 151 24
20	NEA IONIA	346 Irakliou Ave. - 142 31
21	EVOSMOS - THESSALONIKI	31 28th Oktovriou St. - 562 24
22	PERISTERI	16-20 Panagi Tsaldari St. - 121 34
23	EGALEO	259 Iera Odos & 25 Martiou St. -122 44
24	PAGRATI	34-36 Eftichidou St. - 116 34
25	KOLONAKI	7 Patriarchou Ioakim & Herodotou - 106 74
26	HERAKLION CRETE	46 25th August - 712 02
27	LARISSA	78 Kyprou & Filellinon - 412 22

The interim financial statements of 30.6.2023, have been approved by the Board of Directors on 10.8.2023.

2. Summary of significant accounting policies

2.1 Basis of preparation

The accounting principles followed by the Group and the Bank for the preparation of the interim summary financial statements are in line with those described in the published financial statements for the year ended 31.12.2022. Also, the amendments to the standards issued by the International Accounting Standards Board (IASB), adopted by the European Union and implemented from 1.1.2022 as detailed in note 2.1.3 should be taken into account.

These interim condensed financial statements have been prepared on the basis of the historical cost principle, except for the financial assets and liabilities measured at fair value through profit and loss or through other comprehensive income as presented in the Condensed Interim Statement of Financial Position and the corresponding disclosures, the derivative financial instruments and pollutant inventories valued at fair value.

Items are presented in Euros, rounded to the nearest thousand (unless otherwise stated).

The preparation of the financial statements in accordance with the International Financial Reporting Standards (IFRS) requires the use of certain important accounting estimates and the exercise of judgment by the Management in the process of applying the accounting principles. Areas involving complex transactions and involving a high degree of subjectivity or assumptions and estimates that are significant to the financial statements are referred to in Note 3.

2.1.1 Going Concern

The financial statements of 30/06/2023 were prepared based on the going concern principle. For the implementation of this principle, the Board of Directors has taken into account the current economic developments and made estimates for the shaping in the near future of the economic environment in which the Group operates.

The Board of Directors reached this conclusion taking into consideration the following:

- The continued growth of the Greek economy as it is reflected in the growth of GDP, which recorded an increase of 2.1% in the 1st quarter of 2023 compared to the corresponding period of 2022, the decline of unemployment in June 2023 to 11.1% compared to 12.3% in the corresponding month of 2022 and the de-escalation of inflation (from 7% in January to 1.8% in June 2023) at faster rates than those of the rest of the EU states.

The projected growth is based on the high performance of tourism, the increase in investments, the utilization of the resources of the Recovery and Resiliency Fund and the utilization of the increased liquidity of the banking system.

Nevertheless, the Board of Directors examines on a permanent basis the developments, as well as the possible impact of the increase in interest rates on the Bank's portfolios.

- The significant liquidity of the Group, which is reflected in the Liquidity Coverage Ratios (LCR) and Net Fixed Funding Ratios (NSFR), which on 30/06/2023 amount to 229.12% and 129.58% respectively and are significantly higher than the supervisory limit.

- The continued growth of the Group, which is reflected in the increase in liabilities to customers by 56.9% compared to 30/06/2022 and by 27.6% from 31/12/2022, as well as loans and receivables from customers before forecasts by 58.0% and by 20.7% respectively.
- The achievement of significant Group profitability in the first half of 2023, which amounted to EUR 44.1 million, surpassing the total profitability of the 2022 financial year.
- Common Equity Tier 1 (CET1) and Total Capital Adequacy Ratio which stood at 13.13% and 13.13% respectively (including H1 earnings), against the required regulatory ratios of 9.38% and 13.95% respectively, which include the additional capital reserves.

The Bank's bodies, in order to exceed the supervisory indicators and at the same time to continue the seamless implementation of the Group's business plan, have decided to increase the Bank's share capital in the 3rd quarter of this year through a public offering of new common shares with payment of cash and the listing of all shares on the regulated market of the Athens Stock Exchange.

Based on the above, the Board of Directors considers that the conditions for applying the going concern principle for the preparation of the financial statements are met.

2.1.2 Restatement of amounts

Changes in accounting principles and methods (policies) are accounted for by retrospectively restating the financial statements of all periods presented with the current period's financial statements so that the amounts presented become comparable. The need for such a change arose in the closing year 2022.

2.1.3 New Standards, Standard Amendments and Interpretations

The amendments to standards applicable as of 1.1.2023 are listed below:

► **International Financial Reporting Standard 17** «Insurance Contracts» and **Amendments to International Financial Reporting Standard 17** «Insurance contracts» (Regulation 2021/2036/19.11.2021).

Effective for annual periods starting on or after 01/01/2023.

The above standard and its amendment did not have any impact on the financial statements of the Group.

► **Amendment to International Financial Reporting Standard 17:** «Insurance Contracts»: Initial Application of IFRS 17 and IFRS 9 – Comparative information (Regulation 2022/1491/8.9.2022)

The above standard and its amendment did not have any impact on the financial statements of the Group.

► **Amendment to International Accounting Standard 1** «Presentation of Financial Statements»: Disclosure of accounting policies (Regulation 2022/357/2.3.2022).

Effective for annual periods starting on or after 01/01/2023.

The above amendment did not have any impact on the financial statements of the Group.

► **Amendment to International Accounting Standard 8** «Accounting Policies, Changes in Accounting Estimates and Errors»: Definition of accounting estimates (Regulation 2022/357/2.3.2022).

Effective for annual periods starting on or after 01/01/2023.

The above amendment did not have any impact on the financial statements of the Group.

► **Amendment to International Accounting Standard 12 «Income Taxes»:** A Deferred tax related to assets and liabilities arising from a single transaction.

Effective for annual periods starting on or after 01/01/2023.

The above amendment had no impact on the financial statements of the Group and the Bank.

Also, the International Accounting Standards Board has issued the following standards and standard amendments which, however, have not yet been adopted by the European Union and have not been prematurely implemented by the Group and the Bank.

► **Amendment to International Financial Reporting Standard 10 «Consolidated Financial Statements» and to International Accounting Standard 28 «Investments in Associates and Joint Ventures»:** Sale or contribution of assets between an investor and its associate or joint venture.

Effective date: to be determined.

The Group and the Bank are examining the impact from the adoption of the above amendment on their financial statements.

► **Amendment to the International Accounting Standard 1 «Presentation of Financial Statements»:** Classification of liabilities as current or non-current.

Effective for annual periods beginning on or after 1.1.2024.

The Group and the Bank are examining the impact from the adoption of the above amendment on their financial statements.

► **Amendment to International Financial Reporting Standard 16: «Leases»:** Lease Liability in a Sale and Leaseback.

Effective for annual periods beginning on or after 1.1.2024.

The Group and the Bank are examining the impact from the adoption of the above amendment on their financial statements.

► **Amendment to International Financial Reporting Standard 14:** «Regulatory Deferral Accounts»

Effective for annual periods beginning on or after 1.1.2016.

The above standard did not have any impact on the financial statements of the Group.

2.2 Rounding

Any differences that arise between the amounts reported in the financial statements and the relevant amounts in the Notes, are due to rounding.

3. Critical accounting estimates and assumptions for the implementation of the accounting principles

To apply the accounting principles of the Group and the Bank, the Management makes estimates and assumptions that may affect the amounts of the assets and liabilities reported on the consolidated and individual financial statements. The estimates and assumptions are reviewed on every financial statements' reporting date and are based on historic data and other factors, including estimates about future events, which assumptions are considered reasonable under the current circumstances. The estimates and assumptions for the implementation of the accounting principles pertain mainly to the following fields:

A. Impairment provision for credit risks from loans and advances to customers

The Group and the Bank at each date of drawing up the financial statements recognize a provision for expected credit risk losses for loans and advances to customers.

The Group, when testing loans and advances to customers for impairment, makes estimates of the amount and the time future cash flows will be collected.

Considering that these estimates are affected by a number of factors such as the financial condition of the debtor, the net realizable value of any collateral, historical loss ratios per portfolio, actual results may differ from estimates. Similar judgments are involved in assessing whether impairment losses exist for securities classified as financial assets at fair value through other comprehensive income or financial assets at amortized cost. The measuring of the expected credit losses is based on the assumptions of the Management regarding the recoverability of the exposure and the guarantees received. The Management makes assumptions on the financial position of the counterparty, its credit risk, the recoverability of any collaterals and guarantees. The Group's approach to the assessment of the measurement of the ECL of Loans and Receivables from customers for 30.06.2023 included qualitative and quantitative adjustments to the result produced by the use of credit risk models.

These adjustments, recognized by the Group, result from a detailed review of the calculation results of the credit risk models, taking into account elements that cannot be incorporated into the measurement of ECL either due to their nature or due to a time lag in providing the required information. The Group implements an internal governance and safeguards framework for early recognition of any required adjustments as well as supporting the implementation of these adjustments and the related calculation. The Group's governance framework requires that such adjustments are adequately documented and approved by the Group's appropriate approval bodies. For the period 30.06.2023, the above-mentioned adjustments led to a reduction of ECL by EUR 166 thousand.

As part of the credit risk assessment, the Group also assesses its borrowers based on the indications of financial difficulty and the possibility of default, in accordance with its current policy.

Additional information on impairment provisions for credit risks from loans and receivables is included in notes 4.1 and 17.

B. Recoverability of deferred tax assets

The Group and the Bank recognize deferred tax assets to the extent that it assumes that it will have sufficient future tax profits available.

The recognition of the above deferred tax assets requires estimates regarding the future financial performance of the Group's companies to which the deferred tax assets have been recognized. In particular, the definition of the deferred tax assets that may be recognized requires important estimates about the time the future taxable profits will be achieved and their amount.

Further information about the deferred tax assets of the Group can be found in Note 21.

C. Financial assets fair value

The fair value of the financial assets for which there are no market prices in an active market is defined using valuation models.

The valuation methodology used includes discounted cash flow methods mainly based on observable elements, wherever available. The fair value of the investments in closed-end mutual funds (CMF) and in the Bond from loan securitization depends on major assumptions including future income, operating expenses and discount rates. The closed-end mutual funds (CMF) investing in renewable energy sources (wind and photovoltaic parks) as well as the Bond from loan securitization, whose fair value is estimated using significant non-observable information are classified at Level 3. The Mutual Funds Management Reports are subject to the audit by an Independent Certified Auditor. The fair value of the Bond from loan securitization has been defined by an independent valuer based on the expected cash flows of the securitized loan portfolio.

Further information about the fair value of financial assets can be found in Notes 5, 18, 19, 20 and 21.

D. Subsidiaries impairment

The Bank examines for impairment the value of its investments in subsidiaries by comparing the recoverable amount of each investment (the higher value between the value for use and the fair value less the disposal cost) with its carrying amount.

Further information about the investments of the Bank into subsidiaries can be found in Note 20.

4. Financial Risk Management**4.1 Credit risk**

Credit risk is the risk of loss due to possible failure or unwillingness of the counterparty to fulfill its contractual obligations, thus resulting in the loss of funds and profit.

Credit risk management methodologies are adjusted to reflect the economic environment each time. Various methods are used which are annually reviewed, or whenever necessary, and are adjusted depending on the Group's strategy and its short- and long-term goals.

Loans and advances

Group

Loans and advances to customers and impairment provisions per IFRS 9 Stage									
Amounts in Eur '000 30/6/2023	Stage 1		Stage 2		Stage 3		Total		Loans and advances to customers net value
	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	
Individuals									
Consumer, Personal & Other loans	9,158	89	24	8	1,674	25	10,856	122	10,734
Mortgages Loans	79,361	298	9	0	0	0	79,370	298	79,072
Margin/Brokerage	18,538	23	0	0	228	228	18,766	251	18,515
Corporate									
Corporate Business	892,350	8,264	45,843	1,993	0	0	938,193	10,257	927,936
Small Business	913,748	6,313	68,293	3,181	9,070	3,702	991,111	13,196	977,915
Margin Corporate/SMEs	6,142	7	0	0	0	0	6,142	7	6,135
Total	1,919,297	14,994	114,169	5,182	10,972	3,955	2,044,440	24,132	2,020,308
Commitments relevant to credit risk									
Letters of Guarantee	447,570	1,804	38,996	278	0	0	486,565	2,083	484,483
Loan commitments	596,150	0	44,376	0	591	0	641,118	0	641,118
Total	1,043,720	1,804	83,372	278	591	0	1,127,683	2,083	1,125,601

The balances as of 30.06.2023 do not include debit balances of sight deposits amounting to EUR 340 thousand.

Loans and advances to customers and impairment provisions per IFRS 9 Stage									
Amounts in Eur '000 31/12/2022	Stage 1		Stage 2		Stage 3		Total		Loans and advances to customers net value
	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	
Individuals									
Consumer, Personal & Other loans	8,760	461	10	3	1,630	59	10,400	523	9,878
Mortgages Loans	59,311	288	0	0	0	0	59,311	288	59,023
Margin/Brokerage	13,002	1	0	0	229	229	13,231	230	13,001
Corporate									
Corporate Business	695,886	6,225	40,528	1,124	0	0	736,414	7,349	729,066
Small Business	820,527	5,700	42,054	1,595	8,597	3,223	871,178	10,518	860,660
Margin Corporate/SMEs	2,777	0	0	0	0	0	2,777	0	2,777
Total	1,600,263	12,674	82,593	2,722	10,456	3,510	1,693,312	18,907	1,674,405
Commitments relevant to credit risk									
Letters of Guarantee	399,486	1,631	35,096	338	0	0	434,583	1,969	432,614
Loan commitments	512,273	0	26,920	0	631	0	539,823	0	539,823
Total	911,759	1,631	62,016	338	631	0	974,406	1,969	972,437

The balances as of 31.12.2022 do not include debit balances of sight deposits amounting to EUR 118 thousand.

Bank

Loans and advances to customers and impairment provisions per IFRS 9 Stage									
Amounts in Eur '000 30/6/2023	Stage 1		Stage 2		Stage 3		Total		Loans and advances to customers net value
	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	
Individuals									
Consumer, Personal & Other loans	9,158	89	24	8	1,674	25	10,856	122	10,734
Mortgages Loans	79,361	298	9	0	0	0	79,370	298	79,072
Margin/Brokerage	18,538	23	0	0	228	228	18,766	251	18,515
Corporate									
Corporate Business	874,427	8,365	45,843	1,993	0	0	920,272	10,359	909,913
Small Business	913,748	6,313	68,293	3,181	9,070	3,702	991,111	13,196	977,915
Margin Corporate/SMEs	6,142	7	0	0	0	0	6,142	7	6,135
Total	1,901,374	15,095	114,169	5,182	10,972	3,955	2,026,517	24,233	2,002,284
Commitments relevant to credit risk									
Letters of Guarantee	447,570	1,804	38,996	278	0	0	486,565	2,083	484,483
Loan commitments	579,740	0	44,376	0	591	0	624,707	0	624,707
Total	1,027,310	1,804	83,372	278	591	0	1,111,273	2,083	1,109,190

The balances as of 30.06.2023 do not include debit balances of sight deposits amounting to EUR 340 thousand.

Loans and advances to customers and impairment provisions per IFRS 9 Stage									
Amounts in Eur '000 31/12/2022	Stage 1		Stage 2		Stage 3		Total		Loans and advances to customers net value
	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	Loans and advances to customers	Impairments	
Individuals									
Consumer, Personal & Other loans	8,760	461	10	3	1,630	59	10,400	523	9,877
Mortgages Loans	59,311	288	0	0	0	0	59,311	288	59,023
Margin/Brokerage	13,002	1	0	0	229	229	13,231	230	13,001
Corporate									
Corporate Business	734,850	6,614	40,528	1,124	0	0	775,379	7,738	767,640
Small Business	764,578	5,378	42,054	1,595	8,597	3,223	815,229	10,195	805,034
Margin Corporate/SMEs	2,777	0	0	0	0	0	2,777	0	2,777
Total	1,583,279	12,742	82,593	2,722	10,456	3,510	1,676,327	18,974	1,657,353
Commitments relevant to credit risk									
Letters of Guarantee	399,486	1,631	35,096	338	0	0	434,583	1,969	432,614
Loan commitments	454,263	0	26,920	0	631	0	481,814	0	481,814
Total	853,749	1,631	62,016	338	631	0	916,396	1,969	914,427

The balances as of 31.12.2022 do not include debit balances of sight deposits amounting to EUR 118 thousand.

Group

Movement in ECL allowance of loans and advances to customers measured at amortized cost

30/6/2023				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2023	12,674	2,722	3,510	18,907
Transferred from Stage 1 to Stage 2 or Stage 3	(2,827)	2,394	433	0
Transferred from Stage 2 to Stage 1 or Stage 3	62	(87)	25	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	5	(5)	0
Impairment loss	5,084	148	17	5,249
Write-offs	0	0	(24)	(24)
ECL as at 30.06.2023	14,994	5,182	3,955	24,132

31/12/2022				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2022	10,927	199	2,585	13,711
Transferred from Stage 1 to Stage 2 or Stage 3	(295)	265	30	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	(20)	20	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	1,890	252	(877)	1,265
Write-offs	0	0	0	0
ECL allowance as at 30.06.2022	12,522	696	1,758	14,976
ECL as at 1.7.2022	12,522	696	1,758	14,976
Transferred from Stage 1 to Stage 2 or Stage 3	(3,550)	1,663	1,887	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	20	(20)	0
Transferred from Stage 3 to Stage 1 or Stage 2	22	31	(53)	0
Impairment loss	3,681	312	(27)	3,966
Write-offs	0	0	(36)	(36)
ECL allowance as at 31.12.2022	12,674	2,722	3,510	18,907

The write-offs of the first half of 2023 for the Group amounted to EUR 36 thousand (EUR 36 thousand 2022). There was no result from loan modification during the first half of 2023 and the year 2022.

Bank

Movement in ECL allowance of loans and advances to customers measured at amortized cost

30/6/2023				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2023	12,742	2,722	3,510	18,974
Transferred from Stage 1 to Stage 2 or Stage 3	(2,827)	2,394	433	0
Transferred from Stage 2 to Stage 1 or Stage 3	62	(87)	25	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	5	(5)	0
Impairment loss	5,118	148	17	5,283
Write-offs	0	0	(24)	(24)
ECL as at 30.06.2023	15,095	5,182	3,955	24,233

Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2022	10,730	199	2,585	13,514
Transferred from Stage 1 to Stage 2 or Stage 3	(295)	265	30	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	(20)	20	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	1,875	252	(877)	1,250
Write-offs	0	0	0	0
ECL allowance as at 30.06.2022	12,310	696	1,758	14,764
ECL as at 1.7.2022	12,309	696	1,758	14,763
Transferred from Stage 1 to Stage 2 or Stage 3	(3,550)	1,663	1,887	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	20	(20)	0
Transferred from Stage 3 to Stage 1 or Stage 2	22	31	(53)	0
Impairment loss	3,961	312	(27)	4,246
Write-offs	0	0	(36)	(36)
ECL allowance as at 31.12.2022	12,742	2,722	3,510	18,974

The write-offs of the first half of 2023 for the Group amounted to EUR 36 thousand (EUR 36 thousand 2022). There was no result from loan modification during the first half of 2023 and the year 2022.

Group

Movement in ECL allowance of commitments relevant to credit risk

30/6/2023				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2023	1,631	338	0	1,969
Transferred from Stage 1 to Stage 2 or Stage 3	(36)	36	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	3	(3)	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	207	(93)	0	114
ECL as at 30.06.2023	1,804	278	0	2,083

31/12/2022				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2022	228	10	0	238
Transferred from Stage 1 to Stage 2 or Stage 3	0	0	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	0	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	641	(3)	0	638
ECL as at 30.06.2022	869	6	0	875
ECL as at 1.7.2022	869	6	0	875
Transferred from Stage 1 to Stage 2 or Stage 3	(304)	304	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	0	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	1,066	27	0	1,093
ECL as at 31.12.2022	1,631	338	0	1,969

Bank

Movement in ECL allowance of commitments relevant to credit risk

30/6/2023				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2023	1,631	338	0	1,969
Transferred from Stage 1 to Stage 2 or Stage 3	(36)	36	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	3	(3)	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	207	(93)	0	114
ECL as at 30.06.2023	1,804	278	0	2,083

31/12/2022				
Amounts in Eur '000	Stage 1	Stage 2	Stage 3 and POCI	Total
ECL as at 1.1.2023				
Transferred from Stage 1 to Stage 2 or Stage 3	0	0	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	0	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	641	(3)	0	638
ECL as at 30.06.2022	869	6	0	875
ECL as at 1.7.2022	869	6	0	875
Transferred from Stage 1 to Stage 2 or Stage 3	(304)	304	0	0
Transferred from Stage 2 to Stage 1 or Stage 3	0	0	0	0
Transferred from Stage 3 to Stage 1 or Stage 2	0	0	0	0
Impairment loss	1,066	27	0	1,093
ECL as at 31.12.2022	1,631	338	0	1,969

Bonds

The following table presents the quality of the bonds of the Group's and the Bank's own portfolio.

Group and Bank

30/6/2023					
Securities	Securities measured at fair value through other comprehensive income	Securities measured at fair value	Securities measured at amortized cost	Total	Expected credit loss
A- to AAA	4,551	13,793	25,937	44,281	186
B- to BBB+	81,977	182,829	166,544	431,350	450
C- to CCC+	0	0	0	0	0
Not rated	0	45,191	9,261	54,452	11
Total	86,529	241,812	201,742	530,083	647

Out of the total provision for expected credit loss of EUR 647 thousand, EUR 167 thousand relate to the portfolio of bonds measured at fair value through other comprehensive income and EUR 481 thousand relate to the portfolio of bonds at amortized cost.

31/12/2022					
Securities	Securities measured at fair value through other comprehensive income	Securities measured at fair value	Securities measured at amortized cost	Total	Expected credit loss
A- to AAA	8,960	20,797	28,822	58,579	247
B- to BBB+	84,028	137,152	139,928	361,107	478
C- to CCC+	0	0	0	0	0
Not rated	0	48,763	6,230	54,993	0
Total	92,988	206,712	174,981	474,680	725

Out of the total provision for expected credit loss of EUR 725 thousand, EUR 208 thousand relate to the portfolio of bonds measured at fair value through other comprehensive income and EUR 517 thousand relate to the portfolio of bonds at amortized cost.

All securities in the portfolio measured through other comprehensive income and of the amortized cost portfolio are classified at stage 1.

4.2 Liquidity Risk

The Group and the Bank monitor and manage the Liquidity Coverage Ratio (LCR) and Net Fixed Funding Ratio (NSFR) in order to comply with the requirements of the regulatory framework.

The table below shows the relevant ratios.

Group

Regulatory Ratios	30/06/2023		31/12/2022	
	Minimum threshold	Ratio	Minimum threshold	Ratio
Liquidity Coverage Ratio (LCR)	LCR>100%	229,12%	LCR>100%	191,11%
Net Stable Funding Ratio (NSFR)	NSFR>100%	129,58%	NSFR>100%	122,36%

Bank

Regulatory Ratios	30/06/2023		31/12/2022	
	Minimum threshold	Ratio	Minimum threshold	Ratio
Liquidity Coverage Ratio (LCR)	LCR>100%	221,78%	LCR>100%	179,16%
Net Stable Funding Ratio (NSFR)	NSFR>100%	126,75%	NSFR>100%	121,66%

4.3 Capital Adequacy

The Group is subject to the supervision of the Bank of Greece, which sets and monitors the Group's capital adequacy requirements.

For the calculation of capital adequacy, the Basel III supervisory framework is applied, which was incorporated into the legislation of the European Union (EU) with the issuance of Regulation (EU) 575/2013 of the European Parliament and of the Council ("CRR") regarding the requirements of prudential supervision for credit institutions and investment firms, as amended and in force, as well as Directive 2013/36 (Capital Requirements Directive-CRD IV) and in Greek legislation with Law 4261/2014, as amended and in force.

According to this (Article 92 paragraph 1 of Regulation (EU) No. 575/2013), the minimum capital adequacy ratios that each credit institution should adhere to are the following:

- The minimum common equity capital ratio of category I (Common Equity Tier 1—CET1) amounts to 4.5%
- The minimum ratio of basic equity of category I (Tier 1) amounts to 6%
- and the minimum total capital adequacy ratio at 8%

Under Pillar I, the Capital Adequacy Ratio is calculated as the ratio of regulatory capital to total weighted assets related to credit, operational and market risk and is related to internal and external assets at an individual and consolidated level.

The Capital Adequacy ratio of the Group and the Bank on 30.06.2023 and 31.12.2022 was structured as follows:

Group

<i>Amounts in Euro '000</i>	30/06/2023*	31/12/2022
Share Capital	178,395	160,279
Share premium	11,409	0
Other Reserves	14,916	13,083
Retained Earnings	79,099	19,573
Less: Intangible Assets	(9,776)	(9,568)
Total regulatory adjustments on CET1 Capital	7,230	8,830
Common Equity Tier 1 Capital (CET1)	281,272	192,197
Additional Tier 1 instruments (AT1)	0	60,000
Additional Tier 1 Capital (AT1)	0	60,000
Tier 1 Capital (TIER1)	281,272	252,197
Total regulatory capital	281,272	252,197
Total risk weighted assets	2,141,742	1,831,581
CET1 Capital Ratio	13.13%	10.49%
T1 Capital Ratio	13.13%	13.77%
Total Regulatory Capital Ratio (TRCR)	13.13%	13.77%

Bank

<i>Amounts in Euro '000</i>	30/06/2023*	31/12/2022
Share Capital	178,395	160,279
Share premium	11,409	0
Other Reserves	14,132	12,300
Retained Earnings	67,655	8,930
Less: Intangible Assets	(7,010)	(6,733)
Total regulatory adjustments on CET1 Capital	7,239	8,835
Common Equity Tier 1 Capital (CET1)	271,820	183,611
Additional Tier 1 instruments (AT1)	0	60,000
Additional Tier 1 Capital (AT1)	0	60,000
Tier 1 Capital (TIER1)	271,820	243,611
Total regulatory capital	271,820	243,611
Total risk weighted assets	2,088,707	1,803,915
CET1 Capital Ratio	13.01%	10.18%
T1 Capital Ratio	13.01%	13.50%
Total Regulatory Capital Ratio (TRCR)	13.01%	13.50%

* Items have been calculated including the profit for the period.

From the calculation of the "Common equity capital instruments of category 1 (CET1)" fund for the Group as of 31/12/2022, the "Non-controlling interests" fund of EUR 18 thousand has been removed in accordance with

article 81 "Minority rights that may be included in the consolidated share capital of category 1" of Regulation (EU) 575/2013.

With the no. 473/3/21.07.2023 decision of the Credit and Insurance Committee of the Bank of Greece ("Determination of supervisory requirements for the credit institution "Optima bank A.E." based on the Supervisory Examination and Evaluation Procedure (EDEA)" the Bank is obliged to maintain individually and consolidated basis total capital requirement EDEA (Total SREP Capital Ratio - TSCR) 10.45% and overall capital requirement (Overall Capital Ratio - OCR) 12.95%.

In the same decision, it provides direction to the Group to maintain additional capital of the order of 1%, in addition to the total capital requirements of EDEA and the capital preservation safety reserves, as Pillar 2 Capital Guidance which will be covered by common equity capital of Category 1 (CET1). The total capital requirements on an individual and consolidated basis are detailed in the table below:

Total Capital Requirements	Total Capital (%)
Minimum total capital adequacy ratio	8.00%
Additional Pillar II Own Funds Requirements (P2R)	2.45%
EDEA Total Capital Requirement (TSCR)	10.45%
(Capital Conservation Buffer - CCB)	2.50%
Total Capital Requirement (OCR)	12.95%
Additional Equity (Pillar 2 Guidance – P2G)(1)	1.00%
Total Capital Requirement (OCR) & Pillar 2 Guidance (P2G) – (TRCR)	13.95%

- More specifically, compliance with EDEA's overall capital requirements includes:
- The overall Pillar I capital requirements of 8% which must be met at all times in accordance with Article 92(1) of Regulation (EU) 575/2013;
- The additional Pillar II capital requirements (P2R) of 3.4% in the context of the application of the provisions of Article 96A(1)(a) of Law 4261/2014;
- The capital requirement to keep a capital conservation buffer (CCB) of 2.5% in accordance with Article 122 of Law 4261/2014.
- The Pillar 2 Guidance on Additional Equity (Pillar 2 Guidance) to keep 1% in addition to the total capital requirements of the SREP and buffers.

The Board of Directors, in order to exceed the supervisory indexes and at the same time to continue the smooth implementation of the Group's business plan, has decided to increase the Bank's share capital in the 3rd quarter of this year through a public offering of new common shares with payment of cash and the introduction of all shares in the regulated market of the Athens Stock Exchange.

5. Fair value of financial assets and liabilities

5.1 Financial assets and liabilities not carried at fair value

The fair value represents the amount for which an asset could be replaced or a liability settled through an arm's length transaction on the core or the most advantageous market on the date of the measurement and under the each time current conditions prevailing on the market (output price).

(a) Due from banks

Due from other banks include mainly short-term interbank placements as well as other collectibles, such as loans to Banks.

The vast majority of the placements have an one-month maturity and therefore their fair value is quite similar to their carrying amount.

(b) Loans and advances to customers

Loans to customers are presented after deduction of the expected provision for impairment. The vast majority of the above refer to floating interest loans and therefore their carrying amount is quite similar to their fair value.

(c) Deposits

The fair value of deposits without fixed maturity (saving and current accounts) is the amount that the Group should pay upon customer demand, which value is equal to their carrying amount.

5.2 Fair Value Hierarchy

IFRS 13 defines the valuation and checking procedures regarding the objectivity of the data used by these models. The observable data are based on active markets and derive from independent sources, while non-observable information refers to the Management assumptions and valuation models. These two methods for retrieving information generate the following hierarchy:

Level 1 - Quoted prices in active markets for identical assets or liabilities. This level includes listed shares and borrowed funds on stock exchanges (such as London, Frankfurt and New York) and derivatives such as Futures (Nasdaq, S&P 500).

Level 2 - includes inputs other than the quoted prices included in Level 1 and considered to be directly or indirectly observable. This level includes the majority of OTC derivatives and various issued debts. The value of which is defined by using evaluation models, discounted cash flows, and similar techniques using data on the prices of the underlying securities, their volatility and interest rate curves such as Euribor.

Level 3 - Inputs that are not based on observable market data (unobservable inputs). This level includes capital investments and borrowed funds that are not traded on an active market, and there are no similar traded products.

Group

Fair value hierarchy as of June 30, 2023:

<i>Amounts in Eur '000</i>		30/06/2023			
Financial assets at fair value	Level 1	Level 2	Level 3	Total	
Financial assets at fair value through profit and loss	222,024	0	33,707	255,731	
Derivative financial instruments	48	1,093	0	1,140	
Financial assets at fair value through other comprehensive income	86,615	0	0	86,615	
Carbon emission inventory	17,434	0	0	17,434	
Total	326,120	1,093	33,707	360,920	

Financial liabilities at fair value	Level 1	Level 2	Level 3	Total	
Derivative financial instruments	116	183	0	299	
Financial liabilities at fair value through profit and loss	1	0	0	1	
Total	116	183	0	299	

Fair value hierarchy as of December 31, 2022:

<i>Amounts in Eur '000</i>		31/12/2022			
Financial assets at fair value	Level 1	Level 2	Level 3	Total	
Financial assets at fair value through profit and loss	173,872	0	37,781	211,653	
Derivative financial instruments	115	7,968	0	8,084	
Financial assets at fair value through other comprehensive income	93,256	0	0	93,256	
Carbon emission inventory	57	0	0	57	
Total	267,300	7,968	37,781	313,049	

Financial liabilities at fair value	Level 1	Level 2	Level 3	Total	
Derivative financial instruments	42	6,915	0	6,958	
Financial liabilities at fair value through profit and loss	235	0	0	235	
Total	277	6,915	0	7,193	

Bank

Fair value hierarchy as of June 30, 2023:

<i>Amounts in Eur '000</i>		30/06/2023			
Financial assets at fair value	Level 1	Level 2	Level 3	Total	
Financial assets at fair value through profit and loss	221,420	0	32,353	253,773	
Derivative financial instruments	48	1,093	0	1,140	
Financial assets at fair value through other comprehensive income	86,615	0	0	86,615	
Carbon emission inventory	17,434	0	0	17,434	
Total	325,516	1,093	32,353	358,962	

Financial liabilities at fair value	Level 1	Level 2	Level 3	Total	
Derivative financial instruments	116	183	0	299	
Financial liabilities at fair value through profit and loss	1	0	0	1	
Total	116	183	0	299	

Fair value hierarchy as of December 31, 2022:

<i>Amounts in Eur '000</i>		31/12/2022			
Financial assets at fair value	Level 1	Level 2	Level 3	Total	
Financial assets at fair value through profit and loss	173,872	0	36,242	210,114	
Derivative financial instruments	115	7,968	0	8,084	
Financial assets at fair value through other comprehensive income	93,256	0	0	93,256	
Carbon emission inventory	57	0	0	57	
Total	267,300	7,968	36,242	311,510	

Financial liabilities at fair value	Level 1	Level 2	Level 3	Total	
Derivative financial instruments	42	6,915	0	6,958	
Financial liabilities at fair value through profit and loss	235	0	0	235	
Total	277	6,915	0	7,193	

It is noted that both at group level and at bank level there were no transfers to and from level 3 during the first half of 2023.

6. Net interest income

The breakdown of net interest income is as follows:

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Interest and similar income		
Interest from fixed income securities	7,198	2,460
o/w at amortized cost	3,549	1,121
o/w at fair value through other comprehensive income	662	571
o/w at fair value through profit and loss	2,986	768
Interest from loans	59,325	24,175
Interest from interbank transactions	4,125	35
Interest from derivatives	39	0
Other interest income	325	151
Total	71,012	26,821
Interest and similar expenses		
Interest on deposits	(7,877)	(628)
Interbank transactions	(1,421)	(146)
Interest from Convertible Bond Loan	(366)	0
Interest on rights of use assets	(357)	(356)
Interest from derivatives	(33)	0
Other interest expenses	(261)	(76)
Total	(10,316)	(1,205)
Net interest income	60,697	25,616

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022 (as reclassified)
Interest and similar income		
Interest from fixed income securities	7,198	2,460
o/w at amortized cost	3,549	1,121
o/w at fair value through other comprehensive income	662	571
o/w at fair value through profit and loss	2,986	768
Interest from loans	58,339	23,745
Interest from interbank transactions	4,125	35
Interest from derivatives	39	0
Other interest income	332	151
Total	70,034	26,391
Interest and similar expenses		
Interest on deposits	(7,884)	(628)
Interbank transactions	(1,421)	(146)
Interest from Convertible Bond Loan	(366)	0
Interest on rights of use assets	(357)	(353)
Interest from derivatives	(33)	0
Other interest expenses	(32)	(70)
Total	(10,093)	(1,196)
Net interest income	59,941	25,195

7. Net fee and commission income

The breakdown of net fee and commission income is as follows:

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Fee and commission income		
Commission income from commercial transactions	1,566	779
Commission income from loans and letters of guarantee	7,224	3,477
Commission income from investment banking	2,076	1,786
Commission income from brokerage services	6,675	5,028
Total Fee and commission income	17,542	11,070
Fee and commission expense		
Commission expense from commercial transactions	(250)	(251)
Commission expense from brokerage services	(2,966)	(1,810)
Total Fee and commission expense	(3,216)	(2,061)
Net Fee and commission income	14,326	9,009

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022 (as reclassified)
Fee and commission income		
Commission income from commercial transactions	1,569	779
Commission income from loans and letters of guarantee	7,224	3,477
Commission income from investment banking	172	586
Commission income from brokerage services	7,072	5,028
Total Fee and commission income	16,037	9,870
Fee and commission expense		
Commission expense from commercial transactions	(256)	(236)
Commission expense from brokerage services	(2,966)	(1,810)
Total Fee and commission expense	(3,222)	(2,046)
Net Fee and commission income	12,815	7,824

8. Net Trading Income

The breakdown of net trading income for Group and Bank is as follows:

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Profit/(loss) from foreign exchange financial instruments	6,151	(2,431)
Profit/(loss) from derivatives held for trading	(5,236)	10,527
Profit/(loss) from carbon emission rights	289	235
Profit/(loss) from investments in shares and mutual funds	4,168	(1,538)
Profit/(loss) from bonds	2,244	(3,635)
Total	7,616	3,159

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022 (as reclassified)
Profit/(loss) from foreign exchange financial instruments	6,151	(2,430)
Profit/(loss) from derivatives held for trading	(5,236)	10,527
Profit/(loss) from carbon emission rights	289	235
Profit/(loss) from investments in shares and mutual funds	4,346	(1,538)
Profit/(loss) from bonds	2,246	(3,673)
Total	7,796	3,122

9. Other operating expenses

The Group's and the Bank's "Other operating expenses" is broken down as follows:

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022 (as reclassified)
Fees to lawyers, advisors, auditors etc.	(906)	(647)
IT applications	(1,918)	(1,524)
Subscriptions	(243)	(226)
Building expenses	(823)	(689)
Advertisement and promotion expenses, sponsorships, etc.	(403)	(344)
Taxes and duties	(1,281)	(921)
Office supplies	(49)	(55)
Other operating expenses	(2,779)	(1,889)
Total	(8,402)	(6,296)

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022
Fees to lawyers, advisors, auditors etc.	(836)	(599)
IT applications	(1,893)	(1,512)
Subscriptions	(168)	(165)
Building expenses	(811)	(676)
Advertisement and promotion expenses, sponsorships, etc.	(393)	(341)
Taxes and duties	(1,250)	(894)
Office supplies	(46)	(52)
Other operating expenses	(2,656)	(1,809)
Total	(8,054)	(6,048)

The increase in operating expenses follows the development and improvement of the Bank's infrastructure and the increase in its turnover.

10. Provision for expected credit losses

The impairment provisions of the Group and the Bank are broken down as follows:

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022
Provisions for loan impairment	(5,249)	(1,265)
Provision for impairment of letters of guarantee	(114)	(638)
Provisions for impairment of debt securities at amortized cost	37	(115)
Provisions for impairment of other receivables	(68)	(0)
Provisions for impairment of financial assets at fair value through the statement of other income	42	(267)
Total	(5,352)	(2,284)

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022
Provisions for loan impairment	(5,283)	(1,250)
Provision for impairment of letters of guarantee	(114)	(638)
Provisions for impairment of debt securities at amortized cost	37	(115)
Provisions for impairment of other receivables	(68)	0
Provisions for impairment of financial assets at fair value through the statement of other income	42	(267)
Total	(5,387)	(2,269)

11. Income Tax

Group

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023	1/1/2022 - 30/6/2022
Deferred tax	760	1,376
Income Tax	(10,656)	(388)
Total	(9,896)	987

Bank

<i>Amounts in Eur '000</i>	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022
Deferred tax	743	1.316
Income Tax	(10.397)	(262)
Total	(9.654)	1.054

According to Law 4172/2013, the tax rate applicable in Greece for the period 01/01/2023 – 30/06/2023 is 22%.

For the financial year 2022, the audit is in progress and the relevant tax certificate is expected to be issued after the publication of the financial statements for the year 2022. Upon completion of the tax audit the Group's Management does not expect any significant tax liabilities beyond those already reported and presented in the financial statements.

For unaudited years, refer to Note 35.

12. Earnings per share

Basic and adjusted earnings per share

Group

	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022
Profits attributable to the shareholders of the parent company (Amounts in Euro '000)	44,096	16,768
Weighted average number of common shares (number in thousands)	43,305	38,610
Earnings after tax per share - basic and adjusted (in Euros)	1.02	0.43

Bank

	1/1/2023 - 30/6/2023	1/1/2022 - 30/6/2022
Profits attributable to the shareholders of the parent company (Amounts in Euro '000)	43,296	16,250
Weighted average number of common shares (number in thousands)	43,305	38,610
Earnings after tax per share - basic and adjusted (in Euros)	1.00	0.42

With the decision of the Extraordinary General Meeting dated 22.03.2023, a reduction was made in the nominal value of each common share of the bank with a simultaneous increase in the total number of common registered shares from 7,524,840 common registered shares to 37,624,200 common registered shares. According to par. 64 of IAS 33, the weighted average number of common shares has been adjusted for the period 1.1-30.06.2023 but also for the comparative period with the number of shares after the above decision of the Extraordinary General Meeting (note 32).

With the decision of the Board of Directors dated 21.04.2023 following the decision of the Extraordinary General Meeting dated 22.03.2023, the share capital of the bank was increased due to the conversion of the bond loan and 14,084,435 new common registered and voting shares were issued (note .33).

With the decision of the Ordinary General Assembly dated 07.06.2023, an increase of the Bank's share capital was carried out on 26.07.2023, through the capitalization of part of the profits of the fiscal year 2022, amounting to EUR 3,399,999.15 with the issuance of 985,507 new registered, common, with voting rights , shares.

According to par. 64 of IAS 33, the weighted average number of common shares has been retroactively adjusted for the period 1.1-30.06.2023 and also for the comparative period after the above increase in the Bank's share capital (note 39).

13. Cash and balances with the Central Bank

The cash balance, cash and cash equivalents and cash of the Group and the Bank with the Central Bank are broken down as follows:

Group

<i>Amounts in Eur '000</i>	30/06/2023	31/12/2022
Cash	13,426	10,364
Deposits with central bank	405,668	204,876
Total	419,094	215,240

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Cash	13,425	10,363
Deposits with central bank	405,668	204,876
Total	419,093	215,239

Cash and cash equivalents (as reported in the Cash Flow Statement)

Group

Amounts in Eur '000

	Note	30/06/2023	31/12/2022
Cash and deposits with central bank		419,094	215,240
Due from banks	14	74,296	75,651
Total		493,390	290,892

Bank

Amounts in Eur '000

	Note	30/6/2023	31/12/2022
Cash and deposits with central bank		419,093	215,239
Due from banks	14	71,945	72,521
Total		491,038	287,760

According to requirements from the Bank of Greece and the European Central Bank, the Group and the Bank should maintain deposits with the Bank of Greece with an average balance corresponding to 1.00% of their clients' total deposits.

As of June 30, 2023, the Group and the Bank maintained a zero balance of mandatory deposits with the Bank of Greece, as the average balance for the period exceeded the minimum specified requirement.

14. Due from Banks

The loans and advances of the Group and the Bank to credit institutions arising from deposits and transactions are current ones and are broken down as follows:

Group

Amounts in Eur '000

	30/06/2023	31/12/2022
Due from banks - Time deposits	0	23,763
Due from banks - Sight deposits	74,296	51,889
Loans to financial institutions	8,984	9,041
Blocked deposits	9,281	9,950
Total	92,561	94,642

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Due from banks - Time deposits	0	23,763
Due from banks - Sight deposits	71,945	48,758
Loans to financial institutions	8,984	9,041
Blocked deposits	9,281	9,950
Total	90,210	91,512

15. Financial assets at fair value through profit and loss

Group

Amounts in Eur '000

	30/06/2023	31/12/2022
Shares and other variable yield securities		
Shares listed in Athens Stock Exchange	11,960	3,402
Mutual funds	1,958	1,539
Bonds - other issuers	32,190	53,470
Other government bonds	163,462	112,048
Bank bonds	13,807	4,951
Bond from loan securitization	32,353	36,242
Total	255,731	211,653

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Shares and other variable yield securities		
Shares listed in Athens Stock Exchange	11,960	3,402
Bonds - other issuers	32,190	53,470
Other government bonds	163,462	112,048
Bank bonds	13,807	4,951
Bond from loan securitization	32,353	36,242
Total	253,773	210,114

The "Bond from loan securitization" refers to the purchase by the Bank of a bond with profit participation clause (the proceeds of which come from a securitized portfolio of mortgage loans), in May 2022, for a total amount of EUR 37,132 thousand.

In item "Other government bonds" on 30.06.2023 T-bills of a total amount of EUR 137,389 thousand are included.

The movement of financial assets at fair value through profit and loss for the Group and the Bank is broken down as follows:

Group

Amounts in Eur '000

	30/06/2023	31/12/2022
Balance at the beginning of the year	211,653	54,194
Purchases	1,517,996	1,475,238
Sales / maturities / Other movements	(1,473,327)	(1,317,116)
Fair value adjustments	(589)	(663)
Balance at the end of year	255,731	211,653

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Balance at the beginning of the year	210,114	51,899
Purchases	1,517,392	1,475,238
Sales / maturities / Other movements	(1,473,327)	(1,316,322)
Fair value adjustments	(405)	(701)
Balance at the end of year	253,773	210,114

16. Derivative Financial Instruments

Group and Bank

Amounts in Eur '000	30/6/2023		
	Nominal Value	Estimated Fair Value	
		Assets	Liabilities
Stock /Index futures – listed	27,058	0	14
Stock /Index Options – listed	150	48	102
Foreign exchange derivatives - listed and non-listed	295,466	1,021	137
Commodity derivatives - listed and non-listed	30,629	16	0
Interest rate derivatives (IRS- IRCAP) - non-listed	9,000	56	46
Total derivative financial instruments		1,140	299

Amounts in Eur '000	31/12/2022		
	Nominal Value	Estimated Fair Value	
		Assets	Liabilities
Stock /Index futures – listed	4,199	0	0
Stock /Index Options – listed	47	5	42
Foreign exchange derivatives - listed and non-listed	99,356	111	6,867
Commodity derivatives - listed and non-listed	13,265	754	0
Interest rate derivatives (IRS- IRCAP) - non-listed	43,000	7,214	48
Total derivative financial instruments		8,084	6,958

The valuation of the futures contracts on June 30, 2023 and December 31, 2022, due to the daily clearing of these derivatives is included in the Margin and Clearing accounts.

17. Loans and advances to customers

The Group's and the Bank's loans portfolio is broken down as follows:

Group

Amounts in Eur '000	30/06/2023	31/12/2022
Loans and advances to customers measured at amortized cost		
Consumer, Personal & Other loans	10,864	10,401
Mortgages Loans	79,370	59,311
Loans to individuals (Brokerage activity)	18,766	13,231
Corporate loans (Brokerage activity)	6,142	2,777
Corporate loans	1,929,637	1,607,710
	2,044,780	1,693,430
Less: Provisions for impairment of loans and advances to customers	(24,132)	(18,907)
Book value of loans and advances to customers measured at amortized cost after provision	2,020,648	1,674,523

Bank

Amounts in Eur '000	30/6/2023	31/12/2022
Loans and advances to customers measured at amortized cost		
Consumer, Personal & Other loans	10,864	10,401
Mortgages Loans	79,370	59,311
Loans to individuals (Brokerage activity)	18,766	13,231
Corporate loans (Brokerage activity)	6,142	2,777
Corporate loans	1,911,714	1,590,725
	2,026,857	1,676,445
Less: Provisions for impairment of loans and advances to customers	(24,233)	(18,974)
Book value of loans and advances to customers measured at amortized cost after provision	2,002,624	1,657,471

Loans to individuals and enterprises referred to as Brokerage activity, relate to Margin Accounts used to purchase securities on credit.

The movements on the Group's and the Bank's expected credit losses are broken down as follows:

Group

Amounts in Eur '000

	Note	
Balance at January 1 2022		(13,711)
Provisions for the year	10	(1,265)
Balance at June 30 2022		(14,976)
Balance a 1 July 2022		(14,976)
Provisions for the year		(3,967)
Loans written-off		36
Balance at December 31 2022		(18,907)
Balance at 1 January 2023		(18,907)
Provisions for the year	10	(5,249)
Loans written-off		24
Balance at June 30 2023		(24,132)

Bank

Amounts in Eur '000

	Note	
Balance at January 1 2022		(13,513)
Provisions for the year	10	(1,250)
Balance at June 30 2022		(14,763)
Balance a 1 July 2022		(14,763)
Provisions for the year		(4,246)
Loans written-off		36
Balance at December 31 2022		(18,974)
Balance at 1 January 2023		(18,974)
Provisions for the year	10	(5,283)
Loans written-off		24
Balance at June 30 2023		(24,233)

18. Financial assets at fair value through other comprehensive income

The investment portfolio of the Group and the Bank includes bonds and shares.

Group and Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Financial assets at fair value through other comprehensive income		
Fixed income securities		
Greek Government Bonds	63,221	71,272
Corporate bonds	5,467	4,783
Bank bonds	17,674	16,933
Total fixed income securities	86,362	92,988

Variable yield securities

Equity securities listed in Athens Stock Exchange	247	263
Non-listed securities	6	6
Total variable yield securities	253	269
Total	86,615	93,256

The Bank has classified as financial assets at fair value through other comprehensive income shares which are strategic and operational investments with a long-term horizon.

The movement in the portfolio of securities measured at fair value through other comprehensive income for the period 1.1.2022 - 30.06.2023 is as follows:

Amounts in Eur '000

Balance as at 1st January 2022	192,087
Purchases	221,967
Sales / maturities / Other movements	(198,820)
Fair value adjustments	(6,870)
Balance as at 30th June 2022	208,364
Purchases	355,490
Sales / maturities / Other movements	(470,358)
Fair value adjustments	(240)
Balance as at 31st December 2022	93,256
Purchases	961
Sales / maturities / Other movements	(10,008)
Fair value adjustments	2,406
Balance as at 30th June 2023	86,615

The movement in the impairment provision of the securities portfolio measured at fair value through other comprehensive income for the period 1.1.2022 - 30.06.2023 is as follows:

Movement in Expected Credit Loss (ECL)

Amounts in Eur '000

Balance as at 1st January 2022	(569)
Greek Government Bonds	(94)
Corporate bonds	(197)
Bank bonds	25
Impairment provisions 1/1/2022 - 30/6/2022	(267)
Balance as at 1st July 2022	(836)
Greek Government Bonds	(5)
Corporate bonds	506
Bank bonds	126
Impairment provisions 1/7/2022 - 31/12/2022	628

Balance as at 1st January 2023	(208)
Greek Government Bonds	18
Corporate bonds	14
Bank bonds	10
Impairment provisions 1/1/2023 – 30/6/2023	42
Balance as at 30th June 2023	(167)

19. Debt instruments at amortized cost

The debt instruments at amortized cost of the Group and the Bank are broken down as follows:

Group and Bank

Amounts in Eur '000

	<u>30/6/2023</u>	<u>31/12/2022</u>
Debt securities at amortized cost		
Fixed income securities		
Greek Government Bonds	65,841	61,147
Corporate bonds	59,844	60,073
Bank bonds	76,057	53,761
Expected credit loss	(481)	(517)
Total fixed income securities	201,262	174,464

The movement in the portfolio of debt instruments at amortized cost from 01.01.2022 to 30.06.2023 is as follows:

Amounts in Eur '000

Balance as at 1st January 2022	92,998
Purchases	28,185
Sales / maturities / Other movements	(122)
Expected credit loss	(115)
Balance as at 30th June 2022	120,946
Purchases	61,737
Sales / maturities / Other movements	(8,198)
Expected credit loss	(21)
Balance as at 31st December 2022	174,464
Purchases	27,702
Sales / maturities / Other movements	(941)
Expected credit loss	37
Balance as at 30th June 2023	201,262

ECL Movement

Amounts in Eur '000

Balance as at 1st January 2022	(380)
Greek Government Bonds	(50)
Corporate bonds	3
Bank bonds	(68)
Impairment provisions 1/1/2022 - 30/6/2022	(115)
Balance as at 1st July 2022	(496)
Greek Government Bonds	(65)
Corporate bonds	(84)
Bank bonds	128
Impairment provisions 1/7/2022 - 31/12/2022	(21)
Balance as at 1st January 2023	(517)
Greek Government Bonds	20
Corporate bonds	(17)
Bank bonds	34
Impairment provisions 1/1/2023 - 31/12/2023	37
Balance as at 30th June 2023	(481)

20. Investments in subsidiaries and associates

Subsidiaries

Name	Country	Business activity	% Immediate participation 30/6/2023	% Indirect participation 30/6/2023
IBG CAPITAL S.A.	Greece	Venture capital firm	100,00%	0,00%
IBG INVESTMENTS S.A.	British Virgin Islands	Investment services	81,45%	18,55%
OPTIMA FACTORS S.A.	Greece	Factoring Firm	100,00%	0,00%
OPTIMA ASSET MANAGEMENT A.E.D.A.K.	Greece	Asset Management Company	99,44%	0,00%
IBG A.E.P.E.Y.	Greece	Provision of investment services	79,31%	0,00%

Subsidiaries

Name	Country	Business activity	% Immediate participation 31/12/2022	% Indirect participation 31/12/2022
IBG CAPITAL S.A.	Greece	Venture capital firm	100,00%	0,00%
IBG INVESTMENTS S.A.	British Virgin Islands	Investment services	81,45%	18,55%
OPTIMA FACTORS S.A.	Greece	Factoring Firm	100,00%	0,00%
OPTIMA ASSET MANAGEMENT A.E.D.A.K.	Greece	Asset Management Company	99,44%	0,00%
IBG A.E.P.E.Y.	Greece	Provision of investment services	79,31%	0,00%

Associates				
Name	Country	Business activity	% participation 31/12/2022	% participation 31/12/2021
NOTOS COM HOLDINGS S.A.	Greece	Commercial representative, exclusive import and trading of cosmetics, personal care products, clothing and clothing accessories, footwear, leather goods and stationery.	25,00%	0,00%

The above tables present the participations held by the Bank. The Group holds a total participation of 100% in IBG INVESTMENTS S.A. for the periods ended 30.06.2023 and 31.12.2022.

Companies	Financial data 30.06.2023			
<i>Amounts in Eur '000</i>	Assets	Liabilities	Revenues	Profit / (loss) before tax
IBG CAPITAL S.A.	1,190	13	2	(0)
IBG INVESTMENTS S.A.	2,422	3	(184)	(186)
OPTIMA FACTORS S.A.	90,621	76,611	3,569	880
OPTIMA ASSET MANAGEMENT A.E.D.A.K.	4,919	1,675	908	32
IBG A.E.P.E.Y.	120	649	0	(2)

Companies	Financial data 31.12.2022			
<i>Amounts in Eur '000</i>	Assets	Liabilities	Revenues	Profit / (loss) before tax
IBG CAPITAL S.A.	1,190	13	2	(11)
IBG INVESTMENTS S.A.	2,606	1	272	266
OPTIMA FACTORS S.A.	60,278	46,930	3,155	940
OPTIMA ASSET MANAGEMENT A.E.D.A.K.	4,814	1,591	1,645	367
IBG A.E.P.E.Y.	120	649	0	(2)

It is noted that the Financial data of IBG A.E.P.E.Y presented in the table above refer to the year ended 31.5.2023.

The financial statements of the above subsidiaries of the Group and the Bank, except "IBG A.E.P.EY." which is under liquidation, are consolidated under the full consolidation method in the consolidated financial statements of the Group.

The "Investments in subsidiaries and associates" of the Group and the Bank item is broken down as follows

Group - Investments in associates

Amounts in Eur '000

	30/06/2023	31/12/2022
Balance at the beginning of the year	448	0
- New investments in associates	0	448
Balance at the end of year	448	448

Bank- Investments in subsidiaries and associates

Amounts in Eur '000

	<u>30/6/2023</u>	<u>31/12/2022</u>
Balance at the beginning of the year	9,133	13,593
- New investments in associates	0	10
- Return of share capital from subsidiary	0	(4,470)
Balance at the end of year	<u>9,133</u>	<u>9,133</u>

The General Meeting of the shareholders of INVESTMENT CAPITAL & PARTICIPATION S.A. held on 9.6.2022, decided the nominal share capital reduction by offsetting the accounting losses and the return of the amount of EUR 4,470 thousand to Optima Bank.

Optima Bank SA acquired 25% of the share capital of Notos Com Shares SA. for an amount of EUR 10 thousand.

21. Deferred tax assets

The variance of temporary differences during the first semester of 2023 for the Group and the Bank is broken down as follows:

Group

Amounts in Eur '000	Balance as at 1st January 2023	Credit / (debit) to results	Credit / (debit) to other comprehensive income	Balance as at 30th June 2023
PPE and investment property	97	0	0	98
Intangible assets from the acquisition of subsidiaries at fair value	(756)	34	0	(722)
Provisions for impairment on loans and advances to customers	3,994	1,116	0	5,110
Other provisions	766	52	0	818
Retirement benefit obligations	121	16	0	137
Financial assets at fair value through other comprehensive income	1,956	0	(529)	1,428
Financial assets at fair value through profit or loss	163	(517)	0	(354)
Valuation of carbon emission	(0)	(38)	0	(38)
Valuation of derivatives	(248)	63	0	(185)
Rights-of-use assets	181	35	0	215
Other	78	(0)	0	77
Total	<u>6,353</u>	<u>760</u>	<u>(529)</u>	<u>6,584</u>

Amounts in Eur '000	Balance as at 1st January 2022	Credit / (debit) to results	Credit / (debit) to other comprehensive income	Balance as at 31st December 2022
PPE and investment property	93	4	0	97
Intangible assets from the acquisition of subsidiaries at fair value	(905)	149	0	(756)
Provisions for impairment on loans and advances to customers	2,940	1,054	0	3,994
Other provisions	430	337	0	766
Retirement benefit obligations	101	21	(1)	121
Financial assets at fair value through other comprehensive income	267	0	1,689	1,956

Financial assets at fair value through profit or loss	5	158	0	163
Valuation of carbon emission	0	(0)	0	(0)
Valuation of derivatives	0	(248)	0	(248)
Rights-of-use assets	0	181	0	181
Other	0	78	0	78
Total	2,932	1,733	1,688	6,353

Bank

Amounts in Eur '000	Balance as at 1 st January 2023	Credit / (debit) to results	Credit / (debit) to other comprehensive income	Balance as at 30 th June 2023
PPE and investment property	93	(0)	0	93
Provisions for impairment on loans and advances to customers	4,047	1,172	0	5,219
Other provisions	1,026	13	0	1,039
Retirement benefit obligations	113	15	0	128
Financial assets at fair value through other comprehensive income	1,956	0	(529)	1,428
Financial assets at fair value through profit or loss	163	(516)	0	(353)
Valuation of carbon emission	0	(38)	0	(38)
Valuation of derivatives	(248)	63	0	(185)
Rights-of-use assets	181	35	0	215
Other	78	0	0	77
Total	7,410	743	(529)	7,624

Amounts in Eur '000	Balance as at 1 st January 2022	Credit / (debit) to results	Credit / (debit) to other comprehensive income	Balance as at 31 st December 2022
PPE and investment property	89	4	0	93
Provisions for impairment on loans and advances to customers	2,978	1,070	0	4,047
Other provisions	637	389	0	1,026
Retirement benefit obligations	91	24	(1)	113
Financial assets at fair value through other comprehensive income	267	0	1,689	1,956
Financial assets at fair value through profit or loss	4	159	0	163
Valuation of derivatives	0	(248)	0	(248)
Rights-of-use assets	0	181	0	181
Other	0	78	0	78
Total	4,066	1,656	1,688	7,410

22. Receivables from margin and brokerage settlement accounts

The Margin and brokerage settlement accounts of the Group and the Bank are broken down as follows:

Group and Bank

<i>Amounts in Eur '000</i>	30/6/2023	31/12/2022
Listed derivatives margin account	29,265	28,264
Clearing accounts for securities transactions in Athens Stock Exchange, Greek derivatives market and foreign stock exchanges	8,127	32,786
Total	37,391	61,051

23. Hellenic Deposit and Investment Guarantee Fund and investment product guarantees

Group

<i>Amounts in Eur '000</i>	30/06/2023	31/12/2022
Hellenic Deposit and Investment Guarantee Fund	3,144	3,144
Guarantee fund	6,184	5,970
Auxiliary fund	3,570	2,131
Energy Stock Exchange	1,250	1,250
Total	14,148	12,495

Bank

<i>Amounts in Eur '000</i>	30/6/2023	31/12/2022
Hellenic Deposit and Investment Guarantee Fund	3,144	3,144
Guarantee fund	5,934	5,720
Auxiliary fund	3,570	2,131
Energy Stock Exchange	1,250	1,250
Total	13,898	12,245

24. Current tax assets

The current tax receivables of the Group and the Bank are broken down as follows:

Group

<i>Amounts in Eur '000</i>	30/06/2023	31/12/2022
Advance Income Tax	415	176
Other receivables from the Greek State	231	47
Total	646	223

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Other receivables from the Greek State	45	47
Total	45	47

25. Other assets

The other assets of the Group and the Bank are broken down as follows:

Group

Amounts in Eur '000

	30/06/2023	31/12/2022
Debtors	1,458	1,022
Guarantees	1,139	1,141
Carbon emission inventory	17,434	57
Advances and other receivables accounts	11,489	10,035
Prepaid expenses and accrued revenue	1,361	1,739
	32,881	13,993
Less: Provisions	(290)	(290)
	32,591	13,704

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Debtors	1,673	1,126
Guarantees	1,139	1,141
Carbon emission inventory	17,434	57
Advances and other receivables accounts	11,261	9,526
Prepaid expenses and accrued revenue	1,283	1,606
	32,789	13,456
	(290)	(290)
	32,499	13,166

26. Due to Central Bank

The due to the Central Bank is broken down as follows :

Group and Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Due to Central Bank - time deposits	0	64,284
Total	0	64,284

On 31.12.2022, the Bank has utilized eurosystem refinancing operations (PELTRO and TLTRO III) for a total amount of EUR 64,284 thousand.

On 30/06/2023 the amount of EUR 1.4 million was repaid and the rest of the financing ended. The financing related to PELTRO and TLTRO III programs.

27. Due to banks

The dues to other credit institutions are broken down as follows:

Group

Amounts in Eur '000

	30/6/2023	31/12/2022
Due to banks - sight deposits	830	363
Due to banks - time deposits	39,459	14,666
Bond loan	5,111	5,036
Total	45,400	20,066

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Due to banks - sight deposits	830	363
Due to banks - time deposits	39,459	14,666
Total	40,289	15,029

28. Due to customers

The deposits and other customers' accounts are broken down as follows:

Group

Amounts in Eur '000

	30/06/2023	31/12/2022
Sight deposits	1,250,088	1,214,277
Savings accounts	5,440	6,896
Time deposits	1,298,900	750,169
Blocked deposits	131,411	115,531
Other deposits	81,440	75,325
Cheques payable	11,495	15,010
Total	2,778,775	2,177,209

Bank

Amounts in Eur '000

	30/06/2023	31/12/2022
Sight deposits	1,254,181	1,216,583
Savings accounts	5,440	6,896
Time deposits	1,298,900	750,235
Blocked deposits	131,411	115,531
Other deposits	81,440	75,325
Cheques payable	11,495	15,010
Total	<u>2,782,868</u>	<u>2,179,580</u>

The item "Other Deposits" include the balances of the brokerage accounts of the Bank's customers.

29. Payables from margin and brokerage settlement accounts

The customer balances from stock exchange transactions are broken down as follows:

Group and Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Listed derivatives margin account	206	6.803
Clearing accounts for securities transactions in Athens Stock Exchange, Greek derivatives market and foreign stock exchanges	12,561	32,608
Total	<u>12,767</u>	<u>39,411</u>

30. Other liabilities

The other liabilities are broken down as follows:

Group

Amounts in Eur '000

	30/6/2023	31/12/2022
Liabilities from taxes - duties	1,928	1,178
Accrued interest and other deferred revenue	1,336	1,179
Other payables	34,463	15,996
Social security	700	906
Total	<u>38,427</u>	<u>19,259</u>

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Liabilities from taxes - duties	1,398	973
Accrued interest and other deferred revenue	1,336	1,179
Other payables	31,762	13,963
Social security	672	870
Total	35,169	16,984

31. Provisions

The provisions are broken down as follows:

Group

Amounts in Eur '000

	30/6/2023	31/12/2022
Provision for legal cases	360	376
Provisions for unaudited fiscal years	331	331
Provision for letters of guarantee	2,083	1,969
Other provisions	29	48
Total	2,802	2,724

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Provision for legal cases	360	376
Provisions for unaudited fiscal years	321	321
Provision for letters of guarantee	2,083	1,969
Total	2,763	2,666

32. Share Capital

On 31.12.2022, the share capital amounted to EUR 160,279 thousand divided into 7,524,840 shares with voting rights and a nominal value of EUR 21,30 per share. In March 2023, by decision of the Extraordinary General Meeting (EGM), the bank proceeded with capitalization of past accounting losses and the reduction of the share capital by EUR 30.5m.

Following the capitalization of past losses, the share capital amounted to EUR 129,803 thousand divided into 7,524,840 shares. The EGM also approved a share split of 5 new shares to 1 old with the reduction in the nominal value of a share from EUR 17.25 to EUR 3.45.

Following this, the share capital amounted to EUR 129,803 thousand divided into 37,624,200 shares with voting rights with a nominal value of EUR 3.45 per share.

In addition, it was decided to convert the Convertible Bond Loan into share capital of EUR 48,591 thousand divided into 14,084,435 shares with a nominal value of EUR 3.45 and into a premium reserve of EUR 11,409 thousand.

The share capital on 30/06/2023 amounted to EUR 178,395 thousand divided into 51,708,635 shares with voting rights with a nominal value of EUR 3.45 per share.

The Bank has no own shares.

	Number of shares
Balance as at 1st January 2022	7,524,840
Increase/reduction in share capital	0
Balance as at 31st December 2022	7,524,840
Balance as at 1st January 2023	7,524,840
Share capital reduction with split (1 old for 5 new shares)	30,099,360
Share capital increase with bond loan conversion	14,084,435
Balance as at 30st June 2023	51,708,635

33. Convertible Bond Loan

The Annual General Meeting of the Bank's Shareholders at its meeting dated 28.07.2022, following the proposal of the Board of Directors, decided to issue a perpetual bond loan, convertible into newly issued common shares of the Bank (convertible bond - CB) and with a pre-emption right granted to the existing shareholders of the Bank, in order to raise capital through private placement, up to the amount of sixty million euros, in accordance with the provisions of Law 4548 /2018, as in force, and Law 3156/2003. The same resolution approved the major terms of the Convertible Bond (CB).

Subsequently, the Board of Directors, in order to implement the above resolution, in the course of its meeting dated 01.09.2022, specified and approved the major terms of the CB, which then took the form of a plan, in the sense of Article 1, par. 4 of Law 3156/2003.

On 31.10.2022, the Board of Directors of the Bank certified the 100% coverage of the CB issue and the payment of the amount issued.

The aforementioned resolutions were registered on 07.09.2022 & 09.09.2022 and on 30.11.2022 with the General Commercial Register (GEMI).

The Convertible Bond meets all the requirements of the regulatory framework regarding AT1 capital instruments and in particular Articles 52 to 54 of the CRR Regulation, as these are specified in the Commission Delegated Regulation (EU) 241/2014, and therefore the Bank includes the net proceeds of the issue in the capital adequacy as additional Tier 1 (AT1) instruments.

34. Other reserves

The breakdown of Other reserves is as follows:

Group

Amounts in Eur '000

	30/6/2023	31/12/2022
Statutory reserve	12,184	12,184
Special reserves	7,183	7,183
Actuarial gain/(loss) reserve	443	443
Σύνολο	19,810	19,810

Bank

Amounts in Eur '000

	30/6/2023	31/12/2022
Statutory reserve	12,102	12,102
Special reserves	6,483	6,483
Actuarial gain/(loss) reserve	442	442
Σύνολο	19,027	19,027

Statutory Reserve: According to the Greek Commercial Law, the Group is required to withhold from its net accounting profits a minimum of 5% per year as statutory reserve. Such withholding ceases to be compulsory when the total statutory reserve exceeds 1/3 of the paid-up share capital. This taxed reserve is non-distributable throughout the Group's lifetime and is intended to cover any debit balances of the profit and loss carried forward item.

Extraordinary Reserves: The extraordinary reserves have been formed from taxed profits, and therefore no additional tax liability will be imposed in case of their distribution.

35. Commitments, contingent liabilities and assets

a) Contingent liabilities from guarantees

The nominal values of the contingent and undertaken liabilities are broken down as follows:

Group

Amounts in Eur '000

	30/6/2023	31/12/2022
Contingent liabilities		
Unused credit commitments	641,118	539,823
Letters of Guarantee (participation and good performance)	385,761	336,794
Letters of Guarantee (advance payment, prompt payment)	100,804	97,789
	1,127,683	974,406

Bank

Amounts in Eur '000

	<u>30/6/2023</u>	<u>31/12/2022</u>
Contingent liabilities		
Unused credit commitments	624,708	481,814
Letters of Guarantee (participation and good performance)	385,761	336,794
Letters of Guarantee (advance payment, prompt payment)	100,804	97,789
	<u>1,111,273</u>	<u>916,396</u>

b) Contingent tax liabilities

According to Law 4174/2013 (Article 65A as in force and according to article 82 of Law 2238/1994), Greek companies the financial statements of which are compulsorily audited are bound to get an "Annual Tax Certificate" up to the financial year 2015, the issuance of which requires the conduct of a tax audit by the auditors who audit their annual financial statements. For the years starting on 01.01.2016 and henceforth, the Annual Tax Certificate will be optional, but the Bank continues to get it.

The Group has been audited by the tax authorities up to the financial year 2009. It has not been audited by the tax authorities for the year 2010 when the Annual Tax Certificate was not compulsory.

The Bank has obtained a tax certificate by the Auditors without qualifications for the years 2011 to and including 2021.

For the financial year 2022, the Tax Certificate Process is in progress. We consider that until the completion of the tax audit, no additional tax liabilities will arise that will have a significant impact on the financial statements.

IBG CAPITAL SA has obtained a tax certificate without qualifications from its Auditors for the financial years 2011 to and including 2013, while for the years 2014 to and including 2018 it has not obtained a tax certificate in accordance with Law 4174/2013, Article 65. For the years 2019 to 2021, the company has obtained a tax certificate without qualifications, while for the year 2022 the tax certificate process is in progress. We consider that until the completion of the audit, no additional tax liabilities would arise that would have a significant impact on the financial statements.

OPTIMA FACTORS S.A. has been tax audited for the years until and including 2008 and has closed, in terms of taxation, the year 2009, in accordance with the provisions of Law 3888/2012. For the year 2010, the provisions on limitation of Article 72, para. 11 of Law 4174/2013 do apply. For the years 2011, 2012 and 2013 it has been audited by the Statutory Auditors and has received the annual tax certificate of paragraph 5, Article 82 of the Income Tax Code (Law 2238/1994), while for the years 2014 to 2021 it has received the annual tax certificate provided for in Article 65A of Law 4174/2013. For the year 2022 the tax certificate process is in progress. We consider that until the completion of the audit, no additional tax liabilities would arise that would have a significant impact on the financial statements.

Moreover, OPTIMA ASSET MANAGEMENT S.A. has been tax audited for the years 2011 to and including 2013 and the tax audit is conducted in accordance with Article 82, para. 5 of Law 2238/1994 and the Decision ref. POL 1159/22.7.2011 of the Minister of Finance. The years 2014 to and including 2021 have been audited in accordance with Article 65 A of Law 4174/2013. For the year 2022, the tax audit is pending and is expected to be completed within the time limits provided for. We consider that until the completion of the audit, no additional tax liabilities would arise that would have a significant impact on the financial statements.

IBG INVESTMENTS S.A. has no tax liabilities in accordance with the tax framework of its country of establishment.

According to the Greek tax legislation and the relevant ministerial decisions, the companies for which a tax certificate without remarks about infringements of the tax legislation is issued are not exempted from the infliction of additional taxes and fines by the tax authorities within the framework of the legal restrictions (five years from the end of the financial year in which the relevant tax return shall be submitted). In the light of the above, generally it is considered that the right of the Greek State to inflict taxes up to the financial year 2016 is exhausted as regards the Group.

c) Contingent legal obligations

There are no pending legal liabilities or obligations that could materially affect the financial position of the Group on June 30, 2023, except the cases for which a relevant provision has been formed (Note 31)

d) Assets commitments

Due from banks:

- Placements of EUR 18,273 thousand relate to derivative instruments transaction guarantees as of 30.06.2023 (EUR 13,981 thousand as of 31.12.2022).
- Amount of a book value of EUR 9,281 thousand (EUR 9,950 thousand on 31.12.2022) relates to counter-guarantees to letters of guarantee issued by partner banks (Note 14). Said commitments relate to cases where there is no correspondence relation with the beneficiary's Bank.

Investment and trading portfolio securities:

- Amount of a book value of EUR 9,816 thousand relates to Italian Government bonds that have been given to the European Central Bank for funding liquidity purposes as of 31.12.2022. On 30.06.2023 there is no relevant commitment.
- Amount with a book value of EUR 24,895 thousand relates to Hellenic Treasury bills given to the European Central Bank for funding liquidity purposes as of 31.12.2022. On 30.06.2023 there is no relevant commitment.

Loans and advances to customers:

A nominal amount of EUR 82,129 thousand for the pledging of Non-Negotiable Assets (Business Loans) as collateral in the context of the implementation of the Monetary Policy by the Bank of Greece on 30.06.2023

(EUR 117,560 thousand 31.12.2022). The above amount is subject to a 56% haircut and is ultimately set to EUR 36,137 thousand (EUR 48,200 thousand 31.12.2022).

36. Related party balances and transactions

All transactions are objective, are conducted at arm's length and fall within the scope of the normal activities of the Group. The volume of transactions per category is presented below.

36.1 Transactions with subsidiaries of Optima Bank.

Amounts in Eur '000

a) Accounts Receivable

Receivables from subsidiaries

Loans net of provisions

Other receivables

Σύνολο

Receivables from associates

Loans net of provisions

Σύνολο

b) Accounts Payables

Payables to subsidiaries

Deposits

Total

Payables to associates

Deposits

Total

Amounts in Eur '000

c) Income

Income from subsidiaries

Interest and similar income

Commission income

Other income

Total

Income from associates

Interest and similar income

Total

d) Expenses

Expenses from subsidiaries

Interest and similar expenses

Total

	GROUP	BANK
	30/06/2023	30/06/2023
	0	63,775
	0	11
	0	63,786
	9,838	9,838
	9,838	9,838
	30/06/2023	30/06/2023
	0	7,772
	0	7,772
	1	1
	1	1
	GROUP	BANK
	1/1/2023 - 30/06/2023	1/1/2023 - 30/06/2023
	0	1,577
	0	470
	0	91
	0	2,138
	352	352
	352	352
	1/1/2023 - 30/06/2023	1/1/2023 - 30/06/2023
	0	7
	0	7

Amounts in Eur '000

a) Accounts Receivable

Receivables from subsidiaries

Loans net of provisions

Other receivables

Total

Receivables from associates

Loans net of provisions

Total

b) Accounts Payables

Payables to subsidiaries

Deposits

Total

Payables to associates

Deposits

Total

GROUP

BANK

31/12/2022

31/12/2022

0

38,575

0

109

0

38,683

9,822

9,822

9,822

9,822

31/12/2022

31/12/2022

0

3,230

0

3,230

8

8

8

8

GROUP

BANK

Amounts in Eur '000

c) Income

Income from subsidiaries

Interest and similar income

Fee and commission income

Other income

Total

**1/1/2022-
30/6/2022**

**1/1/2022-
30/6/2022**

0

287

0

211

0

63

0

561

d) Expenses

Expenses from subsidiaries

Interest and similar expenses

Total

**1/1/2022-
30/6/2022**

**1/1/2022-
30/6/2022**

0

2

0

2

A provision for impairment of EUR 644 thousand (EUR 390 thousand on 31.12.2022) has been calculated for loans to subsidiaries while a provision of EUR 33 thousand has been calculated for the loans for associates (31.12.2022 EUR 73 thousand).

36.2 Related party transactions with managers, directors and persons related to them

Amounts in Eur '000

	GROUP	BANK
a) Accounts receivable	30/06/2023	30/06/2023
Loans	2.452	2,340
Total	2.452	2,340
b) Accounts Payable	30/06/2023	30/06/2023
Deposits	2.609	2,522
Total	2.609	2,522
c) Income	1/1/2023 - 30/06/2023	1/1/2023 - 30/06/2023
Interest and similar income	26	26
Total	26	26
d) Expenses	1/1/2023 - 30/06/2023	1/1/2023 - 30/06/2023
Interest and similar expenses	3	3
Total	3	3

Amounts in Eur '000

	GROUP	BANK
a) Accounts receivable	31/12/2022	31/12/2022
Loans	2,055	2,045
Total	2,055	2,045
b) Accounts Payable	31/12/2022	31/12/2022
Deposits	2,029	2,024
Total	2,029	2,024
c) Income	1/1/2022 - 30/6/2022	1/1/2022 - 30/6/2022
Interest and similar income	9	9
Total	9	9
d) Expenses	1/1/2022 - 30/6/2022	1/1/2022 - 30/6/2022
Interest and similar expenses	1	1
Total	1	1

36.3 Remuneration of Management and members of the Board of Directors

<i>Amounts in Eur '000</i>	GROUP	BANK
	1/1/2023 - 30/06/2023	1/1/2023 - 30/06/2023
Salaries, employer's contributions and other expenses	1,282	1,108
Remuneration & other benefits	76	60
Total	1,359	1,168

<i>Amounts in Eur '000</i>	GROUP	BANK
	1/1/2022 - 30/06/2022	1/1/2022 - 30/06/2022
Salaries, employer's contributions and other expenses	1,353	1,021
Remuneration & other benefits	54	39
Total	1,406	1,061

37. Segment Reporting

The Bank's management monitors returns from banking, brokerage and treasury activities on an aggregated basis. The amounts relating to the net revenues of the business segments are derived from direct net revenues and exclude internal allocations and financing results between the sectors.

As regards the costs, they are reported in aggregate since they are monitored by the Bank's management at the level of the owner.

At the same time, the Bank's management also monitors the results of the Group's subsidiaries separately.

<i>Amounts in Eur '000</i>	1/1/2023 - 30/06/2023							Total Group
	Banking	Brokerage	Treasury	Other	Total Bank	Subsidiaries	Eliminations	
Income from operating activities								
Net Interest Income	48,382	652	11,629	(723)	59,941	762	(6)	60,697
Net fee and commission income	9,303	3,493	0	18	12,815	1,441	70	14,326
Trading Income	0	0	7,865	0	7,865	(180)	0	7,685
Other Operating income	0	0	124	719	843	0	(86)	757
Total Operating Income	57,685	4,145	19,618	14	81,463	2,024	(22)	83,465
Other non-allocated amounts					(28,513)	(1,145)	185	(29,472)
Profit Before Tax					52,950			53,992
Profit after tax					43,296			44,096
Assets 30.06.2023	1,999,491	78,807	1,023,921	89,743	3,191,961	95,868	(78,633)	3,209,196
Liabilities 30.06.2023	2,725,429	55,834	48,942	75,531	2,905,736	77,579	(72,590)	2,910,725

		1/1/2022 - 30/06/2022						
<i>Amounts in Eur '000</i>								
	Banking	Brokerage	Treasury	Other	Total Bank	Subsidiaries	Eliminations	Total Group
Income from operating activities								
Net Interest Income	22,393	715	2,440	(353)	25,195	421	0	25,616
Net fee and commission income	5,042	2,754	0	28	7,824	1,185	0	9,009
Trading Income	0	0	1,435	1,707	3,141	62	0	3,204
Other Operating income	0	0	5	80	85	0	(63)	22
Total Operating Income	27,436	3,469	3,879	1,461	36,245	1,669	(63)	37,851
Other non-allocated amounts					(21,049)	(825)	(196)	(22,070)
Profit Before Tax					15,196			15,780
Profit after tax					16,250			16,768
Assets 31.12.2022	1,659,215	92,730	744,411	94,643	2,590,999	65,449	(48,711)	2,607,737
Liabilities 31.12.2022	2,122,229	77,849	93,743	55,670	2,349,491	47,779	(42,486)	2,354,784

38. Comparative financial statements reclassifications

Group

INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Amounts in Eur '000</i>	Note	1/1/2022 - 30/06/2022	Reclassifications	1/1/2022 - 30/6/2022 (as reclassified)
Interest and similar income	6	25,164	1,657	26,821
Interest and similar expense	6	(1,238)	33	(1,205)
Net interest income		23,925	1,691	25,616
Fee and commission income	7	12,727	(1,657)	11,070
Fee and commission expense	7	(2,029)	(32)	(2,061)
Net fee and commission income		10,698	(1,689)	9,009
Dividend income		45	0	45
Net trading income	8	3,158	0	3,159
Other operating income		22	(0)	22
Total operating income		37,849	2	37,851
Personnel expenses		(10,534)	0	(10,534)
General operating expenses	9	(6,294)	(2)	(6,296)
Depreciation		(2,956)	0	(2,956)
Total expenses		(19,784)	(2)	(19,786)
Profit/(loss) before provisions and taxes		18,065	0	18,065
Provision for expected credit losses	10	(2,284)	0	(2,284)
Total provisions		(2,284)	0	(2,284)
Profit before tax		15,780	0	15,780
Income tax	11	987	0	987
Profit after tax (a)		16,768	0	16,768
Other comprehensive income				
Items that may be reclassified subsequently to the Income Statement				
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI")		(6,868)	0	(6,868)
Deferred tax on reserve from valuation of debt instruments measured at fair value through other comprehensive income ("FVTOCI")		1,452	0	1,452
Provision for expected credit losses for instruments measured at fair value through other comprehensive income ("FVTOCI")		267	0	267
Total items that may be reclassified subsequently to the Income Statement		(5,149)	0	(5,149)
Total other comprehensive income after tax (b)		(5,149)	0	(5,149)
Total comprehensive income after tax (a)+(b)		11,618	0	11,618

Profits attributable to:

Shareholders of the parent company	16,768	0	16,768
Non-controlling interests	0	0	0
	<u>16,768</u>	<u>0</u>	<u>16,768</u>

Total comprehensive income attributable to:

Shareholders of the parent company	11,618	0	11,618
Non-controlling interests	0	0	0
Profits attributable to:	<u>11,618</u>	<u>0</u>	<u>11,618</u>

An amount of EUR 1,657 thousand, related to interest income, was reclassified from line "Fee and commission income" to the Profit and Loss line "Interest and similar income".

Other reclassifications have been made to the comparative funds for purposes of comparability with the current period.

Bank

INTERIM STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

<i>Ποσά σε Ευρώ '000</i>	Note	1/1/2022 - 30/06/2022	Reclassifications	1/1/2022 - 30/06/2022 (as reclassified)
Interest and similar income	6	24,734	1,657	26,391
Interest and similar expense	6	(1,196)	0	(1,196)
Net interest income		23,537	1,657	25,195
Fee and commission income	7	11,527	(1,657)	9,870
Fee and commission expense	7	(2,046)	0	(2,046)
Net fee and commission income		9,481	(1,657)	7,824
Dividend income		19	0	19
Net trading income	8	3,122	0	3,122
Other operating income		85	0	85
Total operating income		36,245	(0)	36,245
Personnel expenses		(10,091)	0	(10,091)
General operating expenses	9	(6,048)	0	(6,048)
Depreciation		(2,640)	0	(2,640)
Total expenses		(18,779)	0	(18,779)
Profit/(loss) before provisions and taxes		17,465	(0)	17,465
Provision for expected credit losses	10	(2,269)	0	(2,269)
Total provisions		(2,269)	0	(2,269)
Profit before tax		15,196	0	15,196
Income tax	11	1,054	0	1,054
Profit after tax (a)		16,250	0	16,250
Other comprehensive income				
Items that may be reclassified subsequently to the Income Statement				
Investments in debt instruments measured at fair value through other comprehensive income ("FVTOCI")		(6,868)	0	(6,868)
Deferred tax on reserve from valuation of debt instruments measured at fair value through other comprehensive income ("FVTOCI")		1,452	0	1,452
Provision for expected credit losses for instruments measured at fair value through other comprehensive income ("FVTOCI")		267	0	267
Total items that may be reclassified subsequently to the Income Statement		(5,149)	0	(5,149)
Total other comprehensive income after tax (b)		(5,149)	0	(5,149)
Total comprehensive income after tax (a)+(b)		11,101	0	11,101

An amount of EUR 1,657 thousand, related to interest income, was reclassified from line "Fee and commission income" to the Profit and Loss line "Interest and similar income".

39. Events after the reporting period date

The process of finalizing the prospectus submitted as a draft to the Capital Market Commission and the Athens Stock Exchange, regarding the initial public offering of new shares of the Bank and their listing on the regulated market of the Athens Stock Exchange is in progress according to the time schedule.

In accordance with the decision of the Ordinary General Meeting of Shareholders dated 07/06/2023 and after receiving the required approvals from the Supervisory Authorities, the Bank's Share Capital was increased on 26.07.2023, through the capitalization of part of the year's profits 2022, amounting to EUR 3,399,999.15, divided by the amount of the increase, into 985,507 new registered, common shares with voting rights and nominal value of EUR 3.45 each, in order for the new shares to be granted to the members of the Board of Directors and staff of the Bank. The meeting of the Board of Directors dated 27.07.2023, specified the conditions and the beneficiaries of said stock award.

On 20.07.2023, the Annual General Meeting of the Shareholders of the subsidiary company "IBG Investment Services Company in Liquidation" was held, during which, among other things, the Post-Liquidation Balance Sheet was approved, the Completion of Liquidation was decided, as well as the Permanent Cessation of the Company's Operations. On 27.07.2023 the General Commercial Register issued the No.3007406 announcement for the deletion of the company from its registry.

Maroussi, August 10, 2023

**The Chairman of the Board
of Directors**

Georgios Taniskidis

The Head of Finance

Angelos Sapranidis

The Chief Executive Officer

Dimitrios Kyparissis

**The Head of Accounting and Tax
Services**

Eleni Peristera