

ANNUAL REPORT 2021

EURAM BANK



*What defines
our reality?*



What defines
our reality?

what you know?
what i believe?
what you experience?
or i or the others?
UNREAL?



What defines
our reality?

**Maybe it vanishes,
like a timid fawn,
at the moment
of recognition.**



What defines
our reality?

A BEAUTIFUL DREAM,
A DECEPTIVE DREAM.
NIGHTMARE, DAYDREAM,
WISHFUL THINKING.
HOPE, AMBITION
AND FULFILLMENT.



What defines
our reality?

Unnoticed for a long time,
it will suddenly rise,
tentatively at first,
then overwhelmingly.



What defines
our reality?

What lasts forever.
The idea.
Nothing, everything,
the gods.



What defines
our reality?

It's revealed in the work.
Day after day.
Year after year.

ANNUAL REPORT 2021

**IT'S GOOD
TO HAVE THE FIGURES.**

EURAM BANK

FOREWORD BY THE CHIEF EXECUTIVE OFFICER

Thinking about these introductory remarks and about the past year, I am inwardly shaking my head: what a pleasure it would have been to simply restrict my comments to this good year and the satisfying result in an elevated, sort of post-pandemic, mood. However, all of us are aware of the terrible things that are happening in our neighborhood, and we feel oppressed, stunned and sad. And I am not going to hide that. At the same time, however, I want to say what I consider a cause for hope.

You may know, from personal experience or from our past reports, that people from many diverse cultural backgrounds work in our company. This diversity is a characteristic feature of the families of our employees, including those where people from Ukraine and from Russia are tied together through bonds of love and affection. Their relationships, their friendships and the spontaneous joint response, namely to help the victims of the war, are leading the way: let us cooperate, let us take care of each other, stay active and support each other to help those in need – now more than ever!

Our Annual Report 2021 is more colorful than ever. Please consider this a sign that we and our diverse team do not see the world as merely dualistic, that we do not only look at the black side of the future, and that we not only see through rose-colored glasses either. As bank managers and advisors we are realists. As realists, we need to look very closely and be aware that the world – and life – may sometimes appear surreal or even absurd. Reality has many colors and dimensions, sometimes glaring, dazzling and deceptive, then again so full of shadows and so dark that it is hardly visible.

Reality is complex, and it isn't always easy to recognize what is positive, sustainable, future-oriented and conducive to growth about it, to distinguish it from deceptions and illusions, and to make our contribution to accomplish something valuable and precious. We are no philosophers, nevertheless we consider this to be the core of our corporate philosophy.

This is the basis that we plan and act on throughout the year. The effects of this attitude will always manifest themselves at the end of any year. In fine videtur, cuius toni. Please find the details in the following report and the 2021 balance sheet.

Manfred Huber
Chief Executive Officer
April 2022

SUPERVISORY BOARD

Dr. Peter Maser
Chairman

Dipl.-Ök. Thomas Weismann
Vice Chairman

Dkfm. Senta Penner

MANAGING BOARD

Manfred Huber
Chairman

Johannes Langer

Josef Leckel



Manfred Huber



Johannes Langer



Josef Leckel

MANAGEMENT REPORT

MANAGEMENT REPORT

1. Business development and economic environment

Business model

As a small private bank, European American Investment Bank Aktiengesellschaft (Euram Bank) provides banking and other financial services to private and corporate customers from Austria, Germany, Central and Eastern Europe, the Middle East and Central Asia, as well as Russia. Our highly qualified staff are drawn from various nations, reflecting the cosmopolitan corporate culture of Euram Bank.

Euram Bank mainly specializes in the business areas of Private Banking / Real Estate Financing and Asset Management; the Card Payment Services division is operated on an opportunistic basis. In line with the principle of proportionality, there are no further functional divisions in the company's reporting.

Euram Bank is 100% privately owned. Senior management and financial investors hold a majority stake in the bank through Euram Holding AG.

Business development

Much of the economic momentum in the euro zone was lost due to the Omicron wave at the end of last year. From October to December, the GDP grew by only 0.3 percent compared to the previous quarter, while it had still increased by 2.3 percent in the summer. Looking back on the full year of 2021, the member states of the euro currency zone still boast a high growth rate of 5.2 percent, very likely the strongest economic growth in some 50 years. The growth rate approximately corresponds to the forecast of the European Commission, who had expected GDP growth of 5.0 percent for the euro zone and the EU as a whole in November. In 2020, the first year of the coronavirus pandemic, the GDP had dropped by 6.4 percent in 19 countries of the euro zone. In spite of the promising figures, the European economy continues to lag behind the development in the USA and in China. Last year, the United States recorded a growth rate of 5.7 percent. In the first year of the pandemic, 2020, the US economy had shrunk by only 3.5 percent, as this economic area was better able to withstand the effects of the coronavirus pandemic than the European economy. China announced a growth rate of 8.1 percent for the past year. In the year before last, this growth rate had been around 2.3 percent.

Euram Bank is looking back on a successful business year once again, clearly outperforming the projected result. The result of fiscal year 2020, which was exceptionally good, was not achieved again, but this had already been taken into account during planning. The business development in the two divisions of Private Banking / Real Estate Financing and Asset Management was highly satisfying. In the Private Banking / Real Estate Financing division, the course adopted in previous years was continued. Apart from investments in mutual funds, stocks and bonds as well as payment transactions, there was continued demand among our customers for loans collateralized on securities, real estate financing and repo transactions – the budget targets were exceeded again in this division. Based on the conservative investment approach that has been pursued for years now, the Asset Management division managed again to achieve a positive performance of Euram Bank’s mutual funds.

As at 31/12/2021, the balance sheet total of Euram Bank amounted to EUR 720.6 million, thus clearly above the previous year’s figure (EUR 457.6 million as at 31/12/2020) by EUR 263.0 million. The individual items have developed as follows:

Cash reserves increased by EUR 305.5 million to EUR 445.2 million (EUR 139.7 million as at 31/12/2020), debt instruments issued by public bodies decreased by EUR 0.7 million to EUR 10.8 million (EUR 11.5 million as at 31/12/2020). Loans and advances to credit institutions declined by EUR 17.3 million to EUR 39.4 million (EUR 56.7 million as at 31/12/2020). Loans and advances to customers decreased by EUR 17.6 million to EUR 161.8 million (EUR 179.4 million as at

31/12/2020). The decrease resulted from the repayment of selected short-term financing transactions. Bonds and other fixed-interest securities decreased by EUR 5.4 million to EUR 57.0 million (EUR 62.4 million as at 31/12/2020). The decrease is due to customer payments in USD – no replacements were purchased for the USD bonds redeemed. Stocks and other non-fixed income securities decreased by EUR 0.2 million to EUR 1.9 million (EUR 2.1 million as at 31/12/2020). The item “shares in affiliated companies” remained unchanged at EUR 159 thousand (EUR 159 thousand as at 31/12/2020). The decrease in tangible fixed assets by EUR 0.4 million to EUR 1.7 million (EUR 2.1 million as at 31/12/2020) is due to depreciation of the furnishings and equipment of the business location on Schottenring 18, 1010 Vienna, which the bank newly moved into in February 2020. Other assets decreased by EUR 1.0 million to EUR 1.0 million (EUR 2.0 million as at 31/12/2020), accruals increased slightly by EUR 0.3 million to EUR 0.9 million (EUR 0.6 million as at 31/12/2020). Deferred taxes amounted to EUR 0.5 million (EUR 0.5 million as at 31/12/2020).

On the liabilities side, liabilities to credit institutions decreased to EUR 1.0 thousand (EUR 338.3 thousand as at 31/12/2020). At the balance sheet date, the amounts owed to customers amounted to EUR 670.6 million (EUR 411.7 million as at 31.12.2020), representing 93% of the balance sheet total and accordingly still the largest portion of the refinancing basis of Euram Bank. Since July 2016, Euram Bank is represented on the “Weltsparen” interest rate platform; the volume of deposits received through that platform has increased and amounted to EUR 29.7 million as at 31/12/2021 (EUR 6.7 million as at 31/12/2020).

Other liabilities amount to EUR 1.6 million (EUR 1.6 million as at 31/12/2020), provisions increased by EUR 0.3 million to EUR 3.7 million year on year (EUR 3.4 million as at 31/12/2020). Provisions for variable remuneration in the amount of EUR 1.7 million are included in this amount.

Net interest income amounted to EUR 7.7 million (EUR 9.3 million as at 31/12/2020), a decrease by 17.9%. The decrease is due to the negative interest caused by the high cash reserve. Income from securities and participating interests amounted to EUR 0.1 million (EUR 0.1 million as at 31/12/2020). The balance of fee and commission income and expenses amounted to EUR 12.1 million (EUR 13.1 million as at 31/12/2020). In fiscal year 2021, as in the previous year, the major part of the net fee and commission income resulted from securities business (EUR 5.3 million), followed by credit and repo business (EUR 4.5 million) as well as payment transactions (EUR 2.3 million). The balance of income/ expenses from financial transactions amounted to EUR -0.5 million (EUR 0.5 million as at 31/12/2020). The result was mainly due to the negative securities valuation result. Other operating income amounted to EUR 15.0 thousand (EUR 0.4 million as at 31/12/2020). Accordingly, operating income amounted to EUR 19.4 million (EUR 23.4 million as at 31/12/2020).

Total operating expenses amounted to EUR 13.5 million (EUR 14.1 million as at 31/12/2020). Staff expenses amounted to EUR 6.1 million (EUR 6.2 million as at 31/12/2020), operating expenditure remained constant at EUR 6.6 million (EUR 6.6 million as at 31/12/2020). This item essentially included the expenditure on IT, rent, advertising as well as

legal consultancy and auditing fees. Depreciation and amortization of tangible fixed assets and intangible assets amounted to EUR 0.8 million (EUR 0.9 million as at 31/12/2020). Other operating expenses amounted to EUR 56.1 thousand (EUR 0.4 million as at 31/12/2020).

Hence, after deduction of operating expenses from operating income, the operating result for the 2021 fiscal year amounts to EUR 5.9 million (EUR 9.4 million as at 31/12/2020).

The income/expenditure balance from the sale and valuation of receivables and certain securities was minus EUR 0.2 million (minus EUR 0.5 million as at 31/12/2020). The interest accrued on two loan exposures in the total amount of EUR 0.4 million were revalued as a precaution, general bad debt provisions of various loans and advances to customers were released in the amount of EUR 0.3 million. The income/ expenditure balance from the sale and valuation of financial assets amounted to minus EUR 95.6 thousand (minus EUR 1.4 thousand as at 31/12/2020).

Accordingly, the result of ordinary operations for fiscal year 2021 amounted to EUR 5.7 million (EUR 8.8 million as at 31/12/2020).

Taxes on income and earnings amounted to EUR 1.5 million (EUR 2.5 million as at 31/12/2020). The result shows expenditure from deferred taxes in the amount of EUR 0.1 million (EUR 0.4 million as at 31/12/2020) and expenditure from the

distribution of the tax burden in the amount of EUR 1.4 million (EUR 2.1 million as at 31/12/2020).

The annual surplus of fiscal year 2021 accordingly amounted to EUR 4.2 million (EUR 6.4 million as at 31/12/2020).

Movements of reserves in the amount of EUR 4.2 million were effected in the 2021 fiscal year (EUR 6.4 million as at 31/12/2020) – the resulting profit for the year amounted to EUR 10 thousand (EUR 10 thousand as at 31/12/2020).

Taking account of the loss carried forward of EUR 0.3 million, the net profit of fiscal year 2021 amounts to EUR 0.3 million (EUR 0.3 million as at 31/12/2020).

Financial and non-financial performance indicators

Again in fiscal year 2021, Euram Bank disposes of an excellent equity capitalization. Eligible own funds according to Part 2 of Regulation (EU) no. 575/2013 amounted to EUR 42.1 million (EUR 38.5 million as at 31/12/2020) and by far exceeded the own funds required according to Article 92 of Regulation (EU) 575/2013 of EUR 14.3 million (EUR 14.1 million as at 31/12/2020). In fiscal year 2021, the (CET1) core capital ratio ((eligible (CET1) core capital / (required own funds * 12.5)) increased by 2.2% in the course of the year and amounted to 23.2% on the last day of the year (21.0% as at 31/12/2020); the total capital ratio ((eligible own funds / (required own funds * 12.5)) amounted to 23.6% in fiscal year 2021 (21.9% as at 31/12/2020) – hence, both ratios were clearly above the statutory minimum level. The return on equity (annual surplus / equity capital) amounted to 9.9% (16.9% as at 31/12/2020), the return on assets (result of ordinary operations / average balance sheet total) increased by 0.95% to 0.97% in the course of fiscal year 2021 (1.92% as at 31/12/2020), the return

on capital employed (result of ordinary operations / own funds requirements) decreased by 22.6% to 40.1% (62.7% as at 31/12/2020). The cost/income ratio (operating expenditures / operating income) amounted to 69.7% (60.1% as at 31/12/2020).

The volume of customers' securities deposits amounts to EUR 1.2 billion in fiscal year 2021 and exceeds the previous year's value by EUR 400 million (EUR 0.8 billion as at 31/12/2020).

Retaining experienced, committed staff is a fundamental precondition for any enterprise's long-term success. Therefore, a central concern of Euram Bank is the qualification of its staff. Euram Bank offers its employees the opportunity of ongoing training and development, and to achieve their personal and career goals by systematically developing their competencies. The number of employees in fiscal year 2021 has remained more or less constant compared to the previous year. As at 31 December 2021, Euram Bank has a headcount of 41 (headcount of 40 as at 31/12/2020).

Events of particular importance after the balance sheet date of 31 December 2021

The worldwide sanctions imposed upon Russia and Belarus at the end of February 2022 currently have no effects on the balance sheet of Euram Bank. There is only a minor loan agreement with one Russian customer that is fully hedged with securities that will not cause any problems with respect to the sanctions. The sanctions will be implemented in the core banking system, and the relevant staff training will take place in accordance with the current sanction regime and hence will always be adapted to the current situation.

Negotiations are currently underway with an Austrian bank who launched proceedings against Euram Bank in 2018, calling on the latter to join several proceedings pending against the former (as defendant) as intervener, with a view to an amicable solution regarding the assumption of a proportionate share of the loss incurred by the Austrian bank. An agreement is expected to be reached in the 2nd quarter of fiscal year 2022.

2. Anticipated trends and risks

Outlook for 2022

In February 2022, Russia ordered a military attack and used military violence to invade its neighbor Ukraine. Apart from human suffering, flight and displacement, this will also have economic consequences. Effects on international stock exchanges and commodity prices are expected; it is too early to anticipate the medium- and long-term effects. Moreover, the impact of economic sanctions will be felt that have been and are yet going to be imposed upon Russia and Belarus. Sanctions were imposed by the European Union and the USA and constitute a first step in a highly dynamic situation. Further aggravations are possible. The sanctions spiral is unheard of and hits the global economy hard. Russia's backlash to the sanctions is expected to be export embargos for various commodities, the withdrawal of flyover rights for airplanes, and import bans for various goods. The war in Ukraine will curb economic recovery in Austria and the euro zone to a certain extent. Immediately before the outbreak of the war, in February, Austria's economy was in a very good condition. Economic performance was again above pre-pandemic levels – the outlook in the economic sectors hit hard-

est by the fourth Covid lockdown had improved substantially, especially in the gastronomy and hospitality sectors. Commodity prices, which had been very high already, have increased even further due to the war in Ukraine – this will diminish the real income of private households for a while. Should the quantities of natural gas delivered by Russia be curtailed, output will be lost in some industry sectors in the course of the year.

In 2022, in spite of these adverse conditions, the Private Banking / Real Estate Financing division is going to strictly continue on the successful course adopted in fiscal year 2017, namely the development of holistic strategies to maintain capital and assets, based on individual planning, combined with first-class customer service. Equally, as in previous years, the financing of carefully selected real estate projects in Austria and Germany is going to be maintained on the current level; there are still no plans for any expansion of this area of business. In cooperation with the Asset Management division, the focus continues to be on the expansion of the volume of customers' securities accounts. Euram Bank considers the close relationships developed with customers based on individual solutions as a guarantee for achieving the above-mentioned goals.

To best possibly protect the health of employees and customers while maintaining the bank's operations is still considered a top priority by the Managing Board of Euram Bank. The precautions against the coronavirus taken by Euram Bank at the beginning of the pandemic were adapted to the regulations applicable at the relevant time; the decisions and recommendations of the Austrian federal government were also strictly implemented.

Significant risks and uncertainties

The aim of Euram Bank is to avoid or minimize staff-related risks by identifying negative tendencies and peculiarities and initiating corrective action. Fraudulent or negligent acts are countered by Compliance functions and an internal control system. Here, special attention is paid to the four risk factors: risk of employees leaving, availability risk, qualification risk and diligence risk. Additionally, long-term relationships with employees are meant to be encouraged through sustainable staff development, continuous advancement and qualification, as well as an attractive workplace.

3. Research and development

Euram Bank undertakes no research and development activities. Euram Bank does not operate any branch establishments.

4. Risk reporting

Euram Bank continuously develops its risk management in order to effectively identify, assess and control risks. Risk management is a component of overall bank management, and takes into account the nature, extent and complexity of transactions, and the resultant risks, in addition to the legal and regulatory framework. The Managing Board has defined a risk strategy that is consistent with the business strategy and the risks resulting therefrom. The risk strategy comprises the aims of diversification of risk from essential

business activities as well as the measures to accomplish those aims. In particular, risk tolerances have been determined for all essential risks, taking account of risk concentrations. In this context, risk concentrations have also been accounted for with a view to the earnings situation of the bank.

Risk-bearing capacity

On the basis of the overall risk profile, care is being taken that the essential risks are covered by the risk covering potential on a current basis, taking into account risk concentrations, and that the risk-bearing capacity of the bank is ensured accordingly. Euram Bank has established an internal process to ensure its risk-bearing capacity. The risk-bearing capacity is considered during determination of the strategies as well as their modification. Adequate risk control and controlling processes have been established to implement the strategies and/or to ensure the organization's risk-bearing capacity. For risks that are incorporated in the concept of risk-bearing capacity but for which no suitable quantification procedure is available, a risk amount (risk buffer) is determined on the basis of a plausibility check. The plausibility check is carried out on the basis of a qualified expert estimate. The choice of the methods and procedures for assessing risk-bearing capacity is the responsibility of the Managing Board. The determination of essential elements of risk-bearing capacity control as well as of essential underlying assumptions is approved by the Managing Board. The adequacy of the methods and procedures is checked by the respective competent employees every year.

The procedures used to control risk-bearing capacity take account of the aim to manage the bank on a going-concern basis, but also the protection of creditors against economic loss. Euram Bank disposes of a process for the planning of future capital requirements. The planning horizon comprises an adequately long period of several years (3 years). In this context, account is taken of the effects that changes of the bank's own business activity or of the strategic targets as well as changes to the economic environment will have on the capital requirement – beyond the risk assessment horizon of the risk-bearing capacity concept.

Internal control system

The Internal Control System (ICS) of Euram Bank is the sum of all process-related monitoring measures, the elements of which are incorporated in the bank's organizational and technical workflows. This includes the relevant organizational policies of the entire operational management as well as the defined control mechanisms and monitoring responsibilities of the immediate process owners, ordered and put in place by the management as required and periodically checked and modified, with support from the Risk Management department, in terms of functionality and effectiveness. Overall responsibility for the ICS lies with the Managing Board; the Head of Risk Management was installed as technical ICS officer.

Organizational structure and process organization

The characteristics of the organizational structure and process organization ensure that incompatible activities are carried out by different employees and that conflicts of interest are avoided. Processes and the associated tasks, competencies, responsibilities, controls and communication channels are clearly defined and geared to each other. This includes the regular and ad-hoc review of IT authorizations, signatory powers and other authorities granted. The same applies with respect to interfaces with key outsourcing partners.

Risk control and controlling process

Euram Bank has put in place adequate risk control and controlling processes that ensure the identification, assessment, control as well as monitoring and communication of essential risks and of the associated risk concentrations. These processes are integrated in a joint yield management and risk control system (internal capital adequacy assessment process, ICAAP). Suitable measures ensure that the risks and associated risk concentrations are effectively limited and monitored taking account of the risk-bearing capacity and of the risk tolerances. The risk control and controlling processes make sure that essential risks – even from outsourced activities and processes – can be identified early on, measured in full and presented ade-

quately. Reports on the risk situation are presented to the Managing Board at suitable intervals. Risk reporting must be effected in a comprehensible, meaningful way. Apart from the relevant presentation, it will also include an assessment of the risk situation. If necessary, risk reporting will also include proposed action, e.g. with a view to a reduction of risk. Moreover, risk concentrations and their potential consequences are dealt with separately. As a complement to regular reporting, annual stress tests are carried out. The results of the stress tests and the potential effects on the risk situation and the risk covering potential, as well as the essential assumptions underlying the stress tests are presented in a separate report. Information that is essential with a view to risk will be passed on to the Managing Board, the respective officers and the Internal Audit department without delay, for suitable measures or audits to be initiated at an early stage. The Managing Board will inform the Supervisory Board in writing about the risk situation at quarterly intervals. Information that is essential for the Supervisory Board under a risk aspect will be passed on by the Managing Board without delay. The risk control and controlling processes are promptly adjusted to changing conditions.

Risk Management

Euram Bank disposes of a Risk Management function responsible for the independent monitoring and communication of risks.

Risk Management has the following tasks in particular:

- Assistance of the Managing Board in all risk policy matters, in particular in developing and implementing the risk strategy, as well as in devising a system for the limitation of risks
- Assistance of the Managing Board in establishing and developing the risk control and controlling processes
- Putting in place and developing a system of risk ratios and of an early warning mechanism for risks
- Ongoing monitoring of the bank's risk situation and risk-bearing capacity as well as of compliance with the risk limits established
- Regular preparation of the risk reports for the Managing Board
- Responsibility for the processes put in place to immediately pass on any information that is essential in terms of risk to the Managing Board, to the respective officers and to Internal Audit, if applicable

The staff of the Risk Management function have been granted all the requisite powers and unlimited access to all information that is required for the performance of their tasks.

Management of special types of risk

Euram Bank's scope of business results in essential risks, especially in the sphere of credit and counterparty risk, concentration risk as well as other risks.

Credit and counterparty risk

Euram Bank limits the credit and counterparty risk by primarily granting collateralized loans. For the calculation of the credit and counterparty risk, Euram Bank applies the standard approach under Art. 111-141 CRR.

Euram Bank measures and controls the credit risk in line with the following principles:

- In all divisions, uniform standards are applied to the respective credit decisions.
- The approval of credit limits for business partners and the control of the individual credit exposures must take place within the scope of the credit strategy. Moreover, each decision includes a risk-return analysis.
- Each loan granted to a business partner and any material change of a credit component (such as term, collateral structure or important contractual provisions) is subject to renewal of the credit approval.
- Credit exposures to a certain group of borrowers are consolidated by Euram Bank. Euram Bank considers borrowers that are associated with each other by the same beneficial owners beyond legal requirements or that are jointly and severally liable for all or essential parts of the loans granted as a “group of borrowers”.

An important element of the credit approval process is a detailed risk assessment of each credit exposure of a borrower or group of borrowers. In assessing the risk, Euram Bank will consider both the creditworthiness of the business partner and the risks relevant to credit exposure. The resulting risk classification will not only influence the structure of the transaction and the credit decision, but will also determine the degree of monitoring for the respective exposure.

Concentration risk

Risk Management has adopted guidelines for the identification, assessment, reporting and monitoring of concentration risks. Within the scope of its business activity, Euram Bank intentionally accepts risk concentrations. As regards the management and control of risk concentrations, the bank distinguishes the dimensions stipulated in section 7 Ki-RMV (Kreditinstitute-Risikomanagementverordnung; risk management ordinance for banks), limiting the same and monitoring both the actual and potential exhaustion of said limits:

- a. Concentration risks through exposures to individual counterparties (including central counterparties)
- b. Concentration risks through exposures to groups of affiliated counterparties
- c. Concentration risks through exposures to counterparties from the same economic sector
- d. Concentration risks through exposures to counterparties from the same region

- e. Concentration risks through exposures to counterparties within the scope of asset investments and from funding sources
- f. Indirect concentrations of credit risk due to credit risk minimizing strategies
- g. Concentration risks from large indirect credit exposures
- h. Concentration risks from correlative risk factors

Other risks

General business risk:

Basically, Euram Bank is in a position to achieve a positive result on the basis of the existing business model. In the course of preparing the annual accounts, a risk strategy is defined for the new fiscal year which also serves as a basis for the allocation of economic capital. Based on the preliminary balance sheet figures of the annual accounts and on the risk strategy adopted by the joint Managing Board, a financial forecast will be prepared for the new fiscal year. A Profit Centre account is prepared monthly. The result is compared with the target values, which were calculated according to the same criteria, on a monthly basis. Strategic risks, business and yield risks are consolidated with the credit, market and interest rate risks and supplemented by operational risks. The result will be discussed and analyzed promptly by the Joint Managing Board. This process ensures that general business risks are identified immediately.

Reputational risk:

Euram Bank defines reputational risk as the risk of potential damage to its brand and its reputation and the risk associated therewith, and/or the impact on its earnings, its capital or its liquidity that results from being associated with, from acting or not acting in the context of, certain events, which the parties concerned might consider as inappropriate or not compatible with the values and convictions of Euram Bank. In the spring of 2020, Euram Bank started to thoroughly revise and improve applications and systems for the prevention of money laundering and the financing of terrorism within the scope of initiating customer relationships. This includes the prevention of money laundering, combatting the financing of terrorism, compliance with (financial) sanctions and embargos, as well as measures for the prevention of fraud, bribery and corruption when initiating customer relationships, and continuous development in line with changing legislation. The activities of Euram Bank have always been based on the exclusion of products or investments involving, for instance, the production or sale of nuclear weapons, cluster munition and land mines, the encouragement or use of child labor, the violation of human rights, or the support of drug trafficking and money laundering. Controls were intensified in front office areas, in the sphere of Compliance, and in Internal Audit, in order for the bank to comply even more strictly with the model of the “three lines of defense”.

Euram Bank uses the anti-money laundering platform “kdprevent”, in combination with various databases, for due diligence checks of private individuals, legal entities, financial institutions, banks and business partners for initial business contacts as well as for the ongoing monitoring of their activities. Among others, this helps to better identify any suspicious persons, legal entities and transactions and to filter them in a risk-based manner. Moreover, in the course of the bank’s AML strategy, preparations were made for a daily screening of customers, all controls to combat money laundering were improved, existing processes to identify new legal provisions were optimized, and relevant amendments were included in the existing policies.

Vienna, 8 April 2022

The Managing Board

Manfred Huber Johannes Langer Josef Leckel

BALANCE SHEET

BALANCE SHEET AS OF DECEMBER 31, 2021

| Assets | | 31/12/2021 | 31/12/2020 | |
|---|---------------|-----------------------|------------|----------------|
| | EUR | EUR | TEUR | TEUR |
| 1. Cash in hand, balances with central banks and post office banks | | 445,166,811.24 | | 139,672 |
| 2. Debt instruments of public authorities which are eligible for refinancing at central banks | | 10,801,702.70 | | 11,502 |
| a) Debt instruments of public authorities and similar securities | 10,801,702.70 | | 11,502 | |
| 3. Claims against credit institutions | | | | |
| a) payable on demand | 26,234,760.27 | | 19,370 | |
| b) other receivables | 13,156,759.64 | 39,391,519.91 | 37,346 | 56,715 |
| 4. Loans and advances to customers | | 161,749,756.98 | | 179,387 |
| 5. Debentures and other fixed-income securities | | | | |
| a) of public issuers | | 57,018,210.80 | | 62,401 |
| 6. Stocks and other non fixed-income securities | | 1,897,641.34 | | 2,144 |
| 7. Participations | | 1,000.00 | | 1 |
| 8. Shares in affiliated companies | | 159,000.00 | | 159 |
| 9. Intangible fixed assets | | 358,465.46 | | 388 |
| 10. Tangible assets | | 1,687,060.96 | | 2,075 |
| 11. Other assets | | 1,025,996.92 | | 2,011 |
| 12. Accruals and deferred income | | 859,038.00 | | 571 |
| 13. Deferred tax assets | | 446,749.30 | | 526 |
| | | 720,562,953.61 | | 457,552 |
| 1. Foreign assets | | 191,752,284.98 | | 232,105 |

| Liabilities | | 31/12/2021 | | 31/12/2020 | |
|--|----------------|-----------------------|---------|----------------|--|
| | EUR | EUR | TEUR | TEUR | |
| 1. Liabilities to credit institutions | | | | | |
| a) repayable on demand | 917.34 | | 338 | | |
| b) with agreed maturity date or period of notice | 0.00 | 917.34 | 0 | 338 | |
| 2. Liabilities to customers | | | | | |
| a) other liabilities | | | | | |
| aa) repayable on demand | 577,054,616.21 | | 338,413 | | |
| bb) with agreed maturity date or period of notice | 93,511,174.10 | 670,565,790.31 | 73,326 | 411,739 | |
| 3. Securitized liabilities | | | | | |
| a) self-issued bonds | 0.00 | | 0 | | |
| b) other securitized liabilities | 0.00 | 0.00 | 0 | 0 | |
| 4. Other liabilities | | 1,649,139.55 | | 1,629 | |
| 5. Provisions | | | | | |
| a) Provisions for severance payments | 308,395.00 | | 288 | | |
| b) Other provisions | 3,394,368.89 | 3,702,763.89 | 3,124 | 3,412 | |
| 6. Supplementary capital pursuant to part 2 title 1 chapter 4 of regulation (EU) no. 575/2013 | | 3,000,000.00 | | 3,000 | |
| 7. Subscribed capital | | 10,045,712.61 | | 10,046 | |
| 8. Capital reserves | | | | | |
| a) tied-up | 1,886,813.16 | | 1,887 | | |
| b) free | 6,438,537.61 | 8,325,350.77 | 6,439 | 8,325 | |
| 9. Profit reserves | | | | | |
| a) other reserves | | 21,553,904.17 | | 17,354 | |
| 10. Liability reserve pursuant to §57 para 5 Banking Act | | 1,396,650.00 | | 1,397 | |
| 11. Net profit | | 322,724.97 | | 312 | |
| | | 720,562,953.61 | | 457,552 | |
| 1. Contingent liabilities | | | | | |
| a) Contingent liabilities of sureties and assets pledged as collateral security | | 2,100,000.00 | | 50 | |
| 2. Credit risks | | 10,310,658.42 | | 9,762 | |
| 3. Required own funds pursuant to part 2 of regulation (EU) no. 575/2013 hereof supplementary capital pursuant to part 2 title 1 chapter 4 of regulation (EU) no. 575/2013 EUR 848.932,68 (31/12/2020: TEUR 1.448) | | 42,134,809.74 | | 38,494 | |
| 4. Required own funds pursuant to art 92 of regulation (EU) no. 575/2013 (overall risk value) hereof required own funds pursuant to art 92 para 1 | | 178,277,624.52 | | 176,108 | |
| lit a of regulation (EU) no. 575/2013 | | 23.2% | | 21.0% | |
| lit b of regulation (EU) no. 575/2013 | | 23.2% | | 21.0% | |
| lit c of regulation (EU) no. 575/2013 | | 23.6% | | 21.9% | |
| 5. Foreign liabilities | | 569,912,875.64 | | 358,514 | |

PROFIT & LOSS ACCOUNT AS OF DECEMBER 31, 2021

| Profit & Loss Account | 1/1/2021–31/12/2021 | | 1/1/2020–31/12/2020 | |
|--|--|----------------------|--|---------------|
| | EUR | EUR | TEUR | TEUR |
| 1. Interest and similar earnings hereof: from fixed-income securities | 1,297,623.80 | 9,001,995.79 | 2,941 | 10,322 |
| 2. Interest and similar expenses | | -1,339,911.33 | | -981 |
| I. NET INTEREST EARNINGS | | 7,662,084.46 | | 9,341 |
| 3. Earnings from securities and participations a) Earnings from shares, other share rights, and non fixed-income securities | 54,673.95 | 54,673.95 | 57 | 57 |
| 4. Earnings from commissions | | 14,244,072.63 | | 14,403 |
| 5. Commission expenses | | -2,136,922.98 | | -1,268 |
| 6. Earnings/expenses from financial transactions | | -444,663.08 | | 531 |
| 7. Other operating earnings | | 15,027.31 | | 416 |
| II. OPERATING EARNINGS | | 19,394,272.29 | | 23,481 |
| 8. General administrative expenses a) Personnel expenses aa) Wages and salaries bb) Expenses for statutory social security contributions and compulsory contributions associated with remuneration cc) Other social security expenses dd) Expenses for retirement provisions and support ee) Expenses for severance payments and contributions to company retirement schemes | -4,897,883.73 -840,349.90 -113,340.81 -172,174.42 -99,374.34 <u>-6,123,123.20</u> | | -5,080 -797 -108 -162 -83 <u>-6,230</u> | |
| b) Other administrative expenses (Overhead) | -6,588,754.27 | -12,711,877.47 | -6,571 | -12,801 |

| Profit & Loss Account | 1/1/2021–31/12/2021 | | 1/1/2020–31/12/2020 | |
|--|---------------------|-----------------------|---------------------|----------------|
| | EUR | EUR | TEUR | TEUR |
| 9. Value adjustments of the assets listed in assets items 9 and 10 | | -754,833.18 | | -912 |
| 10. Other operating expenses | | -56,109.71 | | -392 |
| III. OPERATING EXPENSES | | -13,522,820.36 | | -14,105 |
| IV. OPERATING RESULTS | | 5,871,451.93 | | 9.376 |
| 11. Value adjustments on claims and allocations to provisions for contingent liabilities and credit risk | | -62,387.43 | | -532 |
| 12. Value adjustments on securities, valued like financial assets | | -95,600.00 | | -1 |
| V. RESULT OF ORDINARY BUSINESS OPERATION | | 5,713,464.50 | | 8,843 |
| 13. Income and earnings tax | | -1,503,146.62 | | -2,484 |
| VI. ANNUAL SURPLUS | | 4,210,317.88 | | 6,359 |
| 14. Changes in reserves hereof: allocation to the liability reserve | 0,00 | -4,200,000.00 | -89 | -6,349 |
| VII. ANNUAL PROFIT | | 10,317.88 | | 10 |
| 15. Profit carryforward | | 312,407.09 | | 302 |
| VIII. NET PROFIT | | 322,724.97 | | 312 |

NOTES

to the annual accounts of European American Investment Bank Aktiengesellschaft (“Euram Bank”) for the year ending 31 December 2021.

The annual accounts for the year ending 31 December 2021 were prepared in accordance with the regulations of the Accounting Act (RLG, Rechnungslegungsgesetz), taking account of the special requirements of the Banking Act (BWG, Bankwesengesetz).

1. General principles and information on accounting and valuation

General principles

The annual accounts for the year ending 31 December 2021 are prepared in compliance with generally accepted accounting principles, and with the general standard of conveying a true and fair view of the net worth, financial position and results of the company.

The principle of completeness and accounting continuity was observed in preparing the annual accounts.

The unit account method of valuation is applied in valuing the individual assets and debts, on a going-concern basis.

The principle of prudence was taken into account considering the particular characteristics of banking business.

Under the provisions of section 9 of the Corporate Income Tax Act (KStG) relating to group taxation, a corporate group exists as at 31/12/2021 comprising Euram Holding AG as group parent and Euram Bank as group member. The tax rate applied in fiscal year 2021 is 25% (previous year: 25%). The tax sharing agreements stipulate the stand-alone method.

Euram Bank belongs to the joint stock bank sector.

Euram Bank is wholly owned by Euram Holding AG.

Foreign currency amounts

Foreign currency amounts are translated at the middle rates set on the reporting date, in accordance with section 58 (1) BWG.

Financial assets

Investments are valued at cost of purchase. Lower values are recognized in the case of material, sustained impairments.

Stocks and other non-fixed interest securities, as well as any security from loans and advances to customers held as fixed assets are measured at the lower of fair value and cost of purchase on the balance sheet date. Unscheduled write-downs to a fair value that is lower on the reporting

date are performed where the impairments are likely to be permanent.

Write-ups on fixed assets are performed if the reasons for the unscheduled write-down have lapsed.

Current assets

Debt instruments issued by public bodies, bonds and other fixed-income securities, as well as stocks and other non-fixed interest securities held as current assets were reported at cost of purchase less value adjustments for discernible individual risks or possibly a lower share price, market value, or market value derived from a similar financial instrument, on the reporting date.

Impairments are reversed (up to no more than the cost of purchase) if the reasons for the impairment have lapsed.

The company does not keep a trading book.

Receivables and other assets are reported at their nominal value less value adjustments for identifiable individual risks. Moreover, to take account of credit risks within loans and advances to customers, a general bad debt provision was made for the performing portfolio. Credit balances with central banks are reported in the balance sheet with their nominal value.

The recoverability of loans and advances to customers is estimated based on impairment indicators and on the collateral provided. In doing so, the fair values less haircuts are used. Estimates are based on prudent assessments. The general bad debt provision is determined on the basis of a simplified valuation model, where the default risk is calculated using the following formula: “blank volume (exposure at default (EAD) * loss given default (LGD))* probability of default (PD)”. Apart from customer exposure and collateral values, it is primarily the probability of default (PD) based on the customer rating that is relevant in this model. Based on the existing internal customer rating, probabilities of default – obtained externally – are allocated to the blank volumes. To the extent that statistically identifiable data from similar situations are available, the bank has taken them into account when preparing the estimates; for instance, collateral haircuts and historical default rates published by Creditreform (Verband der Vereine Creditreform e.V.).

Shares in affiliated companies

Euram Bank has a 100% holding in Euram Invest Holdings 3 GmbH headquartered in Munich, Germany (line of business of the GmbH: management of participations).

In fiscal year 2021, as already in fiscal year 2020, no dividends were distributed to Euram Bank.

Under section 238 (2) of the Austrian Business Code (UGB), the equity and results of the last fiscal year of the affiliated undertaking are as follows:

| Euram Invest Holdings 3 GmbH | EUR thousand |
|------------------------------|--------------|
| Capital | 209.4 |
| Share of capital | 100% |
| Result FY | -422.4 |

The figures of fiscal year 2021 of Euram Invest Holdings 3 GmbH are based on preliminary accounts.

Participating interests

This item includes the share in Einlagensicherung AUSTRIA Ges.m.b.H., Vienna, in the amount of EUR 1.0 thousand (EUR 1.0 thousand as at 31/12/2020).

Intangible assets and tangible fixed assets

Intangible and tangible fixed assets are measured at cost of acquisition or production, less scheduled depreciation. Low-value assets are capitalized and written off in full in the year of acquisition. Assets are depreciated on a straight-line basis.

The following useful life is assumed for the purposes of scheduled depreciation:

| | |
|------------------------|---------|
| Company motor vehicles | 8 years |
| Office equipment | 5 years |
| Fixtures | 5 years |
| Office machines | 5 years |
| Software | 5 years |
| Hardware | 5 years |

Under applicable tax regulations, a full year's depreciation for acquisitions in the first half of the year, and half a year's

depreciation for acquisitions in the second half of the year are effected.

Severance pay obligations

The provision for severance payments is determined according to actuarial principles using an interest rate of 1.87% (previous year: 2.30%) and on the basis of a calculatory retirement age of 60 years for women and 65 years for men. No staff turnover deduction is determined. For fiscal year 2021, Euram Bank AG used the discount rate announced by Deutsche Bundesbank (10-year average), with a residual term of 15 years (1.87%). The interest rate selected and its calculation shall continuously be applied from now on.

Other provisions

In the other provisions, in accordance with the principle of prudence, all risks discernible as well as liabilities uncertain in terms of amount and on the merits at the time of preparation of the balance sheet are accounted for in amounts that will be required according to reasonable commercial judgement.

Liabilities

Verbindlichkeiten sind mit dem Rückzahlungsbetrag inklusive abgegrenzter Zinsen angesetzt.

Contingent liabilities

Contingent liabilities include financing guarantees granted and secured by credit institutions, securities, mortgages or in cash in the amount of EUR 2.1 million (EUR 0.1 million as at 31/12/2020). In fiscal year 2021, no unsecured financing guarantee was granted (none as at 31/12/2020).

Credit risks

This position includes the amount of unused credit facilities in the amount of EUR 8.5 million (EUR 7.9 million as at 31/12/2020), as well as guarantees toward credit card companies for credit lines granted to Euram Bank customers in the amount of EUR 1.8 million (EUR 1.8 million as at 31/12/2020).

Trust assets

Trust assets are contained in the following items:

- Stocks and other non-fixed interest securities:
EUR 0.0 thousand (EUR 0.0 thousand as at 31/12/2020)

Liabilities from trust transactions

Liabilities from trust transactions are contained in the following items:

- Amounts due to customers: EUR 16.6 thousand
(EUR 0.0 thousand as at 31/12/2020)
- Securitized liabilities: EUR 0.0 thousand
(EUR 0.0 thousand as at 31/12/2020)

2. Notes concerning the balance sheet

A. Maturities analysis

Amounts due to and from banks and customers other than at call are structured according to residual maturities as follows:

Loans and advances to credit institutions: thousand

| | | |
|---------------------------------|-----|--------|
| up to 3 months | EUR | 13,157 |
| more than 3 months up to 1 year | EUR | 0 |
| more than 1 year up to 5 years | EUR | 0 |
| over 5 years | EUR | 0 |

Loans and advances to customers: thousand

| | | |
|---------------------------------|-----|--------|
| up to 3 months | EUR | 42,134 |
| more than 3 months up to 1 year | EUR | 43,585 |
| more than 1 year up to 5 years | EUR | 72,939 |
| over 5 years | EUR | 2,528 |

Liabilities to credit institutions: thousand

| | | |
|---------------------------------|-----|---|
| up to 3 months | EUR | 0 |
| more than 3 months up to 1 year | EUR | 0 |
| more than 1 year up to 5 years | EUR | 0 |
| over 5 years | EUR | 0 |

Liabilities to customers: thousand

| | | |
|---------------------------------|-----|--------|
| up to 3 months | EUR | 14,828 |
| more than 3 months up to 1 year | EUR | 64,762 |
| more than 1 year up to 5 years | EUR | 13,921 |
| over 5 years | EUR | 0 |

B. Risks in the area of loans and advances to customers

Loans and advances to customers are reported in the balance sheet (after deduction of risk provisions) with an amount of EUR 161.7 million (EUR 179.4 million as at 31/12/2020). This amount includes specific provisions amounting to EUR 1,382 thousand (EUR 1,023 thousand as at 31/12/2020), as well as a general bad debt provision in the amount of EUR 1,880 thousand (EUR 2,200 thousand as at

31/12/2020). Overall, loans and advances to customers amounting to EUR 10.5 million (EUR 0.9 million as at 31/12/2020) are secured through deposits, and loans amounting to EUR 103.9 million (EUR 135.5 million as at 31/12/2020) are secured through mortgages, securities and/or other collateralization. Unsecured loans and advances to customers amount to EUR 47.3 million (EUR 42.9 million as at 31/12/2020) in fiscal year 2021. Loans and advances to customers include amounts due from issuers at a volume of EUR 5.8 million (EUR 7.5 million as at 31/12/2020).

| | | |
|--|-----|---------|
| Loans and advances to customers: | | million |
| secured by deposits | EUR | 10.5 |
| secured by mortgages, securities and other collateralization | EUR | 103.9 |
| unsecured | EUR | 47.3 |

C. Securities

In fiscal year 2021, securities were held in the following asset items:

- Debt instruments issued by public authorities: EUR 10.8 million (EUR 11.5 million as at 31/12/2020)
- Loans and advances to credit institutions: EUR 4.3 million (EUR 8.1 million as at 31/12/2020)
- Loans and advances to customers: EUR 5.8 million (EUR 7.5 million as at 31/12/2020)
- Bonds and other fixed-interest securities: EUR 57.0 million (EUR 62.4 million as at 31/12/2020)
- Shares and other non-fixed interest securities: EUR 1.9 million (EUR 2.1 million as at 31/12/2020)

C.1. Debt instruments issued by public authorities that are admitted for refinancing with the central bank

In fiscal year 2021, one (previous year: two) fixed-interest listed security (regulated market) with a gross carrying amount of EUR 2.7 million (previous year: EUR 3.4 million) and two (previous year: two) non-fixed interest listed securities (regulated market) with a gross carrying amount of EUR 8.1 million (previous year: EUR 8.1 million) were held in current assets.

thousand

| | | |
|--|-----|-------|
| 0 Berlin, Land FRN 08/10/2015-28/07/2025 | EUR | 4,083 |
| 0 Berlin, Land 05/10/2015-16/01/2023 | EUR | 4,024 |
| 1.25 Sweden, Kingdom 08/09/2016-2021/Reg.S | EUR | 0 |
| 2.125 Europ. Stab. Mech. (ESM) DL-MTN 2017-2022 | EUR | 2,695 |

C.2. Loans and advances to credit institutions – of which other issuers

In fiscal year 2021, one (previous year: two) non-fixed interest unlisted security with a gross carrying amount of EUR 4.3 million (previous year: EUR 8.1 million) was held in current assets.

thousand

| | | |
|--|-----|-------|
| 0.12375 Inter-Amer.Dev.Bank FRN 26/01/15-17/01/22 | EUR | 4,328 |
| 0.22875% Intl.Bank Rec. Dev. FRN 17/12/2014-2021 | EUR | 0 |

C.3. Loans and advances to customers – of which other issuers

In fiscal year 2021, one (previous year: one) fixed-interest unlisted security with a gross carrying amount of EUR 1.9 million (previous year: EUR 1.9 million) was held in fixed assets, and two (previous year: two) fixed-interest listed securities (open market) with a gross carrying amount of EUR 3.2 million (previous year: EUR 4.0 million) and one (previous year: two) fixed-interest unlisted securities with a gross carrying amount of EUR 0.6 million (previous year: EUR 1.6 million) were held in current assets.

Fixed assets: thousand

| | | |
|--|-----|-------|
| CPI Immobilien AG 30/11/2013-30/11/2033 | EUR | 1,900 |
|--|-----|-------|

Current assets: thousand

| | | |
|--|-----|-------|
| 6.875 Aggregate Holdings S.A. 09/11/2020-2025 | EUR | 1,434 |
| 6 CPI Immobilien AG 30/11/2013-30/11/2033 | EUR | 618 |
| CPI Immobilien GmbH 31/03/2019-2029 | EUR | 0 |
| 5 VIC Properties S.A. 24/08/2018-2023 | EUR | 1,815 |

C.4. Bonds and other fixed-interest securities

In fiscal year 2021, six (previous year: seven) fixed interest listed securities (regulated market) with a gross carrying

amount of EUR 37.4 million (previous year: EUR 40.2 million) and two (previous year: two) non-fixed interest listed securities (regulated market) with a gross carrying amount of EUR 19.6 million (previous year: EUR 22.2 million) were held in current assets. Of these, securities in the amount of EUR 15,859 thousand will mature in fiscal year 2022.

Current assets: thousand

| | | |
|---|-----|--------|
| 1.375 Inter. Finance Corp. DL-MTN 16/10/2019-2024 | EUR | 11,367 |
| 0.16438 Eur.Bank Rec.Dev. DL-FLR MTN 11/05/2022 | EUR | 19,342 |
| 2.875 European Inv. Bank DL-Notes 2018-2021 | EUR | 0 |
| 2.5 European Investment Bank DL-Notes 2018(23) | EUR | 9,101 |
| 1.375 European Investment Bank 17/01/2018-15/05/2023 | EUR | 8,044 |
| 2 European Investment Bank 18/10/2017-15/12/2022 | EUR | 1,793 |
| 2.75 Intl.Bank Rec.Dev. 25/07/2018-23/07/2021 | EUR | 0 |
| 0.227 Republic of Austria FRN 04/08/2005-04/08/2025 | EUR | 279 |
| 2.5 European Investment Bank 17/01/2018-15/05/2023 | EUR | 0 |
| 0.25 Internatl.Rec.Dev. 17/11/2020-24/11/2023 | EUR | 2,624 |
| 3 KELAG-Kärntner Elektrizitäts-AG 25/06/2014-2026 | EUR | 4,466 |

C.5. Stocks and other non-fixed interest securities

This item contains investment fund units allocated to fixed assets in the amount of EUR 1,428 thousand (EUR 1,524 thousand as at 31/12/2020).

Hedge fund units in the amount of EUR 255 thousand (EUR 291 thousand as at 31/12/2020) are reported in current assets. Current assets also include investment fund units of the Euram mutual fund in the amount of EUR 0.2 million (EUR 0.3 million as at 31/12/2020). Furthermore, shares in “Petrocapital Resources PLC” in the amount of EUR 0.0 (EUR 10.0 as at 31/12/2020) are held. All securities shown in the asset item “Stocks and other non-fixed interest securities” with a carrying amount of EUR 1.9 million (previous year: EUR 2.1 million) are unlisted.

Fixed assets: thousand

| | | |
|----------------------|-----|-------|
| Euroopportunity Bond | EUR | 1,428 |
|----------------------|-----|-------|

Current assets: thousand

| | | |
|--------------------------------|-----|------|
| Sharpe Special Situations Fund | EUR | 255 |
| Euroopportunity Bond | EUR | 115 |
| USD Convergence Bond | EUR | 71 |
| Advantage Stock | EUR | 27 |
| Petrocapital Resources PLC | EUR | 0.00 |

No stock (“Petrocapital Resources PLC”) was held in fiscal year 2021. “Petrocapital Resources PLC” was delisted in 2010 and derecognized in fiscal year 2021.

In fiscal year 2021, the company managed customer securities to a value of EUR 1,284.4 million (EUR 770.9 million as at 31/12/2020).

As at 31 December 2021, the fixed assets of the bank include securities with a carrying amount of EUR 3.4 million (EUR 3.4 million as at 31/12/2020). The difference between acquisition costs and market value (if higher) amounted to EUR 100.0 thousand (EUR 100.0 thousand as at 31/12/2020).

For the securities held as current assets that are admitted for stock exchange trading, the difference between acquisition costs and the market value (if higher) amounted to EUR 305.2 thousand (EUR 870.9 thousand as at 31/12/2020).

D. Fixed assets

The movement of the individual fixed asset items and the breakdown of annual depreciation by individual items are shown in the fixed asset movement schedule.

E. Other assets

Other assets essentially contain

- a repayment pending due to value date factors: EUR 0.1 million (EUR 0.3 million as at 31/12/2020),
- invoiced commission fees arising from the asset management of funds: EUR 0.2 million (EUR 0.3 million as at 31/12/2020),
- outstanding receivables: EUR 0.8 million (EUR 1.4 million as at 31/12/2020), including commission income from previous years due to contracts in the amount of EUR 0.6 million (previous year: EUR 0.6 million).

In fiscal year 2021, no other receivables with a residual term of more than one year were reported.

The material income included in the item “Other assets” in fiscal year 2021 that becomes payable only after the reporting date amounts to EUR 1.1 million (EUR 1.7 million as at 31/12/2020).

F. Accruals

Apart from current salary payments in the amount of EUR 172.6 thousand (EUR 158.1 thousand as at 31/12/2020), this position includes prepaid insurance premiums as well as information and maintenance costs in the amount of EUR 475.1 thousand (EUR 346.5 thousand as at 31/12/2020) and other advance payments in the amount of EUR 211.3 thousand (EUR 66.8 thousand as at 31/12/2020).

G. Deferred tax assets

At the balance sheet date, deferred tax assets under section 198 (10) UGB amount to EUR 446.7 thousand (previous year: EUR 525.7 thousand).

H. Securitized liabilities

In fiscal year 2021, no securitized liabilities were held.

I. Other liabilities

Other liabilities include invoices already received, but not yet paid, regarding the 2021 fiscal year, in the amount of EUR 0.2 million (EUR 0.2 million as at 31/12/2020), liabilities from distribution of the tax burden toward one affiliated company in the amount of EUR 934.3 thousand (EUR 819.5

thousand as at 31/12/2020), liabilities toward the tax office in the amount of EUR 416.8 thousand (EUR 542.9 thousand as at 31/12/2020), as well as liabilities toward the investors of the Tier 2 capital bond for interest expenses in the amount of EUR 120.0 thousand (EUR 120.0 thousand as at 31/12/2020).

The material expenses included in the item “Other liabilities” in fiscal year 2021 that become payable only after the reporting date amount to EUR 0.2 million (EUR 0.2 million as at 31/12/2020).

J. Deferrals

This position does not include any commissions already earned, but attributable to the 2021 fiscal year.

K. Tier 2 capital

On 1 June 2016, Euram Bank AG issued a fixed-interest unlisted subordinate bond for EUR 3 million with a term of 7 years, of which EUR 3 million are subscribed at the balance sheet date (31/12/2020). The conditions of the bond are in line with the CRR – EU Regulation no. 575/2013 Part 2 Chapter 4 (Articles 62-71) on Tier 2 capital. Expenses in the amount of EUR 120.0 thousand were recognized for interest in fiscal year 2021.

L. Equity capital

- 1.) The share capital amounting to EUR 10,045.7 thousand is divided into 270,000 no-par shares, each with an equal portion of the share capital.

2.) Eligible own funds pursuant to Part 2 CRR: thousand

| | | |
|---|------------|-----------------|
| Subscribed capital | EUR | 10,045.7 |
| (Appropriated) capital reserve | EUR | 1,886.8 |
| (Free) capital reserve | EUR | 6,438.5 |
| Revenue reserve | EUR | 21,553.9 |
| Liability reserve as per section 57 (5) BWG | EUR | 1,396.7 |
| Retained earnings | EUR | 322.7 |
| Adjustments to be made to CET1 capital due to deductions and adjustment items | EUR | -358.4 |
| <i>Common Equity Tier 1 capital (CET1)</i> | <i>EUR</i> | <i>41,285.9</i> |
| Tier 2 capital | EUR | 3,000.0 |
| Other components or deductions regarding Tier 2 capital | EUR | -2,151.1 |
| <i>Tier 2 capital (T2)</i> | <i>EUR</i> | <i>848.9</i> |
| Own funds | EUR | 42,134.8 |

3.) In fiscal year 2021, the parent company, Euram Holding AG, effected an allocation in the amount of EUR 0.0 thousand (EUR 0.0 thousand as at 31/12/2020). In the previous year, this allocation was included in the (free) capital reserve.

4.) Euram Bank allocated an amount of EUR 4,200.0 thousand to the revenue reserve in fiscal year 2021 (EUR 6,260.0 thousand as at 31/12/2020).

5.) Euram Bank allocated an amount of EUR 0.0 thousand to the liability reserve in fiscal year 2021 (EUR 88.7 thousand as at 31/12/2020).

6.) The net profit for fiscal year 2021 amounts to EUR 322.7 thousand (EUR 312.4 thousand as at 31/12/2020) and is carried forward to new account.

M. Capital adequacy requirements

Euram Bank uses the following methods to calculate its capital adequacy requirements:

- Credit risk: Standard approach
- Operational risk: Basic indicator approach
- Risk of adjustment to credit valuation (CVA risk): Standard method

In fiscal year 2021, the total amount of risk pursuant to Article 92 of the CRR – EU Regulation no. 575/2013 amounts to EUR 178,278 thousand (EUR 176,108 thousand as at 31/12/2020).

The risk-weighted item amounts for credit risk are EUR 139,006 thousand (EUR 139,652 thousand as at 31/12/2020) and consist of the following: thousand

| | | |
|--|-----|--------|
| Exposures to central governments or central banks | EUR | 0 |
| Exposures to regional or local administrative bodies | EUR | 0 |
| Exposures to multilateral development banks | EUR | 0 |
| Exposures to international organizations | EUR | 0 |
| Exposures to institutes | EUR | 4,440 |
| Exposures to corporates | EUR | 38,480 |
| Exposures from retail business | EUR | 712 |
| Defaulted exposures | EUR | 2,660 |
| Exposures secured by real property | EUR | 4,690 |

| | | |
|---|-----|--------|
| Exposures associated with very high risks | EUR | 76,516 |
| Exposures to institutes and corporates with short-term credit ratings | EUR | 3,419 |
| Exposures in the form of investment fund units (UCI) | EUR | 1,289 |
| Investment exposures | EUR | 160 |
| Other positions | EUR | 6,640 |

The total exposure of the risk items for Operational risks is EUR 39,272 thousand (EUR 36,456 thousand as at 31/12/2020).

N. Supplementary information

- 1.) Total amount of assets and liabilities in foreign currency: million

| | | |
|---------------------------------|-----|------|
| Assets in foreign currency | EUR | 92.4 |
| Liabilities in foreign currency | EUR | 92.4 |

The foreign currency assets and liabilities essentially concern USD.

- 2.) In fiscal year 2021, Euram Bank had a restraint on disposal for an asset amounting to EUR 0.1 million (EUR 0.1 million as at 31/12/2020).
- 3.) Amounts due from affiliated companies amount to EUR 0.3 million (EUR 0.0 million as at 31/12/2020).
- 4.) Amounts payable to affiliated companies amount to EUR 2.4 million (EUR 1.1 million as at 31/12/2020).

- 5.) In fiscal year 2021, Euram Bank had material customary transactions with other “related parties” in the amount of EUR 42.3 million (EUR 25.8 million as at 31/12/2020).

- 6.) Other provisions in the amount of EUR 3.4 million (EUR 3.1 million as at 31/12/2020) include: thousand

| | | |
|--|-----|---------|
| Legal, auditing and consultancy costs | EUR | 1,378.4 |
| Vacation entitlements not consumed yet | EUR | 292.2 |
| Bonuses | EUR | 1,723.7 |

Other provisions for “Legal, auditing and consultancy costs” essentially concern expenses for possible legal costs in the amount of EUR 1,131.1 thousand (EUR 980.9 thousand as at 31/12/2020), as well as expenses for absorption interest in the amount of EUR 0.0 thousand (EUR 0.0 thousand as at 31/12/2020).

- 7.) From a present-day perspective, obligations arising from the use of fixed assets not reported in the balance sheet amount to EUR 1,022.9 thousand for the next year (EUR 1,143.1 thousand as at 31/12/2020), to EUR 5.1 million for the following five years, and exclusively relate to rent for the use of the office premises.
- 8.) In fiscal year 2021, the company did not conclude any currency futures (none as at 31/12/2020). These are basically used to hedge foreign currency positions. The maturities of the foreign exchange futures are basically less than one year.

9.) In fiscal year 2021, Euram Bank had not issued any loan to officers and related persons.

10.) In fiscal year 2021, Euram Bank reports a return on assets (annual result after taxes / balance sheet total) of 0.58%.

3. Explanatory note on the income statement

In fiscal year 2021, the breakdown of income by geographical markets as per section 64 (1) (9) BWG is essentially the following:

Interest income: thousand

| | | |
|---------------|-----|---------|
| The Caribbean | EUR | -220.4 |
| Asia | EUR | 282.8 |
| Europe – EU | EUR | 8,705.3 |
| CEE | EUR | 225.1 |
| America | EUR | 0.9 |
| Africa | EUR | 7.9 |
| Australia | EUR | 0.3 |

Income from securities and investments: thousand

| | | |
|-------------|-----|------|
| Europe – EU | EUR | 54.7 |
|-------------|-----|------|

Commission earned: thousand

| | | |
|---------------|-----|----------|
| The Caribbean | EUR | 1,602.7 |
| Asia | EUR | 714.2 |
| Europe – EU | EUR | 11,729.6 |
| CEE | EUR | 154.3 |
| America | EUR | 9.1 |
| Africa | EUR | 28.4 |
| Australia | EUR | 5.7 |

Income/expenses from financial transactions: thousand

| | | |
|---------------|-----|--------|
| The Caribbean | EUR | 46.8 |
| Asia | EUR | 96.0 |
| Europe – EU | EUR | -599.1 |
| CEE | EUR | 4.6 |
| America | EUR | 6.1 |
| Africa | EUR | 0.8 |
| Australia | EUR | 0.1 |

Other operating income: thousand

| | | |
|-------------|-----|------|
| Europe – EU | EUR | 15.0 |
|-------------|-----|------|

The operating expenditure reported in fiscal year 2021 in the amount of EUR 6.6 million (EUR 6.6 million as at 31/12/2020) essentially consists of the following: thousand

| | | |
|---|-----|-------|
| IT and information expense | EUR | 2,770 |
| Office and operating expense | EUR | 175 |
| Rental expense | EUR | 1,023 |
| Advertising expense | EUR | 553 |
| Insurance | EUR | 300 |
| Legal and consultancy expenses | EUR | 781 |
| Supervisory Board | EUR | 220 |
| Recruitment and training | EUR | 113 |
| Travel expenses and motor vehicle operating costs | EUR | 115 |
| Other costs | EUR | 538 |

With reference to section 237 of the Business Code (UGB), the breakdown of other operating income and other operating expenditure in accordance with section 64 (1) (12) of the Banking Act (BWG) is as follows:

- Apart from costs charged on in the amount of EUR 15 thousand (EUR 76 thousand as at 31/12/2020), other operating income essentially includes a VAT credit of EUR 0 thousand (EUR 78 thousand as at 31/12/2020) and income from the release of provisions in the amount of EUR 0 thousand (EUR 22 thousand as at 31/12/2020), as well as the proceeds from the sale of an apartment in Neubaugasse, 1070 Vienna, in the amount of EUR 0 thousand (EUR 240 thousand as at 31/12/2020).
- The other operating expenses reported in fiscal year 2021, in the amount of EUR 56.1 thousand (EUR 391.9 thousand as at 31/12/2020) essentially relate to expenses for external consultants in the amount of EUR 35.6 thousand (EUR 35.1 thousand as at 31/12/2020) and expenses for taxes from previous years in the amount of EUR 20.5 thousand (EUR 11.1 thousand as at 31/12/2020), as well as expenses for absorption interest in the amount of EUR 0 thousand (EUR 345.7 thousand as at 31/12/2020).

In fiscal year 2021, specific provisions for individually significant receivables were effected in the amount of EUR 382.4 thousand (EUR 1,000.0 thousand as at 31/12/2020). These risk provisions concern the company Patentportfolio S.a.r.l., Luxembourg, in the amount of EUR 50.1 thousand, Patentportfolio 2 S.a.r.l., Luxembourg, in the amount of EUR 5.7 thousand as well as OTC Investment & Management L.L.C., United Arab Emirates, in the amount of EUR 326.6 thousand.

General bad debt provisions in the amount of EUR 1,880.0 thousand (EUR 2,200.0 thousand as at 31/12/2020) were formed for loans and advances to customers not in default in fiscal year 2021. Accordingly, compared to the previous year (release of EUR 460.0 thousand as at 31/12/2020), general bad debt provisions were released in the amount of EUR 320.0 thousand in fiscal year 2021.

In fiscal year 2021, value adjustments of receivables were posted in the amount of EUR 320.0 thousand (EUR 467.8 thousand as at 31/12/2020). These essentially concern income from the release of the general bad debt provision formed in previous years in the amount of EUR 320.0 thousand (EUR 460.0 thousand as at 31/12/2020), as well as income from receivables derecognized in the amount of EUR 0.0 thousand (EUR 7.8 thousand as at 31/12/2020).

Value adjustments of securities as well as of participating interests and shares in affiliated companies amount to EUR 95.6 thousand (EUR 1.4 thousand as at 31/12/2020), relating to the impairment of the Euroopportunity Bond fund held in fixed assets.

The expenditure for auditors attributable to the fiscal year are disclosed in the group accounts of Euram Holding AG.

The taxes on income and earnings reported in the income statement, taking account of tax sharing and deferred taxes, in the amount of EUR -1,503.2 thousand (EUR -2,484.1 thousand as at 31/12/2020) are made up of the expenditure from deferred taxes in the amount of EUR 79.0 thousand (expenditure from deferred taxes EUR 352.2 thousand as at

31/12/2020) and the expenditure from tax allocations (tax sharing) in the amount of EUR 1,424.2 thousand (EUR 2,131.9 thousand as at 31/12/2020) and affect the result of ordinary activities at a rate of 26.3% (-28.1% as at 31/12/2020).

Euram Bank allocated an amount of EUR 4,200.0 thousand to the revenue reserve in fiscal year 2021 (EUR 6,260.0 thousand as at 31/12/2020).

Euram Bank allocated an amount of EUR 0.0 thousand to the liability reserve in fiscal year 2021 (EUR 88.7 thousand as at 31/12/2020).

4. Other notes

- 1.) In fiscal year 2021, an average of 41 employees (40 as at 31/12/2020) were employed with the company.
- 2.) For senior executives, the severance pay provision in fiscal year 2021 amounts to EUR 107.2 thousand (EUR 90.2 thousand as at 31/12/2020) and for other employees EUR 201.2 thousand (EUR 197.8 thousand as at 31/12/2020). Moreover, contributions in the amount of EUR 172.2 thousand (EUR 162.0 thousand as at 31/12/2020) were paid to the employee pension fund. The changes to the staff cost provisions were included in personnel costs.

- 3.) The total remuneration of 3 (3 as at 31/12/2020) Managing Board members that was granted for their work in fiscal year 2021 amounts to EUR 1.7 million (EUR 1.8 million as at 31/12/2020); the remuneration granted to members of the Supervisory Board in fiscal year 2021 amounts to EUR 220.5 thousand (EUR 188.8 thousand as at 31/12/2020).
- 4.) No loans were granted to senior executives in fiscal year 2021.
- 5.) The following persons were members of the company's Managing Board in fiscal year 2021:

Manfred Huber (Chairman)
Johannes Langer
Josef Leckel
- 6.) The members of the elected Supervisory Board during fiscal year 2021 were:

Dr. Peter Maser (Chairman since 28/05/2019)
Dipl.-Ök. Thomas Weismann (Deputy Chairman since 28/05/2019)
Dkfm. Senta Penner
- 7.) Euram Bank is included in group accounts. The entity that prepares the group accounts is the following:

Euram Holding AG
Schottenring 18
1010 Vienna

5. Significant events after the reporting date

The worldwide sanctions imposed upon Russia and Belarus at the end of February 2022 currently have no effects on the balance sheet of Euram Bank. There is only a minor loan agreement with one Russian customer that is fully hedged with securities that will cause no problems with respect to the sanctions. The sanctions will be implemented in the core banking system and the relevant staff training will take place in accordance with the current sanction regime and hence will always be adapted to the current situation.

Negotiations are currently underway with the Austrian bank who launched proceedings against Euram Bank in 2018, calling on the latter to join several proceedings pending against the former (as defendant) as intervener, with a view to an amicable solution regarding the assumption of a proportionate share of the loss incurred by the Austrian bank. An agreement is expected to be reached in the 2nd quarter of fiscal year 2022.

6. Additional disclosures

In order to comply with the company's disclosure obligations under Articles 431 to 435 of the CRR – EU Regulation no. 575/2013, it is pointed out that the publication can be viewed on the website of Euram Bank AG (www.eurambank.com) under "Euram Bank / publications and disclosures".

Vienna, 8 April 2022

The Managing Board

| | | |
|---------------|-----------------|--------------|
| Manfred Huber | Johannes Langer | Josef Leckel |
|---------------|-----------------|--------------|

AUDIT OPINION

AUDIT OPINION

Report on the annual accounts

Audit opinion

We have audited the annual accounts of European American Investment Bank Aktiengesellschaft, Vienna, consisting of the balance sheet as at 31 December 2021, the income statement for the financial year ending on that reporting date, and the notes.

Based on our assessment, we consider that the annual accounts comply with the statutory rules and convey a true and fair view of the net worth and financial position as at 31 December 2021 and of the earnings situation of the company for the financial year ending on that reporting date, in accordance with the provisions of Austrian business and banking law.

Basis of the audit opinion

We have carried out our audit in accordance with EU Regulation no. 537/2014 (hereinafter EU-REG) and with the Austrian principles of proper year-end audits. Said principles require the application of the International Standards on Auditing (ISA). Our responsibilities under said provisions and standards are described in greater detail in the “Responsibilities of the auditor with a view to auditing the annual accounts” section of our audit certificate. According to Austrian business and banking law provisions and professional regulations, we are independent from the company, and we have met our other professional duties in accordance with

said requirements. We believe that, by the date of this audit certificate, we have obtained sufficient and suitable audit evidence to base our audit opinion on.

Particularly important audit facts

Particularly important audit facts include any facts that, according to our dutiful discretion, were most critical for our audit of the annual accounts of the fiscal year. Said facts were considered here in connection with our audit of the annual accounts as a whole and in forming our audit opinion, and we shall not provide any separate audit opinion on said facts.

Recoverability of loans and advances to customers

Risk regarding the annual accounts:

Loans and advances to customers are reported in the balance sheet – after deduction of risk provisions – with an amount of EUR 163,629,000. This amount includes general bad debt provisions in the amount of EUR 1,880,000. In terms of amount, loans and advances to customers constitute a material balance sheet item of approx. 22.7% of total assets. With only few exceptions, primarily loans secured by mortgages, deposits and securities are granted.

The Managing Board of the bank describes the procedure to determine risk provisions for loans and advances to customers in the Notes to the annual accounts in the chapter “General principles and information on accounting and valuation”, as well as in item 2B “Risks in the sphere of loans and advances to customers”.

Within the scope of credit monitoring, the bank assesses whether loan defaults exist and whether, accordingly, bad debt provisions must be formed. This also includes an assessment as to whether customers will be able to pay the full amount of the contractually agreed return flows.

The calculation of bad debt provisions for individually significant defaulted loans and advances to customers is based on the assessment of the economic situation and development of the individual customer, the valuation of collaterals and an estimate of the amount and time of expected return flows. In the event of loans and advances to customers not defaulted yet, general bad debt provisions are formed for the expected credit loss. The general bad debt provisions are determined on the basis of a simplified valuation model. Apart from customer exposure and collateral values, it is primarily the probability of default (PD) based on the customer rating that is relevant in this model. Based on the existing internal customer rating, probabilities of default – obtained externally – are allocated to the blank volumes.

The determination of the risk provisions is based on significant estimates involving discretionary decisions. For the annual accounts, this entails the risk of a potentially false statement regarding the amount of bad debt provisions required.

Our way of procedure during the audit

During examination of the recoverability of loans and advances to customers, we performed the following essential audit procedures:

- We analyzed the existing documentation of the processes for monitoring and forming bad debt provisions for loans and advances to customers and critically questioned whether these processes are suitable to identify any defaults and determine an appropriate amount of bad debt provisions for loans and advances to customers. We have also investigated the relevant key controls, assessed their design and implementation, and tested their effectiveness on a random sample basis.
- We examined the entire portfolio of loans and advances to customers, as to whether there are any indicators for defaults, and whether the amount of bad debt provisions formed is adequate.
- In the event of defaults of individually significant loans and advances to customers, the assumptions made by the bank when determining the recoverable return flows were examined in terms of coherence, consistency, time and amount.
- In case of non-defaulted loans and advances to customers, where general bad debt provisions were calculated on the basis of a simplified valuation model, we have analyzed the calculation method and checked on the basis of the bank's internal validation of the model and of the

parameters used therein whether said method is suitable to determine adequate general bad debt provisions. We have verified the correctness of the calculation by means of a simplified recalculation.

- Finally, we assessed whether the information regarding the procedure for the formation of bad debt provisions for loans and advances to customers was stated correctly in the accounting and valuation principles contained in the Notes.

Responsibilities of the legal representatives and of the Supervisory Board for the annual accounts

The legal representatives are responsible for preparing the annual accounts and must ensure that the latter convey a true and fair view of the assets, financial and earnings position of the company, in line with Austrian business and banking law provisions. Moreover, the legal representatives are responsible for the internal controls they deem necessary in order to allow for the preparation of annual accounts that are free from material false representations resulting from fraudulent acts or errors.

During preparation of the annual accounts, the legal representatives are responsible for assessing the company's ability to continue its business activities, for indicating circumstances associated with the continuation of the business activities – if relevant –, as well as for applying the going-concern accounting principle, unless the legal representatives intend to either liquidate the company or to discontinue its business activities, or do not have any realistic alternative to any such way of procedure.

The Supervisory Board is responsible for monitoring the accounting process of the company.

Responsibilities of the auditor with a view to auditing the annual accounts

Our objectives are to obtain sufficient certainty as to whether the annual accounts as a whole are free from significant false representations resulting from fraudulent acts or errors and to issue an audit certificate that contains our audit opinion. Sufficient certainty is a high degree of certainty, but no guarantee that an audit conducted according to the EU-REG and the Austrian principles of proper year-end audits that require application of the ISA will always reveal material false representations, if such exist. False representations may result from fraudulent acts or errors and are deemed material if some or all of them may reasonably be expected to impact on the economic decisions made by users on the basis of these annual accounts.

In the course of a year-end audit in accordance with the EU-REG and the Austrian principles of proper year-end audits that require application of the ISA, we exercise our dutiful discretion throughout the entire audit, maintaining a critical basic attitude.

Moreover, the following applies:

- We identify and analyze the risks of material false statements resulting from fraudulent acts or errors in the annual accounts, we plan audit procedures in response to said risks, we implement them and obtain audit evidence that is sufficient and suitable to serve as a basis for our

audit opinion. The risk that material false representations resulting from fraudulent acts are not revealed is higher than the one resulting from errors, as fraudulent acts may involve collusive interactions, falsifications, intentional omissions, misleading representations or the bypassing of internal controls.

- We obtain insights into the internal control system, to the extent it is important for the audit, in order to determine audit procedures appropriate in the circumstances, not however to provide an audit opinion in relation to the effectiveness of the company's internal control system.
- We assess the adequacy of the accounting methods applied by the legal representatives, as well as the tenability of the estimated values presented by the legal representatives in the accounting and the associated information.
- We draw conclusions regarding the appropriateness of the going-concern accounting principle being applied by the legal representatives as well as, based on the audit evidence obtained, whether any significant uncertainty exists in connection with events or circumstances that may raise strong doubts regarding the company's ability

to continue its business activities. If we conclude that any such significant uncertainty exists, we are obliged to point out the relevant information in the annual accounts in our audit certificate or, if such information is inappropriate, to modify our audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit certificate. Future events or circumstances may, however, cause the Company to discontinue its business activities.

- We assess the overall presentation, the structure and content of the annual accounts including the information provided, as well as whether the annual accounts reflect the underlying transactions and events in such a way that a true and fair view of the company's situation is achieved.
- We consult with the Supervisory Board among others about the planned scope and timing of the year-end audit, as well as about meaningful audit findings, including any significant deficiencies within the internal control system that we find during our audit.

- From among the facts about which we have communicated with the Supervisory Board, we shall determine those facts which were most important for the audit of the annual accounts of the fiscal year, and thus which are particularly important audit facts. We describe said facts in our audit certificate unless legislation or other legal regulations preclude public disclosure of said facts, or we determine, in extremely rare cases, that a fact should not be reported in our audit certificate because it may be reasonably expected that the negative consequences of any such disclosure would exceed the benefits to public interest.

Other statutory and other legitimate requirements

Report on the management report

Under Austrian business law provisions, the management report must be audited as to whether it is consistent with the annual accounts and whether it was prepared according to applicable legal requirements.

The legal representatives are responsible for preparing the management report in accordance with Austrian business law provisions.

We have carried out our audit in accordance with the professional principles regarding the audit of the management report.

Opinion

According to our opinion, the management report has been prepared in accordance with applicable legal requirements and is consistent with the annual accounts.

Statement

Considering the findings and insights obtained during the audit of the annual accounts with respect to the company and its environment, no significant inaccurate information was found in the management report.

Additional information under Article 10 EU-REG

We were elected as auditors by the General Meeting on 28 May 2020 and on 28 May 2020 were commissioned by the Supervisory Board with performing an audit of the company for the financial year ending on 31 December 2021.

On 8 June 2021, we were elected as auditors for the fiscal year ending on 31 December 2022 and commissioned to perform the year-end audit by the Supervisory Board on 8 June 2021.

We have been the auditors of the company without interruption since the annual accounts as at 30 June 2014.

We declare that the audit opinion included in the section “Report on the annual accounts” corresponds with the additional report to the audit committee under Article 11 of the EU-REG.

We declare that we have not provided any prohibited non-audit services (Article 5 para. 1 of the EU-REG) and that in performing the audit we have maintained our independence from the audited entity.

Auditor responsible for the assignment

The auditor responsible for the audit assignment is Mag. Georg Blazek.

Vienna, 8 April 2022

KPMG Austria GmbH
Wirtschaftsprüfungs- und
Steuerberatungsgesellschaft

Mag. Georg Blazek
Certified Public Accountant

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