Optima bank

THE BANKER
BANK OF THE YEAR 2023
GREECE

1Q 2024 results

Press Release
21 May 2024

1Q 2024 key highlights

- 1Q 2024 reported net profit stood at €32.7mn compared to €18.4mn in 1Q 2023, an increase of 78%
- 1Q 2024 ROTE stood at 25.4%, the highest in the Greek market and one of the highest in Europe
- The bank is on track to meet its FY 2024 net profit guidance of at least €124mn
- Net interest income amounted to €44.5mn, +63% YoY with NIM of 4.48% thanks to resilient loan spreads
- Net fee income grew 44% YoY at €9.8mn with increased contribution from loan and asset management fees
- Recurring operating expenses stood at €14.1mn, 20% higher YoY driven by the increased headcount; cost to core income at 26%, aligned with our FY 2024 target of <30%
- Strong start in the year in terms of credit expansion with 1Q 2024 loan disbursements in the tune of €642bn, 34% higher YoY
- Loan balances increased by €913mn YoY in 1Q 2024 at €2,762mn, +49% YoY
- Solid asset quality with NPE ratio at 1.1%
- Deposits rose by €953mn (+40% YoY) to €3.3bn
- Ample liquidity with loans to deposits ratio of 83%, LCR of 190 % and NSFR of 124%
- Fully loaded total capital ratio and CET1 ratio of 15.9%, including 30% dividend accrual
- Assets under management increased by 42% YoY to €3,566mn, driven by mutual fund inflows and brokerage managed accounts

Optima bank

THE BANKER BANK OF THE YEAR 2023 GREECE

Strong set of 1Q 2024 results driven by volumes growth and resilient spreads

Net Profit	ROTE	Loans	Deposits
1Q 2024 rep.: **€32.7mn** (+78%)	1Q 2024: **25.4%**	**€2.8bn**	**€3.3bn**
		Net Loans Δ **€0.9bn** (+49% YoY)	Deposits Δ **€1.0bn** (+40% YoY)

Capital

Fully Loaded Total Capital ratio of **15.9%**

The economic backdrop remained healthy during the 1st quarter of 2024, which facilitated our effort to start the year on a strong footing. We generated Q1 net profit of €32.7mn and ROTE of 25.4%, the best in the Greek market and one of the best in Europe. Both metrics are on track with our FY 2024 targets of minimum net profit of €124mn and ROTE above 20%.

Both deposits and loans grew despite market declining in both during the 1Q 2024. In Q1, our new loan disbursements stood at €642mn, the highest quarterly performance in our history. Loan balances grew 49% YoY and 14% QoQ and now stand at €2.8bn. Loan quality remained solid with the NPE ratio at 1.1%. At the same time, we grew deposits by 40% YoY and 4% QoQ to over €3.3bn. Liquidity remains strong with LCR at 190% and NSFR at 124%.

Our core income grew by 59% YoY at €54.3mn thanks to new business generation and industry leading margins. NIM was close to all time highs at 4.48%, while fee margin stood at 0.99%. Excellent operational efficiency led to an all time low cost to core income of 26%, while the pre provision income grew 74% YoY to €44.9mn.

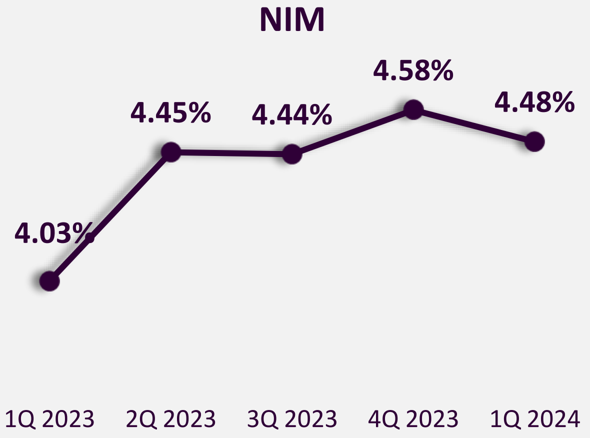
Looking ahead for the rest of the year, we continue to focus on providing the best customer service, which is what differentiates us in the Greek banking landscape. We will continue deploying our strategy in order to increase our market presence, while at the same time generating value for our shareholders, our employees and the Greek society at large.

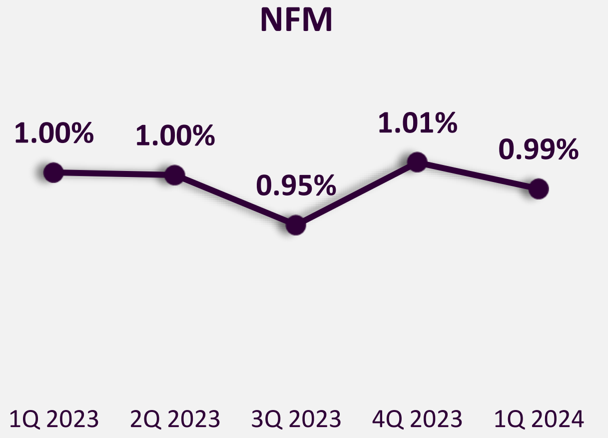
Dimitris Kyparissis

CEO, Optima bank

Profitability

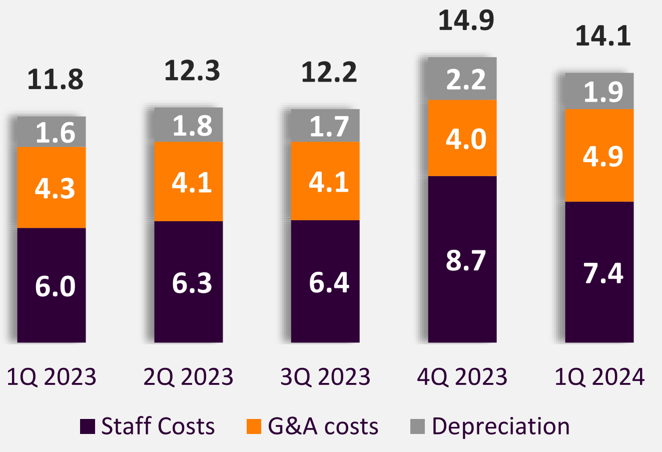
- NII grew 63% YoY and 2.8% QoQ to €44.5mn due to 49% higher loan balances and resilient spreads
- NIM stood at 4.48%, vs 4.03% in 1Q 2023 and 4.58% in 4Q 2023
- Net fee and commission income grew 44% YoY and 2.5% QoQ at €9.8mn, driven by higher loan and asset management fees.



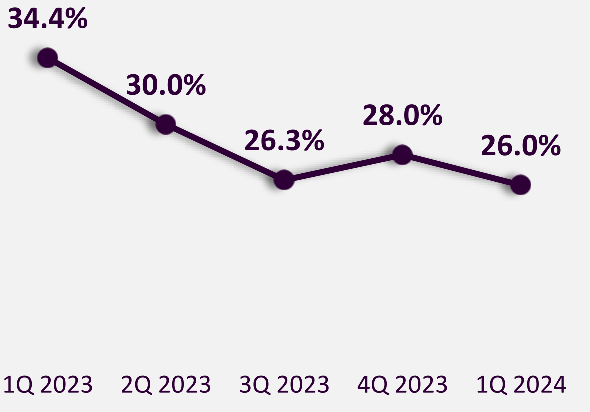


- Operating expenses were 20% higher YoY on a recurring basis at €14.1mn. Staff costs were 23% higher YoY, while G&A costs were 14% higher YoY
- Cost to core income fell to 26% from 34.4% in 1Q 2023 and 28% in 4Q 2023

Operating Expense

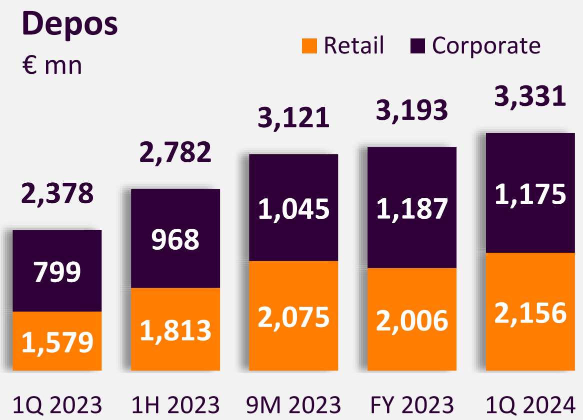


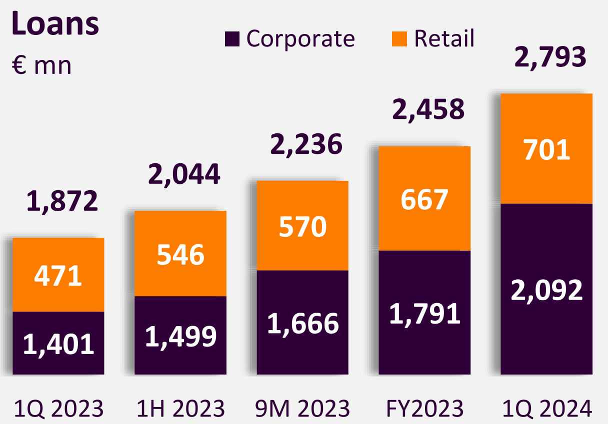
Cost to Core Income



- Cost of risk stood at 73bps compared to 93bps in the same period last year
- Net profit stood at €32.7mn vs €18mn in 1Q 2023; on a recurring basis, net profit stood at €32.7mn compared to €18.4mn in the same period last year

- Gross loans stood at €2,793mn, an increase of 49% compared to 1Q 2023
- New disbursements in 1Q 2024 stood at €642mn compared to € 478mn in the same period last year and at €565mn in Q4, with the overwhelming majority being corporate loans
- Deposits grew 40% YoY and 4% QoQ at €3,330mn





- Loans to deposits stood at 82.9% from 77.8% in 1Q 2023. Other liquidity metrics remained robust with LCR at 190% and NSFR at 124%, while the bank retained zero ECB funding
- The NPE/NPL ratios remained at an industry low level of 1.1% and 0.6%. NPE coverage, including collaterals stood at 121%
- CET1 and Total Capital ratio stood at 15.9%, well above the regulatory minimum threshold of 13.95%

Financial Highlights

P&L (€m)	1Q 2024	1Q 2023	% change
Net interest Income	44.5	27.3	63%
Net Fees	9.8	6.8	44%
Trading & Other	4.7	4.1	15%
Total Income	59.0	38.2	55%
Total Operating Expenses	-14.1	-11.7	20%
Pre-Provision Income Normalized	44.9	25.9	74%
Provisions	-4.7	-4.1	15%
Profit before tax	40.2	22.3	81%
Profit after tax reported	32.7	18.4	78%
Profit after tax normalized	32.7	18.0	152%
Balance Sheet (€m)			
Total Assets	4,069	2,801	45%
Net Loans	2,763	1,850	49%
Securities	722	478	51%
Deposits	3,331	2,378	40%
Tangible Equity	536	262	105%
KPIs			
NIM	4.48%	4.03%	
NFM	0.99%	1.00%	
Cost to Core Income	26.0%	34.3%	
Cost of Risk	0.73%	0.93%	
NPE ratio	1.10%	0.55%	
CAR FLB3	15.9%	12.4%	
RoTE	25.3%	28.6%	

Glossary - Definition of alternative performance measures (APMs)

- Adjusted net profit: Net profit/loss adjusted after adding back one off expenses or deducting one off revenues
- Basic Earnings per share (EPS): Net profit attributable to ordinary shareholders divided by the weighted average number of shares
- Common Equity Tier 1 (CET1): Common Equity Tier I regulatory capital as defined by Regulation (EU) No 575/2013 as in force. based on the transitional rules for the reported period. divided by total Risk Weighted Assets (RWA)
- Core operating income: The total of net interest income. net banking fee and commission income and income from non banking services
- Cost to core income ratio: Total operating expenses divided by total core operating income.
- Cost to Income ratio: Total operating expenses divided by total operating income
- Cost of Risk (CoR): Impairment charge in the P&L, annualized, divided by the average net loans over the period
- Earnings per share (EPS) underlying: Net profit attributable to ordinary shareholders excluding one off items, divided by the number of shares that resulted post the latest share capital increase
- Fees and commissions: The total of net banking fee and commission income and income from non banking services of the reported period
- Fully Loaded Common Equity Tier 1: Common Equity Tier I regulatory capital as defined by Regulation (EU) No 575/2013 as in force without the application of the relevant transitional rules for the reported period. divided by total Risk Weighted Assets (RWA)
- Gross Loans: Loans and advances to customers at amortised cost before expected credit loss allowance for impairment on loans and advances to customers at amortized cost and Loans and advances to customers mandatorily measured at FVTPL
- Liquidity Coverage Ratio (LCR): total amount of high quality liquid assets over the net liquidity outflows for a 30-day stress period
- Loans to Deposits ratio (L/D): Loans and advances to customers at amortised cost divided by due to customers at the end of the reported period
- Impairments on loans: Impairment charge for expected credit loss

Glossary - Definition of alternative performance measures (APMs)

- Net Loans: Gross loans and advances to customers at amortised cost after ECL allowance for impairments
- Net interest income: the net interest income from interest bearing assets for the reported period
- Net interest margin (NIM): the net interest income, annualized divided by the average balance of total assets
- Net profit on a recurring basis: Net profit/loss attributable to ordinary shareholders excluding one-off items
- Net Stable Funding Ratio (NSFR): The NSFR refers to the portion of liabilities and capital expected to be sustainable over the time horizon considered by the NSFR over the amount of stable funding that must be allocated to the various assets, based on their liquidity characteristics and residual maturities
- Non performing exposures (NPEs): as per EBA guidelines, non performing exposures are exposures in arrears of more than 90 days past due or for which the debtor is unlikely to pay its credit obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due
- Non performing loans (NPLs): Loans and advances to customers at amortised cost in arrears for 90 days or more
- NPE ratio: NPEs divided by Gross Loans
- NPL ratio: NPLs divided by Gross Loans
- NPE coverage: ECL allowance for loans and advances to customers divided by NPEs, excluding loans and advances to customers mandatorily measured at FVTPL, at year/period end
- NPL coverage: ECL allowance for loans and advances to customers divided by NPLs, excluding loans and advances to customers mandatorily measured at FVTPL, at year/period end
- Risk weighted assets (RWAs): Assets and off-balance-sheet exposures, weighted according to risk factors based on Regulation (EU) No 575/2013
- Tangible equity: Equity attributable to shareholders less goodwill, software and other intangible assets
- Return on tangible equity (RoTE): net profit annualized divided by average tangible equity for the period
- Return on tangible equity (RoTE) underlying: net profit excluding one off items, annualized divided by average tangible equity for the period

Disclaimer

This is a press release of an exclusively informative nature, intended to provide general information about the Bank. Your participation in any way in an event at which the press release is shown or your access to it in any other way constitutes an acknowledgment that you have read the terms hereof, which you understand and accept. This statement covers the press release, as well as any related material, oral or written information, presentation, comments, analyses, questions and answers related to it and the information contained therein.

The Bank takes appropriate measures in order to ensure that the content herein is true and accurate, however it does not make any warranty statement, does not provide a guarantee and does not undertake any commitment as to the completeness, accuracy, adequacy and impartiality of the information included in this information. No item or information listed herein is and cannot be taken, directly or indirectly, as such a statement or guarantee by the Bank. Information herein (including market data and statistics) may be derived from publicly available sources that have not been independently verified, and forecasts, valuations and statistical analyzes are based on subjective estimates and assumptions and may use alternative methodologies that produce different results.

The information contained herein does not take into account individual circumstances, investment objectives, financial ability, experience and knowledge and, therefore, in no way constitutes or may be construed, directly or indirectly, as a proposal or solicitation for carrying out transactions on the Bank's shares, nor as a recommendation or advice for making relevant investment decisions. Before making any investment decision, please do your own research, analysis and confirmation of the information herein and seek independent legal, tax and financial advice from professionals.

Statements, estimates and forecasts concerning mainly the Bank's strategy, business objectives and development, the results of operations and its financial position, the evolution of the Bank's branches of activity, as well as in general the economic and other conditions in Greece and abroad, are based on the Bank's current view, based on information available to it at the time of writing and reflect current expectations and assumptions regarding future events and circumstances which, however, may not be verified. These statements are not guarantees of future performance and contain many risks, uncertainties, general and specific and assumptions that are difficult to predict by the Bank and are beyond its control. You should not, therefore, rely on these statements, estimates and forecasts. The Bank does not undertake any responsibility to update or revise the statements herein, unless otherwise required by applicable law.

Optima bank

Investor Relations

32 Aigialeias & Paradeisou str.
Tel: (+30)-210-81 73 000
investors@optimabank.gr

Athens 15125
Greece

OPTIMAr.AT
OPTIMA GA
ISIN: GRS533003000

Optima bank