OLB BANK

Next level

IFRS Interim Group Management Report as of June 30, 2024

Table of contents

Interim management report

About the Company

Following the closing on April 30, 2024, Oldenburgische Landesbank AG (OLB or the Bank) is the new owner of Degussa Bank AG (Degussa Bank or DegBa). With this strategic step, OLB has strengthened its position on the German market. Degussa Bank has contributed around 311,000 private customers, who in Germany are largely based in geographical regions which complement those of OLB's customers. This means that OLB now has almost one million customers. By acquiring deposits comprising over EUR 5 billion of granular demand and term deposits, mainly from retail business, as well as approx. EUR 500 million of unused cover pool potential, OLB has strengthened its funding base. Through Degussa Bank's merger with OLB, which took effect for legal purposes at the end of August 2024, and the technical migration to OLB's systems, which was implemented in parallel, the Bank has laid the foundations for realising significant synergies and integration advantages over the next few months.

For management purposes, to date the Bank has divided up its business activities between its Private & Business Customers (PBC) and Corporates & Diversified Lending (CDL) business fields in terms of its target customers, products and services as well as from a procedural and settlement point of view. For the financial year 2024, Degussa Bank constitutes an additional, separate field of business. In the coming year, Degussa Bank's business activities are to be integrated within the PBC and CDL units.

Economic framework conditions

In the past spring, the German economy likely grew more slowly than had been originally assumed. Real gross domestic product (GDP) probably increased only marginally in the second quarter. Hopes that German industry would stage a rapid recovery were significantly dampened by May's figures. Industrial output suffered a clear decline, and the signs of a stabilisation in the volume of incoming orders indicated by a strong uptick in orders in April subsequently deteriorated considerably. Industry therefore likely curbed the pace of economic growth in the second quarter. Increased financing costs are continuing to adversely affect investments and thus domestic demand for industrial products and construction services. Construction output likely declined in the second quarter for the same reason. On the other hand, the service sector's recovery presumably continued. This assumption is borne out by the findings of surveys carried out by the ifo Institute and S & P Global. Private consumption probably stimulated demand for services, since the available indicators suggest that private consumption picked up slightly in the second quarter.

On July 18, 2024, the ECB's Governing Council decided to leave the ECB's three key interest rates unchanged. The latest available data largely confirms its assessment regarding the medium-term inflation outlook. It will maintain a sufficiently restrictive key interest-rate policy for as long as necessary, in order for inflation to return to its medium-term goal of 2 %. The ECB's Governing Council has not defined a specific interest-rate path.

Impact of the acquisition of Degussa Bank on net assets, financial position and result of operations

Following the closing on April 30, 2024, Degussa Bank AG was incorporated within the OLB Group's basis of consolidation. Within the scope of its initial consolidation, Degussa Bank's financial reporting was converted to the IFRS and its accounting policies to the methods applicable at OLB. In addition, the necessary adjustments were made for accounting policies under IFRS 3 for business combinations. Significant changes by comparison with Degussa Bank's single-entity financial statements resulted due to the fair value measurement of derivatives and securities, the measurement of provisions as well as risk provisions and the purchase price allocation, with the related fair value measurement of loan receivables and customer deposits. Since the purchase price for Degussa Bank was less than its equity measured according to IFRS standards, Degussa Bank's initial consolidation has resulted in positive one-off income of EUR 49.4 million, which has been reported in the "Result from non-trading portfolio (non-operative)" item. It should be noted that restructuring provisions in the amount of EUR 25 million, which Degussa Bank recognised in its closing balance sheet as of April 30, 2024, have already been deducted from this income. DegBa's operating result since the closing – i.e. for the months of May and June – has been included in the Group's results of operations. A one-off effect in the risk provision item resulted from the first-time measurement of the acquired credit portfolio according to the IFRS 9 rules in the amount of EUR 11.5 million. For further details, please refer to the information provided regarding the acquisition and its measurement in the notes to the interim consolidated financial statements.

Net assets and financial position

The significant growth in the OLB Group's net assets is attributable to its continued positive course of business in its PBC and CDL segments as well as the initial consolidation of Degussa Bank. The combined credit volume, liquidity, customer deposits and customer base provide the foundations for a further improvement in the Bank's competitiveness and competitive positioning.

EUR m	06/30/2024	12/31/2023	Changes	Changes in %
Cash reserve	214.2	77.7	136.5	>100.0
Trading portfolio assets	61.8	76.1	- 14.3	- 18.8
Positive fair values of derivative hedging instruments	4.5	35.1	- 30.6	- 87.3
Receivables from banks	990.1	548.8	441.3	80.4
Receivables from customers	25,103.3	19,724.6	5,378.8	27.3
Financial assets of the non-trading portfolio	5,236.5	4,882.4	354.1	7.3
Tangible fixed assets	60.7	53.2	7.5	14.0
Intangible assets	41.3	32.9	8.4	25.5
Other assets	356.1	335.7	20.4	6.1
Income tax assets	2.3	0.0	2.3	>100.0
Deferred tax assets	187.2	110.8	76.4	68.9
Non-current assets held for sale	1.3	1.2	0.1	11.5
Total assets	**32,259.3**	**25,878.6**	**6,380.7**	**24.7**
Trading portfolio liabilities	82.1	93.1	- 11.1	- 11.9
Negative fair values of derivative hedging instruments	4.9	3.6	1.4	38.4
Liabilities to banks	5,373.6	5,628.7	- 255.1	- 4.5
Liabilities to customers	22,516.1	16,917.6	5,598.4	33.1
Securitised liabilities	1,685.2	1,196.6	488.7	40.8
Subordinated debt	485.2	129.3	355.9	>100.0
Income tax liabilities	29.4	12.7	16.7	>100.0
Provisions	162.3	135.2	27.1	20.1
Other liabilities	125.9	80.9	45.0	55.7
Equity	1,794.7	1,681.0	113.7	6.8
Total equity and liabilities	**32,259.3**	**25,878.6**	**6,380.7**	**24.7**

Lending business

The organic growth in the lending business was unabated in the first six months of the year. The Bank significantly expanded its volume of business in both segments. Due to the continued positive trend for its partnership with the Dutch mortgage financing brokerage platform Tulp in particular, the volume of consumer real estate loans in the PBC business field exceeded EUR 8 billion for the first time (EUR 8.2 billion as of June 30, 2024). Growth in the CDL segment was broad-based; the International Diversified Lending (IDL), Fund Finance and Football Finance units especially achieved considerable business growth.

The lending business was also subject to inorganic growth thanks to the acquisition of Degussa Bank. As of June 30, 2024, at EUR 4.9 billion Degussa Bank's portfolio accounts for approx. 20 % of the OLB Group's total credit volume. Degussa Bank's lending business mainly consists of private mortgage financing and consumer loans.

Credit volume EUR bn

25.1

PY 19.7

The OLB Group's credit volume increased by 27.3 % to EUR 25.1 billion in the first six months of the financial year 2024.

The risk provision trend in the first six months of 2024 was shaped by the fact that higher specific loan loss provisions were required for OLB's lending business due to the difficult macroeconomic picture. This trend was partly offset by a decrease in general loan loss provisions. Above all, an EUR 8 million decrease, from EUR 15.9 million to EUR 7.9 million, in the additional risk provision which had been recognised as of December 31, 2023, for expenses envisaged due to higher energy and consumer prices as well as possible interest rate increases had a positive impact here. This decrease in additional risk provision was possible becaus the risks anticipated for the actual risk provision trend had already been partially realised. The reason for establishing this additional risk provision thus no longer applied.

The acquisition of Degussa Bank led to an increase in the overall volume of risk provision due to the assumption of its existing specific loan loss provisions as well as the mandatory remeasurement of general risk provision according to the IFRS rules.

This caused the NPL ratio to increase slightly, from 1.51% at the end of 2023 to 1.65%.

EUR m	06/30/2024	12/31/2023	Changes	Changes in %
Gross receivables from customers	**25,339.3**	**19,921.7**	**5,417.6**	**27.2 %**
thereof non-performing receivables	418.0	301.8	116.2	39,0 %
Total risk provision for receivables from customers	**222.6**	**197.2**	**25.5**	**12.9 %**
thereof general loan loss provision (Stage 1 / Stage 2)	78.3	78.1	0.2	0.2 %
thereof specific loan loss provision (Stage 3)	144.3	119.1	25.3	21.2 %
Proportion of non-performing receivables ("NPL ratio")	1.65 %	1.51 %	n / a	n / a
Collateral assigned to non-performing receivables	138.1	108.3	29.8	27.6 %
Coverage ratio of non-performing receivables including collateral ("Coverage ratio")	67.6 %	75.3 %	n / a	n / a
NPL coverage ratio excluding collateral	34.5 %	39.5 %	n / a	n / a

Capital resources

OLB paid a EUR 100.3 million dividend to its shareholders in June 2024. Its on-balance sheet equity nonetheless increased by 6.8 % relative to December 31, 2023, to EUR 1,794.7 million. On the one hand, this reflects the profit of EUR 153.2 million for the first six months of the year. This figure includes the difference between the purchase price paid for Degussa Bank and the EUR 49.4 million net carrying amount of the assets and liabilities which Degussa Bank has contributed to the Group. On the other hand, the Bank's additional equity components have increased by EUR 49.6 million due to the AT1 capital contributed by Degussa Bank.

Following the acquisition of Degussa Bank, for regulatory purposes the OLB Group constitutes a single group as of the reporting date. The Bank has calculated the capital ratios applicable for the Group as of June 30, 2024, according to the deduction and aggregation method pursuant to Sec. 10a (4) of the German Banking Act (Kreditwesengesetz, KWG) on the basis of the companies' respective financial statements drawn up according to the German Commercial Code (Handelsgesetzbuch, HGB). The Bank has made use of the option to claim EUR 35.9 million out of its profit for the first quarter as Common Equity Tier 1 capital over the course of the year on the basis of Article 26(2) CRR.

To strengthen its aggregate capital ratio, in January and March 2024 OLB raised on the capital market additional Tier 2 capital in the overall amount of EUR 320 million in the form of subordinated debt instruments.

The following table compares the Group's capital ratios and risk assets as of June 30, 2024, with the corresponding figures for OLB as of December 31, 2023, when it still constituted an individual institution.

EUR m	06/30/2024	12/31/2023	Changes	Changes in %
Common Equity Tier 1 capital	1,631.6	1,432.5	199.1	13.9
Additional Tier 1 capital (AT1)	151.3	101.3	50.0	49.4
Tier 1 capital	**1,782.9**	**1,533.8**	**249.1**	**16.2**
Tier 2 capital	469.4	117.9	351.5	>100.0
Share capital and reserves	**2,252.3**	**1,651.7**	**600.6**	**36.4**
Risk assets for counterparty risks	10,657.2	9,014.8	1,642.4	18.2
Risk assets for market price risks	—	—	—	n/a
Risk assets for operational risks	1,264.9	960.5	304.4	31.7
Risk assets	**11,922.1**	**9,975.3**	**1,946.8**	**19.5**

%	06/30/2024	12/31/2023
Common Equity Tier 1 capital ratio	13.7	14.4
Tier 1 capital ratio	15.0	15.4
Aggregate capital ratio	18.9	16.6

The EUR 1,946.8 million growth in RWA by comparison with December 31, 2023, (EUR 9,975.3 million) to EUR 11,922.1 million is mainly attributable to Degussa Bank's EUR 1.4 billion contribution. It should be noted that, due to a regulatory requirement during the Group phase, a 10 % premium was recognisable on the RWA calculated by Degussa Bank. However, in addition to this OLB's risk assets rose by EUR 526.5 million in the first six months of the year. This was mainly due to the further growth in its credit volume, the increase in its RWA for operational risks due to its higher volume of business as well as a slight deterioration in the average credit rating for its credit portfolio.

Overall, as expected the Group's capital ratios as of June 30, 2024, have decreased slightly by comparison with the single-entity financial statements as of the end of 2023.

Common Equity Tier 1 capital ratio in %

13.7

PY 14.4

Due to the acquisition of Degussa Bank, in line with expectations the Common Equity Tier 1 capital ratio at Group level is lower than the corresponding figure for OLB as an individual institution.

Liquidity

In the Bank's opinion, it maintained an appropriate level of liquidity in the first six months of 2024. It consistently and clearly exceeded on all reporting dates the regulatory minimum threshold for its liquidity coverage ratio (LCR) of 100 % as an individual institution and, from April 30, 2024, at Group level.

Deposits and borrowed funds

As a result of its acquisition of Degussa Bank, the OLB Group has acquired an additional approx. EUR 5 billion of granular demand and term deposits, mainly from private customer business. At Group level, the ratio of the credit volume and deposit business thus remained largely unchanged. Even if Degussa Bank is excluded, OLB has once again achieved significant growth in its volume of deposits by comparison with the end of 2023.

Results of operations

EUR m	01/01–06/30/2024	01/01–06/30/2023	Changes	Changes in %
Net interest income	278.3	243.4	34.9	0.0
Net commission income	64.1	58.9	5.1	0.0
Trading result	1.3	5.2	- 3.9	- 0.0
Result from hedging relationships	1.7	- 13.2	14.9	<- 100.0
Other income	1.2	9.0	- 7.9	- 0.0
Result from non-trading portfolio	- 2.6	0.8	- 3.4	<- 100.0
Operating income	**343.9**	**304.2**	**39.8**	**0.0**
Personnel expenses	- 78.0	- 68.7	- 9.2	0.0
Non-personnel expenses	- 74.9	- 42.3	- 32.6	0.0
Depreciation, amortisation and impairments of intangible and tangible fixed assets	- 12.8	- 11.0	- 1.8	0.0
Other expenses	- 4.5	- 0.6	- 3.9	>100.0
Operating expenses	**- 170.2**	**- 122.6**	**- 47.6**	**0.0**
Expenses from bank levy and deposit protection	- 2.8	- 11.1	8.4	- 0.0
Risk provisioning in the lending business	- 30.9	- 15.0	- 15.9	>100.0
Result from derecognition of financial instruments AC	—	—	—	n/a
Result from restructurings	- 0.2	- 0.2	0.0	- 0.0
Result from non-trading portfolio (non-operative)	49.4	—	49.4	n/a
Result before taxes	**189.3**	**155.2**	**34.1**	**0.0**
Income tax	- 36.1	- 50.4	14.3	- 0.0
Result after taxes (profit)	**153.2**	**104.8**	**48.5**	**0.0**

The year-on-year trend for the items reported under results of operations was largely shaped by the initial consolidation of Degussa Bank. The OLB Group's earnings for the first six months of 2024 include, for the first time, Degussa Bank's earnings for the months of May and June.

In particular, the following factors relating to the acquisition have shaped the results of operations at Group level:

- Since the purchase price for Degussa Bank was less than its equity measured according to the IFRS 3 rules, the initial consolidation resulted in positive one-off income of EUR 49.4 million, which has been reported in the "Result from non-trading portfolio (non-operative)" item. It should be noted that restructuring provisions in the amount of EUR 25 million, which Degussa Bank recognised in its closing balance sheet as of April 30, 2024, have already been deducted from this income.
- The first-time application of OLB's model for the calculation of general risk provision according to IFRS 9 has resulted in one-off risk provision expenses of EUR 11.5 million.
- Due to the fair value measurement of the credit portfolio and deposits required according to the IFRS rules, Degussa Bank's IFRS opening balance sheet as of April 30, 2024, is subject to markdowns on the previous carrying amounts on the basis of the nominal values of these items. These markdowns are amortised in net interest income in accordance with the effective interest rate over the term of the individual transactions. As of June 30, 2024, on balance this resulted in additional net interest income of EUR 10.6 million.

The cost-income ratio at Group level has been mainly shaped by one-off transformation costs at the level of OLB. These include costs for the acquisition and integration of Degussa (EUR 9.5 million), expenses associated with preparations for the Bank's inspection by the ECB from 2025 onwards (EUR 2.8 million), costs for the redesign of OLB's brand identity, which is due to be implemented from September 2024 onwards (EUR 2.2 million), as well as investments in improving IT systems and processes. Accordingly, the cost-income ratio has increased significantly year-on-year to 49.5 %.

COST-INCOME RATIO in %

49.5

PY 40.3

Due to high one-off costs relating to the Bank's transformation, its cost-income ratio has temporarily increased from 40.3 % to 49.5 %.

All in all, continued growth in OLB's operating business, including the one-off effects resulting from the purchase of Degussa Bank, led to a very considerable 46 % increase in earnings after tax for the first six months of the year to EUR 153.2 million (previous year: EUR 104.8 million). The return on equity has been impacted, in particular, by positive one-off income in the amount of EUR 49.4 million from Degussa Bank's initial consolidation and thus amounted to 19.6 % (previous year: 14.3 %).

RETURN ON EQUITY POST TAX in %

19.6

PY 14.3

OLB's return on equity post tax was 19.6 % in the first six months of the financial year 2024.

Segment earnings

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Centre	OLB Group
01/01 - 06/30/2024					
Net interest income	119.7	139.9	11.9	6.9	278.3
Net commission income	40.3	21.9	3.5	- 1.6	64.1
Other operating income*	2.5	6.7	- 4.7	- 0.4	4.2
Result from non-trading portfolio**	—	—	0.0	- 2.6	- 2.6
Operating income	**162.5**	**168.5**	**10.7**	**2.1**	**343.9**
Operating expenses* **	**- 79.5**	**- 37.5**	**- 15.4**	**- 37.7**	**- 170.2**
Operating result	**83.0**	**131.1**	**- 4.7**	**- 35.6**	**173.8**
Expenses from bank levy and deposit protection	- 1.1	- 1.2	- 0.5	0.0	- 2.8
Risk provisioning in the lending business	- 5.8	- 11.2	- 3.0	- 10.9	- 30.9
Result from restructurings	—	—	—	- 0.2	- 0.2
Result from non-trading portfolio (non-operative)	—	—	—	49.4	49.4
Result before taxes	**76.1**	**118.7**	**- 8.2**	**2.8**	**189.3**
Income tax	- 23.6	- 36.8	11.4	12.8	- 36.1
Result after taxes (profit)	**52.5**	**81.9**	**3.2**	**15.7**	**153.2**
Cost-income ratio (CIR)	**48.9**	**22.2**	**n/a**	**n/a**	**49.5**
Return on equity post tax in %	**27.9**	**17.7**	**n/a**	**n/a**	**13.8**
01/01 - 06/30/2023					
Net interest income	130.0	131.9		- 18.5	243.4
Net commission income	40.4	22.0		- 3.4	58.9
Other operating income*	1.4	5.3		- 5.7	1.0
Result from non-trading portfolio**	—	—		0.8	0.8
Operating income	**171.8**	**159.2**		**- 26.8**	**304.2**
Operating expenses* **	**- 75.8**	**- 31.1**		**- 15.7**	**- 122.6**
Operating result	**96.0**	**128.1**		**- 42.6**	**181.6**
Expenses from bank levy and deposit protection	- 3.7	- 3.4		- 4.1	- 11.1
Risk provisioning in the lending business	- 5.5	- 10.9		1.4	- 15.0
Result from restructurings	—	—		- 0.2	- 0.2
Result before taxes	**86.8**	**113.9**		**- 45.5**	**155.2**
Income tax	- 26.9	- 35.3		11.8	- 50.4
Result after taxes (profit)	**59.9**	**78.6**		**- 33.7**	**104.8**
Cost-income ratio (CIR)	**44.1**	**19.5**		**n/a**	**40.3**
Return on equity post tax in %	**34.2**	**18.9**		**n/a**	**14.3**

** Comprises trading result, result from hedging relationships and other income*

*** Including result from derecognition of financial instruments AC*

****Comprises personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses*

The cost-income ratio and return on equity are not taken into consideration within the scope of management of the Corporate Centre and Degussa Bank.

Private & Business Customers

The decline in net interest income in the Private & Business Customers business field is mainly attributable to the earnings provided by the deposit business. The significant rise in the volume of fixed-term deposits and other term deposits has increased the corresponding interest expense. The slight growth in net interest income from lending business as a result of this increased volume was unable to compensate for this development. Overall, the trend for commission business was stable. Increases in income from payment transactions and securities business made up for declines in other areas. Overall, operating income decreased by 5.4 % year-on-year to EUR 162.5 million. While the direct costs for this segment remained almost stable, increased amounts apportioned for trade settlement and management led overall to a 4.9 % increase in operating expenses to EUR 79.5 million. The cost-income ratio in the PBC segment rose by 4.8 percentage points to 48.9 %. The significant fall in expenses for the bank levy and deposit protection had a positive impact on segment earnings. At EUR 5.8 million, risk provisions remained at the previous year's level. Overall, the PBC business field's profitability increased slightly year-on-year by 6.3 percentage points to 27.9 %.

Corporates & Diversified Lending

Continued strong growth in the lending business was once again the key factor behind the significant 5.9 % growth in operating income in this business field to EUR 168.5 million. Due to the reduced significance of deposit business in this segment, the increase in the proportion of higher-interest deposits had only a minor effect on net interest income. Net commission income was shaped by the lending business, as before, and remained at the previous year's high level. The total costs for this segment rose by EUR 2.3 million to EUR 33.4 million. However, here too the main factor was the costs associated with the use of services provided by the Corporate Centre. A significant provision recognised for a legal dispute in connection with a historical customer relationship adversely affected earnings in this segment. These costs were the key reason behind an increase in this segment's cost-income ratio from 19.5 % to 22.2 %. Risk provisions amounted to EUR 11.2 million in the first six months of the financial year and thus matched the previous year's level (EUR 10.9 million). Overall, earnings after taxes rose from EUR 78.6 million in the previous year to EUR 81.9 million. Due to the increased volume of capital tied up on account of the volume growth in the lending business, the return achieved by the CDL business field decreased slightly from 18.9 % to 17.7 %.

Degussa Bank

The Degussa Bank business field pools all of Degussa Bank's business activities since the closing on April 30, 2024. This includes Degussa Bank's settlement and management units. The one-off effects resulting from its initial consolidation and the amortisation of the effects arising from the purchase price allocation have not been allocated to the Degussa Bank business field and are instead reported for the Corporate Centre. The significant positive effect of income taxes for this segment has mainly resulted due to the fact that deferred taxes have been included in the fair value measurement of derivatives within the scope of Degussa Bank's initial consolidation as of April 30, 2024. This measurement result was realised in May due to close-out transactions. On account of the tax losses incurred by Degussa Bank up to the end of April 2024, the profit contributed from the reversal of deferred taxes was not offset by any actual tax expense. On balance, this thus resulted in a significantly positive effect on the segment's earnings.

Corporate Centre

In the first six months of 2024, the net interest income trend for the Corporate Centre was characterised by a significant increase resulting from the amortisation of both the markdowns on Degussa Bank's previous carrying amounts and the fair value adjustments for underlying transactions in the hedge accounting as well as improved income from maturity transformation. In addition, operating income in the segment benefited very clearly from a decrease in the adverse impacts on the trading result as a result of the hedge accounting, which negatively affected earnings in the previous year as a result of the strong movement in interest rates. Operating income rose overall by EUR 29.0 million to EUR 2.1 million.

The increase in administrative expenses for the Corporate Centre is primarily attributable to non-recurring expenses incurred in connection with the acquisition of Degussa Bank and preparations for its integration, project costs associated with preparation for ECB supervision as well as costs relating to the Bank's new brand identity. The decline in the expenses for the bank levy and in the costs for the deposit protection scheme had a positive effect. Risk provision has mainly been shaped by the effect resulting from first-time application of the IFRS 9 rules for the general loan loss provisions. The positive one-off income of EUR 49.4 million resulting from the initial consolidation of Degussa Bank was reported in the item "Result from non-trading portfolio (non-operative)" and has led to positive earnings before tax of EUR 2.8 million. Income in the amount of EUR 49.4 million is tax-free. This accounts for the imputed tax benefit in this segment.

Outlook

No significant changes arose during the reporting period in respect of the fundamental opportunities and legal and financial risks associated with the Bank's operational performance or with respect to the Bank's risk management targets and methods, all of which were described in its Annual Report 2023.

With regard to the timing of Degussa Bank's integration within OLB for legal and operational purposes, this was implemented on August 31, 2024, as planned. The risks of a later migration date which were set out by way of an adverse scenario are thus not relevant. The Bank will be in a position to complete its envisaged restructuring measures, in particular, largely by the end of the financial year 2024.

Despite the subdued economic environment, risk provision expense – not including the one-off effect resulting from the first-time IFRS measurement of general risk provision for the credit portfolio acquired from Degussa Bank – has increased only moderately by comparison with the previous year. Nonetheless, there is still a degree of uncertainty regarding the long-term effects of the higher energy prices and the higher interest rate level on businesses' financial situation. It is therefore not possible to extrapolate from a favourable risk provisioning trend in the first six months of 2024 to the picture for the year as a whole.

With regard to the other components of its operating expenses and income which shape its results of operations, the Bank continues to expect a stable trend for the second half of the year, in line with its ambitious expectations.

Oldenburg, September 10, 2024
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chief Executive Officer

Marc Kofi Ampaw

Aytac Aydin

Chris Eggert

Giacomo Petrobelli

Dr Rainer Polster

Condensed Interim Consolidated Financial Statements of the Oldenburgische Landesbank AG Group

Statement of profit and loss and other comprehensive income
of the Oldenburgische Landesbank Group for the period from January 1, 2024, to June 30, 2024

Statement of profit and loss

EUR m	01/01-06/30/2024	01/01-06/30/2023	Notes
Interest income accounted for using the effective interest method	531.9	402.1	5
Interest income not accounted for using the effective interest method	122.5	84.4	5
Interest expenses	- 376.2	- 243.0	5
Net interest income	278.3	243.4	1,5,9
Commission income	95.9	81.1	6
Commission expense	- 31.8	- 22.2	6
Net commission income	64.1	58.9	1,6,9
Trading result	1.3	5.2	
Result from hedging relationships	1.7	- 13.2	
Other income	1.2	9.0	
Current income	**346.6**	**303.4**	
Personnel expenses	- 78.0	- 68.7	1,7,9
Non-personnel expenses	- 74.9	- 42.3	1,7,9
Depreciation, amortization and impairments of intangible and tangible fixed assets	- 12.8	- 11.0	1,7,9
Other expenses	- 4.5	- 0.6	1,7,9
Expenses from bank levy and deposit protection	- 2.8	- 11.1	1,7,9
Current expenses	**- 172.9**	**- 133.7**	1,7,9
Risk provisioning in the lending business	- 30.9	- 15.0	
Result from non-trading portfolio	46.8	0.8	
Result from derecognition of financial instruments AC	—	—	
Result from restructurings	- 0.2	- 0.2	
Result before taxes	**189.3**	**155.2**	
Income tax	- 36.1	- 50.4	
Result after taxes (profit)	**153.2**	**104.8**	
Thereof: Result after taxes (profit) attributable to the owners of the parent	153.2	104.8	
Basic earnings per share (euros)	3.07	2.14	10
Diluted earnings per share (euros)	2.71	1.83	10

Other comprehensive income

EUR m	01/01-06/30/2024	01/01-06/30/2023	Notes
Result after taxes (profit)	153.2	104,8	
Items reclassifiable through profit or loss			1
OCI-addition in debt instruments measured at fair value through other comprehensive income (FVOCI)	- 0.0	—	
Change in debt instruments measured at fair value through other comprehensive income (FVOCI)	- 2.6	- 4.5	
Valuation changes	- 6.3	- 6.8	
Gains and losses reclassified to the income statement	2.5	0.3	
Deferred taxes	1.2	2.0	
Items not reclassifiable through profit or loss			1
Change from remeasurement of defined benefit plans recognised in other comprehensive income	13.8	- 4.0	
Valuation changes	20.0	- 5.8	
Deferred taxes	- 6.2	1.8	
Other comprehensive income	11.1	- 8.5	1
Total comprehensive income	**164.4**	**96.2**	
Thereof: Total comprehensive income attributable to the owners of the parent	**164.4**	**96.2**	

Balance sheet

of the Oldenburgische Landesbank Group as of June 30, 2024

Assets

EUR m	06/30/2024	12/31/2023	Notes
Cash reserve	214.2	77.7	12
Trading portfolio assets	61.8	76.1	
Positive fair values of derivative hedging instruments	4.5	35.1	
Receivables from banks	990.1	548.8	
Receivables from customers	25,103.3	19,724.6	11
Financial assets of the non-trading portfolio	5,236.5	4,882.4	12
Tangible fixed assets	60.7	53.2	
Intangible assets	41.3	32.9	
Other assets	356.1	335.7	
Income tax assets	2.3	0.0	
Deferred tax assets	187.2	110.8	
Non-current assets held for sale	1.3	1.2	
Total assets	**32,259.3**	**25,878.6**	

Equity and liabilities

EUR m	06/30/2024	12/31/2023	Notes
Trading portfolio liabilities	82.1	93.1	
Negative fair values of derivative hedging instruments	4.9	3.6	
Liabilities to banks	5,373.6	5,628.7	14
Liabilities to customers	22,516.1	16,917.6	15
Securitized liabilities	1,685.2	1,196.6	16
Subordinated debt	485.2	129.3	17
Income tax liabilities	29.4	12.7	
Provisions	162.3	135.2	
Deferred tax liabilities	—	—	
Other liabilities	125.9	80.9	
Equity	1,794.7	1,681.0	
Subscribed capital	99.8	99.8	
Capital reserves	540.0	540.0	
Revenue reserves	1,033.1	980.2	
Additional equity components	148.8	99.2	
Other comprehensive Income (OCI)	- 27.1	- 38.2	
Total equity and liabilities	**32,259.3**	**25,878.6**	

Statement of changes in equity

of the Oldenburgische Landesbank Group for the period from January 1, 2024, to June 30, 2024

					Cumulative other comprehensive income		
EUR m	Subscribed capital	Capital reserves	Revenue reserves	Additional equity components	Debt instruments with reclassification	Pensions	Total equity
Notes			2				
12/31/2023	**99.8**	**540.0**	**980.2**	**99.2**	**- 57.4**	**19.2**	**1,681.0**
Result after taxes (profit)	—	—	111.7	—	—	—	111.7
Addition of Degussa Bank to the basis of consolidation	50.0	14.1	184.3	49.6	- 0.0	- 0.3	297.8
Capital consolidation	- 50.0	- 14.1	- 142.8	—	—	0.3	- 206.6
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	- 2.6	—	- 2.6
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	13.8	13.8
Instrument-based changes in equity	—	—	—	—	—	—	—
Other changes in equity	—	—	- 0.0	—	—	—	- 0.0
Total result	**—**	**—**	**153.2**	**49.6**	**- 2.7**	**13.8**	**214.0**
Payment on additional equity components	—	—	—	—	—	—	—
Dividend payment	—	—	- 100.3	—	—	—	- 100.3
06/30/2024	**99.8**	**540.0**	**1,033.1**	**148.8**	**- 60.1**	**33.0**	**1,794.7**
12/31/2022	**97.4**	**517.3**	**786.1**	**124.2**	**- 38.4**	**30.8**	**1,517.4**
Result after taxes (profit)	—	—	104.8	—	—	—	104.8
Other comprehensive income from changes in debt instruments measured at fair value through other comprehensive income (FVOCI)	—	—	—	—	- 4.5	—	- 4.5
Other comprehensive income from changes in defined benefit plans recognised directly in equity	—	—	—	—	—	- 4.0	- 4.0
Instrument-based changes in equity	2.4	22.6	—	- 25.0	—	—	- 0.0
Other changes in equity	—	—	—	—	—	—	—
Total result	**2.4**	**22.6**	**104.8**	**- 25.0**	**- 4.5**	**- 4.0**	**96.2**
Payment on additional equity components	—	—	—	—	—	—	—
Dividend payment	—	—	- 30.2	—	—	—	- 30.2
06/30/2023	**99.8**	**540.0**	**860.6**	**99.2**	**- 42.9**	**26.8**	**1,583.5**

In the 2024 reporting period, EUR 100.3 million was distributed, i.e. EUR 2.01 per share – based on 49.9 million shares at the time of distribution (EUR 30.2 million was distributed in 2023, i.e. EUR 0.62 per share based on 48.7 million shares at the time of distribution).

Cash Flow statement

of the Oldenburgische Landesbank Group for the period from January 1, 2024, to June 30, 2024

EUR m	01/01–06/30/2024	01/01–06/30/2023	Notes
Operating activities			
Result after taxes (profit)	153.2	104.8	
Adjustments for			
Depreciation, amortization and impairments of intangible and tangible fixed assets and impairments / reversals of impairments in the lending business	48.9	29.4	
Change in provisions	10.8	9.1	
Other non-cash expenses / income	- 276.0	- 8.1	
Gain / loss on disposal of fixed assets	2.1	0.5	
Other adjustments	—	0.5	
Subtotal	**- 61.0**	**136.3**	
Change in trading portfolio assets	350.6	- 85.5	
Change in receivables from banks	381.5	470.1	
Change in receivables from customers	- 590.5	- 718.1	11
Change in financial assets of the non-trading portfolio	- 253.8	- 1,666.3	12
Change in other assets	- 417.8	- 736.4	
Change in trading portfolio liabilities	- 131.3	21.2	
Change in liabilities to banks	- 797.5	193.0	14
Change in liabilities to customers	571.2	- 38.6	15
Change in securitized liabilities	493.4	465.5	16
Change in other liabilities	595.8	753.4	
Net interest income*	- 278.3	- 243.4	
Income taxes	36.1	50.5	
Interest received	859.6	433.8	
Dividend payments received	0.0	0.0	
Interest paid	- 548.0	- 129.5	
Income tax paid	- 57.9	- 73.5	
Cashflows from operating activities	**152.0**	**- 1,167.4**	

**Including cash payments for the interest portion of lease liabilities*

EUR m	01/01–06/30/2024	01/01–06/30/2023	Notes
Investing activities			
Proceeds from disposal of financial assets of the non-trading portfolio	—	—	
Proceeds from disposal of tangible fixed assets	2.2	0.0	
Payments to acquire financial assets of the non-trading portfolio	- 196.2	- 0.0	
Payments to acquire tangible fixed assets	- 6.6	- 5.9	
Cashflows from investing activities	**- 200.7**	**- 6.0**	
Financing activities			
Proceeds from capital contributions	—	—	
Dividends paid	- 99.9	- 30.2	
Change in subordinated debt	304.8	- 28.5	17
Additional equity components	—	- 0.0	
Interest expense for Additional equity components	—	—	
Change in cash funds from other financing activity**	- 19.7	- 13.1	
Cashflows from financing activities	**185.2**	**- 71.9**	

***Including cash payments for the principal portion of lease liabilities*

EUR m	01/01–06/30/2024	01/01–06/30/2023	Notes
Cash reserve			
Cash reserve as of 1/1	77.7	1,529.8	
Cashflow from operating activities	152.0	- 1,167.9	
Cashflow from investing activities	- 200.7	- 6.0	
Cashflow from financing activities	185.2	- 71.9	
Cash reserve as of 06/30/2024	214.2	284.0	
Change in cash reserve	**136.5**	**- 1,245.7**	

Condensed Notes to the Consolidated Financial Statements of the Oldenburgische Landesbank Group

For the period from January 1, 2024, to June 30, 2024

General Disclosures

(1) Basis of accounting

The interim financial statements as of June 30, 2024, have been prepared in accordance with the International Financial Reporting Standards (IFRS). In particular, the requirements of IAS 34 Interim Financial Reporting have been complied with. In preparing this interim report, the Bank has applied those IFRS applicable to interim financial reporting as adopted by the EU. These financial statements have not been reviewed by an auditor. The following IFRS were applied for the first time in the interim consolidated financial statements:

- On May 25, 2023, the IASB issued “Supplier Financing Arrangements (Amendments to IAS 7 and IFRS 7)”. The amendments are effective for reporting periods beginning on or after January 1, 2024.
- On September 22, 2022, the IASB published “Lease Liability in a Sale and Leaseback Transaction (Amendments to IFRS 16)”. It is effective for reporting periods beginning on or after January 1, 2024.
- On October 31, 2022, the IASB issued “Non-current Liabilities with Constraints (Amendments to IAS 1)”. The amendments are effective for reporting periods beginning on or after January 1, 2024.

These had no material impact on the interim consolidated financial statements. Further information on the new and revised standards can be found in our IFRS consolidated financial statements 2023.

The reporting period for the condensed interim consolidated financial statements covers the period January 1, 2024, to June 30, 2024. These interim consolidated financial statements do not contain all of the information and disclosures which are required in consolidated financial statements and should therefore be read in conjunction with the consolidated financial statements as of December 31, 2023. In principle, we have applied the same accounting policies for this consolidated interim report as of June 30, 2024, as in the Bank’s consolidated financial statements as of December 31, 2023. The euro is the reporting and functional currency. Figures are generally shown in millions of euros, rounded to one decimal place. Due to rounding, in some cases individual figures may not precisely add up to the stated total amount. This Group interim report has been prepared on the basis of the going concern principle.

(2) Disclosures concerning the basis and methods of consolidation and disclosures in accordance with IFRS 3

Oldenburgische Landesbank AG, Degussa Bank AG, Compartment 3, Compartment 4, Compartment 5 and Compartment 6 of Weser Funding S. A. have been included in the consolidated financial statements. One subsidiary has not been included, since it only has a minor impact on OLB’s net assets, financial position and results of operations.

General presentation of the acquisition of Degussa Bank AG

As of April 30, 2024 (closing date), OLB acquired all shares of Degussa Bank AG upon payment of a cash purchase price.

Degussa Bank AG is a financial services provider with an omnichannel strategy that has served around 340,000 customers nationwide in the private and corporate customer business with a focus on industrial and economic centers in Germany (Ruhr area, Hesse / Rhineland-Palatinate, greater Munich area) as well as online.

The acquisition pursued the strategic objectives of generating additional volumes in the retail business by expanding the customer base and extending the company’s presence in strong economic regions.

Degussa Bank AG was merged into OLB AG by a formal entry into the Commercial Register on August 30, 2024, with retrospective effect as of January 1, 2024. The company’s business operations were also fully integrated into OLB technically in the context of the merger under commercial law.

Presentation and composition of the purchase price

In addition to the agreed cash purchase price, a contingent purchase price payment and a ticker fee had to be taken into account when determining the purchase price. Taking these aspects into account, the purchase price is composed as follows (in millions of euros):

in EUR m	
Cash purchase price	194.8
Conditional purchase price payment	2.65
Ticker fee	3.45
Total purchase price	**200.9**

Taking into account acquired cash balances such as cash and cash equivalents, there was a net cash inflow of EUR 196.2 million, which is reflected in the cash flows from investing activities. ↗

Conditional purchase price payment

The purchase price includes an agreement on a contingent consideration that is dependent on the full settlement of certain receivables. The purchase price increases retrospectively by EUR 5 million if certain receivables are repaid in full on certain dates in the following financial year. The probability of a payment occurring is 60 %, so that the undiscounted expected value is EUR 3 million (60 % of EUR 5 million). Assuming a payment date at the end of August 2025, the discounted value of the contingent purchase price payment is EUR 2.65 million.

Fair values of the transferred net assets

The acquired net assets of Degussa Bank AG break down as follows at the time of acquisition:

Assets

in EUR m	
Cash reserve	4.7
Trading assets	8.4
Receivables from banks	818.8
Receivables from customers	4,858.6
Financial assets	194.3
Property, plant and equipment	12.9
Intangible assets	10.1
Other assets	16.0
Tax receivables from Current taxes	2.3
Tax receivables from Deferred taxes	101.4
Total assets	**6,027.6**

Liabilities

in EUR m	
Liabilities to banks	557.8
Liabilities to customers	4,974.5
Securitized liabilities	0.0
Subordinated liabilities	42.3
Tax liabilities from Current taxes	4.1
Provisions	76.6
Other liabilities	30.1
Tax liabilities from Deferred taxes	42.2
Total liabilities	**5,727.6**

The acquired net assets are reduced by the AT1 bond of Degussa Bank, which is classified as equity under IFRS.

Net assets amounted to EUR 250.4 million.

Lucky Buy

The net asset value of the acquired assets exceeded the purchase price, mainly due to market interest-rate-induced valuation.

For these reasons, the acquisition is to be classified as a "lucky buy". OLB therefore acquired Degussa Bank below book value, resulting in a negative goodwill of EUR 49.4 million, which was recognized in profit and loss.

Costs associated with the business combination amounted to EUR 5.7 million, which were recognized beyond the transaction in administrative expenses and in the cash flows from operating activities. They mainly consist of legal costs and consultancy fees.

Acquired receivables

As part of the transaction, OLB acquired loans and advances to banks of Degussa Bank AG with a fair value of EUR 818.8 million (nominal value EUR 825.6 million). In addition, receivables from customers with a fair value of EUR 4,858.6 million (nominal value EUR 5,120.2 million) were acquired. For these receivables, value adjustments and fair value deductions from the PPA were recognized in the consolidated financial statements in the rounded amount of EUR 0.0 million for receivables from banks and EUR 24.6 million for receivables from customers at the time of acquisition.

Revenue and profit contribution

In the period after acquisition from May 1, 2024, until June 30 of the same year, Degussa Bank AG generated net interest income of EUR 11.9 million and net commission income of EUR 3.5 million. Overall, Degussa Bank AG generated a pre-tax result of EUR – 6.4 million for this period. If Degussa Bank had been consolidated as of January 1, 2024, the OLB Group's consolidated interim income statement would have included net interest income of EUR 40.0 million, net commission income of EUR 9.7 million, and net income before taxes of EUR – 8.1 million. These results represent the amounts after adjustment for OLB's accounting methods.

Pre-existing relationships

As of the acquisition date, contractual relationships existed between OLB and Degussa Bank in the form of payment obligations. As of the acquisition date, there were outstanding receivables of EUR 1.4 million from Degussa Bank to OLB, primarily due to OLB's obligations to cover costs for employee rewards and, to a minor extent, due to transaction-driven costs.

(3) Uncertain estimates and discretionary judgments

Estimates, discretionary judgments and assumptions have permissibly been made for the preparation of the consolidated financial statements which affected the amounts shown in the consolidated financial statements. All of the estimates required for accounting and valuation purposes have been made while taking into account experience and observable factors which are regularly reviewed. Any estimates rely on the appropriate exercise of judgement with respect to the applicable standard. The following estimates, discretionary judgments and assumptions have had the greatest impact on the amounts reported in the interim financial statements:

Within the scope of IFRS 9, impairment guidance concerning financial assets measured at amortised cost and fair value through other comprehensive income require significant estimates and discretionary judgments during the classification into the appropriate stages as well as during the determination of the relating risk provisions. The same applies to contingent liabilities and loan commitments under IFRS 9. The determination of the criteria as to when a significant increase in the level of credit risk has occurred constitutes a discretionary judgment.

The estimates required to determine the risk provisions for stages 1 and 2 and for the parameter-based calculation of stage 3 risk provisions are still subject to uncertainties, particularly with regard to the integration of forward-looking effects resulting from singular events that are difficult to predict, such as natural disasters, political decisions or military conflicts. This applies in particular with regard to the development of the Russia-Ukraine war and its economic consequences, the interest rate and price-related downturn in the construction industry and the effects of higher energy costs. In order to take account of the risk that the existing models may not reflect all relevant factors and uncertainties of this unprecedented situation, the Bank recognized an additional post-model adjustment (PMA) of EUR 15.9 million in 2022. As at June 30, 2024, the PMA was reduced by EUR 8 million, as some of the risks have already been reflected in the parameters used in the models (e.g. in increased probabilities of default or loss rate estimates). Level 3 risk provisioning is calculated on the basis of individual transactions that contain assumptions and forecasts relating to the determination of future recoverable amounts. ↗

Retirement benefit obligations have been measured using the projected unit credit method. In particular, this includes assumptions relating to the interest rate, the long-term pension trend and average life expectancy. The weighted assumptions for the determination of the present value of pension entitlements earned and for the determination of net pension expense are as follows:

in %	06/30/2024	12/31/2023
Discount rate	3.80	3.50
Expected salary increase	3.00	3.00
Expected pension increase	2.25	2.25

Management judgement was also applied to the accrual of the negative interest expense of the longer-term refinancing operations (TLTRO) taken up with the ECB; the last TLTRO tranche will be repaid in the third quarter of 2024.

(4) Disclosures on segment reporting

In accordance with IFRS 8, the internal financial reporting – as a decision-oriented tool produced on a monthly basis to assist with corporate management and control and to reflect risks and opportunities – forms the basis for the segment reporting.

For management purposes, the Bank divides up its business activities by business segments, in terms of its target customers, products and services as well as from a procedural and settlement point of view.

Business with private clients and regional small and medium-sized enterprises (SMEs) is the first core pillar of OLB's business operations. This has formed the "Private & Business Customers" strategic business segment. OLB offers these clients competent advisory and support services based on personal and trusting contact via its centrally managed network of branches and its Advisory Center Oldenburg (CDS). At the same time, customers are also able to directly access products that meet their needs and up-to-date services via online and mobile banking. OLB thus combines a branch presence in its Weser-Ems core business area with the offering of a digital bank active throughout Germany, together with distribution partners and brokerage business. The Bank's offering concentrates on current accounts and credit cards, online banking and mobile banking (via its OLB banking app), instalment loans, private construction financing and private investments. In addition, the Bank offers insurance brokering and assistance with private real estate purchases and sales. The Bank operates under the Bankhaus Neelmeyer brand in the area of Private Banking & Wealth Management.

The second pillar of the Bank's business model is the larger-volume corporate business segment including Football Finance as well as Acquisition Finance including Fund Finance, International Diversified Lending and Commercial Real Estate Finance. The Bank's offering in these subsegments is characterised by an individually tailored profile, larger individual transactions and the commitment of an increased volume of resources to advisory processes and servicing. However, on the other hand this enables higher margins. This business segment is supplemented by Wind Power Finance. The Bank's activities which fall under the scope of its manufactory business have been combined in its Corporates & Diversified Lending strategic business segment.

The business operations of Degussa Bank AG from the time the transaction was closed, i.e. from May 1, 2024, to June 30, 2024, were managed and reported as a separate segment.

Personnel and non-personnel expenses resulting from central operational, management and administrative functions are presented as part of OLB's Corporate Center. Back office and settlement services are provided centrally for the strategic business segments in the operating units. The management and administrative units are responsible for steering the Bank. The costs incurred by central units for the performance of services within the scope of business operations are apportioned to the strategic business segments on the basis of the source of these costs. In addition, any items which do not belong elsewhere – in particular, those arising from the Bank's asset / liability management, earnings from affiliated companies, investment securities and reconciling items – are also presented within the scope of OLB's Corporate Center. The Corporate Center is not a business segment.

OLB primarily assesses the financial success of its segments for which reporting is required and of its other units on the basis of its operating result (i.e. before risk provisions). Its operating result is the balance of income and expenses from core business operations which can be allocated to the segment or unit in question. The result after taxes is another key indicator.

Net interest income is divided up into its profit components on the basis of the market interest rate method and allocated to the segments on the basis of its source.

Operating expenses comprise direct costs allocated to the segments as well as the costs of central units which arise through the performance of services within the scope of business operations.

Risk capital is assigned on the basis of the allocation of risk-weighted assets to the segments. Market price risk, operational risks and currently free capital shares are allocated to the Corporate Center unit.

Notes to the statement of profit and loss and the segment reporting

(5) Net interest income

EUR m	01/01-06/30/2024	01/01-06/30/2023
Interest income accounted for using the effective interest method	**531.9**	**402.1**
Interest income from lending transactions accounted for using the effective interest method	506.3	367.7
Interest income from securities business accounted for using the effective interest method	25.6	34.3
Interest income not accounted for using the effective interest method	**122.5**	**84.4**
Negative interest from financial assets	- 1.5	- 3.3
Current income from shares and other non-fixed income securities	—	0.0
Current income from investment securities and non-consolidated affiliated companies	0.0	0.0
Other interest income	124.0	87.6
Total interest income	**654.5**	**486.4**
Interest expenses from liabilities to banks	- 51.0	- 55.5
Interest expenses from liabilities to customers	- 192.5	- 82.5
Interest expenses from securitized liabilities	- 27.2	- 13.7
Interest expenses from subordinated debt	- 13.2	- 3.2
Other interest expenses	- 92.4	- 88.4
Positive interest from financial liabilities	0.1	0.3
Total interest expenses	**- 376.2**	**- 243.0**
Net interest income	278.3	243.4

(6) Net commission income

EUR m	01/01-06/30/2024	01/01-06/30/2023
Account fees et al.	**15.6**	**14.1**
Income	21.2	18.1
Expense	- 5.6	- 3.9
Securities business and asset management	**23.9**	**18.4**
Income	44.3	32.8
Expense	- 20.4	- 14.4
Private real estate, house-saving and insurance business	**5.0**	**5.3**
Income	5.8	6.2
Expense	- 0.8	- 0.9
Loan business fees	**18.0**	**20.3**
Income	22.2	22.5
Expense	- 4.2	- 2.2
Others	**1.5**	**0.8**
Income	2.3	1.5
Expense	- 0.8	- 0.7
Total net commission income	**64.1**	**58.9**
Income	95.9	81.1
Expense	- 31.8	- 22.2

(7) Current expenses

EUR m	01/01-06/30/2024	01/01-06/30/2023
Wages and salaries	- 62.8	- 55.8
Social contributions	- 9.5	- 8.5
Expenses for retirement benefits and support	- 5.6	- 4.5
Total current personnel expenses	**- 78.0**	**- 68.7**
IT expenses	- 19.8	- 12.1
Room costs	- 4.7	- 3.9
Information costs	- 5.4	- 3.3
Insurances	- 1.6	- 1.1
Advertising and representation expenses	- 4.4	- 1.3
Audit and association costs	- 3.3	- 3.2
Other services	- 9.1	- 4.9
Consulting and legal costs	- 22.2	- 12.0
Capital market costs	- 1.7	- 1.8
Digital Banking	- 0.8	- 0.8
Other administrative expenses	- 2.1	2.1
Non-personnel expenses	**- 74.9**	**- 42.3**
Depreciation / amortization of IFRS 16 right-of-use assets	- 6.4	- 5.8
Depreciation of IAS 16 assets	- 3.7	- 3.5
Amortization of IAS 38 intangible assets	- 2.7	- 1.6
Write-offs	—	—
Depreciation, amortization and impairments of intangible and tangible fixed assets	**- 12.8**	**- 11.0**
Other expenses	- 4.5	- 0.6
Expenses from bank levies and deposit protection	- 2.8	- 11.1
Current expenses	**- 172.9**	**- 133.7**

(8) Risk provisioning in the lending business

The change in risk provisions – recognised in profit or loss – for receivables from banks and receivables from customers for which risk provisions are required and for financial assets of the non-trading portfolio and off-balance sheet lending business (loan commitments, financial guarantees) is reported in the risk provision expense item. The risk provision expense item consists of the following:

EUR m	01/01-06/30/2024	01/01-06/30/2023
Receivables from banks measured at AC		
Additions	- 0.1	- 0.1
Reversals	0.0	0.0
Result from changes in the risk provisions of receivables from banks measured at AC	**- 0.1**	**- 0.1**
Receivables from customers AC		
Additions	- 94.8	- 41.3
Reversals	59.6	21.9
Result from changes in the risk provisions of receivables from customers	**- 35.2**	**- 19.4**
Off-balance sheet business		
Additions	- 3.9	- 3.7
Reversals	9.1	7.2
Result from changes in provisions in credit business	**5.2**	**3.4**
+ Direct write-offs	- 2.0	- 1.6
– Recoveries on receivables written-off	1.2	2.6
Result from other changes in risk provision	- 0.8	1.0
Total risk provisions	**- 30.9**	**- 15.0**
Financial assets of the non-trading portfolio measured at FVOCI		
Additions	- 0.1	- 0.1
Reversals	0.1	0.1
Result from changes in the risk provisions of financial assets of the non-trading portfolio measured at FVOCI	**- 0.0**	**- 0.0**

(9) Segment reporting

Please see the accounting policies explained in Note (4) for details of the basis and methods for the segment reporting. ↗

The following table shows the results of the segment reporting in terms of the structure of segments which were actually managed in the first half of the financial year 2024, together with corresponding figures for the reference period:

EUR m	Private & Business Customers	Corporates & Diversified Lending	Degussa Bank	Corporate Center	OLB Group
01/01-06/30/2024					
Net interest income	119.7	139.9	11.9	6.9	278.3
Net commission income	40.3	21.9	3.5	- 1.6	64.1
Other operating income*	2.5	6.7	- 4.7	- 0.4	4.2
Result from non-trading portfolio**	—	—	0.0	- 2.6	- 2.6
Operating income	**162.5**	**168.5**	**10.7**	**2.1**	**343.9**
Operating expenses* **	**- 79.5**	**- 37.5**	**- 15.4**	**- 37.7**	**- 170.2**
Operating result	**83.0**	**131.1**	**- 4.7**	**- 35.6**	**173.8**
Expenses from bank levy and deposit protection	- 1.1	- 1.2	- 0.5	0.0	- 2.8
Risk provisioning in the lending business	- 5.8	- 11.2	- 3.0	- 10.9	- 30.9
Result from restructurings	—	—	—	- 0.2	- 0.2
Result from non-trading portfolio** (non operative)	—	—	—	49.4	49.4
Result before taxes	**76.1**	**118.7**	**- 8.2**	**2.8**	**189.3**
Income tax	- 23.6	- 36.8	11.4	12.8	- 36.1
Result after taxes (profit)	**52.5**	**81.9**	**3.2**	**15.7**	**153.2**
Cost-income ratio (CIR)	**48.9**	**22.2**	**n/a**	**n/a**	**49.5**
Return on equity (post tax) in %	**27.9**	**17.7**	**n/a**	**n/a**	**19.6**
01/01-06/30/2023					
Net interest income	130.0	131.9		- 18.5	243.4
Net commission income	40.4	22.0		- 3.4	58.9
Other operating income*	1.4	5.3		- 5.7	1.0
Result from non-trading portfolio**	—	—		0.8	0.8
Operating income	**171.8**	**159.2**		**- 26.8**	**304.2**
Operating expenses* **	**- 75.8**	**- 31.1**		**- 15.7**	**- 122.6**
Operating result	**96.0**	**128.1**		**- 42.6**	**181.6**
Expenses from bank levy and deposit protection	- 3.7	- 3.4		- 4.1	- 11.1
Risk provisioning in the lending business	- 5.5	- 10.9		1.4	- 15.0
Result from restructurings	—	—		- 0.2	- 0.2
Result before taxes	**86.8**	**113.9**		**- 45.5**	**155.2**
Income tax	- 26.9	- 35.3		11.8	- 50.4
Result after taxes (profit)	**59.9**	**78.6**		**- 33.7**	**104.8**
Cost-income ratio (CIR)	**44.1**	**19.5**		**n/a**	**40.3**
Return on equity (post tax) in %	**34.2**	**18.9**		**n/a**	**14.3**

** Comprising Trading result, Result from hedging relationships and Other income*

*** Including Results from derecognition of financial instruments AC*

****Comprising Personnel expenses, Non-personnel expenses, Depreciation, amortization and impairments of intangible and tangible fixed assets and Operating expenses*

The business operations of Degussa Bank AG from the time of the closing of the transaction, i.e. from May 1, 2024, to June 30, 2024, were managed and reported as a separate segment.

(10) Basic and diluted earnings per share

To determine the basic and diluted earnings per share, the profit is divided by the average weighted number of shares in circulation during the financial period.

	01/01–06/30/2024	01/01–06/30/2023
Profit (million euros)	153.2	104.8
Average number of shares in circulation (million shares)	49.9	48.9
Basic earnings per share (euros)	**3.07**	**2.14**
Average diluted number of shares in circulation (million shares)	56.5	57.2
Diluted earnings per share (euros)	**2.71**	**1.83**

The dilution resulted from conversion rights for several subordinate financial instruments.

Notes to the balance sheet – assets

(11) Receivables from customers

EUR m	06/30/2024	12/31/2023
Receivables from customers (gross carrying amount)	**25,326.6**	**19,921.7**
less risk provision	- 223.3	- 197.2
Receivables from customers	**25,103.3**	**19,724.6**
of which: Receivables from customers measured at AC	25,103.3	19,724.6
of which:Receivables from customers measured at FVOCI	—	—

EUR m	06/30/2024	12/31/2023
Private & Business Customers	10,396.2	10,269.6
Corporates & Diversified Lending	10,228.4	9,823.4
Degussa Bank	4,911.8	—
Corporate Center	- 209.8	- 171.3
less risk provision	- 223.3	- 197.2
Receivables from Customers	**25,103.3**	**19,724.6**
of which: Receivables from customers measured at AC	25,103.3	19,724.6
of which:Receivables from customers measured at FVOCI	—	—

Adjustments of the book value resulting from fair value hedge accounting (potentially positive or negative) were reflected in the Corporate Center.

(12) Financial assets of the non-trading portfolio

The Group's financial assets of the non-trading portfolio comprise bonds including other fixed-interest securities, shares including other non-fixed-interest securities, investment securities and shares in non-consolidated affiliated companies.

Financial assets of the non-trading portfolio have the following breakdown:

EUR m	06/30/2024	12/31/2023
Bonds and other fixed-income securitites	5,235.7	4,881.7
Financial assets of the non-trading portfolio classified at FVOCI	**5,235.7**	**4,881.7**
Shares	0.1	—
Investment securities	0.6	0.6
Shares in not-consolidated subsidiaries	0.1	0.1
Financial assets of the non-trading portfolio classified at FVPL	**0.8**	**0.7**
Financial assets of the non-trading portfolio	**5,236.5**	**4,882.4**

(13) Risk provision

Default risks of the lending and securities business are taken into account by establishing risk provisions. The following risk provisions have been established:

EUR m	06/30/2024	12/31/2023
Risk provision for lending business		
Risk provision for receivables from banks	0.1	0.0
Risk provision for receivables from customers	223.3	197.2
Risk provision for off-balance sheet obligations to customers	12.0	17.2
Risk provision for off-balance sheet obligations to banks	0.0	0.0
Risk provision for financial assets of the non-trading portfolio	0.2	0.2
Total	**235.6**	**214.6**

Risk provisions have developed as follows:

EUR m	Business with customers measured at AC	Business with banks measured at AC	Financial assets of the non-trading portfolio measured at FVOCI	Total portfolio
12/31/2023	**197.2**	**0.0**	**0.2**	**197.4**
Transfers	24.6	—	—	24.6
Utilisation	- 9.1	—	—	- 9.1
Additions	85.1	0.1	0.1	85.3
Reversals	- 61.4	- 0.0	- 0.1	- 61.6
Reversals from unwinding	- 1.0	—	—	- 1.0
06/30/2024	**235.4**	**0.1**	**0.2**	**235.7**

EUR m	Business with customers measured at AC	Business with banks measured at AC	Financial assets of the non-trading portfolio measured at FVOCI	Total portfolio
12/31/2022	**184.9**	**0.0**	**0.6**	**185.5**
Transfers	—	—	—	—
Utilisation	- 18.9	—	—	- 18.9
Additions	41.3	0.1	0.1	41.5
Reversals	- 21.9	- 0.0	- 0.1	- 22.0
Reversals from unwinding	- 0,9	—	—	- 0,9
6/30/2023	**184,5**	**0,1**	**0,7**	**185,2**

The reclassifications of risk provisions in the first half of the 2024 reporting year resulted from the addition of Degussa Bank to the scope of consolidation.

Risk provisioning for business with customers has developed as follows for the various risk provision stages:

	Receivables from customers AC					Off-balance sheet business with customers					Business with customers measured at AC
EUR m	Stage 1	Stage 2	Stage 3	POCI	Risk provision	Stage 1	Stage 2	Stage 3	POCI	Provisions	
12/31/2023	35.3	42.8	119.1	—	**197.2**	5.8	2.8	8.6	—	**17.2**	**214.4**
Transfers	11.5	—	—	13.1	**24.6**	—	—	—	0.0	**0.0**	**24.6**
Utilisation	—	—	- 9.1	—	**- 9.1**	—	—	—	—	**—**	**- 9.1**
Additions	8.0	23.6	53.5	—	**85.1**	1.1	1.3	1.6	—	**3.9**	**89.1**
Reversals	- 20.8	- 21.6	- 19.1	—	**- 61.4**	- 4.3	- 2.2	- 2.6	—	**- 9.1**	**- 70.6**
Reversals from unwinding	—	—	- 0.0	- 1.0	**- 1.0**	—	—	—	—	**—**	**- 1.0**
06/30/2024	34.1	44.8	144.3	12.1	**235.4**	2.6	1.9	7.6	0.0	**12.0**	**247.4**

	Receivables from customers AC					Off-balance sheet business with customers					Business with customers measured at AC
EUR m	Stage 1	Stage 2	Stage 3	POCI	Risk provision	Stage 1	Stage 2	Stage 3	POCI	Provisions	
12/31/2022	39.8	39.7	105.5	—	**184.9**	7.0	4.5	8.3	—	**19.8**	**204.7**
Transfers	—	—	—	—	**—**	—	—	—	—	**—**	**—**
Utilisation	—	—	- 18.9	—	**- 18.9**	—	—	—	—	**—**	**- 18.9**
Additions	2.1	9.0	30.3	—	**41.3**	1.6	1.0	1.1	—	**3.6**	**44.9**
Reversals	- 3.5	- 0.9	- 17.5	—	**- 21.9**	- 2.5	- 1.8	- 2.6	—	**- 7.0**	**- 28.9**
Reversals from unwinding	—	—	- 0.9	—	**- 0.9**	—	—	—	—	**—**	**- 0.9**
6/30/2023	38.3	47.8	98.4	—	**184.5**	6.0	3.6	6.8	—	**16.4**	**200.9**

Notes to the balance sheet – equity & liabilities

(14) Liabilities to banks

EUR m	06/30/2024	12/31/2023
Demand deposits	144.6	480.8
Development banks	2,416.5	1,990.5
Promissory notes / registered notes	18.4	13.1
Covered bonds	80.6	65.5
Other term deposits	2,713.6	3,078.8
Liabilities to banks (AC)	**5,373.6**	**5,628.7**

(15) Liabilities to customers

The following table shows the breakdown of liabilities to customers by customer group:

EUR m	06/30/2024	12/31/2023
Private & Business Customers	12,613.8	12,207.2
Corporates & Diversified Lending	3,355.8	3,208.0
Degussa Bank	5,004.0	—
Corporate Center	1,542.4	1,502.4
Liabilities to customers (AC)	**22,516.1**	**16,917.6**

The second table shows the breakdown of liabilities to customers by product group:

EUR m	06/30/2024	12/31/2023
Demand deposits	10,819.5	8,143.2
Promissory notes / registered notes	401.5	397.9
Covered bonds	274.8	177.2
Other term deposits	9,872.6	7,079.5
Saving deposits	1,147.6	1,119.9
Liabilities to customers (AC)	**22,516.1**	**16,917.6**

(16) Securitised liabilities

EUR m	06/30/2024	12/31/2023
Covered bonds issued	1,199.8	700.1
Other debt securities issued	485.4	496.5
Securitized liabilities (AC)	**1,685.2**	**1,196.6**

(17) Subordinated debt

EUR m	06/30/2024	12/31/2023
Convertible bonds (tier 1)	1.7	1.7
Debt instruments (tier 2)	324.7	—
Promissory note loans (tier 2)	113.4	125.1
Customer deposits (tier 2)	45.4	2.5
Subordinated Debt	**485.2**	**129.3**

(18) Own funds and risk assets under Sec. 10 KWG

EUR m	06/30/2024	12/31/2023
Common Equity Tier 1 capital	**1,631.1**	**1,432.5**
Additional Tier 1 capital (AT1)	151.3	101.3
Tier 1 capital	**1,782.4**	**1,533.8**
Tier 2 capital	469.9	117.9
Share capital and reserves	**2,252.3**	**1,651.7**
Risk assets for counterparty risks	10,674.8	9,014.8
Risk assets for market price risks	—	—
Risk assets for operational risks	1,247.3	960.5
Risk assets	**11,922.1**	**9,975.3**

Own funds and risk assets are based on German GAAP.

(19) Capital ratios under Sec. 10 KWG

%	06/30/2024	12/31/2023
Common Equity Tier 1 capital ratio	13.7	14.4
Tier 1 capital ratio	15.0	15.4
Aggregate capital ratio	18.9	16.6

Calculations of capital ratios are based on German GAAP.

Notes to the balance sheet – further disclosures

(20) Derivative transactions and hedge accounting

EUR m	Positive fair value	Negative fair value	Total nominal values
06/30/2024			
Interest rate derivatives	**625.4**	**- 306.8**	**24,738.1**
Interest rate derivates from customer business	96.2	- 82.7	7,337.9
Interest rate derivatives from interest book management	529.2	- 224.1	17,400.2
of which: designated as micro hedging instruments	357.8	- 132.2	6,721.7
of which: designated as portfolio hedging instruments	119.3	- 63.9	3,979.0
of which: free-standing hedging instruments	52.1	- 27.9	6,699.5
Degussa Bank	34.9	- 20.8	1,142.5
of which: free-standing hedging instruments	17.2	- 7.2	5,557.0
Currency derivatives	**20.1**	**- 15.5**	**3,291.0**
Currency options: purchases	1.5	—	265.3
Currency options: sales	—	- 1.5	265.3
Cross-currency swaps	4.5	- 2.1	186.8
FX swaps and currency forwards	14.1	- 11.8	2,573.6
Total derivatives	**645.5**	**- 322.2**	**28,029.1**
12/31/2023			
Interest rate derivatives	**614.0**	**- 400.4**	**19,105.7**
Interest rate derivates from customer business	98.5	- 84.9	6,772.7
Interest rate derivatives from interest book management	515.5	- 315.5	12,333.0
of which: designated as micro hedging instruments	338.9	- 202.6	7,127.0
of which: designated as portfolio hedging instruments	161.7	- 110.3	3,006.0
of which: free-standing hedging instruments	14.9	- 2.5	2,200.0
Currency derivatives	**35.0**	**- 28.0**	**3,036.3**
Currency options: purchases	0.7	—	44.9
Currency options: sales	—	- 0.7	44.9
Cross-currency swaps	4.6	- 0.2	144.8
FX swaps and currency forwards	29.7	- 27.2	2,801.7
Total derivatives	**649.0**	**- 428.4**	**22,142.0**

Off-balance-sheet business

(21) Contingent liabilities and loan commitments

EUR m	06/30/2024	12/31/2023
Credit guarantees	162.7	167.9
Other guarantees and warranties	464.4	436.1
Letters of credit	15.5	9.2
less provisions	- 5.5	- 6.5
Contingent liabilities	**637.0**	**606.8**
Loans	1,750.2	1,554.8
Guarantee lines	223.0	241.7
less provisions	- 3.1	- 5.5
Irrevocable credit commitments	**1,970.2**	**1,791.1**

Additional disclosures

(22) Fair values and carrying amounts of financial instruments by measurement category and balance sheet item and their classification in the fair-value hierarchy

For each measurement category of financial instruments, the fair values have been compared to their carrying amounts and reconciled with the items on the assets side and the equity and liabilities side of the balance sheet. In addition, the financial instruments reported at fair value have been allocated to one of the three fair-value levels according to the IFRS fair-value hierarchy. The following abbreviations are used in the following tables: AC = at amortised cost (Amortised Cost), FVOCI = at fair value through other comprehensive income (Fair Value through Other Comprehensive Income), FVPL = at fair value through profit or loss (Fair Value through Profit or Loss).

The same procedures, measurement methods and classification criteria have been used here as were applied in the consolidated financial statements as of December 31, 2023, in order to determine fair values and for the purpose of categorisation in terms of the three fair-value levels according to the IFRS fair-value hierarchy.

The following tables show the fair values and carrying amounts of the financial instruments within the scope of the levels of the IFRS fair-value hierarchy:

Assets

EUR m	Category	Balance sheet items	Financial instruments measured at amortised cost			carried at fair value	Σ financial instruments	Level 1	Level 2	Level 3
	06/30/2024									
		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	214.2	214.2	—	214.2		214.2	—	214.2	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.3				0.3	0.3	0.3	—	—
Positive fair values from interest rate derivatives	FVPL	148.3				148.3	148.3	—	148.3	—
Positive fair values from currency derivatives	FVPL	20.1				20.1	20.1	—	20.1	—
Adjustments related to offsetting and CVA	FVPL	- 106.9				- 106.9	- 106.9	—	- 106.9	—
Positive fair values of derivative hedging instruments	FVPL	4.5				4.5	4.5	—	4.5	—
Receivable from banks (net after risk provision)	AC	990.1	990.1	- 0.2	989.8		989.8	—	978.9	11.0
Receivable from customers (net after risk provision)	AC	25,103.3	25,103.3	- 651.8	24,451.6		24,451.6	—	6,111.4	18,340.2
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	5,235.7				5,235.7	5,235.7	4,943.0	—	292.6
Financial assets of the non-trading portfolio classified at FVPL	FVPL	0.8				0.8	0.8	—	—	0.8
Other assets										
Cash Collaterals CCP	AC	200.9	200.9	—	200.9		200.9	—	200.9	—
Total financial instruments		**31,811.2**	**26,508.5**	**- 652.0**	**25,856.5**	**5,302.7**	**31,159.2**	**4,943.4**	**7,571.3**	**18,644.6**

Liabilities

	06/30/2024									
	Category	**Balance sheet items**	**Financial instruments measured at amortised cost**			**carried at fair value**	**Σ financial instru-ments**	**Level 1**	**Level 2**	**Level 3**
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives	FVPL	110.6				110.6	110.6	—	110.6	—
Negative fair values from currency derivatives	FVPL	15.5				15.5	15.5	—	15.5	—
Negative fair values from equity / index-related derivatives	FVPL	—				—	—	—	—	—
Adjustments related to offsetting	FVPL	- 44.0				- 44.0	- 44.0	—	- 44.0	—
Negative fair values from hedging derivatives	FVPL	4.9				4.9	4.9	—	4.9	—
Liabilities to banks	AC	5,373.6	5,373.6	- 202.6	5,171.0		5,171.0	—	719.6	4,451.5
Liabilities to customers	AC	22,516.1	22,516.1	254.8	22,770.9		22,770.9	—	12,744.3	10,026.6
Securitzed liabilities	AC	1,685.2	1,685.2	- 85.5	1,599.7		1,599.7	—	1,599.7	—
Subordinated debt	AC	485.2	485.2	- 15.1	470.0		470.0	—	—	470.0
Other liabilities										
Cash Collaterals CCP	AC	1.0	1.0	—	1.0		1.0	—	1.0	—
Total financial instruments		**30,148.1**	**30,061.1**	**- 48.4**	**30,012.7**	**87.0**	**30,099.6**	**—**	**15,151.6**	**14,948.0**
Contingent liabilities	N / A	—					- 5.5	—	—	- 5.5
Irrevocable loan commitments	N / A	—					- 3.0	—	—	- 3.0

Assets

	12/31/2023									
	Category	Balance sheet items	Financial instruments measured at amortised cost			carried at fair value	Σ financial instru-ments	Level 1	Level 2	Level 3
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Cash and cash equivalents (carried at nominal value)	AC	77.7	77.7	—	77.7		77.7	—	77.7	—
Trading portfolio assets										
Non-derivative trading assets measured at FVPL	FVPL	0.3				0.3	0.3	0.3	—	—
Positive fair values from interest rate derivatives	FVPL	113.4				113.4	113.4	—	113.4	—
Positive fair values from currency derivatives	FVPL	35.0				35.0	35.0	—	35.0	—
Adjustments related to offsetting and CVA	FVPL	- 72.6				- 72.6	- 72.6	—	- 72.6	—
Positive fair values of derivative hedging instruments	FVPL	35.1				35.1	35.1	—	35.1	—
Receivable from banks (net after risk provision)	AC	548.8	548.8	- 0.5	548.3		548.3	—	413.1	135.2
Receivable from customers (net after risk provision)	AC	19,724.6	19,724.6	- 312.1	19,412.5		19,412.5	—	1,137.6	18,274.9
Financial assets of the non-trading portfolio										
Financial assets of the non-trading portfolio classified at FVOCI	FVOCI	4,881.7				4,881.7	4,881.7	4,830.8	—	50.9
Financial assets of the non-trading portfolio classified at FVPL	FVPL	0.7				0.7	0.7	—	—	0.7
Other assets										
Cash Collaterals CCP	AC	220.9	220.9	—	220.9		220.9	—	220.9	—
Total financial instruments		**25,565.6**	**20,571.9**	**- 312.5**	**20,259.4**	**4,993.6**	**25,253.1**	**4,831.2**	**1,960.2**	**18,461.7**

Liabilities

	12/31/2023									
	Category	Balance sheet items	Financial instruments measured at amortised cost			carried at fair value	Σ financial instru-ments	Level 1	Level 2	Level 3
EUR m		Carrying amount	Carrying amount	Δ	Fair value	Fair value	Fair value	Fair value	Fair value	Fair value
Trading portfolio liabilities										
Negative fair values from interest rate derivatives	FVPL	87.5				87.5	87.5	—	87.5	—
Negative fair values from currency deriv-atives	FVPL	28.0				28.0	28.0	—	28.0	—
Negative fair values from equity / index-related derivatives	FVPL	—				—	—	—	—	—
Adjustments related to offsetting	FVPL	- 22.4				- 22.4	- 22.4	—	- 22.4	—
Negative fair values from hedging deriva-tives	FVPL	3.6				3.6	3.6	—	3.6	—
Liabilities to banks	AC	5,628.7	5,628.7	- 260.5	5,368.3		5,368.3	—	480.8	4,887.5
Liabilities to customers	AC	16,917.6	16,917.6	127.4	17,045.0		17,045.0	—	8,143.9	8,901.1
Securitzed liabilities	AC	1,196.6	1,196.6	- 61.7	1,134.9		1,134.9	—	1,134.9	—
Subordinated debt	AC	129.3	129.3	- 25.5	103.7		103.7	—	—	103.7
Other liabilities										
Cash Collaterals CCP	AC	1.0	1.0	—	1.0		1.0	—	1.0	—
Total financial instruments		**23,969.9**	**23,873.2**	**- 220.3**	**23,652.9**	**96.7**	**23,749.5**	**—**	**9,857.2**	**13,892.3**
Contingent liabilities	N / A	—					- 6.7	—	—	- 6.7
Irrevocable loan commitments	N / A	—					- 10.1	—	—	- 10.1

Transfer of financial instruments.

No transfers between the levels of the fair-value hierarchy occurred in the period under review.

Development of Level 3 financial instruments measured at fair value.

The following table summarises the development of these financial instruments:

EUR m	Financial assets of the non-trading portfolio classified at FVPL				Financial assets of the non-trading portfolio classified at FVOCI		
	Investment securities	Shares in not-consolidated subsidiaries	Shares	Financial assets of the non-trading portfolio classified at FVPL	Bonds	CLOs	Financial assets of the non-trading portfolio classified at FVOCI
12/31/2023	**0.6**	**0.1**	**0.0**	**0.7**	**18.7**	**32.2**	**50.9**
Additions	—	206.6	—	206.6	0.1	241.7	241.8
Disposals	—	—	—	—	—	—	—
Addition of Degussa Bank to the basis of consolidation	0.0	—	0.1	0.1			—
Capital consolidation	—	- 206.6	—	- 206.6			—
Changes in balance during the financial year	**0.0**	**—**	**0.1**	**0.1**	**0.1**	**241.7**	**241.8**
Gains during the financial year	—	—	—	—	—	—	—
Losses during the financial year	—	—	—	—	—	—	—
Valuation changes during the financial year	**—**	**—**	**—**	**—**	**—**	**—**	**—**
06/30/2024	**0.6**	**0.1**	**0.1**	**0.8**	**18.8**	**273.8**	**292.6**
12/31/2022	**0.6**	**0.1**	**1.0**	**1.7**	**17.9**	**—**	**17.9**
Additions	0.0	—	—	0.0	—	—	—
Disposals	- 0.0	—	—	- 0.0	—	—	—
Changes in balance during the financial year	**—**	**—**	**—**	**—**	**—**	**—**	**—**
Gains during the financial year	—	—	0.1	0.1	0.1	—	0.1
Losses during the financial year	—	—	—	—	—	—	—
Valuation changes during the financial year	**—**	**—**	**0.1**	**0.1**	**0.1**	**—**	**0.1**
06/30/2023	**0.6**	**0.1**	**1.1**	**1.9**	**18.0**	**—**	**18.0**

Sensitivity of financial assets of the non-trading portfolio classified at FVPL.

The financial assets of the non-trading portfolio allocated to Level 3 (investment securities and shares in non-consolidated subsidiaries) were not characterised by any significant level of sensitivity.

Sensitivity of financial assets of the non-trading portfolio classified at FVOCI.

The model price was determined by means of the zero swap curve including a spread resulting from the original purchase valuation.

(23) Related-party disclosures

Within the scope of ordinary business activities, transactions with related parties are entered into at arm's length terms and conditions. The scope of these transactions is presented below:

EUR m	06/30/2024	12/31/2023
Receivables from customers		
Key management personnel of OLB AG	0.8	0.8
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	1.9	2.0
Financial assets of the non-trading portfolio		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Other Assets		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Receivables total	**2.7**	**2.7**
Liabilities to customers		
Key management personnel of OLB AG	3.9	3.3
Entities with significant influence over OLB AG	—	—
Subsidiaries	1.0	0.9
Other related companies and persons	4.2	1.1
Subordinated debt		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	1.7	1.7
Provisions		
Key management personnel of OLB AG	14.6	14.8
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Additional Equity Components		
Key management personnel of OLB AG	—	—
Entities with significant influence over OLB AG	—	—
Subsidiaries	—	—
Other related companies and persons	—	—
Liabilities total	**25.4**	**21.8**

(24) Date of release for publication

The full Board of Managing Directors of Oldenburgische Landesbank AG released these interim consolidated financial statements and this interim management report for publication on September 10, 2024. Events after the balance sheet date may be taken into account up to this date.

(25) Events after the end of the last reporting period

Degussa Bank AG was merged into OLB AG by a formal entry into the Commercial Register on August 30, 2024, with retrospective effect as of January 1, 2024. The company's business operations were also fully integrated into OLB technically in the context of the merger under commercial law.

No further events of particular significance have occurred since June 30, 2024, and thus no events are reflected in the statement of profit and loss or the balance sheet.

Oldenburg, September 10, 2024
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth
Chief Executive Officer

Marc Kofi Ampaw

Aytac Aydin

Chris Eggert

Giacomo Petrobelli

Dr Rainer Polster

Declaration by the executive directors

We hereby certify to the best of our knowledge that, in accordance with the applicable basis of accounting for this interim financial report, these interim financial statements give a true and fair view of the net assets, financial position and results of operations of the Group and that the interim management report provides a true and fair view of the course of business, including the Group's performance and its position, and describes the key risks and opportunities associated with the Group's expected development.

Oldenburg, September 10, 2024
Oldenburgische Landesbank AG

The Executive Board

Stefan Barth Chief Executive Officer	Marc Kofi Ampaw	Aytac Aydin	Chris Eggert	Giacomo Petrobelli	Dr Rainer Polster

Definition of key performance indicators

<table>
<tr><th>Key performance indicator</th><th>Definition</th><th>Comment</th></tr>
<tr><td>Cost-Income-Ratio (CIR)</td><td>Operating expenses / operating income</td><td>The CIR is the ratio of operating expenses to operating income and thus indicates the level of operational efficiency for core business operations.</td></tr>
<tr><td>Coverage Ratio</td><td>Ratio of Stage 3 risk provisions, collateral and retained (“set-aside”) interest to volume of non-performing receivables</td><td>The coverage ratio is the proportion of non-performing receivables covered economically against a loss of value.</td></tr>
<tr><td>Return on equity (post-tax) at the Whole Bank level</td><td>Result after taxes less (pro rata temporis) payment on additional equity components / average IFRS equity, not incl. additional equity components</td><td>This ratio measures the Bank’s earning power in relation to the volume of capital provided by its owners.</td></tr>
<tr><td>Return on equity (post-tax) at the level of an individual segment</td><td>Result after taxes for this segment / equity internally assigned to this segment, while taking the risk-weighted assets into account</td><td>This ratio measures the earning power of a segment in relation to the equity utilised for risk coverage purposes.</td></tr>
<tr><td>Common Equity Tier 1 capital ratio</td><td>Tier 1 capital defined according to regulatory standards / risk-weighted assets</td><td rowspan="2">The (Common Equity) Tier 1 capital ratio indicates the Bank’s capital strength.</td></tr>
<tr><td>Tier 1 capital ratio</td><td>Tier 1 capital defined according to regulatory standards / risk-weighted assets</td></tr>
</table>

Key performance indicator	Definition	Comment
Non-performing-loans (NPL) ratio	Volume of non-performing customer receivables / receivables from customers (gross)	The NPL ratio indicates the proportion of the overall credit volume comprising loans classified as non-performing. This ratio provides information regarding the quality of a credit portfolio.
Operating income	Total of net interest income, net commission income, other operating income and the result from financial assets of the non-trading portfolio	The operating income figure indicates the Bank's overall level of success in its core activities.
Other operating income	Total of the trading result, result from hedging relationships and other income P&L items	Simplified summary
Operating expenses	Total of personnel expenses, non-personnel expenses, depreciation, amortisation and impairments of intangible and tangible fixed assets and other expenses P&L items	The operating expenses figure indicates the level of factor input required in order to achieve the operating income figure.
Operating result before risk provisions	Balance of operating income and expenses	Result provided by the Bank's core business activities

Publisher
Oldenburgische Landesbank AG
Stau 15 / 17
26122 Oldenburg
Phone + 49 441 221 - 0
Fax + 49 441 221 - 1457
Email olb@olb.de

Contact
Corporate Communications & Investor Relations

Concept and Design
Kammann Rossi GmbH, Cologne

Date of publication
September 27, 2024

This report is available in German and English. Both versions may be downloaded from the internet at www.olb.de.