



Q2/2024

Oma Savings Bank Group

Half-Year Financial Report 30 June 2024



Half-Year Financial Report 30 June 2024 is a translation of the original Finnish version "Puolivuosisikatsaus 30.6.2024". If discrepancies occur, the Finnish version is dominant.

Oma Savings Bank Group's Half-Year Financial Report Jan–Jun 2024

- Jarmo Salmi, Chairman of the Board of Directors, left his position in May and Jaakko Ossa was elected as the new Chairman of the Board.
- The Company's long-term CEO Pasi Sydänlammi left his position in June and deputy CEO Sarianna Liiri was appointed as interim CEO.
- In January–June, net interest income grew 28.5% compared to the previous year. Net interest income totalled EUR 109.8 (85.5) million. In the second quarter, net interest income increased by 6.5% compared to the comparison period.
- Home mortgage portfolio increased by 2.0% during the previous 12 months. Corporate loan portfolio increased by 0.6% during the previous 12 months.
- Deposit base decreased by 6.7% over the past 12 months, most of which is due to a decrease in corporate customers' deposits.
- In January–June, fee and commission income and expenses (net) increased due to volume growth by 10.7%. In the second quarter, fee and commission income and expenses (net) remained almost on level with the comparison period and was EUR 12.7 (12.6) million.
- In January–June, total operating income grew by 24.3% compared to the comparison period. Comparable total operating income grew by 6.9% during the second quarter and were EUR 67.1 (62.8) million.
- Total operating expenses remained almost at the same level with the comparison period and grew in January–June in total by 4.5%. Comparable operating expenses grew by 4.2% during the second quarter and were EUR -22.0 (-21.1) million.
- For January–June the impairment losses on financial assets were in total EUR -62.5 (-4.3) million. The impairment losses on financial assets were in total EUR -39.4 (-2.7) million for the second quarter. In the first quarter, the Company recognised an additional allowance based on the management's judgement of EUR 19.5 million for certain customer entities whose credit risk position was identified as having changed. The change was due to non-compliance with the Company's guidelines and its impact on the weakening credit risk position. As a result of events, the Company initiated extensive measures and a review of its loan portfolio, which are described in more detail on page 23 of the Half-Year Financial Report. In relation to ongoing measures, the Company recognised an additional EUR 35.7 million of additional allowance based on the management's judgement and impairment losses for these entities during the second quarter.
- For January–June, profit before taxes was in total EUR 29.2 (62.0) million. For the second quarter, profit before taxes was in total EUR 4.5 (38.7) million.
- In January–June, comparable profit before taxes was in total EUR 31.1 (63.0) million. For the second quarter, comparable profit before taxes was in total EUR 5.5 (38.8) million.
- In January–June, cost/income ratio was 35.0 (41.6)%. In the second quarter, cost/income ratio was 34.8 (34.4)%. In January–June comparable cost/income ratio was 33.5 (40.0)%. For the second quarter, comparable cost/income ratio was 32.9 (33.7)%.
- In January–June, comparable return on equity (ROE) was 9.3 (24.1)%. For the second quarter, comparable return on equity (ROE) was 3.2 (27.3)%.
- Total capital (TC) ratio remained at a good level and was 16.6 (16.5)%.

Outlook for the financial year 2024 (updated 24 July 2024)

The profitable development of the Company's business continues, supported by the investments made in the customer experience and service network. The Company will continue to invest extensively in the development of risk management and quality processes in the second half of 2024. The SME customer business to be acquired from Handelsbanken will improve the Company's profitability from the second half of 2024 onwards.

We estimate the Group's comparable profit before taxes to be EUR 80–100 million for the financial year 2024 (comparable profit before taxes was EUR 143.6 million in financial year 2023).

The Group's key figures (1,000 euros)	1-6/2024	1-6/2023	Δ %	1-12/2023	2024 Q2	2023 Q2	Δ %
Net interest income	109,810	85,459	28%	197,045	52,442	49,236	7%
Fee and commission income and expenses, net	25,465	23,007	11%	47,421	12,699	12,555	1%
Total operating income	141,576	113,878	24%	247,067	67,497	63,181	7%
Total operating expenses	-49,389	-47,242	5%	-90,550	-23,432	-21,674	8%
Impairment losses on financial assets, net	-62,535	-4,309	1,351%	-17,126	-39,423	-2,714	1,353%
Profit before taxes	29,171	61,996	-53%	138,048	4,504	38,699	-88%
Cost/income ratio, %	35.0%	41.6%	-16%	36.9%	34.8%	34.4%	1%
Balance sheet total	7,284,410	7,014,730	4%	7,642,906	7,284,410	7,014,730	4%
Equity	533,259	470,229	13%	541,052	533,259	470,229	13%
Return on assets (ROA) %	0.6%	1.5%	-59%	1.6%	0.2%	1.7%	-89%
Return on equity (ROE) %	8.7%	23.7%	-63%	24.3%	2.6%	27.2%	-90%
Earnings per share (EPS), EUR	0.70	1.57	-55%	3.49	0.10	0.93	-89%
Total capital (TC) ratio %	16.6%	16.0%	4%	16.5%	16.6%	16.0%	4%
Common Equity Tier 1 (CET1) capital ratio %	15.2%	14.1%	7%	14.9%	15.2%	14.1%	7%
Comparable profit before taxes	31,136	62,979	-51%	143,609	5,510	38,822	-86%
Comparable cost/income ratio, %	33.5%	40.0%	-16%	35.1%	32.9%	33.7%	-2%
Comparable return on equity (ROE) %	9.3%	24.1%	-62%	25.3%	3.2%	27.3%	-88%

**Comparable profit
before taxes
EUR 31.1 million
for the beginning
of the year**



CEO's review

Behind is a very exceptional second quarter – an extensive action plan is progressing as planned

The beginning of the year, and especially the second quarter, has been a very exceptional period in the history of OmaSp. The non-compliance with the guidelines and the resulting problem entity has required significant resources. In recent weeks, the implementation of the action plan has been in the centre of activities, during which extensive studies have been carried out and the quality of the entire credit portfolio has been ensured in cooperation with external independent experts. The results confirm that the problems are limited to previously identified non-compliance with the guidelines and the rest of the quality of the credit portfolio corresponds to what was previously reported. Nevertheless, the most important thing is that the core business develops well and in line with expectations. The bank's capital adequacy and financial position are strong.

**Comparable
cost/income
ratio 33.5%
for the beginning
of the year**

Supported by the interest environment, net interest income increased by 7 percent in the second quarter compared to last year. Fee and commission income and expenses remained at the comparison period's level. Comparable operating income increased by 7 percent.

Operating expenses increased by 8 percent in the second quarter. Costs have remained well under control, even though we have made investments, and, among other things, we have increased personnel to risk management and to the new branches to be opened in autumn 2024. Comparable operating expenses increased by 4 percent in the second quarter. The comparable cost/income ratio was at an excellent level of 32.9 percent for the second quarter.

The development of the credit portfolio was in line with expectations and remained at the previous year's level. The deposit base decreased by about 7 percent, and the

development continues to reflect customers' adjustment to the rise in the cost level and partly because of bank-related news. The good accessibility of services is still reflected in the number of new customer relationships. We have managed to create about a thousand new customer relationships every month throughout the first half of the year.

We announced the non-compliance with the guidelines in lending in April. The Board of Directors initiated extensive measures as a result of serious events in the early part of the year. The Board of Directors and the entire personnel have had a strong will to investigate the events and related problems as efficiently as possible.

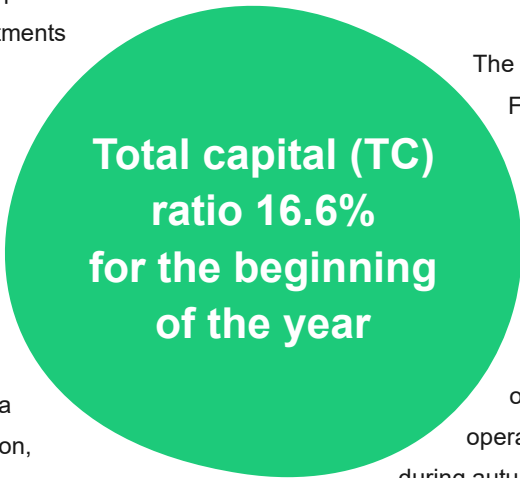
During the second quarter, investments have been made, among other things, in the development of risk management and independent operations, and the key measure has been the review of the entire loan portfolio carried out in July. The survey work has gone through the data of the credit portfolio, carried out a documentary check and, in addition, analysed the credit and collateral process. It was important to get external confirmation that the majority of our credit portfolio corresponds to what was previously reported and that the review did not reveal any new problems beyond those already identified. A study confirmed the result of our own internal investigation that this is an individual case. OmaSp recorded EUR 49.5 million discretionary credit loss provisions related to this entity for the entire first half of the year. This is a key explanation for the impairment losses on financial assets

in the early part of the year, which amounted to approximately EUR 62.5 million.

The comparable profit before taxes was EUR 31.1 million for the first part of the year and, without additional allowance based on management's judgement, EUR 80.6 million. The equity was approximately EUR 533 million at the end of June. The bank has a strong solvency position with a total capital (TC) ratio of 16.6%.

Looking ahead

OmaSp's financial position is strong. We will focus on measures that will ensure the continued success of the bank.



**Total capital (TC)
ratio 16.6%
for the beginning
of the year**

The transaction with Handelsbanken Finland will be completed as planned at the turn of August-September and we are preparing to welcome more than 11,000 SME customers and approximately 30 corporate customer business experts to our team. We will continue to strengthen our market position and expand our operations to Vantaa, Kuopio and Vaasa during autumn 2024 as planned.

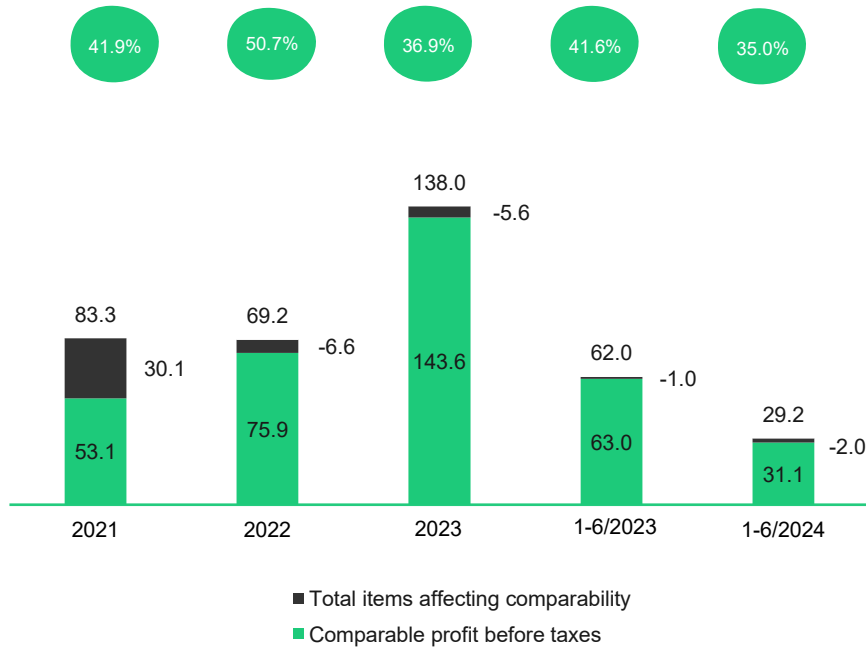
Despite a very exceptional start to the year, we will continue the current financial year with skilled and committed personnel. We are now starting to build the next phase of OmaSp. Our goal is to continue to provide the best banking service in town every day for both current and future customers.

Sarianna Liiri
CEO

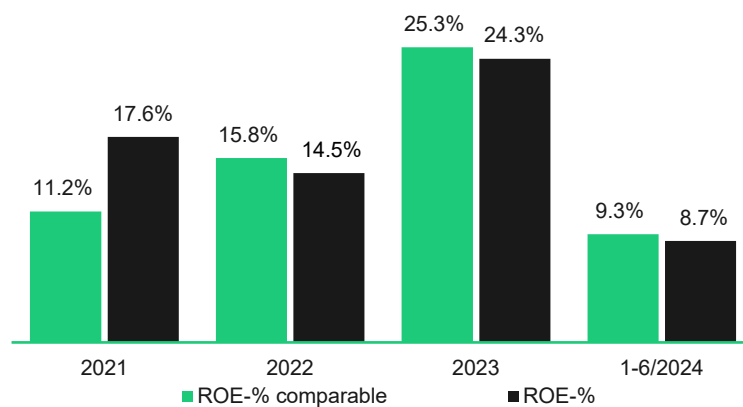
Solvent and profitable Finnish bank

Profit before taxes, EUR mill.

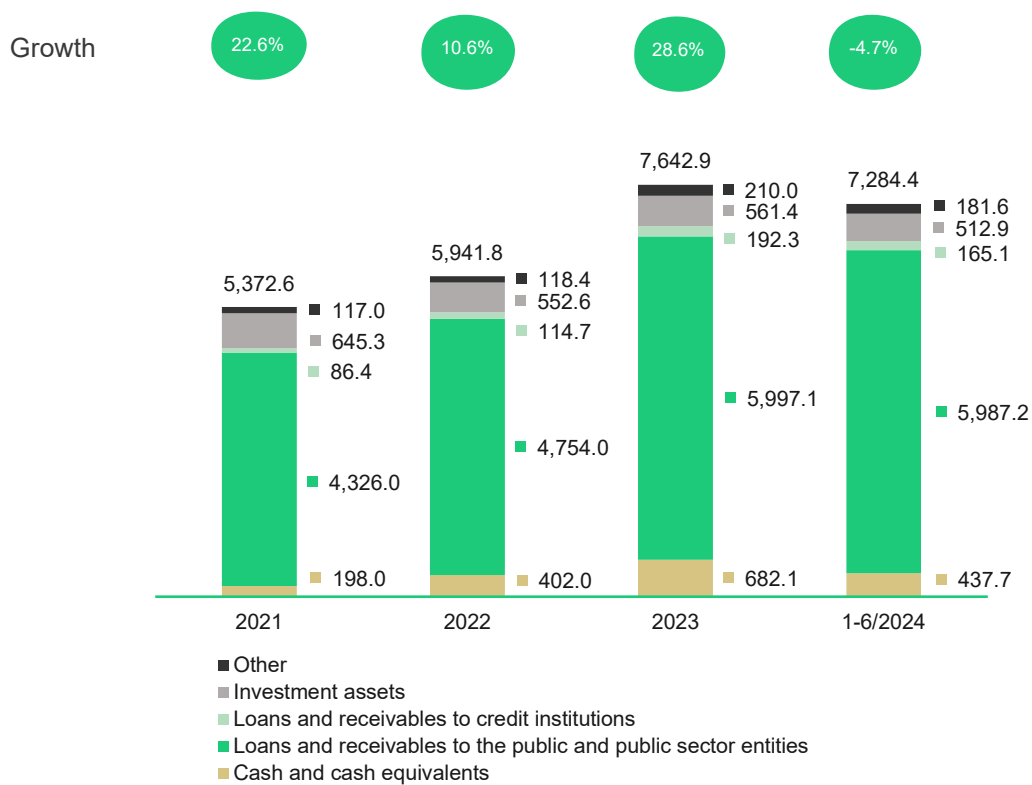
Cost/income ratio



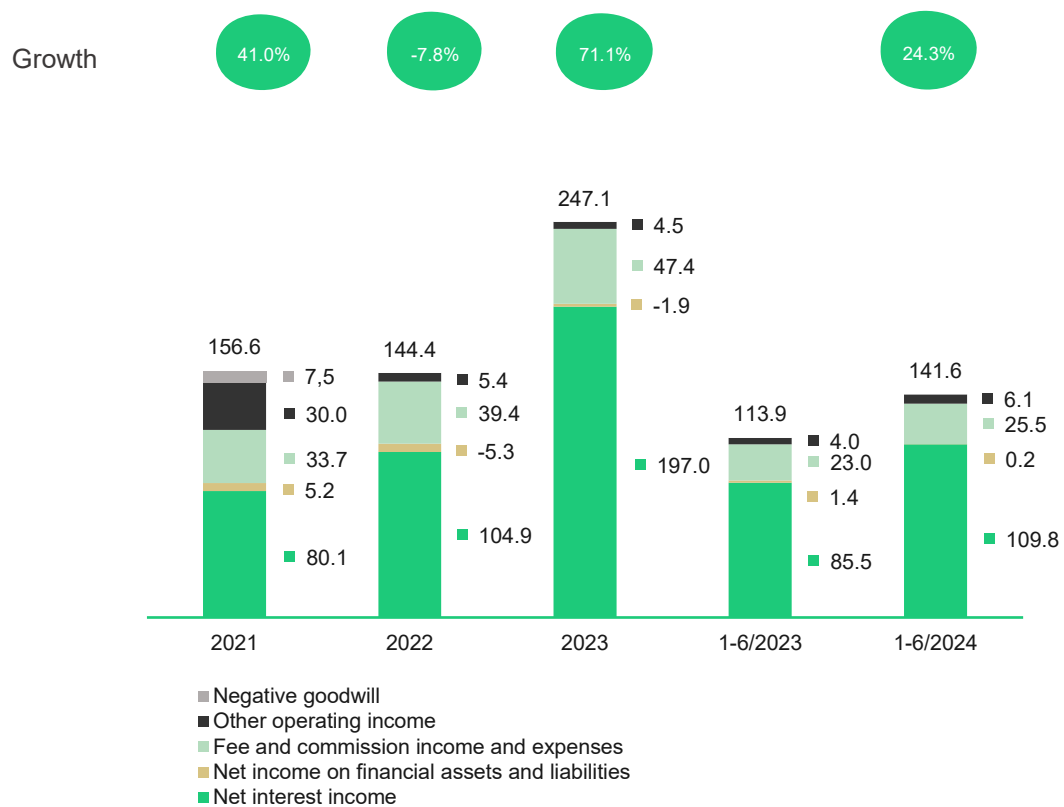
Return on equity (ROE) %



Balance sheet total, EUR mill.



Total operating income, EUR mill.



Significant events during the period

- On 24 July 2024, the Company issued a negative profit warning, published preliminary information on the second quarter result and updated its guidance due to a significant additional allowance based on the management's judgement in the second quarter. According to the updated guidance, the Company estimates that the Group's comparable profit before taxes to be EUR 80–100 million for the financial year 2024.
- On 24 July 2024, the Company announced the completion of the review of the credit portfolio. The quality of the entire loan portfolio was verified by external, independent experts. The results confirmed that the problems are limited to previously identified non-compliance with the guidelines, and the quality of the rest of the credit portfolio (approximately EUR 6 billion) corresponds to what was previously reported. In light of the latest information, customer entities accounted for approximately 4% of the Company's EUR 6 billion credit portfolio. Based on the results, the Company reassessed the credit risk position of the customer entities in question and recognised EUR 35.7 million additional allowance based on the management's judgement and impairment losses for the second quarter. The increase is based on specified customer groups and a more detailed assessment of credit risk based on further studies carried out by the Company's internal and external experts.
- On 19 June 2024, the Company announced that the Company's Board of Directors and CEO Pasi Sydänlammi had agreed that Sydänlammi will leave his position as CEO immediately. At the same time, the Board of Directors announced that it will immediately commence the search process to select a new CEO. Deputy CEO Sarianna Liiri was appointed as interim CEO and Head of Service Network Markus Souru was elected as deputy CEO. At the same time, the Company announced that it has continued its internal study announced in April regarding non-compliance with the guidelines in lending and has submitted a request for investigation to the police. The non-compliance with the guidelines is targeted to a limited part of the loan portfolio, and the quality of the loans granted has been studied internally. It was also decided to verify the internal report by external quality assurance. The Company also announced that it has initiated extensive measures to improve its risk management processes and other control processes. More about ongoing measures on page 23 of the Half-Year Financial Report.
- On 23 May 2024, Jarmo Salmi, Chairman of the Board of Directors, left his position and Jaakko Ossa became Chairman of the Board. Jyrki Mäkynen continued as Vice Chairman. After the change, the Company's Board of Directors will have six members. At the same time, the Board of Directors decided to establish an Audit Committee. More detailed information on the composition of the Company's Board of Directors is available on the Company's website.
- On 16 April 2024, the Company provided preliminary information on the result for the first quarter and updated its guidance based on the management's judgement related to a significant additional allowance recognised for the first quarter. As a result of its own monitoring processes, the Company detected non-compliance with the guidelines, as a result of which the Company's credit risk position deteriorated materially for certain customer entities. The event was due to non-compliance of the Company's lending guidelines, as a result of which individual customer entities were consciously formed incorrectly. The weakening of the collateral position due to non-compliance with the guidelines combined with the prevailing general weak economic situation increased the Company's credit risk from what was previously reported. Due to the change in the risk position, additional allowance of EUR 19.5 million was

recognised based on the management's judgement for the first quarter. The Company updated its guidance and comparable profit before taxes was estimated to be EUR 120-140 million in the financial year 2024.

- In May 2023, Oma Savings Bank Plc and Svenska Handelsbanken AB agreed on an arrangement whereby the Company acquires Handelsbanken's SME enterprise operations in Finland. Authority approval for the transaction was received on 24 July 2023. The plan is that the transaction will be completed at the turn of August and September 2024. The SME enterprise operations to be purchased are geographically located all over Finland. In connection with the transaction, the Company will open new branches in Vaasa, Vantaa and Kuopio. The size of the deposit base transferring to the Company was approximately EUR 630 million and the lending volume was approximately EUR 560 million in the situation on 30 June 2024. In the business transaction, over 11,000 customers will be transferred to the Company. At the same time, 31 people from Handelsbanken will transfer to the Company as old employees. The acquisition of the business is estimated to increase the Company's profit before taxes by approximately EUR 8–12 million annually. More about the transaction in the Half-Year Financial Report on page 24.
- On 17 June 2024, S&P Global Ratings (S&P) confirmed that the Company's short-term and long-term borrowing remain unchanged and is at BBB+/A-2. At the same time, S&P changed the outlook for the Company's credit rating from stable to negative.
- On 1 June 2024, the representatives of the five largest shareholders have been appointed to the Shareholders' Nomination Committee according to the shareholders' register:
 - Raimo Härmä, appointed by the Etelä-Karjala's Savings Bank Foundation
 - Ari Lamminmäki, appointed by the Parkano's Savings Bank Foundation
 - Jouni Niuro, appointed by the Lieto's Savings Bank Foundation
 - Aino Lamminmäki, appointed by the Töysä's Savings Bank Foundation
 - Simo Haarajärvi, appointed by the Kuortane's Savings Bank Foundation
- On 23 May 2024, the Board of Directors decided to establish an Audit Committee to support the supervisory duties of the Board of Directors. When appointing the members of the Audit Committee, the Board of Directors has taken into account the expertise and experience required for the position. The Board of Directors has elected Jyrki Mäkynen, Jaakko Ossa and Jaana Sandström as members of the Audit Committee.
- In May, the Company issued EUR 250 million covered bond increase (tap issue). The bond was issued on the same terms and conditions as the bond issued by OmaSp on 8 February 2023 and maturing on 15 June 2028.
- On 3 May 2024, the Company announced the Finnish Financial Supervisory Authority (FIN-FSA) has submitted a pre-trial investigation request to the police for securities market crimes related to the Company. At the same time, the FIN-FSA announced that it was investigating the need to impose administrative sanctions on the Company.
- At the Annual General Meeting of Oma Savings Bank Plc on 26 March 2024, Aila Hemminki, Aki Jaskari, Jyrki Mäkynen, Jaakko Ossa, Jarmo Salmi and Jaana Sandström were re-elected as members of the Board of Directors and Essi Kautonen as a new member.
- On 5 March 2024, the Deputy CEO and Head of Corporate Customer Business, Pasi Turtio, left the Company.
- In February, The Board of Directors of the Company decided to establish an employee share savings plan OmaOsake for the employees. By encouraging employees to acquire and own

shares in the Company, the Company seeks to align the objectives of shareholders and employees in order to increase the value of the Company in the long term. The aim is also to support employee motivation and commitment as well as the Company's corporate culture. The OmaOsake consists of annually commencing plan periods, each with a 12-month savings period followed by a holding period of approximately two years. The first savings period started on 1 April 2024.

- In February, The Board of Directors of the Company decided on a new performance period for the share based incentive scheme for key employees for the financial years 2024–2025. The target group of the performance period 2024–2025 consists of approximately 45 key employees, including the Company's CEO and members of the Management Team. The potential reward for the performance period will be mainly based on the comparable cost-income ratio, customer and personnel satisfaction and quality of the credit portfolio. The rewards to be paid from the performance period correspond to the value of an approximate maximum of 405,000 Oma Savings Bank Plc shares in total, including the proportion to be paid in cash.

Oma Savings Bank Group's key figures

(1,000 euros)	1-6/2024	1-6/2023	Δ %	1-12/2023	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Net interest income	109,810	85,459	28%	197,045	52,442	57,369	56,907	54,679	49,236
Fee and commission income and expenses, net	25,465	23,007	11%	47,421	12,699	12,766	12,188	12,226	12,555
Total operating income	141,576	113,878	24%	247,067	67,497	74,080	67,190	65,999	63,181
Total operating expenses	-49,389	-47,242	5%	-90,550	-23,432	-25,958	-23,483	-19,824	-21,674
¹⁾ Cost/income ratio, %	35.0 %	41.6%	-16%	36.9%	34.8%	35.2 %	35.4%	30.1%	34.4%
Impairment losses on financial assets, net	-62,535	-4,309	1,351%	-17,126	-39,423	-23,112	-7,269	-5,548	-2,714
Profit before taxes	29,171	61,996	-53%	138,048	4,504	24,668	35,546	40,506	38,699
Profit/loss for the accounting period	23,338	49,541	-53%	110,051	3,439	19,899	28,185	32,325	30,870
Balance sheet total	7,284,410	7,014,730	4%	7,642,906	7,284,410	7,531,291	7,642,906	7,071,703	7,014,730
Equity	533,259	470,229	13%	541,052	533,259	527,426	541,052	505,290	470,229
¹⁾ Return on assets (ROA) %	0.6%	1.5%	-59%	1.6%	0.2%	1.0%	1.5%	1.8%	1.7%
¹⁾ Return on equity (ROE) %	8.7%	23.7%	-63%	24.3%	2.6%	14.9%	21.5%	26.5%	27.2%
¹⁾ Earnings per share (EPS), EUR	0.70	1.57	-55%	3.49	0.10	0.60	0.85	0.97	0.93
¹⁾ Equity ratio %	7.3%	6.7%	9%	7.1%	7.3%	7.0%	7.1%	7.1%	6.7%
¹⁾ Total capital (TC) ratio %	16.6%	16.0%	4%	16.5%	16.6%	16.9%	16.5%	16.6%	16.0%
¹⁾ Common Equity Tier 1 (CET1) capital ratio %	15.2%	14.1%	7%	14.9%	15.2%	15.4%	14.9%	14.8%	14.1%
¹⁾ Tier 1 (T1) capital ratio %	15.2%	14.1%	7%	14.9%	15.2%	15.4%	14.9%	14.8%	14.1%
^{1) 3)} Liquidity coverage ratio (LCR) %	199.1%	149.9%	33%	248.9%	199.1%	154.6%	248.9%	153.6%	149.9%
^{1) 2)} Net Stable Funding Ratio (NSFR) %	118.7%	121.0%	-2%	117.8%	118.7%	117.3%	117.8%	115.3%	119.8%
Average number of employees	485	419	16%	445	499	470	463	476	464
Employees at the end of the period	511	482	6%	464	511	471	464	463	482
Alternative performance measures excluding items affecting comparability:									
¹⁾ Comparable profit before taxes	31,136	62,979	-51%	143,609	5,510	25,626	38,790	41,840	38,822
¹⁾ Comparable cost/income ratio, %	33.5%	40.0%	-16%	35.1%	32.9%	34.1%	32.8%	29.2%	33.7%
¹⁾ Comparable earnings per share (EPS), EUR	0.75	1.59	-53%	3.63	0.13	0.62	0.93	1.01	0.93
¹⁾ Comparable return on equity (ROE) %	9.3%	24.1%	-62%	25.3%	3.2%	15.5%	23.5%	27.4%	27.3%

1) Calculation principles of alternative performance measures and key figures are presented in Note 17 of the Half-Year Financial Report. Comparable profit calculation is presented in the Income Statement.

2) NSFR calculation adjusted retrospectively as of 30 June 2023, and 30 September 2023.

3) LCR calculation adjusted retrospectively as of 31 March 2024

Operating environment

The Finnish economy is recovering from the recession and according to the Bank of Finland's forecast, growth in the economy will gather pace in the immediate years ahead as the economic environment improves both in Finland and its export markets. Inflation is low and an improvement in the purchasing power of households is supporting a recovery in private consumption. ⁽¹⁾

The year-on-year change in consumer prices calculated by Statistics Finland was 1.3% in June. The change in inflation compared to a year ago was influenced, among other things, by a rise in the average interest rate on housing loans and consumer credits as well as by reductions in the prices of electricity and real estate. ⁽³⁾

Inflation has slowed, and the European Central Bank seeks to ensure that inflation returns to its 2% target in a timely manner. In July, the European Central Bank decided to keep the three key ECB interest rates unchanged. ⁽²⁾ During the first half of the year, the interest rates have fallen slightly compared to the levels from the previous year. During January–June, the quotation of the 12-month Euribor rate has risen by approximately 0.07 percentage points. ⁽¹⁰⁾

The sharp increase in economic uncertainty during the past few years has contributed to the growth of the Finnish economy. According to the Bank of Finland's preliminary calculations, the GDP is projected to decrease by 0.5% in 2024 and increase by 1.2% in 2025. In 2026, the GDP is projected to grow by 1.7%. ⁽¹⁾

The seasonally adjusted saving rate of households increased by 0.5 percentage point compared to the previous quarter and was 0.1% in January–March. In the first quarter of 2024, the disposable income of households grew slightly compared to the previous quarter and consumption expenditure remained, in practice, at the level of the previous quarter. The adjusted disposable income of households grew by 1.7%, and adjusted for price changes, income increased by 0.2% compared to the quarter one year ago.

The investment rate decreased slightly from the previous quarter and was 9.8%. Majority of the investments of households is directed in housing investments. The corporate investment rate decreased by 1.0 percentage points compared to the previous quarter. ⁽⁴⁾

According to Statistics Finland, the number of employed people aged 15 to 74 was 35,000 lower in May and the number of unemployed was 33,000 higher than a year ago. In May 2024, the employment rate was 77.8% (20 to 64 years) and the average unemployment rate was 10.2% (15 to 74 years). ⁽⁵⁾

According to Statistics Finland's preliminary data, prices of old dwellings in housing companies decreased in the whole country by 2.8% in May from one year ago. Prices of old dwellings in housing companies fell by 3.2% in the six biggest cities, and by 2.2% in the rest of Finland in May from one year ago. At the same time, the number of sales of old dwellings in blocks of flats and terraced houses made through real estate agents increased by 4.3% from the comparison period. ⁽⁶⁾

In May 2024, an exceptionally low amount of housing loans was drawn down, in total EUR 1.1 billion, which is 8.8% less than a year ago and an average of 33% less than in May in 2011–2023. The annual growth of all loans for households decreased by 0.7% and the annual growth of mortgage stock by 1.0%. The number of corporate loans rose 1.5% over the same period. The average interest rate on new mortgages was 4.35% in May. Over the 12-month period, the number of household deposits reduced by a total of 1%. ⁽⁷⁾

In June 2024, the 12-month moving annual change in enterprises that filed for bankruptcy was 17%. ⁽⁸⁾ During February–April 2024, the cubic volume of granted permits for newbuilding decreased by 5% compared to the previous year and was 7.8 million cubic meters. ⁽⁹⁾

- 1) Bank of Finland, Finland's economy gradually moving out of recession. Published on 11 June 2024.
- 2) Bank of Finland, European Central Bank's monetary policy decisions. Published on 18 July 2024.
- 3) Statistics Finland, Inflation 1.3% in June 2024. Published on 15 July 2024.
- 4) Statistics Finland, Households' saving rate was close to zero in the first quarter of 2024. Published on 19 June 2024.
- 5) Statistics Finland, Fewer employed persons and more unemployed persons in May 2024 compared to one year ago. Published on 26 June 2024.
- 6) Statistics Finland, Prices of old dwellings in housing companies decreased by 2.8% in May 2024 from one year ago. Published on 27 June 2024.
- 7) Bank of Finland, MFI balance sheet (loans and deposits) and interest rates, Housing loan drawdowns down from a year earlier in May. Published on 28 June 2024.
- 8) Statistics Finland, Altogether 252 bankruptcies were instigated in June 2024. Published on 12 July 2024.
- 9) Statistics Finland, Cubic volume of granted building permits decreased in February to April 2024 by 5% year-on-year. Published on 18 June 2024.
- 10) Bank of Finland, Euribor interest rates tables. Published on 1 July 2024.

Credit rating and liquidity

In June 2024, S&P Global Ratings confirmed that Oma Savings Bank Plc's rating for long-term borrowing will remain unchanged at BBB+ and rating for short-term borrowing will remain at level A-2. The credit rating agency does not consider that the additional allowance announced in the first quarter will cause significant reputational damage and states that the immediate financial impact will be well manageable. However, the case has highlighted areas for administrative and risk management developments, as a result of which S&P has changed the outlook for its long-term credit rating from stable to negative. In addition, S&P Global Ratings has confirmed an AAA- rating for the Company's bond program.

	30 Jun 2024	31 Dec 2023
LCR	199.1%	248.9%
NSFR	118.7%	117.8%

The Group's Liquidity Coverage Ratio (LCR) remained at a good level, standing at 199.1% at the end of the second quarter. Also the Net Stable Funding Ratio (NSFR) remained at a stable level and was 118.7%.

Related party disclosures

Related party is defined as key persons in a leading position at Oma Savings Bank Plc and their family members, subsidiaries, associated companies and joint ventures, joint operations and companies in which a key person in a leading position has control or significant influence, and organizations that have significant influence in Oma Savings Bank Plc. Key persons are members of the Board of Directors, the CEO and deputy to the CEO and the rest of the management team. Loans and guarantees have been granted with conditions that are applied to similar loans and guarantees granted to customers.

According to the Bank of Finland, the domestic economy is expected to recover from the recession in the next few years. Interest rates remaining at a higher level than expected at the beginning of the year and, at the same time, sluggish inflation and the slow recovery of households' purchasing power will curb the recovery. ⁽¹⁾ The high level of interest rates is also reflected in the competitive bidding of domestic deposits as banks continue to offer high deposit rates to customers. The changes in the interest rate environment can be seen especially in the increased costs of funding.

Despite the general economic uncertainty and news about the Company, the Company's liquidity has remained stable in the second quarter. In addition, the Company has strengthened its liquidity position and reduced financing risk by implementing a EUR 250 million covered bond increase (tap issue) in May as part of the Company's financing plan for 2024.

⁽¹⁾ Bank of Finland: Finland's economy gradually moving out of recession. Published on 11 June 2024.

More detailed information on related parties is given in Note G31 of the 2023 Financial Statements.

More detailed information on the share-based remuneration scheme for the management is given in Note G32 of the Financial Statements and in Note 14 of the Half-Year Financial Report.

Financial statements

The corresponding period last year has been used as the year under comparison in income statement items, and the date of 31 December 2023 as the comparison period for the balance sheet and capital adequacy.

Result 4–6 / 2024

For the second quarter, the Group's profit before taxes was EUR 4.5 (38.7) million and the profit for the period was EUR 3.4 (30.9) million. The cost/income ratio was 34.8 (34.4)%.

Comparable profit before taxes amounted to EUR 5.5 (38.8) million in the second quarter and the comparable cost/income ratio was 32.9 (33.7)%. The comparable profit has been adjusted for the net income on financial assets and liabilities as well as the one-off expenses related to the acquisitions.

Income

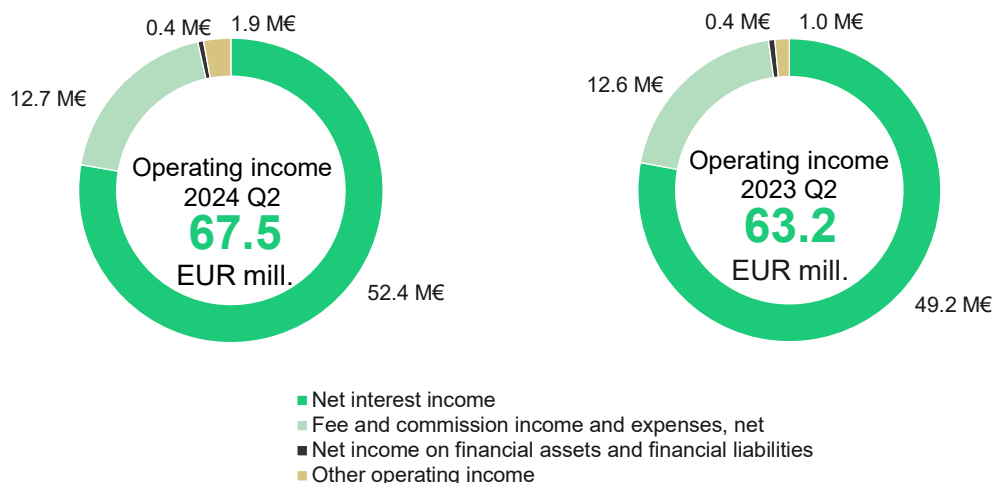
Total operating income was EUR 67.5 (63.2) million. Total operating income increased 6.8% compared to the comparable period. Other operating income includes a positive fair value change of EUR 2.6 million from the revaluation of joint debt recorded in connection with the Eurajoen Savings Bank's and Liedon Savings Bank's business transactions during the reporting period. Comparable operating income was EUR 67.1 (62.8) million,

an increase of 6.9% compared to the previous year. Net income on financial assets and liabilities of EUR 0.4 (0.4) million has been adjusted from the operating income as an item affecting comparability.

Net interest income grew by 6.5%, totalling EUR 52.4 (49.2) million. During the review period, interest income grew by 11.4%, totalling EUR 87.2 (78.3) million. The growth in interest income can be explained by the increase in market interest rates. The impact on hedges related to interest rate risk management reduced interest income and interest expenses. During the second quarter, net interest income from hedging the interest rate risk was EUR -3.5 million. During the reporting period, the average margin of the loan portfolio has remained almost unchanged.

Interest expenses were EUR 34.8 (29.0) million in the second quarter. The growth of interest expenses has been influenced by the increased interest rates on issued bonds due to the rise in market interest rates. The average interest on deposits paid to the Company's customers was 0.99 (0.61)% at the end of the period.

Fee and commission income and expenses (net) increased by 1.1% to EUR 12.7 (12.6) million. The total amount of fee and commission income was EUR 15.2 (14.6) million.



Net fee and commission income from cards and payment transactions was EUR 9.0 (8.7) million, an increase of 3.4% over the previous year. The increase is mainly explained by the increase in customer volume. The amount of commission income from lending was EUR 2.7 (2.7) million.

The net income on financial assets and liabilities were EUR 0.4 (0.4) million during the period. Other operating income was EUR 1.9 (1.0) million.

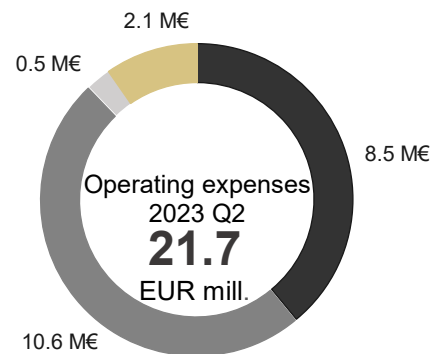
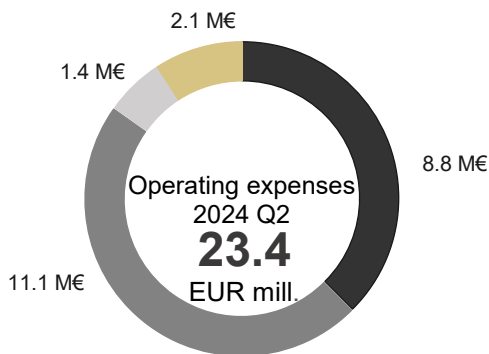
Expenses

Operating expenses were in total EUR 23.4 (21.7) million and they increased by 8.1% compared to the previous year's corresponding period. For the reporting period, expenses affecting comparability were recorded in total of EUR 1.4 million for the arrangement of the business to be acquired from Handelsbanken. In the comparison period, expenses included EUR 0.5 million related to the acquisition of Liedon Savings Bank's business, so comparable operating expenses were EUR 22.0 (21.1) million. The increase in comparable operating expenses was 4.2%.

Personnel expenses increased by 4.1% and were EUR 8.8 (8.5) million. At the end of the period, the number of employees was 511 (482), of which 85 (102) were fixed-term.

Other operating expenses increased by 12.3% to EUR 12.5 (11.1) million. The item includes authority fees, office, IT, PR and marketing costs and those stemming from the business premises in own use. The increase in costs compared to the comparison period was affected by costs arising from the arrangement of development projects and Handelsbanken's business operations.

Depreciation, amortisation and impairments on tangible and intangible assets were EUR 2.1 (2.1) million.



- Personnel expenses
- Other operating expenses excl. expenses of authorities and business arrangements
- Costs relating to business combinations
- Depreciations, impairments

Impairment losses on financial assets

During the second quarter, impairment losses on financial assets (net) increased compared to the comparative period and were EUR -39.4 million. The impairment losses on financial assets recorded in the comparative period amounted to EUR -2.7 million.

During the second quarter, the amount of expected credit losses (ECL) increased and was EUR 33.0 million, while the expected credit losses were EUR 2.9 million in the comparison period. EUR 30.0 million of the expected credit losses was targeted to receivables from customers and off-balance sheet items.

During the first quarter, an additional allowance of EUR 19.5 million was made based on the management's judgement due to a change in the Company's credit risk position for certain customer entities. During the second quarter, the Company targeted the additional allowance to customer entities as planned. In the second quarter, an additional allowance of EUR 30 million was recognised based on the management's judgement for the customer entities in question due to a study carried out by the Company and an external report commissioned on the quality of the credit portfolio. The additional allowance is targeted to stages 1-3. In addition, the Company made an additional allowance of EUR 2.5 million for an individual customer related to the above-mentioned customer entities. The additional allowance is targeted to stage 2. Impairment losses on financial assets totalling EUR 35.7 million were recognised for the above-mentioned customer entities during the second quarter of which EUR 4.9 million was due to final impairment losses on financial assets.

During the reporting period, the Company recognised a previous additional allowance of EUR 1.0 million based on the management's judgement which was used to prepare for the uncertainty of the economic environment. In addition, the Company targeted a fair value adjustment of EUR 1.2 million to the receivables of loans transferred in the business transaction of Liedon Savings Bank based on the realised development of expected credit losses from the acquired business. At the end of the reporting period, the remaining fair value adjustment is EUR 6.1 million.

The net amount of realised credit losses increased compared to the comparison period and was EUR 6.5 (0.2) million in the second quarter.

At the end of the reporting period, the Company has additional loss allowances based on the management's judgement and fair value adjustments recorded in the balance sheet in total EUR 38.6 million. Additional allowances are targeted to stages 1-3.

Result 1–6 / 2024

The Group's profit before taxes was EUR 29.2 (62.0) million in January-June and the profit for the period was EUR 23.3 (49.5) million. The cost/income ratio was 35.0 (41.6)%.

Comparable profit before taxes amounted to EUR 31.1 (63.0) million for January-June and the comparable cost/income ratio was 33.5 (40.0)%. The comparable profit before taxes has been adjusted for the net income on financial assets and liabilities as well as one-off items related to the acquisitions and the change negotiations.

Income

Total operating income was EUR 141.6 (113.9) million. Total operating income increased 24.3% year-on-year. The increase can be explained by the strong growth of net interest income and fee and commission income.

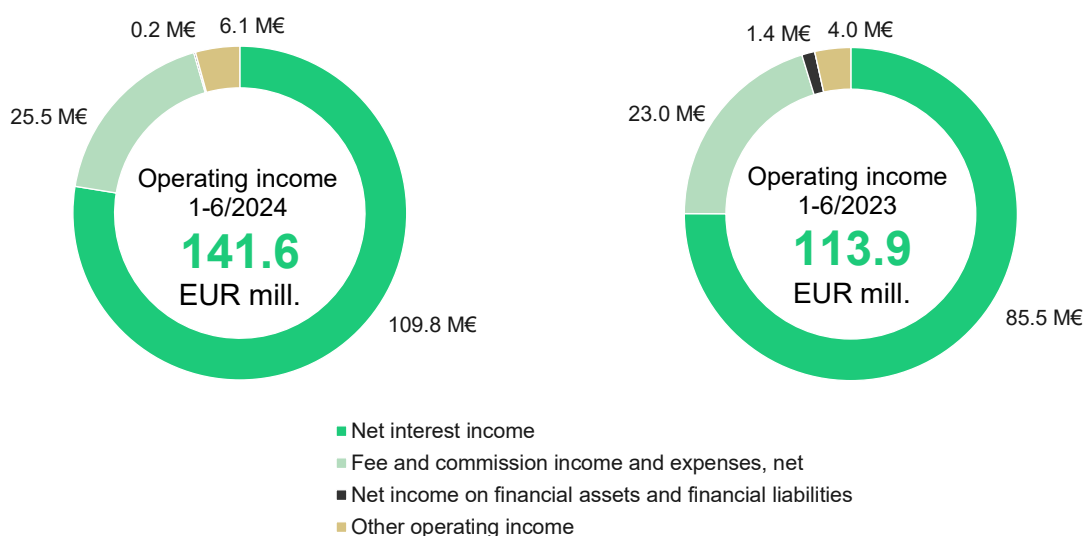
Comparable total operating income was EUR 141.3 (112.4) million and the increase of comparable total operating income was 25.7%. During the reporting period, net income on financial assets and liabilities of EUR 0.2 (1.4) million has been eliminated from operating income as an item affecting comparability.

Net interest income grew 28.5%, totalling EUR 109.8 (85.5) million. During the reporting period, interest income

grew 32.9% and was EUR 177.9 (133.9) million. The significant increase in interest income is explained by the impact of rising market interest rates and by the increased loan portfolio due to the acquisition of Liedon Savings Bank in March 2023. The management of derivatives hedging interest rate risk has been changed during the reporting period. The change of management reduced interest income and expenses. During the first half of the year, net interest income from hedging the interest rate risk was EUR 1.0 (14.1) million. During the period, the average margin of the loan portfolio has remained almost unchanged.

Interest expenses increased significantly compared to the previous year to EUR 68.1 (48.4) million. The increase in interest expenses has been influenced by higher interest on issued bonds, due to the increase in the interest rate. The impact of derivatives hedging the interest rate risk on interest expenses reduced and was EUR -7.3 (-13.4) million at the end of the period. The average interest on deposits paid to the Company's customers was 0.99 (0.61)% at the end of the period.

Fee and commission income and expenses (net) increased by 10.7% and was EUR 25.5 (23.0) million. The total amount of fee and commission income was EUR 30.3 (26.8) million.



Commissions from cards and payment transactions net grew 11% compared to the comparison year and amounted to EUR 17.9 (16.2) million. The increase is mainly explained by volume growth. The amount of commission income on lending was EUR 5.3 (4.6) million.

The net income on financial assets and liabilities was EUR 0.2 (1.4) million during the period.

Other operating income was EUR 6.1 (4.0) million. Other operating income includes a deposit guarantee fee of EUR 3.9 million recorded during the reporting period as well as a positive change in fair value of EUR 2.6 million from the revaluation of joint debts recorded in connection with the business transactions of Eurajoen Savings Bank and Liedon Savings Bank. In the comparison period, a deposit guarantee fee of EUR 2.6 million and the positive change in fair value of EUR 0.7 million from the revaluation of joint debt recorded in connection with the Eurajoen Savings Bank's business transaction were recorded in other operating income.

Expenses

Operating expenses increased 4.5% compared to the previous year's corresponding period. Operating expenses came to a total of EUR 49.4 (47.2) million. For the reporting period, expenses affecting comparability have been recorded in relation to the acquisition of

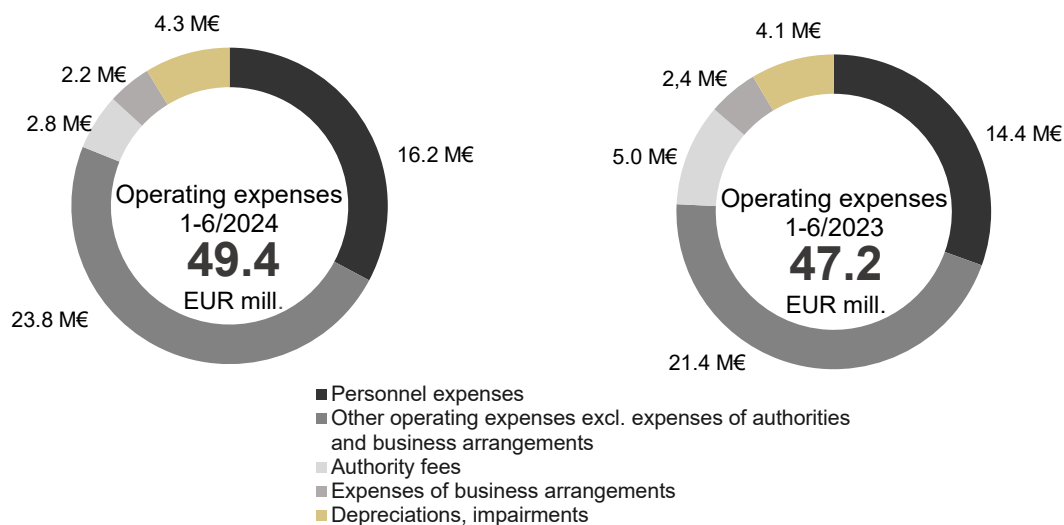
Handelsbanken's business of EUR 2.2 million. In the comparison period, operating expenses included costs of EUR 2.4 million arising from the acquisition of Liedon Savings Bank's business. Comparable operating expenses were EUR 47.2 (44.8) million. The increase of comparable operating expenses was 5.3%.

Personnel expenses increased 12.3%, totalling EUR 16.2 (14.4) million. The increase in personnel costs was impacted by the increased number of personnel as a result of the business arrangement with Liedon Savings Bank. The number of employees at the end of the period was 511 (482), of which 85 (102) were fixed-term.

Other operating expenses increased 0.4% to EUR 28.9 (28.8) million. The item includes authority fees, office, IT, PR and marketing costs and those stemming from the business premises in own use.

At the end of 2023, the Single Resolution Fund for Banking Union reached its target level, due to which a significantly lower national stability fee will be collected instead of an EU-level fee in 2024. For the reporting period, a total of EUR 2.8 million has been recorded as a deposit guarantee fee, which will be covered by refunds from the old deposit guarantee fund. A total of EUR 2.8 (5.0) million was recorded as authority fees.

Depreciation, amortisation and impairment on tangible and intangible assets were EUR 4.3 (4.1) million.



Impairment losses on financial assets

Impairment losses of financial assets increased compared to the comparison year and were EUR -62.5 million, while the impairment losses of financial assets recorded in the comparison period were EUR -4.3 million.

During the first half of the year, the amount of expected credit losses increased and was EUR 54.8 million targeting receivables from customers and off-balance sheet items. The net amount of realised credit losses increased compared to the comparison year and was EUR 7.7 (0.4) million during January-June.

In the first quarter, an additional allowance of EUR 19.5 million was made based on the management's judgement due to the change in the Company's credit risk position related to certain customer entities. In the second quarter, the Company targeted the additional allowance to the customer entities as planned. In the second quarter, an additional allowance of EUR 30 million was recognised based on the management's judgement for the customer entities in question due to a study carried out by the Company and an external report commissioned on the quality of the credit portfolio. The additional allowance is targeted into stages 1-3. In addition, the Company made an additional allowance of EUR 2.5 million to an individual customer related to the above-mentioned customer entities. The additional allowance is targeted to stage 2. During the second quarter, impairment losses on financial assets totalling EUR 35.7 million were recognised for the above-mentioned customer entities of which EUR 4.9 million was due to final impairment losses on financial assets. Additionally, during the reporting period, the Company recognised a previous additional allowance of EUR 1.0 million based on the management's judgement which was previously prepared for the uncertainty of the economic environment.

In the second quarter, the Company allocated a fair value adjustment of EUR 1.2 million to the receivables of loans transferred in connection with the acquisition of Liedon Savings Bank's business based on the realised development of expected credit losses of the acquired business. At the end of the reporting period, the Company has based on the management's judgement additional

allowances of EUR 32.5 million and fair value adjustments of EUR 6.1 million recognised in the balance sheet in total EUR 38.6 million. The additional allowances are targeted to stages 1-3.

Balance sheet

The Group's balance sheet total decreased by 4.7% during January-June 2024 and was EUR 7,284.4 (7,642.9) million. The change is mainly explained by a decrease in the deposit portfolio and the general volume of bonds issued.

Loans and receivables

Loans and receivables in total, EUR 6,152.3 (6,189.4), million remained at the level of the comparison period. Loans and receivables from credit institutions were EUR 165.1 (192.3) million at the end of the period and loans and receivables from the public and public sector entities were in total EUR 5,987.2 (5,997.1) million.

The average size of loans issued over the past 12 months has been approximately EUR 125 thousand.

Loan portfolio by customer group (excl. credit institutions), before the expected credit losses

Credit balance (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Private customers	3,611,537	3,585,722	3,563,710
Corporate customers	1,291,240	1,255,520	1,284,163
Housing associations	723,264	736,068	727,326
Agricultural customers	304,277	300,447	305,686
Other	147,313	154,776	119,353
Total	6,077,630	6,032,533	6,000,238

Investment assets

The Group's investment assets decreased 8.6% during the period, totaling EUR 512.9 (561.4) million. The majority of the change is due to the maturity of a single large bond investment. The primary purpose of managing investment assets is securing the Company's liquidity position.

Intangible assets and goodwill

At the end of the period, intangible assets recorded in the balance sheet totaled EUR 7.9 (8.8) million and a goodwill of EUR 4.8 (4.8) million.

Liabilities to credit institutions and to the public sector entities

During the period, liabilities to credit institutions and to the public and public sector entities decreased by 4.4% to EUR 3,770.7 (3,943.6) million. The item consists mostly of deposits received from the public, which came to EUR 3,584.8 (3,733.3) million at the end of June. Fixed-term deposits accounted for 15% of these. Liabilities to the credit institutions were EUR 172.7 (165.3) million at the end of the period.

Debt securities issued to the public

Total debt securities issued to the public decreased during the period by 5.9% to EUR 2,758.0 (2,930.1) million. In January, EUR 55 million bond matured, and in April, EUR 300 million covered bond matured. In May, the Company issued a EUR 250 million covered bond increase. Debt securities issued to the public are shown in more detail in Note 8.

At the end of the period, covered bonds were secured by loans to the value of EUR 3,008.0 (3,024.0) million.

Equity

The Group's equity EUR 533.3 (541.1) million decreased by 1.4% during the period. The change in equity is mainly explained by the result of the period and the payment of dividends.

Own shares

On 30 June 2024, the number of own shares held by Oma Savings Bank was 136,647. In March, the Company transferred 64,739 shares held by the Company to persons entitled to the remuneration of the 2024 reward installment of the share incentive scheme 2020–2021 and 2022–2023.

Share capital	30 Jun 2024	31 Dec 2023
Average number of shares (excluding own shares)	33,106,221	31,546,596
Number of shares at the end of the year (excluding own shares)	33,138,590	33,073,851
Number of own shares	136,647	201,386
Share capital (1,000 euros)	24,000	24,000

Off-balance-sheet commitments

Off-balance-sheet commitments included commitments given to a third party on behalf of a customer and irrevocable commitments given to a customer.

Commitments given to a third party on behalf of a customer, EUR 43.1 (41.9) million, were mostly made up of bank guarantees and other guarantees. Irrevocable commitments given to a customer, which totalled EUR 353.2 (330.6) million at the end of June, consisted mainly of undrawn credit facilities.

The Company's ongoing action plan

In June, the Company announced that it will launch an extensive action plan to improve its risk management processes and other control processes. During the second quarter, the Company has changed key personnel, invested in additional resourcing of risk control, reviewed processes in independent functions and supported the competence development of its personnel:

- The participation of risk management in credit risk quality controls has been further increased.
- The role of independent risk supervision has been strengthened in the preparation of larger credit decisions, especially in assessing customer entities, risk limits and the quality of preparation.
- Independence has been increased by diversifying the credit process into independent activities.
- Competence in comprehensive risk management has been increased throughout the organisation, and orientation has been intensified to identify entities critical to risk management.
- The development of personnel competence has been further supported by investing in new technology and the OmaAkademia training platform.

As part of the action plan, the Company's Board of Directors commissioned an extensive and detailed report on the quality of the entire loan portfolio from two internationally respected expert organisations. As results of the study, it can be stated that the quality of the Company's credit portfolio corresponded to what was previously reported, and the problems were limited to previously identified non-compliance with the guidelines. Customer entities related to non-compliance with the guidelines announced in April represented approximately 4% of the EUR 6 billion credit portfolio based on specified information. The analysis of the entire loan portfolio also concluded that the Company's collateral values relative to market values are conservative and the collateral assessment process is functional.

The external, independent expert party confirmed that the problems of the loan portfolio were limited to the previously

announced non-compliance with guidelines. In the background of the event is a violation of the lending guidelines. The Company has recognised an additional allowance of EUR 19.5 million based on the management's judgement for the loans in question during the first quarter. Based on completed internal and external studies, the Company recognised an additional EUR 35.7 million on additional allowance for credit losses and impairment losses during the second quarter. Of this, EUR 5.7 million is for credit losses and EUR 30 million is for additional allowance.

The Company will continue the implementation and development of the action plan during the rest of the year. In particular, the Company will strengthen the resources of risk management, compliance function and credit process, as well as related systems and procedures. In addition, development measures related to the KYC and AML processes are ongoing.

Progress of key development projects

The Company's project of transitioning to the application of the IRB approach is progressing as planned. In the first stage, the Company is applying for permission to apply an internal risk classification under the IRB approach to calculate capital requirements for retail credit risk liabilities. Later, the Company will apply for a similar permission for other types of liabilities. In February 2022, the Company has applied to the Finnish Financial Supervisory Authority (FIN-FSA) for the application of the IRB approach in capital adequacy, after which the application process has progressed based on dialogue with the supervisor.

The Company has reform projects ongoing regarding regulatory reporting to improve the bank's reporting systems together with its partners. In addition, a sustainability reporting development project is underway to prepare for the reporting requirements of CSRD regulation.

During the second quarter, the Company initiated a development project for loan, collateral and customer information systems, updating the systems and increasing automation and system control, among other things. The aim of the system project is to improve efficiency, reduce manual work and improve credit quality controls. The key goal of the project is to further develop the excellent customer experience in all service channels.

Acquisition of Handelsbanken's SME enterprise operations in Finland

In May 2023, the Company and Handelsbanken agreed on an arrangement whereby the Company will acquire Handelsbanken's SME enterprise operations in Finland. Authority approval for the transaction was received on 24 July 2023. The plan is that the transaction will be completed at the turn of August and September 2024. The SME enterprise operations to be purchased are geographically located all over Finland. In connection with the transaction, the Company will open new branches in Vaasa, Vantaa and Kuopio.

The size of the deposit base transferring to the Company was approximately EUR 630 million and the lending volume is approximately EUR 560 million in the situation on 30 June 2024. In the business transaction, over 11,000 customers will be transferred to the Company. The volumes to be transferred to the Company have changed because of market changes and more precise segmentation from what was announced in connection with the transaction. A total of 31 people from Handelsbanken will transfer to the Company as old employees.

With the arrangement the Company's market position will strengthen among SMEs in Finland. The growing business volumes will further improve the Company's cost efficiency and business profitability, and substantially strengthen the annual profit-making ability. The acquisition of the business is estimated to increase the Company's profit before taxes by approximately EUR 8–12 million annually. The transferring deposit base will strengthen the Company's

liquidity position, and there is no separate financing need for the business arrangement. The transaction will weaken the Company's capital adequacy by approximately 2 percentage points based on increasing risk-weighted items and recognised goodwill. The purchase price is the net value of the balance sheet items to be transferred at closing plus a maximum of EUR 15 million. The final purchase price takes into account the development of the deposit base between the time of signing and closing of the transaction. The purchase price will be paid in cash, so the transaction has no impact on the number of Company's shares outstanding.

Significant events after the period

At the end of the second quarter, the Company commissioned reports related to ensuring the quality of the whole loan portfolio from two external, independent expert organisations. The results of the investigation were completed on 24 July 2024 and the conclusions are presented in the section "The Company's ongoing action plan".

On 24 July 2024, the Company issued a negative profit warning and updated its guidance due to a significant additional allowance based on the management's judgement recognised in the second quarter.

Other events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

Dividend policy and dividend payment

The Company aims to pay a steady and growing dividend, at least 20% of net income. The Company's Board of Directors assesses the balance between the dividend or capital return to be distributed and the amount of own funds required by the Company's capital adequacy requirements and target on an annual basis and makes a proposal on the amount of dividend or capital return to be distributed.

Financial goals

The Company has financial goals set by the Board of Directors for growth, profitability, return on equity and capital adequacy. The Company's Board of Directors has confirmed the following financial goals:

Growth: 10–15 percent annual growth in total operating income under the current market conditions.

Profitability: Cost/income ratio less than 45 percent.

Return on equity (ROE): Long-term return on equity (ROE) over 16 percent.

Capital adequacy: Common Equity Tier 1 (CET1) capital ratio at least 2 percentage points above regulatory requirement.

Financial reporting in 2024

The Company will publish financial information in 2024 as follows:

28 Oct 2024 Interim Report Jan-Sep 2024

Outlook for the 2024 accounting period

New outlook and guidance (updated 24 July 2024):

The profitable development of the Company's business continues, supported by the investments made in the customer experience and service network. The Company will continue to invest extensively in the development of risk management and quality processes in the second half of 2024. The SME customer business to be acquired from Handelsbanken will improve the Company's profitability from the second half of 2024 onwards.

Oma Savings Bank Plc provides earnings guidance on comparable profit before taxes for 2024. Earnings guidance is based on the forecast for the entire year, which takes into account the current market and business situation. Forecasts are based on the management's insight into the Group's business development.

We estimate the Group's comparable profit before taxes to be EUR 80–100 million for the financial year 2024 (the comparable profit before taxes was EUR 143.6 million in the financial year 2023).

Capital adequacy

The total capital (TC) ratio of Oma Savings Bank Group remained at the level of the comparison period and was 16.6 (16.5)%. The Common Equity Tier 1 capital (CET1) ratio was 15.2 (14.9)%, being above the minimum level of the medium-term financial goal set by the Company's Board (at least 2 percentage points above the regulatory requirement).

Risk-weighted assets, EUR 3,341.6 (3,300.0) million, increased slightly from the level of the comparison period. Oma Savings Bank Group applies in the capital requirement calculation for credit risk calculation the standardised approach and for operational risk the basic indicator approach. The basic method is applied when calculating the capital requirement for market risk for the foreign exchange position. The Company's transition

project to the application of the IRB approach is proceeding as planned.

At the end of the review period, the capital structure of the Group was strong and consisted mostly of Common Equity Tier 1 capital (CET1). Own funds increased most significantly by retained earnings for the financial year 2024, which have been included in the Common Equity Tier 1 capital with the permission granted by the Finnish Financial Supervisory Authority (FIN-FSA). The Group's own funds (TC) of EUR 554.7 (544.5) million exceeded by EUR 119.7 million the total capital requirement for own funds EUR 435.0 (396.5) million. Taking into account the indicative additional capital recommendation, the surplus of own funds was EUR 86.3 million. The Group's leverage ratio was 6.8 (6.3)% at the end of the period.

The main items in the capital adequacy calculation (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Common Equity Tier 1 capital before regulatory adjustments	521,161	505,611	456,931
Regulatory adjustments on Common Equity Tier 1	-14,100	-14,663	-14,596
Common Equity Tier 1 (CET1) capital, total	507,061	490,948	442,336
Additional Tier 1 capital before regulatory adjustments	-	-	-
Regulatory adjustments on additional Tier 1 capital	-	-	-
Additional Tier 1 (AT1) capital, total	-	-	-
Tier 1 capital (T1 = CET1 + AT1), total	507,061	490,948	442,336
Tier 2 capital before regulatory adjustments	47,590	53,571	58,182
Regulatory adjustments on Tier 2 capital	-	-	-500
Tier 2 (T2) capital, total	47,590	53,571	57,682
Total capital (TC = T1 + T2), total	554,651	544,519	500,017
Risk-weighted assets			
Credit and counterparty risk	2,964,503	2,926,776	2,870,327
Credit valuation adjustment risk (CVA)	54,805	50,949	28,573
Market risk (foreign exchange risk)	-	-	-
Operational risk	322,280	322,280	233,043
Risk-weighted assets, total	3,341,588	3,300,005	3,131,942
Common Equity Tier 1 (CET1) capital ratio, %	15.17%	14.88%	14.12%
Tier 1 (T1) capital ratio, %	15.17%	14.88%	14.12%
Total capital (TC) ratio, %	16.60%	16.50%	15.97%
Leverage ratio (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Tier 1 capital	507,061	490,948	442,336
Total amount of exposures	7,437,204	7,749,639	7,158,420
Leverage ratio	6.82%	6.34%	6.18%

The total capital requirement for banks' own funds consists of the Pillar I minimum capital requirement (8.0%) and various buffer requirements. Buffer requirements are, among other things, the capital conservation buffer (2.5%) set by the Credit Institution Act, the discretionary SREP requirement according to Pillar II, the countercyclical buffer requirement and the systematic risk buffer.

The SREP requirement 1.5% based on the supervisory authority's estimate imposed by the Finnish Financial Supervisory Authority's (FIN-FSA) for Oma Savings Bank Plc is valid until further notice, but no later than 30 June 2026. The SREP requirement is possible to be partially covered by Tier 1 capital and Tier 2 capital in addition to Common Equity Tier 1. According to the overall assessment based on risk indicators, there are no grounds for applying a countercyclical buffer, and thus the Finnish Financial Supervisory Authority (FIN-FSA) maintained the requirement of countercyclical buffer at its basic level of 0%. The systemic risk buffer requirement of 1.0% entered into force after the transition period on 1 April 2024. The requirement set by the Finnish Financial Supervisory Authority (FIN-FSA) for Finnish credit institutions, to be covered by Consolidated Common Equity, strengthens the risk-bearing capacity of the banking sector.

In October 2023, the Finnish Financial Supervisory Authority (FIN-FSA) issued an indicative additional capital recommendation for own funds and a discretionary additional capital requirement based on the Finnish Act on Credit Institutions for Oma Savings Bank Plc. The indicative additional capital recommendation of 1.0%, covered by Common Equity Tier 1 capital, is valid until further notice as of 31 March 2024. The discretionary additional capital requirement (Pillar II) of 0.25% is valid until further notice as of 31 March 2024, but no later than 31 March 2026. The requirement must be covered by Tier 1 capital. The binding capital adequacy requirement for the leverage ratio is 3%.

Group's total capital requirement

30 Jun 2024
(1,000 euros)

Buffer requirements

Capital	Pillar I minimum capital requirement*	Pillar II (SREP) capital requirement*	Capital conservation buffer	Countercyclical buffer**	O-SII	Systemic risk buffer	Total capital requirement
CET1	4.50%	0.84%	2.50%	0.02%	0.00%	1.00%	8.86% 296,087
AT1	1.50%	0.28%					1.78% 59,522
T2	2.00%	0.38%					2.38% 79,363
Total	8.00%	1.50%	2.50%	0.02%	0.00%	1.00%	13.02% 434,972

* AT1 and T2 capital requirements are possible to fill with CET1 capital

**Taking into account the geographical distribution of the Group's exposures

The Group publishes information on capital adequacy and risk management compliant with Pillar III in its Capital and Risk Management Report. The document will be released as a separate report in connection with the Annual Report and it provides a more detailed description of Oma Savings Bank Group's capital adequacy and risk position. The substantial information in accordance with Pillar III will be published as a separate report alongside the Half-Year Financial Report.

Tables and notes to the Half-Year Financial Report

Consolidated condensed income statement

Note (1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Interest income	177,898	133,874	322,506	87,194	78,281
Interest expenses	-68,088	-48,415	-125,461	-34,752	-29,046
9 Net interest income	109,810	85,459	197,045	52,442	49,236
Fee and commission income	30,268	26,763	56,621	15,199	14,640
Fee and commission expenses	-4,803	-3,755	-9,200	-2,500	-2,085
10 Fee and commission income and expenses, net	25,465	23,007	47,421	12,699	12,555
11 Net income on financial assets and financial liabilities	236	1,443	-1,875	411	424
Other operating income	6,065	3,968	4,476	1,945	967
Total operating income	141,576	113,878	247,067	67,497	63,181
Personnel expenses	-16,198	-14,418	-29,611	-8,801	-8,456
Other operating expenses	-28,876	-28,772	-52,517	-12,485	-11,121
Depreciation, amortisation and impairment losses on tangible and intangible assets	-4,316	-4,052	-8,422	-2,146	-2,097
Total operating expenses	-49,389	-47,242	-90,550	-23,432	-21,674
12 Impairment losses on financial assets, net	-62,535	-4,309	-17,126	-39,423	-2,714
Share of profit of equity accounted entities	-480	-332	-1,344	-138	-94
Profit before taxes	29,171	61,996	138,048	4,504	38,699
Income taxes	-5,833	-12,454	-27,997	-1,065	-7,829
Profit for the accounting period	23,338	49,541	110,051	3,439	30,870
Of which:					
Shareholders of Oma Savings Bank Plc	23,338	49,541	110,051	3,439	30,870
Total	23,338	49,541	110,051	3,439	30,870
Earnings per share (EPS), EUR	0.70	1.57	3.49	0.10	0.93
Earnings per share (EPS) after dilution, EUR	0.70	1.56	3.47	0.10	0.93

Profit before taxes excluding items affecting comparability

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Profit before taxes	29,171	61,996	138,048	4,504	38,699
Operating income:					
Net income on financial assets and liabilities	-236	-1,443	1,875	-411	-424
Operating expenses					
Costs relating to business combinations	2,201	2,426	3,292	1,417	547
Expenses from the co-operation negotiations	-	-	394	-	-
Comparable profit before taxes	31,136	62,979	143,609	5,510	38,822
Income taxes in income statement	-5,833	-12,454	-27,997	-1,065	-7,829
Change of deferred taxes	-393	-197	-1,112	-201	-25
Comparable profit/loss for the accounting period	24,909	50,328	114,500	4,243	30,968

Consolidated statement of comprehensive income

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Profit for the accounting period	23,338	49,541	110,051	3,439	30,870
Other comprehensive income before taxes					
Items that will not be reclassified through profit or loss					
Gains and losses on remeasurements from defined benefit pension plans	-	-	191	-	-
Items that may later be reclassified through profit or loss					
Measured at fair value, net	2,751	4,335	18,012	2,313	2,036
Transferred to Income Statement as a reclassification change	312	359	422	-	-10
Other comprehensive income before taxes	3,064	4,694	18,624	2,313	2,027
Income taxes					
For items that will not be reclassified to profit or loss					
Gains and losses on remeasurements from defined benefit pension plans	-	-	-38	-	-
Items that may later be reclassified to profit or loss					
Measured at fair value	-613	-939	-3,687	-463	-405
Income taxes	-613	-939	-3,725	-463	-405
Other comprehensive income for the accounting period after taxes	2,451	3,755	14,899	1,850	1,621
Comprehensive income for the accounting period	25,789	53,297	124,950	5,289	32,491
Attributable to:					
Shareholders of Oma Savings Bank Plc	25,789	53,297	124,950	5,289	32,491
Total	25,789	53,297	124,950	5,289	32,491

Consolidated condensed balance sheet

Note	Assets (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
	Cash and cash equivalents	437,674	682,117	243,847
4	Loans and receivables to credit institutions	165,066	192,305	104,065
4	Loans and receivables to the public and public sector entities	5,987,207	5,997,074	5,959,115
5	Financial derivatives	29,740	44,924	4,966
6	Investment assets	512,910	561,414	559,158
	Equity accounted entities	24,390	24,131	25,516
	Intangible assets	7,943	8,801	8,705
	Goodwill	4,837	4,837	4,837
	Tangible assets	35,847	34,594	33,527
	Other assets	62,222	75,097	49,701
	Deferred tax assets	16,573	17,610	20,563
	Current income tax assets	-	-	731
	Assets, total	7,284,410	7,642,906	7,014,730
Note	Liabilities (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
7	Liabilities to credit institutions	172,662	165,255	103,581
7	Liabilities to the public and public sector entities	3,598,037	3,778,310	3,835,280
5	Financial derivatives	8,465	9,455	12,697
8	Debt securities issued to the public	2,757,983	2,930,058	2,389,873
	Subordinated liabilities	60,000	60,000	60,000
	Provisions and other liabilities	115,423	113,297	98,149
	Deferred tax liabilities	35,695	42,899	37,931
	Current income tax liabilities	2,885	2,580	6,989
	Liabilities, total	6,751,151	7,101,854	6,544,501
	Equity	30 Jun 2024	31 Dec 2023	30 Jun 2023
	Share capital	24,000	24,000	24,000
	Reserves	151,272	148,822	137,578
	Retained earnings	357,987	368,230	308,651
	Shareholders of Oma Savings Bank Plc	533,259	541,052	470,229
	Shareholders of Oma Savings Bank Plc	533,259	541,052	470,229
	Equity, total	533,259	541,052	470,229
	Liabilities and equity, total	7,284,410	7,642,906	7,014,730
	Group's off-balance sheet commitments (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
	Off-balance sheet commitments			
	Guarantees and pledges	43,095	41,926	40,657
	Commitments given to a third party on behalf of a customer	43,095	41,926	40,657
	Undrawn credit facilities	353,164	330,599	338,457
	Irrevocable commitments given in favour of a customer	353,164	330,599	338,457
	Group's off-balance sheet commitments, total	396,259	372,525	379,114

Consolidated statement of changes in equity

(1,000 euros)

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Equity, total
30 Jun 2024							
Equity, 1 January 2024	24,000	-61,756	210,578	148,822	368,230	541,052	541,052
Comprehensive income							
Profit for the accounting period	-	-	-	-	23,338	23,338	23,338
Other comprehensive income	-	2,451	-	2,451	-	2,451	2,451
Comprehensive income, total	-	2,451	-	2,451	23,338	25,789	25,789
Transactions with owners							
Emission of new shares	-	-	-	-	-	-	-
Repurchase/sale of own shares	-	-	-	-	1,066	1,066	1,066
Distribution of dividends	-	-	-	-	-33,139	-33,139	-33,139
Share-based incentive schemes	-	-	-	-	-1,509	-1,509	-1,509
Other changes	-	-	-	-	-	-	-
Transactions with owners, total	-	-	-	-	-33,581	-33,581	-33,581
Equity total, 30 June 2024	24,000	-59,305	210,578	151,272	357,987	533,259	533,259

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Equity, total
31 Dec 2023							
Equity, 1 January 2023	24,000	-76,503	145,324	68,822	272,139	364,961	364,961
Comprehensive income							
Profit for the accounting period	-	-	-	-	110,051	110,051	110,051
Other comprehensive income	-	14,747	-	14,747	153	14,899	14,899
Comprehensive income, total	-	14,747	-	14,747	110,204	124,950	124,950
Transactions with owners							
Emission of new shares	-	-	65,001	65,001	-	65,001	65,001
Repurchase/sale of own shares	-	-	-	-	-1,556	-1,556	-1,556
Distribution of dividends	-	-	-	-	-13,270	-13,270	-13,270
Share-based incentive scheme	-	-	-	-	552	552	552
Other changes	-	-	252	252	162	414	414
Transactions with owners, total	-	-	65,253	65,253	-14,112	51,141	51,141
Equity total, 31 December 2023	24,000	-61,756	210,578	148,822	368,230	541,052	541,052

	Share capital	Fair value reserve	Other reserves	Reserves, total	Retained earnings	Shareholders of Oma Savings Bank Plc	Equity, total
30 Jun 2023							
Equity, 1 January 2023	24,000	-76,503	145,324	68,822	272,139	364,961	364,961
Comprehensive income							
Profit for the accounting period	-	-	-	-	49,541	49,541	49,541
Other comprehensive income	-	3,755	-	3,755	-	3,755	3,755
Comprehensive income, total	-	3,755	-	3,755	49,541	53,297	53,297
Transactions with owners							
Emission of new shares	-	-	65,001	65,001	-	65,001	65,001
Repurchase/sale of own shares	-	-	-	-	498	498	498
Distribution of dividends	-	-	-	-	-13,270	-13,270	-13,270
Share-based incentive scheme	-	-	-	-	-215	-215	-215
Other changes	-	-	-	-	-42	-42	-42
Transactions with owners, total	-	-	65,001	65,001	-13,029	51,972	51,972
Equity total, 30 June 2023	24,000	-72,748	210,326	137,578	308,651	470,229	470,229

Consolidated condensed cash flow statement

Note	(1,000 euros)	1-6/2024	1-6/2023	1-12/2023
Cash flow from operating activities				
	Profit/loss for the accounting period	23,338	49,541	110,051
	Changes in fair value	230	-796	2,104
	Share of profit of equity accounted entities	480	332	1,344
11	Depreciation and impairment losses on investment properties	14	31	59
	Depreciation, amortisation and impairment losses on tangible and intangible assets	4,316	4,052	8,422
12	Impairment and expected credit losses	62,535	4,309	17,126
	Income taxes	5,833	12,454	27,997
	Other adjustments	2,942	2,654	9,446
	Adjustments to the profit/loss of the accounting period	76,351	23,036	66,498
	Cash flow from operations before changes in receivables and liabilities	99,689	72,577	176,549
Increase (-) or decrease (+) in operating assets				
	Debt securities	46,382	40,795	58,741
	Loans and receivables to credit institutions	-990	40,622	45,052
	Loans and receivables to customers	-50,645	-203,422	-254,038
	Derivatives in hedge accounting	102	108	246
	Investment assets	-179	-1,016	-758
	Other assets	-9,164	-11,732	-37,101
	Total	-14,495	-134,645	-187,859
Increase (+) or decrease (-) in operating liabilities				
	Liabilities to credit institutions	4,718	-353,346	-288,103
	Deposits	-148,549	-181,397	-289,309
	Provisions and other liabilities	18,935	14,766	28,639
	Total	-124,897	-519,977	-548,773
	Paid income taxes	-12,308	-3,658	-17,796
	Total cash flow from operating activities	-52,010	-585,704	-577,879
Cash flow from investments				
	Investments in tangible and intangible assets	-2,465	-3,529	-6,559
	Acquisition of associated companies and joint ventures	-516	-496	-3,270
	Total cash flow from investments	-2,981	-4,025	-9,829
Cash flows from financing activities				
	Other cash increases in equity items	-	-	252
	Repurchase of own shares	-	-	-2,054
	Subordinated liabilities, changes	-	20,000	20,000
	Debt securities issued to the public	-182,773	298,517	832,413
	Acquisition or sale of business	-	143,071	143,071
	Payments of lease liabilities	-1,768	-1,667	-3,442
	Dividends paid	-33,139	-13,270	-13,270
	Total cash flows from financing activities	-217,680	446,651	976,971
	Net change in cash and cash equivalents	-272,672	-143,078	389,262
	Cash and cash equivalents at the beginning of the accounting period	873,923	484,660	484,660
	Cash and cash equivalents at the end of the accounting period	601,251	341,582	873,923
Cash and cash equivalents are formed by the following items				
3	Cash and cash equivalents	437,674	243,847	682,117
4	Receivables from credit institutions repayable on demand	163,576	97,735	191,805
	Total	601,251	341,582	873,923
	Received interest	195,372	123,861	290,255
	Paid interest	-57,974	-25,633	-101,834
	Dividends received	269	179	179

Consolidated condensed income statement, quarterly trend

Note	(1 000 euros)	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
	Interest income	87,194	90,705	98,581	90,051	78,281
	Interest expenses	-34,752	-33,336	-41,674	-35,372	-29,046
9	Interest income, net	52,442	57,369	56,907	54,679	49,236
	Fee and commission income	15,199	15,069	15,000	14,858	14,640
	Fee and commission expenses	-2,500	-2,303	-2,812	-2,632	-2,085
10	Fee and commission income and expenses, net	12,699	12,766	12,188	12,226	12,555
11	Net income on financial assets and financial liabilities	411	-175	-2,234	-1,084	424
	Other operating income	1,945	4,120	330	178	967
	Operating income, total	67,497	74,080	67,190	65,999	63,181
	Personnel expenses	-8,801	-7,397	-7,898	-7,295	-8,456
	Other operating expenses	-12,485	-16,390	-13,393	-10,352	-11,121
	Depreciation, amortisation and impairment losses on tangible and intangible assets	-2,146	-2,170	-2,192	-2,178	-2,097
	Operating expenses, total	-23,432	-25,958	-23,483	-19,824	-21,674
12	Impairment losses on financial assets, net	-39,423	-23,112	-7,269	-5,548	-2,714
	Share of profit from joint ventures and associated companies	-138	-342	-891	-120	-94
	Profit before taxes	4,504	24,668	35,546	40,506	38,699
	Income taxes	-1,065	-4,768	-7,361	-8,181	-7,829
	Profit for the accounting period	3,439	19,899	28,185	32,325	30,870
	Of which:					
	Shareholders of Oma Savings Bank Plc	3,439	19,899	28,185	32,325	30,870
	Total	3,439	19,899	28,185	32,325	30,870
	Earnings per share (EPS), EUR	0.10	0.60	0.85	0.97	0.93
	Earnings per share (EPS) after dilution, EUR	0.10	0.60	0.85	0.97	0.93
	Profit before taxes excluding items affecting comparability:					
	Profit before taxes	4,504	24,668	35,546	40,506	38,699
	Operating income:					
	Net income on financial assets and liabilities	-411	175	2,234	1,084	-424
	Operating expenses					
	Costs relating to business combinations	1,417	783	615	250	547
	Expenses from the co-operation negotiations	-	-	394	-	-
	Comparable profit before taxes	5,510	25,626	38,790	41,840	38,822
	Income taxes in income statement	-1,065	-4,768	-7,361	-8,181	-7,829
	Change of deferred taxes	-201	-192	-649	-267	-25
	Comparable profit/loss for the accounting period	4,243	20,666	30,780	33,392	30,968

Note 1 Accounting principles for the Half-Year Financial Report

1. About the accounting principles

The Group's parent Company is Oma Savings Bank Plc, whose domicile is in Seinäjoki and head office is in Lappeenranta, Valtakatu 32, 53100 Lappeenranta. Copies of the Financial Statements, Financial Statements Release, Interim and Half-Year Financial Reports are available on the bank's website www.omasp.fi.

Oma Savings Bank Group is formed as follows:

Subsidiaries

- Real estate company Lappeenrannan Säästökeskus holding 100%

Associated companies

- GT Invest Oy holding 48.7%
- City Kauppapaikat Oy holding 43.3%

Joint ventures

- Figure Taloushallinto Oy holding 25%
- Deleway Projects Oy holding 49%
- SAV-Rahoitus Oyj holding 48.2%

Joint operations

- Housing company Seinäjoen Oma Savings Bank house holding 30.5%

The Half-Year Financial Report is drawn up in accordance with the IAS 34 *Interim Financial Reporting* standard. The accounting principles for the Half-Year Financial Report are the same as for the 2023 Financial Statements.

The figures of the Half-Year are presented in thousands of euros unless otherwise specified. The figures in the notes are rounded off, so the combined sum of single figures may deviate from the grand total presented in a table or a calculation. The accounting and functional currency of the Group and its companies is the euro.

The Board of Directors has approved the Half-Year Financial Report 1 January – 30 June 2024 in its meeting on 29 July 2024.

2. Changes to the accounting principles

Future new standards, changes to standards or interpretations effective or published on 1 January 2024 have not a material impact on the consolidated financial statements. Furthermore, future new standards or changes to standards published by the IASB are not expected to have a material impact on the consolidated financial statements.

3. Accounting principles and uncertainties related to estimates requiring management's judgement

The preparation of this Half-Year Financial Report in accordance with IFRS has required certain estimates and assumptions from the Group's management that affect the number of items presented in the Half-Year Financial Report and the information provided in the notes. The management's key estimates concern the future and key uncertainties about the reporting date. They relate to, among other things, fair value assessment, impairment of financial assets, loans and other assets, investment assets and tangible and intangible assets. Although the estimates are based on the management's current best view, it is possible that the realisations differ from the estimates used in the Half-Year Financial Report.

The uncertainties contained in the accounting principles that require management's judgement and those contained in the estimates are described in the 2023 Financial Statements. Uncertainty in the economic environment due to the effects of inflation and the changes in interest rates may bring changes to the estimates presented in the Financial Statements that require management judgement.

The application of the impairment losses on financial assets model under IFRS 9 requires the management to make estimates and assumptions about whether the credit risk associated with the financial instrument has increased significantly since the initial recognition and requires forward-looking information to be considered in the recognition of on-demand credit losses.

Determining fair values in a business combination requires judgement on the part of the Company's management regarding the recording of the transferred consideration and identifiable assets, liabilities and contingent liabilities and valuing them at fair value. The receivables transferred in connection with the acquisition of Liedon Savings Bank's business were valued at fair value in connection with the acquisition. During the second quarter, fair value adjustment based on management's judgement was EUR 1.2 million, and there is EUR 6.1 million left at the end of the reporting period. In connection with the acquisition, the Company recognised a liability of EUR 15.0 million at fair value through profit or loss for the five-year periodic concerning the liability of Liedon Savings Bank as a credit institution member leaving the consortium of Savings Banks. During the second period, the amount of the liability at fair value through profit and loss has been reassessed and the amount of debt has been reduced by EUR 1.9 million. During the second period, the amount of liability at fair value through profit and loss of Eurajoen Savings Bank's has been reassessed and the amount of debt has been reduced by EUR 0.8 million.

Note 2 Risk management

1. Liquidity risk

Despite the general uncertainty in the economy and the news about the Company, the Company's liquidity has remained stable at the end of the second quarter of 2024. The general level of interest rates in the markets remaining higher than expected at the beginning of the year and, at the same time, sluggish inflation and the slow recovery of households' purchasing power will curb the economic recovery. ⁽¹⁾ The Company strengthened its liquidity by implementing a covered bond increase in May 2024. With the issuance, the Company will increase its liquidity buffers as the volatile market situation prolongs.

The management of Oma Savings Bank Plc's liquidity risk is based on the Company's ability to procure sufficient cash that is competitive in price in both the short and long term. A key component of liquidity risk management is the planning of the liquidity position in both the short and long term. Additionally, the planning of the liquidity reserve prepares for deteriorating economic conditions in the market and possible changes in legislation. The goal of the Company's liquidity reserve is to cover one month's outflows. Liquidity risk management is supported by active risk management, monitoring of the balance sheet and cash flows and internal calculation models. The Company's liquidity is monitored daily by the Company's Treasury unit. The main objective of the Treasury unit is to ensure that the liquidity position always remains above the regulated and internally set threshold values. The function monitors and measures the amounts of incoming and outgoing cash flows and assesses the possible

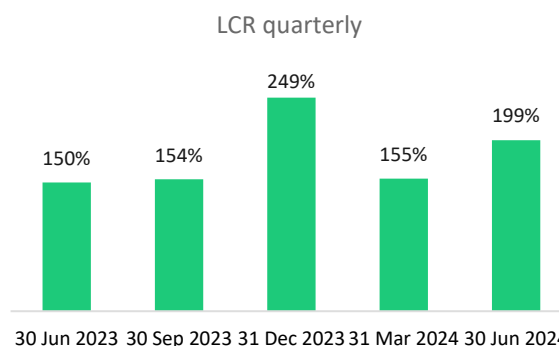
2. Credit risk

Credit risk refers to the risk that a contracting party to a financial instrument will not be able to meet its obligations, thereby causing the other party a financial loss. Oma Savings Bank Plc's credit risk primarily consists of exposures secured by immovable property, retail exposures and corporate loans. The goal of credit risk management is to limit the profit and loss and capital adequacy effects of risks resulting from customer

occurrence of liquidity shortfalls over the course of the day.

The Group's liquidity ratio (LCR), which describes short-term liquidity, was 199.1% on 30 June 2024. The Company's liquidity has remained strong despite the uncertain market situation.

The Company has increased buffers in response to a weakening economic cycle and continues to maintain and strengthen liquidity and capital buffers. In addition, the Company has implemented hedging operations against interest rate risk during the first and the second quarter of 2024. The Company's financial structure has also developed according to assumptions, and the Company has no significant financial concentrations during the rest of the year. The Company has a EUR 150 million senior secured loan maturing in September 2024. The Company has no other maturing bonds during 2024.



⁽¹⁾ Bank of Finland: Finland's economy gradually moving out of recession. Published on 11 June 2024.

exposures to an acceptable level. Credit risk management and procedures have been described in Note G2 of the 2023 Financial Statements.

The rise in interest rates and costs, as well as the waning of economic growth, have increased customers' payment difficulties, and this is reflected in the increase in insolvent loans and expected credit losses.

Share of insolvent responsibilities of total loan portfolio was 2.9 (2.1)% in the end of the review period. At the same time matured and non-performing receivables from the credit portfolio rose and were 4.1 (2.9)%. The Company monitors the development of possible payment delays and repayment exemption applications as well as the development of values of collaterals. The measures taken by the Company to stabilise the credit risk position are described in the previous paragraph.

2.1 Allowances based on the management's judgement

The Company has additional allowances based on the management's judgement and fair value adjustments in total EUR 38.6 million at the end of the second quarter. During the first quarter, an additional allowance of EUR 19.5 million based on the management's judgement was made due to the change in the Company's credit risk position for certain customer entities. As planned, the Company targeted the additional allowance to customer entities during the second quarter.

In the second quarter, the Company recognised an additional allowance of EUR 30 million based on the management's judgement for the customer entities in question, which was based on a study carried out by the Company and a commissioned, external report concerning the quality of the loan portfolio. In addition, the Company recognised EUR 2.5 million additional allowance based on the management's judgement for an individual customer in connection with the above-mentioned customer entities.

When credit risks materialised, the Company allocated an additional allowance of EUR 1 million based on the management's judgement. The additional allowance was previously for the preparation on the economic uncertainty. In addition, the Company allocated a fair value adjustment of EUR 1.2 million recognised in connection with the acquisition of Liedon Savings Bank based on the realised development of expected credit losses from the acquired business.

During the second quarter, credit losses of EUR 6.5 million were recorded. The exceptional credit loss write-offs are partly related to the customer entities reported in the first quarter, which affected the Company's credit risk position

and the measures identified thereafter to address problems in a timely manner immediately after detection. Credit losses related to these customer entities were recognised as partial credit losses, as the Company does not expect to receive cash flows from these entities that would cover the capital in full. The Company continuously monitors the development of areas affecting the credit risk position.

When forming an estimate of the amount of the additional allowance of EUR 30 million based on the management's judgement, the Company has reviewed the customer entities under review and assessed their credit risk on a client-by-client basis and carefully reviewed the results of an external assessment of the quality of the loan portfolio. As a result of the study, the Company estimates that the non-compliance with the lending guidelines that led to an additional allowance has been found to be limited to certain identified customer entities, and the increased credit risk within them and their weakening solvency. The Company's risk control and internal audit monitor the development of payment reliefs and forbearances due to investigative work. The Company has launched an extensive risk management and quality control development project, which is described in more detail under the development projects.

2.2 Distribution by risk class

The Company classifies its customers into risk classes based on information available on the counterparty. The classification uses its own internal assessment and external credit rating data. Monitoring is continuous and can lead to a transfer from one risk class to another.

In lending, risk concentration may occur, for example, when the loan portfolio includes large amounts of loans and other liabilities:

- to a single counterparty
- to groups that are made up of individual counterparties or entities tied to them
- to specific sectors
- against specific collateral
- whose maturity is the same or
- whose product/instrument is the same.

Matured and non-performing exposures and forbearances

(1,000 euros)	30 Jun 2024	% of credit portfolio	31 Dec 2023	% of credit portfolio
Matured exposures, 30-90 days	46,654	0.8%	31,253	0.5%
Non-matured or matured less than 90 days, non-repayment likely	114,953	1.9%	89,842	1.5%
Non-performing exposures, 90-180 days	32,371	0.5%	16,950	0.3%
Non-performing exposures, 181 days - 1 year	31,875	0.5%	14,374	0.2%
Non-performing exposures, > 1 year	26,329	0.4%	21,882	0.4%
Matured and non-performing exposures total	252,183	4.1%	174,301	2.9%
Performing exposures and matured exposures with forbearances	80,181	1.3%	74,099	1.2%
Non-performing exposures with forbearances	67,902	1.1%	57,593	1.0%
Forbearances total	148,083	2.4%	131,692	2.2%

Figures include interest due on items.

Geographic breakdown of collaterals

(1,000 euros)	30 Jun 2024		31 Dec 2023	
	Collateral value	Share (%)	Collateral value	Share (%)
Southwest Finland	1,989,635	26.1%	2,045,862	27.0%
South Ostrobothnia	1,085,689	14.2%	1,077,115	14.2%
Uusimaa	893,179	11.7%	908,332	12.0%
Pirkanmaa	774,350	10.1%	759,812	10.0%
Satakunta	525,420	6.9%	511,233	6.7%
South Karelia	493,311	6.5%	482,921	6.4%
Kymenlaakso	271,084	3.6%	269,012	3.5%
Kanta-Häme	268,967	3.5%	260,447	3.4%
Central Finland	237,593	3.1%	242,617	3.2%
South Savo	205,077	2.7%	201,811	2.7%
North Ostrobothnia	194,475	2.5%	183,107	2.4%
Päijät-Häme	180,412	2.4%	172,003	2.3%
North Karelia	167,954	2.2%	161,413	2.1%
Other regions	344,086	4.5%	306,137	4.0%
Total	7,631,231	100.0%	7,581,822	100.0%

Industry breakdown of loan portfolio (excluding private customers)

Industry	30 Jun 2024		31 Dec 2023	
	Credit balance	Collateral gap	Credit balance	Collateral gap
Real Estate	48.8%	11.5%	49.2%	7.4%
Agriculture, forestry, fishing industry	12.0%	6.8%	11.9%	7.6%
Trade	6.7%	40.0%	6.7%	37.2%
Finance and insurance	5.8%	37.3%	5.7%	35.5%
Construction	5.2%	18.7%	5.3%	16.7%
Industry	3.7%	26.0%	3.3%	20.1%
Professional, scientific and technical activities	3.7%	27.1%	3.9%	22.9%
Accommodation and food service activities	3.4%	20.6%	3.5%	19.5%
Transportation and storage	3.1%	12.7%	3.0%	9.1%
Art, entertainment and recreation	1.8%	26.9%	1.7%	13.7%
Other lines of business, total	5.7%	21.8%	5.8%	19.5%
Total	100%	17.0%	100%	13.8%

Large exposures (as set in part four in capital requirements regulation)

Groups (1,000 euros)	Exposure before adjustments	Adjustments	Exposure after adjustments	Share of capital (Tier 1)
Customer group 1	119,132	-42,524	76,609	13.8%
Customer group 2	95,218	-24,132	71,086	12.8%
Customer group 3	94,766	-24,141	70,625	12.7%
Customer group 4	86,002	-36,681	49,321	8.9%
Customer group 5	54,719	-9,097	45,622	8.2%
Sum	449,837	-136,575	313,262	
Total exposure of customer groups	214,581	-56,383	158,198	

The table shows the total amount of exposure of the five largest customer entities and their share of Tier 1 Equity. Different customer groups include the same individual customer relationships, i.e. the total exposure of different customer groups may include the same individual customer exposure. Total exposure of customer groups is presented on two different lines. The "Sum" line adds up the exposure of all customer entities. The "Total exposure of customer groups" line shows the total amount of exposure so that the individual customer's exposures are calculated only once. Adjustments include acceptable credit risk mitigation techniques and exemptions in accordance with part four.

Loans and receivables and off-balance sheet commitments by risk rating and credit risk concentrations

Risk rating 1: Low-risk items are considered to include the Company's internal credit rating of AAA level private, corporate, housing association and AAA-AA+ level agricultural customers.

Risk rating 2: Reasonable risk items include the Company's internal credit rating of AA-B+ level private customers, AA-A+ level corporate and housing associations and AA-A level agricultural customers.

Risk rating 3: Increased risk items include the Company's internal credit rating of B-C-level private customers and A-B-level corporate and housing associations, as well as B+-B-level agricultural customers.

Risk rating 4: The highest risk items are considered to be the Company's internal credit rating of D-level private customers, C-level corporate and housing associations, C-D-level agricultural customers and defaulted customers.

Other customers are based on the Company's internal assessment of the risk rating.

The 'No rating' item includes loans and debt securities for which the Company has not defined credit ratings or for which there are no external credit ratings available.

Private customers Loans and receivables and off-balance sheet commitments (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	1,577,287	12,339	-	1,589,626	1,491,431
Risk rating 2	1,794,658	161,449	-	1,956,107	2,040,053
Risk rating 3	6,288	118,162	-	124,451	132,059
Risk rating 4	2,176	36,846	77,408	116,429	84,935
No rating	2,717	62	-	2,779	2,671
Capital items by risk category, total	3,383,126	328,858	77,408	3,789,392	3,751,150
Loss allowance	974	7,370	11,737	20,082	19,495
Total	3,382,152	321,488	65,670	3,769,310	3,731,655

Corporates Loans and receivables and off-balance sheet commitments (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	476,900	13,085	-	489,985	479,239
Risk rating 2	566,646	64,031	-	630,677	614,543
Risk rating 3	46,426	140,537	-	186,963	196,319
Risk rating 4	101	15,510	82,489	98,100	60,964
No rating	306	32	-	338	405
Capital items by risk category, total	1,090,378	233,195	82,489	1,406,062	1,351,470
Loss allowance	4,425	23,960	15,350	43,735	11,964
Total	1,085,953	209,235	67,139	1,362,328	1,339,506

Housing associations Loans and receivables and off-balance sheet commitments (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	605,468	1,504	-	606,973	651,897
Risk rating 2	83,176	4,157	-	87,333	73,089
Risk rating 3	1,723	31,746	-	33,468	29,462
Risk rating 4	1	3,220	7,243	10,464	2,817
No rating	5	-	-	5	-
Capital items by risk category, total	690,374	40,627	7,243	738,244	757,264
Loss allowance	3,530	10,376	2,326	16,232	449
Total	686,844	30,251	4,917	722,012	756,815

Agriculture Loans and receivables and off-balance sheet commitments (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	114,671	1,275	-	115,946	109,179
Risk rating 2	135,614	9,950	-	145,564	159,145
Risk rating 3	12,071	13,213	-	25,284	22,332
Risk rating 4	756	12,453	10,746	23,955	17,331
No rating	7,005	5	-	7,010	6,454
Capital items by risk category, total	270,117	36,896	10,746	317,760	314,442
Loss allowance	157	578	3,197	3,932	3,146
Total	269,960	36,318	7,549	313,828	311,296

Others Loans and receivables and off-balance sheet commitments (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	64,305	15,265	-	79,570	96,123
Risk rating 2	53,152	30,417	-	83,569	76,829
Risk rating 3	-	2,259	-	2,259	932
Risk rating 4	-	228	97	326	42
No rating	8	-	-	8	-
Capital items by risk category, total	117,465	48,170	97	165,732	173,926
Loss allowance	57	6,581	8	6,646	674
Total	117,408	41,589	89	159,086	173,252

Debt securities (1,000 euros)	30 Jun 2024				31 Dec 2023
	Stage 1	Stage 2	Stage 3	Total	
Risk rating 1	483,787	-	-	483,787	476,133
Risk rating 2	1,424	-	-	1,424	1,366
Risk rating 3	-	-	-	-	252
Risk rating 4	-	-	147	147	-
No rating	4,425	7,425	-	11,850	68,425
Capital items by risk category, total	489,636	7,425	147	497,207	546,177
Loss allowance	277	32	88	398	478
Total	489,358	7,392	59	496,809	545,699

Loans and receivables and off-balance sheet commitments by industry (1,000 euros)	30 Jun 2024					30 Jun 2024	31 Dec 2023
	Risk rating 1	Risk rating 2	Risk rating 3	Risk rating 4	No rating		
Enterprises	1,105,564	762,613	219,920	108,785	6,479	2,203,36	2,171,713
Real estate	745,160	369,628	89,016	42,262	14	1,246,07	1,250,967
Agriculture	1,340	52,808	1,287	1,106	6,175	62,716	61,607
Construction	52,259	50,913	13,545	11,013	45	127,775	125,645
Accommodation and food service	20,177	33,603	17,715	11,917	7	83,420	84,755
Wholesale and retail	80,207	73,823	26,843	10,438	21	191,332	182,695
Finance and insurance	23,207	19,291	10,811	942	-	54,252	44,500
Others	183,214	162,546	60,704	31,106	217	437,788	421,542
Public entities	1,234	15,281	-	-	-	16,515	16,486
Non-profit communities	15,850	18,432	-	64	7	34,352	34,832
Financial and insurance institutions	49,048	49,697	2,259	262	1	101,267	103,977
Households	1,710,405	2,057,228	150,246	140,163	3,653	4,061,69	4,021,245
Total	2,882,101	2,903,250	372,425	249,274	10,140	6,417,19	6,348,252

3. Operational risk

Operational risk includes, for example, risks included in manual processes and internal controls. Deficiencies in internal controls and the possibility of misconduct due to manual processes have enabled lending contrary to the bank's internal guidelines and the incorrect formation and reporting of customer entities. The bank has carried out an extensive study during the second quarter, as a result of which several areas for development have been identified in order to prevent similar risks in the future. These development targets are included in the Company's ongoing extensive development program.

Oma Savings Bank Plc's another essential source of operational risk is cyber risks. The operational environment has changed in recent years and the risk level of information security has significantly increased from before. The IT-risk is protected with many different methods and protection against cyberattacks applies not only to the IT environment but also to the entire personnel. Cyber threats and other risks, such as electrical and telecommunications disruptions have been surveyed in cooperation with service providers to ensure that the Company is well prepared in the event of a possible disruption. The Company has updated its own preparedness measures and operating guidelines by assessing various threat scenarios and their probabilities and impacts. The TIBER-FI framework-based information security testing carried out in the first quarter found that the protections were at a good level.

Note 3 Classification of financial assets and liabilities

Assets (1,000 euros)						
30 Jun 2024	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	437,674	-	-	-	437,674	437,674
Loans and receivables to credit institutions	165,066	-	-	-	165,066	165,066
Loans and receivables to customers	5,987,207	-	-	-	5,987,207	5,987,207
Derivatives, hedge accounting	-	-	-	29,740	29,740	29,740
Debt instruments	-	496,809	1,200	-	498,009	498,009
Equity instruments	-	-	13,749	-	13,749	13,749
Financial assets, total	6,589,948	496,809	14,949	29,740	7,131,446	7,131,446
Investments in associated companies					24,390	24,390
Investment properties					1,152	1,152
Other assets					127,422	127,422
Assets, total	6,589,948	496,809	14,949	29,740	7,284,410	7,284,410

Liabilities (1,000 euros)				
30 Jun 2024	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	172,662	-	172,662	172,662
Liabilities to customers	3,598,037	-	3,598,037	3,598,037
Derivatives, hedge accounting	-	8,465	8,465	8,465
Debt securities issued to the public	2,757,983	-	2,757,983	2,757,983
Subordinated liabilities	60,000	-	60,000	60,000
Financial liabilities, total	6,588,682	8,465	6,597,147	6,597,147
Non-financial liabilities			154,003	154,003
Liabilities, total	6,588,682	8,465	6,751,151	6,751,151

Assets (1,000 euros)						
31 Dec 2023	Amortised cost	Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
Cash and cash equivalents	682,117	-	-	-	682,117	682,117
Loans and receivables to credit institutions	192,305	-	-	-	192,305	192,305
Loans and receivables to customers	5,997,074	-	-	-	5,997,074	5,997,074
Derivatives, hedge accounting	-	-	-	44,924	44,924	44,924
Debt instruments	-	545,699	1,030	-	546,729	546,729
Equity instruments	-	-	13,519	-	13,519	13,519
Financial assets, total	6,871,497	545,699	14,549	44,924	7,476,669	7,476,669
Investments in associated companies					24,131	24,131
Investment properties					1,167	1,167
Other assets					140,939	140,939
Assets, total	6,871,497	545,699	14,549	44,924	7,642,906	7,642,906

Liabilities (1,000 euros)				
31 Dec 2023	Other liabilities	Hedging derivatives	Carrying value, total	Fair value
Liabilities to credit institutions	165,255	-	165,255	165,255
Liabilities to customers	3,778,310	-	3,778,310	3,778,310
Derivatives, hedge accounting	-	9,455	9,455	9,455
Debt securities issued to the public	2,930,058	-	2,930,058	2,930,058
Subordinated liabilities	60,000	-	60,000	60,000
Financial liabilities, total	6,933,623	9,455	6,943,078	6,943,078
Non-financial liabilities			158,776	158,776
Liabilities, total	6,933,623	9,455	7,101,854	7,101,854

Assets (1,000 euros)		Fair value through other comprehensive income	Fair value through profit or loss	Hedging derivatives	Carrying value, total	Fair value
30 Jun 2023	Amortised cost					
Cash and cash equivalents	243,847	-	-	-	243,847	243,847
Loans and receivables to credit institutions	104,065	-	-	-	104,065	104,065
Loans and receivables to customers	5,959,115	-	-	-	5,959,115	5,959,115
Derivatives, hedge accounting	-	-	-	4,966	4,966	4,966
Debt instruments	-	542,405	890	-	543,295	543,295
Equity instruments	-	-	13,700	-	13,700	13,700
Financial assets, total	6,307,027	542,405	14,590	4,966	6,868,988	6,868,988
Investments in associated companies					25,516	25,516
Investment properties					2,163	2,163
Other assets					118,064	118,064
Assets, total	6,307,027	542,405	14,590	4,966	7,014,730	7,014,730

Liabilities (1,000 euros)		Hedging derivatives	Carrying value, total	Fair value
30 Jun 2023	Other liabilities			
Liabilities to credit institutions	103,581	-	103,581	103,581
Liabilities to customers	3,835,280	-	3,835,280	3,835,280
Derivatives, hedge accounting	-	12,697	12,697	12,697
Debt securities issued to the public	2,389,873	-	2,389,873	2,389,873
Subordinated liabilities	60,000	-	60,000	60,000
Financial liabilities, total	6,388,735	12,697	6,401,432	6,401,432
Non-financial liabilities			143,069	143,069
Liabilities, total	6,388,735	12,697	6,544,501	6,544,501

Note 4 Loans and receivables

(1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Loans and receivables to credit institutions			
Deposits	163,576	191,805	97,735
Other	1,490	500	6,330
Loans and receivables to credit institutions, total	165,066	192,305	104,065
Loans and receivables to the public and public sector entities			
Loans	5,857,387	5,871,747	5,834,570
Utilised overdraft facilities	68,373	65,637	69,443
Loans intermediated through the State's assets	16	20	21
Credit cards	60,499	58,929	54,519
Bank guarantee receivables	932	741	564
Loans and receivables to the public and public sector entities, total	5,987,207	5,997,074	5,959,115
Loans and receivables, total	6,152,273	6,189,379	6,063,180

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12
Impairment losses on financial assets.

Note 5 Financial derivatives

Assets (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Fair value hedge			
Interest rate derivatives	29,740	44,924	4,965
Other hedging derivatives			
Share and share index derivatives	-	-	1
Derivative assets, total	29,740	44,924	4,966

Liabilities (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Fair value hedge			
Interest rate derivatives	8,465	9,455	12,697
Derivative liabilities, total	8,465	9,455	12,697

Fair value of hedge items on hedge accounting (1,000 euros)

	30 Jun 2024		31 Dec 2023		30 Jun 2023	
	Book value on hedge item	of which the change in the fair value of the hedged item	Book value on hedge item	of which the change in the fair value of the hedged item	Book value on hedge item	of which the change in the fair value of the hedged item
Fair value portfolio hedge						
Loans and receivables to credit institutions	222,042	4,042	227,523	9,523	219,952	1,952
Assets, total	222,042	4,042	227,523	9,523	219,952	1,952
Liabilities to the public and public sector entities	1,763,188	13,188	1,345,014	45,014	899,208	-5,792
Liabilities, total	1,763,188	13,188	1,345,014	45,014	899,208	-5,792

Nominal values of underlying items and fair values of derivatives (1,000 euros)

30 Jun 2024	Remaining maturity				Fair values	
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	-	1,141,000	827,000	1,968,000	29,740	8,465
Interest rate swaps	-	1,141,000	827,000	1,968,000	29,740	8,465
Other hedging derivatives	-	-	-	-	-	-
Share and share index derivatives	-	-	-	-	-	-
Derivatives, total	-	1,141,000	827,000	1,968,000	29,740	8,465

Nominal values of underlying items and fair values of derivatives (1,000 euros)

31 Dec 2023	Remaining maturity				Fair values	
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	-	891,000	627,000	1,518,000	44,924	9,455
Interest rate swaps	-	891,000	627,000	1,518,000	44,924	9,455
Other hedging derivatives	12,553	-	-	12,553	-	-
Share and share index derivatives	12,553	-	-	12,553	-	-
Derivatives, total	12,553	891,000	627,000	1,530,553	44,924	9,455

Nominal values of underlying items and fair values of derivatives (1,000 euros)

30 Jun 2023	Remaining maturity				Fair values	
	Less than 1 year	1-5 years	Over 5 years	Total	Assets	Liabilities
Fair value hedge	5,000	791,000	327,000	1,123,000	4,965	12,697
Interest rate swaps	5,000	791,000	327,000	1,123,000	4,965	12,697
Other hedging derivatives	27,490	-	-	27,490	1	-
Share and share index derivatives	27,490	-	-	27,490	2	-
Derivatives, total	32,490	791,000	327,000	1,150,490	4,966	12,697

Note 6 Investment assets

Investment assets (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Measured at fair value through profit or loss			
Debt securities	1,200	1,030	890
Shares and other equity instruments	13,749	13,519	13,700
Assets measured at fair value through profit or loss, total	14,949	14,549	14,590
Measured at fair value through other comprehensive income			
Debt securities	496,809	545,699	542,405
Shares and other equity instruments	-	-	-
Measured at fair value through other comprehensive income, total	496,809	545,699	542,405
Investment properties	1,152	1,167	2,163
Investment assets, total	512,910	561,414	559,158

Reconciliations from the opening and the closing balances of the expected credit losses are presented in Note 12 Impairment losses on financial assets.

Changes in investment properties (1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Cost January 1	4,058	4,199	4,199
+ Increases	-	22	22
+/- Transfers	-	-163	898
Cost at the end of the period	4,058	4,058	5,119
Accumulated depreciation and impairment losses January 1	-2,892	-2,871	-2,871
+/- Accumulated depreciation of decreases and transfers	-	40	-53
- Depreciation	-14	-59	-31
+/- Other changes	-	-1	-1
Accumulated depreciation and impairment at the end of the period	-2,906	-2,892	-2,956
Opening balance January 1	1,167	1,328	1,328
Closing balance	1,152	1,167	2,163

30 Jun 2024	Equity instruments				Debt-based				All total
	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)									
Quoted									
Public sector entities	-	-	-	-	176,710	-	-	176,710	176,710
From others	-	4,438	-	4,438	320,100	25	-	320,125	324,563
Non-quoted									
From others	-	9,311	-	9,311	-	1,175	-	1,175	10,485
Total	-	13,749	-	13,749	496,809	1,200	-	498,009	511,758
31 Dec 2023	Equity instruments				Debt-based				All total
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Quoted									
Public sector entities	-	-	-	-	161,872	-	-	161,872	161,872
From others	-	4,214	-	4,214	383,827	115	-	383,942	388,156
Non-quoted									
From others	-	9,305	-	9,305	-	915	-	915	10,220
Total	-	13,519	-	13,519	545,699	1,030	-	546,729	560,248
30 Jun 2023	Equity instruments				Debt-based				All total
Measured at fair value through profit or loss and measured at fair value through other comprehensive income (1,000 euros)	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	Fair value through other comprehensive income	Fair value through profit or loss	At amortised cost	Total	
Quoted									
Public sector entities	-	-	-	-	154,670	-	-	154,670	154,670
From others	-	4,224	-	4,224	387,534	113	-	387,647	391,870
Non-quoted									
From others	-	9,477	-	9,477	201	777	-	978	10,455
Total	-	13,700	-	13,700	542,405	890	-	543,295	556,996

Note 7 Liabilities to the public and public sector entities and liabilities to credit institutions

(1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Liabilities to credit institutions			
Liabilities to Central Banks	60,000	30,000	-
Repayable on demand	9,617	4,420	8,580
Other than repayable on demand	103,045	130,835	95,002
Liabilities to credit institutions, total	172,662	165,255	103,581
Liabilities to the public and public sector entities			
Deposits	3,584,835	3,733,280	3,841,054
Repayable on demand	3,041,592	3,160,301	3,257,361
Other	543,243	572,979	583,693
Other financial liabilities	14	16	19
Other than repayable on demand	14	16	19
Changes in fair value in terms of borrowing	13,188	45,014	-5,792
Liabilities to the public and public sector entities, total	3,598,037	3,778,310	3,835,280
Liabilities to the public and public sector entities and liabilities to credit institutions, total	3,770,699	3,943,565	3,938,861

The Liabilities to Central Banks item concern the secured LTRO loan.

Note 8 Debt securities issued to the public

(1,000 euros)	30 Jun 2024	31 Dec 2023	30 Jun 2023
Bonds	2,656,685	2,758,725	2,255,996
Certificates of deposit	101,298	171,333	133,877
Debt securities issued to the public, total	2,757,983	2,930,058	2,389,873

(1,000 euros)	Nominal value				Closing balance		
	30 Jun 2024	Interest	Year of issue	Due date	30 Jun 2024	31 Dec 2023	30 Jun 2023
Bond							
OmaSp Plc 3.4.2024, covered bond	300,000	0.125%/fixed	2019	3.4.2024	-	299,914	299,745
OmaSp Plc 17.1.2024	55,000	margin 1%/variable	2020	17.1.2024	-	55,000	54,999
OmaSp Plc 25.11.2027, covered bond	650,000	0.01%/fixed	2020-2023	25.11.2027	625,452	622,126	618,820
OmaSp Plc 19.5.2025	200,000	margin 0.2%/variable	2021	19.05.2025	199,861	199,782	199,703
OmaSp Plc 18.12.2026, covered bond	600,000	1.5%/fixed	2022	18.12.2026	589,591	587,613	585,596
OmaSp Plc 26.9.2024	150,000	5%/fixed	2022	26.09.2024	149,912	149,802	149,696
OmaSp Plc 15.6.2028, covered bond	600 000	3.125%/fixed	2023-2024	15.6.2028	594,784	347,641	347,437
OmaSp Plc 15.1.2029, covered bond	500,000	3.5%/fixed	2023	15.01.2029	497,085	496,848	-
					2,656,685	2,758,725	2,255,996

(1,000 euros)	Maturity of deposit certificates				Closing balance, total
	Less than 3 months	3-6 months	6-9 months	9-12 months	
30 Jun 2024	76,796	14,807	-	9,694	101,298
31 Dec 2023	99,464	62,221	-	9,648	171,333
30 Jun 2023	76,786	27,672	29,418	-	133,877

Note 9 Net interest income

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Interest income					
Loans to credit institutions	8,585	5,636	11,627	2,872	3,254
Loans and receivables to the public and public sector entities	164,625	110,968	266,459	82,430	64,802
Debt securities	2,483	2,428	5,102	854	1,317
Derivatives contracts*	-	14,129	37,613	-	8,498
Net interest paid or received on derivatives in accounting hedges of assets*	1,046	-	-	459	
Other interest income	1,159	714	1,705	579	410
Interest income, total	177,898	133,874	322,506	87,194	78,281
Interest expenses					
Liabilities to credit institutions	-3,291	-2,276	-5,099	-1,705	-1,084
Liabilities to the public and public sector entities	-18,687	-8,357	-22,216	-9,700	-5,366
Debt securities issued to the public	-37,208	-23,150	-54,488	-18,619	-13,400
Derivative contracts*	-	-13,365	-40,775	-	-8,393
Net interest paid or received on derivatives in hedges of liabilities*	-7,259	-	-	-3,960	
Subordinated liabilities	-1,018	-796	-1,754	-474	-474
Other interest expenses	-625	-470	-1,130	-295	-329
Interest expenses, total	-68,088	-48,415	-125,461	-34,752	-29,046
Net interest income	109,810	85,459	197,045	52,442	49,236

*During the reporting period, the Company has changed the management of the interest rates of derivatives that hedge the interest rate risk to a netting basis, which has an impact on interest income of EUR -26.0 million and on interest expenses of EUR +26.0 million. Net interest income from hedging the interest rate risk was EUR -6.2 million.

Note 10 Fee and commission income and expenses

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Fee and commission income					
Lending	5,284	4,608	10,156	2,676	2,670
Deposits	73	49	107	46	28
Card and payment transactions	17,949	16,166	33,713	8,958	8,665
Funds	3,724	3,053	6,517	1,907	1,740
Legal services	267	181	483	150	107
Brokered products	1,319	1,179	2,469	656	664
Granting of guarantees	1,119	1,053	2,094	538	534
Other fee and commission income	532	473	1,082	269	232
Fee and commission income, total	30,268	26,763	56,621	15,199	14,640
Fee and commission expenses					
Card and payment transactions	-3,629	-2,933	-6,653	-1,867	-1,661
Securities	-617	-274	-1,442	-362	-148
Other fee and commission expenses	-557	-547	-1,105	-272	-276
Fee and commission expenses, total	-4,803	-3,755	-9,200	-2,500	-2,085
Fee and commission income and expenses, net	25,465	23,007	47,421	12,699	12,555

Note 11 Net income on financial assets and financial liabilities

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
Net income on financial assets measured at fair value through profit or loss					
Debt securities					
Valuation gains and losses	53	31	25	28	-12
Debt securities, total	53	31	25	28	-12
Shares and other equity instruments					
Dividend income	269	179	217	142	97
Valuation gains and losses	-28	462	-2,782	-347	499
Shares and other equity instruments, total	241	640	-2,564	-205	596
Net income on financial assets measured at fair value through profit or loss, total	293	671	-2,540	-178	584
Net income on financial assets measured at fair value through other comprehensive income					
Debt securities					
Capital gains and losses	91	579	610	-	17
Difference in valuation reclassified from the fair value reserve to the income statement	-312	-359	-422	-	10
Debt securities, total	-222	220	188	-	27
Net income on financial assets measured at fair value through other comprehensive income, total	-222	220	188	-	27
Net income from investment properties (1,000 euros)					
Rent and dividend income	96	160	235	47	105
Other gains from investment properties	7	8	11	5	6
Maintenance expenses	-53	-46	-90	-25	-30
Depreciation and impairment on investment properties	-14	-31	-59	-7	-21
Rent expenses on investment properties	-	-	-10	-	-
Net income from investment properties, total	35	90	87	20	59
Net income on trading in foreign currencies	76	-43	-83	23	-
Net income from hedge accounting	-202	435	779	103	-266
Net income from trading	255	71	-306	442	21
Net income on financial assets and financial liabilities, total	236	1,443	-1,875	411	424

Note 12 Impairment losses on financial assets

(1,000 euros)	1-6/2024	1-6/2023	1-12/2023	2024 Q2	2023 Q2
ECL on receivables from customers and off-balance sheet items	-54,899	-3,845	1,926	-32,888	-2,880
ECL from debt instruments	80	-110	-40	-62	-3
Expected credit losses, total	-54,818	-3,955	1,885	-32,950	-2,883
Final credit losses					
Final credit losses	-7,884	-1,242	-20,760	-6,535	-643
Refunds on realised credit losses	167	888	1,748	61	811
Recognised credit losses, net	-7,717	-354	-19,012	-6,474	168
Impairment on financial assets, total	-62,535	-4,309	-17,126	-39,423	-2,714

Reconciliations from the opening and closing balances of the expected credit losses have been formed from 1 January 2024 and 30 June 2024 on the basis of changes in euro denominated loan exposures and expected credit losses.

Expected credit losses, loans and receivables

Receivables from credit institutions and public and public entities (1,000 euros)	Stage 1	Stage 2	Stage 3	1-6/2024	1-6/2023	1-12/2023
				Total	Total	Total
Expected credit losses 1 January	1,655	14,180	19,624	35,458	24,833	24,833
Transfer to stage 1	130	-820	-81	-770	-774	-583
Transfer to stage 2	-224	2,669	-790	1,656	971	321
Transfer to stage 3	-22	-904	8,025	7,100	2,035	5,473
New debt securities	147	374	445	967	5,585	7,496
Instalments and matured debt securities	-99	-381	5,083	4,603	-1,434	7,990
Realised credit losses	-	-	-7,884	-7,884	-1,242	-20,760
Recoveries on previous realised credit losses	-	-	167	167	888	1,748
Changes in credit risk	36	258	2,701	2,995	101	1,878
Changes in the ECL model parameters	-	-	-	-	-	-100
Changes based on management estimates	6,272	34,457	5,402	46,131	10,160	7,161
Expected credit losses period end	7,894	49,834	32,694	90,423	41,123	35,458

In the first quarter, an additional allowance of EUR 19.5 million based on the management's judgement was recognised due to a change in credit position for certain customer entities. During the second quarter, the additional allowance was recorded as planned for customer entities. In the second quarter, an additional allowance based on management's judgement of EUR 30 million was recorded for the relevant customer entities. In addition, the Company recorded an additional allowance of EUR 2.5 million to an individual customer related to the above-mentioned customer entities during the second quarter. The Company released a previously made additional allowance of EUR 1.0 million. In addition, the Company allocated a fair value adjustment of EUR 1.2 million recognised in connection with the business transaction.

Off-balance sheet commitments (1,000 euros)	Stage 1	Stage 2	Stage 3	1-6/2024	1-6/2023	1-12/2023
				Total	Total	Total
Expected credit losses 1 January	78	192	-	269	297	297
Transfer to stage 1	8	-66	-	-58	-98	156
Transfer to stage 2	-3	35	-	32	33	79
Transfer to stage 3	-1	-5	-	-6	-4	-9
New debt securities	35	25	-	60	195	140
Instalments and matured debt securities	-22	-83	-	-105	-79	65
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-1	13	-	12	-21	214
Changes in the ECL model parameters	-	-	-	-	-	-726
Changes based on management estimates	-	-	-	-	53	53
Expected credit losses period end	94	110	-	204	376	269

Expected credit losses, investment assets

Debt securities (1,000 euros)	Stage 1	Stage 2	Stage 3	1-6/2024	1-6/2023	1-12/2023
				Total	Total	Total
Expected credit losses 1 January	430	48	-	478	438	438
Transfer to stage 1	-	-2	-	-1	-	-
Transfer to stage 2	-	-	-	-	-	23
Transfer to stage 3	-22	-	88	66	-	-
New debt securities	21	-	-	21	634	613
Instalments and matured debt securities	-75	-	-	-75	-610	-629
Realised credit losses	-	-	-	-	-	-
Recoveries on previous realised credit losses	-	-	-	-	-	-
Changes in credit risk	-78	-14	-	-92	86	34
Changes in the ECL model parameters	-	-	-	-	-	-
Changes based on management estimates	-	-	-	-	-	-
Expected credit losses period end	277	32	88	398	547	478

Note 13 Fair values in accordance with the valuation method

The determination of the fair value of financial instruments is set out in Note G1 Accounting principles under “Determining the fair value” of the Financial Statements for the year 2023.

Equity securities recorded to stage 3 include shares in unlisted companies.

Financial assets and liabilities measured at fair value

	30 Jun 2024			Total
	Level 1	Level 2	Level 3	
Financial assets (1,000 euros)				
At fair value through profit or loss				
Equity securities	4,438	2,534	6,776	13,749
Debt securities	738	-	462	1,200
Derivatives	-	29,740	-	29,740
At fair value through other comprehensive income				
Debt securities	495,902	-	908	496,809
Financial assets, total	501,078	32,275	8,146	541,498

	30 Jun 2024			Total
	Level 1	Level 2	Level 3	
Financial liabilities (1,000 euros)				
Derivatives	-	8,465	-	8,465
Financial liabilities, total	-	8,465	-	8,465

	30 Jun 2024			Total
	Level 1	Level 2	Level 3	
Other liabilities (1,000 euros)				
At fair value through profit or loss				
Payment liability, consortium of Savings Banks	-	-	16,917	16,917
Total	-	-	16,917	16,917

	31 Dec 2023				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial assets (1,000 euros)								
Measured at fair value through profit or loss								
Equity securities	4,214	2,439	6,866	13,519	4,224	2,263	7,214	13,700
Debt securities	685	-	345	1,030	693	-	197	890
Derivatives	-	44,924	-	44,924	-	4,966	-	4,966
Measured at fair value through other comprehensive income								
Debt securities	545,465	-	234	545,699	542,405	-	-	542,405
Financial assets, total	550,364	47,363	7,445	605,172	547,322	7,229	7,411	561,962

	31 Dec 2023				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Financial liabilities (1,000 euros)								
Derivatives	-	9,455	-	9,455	-	12,697	-	12,697
Financial liabilities, total	-	9,455	-	9,455	-	12,697	-	12,697

	31 Dec 2023				30 Jun 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Other liabilities (1,000 euros)								
At fair value through profit or loss								
Payment liability, consortium of Savings Banks	-	-	19,550	19,550	-	-	19,550	19,550
Total	-	-	19,550	19,550	-	-	19,550	19,550

Investment transactions, categorised to Level 3

Financial assets at fair value through profit or loss (1,000 euros)	30 Jun 2024			31 Dec 2023			30 Jun 2023		
	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
Opening balance	6,866	345	7,211	6,211	199	6,410	6,211	199	6,410
+ Acquisitions	179	292	471	743	146	888	1,000	-	1,000
- Sales	-	-90	-90	-	-	-	-	-	-
- Matured during the year	-	-84	-84	-	-	-	-	-	-
Realised changes in value +/- recognised on the income statement	-	-	-	-	-	-	-	-	-
Unrealised changes in value +/- recognised on the income statement	-269	-	-269	-88	-	-88	3	-2	1
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	6,776	462	7,239	6,866	345	7,211	7,214	197	7,411

At fair value through other comprehensive income (1,000 euros)	30 Jun 2024			31 Dec 2023			30 Jun 2023		
	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
Opening balance	-	234	234	-	-	-	-	-	-
+ Acquisitions	-	-	-	-	-	-	-	-	-
- Sales	-	-	-	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-	-	-	-
Realised changes in value +/- recognised on the income statement	-	-	-	-	-	-	-	-	-
Unrealised changes in value +/- recognised on the income statement	-	-	-	-	-	-	-	-	-
Changes in value recognised +/- in other comprehensive income	-	-229	-229	-	-69	-69	-	-	-
+ Transfers to Level 3	-	903	903	-	303	303	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	-	908	908	-	234	234	-	-	-

Transactions in other liabilities, categorised to Level 3

Other liabilities at fair value through profit or loss (1,000 euros)	30 Jun 2024			31 Dec 2023			30 Jun 2023		
	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total	Equity securities	Debt securities	Total
Opening balance	-	19,550	19,550	-	5,200	5,200	-	5,200	5,200
+ Acquisitions	-	-	-	-	15,000	15,000	-	15,000	15,000
- Sales	-	-	-	-	-	-	-	-	-
- Matured during the year	-	-	-	-	-	-	-	-	-
Realised changes in value +/- recognised on the income statement	-	-	-	-	-	-	-	-	-
Unrealised changes in value +/- recognised on the income statement	-	-2,633	-2,633	-	-650	-650	-	-650	-650
+ Transfers to Level 3	-	-	-	-	-	-	-	-	-
- Transfers to Level 1 and 2	-	-	-	-	-	-	-	-	-
Closing balance	-	16,917	16,917	-	19,550	19,550	-	19,550	19,550

Sensitivity analysis for financial assets on Level 3

(1,000 euros)	30 Jun 2024					31 Dec 2023			30 Jun 2023		
	Potential impact on equity					Potential impact on equity			Potential impact on equity		
	Hypo- theoretical change	Market value	Positive	Negative		Market value	Positive	Negative	Market value	Positive	Negative
Equity securities											
At fair value through profit or loss	+/- 15%	6,776	1,016	-1,016		6,866	1,030	-1,030	7,214	1,082	-1,082
At fair value through other comprehensive income	+/- 15%	-	-	-		-	-	-	-	-	-
Total		6,776	1,016	-1,016		6,866	1,030	-1,030	7,214	1,082	-1,082

(1,000 euros)	30 Jun 2024					31 Dec 2023			30 Jun 2023		
	Potential impact on equity					Potential impact on equity			Potential impact on equity		
	Hypo- theoretical change	Market value	Positive	Negative		Market value	Positive	Negative	Market value	Positive	Negative
Debt securities											
At fair value through profit or loss	+/- 15%	462	69	-69		345	52	-52	197	30	-30
At fair value through other comprehensive income	+/- 15%	908	136	-136		234	35	-35	-	-	-
Total		1,370	205	-205		579	87	-87	197	30	-30

Note 14 Share-based incentive schemes

As of 30 June 2024, the Company has the following existing share-based incentive schemes:

Programs for the Group's management and key persons:

Program 2020–2021

On 17 February 2020, Oma Savings Bank's Board of Directors decided to set up a share-based incentive scheme for the Group's management. The remuneration is based on comparable cost-income ratio, an increase in operating income (in comparable figures) and customer and employee satisfaction. The program includes the earning period 2020–2021 and subsequent commitment periods, during which the shares will be disposed approximately in four installments within three years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a total of up to 420,000 Oma Savings Bank Plc shares. The target group of the scheme includes a maximum of 10 persons.

Program 2022–2023

On 24 February 2022, Oma Savings Bank's Board of Directors decided to set up a share-based incentive scheme for key persons of the Group. The remuneration is based on comparable cost-income ratio, the quality of the credit portfolio, and customer and employee satisfaction. The program includes a two-year long earning period, 2022–2023 and subsequent commitment periods, during which the shares will be disposed in approximately six instalments within five years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a maximum value of 400,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The target group of the scheme includes a maximum of 30 key persons, including the Company's CEO and members of the Group's Management Team.

Program 2024–2025

On 29 February 2024, Oma Savings Bank's Board of Directors decided to set up a new share-based incentive scheme for key persons of the Group. The remuneration is based on comparable cost-income ratio, quality of the credit portfolio, customer and personnel satisfaction. The program includes a two-year long earning period, 2024–2025 and subsequent commitment periods, during which the shares will be disposed in approximately six instalments within four years. The reward is paid partly in shares of the Company and partly in cash. The cash portion is used to cover taxes and tax charges incurred by the reward to the person. If a person's employment or employment relationship ends before the payment of the commission, the remuneration, as a rule, is not paid. The fees payable under the scheme correspond to a maximum value of 405,000 shares of Oma Savings Bank Plc, including the amount to be paid in cash. The target group of the scheme includes a maximum of 45 key persons, including the Company's CEO and members of the Group's Management Team.

Share-based incentive scheme	1-6/2024	1-6/2024	1-6/2024	1-12/2023
	Program 2024-2025	Program 2022-2023	Program 2020-2021	Program 2020-2021
Maximum estimated number of gross shares at the start of the scheme	405,000	400,000	420,000	420,000
Date of issue	1.1.2024	1.1.2022	1.1.2020	1.1.2020
Share price at issue, weighted average fair value	20.34	16.90	8.79	8.79
Earning period begins	1.1.2024	1.1.2022	1.1.2020	1.1.2020
Earning period ends	31.12.2025	31.12.2023	31.12.2021	31.12.2021
Persons at the close of the financial year	41	28	8	11
Events for the financial year (pcs)	1-6/2024	1-6/2024	1-6/2024	1-12/2023
	Program 2024-2025	Program 2022-2023	Program 2020-2021	Program 2020-2021
01/01/2024				
Those who were out at the beginning of the period		-	114,794	172,190
Changes during the period				
Granted during the period		218,293	-	-
Lost during the period		-13,086	-24,086	-
Implemented during the period		-82,093	-45,356	-57,396
Expired during the period		-	-	-
Out at the end of the period		123,114	45,352	114,794

Share savings plan OmaOsake for employees

On 29 February, Oma Savings Bank’s Board of Directors established an employee share savings plan (“OmaOsake”) for all employees. By encouraging employees to acquire and own shares in the Company, the Company seeks to align the objectives of shareholders and employees in order to increase the value of the Company in the long term. The aim is also to support employee motivation and commitment as well as the Company’s corporate culture. The OmaOsake consists of annually commencing plan periods, each with a 12-month savings period followed by a holding period of approximately two years. Participants have the opportunity to receive one free matching share (gross) per two savings shares or one savings share, depending on the achievement of the performance criteria. If the performance criteria are not fulfilled, the participants will receive one matching share per three savings shares. As a rule, the receipt of the matching shares is subject to continued employment and holding of savings shares for the holding period ending 31 March 2027. The performance criteria for earning matching shares are based on comparable return on equity and comparable cost/income ratio. The potential reward will be paid partly in shares and cash after the end of the holding period. The cash pro-portion is intended to cover taxes and statutory social security contributions arising from the reward. The matching shares are freely transferable after they have been recorded on the participant’s book-entry account. During the 2024–2027 plan period, the OmaOsake will be offered to approximately 440 employees including members of the Management Team and the CEO. Approximately 60% of the staff participated in the share savings plan.

Share savings plan

	1-6/2024
	OmaOsake
	2024-2025
Maximum estimated number of gross shares at the start of the	56,500
Initial allocation date	1 April 2024
Release date	31 March 2025
Eligibility conditions	Shareholder ownership, employment relationship
Maximum validity time, in years	3
Maturity time left, in years	2.75
Persons at the end of the financial year	264
Method of payment	Cash and shares

Note 15 Changes in Group structure

The 2024 accounting period

During the reporting period, Oma Savings Bank Plc capitalised its associated company GT Invest Oy by mutual decision of the shareholders. Oma Savings Bank's share of the capitalisation was EUR 0.5 million.

The 2023 accounting period

In February, Oma Savings Bank Plc increased its shareholding in housing Company Seinäjoen Oma Savings Bank house by acquiring more space for its businesses. The Company's shareholding in the Company is after the arrangement 30.5%.

In September, Oma Savings Bank Plc increased its shareholding in City Kauppapaikat Oy through a directed share issue. The Company's shareholding in the Company after the arrangement is 43.3%. The value of the investment in the consolidated balance sheet is EUR 15.5 million.

During the reporting period, Oma Savings Bank Plc estimates the value of the investments of SAV Rahoitus Oy and City Kauppapaikat Oy compiled by the equity method, as well as the receivables from the companies, which have been factually processed as part of a net investment in the associated company.

During the reporting period, Oma Savings Bank Plc capitalised its associated company GT Invest Oy by mutual decision of the shareholders. Oma Savings Bank's share of the capitalisation was EUR 1.2 million.

Investments in significant associates and joint ventures

Value of the investment (1,000 euros)	30 Jun 2024	31 Dec 2023
Figure Taloushallinto Oy	178	178
GT Invest	7,239	6,742
Deleway Projects Oy	2,049	2,029
City Kauppapaikat Oy	17,809	17,809
SAV-Rahoitus Oyj	-	-
Total balance sheet value	27,275	26,759

Shares in entities to be consolidated using the equity method:

(1 000 euros)	30 Jun 2024	31 Dec 2023
Opening balance 1 January	24,131	25,351
Increases	516	3,270
Share of profit from associated companies	-257	-1,131
Received dividends	-	-
Impairment losses	-	-3,359
Closing balance	24,390	24,131

Note 16 Significant events after the period

At the end of the second quarter, the Company commissioned two external, independent expert organisations to carry out a study related to ensuring the quality of the entire loan portfolio. The results of the study were completed on 24 July 2024 and the conclusions are presented in the section "The Company's ongoing action plan".

On 24 July 2024, the Company gave a negative profit warning and updated its guidance due to a recognition of a significant additional allowance based on the management's judgement for the second quarter.

Other events following the end of the reporting period that would require the presentation of additional information or that would materially affect the Company's financial position are unknown.

Note 17 Alternative Performance Measures (APM) and calculation of the key figures

Oma Savings Bank Plc's financial reporting presents Alternative Performance Measures (APM) that describe the Company's historical financial result, financial position or cash flows. The APMs are drawn up in line with the guidelines set by the European Securities and Markets Authority (ESMA). APMs are not key figures defined or specified in IFRS standards, capital adequacy regulation (CRD/CRR) or Solvency II (SII) regulations. The Company presents APMs as supplementary information to the key figures that are presented in the Group's IFRS-compliant income statement, Group balance sheets and cash flow statements.

In the Company's view, alternative key figures provide meaningful and useful information to investors, securities market analysts and others concerning Oma Savings Bank Plc's performance, financial position and cash flows.

Oma Savings Bank Plc uses the following Alternative Performance Measures:

- Comparable profit before taxes
- Cost/income ratio, %
- Total return on assets, ROA %
- Return on equity, ROE %
- Equity ratio, %
- Comparable cost/income ratio, %
- Comparable return on equity, ROE %
- Comparable earnings per share (EPS), EUR

Calculation of key figures

Operating income, total

Net interest income, net fee and commission income and expenses, net income on financial assets and liabilities, other operating income

Total operating expenses

Personnel expenses, other operating expenses, depreciation, amortisation and impairment losses on tangible and intangible assets

Liquidity coverage ratio (LCR), %

Minimum liquidity buffer relative to net cash and collateral outflows in a 30-day stress scenario

Net stable funding ratio (NSFR)%

$\frac{\text{Available amount of stable funding}}{\text{Required amount of stable funding}} \times 100$

Cost/income ratio, %

$\frac{\text{Total operating expenses}}{\text{Total operating income} + \text{share of profit from joint ventures and associated companies (net)}} \times 100$

Comparable cost/income ratio, %

$\frac{\text{Total operating expenses without items affecting comparability}}{\text{Total operating income without items affecting comparability} + \text{share of profit from joint ventures and associated companies (net)}} \times 100$

Comparable profit before taxes

Profit/loss before taxes without net income from financial assets and liabilities and other items effecting comparability

Return on equity, ROE %

$\frac{\text{Profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$

Comparable return on equity, ROE %

$\frac{\text{Comparable profit/loss for the accounting period}}{\text{Equity (average of the beginning and the end of the year)}} \times 100$

Total return on assets, ROA %

$\frac{\text{Profit/loss of the accounting period}}{\text{Average balance sheet total (average of the beginning and the end of the year)}} \times 100$

Equity ratio, %

$\frac{\text{Equity}}{\text{Balance sheet total}} \times 100$

Total capital (TC), %

$\frac{\text{Own funds total (TC)}}{\text{Risk-weighted assets (RWA) total}} \times 100$

Common Equity Tier 1 (CET1) capital ratio, %

$\frac{\text{Common Equity Tier 1 (CET1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$

Tier 1 (T1), capital ratio, %

$\frac{\text{Tier 1 (T1) capital}}{\text{Risk-weighted assets (RWA) total}} \times 100$

Leverage ratio, %

$\frac{\text{Tier 1 (T1) capital}}{\text{Exposures total}} \times 100$

Earnings per share (EPS), EUR

$\frac{\text{Profit/loss for the accounting period belonging to the parent company owners}}{\text{Average number of shares outstanding}}$

Earnings per share after dilution (EPS), EUR

$\frac{\text{Profit/loss for the accounting period belonging to the parent company}}{\text{Average number of shares outstanding after dilution of share-based rewarding}}$

Comparable earnings per share (EPS), EUR

$\frac{\text{Comparable profit/loss} - \text{Share of non-controlling interests}}{\text{Average number of shares outstanding}}$

The document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding

Independent Auditor's Report on Review of Consolidated Half Year Report of Oma Savings Bank Plc

To the Board of Directors of Oma Savings Bank Plc

Introduction

We have reviewed the accompanying consolidated half year report of Oma Savings Bank Plc which comprise the condensed consolidated balance sheet as at 30 June 2024, condensed consolidated income statement, statement of comprehensive income, changes in equity, and cash flows for the six months ended 30 June 2024 and notes to the condensed interim information. The Board of Directors and the CEO are responsible for the preparation and presentation of the condensed consolidated interim report in accordance with IAS 34 "Interim Financial Reporting" standard and other regulations governing the preparation of interim financial statements in Finland. Our responsibility is to express a conclusion on this condensed consolidated half year financial information based on our review.

Scope of review

We conducted our review in accordance with International Standards on Review Engagements ISRE 2410 *"Review of Interim Financial Information Performed by the*

Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated half year report of Oma Savings Bank Plc as at 30 June 2024 and for the six month period ended 30 June 2024 has not been prepared, in all material respects, in accordance with IAS 34 Interim Financial Reporting standard and other regulations governing the preparation of interim financial statements in Finland.

In Helsinki, 29 July 2024

KPMG OY AB

Tuomas Ilveskoski
Authorised Public Accountant, KHT



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