AEGEAN BALTIC BANK GROUP

Annual Financial Report

31 December 2023

May 2024

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Board of Directors' Annual Management Report for the Financial Year 2023

Dear Shareholders,

We hereby submit for your approval the Financial Statements and the Annual Report of the Board of Directors of Aegean Baltic Bank Group (hereinafter "Group" or "ABBank Group) and Aegean Baltic Bank S.A (hereinafter "ABBank" or the "Bank") for the year ended 31 December 2023, prepared in accordance with the International Financial Reporting Standards, as adopted by the EU.

ABBank is a Greek banking institution, specializing in corporate banking for the shipping sector. As of 2018 it has also engaged in non-shipping corporate banking through the financing of Greek SMEs and larger corporates. ABBank operates through its head office at Maroussi, Athens, Greece and its two branches located in Piraeus and Glyfada.

In 2022 the ABBank established a fully owned subsidiary company, "Acqua Blue Properties Single Member S.A.", for the single purpose of owning and managing a certain repossessed real estate property. Thus, hereinafter ABBank publishes consolidated ("Group") Financial Statements in addition to the customarily published "Bank" Financial Statements.

Overview

In 2023 world GDP growth decelerated further to 3.1%[1], from 3.5% in 2022 and 6.3% in 2021, reflecting the impact to global economic activity of high inflation, increased interest rates and persisting uncertainty from continuing as well as new geopolitical tensions. Economic performance varied between countries and regions, with the Eurozone suffering the most, recording an annual GDP growth of only 0.5%[1] (2022: 3.5%). In contrast, economic performance of the USA, China and Japan improved, their GDP growing YoY by 2.5%, 5.2% and 1.9%, respectively[1]. The expansion of global trade of goods and services was marginal[2], hovering 0.2% YoY, thanks to the services component, given that the international trade of goods declined by ca. 2.0% annually. Nevertheless, geopolitical tensions and the subsequent geo-economic fragmentation in the trades of goods and commodities resulted in seaborne trade exhibiting noticeable annual growth, both in terms of cargo volumes (+2.4%) and ton-miles (+4.3%) which, in combination with ship tonnage supply dynamics, pushed tanker earnings even higher, adjusting though lower the earnings of bulkcarriers and containerships.

Once more, the economic performance of Greece in 2023 was better than the Eurozone average, recording a 2.0% annual GDP growth (2022: 5.9%), compared to 0.5% of the Eurozone (2022: 3.5%). Although improving at slower pace than last year, new investments, reduction of unemployment, strong private consumption, and higher export of services due to the best-ever performance of the tourism sector, mainly accounted for the positive result, offsetting the impact of continuing inflationary pressures, especially in foodstuff and other retail consumables. The Harmonized Consumer Price Index hovered 4.2%, compared to 9.3% in 2022, mainly due to the de-escalation of energy prices – the latter also being the largest contributor to the contraction by 20% YoY of the trade deficit. On the fiscal domain stand out the credit rating improvement to investment grade of the Greek Government Debt, and the government budget primary surplus of 1.1% of GDP, from 0.1% in 2022.

For ABBank, 2023 was another year of record profitability. Group Net Profit amounted to €27.0 mil, up by 54.8% over FY-2022 (€17.5 mil), bringing RoE at 23.0% (2022: 17.2%). Total Operating Income stood at €52.7 mil, 32.5% higher than the year prior, whereas Total Operating Expenses increased by 9.1% YoY, to €16.3 mil (2022: €14.9 mil), resulting in a Cost-Income Ratio improvement to 30.9%, from 37.6% in 2022. Interest Income marked a 46.7% annual increase and, given the minor increase of average annual total assets in 2023, NIM enhanced to 3.90% from 2.69% in the previous year. On 31.12.2023 Total Assets had declined softly, by €63.9 million or 5.6% annually to €1.08 billion, reflecting a €51.1 mil contraction (8.6% YoY) of Total Liquid and Liquifiable Assets (the sum of balances with the Central Bank, due from Banks, and Marketable Securities), and a €12.7 mil downward adjustment (2.5% YoY) of Customer Loans. The NPE Ratio declined further to 0.82% of Total Gross Loans, from 1.62% on 31.12.2022, whereas the NPE Cover Ratio strengthened to 97% from 86%. The decrease in Total Assets counterbalanced the combined effect of a €28.6 mil or 24.3% YoY increase in Total Equity and a €93.5 mil or 9.2% YoY reduction of Customer Deposits. Yet, due to the prolongment of maturities of liquid liabilities, the Liquidity Coverage Ratio and the Net Stable Funding Ratio improved to 387.4% and 156.2%, respectively (2022: 286.6% and 147.1%, respectively). If the FY-2023 Net Profit was considered, on 31.12.2023 the CET-1 capital adequacy ratio of the Group would stand at 24.0%, from 18.5% in 2022, and that of the Bank at 23.3% from 18.0% the year prior, with application of the IFRS 9 on a fully loaded basis.

[1] *International Monetary Fund (IMF), Global Economic Forecast, January 2024.*
[2] *World Bank, "Global trade has nearly flatlined in 2023", M. Ayhan Kose & Alen Mulabdic, February 2024.*

World economic environment and developments

World Economic Developments in 2023

The rate of global growth slowed down further in 2023 as world GDP decreased by 3.1%, versus 3.5% the previous year. Despite the deceleration in the rate of growth, global economic performance has demonstrated resilience towards the successive crisis situations encountered since 2020 (the Covid-19 pandemic, energy and commodities supply chain disruptions, geopolitical tensions). In 2023, high inflation and the subsequently elevated interest rates were common characteristics worldwide, together with the heightened uncertainties brought about by continuing (Ukraine) as well as new (Far East) geopolitical tensions and the resulting geo-economic fragmentation in international trades and investment. However, the impact of the above challenges to economic performance varied between the major economies of the world.

In the Euro Area, economic development in 2023 was sluggish. Real GDP increased by 0.5% YoY, amidst decelerating but still high inflationary pressures and tightening monetary policies, resulting in substantial interest rate increases and anemic growth rates in new investment and private consumption. Yearly inflation stood at 5.4% in the Euro Area, falling from 8.4% in 2022, mainly owing to the de-escalation of energy prices[3] during the year, which partially offset the continuing, albeit at slower pace than last year's, upward trend of foodstuff and consumer goods prices. The employment market remained resilient. The annual unemployment rate improved marginally to 6.5% from 6.7% in 2022, supporting average employees' gross income levels. Against strong inflationary trends, the ECB continued through 2023 to tighten its monetary policy through further successive rises of its key interest rates (200 bps cumulative increase in 2023 alone), and by reducing or seizing its asset purchases or reinvestments under the APP and the PEPP. Increased interest rates augmented the cost of credit for both consumers and corporations, containing the annual credit expansion rate to 0.4% in December 2023 from 6.1% in January, for loans to non-financial corporations, and to 0.3% from 3.6% for loans to households[4]. High cost of credit and macroeconomic uncertainties also deterred new investment which marked a 0.8% annual growth in 2023 (2022: 2.8%), whereas the strengthening of the Euro in the international foreign exchange market hampered external demand (exports) for goods and services which recorded a 0.7% annual decline (2022: +7.4%). On the positive side, higher interest rates together with prevailing economic uncertainties induced eurozone consumers to increase bank savings rather than private consumption, resulting in a higher decline of imports than exports and, subsequently, a current account surplus of 1.8% of Eurozone's GDP (2022: 0.6% deficit).

In the United States, GDP growth for 2023 was estimated at 2.5%, from 2.1% in 2022. The FED had commenced earlier a rapid tightening of its monetary policy, having increased during 2022 the USD policy interest rates by 425 bps in total. Such policy continued through July 2023, resulting in additional increases of 100 bps in total, albeit ceasing thereafter, considering the deescalating impact to inflation, but also the negative impact that mounting interest rates have had to the fair valuation of several financial institutions balance sheets, following the collapse of SVB and the First Republic Bank in Q1 and Q2 of 2023, respectively. In 2023 CPI inflation increased by 4.1% on average, compared to 8.0% in 2022. Industrial production improved marginally (+0.1% YoY), but the value of exports of goods and services rose by 1.2% YoY, whereas that of imports declined by 3.6%, thus reducing the USA trade account deficit to 2.8% of GDP (2022: 3.7%) and the current account deficit to 3.0% of GDP.

The major economies of the Far East (China and Japan) and India fared in 2023 substantially better than the year prior. For China 2023 was the first full year the economy operated with no restrictions for the pandemic, allowing private consumption to rebound. The GDP grew by 5.2% YoY (2022: 3.0%), industrial production increased by 1.9% YoY (2022: 1.0%), whereas average annual inflation slowed down further, to 0.2% (2022: 2.0%). In Japan GDP accelerated by 1.9% YoY (2022: 1.0%), although industrial production fell by 1.1% in 2023. The 6.5% devaluation of the Yen against the US Dollar during the year and the de-escalation of energy prices, resulted in increased goods exports and reduced imports, so that the trade deficit declined by ca. 70% annually, to JPY 5.9 trillion (USD 38.0 billion). India continued its positive economic performance, with GDP growth estimated at 7.8% in 2023 (2022: 7.0%) and industrial production going up by 5.4% YoY (2022: 4.7%).

[3] *According to the IMF Economic Forecast and Outlook, January 2024, the average 2023 international price of crude oil declined by 16.8% YoY, and that of natural gas by 63.4% YoY.*
[4] *BoG Governor's Report for FY-2023, April 2024.*

World Economic Outlook for 2024 and Beyond

For 2024 the IMF expects[3] that the global GDP growth rate shall remain at 3.1% and shall increase marginally, to 3.2%, in 2025. Although inflation pressures have significantly softened since mid-2022, the battle against inflation is believed to continue with central banks maintaining their tight monetary policies until inflation is contained to less than 3%. Interest rates cuts in the Euro Area and the USD periphery are not expected to be seen before Q3-2024 and such may only be modest. In the Euro Area a mild growth improvement to 0.9% YoY is expected for 2024, and a stronger one of 1.9% for 2025, whereas inflation is estimated to fall to 3.3% in 2024 from 5.5% last year. At the same time, in the USA the inflation rate is believed to be further contained in 2024 to 2.8%, from 4.1% in 2023, and GDP growth is expected moderate to 2.1% in 2024 and to 1.7% in 2025.

The challenges faced by the global economy are multifaceted and emanate from the geopolitical tensions in Ukraine, the Middle East, the Red Sea and the Persian Gulf which disrupt global trade in commodities, goods, gas and oil, increasing the risk of a new inflation shock and fuelling economic uncertainty. In conjunction with the "East-West" economic rivalry (China-USA-EU) hovering since 2018-19, global geo-economic fragmentation intensifies, posing further trade barriers, costs, and supply chain disruptions that hinder the global economic effort and complicate international economic relations, at a time that the deep wounds of the pandemic have not been healed yet. The recovery of the Chinese economy seen in 2023, may have contributed to the resilience of global economic performance, but uncertainties remain, given the declining mode of private investment and the pressures observed in the real estate sector, thus the IMF forecasting that growth may mildly adjust downwards to 4.6% YoY in 2024, from 5.2% in 2023. Finally, upcoming elections in USA, India and the UK and their likely results comprise additional source of risk (political) for global economic developments.

Global Trade and Shipping Markets – Developments and Outlook

In 2023 the value of the international trade of goods declined by ca. 2.0% YoY, but seaborne trade exhibited noticeable annual growth, in terms of both cargo volumes (+2.4%) and ton-miles (+4.3%). As regards volumes, a key driver was China's re-opening post-Covid and the firm Chinese imports, while the sustained shifts towards longer-haul trade routes in some sectors (e.g. oil, coal) supported ton-mile growth. Diversity among segments persisted in 2023, with the growth stemming primarily from seaborne "energy" trades (oil, steam coal and gas), which grew by an estimated 3.6% yoy, versus the "non-energy" trades which is estimated to have grown by 1.7% (after falling by 3.2% in 2022).

In more detail, the tanker sector experienced strong earnings in 2023, with freight rates remaining at historically firm levels, albeit below the extraordinary levels seen in late 2022. Tanker demand was overall supported by the continuing, Russia-related shifts in oil trade patterns towards longer haul routes, as well as the increased Chinese demand, seeing some softening trends since mid-year due to output cuts by OPEC+. Crude oil trade is estimated to have grown by 2.3% in 2023 (45 mil tons), with the Aframax and Suezmax segments seeing the strongest impact due to higher relevance to Russia-related trades. Oil products trade is estimated to have grown by 1.7% YoY or by 18 mil tons, and at an extraordinary 9% in ton-miles in 2023, elevating the sector's average annual charter rates for a second consecutive year by some 45%. Second hand tanker values shifted further up, by 13% YoY, following a ca. 40% upward movement in 2022. Both asset values and earnings are supported by the rather low tanker fleet growth of 1.9% in 2023, and the historically low orderbook levels (7% of current fleet) with only 1% thereof scheduled for delivery within 2024.

The dry sectors, namely bulk carriers and containerships remained subdued in 2023 due to lingering macroeconomic headwinds in some regions, reduced port congestion and a faster growing supply of new tonnage, all of which put pressure on earnings. Seaborne dry bulk trade is estimated to have grown by 3.3% in 2023 (and 4.5% in ton-miles), following a decline of 2.9% in 2022, driven by firmer trends in Chinese imports, particularly as regards iron ore and coal. Container trade volumes increased slightly by 0.4% to 201.0 mil TEU in 2023 and a fair 1.8% in TEU-miles, mainly supported by non-main lane trade. At the same time the growth of the bulk carrier and containership fleets stood at 3.1% YoY and 7.7% YoY, respectively, which assisted bulk carriers' second-hand values to increase by ca. 12% YoY (despite the deterioration of the sector's earnings), but containerships' values declined by ca. 25% YoY.

In 2024, global seaborne trade growth is projected to remain at levels similar to those of 2023, as the global macroeconomic outlook is only marginally better to that of the previous year. Seaborne trade growth in ton-mile terms is projected to be somewhat weaker (ca. +3.5% to +4.0%), but the distance factor –due to sanctions or tensions in significant east-west seaways (e.g. Red Sea and the Suez Canal)– shall remain an underlying supportive trend for ton-mile demand. On the supply side constraints remain, as the orderbook is relatively low particularly for the "core" sectors (tankers and bulk carriers), thus fleet growth is expected to remain moderate. Energy transition remains in focus, prospectively adding to the supply constraints through speed trends and retrofit periods.

Crude oil trade is projected to increase at a similar pace (ca. 2.0%) in 2024, and by a faster 4.3% in ton-miles, on the back of strong crude production and export growth in America, as well as firm Asian imports and re-routing caused by the ongoing Red Sea disruptions. Given the global oil products demand and growing refinery capacity, product tankers projections for 2024 suggest a growth of demand by 3% in tons and 8% in ton-miles. With total oil tanker fleet growth remaining modest at 1.9% in 2023, and less than 1% estimated for 2024, the earnings outlook for the tanker sector is positive. For the dry sectors, 2024 has begun on an encouraging note, supported by the Red Sea disruptions, as well as tighter Panama Canal restrictions. Yet, bulk carriers' trades are projected to grow moderately in 2024, by 1.6% in tons and 2.5% in ton-miles, which may fall short of fleet growth estimates (of 3.6% in 2024). For containerships, both trade volumes and ton-miles are projected to grow solidly in 2024, with a rebound expected in some routes and continued improvements on others. However, the containerships' outlook remains vulnerable as fleet growth is estimated at 8.5% in 2024, thus the underlying weak supply/demand balance is likely to see the market return to more challenging levels, should the disruptions be eased.

Greek Economic Developments and Outlook

Greek Macroeconomic Developments in 2023

The Greek economy recorded a 2.0% growth in 2023, a rate slower than that of 2022 (5.6%), but significantly higher than that of the Euro Area average (0.5%). Although consumption declined in 2023, it remained a significant growth driver, together with private investment, which enhanced due to strong construction activity, and the exports of services, thanks to one more year of strong performance by the tourism sector. Inflationary pressures gradually softened during the year, with the annual average Harmonized Index of Consumer Prices (HICP) falling to 4.2% compared to 9.3% in 2022. Nevertheless, this was solely the result of the decline of energy prices by 13.4% YoY, whereas food and services' prices rose by 10% and 4.5%, respectively.

On the fiscal front, after 13 years, the Greek government debt regained an investment grade status by several credit rating agencies in the latter part of the year, due to the ongoing improvement in macroeconomic and fiscal figures. Such improvement allowed raising a total of €11.5 billion through three new government bond issues and another €2.0 billion though the reopening of older issues. Although the nominal interest rate of the new issues may stand higher than previously, given the upward shift of government debt yield curves globally, the credit rating upgrade and the prospects of the Greek economy resulted in lowering the spread between the Greek issues and the benchmark German government bonds. As outlined in the Ministry of Economy and Finance, 2024 State Budget, the debt-to-GDP ratio is expected to decrease to 160.3% of GDP in 2023 and 152.3% in 2024, from 172.6% of GDP in 2022. At the same time, according to the data published by ELSTAT, the general government primary balance recorded a 1.1% of GDP surplus in 2023, having returned to marginally positive (0.1%) only in 2022, whereas in 2024 is expected to stand higher, at 2.1% of GDP.

Main Economic Sectors

In 2023 growth varied largely among sectors of economic activity. According to data published by the ELSTAT, growth was seen mainly in the construction sector (+13%), as well as the retail trade (by 3.7%, although primarily driven by the higher prices, as volumes declined by 3.3%). Industrial output grew mildly by 2.3% in volumes, driven by consumer durables, consumer non-durables and capital goods. Such growth however did not translate also to a growth in industrial turnover, as the latter marked a decline of 4%, affected mostly by the non-domestic market and the strengthening of the Euro in the foreign exchange markets. The Greek real estate market sustained its rising course, which started essentially in 2018, and property prices continued to rise amidst increasing demand from domestic, as well as foreign buyers, whereas the Office Price Index had also risen to 89.5% in 1H2023, up from 87% in 2022.

Greek Economic Outlook for 2024 and Beyond

Economic growth is expected to remain broadly stable at 2.2%-2.3% in 2024 and 2025, with real consumption set to expand at similar rates as in 2023, while investment is expected to size up as the RRP implementation picks up and financing conditions ease. However, investments are likely to induce higher import demand for both goods and services, which is projected to reduce the positive contribution of net exports in 2024-25. At the same time, headline inflation is expected to fall further to 2.7% in 2024 and to 2.0% in 2025, due to the progressive moderation of demand pressures on core prices and lower-than-expected pass-through of previous energy and food price shocks, although the tightened labour market, together with the recently announced minimum wage increase (as from April 2024), may put some upward pressure on prices, especially if energy prices do not continue deescalating at similar pace with that of 2023. For the tourism sector as well as the real estate and construction sectors, market fundamentals remain strong, with 2024 expected to be yet another year of growth, however at a lower rate in comparison to previous years, whereas the momentum provided by the green energy transition polices continues to support growth in Renewable Energy projects.

The Greek Financial Environment

According to the Report of the Governor of the Bank of Greece for 2023 (April 2024), in 2023 the fundamentals of Greek banks improved. Profitability enhanced, due to increases in net interest and commission income amidst rising key ECB interest rates, but also due to lower credit risk provisions following the reduction in the stock of NPLs, although the non-recurring profits of the previous year from financial operations were not repeated and operating expenses increased. Thus, capital adequacy ratios improved – although remaining below the euro area average - with the CET1 ratio increasing to 15.5%, from 14.5% in 2022, and the Total Capital Ratio to 18.7%, from 17.5%.

Loans' quality improved further in 2023, as NPLs declined to 6.6% of total loans (from 8.7% in 2022), compared to 2.3% at the euro area level. Notably, in 2023, the stock of NPLs of Greek banks contracted, by €3.3 billion or 25% YoY, mainly through deletions and sales rather than reclassification in performing status. As of 31.12.2023 the NPLs stock balance of €9.9 billion, consisted of business loans by 2/3^{rds}, the remaining 1/3rd comprising housing and consumer loans. Not including the above deletions and sales, credit expansion was subdued in 2023 as increased interest rates hindered demand for new credits. Loans to households marked a 2.4% contraction, following a 2.2% decline in 2022, whereas business loans (to non-financial corporations, excluding public sector entities) marked a 6.5% growth, after an 8.3% increase in 2022. However, taking into account the NPLs stock reduction, it is of note that the *annual change* (between 31.12.2023 and 31.12.2022) in the *gross loan balances* of the four systemic Greek banking groups (which account for some 95% of the Greek banking system's gross loan balances) was negative, recording in 2023 a total reduction of €5.6 billion or -3.5% YoY. Retail credit balances declined by 8.7% YoY and wholesale ones (Corporates, SMEs etc.) by only 0.5%. Loans to the Retail/Wholesale and the Manufacturing sectors recorded together the sharpest drop, of €3.2 billion or 5.2% YoY, whereas the Energy sector (including RES) accounts for the largest increase, by €1.3 billion or 20.1% YoY, followed by Shipping and Tourism with €0.4 billion rise each or +4.5% YoY each.

Focusing on Greek shipping finance, the 23rd Annual Petrofin Bank Research (May 2024) reports that the total lending to Greek shipping as of 31.12.2023 amounted to $45.7 billion (loan outstanding) plus $5.1 million of committed but undrawn credit facilities, and it is provided by more than 50 financial institutions around the globe. The outstanding amount has declined by 5.3% or $2.6 billion compared to the amount applicable on 31.12.2022. The reduction is attributable to the decreased, by $3.4 billion or -9.6% YoY, portfolios of non-Greek financial institutions and the rise of the Greek and Cypriot banks portfolios by $0.86 billion or +6.8% YoY, following which the Greek banks now hold a 28% market share, from 25% in 2022. Moreover, all four Greek systemic banks rank among the top-5 financiers of Greek shipping, whilst in 2022 three ranked among the top-5 and one among the top-8.

ABBank: Financial Results and Developments

Overview

In 2023 the profitability of ABBank increased further, recording a Group Net Profit of €27.0 million (2022: €17.5 mil). Total Assets stood lower by 5.5% YoY, whereas NPLs declined further, to 0.8% of Total Gross Loans, from 1.6% in 2022. Higher profitability was the result of an annual increase of Total Operating Income by 32.5%, to €52.7 million from €37.3 million in 2022, compared to a 9.1% rise of Total Operating Expenses to €16.3 million from €14.9 million the previous year, resulting in the Cost-Income Ratio improving to 30.9% from 37.6% in 2022. The main contributor to the increased Total Operating Income was Net Interest Income, which expanded by €14.0 mil or 46.7% YoY, raising the Bank's Net Interest Margin to 3.90%, from 2.69% in 2022.

In 2023 the Group Net Profit exceeded that of the Bank by €1.9 million and the Group's Total Assets stood higher than the Bank's by €1.4 million, due to the accounting treatment, as per IAS 40, of the independent valuation of the investment property owned by the subsidiary company. The full-year 2023 Group Net Profit was €58 thousand lower than the Bank's, while the difference between the Group's and the Bank's total assets as well as total equity remained materially the same with the 2022 amounts (€1.4 mil and €1.9 mil, respectively).

In April 2023, following the regular assessment and upgrade of the Greek banking sector, S&P upgraded ABBank's long-term issuer rating to B+, with Stable outlook, maintaining the short-term rating at B (B+/B/Stable).

Statement of Financial Position

The table below illustrates the Group's and the Bank's Balance Sheet, in an abridged form, and the annual changes between 2023 and 2022 of the main asset and liability classes.

Balance Sheet (abridged)	Group		Group		Bank		Bank	
	2023	2022 as restated	2023/22	2023/22	2023	2022 as restated	2023/22	2023/22
	€ mil	€ mil	+/- € mil	+/- %	€ mil.	€ mil.	+/- € mil	+/- %
Cash & balances with Central Bank and other Banks	281.1	341.5	- 60.4	-17.7%	281.1	341.5	- 60.4	-17.7%
Total Loans to Customers Net	506.5	519.2	- 12.7	-2.5%	506.5	519.2	- 12.7	-2.5%
Of which NPEs , Net	*0.1*	*1.2*	*- 1.1*	*-90.7%*	*0.1*	*1.2*	*- 1.1*	*-90.7%*
Financial assets at FVTOCI	194.3	186.1	+ 8.3	+4.5%	194.3	186.1	+ 8.3	+4.5%
Debt securities at amortized cost	68.5	67.4	+ 1.1	+1.6%	68.5	67.4	+ 1.1	+1.6%
Investment Property	8.9	8.9	-	-	-	-	-	-
Investments in Subsidiaries	-	-	-	-	7.5	7.5	-	-
Property and equipment	11.7	9.0	+ 2.7	+30.2%	11.7	9.0	+ 2.7	+30.2%
Intangible Assets	1.5	1.3	+ 0.1	+7.8%	1.5	1.3	+ 0.1	+7.8%
Other Assets	4.6	6.3	- 1.7	-26.9%	4.6	6.3	- 1.7	-27.1%
Total Assets	**1,077.1**	**1,139.7**	**- 62.7**	**-5.5%**	**1,075.6**	**1,138.3**	**- 62.7**	**-5.5%**
Due to banks	0.0	0.7	- 0.7	-100.0%	0.0	0.7	- 0.7	-100.0%
Due to customers	917.1	1,010.6	- 93.5	-9.2%	918.1	1,011.6	- 93.5	-9.2%
Other liabilities	14.0	11.0	+ 3.0	+27.2%	13.5	10.5	+ 3.0	+28.4%
Total Liabilities	**931.1**	**1,022.4**	**- 91.2**	**-8.9%**	**931.6**	**1,022.8**	**- 91.3**	**-8.9%**
Total Equity	145.9	117.4	+ 28.6	+24.3%	144.1	115.5	+ 28.6	+24.8%
Total Liabilities and Equity	**1,077.1**	**1,139.7**	**- 62.7**	**-5.5%**	**1,075.6**	**1,138.3**	**- 62.7**	**-5.5%**

In 2023 the Total Assets of the Group and the Bank decreased by €62.7 mil or 5.5%, to €1.08 billion from €1.14 billion as of 31.12.2022. Total Assets contraction reflects the €91.2 mil or 8.9% YoY fall in the funding side (Total Liabilities), combined with the strengthening of total equity by €28.6 mil or ca. 24.2% YoY, predominantly through profitability. Customer deposits declined by €93.5 mil annually, to €0.92 billion from €1.01 billion the year prior, and Total Loans to Customers by 12.7 mil or 2.5% YoY, resulting in a modest increase of the Loans to Deposits Ratio to 55.2% from 51.3% in 2022. Other movements of asset and liability classes worth mentioning are:

- Cash and liquidity balances with the Central Bank and other Banks absorbed the bulk of the Total Labilities' decrease, having declined jointly by €60.4 mil or 21.5% YoY.
- The portfolios of Investment/Marketable Securities measured at Fair Value through Other Comprehensive Income ("FVOCI") and at Amortized Cost ("AC") increased by €9.4 million in total, or 3.6% YoY, raising their combined net book value of €262.8 million, compared to €253.4 million in 2022.
- The reduction of Customers' Deposits was the result of the withdrawal of €71.9 mil of EUR-denominated Sight Deposits and the foreign exchange devaluation of the USD against the EUR. The USD-denominated deposits remained almost flat between 2022 and 2023 at $675.9 mil, with the USD Sight Deposits declining by $87.4 mil or 25.5% YoY in favor of Time Deposits. However, due to the €/$ FX rate movement the USD-denominated deposits were valued €21.5 mil less. Overall, in response to the increased interest rates, between 2022 and 2023, Time Deposits increased from 48% of total customer deposits in 2022 to 60% in 2023.
- The portfolios of Loans and Advances to Customers (net of provisions) contracted by €12.7 million or 2.5% YoY, to €506.5 million, now representing 47.0% of Total Assets (2022: 45.6%). The contraction is attributed to the shipping loans portfolio which declined by $39.6 mil or 8.8% YoY, such decline being augmented by the aforementioned devaluation of the USD against the EUR to €51.5 mil. At the same time, the non-shipping (corporate) portfolio increased by ca. €36 mil net or 43% YoY.

Regarding the qualitative characteristics of the Bank's assets and liabilities, it should be noted that:

- On 31.12.2023, the total balance of Loans and Advances to Customers on the Bank's balance sheet consisted by 77% of shipping and by 23% of non-shipping/corporate loans (2022: 84% and 16%, respectively), while in terms of total approved credit limits (i.e. including undrawn commitments and other off-balance sheet amounts) the distribution between shipping and non-shipping was 72% and 28%, respectively (2022: 79% and 21%, respectively). All Loans and Advances to customers are measured at Amortized Cost (2022: same).
- The amount of net NPEs fell to €0.1 mil only from €1.2 mil in 2022. During 2023 the gross NPE amount decreased by €4.4 mil gross, to €4.2 mil from €8.6 mil the previous year, mainly through the write-off of an equal amount of gross NPLs as well as the impairment loss connected to them. Thus the Group's NPE Ratio (Gross NPEs over Total Gross Loans) was minimized to 0.8% from 1.6% in 2022, while the NPE Provisions Cover ratio increased to 97.4% from 86.0%.
- The liquidable investments (marketable securities in the form of bonds) under the portfolios measured at FVOCI and those under the AC portfolio, amount as of 31.12.2023, to €194.2 mil and €68.5 mil, respectively (€262.8 mil in total). The total amount consists by ca. 98% of Bonds or T-Bills issued by Governments and Central Banks of the EU or the USA, the remaining 2% comprising Greek and EU corporate bonds. Notably, approximately 66% of the total, comprise Greek and USA Government T-Bills with short maturities (weighted average of less than 5 months) or interest rate repricing, in case of re-investment, whereas the weighted maturity of the balance 34% is calculated at approximately 32 months. As of 31.12.2023 the average carrying yield of the bond portfolios stood at 3.4%.
- Given the developments in the size and composition of the balances with the central bank, the bonds portfolios, and the customer deposits, the Group's Liquidity Cover Ratio (LCR) and Net Stable Funding Ratio (NSFR) increased to 387.4% and 156.7%, respectively (2022: LCR of 286.6%, NSFR of 147.1%).

The Bank's Total Assets as of 31.12.2023 stood €1.4 mil lower than the Group's, as the €7.5 mil Investment in Subsidiary of the Bank (i.e. in Acqua Blue Properties Single Member S.A.) is reflected in the Investment Property of the consolidated Financial Statements of the Group, which is measured, at fair value, at €8.9 million, as per the IAS 40, pursuant to an independent valuation of the investment property owned by the subsidiary company.

Income Statement

Net operating profit (before provisions and taxes) of the Group increased by €11.6 mil in 2023, to €36.4 mil (2022: €24.8 mil), whereas that of the Bank increased by €14.1 mil to €36.5 mil (2022: €22.4 mil), while the Net Profit (after taxes and provisions) stood at €27.0 mil for the Group and €27.1 million for the Bank, versus €17.5 mil and €15.6 mil, respectively, in the previous year.

The main figures of the Group's and the Bank's Income Statement for FY-2023 and FY-2022 and the annual changes thereof, are presented abridged, in a tabular form, here below:

Income Statement (abridged)	Group		Group		Bank		Bank	
	2023	2022 as restated	2023/22	2023/22	2023	2022 as restated	2023/22	2023/22
	€ mil	€ mil	+/- € mil	+/- %	€ mil.	€ mil.	+/- € mil	+/- %
Net Interest income	43.9	29.9	+ 14.0	+46.7%	43.9	29.9	+ 14.0	+46.7%
Net fee and commission Income	5.0	4.8	+ 0.2	+4.2%	5.0	4.8	+ 0.2	+4.2%
Net result from financial transactions	2.4	2.1	+ 0.3	+15.6%	2.4	2.1	+ 0.3	+15.6%
Other Income	0.0	2.5	- 2.5	-99.3%	0.0	0.0	- 0.0	-27.0%
Other income from derecognition of financial assets	1.4	0.5	+ 0.9	+188.5%	1.4	0.5	+ 0.9	+188.5%
Total operating income	**52.7**	**39.8**	**+ 12.9**	**+32.5%**	**52.7**	**37.3**	**+ 15.4**	**+41.2%**
Personnel expenses	-10.1	-9.1	- 1.0	+10.7%	-10.1	-9.1	- 1.0	+10.7%
General administrative expenses	-5.1	-4.8	- 0.3	+6.2%	-5.0	-4.8	- 0.3	+5.5%
Depreciation and amortization charges	-1.1	-1.1	- 0.1	+7.8%	-1.1	-1.1	- 0.1	+7.8%
Total operating expenses	**-16.3**	**-14.9**	**-1.4**	**+9.1%**	**-16.2**	**-14.9**	**- 1.3**	**+8.8%**
Profit before provisions and tax	**36.4**	**24.8**	**+11.6**	**+46.6%**	**36.5**	**22.4**	**+14.1**	**+62.7%**
Impairment Credit Loss/Provision for Fin. Assets	-1.4	-2.4	+ 1.0	-41.2%	-1.4	-2.4	+ 1.0	-41.2%
Tax	-8.0	-5.0	- 3.0	+60.0%	-8.0	-4.4	- 3.5	+79.3%
Net profit/(loss) for the year	**27.0**	**17.5**	**+9.6**	**+54.8%**	**27.1**	**15.6**	**+11.5**	**+73.9%**

In 2023 the Group's and the Bank's Net Interest Income amounted to €43.9 million, recording an annual increase of €14.0 million or 46.7% YoY. Gross interest income marked a €30.0 million or 87% YoY growth, to €64.4 mil from €34.4 mil in 2022, due to the rise of the annual average interest rates in both the EUR and the USD. In the same period, gross interest expenses increased by €16.0 mil or 3.5 times YoY, to €20.5 mil from €4.5 mil the previous year. The accelerated annual expansion of interest expenses is attributed to the sharp upward movement of interest rates, augmented by the shift of Sight Deposits into Time Deposits.

The growth of Net Interest Income elevated the Net Interest Margin to 3.90% per annum (p.a.) in 2023, compared to 2.69% p.a. in 2022, marking an 121 bps improvement. In particular:

- Gross Interest Income from loans increased annually by 30% or €9.5 million, mainly due to the increase of the US Dollar and the EUR base interest rates during the year. In 2023 the gross yield of the Bank's loans portfolio grew by 296 bps.
- Interest income from liquidity placements to the central bank and other banks increased annually by €13.5 million, or approximately 7.5 times, because of the increased interest rates. In 2023, the interest rate yield of the Bank's liquidity placements improved by 227 bps.
- Interest income from debt securities marked an annual increase of €6.9 mil or 5.8 times, due to the entry of new securities (mainly T-Bills) with higher yields versus those which matured. In 2023, the interest rate yield of the Bank's debt securities portfolio improved by 390 bps.
- Interest expense on customer deposits expanded by €15.8 mil or 3.6 times YoY. In 2023, the rise in deposit interest rates increased the Bank's funding cost from this source by 163 bps.
- Interest expenses on interbank takings increased by €0.2 million or twofold compared to the previous year, due to the rising interest rates, which raised the average funding cost from this source by 342 bps.

Net Income from Fees and Commissions amounted to €5.0 mil from €4.8 mil in 2022, recording an annual increase of €0.2 mil or 4%. This was a result of a 5% increase in commissions income and a 17% increase in commission expenses. The higher income from Fees and Commissions is mainly due to the increase of revenue from commissions not related to credit products by four times, and funds transfers (+14%), whereas higher commission expense is attributed to higher correspondents' charges.

In 2023 the Group also earned a €2.4 mil Net Income from Financial Transactions, mainly relating to customers' foreign exchange transactions, compared to €2.1 mil in 2022. Moreover a €1.4 mil income from the derecognition of financial assets and other operating income was recorded in 2023 (2022: €0.5 mil), but no income was recorded from the revaluation of the investment property (2022: €2.4 mil).

Total Operating Expenses of the Group amounted to €16.3 mil in 2023, marking an annual increase of €1.4 mil or 9.4% (2022: €14.9 mil). More specifically:

- Personnel Expenses increased by 10.7% compared to the previous year and amounted to €10.1 mil compared to €9.1 mil in 2022. The increase in the average number of full-time employees by 6 people (+6%) versus the previous year, the full impact, on an annual basis, of the recruitments made during 2022, as well as the inflationary adjustment of salaries effected in 2023, constituted the main drivers for the increase of this expense category .
- General Administrative Expenses stood €0.3 mil or 6% YoY higher, with the subscriptions to electronic payment and providers and IT licenses together with the non-deductible Tax/Vat payments mainly accounting for the increase.

During 2023, additional impairment loss provisions on loans and debt securities were charged, in the amount of €1.4 mil in total (2022: €2.4 mil). Thereof, €1.7 mil comprised incremental loan loss provisions and €0.3 million represents a reversal of the ECL calculated for the investment debt securities.

The Bank's Total Operating Income for FY-2023 was equal to that of the Group, but the Group's total operating expenses stood €61 thousands higher than the Bank's, total provision for credit loss impairments stood at par and Income Tax was €3 thousands higher, bringing the Bank's Total Net Profit for 2023 at €27.10 mil, compared to €27.04 mil of the Group.

Shareholders' Equity – Capital Adequacy

On 31.12.2023, the book value of the Group'**s** Equity amounted to €145.9 mil, from €117.3 mil on 31.12.2022, incorporating the application of IFRS 9 on a fully loaded basis. The above annual net increase by €28.6 mil (+24%) consists of the addition of the year 2023 Net Profit, of €27.0 million, in the Group's Retained Earnings, the positive adjustment of the FVOCI Portfolio Reserve by €1.3 million and the increase of other fair value reserves and statutory reserve by €2.4 mil in total.

If the Group's Net Profit for the FY 2023 was taken into account, the total regulatory capital of ABBank, which fully comprises CET-1 Capital, amounts to €144.3 million (2022: €113.8 mil), after deducting total adjustments of €1.6 million. Similarly, the Bank's total regulatory capital amounts to €142.4 mil as of 31.12.2023 (2022: €111.9 mil).

On 31.12.2023 the Group's total Risk Weighted Assets contracted to €601.1 mil, from €614.2 mil on 31.12.2022, due to the to lower Credit Risk Weighted Assets, by 6% YoY, mainly due to the decline of the Bank's Customer Loans portfolio. Such Credit RWAs reduction outweighed the 42% YoY increase of the RWAs for Operating Risk brought about by the higher Total Operating Income of the Group in FY 2023. Likewise, for the Bank, as of 31.12.2023 the total RWAs amounted to €609.4 mil (2022: €622.5 mil)

Therefore:

- Including the Group's Net Profit of FY 2023, on 31.12.2023 the Common Equity Tier 1 Ratio (CET1 Ratio) is calculated at 24.0%, from 18.5% on 31.12.2022, and that of the Bank's is calculated at 23.4% (2022: 18.0%);
- Excluding the profits of FY 2023 in full, the distribution of which or not will be decided by the forthcoming Regular General Shareholders' Meeting, the Group's regulatory capital amounts to €120.7 million and the CET1 Ratio to 20.1%, while the Bank's regulatory capital amounts to €118.8 mil and the Bank's CET1 Ratio to 19.5%.

It is noted that:

a. the ratio is calculated with the fully loaded application of IFRS 9 as ABBank did not make use of the transitional provisions for the gradual recognition of the additional provisions that resulted from its initial application on 1.1.2018,
b. ABBank's total regulatory capital consists exclusively of Common Equity Tier 1 or CET1 and therefore the CET1 capital adequacy ratio is equivalent to the Total Capital Adequacy Ratio, and
c. the Bank's regulatory capital does not include deferred tax asset.

Disclosures pursuant to article 6 of Law 4374/2016

In the context of complying with the provisions of paragraph 4, Article 6 of Law 4374/2016 (Hellenic Government's Gazette A'50/1.4.2016) pertaining to the "Transparency in the relationship of credit institutions with media companies and sponsored persons or entities", ABBank is hereby disclosing information with regard to payments made to natural persons and/or legal entities in 2023. Specifically, during 2023 (a) no payments were made for marketing, advertisement or promotion, in the context of paragraph 1, Article 6 of Law 4374/2016; and (b) the payments effected for donations, sponsorships or grants, in the context of paragraph 2, Article 6 of Law 4374/2016, were the following:

NAME	NET PAYMENT €
HOLY DIOCESE OF NEA IONIA & PHILADELPHIA	**3,512.60**
SMILE OF THE CHILD	**4,516**
ELPIDA ASSOCIATION OF FRIENDS OF CHILDREN WITH CANCER	**370**
HELLENIC BANK ASSOCIATION – FIRE DETECTION SYSTEM IN EAST ATTICA	**10,338**
GREEK MARITIME GOLF EVENT - SPONSORSHIP	**14,063.87**
GRAND TOTAL	**32,800.47**

In compliance with the current legislative, tax and regulatory framework, with respect to the above payments the Group paid in addition the amount of €3,831.97 in total, for VAT and other charges.

Other Disclosures

The Bank has never had and, as of 31.12.2023, did not have any own shares in its possession in the context of the article 150, paragraph 3.c of Law 4548/2018.

During 2023 the Bank neither paid nor made any expenses of Research and Development nature.

Group Risk Management

Being a financial institution active in a dynamically evolving economic environment, ABBank has ranked highly the timely recognition, the continued monitoring and the effective management of the banking risks it is exposed to, with the aim to maintain its capital adequacy at solid levels and to prudently balance risk with return for the Bank's shareholders.

A prime objective of the Bank is to comply with the standards of corporate governance and risk management set out by the at each time applicable regulatory framework which governs the operation of the European banking sector, taking also into account the particular characteristics of ABBank's specialist activity, its organic and economic size and the relevant best practices.

Since 1st January 2014 the Directive 2013/26/EU (CRD IV) and the Regulation 575/2013 of the European Parliament and the Council of Europe have been implemented, introducing to the European financial sector the new Basel III capital adequacy framework. Further to new criteria for the qualitative and quantitative adequacy of own capital, Basel III also includes new minimum standards for liquidity and leverage. Moreover, since November 2014, the Single Supervisory Mechanism (the "SSM") operates as the new system of financial supervision under the auspices of the ECB. The SSM supervises directly the important (or "systemic") financial institutions of the Eurozone, whereas it exercises indirect monitoring ("oversight") on the less-important (or "non-systemic") banks, which are supervised directly by the local supervising authority (the Bank of Greece, in the case of Greek FIs). Pursuant to their new responsibilities, the ECB and the SSM conduct European Comprehensive Assessment Tests for the systemic banks, including Asset Quality Reviews and Stress Tests under various macroeconomic scenarios. As a non-systemic bank, ABBank does not participate in such pan-European assessments, participating though in the respective Stress Test Exercises conducted by the BoG in relation to the less important Greek institutions (LSIs) under its supervision.

Detailed information about the core risks borne by the Bank through its financial exposures as of 31st December 2023 and 31st December 2022 are provided in Note 4 of the Financial Statements, whereas Note 4.8 makes specific reference to the Bank's capital adequacy calculation under both, Pillar I and Pillar II of the Basel-III regulatory framework currently in force. Moreover, detailed information of financial, risk and supervisory nature of ABBank for the year ended 31.12.2022, is provided by the Pillar III disclosure report that is compiled pursuant to Pillar 3 of the Basel III framework (Part Eight of Regulation (EU) No 575/2013 (CRR) as amended by Regulation (EU) 2019/876), and all FIs are required to publicly disclose periodically. The Pillar III Disclosures report shall be available on ABBank's official website at: https://aegeanbalticbank.com/en/meet-abbank/publications/pillar-iii-publications

Credit Risk

Credit risk refers to the possibility of the Bank suffering losses as a result of the inability or unwillingness of its debtors to fully perform their obligations, pursuant to the contractually agreed terms and conditions. Credit risk is embedded in all financing transactions of the Bank, predominantly the lending activities, as well as in other banking activities that carry a risk of default by the Bank's counterparty, such as money market transactions, securities market transactions, transactions in derivatives, as well as transactions involving clearing.

The Bank follows specific procedures for the continuing monitoring, measurement and assessment of credit risk and has compiled and documented relevant risk management policies. Given that until recently the Bank's loans portfolio exclusively consisted of unrated (by External Credit Agencies) obligors, ABBank has established and follows its own, ten-grade, credit risk assessment and rating system. Since 2021 the Bank implements an internally developed credit evaluation and rating model for its shipping credit exposures, as well as the mapping of its rating system with that of the object finance slotting criteria methodology of the IRB-Basic approach included in the current regulatory framework for credit risk. Such mapping is used by the Bank's Risk Management Unit to back-test, validate and re-evaluate the credit ratings produced by the internal rating model, as well as to conduct credit risk stress-testing of its shipping loans portfolio. Since 2018, the Bank's credit policies and procedures have been expanded to also cover non-shipping corporate credits.

The Bank's methodologies for the monitoring and assessment of credit risk primarily aim at promptly identifying and optimizing the management of expected and unexpected credit loss which could possibly be incurred. With the view to contribute in the Bank's best possible protection against such losses, credit operations include specific lending policies and criteria, including the purpose and type of each credit facility and its repayment sources, the formation of appropriate credit limits per obligor or group of obligors, limits of individual or sectoral concentrations, the use of credit risk mitigation techniques by obtaining collaterals and guarantees and the implementation of risk-related credit pricing in order to improve the use and yield of the corresponding capital requirements. The Bank's credit operations also involve the regular updates and review of the relevant procedures, aiming at the efficient management of the credit function and the undertaking of corrective measures in the management of deteriorating exposures. For the same purpose, the credit procedures and credit risk management processes are subjected to regular independent assessment by the Internal Audit Unit.

As a result of its specialization in the financing of the shipping industry, a capital-intensive activity by nature, credit risk concentrations are historically observed in the Bank's portfolio of loan exposures to customers. As of 31.12.23 and 31.12.22, none of the Bank's credit exposures to customers exceeded the maximum limit set out by banking regulation, of 25% of Regulatory Capital, (Part Four, Regulation (EU) No 575/2013 (CRR), articles 387-403). The Bank monitors credit risk concentrations on a continuous basis, as part of its Credit Risk Management Policy and related processes, with increased emphasis in the repayment sources and the applicable credit risk mitigation techniques (collaterals and guarantees) applicable to such exposures.

The procedures of approving new credits and regularly reviewing and reassessing existing ones until their full repayment, are clearly set out and centralized, under the responsibility of the Credit Committee of performing loans/exposures. Moreover, pursuant to the Acts of the Executive Committee of the Bank of Greece ("ECA/BoG") Nr. 175/2020 and Nr. 181/2021 regarding the management of non-performing and forborne exposures, the Bank has established relevant policies and procedures which also comply with best practices in relation to such exposures. The management of Non-Performing Exposures is conducted by a specific, dedicated Unit of the Bank, while relevant credit approvals are approved by the ANPL Credit Committee.

For the calculation of capital requirements for credit risk, the Bank follows the Standardized Approach of the current regulatory framework.

Details on Credit Risk are included in Note 4.2 of the Financial Statements.

Liquidity Risk

Liquidity risk refers to the Bank's ability to maintain sufficient liquid resources for the coverage of scheduled or unexpected withdrawals of cash, the repayment of all obligations of the Bank and the funding of its loan and other commitments.

The business nature of ABBank, its relatively small size within the Greek banking system and the disruptions observed during the last few years in the financial and interbank markets have set the liquidity risk as an area of top priority for close monitoring and attention.

The Bank's Risk Management Unit regularly performs stress tests for the Bank's liquidity, under mild and extreme volatility scenarios of both idiosyncratic (company-specific) and systemic nature. Moreover, it closely monitors customer deposit concentrations at individual, currency and maturity zone level, depository behavioural trends of the Bank's clientele, as well as the evolution of the regulatory ratios LCR and NSFR, and other liquidity ratios such as the Loans to Deposits Ratio and others. The Risk Management Unit also analyses potential liquidity and refinancing gaps and has incorporated in its liquidity risk management strategy the expansion of funding sources, the maintenance of strong levels of liquid assets and assets eligible for liquidation or refinancing, as well as the mitigation of funding concentrations. Ongoing liquidity risk analysis, stress test results under certain macroeconomic and idiosyncratic scenarios (e.g. concentrations in liquidity and funding and coverage of relevant potential outflows) and the results of monitoring the sources, uses and cost of funds are submitted to the Bank's Assets-Liabilities Committee (ALCO) and Senior Management, for consideration and appropriate decision-making.

With regards to liquidity concentration risk in particular, due to its specialization in corporate banking for the shipping sector, a capital-intensive activity by nature, concentrations comprise an inherent characteristic of the Bank's business model since its establishment and are historically observed in its customers' deposit balances. Such concentrations may be intensified in periods of strong freight markets, given that globally standard ship-financing terms provide for the obligation of borrowers to receive any cash flows connected to the operation, insurance and sale of ships mortgaged in favour of the lender (the Bank), in pledged (also in favour of the lender) deposit accounts maintained with the Bank.).

As mentioned above, the monitoring and, especially, the risk mitigation of deposit concentrations comprise an integral part of the Bank's liquidity risk management policy and process, whereby dedicated key indicators are included in the Bank's Risk Appetite Framework and are monitored and analysed on a continuous basis, with the aim the at each time market value of the liquid and liquidable assets of the Bank, alone or in combination with other funding sources, to adequately cover potential liquidity withdrawal threats connected to concentrations.

Pursuant to the new regulatory framework of Basel III, the regulatory requirements for Liquidity Risk include the continuous calculation, monitoring and compliance with minimum acceptable liquidity ratios, the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) which have gradually come into effect since October 2014.

Details on Liquidity and Liquidity Risk are included in Note 2.2 and Note 4.3 of the Financial Statements.

Market Risk

Market risk refers to the possibility of the Bank incurring losses due to adverse changes in the levels of market prices of bonds and securities, interest rates and foreign exchange rates it is exposed at.

ABBank follows a policy of maintaining limited market risk positions. Through documented policies and procedures being followed for the assumption and management of market risk, the Bank aims at timely identifying, evaluating, monitoring and minimizing such (e.g. through hedging transactions), in conjunction with the compliance with the relevant principles and limits having been set out and approved by its pertinent internal body (ALCO).

The Bank regularly conducts stress tests in relation to all major market risks, such as Interest Rates risk, Foreign Exchange Risk, Re-pricing Risk in the banking book as well as Market Value Risk for its marketable securities holdings etc. ABBank has selected the Standardized Approach for the calculation of market risk capital requirements and the relevant supervisory reporting.

Details on Market Risk are included in Note 4.4 of the Financial Statements.

Operational Risk

Operational risk involves the possibility of generating losses as a result of implementing inadequate or unsuccessful internal procedures and systems, of external events and/or the human factor.

The Bank has established a policy framework for the management of operational risk which includes the procedure of self-assessment of operational risks and the related area of control, the procedure of loss data collection and the development and update of action plans for the mitigation of operational risks.

For the calculation of the capital requirements for operational risk, the Bank follows the Basic Indicator approach.

ESG Risks

Since 2020, Environmental, Social and Governance issues (ESG) have been set by regulators and supervisors as important factors that banks and financial institutions should consider, monitor, analyze, and gradually incorporate in their risk assessment as well as their credit approval and overall decision-making procedures. The European Banking Authority (EBA) as well as the ECB and SSM regularly elaborate and issue relevant guidelines that banks and financial institutions should adopt, with the aim to upgrade accordingly their internal procedures and corporate governance framework with regards to credit risk and financial sustainability assessment, considering the role of banks towards the acceleration of the transition to a low-carbon world through the support of capital allocation in 'greener' activities and the financing of the transition of businesses and households to a more sustainable operating model.

In the above context, in November 2020 the SSM issued specific guidelines and a set of 13 "expectations" for ESG risks management that the Systemically Important financial institutions (SIFIs) are required to implement. It is expected that shortly, EBA and SSM will regulate additional and more specific actions to be taken in connection with the full incorporation of the ESG risks factors in the Pillar I, Pillar II and Pillar III requirements of the SIFIs, whereas it is also expected that the Less Systemically Important financial institutions (LSIs) should gradually commence incorporating in their internal procedures and decision-making the ESG risks factors.

Approach towards ESG

The Bank is currently working on integrating environmental, social, and governance (ESG) considerations into its operations and risk management processes to align with global sustainability trends, best practices and regulatory requirements related to ESG.

In this context, the ABBank has adopted a clear strategic approach for the management of CR&E risks (climate related & environmental) and the identification of opportunities and developments in relation to sustainability and climate change as a key priority and has developed a detailed CR&E Risks Roadmap describing its implementation plans and prioritizing actions for the effective management of climate-related and environmental risks, while addressing the evolving regulatory requirements, as well as considering market practices.

ESG Disclosures

In the context of complying with the provisions of the National Climate Law and more specifically the Article 20 of Law 4936/2022 (Hellenic Government's Gazette 105A/27-5-2022), the Bank issued in 2023 a Carbon Footprint Report to the publicly accessible electronic database of the Ministry of Environment of the reference year 2022. The report includes voluntary targets and actions of greenhouse gas emissions and will be updated annually.

Moreover, the Bank is currently in the process of developing and publishing its inaugural ESG report. This report signifies a significant milestone in the bank's progression, as it represents the initial documented pledge to sustainability. It embodies a new phase in the bank's endeavor towards environmental stewardship, social accountability, and ethical governance.

Inclusive workforce

Aegean Baltic Bank recognizes the importance of its employees and strives to create a high-quality work environment that fosters long-term relationships. The culture of the Bank embeds the business ethics which applies to all its interaction with employees, customers, providers, and external professionals. To achieve the above purpose, the Bank implements strategies such as:

-Building Trust through Training and Development: Implementation of strategies that build trust through professional training, motivation, guidance, and education.

-Open Communication Channels: Prioritization of open communication channels at all levels, enabling employees to express concerns and ideas freely.

-Fair Wages and Additional Benefits: Ensuring fair wages and offering additional benefits are fundamental to the Bank's approach, as is the empowerment, appreciation, and recognition of its team members.

-Continuous Skill and Knowledge Development: Strong emphasis on the continuous development of qualifications, skills, and knowledge.

Furthermore, ABBank is committed to fair hiring practices that comply with relevant labor laws. The Bank seeks to build a team that not only meets professional standards but also reflects the Bank's values and culture. The transparent and equitable hiring process is intended to attract and retain top talent, ensuring a strong and skilled team that contributes to the Bank's ongoing success.

ESG in Governance processes

Since 2022, ABBank has taken the proactive step of appointing a senior executive to serve as a coordinator for monitoring developments in Environmental, Social, and Governance (ESG) risks' regulatory requirements. This individual is responsible for gradually integrating these requirements into the spectrum of the Bank's and Group's activities, exposures, and internal processes. Additionally, they are tasked with mapping out the potential impact of these requirements on risk assessment.

In addition, the Bank is actively engaged in the process of identifying and establishing its environmental, social, and governance (ESG) priorities, objectives, and strategies. The aim is to seamlessly integrate sustainability into the Bank's overarching strategy and day-to-day operations. As a pivotal first step, the Bank has formed a temporary ESG Committee, which includes the leaders of essential units within the organization.

Targets and Prospects

In the post-COVID-19 pandemic era, supply chain disruptions, intense inflationary trends, rising interest rates, severe geopolitical tensions and geo-economic fragmentation prevail in the international trade and the broader economic environment, hindering the global growth effort and raising uncertainty as to the direction and possible risks involved in new investment. Together with the even more frequent disruptions to economic activity brought about by the impact of climate change, the challenges posed to the global as well as the Greek real economy are complex and too difficult to foresee, requiring increased attention and robust capital, liquidity as well as managerial capacity to go through.

ABBank is active in corporate banking, specializing in the provision of credit products and operational banking services to the shipping industry and, since 2018, to the Greek Corporates and SMEs, focusing on the financing of exports, commercial real estate (CRE) and construction, as well as renewable energy sources (RES) sectors. Moreover, since 2020, the Group offers e-banking solutions to all its customers, covering their cash management and their local as well as international payments requirements. As of 31.12.2023, the Group's loans portfolio comprised 77% shipping and 23% non-shipping loans, and an NPEs ratio of less than 1%, while the medium-term target is a portfolio composition of 70% - 30%, with maintenance of the NPEs at the present minimal level.

The Bank's Senior Management believes that the prevailing challenges and uncertainties for the Greek and global economy has, among others, negatively affected new investment decisions and credit demand, contributing also to the creation of new NPEs for banks. On the other hand, given the credit policy pursued by ABBank for the financing of both, shipping and non-shipping corporations, and the sectoral diversification of its loan portfolios, it is estimated that the current challenges will not have a significant impact on the quality of ABBank's exposures.

The superior to the Euro Area average to date performance and prospects of the Greek Economy for 2024, as well as the stout utilization of the RRP (Recovery and Resilience Programme), in combination with the robust economic and regulatory metrics of the Bank, its strong profitability record, the expertise of its staff, and the quality of its credit exposures, pave the way for the implementation of ABBank’s business plan for sustainable growth and profitability.

Athens, 28 May 2024

The Chairman of the BoD	The Managing Director
Georgios Raounas	Theodore Afthonidis

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TRUE TRANSLATION FROM THE ORIGINAL IN GREEK

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Aegean Baltic Bank S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the separate and consolidated financial statements of Aegean Baltic Bank S.A. (the Bank), which comprise the separate and consolidated statement of financial position as at 31 December 2023, and the separate and consolidated statements of income and comprehensive income, changes in equity and cash flows for the year then ended and the notes to the separate and consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of Aegean Baltic Bank S.A. and its subsidiary (the Group) as at 31 December 2023, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We have been independent of the Bank and the Group during the whole period of our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek legislation and the ethical requirements in Greece, relevant to the audit of the separate and consolidated financial statements. We have fulfilled our ethical requirements in accordance with the applicable legislation and the abovementioned Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the current year. These matters and the assessed risks of material misstatements were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters..

Key audit matter	How our audit addressed the Key audit matter
Allowance for expected credit losses (ECL) for loans at amortized cost	
Loans and advances to corporate customers at amortized cost amounted for both the Bank and the Group to € 512,514 thousand (Gross amount) as at 31 December 2023 (€ 528,232 thousand at 31 December 2022), and accumulated impairment loss on these loans amounted to €6,786 thousand for the year ended 31 December 2023 (€ 9,596 thousand for the year ended 31 December 2022). Out of the total of these loans an amount of € 22,290 (Gross amount) as at 31 December 2023 (€ 20.670 thousand at 31 December 2022) for both the Bank and the Group has been assessed at Stage 2 and Stage 3. The ECL estimate on loans and advances to customers at amortized cost of Stage 2 and Stage 3 individually assessed loans, involves critical Management judgement with high level of subjectivity and complexity, and therefore is considered a key audit matter. The most significant Management judgements and accounting estimates in connection with the ECL measurement of individually assessed Stage 2 and Stage 3 loans relates to: - the criteria used for the staging of loans at amortized cost (Significant Increase in Credit Risk –SICR and Unlikeness to Pay –UTP) - assumptions of expected future cash flows, including assessment approach, valuation and time to liquidate the collaterals, macro economic variables and economic scenarios that are incorporated in the ECL measurement. Management has provided additional information regarding the accounting policies when determining the allowance on impairment loss on loans and advances to customers at amortized cost, the management of credit risk and the evaluation of impairment losses in Notes 2.10, 3.1, 4, 13 and 18 to the separate and consolidated financial statements	Based on our risk assessment and following a risk-based approach, we have evaluated the impairment methodologies applied and assumptions made by Management in relation to this key audit matter, which included, inter alia, the following audit procedures: • We assessed the design and implementation of internal controls relevant to the ECL estimate, including controls around the determination of staging criteria and staging allocation, the significant assumptions and methodologies applied by Management for the ECL measurement of Stage 2 and Stage 3 individually assessed loans as well as controls around the accuracy and completeness of data used in the ECL calculations. • On a sample basis we tested whether the criteria used to allocate loans to stages in accordance with the provisions of IFRS 9, including SICR and UTP, are appropriate and timely identified. • On a sample basis: - we assessed whether the approach used by Management for the calculation of the estimated future cash flows of Stage 2 and Stage 3 individually assessed loans is appropriate and accurate - we assessed the reasonableness of the significant assumptions used by Management, including assessment approach, valuation and time to liquidate the collaterals, macro economic variables and economic scenarios that are incorporated in the ECL measurement - we tested the accuracy of ECL calculation. Given the complexity and granularity of the related disclosures, we assessed their completeness and accuracy in accordance with the provision of relevant accounting standards.

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Other Information

Management is responsible for the other information. The other information, comprises the Board of Directors' Annual Management Report, referred to in the section "Report on Other Legal and Regulatory Requirements", but does not include the separate and consolidated financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement in this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the separate and consolidated financial statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, as endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, Management is responsible for assessing the Bank's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Bank and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (article 44 of Law 4449/2017) of the Bank is responsible for overseeing the Bank's and Group's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as these have been incorporated into Greek legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, as these have been incorporated into Greek legislation, we exercise professional judgment and maintain professional scepticism throughout the audit..

We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's and Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Bank and the Group. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to impair our independence, and where applicable, related safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current year and are therefore the key audit matter

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Report on Other Legal and Regulatory Requirements

1. Board of Director's Annual Management Report

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Annual Management report which also includes the Corporate Governance Statement, according to the provisions of paragraph 5 of article 2 of Law 4336/2015 (part B) we note the following:

a) In our opinion, the Board of Directors' report has been prepared in accordance with the applicable legal requirements of articles 150 & 153 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31 December 2023.

b) Based on the knowledge we obtained during our audit of the Bank and the Group and its environment, we have not identified any material inconsistencies in the Board of Directors' Annual Management Report.

2. Additional Report to the Audit Committee

Our audit opinion on the accompanying separate and consolidated financial statements is consistent with the additional report to the Audit Committee of the Bank referred to in Article 11 of the European Union (EU) Regulation 537/2014.

3. Non-audit Services

We have not provided to the Bank and the Group any prohibited non-audit services referred to in Article 5 of EU Regulation 537/2014.

The allowable non-audit services provided to the Bank and the Group, during the year ended 31 December 2023 are disclosed in Note 40 to the accompanying separate and consolidated financial statements respectively.

4. Appointment

We were first appointed as statutory auditors by virtue of the Bank's articles of association at incorporation, which was approved based on 25 September 2002 decision of Prefecture of Athens. Our appointment has been, since then, uninterruptedly renewed by the annual general assembly of the shareholders of the Bank for twenty one consecutive years.

Athens, 28 May 2024
The Certified Public Accountant

Foteini D. Giannopoulou
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AEGEAN BALTIC BANK GROUP

Separate and Consolidated Financial Statements
In accordance with International Financial Reporting Standards

31 December 2023

May 2024

Income Statement

	Notes	2023 €' 000 Group	2023 €' 000 Bank	2022 €' 000 Group As restated	2022 €' 000 Bank As restated
Interest and similar income*		64,421	64,421	35,385	35,385
**of which calculated based on effective interest rate*		*49,097*	*49,097*	*33,086*	*33,086*
Interest expense and similar charges		(20,550)	(20,550)	(5,471)	(5,472)
Net interest income	5	**43,871**	**43,871**	**29,914**	**29,913**
Fee and commission income		5,289	5,289	5,043	5,043
Fee and commission expense		(309)	(309)	(264)	(264)
Net fee and commission income	6	**4,980**	**4,980**	**4,779**	**4,779**
Net trading income	7	2,447	2,447	2,118	2,118
Other operating income	8	18	18	2,471	26
Gain / (losses) from derecognition of financial assets	9	1,364	1,364	473	473
Total income		**52,680**	**52,680**	**39,755**	**37,309**
Personnel expenses	10	(10,067)	(10,067)	(9,094)	(9,094)
General administrative expenses	11	(5,078)	(5,017)	(4,781)	(4,756)
Depreciation and amortization	12	(1,137)	(1,137)	(1,054)	(1,054)
Impairment losses on loans and advances to customers	13 & 4	(1,703)	(1,703)	(2,184)	(2,184)
Impairment (losses)/releases on investment securities	19 & 20	301	301	(198)	(198)
Profit/(Loss) before tax		**34,996**	**35,057**	**22,444**	**20,023**
Income Tax	14	(7,954)	(7,957)	(4,972)	(4,439)
Profit/(Loss) for the year		**27,042**	**27,100**	**17,472**	**15,584**

The notes on pages 31 to 110 are an integral part of these separate and consolidated financial statements.

Statement of Comprehensive Income

	Notes	2023 €' 000 Group	2023 €' 000 Bank	2022 €' 000 Group	2022 €' 000 Bank
Profit for the year		**27,042**	**27,100**	**17,472**	**15,584**
Other comprehensive income / (expense)					
Items that may be reclassified subsequently to profit or loss					
Fair value reserve (FVOCI financial assets including ECL)	19	1,631	1,631	(3,507)	(3,507)
Related tax	26	(359)	(359)	772	772
Total items that may be reclassified subsequently to profit or loss		**1,272**	**1,272**	**(2,735)**	**(2,735)**
Items that will not be reclassified subsequently to profit or loss					
Remeasurement of the defined benefit obligations	32	(155)	(155)	346	346
Related tax from remeasurement of defined benefit obligations	26	34	34	(76)	(76)
Revaluation surplus from land & building	25	3,033	3,033	1,252	1,252
Related tax from revaluation surplus from land & building		(667)	(667)	(275)	(275)
Total items that will not be reclassified subsequently to profit or loss		**2,245**	**2,245**	**1,247**	**1,247**
Other comprehensive income for the year		**3,517**	**3,517**	**(1,488)**	**(1,488)**
Total comprehensive income for the year		**30,559**	**30,617**	**15,984**	**14,096**

The notes on pages 31 to 110 are an integral part of these separate and consolidated financial statements.

Statement of Financial Position

	Notes	31.12.2023 €' 000 Group	31.12.2023 €' 000 Bank	31.12.2022 €' 000 Group As restated	31.12.2022 €' 000 Bank
ASSETS					
Cash and balances with Central Bank	15	197,607	197,607	227,118	227,118
Due from banks	17	83,511	83,511	114,420	114,420
Loans and advances to customers	18	506,473	506,473	519,212	519,212
Investment securities FVTOCI	19	194,332	194,332	186,064	186,064
Debt securities at amortized cost	20	68,474	68,474	67,380	67,380
Derivative financial instruments	21	6	6	-	-
Investment Property	22	8,900	-	8,900	-
Investments in Subsidiaries	23	-	7,500	-	7,500
Intangible assets	24	1,452	1,452	1,347	1,347
Property and equipment	25	11,722	11,722	9,004	9,004
Other assets	27	4,595	4,576	6,269	6,266
Total assets		**1,077,072**	**1,075,653**	**1,139,714**	**1,138,311**
LIABILITIES					
Due to banks	28	-	-	750	750
Due to customers	29	917,143	918,083	1,010,602	1,011,607
Derivative financial instruments	21	23	23	165	165
Retirement benefit obligations	32	1,891	1,891	1,580	1,580
Liabilities for current income tax and other taxes	31	4,353	4,354	2,697	2,697
Deferred tax liabilities	26	4,273	3,743	2,294	1,761
Other liabilities	30	3,480	3,480	4,276	4,289
Total liabilities		**931,163**	**931,574**	**1,022,364**	**1,022,849**
SHAREHOLDERS' EQUITY					
Share capital	33	37,980	37,980	37,980	37,980
Share premium	34	50,207	50,207	50,207	50,207
Reserves	35	6,877	6,783	1,887	1,793
Retained earnings	36	50,845	49,109	27,276	25,482
Total shareholders' equity		**145,909**	**144,079**	**117,350**	**115,462**
Total liabilities and equity		**1,077,072**	**1,075,653**	**1,139,714**	**1,138,311**

The notes on pages 31 to 110 are an integral part of these separate and consolidated financial statements.

Statement of Changes in Equity

' 000

	Note 35	Share Capital	Share Premium	Reserves	Retained Earnings	Total
Group						
Balance at 01.01.2022		**37,980**	**50,207**	**2,308**	**10,873**	**101,368**
Movement in the OCI reserve – valuation		-	-	(3,507)	-	(3,507)
Related tax on OCI reserve - valuation		-	-	772	-	772
Remeasurement of the defined benefit obligations		-	-	595	(250)	346
Related tax on remeasurement of defined benefit obligations		-	-	(131)	55	(76)
Revaluation gain on land & building, net of tax		-	-	976	-	976
Statutory reserve		-	-	874	(874)	-
Profit / (Loss) for the year		-	-	-	17,472	17,472
Balance at 31.12.2022 (As restated)		**37,980**	**50,207**	**1,887**	**27,276**	**117,350**
Group						
Balance at 01.01.2023 (As restated)		**37,980**	**50,207**	**1,887**	**27,276**	**117,350**
Movement in the OCI reserve – valuation		-	-	1,631	-	1,631
Related tax on OCI reserve - valuation		-	-	(359)	-	(359)
Remeasurement of the defined benefit obligations		-	-	-	(155)	(155)
Related tax on remeasurement of defined benefit obligations		-	-	-	34	34
Revaluation gain on land & building, net of tax		-	-	2,366	-	2,366
Statutory reserve		-	-	1,352	(1,352)	-
Dividends paid		-	-	-	(2,000)	(2,000)
Profit / (Loss) for the year		-	-	-	27,042	27,042
Balance at 31.12.2023		**37,980**	**50,207**	**6,877**	**50,845**	**145,909**

	Note 35	Share Capital	Share Premium	Reserves	Retained Earnings	Total
Bank						
Balance at 01.01.2022		**37,980**	**50,207**	**2,308**	**10,873**	**101,368**
Movement in the OCI reserve – valuation		-	-	(3,507)	-	(3,507)
Related tax on OCI reserve - valuation		-	-	772	-	772
Remeasurement of the defined benefit obligations		-	-	595	(250)	346
Related tax on remeasurement of defined benefit obligations		-	-	(131)	55	(76)
Revaluation gain on land & building, net of tax		-	-	976	-	976
Statutory reserve		-	-	779	(779)	-
Profit / (Loss) for the year		-	-	-	15,584	15,584
Balance at 31.12.2022 (As restated)		**37,980**	**50,207**	**1,793**	**25,482**	**115,462**
Bank						
Balance at 01.01.2023 (As restated)		**37,980**	**50,207**	**1,793**	**25,482**	**115,462**
Movement in the OCI reserve – valuation		-	-	1,631	-	1,631
Related tax on OCI reserve - valuation		-	-	(359)	-	(359)
Remeasurement of the defined benefit obligations		-	-	-	(155)	(155)
Related tax on remeasurement of defined benefit obligations		-	-	-	34	34
Revaluation gain on land & building, net of tax		-	-	2,366	-	2,366
Statutory reserve		-	-	1,352	(1,352)	-
Dividends paid		-	-	-	(2,000)	(2,000)
Profit / (Loss) for the year		-	-	-	27,100	27,100
Balance at 31.12.2023		**37,980**	**50,207**	**6,783**	**49,109**	**144,079**

The notes on pages 31 to 110 are an integral part of these separate and consolidated financial statements.

Cash Flow Statement

	Notes	31.12.2023 €' 000 Group	31.12.2023 €' 000 Bank	31.12.2022 €' 000 Group	31.12.2022 €' 000 Bank
Cash flows from operating activities					
Profit before tax		**34,996**	**35,057**	**22,444**	**20,023**
Adjustments for:					
Depreciation and amortization charges	12	1,137	1,137	1,054	1,054
Credit provisions and other impairment charges	13-19-20	1,402	1,402	2,382	2,382
Provisions for retirement benefit obligations	32	156	156	164	164
Fair value adjustment of Investment Property	21	-	-	(2,445)	-
(Gain) / Loss from sale of investment securities FVTOCI	7	-	-	2	2
Foreign exchange (profit) / loss on financial assets at FVTOCI	19	324	324	5,080	5,080
Foreign exchange (profit) / loss on cash and cash equivalents		1,346	1,346	(2,056)	(2,056)
		39,361	**39,422**	**26,625**	**26,649**
Net (increase)/decrease in operating assets:					
Loans and advances to customers	13-18	11,074	11,074	44,626	44,626
Derivative financial assets	21	(6)	(6)	18	18
Other assets		1,674	1,690	2,067	2,070
Net increase/(decrease) in operating liabilities:					
Due to banks	27	(750)	(750)	(47,796)	(47,796)
Due to customers	28	(93,459)	(93,524)	168,242	169,247
Derivative financial liabilities	20	(142)	(142)	26	26
Other liabilities	29	(906)	(918)	1,567	1,580
Cash flow from operating activities before tax payment		(43,154)	(43,154)	195,375	196,419
Income Tax paid		(5,534)	(5,534)	(1,972)	(1,972)
Net cash flow from operating activities		**(48,688)**	**(48,688)**	**193,403**	**194,447**
Cash flows from investing activities					
Acquisition of property and equipment	25	(270)	(270)	(137)	(137)
Acquisition of intangible assets	24	(477)	(477)	(229)	(229)
Acquisition of investment securities FVTOCI	19	(519,613)	(519,613)	(353,153)	(353,153)
Acquisition of debt securities at amortized cost	20	(8,133)	(8,133)	(30,065)	(30,065)
Proceeds from disposal of investment securities	19-20	520,321	520,321	228,373	228,373
Acquisition of investment property	22	-	-	(6,455)	-
Investments in Subsidiaries	23	-	-	-	(7,500)
Net cash flow from investing activities		**(8,172)**	**(8,172)**	**(161,666)**	**(162,711)**
Cash flows from financing activities					
Cash payments of lease elements	29	(214)	(214)	(182)	(182)
Dividends paid	36	(2,000)	(2,000)	-	-
Net cash flow from financing activities		**(2,214)**	**(2,214)**	**(182)**	**(182)**
Net increase / (decrease) in cash and cash equivalents		**(59,074)**	**(59,074)**	**31,555**	**31,555**
Cash and cash equivalents at beginning of period	15	**341,538**	**341,538**	**307,928**	**307,928**
Foreign exchange profit /(loss) on cash and cash equivalents		(1,346)	(1,346)	2,056	2,056
Cash and cash equivalents at end of period	15	**281,118**	**281,118**	**341,538**	**341,538**

The notes on pages 31 to 110 are an integral part of these separate and consolidated financial statements.

Note 1: General Information

The Bank is registered under the trade name "AEGEAN BALTIC BANK BANKING SOCIETE ANONYME", ("the Bank"), with the distinctive title "AB Bank S.A.". Its registered office is located at 91 Megalou Alexandrou & 25th Martiou street 151 24, Marousi, Attica, Greece (Reg. 52755/06/B/02/34 and GEMI Registration No. 4918201000). The Bank's term shall expire on 31.12.2099, however it may be extended or abridged following a resolution of the General Assembly of the Shareholders.

The Bank's objectives is to conduct, on its own behalf or on behalf of third parties, in Greece and abroad, by itself or in a joint venture with third parties, without restriction and in any form or shape, the entirety of the services and activities, which domestic banking institutions are permitted, from time to time, to conduct. The Bank's objectives include, but are not limited to, the services and activities indicated in Article 4 of its Article of Association.

The Aegean Baltic Bank Group, ("the Group"), besides the parent company includes one 100% subsidiary as at 31.12.2023 under the trade name 'ACQUA BLUE PROPERTIES SINGLE MEMBER S.A.'

The composition of the Board of Directors, which was elected by the General Meeting of Shareholder of the Bank on 28 June 2022 and constituted into body the same date, was on 31.12.2023 as follows:

Konstantinos Hadjipanayotis	Chairman & Deputy Managing Director	Executive Member
Theodore Afthonidis	Vice Chairman and Managing Director	Executive Member
Petros Christodoulou	Member	Non-Executive
Lampros Theodorou	Member	Non-Executive
Dimitris Potamitis	Member	Non-Executive, Independent
Emmanouil Kavussanos	Member	Non-Executive, Independent
Dimitris Anagnostopoulos	Member	Non-Executive
Panagiotis Konstantaras	Member	Non-Executive, Independent
Anastasios Tourkolias	Member	Non-Executive

On January 18, 2024, the Board of Directors accepted the resignation of five Board members and elected new ones in place of the resigned Board members. The term of the new Board members will be equal to the remainder of the outgoing members i.e. until the date of convocation of the Ordinary General Meeting of the year 2027.

The composition of the Board of Directors, after its reconstitution into body is as follows:

Georgios Raounas	Chairman	Non -Executive, Independent
Theodore Afthonidis	Vice Chairman & Managing Director	Executive Member
Konstantinos Hadjipanayotis	Member & Deputy Managing Director	Executive Member
Anastasios Afthonides	Member	Executive Member
Anastasios Tourkolias	Member	Non-Executive
Lampros Theodorou	Member	Non-Executive
Marina Mpouki	Member	Non-Executive
Maria Meliou	Member	Non-Executive, Independent
Damianos Charalampidis	Member	Non-Executive, Independent

The standalone and consolidated financial statements (hereinafter the "Financial Statements") have been approved for issue by the Group's BoD on 28th May 2024.

The Financial Statements are subject to the approval of the Annual General Meeting of the Group's shareholders.

Note 2: Summary of material accounting policies

2.1 Consolidation

The consolidated financial statements include the financial statements of Aegean Baltic Bank SA and its subsidiary. Aegean Baltic Bank does not have any joint ventures or associates. The only subsidiary of the Bank is Acqua Blue Properties Single Member S.A. and therefore no non-controlling interest exists.

Income and expenses and other comprehensive income acquired during the year are presented in the Consolidated Income Statement and in the Consolidated Statement of Other Comprehensive Income. Adjustments are made to the financial statements of the subsidiary to bring its accounting policies in line with those adopted by the Group. All intercompany transactions, balances, income, and expenses all eliminated in full consolidation.

2.2 Basis of preparation

The consolidated financial statements of the Group and the Bank have been prepared in accordance with International Financial Reporting Standards (IFRSs) as endorsed by the European Union (the E.U.). E.U. endorsed IFRSs may differ from IFRSs as issued by the International Accounting Standards Board (IASB) if at any point in time, new or amended IFRSs have not been endorsed by the E.U. At 31 December 2023, there were no unendorsed standards effective for the year ended 31 December 2023, which affect these financial statements, and there was no difference between IFRSs endorsed by the E.U. and IFRSs issued by the IASB in terms of their application to the Group and the Bank. Accordingly, the financial statements for the year ended 31 December 2023 are prepared in accordance with IFRSs as issued by the IASB. The financial statements were prepared under the historical cost convention, except for Investment securities at FVTOCI, Investment Property and all derivative financial instruments which are measured at fair value.

The preparation of financial statements in conformity with IFRSs requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenues and expenses during the reporting period. Please refer to note 3.

The financial statements are presented in Euro, rounded to the nearest thousand unless otherwise indicated.

a) **Standards, interpretations and amendments to published standards effective in 2023**

The following amendments to existing IFRSs, effective from 1 January 2023, have been issued by the International Accounting Standards Board ("IASB") and endorsed by the EU as of the date the Annual Financial Statements were issued.

- **IAS 1 "Presentation of Financial Statements"**

The Bank and the Group have adopted the amendments to International Accounting Standards ("IAS") 1 for the first time in the current year. The amendment change the requirements in IAS 1 with regard to disclosure of accounting policies. The amendments replace all instances of the term "significant accounting policies" with "material accounting policy information" and add guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

- **IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors"**

is applied in selecting and applying accounting policies, accounting for changes in estimates and reflecting corrections of prior period errors. The standard requires compliance with any specific IFRS applying to a transaction, event or condition, and provides guidance on developing accounting policies for other items that result in relevant and reliable information. Changes in accounting policies and corrections of errors are generally retrospectively accounted for, whereas changes in accounting estimates are generally accounted for on a prospective basis.

- **IAS 12, "Income Taxes"**

implements a so-called 'comprehensive balance sheet method' of accounting for income taxes which recognizes both the current tax consequences of transactions and events and the future tax consequences of the future recovery or settlement of the carrying amount of an entity's assets and liabilities. Differences between the carrying amount and tax base of assets and liabilities, and carried forward tax losses and credits, are recognized, with limited exceptions, as deferred tax liabilities or deferred tax assets, with the latter also being subject to a 'probable profits' test.

b) New standards, amendments and interpretations to existing standards, effective after 2023.

- **IAS 1 (Amendment) "Classification of Liabilities as Current or Non-current"**

The amendment aims to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current. Moreover, the amendment addresses issues regarding the presentation and disclosures of liabilities for which an entity’s right to defer settlement for at least 12 months in subject to the entity complying with specified conditions (covenants) after the reporting period.

Amendments to standards that have been issued by the IASB but they have not yet been endorsed by the EU, and therefore have not been adopted by the Group and the Bank:

IAS 21 (Amendment) “Lack of exchangeability”. The amendments specify when a currency is exchangeable into another currency and, consequently, when it is not and how an entity determines the exchange rate to apply when a currency is not exchangeable. Additionally, the amendment requires disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

IAS 7, IFRS 7 (Amendment) “Supplier Finance Arrangements”. The amendment aims to add disclosure information about supplier finance arrangements, such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information.

2.3 Going Concern

The annual financial statements have been prepared on a going concern basis, as the Board of the Directors considered the level of the Bank’s Common Equity Tier 1 (CET1) ratio which is 24% for the Group and 23.4% for the Bank at 31.12.2023 (see note 4.8), the high level of Liquidity Coverage Ratio (LCR) (387.42% at 31.12.2023 for the Group and the Bank), and the very low Non performing Loans Ratio (NPL) at 31.12.2023 of 0.8% for the Group and the Bank. The Board believes on the appropriateness of the use of going concern basis for the preparation of the financial statements.

The Board does not expect that the Group and the Bank will face liquidity issues as it remains in the high level of Liquidity Coverage Ratio (LCR) 379% during the first quarter of 2024 and has significant increase in deposits until the end of April 2024.

In December, 2023, Standard & Poor’s revised ABBank's credit rating of B +/ B (long-term / short-term), to positive from stable outlook , noting that “The positive outlook on ABB reflects our view that Greek banks will likely face reduced economic and industry risks over the next 12 months, which will be supportive for ABB's creditworthiness”.

2.4 Foreign currency transactions

The financial statements are presented in Euro, which is the currency of the country of incorporation of the Group and the Bank (functional currency). Transactions in foreign currencies are translated in Euro at the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to Euro at the closing exchange rate on that date. Foreign exchange differences (profit or loss) arising from translations are recognized in the income statement. Non-monetary assets and liabilities are recognized at the exchange rate prevailing on initial recognition, except for non-monetary items denominated in foreign currencies that are stated at fair value.

2.5 Interest income and expense

Interest income and expense are recognized in the income statement for all interest-bearing instruments on a time proportion basis, taking account of the principal outstanding and using the effective interest rate method based on the actual purchase price. The effective interest rate method is a method of calculating the amortized cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or the next re-pricing date, in order for the present value of the future cash flows to be equal to the carrying amount of the financial instrument.

In particular the Group and the Bank apply:

- For the interest-bearing financial assets classified within Stage 1 or Stage 2, interest income is calculated by applying the effective interest rate to the gross carrying amount of the financial asset.
- For the interest-bearing financial assets classified within stage 3, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset.
- For the purchased or originated credit impaired interest-bearing financial assets, interest income is calculated similar to the Stage 3 loans and by applying the credit adjusted effective interest rate of the financial asset.

In case of negative interest rates, interest is presented within interest income for interest bearing financial liabilities and within interest expense for interest bearing assets.

As of 31st December 2023, the Group or the Bank did not possess any or originated credit impaired financial assets.

2.6 Gains or losses from derecognition of financial assets

This category includes gains/(losses) from the derecognition of financial assets measured at amortized cost. More specifically, it includes gains/(losses) deriving from the transfer of the unamortized balance of capitalized commissions and expenses of loans that have been early repaid.

2.7 Net Fee and commission income

To recognize fees and commission income/expense under IFRS 15, the Group and the Bank apply the following five step model to all contracts with customers other than those in scope with other standards such as financial leasing, financial instruments in scope of IFRS 9:

- Identify the contract with the customer.
- Identify the performance obligations in the contracts.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contracts.
- Recognizing revenue when the entity satisfies a performance obligation.

As such, the Group and the Bank recognize revenue when a performance obligation is satisfied, that is when control of the services or goods is transferred to the customer. Fee and commission income is recognized on an accrual basis over the period the relevant services have been provided. Transaction revenues relating to the origination of a financial instrument which is measured at amortized cost, such as loans and receivables, are capitalized and recognized in the income statement using the effective interest rate method.

2.8 Financial assets at fair value through profit or loss ("FVTPL")

A. Financial assets at fair value through profit or loss ("FVTPL")

This category includes financial assets that do not meet the criteria of being measured at either amortized cost or fair value through other comprehensive income ("FVTOCI") (please refer to Note 2.7). All financial assets acquired principally for the purpose of selling in the short term or if so, designated by the management, are recognized on the trade date, which is the date that the Group and the Bank commit to purchase or sell the asset and are classified under this category which has the following two sub-categories:

A1: Trading securities

Trading securities are securities, which are either acquired for generating a profit from short term fluctuations or are securities included in a portfolio in which a pattern of short-term profit making exists. Trading securities are initially recognized at cost and subsequently re-measured at fair value. Gains and losses realized on disposal or redemption and unrealized gains and losses from changes in fair value are included in net trading income/ (loss). Interest earned with holding trading securities is reported in interest income. Trading securities held are not reclassified out of the respective category. Respectively, investment securities are not reclassified into trading securities category while they are held.

A2: Designated at fair value through profit or loss

Upon initial recognition the Group and the Bank may designate any financial assets as at fair value through profit or loss except for investments in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured, when either.

I. The Group and the Bank estimate or significantly reduces a measurement or recognition in consistency (i.e., an accounting mismatch) that would otherwise arise from measuring assets or liabilities or recognizing gains and losses on them on different bases.

II. A group of financial assets is managed, and its performance is evaluated on a fair value basis, in accordance with a documented risk management or investment strategy, and information about the Group and the Bank is provided internally on that basis to key management personnel.

III. This category is measured at fair value. The determination of fair values of financial assets at fair value though profit or loss securities is based on quoted market prices, dealer price quotation and pricing models, as appropriate. Changes in fair value are included in net trading income.

B. Financial assets mandatorily at FVTPL

The financial assets that their contractual terms do not give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI Fail) are classified mandatorily at FVTPL. This category is measured at fair value. As at 31st December 2023 the Group and the Bank did not have any financial instruments classified mandatorily at FVTPL.

C. Equity Securities

Equity securities are measured at FVTPL unless the management of the Group and the Bank irrevocably elects to measure equity securities at FVTOCI (please refer to Note 2.8). The determination of fair values of financial assets at fair value though profit or loss securities is based on quoted market prices, dealer price quotation and pricing models, as appropriate. Changes in fair value are included in net trading income.

2.9 Investment Securities measured at fair value through other comprehensive income "FVTOCI"

Debt securities measured at fair value through other comprehensive income "FVTOCI"

In this category the Group and the Bank classifiy the debt securities that satisfy both of the following criteria:

- The debt security is held within a business model whose objective is to both collect the contractual cash flows and sell assets (Hold to Collect and Sell "HTCS") and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

These securities are not sold with the intention of short-term profit and that is why sales might be more frequent and significant in value in comparison with the Hold to Collect ("HTC") Business Model.

The Group and the Bank may elect to classify debt securities under the HTC Business Model due to the following reasons:

- manage everyday liquidity needs,
- maintain a particular interest yield profile, or
- match the duration of the financial assets to the duration of the financial liabilities that those assets are funding.
- manage the return on the portfolio on an opportunistic basis, by reinvesting in higher yielding assets, without a clear intention of holding the financial assets to collect contractual cash flows (although the Group and the Bank might end up holding the assets if no other investment opportunities occur).

The debt instruments, after initial recognition, are measured at FVTOCI with any fair value changes recorded directly in other comprehensive income.

In the Income Statement, the Group and the Bank recognize interest income using the effective interest rate method, the expected credit losses and the foreign exchange changes. On the date of derecognition, the cumulative fair value gains/losses of debt securities are reclassified from other comprehensive income to profit and loss ("P&L").

Default Definition

A key issue in measuring expected losses is identifying when a "default" may occur. For debt securities the Group and the Bank identify that a default has occurred when:

- Significant financial difficulty of the issuer exists.
- A breach of contract, such as a default or past due event (i.e., an issuer has failed to make a payment when contractually due).
- The issuer, for economic or contractual reasons relating to the issuer's financial difficulty, has granted a concession that the lender would not otherwise consider.
- It is becoming probable that the issuer will enter bankruptcy or other financial reorganization.
- The disappearance of an active market for that financial asset because of financial difficulties within such market.
- The purchase of a debt security at a deep discount that reflects incurred credit losses.

Impairment losses on Debt securities

In line with the IFRS 9 provisions the Group and the Bank in the process of calculating ECL, assesses if SICR of debt securities exist. The identification of SICR is based on qualitative and quantitative criteria depending on the availability, quality and quantity of the information. SICR is identified in the following cases:

- Investment grade debt instruments which experience a downgrade to the "non-investment grade" range of the relevant ECAIs (hereinafter External Credit Assessment Institutions.)
- Non-investment grade debt instruments that do not fall within the "default" rating range as provided by an ECAI and experience more than 2 notches credit rating downgrade.
- Debt instruments where the Probability of Default (PD) at each reporting date is higher than the PD at origination date by 200%.
- Should neither a credit rating nor a PD exist for a debt instrument, but the instrument is traded in an organized market then SICR is considered when there is a significant increase of the credit spread by more than 5% in absolute terms at the reporting date vs the origination date.

The Group and the Bank classify debt securities measured at FVTOCI in three stages for the ECL calculation.

- Stage 1 – The Group and the Bank classify all debt securities rated by an ECAI that fall under the "Investment grade/non speculative" range at Stage 1, provided that it continues to fall within the "investment grade" range of the relevant ECAI. The Group estimates 12-month ECL for stage 1 debt securities.
- Stage 2 – The Group and the Bank classify all debt securities which are a classified in stage 1 at the date of initial recognition and experience significant increase in credit risk "SICR" at the reporting date. The Group estimates lifetime ECL for stage 2 debt securities.
- Stage 3 – The Group and the Bank classify all debt securities which meet the criteria below:
    (i) There is objective evidence of impairment at the reporting date, or
    (ii) The debtor is compliant with the default definition as defined above, or
    (iii) The instrument's credit rating is equivalent to "default".

    The Group and the Bank estimate Lifetime ECL for stage 3 debt securities.

The Group and the Bank in the ECL calculation consider a weighted average estimated effect of two scenarios (base – adverse). The base scenario refers to the current macro-economic environment and consequently all the macro-variant risk parameters, specifically debt instrument's PD and LGD are known. The adverse scenario refers to a worse than the current macro-economic environment and it is characterized by a percentage increase.

Equity instruments

Equity instruments are measured at FVTPL. The management of the Group and the Bank may irrevocably elect to present in other comprehensive income subsequent changes in the fair value of an equity instrument. In the case that the management of the Group and the Bank irrevocably elects to present equity instruments at FVTOCI, the accumulated gains and losses recognized in other comprehensive income are not subsequently reclassified to the P&L but may be reclassified within equity (to the retained earnings).

The equity instruments presented at FVTOCI are not subject to impairment. The dividend income on such equity instruments is recognized in the Income Statement, unless the dividend clearly represents a recovery of part of the cost of the investment. All other gains and losses (including those relating to foreign exchange) are recognized in Other Comprehensive Income.

2.10 Reclassification of financial assets

The Group and the Bank only reclassify a financial asset on the assignment of an alternate business model to its portfolio. In this event, the Group and the Bank reclassify an asset, and the reclassification is applied prospectively, from the reclassification date onwards. The measurement adjustments are dependent on the original classification as well as the new classification of the asset. This does not give rise to a prior period error in the Financial Statements (as defined in IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors”) nor does it change the classification of the remaining financial assets held in that business model (i.e., those financial assets that the Group and the Bank recognized in prior periods and still holds), as long as the Group and the Bank have considered all relevant information that was available at the time that they made the business model assessment. Accordingly, any previously recognized gains, losses (including impairment losses) or interest should not be restated.

Changes in the business model for managing financial assets are expected to be infrequent. They must be determined by the Group's and the Bank’s senior management as a result of external or internal changes and must be significant to the Group's operations and demonstrable to external parties. Accordingly, a change in the objective of the Group’s Business Model will occur only when the Group and the Bank either begins or ceases to carry on an activity that is significant to its operations such as the acquisition or disposal of a business segment.

If the Group and the Bank reclassify a financial asset from the amortized cost measurement category to the FVTPL or FVTOCI measurement category, its fair value is measured at the reclassification date. Any gain or loss arising from a difference between the previous amortized cost of the financial asset and fair value is recognized in the Income Statement for FVTPL and in the Statement of Total Comprehensive Income for FVTOCI.

For reclassifications to FVTOCI measurement category, the effective interest rate and the measurement of Expected Credit Losses are not adjusted as a result of the reclassification. However, the loss allowance would be derecognized and instead would be recognized as an accumulated impairment amount in other comprehensive income.

If the Group and the Bank reclassify a financial asset from the FVTPL measurement category and into the amortized cost measurement category, its fair value at the reclassification date becomes its new gross carrying amount. The date of the reclassification is the date of initial recognition for impairment calculation purposes and the date for the effective interest rate calculation of the financial asset.

If the Group and the Bank reclassify a financial asset from the FVTPL measurement category and into the FVTOCI measurement category, the financial asset continues to be measured at fair value. At the reclassification date, the effective interest rate of the asset is calculated while the date of the reclassification is the date of initial recognition for impairment calculation purposes.

If a financial asset is reclassified from FVTOCI measurement category and into the amortized cost measurement category, the asset is reclassified at its fair value at the measurement date. However, the cumulative gain or loss previously recognized in other comprehensive income is reversed and adjusted against the fair value of the financial asset at the reclassification date. As a result, the financial asset is measured at the reclassification date as if it had always been measured at amortized cost. This reversal affects other comprehensive income but does not affect profit or loss and therefore is not a reclassification adjustment under IAS 1. The effective interest rate and the calculation of Expected Credit Losses are not affected. The loss allowance is recognized as an adjustment to the gross carrying amount of the financial asset from the reclassification date.

If the Group and the Bank reclassify a financial asset from FVTOCI into the FVTPL measurement category, the financial asset continues to be measured at fair value. The cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment (in accordance with IAS 1 “Presentation of Financial Statements”) at the reclassification date.

Reclassification of equity instruments is prohibited.

2.11 Loans and advances to customers measured at Amortized Cost ("AC")

Loans and advances to customers measured at AC include financial assets for which both of the following conditions are met:

- the financial asset is held within a Business Model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI pass).

In order to determine whether a financial asset has SPPI characteristics, the Group and the Bank examine at initial recognition a variety of contractual features such as principal, interest, currency, deferral and extension features, subordination, performance-linked features, fees and others. Particularly for its loans portfolio, the Group and the Bank utilize a tool in questionnaire format to determine whether the SPPI criteria are met. Even though the Bank has initiated the evaluation of its credit processes, in order to prospectively incorporate therein the assessment of climate (and other ESG) risks, it should be noted that at present, none of the Bank's loan exposures include any term associated with sustainability (ESG) factors that could potentially result in the variability of its loan cash flows. Consequently, for the time being, there is no impact from the ESG requirements on the results of the SPPI test performed for the Bank's loan facilities.

Loans and advances to customers are initially recognized at fair value (plus any transaction costs) and measured subsequently at amortized cost using the effective interest rate method. Interest on loans and advances to customers is included in the Income Statement and is reported as "Interest and similar income".

Default

A key issue in measuring expected losses is identifying when a "default" may occur. The definition of default applied by the Group and the Bank, is consistent with Regulation 575/2013 of the European Parliament (CRR) Article 178, "Default of an obligor". An obligor is considered as defaulted when either or both of the following have taken place:

- The debtor is past due more than 90 days on any material credit obligation to the institution;
- The debtor is assessed as unlikely to pay (UTP) its loans obligations in full without realization of collateral, regardless of the existence of any past-due amount or of the number of days past due.

Impairment losses on loans and advances to customers

In accordance with the IFRS 9 principles, Expected Credit Losses ("ECL") are calculated on loans and advances to customers measured at amortized cost. More specifically, the Group and the Bank recognize ECL on loans and advances to customers at amortized cost when it is estimated that it will not be able to receive all payments due, as defined by the contract of the loan.

The amount of the ECL allowance on loans and advances to customers at amortized cost is the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows that the entity expects to receive discounted at the original effective interest rate of the loan (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets).

The Group and the Bank perform calculation for expected loans and advances to customers at each reporting date. The loans and advances to customers are grouped per counterparty group, per industry or per type of loan and impairment provisions are calculated individually and collectively.

The Group and the Bank evaluate expected credit losses (ECL) for all its loan exposures through a discounted cash flow model, whereby the present value of the cash flows that the Group and the Bank anticipate receiving in respect of a loan (including the present value of the collateral's residual value) are compared to the loan exposure (netted against any cash collateral) performing the present value estimations are made using each facility's effective interest rate as discounting factor (recalculated annually at each impairment testing, given the variable interest rate contained in the Group's facilities). The ECL calculation has been based on information obtained by the submitted credit applications, reviews or internal update memos, data and information obtained from and/or confirmed directly by the officers, as well as the available market reports and databases.

For the estimation of ECLs, all loan exposures are categorized in 3 stages, depending on whether they are credit impaired or present a significant increase in credit risk ("SICR"), as follows:

- **Stage 1:** includes all loans that are not credit impaired, nor do they present a SICR and are rated within the first 5 grades of the Group's and the Bank's rating system. For stage 1 Loans, ECL resulting from default events within the next 12 months.

- **Stage 2**: includes all loans that present the following criteria. The Group and the Bank according to their policy recognize SICR when :
  (i)All loans that present a SICR. The Group and the Bank according to their policy recognize SICR when there is a more than 2 notches downgrade in the loan's credit rating between the origination date and reporting date,
  (ii) customers that are subject to the two-year probation period for performing forborne exposures
  all loans with the existence of early arrears (past due between 30 and 90 days, for stage 2 Loans, ECL resulting from default events that are possible within the lifetime of the loan.
- **Stage 3**: Credit impaired loans (loans that present objective evidence of impairment and/or are considered "defaulted" under the CRR definition (see Note 2.9)

The stage allocation and the ECL calculation is conducted per borrower exposure for stage 3 Loans, for stage 1 and stage 2 loans the ECL calculation is conducted both on individual and on collective base. The Group and the Bank have developed 2 scenarios for the calculation of expected credit losses, one base and one adverse. The Group and the Bank weight 60% the base scenario and 40% the adverse scenario. The Group and the Bank for the ECL calculation consider several assumptions. These assumptions are based on forward-looking and historical data available at the date when the estimates were made.

The Group and the Bank adjusts the allowance for loans and advances to customers at every reporting date, to account for further expected credit losses, or reversals in the event of a decrease in credit risk, through recognition of impairment gains or losses accordingly.

For the Forborne exposures the Group and the Bank have adopted the EBA definition. Forborne exposures are debt contracts in respect of which forbearance measures have been extended. Forbearance measures consist of concessions towards a debtor facing or about to face difficulties in meeting its financial commitments ("financial difficulties"). Forborne loans are tested for impairment in accordance with the Group's and the Bank's Impairment policy for loans and advances to customers at amortized cost as described above.

2.12 Debt Securities measured at amortized cost ("AC").

In this category the Group and the Bank classify the debt securities that satisfy both of the following criteria:

- The debt security is held within a business model whose objective is to collect the contractual cash flows (Hold to Collect "HTC") and
- The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

The Group and the Bank may elect to classify debt securities under the HTC Business Model due to the following reasons:

- manage everyday liquidity needs,
- maintain a particular interest yield profile, or
- match the duration of the financial assets to the duration of the financial liabilities that those assets are funding.
- manage the return on the portfolio on an opportunistic basis, by reinvesting in higher yielding assets, without a clear intention of holding the financial assets to collect contractual cash flows (although the Group might end up holding the assets if no other investment opportunities occur).

The debt instruments, after initial recognition, are measured at AC. In the Income Statement, the Group recognizes interest income using the effective interest rate method, the expected credit losses and the foreign exchange changes are recognized in P&L. On the date of derecognition, the cumulative fair value gains/losses of debt securities are reclassified from other comprehensive income to profit and loss ("P&L").

The identification of default for Debt securities measured at AC remains the same with the identification of default for debt securities measured at FVTOCI, see Note 2.9 section Default definition.

For the calculation of expected credit losses for Debt securities measured at AC and the identification of significant increase in credit risk please see Note 2.7 section Impairment losses on Debt securities.

2.13 Modification of financial assets and derecognition of financial assets and financial liabilities

Modifications of financial assets

The Group and the Bank, in the normal course of its business activities, modify the contractual terms of a loan either as a concession granted to a client facing or that is about to face financial difficulties or due to other commercial reasons such as changes in market conditions, competition within the Grouping industry, customer retention, etc.

Upon modification of the contractual terms of a loan, an assessment follows, in order to conclude on whether the forbearance qualifies as concession or due to other commercial reasons.

In all cases a modification of terms may result in expiry of the asset's original rights to cash flows, although it would not always do so. This is because it is implicit within the requirements for measuring impairment losses that a modification would sometimes be regarded as a continuation of the original, albeit impaired, asset. Therefore, the Group and the Bank would assess the modifications made against the notion of 'expiry' of the rights to the cash flows.

When the cash flows of a loan are modified the Group and the Bank assess whether the rights over the cash flows have been modified substantially, or not. As such, the Group and the Bank determine whether the restructured loan should be regarded as:

- The continuation of the original loan if loan terms have not been modified substantially, with modification gain or loss recognized as a consequence of the restructuring, in this case the Group and the Bank recognize modification gain or loss as the difference between the cash flows of the loan after modification discounted by the effective interest rate of the original loan and the carrying amount of the original financial asset; or

- A new loan which replaces the original loan that is hence derecognized if the Loan terms have been modified substantially. In this case the Group and the Bank would recognize a gain or loss based on the difference between the fair value of the new loan and the carrying amount of the original financial asset.

Derecognition of financial assets

According to IFRS 9, the Group and the Bank is entitled to derecognize a financial asset when, and only when:

- The contractual rights to the cash flows from the financial asset seize to exist or expire; or
- When the risk and rewards of the financial asset are transferred.

As such, the Group and the Bank determines that the restructured debt should be regarded as a derecognition of the original loan when:

- The collateral of the related exposure has been realized in full or is of zero value; or
- The claims on the related exposure were waived in part or in full; and
- No more payments on the remaining claim are to be expected.
- Change in the currency that the lending exposure is denominated.
- Change in Borrower.
- Modifications on the interest rate type.
- Changes of the product type of the facility.
- Derecognition of financial liabilities.

Derecognition of financial liabilities

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

If an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of the existing liability are substantially modified, such an exchange or substantial modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognized in the Income Statement.

2.14 Derivative financial instruments

Derivative financial instruments are initially recognized in the statement of financial position at fair value and subsequently are re-measured at their fair value.

All derivatives are presented in assets when favorable to the Group and the Bank and in liabilities when unfavorable to the Group and the Bank.

Derivatives are entered into for either hedging or trading purposes and they are recognized at fair value irrespective of the purpose for which they have been entered into. Valuation differences arising from these derivatives are recognized in net result from derivatives and investment securities in P&L. The Group and the Bank use mostly FX SWAPs and FX Futures. The FX Swaps and the FX Futures are purchased in order to hedge the currency risk of the open FX position derived from Loans and Customer deposits in foreign currency.

The Group and the Bank do not use hedge accounting and therefore the gains and losses from derivative financial instruments are recognized in net result from derivatives and investment securities. However, the above instruments are effective economic hedges.

2.15 Intangible assets

Includes software carried at cost less amortization. Amortization is charged using the straight-line method over the estimated useful life, which the Group and the Bank have estimated as three years. Expenditure incurred to maintain the software programs is recognized in the income statement as incurred.

2.16 Property and equipment

Includes land, buildings, additions and improvements cost to leased property and other equipment. Property and equipment are initially recorded at cost.

Building and land are measured at fair value based on periodic valuations by external independent valuers, less accumulated depreciation, and accumulated impairment losses if any. If the asset's carrying amount is increased as a result of the revaluation, the increase is recognized in other comprehensive income and accumulated in equity under the revaluation reserve account. As at 31 December 2023 the fair value of building and land have been determined by external, independent, certified valuators. For more details, please refer to Note 25.

Other property and equipment are initially recorded at cost. Subsequent to initial recognition, property and equipment are measured at cost less accumulated depreciation and accumulated impairment losses if any.

Subsequent expenditure is capitalized or recognized as separate asset only when it increases the future economic benefits. All costs for repairs and maintenance are recognized in the income statement as incurred.

Depreciation is charged to the income statement on a straight-line basis to allocate their cost or revalued amounts, net of their residual value, over the estimated useful life of each part of an item of property, plant and equipment.

The estimated useful lives are as follows:

- Land: No depreciation
- Buildings: Not exceeding 50 years
- Significant Components of the Building Not exceeding 10 years
- Additions to leased fixed assets and improvements: Over the term of the lease.
- Motor Vehicles and Equipment: 3 to 5 years.

Gains and losses arising from the sale of property and equipment are recognized in the income statement.

2.17 Investment Property

Investment property , acquired through auction, includes buildings with their respective portion of land that are held for the purpose of capital appreciation. Investment property is initially measured at cost which includes any expenditure directly attributable to the acquisition of the asset. Subsequently, investment property is carried at fair value. The difference between the fair value and cost of acquisition is recorded in profit and loss. The fair value measurement is carried out by certified independent valuers , on a recurring basis, with appropriate professional qualifications and experience related to the locations and types of the property under assessment on an annual basis.

Regarding the hierarchy of fair value, it is calculated by the combination of the three methods (Comparative, Income & Residual) and classified as level 3.

The comparative method is based on the comparison of the property under assessment with other properties, for which exist enough reliable comparative market data, which meet some criteria of the desired type of value. It is the most objective method, the most desirable, while it is the closest method to the market and the most reliable one.

The income method converts public known rent into property value. It is a basic method valuation for certain categories of real estate. More specifically, this method considers that the property is a type of investment. It is based on the property's ability to generate income (in the form of rent) as it converts this ability to produce economic benefits in present value. This is generally the net income that the property will generate during the remainder of its useful life or until its resale. After the comparison of the annual performance of similar category and type investments, the produced net income is capitalized for the value assessment. The determination of the value is achieved either through Direct Capitalization or Discounted Future Cashflows (DCF).

The residual method is mainly used in land valuation for development or assessment of an existing building which will be completely or partially reconstructed. For the completion of the valuation there are two ways to assess a property; comparative data of sales of similar plots/buildings with similar future exploitation or determining the value of future growth and deducting from it all construction costs so as to calculate the land value.

The change in the fair value of investment property for the years 2023 and 2022 is presented within “Other Operating income” in the income statement (Note 8).

2.18 Investment in Subsidiaries

Includes Bank’s investments in subsidiaries carried at cost, plus any expenses directly attributable to their acquisition less impairment losses. The Aegean Baltic Bank Group, (“the Group”), besides the parent company includes one subsidiary as at 31.12.2023 under the trade name ‘ACQUA BLUE PROPERTIES SINGLE MEMBER S.A.’

The Bank assesses for impairment its investment in subsidiaries at each reporting date. If an indication of impairment exists, the Bank performs an impairment test by comparing the carrying value of the investment in the subsidiary with its estimated recoverable amount, determined as the higher of its fair value less cost to sell and its value in use, based on reasonable and supportable information. The calculation of the recoverable amount involves the exercise of judgement in selecting the appropriate parameters.

2.19 Deferred and current income Tax

Deferred tax

Deferred taxation is the tax that will be paid or for which relief will be obtained in the future resulting from the different period that certain items are recognized for financial reporting and tax purposes. Deferred tax is provided for temporary differences arising between the tax base of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets and liabilities are provided based on the expected manner of realization or settlement using tax rates (and laws) enacted at the reporting date.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, taking into consideration the enacted tax rates at reporting date. Current and deferred tax is recognized in the income statement except to the extent that it relates to items recognized directly to equity in which case it is recognized in equity.

The Group and the Bank has offset deferred tax assets and deferred tax liabilities based on the legally enforceable right to set off the recognized amounts i.e., offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

Current income tax

Current Income tax liability is based on taxable profit for the year. Taxable profit differs from profit/(loss) for the period as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The current income tax liability is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

2.20 Provisions and other liabilities

A provision is recognized when the Group and the Bank have a constructive or legal obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and the amount has been reliably estimated. Provisions are measured by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money. The amount recognized as a provision is the best estimate of the expenditure required to settle the present obligation at the reporting date.

2.21 Employee benefits

Defined contribution plan

For defined contribution plan, the Group and the Bank pay contributions to publicly or privately administrated pension insurance plan, to insurance companies and other funds on a mandatory or voluntary basis. The Group and the Bank have no further payment obligations once the contributions have been paid. The contributions are recognized as employee benefit expense on an accrual basis and charged to the income statement in the year to which they relate.

Defined benefit plan

The net liability of the Group and the Bank, in respect of defined benefit plans, is calculated based on the amount of the future benefits, for which the employees are entitled to and is dependent on their present and former service. The present value of the defined obligation is determined by the estimated future cash outflows using interest rates of high credit rating company securities, which have terms to maturity approximating the terms of the related liability. The obligation deriving from benefit plan has been calculated and recognized on the basis of an independent actuarial study using the "Projected Unit Credit Method". The current service cost is the increase in the present value of a defined benefit obligation arising from employee service during the current period. Past service cost is the change in the present value of the defined benefit obligation resulting from a plan amendment and is recognized directly to profit or loss, when the plan amendment occurs.
Actuarial gains and losses are recognized directly to the equity of the Group, as they occur. These gains and losses are not recycled to profit or loss.

The Group's and the Bank's policy for the indemnities aligns with the 2021 IFRIC decision of IAS 19 fact pattern, concerning the method of attributing benefits to period of service.

2.22 Offsetting

Financial assets and liabilities are offset, and the net amount is reported in the statement of financial position and only when there is a legally enforceable right to offset the recognized amounts and there is an intention to realize the asset and settle the liability simultaneously or on a net basis.

2.23 Share issue expenses

Incremental costs of share capital increase

Incremental external costs directly attributable to the issue of shares are deducted from share premium net from any related income tax benefit.

2.24 Share premium

The difference between the nominal value and the offering price of the shares issued is recorded as share premium.

2.25 Related party transactions

Related parties include:

(a) an entity that has control over the Group and the Bank and entities controlled, jointly controlled or significantly influenced by this entity, as well as members of its key management personnel and their close family members;
(b) members of key management personnel, their close family members and entities controlled or jointly controlled by the abovementioned persons;
(c) associates and joint ventures of the Group and the Bank; and
(d) subsidiaries.

2.26 Cash and cash equivalents

Cash and cash equivalents include cash on hand, unrestricted balances held with Central Bank, amounts due from other banks and highly liquid financial assets are those that upon initial recognition mature within three months.

2.27 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. The Group and the Bank is involved only in operating leases and is acting only as a lessee.

When the Group and the Bank enter into a lease agreement as a lessee, it recognizes a lease liability and a corresponding right-of-use (RoU) asset at the commencement date of the lease term when the Group and the Bank acquire control of the physical use of the asset.

Lease liabilities are presented within Other liabilities and RoU assets within Property and Equipment. Lease liabilities are measured based on the present value of the future lease payments over the lease terms, discounted using an incremental borrowing rate (IBR) concerning buildings and respectively using the rate implicit in the car leases. The interest expense on the lease liabilities is presented within Net interest income.

The RoU asset is initially at an amount equal to the lease liability and is adjusted for rent prepayments, initial direct costs, or lease incentives received. Subsequently, the RoU asset is depreciated over the shorter of the lease term or the useful life of the underlying asset, with the depreciation presented within Depreciation and Amortization charges.

For short-term leases (lease term of 12 months or less) and leases of low-value assets (below €5,000), the Group and the Bank recognizes a lease expense on a straight-line-basis as permitted by IFRS 16 using the relevant practical expedient. This expense is presented within General & Administrative Expenses.

Note 3: Critical accounting estimates and judgments

The preparation of financial statements in accordance with IFRSs requires management to make subjective judgments, estimates and assumptions, which affect not only the carrying amount of assets and liabilities, but also the level of the income and expenses recognized in the financial statements and the notes which are an integral part of the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in next financial year.

Management considers that the subjective judgments, estimates and assumptions, made for the preparation of the financial statements are appropriate and reflect the facts and conditions prevailing on 31 December 2023. The accounting principles, estimates and judgments adopted by the Group and the Bank which are material for the understanding of the financial statements are as follows:

Use of available information and application of judgment are inherent in the formation of estimates in the following areas: valuation of over the counter ("OTC") derivatives, retirement benefits obligation, and recoverability of deferred tax assets, assumptions related to expected credit losses and assessment of fair value of property.

3.1 ECL Estimation

Determination of ECL of loans and advances to customers

The ECL measurement requires Management to apply a high degree of judgment.

The impairment loss on loans and advances to customers results from a continuous evaluation of the customer's portfolio for expected losses. The evaluation of the customer's portfolio is performed by officers responsible for each credit category, using specific methodology and guidance in accordance with IFRS 9, which are continuously reexamined. Management of the Group and the Bank performs individual and collective assessment of customers.

The individual provisions relate to loans and advances separately examined for allowance based in the best management's estimation for the present value of future cash flows. Estimating the present value of future cash flows, the management evaluates the financial position of each customer and the recoverable amount of the collateralized assets (e.g., prenotation on Vessels and property). Each case is evaluated separately, whereas the followed methodology is reviewed periodically. Refer to notes 4.2.7 & 13.

Determination of ECL of debt securities

The Group's and the Bank's estimated ECL for debt securities is the output of a probability weighted model for each scenario with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies.
For the purposes of the ECL measurement, the Group and the Bank perform the necessary model parameterization based on observed point-in-time data. The ECL calculations are based on input parameters, i.e. Exposure At Default ("EAD"), Probability of Default ("PDs"), Loss Given Default ("LGDs"), etc. incorporating Management's view of the future, by using the current macro-variant risk parameters and the respective ones of a worse than the current macro-economic environment and it is characterized by a percentage increase of the debt instrument's PD and LGD. The exact values of the percentage increase are not constant and they are subject to the macroeconomic state at the date of the exercise. Refer to notes 19 & 20.

Determination of a significant increase of credit risk (SICR)

The objective of the impairment requirements is to recognize lifetime expected credit losses for all financial assets for which there has been significant increase in credit risk ("SICR") since initial recognition, whether assessed on an individual or collective basis considering all reasonable and supportable information, including forward-looking.
The assessment is performed at each reporting period by considering primarily the change in the risk of default occurring over the remaining life of the financial instrument and requires Management to apply a high degree of judgment in determining the allowance for impairment losses.
The identification of SICR is based on qualitative and quantitative criteria depending on the availability, quality and quantity of the information.

Determination of scenarios, scenario weights and macroeconomic factors of loans and advances to customers

To achieve the objective of measuring ECL, the Group and the Bank evaluate a range of possible outcomes in line with the requirements of IFRS 9 through the application of macroeconomic scenarios i.e., base and adverse, in a way that reflects an unbiased and probability weighted outcome, which express potential future developments in the Shipping Industry. Each of the aforementioned scenarios, are based on Management's assumptions for future economic conditions in the form of macroeconomic, market and other factors. Changes in the scenarios and weights, the corresponding set of macroeconomic variables and the assumptions made around those variables would have an effect on the ECL.

3.2 Retirement benefit obligations

The retirement benefit obligations are estimated with actuarial techniques using assumptions for future salary levels, benefit levels and discounting factors. These assumptions are in compliance with annual salary increases affected by the Group's and the Bank's labor agreements and relevant policies. Any changes in these assumptions will impact the carrying amount of retirement benefit obligations. The independent qualified actuaries determine the appropriate discount rate at the end of each year by reference to yield curves based on corporate bond indices. Refer to note 32.

3.3 Determining fair value of properties classified under Property, plant and equipment and Investment properties

Property and equipment and investment properties are carried at fair value, as determined by external, independent, certified valuators on an annual basis or more or less often if deemed appropriate upon assessment of relevant circumstances. For the determination of the Fair Value a combination of the Market Approach (Comparative) and Investment Approach (Income) is used. According to the comparative method the valuation will be based on the conclusions drawn from research and collecting comparative data of property with similar characteristics. The method of the income approach calculates the fair value of each property based on capitalized value of the present lease. Refer to notes 22 & 25.

Note 4: Financial risk management

4.1 Introduction and overview

The Group and the Bank are exposed to the following risks:

- Credit Risk
- Liquidity Risk
- Market Risks
- Operational Risk

This note presents the Group's and the Bank's exposure to each of the above risks, the objectives, policies and processes for measuring and managing risk, as well as the management of capital.

The Group and the Bank, acknowledge their exposure to banking risks as well as the need to control and effectively manage those risks in the most optimum way and provide continuous and high quality returns to its shareholders.

The Board of Directors (BoD) has total responsibility for the development and overseeing of the risk management framework. The implementation and ongoing development of the Risk Management Framework is a priority and is taken into account in the formulation of annual business plans.

The responsibility for the specification and implementation of the risk management framework, according to directions by the Board of directors, has the Risk Management unit. The head of the Management unit reports directly to the Board of directors. The Risk Management Unit is comprised of the following divisions: a) Credit Risk Management division and b) Market, Liquidity and Operational Risk Management division.

4.2 Credit risk

4.2.1 Credit risk management strategies and procedures

The Group and the Bank engages in activities that can expose it to the credit risk. Credit risk is the risk of default of a counterparty regarding its contractual obligations. Credit risk is the most significant risk for the Group and the Bank and therefore its effective monitoring and persistent management constitutes a top priority for senior management.

Group's and Bank's main exposure to credit risk is loans and advances to customers and due from banks. Management gives great consideration to the proper management of credit risk having set up the necessary infrastructure and procedures.

The implementation of the credit policy, that describes the principles of credit risk management of the Group and the Bank, ensures effective and uniform credit risk monitoring and control.

Under the Risk Management, there is the Credit Risk Management Division which operates with the mission of continuous monitoring, measurement and control of the Group's credit risk exposures against enterprises.

4.2.2 Credit risk measurement and reporting systems

Given that the Group's and the Bank's loans portfolio exclusively consists of unrated by External Credit Assessment Institutions (ECAI) obligors the Group has established and follows its own, ten-grade, credit risk rating system as shown in the table further below.

The Group and the Bank have developed a credit rating model for their shipping obligors, which assesses a set of 15 credit factors with predefined weights and produces a credit score for each obligor. Such score is mapped directly to the Bank's 10-grade internal credit rating system. The Group and the Bank have also developed internally a shipping credit rating interface between its ten-grade rating system and the object finance slotting criteria methodology of the IRB-Basic approach included in the Basel-II framework. To date, this model is being used by the Group's and the Bank's Risk Management Department to validate the credit ratings of the ten-grade risk methodology used internally as well as for shipping credit risk stress-testing purposes.

As regards the corporate obligors, the Group and the Bank use an internally developed, ten-grade credit risk rating system, equivalent to that of the shipping obligors. The assignment of a credit rating to a corporate obligor is determined on the basis of the thorough analysis of financial and technical factors relevant to the exposure and such obligor and the subjective judgement of the persons participating in the respective evaluation and approval process. Since 1/1/2024, the credit rating process of the corporate obligors is performed with the use of a credit rating model developed by a third-party.

Each category of the credit rating scale corresponds to a specific policy of the Group and the Bank as far as the relationship with the respective obligors is concerned. The credit rating scale for borrowing customers comprises 10 grades from which the top 5 grades correspond to obligors that have not defaulted on their contractual obligations hence the relationship is considered as "satisfactory", whereas the bottom 5 grades are considered "watch-listed". More specifically, the 6^{th} grade corresponds to obligors who have not defaulted on their contractual obligations, or who have undergone a mild distress restructuring, the 7^{th} grade corresponds to obligors who have recorded or are expected to record sporadic (non-continuing) payment defaults, or who have undergone a distress restructuring, the 8^{th} grade corresponds to obligors who have recorded continuing payment defaults, or who have undergone a significant distress restructuring and the last 2 grades correspond to obligors who have defaulted on their contractual obligations and the Group and the Bank have commenced legal action against them. Staff loans, are not included in credit risk measurement system and are considered as "Unrated".

Rating	Credit Worthiness	Credit Assessment Criteria	Credit Quality
1	Excellent	The obligor is a holding company and has an excellent financial performance and debt servicing capacity	Satisfactory
2	Strong	The obligor has a solid financial performance and strong debt servicing capacity	Satisfactory
3	Very Good	The obligor is of medium financial size with very good financial performance and debt servicing capacity	Satisfactory
4	Good	The obligor has good financial performance and debt servicing capacity	Satisfactory
5	Satisfactory	The obligor has satisfactory financial performance and debt servicing capacity and positive prospects	Satisfactory
6	Acceptable	The obligor has acceptable financial performance and adequate debt servicing capacity. Possibility of technical default (covenant breaches).	Watchlisted and/or High Risk
7	Vulnerable	The obligor's debt servicing capacity is marginal with possibility of payment default. The status of collateral is acceptable and there is room for viable restructuring at satisfactory terms for the Bank	Watchlisted and/or High Risk
8	Substandard	The obligor presents relatively high probability of loss and exhibits sporadic payment defaults which may become continuing. Repayment of the loan is still considered feasible without legal enforcements and there is room for viable restructuring at terms acceptable to the Bank	Watchlisted and/or High Risk
9	Doubtful	The obligor presents high probability of loss and exhibits continuing payment defaults. Repayment of the loan is doubtful and legal enforcement may facilitate the avoidance of a loss	Watchlisted and/or High Risk
10	Loss	The obligor is unable to service the loan and there is certainty that the Bank will incur a loss. Legal enforcement and collateral liquidation may facilitate the minimization of losses	Watchlisted and/or High Risk

The obligor's credit rating is used, in conjunction with certain other indicators, to determine the appropriate IFRS 9 stage of the respective exposure and to assess if an event of significant increase in credit risk ("SICR") has occurred.

When the Group and the Bank consider that the credit risk of a borrower, and/or an exposure, has increased at any stage of the relationship, it takes the necessary credit risk management measures to mitigate such risk and, if necessary, to reduce its exposures towards that borrower. The Group and the Bank, before the approval and during the term of the loan, at least annually and at the reporting date, measures the creditworthiness of the counterparty by re-assessing the assigned credit ratings, as well as the quality and sufficiency of the collateral. During each counterparty's evaluation of creditworthiness, classification in a category and determination of credit limit, the financial information is examined quantitatively and qualitatively.

The most common practice used by the Group and the Bank to mitigate credit risk is requiring collaterals for loans and advances to customers. The major collateral types for loans and advances to customers are vessels, mortgages, receivables, cash collaterals and corporate or personal guarantees.

The collateral associated with a credit is initially evaluated during the credit approval process, based on its current or fair value and is reevaluated at regular intervals (at least once a year).

Significant Increase in Credit Risk

The implementation of Credit Policy, that describes the principles followed by the Group and the Bank in their credit extension activities and the practices with respect to credit assessment, ensures their effective monitoring procedures. Management implements a credit quality control procedure, for the timely detection of possible changes in the creditworthiness of the counterparties, as well as for the regular control and evaluation of collateral. All credit limits and borrowers are assessed and reviewed regularly through the Bank's credit rating system. The above credit quality control process helps Management to assess the expected credit loss resulting from the risks undertaken, and to limit such loss by taking relevant measures as may be deemed necessary.

The assessment of significant increase in the credit risk of an exposure since its initial recognition, is key in establishing the point of switching between the requirement to measure an allowance based on 12-month expected credit loss horizon, or based on lifetime ECL horizon. If, following this assessment, a significant increase in credit risk occurs, the Group and the Bank recognize a loss allowance amount equal to the expected credit loss (ECL) amount over the life of that financial instrument.

Under IFRS 9, significant deterioration in a borrower's credit rating should be considered a factor of equal importance to its absolute credit rating. In compliance with the framework and for the purposes of stage allocation, the Group and the Bank use a combination of the following criteria for the purposes of identifying a Significant Increase in Credit Risk (SICR):

a) **Relative Rate Threshold**. The Group and the Bank recognize a significant increase in credit risk for exposures to borrowers that have been downgraded by two (2) or more notches since their initial recognition and, as a result of such downgrade fall within the credit ratings five (5) and seven (7). Essentially, such exposures for which the Group and the Bank recognize a significant increase in credit risk are classified to Stage 2
b) **Forbearance**. All Forborne Performing Exposures (FPE) are classified as having a significant increase in credit risk.
c) **Backstop indicators**. Lending exposures that are overdue more than 30 days, are considered as exposures with Significant Increase in Credit Risk and are classified into Stage 2.

Expected Credit Loss Estimation

<u>**Loans and advances to customers**</u>

The Group and the Bank assess the impairment losses on individual facility level. Due to the small size and diversity of the Group's and the Bank's loan portfolio, the individual calculation approach is deemed to be the most accurate and efficient for the Group's and the Bank's needs. As such, the stage allocation and the expected credit loss calculation is conducted per borrower exposure. Notable exceptions are cases whereby certain exposures to a specific group are legally or commercially bound.

ECL is defined as the difference between all contractual cash flows that are due in accordance with the contract and all the cash flows expected to be received, discounted at the original EIR (or credit-adjusted EIR for purchased or originated credit-impaired financial assets). All contractual cash flows of the loan and cash flows resulting from the liquidation of collateral or other credit enhancements are considered.

The Group and the Bank measure the ECL after classifying the obligors under “Going Concern” or “Gone Concern” depending on their servicing capacity and operational and financial standing and thus, the calculation of the future cash flows is carried out in accordance with these two approaches and may be applicable irrespective of the classification status of the underlying exposure (performing or non-performing). Particularly with regard to loan exposures against fixed assets (which include collateral in the form of a mortgage over such asset, such as ships or real estate, and usually also include balloon payments due at maturity), the liquidation of the operating collateral is considered in both cases as a source of repaying the loan and especially the final balloon payment.

Going Concern

“Going Concern” methodology is applied for cases of borrowers whose businesses continue to operate and are expected to remain operational in the foreseeable future. In such cases, their future operational cash flows along with potential cash flows from liquidation or refinancing of collaterals are taken into account when calculating ECL, as the Group and the Bank would reasonably expect to have a legal claim to those cash flows in the event of a default.

The Group and the Bank calculate the best possible estimation of the present value of the related recoverable amount, based on the following:

- Calculation of the obligor’s net cash flow until the contractual maturity of the facility (lifetime impairment);
- Estimation of the collateral’s residual market value. In the case of shipping exposures in particular, customarily, the collateral comprises one or more vessels and the residual value is calculated by taking into account factors such as the asset’s present market value and scrap value, and the historical correlation between asset prices and vessel earning levels, as well as by applying linear interpolations when necessary. A haircut is then applied on the calculated residual value so as to reflect potential refinancing or forced sale of the asset. In the case of corporate exposures, the residual value of any collateral (assigned receivables, property mortgages, financial assets) is determined by applying appropriate haircuts on the nominal value or official valuation of such collateral;

In calculating the factors above, certain assumptions are employed by the Group and the Bank, regarding the future generated income and present market value of the underlying assets, various operating expenses, interest rates, asset prices etc. These assumptions are generally based on forward-looking and historical data available at the date when the estimates were made.

Additional factors, which are considered significant in affecting the debt servicing outcome (such as minimum liquidity / cash collateral requirement, other collateral, cash sweep provisions, fixed employment contracts, asset sale contracts, advanced negotiations for the restructuring of the repayment terms, potential contributions by the shareholders, etc.) are also incorporated in the aforesaid framework.

Provided that the relevant obligor continues to be operational and capable of generating cash flows (thus the use of the "going concern" methodology can be applied), if the contractual maturity of the relevant facility has expired, the impairment test horizon is usually set at twelve (12) months from the test reference date, or at an earlier or later date which represents a reasonable time frame for the due repayment of the exposure through the obligor's prospective cash flows and/or the potential liquidation of collateral, as the case may be.

Gone Concern

The "Gone Concern" methodology is applied to businesses which either have ceased their operations or their cash flows are significantly reduced to an extent where they can no longer service any of their debt obligations.

In such cases, the Bank does not take into account any future cash flows in its calculations. The estimated recovery amount is solely based on the present value of expected cash flows that stem from liquidation of connected collaterals taking into account the time and the liquidation costs.

Provided that the obligor's activity and cash-flow generating capacity has greatly diminished or ceased (thus the use of the "gone concern" methodology can be applied) if the contractual maturity of the relevant facility has expired, the impairment test horizon is usually set at twelve (12) months from the test reference date, or at an earlier or later date which represents a reasonable time frame for the liquidation of the collateral depending on the case and the prevailing liquidation scenario.

The time horizon over which the ECL of loans advances to customers is assessed depends on the stage where each lending exposure has been allocated to:

- Exposures that display neither significant increases in credit risk nor indications of impairment or default, and thus are classified in Stage 1, have their expected credit losses measured within a 12month time period.
- Exposures that display significantly increased credit risk (SICR), yet do not have any indications of impairment nor are defaulted, are classified at Stage 2, and lifetime expected credit losses are estimated.

- Exposures that display objective evidence of impairment or are in default, are classified at Stage 3 and have their impairment losses measured through the calculation of Lifetime ECL.

For off- balance sheet exposures, the Group and the Bank calculate the exposure amount at risk calculated through an appropriate credit conversion factor (CCF) and subsequently, measures the expected credit loss through the aforementioned methods.

Macroeconomic Scenario Integration

According to IFRS 9 financial institutions should integrate available information about potential future economic developments into their ECL calculation. As such, the Group and the Bank base their estimations of future cash flows on the weighted average of two scenarios (base – adverse), which express potential future economic developments affecting the cash flows of the obligors.

With regard to its shipping corporate loan exposures, the Group and the Bank integrate future economic developments by using expected freight rates to estimate the impact on expected cash flows and collateral liquidation values. Market value of collateral is assessed either through straight line depreciation after taking into account the current market and scrap value of the ship or based on the income method after consideration of the spot and forward freight rates and their correlation with market values. For lifetime ECL calculations, the Group and the Bank estimate cash flows based on forward freight rates (1-year and 3-year) using interpolation methods for a period up to six (6) years. For periods above six (6) years, estimations are based on historical data of the market, as the Group and the Bank assume that the freight market will converge back to its historical averages over extended periods of time.

With regard to its corporate loan exposures, considering the small size and diversity of such portfolio, the Group and the Bank incorporate reasonable and conservative estimates of future economic impact on the individualized cash flow projections performed for each exposure. These estimates are generic (i.e. not factor-specific), may vary among different cases and depend on the particular characteristics of each obligor and the sector within which it operates, as well as on the existence and strength of legal rights to specific cash flows or assets in favor of the Group and the Bank, including, where applicable, assessment of potential economic impact on the counterparties through which such cash flows are originated.

Debt Securities

In compliance with the impairment requirement under IFRS 9, the Group and the Bank assess the expected credit losses for each of the debt instruments. The time horizon over which the ECL is assessed depends on the stage where each debt instrument exposure has been allocated.

The amount of expected credit losses (ECL) recognized as an impairment loss allowance depends on the extent of credit deterioration since initial recognition. The assessment of significant deterioration is key in establishing the point of switching between the requirement to measure an allowance based on 12-month ECL and one that is based on lifetime ECL.

-Debt instruments that display neither significant increases in credit risk nor indications of impairment or default, and thus are classified in Stage 1, have their expected credit losses measured within a 12month time period.
-Debt instruments that display significantly increased credit risk (SICR), yet do not have any indications of impairment and are not defaulted, are classified at Stage 2.
-Debt instruments that display objective evidence of impairment or are in default, are classified at Stage 3 and have their impairment losses measured through the calculation of Lifetime ECL.
The risk parameters used to estimate ECL for the respective financial instruments are:

- **Exposure at Default (EAD)**: represents the amount of book value or carrying amount at each reporting period
- **Loss Given Default (LGD):** represents the estimation of loss over the EAD at the default date. LGD for sovereign and corporate debt securities is taken from respective recovery rating tables provided by ECAIs, the Bloomberg, paper surveys, or based on historical data of the Group and the Bank
- **Probability of Default (PD):** represents the probability that a debt instrument will default over a period of time since the date of assessment (reporting date). There are two PD types that are used for the expected credit loss calculation, as shown below:
    - **12-month PD:** the PD of the shortest period between a period of 12 months and the maturity (if it matures earlier than 12 months) of the debt instrument. The 12-month PD is used for the estimation of the 12 month ECL on Stage 1.

– **Lifetime PD:** the PD over the remaining lifetime of the debt instrument. The lifetime PD is used for the estimation of the lifetime ECL on Stage 2. Lifetime PD is the sum of the marginal PDs with the latter being the incremental probability of default in a specific time period.

Purchased or Originated Credit Impaired

Purchased or originated credit impaired financial assets ("POCI assets") are financial assets that are credit-impaired on initial recognition. The corresponding assessment for POCI-assets is performed at initial recognition instead of subsequent periods.

POCI assets are not subject to stage allocation and are always measured on the basis of lifetime expected credit losses.

Write-offs

- Where the Group and the Bank has no reasonable expectations of recovering a financial asset either in its entirety or a portion of it, the gross carrying amount of that instrument is reduced directly, partially or in full, against the impairment allowance. After all the relevant investigations and legal required actions have been performed, the loan is written-off through the use of the allowance account.

- Write-offs are approved by the competent Credit Committee members and Bank's Board of Directors.

The contractual amount outstanding on loans that were written off (€ 4,475 th.) during the year ended 31.12.2023 and that are still subject to enforcement activity is € 11,5 mil. For the year ended 31.12.2022 no write offs were made.

Maximum Credit Risk Exposure

The following table presents the Group's and the Bank's maximum credit risk exposure as at 31 December 2023 and 31 December 2022, without including collateral held or other credit enhancements. For on-balance sheet items, credit exposures are based on their carrying amounts as reported in the statement of financial position.

				€' 000
	31.12.2023		**31.12.2022**	
ASSETS	**Group**	**Bank**	**Group**	**Bank**
Cash and balances with Central Bank	197,607	197,607	227,118	227,118
Due from banks	83,511	83,511	114,420	114,420
Loans and advances to customers at amortized cost	506,473	506,473	519,212	519,212
Investment securities – FVTOCI	194,332	194,332	186,064	186,064
Debt Securities at amortized cost	68,474	68,474	67,380	67,380
Derivative financial instruments	6	6	-	-
Maximum exposure from financial instruments	**1,050,403**	**1,050,403**	**1,114,194**	**1,114,194**
OFF BALANCE SHEET ITEMS				
Financial Guarantees	22,633	22,633	16,973	16,973
Undrawn Commitments	31,747	31,747	54,493	54,493
Maximum exposure from off balance sheet items	**54,380**	**54,380**	**71,466**	**71,466**

4.2.3 Expected Credit Loss for loans and advances to customers and for the off balance credit exposures

The following tables depict the expected credit loss per loan category, financial Guarantees and Undrawn commitments of the closing balance 31.12.2023 and 31.12.2022 for the Group and the Bank, based on the weighted probability of two different macroeconomic scenarios, as described above:

Group			**31.12.2023**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	(2,077)	(51)	(1,401)	(3,529)
Loans and advances to corporate sector	(534)	(38)	(2,685)	(3,257)
Total Expected Credit Losses for on Balance sheet	**(2,611)**	**(89)**	**(4,086)**	**(6,786)**
Financial Guarantees	(85)	-	-	(85)
Undrawn Commitments	(75)	-	-	(75)
Total Expected Credit Losses for off Balance sheet	**(160)**	**-**	**-**	**(160)**
Total Expected Credit Losses on & off Balance sheet	**(2,771)**	**(89)**	**(4,086)**	**(6,946)**

Bank			**31.12.2023**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	(2,077)	(51)	(1,401)	(3,529)
Loans and advances to corporate sector	(534)	(38)	(2,685)	(3,257)
Total Expected Credit Losses for on Balance sheet	**(2,611)**	**(89)**	**(4,086)**	**(6,786)**
Financial Guarantees	(85)	-	-	(85)
Undrawn Commitments	(75)	-	-	(75)
Total Expected Credit Losses for off Balance sheet	**(160)**	**-**	**-**	**(160)**
Total Expected Credit Losses on & off Balance sheet	**(2,771)**	**(89)**	**(4,086)**	**(6,946)**

Group			**31.12.2022**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	(1,817)	(36)	(5,842)	(7,695)
Loans and advances to corporate sector	(345)	(17)	(1,539)	(1,901)
Total Expected Credit Losses for on Balance sheet	**(2,162)**	**(53)**	**(7,381)**	**(9,596)**
Financial Guarantees	(84)	-	-	(84)
Undrawn Commitments	(38)	-	-	(38)
Total Expected Credit Losses for off Balance sheet	**(122)**	**-**	**-**	**(122)**
Total Expected Credit Losses on & off Balance sheet	**(2,284)**	**(53)**	**(7,381)**	**(9,718)**

Bank			**31.12.2022**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	(1,817)	(36)	(5,842)	(7,695)
Loans and advances to corporate sector	(345)	(17)	(1,539)	(1,901)
Total Expected Credit Losses for on Balance sheet	**(2,162)**	**(53)**	**(7,381)**	**(9,596)**
Financial Guarantees	(84)	-	-	(84)
Undrawn Commitments	(38)	-	-	(38)
Total Expected Credit Losses for off Balance sheet	**(122)**	**-**	**-**	**(122)**
Total Expected Credit Losses on & off Balance sheet	**(2,284)**	**(53)**	**(7,381)**	**(9,718)**

Exposure from loans and advances to customers in corporate sector derives from Greece and in shipping sector derives from the rest of the world.

4.2.4 Gross Balances for loans and advances to customers and for the off balance credit exposures

The below table shows the gross amounts of the Group's and the Bank's credit exposures for financial instruments at amortized cost as well as the off balance credit exposures as at as at 31 December 2023 and 31 December 2022.

Group			**31.12.2023**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	381,512	10,350	1,512	393,374
Loans and advances to corporate sector	108,712	7,743	2,685	119,140
Other loans & Staff loans	745	-	-	745
Total Loans and advances to customers (on Balance sheet exposure)	**490,969**	**18,093**	**4,197**	**513,259**
Financial Guarantees	22,633	-	-	22,633
Undrawn Commitments	31,747	-	-	31,747
Total off Balance sheet Exposure	**54,380**	**-**	**-**	**54,381**
Total Exposure	**545,349**	**18,093**	**4,197**	**567,639**

Bank			**31.12.2023**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	381,512	10,350	1,512	393,374
Loans and advances to corporate sector	108,712	7,743	2,685	119,140
Other loans & Staff loans	745	-	-	745
Total Loans and advances to customers (on Balance sheet exposure)	**490,969**	**18,093**	**4,197**	**513,259**
Financial Guarantees	22,633	-	-	22,633
Undrawn Commitments	31,747	-	-	31,747
Total off Balance sheet Exposure	**54,380**	**-**	**-**	**54,381**
Total Exposure	**545,349**	**18,093**	**4,197**	**567,639**

Group			**31.12.2022**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	431,285	8,447	5,953	445,685
Loans and advances to corporate sector	76,278	3,641	2,629	82,547
Other loans & Staff loans	576	-	-	576
Total Loans and advances to customers (on Balance sheet exposure)	**508,138**	**12,088**	**8,582**	**528,808**
Financial Guarantees	54,493	-	-	54,493
Undrawn Commitments	16,973	-	-	16,973
Total off Balance sheet Exposure	**71,466**	**-**	**-**	**71,466**
Total Exposure	**579,604**	**12,088**	**8,582**	**600,274**

Bank			**31.12.2022**	(€' 000)
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	431,285	8,447	5,953	445,685
Loans and advances to corporate sector	76,278	3,641	2,629	82,547
Other loans & Staff loans	576	-	-	576
Total Loans and advances to customers (on Balance sheet exposure)	**508,138**	**12,088**	**8,582**	**528,808**
Financial Guarantees	54,493	-	-	54,493
Undrawn Commitments	16,973	-	-	16,973
Total off Balance sheet Exposure	**71,466**	**-**	**-**	**71,466**
Total Exposure	**579,604**	**12,088**	**8,582**	**600,274**

4.2.5 Collaterals and guarantees

The collaterals are measured at fair value. When the value of the collaterals exceeds the loan balance, the value of collateral is capped to the total exposure (on & off-balance sheet) before allowance for impairment.

The below tables provide an analysis of the closing balance 31.12.2023 and 31.12.2022 of collaterals held for all stages of loans and advances to customers at amortized cost and Off-balance sheet Exposures.

Group			**31.12.2023**	(€' 000)
Collateral value	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	395,943	10,350	227	**406,520**
Loans and advances to corporate sector	103,423	8,427	2,685	**114,535**
Total collateral value of loans and advances to customers	**499,366**	**18,777**	**2,912**	**521,055**

Bank			**31.12.2023**	(€' 000)
Collateral value	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	395,943	10,350	227	**406,520**
Loans and advances to corporate sector	103,423	8,427	2,685	**114,535**
Total collateral value of loans and advances to customers	**499,366**	**18,777**	**2,912**	**521,055**

Group			**31.12.2022**	(€' 000)
Collateral value	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	439,972	8,447	228	**448,647**
Loans and advances to corporate sector	106,925	3,641	2,632	**113,198**
Total collateral value of loans and advances to customers	**546,897**	**12,088**	**2,860**	**561,845**

Bank			**31.12.2022**	(€' 000)
Collateral value	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to shipping corporations	439,972	8,447	228	**448,647**
Loans and advances to corporate sector	106,925	3,641	2,632	**113,198**
Total collateral value of loans and advances to customers	**546,897**	**12,088**	**2,860**	**561,845**

Group's Breakdown of collateral and guarantees as at 31.12.2023

31.12.2023 (€' 000)	Real estate collateral	Financial collateral	Other collateral / Vessels	Total value of collateral
Collaterals and guarantees of loans and advances	53,337	106,323	361,395	521,055
Total	**53,337**	**106,323**	**361,395**	**521,055**

Bank's Breakdown of collateral and guarantees as at 31.12.2023

31.12.2023 (€' 000)	Real estate collateral	Financial collateral	Other collateral / Vessels	Total value of collateral
Collaterals and guarantees of loans and advances	53,337	106,323	361,395	521,055
Total	**53,337**	**106,323**	**361,395**	**521,055**

Group's Breakdown of collateral and guarantees as at 31.12.2022

31.12.2022 (€' 000)	Real estate collateral	Financial collateral	Other collateral / Vessels	Total value of collateral
Collaterals and guarantees of loans and advances	33,716	122,141	405,989	561,846
Total	**33,716**	**122,141**	**405,989**	**561,846**

Bank's Breakdown of collateral and guarantees as at 31.12.2022

31.12.2022 (€' 000)	Real estate collateral	Financial collateral	Other collateral / Vessels	Total value of collateral
Collaterals and guarantees of loans and advances	33,716	122,141	405,989	561,846
Total	**33,716**	**122,141**	**405,989**	**561,846**

The group of collaterals that are subject to individual valuations and revaluations on a regular basis should be updated at the time when the exposure is classified as non-performing and at least annually while it continues to be classified as such. The Group and the Bank ensure that, for the collateral subject to indexation or other similar methods, the indexation is updated at least annually. For properties with an updated individual valuation that has taken place within the past 12 months, the property value may be indexed up to the period of the impairment review.

Particular consideration is given to the value and strength of the collateral securing each credit facility, and especially the asset to be financed or being financed and mortgaged (e.g. ship type, age, condition, and technical characteristics, present and prospect market value). The Group and the Bank have defined categories of acceptable collaterals in its credit policy such as ship mortgage, real estate mortgage, bills of exchange, pledged depos etc.

4.2.6 Credit Concentration risk management

The concentration of exposure to credit risk can arise mostly from two types of inadequate risk diversification within a portfolio: (a) group concentration and (b) sector concentration. Group concentration is associated with inadequate risk diversification arising from large exposure to individual groups of connected borrowing clients. The sector concentration arises from large exposures to customer groups affected by common factors such as the macroeconomic environment, industry activity, currency etc. Moreover, country risk reflects the risk arising from macroeconomic instability, social events or political uncertainty in a country, including debt restructuring, nationalizations that may affect the Group's and the Bank's earnings. The Group's exposures to the Greek corporate sector mainly concerns the country risk of Greece, whereas the Group's exposures to the shipping sector are not connected to a particular country's risk due to the international activity nature of the shipping sector.

Credit risk concentrations arising from significant credit exposures to a counterparty or a group of counterparties of common ownership and business interest, whose probability of default depends on common risk factors, is monitored through the Large Financial Exposures (LFE) and Large Obligors (LO) supervisory reports.

As of 31.12.2023, the gross loan balances of the 10 largest obligor groups of the Group accounted for 39% of the total gross balance of the customers' loans portfolio, on-balance sheet, and for 37% of the total amount of customers' credit limits, on-and-off balance sheet (31.12.2022: 33% and 31%, respectively). As of the same dates, none of the Group's credit exposures to customers exceeded the maximum limit set out by the regulatory framework regulation, of 25% of Regulatory Capital, (Part Four, Regulation (EU) No 575/2013 (CRR), articles 387-403). In order to comply with the regulatory limits, the Group sets specific limits for concentration risk, mostly in group concentration. These limits are set in absolute terms (maximum exposure). The Group monitors credit risk concentrations on a continuous basis, as part of its Credit Risk Management Policy and related processes, particularly monitoring and analysing the repayment sources and re-evaluating the credit risk mitigation techniques (collaterals and guarantees) applicable to such exposures.

Finally, within the Internal Capital Adequacy Assessment Process (ICAAP), the Group and the Bank have adopted a methodology to measure the risk arising from concentration to economic sectors (sectoral concentration) and to individual companies (name concentration). Additional capital requirements are calculated, if necessary, and Pillar 1 capital adequacy is adjusted to ultimately take into account such concentration risks.

4.2.7 Loans and advances to customers

4.2.7.1 Credit quality of loans and advances to customers

The Group and the Bank perform quality analysis of Loans and advances to customers at amortized cost on an individual basis. The below tables present the closing balance 31.12.2023 and at 31.12.2022 of quality analysis with IFRS 9 of impaired loans and advances to customers at amortized cost:

Group			**31.12.2023**	(€' 000)
Stage 1	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	372,470	9,042	-	381,512
Loans and advances to corporate sector	108,712	-	-	108,712
Other loans & Staff loans	-	-	745	745
Total loans and advances to customers stage 1	**481,182**	**9,042**	**745**	**490,969**
Stage 2	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	10,350	-	-	10,350
Loans and advances to corporate sector	-	7,743	-	7,743
Total loans and advances to customers stage 2	**10,350**	**7,743**	**-**	**18,093**
Stage 3	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	-	1,512	-	1,512
Loans and advances to corporate sector	-	2,685	-	2,685
Total loans and advances to customers stage 3	**-**	**4,197**	**-**	**4,197**
Total Loans and advances to customers	**491,532**	**20,982**	**745**	**513,259**

Bank			**31.12.2023**	(€' 000)
Stage 1	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	372,470	9,042	-	381,512
Loans and advances to corporate sector	108,712	-	-	108,712
Other loans & Staff loans	-	-	745	745
Total loans and advances to customers stage 1	**481,182**	**9,042**	**745**	**490,969**
Stage 2	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	10,350	-	-	10,350
Loans and advances to corporate sector	-	7,743	-	7,743
Total loans and advances to customers stage 2	**10,350**	**7,743**	**-**	**18,093**
Stage 3	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	-	1,512	-	1,512
Loans and advances to corporate sector	-	2,685	-	2,685
Total loans and advances to customers stage 3	**-**	**4,197**	**-**	**4,197**
Total Loans and advances to customers	**491,532**	**20,982**	**745**	**513,259**

Group			31.12.2022	(€' 000)
Stage 1	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	420,095	11,189	-	431,284
Loans and advances to corporate sector	76,278	-	-	76,278
Other loans & Staff loans	-	-	576	576
Total loans and advances to customers stage 1	**496,373**	**11,189**	**576**	**508,138**
Stage 2	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	4,462	3,986	-	8,448
Loans and advances to corporate sector	-	3,641	-	3,641
Total loans and advances to customers stage 2	**4,462**	**7,626**	**-**	**12,088**
Stage 3	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	-	5,953	-	5,953
Loans and advances to corporate sector	-	2,629	-	2,629
Total loans and advances to customers stage 3	**-**	**8,582**	**-**	**8,582**
Total Loans and advances to customers	**500,835**	**27,397**	**576**	**528,808**

Bank			31.12.2022	(€' 000)
Stage 1	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	420,095	11,189	-	431,284
Loans and advances to corporate sector	76,278	-	-	76,278
Other loans & Staff loans	-	-	576	576
Total loans and advances to customers stage 1	**496,373**	**11,189**	**576**	**508,138**
Stage 2	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	4,462	3,986	-	8,448
Loans and advances to corporate sector	-	3,641	-	3,641
Total loans and advances to customers stage 2	**4,462**	**7,626**	**-**	**12,088**
Stage 3	**Satisfactory**	**Watchlisted and/or High Risk**	**Unrated**	**Total**
Loans and advances to shipping corporations	-	5,953	-	5,953
Loans and advances to corporate sector	-	2,629	-	2,629
Total loans and advances to customers stage 3	**-**	**8,582**	**-**	**8,582**
Total Loans and advances to customers	**500,835**	**27,397**	**576**	**528,808**

4.2.7.2 Credit quality of forborne loans and advances to customers at amortized cost

31.12.2023 (€' 000)

Group	**Loans and Advances to customers at amortized cost**	**Of which: Forborne Loans and Advances to customers at amortized cost**	**% of Forborne Loans and Advances to customers at amortized cost**
Stage 1	490,969	-	0%
Stage 2	18,093	-	0%
Stage 3	4,197	-	0%
Total Gross exposure	**513,259**	-	0%
Stage 1 ECL allowance	(2,611)	-	0%
Stage 2 ECL allowance	(89)	-	0%
Stage 3 ECL allowance	(4,086)	-	0%
Total ECL allowance	**(6,786)**	-	0%
Stage 1	488,358	-	0%
Stage 2	18,004	-	0%
Stage 3	111	-	0%
Total Loans and advances to customers at amortized cost (net amount)	**506,473**	-	0%
Value of collateral	521,055	-	0%

31.12.2023 (€' 000)

Bank	**Loans and Advances to customers at amortized cost**	**Of which: Forborne Loans and Advances to customers at amortized cost**	**% of Forborne Loans and Advances to customers at amortized cost**
Stage 1	490,969	-	0%
Stage 2	18,093	-	0%
Stage 3	4,197	-	0%
Total Gross exposure	**513,259**	-	0%
Stage 1 ECL allowance	(2,611)	-	0%
Stage 2 ECL allowance	(89)	-	0%
Stage 3 ECL allowance	(4,086)	-	0%
Total ECL allowance	**(6,786)**	-	0%
Stage 1	488,358	-	0%
Stage 2	18,004	-	0%
Stage 3	111	-	0%
Total Loans and advances to customers at amortized cost (net amount)	**506,473**	-	0%
Value of collateral	521,055	-	0%

Group	Loans and Advances to customers at amortized cost	Of which: Forborne Loans and Advances to customers at amortized cost	31.12.2022 (€' 000) % of Forborne Loans and Advances to customers at amortized cost
Stage 1	508,138	-	0%
Stage 2	12,088	3,985	33.0%
Stage 3	8,582	-	0%
Total Gross exposure	**528,808**	**3,985**	**0.8%**
Stage 1 ECL allowance	(2,162)	-	0%
Stage 2 ECL allowance	(53)	(16)	31.1%
Stage 3 ECL allowance	(7,381)	-	0%
Total ECL allowance	**(9,596)**	**(16)**	**0.2%**
Stage 1	505,976	-	0%
Stage 2	12,035	3,969	33.0%
Stage 3	1,201	-	0%
Total Loans and advances to customers at amortized cost (net amount)	**519,212**	**3,969**	**0.8%**
Value of collateral	528,717	3,688	0.7%

Bank	Loans and Advances to customers at amortized cost	Of which: Forborne Loans and Advances to customers at amortized cost	**31.12.2022 (€' 000)** % of Forborne Loans and Advances to customers at amortized cost
Stage 1	508,138	-	0%
Stage 2	12,088	3,985	33.0%
Stage 3	8,582	-	0%
Total Gross exposure	**528,808**	**3,985**	**0.8%**
Stage 1 ECL allowance	(2,162)	-	0%
Stage 2 ECL allowance	(53)	(16)	31.1%
Stage 3 ECL allowance	(7,381)	-	0%
Total ECL allowance	**(9,596)**	**(16)**	**0.2%**
Stage 1	505,976	-	0%
Stage 2	12,035	3,969	33.0%
Stage 3	1,201	-	0%
Total Loans and advances to customers at amortized cost (net amount)	**519,212**	**3,969**	**0.8%**
Value of collateral	528,717	3,688	0.7%

The below tables presents the movement of forborne loans and advances to customers at amortized cost for the year ending 31.12.2023 and 31.12.2022:

Reconciliation of forborne loans and advances to customers measured at amortized cost	**31.12.2023** (€' 000)		**31.12.2022** (€' 000)	
	Group	**Bank**	**Group**	**Bank**
Opening balance under (net amount) 01.01	**3,969**	**3,969**	**6,080**	**6,080**
Forbearance measures during the year	-	-	-	-
Repayment of loans and advances (partial or total)	-	-	(552)	(552)
Loans and advances that exited forbearance status	(3,985)	(3,985)	(1,799)	(1,799)
ECL allowance / Allowance for Impairment	16	16	5	5
Foreign exchange differences and other movements	-	-	234	234
Closing balance (net amount) 31.12	**-**	**-**	**3,969**	**3,969**

4.2.7.3 Ageing analysis of loans and advances

Group

Shipping Sector	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	380,674	3,413	-	384,087
1-30 Days	-	-	189	189
Past due Over 180 days	838	6,937	1,323	9,098
Total amount Shipping Sector	**381,512**	**10,350**	**1,512**	**393,374**

Corporate Sector	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	55,761	-	-	55,761
1-30 Days	52,951	7,743	2,685	63,379
Total amount Corporate Sector	**108,712**	**7,743**	**2,685**	**119,140**

Other Loans & Staff Loans	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	745	-	-	745
Total amount Other Loans & Staff Loans	**745**	**-**	**-**	**745**
Total	**490,969**	**18,093**	**4,197**	**513,259**

Bank

Shipping Sector	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	380,674	3,413	-	384,087
1-30 Days	-	-	189	189
Past due Over 180 days	838	6,937	1,323	9,098
Total amount Shipping Sector	**381,512**	**10,350**	**1,512**	**393,374**

Corporate Sector	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	55,761	-	-	55,761
1-30 Days	52,951	7,743	2,685	63,379
Total amount Corporate Sector	**108,712**	**7,743**	**2,685**	**119,140**

Other Loans & Staff Loans	Stage 1	Stage 2	Stage 3	Total
			31.12.2023	(€' 000)
Current	745	-	-	745
Total amount Other Loans & Staff Loans	**745**	**-**	**-**	**745**
Total	**490,969**	**18,093**	**4,197**	**513,259**

Group

Shipping Sector — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	431,285	8,150	-	439,435
1-30 Days	-	297	158	455
Past due Over 180 days	-	-	5,795	5,795
Total amount Shipping Sector	**431,285**	**8,447**	**5,953**	**445,685**

Corporate Sector — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	45,348	-	-	45,348
1-30 Days	29,314	3,641	2,629	35,584
0ver 180 days	1,616	-	-	1,616
Total amount Corporate Sector	**76,278**	**3,641**	**2,629**	**82,547**

Other Loans & Staff Loans — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	576	-	-	576
Total amount Other Loans & Staff Loans	**576**	**-**	**-**	**576**

Total	**508,138**	**12,088**	**8,582**	**528,808**

Bank

Shipping Sector — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	431,285	8,150	-	439,435
1-30 Days	-	297	158	455
Past due Over 180 days	-	-	5,795	5,795
Total amount Shipping Sector	**431,285**	**8,447**	**5,953**	**445,685**

Corporate Sector — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	45,348	-	-	45,348
1-30 Days	29,314	3,641	2,629	35,584
0ver 180 days	1,616	-	-	1,616
Total amount corporate sector	**76,278**	**3,641**	**2,629**	**82,547**

Other Loans & Staff Loans — 31.12.2022 (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Current	576	-	-	576
Total amount Other Loans & Staff Loans	**576**	**-**	**-**	**576**

Total	**508,138**	**12,088**	**8,582**	**528,808**

4.2.7.4 Interest income recognized by quality of loans and advances to customers

Group — **31.12.2023** (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Loans and advances to shipping industry	32,995	1,070	-	**34,065**
Loans and advances to corporate sector	6,309	406	168	**6,883**
Other loans and staff loans	14	-	-	**14**
Total	**39,318**	**1,476**	**168**	**40,962**

Bank — **31.12.2023** (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Loans and advances to shipping industry	32,995	1,070	-	**34,065**
Loans and advances to corporate sector	6,309	406	168	**6,883**
Other loans and staff loans	14	-	-	**14**
Total	**39,318**	**1,476**	**168**	**40,962**

Group — **31.12.2022** (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Loans and advances to shipping industry	27,779	594	163	**28,536**
Loans and advances to corporate sector	3,058	128	157	**3,344**
Other loans and staff loans	11	-	-	**11**
Total	**30,848**	**722**	**320**	**31,890**

Bank — **31.12.2022** (€' 000)

	Stage 1	Stage 2	Stage 3	Total
Loans and advances to shipping industry	27,779	594	163	**28,536**
Loans and advances to corporate sector	3,058	128	157	**3,344**
Other loans and staff loans	11	-	-	**11**
Total	**30,848**	**722**	**320**	**31,890**

4.2.7.5 Movement of loans and advances to customers

The tables below present the movement in stages of gross loans and advances to customers for the years 2023 and 2022:

	2023 '(000)		**2022** '(000)	
Movement of Loans and advances to customers stage 1	**Group**	**Bank**	**Group**	**Bank**
Gross Loans and advances to customers 01.01	**508,138**	**508,138**	**547,841**	**547,841**
Repayments	(276,977)	(276,977)	(213,148)	(213,148)
New originations	237,717	237,717	113,536	113,536
Transfer from stage 1 to stage 2 Gross Loans	(7,112)	(7,112)	-	-
Transfer from stage 2 to stage 1 Gross loans	3,860	3,860	1,799	1,799
Interest Income	39,318	39,318	30,848	30,848
FX difference	(13,975)	(13,975)	27,262	27,262
Total gross amount of Loans and advances to customers 31.12, Stage 1	**490,969**	**490,969**	**508,138**	**508,138**

	2023 '(000)		**2022** '(000)	
Movement of Loans and advances to customers stage 2	**Group**	**Bank**	**Group**	**Bank**
Gross Loans and advances to customers 01.01 (IFRS 9)	**12,088**	**12,088**	**14,972**	**14,972**
Repayments	(2,548)	(2,548)	(2,644)	(2,644)
New originations	4,102	4,102	2,691	2,691
Transfer from stage 1 to stage 2 Gross Loans	7,112	7,112	-	-
Transfer from stage 2 to stage 1 Gross loans	(3,860)	(3,860)	(1,799)	(1,799)
Transfer from stage 2 to stage 3 Gross Loans	-	-	(2,424)	(2,424)
Interest Income	1,476	1,476	722	722
FX difference	(277)	(277)	570	570
Total gross amount of Loans and advances to customers 31.12, Stage 2	**18,093**	**18,093**	**12,088**	**12,088**

	2023 '(000)		**2022** '(000)	
Movement of Loans and advances to customers stage 3	**Group**	**Bank**	**Group**	**Bank**
Gross Loans and advances to customers 01.01 (IFRS 9)	**8,582**	**8,582**	**10,823**	**10,823**
Repayments	(168)	(168)	(5,324)	(5,324)
New originations	123	123	288	288
Transfer from stage 2 to stage 3 Gross Loans	-	-	2,424	2,424
Write off	(4,475)	(4,475)	-	-
Interest Income	168	168	320	320
FX difference	(33)	(33)	51	51
Total gross amount of Loans and advances to customers 31.12, Stage 3	**4,197**	**4,197**	**8,582**	**8,582**

The tables below present the movement in stages of ECL of loans and advances to customers for the year 2023 and 2022:

	2023 '(000)		2022 '(000)	
Movement of ECL stage1	**Group**	**Bank**	**Group**	**Bank**
ECL of Loans and advances to customers 01.01 (IFRS 9)	**(2,162)**	**(2,162)**	**(2,174)**	**(2,174)**
Transfer from stage 1 to stage 2 ECL	33	33	-	-
Transfer from stage 2 to stage 1 ECL	(16)	(16)	(7)	(7)
ECL impairment (charge)/release for the year (P&L)	915	915	651	651
ECL impairment (charge)/release for the year (P&L)	(1,438)	(1,438)	(525)	(525)
FX difference	58	58	(107)	(107)
ECL of Loans and advances to customers 31.12, Stage 1	**(2,610)**	**(2,610)**	**(2,162)**	**(2,162)**

	2023 '(000)		2022 '(000)	
Movement of ECL stage2	**Group**	**Bank**	**Group**	**Bank**
ECL of Loans and advances to customers 01.01 (IFRS 9)	**(53)**	**(53)**	**(59)**	**(59)**
Transfer from stage 1 to stage 2 ECL	(33)	(33)	-	-
Transfer from stage 2 to stage 1 ECL	16	16	7	7
Transfer from stage 2 to stage 3 ECL	-	-	10	10
ECL impairment (charge)/release for the year (P&L)	2	2	4	4
ECL impairment (charge)/release for the year (P&L)	(25)	(25)	(13)	(13)
FX difference	3	3	(2)	(2)
ECL of Loans and advances to customers 31.12, Stage 2	**(90)**	**(90)**	**(53)**	**(53)**

	2023 '(000)		2022 '(000)	
Movement of ECL stage 3	**Group**	**Bank**	**Group**	**Bank**
ECL of Loans and advances to customers 01.01 (IFRS 9)	**(7,381)**	**(7,381)**	**(5,381)**	**(5,381)**
Transfer from stage 2 to stage 3 ECL	-	-	(10)	(10)
ECL impairment (charge)/release for the year (P&L)	-	-	80	80
ECL impairment (charge)/release for the year (P&L)	(1,209)	(1,209)	(2,018)	(2,018)
Write off	4,475	4,475	-	-
FX difference	29	29	(52)	(52)
ECL of Loans and advances to customers 31.12, Stage 3	**(4,086)**	**(4,086)**	**(7,381)**	**(7,381)**

4.2.8 Bond portfolios

The table below presents an analysis of the Group's and the Bank's bond portfolios, using the higher of the two lower rating of Moody's, Standard & Poor's and Fitch, as publicly disclosed by bond issuers and/or other providers of financial information (e.g. Bloomberg), as at 31 December 2023 and 2022 :

Group's Bond portfolios as at 31.12.2023 **(€' 000)**

	At Fair Value Through OCI	At Amortized Cost	Total
A- till AAA	103,918	52,504	**156,422**
B- till BBB+	89,049	15,970	**105,019**
Unrated	1,365	-	**1,365**
Total	**194,332**	**68,474**	**262,806**

Bank's Bond portfolios as at 31.12.2023 **(€' 000)**

	At Fair Value Through OCI	At Amortized Cost	Total
A- till AAA	103,918	52,504	**156,422**
B- till BBB+	89,049	15,970	**105,019**
Unrated	1,365	-	**1,365**
Total	**194,332**	**68,474**	**262,806**

Group's Bond portfolios as at 31.12.2022 **(€' 000)**

	At Fair Value Through OCI	At Amortized Cost	Total
A- till AAA	55,739	32,254	**87,993**
B- till BBB+	128,967	35,126	**164,093**
Unrated	1,358	-	**1,358**
Total	**186,064**	**67,380**	**253,444**

Bank's Bond portfolios as at 31.12.2022 **(€' 000)**

	At Fair Value Through OCI	At Amortized Cost	Total
A- till AAA	55,739	32,254	**87,993**
B- till BBB+	128,967	35,126	**164,093**
Unrated	1,358	-	**1,358**
Total	**186,064**	**67,380**	**253,444**

4.3 Liquidity risk

Liquidity Risk is the current or prospective risk that a financial institution will not be able to meet its obligations as they become due, because of lack of required liquidity.

The Assets and Liabilities Committee (ALCO) monitors the gap in maturities between assets and liabilities as well as the funding requirements based on various assumptions, including conditions that might have an adverse impact on the Group's and the Bank's ability to liquidate investments and trading positions and the ability to access capital markets.

In general, liquidity risk analysis relates to the financial, operating and investing activities of the Group and the Bank. This risk involves both the risk of unexpected increases in the cost of funding the portfolio of assets at appropriate maturities and rates, and the risk of being unable to liquidate a position in a timely manner on reasonable terms.

For the Group and the Bank, the main resources which ensure liquidity are customers' deposits, interbank credit lines and ECB funding. Effective liquidity risk management enables the Group to comfortably fulfill its client needs and to meet all its payment obligations.

Liquidity risk also includes the risk of concentration of funding and, in particular, the concentration of deposits. Due to the Group's specialization in corporate banking in the shipping sector, a capital-intensive activity by nature, deposit concentrations have been inherent to its business model since its inception. Monitoring. managing and reducing this deposits concentration risk is an integral part of the Bank's liquidity risk management policy and procedures, and specific monitoring indicators are included in the Bank's Risk Appetite Framework, which are followed up and analyzed on an ongoing basis, aiming to ensure that the, at each time, market/fair value of the Bank's liquid and liquidable assets, independently or in combination with other alternative funding sources, sufficiently cover the threat of any potential outflows of deposits due to concentrations. On 31.12.2023 the balances of the 10 largest depositors of the Group, excluding those pledged (in favour of the Group) as security for loans provided by the Group, corresponded to 36% of the total deposits of the Bank (31.12.2022: 34%), whereas their cover by the sum of the value of Group liquidity placed with the Central Bank and the interbank market, together with the value of the Group's investments in marketable debt securities (measured at their fair value as of the reference date), amounted to 167% (31.12.2022: 171%).

Group's contractual undiscounted cash outflow as at 31.12.2023

(€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
LIABILITIES						
Due to customers	619,002	234,488	61,712	1,941	-	**917,143**
Derivatives financial instruments	23	-	-	-	-	**23**
Finance Lease Liabilities (included in other liabilities)	9	37	166	294	-	**506**
Total on balance sheet	**619,034**	**234,525**	**61,878**	**2,235**	**-**	**917,672**
Off Balance sheet (Loan Commitments)	17	3,765	2,139	15,766	946	**22,633**
Total (On & Off Balance sheet)	**619,051**	**238,290**	**64,017**	**18,001**	**946**	**940,305**

Bank's contractual undiscounted cash outflow as at 31.12.2023

(€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
LIABILITIES						
Due to customers	619,943	234,488	61,712	1,940	-	**918,083**
Derivatives financial instruments	23	-	-	-	-	**23**
Finance Lease Liabilities (included in other liabilities)	9	37	166	294	-	**506**
Total on balance sheet	**619,975**	**234,525**	**61,878**	**2,234**	**-**	**918,613**
Off Balance sheet (Loan Commitments)	17	3,765	2,139	15,766	946	**22,633**
Total (On & Off Balance sheet)	**619,992**	**238,290**	**64,017**	**18,000**	**946**	**941,246**

Group's contractual undiscounted cash outflow as at 31.12.2022

(€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
LIABILITIES						
Due to banks	750	-	-	-	-	**750**
Due to customers	789,417	140,500	37,957	35,485	7,243	**1,010,602**
Derivatives financial instruments	165	-	-	-	-	**165**
Finance Lease Liabilities (included in other liabilities)	16	31	132	347	-	**526**
Total on balance sheet	**790,348**	**140,531**	**38,089**	**35,832**	**7,243**	**1,012,043**
Off Balance sheet (Loan Commitments)	2,300	8,537	-	6,137	-	**16,973**
Total (On & Off Balance sheet)	**792,648**	**149,068**	**38,089**	**41,969**	**7,243**	**1,029,016**

Bank's contractual undiscounted cash outflow as at 31.12.2022

(€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
LIABILITIES						
Due to banks	750	-	-	-	-	**750**
Due to customers	790,422	140,500	37,957	35,485	7,243	**1,011,607**
Derivatives financial instruments	165	-	-	-	-	**165**
Finance Lease Liabilities (included in other liabilities)	16	31	132	347	-	**526**
Total on balance sheet	**791,353**	**140,531**	**38,089**	**35,832**	**7,243**	**1,013,048**
Off Balance sheet (Loan Commitments)	2,300	8,537	-	6,137	-	**16,973**
Total (On & Off Balance sheet)	**793,653**	**149,068**	**38,089**	**41,969**	**7,243**	**1,030,021**

4.4 Market risks

Market risk is the risk that changes in market prices, such as interest rates, equity prices, foreign exchange rates and credit spreads (not related to changes in the obligor's credit standing), will affect the Group's income or the value of its financial instruments. Specifically for the Group and the Bank, market risk is further analyzed in the following risks:

- Risk from the change in bond prices classified as FVTOCI.
- Interest rate risk arising from transactions in bonds that are classified as FVTOCI.
- Interest rate risk arising from interest rate swaps.
- Foreign exchange risk arising from transactions in outright FX forwards.

4.4.1 Interest rate risk

Interest rate risk is the current or prospective risk to earnings (Net Interest Income) and capital arising from adverse movements in interest rates affecting the Grouping book positions (IRRBB). Assets and liabilities are analyzed with respect to interest rate risk (gap analysis). Assets and liabilities are categorized into time periods (gaps) by either contractual repricing in the case of variable interest rate instruments or maturity date in the case of fixed interest rate instruments. The below analysis provides an approximation of the interest rate risk exposure since transactions with different duration are aggregated together per time bucket.

Group's Interest Rate Risk as at 31.12.2023 (€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
ASSETS							
Cash and balances with Central Bank	196,043	-	-	-	-	1,564	**197,607**
Due from banks	16,787	66,196	-	-	-	528	**83,511**
Loans and advances to customers	233,509	238,543	34,641	733	-	(954)	**506,473**
Investment securities – FVTOCI	118,779	16,869	39,484	7,470	11,405	325	**194,332**
Debt securities at amortized cost	1,499	-	25,731	34,925	6,066	253	**68,474**
Other remaining assets	-	-	-	-	-	26,675	**26,675**
TOTAL ASSETS	**566,617**	**321,607**	**99,856**	**43,128**	**17,471**	**28,392**	**1,077,072**
LIABILITIES							
Due to customers	617,623	233,653	61,217	1,034	-	3,616	**917,143**
Finance lease liabilities	9	37	166	294	-	-	**506**
Other remaining liabilities	-	-	-	-	-	13,514	**13,514**
TOTAL LIABILITIES	**617,631**	**233,691**	**61,383**	**1,329**	**-**	**17,130**	**931,163**
Total interest sensitivity gap	**(51,014)**	**87,917**	**38,473**	**41,799**	**17,471**	**11,262**	**145,909**

Bank's Interest Rate Risk as at 31.12.2023 (€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
ASSETS							
Cash and balances with Central Bank	196,043	-	-	-	-	1,564	**197,607**
Due from banks	16,787	66,196	-	-	-	528	**83,511**
Loans and advances to customers	233,509	238,543	34,641	733	-	(954)	**506,473**
Investment securities – FVTOCI	118,779	16,869	39,484	7,470	11,404	325	**194,332**
Debt securities at amortized cost	1,499	-	25,731	34,925	6,065	253	**68,474**
Other remaining assets	-	-	-	-	-	25,256	**25,256**
TOTAL ASSETS	**566,617**	**321,607**	**99,856**	**43,129**	**17,470**	**26,973**	**1,075,653**
LIABILITIES							
Due to customers	618,564	233,653	61,217	1,034	-	3,615	**918,083**
Finance lease liabilities	9	37	166	294	-	-	**506**
Other remaining liabilities	-	-	-	-	-	12,985	**12,985**
TOTAL LIABILITIES	**618,573**	**233,690**	**61,383**	**1,328**	**-**	**16,600**	**931,574**
Total interest sensitivity gap	**(51,954)**	**87,918**	**38,473**	**41,801**	**17,470**	**10,373**	**144,079**

The Bank and the Group performs a sensitivity analysis to assess the impact on net interest income (NII) to a hypothetical change in the market interest rates. The measurement of Interest Rate Risk sensitivity of the Group's and the Bank's Statements of Financial Position items in respect to a parallel shift of 100bp in interest rates showed no material effect (see table below). Fixed rate assets cover the 52.8% of the total assets and the 100% of total liabilities of the Group and the Bank consist of fixed rate liabilities.

Interest Rate variation scenario (parallel fall or rise in yield curves, bp)	**Sensitivity for Net Interest Income**	**Sensitivity of Equity (after tax)**
(100)	(5,866)	(4,575)
100	4,415	3,444

Group's Interest Rate Risk as at 31.12.2022 (€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
ASSETS							
Cash and balances with Central Bank	227,118	-	-	-	-	-	**227,118**
Due from banks	95,563	18,848	-	-	-	9	**114,420**
Loans and advances to customers	192,435	244,892	61,230	20,657	-	-	**519,212**
Investment securities – FVTOCI	20,000	63,251	84,083	6,958	11,772	-	**186,064**
Debt securities at amortized cost	7,001	-	-	54,298	6,081	-	**67,380**
Other remaining assets	-	-	-	-	-	26,861	**26,861**
TOTAL ASSETS	**542,116**	**326,991**	**145,313**	**81,913**	**17,853**	**26,870**	**1,141,055**
LIABILITIES							
Due to banks	749	-	-	-	-	1	**750**
Due to customers	788,634	140,152	37,801	35,064	7,119	1,832	**1,010,602**
Finance lease liabilities	16	31	132	347	-	-	**526**
Other remaining liabilities	-	-	-	-	-	11,826	**11,826**
TOTAL LIABILITIES	**789,399**	**140,183**	**37,933**	**35,412**	**7,119**	**13,659**	**1,023,705**
Total interest sensitivity gap	**(247,283)**	**186,808**	**107,380**	**46,501**	**10,733**	**13,211**	**117,350**

Bank's Interest Rate Risk as at 31.12.2022 (€' 000)	Up to 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	Non-interest bearing	Total
ASSETS							
Cash and balances with Central Bank	227,118	-	-	-	-	-	**227,118**
Due from banks	95,563	18,848	-	-	-	9	**114,420**
Loans and advances to customers	192,435	244,892	61,230	20,657	-	-	**519,212**
Investment securities – FVTOCI	20,000	63,251	84,083	6,958	11,772	-	**186,064**
Debt securities at amortized cost	7,001	-	-	54,298	6,081	-	**67,380**
Other remaining assets	-	-	-	-	-	25,458	**25,458**
TOTAL ASSETS	**542,116**	**326,991**	**145,313**	**81,913**	**17,853**	**25,467**	**1,139,652**
LIABILITIES							
Due to banks	749	-	-	-	-	1	**750**
Due to customers	789,639	140,152	37,801	35,064	7,119	1,832	**1,011,607**
Finance lease liabilities	16	31	132	347	-	-	**526**
Other remaining liabilities	-	-	-	-	-	11,306	**11,306**
TOTAL LIABILITIES	**790,404**	**140,183**	**37,933**	**35,412**	**7,119**	**13,139**	**1,024,190**
Total interest sensitivity gap	**(248,287)**	**186,808**	**107,380**	**46,501**	**10,733**	**12,328**	**115,463**

4.4.2 Foreign exchange risk

The Management of the Group has set low limits for foreign exchange exposure, which are monitored daily. The Group's and the Bank's open foreign exchange position is mainly in US Dollars because of its specialized activity. The Group and the Banks file standard foreign exchange position reports on a regular basis enabling the Central Bank to monitor its foreign exchange risk.

The foreign exchange position of the Group and the Bank as at 31 December 2023 and 31 December 2022 respectively is as follows:

Group's Foreign exchange position as at 31.12.2023

(€' 000)	USD	EURO	OTHER	TOTAL
ASSETS				
Cash and balances with Central Bank	275	197,208	124	197,607
Due from banks	41,593	36,373	5,546	83,511
Loans and advances to customers	370,274	136,199	-	506,473
Investment securities – FVTOCI	103,737	90,595	-	194,332
Debt securities at amortized cost	-	68,474	-	68,474
Derivatives assets	-	6	-	6
Other remaining assets	13	26,656	-	26,670
TOTAL ASSETS	**515,892**	**555,510**	**5,670**	**1,077,072**
LIABILITIES				
Due to customers	611,678	301,211	4,254	917,143
Derivatives liabilities	-	23	-	23
Other remaining liabilities	318	13,679	-	13,996
TOTAL LIABILITIES	611,996	314,914	4,254	931,163
Net balance sheet position	(96,104)	240,596	1,415	145,909
Off balance sheet net notional position	96,249	(95,760)	(489)	-
Total FX position	**145**	**144,836**	**926**	**145,909**

Bank's Foreign exchange position as at 31.12.2023

(€' 000)	USD	EURO	OTHER	TOTAL
ASSETS				
Cash and balances with Central Bank	275	197,208	124	197,607
Due from banks	41,593	36,373	5,546	83,511
Loans and advances to customers	370,274	136,199	-	506,473
Investment securities – FVTOCI	103,737	90,596	-	194,332
Debt securities at amortized cost	-	68,474	-	68,474
Derivatives assets	-	6	-	6
Other remaining assets	13	25,237	-	25,251
TOTAL ASSETS	**515,893**	**554,092**	**5,670**	**1,075,653**
LIABILITIES				
Due to customers	611,678	302,151	4,253	918,083
Derivatives liabilities	-	23	-	23
Other remaining liabilities	318	13,150	-	13,468
TOTAL LIABILITIES	611,996	315,324	4,253	931,574
Net balance sheet position	(96,103)	238,767	1,415	144,079
Off balance sheet net notional position	96,249	(95,760)	(489)	-
Total FX position	**146**	**143,007**	**926**	**144,079**

The measurement of foreign exchange risk sensitivity of the Group's and the Bank's Statement of Financial Position items in respect to a parallel shift of 5% in foreign currency rates showed no material effect on the net position of the Group and the Bank, please see table below.

2023

Foreign currency rates variation scenario (parallel fall or rise in foreign currency rates, bp)	Sensitivity for Net Position
(500)	(8,119)
500	8,119

Group's Foreign exchange position as at 31.12.2022

(€' 000)	USD	EURO	OTHER	TOTAL
ASSETS				
Cash and balances with Central Bank	210	226,825	83	227,118
Due from banks	41,862	67,376	5,182	114,420
Loans and advances to customers	420,535	98,676	-	519,212
Investment securities – FVTOCI	55,679	130,385	-	186,064
Debt securities at amortized cost	-	67,380	-	67,380
Other remaining assets	15	26,846	-	26,861
TOTAL ASSETS	**518,301**	**617,488**	**5,265**	**1,141,055**
LIABILITIES				
Due to banks	750	-	-	750
Due to customers	633,219	373,079	4,304	1,010,602
Other remaining liabilities	1,633	10,720		12,353
TOTAL LIABILITIES	635,601	383,799	4,304	1,023,705
Net balance sheet position	(117,300)	233,689	961	117,350
Off balance sheet net notional position	117,331	(117,315)	(16)	-
Total FX position	**31**	**116,374**	**945**	**117,350**

Bank's Foreign exchange position as at 31.12.2022

(€' 000)	USD	EURO	OTHER	TOTAL
ASSETS				
Cash and balances with Central Bank	210	226,825	83	227,118
Due from banks	41,862	67,376	5,182	114,420
Loans and advances to customers	420,535	98,676	-	519,212
Investment securities – FVTOCI	55,679	130,385	-	186,064
Debt securities at amortized cost	-	67,380	-	67,380
Other remaining assets	15	25,443	-	25,458
TOTAL ASSETS	**518,301**	**616,085**	**5,265**	**1,139,652**
LIABILITIES				
Due to banks	750	-	-	750
Due to customers	633,219	374,083	4,304	1,011,607
Other remaining liabilities	1,633	10,200		11,833
TOTAL LIABILITIES	635,601	384,283	4,304	1,024,190
Net balance sheet position	(117,300)	231,802	961	115,462
Off balance sheet net notional position	117,331	(117,315)	(16)	-
Total FX position	**31**	**114,487**	**945**	**115,462**

4.5 Operational Risk

Operational risk involves the possibility of generating losses as a result of implementing inadequate or unsuccessful internal procedures and systems, of external events and/or the human factor. The Group and the Bank have established a policy framework for the management of operational risk which includes the procedure of self-assessment of operational risks and the related area of control, the procedure of loss data collection and the development and update of action plans for the mitigation of operational risks. For the calculation of the capital requirements for operational risk, the Group and the Bank follow the Basic Indicator approach.

4.6 Fair value of financial assets and liabilities not measured at fair value

The following methods and assumptions were used to estimate the fair values of the Group's and the Bank's financial instruments at 31 December 2023 and 2022:

Loans and advances to customers: According to IFRSs, the fair value of loans is estimated using discounted cash flow models. The discount rates are based on current market interest rates offered for loans with similar terms to borrowers of similar credit quality. This category is carried at amortized cost. Substantially all the loans and advances of the Group and the Bank are at floating rates of interest, which re-price at frequent intervals. A number of them have considerable amount of unamortized discount. Therefore, the Group and the Bank has no significant exposure to fair value fluctuations and the carrying value of the loans and advances to customers approximates its fair value.

Debt Securities measured at amortized cost: The fair values of financial investments are determined using prices quoted in an active market when these are available. In other cases, fair values are determined using quoted market prices for securities with similar credit risk, maturity yield, quoted market prices in non-active markets for identical or similar financial instruments, or by using the discounted cash flows method.

For other financial instruments, which are not short-term or re-price at frequent intervals (cash and balances with Central Bank, due from and due to banks and due to customers), the carrying amounts represent reasonable approximations of fair values.

The fair value hierarchy categorization of financial assets and liabilities not measured at fair value on the balance sheet at 31 December 2023 and 2022 is presented in the following table:

31 December 2023
Group

(€' 000)	Level-1	Level-2	Level-3	**Fair value**	**Carrying value**
ASSETS					
Loans and advances to customers	-	-	506,473	**506,473**	**506,473**
Debt Securities measured at amortized cost	68,474	-	-	**68,474**	**65,758**
Total assets not measured at fair value	**68,474**	**-**	**506,473**	**574,947**	**572,231**

31 December 2023
Bank

(€' 000)	Level-1	Level-2	Level-3	**Fair value**	**Carrying value**
ASSETS					
Loans and advances to customers	-	-	506,473	**506,473**	**506,473**
Debt Securities measured at amortized cost	68,474	-	-	**68,474**	**65,758**
Total assets not measured at fair value	**68,474**	**-**	**506,473**	**574,947**	**572,231**

31 December 2022
Group

(€' 000)	Level-1	Level-2	Level-3	**Fair value**	**Carrying value**
ASSETS					
Loans and advances to customers	-	-	519,212	**519,212**	**519,212**
Debt Securities measured at amortized cost	62,730	-	-	**62,730**	**67,380**
Total assets not measured at fair value	**62,730**	**-**	**519,212**	**581,942**	**586,592**

31 December 2022
Bank

(€' 000)	Level-1	Level-2	Level-3	**Fair value**	**Carrying value**
ASSETS					
Loans and advances to customers	-	-	519,212	**519,212**	**519,212**
Debt Securities measured at amortized cost	62,730	-	-	**62,730**	**67,380**
Total assets not measured at fair value	**62,730**	**-**	**519,212**	**581,942**	**586,592**

The fair value of the remaining financial assets and liabilities which are measured at amortized cost and include mainly due from banks and central banks as well as due to banks, are reasonable approximation of their respective carrying amount .

4.7 Financial assets and liabilities measured at fair value on a recurring basis

Determining the fair value of financial instruments

The Group and the Bank measure the fair value of its financial instruments based on the framework for measuring fair value that categorizes financial instruments based on a three-level hierarchy of the inputs to the valuation technique, as described below:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities. Level 1 assets and liabilities include debt and equity securities and derivative contracts that are traded in an active exchange market. An active market is a market in which transactions for assets or liabilities take place with sufficient frequency and volume, provide pricing information on an ongoing basis and are characterized with low bid/ask spreads.

Level 2: Observable inputs other than Level 1 quoted prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data (for example derived from prices) for substantially the full term of the assets or liabilities. Level 2 assets and liabilities include debt securities with quoted prices that are traded less frequently than exchange-traded instruments, as well as debt securities without quoted prices and certain derivative contracts whose values are determined using pricing models, discounted cash flow methodologies, or similar techniques with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. This category generally includes government and corporate debt securities with prices in markets that are not active and certain over-the-counter (OTC) derivative contracts.

Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

The level in the fair value hierarchy within which the fair value measurement is categorized in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

31 December 2023
Group

(€' 000)	Level-1	Level-2	Level-3	Total
ASSETS				
Investment securities – FVTOCI	194,332	-	-	194,332
Derivatives	-	6	-	6
Total assets measured at fair value	**194,332**	**6**	**-**	**194,338**
LIABILITIES				
Derivatives	-	23	-	**23**
Total liabilities measured at fair value	**-**	**23**	**-**	**23**

31 December 2023
Bank

(€' 000)	Level-1	Level-2	Level-3	Total
ASSETS				
Investment securities – FVTOCI	194,332	-	-	194,332
Derivatives	-	6	-	6
Total assets measured at fair value	**194,332**	**6**	**-**	**194,338**
LIABILITIES				
Derivatives	-	23	-	**23**
Total liabilities measured at fair value	**-**	**23**	**-**	**23**

There were no transfers between Level 1 and Level 2 for the Group and the Bank in the year ended 31 December 2023.

31 December 2022
Group

(€' 000)	Level-1	Level-2	Level-3	Total
ASSETS				
Investment securities – FVTOCI	186,064	-	-	**186,064**
Total assets measured at fair value	**186,064**	**-**	**-**	**186,064**
LIABILITIES				
Derivatives	-	165	-	**165**
Total liabilities measured at fair value	**-**	**165**	**-**	**165**

31 December 2022
Bank

(€' 000)	Level-1	Level-2	Level-3	Total
ASSETS				
Investment securities – FVTOCI	186,064	-	-	**186,064**
Total assets measured at fair value	**186,064**	**-**	**-**	**186,064**
LIABILITIES				
Derivatives	-	165	-	**165**
Total liabilities measured at fair value	**-**	**165**	**-**	**165**

There were no transfers between Level 1 and Level 2 for the Group and the Bank in the year ended 31 December 2022.

4.8 Capital Adequacy

The Group and the Bank have implemented the new regulatory framework CRDIV (Basel III implementation under EU rules), which came into force with Directive 2013/36/EU and Regulation (EU) No. 575/2013.
The new regulatory framework requires financial institutions to maintain a minimum level of regulatory capital related to the undertaken risks. The minimum capital adequacy ratios, as per article 92 of the CRR, are as follows:

- Common Equity Tier 1 Ratio (CET1 Ratio): 4.5%
- Tier 1 Ratio (Tier 1): 6%
- Total Capital Ratio (CAD Ratio): 8%

Based on Council Regulation 1024/2013, the Central Bank conducts annually a Supervisory Review and Evaluation Process (SREP), in order to define the prudential requirements of the institutions under its supervision, by delimiting an overall SREP capital requirement (OCR) under Pillar 2 of the regulatory framework. Following the conclusion of the SREP for year 2022, the Group of Greece advised ABBank that as of June 29th, 2022 that it has to maintain and OCR of at least 11.08% (2019: 11.40%), consisting of
(a) CAD Ratio of 8%,
(b) additional capital requirements under Pillar 2 of 3.08%, and
(c) the Capital Conservation Buffer of 2.5%
(2020: 8%, 3.40% and 2.5%, respectively).

The Bank actively manages its capital base by taking advantage of the contemporary means for raising capital, with the objective to sustain its capital adequacy ratios well above the minimum regulatory levels and, at the same time, to improve the weighted average cost of capital to the benefit of its shareholders. In this framework, both the calculation of the capital requirements and the dynamic management of the capital base are embedded in the business plan and the annual budgeting processes. The risk-weighted assets arise from the credit risk of the investment book and the market risk of the trading book as well as the operational risk.

The current capital ratios (Tier I ratio and capital adequacy ratio) are greater than the regulatory limits set by the relevant directive and the capital base is capable of supporting the business growth of the Group in all areas for the next years. For the calculation of regulatory capital, own share capital must undergo some regulatory adjustments, such as the deduction of intangible assets. The regulatory capital of the Group, as defined by the Bank of Greece is comprised of two tiers, Tier I and Tier II capital. AB Bank has only Tier I capital.

Presented below, are the year-end capital adequacy ratios of 2023 and 2022 for the Group and the Bank. The figures have been calculated using CRD IV rules.

	2023 '(000) **Group**		**2023** '(000) **Bank**	
	Including Current Year's Profit	Excluding Current Year's Profit	Including Current Year's Profit	Excluding Current Year's Profit
Tier I capital				
Share capital	37,980	37,980	37,980	37,980
Share premium	50,207	50,207	50,207	50,207
Retained earnings	51,161	51,161	49,425	49,425
Statutory reserve	3,415	3,415	3,320	3,320
Revaluation Reserve Land & Building (Net of Tax)	5,265	5,265	5,265	5,265
Reserve from remeasurement of the defined benefit obligations	(316)	(316)	(316)	(316)
OCI reserve	(1,803)	(1,803)	(1,803)	(1,803)
	145,909	**145,909**	**144,079**	**144,079**
Regulatory adjustments on Tier I capital				
Less: intangible assets	(1,452)	(1,452)	(1,452)	(1,452)
Less: Adjustment for Retained earnings not yet recognized	-	(27,042)	-	(27,100)
Less : other adjustments	(194)	(194)	(194)	(194)
Total regulatory adjustments on Tier I capital	**(1,646)**	**(28,688)**	**(1,646)**	**(28,746)**
Total Core Tier I capital	**144,263**	**117,221**	**142,433**	**115,333**
Risk weighted assets				
Risk weighted assets (credit risk)	528,727	528,727	538,558	538,558
Risk weighted assets (market risk)	-	-	-	-
Risk weighted assets (operational risk)	72,390	72,390	70,861	70,861
Total Risk Weighted Assets	**601,117**	**601,117**	**609,419**	**609,419**
Common Equity Tier 1 Ratio (CET1)	**24.00%**	**19.50%**	**23.37%**	**18.93%**
Tier 1 Ratio (T1)	**24.00%**	**19.50%**	**23.37%**	**18.93%**
CAD Ratio	**24.00%**	**19.50%**	**23.37%**	**18.93%**

It should be noted that the disclosure as regulatory requirement regarding capital adequacy and risk management information imposed by Bank of Greece Directive 2655/16.3.2012 in relation to Pillar III, will be upload on the web site www.aegeanbalticbank.com upon its issuance.

	2022 '(000) **Group**		**2022** '(000) **Bank**	
	Including Current Year's Profit	Excluding Current Year's Profit	Including Current Year's Profit	Excluding Current Year's Profit
Tier I capital				
Share capital	37,980	37,980	37,980	37,980
Share premium	50,207	50,207	50,207	50,207
Retained earnings	27,471	27,471	25,677	25,677
Statutory reserve	2,063	2,063	1,968	1,968
Revaluation Reserve Land & Building (Net of Tax)	2,900	2,900	2,900	2,900
Reserve from remeasurement of the defined benefit obligations	(195)	(195)	(195)	(195)
OCI reserve	(3,075)	(3,075)	(3,075)	(3,075)
	117,350	**117,350**	**115,462**	**115,462**
Regulatory adjustments on Tier I capital				
Less: intangible assets	(1,347)	(1,347)	(1,347)	(1,347)
Less: Adjustment for Retained earnings not yet recognized *(less statutory reserve)*	-	(16,599)	-	(14,805)
Less : other adjustments	(186)	(186)	(186)	(186)
Total regulatory adjustments on Tier I capital	**(1,533)**	**(18,131)**	**(1,533)**	**(16,338)**
Total Core Tier I capital	**115,817**	**99,219**	**113,929**	**99,124**
Risk weighted assets				
Risk weighted assets (credit risk)	563,377	563,377	561,977	561,977
Risk weighted assets (market risk)	-	-	-	-
Risk weighted assets (operational risk)	50,800	50,800	49,271	49,271
Total Risk Weighted Assets	**614,176**	**614,176**	**611,247**	**611,247**
Common Equity Tier 1 Ratio (CET1)	**18.86%**	**16.15%**	**18.64%**	**16.22%**
Tier 1 Ratio (T1)	**18.86%**	**16.15%**	**18.64%**	**16.22%**
CAD Ratio	**18.86%**	**16.15%**	**18.64%**	**16.22%**

Note 5: Net interest income

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
			As restated	
Interest and similar income				
Interest from debt securities measured at FVTOCI	7,653	7,653	973	973
Interest from debt securities at amortized cost	482	482	223	223
Interest due from banks	15,268	15,268	2,390	2,390
Interest from loans and advances to customers	40,962	40,962	31,418	31,418
Negative interest from interest bearing liabilities	-	-	377	377
Other	56	56	5	5
Total Interest and similar income	**64,421**	**64,421**	**35,386**	**35,386**
Interest expense and similar charges				
Interest due to customers	(20,160)	(20,160)	(4,682)	(4,683)
Interest due to banks	(375)	(375)	(187)	(187)
Interest expense from lease liability	(15)	(15)	(12)	(12)
Negative interest from interest bearing assets	-	-	(590)	(590)
Total Interest expense and similar charges	**(20,550)**	**(20,550)**	**(5,471)**	**(5,472)**
Net interest income	**43,871**	**43,871**	**29,915**	**29,914**

The increase in Interest from loans and advances to customers mainly derives from the increase of floating rates during year 2023.

The following table presents interest income calculated using the effective interest rate method, by financial asset category.

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
			As restated	
Interest Income calculated by EIR				
Interest from debt securities measured at FVTOCI	7,653	7,653	973	973
Interest from debt securities at amortized cost	482	482	223	223
Interest from loans and advances to customers	40,962	40,962	31,418	31,418
Negative interest from interest bearing liabilities	-	-	377	377
Total	**49,097**	**49,097**	**32,991**	**32,991**

Note 6: Net fee and commission income

The following table includes net fees and commission income from contracts with customers in the scope of IFRS 15, disaggregated by major type of industries.

Group	2023 € ' 000			
	Shipping Corporations	Corporate Sector	Other sectors	Total
Fees and commission income				
Loan origination fees and commissions	356	251	956	**1,564**
Funds transfers	475	30	2,323	**2,827**
Other	95	178	624	**898**
Total Fees and commission income	**927**	**459**	**3,903**	**5,289**
Fees and commission expense				
Banks	-	-	(225)	**(225)**
Other	-	-	(84)	**(84)**
Total Fees and commission expense	**-**	**-**	**(309)**	**(309)**
Net fee and commission income	**927**	**459**	**3,594**	**4,980**

Bank	2023 € ' 000			
	Shipping Corporations	Corporate Sector	Other sectors	Total
Fees and commission income				
Loan origination fees and commissions	356	251	956	**1,564**
Funds transfers	475	30	2,323	**2,827**
Other	95	178	624	**898**
Total Fees and commission income	**927**	**459**	**3,903**	**5,289**
Fees and commission expense				
Banks	-	-	(225)	**(225)**
Other	-	-	(84)	**(84)**
Total Fees and commission expense	**-**	**-**	**(309)**	**(309)**
Net fee and commission income	**927**	**459**	**3,594**	**4,980**

Group	**2022 €' 000**			
	Shipping Corporations	Corporate Sector	Other sectors	Total
Fees and commission income				
Loan origination fees and commissions	435	1,319	5	**1,759**
Funds transfers	190	2,019	109	**2,318**
Other	24	880	62	**966**
Total Fees and commission income	**649**	**4,218**	**176**	**5,043**
Fees and commission expense				
Banks	-	-	(209)	**(210)**
Other	-	-	(54)	**(54)**
Total Fees and commission expense	**-**	**-**	**(263)**	**(264)**
Net fee and commission income	**649**	**4,218**	**(87)**	**4,779**

Bank	**2022 €' 000**			
	Shipping Corporations	Corporate Sector	Other sectors	Total
Fees and commission income				
Loan origination fees and commissions	435	1,319	5	**1,759**
Funds transfers	190	2,019	109	**2,318**
Other	24	880	62	**966**
Total Fees and commission income	**649**	**4,218**	**176**	**5,043**
Fees and commission expense				
Banks	-	-	(209)	**(210)**
Other	-	-	(54)	**(54)**
Total Fees and commission expense	**-**	**-**	**(263)**	**(264)**
Net fee and commission income	**649**	**4,218**	**(87)**	**4,779**

The commissions received by the Group and the Bank from loans and advances to customers at amortized cost are capitalized, then amortized over the life of the loan with the effective interest rate method and included in the interest from loans and advances to customers. The commissions received by the Group and the Bank and amortized over the life of the financial instrument with the effective interest rate method are for the year 2023 € 965 thousands (€ 1,258 thousands for 2022). The commissions received by the Group and the Bank as an arranger and as an agent of syndicated loans are recognized in the income statement when a performance obligation is satisfied.

Note 7: Net trading income

	2023 '(000)		**2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
Foreign exchange contracts and derivatives	2,447	2,447	2,120	2,120
Net results from sale of financial assets measured at FVTOCI	-	-	(2)	(2)
Net trading income	**2,447**	**2,447**	**2,118**	**2,118**

Included within the net trading income are gains and losses from derivative contracts (FX swap) and futures committed for economic hedge purposes.

Note 8: Other Operating Income

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Changes in FV of Investment Property	-	-	2,445	-
Other income	18	18	26	26
Other operating income	**18**	**18**	**2,471**	**26**

Other operating income includes changes in fair value of investment property which amount to nil for the current year and for the year 2022 € 2,445 thousand.

Note 9: Gains / (losses) from derecognition of financial assets

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
			As restated	
Gain/(losses) from derecognition of financial assets	1,364	1,364	473	473
Gain/(losses) from derecognition of financial assets	**1,364**	**1,364**	**473**	**473**

Includes gain/(losses) deriving from the transfer of unamortized balance of capitalized commissions and expenses of loans that have been early repaid.

Note 10: Personnel expenses

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Wages and salaries	(7,768)	(7,768)	(6,885)	(6,885)
Social security contributions	(1,394)	(1,394)	(1,253)	(1,253)
Defined contribution plans	(220)	(220)	(201)	(201)
Defined benefit plans (see Note 32)	(156)	(156)	(164)	(164)
Other	(529)	(529)	(591)	(591)
Personnel expenses	**(10,067)**	**(10,067)**	**(9,094)**	**(9,094)**

The number of employees of the Group and the Bank at 31 December 2023 was 112 (106 as at 31 December 2022 for the Group and the Bank). The average number of employees for the period 1 January 2023 to 31 December 2023 was 108 (105 for the year 2022 for the Group and the Bank).

Note 11: General administrative expenses

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Rental expense for buildings	(5)	(5)	(6)	(6)
Rental expense for cars	(6)	(6)	(3)	(3)
Third party fees	(1,175)	(1,163)	(1,125)	(1,106)
IT expense	(1,468)	(1,468)	(1,159)	(1,159)
Telecommunication – mail expense	(167)	(167)	(144)	(144)
Promotion and advertising expense	(38)	(38)	(15)	(15)
Office material	(29)	(29)	(28)	(28)
Utilities	(130)	(130)	(160)	(160)
Taxes and duties	(708)	(659)	(496)	(496)
Maintenance and other related expenses	(135)	(135)	(103)	(103)
Subscription expenses	(218)	(218)	(183)	(183)
Donations	(19)	(19)	(37)	(37)
Contributions	(359)	(359)	(842)	(842)
Officers' and directors' insurance	(228)	(228)	(229)	(229)
Other general administrative expenses	(393)	(393)	(251)	(245)
General and administrative expenses	**(5,078)**	**(5,017)**	**(4,781)**	**(4,756)**

Note 12: Depreciation and amortization

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Property and equipment	(765)	(765)	(644)	(644)
Intangible assets	(372)	(372)	(410)	(410)
Depreciation and amortization	**(1,137)**	**(1,137)**	**(1,054)**	**(1,054)**

Note 13: Impairment losses on loans and advances to customers

The following table presents the impairment losses on loans and advances to customers, on letters of guarantee and undrawn loan commitments as well as recoveries:

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Impairment losses on loans and advances for the year (on BS) (a)	(2,672)	(2,672)	(2,556)	(2,556)
Amounts recovered (b)	917	917	736	736
Effect of foreign currency movements (c)	90	90	(161)	(161)
Other technical adjustments	-	-	(164)	(164)
Impairment (charges)/releases on loan commitments and financial guarantee contracts (off BS)	(38)	(38)	(39)	(39)
Impairment losses/gains on loans and advances charged in IS	**(1,703)**	**(1,703)**	**(2,184)**	**(2,184)**

Movement of Impairment losses on loans and advances to customers	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
ECL of Loans and advances to customers 01.01	**(9,596)**	**(9,596)**	**(7,614)**	**(7,614)**
Impairment losses on loans and advances for the year (on BS) (a+b+c above)	(1,665)	(1,665)	(1,982)	(1,982)
Write off	4,475	4,475	-	-
ECL of Loans and advances to customers 31.12	**(6,786)**	**(6,786)**	**(9,596)**	**(9,596)**

Note 14: Income tax

	2023 '(000)		2022 '(000)	
	Group	**Bank**	**Group**	**Bank**
Income tax for the year	(6,967)	(6,967)	(3,511)	(3,511)
Deferred income tax	(987)	(990)	(1,461)	(928)
Income tax	**(7,954)**	**(7,957)**	**(4,972)**	**(4,439)**

The calculation of the income tax expense is as follows:

Profit / (Loss) before tax	**34,996**	**35,057**	**22,444**	**20,023**
Tax calculation at 22%	(7,699)	(7,713)	(4,938)	(4,405)
Non tax deductible expenses	(255)	(244)	(34)	(34)
Income tax	**(7,954)**	**(7,957)**	**(4,972)**	**(4,439)**

The corporate tax rate is 22% for the year 2023 & 2022. Further information concerning the income tax contingent liabilities is presented in Note 38.

According to Greek tax legislation, losses can be carried forward and off-set against future gains over the next 5 years.

There was no tax loss carried forward by the Group or the Bank at 31.12.2023.

Further information concerning deferred tax is presented in Note 26.

Note 15: Cash and balances with Central Bank

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	**Bank**	**Group**	**Bank**
Cash on hand	1,499	1,499	1,266	1,266
Balance with Central Bank	196,108	196,108	225,852	225,852
Cash and balances with Central Bank	**197,607**	**197,607**	**227,118**	**227,118**

The Group and the Bank are required to maintain a current account with the Central Bank of Greece (BoG) to facilitate interbank transactions with the BoG, its member banks, and other financial institutions through the TARGET system (Trans-European Automated Real-Time Gross Settlement Express Transfer).
BoG requires all banks established in Greece to maintain deposits with BoG equal to 1% of total customer deposits as these are defined by the European Central Bank. From 1 January 2001 these deposits bear interest at the refinancing rate as set by the ECB (0.00% at 31.12.2022). As at 31.12.2023 the minimum required amount of the Group and the Bank amounts to € 9,640 thousands (At 31.12.2022, € 9,906 thousands).

Note 16: Cash and cash equivalents

For the purpose of the Cash Flow Statement, cash and cash equivalents comprise the following outstanding balances as at 31.12.2023 and 31.12.2022:

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	**Bank**	**Group**	**Bank**
Cash on hand	1,499	1,499	1,266	1,266
Non-restricted placements with Central Bank.	196,108	196,108	225,852	225,852
Short-term balances due from banks	83,511	83,511	114,420	114,420
Cash and cash equivalents	**281,118**	**281,118**	**341,538**	**341,538**

All Short-term balances due from banks are classified as stage 1. The ECL is below €1 thousand.

Note 17: Due from banks

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	Bank	Group	Bank
Current accounts	13,339	13,339	13,291	16,808
Money Market Placements	70,172	70,172	101,129	97,612
Due from banks	**83,511**	**83,511**	**114,420**	**114,420**

Included within Current accounts is restricted amount €4,100 thousand as of 31.12.2023 (31.12.2022: €4,475 thousand) related to guarantees provided to credit institutions for swaps. As of 31.12.2023 no restricted cash was used for swaps.

Note 18: Loans and advances to customers at amortized cost

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	Bank	Group	Bank
Loans and Advances to shipping corporations at amortized cost	389,845	389,845	437,990	437,990
Loans and advances to corporate sector at amortized cost	115,883	115,883	80,646	80,646
Other Loans and staff loans	745	745	576	576
Total Loans and advances to customers at amortized cost	**506,473**	**506,473**	**519,212**	**519,212**

There are no loans and advances to customers that have been pledged as collateral.

Loans and advances to customers at amortized cost are analyzed:

			31.12.2023 €' 000
Group	Gross amount	Impairment amount	Net amount
Loans and Advances to shipping corporations	393,374	(3,529)	389,845
Loans and advances to corporate sector	119,140	(3,257)	115,883
Other Loans and staff loans	745	-	745
Total Loans and advances to customers at amortized cost	**513,259**	**(6,786)**	**506,473**

			31.12.2023 €' 000
Bank	Gross amount	Impairment amount	Net amount
Loans and Advances to shipping corporations	393,374	(3,529)	389,845
Loans and advances to corporate sector	119,140	(3,257)	115,883
Other Loans and staff loans	745	-	745
Total Loans and advances to customers at amortized cost	**513,259**	**(6,786)**	**506,473**

			31.12.2022 €' 000
Group	Gross amount	Impairment amount	Net amount
Loans and Advances to shipping corporations	445,685	(7,695)	437,990
Loans and advances to corporate sector	82,547	(1,901)	80,646
Other Loans and staff loans	576	-	576
Total Loans and advances to customers at amortized cost	**528,808**	**(9,596)**	**519,212**

			31.12.2022 €' 000
Bank	Gross amount	Impairment amount	Net amount
Loans and Advances to shipping corporations	445,685	(7,695)	437,990
Loans and advances to corporate sector	82,547	(1,901)	80,646
Other Loans and staff loans	576	-	576
Total Loans and advances to customers at amortized cost	**528,808**	**(9,596)**	**519,212**

Note 19: Financial assets at fair value through other comprehensive income (FVTOCI)

Group's Analysis per Issuer for the year ended 31.12.2023

	31.12.2023 €'000			
Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Government Bonds	188,393	-	-	188,393
Corporate Entities Bonds	5,939	-	-	5,939
Total Investment securities at FVTOCI	**194,332**	**-**	**-**	**194,332**

Movement in Gross Carrying amount of investment securities

Investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2023	**186,064**	**-**	**-**	**186,064**
Additions	519,613	-	-	519,613
Disposals/ Maturities	(512,959)	-	-	(512,959)
Gains / (losses) from changes in fair value	1,938	-	-	1,938
FX differences	(324)	-	-	(324)
Closing Balance 31.12.2023	**194,332**	**-**	**-**	**194,332**

Movement in ECL allowance for the year ended 31.12.2023

Impairment (losses)/releases on investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2023	**376**	**-**	**-**	**376**
Corporate Entities Bonds	(1)	-	-	(1)
Government Bonds	(305)	-	-	(305)
Impairment (losses)/releases for the year	**(306)**	**-**	**-**	**(306)**
Impairment (losses)/releases 31.12.2023	**70**	**-**	**-**	**70**

Bank's Analysis per Issuer for the year ended 31.12.2023

	31.12.2023 €'000			
Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Government Bonds	188,393	-	-	188,393
Corporate Entities Bonds	5,939	-	-	5,939
Total Investment securities at FVTOCI	**194,332**	**-**	**-**	**194,332**

Movement in Gross Carrying amount of investment securities

Investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2023	**186,064**	**-**	**-**	**186,064**
Additions	519,613	-	-	519,613
Disposals/ Maturities	(512,959)	-	-	(512,959)
Gains / (losses) from changes in fair value	1,938	-	-	1,938
FX differences	(324)	-	-	(324)
Closing Balance 31.12.2023	**194,332**	**-**	**-**	**194,332**

Movement in ECL allowance for the year ended 31.12.2023

Impairment (losses)/releases on investment securities at FVTOCI	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2023	**376**	**-**	**-**	**376**
Corporate Entities Bonds	(1)	-	-	(1)
Government Bonds	(305)	-	-	(305)
Impairment (losses)/releases for the year	**(306)**	**-**	**-**	**(306)**
Impairment (losses)/releases 31.12.2023	**70**	**-**	**-**	**70**

Group's Analysis per Issuer for the year ended 31.12.2022

	31.12.2022 €'000			
Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Government Bonds	180,404	-	-	180,404
Corporate Entities Bonds	5,660	-	-	5,660
Total Investment securities at FVTOCI	**186,064**	**-**	**-**	**186,064**

Movement in Gross Carrying amount of investment securities

Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**68,067**	**-**	**-**	**68,067**
Additions	353,154	-	-	353,154
Disposals/ Maturities	(226,373)	-	-	(226,373)
Gains / (losses) from changes in fair value	(3,704)	-	-	(3,704)
FX differences	(5,080)	-	-	(5,080)
Closing Balance 31.12.2022	**186,064**	**-**	**-**	**186,064**

Movement in ECL allowance for the year ended 31.12.2022

Impairment (losses)/releases on investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**178**	**-**	**-**	**178**
Corporate Entities Bonds	(15)	-	-	(15)
Government Bonds	213	-	-	213
Impairment (losses)/releases for the year	**198**	**-**	**-**	**198**
Impairment (losses)/releases 31.12.2022	**376**	**-**	**-**	**376**

Bank's Analysis per Issuer for the year ended 31.12.2022

	31.12.2022 €'000			
Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Government Bonds	180,404	-	-	180,404
Corporate Entities Bonds	5,660	-	-	5,660
Total Investment securities at FVTOCI	**186,064**	**-**	**-**	**186,064**

Movement in Gross Carrying amount of investment securities

Investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**68,067**	**-**	**-**	**68,067**
Additions	353,154	-	-	353,154
Disposals/ Maturities	(226,373)	-	-	(226,373)
Gains / (losses) from changes in fair value	(3,704)	-	-	(3,704)
FX differences	(5,080)	-	-	(5,080)
Closing Balance 31.12.2022	**186,064**	**-**	**-**	**186,064**

Movement in ECL allowance for the year ended 31.12.2022

Impairment (losses)/releases on investment securities at FVTOCI	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**178**	**-**	**-**	**178**
Corporate Entities Bonds	(15)	-	-	(15)
Government Bonds	213	-	-	213
Impairment (losses)/releases for the year	**198**	**-**	**-**	**198**
Impairment (losses)/releases 31.12.2022	**376**	**-**	**-**	**376**

All the debt securities in the FVTOCI portfolio are traded in public markets. The ECB eligible securities included in the Group's and the Bank's portfolios (FVTOCI) amounted to €125,6 million as at 31.12.2022 versus €62,7 million the end of previous year.

Note 20: Debt Securities at amortized cost

	31.12.2023 '(000)		31.12.2022 '(000)	
Acquisition cost:	**Group**	**Bank**	**Group**	**Bank**
European Governments	38,302	38,302	37,208	37,208
European Financial Institutions	30,171	30,171	30,172	30,172
Total debt securities at amortized cost	**68,474**	**68,474**	**67,380**	**67,380**

During the year, the Group and the Bank proceeded with new investments in marketable Bonds categorized in Debt securities at amortized cost (mainly European Government Bonds) in order to place a part of the excess of liquidity created form new deposits from customers and Banks in liquid interest earning assets.

Group analysis per Issuer for the year ended 31.12.2023				**2023 €'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**67,380**	**-**	**-**	**67,380**
European Governments	1,094	-	-	1,094
European Financial Institutions	-	-	-	-
Total amount Debt Securities at AC 31.12.23	**68,474**	**-**	**-**	**68,474**

Group's Movement in Gross Carrying amount of debt securities				
Debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**67,380**	**-**	**-**	**67,380**
Additions	8,133	-	-	**8,133**
Disposals/ Maturities	(7,033)	-	-	**(7,033)**
Impairment (losses)/releases for the year	(6)	-	-	**(6)**
Closing Balance 31.12.2023	**68,474**	**-**	**-**	**68,474**

Group's Movement of ECL for debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**5**	**-**	**-**	**5**
Impairment (losses)/releases for the year- European Governments	**6**	-	-	**6**
Impairment (losses)/releases on investment securities at AC as at 31.12.2023	**11**	**-**	**-**	**11**

Bank analysis per Issuer for the year ended 31.12.2023				**2023 €'000**
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**67,380**	**-**	**-**	**67,380**
European Governments	1,094	-	-	1,094
European Financial Institutions	-	-	-	-
Total amount Debt Securities at AC 31.12.23	**68,474**	**-**	**-**	**68,474**

Bank's Movement in Gross Carrying amount of debt securities				
Debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**67,380**	**-**	**-**	**67,380**
Additions	8,133	-	-	**8,133**
Disposals/ Maturities	(7,033)	-	-	**(7,033)**
Impairment (losses)/releases for the year	(6)	-	-	**(6)**
Closing Balance 31.12.2023	**68,474**	**-**	**-**	**68,474**

Bank's Movement of ECL for debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2023	**5**	**-**	**-**	**5**
Impairment (losses)/releases for the year- European Governments	**6**	-	-	**6**
Impairment (losses)/releases on investment securities at AC as at 31.12.2023	**11**	**-**	**-**	**11**

Group analysis per Issuer for the year ended 31.12.2022				2022 €'000
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**39,314**	**-**	**-**	**39,314**
European Governments	(2,106)	-	-	(2,106)
European Financial Institutions	30,172	-	-	30,172
Total amount Debt Securities at AC 31.12.2022	**67,380**	**-**	**-**	**67,380**

Group's Movement in Gross Carrying amount of debt securities				
Debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**39,314**	**-**	**-**	**39,314**
Additions	30,066	-	-	30,066
Disposals/ Maturities	(2,000)	-	-	(2,000)
Trading Profit / (loss)	-	-	-	-
Impairment (losses)/releases for the year	-	-	-	-
Closing Balance 31.12.2022	**67,380**	**-**	**-**	**67,380**

Group's Movement of ECL for debt securities at AC	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2022	**5**	**-**	**-**	**5**
Impairment (losses)/releases for the year- European Governments	**-**	-	-	**-**
Impairment (losses)/releases on investment securities at AC as at 31.12.2022	**5**	**-**	**-**	**5**

Bank analysis per Issuer for the year ended 31.12.2022				2022 €'000
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**39,314**	**-**	**-**	**39,314**
European Governments	(2,106)	-	-	(2,106)
European Financial Institutions	30,172	-	-	30,172
Total amount Debt Securities at AC 31.12.2022	**67,380**	**-**	**-**	**67,380**

Bank's Movement in Gross Carrying amount of debt securities				
Debt securities at AC	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance 01.01.2022	**39,314**	**-**	**-**	**39,314**
Additions	30,066	-	-	30,066
Disposals/ Maturities	(2,000)	-	-	(2,000)
Trading Profit / (loss)	-	-	-	-
ECL impairment charge for the year	-	-	-	-
Closing Balance 31.12.2022	**67,380**	**-**	**-**	**67,380**

Bank's Movement of ECL for debt securities at AC	Stage 1	Stage 2	Stage 3	Total
Balance 01.01.2022	**5**	**-**	**-**	**5**
Impairment (losses)/releases for the year- European Governments	**-**	-	-	**-**
Impairment (losses)/releases on investment securities at AC as at 31.12.2022	**5**	**-**	**-**	**5**

The ECB eligible securities included in the Group's and the Bank's portfolio (amortized cost) amounted to €68 million as at 31.12.2023 and €67 million as at 31.12.2022.

During 2023 one debt security with nominal value €7 million matured. During 2022 one debt security with nominal value €2 million matured.

Note 21: Derivative financial instruments

	Group 31.12.2023 (€' 000)			Bank 31.12.2023 (€' 000)		
		Fair value			Fair value	
	Nominal value	Assets	Liabilities	Nominal value	Assets	Liabilities
FX swaps / forwards	98,000	6	23	98,000	6	23
Derivative financial instruments	**98,000**	**6**	**23**	**98,000**	**6**	**23**

	Group 31.12.2022 (€' 000)			Bank 31.12.2022 (€' 000)		
		Fair value			Fair value	
	Nominal value	Assets	Liabilities	Nominal value	Assets	Liabilities
FX swaps / forwards	117,000	-	165	117,000	-	165
Derivative financial instruments	**117,000**	**-**	**165**	**117,000**	**-**	**165**

The Group and the Bank does not apply hedge accounting and therefore the gains and losses from derivative financial instruments are recognized in the Net trading income. The FX swaps and FX futures referred above are effective economic hedges.

Note 22: Investment Property

	2023 € ' 000		2022 € ' 000	
	Group	Bank	Group	Bank
Opening Balance 01.01	**8,900**	**-**	**-**	**-**
Acquisition	-	-	6,455	-
Adjustments to FV	-	-	2,445	-
Closing Balance 31.12	**8,900**	**-**	**8,900**	**-**

As of 31.12.2023 the value of investment property remains stable based on appraisals carried out by certified independent valuers with appropriate professional qualifications and experience. Investment property concerns property that was acquired through auction during 2022.

Regarding the hierarchy of fair value, it is calculated by the combination of the three methods (Comparative, Income & Residual) and classified as level 3.
The changes in the fair value of investment property is for the years 2023 and 2022 are presented within "Other Operating Income" in the Income Statement in Note 8.

Note 23: Investment in Subsidiaries

The consolidated financial statements include the financial statements of Aegean Baltic Bank SA and its subsidiary. Aegean Baltic Bank does not have any joint ventures or associates. For the years 2023 and 2022 the only subsidiary of the Bank is Acqua Blue Properties Single Member S.A. as stated bellow and therefore no non-controlling interest exists.

Bank

Company name	**Country of incorporation**	**Number of shares**	**Ownership interest %**	**Equity**	**Carrying Amount**
Acqua Blue Properties Single Member S.A.	Greece	750,000	100%	7,500	7,500
Investments in subsidiaries					**7,500**

Note 24: Intangible assets

	2023 '(000)		2022 '(000)	
Acquisition cost:	**Group**	**Bank**	**Group**	**Bank**
Opening balance as at 1 January	5,544	5,544	5,315	5,315
Additions	477	477	229	229
Closing balance as at 31 December	**6,021**	**6,021**	**5,544**	**5,544**
Accumulated amortization:				
Opening balance as at 1 January	4,196	4,196	3,786	3,786
Amortization charge for the year	372	372	410	410
Closing balance as at 31 December	**4,569**	**4,569**	**4,196**	**4,196**
Net book value:				
Opening net book value as at 1 January	**1,347**	**1,347**	**1,529**	**1,529**
Closing net book value as at 31 December	**1,452**	**1,452**	**1,347**	**1,347**

Intangible assets include only software.

Note 25: Property and equipment

Group's Property and equipment as at 31.12.2023:

(€' 000)	Land	Building	Leasehold improvements	Motor vehicles	Furniture and other equipment	IT equipment	Right of use assets	Total
Opening balance as at 01.01.2023:	**2,160**	**5,740**	**341**	**-**	**1,178**	**1,505**	**1,152**	**12,076**
Additions	-	-	-	-	140	130	181	451
Elimination of accumulated depreciation on revaluation	-	(383)	-	-	-	-	-	(383)
Revaluation surplus	7300	2,023	-	-	-	-	-	1,033
Closing balance at FV	**2,890**	**7,660**	**-**	**-**	**-**	**-**	**-**	**10,550**
Closing balance at cost	**-**	**-**	**341**	**-**	**1,318**	**1,635**	**1,332**	**4,626**
Closing balance PPE as at 31.12.2023	**2,890**	**7,660**	**341**	**-**	**1,318**	**1,635**	**1,332**	**15,176**
Accumulated depreciation:								
Opening balance as at 01.01.2023	**-**	**-**	**245**	**-**	**891**	**1,282**	**655**	**3,072**
Depreciation	-	383	23	-	71	91	197	765
Disposals and write offs	-	(383)	-	-	-	-	-	(383)
Closing balance as at 31.12.2023	**-**	**-**	**268**	**-**	**962**	**1,373**	**851**	**3,454**
Closing net book value as at 31.12.2023	**2,890**	**7,660**	**73**	**-**	**356**	**262**	**481**	**11,722**

Bank's Property and equipment as at 31.12.2023:

(€' 000)	Land	Building	Leasehold improvements	Motor vehicles	Furniture and other equipment	IT equipment	Right of use assets	Total
Opening balance as at 01.01.2023:	**2,160**	**5,740**	**341**	**-**	**1,178**	**1,505**	**1,152**	**12,076**
Additions	-	-	-	-	140	130	181	451
Elimination of accumulated depreciation on revaluation	-	(383)	-	-	-	-	-	(383)
Revaluation surplus	7300	2,023	-	-	-	-	-	1,033
Closing balance at FV	**2,890**	**7,660**	**-**	**-**	**-**	**-**	**-**	**10,550**
Closing balance at cost	**-**	**-**	**341**	**-**	**1,318**	**1,635**	**1,332**	**4,626**
Closing balance PPE as at 31.12.2023	**2,890**	**7,660**	**341**	**-**	**1,318**	**1,635**	**1,332**	**15,176**
Accumulated depreciation:								
Opening balance as at 01.01.2023	**-**	**-**	**245**	**-**	**891**	**1,282**	**655**	**3,072**
Depreciation	-	383	23	-	71	91	197	765
Disposals and write offs	-	(383)	-	-	-	-	-	(383)
Closing balance as at 31.12.2023	**-**	**-**	**268**	**-**	**962**	**1,373**	**851**	**3,454**
Closing net book value as at 31.12.2023	**2,890**	**7,660**	**73**	**-**	**356**	**262**	**481**	**11,722**

Group's Property and equipment as at 31.12.2022:

(€' 000)	Land	Building	Leasehold improvements	Motor vehicles	Furniture and other equipment	IT equipment	Right of use assets	Total
Opening balance as at 01.01.2022:	**2,030**	**4,920**	**341**	**-**	**1,125**	**1,421**	**895**	**10,731**
Additions	-	-	-	-	53	84	258	395
Elimination of accumulated depreciation on revaluation	-	(302)	-	-	-	-	-	(302)
Revaluation surplus	130	1,122	-	-	-	-	-	1,252
Closing balance at FV	**2,160**	**5,740**	-	-	-	-	-	**7,900**
Closing balance at cost	**-**	**-**	**341**	**-**	**1,178**	**1,505**	**1,152**	**4,177**
Closing balance PPE as at 31.12.2022	**2,160**	**5,740**	**341**	**-**	**1,178**	**1,505**	**1,152**	**12,076**
Accumulated depreciation:								
Opening balance as at 01.01.2022	-	-	221	-	827	1,202	482	2,731
Depreciation	-	302	27	-	64	79	173	644
Disposals and write offs	-	(302)	-	-	-	-	-	(302)
Closing balance as at 31.12.2022	**-**	**-**	**248**	**-**	**891**	**1,282**	**655**	**3,072**
Closing net book value as at 31.12.2022	**2,160**	**5,740**	**93**	**-**	**287**	**223**	**497**	**9,004**

Bank's Property and equipment as at 31.12.2022:

(€' 000)	Land	Building	Leasehold improvements	Motor vehicles	Furniture and other equipment	IT equipment	Right of use assets	Total
Opening balance as at 01.01.2022:	**2,030**	**4,920**	**341**	**-**	**1,125**	**1,421**	**895**	**10,731**
Additions	-	-	-	-	53	84	258	395
Elimination of accumulated depreciation on revaluation	-	(302)	-	-	-	-	-	(302)
Revaluation surplus	130	1,122	-	-	-	-	-	1,252
Closing balance at FV	**2,160**	**5,740**	-	-	-	-	-	**7,900**
Closing balance at cost	**-**	**-**	**341**	**-**	**1,178**	**1,505**	**1,152**	**4,177**
Closing balance PPE as at 31.12.2022	**2,160**	**5,740**	**341**	**-**	**1,178**	**1,505**	**1,152**	**12,076**
Accumulated depreciation:								
Opening balance as at 01.01.2022	-	-	221	-	827	1,202	482	2,731
Depreciation	-	302	27	-	64	79	173	644
Disposals and write offs	-	(302)	-	-	-	-	-	(302)
Closing balance as at 31.12.2022	**-**	**-**	**248**	**-**	**891**	**1,282**	**655**	**3,072**
Closing net book value as at 31.12.2022	**2,160**	**5,740**	**93**	**-**	**287**	**223**	**497**	**9,004**

No property and equipment has been pledged as collateral.

The value of property and equipment is adjusted based on appraisals carried out by certified independent valuers with appropriate professional qualifications and experience. For the calculation of the Fair Value of the property the independent valuators have used a combination of the Market Approach (Comparative Method) and Income Approach (Income approach through direct capitalization method), the weighted average of the two methods with 50% weight for each method. For the calculation of the Fair Value of the Land the valuators have used the residual method of valuation. Regarding the hierarchy of fair value property and equipment valuation is classified as level 3.

Note 26: Deferred tax assets / liabilities

	2023 ’(000)		2022 ’(000)	
Deferred tax assets	**Group**	**Bank**	**Group**	**Bank**
Loans and advances to customers	52	52	174	174
Defined benefits obligations	416	416	348	348
Derivatives and financial instruments	526	526	951	951
Greek Government Bonds (PSI)	882	882	930	930
Other temporary differences	119	116	210	210
Total Deferred tax assets	**1,995**	**1,992**	**2,613**	**2,613**
Deferred tax liabilities				
Loans and advances to customers	4,267	4,267	3,573	3,573
Revaluation of land & building	1,468	1,468	801	801
Investment Property	533	-	533	-
Total Deferred tax Liabilities	**6,268**	**5,735**	**4,907**	**4,374**
Net Deferred tax (Liabilities) / Assets	**(4,273)**	**(3,743)**	**(2,294)**	**(1,761)**

The increase in Group’s and the Bank’s deferred tax liabilities balances amounting € 4,273 thousands (Group) and € 3,743 thousands (Bank) as of 31.12.2023 compared to a net deferred tax liability balance of € 2,294 thousands (Group) and € 1,761 thousands (Bank) as of 31.12.2022 arising from revaluation of property and equipment as well as movements in loans and advances to customers deferred tax balance.

Group’s Movement of temporary differences analyzed as follows:

Group’s movement for 2022 (€’000)	**Balance as at 1.1.2022**	Recognized through income statement 2022	Recognized through OCI 2022	**Balance as at 31.12.2022**
Revaluation of land & building	**(551)**	-	(250)	**(801)**
Loans and advances to customers	**(2,419)**	(980)	-	**(3,399)**
Defined benefits obligations	**388**	36	(76)	**348**
Derivatives and investment Securities	**155**	24	772	**951**
Greek Government Bonds (PSI)	**979**	(49)	-	**930**
Investment Properties	**-**	(533)	-	**(533)**
Other temporary differences	**169**	41	-	**210**
Total	**(1,279)**	**(1,461)**	**444**	**(2,294)**

Group’s movement for 2023 (€’000)	**Balance as at 1.1.2023**	Recognized through income statement 2023	Recognized through OCI 2023	**Balance as at 31.12.2023**
Revaluation of land & building	**(801)**	-	(667)	**(1,468)**
Loans and advances to customers	**(3,399)**	(816)	-	**(4,215)**
Defined benefits obligations	**348**	34	34	**416**
Derivatives and investment Securities	**951**	(66)	(359)	**526**
Greek Government Bonds (PSI)	**930**	(48)	-	**882**
Investment Properties	**(533)**	-	-	**(533)**
Other temporary differences	**210**	(91)	-	**119**
Total	**(2,294)**	**(987)**	**(992)**	**(4,273)**

Bank's Movement of temporary differences analyzed as follows:

Bank's movement for 2022 (€'000)	**Balance as at 1.1.2022**	Recognized through income statement 2022	Recognized through OCI 2022	**Balance as at 31.12.2022**
Revaluation of land & building	**(551)**	-	(250)	**(801)**
Loans and advances to customers	**(2,419)**	(980)	-	**(3,399)**
Defined benefits obligations	**388**	36	(76)	**348**
Derivatives and investment Securities	**155**	24	772	**951**
Greek Government Bonds (PSI)	**979**	(49)	-	**930**
Other temporary differences	**169**	41	-	**210**
Total	**(1,279)**	**(928)**	**445**	**(1,761)**

Bank's movement for 2023 (€'000)	**Balance as at 1.1.2023**	Recognized through income statement 2023	Recognized through OCI 2023	**Balance as at 31.12.2023**
Revaluation of land & building	**(801)**	-	(667)	**(1,468)**
Loans and advances to customers	**(3,399)**	(816)	-	**(4,215)**
Defined benefits obligations	**348**	34	34	**416**
Derivatives and investment Securities	**951**	(66)	(359)	**526**
Greek Government Bonds (PSI)	**930**	(48)	-	**882**
Other temporary differences	**210**	(94)	-	**116**
Total	**(1,761)**	**(990)**	**(992)**	**(3,743)**

Note 27: Other assets

Hellenic Deposit and Investment Guarantee Fund included in other assets relate to the Group's and the Bank's participation in assets the investment and deposit cover scheme.

	31.12.2023 '(000)		**31.12.2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
			As restated	
Accrued income	86	86	25	25
Prepaid expenses	757	757	651	651
Hellenic Deposit and Investment Guarantee Fund	2,665	2,665	4,648	4,648
Tax Prepayments and other recoverable taxes	262	244	177	174
Other	825	824	768	768
Other assets	**4,595**	**4,576**	**6,269**	**6,266**

Note 28: Due to banks

	31.12.2023 '(000)		**31.12.2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
Time deposits due to credit institutions	-	-	750	750
Due to banks	**-**	**-**	**750**	**750**

Note 29: Due to customers

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	Bank	Group	Bank
Sight deposits	365,053	365,993	529,078	530,083
Term deposits	551,203	551,203	481,240	481,240
Other	887	887	284	284
Due to customers	**917,143**	**918,083**	**1,010,602**	**1,011,607**

The decrease in 2023, due to customers' balance of amount € 93 million, compared to the prior year, mainly derives from lower balances in sight deposits with the major part coming from shipping and the rest from corporate sector, as well as from the increase of term deposits.

	31.12.2023 '(000)		31.12.2022 '(000)	
Due to customers include blocked deposits of:	Group	Bank	Group	Bank
Blocked deposits for the issuance of Guarantee Letters	7,907	7,907	36,032	36,032
Blocked deposits for loans granted	43,783	43,783	43,184	43,184
Total	**51,690**	**51,690**	**79,216**	**79,216**

Note 30: Other liabilities

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	Bank	Group	Bank
Amounts due to social security funds	363	363	338	338
Accrued expenses and deferred income	244	244	268	218
Suppliers	570	570	220	283
Hellenic Deposit and Investment Guarantee Fund	-	-	351	351
Lease liabilities	506	506	520	520
Other	1,637	1,637	2,457	2,457
Impairment losses on loan commitments and financial guarantee contracts (off BS)	160	160	122	122
Other liabilities	**3,480**	**3,480**	**4,276**	**4,289**

The movement of the lease liability is summarized as follows (see also note 37):

Lease liabilities movement	31.12.2023 '(000)		31.12.2022'(000)	
	Group	Bank	Group	Bank
Opening balance, 01/01	**520**	**520**	**432**	**432**
Additions	197	197	267	267
Disposals	(16)	(16)	(9)	(9)
Interest Expense	19	19	12	12
Payments during the year	(214)	(214)	(182)	(182)
Closing balance, 31/12	**506**	**506**	**520**	**520**

The movement of movement of Impairment losses loan commitments and financial guarantee contracts (off BS) is summarized as follows:

	2023 '(000)		2022 '(000)	
	Group	Bank	Group	Bank
Impairment losses loan commitments and financial guarantee contracts (off BS) 01.01	**(122)**	**(122)**	**(83)**	**(83)**
Impairment (charges)/releases for the year	(97)	(97)	(72)	(72)
Impairment (charges)/releases for the year	59	59	33	33
Impairment losses loan commitments and financial guarantee contracts (off BS) 31.12	**(160)**	**(160)**	**(122)**	**(122)**

Note 31: Liabilities for current income tax and other taxes

	31.12.2023 '(000)		31.12.2022 '(000)	
	Group	Bank	Group	Bank
			As restated	
Income tax liabilities	3,521	3,521	2,170	2,170
Other taxes liabilities	832	833	527	527
Liabilities for current income tax and other taxes	**4,353**	**4,354**	**2,697**	**2,697**

Note 32: Retirement benefit obligations

Defined benefit plans

According to Greek labor law 2112/1920 & Law 4093/2012 as amended and currently in force, employees are entitled to receive a lump sum benefit upon their retirement.

The lump sum amount depends on the salary of the employees and the years of service up to the date of retirement. In the event that an employee voluntarily leaves before his retirement date he is not entitled to receive such a retirement benefit. This retirement benefit meets the definition of a defined benefit plan according to provisions of IAS 19 & IFRIC decision and at 31 December 2023 the present value of this liability amounted to €1,891 thousand (in 2022 € 1,580 thousand). The Group's and the Bank's policy for the indemnities aligns with the 2021 IFRIC decision of IAS 19 fact pattern, concerning the method of attributing benefits to period of service .

The retirement benefit obligations of the Group and the Bank have been calculated in compliance with the provisions of Greek Law, however it has decided to maintain the pre L.4093/2012 benefit formula and not decrease the number of salaries entitled.

Retired benefit obligation deriving from benefit plan has been calculated and recognized on the basis of an independent actuarial study using the "Projected Unit Credit Method".

The present value of the defined obligation is determined by the estimated future cash outflows using interest rates of high credit rating company securities, which have terms to maturity approximating the terms of the related liability.

The below table presents the analysis of the defined benefit plan:

	2023 ’(000)		**2022** ’(000)	
	Group	**Bank**	**Group**	**Bank**
Amounts recognized in the Statement of Financial Position (SOFP)				
Present value of obligations	1,891	1,891	1,580	1,580
Net Liability in SOFP	**1,891**	**1,891**	**1,580**	**1,580**
Amounts recognized in the Income Statement				
Service cost	108	108	151	151
Net interest on the net defined benefit liability	48	48	13	13
Regular P&L Charge	**156**	**156**	**164**	**164**
Recognition of Past Service Cost	-	-	-	-
Total P&L Charge	**156**	**156**	**164**	**164**
Reconciliation of benefit obligation				
Defined Benefit Obligation “DBO” at start of period	**1,580**	**1,580**	**1,762**	**1,762**
Service cost	108	108	151	151
Interest cost	48	48	13	13
Actuarial (gain)/loss - financial assumptions	71	71	(386)	(386)
Actuarial (gain)/loss – demographic assumptions	16	16	-	-
Actuarial (gain)/loss - experience	68	68	40	40
DBO at end of period	**1,891**	**1,891**	**1,580**	**1,580**
Remeasurements				
Liability gain/(loss) due to changes in assumptions	(87)	(87)	386	386
Liability experience gain/(loss) arising during the year	(68)	(68)	(40)	(40)
Total actuarial gain/(loss) recognized in OCI	**(155)**	**(155)**	**346**	**346**
Other adjustments recognized in OCI	-	-	-	-
Total amount recognized in OCI over the period	**(155)**	**(155)**	**346**	**346**
Movements in Net Liability in SOFP				
Net Liability in SOFP at the beginning of the period	**1,580**	**1,580**	**1,762**	**1,762**
Total expense recognized in the income statement	156	156	164	164
Total amount recognized in the OCI	155	155	(346)	(346)
Net Liability in SOFP	**1,891**	**1,891**	**1,580**	**1,580**
Cash flows				
Expected benefits paid by the plan for next financial year	731	731	674	674
Assumptions:				
Discount rate	3.27%	3.27%	3.84%	3.84%
Price inflation	2.00%	2.00%	2.00%	2.00%
Rate of compensation increase	3.00%	3.00%	3.00%	3.00%
Plan duration	6.84	6.84	6.96	6.96

The amounts recognized in the Statement of Financial Position of the Group and the Bank are determined as follows:

	2023	**2022**	**2021**	**2020**	**2019**
				as restated	
	€’ 000	€’ 000	€’ 000	€’ 000	€’ 000
Present value of obligations	1,891	1,580	1,762	1,564	1,685
Total obligation	**1,891**	**1,580**	**1,762**	**1,564**	**1,685**

Sensitivity analysis for 2023 for the significant assumption (discount rate):

• If the discount rate used were 0.5% higher, (i.e. 3.77% pa rather than 3.27% pa) then the DBO would be lower by 3.23%.
• If the discount rate used were 0.5% lower, (i.e. 2.77% pa rather than 3.27% pa) then the DBO would be higher by 3.48%.

Sensitivity analysis for 2022 for the significant assumption (discount rate):

• If the discount rate used were 0.5% higher, (i.e. 4.34% pa rather than 3.84% pa) then the DBO would be lower by 3.20%.
• If the discount rate used were 0.5% lower, (i.e. 3.34% pa rather than 3.84% pa) then the DBO would be higher by 3.40%.

Note 33: Share capital

Share capital for the year ended at: **(Amounts in €)**

	31.12.2023			**31.12.2022**		
	Number of Shares	Nominal Value	Share Capital	Number of Shares	Nominal Value	Share Capital
Opening balance	2,110,000	18	37,980,000	2,110,000	18	37,980,000
Issue of new shares	-	-	-	-	-	-
Closing balance	2,110,000	18	37,980,000	2,110,000	18	37,980,000

Note 34: Share premium

		2023 '(000)		**2022** '(000)
	Group	**Bank**	**Group**	**Bank**
Share premium	50,513	50,513	50,513	50,513
Less: Share capital issue related expenses (Net of Tax)	(306)	(306)	(306)	(306)
Share premium	**50,207**	**50,207**	**50,207**	**50,207**

Note 35: Reserves

	31.12.2023 '(000) Group	Bank	31.12.2022 '(000) Group As restated	Bank
Statutory reserve	3,415	3,320	2,063	1,969
Valuation of FVTOCI portfolio	(2,311)	(2,311)	(3,943)	(3,943)
Deferred tax on valuation of FVTOCI portfolio	508	508	867	867
Revaluation reserve land & building	6,751	6,751	3,718	3,718
Deferred tax on revaluation reserve land & building	(1,485)	(1,485)	(818)	(818)
Reserves	**6,877**	**6,783**	**1,887**	**1,793**

Movement of Reserves

Opening Balance 01 January	**1,887**	**1,793**	**2,308**	**2,308**
Statutory reserve	**1,352**	**1,352**	**873**	**778**
Net gain/(losses) from changes in fair value of FVTOCI investments	1,631	1,631	(3,507)	(3,507)
Deferred tax on valuation of FVTOCI portfolio	(359)	(359)	772	772
Net change in Fair value	**1,272**	**1,272**	**(2,735)**	**(2,735)**
Remeasurement of the defined benefit obligations	-	-	541	541
Deferred tax on Remeasurement of the defined benefit obligations	-	-	(76)	(76)
Net change in Fair value	**-**	**-**	**465**	**465**
Revaluation surplus (gain) from land & building	3,033	3,033	1,252	1,252
Deferred tax on revaluation surplus (gain) from land & building	(667)	(667)	(275)	(275)
Net change in Fair value	**2,366**	**2,366**	**977**	**977**
Closing Balance 31 December	**6,877**	**6,783**	**1,887**	**1,793**

Note 36: Retained earnings

	31.12.2023 '(000) Group	Bank	31.12.2022 '(000) Group As restated	Bank
Opening balance 01 January	**27,276**	**25,482**	**10,873**	**10,873**
Statutory reserve movement	(1,352)	(1,352)	(874)	(779)
Dividends	(2,000)	(2,000)	-	-
Movement of actuarial gain (Loss) of Retirement Benefit Obligations, net of tax	(121)	(121)	(195)	(195)
Profit / (Loss) for the year	27,042	27,100	17,472	15,584
Closing balance 31 December	**50,845**	**49,109**	**27,276**	**25,482**

Pursuant to article 158 of Law 4548/2018, and as in conjunction with the Group's Articles of Association, a percentage of 5% is deducted from the net profit of the period for the formation of statutory reserve.
According to article 149A par.2 of Law 4261/2014, voted within reference period, by way of derogation from item c) of par.2 of article 160 and par. 2 of article 161 of law 4548/2018, credit institutions are no longer subject to obligation to distribute a minimum dividend.

Note 37: Lease Liabilities

Leases

The Group and the Bank has liabilities from the lease of its branches in Piraeus and Glyfada and company cars that it uses. The duration of the lease contracts is 12 years for the buildings and 3 to 6 years for the company cars. The rents are usually subject to annual adjustments due to inflation. It is the Group's and the Bank's policy to renew these contracts.

The table below presents the contractual undiscounted cash flows of the Group and the Bank gross lease liabilities as at 31 December 2023 and 31 December 2022. The Group and the Bank have elected to take a recognition exemption for short-term and low-value leases (contracts that were on hold of contract renewal with an annual rental expense of €6 thousands), hence the analysis below does not include any leases with a residual term lower than 12 months and any leases with value less than €5 thousands, as of 31 December 2023 and 31 December 2022. Lease liabilities are included within the line item "Other liabilities".

	31.12.2023 '(000)		**31.12.2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
No later than 1 year	222	222	179	179
Later than 1 year and no later than 5 years	294	294	345	345
Total undiscounted gross liabilities	**516**	**516**	**526**	**526**
Less discount effect (IFRS 16)	10	10	5	5
Total discounted lease liabilities	**506**	**506**	**520**	**520**

Note 38: Contingent liabilities and commitments

Legal issues
There are no material legal claims against the Group and the Bank as at 31.12.2023 that require disclosure in the Financial Statements.

Tax issues
The Group and the Bank have been audited by the tax authorities for the financial years up to and including 2009 while the financial year 2010 remains unaudited by the tax authorities. For the financial year 2010, it is expected that no additional taxes and penalties can be imposed based on the legislative framework with respect to the expiration of the time limitation period of the Greek State's right to impose additional taxes and penalties as of 31.12.2023.

The financial years 2011, 2012, 2013 and 2014 have been audited by its certified auditors, Deloitte Certified Public Accountants S.A. (the statutory auditor), in accordance with article 82 of Law 2238/1994. The relevant tax compliance reports were issued at 11.07.2012 at 26.09.2013 at 10.07.2014 and at 29.09.2015 respectively.

The years 2011, 2012, 2013 and 2014 are considered statute barred in accordance with the provisions of the circular POL.1208 / 20.12.2017 of the Independent Public Revenue Authority.

The financial years 2015, 2016, 2017, 2018, 2019, 2020, 2021 and 2022 have been audited by the Group's statutory auditor in accordance with article 65A of law 4174/2013. The relevant tax audit certificates were issued with no qualifications at 28.09.2016, 23.10.2017, 29.10.2018, 30.10.2019, 29.10.2020, 25.10.2021, 19.10.2022 and at 29.11.2023 respectively. For the financial year 2023 the audit from the statutory auditor is in progress and the relevant tax compliance report is expected to be issued after the publication of the financial statements of the year ended. If any additional tax liabilities arise after the completion of the tax audit, we estimate that they will not have significant effect on the financial statements.

Based on Ministerial Decision 1006/05.01.2016, there is no exception from tax audit by the tax authorities to those entities that have been tax audited by the statutory auditor and its tax audit certificate was unqualified. Therefore, the tax authorities may re-audit the tax books.

Consequently, additional taxes and penalties may be imposed as a result of such tax audits. Although the amounts cannot be reliably determined, it is not expected to have a material effect on the statement of financial position of the Group and Bank.

Capital commitments

	31.12.2023 '(000)		**31.12.2022** '(000)	
	Group	**Group**	**Group**	**Bank**
Financial guarantees	31,747	31,747	54,493	54,493
Undrawn commitment	22,633	22,633	16,973	16,973
Total	**54,380**	**54,380**	**71,466**	**71,466**

Syndicated Loans

The Group and the Bank act as an agent and administrator for syndicated loans granted to shipping corporations. The total amount of the syndicated loans administrated or participated by the Group and the Bank analyzed as follows:

	31.12.2023 '(000)		**31.12.2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
Participation of other banks in drawdowned syndicated loans	43,000	43,000	49,000	49,000
AB Bank's participation in drawdown syndicated loans	-	-	-	-
Total amount of drawdowned syndicated loans	**43,000**	**43,000**	**49,000**	**49,000**
Other banks participation in unused credit facilities of syndicated loans	-	-	23,000	23,000
Total amount of unused credit facilities of syndicated loans	**-**	**-**	**23,000**	**23,000**
Total amount of syndicated loans administrated with the participation of AB-Bank	**43,000**	**43,000**	**72,000**	**72,000**

Note 39: Events after the reporting period

-On January 18, 2024, the Board of Directors accepted the resignation of the following:

Petros Christodoulou	Member	Non-Executive
Dimitris Potamitis	Member	Non-Executive, Independent
Emmanouil Kavussanos	Member	Non-Executive, Independent
Dimitris Anagnostopoulos	Member	Non-Executive
Panagiotis Konstantaras	Member	Non-Executive, Independent

After the above resignations the BoD elected as new members of the BoD, in place of the resigned ones, the following:

Anastasios Afthonides	Member	Non-Executive
Georgios Raounas	Chairman	Non-Executive, Independent
Maria Meliou	Member	Non-Executive, Independent
Marina Mpouki	Member	Non-Executive
Damianos Charalampidis	Member	Non-Executive, Independent

The composition of the new Board of Directors is, as of the date of issuance of these financial statements, as follows:

Georgios Raounas	Chairman	Non -Executive, Independent
Theodore Afthonidis	Vice Chairman & Managing Director	Executive Member
Konstantinos Hadjipanayotis	Member & Deputy Managing Director	Executive Member
Anastasios Afthonides	Member	Executive Member
Anastasios Tourkolias	Member	Non-Executive
Lampros Theodorou	Member	Non-Executive
Marina Mpouki	Member	Non-Executive
Maria Meliou	Member	Non-Executive, Independent
Damianos Charalampidis	Member	Non-Executive, Independent

-At 5th of April 2024 a sale and purchase agreement was signed for the sale of 48% of Bank's shares by existing shareholders to Aegean Baltic Holding A.G, a company organized and operating under the laws of Switzerland. The agreement is subject to the approval of the regulatory authority and is expected to be completed within the upcoming months. After the completion of the shares purchase, the Aegean Baltic Holdings A.G will become the major shareholder of the Bank holding 48% of the total shares and 68% of the voting rights.

There are no other important events to be disclosed.

Note 40: Related party transactions

Related parties include:
(a) an entity that has control over the Group and entities controlled, jointly controlled or significantly influenced by this entity, as well as members of its key management personnel and their close family members;
(b) members of key management personnel, their close family members and entities controlled or jointly controlled by the abovementioned persons;
(c) associates and joint ventures of the Group; and
(d) fellow subsidiaries.
Transactions of similar nature are disclosed on an aggregate basis. All banking transactions entered into with related parties are in the normal course of business and are conducted in accordance with the Group's approved policies and procedures regarding interest rates, collaterals and repayments.

Transactions with subsidiary of Aegean Baltic Bank Group :

	2023 €' 000	2022 €' 000
Liabilities		
Due to customers	940	1,005
Total liabilities	**940**	**1,005**

Outstanding balances and results of related transactions with the Group:

	2023 €' 000	2022 €' 000
Assets		
Loans and advances to customers	284	224
Total assets	**284**	**224**
Liabilities		
Due to customers	4,426	2,665
Total liabilities	**4,426**	**2,665**
Income		
Interest and similar income	5	4
Fees and commission income	7	2
Total income	**12**	**6**
Expenses		
Interest expense and similar charges	108	25
Total expenses	**108**	**25**

Due to customers balance related transaction with the Bank for 2023 amounts to €5,637 thousand and for 2022 €3,670 thousand. The rest of the amounts remain the same with the above table.

Remuneration, short term employee and post-employment benefits of the Board of Directors (BoD) members and General Managers, charged to the Income statement, summarized as follows for the Group and the Bank:

	2023 €' 000	2022 €' 000
Remuneration	2,157	2,056
Short Term employee and post-employment benefits	108	107
Total	**2,265**	**2,163**

There are no other transactions related to the Board of Directors or the General Managers of the Group and the Bank.

Note 41: Independent auditor's fees

On 30 June 2023, the Ordinary General Meeting of the Shareholders appointed Deloitte Certified Public Accountants S.A. as the statutory auditor for the year ended 31 December 2023. The following table presents the total fees for statutory audit, other audit and non-audit related rendered in 2023 and 2022:

	2023 '(000)		**2022** '(000)	
	Group	**Bank**	**Group**	**Bank**
Statutory audit fees	109	101	109	101
Tax audit fees	21	21	25	25
Other audit related fees	7	7	7	7
Total	**137**	**129**	**141**	**133**

Note 42: Restatements of comparative year

The restatements reflected in the Income Statement of the year 2022 are presented in the below tables for the Group and the Bank. These restatements will better present the nature of the income as they reflect gains/(losses) deriving from the transfer of the unamortized balance of capitalized commissions and expenses of loans that have been early repaid.

Group **€' 000**

	2022		
Income Statement	**As published**	**Restatements**	**As restated**
Interest and similar income	35,858	(473)	35,385
**of which calculated based on effective interest rate*	*33,086*	-	*33,086*
Interest expense and similar charges	(5,471)	-	(5,471)
Net Interest Income	**30,387**	**(473)**	**29,914**
Fee and commission income	5,043	-	5,043
Fee and commission expense	(264)	-	(264)
Net fee and commission income	**4,779**	-	**4,779**
Net result from derivatives and investment securities	2,118	-	2,118
Other operating income	2,471	-	2,471
Gains / (losses) from derecognition of financial assets	-	473	473
Total Income	**39,755**	**-**	**39,755**
Personnel expenses	(9,094)	-	(9,094)
General administrative expenses	(4,781)	-	(4,781)
Depreciation and amortization	(1,054)	-	(1,054)
Impairment losses on loans and advances to customers	(2,184)	-	(2,184)
Impairment (losses)/releases on investment securities	(198)	-	(198)
Profit/(Loss) before tax	**22,444**	**-**	**22,444**
Income Tax	(4,972)	-	(4,972)
Profit/(Loss) for the year	**17,472**	**-**	**17,472**

Bank **€' 000**

Income Statement	2022 As published	2022 Restatements	2022 As restated
Interest and similar income	35,858	(473)	35,385
**of which calculated based on effective interest rate*	*33,086*	-	*33,086*
Interest expense and similar charges	(5,472)	-	(5,472)
Net Interest Income	**30,386**	**(473)**	**29,913**
Fee and commission income	5,043	-	5,043
Fee and commission expense	(264)	-	(264)
Net fee and commission income	**4,779**	-	**4,779**
Net result from derivatives and investment securities	2,118	-	2,118
Other operating income	26	-	26
Gains / (losses) from derecognition of financial assets	-	473	473
Total Income	**37,309**	**-**	**37,309**
Personnel expenses	(9,094)	-	(9,094)
General administrative expenses	(4,756)	-	(4,756)
Depreciation and amortization	(1,054)	-	(1,054)
Impairment losses on loans and advances to customers	(2,184)	-	(2,184)
Impairment (losses)/releases on investment securities	(198)	-	(198)
Profit/(Loss) before tax	**20,023**	**-**	**20,023**
Income Tax	(4,439)	-	(4,439)
Profit/(Loss) for the year	**15,584**	**-**	**15,584**

The restatements reflected in the Balance Sheet of the year 2022 are presented in the below tables for the Group and the Bank. These restatements will improve the presentation and comparability of the balance sheet. Included within Other Assets, Income tax prepayment amount is restated in Liabilities for current income tax and other taxes to be comparable with year 2023. Restatement within Reserves and Retained Earnings reflects the non-recycling balance of actuarial valuation for the year 2022 directly charged in retained earnings.

Group €' 000

	31.12.2022		
	As published	**Restatements**	**As restated**
ASSETS			
Cash and balances with Central Bank	227,118	-	227,118
Due from banks	114,420	-	114,420
Loans and advances to customers	519,212	-	519,212
Investment securities FVTOCI	186,064	-	186,064
Debt securities at amortized cost	67,380	-	67,380
Derivative financial instruments	-	-	-
Investment Property	8,900	-	8,900
Investments in Subsidiaries	-	-	-
Intangible assets	1,347	-	1,347
Property and equipment	9,004	-	9,004
Other assets	7,610	(1,341)	6,269
Total assets	**1,141,055**	**(1,341)**	**1,139,714**
LIABILITIES			
Due to banks	750	-	750
Due to customers	1,010,602	-	1,010,602
Derivative financial instruments	165	-	165
Retirement benefit obligations	1,580	-	1,580
Liabilities for current income tax and other taxes	4,038	(1,341)	2,697
Deferred tax liabilities	2,294	-	2,294
Other liabilities	4,276	-	4,276
Total liabilities	**1,023,705**	**(1,341)**	**1,022,364**
SHAREHOLDERS' EQUITY			
Share capital	37,980	-	37,980
Share premium	50,207	-	50,207
Reserves	1,692	195	1,887
Retained earnings	27,471	(195)	27,276
Total shareholders equity	**117,350**	**-**	**117,350**
Total liabilities and equity	**1,141,055**	**(1,341)**	**1,139,714**

Bank **€' 000**

	31.12.2022		
	As published	**Restatements**	**As restated**
ASSETS			
Cash and balances with Central Bank	227,118	-	227,118
Due from banks	114,420	-	114,420
Loans and advances to customers	519,212	-	519,212
Investment securities FVTOCI	186,064	-	186,064
Debt securities at amortized cost	67,380	-	67,380
Derivative financial instruments	-	-	-
Investment Property	-	-	-
Investments in Subsidiaries	7,500	-	7,500
Intangible assets	1,347	-	1,347
Property and equipment	9,004	-	9,004
Other assets	7,607	(1,341)	6,266
Total assets	**1,139,652**	**(1,341)**	**1,138,311**
LIABILITIES			
Due to banks	750	-	750
Due to customers	1,011,607	-	1,011,607
Derivative financial instruments	165	-	165
Retirement benefit obligations	1,580	-	1,580
Liabilities for current income tax and other taxes	4,038	(1,341)	2,697
Deferred tax liabilities	1,761	-	1,761
Other liabilities	4,289	-	4,289
Total liabilities	**1,024,190**	**(1,341)**	**1,022,849**
SHAREHOLDERS' EQUITY			
Share capital	37,980	-	37,980
Share premium	50,207	-	50,207
Reserves	1,598	195	1,793
Retained earnings	25,677	(195)	25,482
Total shareholders equity	**115,462**	**-**	**115,462**
Total liabilities and equity	**1,139,652**	**(1,341)**	**1,138,311**

Athens, 28 May 2024

The Chairman of the BoD	The Managing Director	The Chief Financial Officer
Georgios Raounas	Theodore Afthonidis	George Kalantzis